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**Report on Drilling of Four Holes**

**Claims 779310, 1212226, 1231083 and 4203248**

**Gillies Limit North Township, Ontario**

**Assessment Report for Cabo Drilling Corp.**

**J. Barry, P. Geo.  
September, 2006**



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## **INTRODUCTION**

Four drill holes totaling 698 metres were completed on claims 779310, 1212226, 1231083 and 420348 as part of a larger drill program being carried out in the area. The holes were drilled to test for Cobalt Type Ag-Co-Base Metal mineralization hosted by calcite-quartz veins. The drilling was contracted out to Heath & Sherwood Drilling Inc., a division of Cabo Drilling Corp. of Kirkland Lake, Ontario. Logging and drill supervision was completed by personnel of Sears Barry and Associates Ltd. of Sudbury, Ontario. The drilling was completed between July 19 and July 29, 2006 with logging completed by September 16, 2006.

## **PROPERTY DESCRIPTION AND ACCESS**

Hole COB-27 was located near the Waldman # 1 Shaft and COB-28 was collared near the Wallingford Shaft. COB-29 and COB-30 were collared approximately 4 km to the south in the vicinity of a galena showing. The claims are located in Gillies Limit North Township, Larder Lake Mining Division (Fig. 2, 3 &4).

Access to the claims is via the Coleman Road that departs eastwards from Highway 11B at the southwestern end of the town of Cobalt for 1.5 km and then for 1.4 km south along the Hound Chute Road (a Hydro Dam access road). The latter two holes are an additional 4 km south along the Hound Chute Road.

## **GEOGRAPHY**

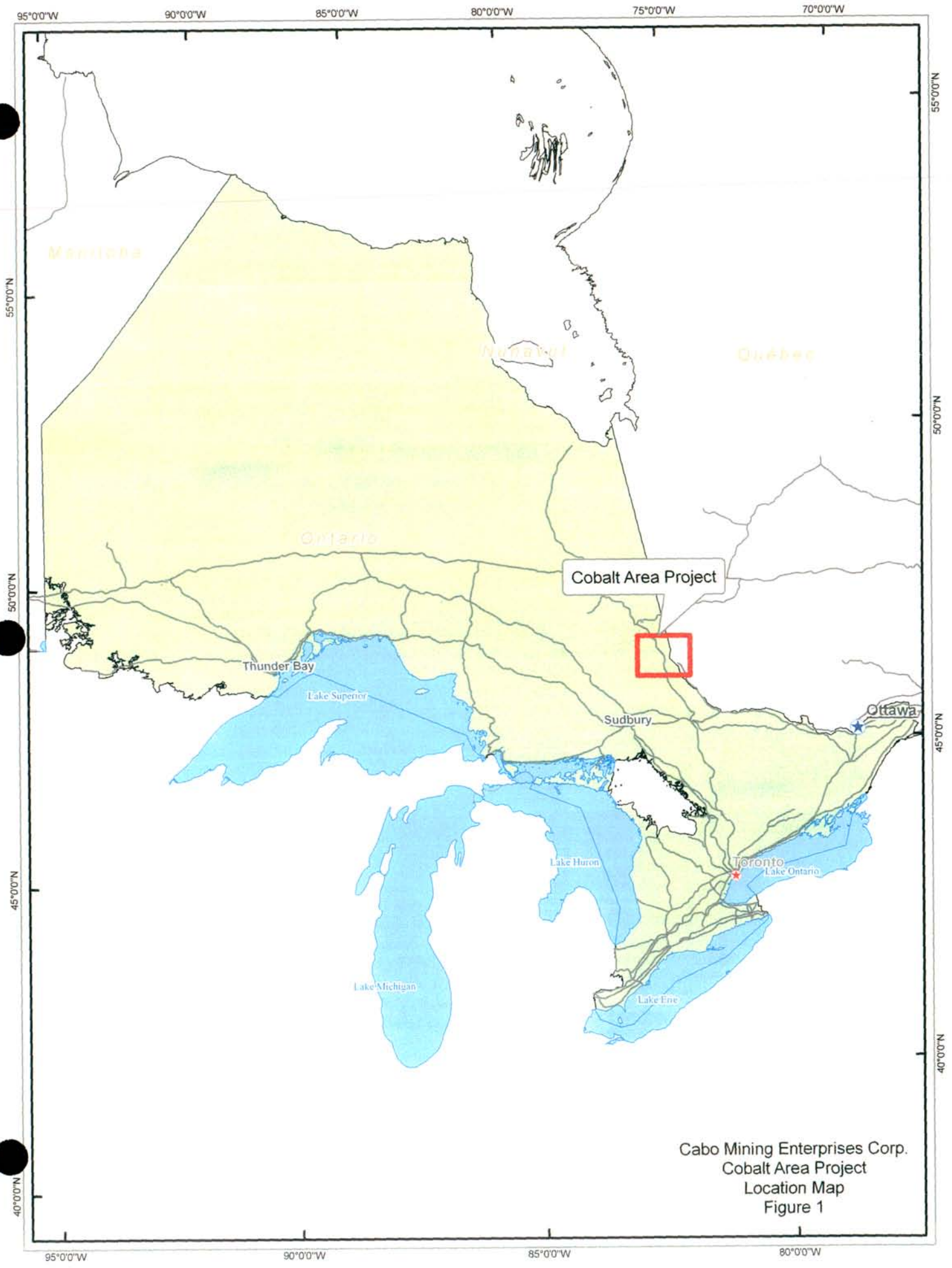
Maximum relief in the area is approximately 20 metres. Topography is generally rolling with local steep ledges and cliffs and occasional swamp. The area drains westward into small creeks that flow southwestward and westward into the Montreal River.

Overburden is relatively shallow in the area with minor local swamps. Vegetation consists mainly of mature mixed forest with abundant dense underbrush.

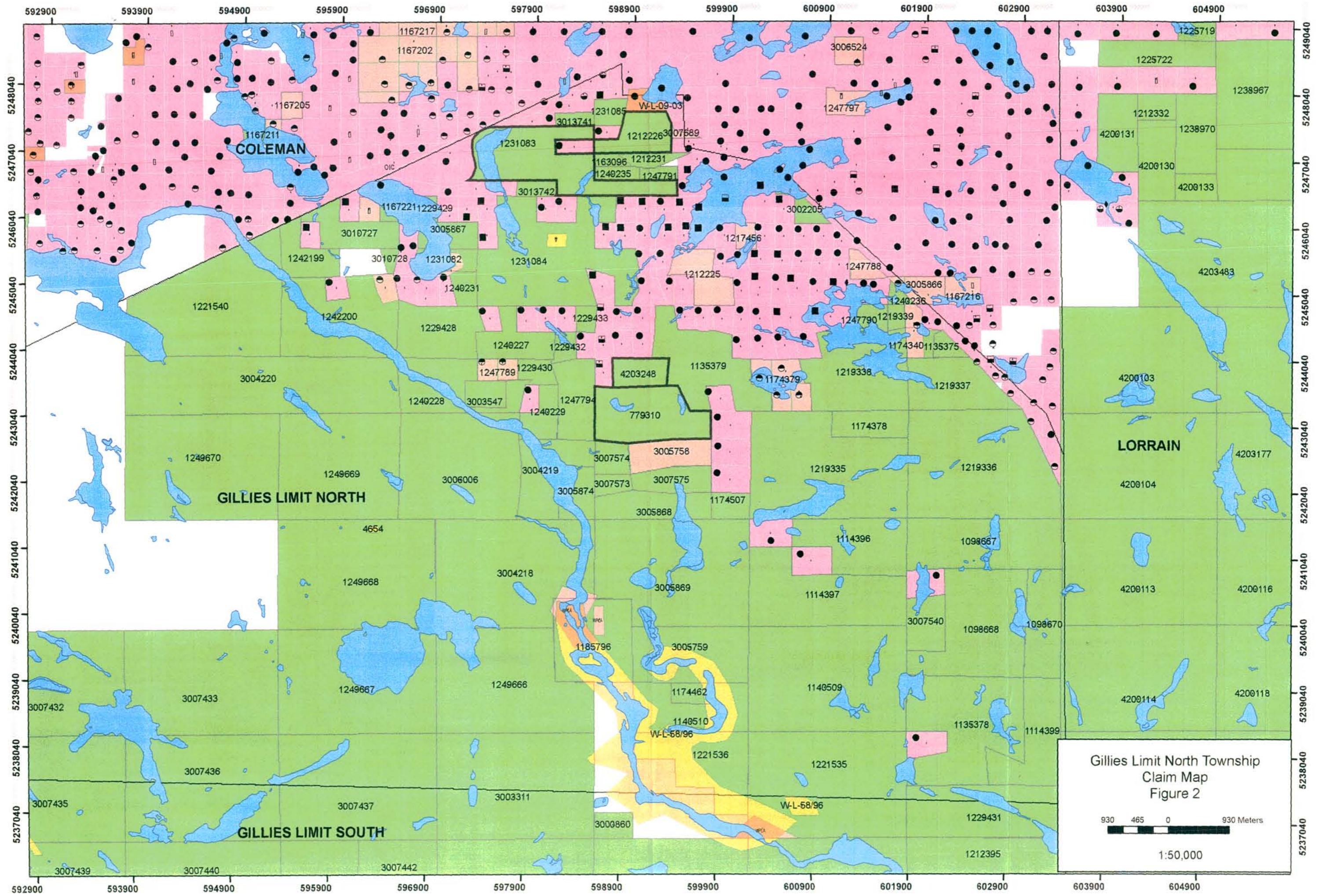
## **EXPLORATION HISTORY**

The northern part of the grid area was first explored in 1909 by Waldman Silver Mines Ltd. who sunk an 85 foot shaft and commenced production in 1910. Additional production was attained in 1918, 1919 and 1930. This deposit is reported to have produced 33,525 oz of silver and 2066 pounds of Cobalt (Sergiades, 1968). Two other shafts (110' and 105') and a total of 4000 feet of underground drifting and crosscutting was completed on this prospect, including work in 1948 and 1955. In 1944 and 1949, Waldag Mining Co. Ltd. is reported to have completed 33 drill holes, totaling in excess of 10,000 feet, although not all logs are available. No assay results were reported. In 1978, Teck Corp. completed a ground Mag and VFL-EM survey over part of the claims.

In the southern part of the Waldman area, one shaft was completed on an old prospect. This is referred to as the "Wallingford Shaft". This shaft was completed between 1909 –



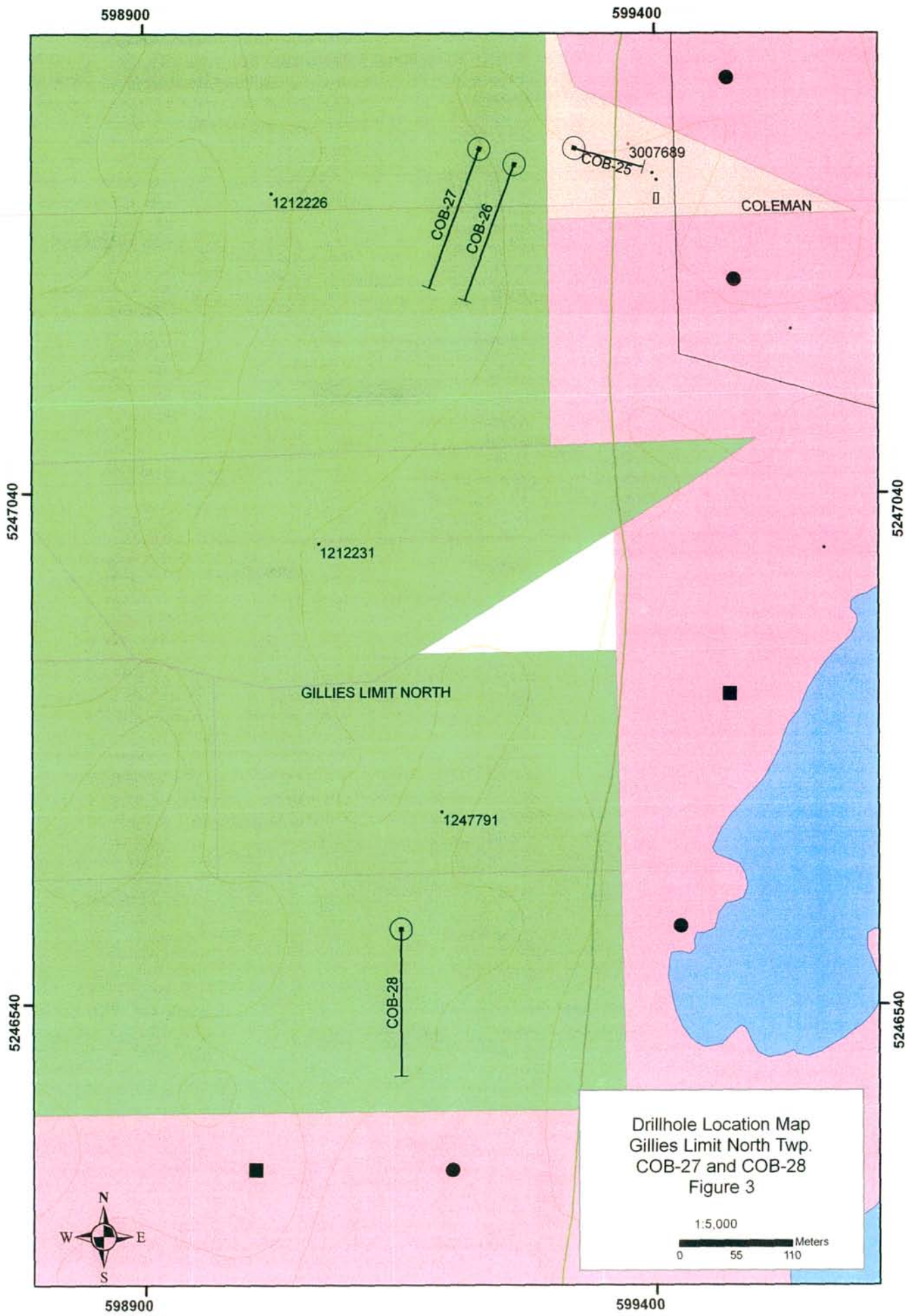
Cabo Mining Enterprises Corp.  
Cobalt Area Project  
Location Map  
Figure 1



Gillies Limit North Township  
 Claim Map  
 Figure 2

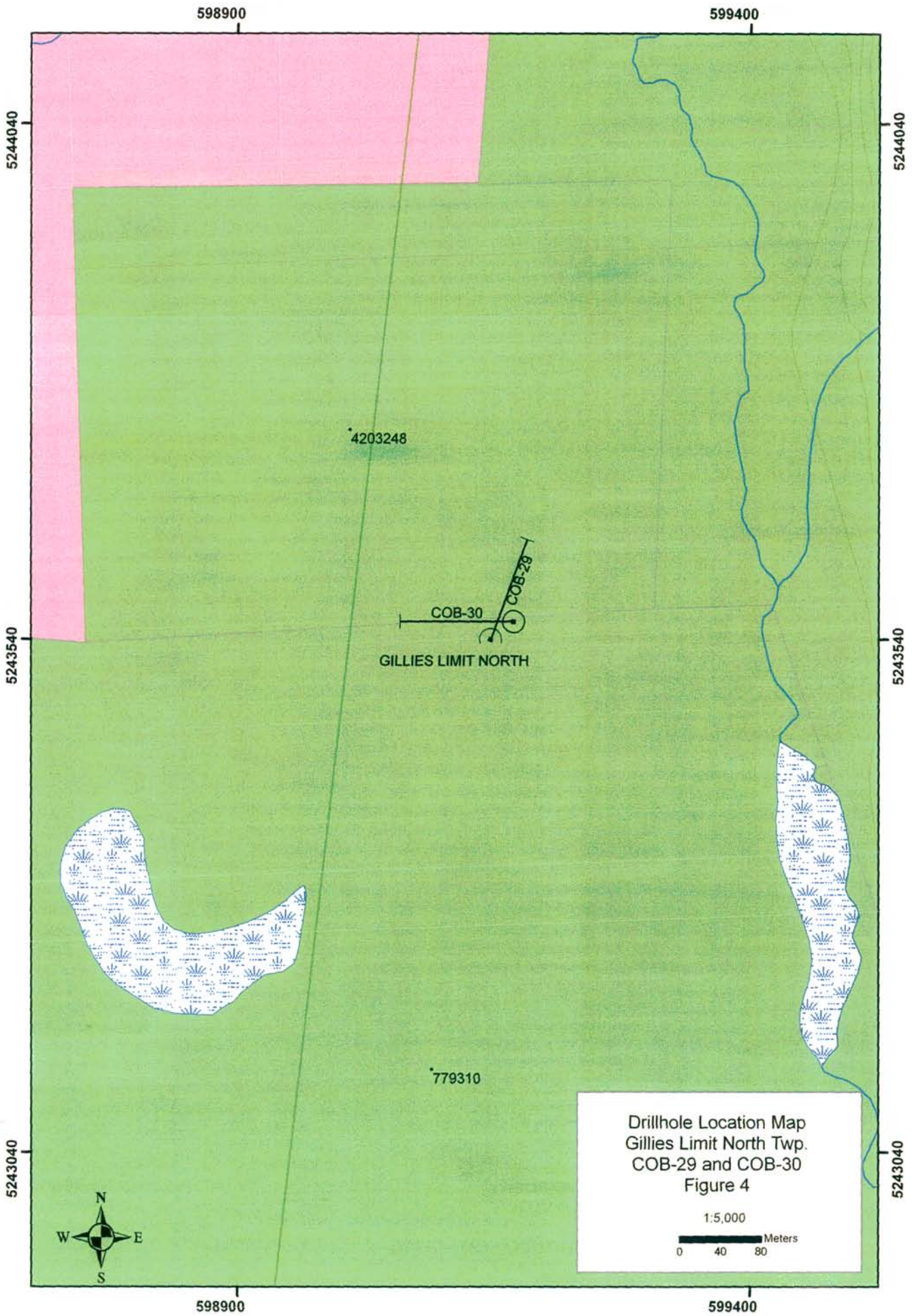
930 465 0 930 Meters

1:50,000



Drillhole Location Map  
Gillies Limit North Twp.  
COB-27 and COB-28  
Figure 3

1:5,000  
0 55 110 Meters



1913 and has a vertical depth of 70 ft with a crosscut at 70 ft. In 1963, Canadian Asteria Minerals Ltd. completed 11 drill holes totaling 2214 feet in the southern part of the grid area.

Cabo Mining Corp. (the predecessor of Cabo Mining Enterprises Corp. which is the predecessor of Cabo Drilling Corp.) completed two drill holes totaling 237.2 metres, beneath the Waldman shaft in 1999 (Sears, 2000). During 2004, a grid was established over the Waldman area and geological mapping (Douville and Sears, 2004) a ground magnetometer survey (Clearview Geophysics Inc., 2004), prospecting and a small stripping program were completed (Sears, 2004). Cabo Mining Enterprises Corp. carried out two drill programs in 2004 and 2005. In late 2004, three drill holes were completed to test a new vein system located 100 metres south of the Waldman #1 Shaft (Sears, January, 2005). In May 2005, four drill holes totaling 629 metres were drilled to test for silver-cobalt-base metal mineralization in the Waldman and Wallingford areas (Sears, May and July, 2005). In June and July of 2006, Cabo Drilling Corp. carried out trenching and sampling in the Waldman area, (Sears, 2006). The sampling results are not available at the time of this report. In July 2006 Cabo drilled 2 holes on the Waldman Property.

## **REGIONAL AND PROPERTY GEOLOGY**

The area is located in the southern part of the main Cobalt mining camp. In the immediate area of the drill holes is located the unconformable contact between an inlier of Archean mafic volcanic rocks and the overlying Huronian aged conglomerates of the Coleman Group, Gowganda Formation. Previous geological mapping (Thompson, 1963) indicates that a Nipissing diabase sill is exposed approximately 200 metres to the east of the holes. This sill may have once overlain the local area, a geological setting that is similar to that in the immediate Cobalt Lake area two kilometers to the north.

## **WORK PROGRAM AND RESULTS**

The drilling was carried out by Heath & Sherwood Drilling Inc. (a Division of Cabo Drilling Corp.) of Kirkland Lake, Ontario using a unitized BBS-25A diamond drill. The drill was moved between setups by the use of a D-6 Caterpillar Tractor.

The locations of the drill holes are shown in Figure 3 and 4 and drill logs and X-sections are included in Appendix I and II respectively. Hole COB-27 was drilled to test for mineralization in the area of the Waldman and at the unconformity between the Archean Mafic Volcanics and the overlying Huronian Coleman conglomerates. Hole COB-28 was drilled to test for an east-west structure south of the Wallingford shaft. Hole COB-29 was drilled to test the extent of a galena showing at surface. Hole COB-30 was drilled to test for a north-south structure in the area of the galena showing.



Table 1. Drill Hole Data

Hole #	Easting	Northing	Bearing	Inclination	Depth	Claim #
COB-27	599229	5247374	200°	-45°	182 m	1212226
COB-28	599151	5246614	180°	-45°	197 m	1231083
COB-29	599147	5243549	20°	-45°	155 m	779310 4203248
COB-30	599170	5243567	270°	-45°	164 m	779310
<b>Total</b>					<b>698 m</b>	

### CONCLUSIONS AND RECOMMENDATIONS

Hole COB-27 was drilled in the Waldman Shaft area, COB-28 in the Wallingford Shaft area and holes COB-29 and COB-30 were drilled in the vicinity of a galena showing for a total of 698 metres. All holes intersected narrow sulphide bearing calcite and quartz veins. The sulphides dominantly consisted of pyrite with minor pyrrhotite, chalcopyrite, sphalerite and galena. No sampling or assaying was done at this time. These holes were drilled as part of a larger program, for a total of 999 metres. A comprehensive report on this work, along with recommendations for further exploration, will be prepared once all of the data has been received.

Respectfully submitted,

Joan M. Barry, P. Geo.  
September 20, 2006

## REFERENCES

Barry, J. M.

2006: Report on Drilling of Two Holes on the Waldman Property (Claims 1212226 and 3007689), Gillies Limit North Township, Ontario. Assessment Report for Cabo Drilling Corp.

Clearview Geophysics Inc.

2004: Report on Magnetics Surveys at the Waldman prospect, Cobalt Area, NE Ontario; Assessment Report for Cabo Mining Enterprises Corp.

Douville, D., and Sears, S. M.

2004: Report on Geological Mapping in Gillies Limit North Area (Waldman Grid Area), for Cabo Mining Enterprises Corp.

Ontario Geological Survey

2000: Airborne magnetic and electromagnetic surveys, Temagami area; Ontario Geological Survey, Map 82 066, scale 1:20 000.

Sears, S.M.

2006: Report on Stripping on the Additional Stripping in the Waldman North Area (Claims 1212226 & 3007689), Gillies Limit North Township, Ontario. Assessment Report ofr Cabo Mining Enterprises Corp.

2005a: Report on Drilling of Two Holes on the Waldman Property (Claims 1231083, 1247791, 1212231, & 1212226), Gillies Limit North Township, Ontario; Assessment Report for Cabo Mining Enterprises Corp. (July, 2005).

2005b: Report on Drilling of Two Holes on the Waldman Property (Claims 1247791 & 1212231), Gillies Limit North Township, Ontario; Assessment Report for Cabo Mining Enterprises Corp. (May, 2005).

2005c: Report on Drilling of Three Holes on the Waldman Property (Claim 1212226), Gillies Limit North Township, Ontario; Assessment Report for Cabo Mining Enterprises Corp. (January, 2005).

2004: Report on a Stripping Program in Gillies Limit North Area (Waldman, Cummings Pit & Oxford Areas); Assessment Report for Cabo Mining Enterprises Corp. (July, 2004).

2000: Report on a 1999 Drill Program in the Cobalt Area, Ontario, for Cabo Mining Corp. (April, 2000; includes 2 holes under the Waldman Prospect).

Sergiades, A.O.

1968: Silver Cobalt Calcite Vein Deposits of Ontario; Ontario Department of Mines, Mineral Resources Circular No.10.

Thompson, R.

1961: Preliminary Report on parts of Coleman Township, Concession IV, Lots 1 to 5  
And Gillies Limit, the Eastern "A" Claims, District of Timiskaming; Ontario  
Department of Mines, P.R. 1961-6.

1963: Cobalt Silver Area, Southwestern Sheet; Ontario Department of Mines Map 2051,  
Scale 1:12,000.

Assessment Files of the Ontario Geological Survey, Larder Lake Office.

APPENDIX 1

**Drill Hole Logs**

## Cabo Drilling Corp.

Property: Cobalt Area Project  
 Drill Co.: Heath & Sherwood  
 Easting: 599229  
 Northing: 5247374  
 Claim #: 1212226

Bearing @ collar: 200°  
 Inclination @ collar -45°  
 Survey Type: Reflex EZ-Shot  
 Core Size: NQ  
 Total Depth: 182 metres

Hole #: COB-27  
 Core Stored: R. Nobes, Cobalt  
 Start Date: July 19, 2006  
 Finish Date: July 20, 2006

<i>From</i>	<i>To</i>	<i>Lithological Description</i>
0	3.20	<b>Overburden, Casing</b> (left in hole)
3.2	13.89	<p><b>Coleman Conglomerate (Huronian)</b></p> <p>Medium grey-green matrix supported polymictic conglomerate. Clasts 0.5 - 12 cm angular to rounded. Larger clasts are generally rounded and composed of granite, quartz syenite and chert. Matrix varies from well sorted silt sized to poorly sorted quartz rich sand grains. Some of the more silt rich layers have well developed overgrowths of chlorite spots from 1 - 2 mm. Some of the clasts have tensional chlorite filled fractures. There are very minor disseminated blebs of py and several occurrences of cpy. Chlorite spotting occurs throughout in the matrix and fine grained layers. Contact with lower unit gradational (possible regolith at top of volcanics).</p> <p>4.22 - 4.52 Fine conglomerate with a coarse quartzite matrix (interstitial chlorite) in places clast supported. Much of the quartzite has annealed.</p>
13.98	182.00	<p><b>Massive and Brecciated Mafic Volcanic (Archean)</b></p> <p>Dark to medium grey- green, fine grained, massive mafic (to intermediate) volcanic interlayered with altered brecciated mafic (to intermediate) volcanic. The contacts between the two are generally broken or gradational. The massive units are interpreted to be flow or in some cases possibly mafic dykes. The altered brecciated rocks are interpreted to be pseudo breccia resulting from hydrothermal alteration of more porous volcanics, either rubble or pillows. Good pillow selvages have not been identified in this section. The section is network veined by epidote and chlorite +/- calcite, the intensity of which varies from very low to very high.</p> <p>13.98 - 16.45 Fairly massive mafic volcanic with 10 cm patches of well developed chlorite spots with 0.01 mm white feldspar crystals throughout, generally concentrating along the margins of chlorite.</p> <p>14.0 - 14.3 Core broken.</p>

**From**      **To**

***Lithological Description***

16.45 - 21.75 Moderately silicified light - medium grey-green, large patches up to 1 x 4 cm of chlorite with abundant white plagioclase . The 0.3 mm sized plagioclase are abundant in the matrix as well. Hairline stringers of py (cpy) and disseminations are common throughout. This is interlayered with less silicified rock. At 16.45 minor cpy as 1 mm blebs and hairline veins.

18.0 - 18.5 Intense fracturing.

21.0 - 21.06 1 cm wide quartz vein, greasy looking, coarse crystalline, white and orange with minor limonite staining @ 45° to C/A.

23.1 - 23.15 0.5 cm wide white quartz vein @ 45° to C/A.

25.0 - 26.09 More intense mineralization of py, po and minor cpy as blebs up to 0.5 cm and disseminations.

27.4 - 26.66 Very magnetic large patch of pyrrhotite 1.5 x 2 cm.

28.7 - 50.0 Massive core, medium grey-green, minor py and po as blebs, disseminations and 0.5 mm veinlets.

29.0 - 39.5 Non-magnetic to moderate, patches of strongly magnetic po.

30.63 - 30.78 Fractured broken core.

34.7 - 34.82 Calcite veining with py and po as blebs and clots > 2 mm also as veinlets and disseminations.

50.0 - 52.8 Core broken and fractured.

51.7 - 52.0 Very silicified, fine grained, cut by 0.5 cm quartz veins @ 30° and 210° to C/A.

52.8 - 74.0 Massive core, moderately marbled appearance to massive with chlorite veining, medium grey-green.

57.2 - 88.7 0.5 - 1 cm sharp contact veins cut core over 30 cm to 1.5 m intervals @ 45 - 55° and 135 - 145° to C/A - generally barren. 65.77 Sphalerite in calcite vein.

**From**      **To**

***Lithological Description***

74.0 - 74.37 Pervasive calcite veining, some open vugs, contact with upper unit is sharp but broken, contact with lower unit is gradational.

74.37 - 78.77 Massive medium grey-green, fine - medium crystalline, minor calcite veining and patches up to 1 cm.

78.77 - 83.6 Massive core, medium - light green epidote and chlorite veining giving a marbled appearance. Irregular interlayered patches of more intense silicification.

83.6 - 83.98 Very light green - yellow, silicified aphanitic - very fine crystalline mafic volcanic.

83.98 - 182.0 Massive core, medium - light green epidote and chlorite veining giving a marbled appearance. Irregular interlayered patches of more intense silicification. Strong fabric developed in places defined by epidote veining @ 50° to C/A.

98.7 2 cm vein calcite and chlorite plus minor pyrite @ 45° to C/A.

106.68 2 cm vein of calcite and chlorite plus minor py @ 45° to C/A.

107.9 Irregular calcite patch with minor py.

108.3 Irregular calcite patch with 3% cpy and py.

109.57 - 109.92 Badly broken most of the core is in small pieces.

113.2 - 114.30 More intense epidote veining, minor py and cpy blebs generally fabric 45° to C/A, Secondary veining running parallel to C/A.

118.53 Sharp pure calcite vein, 1 cm wide.

128.4 Minor cpy.

123.8 - 126.0 Massive, no epidote veining, upper contact sharp @ fracture, lower contact gradational.

138.65 - 138.86 Intensely silicified and epidotized insitu breccia, fragments are light green, veined by dark green chlorite. Fragments are subrounded - angular.

**From**      **To**

***Lithological Description***

138.86 - 140.14 Less intense epidote and silica alteration than above

141.13 - 141.5 Less intense epidote and silica alteration than above.

145.7 - 148.03 Massive with medium crystalline zones. No epidote alteration.

156.42 - 156.61 Less intense epidote and silica alteration.

158.77 - 158.81 Calcite, chlorite and epidote veining @ 45° to C/A. Some fractured and ground core.

159.50 - 159.54 Veining same as above, no epidote.

168.28 - 168.72 Light grey slightly silicified, very fine grained, upper and lower contacts gradational. At upper contact there is a bleb of cpy 1 x 0.5 cm.

180.2 - 180.25 Less intense epidote and silica alteration.

180.4 Cpy and sph 2 x 0.5 cm bleb.

182.0 EOH



## Cabo Drilling Corp.

Property: Cobalt Area Project  
 Drill Co.: Heath & Sherwood  
 Easting: 599151  
 Northing: 5246614  
 Claim #: 1231083

Bearing @ collar: 180°  
 Inclination @ collar -45°  
 Survey Type: Reflex EZ-Shot  
 Core Size: NQ  
 Total Depth: 197 metres

Hole #: COB-28  
 Core Stored: R. Nobes, Cobalt  
 Start Date: July 21, 2006  
 Finish Date: July 24, 2006

<i>From</i>	<i>To</i>	<i>Lithological Description</i>
0	3.50	<b>Overburden, Casing (left in hole)</b>
3.5	25.8	<p><b>Massive and Brecciated Mafic Volcanic (Archean)</b></p> <p>Dark to medium grey- green, fine grained, massive mafic (to intermediate) volcanic interlayered with altered brecciated mafic (to intermediate) volcanic. The contacts between the two are generally broken or gradational. The massive units are interpreted to be flow or in some cases possibly mafic dykes. The altered brecciated rocks are interpreted to be pseudo breccia resulting from hydrothermal alteration of more pourous volcanics, either rubble or pillows. Good pillow selvages have not been identified in this section. The section is network veined by epidote and chlorite +/- calicte, the intensity of which varies from very low to very high.</p> <p>3.86 - 4.10 Core badly broken - many of the pieces are subrounded (fault gouge?).</p> <p>4.22 3 x 1 cm patch of greasy quartz, minor cpy.</p> <p>6.8 Py stringer @ 135° C/A.</p> <p>7.9 - 8.25 Badly fractured, some core missing.</p> <p>9.8 - 10.27 Fractured core.</p> <p>11.49 - 13.6 Occasional patches, veins, veinlets of py, minor cpy.</p> <p>13.7 - 14.1 Fractured core</p>

**From**      **To**

***Lithological Description***

25.8 - 37.5 Medium green, marbled appearance, slightly silicified, veined by epidote and lesser chlorite. Massive core. Intense chlorite veining forming a small scale network giving a marbled appearance. Occasional areas 1 - 15 cm of intense calcite flooding. Calcite is subsequently cut by chlorite stringers. Minor py and cpy (stringers, disseminated and patches 1 x 1 cm). The areas with calcite veining are generally more mineralized.

37.5 Massive fine grained, dark grey-green fine hairlike veins create a pseudo breccia appearance.

41.7 1 x 2 cm patch of sphalerite and quartz (minor calcite).

42.42 Pink calcite patch 1 x 3 cm pink calcite plus py with minor cpy.

42.95 - 43.17 Calcite flooding + epidote and hematite.

46.65 - 47.85 Medium crystalline mafic volcanic. Upper and lower contacts are gradational. Possibly center of flow.

48.6 0.5 cm wide py and epidote vein (very minor calcite) @90° to C/A.

49.24 2 cm wide area of fine py as disseminations and veinlets.

49.63 - 49.64 Two blebs of py with minor cpy 0.5 x 0.5 cm in size.

51.04 - 51.20 Quartz - epidote with py veinlets @ 45° to C/A.

56.63 - 56.69 Calcite patch.

57.6 - 57.65 Patches and disseminated py, approximately 5%.

57.70 - 57.75 Irregular vein of quartz - epidote with py @ 35° to C/A.

59.7 - 60.0 Badly broken core in sharp pieces (fault or fracture).

61.62 Py patch (1 x 3 cm).

75.27 Band of disseminated py (1 cm) @ 115° to C/A.

**From**      **To**

***Lithological Description***

79.23 - 79.64 Calcite epidote veining @ 60° to C/A. Veining interval 3 - 10 cm. Veins 0.1 - 1 cm wide, sharp contacts, rock broken along veins.

80.13 Epidote, chlorite vein 2 cm @ 135° to C/A.

80.54 Epidote, chlorite vein 0.5 cm @ 135° to C/A

80.20 - 80.62 Massive pyrite clots 2 x 6 cm. Areas of py clusters and disseminations 1 - 1.5 mm crystals of py.

80.84 - 85.6 Core badly broken with 10 - 15 cm zones of solid core.

87.30 - 88.12 Finely disseminated py.

87.63 - 88.36 Core broken.

89.0 - 89.2 Fine grained mafic rock - fractured.

89.2 - 89.3 Possible chilled margin.

89.3              135.5

**Gabbro**

Medium to dark green, fine - medium grained massive gabbro.

105.5 - 106.6 Dyke of diabase or basalt (106.6 sharp contact @ 45° to C/A.

106.74 - 111.6 Dyke of diabase or basalt

107.2 - 108.24 Badly fractured

115.42 - 116 Very bad fault gouge, minor calcite breccia in places grains are sand size and rounded, some ground to clay.

116.2 - 116.4 Fractured, sharp pieces.

116.7 - 116.9 Fractured, rounded pieces 0.5 - 2 cm.

**From**      **To**

**Lithological Description**

118.66 - 119.5 Broken core.

123.5 - 128.66 Diabase dyke (very fine grained) or basalt. Lower contact @ 20° to C/A, white calcite vein along contact.

128.66 - 135.5 Gabbro. Lower contact obscured by calcite veining.

135.5      197

**Massive and Brecciated Mafic Volcanic (Archean)**

Dark to medium grey- green, fine grained, massive mafic (to intermediate) volcanic interlayered with altered brecciated mafic (to intermediate) volcanic. The contacts between the two are generally broken or gradational. The massive units are interpreted to be flow or in some cases possibly mafic dykes. The altered brecciated rocks are interpreted to be pseudo breccia resulting from hydrothermal alteration of more pourous volcanics, either rubble or pillows. Good pillow selvages have not been identified in this section. The section is network veined by epidote and chlorite +/- calicte, the intensity of which varies from very low to very high.

135.5 - 138.5 Fine grained green mafic volcanic, moderate chlorite veining, minor py as disseminations and veinlets.

138.5 - 138.9 Fault (core badly fractured).

139.25 - 140.7 Py as disseminations, veinlets and blebs up to 1 cm.

143 - 174.9 Medium - light grey, massive core, silicified, epidote veining, irregular patches and irregular veins of white to pink calcite. Possible massive flow. Fine grained igneous testure in less chlorite veined area. Minor calcite veins. Fine to medium igenous texture.

174.9 Quartz vein @ 90° to C/A.

174.9 - 197.0 Epidote veining gives core marbled appearance.

177.4 2 cm calcite vein with py.

178.93 - 179.3 Irregular contact vein of calcite, quartz, epidote and chlorite, with very minor py (cpy).

**From**      **To**

***Lithological Description***

185.6 - 186.5 Strong fabric defined by chlorite veining @ 135° to C/A.

197.0 EOH

## Cabo Drilling Corp.

Property: Cobalt Area Project  
 Drill Co.: Heath & Sherwood  
 Easting: 599147  
 Northing: 5243549  
 Claim #: 779310 & 4203248

Bearing @ collar: 20°  
 Inclination @ collar -45°  
 Survey Type: Reflex EZ-Shot  
 Core Size: NQ  
 Total Depth: 155 metres

Hole #: COB-29  
 Core Stored: R. Nobes, Cobalt  
 Start Date: July 26, 2006  
 Finish Date: July 27, 2006

<i>From</i>	<i>To</i>	<i>Lithological Description</i>
0	7.20	<b>Overburden, Casing</b> (left in hole)
7.2	155	<p><b>Siltstone with interlayered Fine-grained Sandstone (Huronian)</b>                      Grey-green to grey-green to grey-buff in colour with interbeds of purplish siltstone. They are generally laminated on the scale of 1 mm to several cm. Contoured soft-sediment deformation is evident as small scale ball and pillow structures, flame structures and contoured laminations.</p> <p>7.2 - 7.5 Medium to dark grey laminated siltstone with interlayered fine sand.</p> <p>7.5 - 39.4 Contoured, laminated siltstone with laminations of quartzite and quartz rich fine grained sandstone. Medium - dark grey in colour, the laminations of sand are grey-buff. Minor purplish layers. This unit is contoured by soft sediment deformation. Laminations are composed of 60% fine dark grey siltstone and 40% medium grey-buff fine quartz and feldspar sand layers and light green-grey silt layers. Laminations vary from 1 mm to several cm. Occasional quartz veins (white - pink) @ 165° to C/A. Interlayers of purplish-grey fine sandstone are massive and do not exhibit any soft sediment deformation features. These interlayers are 10 cm to 1 m and increase in frequency and thickness near bottom of unit. Contact with lower unit is gradational.</p> <p>30.58 - 30.66 Fracture @ 70° to C/A, dendritic Mn on fracture.</p> <p>38.0 - 39.4 Purplish-grey fine sandstone, minor epidote veining @ 45° to C/A</p> <p>39.6 Bedding @ 30° to C/A, load cast structures.</p> <p>39.4 - 134 Interbedded purplish-grey siltstone and occasional very fine, grey-buff sandstone.</p>

**From**      **To**

***Lithological Description***

48.2 - 49.85 Massive purplish fine sandstone, upper and lower contacts are gradational.

49.98 - 54.4 Grey-buff laminated siltstone (30° to C/A) with dark thin layers on scale of 0.1 mm - 2 cm. Upper and lower contacts are gradational.

54.4 - 55.8 Massive purplish fine sandstone, upper and lower contacts are gradational.

55.8 - 57.5 Grey-buff laminated siltstone (30° to C/A) with dark thin layers on scale of 0.1 mm - 2 cm. Upper and lower contacts are gradational.

57.5 - 58.03 Massive purplish fine sandstone, upper and lower contacts are gradational.

58.03 - 93.8 Grey-buff laminated siltstone (30° - 45° to C/A) with dark thin layers on scale of 0.1 mm - 2 cm. Upper and lower contacts are gradational. Very minor interlayered purplish fine-medium sandstone 5 - 20 cm.

83.82 Ball and pillow structure

86.38 Ball and pillow structure

93.8 - 95.1 Massive purplish fine sandstone, upper and lower contacts are gradational. Core broken in 5 - 25 cm sections.

95.1 - 134 Grey-buff laminated siltstone with dark thin layers on a scale of 0.1 - 2 cm. Upper contact gradational. Laminations @ 30°- 45° to C/A. Occasional slump structures.

96.0 - 99.07 Core badly broken in sharp shards, core sometimes splintered along the length of core. Chlorite and pink and white calcite along fractures.

104.12 Two 1 cm layers of coarse clastic grains of quartz and feldspar. The grains are generally angular.

104.12 - 105.6 Purplish fine sandstone with dark laminations @ 45° to C/A.

119.5 - 119.6 Fractured

122.0 Laminations @ 45° to C/A.

**From**      **To**

***Lithological Description***

129.1 - 129.63 Fractured

132.0 - 132.16 Fractured

133.86 - 133.96 Fractured

134.0 - 155.0 Fine green-grey siltstone. Rhythmically laminated on a scale of 0.5 mm. Occasional interlayered 15 - 30 cm (several 2 - 2.3 cm) dark green fine sandstone. Contacts with the sand layers are generally sharp. Darker laminations contain mafic layers and in some cases fine sand and mafic minerals. Laminations range from 20° - 45° to C/A. Bedding is occasionally disrupted with load cast structures where the heavier overlying sands sink into the silt.

137.3 - 137.6 Badly fractured, core in shards. Core sometimes splintered length of core.

146.63 - 147.8 Fractured core

153.52 0.5 cm calcite vein with 2 cpy blebs, approximately 5mm each.

153.56 - 154.0 Fractured core.

155 EOH



## Cabo Drilling Corp.

Property: Cobalt Area Project  
 Drill Co.: Heath & Sherwood  
 Easting: 599170  
 Northing: 5243567  
 Claim #: 779310

Bearing @ collar: 270°  
 Inclination @ collar -45°  
 Survey Type: Reflex EZ-Shot  
 Core Size: NQ  
 Total Depth: 164 metres

Hole #: COB-30  
 Core Stored: R. Nobes, Cobalt  
 Start Date: July 28, 2006  
 Finish Date: July 29, 2006

<i>From</i>	<i>To</i>	<i>Lithological Description</i>
0	2.68	<b>Overburden, Casing</b> (left in hole)
2.68	164	<p><b>Siltstone with minor interbedded fine Sandstone (Huronian)</b>            Grey-green to grey-green to grey-buff in colour with interbeds of purplish siltstone. They are generally laminated on the scale of 1 mm to several cm. Contoured soft-sediment deformation is evident as small scale ball and pillow structures, flame structures and contoured laminations.</p> <p>2.68 - 6.90 Medium grey coarse siltstone with irregular laminations of dark grey (more mafic rich) silt layers. Laminations dominantly @ 90° ± 5° to C/A. 5.0 - 5.1 purplish massive fine sandstone also at 9.3 - 9.5 and 11.48 - 11.68, sandstone contacts are generally sharp @ 65° to C/A. 5.10 5.27 core badly broken. 5.23 - 5.32 intense hairline chloritic veining (very minor py, disseminated and along fractures).</p> <p>25.10 Calcite vein (discontinuous or patch) with 0.1 - 0.5 mm py cubes concentrated along the margins of the calcite.</p> <p>34.93 1.5 cm lense of coarse sand with black sand sized grains.</p> <p>35.0 - 72.5 Bedding roughly 90° ± 5° to C/A, same grey laminated siltstone, some slump features.</p> <p>37.32 - 38.24 Massive purplish siltstone, upper and lower contacts gradational.</p> <p>53.14 Calcite vein 1 cm @ 90° to C/A, minor py.</p> <p>58.85 - 58.9 Broken white - pink calcite vein. Coarse calcite filling fractures and gaps. All calcite is rimmed by chlorite, disseminated py crystals concentrate along edge in the chlorite rim.</p>

**From**      **To**

***Lithological Description***

68.28 - 68.45 Sandstone dyke, 2 cm wide @ 30° to C/A.

72.5 Angle of bedding changes to 70° to C/A.

79.3 - 79.4 Fractured, sharp to subangular pieces.

79.77 - 79.82 Fractured core, subrounded pieces.

85.2 - 85.7 Fractured core.

87.74 - 87.77 Layer of fine breccia, appears to be a coarse lense or layer that has undergone dewatering brecciation, clasts are 0.1 - 0.5 cm and angular to subrounded. Groundmass is composed of angular to subrounded fine breccia fragments in a dark fine chloritic matrix.

87.77 - 87.90 Redish-purple crushed core.

87.90 - 88.10 Redish-purple intensely veined with hairline calcite - hematite.

88.10 - 90.1 Fractured core. Several 10 - 20 cm solid pieces of core.

90.1 - 91.8 Contoured bedding veined with chlorite.

91.35 - 91.5 Pink calcite vein with py with 50% white glass quartz, minor py.

91.8 calcite vein with py.

91.86 - 92.9 Breccia with calcite veining up to 3 cm wide. Large vein @ 50° to C/A, py as patches and disseminations in or associated with vein and tends to concentrate along the vein / clast boundary. 0.5 - 3 cm breccia fragments are composed of angular, light grey-buff colored siltstone, smaller 0.5 - 1 cm purplish red fine sand fragments are angular to subrounded. Matrix is composed of angular to rounded grains of fine sand and silt.

92.9 - 93.6 Intense chlorite and epidote veining, medium grey-brown siltstone. Network veining.

93.6 - 94.6 Intense pink and white calcite veining - network veining.

**From**      **To**

***Lithological Description***

94.6 - 96.86 Intense epidote and calcite veining.

96.86 - 164 Medium grey to grey-buff siltstone with interbedded purplish-red fine grained sandstone. Sandstone is generally massive. Siltstone is fine rhythmically laminated to coarse irregular laminations. Bedding is gradational with occasional cross bedding. Purplish-red beds are on a scale of 10 - 20 cm thick at the top of this section, increasing to 1 m at the bottom. Bedding - laminations are dominantly 90° with some variation to 130° to C/A.

97.2 - 98.68 Core is broken in large angular pieces, some in discs.

106.9 - 107.6 Core is broken in large angular pieces, some subrounded.

116.0 - 116.87 Core broken in angular pieces.

119.1 - 119.2 Core broken in small angular pieces.

120 - 122.96 Fractured zone with large angular pieces, 10 - 40 cm intervals of solid core.

127.95 - 128.0 Fractured core in small angular pieces.

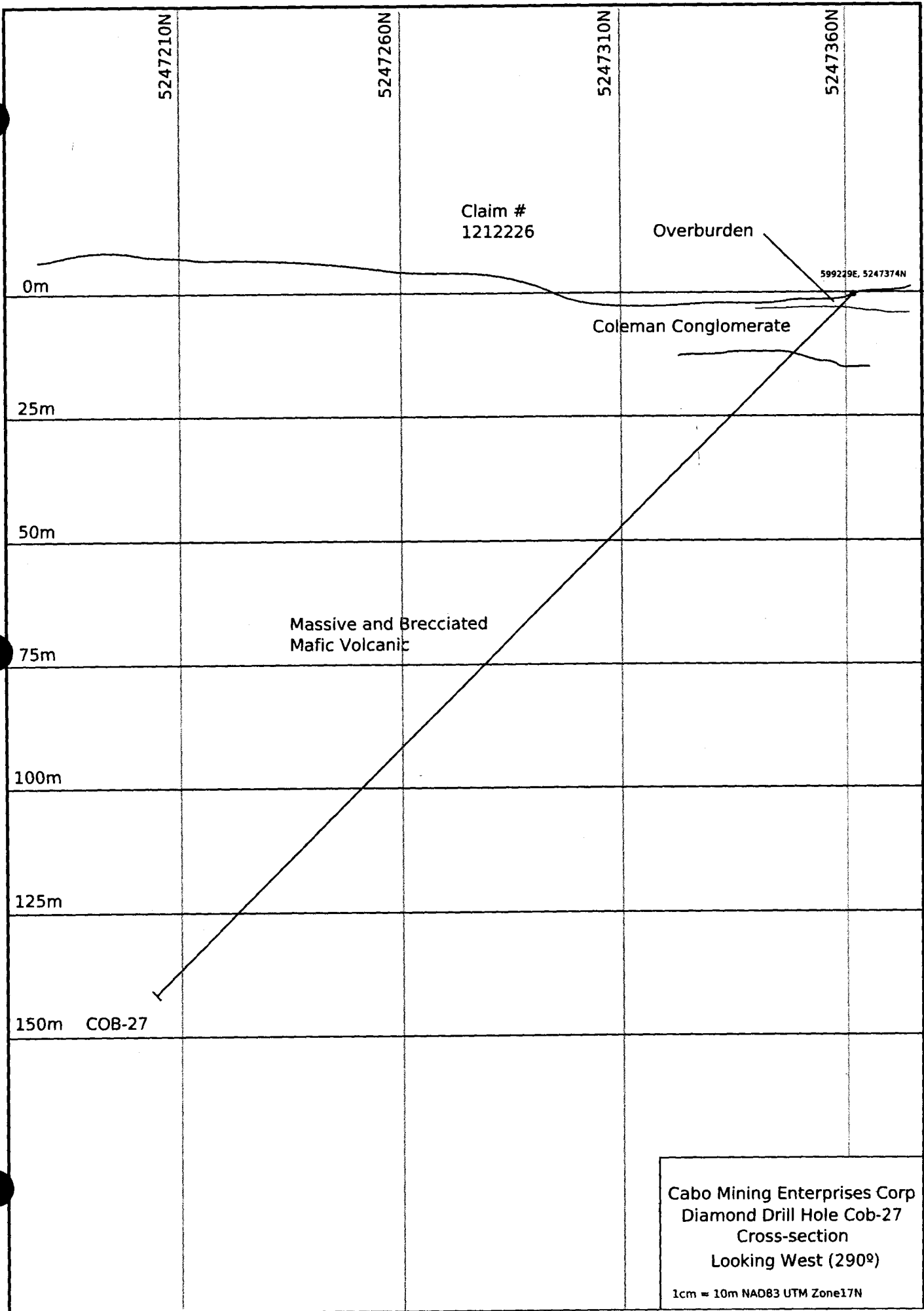
130.7 - 130.8 Fractured core, small angular pieces (1 - 3 cm)

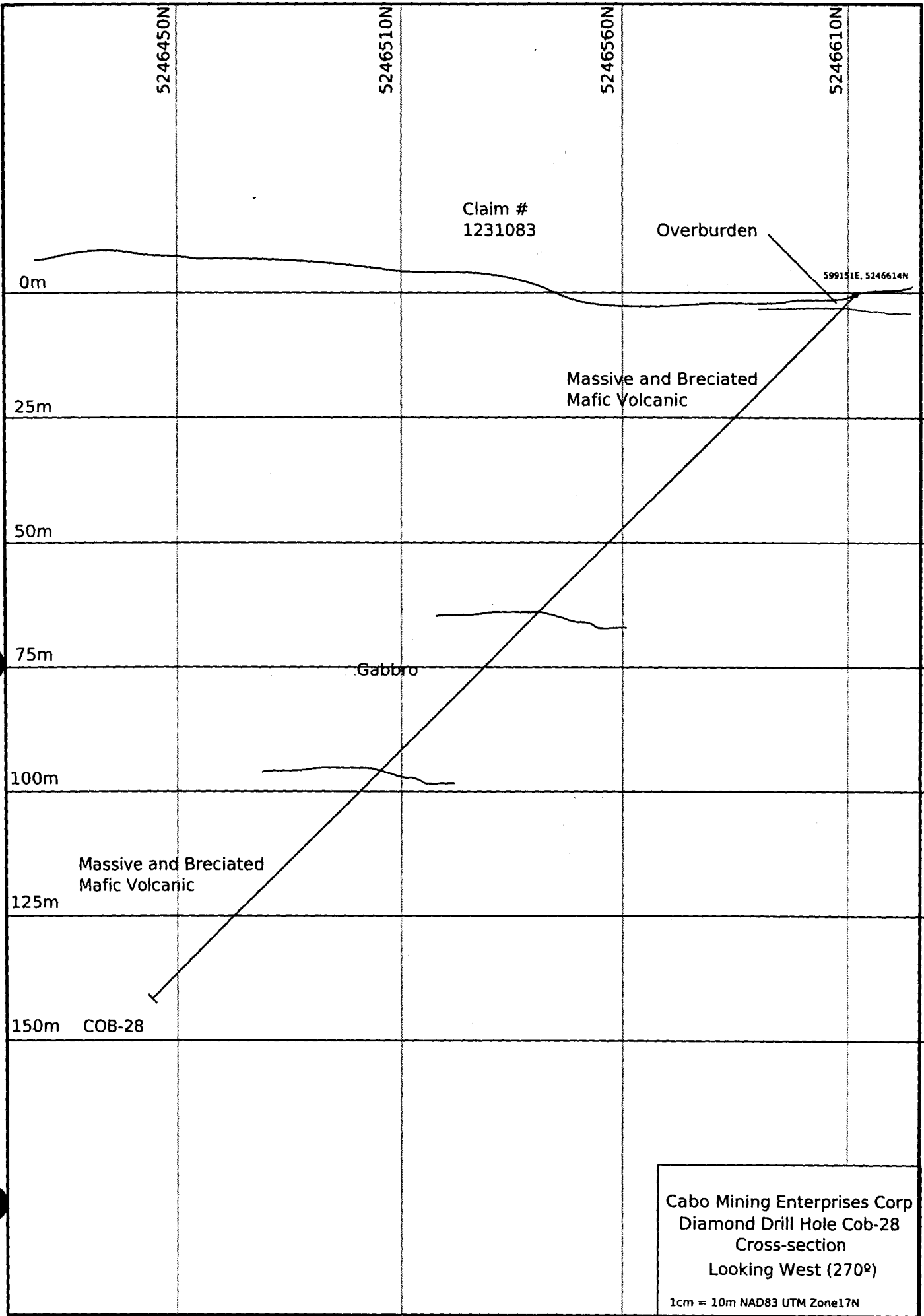
158.53 - 158.60 Fractured core in large angular pieces and discs.

164 EOH

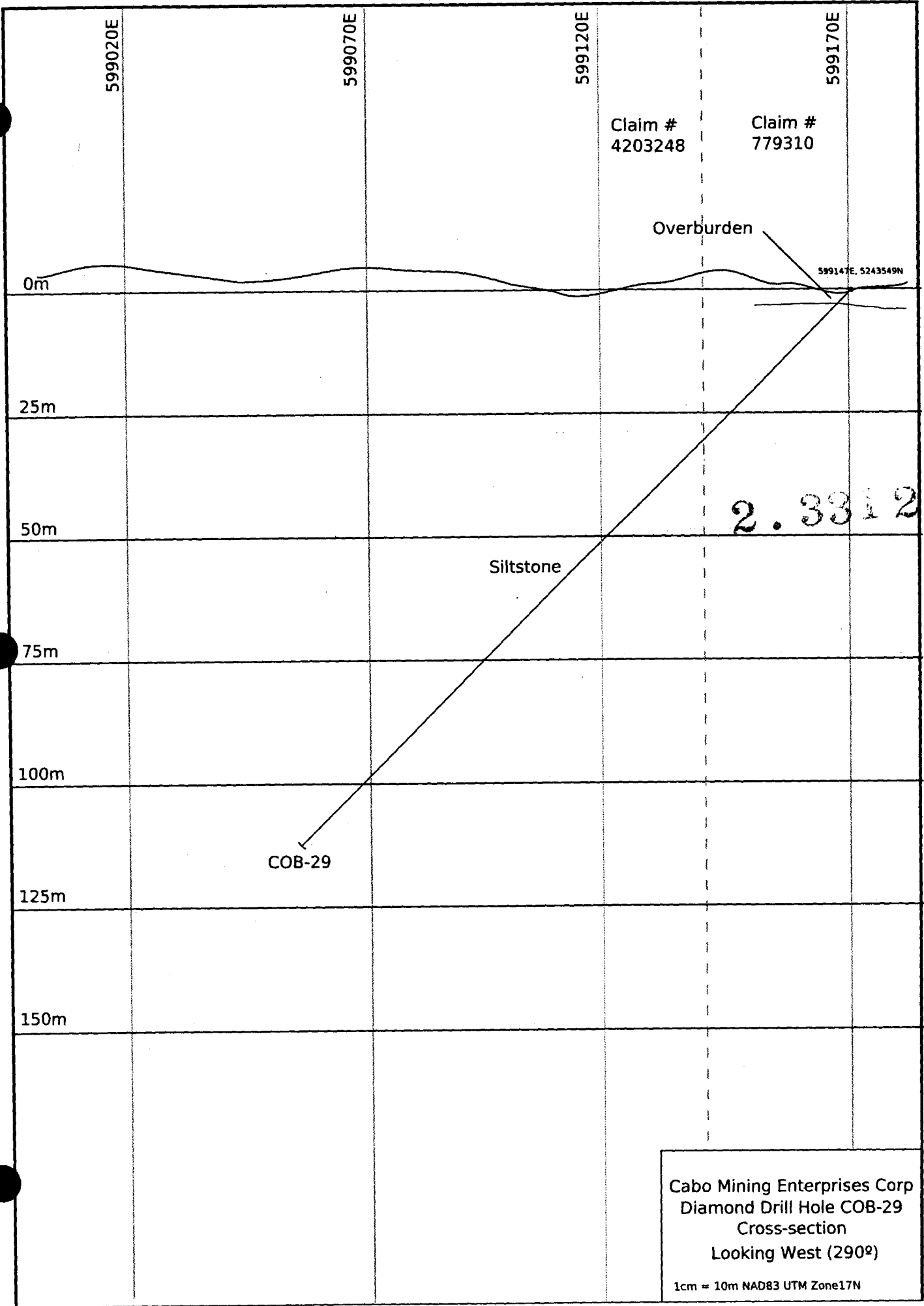
APPENDIX 11

**Drill Hole X-Sections**





Cabo Mining Enterprises Corp  
 Diamond Drill Hole Cob-28  
 Cross-section  
 Looking West (270°)  
 1cm = 10m NAD83 UTM Zone17N



599020E

599070E

599120E

599170E

Claim #  
4203248

Claim #  
779310

Overburden

0m

599147E, 5243549N

25m

50m

2.33121

Siltstone

75m

100m

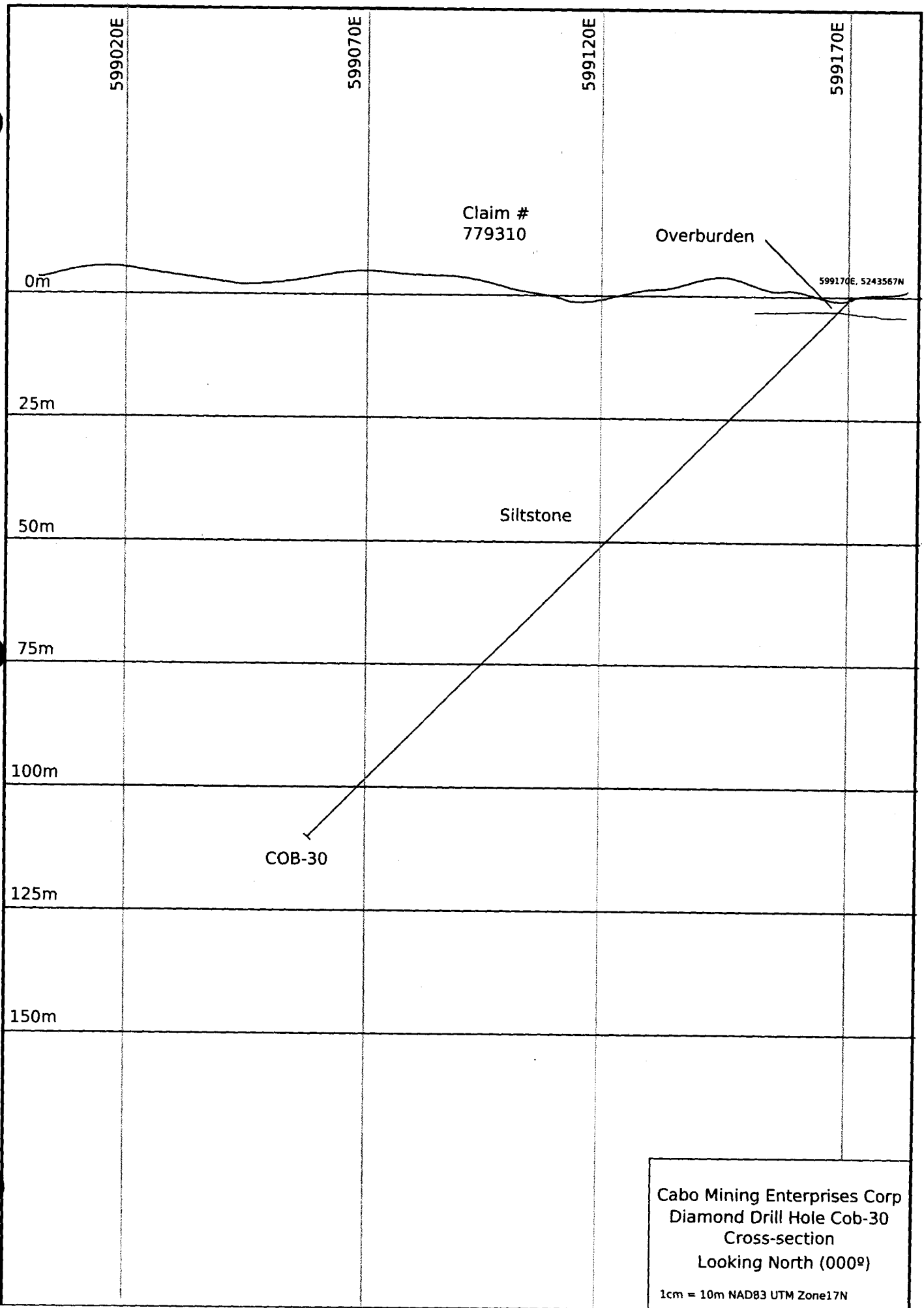
COB-29

125m

150m

Cabo Mining Enterprises Corp  
Diamond Drill Hole COB-29  
Cross-section  
Looking West (290°)

1cm = 10m NAD83 UTM Zone17N



Cabo Mining Enterprises Corp  
 Diamond Drill Hole Cob-30  
 Cross-section  
 Looking North (000°)  
 1cm = 10m NAD83 UTM Zone17N