REPORT ON RAILWAY PIT PROPERTY

BULK SAMPLE PROGRAM

CUMMING TOWNSHIP

PORCUPINE MINING DIVISION

for

Leo Alarie and Sons Limited

Submitted by: Don T. Fudge
Fudge & Associates
February 1999
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1.0 INTRODUCTION

This report deals with the logistics and results of a bulk sampling program carried out on the "Railway Pit Property" of Leo Alarie and Sons Limited, Cumming Township, Porcupine Mining Division.

The "Railway Pit Property" is comprised of 5 unpatented mining claims recorded in the name of Leo Alarie and Sons Limited, Timmins, Ontario. Bulk sampling was carried out by Leo Alarie and Sons Limited under the supervision of Fudge & Associates of North Bay, Ontario.

A scarcity of suitable local aggregates required for development of Agrium's Phosphate Mine in Cargill Township created a need for alternative granular sources. The Bulk Sampling Program was designed to determine suitability of diorites and quartz diorites peripheral to the Cargill Carbonatite Complex to produce a range of road aggregate and concrete specification products.
2.0 LOCATION AND ACCESS

The "Railway Pit Property" is located in the south west corner of Cumming Township and the north west corner of Cargill Township, approximately 30 km southwest of the Town of Kapuskasing, Ontario (Figs 1&2).

The property is accessible by road 6 km west of Kapuskasing on Highway 11, then south on secondary gravelled Cargill Road, then west on Ecclestone Road for 4.5 km to Agrium's Phosphate Mine, then 3 km north through the mine site on the Opasatika Road to the claim group. Alternate access can be made via Highway 11 approximately 5 km east of the Town of Opasatika, then 25 km south on seasonal Opasatika Road to the claim group.

3.0 CLAIM STATUS

The property is comprised of 64 contiguous claim units, for mining rights only in Cumming Township numbered P 1224027, P 1224138, P 1224142, P 1224142 and P 1224135, P 1224142 in Cargill Township. The claims are held directly or beneficially 100% by Leo Alarie and Sons Limited, Timmins, Ontario.

3.1 Surface Rights

Surface rights of the 64 unit claim group were formerly held under an expired Licence of Occupation issued to Sherritt Gordon Mines in 1988. Agrium Inc. was in the process of re-acquiring the surface rights for a new Licence of Occupation for the purpose of waste rock disposal, accordingly a "Notice of Intention to Perform Assessment Work" was filed with the Director of Land Management prior to the work being performed.
4.0 PREVIOUS WORK

The Cargill Carbonatite Complex was first examined for its copper-nickel potential in 1955, 1965 and 1970 by Continental Copper Mines Limited and Keneco Exploration (Canada) Limited. R.P. Sage in his Ontario Geological Survey Study # 36, Cargill Township Carbonatite Complex provides the following summary of previous work:

"Bennet et al first mapped the complex as part of a regional reconnaissance program and Gittins et al (1967) competed a K - ar isotopic age determination. Allen (1972) did detailed studies on the mafic rocks on the complex using samples of diamond drill core obtained from Keneco Exploration Canada Limited. Sandavik and Erdosh (1977) have published a summary of the work completed by the International Minerals and Chemical Corporation (Canada) Limited on the residual apatite accumulations lying above the bedrock.

Gasparini et al (1971) published a brief note on the composition of the amphibole and phlogopite found within the complex. In 1973, Kowman and Rucklidge published data on the composition of clinohumite found at the Cargill Carbonatite. Gittins et al (1975) have proposed that the phlogopite found in close association with the pyroxenite at Cargill is the result of fentizination of the pyroxenite by an intruding alkali-rich carbonatite magma. In 1983, Twyman completed an extensive study of the carbonatite-rich phases and contained minerals. His study was an extension of the work completed by Alan (1972) on the mafic silicate phases. Twyman (1983) made numerous comparisons between the Cargill and similar Argor carbonatite complex.

5.0 GENERAL GEOLOGY

The Cargill Township Carbonatite Complex lies within the Kapuskasing Subprovince of the Superior Province and has been interpreted from O.D.M. - G.S.C. aeromagnetic maps as a dumbbell shaped body approximately 7.2 km long. Two pronounced aeromagnetic anomalies are interpreted as being faulted portions of a once more circular body. The Cargill complex is enveloped in Early Precambrian quartz diorite, gneiss and amphibolite. Sandivik and Erdosh (1977) reported evidence of post-emplacement adjustment along the main fault as evidenced by the presence of unfenitized quartz diorite in contact with the southern subcomplex, and the presence of visible fenitization peripheral to the west away from the fault. Relatively undisturbed diorite and quartz diorite outcropping approximately 1 to 1.5 km west of the fault are the focus of this program.

6.0 WORK PROGRAM

The work program is the second of two parts. During the earlier phase, in February 1998 prospecting identified an outcropping north-east trending ridge in the south west corner of Cumming Township. Preliminary observations indicated that it may be a late phase dyke composed of diorite and quartz diorite and was likely structurally and chemically stable thus suitable for aggregate production.

The current work program undertaken in November 1998, consisted of drilling, blasting and crushing on site of a 400 tonne bulk sample, carried out under authority of a "PERMISSION TO TEST ORE" issued by the Director of Mine Rehabilitation pursuant to Section 52(2) of the Mining Act, R.S.O., 1990. See Dwg. 1., Appendix "A".

An access trail and crusher pad were construct from blasted rock on site, whereon drilling equipment, crushing and ancillary loaders and lab were located. Blasted rock was picked up
by a Cat 988B loader and fed into a Hewit Robin Model C 125 - 30" x 48" jaw crusher reducing the feed to minus 150 mm. Output from the primary jaw was then fed into a 1560 Omni Cone secondary and reduced to minus 75 mm. Output from the secondary was fed into tertiary HP 300, Norberg Cone closed circuit plant wherein it was reduced to minus 7/8" gravel. Crushed product was collected of the belt with a Cat 988B loader and stockpiled on site.

Representative samples were collected by Mr. Jan Luthe and shipped to John Emery Geotechnical Engineering Limited in Timmins for analysis. Minor amounts of sulphide, generally less than .005% were noted in localized sections of the test pit, accordingly Standard Acid Based Accounting tests were run in addition to usual aggregate tests.

Testing consisted of:

- Sieve Analysis M.T O. LS - 602
- Crushed Particles M.T O. LS - 607
- Petrographic Examination M.T O. LS - 609
- Los Angeles Abrasion M.T O. LS - 603
- Asphalt Coated Particles M.T O. LS - 621
- Standard Acid Base Accounting Sobek Method

Individual Test results are listed in Appendix "B".

7.0 PERSONNEL

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

Brian Alarie Leo Alarie & Sons Limited Timmins, Ontario

February 1999 Fudge & Associates
<table>
<thead>
<tr>
<th>Leo Alarie and Sons Limited</th>
<th>Railway Pit - Bulk Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denis Alarie</td>
<td>Leo Alarie &amp; Sons Limited</td>
</tr>
<tr>
<td>Al Boucher</td>
<td>Leo Alarie &amp; Sons Limited</td>
</tr>
<tr>
<td>Leo Lavine</td>
<td>Leo Alarie &amp; Sons Limited</td>
</tr>
<tr>
<td>Paul Allan</td>
<td>Leo Alarie &amp; Sons Limited</td>
</tr>
<tr>
<td>Lional Chiasson</td>
<td>Leo Alarie &amp; Sons Limited</td>
</tr>
<tr>
<td>Denis Chiasson</td>
<td>Leo Alarie &amp; Sons Limited</td>
</tr>
<tr>
<td>Piere Laroque</td>
<td>Leo Alarie &amp; Sons Limited</td>
</tr>
<tr>
<td>Roger Secord</td>
<td>Leo Alarie &amp; Sons Limited</td>
</tr>
<tr>
<td>Gilles Levesque</td>
<td>Leo Alarie &amp; Sons Limited</td>
</tr>
<tr>
<td>Mark Levoy</td>
<td>Leo Alarie &amp; Sons Limited</td>
</tr>
<tr>
<td>Jan Luthe</td>
<td>Leo Alarie &amp; Sons Limited</td>
</tr>
<tr>
<td>Don Fudge</td>
<td>Fudge &amp; Associates</td>
</tr>
</tbody>
</table>
8.0 CONCLUSIONS AND RECOMMENDATIONS

Laboratory and production scale crusher tests confirm the "Railway Pit Property" is suitable for production of high quality road aggregates. Acid based accounting tests confirm that pit aggregates are not acid generating.

Based upon 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. 20272 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 by Teck Corporation, Metallgessellshaft Canada Ltd., the Ontario Ministry of Natural Resources, and have been self-employed with Fudge & Associates since 1984.

4. 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 8th day of February, 1999
at North Bay, Ontario

[Signature]

Don T. Fudge

February 1999

Fudge & Associates
June 15, 1998

Mr. Don Fudge
Fudge Associates
160 Bryan Road
North Bay, Ontario P1C 1C2

Dear Mr. Fudge:

SUBJECT: Application to Remove Bulk Sample, Claim P1224027

Attached is a copy of the “Permission to Test Ore” under the authority of subsection 52(1) of the Mining Act, R.S.O. 1990 as per your request. It has been issued to Leo Alarie & Sons Limited, the recorded claim holder of claim P1224027.

Please note the fourth paragraph of the attached “Permission” in which it is stipulated that “removal and testing of said samples shall be completed by August 31, 1998, and a project report showing tonnes extracted and tested, test results, and costs of conducting the bulk sample shall be submitted to the Provincial Mining Recorders office by October 31, 1998. Also note the last paragraph which states “rehabilitation measures must be undertaken as outlined in Appendix A”.

Please be aware that any production from this site will require an Aggregate Permit under the authority of the Aggregate Resources Act.

If you have any questions or need assistance please do not hesitate to call me or Mr. Robert I. Ferguson in our Timmins office at (705) 235-1628.

Sincerely,

W. R. Cowan
Director of Mine Rehabilitation

cc: Mining Recorder, Porcupine Mining Division
    District Geologist, Timmins
    R. Ferguson, MNDM Timmins
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 P1224027 – 12 Units, Cumming Township

The sample shall consist of up to 400 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 Recording Office by October 31, 1998.

Under subsection 62(4) of the Mining Act, any proceeds above and beyond the cost of stripping, removing, transporting, processing and testing said samples shall be eschewed to the Crown and paid via a cheque made out to the Minister of Finance.

Further, this permission is conditional upon the claimholder, Leo Alarie & Sons Limited, 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 15th day of June, 1998.

W. R. Cowan
Director of Mine Rehabilitation
APPENDIX A
Permission to Test Ore – Leo Alarie & Sons Limited
Mining Claim P1224027

Rehabilitation Requirements

With respect to this work, the following rehabilitation measures shall be undertaken when removal of the sample is completed.

- Install proper signage at the entrance to the extraction site and the 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
- 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 of 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
August 10, 1998

Mr. Don Fudge
Fudge Associates
160 Bryan Road
North Bay, Ontario
P1C 1C2

Dear Mr. Fudge:

RE: Request for Extension of Time
Bulk Sample, Claim P1224027, Cumming Twp.

Your request for an extension of time for completion of the testing program from August 31, 1998 to November 30, 1998 is hereby approved.

Sincerely,

[Signature]

W. R. Cowan
Director of Mine Rehabilitation

cc: Provincial Mining Recorder, Porcupine Mining Division
    A. Wilson, District Geologist, Timmins
    R. Ferguson, MNDM, Timmins
APPENDIX "B"
Leo Alarie and Sons Limited  
P.O. Box 912  
Timmins, Ontario P4N 7H1  

Attention: Mr. Jan Luthe, P.Eng.

Dear Sirs:

Aggregate Testing

As requested, John Emery Geotechnical Engineering Limited, Consulting Engineers (JEGEL), has completed testing of a sample of Granular B material from Cumming Quarry, supplied by Leo Alarie and Sons Limited. The testing consisted of:

- Sieve Analysis  
- Crushed Particles  
- Petrographic Examination  
- Los Angeles Abrasion  
- Asphalt Coated Particles

The test results are presented in the attached Tables 1 and 2.

I trust that the results of this testing are 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

Bratislava Vujanovic  
Petrographer

Principal Geotechnical Engineer

ISO 9001
Engineering / Research / Development / Education  
Soil / Rock / Aggregates / Slag / Asphalt / Cement / Concrete / Byproducts  
JEGEL • DYNAMEST • PAVMATEC
### TABLE 2
AGGREGATE PHYSICAL PROPERTIES TEST RESULTS
CUMMING QUARRY

<table>
<thead>
<tr>
<th>TEST</th>
<th>TEST RESULT</th>
<th>SPECIFICATION REQUIREMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petrographic Requirement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% by Mass, Crushed Glass and/or Ceramic Material</td>
<td>0</td>
<td>15</td>
</tr>
<tr>
<td>% by Mass of wood, Clay Brick and/or Gypsum and/or Gypsum Wall Board or Plaster</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Los Angeles Abrasion, % Loss</td>
<td>11.0</td>
<td>-</td>
</tr>
<tr>
<td>Crushed Particles, %</td>
<td>100</td>
<td>60 Minimum</td>
</tr>
<tr>
<td>Asphalt Coated Particles, %</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>SIEVE SIZE</td>
<td>PERCENT PASSING</td>
<td>OPSS Requirements</td>
</tr>
<tr>
<td>------------</td>
<td>-----------------</td>
<td>-------------------</td>
</tr>
<tr>
<td></td>
<td>Granular B Type I</td>
<td>Granular B</td>
</tr>
<tr>
<td>150.0 mm</td>
<td>100.0</td>
<td>100</td>
</tr>
<tr>
<td>75.0 mm</td>
<td>95.3</td>
<td>-</td>
</tr>
<tr>
<td>53.0 mm</td>
<td>84.6</td>
<td>-</td>
</tr>
<tr>
<td>37.5 mm</td>
<td>70.0</td>
<td>50-100</td>
</tr>
<tr>
<td>26.5 mm</td>
<td>57.8</td>
<td>-</td>
</tr>
<tr>
<td>19.0 mm</td>
<td>52.9</td>
<td>-</td>
</tr>
<tr>
<td>16.0 mm</td>
<td>50.0</td>
<td>-</td>
</tr>
<tr>
<td>13.2 mm</td>
<td>41.0</td>
<td>-</td>
</tr>
<tr>
<td>9.5 mm</td>
<td>27.2</td>
<td>20-100</td>
</tr>
<tr>
<td>4.75 mm</td>
<td>18.5</td>
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</tr>
<tr>
<td>2.36 mm</td>
<td>12.6</td>
<td>10-100</td>
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<tr>
<td>1.18 mm</td>
<td>8.4</td>
<td>-</td>
</tr>
<tr>
<td>600 µm</td>
<td>5.8</td>
<td>2-65</td>
</tr>
<tr>
<td>300 µm</td>
<td>4.1</td>
<td>-</td>
</tr>
<tr>
<td>150 µm</td>
<td>3.2</td>
<td>0.8</td>
</tr>
<tr>
<td>75 µm</td>
<td>-</td>
<td>-</td>
</tr>
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</table>
December 1, 1998
JEGL: 198089
JEGL ID #: 001506

Leo Alarie and Sons Limited
P.O. Box 912
Timmins, Ontario P4N 7H1

Attention: Mr. Jan Luthe, P.Eng.

Dear Sirs:

Aggregate Testing

As requested, John Emery Geotechnical Engineering Limited, Consulting Engineers (JEGL), has completed additional acid generation testing of a sample of Granular B material from Cumming Quarry, supplied by Leo Alarie and Sons Limited.

The acid generation testing was carried out on our behalf by RPS Technology and Innovation Specialists.

The test results are presented in the attached Table 1.

We trust that the results of this testing are 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

Branislava Vujanovic
Petrographer

Principal Geotechnical Engineer

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TABLE 1
STANDARD ACID BASE ACCOUNTING

<table>
<thead>
<tr>
<th>TEST</th>
<th>TEST RESULT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Sulphur</td>
<td>%</td>
</tr>
<tr>
<td>Acid Production Potential</td>
<td>CaCO₃ kg/t</td>
</tr>
<tr>
<td>Neutralizing Potential (pH 7.0)</td>
<td>CaCO₃ kg/t</td>
</tr>
<tr>
<td>Net Neutralizing Potential (pH 7.0)</td>
<td>CaCO₃ kg/t</td>
</tr>
<tr>
<td>Theoretical Acid Producer</td>
<td>No</td>
</tr>
</tbody>
</table>

The standard acid/base accounting was determined by the Sobek method. Sulphur was determined using Leco combustion/infrared procedures.

A negative value for NP indicates that the material is a net acid producer.
COST SUMMARY

RAILWAY PIT BULK SAMPLING PROGRAM

<table>
<thead>
<tr>
<th>Description</th>
<th>Days</th>
<th>Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leo Alarie and Sons Limited and Laboratory Costs</td>
<td></td>
<td></td>
<td>$55,200.00</td>
</tr>
<tr>
<td>Fudge &amp; Associates</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>November/98</td>
<td>5</td>
<td>$400</td>
<td>$2,000</td>
</tr>
<tr>
<td>January/99</td>
<td>2</td>
<td>$400</td>
<td>$800</td>
</tr>
<tr>
<td>February/99</td>
<td>2</td>
<td>$400</td>
<td>$800</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td>$968</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>$59,768</td>
</tr>
</tbody>
</table>

February 1999

Fudge & Associates
Nov. 4, 1998

Reference: Cumming Quarry-Aggregate Testing Costs

Mobilization of gear to build trail $4000.00
Build access trail to get to potential quarry and build pad for crusher $24500.00
Mobilization of drill & blast gear, powder, & crew $2900.00
Mobilization of crusher spread $9000.00
Drill and blast rock for trail, pad and sample $6000.00
Set up crusher to crush sample and crush $7000.00

Sample Tests:
- Petrographic analysis and gradation $900.00
- Gather sample, deliver samples to Timmins $650.00
- Prep samples in Timmins, pack & ship to lab in Toronto $250.00

Total: $55200.00

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

Jan Luthe, P. Eng.
November 30, 1998
JEGEL Project: 198089
Invoice: 4/765

Leo Alarie & Sons Limited
P.O. Box 912, Highway 101 West
Timmins, Ontario P4N 7H1

Attention: Mr. Jan Luthe, P.Eng.

INVOICE FOR PROFESSIONAL SERVICES

Aggregate Testing of Granular B Material from Cumming Quarry.

Engineering and Technical Services to November 15/98:

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal Geotechnical Engineer (M. MacKay)</td>
<td>1 hour @ $125.00</td>
<td>$125.00</td>
</tr>
<tr>
<td>Laboratory Testing (JEGEL #1506)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sieve Analysis</td>
<td>1 @ $68.00</td>
<td>68.00</td>
</tr>
<tr>
<td>Crushed Particles</td>
<td>1 @ $45.00</td>
<td>45.00</td>
</tr>
<tr>
<td>Petrographic Examination</td>
<td>1 @ $100.00</td>
<td>100.00</td>
</tr>
<tr>
<td>Los Angeles Abrasion</td>
<td>1 @ $205.00</td>
<td>205.00</td>
</tr>
<tr>
<td>Asphalt Coated Particles</td>
<td>1 @ $45.00</td>
<td>45.00</td>
</tr>
<tr>
<td>Additional Testing: Acid Generation</td>
<td>1 @ $125.00</td>
<td>125.00</td>
</tr>
</tbody>
</table>

Engineering and Technical Services $713.00
GST on Services $49.91

TOTAL THIS INVOICE $762.91

(This total includes $49.91 GST. Our GST Number is 102687118RT.)

Notes:
1. Net 15 days from receipt of this Invoice, 1½% per month (19.6% per annum) surcharge on overdue accounts.
2. We appreciate the opportunity to be of service and trust this Invoice is in order.

98/14-101

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### Declaration of Assessment Work Performed on Crown Lands

**Ministry of Northern Development and Mines**

**Mining Act, Subsection 88(3), R.S.O. 1990**

#### Transmittal Number (office use)

W039600.0001

**Assessment Field Research Imaging**

---

#### Declaration of Assessment Work Performed on Crown Lands

- **For work performed on mining lands, use form 0241.**
- **Please type or print in ink.**

---

**Recorded holder(s): (Attach a list if necessary)**

- **Leo Clarke and Sons Limited**
  - P.O. Box 912, Highway 101 W58
  - Timmins, Ontario

---

**RECEIVED**

**GEOLOGIC ASSESSMENT OFFICE**

**FEB 12 1993**

---

**Type of work performed.** Only regional surveys and prospecting work are allowed on Crown Lands before recording. For work performed after recording a claim or on other mining lands, use form 0241.

<table>
<thead>
<tr>
<th>Work Type</th>
<th>Office Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulk Sample</td>
<td></td>
</tr>
</tbody>
</table>

---

**Site Work performed**

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
<th>Township/Region</th>
<th>U or D Plan Number</th>
<th>Resident Geologist</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/11/98</td>
<td>30/11/98</td>
<td>Cumming Twp</td>
<td>M-743</td>
<td>Timmins</td>
</tr>
</tbody>
</table>

---

**Please remember to:**
- 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;
- Provide proper notice to surface rights holders before starting work.

---

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

- **Don Fudge, Fudge & Associates**
  - Telephone Number: (705) 472-3053
  - Address: 160 Bryan Road, North Bay, ON (705) 472-2444

---

4. **Certification by Recorded Holder or Agent**

- **Don Fudge**
  - 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**

---

**Agent's Address**

160 Bryan Road, North Bay, ON (705) 472-3053

**Data**

**FEB 12 1993**
Work to be recorded and distributed. Work that is performed on Crown lands, which is enclosed within a subsequently recorded claim, can be claimed at 100% of its value (state this amount in column "a" below). If work is performed on Crown lands and not enclosed within a subsequently recorded claim, it can be claimed at 25% of its value (state this amount in column "b" below). Work can only be assigned to claims that are contiguous to (adjoining) the lands where work was performed at the time work was performed. A map showing the contiguous link must accompany this form.

<table>
<thead>
<tr>
<th>Mining Claim Number</th>
<th>Claim Units</th>
<th>Value of work performed before recording mining claim</th>
<th>Value of work applied to this claim</th>
<th>Value of work assigned to other mining claims</th>
<th>Bank. Value of work to be distributed at a later date.</th>
</tr>
</thead>
<tbody>
<tr>
<td>eg 1234567</td>
<td>4</td>
<td>$4000</td>
<td>$1600</td>
<td>$800</td>
<td>$3305</td>
</tr>
<tr>
<td>eg 1234568</td>
<td>2</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$50,768.00</td>
<td>14,400</td>
<td>45,368.00</td>
<td></td>
</tr>
</tbody>
</table>

Column Totals

I, [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 [Signature] Date [Date]

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
FEB 12 1999
GEOSCIENCE ASSESSMENT OFFICE

Deemed Approved Date
Date Notification Sent
Data Approved
Total Value of Credit Approved

Approved for Recording by Mining Recorder (Signature)
Personal information collected on this form is obtained under the authority of subsection 6(1) of the Assessment Work Regulation 6/96. Under section 8 of the Mining Act, the information is a public record. This information will be used to review the assessment work and correspond with the mining land holder. Questions about this collection should be directed to the Chief Mining Recorder, Ministry of Northern Development and Mines, 6th Floor, 933 Ramsey Lake Road, Sudbury, Ontario, P3E 6B5.

### Work Type

<table>
<thead>
<tr>
<th>Work Type</th>
<th>Units of Work</th>
<th>Cost Per Unit</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulk Sampling</td>
<td>400 Tonne(s)</td>
<td>$109.67 T</td>
<td>$43,868.00</td>
</tr>
</tbody>
</table>

Associated Costs (e.g. supplies, mobilization and demobilization): $39.75 T \( \times 12 = $15,900 \)

Transportation Costs

Food and Lodging Costs

Total Value of Assessment Work: $59,768.00

Calculations of Filing Discounts:

1. Work filed within two years of performance is claimed at 100% of the above Total Value of Assessment Work.
2. If work is filed after two years and up to five years after performance, it can only be claimed at 50% of the Total Value of Assessment Work.

Note:
- Work older than 5 years is not eligible for credit.
- If 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, **Dan 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** (recorded holder, agent, or company position with signing authority). I am authorized to make this certification.
March 29, 1999

LEO ALARIE AND SONS LIMITED
BOX 912
Highway 101 West
TIMMINS, Ontario
P4N-7H1

Dear Sir or Madam:

Subject: Transaction Number(s):

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 steve.beneteau@ndm.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:** 2.19212

**Date Correspondence Sent:** March 29, 1999

**Assessor:** Steve Beneteau

<table>
<thead>
<tr>
<th>Transaction Number</th>
<th>First Claim Number</th>
<th>Township(s) / Area(s)</th>
<th>Status</th>
<th>Approval Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>W9960.00081</td>
<td>1224027</td>
<td>CUMMING</td>
<td>Deemed Approval</td>
<td>March 18, 1999</td>
</tr>
</tbody>
</table>

**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
SECTION A-A
LOOKING WEST

BULK SAMPLE CONSISTS OF DIORITE AND QUARTZ DIORITE

SCALE 1:500