

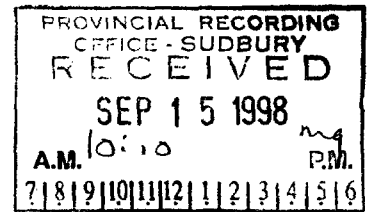


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CARGILL

010



REPORT ON THE CARGILL TOWNSHIP PROPERTY

CARGILL TOWNSHIP

PORCUPINE MINING DIVISION

BULK SAMPLING PROGRAM

for

Leo Alarie and Sons Limited

2.18825

Submitted by:

Don T. Fudge
Fudge & Associates
August 1998



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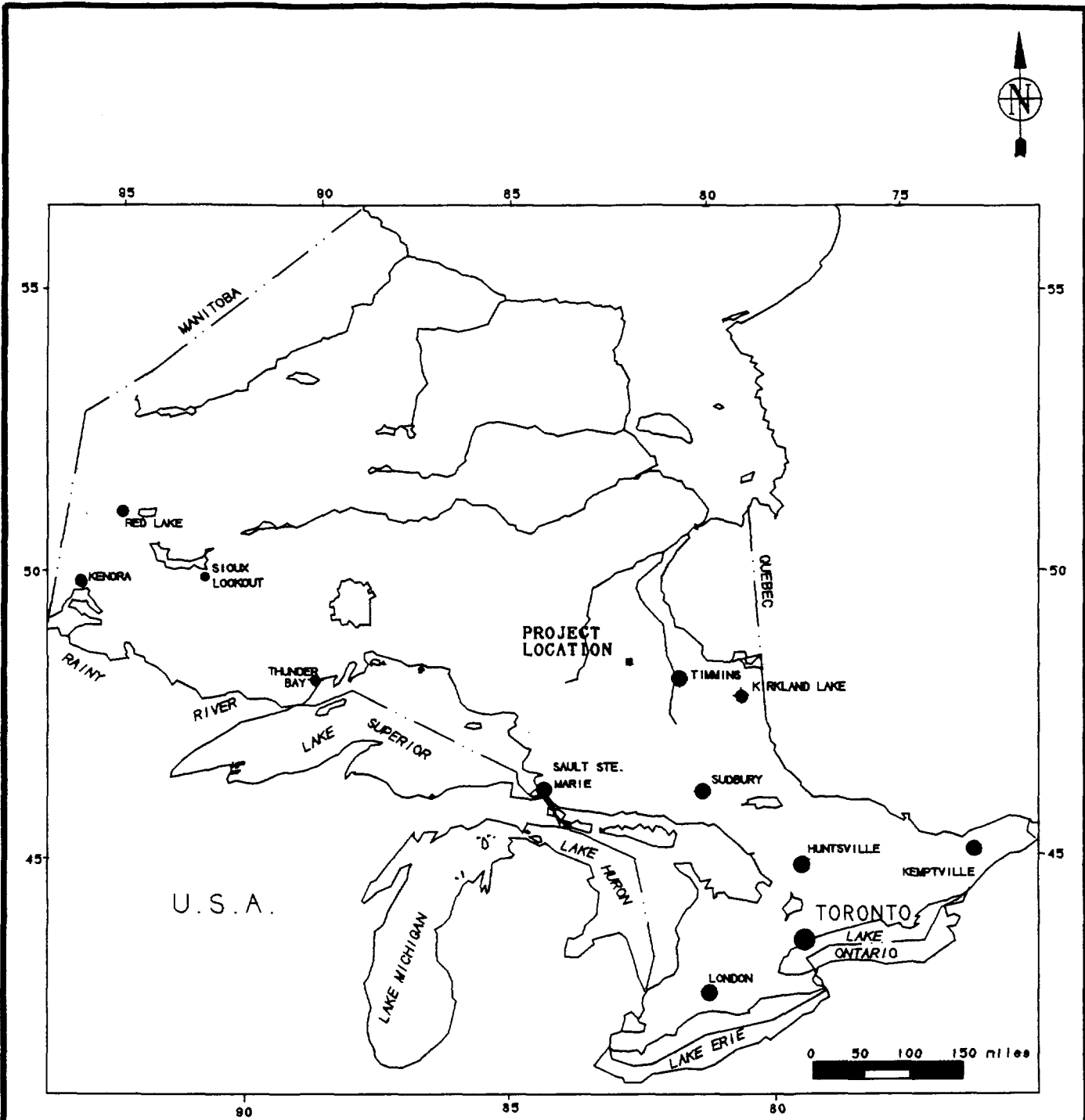
Location Map	Fig. 1
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MAPS

Plan of Bulk Sample Location	Map 1
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APPENDIX

- Appendix "A" - Laboratory Test Results
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PROVINCE OF ONTARIO

FIG 1

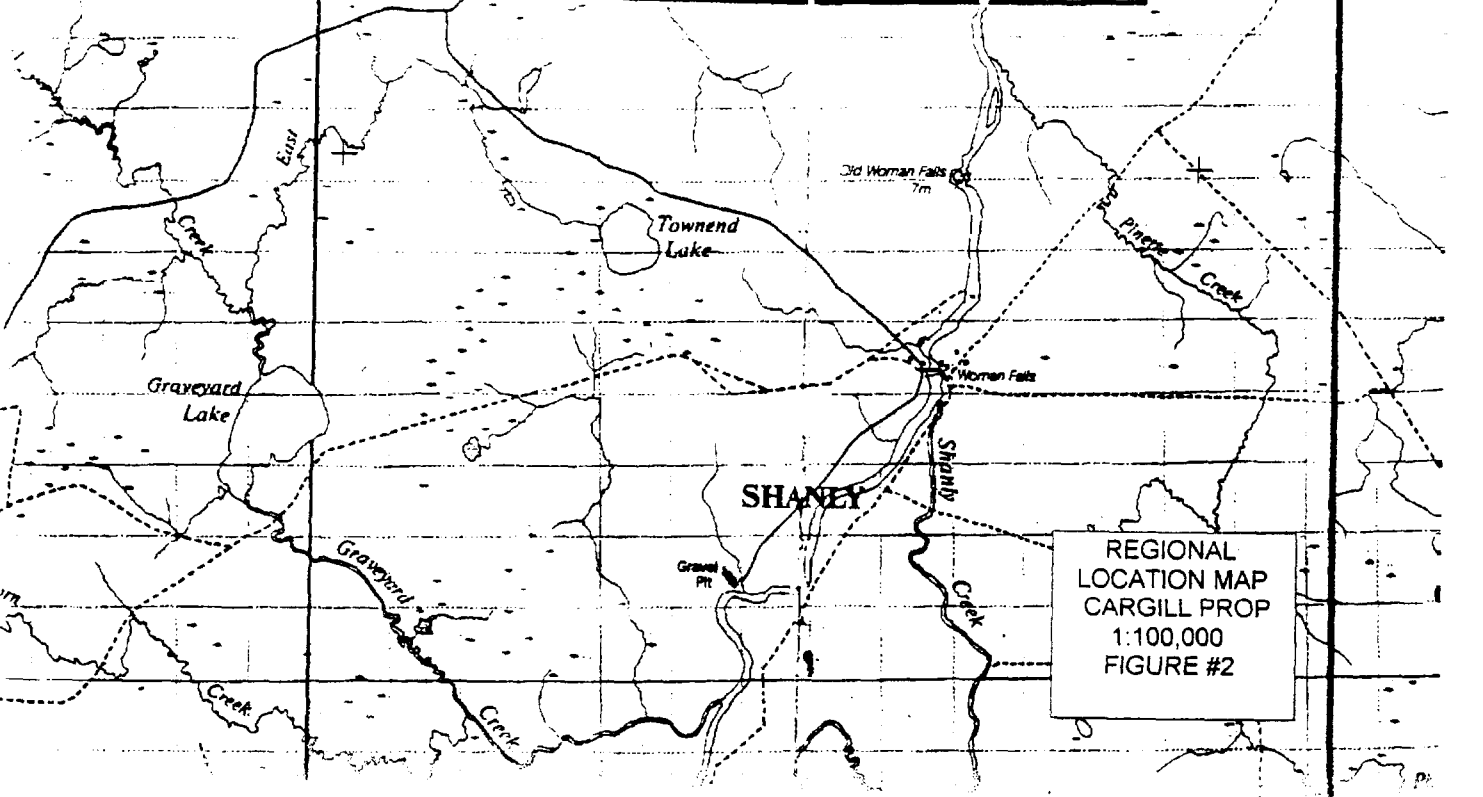
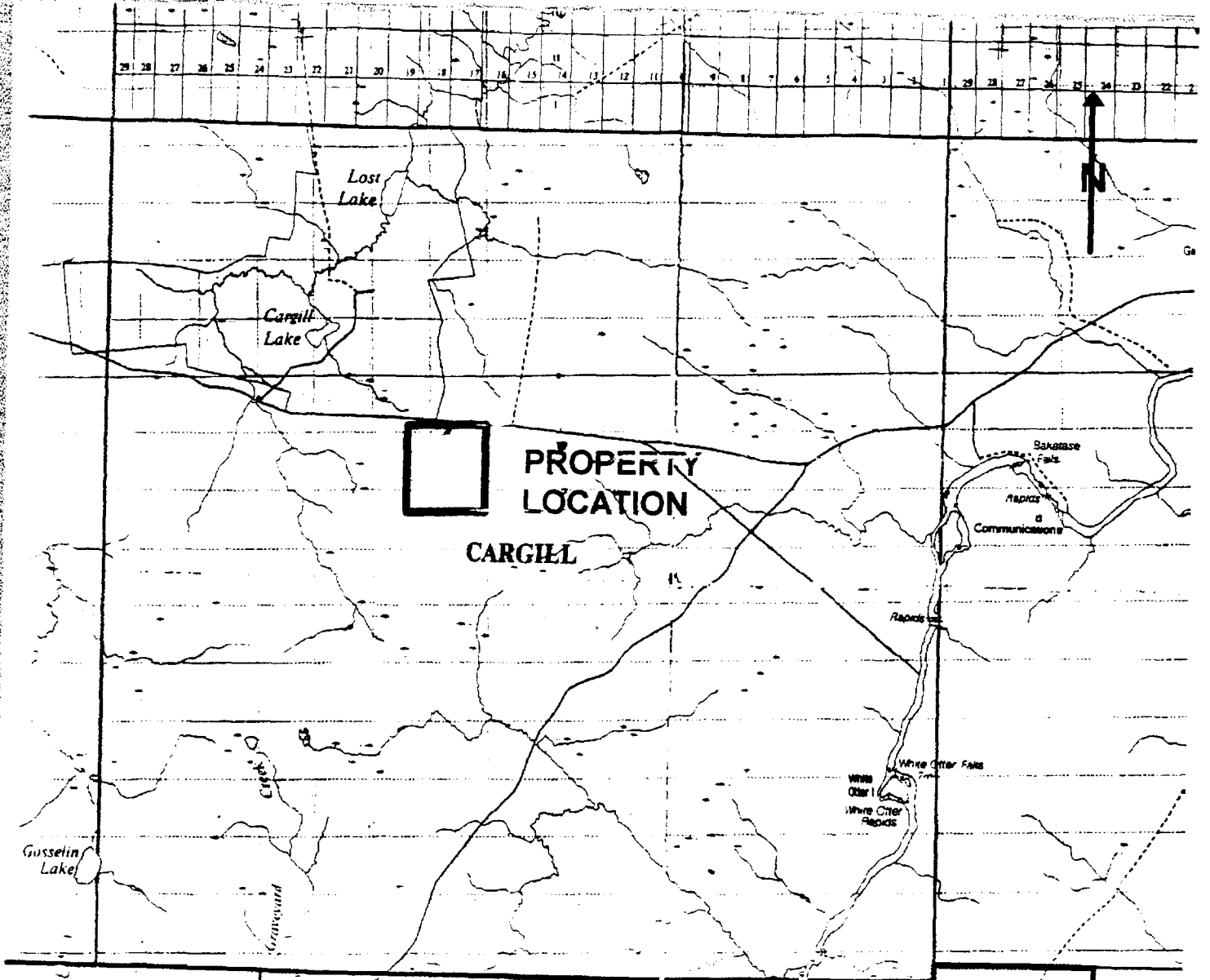
Client: LEO ALARIE AND SONS	
Property: CARGILL PROPERTY	
Title: LOCATION MAP	
Prepared: SDA	Checked: RJM
Date: MAY/98	Approved: CARGILL
Province: ONT	N.T.S.: 42G/SE
Scale: 1:125000	Drawn: SDA

1.0 Introduction

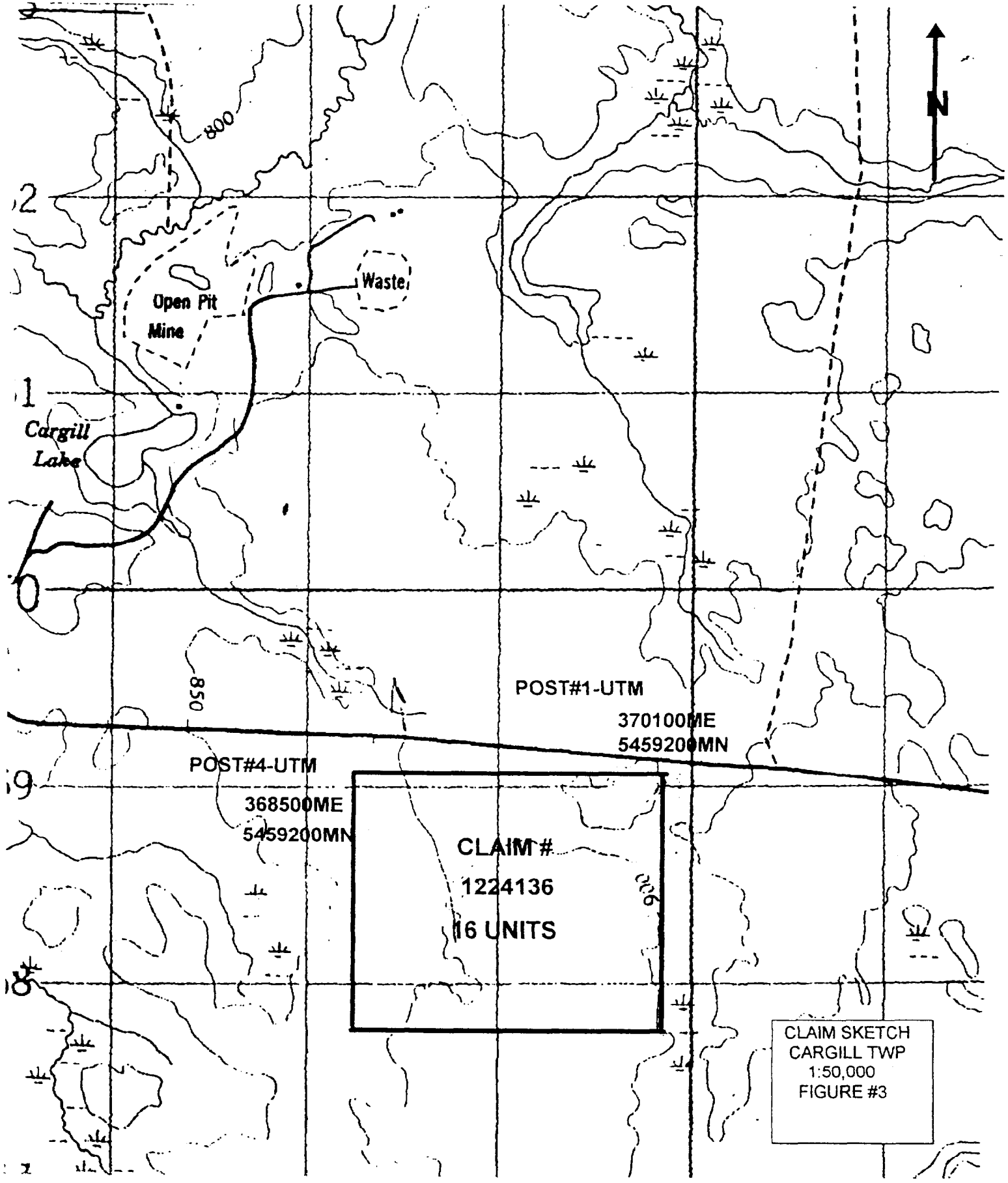
This report deals with the logistics and results of a bulk sampling program carried out on the "Cargill Township Property", Cargill Township, Porcupine Mining Division.

The "Cargill Township Property", is comprised of a 16 unit unpatented block mining claim # P1224136, recorded in the name of Leo Alarie and Son Limited, Timmins, Ontario. The bulk sampling was carried out by Leo Alarie and Sons Limited under the supervision of Fudge & Associates of North Bay, Ontario.

The purpose of the program was to determine the suitability of bedrock within the mining claim to produce a range of road aggregate and concrete specification products.



REGIONAL
LOCATION MAP
CARGILL PROP
1:100,000
FIGURE #2



CLAIM SKETCH
CARGILL TWP
1:50,000
FIGURE #3

Leo Alaire and Sons Limited - Cargill Property

2.0 Location and Access

The "Cargill Township Property" is located in the central part of Cargill Township, approximately 30 km southwest of the Town of Kapuskasing, Ontario (Fig. 1, 2).

The property is easily accessed by travelling 6 km west of Kapuskasing on Highway 11 North then south on the secondary gravelled Cargill Road and turning west on the Ecclestone Road for 4.5 km at which point an access road leads south approximately 600 meters to the test area.

3.0 Claim Status

The property is comprised of 1 unpatented, 356 Hectare, 16 unit block mining claim, # P1224136, in the central part of Cargill Township, Porcupine Mining Division, Ontario. The claim is recorded 100% in the name of Leo Alarie and Sons Limited, P.O. Box 912, Highway 101 West, Timmins, Ontario, P4N 7H1 (Fig. 3.)

Leo Alaire and Sons Limited - Cargill Property

4.0 Personnel

The following personnel were directly involved with the Bulk Sampling Program:

Brian Alarie	Leo Alarie & Sons Limited	Timmins, Ontario
Shaun Scott	Leo Alarie & Sons Limited	Sudbury, Ontario
Paul Allen	Leo Alarie & Sons Limited	Sudbury, Ontario
John Biderman	Leo Alarie & Sons Limited	Timmins, Ontario
Ted Loughheed	Leo Alarie & Sons Limited	Matheson, Ontario
Jan Luthé	Leo Alarie & Sons Limited	Timmins, Ontario
Ted Edwards	Leo Alarie & Sons Limited	Kapuskasing, Ontario
Luc Lozier	Leo Alarie & Sons Limited	Kapuskasing, Ontario
Bob Hansen	Leo Alarie & Sons Limited	Val Rita, Ontario
Don Fudge	Fudge & Associates	North Bay, Ontario

5.0 Previous Work

This property was the subject of an earlier Mapping and Stripping Program carried out in the spring of 1998 and filed in the assessment office of the Ontario Ministry of Northern Development and Mines, Sudbury. There is no other apparent previous mining exploration work recorded on the property.

6.0 General Geology

O.G.S. Map No. 2166, Hearst - Kapuskasing, Sheet, Geological Compilation Sheet shows the

claim to be underlain by Archean age Hybrid Granitic Gneiss. The earlier stripping & mapping program confirmed the stripped area as Hybrid Granitic Gneiss under shallow overburden.

7.0 Work Program

The bulk sampling is the third component of a three part program. During the earlier phase, geological mapping, overburden testing and stripping were carried out to determine if the site would be suitable for a quarry.

The current work program consisted of drilling, blasting and crushing on site of a 400 tonne bulk sample. Sampling was carried out under authority of a "PERMISSION TO TEST ORE" issued by the Director of Mine Rehabilitation pursuant to Section 52 (1) of the Mining Act, R.S.O., 1990.

Blasted rock was sorted with a backhoe and fed into a Eagle Ultramax 005 Horizontal Impact Crusher and reduced to minus 100 mm. Output from the primary was then fed directly into a Robotrack Screening Plant with a 100 mm screen. Oversize was rejected off the screen, picked up with a front end loader and recirculated back into the primary. Individual samples were then collected off the Robotrak belt and stockpiled by the front end loader.

Representative samples were collected by Mr. Jan Luthe of Leo Alarie & Sons Limited, and shipped to John Emery Geotechnical Engineering Limited, Etobikoke for laboratory testing. Additional gradation tests were sent to M B Testing & Inspection, Timmins.

Individual samples were tested for Gradation, Micro - Deval Abrasion MTO LS - 618 and Accelerated Mortar Bar Expansion CSA A 23.2 - 25A. Test results are listed in the appendix.

8.0 Conclusions and Recommendations

Laboratory test results confirm the Cargill Property is suitable for production of a range of road aggregates and concrete stone.

Micro Deval Abrasion test result of 10.5 fall under MTO/OPSS maximum limits. Likewise, Accelerated Mortar Bar % expansion at 14 days of 0.06% is well under the limits of 0.08% set for quarried granite.

Based upon the test results, a decision was made to open a commercial quarry wherein the bulk sample location was converted to commercial operations under authority of Aggregate Permit No. 20026, issued to Leo Alarie and Sons Limited.

CERTIFICATION

I, Donald Thomas Fudge of North Bay, Ontario hereby certify that:

1. I hold a three year Business Administration Diploma from Cambrian College of Applied Arts, North Bay, Ontario, obtained in 1969 and a Bachelor of Arts obtained from Carleton University, Ottawa, obtained in 1973.

2. That I am a Prospector and have been practising my profession since 1975 in Ontario, Quebec, Newfoundland, Manitoba, Alberta, British Columbia, the United States of America, Jamaica, and China.

3. I have been employed directly with Teck Corporation, Metallgesellschaft Canada Ltd., the Ontario Ministry of Natural Resources, and have been self employed with Fudge & Associates since 1984.

4. I have based conclusions and recommendations contained in this report on knowledge of the area, my previous experience and on the results of the field work conducted on the property during 1998.

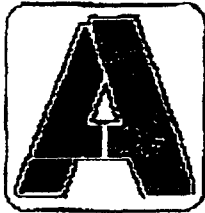
5. I hold no interest, directly or indirectly in this property, nor do I expect to receive any interest or consideration from the property, other than for professional fees rendered.

Dated this 31st day of August 1998

at North Bay, Ontario,


Don T. Fudge.

APPENDIX "A"



LEO ALARIE AND SONS LIMITED

General Contractors

Head office: P.O. Box 912
Timmins, Ontario P4N-7H1
(705) 268-2106
Fax 268-2571 Operations
Fax 268-2541 Accon't & Est.

P.O. Box 130
Matheson, Ontario
POK-1N0
(705) 273-2436
Fax 273-2603

P.O. Box 100
Marathon, Ontario
POT-2E0
(807)229-2200
Fax 229-2311

M9805-JEGEL-Stone Testing 980707

July 7, 1998

Mike MacKay, P.Eng.
John Emery Geotechnical Engineering Ltd
#1, 109 Woodbine Downs Boulevard
Etobicoke, Ontario
M9W 6Y1

Tel:416-213-1060
Fax:416-213-1070

Reference: Cargill Quarry-Aggregate Testing

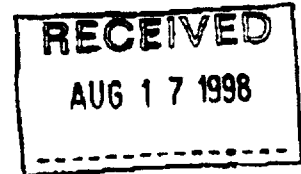
Dear Sir:

Two half pairs of -1" rock is being shipped. Please do the following tests for concrete stone:

1. Accelerated Mortar Bar Expansion
2. Micro-Deval

Yours truly,

Jan Luthé, P. Eng.

JOHN EMERY GEOTECHNICAL ENGINEERING LIMITED**CONSULTING ENGINEERS**#1, 109 Woodbine Downs Boulevard, Etobicoke, Ontario M9W 6Y1
Telephone: (416) 213-1060 Facsimile: (416) 213-1070 E-Mail: jegel@comnet.ca www.jegel.comAugust 7, 1998
JEGEL: 198089Leo Alarie and Sons Limited
P.O. Box 912
Timminis, Ontario P4N 7H1Attention: Mr. Jan Luchte, P. Eng.

Dear Sirs:

Aggregate Testing - Cargill Quarry

As requested, John Emery Geotechnical Engineering Limited, Consulting Engineers (JEGEL), has completed testing of 1" Rock from Cargill Quarry, supplied by Leo Alarie and Sons Limited.

The testing consisted of :

Micro-Deval Abrasion	MTO LS-618
Accelerated Mortar Bar Expansion	CSA A23.2-25A

The test results are presented in the attached Table 1 and Figure 1.

We trust that this is satisfactory for your purposes. Please contact us with any questions or if you require any additional information.

Yours very truly,

JOHN EMERY GEOTECHNICAL ENGINEERING LIMITED

A handwritten signature in black ink, appearing to read "Branislava Vujanovic". The signature is fluid and cursive.

Branislava Vujanovic
Petrographer

A handwritten signature in black ink, appearing to read "Michael H. MacKay". The signature is bold and somewhat stylized.

Michael H. MacKay, M. Eng. & P. Eng.
Principal Geotechnical Engineer
ISO 9001Engineering / Research / Development / Education
Soil / Rock / Aggregates / Slags / Asphalt / Cement / Concrete / Byproducts
JEGEL • DYNATEST • PAVMATEC

JEGEL
198089

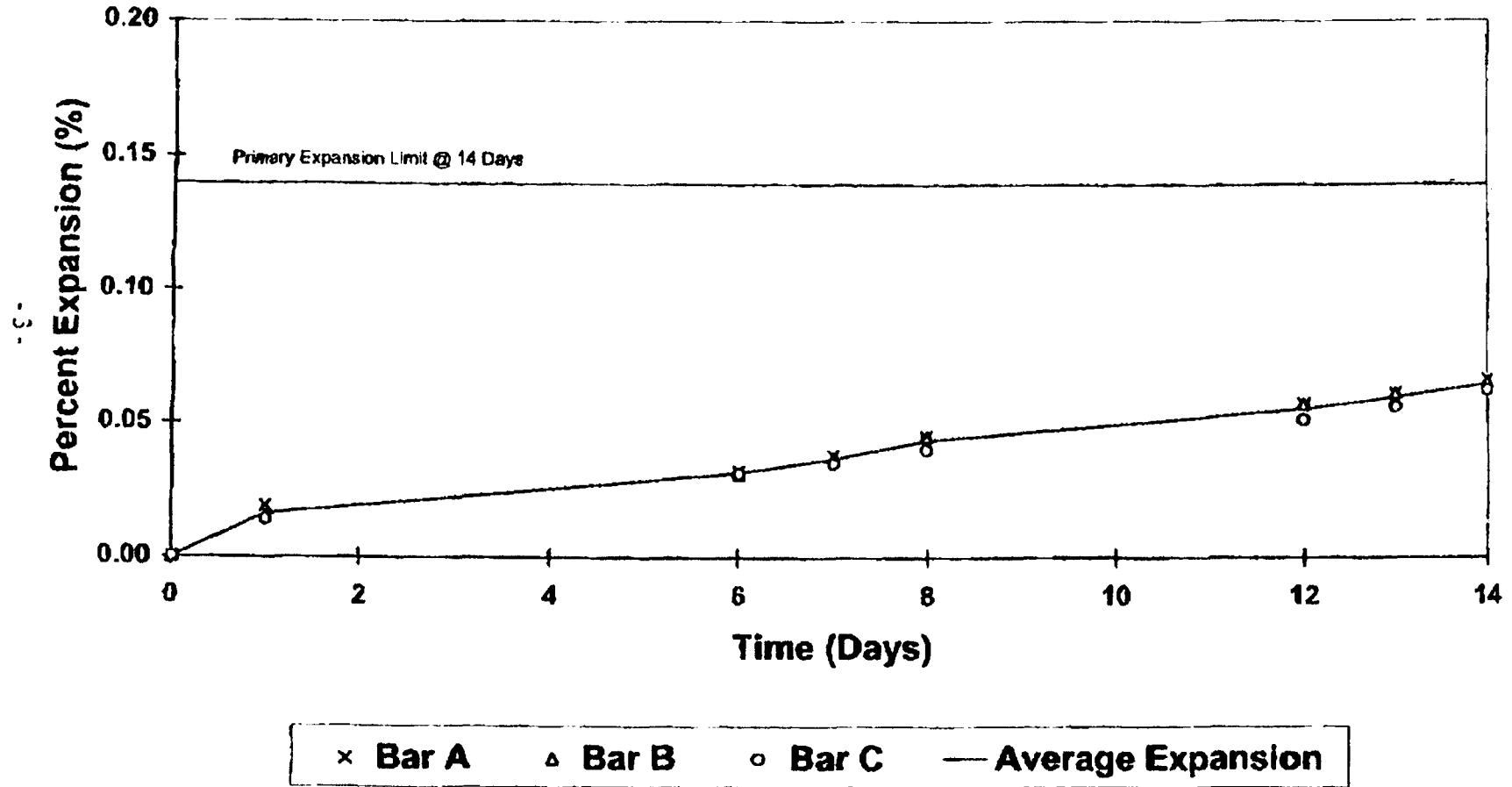
TABLE 1
AGGREGATE PHYSICAL PROPERTIES TEST RESULTS
CARGILL QUARRY

TEST		TEST RESULT	SPECIFICATION REQUIREMENTS
		1" Rock	OPSS/MTO Maximum Limits
Micro-Deval Abrasion, % Loss	Sample	10.5	13 - Pavement 17 - Structures
	Reference	16.7	15.8 - LCL 18.6 - UCL
Accelerated Mortar Bar Expansion, % Expansion @ 14 Days		0.06	0.14 0.08 - quarried sandstone, granite or gneiss

FIGURE 1

Accelerated Mortar Bar Expansion Test

CSA Test Method A23.2-25A



LEO ALARIE - Cargill Quarry, 1" Rock

MB TESTING & INSPECTION

1012737 ONTARIO INC.
428 CEDAR STREET SOUTH
TIMMINS, ON P4N 2H9

CLIENT: Leo Alarie & SonsDATE: June 19, 1998SAMPLE OF: Granular A/B1SAMPLED BY: J. LuthéSOURCE OF MATERIAL: Cardgill QuarryWT. OF DRIED SAMPLE: 11818.5 gramsTESTED BY: G. Michaud

COARSE AGGREGATE - CUMULATIVE MASS				
SIEVES	MASS	% PASSING	SPECIFICATION LIMITS	
			GRAN. A	GRAN. B1
75.0mm	0	100		100
26.5 mm	5191.9	98.1	100	50-100
19.0 mm	5982.2	97.3	85-100	
13.2 mm	6793.1	97.2	65-90	
9.5 mm	7442.0	97.8	50-73	
4.75 mm	8472.0	98.3	35-55	20-100

AGRW

100
55-100

25-70

ORIGINAL MASS OF FINE AGGREGATE

239.9 grams

MASS OF FINE AGGREGATE AFTER WASH

206.1 grams

FINE AGGREGATE - CUMULATIVE MASS				
SIEVES	MASS	% PASSING	SPECIFICATION LIMITS	
			GRAN. A	BASE
1.18 mm	82.9	98.5	15-40	15-40
300 um	160.5	9.4	5-22	5-22
75 um	203.8	8.5	2-8 (10)	2-8 (10)
Pan				

4-30

0-8

TCPL (Base) - January 1997

OPSS 1010-93-03

NOTE. 10% passing 75um allowed
where aggregate is obtained
from a quarry or slag source.

Wash pass 75um = 4.0

Fracture = 2472.0

= 100.0%

MB TESTING & INSPECTION

1012737 ONTARIO INC.
428 CEDAR STREET SOUTH
TIMMINS, ON P4N 2H9

CLIENT: Leo Alarie & SonsDATE: June 19, 1998SAMPLE OF: Granular ASAMPLED BY: J. LuthéSOURCE OF MATERIAL: Cardgill QuarryWT. OF DRIED SAMPLE: 6888.5 gramsTESTED BY: G. Michaud

COARSE AGGREGATE - CUMULATIVE MASS				
SIEVES	MASS	% PASSING	SPECIFICATION LIMITS	
			GRAN. A	BASE
26.5 mm	0	100	100	100
19.0 mm	563.3	91.8	85-100	85-100
13.2 mm	2018.4	70.7	65-90	65-90
9.5 mm	3089.8	55.1	50-73	50-73
4.75 mm	4142.8	39.9	35-55	35-55

ORIGINAL MASS OF FINE AGGREGATE

384.2 grams

MASS OF FINE AGGREGATE AFTER WASH

336.9 grams

FINE AGGREGATE - CUMULATIVE MASS				
SIEVES	MASS	% PASSING	SPECIFICATION LIMITS	
			GRAN. A	BASE
1.18 mm	135.5	73.9	15-40	15-40
300 um	264.3	72.3	5-22	5-22
75 um	334.6	57	2-8 (10)	2-8 (10)
Pan				

TCPL (Base) - January 1997

OPSS 1010-93-03

NOTE: 10% passing 75um allowed
where aggregate is obtained
from a quarry or slag source.

Wash pass 75um = 4.9

Fractures = 4142.8
= 100.0%

NOTE: Sample meets specifications

MB TESTING & INSPECTION

1012737 ONTARIO INC.
428 CEDAR STREET SOUTH
TIMMINS, ON P4N 2H9

CLIENT: Leo Alarie & SonsDATE: June 23, 1998SAMPLE OF: Granular ASAMPLED BY: J. LuthéSOURCE OF MATERIAL: Cargill QuarryWT. OF DRIED SAMPLE: 7896.8 gramsTESTED BY: P. Burch

COARSE AGGREGATE - CUMULATIVE MASS				
SIEVES	MASS	% PASSING	SPECIFICATION LIMITS	
			GRAN. A	BASE
26.5 mm	0	0.0	100	100
19.0 mm	704.6	8.9	85-100	85-100
13.2 mm	2042.4	25.9	65-90	65-90
9.5 mm	2910.9	36.9	50-73	50-73
4.75 mm	4010.2	50.8	35-55	35-55

ORIGINAL MASS OF FINE AGGREGATE

196.2 grams

MASS OF FINE AGGREGATE AFTER WASH

167.5 grams

FINE AGGREGATE - CUMULATIVE MASS				
SIEVES	MASS	% PASSING	SPECIFICATION LIMITS	
			GRAN. A	BASE
1.18 mm	70.6	34.8	15-40	15-40
300 um	131.9	16.1	5-22	5-22
75 um	166.6	8.4	2-8 (10)	2-8 (10)
Pan				

TCPL (Base) - January 1997

OPSS 1010-93-03

NOTE: 10% passing 75um allowed
where aggregate is obtained
from a quarry or slag source.

NOTE: Sample meets specifications

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JUN 25 1998
Page _____ of _____

Wash pass 75um = 7.2

Fractures = 4010.2

= 100.0%

MB TESTING & INSPECTION

1012737 ONTARIO INC.
428 CEDAR STREET SOUTH
TIMMINS, ON P4N 2H9

CLIENT: Leo Alarie & Sons

DATE: July 12/98

SAMPLE OF: Granular B1 SAMPLED BY: Leo Alarie

SOURCE OF MATERIAL: Cargive Quarry July 9/98

WT OF DRIED SAMPLE: 52300.4 grams TESTED BY: cym

COARSE AGGREGATE - CUMULATIVE MASS				
			SPECIFICATION LIMITS	
SIEVES	MASS	% PASSING	SUB-BASE	Granular B1
75.0 mm	0	100	100	100
50.0 mm	4259.5	91.9	100	100
26.5 mm	7249.3	86.7	50-100	50-100
4.75 mm	17953.2	65.7	20-100	20-100

ORIGINAL MASS OF FINE AGGREGATE
MASS OF FINE AGGREGATE AFTER WASH

426.5 grams
369.9 grams

FINE AGGREGATE - CUMULATIVE MASS				
			SPECIFICATION LIMITS	
SIEVES	MASS	% PASSING	SUB-BASE	Granular B1
1.18 mm	138.2	44.4	10-100	10-100
300 um	282.9	22.1	2-65	2-65
75 um	366.4	9.3	0-10	0-10
Pan	369.8			

TCPL (Sub-Base) - January 1997
QPSS 1010-93-03 (Granular B Type I)

Wash pass 75um = 8.7%

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 Page _____ of _____

M. B. TESTING & INSPECTION
 1012737 ONTARIO INC.
 429 CEDAR STREET SOUTH
 TIMMINS, ONTARIO P4N 2H9

CLIENT: Leo Alarie DATE: June 5 1998
 SAMPLE OF: Asphalt SAMPLED BY: B. Alarie
 SOURCE OF MATERIAL: Sample no. 4
 WEIGHT OF DRIED SAMPLE: 12369.7g TESTED BY: PTB.

COARSE AGGREGATE - CUMULATIVE MASS				
SPECIFICATION LIMITS				
SIEVES	MASS	% PASSING	TYPE I	TYPE II
150.0 mm	0	100	100	100
26.5 mm	5720.1	53.8	50-100	50-100
4.75 mm	8254.7	33.3	20-100	20-55

ORIGINAL MASS OF FINE AGGREGATE 251.4
 MASS OF FINE AGGREGATE AFTER WASH 228.0

FINE AGGREGATE - CUMULATIVE MASS				
SPECIFICATION LIMITS				
SIEVES	MASS	% PASSING	TYPE I	TYPE II
1.18 mm	142.7	14.4	10-100	10-40
300 um	196.1	8.0	2-65	5-22
.75 um	225.9	3.4	0-8	0-10

OPSS 1010-93-03

M. B. TESTING & INSPECTION

5012737 ONTARIO INC.
428 CEDAR STREET SOUTH
TIMMINS, ONTARIO P4N 2H9

CLIENT: Leo Alarie DATE: June 5/98
 SAMPLE OF: Mhor B1 SAMPLED BY: B. Alarie
 SOURCE OF MATERIAL: sample no. 2
 WEIGHT OF DRIED SAMPLE: 6542.5g TESTED BY: PTB

COARSE AGGREGATE - CUMULATIVE MASS				
SPECIFICATION LIMITS				
SIEVES	MASS	% PASSING	TYPE I	TYPE II
150.0 mm	0	100	100	100
26.5 mm	213.5	96.7	50-100	50-100
4.75 mm	1863.2	71.5	20-100	20-55

ORIGINAL MASS OF FINE AGGREGATE 215.7g
 MASS OF FINE AGGREGATE AFTER WASH 202.0g

FINE AGGREGATE - CUMULATIVE MASS				
SPECIFICATION LIMITS				
SIEVES	MASS	% PASSING	TYPE I	TYPE II
1.18 mm	102.1	37.7	10-100	10-40
300 um	165.9	16.5	2-65	5-22
75 um	201.5	4.7	0-8	0-10

OPSS 1010-93-03

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AGGREGATE ENG

PAGE 01

M. R. TESTING & INSPECTION
 1012737 ONTARIO INC.
 428 CEDAR STREET SOUTH
 TIMMINS, ONTARIO P4N 2H9

CLIENT: Leo Alarie DATE: June 8/98
 SAMPLE OF: Gran B1 SAMPLED BY: Brian Alarie
 SOURCE OF MATERIAL: Sample No. 1
 WEIGHT OF DRIED SAMPLE: 11672.2 TESTED BY: CHM

COARSE AGGREGATE - CUMULATIVE MASS				
SPECIFICATION LIMITS				
SIEVES	MASS	% PASSING	TYPE I	TYPE II
150.0 mm	0	100	100	100
26.5 mm	625.3	94.6	50-100	50-100
4.75 mm	3835.0	67.1	20-100	20-55

ORIGINAL MASS OF FINE AGGREGATE 260.5 g.
 MASS OF FINE AGGREGATE AFTER WASH 257.2 g.

FINE AGGREGATE - CUMULATIVE MASS				
SPECIFICATION LIMITS				
SIEVES	MASS	% PASSING	TYPE I	TYPE II
1.18 mm	131.6	33.2	10-100	10-40
300 um	246.6	3.6	2-65	5-22
75 um	257.1	0.9	0-8	0-10

OPSS 1010-93-03

MB TESTING & INSPECTION

1012737 ONTARIO INC.
160 TOKE STREET
TIMMINS, ON P4N 6V1

CLIENT: Leo Alarie & SonsDATE: July 21, 1998SAMPLE OF: Granular B1SAMPLED BY: Leo AlarieSOURCE OF MATERIAL: Cargill Quarry From July 17, 1998.WT. OF DRIED SAMPLE: 44222.2 gramsTESTED BY: G. Michaud

COARSE AGGREGATE - CUMULATIVE MASS			SPECIFICATION LIMITS	
SIEVES	MASS	% PASSING	SUB-BASE	Granular B1
150.0 mm	0	0.0	100	100
75.0 mm	0	0.0		
50.0 mm	2271.1	5.1		
26.5 mm	11937.7	27.0	50-100	50-100
4.75 mm	28545.2	64.5	20-100	20-100

ORIGINAL MASS OF FINE AGGREGATE

387.9 grams

MASS OF FINE AGGREGATE AFTER WASII

347.7 grams

FINE AGGREGATE- CUMULATIVE MASS			SPECIFICATION LIMITS	
SIEVES	MASS	% PASSING	SUB-BASE	Granular B1
1.18 mm	139.0	30.7	10-100	10-100
300 um	269.6	60.8	2-65	2-65
75 um	343.2	83.1	0-8	0-8
Pan				

TCPL (Sub-Base) - January 1997

OPSS 1010-93-03 (Granular B Type I)

Wash pass 75um = 3.7

NOTE: Sample meets specifications

MB TESTING & INSPECTION

1012737 ONTARIO INC.
160 TOKE STREET
TIMMINS, ON P4N 6V1

CLIENT: Leo Alarie & Sons

DATE: July 10, 1998

SAMPLE OF: Granular B1

SAMPLED BY: Leo Alarie & Sons

SOURCE OF MATERIAL: Cargil Quarry, Kapuskasing, Stockpile from Eagle, Not screened

WT OF DRIED SAMPLE: 43268.0 grams

TESTED BY: G. Michaud

COARSE AGGREGATE - CUMULATIVE MASS				
			SPECIFICATION LIMITS	
SIEVES	MASS	% PASSING	SUB-BASE	Granular B1
125.0 mm	0	100	100	100
75.0 mm	4035.0	98.7		
50.0 mm	7954.6	81.6		
26.5 mm	15898.1	63.3	50-100	50-100
4.75 mm	29831.2	31.1	20-100	20-100

ORIGINAL MASS OF FINE AGGREGATE

419.5 grams

MASS OF FINE AGGREGATE AFTER WASH

grams

FINE AGGREGATE - CUMULATIVE MASS				
			SPECIFICATION LIMITS	
SIEVES	MASS	% PASSING	SUB-BASE	Granular B1
1.18 mm	138.4	20.8	10-100	10-100
300 um	293.7	9.3	2-65	2-65
75 um	378.2	3.1	0-8	0-8
Pan				

TCPL (Sub-Base) - January 1997

OPSS 1010-93-03 (Granular B Type I)

Wash pass 75um =

NOTE: Sample meets specifications

M. B. TESTING & INSPECTION
 1012737 ONTARIO INC.
 428 CEDAR STREET SOUTH
 TIMMINS, ONTARIO P4N 2H9

CLIENT: Alma DATE: June 19/98
 SAMPLE OF: Yhan A SAMPLED BY: J. Luthe
 SOURCE OF MATERIAL: Cardgill Quarry
 WEIGHT OF DRIED SAMPLE: 6888.5g TESTED BY: Jm

COARSE AGGREGATE - CUMULATIVE MASS				
SPECIFICATION LIMITS				
SIEVES	MASS	% PASSING	TYPE I	TYPE II
19.0 mm	562.2	91.8		
13.2 mm	2018.4	70.7	100	100
9.5 mm	3089.8	55.1	50-100	50-100
4.75 mm	4142.8	39.9	20-100	20-55

ORIGINAL MASS OF FINE AGGREGATE 384.2 g
 MASS OF FINE AGGREGATE AFTER WASH 336.9 g

FINE AGGREGATE - CUMULATIVE MASS				
SPECIFICATION LIMITS				
SIEVE	MASS	% PASSING	TYPE I	TYPE II
1.18 mm	135.5	25.8	10-100	10-40
300 um	264.3	12.5	2-65	5-22
75 um	334.6	5.2	0-8	0-10

OPSS 1010-93-03

100% passing the 26.5mm sieve

NOTE: Sample meets specifications

APPENDIX "B"

Leo Alaire and Sons Limited - Cargill Property

COST SUMMARY

CARGILL TOWNSHIP BULK SAMPLING PROGRAM

Leo Alaire & Sons Limited and Laboratory Costs				\$27,661.35
Fudge & Associates				
June /98	5 days @ \$400/day	\$2,000.00		
August/98	2 days @ \$400/day	\$1,000.00		
Expenses		<u>\$1,287.00</u>	<u>\$ 4,287.00</u>	
Total				\$31,948.35



LEO ALARIE AND SONS LIMITED

General Contractors

Head office : P.O. Box 912
Timmins, Ontario P4N-7H1
(705) 268-2106
Fax 268-3571 Operations
Fax 268-2541 Acct't & Est.

P.O. Box 130
Matheson, Ontario
P0K-1N0
(705) 273-2436
Fax 273-2803

P.O. Box 100
Marathon, Ontario
P0T-2E0
(807)229-2200
Fax 229-2311

M9805-Stone Testing Costs980821

Aug 21, 1998

Reference: Cargill Quarry-Aggregate Testing Costs

Mobilization of drill & blast gear, powder, & crew	\$3200.00
Mobilization of crusher, backhoe to crush sample:	\$3500.00
Drill and blast sample	\$6000.00
Set up crusher to crush sample	\$3000.00
Crush for 2 days to get representative sample	\$8000.00
May-June: Gradation Testing MB Testing:	\$861.35
Sample quarry, deliver samples to Timmins	\$800.00
Prep samples in Timmins, pack & ship to MB Testing	\$250.00
June: Micro Deval Abrasion & Accelerated Mortar bar	\$1000.00
Gather sample, deliver samples to Timmins	\$800.00
Prep samples in Timmins, pack & ship to lab in Toronto	\$250.00
Total:	\$27661.35

Demobilization costs charged to production because we did production crushing after doing sample.

Jan Luthe, P. Eng.



TESTING & INSPECTION

1012737 ONTARIO INC
428 CEDAR STREET SOUTH
TIMMINS, ONTARIO P4N 2H9

June 30, 1998

Leo Alarie & Sons
Box 912, Hwy. 101 West
Timmins, ON
P4N 7H1

Attention: Jan Luthe

INVOICE 980608

PROJECT Sieve Analysis
PERIOD May 27-
June 11/98

Granular B Sieve	7 @	\$80.00 /test	\$560.00
Wash pass 75um	7 @	\$35.00 /test	<u>\$245.00</u>

SUBTOTAL	\$805.00
GST (138695754)	\$56.35
TOTAL	<u>\$861.35</u>

149805
Jan Luthe

APPENDIX "C"

PERMISSION TO TEST ORE

Under the authority of subsection 52(1) of the Mining Act, R.S.O. 1990, Leo Alarie & Sons Limited is hereby granted permission to remove a bulk sample from the following site:

Mining Claim P1224136 – 16 Units, Cargill Township

The sample shall consist of up to 500 tonnes of bedrock material, blasted, crushed and tested for aggregate suitability. Removal and testing of said samples shall be completed by August 31, 1998, and all information regarding tonnes extracted and tonnes tested, test results, and costs of conducting the bulk sampling and evaluation shall be submitted to the Provincial Mining Recorder office by October 31, 1998.

Under subsection 52(4) of the Mining Act any proceeds above and beyond the cost of stripping, removing, transporting, processing, and testing said samples shall be escheated to the Crown and paid via a cheque made out to the Minister of Finance.

Please note that part of your mining claim is subject to the Aggregate Permit issued to Lachance Construction. This permission is relates only to aggregate samples outside of the Lachance permit area.

Further, this permission is conditional upon the claimholder, Leo Alarie & Sons Limited, and/or their agents adhering to all applicable legislation, regulations and permit requirements. Rehabilitation measures must be undertaken as outlined in Appendix A. Any variances to this letter of permission must be pursuant to a letter of amendment.

Dated at Sudbury,

this 2nd day of June, 1998.



W. R. Cowan
Director of Mine Rehabilitation


APPENDIX A

Permission to Test Ore – Leo Alarie & Sons Limited
Mining Claim P1224136

Rehabilitation Requirements

With respect to this work the following rehabilitation measures shall be undertaken upon completion of removal of the sample. If the site proceeds to production the final rehabilitation of this test site shall be incorporated into the site plan covered by your Aggregate Permit as issued under the Aggregate Resources Act.

- Install proper signage at the entrance to the extraction site and to entrance of any test pit or quarry
- Block access road to the site
- Stripped topsoil and overburden shall be stockpiled for future rehabilitation.
- Stripped areas to be recovered.
- Waste rock to be returned to the pit of excavation. The waste material should be stabilized at the natural angle of repose.
- Recover stripped areas with overburden and topsoils
- All chemicals, oils, etc, and garbage to be removed from the site
- The site to be left in a safe condition
- Any pit wall that poses a safety or stability concern shall be closed out as per the *Rehabilitation of Mines Guidelines for Proponents*.
- A fence may be required at the brow any vertical rock face or pit wall following inspection
- Any temporary rock piles of material left on site must be stabilized to the natural angle of repose
- Monitor the site for measures implemented above

 2 June 98



Ontario

PROVINCIAL RECORDING
MINISTRY OF NORTHERN DEVELOPMENT AND MINES
OFFICE OF THE CLERK OF THE RECORDS
SEP 15 1998
10:10 AM PM

**Declaration of Assessment Work
Performed on Mining Land**

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

Transaction Number (office use)
109820-00765
Assessment Files Research Imaging



ity of subsections 65(2) and 66(3) of the Mining Act. Under section 8 of the
d to review the assessment work and correspond with the mining land holder.
ing Recorder, Ministry of Northern Development and Mines, 6th Floor,

42G07SW2002 2.18825 CARGILL 900

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

2. 188 25

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

Name <i>LEO ALARIE AND SONS LIMITED</i>	Client Number <i>159410</i>
Address <i>P.O. Box 912, HIGHWAY 101 WEST TIMMINS, ONTARIO P4N 7H1</i>	Telephone Number <i>705 268 2106</i>
	Fax Number <i>(705) 268 2541</i>
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 <i>BULK SAMPLE</i>	Office Use
	Commodity
	Total \$ Value of Work Claimed <i>\$31,948</i>
Dates Work Performed From <i>04 06 98</i> To <i>31 08 98</i> <small>Day Month Year Day Month Year</small>	NTS Reference
Global Positioning System Data (if available) <i>368300/5458150</i>	Mining Division <i>1-2-3-4-5-6-7-8-9-0</i>
Township/Area <i>CARGILL TWP</i>	Resident Geologist District
M or G-Plan Number <i>G-866</i>	

Please remember to: - obtain a work permit from the Ministry of Natural Resources as required;
- provide proper notice to surface rights holders before starting work;
- complete and attach a Statement of Costs, form 0212;
- provide a map showing contiguous mining lands that are linked for assigning work;
- include two copies of your technical report.

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

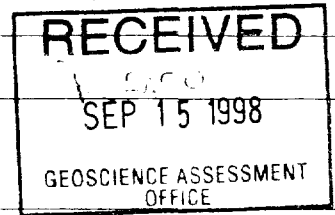
Name <i>DON FUDGE</i>	Telephone Number <i>705 472 3053</i>
Address <i>160 BRYAN ROAD</i>	Fax Number <i>705 472 9244</i>
Name	Telephone Number
Address	Fax Number
Name	Telephone Number
Address	Fax Number

4. Certification by Recorded Holder or Agent

I, *DON FUDGE* (Print Name), do hereby certify that I have personal knowledge of the facts set forth in this Declaration of Assessment Work having caused the work to be performed or witnessed the same during or after its completion and, to the best of my knowledge, the annexed report is true.

Signature of Recorded Holder or Agent <i>[Signature]</i>	Date <i>11/09/98</i>
Agent's Address <i>160 BRYAN ROAD NORTH BAY, ONTARIO</i>	Telephone Number <i>705 472 3053</i>
	Fax Number <i>705 472 9244</i>

Dec 14 1998 deemed.



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.

W9860-00765

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 1224136	16	31,948. ⁰⁰	31,948. ⁰⁰	Ø	Ø
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13		2. 18825			
14					
15					
Column Totals		31,948. ⁰⁰			

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

Signature of Recorded Holder or Agent Authorized in Writing

Date

[Signature] ABENT

SEPT 11/98

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:

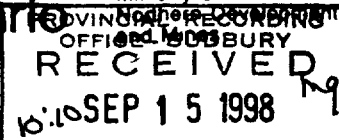
- 1. Credits are to be cut back from the Bank first, followed by option 2 or 3 or 4 as indicated.
- 2. Credits are to be cut back starting with the claims listed last, working backwards; or
- 3. Credits are to be cut back equally over all claims listed in this declaration; or
- 4. Credits are to be cut 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 the information should be directed to the Chief Mining Recorder, Ministry of Northern Development and Mines, 6th Floor, 933 Ramsey Lake Road, Sudbury, Ontario, P3E 6B5.

2.18825

Work Type	Units of Work <small>Depending on the type of work, list the number of hours/days worked, metres of drilling, kilometres of grid line, number of samples, etc.</small>	Cost Per Unit of work	Total Cost
BULK SAMPLING	400 TONNES	\$ 63.12	25,248 ⁰⁰
Associated Costs (e.g. supplies, mobilization and demobilization).		\$ 16.75	6700. ⁰⁰
Transportation Costs			
Food and Lodging Costs		\$ 79.87	
Total Value of Assessment Work			31,948⁰⁰

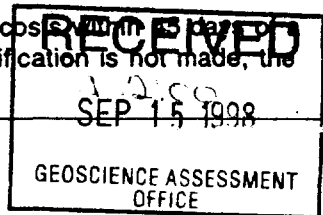
Calculations of Filing Discounts:

- 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 × 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 60 days of filing 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, DON THOMAS FUDGE, 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 I am authorized to make this certification.

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

Signature Date SEPT 11/98

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

October 26, 1998

LEO ALARIE AND SONS LIMITED
BOX 912
TIMMINS, Ontario
P4N-7H1

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

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

Dear Sir or Madam:

Submission Number: 2.18825

Status

Subject: Transaction Number(s): W9860.00765 Deemed 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 Steve Beneteau by e-mail at benetest@epo.gov.on.ca or by telephone at (705) 670-5855.

Yours sincerely,



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

Work Report Assessment Results

Submission Number: 2.18825

Date Correspondence Sent: October 26, 1998

Assessor: Steve Beneteau

Transaction Number	First Claim Number	Township(s) / Area(s)	Status	Approval Date
W9860.00765	1224136	CARGILL	Deemed Approval	October 22, 1998

Section:
18 Other BULK

Correspondence to:

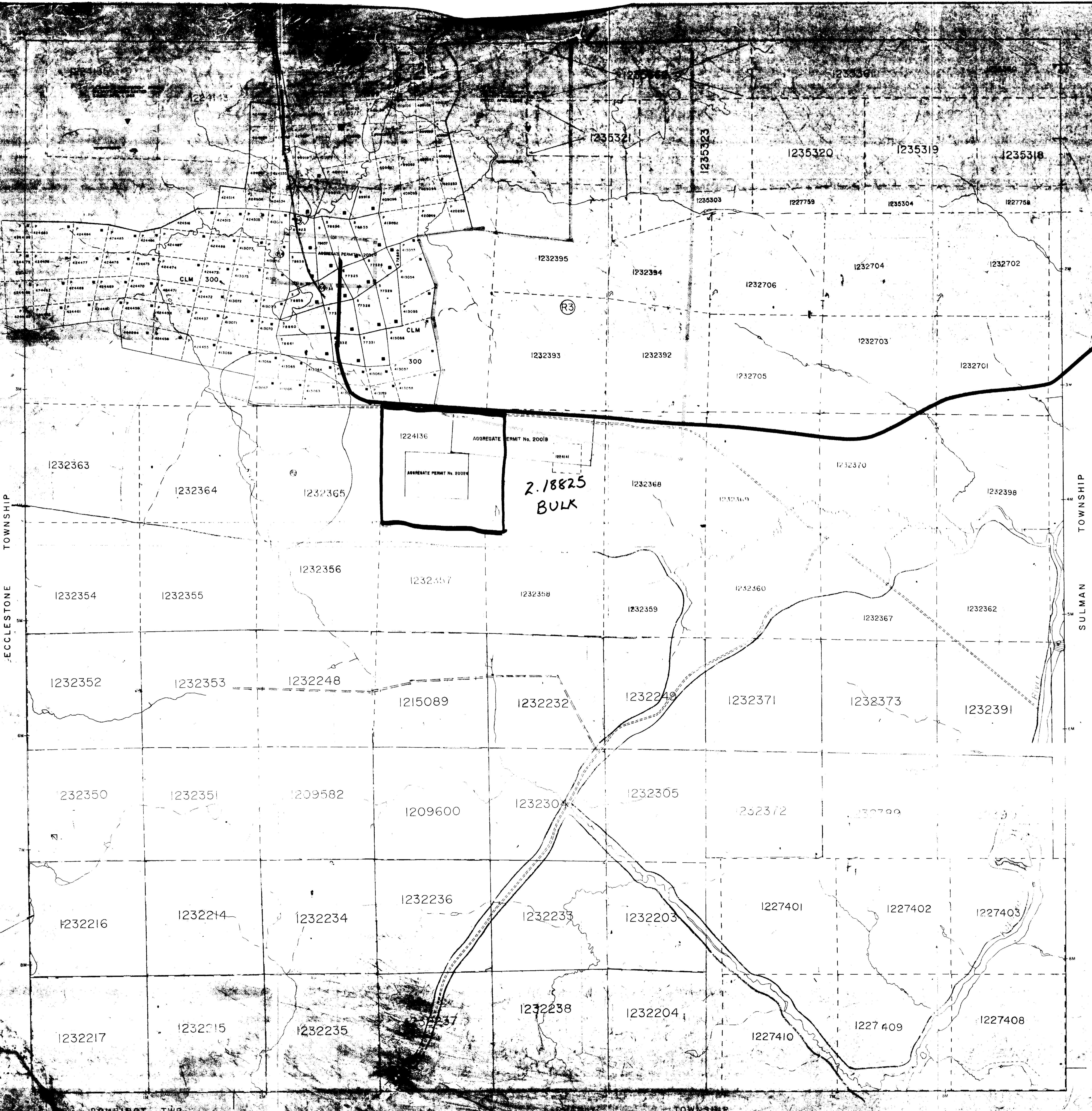
Resident Geologist
South Porcupine, ON

Assessment Files Library
Sudbury, ON

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

Don T. Fudge
NORTH BAY, ON, CAN

LEO ALARIE AND SONS LIMITED
TIMMINS, Ontario



DISPOSITION OF CROWN LANDS

REPORT SURFACE & MINING RIGHTS
 SURFACE RIGHTS ONLY
 MINING RIGHTS ONLY
 LEASE, SURFACE & MINING RIGHTS
 SURFACE RIGHTS ONLY
 MINING RIGHTS ONLY
 LICENCE OF OCCUPATION
 ORDER INCLUDING
 RESERVATION
 CANCELLED
 SAND & GRAVEL

NOTES

① PENDING APPLICATION UNDER THE PUBLIC LANDS ACT. QUICK'S UNLIMITED NOTICE RECEIVED: 90-JUN-8

② PENDING APPLICATION UNDER THE PUBLIC LANDS ACT. NOTICE RECEIVED: 91-JUL-8

ST ACTIVITIES IN N AVAILABLE ON

F1 - This TWP. SUBJECT TO FORESTRY RETURNS IN 1994/95. 50% PFC 10%

③ SEC 35 W.P. 22/87 HER. 3RD 17/10/00

④ SEC 34 W.P. 18/89 22/04/89 M.S.

PENDING APPLICATION UNDER THE P.L.A. FOR PIPELINE EASEMENT

PENDING APPLICATION UNDER THE P.L.A. FOR 150M LINE CORRIDOR EASEMENT TO W. 24th. SIDE OF CENTRE LINE.

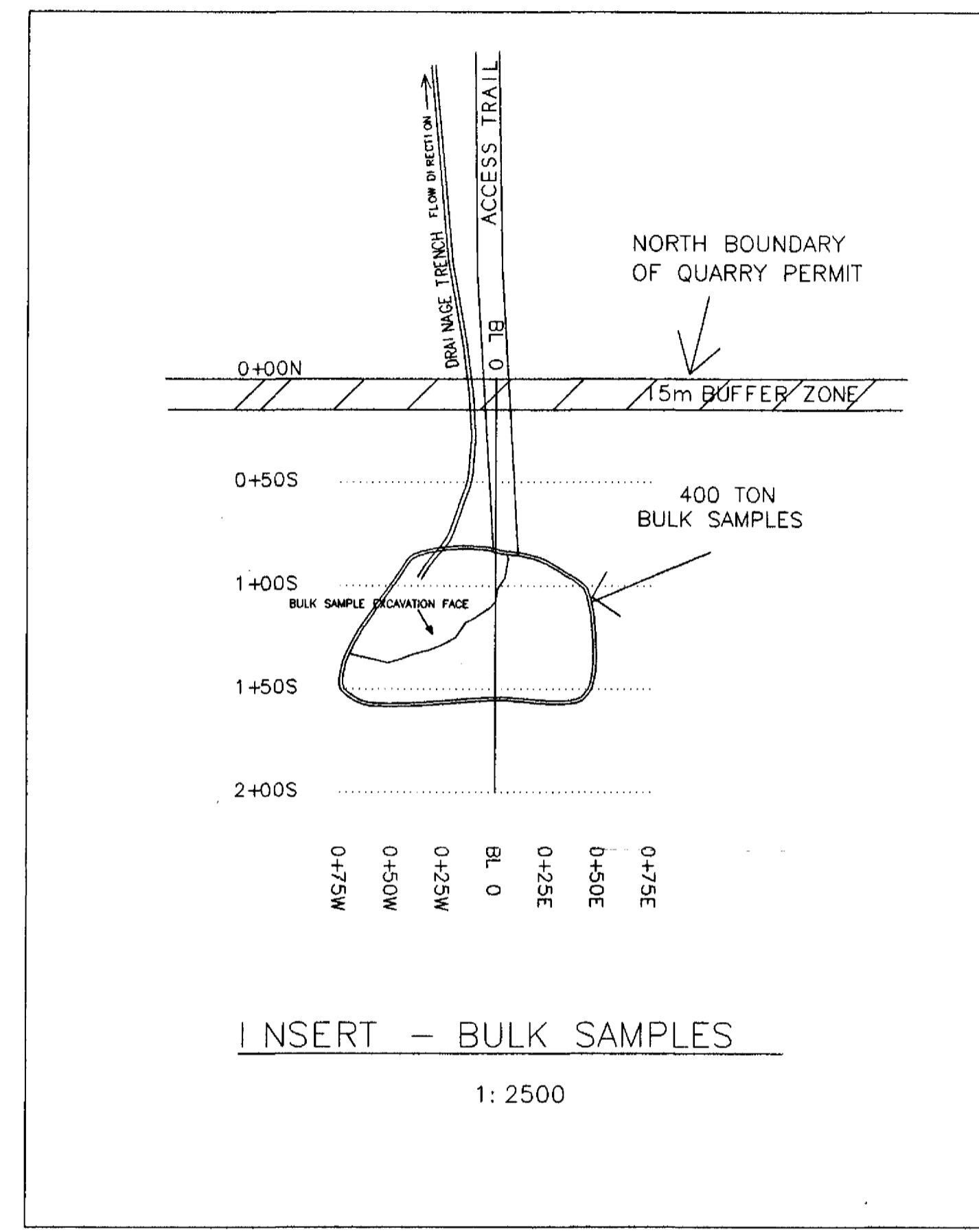
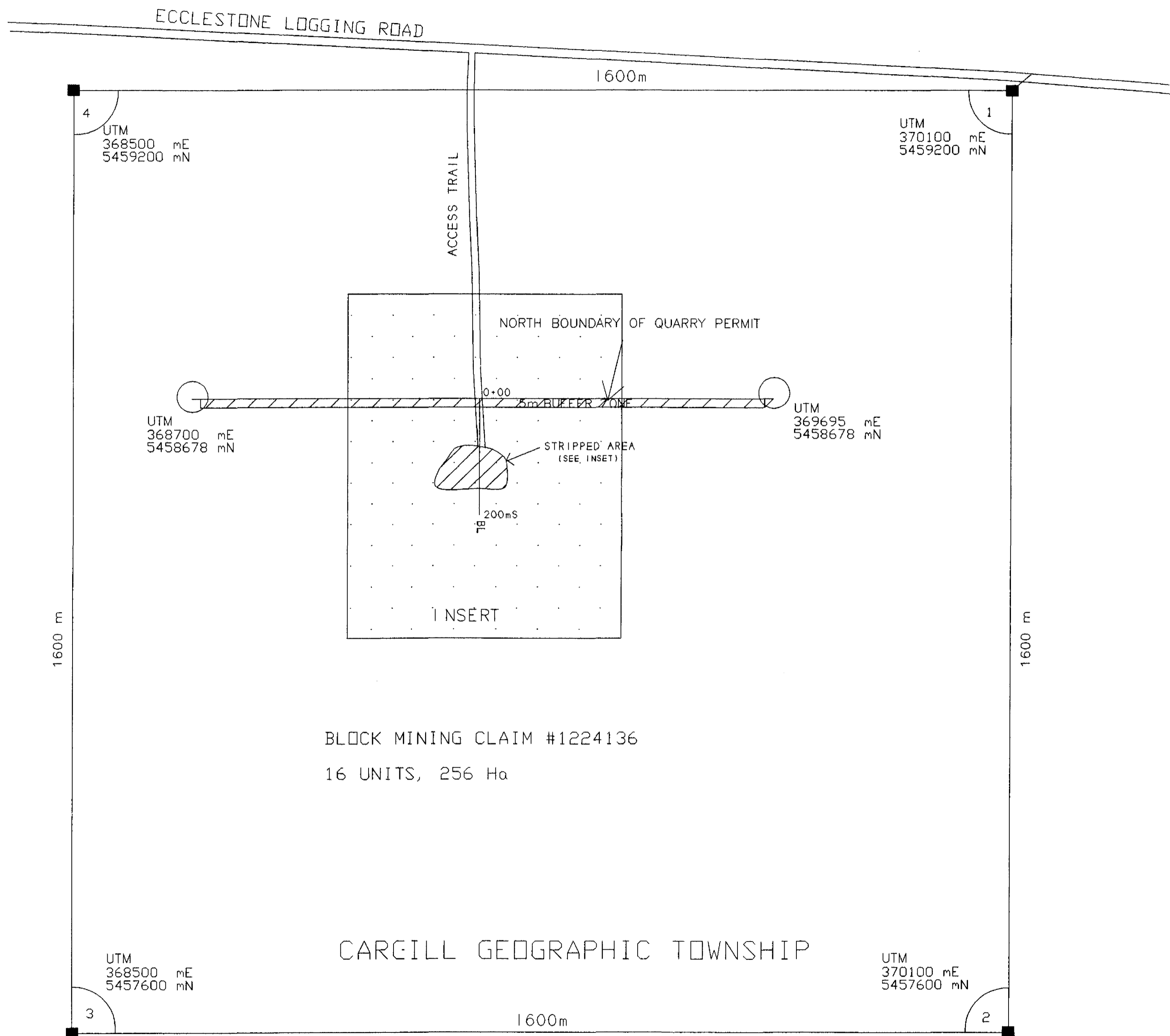
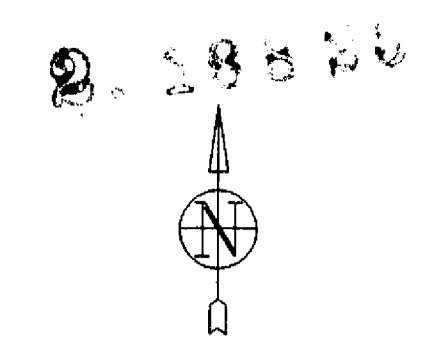
⑤ PENDING APPLICATION

DATE OF ISSUE
 OCT 2 6 1998
 PROVINCIAL RECORDING OFFICE - SUDBURY

TOWNSHIP
CARGILL
 M.N.R. ADMINISTRATIVE DISTRICT
 KAPUSKASING
 MINING DIVISION
 PORCUPINE
 LAND TITLES / REGISTRY DIVISION
 COCHRANE

Ministry of Natural Resources
 Ontario

DECEMBER 1986
 Checked 15/07/87 EP



LEGEND

- MINING CLAIM POST
- MINING CLAIM BOUNDARY
- SWAMP



Client:	LED ALARIE & SONS LIMITED
Property:	CARGILL TOWNSHIP PROPERTY
Title:	BULK SAMPLE PLAN MAP
Processed:	R. J. WEI KLE
Date:	1998
Province:	ONTARIO
Scale:	1: 5000

