2.47164

REPORT

ON

Interim Report on Line-cutting and Magnetic Profiles of Selected Drill Targets

(January 2011)

Eby-Kirkland Property.

Eby and Otto Townships
Larder Lake Mining Division
North-eastern Ontario

NTS
42A/1

UTM
Grid Zone 17
Nad 83
0564000mE, 5326500mN

For

Douglas Robinson
&
James Reed

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Table of Contents

1.0 SUMMARY 3
2.0 LOCATION AND ACCESS 3
3.0 The Property 3
4.0 PHYSIOGRAPHY AND VEGETATION 4
5.0 PROPERTY GEOLOGY 4
6.0 HISTORICAL WORK 4
7.0 CURRENT WORK 5
8.0 OBSERVATIONS AND RESULTS 5
9.0 RECOMMENDATIONS 6
10.0 REFERENCES 6

LIST OF TABLES & FIGURES

Property Location Map - North-eastern Ontario

Property Location Map - Kirkland Lake Area

Grid Map Showing Magnetometer Survey Lines

Claim Map

Magnetic Total Field Strength Profiles Scale 1:5000

25+00E 150S 375N

27+00E 250S 450N

43+00E 000N 475N

43+50E 000N 475N

NCL Eby 3600E 4000E

NLC Otto 4000E 4350E

Other

Specifications: Scintrex Envi-Mag

1.0 SUMMARY

The owners have identified a variety of proposed drill targets. Selected drill targets were prioritised for magnetic surveys to facilitate correlation of proposed drill hole magnetic signature with the surface magnetic signature. Grid lines from the 1994-1997 grids were re-established to accommodate the total magnetic surveys.

2.0 LOCATION AND ACCESS

The property locations referenced in this report and appendices are identified using Nad 83 UTM coordinates. The property is located at UTM Zone 17, Nad 83, 0564000mE, 5326500mN, in the south-central portion of NTS Map Sheet 42 A/1.

The property is best accessed from Highway 66 at a point.3 km east of the intersection of highways 11 and 66. At this point, park on the wide shoulder of the road at a large rusty gossan outcrop. Walk 400m south along the overgrown (cut) township line to the #1 post of claim 1187002. The township boundary marker is approximately 100m west of the township line.

3.0 The Property

The property consists of 11 claims consisting of 15 claim units (8 leased 7 staked) in Eby (plan M-345) and Otto (plan 379) Townships.

Claim	Units	Location
532929	1	NE1/4, S1/2 Lot 3, Conc. VI, Eby Tp. Lease 106013. MNDM#: G8000813
532930	1	NW1/4, S1/2 Lot 3, Conc. VI, Eby Tp. Lease 106013. MNDM#: G8000813
1242292	1	SE1/4 , S1/2 Lot 2, Conc. VI, Eby Tp.
1186975	2	W1/2, S1/2 Lot 2, Conc. VI, Eby Tp.
1187002	4	S1/2 Lot 1, Conc. VI, Eby Tp. Bank W9980.00451 $11,070. Bank W9680.00457 $ 1,690.
532924	1	NW1/4, N1/2 lot 1, Conc. VI, Eby Tp. Lease 106011. MNDM#: G8000814
532925	1	NW1/4, N1/2 lot 1, Conc. VI, Eby Tp. Lease 106011. MNDM#: G8000814
475258	1	NW1/4, S1/2 lot 12, Conc. VI, Otto Tp. Lease 106732. MNDM#: G8000296
475259	1	NE1/4, S1/2 lot 12, Conc. VI, Otto Tp. Lease 106732. MNDM#: G8000296
475260	1	SE1/4, S1/2 lot 12, Conc. VI, Otto Tp. Lease 106732. MNDM#: G8000296
475261	1	SW1/4, S1/2 lot 12, Conc. VI, Otto Tp. Lease 106732. MNDM#: G8000296

Total	**15**

The property is held variously by Douglas Robinson, Betty Robinson, James Reed, Emile Reed, Nathaniel Reed and Charles Reed. The property has been jointly explored with a common grid and a common work program.

4.0 PHYSIOGRAPHY AND VEGETATION

The property is moderate outcrop relief with balsam fir, black spruce, poplar, white cedar, and alders. Much of the property is thick balsam fir growth replacing spruce budworm kill dating to the 1980 to early 1990's. The south part of the property in Otto township has been clear cut.

5.0 PROPERTY GEOLOGY

The project searches for gold, however Pt and Pd are historically found in the country rocks including the Otto Stock to the south of the property (Pt & Pd identified by MNDMF field mapping).

The property is located in a differentiated mafic intrusive consisting of a rock suite that ranges from anothositic gabbro to quartz bearing phases. The more felsic members have a strong pervasive chlorite/calcite alteration with relict, glassy quartz grains. The pervasive chlorite/calcite alteration is overprinted by Fe-carbonate/sericite alteration, associated with the complex structural overprint of the Larder Lake Deformation Zone. The Larder Lake - Cadillac Deformation Zones hosts the gold deposits of Kirkland Lake, Larder Lake, Cadillac, Milartic and Val d'Or gold camps.

The deformation zone includes strong 080-090° controlling faults located within 50 meters of the base line, three Riedel cross structures oriented at approximately 135° (marked by strong Fe-carbonate alteration), and quartz and quartz-Fe-carbonate veins (080-090°) that appear to occur in the country rock proximal to the fault structures. Other structural trends are inferred as shown on the maps.

6.0 HISTORICAL WORK

Little work was reported prior to ownership by James Reed. Prior to 1994 the property was explored by James Reed and parts were brought to lease. Since 1994, the property is held variously by Douglas Robinson, Betty Robinson, James Reed, Emile Reed, Nathaniel Reed and Charles Reed. Since the property has been jointly explored with a common grid and exploration program involving WalkMag, MaxMin surveys and detailed mapping conducted by and under the supervision of geologist, Douglas Robinson, P. Eng.

The grid was cut and exploration performed in 1994-97. The magnetic survey was one of the very early times WalkMag was performed for mineral exploration. The original data is not available and process has improved significantly since that time.

7.0 CURRENT WORK

Grid-magnetometer work commenced June 10, 2010 and was completed January 5, 2011. The lines were overcut and on the original 1994-1997 grid lines. The lines were re-chained using a Field Ranger hip chain. Some original pickets were identified.

Lines 25+00E and 27+00E were surveyed January 5, 2011. Snow was shallow and outcrops and boulders were locally exposed. No snowshoes were used, these lines were pre-walked and brushed out to facilitate clean data acquisition. These lines were surveyed from north to south and resurveyed from south to north. 20 nT were added to the plot of the resurveyed lines to allow identification and verification of the separate profiles. WalkMag data can be noisy thus the verification survey verifies the validity of short wavelength portion of the magnetic signature.

A Scintrex Envi-Magnetic WalkMag was used in a 2 second WalkMag Mode. 0.5 and 1 second modes are available, but render noisier data.

Grid - Magnetometer Surveys 2010-2011

Line	From		To		Meters
25+00E	150	S	375	N	525
27+00E	250	S	450	N	700
43+00E	000	N	475	N	475
43+50E	000	N	475	N	475
NCL Eby	3600	E	4000	E	400
NLC Otto	4000	E	4350	E	350
		E		E	2925

NCL = North Claim Line

The surveys are plotted as profile format which is un-filtered, natural data. Contouring is a filter and resolution is lost that is critical to planning and evaluating drill targets and drill results.

Selected drill targets were prioritised for magnetic surveys to facilitate correlation of proposed drill hole magnetic signatures with the surface signature of the bedrock.

8.0 OBSERVATIONS AND RESULTS

The magnetic signature is reported in profile format. This author has found profile format is the best presentation for correlation of surface magnetic signature with the drill hole signature. A magnetic anomaly located at 4180E to 4285E has a profile expected from a kimberlite pipe. The west edge of this anomaly corresponds directly to the east edge of an outcrop. The anomaly is swamp.

Lines 4300E and 4350E were selected as type lines to test for gold. The surveys of these lines and north claim line are valuable assets to evaluate drill targets.

9.0 RECOMMENDATIONS

Similar magnetic surveys should be performed as part of drill hole planning. If drilling intersects significant mineralization or geology, similar magnetic surveys should be conducted to trace those features.

10.0 REFERENCES

MERQ-OGS

1983: Lithostratigraphic map of the Abitibi Subprovince; Ontario Geological Survey/Ministry de l'Energie et des Ressources, Quebec; 1:5000 000; catalogued as "Map 2484" in Ontario and "DV 83-16" in Quebec.

2000 Ayer, J.A., and Trowell, N.F. 2000. Geological compilation of the Kirkland Lake Area, Abitibi greenstone belt: Ontario Geological Survey, Preliminary Map P.3425, scale 1:100000.

CERTIFICATE OF QUALIFICATIONS

I, Douglas Robinson, of 24 Victoria Avenue, Swastika, Ontario hereby certify that:

1. I am a registered professional Engineer of the province of Ontario, No. 39322011.

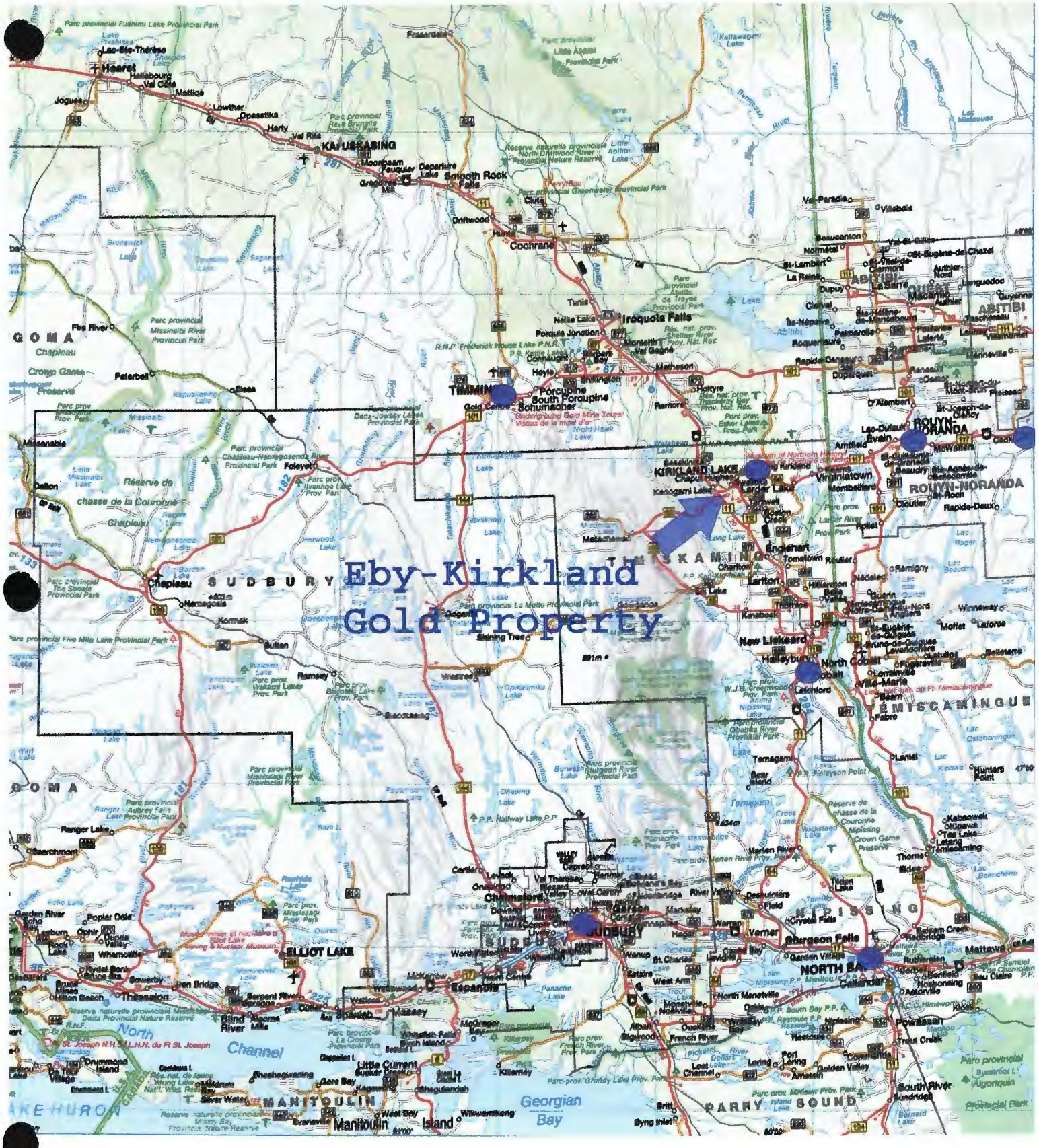
2. I am a graduate of Queen's University in Kingston Ontario with an Honours Bachelor of Science, Geological Engineering 1975, and
Northern College, School of Mines in Haileybury, Ontario, 1970.

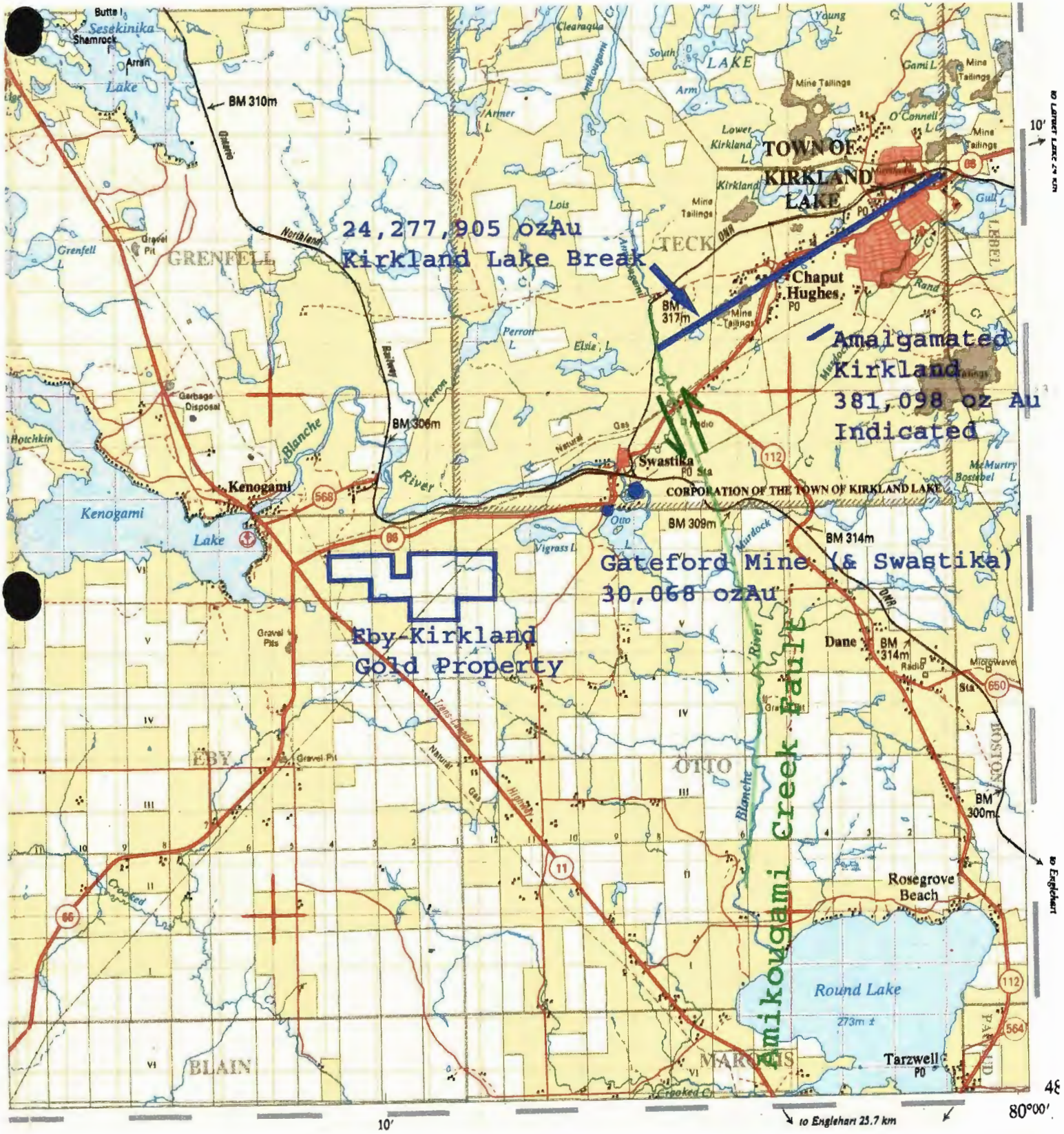
3. I have been practising my profession since graduation.

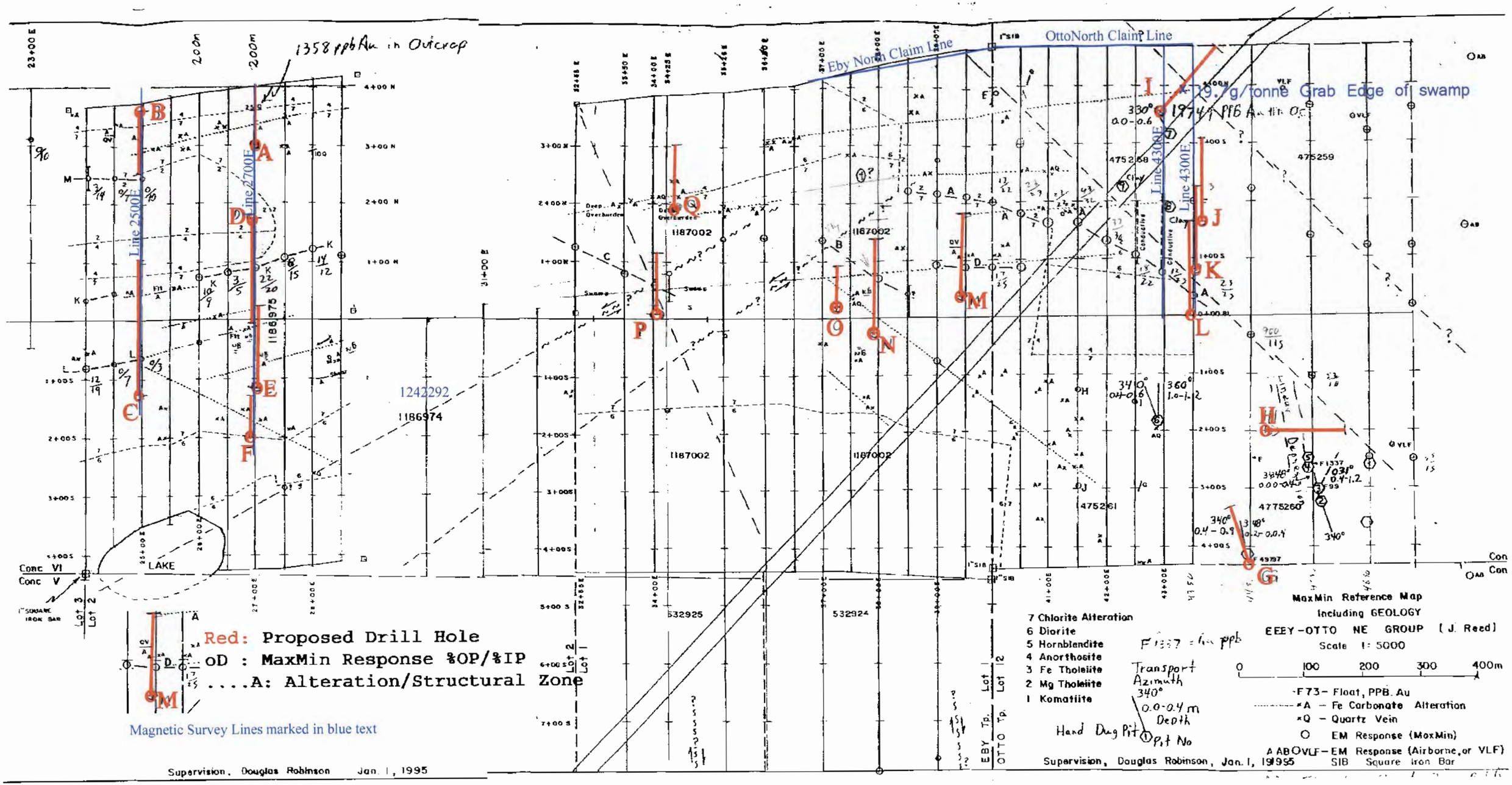
4. The information contained in this report is the result of work done by myself and the references cited.

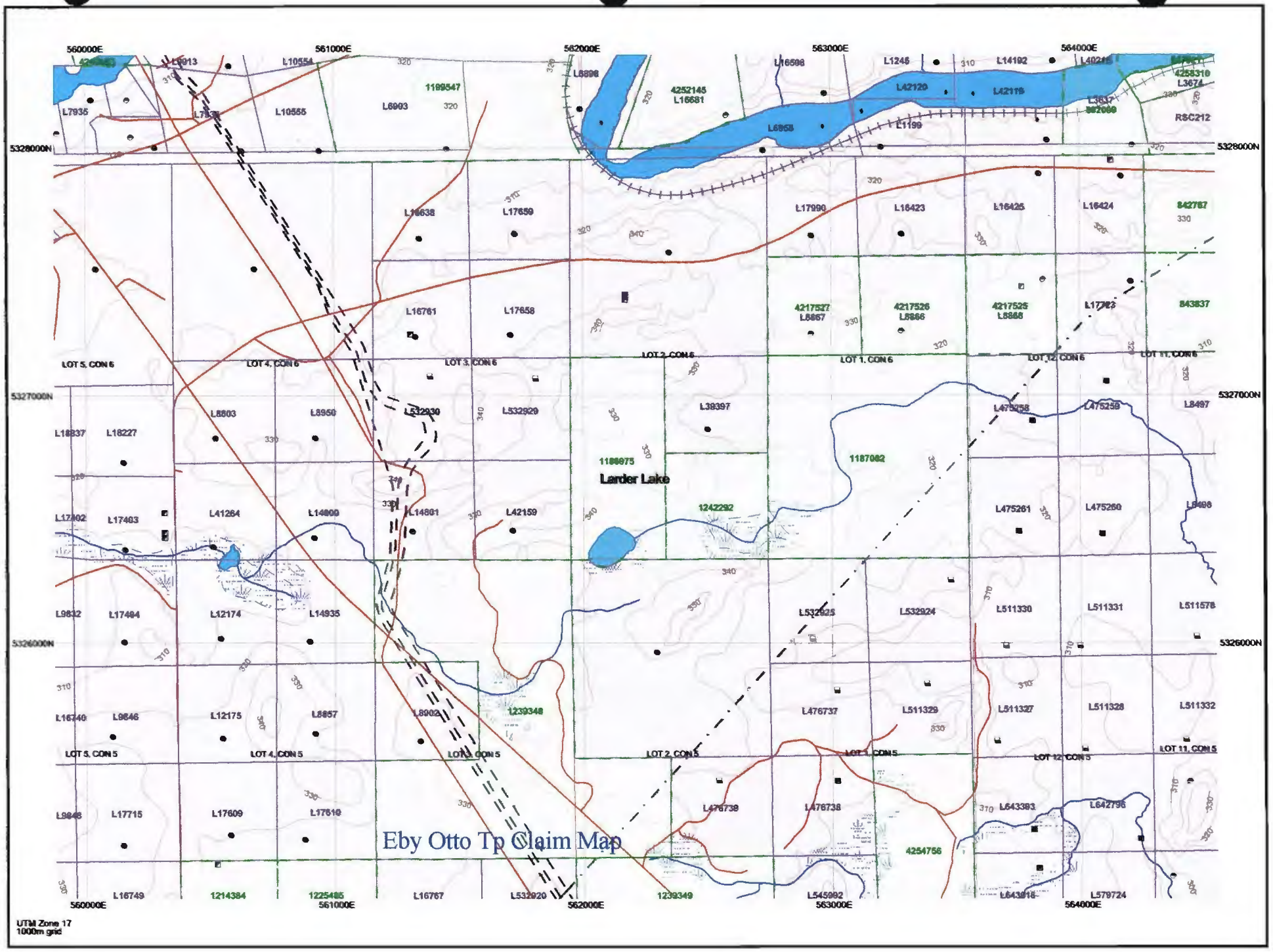
Respectfully submitted

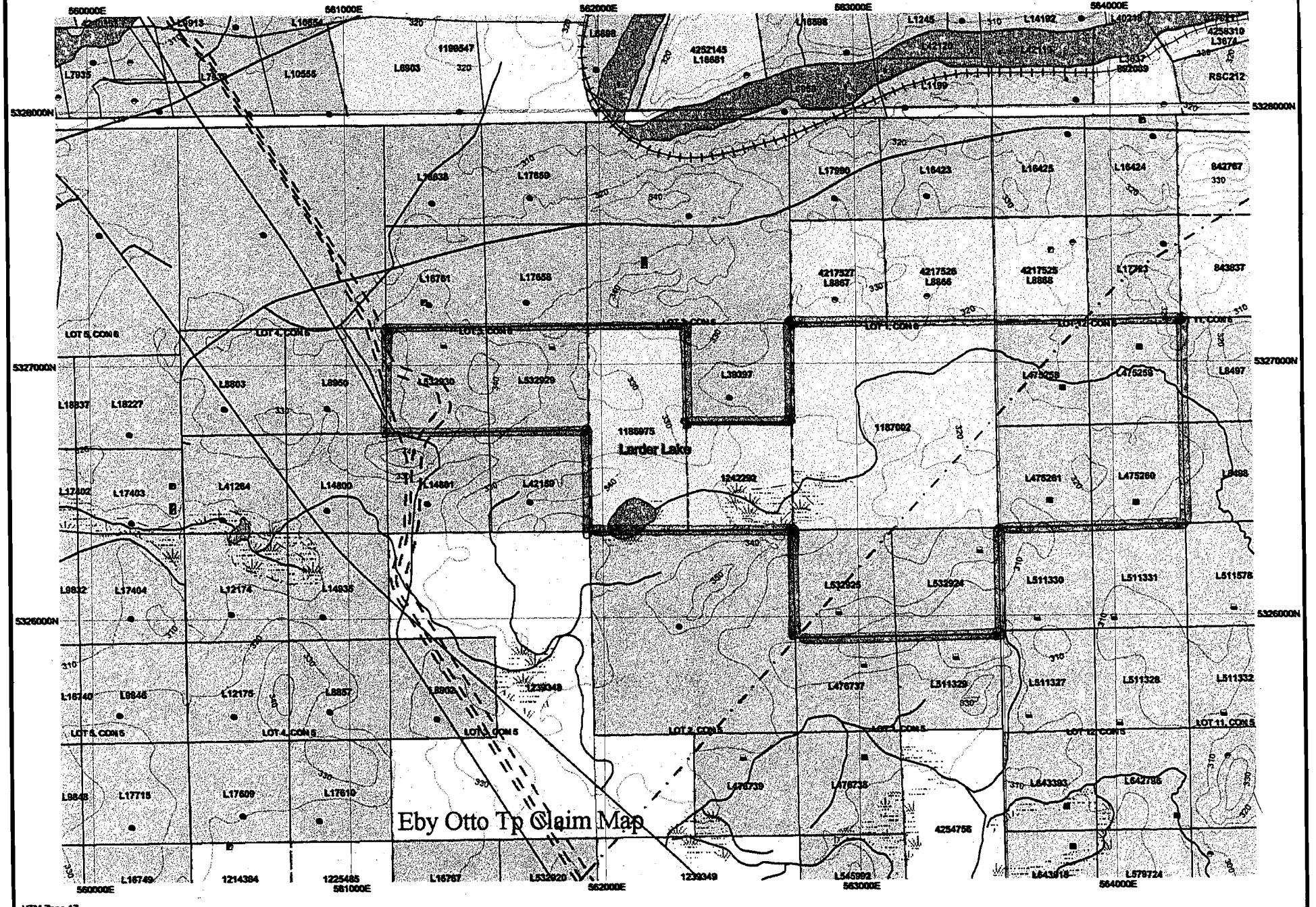
Douglas Robinson, P. Eng.
January 6, 2011

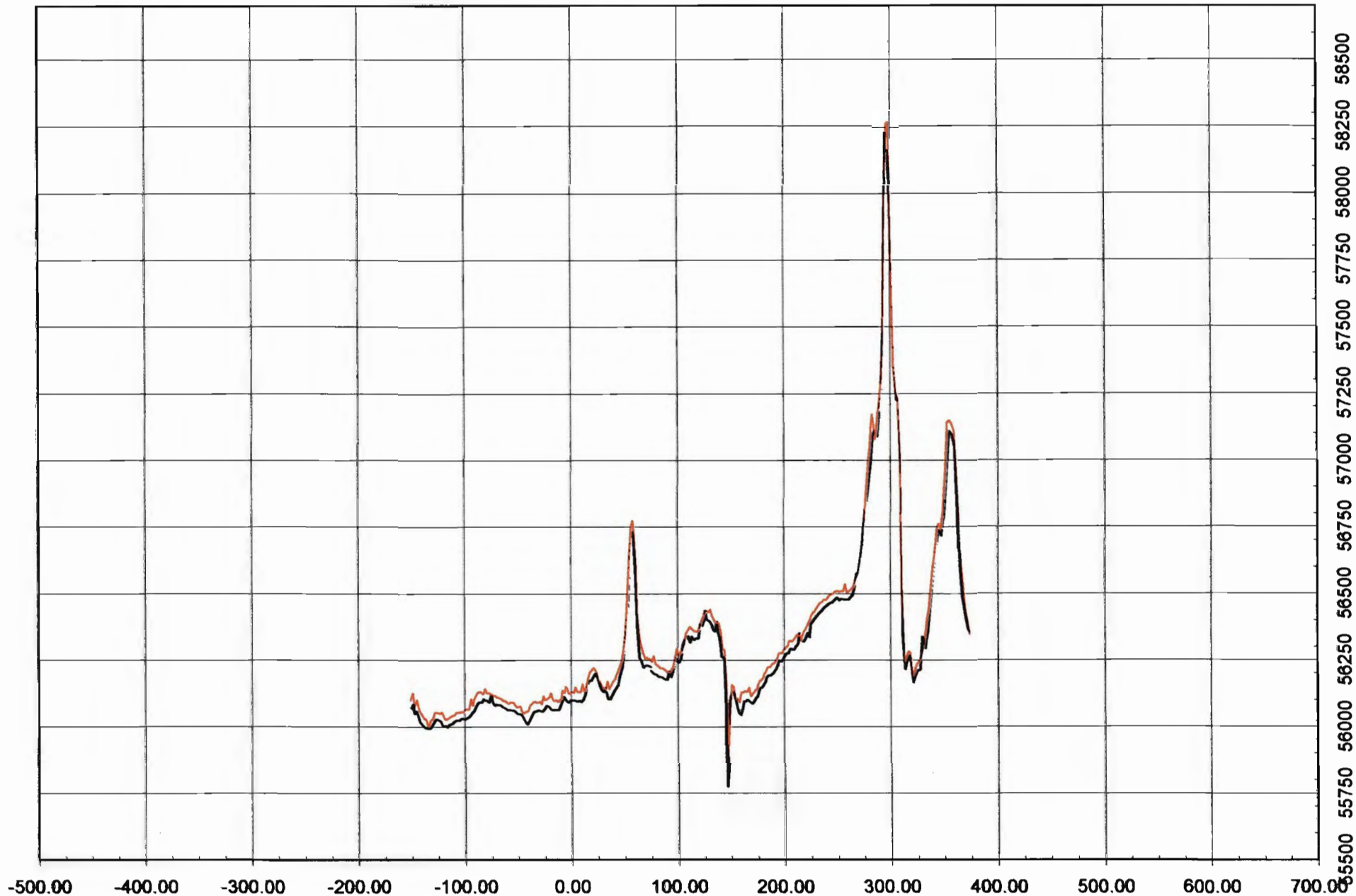

Eby-Kirkland
Gold Property
KIRKLAND LAKE
TIMMINS
KAPUSKASING
Iroquois Falls
Cochrane
SUDBURY
ELLIOT LAKE
NORTH BAY
New Liskeard
Haileybury
Englehart
Hearst
Chapleau
Manitoulin Island
Georgian Bay
Lake Huron
Channel
GOMA
ROUYN-NORANDA
ABITIBI
ABITIBI-OUEST
TÉMISCAMINGUE
NIPISSING
PARRY SOUND


24,277,905 ozAu
Kirkland Lake Break
Amalgamated
Kirkland
381,098 oz Au
Indicated
Gateford Mine (& Swastika)
30,068 ozAu
Eby-Kirkland
Gold Property
Amikougami Creek Fault
TOWN OF
KIRKLAND
LAKE
Swastika
Kenogami
Kenogami
Lake
Round Lake
Rosegrove
Beach
Tarzwell
Dane
Chaput
Hughes
EBY
OTTO
BLAIN
GRENFELL
BM 310m
BM 306m
BM 317m
BM 309m
BM 314m
BM 300m
CORPORATION OF THE TOWN OF KIRKLAND LAKE
to Englehart 25.7 km
80°00'


1358 ppb Au in Outcrop
200m
200m
Eby North Claim Line
OttoNorth Claim Line
Line 2500E
Line 2700E
Line 4300E
Line 4300E
1186975
1242292
1186974
1187002
1187002
1187002
532925
532924
LAKE
Conc VI
Conc V
Lot 3
Lot 2
Lot 2
Lot 1
Lot 1
Lot 12
EBY Tp.
OTTO Tp.
Red: Proposed Drill Hole
oD : MaxMin Response %OP/%IP
....A: Alteration/Structural Zone
Magnetic Survey Lines marked in blue text
Supervision, Douglas Robinson Jan. 1, 1995
19.7g/tonne Grab Edge of swamp
MaxMin Reference Map
Including GEOLOGY
EEEY-OTTO NE GROUP [J. Reed]
Scale 1: 5000
7 Chlorite Alteration
6 Diorite
5 Hornblendite
4 Anorthosite
3 Fe Tholeiite
2 Mg Tholeiite
1 Komatiite
F73 = Float, PPB. Au
A – Fe Carbonate Alteration
Q – Quartz Vein
EM Response (MaxMin)
AB VLF – EM Response (Airborne, or VLF)
SIB Square Iron Bar
Transport Azimuth
340°
0.0-0.4 m Depth
Hand Dug Pit
Pit No
Supervision, Douglas Robinson, Jan. 1, 1995


Eby Otto Tp Claim Map
Larder Lake
560000E
561000E
562000E
563000E
564000E
5328000N
5327000N
5326000N
LOT 5, CON 6
LOT 4, CON 6
LOT 3, CON 6
LOT 2, CON 6
LOT 1, CON 6
LOT 12, CON 6
LOT 11, CON 6
LOT 5, CON 5
LOT 4, CON 5
LOT 3, CON 5
LOT 2, CON 5
LOT 1, CON 5
LOT 12, CON 5
LOT 11, CON 5
UTM Zone 17
1000m grid


Eby Otto Tp Claim Map
Larder Lake
560000E
561000E
562000E
563000E
564000E
5328000N
5327000N
5326000N
LOT 5, CON 6
LOT 4, CON 6
LOT 3, CON 6
LOT 2, CON 6
LOT 1, CON 6
LOT 12, CON 6
LOT 11, CON 6
LOT 5, CON 5
LOT 4, CON 5
LOT 3, CON 5
LOT 2, CON 5
LOT 1, CON 5
LOT 12, CON 5
LOT 11, CON 5
UTM Zone 17
1000m grid



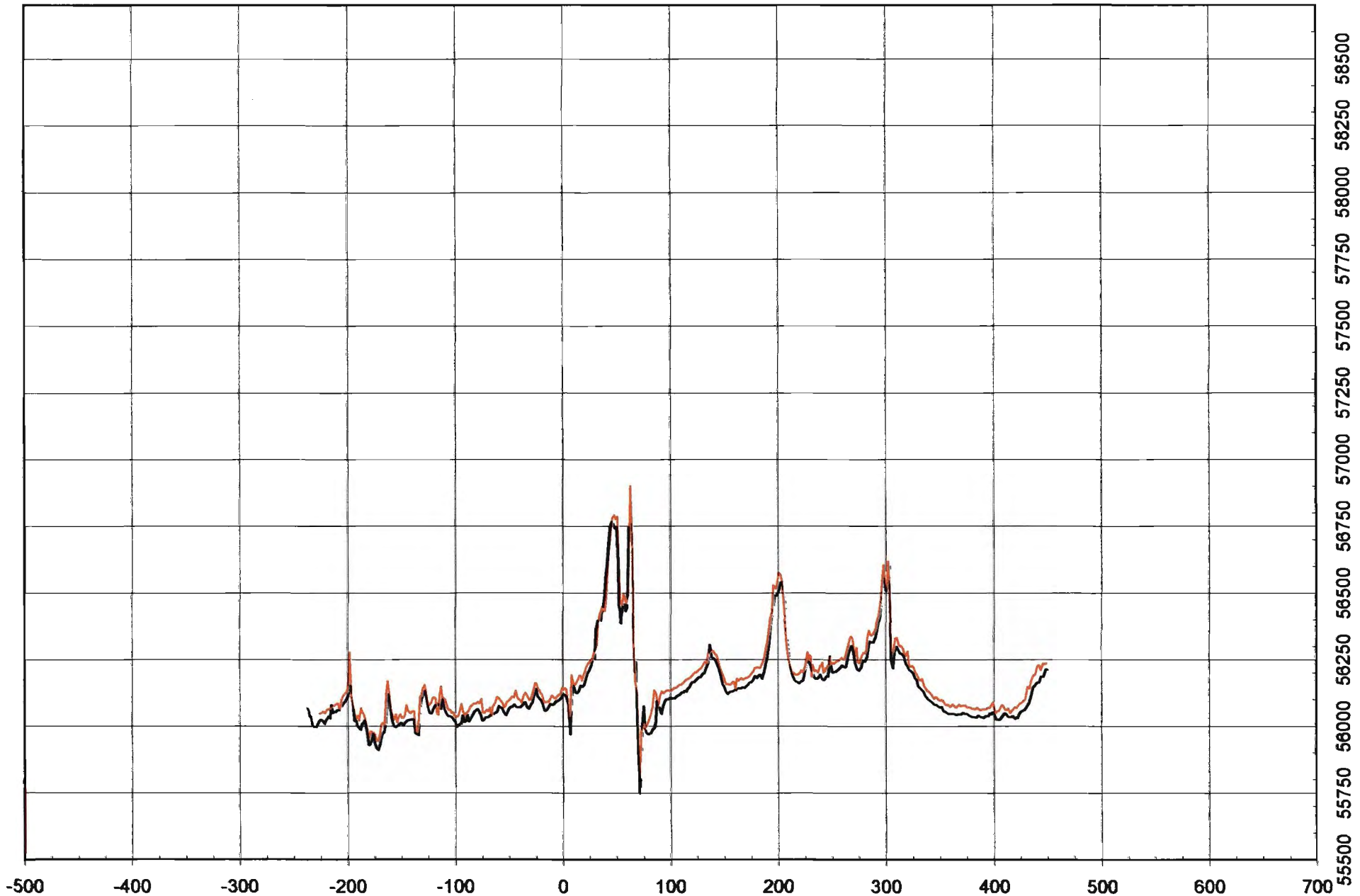
Total Magnetic Field Strength (200nT/cm)

Eby-Kirkland Grid: Eby Tp. Line 25+00E

1:5000 Scale (Red = duplicate traverse +20nT)

Eby-Kirkland E 2500E

CHART



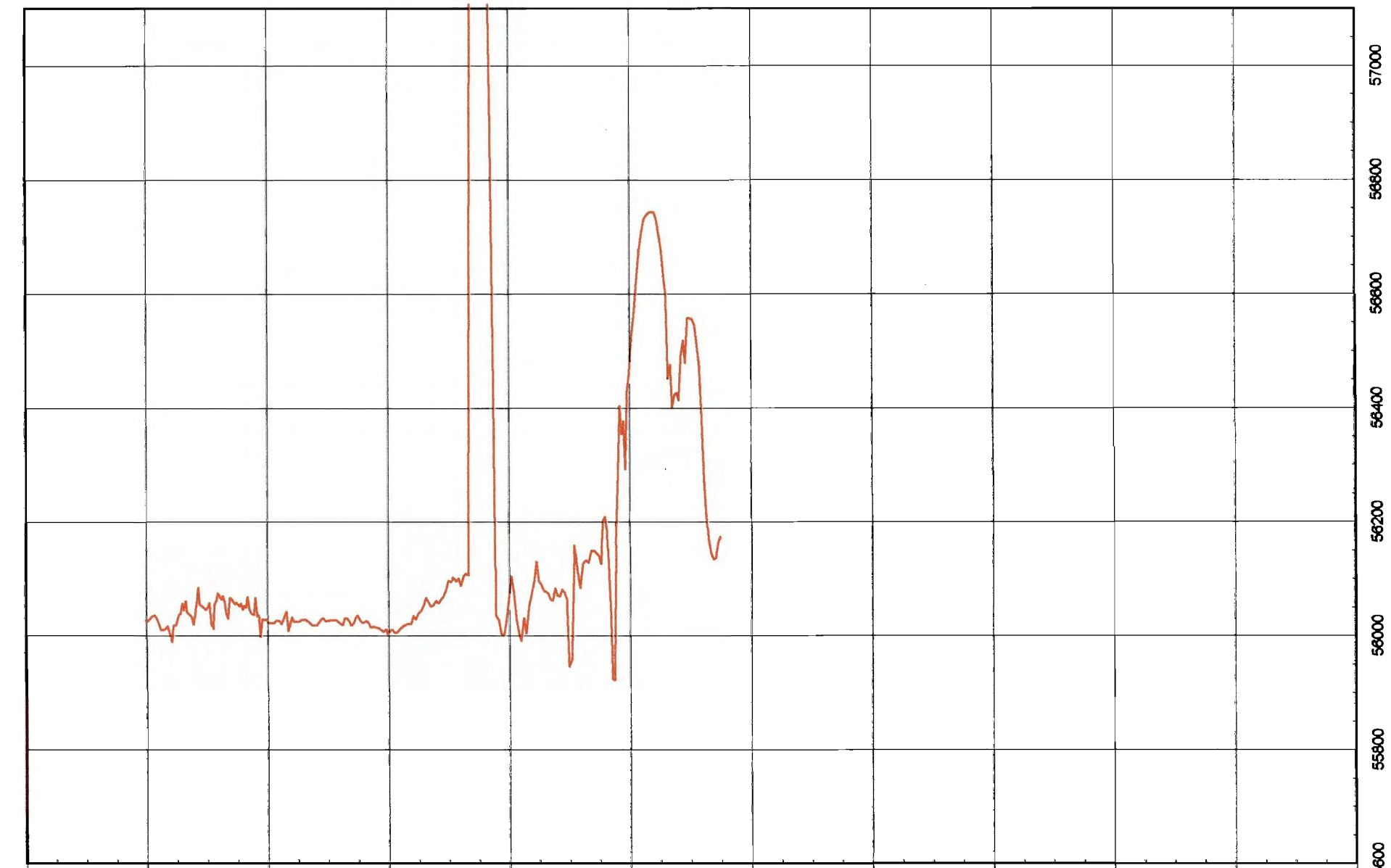
Total Magnetic Field Strength (200nT/cm)

Eby-Kirkland Grid: Eby Tp. Line 27+00E

1:5000 Scale (Red = duplicate traverse +20nT)

Eby-Kirkland E 2700E

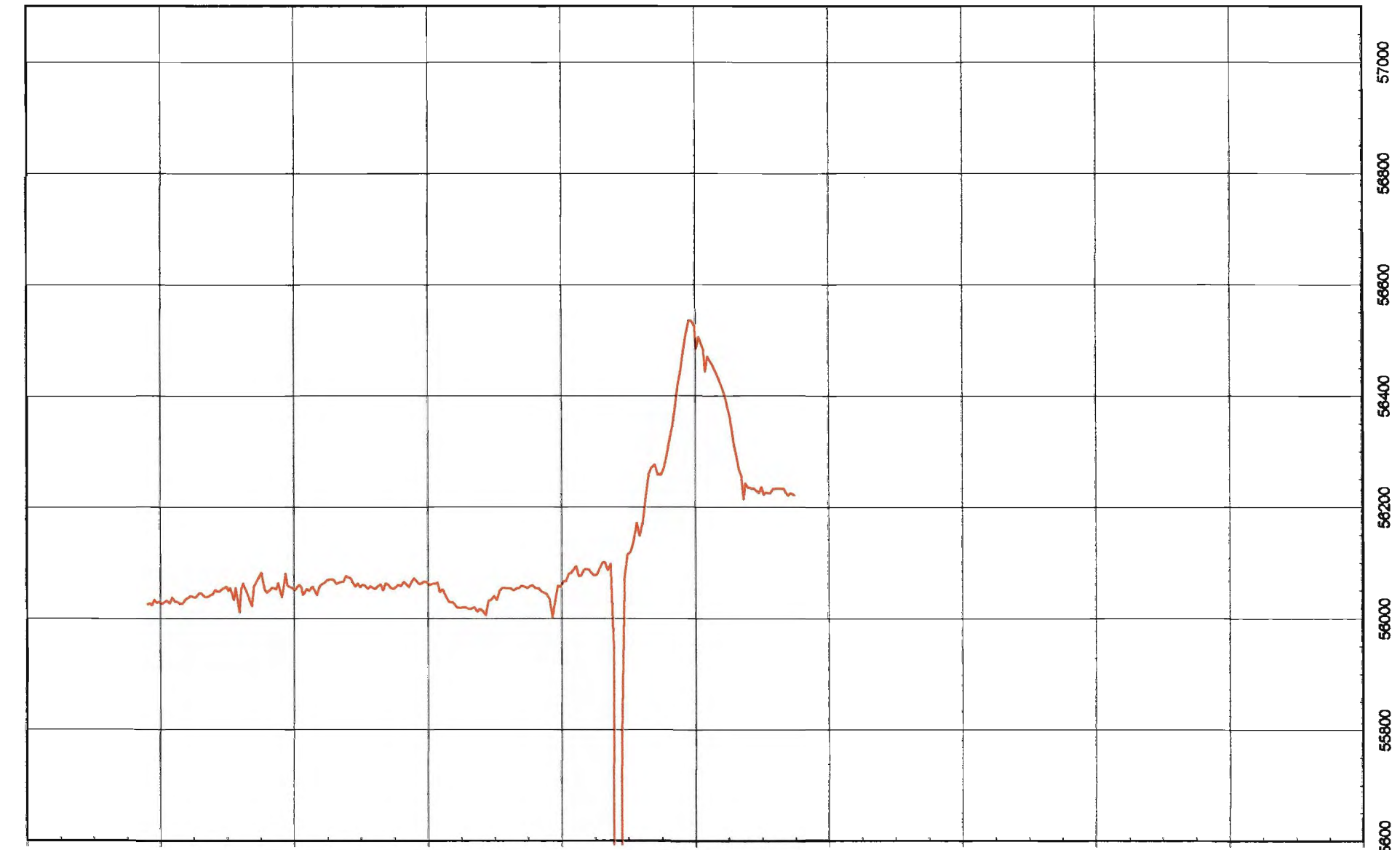
CHART



Total Magnetic Field Strength (100nT/cm)

Eby-Kirkland Grid - Otto Tp. - Line 43+00 E (0-125 Poor line)

1:2500 Scale

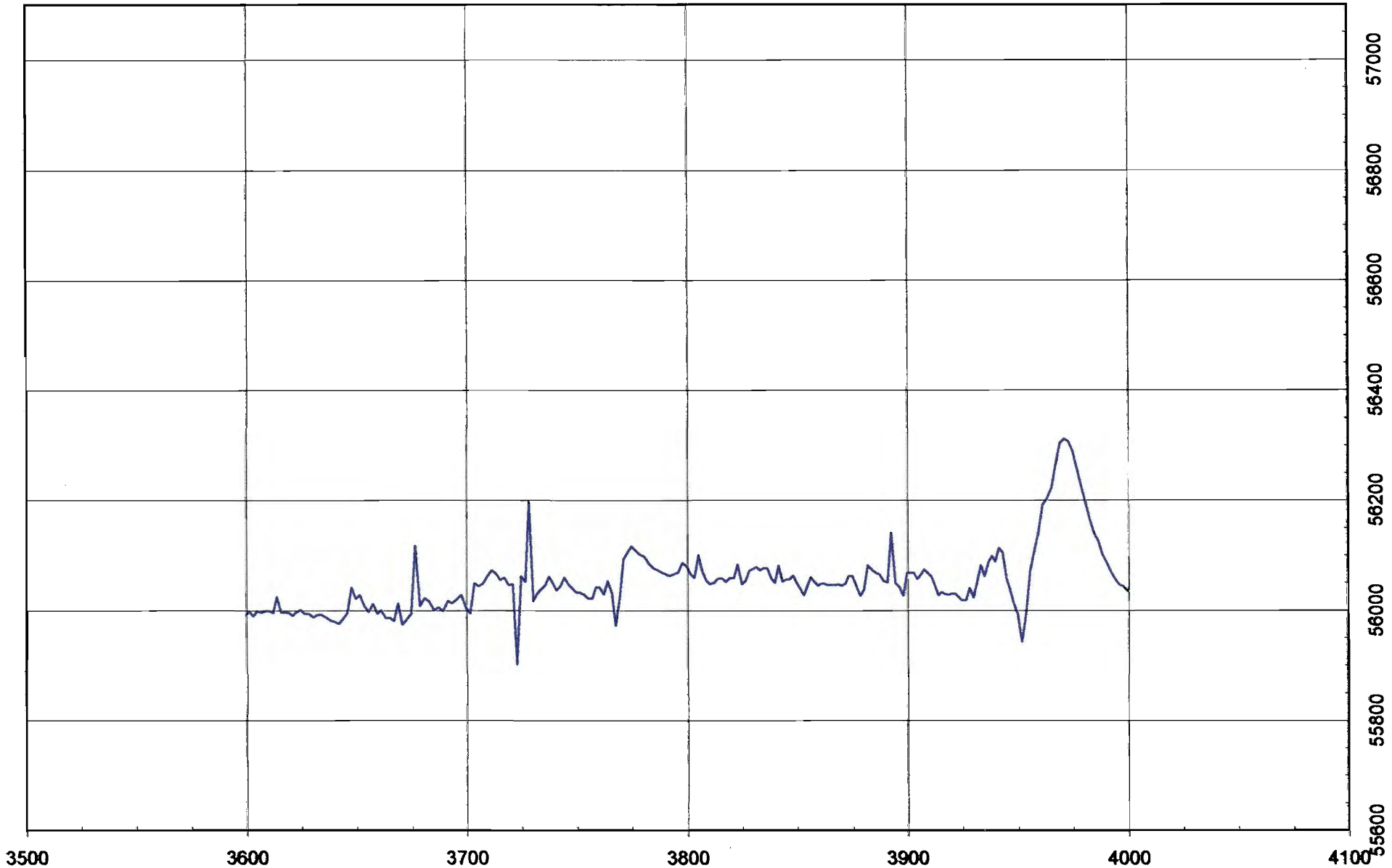


Total Magnetic Field Strength (100nT/cm)

Eby-Kirkland Grid: Eby Otto Tp. - Line 4350E

1:2500 Scale

Eby Otto Reed E 4350E



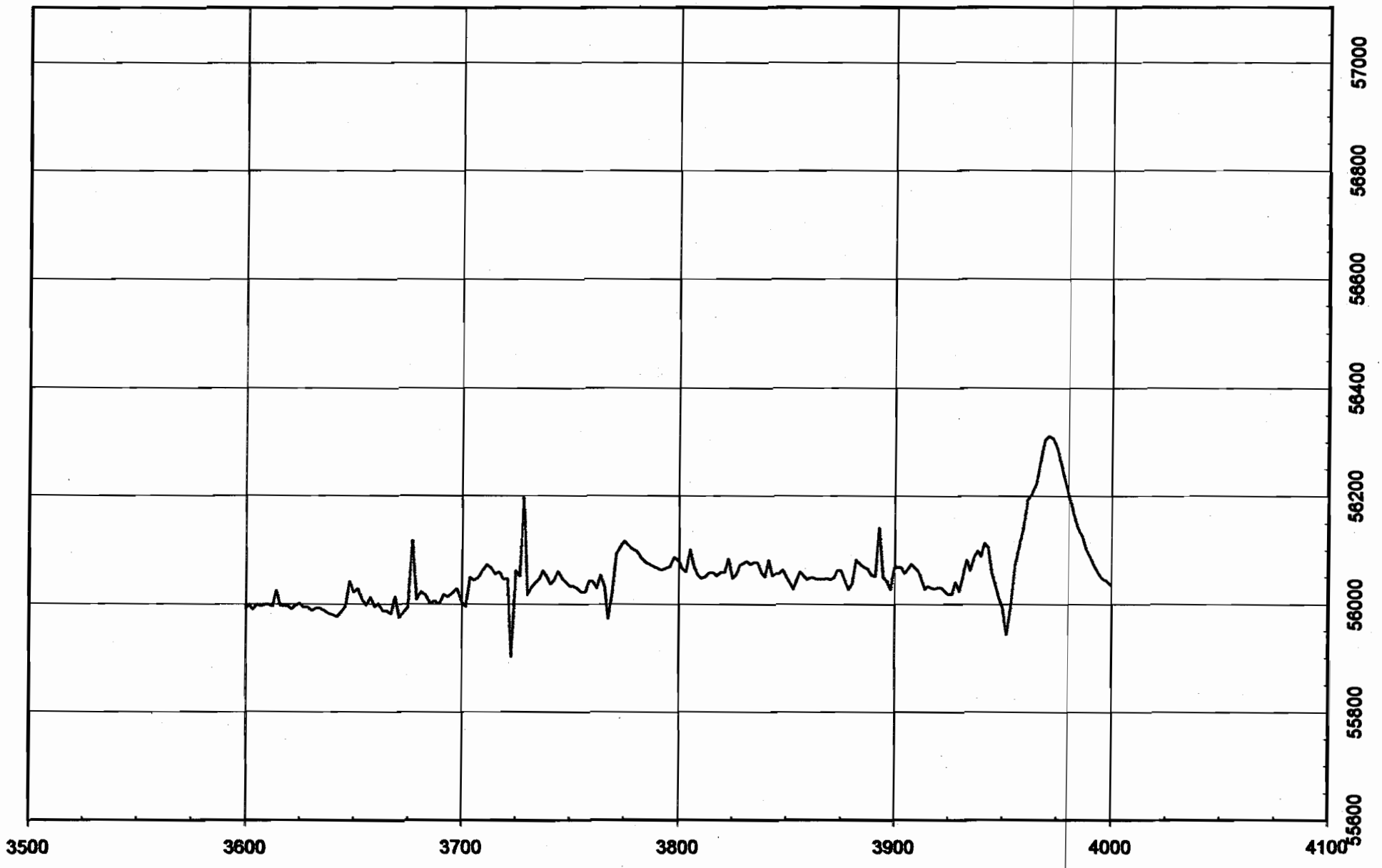
Total Magnetic Field Strength (100nT/cm)

Eby-Kirkland Grid - Eby Tp. - North Claim Line

1:2500 Scale

Eby-Kirkland Eby N Claim Line

Chart Prime



Total Magnetic Field Strength (100nT/cm)

Eby-Kirkland Grid - Eby Tp. - North Claim Line

1:2500 Scale

Ebv-Kirkland Eby N Claim Line

Chart Prime

SCINTREX

ENVI-MAG Environmental Magnetometer/Gradiometer

Locating Buried Drums and Tanks?

The NEW ENVI-MAG is the solution to this environmental problem. ENVI-MAG is an inexpensive, lightweight, portable "WALKMAG" which enables you to survey large areas quickly and accurately.

ENVI-MAG is a portable, proton precession magnetometer and/or gradiometer, for geotechnical, archaeological and environmental applications where high production, fast count rate and high sensitivity are required. It may also be used for other applications, such as mineral exploration, and may be configured as a total-field magnetometer, a vertical gradiometer or as a base station.

The ENVI-MAG

- easily detects buried drums to depths of 10 feet or more
- more sensitive to the steel of a buried drum than EM or radar
- much less expensive than EM or radar
- survey productivity much higher than with EM or radar

Main features include:

- select sampling rates as fast as 2 times per second
- "WALKMAG" mode for rapid acquisition of data
- large internal memory, expandable to 200,000 readings
- easy to read, large LCD screen displays data both numerically and graphically
- ENVIMAP software for processing and mapping data

ENVI-MAG comprises several basic modules; a lightweight console with a large screen alphanumeric display and high capacity memory, a staff mounted sensor and sensor cable, rechargeable battery and battery charger, RS-232 cable and ENVIMAP processing and mapping software.

For gradiometry applications an upgrade kit is available, comprising an additional processor module for installation in the console, and a second sensor with a staff extender.



ENVI-MAG Proton Magnetometer in operation

For base station applications a Base Station Accessory Kit is available so that the sensor and staff may be converted into a base station sensor.

Features and Benefits

"WALKMAG" Magnetometer/Gradiometer

The "WALKMAG" mode of operation (sometimes known as "Walking Mag") is user-selectable from the keyboard. In this mode, data is acquired and recorded at the rate of 2 readings per second as the operator walks at a steady pace along a line. At desired intervals, the operator "triggers" an event marker by a single key stroke, assigning coordinates to the recorded data.

True Simultaneous Gradiometer

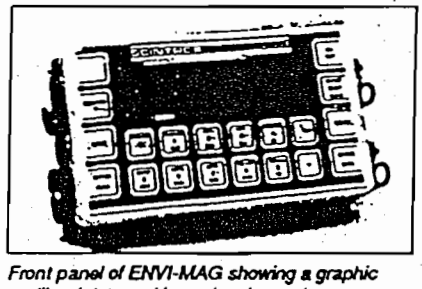
An optional upgrade kit is available to configure ENVI-MAG as a gradiometer to make true, simultaneous gradiometer measurements. Gradiometry is useful for geotechnical and archaeological surveys where small near surface magnetic targets are the object of the survey.

Selectable Sampling Rates

0.5 second, 1 second and 2 second reading rates user selectable from the keyboard.

Large-Key Keypad

The large-key keypad allows easy access for gloved-hands in cold-weather operations. Each key has a multi-purpose function.



Front panel of ENVI-MAG showing a graphic profile of data and large-key keypad

Large Capacity Memory

ENVI-MAG with standard memory stores up to 28,000 readings of total field measurements, 21,000 readings of gradiometry data or 151,000 readings as a base station. An expanded memory option is available which increases this standard capacity by a factor of 5.

Easy Review of Data

For quality of data and for a rapid analysis of the magnetic characteristics of the survey line, several modes of review are possible. These include the measurements at the last three stations, the ability to scroll through any or all previous readings in memory, and a graphic display of the previous data as profiles, line by line. This feature is very useful for environmental and archaeological surveys.

Highly Productive

The "WALKMAG" mode of operation acquires data rapidly at close station intervals, ensuring high-definition results. This increases survey productivity by a factor of 5 when compared to a conventional magnetometer survey.

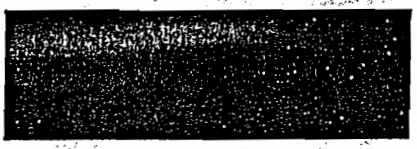
"Datacheck" Quality Control of Data

"Datacheck" provides a feature wherein at the end of each survey line, data may be reviewed as a profile on ENVI-MAG's screen. Datacheck confirms that the

Instrument is functioning correctly and allows the user to note the magnetic relief (anomaly) on the line.

Large Screen Display

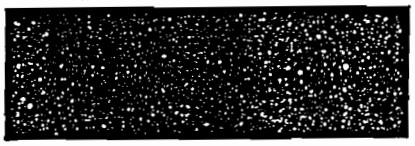
"Super-Twist" 64 x 240 dot (8 lines x 40 characters), LCD graphic screen provides good visibility in all light conditions. A display heater is optionally available for low-temperature operations below 0°C.



Close-up of the ENVI-MAG screen showing data presented after each reading

Interactive Menus

The set-up of ENVI-MAG is menu-driven, and minimizes the operator's learning time, and on-going tasks.



Close-up of display of ENVI-MAG showing interactive set-up menu

Rechargeable Battery and Battery Charger

An "off-the-shelf" lead-acid battery and charger are provided as standard. The low-cost "Camcorder" type battery is available from electronic parts distributors everywhere.

HELP-Line Available

Purchasers of ENVI-MAG are provided with a HELP-Line telephone number to call in the event assistance is needed with an application or instrumentation problem.

ENVIMAP Processing and Mapping Software

Supplied with ENVI-MAG, and custom designed for this purpose, is easy-to-use, very user-friendly, menu driven data processing and mapping software called ENVIMAP. This unique software appears to the user to be a single program, but is in fact a sequence of separate programs, each performing a specific task. Under the menu system, there are separate programs to do the following:

a) read the ENVI-MAG data and reformat it into a standard compatible with the ENVIMAP software
b) grid the data into a standard grid format
c) create a vector file of posted values with line and baseline identification that allows the user to add some title information and build a suitable surround
d) contour the gridded data
e) autoscale the combined results of the posting/surround step and the contouring step to fit on a standard 8.5 ins. wide dot-matrix printer
f) rasterize and output the results of step e) to the printer

ENVIMAP is designed to be as simple as possible. The user is required to answer a few basic questions asked by ENVIMAP, and then simply toggles "GO" to let ENVIMAP provide default parameters for the making of the contour map. The user can modify certain characteristics of the output plot. ENVIMAP'S menu system is both keyboard and mouse operable. HELP screens are integrated with the menu system so that HELP is displayed whenever the user requests it.

Options Available

- True simultaneous gradiometer upgrade
- Base station upgrade
- Display heater for low temperature operations
- External battery pouch

Specifications

Total Field Operating Range
20,000 to 100,000 nT (gammas)

Total Field Absolute Accuracy
+/- 1nT

Tuning
Fully solid state. Manual or automatic, keyboard selectable

Cycling (Reading) Rates
0.5, 1 or 2 seconds, up to 9999 seconds for base station applications, keyboard selectable

Sensitivity
0.1 nT at 2 second sampling rate

Gradiometer Option
Includes a second sensor, 20 inch (½m) staff extender and processor module

"WALKMAG" Mode
0.5 second for walking surveys, variable rates for hilly terrain

Digital Display
LCD "Super Twist", 240 x 64 dots graphics, 8 line x 40 characters alphanumerics

Display Heater
Thermostatically controlled, for cold weather operations

Keyboard Input
17 keys, dual function, membrane type

Notebook Function
32 characters, 5 user-defined MACRO's for quick entry

Standard Memory

Total Field Measurements:	28,000 readings
Gradiometer Measurements:	21,000 readings
Base Station Measurements:	151,000 readings

Expanded Memory

Total Field Measurements:	140,000 readings
Gradiometer Measurements:	109,000 readings
Base Station Measurements:	750,000 readings

Real-Time Clock
Records full date, hours, minutes and seconds with 1 second resolution, +/- 1 second stability over 12 hours

Digital Data Output
RS-232C interface, 600 to 57,600 Baud, 7 or 8 data bits, 1 start, 1 stop bit, no parity format. Selectable carriage return delay (0-999 ms) to accommodate slow peripherals. Handshaking is done by X-on/X-off

Analog Output
0 - 999 mV full scale output voltage with keyboard selectable range of 1, 10, 100, 1,000 or 10,000 nT full scale

Power Supply
Rechargeable "Camcorder" type, 2.3 Ah, Lead-acid battery.

12 Volts at 0.65 Amp for magnetometer, 1.2 Amp for gradiometer,

External 12 Volt input for base station operations

Optional external battery pouch for cold weather operations

Battery Charger
110 Volt - 230 Volt, 50/60 Hz

Operating Temperature Range
Standard 0° to 60°C
Optional -40°C to 60°C

Dimensions
Console - 10 x 6 x 2.25 inches (250 mm x 152 mm x 55 mm)
T.F. sensor - 2.75 inches dia. x 7 inches (70 mm x 175 mm)
Grad. sensor and staff extender - 2.75 inches dia. x 26.5 inches (70 mm x 675 mm)
T.F. staff - 1 inch dia. x 76 inches (25 mm x 2 m)

Weight
Console - 5.4 lbs (2.45 kg) with rechargeable battery
T. F. sensor - 2.2 lbs (1.15 kg)
Grad. sensor - 2.5 lbs (1.15 kg)
Staff - 1.75 lbs (0.8 kg)

SCINTREX

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