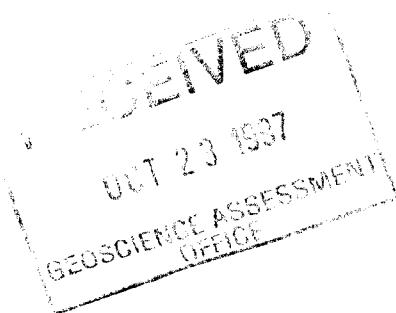


MECHANICAL OVERBURDEN STRIPPING
FOR THE M-1 GRID
1997 FIELD EXPLORATION PROGRAM

MISHI GOLD PROJECT
Mishibishu Gold Corporation
MacMillan Gold Corp.

Situated in the Mishibishu Lake Area,
Sault Ste. Marie Mining District, Ontario

NTS 42C/3



October 11, 1997

James E. Millard



42C03SW0064 2.17766 MISHIBISHU LAKE

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ABSTRACT

During September, 1997, Mishibishu Gold Corporation conducted a mechanical overburden stripping trenching program on the M1 grid of the Mishi Gold Project Property. Selected areas of the M1 grid were targeted for a overburden mechanical trenching program. Selected areas for trenching were targeted based on the results of a geology and prospecting program conducted during August and September, 1997, during which gold values in several rock grab samples ranged from 2 to 5 grams per tonne.

Approximately 4100 m² metres of mechanical overburden stripping were performed and 1950 metres of access road were constructed utilizing a Kamatsu model PC200LC model tracked excavator equipped with a one cubic metre bucket. After overburden was stripped, residual soils were removed from the stripped outcrops by means of high pressure water pumps. After removal of residual soils, geological mapping was performed and grab samples were retrieved. These samples were submitted to a reputable, independent laboratory for analysis of gold by fire assay.

Several new zones of shearing, quartz veining, sulphide and gold mineralization were delineated. The best sample results achieved ranged from anomalous concentrations to 18 g/t. Based on geochemical results and geological observations, several areas follow-up stripping and sampling should be conducted on the following areas: Area 32W/07N, 33W/12N, and 39W/05N.

2.1 1063

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1.0 INTRODUCTION

The Mishi Gold Project is situated along the Mishibishu Deformation Zone in the Mishibishu Greenstone Belt, Wawa Subprovince of the Canadian Shield. The property is currently held by MacMillan Gold Corp., 365 Bay Street, 11th floor, Toronto, Ontario and is being optioned to Mishibishu Gold Corporation, 555 West Hastings St., Ste 800, Vancouver, British Columbia. Mishibishu Gold Corporation is the operator of the project.

1.1 Location and Access

The Mishi Gold Property is located 100 km west of Wawa, Ontario (refer to Figure 1). The property as a whole is encompassed by 85°30', 48°07'45" in the northwest corner, and 85°12', 48°01'15" in the southeast corner. The property encompasses approximately 9100 hectares in total. From Wawa, the property can be reached by 50 km of paved highway (Hwy 17), followed by 50 km of gravel road which leads to the western portion of the property. The western area of the property, the subject of this report, is accessed by gravel road and a series of bush trails. All-terrain vehicles were used to access this area. The central and eastern portion of the property is accessed solely by helicopter due to the rugged topography and lack of trails.

1.2 Claim Data

This report describes work performed on claims held by MacMillan Gold Corp. under option to Mishibishu Gold Corporation, the operator of the project. The property consists of 490 contiguous mining claims and three leased claims located in the Sault Ste. Marie Mining Division. All claims are in good standing. Claims on which work was performed, as described in this report, lie within the Mishibishu Lake Area G-3772 (refer to Figure 2). A list of contiguous property claims is presented in Appendix A. The claims upon which the actual work was performed are listed below:

Surveyed Claims - Surface and Mining Leases

SSM 378
SSM 379
SSM 380

Unsurveyed Claims

SSM 601738
SSM 601760
SSM 601789

2 • 1 3 0 3 3

1.3 Previous Work

Previous work in the area consisted primarily of reconnaissance geological mapping performed by the Ontario Geological Survey, and exploration programs by MacMillan and Granges. Results from the O.G.S. programs are published in Bowen et al (1985; 1986a-e). MacMillan and Granges have performed linecutting, VLF surveys, prospecting, mapping, and diamond drilling, magnetometer and I.P. surveys between the period of 1984 to 1990. The majority of work, particularly diamond drilling was completed on the Main Zone, located within the M-1 Grid, and have been previously submitted for assessment credit (Zbitnoff, 1987, 1988a-c, O'Donnell, 1989, and Miree, 1991a-b). In 1995, an I.P. survey and short drill program were performed on the M-1 Grid of the property (Keast, T., 1995a-b).

2.0 GEOLOGY

2.1 Regional Geology

The Mishi Gold Property is located in the northern portion of the Mishibishu Lake Greenstone Belt in northeastern Ontario. This belt is located in the Wawa Subprovince of the Superior Province of the Canadian Shield and is Archean in age. Detailed descriptions of the regional geology can be referenced in Bowen et al, 1985, Heather, 1985, 1986, and Williams et al, 1992.

2.2 Property Geology

The project area is situated in the northern portion of the Mishibishu Greenstone Belt along the east-west trending Mishibishu Deformation Zone (MDZ), a major gold-associated structure in the region. The deformation zone is characterized by the development of schists, hydrothermal alteration, the emplacement of quartz veins, and the introduction of gold in the last phase of alteration and quartz vein emplacement. Gold is distributed as free gold in quartz or intimately associated with sulphides, specifically pyrite or arsenopyrite. Pervasive alteration includes carbonatization, silicification, sulphidization, and the development of micas. The volcanic and sedimentary rock succession in the belt strikes 90 to 120° and dips 40 to 70° north. The area of Mishi and Katzenbach Lakes, in the mid-portion of the property, are underlain by the Mishibishu Lake Monzonite, a major post-tectonic stock. Units are cut by north-south and northwest-southeast trending Keewananaged diabase dikes.

The geology encountered on the Mishi property during the 1997 program has been described in great detail in the past (Bates and Miree, 1991; Heather, 1986) and the more regional picture by Bennet and Thurston in 1977. Thus, the geology encountered during the 1997 program will only be briefly described.

The supracrustal rocks on the property have undergone varying degrees of alteration due to regional greenschist metamorphism and/or proximity to the Mishibishu Deformation Zone. Alteration includes: calcite, ankerite, sericite, and minor silicification. Mineralization, mainly pyrite, was found only in trace amounts with a slight enrichment in the volcanics.

Sedimentary rocks are strongly altered and schistose over wide areas with original fabric obliterated. Primary bedding or layering was not encountered. Outcrops were not therefore divided into distinctive

lithological units, with the exception of several conglomerate units and the argillite/wacke of the White Swan Showing.

Volcanic rocks occur in several areas of the grid and are comprised of mainly intermediate tuff with minor felsic and mafic units.

The Granges Glory/White Swan area is comprised of sedimentary and volcanic rocks which are stacked together as part of the deformed contact of the Western Structural Zone. North of Granges Glory are mainly mafic to intermediate volcanic tuffs. Felsic units could be just strongly altered intermediate tuffs. Whereas the White Swan Showing is mainly sedimentary with volcanics north and south of the showing.

The MM area consists mainly of clastic rocks (wackes) with mafic to intermediate tuffs at the northern boundary of the area of interest at 4+00N.

The southeast corner of the M1 grid is comprised entirely of sediments including polymictic conglomerates and wackes which are also strongly altered (quartz, calcite, sericite) and foliated.

The foliation strikes 280° to 300° with a moderate to steep north dip. The exception to this is the area adjacent to Macassa Creek along line 1W. The foliation varies from north/south to 240° to 280° near the Macassa Creek fault.

3.0 1997 EXPLORATION PROGRAM (Figure 3)

3.1 Scope of Work

Mishibishu Gold Corporation's 1997 mechanical overburden stripping program on the Mishi gold property was carried out in September, 1997. The program targeted the following areas:

Target Area	Prospecting Sample Description	Au Concentration
Line 01W/01N	White, narrow quartz vein in clastic metasediments	5180 ppb
Line 32W/07N	Smoky grey quartz stringers in intermediate to mafic tuff.	3030 ppb
Line 33W/12N	1.0 metre wide smoky grey quartz vein in sheared mafic volcanics.	68 ppb
Line 40W/02N	Milky white quartz hosted in intermediate tuff (chlorite/carbonate schist).	2190 ppb
Line 41W/06N	Smoky grey quartz /sericite schist in intermediate tuff.	177 ppb

The following work was performed on the above target areas during the months of September and October, 1997:

- i. Approximately 4100 m² of overburden stripping were performed utilizing a Kamatsu model PC200LC model tracked excavator equipped with a 1 cubic metre bucket. Approximately 1950 metres of access road was constructed to access the target areas.
- ii. Residual soils were removed from the stripped outcrops by means of high pressure water pumps.
- iii. Where suitable exposure was available, geological mapping was performed.
- iv. Rock grab samples (total of 81) were retrieved from sheared and veined zones observed on the stripped areas. Samples were submitted to a reputable, independent laboratory for analysis of gold by fire assay.

3.2 Personnel, Logistics, and Schedule

The key on-site supervisor was James Millard, Geologist, residing at 16 Broadway Ave., Wawa, Ontario POS 1K0. One additional geologist and a technicians assisted with mapping and sampling. Two labourers, provided by Gibson and Associates, 292 Northern Ave, Sault Ste. Marie, Ontario performed the high pressure washing activities to remove residual soils. A backhoe, operator, and labourer were provided by Possamai Construction, 1183 Old Goulais Bay Road, Sault Ste. Marie, Ontario.

During the period of field activities, personnel received room and board at the Magnacon Mill Site, located about one kilometre away. A temporary field camp was also established on the property to provided accommodation and office space. A field office was established in Wawa to coordinate field activities and to write and draft the reports. Existing gravel roads and bush roads provided good access to much of the site

Office preparation for the work began in August, 1997. A tracked excavator was mobilized onto the site August 29, 1997, and was demobilized on September 14, 1997. High pressure washing of overburden stripped areas commenced on September 10 and continued intermittently until the end of the month. Geological mapping and sampling was performed during the last week of September and the first week of October, 1997. Data synthesis, report writing, and drafting were performed during October, 1997. Geology and sample plans were plotted utilizing AutoCAD.

4.0 RESULTS AND RECOMMENDATIONS

4.1 Stripped Area 01W/01N (Figures 4a and 4b)

Approximately 700 linear metres of bush road was constructed and approximately 110 m² of overburden stripping was performed to follow up on gold values obtained from narrow quartz veins in clastic metasediments. Geological mapping of the stripped outcrop indicated arkosic to conglomeratic sediments (units 4c, 4e) dipping steeply to the north. Discontinuous smokey to white quartz carbonate stringers were delineated and a total of 12 grab samples were retrieved and submitted for analysis of gold none of the

samples submitted achieved a value greater than 1 gram/tonne.

No further work in this area is recommended for this area.

4.2 Stripped Area 32W/07N (Figures 5a and 5b)

Approximately 260 linear metres of bush road was constructed and approximately 680 m² of overburden stripping was performed to follow up on gold values obtained from narrow quartz veins in clastic metasediments. Geological mapping of the stripped outcrop indicated sediments to the south and felsic volcanics to the north. The wacke to subarkosic wacke sediments displayed silicification, carbonatization (ankerite), chloritization, hematization.. In contact with the sediments were ash and lapilli tuffs (units 3b and 3c) to the north that were relatively unaltered. Discontinuous smokey to white quartz carbonate stringers were delineated in the sediments and a total of 9 grab samples were retrieved and submitted for analysis of gold. Two of the samples submitted achieved a value greater than 1 gram/tonne. The maximum value achieved was 17.7 grams per tonne, hosted in a zone of quartz carbonate stringers.

Trenching along strike of the two significant grab samples is recommended, as well as more extensive channel sampling of the zone.

4.3 Stripped Area 33W/12N (Figures 6a and 6b)

Approximately 600 linear metres of bush road was constructed and approximately 910 m² of overburden stripping was performed to follow up to a quartz vein in sheared chloritized metasediments. Sediments became increasingly chloritized and sheared towards the mafic/sediment contact. Smoky-grey to white quartz carbonate stringers were delineated mainly in the sediment-mafic contact area. A total of 11 grab samples were retrieved and submitted for analysis of gold. None of the samples submitted achieved a value greater than 1 gram/tonne. Anomalous gold values were obtained in the chloritized sediments ranging up to 100 ppb.

Further trenching and additional sampling along strike of the chloritized contact zone is recommended.

4.4 Stripped Area 39W/05N (Figures 7a and 7b)

Approximately 110 linear metres of bush road was constructed and approximately 285 m² of overburden stripping was performed to follow up on a quartz veins and stringers hosted in sheared metasediments. Geological mapping of the stripped outcrop indicated compositionally variable metasediments. The sediments displayed variable silicification, carbonatization (ankerite), chloritization, and hematization.. Ankerite forms compositional banding on the bedrock surface. Trace pyrite, chalcopyrite, arsenopyrite, and fuchsite were observed in veins hosted in discrete shears up to four metres in width. Smoky quartz carbonate veins in stringers were delineated mainly in sheared zones and a total of ten grab samples were collected and submitted for analysis of gold. None of the samples submitted achieved a value greater than 1 gram/tonne. However, an anomalous value of 433 ppb was achieved in a smoky quartz vein in silicified, slightly sheared metasediments.

Additional trenching and sampling along strike of the anomalous value and shear zones are recommended.

4.4 Stripped Area 40W/03N (Figures 8a and 8b)

Approximately 110 linear metres of bush road was constructed and approximately 1200 m² of overburden stripping were performed to follow up to white quartz veins in a chlorite/carbonate schist. Geological mapping of the stripped outcrop indicated that the bedrock consisted mainly of chloritized metasediments. The sediments displayed variable silicification, carbonatization (ankerite), sericitization, and chloritization. Smokey-grey to white quartz carbonate veins and stringers were delineated in the sediments and a total of 17 grab samples were retrieved and submitted for analysis of gold. None of the samples submitted achieved a value greater than 1 gram/tonne.

No further work in this area is recommended for this area.

4.5 Stripped Area 41W/06N (Figures 9a and 9b)

Approximately 170 linear metres of bush road was constructed and approximately 920 m² of overburden stripping was performed to follow up on gold values obtained from smoky grey quartz in sericite schist. Geological mapping of the stripped outcrop indicated a wide range of variably altered sediments. The sediments, mainly wacke and arkose, displayed variable silicification, carbonatization (ankerite), sericitization, and chloritization. Smokey-grey to white quartz carbonate veins and stringers were delineated in the sediments and a total of 23 grab samples were retrieved and submitted for analysis of gold. None of the samples submitted achieved a value greater than 1 gram/tonne.

No further work in this area is recommended for this area.

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840 or 1 inch to 1/4 mile.

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840 or 1 inch to 1/4 mile.
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840 or 1 inch to 1/4 mile.

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J.E. Millard

J.E. MILLARD

OCT. 16, 1997

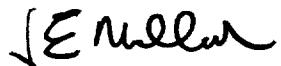
STATEMENT OF QUALIFICATIONS

I, James E. Millard, of the City of Wawa in the Province of Alberta do certify that:

1. I am a consulting geologist hired by Mishibishu Gold Corporation, 555 West Hastings St., Ste 700, Vancouver, British Columbia.
2. I graduated with a Bachelor of Science (Honours) Degree in the Geological Sciences (1986) from Brock University and a Master of Science Degree in Environmental Engineering (1995) from Queen's University.
3. I have provided my services as a geologist continuously since 1985, working for various companies that were engaged in mineral exploration or environmental geoscience activities.
4. I have been engaged intermittently as an independent consulting geologist since 1990.

Dated at Wawa, Ontario, this 16 day of October, 1997.

James E. Millard



APPENDIX A - LIST OF CLAIMS FOR MISHI GOLD PROPERTY

APPENDIX B - CERTIFICATES OF ANALYSES

XRAL**XRAL Laboratories**
A Division of SGS Canada Inc.

1885 Leslie Street
Don Mills, Ontario
Canada M3B 3J4
Tel: (416) 445-5755
Fax: (416) 445-4152

CERTIFICATE OF ANALYSIS**Work Order: 017570**

To: **Mishibishu Gold Corp**
Attn: Jim Millard
Box 87
Wawa
Ontario
POS 1KO

Date : 15/10/97

Copy 1 to :

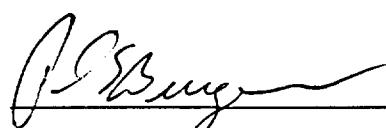
Copy 2 to :

P.O. No. :
Project No. : Mishibishu M-1
No. of Samples : 27 Soil
Date Submitted : 26/09/97
Report Comprises : Cover Sheet plus
Pages 1 to 1

Distribution of unused material:

Pulps: Pulps - no instructions
Rejects: Rejects - no instructions

Certified By :



Dr. Hugh de Souza, General Manager
XRAL Laboratories

Report Footer: L.N.R. = Listed not received I.S. = Insufficient Sample
n.a. = Not applicable -- = No result
I.N.F. = Composition of this sample makes detection impossible by this method
M after a result denotes ppb to ppm conversion, % denotes ppm to % conversion

XRAL**XRAL Laboratories**
A Division of SGS Canada Inc.

Work Order: 017570

Date: 15/10/97

FINAL

Page 1 of 1

Element.	Au.
Method.	FA30/1
Det.Lim.	1
Units.	ppb
123403	3
123404	1
123405	3
123406	3
123407	5
123408	7
123409	3
123410	9
123411	18
123412	17
123413	2
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123419	4
123420	3
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123422	74
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123424	433
123425	1
123426	<1
123427	<1
123428	<1
123429	2
*Dup 123403	4
*Dup 123415	<1
*Dup 123427	<1



XRAL Laboratories
A Division of SGS Canada Inc.

1885 Leslie Street
Don Mills, Ontario
Canada M3B 3J4
Tel: (416) 445-5755
Fax: (416) 445-4152

CERTIFICATE OF ANALYSIS

Work Order: 017687

To: Mishibishu Gold Corp
Attn: Jim Millard
Box 87
Wawa
Ontario
POS 1K0

Date : 15/10/97

Copy 1 to :

Copy 2 to :

P.O. No. :
Project No. : Mishibishu M1 Grid
No. of Samples : 54 Rock
Date Submitted : 06/10/97
Report Comprises : Cover Sheet plus
Pages 1 to 2

Distribution of unused material:

Pulps: Pulps - no instructions
Rejects: Rejects - no instructions

Certified By :

Dr. Hugh de Souza, General Manager
XRAL Laboratories

Report Footer: L.N.R. = Listed not received I.S. = Insufficient Sample
n.a. = Not applicable -- = No result
I.N.F. = Composition of this sample makes detection impossible by this method
M after a result denotes ppb to ppm conversion, % denotes ppm to % conversion



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Work Order: 017687

Date: 15/10/97

FINAL

Page 1 of 2

Element.	Au	Au
Method.	FA30/1	FAG30
Det.Lim.	1	0.03
Units.	ppb	g/mt
123430	12	n.a.
123431	29	n.a.
123432	4	n.a.
123433	19	n.a.
123434	6	n.a.
123435	22	n.a.
123436	16	n.a.
123437	71	n.a.
123438	10	n.a.
123439	9	n.a.
123440	5	n.a.
123441	2	n.a.
123442	13	n.a.
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123444	2	n.a.
123445	<1	n.a.
123446	<1	n.a.
123447	1	n.a.
123448	<1	n.a.
123449	1	n.a.
123450	<1	n.a.
123451	<1	n.a.
123452	55	n.a.
123453	263	n.a.
123454	67	n.a.
123455	11	n.a.
123456	>10000	17.7
123457	125	n.a.
123458	30	n.a.
123459	5	n.a.
123460	66	n.a.
123461	4	n.a.
123462	13	n.a.
123463	30	n.a.
123464	78	n.a.
123465	101	n.a.
123466	223	n.a.
123467	2	n.a.
123468	2	n.a.
123469	<1	n.a.
123470	<1	n.a.
123471	<1	n.a.
123472	<1	n.a.
123473	4	n.a.
123474	<1	n.a.



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XRAL**XRAL Laboratories**
A Division of SGS Canada Inc.

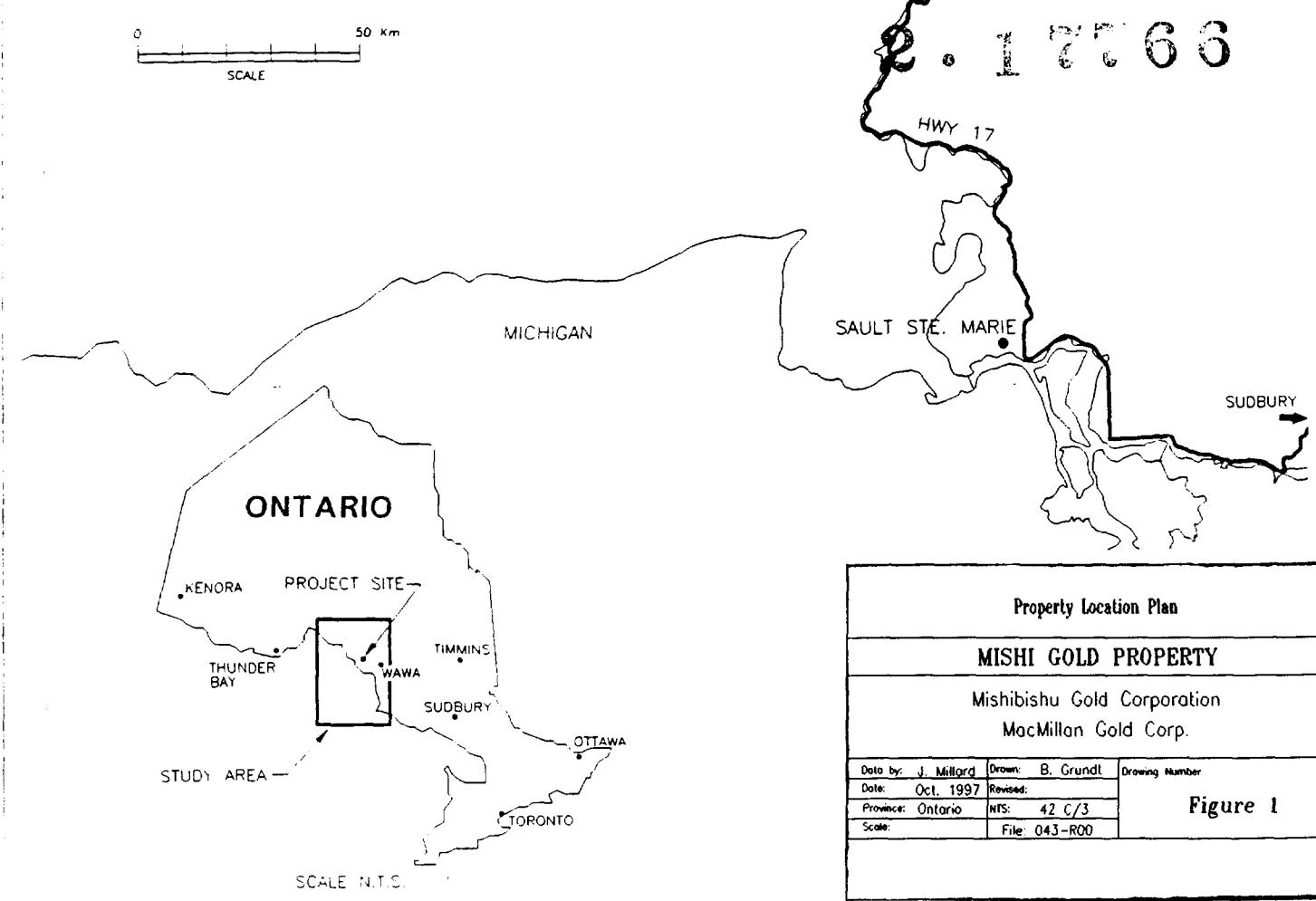
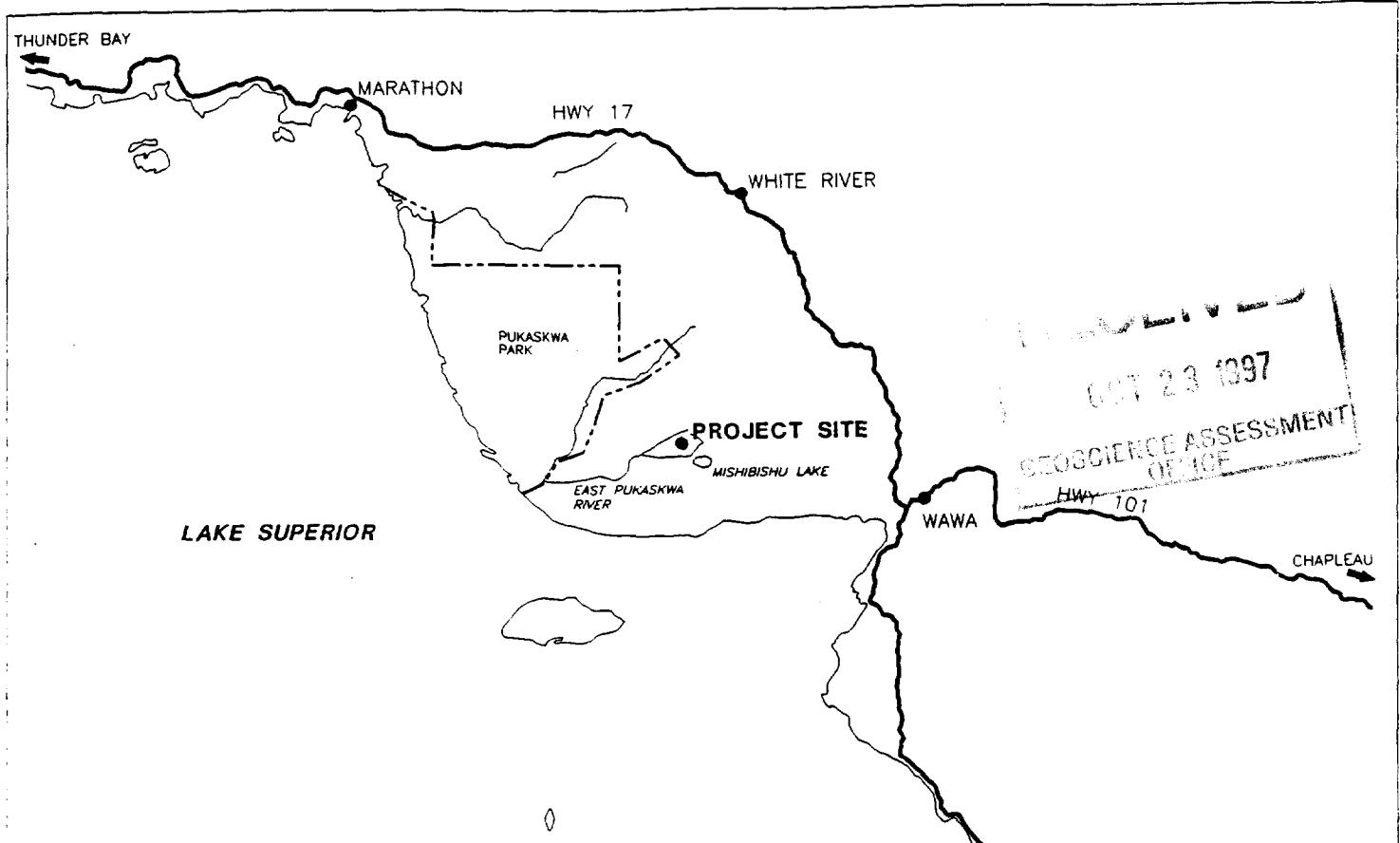
Work Order: 017687

Date: 15/10/97

FINAL

Page 2 of 2

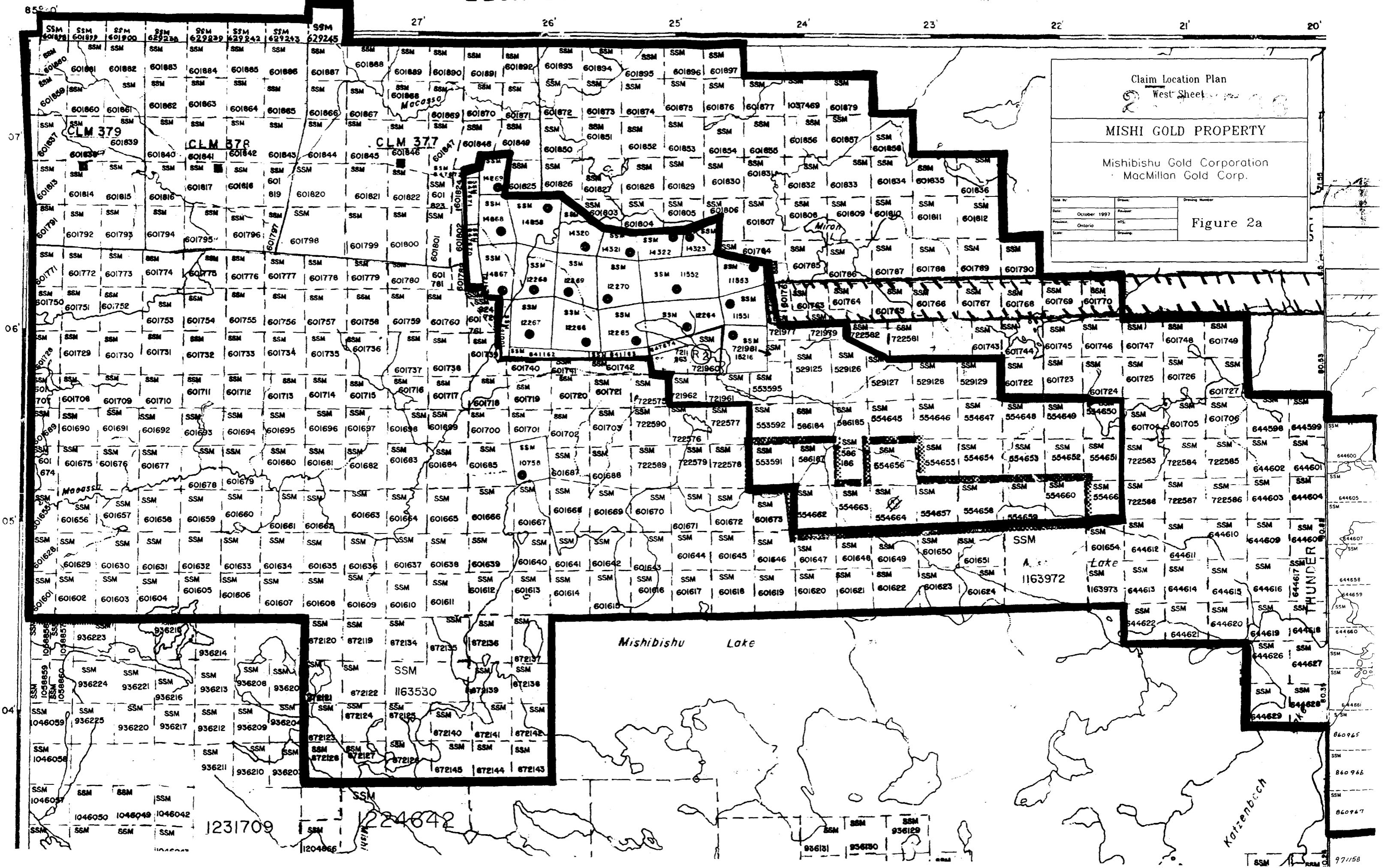
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Method.	FA30/1	FAG30
Det.Lim.	1	0.03
Units.	ppb	g/mt
123475	7	n.a.
123476	13	n.a.
123477	7	n.a.
123478	15	n.a.
123479	1	n.a.
123480	1	n.a.
123481	<1	n.a.
123482	<1	n.a.
123483	<1	n.a.
*Dup 123430	10	n.a.
*Dup 123442	15	n.a.
*Dup 123454	61	n.a.
*Dup 123466	226	n.a.
*Dup 123478	17	n.a.

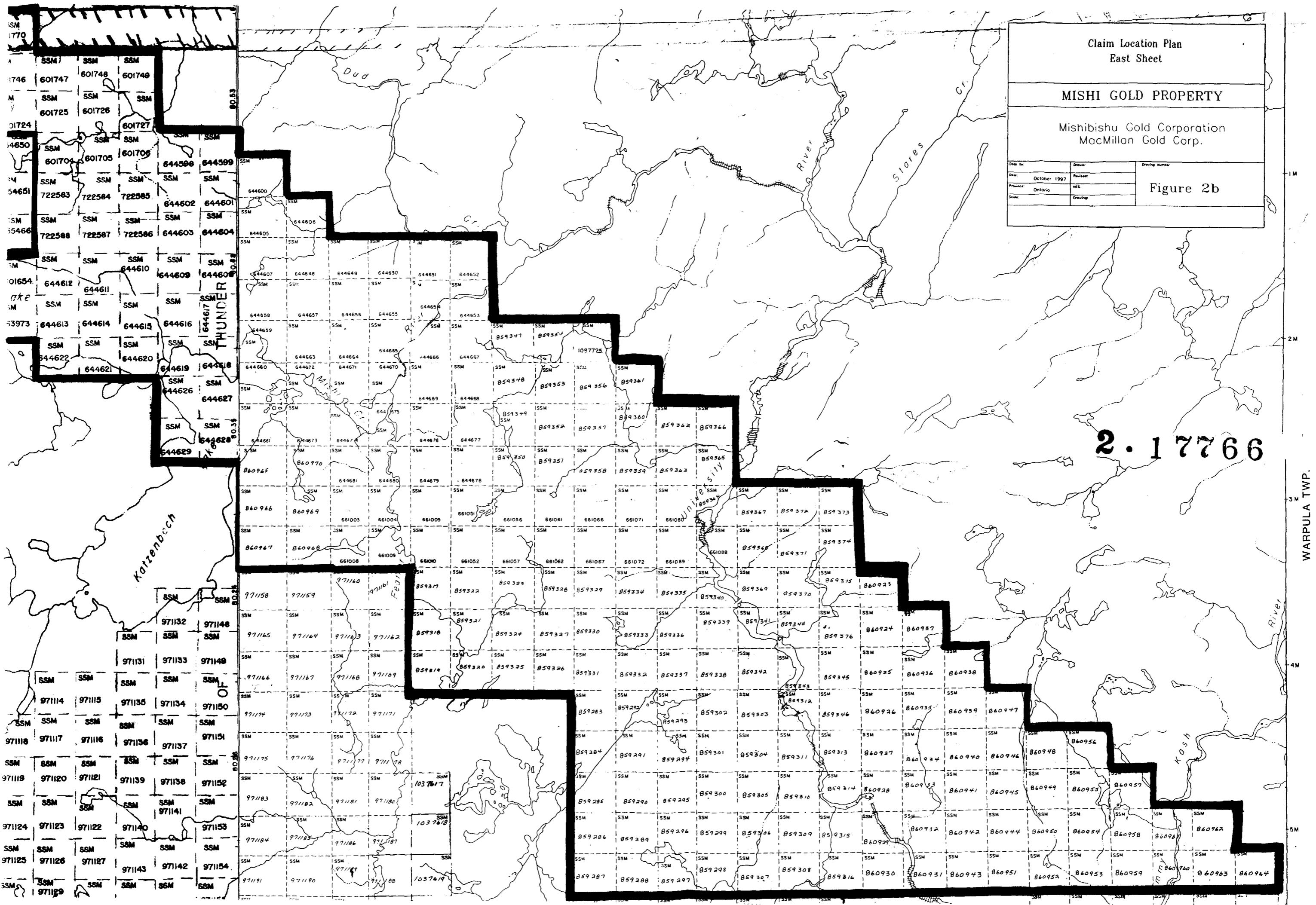


Property Location Plan		
MISHI GOLD PROPERTY		
Mishibishu Gold Corporation MacMillan Gold Corp.		
Date by: J. Millard	Drawn: B. Grundt	Drawing Number
Date: Oct. 1997	Revised:	
Province: Ontario	NTS: 42 C/3	
Scale:	File: 04J-R00	

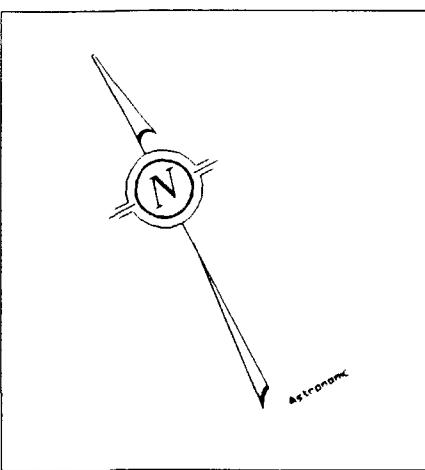
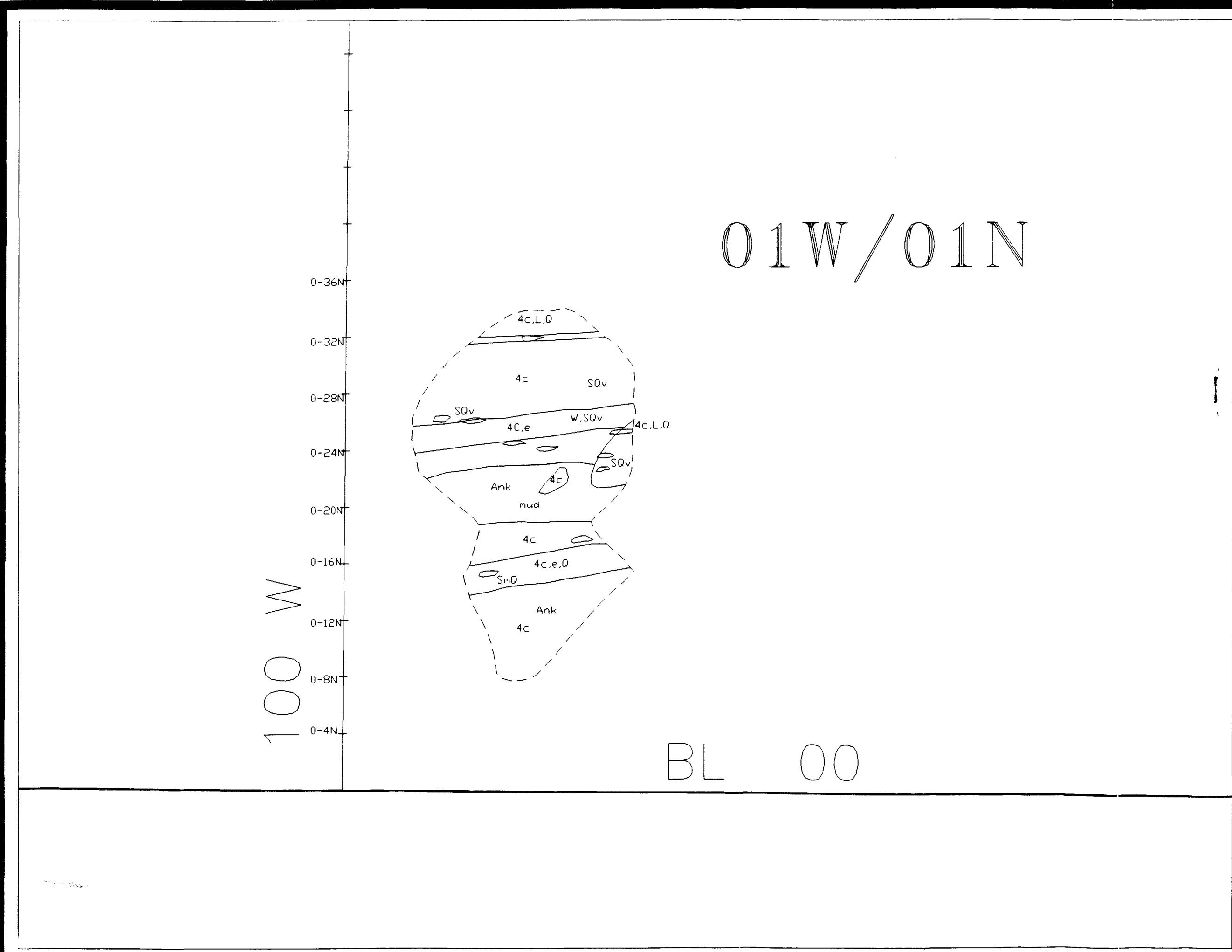
Figure 1

LEGARDE ADDITIONAL





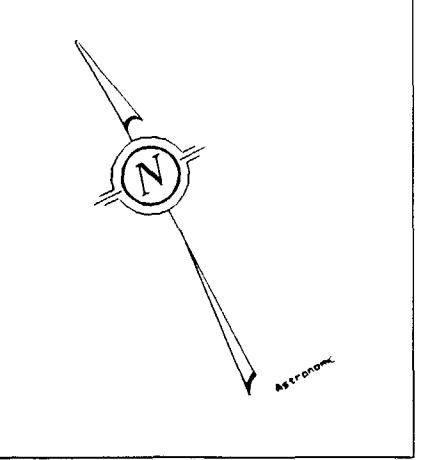
MISHTIBISHU TWEKE



12. 1066

Refer to Figure 3
for Legend

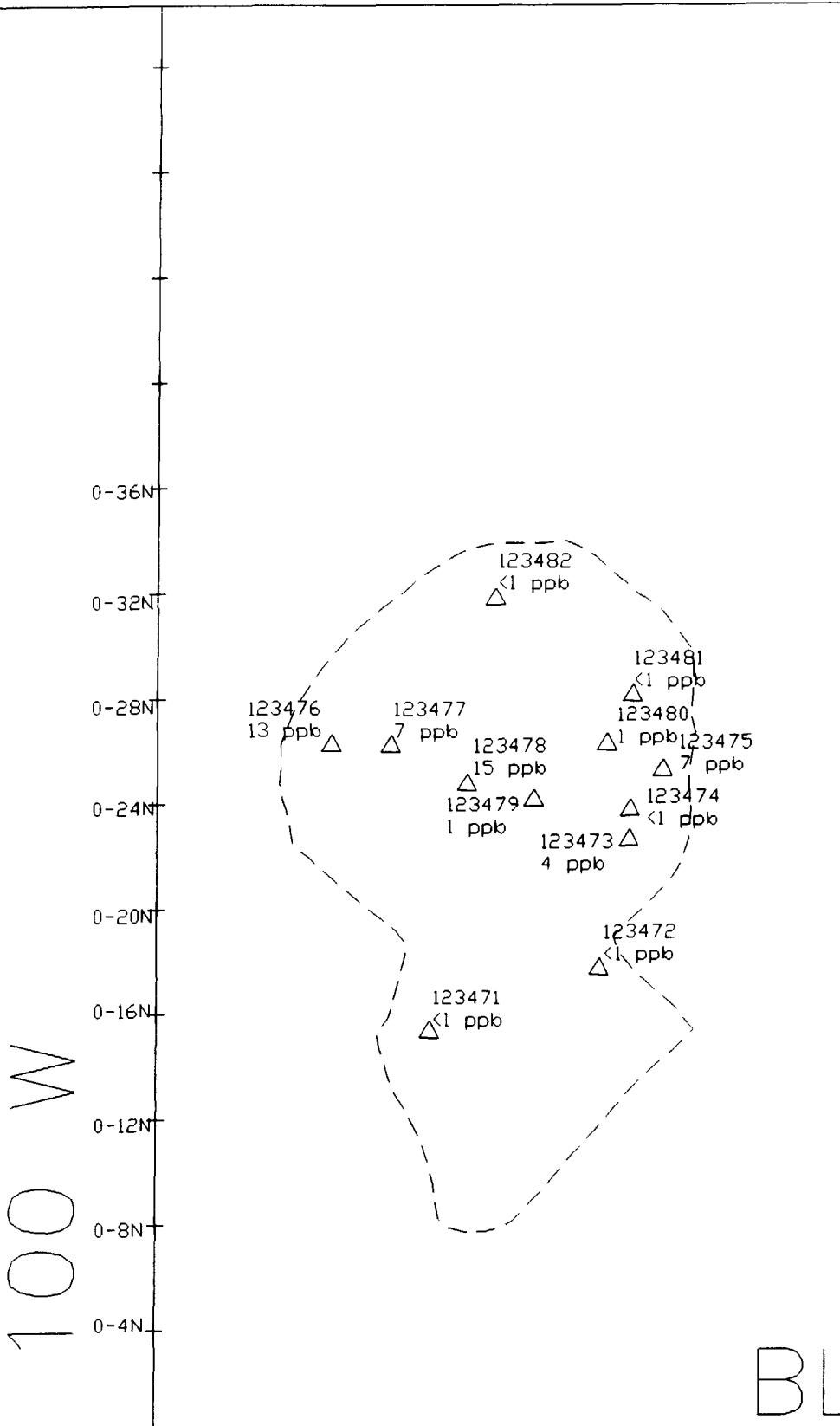
Stripped Area 01W/01N Bedrock Geology		
MISHI GOLD PROPERTY		
Mishibishu Gold Corporation MacMillan Gold Corp.		
Date by: J. Millard	Drawn: B. Grundl	Drawing Number:
Date: Oct. 1997	Reviewed:	
Province: Ontario	NTS: 42 C/3	Figure 4a
Scale: 1:2 500	File: 043-R00	



01W/01N

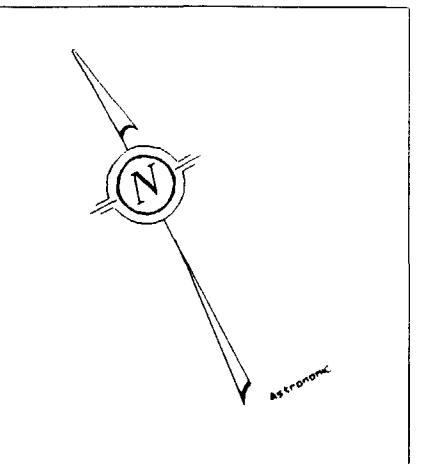
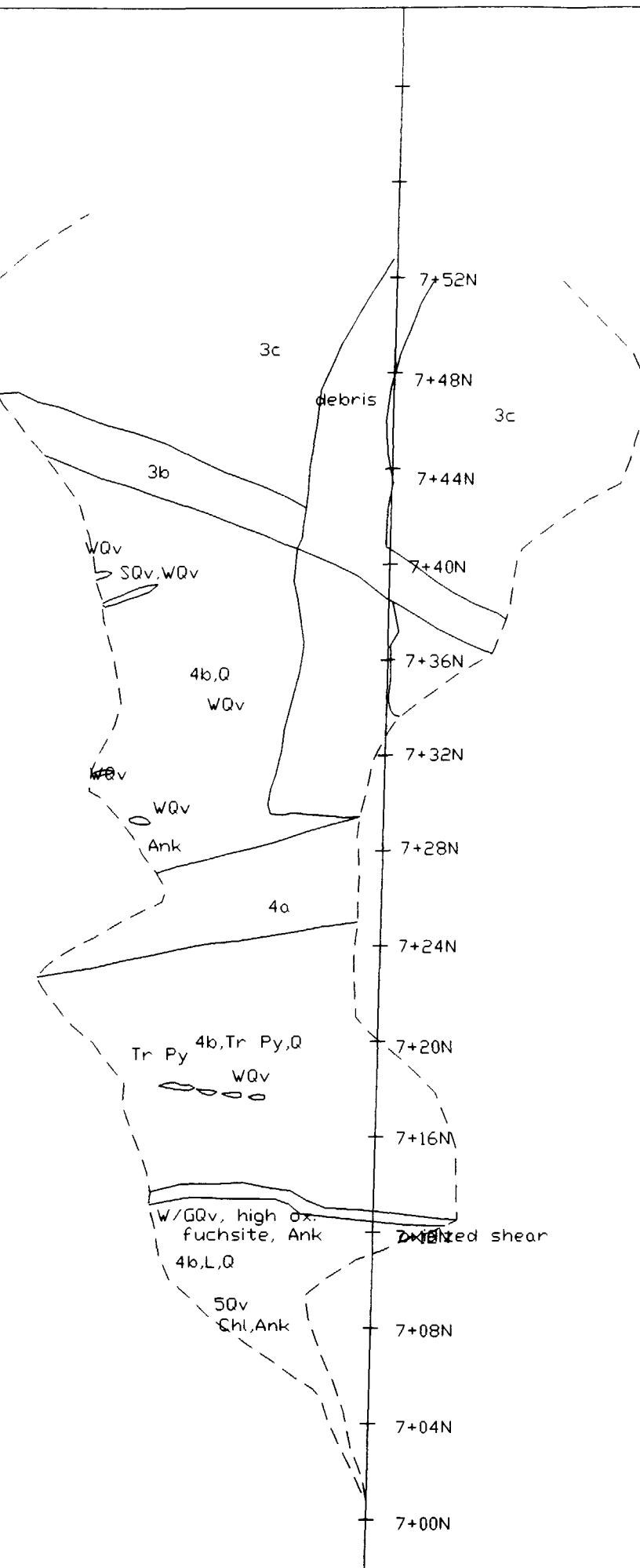
2 • 1 770

Refer to Figure 3
for Legend



Stripped Area 01W/01N Rock Sample Locations & Results		
MISHI GOLD PROPERTY		
Mishibishu Gold Corporation MacMillan Gold Corp.		
Date by: J. Millard	Drawn: B. Grundt	Drawing Number
Date: Oct. 1997	Revised:	
Province: Ontario	NTS: 42 C/3	
Scale: 1:2 500	File: 043-R00	Figure 4b

32W / 07N

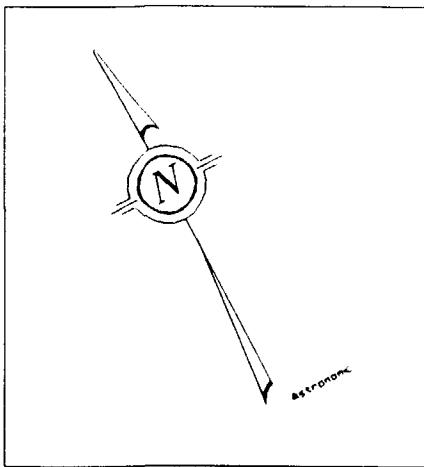
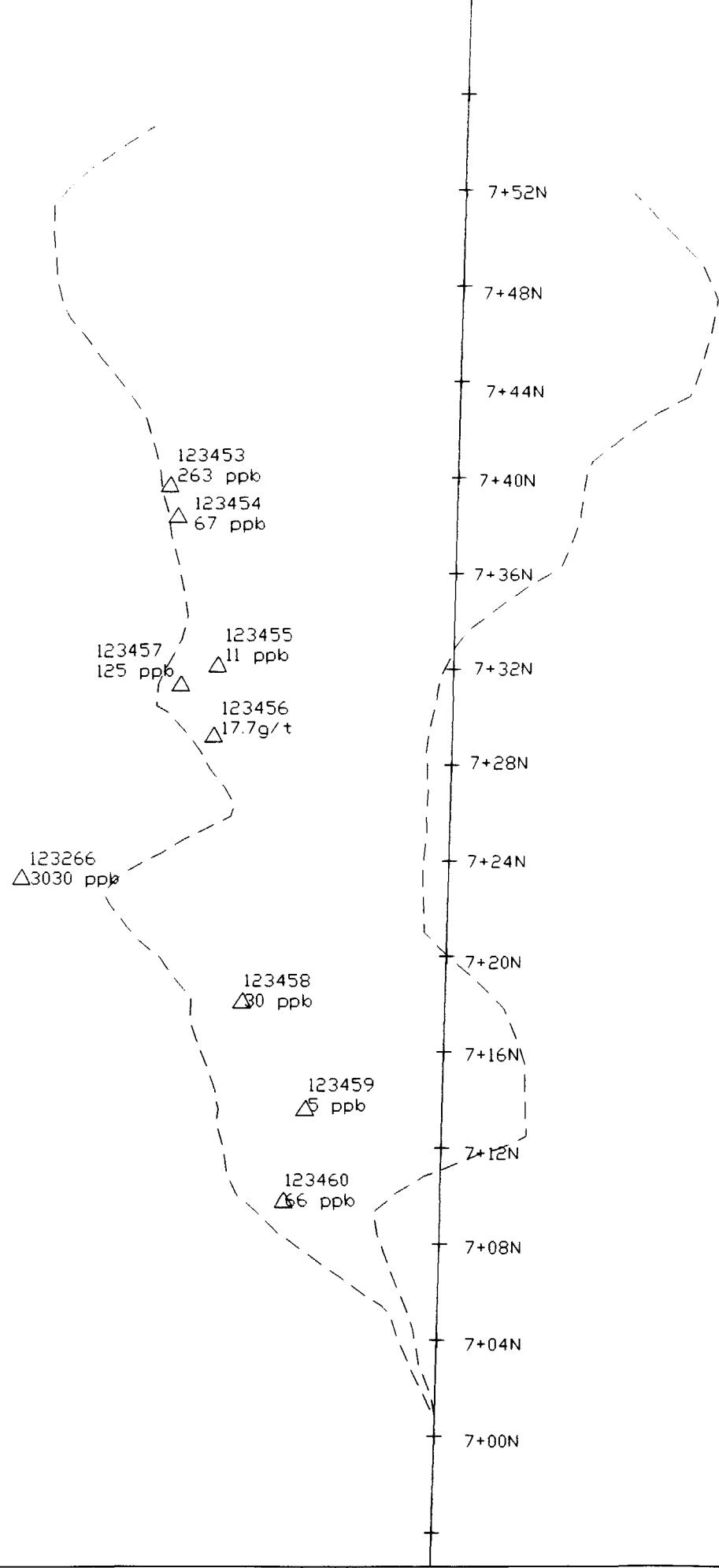


2. 1773

Refer to Figure 3
for Legend

Stripped Area 32W/07N Bedrock Geology		
MISHI GOLD PROPERTY		
Mishibishu Gold Corporation MacMillan Gold Corp.		
Data by: J. Millard	Drawn: B. Grundt	Drawing Number
Date: Oct. 1997	Revised:	
Province: Ontario	NTS: 42 C/3	
Scale: 1:2 500	File: 043-R00	Figure 5a

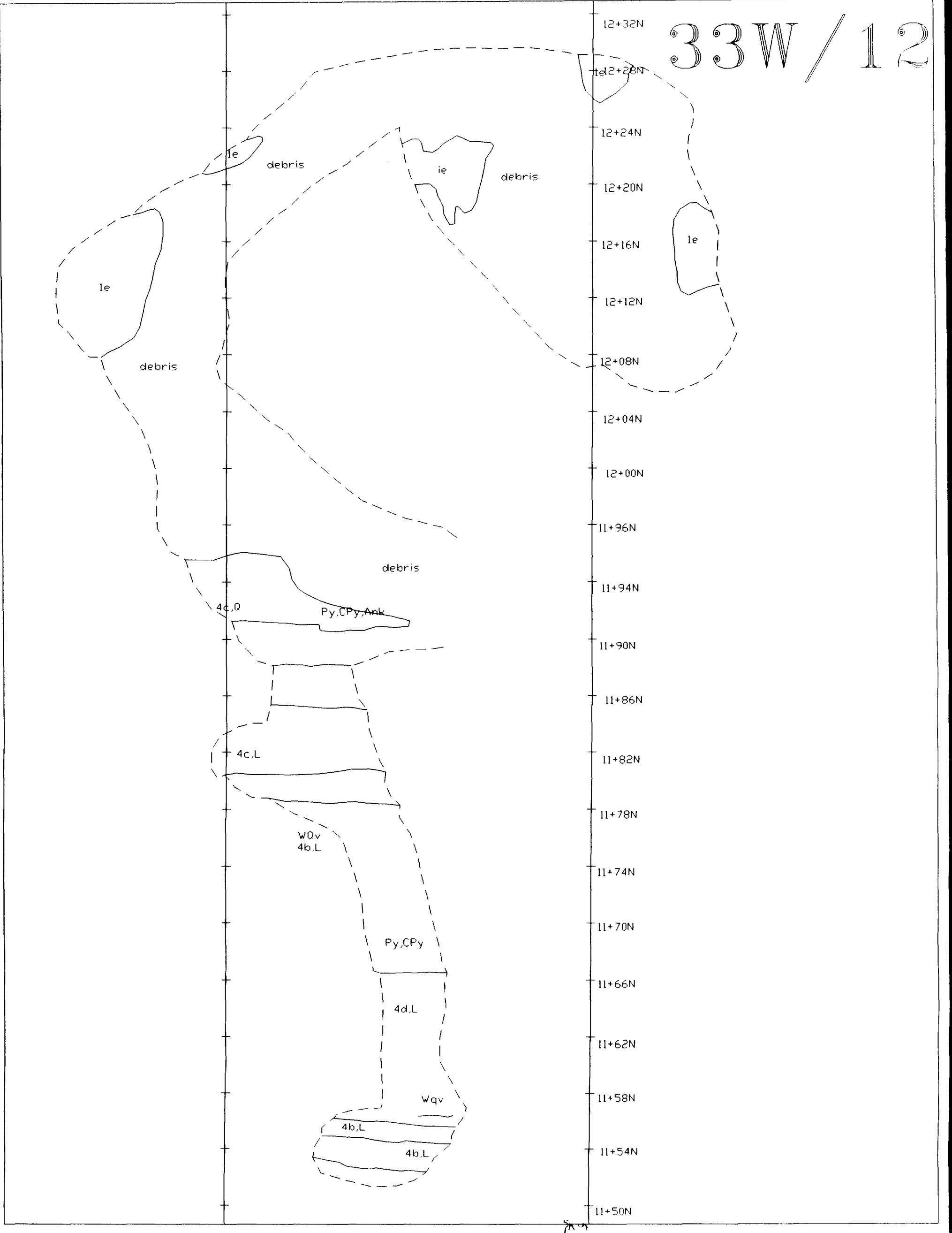
32W/07N



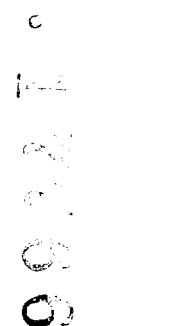
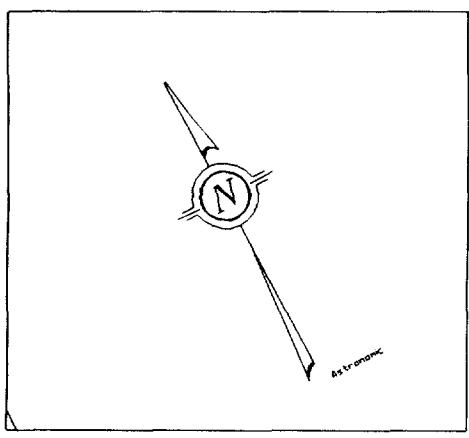
2.17765

Refer to Figure 3
for Legend

Stripped Area 32W/07N Rock Sample Locations & Assay Results			
MISHI GOLD PROPERTY			
Mishibishu Gold Corporation MacMillan Gold Corp.			
Date by: J. Millard	Drawn: B. Grundt	Drawing Number	
Date: Oct. 1997	Revised:		
Province: Ontario	MTS: 42 C/3		
Scale: 1:2 500	File: 043-R00		
Figure 5b			

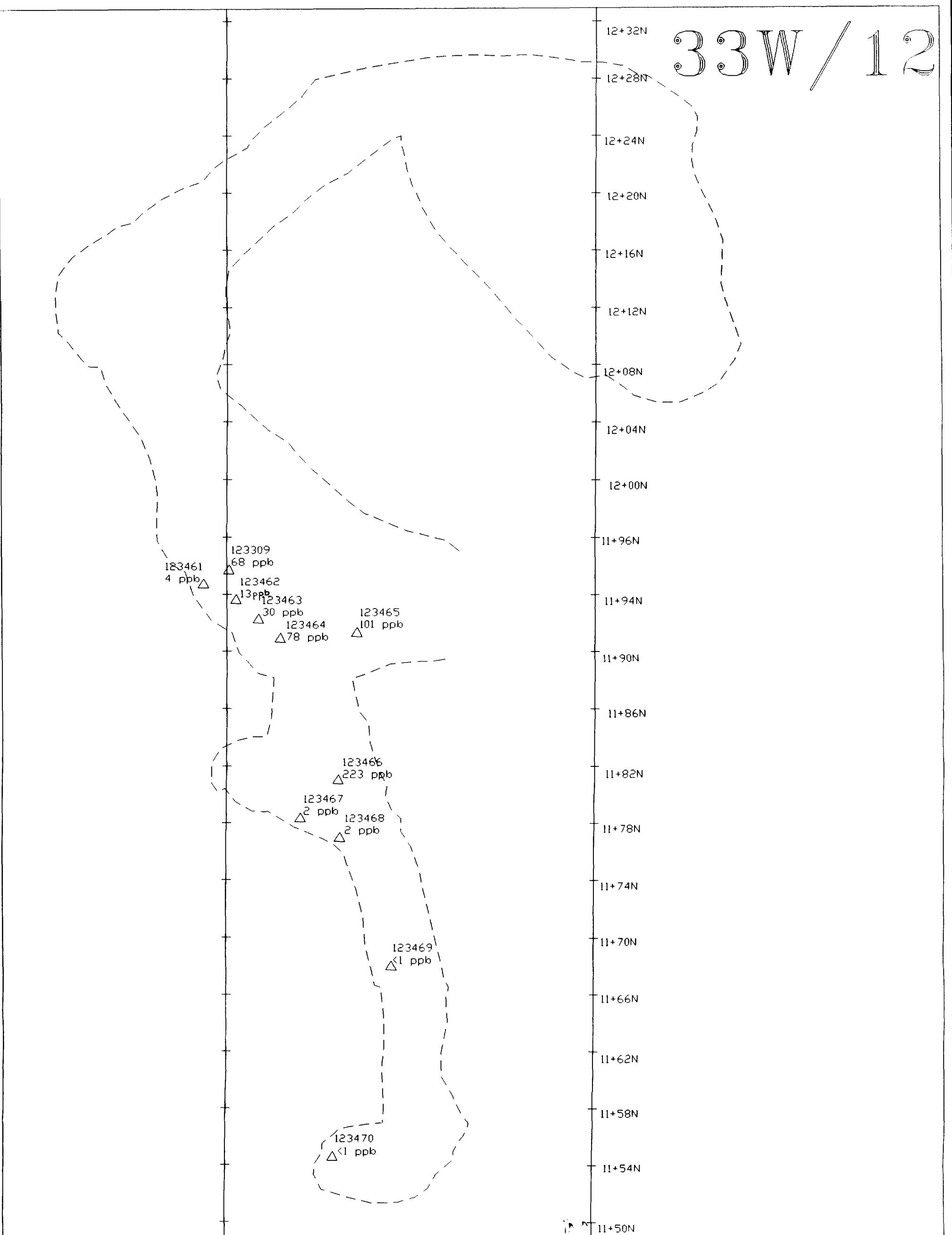


Refer to Figure 3
for Legend

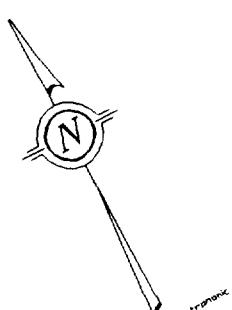


Stripped Area 33W/12N Bedrock Geology		
MISHI GOLD PROPERTY		
Mishibishu Gold Corporation MacMillan Gold Corp		
Date by: J. Millard	Drawn: B. Grundt	Drawing Number
Date: Oct. 1997	Revised:	
Province: Ontario	NTS: 42 C/3	
Scale: 1:2 500	File: 043-R00	Figure 6a

0 2 4 6 Kilometers



Refer to Figure 3
for Legend



Stripped Area 33W/12N
Rock Sample Locations & Assay Results

MISHI GOLD PROPERTY

Mishibishu Gold Corporation
MacMillan Gold Corp.

Data by: J. Millard	Drawn: B. Grundt	Drawing Number:
Date: Oct. 1997	Revised:	
Province: Ontario	NTS: 42 C/3	
Scale: 1:2 500	File: 043-R00	

Figure 6b

39W/05N

4+88N

4+84N

4+80N

4+84N

4+80N

4+76N

4+72N

4+68N

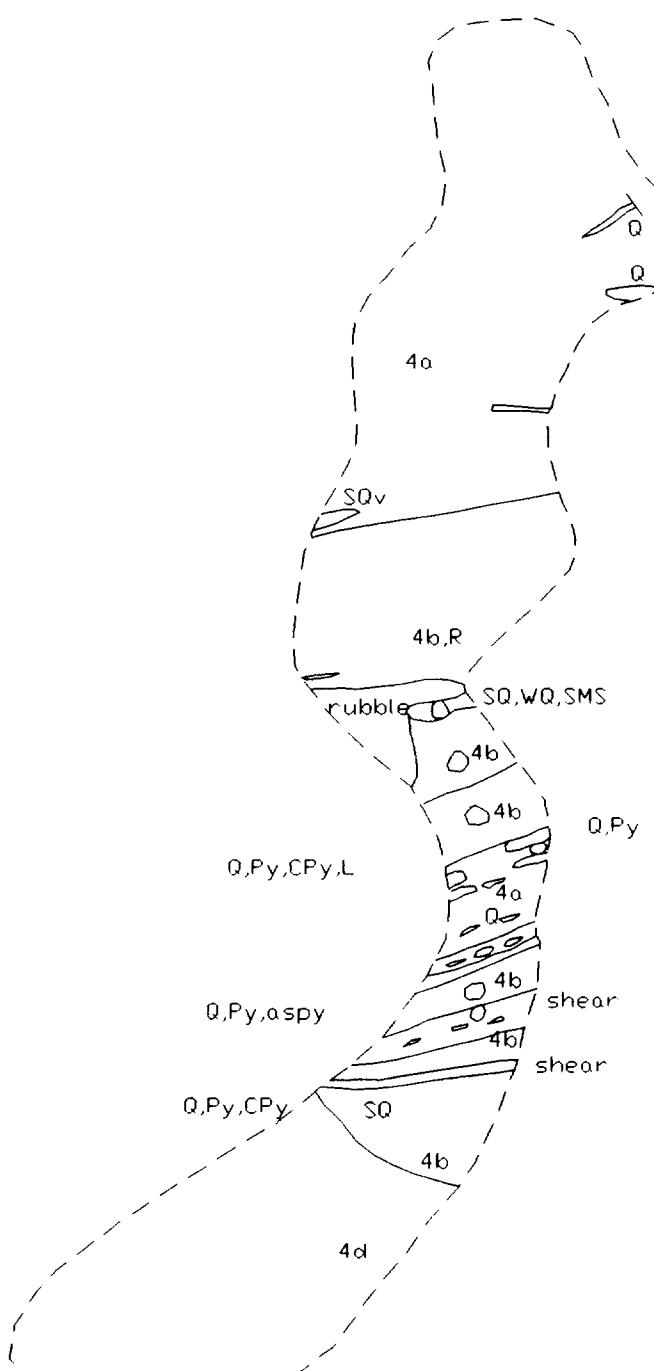
4+64N

4+60N

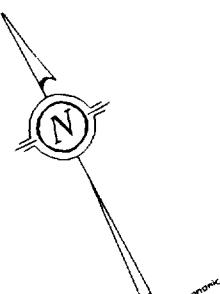
4+56N

4+52N

4+48N



Refer to Figure 3
for Legend



Stripped Area 39W/05N
Bedrock Geology

MISHI GOLD PROPERTY

Mishibishu Gold Corporation
MacMillan Gold Corp

Data by: J. Millard	Drawn: B. Grundt	Drawing Number:
Date: Oct. 1997	Revised:	
Province: Ontario	NTS: 42 C/3	
Scale: 1:2 500	File: 043-R00	Figure 7a

0 100 200 4 metres

39W / 05N

4+88N

4+84N

4+80N

4+84N

4+80N

4+76N

4+72N

4+68N

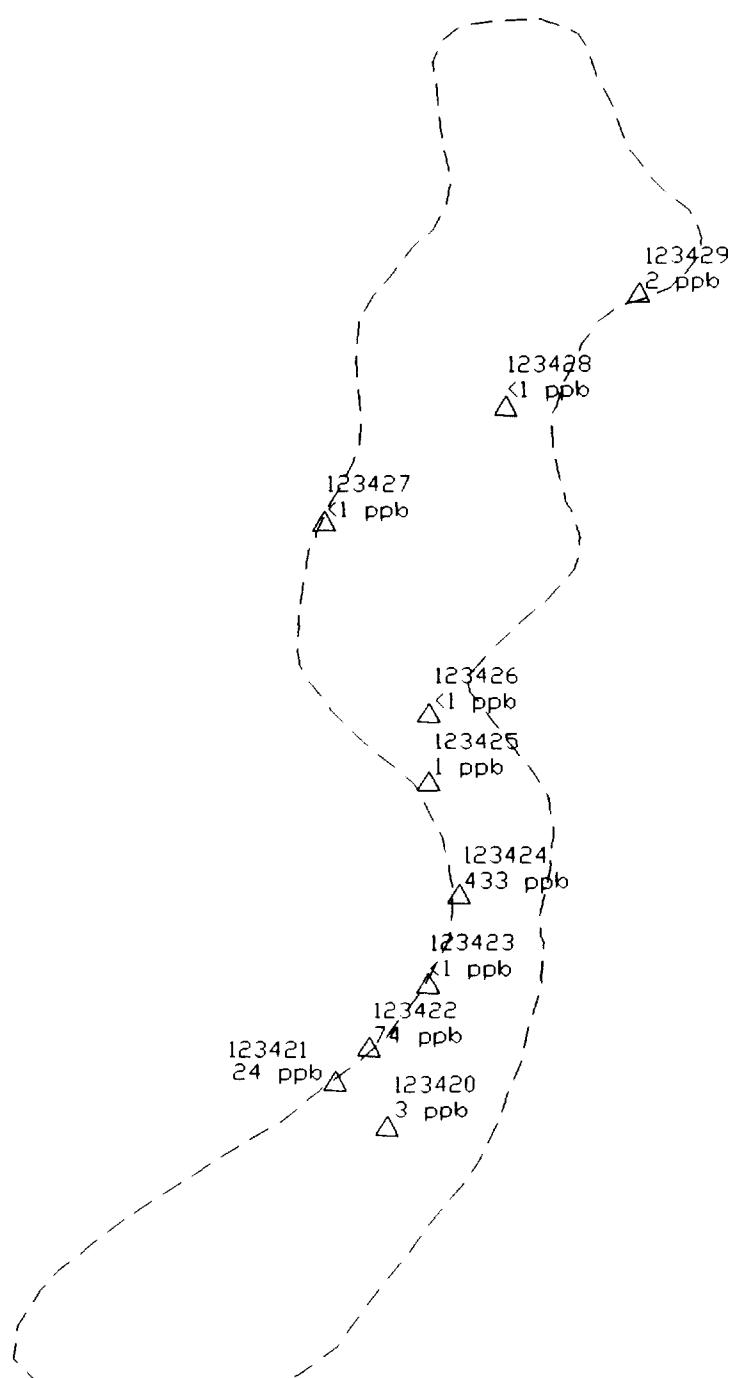
4+64N

4+60N

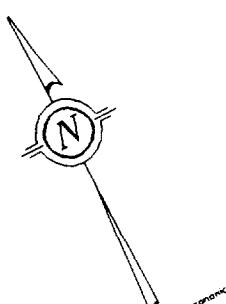
4+56N

4+52N

4+48N



Refer to Figure 3
for Legend



Stripped Area 39W/05N
Rock Sample Locations & Assay Results

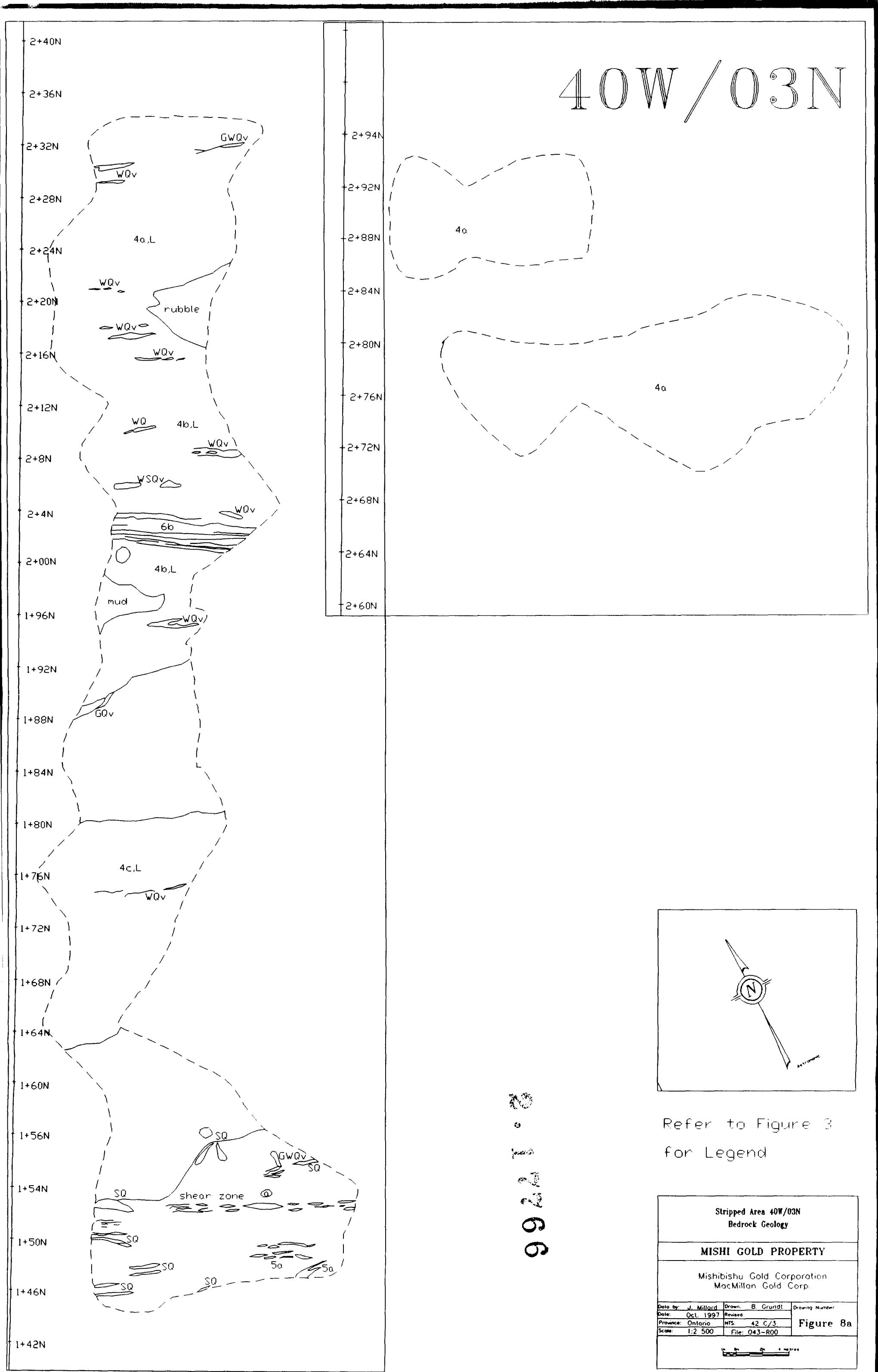
MISHI GOLD PROPERTY

Mishibishu Gold Corporation
MacMillan Gold Corp.

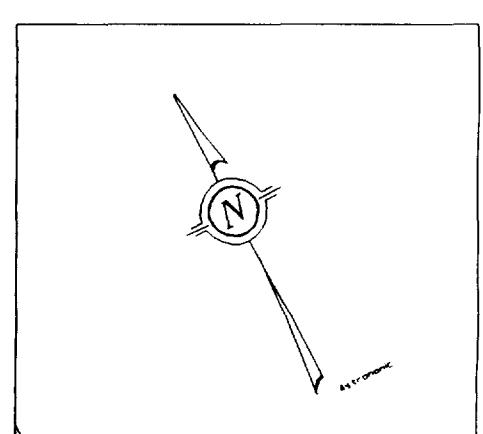
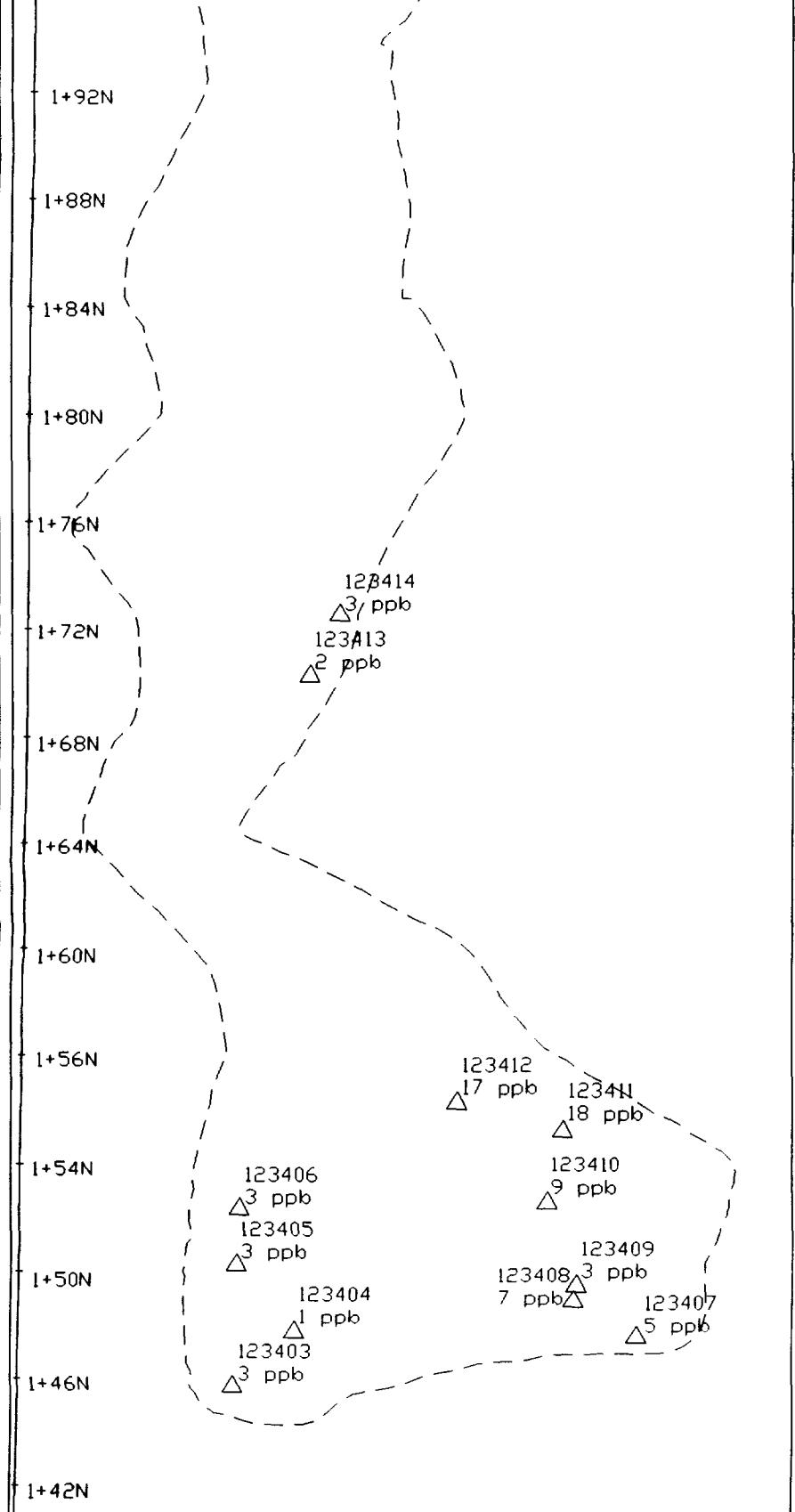
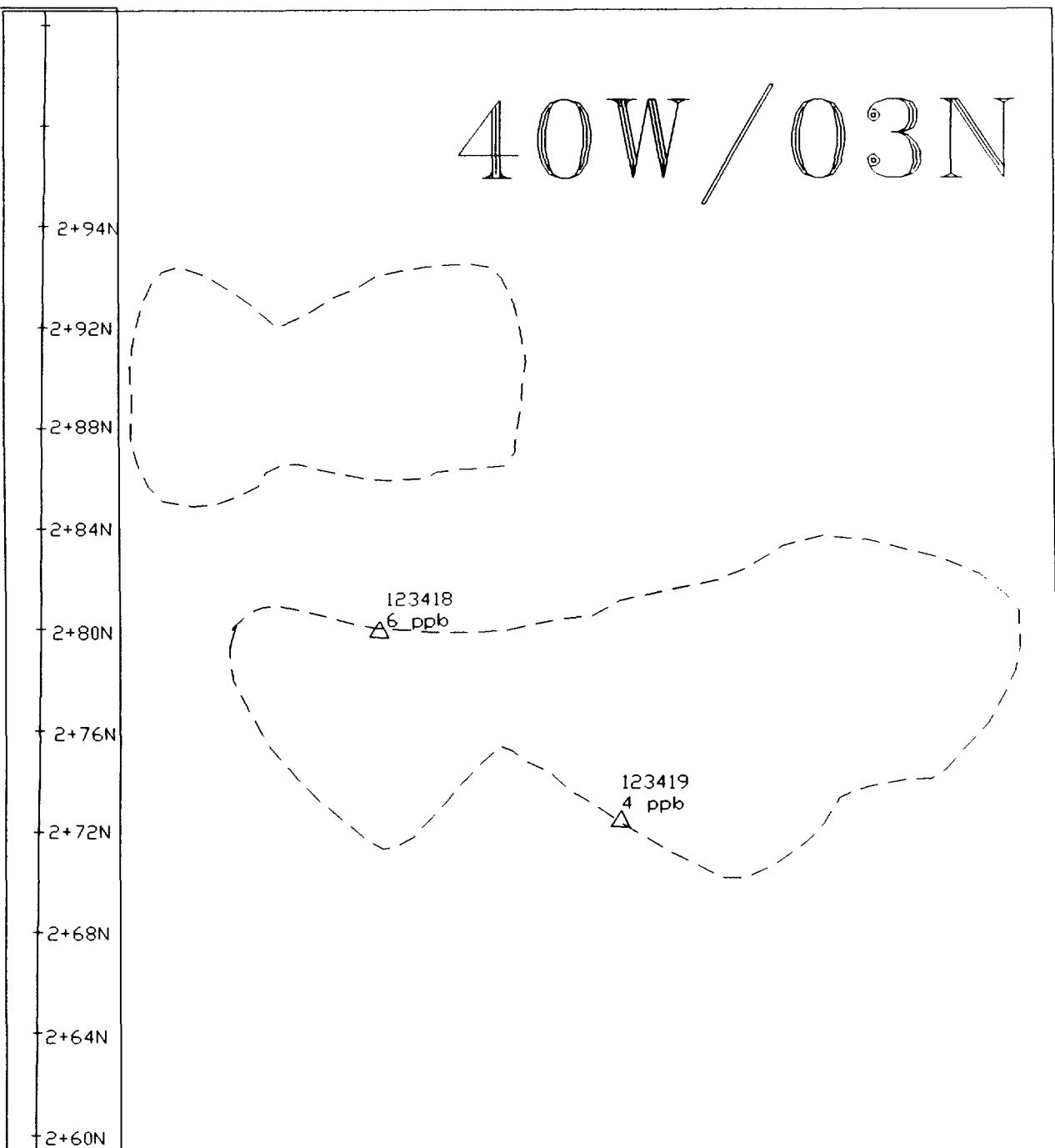
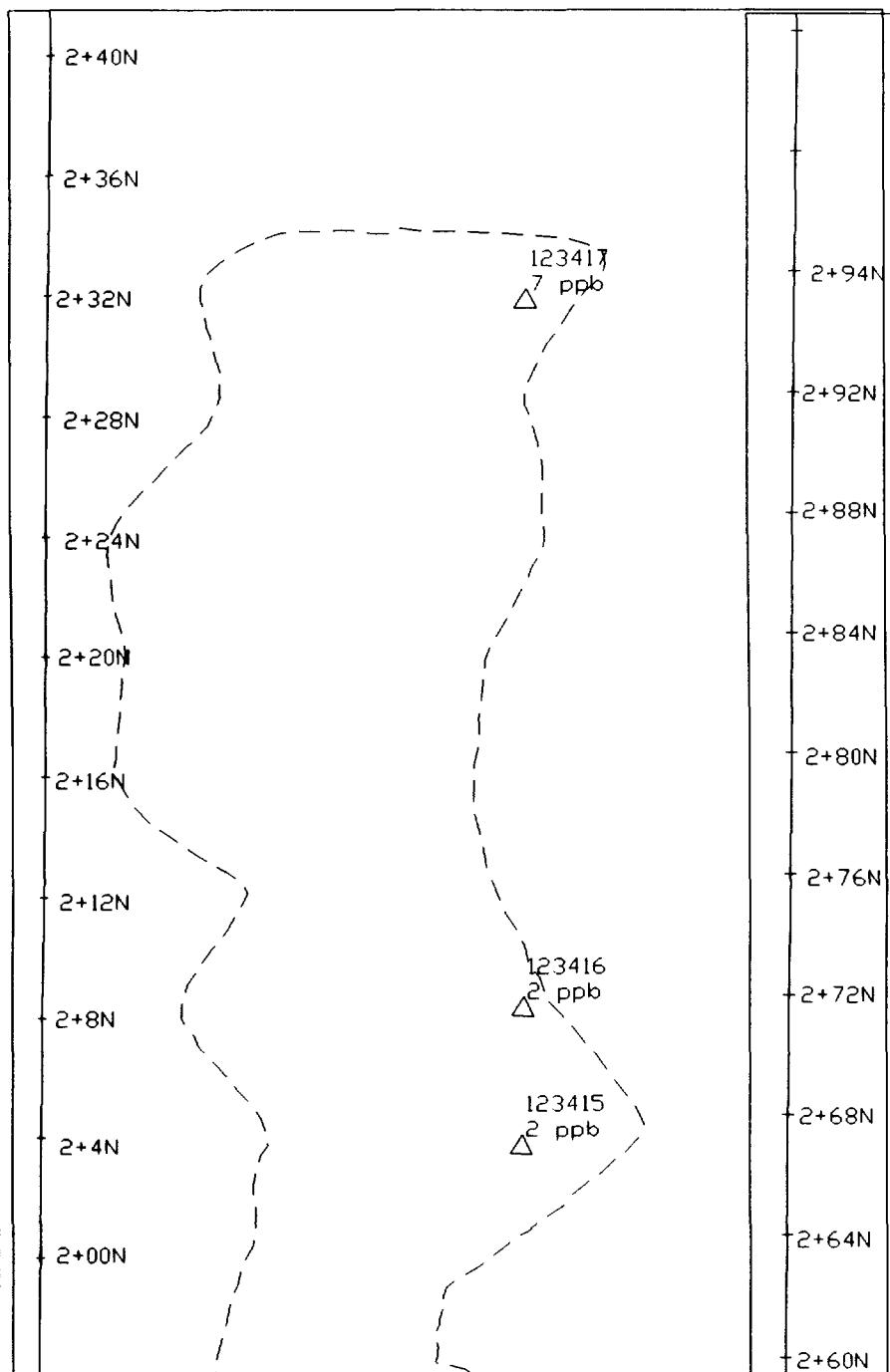
Date by:	J. Millard	Drawn:	B. Grundl.	Drawing Number:
Date:	Oct. 1997	Revised:		
Province:	Ontario	NTS:	42 C/3	
Scale:	1:2 500	File:	043-R00	Figure 7b

0 500 1000 metres

40W/03N

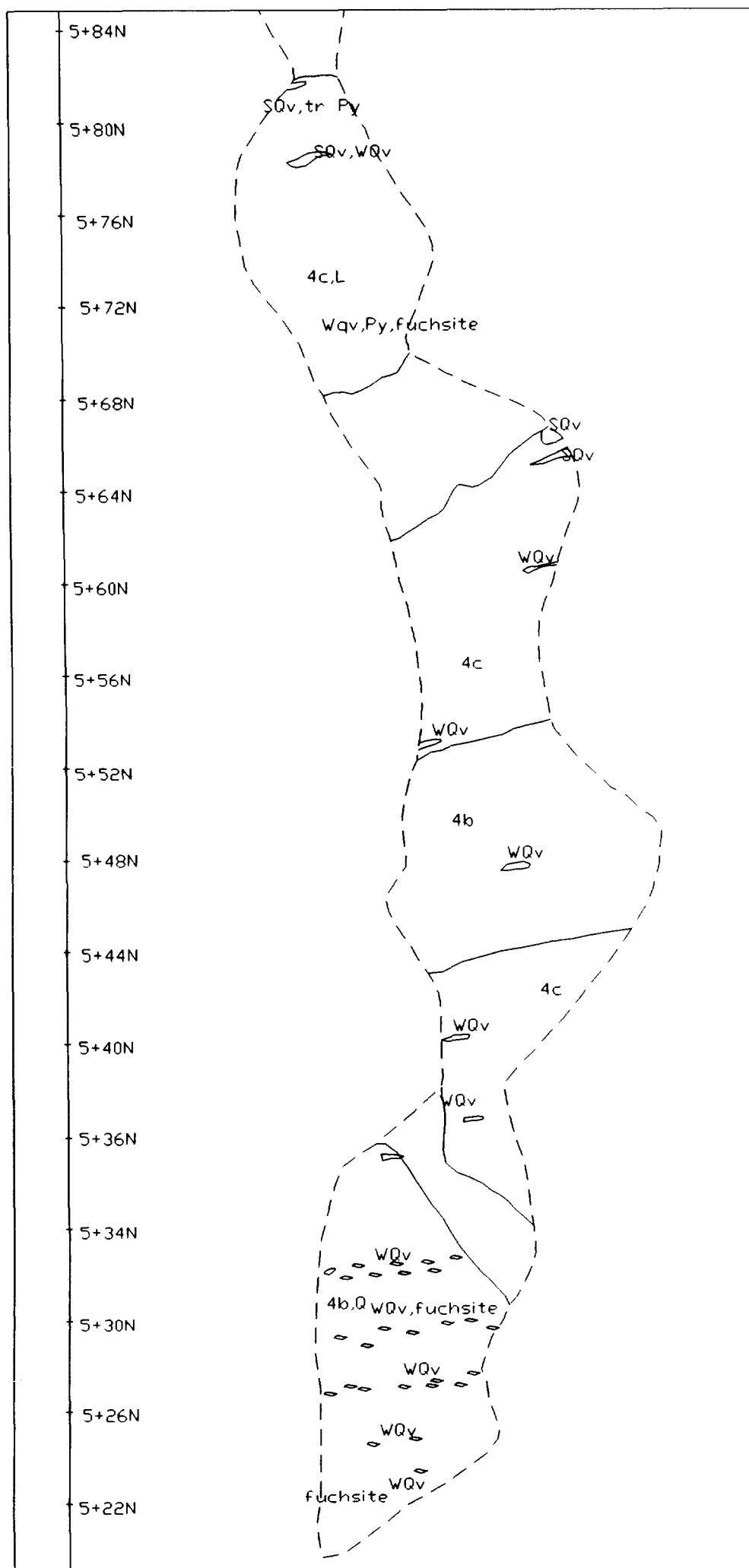
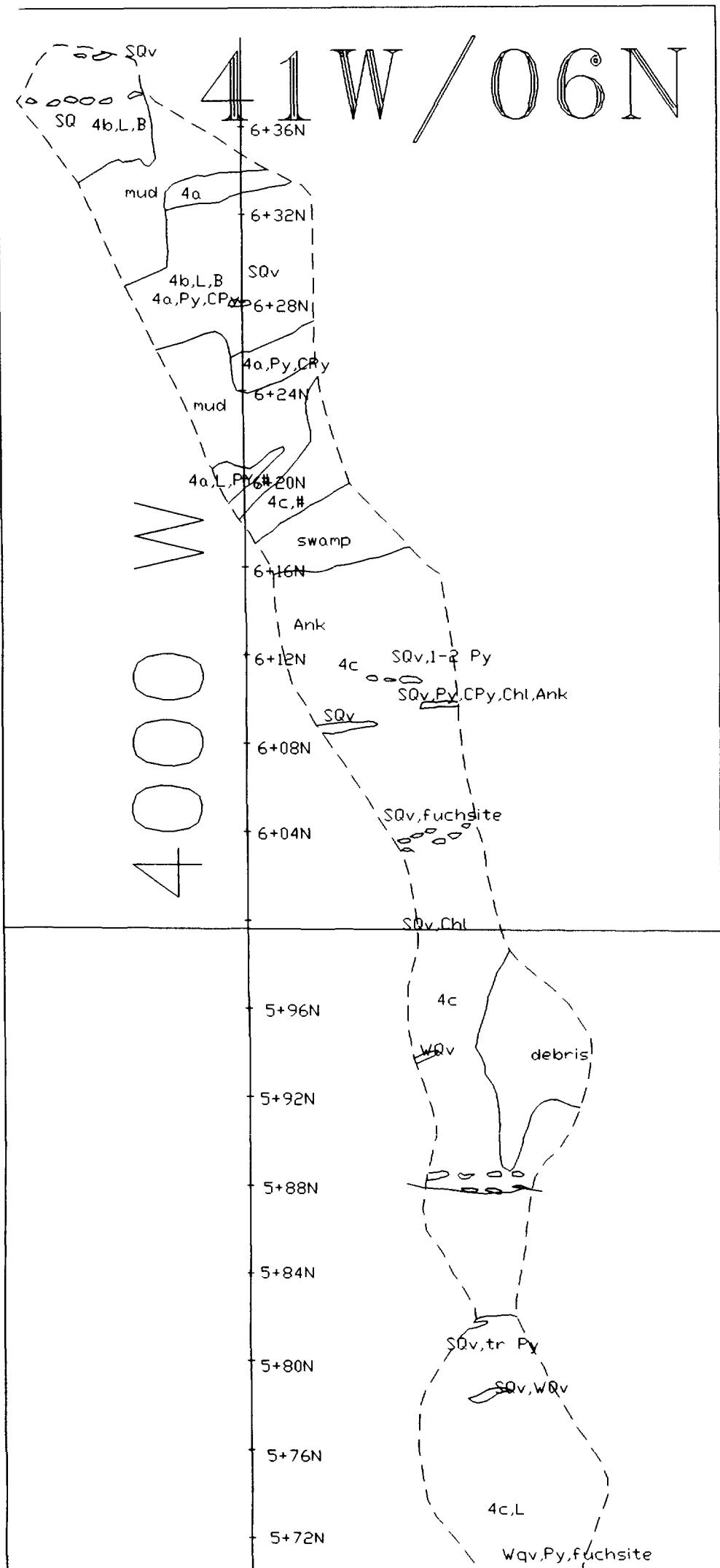


40W/03N



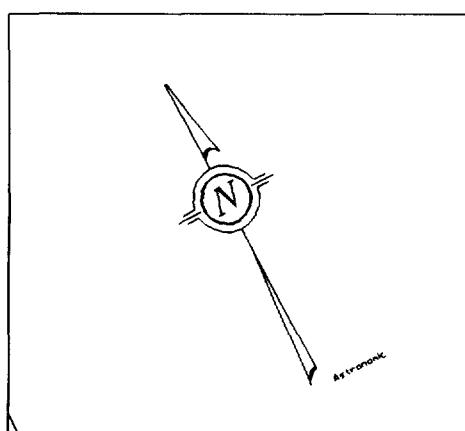
Refer to Figure 3
for Legend

Stripped Area 40W/03N Rock Sample Locations & Assay		
MISHI GOLD PROPERTY		
Mitsubishi Gold Corporation MacMillan Gold Corp.		
Date by: J. Millard	Drawn: B. Grundl	Drawing Number:
Date: Oct. 1997	Revised:	
Province: Ontario	NTS: 42 C/3	8b
Scale: 1:2 500	File: 043-R00	

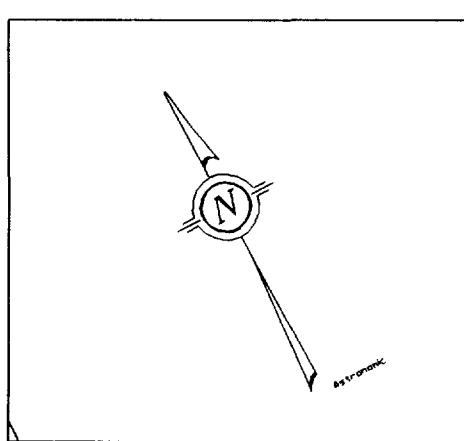
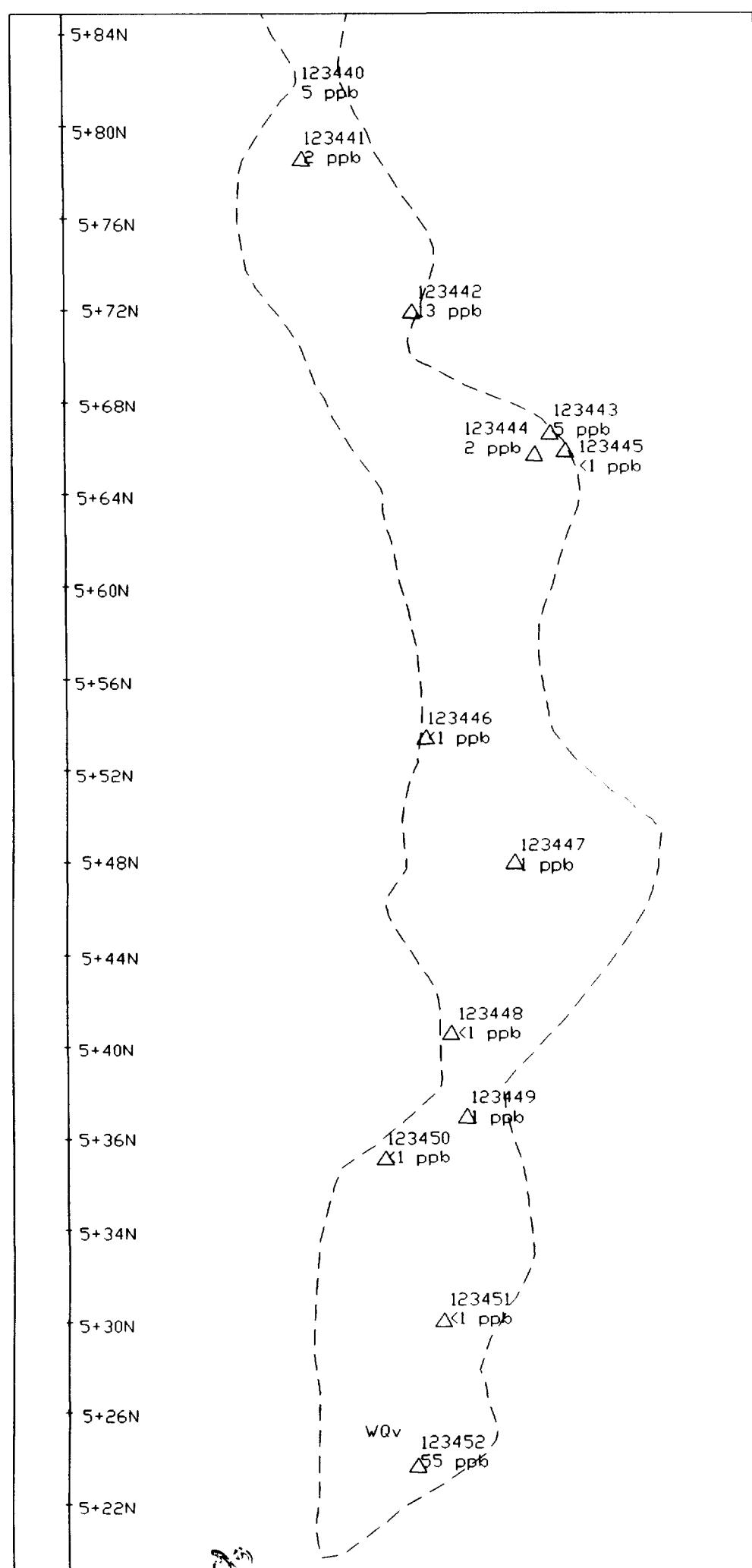
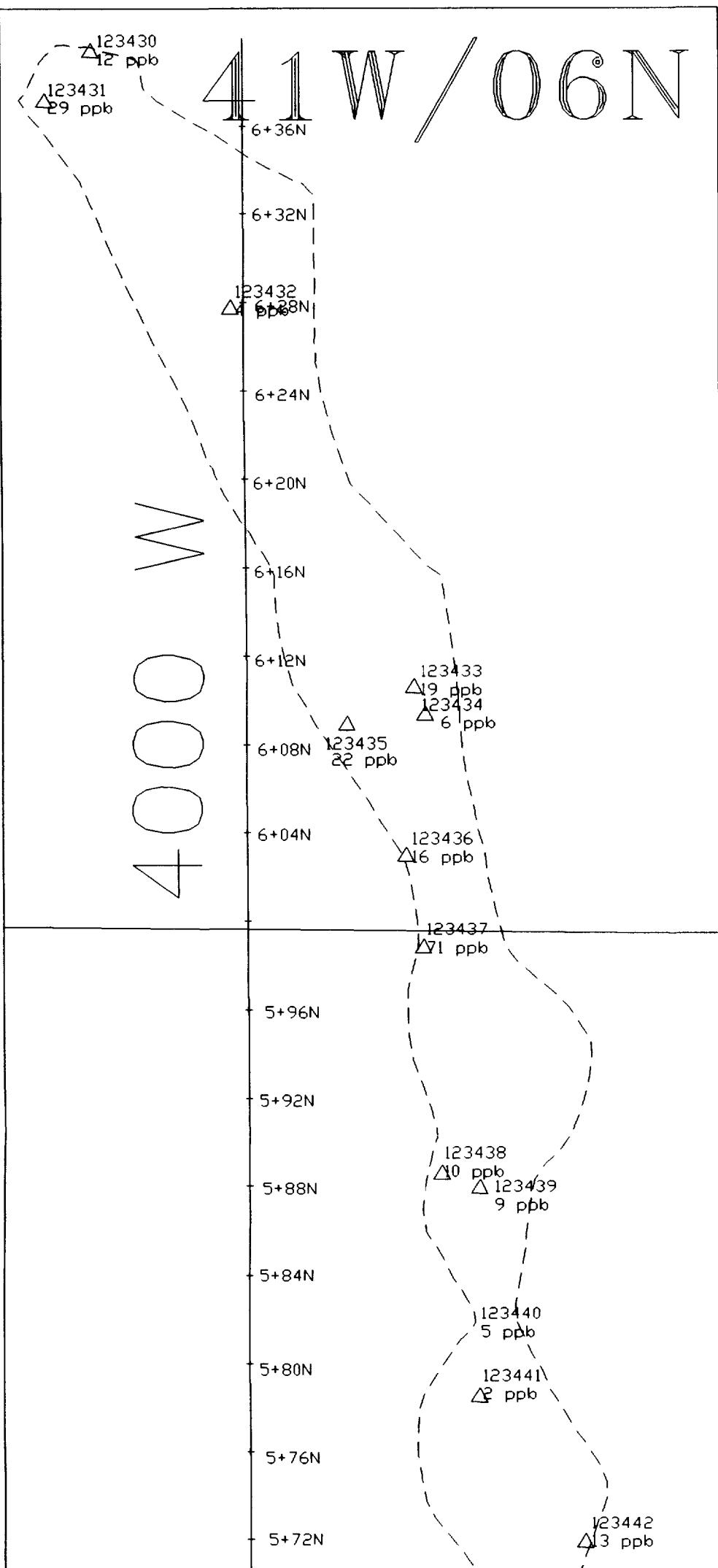


Refer to Figure 3
for Legend

20
11
22
09
23
06



Stripped Area 41W/06N Bedrock Geology		
MISHI GOLD PROPERTY		
Mishibishu Gold Corporation MacMillan Gold Corp.		
Date by: J. Millard	Drawn: B. Grundt	Drawing Number:
Date: Oct. 1997	Revised:	
Province: Ontario	NTS: 42 C/3	
Scale: 1:2 500	File: 043-R00	Figure 9a



Refer to Figure 3
for Legend

Stripped Area 41W/06N Rock Sample Locations & Assay Results		
MISHI GOLD PROPERTY		
Mishibishu Gold Corporation MacMillan Gold Corp.		
Date by: J. Millard	Drawn: B. Grundt	Drawing Number:
Date: Oct 1997	Revised:	
Province: Ontario	NTS: 42 C/3	
Scale: 1:2 500	File: 043-R00	Figure 9b

0 50 100 200 metres

Declaration of Assessment Work
Performed on Mining Land

Mining Act, Subsection 85(2) and 86(3), R.S.O. 1990

Transaction Number (office use)

W4760, 00892

Assessment File Research Imaging

043

Personal information collected on this form is obtained under the authority of subsections 85(2) and 86(3) of the Mining Act. Under section 8 of the Mining Act, the information is to correspond with the mining land holder.

Questions about this collection may be directed to the Ministry of Northern Development and Mines, 8th Floor, 333 Ramsey Lake Road, Sudb



42C03SW0064 2.17766 MISHIBISHU LAKE

Instructions: - For work
- Please

900 Form 0240.

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

Name	MACMILLAN GOLD CORP.	Client Number	162922
Address	365 BAY ST., 11 th FLOOR TORONTO, ON M5H 2V1	Telephone Number	416-363-1124
		Fax Number	416-360-0728
Name		Client Number	
Address		Telephone Number	
	<i>RECEIVED</i> OCT 23 1997 3:00 PM GEOSCIENCE ASSESSMENT OFFICE	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	OVERBURDEN STRIPPING	Office Use	
		Commodity	
		Total \$ Value of Work Claimed \$ 68,627	
Date Work Performed	From 01 09 97 Day Month Year	To 15 10 97 Day Month Year	NTS Reference
Global Positioning System Data (if available)	Township/Area MISHIBISHU LAKE AREA	Mining Division SSM	
	M or G-Plan Number G-3772	Resident Geologist District SSM	

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.

2.17766

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

Name	JAMES MILLARD	Telephone Number	856-8195 905 705-588-2239
Address	16 BROADWAY AVE, WAWA ON P0S 1K0	Fax Number	705-856-8196
Name		Telephone Number	
Address		Fax Number	
Name		Telephone Number	
Address		Fax Number	

4. Certification by Recorded Holder or Agent

I, JAMES MILLARD, 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. Millard Deemed to be true OCT 22/97

Agent's Address	16 BROADWAY AVE, WAWA ON P0S 1K0	Telephone Number	705-856-8195
		Fax Number	705-856-8196

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.

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 CLM - 378 G 5000148		\$30,313 ✓		\$17,600	\$12,713
2 CLM - 379 G 5500149		\$30,314 ✓		\$17,600	\$12,714
3 601803	1	\$4000 ✓	\$800	\$3200	
4 601803	1	\$4000 ✓	800	\$3200	
5 601803	1		800 ✓		
6 601804	1		800 ✓		
7 601805	1		800 ✓		
8 601806	1		800 ✓		
9 601807	1		800 ✓		
10 601808	1		800 ✓		
11 601826	1		800 ✓		
12 601827	1		800 ✓		
13 601828	1		800 ✓		
14 601829	1		800 ✓		
15 601830	1		800 ✓		
Column Totals			✓		

RECEIVED

OCT 29 1997
3,00
GEOSCIENCE ASSESSMENT
OFFICE

I, JAMES E. MILLARD, 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

(E. Millard)

Date

OCT 29 1997

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

2. 17568

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):

CLM - 378
CLM - 379

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)

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.

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	601831	1		\$ 800 ✓		
2	601832	1		\$ 800 ✓		
3	601850	1		800 ✓		
4	601851	1		800 ✓		
5	601852	1		800 ✓		
6	601853	1		800 ✓		
7	601854	1		800 ✓		
8	601855	1		800 ✓		
9	601856	1		800 ✓		
10	601872	1		800 ✓		
11	601873	1		800 ✓		
12	601874	1		800 ✓		
13	601875	1		800 ✓	OCT 23 1997 3:06 PM	
14	601876	1		800 ✓	GEOSCIENCE ASSESSMENT OFFICE	
15	601877	1		800 ✓		
Column Totals						

I, _____, 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

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

2. 1 8,892

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)	

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.

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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 601893	1		\$ 800 ✓		
2 601894	1		800 ✓		
3 601895	1		800 ✓		
4 601896	1		800 ✓		
5 601897	1		800 ✓		
6 859314	1		800 ✓		
7 859315	1		800 ✓		
8 859316	1		800 ✓		
9 859325	1		800 ✓		
10 859345	1		800 ✓		
11 859346	1		800 ✓		
12 859348	1		800 ✓		
13 859349	1		800 ✓	RECEIVED	
14 859352	1		800 ✓	OCT 23 1997	
15 859353	1		800 ✓	GEOSCIENCE ASSESSMENT OFFICE	
Column Totals					

I, _____, 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

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)

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.

W9750.00892

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eg 1234567	12	0	\$24,000	0	0
eg 1234568	2	\$8,892	\$4,000	0	\$4,892
1 1037469	1		\$800 ✓		
2 859295	1		800 ✓		
3 859305	1		800 ✓		
4 859306	1		800 ✓		
5 859307	1		800 ✓		
6 859308	1		800 ✓		
7 859309	1		800 ✓		
8 859310	1		800 ✓		
9 859311	1		800 ✓		
10 859312	1		800 ✓		
11 859313	1		800 ✓	RECEIVED OCT 23 1997 GEOSCIENCE ASSESSMENT OFFICE	
12					
13					
14					
15					
Column Totals		\$68,627	\$43,200	\$41,600	\$25,427

I, _____, 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

2. 12266

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)	

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	Cost Per Unit of work	Total Cost
PHYSICAL WORK	4100m ² MECHANICAL 1 OVERBURDEN STRIPPING		\$ 56,560. \$ 45,243.
	2 km ACCESS ROAD		
	GEOLOGIC MAPPING		
	ROCK SAMPLING (81)		

Associated Costs (e.g. supplies, mobilization and demobilization).

EQUIPMENT RENTAL / SUPPLIES	8,524.
ASSAYING	930.

Transportation Costs

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3:08
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OFFICE

Food and Lodging Costs

2613.

Total Value of Assessment Work	\$ 68,627.00
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2. 1. 186

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, JAMES MILLARD, 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.

Signature	Date
<u>J. Millard</u>	Oct. 22/97

Ministry of
Northern Development
and Mines

Ministère du
Développement du Nord
et des Mines



Ontario

March 3, 1998

MACMILLAN GOLD CORP.
365 BAY STREET
11TH FLOOR
TORONTO, ONTARIO
M5H-2V1

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

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

Dear Sir or Madam:

Submission Number: 2.17766

Status

Subject: Transaction Number(s): W9750.00892 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.

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 jerome12@epo.gov.on.ca or by telephone at (705) 670-5858.

Yours sincerely,

A handwritten signature in black ink that reads "Blair Kite".

ORIGINAL SIGNED BY

Blair Kite
Supervisor, Geoscience Assessment Office
Mining Lands Section

Work Report Assessment Results

Submission Number: 2.17766

Date Correspondence Sent: March 03, 1998

Assessor: Lucille Jerome

Transaction Number	First Claim Number	Township(s) / Area(s)	Status	Approval Date
W9750.00892	CLM 378	MISHIBISHU LAKE	Approval After Notice	March 02, 1998

Section:

10 Physical PSTRIP

10 Physical PMECH

The revisions outlined in the Notice dated January 21, 1998, have been corrected. Assessment work credit has been approved as outlined on the attached Distribution of Assessment Work Credit sheet to better reflect where the work was performed.

Correspondence to:

Resident Geologist
Sault Ste. Marie, ON

Assessment Files Library
Sudbury, ON

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

James Millard
WAWA, ON, CAN

MACMILLAN GOLD CORP.
TORONTO, ONTARIO

Distribution of Assessment Work Credit

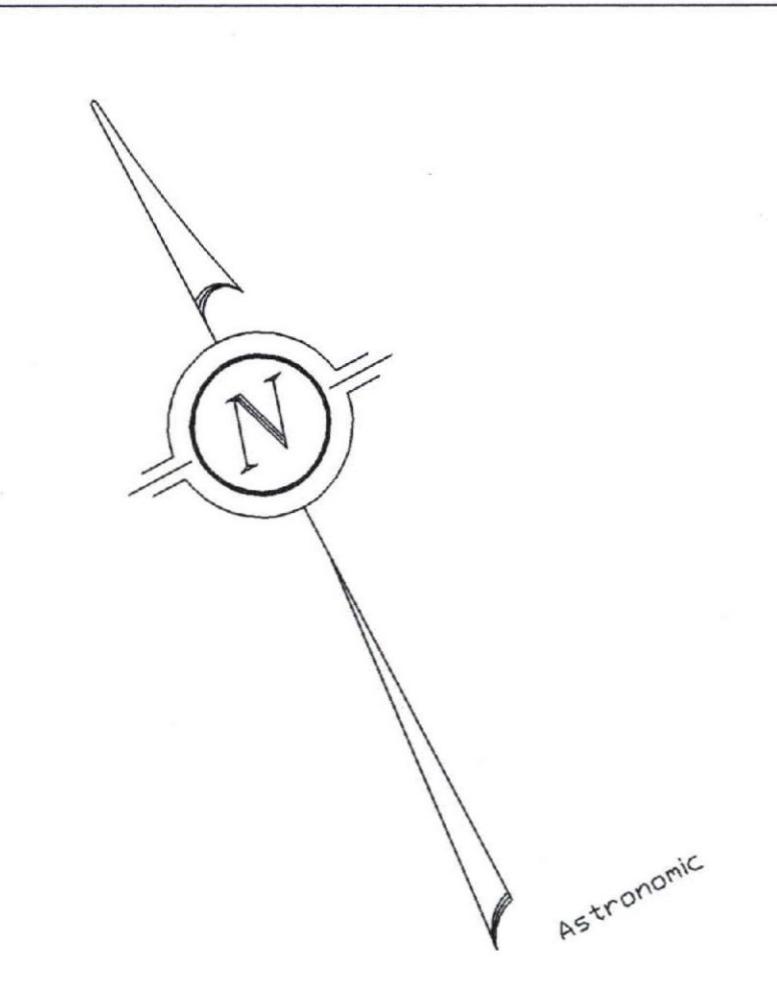
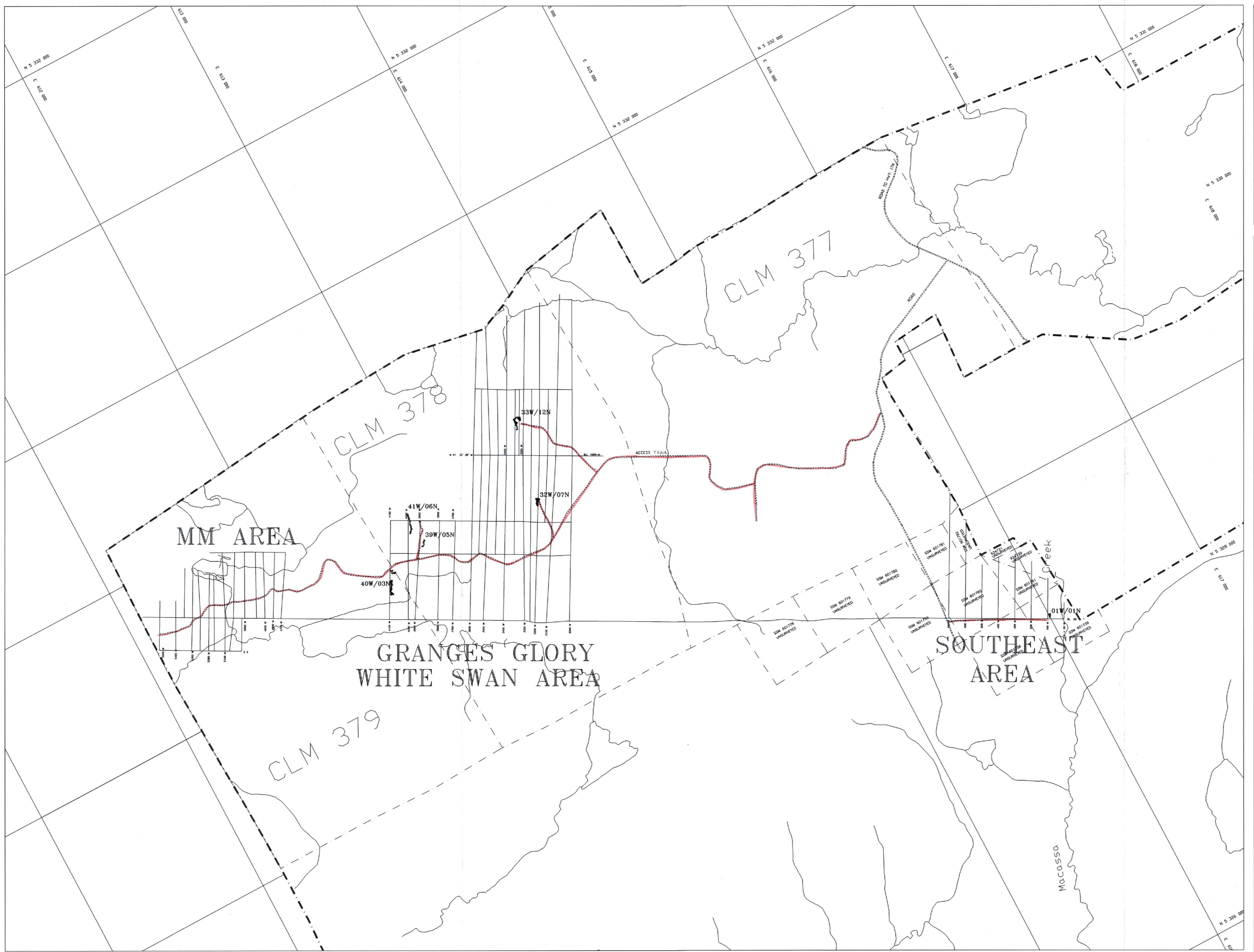
The following credit distribution reflects the value of assessment work performed on the mining land(s).

Date: March 03, 1998

Submission Number: 2.17766

Transaction Number: W9750.00892

<u>Claim Number</u>	<u>Value Of Work Performed</u>
CLM 378	30,313.00
CLM 379	30,314.00
601739	8,000.00
Total: \$	68,627.00



LEGEND

1 GRANITICS
2 FELSIC INTRUSIVES
3 FELSIC TO INTERMEDIATE INTRUSIVES
4 SEDIMENTS
5 FELSIC VOLCANICS
6 INTERMEDIATE VOLCANICS
7 MAFIC VOLCANICS
ALTERATION MINERALOGIES
ACCESSORY MINERALOGIES

40258900022775 MASHIBUSHI LINE

210