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**ASSESSMENT REPORT ON THE
1998 LINECUTTING AND GROUND MAGNETIC SURVEY**

PIGEON RIVER AREA

Crooks Townships, Thunder Bay Mining District

NTS 52A/3 & 4,

(Lat. 48° 03' N, Long. 89° 34' W)

ONTARIO

**FALCONBRIDGE LIMITED
21C MURRAY PARK ROAD
WINNIPEG, MANITOBA
R3Y 1Z8**

**Kevin Wells
Project Geologist
November 6, 1998**

SUMMARY AND CONCLUSION

To evaluate the potential for a Noril'sk/Talnakh-type nickel deposit on the Pigeon River property, MTEC Geophysics under contract from Falconbridge Limited carried out 39.5 km of linecutting and a 39.5 km ground magnetic geophysical survey. The program was completed between October 15 and 29, 1998.

The survey is the second phase of an exploration program designed to evaluate the nickel-copper-PGE's potential on the property. The property is located approximately 45km southwest of Thunder Bay, Ontario and consists of 41 claims (218 claim units) covering an area of approximately 3,488 hectares. The claims were acquired by Falconbridge through an option agreement in October 1997.

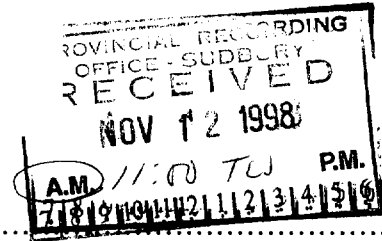
The ground magnetic survey was targeted to test a large magnetic feature which has not been adequately explained by previous work. These anomalies warrant further detailed investigation and it is recommended that the top priority targets be diamond drill tested.



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52A3, 4.

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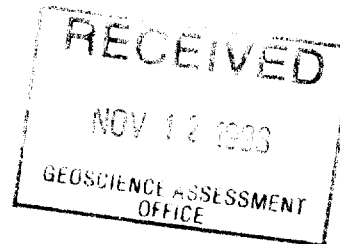
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LOCATION, ACCESS AND TOPOGRAPHY

The property is centered on Lat. 48° 03' N and Long. 89° 34' W, located along the north shore of Lake Superior, approximately 45 km southwest of Thunder Bay, Ontario (Figure 1). The portion of the claim block upon which the work was completed is contained within Crooks Township (NTS 52A/4, 52A/3).

Provincial Highway 61 cuts through the central portion of the property while a network of cottage and logging roads provide excellent access to the remainder of the property. Accommodations are readily available in Thunder Bay.

Topography consists of a series of northeast trending hills and ridges with broad valleys in-between. The elevations vary from 183m along the shoreline of Lake Superior to a maximum of 548m at the highest points on the ridges. The general elevation of the valleys is about 335m.

PROPERTY STATUS

The property consists of 41 claims totalling 218 claim units (Figure 2). A total of 28 claims (157 units) were optioned from a consortium of seven (7) claim holders: Reino L.Viitala, Michael Luski, Earl Sutton, Jack D. Irwin, James C. Irwin, Andrew Stone and Thurston E. Stone in October 1997. Another 25 claims (155 units) were staked by the property holders on Falconbridge's behalf and added to the property in December 1997. In 1998, a total of 12 claims (94 claim units) have been returned to the original property holder.

TABLE 1 - PIGEON RIVER PROPERTY AS OF NOVEMBER 1998

Claim No.	Units	Township	NTS	Recorded By	Holder
TB1183107	1	Crooks	52A/3	M.Luski	Falconbridge
TB1196859	2	Crooks	52A/3	M.Luski	Falconbridge
TB1196860	1	Crooks	52A/3	M.Luski	Falconbridge
TB1202060	4	Crooks	52A/3	R.Viitala	Falconbridge
TB1210527	16	Crooks	52A/3	R.Viitala	Falconbridge
TB1215898	6	Crooks	52A/3	R.Viitala	Falconbridge
TB1183111	4	Pardee	52A/4	M.Luski, E.Sutton	Falconbridge
TB1191413	4	Pardee	52A/4	M.Luski, E.Sutton	Falconbridge
TB1027957	4	Pardee	52A/4	M.Luski, E.Sutton	Falconbridge
TB1210533	6	Pardee	52A/4	M.Luski, R.Viitala	Falconbridge
TB1210534	6	Pardee	52A/4	M.Luski, R.Viitala	Falconbridge
TB1215004	4	Pardee	52A/4	J.D.Irwin	Falconbridge
TB1215844	8	Pardee	52A/4	T.Stone	Falconbridge
TB1215847	5	Pardee	52A/4	R.Viitala	Falconbridge
TB1215846	4	Pardee	52A/4	J.D.Irwin	Falconbridge
TB1215875	3	Pardee	52A/4	A.Stone	Falconbridge
TB1215895	5	Pardee	52A/4	T.Stone	Falconbridge
TB1216322	3	Pardee	52A/4	R.Viitala	Falconbridge
TB1216506	4	Pardee	52A/4	T.Stone	Falconbridge

TB1216507	9	Pardee	52A/4	T.Stone	Falconbridge
TB1217252	6	Pardee	52A/4	R.Viitala	Falconbridge
TB1217253	4	Pardee	52A/4	J.C.Irwin	Falconbridge
TB1217254	8	Pardee	52A/4	J.D.Irwin	Falconbridge
TB1216320	12	Crooks	52A/3	R.Viitala	Falconbridge
TB1216321	16	Crooks	52A/3	R.Viitala	Falconbridge
TB1231827	2	Crooks	52A/3	R.Viitala	Falconbridge
TB1217251	6	Crooks	52A/3	R.Viitala	Falconbridge
TB1216319	2	Crooks	52A/3	R.Viitala	Falconbridge
TB1216318	8	Crooks	52A/3	R.Viitala	Falconbridge
TB1231694	4	Crooks	52A/3	R.Viitala	Falconbridge
TB1231695	3	Crooks	52A/3	R.Viitala	Falconbridge
TB1231723	4	Crooks	52A/3	R.Viitala	Falconbridge
TB1231722	2	Crooks	52A/3	R.Viitala	Falconbridge
TB1231693	3	Crooks	52A/3	R.Viitala	Falconbridge
TB1231701	8	Crooks	52A/3	R.Viitala	Falconbridge
TB1231692	8	Crooks	52A/3	R.Viitala	Falconbridge
TB1231930	10	Crooks	52A/3	R.Viitala	Falconbridge
TB1231696	4	Crooks	52A/3	R.Viitala	Falconbridge
TB1231771	3	Crooks	52A/3	J.C.Irwin	Falconbridge
TB1231724	4	Pardee	52A/4	R.Viitala	Falconbridge
TB1231737	2	Pardee	52A/4	R.Viitala	Falconbridge
Sub-Total	218				

PREVIOUS WORK

In 1967, Noranda Mines Ltd. drilled 3 holes totalling 169m in the western portion of the property.

Between 1966 to 1968, Bordum Mining Corporation carried out magnetometer and geological surveys, along with 2,192m of drilling in 11 vertical holes.

In 1966, Norpoint Exploration Limited completed geophysical and geological surveys followed-up by 846m of drilling in 3 holes.

Between 1967 to 1969, Phelps Dodge Corporation of Canada Limited carried out exploration programs along the Pine River- Mount Mollie Gabbro feeder dyke that cuts through the eastern portion of the property. The work consisted of geophysical and geological surveys followed-up by 3,028m of diamond drilling in 7 holes.

In 1987, a 380 line km Aerodat helicopter magnetics and EM airborne survey was flown under contract for Platinum Exploration Canada Inc. The survey was flown over two areas with the majority of the survey covering approximately 40% of the Pigeon River property.

FALCONBRIDGE PROPERTIES - ONTARIO

FIGURE 1

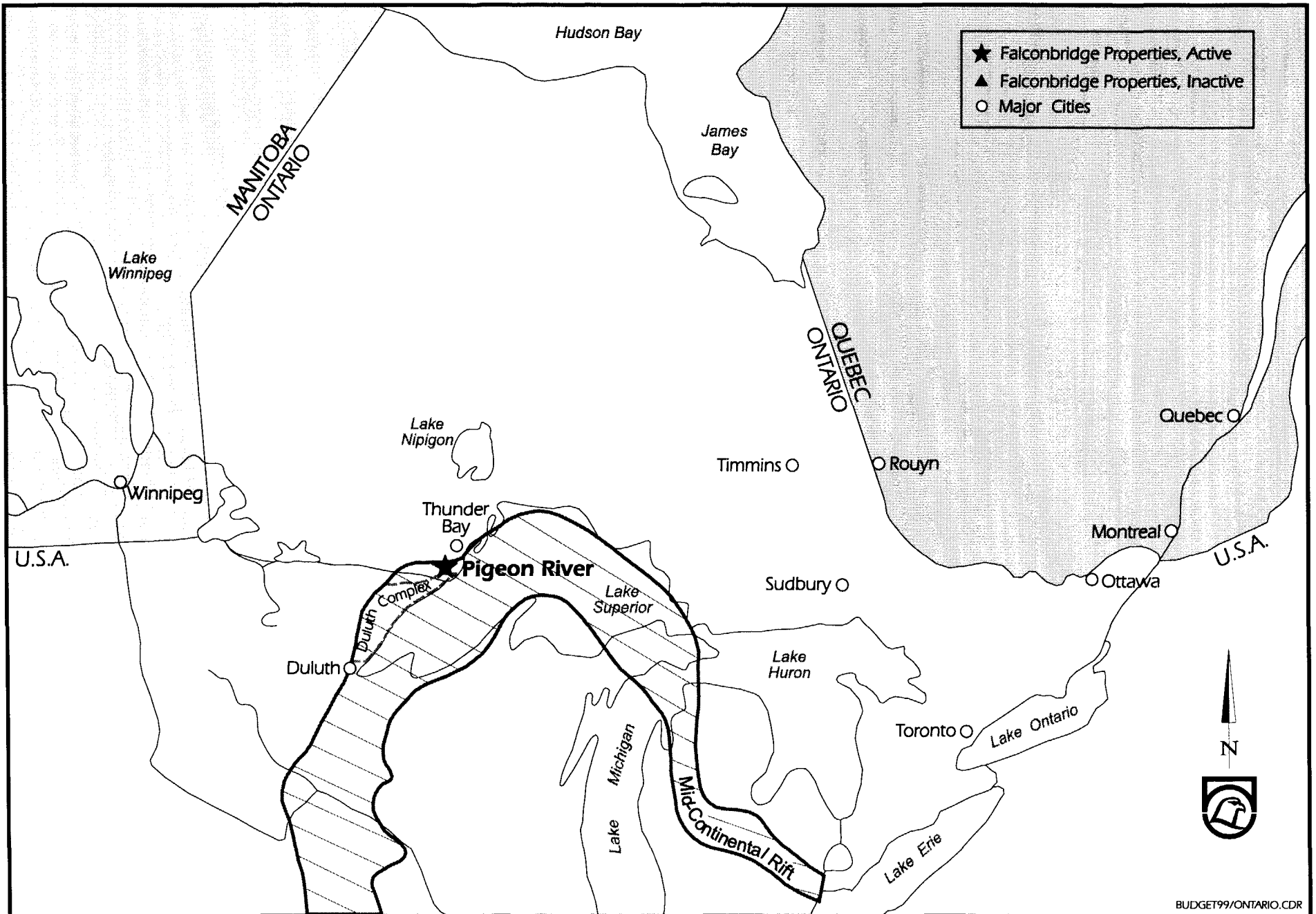
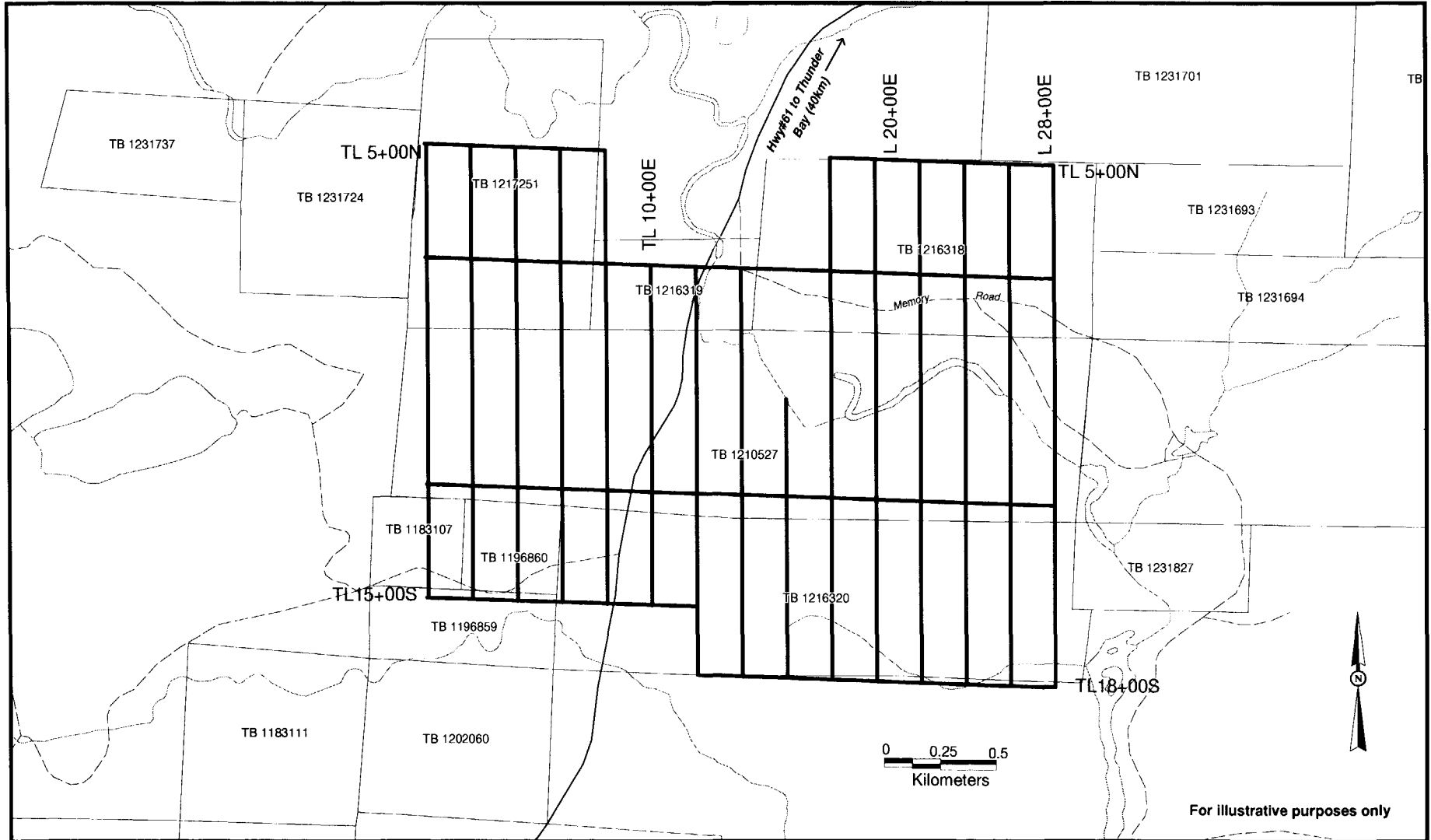


FIGURE 2



tlgridfigure_1.wor

THE PIGEON RIVER PROJECT - Claim Location Map

REGIONAL AND PROPERTY GEOLOGY

A prominent magnetic and gravity anomaly can be traced for 2000km across the central portion of North America from Wisconsin, northeast under Lake Superior and finally curving down through central Michigan. This geophysical feature has been termed the Mid-Continental Rift of North America (Figure 1). The rifting event occurred during the Proterozoic from 1225m.y. to 1100m.y. (Davidson, 1982).

The Pigeon River property occurs within the Southern Province of the Canadian Shield and along the northern margin of the interpreted Mid-Continental Rift. Early to middle Proterozoic rocks dominate the geology in the project area.

The property is underlain by early Proterozoic sediments of the Animikie Group. The Animikie Group is comprised of the Gunflint and Rove Formations of which only the latter has been mapped in the project area. Black pyritic shale and argillite form the lower part of the Rove Formation while turbidite related arkose and shale form the upper portion of the formation.

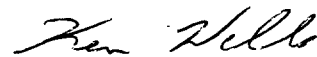
On the property, three middle Proterozoic magmatic events are recorded. The first phase is represented by diabase to granophyre sills emplaced at an early stage in the Keweenaw rifting. These sills are cut by a series of linear olivine diabase and quartz diabase dykes which in turn are intruded by the composite gabbro to olivine gabbro Pine River-Mount Mollie intrusion. Nickel-copper bearing sulphide have been documented to occur in both the olivine and quartz diabase dykes and in the Pine River-Mount Mollie intrusion.

1998 GROUND MAGNETIC GEOPHYSICAL SURVEY

MTEC Geophysics Inc. under contract from Falconbridge Limited carried out 39.5km of linecutting and 39.5 km of ground magnetics geophysics between October 15 to 29, 1998. Figure 2 illustrates the location of the grid with respect to the claims. The expenditures per claim are based on the line kilometers of surveying within each individual claim.

The details of the survey logistics, survey equipment, field procedures, personnel, processing techniques, survey results, conclusions and recommendations are appended under a separate cover titled "Mtec Geophysics: Logistical Report, Pigeon River Project, NTS 52A 3, 4" (Appendix 1).

Respectfully submitted,



Kevin Wells
Project Geologist
Falconbridge Limited

REFERENCES

Davidson, D.M. Jr.

Geological evidence relating to interpretation of the Lake Superior Basin structure. pp. 5-14: Geology and Tectonics of the Lake Superior Basin, Edited by Richard J. Wold , Hinze, W. The Geological Society of America Inc. Memoir 156. 1982 280p.

Geul, J.J.M.

Geology of Devon and Pardee Townships and the Stuart Location; Ontario Department of Mines, Geological Report 87, 1970.

Green, John C.

Geology of Keweenawan extrusive Rocks pp. 47-56 in: Geology and Tectonics of the Lake Superior Basin, Edited by Richard J. Wold , Hinze, W. The Geological Society of America Inc. Memoir 156. 1982 280p.

Lightfoot, P.C., Sutcliffe, R.H. and Dohery, W.

Crustal contamination identified in Keweenawan Osler Group tholeiite. Ontario: A trace element Perspective. Journal of Geology, Vol. 99 p. 739-760, 1991

Smith, A.R and Sutcliffe, R.H.

Keweenawan Intrusive Rocks of Thunder Bay Area, Ontario Geological Survey, paper 039.

STATEMENT OF EXPENDITURES
 PIGEON RIVER CLAIMS - PROJECT 5406
 FOR THE PERIOD - AUGUST 1, 1998 - OCTOBER 31, 1998

	Pigeon River PN 5406
GEOLOGY	
Salaries	-
Contract Payments	-
Field Expenses	-
Assays	-
Meals and Entertainment	-
	\$0.00
 GEOPHYSICS	
Salaries	5,000.00
Contract Payments	3,950.00
Linecutting	22,317.00
Field Expenses	4,079.00
Meals and Entertainment	-
	\$35,346.00
 GEOCHEMISTRY	
Salaries	-
Contract Payments	-
Field Expenses	-
Assays	-
	\$0.00
 DIAMOND DRILLING	
Salaries	-
Contract Payments	-
Field Expenses	-
Assays	-
	\$0.00
 ENVIRONMENT	
Salaries	-
Contract Payments	-
Field Expenses	-
Assays	-
	\$0.00
PROJECT EXPENDITURES	\$35,346.00

DECLARATION

CANADA)	IN THE MATTER OF the Mining Act -
)	Ontario Regulation 6/96
)	
Province of Ontario)	AND IN THE MATTER OF Exploration
)	on the Pigeon River Property
)	located in Thunder Bay Mining District
)	
)	
TO WIT:)	Province of Ontario

I, **Kevin Wells** of the City of Winnipeg, Province of Manitoba, Geologist,

DO SOLEMNLY DECLARE THAT:

1. I have caused **linecutting and a ground magnetic survey** to be carried out on the aforesaid property.
2. To date the sum of **\$ 35,346.00** has been expended on the said **linecutting and ground magnetic survey** carried out by **Mtec Geophysics on behalf** of Falconbridge Limited.

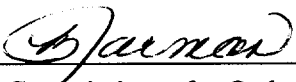
Expenditures cover the following:

**Salaries, contract payments,
field expenses and report writing**

\$ 35,346.00

AND I make this solemn Declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath, and by virtue of "The Canada Evidence Act".

DECLARED before me at the City of
Winnipeg, in the Province of
Manitoba, this 6th day of
November A.D. 1998.



 A Commissioner for Oaths
 My Commission expires February 25, 1999

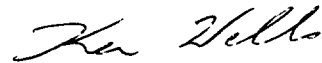
CERTIFICATE OF QUALIFICATION

I, Kevin Wells, certify that:

- 1) I am currently employed by Falconbridge Limited, operating from the Regional Exploration Office in Winnipeg, Manitoba.
- 2) I graduated in 1994 from Laurentian University, Ontario with an Honours B.Sc degree in Geology.
- 3) I have been working as a exploration geologist for 4 years and have been employed in the mining industry for 17 years.
- 4) I have no financial interest in the property described in this report.

Winnipeg, Manitoba
November 6th, 1997

Respectfully submitted



Kevin Wells
Project Geologist
Falconbridge Limited

APPENDIX I

Mtec Geophysics: Logistical Report, Pigeon River Property, NTS 52A3, 4.

Mtec Geophysics Inc.
LOGISTICAL REPORT
PIGEON RIVER PROJECT
NTS 52 A/04

Introduction

Mtec Geophysics Inc. was contracted to undertake linecutting and a magnetometer survey in the Crooks Township area of Northwestern Ontario for Falconbridge Limited of Winnipeg. Work was carried out between October 15, 1998 and October 30, 1998.

Location and Access

The Pigeon River grid is situated within Crooks Township, approximately 40 km Southwest of the city of Thunder Bay, Ontario. Highway 61 transects the central part of the grid. Several secondary roads such as the Lenore Lake, Great Lakes and Memory Road extend east or west from the highway and allow access to a large portion of the property.

Survey Procedures and Equipment

Magnetic

Total field magnetic readings were taken with an EDA Omni IV magnetometer at 25-meter station intervals along N-S survey lines. Baselines and tielines were also read at 25-meter intervals and duplicate readings at the line intersections were taken to insure a measure of quality control. A synchronised Omni IV base station was used to monitor and correct for diurnal variations. A specification sheet is attached (Attachment 1).

Personnel

The following Mtec Geophysics Inc. personnel were employed on this project.

Linecutting:

Bob Heilman Kaministiquia ON.
(807) 935-4730
Mike Shatant Red Lake ON.
Terry Quedent Ear Falls ON.
Lloyd Quedent Ear Falls ON.
Wally Assanbee Kaministiquia ON.
Ben Levac Thunder Bay ON.
Bob Ducharme Red Lake ON.

Magnetometer Survey:

Mike Milani P.O. Box 88, Murillo, ON.
807) 935-3146

Summary

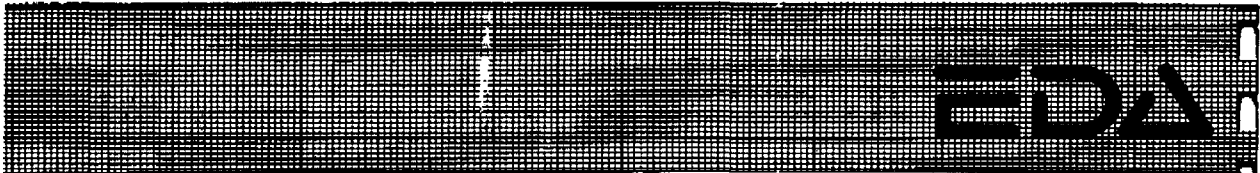
The following chart summarises work details on the property.

<i>PROJECT</i>	<i>LINECUTTING</i>	<i>MAG SURVEY</i>
<i>Pigeon River</i>	39.50 km	39.50 km
<i>WORK/SURVEY DATES</i>	Oct. 15- 30/98	Oct. 24- 30/98

With the submittal of this report and the accompanying maps and digital data the obligations of Mtec Geophysics Inc. have been fulfilled for the Pigeon River property.

Nov., 1998

M. Milani
Mtec Geophysics Inc.



Specifications

Dynamic Range	18,000 to 110,000 gammas. Roll-over display feature suppresses first significant digit upon exceeding 100,000 gammas.
Tuning Method	Tuning value is calculated accurately utilizing a specially developed tuning algorithm
Automatic Fine Tuning	± 15% relative to ambient field strength of last stored value
Display Resolution	0.1 gamma
Processing Sensitivity	± 0.02 gamma
Statistical Error Resolution	0.01 gamma
Absolute Accuracy	± 1 gamma at 50,000 gammas at 23°C ± 2 gamma over total temperature range
Standard Memory Capacity	
Total Field or Gradient	1,200 data blocks or sets of readings
Tie-Line Points	100 data blocks or sets of readings
Base Station	5,000 data blocks or sets of readings
Display	Custom-designed, ruggedized liquid crystal display with an operating temperature range from -40°C to +55°C. The display contains six numeric digits, decimal point, battery status monitor, signal decay rate and signal amplitude monitor and function descriptors.
RS 232 Serial I/O Interface	2400 baud, 8 data bits, 2 stop bits, no parity
Gradient Tolerance	6,000 gammas per meter (field proven)
Test Mode	A. Diagnostic testing (data and programmable memory) B. Self Test (hardware)
Sensor	Optimized miniature design. Magnetic cleanliness is consistent with the specified absolute accuracy.
Gradient Sensors	0.5 meter sensor separation (standard), normalized to gammas/meter. Optional 1.0 meter sensor separation available. Horizontal sensors optional.
Sensor Cable	Remains flexible in temperature range specified, includes strain-relief connector
Cycling Time (Base Station Mode)	Programmable from 5 seconds up to 60 minutes in 1 second increments
Operating Environmental Range	-40°C to +55°C; 0-100% relative humidity; weatherproof
Power Supply	Non-magnetic rechargeable sealed lead-acid battery cartridge or belt; rechargeable NiCad or Disposable battery cartridge or belt; or 12V DC power source option for base station operation.
Battery Cartridge/Belt Life	2,000 to 5,000 readings, for sealed lead acid power supply, depending upon ambient temperature and rate of readings
Weights and Dimensions	
Instrument Console Only	2.8 kg, 238 x 150 x 250mm
NiCad or Alkaline Battery Cartridge	1.2 kg, 235 x 105 x 90mm
NiCad or Alkaline Battery Belt	1.2 kg, 540 x 100 x 40mm
Lead-Acid Battery Cartridge	1.8 kg, 235 x 105 x 90mm
Lead-Acid Battery Belt	1.8 kg, 540 x 100 x 40mm
Sensor	1.2 kg, 66mm diameter x 200mm
Gradient Sensor (0.5 m separation - standard)	2.1 kg, 56mm diameter x 790mm
Gradient Sensor (1.0 m separation - optional)	2.2 kg, 56mm diameter x 1300mm
Standard System Complement	Instrument console; sensor; 3-meter cable, aluminum sectional sensor staff, power supply, harness assembly, operations manual.
Base Station Option	Standard system plus 30 meter cable
Gradiometer Option	Standard system plus 0.5 meter sensor

EDA Instruments Inc.
4 Thorncliffe Park Drive
Toronto, Ontario
Canada M4H 1H1
Telex: 06 23222 EDA TOR
Cable: Instruments Toronto
(416) 425 7800

In U.S.A.
EDA Instruments Inc.
5151 Ward Road
Wheat Ridge, Colorado
U.S.A. 80083
(303) 422 9112

Printed in Canada

**ASSESSMENT REPORT ON THE
1998 LINECUTTING AND GROUND MAGNETIC SURVEY**

PIGEON RIVER AREA

Crooks Townships, Thunder Bay Mining District

NTS 52A/3 & 4,

(Lat. 48° 03' N, Long. 89° 34' W)

ONTARIO

Transaction Number (office use) W9840.00647
Assessment Files Research Imaging



52A04SE2002 2.18950 CROOKS

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of subsections 65(2) and 66(3) of the Mining Act. Under section 8 of the Mining Act, assessment work and correspond with the mining land holder. Questions about this Northern Development and Mines, 3rd Floor, 933 Ramsey Lake Road, Sudbury,

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

2.18950

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

Name FALCONBRIDGE LIMITED	Client Number 130679
Address SUITE 1200, 95 WELLINGTON STREET WEST TORONTO, ONTARIO, M5J 2V4	Telephone Number (416) 956-5786
	Fax Number (416) 956-5749

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 LINECUTTING AND GROUND MAGNETICS	Office Use	
	Commodity Ni Cu	
	Total \$ Value of Work Claimed 35,346	
Dates Work Performed From 22 OCTOBER 1998 To 30 OCTOBER 1998	NTS Reference 52A3,4	
Global Positioning System Data (if available)	Township/Area CROOKS	Mining Division THUNDER BAY
	M or G-Plan Number G-648 and G-681	Resident Geologist District THUNDER BAY

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 KEVIN WELLS (FALCONBRIDGE LIMITED)	Telephone Number (204) 888-9860
Address 21C MURRAY PARK ROAD, WINNIPEG, MANITOBA, R3J 3S2	Fax Number (204) 885-4152
Name MIKE MILANI (MTEC GEOPHYSICS INC.)	Telephone Number (807) 935-3146
Address P.O. BOX 88 MURILLO, ONTARIO, P0T 2G0	Fax Number (807) 935-2009
Name	Telephone Number
Address	Fax Number

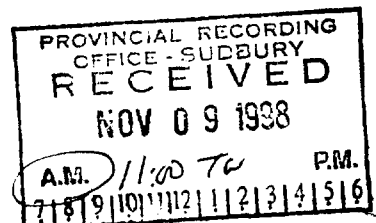
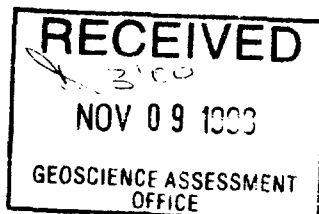
4. Certification by Recorded Holder or Agent

I, KEVIN WELLS, do hereby certify that I have personal knowledge of the facts set forth in

(Print Name)

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>Kevin Wells</i>	Date November 4, 1998
Agent's Address 215-838 CAVALIER DRIVE, WINNIPEG, MANITOBA	Telephone Number (204) 897-4419
	Fax Number



Neuman Feb 7/99

W9840.00647

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

Mining Claim Number. Or if work was done on other eligible mining land, show in this column the location number indicated on the claim map.	Number of Claim Units. For other mining land, list hectares.	Value of work performed on this claim or other mining land.	Value of work Applied to this Claim.	Value of work assigned to other mining claims.	Bank. Value of work to be distributed at a future date
1 TB 1210527	16	12,630	0	12400	230
2 TB 1215844	8		3200		
3 TB 1215875	3		1200		
4 TB 1215895	5		2000		
5 TB 1215846	4		1600		
6 TB 1215898	6		2400		
7 TB 1215847	5		2000		
8 TB 1183107	1	350			350
9 TB 1196859	2	636			636
10 TB 1196860	1	702			702
11 TB 1216320	12	8793		2800	5993
12 TB 1216322	3		1200		
13 TB 1216506	4		1600		
14 TB 1217251	6	4517			4517
15 TB 1216319	2	1710			1710
16 TB 1216318	8	6008			6008
Column Totals	86	\$35,346.00	\$15,200	\$15,200.00	\$20,146.00

I, KEVIN WELLS, 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 *Kevin Wells* Date November 4, 1998

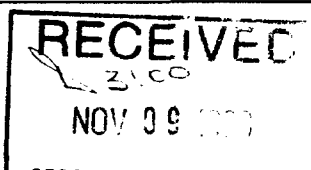
6. Instructions for cutting back credits that are not approved.

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)	



Ontario

Ministry of Northern Development and Mines

Statement of Costs for Assessment Credit

Transaction Number (office use)
W9840.00647

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, this 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 a Provincial Mining Recorder, Ministry of Northern Development and Mines, 3rd Floor, 933 Ramsey Lake Road, Sudbury, Ontario, P3E 6B5.

2018950

Table with 4 columns: Work Type, Units of work, Cost Per Unit of work, Total Cost. Rows include LINECUTTING, GROUND MAGNETICS, SUPERVISION AND REPORT WRITING, Associated Costs, FIELD SUPPLIES, Transportation Costs, Food and Lodging Costs, and Total Value of Assessment Work.

Calculations of Filing Discounts:

- 1. Work filed within two years of performance is claimed at 100% of the above Total Value of Assessment Work.
2. If work is filed after two years and up to five years after performance, it can only be claimed at 50% of the Total Value of Assessment Work. If this situation applies to your claims, use the calculation below:

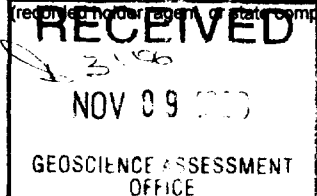
TOTAL VALUE OF ASSESSMENT WORK x 0.50 = Total \$ value of worked claimed.

Note:
- Work older than 5 years is not eligible for credit.
- A recorded holder may be required to verify expenditures claimed in this statement of costs within 45 days of a request for verification and/or correction/clarification. If verification and/or correction/clarification is not made, the Minister may reject all or part of the assessment work submitted.

Certification verifying costs:

I, KEVIN WELLS, 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 PROJECT GEOLOGIST I am authorized to make this certification.



Signature: Kevin Wells, Date: NOV. 6, 1998



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

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

February 4, 1999

FALCONBRIDGE LIMITED
SUITE 1200, 95 WELLINGTON STREET WEST
TORONTO, ONTARIO
M5J-2V4

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

Dear Sir or Madam:

Submission Number: 2.18950

Status

Subject: Transaction Number(s): W9840.00647 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 steve.beneteau@ndm.gov.on.ca or by telephone at (705) 670-5855.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Blair Kite".

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

Work Report Assessment Results

Submission Number: 2.18950

Date Correspondence Sent: February 04, 1999

Assessor: Steve Beneteau

Transaction Number	First Claim Number	Township(s) / Area(s)	Status	Approval Date
W9840.00647	1183107	CROOKS	Deemed Approval	February 04, 1999

Section:
14 Geophysical MAG

Correspondence to:

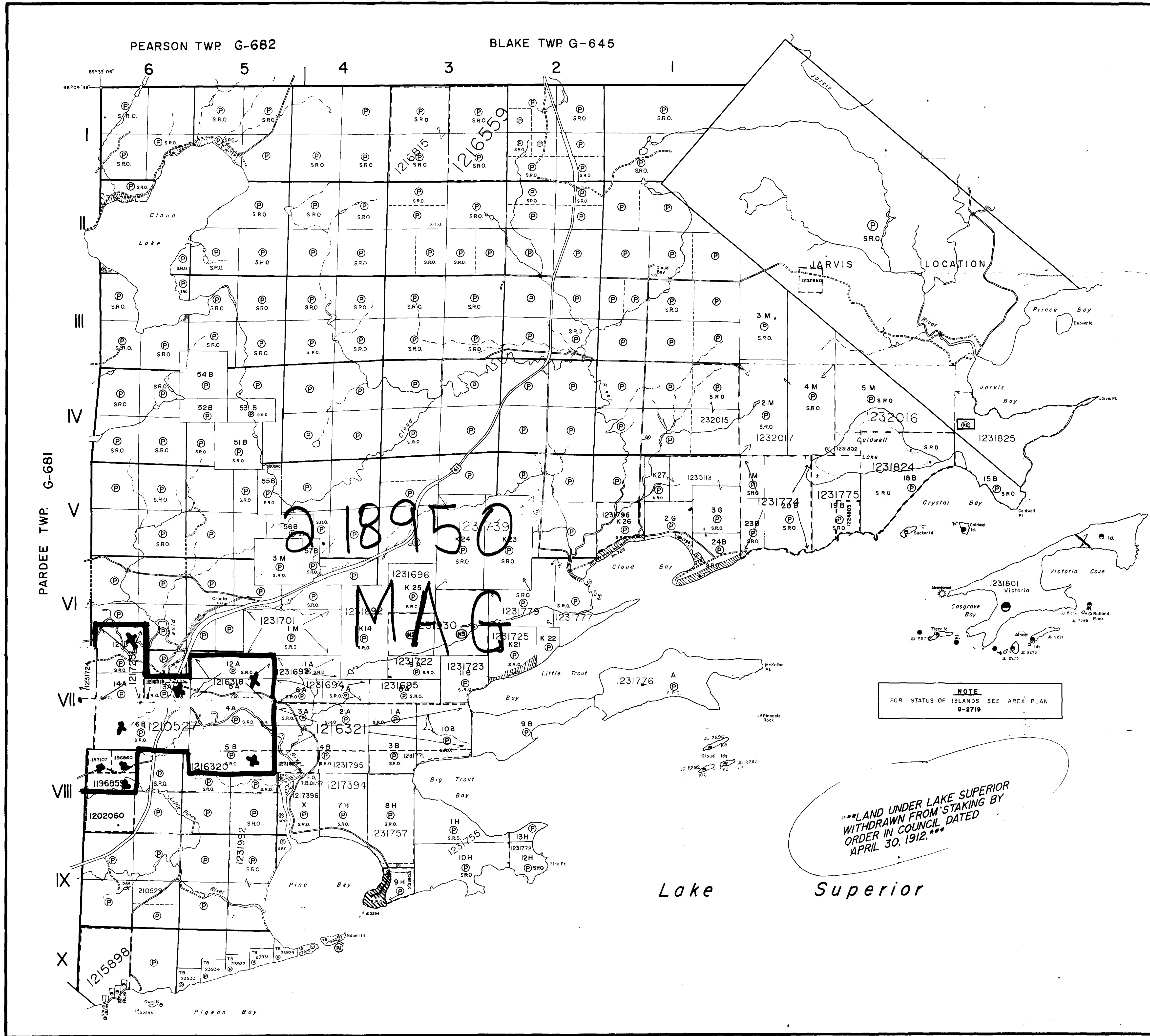
Resident Geologist
Thunder Bay, ON

Assessment Files Library
Sudbury, ON

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

Kevin Wells
WINNIPEG, MANITOBA

FALCONBRIDGE LIMITED
TORONTO, ONTARIO



REFERENCES

AREAS WITHDRAWN FROM DISPOSITION

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

- (R) MINING RIGHTS ONLY WITHDRAWN FROM STAKING. ORDER WNCR-4182 DATED 01/31/82. CONFLICT IN OWNERSHIP.
- (R2) MINING RIGHTS ONLY WITHDRAWN FROM STAKING. ORDER W-78/88-NCR. DATED 10/01/88. ARCHAEOLOGICAL SITE FOR MCC.
- (N2) West Subdivision of Section 3, Concession 6.
- (N3) East Subdivision of Section 3, Concession 6.

DATE OF ISSUE
 APR 06 1999

PROVINCIAL RECORDING
 OFFICE - SUDBURY

NOTICE
 The information that appears on this map has been compiled from various sources and accuracy is not guaranteed. Those wishing to file MINING CLAIMS should consult with the MINING RECORDER, Ministry of Northern Development and Mines, for additional information on the status of the lands shown herein.

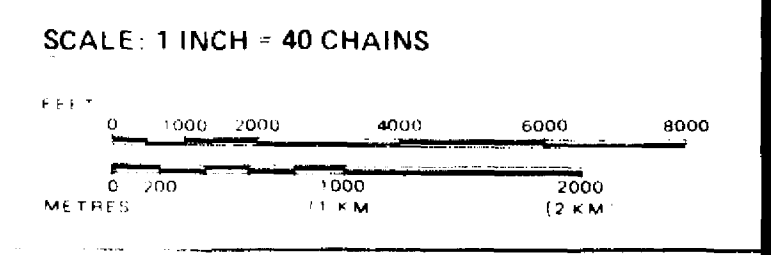
LEGEND

- HIGHWAY AND FORELINES
- OTHER ROADS
- TRAILS
- SURVEYED LINES
- TOWNSHIP BASE LINES
- LOT LINES
- UNSURVEYED LINES
- LOT LINES
- PARCEL BOUNDARIES
- MINE CLAIMS
- RAILWAY AND RAILROADS
- UTILITIES LINES
- NON PERENNIAL STREAMS
- FLOODING OR FLOODING RIGHTS
- SUBDIVISION OR COMPASS PLAN
- RESERVATIONS
- ORIGINAL SHORELINE
- MARSH OR MUSKEG
- MINES
- TRAVERSE MONUMENT

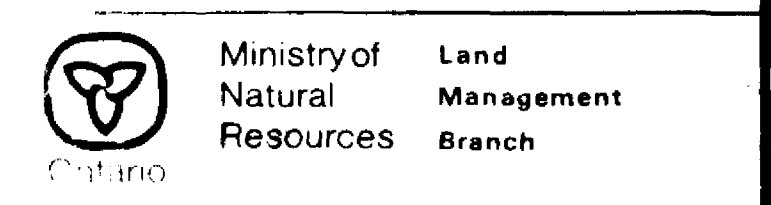
DISPOSITION OF CROWN LANDS

TYPE OF DOCUMENT	SYMBOL
PATENT, SURFACE & MINING RIGHTS	⊙
" SURFACE RIGHTS ONLY	⊙ SRO
" MINING RIGHTS ONLY	⊙ MRO
LEASE, SURFACE & MINING RIGHTS	⊙
" SURFACE RIGHTS ONLY	⊙ SRO
" MINING RIGHTS ONLY	⊙ MRO
LICENCE OF OCCUPATION	⊙
ORDER IN COUNCIL	OC
RESERVATION	⊙
CANCELLED	⊙
SAND & GRAVEL	⊙
LAND USE PERMITS FOR COMMERCIAL TOURISM, OUTPOST CAMPS	⊙

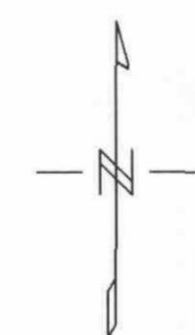
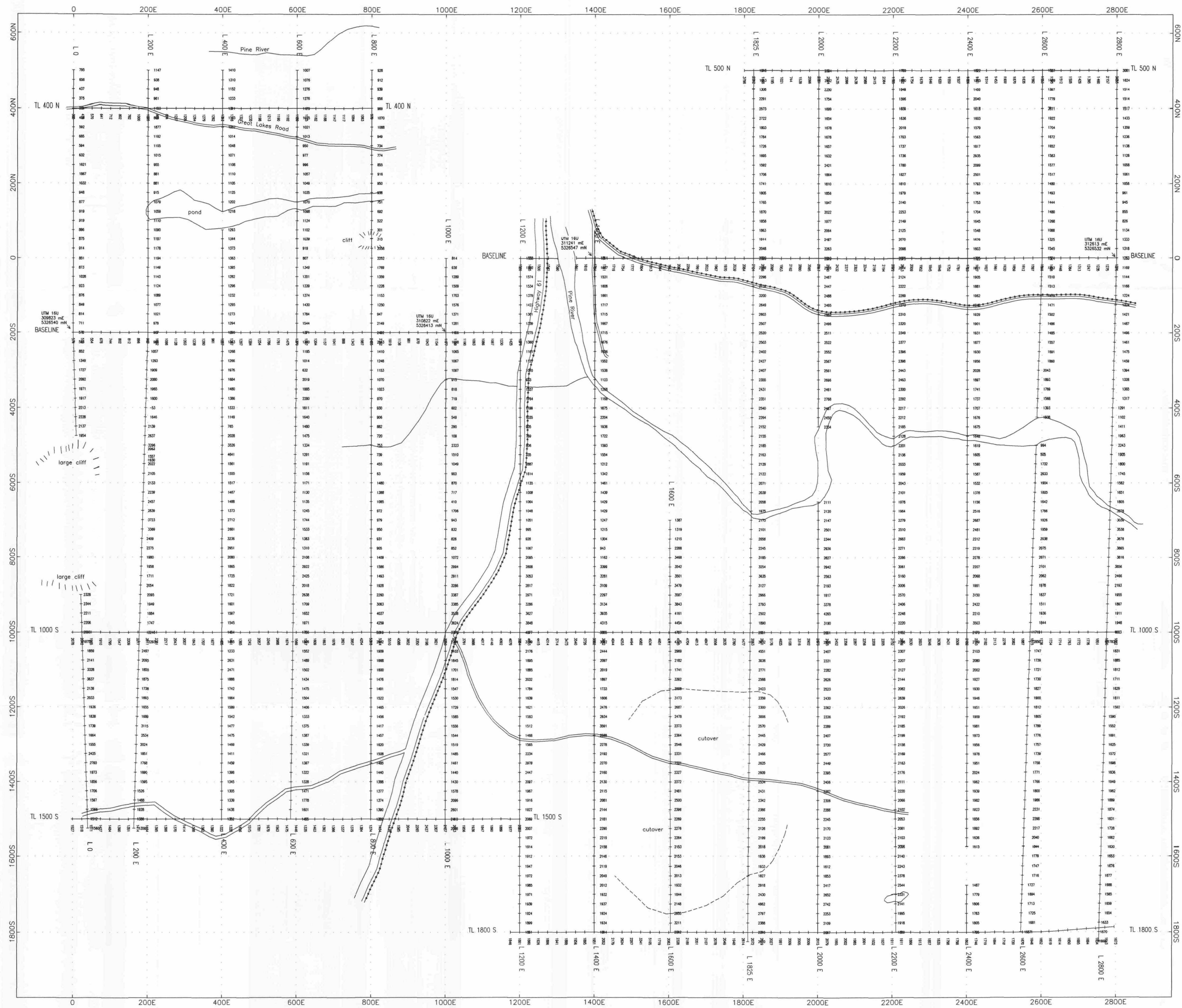
NOTE: MINING RIGHTS IN PARCELS PATENTED PRIOR TO MAY 6 1912, VESTED IN ORIGINAL PATENTEES BY THE PUBLIC LANDS ACT, R.S.O. 1910, CHAP. 380, S.16 & 18, SUBSEC. 1.



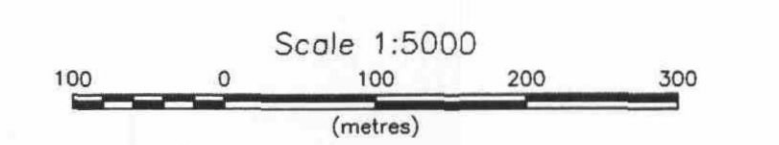
TOWNSHIP
CROOKS
 MNR ADMINISTRATIVE DISTRICT
THUNDER BAY
 MINING DIVISION
THUNDER BAY
 LAND TITLES / REGISTRY DIVISION
THUNDER BAY



Date **MARCH 1982** Number
 In Service Dec. 09/95. (LA) **G-648**



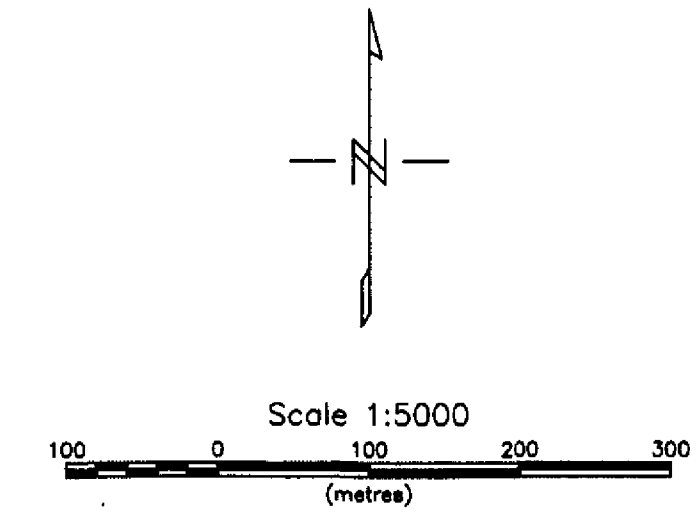
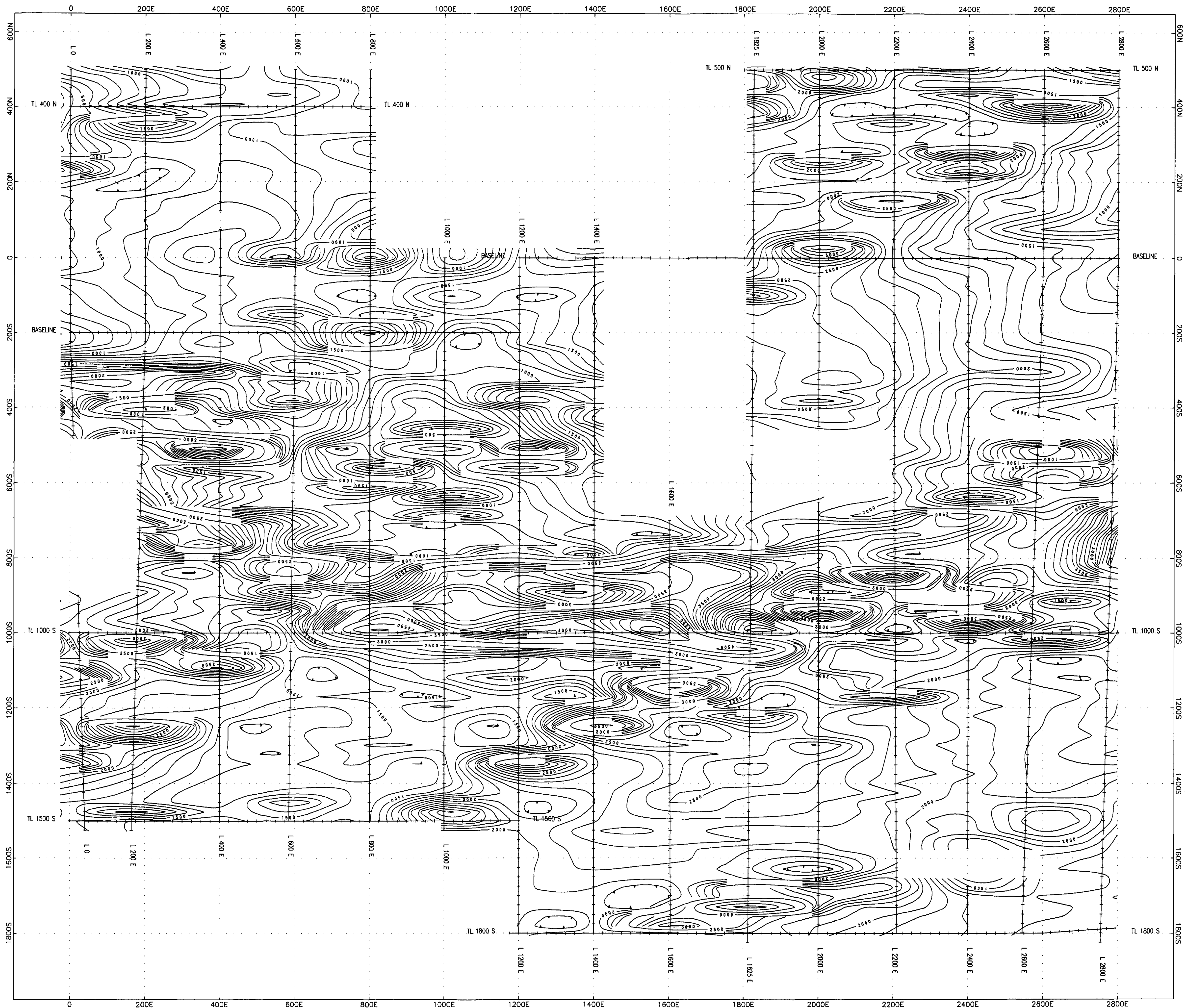
RECEIVED
 NOV 12 1998
 GEOSCIENCE ASSESSMENT
 OFFICE



2.18950
 MAP 1

FALCONBRIDGE LIMITED MAGNETOMETER SURVEY PIGEON RIVER PROPERTY TOTAL FIELD POSTINGS	
NTS : 52 A/04	DATE : 09/11/98
DATUM: 57000 nT	INSTRUMENT: OMNI IV
MTBC GEOPHYSICS INC.	





MAP 2

FALCONBRIDGE LIMITED	
MAGNETOMETER SURVEY	
PIGEBON RIVER PROPERTY	
TOTAL FIELD CONTOURS	
NTS : 52 A/04	DATE : 09/11/98
CONTOUR INTERVAL: 100 nT	INSTRUMENT: OMNI IV
MTEC GEOPHYSICS INC.	

