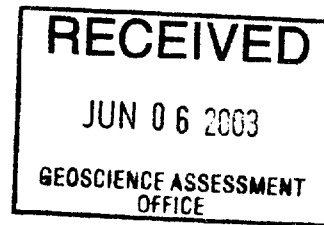


REPORT
on a
PROSPECTING and SAMPLING PROGRAM
on the
STEELE TOWNSHIP PROPERTY
LARDER LAKE MINING DIVISION



Submitted by: Eduard Ludwig
June 2003



32E04SW2006 2.25775 STEELE

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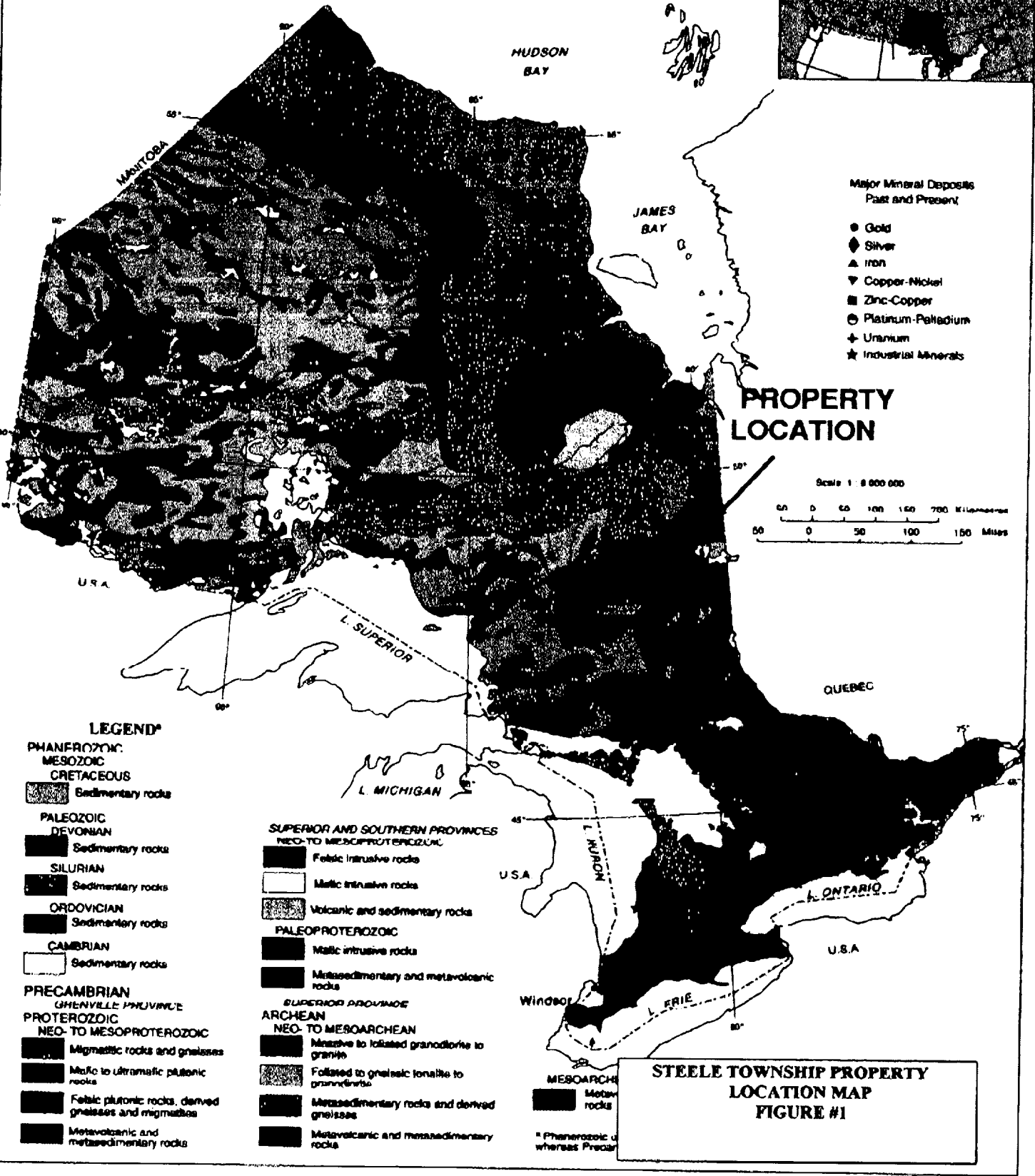
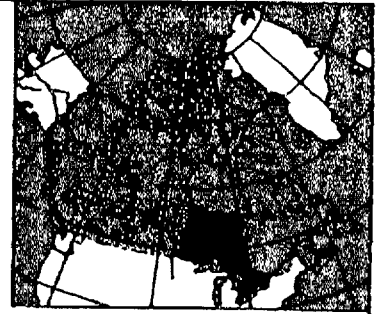
INTRODUCTION

The following report will deal with the results of a prospecting and sampling program carried out on the Steele Township Property. The property is made up of four, unpatented single unit mining claims, located in Steele Township, Larder Lake Mining Division, Ontario. This work was carried out over a two-day period. A total of 5 rock samples were taken over a two-day period during the month of June 2001.

The purpose of this program was to provide reconnaissance geological data that may reflect the properties potential to host economic deposits of lithium, tantalum and niobium.



GEOLOGY AND PRINCIPAL MINERALS OF ONTARIO



STEELE TOWNSHIP PROPERTY LOCATION MAP
FIGURE #1

LOCATION AND ACCESS

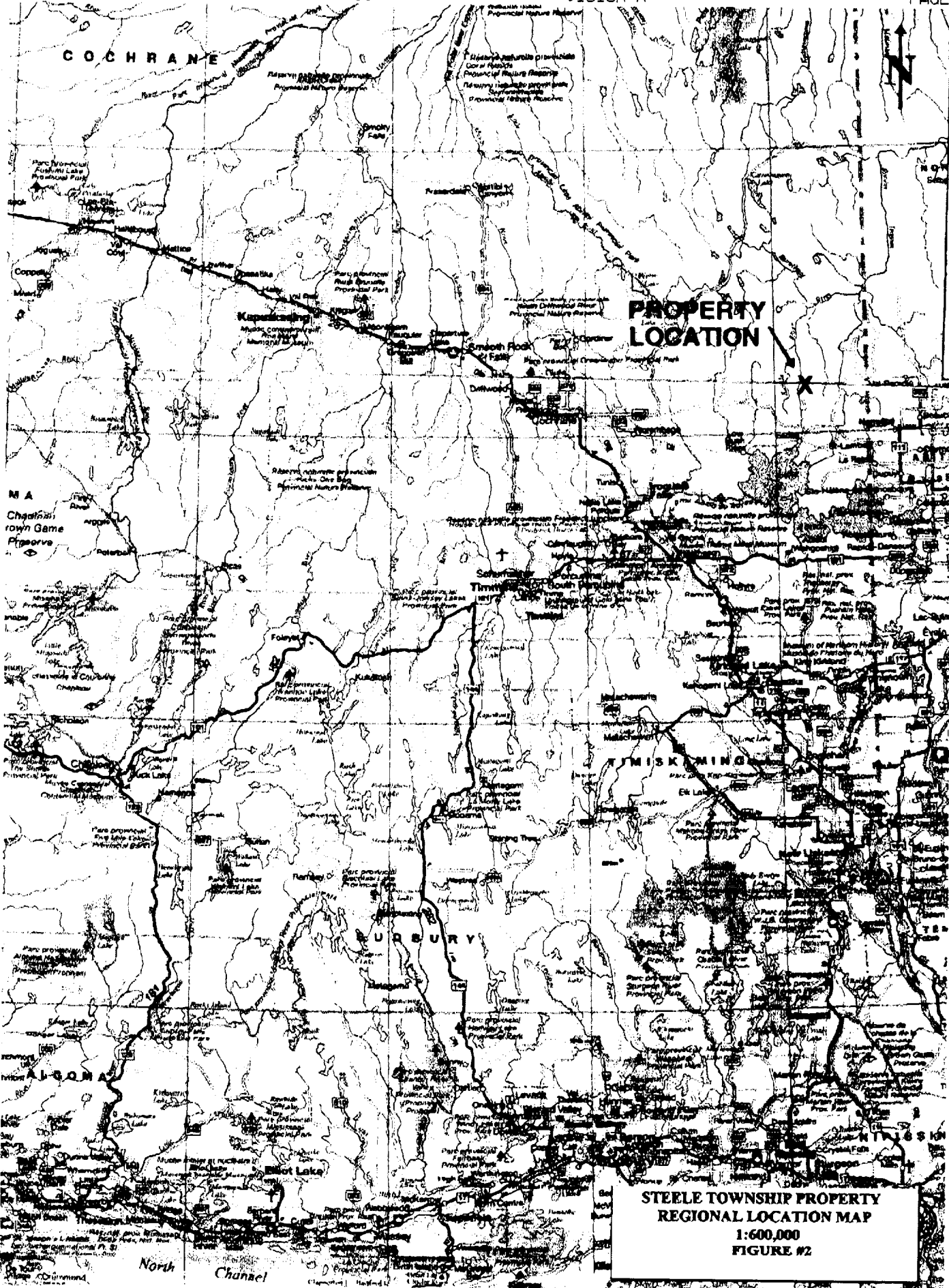
The Steele Township Property consists of 4 unpatented mining claims (4 units) situated within the north-central portion of Steele Township, Larder Lake Mining Division. The block is located approximately 75 miles northeast of the city of Timmins, near the Quebec border (Figure #2).

Access to the property was gained by taking Hwy 652 east from the town of Cochrane, to the Trans-limit road. This is a gravel road that heads west, were at approximately the 26 mile point a second road forks off and heads in a southeasterly direction. At approximately the 8-mile mark on this road a transmitter tower is visible to the north. The road to this tower provides access to the southwest corner of the property.

PERSONNEL

The people directly involved with the prospecting programs carried out on the Steele Township property are as follows:

| | |
|---------------------|------------------|
| Steve Anderson..... | Timmins, Ontario |
| Donny McKinnon..... | Timmins, Ontario |
| Eduard Ludwig..... | Timmins, Ontario |



**STEELE TOWNSHIP PROPERTY
REGIONAL LOCATION MAP**
1:600,000
FIGURE #2

PREVIOUS WORK

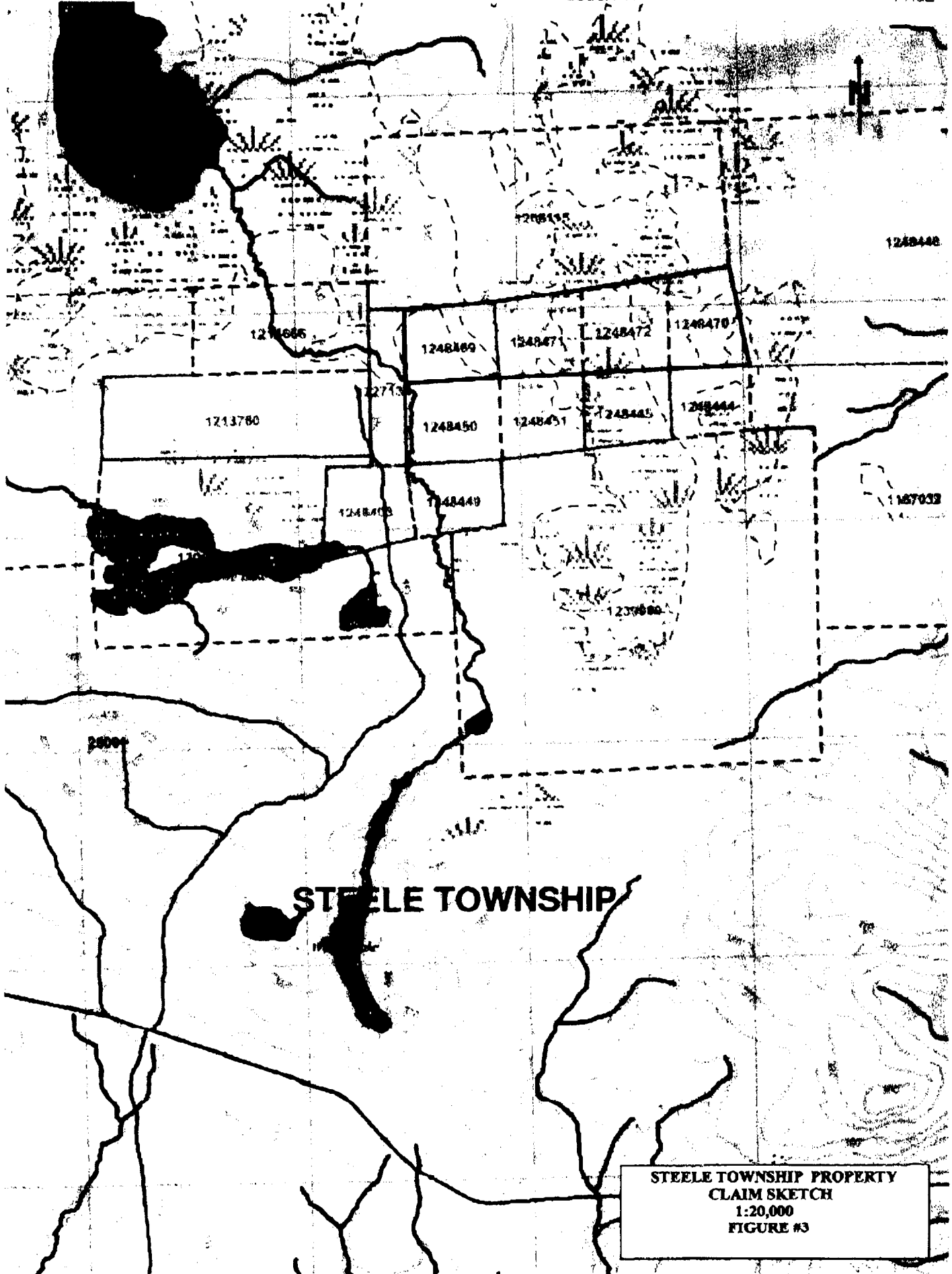
The current claim holder has not conducted any previous work on the properties. The subject claims were leased until June 1, 2001. As a result no information on previous work was available in the assessment files.

However, the property is situated directly to the east of previously worked ground that is shown to hosts a pegmatite dike that reportedly contains significant amounts of tantalum (figure #4).

CLAIMS

The claims that make up the Steele Township Property are held by Steve Anderson and are located in Steele Township, Larder Lake Mining Division. The following is a list of the claims.

| <u>CLAIM #</u> | <u># OF UNITS</u> | <u>TOWNSHIP</u> |
|----------------|-------------------|-----------------|
| 1248469 | 1 | Steele |
| 1248470 | 1 | Steele |
| 1248471 | 1 | Steele |
| 1248472 | 1 | Steele |
| ----- | ----- | |
| 4 claims | 4 units | |



STEELE TOWNSHIP

STEELE TOWNSHIP PROPERTY
 CLAIM SKETCH
 1:20,000
 FIGURE #3

Regional Geology:

Steele Township is comprised of rocks all Precambrian in age forming a complex of metavolcanic, metasedimentary rocks intruded by sills, dikes, stocks and batholiths. The metavolcanic- metasedimentary rocks comprises about one-third of the township and consist of metamorphosed greywacke, arkose, iron formation and intermediate to basic volcanic rocks.

The Case batholith to the north end of Steele Township, is comprised of metamorphosed granodioritic to granite rocks, intruded by later aged diabase and pegmatite dikes.

Property Geology:

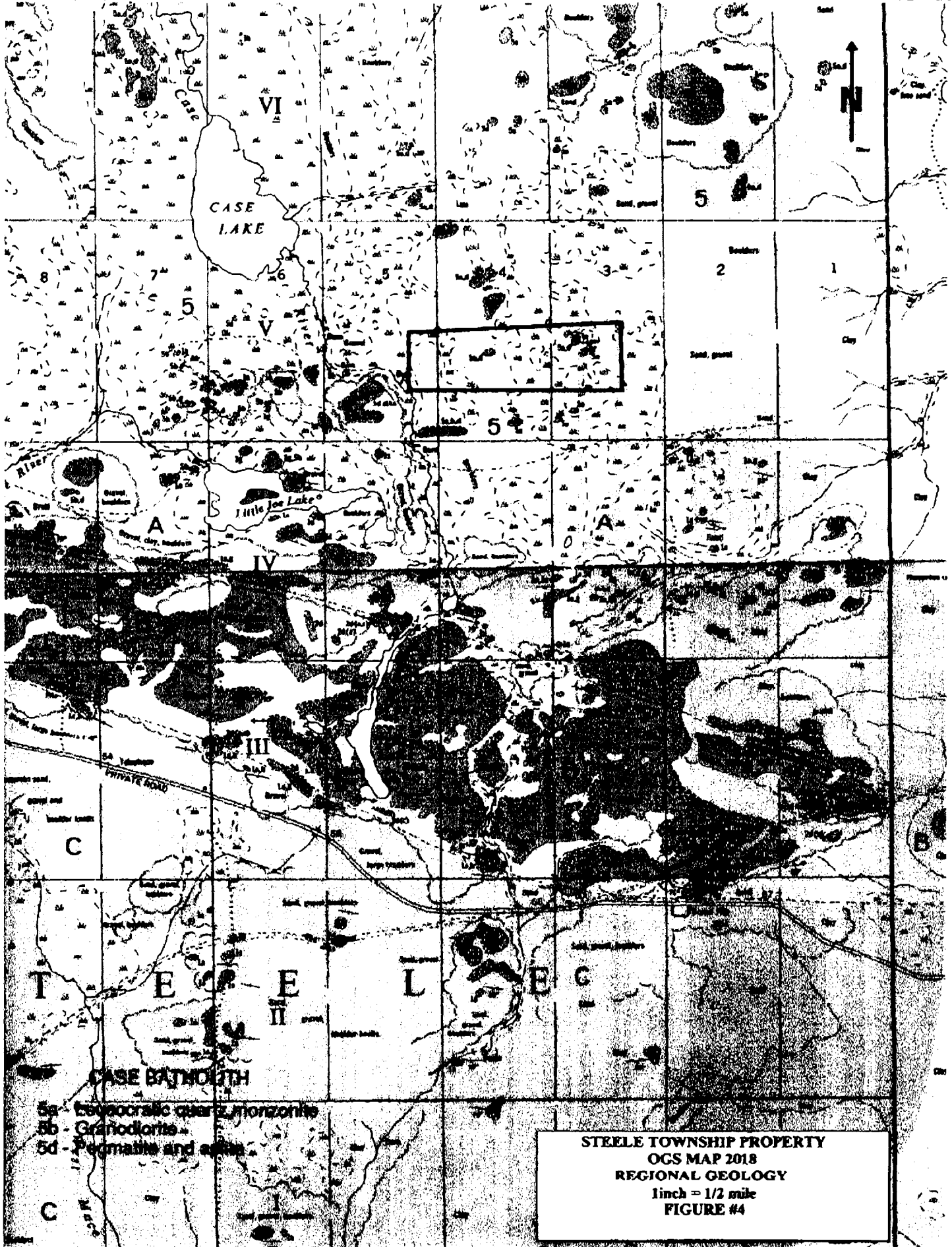
The entire property is located within the Case batholith, intruded by large northeast trending, coarse grained pegmatite dikes. The Pegmatite dikes are the exploration target on this claim group due to the presence of lithium, tantalum and niobium with traces of molybdenite.

Economic Geology:

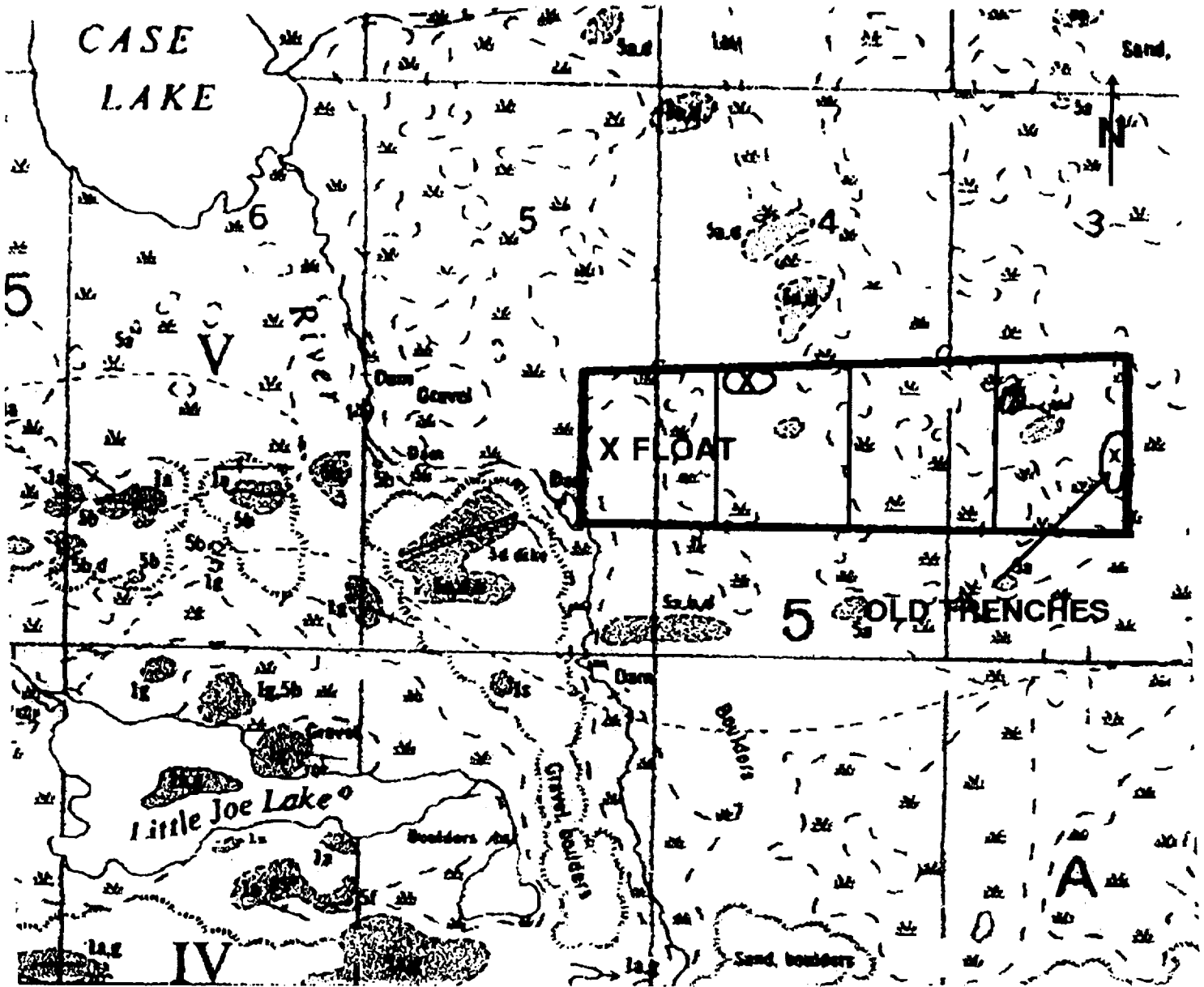
Exploration focus on this claim group by previous operators has been in the region of the pegmatite dikes. Numerous old trenches were located on the property and attempts were made retrieve fresh, in place samples. Utilizing hand tools samples were eventually retrieved and held for binocular microscope examination. Upon examination the samples contained approximately 5% spodumene crystals with traces of columbite and molybdenite. Spodumene crystals were up to 6 cm long and 1 cm wide. The phase of columbite was not recognized as being either tantalum bearing or niobium bearing. Assays on the samples have not been completed as yet.




Proposed Exploration:

An initial program should consist of mechanical stripping followed by blasting to expose fresh rock for sampling purposes. Assays should be completed for lithium, tantalum and niobium.



**STEELE TOWNSHIP PROPERTY
OGS MAP 2018
REGIONAL GEOLOGY
1 inch = 1/2 mile
FIGURE #4**



-  PEGMATITE OUTCROPPINGS
-  SAMPLE LOCATION
-  CLAIM BOUNDARY

STEELE TOWNSHIP PROPERTY
 PROSPECTING SKETCH
 1 inch = 1/4 mile
 FIGURE #5

Proposed Costs:

| | |
|---|----------|
| 1) Mechanical stripping: 5 days @ \$1200/day | \$6,000 |
| 2) Blasting: 3 days @ \$1000/day | \$3,000 |
| 3) Assays: 100 @ \$40/sample | \$ 400 |
| 4) Geology and supervision: 8Days @ \$400/day | \$ 3,200 |
| 5) Report and maps: 2 days @ \$400/day | \$ 800 |

Total Program Costs: \$13,400

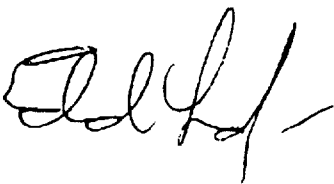
Certificate

I, Eduard Ludwig residing @ 1340 Delinite Road. Timmins, Ontario hereby certifies all information being true, by virtue of field examinations and reviewing all relevant private and government information.

I have practised my profession as consulting geologist since 1984

Education includes a geological technician's diploma from Sir Sandford Fleming College in 1980 and an Honours Bachelor Degree in the Science of geology from Laurentian University in 1983.

I have no direct or indirect interest in this property

Signed: 

Date: *June 5, 2003*

Eduard H. Ludwig Tech. HBSc.

Ministry of
Northern Development
and Mines

Ministère du
Développement du Nord
et des Mines



Date: 2003-AUG-05

GEOSCIENCE ASSESSMENT OFFICE
933 RAMSEY LAKE ROAD, 6th FLOOR
SUDBURY, ONTARIO
P3E 6B5

2004428 ONTARIO INC.
12TH FLOOR-20 TORONTO ST
TORONTO, ONTARIO
M5C 2B8 CANADA

Tel: (888) 415-9845
Fax:(877) 670-1555

Submission Number: 2.25775
Transaction Number(s): W0380.00967

Dear Sir or Madam

Subject: Approval of Assessment Work

We have approved your Assessment Work Submission with the above noted Transaction Number(s). The attached Work Report Summary indicates the results of the approval.

At the discretion of the Ministry, the assessment work performed on the mining lands noted in this work report may be subject to inspection and/or investigation at any time.

If you have any question regarding this correspondence, please contact STEVEN BENETEAU by email at steve.beneteau@ndm.gov.on.ca or by phone at (705) 670-5855.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Ron Gashinski".

Ron Gashinski
Senior Manager, Mining Lands Section

Cc: Resident Geologist

Steven Dean Anderson
(Agent)

Assessment File Library

Steven Dean Anderson
(Claim Holder)

2004428 Ontario Inc.
(Assessment Office)



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ONTARIO
CANADA

MINISTRY OF NORTHERN
DEVELOPMENT AND MINES
PROVINCIAL MINING
RECORDERS' OFFICE

Mining Land Tenure
Map

Date / Time of Issue: Tue Aug 05 13:49:51 EDT 2003

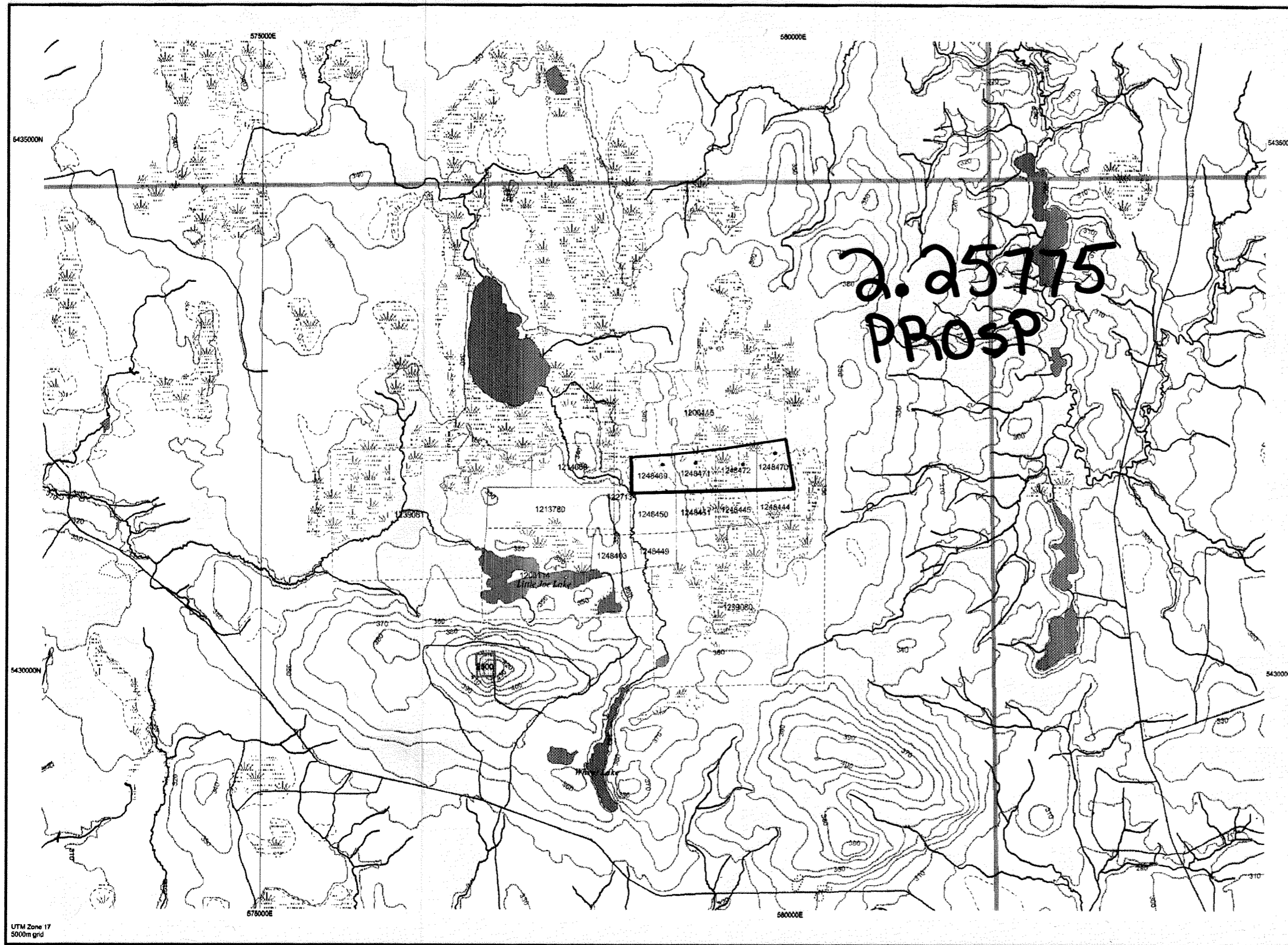
TOWNSHIP / AREA
STEELE

PLAN
G-3571

ADMINISTRATIVE DISTRICTS / DIVISIONS

Mining Division
Land Titles/Registry Division
Ministry of Natural Resources District

Larder Lake
COCHRANE
COCHRANE

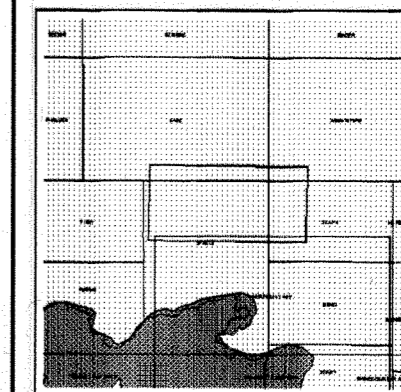


TOPOGRAPHIC

- Administrative Boundaries
- Township
- Concession, Lot
- Provincial Park
- Indian Reserve
- Cliff, Pit & Pile
- Contour
- Mine Shaft
- Mine Headframe
- Railway
- Road
- Trail
- Natural Gas Pipeline
- Utilities
- Tower

Land Tenure

- Freehold Patent
 - Surface And Mining Rights
 - Surface Rights Only
 - Mining Rights Only
 - Leasehold Patent
 - Surface And Mining Rights
 - Surface Rights Only
 - Mining Rights Only
 - Licence of Occupation
 - Uses Not Specified
 - Surface And Mining Rights
 - Surface Rights Only
 - Mining Rights Only
 - Land Use Permit
 - Order In Council (Not open for staking)
 - Water Power Lease Agreement
 - Mining Claim
 - Filed Only Mining Claims
- LAND TENURE WITHDRAWALS**
- Areas Withdrawn from Disposition
 - Mining Acts Withdrawal Types
 - Surface And Mining Rights Withdrawn
 - Surface Rights Only Withdrawn
 - Mining Rights Only Withdrawn
 - Order In Council Withdrawal Types
 - Surface And Mining Rights Withdrawn
 - Surface Rights Only Withdrawn
 - Mining Rights Only Withdrawn
- IMPORTANT NOTICE**



LAND TENURE WITHDRAWAL DESCRIPTIONS

| Identifier | Type | Date | Description |
|------------|------|-------------|---|
| 2500 | Wsm | Jan 1, 2001 | NOT OPEN FOR STAKING - SEC.30(B) MINING ACT - OPP TOWER |

UTM Zone 17
5000m grid

Those wishing to stake mining claims should consult with the Provincial Mining Recorders' Office of the Ministry of Northern Development and Mines for additional information on the status of the lands shown hereon. This map is not intended for navigational, survey, or land title determination purposes as the information shown on this map is compiled from various sources. Completeness and accuracy are not guaranteed. Additional information may also be obtained through the local Land Titles or Registry Office, or the Ministry of Natural Resources.

The information shown is derived from digital data available in the Provincial Mining Recorders' Office at the time of downloading from the Ministry of Northern Development and Mines web site.

General Information and Limitations

Contact Information:
Provincial Mining Recorders' Office
Wilket Green Miller Centre 933 Ramsey Lake Road
Sudbury ON P3E 6B5
Home Page: www.mndm.gov.on.ca/MNDM/MINES/LANDS/miennpge.htm

Toll Free
Tel: 1 (888) 415-9845 ext 577
Fax: 1 (577) 870-1444

Map Datum: NAD 83
Projection: UTM (6 degree)
Topographic Data Source: Land Information Ontario
Mining Land Tenure Source: Provincial Mining Recorders' Office

This map may not show unregistered land tenure and interests in land including certain patents, leases, easements, right of ways, flooding rights, licences, or other forms of disposition of rights and interest from the Crown. Also certain land tenure and land uses that restrict or prohibit free entry to stake mining claims may not be illustrated.