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Number of Volumes: 1

Enclosures (indicate number of each):

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Diskettes: 0
DVD's: 0
Tapes: 0
Transparencies: 0
Paper Maps: 0
Microfiche: 0
Other: 0

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Signed: Andrea Mill
Date: April 29, 2010
Second and Third Year Assessment Report

Of

Prospecting and Geochemical Investigations

On

 Licence # 11907m

The Miles Cove Property

Sunday Cove Island area, NTS Map Sheet 2E/12, Newfoundland

By

Roland Quinlan

UTM coordinates of Northeast corner (5493000N: 588500E) of Zone 21
NAD 27
Work conducted April 4, 2009 to Jan 30th 2010

April 4th, 2010
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Introduction

The demand and therefore the exploration for base metals throughout the world saw a significant increase in 2006. With this increase and the waning of interest in the exploration for gold on the island portion of the province, the need to have base metal properties in a prospectors portfolio became apparent. At about the same time as this trend was becoming apparent the Miles Cove mine and adjacent land became available for staking.

After research indicated that there was indeed the potential for further mineralization along strike, it was decided to stake the former mine and a small area surrounding it. A total of four claims were staked to become the Mile Cove claim block. Another area to the north was seen to have base and precious metal potential as well. This area consisted of an historical silver-gold-copper showing that had seen very little if any work in the past twenty years. It was decided to stake the immediate showing and to further extend the land package if a planned visit to the area demonstrated that further staking was warranted. One claim block was staked to be included in the Miles Cove property.

Unfortunately though, immediately thereafter the claim block was entirely surrounded and this license is restricted to one claim block without the possibility of expansion. In spite of this, work will continue on both claim blocks with the knowledge that the entire island appears to be highly prospective for base and precious metal mineralization.
Location, Access & Topography

The Miles Cove property consists of two separate licences located in the south central portion of nts map sheet 2E/12. Licence 11907m and named in this report as the Mile One property was staked to cover the old historical Miles Cove mine. This licence consists of four claim blocks near the community of Miles Cove in the eastern section of Sunday Cove Island. The Mile Two property (licence 11907m) is located approximately three kilometers to the north and was staked to cover an historical copper-silver showing. This portion of the property consists of only one claim block and is located in the northeastern section of Sunday Cove Island.

Access to the property is gained through a paved road originating from the Trans Canada highway within the community of South Brook. This highway winds its way north and crosses to Sunday Cove Island on a recently constructed causeway. From there the highway turns to the northeast for another five to six kilometers and actually passes through the northern portion of the Mile one claim blocks.

The Miles Cove two claim block is located to the north and can be approached to within a kilometer through an old gravel road that originates from the community of Miles Cove. This road will take you to the western side of Sunday Cove Island to a place known locally as Wellman’s Cove. From there the property is to the northeast and must be accessed entirely on foot. Alternately a small boat can be launched with much difficulty from the community of Miles Cove when time and weather permits.

Topography of the entire property is rugged but not extremely so. Large hills rise to a hundred meters or more but the thickets, shrub and alders that are so prevalent elsewhere in the coastal areas of the island of Newfoundland are somewhat less of a problem. On the coast though windswept ridges and rugged cliffs make prospecting more arduous and care must be taken when on foot or in a small boat.
The Mile One property lies near the northwestern margin of Newfoundland's Central Mobile Belt, within the Notre Dame tectonostratigraphic zone. The Notre Dame zone is underlain by rocks of the Lush's Bight Group consisting of pillow lava and associated agglomerates and tuff. Geochemical studies (Smitheringale, 1972; Strong, 1973) indicate that Lush's Bight lava represents the upper portions of oceanic crust.

The Miles Cove copper prospect and the surrounding area resemble many of the abandoned mine showing and prospects (Whalesback, Little Deer, Rendell Jackman, Little Bay) which occur in mafic volcanics with associated chlorite schist zones in the Lush's Bight Group. The sulphides occur in disseminated, stringer, and massive form, with most occurrences consisting of stringers and/or disseminated sulphides often intermixed forming tabular to elongate zones that lie parallel to the schistosity of their host rocks. This conformity of the sulphides to the main schistosity is a prominent feature of these deposits. Massive bodies and most stringers are parallel or semi-parallel to it and small elongate lenses and grains comprising disseminated mineralization appear to form part of the schistose fabric. The chlorite schist zones lie parallel or sub-parallel to local stratification or structural trends. According to Kennedy and DeGrace (1972) however, the zones also have an early schistosity not present in the surrounding rocks, suggesting that these zones were areas of structural weakness during the early deformational history of the Lush's Bight Group.

Taken and modified from Dept. Of Mines and Energy website (Mods: mineral occurrences)
Previous Work

The Miles Cove prospect was originally acquired within a 1 square km Fee Simple Mining Grant (Vol. 1, Fol. 47) granted to Phillip Cleary in 1894. The prospect lies about 500 m south of the Miles Cove road near the east shore of Sunday Cove Island, at the mouth of Halls Bay, Newfoundland.

The Tharsis Company took options on Phillip Cleary's claim in 1898 and carried out underground development work. Three shafts were sunk on the property. Investigators from Reid Newfoundland Company examined and described the Miles Cove mine workings early in this century (exact date is unknown). Their reports describe three shafts and underground development workings such as drifts, cross-cuts, and a winze.

In 1935 Hans Lundberg carried out a geophysical (electrical) survey over the Cleary Fee Simple Grants on Sunday Cove Island. This survey indicated anomalous values over the Miles Cove Mine prospect.

M.J. Boylen interests (Amacon Lead Mines) optioned the property in 1956 and carried out an evaluation of the prospect involving a self-potential survey, a ground magnetic survey and diamond drilling. Thirteen holes totalling 1645 m were drilled on the prospect and outlined a low grade low tonnage copper deposit.

In 1963 Brinex carried out geochemical (silt sampling of major streams) and geological and prospecting investigations on Sunday Cove Island. The silt survey indicated several anomalous streams, the most interesting of which are in the Miles Cove area. Brinex did follow-up work on the geochemical anomalies in 1964. A self potential survey shows anomalies of - 300 mv in the areas of the old mine dump, and - 100 mv for the Lilly trenches which are located approximately 360 m north of the mine.

In 1965 Brinex carried out further geophysical work on Sunday Cove Island consisting of ground magnetic, self-potential and EM (vertical loop) surveys. The surveys were mainly of a reconnaissance nature. The report states that, in the SP survey, very good indications of sulphide mineralization was picked up in the area of the old mine.

In 1967, Brinex carried out diamond drilling on the Miles Cove prospect, involving 8 holes totalling 1233 m. The programme was aimed at determining the lateral extent of the deposit which had been outlined by the Boylen (1956) drilling. The report recommends that future drilling of the Miles Cove prospect should try and determine the vertical limits of the deposit, and also suggests that detailed structural studies of the area should be done.

In 1977 and 1978 the Department of Mines and Energy (Min. Dev. Div) carried out an evaluation of the Miles Cove prospect involving geological mapping (1:2000), and sampling, and geophysical surveys ground mag., VLF-EM, and CEM horizontal shotback and vertical loop). Fee Simple Grant Vol. 1, Fol. 47 was reverted to Crown Land in August, 1982.

Claim block 5123, Lic. 3068 was staked over the mine property by Ionex Ltd. and transferred to 10019 Nfld in 1988. Epoch Capital Corp. optioned the claims in 1988 and conducted a program of geological mapping, rock and soil geochemistry, geophysics and diamond drilling (1988-1989).

Taken and modified from Dept. Of Mines and Energy website (Mods: mineral occurrences)
Tectonostratigraphic setting: The Appalachian Orogen in Newfoundland is composed of four northeast-trending late Precambrian to lower Paleozoic tectonostratigraphic zones. The zones are termed Humber, Dunnage, Gander and Avalon Zones and were classified on the basis of distinct structural, depositional, tectonic and volcanic-plutonic characteristics. Portions of these zones were deformed during the Precambrian Avalonian Orogeny, the middle Ordovician penebscot/Taconic orogeny, the lower to middle Silurian Salinic Orogeny, the Devonian Acadian orogeny, and finally during the Carboniferous Alleghanian Orogeny.

The Humber Zone records the development and subsequent destruction of an Atlantic-type passive continental margin on the southeast margin of Laurentia. The Dunnage Zone represents vestiges of the Iapetus Ocean and later accreted island arc systems and melanges. Rocks of the Gander Zone record the development and destruction of a continental margin located in the east of the Iapetus Ocean and possessing Celtic affinities. The rock record of the Avalon Zone relates to either rifting and subsequent opening of the Iapetus during Precambrian times, or to a subduction cycle that predated opening of the Iapetus. The zone was a stable marine platform during Cambro-Ordovician time, characterized by shallow water deposition of platformal carbonates and siliciclastic rocks.

With the exception of the Gander-Avalon boundary, malanges and ophiolite complexes characterize the boundaries between the other zones. The Humber-Dunnage boundary is delineated by the Baie Verte - Brompton Line - Long Range Fault system along which ophiolitic slivers such as the Flatwater Pond Complex are found. The Gander River Complex separates the Gander and Avalon Zones. The Avalon-Gander boundary, the Dover Fault - Hermitage Flexure is delineated by subverticle to vertical faults that contain broad zones of ductile deformation.

Siesmic data for the Baie Verte - Brompton Line and the Gander River Complex show that these major breaks do not extend to deeper crustal levels reaffirming earlier suggestions that the Dunnage Zone may be allochthonous on Humber and Gander Zone basement rocks. In addition, major structures such as Baie Verte - Brompton Line and Gander River Complex have shallowly dipping geometries consistent with ramp-flat style deformation.

Within the Dunnage Zone volcanic, plutonic and sedimentary rocks record the development and eventual destruction of the Iapetus Ocean during the early to middle Paleozoic. The northwestern section of the Dunnage Zone, the Notre Dame Subzone, is underlain by a mixed volcanic-sedimentary package that was intruded by alkaline granitic bodies. The geometry of the Notre Dame Subzone is dominated by a northeast-southwest trending belt of predominantly Ordovician
aged, arc-related mafic to felsic volcanic rocks and subsidiary volcanioclastic to sedimentary lithologies.

The southeastern part of the Dunnage Zone, the Exploits Subzone, is characterized by deep marine sedimentary rocks of Ordovician age and Silurian, shallow marine to fluvialite sedimentary rocks and subaerial volcanic units that have subsequently been intruded by Siluro-Devonian gabbroid and granitoid rocks.

The boundary between the Exploits and Notre Dame Subzones is delineated by a late rectilinear fault or fault system termed the Red Indian Line which, in some areas, is manifested as a mylonite zone locally punctuated by intrusions.
Conclusions and Recommendation

The Miles cove property has only received a very cursory examination. From the initial few days spent in the area, the property does exhibit the possibility that additional mineralization can be found adjacent to or along strike of the original mine site. Also, from reviewing available information, the possibility that additional mineralization exists at depth is excellent as well.

Assays from the mine site and surrounding area demonstrate significant copper grades as well as very significant precious metals. Values of 14% copper, 4.8g/t gold, 0.50zs/t Ag along with highly anomalous values of lead and zinc make the area very prospective. One interesting quirk about the values obtained at the mine site is the anomalously high values of moly in most of the samples. This would seem to suggest that there is an intrusive component in the massive sulfide ore and may suggest the possibility of larger areas of mineralization along the contact of any felsic dike or plug.

Work this season consisted of a couple of days verifying data with regard to the property’s gold potential. Although some low gold values were obtained from small quartz float fragments no areas of significant mineralization were encountered. Work in the area though is expected to continue as time permits.
Fig. 1
Location
The Miles Cove Property
License #11907m & 11909m
NTS Map Sheet 2E/12
Zone 21 Nad 27
Fig. 2
Sample location
Licence # 11907m
The Miles Cove Property
NTS Map Sheet 2E/12
Zone 21 Nad 27
Fig. 4
Regional Geology
Miles Cove property
Licence # 11907m & 11909m
NTS Map sheet 2E/12
Zone 21 NAD 27

- Cambrian to Ordovician mafic to felsic volcanics
- Cambrian to Ordovician mafic intrusions
- Cambrian to Ordovician granitoid suites
- Cambrian to Ordovician siliciclastic sediments

Newfoundland and Labrador Department of Natural Resources
**Statement Of Expenditures**
License #11907m

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All excess expenditures are to be applied to future years requirements

**Personnel**

- Roland Quinlan ($100.00) per day Genuine prospector 2 days
- Marilyn Quinlan ($300.00) per day Genuine prospector 2 days

**Expenses**

- 4x4- $60.00 per day

**Signature:** April 4th 2010

Roland Quinlan
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**Notes:**
- Concentrations in essay range may cause inferences in associated elements.
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Sample Description
Licenses 11907m
NTS Map Sheet 2E/12
Zone 21 Nad 27

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Aanacon Lead Mines Limited

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Basha, M

Bostock, H H

British Newfoundland Exploration Limited

British Newfoundland Exploration Limited

Chataway, R T

Gilbert, N and McHale, D E

Harris, A
Kean, B F and Strong, D F  

Lilly, H D  

Lundberg, H  

Mercer, B J  

Paltser, U and Thomas, W  

Paltser, U  

Strong, D F  

Santaguida, F  
1994: Volcanic stratigraphy, mineralization, and hydrothermal alteration of the Pilleys Island massive sulphides, Newfoundland. MSc thesis, University of Waterloo. 252 pages. [GSB# 002E/12/0937]
Thurlow, J G