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ASHLEY GOLD MINES LIMITED

VLF EM Survey Over the

Ramore Gold Property
Playfair Township, Ontario

TABLE OF CONTENTS

LIST OF APPENDICES

LIST OF TABLES AND FIGURES

1. SURVEY DETAILS

1.1 PROJECT NAME

This project is known as the **Ramore Gold Property**.

1.2 CLIENT

Ashley Gold Mines Limited.
14579 Government Rd.
Larder Lake, Ontario
P0K1L0

1.3 LOCATION

The Ramore Gold is located in Playfair Township approximately 4 km southwest of Ramore, Ontario. The survey area covers a portion of claim numbered L4252175 located in Playfair Township, within the Larder Lake Mining Division.

Figure 1: Location of Ramore Gold Property

1.4 ACCESS

Access to the property was attained with a 4x4 truck via a year-round gravel road. Approximately 1 km south of Ramore, Ontario along highway 11 an all season road heads west for 600m, then turns south for an additional 3.2 km. From this point, snow machines were used for the final 3km through a series of older forestry access roads.

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 VLF operator. GPS waypoints and VLF samples were taken every 12.5m along these controlled traverses. The GPS used was a Garmin GPS Map 62S.

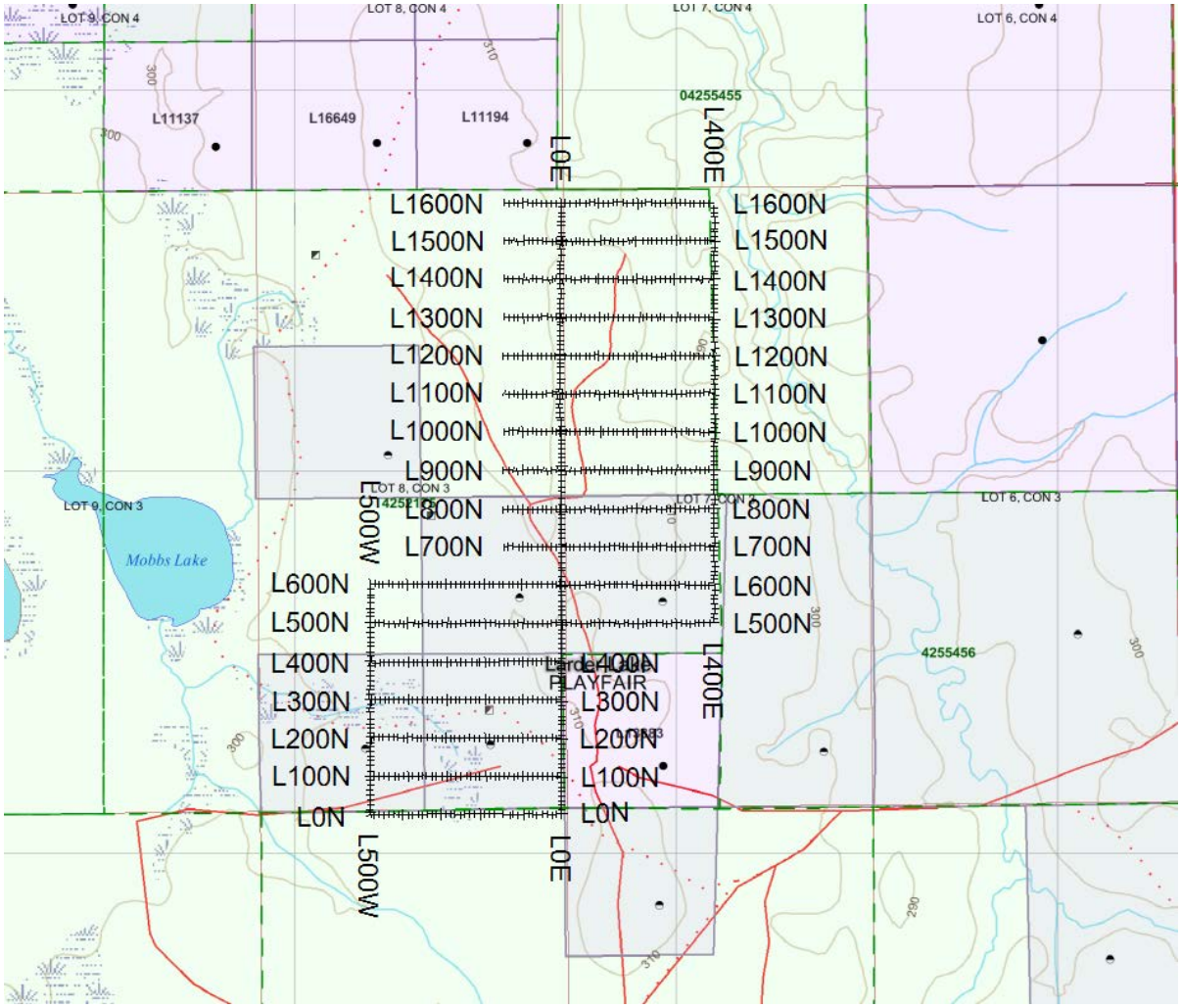

Figure 2: Claim Map with Projected Magnetic Traverses

2. SURVEY WORK UNDERTAKEN

2.1 SURVEY LOG

Date	Description	Line	Min Extent	Max Extent	Total Survey
November 1, 2011	Locate survey area and begin survey.	0N	500W	0	500
		100N	500W	0	500
		200N	500W	0	500
		300N	500W	0	500
November 2, 2011	Continue survey. Poor weather conditions.	1300N	150W	400E	550
		1400N	150W	400E	550
		1500N	150W	400E	550
		1600N	150W	400E	550
		0	0	1600N	1600
November 3, 2011	Continue survey.	700N	150W	400E	550
		800N	150W	400E	550
		900N	150W	400E	550
		1000N	150W	400E	550
		1100N	150W	400E	550
		1200N	150W	400E	550
November 8, 2011	Complete survey.	400N	500W	0	500
		500N	500W	400E	900
		600N	500W	400E	900
		500W	0	600N	600
		400E	500N	1600N	1100

Table 1: Survey Log

2.2 PERSONNEL

Ryan Perrier of Virginiatown, Ontario conducted the majority of the magnetic data collection and Harley Harkin of Kirkland Lake, Ontario was responsible for the GPS control and GPS waypoint collection.

2.3 SURVEY SPECIFICATIONS

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

A total of 13.1 line kilometers of VLF was performed between November 1st and November 8th, 2011. This consisted of 1048 magnetometer samples taken at 12.5m intervals.

3. OVERVIEW OF SURVEY RESULTS

3.1 SUMMARY INTERPRETATION

No strong VLF EM axis are visible within the survey area however there appears to be a couple of VLF EM trends that are highlighted.

The first of these is what appears to be an east-northeast corridor. This can be seen from line 200N on the west side through to line 800N on the east side. This signature has the appearance of noise but most likely represents numerous parallel narrow conductive signatures. This could represent a separate geologic unit or an alteration corridor.

The second signature exhibits similar characteristics; however runs north-south along the east side of the grid. This signature may indicate a differentiation between geological units but also may indicate the presence of a north-south shear through the area.

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 Canadian Exploration Services Limited 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 **Ashley Gold Mines 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
January 2012

C. Jason Ploeger, B.Sc. (geophysics)
Geophysical Manager of Canadian Exploration Services Limited

APPENDIX B

THEORETICAL BASIS AND SURVEY PROCEDURES

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 MAP 62S

Physical & Performance:	
Unit dimensions, WxHxD:	2.4" x 6.3" x 1.4" (6.1 x 16.0 x 3.6 cm)
Display size, WxH:	1.43" x 2.15" (3.6 x 5.5 cm); 2.6" diag (6.6 cm)
Display resolution, WxH:	160 x 240 pixels
Display type:	transflective, 65-K color TFT
Weight:	9.2 oz (260.1 g) with batteries
Battery:	2 AA batteries (not included); NiMH or Lithium recommended
Battery life:	20 hours
Waterproof:	yes (IPX7)
Floats:	no
High-sensitivity receiver:	yes
Interface:	high-speed USB and NMEA 0183 compatible

Maps & Memory:	
Basemap:	yes
Preloaded maps:	no
Ability to add maps:	yes
Built-in memory:	1.7 GB
Accepts data cards:	microSD™ card (not included)

Waypoints/favorites/locations:	2000
Routes:	200
Track log:	10,000 points, 200 saved tracks

Features & Benefits:	
Automatic routing (turn by turn routing on roads):	yes (with optional mapping for detailed roads)
Electronic compass:	yes (tilt-compensated, 3-axis)
Touchscreen:	no
Barometric altimeter:	yes
Camera:	no
Geocaching-friendly:	yes (paperless)
Custom maps compatible:	yes
Photo navigation (navigate to geotagged photos):	yes
Outdoor GPS games:	no
Hunt/fish calendar:	yes
Sun and moon information:	yes
Tide tables:	yes
Area calculation:	yes
Custom POIs (ability to add additional points of interest):	yes
Unit-to-unit transfer (shares data wirelessly with similar units):	yes
Picture viewer:	yes
Garmin Connect™ compatible (online community where you analyze, categorize and share data):	yes

Specifications obtained from www.garmin.com

APPENDIX D

LIST OF MAPS (IN MAP POCKET)

Posted profiled VLF EM plan map (1:2500)

1) ASHLEY-RAMORE-VLF-NAA

TOTAL MAPS=1

547250 547500 547750 548000

5361500 5361250 5361000 5360750 5360500 5360250

L1600N L1500N L1400N L1300N L1200N L1100N L1000N L900N L800N L700N L600N L500N L400N L300N L200N L100N L0N

L0E L400E L1400E L500W

Scale 1:2500

50 0 50 100 150

(meters)

NAD83 / UTM zone 17N

IP OP

Fraser Filter
Crosses: Direction
negative: positive

ASHLEY GOLD MINES LTD.

RAMORE GOLD PROPERTY
Playfair Township, Ontario

VLF IN PHASE/OUT PHASE PROFILE
PLAN MAP
24.0kHz NAA - CUTLER USA

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

Vertical Profile Scales: 2%/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: Ryan Perrier
GPS Operated By: Harley Harkin
Processed by: C laudia Moraga
Map Drawn By: C Jason Ploeger
January 2012

CANADIAN EXPLORATION SERVICES LTD

Drawing : ASHLEY-HUNTER GOLD-RAMORE-VLF-NAA