JOHNWAY RESOURCES INC.

GEOLOGICAL AND GEOPHYSICAL COMPILATION REPORT

CLAIMS P.515332 TO P.515334 INCL.

CHESTER TWP., PORCUPINE MINING

DIVISION, DISTRICT OF SUDBURY

JULY, 1984

BY:

JOE BANKOWSKI, B.Sc.

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INTRODUCTION

A program of linecutting, geophysical surveying and geological mapping was performed on the property during the period June 23 to 28, 1984. A baseline was cut along the northern boundary of the property with lines running south from the baseline. The lines are on 400-foot spacing with stations every 100 feet. Geophysics consisted of magnetometer and VLF-EM surveys.

PROPERTY DESCRIPTION

The property consists of three contiguous mining claims numbered P.515332, P.515333 and P.515334, all located in Chester Township, Porcupine Mining Division, District of Sudbury, Ontario (Figure #1).

The claims are currently in good standing with the provincial mining recorder and are registered to Johnway Resources Inc., with head office located at 1585-B Britannia Road East, Suites 11 & 12, Mississauga, Ontario, L4W 2M4.

LOCATION AND ACCESS

The property is located in west-central Chester Township and is crossed by the Mollie River (see O.M.N.R. plan M.717).

Access to the property is easily attained by Chester Road and several unnamed lumbering roads branching north from Chester Road.

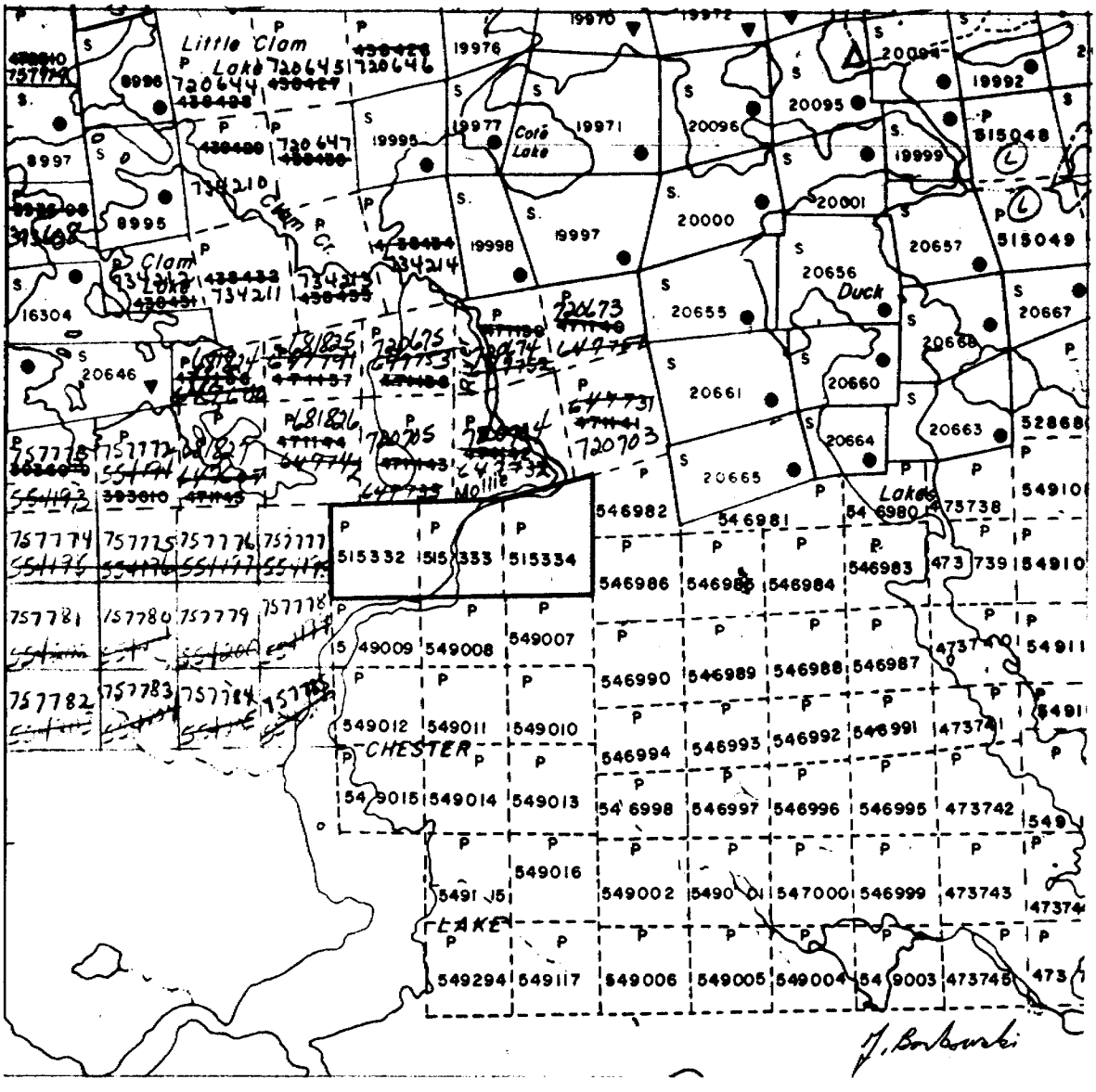
Personnel involved in the linecutting and surveys travelled to the worksite daily by motor vehicle.

HISTORY OF EXPLORATION

The general area has been prospected since about 1900 (Siragusa, G.M., 1981).

A 30-foot shaft was sunk in 1912 by P. Moore about 1300 metres east of Moore Lake. Another shaft of unknown depth was sunk before 1932 south of Schist Lake on a property then held by Porcupine-Heclo Mining

PLAN NO.- M. 717



CLAIM LOCATION MAP, CHESTER TWP.

FIGURE 1

HISTORY OF EXPLORATION CON'T.

Company Limited.

Gomack Mines Limited was incorporated in 1933 to take over a 17-claim property in Chester Township and later expanded the property to 24 claims. Surface work and 5,000 feet of diamond drilling were carried out and the sinking of a two-compartment shaft inclined at 65 degrees was begun on claim S.20009 in 1935. In 1936, a 35-ton mill was erected and operated intermittently from May to December. When operations ceased in 1937, the workings consisted of an 85-foot shaft with 215 feet of lateral development and 68 feet of raising on the 65-foot level.

Strothmore Gold Mines sank a two-compartment shaft 125 feet on an incline of 65 degrees in 1937 on claim S.21613 and established a level at a depth of 100 feet from which 286 feet of lateral development was carried out. Both claim S.20009 and S.21613 are currently held by Murgold Resources Incorporated. Murgold is presently engaged in active exploration on these and other claims in the area.

Young-Shannon Gold Mines Limited sank a 125-foot vertical shaft on claim S.16304 in 1935 and conducted 110 feet of lateral development from the bottom of the shaft. Young-Shannon also sank an inclined, two-compartment shaft to a depth of 200 feet on claim S.19971 in 1936 and completed 172 feet of lateral development at the 100-foot level. A 20-ton mill was installed and 160 feet of drifting completed from the 200-foot level in 1937.

GENERAL GEOLOGY

The area is crossed by two broadly parallel Early Precambrian (Archean) belts of locally pillowed tholeiitic basalt trending west-northwest and dipping subvertically(Siragusa, G.M., 1981). The southern basaltic belt is exposed south of Yeo Lake in Yeo Township and in local areas in the eastern part of this township.

Close to the western boundary of Chester Township, this belt merges with rocks of gabbroic to dioritic composition and with agmatitic migmatite. The gabbroic and dioritic rocks generally are texturally homogeneous and are recrystallized metamorphic derivatives of former basalt. Local conditions of incomplete recrystallization are indicated by the presence of basaltic domains of relatively low metamorphic rank within these rocks.

Central Chester Township is underlain by granitic rocks which, in the central part of the township, are relatively free from metavolcanic xenoliths and/or inclusions, and are markedly leucocratic in character. These rocks are dominantly trondhjemitic in composition and form a broadly oval, west-trending body which intrudes the core of the synclinally folded metavolcanics and extends westward into the Ash Lake area of Yeo Township.

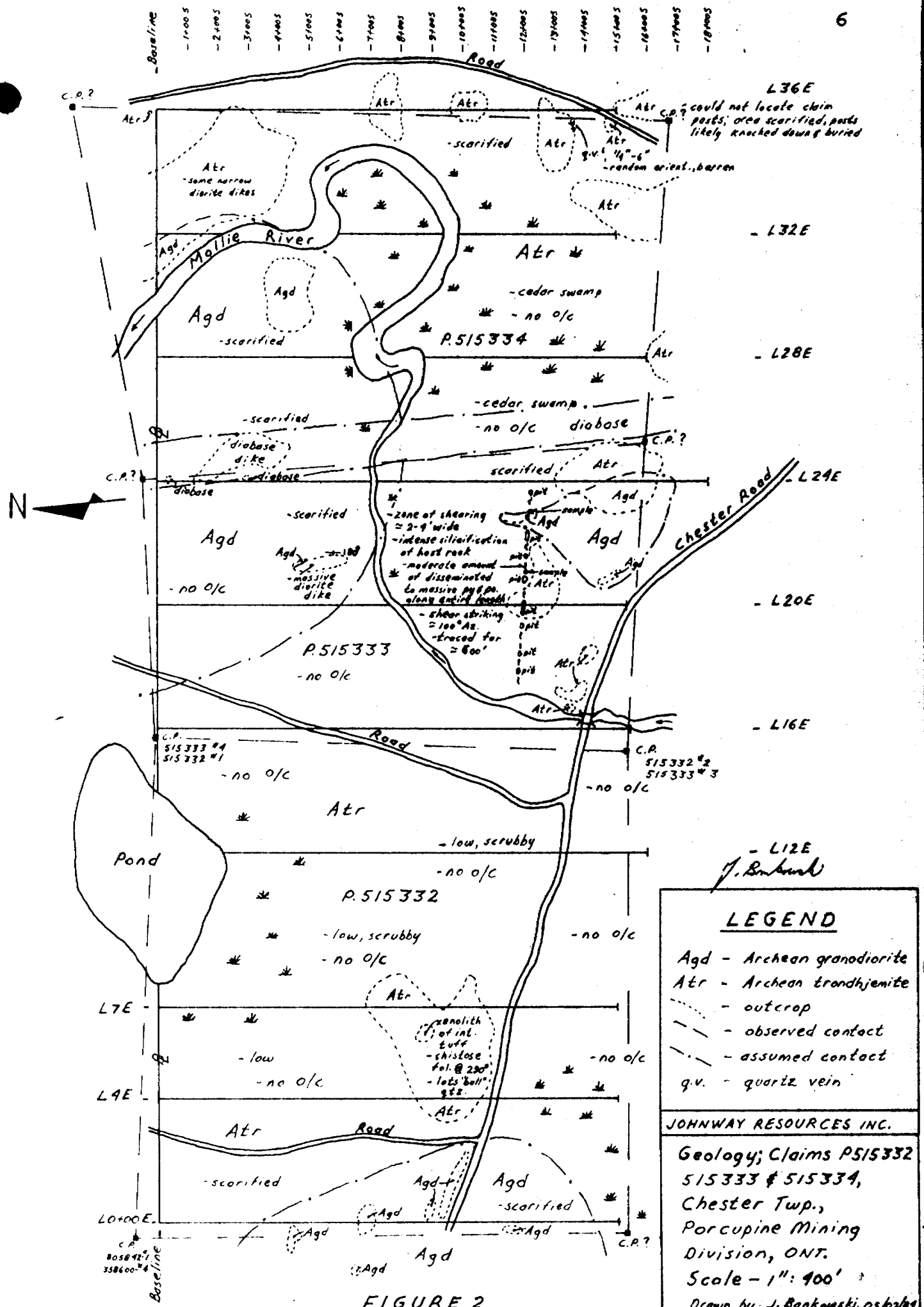
This intrusive body is bordered to the south by hornblende diorite, gabbro and migmatite which underlie southern Chester Township and extend to the south. To the north, the trondhjemitic body is in contact with pyroclastic metavolcanics.

CLAIM GEOLOGY

Claims P.515332, 515333 and 515334 are completely underlain by granitic rocks of trondhjemitic composition within which occur several xenoliths of dioritic to granodioritic composition. These xenoliths are probably recrystallized mafic volcanic rocks as evidenced by the presence of incompletely recrystallized basalt within rocks of gabbroic to dioritic composition to the west of the property. A small xenolith of intermediate tuff was also located in the western portion of the property. Exposure on the property is generally good due to extensive scarification by E.B. Eddy Company. Approximately one-half of the property is covered by low, swampy areas within which no outcropping is found.

P.515332 - This claim is topographically low in the eastern portion with swampy to scrubby condition and lacking in outcropping. At approximately the center of the claim, an outcrop of trondhjemite was found to contain a small xenolith of intermediate tuff about 60 X 60 feet in size (figure #2). The tuff is texturally schistose with a foliation striking at 290°. Abundant white, massive, "bull" quartz devoid of accompanying mineralization was present within the tuff.
The western portion of the claim is topographically higher and has been scarified, exposing outcrops of a xenolith of granodioritic composition.

P.515333 - Outcroppings of a large xenolith of granodioritic composition exist in the northern portion of this claim. A massive diorite dike striking at 180° and dipping vertically was also found within this xenolith.
Several outcrops of a relatively small granodioritic xenolith were found in the southern portion of this claim as well as several outcrops of trondhjemite.
A zone of shearing 2 to 4 feet wide and striking at 100° azimuth was traced within trondhjemite just west of and transecting the north tip of the small granodioritic xenolith. The shear is weak to moderate with intense silicification of the host trondhjemite and moderate amounts of quartz veining containing disseminated to massive clots of sulphide. The zone was traced on surface for about 600 feet and is defined by eight, relatively small, shallow exploration pits along its' length.
A grab sample of sulphidized quartz (10617) and a channel sample across 16 inches of the shear (10616) were taken and submitted for assay.



J. Bonkowski

LEGEND

Agd - Archean granodiorite
Atr - Archean trondhjemite
..... - outcrop
— — - observed contact
— · — - assumed contact
q.v. - quartz vein

JOHNWAY RESOURCES INC.

Geology; Claims P515332 515333 & 515334, Chester Twp., Porcupine Mining Division, ONT.
Scale - 1": 100'
Drawn by J. Bonkowski, 05/07/81

CLAIM GEOLOGY CON'T.

P.515334 - This claim has been extensively scarified and has very good exposure. Several outcrops of a large granodioritic xenolith exist in the northwest portion of the claim. Numerous outcrops of trondhjemite exist in the remainder of the claim. Several, small dioritic dikes trending north were noted in some of these outcrops.

GEOPHYSICAL SURVEYS

A VLF-EM and a magnetometer survey were conducted over the property during the period June 23 to 28.

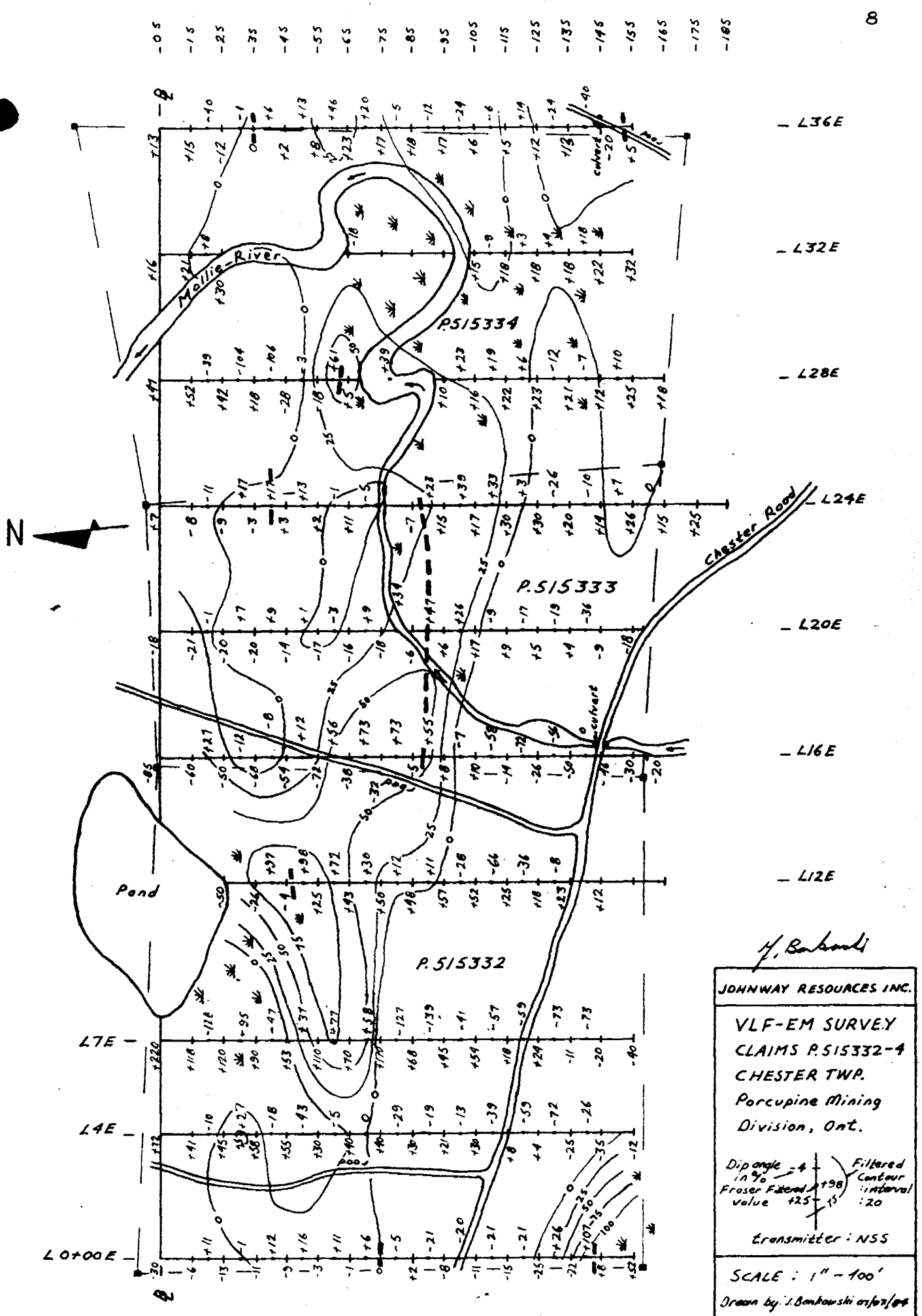
The VLF instrument used was a Geonics EM-16. The primary transmitter used was Annapolis, Maryland (NSS-19.0 kHz). Cutler, Maine (NAA-17.8 kHz) would have been a superior transmitter due to the anticipated E-W orientation of conductors, but this station has changed its' frequency to 24 kHz on a trial basis and the proper receiving crystal was not available for the survey. Seattle, Washington (NLK-18.6 kHz) would also have been a better transmitter but this crystal was also not available for the survey.

The magnetometer used was a geoMetrics G816 portable proton magnetometer and readings were taken on the 60 kHz scale.

A) VLF-EM SURVEY:

The VLF-EM readings were taken every 100 feet at stations along the N-S lines. The transmitting station was on an azimuth of 157° and readings therefore were taken facing an azimuth of 247°. Both the dip angle in percent and the quadrature values were recorded. The dip angle (in-phase) values and Fraser filtered values were plotted and crossovers and contours drawn (figure #3).

A total of eight crossovers occur on the property. Seven of these are one-station crossovers and in general seem to reflect swampy topography. The highest order conductor was noted at L0 + 00E - 13 + 80S over one station and defines a swamp. Two other, lower order,



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VLF-EM SURVEY
CLAIMS P.515332-4
CHESTER TWP.
Porcupine Mining
Division, Ont.

Dip angle in % Fraser Filtered value

Filtered Contour interval :20

Transmitter : NSS

SCALE : 1" = 100'

Drawn by: J. Bombowski on 10/2/84

FIGURE 3

VLF-EM SURVEY CON'T.

single-station conductors exist at L12E - 4 + 20S and L28E - 5 + 75S and these also reflect swampy conditions. A weak crossover at L24E - 3 + 50S was caused by the presence of a diabase dike while a weak crossover at L36E - 14 + 75S was apparently caused by a steel culvert (figure #2).

The longest conductor obtained was one of moderate intensity crossing three lines and centered at L20E - 8 + 50S. This conductor is possibly due to the Mollie River and swampy ground adjacent to it or possibly reflects the contact zone between a large granodioritic xenolith and the host trondhjemite.

B) MAGNETOMETER SURVEY:

Readings on the 60 kHz frequency were taken every 100 feet on the N-S lines and the results plotted and contoured (figure #4). The property is generally magnetically flat with the only anomalous area centered on L24E - 3 + 00S. This anomally was investigated and found to be caused by a diabase dike with a relatively high content of magnetite (figure #2).

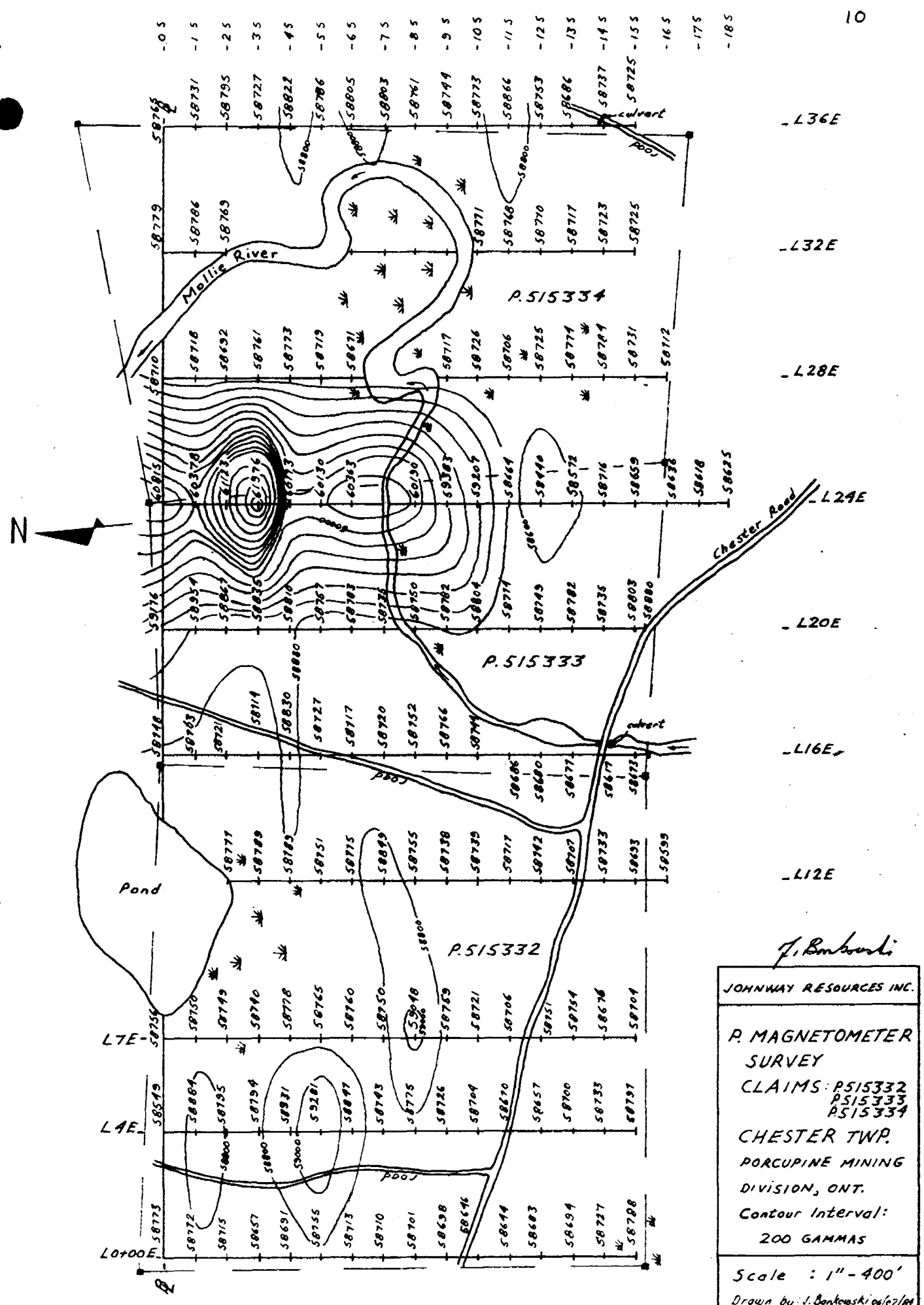

FIGURE 4

J. Bonkowski

JOHNWAY RESOURCES INC.

P. MAGNETOMETER SURVEY

CLAIMS: P515332
P515333
P515334

CHESTER TWP.

PORCUPINE MINING DIVISION, ONT.

Contour Interval: 200 GAMMAS

Scale : 1" - 400'

Drawn by: J. Bonkowski 05/07/84

CONCLUSIONS AND RECOMMENDATIONS

The most interesting feature located on the property is a shear zone trending at 100° and centered on L20E - 12 + 00S in claim P.515333. The shear was traced for 600 feet and while the shear is fairly narrow and of moderate intensity, it appears to be fairly well-mineralized. The geophysical surveys generally failed to outline any promising conductors except perhaps for the EM conductor crossing three lines centered on L20E - 8 + 50S. This conductor is of moderate intensity and may possibly be caused by a mineralized contact zone between a large granodioritic xenolith to the north and the host trondhjemite. No further work is warranted on the geophysical conductors.

Further work on the shear zone, such as systematic channel sampling is recommended should the assay results on the grab sample (10617) and channel sample (10616) yield encouraging results.

REFERRENCES

Siragusa, G.M.
1981: Precambrian Geology of Chester and Yeo Townships, and parts of Neville and Potier Townships, Sudbury District; Ontario, Geological Survey Preliminary Map P.2449, Geological Series, Scale 1:15,840 or 1 inch to 3/4 mile. Geology 1980.

CERTIFICATE

I, Joseph H. Bankowski, do hereby certify:

1) that I am an exploration geologist residing at #138-1055 Shawnmarr Road, Mississauga, Ontario;

2) that I am a graduate of the University of Western Ontario, London, Ontario, and hold a Bachelor of Science degree as a geologist dated 1980;

3) that I have been engaged in the practice of this profession since graduating;

4) that I have no interest, direct or indirect, nor do I expect to receive any such interest in the properties or securities of Johnway Resources Inc.

J. Bankowski

JOE H. BANKOWSKI, B.Sc.

Geologist

July 16, 1984

900

Mining Lands Section

File No 2.7007

Control Sheet

TYPE OF SURVEY

____ GEOPHYSICAL

____ GEOLOGICAL

____ GEOCHEMICAL

____ EXPENDITURE

MINING LANDS COMMENTS:

lgd. L.D.

L. Hurst

Signature of Assessor

84-10-04

Date

W.K. #295/84

Sept 3 mch

Ministry of Natural Resources
Ontario

Report of Work
(Geophysical, Geological, Geochemical and Expenditures)

2.7007

The Mining Act

Instructions: – Please type or print.
– If number of mining claims traversed exceeds space on this form, attach a list.
Note: – Only days credits calculated in the "Expenditures" section may be entered in the "Expend. Days Cr." columns.
– Do not use shaded areas below.

Type of Survey(s): GEOLOGICAL GROUND MAPPING (EM, MAG CHECKING)

Township or Area: CHESTER TP

Claim Holder(s): JOHNWAY RESOURCES

Prospector's Licence No.: T-1007

Address: SUITES 11-12 1585-B BRITANNIA RD E MISSISSAUGA ONT. L4W 2M4

Survey Company: BLUE FALCON MINES

Date of Survey (from & to): 23 Day 06 Mo. 84 Yr. / 28 Day 06 Mo. 84 Yr.

Total Miles of line Cut: 2.6 miles

Name and Address of Author (of Geo-Technical report): JOE A. BANKOWSKI SUITES 11-12 1585-B BRITANNIA RD E. MISSISSAUGA ONT.

Credits Requested per Each Claim in Columns at right

Special Provisions		Days per Claim
For first survey: Enter 40 days. (This includes line cutting)	Geophysical	
	- Electromagnetic	
	- Magnetometer	
	- Radiometric	
For each additional survey: using the same grid: Enter 20 days (for each)	- Other ~~Electromagnetic~~ 20 *	
	Geological	40
	Geochemical	

Man Days		Days per Claim
Complete reverse side and enter total(s) here	Geophysical	
	- Electromagnetic	
	- Magnetometer	
	- Radiometric	
	- Other	
	Geological	
	Geochemical	

Airborne Credits		Days per Claim
Note: Special provisions credits do not apply to Airborne Surveys.	Electromagnetic	
	Magnetometer	
	Radiometric	

Mining Claims Traversed (List in numerical sequence)

Mining Claim Prefix	Mining Claim Number	Expend. Days Cr.
P	515332	
	515333	
	515334	

Mining Claim Prefix	Mining Claim Number	Expend. Days Cr.

RECEIVED
JUL 30 1984
MINING LANDS SECTION

RECORDED
JUL 05 1984
Receipt No. 30

PORCUPINE MINING DIVISION
RECEIVED
JUL 05 1984
A.M. 7 8 9 10 11 12 P.M. 1 2 3 4 5 6
1st received

* Refer to attached letter.

Total number of mining claims covered by this report of work: 3

Expenditures (excludes power stripping)

Type of Work Performed

Performed on Claim(s)

Calculation of Expenditure Days Credits

Total Expenditures $ ____ + 15 = Total Days Credits ____

Instructions
Total Days Credits may be apportioned at the claim holder's choice. Enter number of days credits per claim selected in columns at right.

Date: Jan 4/84

Recorded Holder or Agent (Signature)

For Office Use Only

Total Days Cr. Recorded	Date Recorded	Mining Recorder
120	July 5, 1984	
	Date Approved as Recorded: 84.10.9	Branch Director / Mining Recorder

Certification Verifying Report of Work

I hereby certify that I have a personal and intimate knowledge of the facts set forth in the Report of Work annexed hereto, having performed the work or witnessed same during and/or after its completion and the annexed report is true.

Name and Postal Address of Person Certifying: SCOTT FRASER BOX 189 GOGAMA

POM 1W0

Date Certified: 7/5/84

Certified by (Signature): Scott Fraser

1362 (81/9)

Ministry of
Natural
Resources

Ontario

60 Wilson Avenue
Timmins, Ontario
P4N 2S7

July 17, 1984

Johnway Resources
Suites 11-12
1585-B Britannia Road East
MISSISSAUGA, Ontario
L4W 2M4

ATTENTION: Neil Novak

Dear Sir:

RE: Work Report-Chester Township, P-515332-334 inclusive

Please be advised that under Special Provisions each Technical Survey is given a credit of 20 days. A further 20 days credit is allowed for linecutting and may only be claimed once. The 40 days is understood to be both for survey and linecutting. Therefore, the extra 20 days that you have claimed is unacceptable. Please note this leaves the above calims in jeopardy and they require a Relief from Forfeiture and Extension of Time.

Yours truly,

B. Hanley
Mining Recorder

LD

Encl.

1984 08 06

Your File: 295
Our File: 2.7007

Mr. Bruce Hanley
Mining Recorder
Ministry of Natural Resources
60 Wilson Avenue
Timmins, Ontario
P4N 2S7

Dear Sir:

We have received reports and maps for a Geological Survey submitted under Special Provisions (credit for Performance and Coverage) on Mining Claims P 515332-33-34 inclusive in the Township of Chester.

This material will be examined and assessed and a statement of assessment work credits will be issued.

We do not have a copy of the report of work which is normally filed with you prior to the submission of this technical data. Please forward a copy as soon as possible.

Yours sincerely,

S.E. Yundt
Director
Land Management Branch

Whitney Block, Room 6643
Queen's Park
Toronto, Ontario
M7A 1W3
Phone: (416)965-6918

A. Barr:sc

cc: Johnway Resources
Suites 11-12
1585 B. Britannia Road E
Mississauga, Ontario
L4W 2M4
Attention: Joe Bankowski.

Ontario

Ministry of Natural Resources

File _____

GEOPHYSICAL – GEOLOGICAL – GEOCHEMICAL TECHNICAL DATA STATEMENT

TO BE ATTACHED AS AN APPENDIX TO TECHNICAL REPORT
FACTS SHOWN HERE NEED NOT BE REPEATED IN REPORT
TECHNICAL REPORT MUST CONTAIN INTERPRETATION, CONCLUSIONS ETC.

Type of Survey(s) GEOLOGICAL, (GEOPHYSICAL COMPILATION)

Township or Area CHESTER

Claim Holder(s) JOHNWAY RESOURCES INC.

Survey Company BLUE FALCON MINES LTD.

Author of Report JOE BANKOWSKI

Address of Author SUITE 11-12 1585-B [illegible] MISSISSAUGA
SUITE 11-12 1585-B BRITANNIA RD

Covering Dates of Survey June 19 - 2[illegible] (linecutting [illegible])
JUNE 19-28

Total Miles of Line Cut 2.6 miles

SPECIAL PROVISIONS CREDITS REQUESTED

ENTER 40 days (includes line cutting) for first survey.

ENTER 20 days for each additional survey using same grid.

D[illegible] per

Geop[illegible]
—Electromagnetic
—Magnetometer
—Radiometric
—Other
Geological 40
Geochemical

AIRBORNE CREDITS (Special provision credits do not apply to airborne surveys)

Magnetometer _____ Electromagnetic _____ Radiometric _____
(enter days per claim)

DATE: July 16/84 SIGNATURE: _____
Author of Report or Agent

Res. Geol. _____ Qualifications This file

Previous Surveys

File No.	Type	Date	Claim Holder

MINING CLAIMS TRAVERSED
List numerically

P - 515332 (prefix) (number)
P - 515333
P - 515334

RECEIVED
JUL 31 1984
MINING LANDS SECTION

TOTAL CLAIMS 3

If space insufficient, attach list

OFFICE USE ONLY

GEOPHYSICAL TECHNICAL DATA

GROUND SURVEYS – If more than one survey, specify data for each type of survey

Number of Stations 153 Number of Readings 153

Station interval 100' Line spacing 400'

Profile scale N/A

Contour interval Magnetics 200 γ , EM (VLF) FILTER 20%

MAGNETIC

Instrument GEOMETRICS MODEL G-816 PORTABLE PROTON MAGNETOMETER

Accuracy – Scale constant ± 1 γ Proton Gyromagnetic Ratio : (2.67513 ± 0.00002) x10⁴ Radians/Gauss Sec.

Diurnal correction method Floating base station along base line.

Base Station check-in interval (hours) ± 2 hrs.

Base Station location and value

ELECTROMAGNETIC

Instrument GEONICS EM-16 RECIEVER

GEONICS EM-16 (VLF) HAND HELD RECIEVER

Coil configuration

Coil separation

Accuracy

Method: ☑ Fixed transmitter ☐ Shoot back ☐ In line ☐ Parallel line

Frequency NSS Annapolis, Maryland 19.0 kHz.
(specify V.L.F. station)

Parameters measured Real (Hz in phase), Quadrature

GRAVITY

Instrument

Scale constant

Corrections made

Base station value and location

Elevation accuracy

INDUCED POLARIZATION

RESISTIVITY

Instrument

Method ☐ Time Domain ☐ Frequency Domain

Parameters – On time Frequency

– Off time Range

– Delay time

– Integration time

Power

Electrode array

Electrode spacing

Type of electrode

SELF POTENTIAL

Instrument _____ Range _____

Survey Method _____

_____

Corrections made _____

_____

RADIOMETRIC

Instrument _____

Values measured _____

Energy windows (levels) _____

Height of instrument _____ Background Count _____

Size of detector _____

Overburden _____

(type, depth – include outcrop map)

OTHERS (SEISMIC, DRILL WELL LOGGING ETC.)

Type of survey _____

Instrument _____

Accuracy _____

Parameters measured _____

_____

Additional information (for understanding results) _____

_____

_____

AIRBORNE SURVEYS

Type of survey(s) _____

Instrument(s) _____

(specify for each type of survey)

Accuracy _____

(specify for each type of survey)

Aircraft used _____

Sensor altitude _____

Navigation and flight path recovery method _____

_____

Aircraft altitude _____ Line Spacing _____

Miles flown over total area _____ Over claims only _____

GEOCHEMICAL SURVEY – PROCEDURE RECORD

Numbers of claims from which samples taken _____

_____

_____

Total Number of Samples _____

Type of Sample _____
(Nature of Material)

Average Sample Weight _____

Method of Collection _____

_____

Soil Horizon Sampled _____

Horizon Development _____

Sample Depth _____

Terrain _____

_____

Drainage Development _____

Estimated Range of Overburden Thickness _____

_____

_____

SAMPLE PREPARATION
(Includes drying, screening, crushing, ashing)

Mesh size of fraction used for analysis _____

_____

_____

_____

General _____

_____

_____

_____

_____

_____

_____

_____

_____

_____

ANALYTICAL METHODS

Values expressed in: per cent ☐
p. p. m. ☐
p. p. b. ☐

Cu, Pb, Zn, Ni, Co, Ag, Mo, As, (circle)

Others _____

Field Analysis (_____ tests)

Extraction Method _____

Analytical Method _____

Reagents Used _____

Field Laboratory Analysis

No. (_____ tests)

Extraction Method _____

Analytical Method _____

Reagents Used _____

Commercial Laboratory (_____ tests)

Name of Laboratory _____

Extraction Method _____

Analytical Method _____

Reagents Used _____

General _____

_____

_____

_____

_____

_____

_____

_____

_____

_____