



**NI 43-101 Technical Summary Report on the
Blue Quartz Property**

Beatty Township
(NTS 42A/09)
Province of Ontario

Prepared for:

Red Mile Capital Corp.
2300-1066 West Hastings Street
Vancouver, British Columbia, Canada, V6E 3X2

by:

Luc Rioux, P. Geo
President & Chief Geologist
Luc Rioux GeoServices

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1. Summary

In 2008, Russet Lake Resources Inc. optioned the Blue Quartz Property from Thundermin Resources Inc. and Wesdome Gold Mines Ltd. Russet Lake Resources has spent a total of **\$121,444.11 CA**, of which \$20,000 were assigned to option payments (Appendix I). On June 22, 2009, Red Mile signed a Letter of Intent with Russet Lake Resources and entered into an option agreement to acquire 100% interest in the Blue Quartz Property by:

- 1) issuing **3,505,000** of its common shares (the "Shares") to Russet Lake at a deemed price per share equal to the "Discounted Market Price" (as that term is defined in the Policies of the Exchange), against delivery to Red Mile of an assignment of Russet Lake's interest in the Option, the Option Agreement and the Property, together with all data, maps and information in respect of the Property in Russet Lake's possession; and
- 2) assuming Russet Lake's remaining obligations under the Option Agreement in order to exercise the Option which include:
 - a) making a cash payment of \$20,000 and issuing 50,000 common shares on or before September 1st, 2009;
 - b) making a cash payment of \$20,000, issuing 100,000 common shares and completing \$150,000 in work expenditures on or before September 1st, 2010; and
 - c) making a cash payment of \$20,000, issuing 100,000 common shares and completing \$250,000 in work expenditures on or before September 1st, 2011.

Up to an aggregate 0.5% of the NSR can be bought back for \$500,000.

(Source: <http://www.marketwire.com/press-release/Red-Mile-Capital-Corp-TSX-VENTURE-RDM.P-1009305.html>)

The property is located approximately 12 kilometres north-northeast of Matheson, 73 kilometres east-northeast of Timmins and 56 kilometres northwest of Kirkland Lake, Ontario, Canada. Access from Matheson is achieved by travelling east along highway 101 towards the Ontario-Québec border for 4.2 kilometres, then north on Diamond Road for 4.5 kilometres, east for 3.25 kilometres on the Beatty Concessions 4 & 5 road, and then north for 4.2 kilometres to the shore of Painkiller Lake and the old Blue Quartz mine shaft. The property is comprised of 25 patented mining claims; as of April 2004 the patented claims have been consolidated into 1 parcel – Parcel 23623. No unusual social or environmental issues are expected relating to the Blue Quartz Property, provided that normal good social and environmental practices are followed by the project operator.

Gold is the target commodity being investigated at the Blue Quartz Property. The property is favourably located, straddling both the Pipestone Fault and a subsidiary sub parallel fault, the Painkiller Lake Fault. The rocks along the trace of these two faults have been silicified and are anomalous in gold. The project hosts a number of historic exploration prospects that include underground exploration and development. The most prominent include the Blue Quartz Mine and the Clifford Shaft, both located on the Blue Quartz property.

Russet Lake Resources completed a four (4) hole diamond drill programme in 2008, for a total of 828 metres on the Blue Quartz property, testing the Shaft Vein and North Vein. The drilling was intended as an initial test of the 2 structures in the vicinity of the shaft collar. The best results from the drilling were intersected in quartz-carbonate veins containing pyrite, arsenopyrite and sphalerite

and assaying up to 9.7 g/t Au over 1.3 metre (core length). Two (2) of the holes have encountered underground workings, with low gold values proximal to the workings.

All the holes encountered numerous quartz-carbonate veins with arsenopyrite and pyrite. Gold values were lower than expected in these mineralized veins; however, the author noted that there may have been dilution of the vein material in part by the incorporation of wall rock with the quartz to provide a significant width for assay. However, the presence of the veins indicates the opportunity for additional gold zones on the property, both between the two (2) known mineralized structures and along strike from the known mineralization. It is therefore recommended that further exploration be conducted on the Blue Quartz Property.

This report was prepared by Luc Rioux, P. Geo, Chief Geologist and President of Luc Rioux GeoServices in accordance with the requirements of NI 43-101 and Form 43-101F. The report was commissioned by Red Mile Capital Corp, in order to summarize the available historical information about the property, report on a recent diamond drilling programme undertaken in October of 2008, and to determine if the property merits further investigation.

On behalf of Red Mile Capital Corporation, the author visited the Blue Quartz Property on June 11 2009, and was at the exploration office in South Porcupine, from June 12-14, 2009. The author was accompanied by Mr. Kenneth Guy, P. Geo, *qualified person* for Russet Lake Resources Inc. and by Mr. John Hickey, president of Russet Lake Resources Inc. The author could inspect recent drilling collar locations; take GPS waypoints and photos of a stock pile from previous owners. An additional fifteen (15) grab samples were taken by the author from the dump sites: ten (10) from the Blue Quartz dump and five (5) from the Clifford Shaft area. The vein structures that are targeted on the Blue Quartz Property do not outcrop at surface; this is why, only the stock piles were sampled. Drill core from the fall 2008 boreholes was also reviewed to ascertain the geological and mineralization settings of the Blue Quartz Property.

In order to verify the grade and extent of the various mineralized structures, the author has recommended a diamond drill programme consisting of ten (10) holes, for a total of 2,500 metres, with a budget of approximately **\$250,000 CA** to test the mineralized zones at depth and along strike.

2. Introduction and Terms of Reference

This report was commissioned by Red Mile Capital Corporation. Luc Rioux, P. Geo, of Luc Rioux GeoServices was retained to undertake an independent technical due diligence review of the Blue Quartz Property and to produce a NI 43-101 technical summary report on the results of the exploration work performed on the Blue Quartz Property.

The purpose of this report is to provide Red Mile Capital Corp and its investors with a summary of the project, including an independent opinion as to the technical merits of the project and the appropriate manner of conducting the forthcoming stages of exploration. The main objective of this report is also to summarize the historical information available on the Blue Quartz Property, and to report on the results of a recent exploration programme undertaken in October 2008, with the intent of verifying the grades of previously reported diamond drill intersections and from old underground mine workings. In the author's opinion, this objective has been attained since Russet Lake

Resources outlined economically interesting grades of gold during their exploration program (Tables 3 and 4). In addition, the report will derive conclusions about the exploration potential of the property (Section 18).

This technical report is prepared in compliance with the requirements of National Instrument 43-101 and Form 43-101F. It is intended that this report be submitted to those Canadian stock exchanges and regulatory agencies that may require it, in support of a qualifying transaction required by the issuer as part of venture-exchange listing requirements.

This report is based on data obtained as a result of geochemical analysis of 22 grab samples that were taken at the Blue Quartz mine shaft and Clifford mine shaft stock piles that were left on site by previous operators; also on data obtained from a core diamond drilling programme conducted in October of 2008; on a report from Mr. Kenneth Guy, P. Geo, *qualified person* for Russet Lake Resources, regarding the results obtained during that drilling programme and filed as assessment work with the Ministry of Northern Development and Mines of Ontario (Section 20). In addition to printed material, I have had numerous conversations with Mr. Kenneth Guy. A list of the information that was reviewed by the author in preparing this report is to be found as a bibliography at the end of this report (Section 20). A property visit was also done by the author on June 11 of 2009; the author also reviewed the available data (old reports by private companies, reports issued by government agencies); drill logs and I also reviewed the drill core that is stored at the Davidson-Tisdale mine site in South Porcupine, while being at Russet's exploration office in South Porcupine from June 12-14, 2009. The 2008 Russet Lake Resources samples were sent to the Expert Laboratory in Rouyn-Noranda, Québec, Canada. Laboratoire Expert Inc. is a certified laboratory (ISO 9001:2000) that routinely performs assaying for junior mining companies, Appendix II. The sample preparation was performed at their preparation and laboratory facility in Rouyn-Noranda. No standards or blanks were shipped in the process of an implemented QA/QC verification program, but standards and blanks were introduced in the sample sequence by Expert Laboratory as part of an internal QA/QC check.

During the property visit, the author could inspect recent drilling collar locations; take GPS waypoints and photos of a stock pile from previous owners. An additional fifteen (15) grab samples were taken by the author from the dump sites: ten (10) from the Blue Quartz dump and five (5) from the Clifford Shaft area (Table 5). Drill core and drill logs from the October 2008 boreholes were also reviewed to ascertain the geological setting of the Blue Quartz Property.

Historical work on site, confirmed by the 2008 sampling of the stock pile located near the Blue Quartz mine shaft, and the diamond drilling programme indicated that the mineralized structures located on the Blue Quartz Property are potentially open to depth and along strike. The main objective of the drilling programme was to confirm the occurrence of the mineralized structures at depth, which was accomplished by crosscutting numerous quartz-carbonate veins. While there are historical workings and many samples have been taken to confirm the grade of the structure, the continuity of the vein remains to be tested.

3. Disclaimer / Reliance on Other Experts

The writer relies primarily upon the information previously reported in the Kenneth Guy, Russet Lake Resources Inc. (November 30, 2008) report on a diamond drilling programme that was conducted on the Blue Quartz Property during the month of October 2008. Sections 6 through 9; sections 11, 15 and 18 of the present report were either summarized, updated or taken directly from the report written by Kenneth Guy, with his acknowledgement. This report is compliant with NI 43-101 standards and can be consulted on the Russet Lake Resources web site at <http://russetlake.com>. The author also relies on certain historic information provided by Russet Lake as well as private conversations with Mr. Kenneth Guy, *qualified person* for Russet Lake Resources Inc. The writer relied on title information supplied by Russet Lake and did not investigate mineral title, nor did he investigate surface rights, water rights or other issues outside of his expertise.

The following report gives an appraisal of the pertinent information and recommendations to carry out additional work. Historical work appears to be of good quality, and is accepted as useful information for establishing a database of project background information for this study. The writer has not directly verified these results, although there are laboratory certificates being annexed to the most recent reports. The samples that were taken during the 2008, Russet Lake Resources, sampling and diamond drilling programmes were sent to an ISO 9001:2000, certified laboratory in Rouyn-Noranda, Québec, Laboratoire Expert Inc. (Appendix II); every 10th sample from Expert was sent to Bourlamaque Laboratory in Val d'Or, Québec (also ISO 9001:2000 certified, Appendix II), in order to verify results obtained by Expert. No significant discrepancies are reported.

4. Property Description and Location

The Blue Quartz Property is located approximately 12 kilometres north-northeast of Matheson, 73 kilometres east-northeast of Timmins and 56 kilometres northwest of Kirkland Lake, all located in the Province of Ontario (Figure 1).

The Blue Quartz Property is centered approximately at: (NAD 83 –Zone 17U)

Latitude: 5,384,570 N (48° 36' 45" N)

Longitude: 547,833 E (80° 21' 04" W)

The property is comprised of 25 patented mining claims as shown in Table 1. As of April 2004 the patented claims have been consolidated into 1 parcel – Parcel 23623 (Figure 2). The area covered by parcel 23623 is 400 hectares. Patented claims do not have due dates or expiration dates. On some of the claims, the surface rights are held by Russet Lake Resources, where Russet Lake does not hold the surface rights, agreements have been signed with surface rights owners, to have access to the property in order to perform exploration work. The boundaries are surveyed patented claims. No environmental liabilities are present on the property, and no permits are required prior to performing exploration work on patented mining claims in Ontario (Mr. Rick Gordon, MNR Kirkland Lake, personnel conversation).

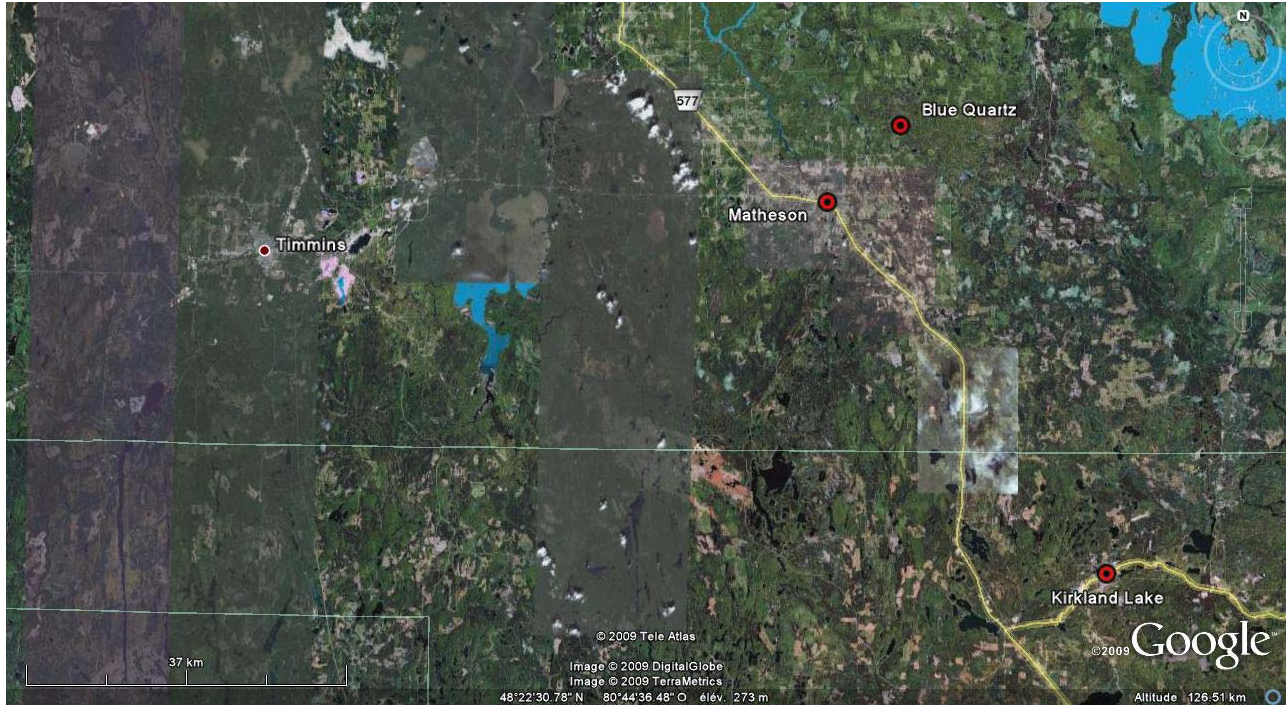


Figure 1: Location map of the Blue Quartz Property

Historic claim numbers are tabulated in Table 1: Eight (8) claim numbers are not to be found on any given claim map, either from old reports or governmental database.

Table 1 - Blue Quartz Mine Property Claims List (Beatty Township)

PARCEL / CLAIM	CONCESSION	LOT
17370	V	7
L 8354	V	7
L 8737	VI	7
L 8933	VI	7
L 8934	VI	8
L 8736	VI	8
L 25588	VI	6
L 25587	VI	6
L 12537	VI	5
L 12538	VI	5
L 12539	VI	5
17369	V	7
22777	VI	7
17371	V	8
17372	V	8
1459	VI	6
1460	VI	5

In 2008, Russet Lake Resources Inc. optioned the Blue Quartz Property from Thundermin Resources Inc. and Wesdome Gold Mines Ltd. Russet Lake Resources has spent a total of **\$121,444.11 CA**, of which \$20,000 were assigned to option payments (Appendix I). On June 22nd 2009, Red Mile signed a Letter of Intent with Russet Lake Resources and entered into an option agreement to acquire 100% interest in the Blue Quartz Property:

Agreement on Letter of Intent between Red Mile Capital Corp. & Russet Lake Resources Inc.

Red Mile Capital Corp. ("Red Mile") (TSX VENTURE:RDM.P) has entered into a binding Letter of Intent (the "LoI") dated June 22, 2009 with Russet Lake Resources Inc. ("Russet Lake"), a private arm's length Ontario corporation, to earn a 100% interest in the Blue Quartz gold property (the "Property") located in the north central part of the Beatty Township, 73 kilometres east-northeast of Timmins, Ontario, Canada. Russet Lake currently holds an option (the "Option") to acquire a 100% interest in the Property, subject to net smelter return royalties totalling 2.5% (the "NSR"), under the terms of an option agreement dated September 1st, 2008 between Thundermin Resources Inc. and Wesdome Gold Mines Ltd., as optionors, and Russet Lake, as optionee (the "Option Agreement").

The proposed transaction, which is subject to regulatory approval, will serve as Red Mile's qualifying transaction (the "Qualifying Transaction") for the purposes of the Policies of the TSX Venture Exchange (the "Exchange"). Following completion of the Qualifying Transaction, Red Mile will be classified for Exchange purposes as a mining issuer.

Pursuant to the terms of the LoI, Red Mile and Russet Lake have agreed to enter into a definitive agreement (the "Agreement") pursuant to which Red Mile can earn a 100% interest in the Property, subject to the NSR, by:

- 1) issuing **3,505,000** of its common shares (the "Shares") to Russet Lake at a deemed price per share equal to the "Discounted Market Price" (as that term is defined in the Policies of the Exchange), against delivery to Red Mile of an assignment of Russet Lake's interest in the Option, the Option Agreement and the Property, together with all data, maps and information in respect of the Property in Russet Lake's possession; and
- 2) assuming Russet Lake's remaining obligations under the Option Agreement in order to exercise the Option which include:
 - a) making a cash payment of \$20,000 and issuing 50,000 common shares on or before September 1st, 2009;
 - b) making a cash payment of \$20,000, issuing 100,000 common shares and completing \$150,000 in work expenditures on or before September 1st, 2010; and
 - c) making a cash payment of \$20,000, issuing 100,000 common shares and completing \$250,000 in work expenditures on or before September 1st, 2011.Up to an aggregate 0.5% of the NSR can be bought back for \$500,000.

Completion of the Agreement and closing of the transaction with Russet Lake are subject to the following conditions, all of which must either be fulfilled or waived by Red Mile:

(a) approval of the Board of Directors of Red Mile of the terms of the transaction contemplated in the LoI, and of the LoI and the Agreement;

(b) completion, to the satisfaction of Red Mile, of due diligence reviews in respect of the Option, the Option Agreement and the Property;

(c) receipt by Red Mile of a satisfactory title opinion or report in respect of the Property;

(d) receipt by Red Mile of a National Instrument 43-101 ("NI 43-101") compliant report in respect of the Property;

(e) receipt of the written consent of the "Optionors" under the Option Agreement to the assignment contemplated in the LoI; and

(f) receipt of all required regulatory and stock exchange approvals, including, without limitation, the acceptance for filing by the Exchange of the transaction contemplated by the LoI and the Agreement as Red Mile's Qualifying Transaction.

(Source: <http://www.marketwire.com/press-release/Red-Mile-Capital-Corp-TSX-VENTURE-RDM.P-1009305.html>)

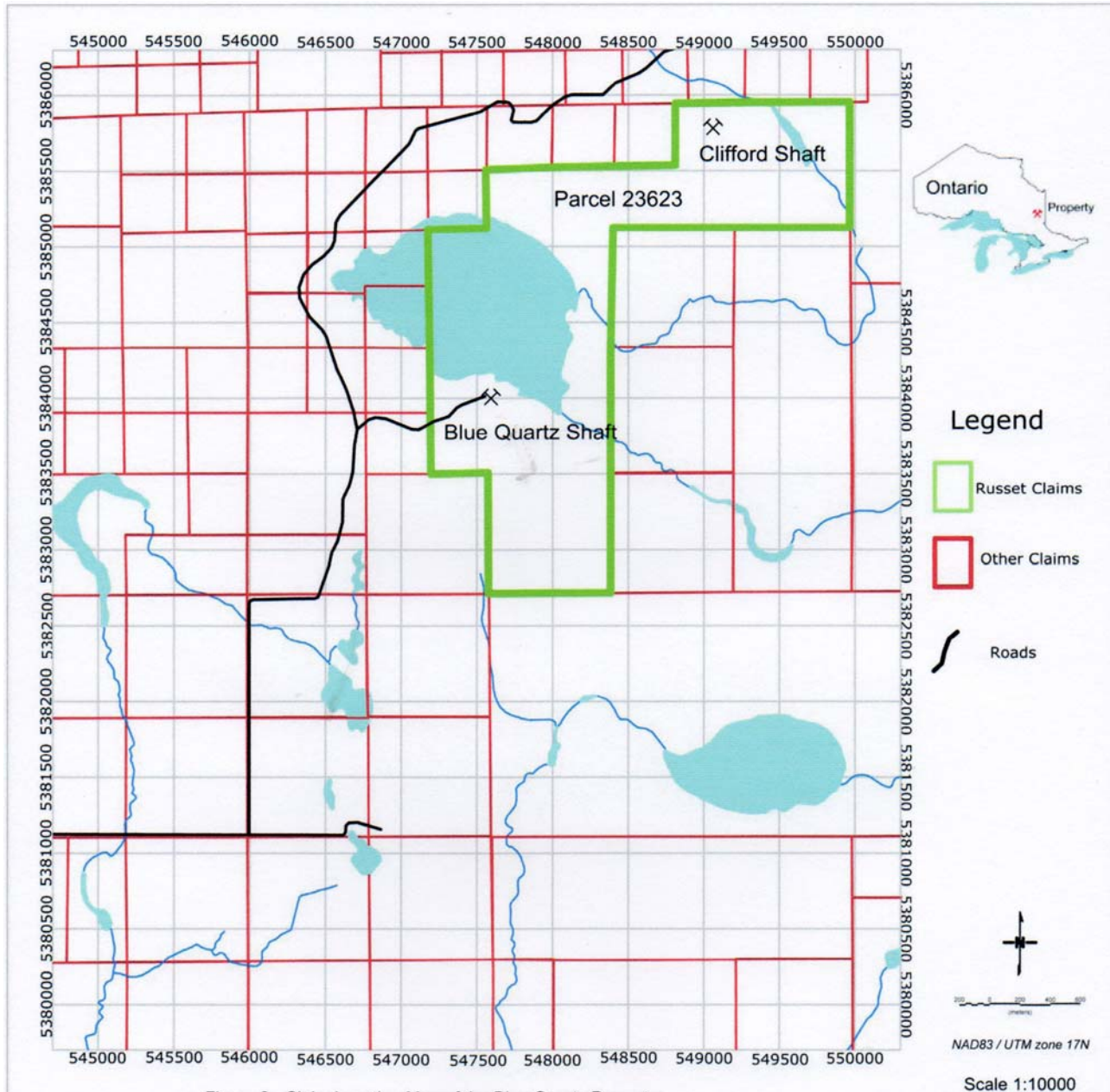


Figure 2: Claim location map of the Blue Quartz Property

5. Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access from Matheson is achieved by travelling east along highway 101 towards the Ontario-Québec border for 4.2 kilometres, then north on Diamond Road for 4.5 kilometres, east for 3.25 kilometres on the Beatty Concession 4 and 5 road, and then north for 4.2 kilometres to the shore of Painkiller Lake and the old Blue Quartz mine shaft (Figure 3). The locations of all known mineralized zones, mine workings, and waste deposits are clearly located on Figures 2, 4, 6, and 7.

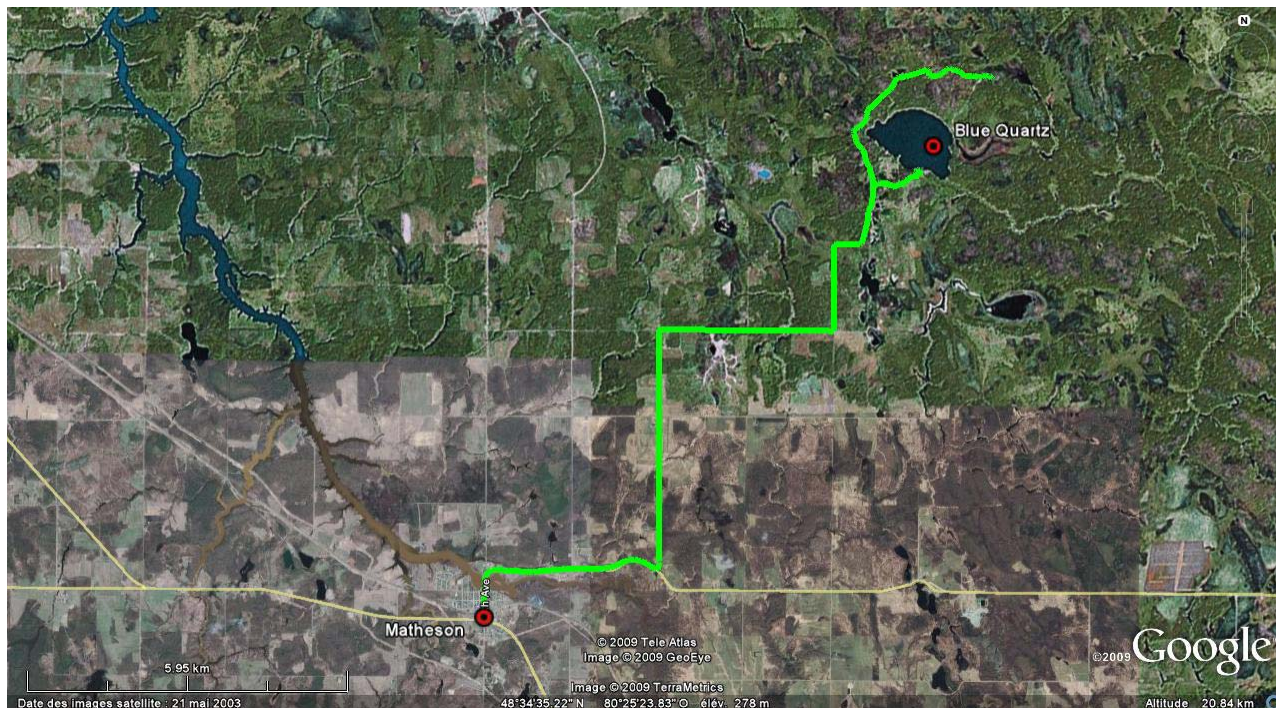


Figure 3: Access to the Blue Quartz Property

The claims are located in a moderately rolling terrain just north of a reasonably flat belt of glacial till deposits and marginal farmland. Outcrop density varies from 10% to 80%. The area is covered with a mature forest of poplar with some birch, balsam, spruce and jack pine interspersed here and there and with an incredibly thick undergrowth of mainly tag alders and scrub maple, willow, chokes cherries, dogwood, cranberries, saskatoons and raspberry canes. A large spruce-balsam swamp edged with alders is also present. The overburden generally consists of a sandy soil or till with occasional gravel portions. Boulders up to 3 metres in size are scattered here and there. The boulders are generally of a granitic composition. The shoreline of Painkiller Lake is generally sandy.

With the cities of Timmins, Matheson and Kirkland Lake being nearby, all the normal commodities, mining, and supply services are available within moderate distances.

The climate is classified as being Continental with cold dry winters and relatively warm dry summers. The temperature range is 34°C where January is the coldest month with an average of

minus 17°C and July is the warmest month with an average temperature of 17°C. Annual precipitation is approximately 900 mm.

(source: <http://www.grc.k12.nf.ca/climatecanada/timmins.htm>).

6. History

Gold was first discovered in 1907 on the south shore of Painkiller Lake. Cartwright Mines was formed in 1912, incorporating claims staked in this area by Mr. Cartwright and Veteran Lots acquired by a promoter. Blue Quartz Mines Ltd. was formed in 1921 to succeed Cartwright and Santa Lucia Mines, which was incorporated in 1919. Amalgamated Goldfields was then established in 1933 to take over the assets of Blue Quartz Mines.

In 1913, a vertical two compartment shaft was sunk on the south shore of Painkiller Lake to a depth of 200 feet to investigate the potential of veins exposed on surface in that area. Working levels were established at 49, 91 and 191 feet with lateral work being done on the two lower levels. During this period of development, the surface plant was twice destroyed by fire, resulting in the closing of operations in 1916.

Exploration was renewed in 1921, and both surface and underground work was carried out by Blue Quartz Mines until 1928. The shaft was deepened to its current depth of 514 feet and expanded to 3 compartments below the 200 level. Underground work from the shaft consisted of drifting to the north and to the east on the 500 level. Development of the easterly drift included the sinking of a winze (72 degree inclination) from the 200 level to investigate the potential of a particular quartz vein. Level stations were cut at 300 and 400 levels and a chute was also opened from 300 to 500. Poor results from this vein curtailed this work and no information regarding the 300 level and 400 level development works is available. The discovery of potential ore in the northerly drift ended the easterly exploration.

The subsequent formation of Headwater Mines in 1955 to take over Amalgamated Goldfields and Clifford Gold Mines was followed by the inception of Hardill Resources, (a private company) which in 1979 took over Headwater's holdings. The property was optioned to Larder Resources in 1980, but later returned to Hardill. Joutel Resources Ltd. optioned the property in June 1987 and entered into a joint venture agreement with Central Crude Limited in October 1987.

The northerly development trended north until it cut an east-west "break" with sulphide mineralization and turned to drift east and west along it. A second winze was sunk and levels established at 625 feet and 750 feet. The vein was found and explored on the 625 level. Work on the 750 level did encounter some veining but the 500 level vein was not found.

Clifford Gold Mines, Ltd., was organized in 1924 to develop a group of claims comprising L1890, 1891, 12537 to 12539, 25587, and 25588, and the veteran lot consisting of the south part of lot 7, concession VI. The numbered claims are located in lots 5 and 6, concession VI and are all part of the Blue Quartz Property parcel # 23623. Claims L1890 and 1891 were originally patented by Cartwright Gold Fields, Limited, in 1915. The property adjoins the holdings of Aljo Mines, Limited, and the Amalgamated Gold Fields Corporation, Limited.

The claims were explored by surface-trenching in 1924, during which year four holes were drilled, totalling 2,129 feet. It is reported that during 1925, the last year of operations, the company was engaged in shaft-sinking. H. S. Armstrong examined the outcrops in the northeast corner of Parcel 23623 in August, 1945, at which time a total of 16 trenches, pits, and shafts were found. The main shaft, which is situated at the southeast edge of the large outcrop, is reported to be 100 feet in depth.

6.1 Historical surface and underground exploration activities

A summary of underground development work is presented below

1913-1916

(Cartwright Mines)

-200 foot vertical 2 compartment shaft

-100 foot level: 345 feet of lateral work

-200 foot level: 790 feet of lateral work

*note: footages are totals for each level some work was completed from 1921-1928

1921 - 1928 (Blue Quartz Mines)

- shaft deepened to 514 feet - expanded to 3 compartments below 200 level
- winze sunk from 200 level to 500 level in eastern drift with chute from 300 level to 500 level
- winze sunk from 500 level to 750 level in northern drift, four short raises and one sub-level drift in this vicinity

-500 level: 4200 feet of lateral workings

-625 level: 970 feet of lateral workings

-740 level: 720 feet of lateral workings

-surface and underground drilling, drift back removal (local)

- During the years 1923, 1926, 1928, and 1934, the Blue Quartz mine milled 500 tons of ore at an average grade of 0.162 oz/t for a total production of 81 ounces of gold. (Source: http://www.mndm.gov.on.ca/mines/ogs/resgeol/offices/kirk_gold.pdf)
- 1940-1945-surface drilling
- 1980-Larder Resources Inc. dewatered the workings for sampling, mapping and surveying.

Joutel Resources (Thundermin) and Central Crude Ltd. optioned the property in 1987 and conducted the following exploration:

- geophysics – magnetic and HLEM
- 2 diamond drill programmes totalling 19 holes (McGuinty, Page, 1990).
 - 1989: 15 holes drilled for a total of 2,314 metres. 478 samples were analyzed for gold content. The best results from that drilling are found in hole BQ-89-12 which

intercepted 21.3 metres of spherulitic volcanics (core length). This unit returned an average grade of 1.065 g/t Au over its entire length.

- 1989-1990: 4 holes drilled for a total of 858 metres. 151 samples were analyzed for gold content. The best results from that drilling are found in hole BQ-90-18 that was planned to test the mineralization outlined in hole BQ-89-12. The entire sulphide rich spherulitic unit from 202.4m to 278.0m returned anomalous gold values ranging from 25 ppb to 10,000 ppb for an average of 0.857 g/t Au over its entire length (75.6 metres of core length). This unit included sections grading 3.7 g/t Au over 1.5m; 3.8 g/t Au over 2.1m; 5.3 g/t Au over 1.2m; 3.6 g/t Au over 5.2m; and 9.8 g/t Au over 0.9m (all lengths are core lengths).

In 1999, the OGS embarked on Operation Treasure Hunt by spending \$29,000,000 CA, to fly airborne geophysical surveys in order to reduce Private Sector exploration risks. The survey covered the Blue Quartz claims.

6.2 Historical mineral resource and mineral reserve estimates

Historic estimates are available, but the backup data is not available. The following summarizes the historic, non 43-101 compliant; resource estimations and therefore these historical estimates should not be relied upon.

- 1927 - N. O. Carpenter calculated the first known reserve for Blue Quartz Mine. With a gold price of \$20.67 per ounce, Carpenter outlined 109,451 tons at 0.48 ounces Au per ton.
- 1946 - H.M. Butterfield calculated a reserve of 370,000 tons at 0.29 ounces Au per ton.
- 1962 – E.L. McVeigh calculates 128,000 tons at 0.86 ounces Au per ton for Hardill Resources

(Note: These are historic ore resource calculations undertaken prior to the implementation of Regulation NI43-101 and may not conform to the new standard).

The resource calculations are not National Instrument 43-101 compliant. The historical resources were calculated by the stated authors prior to the implementation of National Instrument 43-101. The historic resources include proven, probable, possible, and drill indicated Reserves. The estimates were primarily based upon underground sampling as well as a bulk sample. Russet Lake believes that the reserves would correspond to Indicated Resource as per CIM standard on Mineral Resource and Reserves, August 20, 2000. Russet's QP, Kenneth Guy, P.geo (Ont), has reviewed the available data, including drill logs, assay certificates and additional supporting information sources, and believes that the resource calculations were conducted in a professional and competent manner utilizing the data available at the time.

7. Geological Setting

7.1 Regional Geology

The Blue Quartz project is situated within the west-central portion of the Abitibi Greenstone Belt. The oldest rocks which underlie the area are volcanic rocks with predominantly tholeiitic basalts with lesser komatiitic basalts, calc-alkaline andesites to rhyolites, and sedimentary rocks, which

have been intruded by dykes, sills and batholiths which range from granite to gabbro to peridotite in composition. Syn-volcanic intrusives include peridotite and gabbro, to syenite and felsic porphyries. The sediments are locally derived clastics that can contain cherty exhalites, iron formation, and carbonate beds. The entire volcano-sedimentary succession has been divided stratigraphically and litho-chemically into four mega-cycles. The properties fall near the base of the third mega-cycle in rocks of the Stoughton-Roquemaure mafic volcanic formation and at the top of the second mega-cycle in the Hunter Mine felsic fragmental formations.

The general geology of the Beatty Township area is described by J. Satterly and H. Armstrong (ODM Volume LVI, Part VII – Geology of Beatty Township, 1947). They describe the area as being underlain by Archean pillow lavas, felsic volcanoclastics, and clastic sediments that are intruded by peridotite and gabbro bodies; all of which have been cut by north trending Matachewan quartz diabase dykes and northeast trending Keweenawan olivine diabase dykes.

All rocks are Precambrian in age, and have been regionally metamorphosed to middle green schist facies or lower. Regionally, the rocks strike in an east-west direction and dip is near vertical.

Northeast trending diabase dykes, which cut all rock units, represent the youngest rocks in the area.

Major structural deformation zones including the Porcupine-Destor Fault, Pipestone Fault and Munro Fault, occur in the region. These structures are spatially associated with several current and past producing gold mines and prospects, including the Glimmer mine in Beatty Township, Jonpol Explorations in Garrison Township and the Lightning Zone in Harker and Holloway Townships.

7.2 Local and Property Geology

All the bedrock mapped on the project area is Early Precambrian belonging to the Abitibi Greenstone Belt (Figure 4). The oldest rocks observed are a thick sequence of pillowed andesitic lavas, ranging in composition from basaltic to dacitic andesite. A few ash flow tuffs were also noted, intercalated amongst the andesitic lavas. No rhyolitic lavas were seen in the field, though they are noted in some drill logs. The andesitic lavas are intruded by large masses of gabbroic rocks, small porphyry dykes and a 100 foot wide diabase dyke. The major structural feature is the Pipestone Fault which lies along the south shore of Painkiller Lake and crosses the central part of the property on a 120°- 300° azimuth. A subsidiary sub parallel fault is also present, crossing the northern margin of the property, the Painkiller Lake Fault.

Local Stratigraphy:

Cenozoic

Recent and Pleistocene: sandy till, boulder till, and gravel.

Proterozoic

Great Unconformity Precambrian Diabase

Precambrian

Intrusive Contact Feldspar porphyry, lamprophyre
Intrusive Contact Gabbro, peridotite, and serpentinite
Intrusive Contact Volcanic Flows Rhyolite
Andesites- basaltic to dacitic, pillowed, dioritic; massive, spherulitic, tuffaceous.

Andesite

All the volcanic rocks noted in the field fall in this category. The andesite flows consist of a thick (> 900 metres) sequence of pillowed lavas. They appear to grade on a rough scale from a dark green basaltic sequence in the south to a grey dacitic sequence in the north. This sequence is interbedded with ash flows tuffs and rhyolitic rocks noted in several drill holes. Silicification is present along both faults and in vicinities of pillow rim breccias. The pillows at times are very indistinct with only a few visible selvages, though generally they are very well formed.

The pillows range in size, from one foot to fifteen feet in diameter. Pillow rim breccias are commonly scattered throughout the sequence. Sulphides are frequently present in the breccia areas and consist of disseminated pyrrhotite and pyrite in the matrix. Silicification is usually present with the sulphides and can be attributed to local fumarolic or hot spring activity at time of deposition as alteration haloes are present on the fragments. Amygdules are rare, though some of the larger pillows exhibit amygdaloidal quartz cores of several inches to quartz core segregations up to six or eight inches. Bleached cores are also present in the larger pillows. Tops were frequently determinable in two dimensions and occasionally in three dimensions and were always to the north-east. A hyaloclastic sequence was also observed adjacent to a mineralized pillow rim breccia.

The massive andesites are at times very coarse grained and dioritic in appearance. Spherulitic lavas were noted at several locations and in the drill logs. The spherulitic flow could serve as a marker horizon. It consists of 30%-60% coalesced spherules and is strongly silicified.

The ash flows weather a buff colour like the andesite lavas and are massive bedded, fine grained and granular with grey feldspar laths or needles and 5%-10% quartz eyes. Some ultrabasic flows with spinifex texture are noted in drill logs from adjoining properties.

Rhyolite

No rhyolite was seen in the field but it is noted in drill logs on the adjoining property. The rhyolite is described ranging from massive aphanitic grey cherty flows to light grey cherty tuffs. Chlorite clots and stringers are present. The tuffs carry pyrite in stringers and beds. Some of the bedded sections and flow tops carry graphitic beds and pyrite nodules.

Gabbro

Gabbro is present in the centre of the property as an irregular "Y" shaped intrusive and as a regular mass in the north-east corner. It is fine grained at the chill contacts and is usually medium grained over most of the area with rare coarse or pegmatitic parts. It weathers dark buff-grey and is usually very homogeneous and smooth-surfaced in contrast to the hackly irregular surface of the andesitic lavas. The jointing is very prominent; with a few regular strong directions.

The composition varies from anorthositic gabbro to gabbro. The amphiboles have been altered and have become fibrous and in places have been altered to fan shaped or stellate forms. The feldspar is

grey and occasional laths up to a quarter inch in length are seen. Carbonatization is present locally in some of the finer grained rocks which lead to difficulty in differentiation from altered massive basaltic flows. Epidote as stringers and joint smears is a common accessory mineral. Titaniferous magnetite and pyrite are usually present from a trace to 0.5%.

Feldspar Porphyry

Feldspar porphyry dykes were seen in outcrops and were noted in diamond drill logs. The dykes usually occur in swarms and are on an average five feet wide. The feldspars occur as coarse grained whitish grey laths up to a quarter inch in length and comprise as much as 75% of the rock. The matrix consists of fine amphibole and biotite. Pyrite is commonly present in minor amounts.

Diabase dykes

Both Matachewan (north-south) and Keweenawan (N60°E) diabase dykes are found on the property. The Matachewan dykes are more prevalent and common and are usually narrow, 1 to 50 metres wide. The Keweenawan are less common, but are quite thick as seen in the vicinity of the Blue Quartz mine where a 200 metre wide dyke forms the south side of the ore body (Figure 4).

The diabase is medium grained, and ophitic in texture. The rock weathers a buff colour and is a salt and pepper colour when fresh. The weathered surfaces are homogeneous and much smoother than the adjacent andesites. The contacts are generally quite sharp and show some chilling. The feldspars comprise about 50% of the rock and are a grey to light green colour. Coarser light green feldspars or feldspathoids are commonly present, are rounded and up to a quarter inch across. The diabase contains up to five percent magnetite and is locally quite magnetic.

Pleistocene and Recent

Most of the claim block is mantled by sandy till with occasional boulder till and gravel. The northwest and west central section hosts some spruce-balsam and alder swamps with a thick muskeg mantle. The northwest shoreline of Painkiller Lake is sandy though the lake has the dirty brown colour typical of clay rich till areas. In the northeast corner of the property drill hole data indicates that the overburden can reach 12 metres in thickness. Glacial shoulders are abundant throughout the area, they range in composition from granitic to basalt, but the granitic ones are predominant.

7.3 Structural Geology

The pillow lavas indicate that the strike of the rocks is generally on a 120-300° azimuth with local variations. Pillow tops in both 2 and 3 dimensions are to the north-east as is the dip of the formations. The local variations in strike are typical of a volcanic lava sequence.

Two sub-parallel faults are present on the property. The main structural feature is the Pipestone Fault which lies along the south shore of Painkiller Lake and crosses the central part of the property. The strike of the Pipestone Fault follows a 120°- 300° azimuth, parallel to the strike of the pillow lavas (Figure 4). The diabase dyke shows a 487 metres displacement of the north-side to the west. A subsidiary sub parallel fault is present on the northern part of the property, the Painkiller Lake Fault. This fault exhibits a strike of roughly 120°- 300° azimuth and appears to be curving into the Pipestone Fault to the west. There is also some displacement along the strike of this fault as

the diabase dyke has been displaced and is not seen on the north side. The host rock along both faults show silicification.

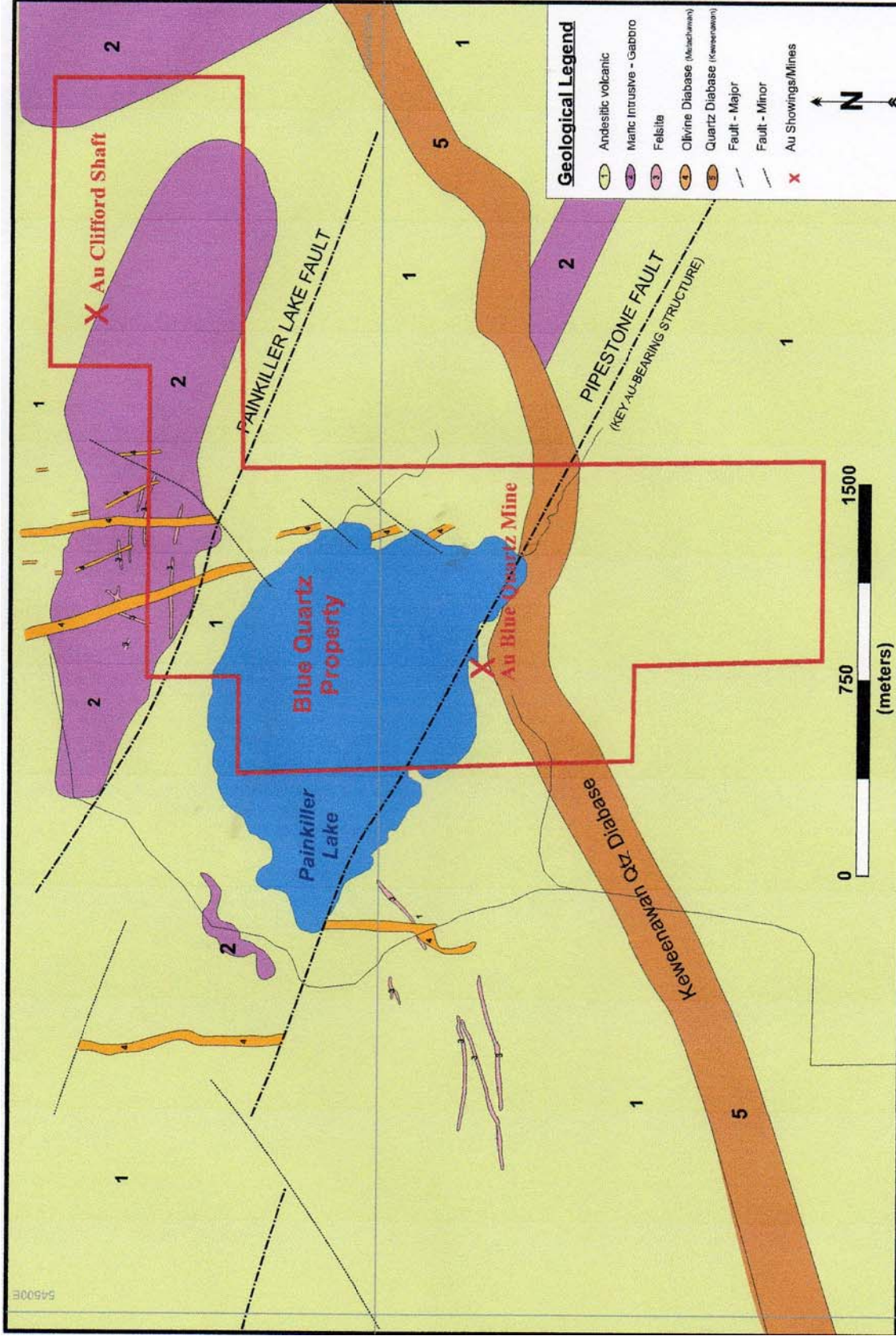


Figure 4: Property geology map

8. Deposit Types

Gold mineralization on the Blue Quartz Property belongs to the structurally controlled Archean lode gold class of deposits. Structurally hosted, low-sulphide, lode gold vein systems in metamorphic terrains from around the world possess many characteristics in common, spatially and through time; they constitute a single class of epigenetic precious metal deposits.

The majority of lode gold deposits formed proximal to regional terrane-boundary structures that acted as vertically extensive hydrothermal plumbing systems. Major mining camps are sited near deflections, strike slip or dilatational jogs on the major structures. Accordingly, the mineralization and associated alteration is most intense in these flanking domains.

The Superior Province is the largest exposed Archean craton in the world, and has accounted for more gold production than any other Archean craton, with more than 55 million ounces produced to date. The following table lists the 25 largest known deposits; each of these has produced, or is known to contain, more than 1 million ounces (30 tonnes) of gold.

Gold content (production and/or reserves) of the 25 largest gold mines in the Superior Province.

GOLD MINE (MILLIONS OF TROY OUNCES)

See Figure 5 for locations of some of these mines. *

1. Hollinger, Porcupine (19.4) *
2. Dome, Porcupine (10.8) *
3. McIntyre, Porcupine (10.6)
4. Kerr Addison, Larder Lake (10.1)
5. Page Williams, Hemlo (9.1)
6. Lake Shore, Kirkland Lake (8.5)
7. Golden Giant, Hemlo (6.7)
8. Campbell Red Lake, Red Lake (5.5)
9. Wright- Hargreaves, Kirkland Lake (4.8)
10. Lamaque, Val d'Or (4.7)
11. Teck-Hughes, Kirkland Lake (3.7)
12. Sigma, Val d'Or (3.3)
13. David Bell, Hemlo (3.0)
14. Pamour (no.1), Porcupine (2.9) *
15. East Malartic, Val d'Or (2.9)
16. Macassa, Kirkland Lake (2.6)
17. Aunor (no.3), Porcupine (2.5)

18. Madsen, Red Lake (2.4)
19. Dickenson, Red Lake (2.3)
20. Malartic Goldfields, Val d'Or (1.7)
21. Sylvanite, Kirkland Lake (1.7)
22. Hallnor (no.2), Porcupine (1.6)
23. Preston, Porcupine (1.5)
24. Camflo, Val d'Or (1.5)
25. Detour Lake Mine, Detour Lake (1.5)

Source : Ministry of Northern Development and Mines, Ontario, web site.

The Abitibi belt is clearly the most prolific gold-producing greenstone terrain in the Superior Province: the Timmins (Porcupine) camp alone has contributed in excess of 51 million ounces of gold, far greater than production from the Kalgoorlie camp in Western Australia, or from the Homestake deposits in South Dakota.

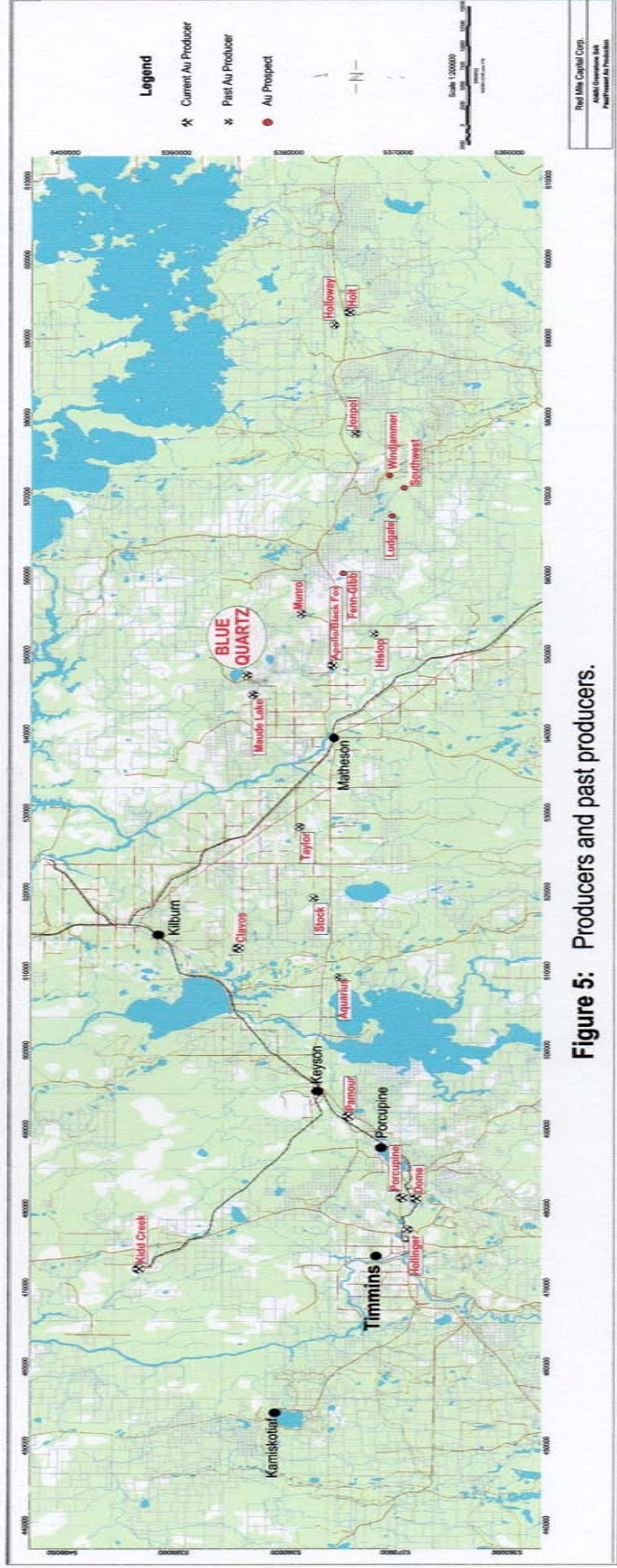


Figure 5: Producers and past producers.

Note: see Appendix III for Figure 5 in 11 x 17 inches format

9. Mineralization

Gold is the main exploration target in the area. Several mines, including the Aljo in Coulson Township, Blue Quartz and Argyll / Maude Lake, were all limited producers prior to 1940. All three mines share similarities including:

- host rock – pillowed mafic flows
- ore host of blue quartz veins with pyrite, arsenopyrite, telluride and visible gold
- alteration includes silicification, carbonatization and pyritization
- proximity to a major structure – Painkiller Lake fault or Pipestone fault

Gold was first discovered at Painkiller Lake in Beatty Township in 1907. Intense work started in 1918 when a pit was dug on a vein which was reported to be mineralized with pyrrhotite, pyrite and abundant visible gold. The vein ranges in width from one half to three inches over a strike length of 106 metres. The vein strikes N036° and dips 72° to the west-northwest. The wall rock is reported to be highly silicified. A shaft was sunk to a depth of 12 metres at the northern end of the vein exposure. Development work by Lynco Resources Inc. consisted of two short drifts that showed the presence of a silicified zone at the bottom of the shaft and in the drifts which assayed 0.22 oz. Au/ton over a 2.7 foot chip sample (7.5 g/t Au over 0.8m)– the Lucky Ben mine.

A sulphide zone, varying in width from 0.6 to 1.83 metre, with a northwest strike and a 60° dip to the northeast is reported. Its north westerly extension seems to be north of the shaft. This zone is apparently traceable for about 122 metres and carries 3 to 4% pyrite, pyrrhotite, and chalcopyrite with low gold values.

Two shafts are located on the Blue Quartz property.

BLUE QUARTZ MINE SHAFT

Gold was first discovered in 1907 on the south shore of Painkiller Lake. In 1913, a vertical two compartment shaft was sunk on the south shore of Painkiller Lake to a depth of 200 feet to investigate the potential of veins exposed on surface in that area. Working levels were established at 49, 91 and 191 feet with lateral work being done on the two lower levels. During this period of development, the surface plant was twice destroyed by fire, resulting in the closing of operations in 1916.

Blue Quartz Mines Ltd. was formed in 1921 and operated the property until 1933 conducting both surface and underground work. The shaft was deepened to its current depth of 514 feet and expanded to 3 compartments below the 200 level. Underground work from the shaft consisted of drifting to the north and to the east on the 500 level. Development of the easterly drift included the sinking of a winze (72 degree inclination) from the 200 level to investigate the potential of a particular quartz vein. Level stations were cut at 300 and 400 levels and a chute was also opened from 300 to 500. During the years 1923, 1926, 1928, and 1934, the Blue Quartz mine milled 500 tons of ore at an average grade of 0.162 oz/t for a total production of 81 ounces of gold (Source: http://www.mndm.gov.on.ca/mines/ogs/resgeol/offices/kirk_gold.pdf).

Amalgamated Goldfields was then established in 1933 to take over the assets of Blue Quartz Mines, followed by Headwater Mines in 1955 taking over Amalgamated Goldfields and Clifford Gold Mines. This was followed by the inception of Hardill Resources, (a private company) which in 1979 took over Headwater's holdings. The property was optioned to Larder Resources in 1980, but later returned to Hardill. Joutel Resources Ltd. optioned the property in June 1987 and entered into a joint venture agreement with Central Crude Limited in October 1987. Two (2) diamond drilling programs (1989-1990) have outlined sulphide rich units within spherulitic metavolcanics. The best results from that drilling were intersected in BQ-89-12 with an average grade of 1.065 g/t Au over a core length interval of 21.3 metres; good results were also obtained from BQ-90-18 which was planned to test the mineralization intersected in BQ-89-12. The best results from BQ-90-18 returned anomalous gold values ranging from 25 ppb to 10,000 ppb for an average of 0.857 g/t Au over its entire length (75.6 metres of core length). This unit included sections grading 3.7 g/t Au over 1.5m; 3.8 g/t Au over 2.1m; 5.3 g/t Au over 1.2m; and 3.6 g/t Au over 5.2m (all lengths are core lengths).

Gold values have been found in two main veins, the discovery or Blue Quartz vein, on which the early work was done, and the No.2 vein, which lies under the lake 750 feet north of the shaft. The Blue Quartz vein is composed of bluish quartz and carries considerable amounts of pyrite together with varying quantities of pyrrhotite, galena, sphalerite, chalcopyrite, telluride and gold. The No.2 or Main vein extends in a roughly east-west direction and dips steeply toward the south. Mineralization consists of dark quartz and silicified wall rock mineralized with arsenopyrite and pyrite, together with some chalcopyrite, pyrrhotite, and sphalerite. In places the wall rock is mineralized with coarse pyrite cubes. Specimens of the feldspar porphyry show half-inch veinlets of quartz with pyrite and arsenopyrite; the veinlets are bordered by narrow bands of chloritic material. The mine dump was visited and sampled by the MNM, A. C. Bath (OGS OFR 1990, V.1, p.166-182). Bath (1990) suggests that the No.2 vein system gold-sulphide mineralization is associated with brittle deformational regime quartz and quartz-calcite veins and veinlets hosted by variably Fe-dolomitized basalt and/or silicified and/or recrystallized interflow sedimentary material. Once formed, the quartz-(carbonate) vein material and siliceous host rock appear to have been tectonically shattered and sulfidized along fractures prior to having been brecciated and recemented by chloritic gouge.

The following table tabulates the results of the sampling conducted by Bath (Table 2).

Table 2: Ministry of Northern Development and Mines sampling (1990)

MNDM sampling of the Blue Quartz Dump – by A. C. Bath							
Visited in 1985 by A. C. Bath (OGS OFR 1990, V.1, p.166-182).							
Analyses	Au		Au	Cu	Pb	Zn	As
Sample	ppb		gms/tonne	ppm	ppm	ppm	ppm
AB-85-56	7200		7.20	243	27	321	2
		6860		---	---	-.~	---
AB-85-57	2400		2.40	251	44	157	247
AB-85-58	820		0.82	525	36	300	1222
AB-85-59	6170		6.17	32100	58	654	18
AB-85-60	---			---	---	---	---
AB-85-61	320		0.32	147	5	138	700
AB-85-62	60000	68.18		227	448	671	1292
	chk	83.18	2594.74	---	---	---	---
AB-85-63	29010		29.01	170	12	107	1589
		28110		---	-.--	---	---
AB-85-64	9330		9.33	964	37	245	143
AB-85-65	5210		5.21	577	107	259	12300
AB-85-66	4390		4.39	2600	111	91	3613
AB-85-67	1990		1.99	1350	181	10200	23000
average of 11 samples			241.96	gpt Au			

CLIFFORD MINE SHAFT

Clifford Gold Mines, Ltd., was organized in 1924 to develop a group of claims comprising L1890, 1891, 12537 to 12539, 25587, and 25588, and the veteran lot consisting of the south part of lot 7, concession VI. The numbered claims are located in lots 5 and 6, concession VI and are all part of the Blue Quartz Property Parcel 23623. Claims L1890 and 1891 were originally patented by Cartwright Gold Fields, Limited, in 1915. The property adjoins the holdings of Aljo Mines, Limited, and the Amalgamated Gold Fields Corporation, Limited.

The claims were explored by surface-trenching in 1924, during which year four holes were drilled, totalling 2,129 feet. It is reported that during 1925, the last year of operations, the company was engaged in shaft-sinking. H. S. Armstrong examined the outcrops in the northeast corner of Parcel 23623 in August of 1945, at which time a total of 16 trenches, pits, and shafts were found. The main shaft, which is situated at the southeast edge of the large outcrop, is reported to be 100 feet in depth.

The rocks on the claims consist of basic lavas. Most of the flows are pillowed, but some are massive and fine-grained. The lavas in the veteran lot to the northeast of Painkiller Lake are cut by the quartz diabase dikes that are so prominent on the Aljo property to the north.

Top determinations in the lavas show that they face south and strike N75°W. The drilling records show faulting on a minor scale, but the lack of key horizons precludes recognition of displacement in the outcrop.

The surface development shows the presence of several zones of mineralization, generally slight shear zones with stringers of quartz and calcite. The chief sulphides are pyrrhotite and pyrite with lesser amounts of chalcopyrite and a little arsenopyrite. Much of the lava is mineralized with disseminated pyrrhotite resulting in the usual weathered surface.

10. Exploration

Russet Lake also sampled the mine dumps near the 2 shafts in 2008, with the following results.

Table 3: Russet Lake Resources sampling of the Blue Quartz and Clifford Dumps (2008)

Russet Lake Resources sampling							
sample #	location	Au ppb	Au ppb	Au g/t	Au g/t	Au oz/t	Au oz/t
Blue Quartz dump							
50939	BQ dump-host	904		0.904		0.026	
50944	BQ dump-host	973	989	0.981		0.028	0.029
50946	BQ dump-host	624		0.624		0.018	
50948	BQ dump-host	1406		1.37		0.041	0.04
50950	BQ dump-host	259		0.259		0.008	
50940	BQ dump	>DL		13.23	12.89	0.386	0.376
50941	BQ dump	6625		6.72		0.193	0.196
50942	BQ dump	4486		4.53		0.131	0.132
50943	BQ dump	5942		6.03		0.173	0.176
50945	BQ dump	7721		7.89		0.225	0.23
50947	BQ dump	4621		4.53		0.135	0.132
50949	BQ dump	5892		5.97		0.172	0.174
87462	BQ dump	3016		3.15		0.088	0.092
87463	BQ dump	>DL		13.99	13.58	0.408	0.396
87464	BQ dump	2550		2.47		0.074	0.072
10 samples QV and mineralization			avg	6.85		avg	0.20
Clifford Shaft dump							
87465	BQ dump - N shaft	392				0.011	
87466	BQ dump - N shaft	532				0.016	
87467	BQ dump - N shaft	43	43			0.001	0.001
87468	BQ dump - N shaft	144				0.004	
87469	BQ dump - N shaft	501				0.015	
87470	BQ dump - N shaft	24				<0.001	
87471	BQ dump - N shaft	92				0.003	

11. Drilling

Russet Lake Resources completed a drill programme on the Blue Quartz Project during the period October 20 to October 31, 2008. Four holes, totalling 828 metres were completed. The contract was awarded to Norex Drilling Inc. of Porcupine, Ontario. They used a standard wireline machine,

working on two 10 hours shifts. Core is retrieved from the drill string using standard wireline methods. Upon retrieval, the core is removed from the core tube and placed into wooden core boxes in the order in which it was drilled. Holes were targeting the gold mineralization present in the historic underground working of the Blue Quartz Mine. Diamond Drill Summary is given on the following Table 4. Diamond drill hole locations are shown on Figure 6. Due to insufficient data, the true thicknesses of the mineralized zones could not be determined; therefore the lengths given in the following paragraphs are all core lengths.

Hole **RBQ-08-01** was targeted to test both the shaft zone and the north drift mineralized zones. The shaft zone consists of the blue quartz veins that were the original gold discovery. Historically they have been described as being narrow and erratic. The north drift mineralization has been described as more sulphide rich and continuous. As the collar was located immediately south of the main shaft the shaft zone was expected to be encountered at a relatively shallow depth down the hole and the north drift mineralization at greater depth down the hole. The hole intersected predominately pillowed mafic volcanics with a sequence of mixed interflow, volcanics and porphyry in the central section of the hole (186-202metres). The better mineralized intervals were located within the initial pillowed volcanic unit, as minor interflow, selvage zones and quartz veins with pyrite, arsenopyrite, chalcopyrite and sphalerite. The only assays of interest also occurred in this unit (Table 4). From 87.5 to 89.0 (core length) returned 2.85 g/t Au in quartz-carbonate veining containing 2% arsenopyrite and pyrrhotite; from 110.0 to 111.2 (core length) returned 2.64 g/t Au again in quartz-carbonate veining containing 25% sulphides, where the main sulphide is pyrite with minor amounts of arsenopyrite and chalcopyrite. Alteration consisted of local sericite, +/- ankerite haloing the veins and interflow units.

Hole **RBQ-08-02** was targeted to test the shaft zone. The shaft zone consists of the blue quartz veins that were the original gold discovery. Historically they have been described as being narrow and erratic. An underground opening was encountered at 40.0 to 40.7 metres. This would correspond to the Shaft zone. No interesting mineralization was noted either above or below the opening. The best assay result of the programme was 119.0 to 120.3 metres (core length) assaying 9.7 g/t Au. This was a 0.3m quartz-carbonate vein with up to 50% sulphides within the mafic volcanics. This intersection would appear to correlate with the assays in hole RBQ-08-01, 2.64 g/t Au over 1.2 metre (core length). They would appear to lie between the shaft and north zones.

Hole **RBQ-08-03** was also targeted to test the shaft zone at the same azimuth and a slightly greater dip than hole 02. The intention was to intersect the interval missed due to the underground opening in hole 02. The hole intersected 2 underground openings, 14.6-16.2 and 35.2-38.2. The first opening probably represents the first station of the shaft and the second opening is probably the 1st level. The opening in hole 02 was likely a small raise off the 1st level. The hole had no significant assays. Hole **RBQ-08-03B** was a re-start of hole 3 after the underground opening due to squeezing of the rods after the opening.

Hole **RBQ-08-04** was targeted to test the north drift mineralized zones to the west of hole 01. The geology of the hole was very similar to hole RBQ-08-01, with pillowed mafic volcanics at the top and bottom and interflow sediments, graphitic argillite and porphyry between the 2 units. No significant assays were intersected in the hole. The hole intersected multiple quartz-carbonate veins similar to hole 01, but the assays were low. Well mineralized veins were intersected, but assays

were low, 149.8 – 150.8 brecciated quartz-carbonate vein with 25% sulphides, pyrite, sphalerite and chalcopyrite – assayed 0.50 g/t Au. This hole deviated to the east and therefore did not reach the intended target. Due to lack of funds, this hole could not be extended.

Table 4: Summary of diamond drilling programme – Russet Lake Resources – October 2008

Blue Quartz Project

Diamond Drill Summary - October 2008

Blue Quartz Project Diamond Drill Summary										October-08	
Hole#	East	North	utm-Nad83	ele	Az	dip	length	target	Results		
RBQ-08-01	547573	5384099		3000	345	-42	353	both South and North zones	87.5-89 2.85 gpt Au		
									110-111.2 2.64 gpt Au		
RBQ-08-02	547573	5384099		3000	20	-45	170	South zone	40.0-40.7 underground opening		
									110-111.5 1.1 gpt Au		
									119-120.3 9.7 gpt Au		
RBQ-08-03	547573	5384099		3000	20	-52	45	South zone - try to avoid	14.6-16.2 underground opening		
								underground openings	35.2-38.2 underground opening		
RBQ-08-04	547434	5384141		2998	10	-45	260	North zone			
					total		828	m			

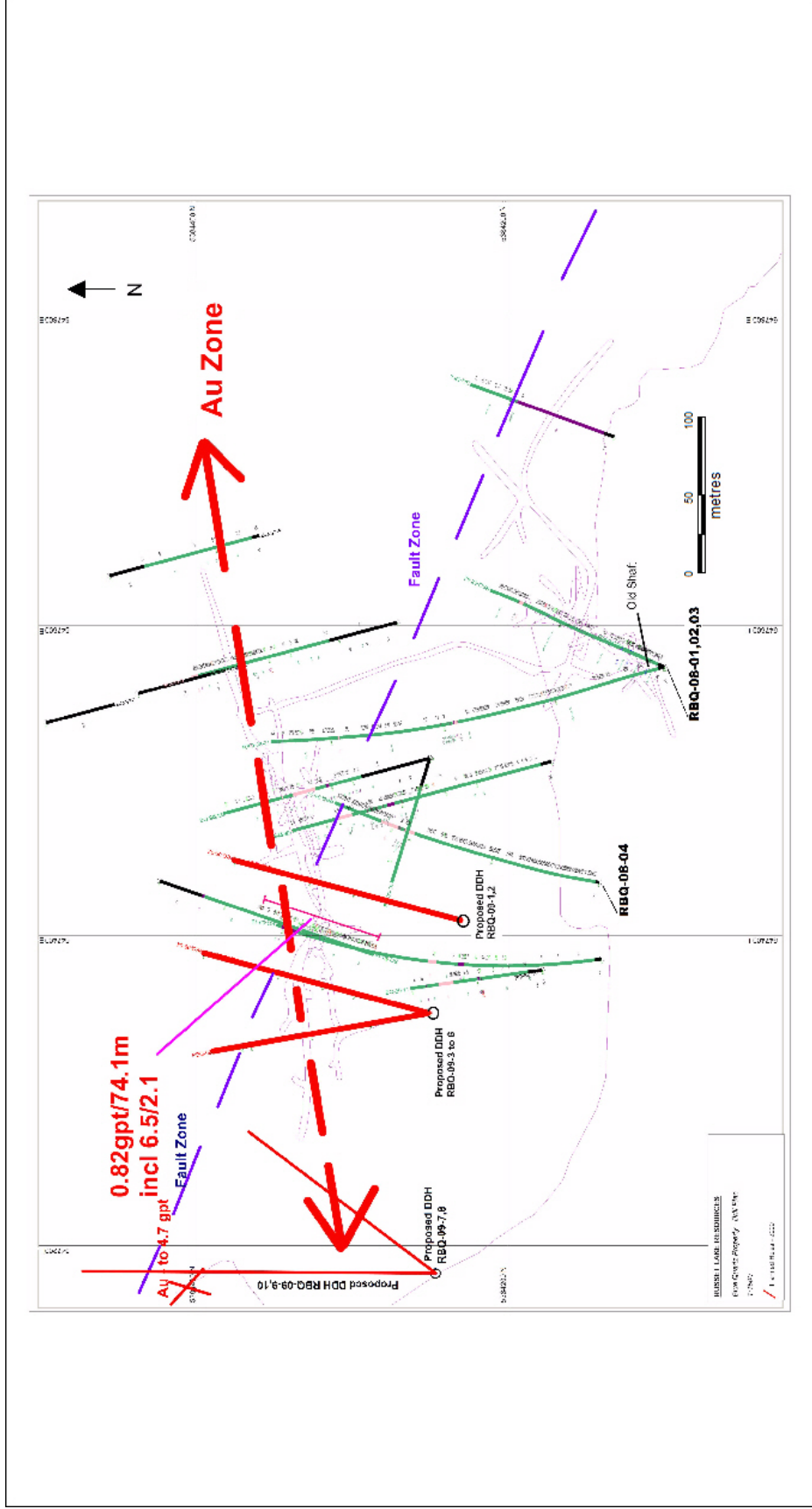


Figure 6: Location of 2008 and proposed 2009 diamond drill holes

12. Sampling Method and Approach

Russet Lake's selected grab samples from the shaft areas stock piles.

A total of twenty-two (22) selected grab samples were taken from the two (2) stock piles located on the Blue Quartz Property: fifteen (15) from the Blue Quartz shaft area and seven (7) from the Clifford Shaft area (Table 3, Figure 7). The way these samples would be selected is that a geologist would walk along the stock piles and select samples that could be representative of the material that was extracted from the underground workings by previous operators.

Author's selected grab samples from the shaft areas stock piles.

A total of fifteen (15) selected grab samples were taken from the two (2) stock piles located on the Blue Quartz Property: ten (10) from the Blue Quartz shaft area and five (5) from the Clifford Shaft area (Table 5, Figure 7). The sampling method is similar to the one used by Russet Lake Resources.

Core sampling

Core is retrieved from the drill string using standard wireline methods. Upon retrieval, the core is removed from the core tube and placed into wooden core boxes in the order in which it was drilled.

Russet Lake operates a secure core logging and sampling facility on the Davidson-Tisdale property located in South Porcupine. After cleaning, reassembly and logging, a sampling line is marked along the centerline of the core. Sample intervals down the hole are generally based on geological contacts, alteration and mineralization. Generally, the sample interval is approximately 1.5 metre. In what may appear to be strongly altered and/or mineralized zones, sample breaks are made at significant changes, which frequently result in intervals less than 1 metre in length. Maximum sample length is rarely greater than 1.5 metre. Down-hole sample intervals are recorded in the GeoticLog™ software which is used by Russet Lake to log the core. Before sampling, the core is photographed and thus can be available for further review.

The core is then split into two equal halves, with a manual splitter, along the marked sampling line. One half is placed in a plastic bag along with a ticket stating the number of that sample. The sample number is also marked on the plastic bag in case the ticket inside the bag gets lost. The bags are then sealed and put into white fabrene bags which are also sealed with locking plastic ties for delivery purposes. A total of 356 samples were taken during the fall 2008 drilling programme. The other half of the core is returned to the core box for archive and future sampling purposed. Core logging, splitting, sample bagging and sample shipment preparation is completed under the supervision of Russet Lake's project geologist. All bagged samples are in the possession of Russet Lake until given to Manitoulin transport for delivery in Rouyn-Noranda.

After logging and sampling is completed, the archived core boxes are stored on site at the Davidson-Tisdale Property core logging facility.

13. Sample Preparation, Analyses and Security

Russet Lake Resources project geologist or an employee of the company would personally put the samples onto a delivery truck from Manitoulin transport, which would bring them to their warehouse in Timmins. From there they would be delivered by transport truck at the Expert laboratory in Rouyn-Noranda.

All samples are systematically assayed for gold. All the samples rejects and pulps are presently securely stored at the Expert laboratory in Rouyn-Noranda. Eventually these will be shipped by Expert to the Tisdale core logging facility where they will be securely kept indefinitely.

Expert Laboratory is an ISO 9001:2000 certified laboratory that routinely performs assaying for junior mining companies (Appendix II). Expert's preparation and lab facility is located in Rouyn-Noranda, Québec.

Sample preparation includes the following procedures and operations:

1. Log sample into tracking system.
2. Record weight of material received from the client.
3. Crush drill core samples to finer than 90% at minus 10 mesh.
4. Split sample using a riffle splitter.
5. Pulverize the split (up to approximately 300 g) to a particle size finer than 90% at minus 200 mesh. Excess material is stored for the client as a crusher reject.

Once the sample is pulverized, the following assay method is then applied to the sample.

- Gold assays are routinely performed using fire assay (FA) with atomic absorption (AA) finish. Gold assays greater than 1 g/t are automatically re-assayed using a FA with gravimetric finish.

For quality control purposes blank, duplicate and analytical control standards were inserted into the sample sequence by the Expert Laboratory as part of an internal QA/QC check. One (1) blank and one (1) standard were inserted in every batch of 28 samples. Duplicates were done on every 12th sample and on samples in excess of 1 g/t Au. Every tenth (10th) sample was sent to Bourlamaque Laboratory in Val d'Or, Québec in order to verify the values obtained by Expert. Bourlamaque Laboratory is also an ISO 9001:2000 certified facility (Appendix II). No significant discrepancies are reported.

14. Data Verification

The author visited the Blue Quartz Property on June 11 2009. The author was accompanied by Mr. Kenneth Guy P. Geo, *qualified person* for Russet Lake Resources Inc. and by Mr. John Hickey, president of Russet Lake Resources Inc. The author could inspect recent drilling collar locations; take GPS waypoints and photos of a stock pile from previous owners. An additional fifteen (15) grab samples were taken by the author from the dump sites: 10 from the Blue Quartz dump and 5 from the Clifford Shaft area (Table 5). The author was at Russet Lake's exploration office in South

Porcupine from June 12-14, 2009. Drill core and drill logs from the October 2008 boreholes were also reviewed on June 11, to ascertain the geological setting of the Blue Quartz Property.

The descriptions done by Russet Lake's project geologist are accurate in detailing the lithologies and describing the veins contained within each lithology. The author did notice that the sampling of the veins was not done in an appropriate manner: samples were not limited to the vein material but extended beyond those veins. This would clearly have had an effect on diluting the gold contained within the veins. On average sample lengths were 1.5 metre long. This fact was brought to the attention of Mr. Kenneth Guy, Russet Lake's QP.

The database used for the information storage and section and plan maps at the Blue Quartz Project includes the collar survey, down-hole survey, assay, geological and geotechnical data for each drill hole. The database contains the historic data obtained from Thundermin Resource and is up-to-date, including all of the results of the 2008 drill campaign.

The majority of the geologic data has been collected by relatively few geologists that participated in more than one field campaign, thereby minimizing the potential for introducing inconsistencies during rock identification. Data entry on computers was done by only one geologist in the field. Field data was verified on site before being crosschecked and incorporated in the GEMCOM™ software and the data was validated by a senior geologist. The assay data was transferred from the laboratory assay certificates to the assay field in the database using unique sample numbers.

Down-the-hole survey data is available for all drill holes. Russet Lake surveys consisted of a digital reflex instrument recording, azimuth, dip and magnetic field. Tests were taken a few metres below the casing and every 50 metres thereafter.

Hole locations were determined by a handheld GPS with a stated accuracy of +/- 3 metres. Casing was left in the hole for all of the drill holes.

Russet Lake Resources conducted a comprehensive QA/QC programs during their drill programme to validate the assay results received. Blind repeat assaying at the original laboratory shows good precision of the results, while check assaying at outside laboratories gives comparable results.

The assay database for the Blue Quartz Property is reliable.

Table 5: Author's sampling of the Blue Quartz and Clifford Shaft stock piles

BLUE QUARTZ MINE SHAFT STOCK PILE					
Sample #	Description	Au ppb AA finish	Au ppb AA finish (dup)	Au g/t gravimetric finish	Au g/t gravimetric finish (dup)
50 954	Vein material: 70% smoky quartz, 20% fragments of milky quartz, 10% fine to medium grained pyrite, < 1% chalcopyrite	> DL		25.03	24.51
50 955	Silicified medium green coloured basalt with 1 to 2 cm quartz-carbonate vein. 2 to 3% fine grained disseminated pyrite along contacts of vein.	1300		1.3	
50 956	Massive sulphides. 10% smoky quartz, 30% pyrite, 30% pyrrhotite, 20% arsenopyrite, 10% chalcopyrite.	3313		3.22	
50 957	30% silicified basalt, 30% quartz, 40% sulphides: 70% is arsenopyrite, 25% is pyrite, 5% is chalcopyrite.	4606		4.73	
50 958	90% smoky quartz, 10% pyrite.	1116		1.1	
50 959	60% silicified basalt, 20% quartz, 20% sulphides: 40% is arsenopyrite, 30% is pyrite, 30% is pyrrhotite	9916		10.15	9.87
50 960	Silicified basalt. 1 to 2% pyrite.	375			
50 961	Silicified basalt. 10% fragments of milky quartz. 10 to 15% pyrite as blebs.	162			
50 962	50% brecciated smoky quartz vein. 50% vein like massive sulphides: 99% is pyrite, 1% is sphalerite.	1482		1.54	
50 963	50% brecciated smoky quartz vein with 5 to 7% fragments of milky quartz. 50% vein like massive sulphides: 95% is pyrite, 5% is pyrrhotite.	3519		3.6	
CLIFFORD SHAFT STOCK PILE					
50 964	Silicified basalt with 10% dark grey quartz stringers. 10% disseminated pyrrhotite. < 1% disseminated pyrite.	188			
50 965	Silicified basalt with 10 to 15% dark grey quartz stringers. 5 to 7% disseminations and stringers of pyrite. 2 to 3% disseminated pyrrhotite.	60			
50 966	60% silicified basalt, 40% quartz, ankerite, sericite vein, veinlets. 5 to 7% disseminated and stringers of pyrrhotite.	39	35		
50 967	50 to 60% sulphides: 80% is pyrrhotite, 20% is pyrite.	59			
50 968	60% silicified basalt, 40% banded quartz, ankerite, sericite vein, veinlets. 2 to 3% disseminated pyrrhotite.	27			

During the site visit, the author also reviewed data management, geological interpretations and the approach and procedures implemented for a quality assurance program designed to ensure the reliability and trustworthiness of exploration data acquired on the Blue Quartz Property.

In the opinion of the author, the field procedures used by Russet Lake Resources project geologist generally meet “industry best practices”. Drilling was conducted with suitable equipment and is recovering quality core. The drilling contract was awarded to Norex Drilling from Porcupine, Ontario. NQ size core (47.6 mm) was recovered. Recovered core is examined by competent professionals and adequate descriptive information is collected including: recovery rate, lithology, alteration, structure, mineralization and rock quality designation.

The author noticed that no standards were sent with the sample shipments. Laboratoire Expert did provide some standards, blanks and duplicates of their own; as an internal QA/QC check. One (1) blank and one (1) standard were inserted in every batch of 28 samples. Duplicates were done on every 12th sample and on samples in excess of 1 g/t Au. Every tenth (10th) sample was sent to Bourlamaque Laboratory in Val d’Or, Québec in order to verify the values obtained by Expert. Bourlamaque Laboratory is also a certified facility, Appendix II. No significant discrepancies are reported.

The current sample set bears a high degree of reliability, as the samples were handled securely, and analysed by accredited laboratories. It is beyond the scope of the existing report to source verification of previously reported results. The samples taken were intended to provide both confirmation of previous programme results, and also to provide an independent assessment of project potential, based on the relationship of the sample results to the expected deposit model and local geological context.

Furthermore, an additional eleven (11) core pulps from the October 2008 drilling programme were sent by the author to Bourlamaque Laboratory in Val d’Or, in order to crosscheck the values obtained by Expert in Rouyn-Noranda. Results from this re-assaying are given in Table 6.

Table 6: Check assays between Expert and Bourlamaque laboratories

Expert	Bourlamaque	Expert results		Bourlamaque results	
sample #	sample #	Au (AA) ppb	Au (grav) g/t	Au (AA) ppm	Au (grav) g/t
33 053	33 053	2,748	2.85	2.3	
33 068	33 068	2,529	2.64	2.6	
33 070	33 070	173		0.18	
33 110	33 110	257		0.26	
33 137	33 137	895		0.88	
33 153	33 153	802		0.87	
33 182	33 182	855		0.74	
33 189	33 189	9,603	9.7	8.47	8.53
33 191	33 191	312		0.30	
33 305	33 305	337		0.32	
33 345	33 345	538		0.54	

15. Adjacent Properties

The Blue Quartz Property is located proximal to a number of historic gold properties, Figure 7.

To the west lies the VG Gold Corp. Windsor Property which includes the Lucky Ben historic property. This property had a 40 foot shaft sunk in 1915, 1962 and 1975 and 3 short drifts on 3 vein systems containing visible gold. Very little work was conducted and very few records remain.

West of the Windsor Property is the Maude Lake Gold Property also known as the Ramp Gold Project, presently held by Globex Mining Enterprises Inc. The Maude Lake property received considerable exploration during the period 1981 through 1989. The mineralized zone was stripped and considerable exploration conducted. Underground and surface exploration work was completed at the No. 5 Zone Mine with Equinox as operator. The underground exploration program completed an 833m long decline ramp to the 465 foot level, 661m of drifting, 200m of raising, 453m of other work on the 60, 100 and 140m levels, and 5,300m of underground diamond drilling. Historic Resources have been estimated at 1 million tons grading 0.204 ounces of Au per ton (not 43-101 compliant).

To the north lies the historic Aljo Mine property which was discovered in 1916 with minor underground development completed in 1923. A 72 ton per day mill was built on site in 1939 with underground development on 5 levels to the 650 level. Forty-one veins have been located on the property. Gold values are reported in the silicified zones in the lavas and "quartz diorite." The gold is probably associated with quartz stringers and small concentrations of pyrite. Similar values are reported in the No. 2 feldspar porphyry dyke, which is locally well-mineralized with auriferous pyrite.

In 1940, the Aljo mine milled 2,333 tons with an average grade of 0.018 oz/t (0.6 g/t) for a production of 42 ounces of gold (Source: http://www.mndm.gov.on.ca/mines/ogs/resgeol/offices/kirk_gold.pdf)

The author has been unable to verify the information and that the information is not necessarily indicative of the mineralization on the property that is the subject of the present technical report.

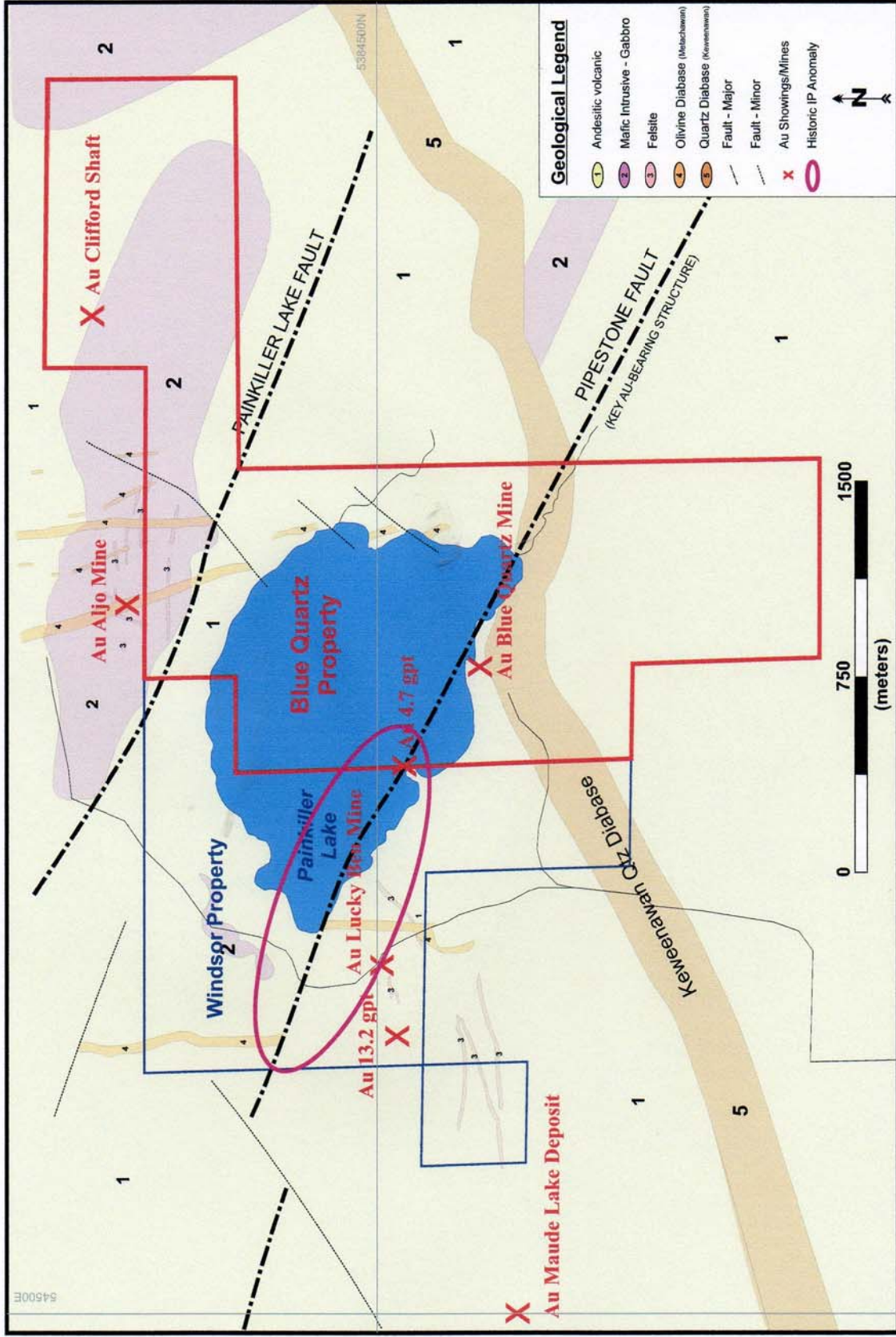


Figure 7: Adjacent properties and gold mineralization

16. Mineral Processing and Metallurgical Testing

To the author's knowledge, no mineral processing or metallurgical testing was done on the Blue Quartz Property.

17. Mineral Resource and Mineral Reserve Estimates

No mineral resources or reserves are being prepared at this time on the Blue Quartz Property. A lack of technical data, in particular in regards to historic diamond drilling and the underground exploration and mining does not permit a calculation of ore reserves or resources. Historic estimates are available, but the backup data is not available (Section 6).

18. Interpretation and Conclusions

The Blue Quartz Project was recently acquired by Russet Lake Resources. A 4 hole, 828 metres, diamond drill programme was conducted on the property in October 2008. A total of 356 samples were taken accumulating to 510.8 linear meters or over 60% of the total core that was drilled. All the samples were shipped to certified laboratories (ISO 9001:2000). Data density is adequate for the interpretations presented in this report, but will need to be increased in future exploration.

The property is host to significant gold mineralization that was the location of historic underground workings. The extensive workings were developed on 2 structures or veins: Shaft Vein and North Vein. The Russet Lake drilling was intended as an initial test of the 2 structures in the vicinity of the Blue Quartz shaft collar.

The drilling intercepted pillowed and massive mafic volcanics with an interflow unit separating the 2 flows. The interflow consisted of sediments, argillite, and porphyry. The best results from the drilling were encountered in the mafic volcanics containing quartz-carbonate veins with pyrite, arsenopyrite and sphalerite. The best assay obtained was from hole RBQ-08-02, 9.7 g/t Au over 1.3 metre (core length). This appears to correlate with some anomalous assays in hole RBQ-08-01, 2.64 g/t Au over 1.2 metre (core length). This zone appears to be between the Shaft and North zones. Holes RBQ-08-02 and 03 were primarily directed at the Shaft or South zone mineralization. Both holes encountered underground workings with low gold values proximal to the workings.

All the holes encountered numerous quartz-carbonate veins with arsenopyrite and pyrite. Gold values were lower than expected in these mineralized veins. However, the presence of the veins indicates the opportunity for additional gold zones on the property, both between the 2 known mineralized structures and along strike from the known mineralization.

The author relies mostly on one previous technical report (Kenneth Guy, Russet Lake Resources, November 30 2008), the property visit that he did on June 11 2008, as well as the review of the available data (old reports, diamond drill core and logs, original assay certificates, plans and sections of the 2008 diamond drilling programme), and numerous conversations with Mr. Kenneth Guy during the property visit to draw interpretation and conclusions. Data reliability is good as no historic data has been located; therefore data utilized in this report is all from recent, known and reliable sources.

The 2008 sampling and core diamond drilling programmes substantiate the occurrence of economically interesting grades of gold as confirmed by samples that were taken by Russet Lake Resources in the Blue Quartz stock pile located near the shaft (Table 3) and core samples taken during the fall 2008 diamond drilling programme (Table 4); as well as samples taken by the author at the Blue Quartz shaft area stock pile (Table 5).

The original goal: that is to verify the presence and significance of the gold mineralization on the Blue Quartz Property was accomplished.

Recommendations regarding future exploration work on the property are found in Section 19.

19. Recommendations

The author believes that the Blue Quartz Property is a property of merit, warranting further exploration and investigation. A programme of exploration is therefore recommended to establish intersections of the vein structure and determine the potential for resources.

It is proposed that the Blue Quartz auriferous structures be tested at depth below the underground workings and along strike. The north structure should also be tested above the 500 foot level. This additional drilling would be best conducted from the lake, therefore a winter programme is recommended. The IP anomalies corresponding to the Pipestone fault, outlined by VG Gold Corp. in 2006, on their Windsor Property should also be tested, particularly in the vicinity of the anomalous gold values obtained during earlier exploration programmes – 4.7 g/t Au (Figure 7).

A diamond drill programme consisting of ten (10) holes, totalling 2,500 metres is proposed as outlined in Table 7 and shown on Figure 6. The budget for the proposed programme is approximately **\$250,000 CA**, as outlined in Table 8.

The programme would consist of 3 setup locations, with 2 of the locations having a fan geometry or rotation of holes. Each azimuth location (5) would have 2 holes drilled, with the shallower hole testing between the underground levels and the steeper angled holes testing beneath the underground workings. The holes would test a strike length of 300 metres, including 150 metres beyond the western extent of the historic underground workings. Pierce points would be at elevations varying from 140 to 225 metres below surface (Figure 6).

The proposed programme would also test for extensions of the mineralized zones to the west and at depth below the historic underground workings. Two of the drill holes, RBQ-09-05 and RBQ-09-09, would be extended to test the IP anomaly outlined by VG Gold Corp. in 2006, on their Windsor Property and the location of the Pipestone Fault to the north of the underground workings (Figure 7). These targets also correspond to the strike extension of an untested gold occurrence located by VG Gold Corp on the adjoining Windsor Property on a peninsula that extends northward into Painkiller Lake. The rocks on the peninsula are sheared, strongly altered and mineralized with pyrite and gold. A grab sample located in that area returned 4.7 g/t Au (Figure 7).

Table 7: Technical data of proposed 2009 diamond drilling programme

Blue Quartz Property							Diamond Drill Proposal
	Nad83						
Hole #	UTM Easting	UTM Northing	ele	dip	Az	length	Target
RBQ-09-01	547 410	5 384 230	3 000	-50	20	200	extension of Au zone-between workings
RBQ-09-02	547 410	5 384 230	3 000	-65	335	350	extension of Au zone-below workings
RBQ-09-03	547 350	5 384 250	3 000	-50	20	175	extension of Au zone-between workings
RBQ-09-04	547 350	5 384 250	3 000	-65	20	250	extension of Au zone-below workings
RBQ-09-05	547 350	5 384 250	3 000	-50	345	375	extension of Au +alt'n zone, Au values,Fault zone
RBQ-09-06	547 350	5 384 250	3 000	-65	345	250	extension of Au zone
RBQ-09-07	547 180	5 384 240	3 000	-45	40	150	extension of Au zone - west extension
RBQ-09-08	547 180	5 384 240	3 000	-60	40	200	extension of Au zone - west extension
RBQ-09-09	547 180	5 384 240	3 000	-50	360	350	extension of Au +alt'n zone, Au values, fault zone
RBQ-09-10	547 180	5 384 240	3 000	-65	360	200	extension of Au zone - west extension
				total		2,500	metres

Table 8: Recommended Exploration Programme Budget

Diamond Drilling	2,500 metres
Drilling (@ \$70 CA/m)	\$ 175,000.00
Assays (@ \$25 CA/assay)	\$ 10,875.00
Geologists (@ \$350 CA/day)	\$ 10,500.00
Core splitter (@ \$200 CA/day)	\$ 5,400.00
Accommodation and truck rental (@ \$100 CA/day)	\$ 3,000.00
Supervision (@ \$500 CA/day)	\$ 5,000.00
Compilation (@ \$500 CA/day)	\$ 5,000.00
Digitizing, scanning, database, etc. (@ \$500 CA/day)	\$ 2,500.00
Reporting	\$ 5,000.00
drilling sub total	\$ 227,275.00
Contingency (10%)	\$ 22,727.50
TOTAL EXPLORATION PROGRAMME	\$ 250,000.00

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All Authors

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All Authors

All Years : Ontario Ministry Natural Resources

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Certificate of Qualified Person

I, Luc Rioux, P. Geo do hereby certify that:

1. I am currently the Chief Geologist and President of Luc Rioux GeoServices, with a registered business address at 155, chemin de la Côte St-Louis Ouest, Ste-Thérèse, Québec, Canada, J7E 5S6.
2. I graduated with a Bachelor of Science in Geology in 1983 from the Université du Québec à Montréal.
3. I am registered with the Ordre des géologues du Québec since 2004 (OGQ, # 861).
4. I have worked in mining and mineral exploration as a Professional Geologist in Canada for over 15 years. During this period I have worked as Project Geologist for various exploration companies, primarily in Canada but also in the USA, Costa Rica, Mexico and Chile.
5. I have read National Instrument 43-101 and certify by reason of my education, my professional affiliation, and work experience; I fulfill the requirements to be a "Qualified Person" as defined in NI 43-101.
6. I did not personally supervise the exploration work performed by Russet Lake Resources Inc. on the Blue Quartz Property; I visited the Blue Quartz Property on June 11, 2009.
7. I am responsible for all the sections in this report. Sections 6 through 9; sections 11, 15 and 18 were either summarized, modified, updated or taken directly from the report by Kenneth Guy, November 30, 2008. I have prepared the other sections of this report titled "**NI 43-101 Technical Summary Report on the Blue Quartz Property, Beatty Township, Province of Ontario**" concerning the Blue Quartz Property, dated July 10, 2009 and amended July 27, 2009. I have also checked all the illustrations that were provided by Kenneth Guy. Source of information used in this report and related illustrations have been cited in the References section of this report.
8. I have had no prior involvement with the property that is subject of the Technical Report.
9. Some of the historical information regarding prior activities on the property was derived from several reports of previous exploration, and from the personal communications of individuals working on the project. The information provided by others is correct to the best of my knowledge.
10. As of the date of the certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific information that is required to be disclosed to make the report not misleading. I am not aware of any material fact or material change related to material contained in this report that has been omitted.
11. In the disclosure of information related to the rights and title to the claim blocks, I have relied on information provided to me by Russet Lake Resources Inc. and Red Mile Capital Corp.
12. I am independent of Russet Lake Resources Inc. and Red Mile Capital Corp. in accordance with the application of Section 1.4 of National Instrument 43-101.
13. I have read National Instrument 43-101 and Form 43-101 F1, and this report has been prepared in compliance with that Instrument and Form.

Dated this 10th day of July, 2009 and amended July 27, 2009

____(signed and stamped)_____

Luc Rioux, P. Geo

APPENDIX I

Russet Lake Resources exploration expenditures on the Blue Quartz Property.

Appendix I : Russet Lake Resources exploration expenditures on the Blue Quartz Property

Date	Num exploration	Name	Memo	Credit
	option payments			
09/01/2008	Option Agreement	Thundermin Resources Inc.	Option Agreement -Sept 1 2008 - Thundermin	10 000.00
09/01/2008	Option Agreement	Wesdome Gold Mines Ltd.	Option agreement - Sept 1 08 - Wesdome	10 000.00
	property expenses			
01/23/2009	Mining Tax	MNDM	Thundermin - Blue Quartz Mining Taxes	1 613.36
01/23/2009	Interim 09	Township of Black River-Matheson	Thundermin - property taxes	240.60
	Diamond Drilling			
11/01/2008	2040	Norex Drilling	Invoice 2040	63 701.97
10/05/2008	agreement	Bob Winters	Access agreement	1 000.00
	assaying			
12/15/2008	9627	Laboratoire Expert Inc.	Invoice 9627	86.63
12/22/2008	9652	Laboratoire Expert Inc.		15.75
12/24/2008	9670	Laboratoire Expert Inc.	scans	55.13
01/07/2009	9683	Laboratoire Expert Inc.		224.63
11/13/2008	9510	Laboratoire Expert Inc.	Folders 23656,23657,23658 / Project Blue Quartz	4 536.00
11/13/2008	9509	Laboratoire Expert Inc.	Transopration # 12238608 re: Blue Quartz	354.06
	core logging			
10/15/2008	TB-08-01	Splitting, management	And report writing	
10/31/2008	TB-08-03	Tyron Breytenbach	Database management 5 days	2 145.00
11/03/2008	PLP2208-02	Tyron Breytenbach	Blue Quartz Oct 08	3 861.00
11/04/2008	Invoice Oct22to Nov4	Kenneth Guy Exploration Services	Blue Quartz Property Exploration Program	10 295.44
11/30/2008	RLR2008-03	Scott Woodhead	core splitting	1 720.00
11/30/2008	TB-08-06	Kenneth Guy Exploration Services	Nov 08 Geological Services	6 702.34
	support			
10/22/2008	Invoice#42511	Tyron Breytenbach	Nov 08 Database Mgmt Blue Quartz property	2 145.00
11/01/2008	Nov 1 08	Nasco Propane	Davidson Mine site - Ser#672573, 672589	171.20
12/01/2008	Dec 1 08	Joanne Lachance	re: 40 Crawford Unit 1 (VG Gold)	1 288.00
		Joanne Lachance	re: 40 Crawford Unit 1 (VG Gold)	1 288.00
			total expenditures	\$121,444.11

APPENDIX II

LABORATORIES CERTIFICATIONS

Laboratoire Expert Inc.

Laboratoire d'analyses Bourlamaque Ltée.

CCRMP

ISO 9001:2000
Registered



PTP-MAL

Accredited by
Standards Council of Canada :
proficiency testing provider for
specific mineral analysis parameters

Proficiency Testing Program for Mineral Analysis Laboratories

***Certificate of
Successful Participation in Proficiency Tests***

Laboratoire Expert Inc.

Rouyn-Noranda, QC, Canada

has been assessed "Satisfactory" for test samples in

Cycle November 2008

for*: **Gold^{1,2} Palladium¹ Silver³
Copper⁴ Lead³ Zinc⁴ Cobalt³**

by PTP-MAL using criteria for laboratory proficiency established by the Mineral Analysis Working Group of the Task Group - Laboratories of the Standards Council of Canada.

*General description of analytical methods applied:

1. Lead collection fire assay with unknown measurement.
2. Lead collection fire assay with gravimetric measurement.
3. Two acid digestion with atomic absorption spectrometry measurement
4. Four acid digestion with atomic absorption spectrometry measurement

Diane Desroches

Diane Desroches
PTP-MAL Coordinator

Maureen E. Leaver

Maureen E. Leaver
CCRMP Coordinator

April 2009

Date



APPENDIX III

Figure 5: Producers and past producers (11 x 17 inches format)