We are committed to providing <u>accessible customer service</u>. If you need accessible formats or communications supports, please <u>contact us</u>.

Nous tenons à améliorer <u>l'accessibilité des services à la clientèle</u>. Si vous avez besoin de formats accessibles ou d'aide à la communication, veuillez <u>nous contacter</u>.



ASSESSMENT REPORT

REPORT ON THE PROGRAM OF STRIPPING AND SAMPLING

ON THE

HISTORIC McDONALD PROPERTY

for Roy Annett

MACMURCHY TOWNSHIP, LARDER LAKE MINING DIVISION

August 2017 Joe-Anne Salo

Zone 17- 487382E, 5271902N

INTRODUCTION

Roy Annett, a prospector from ShiningTree, Ontario, acquired by staking, during June 2002, a portion of the historic McDonald property in south-western Macmurchy Township, which came open as a reseult of the Ontario Gazaette for non-payment of taxes. This short program was to strip area the shaft area and take samples.

ACCESS

Acccess is by the old Violet Lake Road, which leaves highway 560 about five kilometres east of Shining Tree Village. The Violet Lake Road is followed easterly for approximately two kilometres to a short branch road constructed by Annett et al, which leads onto claim 1046148, where stripping took place in 2002.



HISTORICAL COMMENTS

This claim is part of the McIntyre-McDonald claim group in the historic Wasapika section of the West Shining Tree gold area. A number of gold-bearing quartz veins were trenched and pitted on Claim TRS 2565 (Now Annett Property). A 55 foot shaft was sunk in the fall of 1912 at the side of Annetts north shaft stripping.

Gold was frst discovered in the Shining Tree area in 1911 followed by a flurry of staking and prospecting which resulted in over a hundred recorded occurences of native gold being found. Many of the occurrences were of a high-grade nature with some spectacular pockets being mined from shallow surface workings. These gold occurrences, however, never resulted in a mine but certainly created some fanciful and ill-advised developments where promoters would utilize the romance of some spectacular gold to finance the building of a small mill and sink a shaft without the benefit of defining ore reserves. Once the money ran out the project died. This land has been the history of the Shining Tree camp.

Some noteworthy past and present properties in the Wasapika area are briefly discussed in the following and are illustrated in Figure No. 3.

(a) Rilmac Gold Mines Limited - located west of the Annett property, it was formed in 1934 by amalgamation of White Rock Mines, Harvey Kirkland Holdings, Atlas and MacVittie Estate to form a block of 6-patented mining claims covering about 300 acres. Development from 1934 to 1937 included sinking the existing shafts from 125 feet to a depth of 425 feet and carrying out lateral work on the Saville vein at the 65, 170 and 410 ft. levels. A small mill (^ 50 tpd) was also erected. Assay results from sampling carried out by Sylvanite Mines in 1940 show a 50' section on the 410 level, which assayed 0.22 ounces/t, gold. Two twenty-ton bulk samples taken from the 65 ft. level returned 0.72 ounces/t Au and 0.59 ounces/t Au respectively. Each sample was derived from the taking down of backs along twenty foot sections of the drift. Channel sampling of the drift back prior to extraction averaged less than 0.1 ounces per ton Au., a prime example of "nugget effect". The bulk of this work has been on the Saville vein a strong northwesterly striking quartz vein structure, which has been traced for over a mile. The extension of this vein projects onto the Annett property.

Also on the Bilmac property the Atlas tunnel was driven into the side hill below a spectacular showing of gold in a quartz vein. Twelve tons of high-grade are reported to have been bagged from this occurrence.

(b) West-Tree Mine - adjoining the Bilmac on the north this property was also known as the Lake Gas well, Canadian Champion Reef and more recently was under the control of New Bedford Explorations and TUT Enterprises. Most of the development took place during the period 1924-1930 which included the sinking of a 520 foot shaft on the extension of the Saville Vein, numerous trenching campaigns on an up to thirty different veins with visible gold, and some diamond drilling. Only sixty feet of lateral work is recorded in the main shaft. During 1936-1937 development work on the 240-foot level reportedly opened up over 300 feet of strongly mineralized vein with "much visible gold" on what is assumed to be the Saville vein. The property came open for staking due to non-payment of taxes in June of 2000 and is now held by private interests.

(c) The Bennett claims - located south and east of Annett's property, gold was discovered in 1912 in a lenticular quartz vein confined to a strong northwest striking shear zone traced for about 400 feet. A one hundred foot shaft was sunk on the structure in 1935 and limited development work was carried out from the shaft bottom. Some spectacular gold has been reported. The property is presently in private hands.

GEOLOGICAL SETTING

Bedrock in southwestern Macmurchy Township is predominantly steeply dipping Archean age dark green basalts, often pillowed or amygdaloidal, which trend in a northwestsoutheast direction. These basalts are interlayered with light greenish intermediate andesites and tuffs. Less common but also part of the layered sequence are felsic flows, which are grey to pink in colour and often porphyritic in texture.

Occasional remnant outliers of Huronian sediments unconformably cap the Archean lithology. Nipissing diabase sills have been noted south of the Wasapika area. North trending diabase dykes are common throughout the Shining Tree area.

Major faulting in the area are late stage events, which appear to offset the stratigraphy up to six kilometres. One of these faults, the Michiwakenda Lake Fault, is located about one kilometer west of the Wasapika area. This structure occupies a marked lineament traceable from Lake Wanapitae in the south to Timmins in the north. Many of the north trending quartz veins in the area appear to parallel this structure though its economic significance is unknown.

Shear zones are a common occurrence in the Wasapika area either paralleling the regional northwest-southeast trend of the country rocks or as tensional fracture zones perpendicular to the trend. The shears are often rusty, crenulated, sericitized, and carbonate-rich and host major quartz veins or quartz lenses and boudins. Pyrite is the most common sulphide in these shears though galena, sphalerite, and chalcopyrite have been noted. Gold is preferentially present in the quartz veining along with tourmaline and rarely galena and sphalerite.

TABLE OF FORMATIONS

PROTEROZOIC

Nipissing type mafic Intrusives - diabase, sills, dikes intrusive contact Huronian Supergroup - greywacke, quartzite, conglomerate

unconformity

Diabase dikes - matachewan type

intrusive contact

ARCHEAN

Felsic metavolcanics Intermediate metavolcanics - andesite, dacite, tuffs Mafic metavolcanics

- rhyolite, porphyritic flows, tuffs

- basalt massive, pillowed, amygdaloidal

i	MacMurchy Twp.	MacMurchy Township
-!	Fawcett Twp.	Property Location Map
	F. #7	

CURRENT PROGRAM

During May 2017, Larry Salo drove from Connaught to Shiningtree and picked up Roy Annett. They mobilized the John Deere 450 bulldoaer to the claim and began stripping the area around the north shaft. In 2016, they stripped the area west of the north shaft heading south to the south shaft. This program involved stripping around the north shaft and the muck piles.

Stripping centered around a 55' shaft sunk in 1912 on a reported gold-rich quartz vein. An area approximately 30 metres long in a north-south direction and 10 metres wide was stripped and the outcropping so exposed was washed by the high-pressure pump. The old muck pile obscured the northerly extension of the main vein.

The shaft was sunk on an irregular grey to translucent white 10 to 20 cm wide quartz vein, which strikes roughly north-northwest, and dips steeply to the west. Pyrite is an obvious accessory mineral in the quartz as cubes and fine-grained dissemination. Minor carbonate inclusions are noted. Talc lined the fractures in the vein and chlorite is common along the vein border. Visible gold as smears and blebs in the quartz is common. Occasional blebs of galena were noted in the vein. A branch off of the main vein just south of the shaft carries much visible gold and swells to 30 cm in places.

The wallrocks adjacent to the main vein are rusty and sheared and carry disseminated pyrite. The shearing is not as well developed as at the south shaft and tends to peter out a meter or so away from the veining. Minor carbonate alteration is present in the wallrock. At the north end of stripping well-developed pillows are noted in the dark green mafic volcanic outcroppings.

White quartz fragments are strewn throughout the shaft dump and visible gold can easily be found in this material. It is possible the old timers encountered a blowout of quartz while sinking the shaft, which would account for the unusual amount of quartz present.

The gold-enriched veining at the North Shaft appears to have limited strike extent. Surface mapping in the area of the stripping failed to pick up any old trenching along the strike of the veins. Further prospecting and stripping to the north may turn up new leads as shearing is evident in an outcrop of mafic volcanics near the northend of the stripping.

A sample from the area around the north shaft dump was sent for assays (collected at Zone 17-486931E and 5271561N)

RECOMMENDATIONS

After reviewing reports on the Annett property, it is recommended that a drill hole be put in place around the area of both shafts in order to follow the strike of the veins.

Respectfully Submitted Joe-Anne Salo



CLAIM MAP SHOWING MCDONALD CLAIM- MACMURCHY TOWNSHIP

PHOTOS



OLD TRENCH FULL OF WATER



Roy Annett at edge of shaft area



View of shaft area facing north





edge of muck pile



Stripping- facing north-east



Stripping- facing east

ASSAY RESULTS



Quality Analysis ...



Innovative Technologies

 Date Submitted:
 02-Aug-17

 Invoice No.:
 A17-08120

 Invoice Date:
 04-Aug-17

 Your Reference:
 Mcdonald Shaft Dump

Larry Salo

ATTN: Larry Salo

CERTIFICATE OF ANALYSIS

1 Rock samples were submitted for analysis. The following analytical package(s) were requested:

Code 1A2-Timmins Au - Fire Assay AA

REPORT A17-08120

This report may be reproduced without our consent. If only selected portions of the report are reproduced, permission must be obtained. If no instructions were given at time of sample submittal regarding excess material, it will be discarded within 90 days of this report. Our liability is limited solely to the analytical cost of these analyses. Test results are representative only of material submitted for analysis.

Notes:

If value exceeds upper limit we recommend reassay by fire assay gravimetric-Code 1A3.

CERTIFIED BY:

Emmanuel Eseme , Ph.D. Quality Control

ACTIVATION LABORATORIES LTD. 1752 Riverside Drive, Timmins, Ontario, Canada, P4R 1N1 TELEPHONE +075 264-0123 or +1.888 228.5227 FAX +1.905.648.9613 E-MAIL Timmins@actlabs.com ACTLABS GROUP WEBSITE www.actlabs.com

Page 1/3

Report Number: A17-08120		
Report Date: 4/8/2017		
Analyte Symbol	Au	Au
Unit Symbol	ppb	g/tonne
Detection Limit	5	0.03
Analysis Method	FA-AA	FA-GRA
1132552	> 5000	20

Report Number: A17-08120		
Report Date: 4/8/2017	1	
Analyte Symbol	Au	Au
Unit Symbol	ppb	g/tonne
Detection Limit	5	0.03
Analysis Method	FA-AA	FA-GRA
OXN117 Meas		7.67
OXN117 Cert		7.679
OxP116 Meas		14.6
OxP116 Cert		14.92
OREAS 203 Meas	852	
OREAS 203 Cert	871	
OREAS 218 Meas	528	
OREAS 218 Cert	525	
1132552 Orig		18.7
1132552 Dup		21.4
Method Blank	< 5	
Method Blank	< 5	
Method Blank		< 0.03
Method Blank		< 0.03





J Sato Aug 2017.