Report on Overburden Sampling

On the

Rick Dickson Property
Claim No. SSM 4218075

Chabanel Township,
Sault Ste. Marie Mining Division, Ontario

By

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March 25, 2010
TABLE OF CONTENTS

Introduction ................................................................................................. 1
Location and Access .................................................................................... 1
Property Description ..................................................................................... 2
Previous Work ............................................................................................. 4
Regional Geology .......................................................................................... 5
Property Geology ........................................................................................... 7
Work Performed and Results .......................................................................... 7
Conclusions and Recommendations ............................................................. 9
References .................................................................................................... 10
Statement of Qualifications ............................................................................ 11

LIST OF FIGURES

Figure 1: Location of Rick Dickson Property ................................................. 2
Figure 2: Diagrammatic Property Location .................................................... 3
Figure 3: Claim Location Map ...................................................................... 4
Figure 4: Regional Geology (after Williams et al., 1991) ................................ 6
Figure 5: Property Geology (after Sage et al., 1992) .................................... 7
Figure 6: Sampling Locations – Rick Dickson Property .............................. 8
Figure 7: Panning Sample 61593 ................................................................. 9

LIST OF TABLES

Table 1: Claim Location Data ..................................................................... 8
INTRODUCTION

A short program consisting of overburden sampling and on-site pan concentration was carried out on October 20, 2009 on the Rick Dickson claim No. 4218075, located approximately eight km northeast of Wawa, Ontario. A total of C$400 is required to be spent on the claim to maintain it. A total of C$3,892.00 was spent to perform the survey outlined in this report.

The work was performed in order to determine if diamond indicator elements were present in basal tills and glaciofluvial sands within the bed of the Magpie River that constitutes the claim, where Lena Creek enters the Property. Lena Creek was the site of the discovery of a gem-quality macrodiamond by a local prospector in 2004; the Magpie River was the site of the discovery of two unquantified macrodiamonds.

Three sites were sampled. At each site, approximately 10 kg of gravels were sampled, screened, and then concentrated by panning to isolate the heavy fraction. Pan concentrates were then analyzed under binocular microscope for kimberlitic indicator elements and/or precious metals and/or semi-precious gemstones.

Sample 61592 showed grains of ilmenite, chromite, purple pyrope garnet grains, and green andesite grains. Sample 61593 returned ilmenite, chromite, purple and red garnet grains, and one grain of gold. The gold grain was rough-edged, and roughly cubic in form with dimensions of 2mm by 1mm. Finally, the heavy fraction of sample 61594 showed grains of red and purple garnets, chromite, ilmenite, grains of andesite, and possible grains of pink sapphire.

The field work was completed by a team comprised of claim owner Rick Dickson and consulting geoscientist Jim Steel MBA P.Geo.

LOCATION AND ACCESS

The property is located (Figure 1) approximately eight km northeast of Wawa, Ontario, on NTS mapsheet 42C/02. The centre of the claim is located at latitude 48° 03’ 31.51 north and longitude 84°44’17.77 west (UTM zone 16U5325240E 668525N at 279m elevation.

Access to the claim is by Hwy 17 some 13 km to the Steephill Dam Road, followed by nine km on good gravel surfaces to the closest access point. The claim is reached by descending an alluvial terrace and walking 200m to the claim boundary at the water’s edge.

The topographic surface is constant at 279m asl.
PROPERTY DESCRIPTION

The property is comprised of one mining claim of one unit, located in the central part of Chabanel Township, Sault Ste. Marie Mining Division, Ontario. The claim number is SSM 4218075. It was staked on 13 March 2008 and recorded on 3 April 2008. The claim requires C$400 of work, and is due on 3 April 2010.

Figure 1: Location of Rick Dickson Property
Figure 2: Diagrammatic Property Location (inset not to scale)
PREVIOUS WORK

The area of the claim has been surprisingly bereft of exploration, with bulk of Chabanel exploration efforts concentrated on areas endowed with the iron formation cap of the Wawa assemblage rocks.

Metcalf (1966) traversed and mapped claim SSM 22714 as part of a larger effort centred on Eleanor and Arliss Lakes. The study noted a predominance of glacial gravel cover with the claim postulated to be the floor of Pleistocene Lake Algoquin. No outcrops were mentioned.

Murdoch (1972) describes a sampling program of two sulphide vein occurrences, the nearest of which was located <100m to the south of the southern boundary of the Rick Dickson claim. With very low gold values noted, Murdoch (1972, p1) described the results as 'not interesting'.

In 1993, the Ontario Geological Survey undertook a till/overburden sampling program in the general area of the claims, to test for kimberlitic indicator elements and gold. Some 250 samples were taken and analyzed. The nearest sample relevant to the Rick Dickson claim was located approximately 1.8 km upstream; results gave some kimberlitic indicators (Morris et. al, 1994).

In 2002, a local prospector, following up on the OGS survey, discovered two macrodiamonds in the Magpie River and a 1.39 ct gem-quality diamond from Lena Creek. While the exact location is not known, it is estimated that the Magpie River discovery was from gravels a short distance to the north of the Rick Dickson property on what now constitutes Lands for Life terrain (J.
Leadbetter, pers. comm.) The best estimate of the location of the macrodiamond discovery is approximately 385m upstream from where Lena Creek meets the Rick Dickson claim.

REGIONAL GEOLOGY

The claim is located within the Michipicoten Greenstone Belt of the Wawa Subprovince of the Superior Province of the Canadian Shield. The Michipicoten Greenstone Belt is divided into three assemblages – the Hawk, the Wawa, and the Catfish assemblages in stratigraphic order. (Figure 4; next page)

The Hawk assemblage shows a series of pillowed and massive komatiites, felsic tuff and tuff breccia, with metasedimentary rocks at the top of the section with a caprock of iron formation.

The Wawa assemblage overlies the Hawk assemblage and consists of massive and pillowed tholeiites overlain by tuffaceous rocks capped by a massive section of iron formation. The iron formation consists of massive siderite overlain gradationally by massive pyrite and pyrrhotite, in turn in gradational contact with chert-magnetite wacke and siliceous, graphitic, pyritic argillite. It is this unit that hosts the iron ranges of the Wawa area and in which are found all previously mined iron deposits.

The Catfish assemblage overlies the Wawa assemblage and is the most prominent unit in the Michipicoten Greenstone Belt (Williams et. al., 1991, p499). The basal units of the Catfish assemblage mimic those of the Wawa assemblage with massive and pillowed tholeiitic flows, conformably underlying sediments and intermediate to felsic volcanic rocks, consisting largely of tuff, quartz-crystal tuff, lapilli tuff, and coarse breccia, in order of stratigraphic abundance.

Alteration consist of a consistent chlorite overprinting all units in the Michipicoten Greenstone Belt, with local occurrences of tourmalinization. Carbonatization affects all units in the central part of the Belt, most notably in the Wawa assemblage rocks.

Structurally, the Michipicoten Greenstone Belt is seen as a regional scale recumbent fold refolded over upright F2 folds, and cut by imbricate thrust faults associated with the F2 event (ibid, p503)
Figure 4: Regional Geology (after Williams et. al. 1991)
PROPERTY GEOLOGY

There is no outcrop on the claim. Mapping by Sage (1992), Figure 5, in the area suggests that bedrock geology is composed of Unit 2 mafic and intermediate metavolcanics with the potential for lithologies of Unit 4 clastic metasediments. This would be in keeping with the expected stratigraphy from the Catfish assemblage of the Michipicoten Greenstone Belt.

Boulders and pebbles at the outflow of Lena Creek into the Magpie River show fine and medium grained andesite; other lithologies were not seen in the sampling program.

The Magpie Fault follows the bed of the Magpie River south of the Rick Dickson claim and is not visible. Rather, it is inferred from differing structural fabrics seen in outcrop on hanging- and footwall faces, and as such, may be a zone of pronounced shearing rather than a true fault line (Sage, 1993, p165).

Figure 5: Property Geology & Environs (after Sage et al., 1992)

WORK PERFORMED AND RESULTS

Samples of approximately 10 kg were taken of gravels from one metre into the Magpie River along the outflow profile of Lena Creek (Figure 6.) First, samples were screened for boulders and coarse pebbles through a 2 inch plastic mesh screen and then washed. Smaller pebbles were and coarse gravel was removed by hand after a thorough washing.
Samples were then panned down to isolate the heavy fraction, which was then transferred to a ziploc bag with the water in the pan. Once the heavy fraction had settled out, the water was decanted out. This process was repeated as many times as was necessary to generate at least 250 g of heavies.

Table 1: Claim Location Data

<table>
<thead>
<tr>
<th>Samples</th>
<th>Easting (m)</th>
<th>Northing (m)</th>
<th>Elevation (m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>61592</td>
<td>668524</td>
<td>5325266</td>
<td>279</td>
</tr>
<tr>
<td>61593</td>
<td>668516</td>
<td>5325250</td>
<td>279</td>
</tr>
<tr>
<td>61594</td>
<td>668519</td>
<td>5325229</td>
<td>279</td>
</tr>
</tbody>
</table>

Samples were air-dried, and evaluated under a binocular microscope. As the focus of this program was to gain an appreciation of the variety of diamond indicator elements and/or precious metals and/or semi-precious stones, counts were not conducted. Rather, representative samples of minerals were placed into separate containers in the event further analysis is considered.
RESULTS

Sample 61592 returned grains of ilmenite, chromite, purple pyrope garnets, and green andesite grains.

Sample 61593 returned grains of ilmenite, chromite, purple and red pyrope garnets and one grain of gold. This grain measured 2mm by 1mm; was shaped in a rough cubic form, with rough serrated edges.

CONCLUSIONS AND RECOMMENDATIONS

The 2010 overburden sampling program, albeit brief, did serve to highlight the presence of kimberlitic indicator elements, gold, and potential sapphire grains in riverbed gravels on the Rick Dickson claim.
Further work is recommended; this would consist of prospecting glaciofluvial gravels where accessible on both sides of the river, as well as sample collection from elsewhere on the claim when water levels permit.

REFERENCES


STATEMENT OF QUALIFICATIONS

I, James S. Steel of 2500-120 Adelaide Street West, Toronto, Ontario M5H-1T1, do hereby certify that:

1. I am a practising member of the Association of Professional Geoscientists of Ontario No. 0487 and am the Chairman of the Registration Committee of the Association of Professional Geoscientists of Ontario.

2. I am a graduate of the University of British Columbia with a Bachelor of Science (Geology) Degree, 1984, and of the London Business School with a Master of Business Administration Degree, 1994.

3. I am a Canadian citizen.

4. I have been employed as an exploration geoscientist, production geoscientist, geoscientific analyst and mining/exploration equity portfolio manager since 1984 and have worked primarily in Ontario, British Columbia, and overseas since that time.

Dated this 25 day of March, 2010

James S. Steel MBA P.Geo.