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2 · 57321

**REPORT ON TRENCH ASSAY SAMPLING ON CLAIM TB 1213504**

McBean Gold Prospect—Caouette Vein  
Latitude 49 degrees, 30 minutes  
Longitude 86 degrees, 30 minutes  
UTM Zone 16, N 5505205, E 534554  
Longlac Area  
NTS 42E10NE  
Claim 1213504, Thunder Bay Mining Division  
Claim Map McBean Lake Area, G-321

Work Carried out October 24 to 28, 2016  
Report Date; November 28, 2016  
William C. Kerr

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## **Introduction and Summary**

The Caouette shaft was sunk in the late 1930's at the northeast terminus of a reported gold bearing vein west of the Theresa mine property. The writer acquired this property by staking in 2001. Trench sampling carried out by the author on several occasions has always returned high (though erratic) values of gold. This has been a combination of grab, chip, and channel samples. Several of these samples have been assayed by commercial laboratories, and others have been mortar/pestle and panned then examined under binocular microscope. These procedures have unequivocally confirmed the presence of gold values in the quartz shear in the trench. The shaft and associated exploration drifts reported negative results which might imply a steep rake or plunge to the vein. Samples of the exposed muckpile, taken by the author on several occasions, have always shown absolutely no gold.

Exploration permit No. PR14-10515, dating from 2014-May-09 to 2017-May-08, was received to excavate a rock trench to better define the distribution of the high grade gold values and associated sulphide minerals in much fresher rock than is exposed on surface. Unfortunately, the physical work was unable to be carried out to the date of this report, and the permit will expire in the spring of 2017. As at the current time only a total of five channel samples (2001 generation) have been taken over a 22 metre length of the vein (the vein proper is 30 to 35 metres long), it was always felt that more infill and on-strike sampling would be prudent prior to any further trenching. Accordingly, twenty two samples were taken in October composed of chip-channels and grabs. This will allow a better siting of any future trench to be carried out under a subsequent application for an extension of the expiring work permit.

### **Title**

The writer holds 100% interest in one mining claim covering the former Caouette gold showing, composed of a 0.75 unit located in the Mcbean Lake area in the Thunder Bay mining division. This claim (TB 1213504) was staked on June 1, 2001, was GPS surveyed to acceptable standards in 2014, and is in good standing. Address for service for the holder of the land covered by this report is as follows:

William C. Kerr  
22 Greenwin Village Road  
North York, Ontario  
M2R2S1

### **Property, Location, and Access**

The claim is located within the Thunder Bay mining Division. Figure 1 details the approximate location. Claim No. TB 1213504, a 0.75 unit claim, is located in north-east McBean Lake area, approximately 9.6 kilometres south of Longlac. Access to the claim is through the old Theresa Mine Property, west of the Making Ground River. The

number 2 post of TB 1213504 is located on the west bank of the river. Figure 2 is an expanded view of Figure 1, showing the property on a claim scale.

## **Previous Work**

The following was documented in the previous work report filed by the writer in 2001. "The property was first worked in 1934, and the initial gold discovery was attributed to Moses Fisher. The individual claims were eventually consolidated under the control of A. Caouette, who optioned the ground west of the Making Ground River to the N. A. Timmins Corporation in 1936. Surface stripping, 1250 feet of diamond drilling, a small bulk sample and underground work was carried out in 1936 and 1937. The underground work consisted of an inclined two compartment shaft to the 135 foot level with a working level at 125 feet. At this level a total of 241 feet of drifting and 91 feet of crosscutting were done. The option was dropped in that year. Subsequent work to the late 1980's consisted of sporadic re-sampling of the trenches. Duration Mines held an option on the Theresa Mine Property in the late 1980's, and carried out substantial stripping but no record of their work is on file."

The author carried out a resampling programme in 2001, which was filed and accepted for assessment credit. The trenches were cleaned out, and five channel samples were taken from the vein proper and assayed and confirmed the presence of gold in the surface trenches. Seven samples were taken from a parallel vein to the northwest, and eight grab samples were taken from various positions from the surface of the muck pile. These samples were mortared and pestled and panned, and no gold was observed in any of these samples. The conclusions based on Kerr's 2001 work are as follows:

- 1 the vein as exposed in the trench was indeed auriferous
- 2 The parallel vein to the northwest contained no gold
- 3 The quartz exposed on surface of the waste pile contained no gold. It was concluded that this quartz was possibly from the parallel non-gold bearing vein, intersected in the crosscut and hence probably the last material excavated from underground and hence on top of the dump. Further sampling of the dump was justified to determine if this was the case.

Based on the results of the sampling carried out by the author in 2001, it was obvious there were at least two generations of quartz. The quartz exposed in the trench was auriferous, while the parallel vein was completely barren. As the quartz material sampled from the surface of the dump was likewise barren, it was concluded that this quartz could be from the crosscut at depth and possibly represent the down dip extension of the barren vein, as it would have been the last material excavated from underground. Accordingly, in 2006 it was decided to sample the interior of the dump to verify if there was any unexposed auriferous quartz. A posthole auger and pick were used to attempt to get a sample from a depth of 1.0 metre, but it was found that a depth of 0.3 metre was the maximum generally obtained in the difficult material. The purpose was to try and obtain unbiased samples and sample under where past prospectors would have taken easily obtained specimens from the surface of the pile over the years. As the shaft followed the

dip of the vein, and the drift also followed the vein, it was felt that the number of samples collected in this manner would be not completely unrepresentative of the underground workings, even though there was no possibility of determining if the material sampled was of shaft or drift material. It was also impossible, using the auger, to sample material at the base of the pile as a 0.6 metre maximum was about the deepest sample obtained by hand power alone. In any event, out of the 26 samples collected, only 9 samples contained quartz material, in varying concentrations up to 100 percent. Approximately 4 pounds of sample were taken from each site, and bagged, for a total of 26 sites were sampled.

The host rock in all cases was fresh unaltered diorite. A number of samples, while lacking in quartz, contained appreciable sulphides, and these were likewise reduced by mortar and pestle. Each sample was examined, and the most promising material in each sample was mortared and pestled, and the -20 mesh material was collected.

The samples were subsequently panned, and the concentrates were examined under binocular microscope. Several concentrates had appreciable sulphides, and these samples were roasted over a fireplace and subsequently panned prior to mikework. No gold was observed. As a test on the quality control, two samples were collected from the auriferous trench by the sampler and inserted into the sample stream unknown to the sample processor. In both these samples, appreciable gold and sulphides were returned in sufficient quantities to confirm that the trench contained at least quarter ounce material and this panning evaluation was a fair technique.

## **Geology**

From Kerr, 2001....”The Claim is located within the Superior Province of the Canadian Shield. According to Fairburn, 1938, the area consists predominantly of altered mafic volcanic rocks, agglomerates, and metasediments. These units have been intruded by massive quartz diorite-granodiorite bodies. All of these units are cut by northwest trending diabase dykes. The claim covers a large area of quartz diorite intrusion. Although some previous workers have identified basaltic rocks proximal to the Cauoette Shaft, only quartz diorite and diorite were visible to the author.

## **Current Programme**

The current work was carried out between Oct 24 and Oct 28, 2016, including mobilization from, and demobilization to Toronto. A small tent camp was set up near the bridge over the Making Ground River on the east bank.

The trench was chained and marked for a length of 30 metres in a SW direction from the midpoint of the concrete shaft cap. The trench had badly slumped over the years, so much time was spent in cleaning out the sampling sections. Because of the heavy slumping, bad rainy weather and non-mechanized cleaning (grubhoe and shovel), only narrow sections were cleaned for the sampling of the bedrock. The weather was very wet

during the sampling, and while the slumping was ongoing, relatively good samples were obtained in a combination of channels, chips, and grabs. Several flank samples were taken next to high-grade assays originally collected in the 2001 programme.

Table 1 describes the results of the samples. Figure 3 is a plot of the samples combined with the sample locations taken in the prior report, and shows (in parenthesis) results of all samples reported in ounces/ton.

## Conclusions

The infill sampling carried out in 2016 has

1. demonstrated continuity of the gold bearing part of the quartz vein over a length of 27 metres, which is 5 metres longer than previously known.
2. located in more detail the higher grade portions of the vein, which now will be the focus of further rock trenching.
3. also demonstrated, through the presence of the lower grade areas, that the vein is not continuously mineralized with high grade material. The lowest of all samples were those located proximal to the shaft, indicating that the shaft was likely sunk on un-mineralized, or poorly mineralized parts of the vein, perhaps explaining why there are no values in any of the muck-pile samples taken to date.



William C. Kerr

Date Nov 28/2016

## References

ODM 1936 Vol 45, pt. 1, p. 10, Production of Gold Mines, 1935

ODM 1937, Vol 46, pt. 3, p 18, Description of Properties, N.A. Timmins Corporation

ODM 1954, vol 63, pt. 2, p. 96, Report on Mines, Theresa Gold Mines Limited

MDI file # TB 0149

ODM 1971, Mineral Resources Circular #3, Gold Deposits of Ontario, Theresa Mine, pp 291-292

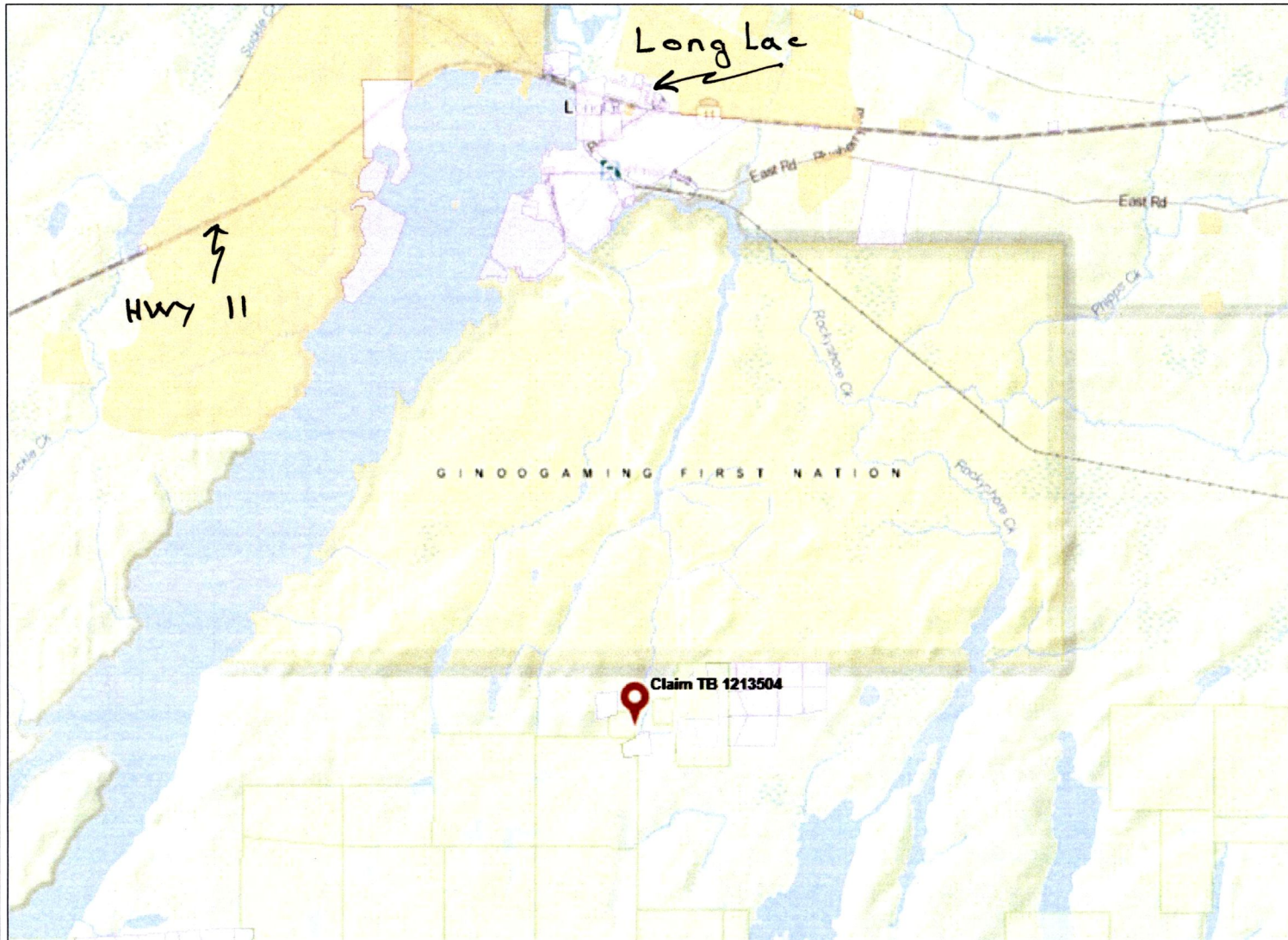
Kerr, W. C., September 13, 2001, Geological Report on a Surface Exploration Programme, McBean gold Prospect, MDI TB 0149. Report filed for Assessment Credit with MNDM

Kerr, W. C., May 24, 2007, Report on Sampling of Underground Material from Surface Waste Dump, McBean Gold Prospect, Calette Showing, MDI TB 0149. Work Report filed for Assessment Credit with MNDM



**Notes:**

To Accompany Technical Report titled " Report on Trench Assay Sampling on Claim TB 1213504" by William Kerr, 2016



**Legend**

- Administration Boundaries**
  - Mining Divisions
  - Resident Geologist District
  - Townships and Areas
  - UTM Grid
  - Geographic Lot Fabric
  - Other Federal Land
- Mineral Tenure Grid**
  - OMTG Tenure Grid
- Alienations**
  - Withdrawal
  - Notice
- Unpatented Claim**
  - Active
  - Reconciled
  - Pending
- Disposition**
  - Disposition
- Disposition Symbols**
  - Camp
  - Disposition Unknown/Pending
  - Freehold Patent Mining Rights Only
  - Freehold Patent Surface Rights Only
  - Freehold Patent Surface and Mining Rights
  - Land Use Permit
  - Leasehold Patent Mining Rights Only
  - Leasehold Patent Surface Rights Only
  - Leasehold Patent Surface and Mining Rights
  - License of Occupation Mining Use Only
  - License of Occupation Surface Use Only
  - License of Occupation Surface and Mining Rights
  - License of Occupation Uses Not Specified
  - Order in Council
  - Tower
  - WPLA
- Geology Layers**
  - AMIS Sites
  - AMIS Features
  - Drill Holes
  - Mineral Occurrences

0 4.7 km

Projection: Web Mercator

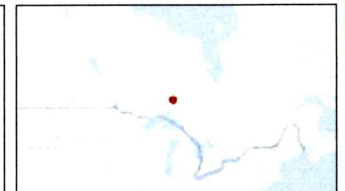


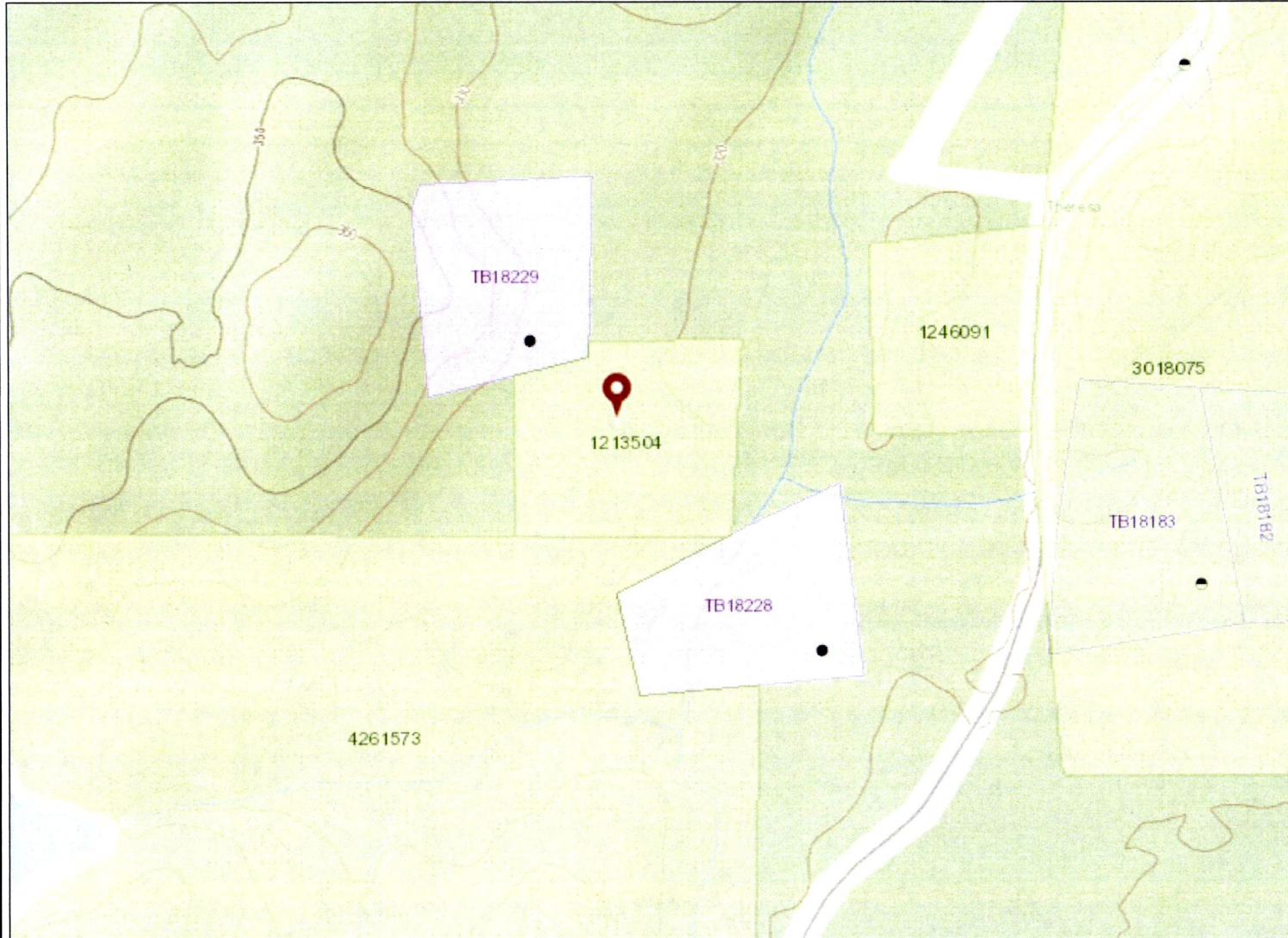
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### Legend

**Administration Boundaries**

- Mining Divisions
- Resident Geologist District
- Townships and Areas
- UTM Grid
- Geographic Lot Fabric
- Other Federal Land

**Mineral Tenure Grid**

- OMTC Tenure Grid

**Alienations**

- Withdrawal
- Notice

**Unpatented Claim**

- Active
- Reconciled
- Pending

**Disposition**

- Disposition

**Disposition Symbols**

- Camp
- Disposition Unknown/Pending
- Freehold Patent Mining Rights Only
- Freehold Patent Surface Rights Only
- Freehold Patent Surface and Mining Rights
- Land Use Permit
- Leasehold Patent Mining Rights Only
- Leasehold Patent Surface Rights Only
- Leasehold Patent Surface and Mining Rights
- License of Occupation Mining Use Only
- License of Occupation Surface Use Only
- License of Occupation Surface and Mining Rights
- License of Occupation Uses Not Specified
- Order in Council
- Tower
- WPLA

**Geology Layers**

- AMIS Sites
- AMIS Features
- Drill Holes
- Mineral Occurrences



Projection: Web Mercator

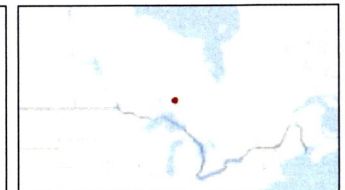


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From centre point of cap, 200 m North and 200 m East to Post #1 claim TB 1213504

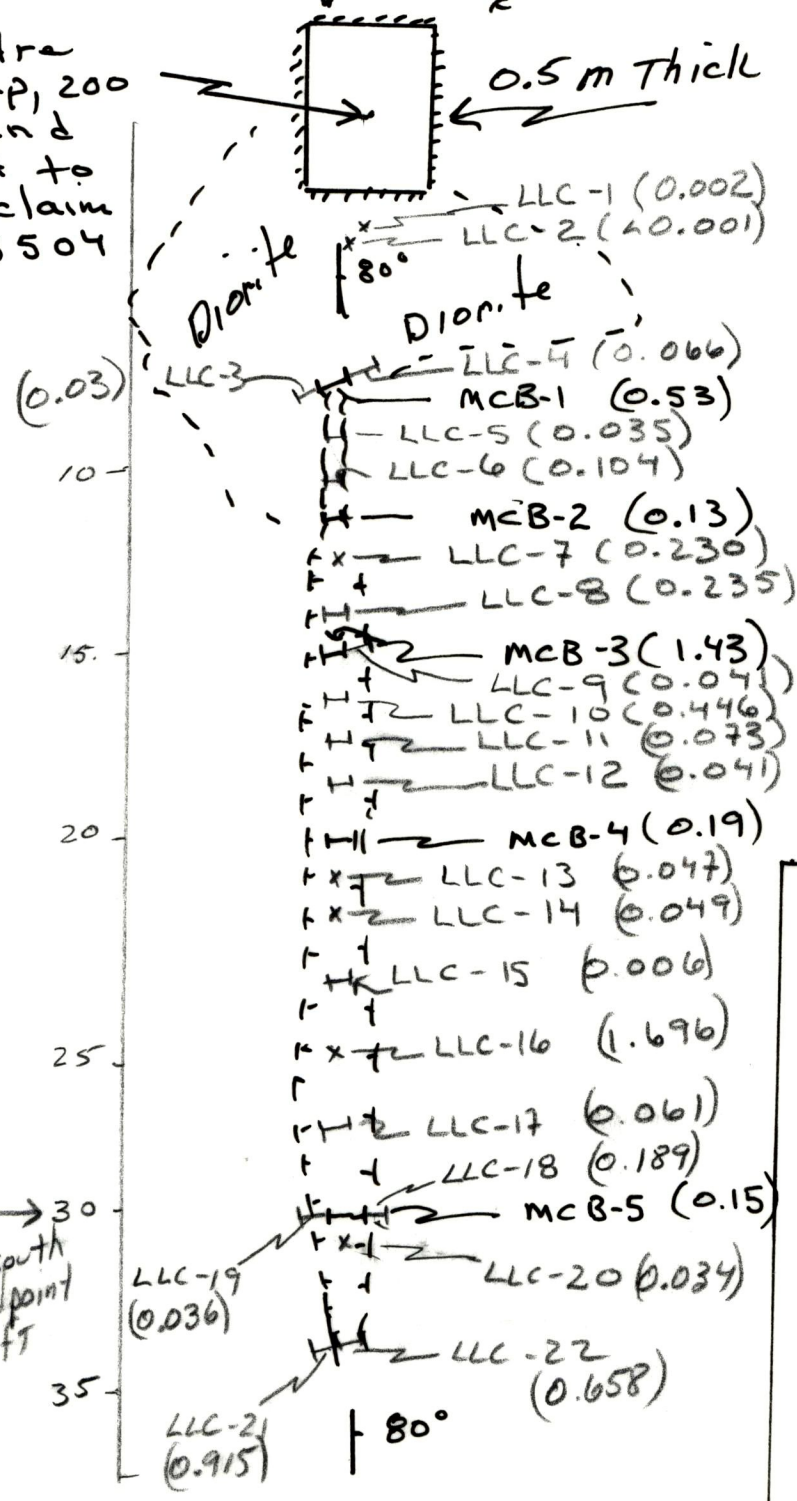


FIGURE 3

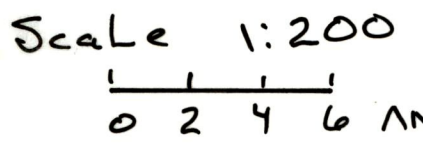
LEGEND

- x Grab Sample
- H Channel Sample
- MCB-1 Sample no. (200 (0.53) Value in opt (ounces per ton)
- LLC-1 Sample no (2016)

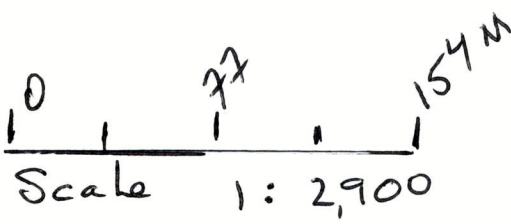
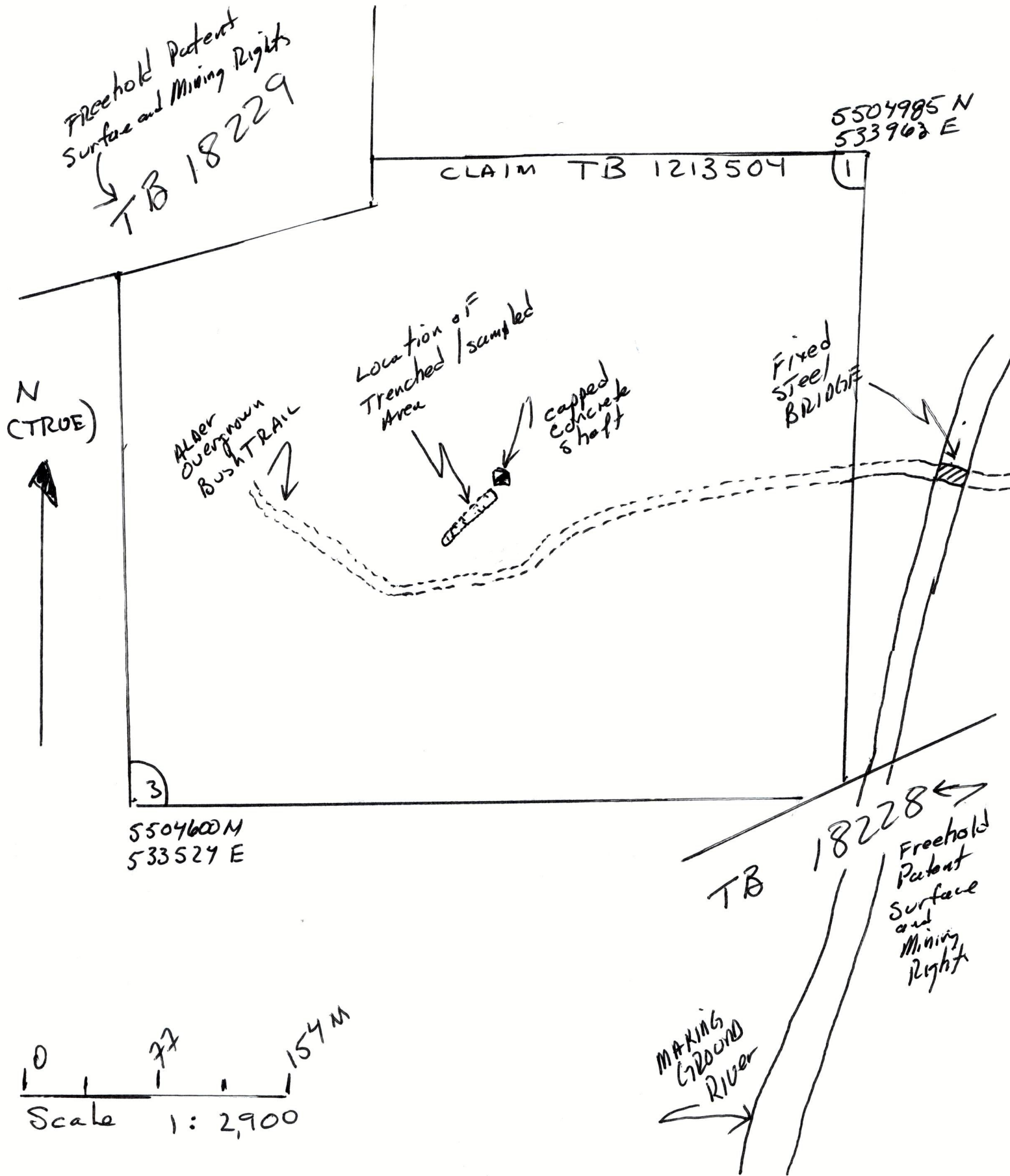
McBean Gold Prospect  
Caovette Vein  
claim TB 1213504

November / 2016

William Kerr



# FIGURE 4



Mc Bean Lake AREA

WILLIAM HERR  
JAN 17 / 2017

TABLE 1

Samples	Value	Sample Type	Length	
LLC 1	0.002	Grab	x	Hand specimen grab sample lime green chert, banded rock, very silicified, no calcite, no sulphides
LLC 2	<0.001	Grab	x	hand specimen grab sample 4" bull quartz vein whitish non sild, qtz vein. Absolutely no sulphides, no Caco3
LLC 3	0.03	chip/channe	0.5 m	Flank sample adjoining MCB01 to the west. Barren looking, massive rock
LLC 4	0.066	chip/channe	0.5 m	Flank sample adjoining MCB01 to east. Also Barren massive rock with rare qtz stringers, no sulphides.
LLC 5	0.035	chip/channe	0.75 m	50% irregular quartz veinlets, rare tourmaline xls, dioritic matrix. Locally sheared
LLC 6	0.104	chip/channe	1.0 m	Perhaps 25% irregular qtz vlts, rare sulphide splash Po, possibly Py to maximum 2% locally
LLC 7	0.23	grab	x	rubbly, not sure is subcrop, so grab. Gossaniferous iron stained on surface and on fracture surfaces, likely original diorite material
LLC 8	0.235	chip/channe	0.5 m	80% good sheared tourmaline to 5% quartz vein, rare sulphides disseminated in matrix
LLC 9	0.041	chip/channe	0.60 m	Flank sample to MCB-3 to the east. Barren looking rock
LLC 10	0.446	chip/channe	0.75 m	clear crystalline bull quartz vein, very hard, cherty, no sulphides visible but strongly silicified,
LLC 11	0.073	chip/channe	0.75 m	sito 10 but with 2 to 4% sulphides, disseminated
LLC 12	0.041	chip/channe	0.5 m	poorly mineralized sheared dioritic rock. Only minor qtz veinlets, rare disseminated sulphides
LLC 13	0.047	grab	x	very difficult sample, likely subcrop. Strongly oxidized, no visible sulphides
LLC 14	0.049	grab	x	white massive quartz to 50% as veinlets in sheared dioritic rock
LLC 15	0.006	chip/channe	0.5 m	blocky, massive, wispy foliation qtz veinlets in green dark groundmass On close examination, thin sulphide layers visible though rare. A distinctive layered rock
LLC 16	1.696	grab	x	nice qtz rich sulphide rich (Po and rare cpy) sample. Wispy anastomosing sulphide layers in brecciated quartz. Loose grab, cannot chip/channel but at least 25 cms wide
LLC 17	0.061	chip/channe	0.5 m	mottled rock, dark matrix wispy wavy oxidized along layers. Looks like felsite andesite tuffaceous material?
LLC 18	0.189	chip/channe	0.5 m	this sample flank to MCB-5. Very well laminated schistose quartz veinlets in a dark andesitic matrix. Perhaps .5% sulphide but poss oxidized Po and fleck cpy.
LLC 19	0.036	chip/channe	0.40 m	Flank to west of MCB-5. Barren looking diorite, one single qtz veinlet, no sulphides visible
LLC 20	0.034	grab	x	Larger sample, irregular wispy quartz veinlets with disseminated--not banded--sulphides
LLC 21	0.915	chip/channe	0.6 m	Much sulphides, 3 larger pieces likely 50% of sample, 1 is qtz rich, small, one is small high grade highly banded rock, one chip is mottled green basalts?
LLC 22	0.658	chip/channe	0.4 m	Two large well-banded sulphide rich samples make up 50% of sample chips

## APPENDIX A



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[NEWS](#)
[SITE MAP](#)
[CONTACT US](#)

**Active Mining Claim Abstract**

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THUNDER BAY		Claim Number: TB 1213504		Status: ACTIVE	
<b>Due Date:</b>	2017-Jun-05	<b>Recorded:</b>	2001-Jun-05		
<b>Work Required:</b>	\$391	<b>Staked:</b>	2001-Jun-01 10:21		
<b>Total Work:</b>	\$5,609	<b>Township/Area:</b>	MCBEAN LAKE AREA (G-0321)		
<b>Total Reserve:</b>	\$0	<b>Lot Description:</b>	,		
<b>Present Work Assignment:</b>	\$0	<b>Claim Units:</b>	1		
<b>Claim Bank:</b>	\$0				

**Claim Holders**

Recorded Holder(s) Percentage

KERR, WILLIAM CHARLES ( 100.00 %)

Client Number

151867

**Transaction Listing**

Type	Date	Applied	Description	Performed	Number
STAKER	2001-Jun-05		RECORDED BY KERR, WILLIAM CHARLES (P11202)		R0140.31315
OTHER	2001-Sep-14		WORK PERFORMED (ASSAY, GEOL) APPROVED: 2001-NOV-01	\$1,813	Q0140.30743
WORK	2001-Sep-14	\$1,600	WORK APPLIED (ASSAY, GEOL) APPROVED: 2001-NOV-01		W0140.30743
OTHER	2007-May-28		WORK PERFORMED (MICRO) APPROVED: 2007-AUG-02	\$1,570	Q0740.00994
WORK	2007-May-28	\$1,570	WORK APPLIED (MICRO) APPROVED: 2007-AUG-02		W0740.00994
WORK	2009-Jun-11	\$30	WORK APPLIED		W0940.01589
OTHER	2010-Oct-25		WORK PERFORMED (PRECUT) APPROVED: 2011-FEB-03 Previously: 1676	\$1,426	Q1040.02459
WORK	2010-Oct-25	\$1,426	WORK APPLIED (PRECUT) APPROVED: 2011-FEB-03 Previously: 1676		W1040.02459
TRAN	2011-Aug-11		KERR, WILLIAM CHARLES (151867) TRANSFERS 100.00 % TO KERR, WILLIAM C (403368)		T1140.00324
TRAN	2013-Aug-07		KERR, WILLIAM C (403368) TRANSFERS 100.0 % TO KERR, WILLIAM CHARLES (151867)		T1340.00254
WORK	2013-Aug-19	\$183	WORK APPLIED		W1340.02108
OTHER	2014-Jul-07		WORK PERFORMED GPSG APPROVED: 2014-JUL-17	\$400	Q1440.01478
WORK	2014-Jul-07	\$400	WORK APPLIED GPSG APPROVED: 2014-JUL-17		W1440.01478
OTHER	2014-Oct-20		EXPLORATION PERMIT NO. PR14-10515 EFFECTIVE FROM 2014-MAY-09 TO 2017-MAY-08 FOR THE FOLLOWING ACTIVITIES: (PHYSICAL / PTRNCH)		J1440.00359
WORK	2016-Jan-15	\$400	CASH-IN-LIEU PAYMENT APPLIED		W1640.00115

**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
- 06 Excluding road

## APPENDIX B





Established 1928

# Swastika Laboratories Ltd

Assaying - Consulting - Representation

Page 1 of 1

## Assay Certificate

**Certificate Number: 16-1506**

Company: **William C. Kerr**

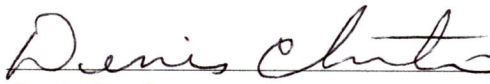
Project: **Long Lac**

Report Date: **08-Nov-16**

Attn: **Exploration Geologist William C. Kerr**

*We hereby certify* the following Assay of 22 rock/grab samples submitted 28-Oct-16 by Exploration Geologist William C. Kerr

Sample Number	Au	Au Chk	Au
	FA-MP Toz/t	FA-MP Toz/t	FA-GRAV Toz/t
LLC1	0.002		
LLC2	< 0.001		
LLC3	0.030		
LLC4	0.066		
LLC5	0.035		
LLC6	0.104		
LLC7	0.230		
LLC8	0.235		
LLC9	0.041		
LLC10	0.545	0.403	0.446
Blank Value	< 0.001		
OxH97	0.037		
LLC11	0.073		
LLC12	0.041		
LLC13	0.047		
LLC14	0.049		
LLC15	0.006		
LLC16	1.438		1.696
LLC17	0.061		
LLC18	0.189		
LLC19	0.036		
LLC20	0.034	0.027	
LLC21	0.622		0.915
LLC22	0.659		0.658

Certified by   
Denis Chartre

## APPENDIX C

## Statement of Qualifications

I, William C. Kerr of 22 Greenwin Village Road in North York, Ontario, certify that:

- I graduated from the University of New Brunswick, Fredericton, New Brunswick, in 1975 with a Bachelor of Science degree in geology
- I am a member in good standing of the Association of Professional Geoscientists of Ontario; Registration Number 0120.
- I am a registered member in good standing of the Association of Professional Engineers and Geologists of Saskatchewan, Registration Number 12624.
- I hold a Permanent Prospectors license in the Province of Ontario. Lic # P11202, received in the mid 1990's.
- I have practiced my profession as a geologist since 1975, during which time I have held technical and executive positions with senior and junior mining companies throughout North and South America, central Asia, Australia and Africa. I have also worked as an independent consultant providing various exploration management services to geological and geophysical exploration companies and the mining industry in Canada, Mexico, and Saudi Arabia.
- I have authored a number of reports to NI 43-101 standards, including lead author of the worlds first technical report in 2003 on uranium Reserves and Resources after NI 43-101 was enacted, and remain a "qualified person" as defined in National Instrument 43-101.
- I have authored all sections of this report

Dated at North York this 28<sup>th</sup> day of November, 2016



---

William C. Kerr