Claims 1151241 and 1151242

N.E. GARVEY TOWNSHIP

(Porcupine Division)

Report on Sampling & Testwork of the Dune Sands

John Hartley Morgan

December 2000

For Assessment

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APPENDIX

Author's Qualifications

Honour Mods. (Oxon) 1956. Geology, Botany, Chemistry

B.A. Forestry (Oxon) 1958

M.A. Forestry (Oxon) 1962

M.B.A. (Business Admin.) Toronto Univ. 1963

The author has been a Prospector for over 15 years, with claims in good standing in Coldwell Twp. (Thunder Bay Div.) and Garvey Twp. (Porcupine Div.)

ABSTRACT

The OFR 5445 investigation of the bedded sands along Hwy. 560 in Garvey Twp. as an economic resource was found to be applicable to the dune sands along Hwy. 560 (A) as well.

Both types of sand were tested as a Smelter Flux with positive results.

Except for its smaller particle size, the dune sand closely resembles the bedded sand in chemical and mineral composition. As the bedded sand was successfully tested for Foundry castings, the dune sand should be tested likewise.

Zemex Industrial Minerals Corp. (US) is currently conducting testwork on both sand types.

Introduction

These 2 claim blocks, each of 6 units, are contiguous, and were staked this year as a Silica sand prospect. In many respects, the sand closely resembles that on the author's claim 1151240 to the N. That claim falls within the Ontario Geological Survey's OFR of 1983, entitled The Westree Sands by G.R. Guillet.

The claims 1151241 and 1151242 cover extensive dune sand material which is closer to the surface. The dune sands had not been previously mapped in detail or investigated as an economic resource, which is what this report attempts to address for the first time.

Location and Access

The two claims together comprise 12 sixteen-hectare units (see map, page 4) along Highway 560 (A), an all-weather gravel road NE of the village of Westree.

To the N. lies the paved Highway 560. This runs W. to the main Hwy. 144 beteween Sudbury and Timmins. Close by is the CNR passenger station at Westree, and a rail siding at Ostrom (see the map, page 5)

Infrastructure

Apparently this is favourable. Excellent roads exist within both claim blocks. The distance by road to Sudbury or Timmins is about 170 km.

Declination 10° W (4

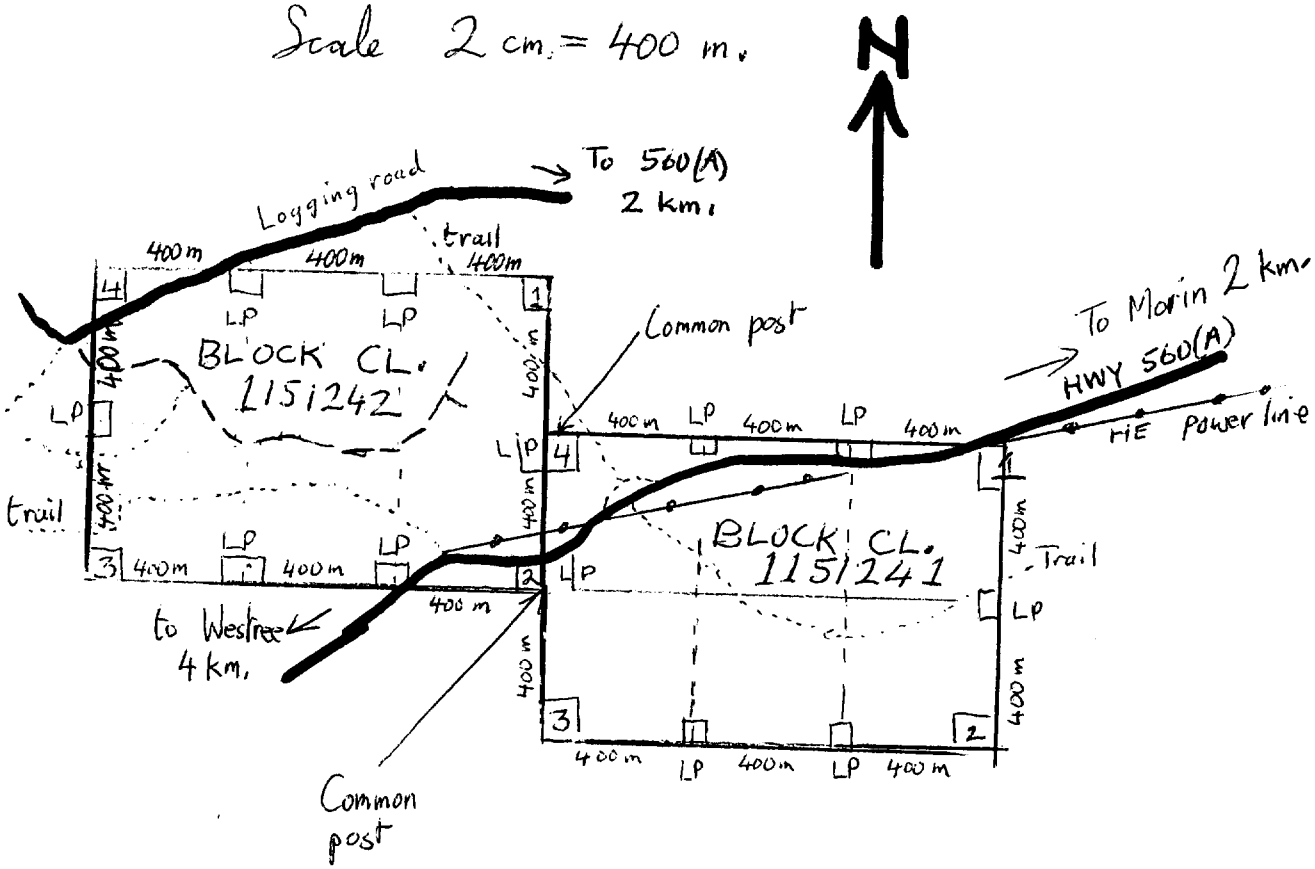
Scale 2 cm = 400 m

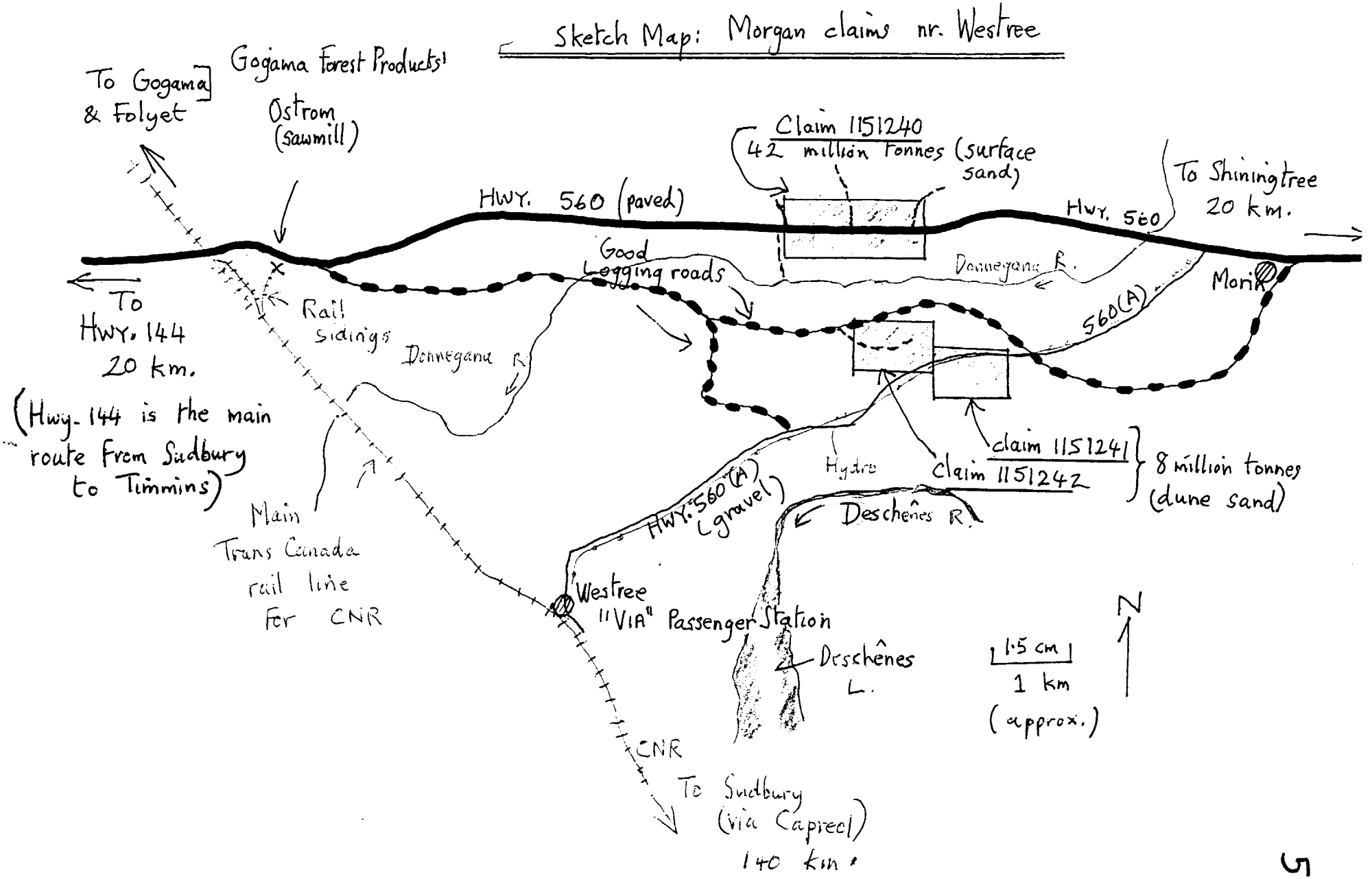
CLAIM MAP

NE PART GARVEY TWP. G-974

(Porcupine Div., Gogama Dist.)

Scale 2 cm. = 400 m.




Sketch Map: Morgan claims nr. Westree
To Gogama & Folyet
Gogama Forest Products' Ostrom (sawmill)
Claim 1151240
42 million tonnes (surface sand)
To Shiningtree 20 km.
HWY. 560 (paved)
HWY. 560
Good Logging roads
Donnegana R.
Donnegana R.
Rail sidings
To HWY. 144 20 km.
(Hwy. 144 is the main route from Sudbury to Timmins)
560(A)
Morin
claim 1151241
claim 1151242
8 million tonnes (dune sand)
Hydro
HWY. 560(A) (gravel)
Deschênes R.
Main Trans Canada rail line for CNR
Westree
"VIA" Passenger Station
Deschênes L.
1.5 cm
1 km
(approx.)
N
CNR
To Sudbury (via Capreol)
140 km.

Accomodation is readily available at the villages of Westree, Morin, or the truck stop at Highway 144. There is a roadbed for an additional rail siding at Westree. Passenger trains stop nearly every day at that station. Road building is easy, and good logging roads are maintained by Domtar Inc. of Timmins.

There are no buildings or private properties on the claims. Gogama Forest Products has a Jackpine sawmill (mostly for 2 x 4 lumber) at Ostrom. In addition, this Company, with an aggregate pit nearby, constructs roads under contract to Domtar.

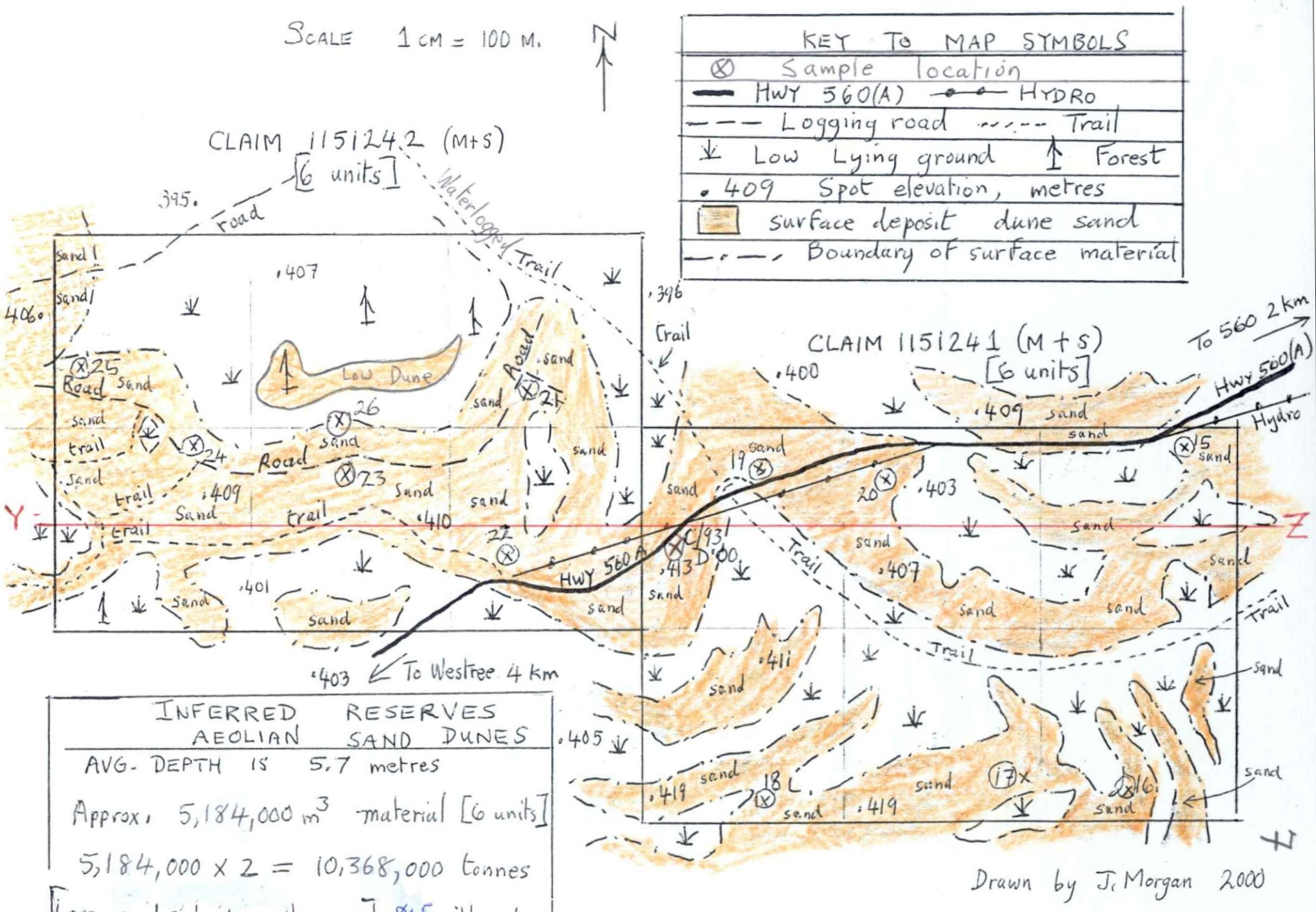
A hydro line runs alongside Hwy. 560 (A), and there is water available nearby in the Deschênes River.

Type of Deposit

The claims cover glacial deposits, mainly of aeolian origin, in the form of very large crescent-shaped dunes (see map, p. 7) On claim 1151241, the dunes are larger, reaching a height of 10-15 meters, and still slowly advancing in a SSE direction. On the lee side, the dunes are steeper and with patches devoid of vegetation. In lateral extent, these dunes range from 400 to 1,600 meters from W to E .

Overall, the advance of the dunes has been greatly slowed by a prolific regeneration of Jackpine, despite clear-cutting in large blocks. The slow natural regeneration has been augmented by planting. In between the dunes are low-lying, swampy areas, with Black Spruce and Balsam Fir. In such places, the drainage rapidly deteriorates after clear cutting, and regeneration is very slow.

GARVEY TWP. (NE) BLOCK CLAIM SAND RESERVES



INFERRED RESERVES AEOLIAN SAND DUNES

AVG. DEPTH IS 5.7 metres

Approx. 5,184,000 m^3 material [6 units]

5,184,000 x 2 = 10,368,000 tonnes

[Less road & hydro allowances] 8.5 million tonnes

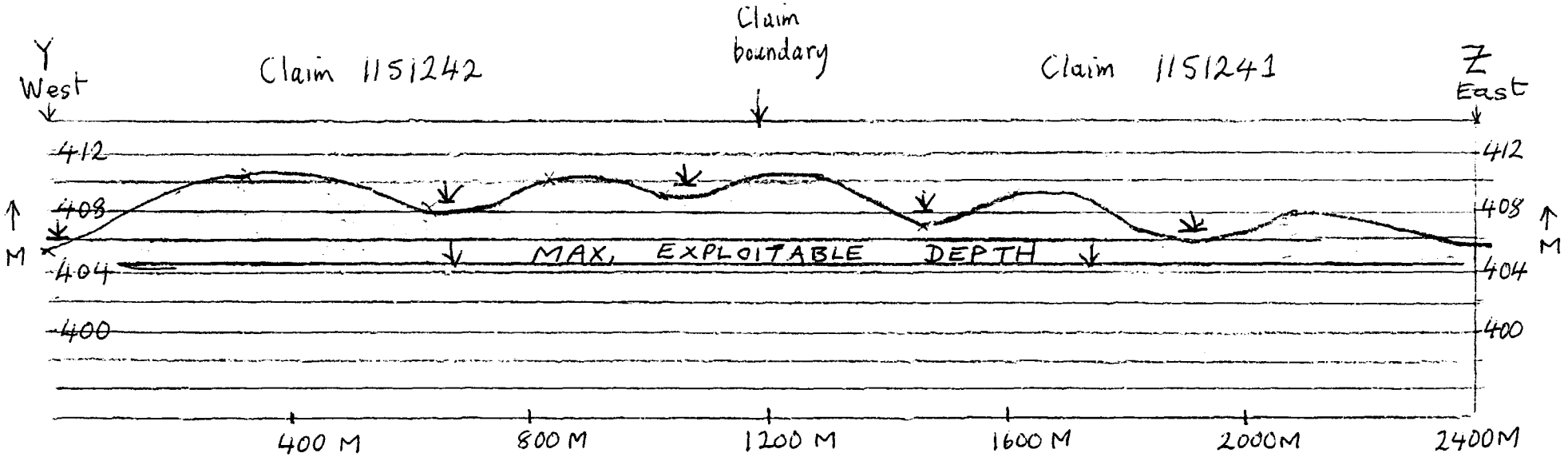
Drawn by J. Morgan 2000

GARVEY TWP. (Claims 1151241 & 1151242) DUNE SANDS

VERT. SECTION. FACING N. ALONG LINE Y to Z.

HORIZONTAL SCALE 1 CM = 100 M. VERT. 1 CM = 4 M.

↓ Swampy area



Drawn by J. Morgan, 2000

About 45% of the total claimed area is low lying and swampy. However, the swamps are not that deep and are easily drained. For the most part, they could be crossed on foot in May, without too much trouble, which suggests that the depth to bedrock is not very great.

Origin of the Deposit

Because of extensive overburden, the area is geologically unmapped, but recent work by the Geological Survey of Canada suggests that the claims may be underlain by the Chester Granitoid Complex. Evidence suggests that the aeolian sands were blown from the NNW. The mineral composition of them points to a quartz-rich granodiorite as the likely source rock. See Assessment Report W0060.00324 by Morgan, (claim 1151240) for more detail.

Chemical and Mineral Composition

In 1993, Morgan took a one kg. surface sample "C" (see the sample location map on page 7) This was assayed by Chemex Labs. Ltd., in comparison with sample "B" taken from claim 1151240. (see the Assay Certificate in the appendix, p. 19).

The results show a close similarity in chemical and mineral composition. Silica (quartz) about 72%, Feldspar about 22%, Mica 3.5%. Minor minerals (primarily Olivine, Titanite, Diopside and Apatite about 2%.

Sodium Feldspar and Potassium Feldspar in the ratio 3 : 2 . In general, the chemical results agree with that of OFR 5445 in its appendix 1-12. The approximate mineral composition could be estimated fairly accurately by inspection under a hand lens.

Sampling Procedure

In June this year, a bulk triplicate sample "D" of about 10 kg., and 12 smaller triplicate samples (of about 0.4 kg. each) were taken over a 7 day period. Sample "D" was taken from a large dune at the same location as sample "C" in 1993. The others, numbered 15 to 26 inclusive, came from dunes within each of the 12 claim units. The sample dates were:

June 3	"D" (bulk)
June 4	15, 16
June 5	17, 18
June 6	19, 20
Ju. 7	21, 22
Ju. 8	23, 24
Ju, 9	25, 26

The exact location of samples 15-26 were chosen at random upon a dune in each claim unit. After removing the organic layer, a hole about 0.4 m. deep was dug with a spade, and then the sample was taken from the bottom. Each sample was placed in a waterproof plastic bag, then sealed, with the date and number recorded on the outside. The location of each sample was then recorded on a 1:5,000 scale map (see the envelope, in the appendix, and see also page 7)

The triplicate samples (of "D" and 15-26) were disposed of as follows:- one set to the Resident Geologist, Timmins. One set to Falconbridge Ltd. at S. Porcupine, for testing as Smelter Flux. One set was retained for testing by other Companies, and also for testing by the author.

Sample Test Results

In 1993, a bulk sample from nearby claim 1151240, which is 2 km. to the NW, was successfully tested as a Foundry sand for rough castings (see Assessment Report W0060.00324) Because the dune sand is similar except for a slightly smaller particle size, it is believed that it would also serve for this purpose. In fact, the more rounded particles of the dune sand could result in smoother surfaces on castings, which is a positive factor.

Falconbridge Ltd. tested the dune sand samples with positive results, although their personnel did not provide details (see the letter in the appendix, page 20).

Zemex Industrial Minerals Corporation (Head Office in Atlanta, GA., USA) requested a 3 kg. sample, which was sent on Oct. 31 to Alex Glover, Zemex Corp., P.O Box 99, Spruce Pine, North Carolina. Test results are awaited. This Corporation produces over 300,000 tonnes a year silica sand for industrial and construction use. It also produces sodium and potassium feldspar (by flotation) for glass and ceramic applications. Zemex has Canadian subsidiaries.

In addition (see correspondence with the Consumers' Glass Co. in the appendix, pp 21, 22) testwork may be undertaken to determine whether the sand can be used as a low cost additive to the batch melt in the manufacture of brown glass.

Particle Size Analysis of Samples

Ten g. of sand from each of the 12 samples was mixed, and then dried at room temperature. The resultant 120 g. was then put through 4 successive sieves with apertures going from larger to smaller:

Mesh size US Stnd.	Approximate % Aperture mm	Weight Indiv.	Cumulative
10	2.0	0.00	0.00
14	1.4	3.01	3.01
18	1.0	20.80	23.81
40	0.4	49.18	72.99
--	-0.4	27.00	99.99

It appeared that the dune sand was relatively uniform over a wide area. The particle diameter varied over the narrow range of less than 0.01 mm to just under 1.4 mm. Also that the average particle size, with a diameter of about 0.4 mm, was smaller than that of claim 1151240 to the N. A superficial examination under a X 16 hand lens indicated that the particles were subangular but slightly more rounded than those in claim 1151240.

A type of hydrated, rotting mica--about 1%--resembling flakes of Vermiculite, was noted. This had a pseudo-gold appearance under the hand lens.

Dune Reserves

The average exploitable depth of the dunes is about 5.7 meters. (see the vertical section, page 8). It is estimated that the dune sand covers about half the claimed surface area, with about 5,184,000 cubic meters of sand, (10,368,000 tonnes) Less road and hydro allowances, the total reserves would be about 8.5 million tonnes. These reserves could probably increase by dunes adjacent to the claimed area but outside it.

Markets

Possible markets were discussed in the Assessment Report W0060.00324 for claim 1151240. Markets depend partly on the sand specifications for various uses (see the appendix, p. 23)

A major problem is the transportation distance from Westree to urban centers where the biggest markets exist.

Rail freight is about one third less than road transport. The cheapest form of transport is by Great Lakes shipping, which can be 20% less than rail freight.

For low-priced, unbeneficiated raw materials, the transportation distance is critical. Bulk limestone aggregates are sent by ship by Lafarge to US ports from Manitoulin Is.

However, this material is quarried nearby. Beneficiated or partly processed industrial minerals can be transported more profitably to distant markets. For example, Unimin quarries Quartzite near Manitoulin Island, then ships it by barge to Midland, where it is processed for sale in Southern Ontario. The total distance involved to Toronto is about 388 km.

Westree is 150 km. further by rail. It is possible that its sand can be sold for rough foundry castings in the Hamilton area, but testing is required to determine this.

Another possibility is Smelter Flux. Falconbridge Ltd., near Timmins does not pay much, but regards the Westree sand as a possible future source of supply.

At Sudbury, Inco uses nearly one million tonnes annually of Smelter Flux, which it gets from its quarry in Curtin Township, near Espanola. This source is Quartzite, wahich has to be quarried, crushed, and pulverized. The transport distance is about 45 km. to Copper Cliff. While the Westree sand is 160 km. away, it does not require so much costly processing, and can be easily loaded into rail hopper cars by a vacuum hose equipped with a filter. This boils down to questions of transport logistics, freight rates, and product prices, all of which are really beyond the scope of this report.

Another consideration is to establish processing plants at or near Westree, for example to separate the sand by flotation into its main constituents. According to OFR 5445, separation by flotation is not very difficult. It would then be more profitable to ship the separated products to distant markets. This is the modus operandus of Zemex Industrial Minerals Corporation.

Local markets nearby for the Westree sand are for:

- Local construction, e.g. roads
- Concrete products
- Winter road de-icing
- Fill

Conclusion and Recommendations

Testing the unbeneficiated material for Foundry rough castings is a priority. Such material should also be tested for sandblasting. The feldspar content reduces the hazard of silica dust. The raw sand should also be tested for the manufacture of low grade fibreglass wool. A production facility at Westree, for fibreglass insulation and for fibreglass barrier cloth in environmental applications, may be justified.

Mixtures of raw sand, together with highly pure glass sand should be tested for brown glass manufacture.

Lastly, transport cost logistics to urban markets should be researched in detail.

BIBLIOGRAPHY

Geol. Survey Canada Open File Report & Map 3384 (i) Westree, 1999

Guillet, G. Westree Sand Deposit, OGS OFR 5445, 1983

Industrial Mineral Paper 1 (a) OGS Ser. 1980

Industrial Mineral Paper # 2, OGS Ser. 1982

Industrial Minerals Consumer Surv. Cdn. Silica Sand, OGS 1992

Morgan, J. Hartley. Assessment: Prospecting claims 1151241 and 1151242, W0060.00303, Geoscience, MNDM Sudbury

Morgan, J. Hartley. Assessment: Sampling claim 1151240, W0060.00324, Geoscience, MNDM, Sudbury

Misc. Paper # 85: Silica in Ontario, OGS 1981

Open File Report 5236 Quartzite Deposits, L. Superior. OGS 1971

Open File Report 5526 Silica Markets, N. Ont. OGS 1984

Roed & Hallett N. Ont. Engineering Geol. Terrain Study 88, with Map 5022, OGS 1979

APPENDIX

Chemex Labs Ltd.

Analytical Chemists * Geochemists * Registered Assayers
5175 Timberlea Blvd., Mississauga,
Ontario, Canada L4W 2S3
PHONE: 416-624-2806

To: MORGAN, JOHN **

1003 - 682 WARDEN AVE.
SCARBOROUGH, ON
M1L 3Z5

Page Number :1
Total Pages :1
Certificate Date: 01-OCT-93
Invoice No. :I9321724
P.O. Number :
Account :HVR

Project :
Comments: Derived From Granodiorite source rock JM

CERTIFICATE OF ANALYSIS A9321724

SAMPLE	PREP CODE		Al2O3 %	CaO %	Cr2O3 %	Fe2O3 %	K2O %	MgO %	MnO %	Na2O %	P2O5 %	SiO2 %	TiO2 %	LOI %	TOTAL %
B	268	200	11.84	2.22	0.03	2.17	2.13	0.91	0.03	3.59	0.07	76.61	0.23	0.78	100.60
C	268	200	11.97	2.74	0.07	2.77	2.18	1.04	0.04	3.44	0.10	74.94	0.30	0.67	100.25
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)			

Feldspar
(a)(b)(c)
e)(f)(h)
JM

B Glaciolacustrine
C Aeolian

Note: C is slightly enriched in the lighter feldspar minerals, but there is very little difference in the chemical analysis of B compared to C

CERTIFICATION: Hart Bichler

FALCONBRIDGE LIMITED
Kidd Metallurgical Division

Custom Materials Department
P.O. Bag 2002
Highway 101 East
Timmins, Ontario P4N 7K1
Tel.: 705-235-8121 Ext 7709
Fax.: 705-235-7302
dquinn@kiddmet.falconbridge.com

KEEP MINING *In Canada*

DATE: June 19, 2000 No. of Pages: 2
TO: Mr. John Morgan
FROM: D'Arcy Quinn
SUBJECT: **Smelter Flux Project**

Dear Sir:

I would first like to thank you for the proposal that was presented to us. This sand is a material that we could use in the process. At this point in time Kidd Creek has no interest in purchasing any properties. Kidd Creek has ample resources of material feed and reasonable costs.

Kidd Creek, will keep this information of file for future needs. I am enclosing the original paperwork which was given to us, along with the photographs.

Once again, I thank for your interest and information.

Thank you,

D'Arcy Quinn
Custom Materials Dept.

John Hartley Morgan
215--2835 Lakeshore Blvd. W.
Etobicoke, Ont. M8V 3V8
tel.(416) 201 9072

Nov. 1, '00

James J. Keenan
Director, Raw Material Purchases

Consumers Glass
777 Kipling Ave.

Re: Your letter of Oct 30 (encl.)

Dear Sir:

Thanks for considering my sand deposit. I wonder if it could be mixed with the high purity silica from UNIMIN to lower impurities and provide you with some savings. For example, if you pay UNIMIN $100 a tonne, then an equal admixture of the two types could provide you with a saving of 35% (assuming the Westree sand costs $30 a tonne.) In this way you would be using the Westree sand as a low cost substitute for cullet in the manufacture of brown glass.

The result would be that iron would be reduced from 2.47% to 1.23% and alumina from 11.90% to 6.33% . In my report, the much greater number of Ont. Geol. Survey assays averaged 1.45% iron which is more accurate. In that case the admixture suggested above would reduce iron to only 0.73 %.

Would such a reduction of impurities in the Westree sand make it suitable for your brown glass manufacture at a saving of 35% or more in raw material costs?

Kindest regards,

Morgan

John ~~Hartley~~ Morgan
Ontario Prospector

cc: K. Cloud, Pres.
Ron Shirley
Jim Dimitry

22

Consumers Glass
A member of the Consumers Packaging Group

777 Kipling Avenue
Etobicoke, Ontario M8Z 5Z4
Telephone (416) 232-3000

October 30, 2000.

John Hartley Morgan,
215 – 2835 Lakeshore Blvd. West,
Etobicoke, Ontario, M8V 3V8.

Mr. Morgan;

An analysis of the sand specs you provided from a potential sand deposit near Timmins, Ontario indicated that while the natural sizing is favourable, the composition is not suitable for the manufacture of glass containers.

Our analysis shows that the alumina and iron content are well above maximums set within our specifications. Thank you, however, for your interest.

Sincerely,

James J. Keenan,
Director of Raw Material Purchases.

CC: Ken Cloud
Ron Shirley
Jim Dimitry

H:/sliddell/misc/john hartley morgan sand deposit

Approx. Specifications Sand Uses

End Use	% Silica	% Feldspar	% Iron	Specific gravity	Melting point	Avg. grain size	Grain shape
High Quality clear glass	99	0.06	< 0.04	2.65	1,475° C	< 1.00 mm	N/A
High quality Fibreglass cloth	99	0.07	< 0.04	2.64	1,474° C	325 mesh	N/A
High quality Foundry sand	96	2.0	< 2.0	2.63	1,473° C	0.6 mm	Round
Rough casting sand "River Sand"	71 (min.)	26.0 (max.)	< 2.4	2.58	1,400° C	0.8 mm	Sub angular or rounded
Smelter Flux	71 (min.)	26.0 (max.)	< 2.4	2.58	1,400° C	0.8 mm	Sub angular or rounded
Low grade - Fibreglass insulation	71 (min.)	26.0 (max.)	< 2.4	2.58	1,400° C	0.8 mm	Sub angular or rounded
Brown glass for beer bottles	84	< 15	< 1.0	2.60	1,450° C	0.8 mm	N/A

FAX 1-877-670-1555 from: John Morgan

THE Feldspar CORPORATION

A subsidiary of ZEMEX Corporation

P.O. Box 99, Spruce Pine, NC 28777

(828) 765-6500 Fax (828) 766-2110

ATTN JIM McCALLEY

re: Trans. # W0060.00482 claims 1151241-2 Garvey Twp. (45-d notice) John Morgan

February 21, 2001

Mr. John Morgan
215 – 2835 Lakeshore Blvd. W.
Etobicoke, Ont., Canada
M8V 3V8

Dear Mr. Morgan:

The Westree sand was tested on November 7, 2000, and was found to have excessive iron for anything that we would use.

It is our policy to not send out chemistry results from our lab due to past problems by doing so. There are many labs that you may have the chemistry performed.

Sincerely,

Alex Glover, PG
Corporate Geologist
The Feldspar Corporation

AG/sd

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)
W0060.00482
Assessment Files Research Imaging

41P06NW2004 2.20741 GARVEY 900

sections 65(2) and 66(3) of the Mining Act. Under section 8 of the Mining Act, this ent work and correspond with the mining land holder. Questions about this collection ient and Mines, 3rd Floor, 933 Ramsey Lake Road, Sudbury, Ontario, P3E 6B5.

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) 2.20741

Name JOHN HARTLEY MORGAN	Client Number 172343
Address 215--2835 LAKESHORE BLVD. W.	Telephone Number (416) 201-9072
ETOBICOKE, ONT. M8V. 3V8	Fax Number —
Name —	Client Number —
Address —	Telephone Number —
—	Fax Number —

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

Work Type SAMPLING & RELATED WORK THEREAFTER ✓	Office Use
	Commodity
	Total $ Value of Work Claimed 403.00
Dates Work Performed From 03 06 2000 To 09 06 2000 (Day / Month / Year)	NTS Reference
Global Positioning System Data (if available) N/A; Township/Area GARVEY TWP.	Mining Division Porcupine
M or G-Plan Number G-974	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 JOHN HARTLEY MORGAN	Telephone Number AS ABOVE
Address AS ABOVE	Fax Number —
Name —	Telephone Number —
Address —	Fax Number —
Name —	Telephone Number —
Address —	Fax Number —

4. Certification by Recorded Holder or Agent

I, JOHN HARTLEY MORGAN (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 Morgan		Date Dec. 6, 2000
Address AS ABOVE	Telephone Number AS ABOVE	Fax Number —

0241 (03/97)

RECEIVED
NOV 24 2000
GEOSCIENCE ASSESSMENT OFFICE

#2873

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.

W0060.00482

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	1151241	6	2015	2015	—	—
2	1151242	6	2016	2016	—	—
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
	Column Totals	12	4031	4031.	—	—

I, JOHN HARTLEY MORGAN (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
Morgan	Dec. 6, 2000

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):

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.

For Office Use Only

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

0241 (03/97)

RECEIVED
NOV 24 2000
GEOSCIENCE ASSESSMENT OFFICE

#2873

Ontario Ministry of Northern Development and Mines

Statement of Costs for Assessment Credit

Transaction Number (office use): W0060.00482

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, this 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 a Provincial Mining Recorder, Ministry of Northern Development and Mines, 3rd Floor, 933 Ramsey Lake Road, Sudbury, Ontario, P3E 6B5.

2.20241

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
Sampling	7 days @	240	1680.00
Sample delivery	0.5 days @	240/diem	120.00
Subsequent report	3.5 days @	300	1050.00
Associated Costs (e.g. supplies, mobilization and demobilization).			
Mobilisation & demobilisation	6 hrs. @	30	180.00
Supplies	7.5 days @	13	97.00
Transportation Costs			
420	km. @	0.45	189.00
Food and Lodging Costs			
11 days	@	65.00	715.00
		Total Value of Assessment Work	4,031.00

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 x 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.

Certification verifying costs:

I, JOHN HARTLEY MORGAN (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 RECORDED HOLDER (recorded holder, agent, or state company position with signing authority) I am authorized to make this certification.

Signature: Morgan Date: Dec. 6 2000

0212 (03/97)

RECEIVED
NOV 2 1 2000
GEOSCIENCE ASSESSMENT OFFICE

#2873

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

March 29, 2001

JOHN HARTLEY MORGAN
2835 LAKESHORE BLVD. W.
APT #215
ETOBICOKE, Ontario
M8V-3V8

Dear Sir or Madam:

Submission Number: 2.20741

Subject: Transaction Number(s):	**Status**
W0060.00482	Approval After Notice

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 JIM MCAULEY by e-mail at james.mcauley@ndm.gov.on.ca or by telephone at (705) 670-5858.

Yours sincerely,

Lucille Jerome

ORIGINAL SIGNED BY
Lucille Jerome
Acting Supervisor, Geoscience Assessment Office
Mining Lands Section

Correspondence ID: 15807
Copy for: Assessment Library

Work Report Assessment Results

Submission Number: 2.20741

Date Correspondence Sent: March 29, 2001 **Assessor:** JIM MCAULEY

Transaction Number	First Claim Number	Township(s) / Area(s)	Status	Approval Date
W0060.00482	1151241	GARVEY	Approval After Notice	March 26, 2001

Section:
17 Assays ASSAY

The response to the 45 day notice dated February 9, 2001 has been received. In addition, the faxed response from Zemex (the Feldspar Corporation) Corporation concerning their test results was also received. Accordingly, assessment work credit has been approved as outlined on the Declaration of Assessment Work Form accompanying this submission.

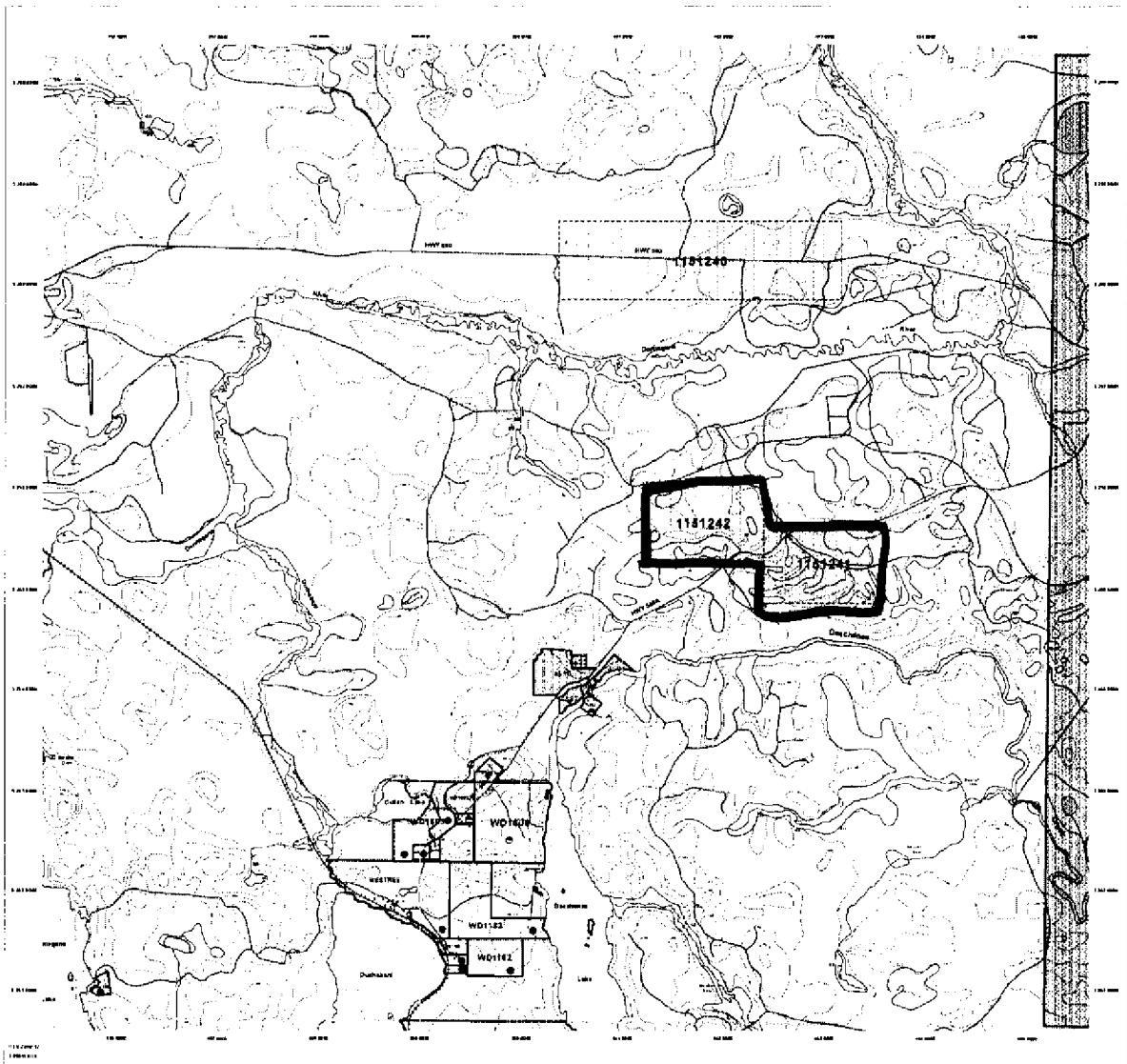
At the discretion of the Ministry, the assessment work performed on the mining lands noted in this work report may be subject to inspection and/or investigation at any time.

Correspondence to:
Resident Geologist
South Porcupine, ON

Assessment Files Library
Sudbury, ON

Recorded Holder(s) and/or Agent(s):
JOHN HARTLEY MORGAN
ETOBICOKE, Ontario

Correspondence ID: 15807



MINING LAND TENURE MAP

Date / Time of Issue: Apr 6 2001 11:33h Eastern

TOWNSHIP / AREA	PLAN
GARVEY	G-0974

ADMINISTRATIVE DISTRICTS / DIVISIONS

Mining Division	Porcupine
Land Titles/Registry Division	SUDBURY
Ministry of Natural Resources District	TIMMINS

TOPOGRAPHIC

LAND TENURE

LAND TENURE WITHDRAWALS

IMPORTANT NOTICES

LAND TENURE WITHDRAWAL DESCRIPTIONS

IMPORTANT NOTICES

2.20741
ASSAY

General Information and Limitations

41P06NW2004 2.20741 GARVEY 200

PLAN G-974 GARVEY TWP. [N.E. PART] BLOCK CLAIMS 1151241 + 1151242 (M+S) 6 UNITS EA. CLAIM. AEOLIAN SAND DUNES.

PORCUPINE MNG. DIV. GOGAMA DIST. BASE MAP 03-04-1992. SCALE 1:5000 OR 1 CM. = 50 M. MAP DRAWN BY J. MORGAN 24-05-2000

KEY TO SYMBOLS

Hwy. 560 (A)	X Sample location
Hydro electric power line	Low lying swampy area
Logging road	• 407 m. Elevation in metres (Spot)
Trail	Forest
Ref. grid line	LP Line post
Boundary of surface deposit	4 Corner post
Aeolian sand deposit	Claim boundary — unit boundary
	Direction Aeolian drift

FOREST
Pj Jackpine
Sb Black spruce
Bw White birch
Pa White poplar
BF Balsam Fir
A Alder
W Willow

N
Decl. 10° W.

BLOCK CLAIM 1151242 (6 UNITS) M+S

BLOCK CLAIM 1151241 (6 UNITS) M&S

To 560 (A) 2.5 Km.

To Westree

To Hwy. 560 2 km. & MORIN VILLAGE

4 km. to Westree village & CNR stop

Hwy. 560 (A)

Logging road

Old Trail

Hydro

Ref. Grid line

Ref. Grid Line

Low lying forest

Low Dune

Dune sand

Overgrown trail

Trail (water logged)

Cutover

Swamp

Low lying area

406m elev.

395 m elev

407m elev.

410 m.

419 m.

413m.

403m

407m.

411 m

419 m

412m.

408 m. Sand

46 10 00M E
46 20 00M E
46 30 00M E
46 40 00M E
525 60 00M N
525 55 00M N
525 50 00M N
525 45 00M N