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Number of Volumes: 1

Enclosures (indicate number of each):

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Transparencies: | Paper Maps: | Microfiche |
Other: |

Received: 2010/04/20

Comments:

Signed: Andrea Mill

Date: 2010/04/29
First Year Work Assessment Report

On

Research, Map & Report Compilations
For
Mineral Licence 15840M

South-Central Newfoundland
NTS Map Sheet 12A/06

Submitted by

Victor A. French, P.Geo.
&
Crystal Mugford
V.A. French Geological Consultants Inc.
P. O. Box 385
Clarke's Beach, NL
A0A 1W0

Work Completed: April 2010
Total Expenditures: $1,670.20

Total Claims: 7

April 19, 2010
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1.0 Introduction

This assessment report details first year exploration work completed on Mineral License 15840M aggregating 7 full-sized claims and registered to Victor A. French of P.O. Box 385, Clarke’s Beach, NL, A0A 1W0. The work detailed in this report includes literature review, research, map and report compilations completed during the report period.

The 7 full sized mining claims are contained within a small irregular shaped rectangular block located on National Topographic Series (NTS) 1:50,000 scale Map Sheet 12A/06 in Zone 21, NAD 27. For the purpose of this report these claims constitute the property, which is owned and operated by Victor A. French of P.O. Box 385, Clarke’s Beach, NL, A0A 1W0.

The expenditures being reported are to satisfy the first year assessment requirement of $1,400 stipulated on the Mineral Rights Database System Report dated April 12, 2010 (Appendix I).

2.0 Location and Access

The property is located in south central Newfoundland and specifically in the northwest corner of NTS 1:50,000 scale Map Sheet 12A/06 (Figure 1). The area covered by the license straddles Lloyd’s River extending across the Lloyd’s Valley from the high, scarp faced hill along the eastern boundary to the more gentle, but still steep sloped, west valley wall (Figure 2).

The Lloyds River gravel road, following the Lloyd’s River Valley, provides the main access route into the property. This main access route in to the area and an older road along the top of the ridge approximately 500 metres to the west and paralleling the Lloyd’s Valley Road (LVR) affords excellent access into the property west of the Lloyd’s River. The LVR connects to the former mining town of Buchans, approximately 58 kilometres north and also connects to the paved Burgeo highway approximately 25 kms southwest, allowing easy vehicular access to the property, generally from May to early December. The road is only snow cleared in the winter months from Buchans to the Star Lake Generating plant, operated by Newfoundland
Hydro 20 kms north of the property and therefore during the winter time skidoo access is only possible.

The area east of Lloyd’s River can only be practically accessed by helicopter support. During summer dry periods and times of low water it is possible to wade across certain sections of the Lloyd’s River with hip waders. Foot traversing can also reach the area from the east, traversing off the Tulks Valley East Road, but can be considered impractical as the terrain and distribution of ponds and lakes along northeast – southwest linear valleys requires lengthy traverses.

3.0 Property Description

The Lloyd’s Valley Project comprised of Mineral Licence 15840M was staked on January 20, 2009 by Victor A. French under the allotment of 30 claims to individual prospectors. The license referred to as the Lloyd’s Valley Project (LVP) aggregates a total of 7 full-sized mining claims, having its northeast corner situated at UTM coordinate 5367500N - 471500E of NAD 27, Zone 21. A detailed description of the license is presented in Appendix I on the Mineral Rights Inquiry Report dated April 12, 2010.

The LVP shares conterminous boundaries along the east, west and south sides with Mineral Licence 17484M owned and operated by North Range Resources Ltd., and to the north abuts onto Crown Land.

4.0 History of Land Tenure

Mineral License 15840M was map staked on January 20, 2009 by Victor A. French of P.O. Box 385, Clarke’s Beach, NL and formerly covered ground dropped by several other stakeholders.
5.0 Physiography

The region encompassing the Lloyd’s Valley Project is located along the northwest side of the Annieopsquotch Mountains, which reaches a peak elevation of 687 metres on a hilltop approximately 25 kms southwest of the property and forming a distinct hill between Victoria Lake and the Lloyd’s Lake Valley. The major topographic feature in the region is the Lloyd’s River Valley, a major lineament containing Lloyd’s Lake to the south which drains moderately northeast through the property into Red Indian Lake at the north end of the valley and approximately 15 kms northeast. This regionally significant lineament traces the rectilinear, Lloyds River Fault Zone. The drainage network stretching 90 kms is the headwaters of the Exploits River, the largest first order river in Newfoundland.

The regional topography reflects the underlying lithological and structural controls, which are aligned northeast – southwest with the LRV being the dominant feature, traceable for several tens of kilometres. The LRV is a broad U shaped valley, generally 1.5 to 2.5 kms wide with the east slope expressed almost entirely as a precipitous, cliff face with extensive talus along its base. The west sloping wall of the valley is more moderate with isolated cliff sections and minimal exposed talus compared to the east wall. The valley and in particular the east and west slopes, excluding cliff sections, are heavily forested with softwood forest of spruce and fir in which there is hardwood such as birch and large majestic pine trees dispersed throughout. Many areas of the valley was extensively logged throughout the last century and resulted in large swaths of cutover now clogged with new growth punctuated by stands of un-harvested forest. The logging operations created numerous tractor and skidder roads/trails, which link into the existing network of gravel roads formerly used for transporting the harvested timber, north to Grand Falls and in the last two decades of the 20th century to Stephenville, south along the Lloyds Valley gravel road and west along the Burgeo highway.

The drainage into the river valley, especially along the east side, is along a series of small streams that cascade (mainly during run-off periods) into the valley. Several more gentle flowing streams drain east off the highlands plateau area to the west.
The best outcrop exposures are along the scarp face sections of the Lloyd’s Valley east wall and along the ridge and sited at the hilltops which are characterized by typical mossy and goowiddy covered barrens with widespread stunted, black spruce growth. Steeply incised sections along several of the stream valleys also reveal the underlying bedrock.

6.0 Regional Geology

The Lloyd’s Valley Project occurs in a structurally complex area of the Dunnage Tectonostratigraphic Zone of Newfoundland. Geologically, the island of Newfoundland is part of the Appalachian Mountain Belt (or Orogenic Belt) and can be subdivided into four main tectonostratigraphic zones; Humber, Dunnage, Gander, and Avalon Zones (Williams, 1979). The property area is within the Dunnage Zone (Figure 3).

The Humber Zone, west of the property, consists of ploy-deformed Precambrian Grenville Province aged crystalline basement rocks and unconformably overlies deformed Paleozoic continental margin rocks (Williams, 1979). The Humber Zone is interpreted to represent the ancient continental margin, Laurentia, of eastern North America. In contrast, the Dunnage Zone constitutes the Paleozoic mobile belt consisting of oceanic rocks including sections of oceanic crust and island arc-related rocks interpreted to represent juvenile oceanic rocks formed during the creation and destruction of the Paleozoic Iapetus Ocean, the precursor to the Atlantic Ocean, (Williams, 1979). The Baie Verte-Brompton Line, characterized by a zone of intense deformation and variably preserved ophiolite suites, marks the boundary between the Humber and Dunnage Zones (Williams and St-Julien, 1982). Obducted ophiolite suites located west of the Baie Verte-Brompton Line (e.g. Bay of Islands complex) are interpreted to have rooted into the Baie Verte-Brompton Line (Williams and St-Julien, 1982). The ophiolitic rocks in this area are assigned to the Annieopsquotch Ophiolite Complex, which is mapped immediately west of the license area.
Figure 3: Regional Geology
The property is at the south end of the Central Volcanic Belt comprised of the Tulks Hill, Long Lake and Tally Pond Belts of volcanic rocks. This belt of volcanic rocks hosts more than 130 Volcanogenic Massive Sulphide deposits and prospects, the most significant deposit being the Buchan’s Deposits, the most prolific producer of polymetallic mineralization in the Appalachian Mountain System.

7.0 Property Geology and Mineralization

The LVP straddles the Red Indian Line (RIL) described by O’Brien (2006) as “the tectonic boundary between the peri – Gondwanan, Exploits Subzone – ESZ and peri-Laurentian, Notre Dame Subzone – NDSZ elements of the Appalachian Dunning Zone”. The RIL is shown as a major thrust fault, which thrust Ordovician aged rocks of the NDSZ from the west over similar aged rocks of the ESZ to the east. Figure 4 and the accompanying legend details the geology underlying the property and is a section from Geological Survey of Canada open File 1:50,000 scale, Map 1667 labeled “Victoria Lake” (van Staal, C.R., et al, 2005).

Several rock units strike northeast – southwest through the property following the dominant stratigraphic trend typical of this segment of the central volcanic belt. Most of the area covered by the 7 claims is underlain by Unit OSRg shown by van Staal et al 2005 to be the upper unit of the Star Brook Igneous Suite described as mainly greenschist to amphibolite facies gabbro; a narrow, up to 100 metre wide sliver of Unit OSRd described as sheeted diabase is displayed intermittently trending through the middle of the property and immediately east of Lloyd’s River. Unit OSgb belonging to the Star Lake Ophiolite Complex and mapped as mixed mafic rocks such as gabbro, diabase and pyroxenite is shown underlying the northwest corner of the property. This unit is shown being separated from OSRd by a narrow, 50 to 100 metre wide strip of Unit Oo, bounded by thrust faults and assigned to the Otter Pond Complex which is described as mainly white to beige, aphyric, banded, strongly foliated muscovite rhyolite; locally interlayered with graphic schist, mica schist and amphibolite. The extreme southeast corner of the license is underlain by Unit OHB labeled the Healy Bay Formation and the upper unit of the Red Indian Lake Group, comprised mainly of quartz crystal tuff, rhyolite, volcanogenic sandstone and shale.
Legend

Notre Dame / Dashwoods Subzones

LOWER-MIDDLE ORDOVICIAN
Red Indian Lake Group

Healy Bay Formation
OHB
Quartz crystal tuff, rhyolite, volcanogenic sandstone, and shale

Harbour Round Formation
OHrg
Mainly basalt, pillow breccia, diabase, gabbro and andesite, Interlayered with red chert, shale and conglomerate

OHRmv

Otter Pond Complex
Oo
Mainly white to beige banded rhyolite, locally interlayered with schist

Lloyd’s River Complex
Otter Brook Igneous Suite
OoB
Gabbro & diabase

Star Brook Igneous Suite
OSRg
Gabbro & sheeted diabase

OSrd
Pillow basalt and minor anorthosite to trondjhemite

LOWER ORDOVICIAN
Annieopsquotch Ophiolite Complex
OSgb
Mainly foliated to unfoliated, medium-to very coarse-grained, layered to massive gabbro, olivine gabbro and oxide gabbro

Exploits Subzone

CAMBRIAN-MIDDLE ORDOVICIAN
Victoria Lake Subgroup

Wiqwam Lake Group

Halfway Pond Formation
OHP
Mainly volcaniclastic sandstones siltstones and minor shale. Locally interlayered with felsic volcanic rocks.

Dragon Pond Formation
ODP
Felsic pyroclastic and epiclastic rocks. (ODPmv), red to black, cherty, aphyric dacite and/or rhyolite.

Sutherland’s Pond Group

Victoria River Mouth Formation
ORM
Pillow basalt interlayered with limestone.

Pat’s Pond Group
COpp
Undivided bimodal volcanic breccias and mafic to felsic, intrusive and volcanic rocks. Contains sulphide mineralization.
Although the property, based on the positioning of the RIL and referencing work post dating the GSC mapping, (i.e. Hinchey, 2007), is shown as straddling the RIL all of these rock units were assigned to the Notre Dame / Dashwoods Subzones based on the compilation by van Staal et al (2005). Their 2005 map also displays a series of east – west trending fault zones along which the stratigraphy is shown at various locations to be dextrally offset. (The boulder locations shown for the 1975 discovery by ASARCO lie on the trace of one of the east-west fault zones approximately 250 metres north of the property boundary).

Along the RIL, and throughout the NDSZ stratigraphy west to the Annieopsquotch Ophiolite Complex (AOC), there is widespread silicification and sulphide mineralization (Barbour and Barrett 2004). The report by Wahl (1975) suggests “the sulphide boulders have come from a zoned deposit within a quartz rich rock”, and therefore based on this description the setting along the RIL fits a potential source for the massive sulphide boulders discovered in 1975. Other sites of sulphide mineralization similar to the mineral assemblage noted in these boulders are documented (in silica – quartz rich rocks) from this region. For example on what is now the Horn-Mesher Project located several kilometres south and operated by North Range Resources Ltd., Hans Lundberg in 1934, discovered gold, silver and base metals mineralization in the area of Pat’s Pond Brook. These discoveries consisted of boulders of sphalerite and boulangerite (with high grade, gold-silver values) ranging up to 12.5% zinc, 7.5% lead, and 1.02 oz/t gold and 36 oz/t silver.

8.0 Previous Work & Exploration History

The LVP is situated within and covers a portion of earlier mapped staked Mineral License 12731M registered to ASK Prospecting and Guiding Inc. which expired on November 3, 2008. Upon reversion to Crown Land, the seven claim group covering the central part of the area encompassed by the expired license was staked by Vic French.

Exploration interest in this area has been stimulated by the 1975 discovery of sulphide boulders by W.G. Wahl Limited on behalf of ASARCO, then operators of the Buchans Mines,
which were reported to carry high tenors of Buchans Type mineralization, specifically silver, zinc, copper and lead.

This discovery appears to be one of the most significant surface discoveries of Buchans Type mineralization in central Newfoundland and located outside of the Buchans Mining Camp 60 kms north. Referencing the report by Wahl, the discovery was centered on a large boulder of massive sulphide mineralization estimated to weigh approximately 8 tons and uncovered during construction of the Lloyd’s Valley Road through what is now the LVP. Referencing earlier reports from this area, including the report by Wahl in 1975, these boulders are shown to be located approximately 250 metres north of the present property boundary (Figure 5). Although impressive because of its massive mineralization the boulder was reburied during the road construction and there appears to be no official assays recorded for this boulder. Mr. Don Carter, a former worker at the Buchans Mines currently residing at Buchans and who has personal knowledge of the boulder recalls “the combined size and weight of the large boulder made it difficult to move with a tractor, and presumably a reason for covering with the road fill” (D. Carter, pers. comm., 2007).

Indictors resulting from geochemical and geophysical surveys identified during follow-up exploration and in particularly the work by Wahl (1975) suggested the source of the highly mineralized boulders(s) was within this area of the Lloyd’s Valley. This observation or conclusion is based on a detailed study of the glacial till in the area, which he carried out as part of the exploration program. In his report Wahl reported on four (4) sulphide boulders discovered during road construction along the northwest bank of the Lloyd’s River, presumably in the early summer of 1975. The sulphide boulders within glacial till were found on the northwest bank of the Lloyd’s River, approximately 10 miles southwest upstream from Red Indian Lake. This location noted on Figure 5 shows the boulders to be at approximate UTM Location 5367790 N – 471025 E. The results of his 1975 work program are summarized below.
“The largest of the mineralized boulders was an 8 ton block of massive sulphides carrying a high tenor of silver, zinc, copper and lead (precise assays appear not to have been recorded). This piece was not seen in the field as the road construction which uncovered it, subsequently re-buried it”. Presumably the boulder was sampled as Wahl reported “a massive pyrite zone of a sample of this boulder showed a resistance of 500 ohms whereas the sphalerite rich bands had resistances of 10,000 ohms measured across four inches of samples”. The other (3) boulders were noted to be “small, rounded” cobbles, up to eight inches, of massive, fine to coarse grained pyrite, presumably rounded pieces off the much larger block.

Wahl further observed, “these samples appear to have been derived from a similar host rock. It appears that these sulphide boulders may have come from a zoned deposit within a quartz rich rock. This sulphide deposit would not give rise to a magnetic anomaly and would show a very low order of conductivity”. Wahl postulated the basal till containing the sulphide float, which rests on undulating bedrock, was derived from river transported debris, locally derived and may have traveled only a short distance, in the order of a few thousands of feet.

He presented a brief description of the geology stating “intermediate to acidic volcanic flows and associated pyroclastic sediments trend northeast parallel to the Lloyd’s River Valley. The volcanic rocks are intruded by basic (gabbro) to acidic (monzonite) intrusives. All rocks are faulted and sulphide mineralization, though sparse, is most ubiquitous in the volcanic rocks”.

Geochemical sampling and assaying produced results that were regarded as being interesting. These included mapping an area of anomalous geochemical results “for four thousand feet up and down the river valley from the location of the float boulders. Beyond this area only occasional, small anomalous geochemical zones are similar in size to those mapped over small conductors in areas of weak mineralization in the uplands southeast of Lloyd’s River”.

Wahl also reported “electro-magnetic surveys show a conductor underlying the Lloyd’s River Valley below the float occurrence. This conductive zone has been traced to the southwest where it rises up the west side of the Lloyd’s River Valley to the 900 foot contour level. The
zone horsetails into many subsidiary or parallel conductive zones northeast of Lloyd’s Lake”. Therefore his report identified two anomalous regions southeast and southwest of Lloyd’s River.

In his report he presented the following summary:

a) a pre-glacial river valley controlled and directed glacial ice downstream to the northeast
b) glacial ice deposited a basal till containing well rounded cobbles and boulders of mineralized float carrying different tenors of silver, copper, lead and zinc
c) Geochemical data shows a great density of anomalous results below the 900 foot contour for 4000 feet each side of the float occurrence
d) a swarm of conductors occur at the 900 foot contour upstream and up glacial direction from the float occurrence
e) physical and chemical determination on the float samples show the source of the different floats to be the same and that source would have a low or very poor conductivity response, and
f) it is felt that the source of the mineralized float is within the swarm of conductors lying approximately 13,000 ft southwest of the float occurrence on the west side of the Lloyd’s River Valley, near or below the 900 foot contour interval.

This 1975 discovery of the mineralized boulders in unconsolidated sediments along the northwest bank of Lloyd’s River throughout the remaining mine life at Buchans to 1979 and after closure, continued to attract attention. Abitibi-Price, then owners of the large mineral concession area, commissioned a study in 1988, which involved detailed examination of surficial sediments in the lower Lloyd’s River area (Lane, 1988). His work revealed a glacial sequence consisting of two distinct till units separated by sequences of glaciofluvial sand and gravel and thin glaciolacustrine silt. His work identified that it is within the lower till unit that sulphide float is abundant and soil samples were found to be copper, arsenic, lead, and zinc anomalous. He also noted that the sulphide-bearing low tills, with corresponding geochemical anomalies, contained clast lithologies local to Lloyd’s River, but also representative of distal sources.
Lane (1988) noted that the results of his study suggest the source for the mineralization is dominantly in the valley floor, now covered by surficial sediment. He also noted that the clast lithologies both local to Lloyd’s River Valley and from a distal source make it difficult to quantify a distance of transport for the till. Additionally, his work suggest a source in the region northeast of his study area; this contradicts the observations from Wahl during the earlier 1975 work program in which he suggested the source was south either from a southeast or southwest direction. The 1930’s discoveries by Lundberg of quartz vein – silica hosted mineralization in boulders several kilometres south appear to support the direction of northeastward, rather than southwestward transport. The sites of the Lundberg boulder mineralization are now covered on the Horn-Mesher Project operated by North Range Resources Ltd. where work programs from 2005 to 2008 have identified new boulder sites of the Buchans Type mineralization, also now observed at several quartz vein outcrops recently exposed on the Horn-Mesher Project (e.g. French, 2010).

The most recent fieldwork, mapping ice-flow indicators and till sampling the various till sheets, appear to confirm 2 regionally extensive ice-flow events (Batterson and Taylor, 2008). They report “the earliest ice-flow was southward from a likely source in the Topsails, followed by a westward to southwestward flow event from a northwest – southeast – trending divide …. north of the area”. Their work results correspond with the results of Lane (1988), but they also reference results from other studies, which were described as being northeastward, and in fact they show this event on a map included in their report. They make further reference to the ice divide that extends through this part of the region, referred to as the Red Indian Lake Basin, and state further work will be required to resolve this issue of deglacial features.

In November 2003 the area was staked by ASK Prospecting of Gambo South, NL “to cover an area of gold, lead and zinc mineralization in bedrock and soil geochemistry”. C. Keats (2007) reported the results of work completed during the 2005 field season, which consisted of “mainly prospecting and some HMC sampling”. This work carried out over several license areas including the area now covered by the LVP was summarized by Keats as follows:
“A total of 76 man days were spent prospecting on and around License #’s 9872M & 9893M now grouped and issued as License # 12176M. A total of 57 rock samples were taken, 20 from float, sub-outcrop or outcrop from License 9872M and a total of 37 grab samples from float, sub-outcrop, or outcrop were taken from License 9893M. A total of 6 heavy metal concentrates (HMC’s) were taken from License 9893M as well. Of all the grab samples taken from both Licenses, only 2 were elevated in base metals and precious metals. Sample 65445 ran 980 ppb Au, 8400 ppm Cu, 2400 ppm Pb, 1200 ppm Zn and 43.8 g/t Ag. Sample 65435 ran 8100 ppm Zn and sample 65362, which was taken from outcrop ran 1.21% Mo. Given the high Moly assay from a new occurrence in bedrock more follow-up work should be done in this area. From the six HMC’s 2 were elevated in gold. Samples 65439 ran 1023 ppb Au and sample 65444 ran 1821 ppb Au respectively.”

The exploration programs completed by ASK Prospecting represent the last exploration fieldwork completed within the area now covered by the Lloyd’s River Project.

9.0 Work Description and Discussion of Results

The work being reported covers the library research, literature review, map and text preparation required for this report compilation and is being submitted as the qualifying 1st year expenditures detailed in the following section. This work was carried out by V.A. French Geological Consultants Inc. with work completed by Crystal Mugford and Vic French.

Referencing the Geoscience Atlas of Newfoundland, Open File NFLD2687, version 1.1 the geochemical dispersions recorded from government funded, Regional Lake Sediment Sampling Programs completed in the latter part of the 20th century provide evidence to support the glacial transport directions invoked from surveys completed by the various workers noted in this report. Page sized colored maps of the various elements typical to the Buchans Type deposits and diagnostic of the analyses retrieved from till samples collected during the earlier surveys by Wahl in 1975 and Lane in 1988 show the color contouring for the region encompassing the LVP (Appendix II).
For example, the color contouring for zinc shows a strongly anomalous zone immediately east of the LVP and located along the uplands plateau fringing the LVP east of the Lloyd’s Valley. This anomalous region reflecting underlying bedrock mineralization noted in prospects and showings is a likely source for the reported zinc enriched, massive sulphide boulders discovered in 1975. A source southwest of the boulders postulated by Wahl (1975) as one of the areas sourcing the boulders can be explained by this anomalous region, and also shows the likely source east and northeast, postulated by Lane (1988). This region is also weakly anomalous in lead (lead is less mobile and may not be concentrated as much as zinc), and moderately anomalous in copper, 2 of the metals also observed in the boulder. Of further interest, this region also shows being distinctly anomalous in silver with a bulls-eye type of anomaly centered a couple of kilometres to the east, and therefore further suggesting this area as a potential source for the massive sulphide boulders. Note these 4 metals, Zn, Cu, Pb and Ag, are the metals described in the discovery boulders.

Although this geochem high region does not resolve the question of northeast versus southwest glacial flow, and therefore a probable source off this uplands plateau (if indeed the boulders were transported for some distance) it does suggest a source from the plateau area which is a site of numerous base metal showings including the preliminary resource being outlined by Messina Minerals at the Boomerang – Domino Mineralized Zone, several kilometres to the east. Also noteworthy is this anomalous region extends into the Horn-Mesher Project to the south of the LVP and where similar style mineralization is recorded in quartz vein – silica boulders and outcrop. Further evidence of this anomalous region being a potential source for the boulders is the anomalous arsenic also highlighting this area; arsenic is a pathfinder element in the Buchans Deposits and arsenopyrite was also observed in the till samples collected by Lane in 1988.

Dispersion patterns for several other elements / metals also confirm the region to the east as a probable source area. For example the contouring for gold highlights this area as being weakly to moderately anomalous, but there is also anomalous gold in lake sediments to the southwest and therefore satisfying in part the observations by Wahl in 1975 that a possible source could also be to the southwest and thereby implying a northeast glacial transport direction.
(not invoked in subsequent studies). Some of the dispersion patterns outlined by the color contouring also indicate the possibility of a northwest source with transport to the southeast and thereby corresponding to the earliest flow in a southward direction determined by Batterson and Taylor in 2008. But the extent of the tungsten anomaly also covers the plateau area to the south and on adjacent Mineral License 17484M, host to the quartz vein hosted, molybdenum mineralized zone situated approximately 4 kms south on the MolyPeak Project operated by North Range Resources Ltd. The Mo mineralization in quartz vein is accompanied by weak W mineralization detected in assays up to 0.13% W (V. French, opt. cite).

Scheelite was noted in Heavy Mineral Concentrates collected by Lane (1988) and therefore confirming the till was derived from an area enriched in scheelite (tungsten) mineralization. Interestingly these concentrates also contained gold grains, some of which were described as being very fresh, and therefore suggesting a proximal source, rather than a distal source such as the Topsails Igneous Complex to the north and west. There is also the possibility that the boulders are locally derived, which has been suggested in the earlier surveys. The east–west fault zone shown on the 2005 GSC map compiled by van Staal et al cross cutting the stratigraphy at the site of the 1975 boulder discovery also suggests the mineralized boulders may be local. Fluids migrating and being deposited along these fault zones is a possible model for mineralization in this area. Extension of these fault zones up to 10 – 12 kilometres to the east intersect the stratigraphic horizons host to the zinc enriched Boomerang – Domino Deposits.

With respect to local derivation for the boulders, the narrow linear belt of rhyolite mapped as Unit Oo of the Arenig – Llanvirn dated, Lower-Middle Ordovician aged Otter Pond Complex extending through the west side of the project area presents a potential silica rich host for the mineralization. The Healy Bay Formation of similar age and lithologies with rhyolite and quartz crystal tuff, e.g., exposed in the southeast corner also represents a potential source. The reference by Wahl in 1975, and 30 years prior to the mapping of Unit Oo within the valley, adds further possible significance to his observation that the source of the boulders are within the Lloyd’s Valley. Additionally this unit, and the Healy Bay Formation, is the same age as the Victoria Lake Super Group which contains a propensity of base metals (zinc enriched) prospects and showings.
10.0 Table of Expenditures

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<td><strong>Total for Mineral License 15840M</strong></td>
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11.0 References

**Barbour, David & Barrett, Steven, 2004:** First Year Assessment Report on Geology, Prospecting, Geophysics and MMI Geochemistry on the Pat’s Pond Brook Property, Mineral Licenses 9508M, 9517M and 9775M, Lloyd’s Lake Area, central Newfoundland, NTS Sheet 12A/06, Newfoundland and Labrador Department of Natural Resources Report.

**Batterson, M., and Taylor, D., 2008:** Ice-Flow History and Regional Till-Gecochemistry Sampling of the Southern Part of the Red Indian Lake Basin, Geochemistry, Geophyiscs and Terrain Sciences Section in Current Research, Newfoundland Department of Natural Resources Geological Survey Report 08-1, Pages 25 – 34.


APPENDIX I
Mineral Rights Database System Report
Mineral Rights Inquiry Report

Monday, April 12, 2010

Last Updated: 2010/02/12
Licence Number: 015840M
File Number: 775:0106
Original Holder: French, Victor A.
Licence Holder: French, Victor A.
Address: P.O. Box 385
Clarkes Beach, NL
Canada, A0A 1W0
Licence Status: Issued
Location: Lloyds River, Central Nfld
Electoral Dist.: 13  Fortune Bay-Cape La Hune
Recorded Date: 2009/01/20
Issuance Date: 2009/02/19
Renewal Date: 2014/02/19
Report Due Date: 2010/04/20
Org. No. Claims: 7.0000
Cur. No. Claims: 7.0000
Recording Fee: $70.00
Receipt(s): 56581765 (2009/01/20) $70.00
Deposit Amount: $0.00
Deposit: No related security deposit receipt
Map Sheet No(s): 12A/06

Comments:

Reg 13; Genuine Prospector

Mapped Claim Description:

Beginning at the Northeast corner of the herein described parcel of land, and said
corner having UTM coordinates of 5 367 500 N, 471 500 E; of Zone 21; thence South 500 metres, thence West 500 metres, thence South 500 metres, thence West 1,500 metres, thence North 1,000 metres, thence East 2,000 metres to the point of beginning. All bearings are referred to the UTM grid, Zone 21. NAD27.

**Land Claims (effective 2005/12/01):**

LISA: 0.00%  
LIL: 0.00%  
VBP: 0.00%  
Crown: 100.00%

**Extensions:**  
None

**Work Reports:**  
None

$1,400.00 to be expended on this license by 2010/02/19

**Licence Transfers:**  
None

**Partial Surrenders:**  
None

**This Licence replaces Licence Number(s):**  
None

**This Licence is replaced by Licence Number(s):**  
None

**Work Report Descriptions:**  
None

**Detailed breakdown of projected required expenditure:**

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http://gis.gov.nl.ca/mrinquiry/License.asp?License=015840M

4/12/2010
APPENDIX II
Geochemistry Compilation Maps
APPENDIX III
Digital File