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TECHNICAL REPORT
Compiled for Ateba Resources Inc,

Subject

The Geological Assessment of the Gold Resource in the Larder Lake Area

Northeastern Ontario

Ossian & Katrine Townships

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March 30th, 2011

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SUMMARY

Ateba Resources Inc. an Ontario charter corporation has acquired by option 14 claims in Katrine and in Ossian Townships totalling 1536 hectares in the Larder Lake mining district of north eastern Ontario.

The following report was compiled at the request of the Ateba management as an initial step towards reactivating the development of this resource. Initially, this program is aimed at verifying past records and includes plans to enhance the economy of the property by expanding the known deposit's dimensions. This would strengthen confidence level in the resource's value. The Authors of this Technical Report are Qualified Persons in accordance with the guidelines set by National Instrument 43-101.

The property is located in the Kirkland Larder Lake gold mining camp. The western side of the claim group is known to be underlain by a felsic intrusive hosting a series of sub-parallel quartz veins with sulphide mineralization containing significant gold values as well as at least one additional auriferous structure, cutting across the strike of the above described veins.

The Ateba Property hosts a vein type gold deposit located in a Syenite intrusion in intermediate Keewatin volcanics consisting of Quartz Ankerite gangue material with gold bearing sulphides, mainly Pyrite Chalcopyrite with some Sphalerite and Galena.

The resource was discovered circa 1908 and it has a long work history, Most of this work was completed in the first two decades following its discovery. In the first few years (approximately 1908 – 1912), several trenches and test pits were cut and sampled resulting in the discovery of several gold bearing quartz veins with economic potential - some testing over 1 oz Au/t (34.28 g/t).

The first option on the showings was by the Nipissing Mining Company, but no written records of their work survived. The claims later became the property of Hugh Walsh who maintained them until his death in 1929. The earliest data on record from any serious work done on the property was from the time during which Mr. Walsh held the key claims.

Anglo-Canadian Explorers Ltd. (a British-owned company) obtained an option from Mr. Walsh and partners, and drilled 11 drill holes into the four known veins. This work was conducted in

the immediate vicinity of what later became the shaft area. Several zones of gold mineralization were intersected at mineable width and ore grade (0.2 to 16.0 oz Au/t (6.8 to 548.5 g/t)) as recorded in a Progress Report dated September 1923. While the drilling was in progress, a conflict regarding an up-coming option payment erupted between the owners and project management. The two parties were unable to come to terms, so the agreement and all work on the property ceased.

In an effort to find additional funding for the project, a new company called Walsh Katrine Gold Mines was incorporated (with Mr. Walsh as President). The necessary funding was obtained by 1924, and Walsh Katrine embarked on an aggressive underground development program. A two-compartment shaft was sunk to a depth of 515feet (157 metres) with lateral development initiated on four levels. Total drifting and cross cutting amounted to around 3000 feet (914 metres) or more (the total advance varies depending on the source). Ore grade material was recorded on all levels and attempts were made to correlate these zones with surface vein exposures

After the death of Hugh Walsh in 1929, funds dwindled. All work on the property ceased once again, and the mine was allowed to flood. In 1933 the claims were taken over by Northern Metals, a company run by Edwin Giblin who had been Hugh Walsh's partner. It was reported that during 1933 –1934, the mine was rehabilitated and an underground sampling program was initiated. There is no record of any development being performed during those two years, but it is a definite possibility. Northern Metals sold the property in 1937, this time to Baghdad Larder Mines. It was reported that Baghdad de-watered the mine and did some underground sampling, but no direct evidence of such activity survived. Deeper diamond drilling by Baghdad is mentioned in some records, but no documentation about it has been found.

Mr. Vamos estimates that only 10% of the original data has survived the 70 years of dormancy. The information available now is focused on the assay information without any geological information other than the drill logs. Additionally, one file suggested that some of the older data might have been tampered with prior to the property being sold to Baghdad - years after the work in question was completed. However, Mr. Vamos' overall view of the prospect remains optimistic, as there is plenty of other data (including more recent results) that shows the property to have good potential. In his opinion, the claims definitely merit further exploration and drilling to confirm and enhance the resource.

In 1984 – 1985, Mr. Vamos compiled an estimated reserve on a very small portion of the deposit, as only parts of two of the veins yielded the minimum requirements necessary to do these calculations. The resulting figure was 20,000 tons (18,100 tonnes) at 0.54 oz Au/t (17.1 g/t), totalling 10,800.00 ounces (335,880 grams) of gold. The calculations were in accordance with the standards of the time, but do not conform to the resource calculation used in National Instrument 43-101 and were calculated when gold ranged in the US$400 per ounce range.

The diamond drilling conducted in 1986 established that the 1920's and earlier assay information appears to be valid. It also confirmed that the gold bearing quartz veins continue to depth and that project has the potential to host additional gold resources. The reported "historical" grades seem to correlate with the later 1986 drilling. The mineralogy was found to be as described in reports composed as early as 1912, and the geometry of the gold bearing quartz veins appears to be in agreement with historical reports.

This leaves the present owners with the opportunity to substantially increase the contained gold identified and define a geologically inferred Resource that is economically viable. The proposed work is intended to fill in the gaps in information, widen the scope of exploration by increasing the focus to include the newly interpreted north south striking zone or zones, affirm the geological working hypothesis and increase the size and value of the deposit as well as bring the project to a pre-feasibility study stage.

To advance the Ateba Property, the Authors recommend implementing an exploration program at an estimated cost of CAD $10,000,000 with a phase I expenditure of $401,500

Mr. Mullens visited the Ateba Property on March 30th, 2011 and reviewed and confirmed the work compiled by Mr. Vamos.

1 INTRODUCTION

The information compiled in this report was derived from a variety of historical sources originating from 1910 to 1973 as well as work conducted by Mr. Vamos from 1984 until recent times. The property was visited in 1984 when Mr. Vamos was asked by Mr A.W. White, the President of Mid North Engineering Services Limited, a company at that time held the four leased claims covering the mine area, to review and assess the property. Mid-North held the claims on behalf of Wadge Mines Ltd. In the summer of 1984, prior to examining the property, the files of Mid North were reviewed. These files related only to the work conducted by Mid North since acquiring the claims in the early nineteen sixties.

The files in the office of the Resident Geologist in Kirkland Lake were searched by Mr. Vamos in 1985 but only the assessment work done by Mid North was available. Later that year a box of pertinent material was donated to the Kirkland Lake office of the Ministry of Northern Development and Mines by the estate of a local resident. This material relating to the early work on the property was examined and the pertinent documents were copied and incorporated in the files of Mid North. The donated material, mostly relating to the work conducted to the nineteen twenties, contained correspondence and several reports by mining engineers, some surface sampling data and some portions of underground assay plans. All of these contributed significantly to the understanding the merits of the prospect as well as the information obtained added significantly to the planning of the work recommended in 1986.

In 1985 the newly named Wadge, Canper Resources Ltd conducted geological and geophysical surveys and diamond drilling on the Property. In 1997 the Property was acquired by New Walsh Katrine Resources Ltd., a company that held a major portion of the claims for about 13 years and just recently signed an option agreement with Ateba Resources Inc. Mr. Vamos, one of the Authorsof this report was responsible for the technical work and relating issues over these years.

This Technical Report (compliant with the requirements of the National Instrument 43-101) was prepared at the request of Mr. W. P. Dickie, President of Ateba in August of 2010 after Ateba optioned the Property from New Walsh Katrine Resources Ltd. and Ashley Gold Mines Limited.

2 TERMS OF REFERENCES

2.1 Terms of Reference and Units

The Metric System or System International (SI) is the primary system of measure and length used in this Report. Conversions from the Metric System to the Imperial System are provided below and quoted where practical. Many of the geologic publications and more recent work assessment files now use the SI system but older work assessment files almost exclusively refer to the Imperial System. Metals and minerals acronyms in this Report conform to mineral industry accepted usage. Further information is available online from a number of sources including www.maden.hacettepe.edu.tr/dmmrt/index.html.

Conversion factors utilized in this Report include: 1 pound (lb.) = 0.454 kilograms (kg); 1 foot (ft) = 0.3048 metres (m); 1 mile (mi) = 1.609 kilometres (km); 1 acre (ac) = 0.405 hectares (ha); and, 1 sq mile = 2.59 square kilometres;. The term gram/tonne or g/t is expressed as "gram per tonne" where 1 gram/tonne = 1 ppm (parts per million) = 1000 ppb (parts per billion) = 0.0292 ounces per Imperial (short) ton. Other abbreviations include ppb = parts per billion; ppm = parts per million; opt or oz/t = ounce per short ton; Moz = million ounces; Mt = million tonne; t = tonne (1000 kilograms); SG = specific gravity; lb/t = pound/ton; and, st = short ton (2000 pounds); 1 pennyweight (dwt)= 1.71 g/t.

All data reported on using the original form metric conversions were inserted for the reader's convenience by Ateba.

Dollars are expressed in Canadian currency (CAD$) unless otherwise noted. Unless otherwise mentioned, all coordinates in this Report are provided as Universal Transverse Mercator ("UTM") North American Datum 1983 ("NAD83"), Zone 17.

3. RELIANCE ON OTHER EXPERTS

The Authors had to rely heavily on the reports of others, mainly pertaining to the work that originated in the early years, 1900-1934. While none of the early workers were known to Mr. Vamos, he however knew several of the authors of the subsequent generations reporting on the Property, and who were still alive during the early years of his activity and were known by Mr. Vamos as reliable professionals. The check sampling on surface by Canper and later by New Walsh Katrine confirmed the ranges of values that were reported in the beginning of the last century but this work was not extensive enough to upgrade these values from the presently used "Historical Data" classification.

Mr. Vamos has used the term alleged or allegedly on any references he made to the reports by Northern Metals, a company active on the property in the early thirties. He did not use the assay data from the logs of the 1923 drilling, allegedly done by Anglo Canadian Explorers, since he suspects that, while the geology appears to be authentic the assays are fictitious However he has accepted as a true document the Progress Report dated September 1923, that appears to be a copy of the original document produced by Anglo Canadian.

Mr. Vamos also received verbal information from Ms. Noreen Wise, the great granddaughter of Mr. Hugh Walsh the President of Walsh Gold Mines Ltd., the owner of the claims in the nineteen twenties, who managed the early work on the property. Her research into her family history has given Mr. Vamos some insights such as a will that surfaced after the death of Mr. Walsh which leaves all his assets including his personal savings account to Mr. Giblin leaving his widow and 6 children in Timmins destitute. He otherwise would not have obtained from the records on the property.

4. THE PROPERTY, DESCRIPTION UPDATE

Township	Claim Number	Hectares	Owner	Due Date
Katrine	1239133	48	60% New Walsh-Katrine, 40% Ashley Gold Mines	June 11 2011
Katrine /Ossian	1242380	64	60% New Walsh-Katrine, 40% Ashley Gold Mines	June 4 2011
Ossian	3013619	96	100 % New Walsh-Katrine	July 31 2011
Ossian	3013637	64	100 % New Walsh-Katrine	March 25 2011 *
Ossian	3013708	240	100 % New Walsh-Katrine	October 6 2011
Ossian	3013728	192	100 % New Walsh-Katrine	October 6 2011
Katrine	4225023	16	100% Ashley Gold Mines	August 30 2013
Katrine	4245801	176	100% Ashley Gold Mines	November 7 2012
Katrine	4245804	80	100% Ashley Gold Mines	November 4 2012
Katrine	4245805	128	100% Ashley Gold Mines	November 6 2012
Katrine	4250905	32	100% new Walsh-Katrine	July 13 2011
Katrine	4250906	16	100% new Walsh-Katrine	July 13 2011
Ossian	4250907	192	100% new Walsh-Katrine	July 13 2011
Ossian	4250908	192	100% new Walsh-Katrine	July 13 2011
		1,536 Ha or 3,795 Acres		

* Work report pending

Assessment work is filed on claims on an as needed basis. Terms of option agreements include any return of claims with one year's work assessment in hand. As of today's date applicable work is estimated at $397,000.

Claims were staked in accordance with the Mining Act of Ontario. Corner tags were placed on the corner posts of each claim, numbered 1-4, beginning with the northeast corner. Most claims consisted of more than one unit, with a maximum size of 16 units. Each square unit measures 400m per side and its corners are marked by a line post where the edges of the claim units coincide with the boundary of a claim. The exterior boundaries of each claim were marked with flagging and blazing in order to clearly establish the boundary. The distance and direction from the previous corner post was marked on each line tag. The time and date of staking was noted on each corner post and the time of completion was noted on a corner post as well.

In January and February of 2010, the Ateba signed 2 Option Agreements covering claims in Ossian and Katrine Townships, Ontario. In order to acquire these 100% interests, the Company must, over four years, incur work expenditures on the properties totaling $2,500,000, issue 1,666,667 common share purchase units consisting of one share and one share purchase warrant and pay an aggregate of $250.000. The properties are subject to a royalty of 2.0% of net smelter returns.

During 1st quarter of 2010 and 2011 Ateba made payments totaling $133,333 (including or in addition to the deposits made at the end of 2009) and issued 666,668 common share purchase units for these 2 Optioned properties making up the Property.

Figure 1 Location Map

5. PROPERTY LOCATION, ACCESSIBILITY, CLIMATE AND INFRASTRUCTURE

The Property is located in north eastern Ontario just west of the Provincial Boundary separating the Provinces Ontario and Quebec. The claims are about 13 km northeast of the Town of Larder Lake within the Townships of Ossian and Katrine in the Larder Lake Mining Division, District of Timiscaming. The approximate location of the shaft is at West of 605000E and South of 5350000N UTM coordinates.

Access to the Property can be gained from Kirkland Lake East. via Highway 66, from the Town of Larder Lake, just before leaving the latter and continuing to the North along the Larder Station Road. The reader should be warned that this road is presently maintained 12 months a year but may not be during the winter months, and is regularly maintained during the summer. About 13 km north of Highway 66 there is bush road of about 3 km leading to the mine site on the +Property.

The topography can be described as gently rolling hills, with the mine shaft site being one of the highest hills along a North-South trending ridge representing the underlying Syenite intrusion.

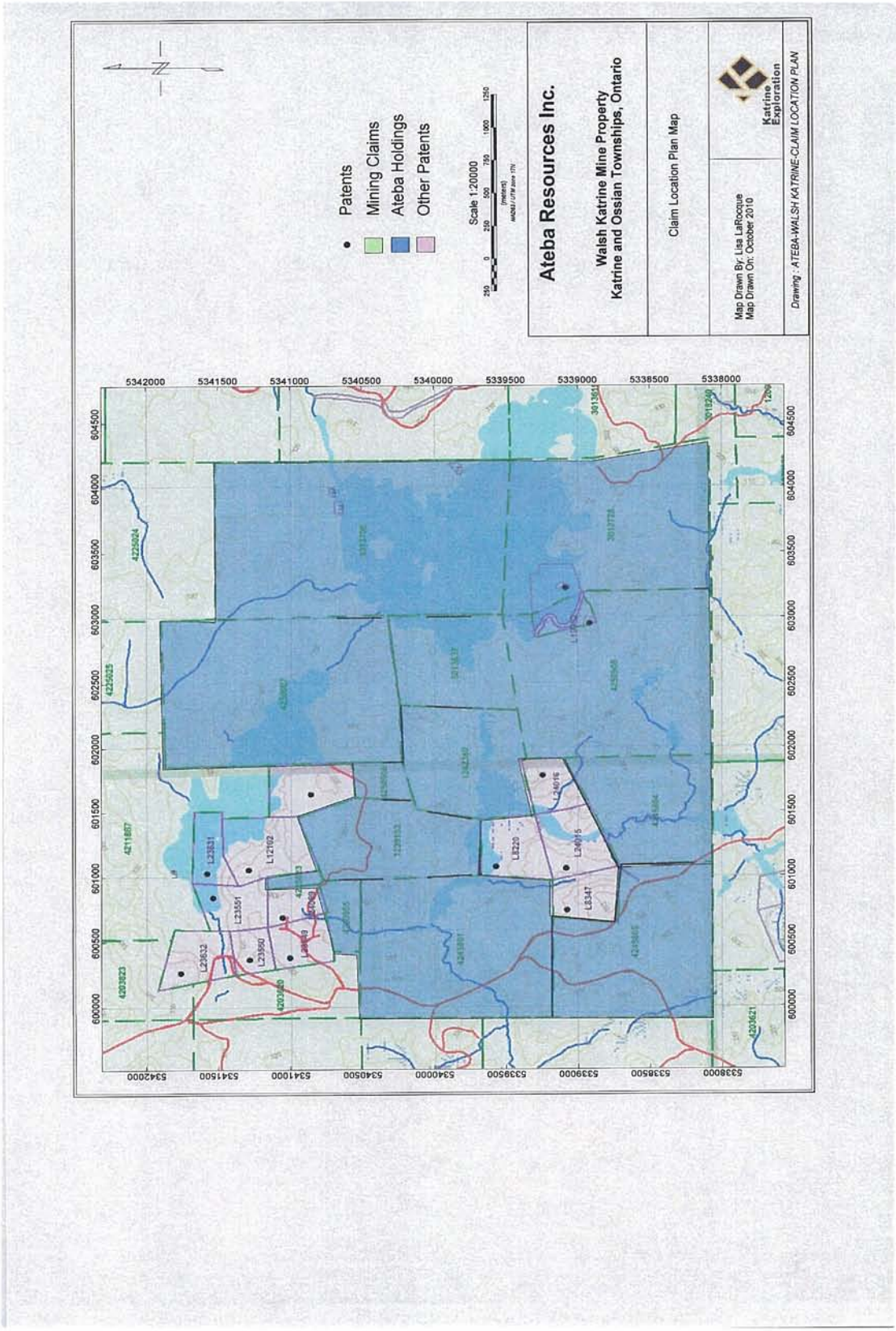
The climate is similar to that of the Kirkland Lake mining camp, the winters averaging five months per year. Approximately four of those winter months bring subzero temperatures. Mid-summer can bring temperatures of over 30 degrees centigrade, coupled with dry conditions may bring work or travel restrictions that can interfere with the work being performed. Nevertheless, exploration work, mine rehabilitation and/or development could potentially be carried out 12 months a year.

To the knowledge of Mr. Vamos, none of the claims have any surface right attached to them. There is water available on the Property in sufficient quantities to sustain both mining and milling operations. A power line is about a 10 km from the mine site. There are also several potential sites available for plants or for storing tailings and disposing of the waste. Skilled labour may be available in Virginiatown, Larder Lake and Kirkland Lake, all of which fall within 35 km. distance of the site.

Major suppliers and mining contractors can be found in Kirkland Lake to the west, or Rouyn/Noranda to the east which is more distant than Kirkland but does have an all weather airport.

The shaft is presently open and with field work starting up in the immediate vicinity of it has a fence around it and when any underground work is undertaken would have to have ministry compliant rules followed.

Figure 2 Property/Claim Map



6. HISTORY

6-1. Chronology

1908-1922	Surface exploration conducted, test pits and trenches cut and sampled.
1923	Surface diamond drilling by Anglo Canadian Explorers Ltd.
1924-1929	Underground development by Walsh Katrine Gold Mines.
1930-1933	Surface diamond drilling by unidentified British consulting firm. No data available.
1933	Property obtained by Northern Metals.
1933-1934	De-watering, sampling, and possibly somedrifting by Northern Metals. There was no data found pertaining to this period.
1937	Property sold to Baghdad Larder.
1939	Surface diamond drilling by Baghdad Larder. No data available.
1939-1959	Dormant.
1960	Property acquired by Mid-North for Wadge and operated on its behalf by Mid North.
1960-1963	Shallow surface diamond drilling by Mid North.
1973	Geophysics by Mid North
1973-1984	Dormant.
1985	Property now operated by Canper
1986	Surface exploration and diamond drilling by Canper Resources.
1996	Property acquired by New Walsh Katrine .
1997	Surface sampling by New Walsh Katrine.
1997-2009	Dormant.
2010	Optioned by Ateba.

6.2 Narrative

In the summer of 1984, at the time of Mr. Vamos's first visit to the Property. there was no information available relating to any of the early work on the property. The earliest material available on the public files at the office of the Resident Geologists office of the Ministry of Northern Development and Mines originated from the nineteen sixties. Later, in about 1985 the office of the Resident Geologist received a donation of files, all relating to work on the property between 1920 and the late thirties. This material was donated most likely from some survivors of one of the early workers on the Property. While about 2/3s of this material was technical, and relating mainly to the underground development of the nineteen twenties a large portion of the material were personal letters by individuals that participated in this venture. The availability of these documents certainly upgraded the merits of the Property.

In 2002, another donation of similar archival material also mostly of technical nature was received by the same office and it also related to the same time period but likely came from a different estate. While some of were duplicates it contained more information on the diamond drilling program of 1923. Mr. Vamos had access to the information released in 1985 by the time he compiled his first report on the property. In 2002 he obtained access to the material released that year. The availability of using the latter data filled in some of the gaps in the history of the Property; however it also created a few more ambiguities.

The following section will give more attention to the period between 1920 and 1935 because the events originating from this time period had a major impact on the fate of the property and caused a dormancy that lasted 50 years.

The original staking dates back to around 1908 but no records originating from this period were found. It is believed that around 1919 the property was optioned to the Nipissing Mining Company a predecessor of Ventures Limited and later Falconbridge Ltd. No information is available regarding the work they conducted. It is assumed that they may have been responsible for the first orderly and systematic surface sampling. The locations for this work and the corresponding assays are available on a small sketch map bearing the name J.C. Rogers. References to the Rogers Map are often made in this report.

C. W. Knight Provincial Geologist visited the property and collected some samples for the Ontario Bureau of Mines and reported his findings in his annual report in 1920. Mr. Vamos has

seen quotations from the report but was unable to locate the original copy of it. The only surviving document from this period is a map by Rogers that was most likely prepared before 1923, however it is not known for whom it was prepared. It could have been for Nipissing Mining, or the next owner, Hugh Walsh.

Around 1920 the claims were already held by Mr. Walsh, a local prospector and entrepreneur. Mr. Walsh was a full time Prospector/Promoter who had mining claims in Ontario, Quebec and Manitoba. At this time Mr. Walsh formed a company - Walsh Katrine Gold Mines and this company explored and developed the property until the death of Mr. Walsh in 1929. In 1922 the claims were optioned to Anglo Canadian Explorers Ltd. a British company that conducted an extensive diamond drilling program. During this time, eleven diamond drill holes were completed over an area that later became the mine site.

The Anglo-Canadian option was abruptly terminated while the fieldwork was still ongoing (the event that may have been indirectly responsible for the later failure of Walsh Katrine). The official reason for the termination, or cancellation of the option, was that Anglo-Canadian had missed an option payment. The option was terminated however the circumstances of this event appear to have been much more complicated.

Years later in a personal letter Mr. E. Giblin, (at the time the book-keeper of Walsh Katrine Gold Mines later its Manager/Owner), wrote in a personal letter describing the events about an altercation that occurred between Mr. Walsh and some representatives of Anglo-Canadian. He was speaking about an argument that broke out about an option payment of $60,000.00 that was becoming due. According to a different source at that time Anglo-Canadian has already spent over $ 100,000 on the property in payments and also funded the diamond drilling at the cost of $40.000. Mr. Walsh abruptly cancelled the option due to Anglo's default

It was suggested in the same letter mentioned above, that Anglo-Canadian subsequently compiled and distributed a very negative report as a form of "revenge" for the failure of re-negotiations and the termination of the option. This allegation could not be substantiated since neither such report nor any reference to it, was ever found. On the contrary, the Summary Report on the drilling program by Anglo-Canadian has the two highest values recorded on the Property; however it is not known who received this report. It is also almost certain that the management of Walsh Katrine was not given a copy of the assays.

According to our knowledge the holes drilled by Anglo-Canadian may have been cased but none has been located to date. The first time of Mr. Vamos visited the area in 1984, he did find a old and very small (EX or even smaller) drill core that may have originated from the Anglo-Canadian drill program.

With the expected Anglo option revenue lost, it appears Mr. Walsh was operating his company on a shoestring budget. He could not afford the on-site services of a mining engineer, even during the years of developing the underground. He managed however to raise $ 40,000 for an underground development project. Between 1924 and 1929, a two-compartment shaft was sunk to a depth of 515 feet (157 m) (some sources give a depth of 535 feet(163 m)). Lateral development continued on levels 140, 250, 375, and 500 feet(43, 76, 114, 152 m). The sum of the lateral work is said to be in the area of 3,000 or even 5000 feet (914 or 1524 m).

Mr. H. Strong, a Mining Engineer, who was retained by some potential investors to report on the status of the property visited the mine and completed a somewhat critical report. Mr. Strong acknowledged the merits and potential of the property but was critical about the management and engineering aspects of the project. He cited some errors that throw the quality of the underground surveying into question, or possibly indicates that no survey data was available to him at the time of his visit. The significance of the Strong Report is that Strong was the only engineer who compiled a report based on his own observations made while visiting the site at the time the work was in progress. This adds considerable weight to his statements and increases the reliability of his report.

Unfortunately, Mr. Walsh died suddenly and unexpectedly in July of 1929. Without his efforts to secure continuous funding for the venture, the company was unable to continue financing the project and the mine closed in December of 1929. The company itself, Walsh Katrine Gold Mines went out of business within a few years.

Northern Metals, a company operated by E. Giblin and whose principals were virtually identical to those of Walsh Katrine Gold Mines, took over the property by 1933. K. B. Heisey, a Mining Engineer who had been involved with work on the property since 1929, wrote a brief report for Northern Metals shortly before he died in 1934. It is believed that the mine was briefly reopened in 1933/34 with more underground sampling, now under the direction of consultant H. Strong.

It is not known exactly how much fieldwork Northern Metals did. Some assaying on underground samples was reported in 1933. They also shipped two samples (one 3,000 lbs

(1,363 kg). and the other 300 lbs. (136 kg)) from Dalby (a CNR station near Larder Lake) to Mines Branch in Ottawa for mill tests. The former graded 0.11 oz Au/t or 3.8g/t, and the latter graded 1.87 oz Au/t or 64.1g/t. The corresponding report is on file at the Regional Geologist's office in Kirkland Lake.

The property changed hands again in 1937 at this time it was obtained by Baghdad Gold Mines Ltd., whose name changed in 1938 to Baghdad Larder Mines Ltd. This company did an additional 2,000 feet (610 m) of diamond drilling in 1939. The only surviving record of their activity is a report by S.A. Pain (dated 1937), containing a small scale composite plan of the underground. This is the only document in existence that is showing the underground workings and the projection of diamond drill holes. The latter possibly a copy of a map drawn in 1929 showing the mine site with the Baghdad drill hole locations added at a later time.

It is believed that the property stayed dormant during the Second World War and claims later reverted to the crown.

In 1960, Mid-North staked four claims covering the immediate area encompassing the shaft of the mine. In 1961 George Holbrooke a well known Mining Geologist in Ontario, completed a report on the property. Mr. Holbrooke at the same time was also in charge of the mines being developed in the Joutel area of Northwestern Quebec. He recommended the re-opening of the underground that suggests that he must have had significantly more information relating to the values underground compared to those that are presently available.

Mid North later increased the size of the property and drilled a series of short holes. Two, (drilled in 1960), totaled 205.6 feet (62.7 m) and four more (drilled in 1963) totaled 456 feet(139.0 m). This brought the grand total of the drilling by Mid North to 661.6 feet (201.7 m). A series of reports were written for Mid North by L. B. Merrell (in 1961), G. L. Holbrooke (1960-63) and Ralph I. Benner P. Eng. (1973). The last work on the property conducted by Mid-North is dated 1975 and it comprised of magnetic and electromagnetic surveys over a large area. The report was signed by Don Pudifin, also a well known geologist, at that time working out of Val d'Or, Quebec. All of the above persons are now deceased but were well known by Mr. Vamos. The four key claims were brought to lease and were retained for about 3 decades but reverted back to the Crown and were staked and re-staked by various individuals in the past two decades.

In 1984, Mr. Vamos was retained by Mid-North to examine the property and conduct thorough research focusing on the history of the prospect. At the time of Mr. Vamos' property evaluation, the mine site was completely overgrown with most of the buildings long gone. There

were no standing structures, and the only equipment remaining on the property were the two boilers left in the ruins of the powerhouse.

In 1986, Canper acquired a larger peripheral claim block which is part of today's Property. The intent was to explore the mine property in considerable detail, first by confirming the mineralization on the surface, as well as testing the continuity of the deposit between the developed levels. Furthermore, it was recommended to conduct a grassroots-type exploration program over the surrounding claims.

The exploration work began late in the season, due to an unfortunate and substantial delay in funding the field work suffered an extended delay. In October of 1986, heavy equipment was brought in to strip the mine area and relocate/clear out the original trenches. The aim was to map and sample the area in detail, confirm values indicated by historical data and gather geological information. While stripping of the overburden was progressing in its second day, an early snowstorm stopped work on the site. Under these conditions it became impossible to continue to locate, clean, map and sample the original trenches.

The values and the continuity of some of the veins were tested by 15 diamond drill holes during November and December of 1986. The program was aimed at intersecting the anticipated gold-bearing veins between the surface and some of the underground workings, while others were aimed at lower elevations of the same targets. The results of this program were compiled in a report by Mr. Vamos and later by Mr. Bruce Gordon and were later filed with the Ministry of Natural Resources. To the knowledge of Mr. Vamos, no work has been performed on the property since the termination of the 1986 program other than two magnetic surveys, one on the Ashley Gold option and the other on the two key shared claims (between Ashley Gold and New Walsh Katrine) and the 2010 program which produced both grab and channel assays from surface trenching and washing. Mr. Vamos received a location map of this work. A new diamond drilling program is now underway.

The property changed hands in 1996 and the new company New Walsh Katrine Resources Ltd. retained the services of Mr. Vamos, who in 1997 with some of the directors of New Walsh Katrine revisited the Property and, located and chip sampled some of the old showings and trenches. He later reviewed the historical data that became available in 2002. The files contained first seen and valuable information from the drilling program of 1923. The geological description of the rocks concurred in general with the rocks seen on the property as well as with

the rocks seen in the 1986 drill program. However the assay values appeared to be scattered and showed no correlation between the surface sampling and the 1986 drilling, as the surface sampling represents patchy mineralization which is supplementary to the vein mineralization sampled in drill core.

A program proposal was prepared to follow up on the latest program and was approved by the directors of the company however the management was unable to raise the funding required mainly because the falling gold prices market conditions at the time.

7. GEOLOGICAL SETTING

7-1 Regional Geology

The property lies within the Abitibi Supergroup of Archean (Precambrian) rocks. Reaching from east central Ontario into northwestern Quebec, forming a nearly continuous belt, these rocks have hosted the bulk of eastern Canada's gold production since the 1920's. A very significant proportion of the gold production in Ontario comes from deposits that are associated with felsic intrusive rocks.

Statistical analysis of 725 gold deposits in the Ontario portion of the Abitibi belt indicates 40 % of the deposits are associated with Syenites and/or Syenite Porphyries, and 15 % with Quartz Porphyries. Another source suggests that felsic intrusions are responsible for 69.9 % (40million ounces) of gold production in the Kirkland-Larder with production across the Larder Lake-Cadillac break totaling 102 million ounces of gold.

Katrine and Ossian Townships, where the Property is situated, are generally underlain by a series of volcanic rocks. Reconnaissance-type mapping by the Ontario Department of Mines (1920, 1964) indicates that rocks of intermediate composition predominate. Pillowed Andesites and Dacites have been identified over large areas in both townships. Basic volcanics were found to a much lesser degree and all are shown to occupy parts of the southwest corner of Ossian Township. Unfortunately, the data on Katrine Township does not show any differentiation between basic and intermediate rocks. Only small bodies of felsic volcanics are recognized. None are shown in Katrine, with a few such outcrops on the east side of Ossian Township.

Three types of intrusive rocks are found. Basic intrusive rocks, such as gabbros as well as diorites are the most numerous. Four such intrusions were mapped in Ossian Township and five in Katrine. They are moderate in size one to two mile (1.6 to 3.2 km) long axes maximum and tend to follow the strike of lavas, however in some instances they transverse these flows.
Only one larger felsic intrusion is known. Located in the southeast quarter of Katrine Township, it extends a short distance to the east into Ossian Township and also to the south into McVittie. A north-south trending, on surface 1,000-2,000 feet (305-610 m) wide intrusion composed of Syenite and Syenite Porphyry that acts as host for the Ateba gold deposit there are indication in the historic data, as validated by the 1986 (Canper) drilling, that the gold mineralization may extend into the surrounding volcanic rocks.

Narrow and long diabase dikes are the only non-archeaen rocks in the area. Such dikes of Keewatin age have been described frequently as long, narrow bodies forming ridges and occasionally showing grain gradation.

A few faults extending over several miles in length are indicated on the geological maps. The Kirkland Lake fault, one of the most important geological features in the general area that and has been known to be strongly associated with gold deposition is just to the north of the Property. Shearing and fracturing along these features has been often recorded. Whether these shears or fracture zones along the Kirkland Lake Fault are connected with similar zones on the property is a strong possibility but has not yet been established.

7-2. Property Geology

The most prominent geological feature in the Walsh Katrine property is the Syenite Porphyry intrusion, which occupies about 60 to 65 % of the surface area of the two shared claims. It continues ever the entire length of the claims on the Property in the North – South direction it is over 300 meters wide on the surface however its width at depth is not yet understood.

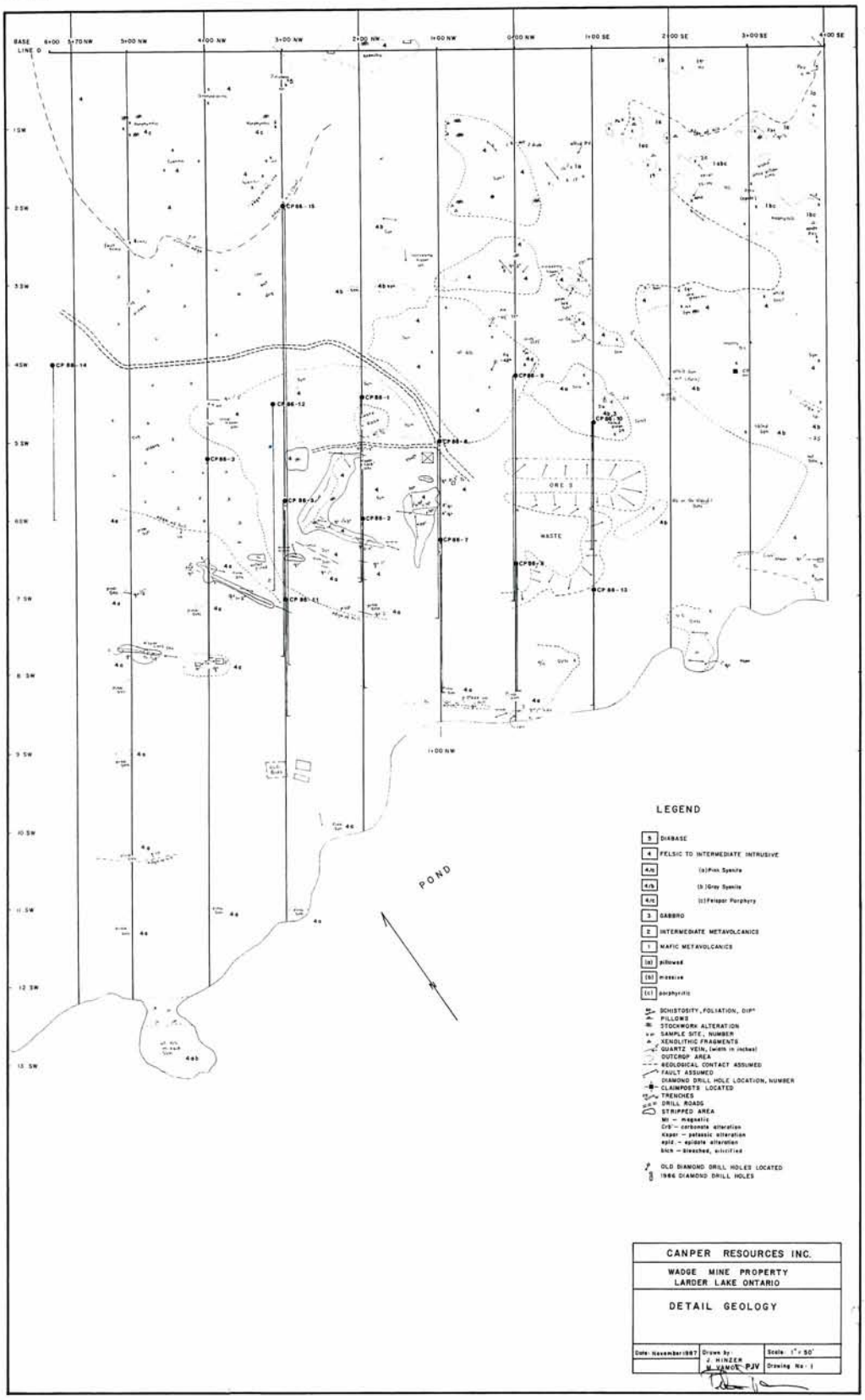
The surface expression of the Syenite is well defined a rudimentary shaft section drawn in 1926 indicates that the shaft was sunk entirely on the intrusive.

It has been demonstrated by the underground workings that the mineralization continues to at least the 500-foot (153 m) level. According to some of the early records, a series of post-mineralization faults were located underground and displacements appear to be minor.

The possibility for finding additional zones of gold mineralization is very strong, especially since the computer assisted re-interpretation of the scanty geological data that is presently available confirmed a north south striking auriferous quartz vein that appears to be intersected on the 2nd level. This structure was exposed not only on the second but the bottom level and shows good width and grade underground, while it is open at both north and south as well as at depth. Most of the underground work however was focused on veins striking near east-west. Interestingly none of the old reports mention of a second gold bearing vein striking near north-south.

The Syenite Porphyry intrusion was not explored in over its entire length of the property, nor was there any follow-up on the geophysical survey (1973) that has indicated north south striking anomalies that parallel one of the gold bearing structures.

Figure 3 Geology Map 1986



8. DEPOSIT TYPES

The showings exposed near the shaft are Ankerite-rich quartz veins, that vary in width from a few inches (cms) to 4 feet(1.2 m), or even more according to Knight, he states "One of them has been traced at least 400 feet (122 m), and is probably longer." Significant quantities of Ankerite, Pyrite, Chalcopyrite, Galena and Tellurides have also been mentioned by various sources. Knight indicates the presence of four veins on a hill, all striking at W25N (magnetic), and dip vertically. This statement is conflicting with some later reports that indicate flatter dips, and even dip reversals. Though latter may be explained by a surveying error underground. The computer model of the veins by NWK is in agreement with Knight's interpretation. Mr. Vamos of this report fully agrees about the possible extension of the veins that can reach over 900 feet or 274 meters. The Quartz in some of the veins as well as the country rock itself is often brecciated and carbonate healed.

The "historical reports" describe four auriferous veins at mine area. This is likely an under estimation since some of the maps from this period indicated five east-west striking veins, the southernmost of them the water's edge. This location could be presently under water due to a series of beaver dams at Kinabik Creek bringing the water level up. More work, mainly detail mapping is required to fully understand the geometry of the deposits this would provide an excellent potential to increase of deposits lengths , thus adding further value to the Property.

The width of the veins range is between 25 cm and 1-2 m. or even more. At the time Knight visited a vein was exposed over a length of 400 feet (122 m) and was called Vein 1 and was possibly partially exposed and sampled at the time of his visit. Additional test pits were opened up possibly after the visit by Knight, and extended the exposure to be in excess of 800 feet length (244 m). In fact, most of the veins appear to be well over 100 m in length. In the absence of detailed surface mapping, sampling and compilation of all the data there is a need of further confirmation. A compilation would ultimately extend the surface length of the mineralization and significantly improve the economy of the deposit. It is expected that the interpretive work and computer modelling will give a clearer picture, but detailed surface mapping and sampling still remains a most pressing and immediate necessity.

Only a few locations were sampled at the time of Knight's visit to the property. The highest value reported by him was 2.16 oz Au/t (74.0 g/t) over a width of 12 inches (30 cm). Much

higher values of gold were obtained during later work. High grade gold values were recorded by later surface sampling and were also reported from the 1923 drilling.

Mr. Vamos first confirmed the surface values in 1984, in conjunction with his first property examination. That year he was given the mandate by Mid-North to locate and visit the property, conduct detailed library research and subsequently evaluate the prospect. During his visit to the property, Mr. Vamos confirmed occurrences in the field and took samples from the rock dumps and some veins. The rock samples were taken from vein material, in situ, dug out from underneath growth and debris.

Swastika Laboratories, a well-established and certified Canadian assay facility located in nearby Swastika, Ontario, did the analysis of these samples. The results of this and the subsequent surface sampling are tabled in under the section titled as Exploration. Original descriptions of the samples and assay certificates are still available. Based on his findings in the field and his review of the files of the Resident Geologist in Kirkland, Mr. Vamos concluded that the occurrences and historical surface sampling data were confirmed to be true, and that the property has a high potential to host economic gold mineralization and merits further detailed work.

In 1997, Mr. Vamos examined the property once again - this time for New Walsh Katrine Resources. Samples were taken from the four veins identified as veins 1 – 4 on the original location map from 1929 (Figure 5 confirm #).

The general appearance of the deposit suggests that the genetic model described by S. Marmont in his study of the role of felsic intrusions in gold mineralization. This particular type of deposit is the result of prior fracturing and cataclistic deformation when severe fracturing occurs within the granitoid body. Fracturing can be due to cooling, hydraulic fracturing, and seismic shocks due to the emplacement of rising magma or syn-plutonic deformation. Such deposits show mineralization within the intrusion, decreasing in the surrounding rocks. This suggests that in the short term vertical exploration of the known zones of mineralization would be a more appropriate approach for the immediate future.

The north-south striking vein exposed underground was located on the surface this year, but was not intersected by any of the drill holes that were drilled during the 1986 program, however it is possible that it was known to, and intersected by Anglo Canadian drilling in 1923. The north –

south striking vein is not mentioned in the summary report by Anglo Canadian nor does it appear in any of the later reports.

In conclusion of the description of the deposit, one need to direct the reader's attention to some confusion found within the archival material. The map produced by Rogers identifies 4 sub-parallel veins numbered from 1 to 4 with the numbering starting from North to South with some test pits located between the veins but bearing no further identification. The map has no north arrow and does not show any landmarks other than the access road. Vein 1 is about in the center of the sheet and the numbering is increasing to the right with Vein 4 being the last suggesting that the conventional system of placing North to the top of the map was not followed. It appears that the Anglo-Canadian drilling has followed the same system identifying the veins with increasing numbers to the South, however looking at the underground maps data it the numbering appears to become reversed with Vein 1 being to the South and Vein 4 north of 1 and nearest to the shaft.

This report is not introducing any changes and will identify the Vein numbers with the same as it is on original source document.

9. THE MINERALIZATION

The mineralization seen by Mr. Vamos on both occasions confirms the original observation by Knight. The host appears in all locations, including the 1986 drill core, as a light-coloured quartz cutting the country rock with at times considerable Ankerite. After some exposure and turning brown, the Ankerite appears to be brecciated.

Gold is confined to sulphide minerals occurring in blotches and patches - predominantly Pyrite, Chalcopyrite Galena and some Sphalerite. The presence of visible gold was reported from the surface trenches and confirmed by Mr. Vamos's party in 1997 from a small outcrop just south of DDH CP-86-6. The small flake of gold approximately 3-4mm in size was in association with the above listed minerals. No visible gold is described in any of the 1923 drill logs, nor was it observed in the drill core of 1986. It is fair to conclude that the bulk of the contained gold would be associated with sulphides.

A second type of mineralization was intersected by diamond drill holes first in 1923 and again in 1986. There were no surface exposures of this type of mineralization reported, nor was it

mentioned in any other document than the two sources mentioned below. The grades reported are lower while the widths significantly larger and therefore may represent an economic potential. The characteristics here are gold bearing quartz stringers and veinlets that based on the descriptions do look more like a stockwork than the veins. Unfortunately this type of mineralization is only known from drill core with gaps in the sampling. One of such zones is described in the Report by Horace Strong as Keewatin meaning it is not within the Syenite intrusion. Since the drill hole is within the Syenite Mr. Vamos suggests that the "wide but lower grade intersections" by Strong, Rogers, Heysey and Holbrooke (and only seen by Rogers and Strong) are, misnomers representing a zone of very distinct colour change within the Syenite. Such colour changes were seen in the core drilled in 1986.

10 ADJACENT PROPERTIES

Some areas, both on the north and the south side must have had some historic work done on them simply because up until about ten years ago there were still a few Patented Claims; however the work filed while patenting them is not available to the public via the assessment data and the history of these claims were not researched.

11. EXPLORATION

11-1. Surface

The earliest record from the property, conducted between 1910 and 1923 indicates extensive prospecting stripping, test pitting and trenching and sampling and bears the name J.C. Rogers ME. To the North East of the sampled area the map shows three channels cut between Veins 1 and 2 at a right angle to the veins but has no assay information. Vein 2 is shown extending to the southwest about 300 feet (91 m) from the last sample. Here again no values are shown suggesting that the sampling was very selective.

Mr. Vamos tried to reconcile the 1923 surface sampling with the more recent maps but without any landmarks shown on the map not even a north arrow, the correlation remains uncertain.

Test pits The Rogers map shows 9 test pits 2 of those did not reach bedrock. Most are clustered in the vicinity of what later became the mine site. The furthest one is about 700 feet (213 m) northwest from the cluster of activity.

Stripping: Some areas with shallow overburden were stripped and sampled. The area of stripping exposed portions of Veins 2, 3, and 4 (Rogers). Three more veins about 400 feet (122 m) to the South - of the workings are indicated on the map referred to as Break No 2. this area was tested with four parallel trenches a short distance from one another each over 100 feet (30 m) long however there are no assays shown. This is an area of interest for us since it is unlikely that so much effort would have been extended without any reason.

Trenching: Three trenches cut North South, just south from the trench on Vein 2 (Rogers). They run parallel with each another and bear no identification and appear to have given up only a single sample.

The Rogers map presents the results of channel sampling completed during the time period of 1910-1920. It appears that only visible mineralization was sampled. It is also apparent that the wall rocks were only occasionally sampled both on surface the subsequently by diamond drilling. Mr. Vamos of the Summary Report on drilling noted that in most cases the wall rock was not sampled though however values of 1-3 dwt. (1.71- 5.14 g/t) were observed in the wall rock on one occasion.

Only Vein 1 was trenched and test pitted, sampled over an extended length of over 800 feet (243 m), all other veins were sampled over a distance of from about 200 feet (61 m) to about 300 feet (91 m) in length. Veins 2 to 4 were not trenched possibly the overburden was not shallow enough to be cleaned off prior to sampling.

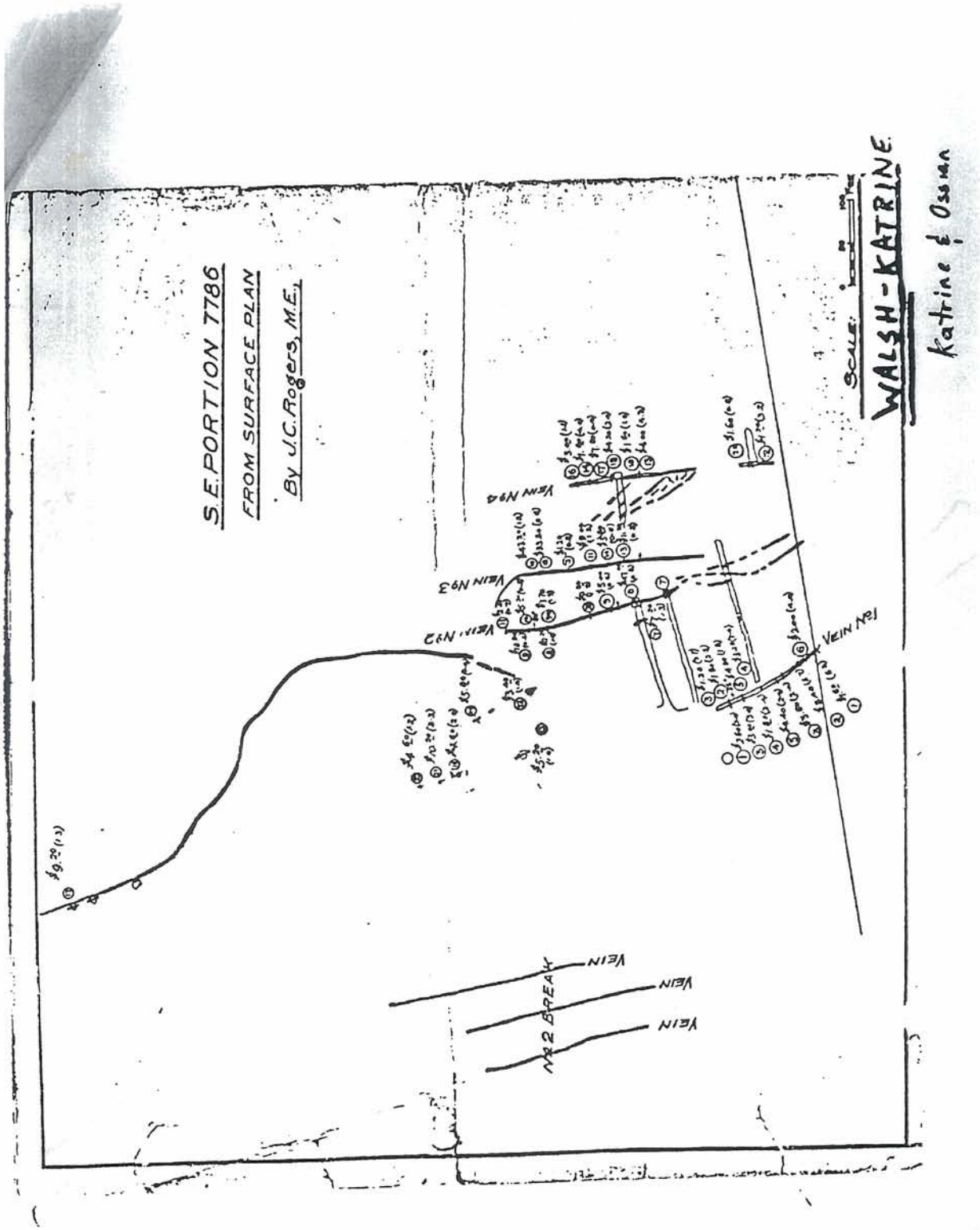
Vein 1 was trenched and sampled over a length of over 109 feet (33.2 m), a number of 10 samples were taken. In addition 5 test pits were dug and sampled covering an additional strike length of 775 feet (236 m). The total length of the vein shown on the map comes to 884 feet (269 m). While the trenches and pits appear to be 2-3 feet (0.6-0.9m) wide one sample was retrieved from each pit. The average width of samples was 1.68 feet (0.51 m). The average grade for this vein is 0.245 oz/t, or 8.4 g/t Au

Vein 2. was marked on the map (Rogers) as 400 feet in length (122 m) but was only sampled over a length of 172 feet (52 m) at the north end of the exposure. Here a total of 9 samples were taken at an average width of 0.92 feet (0.28 m) averaging 0.52 ounces or 17.8 g/t Au.

Vein 3. was drawn up as being 500 feet (152 m) long but was sampled only over a length of 172 feet (52 m). Here 5 samples were taken, the average sample width of these is 1.52 feet (0.48 m) and the average grade was calculated to be 1.11 oz Au/t, or 38.11g/t.

Vein 4. the length of the vein is drawn to be 245 feet (75 m). The material was sampled in 8 locations, the average sampling width was 2.34 feet (0.7 m). The average grade was calculated as 0.15 oz/t (5.1g/t).

Figure 4 Rogers Map 1923



The map also shows an area with the symbols of stockwork between Vein 3 and 2 at the south west ends of the veins however no assays were recorded.

Diamond drilling 1923.

The values tabulated below are based on the Summary Report prepared by the Engineer in Charge in 1923. This document was part of the material donated to the Geological Survey in 1986. Unfortunately it did not have any information of the location of the drill holes azimuths and dips consequently it was only mentioned in the first report (1985) without making any reference to the values. Subsequently a map surfaced in the data that became available 2002 and it shows the holes were drilled in the same general area as the 1986 drilling.

The depths reported for the intersections were converted into the metric system, the grades given in pennyweights in the original document, were converted into grams.

1984. Property examination

In fall of 1984 Mr. Vamos was engaged by Mid-North, at that time the holder of title to the property, to examine and evaluate the property. He and his party located the mine site, and for verification purposes on the 12th of September, sampled the two rock dumps located on the southeast side of the shaft.

The material piled up on the west side dumps appeared to be less mineralized and was referred to as waste dumps. The other dump to the east appeared to be more mineralized and was referred to as the ore dump.

Four samples were taken from the crest of the waste piles covering the entre length of it. Six samples were taken from the ore dump. The last sample was taken where the two dumps joined.

The samples were taken to the Swastika. The last sample that contained considerable sulphides was examined for silver as well.

Waste Dump:

Sample No	Description	Assay Oz/t	Assay g/t
1240	Syenite	0.003 oz	0.10 gr

1241	Brecciated Syenite, some qtz.	0.025 oz	0.86 gr
1242	Fragmented Syenite, minor stockwork	0.096 oz	3.29 gr
1243	Quartz veinlets and stockwork, 1-2% Sulphides	0.065 oz	2.23 gr

Ore Dump

1244	Stockwork, 2-3% Sulphides	0.220 oz	7.54 gr
1245	Stockwork with less sulphides	0.045 oz	1.54 gr
1246	Quartz and Ankerite	0.079 oz	2.71 gr
1247	Brecciated Syenite, Qtz. 1-2% Sulphides	0.048 oz	1.65 gr
1248	Mainly Ankerite with minor sulphides	0.018 oz	0.61 gr
1249	Qtz., about 10-15% Sulphides	3.380 oz	115.86 gr
	Silver assay	5.000 oz	171.40 gr

1997 Property examination

The property changed hands twice since the last property examination. In 1996 New Walsh Katrine Resources was formed and engaged Mr. Vamos to re-examine the property. The examination took place on the 17th and 18th of October 1997. Since the rock dumps were already sampled, it was elected to locate some of the veins and sample them. Two samples were taken from each location with one being sent for assaying while the other, mainly hand specimens were given to the management of the company.

6 samples were taken in the vicinity of the shaft. The sampling was done by Mr J. Goodwin, P. Geo. Mr Goodwin tied the sample locations in with the grid cut for the 1986 field work that was somewhat overgrown but still visible in 1997. At the present time this grid is no longer visible especially since a few years back a local lumber company removed all the usable timber. The analytical work was completed by Chimiteq Laboratories, formerly Bondar Clegg in Val d'Or, Quebec, a nationally known and certified facility. In July of 2010 a new metric grid was cut over the mine area. The approximate sample locations in this report are tied in to the Center Line of the Shaft as 0+00.

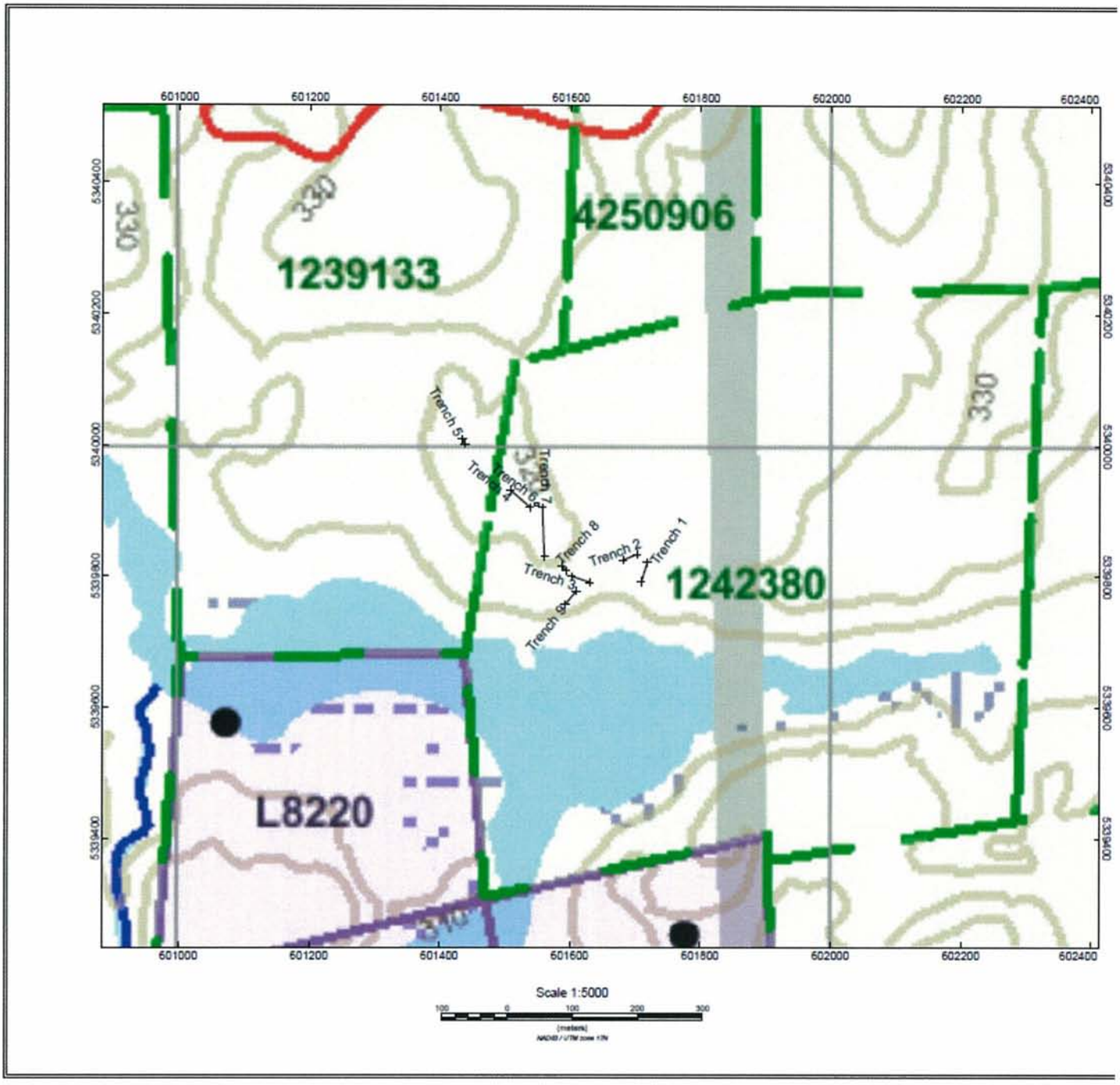
LOCATIONS AND ASSAY RESULTS FROM THE 1997 SAMPLING.

Sample	Description	Azim	Distance	Assay gr/t	
				Au	Ag
1	6" qtz-carb, Py 2%	250	25 '	3.36	2.7
2	12" qtz-carb, tr.Galena	250	30'	1.20	3.6
3	Syenite, altered, 1-2% P	315	50'	0.50	1.0
4	6" qtz-carb, 3-5% Py	260	130'	33.44	>50
5	12" qtz-carb,3-5%Py, Cpy	280	250'	4.70	3.8
6	6-12" qtz-carb, 3-5% Py, tr Cpy	250	130'	7.34	23.4

As stated before, the management of New Walsh Katrine Resources received specimen samples from each locations about 2-3 kilograms each. Mr. Vamos of this report retained 1 specimen from sample 4.

From the surface sampling one can definitely conclude that the likelihood of several additional occurrences, such as subsidiary veins, stringer zones and stockwork, are almost definite. The same applies to the major mineralized zones since there are strong implications that there are more than 4 veins, as it was previously believe

Figure 5. 2010 Trenching



A total of 254 linear meters of trenching was conducted between 9 seperate trenches. The trenching indicates that the property contains significany potential for gold mineralization as evidenced by the presence of mineralized quartz veining. Significant results from the trenching program include:

2.74 g/t over 0.8m from channel 1 in bunkhouse #3
4.12 g/t over 0.9m from channel 3 in bunkhouse #3
9.11 g/t over 0.5m from channel 3 in pit #2

It is recommended that the trenching program be followed up with an induced polarization survey and diamonds drilling.

Magnetic Survey

A 5.2 km grid was established over the area along a 700m long 120 degree trending baseline with perpendicular lines at 50 and 100m intervals consisting of measurement stations every 25m. An additional 4.3 km of gridlines were eventually cut adjacent to the original grid..

The magnetic survey indicates the presence of a magnetite rich horizon within the porphyry. This horizon or horizons appear to strike at 345° across the survey area. The southern end of this horizon

appears to have been offset by some structural features and has most likely underwent some alteration resulting a depletion of the magnetite content. This region of alteration may be a key area for further exploration.

The extension grid to the north indicates an apparent truncation of the magnetically elevated unit. Another feature that becomes more apparent is what appears to be a series of east-west offsets in the magnetically elevated unit. This may also be a result of the strike of the magnetically high intrusive with possible alteration around it.

To the north-east, a magnetically depressed area is observed. It appears to have a lower magnetic susceptibility than most country rock and may represent a volcanic unit that has undergoing magnetite depletion.

12. DIAMOND DRILLING.

12, 1. The 1923 Drilling Program

As noted in the 'History' section of this report, there were four diamond drilling programs conducted on the property. The first of the four took place in 1923 and was managed and funded by Anglo Canadian Explorers. The total length amounted to 3,735 feet (1138 m). This number is excluding hole K because its location still remains unknown. As mentioned before in 2002 some more information was obtained and a map of the 1923 programs hole locations became available. The holes were identified using letters of the alphabet from A to K. Logs and alleged assays for all of these were also part of this donated data, with the exception of holes G and I. A location plan (dated 1929) shows that all locations fall within a radius of 300 m from the shaft, with the exception of holes I and K.

At the time Mr. Vamos prepared his first report prior in 1986 the only information available about the 1923 drilling was the Progress Report prepared by Anglo Canadian Explorers. In spite of the very promising assays but no locations for them therefore no attempts were made to include these results in the resource in the report compiled in 1987. Adding to the confusion some allegations found in a personal letter from the President of Northern Metals E. Giblin written in the early thirties, suggesting that Anglo was tampering with the results, by deliberately reporting lower values as a revenge for loosing the property. This allegation is absurd since values reported by Anglo Canadian are far better than the values shown on the logs; especially that they contain two highest assays recorded on the property. Oddly, if one compares the results from the Anglo Canadian Summary Report and the drill logs allegedly coming from the "same" source it becomes evident that there are no similarities at all.

Upon receiving some background information from Ms. Wise, the great granddaughter of Mr. Walsh and in addition to other personal information already obtained from other sources, it is concluded that the 1923 drilling as reported by Anglo Canadian in their Progress Report (possibly written by Rogers, according to a later report by Holbrooke) provided reliable data that significant and positive enough to require follow up.

Mr. Vamos, having obtained new information when reviewing the data from the material donated to the Geological Survey in 2002, came to the conclusion that after the falling out with

Mr. Walsh, Anglo did not disclose the assay results to the management of Walsh Gold Mines. Being aware about the allegations made by Mr. Giblin about the Anglo report Mr. Vamos did not use any of the data from Anglo in his earlier reports. With the review of the subsequent information he believes that the values listed in the Progress Report by Anglo Canadian were true. He also believes that Walsh Gold Mines was given by Anglo only a set of drill logs showing only the geology but not the assays and therefore neither H. Walsh nor E. Giblin were aware of the high grade gold values obtained. Mr. Vamos also believes that after the death of Mr. Walsh the new manager E. Giblin of Walsh Gold took these logs and added fictional assays results possibly prior of his attempts of vending the property. Looking at these logs it is also became apparent that Northern Metals was not given any information regarding the results nor were they aware of the two high grade intersections in holes B and J. The "inventing and adding" the assays to the drill logs by Northern Metals may have taken place just prior to the property being sold to Baghdad Gold. Mr. Vamos's position is after reviewing and comparing the assays shown by the "1923 logs" with the results of the 1986 drilling, as well as with the 1923 Progress Report by Anglo Canadian that none of the 1923 drill logs bear any resemblance to them and therefore the assay results on the logs should not be relied upon.

Data from the second program by Baghdad Larder (late 1930's) did not survive. Two unidentified drill collars found by Mr. J. Hinzer while mapping in the vicinity of the mine in 1986 may be remnants from this program. Judging from their locations, it appeared that these holes had been drilled with the purpose of confirming the 1923 drilling (as shown by the logs). It also seems that after these holes were drilled, no further work was done on the property, suggesting that the results did not concur with the expectations of Baghdad resulting in the termination of the work..

The third drilling program on the property dates back to the 1960's when Mid North Engineering drilled three very shallow holes a few hundred meters east of the mine site. One of these holes collared near Kinabik Creek and on strike with Vein 4 hit a broken "rusty" quartz vein near surface with significantly anomalous gold values. Basic logs and assays are in the files of the issuer.

The following table is converted to metric units:

TABLE OF THE SIGNIFICANT INTERSECTIONS

1923 Drilling

	from	to	interval	grade	
	m	m	m	g/t	
A	62.60	63.22	0.62	4.35	
B	5.20	5.47	0.26	2.02	
	7.47	7.60	0.13	489.89	
	13.64	15.29.	1.45	3.42	
C	43.66	45.22	1.56	1.87	
	82.68	83.18	0.50	3.11	
D	40.73	40.98	0.25	6.53	Wall rock 1.5-3.0g/t
	48.58	48.77	0.19	9.02	
	66.65	67.33	0.69	3.42	
E	70.69	70.91	0.22	7.78	
	77.05	77.89	0.84	3.42	
F	86.52	86.67	0.16	7.78	
	124.26	124.45	0.19	3.11	
	142.26	142.76	0.50	4.67	
	144.94	145.87	0.93	5.10	
	147.31	148.15	0.84	3.19	
	152.23	152,57	0.34	3.73	
G	35.91	36.22	0.31	6.84	
	101.49	102.09	0.59	491.45	
	111.06	111.46	0.40	11.51	
J	22.33	22.67	0.34	4.98	
	33.01	40.17	7.16	2.80	
	50.92	52.48	1.56	4.04	

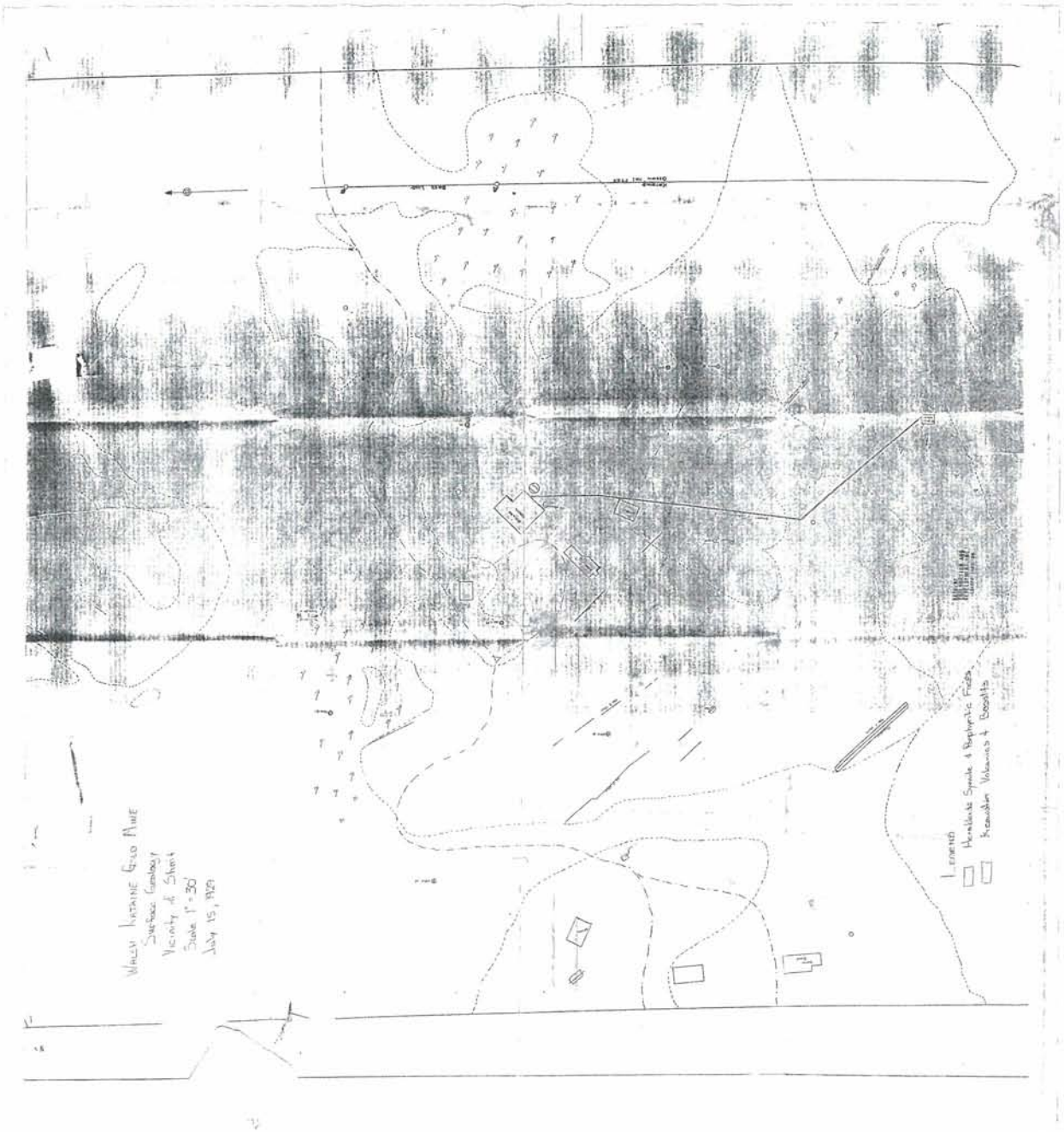
Now that the locations of these drill holes are known the importance and economic significance of it greatly enhanced the merits of the property. The 1923 drill program was well conceived and executed. The results obtained by this program are significant enough to remark on in spite of that almost ninety years have passed since these activities took place. There is insufficient information to give an estimate of true widths versus drill intercepts.

First and foremost the two highest grade occurrences resulted from this program, the drill hole B intersected near surface a high grade zone with original assay of 489g/t au) this drill hole was very likely aimed under a high grade surface showing. A second and similar grade intersection in hole G was at moderate depth. It may have also aimed under a surface showing and it was intended to test the mineralization at a moderate depth.. Both of these intersections will require

verification and further follow up. Drill hole J intersected a wide but lower grade zone at shallow depth that may be located on surface and could serve well as a possible source of a bulk sample material. In addition to the above it is worth noting that hole F has intersected six separate mineralized zones where only four veins were supposed to exist.

As it was stated before the sampling in 1923 was focused on the vein material only, samples from the wall rocks were obtained only in at two locations and in both cases have given mineable grades suggesting a strong potential for adding value by increasing the widths of the mineralized zones.

Figure 6 Diamond Drilling Location Map 1923



12. 2. The 1986 drilling program.

During this program 15 drill holes were completed at a total length of 1625 m. All but one of these drill holes, (CP 86-4), were drilled in the shaft area, well within a radius of 150 meters of the shaft collar.

The drill holes were spotted using the detail grid covering the mine site that is was fully overgrown and now has been partially cleared and new metric lines cut to accommodate the recent magnetic survey in the shaft area. All the casings were left in the holes that have made it easier to find them should the need arrive. To date four casings have been found. The following table a hybrid of Imperial and metric units,

Canper initiated a diamond drilling program at the beginning of the winter in October of 1986 that lasted until January 1987. While it was intended to be a follow up on the detailed mapping and sampling of the shaft area which remained undone due to difficulties Canper had in obtaining funding before the beginning of the winter. Therefore the drilling had to be based mainly on the available historical data and represented the "best efforts" on the limited underground information available. Completing 15 drill holes and most all holes intersected commercial grade gold mineralization; that under such conditions, should be considered a success. Commercial grades depend on the current prices and production costs and can change overnight.

The locations of the drill holes were tabulated on the basis of their location based on the Detail Mine Grid established in the fall of 1986. It is strongly advised that a new mine coordinate system be introduced and all still visible objects be tied into the new system before any other field work commences.

TABLE OF DIAMOND DRILLING: 1986 PROGRAM

DDH ID	Location	Azimuth	Dip	Total Depth m.
CP 86-1	4+40SW, 2+00NW	215	45	99.67
CP 86-2	6+00SW, 2+00NW	215	45	93.57
CP 86-3	5+20SW, 4+00NW	215	45	108.81
CP 86-4	3+50S, 12+00W	215	45	105.76
CP 86-5	5+75S, 3+00NW	215	45	84.43
CP 86-6	5+00S, 1+00W	215	50	107.90
CP 87-7	6+25S, 1+00W	215	48	76.81

CP 86-8	6+52S, 0+00W	215	46	69.19
CP 86-9	4+18S, 0+00W	215	53	145.40
CP 86-10	4+75S, 1+00E	215	45	69.19
CP 86-11	7+00S, 3+00W	215	45	63.10
CP 86-12	4+50S, 3+15W	215	45	99.67
CP 86-13	7+10S, 1+00E	215	52	63.10
CP 86-14	4+00S, 6+00W	215	45	64.43
CP 86-15	3+00NW, 2+00S	215	50	280.42

The 1986 drilling, while it was mainly based on limited information, did confirm the presence of commercial gold values on the property with mineable widths and a significant potential for an increase in tonnage. However, there is insufficient information to give an estimate of true widths versus drill intercepts.

The results of the drilling are tabulated below showing all intersections obtained above 1 g/t au calculated to a minimum mining width of 1 meter. Only those intersections that averaged over 1.5 g/t were considered significant enough to be shown on the longitudinal section yet to be completed. That would become the backbone for any resource calculations in the future, as well as the aim of the any forthcoming exploration proposal.

TABLE OF THE SIGNIFICANT INTERSECTIONS

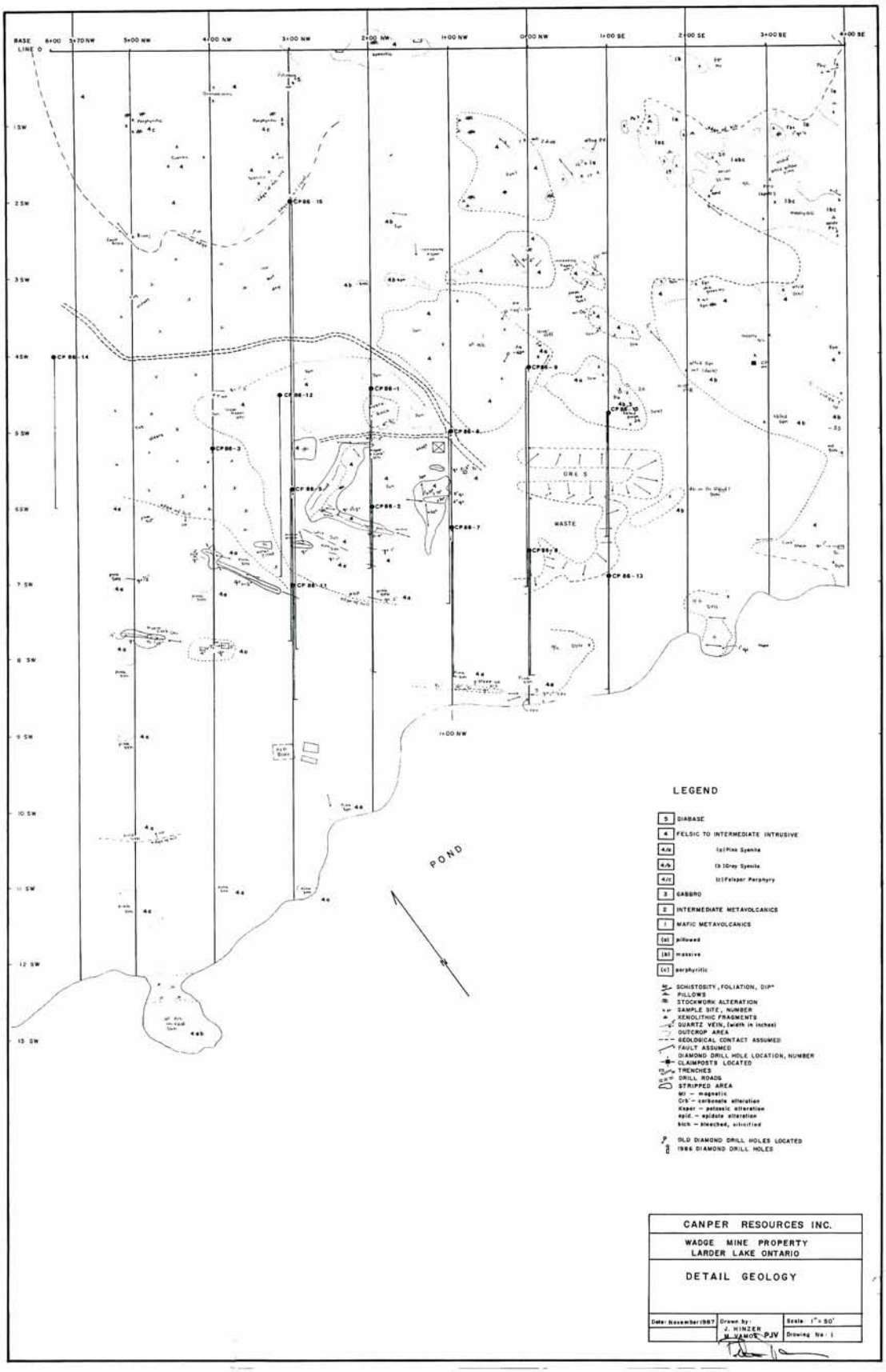
As mentioned before the planning of the 1986 drill program was based only on limited and fragmental underground information and in the hopes following up on the historic underground data would provide confirmation of the old data plus additional information from more than a single zone. Most holes managed to intersect more than a single vein. In fact holes 86-5 and 86-9 intersected several zones giving comparable value with the historical data and of mineable grade.

To support its attempt to obtain funding New Walsh Katrine Resources commissioned the compilation of a basic 3 D computerized model to show the extent of the underground workings and the locations of the mineralized veins as reported historically.

	from	to	m	oz /t	g/t	ft	m	oz/t	g/t
CP -86-1	30.0	30.3	0.3	0.23	7.9				
	30.3	30.6	0.3	0.0027	0.1				
	30.6	31.1	0.5	0.067	2.3	3.5	1.1	0.10	3.3
	83.5	84.1	0.6	0.077	2.6				
	84.1	84.4	0.3	0.0051	0.2	3	0.9	0.05	1.8
CP-86-2	16.2	16.8	0.6	0.2729	9.4				
	16.8	17.4	0.6	0.008	0.3	4	1.2	0.14	4.8
	31.9	32.6	0.8	0.2565	8.8				
	32.6	33.5	0.9	0.0025	0.1	5.5	1.7	0.12	4.0
	88.4	88.7	0.3	0.061	2.1				
	88.7	89.3	0.6	0.055	1.9				
	89.3	90.2	0.9	0.016	0.5	6	1.8	0.04	1.3
CP-86-3	62.3	62.6	0.3	0.063	2.2				
	62.6	63.1	0.5	0.052	1.8				
	63.1	63.6	0.5	0.224	7.7	4	1.2	0.12	4.1
	88.5	89.0	0.5	0.132	4.5				
	89.0	89.9	0.9	0.012	0.4	4.5	1.4	0.05	1.8
CP-86-5	6.4	7.0	0.6	0.029	1.0				
	7.0	7.6	0.6	0.062	2.1	4	1.2	0.05	1.6
	20.4	21.2	0.8	0.0051	0.2				
	21.2	21.6	0.5	0.12	4.1	4	1.2	0.05	1.7
	26.5	27.3	0.8	1.53	52.4				
	27.3	27.7	0.5	0.0065	0.2				
	27.7	28.7	0.9	0.0082	0.3				
	28.7	29.6	0.9	0.0103	0.4				
	29.6	29.9	0.3	0.0013	0.0				
	29.9	30.3	0.5	0.049	1.7				
	30.3	30.9	0.6	0.014	0.5				
	30.9	31.7	0.8	0.023	0.8				
	31.7	32.0	0.3	0.0005	0.0				
	32.0	32.8	0.8	0.0015	0.1				
	32.8	33.5	0.8	0.4386	15.0	23	7.0	0.22	7.7
	35.7	36.7	1.1	0.054	1.9				
	36.7	37.0	0.3	0.092	3.2	4.5	1.4	0.06	2.1

	from	to	m	oz /t	g/t	ft	m	oz/t	g/t
	45.6	46.2	0.6	0.193	6.6				
	46.2	46.6	0.5	0.0115	0.4	3.5	1.1	0.12	3.9
cp-86-6	57.6	57.9	0.3	0.2048	7.0				
	57.9	58.5	0.6	0.233	8.0	3	0.9	0.22	7.7
CP-86-8	7.6	7.9	0.3	0.0029	0.1				
	7.9	8.2	0.3	1.266	43.4				
	8.2	8.5	0.3	0.0044	0.2				
	8.5	9.4	0.9	0.0025	0.1	6	1.8	0.21	7.3
CP-86-9	57.6	58.4	0.8	0.0831	2.8				
	58.4	58.8	0.5	0.0005	0.0	4	1.2	0.05	1.8
	98.3	99.1	0.8	0.0007	0.0				
	99.1	99.7	0.6	0.1117	3.8	4.5	1.4	0.05	1.7
	141.1	141.6	0.5	0.26	8.9				
	141.6	142.3	0.8	0.0039	0.1	4	1.2	0.10	3.4
CP-86-10	77.4	77.7	0.3	0.023	0.8				
	77.7	78.2	0.5	0.136	4.7				
	78.2	78.6	0.5	0.034	1.2	4	1.2	0.07	2.4

Figure 7 Diamond Drilling Location Map 1986



13. Historic Underground Development

The underground development begun in 1924 and was continued until after the death of Mr. Walsh in 1929. The extent of the work completed and the date of the termination of it isnot known.

It was reported that the shaft extended over a depth of 500 feet (152 m) and the lateral work was estimated to be over 3000 feet (9b m). It is unfortunate that virtually nothing has remained from the underground documentation. Baghdad Gold re-commissioned the underground and continued development however no information regarding this period has survived and there is no proof that this in fact happened. The only comprehensive information of the underground work is a small composite level plan prepared for a report by compiled in 1935 for Baghdad Gold Mines by S. Paine

Figure 8 Composite Map of Underground workings circa 1935

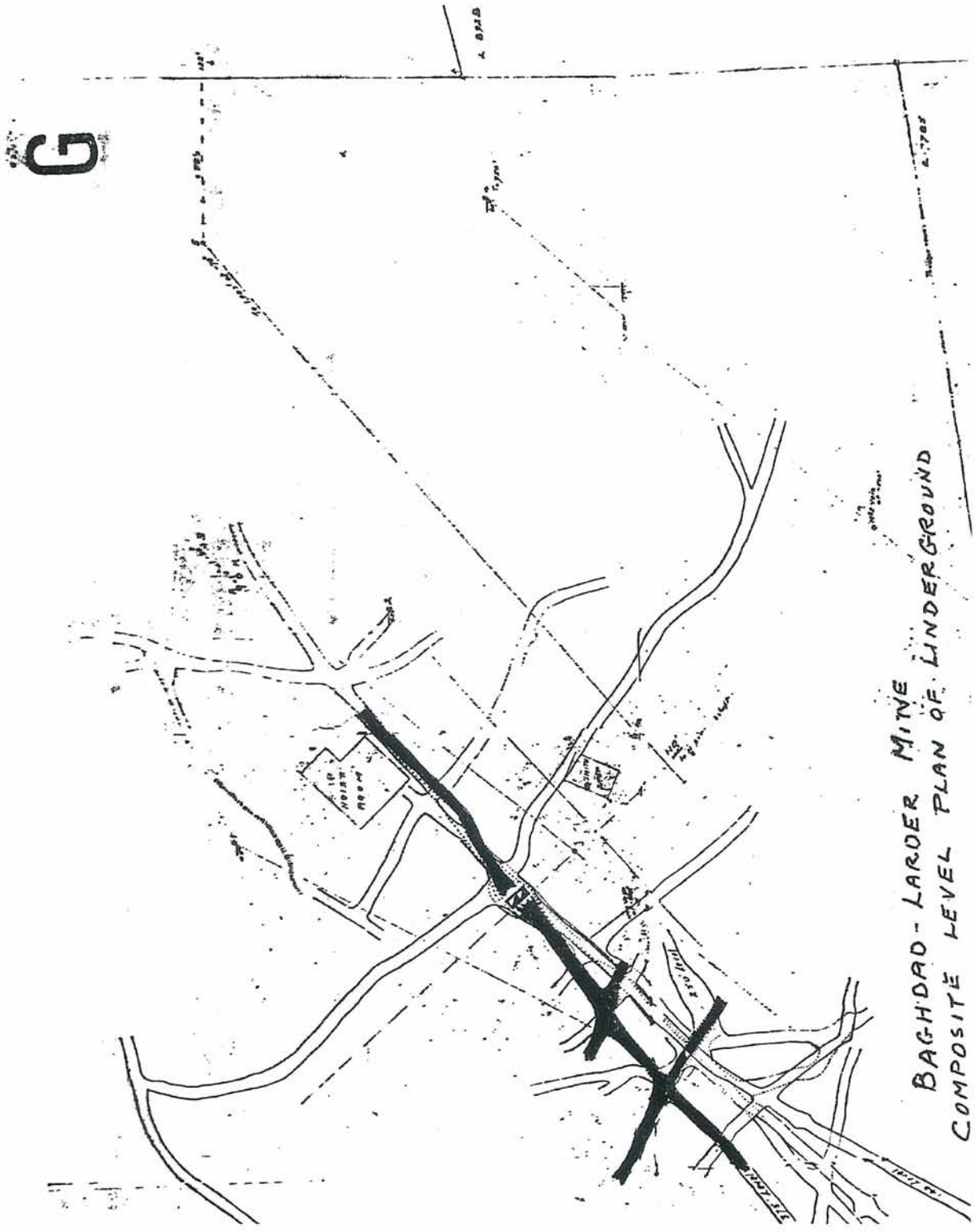
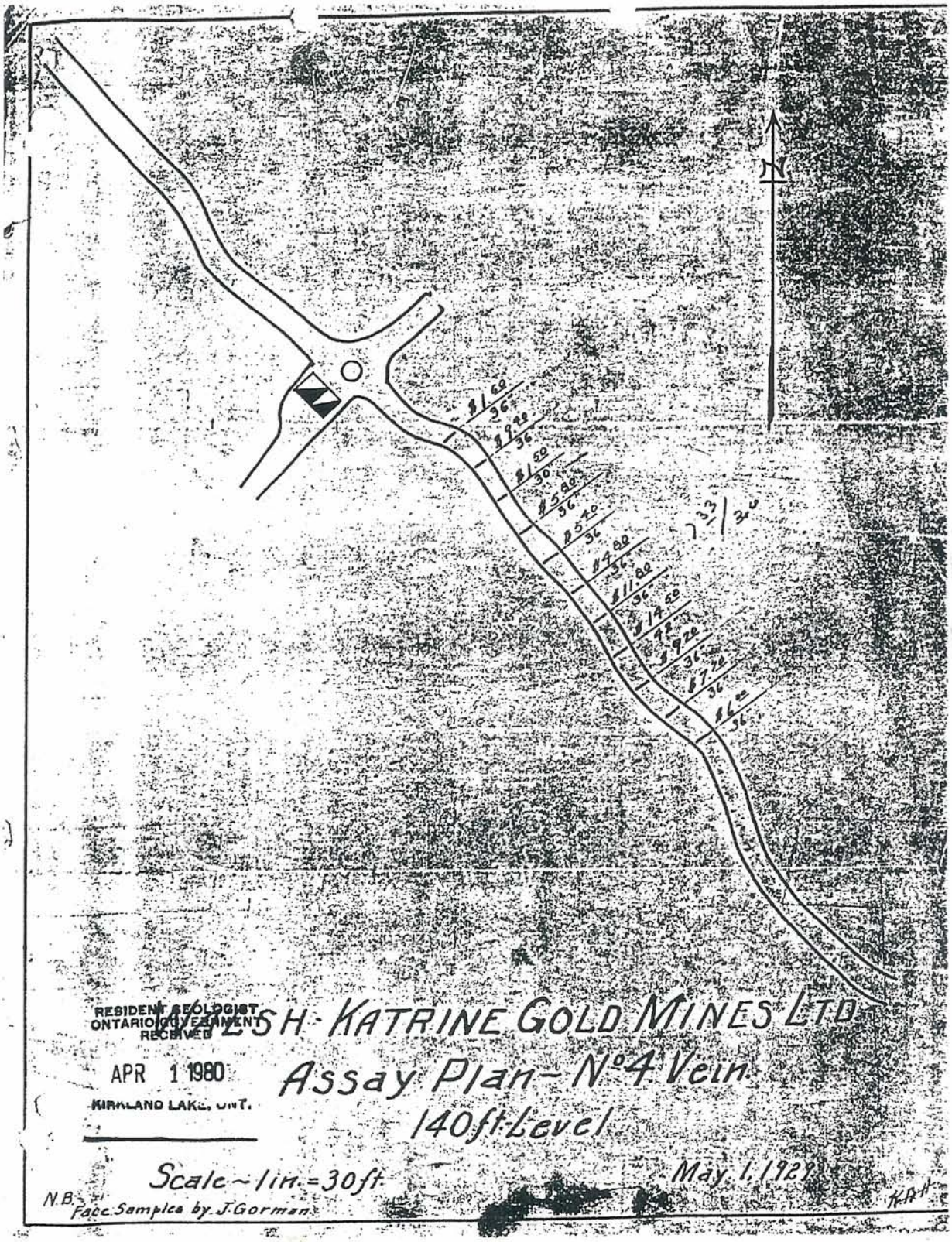
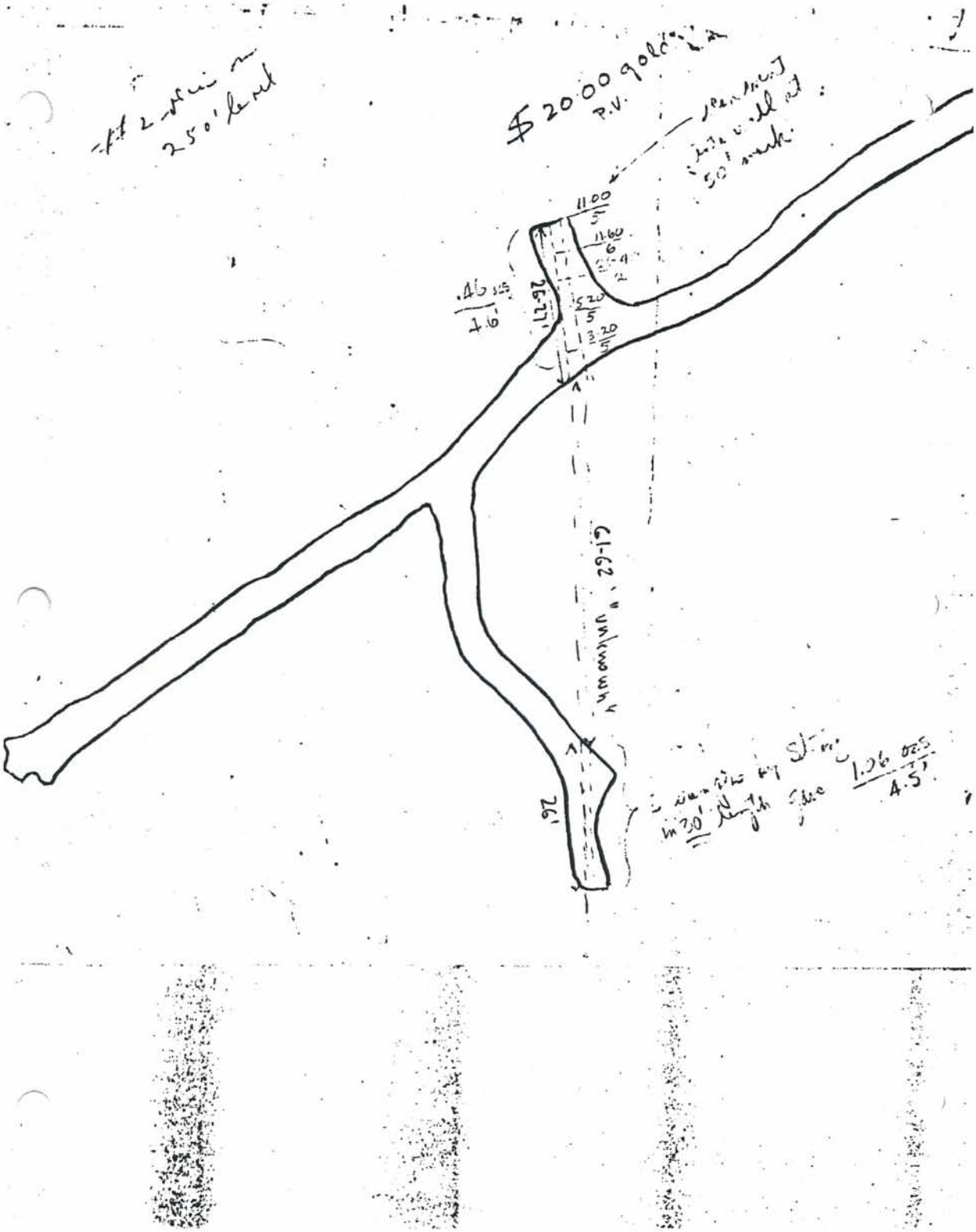


Figure 9 Underground Assay Plans 1-4 Fragments




$20.00 gold
P.V.
11.00
5
11.60
6
.46
1.6
26.71
5.20
5
3.20
4
29.62' unknown
97'
1.26 ozs.
4.5'

Walsh-Katrine Gold Mines Limited

(NO PERSONAL LIABILITY)
HEAD OFFICE: COBALT, ONTARIO
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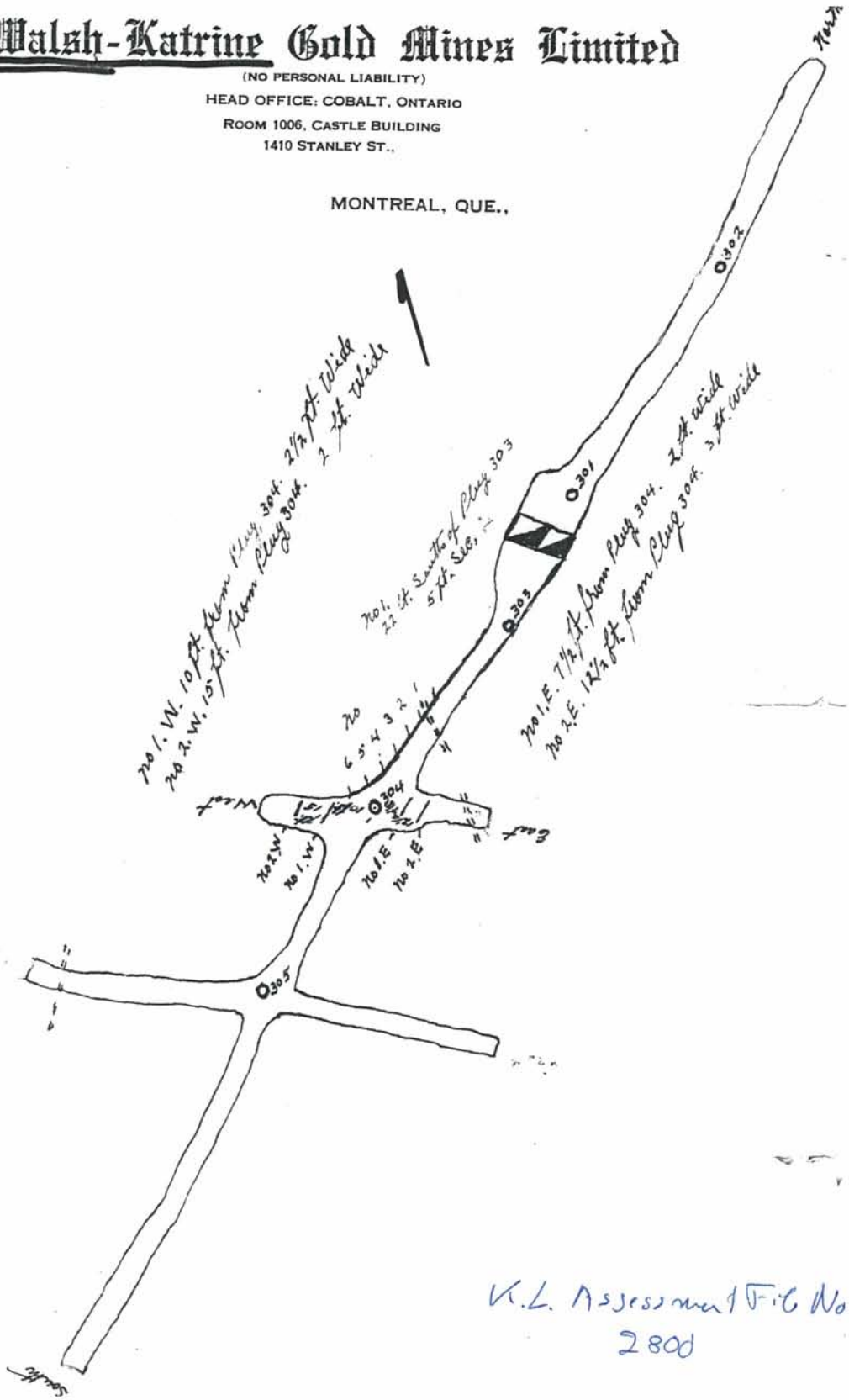
PHONE UPTOWN 7465.
MONTREAL, QUE.,



V.L. Assessment File No 2800

14. SAMPLING AND ASSAYING

There is no information available regarding the procedures followed by the early workers neither was any references found to the identity of the assayers. Most probably the samples were sent by rail to Kirkland Lake.

The surface sampling by Mr. Vamos and his associates was hand delivered to Swastika and completed by Swastika Laboratories. The drill core from the 1986 drill program was delivered to the core shack in Larder Lake where it was logged and split. The samples were driven to Kirkland Lake where the analytical work was completed by Accurassay Ltd. a certified facility.

15. THE RESOURCE

In the present time the resource is identified as a vein type deposit, however a potential of the presence of lower grade but larger volume stockwork type mineralization seems to be becoming an important factor as well. The proving of its existence is one of the objectives of the proposed exploration program.

None of the historical reports calculated a resource. The first such estimate was in Mr. Vamos's report compiled for Canper that was completed prior to the drilling activities.

The following resources are not in compliance with the requirements as set out by the NI 43-101 and are submitted as data based on historical information. they were derived from four different sources with the first being the surface sampling conducted prior to 1923; the second, being the results of the 1923 diamond drilling; and the third, the underground sampling conducted between 1924 and 1929 and the fourth being the diamond drilling conducted by Canper in 1986.

The surface data was taken from the Rogers Map (dated on a single copy as 1923) representing a combination of trenches and test pits. The latter quite narrow, no wall rock samples were taken from neither the trenches nor the pits.

The 1986 report continues with a narrative describing additional information from experts visiting and reporting from the property as well as in addition to reports from the press.

The 375' level was incomplete at the time Strong visited the property. In its November 1928 and October 1930 issues, the Northern Miner reports that the vein was intersected. They mention the vein being exposed over a distance of 50' at a width of 4.5', grading 0.75 oz Au/t. This is more or less substantiated by assay certificates of seven samples ranging between 0.17 and 2.65 oz Au/t.

On the 500' level, the vein was drifted on over a distance 75'. Strong took one sample from the NW face running 0.075 ounces and the SW back where the assays came to 0.135 oz Au/t.

In his 1937 report, S. A. Pain mentions a strike length of 80 feet averaging 0.24 oz Au/t over a width of 3'. He also describes a faulted section giving an assay of 0.49 oz Au/t over a width of 45 inches. According to his report, the opening of the vein was still in progress at the time operations ceased. A composite plan accompanying his report showed the traces of four drill holes he drilled for Baghdad Larder. One of the intersections is identified as Vein 2 and is about 145' southeast from the drift on the 500 level, extending the strike length by 220'."

"The information available in regards to Veins 3 and 4 is even sketchier. Vein No.3 appears from the few available underground maps to have been exposed at the 140' level, but information regarding the length, width, or grade of this vein is unavailable. Vein No.4 has been drifted on the 140' level, and has been sampled over a length of 100 feet.

The above calculations are approximations and do not allow for recoveries or dilution and were calculated on vein width. It appears that the surface sampling as well the l40 level sampling of the veins was at very narrow width and may therefore be misleading. In most instances during the period of underground development the wall rock was not sampled but the diamond drilling by Canper in 1986 indicated that some values were found in the walls of the veins. Only on one occasion did Mr. Vamos find any reference to wall rock sampling. It came from the March 15, 1928 issue of the Northern Miner and is quoted here: *"Wall rock, where mineralized gives $3.40 (*0.17 oz Au/t or5.29 g/t) *to $5.80 (*0.29 oz Au/t and 9.02 g/t) *for 8" to 10" on each side."* If proven true, these values would also have a very positive influence on the economics of the deposit.

Some sources suggest that the mine was de-watered and re-sampled under the supervision of Mr. Strong. The assay averages quoted by these sources are higher than the original work done at the time of mine development. Mr. Vamos of this report used the original results taken from portions of the level plans."

Figure 10 3D Model of Veins from U/G Historical Data & Diamond Drilling

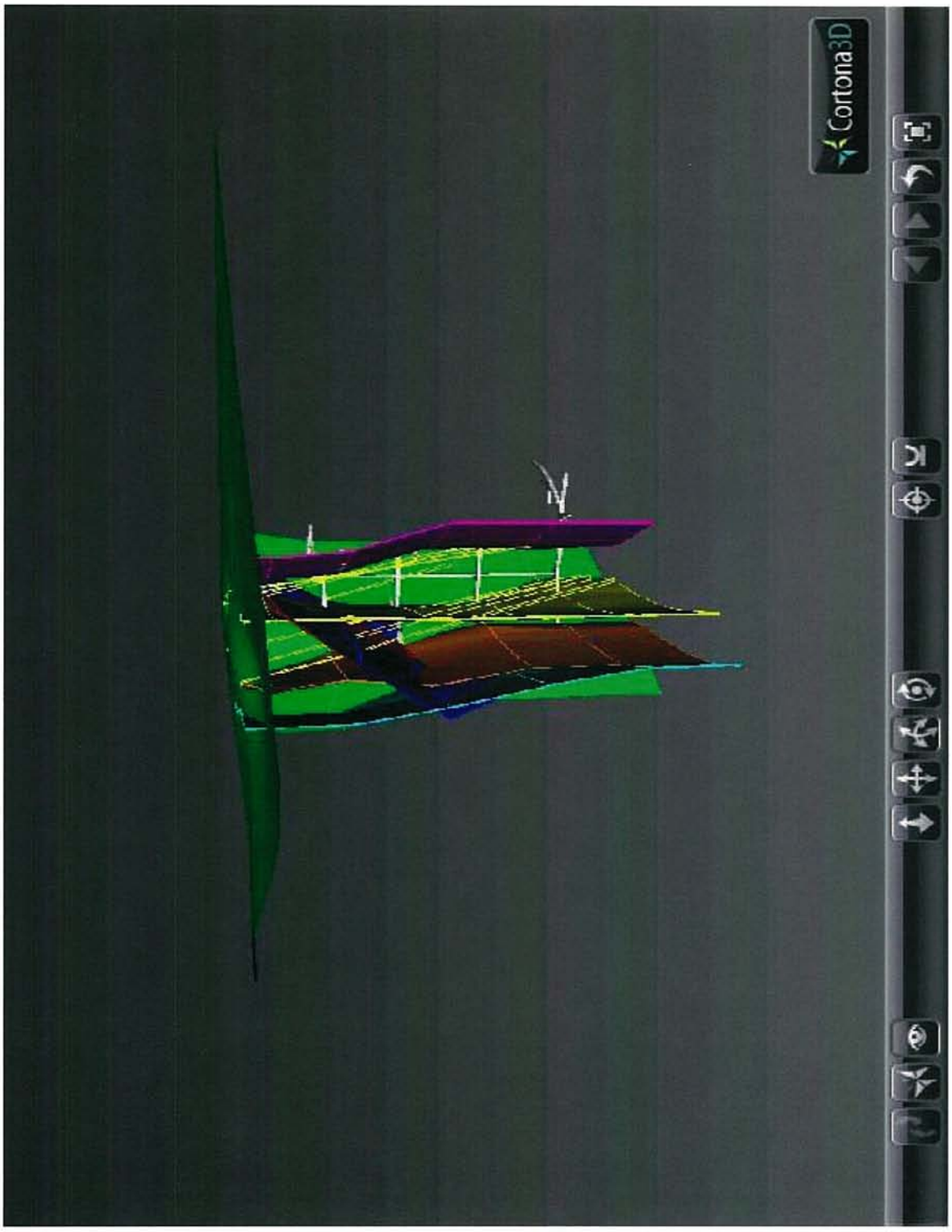
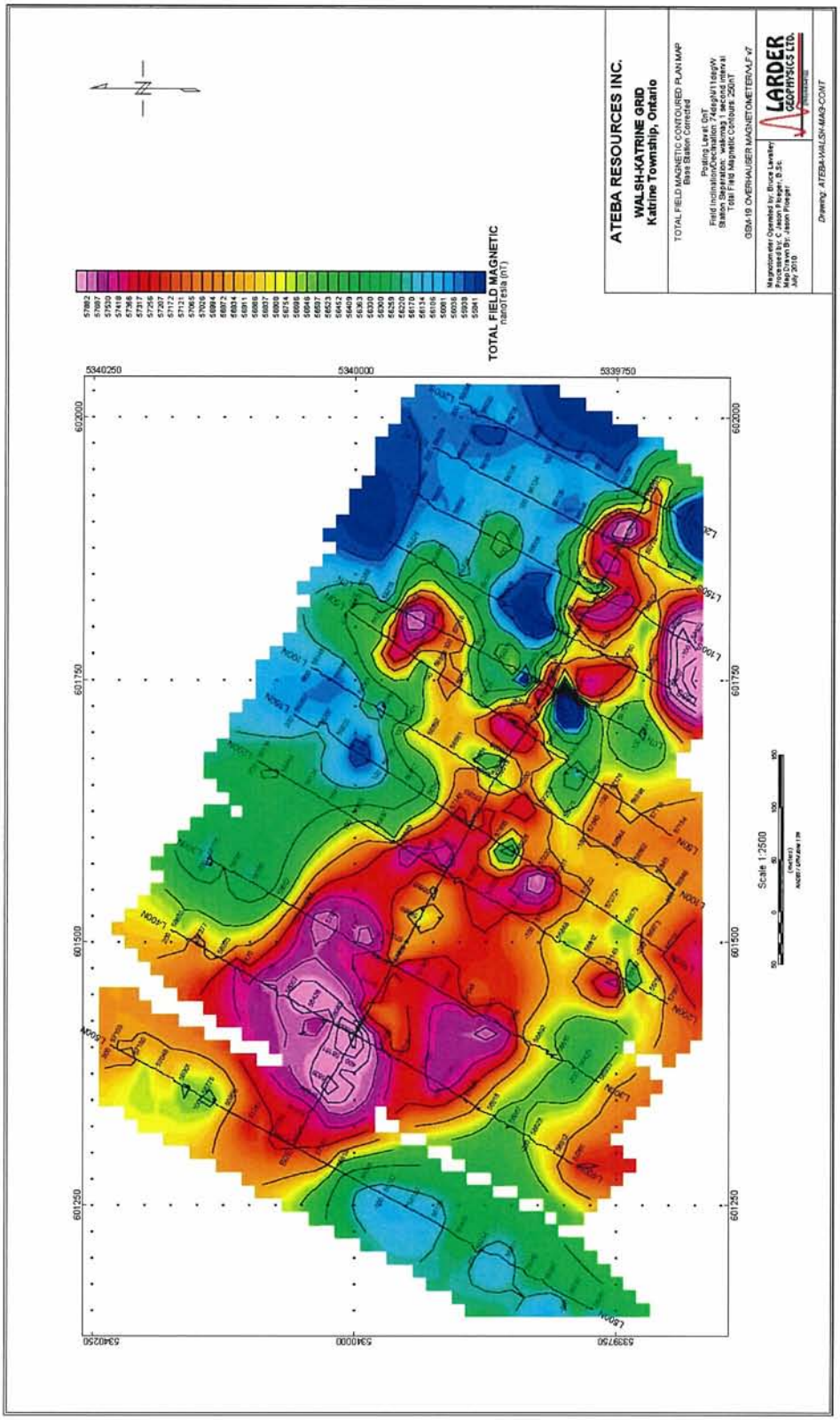


Figure 11 Ground Magnetic Survey 2010



16. HISTORICAL PROCESSING AND METALLURGICAL TESTING

Records indicate that at least one metallurgical study was conducted for Northern Metals in 1933. The file contains a letter dated July 22, 1933 from the Department of Mines Canada, Division of Ore Dressing and Metallurgy. In the letter the Department acknowledges receipt of two gold ore shipments from Katrine Township, Ontario. The first sample was described as an approximate 3000 lbs., grading 0.11 oz Au/t (1360 kg, 3.8 g/t). The second sample (approximately 300 lbs.) graded 1.67 oz Au/t (136 kg, 57.2 g/t).

A second document in the file (on Northern Metals letterhead) was dated at Ottawa on August 26, 1933. The four-page document describes that the two samples were mixed in proportions, which gave an average grade of 0.445 oz Au/t (15.2 g/t). It lists the metallic minerals observed as pyrite chalcopyrite, magnetite hematite and native gold. The results of the test were as follows: a recovery of 49.2% gold by amalgamation at minus 48 meshes and 40% at minus 200 mesh. 96.7% of the gold was recovered through cyaniding at minus 200 mesh. The copy of this report was not signed. Mr. Vamos of this report found this document to be in good order for 1933. Northern Metals copied the original report onto its own letterhead and reserved the copy. No evidence for additional metallurgical testing was found.

17. INTERPRETATION AND CONCLUSIONS

In conclusion Mr. Vamos came to the opinion that, on the merits of this property, further work is required. His belief about the potential of the property hosting an exploitable deposit remains unchanged since the time he first examined it and compiled his first report. The property definitely has more than sufficient reason for the continuation of work.

There are two trends of auriferous veins, the East West trending veins of which 4 have been exposed underground however it appears that there is at least one more. They are open at both ends as well as at depth. The length of these veins should they terminate at volcanic contacts would be up to 800-1000 feet (243-305 m), however there are indications that they may continue at least a certain length into the volcanic rocks.

There is an additional North South trending auriferous vein that is not intersected by either of the two drilling programs but was exposed and in portions sampled underground on the second and the bottom level. The 1973 geophysics suggests two North-south trending anomalies that could be additional mineralized zones and need to be defined in the future.

Mr. Vamos of this report believes that the property has a high potential to be up-graded by the third phase of the suggested program to enter into a pre-feasibility study stage. This optimistic view is supported by the following factors. The grades reported from the property are more than viable at the current price for gold. Considering the current worldwide financial downturn that a major drop in the price of gold is very unlikely and such as the moderate day to day fluctuation we experience in its price nowadays would not seriously impact on the availability of funding for a good gold project nor would it negatively impact on an on-going mining operation.

The property has, from time to time, undergone some major activity rushes, one lasted as long as five years; however all were terminated because for a variety of reasons but none because of poor results. All of these were due to a variety of events that were detrimental to obtain further financing and were purely coincidental.

Two of these can be used as examples. The first a major and quite successful work program was under way in 1923 when the activities were suddenly halted. This termination of this work was definitely due to some major financial disagreement between the optionor and optionee and not because the results being unfavourable but singularly because the inability of two parties to come to a compromise resulted in the termination of the agreement. Similarly the closing the underground development in 1929 had more to do with the sudden death of Mr. Walsh than any other reason.

The property was acquired by Baghdad Gold in the thirties. This decision of stoppage of work on the prospect could have been in large part influenced by the event of the United States unilaterally freezing the price of gold at $35, an act that impacted not just on the smaller producers forcing them to close the mines but it also impacted with availability of development funding for the new mines.

Mid North acquired and brought the 4 key claims which make up part of the Property where the shaft is located to lease in the sixties expecting a change of the price of gold that came about in ten years time.

The price restrictions were lifted in the mid seventies and the price spiked. However it came under heavy pressure in the eighties when the governments of several western countries, including even Canada that was at the third place in world gold production, sold large portions of their gold reserves. The event caused a major drop in price over an extended time. The sell off continued during in the nineteen eighties when the property was brought back to life by Canper. The financing coincided in time with a dramatic drop in the price of the metal, an event that always is accompanied by the disinterest by investors and directly impacted on the funding efforts of Canper. It took several years for the price to go on an upward trend coming to its present level. The present time with firming up of the price of gold at a considerably higher price and further increases that are expected the Property bears a large exploration with the objective of bringing a mine into production

There are at least five mineralized veins now known on the property, with economic grades and widths, to support a mining operation. All of these are open along strike as well as depth and have the potential of adding significant numbers of in situ ounces thus increasing the value of the deposit. Therefore it will be prudent to compile all the available historical data and continue the exploration. The underground operations of the twenties allegedly exposed such mineralization at the bottom level suggesting a depth potential that could be more significant than the on strike potential.

The property is in a position where the increase the value of the resource can be achieved fairly quickly. This in turn be would provide an avenue for further and more substantial investments to cover the costs re-opening the upper two levels of the mine to map and re-sample the veins. That in turn would result in further extending the boundaries of the defined resource that would significantly increase the in situ value of the property.

18. RECOMMENDATIONS

The work proposal submitted herein consists of three distinct phases. These are not based on a time interval but on logistical benchmarks based on the potential of adding value to the property. While the first phase can be completed in a calendar year the second and third phases are based on the completion of work sequences. The first phase consists mostly of verification of historical data and surface exploration that includes significant drilling activity and some preparations for the second phase. The second phase would be a combination of surface and

underground preparations. The same parameters apply to the third phase. It is suggested that near the halfway mark in the third phase preparations could begin for a scoping study, or in the case of major increase in value a it could be substituted by pre-feasibility study aiming at mine rehabilitation and the completion of a decline to the bottom level.

18. 1. Phase 1

It is recommended that a more permanent fence be placed around the open shaft. e funding suggested in this Cost Estimate is designed to provide a professionally sound, secure and safe, and environmentally friendly working environment for the workforce during all three phases of work. Once all the preparatory work is completed and all the old (Historic) data has been evaluated and entered in the data base, the first phase of the program is presentlyl commencing.

It is recommended that a Section Reference Line (partially completed) be extended with an East-West and a Northwest-Southeast base line directions supporting the exploration and definition drilling for a complex multidirectional mineral deposit. Cross lines have been cut at 50mseparation and picketed at 25m. The base line will be extended 1.5 km in length the cross lines of 1.0 km. This grid would service both, the detail surface mapping and sampling as well as the subsequent diamond drilling.

The surface prospecting can be started simultaneously with establishment of a line grid at the vicinity to locate, clear and sample the Historic trenches and test pits shown by the Rodgers map, as well as in the area where the North-South Vein (Vein 2 on the underground documentation) projects to sub-crop on the surface.. It is also suggested that these be opened up by hand first and if feasible chip samples be taken mainly for orientation purposes, before the stripping and detailed mapping is implemented.

The area to be stripped would begin at the trenched area and continue eastward to and including the easternmost test pit on Vein 1 designated by Rogers. The extent of this work will depend on the topography and the project manager's discretion. The appended budget allows for sufficient funding for both detailed sampling and detailed mapping. Because the property lies fairly near to populated areas it is urged that steps are to prepare for secure locations for sample preparation as well as longer term storage. Primary exploration and sampling is allocated for the 1996 discovered Gagne showing.

About 3000 meters of diamond drilling is suggested initially to be divided between two targets; the East West striking sub-parallel veins, 2000m, and the North South trending auriferous structure about 500m, as well as 500 m of drilling in the area of the Gagne showing.

Since the possible complexities involving licensing for dewatering during the first phase, it is suggested exploratory steps to be taken well in advance to clarify the administrative and legal issues in force to obtain a licence for partial dewatering of the shaft and the first two levels. To assure that all the proper preparatory steps that need to be taken well before the commencement of the second phase.

Phase 1

Sectional Diamond Drilling 3000 m consisting of 4 holes of 150 m and 10 holes averaging 240 m located mainly to north of the known Mineralization; drilling approx 240 degrees at a dip of 45 to 50 degrees	$ 347,500	
Preliminaries and prep. For UG rehab		$ 18,000
Admin, superv, rentals		$ 47,500
Total		$ 413,000

18. 2. Phase 2

The aim of this phase is to increase the resource inventory significantly It is proposed to focus on surface diamond drilling to extend the limits of the resource along strike as well as to intermediate depth by surface diamond drilling. It is proposed that the drilling be done at 50m section separation. This work combined with the results of the surface sampling and drilling in the first phase would upgrade the resource at least in part to the Drill Indicated Resource category while also increasing the Geologically Inferred Resource. The drilling would extend at an exploratory level into the volcanic sequence both East and West of the deposit as well as tracing of the North-South Vein along strike and at depth. Also slated for this phase is the preparation of logistics needed and the completion of all the requirements required for the re-opening of the first and second levels.

The estimated costs for Phase 2

Preliminaries	$ 125,000
Surface Exploration	$ 58,000
Sectional drilling	$ 708,000
Preparations for U/G rehabilitation	$ 1,936,000
Administration, supervision & rentals	$ 348,366
Total	$ 3,325,913

18. 3. Phase 3.

The third phase also extends over a year. The surface drilling would continue on both targets and in some areas there would be exploration would be extended below the l level. The potential for deeper drilling is expected and the proposed total of drill footage is increased to 10,000 meters. Mapping and sampling the exposed veins on the first and second levels may significantly add value by an increase in the contained gold. Some additional fill in drilling would be done at areas where further follow-up would be prudent and there is a potential to increasing the Measured Resource category, mainly. between the surface and the re-sampled levels.

The de-watering and rehabilitating of the first and second level would be the high priority in Phase 3 combined with geological mapping and sampling all the mineralization seen underground.

The estimated costs for Phase 3

Preliminaries	$ 225,000
Surface Exploration	$ 280,900
Sectional drilling	$ 817,250
Preparations for U/G rehabilitation	$ 4,153,000
Administration, supervision & rentals	$ 817,250
Total	$ 6,128,288

The estimated Grand Total for the Project stand at 10.5 million Canadian dollars.

17. SIGNATURE PAGE

This report titled "Technical Report for Ateba Resources" was prepared for Ateba Resources Inc. and March 30,2011 was prepared and signed by the following authors:

(Signed & Sealed)

Dated March 30,2011

Peter J. Vamos P. Eng

REGISTERED PROFESSIONAL ENGINEER
P. J. VAMOS
PROVINCE OF ONTARIO

Peter J. Mullens BSC

PETER J. VAMOS P. Eng.

19 Berry Hill Ave. • Waterdown • ON • L0R 2H4 • Canada

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CERTIFICATE of AUTHOR

I Peter J. Vamos P. Eng. do certify that:

1. I am currently practicing my profession as Senior Consulting Geologist, continuously since September of 1978.

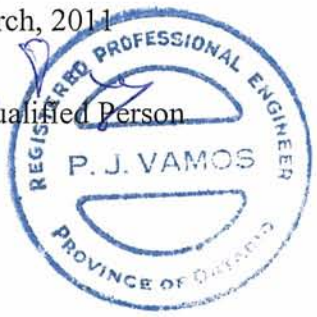
2. I graduated with a degree in Honours Geological Sciences from the University of Toronto in 1963.
3. I am a member of Professional Engineers of Ontario.
4. I have worked as a Geologist for a total of 48 years since my graduation from university.
5. I have read the definition of "qualified person" set out in National Instrument 43-101 and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.
6. I am responsible for the preparation of the technical report titled Technical Report Compiled for Ateba Resources Inc. and dated 2011, March 30, related to the Larder Lake Area Property Option. I visited and examined the Property in September of 1984 and several times since.
7. I have had prior involvement with the property that is the subject of the Technical Report. The nature of my prior involvement consists of a field examination conducted in September of 1984.and a subsequent report for Wadge Mines Ltd. of the Dickenson Group of Companies and a second examination and sampling excursion in 1985-86 for

Mid North Engineering Services Limited, also affiliated with Dickenson as well as compiling a Qualifying Report and finally managing an exploration program in the fall of 1986 for Canper Resources Inc..

8. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report, the omission to disclose which makes the Technical Report misleading.
9. I am independent of the issuer applying all of the tests in 1.5 of National Instrument 43-101.
10. I have read National Instrument 43-101 and Form 43-101F1 and the Technical Report has been prepared in compliance with that instrument and form.
11. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible to the public, of the Technical Report.

Dated this 30th March, 2011

Signature of the Qualified Person



Name of the Qualified Person

PETER J. MULLENS

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CERTIFICATE of AUTHOR

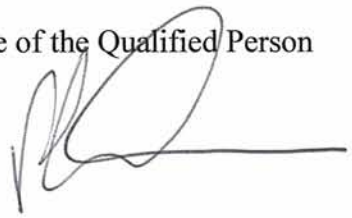
I Peter J. Mullens BSC. do certify that: BSc

1. I currently practice my profession as Senior Consulting Geologistand have done so continuously since 1984.
2. I graduated with a degree in Honours Geological Sciences from Montash University Unniversity Australia in ~~1986~~. 1984
3. I am a member of the Australian Institute of Mining and Metallugy; Certificate No. 107138.
4. I have worked as a Geologist for a total of 28 years since my graduation from university.
5. I have read the definition of "qualified person" set out in National Instrument 43-101 and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.
6. I am responsible for the preparation of the technical report titled Technical Report Compiled for Ateba Resources Inc. and dated 2011, March 30, related to the Larder Lake Area Property Option. I visited and examined the Property on March 30th,2011.
7. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report, the omission to disclose which makes the Technical Report misleading.
8. I am independent of the issuer applying all of the tests in 1.5 of National Instrument 43-101.

9. I have read National Instrument 43-101 and Form 43-101F1 and the Technical Report has been prepared in compliance with that instrument and form.
10. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible to the public, of the Technical Report.

Dated this 30th March, 2011

Signature of the Qualified Person



PETER MULLENS

Name of the Qualified Person