

41155E0016 W9470.00206 RATHBURN

FLHS RECORDS

010

Date Hole Started

JULY 28/94

Date Completed

AUGUST 2/94

Diamond Drill Record

Hole No.

RL 94-04

Claim No.

1117 309

Map Reference No.

Claim Map G-4093
NTS. 41 I/15 E

Drilling of hole from time
Monthly

2.05' (62.5m)

Collar Elevation

~ 3 m below
R194-01

Logged by

Frank H. Toews, B.Sc.

Dip of Hole

-90°

Core size

BQ

Location Rathbun Twp. Lot 9, Con. A

~ 181 m N + 72 m E. of Shaft of
#2-1117309
45 m W. + 5 m N. of #2-1117309

CORE STORED AT RESIDENT
GEOLOGIST'S OFFICE

Drilling Company Erana Mines Ltd., Lively, Ontario

| FEET FROM | TO | DESCRIPTION |
|-----------|-----------|---|
| | | Hole spotted on instructions from H.C.H.; drilling a ground magnetic anomaly |
| | | Top of casing ~ 1' above ground level (Casing pulled) |
| | | No dip tests taken |
| 0' | 65' | CASING |
| (0 m) | (19.82 m) | Boulders, cobbles of flissing Gabbro, Quartzite, sandstone near surface |
| 65' | 97 1/2' | GOWGANDA FORMATION - FRACTURED MASSIVE WACKES +/- PEBBLES |
| (19.82 m) | (29.57 m) | Non-magnetic becoming weakly to moderately (locally) magnetic from about 85'; Fine to medium (<0.5mm) grained; dark grey to greenish grey; variable moderately soft to moderately hard; occasional granitic and waste pebbles up to 2-3 cm in size from about 82.5'. Fractures @ 50-60, 20-35, 0-10° to C.H., 3-10'/foot, ~20% broken core; occasional Epidote veinlet +/- shear up to 3 mm wide @ ~70°, 35° to C.H.; some carbonate fracture fillings have hematitic alteration as well; minor Pyrite grains; 88' (+/-) - irregular, small quartz-carbonate veinlets/precipitation with minor Chalcopyrite 97' (+/-) - contact in broken core |

Diamond Drill Record

HOLE NO. RL 94-04

| Feet | | DESCRIPTION |
|-----------------|-------------------|--|
| FROM | TO | |
| 97 (29.57m) | 119 (+) 36.28m | <p>GOWGANDA FORMATION - LAMINATED WACKES <small>greenish-grey</small> Weakly to moderately magnetic; dark grey to light greys; fine grained; bedding @ 60° (+) to C.A.; rocks moderately soft.</p> <p>97-103' - broken, fractured core; fractures (1/4 chlorite + carbonate) @ 25-35° 0-10°, 60-70° to C.A., some with carbonate 103' - ground more competent from here, fractures < 1/foot to 4/foot 117.7' - broken core for ~0.5' +/-</p> |
| 119 (36.28m) | 158 (+) 48.17m | <p>GOWGANDA FORMATION - MASSIVE WACKES +/- PEBBLES Moderately to more weakly magnetic; dark grey to greenish grey; fine grained; a few scattered, generally small, pebbles; fractures (1/4 chlorite +/- carbonate +/- hematite) @ 50-60°, 0-15° to C.A., < 1/2 feet to 2-3/foot; some scattered, pink quartz-carbonate (hematitic) veinlets ≤ 2mm wide @ 15-35° C.A. 119-125' - broken core, more strongly fractured 119.1 (+) epidote-quartz-carbonate lense with minor Pyrite 120.5 (+) - pink granitic pebble with some disseminated Chalcopyrite, cut and offset by several quartz-carbonate (1/2 hematite) fracture fillings @ 35° to C.A. 141.7' - several fine, pale greenish epidolized shears @ 70° to C.A.</p> |

Diamond Drill Record

HOLE No. RL 94-04

| Feet. | | DESCRIPTION |
|----------|---------|--|
| FROM | TO | |
| | | 153.7' - brecciation by pale greenish epidotized, irregular veinlets @ ~60-70° to C.A. |
| | | 154.8' - some epidotized shears @ 35-40° to C.A. |
| | | 156.7-156.8' (1) - shears and patch of pale greenish epidotized material with minor Pyrite; shears @ ~40° to C.A.; A pink ^{several (varietal) quartz} carbonate gashes below for about 1.5' @ 60°, 30°, 70° to C.A. |
| 158 | 167.5' | GOWGANDA FORMATION - LAMINATED - THINLY BEDDED WACKES |
| (10.17m) | 51.07m) | Moderately magnetic; dark grey(s) - lighter grey(s); fine grained; moderately soft; bedding @ 55-60° to C.A.; fractures (1/2 chlorite + carbonate + hematite) @ 50-60°, 25-35°, 0-10°, 1-3' / foot; some scattered hematite |
| | | pink carbonate-quartz veinlets 1-2 mm wide @ 15-25°, 55-60° to C.A. |
| | | 160.8' - pink, carbonate-quartz, crackle gashes over 0.1' zone above a 2mm wide pink veinlet @ 55° to C.A. |
| | | 166.4' (1/2) - pink carbonate-quartz veinlet @ 15° to C.A. with some Chalcopyrite |
| | | |
| | | |
| | | |

HOLE NO. RL 94-04

| Feet | | DESCRIPTION |
|-------------------|-------------------|---|
| FROM | TO | |
| 167.5 (51.07m) | 195.7 (59.66m) | GOWGANDA FORMATION - MASSIVE WACKES Moderately magnetic; dark grey-greenish grey; fine grained; fractures (+/- chlorite +/- carbonate +/- hematite) (X-slips) @ 50-60°, 25-35°, 0-15° to C.A., 1-3/foot with several sections with broken core; a few scattered, hematitic, pink carbonate - quartz veinlets and gashes, 1 mm +/- wide @ 10-15°, 60-70° 169' +/- - 1-2 mm wide pink carbonate - quartz veinlet @ 10-15° to C.A. with minor Chalcopyrite 174(A) - pale greenish-grey laminations @ 30° to C.A. plus parallel, chloritic-hematitic slip 173-174.3' - broken core, fractured 188.5-195' - sections of fractured, broken core GOWGANDA FORMATION - LAMINATED THIN-MEDIUM BEDDED WACKES Moderately magnetic; dark grey-greenish grey; fine grained; bedding @ 55-60° to C.A.; fractures (+/- chlorite +/- carbonate) @ 55-65° to C.A. (1-3/foot); a few pink carbonate - quartz veinlets ≤ 1 mm wide END OF HOLE |
| 195.7 (59.66m) | 205 (62.5m) | |
| 205' (62.5m) | | |

Frank H. Townd, B.Sc.

F.H.T.

D.D.H. LEGEND


GOWGANDA FORMATION


- 1 Wacke
a - massive
b - laminated to thinly bedded


(Abbreviations where applicable)

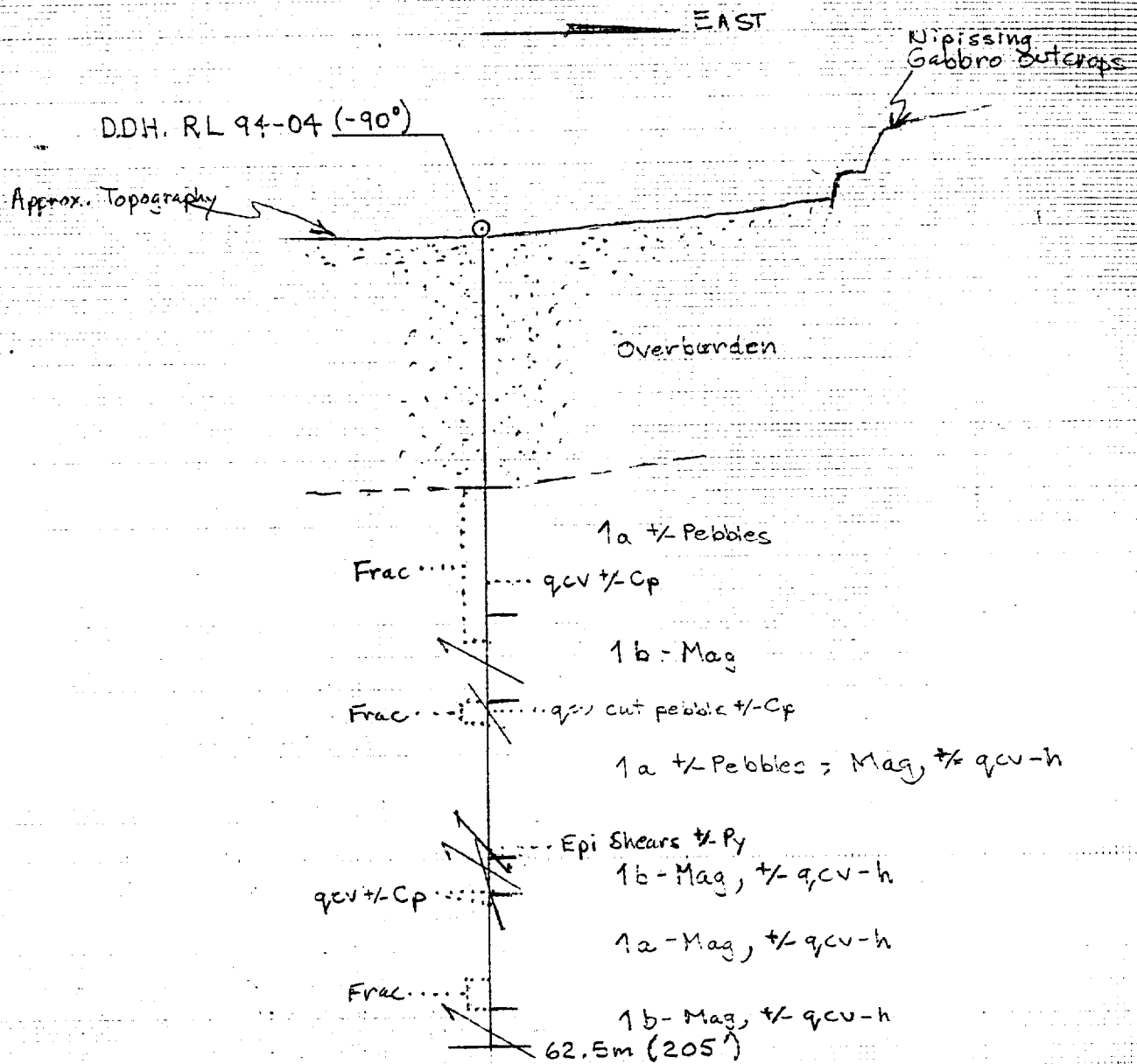
Ab Albitization
Carb Carbonate
Chl Chlorite
Epi Epidote
h Hematitic
Sil Silicification
Cp Chalcopyrite
Py Pyrite
Mag Magnetic
qv Quartz veinlets
qcv Quartz-carbonate veinlets

Frac Fractures

 Bedding orientation
(relative to core axis)

 Foliation
(relative to C.A.)

 Other structures



FLAG RESOURCES (1985) LTD.

 SECTION THROUGH D.D.H. RL94-04
 Claim # 1117309
 RATHBUN TOWNSHIP
 Rathbun Lake Area
 Scale - 1 : 500 Aug. 1994
 0 10m
 0 25ft
 FHT

RATHBUN LAKE

RL 94-04
(-90°, 205')

1117309 1117308

1117306 1117307

RL86-4

RL94-01

RL94-03

RL92-1

Old Shaft

0+00

Old Baseline

1+00mS

2+00mS

3+00mS

Old Drill Roads



FLAG RESOURCES (1985) LTD

Location Sketch

D.D.H. RL94-04
RATHBUN TOWNSHIP
Claim 1117309

Scale - 1 : 2000 Mar/94
Aug.

0 50m

0 100ft

FHT



Report of Work Conducted After Recording Claim

Mining Act

Mines Library
Transaction Number
W 9470.00206

Personal information collected on this form is obtained under the authority of the this collection should be directed to the Provincial Manager, Mining Lands, M Sudbury, Ontario, P3E 6A5, telephone (705) 670-7264.



41115SE0016 W9470.00206 RATHBURN

900

- Instructions:**
- Please type or print and submit in duplicate.
 - Refer to the Mining Act and Regulations for Recorder.
 - A separate copy of this form must be completed for each Work Group.
 - Technical reports and maps must accompany this form in duplicate.
 - A sketch, showing the claims the work is assigned to, must accompany this form.

| | | |
|--|---------------------------------|--|
| Recorded Holder(s) FLAG RESOURCES (1985) LIMITED | | Client No. |
| Address 1970-540-FIFTH AVENUE S.W. CALGARY, AB T2P 0M2 | | Telephone No. (403) 262 8883 |
| Mining Division SUDBURY | Township/Area RATHBUN | M or G Plan No. |
| Dates Work Performed From: JULY 27, 1994 | To: July 29, 1994 | |

Work Performed (Check One Work Group Only)

| Work Group | Type |
|---|---------------------------------|
| <input type="checkbox"/> Geotechnical Survey | |
| <input checked="" type="checkbox"/> Physical Work, Including Drilling | SURFACE DIAMOND DRILLING |
| <input type="checkbox"/> Rehabilitation | |
| <input type="checkbox"/> Other Authorized Work | |
| <input type="checkbox"/> Assays | |
| <input type="checkbox"/> Assignment from Reserve | |

RECORDED

AUG 15 1994

Receipt *9

Total Assessment Work Claimed on the Attached Statement of Costs \$ 2,880.00

Note: The Minister may reject for assessment work credit all or part of the assessment work submitted if the recorded holder cannot verify expenditures claimed in the statement of costs within 30 days of a request for verification.

Persons and Survey Company Who Performed the Work (Give Name and Address of Author of Report)

| Name | Address |
|--------------------------------|---|
| TRIANGLE DRILLING LTD | 106 FIELDING ROAD, LIVELY, ONTARIO |
| c/o Erana Mines Limited | POM 2E0 |
| | |
| | |

(attach a schedule if necessary)

Certification of Beneficial Interest * See Note No. 1 on reverse side

| | | |
|--|---------------------------|--|
| I certify that at the time the work was performed, the claims covered in this work report were recorded in the current holder's name or held under a beneficial interest by the current recorded holder. | Date AUG. 8. 94 | Recorded Holder or Agent (Signature) <i>[Signature]</i> |
|--|---------------------------|--|

Certification of Work Report

| | | |
|---|-------------------------------|--|
| I certify that I have a personal knowledge of the facts set forth in this Work report, having performed the work or witnessed same during and/or after its completion and annexed report is true. | | |
| Name and Address of Person Certifying MURDO C. MCLEOD, SUITE 1970-540 FIFTH AVENUE S.W. CALGARY, AB T2P 0M2 | | |
| Telephone No. (403) 262 8883 | Date AUGUST 8, 1994 | Certified By (Signature) <i>[Signature]</i> |

For Office Use Only

| | | | |
|---|---|---------------------------------------|---|
| Total Value Cr. Recorded <i>Applied \$ 1,200.00</i> <i>Reserved \$ 1,680.00</i> | Date Recorded <i>Aug. 15/94</i> | Mining Recorder <i>[Signature]</i> | <div style="border: 2px solid black; padding: 5px;"> <p style="font-weight: bold; font-size: 1.2em;">SUDBURY RECEIVED</p> <p style="font-weight: bold; font-size: 1.2em;">AUG 15 1994</p> <p style="font-size: 0.8em;">A.M. P.M.</p> <p style="font-size: 0.8em;">7 8 9 10 11 12 1 2 3 4 5 6</p> </div> |
| | Deemed Approval Date <i>Nov. 13/94</i> | Date Approved <i>Sept. 23/94</i> | |
| | Date Notice for Amendments Sent | | |



Ministry of
Northern Development
and Mines

Ministère du
Développement du Nord
et des mines

**Statement of Costs
for Assessment Credit**

**État des coûts aux fins
du crédit d'évaluation**

Mining Act/Loi sur les mines

Transaction No./N° de transaction
W9470.00206

Personal information collected on this form is obtained under the authority of the Mining Act. This information will be used to maintain a record and ongoing status of the mining claim(s). Questions about this collection should be directed to the Provincial Manager, Minings Lands, Ministry of Northern Development and Mines, 4th Floor, 159 Cedar Street, Sudbury, Ontario P3E 6A5, telephone (705) 670-7264.

Les renseignements personnels contenus dans la présente formule sont recueillis en vertu de la Loi sur les mines et serviront à tenir à jour un registre des concessions minières. Adresser toute question sur la collecte de ces renseignements au chef provincial des terrains miniers, ministère du Développement du Nord et des Mines, 159, rue Cedar, 4^e étage, Sudbury (Ontario) P3E 6A5, téléphone (705) 670-7264.

1. Direct Costs/Coûts directs

| Type | Description | Amount Montant | Totals Total global |
|---|---|-------------------|------------------------|
| Wages Salaires | Labour Main-d'oeuvre | | |
| | Field Supervision Supervision sur le terrain | | |
| Contractor's and Consultant's Fees Droits de l'entrepreneur et de l'expert- conseil | Type | | |
| | DRILLING | \$2400 | |
| Supplies Used Fournitures utilisées | Type | | |
| | | | |
| | | | |
| Equipment Rental Location de matériel | Type | | |
| | | | |
| | | | |
| Total Direct Costs Total des coûts directs | | | 2400 |

2. Indirect Costs/Coûts indirects

** Note: When claiming Rehabilitation work Indirect costs are not allowable as assessment work.
Pour le remboursement des travaux de réhabilitation, les coûts indirects ne sont pas admissibles en tant que travaux d'évaluation.

| Type | Description | Amount Montant | Totals Total global |
|---|-------------|-------------------|------------------------|
| Transportation Transport | Type | | |
| | | | |
| | | | |
| | | | |
| Food and Lodging Nourriture et hébergement | | | |
| Mobilization and Demobilization Mobilisation et démobilisation | | | \$600 |
| Sub Total of Indirect Costs Total partiel des coûts indirects | | | \$600 |
| Amount Allowable (not greater than 20% of Direct Costs) Montant admissible (n'excédant pas 20 % des coûts directs) | | | \$2400 480 |
| Total Value of Assessment Credit (Total of Direct and Allowable indirect costs) | | | \$3000 |
| Valeur totale du crédit d'évaluation (Total des coûts directs et indirects admissibles) | | | 2880 |

Note: The recorded holder will be required to verify expenditures claimed in this statement of costs within 30 days of a request for verification. If verification is not made, the Minister may reject for assessment work all or part of the assessment work submitted.

Note : Le titulaire enregistré sera tenu de vérifier les dépenses demandées dans le présent état des coûts dans les 30 jours suivant une demande à cet effet. Si la vérification n'est pas effectuée, le ministre peut rejeter tout ou une partie des travaux d'évaluation présentés.

Filing Discounts

1. Work filed within two years of completion is claimed at 100% of the above Total Value of Assessment Credit.
2. Work filed three, four or five years after completion is claimed at 50% of the above Total Value of Assessment Credit. See calculations below:

| | |
|----------------------------------|--------------------------|
| Total Value of Assessment Credit | Total Assessment Claimed |
| | x 0.50 = |

Remises pour dépôt

1. Les travaux déposés dans les deux ans suivant leur achèvement sont remboursés à 100 % de la valeur totale susmentionnée du crédit d'évaluation.
2. Les travaux déposés trois, quatre ou cinq ans après leur achèvement sont remboursés à 50 % de la valeur totale du crédit d'évaluation susmentionné. Voir les calculs ci-dessous.

| | |
|--------------------------------------|----------------------------|
| Valeur totale du crédit d'évaluation | Evaluation totale demandée |
| | x 0,50 = |

Certification Verifying Statement of Costs

I hereby certify:
that the amounts shown are as accurate as possible and these costs were incurred while conducting assessment work on the lands shown on the accompanying Report of Work form.

that as PRESIDENT I am authorized
(Recorded Holder, Agent, Position in Company)

to make this certification

Attestation de l'état des coûts

J'atteste par la présente :
que les montants indiqués sont le plus exact possible et que ces dépenses ont été engagées pour effectuer les travaux d'évaluation sur les terrains indiqués dans la formule de rapport de travail ci-joint.

Et qu'à titre de _____ je suis autorisé
(titulaire enregistré, représentant, poste occupé dans la compagnie)

à faire cette attestation.

| | |
|---------------|--------------------|
| Signature | Date AUG. 8. 94 |
|---------------|--------------------|

ERANA MINES LIMITED
 106 Fielding Road
 Lively, Ontario
 P3Y 1L5

TO: Flag Resources (1985) Limited
 1970 540 - 5th Ave., S.W.
 Calgary, Alberta
 T2P 0M2

INVOICE NO.: FRL-001
 DATE : Aug. 4/94
 TERMS : Due upon receipt.

RE: Diamond Drilling (B.Q.) - "RATHBUN TOWNSHIP"
 - claim number S117309

| | | |
|----------------|--|------------------|
| MOBILIZATION | : July 27, 1994 | \$ 300.00 |
| | July 28 - 29, 1994 D.D. Hole #RL 94-04 drilled complete 200 ft. @ \$12./ft. | 2,400.00 |
| DEMOBILIZATION | : August 2, 1994 | <u>300.00</u> |
| | | \$3,000.00 |
| G.S.T. | : 7% G.S.T. GST #R101671618 | <u>210.00</u> |
| | | \$3,210.00 |
| | LESS: Tel. Tref. July 22/94 | <u>-3,000.00</u> |
| | | <u>\$ 210.00</u> |

ENTERED AUG 4 1994

