GEOPHYSICAL REPORT
FOR
PANTERRA MINERALS INC.
ON THE
LEE LAKE PROPERTY
GREENLAW TOWNSHIP
PORCUPINE MINING DIVISION
NORTHEASTERN, ONTARIO

Prepared by: J.C.Grant,CET,FGAC
May, 1998

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SUMMARY:

The Lee Lake Property, formerly held by Lee Gold Mines Limited, 1934, and New Athona Mines Limited, 1968, is located close to the northwest shore of a small bay on the west side of Lee Lake in the northwest corner of Greenlaw Township.

The prospect is described as follows,(taken from Report 157, Geology of the Chapleau Area, by Thurston, Siragusa and Sage, 1977, p.203).

" The principal showing occurs on the west side of Lee Lake. The country rock consists of diorite, which intrudes the Keewatin greenstones and sediments of the Ridout series approximately along the contact. The diorite is cut by a dike of quartz porphyry from 10 to 20 feet wide, striking S,60 E; which has been traced by trenching for 800 feet. The porphyry and the diorite, for a width of 5 to 10 feet on either side of the porphyry, have been sheared and replaced by quartz and carbonates heavily mineralized with pyrite and showing narrow streaks of chalcopyrite. This condition is seen in a series of seven deep trenches extending over a length of 300 feet. The mineralization is confined to the highly schisted rock, which dips 80 degrees north; and this mineralized schist is reported to show good values in gold. Four grab samples of this material gave a gold content of up to 0.10 ounces per ton. A series of 11 shallow diamond drill holes have been put down to intersect the mineralized zone over a length of 80 feet. Four of these holes are reported to have shown values in gold from 0.25 to 0.64 ounces per ton."

A shaft was sunk to a depth of 250 feet and considerable lateral work was done at the 125 and 250 foot levels. The mineralized shear zone, as exposed on surface, was reported to have been intersected on both levels. Low gold values and a faulting problem led to the suspension of further operations.

The ground was then recently staked and is now under option to Panterra Minerals Inc. who has subsequently cut a detailed metric grid from the south and west shores of Lee Lake to the south boundary of the claim block. The grid was then covered by a detailed, total field magnetic survey with the intent of locating and tracing the extent of the quartz porphyry dike. This report will deal with the results of this ground program.

INTRODUCTION:

The services of Exsics Exploration Limited were retained by Mr. T. Obradovich on behalf of the Company, Panterra Minerals Inc. to complete a magnetic survey over a series of grid lines that had been established on the property by another independent contractor about a year ago. The purpose of this magnetic survey was to locate and define the extent of the quartz porphyry dike as well as to explore the property, geophysically for additional, parallel dike like systems which may also represent favourable horizons for gold and or base metal deposition.

The surveys were completed on the 15th of May, 1998 and a total of 14.7 kilometers of grid lines were covered. This report will deal with the results of the magnetic survey.

PROPERTY LOCATION AND ACCESS:

The Lee Lake property is located in the northwest corner of Greenlaw Township of the Porcupine Mining Division, Northeastern, Ontario. Figure 1 and 2. Mores specifically it is situated approximately 18 kilometers northwest of the Village of Sultan and about 17 kilometers north-northeast of the Village of Kormak. Both Kormak and Sultan are serviced by highway 129 which travels southeast from the Town of Chapleau. The claim block covers the majority of Lee Lake itself. Refer to figure 2 and 3.

Access to the grid during the survey period was with fixed wing from the Derry Air float plane base located in Gogama. Flying time is approximately 20 minutes.

CLAIM GROUP:

The claim numbers that make up the Lee lake Property are as follows.

P-1204282.....8 units
P-1204283.....6 units

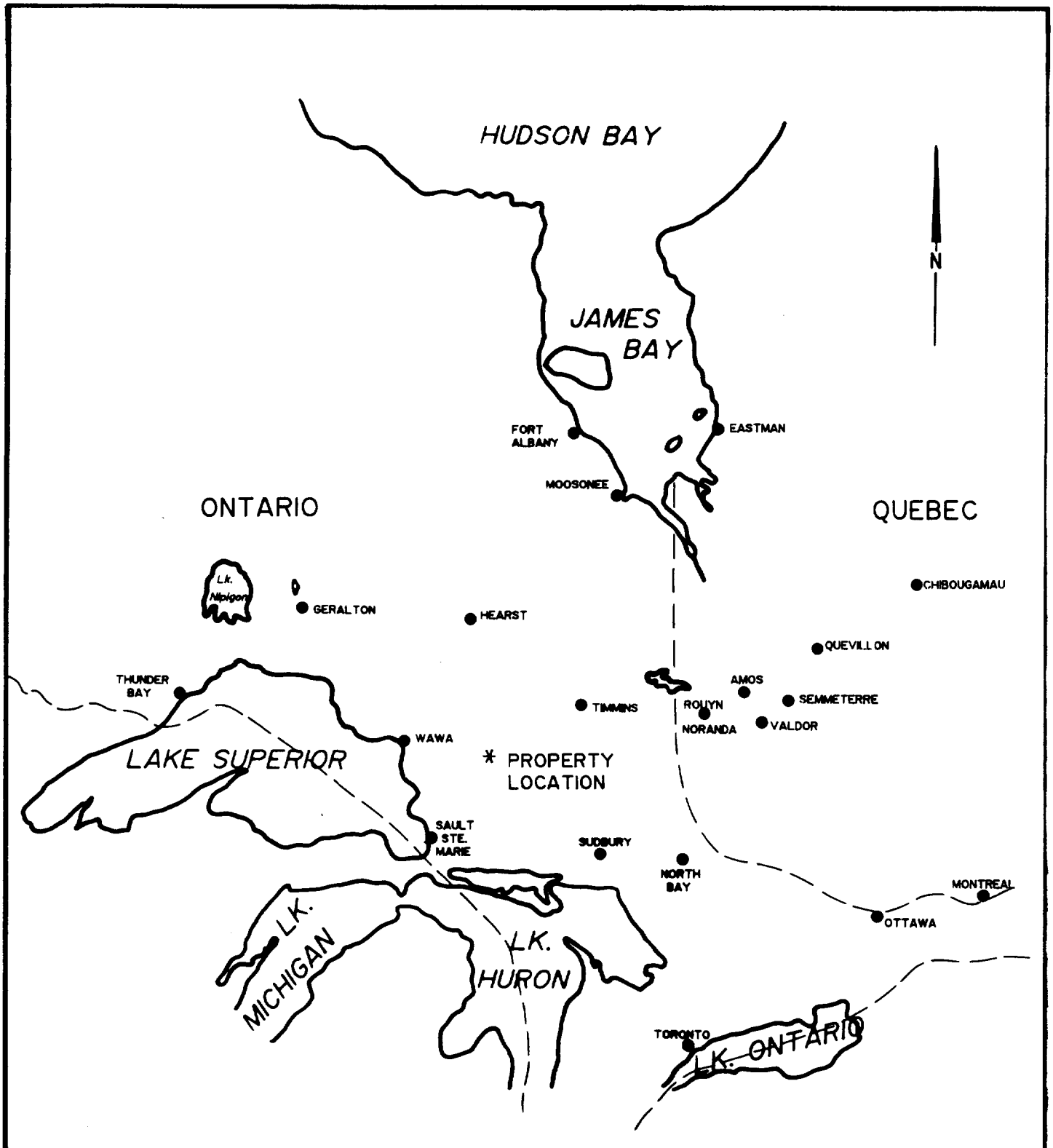
Refer to figure 3, copied from MNDM Plan Map of Greenlaw Township.

PERSONNEL:

The field crew directly responsible for the collection of raw data were as follows.

J.DerWeduwen.....South Porcupine, Ontario
E. Jaakkola.....Timmins, Ontario

The work was carried out under the direct supervision of J.C.Grant and all plotting was completed by P.Gauthier of Exsics.



EXSICS EXPLORATION LTD.
P.O. Box 1980, P4N-7X1
Suite 13, Hollinger Bldg. Timmins Ont.
Telephone: 705-267-4151

CLIENT: T. OBRADOVICH / PANTERRA MINERALS

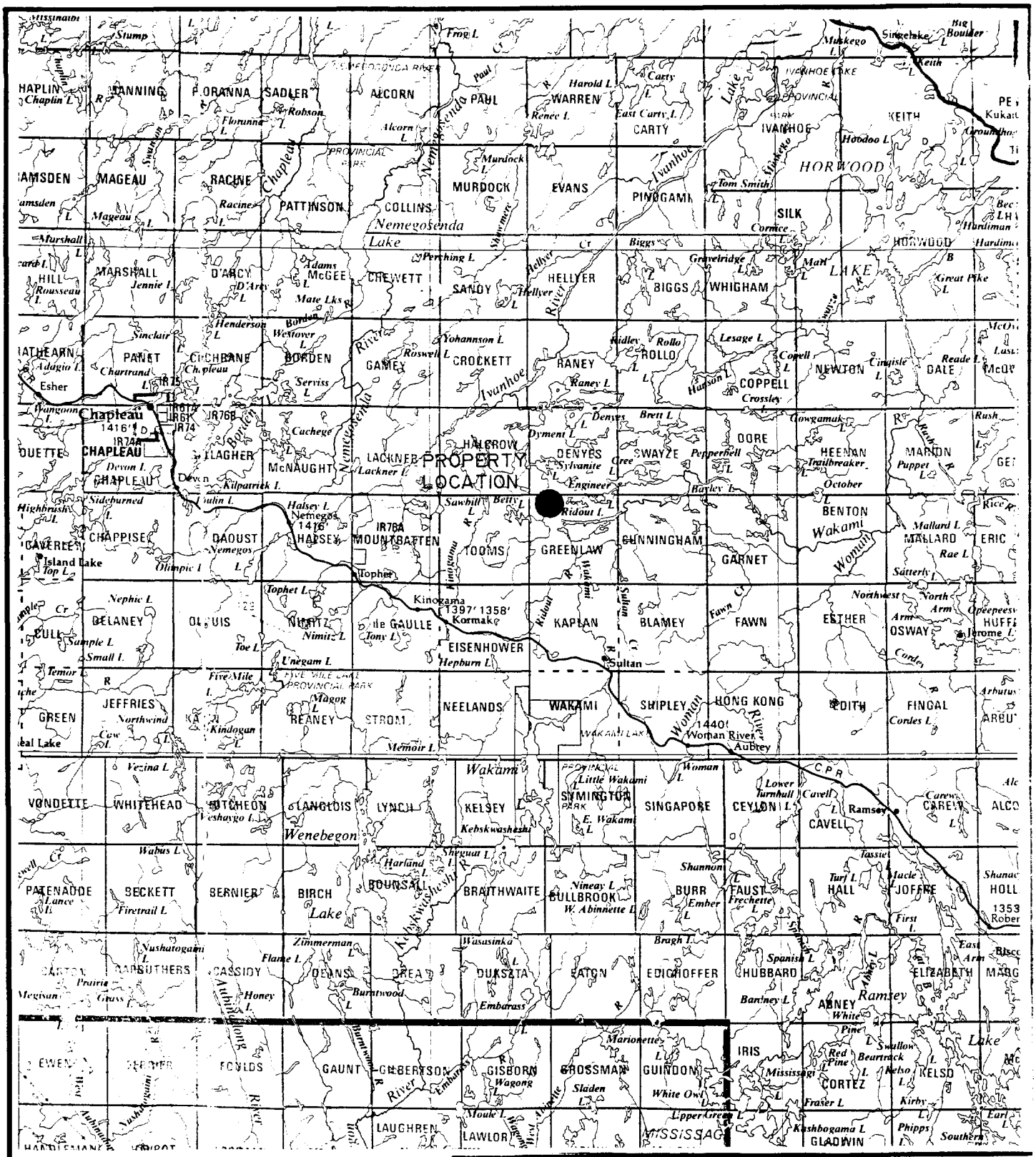
PROPERTY: GREENLAW TWP PROPERTY

TITLE:

LOCATION MAP

Fig. 1

Date: May 1998	Scale: 1"=125miles	MNDM Plan#:
Drawn: P. Gauthier	Interp: J.C. Grant	Job No. E-321



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CLIENT: T. OBRADOVICH / PANTERRA MINERALS

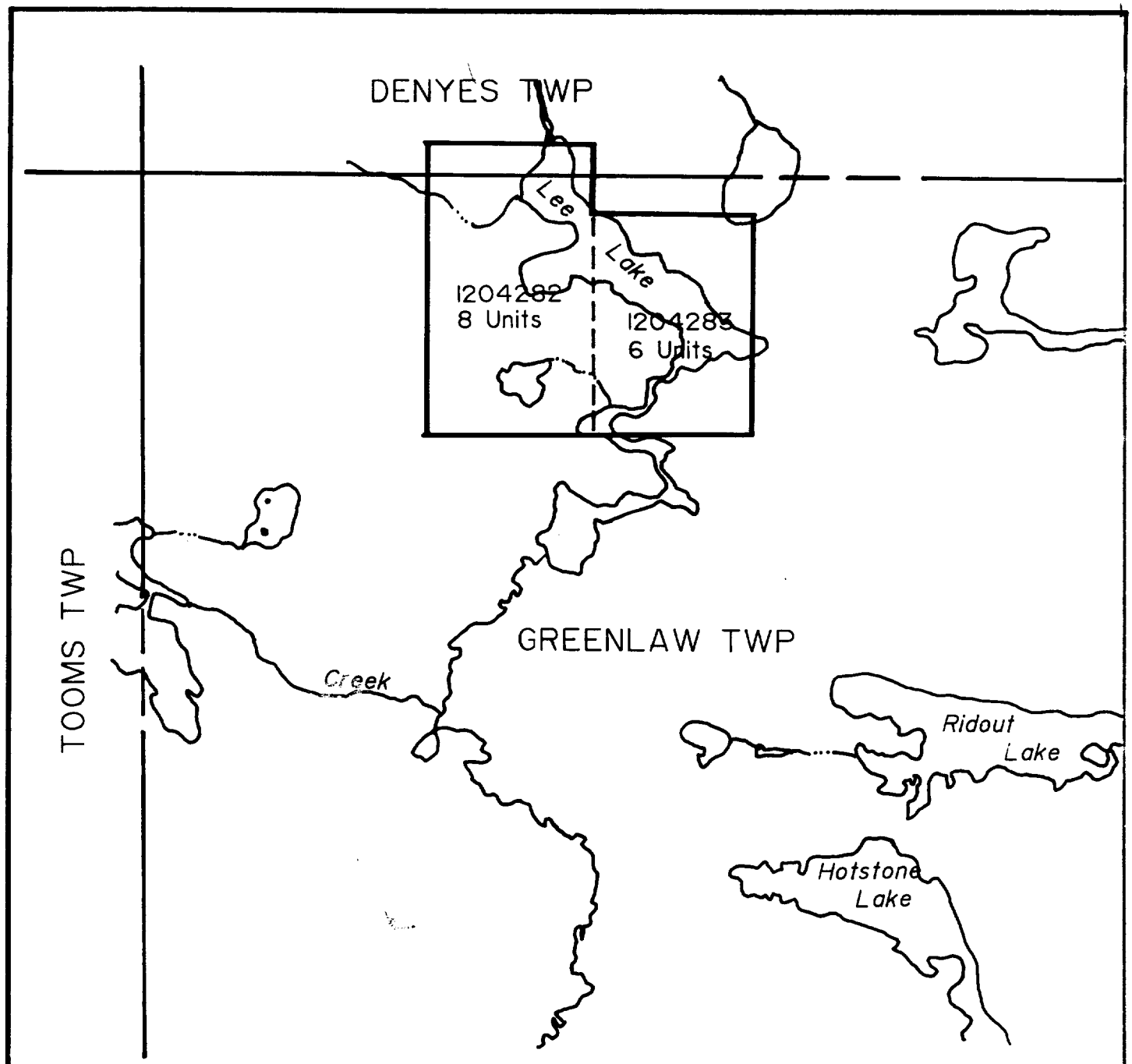
PROPERTY: GREENLAW TWP PROPERTY

TITLE:

PROPERTY LOCATION

Fig. 2

Date: May 1998	Scale: 1:600,000	MNDM Plan #
Drawn:	Interp: J.C. Grant	Job No. E-321



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Suite 13, Hollinger Bldg, Timmins Ont.
Telephone: 705-267-4151

CLIENT: T. OBRADOVICH / PANTERRA MINERALS

PROPERTY: GREENLAW TWP PROPERTY

TITLE:

CLAIM SKETCH

Fig. 3

Date: May 1998	Scale:	MNDM Plan#:
Drawn: P. Gauthier	Interp: J.C. Grant	Job No. E-321

GROUND PROGRAM:

The ground program was completed in 2 phases. The first phase was the linecutting program which was completed last year by an independent contractor. A series of northeast-southwest grid lines were cut from the south and west shores of Lee Lake to the approximate boundary of the claim group. These lines were turned off of a baseline that was first cut at 125 degrees just south of the lake. The cross lines were turned off at 100 meter intervals from 400MW to 1400ME. A tieline, labelled 500MN was turned off of line 400MW and was cut at 125 degrees from 400MW to 700MW. Crosslines 500MW and 600MW were then turned off of this tieline. All of the cut lines were chained with 25 meter pickets. A total of 14.7 kilometers of grid line were cut and chained across the property.

The next phase of the program was to then cover the entire grid with a detailed magnetic survey. This was done using the Scintrex, Envi Mag System. Specifications for this system can be found as Appendix A of this report. The magnetic survey was controlled by an Omni IV base station recorder. Specifications for this system is also included under Appendix A. The following parameters were kept constant throughout the survey period.

Line spacing.....100 meters
Station spacing..... 25 meters
Reading interval..... 25 meters
Diurnal monitor.....Base station recorder
Base record interval.....30 seconds
Reference field..... 57,500 gammas
Datum subtraction..... 57,000 gammas
Unit accuracy.....+/- 0.1 gamma
Parameters measured.....Earth's total magnetic field.

The collected, corrected and levelled data was the plotted onto a base map at a scale of 1:5000 and then contoured at 10 gamma intervals. A copy of this contoured, magnetic base map is included in the back pocket of this report.

SURVEY RESULTS:

The magnetic survey was successful in mapping the geological characteristics of the claim block. The most predominant feature is a strong magnetic unit striking into the grid from the southeast, paralleling the south side of the base line. This unit ranges from 300 to 100 gammas above the background and may relate to the southeast extension of the quartz porphyry dike outlined by the past exploration and trenching program. The magnetic unit shows some slumping paralleling line 1000ME which may relate to minor faulting and or shearing in the same vicinity. A creek flowing out of Lee Lake generally parallels the line to the northwest which may also indicate the presence of cross structure.

This magnetic high unit has an associated magnetic low along its entire northeast flank suggesting a possible alteration and or carbonate zone may lie along the northeast flank of the magnetic high. This is indicative of the shear zone discussed in the government report that parallels the porphyry and contains pyrites and chalcopyrites. There is a pyrite and chalcopyrite showing in this area and it is identified on Map 2352, Chapleau Area.

The magnetic high unit may have been faulted to the southwest by the cross structure paralleling line 1000ME as there appears to be a narrow magnetic unit striking into the grid from the southeast across the bottom of lines 500ME, 600ME and 700ME.

A second narrow magnetic high unit was outlined striking about 100 degrees across lines 1100ME, 1200ME and 1300ME north of the baseline. This zone appears to continue on the west side of the suspected cross structure and is traceable from line 800ME to 400ME again just to the north and along the baseline.

A third area outlined by the magnetics are two narrow highs striking across lines 100MW and 0+00 at the north ends that appears to continue southeast into Lee Lake. A large trench appears to have tested these highs.

A final area of interest is the long narrow magnetic high unit striking across lines 400MW to 600MW that continues off of the grid to the northwest. This unit generally follows the strike of the underlying geology and appears to strike away from the old mine workings.

CONCLUSIONS AND RECOMMENDATIONS:

The magnetic survey was successful in mapping the geological characteristics of the claim group. Of particular interest is the good magnetic high, low unit striking across lines 800ME to 1400ME that continues off of the grid to the southeast. This zone is characteristic of the host unit that, from historical workings, carried significant gold mineralization. That structure is the quartz porphyry dike that has the associated carbonitized, flanking shear zone. The magnetic high striking across the south ends of lines 800ME to 500ME should also be examined further in the event it is the extension of the above mentioned magnetic high unit. The magnetic signatures are quite similar.

The narrow magnetic high unit situated on the north side of the baseline from 1300ME to and including 400ME should be followed up further to explain it's source. This could be by geological and or geochemical surveys.

Lastly, the magnetic high units striking across lines 0+00 to 600MW should be followed up to confirm if they relate to the historical workings of the shaft area and original quartz porphyry dike structure.

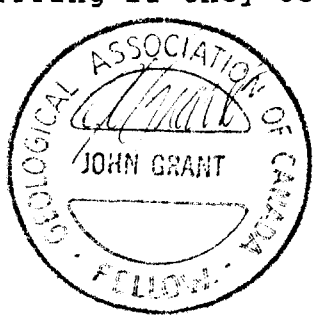
A follow-up electromagnetic survey, either VLF-EM and or Horizontal Loop surveys should be considered to better define the depth and conductivity values of the magnetic high units, if they are conductive. The grid should be extended to the southeast to fully define the magnetic high unit that continues off of the grid from line 1400ME as well as the narrower high striking off of the grid to the north of the baseline on line 1300ME. The grid should also be extended to the northwest to fully cover that magnetic high unit striking across lines 300MW to 600MW.

The remainder of the claim block should also be gridded and covered by magnetics and the same EM survey considered for covering the existing grid. The existing lines may have to be brushed out and re-picketed, especially on the southeastern portion of the grid as there is a fair bit of blow down across the lines and many of the pickets are unreadable. The mag operator that surveyed the southeastern portion of the grid mentioned that an outcrop area in the vicinity of lines 700ME and 500ME had significant sulphides with chalcopyrite and possible native copper smears. This area should be mapped thoroughly.

Any and all of the EM conductors, outlined by the follow-up program should be followed-up by drilling if they correlate to the magnetic high units.

Respectfully submitted

J.C.Grant, CET, FGAC, May, 1998



CERTIFICATE

I, John C. Grant, hereby certify that:

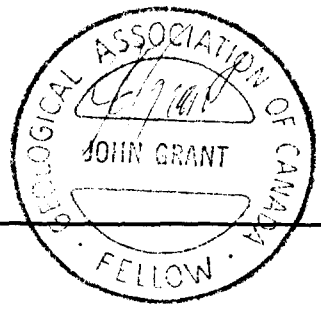
1) I am a graduate technologist, (1975) of the three year program in Geological Technology at Cambrian College of Applied Arts and Technology, Sudbury Campus. I have worked subsequently as an Exploration Geophysicist for Teck Exploration Limited, (5 years), North Bay office and currently as Exploration Manager and Geophysicist for Exsics Exploration Limited since 1980.

2) I am a member in good standing of the Certified Engineering Technologist Association,(CET), since 1984

3) I am a Fellow of the Geological Association of Canada, (FGAC), since 1986.

4) I have been actively engaged in my profession since May of 1975, including all aspects of exploration studies, surveys and interpretation.

5) I have no specific or special interest in the described property. I have been retained as a Consulting Geophysicist by the Property holders.



John Charles Grant, CET, FGAC.

APPENDIX A

SCINTREX

ENVI-MAG Environmental Magnetometer/Gradiometer

Locating Buried Drums and Tanks?

ıe ENVI-MAG is the solution to this environmental problem. ENVI-MAG is an inexpensive, lightweight, portable VALKMAG" which enables you to survey rge areas quickly and accurately.

ENVI-MAG is a portable, proton precession agnetometer and/or gradiometer, for ɔotechnical, archaeological and environmental applications where high production, fast count rate and high sensitivity e required. It may also be used for other applications, such as mineral exploration, and may be configured as a total-field agnetometer, a vertical gradiometer or a base station.

The ENVI-MAG

- easily detects buried drums to depths of 10 feet or more
- more sensitive to the steel of a buried drum than EM or radar
- much less expensive than EM or radar
- survey productivity much higher than with EM or radar

Main features include:

- select sampling rates as fast as 2 times per second
- "WALKMAG" mode for rapid acquisition of data
- large internal, expandable memory
- easy to read, large LCD screen displays data both numerically and graphically
- ENVIMAP software for processing and mapping data

ENVI-MAG comprises several basic modules; a lightweight console with a large screen alphanumeric display and high capacity memory, a staff mounted sensor and sensor cable, rechargeable battery and battery charger, RS-232 cable and ENVIMAP processing and mapping software.

For gradiometry applications an upgrade kit is available, comprising an additional processor module for installation in the console, and a second sensor with a staff extender.

ENVI-MAG Proton Magnetometer in operation

For base station applications a Base Station Accessory Kit is available so that the sensor and staff may be converted into a base station sensor.

⁻ atures and Benefits

"WALKMAG" Magnetometer/Gradiometer

ⁱ e "WALKMAG" mode of operation (ɔometimes known as "Walking Mag") is user-selectable from the keyboard. In this r ıde, data is acquired and recorded at t rate of 2 readings per second as the operator walks at a steady pace along a lin. At desired intervals, the operator " ggers" an event marker by a single key sı oke, assigning coordinates to the recorded data.

ⁱ ıe Simultaneous Gradiometer

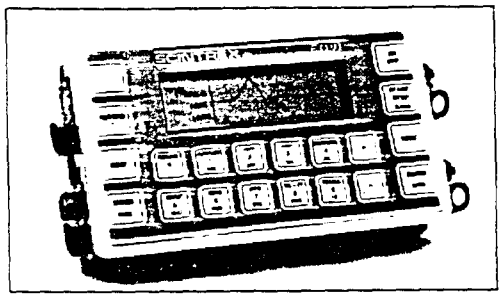
An optional upgrade kit is available to configure ENVI-MAG as a gradiometer to n ke true, simultaneous gradiometer n asurements. Gradiometry is useful for geotechnical and archaeological surveys w-ere small near surface magnetic t: gets are the object of the survey.

Selectable Sampling Rates

0 ⁻ second, 1 second and 2 second r ding rates user selectable from the keyboard.

Large-Key Keypad

The large-key keypad allows easy access for gloved-hands in cold-weather operations. Each key has a multi-purpose function.



Front panel of ENVI-MAG showing a graphic profile of data and large-key keypad

Large Capacity Memory

ENVI-MAG with standard memory stores up to 28,000 readings of total field measurements, 21,000 readings of gradiometry data or 151,000 readings as a base station. An expanded memory option is available which increases this standard capacity by a factor of 5.

Easy Review of Data

For quality of data and for a rapid analysis of the magnetic characteristics of the survey line, several modes of review are possible. These include the measurements at the last four stations, the ability to scroll through any or all previous readings in memory, and a graphic display of the previous data as profiles, line by line. This feature is very useful for environmental and archaeological surveys.

Highly Productive

The "WALKMAG" mode of operation acquires data rapidly at close station intervals, ensuring high-definition results. This increases survey productivity by a factor of 5 when compared to a conventional magnetometer survey.

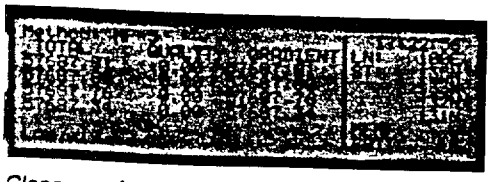
"Datacheck" Quality Control of Data

"Datacheck" provides a feature wherein at the end of each survey line, data may be reviewed as a profile on ENVI-MAG's screen. Datacheck confirms that the instrument is functioning correctly and

allows the user to note the magnetic relief (anomaly) on the line.

Large Screen Display

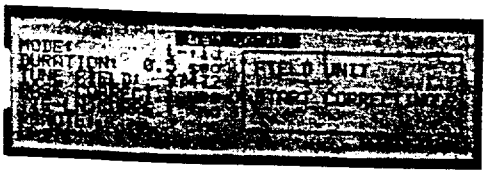
"Super-Twist" 64 x 240 dot (8 lines x 40 characters), LCD graphic screen provides good visibility in all light conditions. A display heater is optionally available for low-temperature operations below 0°C.



Close-up of the ENVI-MAG screen showing data presented after each reading

Interactive Menus

The set-up of ENVI-MAG is menu-driven, and minimizes the operator's learning time, and on-going tasks.



Close-up of display of ENVI-MAG showing interactive set-up menu

Rechargeable Battery and Battery Charger

An "off-the-shelf" lead-acid battery and charger are provided as standard. The low-cost "Camcorder" type battery is available from electronic parts distributors everywhere.

HELP-Line Available

Purchasers of ENVI-MAG are provided with a HELP-Line telephone number to call in the event assistance is needed with an application or instrumentation problem.

ENVIMAP Processing and Mapping Software

Supplied with ENVI-MAG, and custom designed for this purpose, is easy-to-use, very user-friendly, menu driven data processing and mapping software called ENVIMAP. This unique software appears to the user to be a single program, but is in fact a sequence of separate programs, each performing a specific task. Under the menu system, there are separate programs to do the following:

a) read the ENVI-MAG data and reformat it into a standard compatible with the ENVIMAP software
b) grid the data into a standard grid format
c) create a vector file of posted values with line and baseline identification that allows the user to add some title information and build a suitable surround
d) contour the gridded data
e) autoscale the combined results of the posting/surround step and the contouring step to fit on a standard 8.5 ins. wide dot-matrix printer
f) rasterize and output the results of step e) to the printer

ENVIMAP is designed to be as simple as possible. The user is required to answer a few basic questions asked by ENVIMAP, and then simply toggles "GO" to let ENVIMAP provide default parameters for the making of the contour map. The user can modify certain characteristics of the output plot. ENVIMAP'S menu system is both keyboard and mouse operable. HELP screens are integrated with the menu system so that HELP is displayed whenever the user requests it.

Options Available

- True simultaneous gradiometer upgrade
- Base station upgrade
- Display heater for low temperature operations
- External battery pouch

Specifications

Total Field Operating Range
20,000 to 100,000 nT (gammas)

Total Field Absolute Accuracy
+/- 1nT

Sensitivity
0.1 nT at 2 second sampling rate

Tuning
Fully solid state. Manual or automatic, keyboard selectable

Cycling (Reading) Rates
0.5, 1 or 2 seconds, up to 9999 seconds for base station applications, keyboard selectable

Gradiometer Option
Includes a second sensor, 20 inch (½m) staff extender and processor module

"WALKMAG" Mode
0.5 second for walking surveys, variable rates for hilly terrain

Digital Display
LCD "Super Twist", 240 x 64 dots graphics, 8 line x 40 characters alphanumerics

Display Heater
Thermostatically controlled, for cold weather operations

Keyboard Input
57 keys, dual function, membrane type

Notebook Function
32 characters, 5 user-defined MACRO's for quick entry

Standard Memory
Total Field Measurements: 28,000 readings
Gradiometer Measurements: 21,000 readings
Base Station Measurements: 151,000 readings

Expanded Memory
Total Field Measurements: 140,000 readings
Gradiometer Measurements: 109,000 readings
Base Station Measurements: 750,000 readings

Real-Time Clock
Records full date, hours, minutes and seconds with 1 second resolution, +/- 1 second stability over 12 hours

Digital Data Output
RS-232C interface, 600 to 57,600 Baud, 7 or 8 data bits, 1 start, 1 stop bit, no parity format. Selectable carriage return delay (0-999 ms) to accommodate slow peripherals. Handshaking is done by X-on/X-off

Analog Output
0 - 999 mV full scale output voltage with keyboard selectable range of 1, 10, 100, 1,000 or 10,000 nT full scale

Power Supply
Rechargeable "Camcorder" type, 2.3 Ah, Lead-acid battery.

12 Volts at 0.65 Amp for magnetometer, 1.2 Amp for gradiometer,

External 12 Volt input for base station operations

Optional external battery pouch for cold weather operations

Battery Charger
110 Volt - 230 Volt, 50/60 Hz

Operating Temperature Range
Standard 0° to 60°C
Optional -40°C to 60°C

Dimensions
Console - 10 x 6 x 2.25 inches (250 mm x 152 mm x 55 mm)
T.F. sensor - 2.75 inches dia. x 7 inches (70 mm x 175 mm)
Grad. sensor and staff extender - 2.75 inches dia. x 26.5 inches (70 mm x 675 mm)
T.F. staff - 1 inch dia. x 76 inches (25 mm x 2 m)

Weight
Console - 5.4 lbs (2.45 kg) with rechargeable battery
T. F. sensor - 2.2 lbs (1.15 kg)
Grad. sensor - 2.5 lbs (1.15 kg)
Staff - 1.75 lbs (0.8 kg)

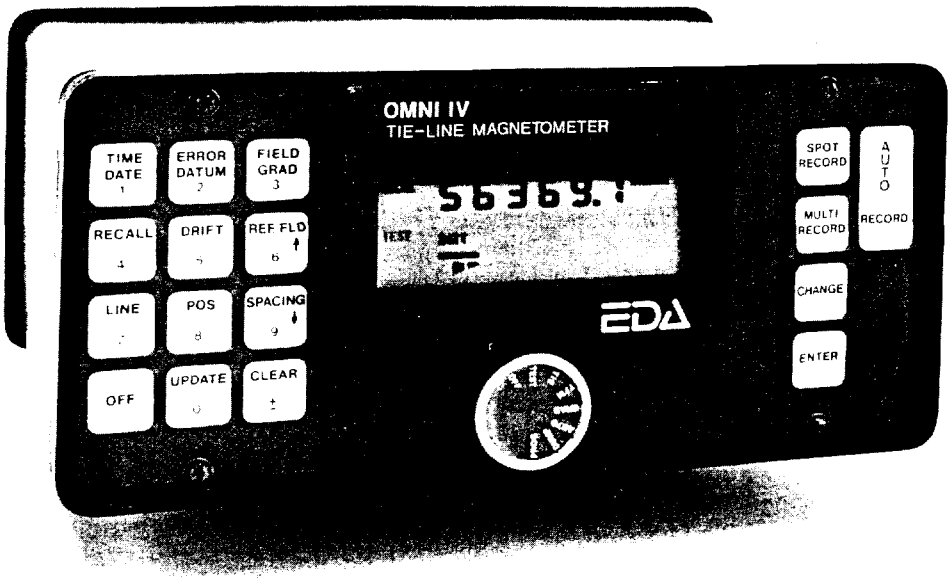
SCINTREX

Head Office
222 Snidercroft Road
Concord, Ontario, Canada L4K 1B5
Telephone: (905) 669-2280
Fax: (905) 669-6403 or 669-5132
Telex: 06-964570

In the USA:
Scintrex Inc.
85 River Rock Drive
Unit 202
Buffalo, NY 14207
Telephone: (716) 298-1219

OMNI IV
"Tie-Line" Magnetometer

EDA



Four Magnetometers in One

Self Correcting for Diurnal Variations

Reduced Instrumentation Requirements

25% Weight Reduction

User Friendly Keypad Operation

Universal Computer Interface

Comprehensive Software Packages

Specifications

Dynamic Range	18,000 to 110,000 gammas. Roll-over display feature suppresses first significant digit upon exceeding 100,000 gammas.
Tuning Method	Tuning value is calculated accurately utilizing a specially developed tuning algorithm
Automatic Fine Tuning	± 15% relative to ambient field strength of last stored value
Display Resolution	0.1 gamma
Processing Sensitivity	± 0.02 gamma
Statistical Error Resolution	0.01 gamma
Absolute Accuracy	± 1 gamma at 50,000 gammas at 23°C ± 2 gamma over total temperature range
Standard Memory Capacity	
Total Field or Gradient	1,200 data blocks or sets of readings
Tie-Line Points	100 data blocks or sets of readings
Base Station	5,000 data blocks or sets of readings
Display	Custom-designed, ruggedized liquid crystal display with an operating temperature range from −40°C to +55°C. The display contains six numeric digits, decimal point, battery status monitor, signal decay rate and signal amplitude monitor and function descriptors.
RS 232 Serial I/O Interface	2400 baud, 8 data bits, 2 stop bits, no parity
Gradient Tolerance	6,000 gammas per meter (field proven)
Test Mode	A. Diagnostic testing (data and programmable memory) B. Self Test (hardware)
Sensor	Optimized miniature design. Magnetic cleanliness is consistent with the specified absolute accuracy.
Gradient Sensors	0.5 meter sensor separation (standard), normalized to gammas/meter. Optional 1.0 meter sensor separation available. Horizontal sensors optional.
Sensor Cable	Remains flexible in temperature range specified, includes strain-relief connector
Cycling Time (Base Station Mode)	Programmable from 5 seconds up to 60 minutes in 1 second increments
Operating Environmental Range	−40°C to +55°C; 0–100% relative humidity; weatherproof
Power Supply	Non-magnetic rechargeable sealed lead-acid battery cartridge or belt; rechargeable NiCad or Disposable battery cartridge or belt; or 12V DC power source option for base station operation.
Battery Cartridge/Belt Life	2,000 to 5,000 readings, for sealed lead acid power supply, depending upon ambient temperature and rate of readings
Weights and Dimensions	
Instrument Console Only	2.8 kg, 238 x 150 x 250mm
NiCad or Alkaline Battery Cartridge	1.2 kg, 235 x 105 x 90mm
NiCad or Alkaline Battery Belt	1.2 kg, 540 x 100 x 40mm
Lead-Acid Battery Cartridge	1.8 kg, 235 x 105 x 90mm
Lead-Acid Battery Belt	1.8 kg, 540 x 100 x 40mm
Sensor	1.2 kg, 56mm diameter x 200mm
Gradient Sensor (0.5 m separation - standard)	2.1 kg, 56mm diameter x 790mm
Gradient Sensor (1.0 m separation - optional)	2.2 kg, 56mm diameter x 1300mm
Standard System Complement	Instrument console; sensor; 3-meter cable, aluminum sectional sensor staff, power supply, harness assembly, operations manual.
Base Station Option	Standard system plus 30 meter cable
Gradiometer Option	Standard system plus 0.5 meter sensor

E D A Instruments Inc.
4 Thorncliffe Park Drive
Toronto, Ontario
Canada M4H 1H1
Telex: 06 23222 EDA TOR
Cable: Instruments Toronto
(416) 425 7800

In U.S.A.
E D A Instruments Inc.
5151 Ward Road
Wheat Ridge, Colorado
U.S.A. 80033
(303) 422 9112

Printed in Canada

Ontario Ministry of Northern Development and Mines

Declaration of Assessment Work Performed on Mining Land

Mining Act, Subsection 65(2) and 66(3), R.S.O. 1990

Transaction Number (office use): W9860.00545

Assessment Files Research Imaging

41015SW2006 2.18492 GREENLAW

900

lty of subsections 65(2) and 66(3) of the Mining Act. Under section 8 of the
1 to review the assessment work and correspond with the mining land holder.
ing Recorder, Ministry of Northern Development and Mines, 6th Floor,

Instructions: - For work performed on Crown Lands before **recording** a claim, use form 0240.
- Please type or print in ink.

1. Recorded holder(s) (Attach a list if necessary)

Name: T. OBRADOVICH	Client Number: 177382
Address: 21 GEOFISH ROAD. KIRKLAND LAKE, ONTARIO	Telephone Number: 705 - 567-6883. Fax Number: 705 - 567-6873
Name: 2973090 CANADA INC	Client Number: 300337
Address: 21 GEOFISH ROAD. KIRKLAND LAKE, ONTARIO	Telephone Number: 705: 567-6883 Fax Number: 705 - 567-6873

2. Type of work performed: Check (✓) and report on only ONE of the following groups for this declaration.

☒ Geotechnical: prospecting, surveys, assays and work under section 18 (regs) ☐ Physical: drilling, stripping, trenching and associated assays ☐ Rehabilitation

		Office Use
Work Type: MAGNETIC SURVEY, PROS & ASSESSMENT REPORTS.		Commodity
		Total $ Value of Work Claimed: $3664
Dates Work Performed: From 15 Day 05 Month 98 Year To 22 Day 05 Month 98 Year		NTS Reference
Global Positioning System Data (if available)	Township/Area: GREENLAW TWP	Mining Division: Porcupine
	M or G-Plan Number:	Resident Geologist District: Timmins

Please remember to: - obtain a work permit from the Ministry of Natural Resources as required;
- provide proper notice to surface rights holders before starting work;
- complete and attach a Statement of Costs, form 0212;
- provide a map showing contiguous mining lands that are linked for assigning work;
- include two copies of your technical report.

3. Person or companies who prepared the technical report (Attach a list if necessary)

Name: EXSICS EXP LTD	Telephone Number: 705-267-4151
Address: Box 1880, TIMMINS ONT P4N-7K1	Fax Number: 705-264-5790.
Name:	Telephone Number:
Address:	Fax Number:
Name:	Telephone Number:
Address:	Fax Number:

RECEIVED MAY 20 1998 9:55 GEOSCIENCE ASSESSMENT OFFICE

RECEIVED MAY 22 1998 2:47 PM PORCUPINE MINING DIVISION

4. Certification by Recorded Holder or Agent

I, JOHN C. GRANT (Print Name), do hereby certify that I have personal knowledge of the facts set forth in this Declaration of Assessment Work having caused the work to be performed or witnessed the same during or after its completion and, to the best of my knowledge, the annexed report is true.

Signature of Recorded Holder or Agent: J.C.Grant		Date: May 22/98
Agent's Address: Box 1880, TIMMINS ONT P4N-7K1	Telephone Number: 705-267-4151	Fax Number: 705-264-5790

Received Aug 20/98

0241 (02/96)

5. Work to be recorded and distributed. Work can only be assigned to claims that are contiguous (adjoining) to the mining land where work was performed, at the time work was performed. A map showing the contiguous link must accompany this form.

W9860.00545

Mining Claim Number. Or if work was done on other eligible mining land, show in this column the location number indicated on the claim map.		Number of Claim Units. For other mining land, list hectares.	Value of work performed on this claim or other mining land.	Value of work applied to this claim.	Value of work assigned to other mining claims.	Bank. Value of work to be distributed at a future date.
eg	TB 7827	16 ha	$26, 825	N/A	$24,000	$2,825
eg	1234567	12	0	$24,000	0	0
eg	1234568	2	$ 8, 892	$ 4,000	0	$4,892
1	P-1204282	8	$2,443.00	0	$2443.00	.00
2	P-1204283	6	$1221.00	3,664.00	—	.00
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
		Column Totals	3,664.00	3,664.00	2,443.00	0

I, _____ (Print Full Name), do hereby certify that the above work credits are eligible under subsection 7 (1) of the Assessment Work Regulation 6/96 for assignment to contiguous claims or for application to the claim where the work was done.

Signature of Recorded Holder or Agent Authorized in Writing	Date
	May 22/98

6. Instructions for cutting back credits that are not approved.

Some of the credits claimed in this declaration may be cut back. Please check (✓) in the boxes below to show how you wish to prioritize the deletion of credits:

- ☐ 1. Credits are to be cut back from the Bank first, followed by option 2 or 3 or 4 as indicated.
- ☐ 2. Credits are to be cut back starting with the claims listed last, working backwards; or
- ☒ 3. Credits are to be cut back equally over all claims listed in this declaration; or
- ☐ 4. Credits are to be cut back as prioritized on the attached appendix or as follows (describe):

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Note: If you have not indicated how your credits are to be deleted, credits will be cut back from the Bank first, followed by option number 2 if necessary.

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Deemed Approved Date	Date Notification Sent
Date Approved	Total Value of Credit Approved
Approved for Recording by Mining Recorder (Signature)	

0241 (02/96)

Ontario Ministry of Northern Development and Mines

Statement of Costs for Assessment Credit

Transaction Number (office use): W9860.00545

Personal information collected on this form is obtained under the authority of subsection 6(1) of the Assessment Work Regulation 6/96. Under section 8 of the Mining Act, the information is a public record. This information will be used to review the assessment work and correspond with the mining land holder. Questions about this collection should be directed to the Chief Mining Recorder, Ministry of Northern Development and Mines, 6th Floor, 933 Ramsey Lake Road, Sudbury, Ontario, P3E 6B5.

Work Type	Units of Work Depending on the type of work, list the number of hours/days worked, metres of drilling, kilometres of grid line, number of samples, etc.	Cost Per Unit of work	Total Cost
TOTAL FIELD MAGNETIC SURVEY	17.4 Km	100.00/Km	$1,740.00
PLOTTING OF MAG SURVEYS	8 HOURS TOTAL	45.00/HR	$360.00
4/SETS OF CONTOURS, 2/W			
4/SETS OF ASSESSMENT	4/SETS OF REPORTS	$350/day	$525.00
REPORTS/FILING SAME	1.5 DAYS		
Associated Costs (e.g. supplies, mobilization and demobilization).			
FIXED WING, R. BENNET, GOGAMA.		152.-/TRIP X4	
BEAVER **Transportation Costs**	ALL INC.	TAXES + GST.	$652.00
DIANE CRUZ & GREG TIMMINS, GOGAMA-TIMMINS.		152.00 ALL	$152.00
DRIVE 374 Km RETURN **Food and Lodging Costs**		111/DAY/Km	
	GST.	7%	345.00
			239.75
		Total Value of Assessment Work	3,664.75

Calculations of Filing Discounts:

1. Work filed within two years of performance is claimed at 100% of the above Total Value of Assessment Work.
2. If work is filed after two years and up to five years after performance, it can only be claimed at 50% of the Total Value of Assessment Work. If this situation applies to your claims, use the calculation below:

TOTAL VALUE OF ASSESSMENT WORK × 0.50 = Total $ value of worked claimed.

Note:
- Work older than 5 years is not eligible for credit.
- A recorded holder may be required to verify expenditures claimed in this statement of costs within 45 days of a request for verification and/or correction/clarification. If verification and/or correction/clarification is not made, the Minister may reject all or part of the assessment work submitted.

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2:48pm
PORCUPINE

Certification verifying costs:

I, Donald C. Grant (please print full name), do hereby certify, that the amounts shown are as accurate as may reasonably be determined and the costs were incurred while conducting assessment work on the lands indicated on the accompanying Declaration of Work form as Agent (recorded holder, agent, or state company position with signing authority) I am authorized to make this certification.

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MAY 25 1998
9:55 GR
GEOSCIENCE ASSESSMENT OFFICE

Signature	Date

Ministry of
Northern Development
and Mines

Ministère du
Développement du Nord
et des Mines

Ontario

Geoscience Assessment Office
933 Ramsey Lake Road
6th Floor
Sudbury, Ontario
P3E 6B5

Telephone: (888) 415-9846
Fax: (705) 670-5881

Visit our website at:
www.gov.on.ca/MNDM/MINES/LANDS/mlsmnpge.htm

August 13, 1998

THOMAS JOHN ELI OBRADOVICH
P.O. BOX 1146
KIRKLAND LAKE, Ontario
P2N-3M7

Dear Sir or Madam:

Submission Number: 2.18492

Subject: Transaction Number(s):		**Status**
	W9860.00545	Deemed Approval

We have reviewed your Assessment Work submission with the above noted Transaction Number(s). The attached summary page(s) indicate the results of the review. WE RECOMMEND YOU READ THIS SUMMARY FOR THE DETAILS PERTAINING TO YOUR ASSESSMENT WORK.

If the status for a transaction is a 45 Day Notice, the summary will outline the reasons for the notice, and any steps you can take to remedy deficiencies. The 90-day deemed approval provision, subsection 6(7) of the Assessment Work Regulation, will no longer be in effect for assessment work which has received a 45 Day Notice. Allowable changes to your credit distribution can be made by contacting the Geoscience Assessment Office within this 45 Day period, otherwise assessment credit will be cut back and distributed as outlined in Section #6 of the Declaration of Assessment work form.

Please note any revisions must be submitted in DUPLICATE to the Geoscience Assessment Office, by the response date on the summary.

If you have any questions regarding this correspondence, please contact Lucille Jerome by e-mail at jeromel2@epo.gov.on.ca or by telephone at (705) 670-5858.

Yours sincerely,

ORIGINAL SIGNED BY
Blair Kite
Supervisor, Geoscience Assessment Office
Mining Lands Section

Correspondence ID: 12661

Copy for: Assessment Library

Work Report Assessment Results

Submission Number: 2.18492

Date Correspondence Sent: August 13, 1998 **Assessor:** Lucille Jerome

Transaction Number	First Claim Number	Township(s) / Area(s)	Status	Approval Date
W9860.00545	1204282	GREENLAW	Deemed Approval	August 12, 1998

Section:
14 Geophysical MAG

Correspondence to:

Resident Geologist
South Porcupine, ON

Assessment Files Library
Sudbury, ON

Recorded Holder(s) and/or Agent(s):

John C. Grant
TIMMINS, ONTARIO, CANADA

THOMAS JOHN ELI OBRADOVICH
KIRKLAND LAKE, Ontario

2973090 CANADA INC.
VAL D'OR, QUEBEC

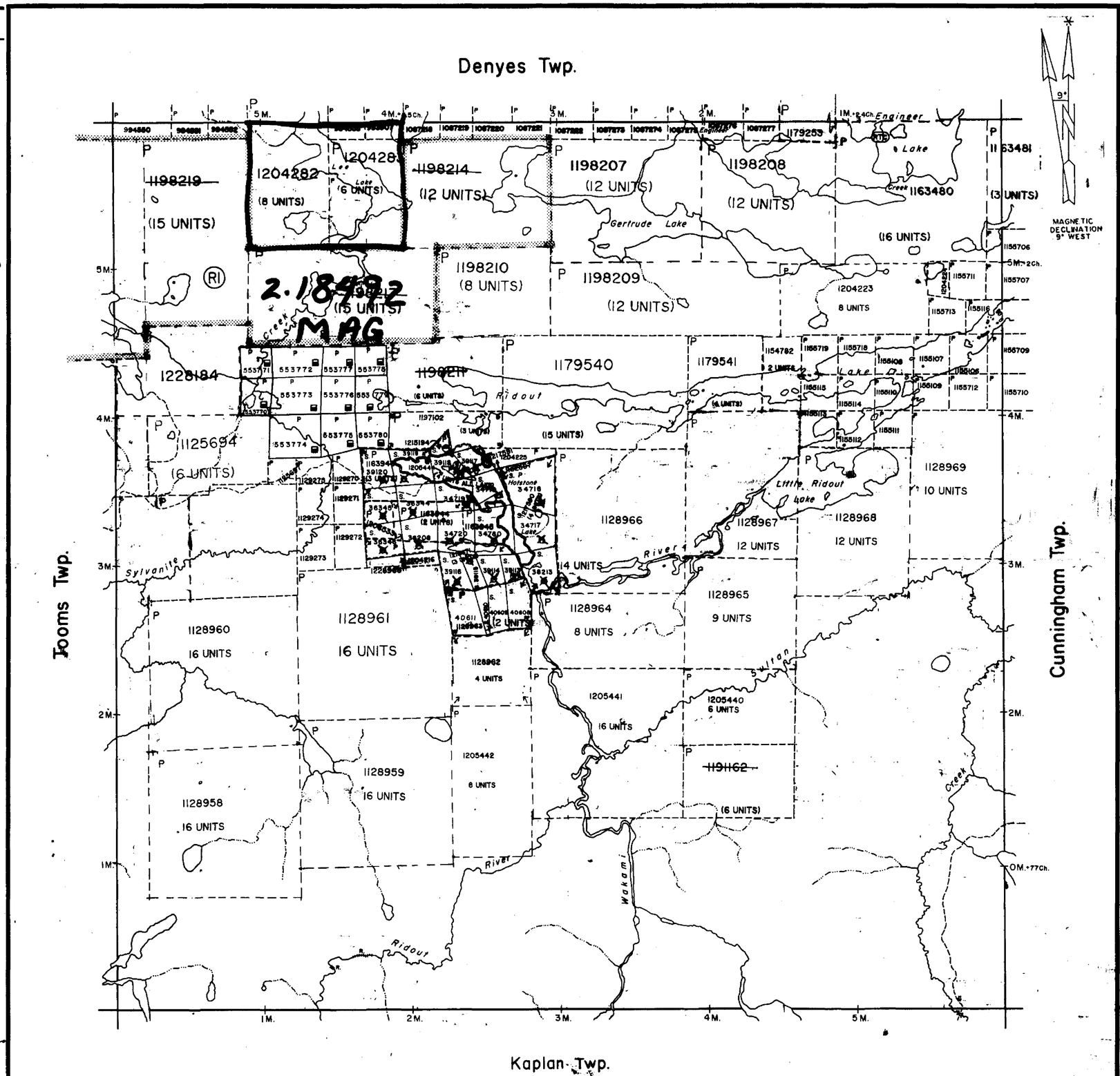
Correspondence ID: 12661

REFERENCES

AREAS WITHDRAWN FROM DISPOSITION

M.R.O. – MINING RIGHTS ONLY
S.R.O. – SURFACE RIGHTS ONLY
M.+ S. – MINING AND SURFACE RIGHTS

Description	Order No.	Date	Disposition	File
(RTC)–REMOTE TOURIST CAMP				
(RI) SEC.35	W-P-6/98 NER	26/01/98	M+S	195150



LEGEND

- HIGHWAY AND ROUTE No.
- OTHER ROADS
- TRAILS
- SURVEYED LINES:
  - TOWNSHIPS, BASE LINES, ETC.
  - LOTS, MINING CLAIMS, PARCELS, ETC.
- UNSURVEYED LINES:
  - LOT LINES
  - PARCEL BOUNDARY
  - MINING CLAIMS ETC.
- RAILWAY AND RIGHT OF WAY
- UTILITY LINES
- NON-PERENNIAL STREAM
- FLOODING OR FLOODING RIGHTS
- SUBDIVISION OR COMPOSITE PLAN
- RESERVATIONS
- ORIGINAL SHORELINE
- MARSH OR MUSKEG
- MINES
- TRAVERSE MONUMENT

DISPOSITION OF CROWN LANDS

TYPE OF DOCUMENT	SYMBOL
PATENT, SURFACE & MINING RIGHTS	●
" , SURFACE RIGHTS ONLY	◒
" , MINING RIGHTS ONLY	◒
LEASE, SURFACE & MINING RIGHTS	■
" , SURFACE RIGHTS ONLY	▣
" , MINING RIGHTS ONLY	▣
LICENCE OF OCCUPATION	▼
ORDER-IN-COUNCIL	OC
RESERVATION	◔
CANCELLED	⊗
SAND & GRAVEL	◔

NOTE: MINING RIGHTS IN PARCELS PATENTED PRIOR TO MAY 6, 1913, VESTED IN ORIGINAL PATENTEE BY THE PUBLIC LANDS ACT, R.S.O. 1970, CHAP. 380, SEC. 63, SUBSEC 1.

SCALE: 1 INCH = 40 CHAINS

FEET 0 1000 2000 4000 6000 8000
METRES 0 200 1000 (1 KM) 2000 (2 KM)

TOWNSHIP

GREENLAW

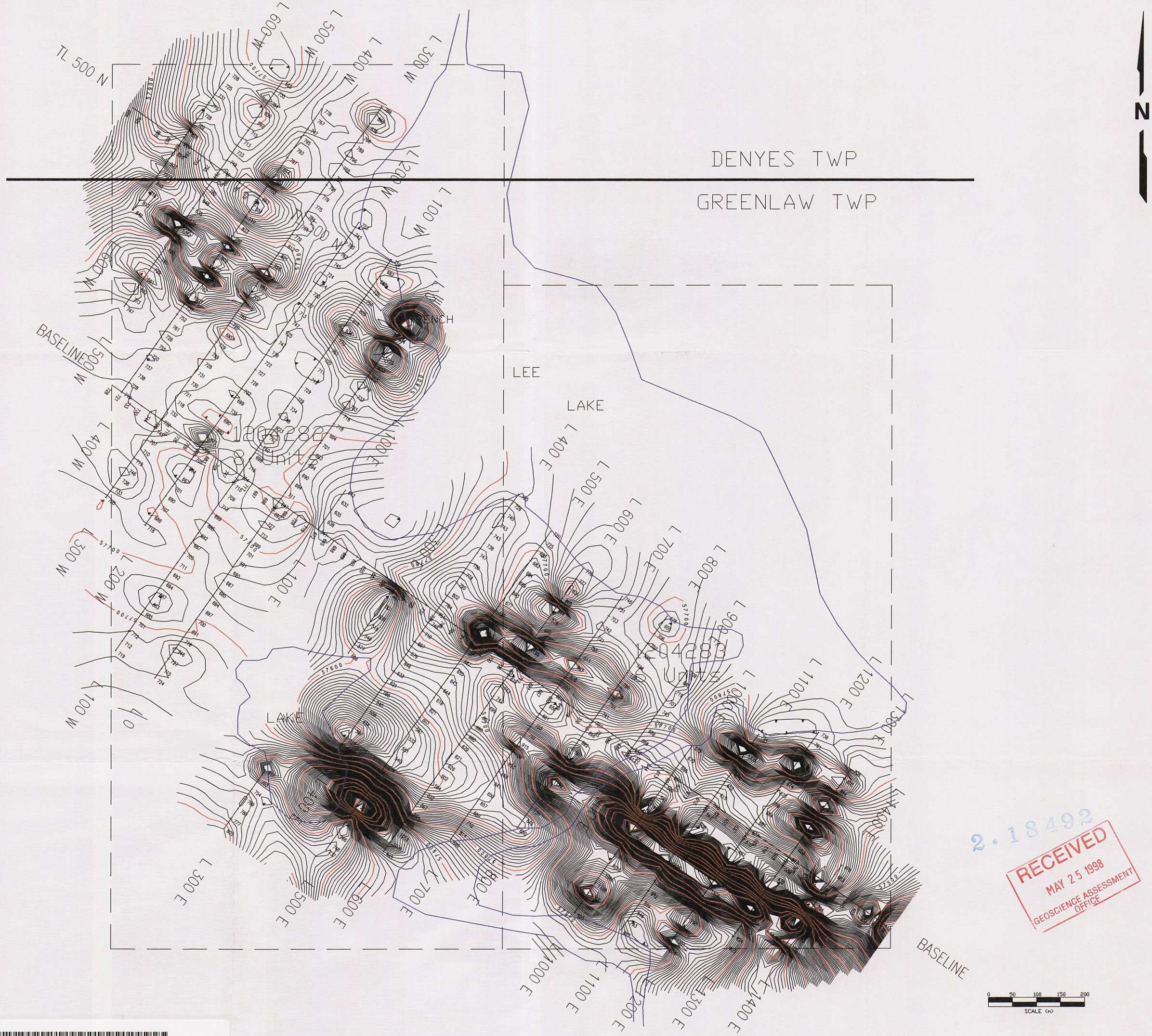
M.N.R. ADMINISTRATIVE DISTRICT
CHAPLEAU
MINING DIVISION
PORCUPINE
LAND TITLES / REGISTRY DIVISION
SUDBURY

Ontario Ministry of Natural Resources
Ministry of Northern Development and Mines

Date MARCH, 1985
ACTIVATED OCTOBER 21, 1992 BY D.C.
CHECKED BY B.B.

Number G-3235

41015SW2006 2.18492 GREENLAW 200



2.18492

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MAY 25 1998
GEOSCIENCE ASSESSMENT OFFICE

41015SW2006 2.18492 GREENLAW 210

LEGEND
Instrument: SCINTREX ENVI MAG, BRGM OMNI-IV
Parameters Measured: Earth's total magnetic field
Accuracy: +/- 0.1 nano-teslas
Diurnals: Corrected by base station recorder
Contour Interval: 0,10,20,30,40,50,.....
Reference Field: 57,700 gammas
Datum Subtracted: 57,000 gammas

EXSICS EXPLORATION LTD.
P.O. Box 1880, P4N-7X1
Suite 13, Hollinger Bldg, Timmins Ont.
Telephone: 705-267-4151, 267-2424

CLIENT: T. OBRADOVICH
PROPERTY: GREENLAW TWP PROPERTY
TITLE:

MAGNETOMETER SURVEY

Date: May 1998	Scale: 1:5000	NTS:
Drawn: P.Gauthier	Interp: J.C.Grant	Job No.: E-321