

CARTIER RESOURCES INC.

**ANNUAL INFORMATION FORM FOR THE YEAR ENDED
DECEMBER 31, 2011**

June 11th, 2012

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CORPORATE STRUCTURE

Cartier Resources Inc. (hereinafter the “**Company**” or “**Cartier**”) was incorporated on July 17, 2006 pursuant to Part 1A of the Companies Act (Québec) as “Investissements St-Pierre inc.” By articles of amendment dated May 31, 2007, the Company changed its name to “Ressources Cartier inc.” By articles of amendment dated May 28, 2009, the Company added “Cartier Resources Inc.” to its name. Since February 14, 2011, the Company is governed by provisions in the Business Corporations Act (Québec).

As at December 31 2011, the Company’s headquarters and principal place of business are located at 1740, chemin Sullivan, bureau 1000, Val-d’Or, in Québec, J9P 7H1.

The Company has no subsidiary.

DESCRIPTION OF THE BUSINESS

GENERAL INFORMATION

The business of the Company is the development of mining properties. The Company focuses on gold in the Abitibi Greenstone Belt in Québec.

As at December 31, 2011, the Company held a 100% interest in ten (10) active mining properties, all of which are situated in northwestern Québec.

The properties are: MacCormack, Preissac, Newconex-West, Rambull, Dieppe-Collet, Dollier, La Pause, Diego, Cadillac Extension and Xstrata-Option.

As at December 31, 2011, the Company’s most important properties were: MacCormack, Xstrata-Option, Cadillac Extension and Dollier.

In 2009, the Company divided its Kinojevis property into four properties: MacCormack, Preissac, Newconex-West and Rambull.

GENERAL DEVELOPMENT OF THE BUSINESS

History

2009

On February 25, 2009, the Company announced it had started a drilling program of more than 5,000 metres for the year 2009. The drilling program was carried out on the Dieppe-Collet, La Pause and Kinojevis properties.

On April 24, 2009, the Company announced that an independent technical report (“the **report**”) had been completed in compliance with Regulation 43-101 requirements for its Kinojevis project. The report was prepared by Alain-Jean Beauregard, P.Geo., and Daniel Gaudreault, P.Eng., of the firm Géologica Consulting Group Inc., and recommended two (2) phases of work spread over six (6) separate areas for a total of 31,000 additional metres of drilling. The report demonstrated that the Kinojevis project straddled a 48-kilometre segment of the Porcupine-Destor Fault, a major gold metalotect in the Abitibi.

On May 28, 2009, the Company announced it had amended the agreement it signed with Xstrata Zinc Canada (hereinafter “**Xstrata Zinc**”) on February 7, 2008 in which Xstrata Zinc granted the Company the option to acquire a 100% interest in Xstrata-Option property. To acquire 100% of Xstrata Zinc’s interests in the Xstrata-Option property, the Company was originally required to incur \$1,000,000 in exploration expenses before December 31, 2010. The amendment of May 28, 2009 extended the

exploration work requirements by one year. As such, the amended agreement required the Company to invest in exploration work according to the following schedule:

- an amount of at least \$100,000 before December 31, 2008;
- an amount of at least \$400,000 before December 31, 2010; and
- an amount of at least \$1,000,000 before December 31, 2011.

On June 26, 2009, the Company announced it had completed a public offering for gross proceeds of \$1,253,080. The offering consisted of the issuance of 926 "A" units and 230 "B" units. Each "A" unit, at a price of \$1,080 per unit, was comprised of 4,000 flow-through common shares at a price of \$0.27 per share for proceeds of \$1,000,080 before share issue expenses. Each "B" unit, at a price of \$1,100 per unit, was comprised of 5,000 common shares at a price of \$0.22 per share and 5,000 common share purchase warrants, with each warrant entitling the holder to subscribe to one common share of the Company at a price of \$0.30 for a period of two years following the closing date.

On July 2, 2009, the Company announced it had subdivided the Kinojevis project into four (4) new properties: MacCormack, Preissac, Newconex-West and Rambull.

On July 9, 2009, the Company completed a private placement of 1,250,001 units at a price of \$0.22 per share, for net proceeds of \$275,000. Each unit consisted of one (1) share of the Company and one (1) share purchase warrant, with each warrant entitling the holder to subscribe to one common share at a price of \$0.30 for a period of two years following the closing of the placement.

On September 10, 2009, the Company announced the discovery of a new gold zone on its Dollier property. Channel sampling yielded gold grades of 9.17 g/t Au over 1.1 metre included in a wider zone grading 3.85 g/t Au over 3.2 metres.

On November 19, 2009, the Company announced significant results from its channel sampling program on the Dollier property. The best gold grades were: 7.94 g/t over 1 metre, 7.08 g/t over 1 metre, 3.62 g/t over 2 metres and 3.50 g/t over 1 metre. Two trenches were excavated along the zone for a total surface area of 1,400 square metres. The trenches traced the mineralization for more than 75 metres. That same month, a detailed interpretation was completed of a helicopter-borne magnetic-electromagnetic survey flown over the area in September. The interpretation indicated numerous targets with strong gold potential.

On November 24, 2009, the Company announced the staking acquisition of the Diego gold property, situated 40 kilometres southwest of Chapais and consisting of 67 mining claims for a total surface area of 3,738 hectares. The claims cover a gold-bearing zone that has been traced in drill holes for over 10 kilometres and for which auriferous intersections more than 160 metres wide have been reported. The Diego property is located on the dominant gold-bearing structure of the region: the Opawica-Guercheville Deformation Zone.

On December 2, 2009, the Company announced that drilling on its MacCormack property yielded an intersection grading 4.81% Zn, 0.41% Cu, 28.7 g/t Ag and 0.27 g/t Au over 1.25 metre, including a particularly enriched section grading 11.5% Zn, 1.24% Cu, 65.1 g/t Ag and 0.29 g/t Au over 0.35 metre.

2010

On February 22, 2010, the Company announced a second intersection of massive sulphides on the Xstrata-Option project. Drill hole XTA-10-01 returned grades of 0.51% Cu, 0.49% Zn, 7.46 g/t Ag over 1.20 metres, including 1.29% Cu, 0.67% Zn, 17.20 g/t Ag and 0.20 g/t Au over 0.40 metre. This intersection confirmed the extension of the volcanogenic massive sulphide (hereinafter "VMS") discovery to more than 400 metres west of the original discovery.

On March 23, 2010, the Company announced that many new promising targets had been identified by a helicopter-borne Mag-EM survey flown over the Dollier property. The gold showing discovered by Cartier in the fall of 2009, grading 9.17 g/t Au over 1.1 metre, is evident by an association of magnetic highs and electromagnetic anomalies.

On March 25, 2010, the Company announced that its most recent drill holes, MC-10-08 and MC-10-09, confirmed the depth potential for VMS-type polymetallic mineralization on the MacCormack property. Drill holes intersected a horizon with 5 to 20% disseminated sulphides over 38 metres and a zone of chalcopryite veinlets over 34 metres, which thickens with depth to 500 metres below surface.

On April 8, 2010, the Company announced the staking acquisition of two new properties, Cadillac Extension and DeCorta, with strong gold-silver-copper-zinc potential. These additions are notable for the discovery of the polymetallic Langlade deposit (16.00% Zn, 4.20% Cu, 38.00 g/t Ag and 0.44 g/t Au over 1.1 metre) and gold-in-till anomalies of up to 13.60 g/t Au.

On May 19, 2010, the Company announced the closing of a public offering for gross proceeds of \$745,000. The offering consisted of the issuance of 1,250,000 flow-through shares at a price of \$0.44 per flow-through share for an amount of \$550,000 and 557,143 units at a price of \$0.35 per unit for an amount of \$195,000. Each unit is comprised of one common share and one common share purchase warrant, each warrant entitling the holder to subscribe for one (1) common share at a price of \$0.45 for a period of two (2) years following the closing date.

On June 15, 2010, the Company announced it had completed a private placement for gross proceeds of \$580,010 with the *Fonds de solidarité des travailleurs du Québec (F.T.Q.)*, the *Fonds régional de solidarité FTQ Nord-du-Québec*, Sidex, s.e.c., Sodémex II s.e.c. and the *Société de développement de la Baie-James*. The offering consisted of the issuance of 1,657,170 units at a price of \$0.35 per unit, each unit consisting of one (1) common share and one (1) share purchase warrant with each warrant entitling the holder to subscribe to one (1) common share at a price of \$0.45 for a period of two years following the date of closing.

On July 15, 2010, the Company announced that its verification of previous data and field work confirmed the gold potential of its Diego property. In addition, the Company enlarged the property by ten (10) new mining claims to include a historical gold showing grading 10.4 g/t Au in grab sample.

Only July 27, 2010, the Company confirmed the gold potential of the Cadillac Extension property. The preliminary results for channel samples returned 7.68 g/t Au over 0.85 metre. In order to simplify logistics, the adjacent property, DeCorta, was merged with the Cadillac Extension property to create a single property with the name Cadillac Extension. On August 3, 2010, the Company announced that channel samples had yielded up to 7.7 grams of gold, 1,162 grams of silver, 4.96% copper and 3.52% zinc. Systematic sampling of the horizon defined a gold- and silver-rich zone averaging 3 metres wide and 120 metres long.

On December 14, 2010, the Company announced the closing of a private placement for gross proceeds of \$3,092,540. The offering consisted of the issuance of 2,170,000 flow-through common shares at a price of \$0.50 per share for an amount of \$1,085,000 and 5,283,000 units at a price of \$0.38 per unit for an amount of \$2,007,540. Each unit consists of one (1) common share and one (1) share purchase warrant entitling the holder to subscribe to one common share at a price of \$0.50 for a period of two years following the date of closing.

On December 23, 2010, the Company announced the closing of a private placement for gross proceeds of \$599,989.68. The offering consisted of the issuance of 550,000 flow-through common shares at a price of \$0.50 per share for an amount of \$275,000 and 855,236 units at a price of \$0.38 per unit for an amount of \$324,989.68. Each unit consists of one (1) common share and one (1) share purchase warrant entitling the holder to subscribe to one common share at a price of \$0.50 for a period of two years following the date of closing.

2011

On January 18, 2011, the Company announced the execution of an option and joint venture agreement with Copper One Inc. ("**Copper One**") for its copper-nickel Rivière Doré property. Copper One could acquire an interest of up to 75% in the property, which comprises more than 52,400 hectares and covers more than 80 kilometres along a layered mafic intrusion.

On January 27, 2011, the Company announced the commencement of an exploration program on the Rivière-Doré property with its partner Copper One. The team identified short-term drill targets and developed a tandem program to systematically explore this property of 52,400 hectares.

On February 1, 2011, the Company announced that it had started exploration work on its properties, including 15,000 metres of drilling on five of its gold and base metal (copper-zinc or copper-nickel) properties. The drilling objective was to develop various zones discovered by Cartier during the last two years on its MacCormack, Xstrata-Option, Dollier, Cadillac Extension and Rivière Doré properties.

On March 17, 2011, the Company began a diamond drilling program on its Dollier property on the main gold zone uncovered by trenching (9.17 g/t Au over 1.1 m included in a wider zone grading 3.85 g/t Au over 3.2 m and 7.94 g/t Au over 1.0 m). The first phase of the program consisted of drilling 2,500 metres, with most holes investigating directly below known surface mineralization. The rest of the program tested four additional zones parallel to the main zone. A second phase consisted of drilling 1,500 metres on the best results from the first phase of drilling.

On May 3, 2011, the Company confirmed the continuation of the Dollier gold zones. The Main zone was shown to extend for more than 350 metres with a width ranging from 3 to 11 metres. A second gold zone, the North Zone, was discovered 100 metres to the north.

On May 5, 2011, the Company discovered by drilling a high-grade silver vein on its Xstrata-Option property, near the auriferous Porcupine-Destor deformation zone. The samples sent for analysis yielded up to 618.5 g/t Ag (18.0 oz/t) and 0.31% Cu over 0.5 metre. A section of more than 1 metre adjacent to the zone could not be recovered during drilling. The high-grade interval was cut at a vertical depth of only 12 metres, which explains the low drill core recovery.

On July 8, 2011, the Company announced it had suspended work on its Rivière Doré project. Several discussions with the *Ministère de Ressources naturelles et de la faune*, the *Secrétariat aux affaires autochtones* and the Algonquin Community of Rapid Lake prompted Cartier to request a delay for work on the project. Following this request, the *Ministère de Ressources naturelles et de la faune*, in accordance with article 63 of the Mining Act, granted Cartier a suspension of the term for the 1,052 claims comprising the Rivière Doré project until July 3, 2013.

On July 21, 2011, the Company commenced the second phase of drilling on its Dollier project. Most of the holes were focused at depth along the plunge of the main gold zone revealed by trenching (9.17 g/t Au over 1.1 metre and 7.94 g/t Au over 1.0 metre) and then confirmed by drilling earlier in 2011 (D0-11-08: 11.17 g/t Au over 0.4 metre included within a wider interval grading 2.96 g/t Au over 2.45 metres).

On August 11, 2011, the Company announced new channel results on the Cadillac Extension project grading up to 3.03% copper, 1.63% zinc and 83.57 g/t silver over 10.0 metres, included within a wider interval that partly runs along the edge of a folded structure (longitudinally) and grades 1.00% copper, 1.11% zinc and 31.84 g/t silver over 58.0 metres.

On August 18, 2011, the Company announced silver and gold results from channels on its Cadillac Extension project. One channel returned up to 392.10 g/t silver and 1.22 g/t gold over 1.0 metre, included in a wider interval of 7.0 metres grading 109.26 g/t silver and 0.95 g/t gold, also including 89.78 g/t silver and 1.32 g/t gold over 1.0 metre. A second channel yielded 80.73 g/t silver and 0.99 g/t gold over 7.0 metres, including 79.40 g/t silver and 3.40 g/t gold over 1.0 metre, and a third channel returned 152.00 g/t silver and 3.39 g/t gold over 1.0 metre.

On September 1, 2011, the Company announced additional channel results on the Cadillac Extension project of 1.5% copper and 100 g/t silver over 19 metres, and 629 g/t silver, 1.2% copper and 1.4 g/t gold over 2 metres in a wider interval grading 1.0% copper and 80 g/t silver over 32 metres. Other results included 2.7% copper, 1.1% zinc and 67 g/t silver over 3 metres within a wider interval grading 0.7% copper and 27 g/t silver over 20 metres. One section returned 6.6 g/t or and 237 g/t silver over 1 metre. These results are from the polymetallic Langlade deposit.

On September 6, 2011, the Company commenced its first drill program on its Diego gold project. The project straddles the dominant gold structure in the region, the Opawica-Guercheville Deformation Zone, which is renowned for containing many deposits (Bachelor, Lac Short, Fenton and Joe Mann). The program comprises eight holes for a total of 1,700 metres drilled on three separate targets.

On September 7, 2011, the Company announced the appointment of Gaétan Lavallière, P.Geo., Ph.D., who joined Cartier's team as vice-president of corporate development. Mr. Lavallière holds a doctoral degree in metallogeny and exploration strategy from the University of Québec in Chicoutimi, and has more than 25 years experience in exploration and development in the mining industry.

On September 28, 2011, the Company announced it had received the remaining analytical results from its channel sampling program on the Langlade surface stripping on the Cadillac Extension project. The pending results were mainly zinc analyses, including 1.3% zinc over 32 metres with an interval of 2.5% zinc over 7 metres. Two other intersections returned up to 3.3% zinc over 4 metres and 2.6% zinc over 5 metres.

On October 6, 2011, the Company had received all the results of its till sampling program on the eastern part of the Cadillac Extension project. The survey covered an area measuring 15 kilometres by 15 kilometres, east of the Langlade deposit, and returned anomalous gold-in-till grades of up to 4.3 g/t Au. The Company enlarged the project site after identifying two favourable gold-enriched areas.

On November 8, 2011, the Company announced it had started drilling on the Cadillac Extension project, focusing on characterizing the depth extension of Langlade mineralization delineated at surface by channel sampling. Ten holes were planned for a total of 1,200 metres.

On December 1, 2011, the Company executed a sale agreement with Copper One in respect of the acquisition of a 100% interest in the Rivière Doré property.

On December 22, 2011, the Company completed a private placement of \$3,080,840 before share issue expenses. The offering consisted of issuance of 2,308 flow-through units (« flow-through units») and 1,614,629 units («units»). Each flow-through unit at a cost of \$1,090 per unit, consisted in 2,000 flow-through common shares at a cost of \$ 0.44 per share and of 600 common shares at a cost of \$ 0.35 per share and also 600 common share purchase warrant, each warrant entitling its holders to subscribe for one common share at a price of \$ 0.46 for a period of 12 months following the closing date. Each unit at a cost of \$ 0.35 per unit consisted of one common shares at a cost of \$ 0.35 per share and of one common share purchase warrant, each warrant entitling its holders to subscribe for one common share at a price of \$ 0.46 for a period of 18 months following the closing date. The Company issued a total of 4,616,00 flow-through common shares at a price of \$ 0.44 and 2,999,429 common shares at a price of \$ 0.35 for an amount of \$ 2,031,040 and \$1,049,800 respectively.

As at December 31, 2011, the conditions of the agreement with Xstrata Zinc had been fulfilled. The Company had invested an aggregate amount of \$1,040,460 and became the 100% owner of the property.

2012 to present

On February 7, 2012, the Company announced the first drill results for the Langlade deposit on the Cadillac Extension property. Massive sulphide intersections grading up to 322 g/t silver equivalent (AgEq) or 3.7% copper equivalent (CuEq) over 3.5 metres included in a wider interval grading 110 g/t AgEq or 1.3% CuEq over 37.7 metres. Phase I of drilling consisted of 10 holes for a total of 1,238 metres.

On March 5, 2012, the Company announced the execution of an agreement with Murgor Resources Inc. According to the terms of the agreement, Cartier has the option to acquire a 100% interest in the Benoist project, which contains the Pusticamica gold deposit located 65 km northeast of the town of Label-over-Quévillon.

On March 13, 2012, the Company announced the results of its 2011 drilling program on the Dollier project. The drill holes confirmed and delineated a continuous gold-bearing zone, which becomes richer and thicker with depth and remains open along its steep plunge to the west. The drill holes investigated down to a maximum depth of 150 metres below surface.

On March 15, 2012, the Company announced the drilling results for the Langlade deposit on its Cadillac Extension project. Massive sulphide intersections graded up to 281 g/t silver equivalent (AgEq) or 2.9% copper equivalent (CuEq) over 4.0 metres included in a wider interval grading 79 g/t AgEq or 0.8% CuEq over 32.0 metres.

On March 22, 2012, the Company announced the execution of an option and joint venture agreement with SOQUEM Inc. According to the terms of the agreement, Cartier has the option to acquire an undivided 50% interest in the Fenton project containing a gold deposit of the same name. The property is situated 47 km southwest of the town of Chapais.

On March 2012, the Company shared the results of a preliminary metallurgical study commissioned from COREM for its polymetallic Langlade deposit on the Cadillac Extension project. By carrying out this type of study during the early stages of definition work on the deposit, Cartier was able to ensure that mineralization presents desirable metallurgical characteristics before the Company commits to significant additional drilling investments.

Significant Acquisitions

Over the past year, the Company did not make any significant acquisition for which information should be presented in accordance with Regulation 51-102 on continuous disclosure obligations.

Risk factors

Risk Inherent to Mining Exploration

The mining exploration involves significant risks and while the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. The Company is presently not exploiting any of its properties and its future success will depend on its capacity to generate revenues from an exploited property.

The discovery of mineral deposits depends on a number of factors, including the professional qualification of its personnel in charge of exploration. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices. The majority of these factors are beyond the control of the Company. Moreover, it may take many years to commercially exploit a property. In the event that the Company wishes to commercially exploit one of its properties, no guaranty can be given to the effect that in such a case, it would succeed in obtaining the necessary expropriations, or pay for them. The Company's operations will be subject to all the hazards and risks normally encountered in the exploration and development of mineral deposits. Mining operations generally involve a high degree of risk, including unusual and unexpected geology formations.

There can be no guarantees that sufficient quantities of minerals will be discovered or that one of the Company's properties will reach the commercial production stage. If the Company discovers profitable mineralization, the Company does not have sufficient financial means to bring a producing mine into operation. Considering that the Company has no properties with proven reserves and considering the

forementioned risk factors, it is unlikely that the Company develop a profitable commercial operation in the near future.

Impact of Regulatory Matters and Market Conditions

The Company's mining activities are subject to governmental regulation. These activities can be affected at various levels by governmental regulation governing production, price control, taxes increases, expropriation from properties, labour standards and occupational health, mine safety, environmental protection and/or changes in the conditions under which the minerals can be sold. An excessive supply of certain minerals may arise from time to time due to the absence of a market for said minerals and to restrictions on exports.

Exploration and commercialization of minerals are subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws impose high standards on the mining industry to monitor the discharge of waste water and report the results of such monitoring to regulatory authorities, to reduce or eliminate certain effects on or into land, water or air, to progressively rehabilitate mine properties, to manage hazardous wastes and materials and to reduce the risk of worker accidents. A violation of these laws may result in the imposition of substantial fines and other penalties.

Permits, Licences and Approvals

The operations of the Company require licences, permits and approvals from various governmental authorities. The Company believes it holds all necessary licences and permits to carry on the activities which it is currently conducting under applicable laws and regulations. Such licences and permits are subject to changes in regulations. There can be no guarantee that the Company will be able to obtain all necessary licences and permits that may be required to maintain its mining activities, construct mines or milling facilities and commence operations of any of its exploration properties. In addition, if the Company proceeds to production on any exploration property, it must obtain and comply with permits and licences which may contain specific conditions concerning operating procedures, water use, the discharge of various materials into or on land, air or water, waste disposal, spills, environmental studies, abandonment and restoration plans and financial assurances. There can be no assurance that the Company will be able to obtain such permits and licences or that it will be able to comply with any such conditions.

Title to Property

There is no guarantee that title to any of the Company's properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Company's interest.

Competition

The Company's activities are directed towards the search, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Company will result in discoveries of commercial quantities of mineral deposits. The Company will compete with other interests, many of which have greater financial resources than it will have, for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Additional Funding

Additional funds will be required for future exploration and development. The source of future funds available to the Company is through the sale of additional equity capital or borrowing of funds. There is no assurance that such funding will be available to the Company. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favorable to the Company or will provide the Company with sufficient funds to meet its objectives, which may adversely affect the Company's business and financial position.

Programs planed by the Company may necessitate additional funding, which could provoke a dilution of the value of the investment of the actual shareholders of the Company. The recuperation value of mining

properties indicated in the balance sheet depends on the discovery of reserves that can be profitably exploited and on the Company's capacity to obtain additional funds in order to realize these programs.

The exploration activities can therefore be interrupted at any moment if the Company is incapable of obtaining the necessary funds in order to continue any additional activities that are necessary and that are not described in the exploration programs outlined in this Annual Information Form..

Liquidity Risk

Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has at its disposal sufficient sources of financing such as private placements. The Company establishes cash forecasts to ensure it has the necessary funds to fulfill its obligations. Obtaining additional funds makes it possible for the Company to continue its operations, and while it has been successful in doing so in the past, there is no assurance it will be able to do so in the future

Dependence on Management

The Company is dependent on certain members of management. The loss of their services could adversely affect the Company. Investors must rely on the Company's directors and those who are unwilling to do so should refrain from investing in the Company.

Conflicts of Interest

Certain directors of the Company serve as directors of other companies involved in natural resource exploration, development and production; consequently, there exists the possibility that such directors will be in a position of conflict of interest. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a material conflict of interest.

Commercialization

The commercialization of metals depends on a number of factors that are independent from the Company's desire to proceed with said commercialization. These factors include market fluctuations and governmental regulations concerning prices, taxes, fees, authorized production, imports and exports. The exact effect of these factors cannot be accurately evaluated.

Risk of Legal Proceedings

The Company could be held responsible for certain risks including environmental pollution or other hazards against which it cannot ensure or against which it may elect not to ensure, taking into consideration the importance of the premiums or other reasons. The payment of amounts relating to liability of the aforementioned hazards could cause the loss of the Company's assets.

Land Claims

To the best of the Company's knowledge, the properties are not currently subject to land claims from aboriginal nations. No assurance can be provided to the effect that this will not happen in the future.

INFORMATION ABOUT THE MACCORMACK AND XSTRATA-OPTION PROPERTIES

Pursuant to an agreement in principle entered into January 26, 2007 and modified March 30, 2007, the Company acquired from Jean Descarreaux, Mathieu Piché and Grayton Mining Inc. (collectively "the Vendors") a 100% interest in the Bapst, Dieppe-Collet, Lamorandière, Castagnier-Duverny, Dalquier,

Dollier and Kinojevis (collectively “the **Properties**”) in consideration of the issuance of a total of 2,200,000 common shares at a price of \$0.45 per share for gross proceeds of \$990,000.

The 2,200,000 common shares issued to the Vendors in payment of the acquisition price of the Properties have been allocated as follows:

Grayton Mining Inc.:	850,000 common shares
Jean Descarreaux:	800,000 common shares
Mathieu Piché:	550,000 common shares

The acquisition of the Properties is a transaction that was negotiated at arm's length between the Company and the Vendors, and this acquisition is a qualifying transaction for the Company. Grayton Mining Inc. (“**Grayton**”) is a private company wholly-owned by Philippe Cloutier, the president and CEO of the Company.

After the acquisition, Jean Descarreaux (“**Descarreaux**”) became a director of the Company. Mathieu Piché (“**Piché**”) has not conducted any business with the Company since the acquisition.

Before the Company acquired the seven (7) properties in May 2007, the claims of the properties were held as follows:

Property	Grayton	Descarreaux	Piché	Total
Bapst	9	7	0	16
Dieppe-Collet	31	0	0	31
Lamorandière	5	6	0	11
Castagnier-Duverny	15	5	0	20
Dalquier	0	9	0	9
Dollier	10	0	0	10
Kinojevis	78	118	68	264
Total	148	145	68	361

All claims were initially staked by Grayton, Descarreaux and Piché and registered with the *Ministère des Ressources naturelles et de la Faune du Québec* (hereinafter the “**MRNFQ**”), except 14 mining claims that Descarreaux acquired on September 21, 2006 from Alain-Jean Beauregard (5 claims) and from 170364 Canada Inc. (9 claims), a private company wholly-owned by Alain-Jean Beauregard.

The following section was reproduced from a technical report prepared in accordance with the requirements of Regulation 43-101 on standards of disclosure for mineral projects, prepared by Alain-Jean Beauregard, geologist, OGQ, FGAC, AEMQ and Daniel Gaudreault, geologist, OIQ, AEMQ (the “**authors**”) of Geologica Consulting Group Inc., dated March 31, 2009 and modified September 30, 2009 (hereinafter the “**Kinojevis Technical Report**”). Information relating to the 2010 and 2011 exploration programs were prepared by Philippe Berthelot, P-Geo and vice-president exploration for Cartier. The Kinojevis, MacCormack and Xstrata Option Technicals Reports are available on www.sedar.com.

Property Descriptions and Locations

In June 2009, the Kinojevis property was divided into four new properties:

- The MacCormack property, located on NTS map sheet 32D07 in the townships of La Pause and Manneville. It consists of 77 mining claims covering an area of approximately 3,187 hectares.

- The Preissac property, located on NTS map sheets 32D07 and 32D08 in the townships of Manneville and Villemontel. It consists of 123 mining claims covering an area of approximately 4,955 hectares.
- The Newconex West property, located on NTS map sheet 32D08 in Villemontel Township. It consists of 66 mining claims covering an area of approximately 2,757 hectares.
- The Rambull property, located on NTS map sheets 32D08 and 32C05 in Figuery Township. It consists of 69 mining claims covering an area of approximately 2,964 hectares.

In addition, the Company concluded an agreement with Xstrata Zinc, granting Cartier the exclusive option to acquire a 100% interest in five (5) blocks of mining claims totalling 50 units and covering approximately 2,088 hectares (press release of February 7, 2008). These blocks of mining titles, known as the Xstrata-Option property (blocks 1 to 5), are near or contiguous to or are enclosed by the four aforementioned properties. As at December 2011, the Company had respected the conditions of the agreement signed with Xstrata Zinc in 2008, which were to incur exploration work expenditures totalling \$1,000,000 by December 31, 2011, allowing the Company to now hold a 100% interest in the property.

All claims were granted by the MRNFQ for a period of two (2) years following their date of filing or renewal.

Status of the claims was verified using GESTIM, the government's claim management system, available on the MRNFQ website: <http://www.mrnf.gouv.qc.ca/mines/titres/titres-gestim.jsp>. Furthermore, Cartier has awarded Gescad Inc. (a private firm from Rouyn-Noranda) the mandate for all land management issues related to its claims and obligations with the MRNFQ.

In order to renew all rights to claims, proof of assessment work must be filed within two years of the claims attribution date.

There are no surface rights associated to the properties.

The properties do not have any liens, encumbrances, royalties owing, acquisition rights or obligations or any other agreement related charges.

In order to conduct exploration work, Cartier must respect all laws relative to exploration and request all appropriate permits from the Department of Forest for any drilling and trenching related activities.

Access, Climate, Local Resources, Infrastructures and Physical Geography

The properties are located within a triangular area linking three majors towns of northwest Québec: Rouyn-Noranda (40 km to the southwest), Amos (10 km to the north) and Val-d'Or (43 km to the southeast). These towns all have mining, forestry and agriculture vocations, with qualified labour, contractors and mining services available. The MacCormack and Preissac properties are easily accessed by highway 395 linking Preissac to Amos from provincial highway 117. A forestry road situated one (1) kilometre north of the bridge crossing Kinojevis River provides access to both properties. The main gold occurrence (the MacCormack showing) is immediately north of this forestry road, approximately 17.5 km west of paved road No. 395. The Rambull property is traversed by provincial highway 111 linking Val-d'Or to Amos.

The Kinojevis River flows in an east-west direction across the MacCormack and Preissac properties. This river drains several small tributaries along its course. Several tributaries of the Harricana River flow through the Rambull property.

The mean elevation of the property area is 290 metres above sea level with local hills reaching 310 metres on the MacCormack property. Also on this property, near the northern limit, the terrain becomes steeper and outcrops more abundant. Previous diamond drilling revealed overburden thicknesses ranging

from 25 to 88 metres on the Newconex West and Rambull properties, and from surface to 35 metres on the MacCormack and Preissac properties.

On the MacCormack and Preissac properties, vegetation consists of 40% deciduous and 60% coniferous trees in an area known for its lumber potential, whereas the Newconex West and Rambull properties are in an agricultural area covered by clay-bearing soils with little outcropping bedrock.

Based on Environment Canada statistics, from 1971 to 2000, the region was characterized by a mean daily temperature of 12°C. The month of July has an average temperature of 17.2°C, whereas the month of January averages -17.2°C. The extreme minimum recorded temperature was -43.9°C, whereas the highest recorded temperature was 36.1°C. There were 209 days recorded below freezing point. The average annual precipitation of water is 954 mm. The month of September receives the highest average precipitation with 101.5 mm of water. However, July is the month with the highest daily amount of precipitation with 68 mm of water. Snow falls from October to May with the highest amounts from November to March. The average precipitation (in mm of water) for this six month period is 54 mm.

History

General

The Geological Survey of Canada (hereinafter “**GSC**”) conducted the first geological reconnaissance in the area at the turn of the 19th and 20th century.

During this period, the Central Duparquet, Beattie and Donchester gold deposits were discovered. Following this, around the 1950s, the Fayolle, Aiguebelle-Goldfields, Destorbelle and Hard Rock gold occurrences were found in an area west of the property. On the property the MacCormack and LM-3-70 showings were discovered. Several other mineralized occurrences were found by drilling and prospecting in the eastern portion and proximal to the property. Most of the previous work was conducted for the search of precious and base metal mineralization.

Previous Work on the Properties

The descriptions below summarize the exploration work performed mainly on mineral occurrences on the “Kinojevis” properties as well as work conducted in the search for new base and precious metal occurrences. The majority of the work was conducted on the MacCormack property following the discovery of the MacCormack showing.

- 1911** J. Auten Bancroft completes, for the GSC, a reconnaissance-level geology and economic geology study of the claim held by J. C. MacCormack (current site of the main gold showing in the western part of the property). He notes pyrite, tourmaline and feldspar in white quartz veins oriented E-W within mica schists (GM-06717).
- 1923** R.C. Cooke completes, for the GSC, a description of the geological features of the MacCormack showing. In 1931, Cooke reports a value of 2.74 g/t Au (GSC Paper No. 166).
- 1936** L.V. Bell mentions previous trenching and channel sampling. He describes rocks and mineralization from three separate locations. Several values are obtained: 0.17 g/t Au, 0.34 g/t Au and 1.71 g/t Au. In 1938, additional sampling of quartz veins and veinlets reveal values of 4.80 g/t Au, 4.11 g/t Au and 2.74 g/t Au (GM-06637). The author mentions that a 1 m³ « pit » was completed in lot 22 of range II of Manneville Township. The host rock is described as silicified schist with traces of gold.
- 1944** R.A. Halet for Nortyne Gold Mines reports values of 4.11 g/t Au, 0.69 g/t Au, 1.37 g/t Au and 7.89 g/t Au on carbonate altered outcrops of the MacCormack showing (Source: SOQUEM report –

- GM 42299). The same year, W. N. Ingham (Québec Department of Mines) mentions that samples from the MacCormack showing returned weak gold values (GM-06790).
- 1945** Nortyne Gold Mines Ltd. completes 19 drill holes for a total of 3,333 metres on the MacCormack showing (GM-06823). The document mentions that the carbonate altered zone was followed over 2 kilometers. However, no diamond drill logs or assay results are available.
- 1951** Nortyne Gold Mines Ltd. completes additional drilling for a total of 610 metres in order to test certain magnetic anomalies and investigate the rhyolite (GM-01094-A and GM-01094-B). These drill holes were completed on the LM-3-70 showing. Rhyolites, diabase, serpentinite, peridotite, gabbros, aplites and quartz-feldspar porphyritic intrusives were cut. Traces to greater than 5% pyrite and pyrrhotite were observed in these units. The best reported intersections are 0.03% Cu over 1.52 metre (N-4), 0.05% Cu over 1.8 metre (N-5) and 0.15% Cu over 0.45 metres (N-7).
- 1970** Groupe Minier Sullivan Ltée completes exploration programs on the Brisson and Valiquette claims. Geophysics and diamond drilling were completed over the westernmost part of the property (GM-25810 and GM-26823).
- 1973** R. Lamontagne completes EM and Mag surveys on N-S lines spaced 122 metres (400 feet). Six anomalies oriented E-W were outlined, five of which were located south of the river and the sixth, a main anomaly, on the showing north of the river (Source: SOQUEM report – GM 42299).
- 1974** Umex Inc. drilled two diamond drill holes in the Figury Township (range III, lot 26) totalling 167 metres (GM-30435). Hole P149 intersected graphitic schist with minor sphalerite, yielding an interval of 1.4 g/t Au over 0.9 metre.
- 1976** Mr. Guthrie, previous claim holder of a portion of the west part of the property (lots 13 to 35, range I; and lots 20-25, range II of Manneville Township), cuts a grid and completes a VLF survey (contracted by G.J. Hinse (GM-31858)).
- 1980** The Ministry of Natural Resources publishes results of a geological mapping survey completed in 1977-78 by Dubé in the southern half and NE quadrant of Manneville Township. The same year, G.J. Hinse reports for Vézina and Poirier (claim holders in the western part of the property) the similarities of the geological environment with that of the area of the Kerr Addison mine (DPV-729 and GM-36259).
- 1982** SOQUEM acquires the west and central-west parts of the property and conducts various types of exploration work, including: a cut grid with N-S lines spaced every 100 metres, mapping, and humus sampling (1,825 samples). The main showing (MacCormack) was highlighted by gold and arsenic anomalies. Several other anomalies were detected on the property (GM-38998).
- 1983** SOQUEM completes 15 overburden drill holes for a total of 850 metres. The study of bedrock samples indicates a predominance of komatiites and local syenite. Several visible gold grains were observed in the non-magnetic heavy mineral concentrate overburden samples; values range from 100 ppb greater than 5.4 g/t Au (GM-40061 and GM-41120).
- 1984** SOQUEM conducts prospecting on the property. Diamond drilling was proposed but the programme was never conducted (GM-42299).
- 1985** SOQUEM conducts an electromagnetic (MaxMin) survey and an Induced Polarization (IP) survey over the western area of the property (GM-42798 and GM-42917).
- 1987** Lyon Lake Mines Ltd carries out an IP survey on their property, partially covering the central part of the current property, and drills eight (8) diamond drilled holes totalling 1,439 metres. One of the

holes (600-87-3), 175 metres long, was drilled on lot 48 of range II of Villemontel Township and cut 0.7 g/t Au over 1.8 metres in a sheared rhyolite (GM-47453).

- 1999** R. Frigon drills one (1) diamond drill hole (99-02) on lot 55 of range IV of Villemontel Township. This hole, 308 metres long, cut 0.55 g/t Au over 1.1 metres in a tuffaceous horizon (GM-59246).
- 2002** 170364 Canada Inc. acquires a group of claims by map staking in the western part of the property (lots 17-25 of range I and lots 21-25 of range II Manneville Township).
- 2004** 170364 Canada Inc. conducts prospecting, sampling and a Beep-Mat survey over a small portion of the western area of the property in the area of the MacCormack showing (GM-61595). Results from 11 grab samples taken from outcrop returned gold varying from 5 ppb to 284 ppb, and silver varying between 0.5 g/t and 19.1 g/t.
- 2005** In October 2005, 170364 Canada Inc. conducts geological reconnaissance and a Bep-Mat survey over the western part of the property south of the Kinojevis River (lots 17 to 22 of rang I du canton de Manneville). No outcrops were observed and no Beep-Mat anomalies were detected.
- 2006** Cartier acquires the Kinojevis property.

Exploration Work by Cartier, 2006 to 2010

MacCormack Property

- 2006** Mr. Piché carries out a sampling program on the MacCormack showing, collecting 39 samples for lithochemical analyses and 19 for metal assaying. The results reveal a large alteration zone about 1 kilometre long (east-west) and at least 100 metres wide (north-south; GM 62693).
- 2007** A helicopter-borne survey (magnetometry and gamma ray spectrometry) totalling 2,761 kilometres is flown over all the "Kinojevis" properties and includes 645 kilometres on the MacCormack property (GM 63410). A sampling and prospecting program follows, yielding 63 lithochemical and 46 metallic samples (GM 64303). Ten areas are stripped with a mechanical shovel, totalling 4,190 m², and 850 samples collected (GM 63400). A 5-hole diamond drilling program (KI-07-01 to KI-07-03) totalling 1,594.3 metres is completed on lots 23 and 35 of range II in Manneville Township. In all, 362 samples are collected (GM 63799 and GM 64429). A ground Pulse-EM survey (In-loop and DEEPEM) of 8.1 kilometres is carried out on the MacCormack showing by Géophysique TMC. The survey reveals one moderate but well-defined conductor (GM 63342).
- 2008** A new prospecting and sampling program is carried out, yielding 47 lithochemistry samples and 47 samples for metal assaying (GM 64431). Five areas totalling 3,220 m² are stripped by mechanical shovel and 233 samples collected. A 13-hole diamond drilling program follows (KI-08-21 to 24 and KI-08-28 to 36), totalling 4,182 metres on lots 1, 21 to 25 and 27 of range II in Manneville Township. In all, 2,365 samples are collected (GM 63894 and GM 64429).
- 2009** An induced polarization survey of 25.15 kilometres is carried out by the firm Abitibi Geophysics. In all, 94 anomalies of variable intensities are identified (GM 64864). A 9.9-kilometre InfiniTEM survey (Abitibi Geophysics) follows. Five anomalies or segments of anomalies are distinguished (GM 64862).
- 2010** Four new drillholes are drilled on MacCormack for a total of 1,609 metres. The holes target a base metal horizon (Cu-Zn-Ag-Au) to the north of the gold-bearing dykes. The work reveals two new massive sulphide lenses (Cu-Zn-Ag-Au) with metal grades of 4.81% Zn, 0.41% Cu, 28.70 g/t Ag and 0.27 g/t Au over 1.30 metre, including 11.50% Zn, 1.24% Cu, 65.10 g/t Ag and 0.29 g/t Au

over 0.40 metre (drilling in December 2009, results in 2010). The drilling program leads to the discovery of: a massive sulphide horizon with strong zinc, copper, silver and gold values, extending for more than 2 kilometres; gold enrichment in the summital rhyolite breccia; and an extensive alteration system typical of large deposits of this type.

These results collectively provide a better understanding of the mineralization system, including the location of synvolcanic faults.

Preissac Property

- 2007** A helicopter-borne survey (magnetometry and gamma ray spectrometry) totalling 2,761 kilometres is flown over all the “Kinojevis” properties and includes 675 kilometres on the Preissac property, which represents the west part of the former Kinojevis property (GM 63410).
- 2008** A prospecting and rock sampling program (lithochemistry and metal assays) is carried out.
- 2008** Nine diamond drill holes (KI-08-16 to 17, KI-08-19 to 20, KI-08-25 to 27) totalling 2,190 metres are drilled on lots 61 of range I and 61 and 62 of range II in Manneville Township, and lots 10 of range II and 26 of range III in Villemontel Township. The best results are 0.7 g/t Au over 1 metre in hole KI-08-16 and 0.3% Zn over 2.7 metres in hole KI-08-25A.
- 2010** The Company obtains the core from 8 holes drilled by Queenston Gold Mines Ltd in 1986 and 1987; six of the holes were drilled on claims belonging to the Preissac property and two on Block 3 of the Xstrata-Option property. The review of the drill core and its reanalysis reveals gold-bearing zones identical to the North dyke system on MacCormack, and also demonstrates the presence of a rhyolite dome measuring more than 200 metres wide, with anomalous copper and zinc contents.

Newconex West Property

- 2007** A helicopter-borne survey (magnetometry and gamma ray spectrometry) totalling 2,761 kilometres is flown over all the “Kinojevis” properties and includes 770 kilometres on the Nexconex West property, which represents the east part of the former Kinojevis property (GM 63410). A horizontal-loop electromagnetic survey of 7.2 kilometres is completed, and five diamond drill holes (KI-07-11 to 14, KI-08-18) totalling 1,733 metres are drilled on lots 46, 47 of range III and 56 of range IV in Villemontel Township. The best grades are 0.60 g/t Au over 1 metre in hole KI-07-11 and 0.35% Zn over 1 metre in hole KI-07-12.
- 2008** Cartier carries out an induced polarization survey totalling 16.9 kilometres.
- 2010** No exploration work is carried out on the property.

Rambull Property

- 2007** A helicopter-borne survey (magnetometry and gamma ray spectrometry) totalling 2,761 kilometres is flown over all the “Kinojevis” properties and includes 600 kilometres on the Rambull property, which represents the east part of the former Kinojevis property (GM 63410).
- 2007** Cartier drills eight holes (KI-07-04 to KI-07-10, KI-08-15) totalling 2,581 metres on lots 20, 21 and 58 of range III and 31 of range IV in Figuery Township. Drill hole KI-07-04 (329.2 metres) intersects 1.11 g/t Au over 1.50 metre and hole KI-07-05 (324 metres) intersects 1.98 g/t Au over 3.70 metres with enriched sections of 5.00 g/t Au over 0.70 metre and 2.54 g/t Au over 1.50 metre. These gold grades are obtained in basalt containing quartz-ankerite-pyrite veinlets (GM 63486).

- 2008** Cartier carries out a rock sampling program during which 110 samples are collected on the property claim (Figury Township). This work consists of major element analyses (52 samples) and metal assays (58). The grab samples yield anomalous gold values of 19.55 g/t Au, 7.10 g/t Au and 1.45 g/t Au associated with veins of quartz-ankerite-pyrite in granodiorite (GM 64431).
- 2009** Cartier performs prospecting and sampling work, producing 52 samples for metal assaying and 50 samples for lithogeochemical analysis. The best samples grade up to 5.34 g/t Au. A mechanical shovel is used to strip 8 areas totalling 1,770 m², and 853 channel samples are collected in addition to structural and geological mapping. The best results obtained are 26.45 g/t Au over 0.20 metre and 10.36 g/t Au over 0.88 metre.
- 2010** No exploration work is carried out on the property.

Xstrata-Option Property

- 2007** A helicopter-borne survey (magnetometry and gamma ray spectrometry) totalling 2,761 kilometres is flown over all the "Kinojevis" properties, covering all the blocks of the XStrata-Option property.

Block 1

- 2006-09** The Company carries out a lithogeochemical (39) and metal (19) sampling program on the MacCormack showing. It reveals a broad alteration zone about 1 kilometre long (east-west) and at least 100 metres wide (north-south; GM 62693). In 2007, a helicopter-borne mag-radiometric survey of 645 kilometres covers the property (GM 63410). A sampling and prospecting program follows, yielding 4 samples for lithogeochemical analysis and 2 samples for metal analysis (GM 64303). In 2008, a new prospecting and sampling program is carried out, producing 35 lithogeochemical samples and 8 metal assay samples (GM 64431). In 2009, another prospecting and sampling program is carried out with the collection of 14 samples for metal analysis and 5 for whole rock analysis. An induced polarization survey of 4.2 kilometres is completed by the firm Abitibi Geophysics. In all, 17 anomalies of variable intensities are identified (GM 64865).
- 2010** An induced polarization survey of 25.2 kilometres is carried out on Block 1, south of the river, and five areas are stripped. The strippings reveal a new lens of massive sulphides (Py-Po-Cp-Sp) associated with one of the south rhyolites. The lens is 1.5 metre thick and can be traced for more than 30 metres. It is composed mainly of pyrite with some sphalerite and chalcopyrite. This new mineralized horizon represents a first order drilling target and may lead to the discovery of a polymetallic massive sulphide zone.

Block 2

- 2007-09** Cartier carries out considerable exploration work on the Xstrata-Option property (Block 2). In 2007, a helicopter-borne mag-radiometric survey of 40 kilometres is flown over the block (GM 63410). Following this, the Company completes a prospecting program producing 26 samples for lithogeochemical analysis and 16 samples for metal assaying, strips a 719-m² area using a mechanical shovel (KI-08-TR-14) and collects 110 channel samples, and drills one (1) hole on lot 20 of range II in Manneville Township. This hole, KI-08-37 (447 metres), targets the western extension of the North gold-bearing dyke system. A grade of 0.13 g/t Au over 2.00 metres is obtained in komatiitic lavas (GM 64430). In 2009, an induced polarization survey of 8.3 kilometres is carried out by the firm Abitibi Geophysics. In all, 10 kilometres of lines are cut and 39 anomalies of variable intensities identified (GM 64865). The Company adds an InfinITEM survey (Abitibi Geophysics) of 2.7 kilometres. Two of the anomalies are described as good conductors. These anomalies may be part of a single lineament oriented E-W and open at both ends (GM 64862).

2010 Three holes (XTA-10-01, 02 and 03) are drilled on Block 2 of the Xstrata-Option property for a total of 994 metres. The drill holes intersect the western extension of the massive sulphide horizon previously discovered further east on the MacCormack property. Hole XTA-10-01 yields 0.51% Cu, 0.49% Zn and 7.46 g/t Ag over 1.20 metre, including 1.29% Cu, 0.67% Zn, 17.20 g/t Ag and 0.20 g/t Au over 0.40 metre. Geophysical borehole surveys are performed in the first two holes.

Block 3

2009 Cartier carries out a program to strip three areas on the Xstrata-Option property (Block 3), which provide windows along a deformation and alteration zone defined by schists containing iron carbonates, fuschite and quartz. The stripped area are 6 kilometres east of the MacCormack showing.

2010 On Block 3, Cartier completes its review of the core drilled by Queenston Gold Mines Ltd and determines the old holes intersected gold-bearing zones identical to the MacCormack North dyke system as well as a rhyolite dome more than 200 metres wide.

Block 4

2009 Cartier drills one (1) hole on lot 12 of range III in Villemontel Township. Drill hole KI-09-38 (174 metres) targets electromagnetic anomalies.

2010 No exploration work is carried out on the Block 4.

Block 5

2008 Cartier carries out an induced polarization survey totalling 27 kilometres.

2010 No exploration work is carried out on Block 5.

Geological Setting

Regional Geology

The properties lie within the Abitibi Subprovince of the Superior Province. This Archean subprovince is composed of ultramafic, mafic and felsic volcanic rocks, clastic sedimentary rocks and pre- to post-tectonic tonalitic and granitic intrusions. These rocks are generally metamorphosed to the greenschist facies. In the core of less deformed areas, the metamorphic grade corresponds to the prehnite-pumpellyite facies, whereas it reaches the amphibolite facies around certain intrusions. The various volcano-sedimentary units are separated by extensive deformation zones such as the Destor-Porcupine and Cadillac-Larder Lake faults. The Destor-Porcupine Fault, which crosses the property, can be traced over more than 350 kilometres from Timmins, Ontario, to the Grenville Front about 60 kilometres ENE of Val-d'Or, Québec, and is associated with several major gold deposits including Hollinger, McIntyre, Dome, Lightning Zone and Holloway in Ontario, and Beattie in Québec.

North of the Destor-Porcupine Fault, from north to south, are the Hunter Mine, Stoughton-Roquemaure and Kinojevis groups. The oldest unit in the area, the Hunter Mine Group, is a calc-alkaline unit composed of rhyolite, rhyolitic breccia, siliceous tuff and chert, cut by coeval porphyry dykes. This group is overlain in the western part of the area by the Stoughton-Roquemaure Group, characterized by tholeiites, komatiites and ultramafic intrusions in a west-thickening sequence. The two groups are in normal stratigraphic contact and lithologies are locally interbedded.

The Kinojevis Group north of the Destor-Porcupine Fault was subdivided into two units: the Deguisier Formation, composed of Fe- and Mg-tholeiites, and the Lanaudière Formation, consisting of basalts, andesites, rhyolites, komatiites and multiple mafic intrusions.

The Duparquet Formation, composed of locally derived polygenic conglomerate, overlies along an angular unconformity the Deguisier and Lanaudière formations. These rocks, assigned to the Timiskaming Group, represent molassic sediments derived from the erosion of tectonic edifices and deposited in an alluvial and fluvial environment.

South of the Destor-Porcupine and Manneville faults occur the Malartic, Kewagama, Blake River and Kinojevis groups. The Malartic Group, cored by a complex antiform structure, is composed of ultramafic flows, mafic flows, and felsic pyroclastic rocks.

The Blake River Group is mainly composed of tholeiitic basalts, calc-alkaline andesites and calc-alkaline rhyolites. It is divided into three structural domains: the north, central, and south domains. Rocks in the vicinity of the “Kinojevis” properties are assigned to the north domain. Near the Ontario border south of the Destor-Porcupine Fault, the north domain conformably overlies the Kinojevis Group.

Kewagama sedimentary rocks and adjacent volcanic rocks are generally separated by faults. A normal relationship where Kewagama rocks conformably overlies Blake River volcanic rocks. Kewagama rocks represent turbiditic sediments deposited in deep basins peripheral to volcanic centres.

Proterozoic diabase dykes trending N-S, ENE-WSW, and NE-SW crosscut all earlier lithologies. Late faults have displaced certain dyke segments. N-S-trending dykes can be traced over hundreds of kilometres and range from 15 centimetres to 50 metres in thickness.

Major E-W-trending structures are the products of N-S compression, which led to the collision of three major tectonic blocks, each corresponding to an extensive group: Kinojevis, Malartic, and Blake River. The development of the Destor-Porcupine Fault is associated with south-directed thrusting of the Kinojevis block onto the Malartic block and Lac Caste sediments. As a result of this compressional episode, units in the north domain of the Blake River Group were folded in an accordion-type arrangement. They were also imbricated with a north vergence (Blake River block over Kinojevis block) and a south vergence (part of the north domain over the central domain). Due to its higher competency, the structural make-up of the central domain corresponds to a large anticline. Regional dextral strike-slip structures developed after the main episode of shortening and uplift of strata.

The mineral potential of the Timmins–Val-d’Or trend and the Kinojevis property area is quite significant and is the result of overlapping hydrothermal systems. Mineral occurrences in the area are dominated by polymetallic systems or gold deposits. Polymetallic Cu-Zn-Au-Ag systems correspond to synvolcanic massive sulphide lenses. Gold deposits are associated with either shear zones or fracture zones. These systems are commonly associated with intermediate or felsic intrusions.

Local Geology

The properties are largely dominated by E-W-trending komatiitic and tholeiitic basaltic flows of the Malartic Group. Basaltic flows coincide with strongly magnetic komatiitic units surrounded by less magnetic units. Volcanic contacts between strongly magnetic basaltic units and komatiites can thus be easily traced by magnetic surveys. Basaltic units also include a few andesitic flows and minor graywacke units. Komatiitic magmatic breccias were commonly intersected in diamond drill holes. Feldspar-phyric albitite dykes and lamprophyre dykes are common in this part of the Malartic Group.

Tholeiitic basalts of the Kinojevis Group appear north of the Malartic Group, whereas the sedimentary Kewagama Group forms the south part of the area. The Blake River Group, occurring south of the Kewagama Group, is not represented in the area. Lac Caste sediments may represent Kewagama sediments along the north limb of the La Pause Syncline.

Small porphyritic syenite intrusions occur in the SW corner of the area, and a minor NE-trending diabase dyke crosscuts the entire sequence.

On the properties, the following stratigraphic units occur from south to north:

- A band of sedimentary rocks indicated by the presence of outcrops located south of Kinojevis River on lot 20, range I in Manneville Township. The rock is described in a report by SOQUEM as a dark grey, massive, very hard wacke (S3), with weakly defined E-W bedding and <1% pyrite. This stratigraphic unit is assigned to the Lac Caste Formation of the Kewagama Group.
- A band of locally silicified basalts (V3B) and/or andesites (V2J), associated with minor gabbro (I3A) and greater amounts of ultramafic rocks (V4) with a few rhyolite (V1B) enclaves, occurs immediately to the north of the previous sedimentary units. Basaltic and andesitic rocks are massive to locally pillowed, dark green to light green and fairly hard. Silicified sequences are much harder. The gabbro is massive, medium-grained and dark green. Ultramafic rocks are grey to blackish and exhibit spinifex textures, with trace to 1% pyrite. The rhyolite is massive, grey, very hard and shows a smooth, aphanitic texture. The rhyolite locally contains 1-2% finely disseminated pyrite. These effusive rocks belong to the Lanaudière Formation of the Kinojevis Group. To the west, a white to beige, medium to coarse-grained tonalite (I1D) intrusion occurs. A peridotitic (I4I) core was also intersected in historic diamond drill holes.
- Further north lies a band of schistose rocks with carbonate, talc, chlorite, and fuschite. This unit underlies the west-central part of the property over 500 metres to more than 1 kilometre in thickness. This zone of deformed rocks is well exposed at the MacCormack showing, where a series of outcrops show intensely altered ultramafic komatiitic rock sequences with quartz-carbonate-albite injections, a few quartz-feldspar porphyry intrusions, thin rhyolite sequences and mafic (gabbro) dykes with little or no evidence of deformation. This stratigraphic sequence probably belongs to the Deguisier Formation of the Kinojevis Group.
- The northernmost sequence consists of weakly silicified, locally carbonatized massive to pillowed andesitic and basaltic rocks. A few thin rhyolite sequences are also observed. This sequence belongs to the Deguisier Formation of the Kinojevis Group. A few albite and quartz-feldspar dykes crosscut the local stratigraphy.
- Three (3) Proterozoic diabase dykes cross the property in the west, central and east parts of the property. These brown, homogeneous, massive and magnetic dykes trend N60°E.

A close spatial correlation between the MacCormack gold showing and NE-trending conjugate faults associated with the main Destor-Porcupine structure (which crosses through the properties) is readily apparent on the MacCormack property. NE-trending faults associated with the MacCormack gold occurrence show a smaller amount of apparent strike-slip movement than at the Fayolle deposit and Aiguebelle Goldfields showing further west. The conjugate structures likely plunge to the NW. This spatial association of gold with conjugate structures forming "Y"-shaped junctions is typical of gold zones along the Destor-Porcupine Fault Zone, which runs across the properties from west to east.

Mineral Deposit Types

The Destor-Porcupine Fault trends east-west and extends over nearly 350 kilometres from Timmins in Ontario to the Grenville Front, ENE of Val-d'Or (Québec). Many gold deposits are known along the western segment of the fault in Québec (Beattie, Donchester, Duquesne, Yvan-Vézina and Davangus mines), whereas the Ontario segment of the fault hosts the Holt-McDermott and Harker-Holloway ore

deposits as well as the vast majority of gold mines in the Matheson and Timmins mining camps. The properties straddle the Destor-Porcupine Fault, a major gold trend in the Abitibi, over 48 km strike length.

The gold-bearing Destor-Porcupine and Cadillac–Larder Lake fault zones are two parallel structures that show similar features, and host orebodies and showings with analogous structural settings and types of alteration and mineralization. Thus, the geological setting of the properties, along the Destor-Porcupine gold trend, exhibits geological features similar to the Kerr Addison and Harker-Holloway ore deposits in Ontario.

Kerr Addison and Holloway Geological Models

The authors of the Kinojevis Technical Report note that some aspects of the geological models for the Kerr Addison (10,457,000 oz of gold from 1938 to 1996) and Holloway mines (4.9 M t grading 5.9 g/t Au) are very important for exploration on the properties. The relevant geological details include rock type, alteration, and structure, as described below:

- At both deposits, gold mineralization occurs along or is very closely related to the contact between komatiitic and basaltic units. On the Kinojevis property and adjacent terrains, known gold occurrences (Fayolle, Destorbelle, Vang, Aiguebelle Goldfields, LM-3-70 and MacCormack) occur along interfaces marked by a strong magnetic contrast on magnetic maps. This relationship is also apparent on geochemical diagrams, where high gold grades are generally located near the sharpest magnetic contrasts.
- At Kerr Addison and Holloway, strong albitization is associated with mineralized zones and albitite dykes intrude host rocks. Significant albitite dykes were identified at the MacCormack showing in recent and prior visits by the authors. These albitite dykes are generally feldspar porphyries exhibiting a true thickness of several metres, and are auriferous.
- At Kerr Addison, strong fuschite alteration occurs around ore zones. At Holloway, the komatiitic footwall is altered to fuschite whereas equivalent sericite alteration is observed in tholeiitic units. The presence of several spectacular and extensive fuschite alteration zones has been observed in the komatiitic host rocks at the MacCormack showing.
- At Kerr Addison, Kishida and Kerrich (1987) calculated $3K/Al$ and Na/Al mole ratios to quantify the degree of sodium and potassium saturation for all lithologies. They inferred that sodium had been concentrated in albite, and potassium in sericite or fuschite. Pure albite shows a Na/Al mole ratio of 1, whereas pure sericite or fuschite shows a $3K/Al$ ratio of 1. Consequently, as the ratio approaches a value of 1, the degree of saturation in sodium and potassium progressively increases. The amount of sodium in a rock varies according to the availability of aluminium, thus by dividing Na and $3K$ by Al , it becomes possible to compare different lithologies. By adding the two ratios, the degree of saturation for sodium and potassium are monitored at the same time. Thus, at Kerr Addison, $(3K+Na)/Al$ ranges from 25 (away from the ore zone) to 40 to 50 (about 75 metres from the ore zone) to 70 to 90 (along or directly in the ore zone). However, this type of study has never been conducted for the LM-3-70 and MacCormack showings on the Kinojevis property.
- Background gold values at Kerr Addison are extremely low (<2 ppb Au) beyond 75 metres from the ore zone.

A close spatial correlation between gold showings and NE-trending conjugate faults associated with the main Destor-Porcupine structure is readily apparent on the MacCormack property. Specifically, the Fayolle, Aiguebelle Goldfields, LM-3-70 and MacCormack occurrences all lie at the junction between one of these NE-trending structures and a magnetic interface as described above.

Types of Mineralization Observed Along the Destor-Porcupine Fault Zone

A metallogenic study released by Legault J. Gauthier et al. in 2006 (ET 2006-01) lists many

characteristics of the types of occurrences found along the Destor-Porcupine tectonic zone, which can be used as exploration guides along this structure.

- “Quartz-carbonate veins” occur in deformations zones with strong iron carbonate, sericite and pyrite alteration, typical of orogenic deposits. These features are present on the MacCormack property.
- “Disseminated sulphides associated with porphyritic intrusions” may be divided into subtypes based on the composition of the intrusive rock: an alkaline subtype associated with sulphide-rich and intensely silicified alkaline rocks, and a calc-alkaline subtype with a limited sulphide content and very strong carbonatization (some of these features were observed by the authors and reported by SOQUEM on the MacCormack showing).
- “Hydrothermal veins” with open-space filling crystallization textures (colloform, crustiform, cockade) and anomalous Zn, Pb, and Hg concentrations, typical of neutral epithermal deposits.
- “Argentiferous quartz veins” associated with Cu-Sb-Zn-Hg-rich tension gashes, analogous to Ag-Pb-Zn veins hosted in clastic metasedimentary rocks.
- “Disseminated sulphides associated with leaching” occurring as a massive quartz+pyrite (5-10%) residue, reminiscent of acidic epithermal deposits.

Showings on the Properties

MacCormack Showing

According to the MRNF deposit file, the MacCormack showing on the MacCormack property is on lots 23 to 25, range II in Manneville Township (UTM Zone 17 – 680086E and 5368770N). The showing was discovered in 1911 on the MacCormack claims during prospecting work conducted by Bancroft for the GSC.

A few exploration programs took place after the discovery, between 1930 and 1984 by the GSC, Nortyne Gold Mines and SOQUEM. Best assay results were as follows: 0.17 to 4.80 g/t Au (L.V. Bell, 1936-38), and 1.37 to 7.89 g/t Au (Nortyne Gold Mines, 1944). The latter also drilled 19 holes on the showing in 1945, but no report was made public and the location of the drill holes is uncertain. Work by SOQUEM outlined a geological setting similar to the Kerr Addison ore deposit in Ontario (presence of carbonate minerals, fuschite, quartz-carbonate-albite veins and veinlets, syenite dykes, and quartz-feldspar dykes). In 2004, one of the authors (D. Gaudreault) sampled a few outcrops in the vicinity of the MacCormack showing and obtained assay results between 5 and 284 ppb gold, and between 0.5 and 19.1 g/t silver, from grab samples of exposed bedrock.

During a visit (October 24, 2006) by the authors, AQ-calibre tubing and a former bulk-sampling site, probably dating back to the area of Nortyne Gold Mines, were found on the property, just north of the access road (UTM Zone 17 – 679865E and 5368680N). The location of these features, the geological setting and the local topography correspond fairly well with the UTM location cited in public MRNF documents, confirming that this is in fact the site of the MacCormack showing.

The authors also collected two grab samples from this site, one in an intrusive quartz-feldspar porphyry dyke with quartz-carbonate veins and veinlets, and the second in the former bulk sampling area showing a series of quartz-carbonate veins and veinlets in host rocks strongly altered to iron carbonate, fuschite and probably albite. During the site visit performed in November 2007, no samples were collected on stripped areas considering the onset of winter conditions.

Cartier’s drilling on the MacCormack showing revealed a shear zone recognized in drill holes over a distance of 1.6 kilometres and over a width of more than 200 metres, representing an extension of the Porcupine-Destor Fault. The deformation zone is expressed as schistose rock containing iron carbonates,

fuschite or chlorite and injected by numerous quartz-ankerite veins. Gold-bearing dyke systems are present on both sides, known as the North and South systems based on their respective shear zone contacts.

The system along the north contact is represented by highly altered (carbonate-albite) dykes of intermediate composition, with multiple stockwork injections of veins containing quartz and gold-bearing disseminated pyrite. These dykes were cut across thicknesses ranging from 25 to more than 70 metres.

The North dyke system resembles the system associated with mineralization at the Kerr Addison (10 Moz Au) and Harker-Holloway mines (5.5 Moz Au), or the more recent Lake Shore gold project in the Timmins region.

Eight drill holes intersected the North dyke system:

- KI-08-22: 0.30 g/t Au over 13.4 m; 0.16 g/t Au over 18 m; 0.27 g/t Au over 13.6 m including 1 g/t Au over 1 m
- KI-08-23: 0.34 g/t Au over 67 m including 0.53 g/t Au over 20.5 m and 1.4 g/t Au over 1.5 m
- KI-08-28: 0.16 g/t Au over 30 m including 2.17 g/t Au over 1 m
- KI-08-29: 0.70 g/t Au over 19 m including 7.27 g/t Au over 1 m
- KI-08-30: 0.36 g/t Au over 21 m including 1.13 g/t Au over 1 m
- KI-08-31: 0.18 g/t Au over 27.7 m including 0.34 g/t Au over 7 m
- MC-09-02: 0.11 g/t Au over 11.5 m
- MC-09-03: 0.10 g/t Au over 9.3 m

The South system is represented by feldspar-quartz-phyric felsic dykes, hematized, silicified and locally albitized. The gold- and silver-bearing zones in these dykes are generally associated with albite alteration accompanied by pyritization, and the dykes are highly deformed. The width is typically on the order of metres, except for the dyke marking the southern contact of the deformation zone, which was intersected over more than 26 metres in hole KI-07-03 and over 40 metres in hole KI-08-31. The dyke system shows some resemblance to the dyke system associated with mineralization at the Kerr Addison and Harker-Holloway mines, and the more nearby Fayolle Zone.

The South dyke system yielded anomalous gold and silver values in six drill holes and in outcrop:

- KI-07-03: 23.45 g/t Ag over 0.5 m; 1.5 g/t Au over 1.9 m and 1 g/t Au over 4.6 m
- KI-08-24: 0.3 g/t Au over 0.8 m; 15.5 g/t Ag over 0.9 m
- KI-08-30: 38.2 g/t Ag and 0.37 g/t Au over 1 m; 5.9 g/t Ag over 5.7 m
- KI-08-31: 0.56 g/t Au over 1.5 m
- KI-08-34: 0.33 g/t Au over 29 m including 2.37 g/t Au over 1.4 m
- MC-09-04: 1.09 g/t Au over 1.5 m and 5.4 g/t Ag over 3 m including 18.5 g/t Ag over 0.5 m
- Channel samples: 49.5 g/t Ag over 1.1 m; 33 g/t Ag over 0.8 m
- Grab samples: 0.35 g/t Au and 150 g/t Ag; 0.10 g/t Au and 87.6 g/t Ag

Gold – Base Metal Potential (Au-Ag-Cu-Zn)

Several VMS-type gold-polymetallic systems (gold-silver-copper-zinc) were observed in two new areas of the MacCormack property. The latest drilling (KI-08-22, 31, 32, 33 and 25A), as well as prospecting and stripping work, revealed the geological features typically associated with polymetallic gold-silver-copper-zinc VMS-type deposits.

Rhyolite Associated with a VMS System (MacDeroff Showing)

Polymetallic gold-silver-copper-zinc VMS-type mineralization associated with a rhyolite dome was observed in the MacCormack portion. Drilling and stripping work traced the rhyolite over a distance of 2 kilometres and a width of 250 metres.

The rhyolite displays variable textures (aphanitic, quartz-phyric, brecciated) associated with sericite-chlorite alteration. Mineralization is present as massive sulphide lenses (sphalerite-chalcopyrite-pyrite-pyrrhotite), an exhalative pyrite horizon, cherty pyritiferous beds, and chlorite stringers. The drilling and stripping work indicate that the upper contact of the rhyolite is gold bearing (8.44 g/t Au over 1.1 m in a channel sample). This rhyolite dome displays all the characteristics of a gold-VMS system.

The VMS system on the MacCormack property has several features in common with the environment of the Kidd Creek mine: a similar age (2716-2717 Ma), comparable geochemistry (FIIIb-type rhyolite), a similar alteration system (sericite-chlorite stringers) and a similar geological setting (Kidd Munro Assemblage vs Lanaudière Formation). Since 1963, the Kidd Creek mine has produced 124.2 Mt @ 6.18% Zn, 2.31% Cu, 0.22% Pb and 87 g/t Ag.

The VMS system yielded anomalous gold, silver, copper and zinc values in six holes and in outcrop:

- KI-08-22: 0.28% Zn over 1 m
- KI-08-31: 0.17 g/t Au over 10 m including 0.60 g/t Au over 1 m; 11.5 g/t Ag over 1 m
- KI-08-33: 1.5 g/t Ag over 12.5 m including 3.1 g/t Ag over 1.5 m; 0.10% Zn over 1.6 m
- MC-09-01: 4.81% Zn, 0.41% Cu, 28.7 g/t Ag, and 0.27 g/t Au over 1.25 m including 11.50% Zn, 1.24% Cu, 65.1 g/t Ag and 0.29 g/t Au over 0.35 m; 0.13 g/t Au over 11.2 m including 0.46 g/t Au over 0.9 m
- MC-09-04: 0.11 g/t Au over 10.3 m
- MC-10-09: 0.23 g/t Au over 5 m including 1.09 g/t Au over 1 m
- Channels: 8.44 g/t Au over 1.1 m; 0.90 g/t Au over 0.7 m
- Grab samples: 1.40 g/t Au; 1.00 g/t Au

New Ag-Zn Showing (Pentara Showing)

Polymetallic (silver-copper-zinc) VMS-type mineralization associated with a rhyolite dome was revealed by stripping. It is located 3.0 km southwest of the MacDeroff showing.

The rhyolite displays variable textures (aphanitic, quartz-porphyrific, brecciated) associated with sericite-chlorite alteration. Mineralization is present as massive sulphide lenses (pyrite-pyrrhotite), an exhalative pyrite horizon, cherty pyritiferous beds, and chlorite and magnetite stringers. The geology and mineralization strongly resemble those encountered on the MacDeroff showing.

Several anomalous silver, copper and zinc values were obtained from outcrops:

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

Hole KI-08-25A Area

A volcanic contact, marked by the presence of a cherty and brecciated horizon with massive pyrite and magnetite, returned 0.32% Zn over 2.7 metres and 0.11% Cu over 0.70 metre. This horizon is represented by a series of airborne geophysical anomalies, which indicate that an even greater concentration of sulphides is present 600 metres east of hole KI-08-25A.

LM-3-70 Showing

The showing is located in lot 9, range I of Manneville Township, on the Xstrata. It was discovered in 1970 by Groupe Minier Sullivan while drilling geophysical targets. The mineralization consists of pyrite and pyrrhotite in graphitic schists and an ultramafic sequence with talc-chlorite schist. The most significant assay results were 11.52 g/t Ag over 0.76 metre and 0.13% Ni over 1.22 metres.

Exploration Work on the MacCormack and Xstrata-Option Properties in 2011

During the year 2011, Cartier only conducted exploration work on blocks 1 to 3 of the Xstrata-Option property comprising ground and borehole geophysics and drilling. With this work, the Company fulfilled the conditions of the agreement signed with Xstrata Zinc in 2008, which included \$1,000,000 worth of exploration work before December 31, 2001, thereby providing Cartier with a 100% interest in the property.

The sections below summarize the various types of exploration activities carried out on blocks 1 to 3 in 2011, as well as highlights of the work.

Xstrata-Option Property

Geophysics

A ground-based InfiTEM survey of 15.3 km was completed on Block 1, south of Kinojevis River. The survey was performed by Abitibi Geophysics. Four anomalies were detected along the massive sulphide horizon of the South rhyolite. These anomalies were tested by drill holes XTA-11-07 and 08 and XTA-11-15 to 18.

A borehole Pulse-EM geophysical survey was completed in five holes. Four of the six holes on Block 1 south of the river, and one on Block 2, tested the extension of the massive sulphide zone of the North rhyolite (MacDeroff showing). The geophysical survey in holes XTA-11-07, 08 and XTA-11-15, 16, south of the river indicated the presence of two sizeable mineralized bodies, coincident with a horizon of massive sulphide mineralization.

Drilling

In 2011, a total of 4,108 metres of drilling was carried out in three phases on this property. In all, 17 holes were distributed as follows: eight on Block 1, four on Block 2, and five on Block 3, three of which stopped in overburden. These drill holes revealed a new massive sulphide mineralized system and demonstrated the western extension of the MacCormack gold system.

The 2011 drilling program was supervised by Philippe Berthelot with technical support from Ronan Deroff, geologist-in-training, and Henri Morissette, technician. The holes were drilled by the firm Forage Boréal Drilling using a hydraulic rig. Borehole deviations were measured with a Reflex instrument (Reflex Instruments) to determine azimuth, inclination and magnetism.

In all, 2,098 samples were collected from drill core and analyzed for their gold, silver, copper and zinc contents. Another 299 samples were collected for litho-geochemical analysis in order to characterize rock compositions and quantify alteration.

Drilling was divided among blocks 1 to 3 of the property as described below.

Block 1 (south of the river):

A total of six holes (XTA-11-07, 08 and 15 to 18) targeted down-hole geophysical (InfiTEM and PEM) anomalies in the South rhyolite area where a massive sulphide zone was revealed by stripping in 2010.

These drill holes demonstrated the presence of a system of sulphide veinlets and alteration developed in rhyolitic rock, just below the horizon that may have been the site of sulphide accumulation. Contacts between komatiites and rhyolitic units are locally marked by centimetre-scale zones of semi-massive pyrite-pyrrhotite and stringers of chlorite, magnetite and chert, and pyrite-pyrrhotite as disseminations or veinlets. The system may have fed a larger massive sulphide accumulation yet to be found.

Block 1 (north of the river)

Two drill holes targeted the extensions of the massive sulphide horizon (MacDeroff showing) and of the MacCormack gold zone.

Some gold values were obtained in albitized dykes and ultramafic volcanics. For the dykes, two anomalous gold results were 178 ppb and 163 ppb, both over 1 metre. For the chloritized komatiites, a sample yielded 357 ppb Au over 3 metres. These results demonstrate that gold is still present in the deformation zone at a distance of 1 kilometre to the west of the MacCormack gold showing.

Block 2

One drill hole targeted the massive sulphide horizon (MacDeroff showing) and three small holes targeted the silver showing obtained at the beginning of hole XTA-11-6. A vein with high-grade silver was intersected near the beginning of a hole. The samples sent for analysis graded up to 618.5 g/t Ag (18.0 oz/t) and 0.31% Cu over 0.5 metre. An auriferous zone is associated with an 11-metre zone of quartz veins in gabbro, with a best grade of 1.36 g/t Au over 1.0 metre.

Three drill holes tested the silver value obtained in hole XTA-11-06 but failed to repeat the anomalous silver and copper grades.

Block 3

Five drill holes targeted the extension of the Porcupine-Destor deformation zone. Three holes, XTA-11-04A to C, did not reach bedrock. Hole XTA-11-05 targeted a MegaTEM anomaly associated with a mag low. The drill hole only passed through unaltered and weakly sheared ultramafic lavas. No anomalous metal grades were obtained. Hole XTA-11-11 intersected its target, the extension of the Porcupine-Destor zone, which presents as highly sheared basalts injected by quartz veinlets. No significant precious or base metal values were obtained.

Sampling Method and Approach

Drill Core Sampling

All sample lengths and orientation are marked on the core. The latter is sawed in half with a diamond saw. Half of the core is sampled from lengths varying from 0.3 to 1.5 meters. The first half is replaced in the box and kept with its numbered identification tag for future reference. The other half is placed in a thick plastic bag provided by an accredited laboratory with its associated numbered identification tag.

Sample Preparation, Analyses and Security

- From the drill rig, the core is transported appropriately to the coreshack where it is logged and prepared for sampling by or assisted by a qualified person (NI 43-101).
- Following an established protocol, all sample lengths and orientation are marked on the core. The latter is sawed in half with a 4-blade diamond saw. Half of the core is sampled from lengths varying from 0.3 to 1.5 meters. The first half is replaced in the box and kept with its numbered identification tag for future reference. The other half is placed in a thick plastic bag provided by an accredited laboratory with its associated numbered identification tag. The samples are then brought to an accredited laboratory with a well established and secure chain of custody.

- The samples are analyzed for gold by fire assay with atomic absorption finish. Results greater than 1 g/t Au are re-assayed with a gravimetric finish. Other samples were analyzed for base metals using the inductively coupled plasma mass spectrometry method (ICP-MS). A series of standards, duplicates and blanks are inserted in the sample stream sent to the laboratory.

Data Verification

The authors verified existing data of previous reports. Although techniques were not described in those reports, the data reported in assessment files and the sampling and analytical activities appear to have been conducted according to norms and standards employed at the time and still valid today. The authors reviewed all of the recent documents prepared by the Company, and all aspects appear to conform to prevailing norms and standards.

Ore Processing and Metallurgy Tests

No metallurgical or ore testing was performed for the properties.

Mineral Resource and Reserves Estimation

No resource or reserve estimation has been performed for the properties.

Exploration and Development

The MacCormack, Preissac and Xstrata-Option (blocks 1 to 3) properties and their surrounding area show exceptional potential for gold deposit exploration, given the presence of the Destor-Porcupine Fault Zone, a major structural gold trend which crosses the property from west to east. Geological units consist of alternating komatiitic and mafic flows commonly cut by porphyritic albitite dykes, syenite dykes and local magmatic breccia horizons, as well as a few rhyolite lenses. This lithological package and related alteration are similar to the setting of the Kerr Addison and Harker-Holloway mines in Ontario.

A few gold and silver showings are known in the area and more on the properties. The most significant, the Fayolle deposit further west (799,600 t @ 6.19 g/t Au), was the focus of much drilling in the past and more recently by Typhoon Exploration Inc., and significant gold grades are reported.

On the MacCormack property, the MacCormack showing was sampled in the past and more recently by one of the authors (D. Gaudreault), yielding grades ranging from 5 ppb to 7.89 g/t Au, and from 0.5 to 19.1 g/t Ag (grab samples). Mineralization is associated with fuschite and carbonate alteration zones, and is readily comparable with other gold occurrences along the Destor-Porcupine Fault and more specifically with the ore deposit settings defined at the Kerr Addison and Harker-Holloway mines in Ontario.

The Destor-Porcupine Fault trends east-west and extends over nearly 350 kilometres, from Timmins in Ontario to the Grenville Front, northeast of Val-d'Or (Québec). Many gold deposits are known along the western segment of the fault in Québec (Beattie, Donchester, Duquesne, Yvan-Vézina and Davangus mines), whereas the Ontario segment hosts the Holt-McDermott and Harker-Holloway ore deposits as well as the vast majority of gold mines in the Matheson and Timmins gold camps. The eastward extension of the Destor-Porcupine Fault and its subsidiaries constitute major targets for gold exploration.

The potential of this fault segment, one of the most important gold trends in Québec, has been neglected due to various social and historical factors (gold was discovered and mined to the west in the early 1910s in Timmins) as well as physiographic elements (lack of exposed bedrock). The prospective tract across the MacCormack property is almost completely masked by fluvio-glacial cover consisting of up to 20 metres of clay, sand, and gravel, a major deterrent for prospectors of years past.

There is every reason to believe that the geological setting of the Duparquet area, adjacent to the west of the MacCormack property, is also present on the property. In order to discover economic ore deposits, the first phase of exploration work on the property consisted of acquiring much more geological data (on lithologies, structures (plumbing), and lithogeochemical analyses (alteration)) over the 48-kilometre strike length of the Destor-Porcupine Fault crossing the property.

Recent work on the MacCormack property succeeded, as a first pass, in confirming the mineral potential of the E-W structure along the Kinojevis River. Drill holes completed to date in the form of stratigraphic sections have provided valuable information to characterize the gold and base metal potential of this large property. In short, areas of the former Kinojevis property involve exploring for gold and base metals along a 48-kilometre segment of the Destor-Porcupine Fault, recognized as one of the most important gold trends in Québec and Ontario. The property covers 1/8th of the 350 kilometres along the structure, and 1/4th of the Québec segment. This area has been neglected in the past, However its potential remains among the best in the Abitibi.

In the MacCormack showing area, recent diamond drilling permitted to clearly identify the deformation zone over a distance of 1.6 kilometers long and 200 meters wide. This shear zone is the expression of the Destor-Porcupine Fault on the Kinojevis property. It is bordered by two (2) systems (north and south) of auriferous dykes. The northern dyke system consists of strongly altered (carbonates and albite) dykes of intermediate composition. The stockwork is multi injected with quartz-carbonate veins and veinlets locally associated with disseminated auriferous pyrite. These dykes were drill intersected showing thickness varying from 25 to 70 meters.

The southern dyke system consists of quartz-feldspar porphyric felsic dykes and is intensely altered (hematized, silicified and locally albitized). The auriferous and argentiferous (Au, Ag) zones are intimately associated with albite alteration and pyritization.

A system of polymetallic (gold-silver-copper-zinc) VMS-type mineralization associated with a rhyolite dome was observed in the central part of the property. Drilling and stripping work traced the rhyolite over a distance of 2 kilometres and a width of 250 metres. The rhyolite displays variable textures (aphanitic, quartz-phyric, brecciated) associated with sericite-chlorite alteration. Mineralization is present as massive sulphide lenses (sphalerite-chalcopyrite-pyrite-pyrrhotite), an exhalative pyrite horizon, cherty pyritiferous beds, and chlorite stringers. The drilling and stripping work indicate that the upper contact of the rhyolite is gold bearing (8.44 g/t Au over 1.1 m in a channel sample). This rhyolite dome displays all the characteristics of a gold-VMS system. The VMS system on the MacCormack property has several features in common with the environment of the Kidd Creek mine: a similar age (2716-2717 Ma), comparable geochemistry (FIIIb-type rhyolite), a similar alteration system (sericite-chlorite stringers) and a similar geological setting (Kidd Munro Assemblage vs Lanaudière Formation). Since 1963, the Kidd Creek mine has produced 124.2 Mt @ 6.18% Zn, 2.31% Cu, 0.22% Pb and 87 g/t Ag.

Exploration Work

Only a portion (15%) of the budget proposed by the authors of the Kinojevis Technical Report was spent during the fiscal years ending 2010 and 2011. The Company concentrated its efforts on other projects and new acquisitions, and chose to use its combined results to generate new targets for the MacCormack area. The Kinojevis technical report is available on www.sedar.com.

A total of \$415,698 was invested on the MacCormack–Preissac–Newconex–West–Rambull group, with the majority on the MacCormack property in 2010, and a total of \$847,507 was invested on the Xstrata-Option property during the same period.

INFORMATION ABOUT THE CADILLAC EXTENSION PROPERTY

The following section was reproduced from a technical report for the Cadillac Extension property issued in accordance with the requirements of Regulation 43-101 respecting Standards of Disclosure for Mineral

Projects, prepared by Philippe Berthelot, geologist, and Ronan Deroff, geologist-in-training (the “authors”), dated June 11, 2012 (hereinafter the “**Cadillac Extension Technical Report**”). The Cadillac Extension Technical Report is available on www.sedar.com.

Description and Location of the Property

The property is located on NTS map sheets 32B04, 32B05 and 32C01, and more specifically in the townships of Baudin, Bongard, Bourgmont, Esperey, Trevet and Vasson. It consists of 464 contiguous claims, for a total surface area of 26,590 ha or about 266 km².

The Cadillac Extension property is currently registered 100% in the name of Cartier (stakeholder number: 80277) in GESTIM (the claim management system of the *Ministère des Ressources naturelles et de la Faune du Québec*, <https://gestim.mines.gouv.qc.ca>).

Environmental Obligations

There is no particular environmental obligation in order to carry out exploration work on the mining titles, other than adhering to the laws and regulations relating to exploration by obtaining the appropriate permits from the Department of Forest for line cutting and trail access. In addition, Cartier must obtain, from the MRNF, all required authorizations to execute diamond drilling and outcrop stripping work when such work is necessary, and a deforestation permit is also required if the aforementioned exploration activities are to be carried out.

Access, Climate, Local Resources, Infrastructures and Physical Geography

The Cadillac Extension property is situated about 75 kilometres east of Senneterre and about 115 kilometres northeast of Val-d'Or. These towns have mining vocations, with qualified labour, contractors and mining services available.

The property is easily accessible from Val-d'Or by driving eastward on provincial highway 117 for 30 kilometres, before turning north on provincial highway 113 for about 35 kilometres to arrive at Senneterre. From there, drive eastward on gravel roads N-806 and N-830 before turning onto tertiary gravel roads and forestry roads that provide access throughout the property.

The Canadian National (CN) Senneterre – La Tuque railroad line cuts across the centre of the property and there is a train stop at Langlade, about 800 metres south of the main Cu-Zn Langlade deposit.

The area occurs at the boundary between the Laurentian and James Bay regions of the Canadian Shield. It straddles the watersheds between three major drainage basins: the Nottaway basin, which drains into James Bay, and the Outaouais and St. Maurice basins, which drain towards the Saint-Lawrence River.

The landscape is an undulating peneplain with elevations ranging from 330 to 590 metres above sea level. A layer of glacial Quaternary deposits, consisting of thin till and thick fluvio-glacial deposits, thoroughly covers the Precambrian bedrock except for outcropping high points.

The forest cover, at the boundary between the balsam fir–white birch domain to the north and the balsam fir–yellow birch domain to the south, is present everywhere and logged commercially.

Previous diamond drill holes indicate overburden thicknesses range from 3 to 20 metres on the property.

Based on Environment Canada statistics, from 1971 to 2000, the region was characterized by a mean daily temperature of 1.2°C. The month of July has an average temperature of 17.2°C, whereas the month of January averages -17.2°C. The extreme minimum recorded temperature was -43.9°C, whereas the

highest recorded temperature was 36.1°C. The average annual precipitation of water is 52 mm. The month of September receives the highest average precipitation with 100 mm of water, and January receives the least with only 5 mm water. Snow falls from September to May with the highest amounts from November to March (252 mm water).

History

General

The first reconnaissance work in the region was carried out by Wilson (1910) and Bancroft (1916). Both reports describe the geology along the railroad and several nearby lakes and rivers.

A second wave of reconnaissance work occurred in the 1930s. Spurred on by the mining discoveries in the Val-d'Or and Opemiska regions, the traverses focused on the western extension of the Abitibian volcanic sequences.

Ministerial and Academic Work

The following section presents various reports available from the *Ministère des Ressources naturelles et de la Faune du Québec* ("MRNF") and CONSOREM (*Consortium de Recherche en Exploration Minérale*).

1991: Girard et al. carry out reconnaissance geological mapping at a scale of 1:250,000 in the eastern part of the Louvicourt–Val-d'Or–Senneterre axis, up to the western edge of the Gouin Reservoir basin. They focus on the possible eastward extensions of Superior Province volcanic belts into the Grenville Province (PRO 91-17).

1992: Birkett et al. produce a geological map of the Grenville Province (5,800 km²). They complete and extend the work already carried out by Birkett et al. (1991). They suggest that the economic potential for base and precious metal mineralization has been underestimated and put forth the hypothesis that the gneisses of the region may represent the metamorphic equivalents of Archean rocks belonging to the Abitibi Subprovince (MB 92-15).

1993: Girard et al. present a geological report for the Press-Clova region, which follows up on the preliminary report of Birkett et al. (1992). The report provides a more exhaustive description of the different lithofacies, metamorphism, structural geology, and economic geology (MB 93-04).

1994: R. Girard and J. Moorhead provide a geological synthesis at a scale of 1:250,000, with some at 1:50,000 scale, for the Press-Clova area. The synthesis includes a description of the various mineralized showings (MB 94-34).

2004: S. Faure (Consorem researcher) completes a geophysical interpretation of the Archean parautochthonous and Proterozoic allochthonous domains of the Grenville Province to the east of the Abitibi Subprovince. He examines four issues: favourable lithologies for mineral exploration (mafic gneiss and amphibolites), the relationship between metamorphism and geophysics, lineaments, and a regional-scale exploration guide for gold and volcanogenic mineralization (GM 64092).

2010: The MRNF publishes the results of an airborne magnetic survey (total field and vertical gradient) flown east of Senneterre, straddling the Grenville and Superior provinces (DP 2010-04).

Work by Mining and Mineral Exploration Companies

This section lists the exploration work carried out by mining and mineral exploration companies. Most of the work was performed by Cominco Ltd on the Langlade deposit.

1991: Cominco Ltd carries out QUESTEM airborne magnetic and electromagnetic surveys totalling 5,382 km on the Grenval project, 2,084 km on the Greneast project, and 2,831 km on the Grenorth project. In all, 137 conductive anomalies are identified and 82 blocks of 1,030 claims are staked (GM 51754, GM 51758, GM 51936 and GM 52742). Geological and geochemical reconnaissance work (300 analyzed samples) and a helicopter-borne geophysical survey (VLF) of 75 kilometres lead to the discoveries of the Langlade deposit on Block 4CW of the Grenval project, and the Bongard showing on the Greneast project (GM 51754). A new program of geophysical surveys are carried out, consisting of 144 km of ground MaxMin (25 conductors detected), 164 km of magnetics, and 21.5 km of gravity, in addition to geological mapping (33 km²), prospecting and ground geochemistry (1,300 samples) (GM 51754, GM 51756, GM 51757). Finally, the company completed a stripping program using a mechanical shovel (2,500 m³) and trenching (24 trenches) on the 4CW (Langlade) showing of the Grenval project. A sulphide horizon returned 16.00% Zn, 4.2% Cu, 38 g/t Ag and 0.44 g/t Au over 1.10 metre (GM 51754).

1992: Cominco Ltd follows up on a 1991 airborne survey flown over the Grenval project by conducting a MaxMin survey of 100.3 kilometres and a magnetic survey of 114.1 kilometres. Twenty-eight (28) conductors are identified (GM 51755). A 12-hole diamond drilling program totalling 2,150 metres (holes 4CW-92-1 to 4CW-92-12) concentrates on the 4CW mineralized zone. The best grades are from hole 4CW-92-1 with 0.96% Zn, 0.70% Cu, 42 g/t Ag and 0.22 g/t Au over 48.20 metres including an interval of 9.30% Zn, 5.50% Cu, 186 g/t Ag and 0.28 g/t Au over 0.95 metre (GM 51754, GM 52742, GM 58489 and documents from Cominco). Surface and borehole Pulse-EM are also carried out (GM 51754). On the Greneast project, Cominco conducts a 1,400-kilometre airborne magnetic-electromagnetic GeoTEM survey (GM 51937), another magnetic survey totalling 64 kilometres, and a MaxMin survey of 61.9 kilometres (GM 51938).

1993: Cominco Ltd drills four (4) diamond drill holes totalling 1,337 metres on the Grenval project and one (1) hole of 115 metres on the Greneast project. Of the four holes at Grenval, three target the Cu-Zn mineralization for the Langlade showing (4CW-93-13 to 4CW-93-15). These holes (total of 1,248 metres) intersect the main lens to a depth of at least 500 metres. The best values obtained from the program are: 1.70% Cu and 3.30% Zn over 0.68 metres (hole 4CW-93-13), 0.20% Cu and 1.80% Zn over 1.17 metre (hole 4CW-93-14) and 0.16% Cu and 1.70% Zn over 1.46 metres (4CW-93-15; GM 52742).

1993: Louvem Inc. hires Val-d'Or Géophysique Ltd to carry out magnetic and electromagnetic surveys (19.1 kilometres each) on the Trevet B project in order to better define geological contacts and reveal any conductive structures and/or mineralized horizons that might be present (GM 52242).

1994: Cominco Ltd completes a last drilling program of two holes (4CW-94-16 and 4CW-96-17) on Langlade deposit (1,862 metres in total). It allows the mineralized lens and conductor to be investigated at great depth (about 900 metres; GM 58489 and documents from Cominco).

1996: E. Gaucher assigns Geosig Inc. the mandate to carry out a Beep Mat survey coupled with sampling on the Valmos Option, with the aim of explaining electromagnetic anomalies identified by the MaxMin survey. A conductive outcrop was discovered and returned values up to 218 ppm Cu and 938 ppm Zn (GM 56843).

2000: P. Gaucher visits the Langlade deposit and uses a Beep Mat to prospect around the deposit. He discovers new conductive zones 200 metres north of the deposit. After blasting, he samples seven conductors and obtains up to 0.6% Cu and 0.7% Zn. A detailed MaxMin survey is also completed to better assess the significance of the findings (GM 58489). Four areas are stripped over the best conductors using a mechanical shovel, and two of the sites are verified by geophysics (one by a MaxMin survey and the other by gravity profiling), but without significant results. Thirty-seven (37) samples are collected from the surface exposures with best results of: 0.3 to 0.7% Cu and up to 24 g/t Ag. The rocks in these new trenches display a strong resemblance to the mineralization of the original deposit (GM 58490).

2001: Southern Africa Mineral Corporation assigns Ex-In the mandate to perform a compilation of airborne conductors, re-evaluate past work by Cominco Ltd, and carry out Beep Mat prospecting on the

Grenab project. In all, five new conductive zones are stripped, blasted and sampled, with the best values being 720 ppm Cu and 1,082 ppm Zn (GM 59149).

2002: Southern Africa Mineral Corporation hires R. Girard of IOS Services Géoscientifiques Inc. to provide results for a regional-scale till program that took place in 1994 on the Langlade project. Seventy-five till samples were collected to determine the mineralogy of their heavy mineral concentrates. A single anomaly is identified, consisting of 30% gahnite, 15% chalcopyrite, 16% sphalerite, 20% pyrite and abundant silicate alteration minerals of several types. This proximal assemblage likely indicates erosion of a VMS body (GM 59726). Following this, the company hires Geosig Inc. to cut lines on the Grenab project (108.7 km) and carry out a MaxMin survey to redefine and locate on the ground the airborne electromagnetic anomalies identified in the past by Cominco Ltd. In all, 19 anomalies are detected. Beep Mat prospecting leads to the sampling of four conductors that return up to 270 ppm Cu and 220 ppm Zn (GM 59727). Finally, the company generates a compilation report in which it describes the geological context, the Langlade deposit, the geophysical and geochemical targets from past surveys by Cominco Ltd, and the project's exploration potential (GM 59728).

2004: E. Gaucher prospects with a Beep Mat over conductors identified by Cominco's three airborne surveys. The work is part of the government's *Programme d'assistance à l'exploration minière du Québec*. Three good conductors are sampled and yield up to 48 ppb Au and 1.3 g/t Ag (GM 60950).

Work Conducted by Cartier (2009-2010)

2009: Cartier samples unconsolidated deposits. Of the 161 samples, 11 yield gold values above 100 ppb and three (3) of these exceed 500 ppb. The highest gold-in-till grade is 13.6 g/t from a sample taken 175 metres north of the projected extension of the Larder Lake–Cadillac Fault.

2010: Cartier carries out a sampling program coupled with Beep Mat prospecting. In all, 347 samples are collected, consisting of 69 mineralized blocks, 51 grab samples, and 227 channel samples. Another 12 samples are collected for lithogeochemical analysis. The best results from the program are: 7.68 g/t Au over 0.85 metre; 1,161.8 g/t Ag over 0.60 metre; 4.96% Cu over 0.70 metre; and 9.93% Zn.

Geological Setting

Regional Geology

The following text was partially taken from a drilling report by Cominco Ltd (GM 52742) and a report on the geology of the Press-Clova region (MB 93-04).

General

The Cadillac Extension property is located in the Parautochthonous Domain of the Grenville Province, southeast of the Grenville Front. The work by Rivers and Chown (1986) and Rivers et al. (1989) divided the Grenville Province into three major belts: the Parautochthonous Domain, representing Archean and Proterozoic rocks remobilized during the Grenville orogeny, the Polycyclic Allochthonous Belt corresponding to deformed and metamorphosed terrane rocks, and the Monocyclic Allochthonous Belt characterized by metasedimentary and metavolcanic rocks of the Wakeham and Grenville supergroups.

In the Parautochthonous Domain of the Grenville Province, four different geological entities are present from north to south: the Pascagama Complex, characterized by tonalite gneiss, the Serpent Complex, composed of equal quantities of mafic gneiss, quartzofeldspathic gneiss, and paragneiss, the Lac Témiscamingue Terrane, represented mainly by paragneiss, and the Chochocouane Complex, an ensemble of dominantly granulitic rocks.

The regional geologic mapping work by the MRNF and the GSC in the Grenville Province revealed significant amounts of amphibolites and tonalite gneiss. Regional lithogeochemical surveys carried out by

the GSC revealed that the rare earth and trace element geochemistry is very consistent with that of rocks in the Abitibi Greenstone Belt.

Structural Geology

The rocks display a generally well-developed banding or foliation. The banding roughly follows the typical regional trend of N60° and is parallel to the Grenville Front. The foliation is generally associated with a moderately plunging stretching lineation trending between N90° and N120°.

Two phases of regional folding affect the gneissosity. The first consists of upright to inclined isoclinal folds. The axial surface of these folds follows the orientation of the tectonic grain. These folds are particularly evident along the extension of the Gouin Reservoir basin and in the Langlade area. The second phase of folding, which affects the isoclinal folds, generated open regional flexures. The axial surface of these flexures is oriented north-south.

Catazonal syn-metamorphic shear zones are abundant in the Serpent Complex area. They are characterized by medium-grained tectonites with granoblastic texture. Their proximal (hypersthene or hornblende) metamorphic assemblage is stable. The shear zones are oriented parallel to the regional tectonic grain and generally show evidence of thrusting.

Metamorphism

The Grenville Front is marked by a swarm of anastomosing mylonites. The mylonites form shear bands ranging in width from metre-scale to 1 kilometre. They are accompanied by general comminution and a metamorphic retrogression to lower amphibolite facies (allanite, epidote, amphibole, biotite paragenesis).

The rocks of the Parautochthonous Domain of the Grenville Province attained at least upper amphibolite facies in a high-pressure environment (7-10 kbars and 650-800°C). This metamorphism is characterized by biotite-orthoclase-kyanite, biotite-sillimanite-garnet and hornblende-clinopyroxene-garnet parageneses. The Serpent Complex is characterized by retrograde granulite facies to amphibolite facies. The Chochocouane Complex is affected by granulite facies metamorphism, locally retrograded.

Local Geology

The Cadillac Extension property is located in the Parautochthonous Domain of the Grenville Province and more specifically, in the Lac Témiscamingue Terrane. The vast majority of the rocks are paragneiss with intercalations of mafic to felsic metavolcanics, and the Langlade deposit is hosted by these types of rocks.

Mineral Deposit Types

A shear zone, which may represent the extension of the prolific Larder Lake – Cadillac Fault in the Abitibi (120 Moz Au; Faure, 2004; GM 64092) traverses the southern part of the property. The shear zone in this area has not yet been identified in the field, but a strong magnetic contrast between two blocks suggests the presence of a major structure.

Mineralization

Showings on the Property

The Cadillac Extension property hosts numerous Ba, Cu, Ni, V and Zn showings and two notable discoveries made by the mining company Cominco Ltd in 1991-92: the Langlade Zn-Cu-Ag-Au±Pb deposit and the Ag-Zn-Cu-Au Bongard showing. The following text was partially taken from a report on the geology of the Press-Clova region (MB 94-34).

Langlade Deposit

The Langlade is the most significant mineralization on the property and represents the strongest mineral potential. It is positioned in column 3, row 9 of map sheet 32B04. It was discovered by Cominco Ltd in the summer of 1991. It is situated at the summit of the hill to the north of the Langlade station, at the base of the Télébec telecommunications satellite.

The deposit was discovered following an airborne electromagnetic survey with ground electromagnetic, gravimetric and geochemical follow-up surveys. It was stripped over an area measuring 25 x 125 metres. Cominco Ltd cut channels that returned maximum values of 16.00% Zn, 4.20% Cu, 38 g/t Ag and 0.44 g/t Au over 1.10 metre.

The sulphide lens is complexly folded in the hinge of an overturned regional-scale synform. A layer of garnet gneiss with disseminated sulphides follows the flanks of this fold and appears to constitute a marker horizon that characterized the mineralized zone. Mineralization consists of pyrrhotite, sphalerite (blackjack), chalcopyrite, pyrite and galena (minor), in which quartz nodules float to form a durchbewegung texture. This mineralized zone lies at the contact between quartzofeldspathic gneiss (hangingwall) and intermediate gneiss (footwall). It is interpreted as a VMS metamorphosed deposit.

The sulphide lens is enclosed by gneiss containing biotite, garnet, gedrite, gahnite, pyrite, pyrrhotite, sphalerite, galena, staurolite, cordierite and other aluminum silicates. The gneiss is interpreted as the metamorphic equivalent of a hydrothermal alteration chimney (chlorite-sericite) related to the pre-metamorphic emplacement of a sulphide body, such as is typical of VMS mines in the Abitibi Greenstone Belt.

Diamond drill holes (17) and geophysics helped define the eastward extension of the mineralized zone over a distance of more than 1,200 metres and to a depth of 900 metres. The horizon is 50 metres thick and plunges gently (20°) to the southeast. In drill hole, Cominco Ltd obtained up to 0.96% Zn, 0.70% Cu, 42 g/t Ag and 0.22 g/t Au over 48.20 metres including 9.30% Zn, 5.50% Cu, 186 g/t Ag and 0.28 g/t Au over 0.95 metre (hole 4CW-92-1).

Bongard Showing

The Bongard showing occurs in column 30, row 9 of map sheet 32B05. It was discovered in 1991 by Cominco Ltd geologists who came across a gossan zone along the bed of a creek that drains into Lac Bongard. An outcrop, later stripped over an area of about 200 square metres, was located nearby. The exposure revealed paragneiss with particularly high concentrations of biotite and iron oxides, containing nodules of quartz veins. Gahnite was observed. The best grades from grab samples, as reported by Girard and Moorhead (1994), were up to 0.52% Zn, 0.35% Cu and 0.53 g/t Au. The analyses by Cominco Ltd yielded up to 0.30% Zn in grab sample, and 0.22% Cu over 0.50 metre, 21.00 g/t Ag over 1.20 metre and 0.70 g/t Au over 0.60 metre in channel samples.

Délaissé Showing

The Délaissé showing is positioned in column 23, row 9 of map sheet 32B05. It consists of a series of outcrops spread over a distance of 200 metres along access road N-806, several kilometres east of the bridge over Kekek River. These outcrops comprise quartzofeldspathic gneiss, mafic gneiss and slices of pyroxenite, which are associated with garnetiferous gneiss, pyrigarnites and metre-scale layers of rusty graphitic schist. Vermiculite and biotite pegmatite are also found in this area. The graphitic gneiss contains disseminated pyrrhotite and pyrite. Trace amounts of sulphides are also present in the pyrigarnites. The rocks yielded anomalies of 0.08% Zn, 0.2% Ba and 0.09% V.

Kekek Showing

The Kekek showing is positioned in column 18, row 12 of map sheet 32B05. It consists of a series of altered and veined rocks cropping out over more than 1 kilometre along the bed of Kekek River, immediately upstream of its confluence with Trevet River. The host rocks are alternations of quartzofeldspathic gneiss and mafic gneiss, near the contact zone between the Lac Témiscamingue Terrane and the Serpent Complex. The gneiss contains up to 10% disseminated pyrrhotite and pyrite. A swarm of decimetre-thick veins cut the gneiss in the southern part of the showing. The veins, coarse-grained and unfoliated, contain an average of 40% quartz, 35% feldspar, 10% white micas and 15% coarse pyrrhotite and pyrite. In the same area, the apple-green alteration zone affects the gneiss. They consist entirely of fine-grained epidote with nodules of quartz veins. Values of 0.06% Cu and 0.3% Ba were obtained.

Loupé Showing

The Loupé showing occurs in column 57, row 6 of map sheet 32B05, along a forestry road, east of Kekek River. It consists of a stockwork of quartzofeldspathic veins with carbonate minerals, white mica, pyrite and pyrrhotite. The host rock is garnetiferous mafic gneiss that was brecciated during vein emplacement. A gossan zone covers the outcrop area over a distance of roughly 20 metres. This altered zone resembles the Kekek showing in several ways.

Gagnon Zone

The Gagnon zone consists of a series of outcrops south of the Gagnon Siding station (column 43, row 29, map sheet 32C01). Observed at this location is a gneiss of variable composition and metre-scale banding with locally rusty areas. The bands consist of quartzofeldspathic gneiss, locally with disseminated sulphides, mafic gneiss, pyrigarnites, intermediate gneiss, a slice of glomeroporphyritic (plagioclase) anorthosite, a small pyroxenite body, and graphitic gneiss. Grades of 0.15% Ni were obtained.

Exploration Work on the Cadillac Extension Property in 2011

Cartier's exploration work in 2011 was divided into four phases: Beep Mat prospecting coupled with rock (grab) sampling; sampling of the secondary environment (till and humus); stripping followed by channel sampling; and drilling on the Langlade deposit.

The aim of this work was to determine the property's precious metal (Au, Ag) and base metal (Cu, Zn) potential.

Prospecting, Sampling and Beep Mat Program

Beep Mat prospecting and sampling in 2011 tested several ground electromagnetic conductors and airborne electromagnetic anomalies. In all, 50 samples were collected, 42 by dynamiting and 8 by hammer.

The best results of the program were 0.6 g/t Au, 24.2 g/t Ag, 0.3% Cu and 0.6% Zn.

Secondary Environment Sampling Program

The 2011 secondary environment sampling program had two parts: till sampling (108 samples) and humus sampling (299 samples).

Till sampling focused on two aspects: the northeast part of the property, which had not been included in the earlier survey of 2009, and a tightly spaced, up-ice follow-up on the result of 13.6 g/t Au obtained in the 2009 survey. Forty-five (45) till samples yielded gold values above 100 ppb, of which 9 were above 500 ppb. The highest gold grade of 4.3 g/t was obtained in the northeast part of the survey. The

numerous gold-in-till anomalies from the survey indicate that the sampled area is a priority target for gold exploration.

The humus sampling tested the potential for mineralization of several ground-based electromagnetic conductors across the property. Three conductors yielded anomalous gold values with the highest being 13 ppb Au; these conductors coincide with magnetic highs.

Stripping and Sampling Program

The stripping and channel sampling program carried out in the summer of 2011 had two parts: the restripping and enlargement of the Langlade surface exposure (609 channels), and the stripping of a mineralized zone discovered by prospecting near the Bongard showing (52 channels).

The enlarged Langlade surface exposure displays three mineralized zones: very coarse-grained massive pyrrhotite-sphalerite-chalcopryrite-pyrite yielding up to 53 g/t Ag, 10.1% Zn and 3.1% Cu over 3 metres; very coarse-grained disseminated to semi-massive pyrrhotite-sphalerite-chalcopryrite-pyrite with a best grade of 84 g/t Ag, 1.6% Zn and 3% Cu over 10 metres; and a highly altered, sulphide-poor zone of biotite-gedrite-garnet grading up to 109 g/t Ag and 0.9 g/t Au over 7 metres.

The stripping near the Bongard showing revealed a mineralized zone with disseminated pyrite, grading up to 0.4% Zn.

Ground-based Induced Polarization Geophysical Survey

An induced polarization survey of 12.5 kilometres was carried out in the summer of 2011 by the firm Abitibi Geophysics of Val-d'Or to investigate the lateral and depth extensions of Langlade mineralization. The conductive zone shows up well, indicating extensions to the northwest and northeast. A new conductive zone was detected south of the survey.

Drilling Program

A follow-up drilling program to investigate the Langlade deposit at depth was carried out in the fall of 2011. Ten (10) holes were drilled for a total of 1,238 metres and 1,013 samples were sent to the laboratory to determine their Au, Ag, Cu and Zn contents. In addition, all ten drill holes were scanned by the innovative Core Mapper™ system of Photonic Knowledge.

The 2011 drilling program was supervised by Philippe Berthelot with technical support from Ronan Deroff, geologist-in-training, and Henri Morissette, technician. The holes were drilled by the firm Forage Boréal Drilling using a hydraulic rig. Borehole deviations were measured with a Reflex instrument (Reflex Instruments) to determine azimuth, inclination and magnetism.

All holes intersected the three mineralized zones defined at surface. They cut the enriched zone over distances of 20 to 40 metres. In drill hole, the zone is visually very similar to the mineralization observed at surface.

The best results from the program are:

- 1.0% Cu, 2.0% Zn, 52 g/t Ag, 0.3 g/t Au over 10.3 metres included within 0.6% Cu, 0.9% Zn, 30 g/t Ag, 0.2 g/t Au over 37.7 metres (hole LAN-11-02)
- 1.0% Cu, 1.8% Zn, 97 g/t Ag, 0.6 g/t Au over 3.3 metres included within 0.6% Cu, 0.9% Zn, 30 g/t Ag, 0.2 g/t Au over 37.7 metres (hole LAN-11-03)

The Cu-Zn-Ag-Au mineralization observed to a vertical depth of 70 metres during the first phase of the drilling program is similar to that observed at surface. The excellent correlation between the surface

exposure and the massive sulphides in drill hole suggests the potential for additional mineralization at greater depth and to the northwest and south.

Sampling Method and Approach

Till (or Unconsolidated Deposit) Samples

The 108 sampling sites on the Cadillac Extension property were selected based on the type of unconsolidated deposits, the expected glacial dispersal pattern, the location of the till sample yielding 13.6 g/t Au, and the locations of geophysical conductors. The same field sampling protocol was systematically followed from one program to another.

Sampling was performed by a geologist who removed and described the material. The site's coordinates were obtained using a GPS (± 10 m) and positioned on a NTS-IV topographic map. The sampling site and the collected material were described on standardized data forms. The following features were recorded as part of the description: details of the location, drainage and topography, soil structure, the nature of erratic blocks and any outcrops, if present, the nature of any blocks on the deflation surface, the nature and lithological proportions of any blocks in the till, the grain size and texture of the sampled material, an interpretation of the type of material, and any other information concerning the sample's immediate surroundings.

Grab Samples

Grab sampling consisted of collecting 300 to 700 grams of rock from an outcrop after removing, at the site of collection, any weathered surfaces. Each grab sample was placed with its numbered identification coupon into a plastic bag and sealed with ties. A brief macroscopic description of the sampled rock was completed at the sampling site. The UTM coordinates were determined using a GPSmap 60CSx (GARMIN) and recorded in the device's memory for direct transfer into the database. Sample locations and identification numbers were marked on red flagging tape left at the outcrop.

Mineralized Block Samples

Sampling of mineralized blocks consisted of collecting, from glacial deposits, blocks of rock displaying mineralization or other significant features (alteration, specific minerals). As was the case for grab samples, each block was placed with its numbered identification coupon into a plastic bag and sealed with ties. A brief macroscopic description of the sample was completed at the sampling site. The UTM coordinates were determined using a GPSmap 60CSx (GARMIN) and recorded in the device's memory for direct transfer into the database. Sample locations and identification numbers were marked on red flagging tape attached to nearby boulders or bushes.

Channel Samples

Channel sampling was done using a rock saw. Channel widths were 2 to 3 centimetres on average, and 5 centimetres deep. Lengths were variable, depending on outcrop morphology and the size of the mineralized zone. As was the case for grab samples, each channel sample was placed with its numbered identification coupon into a plastic bag and sealed with ties. The UTM coordinates were determined using a GPSmap 60CSx (GARMIN) and recorded in the device's memory for direct transfer into the database. Sample locations and identification numbers were marked on red flagging tape left in the channel.

Drill Core Samples

Cartier uses a standard drill core sampling protocol whereby NQ-calibre core is sawed in half using a rock saw, with one half sent for analysis and the other half kept in the core box for future reference. The lithochemical samples, which are representative of particular units (altered or unaltered facies), consist of 30 centimetre segments. A general guideline was one sample for every 30 metres along the

drill hole with locally tighter sampling in areas of particular interest (e.g., presence of alteration or mineralization). Samples collected for metal assaying vary from 0.5 to 1.5 metres long. All samples were prepared by Cartier technical personnel and delivered directly to the ALS Minerals facilities in Val-d'Or ("ALS Chemex") and the Techni-Lab S.G.B. Abitibi Inc facilities ("Techni-Lab") in Sainte-Germaine-Boulé.

Sample Preparation, Analyses and Security

Till (or Unconsolidated Deposit) Samples

Samples of approximately 10 to 30 kg, depending on the facies, were processed at a heavy mineral concentrate laboratory. Concentrates from the fine fraction were chemically analyzed.

The laboratory's sample processing steps are as follows:

- Wet screening;
- Primary gravity separation on a shaking table;
- Secondary dry screening;
- Secondary gravity separation for the <250 µ fraction (Falcon);
- Chemical analysis of the heavy mineral concentrate from the Falcon; and
- Notes and comments about the process.

The laboratory's quality control steps are as follows:

- Various mass balance calculations;
- Analysis of light minerals in selected heavy mineral concentrates from the Falcon;
- Mass balance calculations applied to chemical analyses (Falcon);
- Insertion of internal reference materials (MRIMIL06 and quartz) into the sample stream for chemical analysis;
- Insertion of certified reference materials by the analytical laboratory;
- Analysis of duplicates by the analytical laboratory.

Grab Samples, Mineralized Blocks, and Channel Samples

Cartier implements quality assurance and quality control (QAQC) protocols for samples sent for gold analysis. The procedure ensures the security of samples between the initial sampling in the field and their receipt at the laboratory. Shipments are grouped into batches of 10 to 20 samples, including a standard, a blank (barren material), and a duplicate. The number of samples (10 or 20) depends on how many samples the laboratory analyzes at a time. The analytical results for standards and blanks are used to assess the quality of the results for each batch of samples.

The laboratories adhere to an internal quality control protocol. Analytical verification is carried out on pulp rejects of any samples yielding high values of Cu (>0.5%), Zn (>0.5%), Ag (> 20 g/t) or Au (>1 g/t).

Data Verification

The authors verified the available data documented in reports. Based on the information in work assessment reports, the sampling and analytical activities appear to have been conducted according to norms and standards employed at the time and still valid today.

Adjacent properties

Exploration Services Miniers Mecanex holds 25 mining titles, for a total surface area of 1,425 ha, in the central part of the Cadillac Extension property, around the Langlade deposit.

Ore Processing and Metallurgy Tests

Preliminary metallurgical testing performed by COREM

Cartier assigned COREM the mandate to study the nature of the economic minerals in six samples. The study also aimed to determine whether any particular difficulties could be expected regarding gold, silver, zinc or copper recovery for each of the three (3) mineralized zones taken from the Langlade surface exposure (massive sulphide zone, altered and mineralized zone, and altered and mineralized gneiss zone).

COREM's metallurgical study demonstrated that the type of mineralization at the Langlade deposit does not pose any ore processing difficulties for zinc and copper. The study revealed that sphalerite containing zinc and chalcopyrite containing copper are present in the mineralized samples as coarse grains with simple contacts. This mode of occurrence favors an easy release of the economical minerals by crushing.

The complete report by COREM is available on the Company's website.

Mineral Resource and Reserves Estimation

No resource or reserve estimation has been performed for the Cadillac Extension property.

Other relevant information

The MRNF's geological map of the region reveals relics of metavolcanics within the large metasedimentary domain. These metavolcanic rocks are often associated with magnetic highs and electromagnetic anomalies, as observed at the Langlade deposit. Such zones thus represent significant exploration targets for gold and/or base metal mineralization.

Interpretation, concept, conclusions and recommendations

The Cadillac Extension property has an excellent potential for precious (Au, Ag) and base metal (Cu, Zn) mineralization. The recommended exploration program focuses on extensions of the Langlade deposit, conductors within the favourable Langlade-Bongard belt of rocks, and new auriferous areas defined by the latest till survey.

The Langlade deposit has a strong Cu-Ag-Zn-Au-Pb polymetallic potential with local, highly enriched zones with grades up to 16.0% Zn, 5.5% Cu, 1,162 g/t Ag and 15 g/t Au. Mineralization consists of pyrite-pyrrhotite-chalcopyrite-bornite-sphalerite-galena. The zone is strongly folded (at least two phases of deformation). The flanks of these structures contain disseminated sulphide mineralization, whereas the fold hinges display thickening and mainly coarse-grained and semi-massive to massive sulphide mineralization. In order to understand the evolution of mineralization and to trace the enriched hinge zones, the exploration program should also include line cutting followed by ground geophysics. A drilling program is also recommended to test the best geophysical targets and the most sulphide-enriched zones.

The metal potential of the Bongard showing is evident by the many gold, silver, copper and zinc grades obtained in this area. The biotite-garnet alteration zones resemble those of the Langlade deposit. A line cutting program followed by ground geophysics is recommended to better understand the distribution of mineralized zones and locate pockets of sulphide enrichment. A drilling program should test the best targets identified by this work.

The gold results from the till survey indicate two new areas with gold potential in the eastern part of the property. Basic prospecting work is recommended for these areas, with follow-up of the best conductors by ground geophysics and drilling.

All bands of metavolcanic rocks on the Cadillac Extension property can be considered as favourable zones for finding metal deposits. Most of the enclaves are characterized by magnetic highs caused by the contrast with surrounding metasedimentary rocks bearing low magnetic signatures, and by the presence of numerous electromagnetic anomalies. It is suggested that an induced polarization survey be carried out over small grids to target conductive zones with potential for gold and massive sulphide mineralization.

Recommended Work

<u>Compilation-geology</u>		<u>\$20,000</u>
<i>Geological and geophysical compilation of new claims</i>		
<i>Planning of drill targets on Langlade (stripping and 3D modelling)</i>		
<i>Planning of drill targets for the rest of the property</i>		
<u>Prospecting</u>		<u>\$90,000</u>
<i>Beep Map prospecting and sampling of new claims</i>		
<i>Mapping along cut lines</i>		
<u>Geophysics</u>		<u>\$44,000</u>
<i>Phase 1: identify and detail ground EM anomalies</i>		
Langlade (1 grid)		
<i>Line cutting</i>	90 km at \$600/km	\$54,000
<i>IPower survey</i>	20 km at \$5,000/km	\$100,000
<i>Magnetic survey</i>	70 km at \$60/km	\$4,600
	<u>Subtotal:</u>	<u>\$158,600</u>
At the scale of the property (7 grids)		
<i>Line cutting</i>	120 km at \$600/km	\$2,000
<i>IP surveys</i>	90 km at \$1,200/km	\$108,000
<i>Magnetic surveys</i>	90 km at \$60/km	\$5,400
	<u>Subtotal</u>	<u>\$185,400</u>
<u>Drilling</u>		<u>\$780,000</u>
<i>Phase 1: testing of EM conductors and 3D modelling = 5,200 m</i>		
Langlade: 15 holes	2,800 m at \$150/m	\$420,000
West area: 2 holes	400 m at \$150/m	\$60,000
Northeast area: 5 holes	1,200 m at \$150/m	\$180,000
Southeast area: 2 holes	400 m at \$150/m	\$60,000
Bongard: 2 holes	400 m at \$150/m	\$60,000
<u>TOTAL</u>		<u>\$1,234,000</u>

INFORMATION ABOUT THE DOLLIER PROPERTY

The following section was reproduced from a technical report for the Dollier property, issued in accordance with the requirements of Regulation 43-101 respecting Standards of Disclosure for Mineral Projects and prepared by Philippe Berthelot, geologist, and Raphaël Douture, geologist-in-training (the “**authors**”), dated November 29, 2011 (hereinafter the “**Dollier Technical Report**”). The Dollier Technical Report is available on www.sedar.com.

Access, Climate, Local Resources, Infrastructures and Physical Geography

The Dollier property is situated in the James Bay region, about 45 kilometres south of Chibougamau and about 400 kilometres northeast of Val-d'Or. These towns have mining vocations, with qualified labour, contractors and mining services available.

The property is easily accessible from provincial highway 167 linking Chibougamau and Lac Saint-Jean, by turning east onto a forestry road about 45 kilometres south of Chibougamau. The forestry road leads to the Corner Bay project of Nuinsco Resources Ltd. From there, several logging roads lead to the Dollier property. The property is part of the Chibougamau mining camp, which includes the former Lemoine mine just 10 kilometres to the north (historical production of 758,060 t @ 9.56% Zn, 4.20% Cu, 4.54 g/t Au and 83.85 g/t Ag).

The Canadian National (CN) Lac St-Jean – Chibougamau railroad line passes just 12 kilometres from the property.

The area occurs at the boundary between the Grenville and Abitibi geological subprovinces of the Canadian Shield. The Boisvert River, which drains many small tributaries along its length, crosses the property, which also covers the southern part of Lac Dollier, Lac de la Poulie, and extends beyond the west end of Lac Pit.

Elevations on the property range from 400 to 450 metres above sea level. A layer of Quaternary lacustrine deposits, consisting of clay, covers most of the Precambrian bedrock. Previous diamond drill holes indicate an overburden thickness between 0 and 13 metres on the property.

The forest cover, consisting of stands of balsam fir with white birch and balsam fir with yellow birch, is present everywhere and exploited commercially.

Based on Environment Canada statistics, from 1971 to 2000, the region was characterized by a mean daily temperature of -0.5°C. The month of July has an average temperature of 16.1°C, whereas the month of January averages -19.4°C. The extreme minimum recorded temperature was -44.5°C, whereas the highest recorded temperature was 33.8°C. The average annual precipitation of water is 53 mm. The month of September receives the highest average precipitation with 125 mm of water, and the months that receive the least are January and December with averages of 1 mm. Snow falls from September to May with the highest amounts from November to March (277 mm water).

History

General

The first official exploration of the region dates back to 1870. James Richardson, of the GSC, discovered mineral showings near Lac Chibougamau. Other expeditions confirmed the area's mineral potential, but it was only in 1904, under the initiative of Peter McKenzie and the French engineer Joseph Obalski, that mining began.

Ministerial and Academic Work

In addition to various reports documenting mapping work carried out by the *Ministère de l'Énergie et des Ressources* (MER), two other relevant documents are available from the *Ministère des Ressources naturelles et de la Faune* (MRNF) pertaining to government activities in the region. The first, DP 079, provides maps for an airborne INPUT MK V survey flown over the region in 1972 by Questor Surveys Ltd for the MER. The second, EP 2006-01, is a study published in 2006 on the orogenic gold potential of Archean rocks in the Abitibi, the results of which led to the staking of the first cells on the property.

Work by Mining and Mineral Exploration Companies

This section lists the exploration work carried out by mining and mineral exploration companies.

1974 Rio Tinto Canadian Ltd conducts airborne magnetic and electromagnetic surveys (GM 30323).

1974 Exploratech Ltée conducts a ground magnetics survey totalling 16.1 kilometres for Falconbridge Copper Ltd (GM 30567).

1975 Pierre Dumont of Falconbridge Copper Ltd carries out a ground electromagnetic survey using a RADEM receiver on the 74-A property. The survey, totalling 83.7 kilometres, reveals numerous conductive zones (GM 31727). Mr. Dumont writes a report on the RADEM and magnetometric surveys and concludes that a formational conductor (conductor A) crosses Group 3 on the property along its entire length in a N30 to N40°E direction. This conductor coincides with a magnetic anomaly (GM 31728). Jean Bélanger publishes a geological report on Group 3, focusing on the general geology, structural geology, petrography and economic geology. He recommends drilling several of the conductive zones (GM 31729).

1976 Falconbridge Copper Ltd. drilled five (5) holes on the 74-A property. All holes targeted the conductors coinciding with magnetic anomalies. Hole 74A-12 (563474E; 5503592N) intersected 1.1 g/t Au over 2.4 metres. Significant gold grades were obtained from a felsic phase of a hornblende-garnet schist, with 15% pyrite. Hole 74A-14 (564949E; 5503861N) graded 0.2% Cu over 0.3 metre in a granitic rock with 5% pyrrhotite and traces of chalcopyrite. Hole 74A-17 (564278E; 5503500N) yielded 0.15% Cu and 3.43 g/t Ag over 0.3 metre in intermediate to felsic metatuffs, with 10-15% pyrrhotite and a chalcopyrite veinlet (GM 33137).

Work by Cartier from 2007 to 2010

2007 Cartier carries out a rock sampling program on the Dollier property, producing 61 samples. The samples were analyzed for major elements (44) and metals (17). No anomalous values were obtained (GM 63542).

2008 Cartier completes a Beep Mat prospecting program focused on discovering mineralized horizons. Grab samples yielded anomalous gold values, with one sample grading 1 g/t Au (GM 64437).

2009 Cartier carries out a helicopter-borne Mag-EM survey totalling 530 kilometres, followed by a sampling program producing 128 samples for metal assaying. The potential for gold mineralization is confirmed with three (3) channel samples returning 1.62 g/t Au over 1.1 metre, 4.33 g/t Au over 0.7 metre, and, as the best grade, 9.17 g/t Au over 1.1 metre. The prospecting program also uncovers other mineralized copper and zinc mineralized zones yielding 0.14% Cu over 1 metre, 0.19% Cu over 1 metre, 0.51% Zn over 0.8 metre, and 0.56% Zn over 1 metre. Following the prospecting program, four (4) areas are stripped, revealing a mineralized zone oriented N60° and 5 metres wide by 30 metres long. A total of 229 samples for metal assaying are collected, among which the best grades are 7.94 g/t Au over 1 metre, 7.08 g/t Au over 1 metre, 3.62 g/t Au over 2 metres and 3.50 g/t Au over 1 metre (GM 65068 and GM 64860).

2010 Cartier completes a prospecting and sampling program that produces 62 samples for metal assaying. A grab sample returns 1.38 g/t Au from one of the 2009 strippings. Following this prospecting work, six (6) areas are stripped and sampled, producing 164 samples for metal assaying. The surface exposures reveal the eastward continuation of the mineralized zone with 2.08 g/t Au over 1.1 metre, and the westward continuation with 3.59 g/t Au over 1.1 metre. The 2009 strippings are partially resampled, producing 87 channels analyzed for their metal content, with grades of 2.69 g/t Au over 1.3 metre, 2.17 g/t Au over 1.0 metre, and 1.08 g/t Au over 0.7 metre (GM 65866). The same year, Cartier's induced polarization survey of 20 line-kilometres generates five anomalies.

Stripping

Following the prospecting and sampling work of June 2010, Cartier decided to strip the best geophysical targets. The work was carried out in August 2010 by the company Nord-Fort Inc. Six (6) sites were stripped on mining titles 2136503 and 2136504 for a total surface exposure of about 2,062 m². In all, 241 samples were collected from channels on all six (6) stripped outcrops.

The immediate objective was to test the best geophysical targets along the continuation of zones that had been stripped in 2009, in order to determine the extent of the mineralized gold zone and better characterize the mineralization. The overall goal was to improve the geological understanding of the area and discover new mineralized zones.

The program was successful in revealing anomalous gold values in many channels on stripping No. 7. The best grades were 2.08 g/t Au over 1.1 metre, 611 ppb Au over 3 metres, and 572 ppb Au over 1.55 metres. At the same time, strippings Nos. 1, 2 and 3 were resampled, confirming their gold potential, particularly at the No. 1 site. Grades were 2.7 g/t Au over 1.3 metre, 2.17 g/t Au over 1 metre, and 1.08 g/t Au over 0.7 metre at stripping No. 1, 779 ppb Au over 0.95 metre at stripping No. 2, and 837 ppb Au over 0.5 metre and 609 ppb Au over 0.6 metre at stripping No. 3.

Mapping and channel sampling were successfully carried out on stripping No. 4 during May, 2010 after proving impossible in the winter of 2009-2010. Gold mineralization was confirmed by non-negligible grades of 3.59 g/t Au over 1.1 metre, 0.87 g/t Au over 1 metre, 0.78 g/t Au over 0.9 metre, and 0.71 g/t Au over 1 metre.

Geological Setting

Regional Geology

The Dollier property lies at the boundary between the Chibougamau segment in the Abitibi Subprovince, and the Parautochthonous Domain of the Grenville Province. These two major geological entities are separated by the Tectonic Zone of the Grenville Front. The stratigraphy of the Chibougamau segment comprises two groups: the volcanics of the Roy Group at the base of the sequence, and the sediments of the overlying Opemisca Group.

The Roy Group is divided into two volcanic cycles. The first at 2720-2730 Ma comprises the submarine plain of glomeroporphyritic basalts forming the Obatogamau Formation, interstratified or covered by subaqueous intermediate to felsic volcanics (Lemoine member) and volcanoclastics (Queylus member) of the Waconichi Formation dated at 2730 ± 2 Ma. The emplacement of the Lac Doré Complex at 2728 ± 1 Ma was synchronous with this episode. The second volcanic cycle comprises aphyric basalts of the Gilman Formation overlain by the Blondeau Formation, composed of sedimentary and intermediate to felsic volcanoclastic rocks.

These units are overlain by the Opemisca Group at the base of which is the Stella Formation characterized by epiclastic sediments derived from the erosion of earlier volcanic edifices. At the summit of the sequence, the Haüy Formation comprises fluvial and marine sediments intercalated with shoshonitic intermediate lavas.

In the southern part of the property, syntectonic tonalites and granodiorites of the Boisvert Pluton, dated at 2697 ± 3 Ma, are associated with Kenorean deformation (interpreted age of 2705 to 2690 Ma).

Metamorphic grade reached mid- to upper amphibolite facies. Moreover, the Tectonic Zone of the Grenville Front is interpreted as a major discontinuity. This zone is characterized by NE foliation, SE-plunging lineations, and NNE faults synchronous with the Grenville Orogeny. In this tectonic zone, metamorphic intensity increases from west to east either abruptly or gradually. The rocks of the Parautochthonous Domain are the extensions of units belonging to the Abitibi Subprovince.

Local Geology

The Dollier property overlaps the contact between the Boisvert Pluton and the Roy Group volcanics. From south to north, the main rock units are:

- The tonalitic to granodioritic Boisvert Pluton, which occupies the southern and southeast parts of the property;
- Pillowed to massive glomeroporphyritic basalts of the Obatogamau Formation, which represent the dominant lithology on the property;
- The Waconichi Formation, characterized by pillowed, brecciated and massive basalts and by rhyodacites, porphyritic dacites and intermediate to felsic volcanics;
- The Gilman Formation composed mainly of pillowed, brecciated and massive basalts.

Two synclines fold the units in the north and northwest parts of the property. The structural pattern is characterized by numerous NE-trending faults, which crosscut all the units of the property. Metamorphism reached mid- to upper amphibolite facies.

Mineral Deposit Types

The type of mineral deposit on the Dollier property is atypical for the Abitibi because it is associated with rocks that reached amphibolite facies metamorphism. Mineralization at Dollier is associated with the Boisvert Deformation Zone, which may represent the extension of the Palmer-Tippecanoe Deformation Zone. The metallic association of Au-Ag-Cu-Zn in massive sulphides suggests volcanogenic-type massive sulphides. The Lac Delinel gold showing, on the other hand, may correspond to vein-type orogenic gold.

Mineralization

Two mineralized showings are present in the Lac Delinel area. The mineralization consists of disseminated pyrite + pyrrhotite ± sphalerite ± chalcopyrite ± magnetite. It is generally found as concordant bands with thin layers of tuff and graphitic shale, intercalated with basalts of the Obatogamau Formation. These horizons are locally crosscut by tonalite dykes and offset by E-W faults associated with the Boisvert Deformation Zone. Veins of quartz and pyrrhotite are also present in the mineralized zones. Alteration associated with the sulphides consists of carbonate minerals, sericite and silica.

Showings on the Property

Lac Delinel Gold Showing

The Lac Delinel gold showing was intersected in hole 74A-12 drilled by Falconbridge Copper Ltd in 1976. The hole graded 1.10 g/t Au over 2.4 metres. Alteration at the showing was metamorphosed to amphibolite facies and is represented by an assemblage of graphite, manganiferous garnet, sodic amphibole, and potassium feldspar. In thin section, the appearance of garnet overprints the main fabric of (presumed) Archean age. The garnets are affected by late chloritic microfractures. The cores of some garnets contain sulphides.

Lac Delinel East Showing

The Lac Delinel East showing comprises mainly base metal mineralization. The best channel samples graded 0.57% Zn, 0.15% Cu over 1 metre and 0.18% Zn, 0.19% Cu over 1 metre. The fact that disseminated sulphides yielding polymetallic grades are distributed in concordant layers within a volcano-sedimentary sequence suggest the mineralization is of volcanogenic origin.

Cartier Showing

The Company's channel sampling and stripping work demonstrates the significant gold potential for the Cartier showing, with grades of 9.17 g/t Au over 1.1 metre included in a wider zone grading 3.85 g/t Au over 3.2 metres, and on the same surface exposure, 7.94 g/t over 1 metre, 7.08 g/t over 1 metre, 3.62 g/t Au over 2 metres and 3.50 g/t Au over 1 metre. The mineralized zone is a layer of semi-massive to massive sulphides consisting mainly of pyrite-pyrrhotite and lesser amounts of chalcopyrite and sphalerite, contained in mafic lavas.

Exploration Work on the Dollier Property in 2011

The main objective of the prospecting program was to determine the extent and nature of gold mineralization discovered during stripping work in the the fall of 2009. Work also focused on discovering new mineralized horizons and running Beep Mat traverses across the property. The prospecting and sampling work were carried out under the direction of Philippe Berthelot, senior geologist and vice-president of Cartier, assisted by Guillaume Estrade and Ronan Deroff, geologists in training with Cartier, Henri Morissette, prospector for Cartier, and Nicolas Bonté, stagiaire in the employ of Cartier at the time.

A total of 62 prospecting samples were collected and analyzed for their metal content and 11 litho-geochemistry samples were analyzed for major elements. Of the samples sent for gold analysis, 41 were grab samples and 21 were from channels.

Among these 62 samples, 9 yielded gold values above 100 ppb, including one (1) that exceeded 1.00 g/t Au (1.38 g/t Au for a grab sample).

Drilling

The only exploration work in 2011 on the Dollier property was a drilling program with the main objective of characterizing at depth the gold mineralization previously exposed by the Company's 2009-2010 stripping work, and to test the eastern and western extensions of mineralization on both sides of the stripped areas. The following sections summarize the drilling work on the property and the highlights.

From March to August 2011, Cartier drilled 29 diamond drill holes on the Dollier property for a total of 3,275 metres. The drilling work followed up on the Company's stripping and channel sampling work carried out over the last two years, leading to the discovery of numerous surface gold showings. The holes tested many geophysical and geological targets, most of them induced polarization anomalies but also some electromagnetic anomalies identified by a helicopter-borne survey, and massive sulphide mineralization in a ductile deformation zone. Almost all the holes were drilled in the area of the Lac Delinel East strippings.

The NQ-calibre holes were drilled by the firm Forage Boréal Drilling using a hydraulic rig. Field access and the environmental and geological aspects were supervised by Cartier.

All drill core samples were sawed by one of the Company's team members at a coreshack in Chibougamau.

Borehole deviations were measured using a single-shot Reflex instrument (Reflex Instruments) to determine azimuth, inclination and magnetism.

The 29 holes of the program were drilled along a general azimuth of N340° with an inclination of 45° or 75°. The holes were spread in a NE-SW direction parallel to the Main gold zone and to conductive horizons identified by induced polarization.

The drilling program was carried out in two phase: holes DO-11-01 to DO-11-20 and hole DO-11-23 were drilled between March 14 and April 19, 2011. Holes DO-11-21 and 22 and holes DO-11-24 to DO-11-28 were drilled over a period from July 12 to August 28, 2011.

The first phase of drilling intersected a gold zone that could be traced for 400 metres along the Company's stripped areas. Mineralization consisted of disseminated or massive pyrite-pyrrhotite, occasionally accompanied by traces of chalcopyrite. This mineralization is hosted in sericitized and silicified garnetiferous amphibolite. The intersections occurred within the first 50 metres and yielded the following best grades: 1.05 g/t Au over 3.95 metres including 2.44 g/t Au over 1.05 metre (DO-11-01); 1.00 g/t Au over 7.45 metres including 6.65 g/t Au, 7.30 g/t Ag and 1% Cu over 0.30 metre (DO-11-11); and 1.07 g/t Au over 13.25 metres including 11.92 g/t Au over 1.00 m (DO-11-03).

The second phase of drilling, which investigated the same area at depth, also intersected garnetiferous amphibolite characterized by sericite, carbonate and silica alteration. Mineralization was enclosed in alteration zones containing small amounts (several %) of pyrite and pyrrhotite. Trace amounts of chalcopyrite were locally observed. The main objective of this phase of the drilling program was to intersect, at about 100 metres, the gold zone cut by winter drill holes. The horizon was intersected at an overall depth of 110 metres and yielded the following best grades: 0.64 g/t Au over 17.00 metres including 3.7 g/t Au over 1.50 metre (DO-11-25); and 0.46 g/t Au over 47.80 metres including 4.12 g/t Au over 4.30 metres, in turn including 13.05 g/t Au over 1.20 metre (DO-11-26).

Sampling Method and Approach

Grab Samples

Grab sampling consisted of collecting 300 to 700 grams of rock from an outcrop after removing, at the site of collection, any weathered surfaces. Each grab sample was placed with its numbered identification coupon into a plastic bag and sealed with ties. A brief macroscopic description of the sampled rock was completed at the sampling site. The UTM coordinates were determined using a GPSmap 60CSx (GARMIN) and recorded in the device's memory for direct transfer into the database. Sample locations and identification numbers were marked on red flagging tape left at the outcrop.

Channel Samples

Channel sampling was done using a rock saw. Channel widths were 2 to 3 centimetres on average, and 5 centimetres deep. Lengths were variable, depending on outcrop morphology and the size of the mineralized zone. As was the case for grab samples, each channel sample was placed with its numbered identification coupon into a plastic bag and sealed with ties. The UTM coordinates were determined using a GPSmap 60CSx (GARMIN) and recorded in the device's memory for direct transfer into the database. Sample locations and identification numbers were marked on red flagging tape left in the channel.

Drill Core Samples

Cartier uses a standard drill core sampling protocol whereby the NQ-calibre core is sawed in half using a rock saw, with one half sent for metal assaying and the other half kept in the core box for future reference or sent for lithochemical analysis. The lithochemical samples, which are representative of particular units (altered or unaltered facies), consist of 15 to 20 centimetre segments collected from the units of interest. Samples collected for metal assaying are 30 to 150 centimetres long. All samples were prepared by Cartier personnel. Samples for metal assaying were first sent to the *Table Jamésienne de Concentration Minière* in Chibougamau where they were crushed to a fine powder, and then shipped to

the Techni-Lab–ActLabs facilities in Sainte-Germaine-Boulé for chemical analysis. Lithogeochemical samples were delivered directly to the ALS Chemex facilities in Val-d’Or.

Sample Preparation, Analyses and Security

Grab Samples, Mineralized Blocks, and Channel Samples

Cartier implements quality assurance and quality control (QAQC) protocols for samples sent for gold analysis. The procedure ensures sample security between initial field sampling and final receipt at the laboratory. Shipments are grouped into batches of 20 to 40 samples, including a standard, a blank, and a duplicate. The number of samples (20 or 40) depends on how many samples the laboratory analyzes at a time. The analytical results for standards, blanks and duplicates are used to assess the quality of the results for each batch of samples.

A total of 303 samples plus 55 quality control (QAQC) samples were analyzed for Au-Ag and some for Cu-Zn at the Techni-Lab facilities in Sainte-Germaine-Boulé, and for 35 other elements at the ALS Chemex laboratory in Val-d’Or. Techni-Lab employed a conventional fire assay method with atomic absorption finish for determining gold (Au 30g). The methods used at the ALS Chemex laboratory were aqua regia digestion and ICP-AES for the 35-element suite, and fire assay with atomic absorption finish for gold (Au 30g). Both laboratories apply an internal quality control protocol to their analyses. Analytical verification was performed at each laboratory on the pulp rejects of any samples yielding high values of copper (>5,000 ppm Cu), zinc (>5,000 ppm Zn), silver (> 20 g/t Ag) or gold (>1,000 ppb Au).

Nineteen (19) lithogeochemistry samples were also analyzed at ALS Chemex for major elements by lithium tetraborate fusion and XRF, and trace elements by XRF.

A total of 1,608 samples plus 284 quality control (QAQC) samples were analyzed for their Au-Ag-Cu-Zn contents and 947 samples plus 165 quality control (QAQC) samples were analyzed for their Au-Ag contents, all at the Techni-Lab / ActLabs facilities in Sainte-Germaine-Boulé. The laboratory employed the conventional method of fire assay with atomic absorption finish (Au 50g), and adheres to an internal quality control protocol regarding its analyses. Analytical verification was performed by the laboratory on the pulp rejects of any samples yielding high values of copper (>5,000 ppm Cu), zinc (>5,000 ppm Zn), silver (> 20 g/t Ag) or gold (>1,000 ppb Au).

In addition 488 lithogeochemistry samples were sent to ALS Chemex for major element determination by lithium tetraborate fusion and XRF analysis, and trace elements by XRF.

Data Verification

The authors verified the available data documented in reports. Based on the information in work assessment reports, the sampling and analytical activities appear to have been conducted according to norms and standards employed at the time and still valid today.

Adjacent properties

A number of companies hold mining titles near the Dollier property, but few have been significantly worked. SOQUEM is conducting exploration work immediately northeast of the Dollier property. Cogitore Resources is exploring five kilometres north of the Dollier property, along the belt of rocks hosting the former Lemoine mine.

Ore Processing and Metallurgy Tests

No metallurgical or ore testing was performed for the Dollier property.

Mineral Resource and Reserves Estimation

No resource or reserve estimation has been performed for the Dollier property.

Other relevant information

The property covers target #132 of the study by Lamothe and Harris (EP2006-01). The aim of the study was to determine the locations of high-favourability zones for orogenic-type gold mineralization in the Abitibi.

Interpretation, concept, conclusions and recommendations

The drilling program revealed a main gold zone, continuous for more than 400 metres, contained within a kilometre-scale mineralized horizon. The main gold zone cut by the drill holes is oriented N60° - N65° with a moderate dip of 65° in the first 50 metres of vertical depth, and is about 5 metres thick. At depth, the main gold-bearing horizon displays notable variations in mineralized zone thickness and sulphide content. Analytical results demonstrate, in particular, a distinct thickening of the mineralized zone at depth with the appearance of low-grade auriferous envelopes around the mineralized zone with higher gold grades.

Vectors for gold mineralization, correlated with analytical results, provided evidence of a strong gold enrichment at depth in the western part of the study area.

Mineralization is present mainly as disseminated to semi-massive sulphides, with moderate concentrations of 3 to 25% sulphides at drill sites. Mineralization observed in drill core is 70% pyrite, often accompanied by pyrrhotite (30%) and sporadic traces of chalcopyrite.

Significant gold grades (>500 ppb) are mostly correlatable with the appearance of sulphides and spatially related to zones of alteration. Nonetheless, some non-negligible gold values in amphibolite cannot be explained by either alteration or mineralization. Some silver, copper and zinc values were also obtained, and the copper anomalies were consistently associated with the presence of chalcopyrite.

Upcoming work should address two objectives: investigate the mineralization at depth and delineate its extensions. It is thus proposed to focus on enlarging the grid of the induced polarization (IP) survey on either side of the current grid, and drill new holes at depth under the known zone and at the sites of the best anomalies revealed by the new IP survey.

Test lines for humus and till surveys are recommended at the site of the Guillaume showing. If the results are positive, other surveys of this type could be carried out in areas of the property with considerable overburden cover.

RECOMMENDED PROGRAM:

The latest work demonstrates the westward continuation and enrichment of gold grades within the main shear zone. Cartier plans on enlarging the area of investigation on the gold zones by extending the IP survey beyond the auriferous shear zones and continuing to drill-test the enriched parts of the main zone.

Recommended program

Compilation-geology:

Geology follow-up

Delineation of gold drill target

\$10,000

Detailed geophysics:

IP survey + line cutting (50 km at \$1,800/km)

\$90,000

Stripping work:	
Channel sampling (10 days at \$5,000/day)	\$50,000
Prospecting of the western part	\$10,000
Geochemical survey (humus and tills)	\$10,000
Drilling program:	
Extension of the main zone (1,500 m at \$150/m)	\$225,000
Total budget	\$395 000

INFORMATION ABOUT THE DIEGO PROPERTY

The following section was reproduced from a technical report for the Diego property, issued in accordance with the requirements of Regulation 43-101 respecting Standards of Disclosure for Mineral Projects and prepared by Philippe Berthelot, geologist, and Raphaël Douture, geologist-in-training (the “**authors**”), dated March 12, 2012 (hereinafter the “**Diego Technical Report**”). The Diego Technical Report is available on www.sedar.com.

Description and Location of the Property

The mining titles comprising the Diego property straddle NTS map sheets 32G11 and 32G06 in the Drouet, Gradis, Lescure and Druillettes townships. The property consists of 88 mining claims for a total surface area of 49.06 km².

The Diego property is currently registered 100% in the name of Cartier (stakeholder number: 80277) on GESTIM (the claim management system of the *Ministère des Ressources naturelles et de la Faune du Québec*, <https://gestim.mines.gouv.qc.ca>).

Environmental Obligations

There is no particular environmental obligation in order to carry out exploration work on the mining titles, other than adhering to the laws and regulations relating to exploration by obtaining the appropriate permits from the Department of Forest for line cutting and trail access. In addition, Cartier must obtain, from the MRNF, all required authorizations to execute diamond drilling and outcrop stripping work when such work is necessary, and a deforestation permit is also required if the aforementioned exploration activities are to be carried out.

Access, Climate, Local Resources, Infrastructures and Physical Geography

The Diego property is situated about 50 kilometres southwest of the towns of Chapais and Chibougamau and about 400 kilometres northeast of Val-d’Or. These towns have mining vocations, with qualified labour, contractors and mining services available.

The property is easily accessible from highway 113 linking Louvicourt and Chibougamau. At about 20 kilometres east of Chapais (at the Barrette plant), a forestry road heads south for 40 kilometres before joining up with a road heading east to the northwest boundary of the property. This same road traverses the property over almost its entire length and is itself crossed by many secondary roads providing access to most of the project’s land.

The landscape is a peneplain with elevations ranging from 340 to 360 metres above sea level. A layer of glacial Quaternary deposits, consisting of thin till and thick fluvioglacial deposits, thoroughly covers the Precambrian bedrock except for outcropping high points.

The forest cover, at the boundary between the balsam fir and white birch domain to the north and the balsam fir and yellow birch domain to the south, is present everywhere and logged commercially.

Previous diamond drill holes indicate an overburden thickness between 0 and 16 metres on the property.

Based on Environment Canada statistics, from 1971 to 2000, the region was characterized by a mean daily temperature of -0.5°C. The month of July has an average temperature of 16.1°C, whereas the month of January averages -19.4°C. The extreme minimum recorded temperature was -44.5°C, whereas the highest recorded temperature was 33.8°C. The average annual precipitation of water is 53 mm. The month of September receives the highest average precipitation with 125 mm of water, and the months that receive the least are January and December, with averages of only 1 mm. However, July is the month with the highest daily amount of precipitation with 68 mm of water. Snow falls from September to May with the highest amounts from November to March (277 mm water).

History

This section summarizes the past exploration work carried out in whole or in part on the Diego property.

- SEREM drilled 26 holes in 1967 and 1968 with a best result of 0.42% Cu over 3 metres (hole B3) in a quartz-carbonate breccia with 50% pyrrhotite and traces of pyrite and chalcopyrite. In 1970, seven holes were drilled without any significant results.
- In 1977, Falconbridge drilled 10 holes without any significant results.
- Between 1986 and 1988, Esso Minerals Canada drilled at least 43 holes, which yielded the best gold grades from the area.
- In 1988, Orbite Exploration VSPA Inc. drilled 14 holes with the best being GD-2, which encountered 1.01 g/t Au over 1.68 metre in siliceous tuffs with quartz veins containing disseminated pyrite and pyrrhotite.
- Finally, in 1996, SOQUEM drilled two holes with significant results.

An overburden borehole program carried out by Esso Minerals in 1986 (GM 44071 and GM 44564) detected highly anomalous gold values. Follow-up diamond drilling work (GM 45676, GM 48402 and GM 48055) yielded a number of anomalous values associated with sheared felsic quartz-feldspar-phyric intrusions altered by sericite. Grades, however, were subeconomic.

Very little drilling has been done on the north side of the main fault. The only drilling program by Esso Minerals in this area (GD-27) intersected 0.5 g/t Au over 1.5 metre in a vein of quartz-feldspar-carbonate-pyrite injected in alternating mafic volcanic and sedimentary rock layers. A few holes were drilled in the eastern part of the project where a value of 1 g/t Au over 1.6 metres was intersected in Esso's hole LB-1, associated with a shear zone and intense alteration. In 1967, in the eastern part of the property, SEREM discovered concordant massive sulphides (90% pyrite-pyrrhotite-chalcopyrite-sphalerite) over 1.2 metre in a chloritized tuff above a rhyolite dome (Lac Bernard-West showing, hole F1). It appears to represent a VMS system. The mineralization is anomalous in silver (13.7 g/t over 0.7 m), gold (0.34 g/t over 0.1 m), and zinc (0.2% over 0.1 m).

During the various drilling programs, several other types of work were being carried out in the Diego property area from the 1960s to 1990.

1966: An electromagnetic survey is conducted on the Druillettes and Drouet townships (GM 20878) by Prospecting Geophysics Ltd for BRGM Abitibi (SEREM). A number of conductive zones are identified, often associated with a series of magnetic anomalies. The distinction between anomalies caused by graphitic bodies and those caused by sulphide mineralization proves to be difficult.

The magnetic and conductive zones may be partly related to graphitic schists and gabbro dykes. Other zones display characteristics of sulphide-type mineralization. The associated conductors and anomalies appear to be distributed in a NW-SE direction at the regional scale.

1976: Electromagnetic (EM), magnetic and gravimetric surveys are performed on the Druillettes, Gradis and Drouet townships (GM 32827) for Falconbridge Nickel Mines Ltd. A total of 67.71 miles (109 km) of electromagnetic survey, 68.73 miles (110 km) of magnetic survey, and 262 gravity measurements are carried out along the lines where the best anomalies (EM) had been found.

Many anomalies are located, but few are characterized as first order targets. The gravity survey did not, among other things, display evidence of mass anomalies related to sulphide concentrations.

1981: A magnetometric survey and a very low frequency survey (VLF) are completed on Drouet Township by the *Société de Développement de la Baie James* (hereinafter “**SDBJ**”) (GM 37581).

The magnetometric survey reveals two anomalies that may correspond to magnetic lava units or gabbroic sills. The VLF survey highlights numerous conductive axes parallel to the observed layering.

1982: The SDBJ maps the VLF anomalies from the year before at a scale of 1: 2500 (GM 39349).

The magnetic anomalies are explained by an outcrop of magnetic gabbro. Beds of massive sulphides (pyrite and pyrrhotite) in schistose lavas explain the strong VLF conductors. The abundance of VLF conductors on the property may be explained by the many graphitic horizons.

The SDBJ also carries out a magnetometric survey and a very low frequency (VLF) survey on the Gradis Township (GM 39368).

1984: Cdi Survey Inc. conducts a magnetic survey on the Drouet and Guercheville townships for Orbite Exploration VSPA Inc. (GM 42226). A number of anomalies are identified in the southern part of Drouet Township.

1985: The company Géophysique Géologique completes a VLF survey and a magnetic survey for Orbite Exploration VSPA Inc. in the Drouet, Guercheville and Gradis townships (GM 42554). The VLF survey reveals 174 anomalies, of which 81 are classified as being of interest. The magnetic anomalies are generally associated with the VLF anomalies.

The same year, an induced polarization survey is performed in the Drouet and Gradis townships following the results of the magnetic and VLF surveys. Twenty-nine (29) anomalies are revealed, of which a dozen are classified as being of primary importance (GM 42759 and 42760).

A prospecting program by SOQUEM produces a grab sample grading 10.4 g/t Au from an outcrop located on the western shore of Lac Bernard. In addition, SOQUEM maps a felsic volcanic unit oriented east-west and measuring 600 to 1,000 metres thick, roughly coinciding with a regional INPUT anomaly and likely constituting the western extension of the Lac des Vents volcanic complex.

1986: Esso Minerals Canada carries out an induced polarization survey on the Drouet and Gradis townships. Two anomalous east-west bands completely traverse the Esso Minerals property, and are interpreted as parallel major fault zones. Six (6) large anomalous zones are identified on these two bands, and evaluated as preferential drill targets.

Mineralization is related to sulphides in the shear zones.

The same year, Esso Minerals Canada performs electromagnetic, magnetic and resistivity surveying on properties to the west of Lac Bernard in Druillettes Township (GM 44881).

1987: Fairlady uses a reverse circulation rig to carry out a till sampling program on Drouet Township. Samples are sent for heavy mineral geochemical assays. Several dispersal trains are identified.

Work by Cartier in 2010

Compilation

Compilation work by Cartier consisted of integrating, in a Geotic database, lithological units as well as 4,911 gold assays from 102 drill holes (15,482.27 metres). Following data integration, drill sections, level plans and longitudinal sections were generated. The compilation of drilling data helped develop a better understanding of the type of mineralization encountered on the property. This compilation work also revealed the extent and magnitude of mineralization. Previous drilling revealed the presence of porphyry dyke swarms with anomalous gold values over extensive areas, reaching more than 200 metres in width (GD-04: 91 ppb Au over 213.0 m; GD-38: 0.12 g/t Au over 161.5 m), which could be traced for more than 10 kilometres in strike length.

Prospecting, Sampling and Beep Mat Program

The main objective of the prospecting program was to sample and determine the type of mineralization present on the property. A total of 122 samples were analyzed for gold (93 grab samples and 29 channel samples). Another 28 litho-geochemistry samples were collected and analyzed for major elements. Prospecting assay results demonstrate the gold potential of the northern part of the intrusion, with many assays ranging from 1.0 to 4.8 g/t Au in grab and channel samples. These results clearly indicate the presence of a gold system in an untested area of the property.

Geological Setting

Regional Geology

The Abitibi Subprovince is the largest Archean greenstone belt in the Canadian Shield. It covers a total surface area of 300 by 700 kilometres and consists of east-west-trending supracrustal units and unfoliated massive intrusions. The belt is divided into two segments (the Northern Volcanic Zone and the Southern Volcanic Zone) on the basis of geology, geochemistry, and geochronology.

The Northern Volcanic Zone is bounded to the south by the Destor-Porcupine fault and to the north by basement rocks and intrusions at high metamorphic grade. Volcanic rocks in the Northern Volcanic Zone are divided into two cycles: cycle 1 from 2730 to 2720 Ma and cycle 2 from 2720 to 2705 Ma. The north part of the belt is characterized by large layered mafic complexes, including the Lac Doré Complex near Chibougamau and the Bell Allard Complex in the Matagami area. The belt is also characterized by extensive sedimentary basins. These narrow sedimentary basins formed contemporaneously with volcanic activity and developed along synorogenic faults and shear zones.

Local Geology

The Diego project is located in the south part of the Chibougamau-Caopatina area, in the northeast corner of the Abitibi Subprovince. Previous work in the area identified two main stratigraphic units and a variety of intrusive rocks. The base of the stratigraphic sequence consists of tholeiitic basalts of the Obatogamau Formation, mainly represented by feldspar-phyric massive flows; most of the property is underlain by these rocks. South of the basalts (at the southern end of the project area), sedimentary rocks are present, intercalated with and overlying the volcanic rocks. The sedimentary rocks mostly consist of wackes with minor amounts of conglomerate and argillite. Drilling by Esso Minerals in the 1980s suggests that the gold bearing intrusion is much more extensive (few kilometres) to the east, where it occurs as dykes or sills in the central part of the property.

The Diego project is located at the western end of the Caopatina Basin, a sedimentary basin composed of various lithologies, ranging from coarse felsic conglomerates to thinly-bedded distal turbidites. The basin is bounded by the Opawica-Guercheville fault to the north and by the Remick fault to the south. The two structures converge in the south-central part of the property.

The area north of the Opawica-Guercheville fault is mainly composed of Obatogamau mafic volcanic rocks, intercalated with felsic tuffs and intruded by gabbroic sills, or occurring with quartz-chlorite schists in deformation zones. South of the fault, turbidites and conglomerates are present in contact with the basalts. The fault is a dominant structural control at the regional scale for gold mineralization (Fenton, Philibert, Lac Meston, and Joe Mann).

Basalts with feldspar glomerocrysts, typical of the Obatogamau Formation were observed, occasionally mineralized with fine disseminated pyrite (<1 %).

Mineral Deposit Types

Numerous VMS-type polymetallic deposits are associated with local felsic volcanic centres in the Joutel and Matagami areas. Orogenic gold deposits, on the other hand, tend to cluster along major fault zones characterized by intense deformation and long linear sedimentary basins. The most important ore deposits in the north part of the Abitibi Belt are associated with the Casa Berardi fault (Casa Berardi, Douay, Discovery), the Detour fault (Detour Lake, Fenelon), and the Opawica fault (Joe Mann). Several major copper-gold lode deposits (Merrill, Copper Rand, and Henderson mines) are associated with the Lac Doré Complex in Chibougamau.

Mineralization

The Diego property is located about eight kilometres east of the Fenton gold deposit (Cartier Resources–SOQUEM), some 40 kilometres from Chapais. The Fenton deposit consists of semi-massive to disseminated sulphide lenses surrounded by a halo of pyrite-pyrrhotite-gold veinlets, hosted in sheared and strongly silicified basalts. Gold- and zinc-bearing drill intersections are fairly common, for example: 4.16% Zn and 5.8 g/t Au over 1 metre at Fenton East.

Showings on the Property

Previous drilling outlined porphyry dyke swarms with anomalous gold values over extensive areas, reaching more than 200 metres in width (GD-04: 91 ppb Au over 213 m; GD-38: 0.12 g/t Au over 161.5 m) and traced over more than 10 kilometres strike length.

On the property, nine (9) gold showings are reported, including five (5) occurrences found by drilling and four (4) showings based on grab samples, three of which were discovered by Cartier and one by SOQUEM in 1985.

The prospecting program conducted by Cartier in June 2010 yielded three (3) grab samples with grades above 4 g/t Au; samples 13616 and 13621 collected in a tonalite with quartz veins hosting disseminated pyrite respectively graded 4.08 g/t Au and 4.83 g/t Au. A third grab sample (13804), collected in an altered felsic porphyry intrusion with quartz veins hosting pyrite mineralization, graded 5.02 g/t Au.

Another grab sample collected along the western shore of Lac Bernard (Druillettes Township; NTS sheet 32G/06) graded 10.4 g/t Au during a prospecting program by SOQUEM in 1985.

The metallogenic setting for gold mineralization appears to be very similar to that of the Malartic mining camp (Osisko, Canadian Malartic).

The majority of Cartier's holes intercepted anomalous zones in gold the targeted felsic porphyry intrusion. The best grades encountered were: 614 ppb Au over 3.0 metres and 541 ppb Au over 2.5 metres (DGO-

11-01); 924 ppb Au, 8.4 g/t Ag over 1.0 metre (DGO-11-02); 499 ppb Au, 20.6 g/t Ag over 1.5 metre (DGO-11-04); 222 ppb Au over 5.2 metres including 762 ppb Au over 1.0 metre (DGO-11-05); 1478 ppb Au over 0.5 metre (DGO-11-05); 442 ppb Au, 4.3 g/t Ag over 0.5 metre and 200 ppb Au over 3.0 metres (DGO-11-06); 0.15% Cu, 0.05% Zn, 3.0 g/t Ag, 61 ppb Au over 5.75 metres including 180 ppb Au, 0.24% Cu, 0.13% Zn and 5 g/t Ag over 1.05 metre (DGO-11-08).

Exploration work on the Diego property in 2011

Helicopter-borne magnetic survey

In 2011, Cartier completed a Prospectair helicopter-borne magnetic survey totalling 832.4 km on the Diego property, with flight lines spaced every 100 metres (GM 65941). A map showing the total magnetic field and a map of the vertical derivative of the magnetic field were produced. The survey results were used to interpret the stratigraphic sequence and the porphyry dyke system intruding the latter, which made it possible to generate drill targets.

Drilling

During the months of August through October, Cartier completed a diamond drilling program totalling 1,914.0 metres in nine (9) drill holes on the Diego property. Drill hole collars were positioned by GPS (Garmin GPSmap 60CSx) and checked by a geologist from Cartier.

This program was designed to test a number of geophysical and geological targets, namely magnetic and INPUT-type electromagnetic anomalies, extensions of historical gold-bearing zones, and new discoveries made during Cartier's 2010 prospecting program (GM 65740), as well as shear zone intersections.

The drilling contract (NQ size) was awarded to Boreal Drilling based in Val-d'Or. Field access and the environmental and geological aspects of the program were supervised Cartier. All samples were sawed at one of the Company's coreshacks in Val-d'Or or Chibougamau by a member of the staff. Downhole deviation was measured using a Flex-It instrument to determine azimuth, dip, and magnetic field. A correction factor of 16° west was used for the general magnetic declination. A total of 1,873 samples and 317 quality control (QA/QC) samples were shipped to analytical laboratories.

The nine (9) holes drilled during this program all intersected the targeted felsic porphyry intrusion. Alteration is ubiquitous, although the type of alteration varies. Silicification, sericitization, and hematization are most commonly observed. Note also that calcite is ubiquitous. Intervals showing disseminated pyrite (<0.5%) over several hundred metres were intersected. Shearing of variable intensity was observed over intervals ranging from ten centimetres to one hundred metres. The main body of the felsic porphyry intrusion contains numerous basaltic and gabbroic enclaves, as well as intermediate porphyry intrusions. Quartz-calcite-(tourmaline-sulphide) veins were observed in all drill holes.

All nine drill holes intersected the targeted felsic porphyry intrusion. The rock commonly hosts disseminated pyrite mineralization (<1%) and is pervasively altered. Drill holes DGO-11-03, DGO-11-05, and DGO-11-06 also intersected basalts over significant thicknesses (50 to 100 metres) at the start of each drill hole.

The best grades encountered in drill holes were:

- 614 ppb Au over 3.0 metres and 541 ppb Au over 2.5 metres (DGO-11-01);
- 924 ppb Au, 8.4 g/t Ag over 1.0 metre (DGO-11-02);
- 499 ppb Au, 20.6 g/t Ag over 1.5 metre (DGO-11-04);
- 222 ppb Au over 5.2 metres including 762 ppb Au over 1.0 metre (DGO-11-05);
- 1478 ppb Au over 0.5 metre (DGO-11-05);
- 442 ppb Au, 4.3 g/t Ag over 0.5 metre and 200 ppb Au over 3.0 metres (DGO-11-06);

- 0.15% Cu, 0.05% Zn, 3.0 g/t Ag, 61 ppb Au over 5.75 metres including 180 ppb Au, 0.24% Cu, 0.13% Zn and 5 g/t Ag over 1.05 metre (DGO-11-08).

Lithogeochemistry

Lithogeochemistry samples were taken in drill holes DGO-11-01 to DGO-11-08. No samples were collected in drill hole DGO-11-07B. A total of 87 samples were collected.

The volcanic rocks may be classified as tholeiitic basalts (with Zr/Y ratios below 2.8) and calc-alkaline basaltic andesites (Zr/Y ratios above 4.5).

Porphyritic intrusive rocks observed in drill hole consist of calc-alkaline granites and granodiorites, with Zr/Y ratios systematically above 4.5. Rocks plotting in the field of gabbros and diorites correspond to gabbroic sills interpreted as synvolcanic during core logging; these rocks are tholeiitic, with Zr/Y ratios below 2.8, and share the same affinity as the basalts.

Sampling Method and Approach

Drill Core Samples

All sample lengths and orientation are marked on the core. The latter is sawed in half with a diamond saw. Half of the core is sampled from lengths varying from 0.3 to 1.5 meters. The first half is replaced in the box and kept with its numbered identification tag for future reference. The other half is placed in a thick plastic bag provided by an accredited laboratory with its associated numbered identification tag

Sample Preparation, Analyses and Security

Drill Core Sampling

From the drill rig, the core is transported by appropriate means to the coreshack where it is logged and prepared for sampling by or assisted by a certified geologist (Qualified Person as defined by NI 43-101).

Following an established protocol, sampling intervals are marked on the core. The latter is sawed in half with a diamond saw. The half-core is sampled over lengths ranging from 0.5 to 1.5 metres. The first half is replaced in the box and kept with its numbered identification tag for future reference. The other half is placed in a thick plastic bag provided by an accredited laboratory with its associated numbered identification tag. The samples are then shipped to an accredited laboratory with a well-established and secure chain of custody.

Samples are analyzed for gold by fire assay with an atomic absorption finish. Samples with results above 1 g/t Au are re-analyzed with a gravimetric finish. Some samples are analyzed for base metals by inductively coupled plasma mass spectrometry. A series of standards, duplicates and blanks are inserted in the sample stream shipped to the accredited laboratory.

Data Verification

The authors verified the available data documented in reports. Based on the information in work assessment reports, the sampling and analytical activities appear to have been conducted according to norms and standards employed at the time and still valid today.

Adjacent properties

The property is located between the Joe Mann mine of Legault Metal Inc. to the east and the Fenton deposit of SOQUEM Inc. to the west. The latter has been recently worked and Cartier holds an option to acquire a 50% interest in the project.

Ore Processing and Metallurgy Tests

No metallurgical or ore testing was performed for the property.

Mineral Resource and Reserves Estimation

No resource or reserve estimation has been performed for the Diego property.

Other relevant information

The property covers targets #142, #149 and #159 of the study by Lamothe and Harris (EP2006-01). The aim of the study was to determine the locations of high-favourability zones for orogenic-type gold mineralization in the Abitibi.

Interpretation, concept, conclusions and recommendations

The gold-bearing intrusion was intersected in each drill hole completed by Cartier in 2011. Gold- and silver-enriched zones are associated with disseminated pyrite, quartz veins, and shear zones. Atypical shear zones occurring at low angles to the drill core, as observed in hole DGO-11-04, appear to concentrate gold and silver mineralization. The intrusion locally contains basaltic and massive sulphide enclaves. These massive sulphides, easily detected by the old INPUT surveys, are anomalous in Cu-Zn-Ag-Au and are probably volcanogenic (VMS). The Diego property therefore shows potential for two types of mineralization: (1) porphyry gold deposits, and (2) VMS deposits. VMS may occur as enclaves in the intrusion.

Recommended work includes an induced polarization survey, stripping, and drilling. The induced polarization survey should cover an area encompassing drill holes DGO-11-01, -02, -03, -04 and -08. This survey will make it possible to distinguish zones within the intrusion with higher pyrite concentrations, as well as shear zones at an angle to the main structural fabric, which would represent first-order targets. A 3D inversion of the survey results may help define targets representing three-dimensional pyrite halos. The survey would also help accurately outline massive sulphide horizons subconcordant to stratigraphy, with higher chargeability and conductivity than disseminated pyrite zones in the intrusion. The best targets should be stripped and drill-tested. Exploratory drill holes are also recommended in the southwest part of the intrusion and in sedimentary rocks of the Opawica Group to the south, as these areas have never been tested.

Recommended program:

•	Line cutting, ground geophysics (IP survey) 50 km @ \$1,500/km	\$75,000
•	Stripping, channeling, mapping, metal assays, litho geochemistry and surveying 10 days at \$5,000/day	\$50,000
•	Drilling (2,500 m @ \$150/m)	\$375,000
	Total Budget	\$500,000

DIVIDENDS AND DISTRIBUTIONS

The Company did not pay any dividends since its incorporation. It is not anticipated that any dividend will be paid on its shares in an immediate or predictable future. With the exception of solvency and accounting tests provided by the Business Corporations Act (Québec), there currently are no other restrictions that might prevent the Company to pay dividends.

CAPITAL STRUCTURE

Authorized capital

The authorized share capital of the Company consists of an unlimited number of common shares. As at December 31, 2011, there were 49,682,476 common shares issued and outstanding.

At the date hereof, 49,982,476 common shares are issued and outstanding.

Common Shares

Holders of common shares are entitled to receive notice of any meetings of shareholders of the Company, to attend and to cast one vote per common share at all such meetings. Holders of common shares do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the common shares entitled to vote in any election of directors may elect all directors standing for election. Holders of common shares are entitled to receive on a pro-rata basis such dividends, if any, as and when declared by the Board of Directors at its discretion from funds legally available therefor and upon the liquidation, dissolution or winding up of the Company are entitled to receive on a pro-rata basis the net assets of the Company after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro-rata basis with the holders of common shares with respect to dividends or liquidation. The common shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

CAPITAL STRUCTURE OF THE COMPANY ON A FULLY DILUTED BASIS

The following table sets out and summarizes the structure of the fully-diluted share capital of the Company as at December 31, 2011:

	Number of common shares	Percentage
Securities issued and outstanding	49,682,476	76.75%
Securities reserved for issuance pursuant to purchase warrants issued under private placements of 2011	2,999,429	4.63%
Securities reserved for issuance pursuant to purchase warrants issued under public offering of 2010	6,300,643	9.74%
Securities reserved for issuance pursuant to purchase warrants issued under private placements of 2010	2,051,906	3.16%
Securities reserved for issuance pursuant to purchase warrants issued agents	1,039,852	1.61%
Securities reserved for issuance pursuant to options granted under the stock option plan	2,655,000	4.11%
Total	64,729,306	100%

STOCK MARKET FOR THE TRADING OF SHARES

Trading price and volume

The common shares of the Company are listed on the TSX Venture Exchange under the ticker symbol "ECR".

The following table sets forth information relating to the trading of the Company's common shares on the Exchange for each month or, if applicable, for each part of the month for the year ended December 31, 2011:

Period	High	Low	Volume
January 2011	\$0.45	\$0.38	428,750
February 2011	\$0.60	\$0.435	1,456,500
March 2011	\$0.58	\$0.455	830,287
April 2011	\$0.55	\$0.48	717,256
May 2011	\$0.56	\$0.45	1,025,930
June 2011	\$0.50	\$0.36	398,205
July 2011	\$0.40	\$0.35	394,852
August 2011	\$0.44	\$0.30	760,002
September 2011	\$0.43	\$0.285	434,991
October 2011	\$0.375	\$0.28	336,423
November 2011	\$0.38	\$0.30	250,850
December 2011	\$0.43	\$0.27	347,954
During the year 2011	\$0.60	\$0.27	7,382,000

Prior financings

During the year ending December 31, 2011, a total of 11,101,516 shares were issued as follows:Date		Number of shares	Issue price per share	Aggregate issue price
January 5, 2011	Exercise of warrants	893,319	\$0.35	\$312,662
February 16, 2011	Exercise of warrants	109,643	\$0.30	\$32,893
February 16, 2011	Exercise of warrants	90,357	\$0.35	\$31,625
February 28, 2011	Exercise of stock options	20,000	\$0.25	\$5,000
March 1, 2011	Exercise of stock options	5,000	\$0.36	\$1,800
March 1, 2011	Exercise of stock options	25,000	\$0.16	\$4,000
March 1, 2011	Exercise of warrants	25,000	\$0.30	\$7,500
March 21, 2011	Exercise of warrants	25,000	\$0.30	\$7,500
April 13, 2011	Exercise of stock options	60,000	\$0.38	\$22,800
May 9, 2011	Exercise of warrants	681,818	\$0.30	\$204,545
May 20, 2011	Exercise of warrants	227,273	\$0.30	\$68,182
May 30, 2011	Exercise of warrants	253,677	\$0.30	\$76,103
June 6, 2011	Exercise of warrants	680,000	\$0.30	\$204,000
June 7, 2011	Exercise of stock options	10,000	\$0.16	\$1,600
June 7, 2011	Exercise of stock options	10,000	\$0.36	\$3,600
June 22, 2011	Exercise of warrants	175,000	\$0.30	\$52,500
June 23, 2011	Exercise of warrants	170,000	\$0.30	\$51,000
July 4, 2011	Exercise of stock options	25,000	\$0.37	\$9,250
December 22, 2011	Private placements	4,616,000	\$0.44	\$2,031,040
December 22, 2011	Private placements	2,999,429	\$0.35	\$1,049,800

DIRECTORS

General Information

The table below sets out the names of all directors of the Company, their municipality of residence, their title and principal occupation, and the number and percentage of common shares of the Company they hold as at December 31, 2011:

Name and municipality of residence	Principal occupation for the last 5 years	Position or function	Director since	Common shares held or over which control or direction is exercised	% of all common shares issued
Philippe Cloutier Val-d'Or (Québec)	President and CEO of Cartier	President, Chief Executive Officer, and Director	May 31, 2007	1,152,000 ⁽⁴⁾	2.31%
Mario Jacob ⁽³⁾ Saint-Nicolas (Québec)	President of Capital Maximus Inc.	Director and Corporate Secretary	July 17, 2006	168,500 ⁽⁵⁾	0.34%
Daniel Massé ⁽¹⁾⁽²⁾ Val-d'Or (Québec)	Manager	Director	May 31, 2007	375,000 ⁽⁶⁾	0.75%
Jean Carrière ⁽¹⁾⁽²⁾⁽³⁾ Montréal (Québec)	Strategic consultant and lawyer	Director	July 17, 2006	201,000	0.40%
Michel Gilbert ⁽¹⁾⁽²⁾⁽³⁾⁽⁷⁾ Val-d'Or (Québec)	Technical consultant for mining companies	Director and Chairman of the Board	May 27, 2010	51,000	0.10%
Jean-Yves Laliberté ⁽⁸⁾ Rouyn-Noranda (Québec)	CFO of Cartier since June 2007	Chief Financial Officer	N/A	473,000	0.95%
Gaétan Lavallière Val-d'Or (Québec)	Vice-president of corporate development since September 2011	Vice-President Corporate Development	N/A	67,600	0.14%
Philippe Berthelot Val-d'Or (Québec)	Vice-president of exploration since June 2007	Vice-President Exploration	N/A	19,000	0.04%

(1) Member of the Audit Committee.

(2) Member of the Compensation and Succession Committee.

(3) Member of the Governance Committee.

(4) Of which 861,000 common shares are held by Grayton Mining Inc., a private company wholly-owned by Philippe Cloutier.

(5) Of which 168,500 common shares are held by Maximus Capital Inc., a private company wholly-owned by Mario Jacob.

(6) Of which 100,000 common shares are held by 9083-8731 Québec Inc., a private company wholly-owned by Fiducie Gagnon of which he is the trustee.

(7) In office until May 24, 2012.

(8) Director since May 24, 2012.

As a group, the directors and officers of the Company beneficially own, directly or indirectly, 2,506,600 common shares of the Company, or exercise control or direction over such shares, representing approximately 5.02% of the Company's common shares issued and outstanding at the date hereof.

Each director will hold office until the next annual meeting or until a successor is appointed or duly elected.

Biographies

Philippe Cloutier, P.Geo.

Philippe Cloutier received a Bachelor of Science in Geology from the University of Montreal in 1988 and a certificate in Human Resources Management. He has been working in the mining exploration field for 23 years. His areas of expertise include a full range of management operations for mineral mining exploration programs, and the development and implementation of programs to identify new business opportunities and new projects. Mr. Cloutier worked as project geologist from 1989 to 1992 for Noranda Inc., as project geologist from October 1994 to September 1996 for SOQUEM Inc., and as senior geologist from September 1996 to December 2003 for Aur Resources Inc. From 2004 to 2006, he held the position of vice-president exploration for Alexis Minerals Corporation. Since September 2002, he serves as a member of the Québec Order of Geologists' professional inspection committee and is a director of the Québec Mineral Exploration Association (QMEA).

Mario Jacob, LL.B

Mario Jacob, ASC has been Vice-President of NCP Investment Management since March 2012 and President and Director of Maximus Capital Inc., a consulting firm specialized in corporate financing and reorganization, since November 2003. He has been a lawyer and a member of the Barreau du Québec since 1995. He has been a Director of the Virginia Mines inc. since November 30, 2005. He has been Secretary, since June, 2010 of Innovente Inc. (TSX Venture: IGE) and was Director of Innovente from July, 2010 to March, 2011. He has been Director and Secretary of Cartier Resources Inc. (TSX Venture: ECR) since May, 2007 and Corporate Secretary of Plexmar Resources Inc. (TSX Venture: PLE) since September 2009. He has been president and director of the capital pool company, CJL Capital inc. (TSX Venture: CJL.P). He was Director and Secretary of Power Tech Corporation Inc. (TSX Venture: PWB) from February, 2005 to October, 2010 and Director of Opsens Inc. (TSX Venture: OPS) from October, 2006 to August, 2010. He was Vice President and Director of LBJ Partners Inc., a private management corporation, from October, 2000 until November, 2003. He was partner at Flynn Rivard, lawyers, from January 1996 until October 2000.

Daniel Massé, Adm.A., Pl. Fin.

Daniel Massé is a graduate from Laval University with a B.Sc. in Actuarial Science (1989) and a certificate in financial administration (1990). Since March 2006, Mr. Massé is president of DM Actuariat Inc. (a firm specializing in the financial assessment of personal injury damages) and of Groupe Financier Massé Inc. (a financial services and financial planning firm) where he has acted as financial planner and financial security advisor since March 1996. Mr. Massé is a member of the *Ordre des administrateurs agréés du Québec* since January 1993, of the *Institut québécois de planification financière* since July 1993, and of the *Regroupement des consultants en avantages sociaux du Québec*. He is an independent member of the SOQUEM retirement committee since 2007. Mr. Massé has also held various positions on public organizations such as Val-d'Or's Chamber of Commerce (president from 2004 to 2006), the *Fédération des chambres de commerce du Québec* (director from 2004 to 2006), and the Foundation for the Val-d'Or Hospital (corporate secretary in 1999 and president from 2000 to 2003). He also chaired the project *La Cité de l'Or*, which involved the conversion of the former Lamaque mine into a tourist site (president from 1991 to 1996).

Jean Carrière, LL.B

Jean Carrière is a corporate strategy advisor to Canadian-based companies operating in various emerging business sectors. He is a lawyer and a member of the Québec Bar since December 1996. He began his career in private practice as an associate specializing in commercial and corporate law, and from February 1999 to October 2003, worked at Bell Canada and its subsidiaries, initially serving as legal counsel in various business units and then as a director of corporate development and strategic alliances. Mr. Carrière is a graduate of Concordia University, where he obtained a Bachelor of Arts in May 1990 and a Master of Arts in Political Sciences in October 1992. He obtained his degree in Civil Law (LL.L) in from the University of Ottawa in May 1995.

Jean-Yves Laliberté, CA

Jean-Yves Laliberté, CA, IAS.A., is a member of the Order of Chartered Accountants of Québec and a member of the *Institut des Administrateurs de société*. He has more than twenty years experience in finance and accounting, particularly in the mining sector. From 1994 to 2006, Mr. Laliberté was vice president finances for Richmont Mines Inc., a mining operator, and for *La Société minière Louvem inc.*, also a mining operator. Since March 2006, he has been a consultant for several mineral exploration companies. He held the position of CFO for Abitex Resources Inc. from May 2008 to July 2011, and for Scorpio Mining Company from April 2006 to April 2007. He is the CFO for Cartier since June 2007. Since June 2008, Mr. Laliberté is also director of Forage Orbit Garant Inc., a company listed on the Toronto Stock Exchange, with drilling activities in five different countries.

Gaétan Lavallière, P.Geo., Ph.D.

Gaétan Lavallière has been working in the mining exploration field for almost twenty-five years. He graduated with a Bachelor of Science in Geology from the University of Québec in Montreal and a Ph.D. in Mineral Resources from the University of Québec in Chicoutimi (UQAC). His area of expertise is metallogeny and exploration strategy optimization. From 1985 to 1994, he worked for Noranda Inc. Horne Division, Les Mines Selbaie and Noranda Minerals Matagami Division. From 1994 to 2006, he was regional exploration manager for SOQUEM Inc, and from 2006 to 2007, exploration manager for Canadian Royalties. Finally, from 2007 to September 2011, he held the position of general manager for Groupe MISA, a corporation that set up a business network of expertise in mining innovation with more than 1,300 members.

Philippe Berthelot, P.Geo.

Philippe Berthelot received a Bachelor of Science in Geology from the University of Québec in Montreal in 1984 and has been working in the mining exploration field for 24 years. His areas of expertise include a full range of management operations for mineral mining exploration programs and projects, and the development and implementation of programs to identify new projects. Mr. Berthelot has developed his skills working with various mining companies, such as Mines de Métaux Abitibi Ltée. (1987-1988), SEREM Québec (1988-1993), Géonova Explorations Inc. (1994-1998), Aur Resources Inc. (2000-2003), SEREM Québec Inc. (from 1989 to 1993), Géonova Explorations Inc. (from 1994 to 1999) and Aur Resources Inc. (from 2001 to 2003), where he served as senior project geologist, and from 2004 to June 2007, he acted as consultant for Alexis Minerals Company for which he was in charge of the Cadillac gold mining projects, of the Rouyn mining camp, and of the Lac Pelletier mining project. Mr. Berthelot also founded NOMANS Resources Inc., a private company which transferred its assets to Niogold Mining Corporation in 2002.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company, none of the directors or executive officers of the Company were, at the date of the present Annual Information Form or within 10 years before that date, a director, a chief executive officer, or a chief financial officer of the Company or another company which, while that person was acting in that capacity:

- a) has been subject of a cease trade order or an order that could be considered as a cease trade order or an order that denied access to an exemption under the securities legislation, for a period of more than 30 consecutive days (an “order”); or
- b) was the subject of an order announced after the director or the executive officer ceased to serve as a director, chief executive officer or chief financial officer and arising from an event that occurred while holding his or her position.

None of the directors or executive officers or unitholders holding a sufficient number of securities of the Company to materially affect its control:

- a) have been, at the date hereof or during the ten previous years, a director or executive officer of a company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets;
- b) within the past ten years, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets;
- c) have been subject to any penalties or sanctions imposed by a court relating to securities legislation or a securities regulatory authority or entered into a settlement agreement with a securities regulatory authority;
- d) have been subject to any other penalties or sanctions by a court or regulatory body that would likely be considered important to a reasonable shareholder of the Company having to take a decision on the operation.

Conflicts of interest

There are potential conflicts of interest to which some of the directors and officers of the Company could be subjected in connection with the operations of the Company. Some of the directors and officers are engaged in and will continue to be engaged in companies or businesses which may be in competition with the Company. Accordingly, situations may arise where some of the directors, officers and promoters will be in direct competition with the Company. Conflicts of interest, if any, will be subject to the procedures and remedies as provided under the Business Corporations Act (Québec).

PROMOTERS

Within the last two fiscal years and to the date of this Annual Information Form, the Company does not have any person or company that could be considered a promoter of the Company.

PROCEEDINGS

As at the date hereof, there is no dispute related to the Company's property or properties in which the Company is a party

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Annual Information Form or in the audited financial statements for the year ended December 31, 2011, the management of the Company is not aware of any material interest, direct or indirect, that any director, proposed director, officer, shareholder of the Company holding, directly or indirectly, as beneficial owner, more than 10% of the outstanding common shares of the Company or any associate or affiliate of any such persons would have in any material transaction concluded since the beginning of the last financial year of the Company or in any proposed transaction which had or could have a material effect on the Company.

TRANSFER AGENT AND REGISTRAR

Since March 16, 2009, the transfer agent and registrar is Computershare Investor Services Inc., having its place of business at 1500 University Street, Suite 700, Montreal, Québec, H3A 3S8.

MATERIAL CONTRACTS

The Company has not entered any material contracts entered during the financial year ended December 31, 2011.

INTERESTS OF EXPERTS

Names of experts

The persons listed below prepared or certified reports filed during the past fiscal year in accordance with Regulation 51-102 respecting continuous disclosure obligations:

- Alain-Jean Beauregard, geologist, OGQ, FGAC, AEMQ;
- Daniel Gaudreault, geological engineer, OIQ, AEMQ;
- Philippe Berthelot, vice-president exploration;
- Ronan Deroff, geologist;
- Raphaël Douture, geologist-in-training;
- Nicolas Bonté, geologist-in-training;
- Geologica Consulting Group Inc.; and
- Samson Bélair/Deloitte & Touche s.to.n.c.r.l.

Interests of the experts

To the Company's knowledge, the aforementioned persons do not beneficially own or control, directly or indirectly, common shares of the Company. The aforementioned persons should not currently be elected, appointed or employed as directors or employees of the Company. Moreover, Geologica Consulting Group Inc. or any directors, officers or employees of that firm are not currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

As at December 31, 2011, the Company's independent auditor was Samson Bélair/Deloitte & Touche s.to.n.c.r.l., 430, 3^e rue, bureau 204, Val-d'Or, Québec, J9P 1S2.

ADDITIONAL INFORMATION

Additional information relating to the Company, such as the remuneration of directors and officers, the names of the main shareholders, and the securities authorized for issue under compensation plans presented in the Company Circular of the last General Annual Meeting, is available on SEDAR at www.sedar.com or on the website of the Company at www.ressourcescartier.com. Other financial information may be obtained on the audited Company's financial statements and in the management's discussion and analysis related thereto for the year ended December 31, 2011.