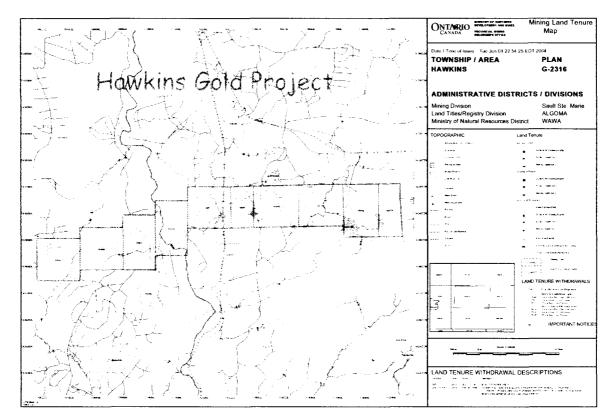


42C16NE2009 2.27799 HAWKINS

010

STRIPPING REPORT CLAIM SSM 1229072 HAWKINS GOLD PROJECT

HAWKINS TOWNSHIP SAULT STE. MARIE MINING DIVISION ONTARIO



DON McKINNON

RECEIVED

prepared by

JUN - 4 2004

STOLIENCE ASSESSMET

Randall W. Salo, HBSc.

June 1, 2004

2 2779**9**

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Introduction

The current project lies within a narrow east-west trending portion of the so-called "Schist Complex" known as the Kabinakagami Lake Belt (J.E. Maynard, 1929). The "Schist Complex" consists dominantly of a series of complexly folded Archean sediments and volcanic flows. To the north and south of the "Schist Complex" are older batholithic intrusives composed of well banded, granulated, quartz, biotite and hornblende gneiss' (J.E. Maynard, 1929). Several diabase dikes up to 65 metres in width cut all lithologies.

The property covers more than a 2.5 kilometre strike length of the Shenango Gold trend; a sericitized pyritic felsic tuff. Gold grades from $\frac{1}{2}$ to 3 grams across widths of 20 to 30 metres are realized with individual assays ranging from 100 ppb to 23 g/t. Gold mineralization has similarities to Hemlo in that gold values appear stratabound and the adjacent volcanics are intruded by numerous feldspar porphyry sills.

The present report describes a stripping program that uncovered rocks situated in north and central parts of claim 1229072. General mapping of the exposed rocks was performed but, no samples were taken at this time. Recommendations including a detailed mapping program followed by channel sampling have been suggested to outline previous auriferous zones on surface and possibly discover new areas that may enhance the potential of the current property.

Property Description, Location and Access

The Hawkins Gold Project property is comprised of 10 contiguous claim blocks covering 2288 hectares; 118 claim units in Hawkins (G-2316) township, Sault St. Marie Mining Division and 25 claim units in Walls (G-2360) township, Porcupine Mining Division. The property is located approximately 120 kilometres south of Hearst and 12 kilometres south of the village of Oba, Ontario (Fig. 1). Access to the property is realized via Hwy 583 from Hearst to Mead and then along a Newago Lumber gravel surface road to Oba where several secondary lumber roads provide access to various parts of the claim group.



Fig.1 - Location Map



Fig. 2 - 2004 Program Location Map

Claims

The claims are recorded under the name of Donald McKinnon and claim numbers are as follows:

Claim #	Hectares	Recording Date	Due Date	Required Work
1229071	128	June 6, 1997	June 6, 2004	\$ 3200.00
1229072	256	June 6, 1997	June 6, 2004	\$ 6400.00
1229073	256	June 6, 1997	June 6, 2004	\$ 6400.00
3016341	256	July 14, 2003	July 14, 2005	\$ 6400.00
3016342	256	July 14, 2003	July 14, 2005	\$ 6400.00
3016377	240	July 9, 2003	July 9, 2005	\$ 6000.00
3016376	240	July 9, 2003	July 9, 2005	\$ 6000.00
3002377	256	June 12, 2003	June 12, 2005	\$ 6400.00
3002396	240	June 12, 2003	June 12, 2005	\$ 6000.00
3002378	160	June 12, 2003	June 12, 2005	\$ 4000.00

Previous Exploration Work

Previous exploration on the property concentrated on three main areas; Taylor's Prospect, Shenango Shaft No.1 and Shenango Shaft No.2. The following tables outline work history on these three areas of interest.

Date	Work Performed	Significant Results	Worker
1923	prospecting	first gold discovery	G. Taylor
1925-1929	stripping, trenching, test pit rock sampling	uncovered 3 qz. veins where gold could be panned	G. Taylor
1929 – 1935	stripping, trenching, rock sampling test pit	uncovered 7 qz. veins; "A" vein assayed 30.5 g/t over 0.3 m, "E" vein assayed 5.1 g/t from 4' test pit	G. Taylor
1935	prospecting and extensive diamond drilling program	assays reportedly ran 23.31 g/t over 6.1 m	Hollinger Gold Mines
1960'S	diamond drilling: winkie drill	questionable results	INCO
1972 –1974	reconnaissance dipole-dipole IP ground magnetometer, 907' of diamond drilling in three holes	minor finely disseminated Py, Po, Tr. Cp	Magi Gold Mines Ltd.
1979	ground magnetometer, VLF-EM HLEM, geological mapping (1:2000, 1:1000 scale), rock sampling	outlined several anomalies	St. Josephs Explorations Ltd.
1985	diamond drilling	defined anomalous horizons	Falconbridge Ltd.

TABLE 1 (Taylor's Prospect)

TABLE 2 (Shenango Mines Ltd.)

Date	Work Performed	Significant Results	Worker
May 1935	surface sampling, 25' shaft sunk	vein #1 at surface returned 11.3 g/t over 0.91 m., 27.8 g/t over 2.44 m at bottom of shaft	Shenango Mines Co.
April 1936	50 tons amalgamation on mill was completed, small scale open-cut mining began	1,572 tons ore was treated	
1937	90 ft. adit from bottom of open-cut, + 40 ft. cross-cut, shaft no. 1 was sunk to 52 ft., 2,500 ft. surface diamond drilling	828 tons ore milled	
October 1938	1,500 ft. trenching, 1,400 ft. surface diamond drilling	northern section (drill indicated), 41,000 to grading $0.14 \text{ oz/t} - 5 \text{ ft.}$ width to depth 250 With strike length of 400 ft.	
1939 (appx.)	shaft no. 2 sunk to 135 ft. (2-compart- ment shaft), 6 ft. of cross-cut and 20 ft. of drifting	southern section- 2 parallel structures 0.14 oz/t over 30 ft., 0.18 oz/t over 20 ft., 0.22 oz/t over 15 ft., 0.17 over 8 ft.	

	shaft no. 2 area (12 claims) channel sampling, grab sampling	g/t	Ltd.
1985	diamond drilling	defined anomalous horizons	Falconbridge Ltd.

muck pile sampling returned 7.54, 6.69, 52.11 Sulpetro Minerals

geological mapping (1:500 scale) over

Additional work was performed by Don McKinnon in 1999 (drill hole on claim 1229072), in 2001 (localized I.P. survey and subsequent drilling within claim 1229072), in 2002 (trenching on claim 1229072), and in 2003 (trenching on claim 1229071).

Stripping Program

1980

The stripping/trenching program began on May 10th, 2004 with the mobilization of a Caterpillar 225 excavator and a Bombardier Muskeg equipped with a detachable backhoe to unpatented mining claim 1229072. The former was contracted at a rate of \$85/hour and the latter at \$120/hour, including operator and fuel. The machines were floated up to the property along with a Mark III Wajax water pump and a Bombardier Trackster 500 4-Wheel Drive ATV which rented out at \$50/day each including necessary tools, hoses, and attachments.

Stripping began in numerically sequential order starting with Strip 1 and finishing with Strip 5. The crew camped out at the north end of Gull Lake just south of mining claim 3016376. This location allowed easy access to most parts of the property. The excavator was used for 7 days and accumulated 56 hours of working time. It was primarily used to clear the larger trees from the proposed trench locations and to excavate any deeper sections that may slow the progress of the muskeg. The Bombardier Muskeg worked for 17 days and worked for 122 hours in total.

The excavator was demobilized on the 20^{th} of May. The Muskeg was later returned on the 30^{th} of May. Minor problems were encountered with each piece of machinery, however, these encumbrances did not appear to slow the overall progress of the project. Washing was completed on the 31^{st} as was the mapping and disbanding of the camp.

Results

Approximately 5,000 square metres were stripped in the five trenches. The overburden which consisted largely of clay, silt, and fine-grained sand ranged between a few decimeters and 2.5 metres in depth. A Strip Map showing the location of the trenches is included in this report as well as geological mapping compilations for each trench.

Intermediate volcanic rocks (2a) are found only in Strip 1 and occur as successive bands with felsic volcanic rocks. Individual units range in size from cm-scale to a metre in width and are highly deformed in places.

Mafic volcanic units (1a, b) occur in nearly all strips and are found both as massive and interlayered with felsic volcanic rocks. These rocks range from only slightly altered in Strip 1 to highly altered in Strips 1, 2, 3, and 4. Bands vary in width from a few centimeters to a metre or more and are commonly fine-grained and layered. These rocks have been altered to amphibolites in the southern part of Strip 3 and the northern part of strip 4.

Felsic rocks (3a, b) occur as sills and bands within successions of intermediate and mafic volcanic rocks. These units can be highly siliceous and altered. Sericite alteration is common and pyrite is associated with sericite in some units including feldspar porphyry. Felsic schists are common and are usually accompanied by sericite alteration and >2% sulfide mineralization. Potassic alteration is also evident in some felsic rocks.

Felsic and mafic dikes up to 10 cm in width occur in all lithologies. They are generally discordant, unaltered and have been fractured and offset in places.

Concordant and cross-cutting quartz veins up to 10 cm in width are found in all rock types. They are often boudinaged and in some cases well mineralized.

The southern part of the work area is dominated by medium-grained felsic gneisses (4a, b). At the central part of Strip 4 there is a contact zone that extends about 20 metres in a north-south direction. This is where the volcanic rocks contact a granitic complex. All rocks are extremely altered and deformed here, but quickly change into recognizable gneisses. Thin layered units of amphibolite occur within the gneisses proximal to the contact zone.

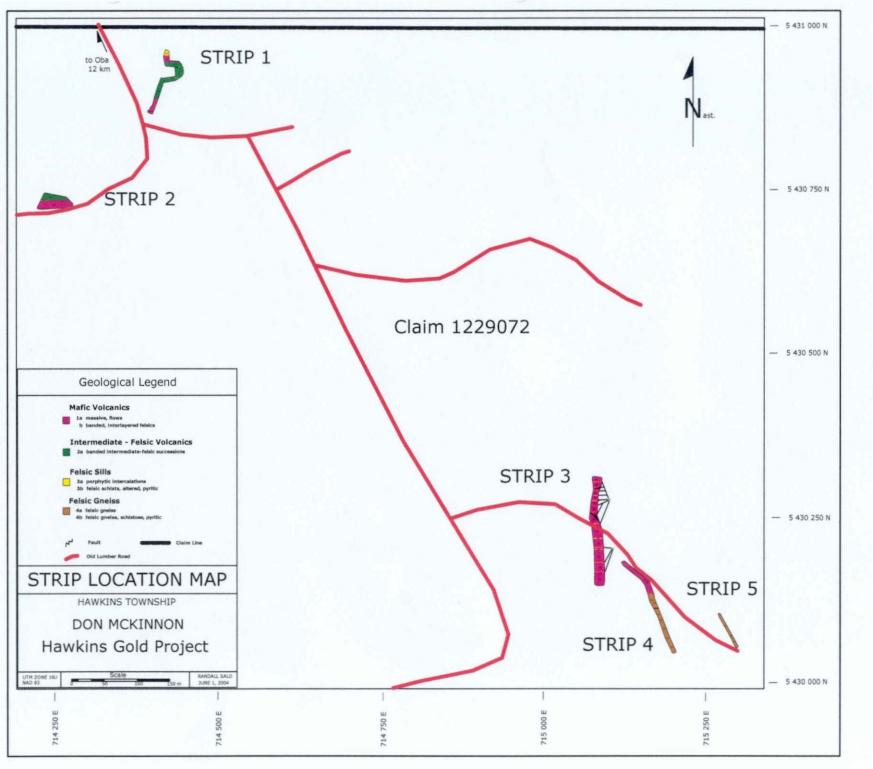
Recommendations

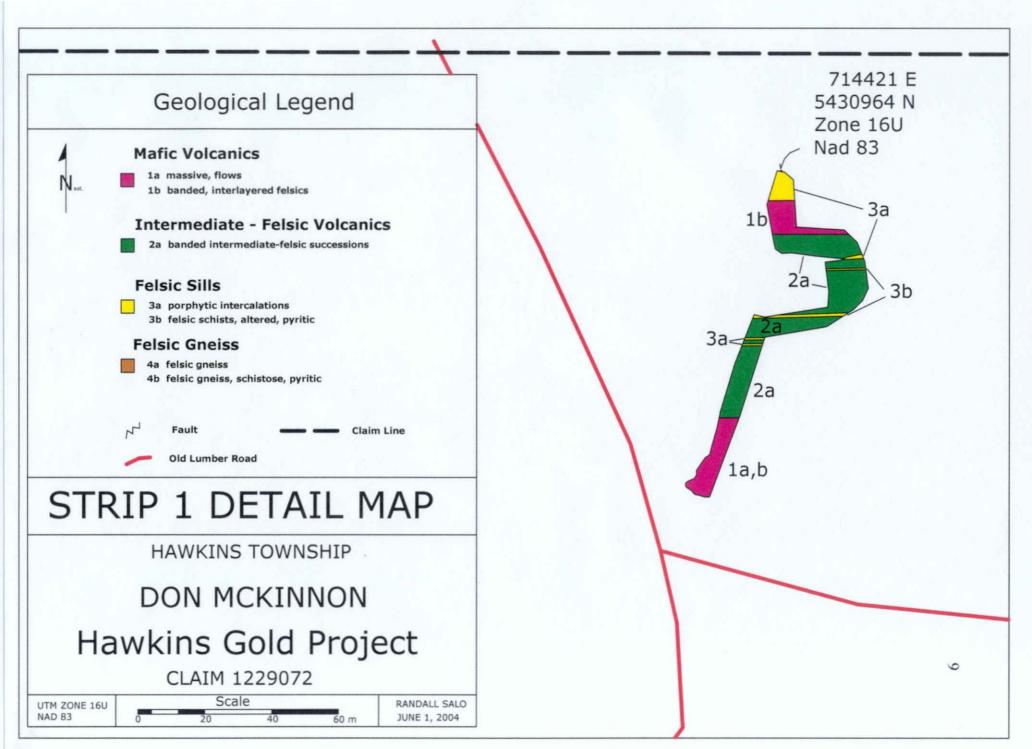
The present program was very successful in uncovering attractive felsic units that show similarities to Hemlo. A more detailed geological compilation may undoubtedly enlighten our perspective regarding the economic potential of the Hawkins Gold Property. I suggest that mineralized, sericite altered units be channel sampled along with other felsic, mineralized zones and assayed for gold concentration.

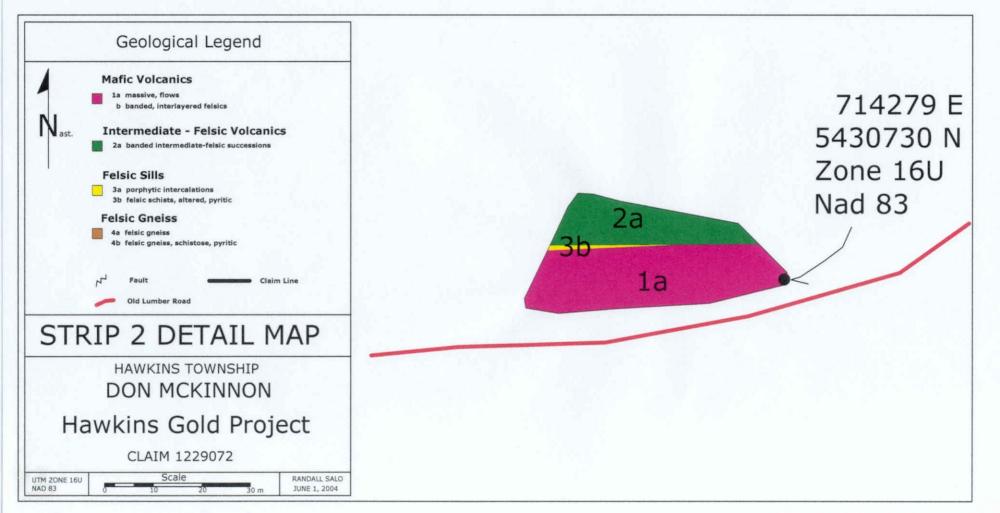
Respectfully Submitted,

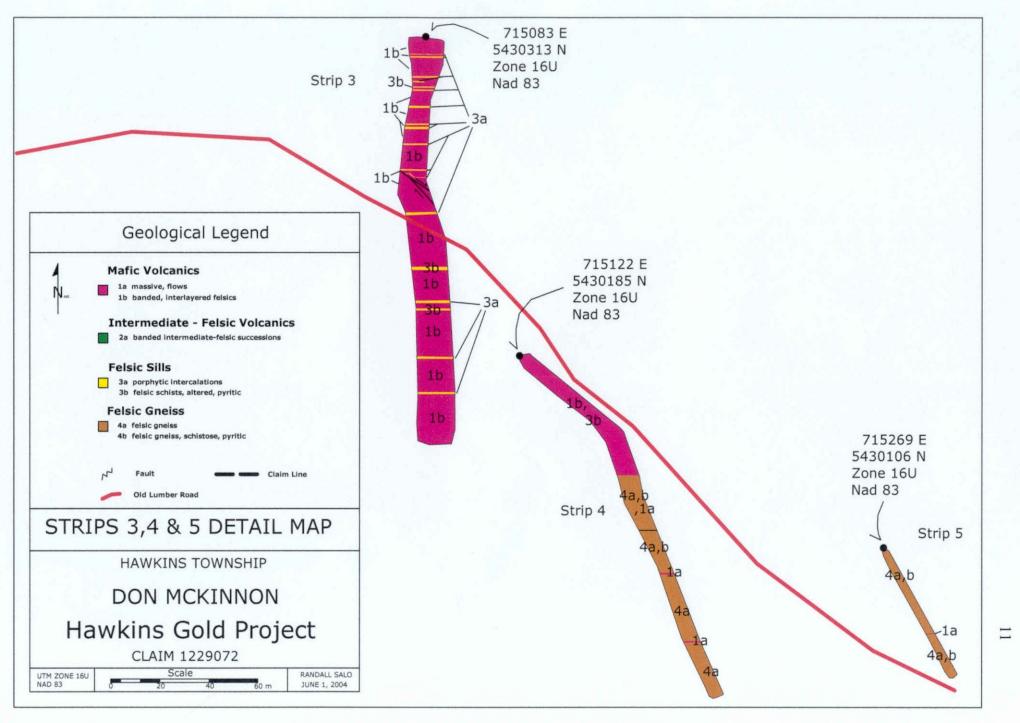
Rady 56

Randall W. Salo









Appendix

Statement of Qualifications

- I, Randall W. Salo of Box 398, Porcupine, Ontario, do hereby certify that:
- 1) I have a BSc. (honors) in Geology/Physics from Lakehead University of Ontario (1998).
- 2) I have been involved in mineral exploration in and out of Canada for the last 20 years.
- 3) This report is based on information available in assessment files and published literature as well as that received from Don McKinnon.
- 4) I have disclosed in this report all relevant data.

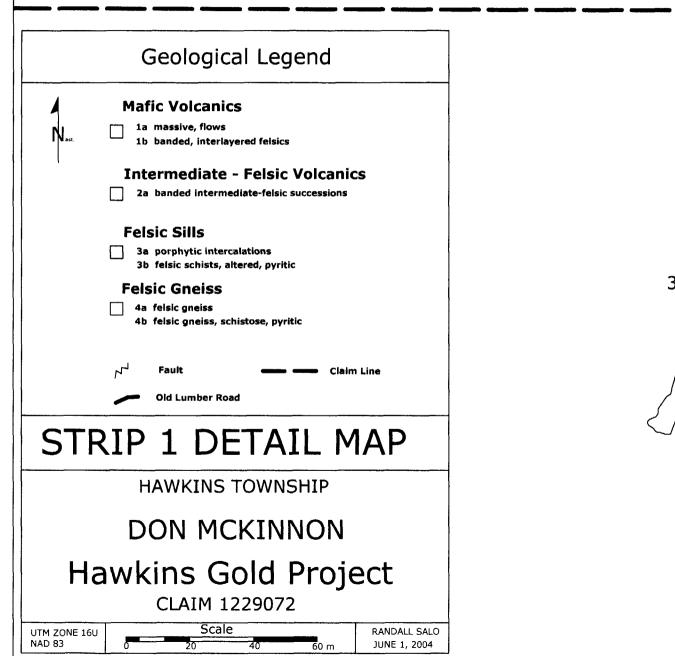
Dated this 1st day of June, 2004.

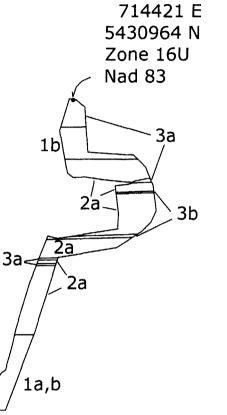
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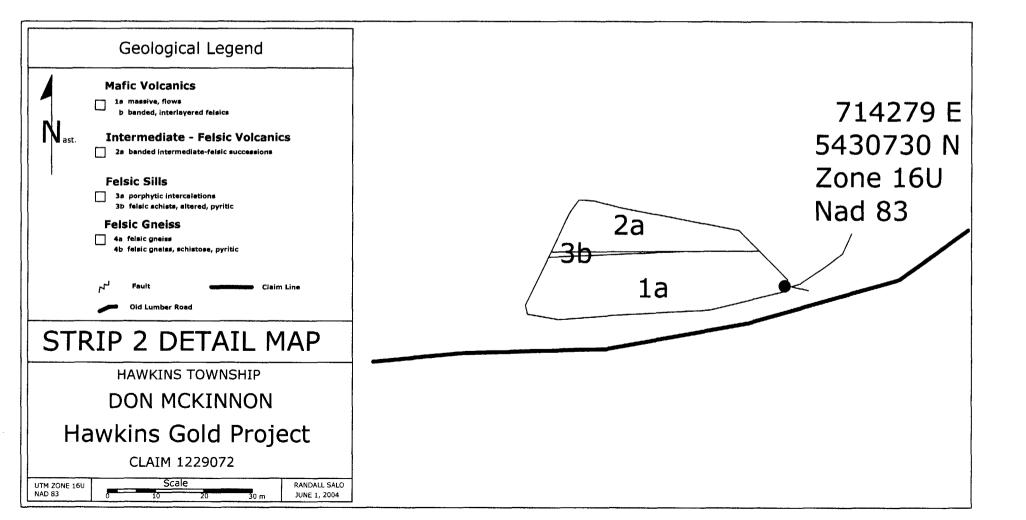
Randall W. Salo, HBSc.

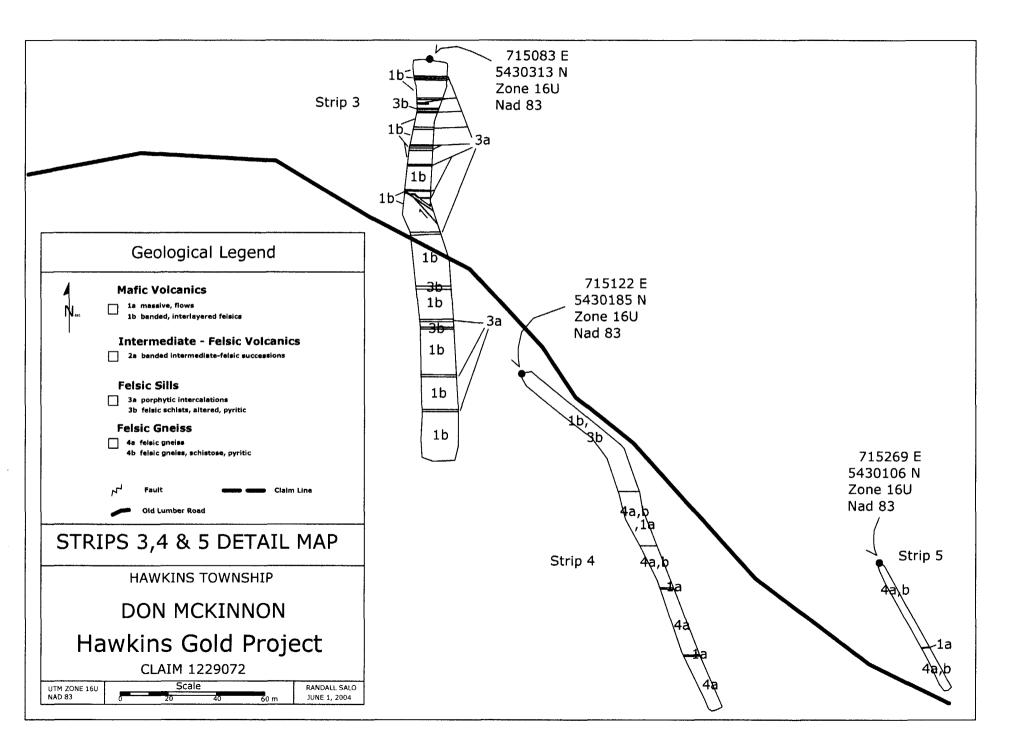
Cost of Doing Business

Mobe for Excavator and Muskeg	2,040.00
[24 hrs @ \$85/hr for transport] Mobe for 2 Operators [2 man days @ \$200 +2 trucks milage + food]	770.00
Excavator: 56 hrs @ \$85/hr	4,760.00
Bombardier Muskeg: 122 hrs @ \$120.00/hr	14,640.00
Wajax Pump: 18 days @ \$50/day	900.00
4-Wheeler ATV Rental: 18 days @ \$50/day	900.00
Washing: 18 days @ \$150/day	2,700.00
Supervision and Mapping: 9 days @ \$250/day	2,250.00
Geological Assistant: 9 days @ \$100/day	900.00
Food:	1,072.68
Gas, Oil: [water pump, generator, etc]	418.74
Truck Milage: 5800 km @ \$0.40/km	2,320.00
Demobe for Excavator and Muskeg	2,040.00
[24 hrs @ \$85/hr for transport]	
Demobe for 2 Operators	770.00
Report:	1,500.00
Total Expenditures	37,981.42









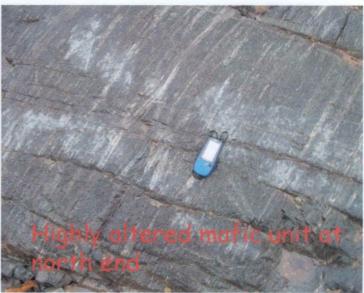




Photos of Strip 1









Strip 2 Photos





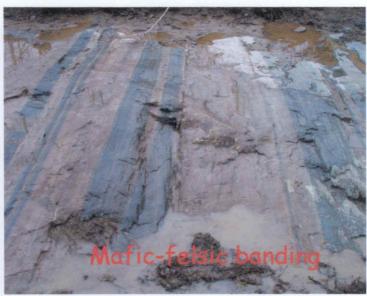


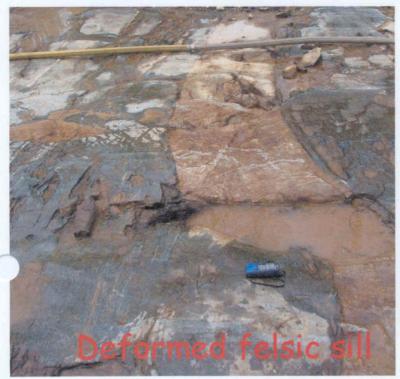




Strip 3 Photos





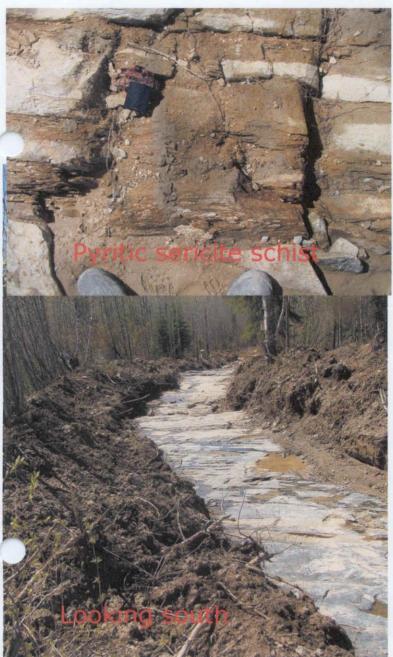




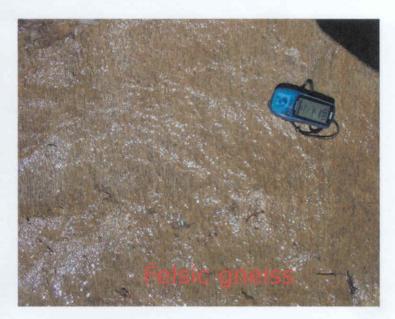




Strip 4 Photos









Photos of Strip 5





Mining Lands - Mining Claims Summary

Sault Ste. Marie - Division 50

CLAIM NUMBER:	SSM 1229071 (Click Claim Number for Details)
Unit Size:	8
Township/Area:	HAWKINS (G-2316)
Lot Description:	
Staker:	KORBA, EDWARD JOSEPH (M20807)
Recorded Holder:	MCKINNON, DONALD (100.00 %)
(Click Holder for Detail	
Recording Date:	1997-Jun-06
Due Date:	2004-JUN-06
Work Required:	3200
Total Applied:	16000
Work Performed:	21140
Total Reserve:	5140 (Click Reserve for Details)
Present Work Assignment:	•
Claim Bank:	0
Claim Status:	ACTIVE
CLAIM NUMBER:	SSM 1229072 (Click Claim Number for Details)
Unit Size:	16
Township/Area:	HAWKINS (G-2316)
Lot Description:	NORTHNON DOWNLY DECUTING (NO1020)
Staker:	MCKINNON, DONNY LAUGHLIN (M21873)
Recorded Holder:	MCKINNON, DONALD (100.00 %)
(Click Holder for Detail	
Recording Date:	1997-Jun-06
Due Date:	2004-JUN-06
Work Required:	6400
Total Applied:	32000
Work Performed:	
Total Reserve:	$\frac{2210}{2}$ (Click Reserve for Details)
Present Work Assignment:	
Claim Bank:	
Claim Status:	ACTIVE
CLAIM NUMBER:	SSM 1229073 (Click Claim Number for Details)
Unit Size:	16
Township/Area:	HAWKINS (G-2316)
Lot Description:	
Staker:	HURTUBISE, PATRICK HENRY (M25353)
Recorded Holder:	MCKINNON, DONALD (100.00 %)
(Click Holder for Detail	
Recording Date:	1997-Jun-06
Due Date:	2004-JUN-06
Work Required:	6400
Total Applied:	32000
Work Performed:	3306
Total Reserve:	0 (Click Reserve for Details)
Present Work Assignment:	
Claim Bank:	0
Claim Status:	ACTIVE
1100 855 TO 167 TO 1 TO 167 TO 167	
CLAIM NUMBER:	SSM 3002377 (Click Claim Number for Details)
Unit Size:	16
Township/Area:	HAWKINS (G-2316)
Lot Description:	\r\n
Staker:	KORBA, EDWARD JOSEPH (M20807)
Recorded Holder:	MCKINNON, DONALD (100.00 %)
(Click Holder for Detail	

Due Deter	2005 THN 12	
Due Date:	2005-JUN-12	
Work Required:	6400	
Total Applied:	0	
Work Performed:	0 0 (Click Decement for Detaile)	
Total Reserve:	$\frac{0}{2}$ (Click Reserve for Details)	
Present Work Assignment:		
Claim Bank:		
Claim Status:	ACTIVE	
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CLAIM NUMBER:	SSM 3016111 (Click Claim Number for Details)	
Unit Size:	4	
Township/Area:	HAWKINS (G-2316)	
Lot Description:	\r\n	
Staker:	LACROIX, STEVE GAETAN (1001328)	
Recorded Holder:	KENOGAMI LAKE LUMBER LTD. (100.00 %)	
(Click Holder for Details	3)	
Recording Date:	2003-Jul-30	
Due Date:	2005-JUL-30	
Work Required:	1600	
Total Applied:	0	
Work Performed:	0	
Total Reserve:	0 (Click Reserve for Details)	
Present Work Assignment:		
Claim Bank:	0	
Claim Status:	ACTIVE	
na managana na mangana n	\$	
CLAIM NUMBER:	SSM 3016341 (Click Claim Number for Details)	
Unit Size:	16	
Township/Area:	HAWKINS (G-2316)	
Lot Description:	\r\n	
Staker:	KORBA, EDWARD JOSEPH (M20807)	
Recorded Holder:	MCKINNON, DONALD (100.00 %)	
(Click Holder for Details	3)	
Recording Date:	2003-Jul-14	
Due Date:	2005-JUL-14	
Work Required:	6400	
Total Applied:	0	
Work Performed:	0	
Total Reserve:	0 (Click Reserve for Details)	
Present Work Assignment:	0	
Claim Bank:	0	
Claim Status:	ACTIVE	
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CLAIM NUMBER:	SSM 3016342 (Click Claim Number for Details)	
Unit Size:	16	
Township/Area:	HAWKINS (G-2316)	
Lot Description:	\r\n	
Staker:	KORBA, EDWARD JOSEPH (M20807)	
Recorded Holder:	MCKINNON, DONALD (100.00 %)	
(Click Holder for Details		
Recording Date:	2003-Jul-14	
Due Date:	2005-JUL-14	
Work Required:	6400	
Total Applied:	0	
Work Performed:	0	
Total Reserve:	0 (Click Reserve for Details)	
Present Work Assignment:		
Claim Bank:	0	
Claim Status:	ACTIVE	
CLAIM NUMBER:	SSM 3016376 (Click Claim Number for Details)	
Unit Size:	15	
Township/Area:	HAWKINS (G-2316)	
Lot Description:	\r\n	
Staker:	KORBA, EDWARD JOSEPH (M20807)	
Recorded Holder:	MCKINNON, DONALD (100.00 %)	
(Click Holder for Detail:		

Recording Date:	2003-Jul-09
Due Date:	2005-JUL-09
Work Required:	6000
Total Applied:	0
Work Performed:	0
Total Reserve:	0 (Click Reserve for Details)
Present Work Assignment:	ō
Claim Bank:	0
Claim Status:	ACTIVE

Due Date:

Work Required: Total Applied:

Work Performed:

Claim Bank:

Claim Status:

CLAIM NUMBER:	SSM 3016377 (Click Claim Number for Details)
Unit Size:	15
Township/Area:	HAWKINS (G-2316)
Lot Description:	\r\n
Staker:	KORBA, EDWARD JOSEPH (M20807)
Recorded Holder:	MCKINNON, DONALD (100.00 %)
(Click Holder for Detail	s)
Recording Date:	2003-Jul-09
Due Date:	2005-JUL-09
Work Required:	6000
Total Applied:	0
Work Performed:	0
Total Reserve:	0 (Click Reserve for Details)
Present Work Assignment:	0
Claim Bank:	0
Claim Status:	ACTIVE

Mining Lands - Mining Claims Summary Porcupine - Division 60

CLAIM NUMBER:	<u>P 3002378</u> (Click Claim Number for Details)
Unit Size:	10
Township/Area:	WALLS (G-2360)
Lot Description:	\r\n
Staker:	KORBA, EDWARD JOSEPH (M20807)
Recorded Holder:	MCKINNON, DONALD (100.00 %)
(Click Holder for Detail	s)
Recording Date:	2003-Jun-12
Due Date:	2005-JUN-12
Work Required:	4000
Total Applied:	0
Work Performed:	0
Total Reserve:	0 (Click Reserve for Details)
Present Work Assignment:	ō
Claim Bank:	0
Claim Status:	ACTIVE
NATUR THE AND THE CONTRACTOR OF THE STREET, STREET, STREET, STREET, STREET, STREET, STREET, STREET, STREET, ST	
CLAIM NUMBER:	<u>P 3002396</u> (Click Claim Number for Details)
Unit Size:	15
Township/Area:	WALLS (G-2360)
Lot Description:	\r\n
Staker:	KORBA, EDWARD JOSEPH (M20807)
Recorded Holder:	MCKINNON, DONALD (100.00 %)
(Click Holder for Detail	s)
Recording Date:	2003-Jun-12
	0.0.05

2005-JUN-12

6000 0

0 Total Reserve: <u>0</u> (Click Reserve for Details) Present Work Assignment: 0 Claim Bark.

0

ACTIVE



Work Report Summary

Transaction No:	W0450.00859	Status:	APPROVED	
Recording Date:	2004-JUN-04	Work Done from:	2004-MAY-10	
Approval Date:	2004-JUN-07	to:	2004-MAY-31	
Client(s):				
168276	MCKINNON, DONALD			
Survey Type(s):				

PSTRIP

	_		
Work	Repo	ort D	etails:

Claim#	Perform	Perform Approve	Applied	Applied Approve	Assign	Assign Approve	Reserve	Reserve Approve	Due Date
SSM 1229071	\$ 0	\$0	\$3,200	\$3,200	\$0	0	\$0	\$0	2005-JUN-06
SSM 1229072	\$37,982	\$37,982	\$6,400	\$6,400	\$9,600	9,600	\$21,982	\$21,982	2005-JUN-06
SSM 1229073	\$0	\$0	\$6,400	\$6,400	\$0	0	\$0	\$0	2005-JUN-06
	\$37,982	\$37,982	\$16,000	\$16,000	\$9,600	\$9,600	\$21,982	\$21,982	-

External Credits:

Reserve:

\$21,982 Reserve of Work Report#: W0450.00859

\$21,982 Tota

\$0

2 Total Remaining

Status of claim is based on information currently on record.



42C16NE2009 2.27799 HAWKINS

Ministry of Northern Development and Mines

Date: 2004-JUN-09

Ministère du Développement du Nord et des Mines



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

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

Submission Number: 2.27799 Transaction Number(s): W0450.00859

DONALD MCKINNON BOX 1130 TIMMINS, ONTARIO P4N 7M5 CANADA

Dear Sir or Madam

Subject: Approval of Assessment Work

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

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

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

Yours Sincerely,

Rom c Gashingh.

Ron C. Gashinski Senior Manager, Mining Lands Section

Cc: Resident Geologist

Donald Mckinnon (Claim Holder) Assessment File Library

Donald Mckinnon (Assessment Office)

Wendy Sims Korba (Agent)

