

The Farwell Creek Property

A Property with Gold and Cu-Zn Style VMS Showings in the Wawa Area of Ontario

Summary

- located only 10 km north of the operating Wesdome gold mill and 56 km northwest of Wawa, Ontario.
- the claims contain both Au-bearing sulfide facies iron formation and Cu-rich base metal, volcanic hosted VMS-style mineralization.
- historic drilling on the Bibis Copper Showing intersected 1.47% Cu over 4.9m and 1.12% Cu over 6.1m.
- historic sampling on the Tundra Gold showing returned values of 1.5% Cu and 7 g/t gold.
- grab samples from one particular unit of iron formation have a high gold background(100-300ppb) with values up to 712 ppb gold. A high contrast MMI soil anomaly located nearby contained a Au value of 712 times background and a Ag value of 535 times background.
- the iron formation contains chalcopyrite mineralization grading up to 1.91 % Cu with anomalous Au values. It is located on the fringes of the Iron Lake Deformation Zone (ILDZ).

Ownership – 100 % Precambrian Ventures Ltd.

Claims – 92 units totaling approximately 1,472 ha in the Abbie Lake (G3762) and Pukaskwa River (G3779) claim sheets, Sault Ste. Marie Mining Division. The claims are numbered SSM 4243051(4 units), 4243052(16 units), 4243053(16 units), 4243054(16 units), 4243055(16 units), 4243056(8 units) and 4243057(16 units).

Location and Access – The property is located in NTS 42C/3 and 42C/4, 56 km NE of Wawa, Ontario. Access is by the Paint Lake or Eagle River Mine Road which joins Trans Canada Hwy #17 about 30 km north of Wawa. The Paint Lake road travels southwest for approximately 35 km to a point about 2.5 km east of the claims. From there the Domtar 960 Road travels north from the mine road and passes within 100 m of the east boundary of the property.

Geology –The claims are located in the Kabenung Greenstone Belt which is the southwest extension of the Michipicoten Greenstone Belt. Bedrock geology in the area is Archean in age and consists of mafic to felsic metavolcanics which locally contain felsic tuff and tuff-breccia. This sequence is overlain by chemical metasediments consisting of thinly bedded magnetite-hematite and chert. Carbonate and sulfide facies iron formation are also noted and all varieties of iron formation may be intercalated with green chlorite-rich wacke beds. The chemical metasediments are overlain by a thick section of coarse polymictic conglomerate interbedded with wacke and argillite. The polymictic conglomerate unit bears many similarities to the 'Timiskaming-type' conglomerates noted in the Kirkland Lake and Timmins gold camps. However in the Abbie Lake area, an unconformity at the base of the conglomerate unit has not been recognized - in part due to intense shearing along the contact. The strong shear fabric is related to the Iron Lake Deformation Zone (ILDZ) which strikes southwest onto the Farwell Creek property. These rocks are all intruded by occasional felsic porphyry and younger granitoid intrusions and diabase dykes.

Regional Economic Geology: Wesdome Gold Mines operates the Eagle River Gold Mine located about 25 km south of the property. The mine has produced about 710,000 oz of gold and has been in continuous production over the past 10 years. The gold deposit grades about 9.5 g/t Au and produces about 32,000 oz of gold per year from quartz veins hosted by a deformed quartz dioritic stock. Ore from the deposit is trucked about 20 km north to the

Magnacon Mill where the former producing Magnacon gold deposit is located. A seasonally operated open pit (Mishi Pit) nearby augments feed to the mill and produces a further 4,000 oz of gold per year. Gold mineralization is associated with pyrite-bearing quartz veins in a major regional scale shear zone called the Mishibishu Lake Deformation Zone (MLDZ). The Wesdome 1000-tonne-per-day mill complex, is located only 10 km south of the property and has additional capacity to handle more ore for it currently runs only 8 out of 14 days (57% of the time).

Local Mineralization: There are 4 main mineral showings in Farwell Creek – Abbie Lake area. The Bibis Copper showing, the Burrex Sulfide showings and the Tundra Gold showing are all on the Farwell Creek Property. The M^cDaid-Brown (MB) gold veins occur about 4km northeast of the Farwell Creek property. The MB gold occurrence strikes NE-SW and consists of a series of foliation-parallel quartz-pyrite-(tourmaline) veins in the Iron Lake Deformation Zone (ILDZ). The ILDZ is a zone of deformation that can exceed 300 metres in width. Composite grab samples from pyrite-rich vein material grades up to 3.16 oz/t gold. The veins are localized in the ILDZ which over-prints the contact zone between the metavolcanic-metasedimentary units and the overlying polymictic conglomerates.

The *Tundra Gold Showing* is located on the Farwell Creek property about 4.2 km southwest and on-strike with the MB gold veins. The Tundra Showing is located about 200m east of the termination of a long formational AEM conductor which correlates with a strong magnetic signature and consists of a unit of oxide-sulfide iron formation. The showing is associated with very siliceous rock containing disseminations and large clots of pyrite-chalcopyrite hosted by strongly foliated mafic metavolcanics. It is not typically banded oxide-sulfide iron formation. Historic grab sampling gave values of 1.5% Cu and 7.4 g/t Au and 0.61% Cu and 4.6 g/t Au. Recent sampling gave assays up to 1.91% Cu and 0.091% Zn. Gold values from the original reports were not duplicated and only graded up to 278 ppb Au. The volcanic-conglomerate contact is approximately 50m to the south. Soil sampling done by Tundra Gold Mines to prioritize ground VLF-EM conductors in the area outlined a gold anomalous area over the conductor about 2 km west of the Tundra gold showing. The highest gold value of the entire survey (628 ppb Au) occurred over this particular VLF-EM conductor.

The *Bibis Copper Showing* is a VMS-style base metal showing that was drill tested in 1967 by 7 holes totaling 682m to undercut surface pyrite-chalcopyrite mineralization outcropping along the flanks of a prominent northwest-trending linear. Drill results included 1.15% Cu over 3.2m (DH PK-3), 1.47% Cu over 4.9m (DH PK-5) and 1.12% Cu over 6.1m (DH PK-6). Within the mineralized zone(s) chalcopyrite-rich mineralization graded up to 4.02% Cu over 0.9m. Recent grab sampling returned assay values of 1.34% Cu, 1.96% Cu and 2.90% Cu. Mineralization occurred in silicified and strongly chloritized rocks at the contact between mafic and felsic metavolcanic units. Graphitic schist was also noted at the contact and heavier concentrations of chalcopyrite mineralization occurred in silicified breccia in both the felsic and intermediate metavolcanics or along the contact of these two rock types. Such characteristics are strongly suggestive that the mineralization is of volcanogenic massive sulfide (VMS) origin and thus is probably stratabound in nature.

Recent Work and Results – A MMI (Mobile Metal Ion) geochemical soil survey (593 samples) was carried out in 2008 in two separate areas on the property. The primary focus was to detect base metal and gold anomalies in the area of the Bibis Copper showing (Bibis Grid) and to explore a historic gold in soil anomaly (Brown Lake Grid) associated with oxide-sulfide iron formation. Samples were collected on lines 200m apart at 25m intervals and no attention was paid to sample directly over known showings.

Follow-up prospecting has shown the anomalies generated from the MMI soil survey are less than 25m from their probable source. The strongest copper anomalies (> 50 times background)

on the Bibis grid area are closely associated with conductive horizons outlined on by the Ontario Government AEM survey. None of the Zn anomalies (up to 324 times background) have been followed up. A significant gold anomaly in the MMI results was outlined on the Brown Lake Grid west of the Tundra Gold Showing. The gold anomaly ranges from 50-280 times background and is associated with a horizon of sulfide-oxide iron formation that has a consistent average gold background of 100-300 ppb. The Au anomaly is associated with a Ag anomaly which is of larger size and intensity. Further prospecting to the east (towards the Tundra Cu-Au Showing) has returned values up to 712ppb Au from semi-massive to massive pyrite and pyrrhotite iron formation with patchy (brecciated?) sugary quartz. A high contrast MMI anomaly outlined during the second phase of sampling returned an extremely high response of Au (712 times background) and Ag (535 times background). This soil anomaly is only 50m south of the sulfide iron formation grading up to 712 ppb gold but is unlikely to be caused by this bedrock occurrence. The iron formation units are typically 1-5 metres thick consisting of semi-massive to massive sulfide.

The property offers multiply targets for gold associated with sheared oxide-sulfide iron formation and copper-(zinc) base metals in a volcanic (VMS-style) setting.