



REPORT on MAGNETOMETER SURVEY
on the
Reeves Joint Venture Property
of
GLEN AUDEN RESOURCES LIMITED
and
GOLDROCK RESOURCES INC.
by
Ron Burk, M.Sc.Eng.
August 8, 1988

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SUMMARY

A ground magnetometer survey has been carried out on the Reeves Joint Venture property of Glen Auden Resources Limited and Goldrock Resources Inc., located in Reeves, Sewell, Penhorwood and Kenogaming Townships, Porcupine Mining Division, Ontario.

Approximately 86 kilometers of cut grid lines were surveyed.

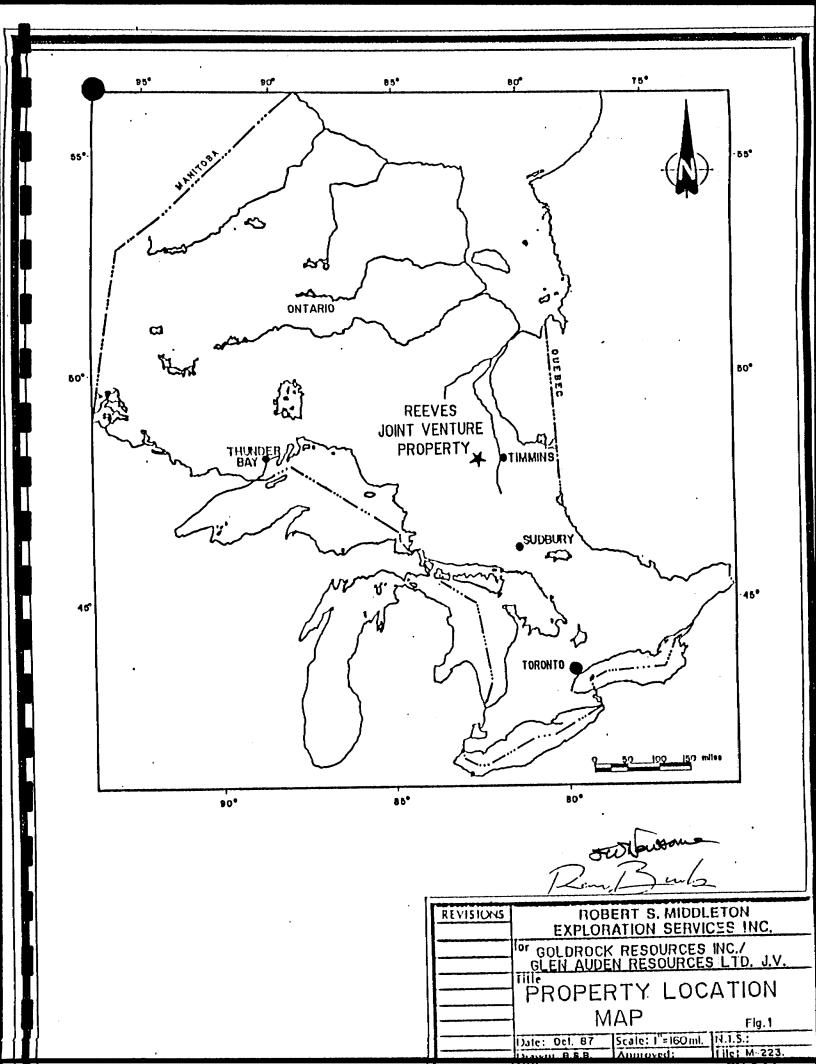
Magnetic contour patterns indicate the grid is underlain predominantly by a southwesterly to westerly striking sequence of mafic to intermediate volcanics. Greater structural complexity appears to be the case in Sewell Township where a south-verging regional fold is defined. A number of linear deformation zones previously interpreted to occur on the gridded portion of the property are only vaguely delineated by the magnetics data.

INTRODUCTION

An integrated gold exploration program was begun in May, 1987 on the 427-claim Reeves Joint Venture property located in Reeves, Sewell, Penhorwood and Kenogaming Townships, Porcupine Mining Division, Ontario. The property is jointly held by Toronto-based junior mining companies, Glen Auden Resources Limited and Goldrock Resources Inc. Early in 1988, a ground magnetometer survey was completed on 57 of the claims. This report presents the results of this survey along with interpretatons of the data which have been made using available geological information.

PROPERTY LOCATION AND ACCESS

The Reeves Joint Venture (RJV) property encompasses approximately 6,850 hectares broadly centred on the four contiguous corners of Reeves. Sewell, Penhorwood and Kenogaming Townships, some 55 kilometers west of Timmins, Ontario (Figure 1). Access to the property is via Highway 101 which skirts the northern boundary of the property, and the Penhorwood logging road. A network of secondary logging roads allows good access to about three quarters of the property.



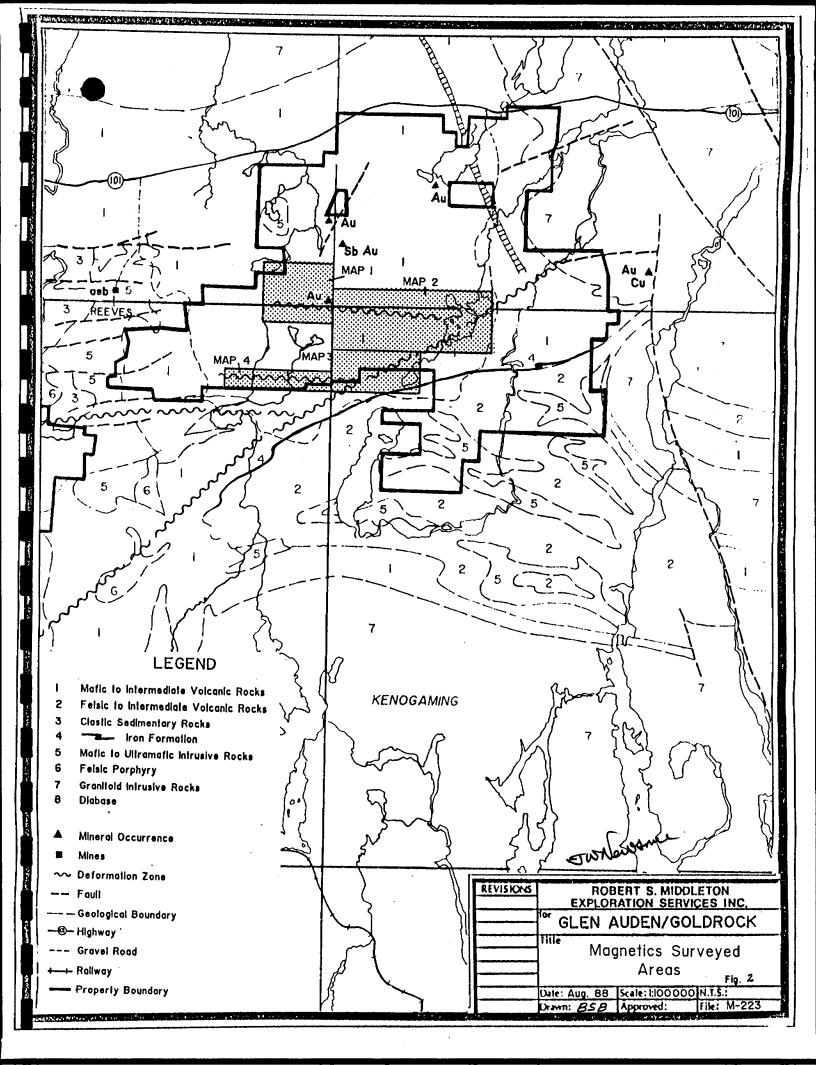
TOPOOGRAPHY AND VEGETATION

Generally, there is little topographic relief on the RJV property. As is common in this part of northeastern Ontario, low ridges are separated by broad, low-lying areas where there are a number of small lakes. Deposits of glacial debris including eskers, sand hills and boulder tills form some of the more prominent topographic features on the property.

Removed by logging, much of the original coniferous and mixed forest cover has been replaced by secondary growth of poplar, birch and moose maple. Cedar woods are common in low-lying areas. Rock exposures constitute only a few percent of the total area, with the greatest concentration of outcrops occurring in the western part of the property where logging operations have been most recently carried out.

GENERAL GEOLOGY

The Reeves Joint Venture property lies in the northern part of the Archean-age Swayze Greenstone Belt (Figure 2) and covers typical sequences of mafic submarine flows and less abundant intermediate to felsic volcanics (Milne, 1972; Burk, 1987A). Exposures of sedimentary rocks are sparse on the property, though two prominent units of oxide and sulfide facies banded iron formation have been identified. Intrusive sheets and pods of ultramafic and mafic rocks are common, particularly in the



western and southeastern parts of the claim group.

ECONOMIC GEOLOGY

The magnetometer survey covers claim 932074 in the southeast corner of Reeves Township where, in 1935, Eric Canadian Mines exposed well foliated, carbonatized and sericitized mafic to intermediate volcanic rock. The sheared and altered rock locally contains narrow quartz veins with minor amounts of disseminated pyrite in the enclosing schist. Black, pyritic quartz rubble apparently containing visible gold and assaying 0.14 ounces gold per ton was collected from one of these trenches. Milne (1972) reports that in 1946 Kalbrook Mining diamond drilled 13 holes in the vicinity of the "float" trench. Evidently no economic mineralization was encountered, although drill logs are not available. There are no other reported mineral occurrences in the area covered by the ground magnetometer survey.

PREVIOUS WORK

The most recent government geologic mapping of the property area was done by Milne (1972). At the request of the present claim holders, D. Pyke (1987) carried out a reconnaissance mapping and lithogeochemical study of the property area. He concluded that the supracrustal sequences in the northern part of the Swayze greenstone belt are similar, texturally and

compositionally to the volcanic units of the Timmins mining camp, and therefore constitute a favourable geological environment for gold mineralization. The geology of the original 267 claims of the RJV property was mapped in the 1987 field season and is described by Burk (1987A). The magnetometer survey discussed in this report was done within the limits of this claim block. The most important previous geophysical work done in the property area is an airborne magnetics-EM survey (Dighem, 1984) which covers an area that encompasses all of the presently-held claims.

In addition to the geologic mapping that was done on the original RJV property, Glen Auden Resources/Goldrock Resources carried out mechanical outcrop stripping and trenching in the southeast corner of Reeves Township, eastern Penhorwood Township, and just west of Deerfoot Lake in Kenogaming Township (Garner, 1987). Two series of overburden pits were also excavated and sampled in these areas (Garner, 1987). The ground magnetometer survey reported covers these workings. on here comprehensive review of exploration work done on the Reeves Joint Venture property by Glen Auden/Goldrock as well as previous mining companies is given by Burk (1987A).

PURPOSE OF THE SURVEY

Geologic mapping on the RJV property, together with the Dighem airborne geophysical data, has identified a number of high strain, alteration zones which are considered targets for gold mineralization. One zone is interpreted to extend west-northwestwards from Deerfoot Lake to the four contiguous township corners, and hosts the sheared and altered rock examined by Erie Canadian Mines and Kalbrook Mining (Figure 2). Another zone trends east-west close to the southern property boundary in claims 947253, 947150 and 947149, and is marked by a talc and, locally, fuchsitic schist (Figure 2). A less well defined, but potentially major deformation zone strikes southwestwards through the southern half of Deerfoot Lake (Figure 2). This zone has been suggested to be the western extension of the Porcupine-Destor Fault (Pyke, 1987; Burk, 1987A). For the ground magnetics survey, the grid was designed to cover these interpreted structural zones. It is proposed that detailed magnetics data will assist in delineating rocks with strong carbonate alteration (low magnetic responses) which tend to mark the shear/fault zones. Volcanic units with appreciable magnetite contents and banded oxide facies iron formations will also be outlined, thus adding to the understanding of the stratigraphic/structural setting on the property.

SURVEY STATISTICS AND METHOD

A total of 86.25 kilometers of line were cut and chained on 57 claims (see Schedule A). Line-cutting began December 01, 1987, and the survey was completed January 18, 1988. The base-line on the grid follows the Reeves-Penhorwood and Sewell-Kenogaming township boundaries. North-south oriented lines are spaced 100 meters apart, and survey stations are at 25 meter intervals.

The magnetics data were collected with a proton precession magnetometer which measures the absolute value of the total field of the earth to an accuracy of \pm ln Tesla. The magnetometer was carried down the survey line by a single operator, with the sensor mounted on a short pole to remove it from the surface geologic noise. Readings were normally taken at 25m intervals, and at 12.5m intervals where the operator observes a high gradient (anomaly). The readings are corrected for changes in the earth's total field (diurnal drift) by measuring and recording the drift at a base station and a number of "tie-points" several times a day.

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SCHEDULE A

Porcupine Mining Division Claims Covered by Magnetic Survey

878419	933573
893527	933574
893528	933575
893529	933576
901327	944882
901328	944889
901329	944890
901334	944897
921399	944898
921400	944900
929609	944905
929610	944911
929611	947089
929612	947131
932074	947149
932075	947150
933528	947253
933545	947257
933562	947258
933563	947265
933564	947266
933565	987252
933566	987253
933567	987254
933568	987255
933569	987256
933570	987257
933571	987258
933572	

INTERPRETATION

The magnetics data is presented as four maps of contoured total magnetic field readings. The portions of the grid covered by the individual maps are shown in Figure 2.

Total field readings measured on the grid are generally between 58,200 and 59,000 gammas, but range up to 65,500 gammas.

11.5

The contoured maps clearly show marked changes in the total field which reflect varying magnetic susceptibilities of the rocks on the grid, but also outline areas of shallow or no overburden as is the case on Map 1, between lines 3+00W and 8+00W, 1+00S and 3+00N.

- MAP 1 The pattern of contour lines at the south end of the map sheet (3+00S, between lines 5+00W and 15+00W) and at about 3+00N between lines 12+00W and 16+00W define an easterly striking sequence of mafic to intermediate volcanics. Contour patterns for the northwest part of the grid suggest a more northerly trending stratigraphy, where small magnetic 'highs' possibly represent lenses of iron formation. A northerly oriented body of moderate magnetic susceptibility located south of the base line at about 1+00W is interpreted to be a mafic intrusive, probably a dike, which interestingly terminates at the base line where a west-northwest trending deformation zone is proposed to pass.
- MAP 2 A narrow unit of very high magnetic susceptibility, in all probability a banded magnetite iron formation, strikes in a southwest direction from Line 30+00E/9+00S to Line 22+00E/12+00S. Trending roughly parallel to the iron formation, between Deerfoot Lake and Line 9+00E/11+00S, is another magnetic unit which can be used as a stratigraphic marker. One of the more prominent magnetic features outlined by the survey is a broad, crescent-shaped zone of moderate magnetic susceptibility in the area between lines 14+00E, 28+00E, 4+00N and 4+00S. This feature is also outlined by the Dighem airborne survey data, where it takes the form of a major U-shaped fold. Outcrops of banded iron formation have been mapped at the southern end, or nose, of the apparent fold.
- MAP 3 The west-southwesterly striking highly magnetic unit (readings up to 65,500 gammas) which extends between lines 7+00E and 17+00E, about 22+00S, has been identified as the Nat River banded oxide and sulfide facies iron formation. An egg-shaped body of moderately to strongly magnetic rock is centred at

11 2 4

12+50E/18+50S. According to Milne (1972) this feature marks a feldspar and quartz porphyritic intrusion which apparently contains a large xenolith of magnetite iron formation. In general, the contour patterns of this map sheet reflect a supracrustal sequence which strikes at about 060 degrees.

MAP 4 - Magnetic contours for the southwest part of the grid suggest a relatively complex geology. The most evident feature is a narrow, moderately magnetic unit which strikes northwesterly between lines 8+00W and 13+00W, and then strikes discontinuously in a southwest direction to the western edge of the grid (line 25+00W). Outcrops of highly carbonatized, talcose, and locally fuchsitic ultramafic rock have been mapped at the eastern end of this magnetic feature. A northnortheasterly trending magnetic "high" occurring between lines 15+00W and 17+00W is probably marking a diabase dike.

CONCLUSIONS AND RECOMMENDATIONS

The magnetometer survey on the property of Glen Auden Resources and Goldrock Resources has added considerably to the understanding of the geology on the claims. The magnetics data have established a southwesterly striking greenstone sequence in Township southwest of Deerfoot Lake where field Kenogaming mapping located very few outcrops. A unit of banded iron formation, not shown on the government survey map, is also identified south of Deerfoot Lake. In Penhorwood and Reeves Townships volcanic units tend to strike more easterly, while in Sewell Township there is evidence of a major south-verging fold as defined by a thin, and probably discontinuous iron formation. Small mafic intrusions and magnetically susceptible intermediate to felsic porphyry body have also been identified in the gridded area.

The deformation/alteration zones which are proposed to occur on the surveyed portion of the property are not clearly delineated magnetically, although zones of low magnetic responses do tend to correspond with the interpreted structures.

The high magnetic susceptibility shown by the porphyritic intrusion west of Benbow Lake is unusual and warrants further investigation. Disseminated magnetite in the intrusion may be an alteration product of hydrothermal activity.

The geology of the property, as it is presently defined, is favourable for the occurrence of typical Archean greenstone-hosted gold deposit, one which occurs in a high strain zone marked by pyritic, chlorite + sericite + deformation rocks, at the mine scale, are carbonate schists. Such geophysically represented by zones of relatively low magnetic susceptibility which correspond with zones of moderate to high resistivity and chargeability as determined by the induced polarization survey method. Having completed a magnetics survey, recommended that an induced polarization survey be conducted on sections of the same grid. Fairly complete coverage the grid area could be done by surveying approximately 40 kilometers of grid line.

Respectfully submitted

Ron Burk, M.Sc.Eng.

For R. Bunk PhD F. W. Nowsene PhD F. Shadan Manager SUN)

CERTIFICATION

I, Ron Burk of 29 Wardencourt Drive, Agincourt, Ontario certify that;

- I am a graduate of the University of Toronto with a Bachelor of Applied Science in Geo-Engineering
- I am a graduate of Queen's University with a Master of Science, Geological Engineering.
- I have been practising my profession in Canada for 4 years.
- I have no economic interests in the property covered by this report.

Dated this August 8, 1988 TIMMINS, Ontario

Ron Burk 2. 102 For R. Burk FW. Newtones PhD Exploration Managor

A P P E N D I X A

MAGNETICS THEORY

The magnetic method is based on measuring alteration in the shape and magnitude of the earth's naturally ocurring magnetic field caused by changes in the magnetization of the rocks in the earth.

These changes in magnetization are due mainly to the presence of the magnetic minerals, of which the most common is magnetite, and to a lesser extent ilmenite, pyrrhotite, and some less common minerals.

Magnetic anomalies in the earth's field are caused by changes in two types of magnetization: induced and remanent (permanent). Induced magnetization is caused by the magnetic field being altered and enhanced by increases in the magnetic susceptibility of the rocks, which is a function of the concentration of the magnetic minerals.

Remanent magnetism is independent of the earth's magnetic field, and is the permanent magnetization of the magnetic particles (magnetite, etc.) in the rock. This is created when these particles orient themselves parallel to the ambient field when cooling. This magnetization may not be in the same direction as the present earth's field, due to changes in the orientation of the rock or the field.

The most common method of measuring the total magnetic field

in ground exploration is with a proton precession magnetometer. This device measures the effect of the magnetic field on the magnetic dipole of hydrogen protons. This dipole is caused by the "spin" of the proton, and in a magnetometer these dipoles in a sample of hydrogen-rich fluid are oriented parallel to a magnetic field applied by an electric coil surrounding the sample. After this magnetic field is removed, the dipoles begin to precess (wobble) around their orientation under the influence of the ambient earth's magnetic field. The frequency of this precession is proportional to the earth's magnetic field intensity.

Ministry of Northern Development and Mines

Report of Work

(Geophysical, Geologica) \$\square\$800

DOOUM





Geochemical and Expenditures 900 8806.25 Minir Type of Survey(s) Township or Area SEWFUL. MAGNETOMETER SURVEY KENOGALING PENHORWOOD GLEN AUDEN RESOURCES LTO and GOLDROCK RESCURCES. P.O. BOX 1637, TIMMINS, ONTARIO P4N7C2. Survey Company R.S. Middleton Exploration Services Inc.
Name and Address of Author (of Geo-Technical report) R.BURK - P.O. Box 1637, Timmins Ontaroo PHN 7608. Credits Requested per Each Claim in Columns at right Mining Claims Traversed (List in numerical sequence) **Special Provisions** Days per Claim Mining Claim Mining Claim Geophysical Expend. Days Cr. Expend. Days Cr. Number Number For first survey: - Electromagnetic SEE ATTACHAD Enter 40 days. (This includes line cutting) Magnetometer 40 SCHEDULE A - Radiometric For each additional survey: using the same grid: - Other Enter 20 days (for each) Geological Geochemical Man Days Days per Geophysical Complete reverse side and enter total () V-Electromagnetic Magnetometer 1988 diometric MINING LANDS SECTION PORCUPINE MINING DIVISION Geochemical Airborne Credits Days per Claim JUL 23 1988 Note: Special provisions Electromagnetic credits do not apply Magnetometer to Airborne Surveys. Radiometric Expenditures (excludes power stripping) RECORDED Type of Work Performed Performed on Claim(s) JUL 2-8-1988 Calculation of Expenditure Days Credits Total Total Expenditures **Days Credits** \$ 15 Total number of mining claims covered by this report of work. Total Days Credits may be apportioned at the claim holder's For Office Use Only choice. Enter number of days credits per claim selected otal Days Cr. Date Recorded in columns at right. Recorded Recorded Holder or Agent (Signature) Date INTERNATION WETTER 98/02 Gertification 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

J. Williams Color Ros 1557 Timmus Creation Post LWA

Date Certified T. WU 28188 Certiti<u>ed b</u>y (Signature) Werselver D

SCHEDULE A KENOGAMING, PENHORWOOD REEVES AND SEWELL TOWNSHIPS

PORCUPINE MINING DIVISION

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Ministry of Northern Development and Mines

Ministère du Développement du Nord et des Mines

November 30, 1988

Whitney Block, Room 6610

Queen's Park Toronto, Ontario M7A 1W3

Telephone: (416) 965-4888

Your file: W8806-251 Our file: 2.11646

Mining Recorder
Ministry of Northern Development and Mines
60 Wilson Avenue
Timmins, Ontario
P4N 2S7

Dear Sir:

Re: Amended Notice of Intent dated November 15, 1988 - Geophysical (Magnetometer) Survey submitted on Mining Claims P 878419 et al in the Townships of Sewell, Kenogaming, Penhorwood and Reeves

The assessment work credits, as listed with the above-mentioned Notice of Intent, have been approved as of the above date.

Please inform the recorded holder of these mining claims and so indicate on your records.

Yours sincerely,

W.R. Cowan

Provincial Manager, Mining Lands

Mines & Minerals Division

RM:pl Enclosure

cc: Mr. G.H. Ferguson
Mining and Lands Commissioner
Toronto, Ontario

Glen Auden Resources Ltd. and Goldrock Resources P.O. Box 1637 Timmins, Ontario P4N 7C2

Attn: Mr. J. Newsome

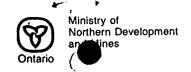
ONTARIO GEOLOGICAL SURVEY ASSESSMENT FILES OFFICE

DEC 1 1983

RECEIVED

Resident Geologist Timmins, Ontario

R.S. Middleton Exploration Services Inc. P.O. Box 1637 Timmins, Ontario P4N 7W8 Attn: Mr. R. Burk



Technical Assessment Work Credits

Date Mining Recorder's Report of November 15, 1988 Work No. W8806-251

File

AMENDED

Recorded Holder GLEN AUDEN RESOURCES/GOLDROCK	RESOURCES	
Township or Area SEWELL, KENOGAMING, PENHORWOO	DD, REEVES	
Type of survey and number of Assessment days credit per claim	Mining Claims Assessed	
Geophysical		
Electromagnetic days		
40	P 878419	947149-150
Magnetometer 40 days	893527 to 529 incl.	947253
- w .	901327 to 329 incl.	947257-258 947265-266
Radiometric days	901334 921399-400	987252 to 258 incl.
Induced polarization days	929609	907232 20 230 Inci.
induced polarization	929611-612	
Other days	932074-075	
	933528	
Section 77 (19) See "Mining Claims Assessed" column	933545	
	933562 to 565 incl.	
Geologicaldays	933567	
	933569	
Geochemicaldays	933571 to 576 incl.	
	944882	
Man days Airborne	944889-890	
Special provision 🖺 Ground 🔼	944897-898 944900	
Special provision [-] Ground [-]	944905	
Credits have been reduced because of partial	944911	
coverage of claims.	947089	
Credits have been reduced because of corrections to work dates and figures of applicant.	947131	
to work dates and figures of applicant.		
Special credits under section 77 (16) for the following	mining claims	
20 DAYS MAGNETOMETER		
P 933566		
933568		
933570		
No credits have been allowed for the following mining	claims	
73 not sufficiently covered by the survey	insufficient technical data filed	
-		
Р 929610		
1		

