

ASSESSMENT WORK REPORT  
POWER STRIPPING PROJECT  
FOR  
HARDROCK EXTENSION INC

ON THE

HOL-LAC PROPERTY

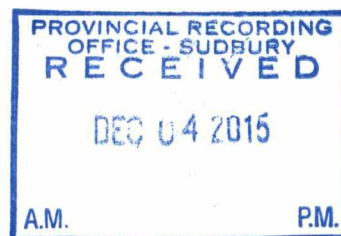
IN THE TOWNSHIP OF ASHMORE

DATED NOVEMBER 24th, 2015

By:

Michael Malouf, President:  
The Quaternary Mining & Exploration Company Ltd.

2-56443



## TABLE OF CONTENTS

SUMMARY .....	2
DESCRIPTION AND TITLE.....	2
LOCATION, ACCESS AND TOPOGRAPHY .....	3
PREVIOUS WORK .....	3
PROPERTY GEOLOGY .....	4
MINERALIZATION .....	4
RECENT WORK – 2015 POWER STRIPPING PROGRAM .....	5
PURPOSE .....	5
ACCESS TO THE TARGET AREA .....	5
POWER STRIPPING .....	5
SAMPLING .....	6
EQUIPMENT USED ON THE POWER STRIPPING PROGRAM .....	6
NAME OF CONTRACTORS AND/OR LABOURORS .....	6
COSTS OF THE POWER STRIPPING PROGRAM .....	7
SUMMARY AND CONCLUSIONS.....	7
RECOMMENDATIONS .....	8

## FIGURES

Figure "A"	Claim Map and Client Report
Figure "B"	Sketch of Power Stripped Area
Figure "C"	Sketch of Power Stripped Area
Figure "D"	Sketch of Power Stripped Area
Figure "E"	Geological Map of Property
Figure "F"	Assay Results
Figure "G"	Summary of Costs of the Program

## SUMMARY

This report describes a power stripping program which was performed for Hardrock Extension Inc. ("Hardrock") on its Hol-Lac property during the 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2015.

The property is situated 1.4 kilometers to the east of the Little Longlac Mine which produced 605,449 ounces of gold at an average grade of 0.34 ounces gold per ton between 1934 and 1953. The Little Longlac Fault Zone strikes east west through the center of the property. A splay off the Little Longlac Fault Zone may strike south east through the southern part of the property.

The power stripping program was performed in the hopes of uncovering gold in shear zones which could be found parallel to the Little Long Lac Fault ("LLLF") or in a continuation of a splay off the LLLF which is shown on TB 10915 on Schedule "E".

The power stripping program described in this report included 185 meters of stripping. Three areas of bedrock were uncovered and hydrauliced. Two samples were taken from one of the outcrop areas however no gold values were encountered.

## DESCRIPTION AND TITLE

The Hol-Lac property consists of 10 contiguous unpatented claims and the mineral rights of 1 patent totaling approximately 1,260 acres (504 hectares) in Ashmore Township, Thunderbay Mining Division, Northwestern Ontario.

The Hol-Lac claims are held under option by Hardrock subject to net smelter return royalties of 3.75% and 0.25% to S.M.Malouf ("Malouf") and Cyrus Whale Corp. respectively. Malouf is the president of Hardrock and the original vendor of the claims.

Title to the unpatented claims are held in the name of The Quaternary Mining & Exploration Company Limited, ("Qumeco") an exploration services company which is 100% owned by Malouf. See: Claim Map and Client Report (Figure "A").

The taxes are paid on the mining patent and the unpatented claims are in good standing until at least Feb 12, 2016. The claim numbers are as follows:

<u>Unpatented Claims / Number of Units</u>		<u>Patented Claim / Number of Acres</u>	
1239570	1 Unit	TB 102911	68.5 acres
1239573	1 Unit		
1239574	1 Unit		
3007196	9 Units		
1166746	4 Units		
1166747	3 Units		
1166748	2 Units		
1166749	6 Units		
1166750	1 Unit		
4212260	2 Units		

## LOCATION, ACCESS AND TOPOGRAPHY

The property is situated north of the Trans Canada Highway #11 in Ashmore Township and is 1.4 kilometers east of the historic Little Longlac Gold Mine. The southern boundary of the property is accessible by truck. The property is bordered by the waters of Kenogamisis Lake on the west (Barton Bay) and on the north east by Hardrock Bay.

The topography of the area is typical Canadian Shield terrain, a low lying, irregular, poorly drained landscape. Overburden is relatively shallow but outcrop is estimated at approximately five per cent. Approximately 13% of the property is covered by water.

## PREVIOUS WORK

The property includes claims which were originally explored by Hollinger Consolidated Gold Mines Limited ("Hollinger") in the 1930's. A small amount of trenching was performed by Hollinger in 1934 and three encouraging gold occurrences in parallel shear zones were discovered on TB 10291. Between 1934 and 1935, 2,961 meters of cross-sectional diamond-drilling was completed and two separate and unrelated diamond drill intersections were discovered in the south west part of the property. In 1935 the claims were surveyed and patented for surface and mining rights.

Hol-Lac Gold Mines Limited ("Hol-Lac Gold") was incorporated in 1937 to take over the property. Except for a little surface work in the summer of 1937, the company remained inactive until the winter of 1950 when renewed interest in the area prompted management to conduct a magnetometer survey of the southern part of the property.

In 1975, Noranda Exploration Company performed two electromagnetic surveys and a magnetometer survey over part of the present property. The surveys detected anomalies over a portion of the Little Long Lac Fault.

In 1995, the mining rights to all but one of the Hol-Lac Gold claims were forfeited to the Crown due to non payment of mining land tax.

In 1996 Malouf purchased the remaining interest in the property from Hol-Lac Gold which included the mining rights to TB 10291. Malouf subsequently acquired additional claims by staking and these claims are presently held under option by Hardrock.

In 2004 and 2005 Hardrock performed preliminary power stripping programs on the property. No economic values were encountered in the areas tested.



## PROPERTY GEOLOGY

The geology of the property is described under Hol-Lac Gold Mines Limited in ODM Vol. IX, Part V, 1951, Geology of Ashmore Township. A copy of the description is shown below: (See also Figure "E" - Modified from Map No. 1951-2 Geological Map of Ashmore Township.)

"The rock formations on the Hol-Lac property are principally Keewatin volcanic-massive, spherulitic, and pillowed lavas of intermediate or basic composition with occasional inter-flow bands of tuff and volcanic breccia and dikes and sill-like masses of fine to medium grained hornblende diorite or gabbro. The volcanic rocks form a regional anticlinal structure of north-west trend, so that in the extreme northeastern and southwestern sections of the property they are overlain disconformably by clastic sediments of the Timiskaming series.

The sedimentary rocks are chiefly fine to medium grained, coarsely bedded greywaches and slates. A few narrow bands of iron formation have been observed in outcrops and diamond drill cores, however, and afford useful horizon markers. Conglomerate is not exposed at the surface. The youngest rock is keweewanawan diabase, which occurs in two prominent north-south dikes cutting transversely across the volcanic and sedimentary formations and the hornblende diorites, one in the western part of the property, the other in the eastern part. The eastern dike, which consists of massive quartz diabase, is the most persistent of the two and extends across the claim group from the north shore of Hardrock Bay to the large peninsula separating the main part of Kenogamisis Lake from its Southwest Arm; the western dike, on the contrary, consists of olivine diabase, and appears to pinch out in the greenstones north of the large diorite outcrops on TB 10291.

In the extreme southwest, the volcanic and sedimentary formations appear to have been intensely folded for diamond drilling here and on the Oklend claims suggests that the greenstones and the iron formation bands delimit the drag folds compatible with that formed by the arkose horizon on the Little Long Lac property. These drag folds are at an angle of about 50 degrees in a direction of S.70-75 degrees W., along the north flank of the Barton syncline. They were apparently formed prior to the emplacement of the hornblende diorites, which in a few localities appear to cut across the folded structures, and also prior to the initial rupture along the Little Longlac Fault zone, which strikes east-west across the southern claims. This fault is believed to be a pre-ore structure. It also served as a locus for post-ore adjustments, because west of the Little Longlac mine in Errington township it offsets a north-south dike of Keweewanawan quartz diabase a distance of about 700 feet. On the Hol-Lac property the apparent horizontal separation along the strike of the fault, as suggested by the interpretation of the disposition of the iron bands is about 800 feet.

## MINERALIZATION

The most important mineralization is reported in the southwestern corner of TB 10291, where three parallel shear zones with quartz carbonate stringers have been exposed by trenching and stripping. The southernmost of the three zones has been traced on the surface for a distance of 230 feet in an east-west direction. According to management, sampling indicated a grade of 0.13 ounces of gold per ton across an average width of nine inches for a length of 170 feet. The second zone is located 50 feet north and 200 to 250 feet east of the south zone. Over a length of 50 feet, its grade is estimated by management to be 0.09 ounces per ton across an average width of 27 inches. The third zone parallels the south zone, 160 feet to the north, and has been traced by trenching for 90 feet. As in the case of the other zones, however, the values proved to be low across narrow widths.

Several zones of quartz stringers were intersected in the drill holes bored in 1935. The most notable of these is localized within and along the north contact of the middle iron formation band on TB 10515. This zone, from two intersections, appears to strike about N.70 degrees W. Samples from one hole indicated a grade of 0.06 ounces of gold per ton over a core length of 4.0 feet; those from the other hole, which was collared 200 feet to the west, indicated a grade of 0.18 ounces gold per ton over a core length of 4.0 feet.

The junior author is indebted to Hollinger Consolidated Gold Mines Limited, per W.R.Dunbar, chief geologist, for an account of the history of the HOL-LAC property and for the loan of all drill records, surface plans and geophysical data."

## **RECENT WORK – 2015 POWER STRIPPING PROGRAM**

### **PURPOSE**

The purpose of the program was to expose bedrock in the hopes of discovering gold bearing mineralized shear zones south of and parallel to the Little Long Lac Fault or a continuation of a splay off the Little Long Lac Fault which is shown on TB 10915, to the west of the Hol-Lac property. (See: Figure "E", Geological Map of Hol-Lac Claims.)

### **ACCESS TO THE TARGET AREA**

The south boundary of the Hol-Lac property or claim number 1239574 is accessible through the entrance to the Municipality of Greenstone Land Fill on Hwy #11. Access to the target area was by 4X4 truck after first clearing out a grown over bush trail which crosses patented mining claim TB 12738 in a north-westerly direction.

Access across the target area posed some challenges due to the presence of wet swamp and, as a result approximately three quarters of the trail was supported by corduroy and clay.

### **POWER STRIPPING**

Power Stripping was performed over a portion of mining claims 3007196 and 1239574 (See: Figures "A" – "D" inclusive. The power stripping was performed with a Cat 315LC crawler excavator equipped with a thumb. The exposed outcrop was hydrauliced using a Wajax Fire Pump. The power stripping was performed over a north south strike length of 185 meters. Approximately 50 meters of bedrock rock was exposed.

## **SAMPLING**

Two channel samples numbered 40901 and 40902 were taken over widths of 1.27 meters and 0.15 meters respectively from the largest of the three areas of exposed outcrop as shown of Figure "C". Sample 40901 was taken from a rusted diorite and sample 40901 was taken from a narrow barren looking quartz vein in diorite. The samples were sent to Acurassay Laboratories in Thunderbay and assayed using fire assay and atomic absorption methods. The samples did not contain gold values. The assay results are shown on Figure "F".

## **EQUIPMENT USED ON THE POWER STRIPPING PROGRAM**

The following equipment was used in the exploration program:

International 5000 Tandem Truck & 30 ton float (mob and demobilization.)  
Caterpillar 315LC Hydraulic Excavator c/w thumb  
GMC 4X4 Pickup truck c/w fuel tank  
Yamaha ATV & trailer (for moving pump and accessories)  
Wajax Fire Pump (for hydraulic outcrop & fire safety)  
Stihl Rock Cutting Saw, water pump, hose & accessories  
Chain Saw

## **NAME OF OPERATORS AND/OR LABOURORS**

The work was performed for Hardrock by Qumeco. Malouf was the only operator or laborer who performed services for Qumeco on the power stripping program.

Michael Malouf  
1401-40 Richview Road  
Etobicoke, Ontario  
M9A 5C1  
Email: [michaelmalouf@rogers.com](mailto:michaelmalouf@rogers.com)  
Tel: (807)854-0201

- operated International Truck (mob & demob)
- operated Cat 315LC Hydraulic Excavator
- hydraulic rock w/ Wajax Pump
- cut samples w/ diamond saw
- mapped trenches & wrote report



## **COSTS OF THE POWER STRIPPING PROGRAM**

A summary of the costs of the power stripping program on Schedule "G"..

## **SUMMARY & CONCLUSIONS**

This report describes a power stripping program which was performed for assessment purposes for Hardrock on its Hol-Lac Project on mining claims 3007196 and 1239574 in Ashmore Township, Thunderbay Mining Division during the summer and fall of 2015.

The program consisted of 185 meters of power stripping which exposed 50 meters of bedrock. No gold bearing mineralization was encountered by the power stripping program however the area explored represents a small portion of the 500 hectare property.

The Hol-Lac Property is underexplored and warrants a systematic exploration program as it is situated east of the historic Little Long Lac Gold Mine which produced 605,449 ounces of gold averaging 0.34 ounces per ton between 1934 and 1953. The Little Long Lac Fault ("LLLF") strikes east west through the middle of the property. In the 1930's, encouraging results were found by a small amount of trenching on TB 10291 (north of the LLLF) and by less than 3,000 meters of diamond drilling in the southern portion of the property (south of the LLLF) on what is now 3007196.



## **RECOMMENDATIONS**

The author recommends that the property be explored by line cutting, geophysics, geological mapping, stripping and diamond drilling. A spectral IP Survey is recommended to outline resistivity and conductivity highs. The program would consist of two phases as outlined below:

### **SUMMARY & CONCLUSIONS**

This report describes a power stripping program which was performed for assessment purposes for Hardrock on its Hol-Lac Project on mining claims 3007196 and 1239574 in Ashmore Township, Thunderbay Mining Division during the summer and fall of 2015.

The program consisted of 185 meters of power stripping which exposed 50 meters of bedrock. No gold bearing mineralization was encountered by the power stripping program however the area explored represents a small portion of the 500 hectare property.

#### **PHASE 1**

##### Geophysics

- a) Perform magnetic and VLF Surveys over the entire property.
- b) Conduct a spectral IP Survey

##### Power Stripping, Geological Mapping & Till sampling

- a) Complete geologic mapping of entire property; power stripping in the vicinity of the known gold occurrences, the Little Long Lac Fault and coincident MAG/EM features; till sampling traverse across entire property.

##### Diamond Drilling

- a) Conduct exploratory drilling along strike of the Hol-Lac occurrences by allocating 10 DDH's = 2,000 meters.
- b) Two faults zones cross property – allocate 20 DDH's = 4,000 meters.

#### **PHASE 2**

Further exploration of the property if warranted should be heavily weighted toward proving up any new discoveries resulting from phase 1. Phase 2 would require expenditures mainly directed towards diamond drilling and detailed geophysics for deposit delimitation purposes.

Signed: \_\_\_\_\_  
Michael Malouf



North

505000E

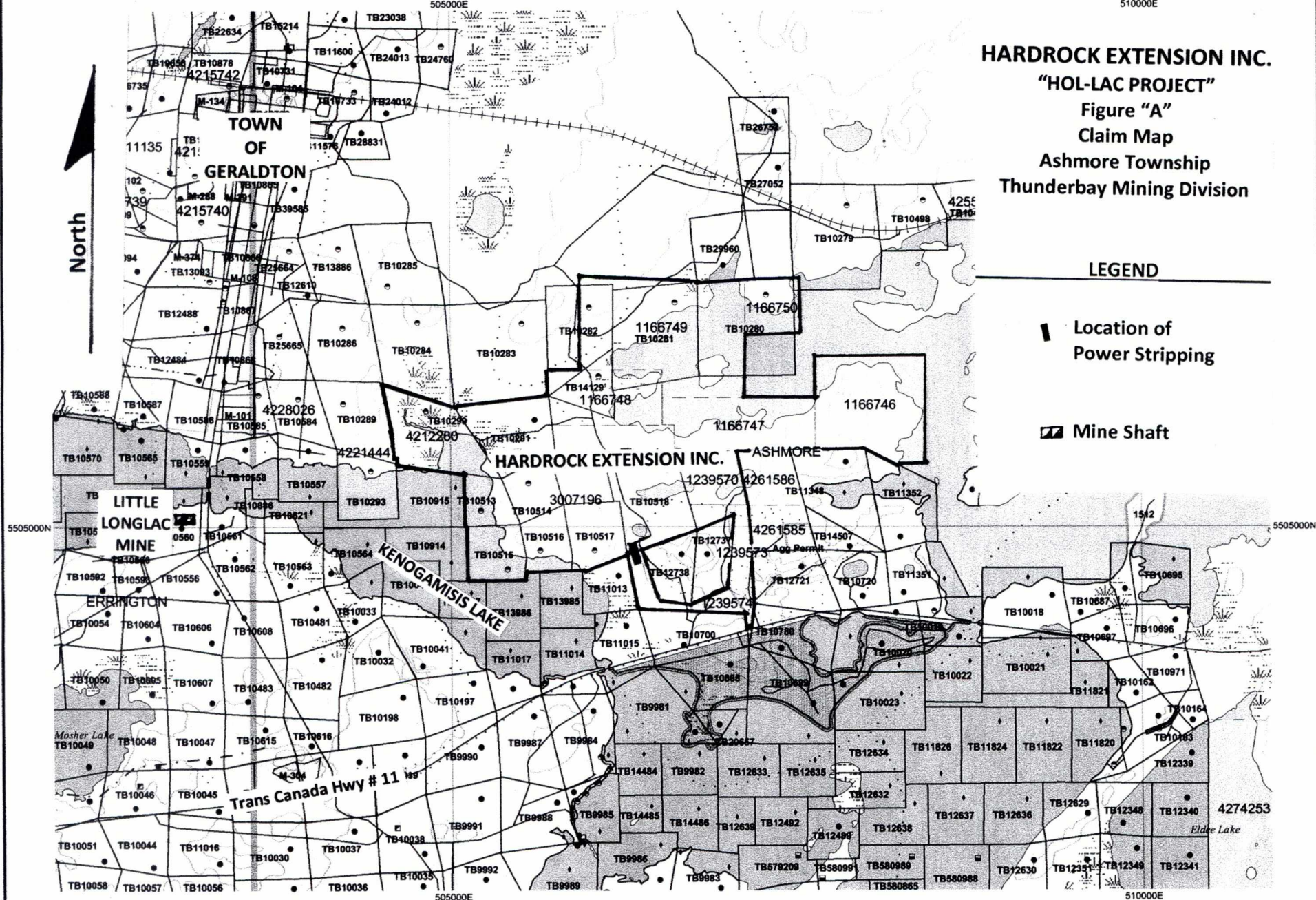
510000E

**HARDROCK EXTENSION INC.**  
**"HOL-LAC PROJECT"**  
**Figure "A"**  
**Claim Map**  
**Ashmore Township**  
**Thunderbay Mining Division**

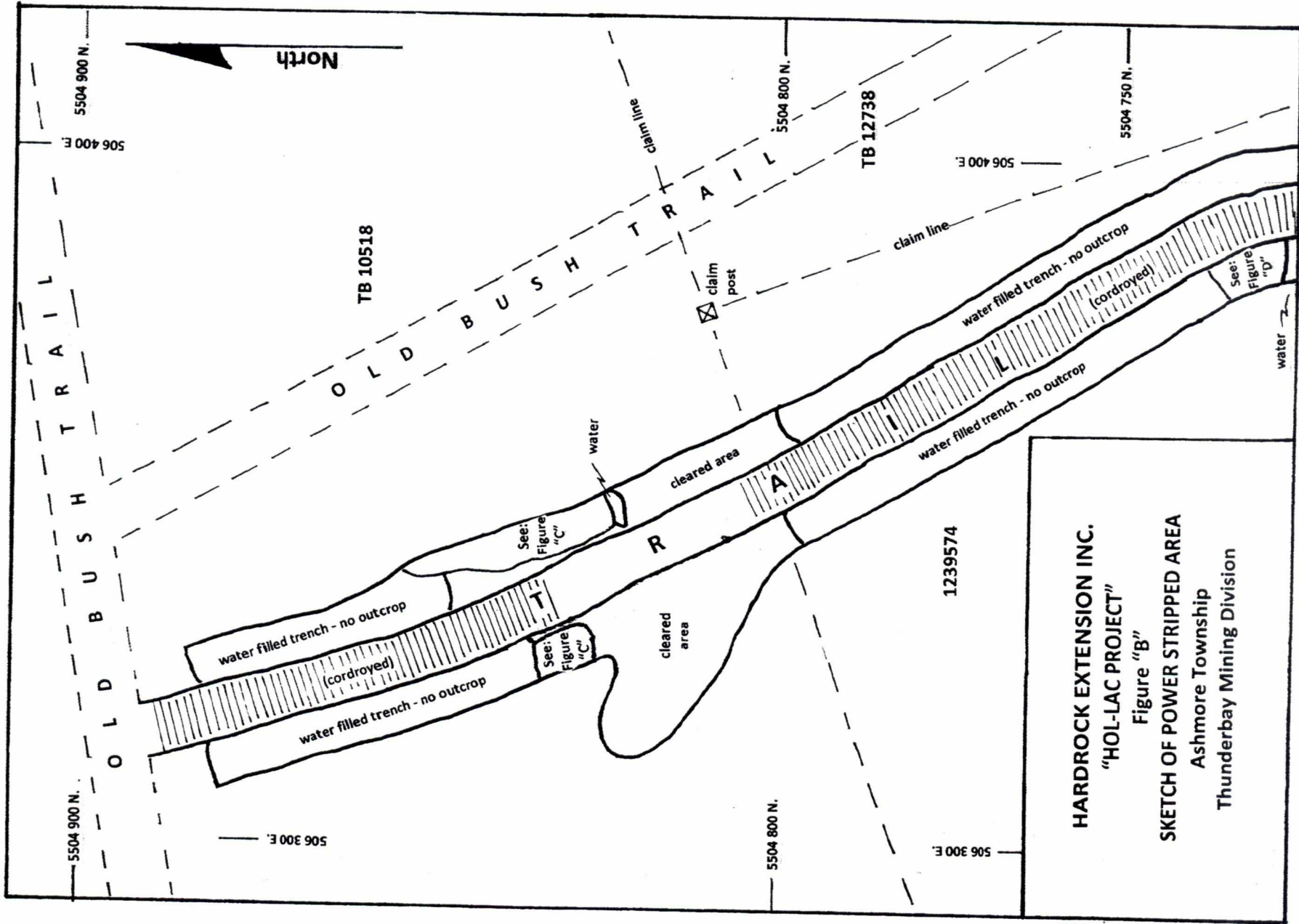
**LEGEND**

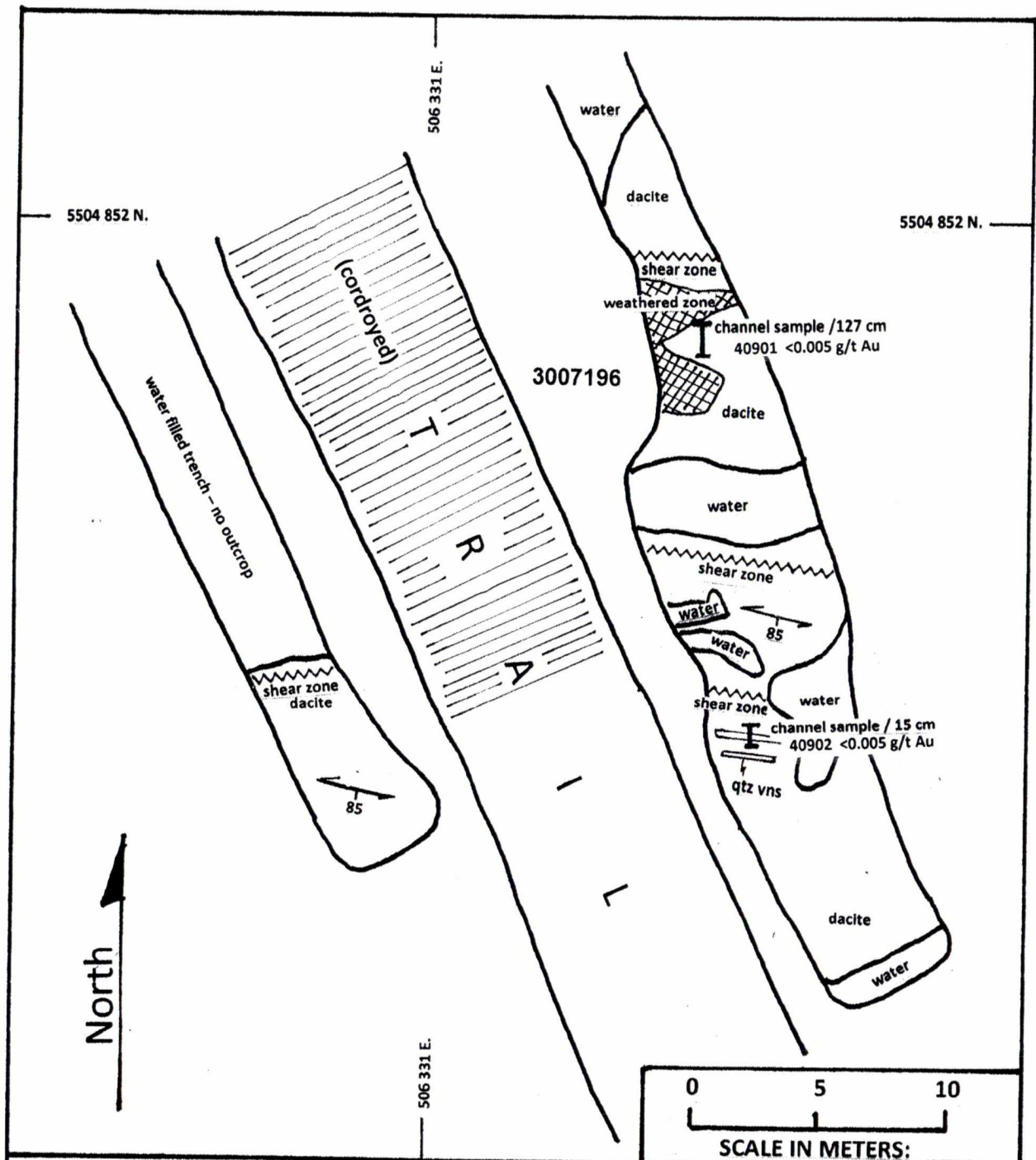
 **Location of Power Stripping**

 **Mine Shaft**



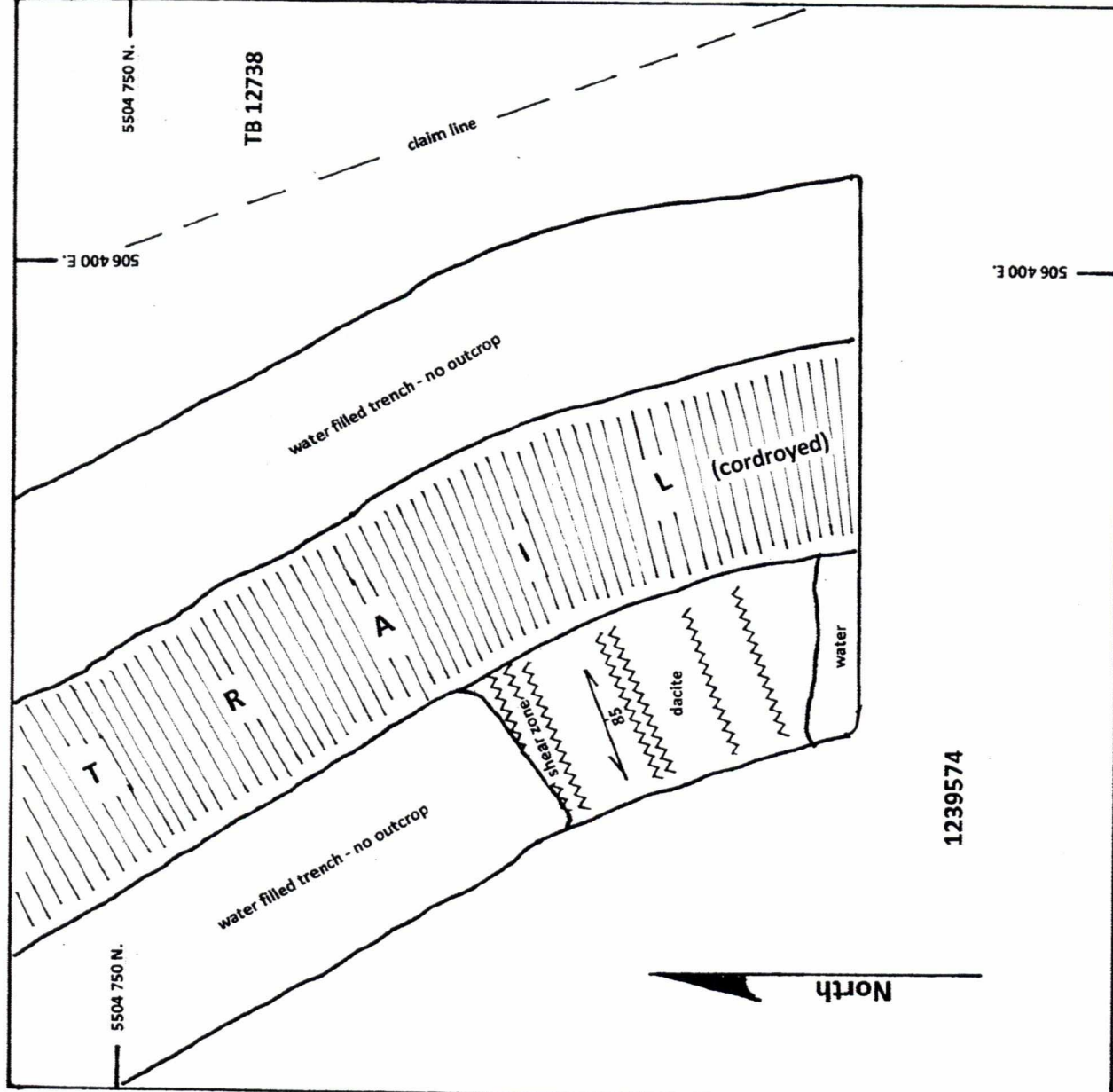






HARDROCK EXTENSION INC.  
 "HOL-LAC PROJECT"  
 Figure "C"  
 SKETCH OF POWER STRIPPED AREA  
 Ashmore Township  
 Thunderbay Mining Division

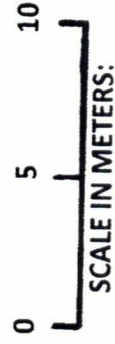




**HARDROCK EXTENSION INC.**  
**"HOL-LAC PROJECT"**

Figure "D"

**SKETCH OF POWER STRIPPED AREA**  
 Ashmore Township  
 Thunderbay Mining Division



# LEGEND

## PRECAMBRIAN KEWEENAWAN

10 Diabase dikes, older diabase (d).\*

INTRUSIVE CONTACT

POST-TIMISKAMING  
Algoman?

9 Albite porphyry, quartz diorite (9f).

INTRUSIVE CONTACT

8 Plagioclase diorite porphyry.

INTRUSIVE CONTACT

7 Diorite, hornblende diorite, hornblende gabbro.

INTRUSIVE CONTACT

TIMISKAMING

6 Iron formation.

5 Arkose.

4 Quartz greywacke, greywacke, slate, conglomerate (qgl.).

3 Conglomerate.

DISCONFORMITY

KEEWATIN (?)

2 Tuff and breccia.

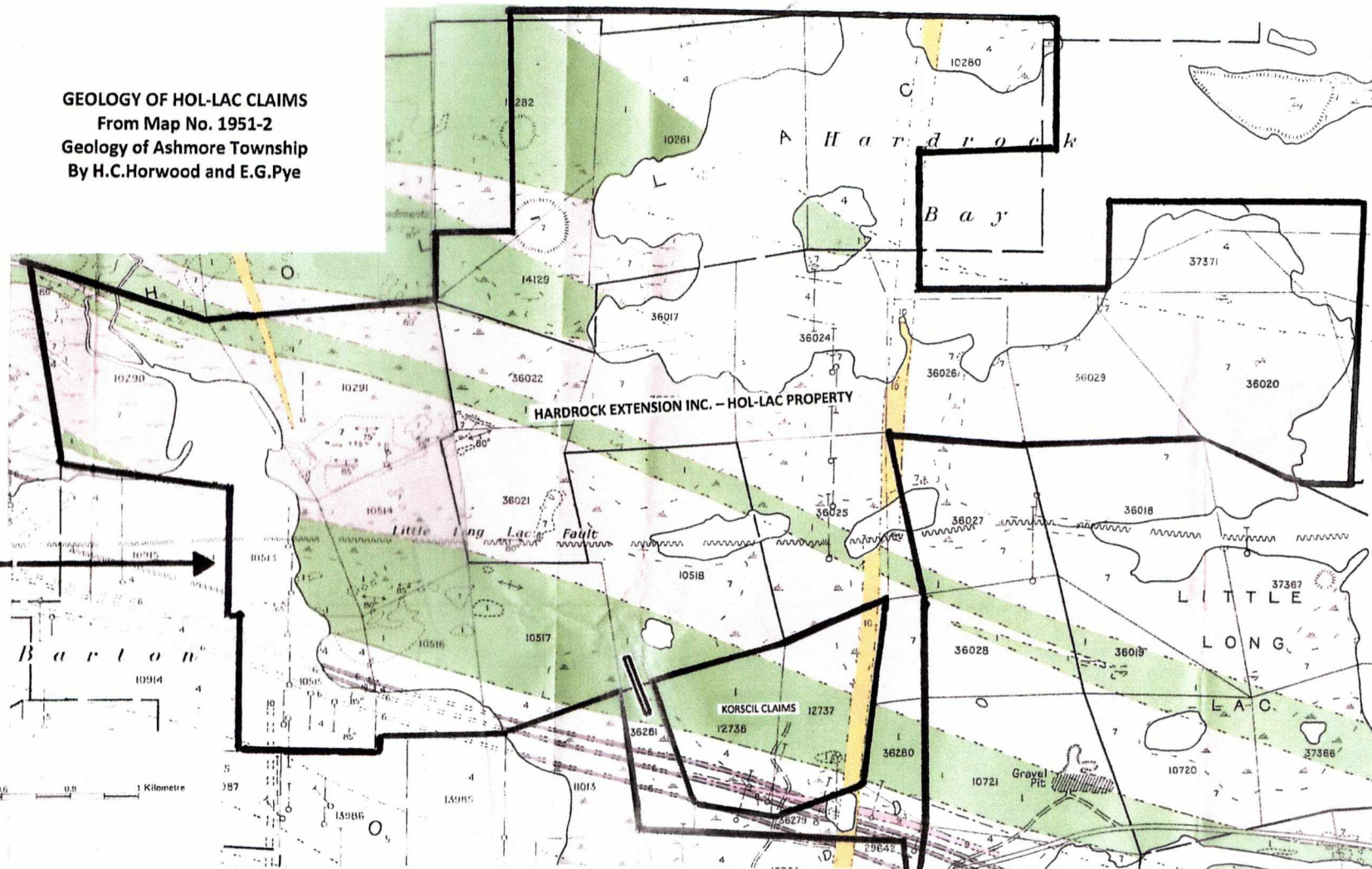
1 Intermediate and basic volcanic rocks, dacite, andesite, basalt, tuff and breccia (br).

1,370 meters west to  
Little Long Lac Gold Mine  
Historical production:  
605,000 oz av. 0.34 oz/ton

LOCATION OF 2015  
POWER STRIPPING

Metres 100 0 0.2 0.4 0.6 0.8 1 Kilometre

## GEOLOGY OF HOL-LAC CLAIMS From Map No. 1951-2 Geology of Ashmore Township By H.C.Horwood and E.G.Pye



**3RD QTR 2015 LABOUR/EQUIPMENT SUMMARY****HOL-LAC PROPERTY****P 1/2**

<u>Day</u>	<u>Date</u>	<u>Worker</u>	<u>Description of Work</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>	<u>Charge</u>
Fri	Aug-21	Malouf	Intl Truck/Float-MOB	1	140	140	HOL-LAC
Sat	Aug-22	Malouf	Cat 315LC open trail	6	130	780	HOL-LAC
Fri	Sep-04	Malouf	Cat 315LC open trail	8	130	1,040	HOL-LAC
Sat	Sep-05	Malouf	Cat 315LC open trail	5	130	650	HOL-LAC
Sun	Sep-06	Malouf	Cat 315LC stripping	8	130	1,040	HOL-LAC
Mon	Sep-07	Malouf	Cat 315LC stripping	7	130	910	HOL-LAC
Tue	Sep-08	Malouf	Cat 315LC stripping	8	130	1,040	HOL-LAC
Thu	Sep-10	Malouf	Cat 315LC stripping	7	130	910	HOL-LAC
Fri	Sep-11	Malouf	Cat 315LC stripping	8	130	1,040	HOL-LAC
Sat	Sep-12	Malouf	Cat 315LC stripping	5	130	650	HOL-LAC
Sun	Sep-13	Malouf	Cat 315LC stripping	8	130	1,040	HOL-LAC
Mon	Sep-14	Malouf	Cat 315LC stripping	9	130	1,170	HOL-LAC
Tue	Sep-15	Malouf	Cat 315LC stripping	7	130	910	HOL-LAC
Wed	Sep-16	Malouf	Cat 315LC stripping	9	130	1,170	HOL-LAC
Thu	Sep-17	Malouf	Cat 315LC stripping	8	130	1,040	HOL-LAC
Fri	Sep-18	Malouf	Cat 315LC stripping	9	130	1,170	HOL-LAC
Sat	Sep-19	Malouf	Cat 315LC stripping	8	130	1,040	HOL-LAC
Sun	Sep-20	Malouf	Cat 315LC stripping	8	130	1,040	HOL-LAC
Mon	Sep-21	Malouf	Cat 315LC stripping	10	130	1,300	HOL-LAC
Tue	Sep-22	Malouf	Cat 315LC stripping	10	130	1,300	HOL-LAC

**3RD QTR 2015 LABOUR/EQUIPMENT SUMMARY****HOL-LAC PROPERTY P 2/2**

<u>Day</u>	<u>Date</u>	<u>Worker</u>	<u>Description of Work</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>	<u>Charge</u>
Wed	Sep-23	Malouf	Cat 315LC stripping	8	130	1,040	HOL-LAC
Thu	Sep-24	Malouf	Cat 315LC stripping	9	130	1,170	HOL-LAC
Fri	Sep-25	Malouf	Cat 315LC stripping	8	130	1,040	HOL-LAC
Sat	Sep-26	Malouf	Cat 315LC stripping	8	130	1,040	HOL-LAC
Mon	Sep-28	Malouf	Cat 315LC stripping	8	130	1,040	HOL-LAC
Tue	Sep-29	Malouf	Cat 315LC stripping	4	130	520	HOL-LAC
Wed	Sep-30	Malouf	Cat 315LC stripping	6	130	<u>780</u>	HOL-LAC

<b>TOTAL</b>	<b>3RD QTR</b>	<b>26,010</b>
--------------	----------------	---------------

Labour & Equipment	25,870
--------------------	--------

MOB	<u>140</u>
-----	------------

26,010
--------



**4TH QTR 2015 LABOUR/EQUIPMENT SUMMARY****HOL-LAC PROPERTY****P 1/1**

<u>Day</u>	<u>Date</u>	<u>Worker</u>	<u>Description of Work</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>	<u>Charge</u>
Thu	Oct-01	Malouf	Cat 315LC stripping	8	130	1,040	HOL-LAC
Fri	Oct-02	Malouf	Cat 315LC stripping	7	130	910	HOL-LAC
Mon	Oct-05	Malouf	TruckFloat DEMOB	1	140	140	HOL-LAC
Sun	Oct-18	Malouf	wash outcrop	8	40	320	HOL-LAC
Mon	Oct-19	Malouf	wash outcrop	8	40	320	HOL-LAC
Tue	Oct-20	Malouf	sample outcrop	4	40	160	HOL-LAC
Sun	Nov-01	Malouf	map stripped ares	8	40	320	HOL-LAC
Mon	Nov-02	Malouf	report	8	40	320	HOL-LAC
Tue	Nov-03	Malouf	report	8	40	320	HOL-LAC
Wed	Nov-04	Malouf	report	8	40	320	HOL-LAC
Thu	Nov-05	Malouf	report	8	40	<u>320</u>	HOL-LAC

<b>TOTAL</b>	<b>4TH QTR</b>	<b>4,490</b>
--------------	----------------	--------------

Labour & Equipment	4,350
DEMOB	<u>140</u>
	4,490