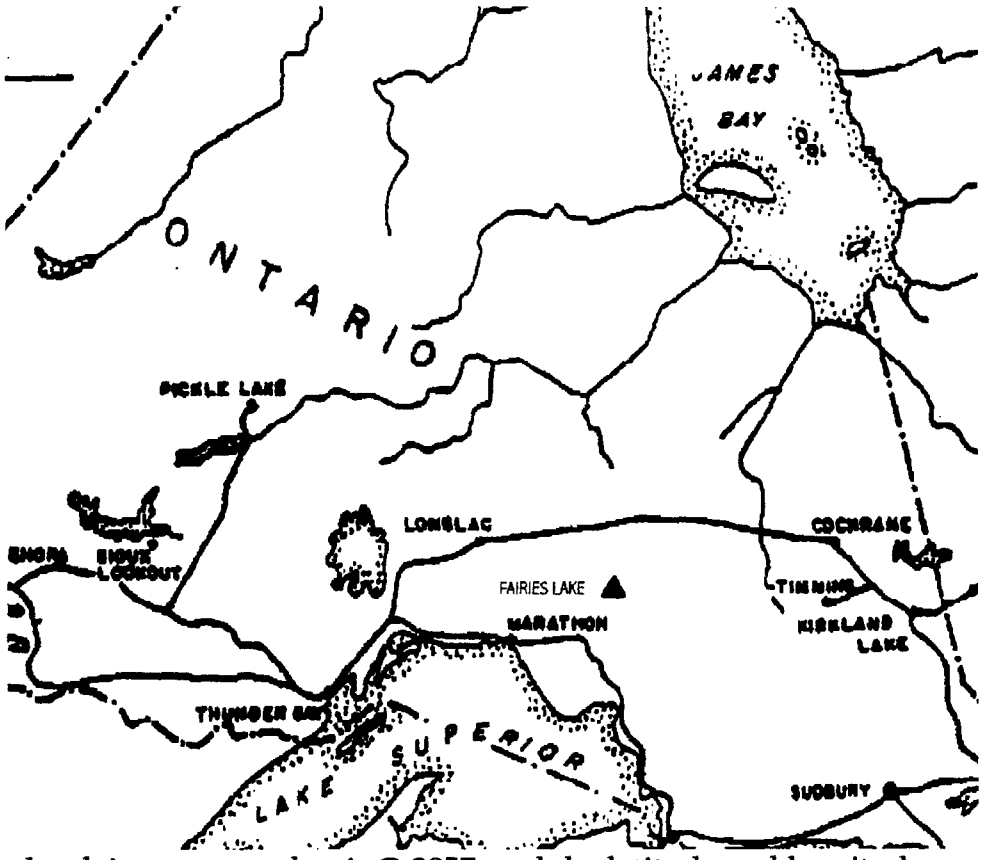
Fairies Lake Property

Prospecting done by: Gilles and Michael Gionet

Fairies Lake Property-Work Report

LOCATION AND ACCESS

Fairies Lake property is located approximately 16 kilometers east-southeast of the town of Manitouwadge, straddling the Macutagon Creek in Cecil Township. The claims were bordered on the east side by a large property held by Noranda/ Geco Division, but in the last year, the Gionets have staked those claims as they lapsed. Manitouwadge is a small northwestern Ontario mining community located halfway between Sault Ste. Marie and Thunder Bay near the north shore of Lake Superior. We are in the Thunder Bay Mining



division, the claim map number is G-2857, and the latitude and longitude are: 49 05'/85 37' respectively. Please refer to map above.

ACCESS:

The property may be accessed from Manitouwadge by Caramat road which is a timber access road which goes east from the eastern edge of Manitouwadge Lake, approximately 8 km east a turn is made south along the Faries Lake Road. A small bush road turns off to the west from the Faries Lake Road and cuts through the claim group.

WORK DONE

We have spent most of our time and resources this past summer developing our Fairies Lake property. We have done 54 miles of Beep-matting and have found high readings making our base metal deposit more evident.
We beep-matted every day from June 1rst, 1997 to June 8th, 1997 roughly 8 hours per day. We also beep-matted for 8 hours on June 27 and June 28. We also performed magnetometer readings for 8 hours on June 27 for a total of 54 miles. Please refer to the attached sheet entitled "Peacock Road Property-Beep Map Work Done" for a sketch of the beep-matting we did last summer.
We started stripping and trenching on June 16, 1997 and continued intermittently until October 5th, 1997. We did a total of approximately 50 days of trenching, and washing and mucking. Drilling started June 20th,1997 and continued intermittently until October 3, 1997, for a total of 1500 feet. We have developed our equipment this past summer and this increased our stripping, trenching and blasting efficiency exponentially.

RESULTS AND RECOMMENDATIONS

The trenching results were quite interesting. We came across many quartz veins with 1-inch veins of copper, pyrite, and nickel and traces of gold. There were trenches that contained a lot of dark grey rock that is of volcanic origin rich in base metals. Also in other trenches there was lighter grey host rock containing 1 inch in diameter garnets, we could also see copper and pyrite veins. There is visible base minerals in all our trenches. Our district geologist wrote a report about this property, here are some excerps:"The host rocks consist of a mixed sequence of highly strined, amphobolite-facies metavolcanic and mafic intrusive rocks. These mixed, mafic rocks appear to be part of a north-northeast-trending package that extends 15 km from south of mcGraw Lake to Moshkinabi Lake (Williams and Breaks 1990)."
And also" These occurances suggests that copper-nickel mineralization is widespread, affecting a large package of rocks."
The geologists came to the site and took some grab samples. They returned the following assays:

Sample No.	Cu ppm	Ni ppm	Zn ppm	Pt ppb	Pd Ppb	Au Ppb	Co ppm	Cr ppm	Ti %
97 BGG-01	21200	1465	45	5	14	8	580	90	0.07
97 BGG-02	19350	600	70	<10	4	<4	1170	60	0.09

Please contact Mr. Mark Smyk, the resident Geologist at the Ministry of Northern Development and Mines office in Thunder Bay for the above assay and quotes. His report is attached to this report.
We also had samples assayed by the staff of nearby mines, and here are the results:
Samples sent to Inmet Mining Corporation in Schreiber Ontario, dated August 20, 1997 returned the following results:

Sample No.	Cu	Zn	Ag	Au
0030	5%	0.56 g/t	5.49 g/t	0.89 g/t
0031	0.27 g/t	0.17 g/t	1.37 g/t	0.38 g/t

Samples sent to Lac Minerals, Hemlo Ontario, dated June 18, 1997
All measurements are in ppm.

Sample No.	Au	Ag	Zn	Cu
35689	<.01	<1	18	167
35690	<.01	<1	10	3020
35691	<.01	<1	3	89
35692	<.01	<1	45	19300
35693	<.01	<1	31	590
35694	.26	<1	35	560

Samples sent to Lac Minerals, Hemlo Ontario, dated July 21, 1997 returned the following results:

All measurements are in ppm (parts per million)

Tag No.	Au	Ag	Zn	Cu	Ni
23987	<.01	<1	68	15600	296
23988	<.01	<1	56	7200	352
23989	<.01	<1	32	48	28
23990	<.01	<1	25	694	456

In all of our combined years of prospecting experience, we have never seen so much base metals concentrated over an area. We have expanded our claim group over this area to include 7 new claim blocks. So far, Falconbridge has come to see the property, and Noranda is interested in optioning our property. As far as recommendations, there is always more work that could be done to improve a property, and we would like to see some diamond drill core samples.

GEOLOGY

This area was previously mapped as underlain by Archean metasediments and migmatities. However, more recent mapping by Williams and Breaks (1989,1990) has identified mafic, layered intrusive rocks in the Moshkinabi-Fairies Lake area. Peridotite, Gabbro and anorthosite occur in the area and several sulphide occurences have been noted. The country rock has been intruded by syenite, gabbro and diabase. OGS map 2145 is attached.

The area is considered an excellent location to prospect for copper and nickel sulphides hosted within these layered intrusives. Previous work on the property and in the area has led to the discovery and trenching of a number of showings containing copper, nickel and cobalt mineralization.

The claims were initially targeted in a 1994 OPAP program to find the source of anomalous copper and zinc in till samples. Inez Kettles of the Terrain Sciences Division of the GCS collected more than 625 till samples in the Manitouwadge area in 1991. Till samples collected south of Kern lake and east of Fox lake were reported to contain anomalous quantities of zinc and copper mineralization. Prospecting by Mr. Gionet and his son Michael Gionet was successful in locating one possible bedrock source for these till anomolies in an area up ice from the sample sites. Prospecting led to the discovery of altered mafic rocks which displayed coarse garnets which may indicate hydrothermal alteration associated with sulphide mineralization.

Resident geologist Bernie Schnieders recommends the Moshkinabi-Fairies Lake area as a target for copper and nickel magmatic sulphides and suggests that exploration for platinum group metal is also warranted.

RAWLUK LAKE

Ontario

Ministry of Northern Development and Mines

Ministère du Développement du Nord et des Mines

Mr. Gilles Gionet
P.O. Box 277
Manitouwadge ON P0T 2C0

December 10, 1997

Dear Gilles,

I trust that you received the property report that I recently wrote, based on my visits earlier this year. Your property at Rawluk Lake is quite intriguing from a base metal exploration point of view. The interest and visits of exploration company geologists supports this view. Hopefully you will be able to secure an option agreement with one of these companies in the near future.

Prospecting efforts such as yours are the cornerstone of mineral exploration, especially in areas not traditionally investigated by exploration companies. Without the persistence and resourcefulness of prospectors, the majority of mineral occurrences would not be found. The odds of finding and developing a mineable deposit would therefore be greatly reduced.

We at the Ministry will continue to do what we can to assist prospectors and exploration companies in their activities. As you well know, recent restructuring has further curtailed our ability to deliver our products and services to our clients. Nevertheless, we will support, in whatever way we can, the initiatives of individuals, mineral industry groups and/or municipal organizations in promoting and encouraging local prospecting opportunities.

Let me know if I can be of any further assistance. Good luck in your prospecting endeavours!

Season's Greetings!

Sincerely,

Mark Smyk

Mark Smyk
District Geologist, Schreiber-Hemlo
Ministry of Northern Development and Mines
Resident Geologist Program
Ontario Geological Survey
Suite B002, 435 James St. South
Thunder Bay ON P7E 6S7
Tel: (807) 475-1331 FAX: (807) 475-1112
E-Mail: smykma@epo.gov.on.ca

Rawhide Lake Property

The Rawhide Lake property, located approximately 16 km east-southeast of Manitouwadge, was the focus of OPAP grant-related work in 1997. Prospectors Gilles and Michael Gionet carried out Beep Mat transects, followed-up by the backhoe stripping, excavation and sampling of fifteen trenches. The property was last explored by Noranda Exploration between 1988 and 1990 (Resident Geologist's Files, Schreiber-Hemlo District, Thunder Bay). Recent logging activity has subsequently improved access and rock exposure. Occurrences of copper, orthoamphibole and calc-silicates were discovered in 1995 by staff of the Resident Geologist's office as a result (Schnieders et al. 1996).

The host rocks consist of a mixed sequence of highly strained, amphibolite-facies metavolcanic and mafic intrusive rocks. These mixed, mafic rocks appear to be part of a north-northeast-trending package that extends 15 km from south of McCraw Lake to Moshkinabi Lake (Williams and Breaks 1990). The two predominant local lithologies are hornblende gabbro and amphibolite derived from mafic metavolcanic rocks. Relict primary features, such as igneous breccias and pegmatite pods, may be locally preserved in gabbroic rocks. In the vicinity of the sulphide occurrences, host rocks are commonly schistose or gneissic and altered. The degree of flattening and shearing varies widely. Zones of intense foliation development, often cored by sulphide-mineralized quartz veins, may represent discrete shear zones.

The hornblende gabbro is typically medium-grained and equigranular. Pegmatitic pods have been noted. Subangular, locally flattened xenoliths of metavolcanic and other rocks (e.g. feldspar-pinyric diorite) comprise ubiquitous igneous breccia zones. Leucocratic, melanocratic and feldspar-megacrystic varieties are also present. The mafic metavolcanic rocks are typically dark grey-green and foliated to gneissic. Fragmental textures are locally evident. These host rocks are crosscut by small, granulated mafic dykes which apparently postdate sulphide mineralization and related alteration. Dykes may occupy oblique shear zones which offset mineralized zones.

Four parallel, sheared and sulphide-mineralized zones have been exposed by trenching over individual strike lengths of 100 to 250 m (Figure –). These zones are also roughly parallel with lithologic contacts, striking approximately 25°. The "main" mineralized zone, of which the Rawhide Lake copper occurrence (Schnieders et al. 1996) is part, strikes roughly 180°. Altered rocks may contain variable amounts of subedral garnet, orthoamphibole, calc-silicates and sulphides. The most northeasterly zone is apparently the strike extension of a narrow, persistent, orthoamphibole-bearing unit that Noranda had mapped and trenched 750 m to the south (assessment files, Resident Geologist's Office, Thunder Bay). The "main" mineralized zone is characterized by sugary, white, intensively silicified and feldspathized zones adjacent to pod/lens quartz veins. Fine-grained pyrite, pyrrhotite and chalcopyrite may be disseminated within altered rocks. Semi-massive, blebby sulphides occur as foliation-parallel seams in sheared rocks and within quartz veins. Virtually all sulphide-bearing rocks exhibit a positive response to dimethyl glyoxime (a.k.a. "nickel test").

Grab samples taken by Resident Geologist staff in 1997 returned the following assays:

Sample No.	Cu (ppm)	Ni (ppm)	Zn (ppm)	Pt (ppb)	Pd (ppb)	Au (ppb)	Co (ppm)	Cr (ppm)	Ti (%)
97 BGG -01	21200	1465	45	5	14	8	580	90	0.07
97 BGG -02	19380	600	70	<10	4	<4	1170	60	0.09

Sample Descriptions:

97 BGG 01: strongly foliated to gneissic quartzo-feldspathic // hornblendite rock; moderately magnetic; quartz veinlets, pods; minor, dismembered folds in thin laminations; <3% blebby chalcopyrite + pyrrhotite, remobilized into foliation-parallel veinlets; positive reaction to dimethyl glyoxime

97 BGG -02: medium-grained, equigranular, sugary-textured, quartzo-feldspathic, white altered zone in gabbro; cut by anastomosing veinlets of quartz + chalcopyrite and pyrrhotite < 10% locally; negative reaction to dimethyl glyoxime

Similar copper-nickel-mineralized rocks, with comparable metal values, occur at the Gionet occurrence (Schnieders et al. 1996) approximately 3 km to the southwest. It is unclear whether all the Rawlnk and Gionet occurrences are part of a large, mineralized zone or structure. Nevertheless, these occurrences suggest that copper-nickel mineralization is widespread, affecting a large package of rocks. Many of the individual sulphide zones were discovered only with the Beep Mat and overburden trenching, and were not previously exposed.

The Rawlnk Lake property displays a dichotomy of mineralization and alteration styles. Orthoamphibole- and garnet-altered metavolcanic rocks suggest that mineralization is associated with volcanogenic massive sulphide deposition processes. The paucity of zinc, however, coupled with copper- and nickel-bearing gabbroic rocks, suggests that mineralization is orthomagmatic. It appears as though both styles of mineralization may be present, perhaps superimposed on one another. It is also apparent that sulphides have been remobilized into their present disposition in shear zones. The intriguing aspect of this observation is that it suggests that perhaps a sulphide-rich source rock exists at depth or along strike. Further investigation of the area is warranted.

Falconbridge Limitée
Exploration - Est de L'Amérique du Nord
3296, Avenue Francis-Hughes
Laval (Québec) H7L 5A7
Tél: (514) 668-3112 Fax: (514) 668-2929

Manitouage Property

Dear Mr Gionet

I would like inform you that Falconbridge will regretfully decline the opportunity of getting involved in your property located near Manitouage. I feel that, based on the information I saw, the property appears to have limited nickel potential. However, the area seems favourable for V.M.S. copper.

I must however thank you for the opportunity to visit the property. I feel that you and Michael have done an excellent job prospecting and trenching the area.

Please, do not hesitate to contact us again if you ever encounter a prospect with significant nickel values.

Regards

Falconbridge Limited
Jean-Denis Fournier
Project Geologist

FALCONBRIDGE

Falconbridge Limited
3296, avenue Francis-Hugues
Laval (Quebec)
Canada H7L 5A7
Telephone 514/668-2112
Fax 514/668-2929

November 03, 1997

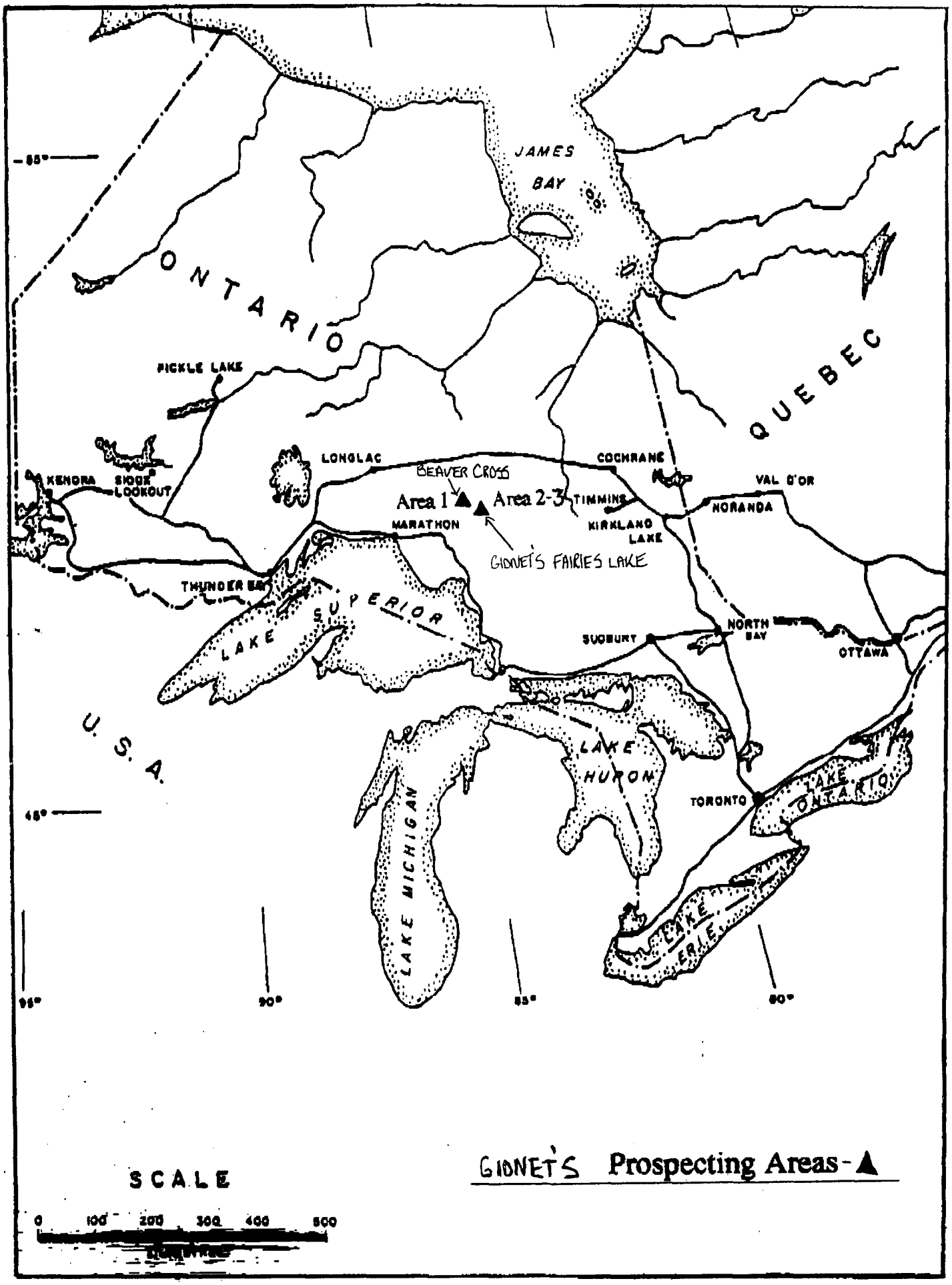
Gilles and Michael Gionet
P.O. Box 277
Manitouwadge, Ontario
P0T 2C0

Gilles and Michael,

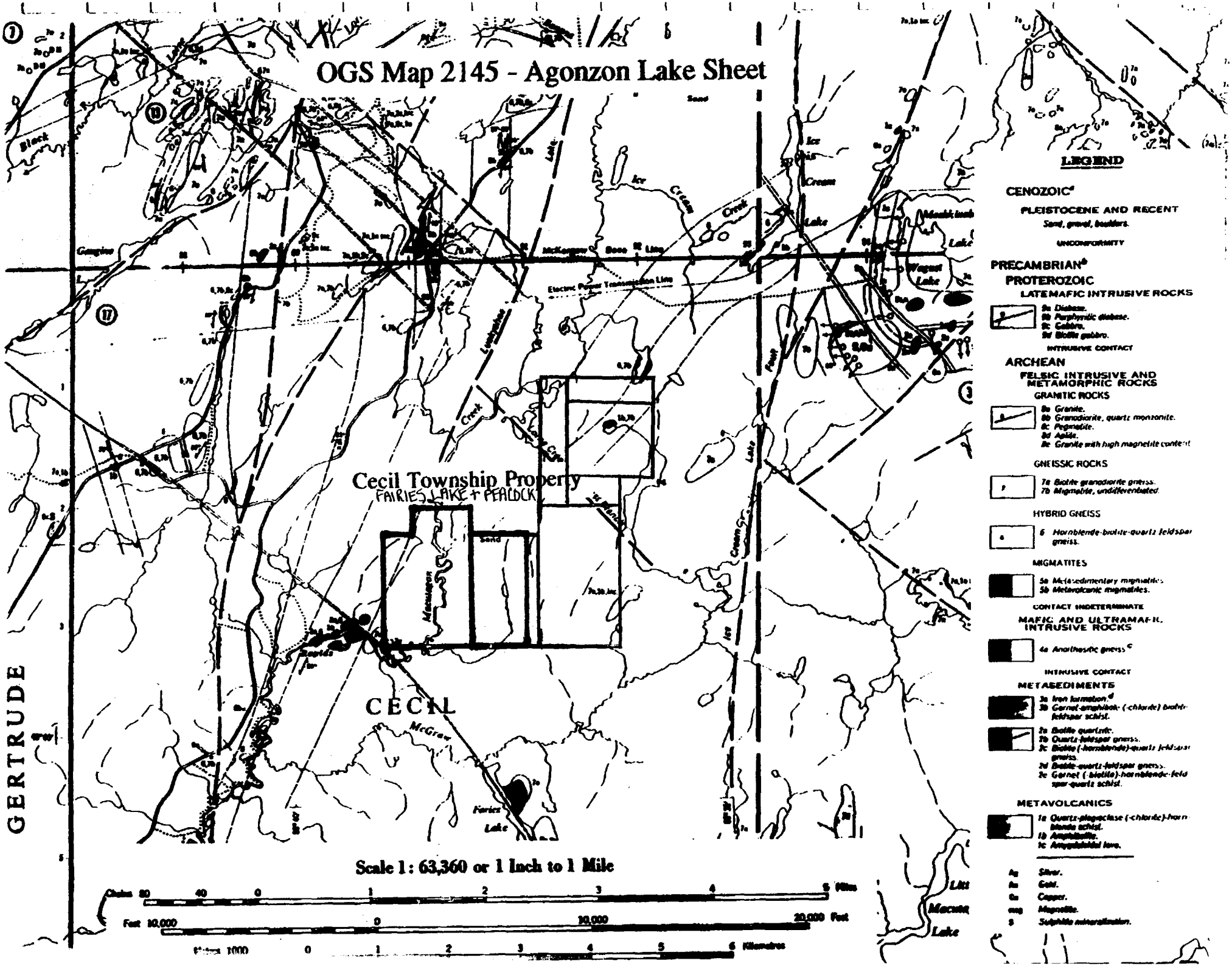
Thank you very much for a great visit. The quality of the trenching work you did was impressive. I will contact you as soon as I finish reviewing your property data. Please find enclosed hats for you and Butch.

Regards

Jean-Denis Fournier
Project Geologist
Falconbridge Limited


JAMES BAY
ONTARIO
QUEBEC
PICKLE LAKE
KENORA
SIOUX LOOKOUT
LONGLAC
BEAVER CROSS
Area 1
Area 2-3
COCHRANE
TIMMINS
VAL D'OR
NORANDA
MARATHON
KIRKLAND LAKE
GIDNET'S FAIRIES LAKE
THUNDER BAY
LAKE SUPERIOR
SUDBURY
NORTH BAY
OTTAWA
U.S.A.
LAKE HURON
TORONTO
LAKE ONTARIO
LAKE MICHIGAN
LAKE ERIE
95°
90°
85°
80°
45°
SCALE
0 100 200 300 400 500
GIDNET'S Prospecting Areas - ▲

OGS Map 2145 - Agonzon Lake Sheet



LEGEND

CENOZOIC[d]

PLEISTOCENE AND RECENT
Sand, gravel, boulders.

UNCONFORMITY

PRECAMBRIAN[b]

PROTEROZOIC

LATE MAFIC INTRUSIVE ROCKS

- *9a Diabase.*
- *9b Porphyritic diabase.*
- *9c Gabbro.*
- *9d Biotite gabbro.*

INTRUSIVE CONTACT

ARCHEAN

FELSIC INTRUSIVE AND METAMORPHIC ROCKS

GRANITIC ROCKS

- *8a Granite.*
- *8b Granodiorite, quartz monzonite.*
- *8c Pegmatite.*
- *8d Aplite.*
- *8e Granite with high magnetite content*

GNEISSIC ROCKS

- *7a Biotite granodiorite gneiss.*
- *7b Migmatite, undifferentiated.*

HYBRID GNEISS

- *6 Hornblende-biotite-quartz feldspar gneiss.*

MIGMATITES

- *5a Metasedimentary migmatites.*
- *5b Metavolcanic migmatites.*

CONTACT INDETERMINATE

MAFIC AND ULTRAMAFIC INTRUSIVE ROCKS

- *4a Anorthositic gneiss*[c]

INTRUSIVE CONTACT

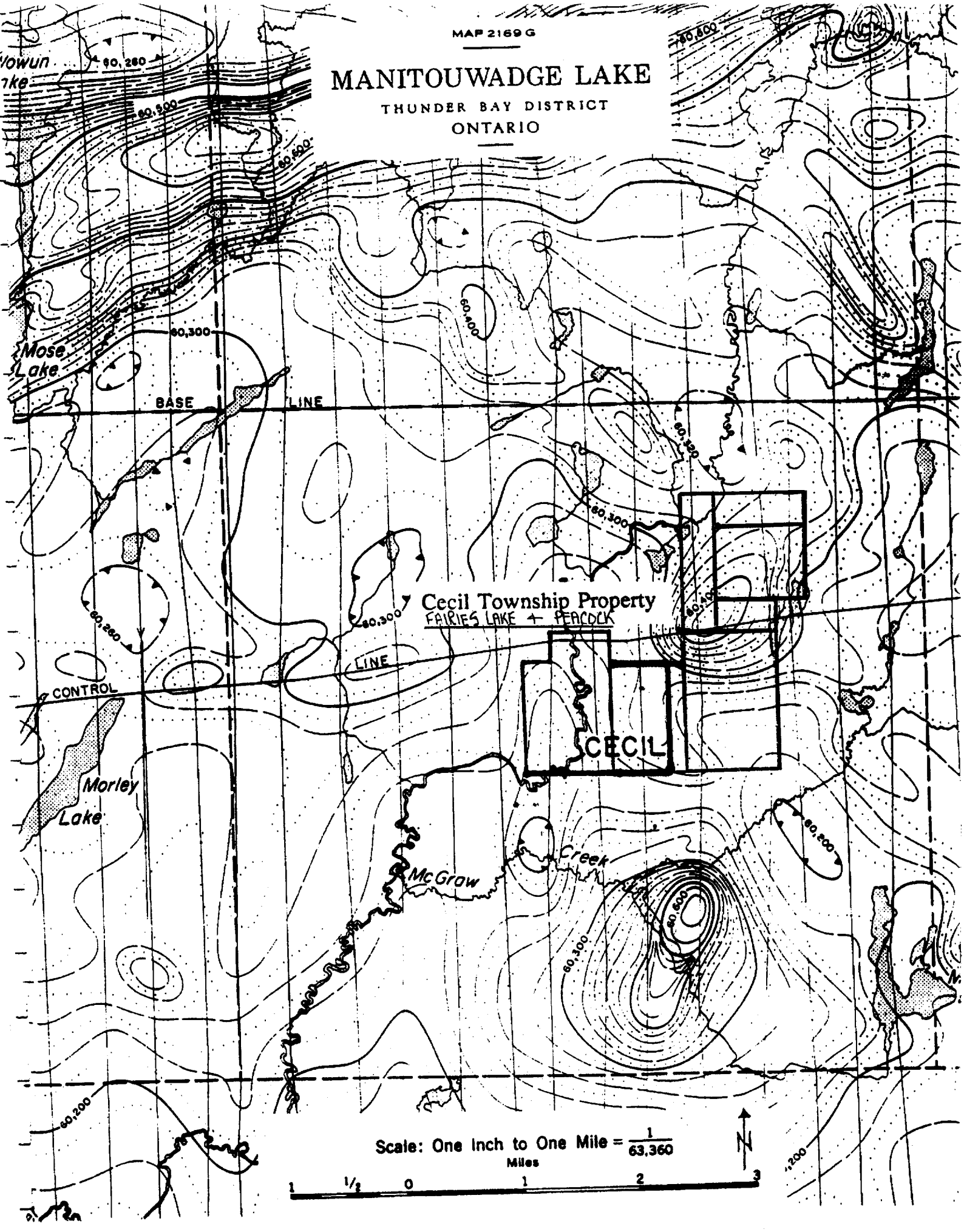
METASEDIMENTS

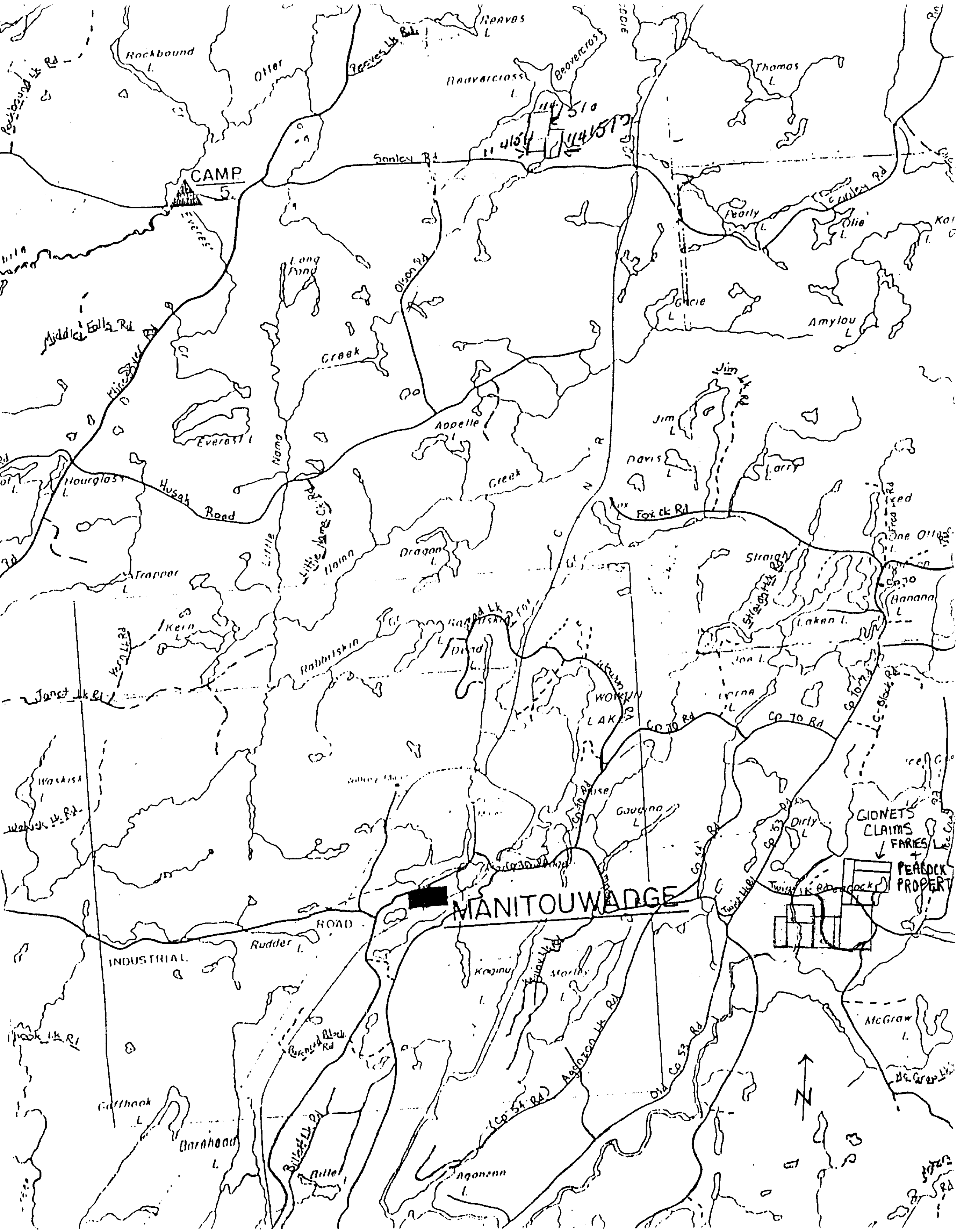
- *3a Iron formation.*[d]
- *3b Garnet-amphibole-(-chloride) biotite-feldspar schist.*
- *3a Biotite quartzite.*
- *3b Quartz-feldspar gneiss.*
- *3c Biotite-(-hornblende)-quartz-feldspar gneiss.*
- *3d Biotite-quartz-feldspar gneiss.*
- *3e Garnet-(-biotite)-hornblende-feldspar-quartz schist.*

METAVOLCANICS

- *1a Quartz-plagioclase-(-chloride)-hornblende schist.*
- *1b Amphibolite.*
- *1c Amygdaloidal lava.*

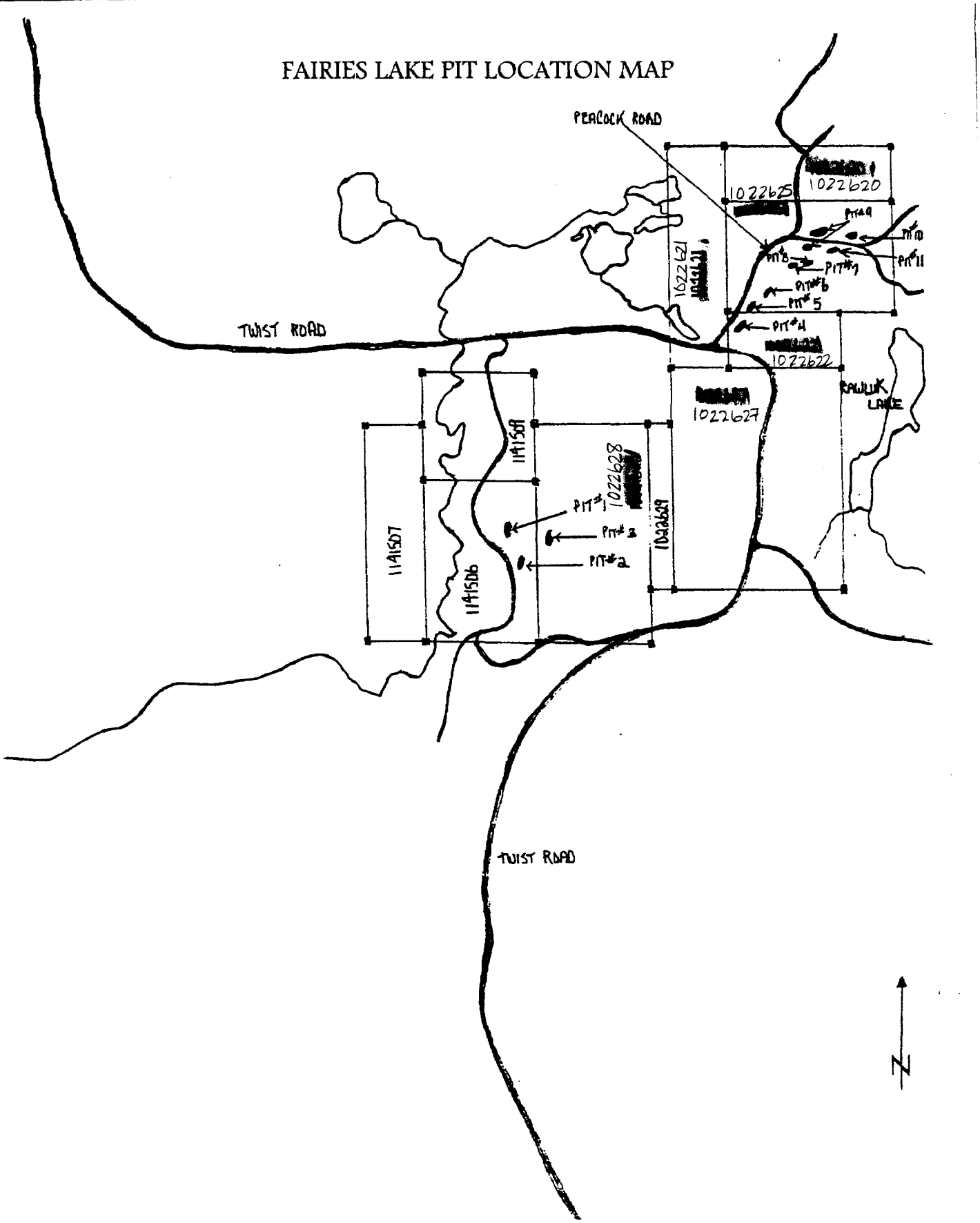
- *Ag Silver.*
- *Au Gold.*
- *Cu Copper.*
- *mag Magnetite.*
- *S Sulphide mineralization.*


MAP 2169 G
MANITOUWADGE LAKE
THUNDER BAY DISTRICT
ONTARIO
60,500
60,200
60,500
60,400
60,300
Mose Lake
BASE LINE
60,300
60,200
60,300
Cecil Township Property
FAIRIES LAKE + PEACOCK
60,400
LINE
CONTROL
CECIL
Morley Lake
McGrow Creek
60,500
60,300
60,200
Scale: One Inch to One Mile = 1/63,360
Miles
1 1/2 0 1 2 3
N



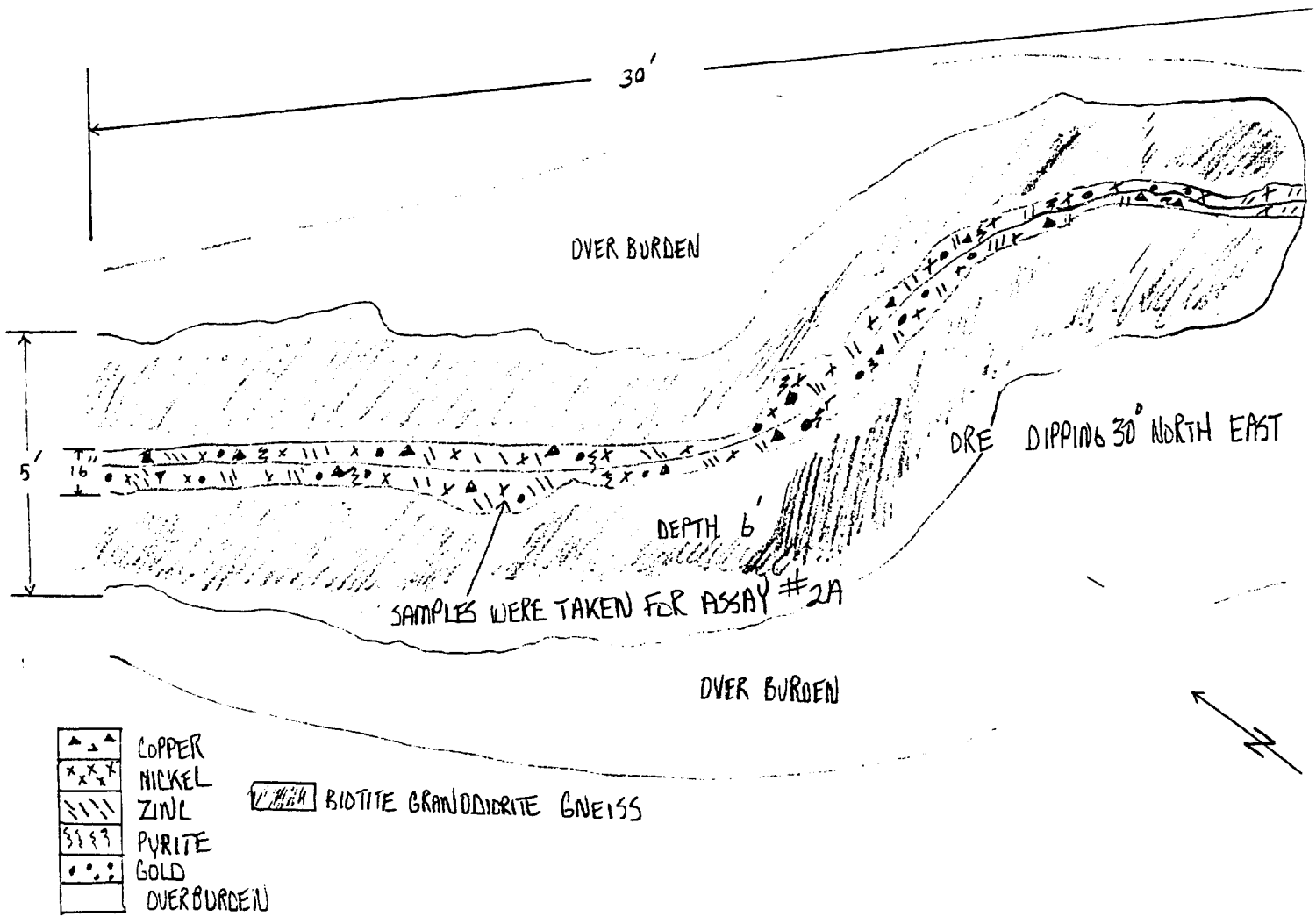
Reaves L
Rockbound L
Otter
Beavercross L
Thomas L
Sonley Rd
CAMP 5
Everest
Long Pond
Olson Rd
Middle Falls Rd
Creek
Appelle L
Everest L
Nama
Hourglass L
Husak Road
Jim L
Jim Lk Rd
Davis L
Larry
Fox Ck Rd
Gracie L
Amylou L
Pearly L
Olie L
Dragon L
Little
Straight
Trapper L
Kern L
Rabbitskin
Janet Lk Rd
Hanana L
Laken L
Co 70 Rd
Waskisk
Dirty L
GIONETS CLAIMS
FARIES + PEACOCK PROPERTY
MANITOUWADGE
ROAD
INDUSTRIAL
Rudder L
Morley L
Agonzon Lk Rd
Old Co 53 Rd
Co 53 Rd
McGraw L
Gulfhook L
Agonenn L
N

FAIRIES LAKE PIT LOCATION MAP



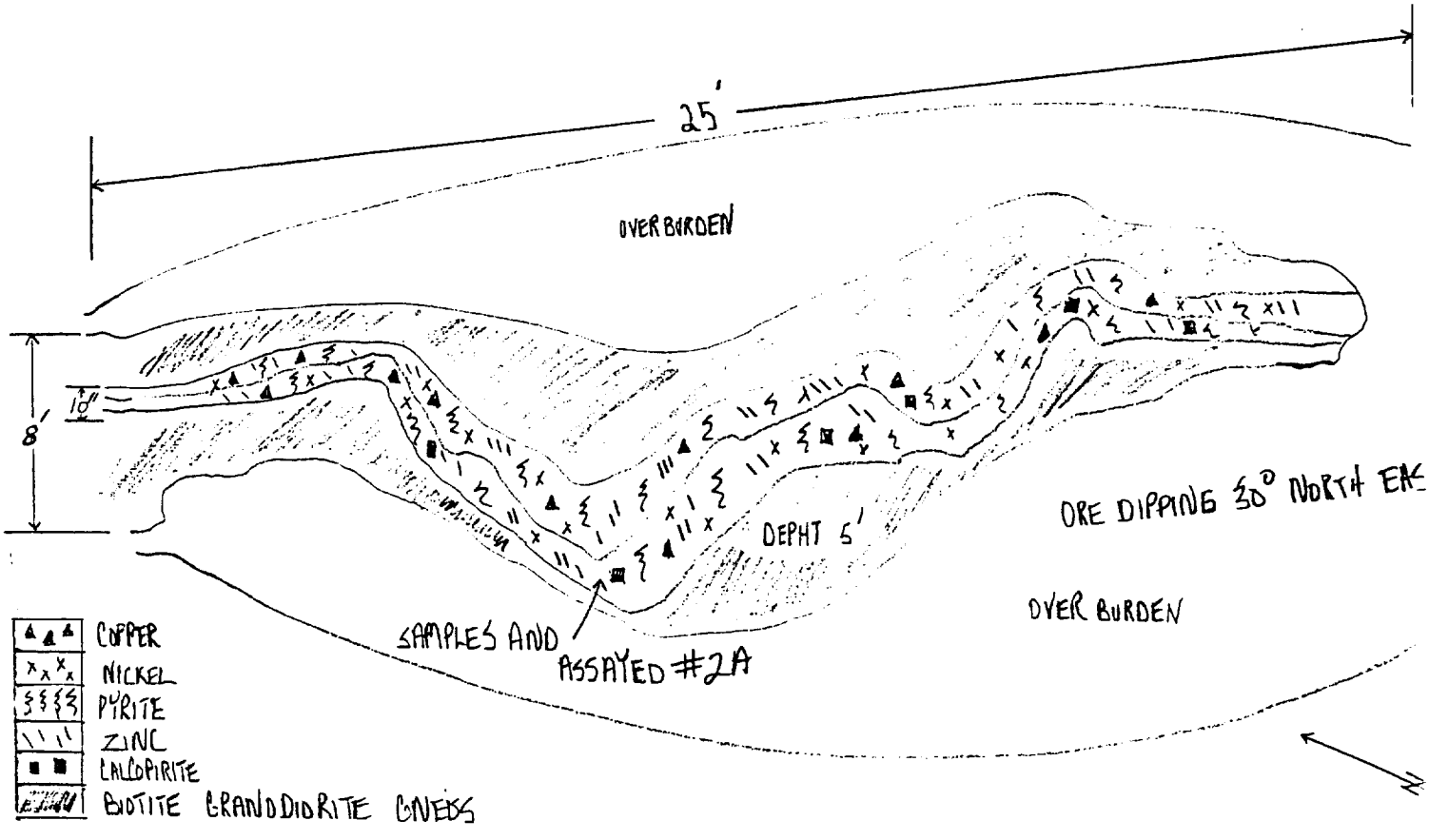
Pit #1

Work Performed:
Work performed in previous years and already recorded.



Pit #2

Work Performed:
Work performed in previous years and already recorded.

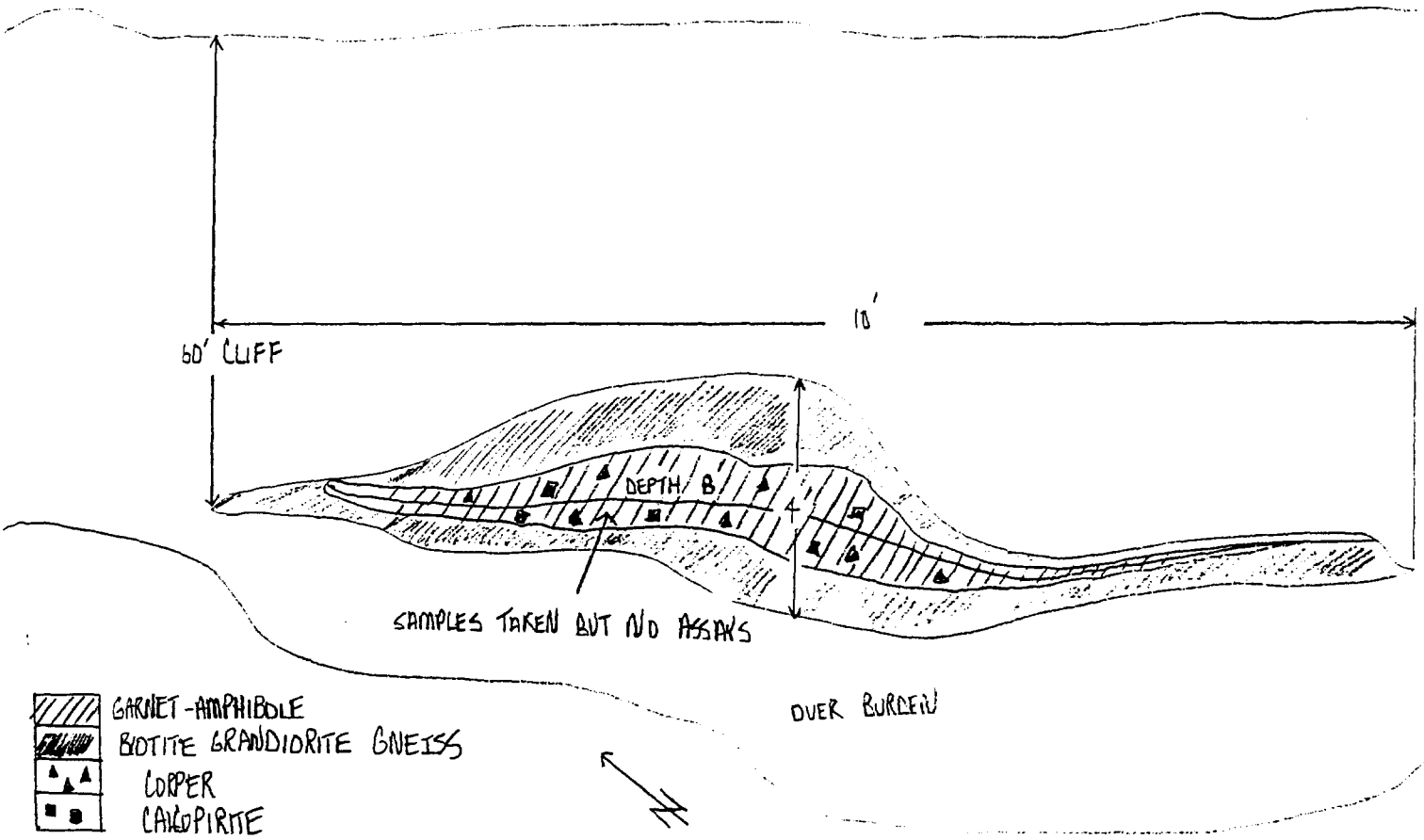


Pit #3

Work Performed:

9/30/97	Dug with backhoe to expose bedrock 8am to 4pm
10/3/97	Drilled showing 8am to 5pm
10/4/97	Blasted trenches 8am to 4pm
10/5/97	Cleaned out showings with backhoe 9am to 5pm
10/12/97	Pulled out machinery off site for the winter

Total Travelling Time: 5 hours
Total days: 5 days x 2 men

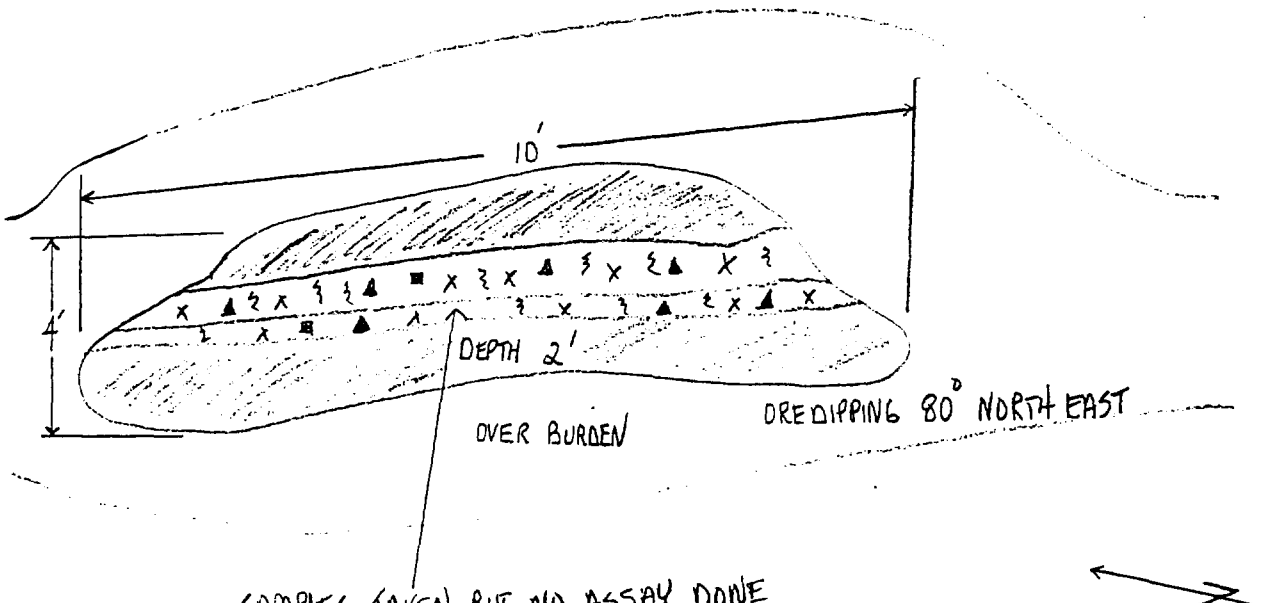


Pit #4

Work Performed:

7/8/97	Moved machinery ½ mile south from main showing to explore new occurance, loaded and blasted 8 am to 5 pm
8/24/97	Trenching with backhoe, removal of trees 8am to 5pm
8/25/97	Trenching with backhoe 8am to 5pm
8/26/97	Drilled with machine 8am to 5pm

Total Travelling Time: 4 hours
Total days: 4 days x 2 men

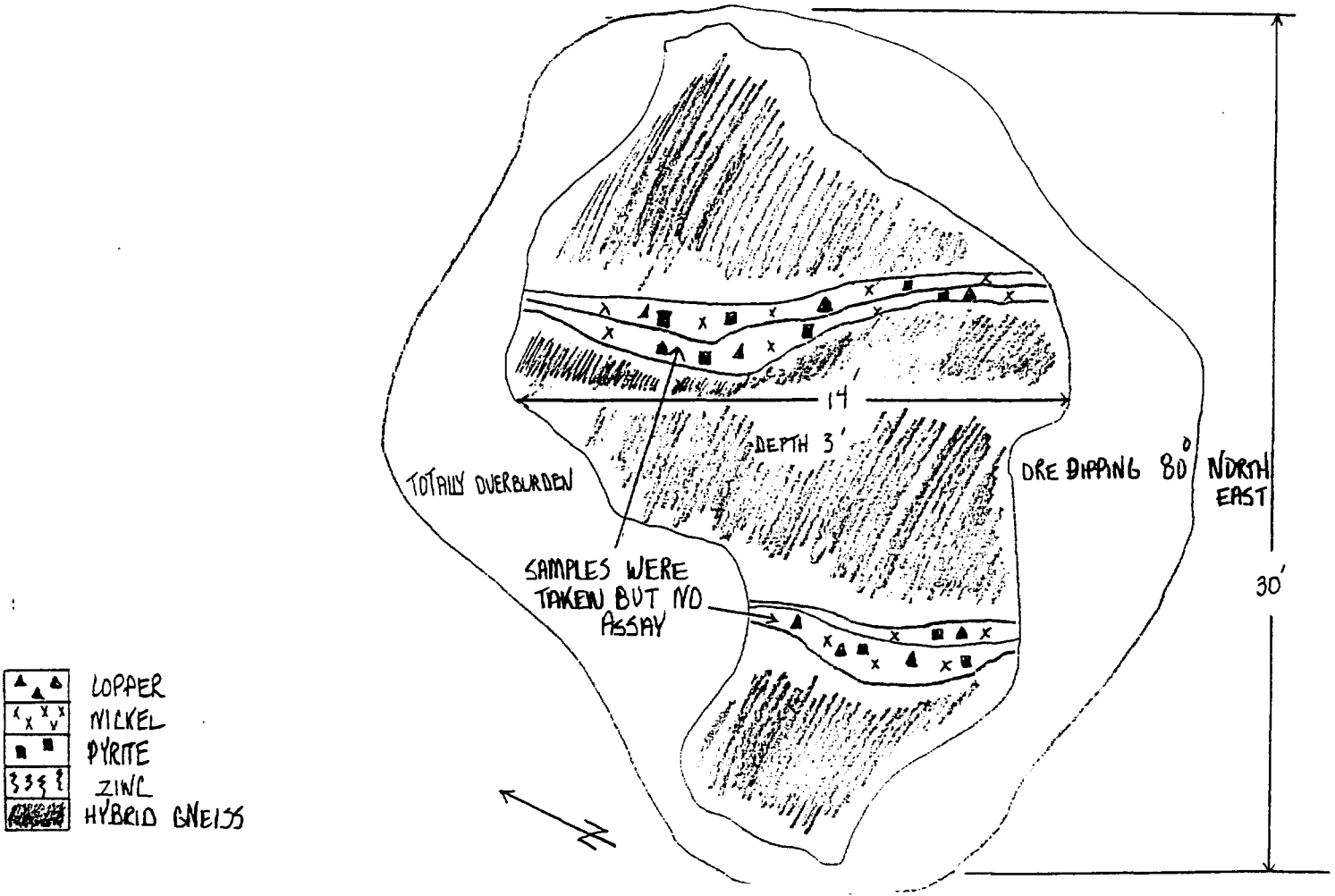


Pit #5

Work Performed:

8/27/97	Drilled with machine 8am to 12pm
8/27/97	Loaded and blasted 1pm to 5pm
8/28/97	Loaded blast pits with explosives, blasted 8am to 5pm
8/29/97	Mucked out blast pits 8am to 5pm
8/30/97	Mucked out blast pits 8am to 5pm
8/31/97	Drilled and blasted trenches 8am to 5pm
9/1/97	Mucked out trenches with backhoe 8am to 5pm
9/2/97	Mucked out trenches with backhoe 8am to 5pm
9/3/97	Drilled trenches beside road and blasted 8am to 5pm
9/4/97	Cleaned new trenches with backhoe 8am to 5pm

Total Travelling Time: 9 hours
Total days: 9 days x 2 men

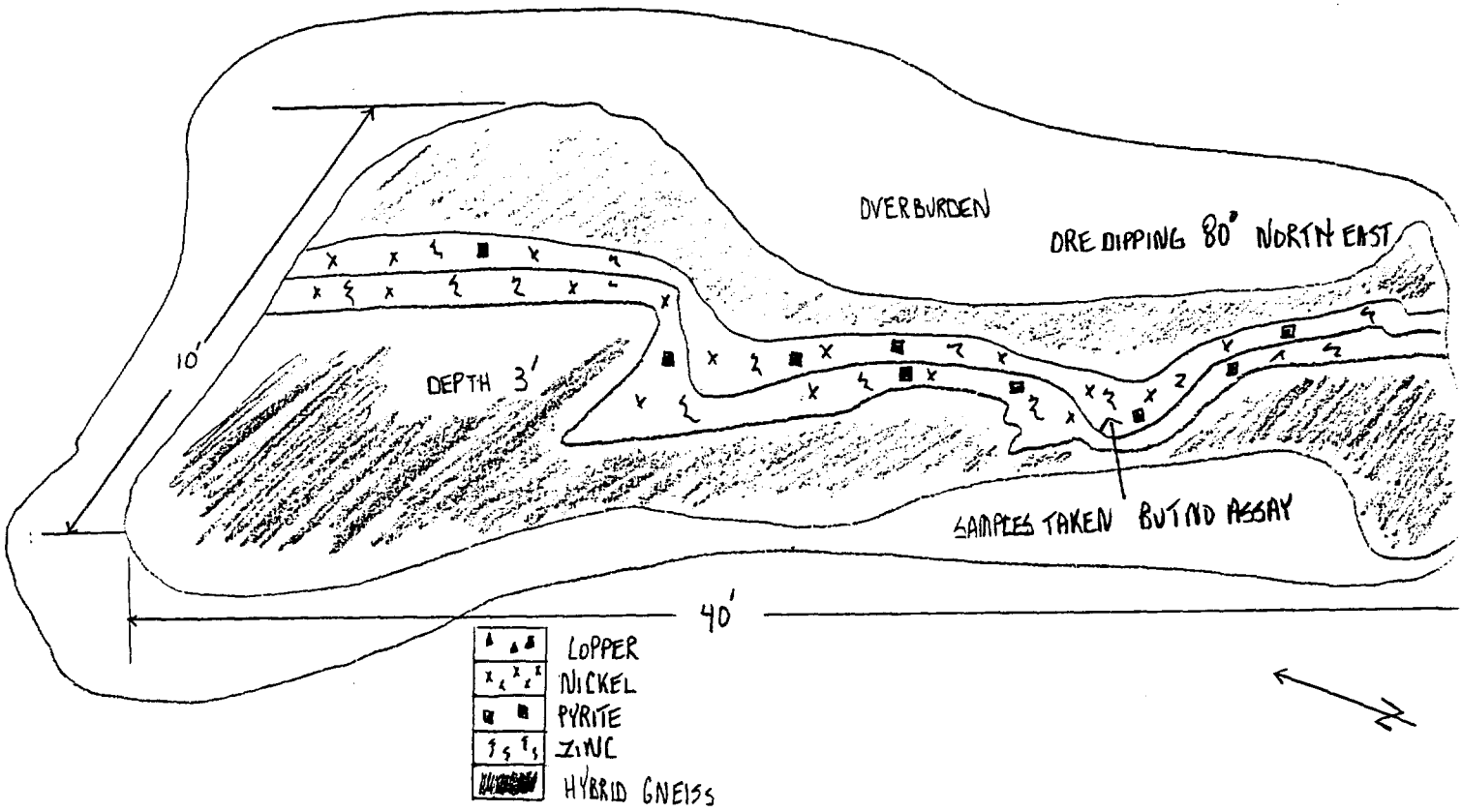


Pit #6

Work Performed:

9/5/97	Drilled 3 pits and blasted 8am to 5pm
9/6/97	Mucked out trenches with backhoe 8am to 5pm
9/21/97	Moved machine south, trenched 8am to 4pm
9/22/97	Cleaned overburden off of 2 showings 8am to 5pm
9/23/97	Drilled 2 showings 4ft deep 8am to 5pm
9/24/97	Loaded and blasted trenches 8am to 12pm
9/24/97	Cleaned up blast pits with backhoe 1pm to 5pm
9/25/97	Washed showings with water pump 8am to 5pm
9/29/97	Moved machinery to another showing 8am to 5pm

Total Travelling Time: 8 hours
Total days: 8 days x 2 men

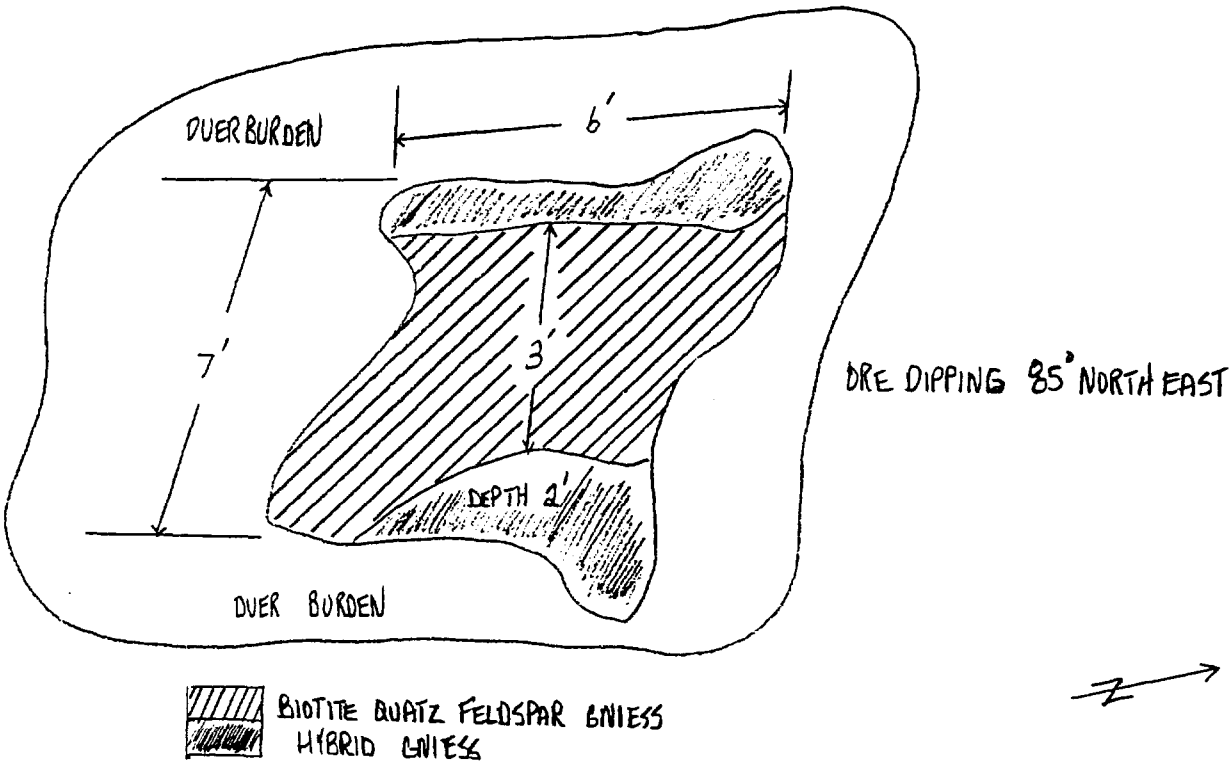


Pit #7

Work Performed:

6/29/97	Cleaned new showing with backhoe 8am to 1pm
6/30/97	Cleaned showing with backhoe 8am to 12pm
6/30/97	Washed mud off rock with water pump 12pm to 5pm
7/1/97	Cleaning with backhoe 8am to 12pm
7/1/97	Washed with water pump 1pm to 5pm
7/2/97	Cleaned with backhoe 8am to 12pm
7/2/97	Washed with waterpump 12pm to 5pm
7/3/97	Cleaned with backhoe,made showing wider 8am to 12pm
7/3/97	Washed with water pump 12pm to 5pm
7/4/97	Drilled 5 different showings 8am to 5 pm
7/5/97	Loaded 3 showings and blasted 8am to 12pm
7/5/97	Cleaned showings with backhoe 12pm to 6pm
7/6/97	Cleaned showings with backhoe 8am to 12pm
7/6/97	Washed showings with water pump 12pm to 5pm
7/7/97	Picked up samples from showing 8am to 5pm

Total Travelling Time: 9 hours
Total days: 9 days x 2 men

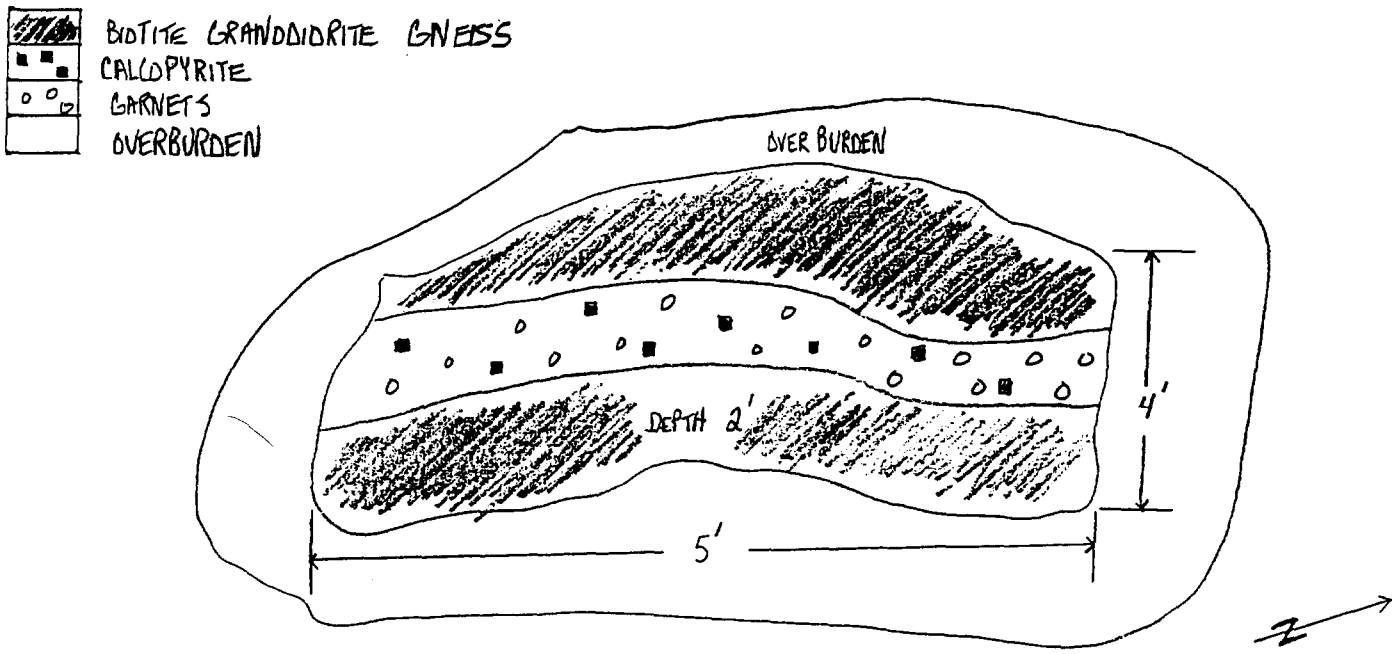


Pit #8

Work Performed:

6/27/97	Beep-matting and magnetometer 8am to 5pm
6/27/97	Drilled with gas plugger 5pm to 8pm
6/28/97	Loaded and blasted drill holes 8am to 10am
6/28/97	Beep-matting 10am to 7pm

Total Travelling Time: 2 hours
Total days: 2 days x 2 men

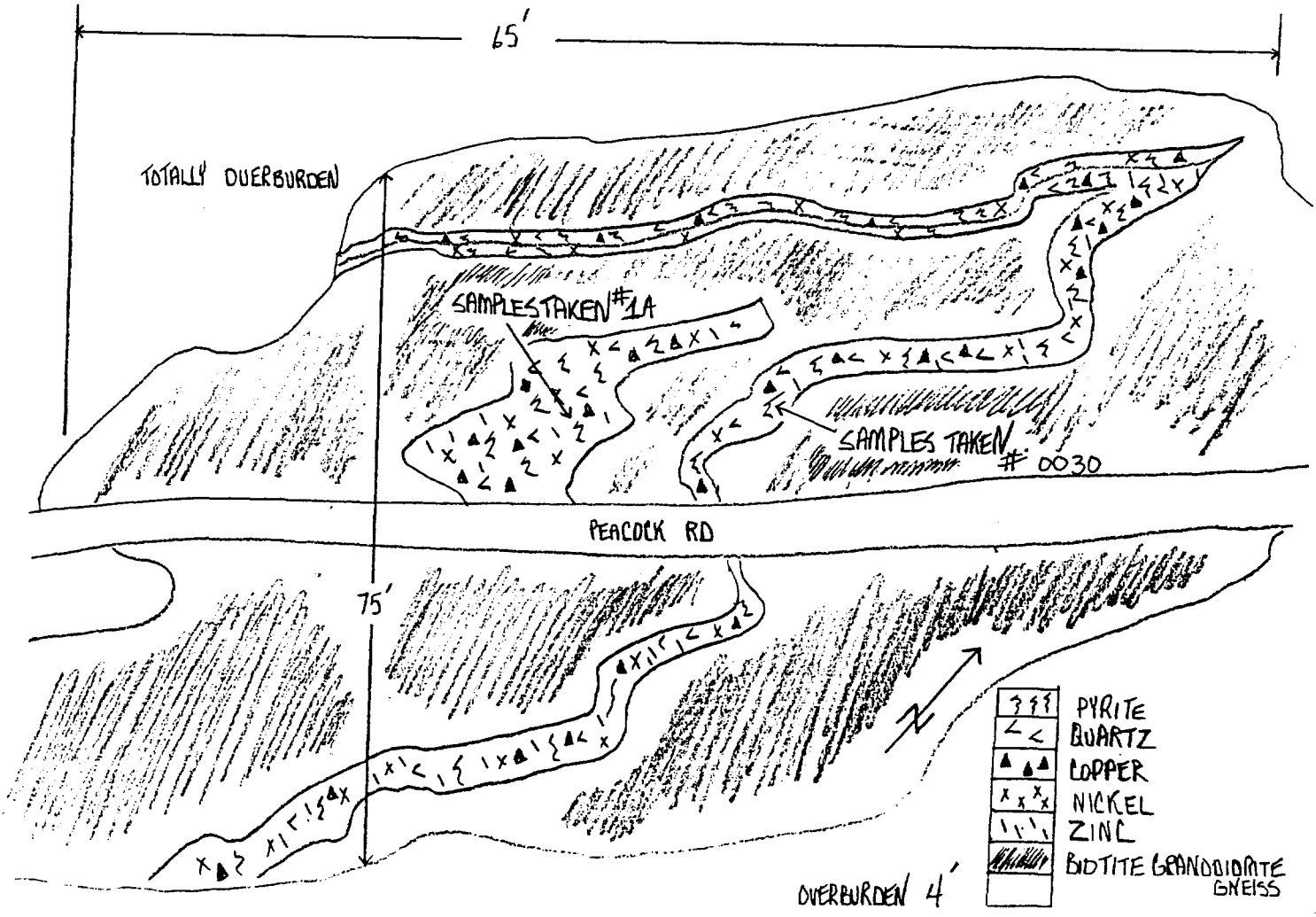


Pit #9

Work Performed:

6/16/97	Trenched with backhoe on skidder 8am to 1pm
6/17/97	Trenched with backhoe on skidder 8am to 6:30pm
6/17/97	Blasted-Air compressor with air plugger was used to drill 4 holes for grab samples 6:30pm to 8pm
6/18/97	More stripping with backhoe 8am to 6pm
6/19/97	More stripping with backhoe 8am to 6pm
6/20/97	Stripping with backhoe 8am to 12pm
6/20/97	Drilling with 4ft jackleg (100ft) 12pm to 2pm
6/20/97	Wired the blast from 2pm to 3pm
6/20/97	Blasted at 3pm, drilled 50ft from 3:30pm to 4:30pm
6/20/97	Loaded and blasted from 4:30pm to 5:30pm

Total travelling time: 5 hours
Total days: 5 x 2 men

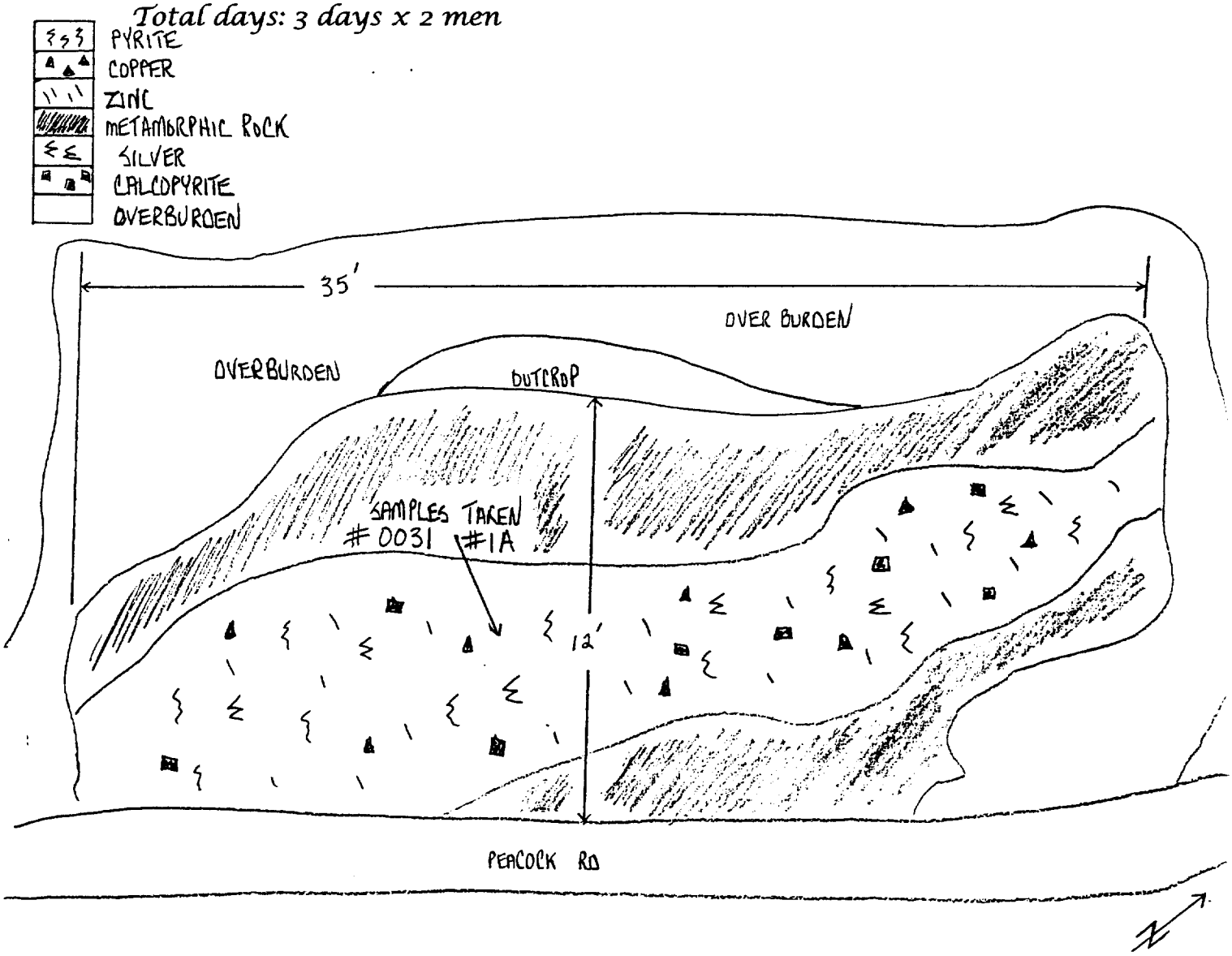


Pit #10

Work Performed:

6/21/97	Washed with water pump 8am to 10am
6/21/97	Drilled 25 holes 4ft each 10am to 3pm
6/22/97	Loaded 25 holes and blasted 8am to 11am
6/22/97	Trenching with backhoe 11am to 5pm
6/23/97	Drilled 100 feet of 4ft holes 8am to 10am
6/23/97	Loaded and blasted 10am to 1pm
6/23/97	Mucked out blast pits with backhoe 1pm to 6pm

Total Travelling Time: 3 hours
Total days: 3 days x 2 men

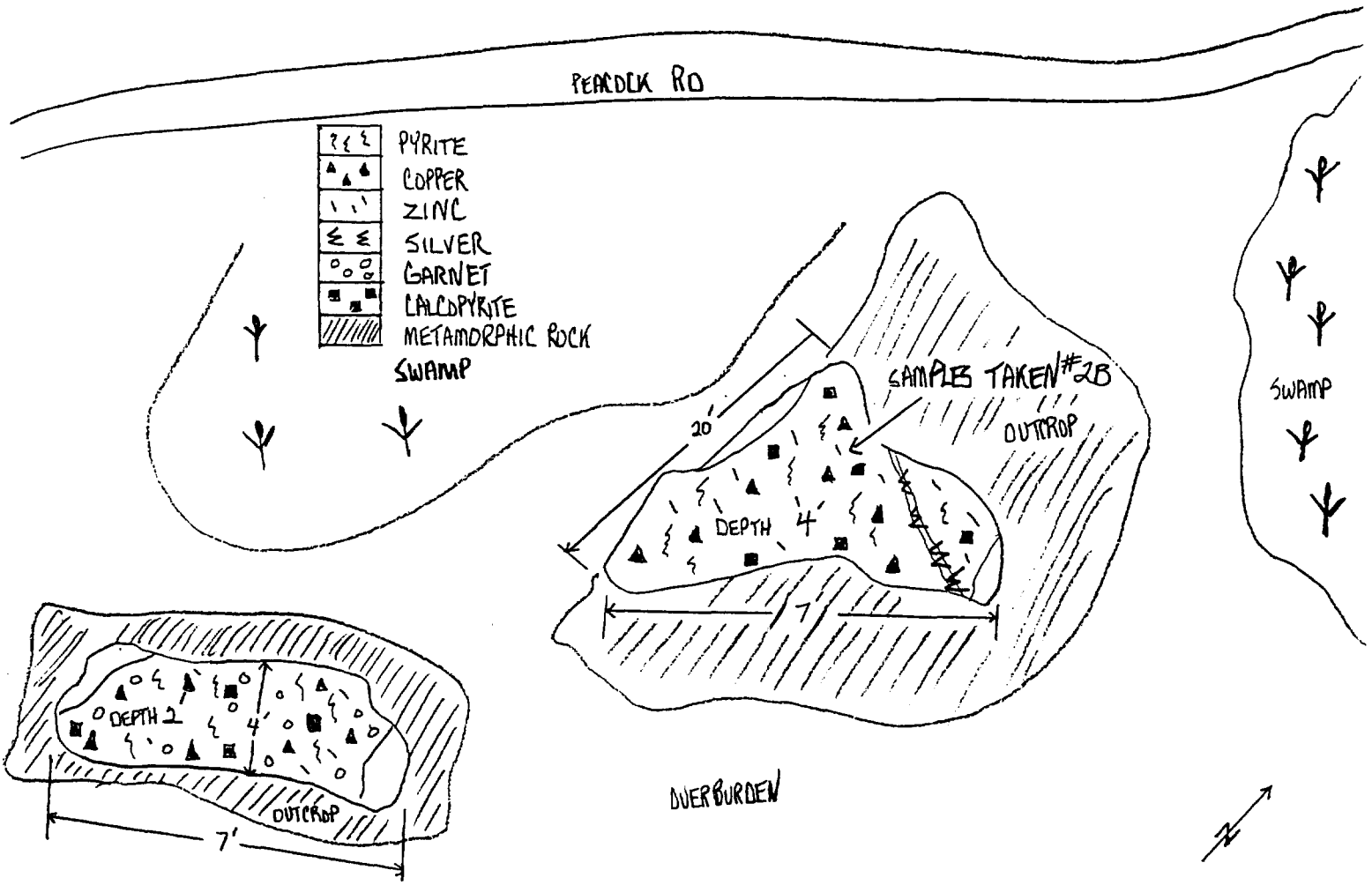


Pit #11

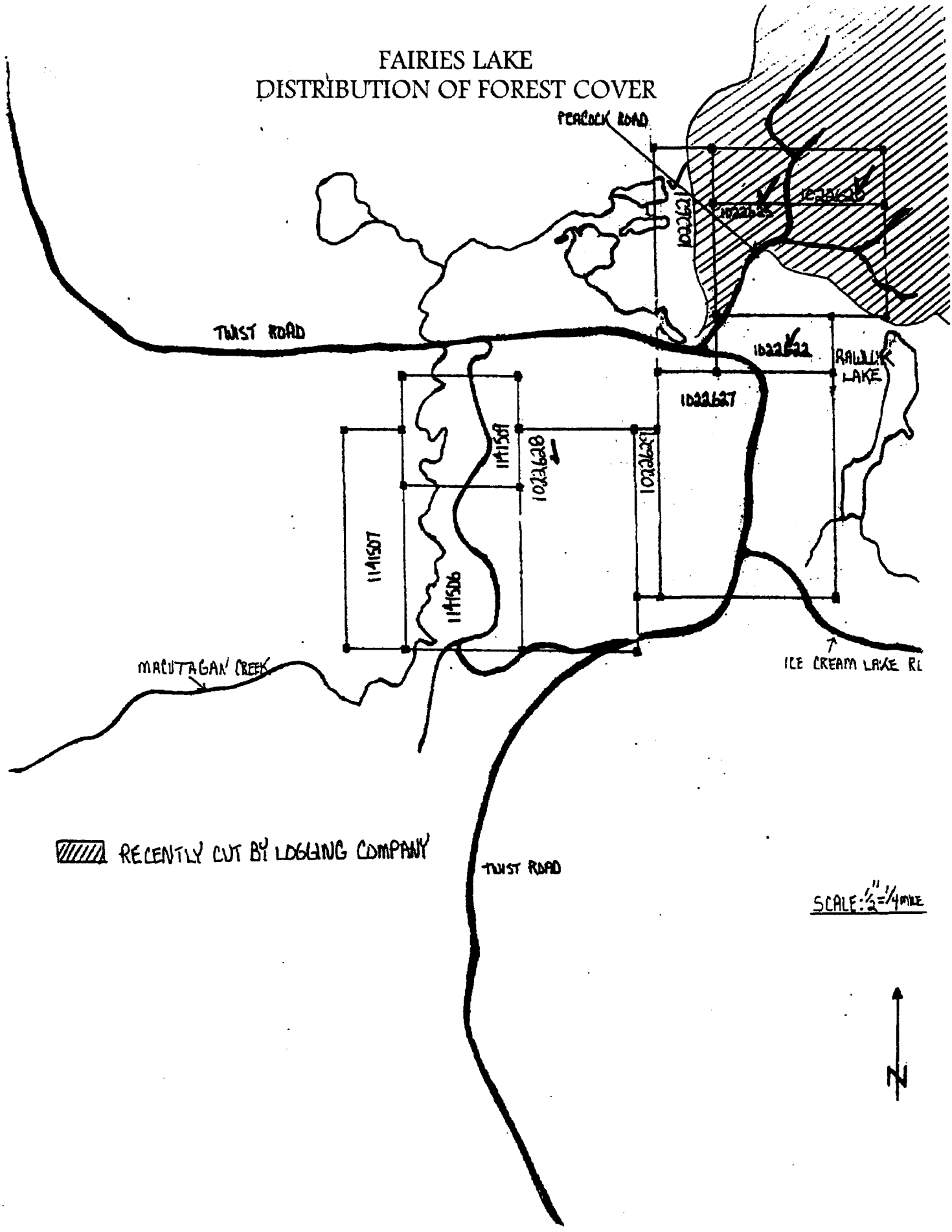
Work Performed:

6/24/97	Cleaned overburden off bedrock with backhoe 8am-12pm
6/24/97	Washed bedrock with water pump 12pm to 6pm
6/25/97	Drilled with jackleg 100 ft of 4ft holes 8am to 10 am
6/25/97	Loaded holes with explosives and blasted 10am to 1pm
6/25/97	Cleaned blast holes with backhoe 1pm to 6pm
6/26/97	Washed and cleaned all showings 8am to 5pm

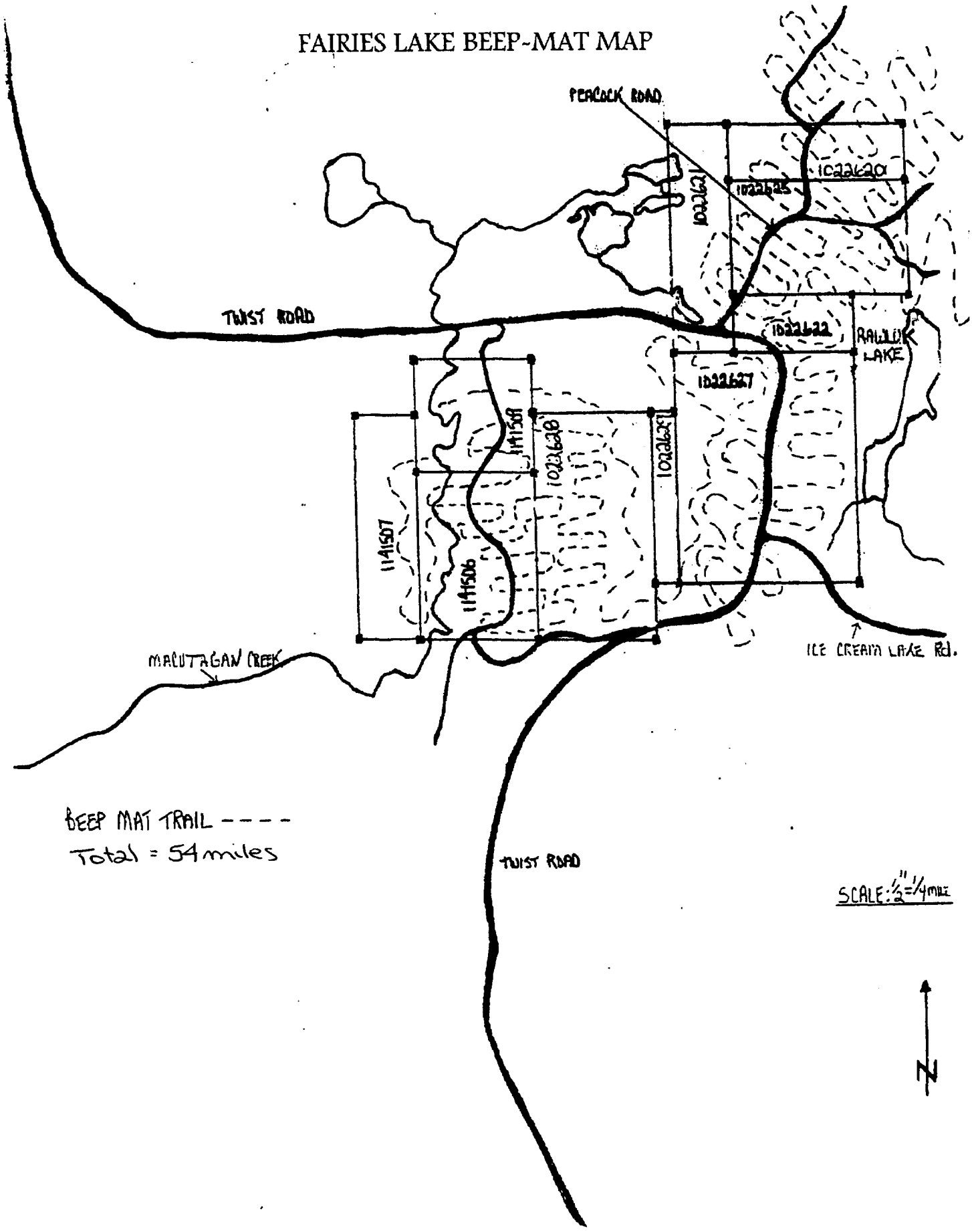
Total Travelling Time: 3 hours
Total days: 3 days x 2 men



FAIRIES LAKE
DISTRIBUTION OF FOREST COVER



FAIRIES LAKE BEEP-MAT MAP



Chemex Labs Ltd.

Analytical Chemists * Geochemists * Registered Assayers
5175 Timberlea Blvd., Mississauga
Ontario, Canada L4W 2S3
PHONE: 905-624-2806 FAX: 905-624-6163

Prince's Lake

To: MINISTRY OF NORTHERN DEVELOPMENT AND MINES **
MINERAL RESOURCES, ONTARIO GOVERNMENT BLDG.
P.O. BOX 5000, 435 JAMES ST. S.
THUNDER BAY, ON
P7C 5G6

Project :
Comments: ATTN: MARK SMYK

Page Number :1-B
Total Pages :1
Certificate Date: 18-SEP-97
Invoice No. :I9741796
P.O. Number :
Account :KDQ

CERTIFICATE OF ANALYSIS A9741796

SAMPLE	PREP CODE		Mo ppm	Na %	Ni ppm	P ppm	Pb ppm	Sb ppm	Sc ppm	Sr ppm	Ti %	Tl ppm	U ppm	V ppm	W ppm	Zn ppm
97BGG-01	208	226	< 5	0.09	1465	400	5	< 10	< 5	5	0.07	< 20	< 20	20	< 20	45
97BGG-02	208	226	< 5	0.12	600	100	< 5	< 10	< 5	10	0.09	< 20	< 20	< 20	< 20	70

SAMPES TAKEN BY RESIDENT GEOLOGIST

CERTIFICATION: Hart Bichler

Chemex Labs Ltd.

Analytical Chemists * Geochemists * Registered Assayers
5175 Timberlea Blvd., Mississauga
Ontario, Canada L4W 2S3
PHONE: 905-624-2806 FAX: 905-624-6163

To: MINISTRY OF NORTHERN DEVELOPMENT AND MINES **
MINERAL RESOURCES, ONTARIO GOVERNMENT BLDG.
P.O. BOX 5000, 435 JAMES ST. S.
THUNDER BAY, ON
P7C 5G6

Project :
Comments: ATTN: MARK SMYK

Page Number :1-A
Total Pages :1
Certificate Date: 18-SEP-97
Invoice No. :I9741796
P.O. Number :
Account :KDQ

Fairlies Lake

CERTIFICATE OF ANALYSIS A9741796

SAMPLE	PREP CODE		Au ppb AFS	Pt ppb AFS	Pd ppb AFS	Ag ppm	Al %	As ppm	Ba ppm	Be ppm	Bi ppm	Ca %	Cd ppm	Co ppm	Cr ppm	Cu ppm	Fe %	Hg ppm	K %	Mg %	Mn ppm
97BGG-01	208	226	8	5	14	< 1	0.84	270	< 20	< 5	< 10	0.54	< 5	580	90	21200	16.90	< 10	0.06	0.52	90
97BGG-02	208	226	< 4	< 10	4	4	0.61	30	< 20	< 5	< 10	0.19	< 5	1170	60	19350	18.25	< 10	0.06	0.11	90

SAMPLES TAKEN BY RESIDENT GEOLOGIST

Hart Bichler

CERTIFICATION:

Fairies Lake

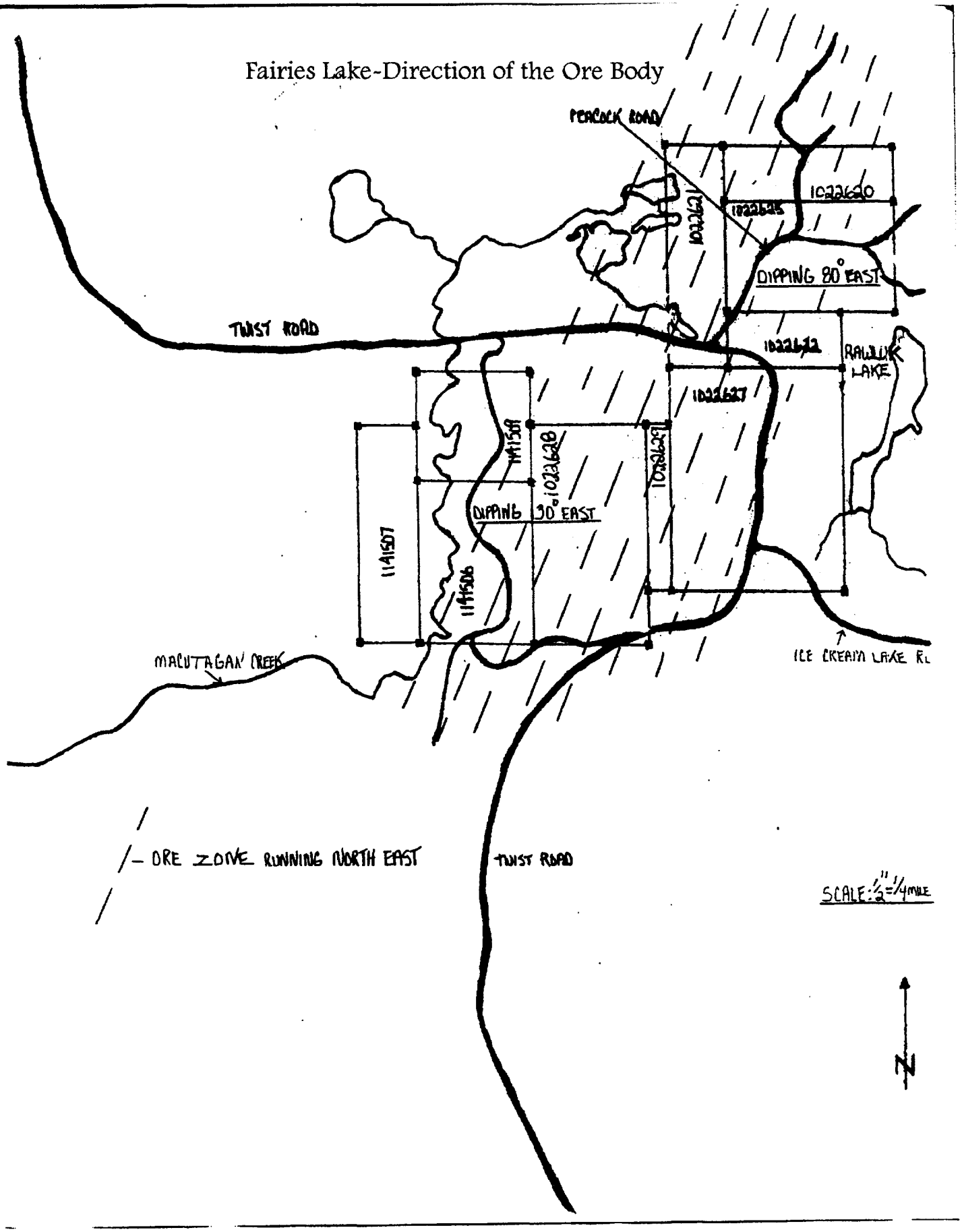
ASSAY REPORT #2B

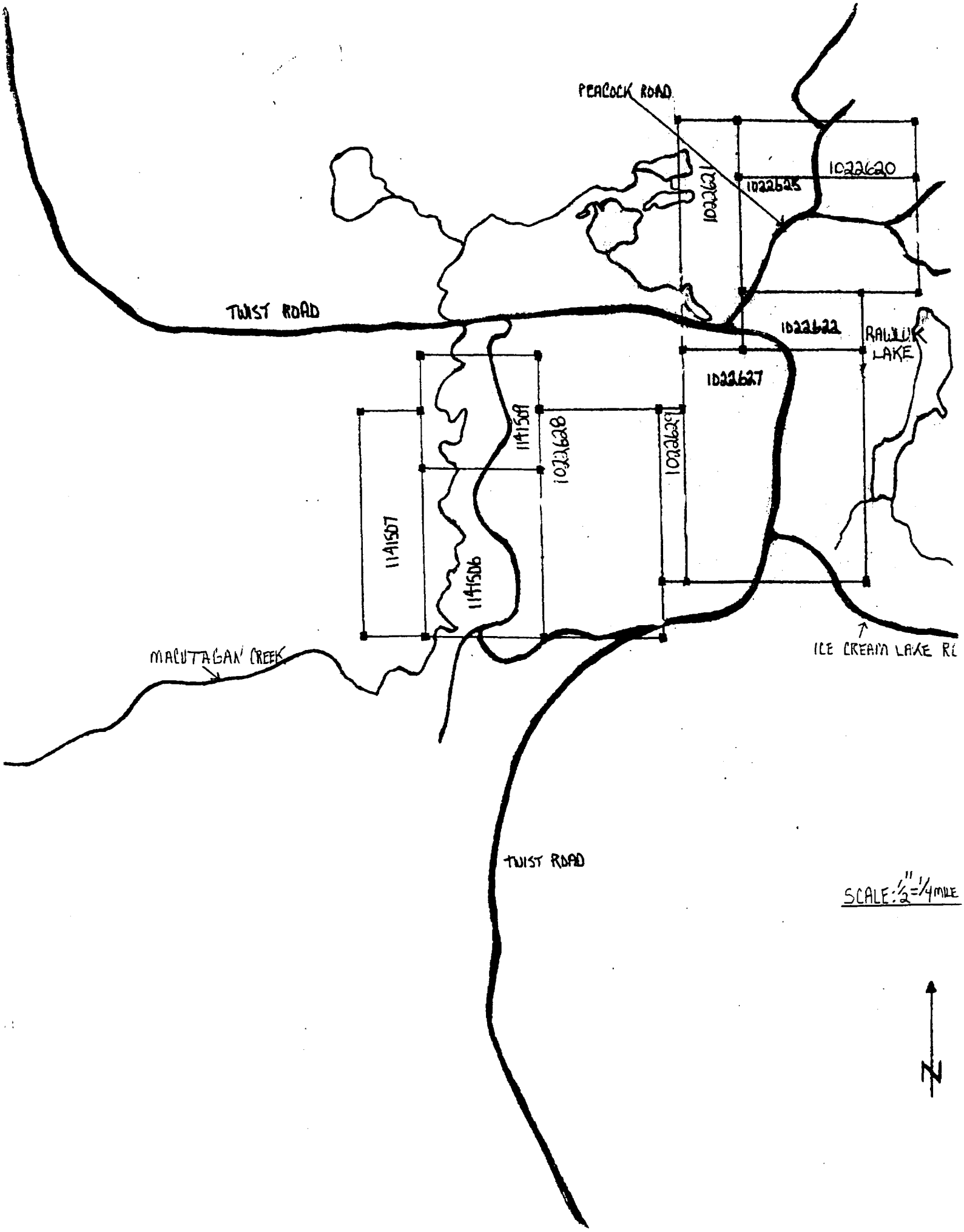
Date: JUNE 18 1997

Noble P.P.M. ☑ O.P.T. ☐ Base P.P.M. ☑ % ☐

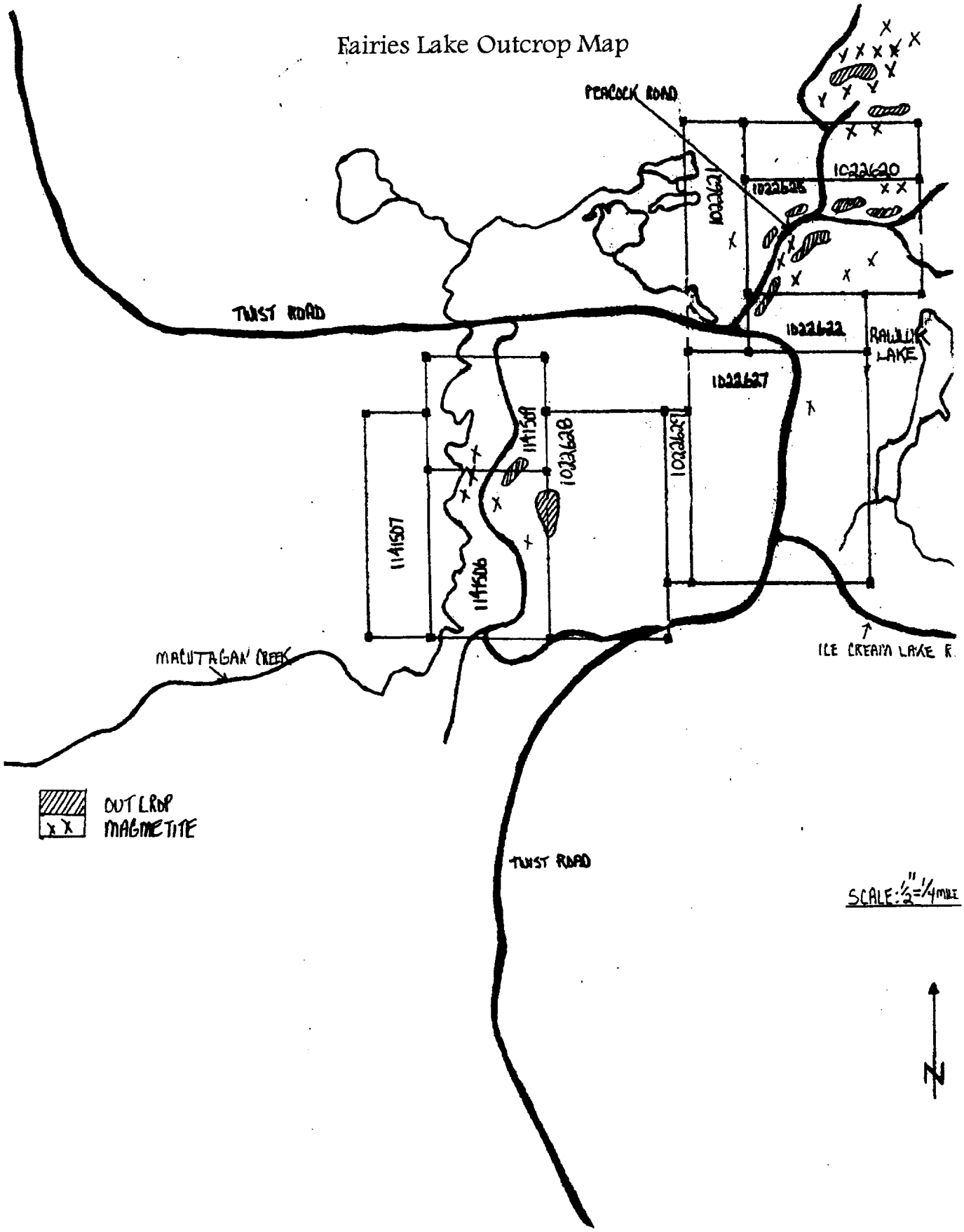
	Sample Number	Au.	Ag.	Hg.	Pb.	Zn.	Cd.	Cu.	Fe.	Ni.	W.	Mo.	Sb.	Non-Sulphides Pb.	Non-Sulphides Zn.
1	D 35689	<.01	<1			18		167	PIT#11						
2	90	<.01	<1			10		3020	PIT#11						
3	91	<.01	<1			3		89	PIT#11						
4	92	<.01	<1			45		19300	PIT#11						
5	93	<01	<1			31		590	PIT#11						
6	94	.26	<1			35		560	PIT#11						
7															
8															
9															
10															
11															
12															
13															
14															
15															
16															
17															
18															
19															
20															
21															

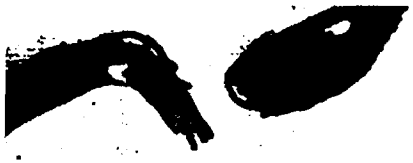
Fairies Lake-Direction of the Ore Body




PEACOCK ROAD
1022620
1022625
1022621
TWIST ROAD
1022622
RALEIGH LAKE
1022627
1141509
1022628
1022626
1141507
1141506
MACUTAGAN CREEK
ICE CREAM LAKE RE
TWIST ROAD
SCALE: ½" = ¼ MILE
N

Fairies Lake Outcrop Map





Faires Lake

ASSAY REPORT #2A

Date: AUG. 8 1995

Noble P.P.M. ☐ O.P.T. ☐ Base P.P.M. ☐ % ☐

Sample Number	Au		Ag	Cu	Ni	Pb	Zn	Sb	As	Mo				
68032	<.01	—	2	1110	2240	30	32	PIT#1			—			
33	<.01		11	29600	347	30	37	PIT#1			—			
34	<.01	—	4	9100	1990	30	27	PIT#2			—			
35	.02		1	321	256	30	10	PIT#2						

ASSAY REPORT # 1A

Date: JULY 21 1997

P.P.M. ☑ O.P.T. ☐ Base P.P.M. ☐ % ☐

SAMPLES – PIT #9
PIT #10

	Sample Number	Au.	Ag	Hg	Pb	Zn	Cd	Cu	Fe	Ni	W	Mo	Sb	Non-Sulphide Pb	Non-Sulphide Zn
1	23987	<.01	5.0			68		15600		296		PIT #9			
2	23988	<.01	<1			56		7200		382		PIT #9			
3	23989	<.01	<1			32		49		28		PIT #10			
4	23990	<.01	<1			25		694		456		PIT #10			
5	23991	[illegible]	[illegible]			[illegible]		205		37		PIT #11			
6															
7															
8															
9															
10															
11	[illegible]	[illegible]	[illegible]	10.6 grams	sample	None	to	fit	to	check	gold	by	fire assay		
12															
13															
14															
15															
16															
17															
18															
19															
20															
21															

Mining Corp. Winston Lake Division

Drill Hole

WP 0030

Fairfield Lake

Sample Number	(m) From	(m) To	Cu	Zn	Ag g/t	Au g/t
0030			5.96	0.56	5.49	0.89

Comments: Cpy & Qtz cpy-p.

Kept a Sample

ASSAY

Cu Zn Au Ag

S Fe in sulphides

Specific Gravity

SAMPLES TAKEN FROM PIT #9

Mining Corp. Winston Lake Division

Drill Sample

Drill Hole

WP 0031

Sample Number	(m) From	(m) To	Cu	Zn	Ag g/t	Au g/t
WP 0031			0.27	0.17	1.37	0.38

Comments: Carb(?) Antho(?) -Antho. [illegible] 1-3mm -Mega [illegible]

Black - Mega x-tals [illegible] py-po

Sample

ASSAY

Cu Zn Au Ag

S Fe in sulphides

Specific Gravity

Sample Types

SAW SPLITTER WHOLE CORE

SAMPLES TAKEN FROM PIT #10

FR GILLE GIONET

FEB 25 1999

GIONET-NEW-WORK

Ontario Ministry of Northern Development and Mines

Declaration of Assessment Work Performed on Mining Land

Mining Act, Subsections 65(1) and 66(3), R.S.O. 1990

Transaction Number (office use)
W.9940.00067
Assessment Files Research Imaging

42F04SE2001 2.19285 CECIL 900

sections 65(2) and 66(3) of the Mining Act. Under section 8 of the
he assessment work and correspond with the mining land holder.
ar, Ministry of Northern Development and Mines, 6th Floor,

Revised Copy

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

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

Name: NORANDA INC.
Client Number: 176211
Address: 874 TUNGSTEN ST
Telephone Number: (807) 623-4339
THUNDER BAY, ONT P7B 6S3
Fax Number: (807) 623-0452

Name
Client Number
Address
Telephone Number
Fax Number

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

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

Work Type: Beet-matting, drilling, Stripping and Cleaning, Blasting, sample grabbing

Dates Work Performed: From 16 (Day) 6 (Month) 97 (Year) To 12 (Day) 10 (Month) 97 (Year)

Global Positioning System Data (if available)

Township/Area: Cecil Twp.

M or G-Plan Number: G-2557

Office Use	
Commodity	
Total $ Value of Work Claimed	26,087
NTS Reference	
Mining Division	Thunder Bay
Resident Geologist District	

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: Michael Gionet
Telephone Number: 807-826-4851
Address: 33 Beaver Dr. P.O. Box 305, Manitouwadge, ON P0T-2C0
Fax Number: 807-826-1110

Name
Telephone Number
Address
Fax Number

Name
Telephone Number
Address
Fax Number

RECEIVED
MAR - 2 1999
GEOSCIENCE ASSESSMENT OFFICE

RECORDED
MAR - 2 1999

Deemed on May 31, 1999.

4. Certification by Recorded Holder or Agent

I, Gilles Gionet (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.

X
Signature of Recorded Holder or Agent

Date: Feb 21/99

Agent's Address	Telephone Number	Fax Number
9 Nicol Street Manitouwadge, ON P0T 2C0	807-826-3516	807-826-1110

Work to be recorded and distributed. Work can only be assigned to claims that are contiguous (adjoining) to mining land where work was performed, at the time work was performed. A map showing the contiguous link must accompany this form. Revised Copy W. 9940.00067

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, 992	$ 4,000	0	$4,992
1	1022625	6 units	7687	2400.00	0	5287.00
2	1022628	8 units	10600.00	3200.00	0	6800.00
3	1022620	3 units	3000.00	1200.00	0	1800.00
4	1022621	4 units	3400.00	1600.00	0	1800.00
5	1022622	2 units	2000.00	800.00	0	1200.00
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
		Column Totals	26087.00	9200.00	0	16887.00

RECORDED MAR - 2 1999

RECEIVED MAR - 2 1999 GEOSCIENCE ASSESSMENT OFFICE

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

Signature of Recorded Holder or Agent Authorized in Writing: X Gilles Gionet Date: Feb 21/99

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):

R 19985

GIUNET.SAWMILL&LOG

Ontario Ministry of Northern Development and Mines

Statement of Costs for Assessment Credit

Transaction Number (Office Use) W0199940.00067

Personal information collected on this form is obtained under the authority of subsection 6(1) of the Assessment Work Regulation 956. Under section 8 of the Mining Act, the information is a public record. This information will be used to review the assessment work and correspond with the mining land holder. Questions about this collection should be directed to the Chief Mining Recorder, Ministry of Northern Development and Mines, 6th Floor, 933 Ramsey Lake Road, Sudbury, Ontario, P3E 6B5.

Work Type	Units of Work Depending on the type of work, list the number of hours/days worked, metres of drilling, kilometres of grid line, number of samples, etc.	Cost Per Unit	Total Cost
[illegible]	179 hours	@ 75.00	$13,425.00
[illegible]	47 hours	@ 35.00	$1,645.00
Drilling	80.5 hours	@ 105.00	$8462.50
Blasting	49 hours	@ 45.00	$2205.00
Sampling	20 hours	@ 30.00	$600.00
* Please refer to attached sheet			

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

Fuel for skidder	605 lb	@ 57¢/L	$344.85

Transportation Costs

Food and Lodging Costs

Total Value of Assessment Work $26,082.35

Instructions for Filing Statement:

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 revised claim

Note:
Work over and above the required amount may be applied 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, Gilles Giunet, do hereby certify, that the amounts shown are as accurate as may reasonably be determined and the costs were incurred while conducting assessment work on the lands indicated on the accompanying Declaration of Work form as recorded holder, and am authorized

(recorded holder, agent, or state company position with signing authority)

Signature: Gilles Giunet Date: March 8, 1999

Ministry of
Northern Development
and Mines

Ministère du
Développement du Nord
et des Mines

Ontario

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

Telephone: (888) 415-9846
Fax: (877) 670-1555

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

May 21, 1999

Gilles Gionet
NORANDA INC.
874 TUNGSTEN STREET
THUNDER BAY, Ontario
P7B-6J3

Dear Sir or Madam:

Submission Number: 2.19285

Subject: Transaction Number(s):		**Status**
	W9940.00067	Approval

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

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

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

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

Yours sincerely,

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

Correspondence ID: 13781

Copy for: Assessment Library

Work Report Assessment Results

Submission Number: 2.19285

Date Correspondence Sent: May 21, 1999 **Assessor:** Lucille Jerome

Transaction Number	First Claim Number	Township(s) / Area(s)	Status	Approval Date
W9940.00067	1022625	CECIL	Approval	May 20, 1999

Section:
10 Physical PTRNCH
10 Physical PSTRIP

The statement of costs for this submission was not legible. I have allowed the costs that you claimed on the submission because they are close to the calculation I have made and described below. Please note that one day of work was not allowed on mining claim 1022622 because the claim was not in existence at the time the work was performed.

Total eligible man days worked (94 physical) @ $160	= $15,040
Travel @ $.30/km	282
Backhoe 123.5 hours @ $75/hour	9,263
Fuel	344
Supplies, blasting supplies, other	1,158
	$26,987

Assessment work credit has been redistributed, as outlined on the attached Distribution of Assessment Work Credit sheet, to better reflect the location of the work.

Correspondence to:
Resident Geologist
Thunder Bay, ON

Assessment Files Library
Sudbury, ON

Recorded Holder(s) and/or Agent(s):
Gilles Gionet
NORANDA INC.
THUNDER BAY, Ontario

Correspondence ID: 13781

Distribution of Assessment Work Credit

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

Date: May 21, 1999

Submission Number: 2.19285

Transaction Number: W9940.00067

Claim Number	Value Of Work Performed
1022628	2,775.00
1022622	1,550.00
1022625	21,762.00
Total: $	26,087.00

Correspondence ID: 13781

REFERENCES

AREAS WITHDRAWN FROM DISPOSITION

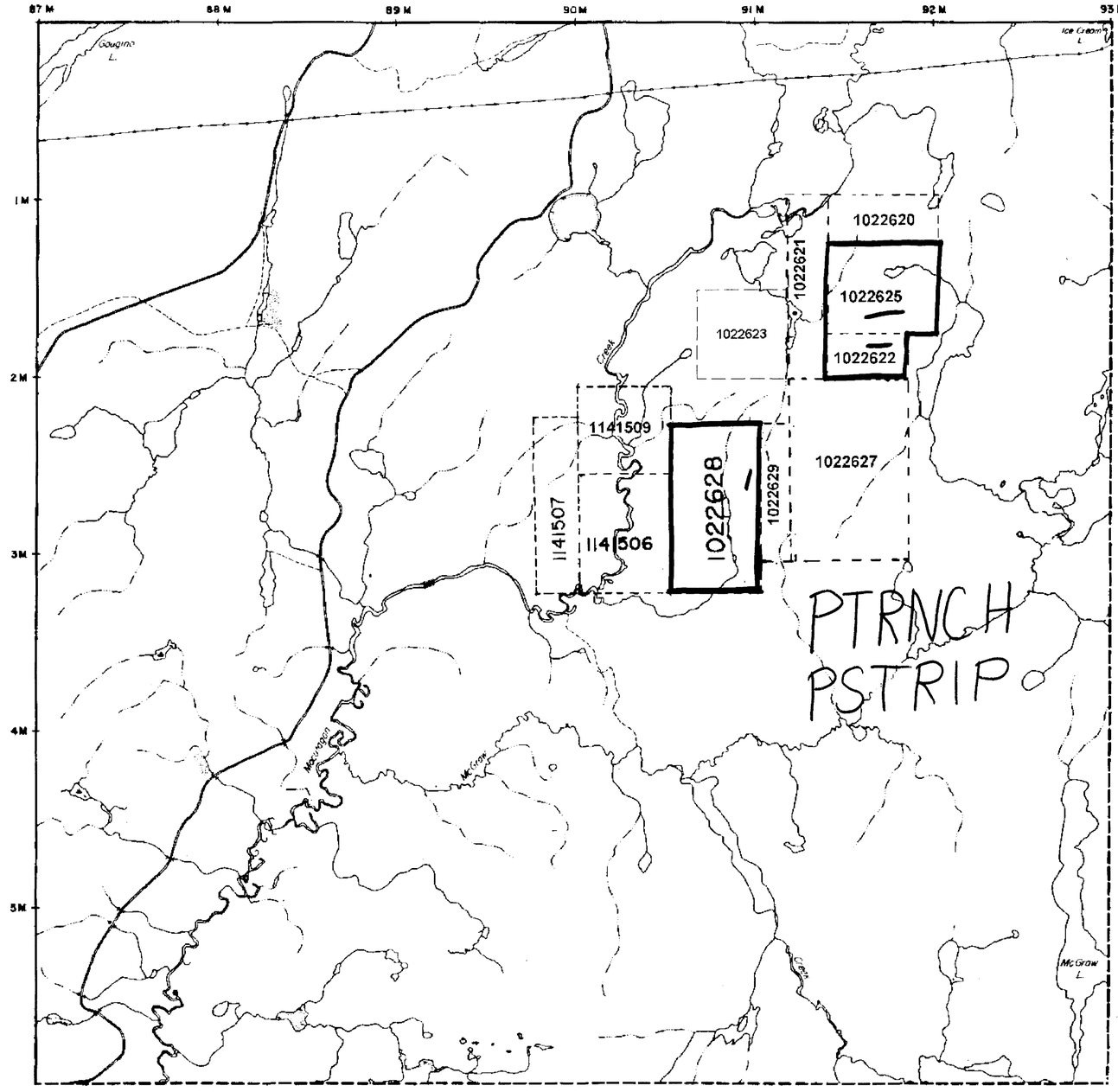
M.R.O. – MINING RIGHTS ONLY
S.R.O. – SURFACE RIGHTS ONLY
M.+ S. – MINING AND SURFACE RIGHTS

Description	Order No.	Date	Disposition	File

NICKLE TWP. G-2853

GERTRUDE TWP. G-2852

ROBERTA TWP. G-2816



MCGRAW LAKE G-602

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

42P04SE2001 2.19285 CECIL 200

LEGEND

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

DISPOSITION OF CROWN LANDS

TYPE OF DOCUMENT	SYMBOL
PATENT, SURFACE & MINING RIGHTS	●
" , SURFACE RIGHTS ONLY	◓
" , MINING RIGHTS ONLY	◒
LEASE, SURFACE & MINING RIGHTS	■
" , SURFACE RIGHTS ONLY	▤
" , MINING RIGHTS ONLY	▣
LICENCE OF OCCUPATION	▼
ORDER-IN-COUNCIL	OC
RESERVATION	◔
CANCELLED	⊕
SAND & GRAVEL	◔
LAND USE PERMITS FOR COMMERCIAL TOURISM, OUTPOST CAMPS	▽

NOTE: MINING RIGHTS IN PARCELS PATENTED PRIOR TO MAY 6, 1913, VESTED IN ORIGINAL PATENTEE BY THE PUBLIC LANDS ACT, R.S.O. 1970, CHAP. 380, SEC. 93, SUBSEC 1.

SCALE: 1 INCH = 40 CHAINS

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

TOWNSHIP

CECIL

M.N.R. ADMINISTRATIVE DISTRICT

TERRACE BAY

MINING DIVISION

THUNDER BAY

LAND TITLES / REGISTRY DIVISION

THUNDER BAY

Ontario Ministry of Natural Resources
Ministry of Northern Development and Mines

MARCH 4, 1988 IN SERVICE

Date NOVEMBER, 1986.

Number G-2857