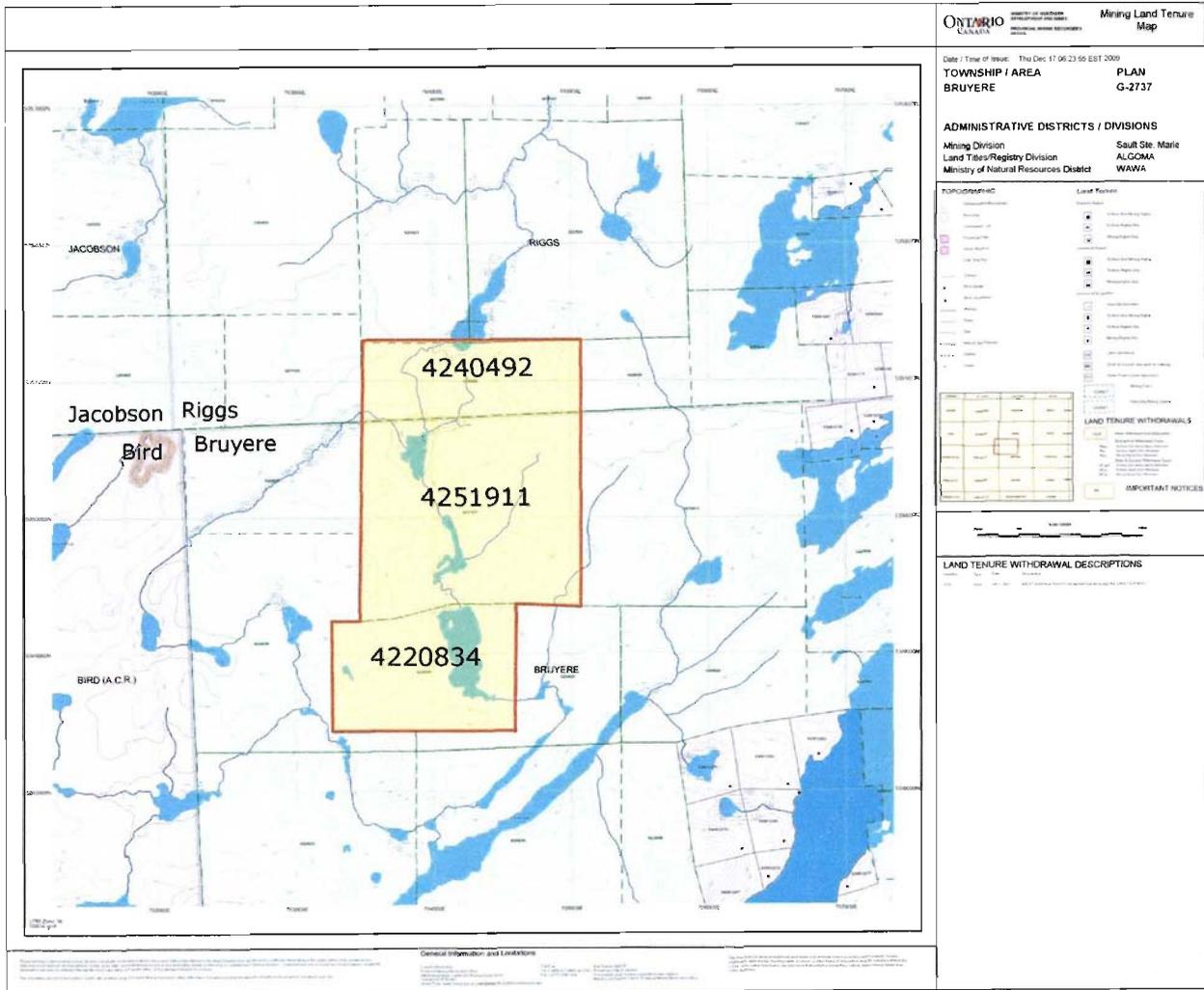


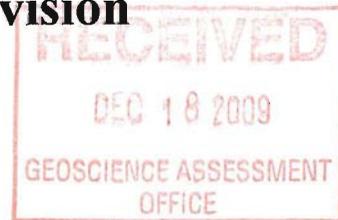
# Prospecting Report on the Midas Gold Property

## Bruyere Twp [G-2737]



**Sault Ste. Marie Mining Division**

**Ontario**



Randall W. Salo, P.Geo.

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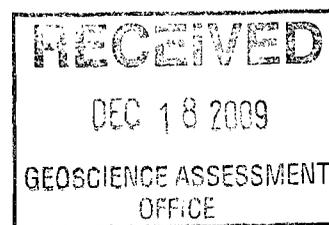
December 15, 2009

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## Summary

The Midas Gold Property consists of 3 unpatented mining claims encompassing 26 claim units (416 hectares) located in Riggs and Bruyere townships, Sault Ste. Marie Mining Division. The southern claim, 4220834, contains a historic visible gold showing that inspired the staking of the property and was the catalyst for the present program.

On October 26<sup>th</sup>, 2009, Jacques Robert and Michael Tremblay ventured from Timmins and Sault Ste. Marie respectively and spent a day prospecting on claim 4251911. Results of the prospecting revealed both carbonated felsic rocks and mafic volcanic rocks on the property. This is important in that prior prospecting ventures by the author on the southern six claim units of the property revealed mafic volcanic rocks and derived sedimentary units with no felsic rocks observed. Therefore, between the present work area and the southerly six units, either a change in volcanism is inferred or the presence or highly prospective felsic intrusive units occurs.

Recommendations for the Midas Gold Property include continued investigation of the property geology by prospecting methods as well as mechanical trenching and stripping in areas containing historic (1986-1989) and recent (2007, not-filed) anomalous gold showings; grab sample BR-7, **1303 ppb Au** in a sheared mafic metavolcanic rock with minor associated pyrite (703396E, 5349193) and sample BR-9, **4320 ppb Au (check; 5280 ppb Au)** in a mafic metavolcanic rock associated with 10-15% pyrite cubes and strong carbonate alteration (porphyritic calcite/ankerite carbonate alteration)(703411E, 5349179N). A focus on historic "Showing No.1" and "Showing No. 2" is suggested. These areas are outlined by Bent and Hodge in their 1987 report on geological mapping and geophysical surveying.

### Property Description, Location and Access

The Midas Gold Property is comprised of 3 unpatented mining claims consisting of twenty-six claim units (416 hectares) located in Riggs and Bruyere townships, Sault Ste. Marie mining division, Ontario, and are recorded as claim No.'s 4240492, 4251911 and 4220834.

Access to the claim group is realized by driving a series of gravel surface roads, that transect Riggs township starting at the Edwards mine site, and eventually terminating near the Riggs/Bruyere township boundary [UTM coordinates Zone 16, 704420 E 5350855 N, Nad 83].

### Previous Work

Reports housed in the assessment files at the Resident Geologist's office in Timmins indicate three previous exploration programs carried out on the southern six claim units of the property (claim 4220834). All three programs were at the request of Consolidated Thompson-Lundmark Gold Mines Limited.

The first program consisted of ground geological mapping and lithogeochemical sampling, and was carried out in 1986 by H.E. Neal & Associates Ltd. Results indicate the discovery of gold on the property within two separate brittle-ductile shear zones with associated late crosscutting quartz-carbonate veining. There is also mention of gold values in adjacent outcrops as well as encouraging lithogeochemical signatures elsewhere on the property.

The second program was carried out in 1987 by Harold Bent and Greg Hodges. Linecutting and surveying; including detailed geological mapping, magnetometer, VLF-EM and I.P., were carried out over the property along with selective rock sampling. Several interesting anomalies from all surveys were discriminated and diamond drilling was recommended based on coincident survey data.

In 1989, J.W. Newsome was commissioned to compile lithogeochemical and assay data from previous programs and provide recommendations. Newsome recommended that diamond drilling be carried out over the property as Bent and Hodges had suggested.

## Property Geology

The property geology is best described by Bent and Hodges (1987) in their report on geological mapping and geophysical surveying and pertains to the southern six claim units (claim 4220834):

“The predominant rock type of the survey area is fine-grained volcanic massive and pillowed flows. Their chemical compositions vary from intermediate to mafic volcanic with local variations in their iron content. Jensen Cation Plots of whole rock analysis indicate that the rocks are high-iron tholeiitic basalts. The major sulphide associated with the volcanic rocks is fine-grained disseminated pyrite with sporadic local occurrences of coarser-grained, recrystallized cubic metamorphic pyrite. Arsenopyrite is present in very low concentrations (2-3 ppm) and pyrrhotite is rare. Minor, sporadic and discontinuous quartz-carbonate veins and stringers occur ubiquitously and generally without any visible sulfides or evidence of alteration within the veins/stringers or along vein/stringer margins. However, there are two notable exceptions, showings 1 and 2 (see map), where-in quartz-carbonate veins are approximately 5 to 10 cm wide, continuous over 5 to 7 metres, and contain minor visible gold at showing 1. Ankerite and calcite carbonate alteration is ubiquitous throughout the claim group with ankerite being more pervasive on the six patented claims (visually estimated at up to 5%). The exposed weathered surface of the volcanic rocks are beige/grey in colour and light green to green on fresh surfaces.

Outcrops of ultramafic rocks are medium-grained, strongly magnetic and display spinifex texture in some locales, suggesting them to be komatiites. The only visible sulphide found in the ultramafic rocks is pyrite which occurs as a fine disseminate and occasionally as large recrystallized metamorphic pyrite cubes. Visible magnetite, carbonization, minor hematitization and a high specific gravity are other common characteristics of the ultramafic rocks. A linear northwesterly trending unit from L15W, 2+75S to L16W, 4+00N suggests a possible ultramafic dyke or a diabase dyke dissecting the mafic volcanic rocks. Its weathered surface is a brown/grey colour while dark green on a fresh surface. The outcrops mapped as ultramafic rocks are represented as magnetic high anomalies on the magnetic survey map.

Metasedimentary rocks outcrop on L17W at 0+25N and at 1+10S strike 152 and 142 respectfully. They are exposed at each locale over 2 to 4 metre widths and 5 to 7 metres in length. They are weakly schistose, display relic bedding and contain trace disseminated pyrite. Metasedimentary rocks also outcrop on L11W, 2+75N and TL4N, 10+75W and strike 83 and 100 respectfully. The exposure on L11W is very siliceous, displays no visible relic bedding and may represent a water lain ash tuff. On TL4N, the outcrop has relic bedding, quartz-carbonate stringers and finely disseminated pyrite. The exposures are approximately 2 to 5 metres in width and 10 to 15 metres in length.

A medium-grained intrusive gabbroic rock outcrops on BL0, 10+25W. It is moderately magnetic and contains trace disseminated pyrite.”

### Prospecting Program

On October 26<sup>th</sup>, 2009, Jacques Robert and Michael Tremblay ventured to the property from Timmins and Sault Ste. Marie respectively and spent a day prospecting on claim 4251911.

Access to the property was realized by driving the back lumber road from Dubreuilville, where one eventually turns south toward the Edwards mine and continuing past until reaching the southernmost extent of a recent gravel surface logging road. From this location (UTM Zone 16, 704420E 5350855N, Nad 83) Jack and Mike traversed in a southerly direction to the centre of the claim where three rock grab samples were taken.

Three rock grab samples (see Appendix for locations and descriptions) were collected.

### Prospecting Results

Results of the prospecting program display that both mafic and felsic rocks are present on claim 4251911. Of note is that no felsic rocks were discovered by the author or previous explorers on claim 4220834.

### Recommendations

Continued prospecting is recommended on the property. The possibility of felsic intrusive rocks on the property is encouraging for the presence of gold. Previous (1986-1989) and recent (2007) exploration programs have uncovered considerable evidence that characterize the strong potential for economic gold on the Midas Gold Property. Recommendations put forth by Bent and Hodges (ie. diamond drilling) is certainly a defining exploration tool, however, these suggestions were offered at a time when access to the property was either by boat across Dog Lake or by Helicopter from the town of Wawa. Since access to the property has become easier and less costly, a trenching and stripping program is recommended over the areas outlined in the Bent and Hodge report (1987) as a first pass exploration program. A focus on "Showing No. 1" and "Showing No. 2" areas as outlined in their 1987 report should be priority, especially "Showing No.1" as visible gold was observed in quartz at this location during the 1987 field program. Diamond drilling would follow up positive results.

Respectfully submitted,



Randall W. Salo, P.Geo.

# Appendix

## References

Bent, Harold et al.: Assessment File Report W.P.Brüyere-4; Report on the Brüyere Township Property; for Consolidated Thompson-Lundmark Gold Mines Ltd.

Neal, H.E.: Assessment File Report W.P.Brüyere-10; The 1986 Exploration Program for Brüyere Property, Brüyere Township, Ontario; for Consolidated Thompson-Lundmark Gold Mines Ltd.

Newsome, J.W.: Assessment File Report W.P.Brüyere-11; Assay and Lithochemical Report on the Properties of Consolidated Thompson-Lundmark Gold Mines Limited in Brüyere Township

Statement of Qualifications

I, Randall W. Salo do hereby certify:

that I am a graduate of Lakehead University with an Honours Bachelors degree in Geology/Physics (1998).

that I have been involved and working in mining exploration for more than 30 years in Canada, Mexico and Asia.

that I am a member of the Association of Professional Geoscientists of Ontario with member number 1265.

that I have included in this report all relevant data derived from both personal and public sources.

that I have been physically on the property and have expressed personal opinions in this report concerning the merit and potential of the property described herein.

that I hold 33% interest in the property described herein.

that information used in this report was derived from assessment files housed in Timmins, Ontario as well as information received from Mike Tremblay and Jack Robert.

Sincerely disclosed

A handwritten signature in black ink, appearing to read "Randall W. Salo". The signature is written in a cursive style with a large initial "R".

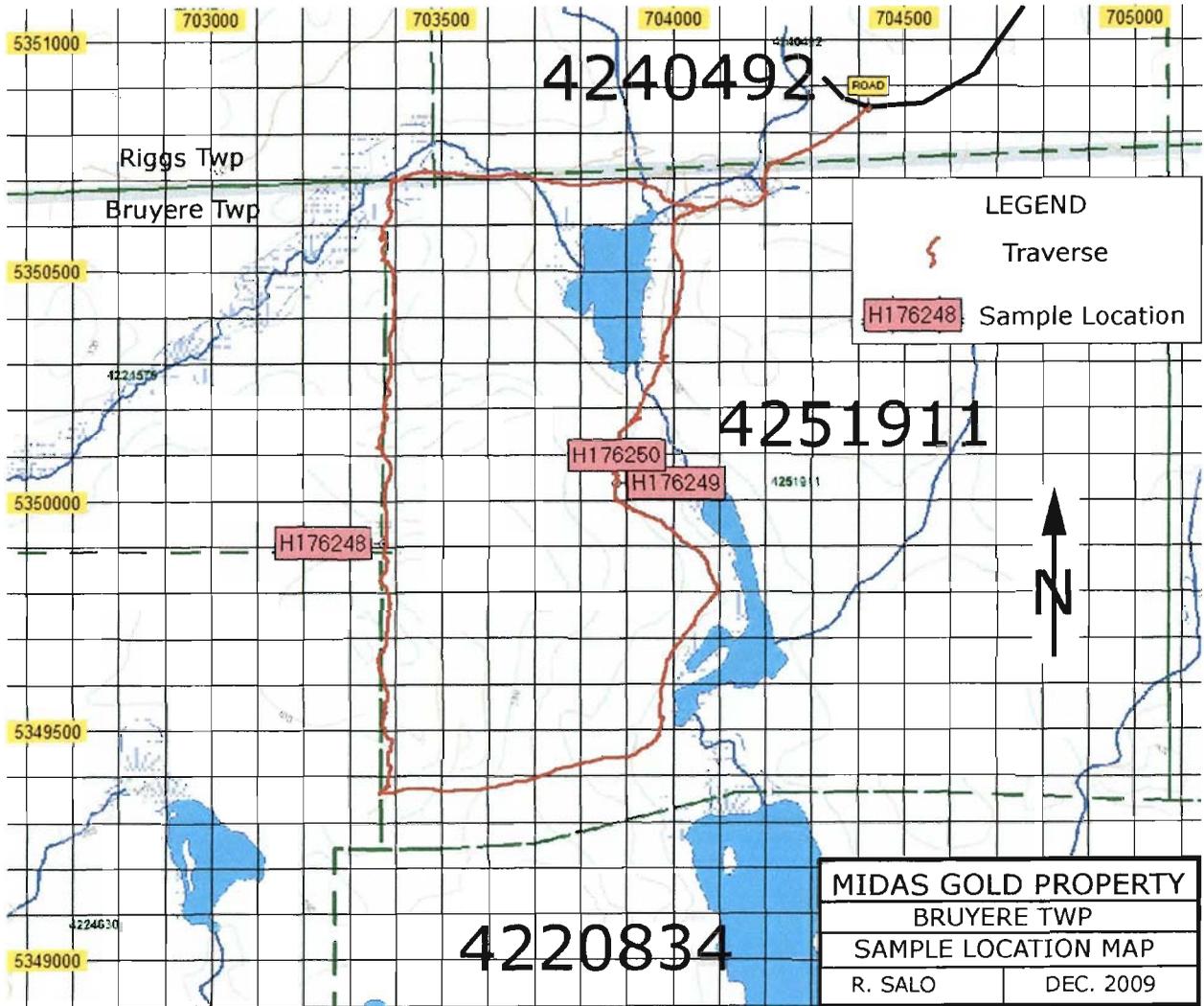
Randall W. Salo, P.Geol.

### Sample Locations and Descriptions

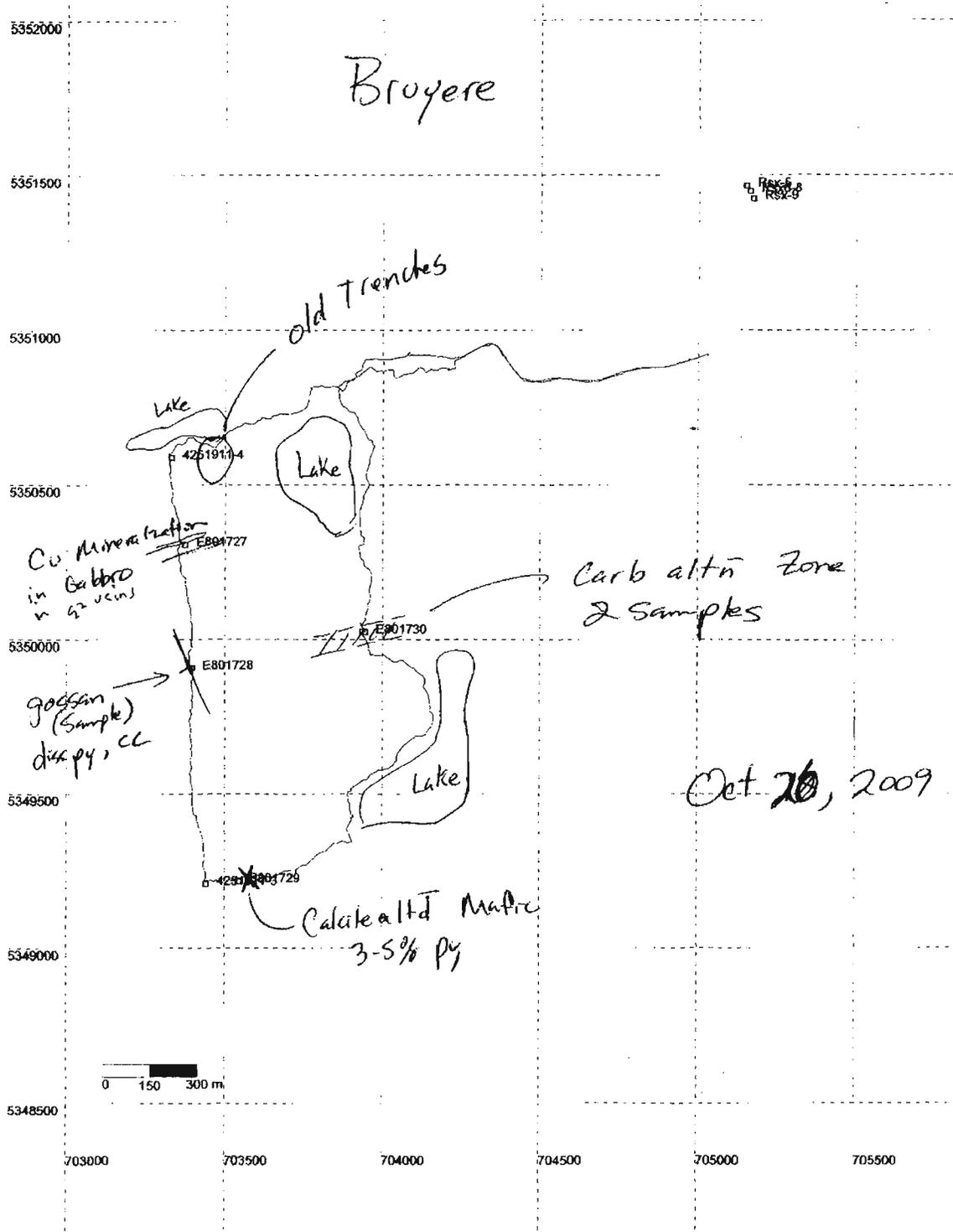
<b>Sample #</b>	<b>UTM E</b>	<b>UTM N</b>	<b>Sample Description</b>
H176248	703375	5349910	-mafic volcanic, rusty, 1 cm quartz vein, highly Sheared, trace fine-grained sulphide along quartz vein contacts, carbonate altered, mineralization/quartz veining striking at 350 degrees
H176249	703880	5350038	- fine-grained felsic, could be an intrusive, medium brown colour, moderately foliated, 15% <1 cm subvertical quartz veins, oxidized green coloured weathered surface, rare disseminated fine-grained pyrite cubes, unit strikes at 80 degrees, strong carbonate alteration
H176250	703882	5350340	- fine-grained felsic, could be an intrusive, medium brown colour, moderately foliated, 30% <1 cm subvertical quartz veins, oxidized green coloured weathered surface, 1-2% disseminated fine-grained pyrite cubes, unit strikes at 80 degrees, strong carbonate alteration

All locations Zone 16, Nad 83

Sample Location Map



Prospecting Field Sketch



5351000

4240492

Reced

ACTIVE LOG

Clear cut  
Mud

Clear cut

Sand

Jack Pine

Lake

Jack pine/spruce

Jack Pine/Spruce

4251911-4

old trenches

Lake

Sand

5350500

Spr/Jack

ACTIVE LOG

Jack pine/Spruce

Jack pine

Qtz vein system  
with cp, in  
Gabbro

E801727

Mafic Volcanics

Beaver dam

Mud

Jack pine/spruce

ACTIVE LOG

Carb alteration  
zone

0 50 100 m

Sand  
Gravel

Poplar  
Birch

E801730

spruce/jack pine

703500

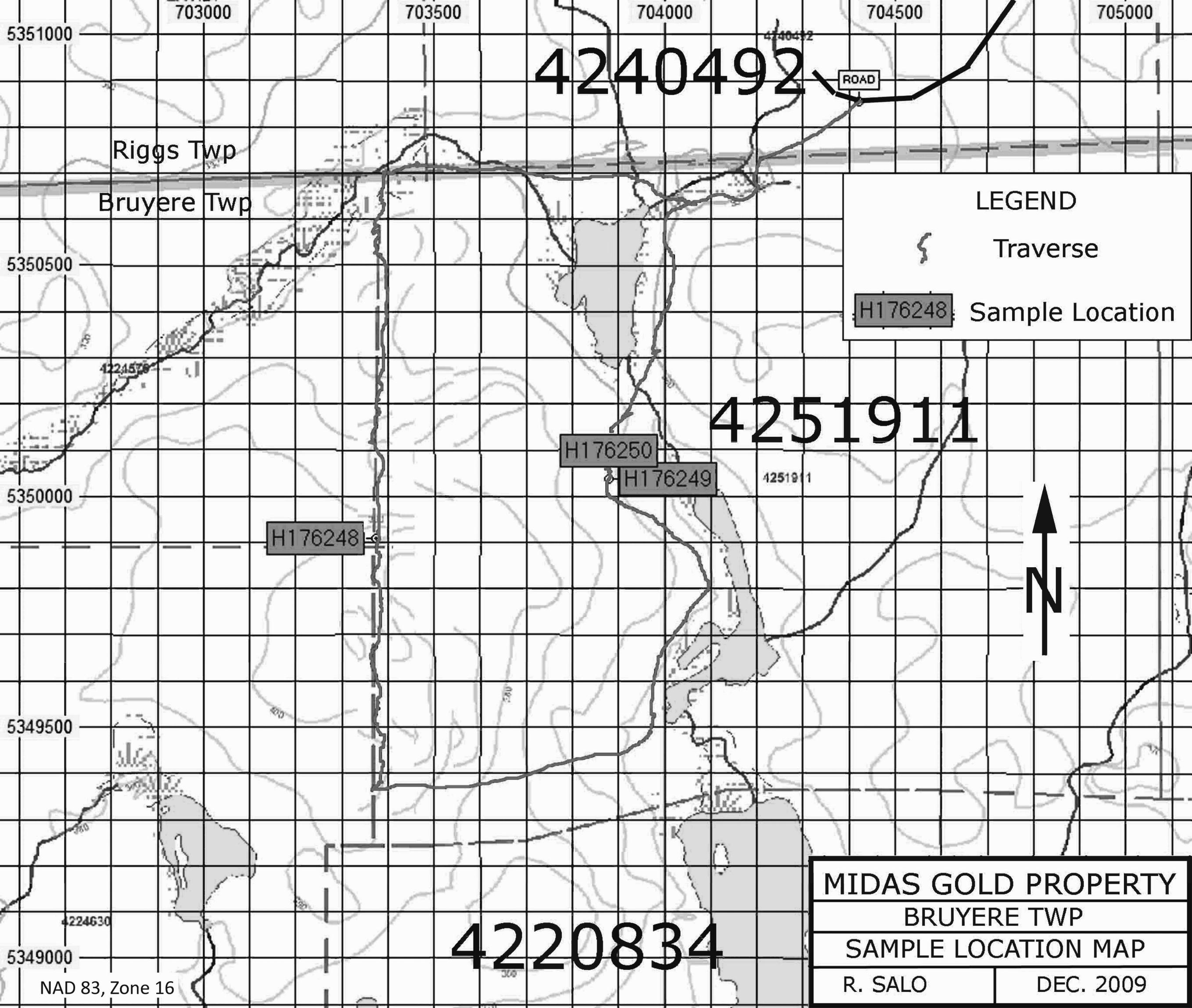
704000

5350000

E801728

Gossan in  
volcanics

Poplar  
Birch  
old  
Trenches



4240492

4251911

4220834

ROAD

Riggs Twp

Bruyere Twp

LEGEND

Traverse

H176248 Sample Location

H176250

H176249

H176248



MIDAS GOLD PROPERTY	
BRUYERE TWP	
SAMPLE LOCATION MAP	
R. SALO	DEC. 2009

NAD 83, Zone 16

0 50 100 m

ACTIVE

spruce/jackpine

Sand Gravel

Poplar Birch

Carbon Zone

5350000

703500

E801730

704000

E801728

gossan in mafic Volcanics  
diss py, carb alt'n

4251911

Poplar Birch old  
Trenches

Poplar/birch

Gravel

5349500

Poplar birch

spruce  
jack pine

Poplar birch

Poplar/Birch

SP/Jack pine

4251911-3

E801729

Calcite alt'n  
Mafic Volcanic  
3-5% py

- Poplar and Birch covered areas tend to be underlain by Gravel
- Jack pine/spruce areas underlain by thin veneer of Sand + humus
- Spruce areas underlain by muskeg/humus.



Scale  
1:5000

4220834

5349000

0 50 100 m

Broyere Prospecting Sketch  
Oct 26/2009

703500

704000