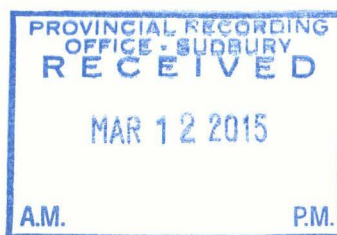


**SIBLEY SANDSTONE
SUPERIOR PINK SANDSTONE PROJECT**



2.55805

Date of Report: March 2015

Report Author: Gerald Blakely Licence E34580

1.

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Summary

I am the Registered Owner of Mining Claims TB 4258024, TB 4242684 and 4258025 McTavish Twp. Thunder Bay Mining Division 40.

In the previous project of Phase 1, physical testing of ASTM (American Standard Testing Materials) was completed on the stone for the Architectural Stone Industry and the test results were well within the industry standards.

Initial natural, horizontal bedrock exposures also had revealed vertical jointing distances averaged 1 ½ to 3 meters minimum and greater wide spread, in most of the areas; which also would be satisfactory to produce quarry size blocks. The exposed natural vertical jointing surfaces are layered and we had jack hammered and wedged off a few sample pieces, which stayed together in some of the samples. We thought that the stone would most likely be more massive and homogeneous, further into the bedrock from the exposed weathered surfaces.

From this information and observations I requested Phase 2 to do more stripping and some initial core drilling to further determine if the stone was indeed massive and homogeneous and to determine the sheeting distances. We also wanted to see if the layering was cemented (not fractured) to allow sufficient thickness for quarry size blocks between each bedding or sheeting.

Phase 2 stripping exposed horizontal surfaces exposing more potential looking bedrock of sufficient vertical fracture or jointing distances for quarry block extraction; however the core drilling from all six sites showed that the horizontal layering was fractured throughout and the sheeting was less than 1 meter in varying locations. This clearly proved that the stone was not, massive and homogeneous and would not be suitable for dimensional quarry stone.

In this aspect the core drilling was very successful in proving with no doubt that the stone has failed!

Property Description

I am the Registered Owner of Mining Claims TB 4258024 4 Units, TB 4242684 2 Units and TB 4258025 4 Units in McTavish Twp. Thunder Bay Mining Division 40. I became aware of the sandstone deposits on these claims area in Pass Lake known as the Sibley Group, Pass Lake Formation from discussions with the MNDM Regional Geologist and Mineral Development Consultant. When I first prospected this area I found large, natural exposed areas of massive looking sandstone with jointing and sheeting spacing that looked like I could remove large enough dimensional stone blocks from. I immediately staked the claims.

I started out by constructing access quad trails to various potential exposed areas that I found when I was prospecting. When I upgraded the quad trails for my core drill access most of the area became accessible by half ton because the overburden removed was very shallow on flat sandstone bedrock.

The sites are located 3 kms south down Hwy 587 from Hwy 11/17 and 3 kms east of Hwy 587 from Tim Watson's driveway on an old logging road and my newly constructed access trail.

Please see recent credited Claims Abstracts, Work Report Summary and Supporting Claimaps on following pages.

CLAIM MAPS

SITE 5

ACCESS and GPS SITES and LOCATIONS

NAD 83 16u

TARTAN LAKE AREA

SITE 6

SECTION 9, CON 8

SECTION 9, CON 7

SECTION 9, CON 6

SUPERIOR PINK SANDSTONE

5385000N

PASS LAKE TRUCK STOP →

← Hwy 587 TURN OFF GPS (368714e 5384925n)

5385000

MINING LOCATION 222

SECTION 10, CON 8

SECTION 10, CON 7

SECTION 10, CON 6

SECTION 10, CON 5

Blende Lake

4274201

MINING LOCATION 1B

MINING LOCATION 4Z

MINING LOCATION 2

MINING LOCATION B2

MACGREGOR

SECTION 11, CON 8

SITE #5 373549e 5383336n

4258024

4242684

MCTAVISH

SITE #6 372507e 5382850n

373157e 5382990n

MINING LOCATION B6

MINING LOCATION 2B

W-TB-15/13

GPS (372359e 5382833n)

ACCESS NEW JUNCTION

MINING LOCATION C

MINING LOCATION 1

Thunder Bay

3016678

W-TB-21/13

4258025

4258023

4242683

SITE #4 (372863e 5382416n)

SITE #3 - 373593e 5381863n

MINING LOCATION 4

MINING LOCATION 3

TIM WATSON'S DRIVEWAY

(371003e 5382168n)

SITE #2 372859e 5381911n

TEST SITE #3

-TEST SITE #1

(SITE #2 373349e 5381417n - TEST SITE #2)

4242686

4242682

MINING LOCATION 5

REG. PLAN 841

SECTION 12, CON 8

SECTION 12, CON 7

SECTION 12, CON 6

SECTION 12, CON 5

Upper Pass Lake

4207432

P.A.A.

Lake Superior (lac. Supérieur)
LAMBERT ISLAND AREA

OLD WATSON ROAD

Pass Lake

Andersen Lake
LOT 1, CON 5
SIBLEY

Hwy 587

LOT 1, CON 4

5380000N

5380000N

370000E

UTM Zone 16
5000m grid

CLAIM MAP - ACCESS



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Mining Claim Abstract

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THUNDER BAY - Division 40		Claim No: TB 4258024		Status: ACTIVE
Due Date:	2017-Jul-30	Recorded:	2010-Jul-30	
Work Required:	\$ 1,600	Staked:	2010-Jul-25 19:00	
Total Work:	\$ 8,000	Township/Area:	MCTAVISH (G-0675)	
Total Reserve:	<u>\$ 5,685</u>	Lot Description:	ne 1/4 Lot 11, Con 6	
Present Work Assignment:	\$ 0	Claim Units:	4	
Claim Bank:	\$ 0			

Claim Holders

Recorded Holder(s) Percentage

BLAKELY, GERALD ANTOINE (100.00 %)

Client Number

300399

Transaction Listing

Type	Date	Applied	Description	Performed	Number
STAKER	2010-Jul-30		RECORDED BY BLAKELY, GERALD ANTOINE (E34580)		R1040.02901
MISC	2011-Nov-17		PERMISSION TO BULK SAMPLE		M1140.00274
CANC	2012-Jul-31		CANCELLED PURSUANT TO SUBSECTION 72(1)(B) OF THE MINING ACT R.S.O. 1990		C1240.03784
CANC	2012-Aug-01		NOTICE OF RE-OPENING (SUBSECTION 72. 1 (2) UNDER THE MINING ACT R. S. O. 1990.) POSTED 2012-		C1240.03798

			AUG-02 - CHECK CLAIM MAP FOR ANY RESTRICTIONS TO STAKING	
ORDER	2012-Oct-24		MINISTER RELIEVES FROM FORFEITURE AND EXTENDS TIME UNTIL AND INCLUDING 2012-NOV-13 FOR WORK AND FILING THEREOF	O1240.00354
OTHER	2012-Oct-31		WORK PERFORMEDGCHMET, PMAN, PROSP APPROVED: 2013-FEB-04	\$ 17,685 Q1240.02523
WORK	2012-Oct-31	\$ 8,000	WORK APPLIEDGCHMET, PMAN, PROSP APPROVED: 2013-FEB-04	W1240.02523
MISC	2013-Jul-11		EXTENSION TO PERMISSION TO BULK SAMPLE	M1340.00289
OTHER	2014-Oct-28		EXPLORATION PERMIT NO. PR13-10111 EFFECTIVE FROM 2013-APR-24 TO 2016-APR-23 FOR THE FOLLOWING ACTIVITIES: (PHYSICAL / PTRNCH, PHYSICAL / PSTRIIP, DRILLING / PDRILL)	J1440.00429

Claim Reservations

- 01 400' surface rights reservation around all lakes and rivers
 - 02 Sand and gravel reserved
 - 03 Peat reserved
 - 04 Other reservations under the Mining Act may apply
-

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Mining Claim Abstract

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THUNDER BAY - Division 40		Claim No: TB 4242684		Status: ACTIVE
Due Date:	2017-Nov-03	Recorded:	2010-Nov-03	
Work Required:	\$ 800	Staked:	2010-Oct-29 17:30	
Total Work:	\$ 4,000	Township/Area:	MCTAVISH (G-0675)	
Total Reserve:	<u>\$ 0</u>	Lot Description:	NW 1/4 W 1/2 Lot 11, Con 5	
Present Work Assignment:	\$ 0	Claim Units:	2	
Claim Bank:	\$ 0			

Claim Holders

Recorded Holder(s) Percentage

BLAKELY, GERALD ANTOINE (100.00 %)

Client Number

300399

Transaction Listing

Type	Date	Applied	Description	Performed	Number
STAKER	2010-Nov-03		RECORDED BY BLAKELY, GERALD ANTOINE (E34580)		R1040.03866
MISC	2011-Nov-17		PERMISSION TO BULK SAMPLE		M1140.00274
WORK	2012-Oct-31	\$ 4,000	WORK APPLIEDGCHMET, PMAN, PROSP APPROVED: 2013-FEB-04		W1240.02523
MISC	2013-Jul-11		EXTENSION TO PERMISSION TO BULK SAMPLE		M1340.00289
OTHER	2014-Oct-28		EXPLORATION PERMIT NO. PR13-10111 EFFECTIVE		J1440.00429

FROM 2013-APR-24 TO 2016-APR-23 FOR THE
FOLLOWING ACTIVITIES: (PHYSICAL / PTRNCH,
PHYSICAL / PSTRIIP, DRILLING / PDRILL)

Claim Reservations

- 01 400' surface rights reservation around all lakes and rivers
 - 02 Sand and gravel reserved
 - 03 Peat reserved
 - 04 Other reservations under the Mining Act may apply
 - 05 Including land under water
-

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Mining Claim Abstract

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THUNDER BAY - Division 40		Claim No: TB 4258025		Status: ACTIVE
Due Date:	2020-Feb-03	Recorded:	2012-Feb-03	
Work Required:	\$ 1,600	Staked:	2012-Jan-27 16:00	
Total Work:	\$ 9,600	Township/Area:	MCTAVISH (G-0675)	
Total Reserve:	<u>\$ 6,070</u>	Lot Description:	SW 1/4 LOT 11, CONC 6	
Present Work Assignment:	\$ 0	Claim Units:	4	
Claim Bank:	\$ 0			

Claim Holders

Recorded Holder(s) Percentage	Client Number
BLAKELY, GERALD ANTOINE (100.00 %)	300399

Transaction Listing

Type	Date	Applied	Description	Performed	Number
STAKER	2012-Feb-03		RECORDED BY BLAKELY, GERALD ANTOINE (E34580)		R1240.00282
OTHER	2014-Feb-03		WORK PERFORMED PMAN, PSTRIAP APPROVED: 2014-FEB-27	\$ 7,670	<u>Q1440.00166</u>
WORK	2014-Feb-03	\$ 1,600	WORK APPLIED PMAN, PSTRIAP APPROVED: 2014-FEB-27		<u>W1440.00166</u>
WORK	2015-Jan-22	\$ 8,000	WORK APPLIED		<u>W1540.00177</u>

Claim Reservations

- 01 400' surface rights reservation around all lakes and rivers
 - 02 Sand and gravel reserved
 - 03 Peat reserved
 - 04 Other reservations under the Mining Act may apply
 - 05 Including land under water
-

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Regional and Local Geology

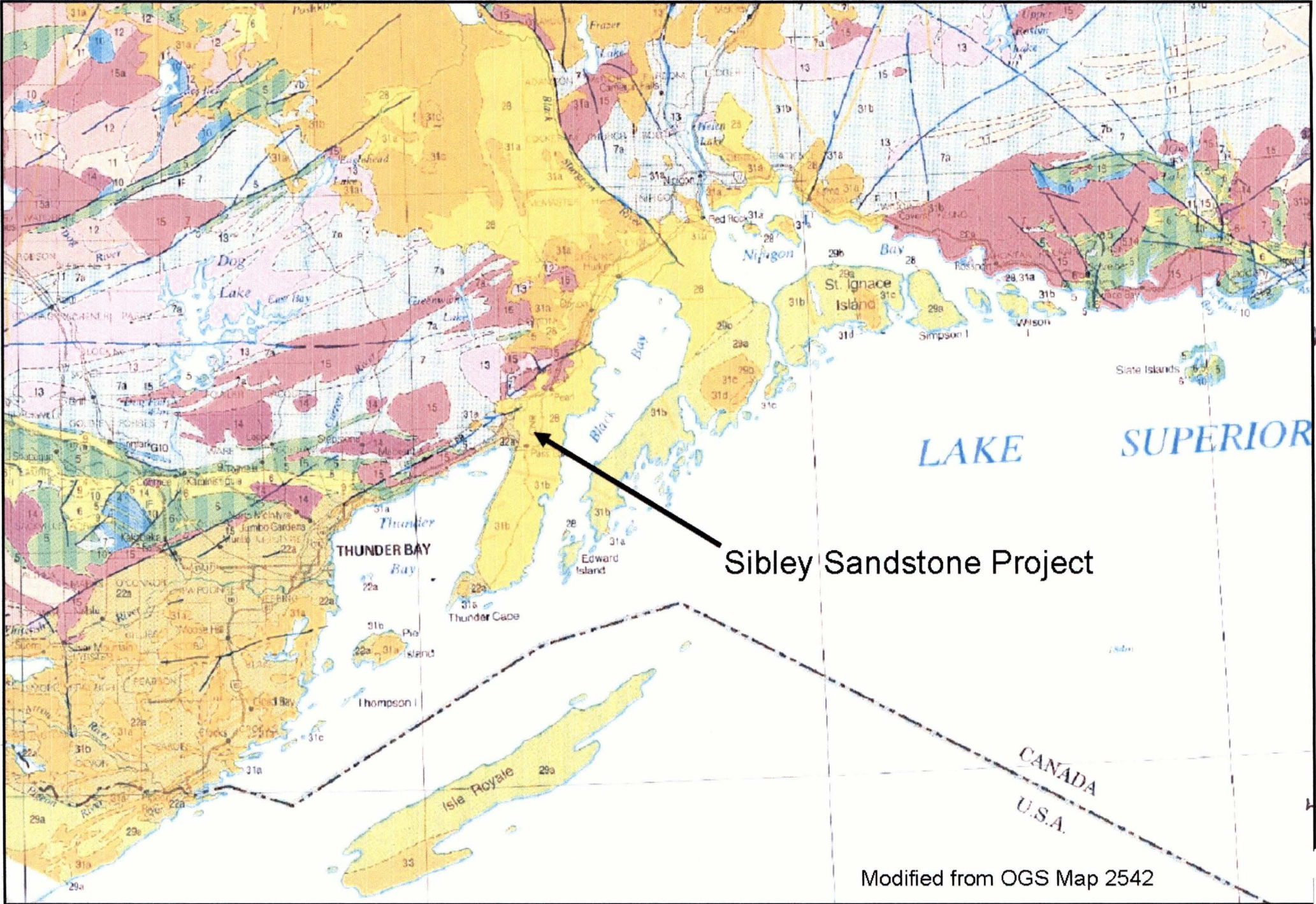
Rocks in the vicinity of the Sibley Sandstone property consist largely of Proterozoic-age (Middle to Late Precambrian) sedimentary rocks of the Gunflint Formation, Rove Formation, and Sibley Group. These nearly flat-lying sedimentary rocks unconformably overlie much older Archean-age igneous and metamorphic rocks that are exposed to the northwest of the property in the vicinity of Highway 11-17. All of these rocks are locally intruded by Proterozoic-age diabase sills and dikes, which are the youngest rocks exposed in the area.

The oldest sedimentary rocks are those of the Gunflint Formation, which are exposed to the west of Highway 587 and consist of iron formation, chert, carbonate, taconite, argillite, conglomerate, jasper, algal chert concretions and tuff. The Gunflint is overlain by the Rove Formation, which largely consist of black shales. In the vicinity of Pass Lake, these shales contain large calcareous concretions known locally as "flowerpots." The Sibley Group rocks have been subdivided into three separate formations known as the Pass Lake, Red Rock and Kama Hill Formations. The Pass Lake Formation is comprised largely of sandstone, while the Red Rock and Kama Hill Formations are dominated by dolomite and siltstone respectively.

The rocks exposed on the Sibley Sandstone property are those of the Pass Lake Formation. The sandstone on the property occurs in a range of colours, including buff, pink, red and brown. Similar sandstone material has previously been quarried nearby at Vert and Simpson Islands. As a result, this sandstone is considered to have the potential to be developed for use in the stone industry.

References:

- Hinz, P., Landry, R.M. and Gerow, M.C. 1994. Dimension stone occurrences and deposits in northwestern Ontario; Ontario Geological Survey, Open File Report 5890, 191p.
- McIlwaine, W.H. 1975. McTavish Township (Southern Half), District of Thunder Bay; Ontario Division of Mines, Preliminary Map P.990, scale 1:15,840.



Sibley Sandstone Project

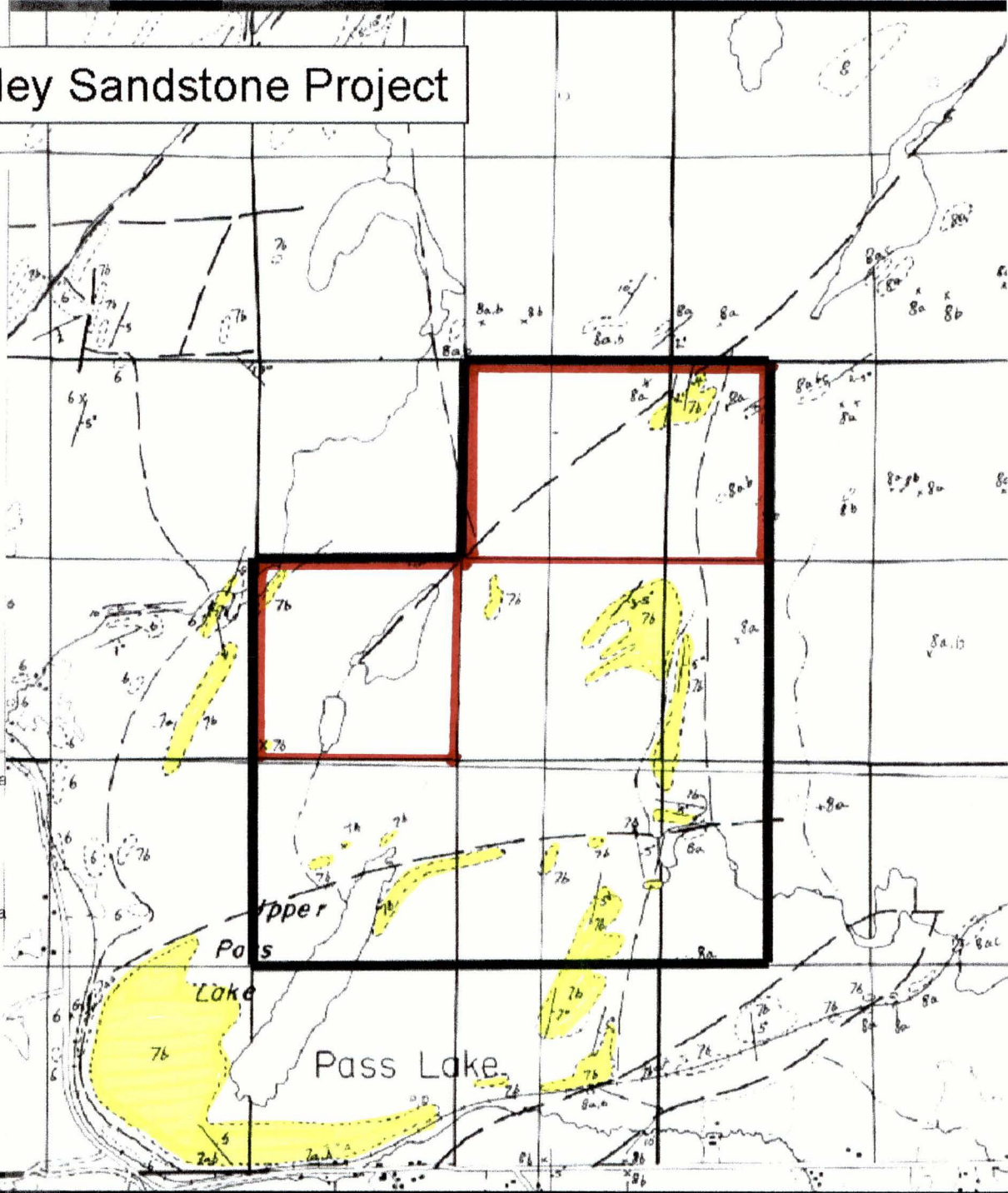
Modified from OGS Map 2542

Scale: 1 inch to 1/4 mile or 1:15,840

NTS Reference: 52 A/10

ODM-GSC Aeromagnetic Map: 2116G
ODM Geological Compilation Series Map: 2232

Sibley Sandstone Project



LEGEND (1)

CENOZOIC

PLEISTOCENE AND RECENT

Sand, gravel, clay, lake and swamp deposits

Unconformity

PRECAMBRIAN

LATE PRECAMBRIAN

KEWEENAWAN

MAFIC INTRUSIVE ROCKS

10 Diabase (Logan-type)

Intrusive Contact

SIBLEY GROUP

Kama Hill Sandstone (2)

9 Unsubdivided

9a Red to reddish-brown sandstone

9b Red to reddish-brown siltstone, shale

9c Intraformational conglomerate and breccia

Red Rock Dolomite (2)

8 Unsubdivided

8a Red arenaceous dolomite

8b Buff quartz arenite, quartzose arenite

8c Intraformational conglomerate and breccia

Pass Lake Sandstone (3)

7 Unsubdivided

7b Buff to pink quartz arenite, quartzose arenite

7a Conglomerate

Unconformity

Modified from OGS P990

P.32

Work Program:

The Phase 2 work program will consist of stripping, power washing and core drilling two potential prospected sites in my mining claims TB 4258024 and TB 4258025 McTavish Twp. District of Thunder Bay.

Some site preparation of salvage removal of blow down and standing trees is required as well as some overburden and debris removal. This same preparation is also required for the drill access to each site, in total 3 kms. in access distance.

The drill cores will be viewed by Mark O'Brien (MNDM) for his opinion and if the stone has any quarry potential I will have an accredited APGO Geological Consultant write a report, interpreting the stone and describing its potential for a dimensional quarry stone.

Please see the following:

Stripping-Daily Work Diary (Sites-5 and 6)

Page 4a

Drilling-Daily Work Diary (Sites-5 and 6)

Page 4b

Sketch Maps-1:500 scale (Sites-5 and 6)

Pages 4c, 4d

Daily Diary Superior Pink Sandstone

Stripping Sites 5 and 6.

Fri.Sept. 26 2014

Verne and I left Nipigon at 8:00 am. to finish off cleaning up blow down and some soft spots from a junction (location 373157e5382990n) on our access trail from this southern location on Claim # 4258024 north to drill site #5 location (373549e5383336n) My ATW core drill broke down the other day on drill site #3 and we will complete this work while we are waiting for Casey Bearman to bring his drill in to finish off our core drilling. Today we made good progress and completed a distance over half way to site #5. Verne and I worked until 6:00 pm. arriving back at Nipigon after fuelling up at 8:00 pm.

Sat.Sept. 27 2014

Verne and I left Nipigon at 8:00 am. again, continuing clean up of access and stripping of sites 5 and 6. We finished our access and stripping of site 5 at 3:00 pm. and also managed to widen and strip off drill site 6 on Claim #4258025 completing this project at 6:00 pm., returning Tim's loader and back home to Nipigon at 8:00 pm.

Daily Diary Superior Pink Sandstone

Core Drilling

Mon. Oct. 13 2014. Today Verne and I left Nipigon at 7:00 am. to meet Casey to finish off drill hole sites 5 and 6. Each hole is only 4 meters deep and we managed to complete both holes, with Casey DEMOBED by 6:00 pm. completing our drill core project. We arrived back at Nipigon at 8:00 pm.

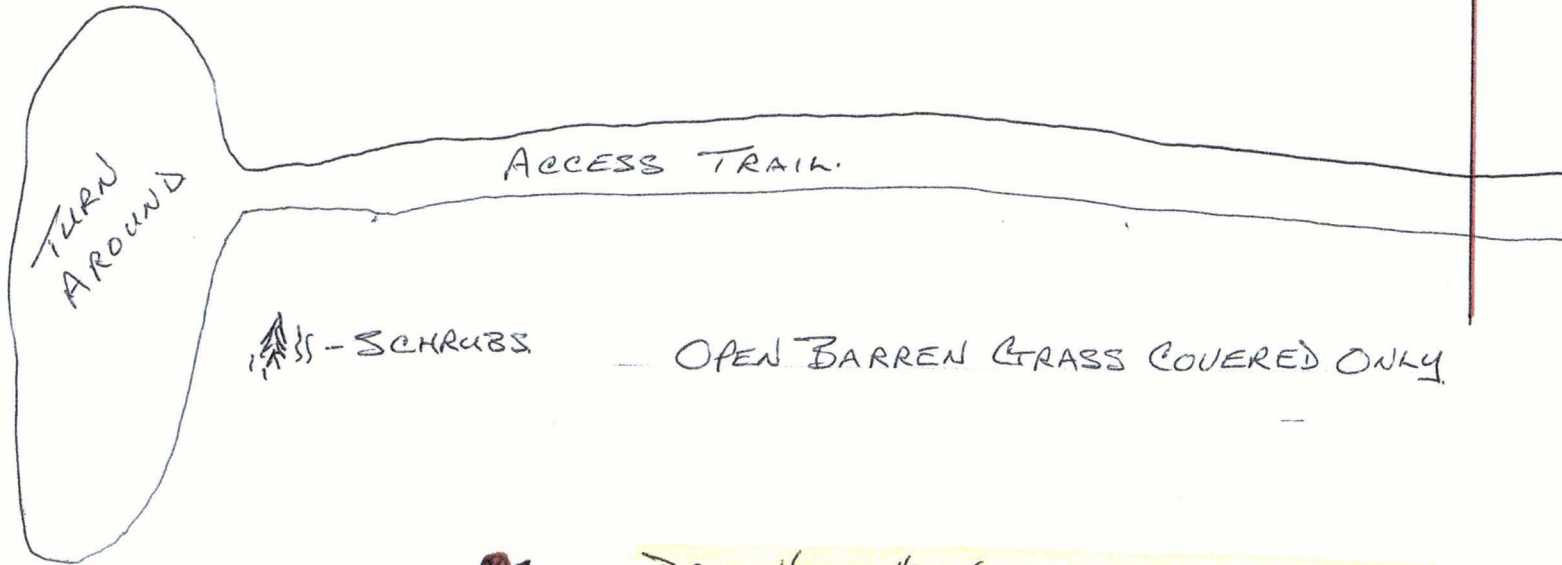
Tues. Oct 14 2014. Verne and I left Nipigon at 7:00 am. Today we are going to gather up all our water pump and hoses, water truck, water trailer and skidder to return them back to my property in Pearl. We returned everything, fueled up and returned to Nipigon at 7:00 pm. This completes our drilling project with cores in storage in Nipigon to be assessed and all tools and equipment returned.

SKETCH 1:500. DRILL SITE #5. SUPERIOR PINK SANDSTONE.

NAD 83-16U. CLAIM # 4258024 NE. 1/4 lot 11, CON 6 McTAUSH TWP.

(4-0675) 4-UNITS.

SPARSLEY FORESTED - SPRUCE



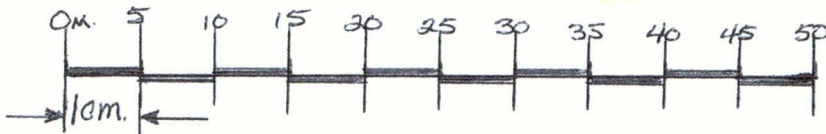
DRILL HOLE #5 (373549e5383336n)

EXPOSED BARREN PINKISH-BUFF SANDSTONE.

OPEN BARREN
- GRASS COVERED ONLY

EXPOSED BED ROCK.

SCALE 1:500 1 CM. = 5 M.



SKETCH 1:500 DRILL SITE #6 SUPERIOR PINK SANDSTONE

NAD 83-16R CLAIM #4258025 SW. 1/4 LOT 11 CON 6 McTAUISH TWP.

(4-0675) 4-UNITS.

MIXED FOREST

SHALLOW HUMUS
OVER BURDEN APPROX:
1 M. THICK.

FORESTED

MIXED FOREST.

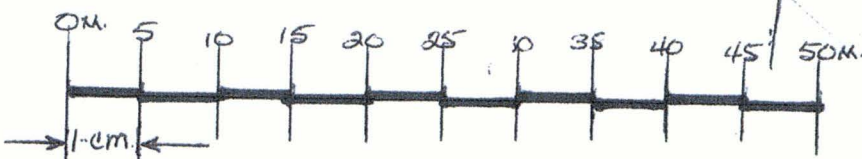
FLAT SHALLOW
COVERED FLAT PINK-
RED SANDSTONE.
FRACTURED.

CLAIM #4258025.

DRILL HOLE #6

(372507e 5382850n)

SCALE 1:500 1CM = 5M.



P.4d.

Physical Results

Stripping: Phase 2 stripping revealed more horizontal, potential looking bedrock of jointing distances averaging 1 ½ to 3 meters and more wide spread; sufficient for quarry block extraction. The stone on the surface also appeared to look consistent in colour, texture and pattern on each site and appeared to be comparable on all three test sites.

Core drilling: Phase 2 core drilling proved that the stone was fractured throughout in each core hole. The stone was not massive or homogeneous and had intermittent mudstone and sporadic silt intrusions throughout in depth. None of the layering was consistently cemented or massive. The nice potential looking horizontal stripped surfaces with wide spread jointing, were a complete contrast to the fractured layers revealed in the drill cores.

Sheeting spacing would have to be at least 1 meter to produce a minimum thickness for a quarry block. The cores from these test sites never exceeded 25 cm. in massive cemented layers and also failed in being homogeneous in color, texture and pattern.

Discussion

Natural, horizontal and vertical stone exposures displayed potential jointing and sheeting required for dimensional stone. Physical ASTM lab tests had proved the stone to be well within the architectural stone standards. These natural features and physical lab tests were all good indicators that the stone may be quarryable. We still had to know if the stone was going to be massive and homogenous in colour, texture and pattern, as well as knowing the sheeting distances.

The core drilling gave us the information we needed. The stone surprisingly is fractured with cemented layers less than 25 cms. The stone is not massive or homogenous and had intermittent mudstone and sporadic silt stone intrusions throughout the depth of the core. The stone totally failed for dimensional stone.

In regards to this aspect of the stone failing the core drilling was very decisive and successful in proving that the stone is unsuitable for dimensional stone and this concludes my testing on these claims.

In the future I am going to put more emphasis on getting an initial core drill test completed before I spend too much time and money on stripping, access and ASTM testing. If the initial core drilling turns out positive I will also follow up with more detailed core drilling to further prove the site, then more stripping, ASTM testing and then test block extraction and slab testing . A lesson hard learned!

The sites have been rehabilitated with an approved Exploration Activity Inspection Report.

Please see Mark O'Brien's comment on the fractured stone and Exploration Activity Inspection Report on following pages.

From: "O'Brien, Mark (MNDM)" <mark.o'brien@ontario.ca>
Date: November 20, 2014 5:00 PM
To: "Gerald Blakely" <gblakely@bell.net>
C "Garry Clark" <gjclark@tbaytel.net>; "Anderson, Cailey (MNDM)" <Cailey.Anderson@ontario.ca>; "Campbell, Dorothy (MNDM)" <dorothy.campbell@ontario.ca>; "Puumala, Mark (MNDM)" <Mark.Puumala@ontario.ca>
Subject: RE: Assessment of Core Drilling Phase 2 OEC Oyster White Project

Jerry, we did view the drill core on our recent site visit and I can confirm that the sandstone was very fractured. If you require specific advice from a P. Geo. then I would refer you to Garry or Mark/Dorothy (if government is required).

Mark O'Brien
Ministry of Northern Development and Mines
807-475-1106 (p)

Exploration Activity Inspection Report

Early Exploration Proponent: GERALD BLAKELY		Contact Name and Phone # : 807 887 3077
Inspection Site Location: SIBLEY SANDSTONE		Inspection Date(s): OCT 21, 2014
Plan/Permit # PR 13 1011	Expiry Date 2016	Region <input checked="" type="checkbox"/> NW <input type="checkbox"/> NE <input type="checkbox"/> S

PLAN ACTIVITIES INSPECTED

- Geophysical surveys that require the use of a generator to be carried out
- Mechanized drilling for the purpose of obtaining rock or mineral samples, if the assembled weight of the drill and its associated equipment, excluding drill rods, casings and bits, does not exceed 150 kilograms
- Line cutting, where only hand held tools may be used and the width of the lines does not exceed 1.5 metres.
- Mechanical surface stripping. 1 area < 100m² 2+ areas <200m between & < 100m² total
- Pitting and trenching. 1 pit/trench 1-3m³ 2+ pits/trenches <200m between 1-3m³ total

PERMIT ACTIVITIES INSPECTED

- Mechanized drilling for the purpose of obtaining rock or mineral samples, if the assembled weight of the drill and associated equipment, excluding drill rods, casings and bits, is greater than 150 kilograms
 - 1- 5 pads
 - 6- 10 pads
 - 11- 20 pads
 - > 20 pads
- Mechanical surface stripping.
 - 1 area > 100m² but less than advance exploration threshold
 - 2+ areas <200m between & > 100m² but less than advance exploration threshold
- Line cutting, where the width of the lines cut is 1.5 metres or more.
- Pitting and trenching.
 - 1 pit /trench >3m³ but less than advance exploration threshold (AET)
 - 2+ pits/trenches <200m between & >3m³ but less than AET

GENERAL REQUIREMENTS / PROVINCIAL STANDARDS / REQUIREMENTS FOR REHABILITATION

- Yes No. Early exploration site being maintained in a clean and safe condition.
- Yes No Roads or trails being obstructed by early exploration activities.
- Yes No All refuse, fuel drums, equipment and any other material or thing brought onto the lands for the early exploration activity have been removed on completion of the early exploration activity, before the expiry of any applicable exploration plan or exploration permit
- Yes No *N/A* Appropriate signage used where required. geophysical surveys pitting & trenching.
- Yes No *N/A* Appropriate fencing installed where required (minimum 1m high, high visibility & 3m set back).
- Yes No Disturbed overburden in stripped areas is stored in a safe and stable manner away from waste rock.
- Yes No Pit walls/ trenches/ rock faces >3m backfilled or contoured to stable angle of repose.
- Yes No *N/A* Pit walls/ trenches/ rock faces >3m not backfilled or contoured are sloped to provide point of egress.
- Yes No Disturbed bedrock stockpiled on site in safe and stable manner.
- Yes No *N/A* Drill holes are sealed or grouted where required.
- Yes No *N/A* Drill holes are capped where required. *No casing*
- Yes No *N/A* Drill holes marked where casing is left. *No casing*
- Yes No Drilling fluids and cuttings are contained & not < 30m from any permanent water body or water way.
- Yes No Drill core is stored properly.

COMMENTS / FOLLOW UP:

- 6 Drill locations - 5 holes \approx 4m 1 hole @ \approx 23m
- Casing Not required - Bedrock surface
- Oyster White Bulk Sample Location rehabilitated to code
- Site Clean & Safe - No ISSUES.

Expanded Report Required

Exploration Inspector Name: CAILEY ANDERSON

Date: Oct 21, 2014

Signature: *Cailey Anderson*

Note: "This inspection report does not in any way suggest that there is or has been compliance with applicable legislation and regulations as they may apply to this early exploration activity. It is, and remains, the responsibility of the exponent and/or the operating authority to ensure compliance with all applicable legislative and regulatory requirements"

Conclusion

In Phase 1, ASTM testing were on target as compared to other quarried building stone on the market. Further core drilling and block extraction would provide the required particulars for a quarry site such as location, consistency of colour, texture, pattern, quality and quantity. All of these particulars are required in a quarry as well as positive ASTM test results, adequate quantities and uniformity. I was told by several buyers that there is a market trend for Sandstone. Several investors have shown interest in the ASTM test results and are looking forward to the possibility of a quarry supply.

Phase 2 core drilling revealed that the stone is very fractured on all three sites and throughout the depth of each drill hole. On the flat horizontal exposed surfaces the stone looks like it would be easy to get large blocks as the fracturing is spaced sufficiently apart. We had seen that it was somewhat fractured on the natural exposed vertical drop offs and wondered if the stone would become more massive and cohesive further in the bedrock from the weathered surfaces.

If the stone proved quarryable in Phase 2, there was an immediate demand for gangsaw dimension stone blocks. Cold Spring Granite Company is a large Architectural Stone Fabricating and Building Company from Cold Spring Minnesota. Their Quarry Sales/Procurement Manager had toured these sites and had interest in purchasing rough blocks and wanted me to send samples once the blocks have been extracted and ready for inspection. They built the world's highest building in Dubai and are currently building the new Trade Centre in New York, just an example of their vast projects. If I had a stone quarry that satisfies them we would have been busy.

B-Gel International had an interest in purchasing fabricated products other than quarry blocks. They would utilize all of our stone that doesn't make quarry blocks for their landscaping and garden customers. This would work out good utilizing all of our stone; however these secondary products would only be feasible if the main production was dimensional stone quarry blocks.

I have toured several stone sales and fabricating sites in the United States and personally know people in all phases of the stone industry and all have an interest in buying good quality sandstone.

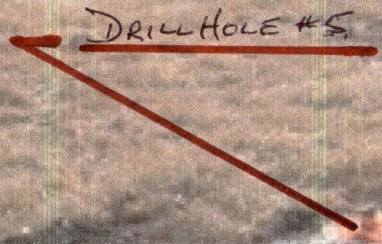
If the claims had produced quarryable stone the profitability would have been very lucrative with the ideal location, access and available infrastructure.

In conclusion the core drilling was very successful in proving that the stone was too fractured for dimensional quarry stone. This project also quickly showed us that, core drilling a few initial holes is front and centre to determine if the stone is massive enough and should be carried out before too much time and expenses are spent on access, stripping and ASTM testing.

8.) Appendix: Supporting Documents

SITE #5
DRILL HOLE

DRILL HOLE #5



SITE#6
STRIPPING

P10



SITE #6
DRAINAGE



HOLE #6 DRILLING



DRILL
HOLE #6

SITES
4, 5, 6

SITE #4
CORE
4M.
BTW.

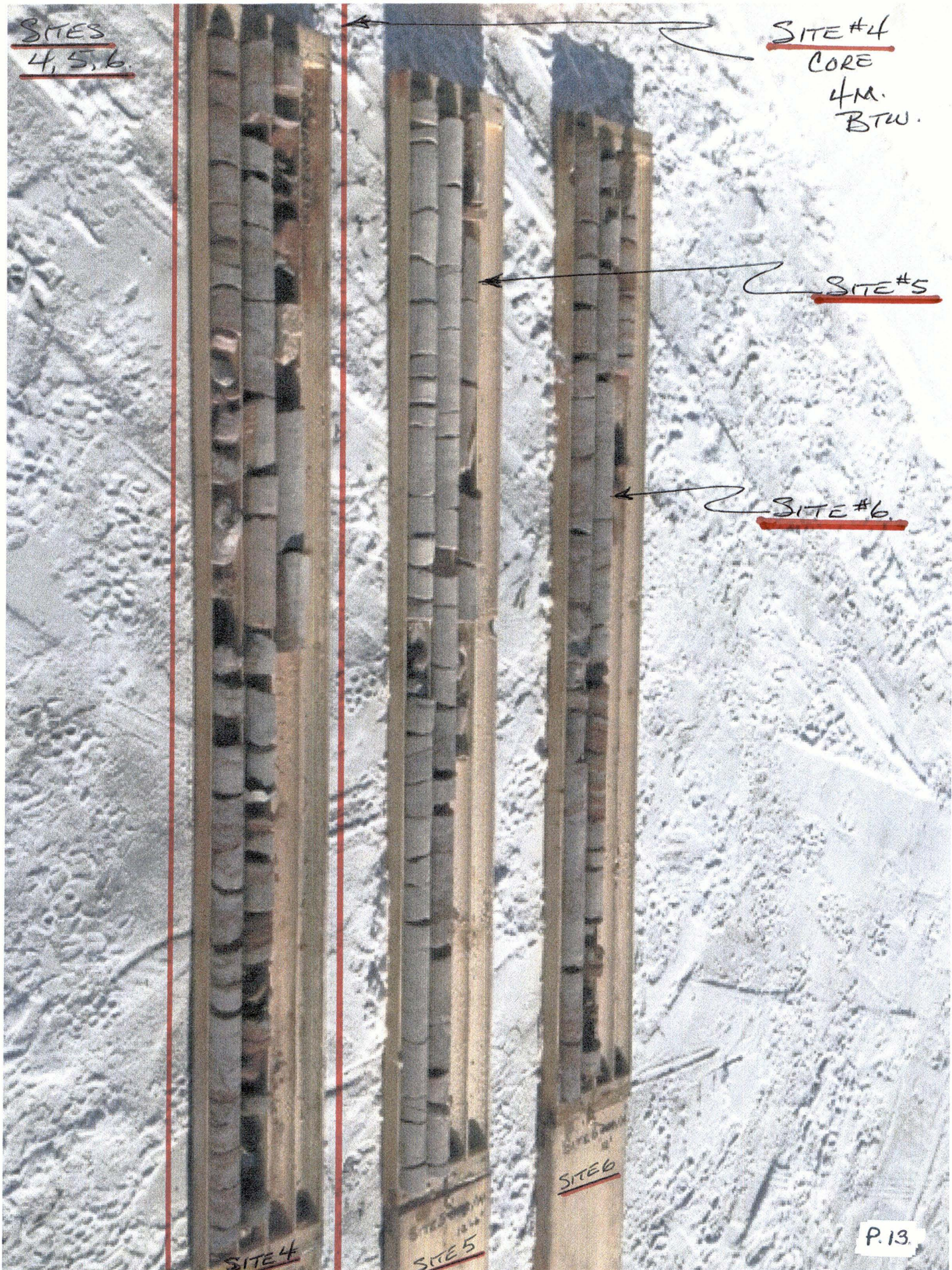
SITE #5

SITE #6

SITE 4

SITE 5

SITE 6



Contact information

Verne Smith
51745 warbler Dr.
Bemidji, MN 56601

ph: (218) 766-5123
email: bgeltech@gmail.com

Signed

A handwritten signature in black ink, appearing to read "Verne Smith", is written over a horizontal line. The signature is cursive and extends to the right, ending in a long, sweeping tail.

Personnel Information

Russ Baker
52 Brompton Road
Box 494
Red Rock, ON P0T 2P0

Ph: 807-886-2564

Email: rbdar@outlook.com

Signed

R. Q. Baker



**Exploration Permit/Permis
d'exploration**

Number/Numero : PR-13-10111

This permit is issued under the authority of section 78.3 of the *Mining Act* and the Exploration Plans and Exploration Permits Regulation (O. Reg. 308/12). It is subject to the provisions of the Act and regulation as well as the terms and conditions included in this permit.

Ce permis est émis conformément aux dispositions de section 78.3 de la *Loi sur les mines* et des règlements et est sujet aux restrictions et dispositions de ce lois et règlements ainsi qu'aux conditions ci-énoncées

Note: The issuance of this permit does not relieve the applicant from the responsibility of acquiring any other agency, board, government, etc. approval as may be required nor does it relieve the permittee from the requirements of any other legislation or guarantee access to the land.

Remarque: La délivrance d'un permis n'exonère pas le demandeur de l'obligation d'obtenir l'autorisation de tout autre organisme, commission, gouvernement, etc. qui pourrait être exigée, non plus qu'elle exempte le détenteur des dispositions des lois et elle ne garantit pas l'accès à la terre.

Project Details/ Détails sur le projet

Project Name/ Titre du projet
Sibley Sandstone Project

Qualified Supervisor/Superviseur qualifié
Gerald Blakely

This Permit is issued to: Ce Permis est délivré a:

Name of Permittee/Nom du détenteur:
Gerald Blakely

Mailing Address/Adresse postale:
111 8th Street, Nipigon, Ontario P0T 2J0

To conduct an early exploration activities from/ Pour effectuer des activités d'exploration du (yyyy/mm/dd): **2013/04/24** to: **2016/04/23**
On claim/lease/licence of occupation number(s)/Sur le numéro(s) du claim/bail/permis d'occupation:

unpatented mining claims 4242684 4258024 4242683 4258023 4242682 4242686 4246534 4210029

as per your exploration permit application date/conformément a la demande de permis d'exploration en date du: **2013/03/15**

OR
as per your *amended* exploration permit application date/conformément a la demande de permis d'exploration *modifier* en date du:
for the purpose of:

- Mechanized Drilling (assembled weight >150kg)/ Forage mécanisé (poids assemblé >150 kg)
- Mechanized Stripping (>100m² in 200m radius)/ Décapage mécanisé (> 100 m² dans un rayon de 200 m)
- Pitting and Trenching (>3m³ in 200m radius)/ Creusement de fosses et de tranchées (>3 m³ dans un rayon de 200 m)
- Line Cutting (>1.5m width)/ Découpage des quadrillages (<1,5 m de largeur)
- Other (Early exploration activities for which Director has required a permit)/Autre (Activités d'exploration préliminaires pour laquelle le Directeur a demandé un permis):

Subject to the following conditions:/Et sous les conditions suivantes:

1. The Permittee shall keep this permit or a true copy thereof on the permit area./Le détenteur conserver ace permis ou une copie conforme sur les lieux des travaux.
2. The person in charge of the operation conducted under this permit shall produce and show this permit or the true copy kept on the exploration permit area to any inspector whenever requested by the officer./Le responsable des travaux couverts par ce permis doit produire le permis ou sa copie conforme si un inspecteur lui demande.
3. The requirements outlined in Schedule 1 of Ontario Regulation 308/2012 and applicable Provincial Standards for Early Exploration/ Les exigences générales identifier à l'annexe 1 du Règlement de l'Ontario 308/2012 et les normes provinciale relatives a l'exploration préliminaire.
4. Other terms and conditions as listed on this permit./Autres termes et conditions énoncées sur ce permis.

Place of Issue/Émis a:
Thunder Bay

Issued by/Émis par:
Mike Grant, Director of Exploration

Date of Issue/Date émis (yyyy/mm/dd, aaaa/mm/jj):
2013/04/24

Signature of Director/Signature du directeur: