

**Assessment Report on Ground-truthing and Prospecting
Conducted on claim 4255468
Canagco Mining Corporation**

**Coleman Township
Larder Lake Mining District**

**UTM Zone 17
Nad 83 Projection
Centered on 601835E 5248907N**

**Work Conducted on
Claims 4255468**

Work Conducted From March 15th, 2012 to May 16th, 2012

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**For:
Canagco Mining Corporation
12 May 2012**

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Summary

Canagco Mining Corporation (formerly 2278419 Ontario Limited) is exploring for minerals on several blocks of contiguous mining patents/mining claims covering parts of six townships (Bucke, Coleman, Gillies Limit, Lorrain, Harris and Casey) in the historic Cobalt Mining Camp.

This report consists of ground-truthing airborne magnetic anomalies, in conjunction with understanding the nature of the rock types, topography and cultural features. Forestry cuts have been performed in the last 5 years in the northern portion of claim 4255468. Ground visual and precise mapping would be important for future geophysical work. The costs of the labor described above, plus the direct costs of planning the work, writing and producing this report are filed herein as assessment work. This work will help devise a future exploration.

Property Location

This claim is located in Coleman Township 3km southeast of Town of Cobalt. The claim can be accessed by vehicle via a secondary road following Kerr Lake which is not maintained. It is not recommended to travel by low lying cars because it is mostly ATV road nowadays. Most of the claim can be reached by walking in skidder trails and old overgrown road beds (See Fig.2). The skidder trail has very deep ruts and very dangerous if travelling on ATV. The claim can also be reached from the west via the Nova Scotia Mine mill site. Canagco has not conducted any work on this claim previously, and this preliminary work will be the base for future advanced work.

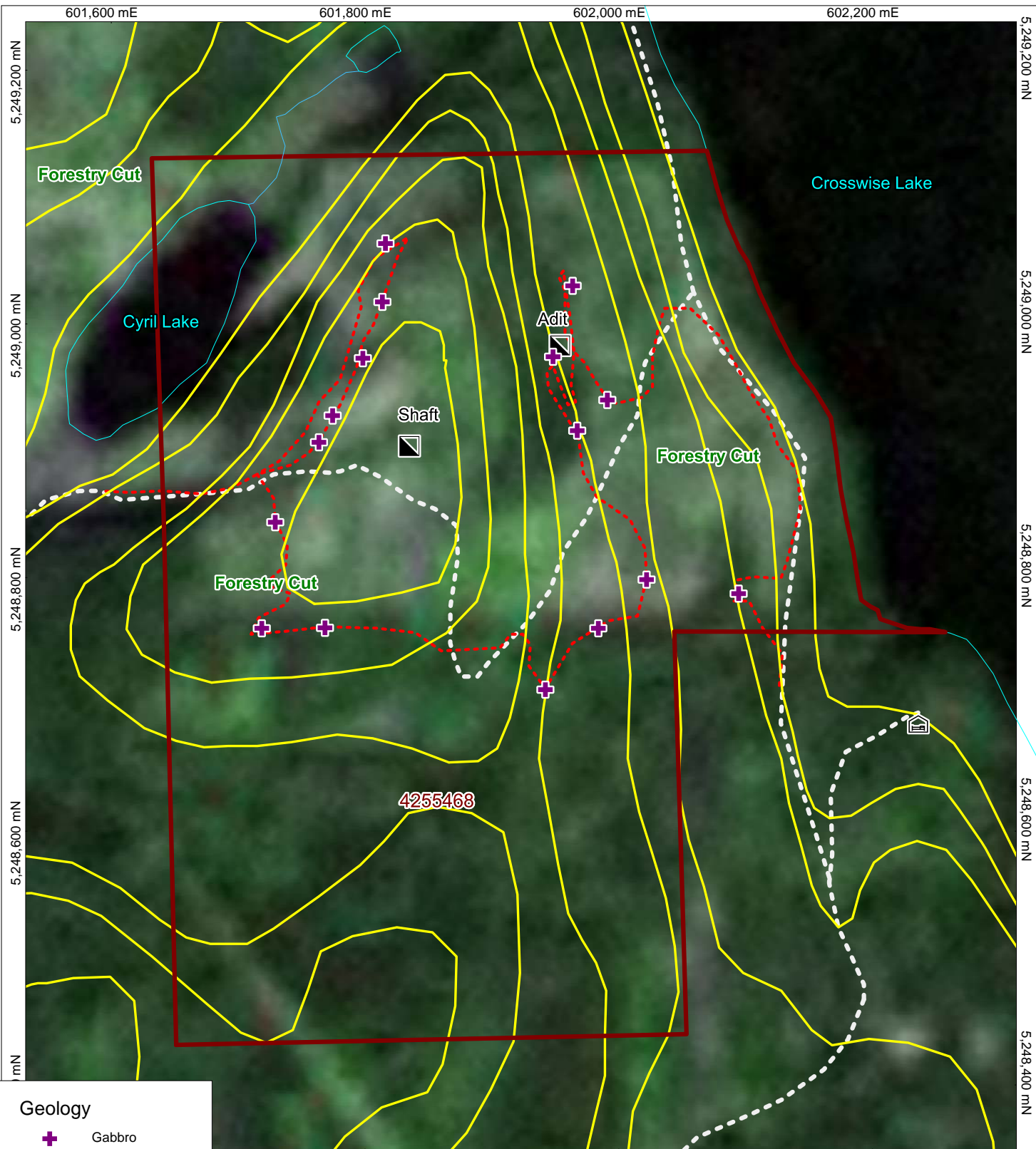
Prospecting Summary

On November 9, 2011, Canagco Mining Corporation (formerly 2278419 Ontario Limited) purchased the Cobalt area assets of Aranka Gold Inc. in northeastern Ontario. Canagco also made option agreements with local prospectors and companies holding claims in the Cobalt area.

On May 7th 2012, the author traversed the property in order to understand the relationship between airborne magnetic data flown by the OGS in 2000 and geology. Forestry cuts have been performed in the last 5 years in the northern portion of claim 4255468. (See Figure 2, forest cuts are visible on the Aster Satellite image in light green). With the combination of a very warm early spring (late winter) and the recent forestry cuts, there was a lot of good exposure of outcrops. It was important to prospect the claims in the early spring because the young saplings will certainly hinder walking, and the terrain visualization later on in the summer. The northern part of the claim was mainly traversed. This claim lies on steep topography and is encompassed by medium grained gabbro. A shaft and adit were located on top of the hill and on the eastern flank of the slope (See fig.2)

List of Personnel

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Geology

- Gabbro
- Shaft & Adit
- Cabin
- May 7th, 2012
- Trail
- Canagco Claim
- Contour line (elevation)

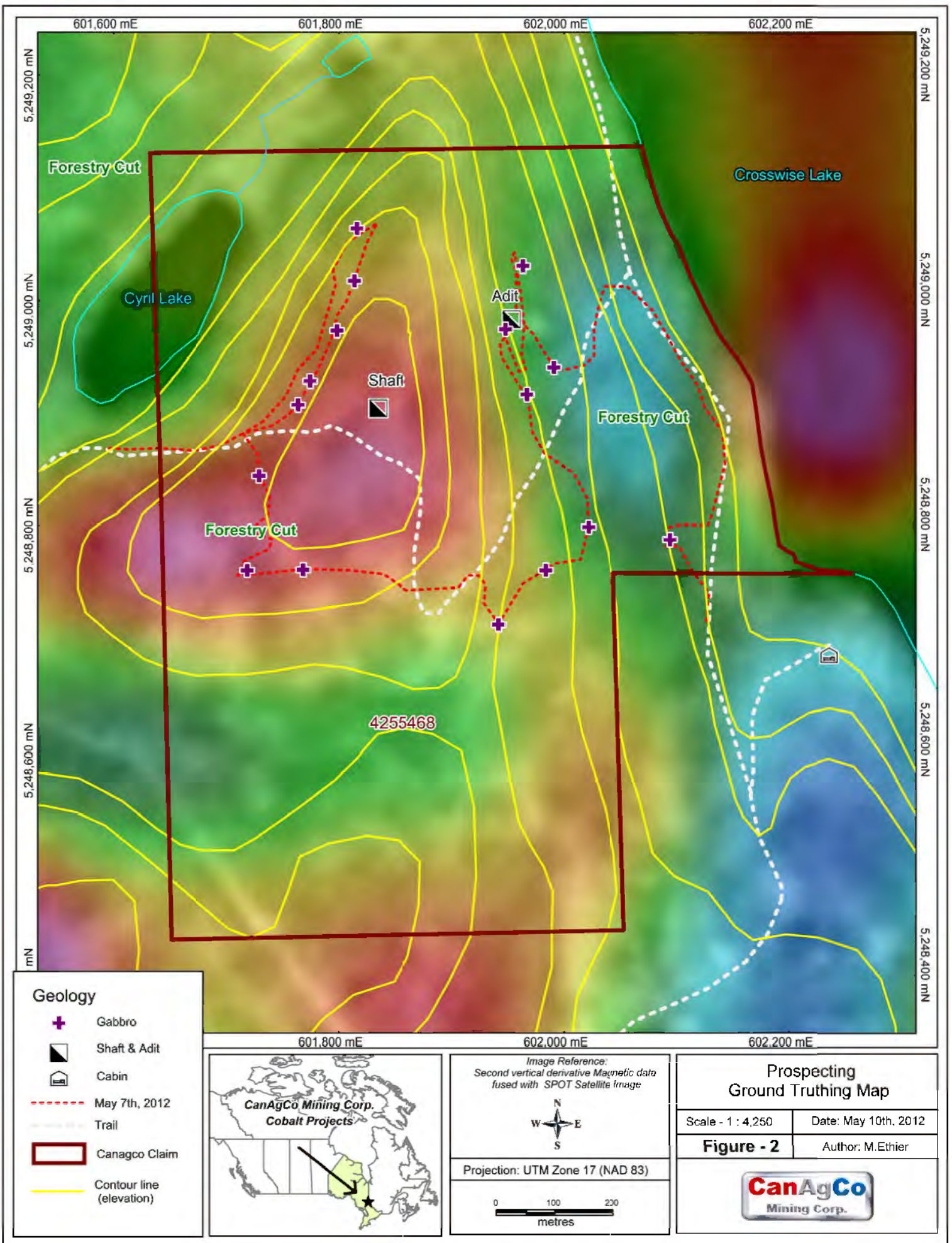


Image Reference:
Aster Image (August 11, 2011)

Projection: UTM Zone 17 (NAD 83)

Traverse Map & Access

Scale - 1 : 4,250	Date: May 10th, 2012
Figure - 2	Author: M.Ethier



Geology

- Gabbro
- Shaft & Adit
- Cabin
- May 7th, 2012
- Trail
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Image Reference:
Second vertical derivative Magnetic data
fused with SPOT Satellite Image

Projection: UTM Zone 17 (NAD 83)

0 100 200 metres

**Prospecting
Ground Truthing Map**

Scale - 1 : 4,250	Date: May 10th, 2012
Figure - 2	
Author: M.Ethier	