



B.J. McKay Ltd.

**Nortem Mining and Exploration Inc.,
'Croxall-Vuksanovich' Silica Deposit,
Shaw Township**

Report of Work 2. 205 26
Stripping & Trenching

**Prepared by: B.J. McKay,
B.J. McKay Ltd.
Porcupine, Ontario**
Date: 13 September, 2000

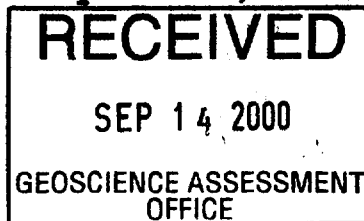




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Introduction

Nortem Mining conducted limited stripping and trenching in the work area in an attempt to locate bedrock.

Property Location and Access

The project is located approximately 20 km southeast of Timmins in Shaw Township. Refer to Figure 1.

Shaw Township is accessible via the Langmuir Road, which extends southward from Tisdale Street in South Porcupine. South Porcupine is located approximately 6 km east of Timmins. The property is accessible by crossing private property located on the north side of the Langmuir Road at the Redstone River Bridge. Refer to Figure 2.

Claims

The property, at the time of the work, consisted of 36 units covering approximately 500 ha. The claim numbers are: 1177843, 1226632, 1226633, 1227634, 1227635, 1228836, 1229262, 1229264, 1229265, 1229266, 1236782, 1236783, 1236784, 123563, 123564 and 1238565.

Topography and Vegetation

The topography of the area is flat with gentle rolling hills with approximately 30 meters of relief. Most of the hills are glaciated outcrop while others are glacial deposits of sand, clay and gravel. The highest elevation within the claim block, located immediately east of the area of work, is 331 meters above sea level. The local watersheds drain into the Redstone River which in turn drains into Nighthawk Lake.

Vegetation consists mainly of spruce, jackpine, poplar, birch and alders.

Previous Work

There is no previous work in the immediate area of work.

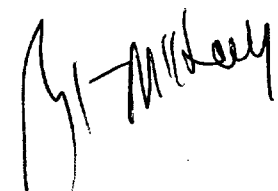
Present Work

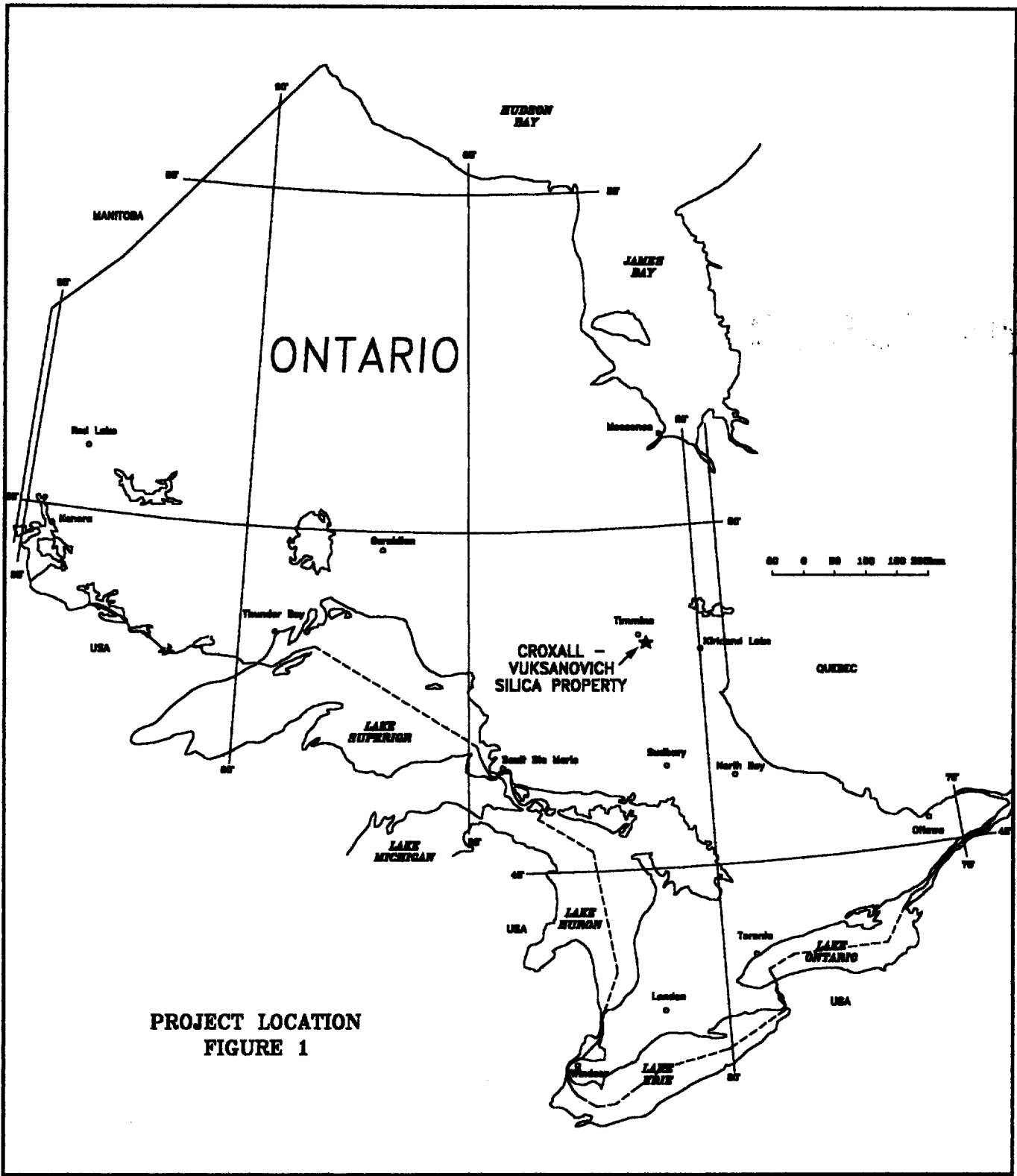
Stripping and trenching was conducted in the area to locate an additional source of silica. The area is centered on GPS co-ordinates: 491310E and 5363010N.

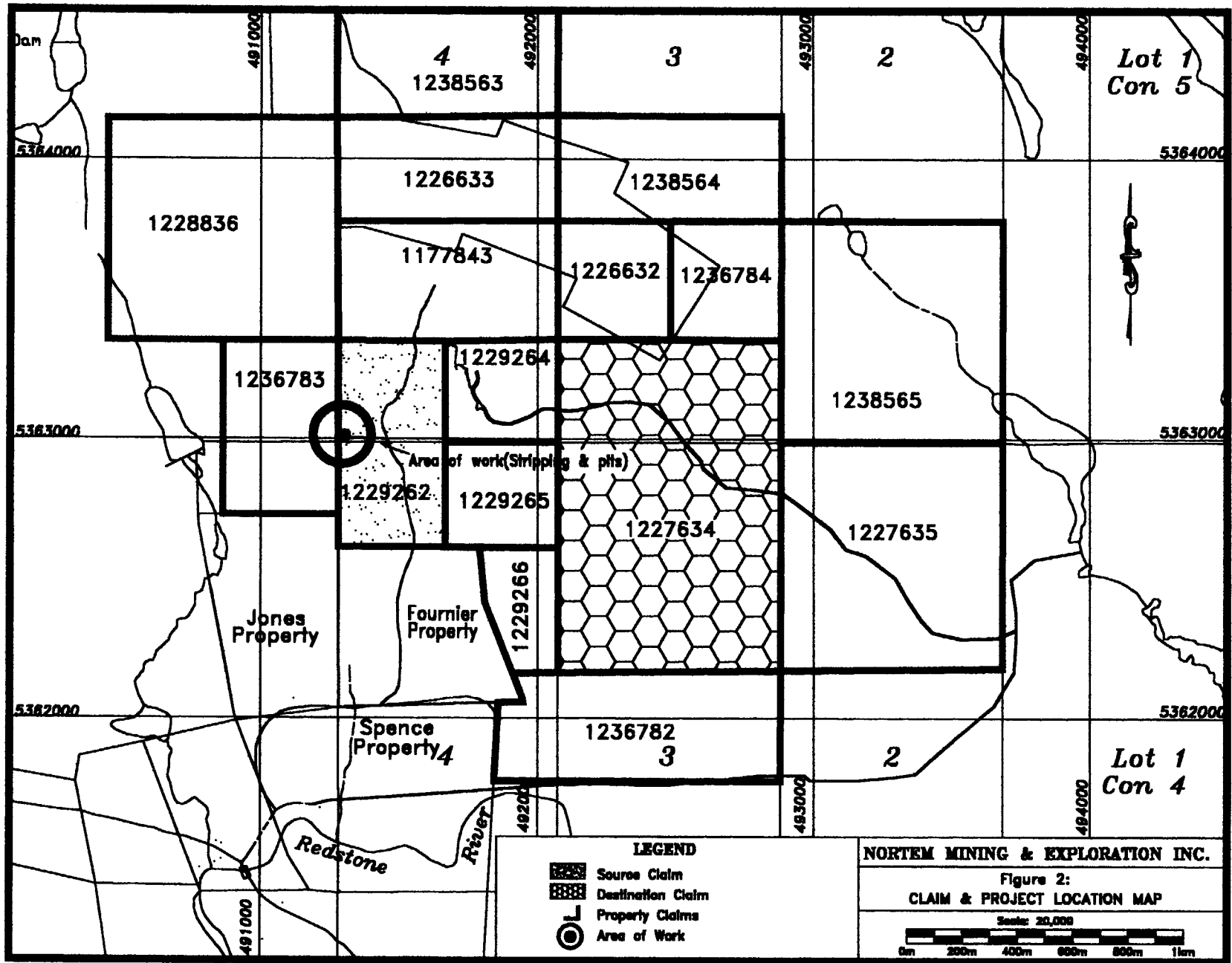
Pits and trenches were dug to 2-3 meters. All holes were back-filled.

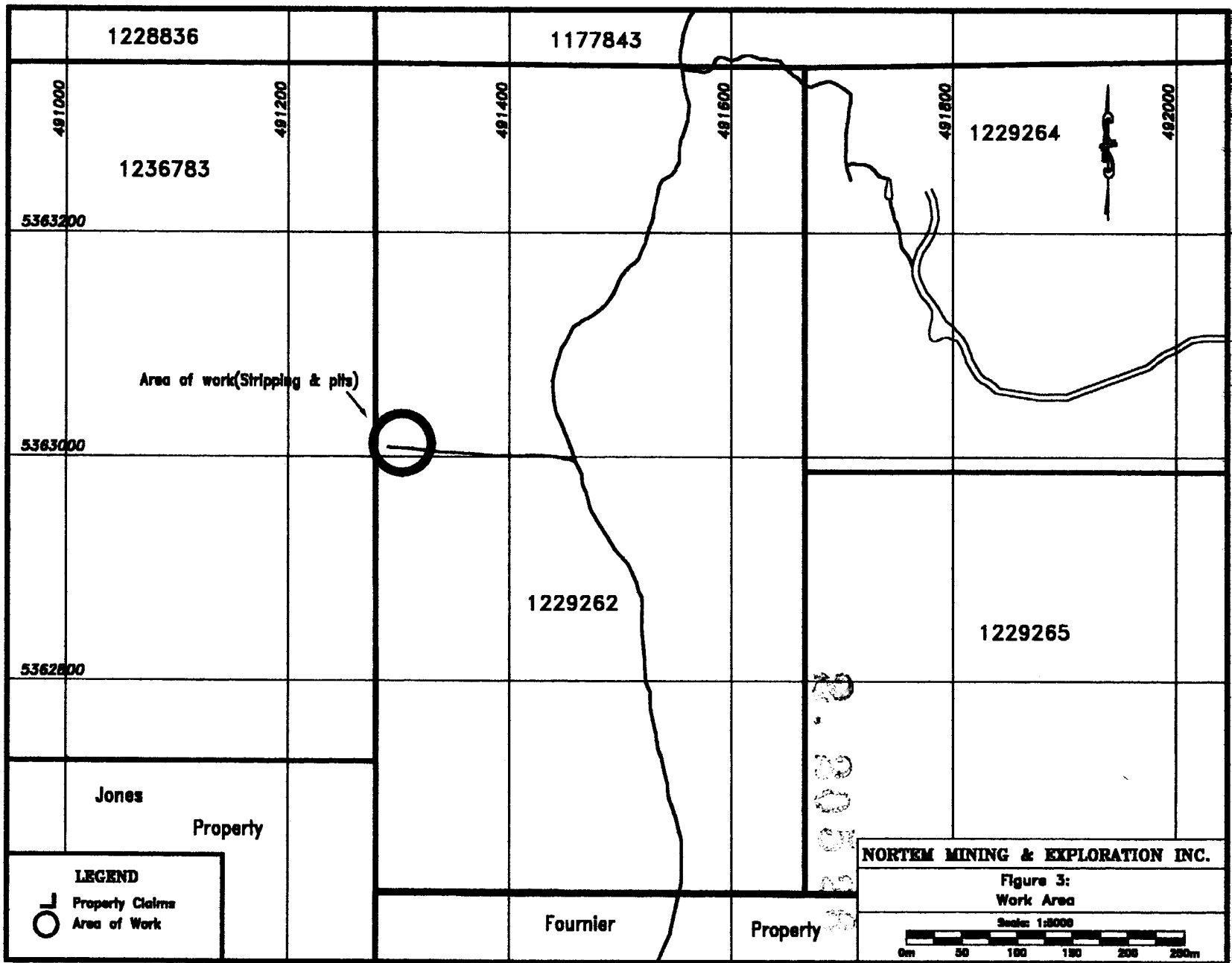
Refer to Figure 3.

The work did not reach bedrock.

A handwritten signature in black ink, appearing to read 'G. M. [unclear]', located in the bottom right corner of the page.









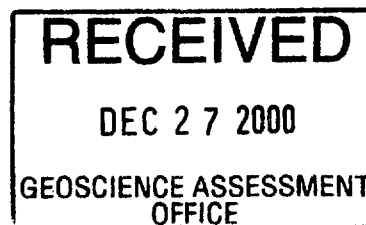
42A06NE2020 2.20526 SHAW

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B.J. McKay Ltd.

Nortem Mining and Exploration Inc.,
'Croxall-Vuksanovich' Silica Deposit,
Shaw Township

Addendum to the
Report of Work
Stripping & Trenching



2.20526

Prepared by: B.J. McKay,
B.J. McKay Ltd.
Porcupine, Ontario

Date: 19 December, 2000



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PRESENT WORK1

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FIG. 4: REGIONAL GEOLOGY.....after page 1

FIG. 5: DETAIL OF WORK AREA.....after page 1

Introduction

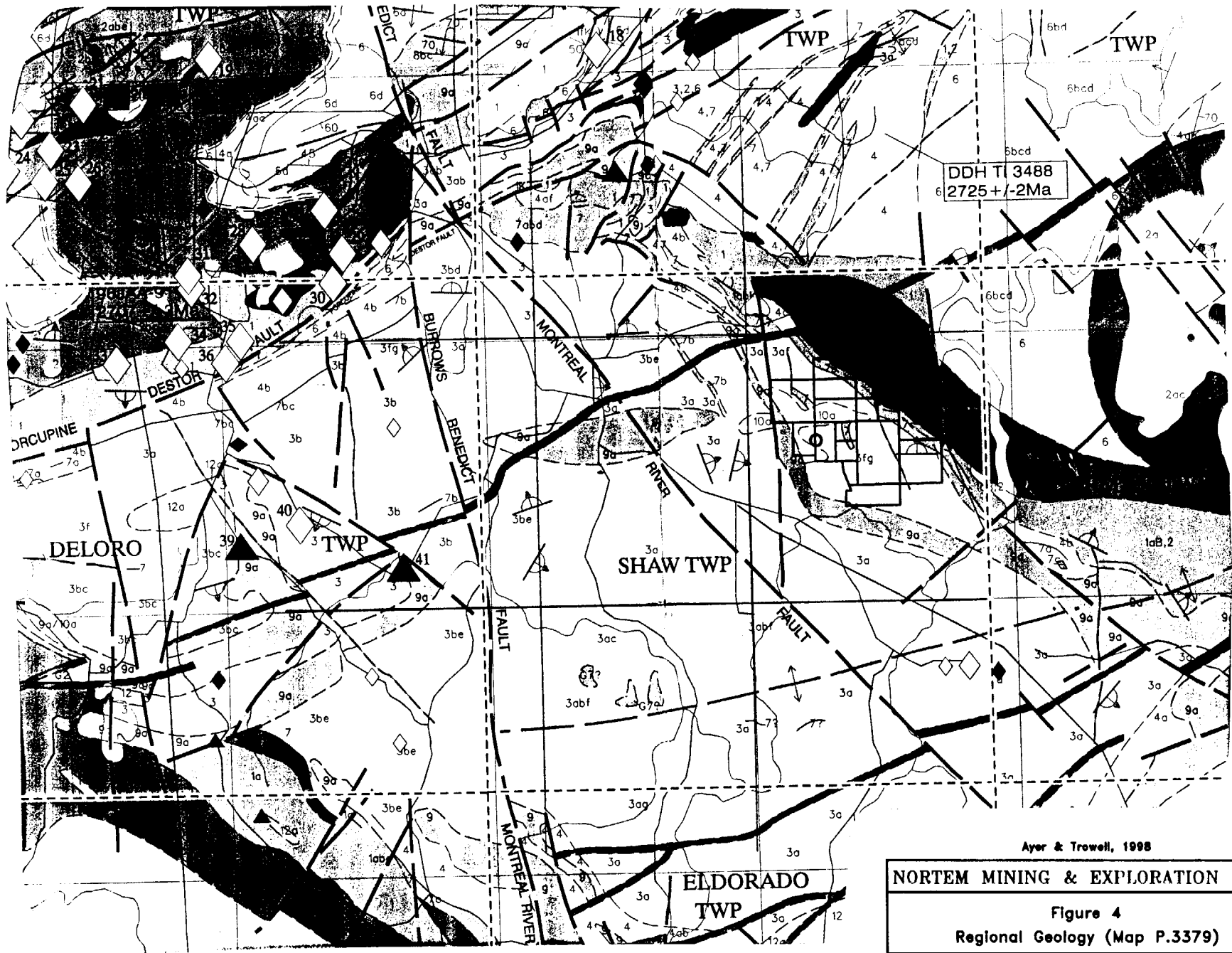
Following receipt of a 45-day notice from the Provincial Assessment Office on December 7, 2000 the author was asked by Nortem Mining & Exploration Inc to submit the necessary information to meet the requirements of the notice. Due to circumstances the author was unable to visit the property. Mr. Jamie Ashfield obtained the required information as directed by Mr. Gord Fuller, owner of Nortem Mining & Exploration Inc.

Present Work

The work was conducted under the direction supervision of Jamie Ashfield in an attempt to locate a possible extension of the silica-rich rocks currently being evaluated by Nortem Mining in claim 1229264. Nortem management believed that an extension to the iron formation (unit 7, Figure4) and accompanying chert units occurred in the area.

The stripping and trenching was conducted in the area centered on GPS co-ordinates: 491310E and 5363010N. Figure 5, compiled by Ashfield, shows the detail of the work as completed. Mr. Ashfield reported that each of the five individual pits was approximately 1-2 meters long, approximately 0.5 meters wide and approximately 1 meter in depth. All test pits were backfilled.

The sketch in Figure 5 can be readily cross-referenced to the previously submitted Figure 3.

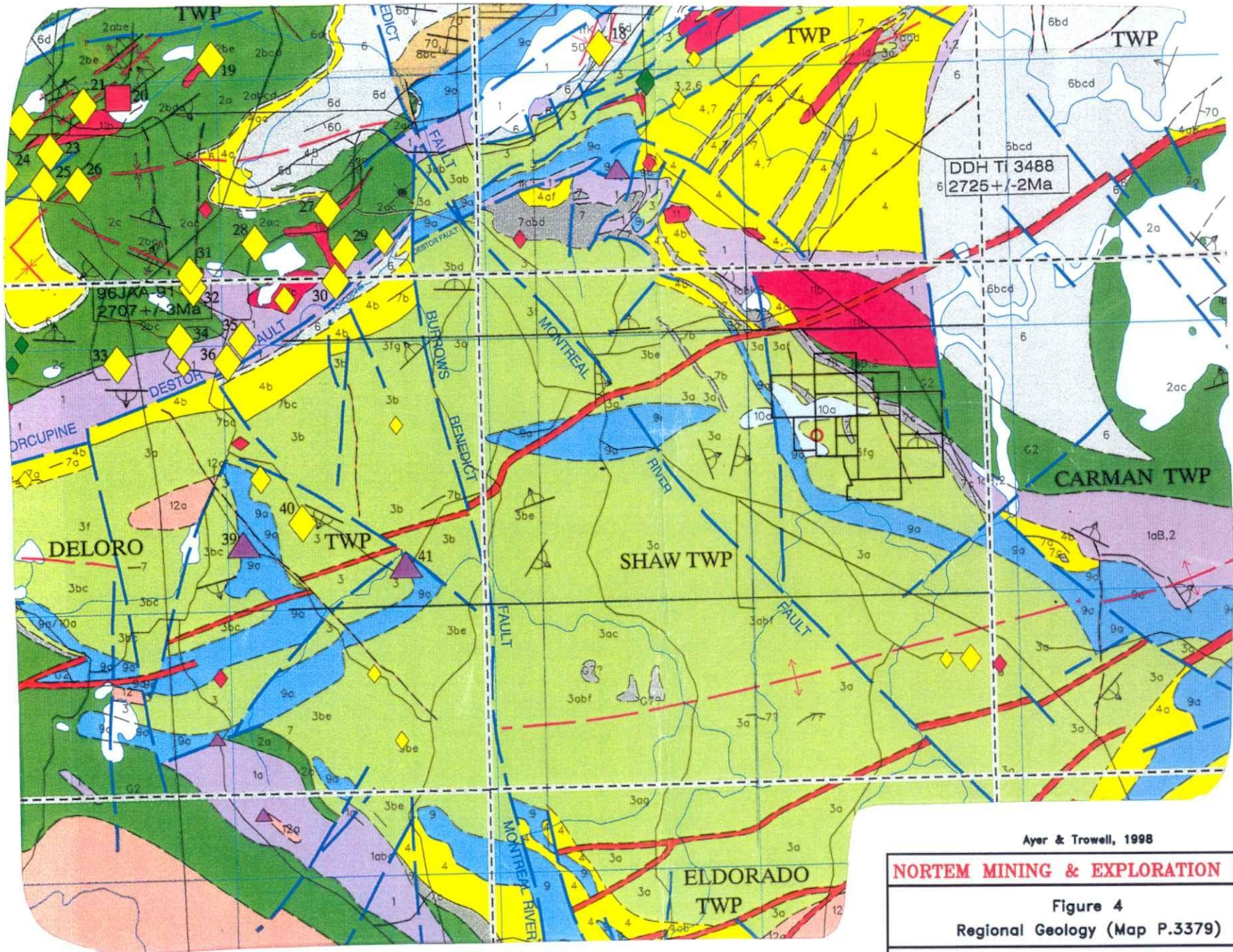


Ayer & Trowell, 1998

NORTEM MINING & EXPLORATION INC.

Figure 4
Regional Geology (Map P.3379)

Scale 1:100,000



Ayer & Trowell, 1998

NORTEM MINING & EXPLORATION INC.

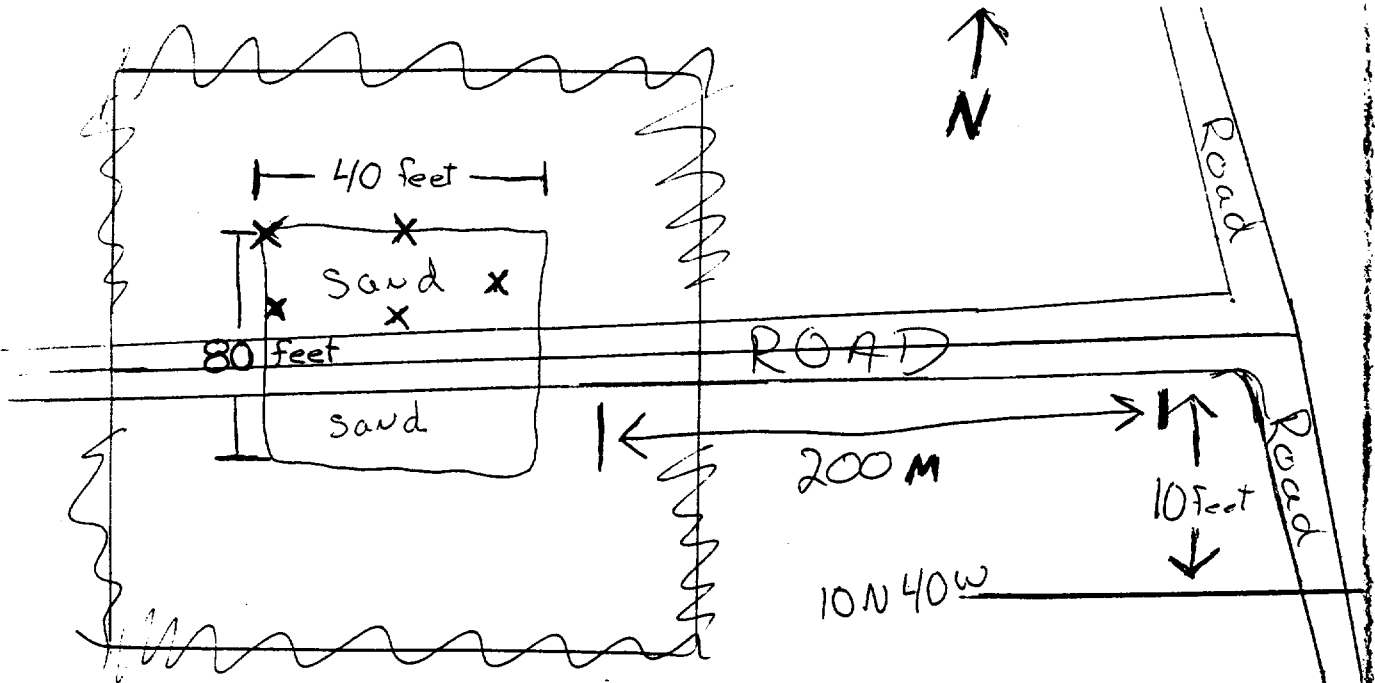
Figure 4
Regional Geology (Map P.3379)

Scale 1:100,000

Bon Air MOTEL

355 ALGONQUIN BLVD. EAST
TIMMINS, ONTARIO P4N 1B5

A DIVISION OF CARTIER OIL OF TIMMINS LIMITED
AIR CONDITIONING - FREE PAY TV - FREE CONTINENTAL BREAKFAST
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X = Test holes.

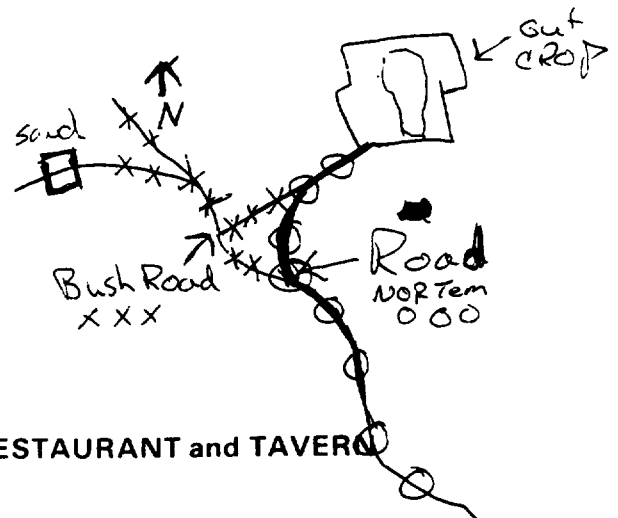
Did not Dig on
South side of Road.

10N-40W is
10-20 feet Before Road
to the west

NORTEM MINING & EXPLORATION INC.
Figure 5
Detail of Work Area
Not to Scale



Sunny's FAMILY RESTAURANT and TAVERN



Nortem Mining & Exploration Inc.

January 26 /01



42A06NE2020 2.20526 SHAW

030

Mr. Gates

My name is James Ashfield. I am employed by Nortem Mining in the capacity of Loader Operator and General Foreman. I have no formal training in Geology and have never provided information that was to be used in assessment work filing. My involvement with the work performed in my maps B & C was under the direction of Nortem's geologist (at the time) Mr. McKay and the owner Mr. Fuller.

My previous submission (fig. #5) submitted by B.J. McKay did not tell the entire story. I had no idea B.J. was not going to provide the rest of the information needed. Mr. McKay could have provided this missing information because he was present at the time it took place.

Nortem had hired two local contractors to complete the work reported in my maps. Nortem had hired R.W. Laforest for the first work and then due to other commitments R.W. Laforest had to leave the property. Nortem then brought in Alex Krakana & Sons. Both contractors used tracked excavators to perform the work asked of them. At the time of R.W. Laforest arriving they had to walk the machine a long way because no road had been constructed.

By the time Alex Krakana arrived the road was started and the excavator did not have to walk that far.

Map B

This map is color coded

GREEN : Shows 3 trenches (each trench about 7 meters in length and had a average depth of 2.5. to 3.5 meters) During the excavation of these pits the material removed was black muck, sand and boulders. Once this material was removed we hit clay. Once we hit clay we stopped. We never found bedrock on any of the three trenches.

PURPLE : Shows 9 test holes (each hole had a average depth of 5 to 7 meters, surface opening ~ 4 to 4.5 meters and bottom opening about 1.5 meters) The material removed at time of excavation was black muck, sand, boulders and clay. Clay was hit in all cases at a depth of ~ 2 meters. This clay stayed constant all the way down.

GOLD/ YELLOW : This is the old road. This road was easy to see in some areas and hard to find in others. Nortem tried to stay along old road ways thus creating the least upset to the local vegetation.

RED : Nortem's new road.

Map C

This map is also color coded

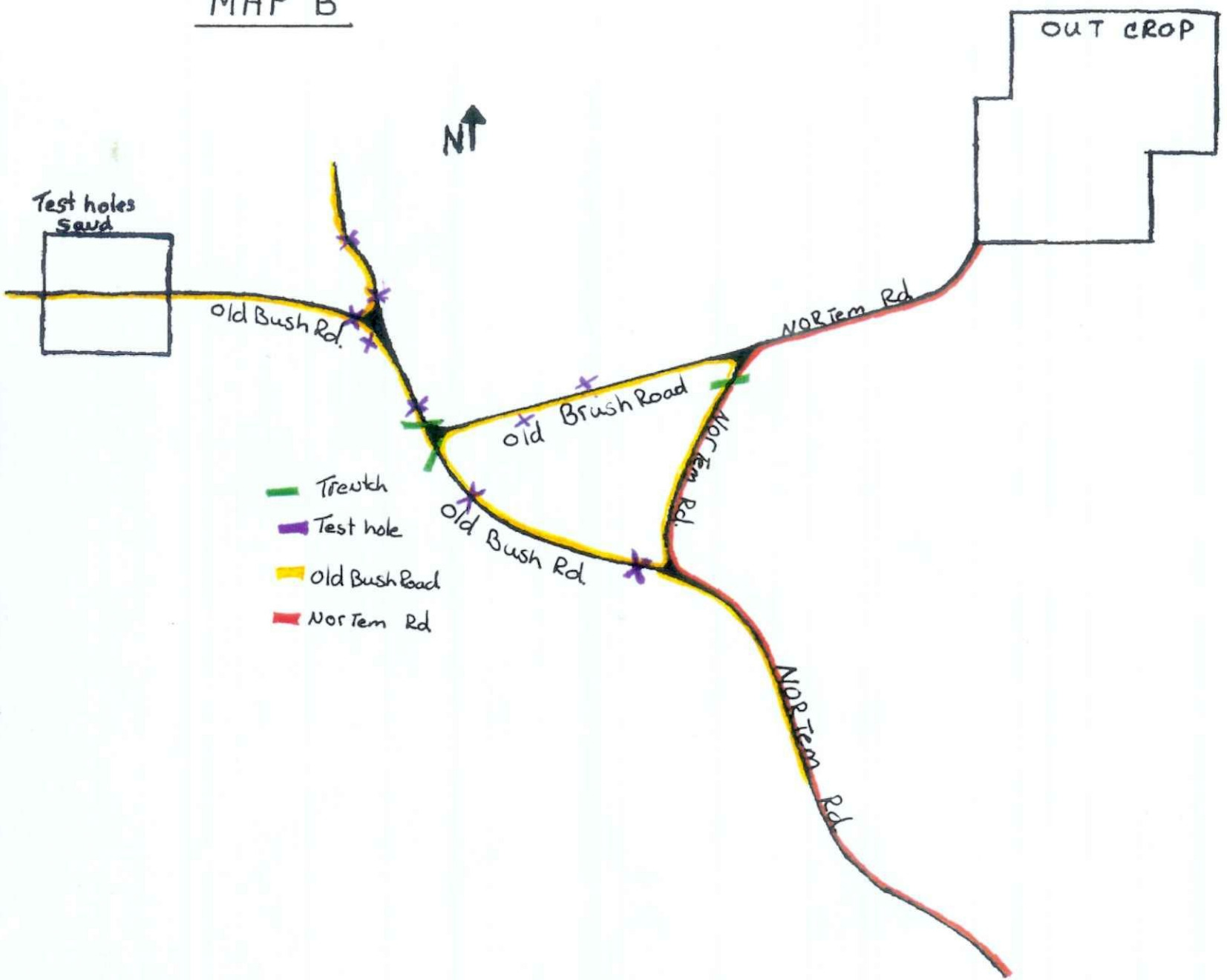
BLACK : Reflects holes shown on previously submitted (Fig. #5)

PURPLE : Shows location of 5 deep holes (average depth of 5 to 7 meters, surface opening ~ 4 to 4.5 meters and bottom opening about 1.5 meters) The material removed at time of this excavation was sand, some small rocks (6" minus) then clay all the way down. This clay started at ~ 2 meters in depth.

TO THE BEST OF MY KNOWLEDGE I BELIEVE THE ABOVE INFORMATION TO BE CORRECT

James Ashfield

MAP B

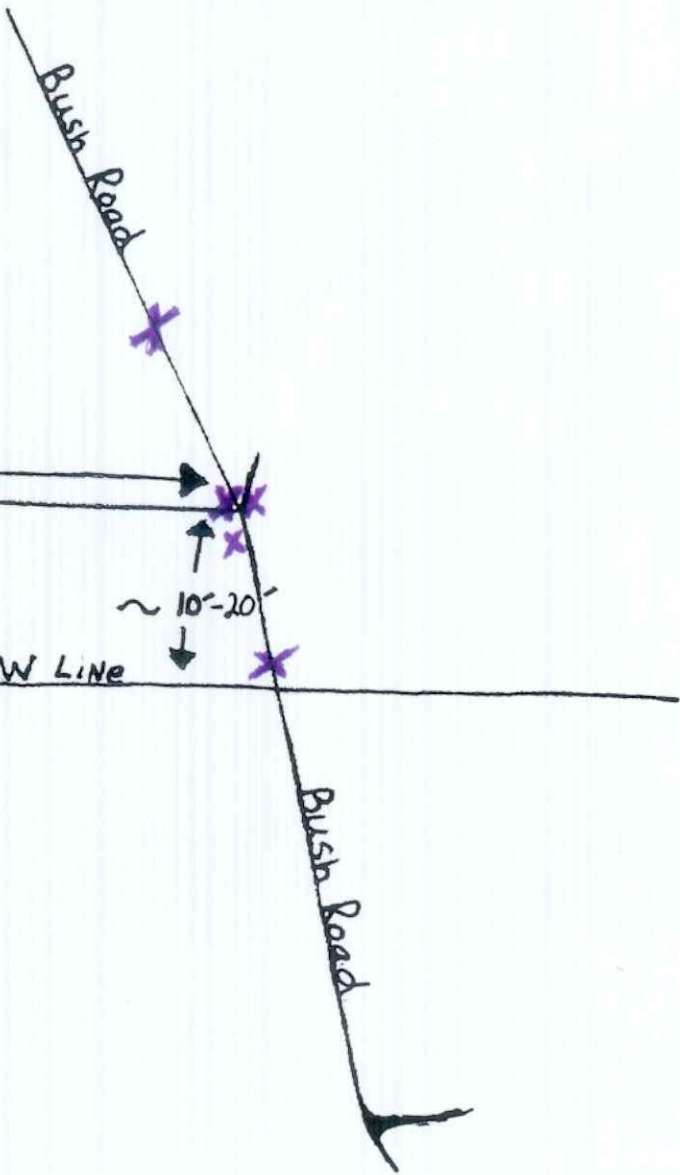


James Garfield
01/24/01

MAP "C"

NOT To scale

NT ↑



← sand Bank (previously worked)

~200M
Bush Road

~10'-20'

10N-40W Line

- X Test holes - from figure #5
- X Test holes - NOT SUBMITTED

James Ardfield



Declaration of Assessment Work Performed on Mining Land

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

Transaction Number (office use) <i>W0060-00370</i>
Assessment Files Research Imaging



42A06NE2020 2.20526 SHAW 900

Under the authority of subsection 65(2) and 66(3) of the Mining Act. Under section 8 of the Mining Act, this view the assessment work and correspond with the mining land holder. Questions about this of Northern Development and Mines, 3rd Floor, 933 Ramsey Lake Road, Sudbury, Ontario,

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

2.20526
20526

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

Name Nortem Mining & Exploration Inc.	Client Number 304080
Address 222 Gladstone Ave	Telephone Number 705-476-3555
North Bay, Ontario P1A 2M2	Fax Number 705-476-3552

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

<input type="checkbox"/> Geotechnical: prospecting, surveys, assays and work under section 18 (regs)	<input checked="" type="checkbox"/> Physical: drilling stripping, trenching and associated assays	<input type="checkbox"/> Rehabilitation
Work Type <i>Surface Rock Sampling</i> <i>Stripping & Trenching</i>	Office Use Commodity	Total \$ Value of Work Claimed <i>\$ 4120</i>
Dates Work Performed From 18 June 2000 To 21 June 2000	NTS Reference	
Global Positioning System Data (if available)	Township/Area Shaw	Mining Division <i>Porcupine</i>
	M or G-Plan Number G-3999	Resident Geologist District <i>Timmins</i>

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 B.J. McKay	Telephone Number 705-235-3101
Address P.O. Box 219, Porcupine, Ontario P0N 1C0	Fax Number 705-266-9107
Name	Telephone Number
Address	Fax Number

RECEIVED

SEP 13 2000

GEOSCIENCE ASSESSMENT OFFICE

RECEIVED

SEP 13 2000

PORCUPINE MINING DIVISION

4. Certification by Recorded Holder or Agent

I, **Bryan J. McKay** (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.

Deemed December 12, 2000

Signature of Recorded Holder or Agent <i>B. McKay</i>	Date 13 Sept 2000
Agent's Address P.O. Box 219 Porcupine, Ontario P0N 1C0	Telephone Number 705-235-3101
	Fax Number 705-235-3101

(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.

W 0060.00370

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
1 P1229264	1		\$0	\$0	\$6,268
2 P1229262	2	\$4,120	\$0	\$2,400	\$1,720
3 P1236783	2		\$0		
4 P1236784	1		\$0		
5 P1226632	1		\$0		
6 P1177843	2		\$0		
7 P1226633	2		\$0		
8 P1228836	4		\$0		
9 P1229266	1		\$0		
10 P1236782	3		\$0		
11 P1227635	4		\$0		
12 P1227634	6		\$2,400		
13 P1229265	1		\$0		
Column Totals	30	\$4,120	\$0	\$2,400	\$1,720

2.20526

I, Bryan J. McKay, 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: [Signature] Date: 13 Sept 2000

6. Instruction 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

RECEIVED
 SEP 13 2000
 2:10 PM
 PORCUPINE MINING DIVISION

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

RECEIVED
 SEP 13 2000
 GEOSCIENCE ASSESSMENT OFFICE



Ministry of Northern Development and Mines

Statement of Costs for Assessment Credit

Transaction Number (office use)
W006-00370

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.

Work Type	Units of work Depending on the type of work, list the number of hours/day worked, metres of drilling, kilometres of grid line, number of samples, etc.	Cost Per Unit of work	Total Cost
Stripping & Trenching	3 days	\$1248.33	\$3,745.00
Supervision	3 days	\$125.00	\$375.00
			2,205.26
Associated Costs (e.g. supplies, mobilization and demobilization).			
Transportation Costs			
Food and Lodging Costs			

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SEP 18 2000

RECEIVED
SEP 13 2000
GEOSCIENCE ASSESSMENT OFFICE

2:10/m
PORCUPINE MINING DIVISION

Total Value of Assessment Work **\$4,120.00**

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 $\times 0.50 =$ 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, B.J. McKay 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 Nortem Mining & Exploration Inc. I am authorized to make this certification.
(recorded holder, agent, or state company position with signing authority)

Signature: [Signature] Date: 13 Sept 2000

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

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

February 15, 2001

NORTEM MINING & EXPLORATION INC.
222 Gladstone Ave.
North Bay, ONTARIO
P1A-2M0

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

Dear Sir or Madam:

Submission Number: 2.20526

Status

Subject: Transaction Number(s): W0060.00370 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 BRUCE GATES by e-mail at bruce.gates@ndm.gov.on.ca or by telephone at (705) 670-5856.

Yours sincerely,



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

Work Report Assessment Results

Submission Number: 2.20526

Date Correspondence Sent: February 15, 2001

Assessor: BRUCE GATES

Transaction Number	First Claim Number	Township(s) / Area(s)	Status	Approval Date
W0060.00370	1229262	SHAW	Approval After Notice	February 11, 1901

Section:
10 Physical PSTRIIP

The revisions outlined in the Notice dated December 28, 2000 have been corrected. Accordingly, assessment work credit has been approved as outlined on the Declaration of Assessment Work Form accompanying this submission.

Correspondence to:

Resident Geologist
South Porcupine, ON

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

Bryan J. McKay
PORCUPINE, ONTARIO, CANADA

Assessment Files Library
Sudbury, ON

NORTEM MINING & EXPLORATION INC.
North Bay, ONTARIO

MAP SYMBOLOLOGY

Aerial Cobbleway	Pipeline
Boundary	Railroad
Contour	Road
Highway	Reservoir
Watercourse	River, Stream, Canal
Watercourse	Spot Elevation
Watercourse	Lower
Watercourse	Transmission Line
Watercourse	Utility Pole
Watercourse	Wharf, Dock, Pier
Watercourse	Wooded Area

AREAS WITHDRAWN FROM DISPOSITION

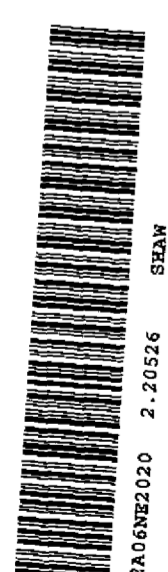
M.R.O. - MINING RIGHTS ONLY
 S.R.D. - SURFACE RIGHTS ONLY
 M+S. - MINING AND SURFACE RIGHTS

Description	Order No.	Date	Disposition	File
REC PURP. SEC 3 PLA				183543
W.9777	151277	S.R.O.		86585

Being Application under the Public Lands Act for category 11

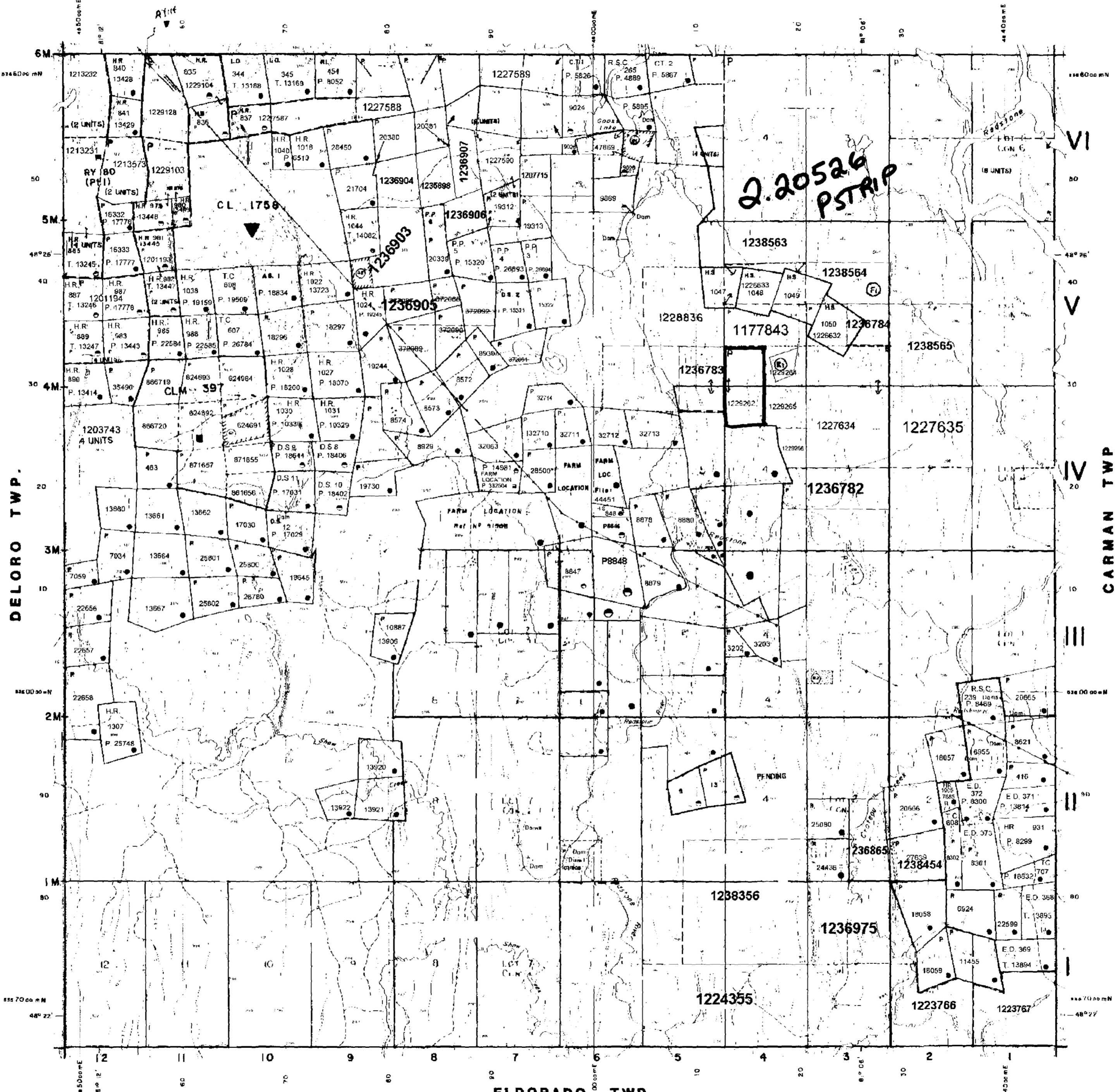
SAND AND GRAVEL

GRAVEL	61686
SAND	62760



THE INFORMATION THAT APPEARS ON THIS MAP HAS BEEN COMPILED FROM VARIOUS SOURCES AND ACCURACY IS NOT GUARANTEED. THOSE WISHING TO STAKE MINING CLAIMS SHOULD CONSULT WITH THE MINING RECORDER, MINISTRY OF NORTHERN DEVELOPMENT AND MINES, FOR ADDITIONAL INFORMATION ON THE STATUS OF THE LANDS SHOWN HEREON.

WHITNEY TWP.



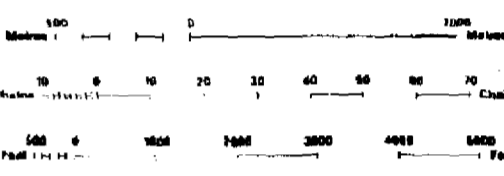
LEGEND

HIGHWAY AND ROUTE No	
OTHER ROADS	
TRAILS	
SURVEYED LINES	
TOWNSHIP, 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 MUSKIEG	
MINES	
TRAVERSE MONUMENT	

DISPOSITION OF CROWN LANDS

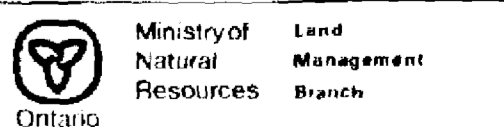
TYPE OF DOCUMENT	SYMBOL
PATENT, SURFACE & MINING RIGHTS	●
" SURFACE RIGHTS ONLY	○
" MINING RIGHTS ONLY	○
LEASE, SURFACE & MINING RIGHTS	■
" SURFACE RIGHTS ONLY	■
" MINING RIGHTS ONLY	■
LICENCE OF OCCUPATION	○
ORDER IN COUNCIL	OC
RESERVATION	○
CANCELLED	○
SAND & GRAVEL	○

NOTE: MINING RIGHTS IN PARCELS PATENTED PRIOR TO MAY 1, 1973, VESTED IN ORIGINAL PATENTEES BY THE PUBLIC LANDS ACT, R.S.O. 1970, CHAP. 380, SEC. 63, MURKIN 1.



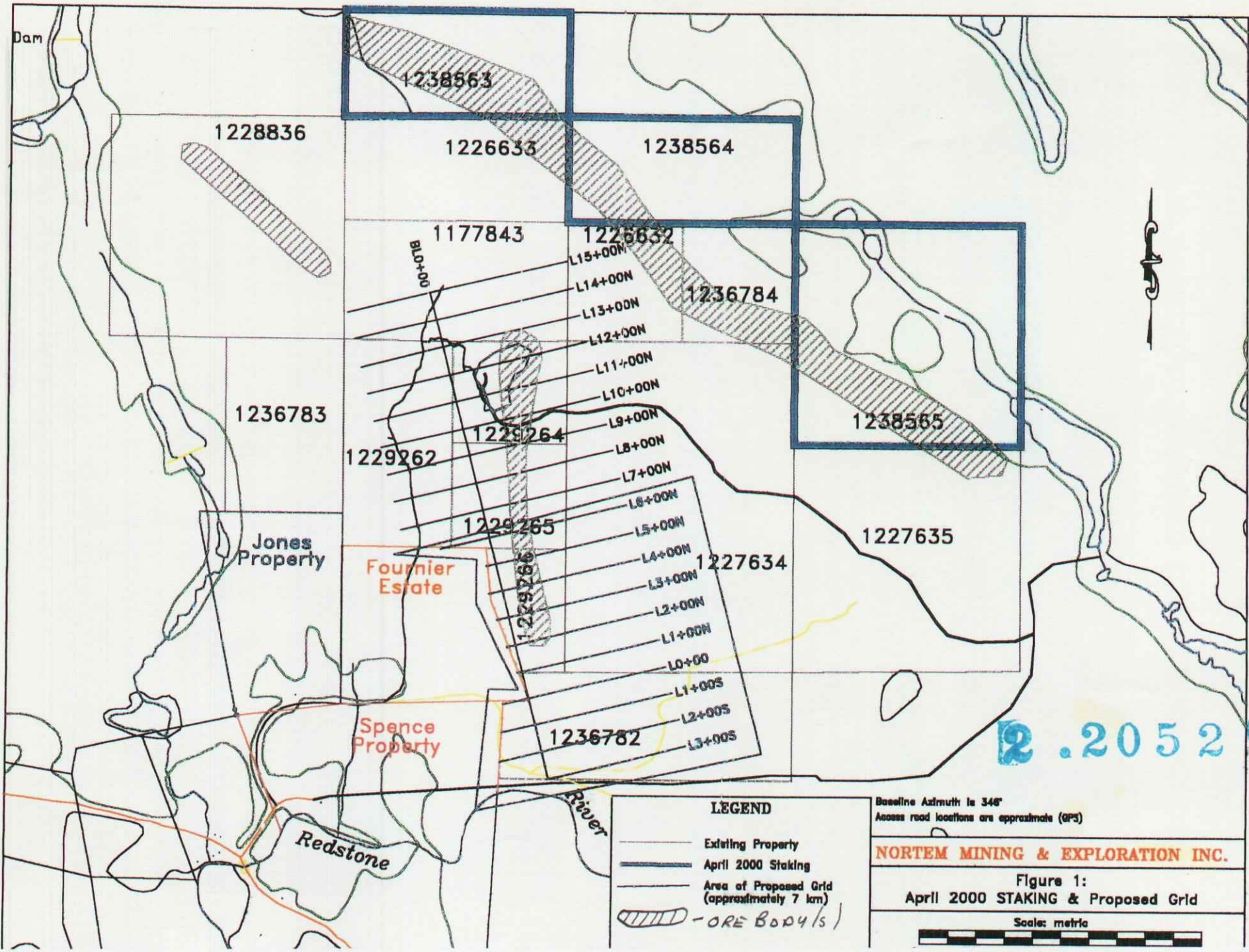
SCALE 1:20 000
 GRID ZONE 17

TOWNSHIP
SHAW
 M.N.R. ADMINISTRATIVE DISTRICT
TIMMINS
 MINING DIVISION
PORCUPINE
 LAND TITLES / REGISTRY DIVISION
COCHRANE



ORIGINAL COMPILATION JULY 1984
 REVISED
G-3999

LOCATION OF 1229262 IN RELATIONSHIP TO ORE BODIES



42A06NE2020 2.20526 SHAW 210



2.20526

LEGEND

- Existing Property
- April 2000 Staking
- Area of Proposed Grid (approximately 7 km)
- ORE BODIES

Baseline Azimuth is 348°
Access road locations are approximate (GPS)

NORTEM MINING & EXPLORATION INC.

Figure 1:
April 2000 STAKING & Proposed Grid

Scale: metric

