

<u>PROJECT:</u>	XSTRATA-OPTION
<u>LOCATION:</u>	Manneville and Villemontel Townships, Quebec (32D07 & 32D08)
<u>COMMODITY:</u>	Au, Cu, Zn, Ag
<u>STATUS:</u>	5 blocks of 50 claims for a total of 2.1 km ²
<u>OWNERSHIP:</u>	100 % Xstrata Canada Corporation (Xstrata Zinc)
<u>HIGHLIGHTS:</u>	

There are two distinct mineralized systems on this project: gold-bearing dykes and rhyolite-associated VMS.

➤ **Gold-bearing dykes potential (MacCormack showing):**

The **Destor-Porcupine** deformation zone is characterized by carbonate-talc-chlorite and fuchsite altered schistose komatiitic flows and outcrops in the central portion of the project. Drilling and trenching show this shear zone extends over 8 km in length, up to 300 m in width and hosts one gold-bearing dyke system:

▪ **The north dykes system**

They are ankerite-albite altered and strewn with gold-molybdenum-bearing quartz-pyrite veinlets. Those are calc-alkaline syenogranites.

This dyke system and associated alteration is reminiscent of those found with the mineralization at Kerr-Addison (10.0 Moz Au) and Harker-Holloway (5.5 Moz Au) Mines.

Anomalous Au values returned in one hole include:

- XTA-11-03: **0.17 g/t Au over 5.00 metres** including **0.43 g/t Au over 1.00 metre** and **0.16 g/t Au over 4.00 metres** including **0.22 g/t Au over 1.00 metre**.

➤ **Rhyolite-associated VMS:**

▪ **MacDeroff showing:**

A polymetallic mineralization system with gold-silver-copper-zinc-lead (= VMS type), associated with a rhyolitic dome has been discovered by drilling.

The rhyolite presents an aphyric to quartz-porphyrific matrix, breccia texture and highly sericitized and chloritized. The mineralization consists of **massive sulphide lens (sphalerite-chalcopyrite-pyrite-pyrrhotite), exhalative pyrite horizon, chlorite stringer and pyrite bearing argillite-chert beds.**

The MacDeroff VMS provides several analogies with the Kidd Creek Giant Mine: **same rhyolite geochronology** (2716-2717 Ma), **same geochemical pattern** (FIIIb type), **same strong alteration system** (sericite-chlorite) and **same geological setting** (Kidd Munro Assemblage). Since 1963, the Kidd Creek Mine has produced 124.2 Mt grading 6.18% Zn, 2.31% Cu, 0.22% Pb and 87.0 g/t Ag.

Anomalous Au, Ag, Cu, and Zn values returned in one hole:

- XTA-10-01: **0.51% Cu, 0.49% Zn and 7.5 g/t Ag over 1.2 m** including **1.29% Cu, 0.67% Zn, 17.2 g/t Ag and 0.20 g/t Au over 0.4 m; 0.10 g/t Au over 5.0 m**

▪ **New Ag-Zn showing:**

A polymetallic mineralization system with silver-copper-zinc-lead (= VMS type), associated with a rhyolitic dome has been discovered by trenching. It located at 3.0 km south-west on the MacDeroff showing.

The rhyolite presents an aphyric, breccia texture and highly sericitized and chloritized. The mineralization consists of **massive sulphide lens (pyrite-pyrrhotite), disseminated sulphides (chalcopyrite-sphalerite), exhalative pyrite horizon, chlorite stringer and pyrite bearing chert beds.**

The geology and mineralization seem to be similar to the MacDeroff showing.

Anomalous Ag, Cu, and Zn values returned in outcrops:

- Channel sample: **0.84% Zn** and **0.12% Cu**
- Grab sample: **5.3 g/t Ag over 1.0 m**

WORK BY CARTIER:

- 2007-08 Acquisition by agreement, 165 km Mag-Spectrometer heliborne survey, 7.2 km HEM survey, 27.0 km IP survey, prospecting, reconnaissance, lithochemical and assay sampling programs cover entire project. Moreover, one diamond drill hole has been completed for a total of 447.0 metres.
- 2009 8.3 km IP survey, 2.7 km InfiniTEM survey, one diamond drill hole for a total of 174.0 metres have been completed. Moreover, one stripping program produced five trenching.
- 2010 Three diamond drill holes for a total of 994.5 metres and 30.0 km IP survey have been completed. Moreover, one stripping program produced six trenching.

GEOLOGICAL SETTING:

Refer to the MacCormack and Preissac projects.

2011 PROGRAM:

- Diamond drill hole campaign on the best targets (4 000 m): MacCormack showing for gold potential and MacDeroff showing for VMS potential.
- InfiniTEM survey and diamond drill hole campaign on the new VMS lens (Ag-Zn showing).