Diamond Drilling Report

For

Mr. Basil Smith.
RR # 16
Thunder Bay, Ontario
P7B 6B3

MacGregor Township Property

Northwestern Ontario

Claim # TB 1120448, TB 1120449

August 4, 2001

By: Ian Spence
B.Sc. Geology

RECEIVED
AUG 1 3 2001
GEOSCIENCE ASSESSMENT OFFICE
Executive Summary

The MacGregor Township Property (TB 1120448 and TB 1120449) consists of two single unit claims totaling 80 acres, located due east of the City of Thunder Bay approximately 3.2 kilometers north of the Trans Canada Highway 11/17 along Highway 527.

A short diamond drill hole was drilled in order to determine if an amethyst vein was present near the road.

A total of 30.5 meters was drilled using a JKS 300 drill at an azimuth of 090 degrees and a dip of −065 degrees.

The results from the drilling showed that there was no amethyst bearing quartz vein present in the area drilled. The rock type was a package of interbedded mafic tuffs and flows with the occasional weak zones of quartz filled fractures. Mineralization in the hole was generally represented by disseminated pyrite (generally < 1%) and magnetite found in a dyke near the bottom of the hole. The strike is consistently 150 degrees and dipping sub-vertically to the west between 85 and 90 degrees.

In summary, the program proved that there was not an amethyst bearing quartz vein in the hole drilled.
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Mr. Basil Smith
Property Location Map

August 4, 2001
From MNDM Claims II
Introduction

Mr. Basil Smith, of Thunder Bay, Ontario, contracted the author during the summer of 2001, to log and produce a report on a small drill program he had initiated on his MacGregor Township Property (TB 1120448 and TB 1120449). Drilling was conducted by Northwest Geophysics Ltd. of Thunder Bay who drilled one hole, totaling 30.5 meters.

Location and Access

The property is located in MacGregor Township in the Mining District of Thunder Bay in northwestern Ontario.

Access to the property is 3.2 kilometers North along Highway 527 (Spruce River Road) that connects to the Trans Canada Highway 11/17. The drill hole is located approximately 65 meters west of Highway 527 through an access road to a lumberyard belonging Garden Lake Timber.

Tenure

The MacGregor Township Property consists of two unpatented mineral claims (TB 1120448 and TB 1120449) in the Mining District of Thunder Bay.

The legal description for TB 1120448 is:

NW ¼ E ½ Lot 24Z

The legal description for TB 1120449 is:

NE ¼ W ½ Lot 24Z

Objectives of the Program

The objectives of the program was to determine if an amethyst bearing quartz vein was present in the vicinity of the drill hole.
Geology

The geology, as observed on the roadside, consists of a thick package of mafic volcanics and tuffaceous sediments striking at ~150 degrees and dipping sub vertically to the west between 85 and 90 degrees. There is also the presence of a thin mafic magnetite bearing dyke near the end of the hole. The rocks contain minor and sporadic sulphide mineralization (<1% where observed). An interformational iron formation is located southwest of the drill hole and the area is known for its amethyst veins.

Diamond Drilling

Northwest Geophysics Limited of Thunder Bay, Ontario drilled the hole using a JKS 300 drill. A total of 30.5 meters of thin walled BQ core was drilled at an azimuth of 090 degrees at an angle of ~065 degrees on the claim TB 1120449. The UTM coordinates for the hole are: 0340790, 5376067.

Personnel and Dates of Work

Ian Spence

August 2, 2001 and August 4, 2001 2 Days

Conclusions

A package of pillowed volcanics striking at ~150 degrees and dipping sub-vertically exists on the property.

The drilling program was unsuccessful in locating an amethyst bearing quartz vein in the vicinity of the drill hole.

Respectively Submitted

Ian Spence B.Sc. Geology
DRILL SECTION DDH # BS-01-01

Overburden

- Felspar band, orange weathered
- Felspar bands, thin vein type py (1-2mm), small blebs <1%
- Fractured section, palt green brecciation, <1% disl py, occasional quartz stringers
- 2-3% qtz veinlets, larger (>5mm) have epidote
- Flat fractures @ 018 degrees to ca, trace bleb py
- Coarser grained, (mg) with banding, mafic tuff?
- Broken core
- Qtz-felspar section, <1% disl py, blebs and thin veinlets, 20% qtz veinlets
- Fractured section, qtz veins @ 15-20 degrees and 115 degrees, larger qtz vein (~1 cm) with 15% py, discontinous bedding in muddy section, <1% disseminated pyrite

Surface

Quartz vein (5 cm) with pale gm epidote

Bedding within vtg "mud"

Quartz vein (5 mm) with 30% blebs of pyrite

Core Type: Thin Walled BQ

DDH BS-01-01

Section Looking North

Total Depth: 30.5 m
Drilled @ 090 degrees Azimuth
Hole Angle: -065 degrees
No Acid Test Taken
Dates Drilled: July 31 to Aug 1/2001

EOH 30.5 meters
Diamond Drill Log
BS-01-01

Owner: Mr. Basil Smith
RR # 5
Thunder Bay, Ontario

Claim Number: TB 1120449

Drilling Company: Northwest Geophysics Limited
PO Box 10158
Thunder Bay, Ontario
P7B 5J8

Hole Number: BS-01-01
Location of hole: UTM Easting 0340790, Northing 5376067
Azimuth: 090 degrees
Dip of hole: -065 degrees
Length of Hole: 30.5 meters
Core Size: Thin Wall BQ
Test: No Test Taken

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<td>0.00</td>
<td>2.60</td>
<td>Overburden</td>
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| 2.60  | 30.5 | Mafic Volcanics (flows and tuffs)
Very fine grained to fine grained, dark green to green, massive, minor disseminated pyrite (<0.5%), some banded sections (locally folded), areas of minor fracturing with up to 15% thin quartz veins at random angles to core axis, banding at low angles to core axis (~010 to 015 degrees)
| 2.6   | 2.7  | orange feldspars, sausseritized, sub-euhedral crystals
<p>| 3.4   | 3.7  | as above with crystals @ 060 degrees to core axis, thin hairline stringers of pyrite, disseminated blebs of pyrite (&lt;1%) |</p>
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<td>4.5</td>
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<td>fractured section with pale green brecciaed fragments in quartz, &lt;1% disseminated pyrite throughout section, minor epidote in section</td>
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<tr>
<td>5.0</td>
<td>7.4</td>
<td>3-4% small quartz veinlets at random angles to core axis, minor epidote</td>
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<td>7.4</td>
<td>7.8</td>
<td>flat fractured section (~018 degrees to core axis), slightly altered, trace pyrite</td>
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<td>8.4</td>
<td>8.5</td>
<td>slightly coarser grained, medium grained, quartz – feldspar assemblage with a fine grained banded mud (tuffs?) ~015 degrees to core axis</td>
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<td>8.7</td>
<td>9.0</td>
<td>broken core</td>
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<td>9.7</td>
<td>11.0</td>
<td>medium grained, quartz-feldspar section with disseminated pyrite (&lt;1%) occurring as blebs and hairline stringers about 030 degrees to core axis, ~20% quartz veinlets from 10.2 to 10.6 at random angled to core axis</td>
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<td>12.2</td>
<td>12.9</td>
<td>fractured section a@ 018 degrees to core axis, two sets of fractures...015 degrees and 115 degrees to core axis, steeper vein with ~15% blebs of pyrite in a 1 cm wide vein</td>
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<td></td>
<td>Quartz vein with pale green (altered margins) at 115 degrees to core axis, epidote bearing</td>
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<td>16.8</td>
<td></td>
<td>bedding? At 012 degrees to core axis, tuff or mud</td>
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<td>18.6</td>
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<td>quartz vein(5 mm)@108 degrees to core axis, ~ 30% blebby pyrite in vein, bedding in tuff at 015 degrees to core axis</td>
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<td>22.0</td>
<td>23.0</td>
<td>coarser grained, stretched habit for feldspars, black glassy quartz eyes in section, occasional thin seam of pyrite, bedding at 015 degrees</td>
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<tr>
<td>From</td>
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<tr>
<td>23.9</td>
<td>26.3</td>
<td>coarser grained unit, at 015 degrees to core axis, 10 to 15% quartz veinlets between 25.7 to 26.7 at random angles to core axis, up to 3% disseminated pyrite throughout section</td>
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<td>28.0</td>
<td>28.6</td>
<td>Mafic Dyke</td>
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<td></td>
<td>fine grained, with magnetite and spots of hematite, contact at 70 degrees to core axis, small (5 cm) zone near contact of darker colour</td>
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<td>30.5</td>
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<td>End of Hole</td>
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APPENDIX B
Statement of Qualifications

I William Ian Spence of 2180 Falconcrest Drive in the City of Thunder Bay and in the Mining District of Thunder Bay do hereby certify the following:

I am a graduate of the University of New Brunswick and hold a BSc. in Geology.

I have been practicing as a professional geologist in the mining exploration industry for 35 years.

I have supervised the work described in this report and am the writer of this report dated August 4, 2001.

I hold no interest in this property nor do I expect any.

I hereby give permission to the company for whom this report was written, for the use of, and for disclosure of information in this report under the Freedom of Information and Protection of Privacy act.

Signed this 4th day of August, 2001

William Ian Spence

Date
# Work Report Summary

**Transaction No:** W0140.30564  
**Recording Date:** 2001-AUG-09  
**Approval Date:** 2001-SEP-20  
**Status:** APPROVED  
**Work Done from:** 2001-JUL-31 to: 2001-AUG-04  
**Client(s):** 195276 SMITH, BASIL ANDREW  
**Survey Type(s):** PDRILL  

## Work Report Details:

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Status of claim is based on information currently on record.
Dear Sir or Madam

**Subject: Approval of Assessment Work**

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

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

If you have any question regarding this correspondence, please contact JIM MCAULEY by email at james.mcauley@ndm.gov.on.ca or by phone at (705) 670-5855.

Yours Sincerely,

Ron Gashinski  
Supervisor, Geoscience Assessment Office

Cc: Resident Geologist  
Basil Andrew Smith  
(Claim Holder)  
William Ian Spence  
(Agent)  
Assessment File Library  
Basil Andrew Smith  
(Assessment Office)