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# **ASHLEY GOLD MINES LTD.**

## **PROSPECTING SURVEY HILLVIEW GOLD PROPERTY**

### **CHAMBERLAIN AND DACK TOWNSHIPS, ONTARIO**

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## 1. SURVEY DETAILS

### 1.1 PROJECT NAME

This project is known as the Hillview Gold Property.

### 1.2 CLIENT

Ashley Gold Mines  
P.O. Box 219,  
Larder Lake, ON  
P0K 1L0

### 1.3 LOCATION

The Hillview Gold property is located in Chamberlain and Dack townships, approximately 7 km west of the town of Englehart, Ontario and 40km south of Larder Lake, Ontario.



Figure 1: Location of Hillview Gold Property

## 1.4 ACCESS

Access to the property is gained by following highway 624 south from Larder Lake, Ontario. Once in the town of Englehart, turn left onto highway 560 West towards Charlton. Follow this highway until you come to McCarthy Road, turn right. This road takes you to the middle of the property.

## 1.5 GENERAL GEOLOGY

Rock exposure is limited to the northern half, particularly the northeast end. These rocks are of Precambrian age and originally mapped as Keewatin massive, medium-grained, silicified dioritic greenstones overlying platy, contorted fine-grained hornblende schists. The main shear zone which is known as the Hillcrest Gold showing is found along a northerly dipping N38 to 45°E shear zone. The shear zone is heavily carbonized and contains fuchsite (chrome mica) and a 60-90 cm wide quartz vein. A 45-foot deep shaft and about 100m of trenching originally exposed the zone. Sampling has indicated values of 0.2 oz of gold per ton over 2.8 foot width by a 200 foot strike length. Diamond drilling carried out in 1939-1941 has indicated gold values ranging from 0.02-0.24 oz over 5-feet for a distance of 225 feet. Based on these assay results, the zone has validity.

(Mowat, 1981)

## 1.6 PREVIOUS WORK

1929 – by C. Heath-sampling and trenching-results, average 0.2 oz Au over 3 foot width by 200 foot length.

1930 – by J.M. MacPherson-shaft sinking- a 6' x 9' x 45' deep, cribbed, 2 compartment shaft sunk on main showing.

1934 – by Heath and Sherwood- 3 Diamond Drill Holes N30°W at 45°. Assays up to 0.069 oz Au

1938 – by Erie Canadian Mining Ltd- trench sampling-18 samples taken from 6 trenches, widths of 1.5 to 4.9' over a strike length of 200 feet. Results up to 0.34 oz gold reported.

1939-41 – by Alfred Coutts-17 x-ray Diamond Drill Holes. Shallow holes drilled at 25 foot intervals along a continuous length of 225'. Intersecting a zone at 25 foot depth yielded Au assays ranging from 0.02 oz to 0.24 oz Au

1944-45- Dack Creek Mines Limited- re sampling of shaft. Three samples taken from zones west of shaft and returned 0.08, 0.1. and 0.09 oz Au per ton.

1962 – Solomino Gold Mines Limited- a report was written by Len J. Cunningham (1962) recommending work to be performed on the property. Work was never carried out by Solomino because of funds.

1969 – Kimo Gold Mines Limited- claim restaking and two small trenches were dug.

1970- Harold P. Gilpin- work was limited to 3 shallow trenches. No sampling or assaying reported

1978- Alasdair J. M. Mowat- line cutting; VLF EM, magnetometer, radiometric and geological surveys, and sampling.

(Mowat, 1981)

## **2. SURVEY WORK UNDERTAKEN**

### **2.1 PERSONNEL**

Prospecting was performed by Laurie Morin of Ottawa and Amanda Rungis of Timmins. They are both Geological Technicians with diplomas from Sir Sanford Fleming College.

### **2.2 PURPOSE**

The main purpose of the prospecting traverses was to locate and GPS the historic work. This would allow follow-up programs to be designed around these locations.

### 3. PROSPECTING DIARY AND NOTES

**ALL SAMPLES WERE TAKEN FOR REFERENCE PURPOSES ONLY! NO SAMPLES HAVE BEEN SENT TO LAB FOR ANALYSIS.**

#### 3.1 NOVEMBER 7, 2008

##### **Quartz Vein and Shaft**

Main showing found. Quartz vein is approximately 60-90cm wide. The vein is running north-south, roughly 228°T. Drill holes are located in the south-west and north east corners on the trench. Shaft is roughly in the middle of the trench. Zone is sheared, heavily carbonized and weathered. Vein contains chrome mica. Old equipment and slag piles are situated to the east of the trench. The trench is running almost perpendicular to a set of hydro lines. Access to the showing is obtainable by following the hydro lines 115m west from McCarthy Rd. The showing is roughly 25m in from the edge of the hay field. At this location, four samples were taken for assay.

Samples 1-4 contain significant amounts of carbonization and fuchsite, a green colored chrome-bearing variety of muscovite. Also contain quartz and varying amounts of mineralization.

##### **Sample 5**

The sample was obtained in an open pine stand from an outcrop. The weathering rind is rusted. The sample is green and gray in color and contains quartz and an unknown black mineral.

##### **Quartz Vein b**

The quartz vein is seen on the east side of McCarthy Road trending 34°T and 58°T. Multiple veins can be seen at this location, their widths varying from 5-7cm. No mineralization seen.

##### **Vein 2**

At its widest point, this vein is 10 cm wide. Underneath the bedrock, there is another vein partially visible, it cannot be totally uncovered, but has dark red weathering. Trench could not be obtained because of the veins curved structure. There is no mineralization around its edges. Loose boulders in the area also contain large amounts of quartz. Sample collected at this location.

Vein 2 Sample: Quartz from vein with dark red weathering

**Vein 3**

Quartz vein uncovered with a trend of 146°T. Width of the vein varies from ½ cm to 4 cm at widest point and is roughly 15m long. There appears to be no mineralization around the edges of the vein.

**Vein 4**

Series of quartz veins generally all trending 52°T. Veins are hard to follow because they break the surface of the outcrop and then dip back down into the bedrock and are lost. They vary in width from 4-15cm.

**Vein 5**

This location contains another quartz vein running along the edge of an outcrop with a width of 10-15 cm in spots. There are lots of quartz cobbles and boulders in this area, so we believe this could be a very sheared vein.

**CP 1229722**

Post #1

Also at this location are claim posts

1217851-Post 1

4217647-Post 2

**Rail Sample**

Sample collected along old railway track. Rock in this area is highly rusted, flat, and platy and contains some quartz. There is a small quartz vein (3cm wide) running across the rock face (this is where sample was taken). Surrounding area is open pine forest

Rail Sample: Dark gray, fine to medium grained mafic metavolcanic rock. Traces of pyrite mineralization. Weathering rind has traces of rusting.

**Pit 1**

Large, deep pit with sitting water in the bottom, approximately 2m deep. Edges of pit are highly weathered. Broken rock is resting all around pit. Old barrels and a ladder are lying near the pit. No trespassing sign across pit. Sample collected from edge of pit.

Pit Sample: Light gray, fine grained mafic metavolcanic rock. Significant amounts of pyrite mineralization throughout. Sample is slightly green in color, possibly indicating traces of fuchsite.

**Vein 6**

Large quartz vein, roughly 1 foot wide, 3-4 m long trending 222°T. Bedrock appears somewhat sheared, but no mineralization was seen.

**Quartz float:** Sample taken from quartz float

Table 1: November 7, 2008 waypoint locations

<b>Waypoint Map Location</b>	<b>UTM NAD 83 Zone 16</b>	<b>Claim Post Reference P 4 - 1236596 17U 473218 5323801</b>
Quartz Vein	17T 0579849E 5299036N	229m @ 25°T from P1 - 1229722
Shaft	17T 0579846E 5299039N	228m @ 26°T from P1 - 1229722
Sample 5	17T 0579757E 5299011N	298m @ 39°T from P1 - 1229722
Quartz Vein b	17T 0579920E 5299141N	106m @ 13°T from P1 - 1229722
Vein 2	17T 0579934E 5299139N	106m @ 6°T from P1 - 1229722
Vein 3	17T 0579937E 5299144N	100m @ 5°T from P1 - 1229722
Vein 4	17T 0579950E 5299167N	78m @ 355°T from P1 - 1229722
Vein 5	17T 0579956E 5299175N	70m @ 351°T from P1 - 1229722
CP 41229722	17T 0579943E 5299245N	N/A
Rail Sample	17T 0579808E 5299631N	411m @ 162°T from P1 - 1229722
Pit 1	17T 0579726E 5299489N	328m @ 139°T from P1 - 1229722
Vein 6	17T 0579729E 5299245N	213m @ 91°T from P1 - 1229722
Quartz float	17T 0579812E 5299052N	233m @ 35°T from P1 – 1229722



### **3.2 NOVEMBER 10, 2008**

#### **Sheared Zone**

In this area, bedrock has been exposed by fallen trees to reveal shearing and highly rusted rock containing some mineralization. This zone of shearing is trending 214°T. This is an area of high elevation with low lands to the north, east and west. The surrounding forest is predominantly pine with some birch.

Sample collected at this location

Sheared Zone sample: Light gray, mafic metavolcanic rock, fine grained, sheared, some pyrite mineralization, weathering surface is rusty.

#### **Trench**

Trench dimensions are 2-5ft wide, 2-3 ft deep, 15m long then tapers out. Some quartz was seen along the side of the trench. This could indicate that the vein was dug out. Strike of the trench is 216°T. The trench is situated in an area of high elevation surrounded by a mixed pine and birch forest. Sample collected from trench.

Trench sample: Light gray, fine grained, mafic rock. Sample contains quartz with pyrite mineralization and green banding.

#### **Shaft 2**

Exploration shaft was found by geophysics technicians Shane Buckland and Barry Allen while conducting a VLF magnetometer survey. Diameter of the shaft was roughly 6-8ft. Standing water was found in the bottom of the shaft.

Carbonization was seen along the edges of the shaft. Large slag pile situated beside shaft. Shaft is situated in an area of high elevation surrounded by a mixed pine and birch forest. A rock sample was taken from the slag pile.

Shaft 2 Sample: sample is heavily carbonized and contains significant amounts of pyrite mineralization. Sample has a high density, and is slightly magnetic.

Sample also contains dark quartz.

#### **Trench 2**

Dimensions are approximately 5ft long, 3ft wide and 2ft deep. Small boulders made up of felsic material line the edges of the trench. No visible bedrock can be seen. The trend of the trench is 156°T. The trench is situated on the northwest side of a beaver pond, surrounded by a pine forest.

**Trench 3**

Trench 3 lies almost perpendicular to trench 2. It is trending 47°T. The dimensions are 3-4ft wide, 5 ft long and 2ft deep. Small, angular rock is piled to one side. This pile of rock contains both mafic and felsic material.

**Vein 7**

Small quartz vein, roughly 3 cm wide, striking 230°T. Roughly 2cm long then lost (cannot follow). Angular rock fragments lie on top of the bedrock.

**Vein 8**

Quartz vein, 11-15cm wide, 1m long. Vein can be found directly on the east side of McCarthy road. Other small, narrow veins also occur on same rock outcrop. Vein is embedded in mafic, metavolcanic rock. The trend of the vein is 236°T. Vein is weathering, and is slightly yellow on its surface.

**Junk**

In from McCarthy road, approximately 5m are old cans, bottles, paint buckets, scrap metal, plastic jugs, batteries and barrels. These old items could be from the land owner or from an old exploration operation.

**Outcrop**

Rock outcrop situated at most southern end of Line 1 of magnetometer survey grid. Outcrop is 15m long x 10m wide. Rock type is mafic metavolcanic. Jointing is present on the outcrop. Weathered surface appears rusty in areas, but only in small amounts. Sample collected at this location. Outcrop sample: Felsic and mafic rock, fine-medium grained, gray with light green pockets. Pyrite mineralization present in small amounts. Weathered surface is dark brown.

Table 2: November 10, 2008 waypoint locations

<b>Waypoint Map Location</b>	<b>UTM NAD 83 Zone 16</b>	<b>Claim Post Reference P4 - 1236596 17U 473218 5323801</b>
Sheared Zone	17T 0579869E 5299536N	301m @ 167°T from P1 – 1229722
Trench	17T 0579771E 5299444N	263m @ 140°T from P1 - 1229722
Trench 2	17T 0579765E 5299388N	229m @ 130°T from P1 - 1229722
Trench 3	17T 0579776E 5299387N	220m @ 132°T from P1 - 1229722
Vein 7	17T 0579779E 5299026N	273m @ 38°T from P1 - 1229722
Vein 8	17T 0579910E 5299117N	132m @ 15°T from P1 - 1229722
Junk	17T 0579967E 5299084N	162m @ 352°T from P1 - 1229722
Outcrop	17T 0579948E 5298062N	1.2Km @ 1°T from P1 - 1229722

### 3.3 NOVEMBER 11, 2008

#### LP 4217647

400m west of #2 post

#### Ore vein

Vein of iron ore located in a rock outcrop off of McCarthy road, roughly 100m east of a farm house. Vein is 5cm wide in the middle of the outcrop and widens at each end of the outcrop. Each end has been dug out. Rock is highly jointed and highly rusted. The vein has a trend of 256°T. Sample collected from vein.

Ore vein sample: dark grey mafic rock, highly rusted, highly sheared, highly magnetic, highly mineralized.

#### Host Rock

The same shear zone that appears at the Hillview Gold showing appears in this rock outcrop. It contains three visible drill holes, possibly the historic holes that were drilled in 1944-45 by Dack Creek Mines Limited. This zone is ½ m -1m wide and is running 238°T.

#### PIT 2

Pit 2 is dug at the most westerly end of the outcrop. The pit has a 3m diameter, shallow, and filled with water. No sample obtained

**Drill Collar**

Old collar dipping 45°S

**LP 4217647b**

400 m west of #1 post

Table 3: November 11, 2008 waypoint locations

<b>Waypoint Map Location</b>	<b>UTM NAD 83 Zone 16</b>	<b>Claim Post Reference P4 - 1236596 17U 473218 5323801</b>
LP 4217647	17T 0579556E 5299241N	387m @ 90°T from P1 - 1229722
Ore vein	17T 0579450E 5299205N	494m @ 86°T from P1 - 1229722
Host Rock	17T 0579450E 5299196N	495m @ 85°T from P1 - 1229722
Pit 2	17T 0579444E 5299195N	493m @ 85°T from P1 - 1229722
Drill collar	17T 0579425E 5299211N	519m @ 87°T from P1 - 1229722
LP 4217647b	17T 0579572E 5300003N	847m @ 155°T from P1 – 1229722

**4. RECOMMENDATIONS**

The Hillview Gold Property presents above average exploration potential. It is recommended that additional stripping and sampling be carried out around the Hillview Gold showing. Detailed geophysical surveys, bedrock stripping and a diamond drill program should be utilized to further explore areas of interest on the property.

**5. REFERENCES**

Mowat, Alasdair J.M. 1981. Report on claims L.512419, L.521420, L.512421, L.512422. Obtained from Geology Ontario at <http://www.geologyontario.mndm.gov.on.ca/>

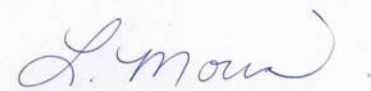
## APPENDIX A

### STATEMENT OF QUALIFICATIONS

I Laurie A. Morin, hereby declare that:

1. I am a geological technician with residence in Larder Lake, Ontario and am presently employed as a geological technician for Katrine Exploration and Development Inc. of Larder Lake, Ontario.
2. I graduated with a Geological Technician Diploma from Sir Sandford Fleming College, in Lindsay Ontario, in 2008.
3. I am an associate member of the Ontario Association of Certified Technicians and Technologists (OACETT).
4. I do not have nor expect an interest in the properties and securities of **Ashley Gold Mines Ltd.**
5. I am responsible for the final processing and validation of the prospecting survey and the compilation of the presentation of this report. The statements made in this report represent my professional opinion based on my consideration of the information available to me at the time of writing this report.

**Larder Lake, ON**  
September 2008



Laurie A. Morin

Geological Technician

Katrine Exploration and Development Inc.

**APPENDIX B****GARMIN RINO 520HCx****GARMIN RINO 520HCx****GPS Performance****Receiver:**

WAAS enabled, 12 parallel channel GPS receiver continuously tracks and uses up to 12 satellites to compute and update your position

**Navigation Features**

**Waypoints/icons:** 500 with name and graphic symbol, 10 nearest (automatic), 10 proximity

**Routes:** 50 reversible routes with up to 50 points each, plus MOB and TracBack® modes

**Tracks:** Automatic track log; 10 saved tracks let you retrace your path in both directions

**Trip computer:** Current speed, average speed, resettable max. speed, trip timer and trip distance

**Alarms:** Anchor drag, approach and arrival, off-course, proximity waypoint, shallow water and deep water

**Tables:** Built in celestial tables for best times to fish and hunt, sun and moon rise, set and location

**Map datums:** More than 100 plus user datum

**Position format:** Lat/Lon, UTM/UPS, Maidenhead, MGRS, Loran TDs and other grids, including user grid

**Acquisition times**

**Warm:** Approximately 15 seconds

**Cold:** Approximately 45 seconds

**AutoLocate®:** Approximately 2 minutes

**Update rate:** 1/second, continuous

**GPS accuracy**

**Position:** < 15 meters, 95% typical\*  
**Velocity:** 0.05 meter/sec steady state

**WAAS accuracy**

**Position:** < 3 meters, 95% typical\*  
**Velocity:** 0.05 meter/sec steady state

**Power**

**Source:** Rechargeable 2-cell lithium ion pack  
**Battery Life:** Up to 16 hours

**Physical**

**Size:** 2.3"W x 5.1"H x 1.8"D (13.2 x 5.8x 4.6cm)  
**Weight:** 10.3 ounces

**Display**

1.3W x 1.7"H (3.3 x 4.3 cm)  
176 x 220 pixels  
256 level color TFT

**Case:** Fully gasketed, high-impact plastic alloy, waterproof to IEC 529 IPX7 standards

**Interfaces:** RS232 with NMEA 0183, RTCM 104 DGPS data format and proprietary Garmin®

**Antenna:** Quad-helix

**Differential:** DGPS (USCG and WAAS capable)

**Temperature range:** 4°F to 140°F (-20°C to 60°C)

**Dynamics:** 6 g's

**User data storage:** up to 500 waypoints, no memory battery required

*Specifications obtained from [www.garmin.com](http://www.garmin.com)*

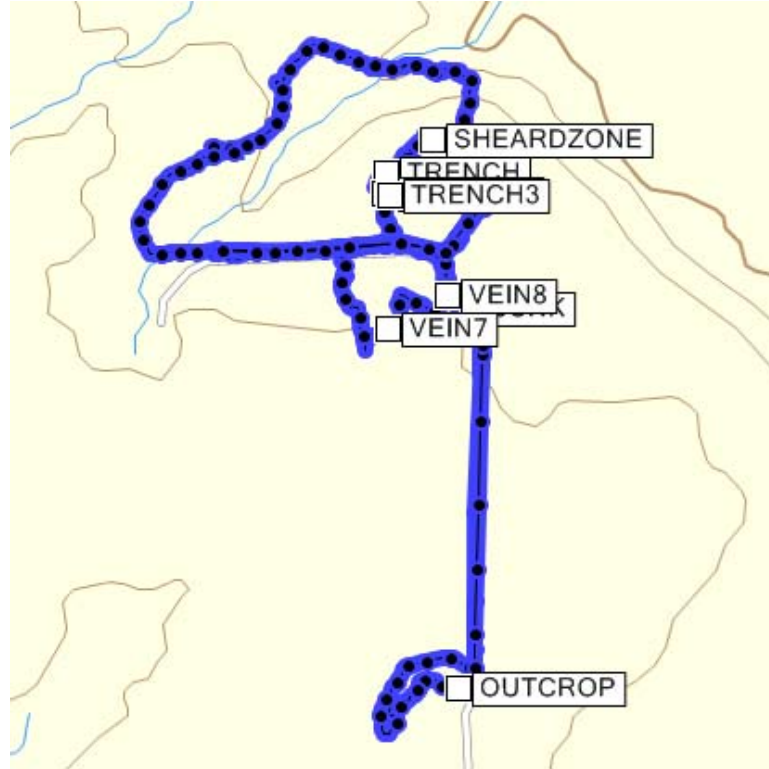
**APPENDIX C**

**PROSPECTING TRAVERSE MAPS**



November 7, 2008 Traverse Map of Hillview Gold Property

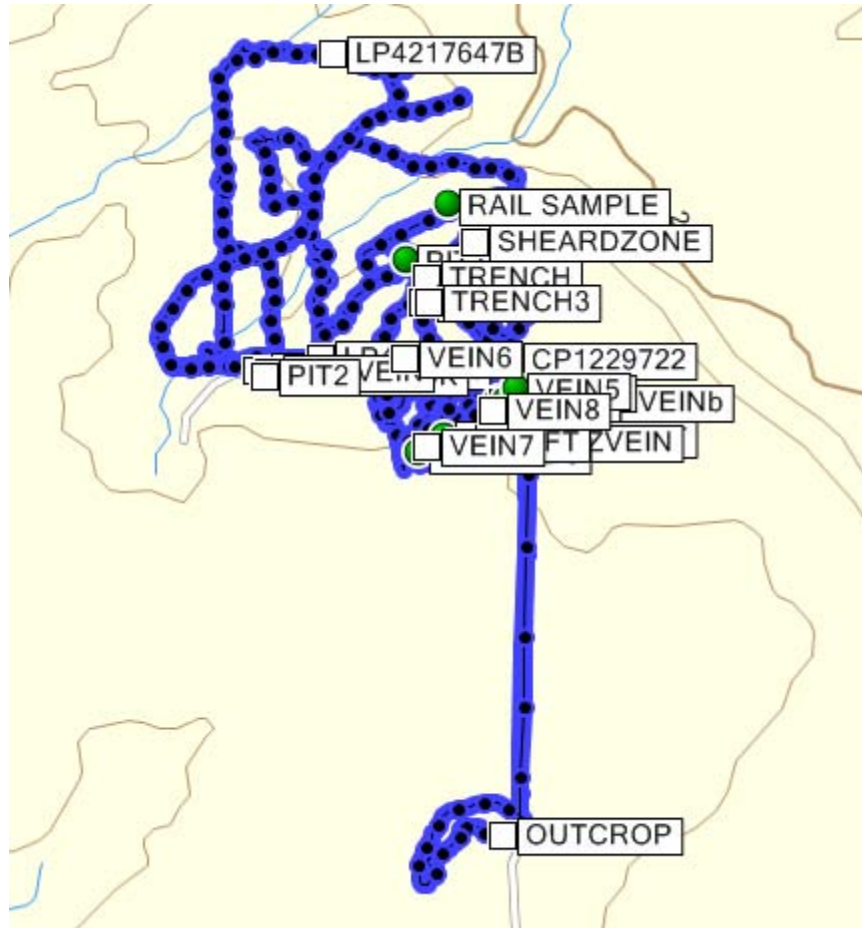




November 10, 2008 Traverse Map of Hillview Gold Property



November 11, 2008 Traverse Map of Hillview Gold Property



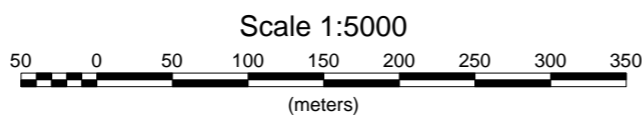
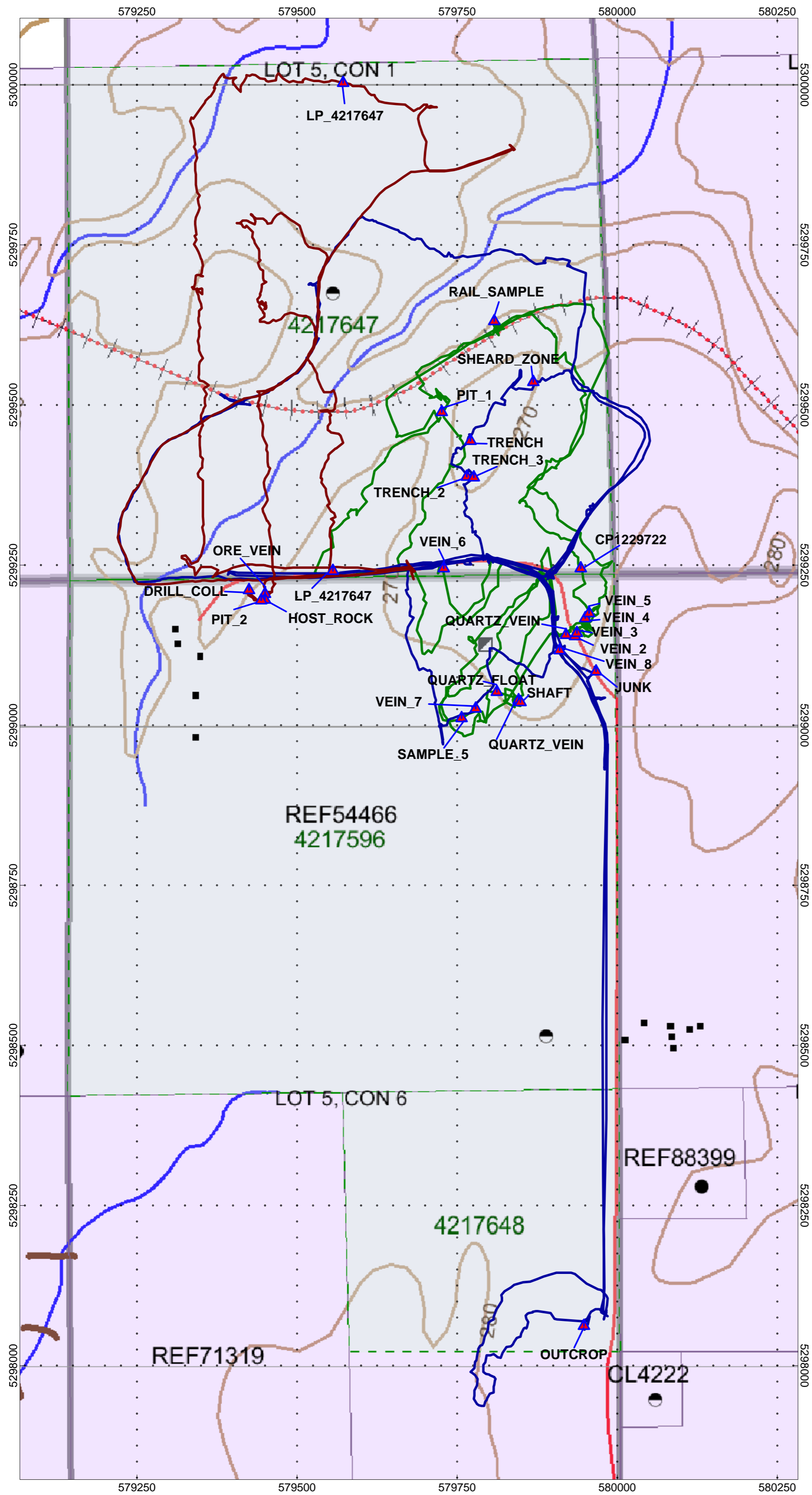
November 7-11<sup>th</sup>, 2008 compiled traverse map of Hillview Gold Property

## **APPENDIX D**

### **LIST OF MAPS (IN MAP POCKET)**

Prospecting Traverse map (1: 5000)

- 1) ASHLEY-HILLVIEW GOLD-PROSPECTING-NOV 7-11 2008



NOVEMBER 7, 2008 TRACKS —  
 NOVEMBER 10, 2008 TRACKS —  
 NOVEMBER 11, 2008 TRACKS —  
 WAYPOINTS ▲

**ASHLEY GOLD MINES LTD.**

**HILLVIEW GOLD PROPERTY**  
**Chamberlain & Dack Township, Ontario**

*Prospecting Traverse*  
 November 7 - 11, 2008

See prospecting diary, section 3 in report

Traverse Completed by:  
 Amanda Rungis and Laurie Morin  
 Map Drawn by: Belinda Bailey

