OMEP #1

63.5229

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Concentrated Rare Earth Minerals Ltd.

Blue Rock Prospect

Monmouth Township

Eastern Ontario Mining Division

Ontario

H. Grant Harper, P.Eng.
Economic Geologist.

Date: December 15, 1987.

Volume Label: CREMEng
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OM 87-9-C-165

Concentrated Rare Earth Minerals Ltd.
Blue Rock Rare Earth Prospect
Monmouth Township
Eastern Ontario Mining Division
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Introduction

A tremendous amount of research is now being undertaken by physicists in the field of super-conductivity, a group of phenomena which, when fully controlled, will revolutionize human existence to a greater extent than the industrial revolution. Certain of the Rare Earth group of elements appear to be essential to the creation of superconductive media and therefore there is a growing interest in the distribution and and amounts of Rare Earths in the accessible crustal rocks and in the development and mining of Rare Earth ore reserves.

Since the Bancroft Area is known to contain widely distributed occurrences of Rare Earths, and since Rare Earths are frequently associated with thorium and to a lesser extent uranium, it was decided to begin a sampling program to evaluate the Rare Earth elements known to occur on the Concentrated Rare Earth Minerals Ltd. Blue Rock claims.

At the present time the markets for Rare Earths are exceedingly limited. Yttrium is in the greatest demand for use in colour video screens. Europium is also used in this connection. The market for Yttrium amounts to some 500 tons per year at a price of about US$52.50 per pound. Gadolinium is used as a highly efficient heat sink. Apparently it has the potential of eliminating the need for compressors in all refrigeration and air conditioning units. It is anticipated that the market for Gadolinium will double many times in the next 10 years. In their first quarter 1987 Report to Shareholders General Motors announced the opening of a new plant in Michigan to manufacture a new style of starter motor for cars and trucks. The starters will use magnets which contain Yttrium. Even more recently, General Motors has announced that their scientists are using Praesodynium and Neodynium in their research into super-conductivity.

A preliminary grab sampling program was carried out on the surface outcroppings on the 'C' Zone. This zone has been developed underground by an adit, a shaft, and three levels. The preliminary sampling program was restricted with respect to the number of samples taken; the reason being the high cost of assaying for Rare Earths and the decision that, prior to extensive sampling, a preliminary program would be completed in order to ascertain just where and how the Rare Earth values, if any, occurred. Sampling would be limited to the 'C' Zone. Unfortunately there was a long delay in obtaining assay results and therefore it proved impossible to complete the extensive sampling program in 1987.

Twelve grab samples were collected from the 'C Zone and submitted to X-Ray Assay Laboratories for analysis. Their Certificate of Analysis is attached to this report. The sample locations are plotted on the accompanying sketch map of the trenches on the 'C' Zone. For Each sample, its number, description, and analysis are listed on the Grab Sample Record Sheet attached. A description of each sample follows.

Sample No.	Description
3719	brown peg + qtz. low rad.
3720	Pink peg, neg qtz - minor dk min.
3721	flesh peg + qtz - neg dk min.
3722	brown peg + 10% qtz + cse gr. no rad.

3723	Qtz peg - low rad - pink
3724	flesh peg - low qtz - 5% dk min.
3725	Rad peg + dk min + qtz
3726	Peg + mag + qtz + dk min.
3727	Strong Rad - Iron peg - dk min - qtz.
3728	Qtz peg + dk qtz
3729	Hi Thorium - pink peg - dk min.
3730	Mag? - pink peg - 20%dk min.

Discussion of Results

The preliminary surface grab sampling of the 'C' Zone trenches showed the presence of Rare Earths in noteworthy amounts in all samples collected. The Yttrium content ranges as high as 434 ppm (0.86 lbs. per ton) and the Gadolinium content appears to be considerably above average. The general Rare Earth content is much higher towards the east end of the trenches where the thorium content and hence the radioactivity is higher. This section also contains more magnetite, dark mineral, and the pegmatite has a brownish colour.

Conclusions and Recommendations

1. The preliminary sampling program clearly indicates that more detailed sampling of the 'C' Zone is warranted. This should take the form of more samples per trench as well as extending the zone eastward.

2.- Preliminary sampling programs should be undertaken on the Lake and Cliff Zones.

This report is respectfully submitted.

Toronto, Ontario.
December 15, 1987.

H.G. Harper.

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XRAL

CERTIFICATE OF ANALYSIS

TO: Concentrated Rare Earth Minerals Ltd.
~~NORLODE RESOURCES INC.~~
C/O GRANT HARPER
P.O. BOX 2038
20 EGLINTON AVE. W., SUITE 404
TORONTO, ONTARIO M4R 1K8

CUSTOMER No. 1523

DATE SUBMITTED
9-Oct-87

REPORT 2567

REF. FILE 29886-J1

24 ROCKS

WERE ANALYSED AS FOLLOWS:

	METHOD	DETECTION LIMIT
Y PPM	ICPMS	1.000
LA PPM	ICPMS	0.100
CE PPM	ICPMS	0.100
PR PPM	ICPMS	0.100
ND PPM	ICPMS	0.100
SM PPM	ICPMS	0.100
EU PPM	ICPMS	0.050
GD PPM	ICPMS	0.100
TB PPM	ICPMS	0.100
DY PPM	ICPMS	0.100
HO PPM	ICPMS	0.050
ER PPM	ICPMS	0.100
TM PPM	ICPMS	0.100
YB PPM	ICPMS	0.100
LU PPM	ICPMS	0.050

X-RAY ASSAY LABORATORIES LIMITED

DATE 12-NOV-87

CERTIFIED BY .....

SAMPLE	Y PPM	LA PPM	CE PPM	PR PPM	ND PPM	SM PPM	EU PPM	GD PPM
3707	9	10.1	22.7	3.0	11.8	2.0	0.44	1.4
3708	117	150.	311.	37.7	143.	21.6	4.51	18.2
3709	53	85.0	175.	20.3	73.7	11.3	2.22	8.3
3710	41	61.4	125.	15.5	57.2	9.5	2.06	7.3
3711	11	18.1	37.8	4.2	16.1	2.9	0.72	2.1
3712	22	24.0	54.9	7.6	30.6	5.4	1.29	4.3
3713	25	23.7	61.2	8.8	34.7	6.7	1.42	5.4
3714	27	24.4	57.2	9.4	38.3	7.3	1.48	5.5
3715	24	27.4	68.6	8.9	37.0	6.4	1.30	5.0
3716	11	43.0	80.8	7.5	23.0	3.0	0.57	1.6
3717	113	37.3	131.	13.2	54.5	12.9	0.87	14.2
3718	7	6.3	7.5	1.3	4.9	0.9	0.27	0.9
3719	260	129.	271.	30.5	108.	25.8	1.22	32.5
3720	24	17.0	28.4	3.8	14.8	3.3	0.46	4.0
3721	23	57.9	130.	12.0	38.0	6.0	0.46	4.4
3722	88	18.9	33.0	3.6	12.8	3.7	0.40	6.0
3723	12	10.4	23.3	2.4	8.2	1.5	0.38	1.5
3724	92	207.	419.	45.7	149.	24.4	1.15	18.6
3725	304	65.8	138.	16.5	59.6	17.6	1.12	28.9
3726	434	78.0	174.	20.8	77.9	24.2	1.35	39.5
3727	142	154.	320.	35.6	122.	21.2	0.97	19.8
3728	56	36.9	56.7	7.6	27.7	5.7	0.69	6.4
3729	239	190.	401.	42.5	143.	24.8	1.17	24.1
3730	203	423.	888.	96.9	335.	55.0	1.71	43.0

Norlade

C.R.E.M.

SAMPLE	TB PPM	DY PPM	HO PPM	ER PPM	TM PPM	YB PPM	LU PPM
3707	0.2	1.4	0.37	0.9	0.1	2.0	0.38
3708	2.7	19.4	4.40	14.4	2.3	16.9	2.37
3709	1.3	8.7	2.02	6.4	1.1	9.1	1.54
3710	1.1	7.6	1.64	5.2	0.8	6.8	1.14
3711	0.3	2.4	0.50	1.3	0.2	1.9	0.32
3712	0.6	4.6	0.99	2.8	0.5	4.4	0.84
3713	0.8	5.1	1.06	3.2	0.7	5.3	1.09
3714	0.8	5.5	1.18	3.5	0.6	5.5	1.15
3715	0.7	4.5	0.98	2.8	0.4	4.0	0.76
3716	0.2	1.8	0.43	1.5	0.2	2.1	0.29
3717	2.8	21.5	5.05	15.9	2.6	17.9	2.43
3718	0.1	1.0	0.23	0.6	<0.1	0.6	0.10
3719	7.1	57.0	14.8	51.2	7.5	41.5	4.56
3720	0.6	4.8	1.12	3.4	0.4	2.9	0.37
3721	0.7	4.8	1.10	3.3	0.4	3.2	0.42
3722	1.5	13.0	3.62	15.0	2.3	14.5	1.82
3723	0.2	2.0	0.50	1.5	0.2	1.3	0.18
3724	2.9	20.0	4.42	13.9	1.8	10.4	1.30
3725	6.8	57.6	15.7	58.8	9.0	53.3	6.28
3726	9.8	81.5	22.2	84.9	12.8	73.8	8.47
3727	3.2	23.5	5.87	19.9	2.7	15.4	1.76
3728	1.1	8.7	2.15	7.0	0.9	5.7	0.70
3729	4.3	33.1	8.89	32.5	4.9	32.0	4.14
3730	6.1	41.5	8.85	27.1	3.5	19.4	2.36

↑ Norlude

↓ C.R.I.M.

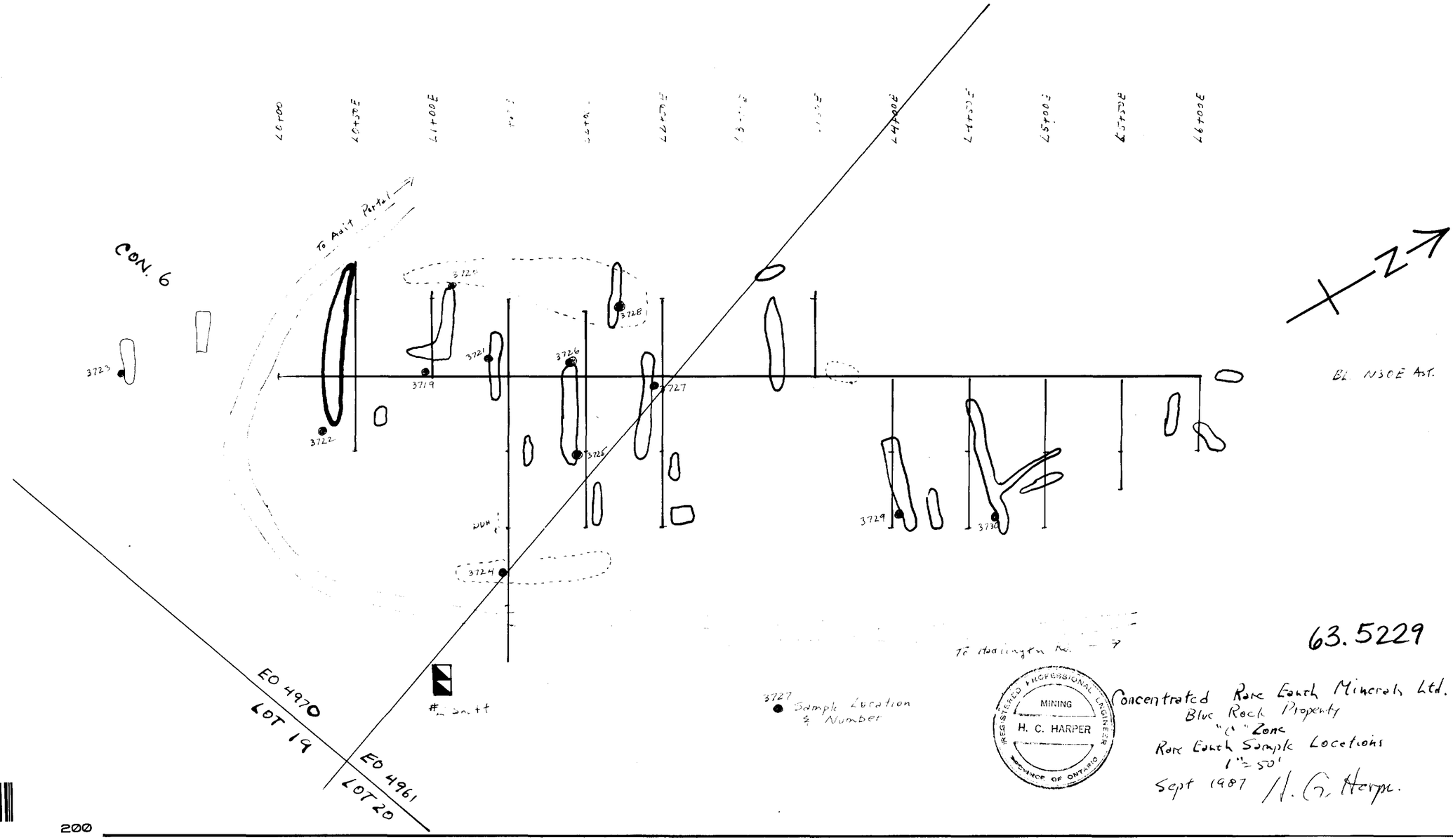
Property: Blue Rock. Company: Concentrated Rare Earth Minerals Ltd. Hole No.

Claim No.: Location: Blue Rock Mine - Zone Date: Fall 1987 Grab Sample Record

Sample Footages	Sample Width	Description	Sample No.	Assay Data Method: % V_3O_8	% ThO_2	La	Ce	Pr	Nd	Sm	Eu	Gd	Tb	Dy	Ho	Er	Tm	Yb	Lu	Y
Lake Zone.		brown peg + qtz - low rad	3719			129	271	30.5	108	25.8	1.22	32.5	7.1	57.0	14.8	51.2	7.5	41.5	4.56	260
"		Pink peg, neg qtz, minor dk min	3720			17.0	28.4	3.8	14.8	3.3	.46	4.0	0.6	4.8	1.12	3.4	0.4	2.9	0.37	24
"		Flesh peg + qtz - neg dk min	3721			57.9	130	12.0	38.0	6.0	.46	4.4	0.7	4.8	1.10	3.3	0.4	3.2	0.42	23
"		brown peg +10% qtz, v. rad cse gr	3722			18.9	33.0	3.6	12.8	3.7	0.40	6.0	1.5	13.2	3.62	15.0	2.3	14.5	1.82	88
"		Qtz peg - low rad - pink	3723			10.4	23.3	2.4	8.2	1.5	0.38	1.5	0.2	2.0	0.50	1.5	0.2	1.3	0.18	12
"		Flesh peg - low qtz - 5% dk min	3724			207	419	45.7	149	24.4	1.15	18.6	2.9	20.0	4.42	13.9	1.8	10.4	1.30	92
"		Red. peg + dk min + qtz	3725			65.8	138	16.5	59.6	17.6	1.12	28.9	6.8	57.6	15.7	58.8	9.0	53.3	6.18	304
"		Peg + mag + qtz + dk min	3726			78.0	174	20.8	77.9	24.2	1.35	39.5	9.8	81.5	22.2	84.9	12.8	73.8	8.47	434
"		Strong Red. - Iron peg + dk min + qtz	3727			154	320	35.6	122	21.2	0.97	19.8	3.2	23.5	5.87	19.9	2.7	15.4	1.76	142
"		Qtz peg + dk Qtz	3728			36.9	56.7	7.6	27.7	5.7	0.69	6.4	1.1	8.7	2.15	7.0	0.9	5.7	0.70	56
"		hi ThO_2 - pink peg + dk min	3729			190	401	42.5	143.	24.8	1.17	24.1	4.3	33.1	8.89	32.5	4.9	32.0	4.14	239
"		mag? pink peg 20% dk min	3730			423	888	96.9	335	55.0	1.71	43.0	6.1	41.5	8.85	27.1	3.5	19.4	2.36	203

REGISTERED PROFESSIONAL ENGINEER
MINING
H. C. HARPER
PROVINCE OF ONTARIO

H. C. Harper.



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Concentrated Rare Earth Minerals Ltd.
Blue Rock Property
"C" Zone
Rare Earth Sample Locations
1" = 50'
Sept 1987 H. C. Harper.

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