Diamond Drilling Report for the Frost Lake Project

Wallbridge Mining Company Limited

Prepared by M. Hall
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1. Holes drilled
   A total of 8 holes are included in this Submission comprising 1726 meters in combined length.

2. Work Location
   The work was performed on patented mining claims S62323, S62322 and S64430 in Capreol Township, Sudbury Mining Division.
3. Access

The property is located within the northeast limits of the City of Greater Sudbury. There are a number of routes to access the property (Figure 1). The western portion of the property can be accessed via the Poupore Mine Road, an un-maintained gravel road that is passable using a 2-wheel drive pick-up truck in the summer. The Poupore Mine Road is connected to the eastern termination of Cote Road in Valley East (Hamner) and can also be accessed via the abandoned railway that extends from the village of Bowlands Bay (north of the Sudbury Airport) to the Capreol Lake / Ella Lake Road southeast of the town of Capreol. A drillroad and a number of ATV/Snowmobile trails branch off from the Poupore Mine road at the North end of Capre Lake and provide access to the Amy Lake and Capre Footwall Targets and the interior of the property. The eastern portion of the property can be accessed via West Bay Road, which is paved and services cottages along the western shore of Wanapitei Lake, north of the Airport and the village of Bowlands Bay. A number of ATV trails provide access to the eastern interior of the property from the West Bay Road. Access to the property by snowmobile is excellent, most of the lakes, swamps and lowlands are connected by cut trails/portages. Parking at the Ella Lake public beach is convenient for snowmobile access.

Land uses in the Wanapitei Lake area include both private and public recreational activities (hunting, fishing, canoeing, cottages, and camping); mineral exploration; forestry; commercial fishing; and the Wanapitei First Nations Reserve is located along the northwestern shore of Wanapitei Lake. Wanapitei Lake is also one of the water sources for the Regional Municipality of Sudbury. Ontario Hydro has a dam for hydroelectric power generation at the south end of Outlet Bay in Scadding Twp., which also controls the water levels on the lake.

Property elevations range from 270 to 340 metres above sea level. The topography is characterized by rolling hills separated by linear lakes, a number of steep north-south trending bluffs (<30 metres relief), and several expansive low marshy areas. Vegetation
Figure 1. Frost Lake Property Access Routes
consists of white spruce, black spruce, white pine, red pine, jack pine, poplar, maple and oak. Alder, cedar and white ash grow in the lower wet areas.

4. Report Preparation

The logs were done by J. Bailey and D. Smith, and the report was prepared by M. Hall. The project was supervised by J. Bailey who is supervised by B. Jago.

5. Work History

The following work history on the Frost Lake Property has been compiled from assessment records available at the Ontario Ministry of Northern Development and Mines and a number of government geological reports and maps. The property has seen limited exploration prior to the current exploration by Wallbridge.


In 1953, Falconbridge Nickel Mines Ltd. drilled a 240 ft drill hole on the west side of Amy Lake, on claim #S.63320. The drill hole intersected a chalcopyrite veinlet hosted in a quartz vein, no assay results were reported.

In 1954, Lecleric Property completed a ground radiometric survey, geological mapping, and sampling in the southeast corner of the Frost Lake Property. The same year, Falconbridge drilled another 240 ft drill hole on the west side of Amy lake in claim block #S.63320. No mineralization was reported.

In 1955, Falconbridge drilled three holes east of Capre Lake on claim block number S.84429. “Weak chalcopyrite mineralization” was observed “throughout” all three drillholes within a rock unit described as granite breccia (either xenolithic Archean granite or possibly late granite breccia). That year, Falconbridge also drilled two more holes on the west side of Amy Lake on claim block number S.63319. These were reported to intersect wide zones of “shearing” throughout (the Amy Lake Fault?) but no mineralization was described. The drillcore is described as having been “dumped at site”. Several unsuccessful days were spent trying to find the old collar locations with a beepmat.

In 1955, Picton Uranium Mines Ltd. explored the Huronian sedimentary rocks of the Southern Province in the southeast corner of the Frost lake Property for uranium. They completed surface mapping and sampling, and drilled three diamond drillholes just south of the Frost Lake Property on Wallbridge’s Victor East Property.

From 1956 through to 1958, James E. Thompson and assistants mapped Maclennan and Scadding townships at a scale of 1:31680. The 1960 Ontario Department of Mines Map 2009 includes coverage over the eastern portion of the Frost Lake Property.
In 1957, Falconbridge drilled seven more holes on the west side of Amy Lake. None of these holes intersected mineralization though the core was described as badly broken and altered in some intersections.

In 1958 Jamaica International Exploration Ltd. in conjunction with Lecleric and Morbin Property, drilled 2 holes on the southeast corner of the Frost Lake Property, less than 100 metres from the Victor East Property. The same year, El Pen-Rey Mines and Oil Ltd. completed a ground magnetic survey and geological mapping in the area northeast and east of Drill Lake.

In 1959, Picton Uranium Mines Ltd. completed another three drillholes near the southeast corner of the Property.

In 1968, Kennco Exploration Ltd. flew an airborne magnetic/electromagnetic survey from Drill Lake, northeast to Higgins Point on the western shore of Wanapitei Lake. The flight altitude was 400ft in a NE-SW direction with a line spacing of 1000-1200ft.

In 1971, J. Koscuisko completed some trenching and stripping in the southeast corner of the Frost Lake Property looking for uranium. One of these pits, immediately north of Wallbridge’s Victor East Property, was identified and re-sampled by Wallbridge geologist Robert Levesque in 2002 and again by Wallbridge geologist David Smith in 2005. The pit contains a strongly gossanous portion of Archean gneiss with semimassive pyrite and minor chalcopyrite, which yielded weakly anomalous gold assays (several hundred ppb).

In 1978, B. Dressler of the Ontario Geological Survey and assistants preformed 1:15840 scale mapping of the southern Wanapitei Lake Area, which included all of the Frost Lake Property. From this work, Preliminary Map P.2228 was published in 1980 and final Map 2451.

The Frost Lake Property was staked by Falconbridge in 1987 as part of a regional exploration effort in the North and East Ranges to explore for Cu-PGE sulfides similar to the Deep Copper Zone at the Strathcona Mine. The property was covered by a regional airborne magnetometer and EM survey as part of Falconbridge's basin wide survey in 1987. Aerodat completed the survey at 100 metre line spacing.

In 1988, Falconbridge completed reconnaissance soil and humus sampling over much of the property at 200 metre centres. In 1989 detailed follow-up soil sampling was completed at 50 metre centres around anomalous sites from the 1988 program. Also that year, a 24.2 line-kilometre grid was cut and ten trenches were stripped targeting a soil anomaly underlain by a wide expanse of Sudbury breccia on claims S985420 and S985421 near the southeast shores of Windy Lake. No source for the anomalous soil and humus samples were identified. Interestingly, in hindsight, the trenches appear to be located approximately 200 metres south of the soil and humus sampling coverage. This
is consistent with the difference between NAD27 and NAD83 in the Sudbury area, and it appears likely that a projection error was made at that time, and that the geochemical anomalies were not conclusively tested. The wide expanse of breccia occurs as the northern strike extension of the Capre Footwall Sudbury breccia belt mapped by Wallbridge in 2005.

In 1990, 1:2,500 scale geological mapping was carried out by Falconbridge geologists P. Tirschmann and J. Crawford on the 1989 grid, over 15 claims covering the central portion of the Frost property, near Frost Lake and Windy Lake. The trenches were mapped at 1:200 scale. Twenty-eight rock samples were collected for whole rock (XRAL), thin section, and trace element analysis (Bondar-Clegg) and 48 grab samples were collected for Ni, Cu, Pt, Pd, Au, Ag, and Co analysis at X-Ray Assay Laboratories. No significant mineralization was encountered during the program, but most of the grid was underlain by extensive zones of Sudbury breccia.

In 1999, just prior to its joint venture agreement with Wallbridge, Falconbridge cut a 60 line km grid using 100 m line spacing near Amy Lake (Amy Grid). This was the last work that Falconbridge completed on the property before Wallbridge became project operator.

Wallbridge work history

The 4x Option Joint Venture agreement between Wallbridge and Falconbridge was signed in July of 1999. Initial preliminary field investigation of historical Falconbridge trenches (described above) was completed and a decision was made to focus further exploration along the western boundary of the property. Late in 1999, a 9.2 line km cut grid was established (alternately known as the Frost Lake Grid or the WR26 Grid) over what is currently referred to as the Capre Footwall Target.

In May 2000, Lamontagne Geophysics Ltd. completed a 7.525 line km, In-Loop UTEM survey over the Frost Lake Grid (WR26, Capre Footwall Target). No significant anomalies were identified but a number of logistical/technical problems were encountered with the result that survey coverage over the central part of the grid was incomplete, due to high water. Also, the geometry of the survey was designed to test for flat-lying conductive bodies and the In-Loop configuration would couple very poorly with any steeply dipping to vertical conductive target, possibly not imaging them. The
basal contact along this part of the East Range is known to dip quite steeply, and by analogy to other footwall deposits in the Sudbury Camp, mineralization could very likely occur as a steeply dipping body, sub-parallel to this contact. For these reasons, the Capre Footwall Target is considered very prospective for footwall style mineralization and remains a high-priority target.

In 2000, Wallbridge geologists Richard Murphy and Christina Wood conducted 1:5,000 scale geological mapping and sampling that summer on the Amy Lake grid and successfully identified PGE mineralization hosted by chalcopyrite-millerite veinlets at the so-called “2000 Showing”. During this program, a total of 177 samples were collected. 141 of these were analyzed for base and precious metals at Swastika Laboratories and 172 thin sections were prepared and analyzed petrographically.

From July 24th to 27th, 2000, Geosystem Canada Inc., of Ottawa, Ontario, carried out an audio-frequency magnetotelluric ("AMT") survey on the Amy Lake grid along five east-west lines (L1+00S, L1+00N, L3+00S, L5+00N, L7+00N, and L9+00N) recording 37 AMT stations, with nominal 200 metre spacing. Geosystem concluded that there is no significant variation in resistivity structure below the survey grid, however, it does suggest that "the survey area may be adjacent to a region of enhanced conductivity or a regional scale structure". 2D inversions were generated for each of the five lines identified a small resistivity low at a depth of 200 to 300 metres below station A02, on the western end of L9+00N.

From September 16th to October 5th, 2000, WC-001 was drilled vertically over the 2000 Showing to a depth of 396.81 m. Also that fall, nine 50 metre spaced infill lines, totalling 14.36 line km, were cut on the Amy Grid between L0+50S to L9+50N.

From January 15th to January 26th, 2001, Lamontagne completed a 14.4 line-kilometre Off-Loop UTEM 3 survey on the Amy Lake Grid and surveyed WC-001 (to 390m) using BHUTEM 4 with an Off-Collar Loop Configuration. Survey data identifies the Amy Lake Fault, beneath Amy Lake, but no significant conductivity anomalies were noted. In both cases, the transmission loops were laid out to the East of the surveyed ground, optimizing coupling with either a fairly shallow vertical conductor or an eastward dipping conductor at depth. A west-dipping conductive body at depth, lying sub-parallel to the basal contact
of the SIC, may couple poorly with this loop configuration and have been missed. Conventionally, for a dipping target, the transmitter loop should be located on the down-dip side.

In the winter of 2001, Eastern Geophysics Limited conducted an IP/Resistivity survey on the Amy Grid. E. Berrer, Wallbridge's geophysical consultant, noted that "weak chargeability zones occur between lines 350N and 500N and located between 100W and 250W". According to Andy Bite, a Wallbridge geologist at that time, much of the 2001 drilling program was designed to test these IP anomalies. Eleven diamond drillholes (WC-002 to WC-012), totaling 3,917.65 m, were completed in the Amy Lake area from March to August, 2001. All samples, with the exception of WC-001, WC-002 and WC-007, were analyzed for Au, Ag, Co, Cu, Ni, Pt, and Pd at Swastika Laboratories. WC-007 and the top 10 samples (#50520-50541) from WC-002 were only assayed for TMP elements and 77 sample (B6202 to 6278) from WC-001 were not assayed for Co (%).

Wallbridge Geologist Richard Murphy and Prospector Tom Johnson conducted additional prospecting on the Amy Lake Grid during the summer of 2001 and identified a new PGE occurrence near the property's southern boundary, then referred to as the 2001 Showing. A total of 58 grab samples were collected during this program. 52 samples were analyzed at Swastika Laboratories. Petrographic analysis was completed on 12 of these samples. Geological mapping delineated a large zone of thermally metamorphosed, recrystallized and partially melted Sudbury breccia and footwall rocks in the Amy Lake area, this was interpreted as representing the thermal contact aureole surrounding the SIC and is a positive indicator for the prospectivity of this area.

From August 20-28, 2001, Crone Geophysics & Exploration Ltd. conducted a borehole Pulse EM survey on WC-011, to a depth of 1200 metres. No high conductance targets were identified.

As part of a regional scale structural mapping program around the Sudbury basin, Falconbridge geologist Jerry Grant conducted geological mapping on the Frost Lake Property during the summer of 2003. Several broad zones of Sudbury breccia were identified and some analyses of the Amy Lake Fault has been made, which is discussed in more detail in Section 7.2.3.
In October, 2004, trenching over the 2000 and 2001 Showings exposed several more occurrences of low-sulfide PGE mineralization and provided excellent exposure of strongly recrystallized and partially melted Sudbury breccia textures.

In 2005, an extensive work program that included mapping, sampling, geophysics, trenching, and drilling was completed. This work is described in detail in the previous Technical Report, entitled “December 2005 Technical Report on the Frost Lake Property”.

In 2006, an extensive work program that included mapping, sampling, geophysics and drilling was completed. The work carried out and the results of this work are discussed in Sections 10 and 11.

6. Report Completion Date
The report was completed July 25 2006.

7. References


Dawson, F.W. 1960: Maclennan and Scadding Township; Ontario Department of Mines Map 2009 scale 1:31680.


Quirke, T.T. 1921: Wanapitei Lake Map-area; Geological Survey of Canada, Summary Report, part D.

Thomson, J.E. 1959: Macleman Township; Ontario Geological Survey Preliminary Map No. 52, scale 1 inch to ¼ mile.
Wallbridge Mining Company Ltd.
2005 Capre Footwall Target Drilling
Frost Lake Property
Norman Township, Sudbury

North
250 metres
1:5,000 UTM NAD27, zone 17
WALLBRIDGE MINING COMPANY LIMITED

2005 Frost Lake Property Drill Program

Amy Lake Target, LO+SO N
Capreol Township, Claim S62322
WC-016, Dip -45, 090, 378m

1:2000, UTM NAD27 zone 17
2005 Frost Lake Property Drill Program

Amy Lake Target, LO+00N
Capreol Township, Claim 562322
WC-013, Dip -90, 400m

1:2000, UTM NAD27 zone 17
2005 Frost Lake Property Drill Program

Amy Lake Target, L1+00N
Capreol Township, Claim S62322

WC-014, Dip -45,
270, 200m

WC-017, Dip -45,
090, 200m

1:2000, UTM NAD27 zone 17
2005 Frost Lake Property Drill Program

Amy Lake Target, L4+00N
Capreol Township, Claim S62323
WC-015, Dip -60,
270, 200m

1:2000, UTM NAD27 zone 17