

Wahnapeitei Property (Sudbury, Ontario)

The Wahnapeitei Property is located on the southern shore of Lake Wanapeitei, approximately 25 km northeast to the Town of Sudbury. The Property is composed of two (2) mining leases covering an area of 130 hectares. The Nickel Rim South deposit, owned by Falconbridge Ltd., is located less than 5 kilometres southwest of the Wahnapeitei Property.

Accessibility and infrastructures

This property is easily accessible via the main road between Sudbury and the Village of Skead, and then, towards the north-east through a partially paved road that ends at the center of the Property. A trail path leads to the main trench excavated on the gold mineralised Zone. A railroad line also runs east-west about 3 kilometres south of the Property.

Geological setting

The rocks of the Wahnapeitei Property are belonging to the Mississagi Formation of the Huronian Super Group of the «Southern Structural Province». It is including mostly classic sedimentary rocks such as arkose, sub-arkose and wacke types, with minor occurrences of conglomerate. The rocks are lightly to moderately deformed with «Sudbury-type» breccias locally reported. Numerous gabbro, granitoid and of diabase intrusions are seen as dykes, sills and of irregular masses.

The Mississagi Formation's quartzites are located in the south-western and north-western part of the Property, while the south-eastern half is underlined by the Nipissing gabbro. A north-east trending gabbro dyke undercuts the quartzites in the northern half of the Property. A south-east trending shear zone dipping 65° to 70° to the north-east is located to the quartzite-gabbro contact.

The mineralization is reported as carbonate and quartz veins containing variable amounts of pyrite (locally semi-massive) and also minor amounts of arsenopyrite. The main alteration types associated to the mineralization are albitization and a carbonisation. The presence of free gold was reported in diamond drill holes.

Exploration works

Since the 1800's, the area was explored for the nickel, copper, uranium and gold. The gold exploration peak was reached during the 1920-1930's.

Mr. Fred Delabbio discovered a mineralized zone located close-by the center of the Wahnapeitei property in 1981. In 1982, MacIssac Mining and Tunnelling blasted a trench on the gold mineralized zone, resulting in about 500 tonnes of muck stored on site. The trench is open over a length of 44,2 meters (145 feet) and shows 2 gold bearing sulphide lenses exposed over close to 6 meters each (25 feet). In 1988, diamond drilling of 60 to 100 meter deep holes (200 to 330 feet) is performed, 16 holes are then drilled targeting the trench zone. Counterchecking these diamond drilling results is actually underway and results will be disclosed as soon as available.

By the end of 2003, Métanor Resources Inc. staff, supervised by Mr. André Tremblay, geologist, visited the mineralized zone on the Wahnapeitei property. Chip samples were taken along the mineralized zone, oriented 250 degrees, over a distance of about 60 meters (180 feet), and also on a tension fracture bearing north-west to the western end of the trench). The results are as follows:

	Location		Previous Channel sampling		Chip sampling			
			Au		Au		Co	Ni
	m	ft	g/t / m	oz/st / ft	g/t	oz/st	%	%
	0,0	0,0			tr	Tr	n a	n a
	0,9	3,0			0,7	0.02	n a	n a
	4,8	15,7			5,4	0.16	tr	tr
Trench (Azimuth 250°)	7,0	23,0			24,7	0.72	0,04	0,03
	7,6	24,9			8,8	0.26	n a	n a
	7,8	25,6			4,0	0.12	n a	n a
	9,2	30,2			3,2	0.09	n a	n a
	9,2	30,2			3,1	0.09	n a	n a
	9,5	31,2			28,6	0.83	n a	n a
	11,8	38,7	16,8 / 3,7	0.49 / 12				
	14,9	48,9	7,5 / 1,8	0.22 / 6				
	24,1	79,0	tr / 0,9	tr / 3				
	25,9	85,0			2,7	0.08	n a	n a
	27,5	90,2	1,0 / 1,5	0.03 / 5				
	28,0	91,8			76,1	2.22	0,06	0,07
	29,9	98,1			4,4	0.13	n a	n a
	32,1	105,3	4,1 / 1,8	0.12 / 6				
	38,9	127,6	tr / 0,9	tr / 3				
	39,6	129,9			25,5	0.74	0,58	0,59
	42,0	137,8			8,8	0.26	0,19	0,19
47,3	155,1	16,1 / 2,1	0.47 / 7					
51,1	167,6	tr / 1,2	tr / 4					
	53,0	173,8			8,0	0.23	0,30	0,23
	54,9	180,1			31,4	0.92	0,05	0,05
NW	58,9	193,2			41,4	1.21	0,30	0,24
fracture	58,9	193,2			2,0	0.06	n a	n a

The shear zone is cutting a quartzite bearing 5 to 35 % pyrite (locally practically massive). Interesting gold values were obtained all along the mineralized Zone. Most of the 19 samples (chips) taken returned **values higher than 3 g/t Au and up to 76,1 g/t Au**. A total of eight samples, taken along the gold mineralized Zone and representative of the surrounding rocks were analyzed for multiple elements. Most of the samples returned interesting values in Cobalt and Nickel, reaching

5810 ppm (0.58%) Co and 5940 ppm (0.59%) Ni in one of them representing a quartzite with 5% pyrite with assays of 25,50 g/t Au. This sampling confirmed the gold bearing results obtained in previous channels on the mineralized shear zone (with assays up to 16,8 g/t Au over 3,7 m in channel sampling or up to 28,6 and 76,1 g/t Au in chip samples).

COUNTERCHECKING OF THE PREVIOUS DIAMOND DRILL CORE

In 1988, 16 holes (of 60 to 100 meters deep) were drilled, targeting the trench zone and the North-West trending fracture Zone. Most of the results released today are concentrated on the 315 degrees oriented zone (North-West trending Zone) and located to the western end of the trench. A counterchecking of these diamond drilling was realized by Metanor. The compilation of the counterchecking results confirms the gold assays reported in the previous diamond drill holes performed on the Property. The comparison of the results returned in "1988" and the "Metanor 2004" is established as follow :

DDH	From	To	Thickness	Gold grade	
				1988	Metanor 2004
#	m	M	m	g/t Au	g/t Au
SH-88-02	31.3	32.6	1.3	3.5	Lost core
SH-88-03	22.6	23.1	0.5	11.3	34.5
SH-88-04	21.3	21.9	0.6	n a	1.7 **
SH-88-05	8.1	14	5.9	11.6	14.3
	37.8	38.1	0.3	15	20.7
	61.7	62	0.3	102.6 **	87.1
SH-88-06	9.4	9.7	0.3	10.9	18.3
SH-88-07	6.8	6.9	0.1	132.7	87.4
SH-88-09	11.1	15.4	4.3	7.4	10
SH-88-11	4	4.6	0.6	3	6.8
SH-88-13	8.2	9.1	0.9	9.3	5.9
	11.7	12	0.3	11.6	22.1
SH-88-14	57.3	57.6	0.3	2.2	2.2
	78.3	78.6	0.3	10.7	6.4
	82.3	82.6	0.3	2.8	1.8
	85.5	85.8	0.3	20.5 **	12.3
SH-88-15	5.5	10.1	4.6	18.2	14.1
	14	14.3	0.3	5.3	Lost core
				** Visible Gold	

The gold bearing mineralization on the Wahnapeitei Property is characterized by a combination of highly pyritized (up to 80 %) and albitized salmon colored quartzite, and continuous quartz-carbonate-pyrite vein system developed in tension fractures in greyish quartzite. The presence of visible gold reported in the past diamond drill holes was confirmed as in

the new zone discovered. The gold bearing zones reported in diamond drill holes are the extension of the zones sampled in the trench which assayed 2.0 to 41.4 g Au/t. The actual known extent of the gold bearing envelope is over a length of 100 meters and a width of 75 meters. **It is still open in all directions** as previous work was concentrated on the trench and in the shallow surroundings.

As most of the samples taken (end of 2003) on the mineralized zone returned interesting values in Co and Ni (up to 0.58% Co and 0.59% Ni in a sample representing a quartzite with 5% pyrite and 25.50 g/t Au), chemical assays were performed on the some diamond drill core, for other elements than gold, such as nickel, copper, cobalt, platinum, palladium. The multi-element assays confirm the existence of a cobalt rich mineralization associated to the network of auriferous structures already known on the Wahnapeitei Property (Sudbury). The mineralization which is rich in gold and cobalt, and to a lesser extent in nickel, is associated to sulphide concentrations of 30 to 60 %, in mineralized zones previously reported. The results are reported as follow :

DDH	From	To	Thickness	Au	Co	Ni
#	m	m	m	g/t	%	%
SH-88-05	8,1	11,3	3,2	19,7	0,108	0,069
SH-88-09	11,1	12,2	1,1	7,7	0,175	0,141
SH-88-15	5,5	7,2	1,7	8	0,361	0,238

At the current metal prices, such as 390 US\$/oz for gold, 26 US\$/lb for cobalt and 5,73 US\$/lb for nickel, and an exchange rate of 1,37 , **these intersections have gross values in the 265 to 420 CA\$ per ton.**

Lets recall that these mineralized zones are located less than 5 km north-east of the Nickel Rim South deposit, where Falconbridge Limited is actually investing over 368 million US\$ in underground development of its deposit totalling 13,2 million tonnes grading 1,7% nickel, 3,5 % copper, 0,04 % cobalt, 0,8 g/t gold, 1,9 g/t platinum and 2,2 g/t palladium.

All the assays were proformed in Bourlamaque Assays Laboratory of Val-d'Or for gold (Au) and in the ALS Chemex Laboratories of Vancouver for multi-elements. The project is supervised by Mr. Yves Gagnon, P. Eng. who's acting as qualified person.

An exploration program is currently being prepared to define the extent and continuity of all gold and cobalt bearing zones. The field work will be starting very soon to establish targets to perform 3,000 meters of diamond drilling in the following months.