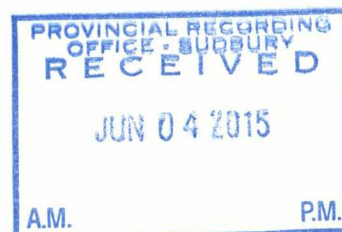


**Report of Assessment Work on Claim #4262125**

Scott Schelske, P. Eng., F.E.C.

May 2015



## **Introduction:**

877578 Ontario Inc. (the Company) has staked a number of claims in Northwestern Ontario for their dimension stone quarry potential. These occurrences exhibit unique colours and textures of the stone matrix and are found to have the possibility of being amenable to the quarrying of gang saw sized blocks. They have the massive formations that have exposures that demonstrate unblemished formations with the scarcity of structural features that is sought. These deposit ruining structural features are such things as: numerous or non-orthogonal joint sets, veins, faults, fissures, xenoliths and textural variations that serve to prevent a granite deposit from being capable of producing blocks.

Previous work has been focused on the dimension stone potential and involved removing, cutting and polishing stone samples.

Subsequently, it was realized that even if bulk sampling should determine that some of those deposits might not have a suitable structure for block production, they might still have market potential as a coloured aggregate. These coloured aggregates have a variety of uses such as: crushed landscaping stone, aquarium gravel, stucco dash, terrazzo and in an epoxied matrix as a composite stone product. Furthermore, even the best dimension stone deposits from a structural standpoint only "net" 40 – 55% and most are in the 20% range. The term "net" is used by the granite industry to express the ratio of marketable blocks shipped from a quarry for processing versus the total amount of stone quarried. If another market can be established for the stone from what is essentially waste rock, then the economics of a dimension stone quarry can be dramatically improved.

## **Location:**

The property is accessed via Highway 105, 28.5 kilometers south from Ear Falls. At this point, the former CNR rail road bed (henceforth referred to as the CN Road) transects the highway and leads south east 20 kilometers to the vicinity of the property where a tertiary road intersects

the CN road on the left hand side (north/west). The site is found by following the left hand fork of the road up and over a smooth bedrock hill after approximately 1 km then continuing for another 1 ½ km until another fork in the road is encountered. Take the left fork for ¾ km to Glider Lake. The large, massive cliff of the outcrop can be seen ½ km from the beach at the landing. There is no road access to the claim so travel is by foot path in a very dense forest of immature jack pines, or across the water/ice.

### **Sampling:**

The aggregate sampling program consisted of removing small pieces that could be broken off of bedrock using a sledgehammer and iron bar. These samples weighed approximately 50 – 100 lbs and were reduced to -3" using a sledgehammer and removed from the bush.

Samples were subsequently crushed to 1" minus in size and then screened by hand to 4 sizes: +3/4", - 3/4" — 1.2", -1/2" – -1/4" and -1/4". Of particular interest to potential customers will be the smallest size, (-1/4") in that it approaches the size-fraction-utilized by pre-casters, and manufacturers of composite stone products.

### **Regional Geology:**

The "Greenstone" rocks of the Superior Province of the Canadian Shield dominate the geology of North-western Ontario. Sub Provinces in the Region take the form of east-west trending belts known as the Wabigoon, Winnipeg River, Bird river, English River, Uchi and Berens River belts (from south to north),. These belts are Achaean in age and comprised mainly of vertically dipping volcanic, sedimentary and sub-volcanic intrusive rocks. These rocks themselves tend to be highly deformed and are therefore not likely to host granitoid rocks that would be favourable for dimension stone deposits.

### **Neo-meso Achaean Intrusive Complexes:**

After the development of the Achaean basement rocks that for the major greenstone belts, a regional scale tectonic event (the Kenoran Orogeny) took place over time. Initially, this structural event was responsible for significant deformation of pre-existing lithologies.

However, the last stages of this event were accomplished by voluminous late tectonic felsic plutonism. It is these late felsic plutons that have endowed the North-western Ontario Region with its legacy of high quality, undeformed granite resources (i.e. The Lount Lake Complex part of the Winnipeg River Sub-province and English River Sub-province).

The English River Sub-province consists of predominantly a metasedimentary migmatite domain to the North and a granitoid intrusive-gneiss domain to the South. It is bounded on the North by the Uchi Sub-provinces and on the South by the Winnipeg River Sub-province.

The neo to meso Achaean intrusive suite includes massive granodiorite and granites, diorite, monzonites, muscovite bearing granitic rocks, a suite of foliated tonalite intrusives and gneissic tonalities between the ages of 2.5 – 2.9 Ga.

#### **Geology of the deposit:**

##### **Stone description:**

The stone is a very unique, fine grained, dark red to burgundy coloured granite that should be very marketable as both a dimension stone as well as a coloured aggregate. The stone matrix appears to have about 5% mafic minerals and 95% red feldspar and accessory quartz. The fine grain is such that it would be amenable for monumental work.

##### **Site Physiography:**

The outcrop is a massive hill of granite that rises steeply from the shore of Glider Lake and reaches a height of over 60 m. There is a steep cliff face of solid granite visible above the trees on the east side that is a very prominent feature of the landscape. The claim is a portion of a hill that is 400 m x 1000 m and is adjacent to another hill with similar topographical features.

The knoll is rounded on the sides with a flat top that is approximately 150 m x 600 m with good exposure approaching 50 – 60%. The slopes adjacent to the lake are completely free of overburden with a 100% exposure. However, the slope is very steep and would be between a 50 – 60% grade, which makes it very difficult and dangerous to traverse, yet runoff water continuously washes the slope so the exposure is maintained.



The remainder of the hill has a series of ledges that rise steeply and are 3 – 5 m high. The only overburden is shallow at ½ m deep, and often consists of only moss and lichens. Although the forest consists of mature coniferous trees the lack of soil has made them very susceptible to windfall to point of making walking difficult but does increase the degree of exposure.

#### Structure:

The area of the steep exposure was examined in detail and only 2 vertical joints were found over an expanse of over 100 m. The solid, massive slope has the characteristics of what is sometimes referred to as a “whaleback”, except for the fact that this one would be the entire side of the hill. The exposed face eventually does taper into a prominent “finger” of stone to the north that is very narrow at the top, and widens with depth. Immediately to the west of this claim is another cliff face that is off of the claim.

The ledge development elsewhere on the claim is 3 – 5 m high, which is indicative of very favourable sheeting for the development of a dimension stone quarry.

#### Quarriability and Reserves:

The tertiary road will require major upgrading, however it is accessed from the CN Road which is an excellent resource access road, and there are other potentially quarriable deposits along the tertiary road network.

This is a large solid hill of stone, and although the south side will be encountered first with a quarrying operation and it had the least exposure and therefore, the uniformity of the deposit is more unknown there was sufficient ledge development on the south side to facilitate the commencement of quarrying. In addition, there is a concern about permitting of a deposit that is along the shoreline of a lake. However, there can be a significant buffer left between the shore and the limit of a quarry and still have sufficient stone to last perhaps for several decades, even centuries. Furthermore, there are neither tourist facilities nor residences on Glider Lake.

The deposit is huge, with a potential reserve of approximately 72 million tonnes without quarry operations being developed below the level of the lake.

**Marketing:**

There has been no marketing activity of the aggregate sales potential, although now that samples have been collected and prepared, that program can now begin.

**Appendix:**





Figure 1: Photo of Cut and Polished Sample

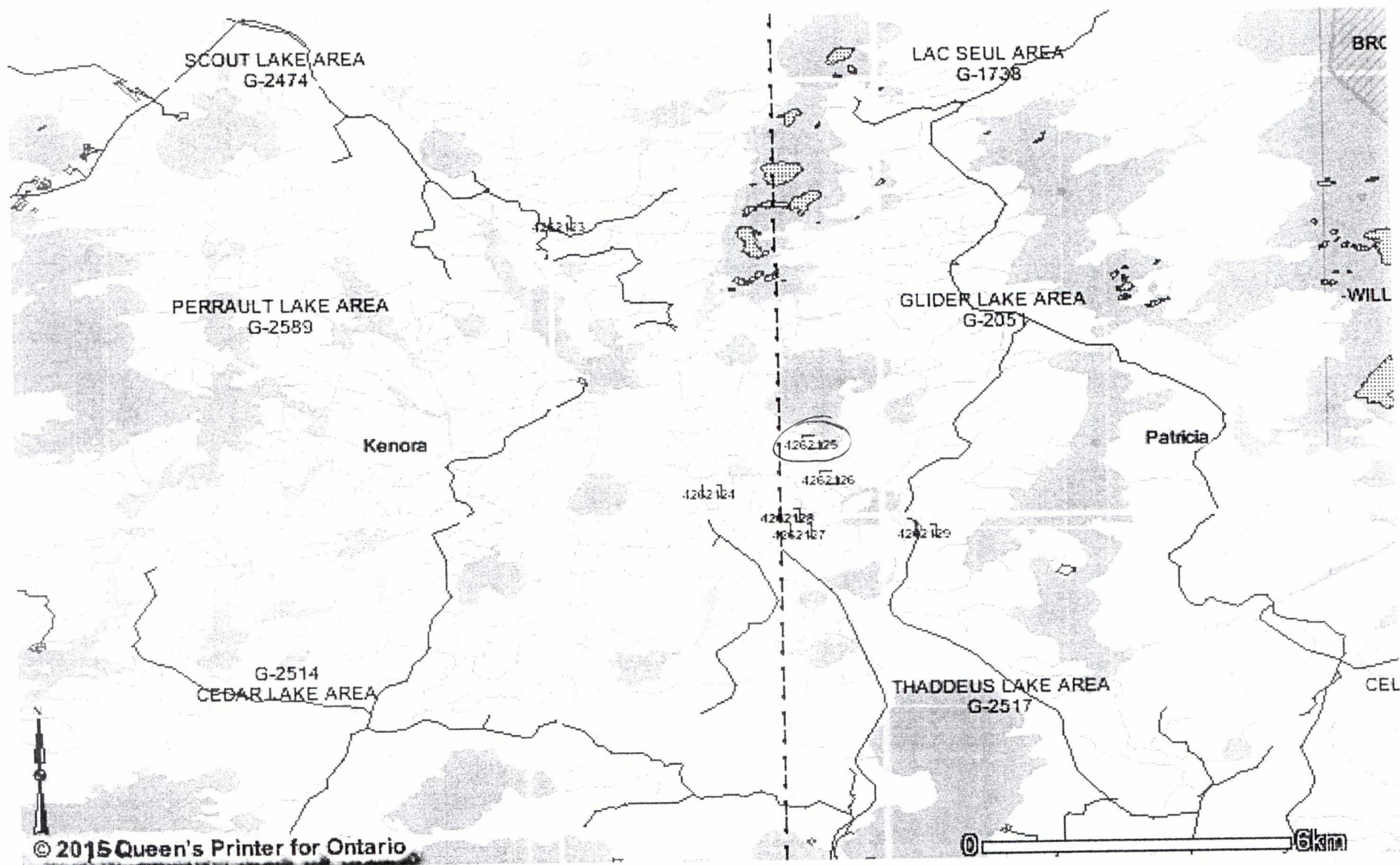


**Submission Number 2.56000**

**Transaction Number W1530.01201**

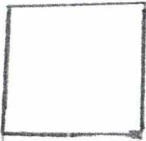
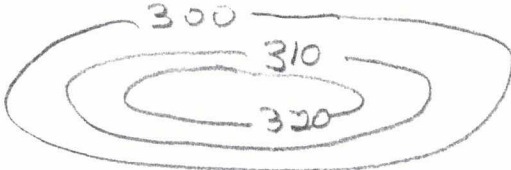








**Claim # 4262125**

**Addendum Information**



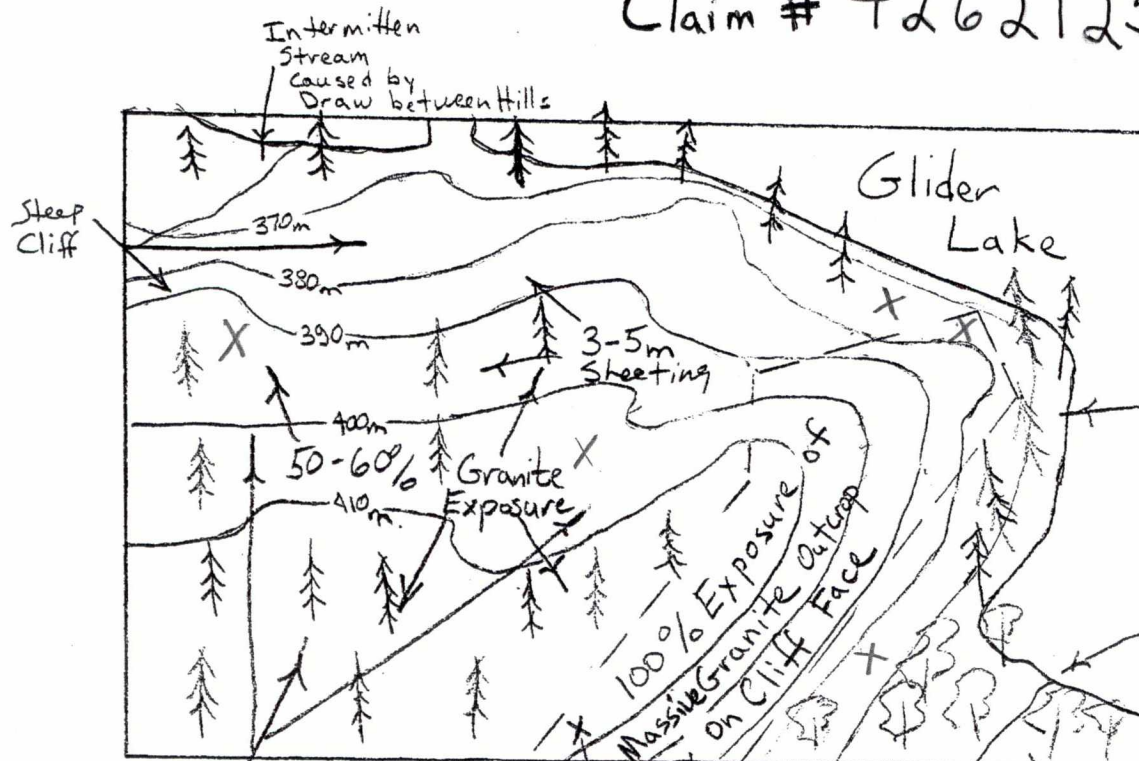
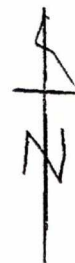
. Location Map.

## Claim Map Legend

<u>Item</u>	<u>Symbol</u>
Claim Boundary	
Contour Lines	
Mature Vegetation	
Edge of Dense New Vegetation	
Sample Location	
Diamond Drill Hole Location	
Magnetic North Arrow	
Outline of Outcrop Exposure	
Roadway	
Large Boulder Field	



Claim # 4262125



Narrow Strip of  
Mature Coniferous  
Forest Along  
Shore line

Intermittent  
Stream

Scale 1:200

Sparse Coniferous  
Forest, Some  
Moss & Lichens

Dense Mixed  
Forest - Cut over  
with Secondary  
Growth

Sketch Map of Claim

**Report of Assessment Work on Claim #4262126**

Scott Schelske, P. Eng., F.E.C.

May 2015

### **Introduction:**

877578 Ontario Inc. (the Company) has staked a number of claims in Northwestern Ontario for their dimension stone quarry potential. These occurrences exhibit unique colours and textures of the stone matrix and are found to have the possibility of being amenable to the quarrying of gang saw sized blocks. They have the massive formations that have exposures that demonstrate unblemished formations with the scarcity of structural features that is sought. These deposit ruining structural features are such things as: numerous or non-orthogonal joint sets, veins, faults, fissures, xenoliths and textural variations that serve to prevent a granite deposit from being capable of producing blocks.

Previous work has been focused on the dimension stone potential and involved removing, cutting and polishing stone samples.

Subsequently, it was realized that even if bulk sampling should determine that some of those deposits might not have a suitable structure for block production, they might still have market potential as a coloured aggregate. These coloured aggregates have a variety of uses such as: crushed landscaping stone, aquarium gravel, stucco dash, terrazzo and in an epoxied matrix as a composite stone product. Furthermore, even the best dimension stone deposits from a structural standpoint only "net" 40 – 55% and most are in the 20% range. The term "net" is used by the granite industry to express the ratio of marketable blocks shipped from a quarry for processing versus the total amount of stone quarried. If another market can be established for the stone from what is essentially waste rock, then the economics of a dimension stone quarry can be dramatically improved.

### **Location:**

The property is accessed via Highway 105, 28.5 kilometers south from Ear Falls. At this point, the former CNR rail road bed (henceforth referred to as the CN Road) transects the highway and leads south east 20 kilometers to the vicinity of the property where a tertiary road intersects the CN road on the left hand side (north/west). The site is found by following the left hand fork of the road up and over a smooth bedrock hill after approximately 1 km then continuing for another 1 ½ km until another fork in the road is encountered. The outcrop is a short knoll wedged between the 2 branches in the road.

### **Sampling:**

The aggregate sampling program consisted of removing small pieces that could be broken off of bedrock using a sledgehammer and iron bar. These samples weighed approximately 50 – 100 lbs and were reduced to –3" using a sledgehammer and removed from the bush.



Samples were subsequently crushed to 1" minus in size and then screened by hand to 4 sizes: +3/4", - 3/4" — 1.2", -1/2" — -1/4" and -1/4". Of particular interest to potential customers will be the smallest size, (-1/4") in that it approaches the size-fraction-utilized by pre-casters, and manufacturers of composite stone products.

### **Regional Geology:**

The "Greenstone" rocks of the Superior Province of the Canadian Shield dominate the geology of North-western Ontario. Sub Provinces in the Region take the form of east-west trending belts known as the Wabigoon, Winnipeg River, Bird river, English River, Uchi and Berens River belts (from south to north),. These belts are Achaean in age and comprised mainly of vertically dipping volcanic, sedimentary and sub-volcanic intrusive rocks. These rocks themselves tend to be highly deformed and are therefore not likely to host granitoid rocks that would be favourable for dimension stone deposits.

### **Neo-meso Achaean Intrusive Complexes:**

After the development of the Achaean basement rocks that form the major greenstone belts, a regional scale tectonic event (the Kenoran Orogeny) took place over time. Initially, this structural event was responsible for significant deformation of pre-existing lithologies. However, the last stages of this event were accomplished by voluminous late tectonic felsic plutonism. It is these late felsic plutons that have endowed the North-western Ontario Region with its legacy of high quality, undeformed granite resources (i.e. The Lount Lake Complex part of the Winnipeg River Sub-province and English River Sub-province).

The English River Sub-province consists of predominantly a metasedimentary migmatite domain to the North and a granitoid intrusive-gneiss domain to the South. It is bounded on the North by the Uchi Sub-province and on the South by the Winnipeg River Sub-province.

The neo to meso Achaean intrusive suite includes massive granodiorite and granites, diorite, monzonites, muscovite bearing granitic rocks, a suite of foliated tonalite intrusives and gneissic tonalities between the ages of 2.5 – 2.9 Ga.

### **Geology of the deposit:**

#### **Stone description:**

The stone is a medium grained, rose coloured granite. The grain is such that it would be amenable for monumental work. However, there are some textural variations which are due to some veining but they do not appear to be significant enough to impact the overall excellent uniformity of the stone to the extent that is exposed. Since textural uniformity is not a requirement for a coloured aggregate, the deposit becomes very marketable as both a

dimension stone as well as a coloured aggregate. If that colour and texture continues to be present once further stripping is performed, then the deposit has an excellent chance to become a quarry.

#### Site Physiography:

The site was originally in a clear cut area. However, secondary growth of jack pines has produced a very thick forest in places that is very difficult to walk through. The trees thin as the outcrop is reached, and the top of the ridge is sparsely forested with mature coniferous trees. There are good exposures on both the east and west side slopes of the short knoll that yielded good information about the structure. The degree of exposure in the area of the knoll would be in the order of 50% in the mature forest and 70 – 80% on the shallower slopes. (See figure 3 in the Appendix for sketch map of site).

The slope is relatively flat for the first 20 m from the left fork, and then steepens as one travels to the top of the hill. The road passes very close (within 5 m) on the right fork and then trends away from the slope at an angle. The outcrop is medium size, and “bullet” shaped with the “nose” at the south end and about 250 m x 100 m x 8 m high. There are a few small ridges along the east slope of the hill that are completely free of moss and overburden and exhibit good ledge development. The best exposure runs along the east side.

#### Structure:

The shallow eastern slope appears to be stepped in 1 ½ - 2 ½ m increments. There are very few vertical joints sets, and the spacings are 10 – 20 m so it has an encouraging structure. Joints are orthogonal so the potential for block development exists. The joint spacing appears to broaden towards the north on the east slope, although some joints could be obscured by the moss and very thin layer of overburden on the forest floor. However, there are a few veins which are more like concentrated textural variations, and although similar in colour, would impact the quality of some blocks, but would still be marketable for thermal and honed finishes and for curbing and landscape uses.

#### Quarriability and Reserves:

The tertiary road will require major upgrading, however it is accessed from the CN Road which is an excellent resource access road, and there are other potentially quarriable deposits along the tertiary road network.

There is sufficient ledge development on the east side to facilitate the commencement of quarrying. As mentioned previously, there is some concern about the textural variations, but the extent of that cannot be determined without test quarrying.

The deposit is medium sized, with a potential reserve of approximately 1.2 million tonnes.

**Marketing:**

There has been no marketing activity of the aggregate sales potential, although now that samples have been collected and prepared, that program can now begin.



## **Appendix:**



Figure 1: Photo of Cut and Polished Sample

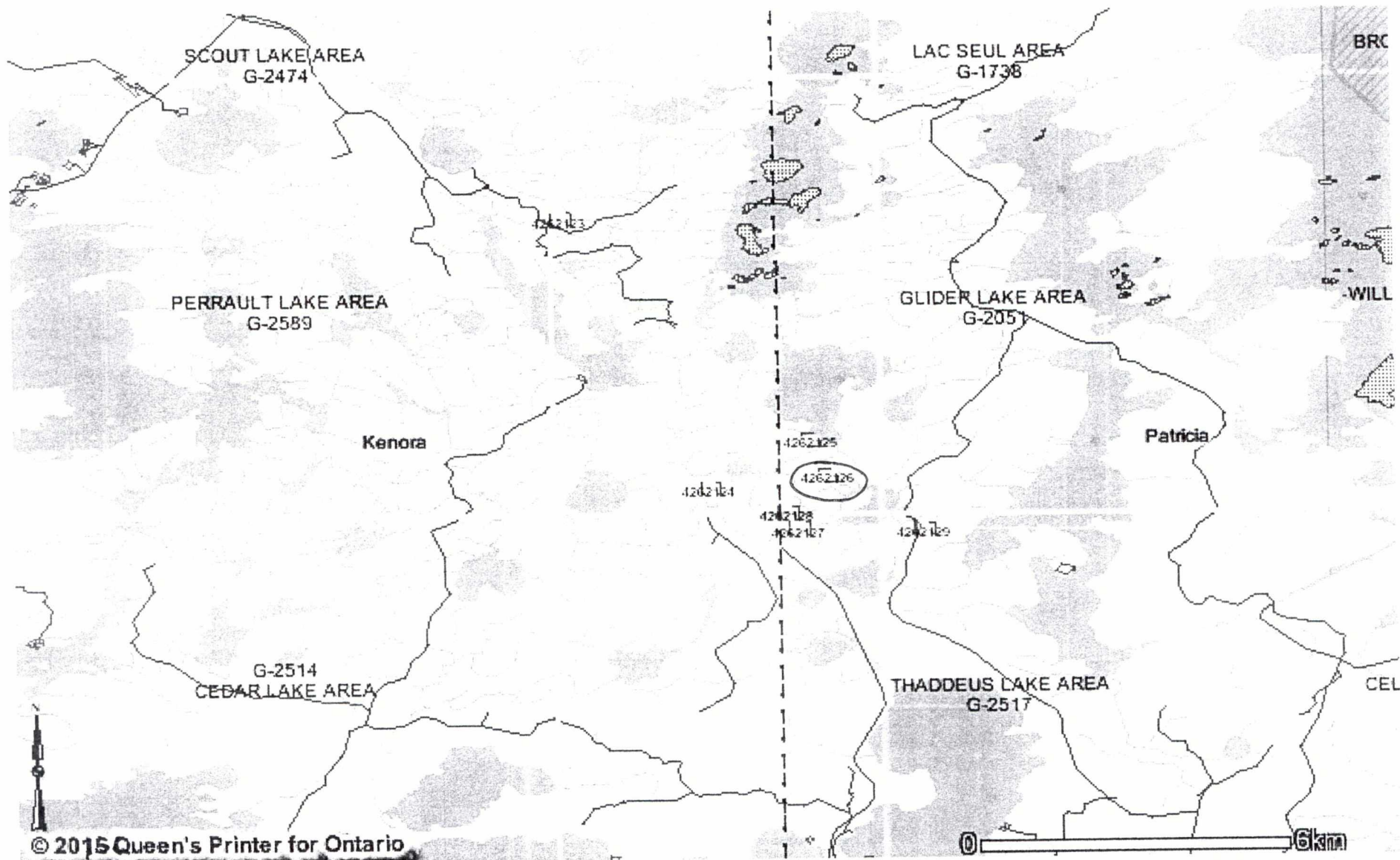
**Submission Number 2.56000**

**Transaction Number W1530.01201**

**Claim # 4262126**

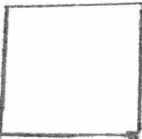
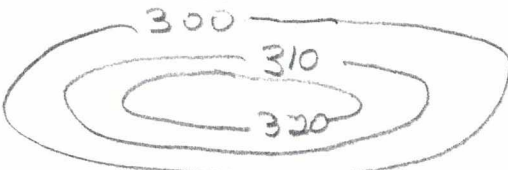





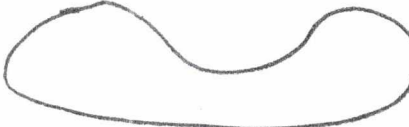


**Addendum Information**





Location Map.

## Claim Map Legend

<u>Item</u>	<u>Symbol</u>
Claim Boundary	
Contour Lines	
Mature Vegetation	
Edge of Dense New Vegetation	
Sample Location	
Diamond Drill Hole Location	
Magnetic North Arrow	
Outline of Outcrop Exposure	
Roadway	
Large Boulder Field	

Claim # 4262126



**Report of Assessment Work on Claim #4262127**

Scott Schelske, P. Eng., F.E.C.

May 2015



## **Introduction:**

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Previous work has been focused on the dimension stone potential and involved removing, cutting and polishing stone samples.

Subsequently, it was realized that even if bulk sampling should determine that some of those deposits might not have a suitable structure for block production, they might still have market potential as a coloured aggregate. These coloured aggregates have a variety of uses such as: crushed landscaping stone, aquarium gravel, stucco dash, terrazzo and in an epoxied matrix as a composite stone product. Furthermore, even the best dimension stone deposits from a structural standpoint only "net" 40 – 55% and most are in the 20% range. The term "net" is used by the granite industry to express the ratio of marketable blocks shipped from a quarry for processing versus the total amount of stone quarried. If another market can be established for the stone from what is essentially waste rock, then the economics of a dimension stone quarry can be dramatically improved.

## **Location:**

The property is accessed via Highway 105, 28.5 kilometers south from Ear Falls. At this point, the former CNR rail bed road transects the highway and leads south east 20 kilometers to the vicinity of the property where a tertiary road insects the CN road to the left hand side (north/west). The outcrop is found off of the first right hand fork of the tertiary road and is the first knoll encountered on the left hand side.

## **Sampling:**

The aggregate sampling program consisted of removing small pieces that could be broken off of bedrock using a sledgehammer and iron bar. These samples weighed approximately 50 – 100 lbs and were reduced to -3" using a sledgehammer and removed from the bush.

Samples were subsequently crushed to 1" minus in size and then screened by hand to 4 sizes: +3/4", - 3/4" — 1.2", -1/2" — -1/4" and -1/4". Of particular interest to potential customers will be the smallest size, (-1/4") in that it approaches the size-fraction-utilized by pre-casters, and

manufacturers of composite stone products.

### **Regional Geology:**

The "Greenstone" rocks of the Superior Province of the Canadian Shield dominate the geology of North-western Ontario. Sub Provinces in the Region take the form of east-west trending belts known as the Wabigoon, Winnipeg River, Bird river, English River, Uchi and Berens River belts (from south to north),. These belts are Achaean in age and comprised mainly of vertically dipping volcanic, sedimentary and sub-volcanic intrusive rocks. These rocks themselves tend to be highly deformed and are therefore not likely to host granitoid rocks that would be favourable for dimension stone deposits.

### **Neo-meso Achaean Intrusive Complexes:**

After the development of the Achaean basement rocks that for the major greenstone belts, a regional scale tectonic event (the Kenoran Orogeny) took place over time. Initially, this structural event was responsible for significant deformation of pre-existing lithologies. However, the last stages of this event were accomplished by voluminous late tectonic felsic plutonism. It is these late felsic plutons that have endowed the North-western Ontario Region with its legacy of high quality, undeformed granite resources (i.e. The Lount Lake Complex part of the Winnipeg River Sub-province and English River Sub-province).

The English River Sub-province consists of predominantly a metasedimentary migmatite domain to the North and a granitoid intrusive-gneiss domain to the South. It is bounded on the North by the Uchi Sub-provinces and on the South by the Winnipeg River Sub-province.

The neo to meso Achaean intrusive suite includes massive granodiorite and granites, diorite, monzonites, muscovite bearing granitic rocks, a suite of foliated tonalite intrusives and gneissic tonalities between the ages of 2.5 – 2.9 Ga.

### **Geology of the deposit:**

#### **Stone description:**

The stone is a unique, fine grained, pale orange coloured granite. The fine grained is such that it would be amenable for monumental work. However, there are some textural variations which are believed to be caused by changes in the orientation of the crystals in the matrix of the stone. If that is the case, then there is a possibility that these variations may be rectified during sawing, should the deposit become a quarry. Furthermore, since textural uniformity is not a requirement for a coloured aggregate, the deposit becomes very marketable as both a dimension stone as well as a coloured aggregate, with the stone that has textural variations being crushed. If that colour and texture continues to be present once further stripping is performed, then the deposit has an excellent chance to become a quarry.



### Site Physiography:

The site was originally in a clear cut area. However, secondary growth of jack pines has produced a very thick forest in places that is very difficult to walk through. The trees thin as the outcrop is reached, and the top of the ridge is sparsely forested with mature coniferous trees. The degree of exposure in the area of the knoll would be in the order of 60% in the mature forest and 70 – 80% on a shallower slope to the south of the knoll. (See figure 3 in the Appendix for sketch map of site).

The slope is relatively flat for the first 60 m, and then steepens as one travels to the top of the hill. The site is a medium size, and elongated and about 330 m x 130 m x 10 m high. There are a few small ridges at the top of the hill that are completely free of moss and overburden and exhibit good ledge development.

### Structure:

The shallow southern slope appears to be stepped in 1 – 2 m increments. There are a few vertical joints sets, but the spacings are 6 – 12 m so it has an encouraging structure. Joints are orthogonal so the potential for block development exists. Although the joint spacing appears to broaden at the top of the hill, some joints could be obscured by the moss and very thin layer of overburden on the forest floor.

### Quarriability and Reserves:

The tertiary road will require major upgrading, however it is only a few hundred meters from the CN Road and there are other potentially quarriable deposits along the tertiary road network.

There is sufficient ledge development on the south side to facilitate the commencement of quarrying. As mentioned previously, there is some concern about the textural variations, but the extent of that cannot be determined without test quarrying.

The deposit is medium sized, with a potential reserve of approximately 1.5 million tonnes.

### Marketing:

There has been no marketing activity of the aggregate sales potential, although now that samples have been collected and prepared, that program can now begin.

## **Appendix**



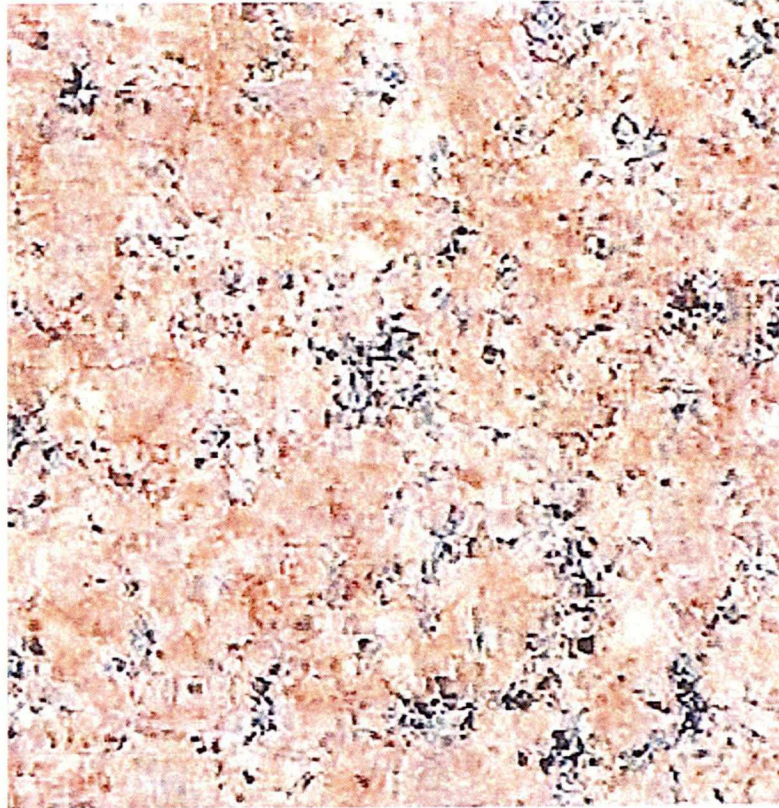


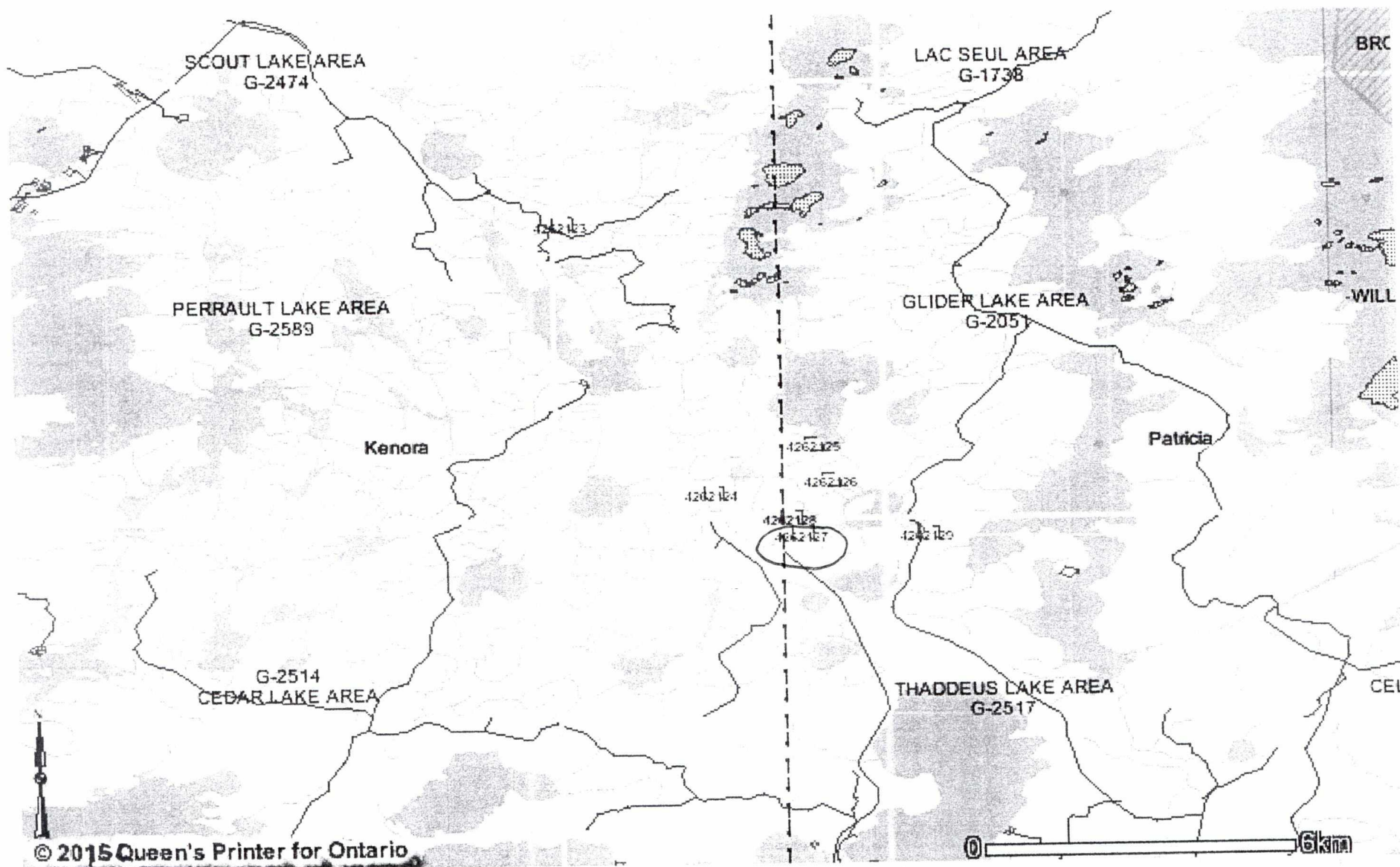
Figure 1: Photo of Cut and Polished Sample

**Submission Number 2.56000**

**Transaction Number W1530.01201**

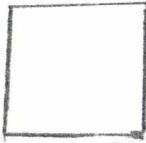
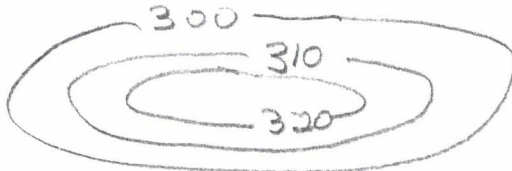







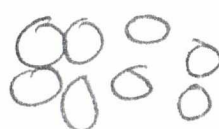
**Claim # 4262127**

**Addendum Information**



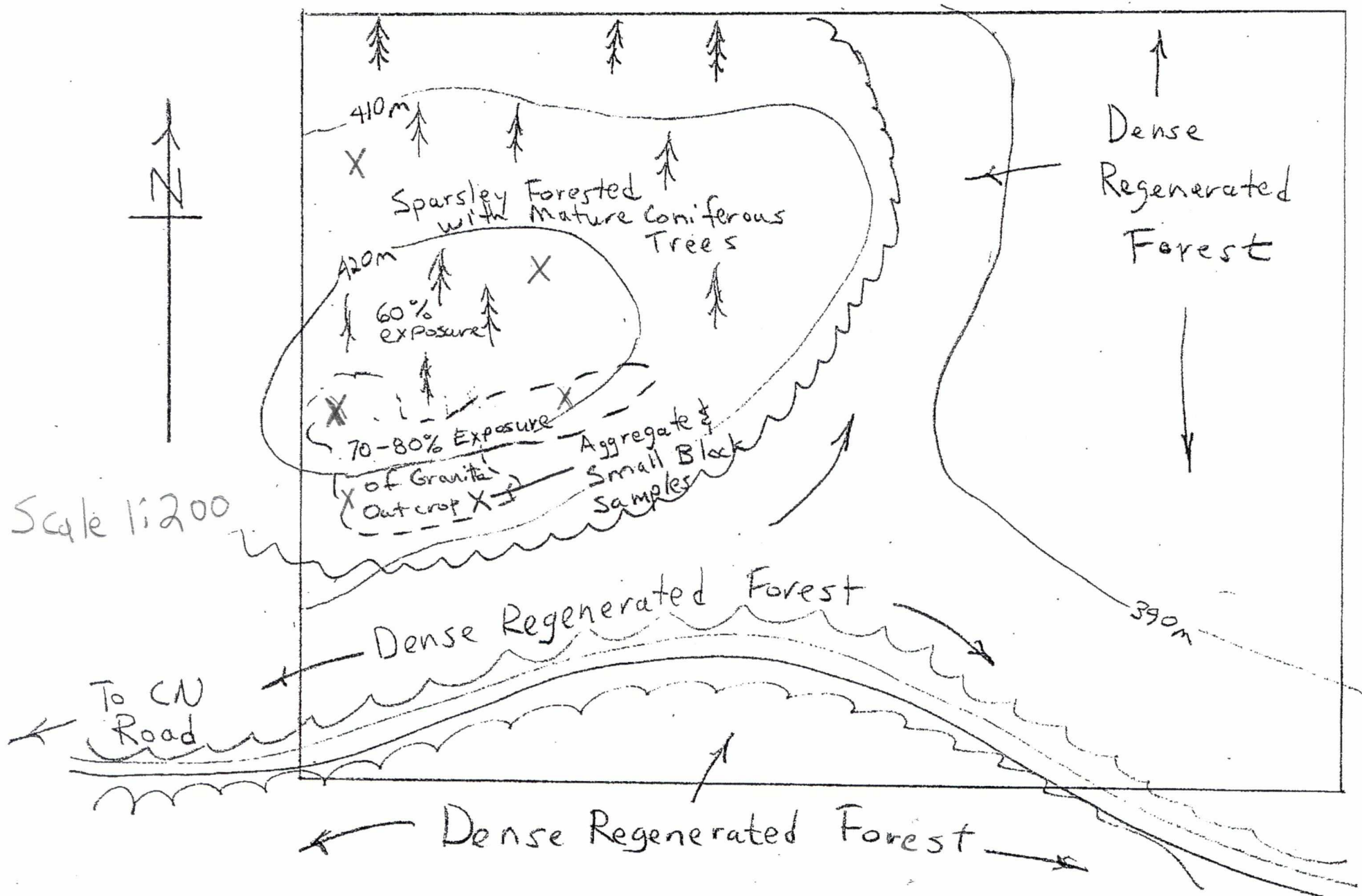
Location Map.

## Claim Map Legend

<u>Item</u>	<u>Symbol</u>
Claim Boundary	
Contour Lines	
Mature Vegetation	
Edge of Dense New Vegetation	
Sample Location	
Diamond Drill Hole Location	
Magnetic North Arrow	
Outline of Outcrop Exposure	
Roadway	
Large Boulder Field	



# Claim # 4262127



Sketch Map of Claim