2.48587

Report on Assessment Work

For Outcrop Exploration Ltd

By

Alan Kon

May 31, 2011

Index

Summary

An exploration program was undertaken on mining claims located in the Gillies Limits North township of Larder Lake Mining Division Ontario, from September 1 to November 15, 2010. The work was performed on behalf of Outcrop Exploration Ltd.

This report covers what work was done including; prospecting, geological mapping, trenching, a ground Magnetic survey and sampling. Assay results are also included.

Introduction

This work program and report on the Gillies Limit North properties, aka the Waldman South claims is on behalf of Outcrop Exploration Inc of Cobalt Ontario, Canada. These claims are # 1247791, 4255167, 1231083, and 1212231. All work was supervised by Alan Kon of North Cobalt Ontario, Canada. Ground geophysics was done by Larder Geophysics and the stripping was done using a 25 ton Caterpillar excavator from Lathem's Excavation Ltd. Helpers were mining students from Haileybury School of Mines. Assaying was done by Swastika Labs.

Property Location and Access

The Waldman South claims are located in the northern part of Gillies Limit North township, approximately 3.5 Km south of the historical silver mining town of Cobalt Ontario. These claims can be accessed easily by taking Coleman Rd east from Cobalt to Hound Chutes Rd then south for 2.0 km to a trail that leads west to the claims.

Topographical & Vegetation

The topographical setting for the property is much the same as elsewhere in the Cobalt camp. Rolling hills, steep but low cliffs, and an average amount of exposed rock. There a few small hills in the area with one larger hill in the SW of the claims. Water is sparse is this area with only one small pond. Giroux Lake is approximately 1 km to the east and the Montreal River is 4 km to the west. Swamps and low wet areas are at a minimum also.

Vegetation is very heavy. Logging was done in the area but a very long time ago. Tree types are varied from small to medium sized cedar, birch and willow to medium and large poplar. There are also a few very large old white and red pine in the area. Undergrowth is thick with dogwood, scrub brush and other vegetation.

Historical Work

Four former silver mines are within close proximity to the claims.

- Wallingford Shaft - 1909 to 1913, production unknown
- Waldman Silver Mines - 1909 to 1920, 30,000 oz of Ag. Headframe still standing
- Wyandoh Silver Mines – 1909 to 1916, ~30,000 oz of Ag
- Cobalt A53 Silver Mining Co – 1920 to 1922, ~2251lbs of Co

There has been a considerable amount of work done in the area both in the past and present. But very little data exists on the claims prior to 1970.

There are several pits, trenches and shafts in the area including the Wallingford Shaft which operated from 1909 to 1913 and is said to be 70Ft deep with a 70ft cross-cut. Some of the trenches in the area are very deep and many have small pits in them. One long east-west trench near the south claim line on #1247791 intersects a large shaft. The depth of the shaft is unknown although appears to be fairly deep because of the amount of waste rock piled around it. No data on this shaft has been found. Another pit about 15ft deep sits directly behind an old tin prospecting shack near the middle of the claim. The shack is almost gone but some tin on the sides and part of the frame still exists. The floor of the shack is dirt and upon further inspection, a quartz/sulphide vein was uncovered.

There are old trails all over the area and one trail leading to the prospector shack had a small pile of BQ core on it. There is a report that a drill hole was put down nearby at some point but whether the core is from that hole is undetermined at this time.

Cabo Mining Enterprises Corp once held the option on these claims and had done extensive exploration in the area. In 2006 & 2007, two drill holes were put down directed at the Wallingford Shaft and another hole directed to the SE. None of these 3 holes produced any significant assay results. In the late fall of 2007, a large MMI survey and IP survey was done across the claims including the ground to the north where the Waldman mine is located. Many of the MMI results showed very high base metal values.

In the spring of 2008, a 9 hole drill program was done by Cabo Mining Enterprises. Three drill holes were put down on claim 1247791 to test the MMI anomalies. All 3 holes confirmed the presence of base metals although at the time not deemed as minable widths. Several larger former silver mines are to the north and east including Silverfields and the Cleopatra Silver Mines.

Regional Geology

Regionally, the rocks in the Cobalt are underlain by an N-S trending trough of Huronian metasedimentary rocks (Coleman Group - conglomerate) that cover a complex Archean mafic volcanic terrain. In the Cobalt area the Archean volcanic and overlying Huronian sediments have been intruded by extensive Nipissing aged diabase sills and dykes. There is a strong possibility that the Coleman sediments in this area are underlain by a Nipissing sill. The youngest known consolidated rocks in the area are kimberlite pipes.
A considerable amount of faulting occurs in the Cobalt area. There are 5 major NW/SE trending faults along with several smaller cross faults.

Property Geology

The rock in the immediate area of the claims is mostly Archean mafic volcanics, with small caps or remnants of the Nippissing diabase and Coleman conglomerate. There also small lamprophyre dykes and an unusual E/W felsic dyke that cross cuts the rock at near perpendicular to the strike of the volcanics.

Work Program

A considerable amount of work was performed on the claims including prospecting, mapping, ground geophysics, mechanical stripping and trenching, sampling and channel sampling. Most of the work was focused in the area near the Wallingford Shaft area. A Mobile Metal Ion (MMI) program was conducted across the Waldman north and south claims in 2007 by International Millennium Mining Corp (IMMC). Much of this work program was based on the results from that survey.

Upon reviewing the MMI results from 2007, a ground Magnetometer/VLF survey was conducted on claims #1247791 and #4206129 to test the MMI anomalies.

The geophysical survey showed a few very good anomalies mainly in the same areas as the high MMI anomalies. One large anomaly on the east half of the survey grid was quite unexpected. It was first thought that the large anomaly was from the old prospector shack located there but the anomaly is way too big and the shack covers a very small area. The other Mag anomalies which are quite smaller were mostly on or near the MMI anomalies and proved to be beneficial in determining trenching and stripping targets.

As mentioned before trenching and stripping was based on the MMI and Mag survey results. Access to some of the anomalies proved to be quite difficult at times because of the heavy bush and large trees. Even though the excavator can go pretty much where it wants to, it was decided to stay on the trails or as close to as possible. Several new veins and structure were uncovered including a very wide and long felsic dyke although total length is unknown at this time. Several more dykes and veins were also uncovered throughout the stripped and trenched areas including a lamprophyre dyke near the

Work Program Cont;

centre of the grid and a highly mineralized structure less than 100 metres east from the felsic dyke. Several small veins or blebs of sphalerite, chalcopyrite and galena were also uncovered including one mushy Ni/Cu (>10,000 ppb Ni&Cu) float rock which was under a 15 ton boulder.

After the trenching and stripping was completed, a high volume/pressure water pump was brought in to help clean off the exposed rock. Because of the limited amount of water in the area all the stripped areas could not be washed off. Most of the cleaning was done by the students using hand tools such as stable brooms, shovels, picks, etc.

Once all the exposed rock could be cleaned, hand and channel sampling commenced. There were 22 hand samples and 9 channel saw samples taken throughout the work program.

Prospecting and mapping was conducted continuously throughout the work program.

Future Work

Another exploration program should be considered for the Waldman south claims in the spring of 2011. The geophysical magnetic survey should be extended to the far east side of claim #1247791 and to the south on claim #1231083 to determine the size of the anomaly. The felsic dyke should be followed up with more stripping both to the east and west to determine the total length if possible. There seems to be an offset or possible a parallel structure ~50 metres east of the stripped felsic dyke beside the old prospector's shack. Once the magnetic survey and stripping is completed, more intense mapping and sampling should be done on the area.

The new trenches that were not thoroughly inspected on the far west side of claim #1247791 should be followed up as there were a few fairly good results from the sarnpling. A sulphide vein structure was uncovered by the trenching in the fall and is on strike with a large MMI silver sample taken in 2007. Sulphide mineralization was observed between the trenched near the top of the hill and a lamprophyre structure was uncovered at the bottom on the hill in the trench. Another area worth mentioning is on the east of the hill in a new trench. A small cobalt vein was observed although the ground cover had sloughed back and may need to be re-excavated.

Once all assay results have been returned and if the results are as good as or better than from sampling in the 2010, then a drilling program is well warranted. Three possible drill holes have already been identified. Two along the felsic dyke and another further to the south east near the old prospector shack.

VMS Deposit

Although all work completed to date on the Waldman South claims is still in the initial stages, there is some indications of a possible VMS deposit in the vicinity.

Further work is certainly warranted along with the re-sampling of previous sample sites and assayed using fusion Whole Rock analysis instead of ICP. By using this procedure this should help to determine the Na2O content of the rock. If the rock shows to have a depleted Na content (< 1%) this could be a very good indicator of a VMS type deposit.

At this early stage on the Waldman South claims the mineralization appears to resemble a bimodal-mafic VMS type deposit, with Zn being the predominant metal followed by Pb, Cu, and Ni. VMS deposits associated with environments dominated by mafic or ultra mafic volcanic rocks, but with up to 25% felsic volcanic rocks.

Noranda, Flin Flon-Snow Lake and Kidd Creek are examples of bimodal-mafic VMS deposits.

For many years a large VMS type deposit has been thought to exist is the Cobalt silver mining camp but very little exploration has been undertaken on the subject.

VMS are a type of metal sulphide ore deposit, mainly Cu-Zn-Pb which is associated with volcanic-associated hydrothermal events in both ancient and modern submarine environments.

Conclusions

Although the gold and silver results from the sampling were less than hoped for, the base metal results were better than expected. Several new structures and mineralized areas were located and the unexpected large magnetic low anomaly on claim #1247791 only adds to the success of this past exploration project.

References

Dr. James Franklin

Franklin, J. M., Gibson, H. L., Galley, A. G., and Johansson, I. R., 2005, Volcanogenic Massive Sulfide Deposits.

Gary Grabowski, Regional Resident Geologist, Ministry of Northern Development and Mines, Kirkland Lake Ontario.

Seymour Sears, SearsBarry and Associates.

Appendix I

Sampling & Assay Results

Sample #	Date & Description		Coordinates		Elavation
OC-10-01	06-SEP-10 Sulph in fracture Vn	17T	598870	5246724	344 m
OC-10-02	06-SEP-10 Sulph in fracture Vn	17T	598878	5246750	337 m
OC-10-03	06-SEP-10 Sulph in fracture Vn	17T	598859	5246698	332 m
OC-10-04	06-SEP-10 1:37 PRX BLDR	17T	598855	5246603	329 m
OC-10-05	08-SEP-10 Sulph in Sm Veinlettes-NEAR POND	17T	599078	5246651	345 m
OC-10-06	08-SEP-10 WALLINGFORD SHAFT Muck	17T	599151	5246733	327 m
OC-10-07	11-SEP-10 Sulph in Frac Vn	17T	598981	5246552	327 m
OC-10-08	11-SEP-10 Sulph in Frac Vn Near DDH	17T	598934	5246589	335 m
OC-10-09	13-SEP-10 Sulph in Pillows	17T	599123	5246561	322 m
OC-10-10	13-SEP-10 Sulph Veinlette	17T	599087	5246612	323 m
OC-10-12	17-SEP-10 Sulph Veinlette	17T	599089	5246579	320 m
OC-10-13	17-SEP-10 Sulph Veinlette POSS CONT	17T	599082	5246571	322 m
OC-10-14	28-SEP-10 Co/Ni float (mush)	17T	598855	5246617	346 m
OC-10-15	13-OCT-10 SULPH VN LOOSE	17T	599126	5246572	319 m
OC-10-16	13-OCT-10 SPHAL IN OC LOOSE	17T	599120	5246578	323 m
OC-10-17	13-OCT-10 SPHAL-PB ON OC	17T	598995	5246564	325 m
OC-10-18	14-OCT-10 SULPH IN OC NEAR TRL	17T	598986	5246555	335 m
OC-10-19	16-OCT-10 - TRC SULPH in Veinlettes on LRG OC	17T	599079	5246405	320 m
OC-10-20	16-OCT-10 Sulph in PROX BLDR	17T	599078	5246396	319 m
OC-10-22	12-NOV-10 FELSIC DYKE	17T	599127	5246569	321 m
OC-10-23CS	12-NOV-10 50CM CUT	17T	599128	5246571	322 m
OC-10-24CS	12-NOV-10 30CM CUT	17T	599135	5246574	326 m
OC-10-25CS	13-NOV-10 130CM CUT in FELSIC DYKE	17T	599107	5246583	328 m
OC-10-26CS	13-NOV-10 70CM IN SHEAR	17T	599111	5246576	338 m
OC-10-27CS	13-NOV-10 IN SHEAR	17T	599116	5246576	317 m
OC-10-28CS	15-NOV-10 47CM IN SHEAR	17T	599165	5246536	326 m
OC-10-29CS	15-NOV-10 62CM IN SHEAR	17T	599167	5246541	315 m
OC-10-30CS	15-NOV-10 80CM IN SHEAR	17T	599173	5246528	315 m
OC-10-31	15-NOV-10 SULPHIDE BLEB	17T	599173	5246531	315 m

Established 1928

Swastika Laboratories Ltd

Assaying - Consulting - Representation

Assay Certificate

Certificate Number: 10-4034

Company: **Outcrop Exploration Ltd**

Project: Waldman South

Report Date: 26-Nov-10

Attn: Shirley Gilson

We hereby certify the following Assay of 31 rock samples submitted 17-Nov-10 by Shirley Gilson

Sample Number	Au FA-AAS ppb	Au Chk FA-AAS ppb
OC-10-26	16	
OC-10-27	10	
OC-10-28	15	
OC-10-29	30	34
OC-10-30	12	
OC-10-31	22	
Blank Value	< 2	
OxF65	748	

Certified by Denis Chartre

1 Cameron Ave., P.O. Box 10, Swastika, Ontario P0K 1T0
Telephone (705) 642-3244 Fax (705) 642-3300

Swastika Laboratories Ltd

Established 1928

Assaying - Consulting - Representation

Assay Certificate

Certificate Number: 10-4034

Company: **Outcrop Exploration Ltd**

Project: Waldman South

Report Date: 26-Nov-10

Attn: Shirley Gilson

We hereby certify the following Assay of 31 rock samples submitted 17-Nov-10 by Shirley Gilson

Sample Number	Au FA-AAS ppb	Au Chk FA-AAS ppb
OC-10-01	9	
OC-10-02	27	
OC-10-03	20	
OC-10-04	11	
OC-10-05	12	
OC-10-06	98	74
OC-10-07	8	
OC-10-08	19	
OC-10-09	12	
OC-10-10	< 2	< 2
OC-10-11	6	
OC-10-12	12	
OC-10-13	6	
OC-10-14	< 2	
OC-10-15	13	
OC-10-16	11	
OC-10-17	17	
OC-10-18	15	
OC-10-19	7	
OC-10-20	< 2	< 2
OC-10-21	7	
OC-10-22	8	7
OC-10-23	8	
OC-10-24	11	
OC-10-25	10	

Certified by Denis Chartre

Denis Chartre

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Multi-Element ICP-AES Analysis

Aqua Regia Digestion

OUTCROP EXPLORATION LTD
PROJECT: Waldman South
ATTN: Shirley Gilson

Report No : **A10-4034 (i) ICP**
Date : **November 29, 2010**
Sample Type : **rock**

Sample Number	Ag ppm	Al %	As ppm	Ba ppm	Be ppm	Bi ppm	Ca %	Cd ppm	Co ppm	Cr ppm	Cu ppm	Fe %	K %	Mg %	Mn ppm	Mo ppm	Na %	Ni ppm	P ppm	Pb ppm	Sb ppm	Sc ppm	Sr ppm	Te ppm	Tl %	V ppm	Zn ppm	W ppm	Y ppm	Zr ppm
OC-10-31	0.6	2.23	52	< 10	< 0.5	< 5	0.32	< 1	181	213	48	8.14	0.01	3.36	893	40	0.03	146	165	9	< 5	4	3	< 2	0.16	159	130	< 10	< 1	3

0.2 gram sample is digested with 5.7ml 2:1 HCl/HNO3 at 95°C for 30 minutes and then at boiling water bath for 90 minutes, and diluted to 15ml

CERTIFIED BY : J. Lin

Established 1928

Swastika Laboratories Ltd

Assaying - Consulting - Representation

Multi-Element ICP-AES Analysis

Aqua Regia Digestion

OUTCROP EXPLORATION LTD
PROJECT: Waldman South
ATTN: Shirley Gilson

Report No : **A10-4034 (i) ICP**
Date : **November 29, 2010**
Sample Type : **rock**

Sample Number	Ag ppm	Al %	As ppm	Ba ppm	Be ppm	Bi ppm	Ca %	Cd ppm	Co ppm	Cr ppm	Cu ppm	Fe %	K %	Mg %	Mn ppm	Mo ppm	Na %	Ni ppm	P ppm	Pb ppm	Sb ppm	Sc ppm	Sr ppm	Te ppm	Tl %	V ppm	Zn ppm	W ppm	Y ppm	Zr ppm
OC-10-01	1.4	1.06	140	< 10	< 0.5	< 5	0.71	< 1	31	44	83	1.58	0.02	0.78	348	23	0.03	126	145	80	< 5	1	24	< 2	0.19	38	90	< 10	< 1	8
OC-10-02	0.5	1.57	< 5	< 10	< 0.5	< 5	0.65	< 1	16	106	24	2.88	0.01	1.39	783	34	0.04	35	139	8	< 5	3	10	< 2	0.26	69	47	< 10	< 1	8
OC-10-03	2.0	1.39	12	10	< 0.5	< 5	0.55	< 1	16	67	214	2.40	0.02	1.20	554	28	0.02	30	168	138	< 5	< 1	13	< 2	0.14	30	129	< 10	< 1	4
OC-10-04	0.2	1.10	< 5	160	< 0.5	< 5	0.59	< 1	9	72	28	1.80	0.46	0.89	288	14	0.04	24	234	6	< 5	4	18	< 2	0.11	49	35	< 10	< 1	11
OC-10-05	0.7	1.33	83	< 10	< 0.5	< 5	0.86	< 1	33	85	57	2.99	0.02	1.00	524	19	0.04	64	161	55	< 5	2	8	< 2	0.15	43	37	< 10	< 1	5
OC-10-06	30.9	1.23	> 10000	< 10	< 0.5	45	12.29	< 1	4588	43	1256	4.51	0.01	1.38	801	31	< 0.01	334	620	802	< 5	3	17	< 2	0.04	62	2497	< 10	< 1	7
OC-10-07	0.8	1.23	58	< 10	< 0.5	< 5	0.61	< 1	28	58	172	2.39	0.02	0.88	445	10	0.03	31	171	6	< 5	1	6	< 2	0.13	35	68	< 10	< 1	5
OC-10-08	0.7	1.88	58	< 10	< 0.5	< 5	0.81	< 1	41	78	31	3.96	0.02	1.39	741	20	0.02	40	155	< 2	< 5	1	8	< 2	0.14	47	42	< 10	< 1	< 3
OC-10-09	1.0	1.18	16	16	< 0.5	< 5	1.54	< 1	24	53	150	1.88	0.13	0.96	472	33	0.04	29	184	169	< 5	2	20	< 2	0.14	46	126	< 10	< 1	6
OC-10-10	0.8	1.11	17	11	< 0.5	< 5	0.82	< 1	16	66	9	2.06	0.03	0.87	524	23	0.04	25	148	45	< 5	1	12	< 2	0.18	44	38	< 10	< 1	5
OC-10-11	0.4	1.47	6	27	< 0.5	< 5	0.87	< 1	14	60	37	1.96	0.17	0.96	480	25	0.15	23	121	15	< 5	2	14	< 2	0.12	42	25	< 10	< 1	6
OC-10-12	0.8	0.94	28	< 10	< 0.5	< 5	0.69	< 1	25	50	112	1.81	0.02	0.67	286	13	0.03	17	160	27	< 5	2	10	< 2	0.18	37	32	< 10	< 1	6
OC-10-13	0.7	1.46	23	< 10	< 0.5	< 5	0.50	< 1	18	75	61	2.23	0.03	1.44	497	29	0.03	49	165	19	< 5	1	7	< 2	0.15	47	49	< 10	< 1	6
OC-10-14	> 200	2.86	> 10000	23	< 0.5	267	0.58	< 1	> 10000	17	299	0.87	0.01	1.00	469	47	< 0.01	> 10000	147	< 2	< 5	4	< 1	< 2	< 0.01	16	359	< 10	< 1	8
OC-10-15	3.6	2.11	195	23	< 0.5	< 5	0.49	1	89	129	52	4.16	0.24	2.59	883	30	0.03	197	170	619	2213	4	5	< 2	0.18	117	589	< 10	< 1	6
OC-10-16	1.9	1.84	49	11	< 0.5	< 5	0.40	17	42	73	316	3.25	0.09	1.95	476	14	0.04	87	277	1447	< 5	1	< 1	< 2	0.10	74	5439	62	< 1	7
OC-10-17	1.4	1.23	37	11	< 0.5	< 5	0.69	4	29	40	201	2.40	0.02	1.06	490	35	0.03	31	211	378	< 5	1	6	< 2	0.12	35	1288	< 10	< 1	6
OC-10-18	1.1	1.49	120	< 10	< 0.5	< 5	0.70	< 1	36	60	47	3.20	0.01	1.14	619	13	0.02	119	140	10	< 5	1	6	< 2	0.17	35	106	< 10	< 1	4
OC-10-19	0.6	1.18	15	< 10	< 0.5	< 5	0.60	< 1	14	52	60	2.20	0.07	1.00	551	26	0.05	18	159	22	< 5	1	11	< 2	0.12	51	53	< 10	< 1	5
OC-10-20	0.5	1.48	32	< 10	< 0.5	< 5	0.58	< 1	20	93	7	2.86	0.04	1.62	754	29	0.06	48	164	18	< 5	2	6	< 2	0.17	66	94	< 10	< 1	6
OC-10-21	1.9	1.41	35	18	< 0.5	< 5	0.67	3	37	87	120	2.32	0.21	1.36	381	24	0.07	69	178	1153	< 5	1	5	< 2	0.11	59	825	< 10	< 1	6
OC-10-22	1.0	1.90	28	45	< 0.5	< 5	0.60	< 1	42	95	66	3.67	0.48	2.16	801	38	0.05	56	191	114	< 5	2	6	< 2	0.13	85	194	< 10	< 1	6
OC-10-23	0.9	1.21	30	14	< 0.5	< 5	0.48	3	33	83	104	2.10	1.60	1.23	354	27	0.05	39	187	475	< 5	2	4	< 2	0.12	67	458	< 10	< 1	7
OC-10-24	2.0	1.08	16	15	< 0.5	< 5	1.61	13	36	89	94	1.74	0.12	1.19	358	27	0.02	34	154	2236	< 5	2	5	< 2	0.16	57	3204	37	< 1	7
OC-10-25	2.3	1.50	17	< 10	< 0.5	< 5	1.35	5	23	64	75	3.00	0.07	1.33	778	29	0.05	22	216	2120	< 5	2	8	< 2	0.15	59	1991	23	< 1	6
OC-10-26	1.1	1.83	24	11	< 0.5	< 5	0.46	1	34	116	116	3.62	0.08	2.17	643	24	0.05	50	209	446	< 5	2	3	< 2	0.12	87	591	< 10	< 1	7
OC-10-27	1.0	1.60	< 5	12	< 0.5	< 5	0.67	< 1	22	53	38	2.93	0.08	1.52	542	33	0.08	32	181	85	< 5	1	9	< 2	0.14	83	118	< 10	< 1	6
OC-10-28	0.5	2.24	16	< 10	< 0.5	< 5	0.32	< 1	66	223	16	4.85	< 0.01	3.66	627	16	0.03	78	141	< 2	< 5	10	3	< 2	0.14	187	140	< 10	< 1	3
OC-10-29	2.4	2.29	44	< 10	< 0.5	< 5	0.38	< 1	60	114	188	6.89	0.08	2.74	1389	47	0.02	154	224	658	< 5	1	2	< 2	0.13	155	488	< 10	< 1	7
OC-10-30	0.3	1.77	34	< 10	< 0.5	< 5	0.27	< 1	71	182	17	3.61	0.02	2.35	698	26	0.04	64	254	< 2	< 5	3	3	< 2	0.09	86	79	< 10	< 1	4

0.2 gram sample is digested with 5.7ml 2:1 HCl/HNO3 at 95°C for 30 minutes and then at boiling water bath for 90 minutes, and diluted to 15ml

CERTIFIED BY : Jing Lin

Appendix II

Geophysics

LARDER GEOPHYSICS LTD.
PO Box 219
14579 Government Road
Larder Lake, Ontario
P0K 1L0, Canada
Phone (705) 643-1122
Fax (705) 643-2191

OUTCROP EXPLORATIONS LIMITED

Magnetometer and VLF Surveys Over the

WALDMAN PROPERTY

Gillies Limit Township, Ontario

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LIST OF TABLES AND FIGURES

1. SURVEY DETAILS

1.1 PROJECT NAME

This project is known as the **Waldman Property**.

1.2 CLIENT

Outcrop Explorations Limited.

RR#1.
857921 Martin Drive
Coleman Township
Cobalt, Ontario
P0J 1C0

1.3 LOCATION

The Waldman Property is located approximately 3km south of Cobalt, Ontario. The survey grid is located in Gillies Limit Township and covers part of mining claims 1231083, 1247791 and a third mining claim which is not yet on the map within the Larder Lake Mining Division.

Figure 1: Location of Waldman Property

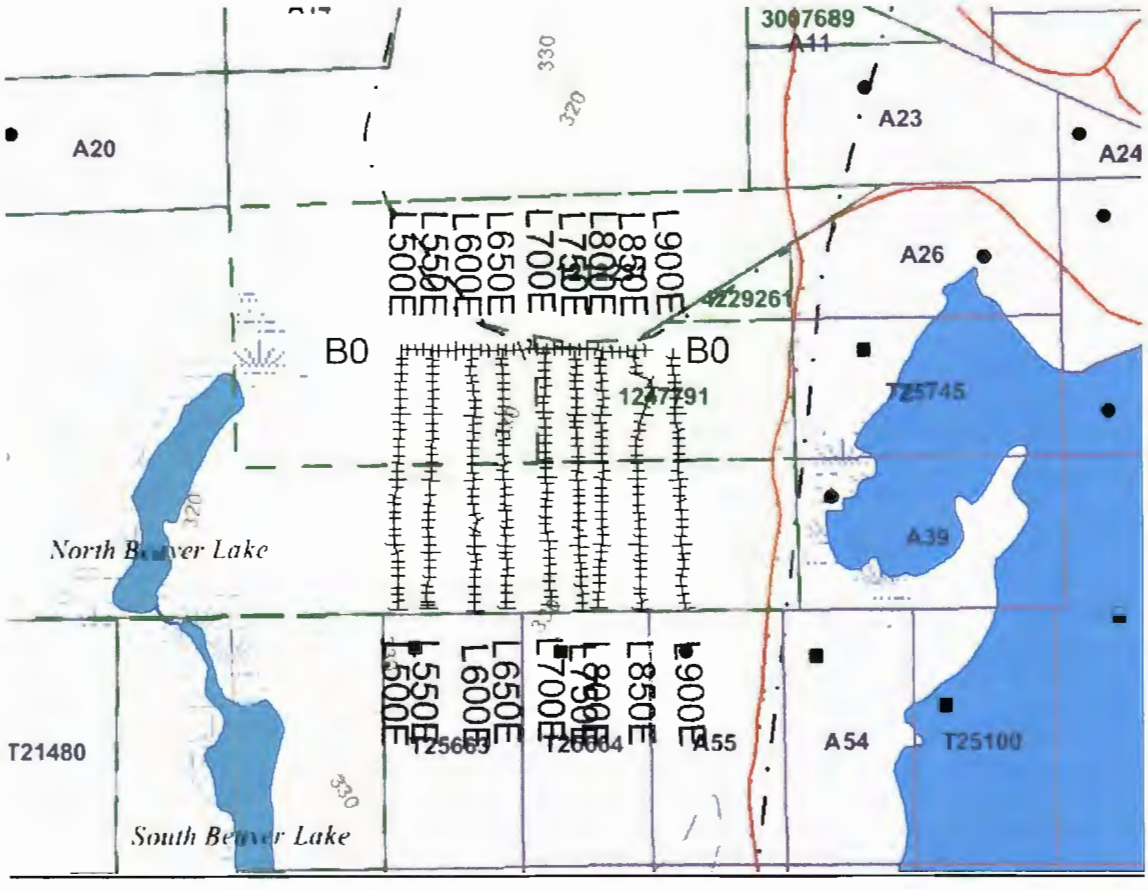


Figure 2: Claim Map with Waldman Property Traverses

1.4 Access

The Waldman Property can be accessed by a 4x4 vehicle and ATV on an all season gravel road. From the community of Cobalt, the Silverfields Road is driven south for 3 km. From here, a west-bound trail was used with the ATV for approximately 300m where the survey area can be found.

1.5 Survey Grid

The traversed lines were established using a GPS in conjunction with the execution of the survey. The GPS operator would establish sample locations while remaining approximately 12.5m in front of the magnetometer operator. GPS waypoints and magnetic samples were taken every 12.5m along these controlled traverses. The GPS used was a Garmin 76 with an external antenna for added accuracy.

2. SURVEY WORK UNDERTAKEN

2.1 SURVEY LOG

Date	Description	Line	Min Extent	Max Extent	Total Survey (m)
September 21, 2010	Locate access and survey area. Conduct survey.	0	500E	900E	400
		900E	400S	0	400
		850E	400S	0	400
		800E	400S	0	400
		750E	400S	0	400
		700E	400S	0	400
		650E	400S	0	400
		600E	400S	0	400
		550E	400S	0	400
		500E	400S	0	400

Table 1: Survey Log

2.2 PERSONNEL

Claudia Moraga of Sudbury, Ontario conducted all the magnetic data collection with Bruce Lavalley also of Sudbury, responsible for the GPS control and GPS waypoint collection.

2.3 SURVEY SPECIFICATIONS

The survey was conducted with a GSM-19 v7 Overhauser magnetometer with a second GSM-19 magnetometer for a base station mode for diurnal correction.

A total of 4 kilometers of magnetic and VLF EM survey was conducted on September 21, 2010. This consisted of 320 magnetic with simultaneous VLF EM samples collected at a 12.5 meter sample interval.

3. OVERVIEW OF SURVEY RESULTS

3.1 SUMMARY INTERPRETATION

Historically we have noted that the silver bearing veins in this environment are generally associated with alteration zones. This usually is indicated with a magnetic low response due to a magnetite depletion within this alteration zone.

Through the survey, no strong VLF EM trends were highlighted and what is seen is most likely related to topography.

Generally the magnetic signature does not vary strongly which would indicate a generally uniform geological unit. Numerous magnetic depressed regions occur which most likely represent alteration zones.

Three magnetically depressed zones stand out and should be investigated further. The first zone that should be investigated is what appears to be a linear east west magnetic low feature near the 175S mark across the survey area. In particular, this feature appears to be broadest and strongest in the vicinity of lines 650E and 700E. This may indicate a zone of broad favorable alteration.

The first zone appears to be paralleled by a similar feature to the north at approximately 50S. Again, the magnetic signature appears to be the broadest and strongest over lines 650E and 700E. The difference with this signature from the first is a flanking magnetic high response on line 650E. This may indicate a more iron rich zone of alteration or a possible cultural source.

A strong localized magnetic response occurs in the region on line 900E at 275S. This response resembles that of a narrow highly magnetic feature such as an iron formation. However, this may also be associated with a cultural feature and should be investigated.

I would recommend prospecting the area and establishing the UTM coordinates for the known historical work and any known silver ore zones. When these are plotted on the magnetic map, any magnetic signature would be better identified and a better trend association can be investigated.

APPENDIX A

STATEMENT OF QUALIFICATIONS

I, C. Jason Ploeger, hereby declare that:

1. I am a geophysicist (non-professional) with residence in Larder Lake, Ontario and am presently employed as Geophysical Manager of Larder Geophysics Ltd. of Larder Lake, Ontario.

2. I graduated with a Bachelor of Science degree in geophysics from the University of Western Ontario, in London Ontario, in 1999.

3. I have practiced my profession continuously since graduation in Africa, Bulgaria, Canada, Mexico and Mongolia.

4. I am a member of the Ontario Prospectors Association, a director of the Northern Prospectors Association and a member of the Society of Exploration Geophysicists.

5. I have no interest, nor do I expect to receive any interest in the properties or securities of **Outcrop Explorations Limited.**

6. I am responsible for the final processing and validation of the survey results 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 2010

C. Jason Ploeger, B.Sc. (geophysics)
Geophysical Manager of Larder Geophysics Ltd.

APPENDIX B

THEORETICAL BASIS AND SURVEY PROCEDURES

TOTAL FIELD MAGNETIC SURVEY

Base station corrected Total Field Magnetic surveying is conducted using at least two synchronized magnetometers of identical type. One magnetometer unit is set in a fixed position in a region of stable geomagnetic gradient, and away from possible cultural effects (i.e. moving vehicles) to monitor and correct for daily diurnal drift. This magnetometer, given the term 'base station', stores the time, date and total field measurement at fixed time intervals over the survey day. The second, remote mobile unit stores the coordinates, time, date, and the total field measurements simultaneously. The procedure consists of taking total magnetic measurements of the Earth's field at stations, along individual profiles, including Tie and Base lines. A 2 meter staff is used to mount the sensor, in order to optimally minimize localized near-surface geologic noise. At the end of a survey day, the mobile and base-station units are linked, via RS-232 ports, for diurnal drift and other magnetic activity (ionospheric and sferic) corrections using internal software.

For the gradiometer application, two identical sensors are mounted vertically at the ends of a rigid fiberglass tube. The centers of the coils are spaced a fixed distance apart (0.5 to 1.0m). The two coils are then read simultaneously, which alleviates the need to correct the gradient readings for diurnal variations, to measure the gradient of the total magnetic field.

VLF Electromagnetic

The frequency domain VLF electromagnetic survey is designed to measure both the vertical and horizontal in-phase (IP) and Quadrature (OP) components of the anomalous field from electrically conductive zones. The sources for VLF EM surveys are several powerful radio transmitters located around the world which generate EM radiation in the low frequency band of 15-25kHZ. The signals created by these long-range communications and navigational systems may be used for surveying up to several thousand kilometres away from the transmitter. The quality of the incoming VLF signal can be monitored using the field strength. A field strength above 5pT will produce excellent quality results. Anything lower indicates a weak signal strength, and possibly lower data quality. A very low signal strength (<1pT) may indicate the radio station is down.

The EM field is planar and horizontal at large distances from the EM source. The two components, electric (E) and magnetic (H), created by the source field are orthogonal to each other. E lies in a vertical plane while H lies at right angles to the direction of propagation in a horizontal plane. In order to ensure good coupling, the strike of possible conductors should lie in the direction of the transmitter to allow the H vector to pass through the anomaly, in turn, creating a secondary EM field.

The VLF EM receiver has two orthogonal aerials which are tuned to the frequency of the transmitting station. The direction of the source station is located by rotating the sensor around a vertical axis until a null position is found. The VLF EM survey procedure consists of taking measurements at stations along each line on the grid. The receiver is rotated about a horizontal axis, right angles to the traverse and the tilt recorded at the null position.

APPENDIX C

GSM 19

Specifications

Overhauser Performance

Resolution: 0.01 nT
Relative Sensitivity: 0.02 nT
Absolute Accuracy: 0.2nT
Range: 20,000 to 120,000 nT
Gradient Tolerance: Over 10,000nT/m
Operating Temperature: -40°C to +60°C

Operation Modes

Manual: Coordinates, time, date and reading stored automatically at min. 3 second interval.
Base Station: Time, date and reading stored at 3 to 60 second intervals.
Walking Mag: Time, date and reading stored at coordinates of fiducial.
Remote Control: Optional remote control using RS-232 interface.
Input/Output: RS-232 or analog (optional) output using 6-pin weatherproof connector.

Operating Parameters

Power Consumption: Only 2Ws per reading. Operates continuously for 45 hours on standby.
Power Source: 12V 2.6Ah sealed lead acid battery standard, other batteries available
Operating Temperature: -50°C to +60°C

Storage Capacity

Manual Operation: 29,000 readings standard, with up to 116,000 optional. With 3 VLF stations: 12,000 standard and up to 48,000 optional.

Base Station: 105,000 readings standard, with up to 419,000 optional (88 hours or 14 days uninterrupted operation with 3 sec. intervals)

Gradiometer: 25,000 readings standard, with up to 100,000 optional. With 3 VLF stations: 12,000, with up to 45,000 optional.

Omnidirectional VLF

Performance Parameters: Resolution 0.5% and range to ±200% of total field. Frequency 15 to 30 kHz.

Measured Parameters: Vertical in-phase & out-of-phase, 2 horizontal components, total field coordinates, date, and time.

Features: Up to 3 stations measured automatically, in-field data review, displays station field strength continuously, and tilt correction for up to ±10° tilts.

Dimensions and Weights: 93 x 143 x 150mm and weighs only 1.0kg.

Dimensions and Weights

Dimensions:
Console: 223 x 69 x 240mm
Sensor: 170 x 71mm diameter cylinder
Weight:
Console: 2.1kg
Sensor and Staff Assembly: 2.0kg

Standard Components

GSM-19 magnetometer console, harness, battery charger, shipping case, sensor with cable, staff, instruction manual, data transfer cable and software.

Taking Advantage of a "Quirk" of Physics

Overhauser effect magnetometers are essentially proton precession devices except that they produce an order-of magnitude greater sensitivity. These "supercharged" quantum magnetometers also deliver high absolute accuracy, rapid cycling (up to 5 readings / second), and exceptionally low power consumption.

The Overhauser effect occurs when a special liquid (with unpaired electrons) is combined with hydrogen atoms and then exposed to secondary polarization from a radio frequency (RF) magnetic field. The unpaired electrons transfer their stronger polarization to hydrogen atoms, thereby generating a strong precession signal– that is ideal for very high-sensitivity total field measurement. In comparison with proton precession methods, RF signal generation also keeps power consumption to an absolute minimum and reduces noise (i.e. generating RF frequencies are well out of the bandwidth of the precession signal).

In addition, polarization and signal measurement can occur simultaneously - which enables faster, sequential measurements. This, in turn, facilitates advanced statistical averaging over the sampling period and/or increased cycling rates (i.e. sampling speeds).

The unique Overhauser unit blends physics, data quality, operational efficiency, system design and options into an instrumentation package that ... exceeds proton precession and matches costlier optically pumped cesium capabilities.

APPENDIX C

GARMIN GPS 76

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: Two "AA" batteries (not included)
Battery Life: Up to 16 hours

Physical

Size: 2.7"W x 6.2"H x 1.2"D (6.9 x 15.7 x 3.0 cm)
Weight: 7.7 ounces

Display

1.6"W x 2.2"H (4.1 x 5.6 cm)
180 x 240 pixels, high-contrast

FSTN with bright backlighting

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:	Built-in quadrifilar, with external antenna connection (MCX)
Differential:	DGPS (USCG and WAAS capable)
Temperature range:	5°F to 158°F (-15°C to 70°C)
Dynamics:	6 g's
User data storage:	Indefinite, no memory battery required

Specifications obtained from www.garmin.com

APPENDIX D

LIST OF MAPS (IN MAP POCKET)

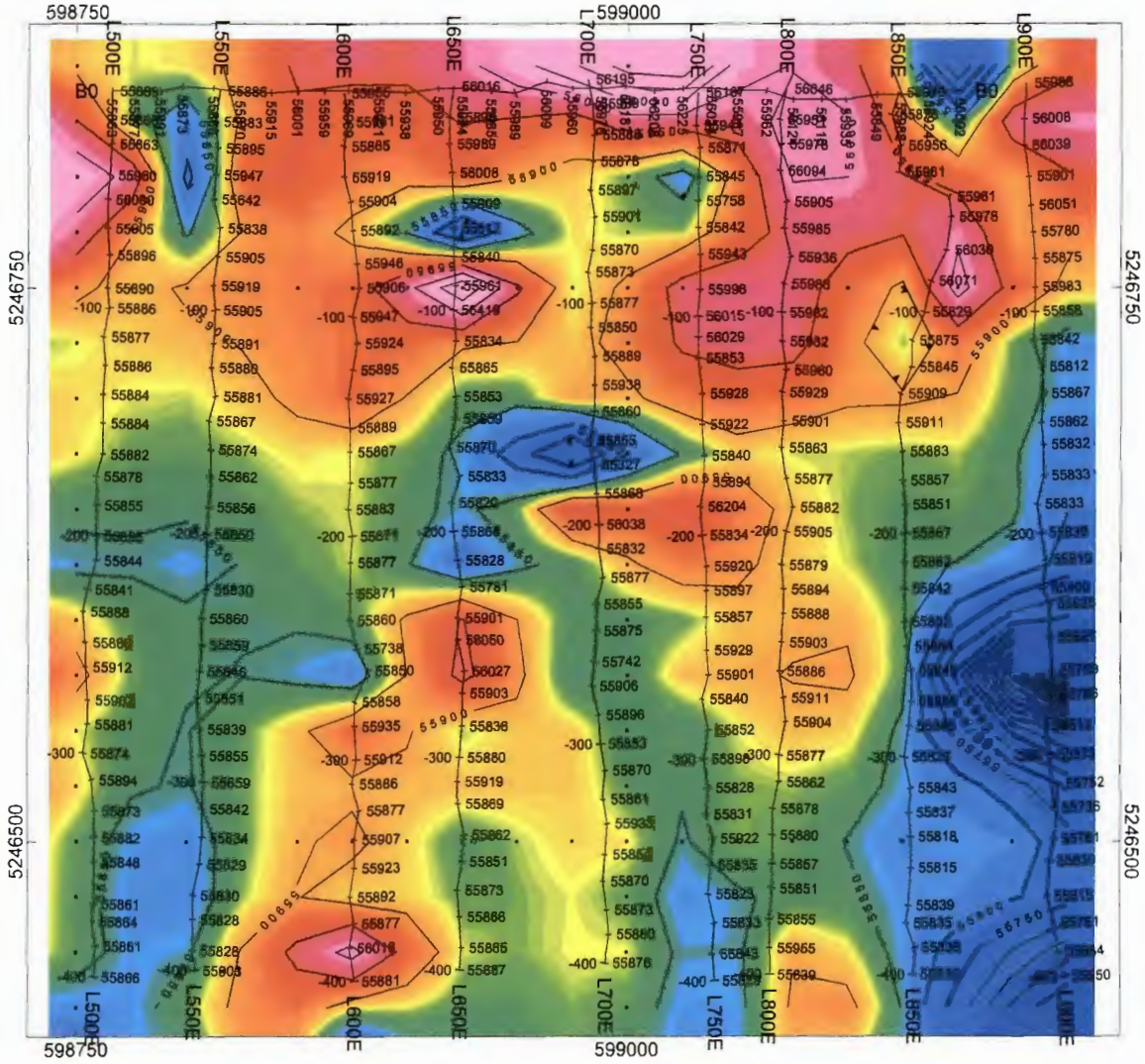
Posted profiled TFM plan map (1:2500)

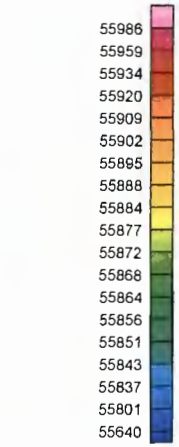
1) OUTCROP-WALDMAN-MAG-CONT

Posted profiled Fraser Filtered VLF EM plan map (1:2500)

2) OUTCROP-WALDMAN-VLF-NAA

TOTAL MAPS=2





TOTAL FIELD MAGNETIC
nanoTesla (nT)

Scale 1:2500

25 0 25 50 75 100 125 150
(meters)
NAD83 / UTM zone 17N

OUTCROP EXPLORATIONS LIMITED

WALDMAN PROPERTY
Gillies Limit Township, Ontario

TOTAL FIELD MAGNETIC CONTOURED PLAN MAP
Base Station Corrected

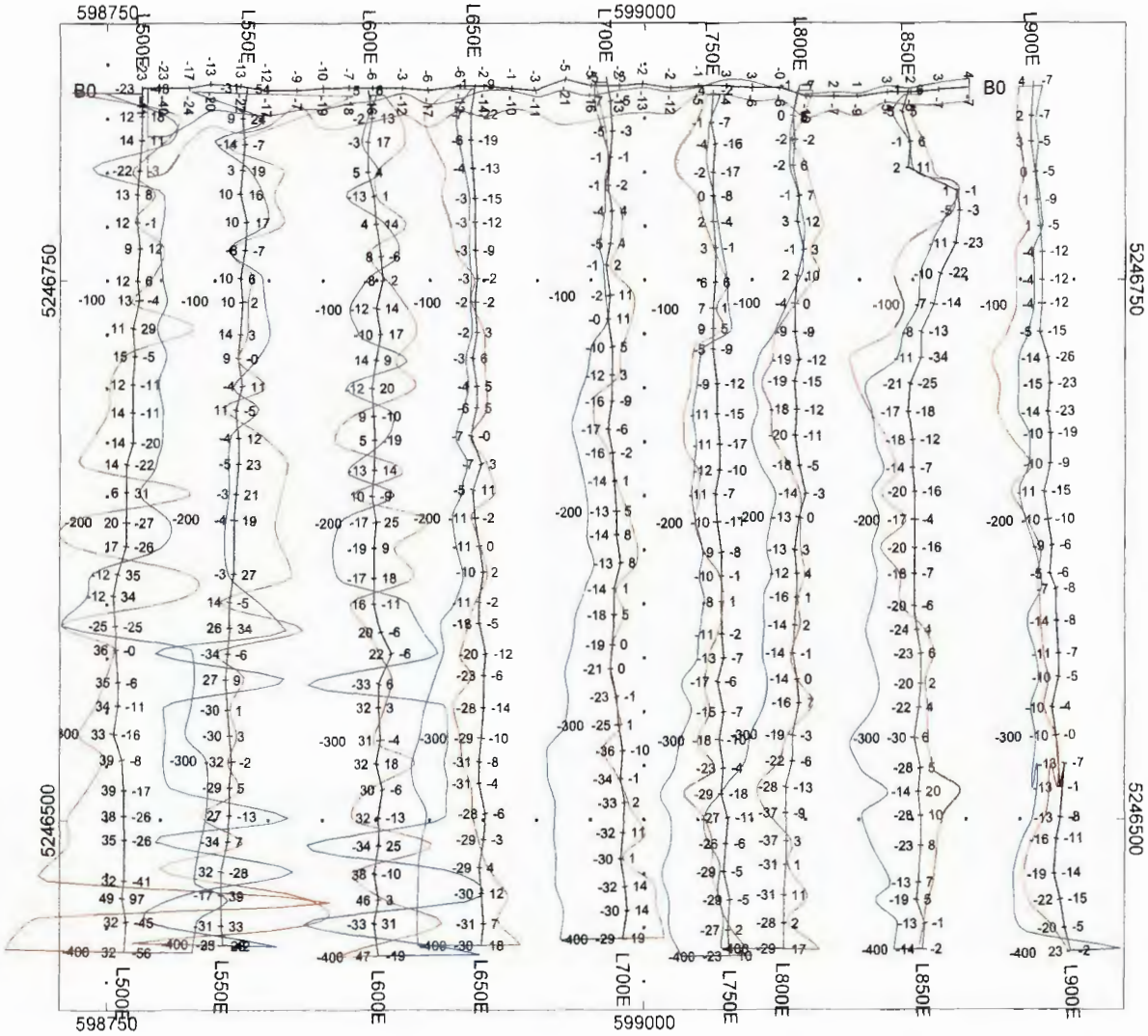
Posting Level: 0nT
Field Inclination/Declination: 74.7degN/12degW
Station Seperation: 12.5 meters
Total Field Magnetic Contours: 50nT

GSM-19 OVERHAUSER MAGNETOMETER/VLF v7

Receiver Operated By: Claudia Moraga
GPS Operated By: Bruce Lavalley
Processed by: C Jason Ploeger, B.Sc.
Map Drawn By: C Jason Ploeger, B.Sc.
September 2010

LARDER GEOPHYSICS LTD.

Drawing : OUTCROP-WALDMAN-MAG-CONT



Fraser Filter
Crossover Direction
negative-positive

Scale 1:2500

25 0 25 50 75 100 125 150
(meters)
NAD83 / UTM zone 17N

OUTCROP EXPLORATIONS LIMITED

WALDMAN PROPERTY
Gillies Limit Township, Ontario

VLF IN PHASE/OUT PHASE PROFILED PLAN MAP
24.0kHz NML - CUTLER USA

In Phase: Posted Right/Bottom (Red)
Out Phase: Posted Left/Top (Blue)

Vertical Profile Scales: 2.5%/mm
Contour Interval: 0, 5, 10, 15, 20, 25, 50, 100

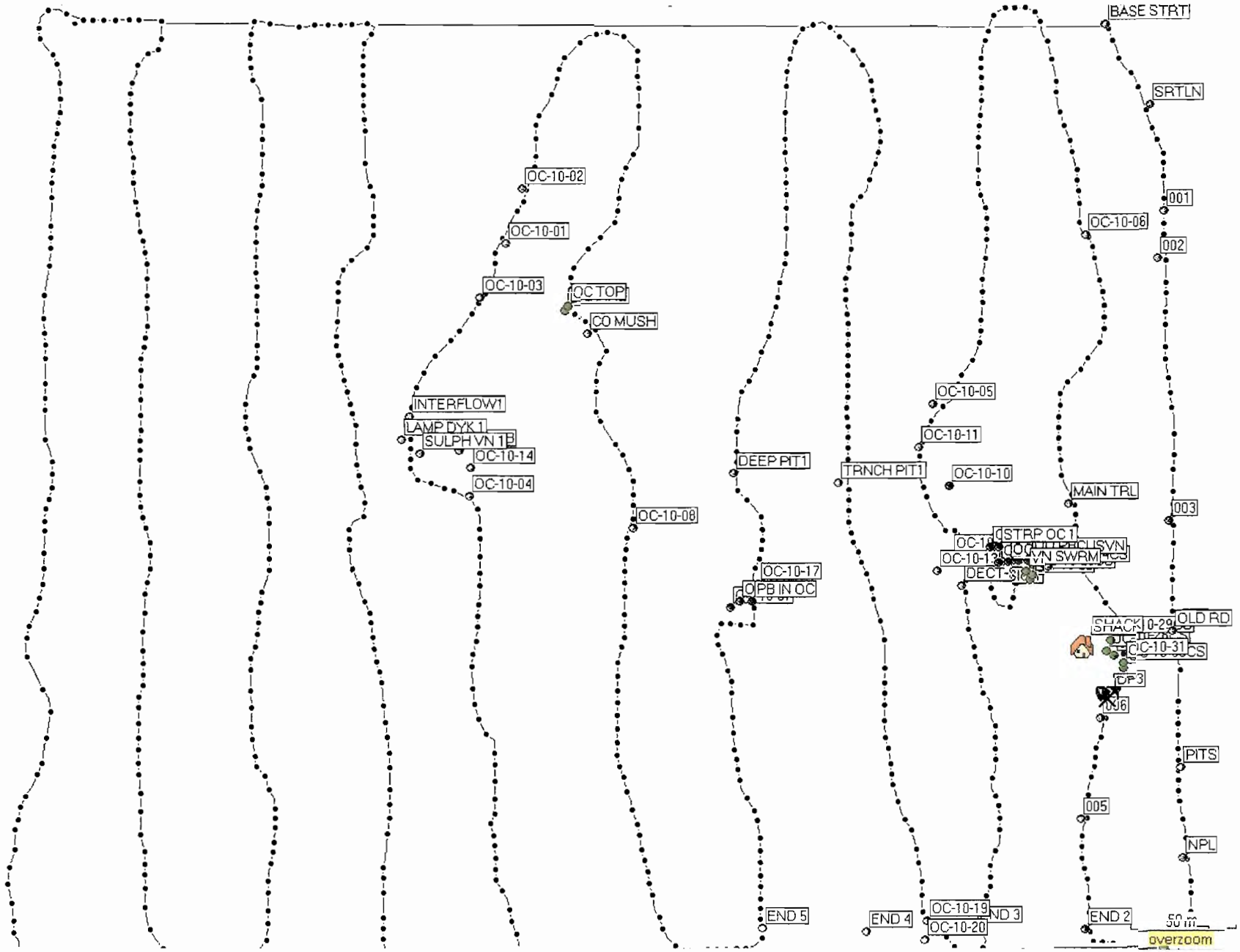
Station Seperation: 12.5 meters
Posting Level: 0

GSM-19 OVERHAUSER MAGNETOMETER/VLF v7

Receiver Operated By: Claudia Moraga
GPS Operated By: Bruce Lavalley
Processed by: C Jason Ploeger, B.Sc.
Map Drawn By: C Jason Ploeger, B.Sc.
September 2010

LARDER GEOPHYSICS LTD.

Drawing : OUTCROP-WALDMAN-VLF-NAA



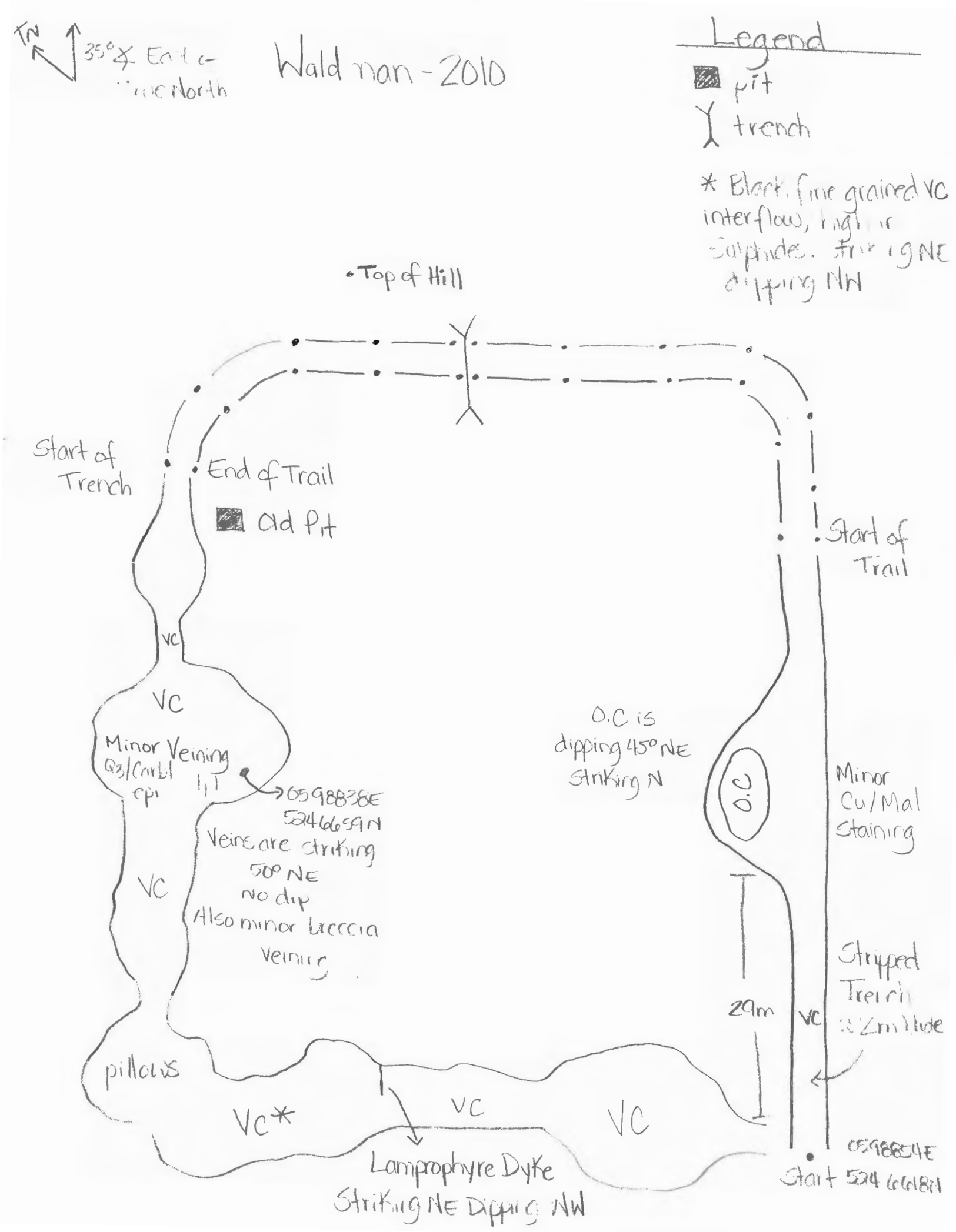
Pictures

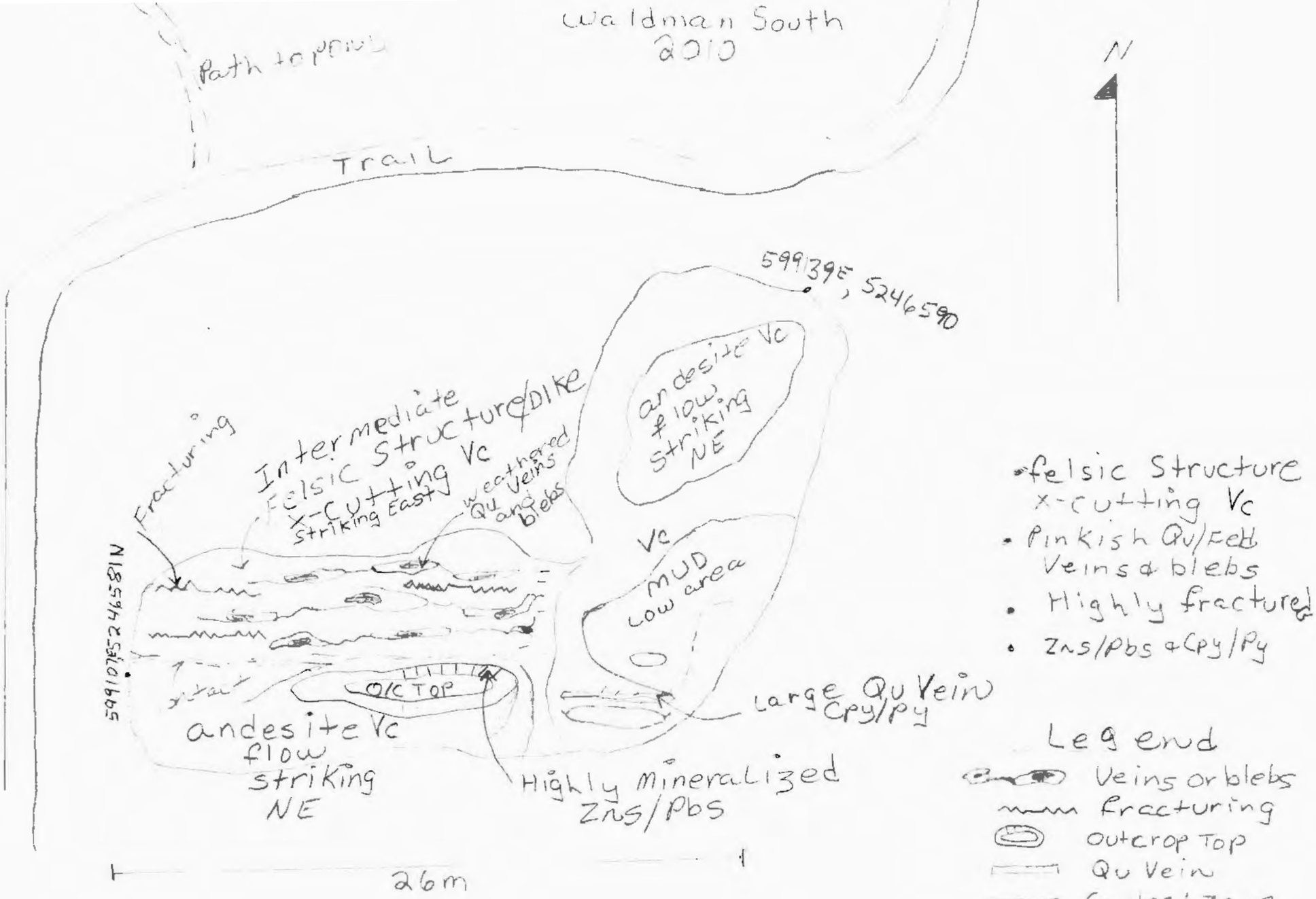
Channel Sampling

Felsic Dyke

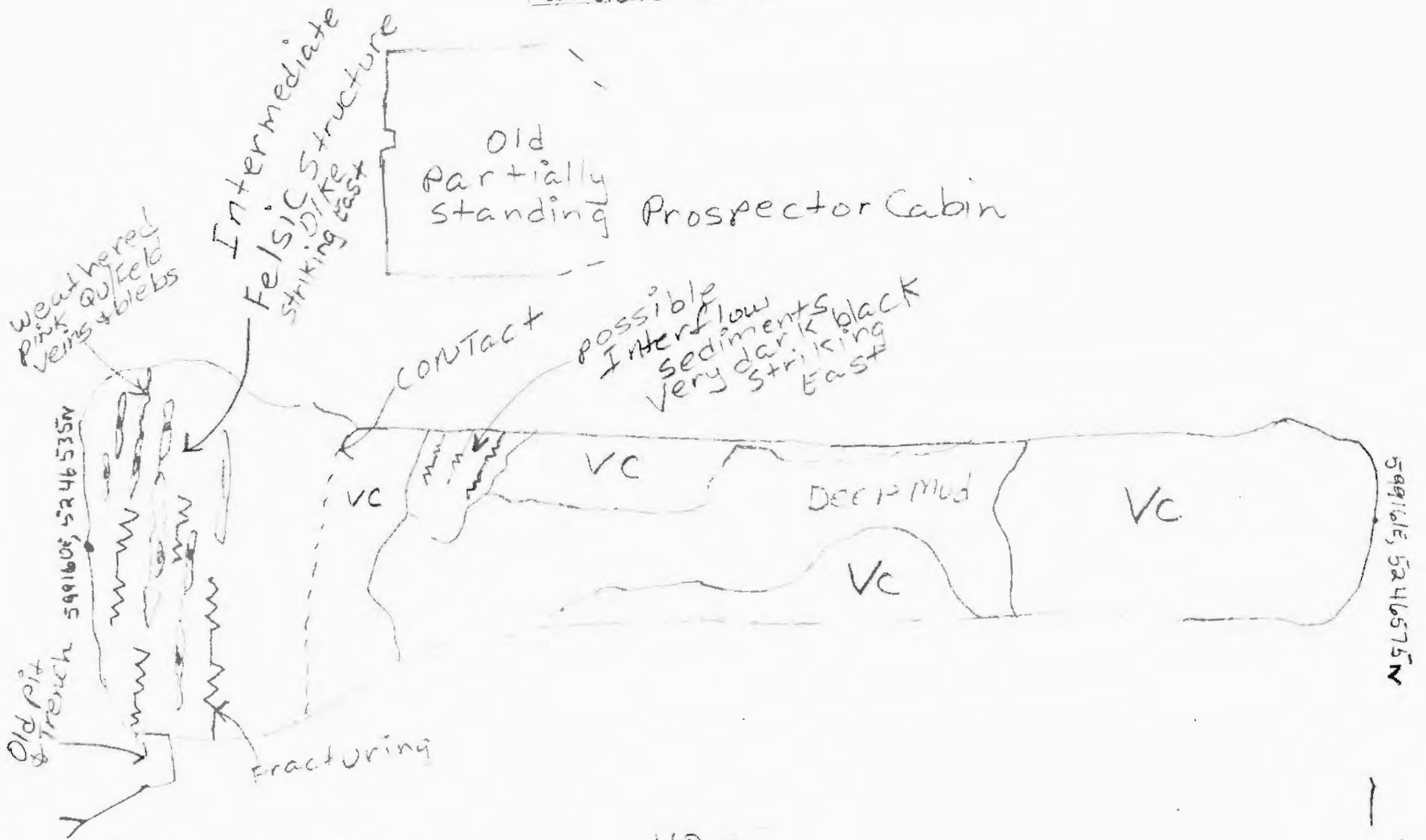
HSM Student Helpers

Old Prospector's Shack


TN
35° East of true North
Waldman - 2010
Legend
pit
trench
* Black, fine grained VC interflow, high in sulphides. Striking NE dipping NW
Top of Hill
Start of Trench
End of Trail
Old Pit
Start of Trail
VC
VC
Minor Veining
Qz/Carb/ epi
0598838E
5524665N
Veins are striking 50° NE
no dip
Also minor breccia veining
VC
O.C is dipping 45° NE Striking N
O.C
Minor Cu/Mal Staining
29m
Stripped Trench
2.2m wide
VC
pillows
VC*
VC
VC
Lamprophyre Dyke
Striking NE Dipping NW
0598854E
Start 5524668N


Waldman South
2010
Path to pond
Trail
N
599139E, 5246590
andesite Vc
flow striking
NE
Intermediate
felsic Structure/Dike
x-cutting Vc
striking East
weathered
Qu Veins
and blebs
Fracturing
Vc
MUD
low area
5991075E 5246581N
OIC TOP
andesite Vc
flow
striking
NE
large Qu Vein
Cpy/Py
Highly mineralized
ZnS/PbS
26m
felsic Structure
x-cutting Vc
Pinkish Qu/Feld
Veins & blebs
Highly fractured
ZnS/Pbs & Cpy/Py
Legend
Veins or blebs
fracturing
Outcrop Top
Qu Vein
Contact zone
Trail
path

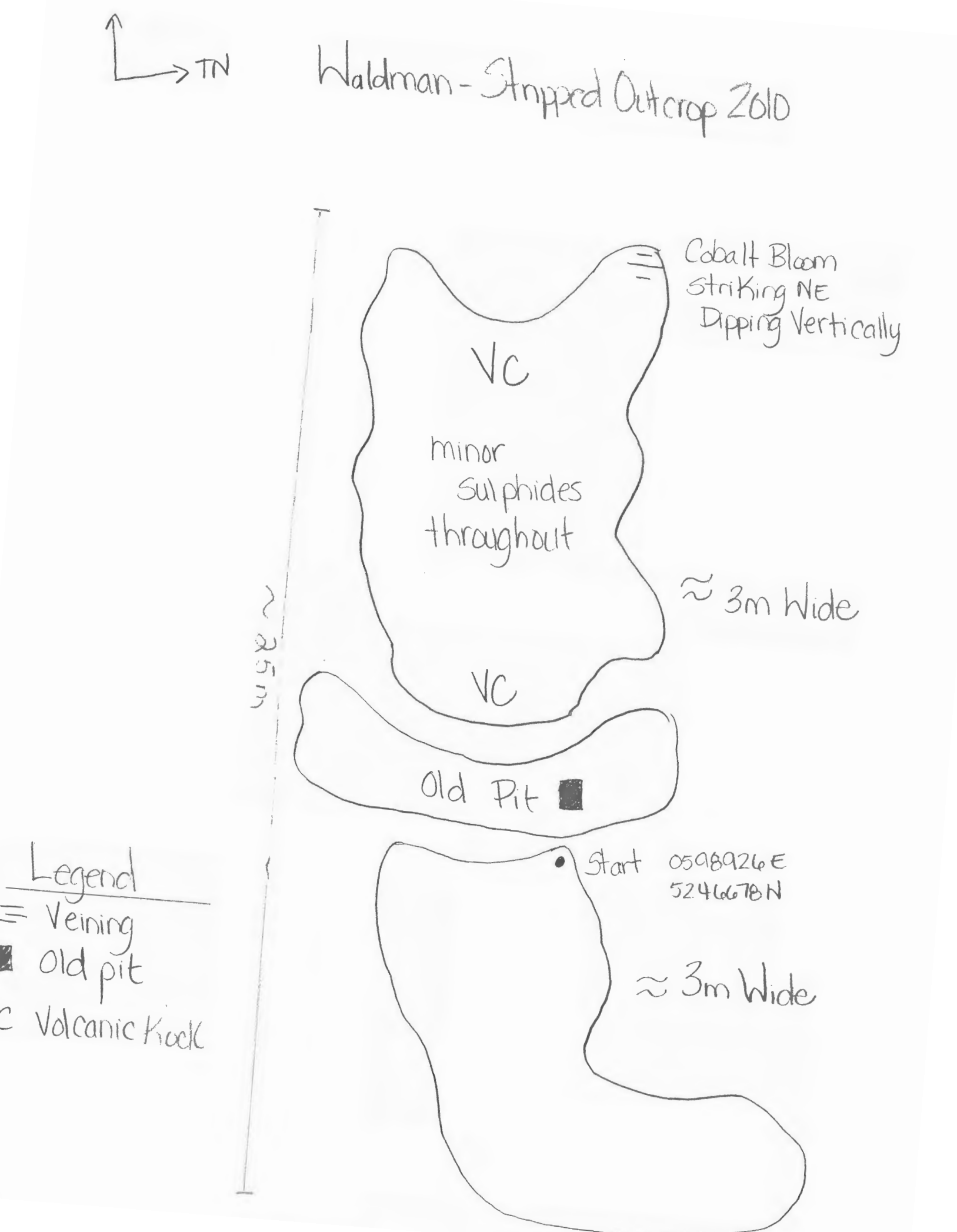
Fall 2010 Waldman South



- Same felsic dike as previous stripped outcrop but offset.
- Small interflow dike
- Volcanics strike to NE

Legend

- Veins or blebs
- Fracturing
- Old Cabin
- PIT & Trench
- Contact zone


TN
Waldman - Stripped Outcrop 2010
Cobalt Bloom
Striking NE
Dipping Vertically
VC
minor
Sulphides
throughout
≈ 3m Wide
VC
Old Pit
Start 0598926E
5246678N
≈ 3m Wide
Legend
= Veining
Old pit
C Volcanic Rock

Waldman - Stripped Outcrop 2010

Legend

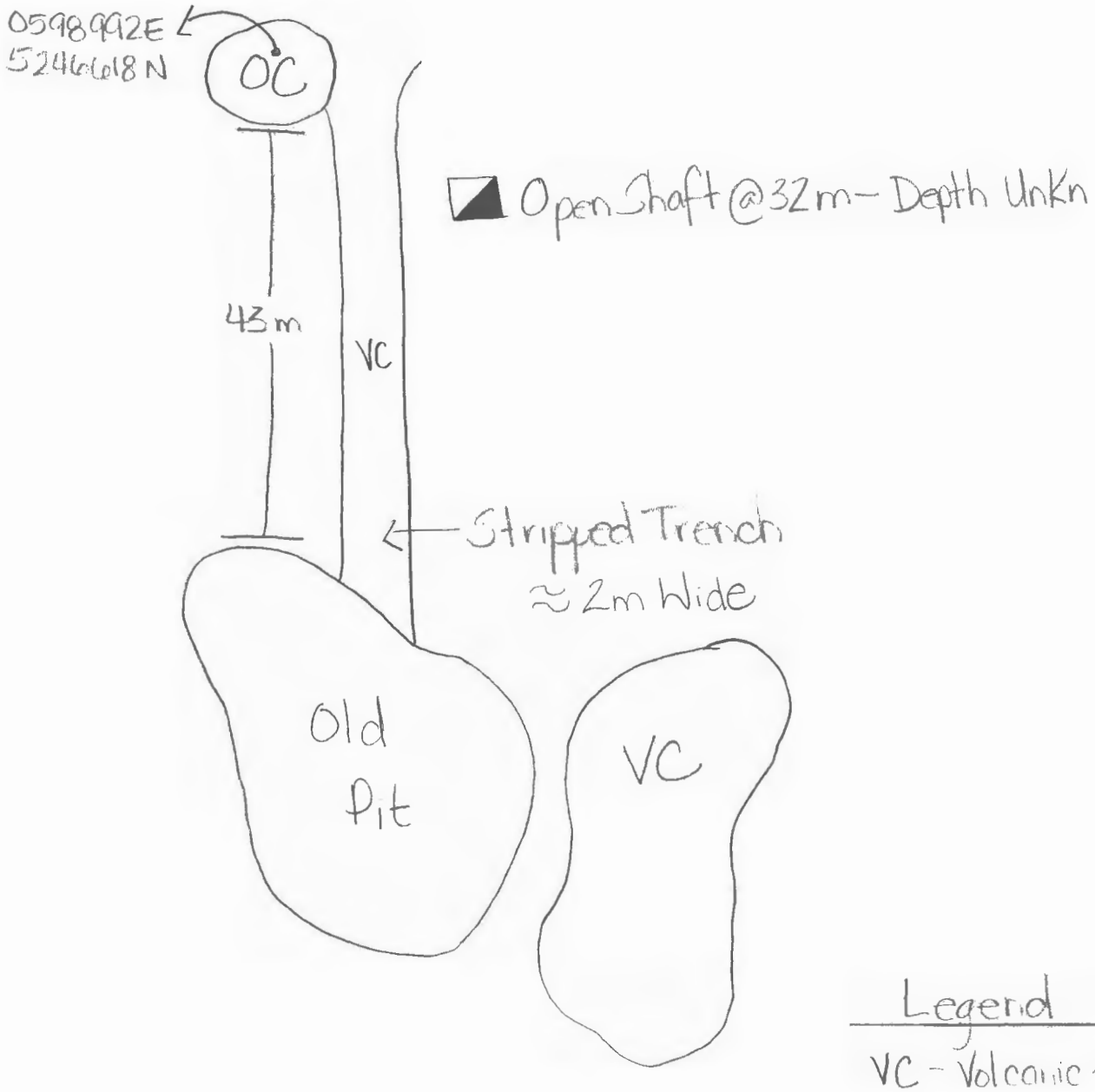
pillow

minor sheering

VC Volcanic Rock

TN

The Waldman – 2010



Legend

VC – Volcanic rock

◪ – Shaft

O.C – Outcrop

2010 Daily Logs – Waldman South
Sept 2 - Access recon & prospecting
Sept 3 - No hours
Sept 4 - Flag access, prospecting
Sept 5 - No hours
Sept 6 - Prospecting
Sept 7 - No hours
Sept 8 - Prospecting
Sept 9 - Prospecting
Sept 10 - Plot map for prospecting/stripping/drilling
Sept 11 - Prospecting, plot map
Sept 12 - No hours
Sept 13 - Prospecting, plot map
Sept 14 - Prospecting, plot map
Sept 15 - MNDM site visit, plot AutoCAD and geo physics maps
Sept 16 - No hours
Sept 17 - Prospecting
Sept 18 - Prospecting
Sept 19 - Up date map
Sept 20 - No hours
Sept 21 - Meet Geophysics crew, prospect/detect
Sept 22 - No hours
Sept 23 - No hours
Sept 24 - Review Mag survey maps and report
Sept 25 - No hours
Sept 26 - Plot Mag/MMI/trenching targets
Sept 27 - Trenching
Sept 28 - Trenching
Sept 29 - Trenching
Sept 30 - Trenching
Oct 1 - No hours
Oct 2 - No hours
Oct 3 - No hours
Oct 4 - No hours
Oct 5 - No hours
Oct 6 - Inspect and clean trenching, update map
Oct 7 - Inspect and clean trenching, update map
Oct 8 - Clean and prospect trenches
Oct 9 - No hours
Oct 10 - Clean and prospect trenches
Oct 11 - No hours
Oct 12 - Clean and prospect trenches
Oct 13 - Clean and prospect trenches
Oct 14 - Clean and prospect trenches
Oct 15 - Geo mapping Stripped areas
Oct 16 - Geo Map stripped area and prospecting
Oct 17 - No hours

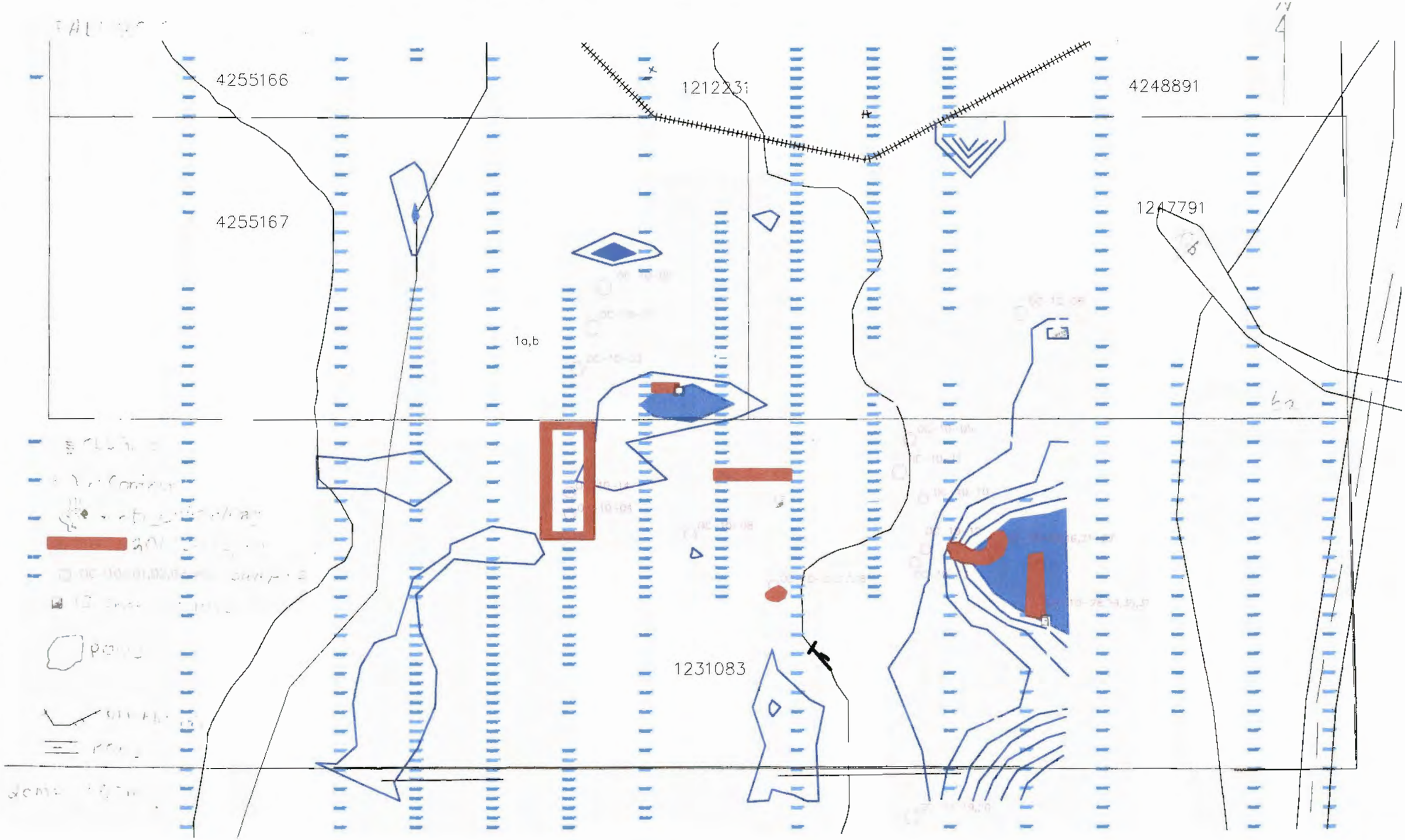
Oct 18 - Update AutoCAD map and data
Oct 19 - No hours
Oct 20 - No hours
Oct 21 - No hours
Oct 22 - No hours
Nov 1 - No hours
Nov 2 - Mapping, prospecting
Nov 3 - MNDM site visit, mapping
Nov 4 - Clean out trenches
Nov 5 - No hours
Nov 6 - Clean trenches
Nov 7 - Pressure wash trenches
Nov 8 - No hours
Nov 9 - Wash trenches, update maps, research reports
Nov 10 - Map trenches
Nov 11 - Wash trenches
Nov 12 - Wash trenches, channel saw sampling
Nov 13 - Wash trenches, channel saw sampling
Nov 14 - No hours
Nov 15 - Channel saw, sort samples

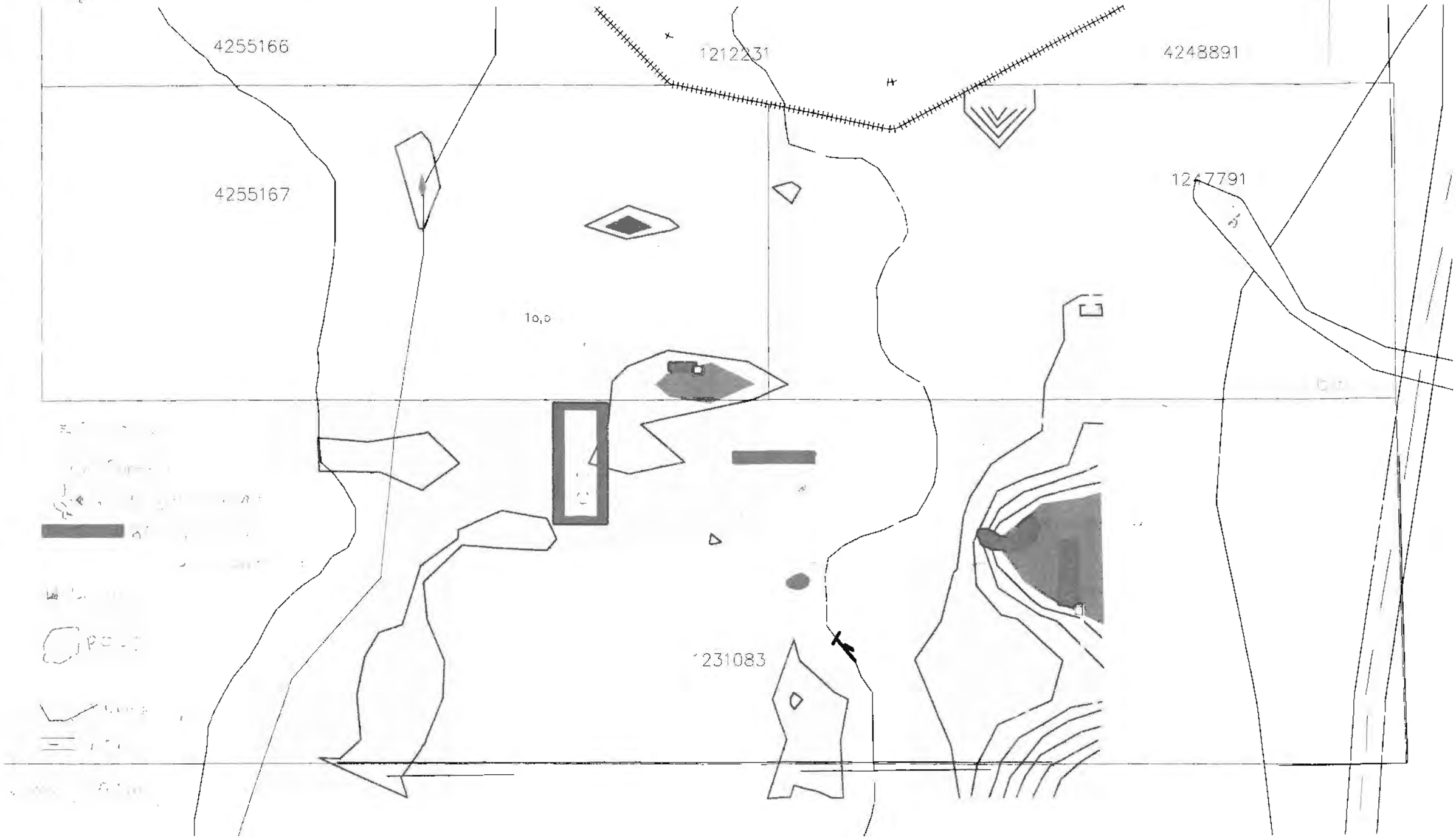
Note: Trenches = Overburden stripping

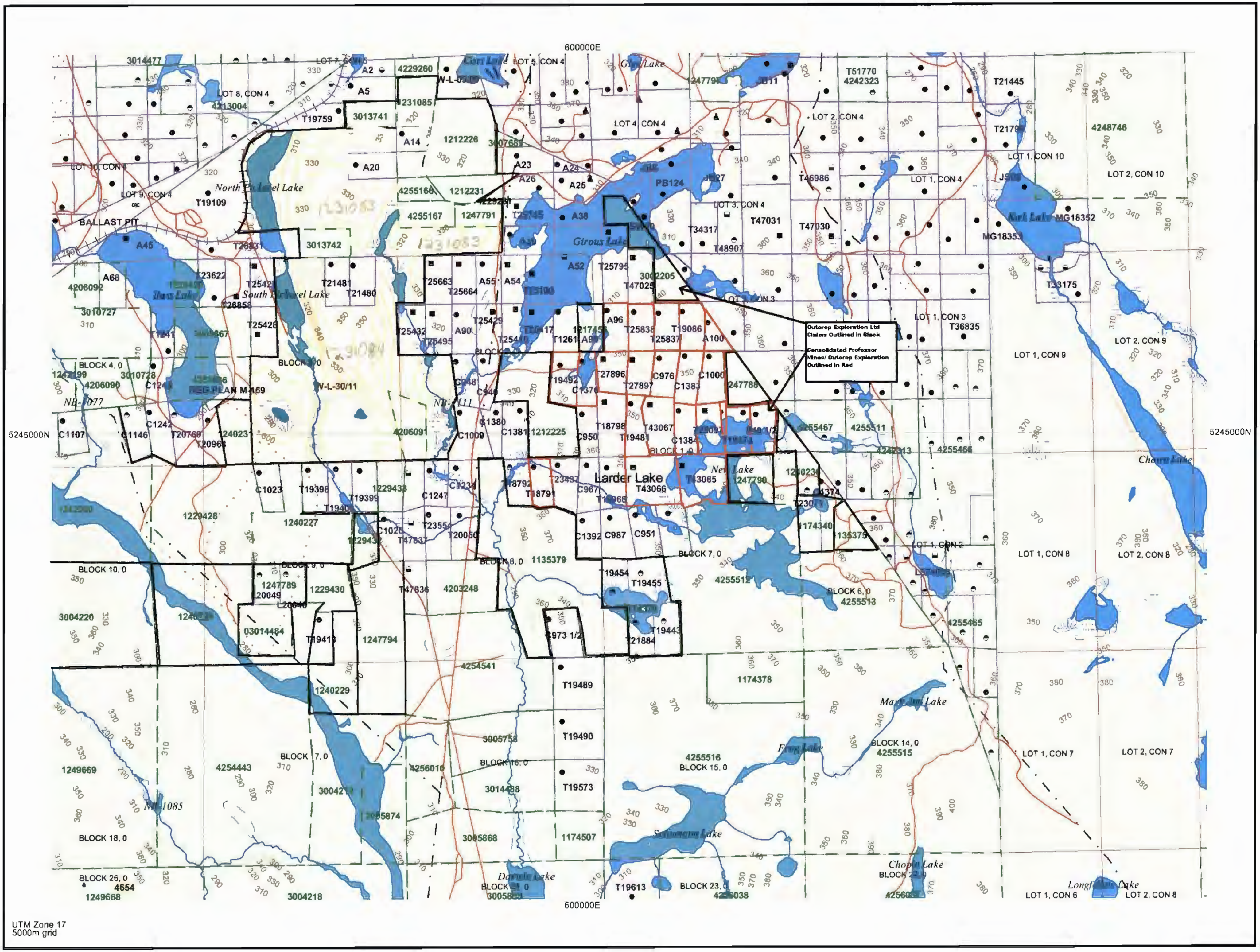
2010 Fall Waldman South Sample List

Sample #	Date & Description	Coordinates			Elavation
OC-10-01	06-SEP-10 Sulph in fracture Vn	17T	598870	5246724	344 m
OC-10-02	06-SEP-10 Sulph in fracture Vn	17T	598878	5246750	337 m
OC-10-03	06-SEP-10 Sulph in fracture Vn	17T	598859	5246698	332 m
OC-10-04	06-SEP-10 1:37 PRX BLDR	17T	598855	5246603	329 m
OC-10-05	08-SEP-10 Sulph in 5m Veinlettes-NEAR POND	17T	599078	5246651	345 m
OC-10-06	08-SEP-10 WALLINGFORD SHAFT Muck	17T	599151	5246733	327 m
OC-10-07	11-SEP-10 Sulph in Frac Vn	17T	598981	5246552	327 m
OC-10-08	11-SEP-10 Sulph in Frac Vn Near DDH	17T	598934	5246589	335 m
OC-10-09	13-SEP-10 Sulph in Pillows	17T	599123	5246561	322 m
OC-10-10	13-SEP-10 Sulph Veinlette	17T	599087	5246612	323 m
OC-10-12	17-SEP-10 Sulph Veinlette	17T	599089	5246579	320 m
OC-10-13	17-SEP-10 Sulph Veinlette POSS CONT	17T	599082	5246571	322 m
OC-10-14	28-SEP-10 Co/Ni float (mush)	17T	598855	5246617	346 m
OC-10-15	13-OCT-10 SULPH VN LOOSE	17T	599126	5246572	319 m
OC-10-16	13-OCT-10 SPHAL IN OC LOOSE	17T	599120	5246578	323 m
OC-10-17	13-OCT-10 SPHAL-PB ON OC	17T	598995	5246564	325 m
OC-10-18	14-OCT-10 SULPH IN OC NEAR TRL	17T	598986	5246555	335 m
OC-10-19	16-OCT-10 - TRC SULPH in Veinlettes on LRG OC	17T	599079	5246405	320 m
OC-10-20	16-OCT-10 Sulph in PROX BLDR	17T	599078	5246396	319 m
OC-10-22	12-NOV-10 FELSIC DYKE	17T	599127	5246569	321 m
OC-10-23CS	12-NOV-10 50CM CUT	17T	599128	5246571	322 m
OC-10-24CS	12-NOV-10 30CM CUT	17T	599135	5246574	326 m
OC-10-25CS	13-NOV-10 130CM CUT in FELSIC DYKE	17T	599107	5246583	328 m
OC-10-26CS	13-NOV-10 70CM IN SHEAR	17T	599111	5246576	338 m
OC-10-27CS	13-NOV-10 IN SHEAR	17T	599116	5246576	317 m
OC-10-28CS	15-NOV-10 47CM IN SHEAR	17T	599165	5246536	326 m
OC-10-29CS	15-NOV-10 62CM IN SHEAR	17T	599167	5246541	315 m
OC-10-30CS	15-NOV-10 80CM IN SHEAR	17T	599173	5246528	315 m
OC-10-31	15-NOV-10 SULPHIDE BLEB	17T	599173	5246531	315 m

Note: " Cut" refers to Channel Sample


4255166
4255167
1212231
4248891
1247791
1a,b
1231083


4255166
1212231
4248891
4255167
1247791
231083


600000E
5245000N
Outcrop Exploration Ltd Claims Outlined in Black
Consolidated Professor Mines/ Outcrop Exploration Outlined in Red
Larder Lake
Giroux Lake
North Pickerel Lake
South Pickerel Lake
New Lake
Chown Lake
Frog Lake
Chopin Lake
BALLAST PIT
LOT 4, CON 4
LOT 2, CON 4
LOT 1, CON 10
LOT 2, CON 10
LOT 1, CON 9
LOT 2, CON 9
LOT 1, CON 8
LOT 2, CON 8
LOT 1, CON 7
LOT 2, CON 7
LOT 1, CON 6
LOT 2, CON 6
BLOCK 10, 0
BLOCK 7, 0
BLOCK 8, 0
BLOCK 6, 0
BLOCK 14, 0
BLOCK 15, 0
BLOCK 17, 0
BLOCK 18, 0
BLOCK 26, 0
BLOCK 23, 0
UTM Zone 17
5000m grid