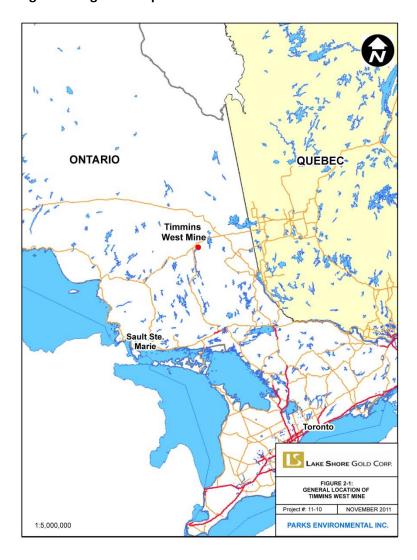
Project Description: Lake Shore Gold 144 Project (Permission to Test Mineral Content)

Project Summary

MNDM received applications from Lakeshore Gold Corporation on March 4th, 2015 for a Permission to Test Mineral Content (bulk sample). The request is for a proposed bulk sample of up to 50,000 tonnes of ore from the 144 Property located within mining claims 1159640 and 1159637. The project site is located 20 kilometres west of Timmins, Ontario in Thornloe and Bristol townships (Figure 1).

Figure 1: Regional Map



The applicant is proposing to extract the bulk sample from the existing Thunder Creek underground workings of the Timmins West Complex mine site by driving the Thunder Creek (underground) ramp in a westerly direction for about 1060 metres. Appendix 1 contains a map that identifies the proposed exploration drift and mining claims.

No additional surface infrastructure is required and no surficial impacts to the environment are expected.

Setting

The Timmins West Complex is presently zoned as Residential Rural by the City of Timmins and is suitable for agriculture, forestry and mining land uses. The Mine site is situated over a bedrock outcrop and adjoining lands within the lower Thunder Creek watershed.

Thunder Creek itself flows east across the Property and reports to the Tatachikapika River, which is located approximately 1.5 kilometres downstream of the Property boundary. The Tatachikapika River eventually drains into the Mattagami River.

The 144 Property is situated in a low-lying swampy area with no known recreational or other defined land use at present.

Existing Studies

A Stage 1 Archaeological and Cultural Resource Study that encompassed the 144 Property was conducted in 2006. The study indicated that there are no cultural heritage resources within the property boundary. A baseline Terrestrial Biological Study and a baseline Aquatic Biological Study were conducted in 2007. The studies indicated that there are no biological environment concerns, including species at risk.

Relevant Mining History

The purpose of the operating Timmins West Complex is to further explore and extract ore from the Timmins West and Thunder Creek Gold Deposits, and potentially additional deposits, via underground mine workings that are accessed by a vertical shaft and a decline ramp.

Class Environmental Assessment

This project has been screened to a Category B in accordance with the Ministry of Northern Development and Mines' A Class Environmental Assessment for MNDM's Activities under the Mining Act (Class EA). As the entire project is being conducted underground the potential negative environmental effects of the proposed project are expected to be minimal.

Pending the completion of the Class EA process, the applicant anticipates that the exploration drift will be completed by September 2015.

Appendix 1: Proposed 144 Exploration Drift

