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GEOPHYSICAL REPORT on a MAGNETOMETER AND VLF-EM SURVEY on the EAGLEROCK LAKE CLAIM GROUP (NORTH GRID) SCHOLES/AFTON TOWNSHIP, SUDBURY MINING DIVISION for TEMEX RESOURCES LTD.

2.18834

Submitted by: Steve Anderson *VISION EXPLORATION*September 3, 1998



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SCHOLES

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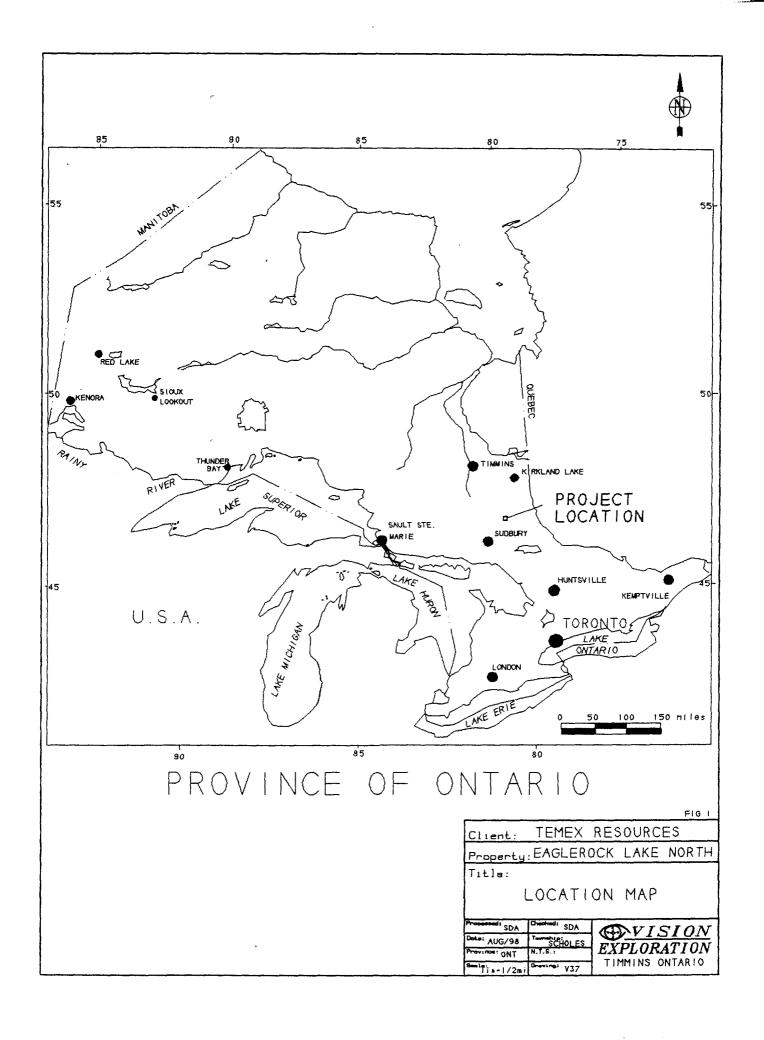
Magnetometer Map	Map #1
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INTRODUCTION

The following report will deal with the results of a magnetometer and VLF-EM survey carried out on the Eaglerock Lake North Claim Group. The property is held by Temex Resources Ltd. and is made up of six unpatented block mining claims (16 units), located in Scholes and Afton Townships, Sudbury Mining Division, Districts of Sudbury and Nipissing, Ontario. This work was carried out on a contract basis by Vision Exploration and took the form of a line-cutting program, which was followed up with magnetometer and VLF-EM surveys. A total of 34 km. of grid lines were established and surveyed during the month of July 1998.

On September 17, 1997 the mining rights for the subject property came open for staking after having being withdrawn by the MNDM for more than 20 years as a result of the Temagami Land Caution. This has resulted in only a limited amount of exploration work having been carried out in the area. The property lies to the southwest and generally on strike with the town of Temagami, which has hosted a number of past base metal producers.

The purpose of this program was to provide ground geophysical data that would aid in the geological interpretation of the area.



LOCATION AND ACCESS

The Eaglerock Lake North Claim Group is located in the west central portion of Scholes and east central portion of Afton Township, Sudbury Mining Division, Districts of Sudbury and Nipissing, Ontario. The property is situated approximately 70-km. northeast form the city of Sudbury or 40-km. southwest from the town of Temagami, Ontario. Greenrod Lake is located roughly in the centre of the grid.

Access to the work area is gained by taking Hwy 64 North form the town of Sturgeon Falls which is situated along the Trans Canada Hwy (Hwy 17) between the cities of North Bay and Sudbury. At the 22 km. point on Hwy 64 north is the village of Field and the junction of Hwy 539 to the village of River Valley. To this point the Hwy is paved and in fairly good condition. From the village of River Valley Hwy 805 can be used to access the Manitou Lake area.

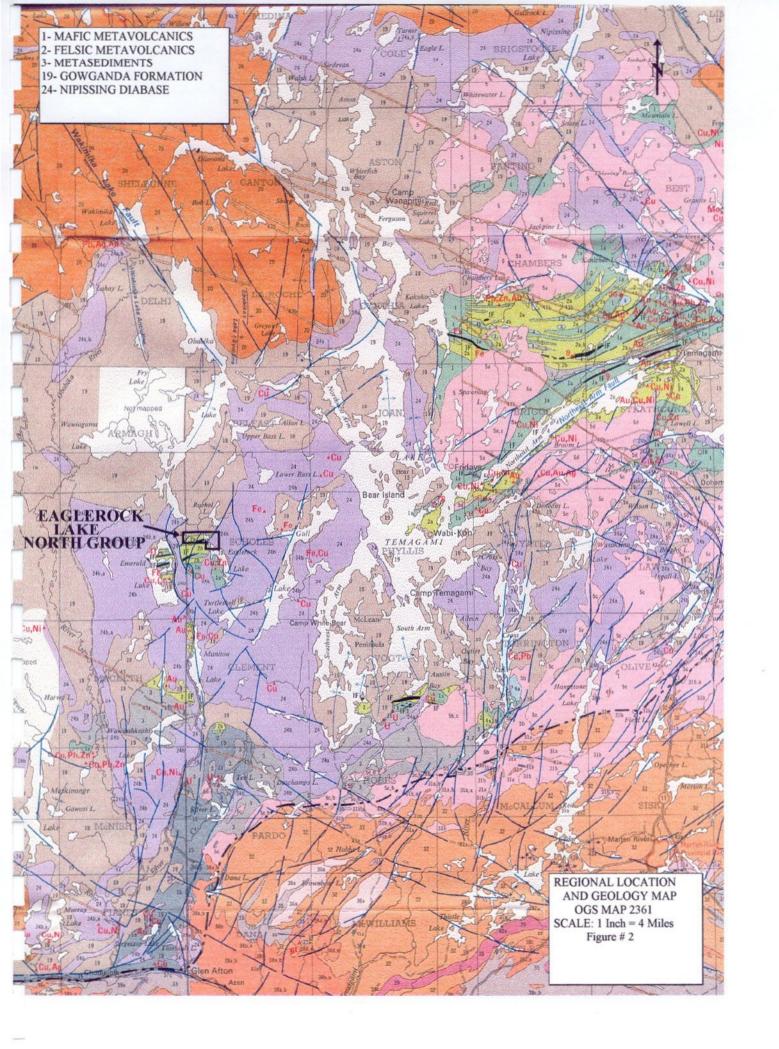
Access to the grid was gained by taking Hwy 805 to the north end of Emerald Lake where a secondary road heads east from the Hwy. This road heads east running through the western part of the grid as far as the north end of Greenrod Lake where it then swings to the north and off the grid. From just east of Greenrod Lake a network of old logging roads that can be travelled by ATV provide access to the southeast corner of the block and the northeast corner of Eaglerock Lake (Figure #3).

PERSONELL

The people directly involved with the geophysical program were all employed by Vision Exploration and are as follows:

Steve Anderson	Timmins, Ontario
Rob Todoravich	Timmins, Ontario
Randy Salo	Timmins, Ontario
Donny McKinnon	Timmins, Ontario

Steve Anderson and Donny McKinnon supervised all work.



PREVIOUS WORK

The assessment files show that a fair amount of work has been carried out over the Eaglerock North Claim group. Since the 1950's significant base metal values have been reported from this area. The following is a list of the companies or individuals that previously held the ground and a brief description of the work they carried out:

EMERALD MINING SYNDICATE 1950:

- magnetometer survey
- geological mapping

ABEX MINES 1951:

- self potential survey
- resistivity survey
- diamond drilling

NEW ATHONA MINES LTD 1955:

- magnetometer survey
- geological mapping
- stripping and trenching

GRAINGER 1973:

- prospecting
- trenching

GENERAL GEOLOGY

The geology of the area is described in OGS Report 170 "Geology of Afton, Scholes Macbeth and Clement Townships" as follows:

All bedrock exposed is of Precambrian age. The oldest rocks of the area are a sequence of Early Precambrian metavolcanics and metasediments with locally interbedded chert (jasper)-magnetite, and sulphide iron formation. These rocks are locally intruded by porphyries similar to the flows they intrude, and are intruded by diabase dikes. The early Precambrian sequence is unconformabley overlain by Middle Precambrian Huronian sedimentary rocks of the Mississagi and Gowganda Formations. Sheet-like Nipissing Intrusions (tholeitic gabbro) intruded by Huronian and older rocks. The youngest bedrock in the area consists of Late Precambrian diabase and olivine diabase dikes. Pleistocene and recent gravel, sand, silt and swamp deposits cover the area between exposures of Precambrian rock.

OGS Map 2385 shows the southern and central portion of the grid to be underlain primarily by felsic metavolcanics striking in generally an east-west direction and dipping steeply to the south. This geological unit extends off the grid to the west, and can be traced to the east as far as 200 meters east of Greenrod Lake. To the north of this, bordering the metavolcanics lies Gowganda Formation.

The southern boundary of the property, west of Greenrod Lake is underlain or partially underlain by a narrow band of mafic metavolcanics and iron formation. Previous work programs in the area have tested portions of this geological unit, reporting significant base metal values.

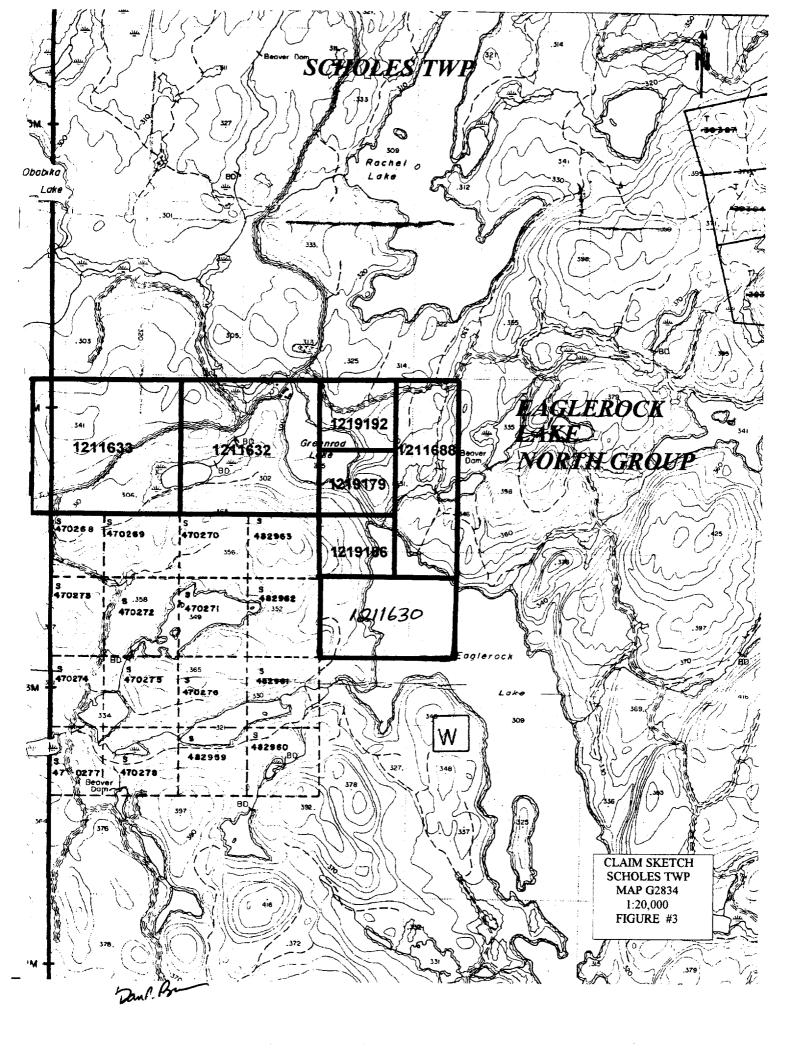
The eastern portion of the property as well as the area directly south of Greenrod Lake is shown to be underlain primarily by Nipissing diabase.

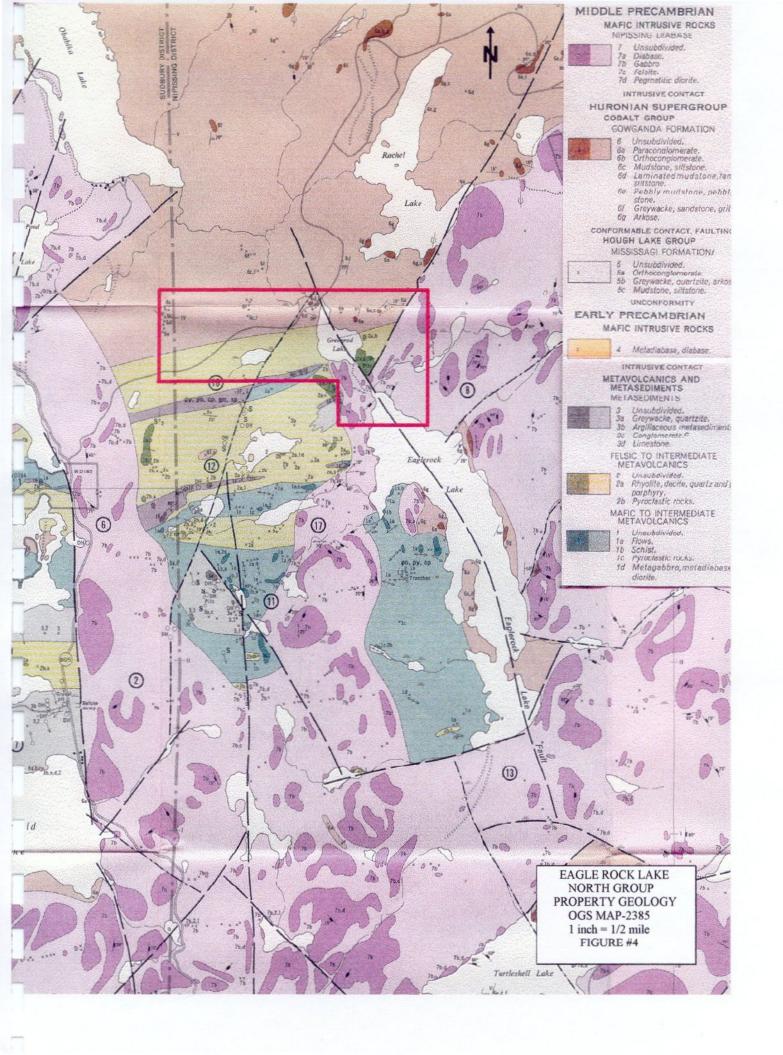
CLAIMS

The Eaglerock Lake North Claim Group is made up of six unpatented block and single unit mining claims (16 units) located in Scholes and Afton Townships, Sudbury Mining Division, Districts of Sudbury and Nipissing, Ontario. All are currently recorded in the name of Temex Resources Ltd. The claim numbers are as follows:

CLAIM#	# OF UNITS	<u>TOWNSHIP</u>
1211632	4	SCHOLES
1211633	4	SCHOLES/AFTON
1211688	3	SCHOLES
1219179	1	SCHOLES
1219186	1	SCHOLES
1219192	1	SCHOLES
1211630	2	SCHOLES

(0.P.b)





WORK PROGRAM

The first stage of this work program involved establishing a grid over which the geophysical surveys could be carried out. Temex Resources Ltd. set up the grid parameters with the base lines in an east-west direction with perpendicular, north-south cross lines and tie-lines. The line interval was set at 50 meters, with a 25 meters station interval. A total of 34 km. of chainsaw cut grid lines were established.

The grid was then surveyed with Magnetometer and VLF-EM, using a 12.5-meter reading interval, resulting in 34 km of magnetometer and 29.8 km. of VLF-EM coverage. The following is a brief description of the geophysical methods and parameters used.

MAGNETOMETER SURVEY

A GEM GSMT-19 Proton Precession magnetometer was used to carry out the magnetometer survey. The instrument is synchronised with a GEM GSMT-19 recording base station to help eliminate magnetic diurnal variation. This should ensure an accuracy of less than 1.0 Nt.

The Proton Precession method involves energising a wire coil immersed in a hydrocarbon fluid. This causes the protons in the proton rich fluid to spin or precess simulating spinning magnetic dipoles. When the current is removed the protons precess about the direction of the earth's magnetic field, generating a signal in the same coil which is proportional to the total magnetic field intensity. In this way, the horizontal gradient of the earth's magnetic field can be measured and plotted in plan form with values of equal intensity joined to form a contour map.

This presentation is useful in correlating with other data sets to aid in structural interpretation. Individual magnetic responses can be interpreted for dip, depth and width estimates after profiling the data.

The following parameters were employed for the survey:

Instrument – GEM, GSMT-19 Proton Precession Magnetometer
Station Interval - 12.5m
Line Interval - 50m
Diurnal Correction Method – GEM GSMT-19 Recording Base Station
Data Presentation – Data posted and contoured plan map
- 1:2500 scale

- Contour interval: 50 nano-teslas

A Geometrics EM-16 VLF instrument was used to survey the entire property. Both the Inphase (dip angle) and Quadrature values were recorded at 12.5m intervals.

While VLF stands for Very Low Frequency, it is for mineral exploration purposes a very high frequency compared to other commonly used Electromagnetic Surveys. The commonly used frequencies are in the order of 18-20 kilohertz. The VLF-EM technique employs fixed transmitter stations located at various places around the world to facilitate navigation. Because of this, one has a limited choice as to what transmitter station that can be used, depending on distance from and azimuth to the transmitter station.

For this survey, Cutler Maine (NAA) was used. It has an operating frequency of 24.0 KHz and an azimuth of approximately of 110 degrees TN from the property. Very briefly, the transmitting station emits a concentric, circular wave pattern, expanding about the transmitter dipole. Being thousands of miles away from the transmitter, we deal with the tangent of this wave pattern, which in this case would have a direction normal to the azimuth of 110 degrees. Thus any conductors having a general EW strike direction would be intersected by this signal which induces a signal in the conductor which in turn opposes the primary signal from the transmitter station. This elliptically polarizes the resultant field enabling detection of the conductor using a receiver coil to determine the attitude of the resultant field at various points along the grid lines.

The resultant field dips away from the conductor axis on both sides of the conductor producing a crossover on the conductor axis. For an EW conductor, a true crossover would occur where the field dips south and changes to a north dip as you progress from south to north. For this survey, a +/- system is used where a (+) dip angle means the field is dipping to the south (indicating anomaly is to north) and a (-) dip angle means the field is dipping to the north (indicating anomaly is to South). This is the case only if all readings were taken facing north as per this survey.

The quadrature values, while not useful alone, can help distinguish between bedrock conductors, which generally have a smaller out-of-phase response than overburden or short wavelength conductors can. Also, the polarity of the quadrature is diagnostic, i.e.; if the polarity follows or is the same sense as the In-phase it gives more credibility to the conductor. Reverse quadrature often indicates overburden responses.

The following parameters were employed for the survey:

Instrument - Geometrics EM-16 VLF
Transmitter Station - Cutler Maine (USA)
- Call symbol NAA
Frequency - 24.0 kHz
Azimuth to station - approx. 110 degrees TN
Reading Direction - All reading taken facing north
Station Interval - 12.5m
Line Interval - 50m
Data Presentation - Data posted and profiled plan map
- Scale - 1:2500

- Profile scale 1 cm = 20%

SURVEY RESULTS

The geophysical program conducted on the Eaglerock Lake North Group was successful in outlining a number of conductive zones. All have been marked and labelled A through O and can be found on the VLF-EM profiled plan map in the back pocket of this report.

The two most dominant magnetic features are two highs, this first occurring along the group's south boundary between L400E and L750E, the second at the northwest end of Eaglerock Lake between L1200E and L1400E. Both these features are likely marking zones of iron formation as shown by Map 2385 (Figure #4).

As mentioned, numerous VLF-EM conductors were outlined. Of these, two might be explained by Map 2385. Zone K appears to be coincident with the contact between the felsic metavolcanics and the Nipissing Diabase, while zone E may be responding to zones of iron formation.

The remainder the zones remain unresolved and with the limited amount of information available at this time a priority list would be difficult to establish. Some of the stronger responses include A, B, D, M, and N. Zone A is coincident with a weak magnetic low and could be marking a structure, such as fault or shear zones. Zones Band D are likely the same zone and are similar to Zone A, again possibly marking some type of structure. Zones M and N may be one continuous feature that has been slightly offset. This zone occurs along the horizontal magnetic gradient between a background high to the south and low to the north. This may represent a geological contact.

The remainder of the zones show weaker responses over shorter strike lengths. Although some of these may be overburden responses none should be dismissed as such without further testing.

RECOMMENDATIONS AND CONCLUSIONS

The geophysical program carried out on the Eagle Rock Lake North Group was successful in outlining a number of conductors, all of which requires some degree of follow-up work. As mentioned under results, at this point in time, based on anomaly strengths, the main areas of interest would appear to be A, B, D, M and N. However, none of the zones discussed should be dismissed without making some attempt in resolving them.

The first phase of follow-up work should take the form of geological mapping or prospecting. This may help resolve any of the zones that are exposed as well as give some idea which of the zones, if any could be overburden responses.

Some test lines of HLEM would also help in determining whether the conductors outlined are legitimate bedrock conductors. An Induced Polarization survey should also be considered, as it will respond to zones of disseminated sulphides that may not have responded to conventional geophysical methods used thus far.

The Property occurs within a favourable gold and base metal geological environment, and none of the zones outlined should be dismissed without determining their source.

CERTIFICATION

- I, Steve Anderson of Timmins, Ontario hereby certify that:
 - 1. I hold a three-year Technologist Diploma from Sir Sandford College, Lindsay, Ontario, obtained in May 1981.
 - 2. I have been practising my profession since 1979 in Ontario, Quebec, Nova Scotia, New Brunswick, Newfoundland, NWT, Manitoba Saskatchewan and Greenland.
 - 3. I have been employed directly with Asamera Oil Inc., Urangellschaft Canada Ltd., Nanisivik Mines Ltd., R.S. Middleton Exploration Services Ltd., Rayan Exploration Ltd and am currently an owner of Vision Exploration.
 - 4. I have based conclusions and recommendations contained in this report on knowledge of the area, my previous experience and on the results of the fieldwork conducted on the property during 1998.

Dated this 2nd day of September 1998 at Timmins, Ontario.

APPENDIX A GEM GSM-19 MAGNETOMETER

INSTRUMENT SPECIFICATIONS

MAGNETOMETER / GRADIOMETER

Resolution:

0.01 nT (gamma), magnetic field and gradient.

Accuracy:

0.2 nT over operating range.

Range:

20,000 to 120,000 nT.

Gradient Tolerance:

Over 10,000 nT/m

Operating interval:

3 seconds minimum, faster optional. Readings initiated from keyboard,

external trigger, or carriage return via RS-232-C.

Input/Output:

6 pin weatherproof connector, RS-232C, and (optional) analog output.

Power Requirements:

12 V, 200 mA peak (during polarization), 30 mA standby. 300mA peak

in gradiometer mode.

Power Source:

Internal 12 V, 2.6 Ah sealed lead-acid battery standard, others op-

tional. An External 12V power source can also be used.

Battery Charger:

Input: 110 VAC, 60 Hz. Optional 110/220 VAC, 50/60 Hz.

Output: dual level charging.

Operating Ranges:

Temperature: -40 °C to +60 °C.

Battery Voltage: 10.0 V minimum to 15V maximum.

Humidity: up to 90% relative, non condensing.

Storage Temperature:

-50°C to +65°C

Display:

LCD: 240 x 64 pixels, or 8 x 30 characters. Built in heater for opera-

tion below -20°C

Dimensions:

Console: 223 x 69 x 240mm.

Sensor staff: 4 x 450mm sections.

Sensor: 170 x 71mm dia.

Weight: Console 2.1kg, Staff 0.9kg, Sensors 1.1kg each.

VLF

Frequency Range:

15 - 30.0 kHz.

Parameters Measured:

Vertical In-phase and Out-of-phase components as percentage of total

field.

2 components of horizontal field. Absolute amplitude of total field.

Resolution:

0.1%.

Number of Stations:

Up to 3 at a time.

Storage:

Automatic with: time, coordinates, magnetic field/gradient, slope, EM field, frequency, in- and out-of-phase vertical, and both horizontal

components for each selected station.

Terrain Slope Range:

0° - 90° (entered manually).

Sensor Dimensions:

 $14 \times 15 \times 9$ cm. (5.5 × 6 × 3 inches).

Sensor Weight:

1.0 kg (2.2 lb).

APPENDIX B GEOMETRICS EM-16 VLF

- VLF (PLANE WAVE) EM INSTRUMENTS---

VLF EM



One of the most popular and widely used electromagnetic instruments, the EM16 VLF receiver makes the ideal reconnaissance EM. This can be attributed to its field reliability, operational simplicity, compactness and mutual compatibility with other reconnaissance instruments such as portable magnetometers and radiometric detec-

The VLF method of EM surveying, pioneered by Geonics, has proven to be a simple economical means of mapping geological structure and fault tracing. The applications are many and varied, ranging from direct detection of massive sulphide conductors to the indirect detection of precious metals and radioactive deposits.

FEATURES

- The EM16 is the only VLF instrument that measures the quad-phase as well as the in-phase secondary field. This has the advantage of providing an additional piece of data for a more comprehensive interpretation and also allows a more accurate determination of the tilt angle.
- The secondary fields are measured as a ratio to the primary field making the measurement independent of absolute field strength.
- The EM16 is the only VLF receiver that can be adapted to measure VLF

Specifications

MEASURED QUANTITY In-phase and quad-phase components of vertical magnetic field as a percentage of horizontal primary field.

(i.e. tangent of the tilt angle and ellipticity)

SENSITIVITY

In-phase : ±150%

Quad-phase: ± 40%

RESOLUTION

OUTPUT

Nulling by audio tone. In-phase indication from mechanical inclinometer and quad-phase from a graduated dial.

PERATING FREQUENCY 15-25 kHz VLF Radio Band. Station selection done by means of plug-in units.

OPERATOR CONTROLS On/Off switch, battery test push button, station selector switch, audio volume control, quadrature dial, inclino-

POWER SUPPLY

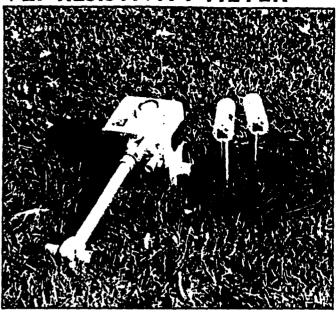
6 disposable 'AA' cells

DIMENSIONS WEIGHT

42 x 14 x 9 cm Instrument: 1.6 kg

Shipping: 5.5 kg

VLF RESISTIVITY METER



EM16/16R

The EM16R is a simple, button on attachment to the EM16 converting it to a direct reading terrain resistivity meter. The EM16R interfaces a pair of potential electrodes to the EM16 enabling the measurement of the ratio of, and the phase angle between, the horizontal electric and magnetic fields of the plane wave propagated by distant VLF radio transmitters.

The EM16R is direct reading in ohm-meters of apparent ground resistivity. If the phase angle is 45°, the resistivity reading is the true value and the earth is uniform to the depth of exploration (i.e. a skin depth). Any departure from 45° of phase indicates a layered earth. Two layer interpretation curves are supplied with each instrument to permit an interpretation based on a two layer earth model.

This highly portable resistivity meter makes an ideal tool for quick geological mapping and has been used successfully for a variety of applications.

- Detection of massive and disseminated sulphide deposits
- Overburden conductivity and thickness measurements
- Permatrost mapping
- Detection and delineation of industrial mineral deposits
- Aquifer mapping

Specifications EMIGRATTACHMENT

MEASURED QUANTITY Apparent Resistivity of the ground in ohm-meters

●Phase angle between E_v and H_v in degrees

RESISTIVITY RANGES .

10 - 300 onm-meters 100 — 3000 ohm-meters

●1000 - 30000 ohm-meters

PHASE RANGE

0.90 degrees

RESOLUTION

Resistivity: ±2% full scale

Phase : ±0.5°

GUTPUT

Null by audio tone. Resistivity and phase angle read from

graduated dials.

OPERATING FREQUENCY 15-25 kHz VLF Radio Band, Station selection by means

of rotary switch.

INTERPROBE SPACING 10 meters

PROBE INPUT IMPEDANCE 100 M Ω in parallel with 0.5 picolarads

DIMENSIONS

19 x 11.5 x 10 cm. (attached to side of EM16)

WEIGHT

1.5 kg (including probes and cable)



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GEOPHYSICAL REPORT

on a

MAGNETOMETER AND HLEM SURVEY

on the

EAGLEROCK LAKE CLAIM GROUP (SOUTH GRID)

SCHOLES TOWNSHIP, SUDBURY MINING DIVISION

for

TEMEX RESOURCES LTD.

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Submitted by: Steve Anderson VISION EXPLORATION September 3, 1998



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FIGURES

Location Map	Figure #1
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Property Geology	Figure #4

MAPS

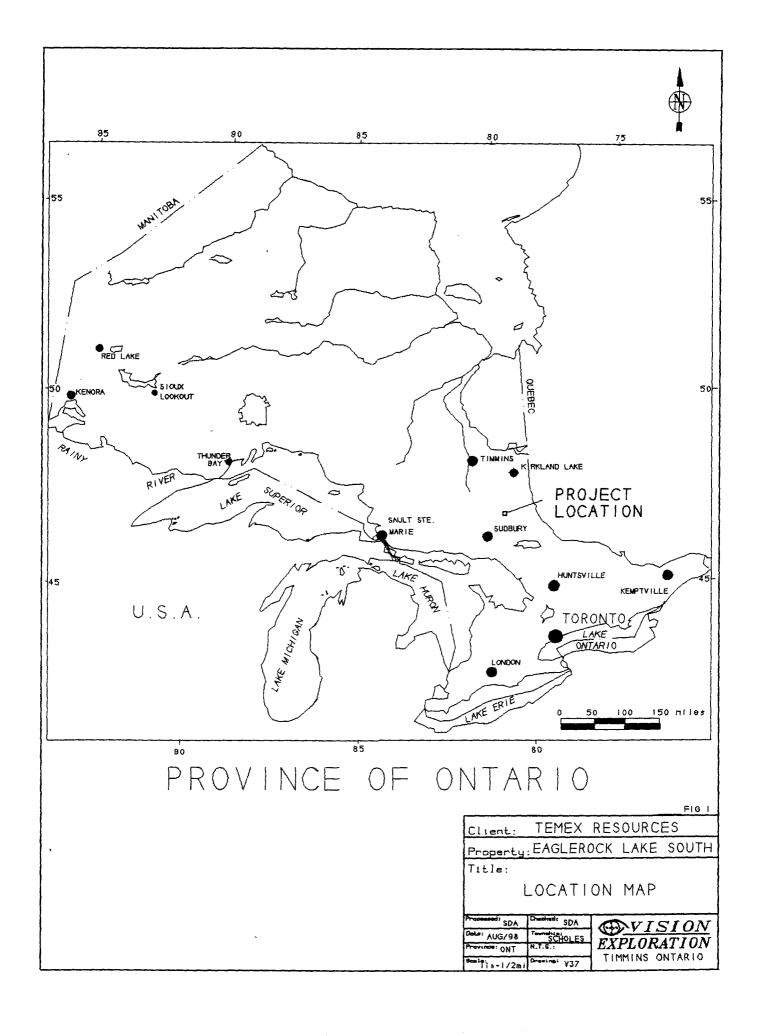
Magnetometer Map	Map #1
HLEM Map - 444 Hz	.Map #2
HLEM Map - 1777 Hz	Map #3
HLEM Map - 3555 Hz	Map #4

INTRODUCTION

The following report will deal with the results of magnetometer and HLEM surveys carried out on the Eaglerock Lake South Claim Group. The property is held by Temex Resources Ltd. and is made up of three unpatented block mining claims (14 units), located in Scholes Township, Sudbury Mining Division, Districts Nipissing, Ontario. This work was carried out on a contract basis by Vision Exploration and took the form of a line-cutting program, which was followed up with magnetometer and HLEM (Max-Min) surveys. A total of 25.4 km. of grid lines were established and surveyed during the month of July 1998.

On September 17, 1997 the mining rights for the subject property came open for staking after having being withdrawn by the MNDM for more than 20 years as a result of the Temagami Land Caution. This has resulted in only a limited amount of exploration work having been carried out in the area. The property lies to the southwest and generally on strike with the town of Temagami, which has hosted a number of past base metal producers.

The purpose of this program was to provide ground geophysical data that would aid in the geological interpretation of the area. This included re-locating a number of previously oulined conductors that for the most part remain untested.



LOCATION AND ACCESS

The Eaglerock Lake South Claim Group is located in the west central portion of Scholes Township, Sudbury Mining Division, Districts of Nipissing, Ontario. The property is situated approximately 70-km. northeast form the city of Sudbury or 40-km. southwest from the town of Temagami, Ontario. The grid borders much of the west shore of Eaglerock Lake.

Access to the work area is gained by taking Hwy 64 North form the town of Sturgeon Falls which is situated along the Trans Canada Hwy (Hwy 17) between the cities of North Bay and Sudbury. At the 22 km. point on Hwy 64 north is the village of Field and the junction of Hwy 539 to the village of River Valley. To this point the Hwy is paved and in fairly good condition. From the village of River Valley Hwy 805 can be used to access the Manitou Lake area.

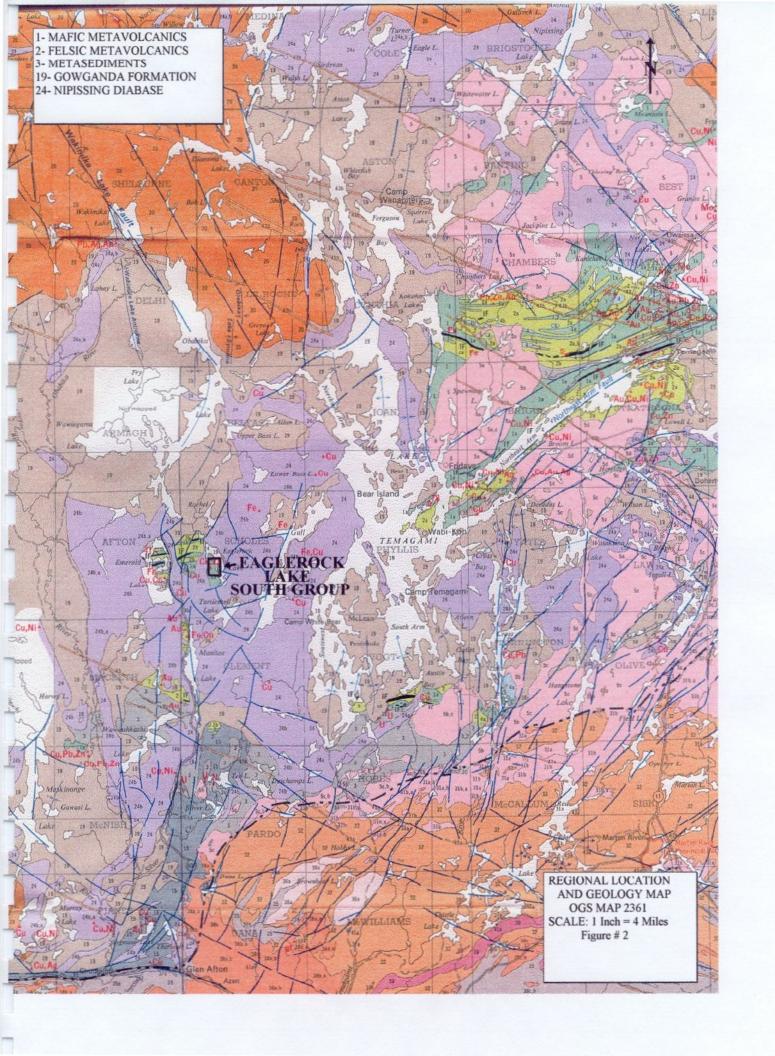
Access to the grid was gained by taking Hwy 805 to the south end of Emerald Lake where a secondary road heads east from the Hwy. This road provides access to a network of logging roads that can be travelled by four-whell drive or ATV, providing access to within 1 km. of the grid. From here, the grid was accessed by ATV on an old logging road which runs diagonally through much of the grid.

PERSONELL

The people directly involved with the geophysical program were all employed by Vision Exploration and are as follows:

Steve Anderson	.Timmins, Ontario
Rob Todoravich	Timmins, Ontario
Lanny Anderson	.Timmins, Ontario
Donny McKinnon	Timmins, Ontario
T.J. Quesnelle	

Steve Anderson and Donny McKinnon supervised all work.



PREVIOUS WORK

The assessment files show that the majority of work carried out over the Eaglerock South Claim group was done by Noranda Mines Limited in 1956 This work took the form of ground geophysical surveys (magnetic and electromagnetic) followed by geological mapping, trenching and sampling. This work reported significant base metal values occurring within zones of iron formation and sulphides.

GENERAL GEOLOGY

The geology of the area is described in OGS Report 170 "Geology of Afton, Scholes Macbeth and Clement Townships" as follows:

All bedrock exposed is of Precambrian age. The oldest rocks of the area are a sequence of Early Precambrian metavolcanics and metasediments with locally interbedded chert (jasper)-magnetite, and sulphide iron formation. These rocks are locally intruded by porphyries similar to the flows they intrude, and are intruded by diabase dikes. The early Precambrian sequence is unconformabley overlain by Middle Precambrian Huronian sedimentary rocks of the Mississagi and Gowganda Formations. Sheet-like Nipissing Intrusions (tholeitic gabbro) intruded by Huronian and older rocks. The youngest bedrock in the area consists of Late Precambrian diabase and olivine diabase dikes. Pleistocene and recent gravel, sand, silt and swamp deposits cover the area between exposures of Precambrian rock.

OGS Map 2385 shows the majority of the grid area to be underlain by mafic to intermediate metavolcanics (Figure #4). The southern portion of the grids is shown to have a northwesterly strike direction which changes to a northeasterly direction in the north

The extream northeast corneer of the grid is shown to be underlain by Nipissing Diabase.

CLAIMS

The Eaglerock Lake South Claim Group is made up of three unpatented block mining claims (14 units) located in Scholes Township, Sudbury Mining Division, Districts of Nipissing, Ontario. All are currently recorded in the name of Temex Resources Ltd. The claim numbers are as follows:

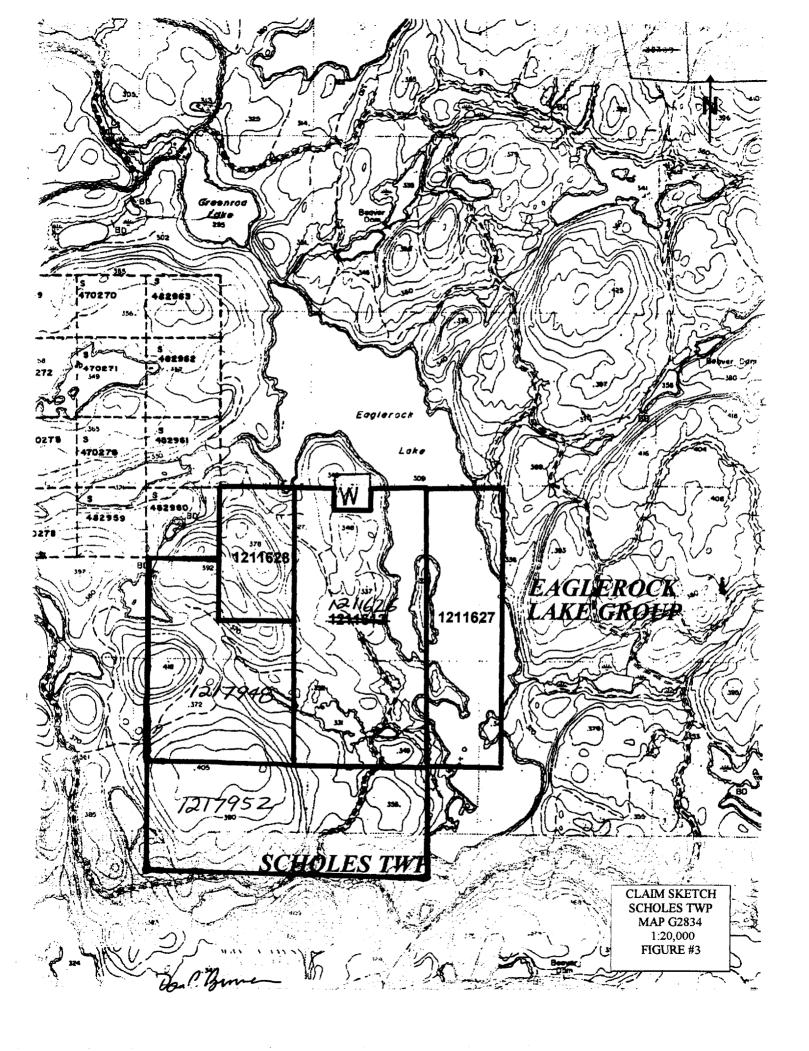
CLAIM#	# OF UNITS	TOWNSHIP
/2/1626 1211612 1211627 1211628	8 4 2	SCHOLES SCHOLES SCHOLES
1217948	5 8	SCHOLES SCHOLES

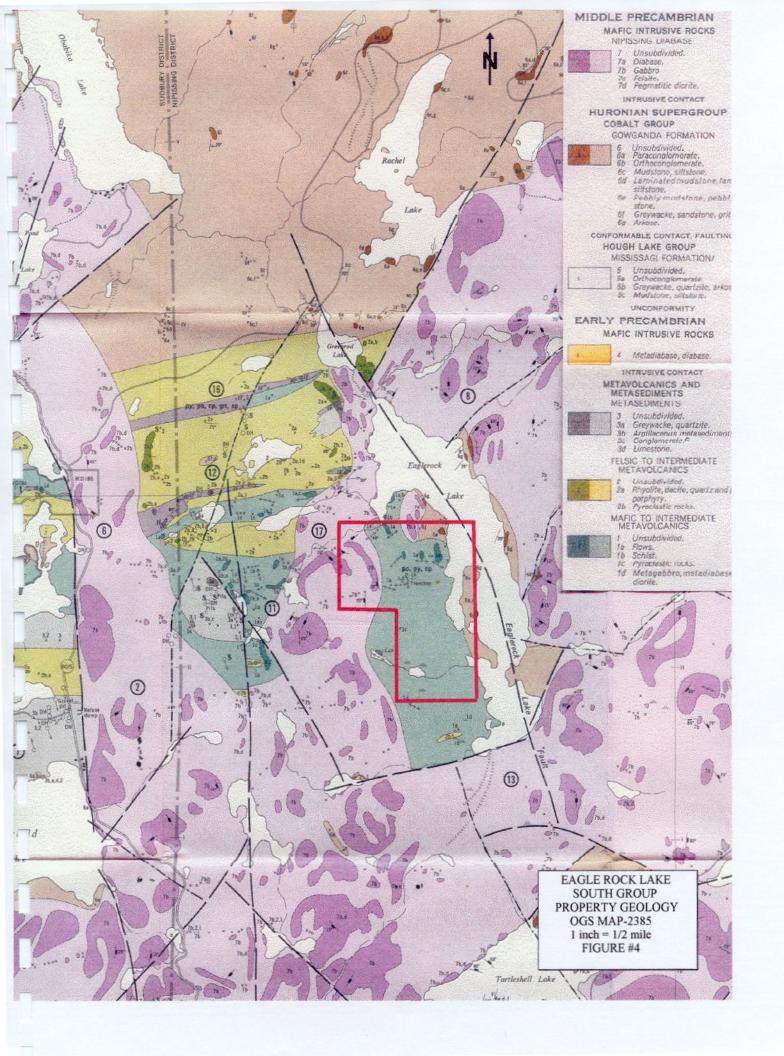


WORK PROGRAM

The first stage of this work program involved establishing a grid over which the geophysical surveys could be carried out. Temex Resources Ltd. set up the grid parameters with the base line and tie lines running at North 35 degrees West and perpendicular cross lines. The line interval was set at 50 meters, with a 25 meters station interval. A total of 25.4 km. of chainsaw cut grid lines were established.

The grid was then surveyed with Magnetometer and HLEM, using a 12.5-meter reading interval for the magnetometer and 25 meter for the HLEM. This resulted in 25 km. of magnetometer coverage and 11.7 km. of HLEM. It should be noted that the topography in this area was fairly rugged, which had some affect of the HLEM survey The following is a brief description of the geophysical methods and parameters used.





MAGNETOMETER SURVEY

A GEM GSMT-19 Proton Precession magnetometer was used to carry out the magnetometer survey. The instrument is synchronised with a GEM GSMT-19 recording base station to help eliminate magnetic diurnal variation. This should ensure an accuracy of less than 1.0 Nt.

The Proton Precession method involves energising a wire coil immersed in a hydrocarbon fluid. This causes the protons in the proton rich fluid to spin or precess simulating spinning magnetic dipoles. When the current is removed the protons precess about the direction of the earth's magnetic field, generating a signal in the same coil which is proportional to the total magnetic field intensity. In this way, the horizontal gradient of the earth's magnetic field can be measured and plotted in plan form with values of equal intensity joined to form a contour map.

This presentation is useful in correlating with other data sets to aid in structural interpretation. Individual magnetic responses can be interpreted for dip, depth and width estimates after profiling the data.

The following parameters were employed for the survey:

Instrument – GEM, GSMT-19 Proton Precession Magnetometer
Station Interval - 12.5m
Line Interval - 50m
Diurnal Correction Method – GEM GSMT-19 Recording Base Station
Data Presentation – Data posted and contoured plan map

- 1:2500 scale

- Contour interval: 50 nano-teslas

The Horizontal Loop EM survey was carried out with an Apex Max-Min II instrument. These surveys are commonly called "Max-Min" surveys in recent times.

The Max-Min II instrument can operate at five frequencies (3555HZ, 1777HZ, 888HZ, 444HZ, 222HZ), and is capable of coil separations from 25 meters to 200 meters. Although it can be used in the vertical loop mode as well as minimum coupled, it is most often used in the Maximum Coupled, Co-Planer mode which is in effect a Horizontal Loop Electromagnetic Survey.

The instrument records the "In-Phase" and "Out-of-Phase" components of the anomalous resultant field from a conductor as a percentage of the primary field strength. Both components are used in the interpretation of the results. Generally, the larger the ratio of peak negative responses between In-Phase and Out-of-Phase, the higher the conductivity of the anomaly. A ratio of 1:1 is considered a medium conductor.

The purpose of reading more than one frequency is to obtain more information about the conductor itself as well as the conductivity of the overburden etc. The higher frequencies will respond to weaker conductive features such as faults, conductive overburden etc. As a result the signal from these frequencies can attenuate very quickly, possibly not penetrating to the bedrock at all. The lower frequencies having a longer wavelength tend to penetrate deeper and generally only respond to anomalies with a higher order of conductance, Thus as with most geophysical techniques it is a trade off as to depth of penetration vs. conductance threshold detectable. The use of multi frequency surveys helps to alleviate this problem at a minimal extra cost.

The HLEM survey was carried out using the following parameters.

INSTRUMENT: Apex Parametrics, Max-Min II

MODE: Co-planar

PARAMETERS MEASURED: In-phase and quadrature

COIL SPACING: 100 meters

FREQUENCIES: 444Hz, 1777Hz and 3555Hz.

LINE INTERVAL: 50 meters STATION INTERVAL: 25 meters

DATA PRESENTATION: Profiled plan maps, 1:2500

PROFILE SCALE: 1cm = 20%

SURVEY RESULTS

The geophysical program conducted on the Eaglerock Lake South Group was successful in outlining a number of HLEM conductors. All have been marked and labelled A through J and can be found on the three HLEM profile plan map in the back pocket of this report.

The magnetics within central portion of the survyed area appear to be fairly erratic, with strong highs flanked by lows, making it difficult to trace trends for any distance. This suggests the presence of a complex geological environment, possibly the result of tight folding combined with breaks or offsetting from cross-structures.

Most of the HLEM conductors detected show fairly strong responses, all with strike lengths of less than 250 meters. Again this may be the result of tight folding of infuence from cross-structures. With the exception of zone J, all show very strong responses making them difficult to prioritize. Any depth to source or conductivity calculations are made difficult because the zone occur in such close proximity.

With the limited amount of information available at the time of writing, one can only conclude that due to the encouraging base metal values reported by Noranda, all of the conductors outlined should be further tested.

RECOMMENDATIONS AND CONCLUSIONS

The geophysical program carried out on the Eagle Rock Lake South Group was successful in outlining a number of conductors, all of which require follow-up work. As mentioned under results it would appear that the property is underlain by a geological environment far more complex that that shown by Map 2385 (Figure #4). It may be that some HLEM conductors are extentions or offsets of others. Since significant base metal vale\ueshave been roported by Noranda the source of all the zones outlined should be explained.

The conductor axis for most of the zones have been defined enough that they could be tested with diamond drilling at this point in time. However, due their complexity, it may be advantageuos to compile additional geological or geophysical information before this is done.

During this work program a fair amount of outcropping was observed, therefore if additional information is required, one of the first phases should be detailed geological mapping. In addition to this, a multi-component, large loop EM survey would be recommended. The compilation of the current data set, combined with that recommended, might help resolve many of the zones in question

Work carried out by Noranda has shown that the claim group is situated within a favourable base metal geological environment. If warrented, any unresolved zones should be tested with a diamond drill program.

CERTIFICATION

- I, Steve Anderson of Timmins, Ontario hereby certify that:
 - 1. I hold a three-year Technologist Diploma from Sir Sandford College, Lindsay, Ontario, obtained in May 1981.
 - 2. I have been practising my profession since 1979 in Ontario, Quebec, Nova Scotia, New Brunswick, Newfoundland, NWT, Manitoba Saskatchewan and Greenland.
 - 3. I have been employed directly with Asamera Oil Inc., Urangellschaft Canada Ltd., Nanisivik Mines Ltd., R.S. Middleton Exploration Services Ltd., Rayan Exploration Ltd and am currently an owner of Vision Exploration.
 - 4. I have based conclusions and recommendations contained in this report on knowledge of the area, my previous experience and on the results of the fieldwork conducted on the property during 1998.

Dated this 2nd day of September 1998 at Timmins, Ontario.

APPENDIX A GEM GSM-19 MAGNETOMETER

INSTRUMENT SPECIFICATIONS

MAGNETOMETER / GRADIOMETER

Resolution:

0.01 nT (gamma), magnetic field and gradient.

Accuracy:

0.2 nT over operating range.

Range:

20,000 to 120,000 nT.

Gradient Tolerance:

Over 10,000 nT/m

Operating interval:

3 seconds minimum, faster optional. Readings initiated from keyboard,

external trigger, or carriage return via RS-232-C.

Input/Output:

6 pin weatherproof connector, RS-232C, and (optional) analog output.

Power Requirements:

12 V, 200 mA peak (during polarization), 30 mA standby. 300mA peak

in gradiometer mode.

Power Source:

Internal 12 V, 2.6 Ah sealed lead-acid battery standard, others op-

tional. An External 12V power source can also be used.

Battery Charger:

Input: 110 VAC, 60 Hz. Optional 110/220 VAC, 50/60 Hz.

Output: dual level charging.

Operating Ranges:

Temperature: -40 °C to +60 °C.

Battery Voltage: 10.0 V minimum to 15V maximum.

Humidity: up to 90% relative, non condensing.

Storage Temperature:

-50°C to +65°C

Display:

LCD: 240 x 64 pixels, or 8 x 30 characters. Built in heater for opera-

tion below -20°C

Dimensions:

Console: 223 x 69 x 240mm.

Sensor staff: 4 x 450mm sections.

Sensor: 170 x 71mm dia.

Weight: Console 2.1kg, Staff 0.9kg, Sensors 1.1kg each.

VLF

Frequency Range:

15 - 30.0 kHz.

Parameters Measured:

Vertical In-phase and Out-of-phase components as percentage of total

field.

2 components of horizontal field. Absolute amplitude of total field.

Resolution:

0.1%.

Number of Stations:

Up to 3 at a time.

Storage:

Automatic with: time, coordinates, magnetic field/gradient, slope, EM field, frequency, in- and out-of-phase vertical, and both horizontal

components for each selected station.

Terrain Slope Range:

0° - 90° (entered manually).

Sensor Dimensions:

 $14 \times 15 \times 9$ cm. (5.5 x 6 x 3 inches).

Sensor Weight:

1.0 kg (2.2 lb).

APPENDIX B APEX MAX MIN II

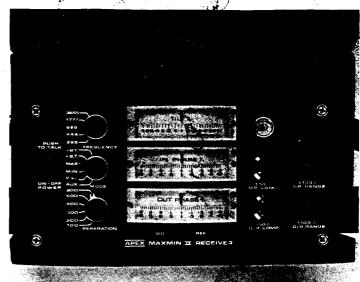
APEX MAXMIN II PORTABLE EM

Five frequencies: 222, 444, 888, 1777 and 3555 Hz.

- Maximum coupled (horizontal-loop) operation with reference cable.
- Minimum coupled operation with reference cable.
- Vertical-loop operation without reference cable.
- Coil separations: 25, 50, 100, 150, 200 and 250 m
 (with cable) or 100, 200, 300, 400, 600 and 800 ft.
- Reliable data from depths of up to 180m (600 ft).
- 3 Built-in voice communication circuitry with cable.
- I Tilt meters to control coil orientation.







SPECIFICATIONS:

Frequencies: 222,444,888,1777 and 3555 Hz.

Mgdes of Operation: MAX: Transmitter coil plane and receiver coil plane horizontal

(Max-coupled; Horizontal-loop mode). Used with refer cable.

MIN: Transmitter coil plane horizontal and receiver coil plane ver-

tical (Min-coupled mode). Used with reference cable.

V.L.: Transmitter coil plane vertical and receiver coil plane horizontal (Vertical-loop mode). Used without reference cable, in parallel lines.

Coil Separations: 25,50,100,150,200 & 250m (MMII) or 100,200,300,400,600 and

or 100, 200, 300, 400,600 and 600 ft. (MM I F).

Coil separations in V.L.mode not re-

MAX and MIN modes.

stricted to fixed values.

Parameters Read: - In-Phase and Quadrature components of the secondary field in

- Tilt-angle of the total field in V.L.

mode .

Readouts:
- Automatic, direct, readout on 90 mm (3.5" readowise meters in MAX and MIN modes. No null-

ing or compensation necessary.

Tilt angle and null in 90 mm edgewise meters in V.L.mode.

Scale Ranges: In-Phase: ±20%,±100% by push-

button switch.

Quadrature: ±20%, ±100% by push-

button switch. Tilt: ±75% slope.

Null (V.L.): Sensitivity adjustable

by separation switch.

Readability: In-Phase and Quadrature: 0.5 %.

Tilt: 1%

Repeatability: ±0.5% to ±1% normally, depending

on conditions, frequencies and coil

separation used.

Transmitter Output: - 222Hz: 175 Atm²

444Hz: 160 Atm²
 888Hz: 100 Atm²
 1777Hz: 60 Atm²
 3555Hz: 30 Atm²

Receiver Batteries: 9V trans. radio type batteries (4).

Life: approx. 35hrs. continuous duty talkaline, 0.5 Ah), less in cold

weather.

Transmitter

Batteries:

12V 7.5Ah Gel-Cell rechargeable

batteries (2 × 6V in series).

Reference Cable: Light weight 2-conductor teflon

cable for minimum friction. Unshielded. All reference cables optional at extra cost. Please specify.

Voice Link: Built-in intercom system for

voice communication between receiver and transmitter operators in MAX and MIN modes, via re-

ference cable.

Indicator Lights: Built-in signal and reference warn-

ing lights to indicate erroneous

readings.

Temperature Range: -40°C to +60°C (-40°F to +140°F).

Receiver Weight: 6kg (13 lbs.)

Transmitter Weight: 13kg (29 lbs.)

Shipping Weight: Typically 60kg (135lbs.), depend-

ing on quantities of reference cable and batteries included. Shipped in two field/shipping cases.

Specifications subject to change without notification.

APEX

PARAMETRICS LIMITED 200 STEELCASE RD. E., MARKHAM, ONT., CANADA, LSR 162

Phone: (416) 495-1612 Cables: APEXPARA TORONTO Telex: 06-966773 NORDVIK TOR



Ministry of Northern Development and Mines

Declaration of Assessment Work Performed on Mining Land

Mining Act, Subsection 65(2) and 66(3), R.S.O. 1990

Transaction Number (office use)
W9870.00535
Assessment Files Research Imaging



41I16NE2001 2.18

Signature of Recorded Helder or Agent

> Lu

Agent's Address

SCHOLES

900

subsections 65(2) and 66(3) of the Mining Act. Under section 8 of the eview the assessment work and correspond with the mining land holder. Recorder, Ministry of Northern Development and Mines, 6th Floor,

Instructions: - For work performed on Crown Lands before recording a claim, use form 0240, - Please type or print in ink. 18834 Recorded holder(s) (Attach a list if necessary) 303055 631-9953 Client Numbe Address Telephone Number Fax Number 2. Type of work performed: Check () and report on only ONE of the following groups for this declaration. Physical: drilling, stripping, Geotechnical: prospecting, surveys Rehabilitation assays and work under section 18 (regs) trenching and associated assays Office Use 34 0 KM Commodity Mayor toneter Sirvey - 34-OK-1 Total \$ Value of - 29.8 KM Work Claimed Dates Work 7 **NTS Reference** Day Township/Area Global Positioning System Data (if available) After @ Shotes Mining Division **Resident Geologist** District Please remember to: - obtain a work permit from the Ministry of Natural Resources as required; - provide proper notice to surface rights holders before starting work; - complete and attach a Statement of Costs, form 0212;
- provide a map showing contiguous mining lands that are linked for assigning work;
- include two copies of your technical report. Person or companies who prepared the technical report (Attach a list if necessary) Telephone Number Fax Number Avenue Timmins, Ontavio, Telephone Number Address Fax Number Name Telephone Number Fax Number Address GEOSCIENCE ASSESSMENT
OFFICE Certification by Recorded Holder or Agent , do hereby certify that I have personal knowledge of the facts set forth in this Declaration of Assessment Work having caused the work to be performed or witnessed the same during or after its completion and, to the best of my knowledge, the annexed report is true.

Amendment

W9840. 00535

1055676561 T-178 P.02/03 Job-378 on the claim may NIA \$24,000 12,120 894,000 1234500 S 4, FRE \$ 4,000 12116261 8 \$ 8431.08 \$ 6,400 1697.40 *\$73*3 1211627 \$ 582.40 \$1600 \$0 \$0 1211628 3 \$2007-10 \$ 800 \$1207.10 50 1211629 / \$0 \$ 1600 \$0 80 1211630 \$599.40 2 \$800 \$0 \$0 6 121 651 \$0 7. \$ 800 \$0 \$0 1211632 \$ 3685.35 \$1600 \$2095.5 \$0 4 \$4790.95 1211 633 \$ 1600 \$3190.95 \$0 141639 6 \$0 \$2400 50 \$0 1211608 / \$ 2670.10 \$ 1200 \$ 1470.10 \$0 1217947 / z 11 \$0 \$0 \$0 *\$80*0 1217948 5 \$ 188.70 \$ 2000 \$0 50 1217952 \$ 987.40 +0 8 \$ 3200 \$0 7 \$26,733.0 Daniel Peter Burer knuctions for cutting back credits that are not approved. Some of the credit claimed in this declaration may be out back. Please check (-) in the baxes below to show 1. Credits are to be cut back from the Bank first, followed by option 2 or 3 or 4 as in 2. Credits are to be cut back starting with the claims issed last, working backwards; or 4. Credita are to be out back as prioritized on the attached appendix or as folio Credits to be cut back from Bank Aist Followed by 121919 2, 12,1162, 1211634, comments, 1211688, 1211623, 1217947, 1217952, 1219186, 1211632, 211630, 1217948, 1217952, 1211628, 1211627, 124631, 1211626 you have not indicated how your credits are to be deleted, credits will be out ba blowed by option number 2 if necessary. er Office Use Only

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SEP 16 '98 11:12 - 4 Credits to be cut back from Bank first tollowed by 1211634, 2000, 1211688, 1211633, 1217947, 1217952, 1219186, 1211632, 1219179 1211630, 1217948, 1217952, 1211628, 1211627, 1211631, 1211626

Note: If you have not indicated how your credits are to be deleted, credits will be cut back from the Bank first, followed by option number 2 if necessary.

For Office Use Only Received Stamp		Deemed Approved Date	Date Notification Sent
Heceland 2191	пр		
		Date Approved	Total Value of Credit Approved
	RECEIVED		
	11202	Approved for Recording by Mining R	ecorder (Signature)
	SEP 1 5 1998	''	
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Ministry of Northern Development and Mines

Statement of Costs for Assessment Credit

Transaction Number (office use) W9870. 00535

Personal information collected on this form is obtained under the authority of subsection 6(1) of the Assessment Work Regulation 6/96. Under section 8 of the Mining Act, the information is a public record. This information will be used to review the assessment work and correspond with the mining land holder. Questions about this collection should be directed to the Chief Mining Recorder, Ministry of Northern Development and Mines, 6th Floor, 933 Ramsey Lake Road, Sudbury, Ontario, P3E 685.

188 **Units of Work** Depending on the type of work, list the number of hours/days worked, metres of drilling, kilometres of grid line, number of samples, etc. **Work Type** Cost Per Unit **Total Cost** of work 594KM 29 8 KM 11.7 KM Associated Costs (e.g. supplies, mobilization and demobilization). **Transportation Costs** 249.2KM \$040/KM 99.68 Food and Lodging Costs **Total Value of Assessment Work** SEP 1 5 1998 $^{\it J}$ Calculations of Filing Discounts OSCIENCE ASSESSMENT 1. Work filed within two years of performance is claimed at 100% of the above Total Value of Assessment Work. If work is filed after two years and up to five years after performance, it can only be claimed at 50% of the Total Value of Assessment Work. If this situation applies to your claims, use the calculation below: TOTAL VALUE OF ASSESSMENT WORK \times 0.50 = Total \$ value of worked claimed. Note: - Work older than 5 years is not eligible for credit. - A recorded holder may be required to verify expenditures claimed in this statement of costs within 45 days of a request for verification and/or correction/clarification. If verification and/or correction/clarification is not made, the Minister may reject an or part of the assessment work submitted. reasonably be determined and the costs were incurred while conducting assessment work on the lands indicated on the accompanying Declaration of Work form as Section Credity L. Touck I am authorized (recorded holder, agent, or state company position with signing authority)

Signature	Date	/
$(\mathcal{L}, \mathcal{L}, L$	Sest 12	198
The state of the s	7	<i>)</i> /

to make this certification

Ministry of Northern Development and Mines Ministère du Développement du Nord et des Mines

October 23, 1998

TEMEX RESOURCES LTD. 4307 KERRY DRIVE, SUITE 100 BURLINGTON, ONTARIO L7L-1V8



Geoscience Assessment Office 933 Ramsey Lake Road 6th Floor Sudbury, Ontario P3E 6B5

Telephone: (888) 415-9846 Fax: (877) 670-1555

Visit our website at: www.gov.on.ca/MNDM/MINES/LANDS/mlsmnpge.htm

Dear Sir or Madam:

Submission Number: 2.18834

Status

Subject: Transaction Number(s):

W9870.00535 Deemed Approval

We have reviewed your Assessment Work submission with the above noted Transaction Number(s). The attached summary page(s) indicate the results of the review. WE RECOMMEND YOU READ THIS SUMMARY FOR THE DETAILS PERTAINING TO YOUR ASSESSMENT WORK.

If the status for a transaction is a 45 Day Notice, the summary will outline the reasons for the notice, and any steps you can take to remedy deficiencies. The 90-day deemed approval provision, subsection 6(7) of the Assessment Work Regulation, will no longer be in effect for assessment work which has received a 45 Day Notice. Allowable changes to your credit distribution can be made by contacting the Geoscience Assessment Office within this 45 Day period, otherwise assessment credit will be cut back and distributed as outlined in Section #6 of the Declaration of Assessment work form.

Please note any revisions must be submitted in DUPLICATE to the Geoscience Assessment Office, by the response date on the summary.

If you have any questions regarding this correspondence, please contact Bruce Gates by e-mail at gatesb2@epo.gov.on.ca or by telephone at (705) 670-5856.

Yours sincerely.

ORIGINAL SIGNED BY

Blair Kite

Supervisor, Geoscience Assessment Office

Mining Lands Section

Work Report Assessment Results

Submission Number:

2.18834

Date Correspondence Sent: October 23, 1998

Assessor: Bruce Gates

Transaction Number

First Claim

Number

Township(s) / Area(s)

Status

Approval Date

W9870.00535

1211626

AFTON, SCHOLES

Deemed Approval

October 22, 1998

Section:

14 Geophysical EM

14 Geophysical MAG14 Geophysical VLF

Correspondence to:

Resident Geologist Sudbury, ON

•

Assessment Files Library Sudbury, ON

Recorded Holder(s) and/or Agent(s):

Daniel Bunner

OAKVILLE, ONTARIO, CANADA

TEMEX RESOURCES LTD.

BURLINGTON, ONTARIO

41I16NE2001 2.18834 SCHOLES

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