REPORT ON THE INDUCED POLARIZATION SURVEY AND 1985 PHASE II DIAMOND DRILLING PROGRAM, BARNET GOLD PROPERTY, BARNET TWP, ONT.

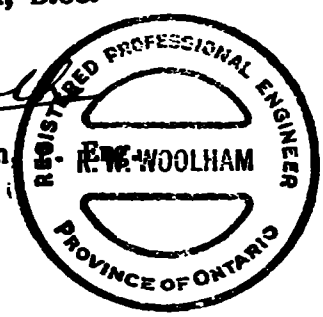
FOR PETER ISLAND RESOURCES INC.

NTS 42A/8

DERRY, MICHENER, BOOTH & WAHL

P. A. Hartwick, B.Sc.

R. W. Woolham, P.Eng.



Ref: 85-70

Toronto, Canada
January 16, 1986

TAB.

TABLE OF CONTENTS
(Continued)

Page

LIST OF FIGURES

LIST OF TABLES

LIST OF MAPS
(In Map Pocket)

SUMMARY

Derry, Michener, Booth & Wahl (DMBW) on behalf of Peter Island Resources Inc., carried out an exploration program consisting of an IP survey and diamond drilling totalling 353 m on the Barnet Township gold property, Ontario.

Three holes were drilled to bracket an intersection of 0.21 oz. Au/ton over 3.65 m discovered in hole PI-85-01 drilled during Phase I. Additional zones of strong brecciation locally relating to significant gold mineralization were intersected; however, the lithologic geometry of the zone remains unclear due to faulting and assimilation of wall rock by the syenite.

Two of the three drill holes intersected very encouraging gold values in the vicinity of the 0.21 oz. Au/ton discovery. Three additional intersections discovered during the Phase II drilling program returned greater than 0.05 oz. Au/ton:-

Hole	From (m)	To (m)	Geochemical Assay (oz./ton)	Check Fire Assay (oz./ton)	Core Width (m)
PI-85-04	39.17	39.47	0.79	0.83	0.30
PI-85-04	62.18	65.22	0.11	0.06	3.05
PI-85-06	35.08	35.97	0.27	0.225	0.88

A three part follow-up program is recommended:

(1) Recut grid on property to facilitate a detailed magnetometer survey and more accurate spotting of drill holes. Total length of lines to be cut is approximately 45 km.

(2) Detailed magnetometer survey to outline additional targets prior to diamond drilling program.

(3) 1,500 m of diamond drilling to further test favourable syenite-basalt contact zone outlined by detailed magnetometer survey.

The estimated cost of this program is $150,000 as summarized in the following table and detailed in Appendix IV:-

Linecutting	$ 8,325
Magnetometer Survey	9,025
Diamond Drilling Survey	115,750
Supervision	2,250
Total	$135,350
Contingency Approximately 10%	14,650
GRAND TOTAL	$150,000

INTRODUCTION

This report, prepared by Derry, Michener, Booth & Wahl (DMBW) on behalf of Peter Island Resources Inc., summarizes the results of a follow-up program to the Phase I (July 1985) diamond drilling program (Ragsdale et al., 1985), consisting of an IP survey and an additional 353 m of diamond drilling, on the Barnet Township gold property. The IP survey was performed from September 25th to October 13th, 1985 and the diamond drilling from November 4th to November 17th, 1985.

The purpose of the program was to bracket the significant intersection of 0.21 oz. Au/ton over 3.66 m discovered in hole PI-85-01, drilled during Phase I, and more fully delineate the extent of the target zone by using an induced polarization survey.

PROPERTY LOCATION AND ACCESS

The property is located on the east-central edge of Barnet Township adjacent to the west boundary of Thackeray Township, approximately 30 km north of Kirkland Lake, Ontario, and 23 km east of Ramore, Ontario, as shown in Figure 1.

Access to the property is by logging roads and trails. The logging road intersects Highway #101 to the north of the property at a distance 33 km east of Matheson, Ontario. The distance from Highway #101 to the property by road and trail is approximately 17 km. The logging road is accessible by four-wheel drive or all-terrain vehicles except in the winter months when snowmobile access is possible.

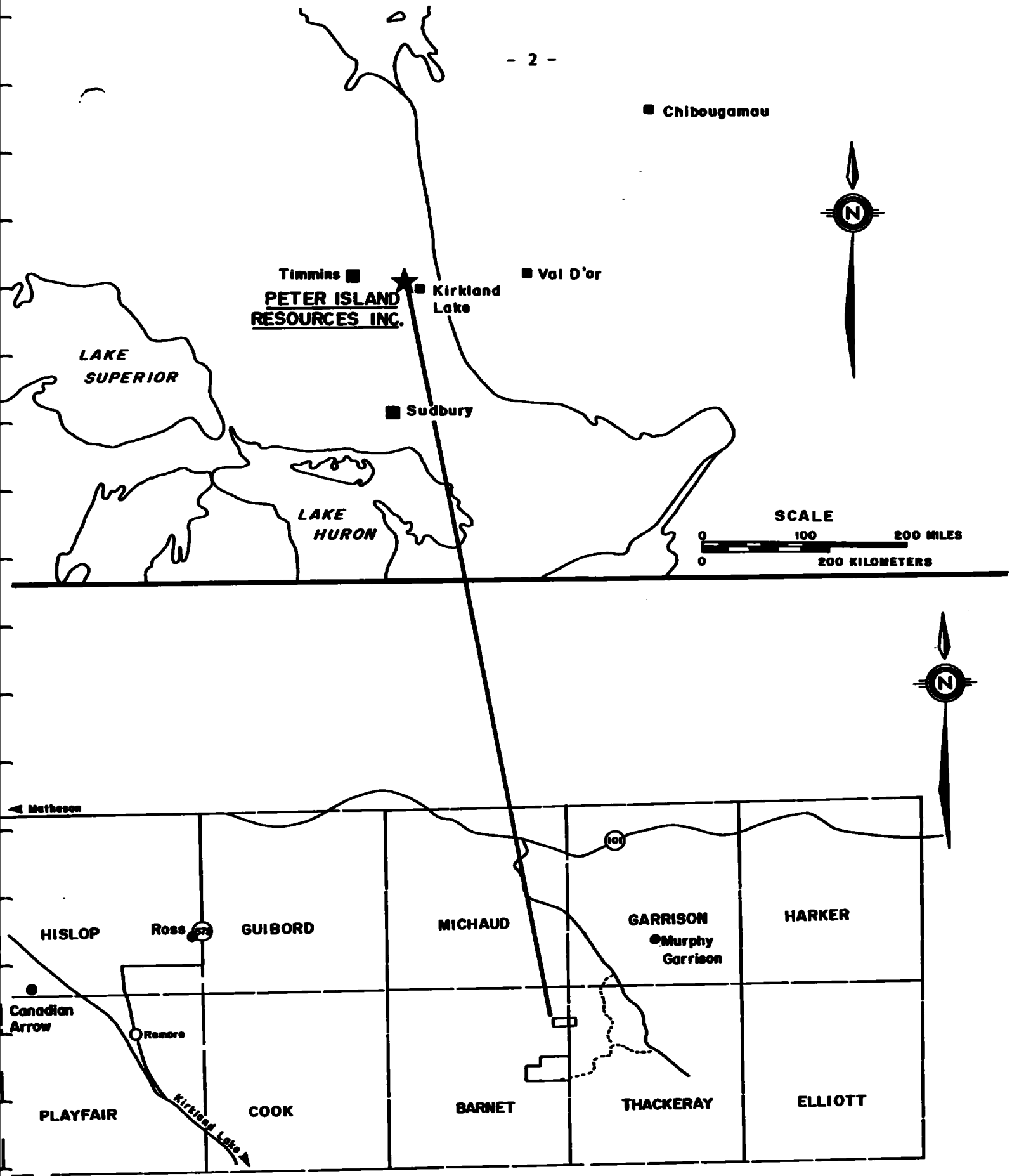


FIGURE I.

SCALE 1" = 4 miles

PETER ISLAND RESOURCES INC.
GENERAL LOCATION MAP

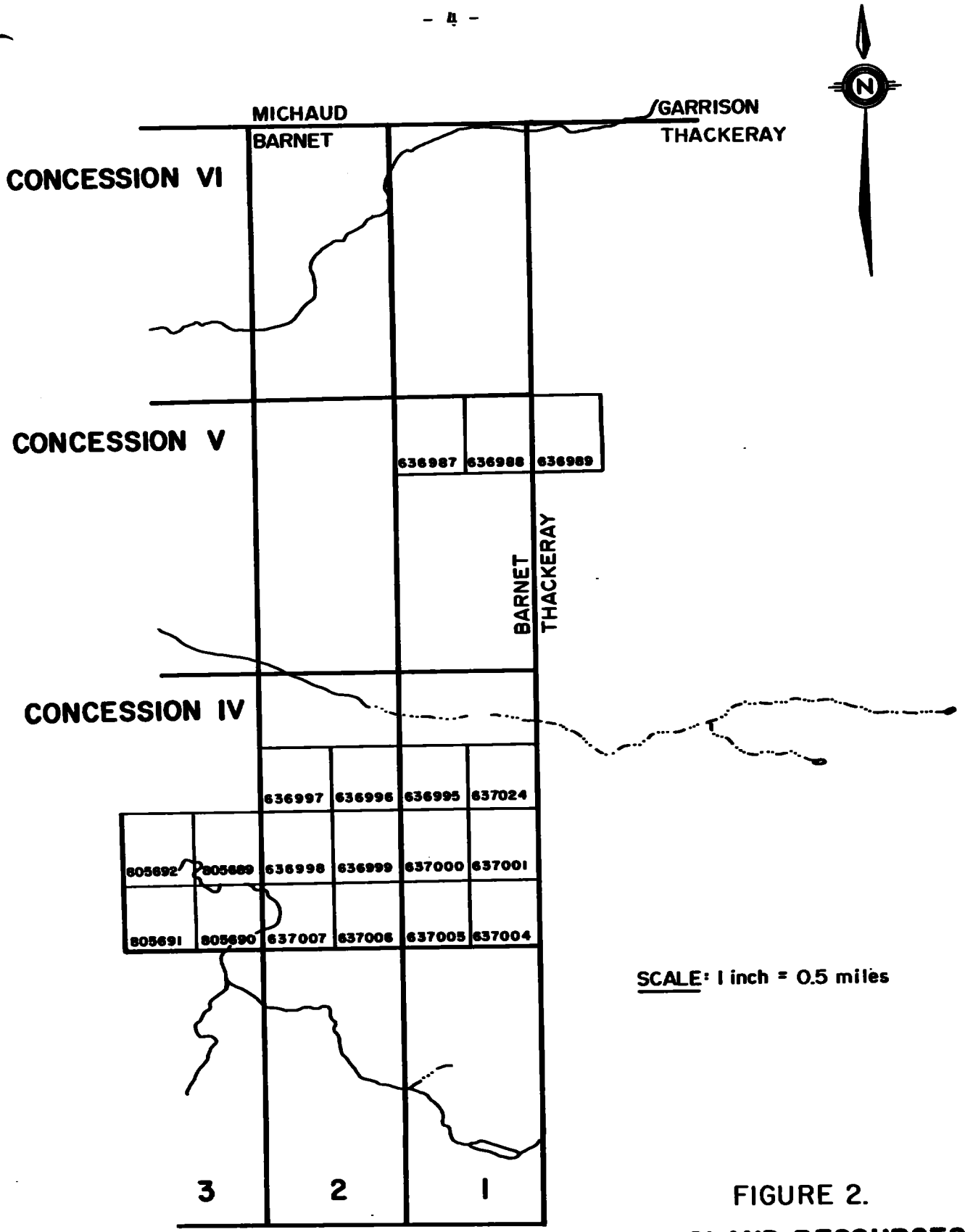


FIGURE 2.

PETER ISLAND RESOURCES INC.

PROPERTY CLAIM MAP

BARNET – THACKERAY TWPS., ONTARIO

Logging operations have removed most of the other coniferous growth in this area. The remaining area to the west of the esker is low and swampy with thick undergrowth and few outcrops. One prominent topographic high is present on the east side of the claim group and is formed by a bedrock drift complex. This high forms the only significant outcrop exposure area on the property.

PREVIOUS WORK

Geological mapping of Barnet Township was first completed in 1921 by D.G.H. Wright of the Ontario Department of Mines. The work formed part of a large mapping program in the Black River Area. During the period 1947 to 1949, Dominion Gulf Co. completed airborne magnetic surveys over the area. They selected the present property and magnetic horizons to the north and southeast for follow-up ground exploration.

This work consisted of magnetometer surveys, geological mapping and trenching followed by drilling. The Barnet Township claim group property contains four boreholes, totalling 616 m, drilled by Dominion Gulf in 1950-1951.

In 1972, Barnet Township was covered by a high resolution aeromagnetic survey flown as part of a larger area by the Geological Survey of Canada. This work was part of a joint program shared with the Ontario Geological Survey. In 1980-1981, a helicopter airborne VLF electromagnetic survey was completed by private interests. Portions of the results covering Barnet Township were submitted for assessment credits.

During 1981, Brinco Mining Limited was actively searching for stakable ground having promising gold mineralization potential. In December of 1981, a group of 50 contiguous claims were staked in the northeast corner of Barnet Township for Brinco Mining. Magnetometer and VLF electromagnetic surveys covering the most promising exploration areas of the claim group were completed during the period May/June 1982. Geological and geochemical surveys were also performed at this time on the same geophysical survey grid. This latter work was never recorded or properly documented by Brinco Mining Limited as a retrenchment of staff and closing of the Toronto office took place in 1983.

In 1984, input airborne electromagnetic and aeromagnetic surveys covering Barnet Township were completed. This was part of a larger survey covering 40 townships funded by the Ministries of Northern Affairs and Natural Resources.

Utilizing this new regional geophysical data, R.W. Woolham, P.Eng., of DMBW, carried out a complete revaluation of geophysical and geological data on the property and recommended a program of geochemical sampling, detailed magnetometer surveys and diamond drilling in an area interpreted to be prospective for gold (Woolham, 1984).

From November 19th to December 21st, 1984, DMBW carried out a program of basal overburden sampling, in addition to fill-in linecutting and a detailed total field magnetometer survey. Gold values ranged from less than 5 to 15 ppb Au with the exception of two holes which returned values of 195 and 430 ppb Au (Routledge, 1984). The 195 ppb Au anomaly located at 101+00N, 104+50E, was considered to be down-ice from the area of diamond drilling in the current program. The 430 ppb Au anomaly, located at 108+00N, 102+00E, was not, at that time, associated with any significant geological or geophysical feature.

The magnetometer survey detailed a postulated syenite/magnetic basalt contact zone which was, in part, associated with the gold values. This zone was also magnetically inferred to be cross-cut by an east-west fault set, approximately parallel to the Destor-Porcupine fault and by a later north-south fault set. As discussed in the Regional Geology section, gold mineralization is locally associated with this structural junction in many parts of the Matheson area.

Based on this evidence, the area was subsequently drill-tested by three "BQ" boreholes totalling 300 m during the period from July 12th to July 21st, 1985. Very encouraging gold values were obtained from a brecciated and silicified section near a northern syenite-volcanic contact zone. PI-85-01 returned a weighted average of 0.21 oz. Au/ton and 0.07 oz. Ag/ton over a width of 3.66 m from 17.22 m to 20.88 m. This included a 1.07 m section which graded 0.464 oz. Au/ton and 0.15 oz. Ag/ton.

In late 1985, Jensen (1985) completed a preliminary geological map of the Ramore area. He interpreted that an interflow contact between magnesium and iron-rich tholeiitic basalts underlie the north section of the Barnet Property. The gold ore mineralization at Barrick Resources-McDermott Property is apparently associated with that type of interflow contact. The 430 ppb Au overburden anomaly located at 101+00N, 104+50E on the Barnet grid (Routledge, 1984) may be associated with that contact.

PRESENT PROGRAM

Phase II of the 1985 diamond drilling program was preceded by an IP survey carried out from September 25th to October, 13th, 1985. The purpose of the survey

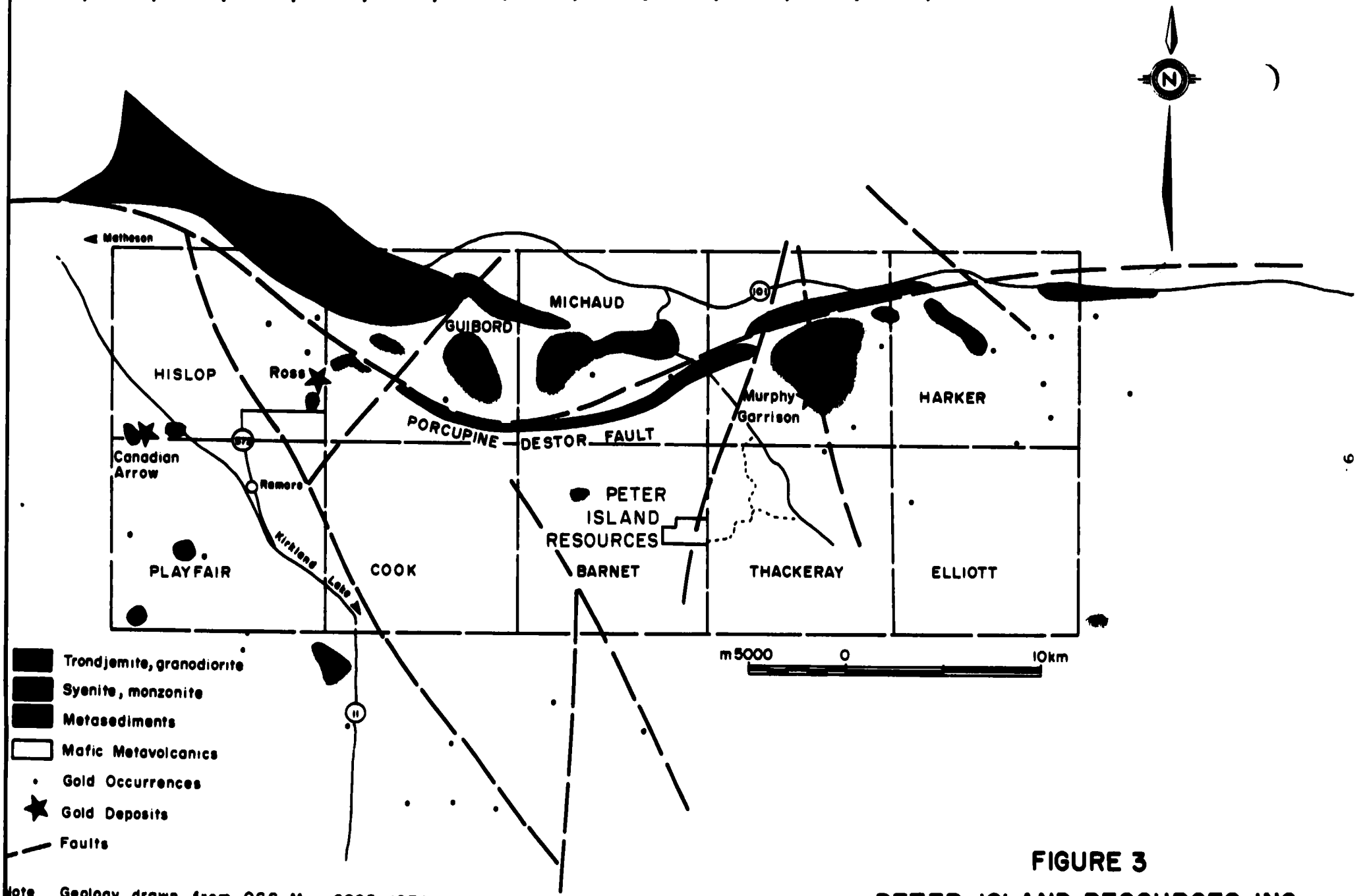
was to outline additional areas of sulphide mineralization as the higher grade gold intersection discovered during the Phase I drilling was associated with pyrite.

Phase II diamond drilling was performed from November 4th to November 17th, 1985. The program, consisting of three "BQ" boreholes totalling 353 m in length, was carried out to test the signficance of the intersection made in hole PI-85-01.

REGIONAL GEOLOGY

The northern Barnet/Thackeray Townships area is underlain by east to east-northeast striking, steeply dipping mafic metavolcanics and minor intercalated felsic volcanics and metasediments, which form part of the Archean Kinojevis Group. The mafic volcanics are mostly magnesium-rich and/or iron-rich tholeiitic basalts, which have been intruded by syenite, monzonite and granitic rocks. These intrusions tend to be semicircular in dimension ranging from a few hundred meters to several kilometers in diameter. The largest intrusions, located north of Barnet Township in Guibord, Michaud and Garrison Townships (Figure 3), are peripheral to the east-west trending Destor-Porcupine Fault which is 7 km north of the property. A thin sedimentary unit is associated with the Destor-Porcupine Fault in this vicinity.

There are two major fault sets in the Barnet Township area; an east-northeast trending set running approximately parallel to the Destor-Porcupine Fault zone and a later set of cross-cutting north-south faults. The east-northeast trending set are generally parallel to stratigraphy and are therefore difficult to recognize; however, the intersection with north-south faults is locally associated with small



Note Geology drawn from OGS Map 2205, 1972

FIGURE 3

PETER ISLAND RESOURCES INC.

REGIONAL GEOLOGY MAP

BARNET – THACKERAY TWPS., ONTARIO

trondhjemitic/syenitic intrusives and/or gold mineralization. Regional geological and geophysical interpretation suggests that a prospective fault intersection is present on the Barnet Township property.

Gold Mineralization

Numerous gold showings occur throughout the Matheson-Black River area and many of these are associated with trondhjemitic and syenitic intrusions (Figure 3). The three most significant deposits are the currently producing Ross Mine and the formerly producing Canadian Arrow and Garrison mines. Figure 3 shows the locations of these deposits and Table 1 summarizes their geology and past production.

The Ross Mine, which accounts for the majority of the past production from the area, has been in continuous production since 1935. It was originally owned by Hollinger Consolidated Gold Mines Limited but was acquired by Pamour Porcupine Mines Limited in 1976. Active workings currently extend from the 150 ft. to the 3,150 ft. level. An approximate total of 900,00 oz. of Au and 1,330,000 oz. of Ag, averaging 0.169 oz. Au/ton and 0.283 Ag/ton has been produced (Troop, 1985).

The Ross Mine is located at the junction of the Hislop Fault, a northwest trending fault zone, and a set of cross-cutting north-northeast trending faults. The Hislop Fault runs approximately parallel to the Destor-Porcupine Fault zone in this area and probably represents a splay off of that major structure. The north-northeast trending fault set is typical of the late cross-cutting faults which are present throughout this area of the belt. It is probable that this junction has served as a conduit for hydrothermal gold/silver mineralizing fluids.

Ore in the Ross Mine is of two types; veins and alteration pipes, both of which are within strongly sericitized, hematized and often silicified basalts. The pipes appear to be relatively large, vertical, intensely altered zones which may or may not contain appreciable veining. In the upper levels, the pipes are roughly cylindrical in shape. At lower levels, the pipes become stretched parallel to the northwest shear direction, with horizontal dimensions in the order of 90 m x 25 m. The vein-type ore is comprised of blue-gray quartz stringers in brittle dilatant fracture zones, which are also roughly parallel to the northwest shear direction; however, these veins are only present at the upper levels.

The northwest shearing appears to be reflected by brittle fracturing in the upper levels, thereby resulting in vein-type mineralization with limited deformation of the alteration pipes, and in the form of ductile shearing in the lower levels which has deformed the alteration pipes but did not cause brittle fracturing.

The other two significant gold deposits in the area are the Canadian Arrow deposit in Hislop Township and the Murphy Garrison deposit in Garrison Township (Figure 3).

At Canadian Arrow, gold is associated with pyrite in thin hematitic alteration selvedges adjacent to subparallel, steeply dipping quartz veins cutting a monzonite body within country rock of strongly deformed and metamorphosed basalts of the Kinojevis Group. The geology at the Murphy Garrison deposit is similar; however, in contrast to Canadian Arrow, gold is associated with quartz veins cutting the basalt; veins and associated alteration halos in the monzonite do not contain any significant gold values.

Table 1

Gold Mines in the Ramore-Abitibi Lake Area

TOWNSHIP	MINE (OWNER)	HOST ROCK	NATURE OF GOLD MINERALIZATION	TONNAGE MILLED (tons)	GRADE oz./ton	RESERVES	GRADE oz./ton
HISLOP	ROSS (Pamour Porcupine)	- intensely silicified, hematized and epidote - altered basalts - No significant felsic intrusives near the ore	- ore occurs in two forms: (1) Large, vertical, cylindrical alteration pipes. (2) Blue-grey quartz stringers within dilatant fractures.	*10,000,000 (to 1974) *estimate	0.169 Au 0.283 Ag (1985)	533,000 (as of 1974) (proven)	0.12 Au 0.17 Ag *estimate (1985)
HISLOP	CANADIAN ARROW (Pamour Porcupine) (46.38%)	- deformed and metamorphosed basalts of the Kinojevis group intruded by largely undeformed monzonite stock. (Cherry, 1983)	- gold associated with pyrite in thin alteration haloes adjacent to subparallel steeply dipping quartz veins cutting the monzonite. (Cherry, 1983)	300,000 (up to 1983 at which point prod. was suspended)	0.066 Au	440,000 (proven and probable)	0.099 Au
GARRISON	MURPHY GARRISON (Kerr Addison)	- fine-grained, dark grey metamorphosed basalts of the Kinojevis group intruded by several fine to medium-grained pink monzonite dykes. (Cherry, 1983)	- gold mineralization associated with pyritiferous alteration haloes around fractures within the basalt but <u>not</u> in the monzonite (the monzonite is well fractured, however)	63,500 - production in 1981 only - mine closed in 1982	0.14 Au		

PROPERTY GEOLOGY

Except for a few scattered outcrops of mafic metavolcanics, the northeast quarter of Barnet Township is generally swamp and muskeg covered. One exception is a large outcrop complex on the east half of the Barnet Township property. This area was explored by Dominion Gulf Co. during the period 1949 to 1951. The work comprised geological mapping, trenching and drilling of eight boreholes. Four of the eight boreholes are located within the present property. A geological sketch map taken from their work and from an OGS published map showing borehole locations is shown in Figure 4. Results of this earlier exploration are summarized in Woolham (1984) and in more detail in Johns (1950).

Jensen (1985) interpreted that an interflow contact between magnesium-rich tholeiitic basalts underlie the north section of the Barnet property. If that is the case, the contact could be significant as the gold ore mineralization at Barrick Resources-McDermott property is apparently associated with that type of interflow contact.

The claim is underlain predominantly by fine-grained, chloritic to diabasic-textured tholeiitic basalt. In the northern part of the claim, the basalt is cut by an east-northeast trending syenite dyke about 50 m wide, which is exposed on line 104+50E and intersected in the Dominion Gulf hole #3 about 300 m to the east. The syenite is predominantly medium to coarse-grained and equigranular but porphyritic sections with K-feldspar (probably orthoclase) phenocrysts from 1 to 4 cm long are locally abundant. Some sections of fine to medium-grained syenite intersected in old Dominion Gulf drill holes probably represent small dykes and chill margins.

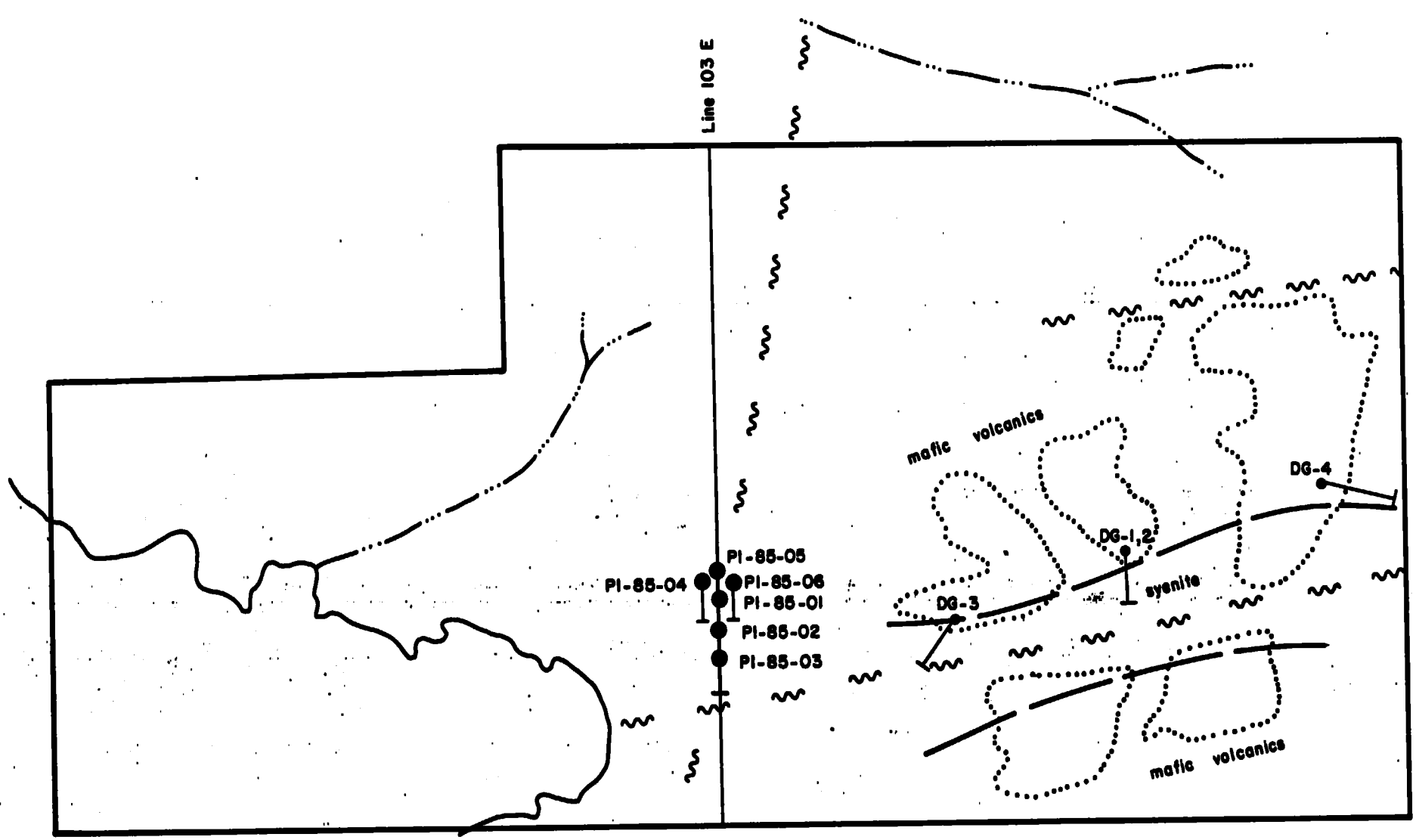
Both volcanic and intrusive rocks are relatively undeformed. Foliation, where present, strikes about 050° with a vertical dip. The basalt typically has an irregular fracture pattern with north-south and east-west sets. Metamorphic grade is generally greenschist facies with all basalt pervasively chloritized with local epidotization but in contact with syenite, the basalt often becomes contact metamorphosed to dark-grey to black hornfels.

Structurally, the property overlies the junction of two distinct fault zones. An east-northeast trending fault zone which roughly parallels stratigraphy is cross-cut by a north-south striking fault. The early fault zone appears to be related to the Destor-Porcupine fault which strikes roughly east-northeast about 10 km to the north.

Pyrite and rarely pyrrhotite occur along fracture planes in the basalt. Silicification, probably associated with intrusion of the syenite dyke, is locally present. A few scattered quartz +/- carbonate veins occur in the basalt.

Dominion Gulf Hole #3 (Figure 4) was drilled to a depth of 189 m and encountered mainly syenite with a 30 m section of "rhyolite" which is probably silicified basalt. Scattered low gold values of 0.01 to 0.03 oz./ton over widths of 30 cm to 70 cm were obtained in breccia zones and in syenite sections of the core. Narrow sections of basalt were reported to contain pyrite and in some cases minor chalcopyrite.

Three galena-bearing quartz veins were found on surface in the vicinity of hole #3 by Dominion Gulf but structural information was not recorded, hence the orientation of the structure controlling this mineralization is uncertain.



Partially modified after Dominion Gulf geology and drilling 1950/51
OGS Map P827, 1979

DOMINION GULF DRILL HOLES, 1952

PETER ISLAND DRILL HOLES, 1985

FIGURE 4

Peter Island Resources Inc.

Barnet Township Property

DRILL HOLE LOCATION MAP

INDUCED POLARIZATION SURVEY

Introduction

The second phase drill program, designed to further investigate the gold intersections obtained in hole PI-85-01, also included an induced polarization (IP) survey. This survey covered the "discovery hole" area and environs from line 100E to line 110E. The IP method is quite sensitive to disseminated polarizable material such as pyrite or graphite. As the gold mineralization encountered in hole PI-85-01 was associated with pyritization, it was suggested that an IP survey might delineate specific anomalous areas that would guide the second phase drill program described in this report.

Survey Parameters

The survey was performed during the period September 25th to October 13th, 1985. It was plagued by bad weather such that the production rate for the survey was very poor. One-third of the time was attributable to down-time due to bad weather.

The instruments used for the survey were the Phoenix IPT-1 transmitter and IPV-1 receiver (see Appendix I for specifications). A frequency pair of 0.25 and 4.0 Hertz was used for the survey. Detail profiles on lines 50 m to 100 m apart, using a dipole-dipole "a" spacing of 25 m for n=1,2,3 and 4 were completed on lines 103E, 103+50E, 104E, 104+50E, 105E, 106E and 107E. Dipole "a" spacings of 50 m were used on lines 100E, 101E, 102E, 103E, 108E, 109E and 110E. The coverage

extended from the south baseline to about 700 m north to cover the favourable area of interest.

The results were plotted and contoured as pseudosections and are bound with this report (Appendix II). The sections consist of, from top to bottom, a resistivity plot in ohm meters, a percent frequency effect (P.F.E.) plot and a metal factor plot. The P.F.E. is a measure of the polarizability of the material energized within the influence of the electrode array. The metal factor is a dimensionless quantity which accentuates low resistivity areas in addition to areas having coincident high P.F.E. values. The metal factor value is obtained by dividing the P.F.E. value by the resistivity value and multiplying by 1,000.

Interpretation of the location of the anomalous responses of interest is a qualitative procedure. Anomaly widths and positions are dictated by the dipole length and cannot be less than one dipole width. Very narrow sources, relative to the dipole spacing, will have responses that are diluted and averaged over a large dipole distance. Thus, detail profiling at shorter dipole configurations is necessary to accurately delineate the locations of potential drill targets.

The anomaly locations, as interpreted from the pseudosections, are shown on the sections as bar anomalies. These anomalies are designated as definite, probable or possible which is a subjective rating based on P.F.E. anomaly characteristics and correlating resistivity responses. In order to present a more representative picture of the P.F.E. results, the average value of a pyramid of values under each station has been calculated. These values are plotted and contoured as shown on Map 85-70-1.

Results

The P.F.E. values range from less than 0.5% in the west part of the grid to as high as 16% in the east portion. There is a sharp north-south P.F.E. amplitude demarcation between lines 103E and 103+50E. West of line 103+50E, values are less than 2% and generally range from 0.5 to 1%. East of line 103E, values are 2% to 4% increasing considerably past line 106E to average values of 11%.

Similarly, low resistivity values of about 500 to 1,500 ohm metre predominate west of line 103+50E while east of this zone values steadily increase to a range of 5,000 to 8,000 ohm metre. Higher values exceeding 10,000 ohm metre occur as local zones and pockets especially east of line 104+50E.

The higher P.F.E. and high resistivity values occur in an area of high amplitude magnetic responses, which are related to underlying basalt sources some of which outcrop in the area. The lower amplitude IP values occur in areas of low amplitude magnetic zones and overburden covered areas. The Phase I drilling indicated that syenite is associated with the low amplitude IP and magnetic areas.

Discussion

Very finely disseminated pyrite in basalt is probably the source of the high P.F.E./resistivity area east of line 103E. Any responses that might be attributable to pyrite within the syenite areas are masked by the response from the basalts. The P.F.E. and resistivity amplitudes conform, in a gross sense, to the magnetic patterns. Unfortunately, there is no characteristic IP signature that can be attributed

to the area surrounding hole PI-85-01. The IP survey is mapping the syenite areas but is unable to distinguish in a positive manner areas where pyrite may be present. These negative results may be a question of the volume of pyrite not the lack of it. A zone of pyrite several meters wide under 20 m of overburden cover could easily go undetected by an IP survey utilizing an "a" spacing of 25 m. To reduce this spacing to 10 or 15 m, thus increasing resolution, would also limit the depth of exploration of the method such that any pyrite in the bedrock under 20 m of overburden would still go undetected.

DIAMOND DRILLING

Phase II diamond drilling was carried out to bracket an intersection of 0.21 oz. Au/ton over 3.66 m in the upper part of PI-85-01. Three holes were drilled totalling 353 m in length.

In the six holes drilled to date, there have been four higher grade intersections together with several lower grade, but nevertheless, geochemically anomalous intersections. Figure 5 has two cross-sections showing hole plots with geology and anomalous assay results (see Appendix III for Diamond Drill Logs).

A summary of all intersections over 0.03 oz. Au/ton are as follows:-

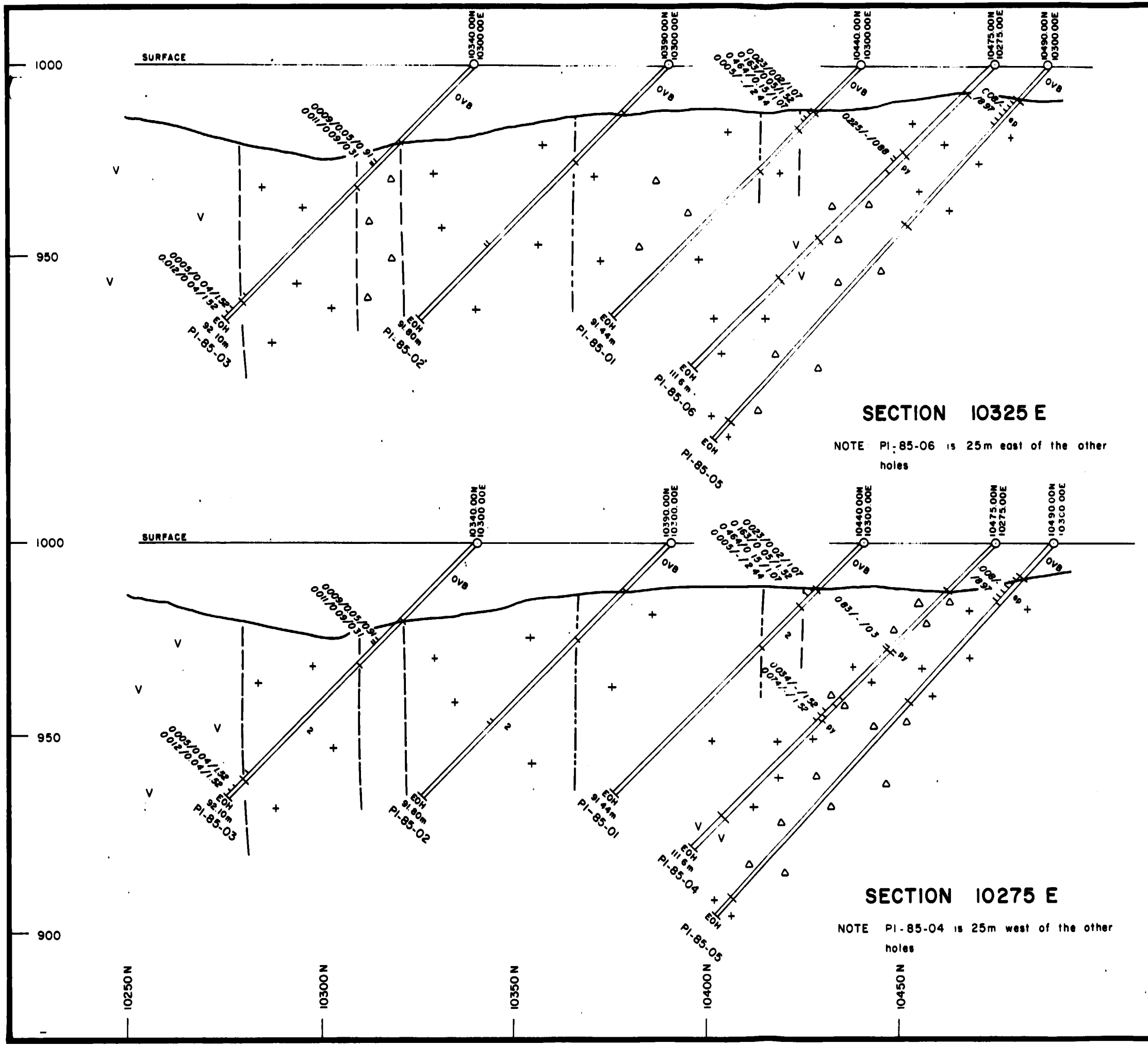
Hole	From (m)	To (m)	Geochemical Assay (oz./ton)	Check Fire Assay (oz./ton)	Core Width (m)
PI-85-01	17.22	20.88	0.21	0.21	3.66
including	19.81	20.88	0.45	0.46	1.07
PI-85-04	39.17	39.47	0.79	0.83	0.30
PI-85-04	62.18	65.22	0.11	0.06	3.05
PI-85-06	35.08	35.97	0.27	0.225	0.88

All of the above intersections appear to be related to zones of mafic brecciation within the syenite. The breccia zones are up to 70 m thick but higher gold values only occur in the parts of these zones where brecciation and carbonate-quartz veining become more intense. Within these gold-bearing zones pyrite content typically exceeds 1% and locally reaches 5%; however, the proportion of pyrite does not seem to directly correlate with high gold grades.

An alteration zone with anomalous gold mineralization averaging 283 ppb Au was intersected in hole PI-85-05 from 12.65 m to 21.64 m. The zone is marked by strong epidote alteration and fine to medium-grained variably altered feldspar grains. The epidote appears to be an alteration product of the feldspars. No mafic breccia zones were intersected near the zone and, hence, this anomalous zone may represent a distinct style of gold mineralization unlike the higher grade occurrences discussed above.

Discussion

As shown on the cross-sections in Figure 5, lithologic contacts do not correlate readily between drill holes. This probably reflects the junction of east-northeast and north-south faulting/shearing, which combined to highly deform the



PLEISTOCENE - RECENT

OVB — Glacial Overburden and Casing

ARCHEAN

+ + — Syenite – Medium to coarse grained, locally

V V — Metabasalt

△ △ — Mixed Zone – Basalt interfingered with

py — Abundant pyrite mineralization

ep — Epidote alteration

Values · Au (oz/ton) / Ag (oz/ton) / core length (m)

0 25 50 metres

FIGURE 5

Geologic Cross Sections

area. Additionally, the syenite intrusion which probably intruded upwards along the deformed zone, assimilated and brecciated the mafic wallrock to further complicate the geometry of the zone.

Even though the distribution of lithologies and mineralization in the fault junction is unclear at present, the presence of significant gold grades in holes drilled to date necessitates a further follow-up magnetometer survey and diamond drilling program. Also, the geological setting at the Barnet Township property is similar to that at the Ross Mine. Both locations are centered around the junction of a zone roughly parallel to the Destor-Porcupine fault and a later north-south fault set. At the Ross Mine, the Hislop Fault trends roughly northwest, approximately parallel to the Destor-Porcupine fault and the ore is also aligned roughly in that direction.

RECOMMENDATIONS

The diamond drilling results are very encouraging and warrant considerable follow-up work. A three-part program is recommended as follows:-

(1) Recut grid on property to facilitate a detailed magnetometer survey and more accurate spotting of drill holes. Total length of lines to be cut is approximately 45 km.

(2) Detailed magnetometer survey to outline additional targets prior to diamond drilling program.

(3) 1,500 m of diamond drilling to test favourable syenite-basalt contact zone outlined in detail by magnetometer survey.

The first eight holes which would total about 900 m are shown on Figure 6 and summarized as follows:-

Hole	Location	Length (m)	Azimuth
PI-85-07	102+90N - 103+00E	100	180°
PI-85-08	102+40N - 103+00E	100	180°
PI-85-09	105+90N - 104+50E	120	180°
PI-85-10	104+00N - 101+50E	120	180
PI-85-11	102+05N - 100+40E	100	145°
PI-85-12	101+65N - 100+68E	100	145°
PI-85-13	101+25N - 101+00E	120	145°
PI-85-14	109+50N - 101+50E	140	160°

All holes drilled at 45° inclination.

Holes for the remaining 600 m of diamond drilling would be spotted based on the results of the first 8 holes.

BUDGET

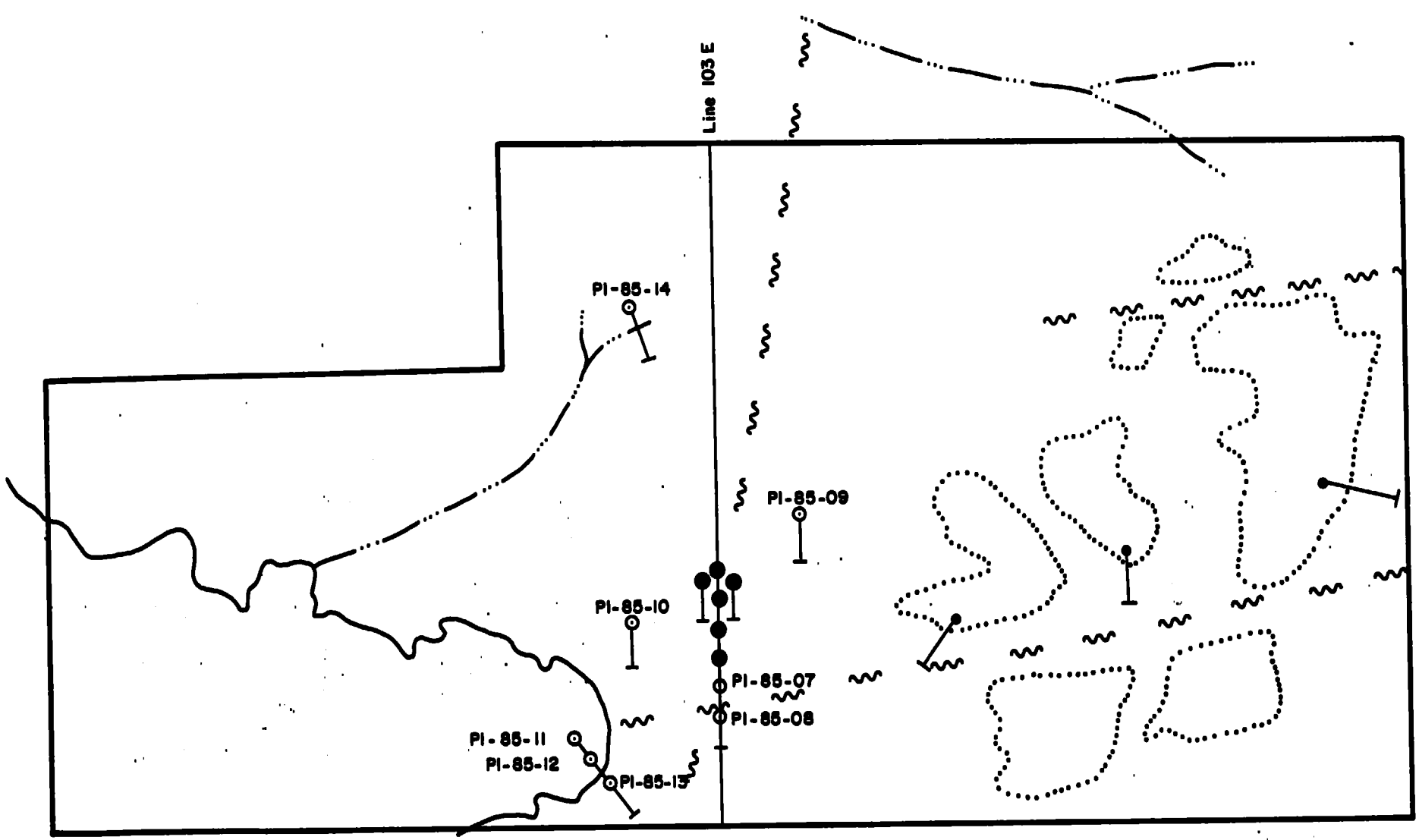
The estimated budget for this program is $150,000. A detailed budget is contained in Appendix IV. The expenditures are summarized in Table 2 as follows:-

Table 2

PETER ISLAND RESOURCES INC. - BARNET TOWNSHIP PROPERTY

Proposed Budget Summary

1.0	Line Cutting		$8,325	$ 8,325
2.0	Magnetometer Survey			
	2.1 Expediting and Mobilization			
	2.1.1 Fees	300		
	2.1.2 Expenses	595	895	
	2.2 Field Survey			
	2.2.1 Fees	2,250		
	2.2.2 Expenses	2,925	5,175	
	2.3 Demobilization			
	2.3.1 Fees	150		
	2.3.2 Expenses	405	555	
	2.4 Data Compilation and Report			
	2.4.1 Fees	1,350		
	2.4.2 Expenses	1,050	2,400	9,025
3.0	Diamond Drilling Survey			
	3.1 Expediting and Mobilization			
	3.1.1 Fees	920		
	3.1.2 Expenses	580	1,500	
	3.2 Field Drilling			
	3.2.1 Fees	12,880		
	3.2.2 Expenses	93,600	106,480	
	3.3 Demobilization			
	3.3.1 Fees	460		
	3.3.2 Expenses	385	845	
	3.4 Data Compilation and Report			
	3.4.1 Fees	3,725		
	3.4.2 Expenses	3,200	6,925	115,750
4.0	Supervision			
	4.1 Fees		2,250	2,250
TOTAL				$135,350
Contingency - Approximately 10%				$ 14,650
GRAND TOTAL				$150 000



Partially modified after Dominion Gulf geology and drilling 1950/51
OGS Map P827, 1979

DOMINION GULF DRILL HOLES, 1952

PETER ISLAND DRILL HOLES, 1985

PROPOSED PHASE II DRILL HOLES

FIGURE 6
Peter Island Resources Inc.
Barnet Township Property
PROPOSED DRILL HOLES

CERTIFICATE OF QUALIFICATIONS

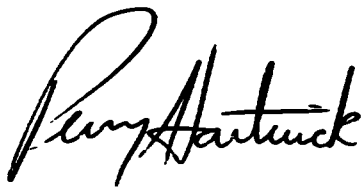
I, Perry A. Hartwick, of 3700 Kaneff Crescent, Mississauga, Ontario, do hereby certify that:-

(1) I am a geologist employed by the firm Derry, Michener, Booth & Wahl.

(2) I am a graduate of the University of Toronto in Honours Geology with a degree of B.Sc. in 1983 and have been practising my profession since graduation.

(3) The statements contained in this report and the conclusions reached are based upon my review of all available data. I have worked on the property during the Phase II diamond drilling program.

(4) I have no direct or indirect interest or expect to receive any in the properties or securities of Peter Island Resources Inc. or any affiliate.



Perry A. Hartwick, B.Sc.

Toronto, Ontario
January 16, 1986

CERTIFICATE OF QUALIFICATIONS

I, Roderick W. Woolham of the town of Pickering, Province of Ontario, do hereby certify;

(1) That I am a geophysicist and reside at 1463 Fieldlight Blvd., Pickering, Ontario, L1V 2S3.

(2) That I graduated from the University of Toronto in 1961 with a degree of Bachelor of Applied Science, Engineering Physics, Geophysics Option.

(3) That I am a member in good standing of the following organizations: The Association of Professional Engineers of the Province of Ontario (Mining Branch); Society of Exploration Geophysicists; South Africa Geophysical Association.

(4) That I have been practising my profession for a period of more than 20 years.

(5) That I am an Associate with Derry, Michener, Booth & Wahl, Consulting Geologists and Engineers.

(6) That I have no direct or indirect interest or expect to receive any in the properties or securities of Peter Island Resources Inc. or any affiliate.

(7) That I personally was involved with the technical supervision of the survey and wrote the report.

(8) Permission is given to use this report for assessment and/or qualification requirements.

R. W. Woolham
B.A.Sc., P.Eng.

R. W. WOOLHAM
REGISTERED PROFESSIONAL ENGINEER
PROVINCE OF ONTARIO

Toronto, Canada
January 16, 1986

REFERENCES

Cherry, M. E.
1983: The association of gold and felsic intrusions - examples from the Abitibi Belt; in Colvine, A.C. (ed.)
The Geology of Gold in Ontario; Ontario Geological Survey, Miscellaneous paper 100, p. 38-47.

Jensen, L. S.
1985: Precambrian Geology of the Ramore Area, Northeastern Part, District of Cochrane; Ontario Geological Survey, Geological Series - Preliminary Map, P. 2861, scale 1:15840 or 1 inch to 1 mile. Geology 1984-1985.

Johns, R. N.
1950: Geological Report, Barnet-Thackeray, Group II, prepared for Dominion Gulf, assessment report, 25 p.

Ragsdale, L. L., Pearson, W. N. and Woolham, R. W.
1985: Report on 1985 Diamond Drilling Program, Tillicum Property, Barnet Twp., Ontario, for Peter Island Resources Inc., unpublished report, 28 p.

Routledge, R. E.
1984: Report on 1984 Basal Overburden Sampling Program on the Peter Island Resources Inc., Tillicum Claims (South Group), Barnet Twp., Ontario (NTS 42A8), unpublished report, 13 p.

Troop, D. G.
1985: Preliminary Report on Geology and Metasomatism at the Ross Mine and Vicinity, District of Cochrane; in Wood, J. et. al. (ed). Summary of Fieldwork and Other Activities, 1985, p. 320-325.

R. W. Woolham
1984: Evaluation report on the Tillicum property of Peter Island Resources Inc., Barnet Twp., Ontario, unpublished report, 25 p.

APPENDIX I

INSTRUMENT SPECIFICATIONS

IPV-1

Variable Frequency IP Receiver

- **Backed by twenty years experience in the manufacture and worldwide distribution of variable frequency induced polarization equipment**
- **Simple design and operation, extremely high reliability**
- **High sensitivity, yet high tolerance to natural and cultural electrical noise**
- **Rugged, lightweight, low power drain, excellent temperature specifications**
- **Low cost**

A completely new line of induced polarization and resistivity equipment has been designed by the people who pioneered the variable frequency induced polarization method twenty years ago. In 1956 the professional staff of McPhar Geophysics Ltd., under the direction of Dr. P.G. Hallof and Mr. J. Sevenhuysen, developed the first variable frequency induced polarization field system. From then, until March, 1975 (when the owners elected to terminate the business of McPhar Geophysics), these variable frequency IP systems set the standard around the world for reliability and dependable field data. During this period, almost two hundred and fifty systems were manufactured and put into service on a world-wide basis. In April 1975, the senior geophysicists and engineers from the former company, organized Phoenix Geophysics Limited in order to continue to provide the mining industry with the very best geophysical instrumentation available. These new IP systems have been designed to be the easiest to operate, the lowest in price and the most reliable in the industry.

Specifications

Input Impedance : 2 Megohms

Input Protection : The input is protected from excessive voltages by a 10,000 ohm fuse resistor.

Operating Frequencies : ± DC, 0.125, 0.25, 1.0, 2.0 and 4.0 Hz are standard. ± DC, 0.156, 0.313, 1.25, 2.5 and 5.0 Hz may also be used.

Frequency Selection : A front panel switch is used to select F1 or F2. These two frequencies may be set internally to any of the desired operating frequencies.

Voltage Ranges : 1mv, 10mv, 100mv, 1v, and 10v full scale.

Voltage Display : A ten-turn precision dial potentiometer is used to balance the input signal. Since the readability of the dial is 0.025% of full scale, adequate resolution is maintained with voltage levels as low as a few microvolts.

Polarizability Display : After the input voltage is balanced, the transmitter and receiver are switched to low frequency. The meter used for balancing now automatically displays FE in percent. Resolution is 0.1% over the range -5.0 to +20%. An optional high resolution display may be chosen to provide additional 0.025% resolution over the range -1½ to +6%. The meter is also used as a battery test.

Filters : A double pole notch filter attenuates 50-60 Hz by 60 db. A low pass filter attenuates frequencies above the selected operating frequency by 18 db per octave. A telluric filter attenuates all frequencies below 0.125 Hz by 12 db per octave.

Damping : Minimum damping is used for the high frequency voltage level adjustment. The damping for the FE measurement is continuously selectable.

Calibration : An internal 0.05 ohm ±1.0% resistor allows precise calibration of the system under all conditions.

Instrument Noise : 0.05% of reading for 1mv and all higher voltage levels. 0.2% of reading for 100 microvolt voltage level. 1.0% of reading for 10 microvolt voltage level.

Operating Temperature : -40°C to +60°C.

Temperature Drift : The voltage drift is less than 2.0% and the FE drift is less than 0.1% over the entire operating temperature range.

Batteries : Any 12V to 27 DC power supply may be used. Two 9V transistor radio batteries connected in series will provide one month normal field operation (battery drain is 4.5 mA).

Case : Non-conductive, high impact resistant plastic.

Dimensions : With cover - 10 x 13 x 22 cm (4 x 5 x 9 in).

Weight : 1.1 kg (2.5 lb) including cover, batteries and carrying strap.

PHOENIX

PHOENIX GEOPHYSICS LIMITED

Geophysical Consulting and Contracting, Instrument Manufacture, Sale and Lease.

Head Office: 200 Yorkland Blvd. Willowdale, Ont., Canada M2J 1R5. Tel: (416) 493-6350
310 - 885 Dunsmuir St. Vancouver, B.C., Canada V6C 1N5. Tel: (604) 684-2285
4690 Ironton St. Denver, Colorado, U.S.A. 80239. Tel: (303) 373-0332

Timing Options

TERNAL TIMING BOARD

re are two available internal timing boards. Both have the same internally mounted crystal oscillator with a stability of 50 PPM over the temperature range -40°C to +60°C.

Model A :

STANDARD FREQUENCY SERIES
Frequency domain mode
±DC, .062, .125, .25, 1, 2 and 4 Hz.
Time domain mode
2 sec +, 2 sec off, 2 sec -, 2 sec off.
Simultaneous transmission mode
.25 and 4.0 Hz standard, other pairs available.

OPTIONAL FREQUENCY SERIES (change link on board)
Frequency domain mode
±DC, .078, .156, .313, 1.25, 2.5, and 5.0 Hz.
Time domain mode
1.6 sec +, 1.6 sec off, 1.6 sec -, 1.6 sec off.
Simultaneous transmission mode
.313 and 5.0 Hz standard, other pairs available.

Model B :

The main difference between this timing board and the model A board is that the duty cycle is variable. Frequency domain operation is obtained by setting the duty cycle to 100% and selecting any of nine binary frequencies from 1/64 Hz to 4 Hz. Various time domain waveforms may be obtained by choosing any of the nine frequencies and a duty cycle of 25%, 50% or 75%. The standard 2 sec +, 2 sec off, 2 sec -, 2 sec off time domain waveform is chosen by selecting a duty cycle of 50% and a frequency of .125 Hz.

EXTERNAL HIGH PRECISION CRYSTAL CLOCKS

The IPT-1 may be driven by external high precision crystal clock modules such as the CL-1 and transmitter driver or CL-2 and transmitter driver. These clock modules were designed for use as a time reference between the IPT-1 or IPT-2 transmitters and the Phoenix IPV-2 phase IP receiver. The aging rate of the CL-1 clock module is 5×10^{-10}/day (0.11 mrad/hr at 1 Hz) and the stability of the CL-2 clock module is 10^{-7}/day (2.26 mrad/hr at 1 Hz). These clock modules weigh 7.5 kg., however space is provided for as much as 5 kg of additional internal batteries for operating the CL-1 oven heated clocks all day at -40°C. Clock modules produced by other manufacturers of induced polarization receivers are also compatible with the IPT-1.

EXTERNAL ISOLATED CABLE DRIVE

The isolated cable drive option allows the IPT-1 to be driven by the timing circuitry of the IPV-3 spectral IP receiver. The maximum distance allowed between transmitter and receiver is 500m. For efficient spectral IP field surveying, the distance between the transmitter and receiver is always maintained at one electrode interval. Thus the maximum convenient electrode interval, using the isolated cable drive option, is 500m. The IPV-3 measures the current plus six voltage dipoles (n=1,6) simultaneously.

Console

Ammeter Ranges : 30 mA, 100 mA, 300 mA, 1A, 3A and 10A full scale.

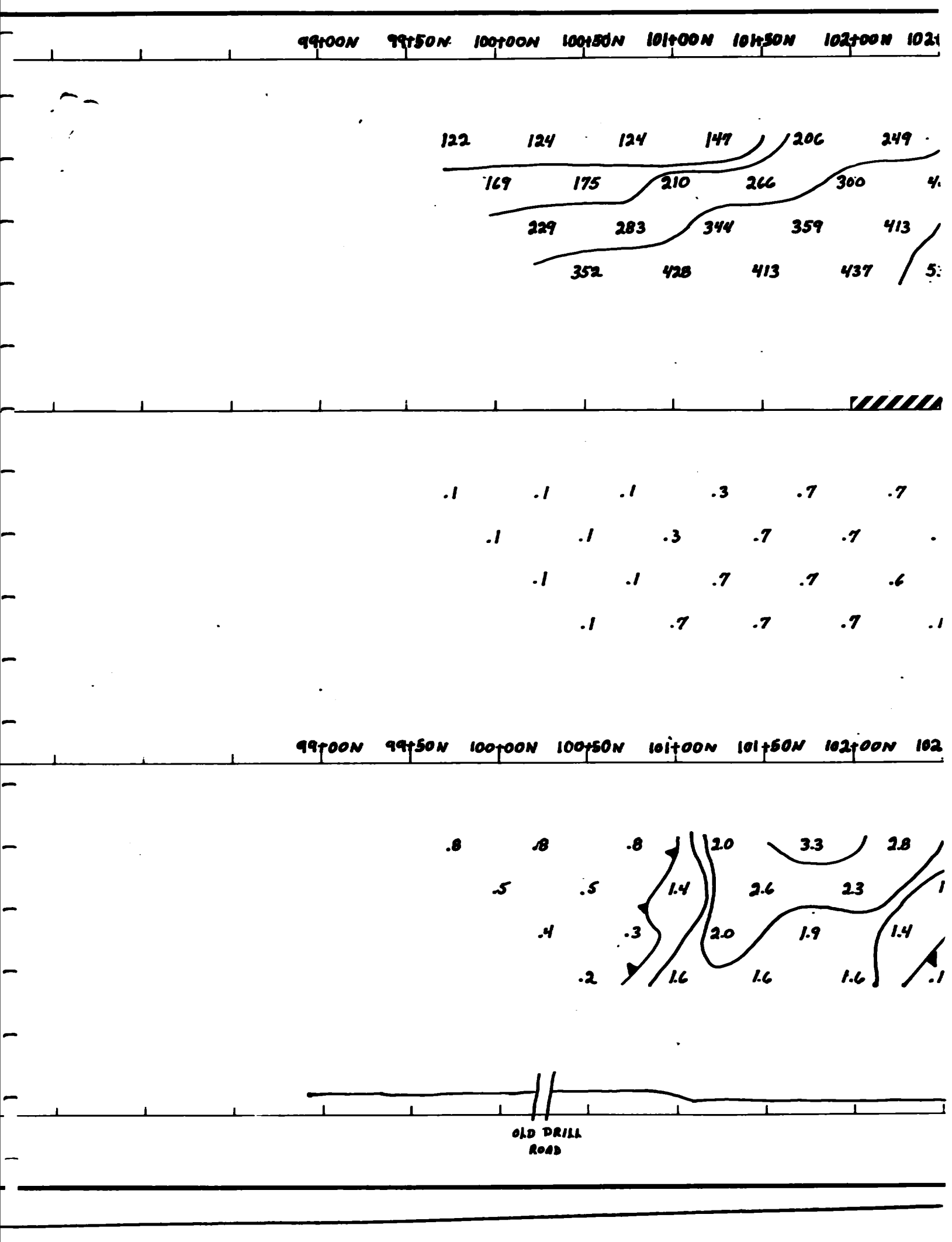
Meter Display : A meter function switch selects the display of current level, regulation status, input frequency, output voltage, control voltage and line voltage.

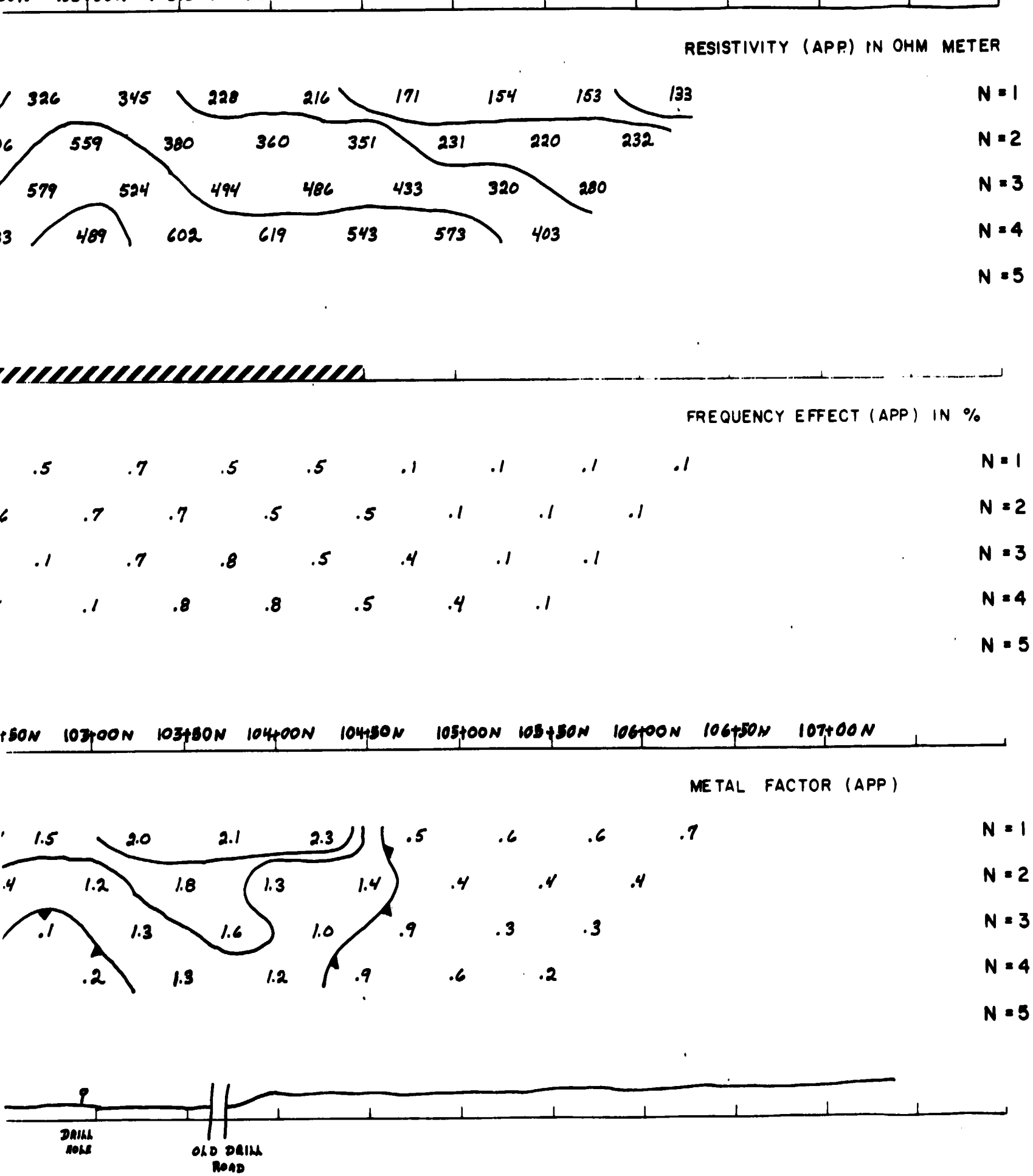
Current Regulation : The change in output current is less than 0.2% for a 10% change in input voltage or electrode impedance.

Protection : The current is turned off automatically if it exceeds 150% full scale or if it is less than 5% full scale.

APPENDIX II

IP PSEUDOSECTIONS


99+00N
99+50N
100+00N
100+50N
101+00N
101+50N
102+00N
122
124
124
147
206
249
169
175
210
266
300
229
283
344
359
413
352
428
413
437
.1
.1
.1
.3
.7
.7
.1
.1
.3
.7
.7
.1
.1
.7
.7
.6
.1
.7
.7
.7
.8
.8
.8
2.0
3.3
2.8
.5
.5
1.4
2.6
2.3
.4
.3
2.0
1.9
1.4
.2
1.6
1.6
1.6
.1
OLD DRILL
ROAD

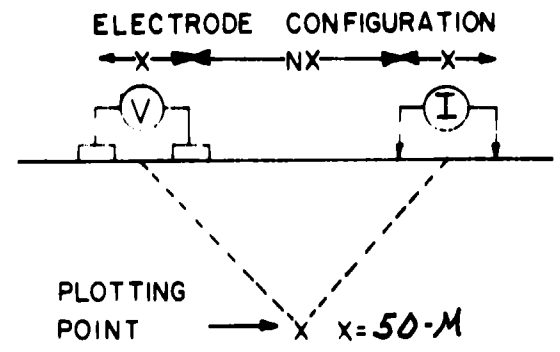


COMPANY: PETER ISLAND RESOURCES INC

PROPERTY: BARNET T.W.P.
PERRY LAKE MATHESON ONT

LINE NO. – 100+00-E

ELECTRODE CONFIGURATION



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE ——————

PROBABLE ||||||||||

POSSIBLE ////////

FREQUENCIES: 2.5 & 4.0 Hz.

NOTE CONTOURS AT LOGARITHMIC INTERVALS
1, 1.5, 2., 3., 5., 7.5, 10 0

INSTRUMENT PHOENIX IPV-1
IPT-1

CONTRACTOR REMY BELANGER ENRG

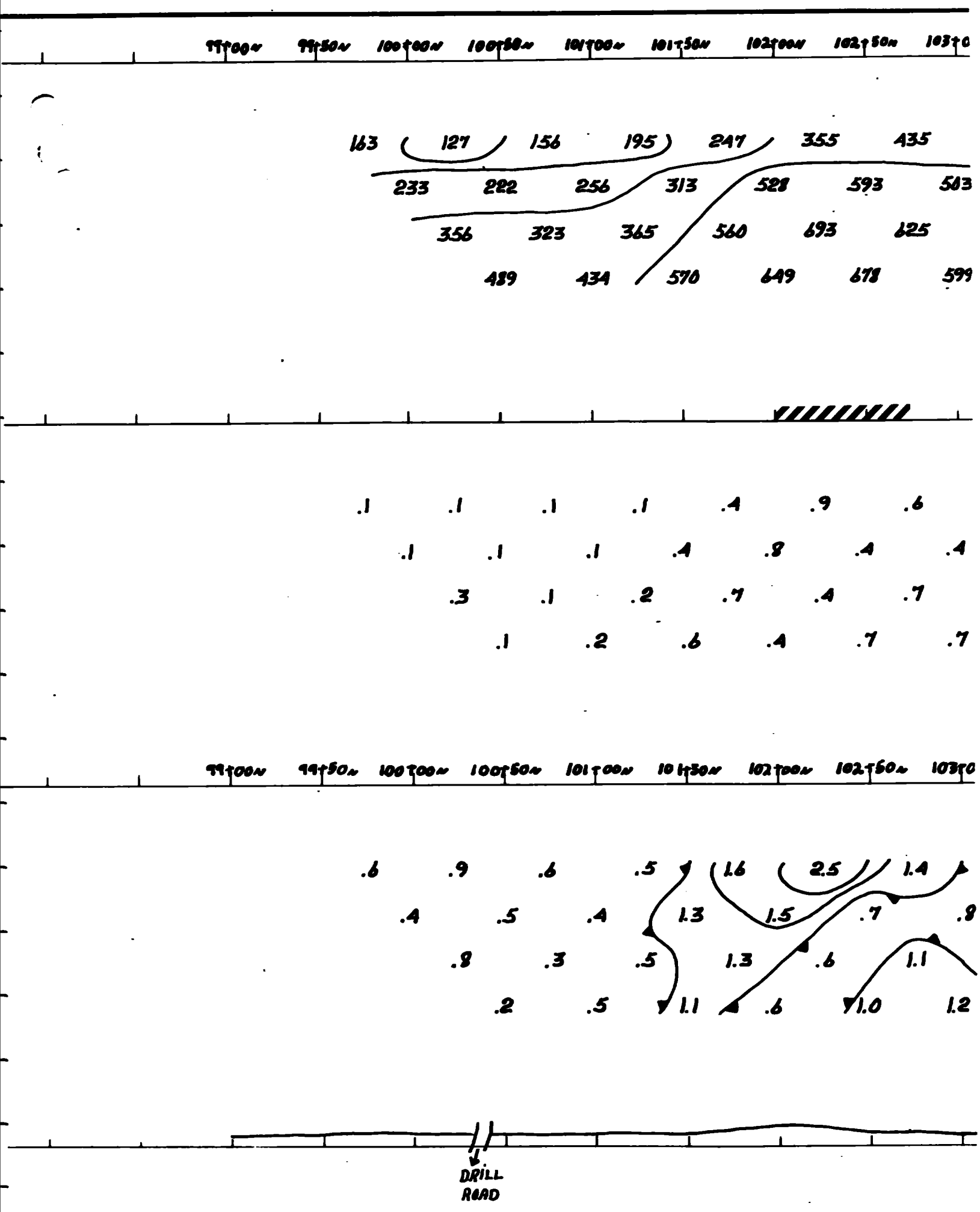
DATE SURVEYED
OCTOBER -9- 1985

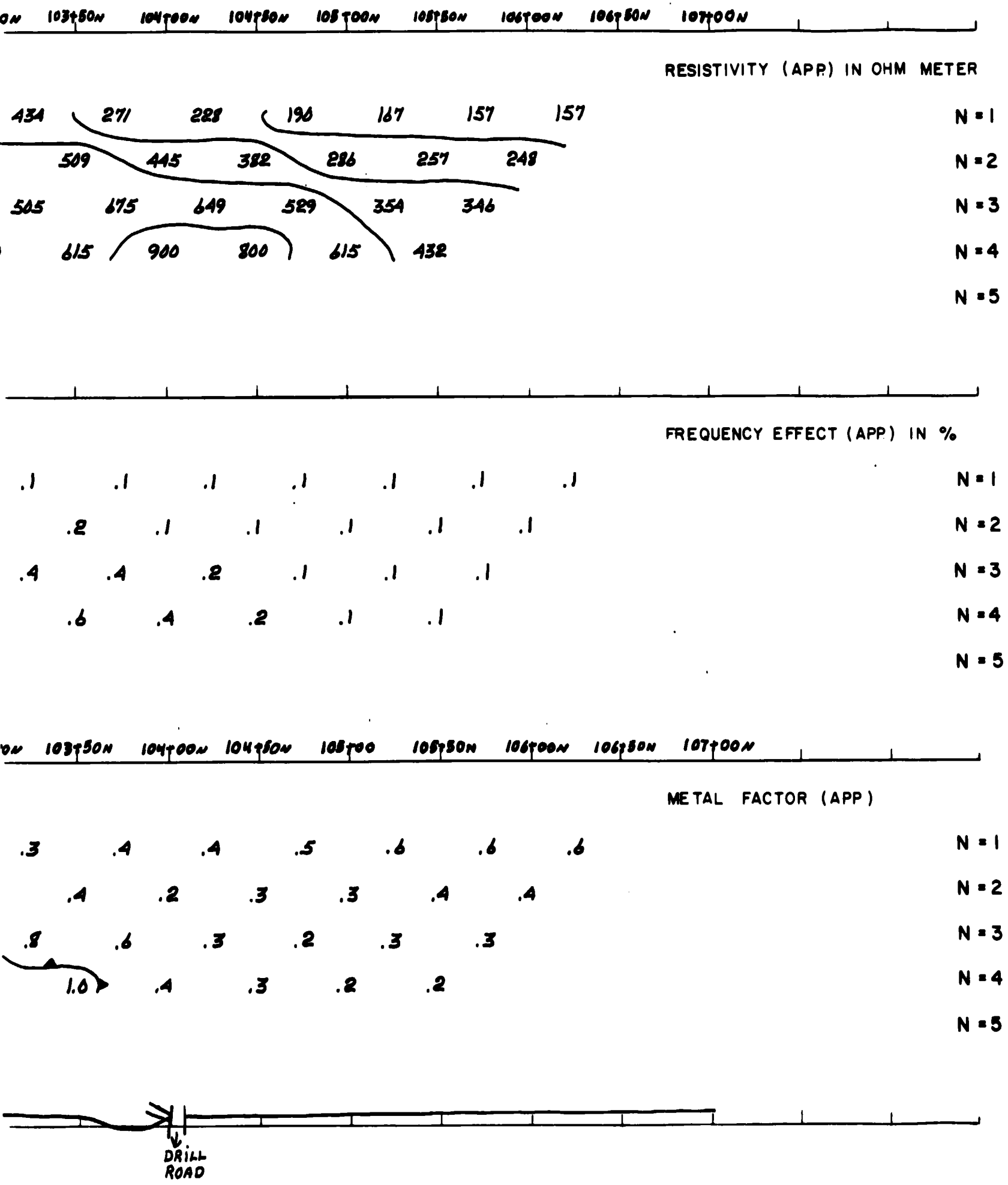
APPROVED

OPERATOR SERGE GENESSE

DATE

INDUCED POLARIZATION AND RESISTIVITY SURVEY


99+00N
99+50N
100+00N
100+50N
101+00N
101+50N
102+00N
102+50N
103+0
163
127
156
195
247
355
435
233
222
256
313
528
593
503
356
323
365
560
693
625
489
434
570
649
678
599
.1
.1
.1
.1
.4
.9
.6
.1
.1
.1
.4
.8
.4
.4
.3
.1
.2
.7
.4
.7
.1
.2
.6
.4
.7
.7
99+00N
99+50N
100+00N
100+50N
101+00N
101+50N
102+00N
102+50N
103+0
.6
.9
.6
.5
1.6
2.5
1.4
.4
.5
.4
1.3
1.5
.7
.8
.8
.3
.5
1.3
.6
1.1
.2
.5
1.1
.6
1.0
1.2
DRILL
ROAD



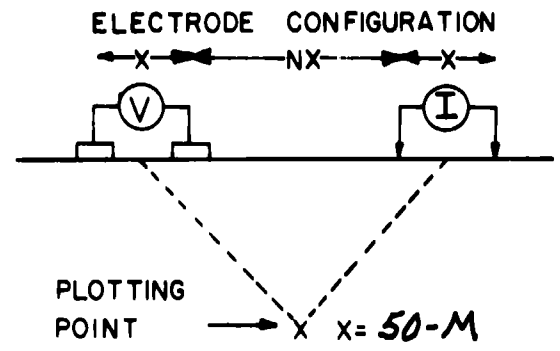
COMPANY: PETE ISLAND RESOURCES INC

PROPERTY: BARNET T.W.P.

PERRY LAKE, MATHESON ONT.

LINE NO. - 101+00E

ELECTRODE CONFIGURATION



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE ——————

PROBABLE ||||||||||

POSSIBLE ////////

FREQUENCIES: 2.5 & 4.0 H.Z.

NOTE CONTOURS AT LOGARITHMIC INTERVALS 1, 1.5, 2., 3., 5., 7.5, 10.0

INSTRUMENT PHOENIX IPV-1 IPT-1

CONTRACTOR : REMY BELANGER ENRG

DATE SURVEYED

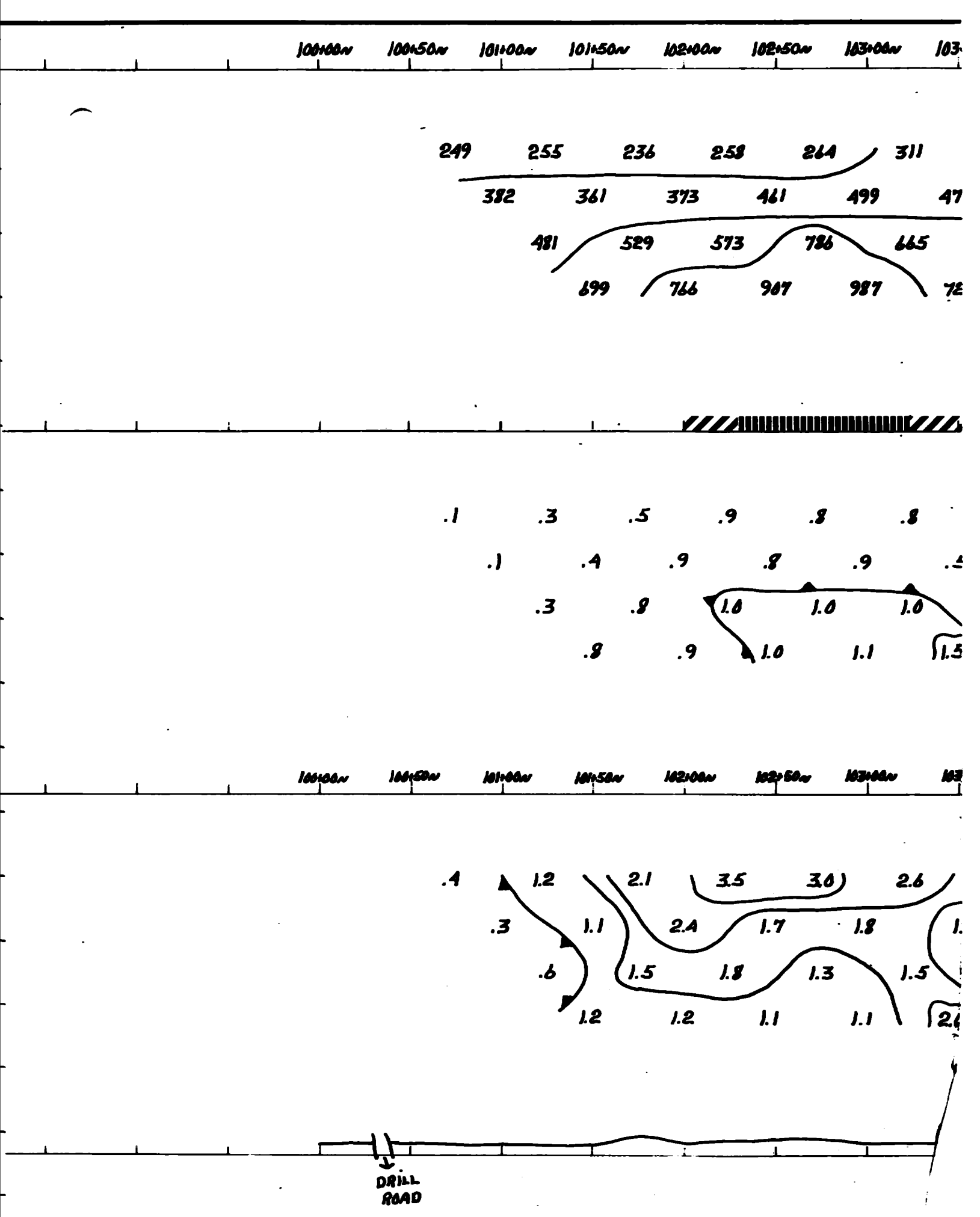
OCT-9- 1985

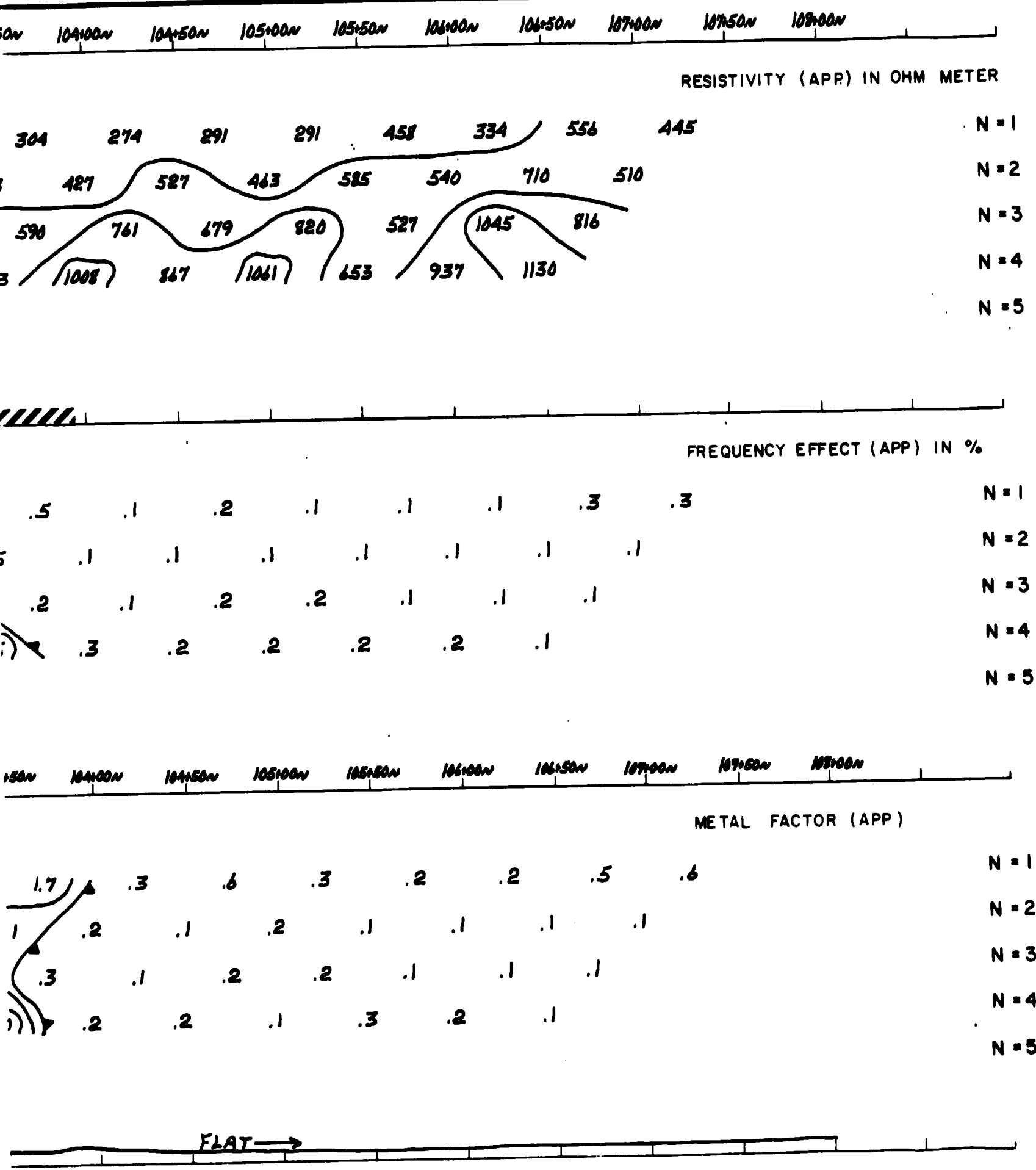
APPROVED

OPERATOR ANDRE FAUBERT

DATE

INDUCED POLARIZATION AND RESISTIVITY SURVEY


100+00N
100+50N
101+00N
101+50N
102+00N
102+50N
103+00N
249
255
236
258
264
311
382
361
373
461
499
481
529
573
786
665
699
766
907
987
.1
.3
.5
.9
.8
.8
.1
.4
.9
.8
.9
.3
.8
1.6
1.0
1.0
.8
.9
1.0
1.1
1.5
100+00N
100+50N
101+00N
101+50N
102+00N
102+50N
103+00N
.4
1.2
2.1
3.5
3.0
2.6
.3
1.1
2.4
1.7
1.8
.6
1.5
1.8
1.3
1.5
1.2
1.2
1.1
1.1
DRILL
ROAD



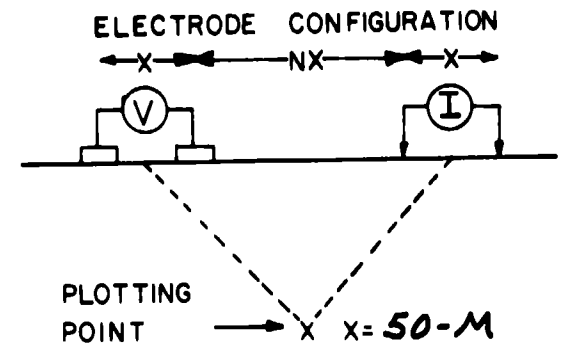
COMPANY: PETER ISLAND RESOURCES INC.

PROPERTY: BARNET T.W.P.

PERRY LAKE, MATHESON ONT.

LINE NO. – 102+00-E

ELECTRODE CONFIGURATION



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE ——————

PROBABLE ||||||||||

POSSIBLE //////

FREQUENCIES: 2.5 & 4.0 H.Z.

NOTE CONTOURS AT LOGARITHMIC INTERVALS 1, 1.5, 2., 3., 5., 7.5, 10.0

INSTRUMENT PHOENIX IPV-1 IPT-1

CONTRACTOR REMY BELANGER ENRG

DATE SURVEYED

OCT.-7- 1985

APPROVED

OPERATOR ANDRE FAUBERT

DATE: _____

INDUCED POLARIZATION AND RESISTIVITY SURVEY

100+00N 100+50N 101+00N 101+50N 102+00N 102+50N 103+00N 103+50N 104+00N 104+50N 105+00N 105+50N 106+00N 106+50

201 181 198 200 183 278 274 336 530 748 704 544

341 395 398 350 504 572 571 887 917 778 998 1223

626 679 578 752 818 983 1265 1286 822 910 1781

926 842 1078 968 1265 1929 1508 1084 897 1362 2357

1070 1405 1253 1397 2289 2170 1268 1178 1271 1595

.1 .1 .3 .3 .4 .2 .6 .5 .5 .7 1.0 .5

.3 .5 .5 .6 .3 .7 .9 .9 .6 .5 1.2 .8

.4 .8 .6 .8 .8 1.1 .8 .5 .6 .9 1.0

.6 .6 .9 1.0 1.3 1.0 .8 .7 .6 1.0 1.0

.6 .9 1.1 1.4 1.4 .8 .8 .6 .9 1.0

100+00N 100+50N 101+00N 101+50N 102+00N 102+50N 103+00N 103+50N 104+00N 104+50N 105+00N 105+50N 106+00N 106+50

.4 .5 1.5 1.5 2.1 .7 2.1 1.4 .9 .9 1.4 .9

.8 1.2 1.2 1.7 .5 1.2 1.5 1.0 .6 .6 1.2 .6

.6 1.1 1.0 1.6 .9 1.1 .6 .3 .7 .9 .5

.6 .7 .8 1.0 1.0 .5 .5 .6 .6 .7 .4

.5 .6 .8 1.0 .6 .3 .6 .5 .7 .6

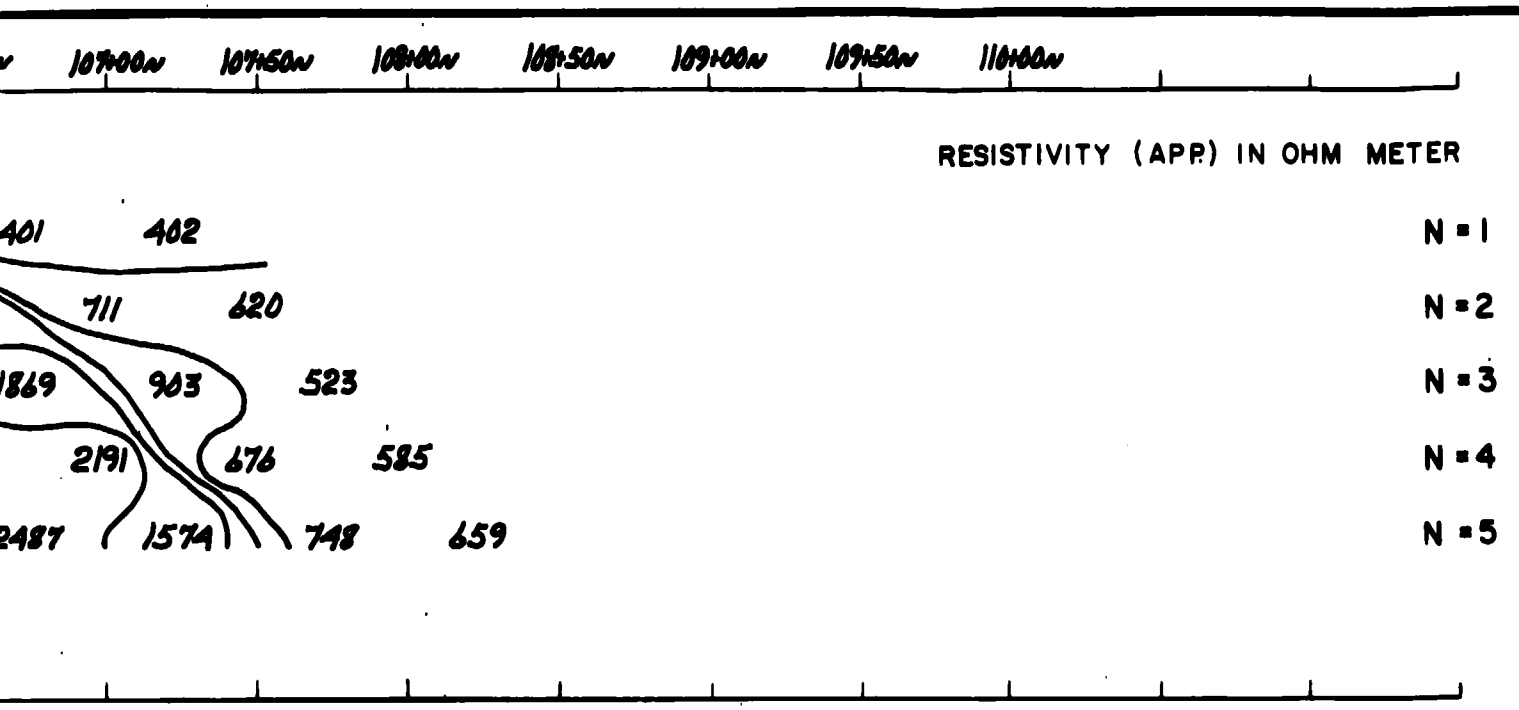
FLAT

DRILL ROAD

D.D.H 103+40 N. (NO CASSING)

D.D.H 103+84-N (NO CASSING)

D.D.H 104+38-N



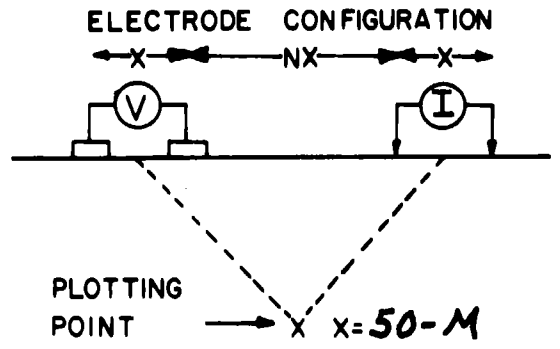
COMPANY: PETER ISLAND RESOURCES INC.

PROPERTY: BARNET T.W.P.

PERRY LAKE, MATHESON ONT.

LINE NO. - 103+00-E

ELECTRODE CONFIGURATION



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE ——————

PROBABLE ||||||||||

POSSIBLE ////////

FREQUENCIES: 2.5 & 4.0 H.Z.

NOTE CONTOURS AT LOGARITHMIC INTERVALS 1, 1.5, 2., 3., 5., 7.5, 10.0

INSTRUMENT PHOENIX IPV-1 IPT-1

CONTRACTOR: REMY BELANGER ENRG

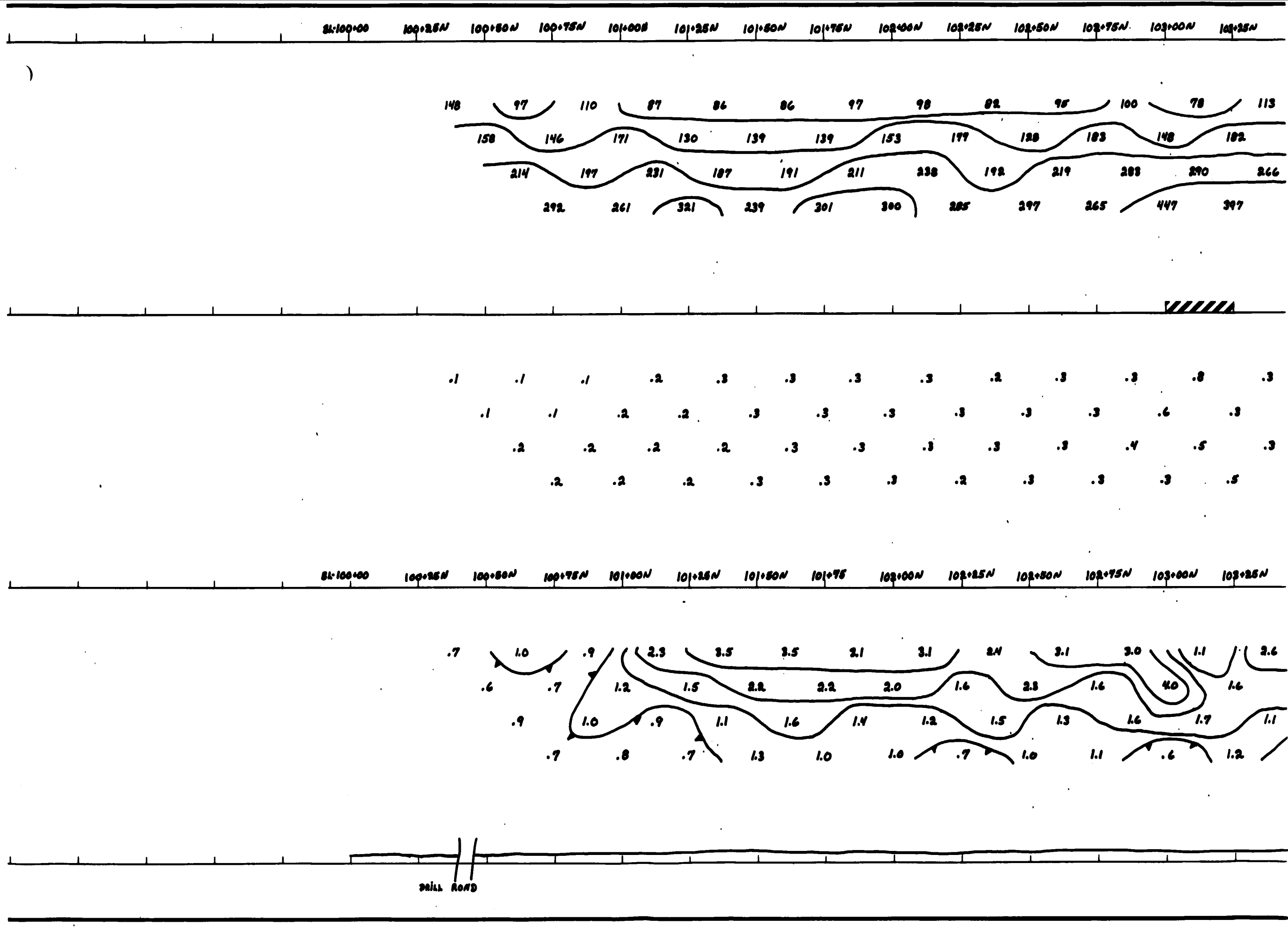
DATE SURVEYED: OCT-7- 1985

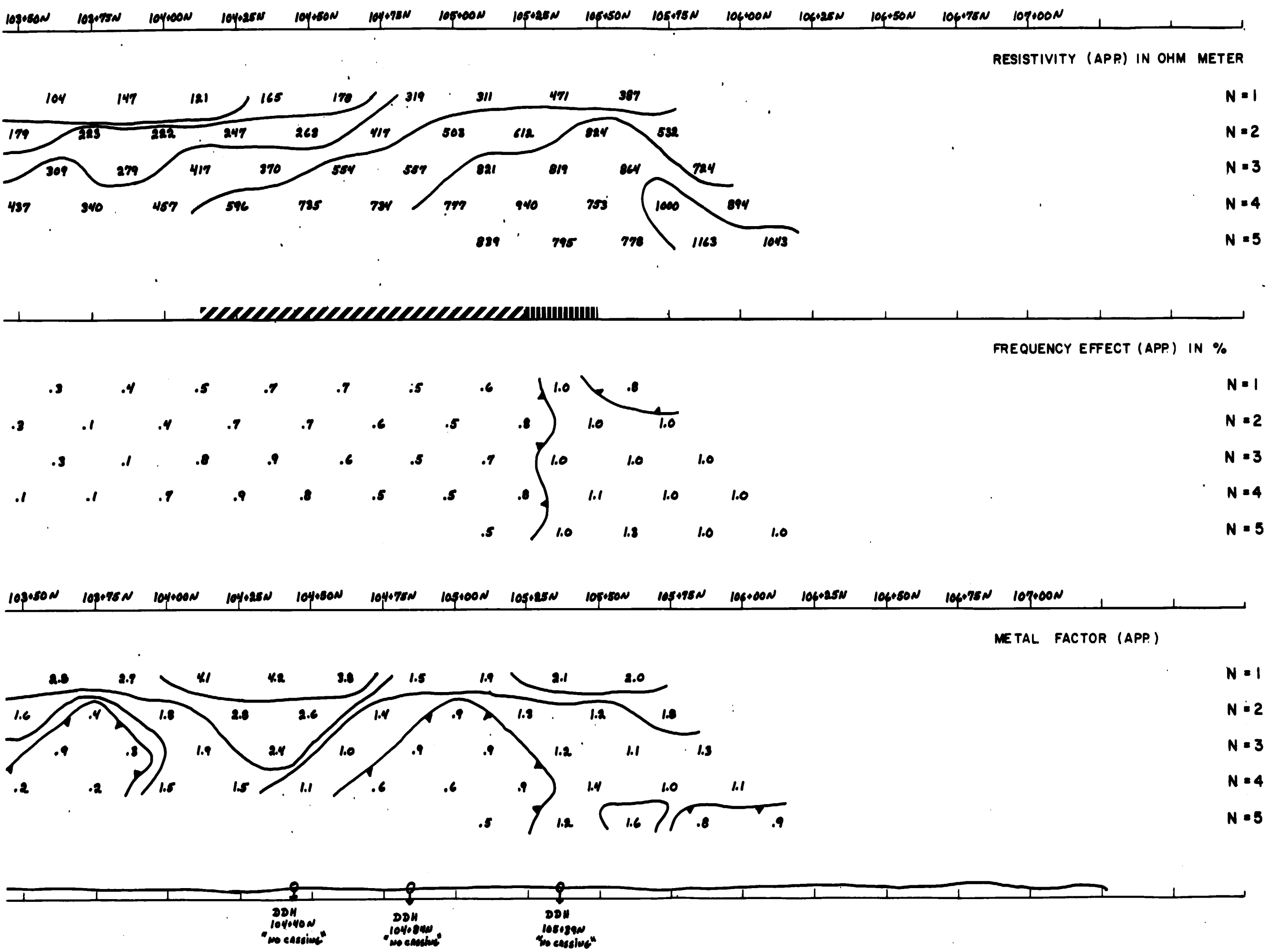
APPROVED

OPERATOR: ANDRE FAUBERT

DATE: _____

INDUCED POLARIZATION AND RESISTIVITY SURVEY


81+100+00
100+25N
100+50N
100+75N
101+00N
101+25N
101+50N
101+75N
102+00N
102+25N
102+50N
102+75N
103+00N
103+25N
148 97 110 87 84 86 97 98 82 95 100 78 113
158 146 171 130 139 139 153 199 128 183 148 182
214 197 231 187 191 211 238 198 219 288 290 266
292 261 321 239 301 300 285 297 265 447 397
.1 .1 .1 .2 .3 .3 .3 .3 .2 .3 .3 .8 .3
.1 .1 .2 .2 .3 .3 .3 .3 .3 .3 .6 .3
.2 .2 .2 .2 .3 .3 .3 .3 .3 .4 .5 .3
.2 .2 .2 .3 .3 .3 .2 .3 .3 .3 .5
81+100+00
100+25N
100+50N
100+75N
101+00N
101+25N
101+50N
101+75
102+00N
102+25N
102+50N
102+75N
103+00N
103+25N
.7 1.0 .9 2.3 3.5 3.5 2.1 3.1 2.4 3.1 3.0 1.1 2.6
.6 .7 1.2 1.5 2.2 2.2 2.0 1.6 2.3 1.6 4.0 1.6
.9 1.0 .9 1.1 1.6 1.4 1.2 1.5 1.3 1.6 1.7 1.1
.7 .8 .7 1.3 1.0 1.0 .7 1.0 1.1 .6 1.2
DRILL ROAD

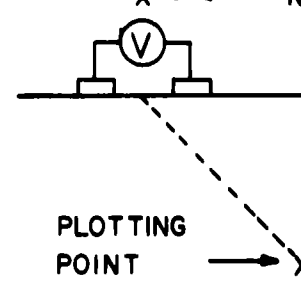


COMPANY: PETER ISLAND

PROPERTY: BARNET (T
PERRY LAKE,

LINE NO.-

ELECTRODE C



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE ——————

PROBABLE ||||||||||

POSSIBLE //////

INSTRUMENT : PHO

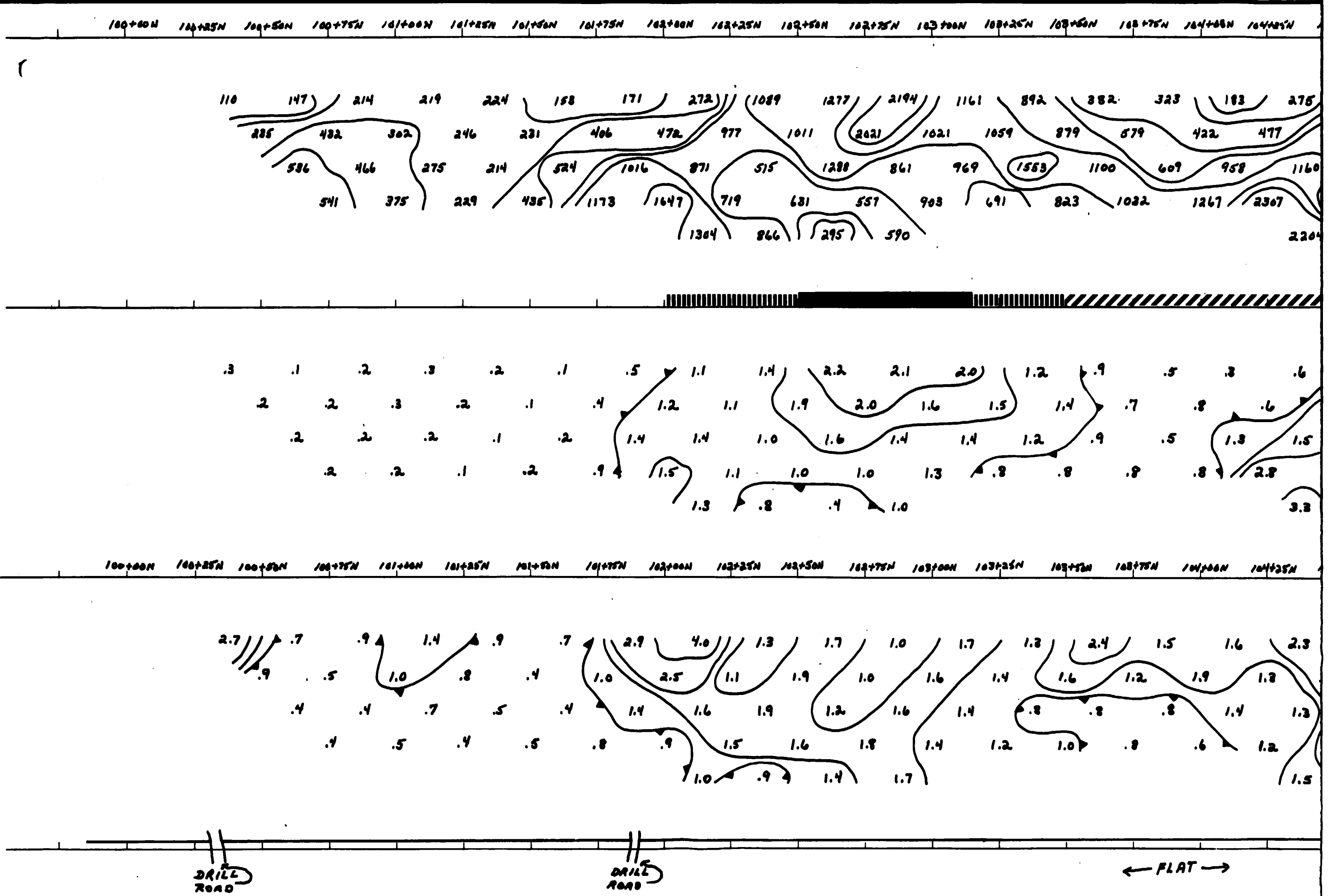
CONTRACTOR : REM

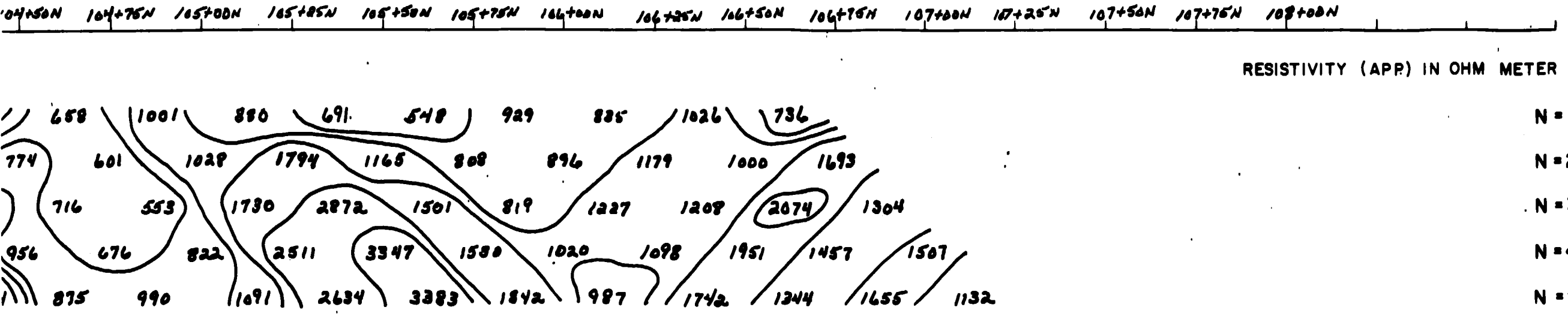
DATE SURVEYED:

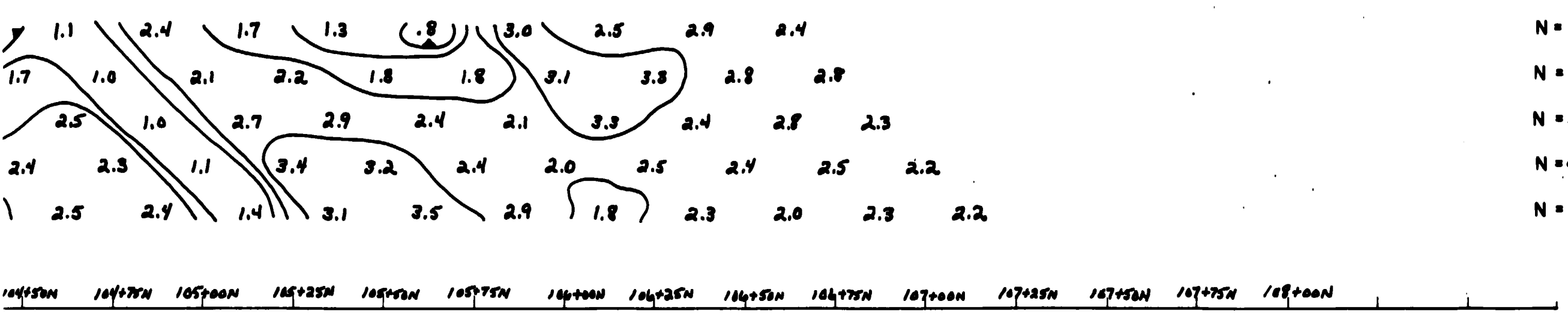
SEPTEMBER -27- 1985

OPERATOR: SERGE GENESSE

INDUCED PO
AND RESISTIV


100+00N
100+25N
100+50N
100+75N
101+00N
101+25N
101+50N
101+75N
102+00N
102+25N
102+50N
102+75N
103+00N
103+25N
103+50N
103+75N
104+00N
104+25N
110 147 214 219 224 158 171 272
1089 1277 2194 1161 892 382 323 183 276
285 432 302 246 231 406 472 977 1011 2621 1021 1059 879 579 422 477
536 466 275 214 524 1016 871 515 1288 861 969 1553 1100 609 958 1160
541 375 229 435 1173 1647 719 631 557 903 691 823 1032 1267 2367
1364 866 295 590
2204
.3 .1 .2 .3 .2 .1 .5 1.1 1.4 2.2 2.1 2.0 1.2 .9 .5 .3 .6
.2 .2 .3 .2 .1 .4 1.2 1.1 1.9 2.0 1.6 1.5 1.4 .7 .8 .6
.2 .2 .2 .1 .2 1.4 1.4 1.0 1.6 1.4 1.4 1.2 .9 .5 1.3 1.5
.2 .2 .1 .2 .9 1.5 1.1 1.0 1.0 1.3 .8 .8 .8 .8 2.8
1.3 .8 .4 1.0
3.3
100+00N
100+25N
100+50N
100+75N
101+00N
101+25N
101+50N
101+75N
102+00N
102+25N
102+50N
102+75N
103+00N
103+25N
103+50N
103+75N
104+00N
104+25N
2.7 .7 .9 1.4 .9 .7 2.9 4.0 1.3 1.7 1.0 1.7 1.3 2.4 1.5 1.6 2.3
.9 .5 1.0 .8 .4 1.0 2.5 1.1 1.9 1.0 1.6 1.4 1.6 1.2 1.9 1.8
.4 .4 .7 .5 .4 1.4 1.6 1.9 1.2 1.6 1.4 .8 .8 .8 1.4 1.3
.4 .5 .4 .5 .8 .9 1.5 1.6 1.8 1.4 1.2 1.0 .8 .6 1.2
1.0 .9 1.4 1.7
1.5
DRILL ROAD
DRILL ROAD
← FLAT →



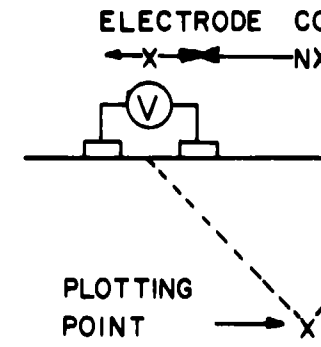


COMPANY: PETER ISLAND

PROPERTY: BARNET TWP.

PERRY LAKE,

LINE NO. – 16



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE ——————

PROBABLE ||||||||||

POSSIBLE ////////

INSTRUMENT : PHOE

CONTRACTOR : REMT

DATE SURVEYED:

SEPT-25-27 1985

OCT-05 1985

OPERATOR: ANDRE FAUBERT

INDUCED PO
AND RESISTIV

100+50S 100+25S BL-100+00 100+25N 100+50N 100+75N 101+00N 101+25N 101+50N 101+75N 102+00N 102+25N 102+50N 102+75N 103+00N

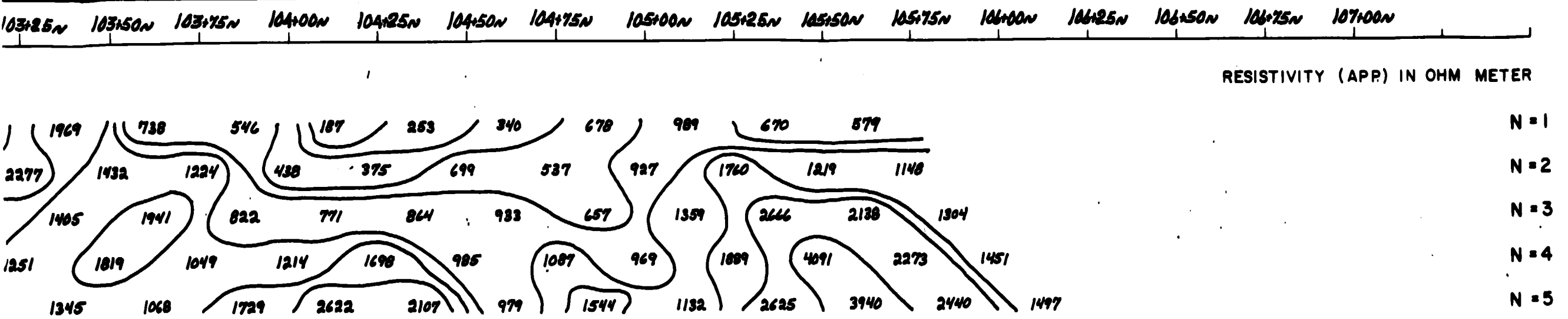
789 1672 2525 8313 658 1010 303 565 998 5675 6769 4513
896 781 779 8183 711 765 1086 1138 986 947 5704 4375
998 1007 467 1584 541 804 616 4213 1603 964 998 4950 1940
1216 639 719 377 615 612 1758 2933 1400 896 684 1710
769 640 303 342 4208 1619 2895 2332 1055 648 311 1372

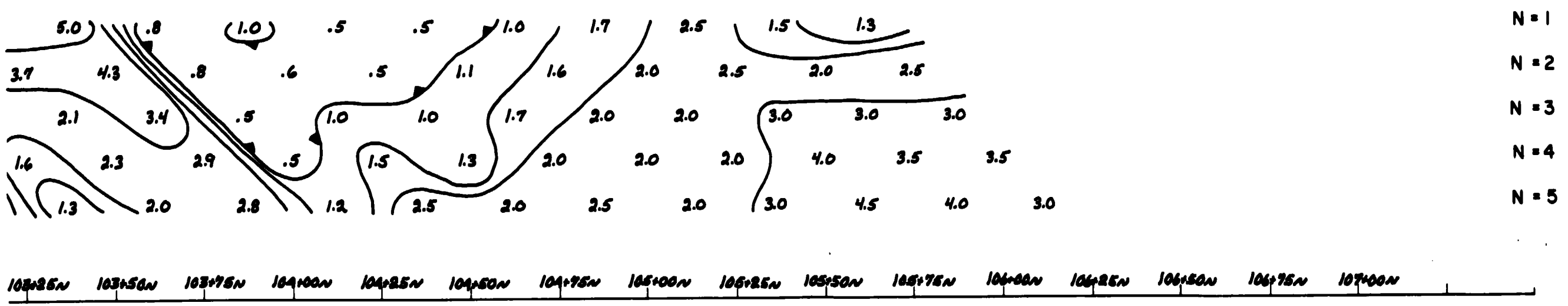
.4 2.4 8.5 9.5 3.2 1.4 .1 .8 2.1 8.0 7.9 5.5
.2 .9 2.5 7.8 2.4 2.4 .5 .6 1.3 2.6 7.6 4.9
.1 1.1 1.3 2.7 -1.6 1.0 1.5 1.9 1.2 3.4 2.7 5.3 2.9
1.0 1.2 1.8 -.9 -2.0 .8 2.1 1.5 3.4 2.8 .1 3.8
1.2 .9 -.3 -1.2 -1.8 1.6 2.1 2.2 2.5 1.6 .3 3.3

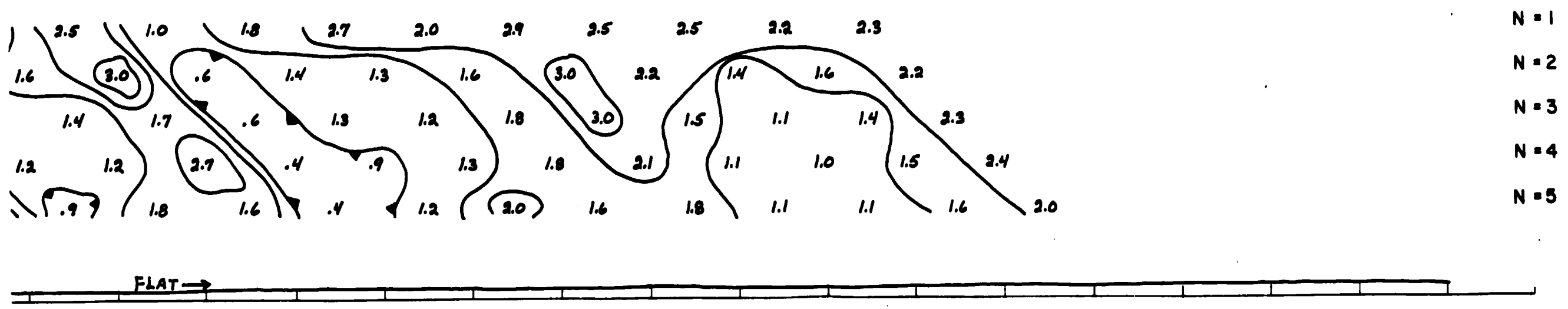
100+50S 100+25S BL-100+00 100+25N 100+50N 100+75N 101+00N 101+25N 101+50N 101+75N 102+00N 102+25N 102+50N 102+75N 103+00N

.5 1.4 3.4 1.1 4.9 1.4 .3 1.4 2.1 1.4 1.1 1.2
.2 1.2 3.2 1.0 3.4 3.1 .5 .5 1.3 2.7 1.3 1.1
.1 1.1 2.8 1.7 -3.0 1.2 2.4 .5 .7 3.5 2.7 1.0 1.4
.8 1.9 2.5 -2.4 -3.3 1.3 1.2 .5 2.4 3.1 .1 2.2
1.6 1.4 -1.0 -3.5 -4 1.0 .7 .9 2.4 2.4 .9 2.4

DRILL ROAD
OUTCROP
OUTCROP





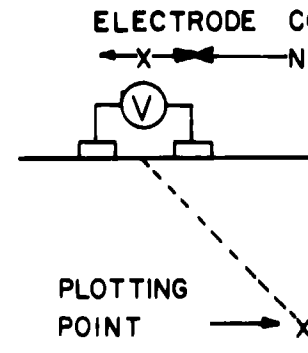


COMPANY: PETER ISLAN

PROPERTY: BARNET TW

PERRY LAKE,

LINE NO.- L



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE ——————

PROBABLE ! ! ! ! ! ! ! ! !

POSSIBLE / / / / / /

INSTRUMENT PHO

CONTRACTOR : REM

DATE SURVEYED

SEPT.- 28- 1985

OPERATOR ANDRE FAUBERT
SERGE GENESSE

INDUCED PO
AND RESISTIV

100+00N 100+25N 100+50N 100+75N 101+00N 101+25N 101+50N 101+75N 102+00N 102+25N 102+50N 102+75N 103+00N 103+25N 103+50N

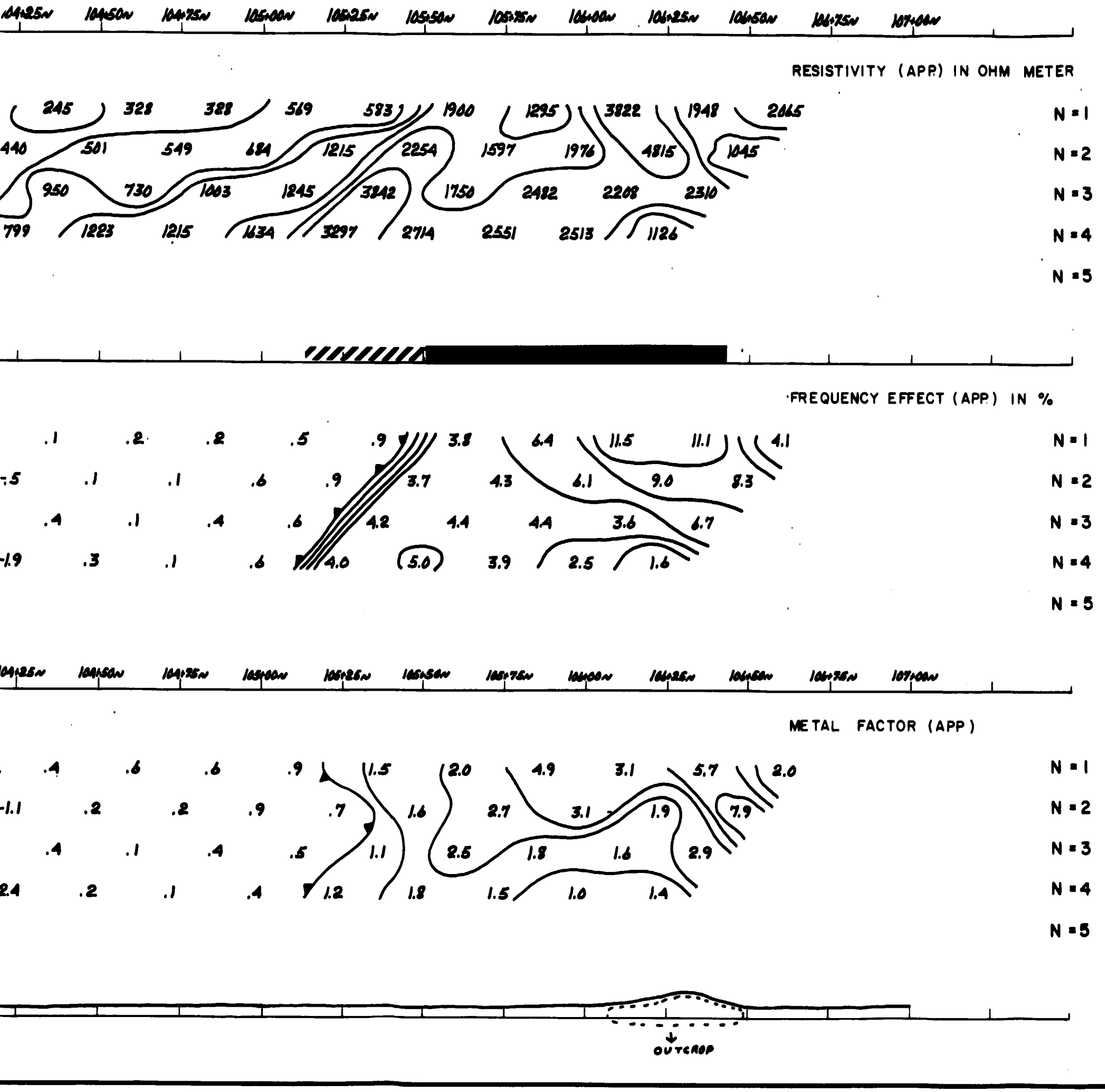
21755 13633 15891 10998 10513 11217 3642 3018 6175 7389 4343 4818 998
21938 19091 15433 10337 10261 5452 4750 3254 8531 5208 3348 2337 1966
23707 19256 13237 8455 5657 5189 4053 4694 6141 6175 1921 3788
24627 15580 9595 4845 4310 6014 5966 4052 4662 3153 2660 3312

7.3 7.0 11.3 12.9 14.1 9.9 4.3 5.2 7.2 8.1 5.5 6.8 2.9
6.2 12.8 12.7 11.9 12.0 6.4 6.0 4.0 8.8 9.0 6.0 4.4 4.3
11.8 13.5 11.4 9.2 8.8 8.5 4.1 7.1 8.0 9.5 3.8 4.5
12.0 11.8 8.5 4.9 8.9 6.5 6.8 7.1 8.0 7.8 4.4 5.4

100+00N 100+25N 100+50N 100+75N 101+00N 101+25N 101+50N 101+75N 102+00N 102+25N 102+50N 102+75N 103+00N 103+25N 103+50N

.3 .5 .7 1.2 1.3 .9 1.2 1.7 1.2 1.1 1.3 1.4 2.9
.3 .7 .8 1.2 1.2 1.2 1.3 1.2 1.0 1.7 1.8 1.9 2.2
.5 .7 .9 1.1 1.6 1.6 1.0 1.5 1.3 1.5 2.0 1.2
.5 .8 .9 1.0 2.1 1.1 1.1 1.8 1.7 2.3 1.7 1.6

OUTCROP OUTCROP



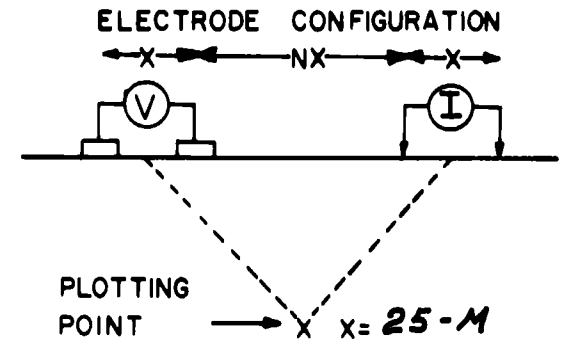
COMPANY: PETER ISLAND RESOURCES INC.

PROPERTY: BARRET TWP

PERRY LAKE, MATHESON ONT.

LINE NO. – 104+50-E

ELECTRODE CONFIGURATION



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE ——————

PROBABLE ||||||||||

POSSIBLE ////////

FREQUENCIES: 2.5 & 40 H.Z.

NOTE CONTOURS AT LOGARITHMIC INTERVALS 1, 1.5, 2., 3., 5., 7.5, 10.0

INSTRUMENT PHOENIX IPV-1 IPT-1

CONTRACTOR REMY BELANGER ENRG

DATE SURVEYED

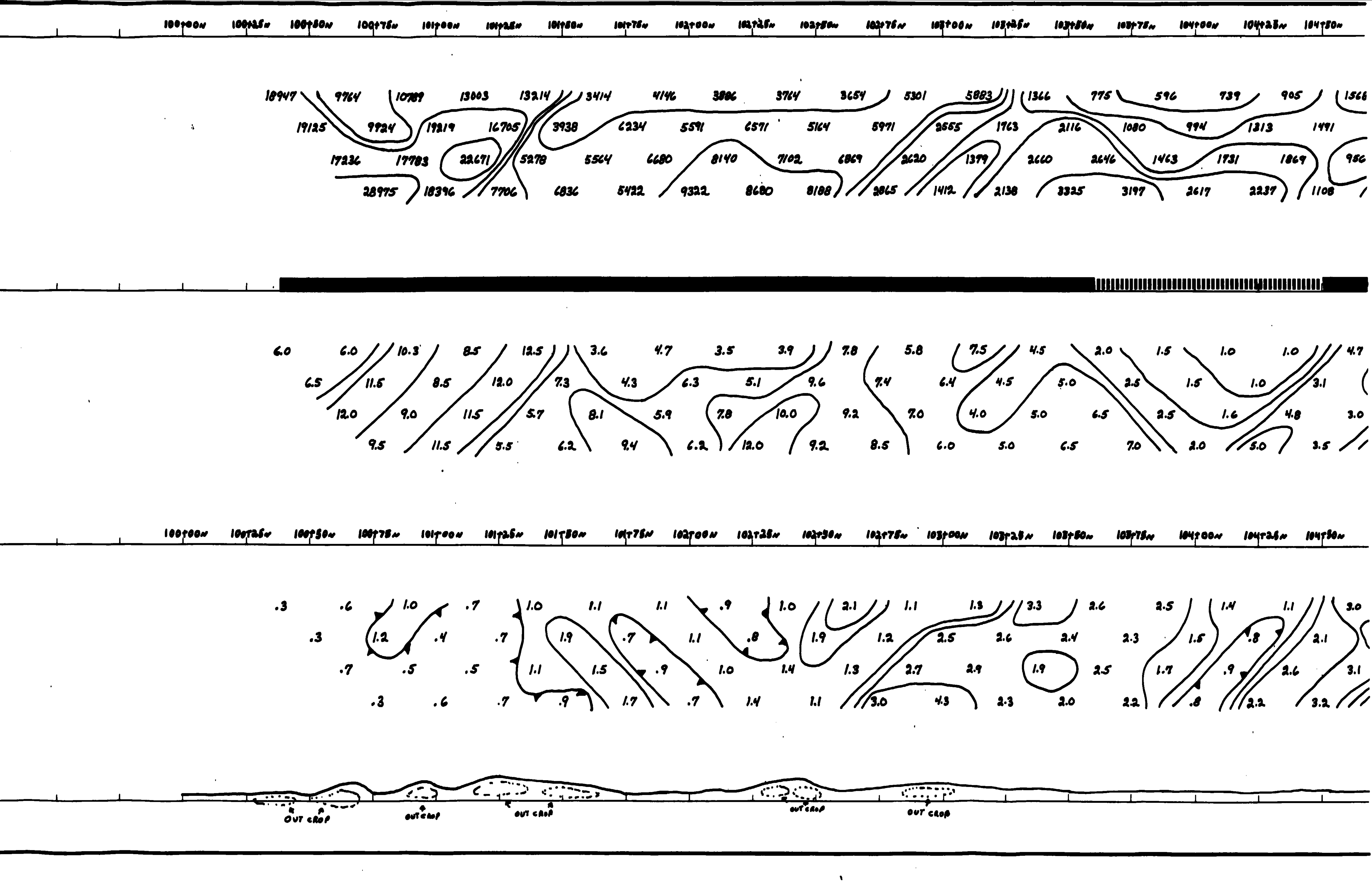
OCT.-1-4- 1985

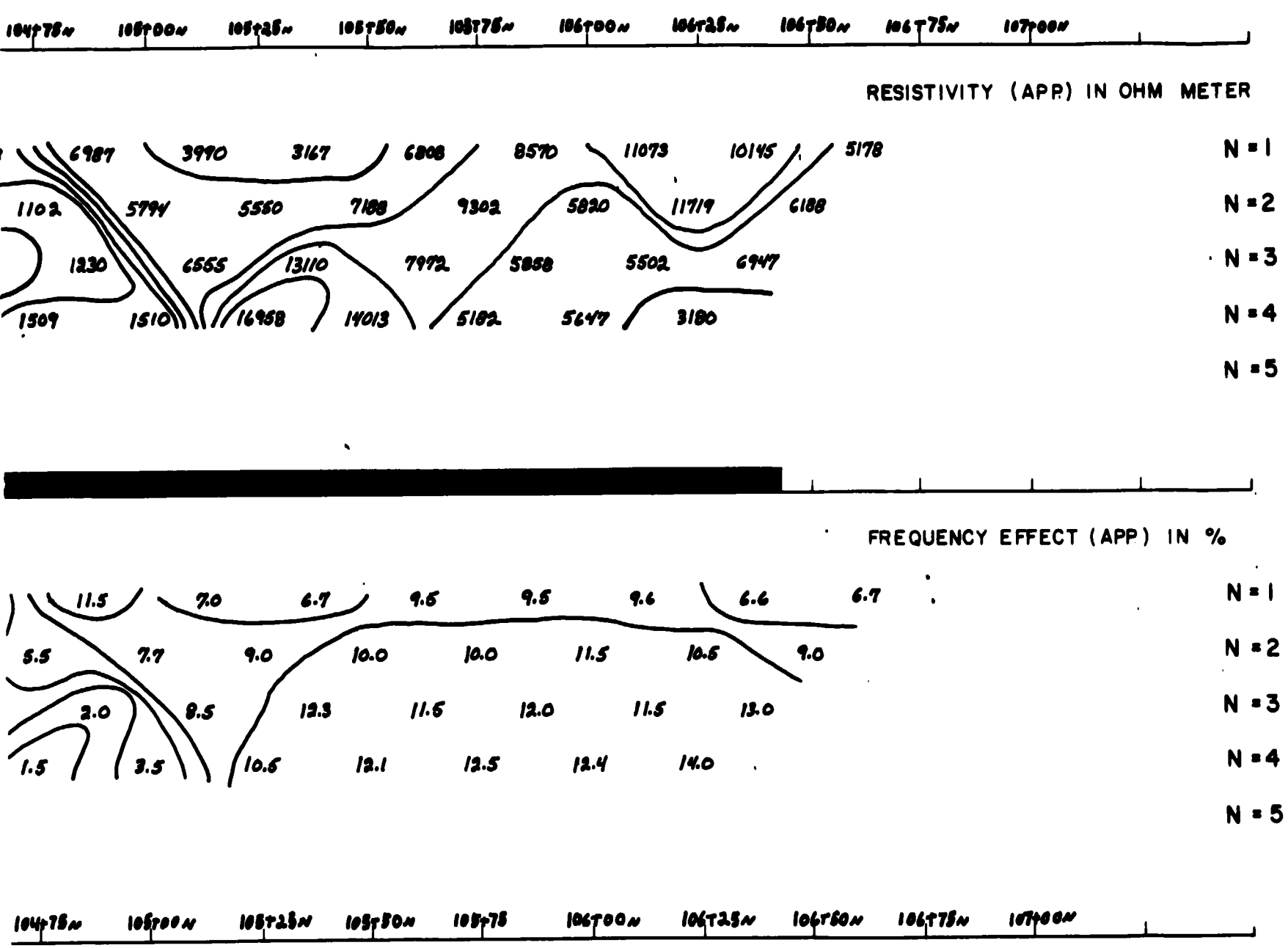
APPROVED

OPERATOR ANDRE FAUBERT

DATE: _____

INDUCED POLARIZATION AND RESISTIVITY SURVEY


100+00N
100+25N
100+50N
100+75N
101+00N
101+25N
101+50N
101+75N
102+00N
102+25N
102+50N
102+75N
103+00N
103+25N
103+50N
103+75N
104+00N
104+25N
104+50N
OUT CROP
OUT CROP
OUT CROP
OUT CROP
OUT CROP

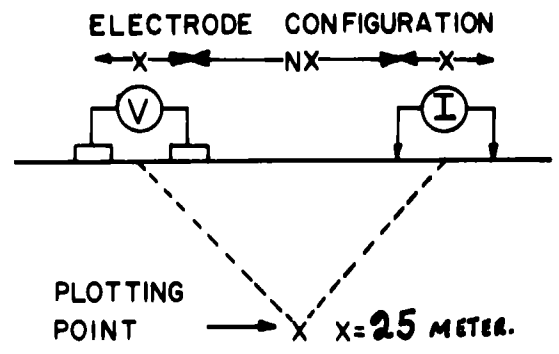


COMPANY: PETER ISLAND RESOURCES INC.

PROPERTY: BARNET T.W.P
PERRY LAKE, MATHESON, ONT.

LINE NO.- 105-E

ELECTRODE CONFIGURATION



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE ——————

PROBABLE ||||||||||

POSSIBLE ////////

FREQUENCIES: 2.5 & 4.0 Hz.

NOTE CONTOURS AT LOGARITHMIC INTERVALS 1, 1.5, 2., 3., 5., 7.5, 10.0

INSTRUMENT: PHOENIX IPV-1 IPT-1

CONTRACTOR: REMY BELANGER ENRG

DATE SURVEYED: OCTOBER-2-4- 1985

APPROVED: _____

OPERATOR: SERGE GENESSE

DATE: _____

INDUCED POLARIZATION AND RESISTIVITY SURVEY

99+75N 100+00N 100+25N 100+50N 100+75N 101+00N 101+25N 101+50N 101+75N 102+00N 102+25N 102+50N 102+75N 103+00N 103+25N 103+50N

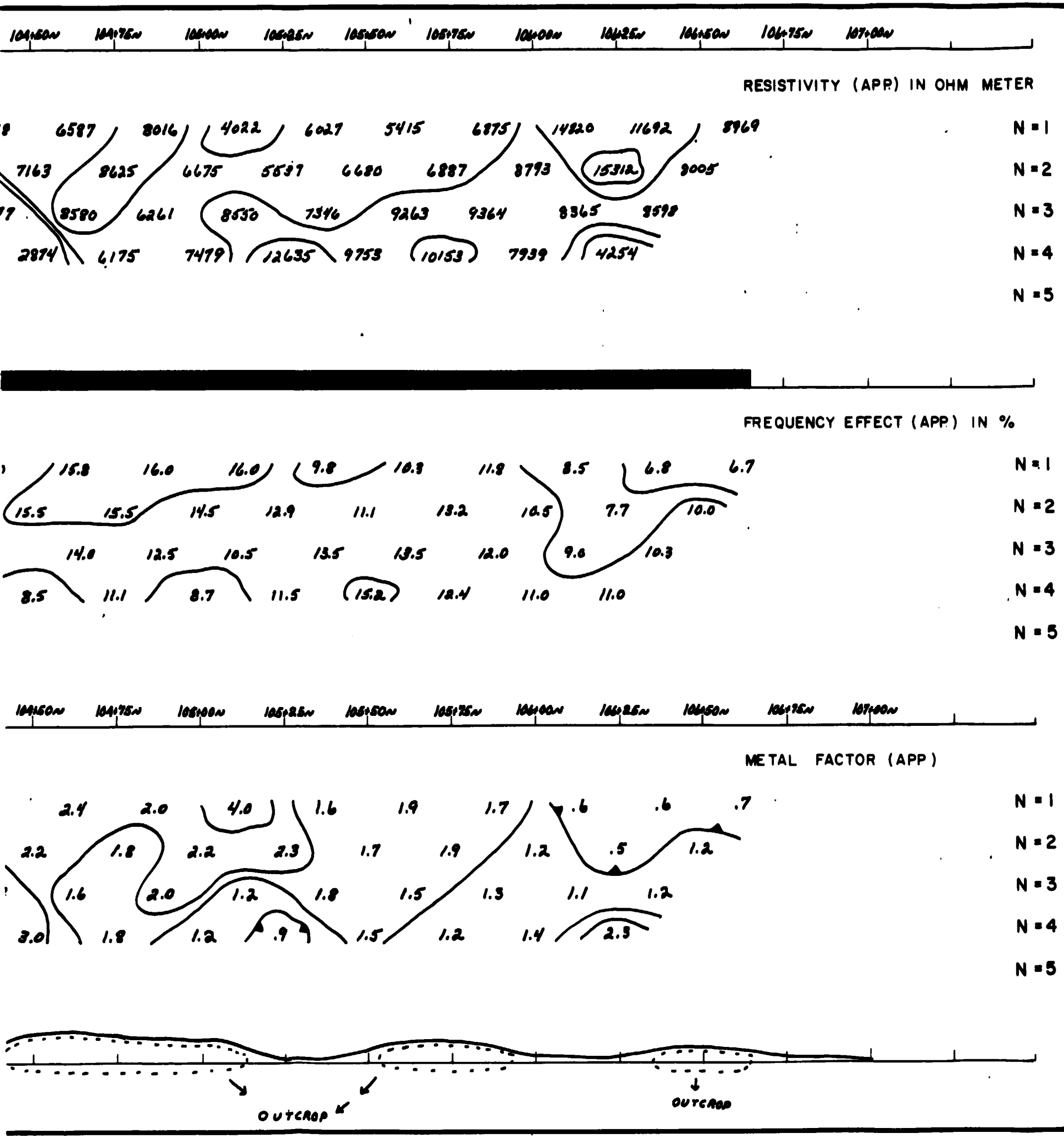
5635 9131 15913 16958 9317 3863 1754 3927 1514 6175 1187 5139 891 1707
8312 7969 21375 18168 3362 2806 7212 1375 4289 4758 2292 2693 2742 2811
7422 11448 16552 4528 1645 7315 2320 3673 2939 8788 960 7030 7197
11210 8660 5953 4201 5700 2565 7308 2284 4869 3396 1374 6578 8550

3.2 5.0 6.0 6.5 8.0 7.5 5.0 1.0 3.0 11.0 6.5 4.5 2.5 2.0
4.5 5.7 7.5 8.5 4.5 5.0 4.5 1.0 11.5 8.5 7.5 6.0 5.0 2.5
5.7 6.8 10.6 4.0 2.5 4.5 4.5 8.0 9.0 8.5 8.0 8.0 5.1
6.5 9.0 5.0 3.5 3.0 5.5 10.7 5.4 9.0 8.5 8.0 8.0 8.0

99+75N 100+00N 100+25N 100+50N 100+75N 101+00N 101+25N 101+50N 101+75N 102+00N 102+25N 102+50N 102+75N 103+00N 103+25N 103+50N

.6 .5 .4 .4 .9 1.9 2.9 .3 2.0 1.8 5.7 .9 2.8 1.2 3.2
.5 .7 .4 .6 1.3 2.5 .6 .7 2.7 1.8 3.3 2.2 1.8 1.1
.8 .6 .6 .9 1.5 .6 1.9 2.2 3.1 1.0 8.4 1.1 .7 .8
.6 .9 .8 .8 .5 2.1 1.5 2.4 1.8 2.5 5.8 1.2 .9

OUT CROP OUTCROP OUTCROP



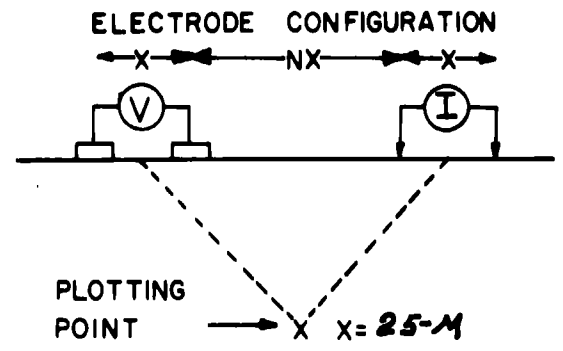
COMPANY: PETER ISLAND RESOURCES INC.

PROPERTY: BARRETT T.W.P.

PERRY LAKE, MATHESON ONT.

LINE NO. – 104+00-E

ELECTRODE CONFIGURATION



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE ——————

PROBABLE ||||||||||

POSSIBLE ///////

FREQUENCIES: 25 & 40 H.Z.

NOTE CONTOURS AT LOGARITHMIC INTERVALS 1, 1.5, 2., 3., 5., 7.5, 10.0

INSTRUMENT PHOENIX IPV-1 IPT-1

CONTRACTOR : REMY BELANGER ENRG.

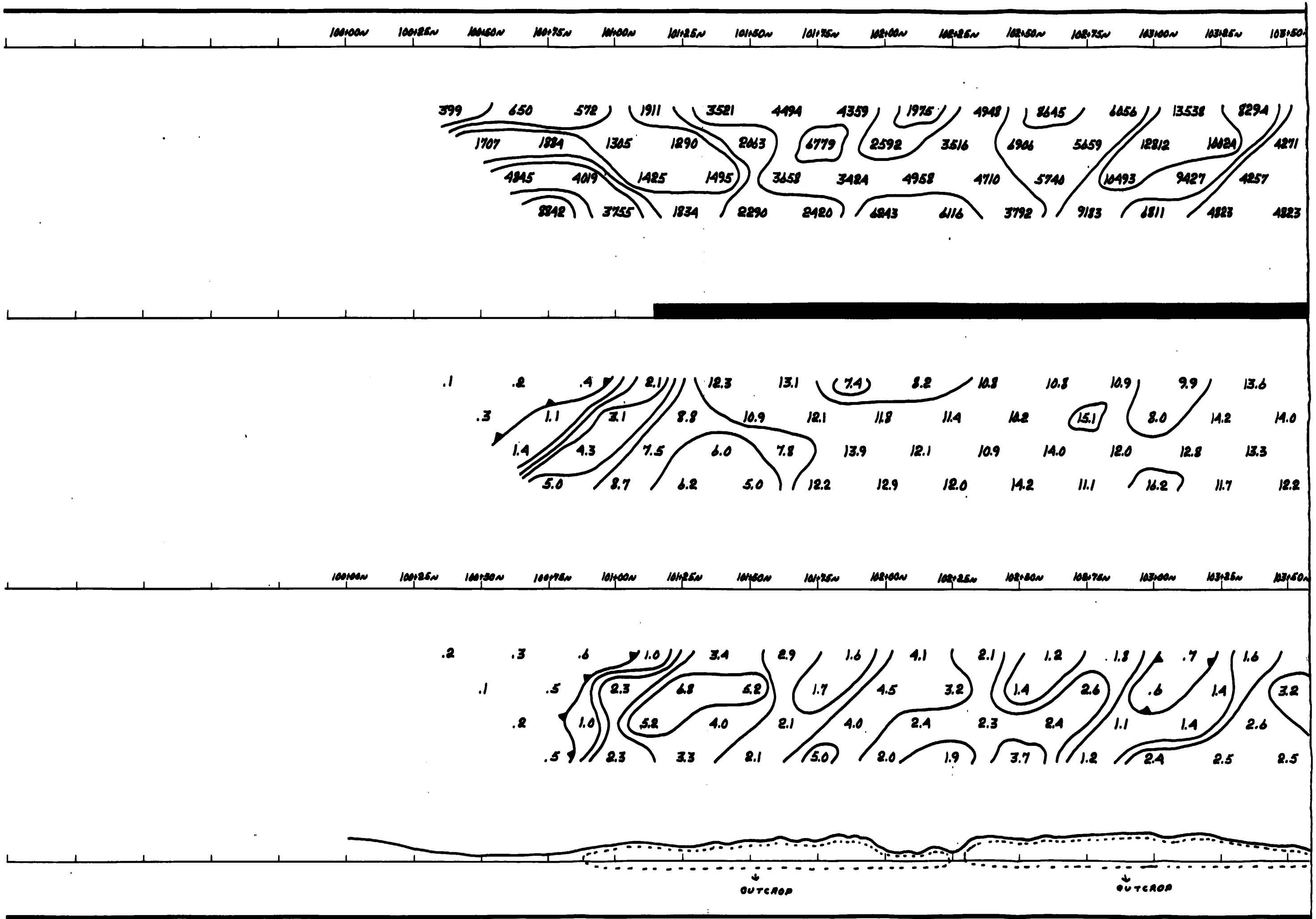
DATE SURVEYED: OCTOBER-02-04 1985

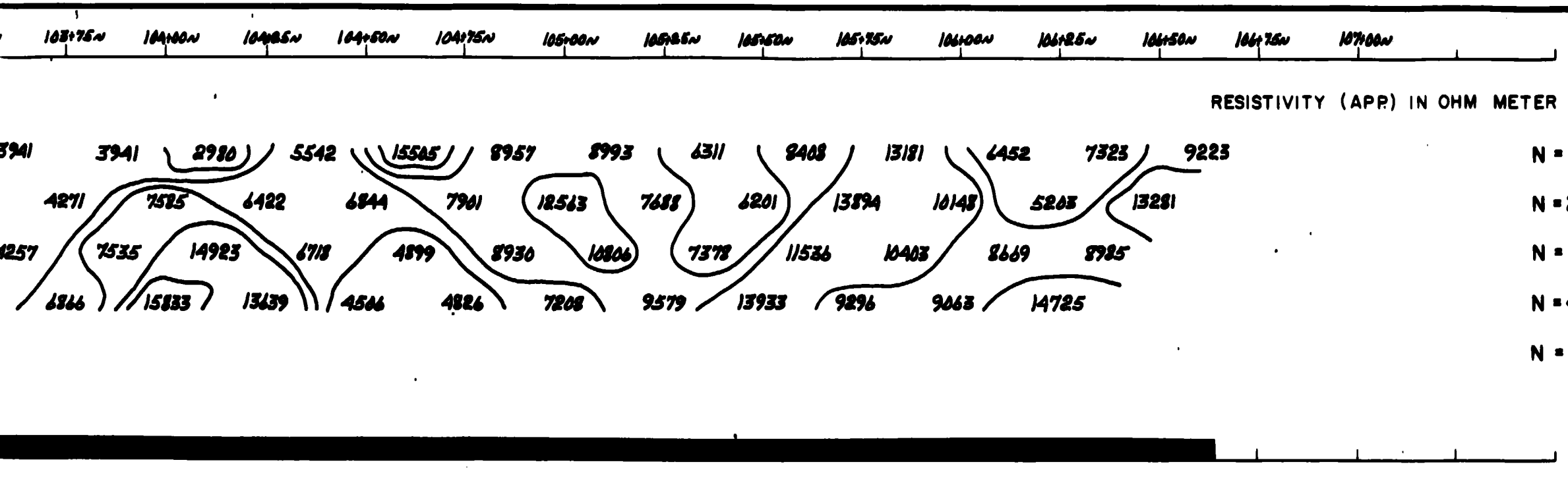
APPROVED

OPERATOR: SERGE GENESSE

DATE:

INDUCED POLARIZATION AND RESISTIVITY SURVEY


100+00N
100+25N
100+50N
100+75N
101+00N
101+25N
101+50N
101+75N
102+00N
102+25N
102+50N
102+75N
103+00N
103+25N
103+50N
399 650 572 1911 3521 4494 4359 1975 4948 8645 6856 13538 8294
1707 1884 1305 1290 2063 6779 2592 3516 6906 5659 12812 16824 4271
4845 4019 1425 1495 3658 3424 4958 4710 5746 10493 9427 4257
8342 3755 1834 2290 2420 4843 6116 3792 9183 6811 4823 4823
.1 .2 .4 2.1 12.3 13.1 7.4 8.2 10.8 10.8 10.9 9.9 13.6
.3 1.1 3.1 8.8 10.9 12.1 11.8 11.4 14.2 15.1 8.0 14.2 14.0
1.4 4.3 7.5 6.0 7.8 13.9 12.1 10.9 14.0 12.0 12.8 13.3
5.0 8.7 6.2 5.0 12.2 12.9 12.0 14.2 11.1 16.2 11.7 12.2
100+00N
100+25N
100+50N
100+75N
101+00N
101+25N
101+50N
101+75N
102+00N
102+25N
102+50N
102+75N
103+00N
103+25N
103+50N
.2 .3 .6 1.0 3.4 2.9 1.6 4.1 2.1 1.2 1.8 .7 1.6
.1 .5 2.3 6.8 5.2 1.7 4.5 3.2 1.4 2.6 .6 1.4 3.2
.2 1.0 5.2 4.0 2.1 4.0 2.4 2.3 2.4 1.1 1.4 2.6
.5 2.3 3.3 2.1 5.0 2.0 1.9 3.7 1.2 2.4 2.5 2.5
OUTCROP
OUTCROP



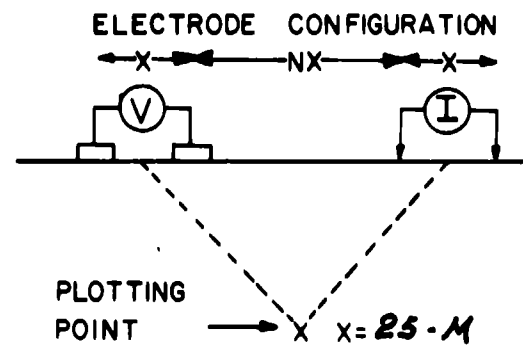
COMPANY: PETER ISLAND RESOURCES

PROPERTY: BERNET TWP

PERRY LAKE, MATHESON O

LINE NO. - 107+00-E

ELECTRODE CONFIGURATION



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE

PROBABLE

POSSIBLE

FREQUENCIES:

NOTE CON
LOGARITHMIC
1, 15, 2., 3., 5., 7

INSTRUMENT : PHOENIX IPV-1
IPT-1

CONTRACTOR : REMY BELANGER E

DATE SURVEYED:

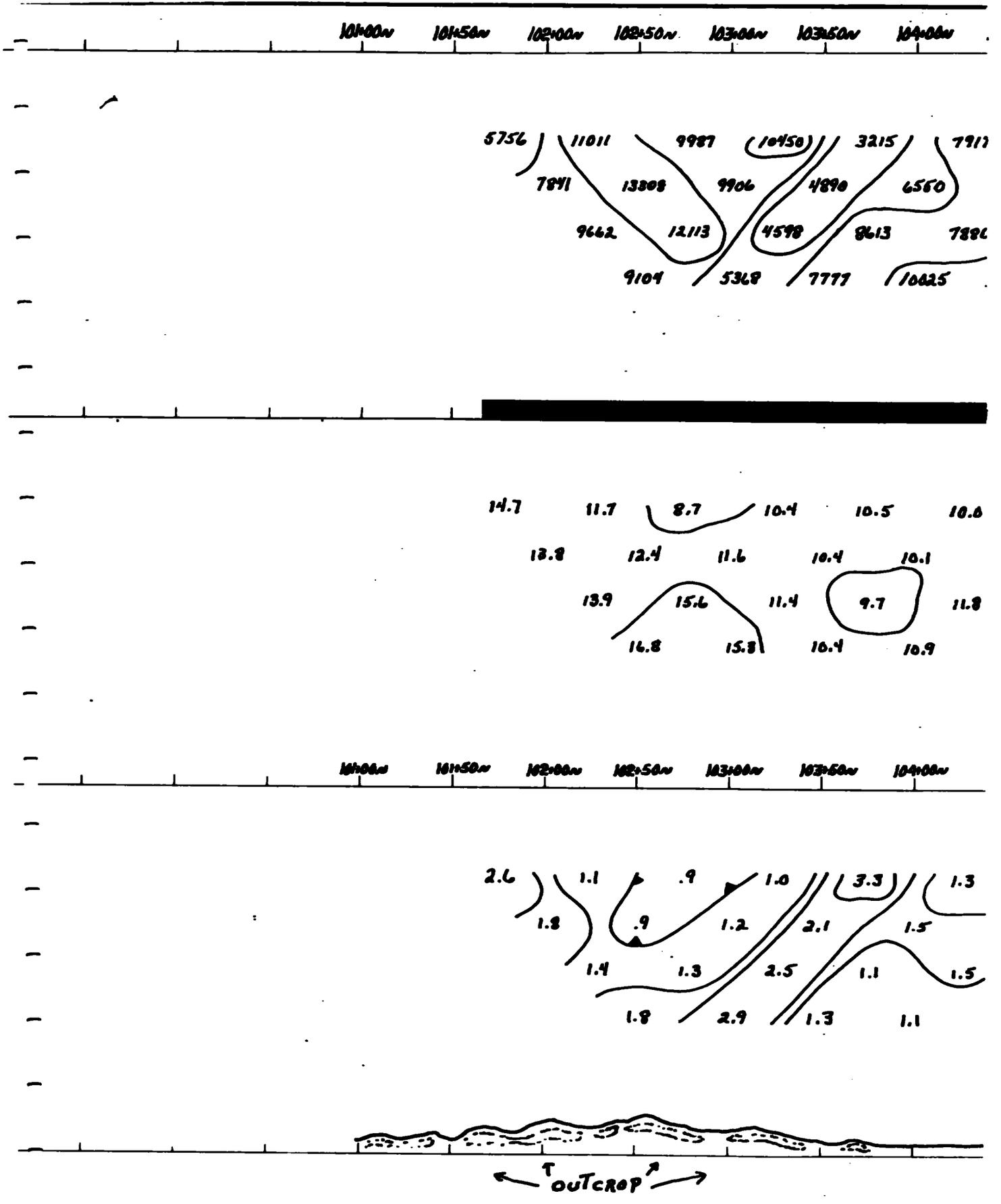
OCT. - 3 - 1985

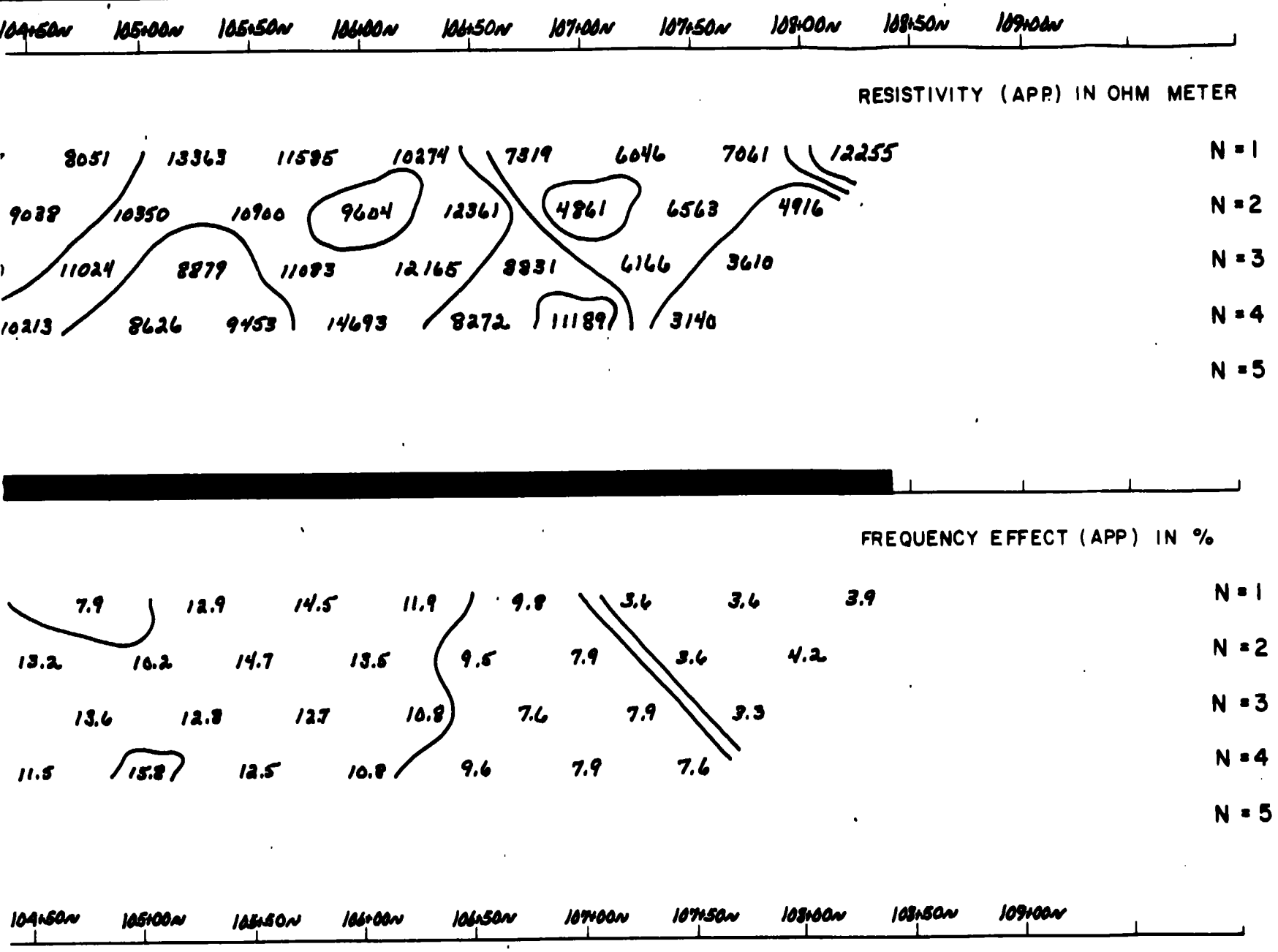
APPROVED

OPERATOR: ANDRE FAUBERT

DATE:

INDUCED POLARIZ
AND RESISTIVITY SU


101°00'W
101°50'W
102°00'W
102°50'W
103°00'W
103°50'W
104°00'W
5756
11011
9987
10458
3215
7913
7841
13308
9906
4890
6560
9662
12113
4598
8613
7896
9104
5368
7777
10425
14.7
11.7
8.7
10.4
10.5
10.6
13.8
12.4
11.6
10.4
10.1
13.9
15.6
11.4
9.7
11.8
16.8
15.8
16.4
10.9
101°00'W
101°50'W
102°00'W
102°50'W
103°00'W
103°50'W
104°00'W
2.6
1.1
.9
1.0
3.3
1.3
1.8
.9
1.2
2.1
1.5
1.4
1.3
2.5
1.1
1.5
1.8
2.9
1.3
1.1
OUTCROP



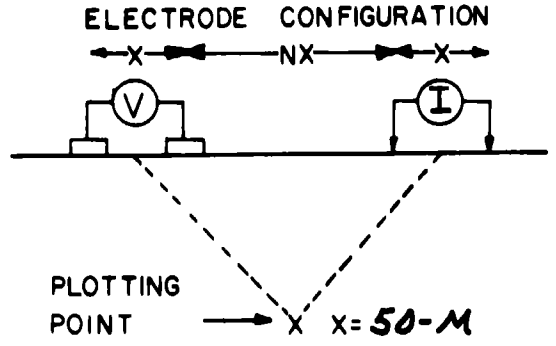
COMPANY: PETER ISLAND RESOURCES INC.

PROPERTY: BARNET T.W.P

PERRY LAKE, MATHESON ONT.

LINE NO. – 108+00-E

ELECTRODE CONFIGURATION



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE ——————

PROBABLE ||||||||||

POSSIBLE //////

FREQUENCIES: 2.5 & 4.0 H.Z

NOTE CONTOURS AT LOGARITHMIC INTERVALS 1, 1.5, 2., 3., 5., 7.5, 10.0

INSTRUMENT PHOENIX IPV-1 IPT-1

CONTRACTOR REMY BELANGER ENRG

DATE SURVEYED

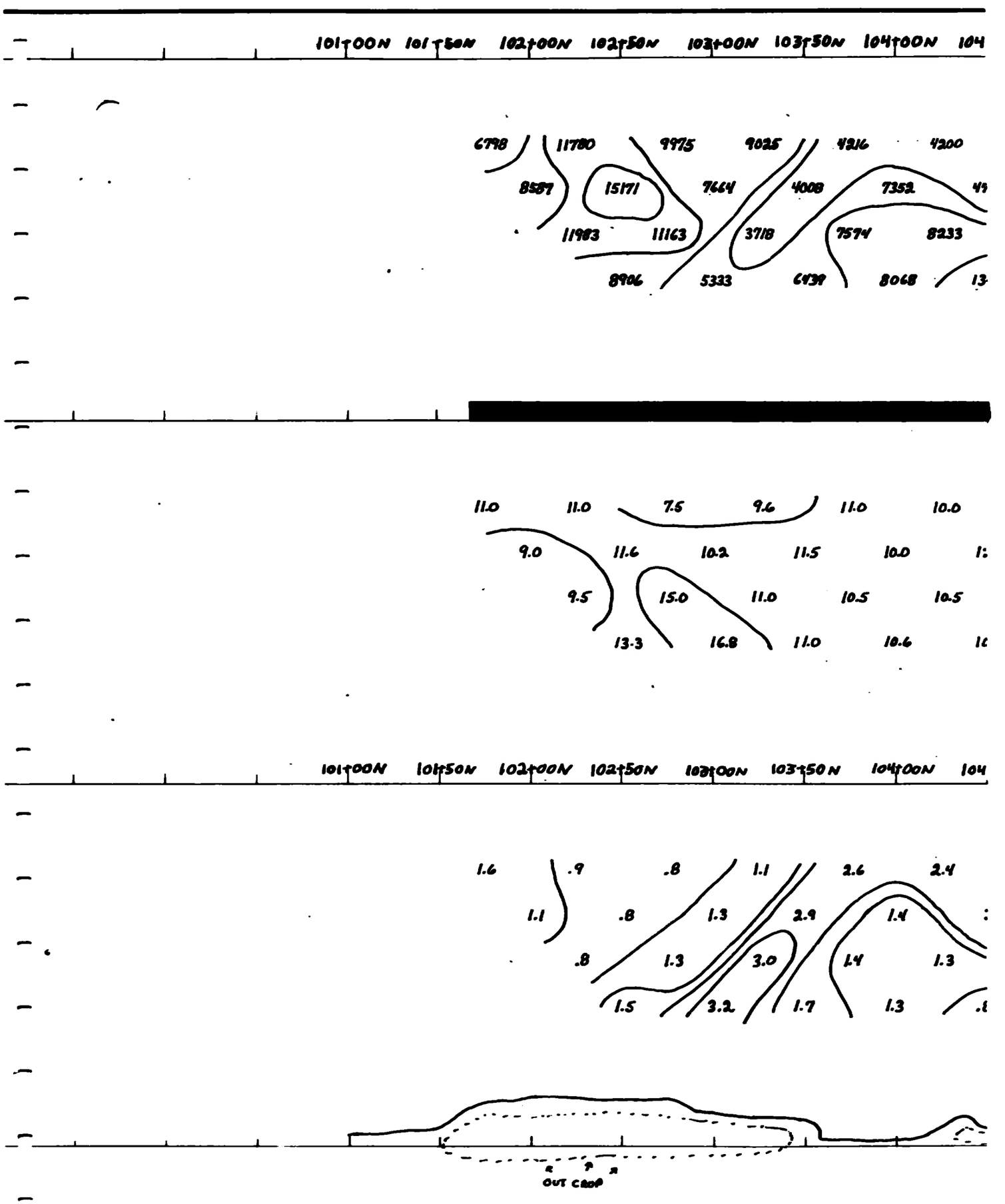
OCT.-12- 1986

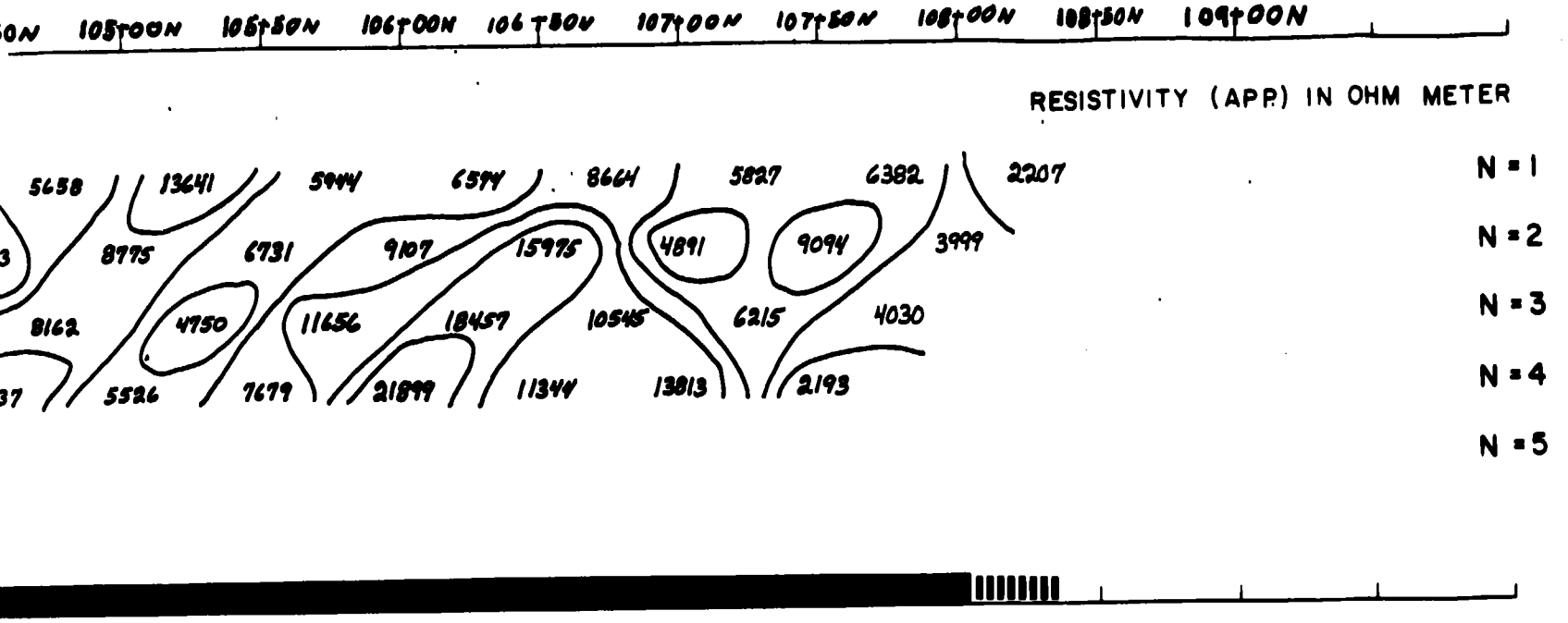
APPROVED

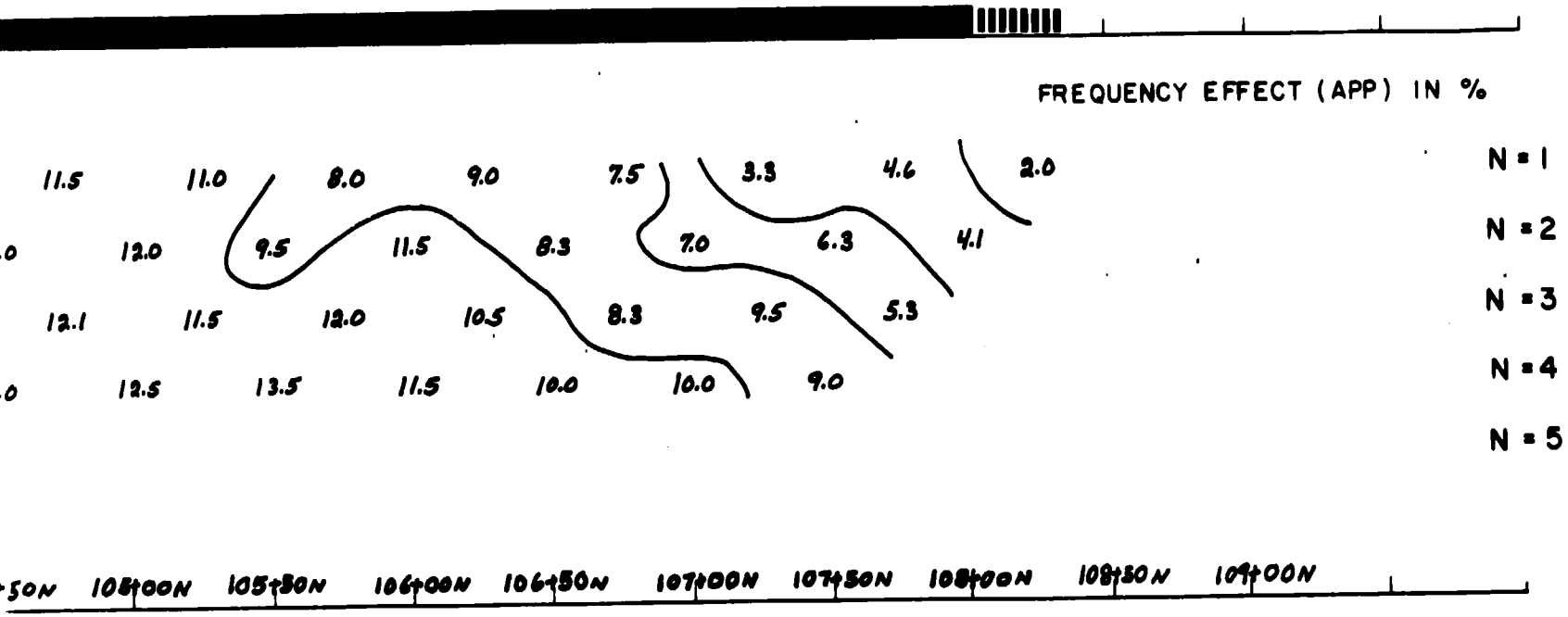
OPERATOR ANDRÉ FAUBERT

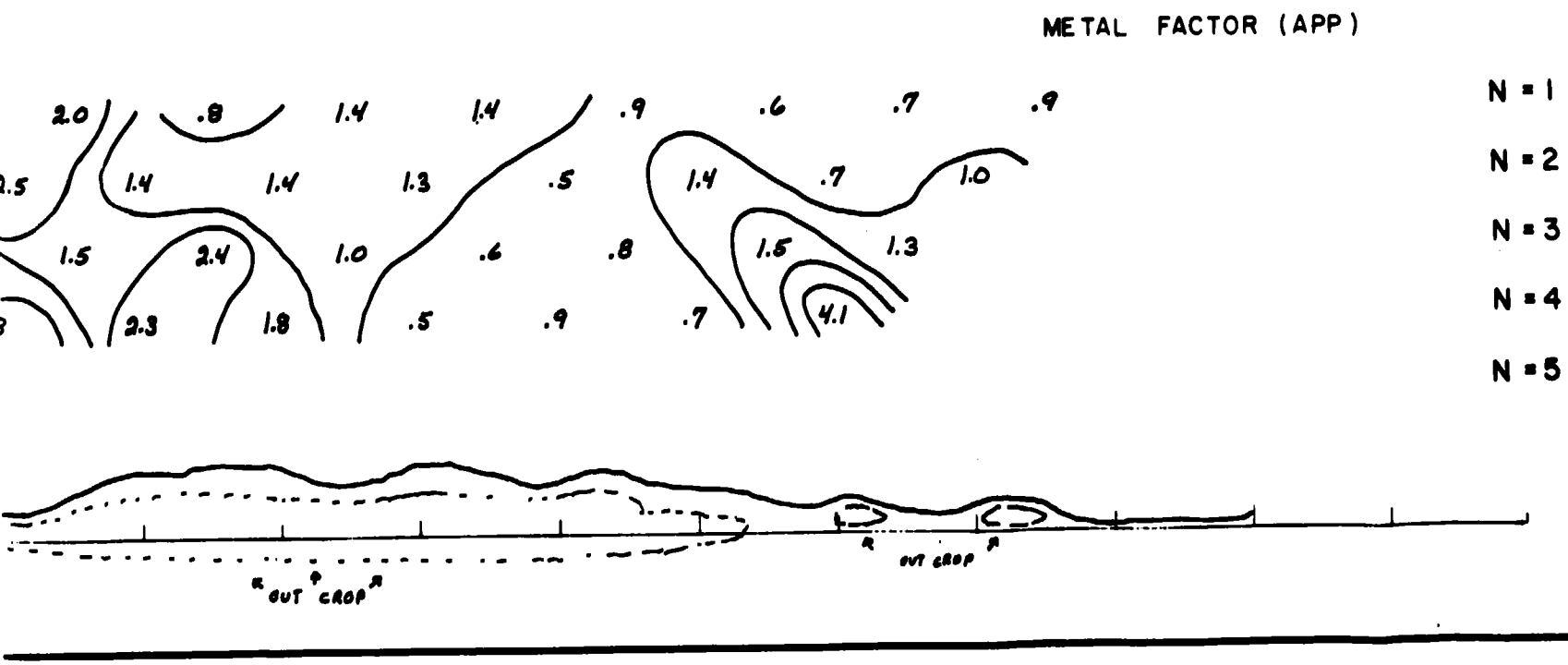
DATE:

INDUCED POLARIZATION AND RESISTIVITY SURVEY


101+00N
101+50N
102+00N
102+50N
103+00N
103+50N
104+00N
6798
11780
9975
9025
4916
4200
8587
15171
7664
4008
7352
11983
11163
3718
7594
8233
8906
5333
6439
8068
11.0
11.0
7.5
9.6
11.0
10.0
9.0
11.6
10.2
11.5
10.0
9.5
15.0
11.0
10.5
10.5
13.3
16.8
11.0
10.6
1.6
.9
.8
1.1
2.6
2.4
1.1
.8
1.3
2.9
1.4
.8
1.3
3.0
1.4
1.3
1.5
3.2
1.7
1.3
OUT CROP







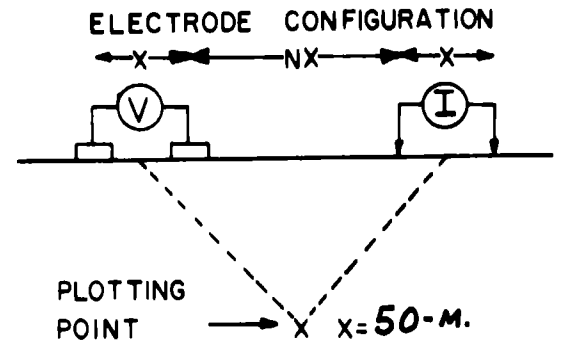
COMPANY: PETER ISLAND RESOURCES INC.

PROPERTY: BARNET T.W.P.

PERRY LAKE MATHESON ONT.

LINE NO. - 109+00-E

ELECTRODE CONFIGURATION



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE ——————

PROBABLE ||||||||||

POSSIBLE ////////

FREQUENCIES: 2.5 & 4.0 HZ.

NOTE CONTOURS AT LOGARITHMIC INTERVALS 1, 1.5, 2., 3., 5., 7.5, 10.0

INSTRUMENT PHOENIX IPV-1 IPT-1

CONTRACTOR REMY BELANGER ENRG

DATE SURVEYED

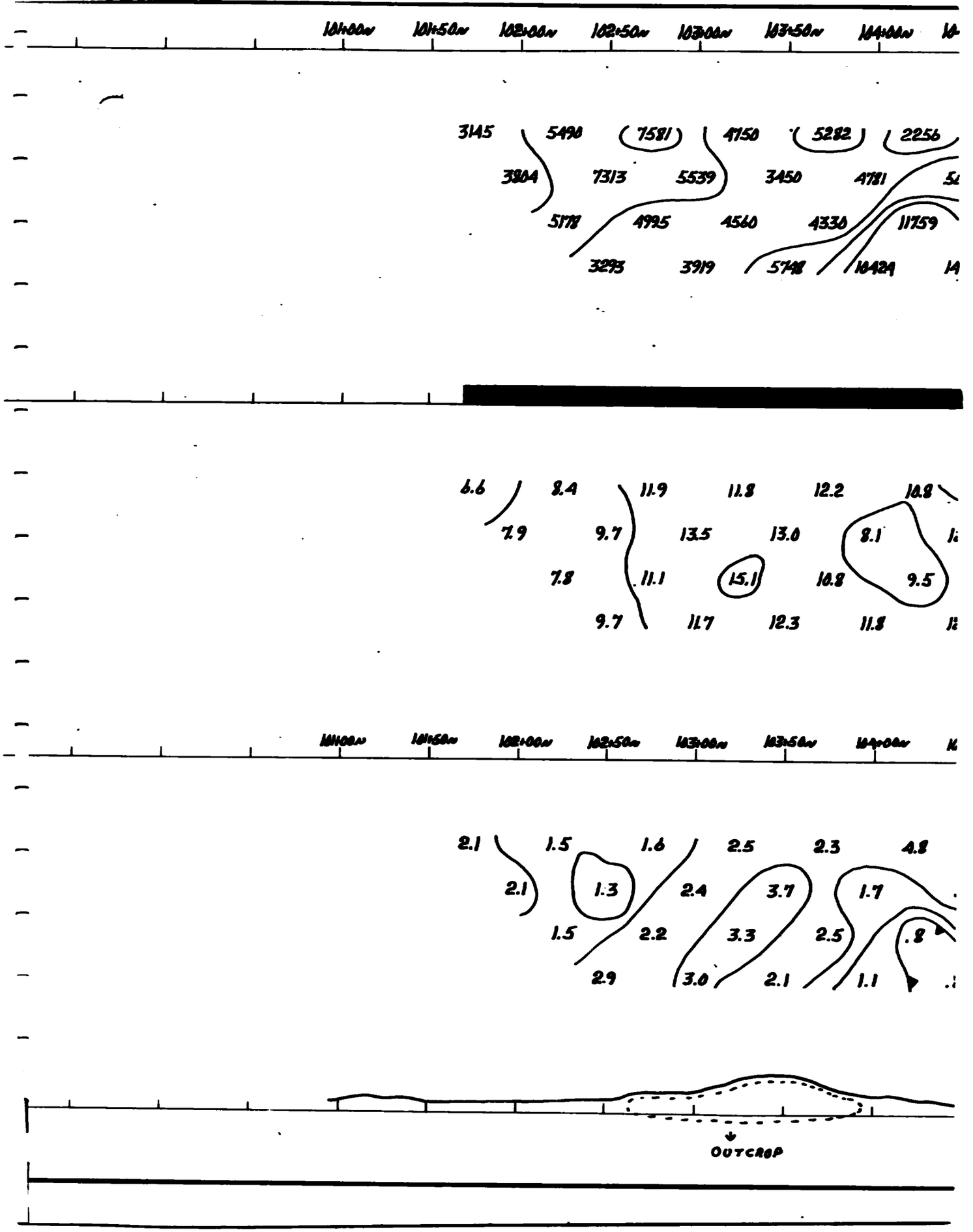
OCTOBER -12- 1985

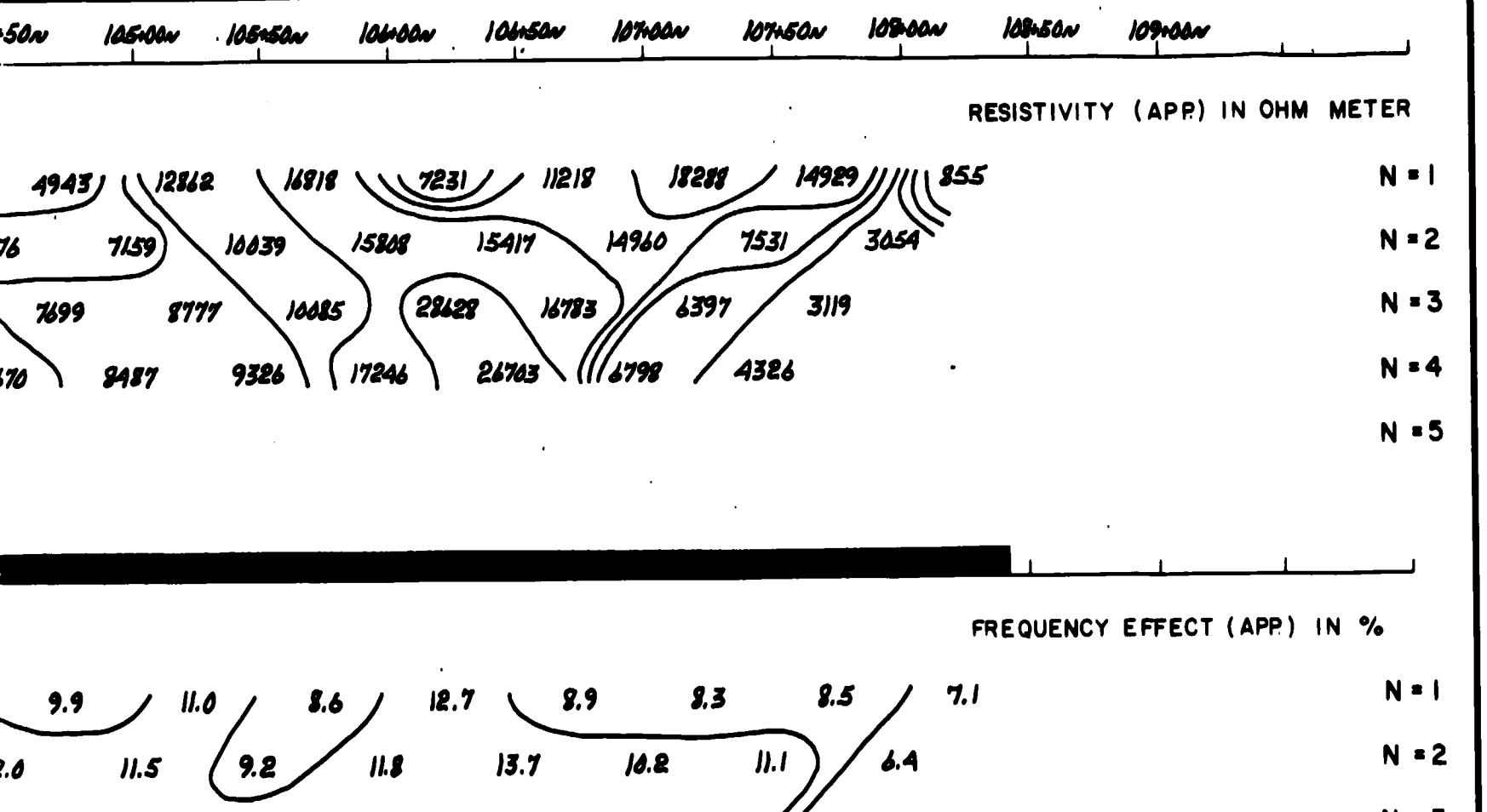
APPROVED

OPERATOR SERGE GENESSE

DATE

INDUCED POLARIZATION AND RESISTIVITY SURVEY


101+00W
101+50W
102+00W
102+50W
103+00W
103+50W
104+00W
3145
5490
7581
4150
5282
2256
3804
7313
5539
3450
4781
5178
4995
4560
4330
11759
3293
3919
5748
10424
6.6
8.4
11.9
11.8
12.2
10.8
7.9
9.7
13.5
13.0
8.1
7.8
11.1
15.1
10.8
9.5
9.7
11.7
12.3
11.8
101+00W
101+50W
102+00W
102+50W
103+00W
103+50W
104+00W
2.1
1.5
1.6
2.5
2.3
4.8
2.1
1.3
2.4
3.7
1.7
1.5
2.2
3.3
2.5
.8
2.9
3.0
2.1
1.1
OUTCROP



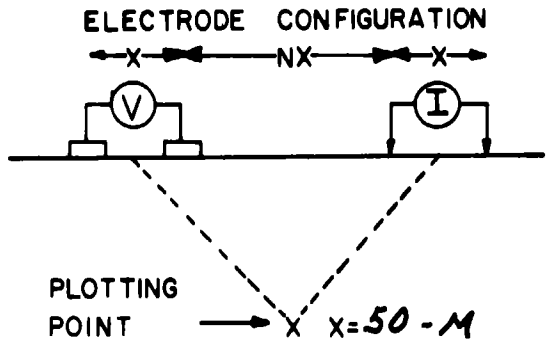
COMPANY: PETER ISLAND RESOURCES INC.

PROPERTY: BARNET T.W.P.

PERRY LAKE, MATHESON ONT.

LINE NO. – 110+00 - E

ELECTRODE CONFIGURATION



SURFACE PROJECTION OF ANOMALOUS ZONES

DEFINITE ——————

PROBABLE ||||||||||

POSSIBLE ////////

FREQUENCIES: 2.5 & 4.0 H.z.

NOTE CONTOURS AT LOGARITHMIC INTERVALS 1., 1.5, 2., 3., 5., 7.5, 10.0

INSTRUMENT PHOENIX IPV-1 IPT-1

CONTRACTOR : REMY BELANGER ENRG

DATE SURVEYED

OCT.- 13- 1985

APPROVED

OPERATOR ANDRE FAUBERT

DATE: _____

INDUCED POLARIZATION AND RESISTIVITY SURVEY

APPENDIX III

DIAMOND DRILL LOGS

#63.4960

ON 85-6-C-162

THIS SUBMITTAL CONSISTED OF VARIOUS REPORTS, SOME OF WHICH HAVE BEEN CULLED FROM THIS FILE. THE CULLED MATERIAL HAD BEEN PREVIOUSLY SUBMITTED UNDER THE FOLLOWING RECORD SERIES (THE DOCUMENTS CAN BE VIEWED IN THESE SERIES):

Diamond drilling logs:

P1-8501, P1-8502, P1-8503 → see Toronto diamond drill file #14 - Barnet Tp R.O.W. #357 for 1985

P1-8504, P1-8506 → see Toronto diamond drill file #15 - Barnet Tp. R.O.W # 516 for 1986 & R.O.W # 153 for 1986

by: P.A. Hartwick & R.W. Woolham, Jan/86.

DERRY, MICHENER, BOOTH & WAHL

DIAMOND DRILL RECORD

Co-ordr: 10490.0N 10300.0E

Azimuth: 180.0 Deg.

Dip: -47.0 Deg.

Elevation: 1000.0

Length: 129.9

Purpose: To test ore grade intersection 50m below PI-85-01

HOLE NO.: PI-85-05

Property: PETER ISLAND RESOURCES

Barnet Township

Drill Type: Longyear 35A

Core Size: BQ

Date Started: Nov 9, 1985
Date Completed: Nov 14, 1985
Logged by: P.A. Hartwick
Date Logged: Nov 10 to 14, 1985

Dip Tests

39.47 180.0 -47.0

from (m)	to (m)	Description	Sample No.	from (m)	to (m)	Length (m)	Au (ppb)	Au (oz/ton)	As (oz/ton)
0.00	12.65	OVERBURDEN AND CASING							
12.65	55.96	PINK SYENITE Typical porphyritic texture but phenocryst grain size increasing down hole. Minor to 1% pyrite. 12.65 21.64 Alteration Zone. Fine to medium grained feldspar grains; however, grain boundaries are not well defined due to epidote(?) alteration. Epidote exists as irregular line green masses within a white fine grained groundmass.	4067	12.65	14.02	1.37	285.0		
			4068	14.02	15.54	1.52	300.0		
			4069	15.54	17.07	1.52	45.0		
			4070	17.07	18.59	1.52	100.0		
			4071	18.59	20.12	1.52	320.0		
			4072	20.12	21.64	1.52	645.0		
			4073	21.64	23.16	1.52	<5.0		
			4074	23.16	24.69	1.52	<5.0		
			4075	24.69	26.21	1.52	<5.0		
			4076	26.21	27.74	1.52	5.0		
			4077	27.74	29.26	1.52	<5.0		
			4078	29.26	30.78	1.52	<5.0		
			4079	30.78	32.31	1.52	<5.0		
			4080	32.31	33.83	1.52	175.0		
			4081	33.83	35.36	1.52	15.0		
			4082	35.36	36.88	1.52	70.0		
			4083	36.88	38.40	1.52	55.0		
			4084	38.40	39.93	1.52	50.0		
			4085	39.93	41.45	1.52	<5.0		
			4086	41.45	42.98	1.52	<5.0		
			4087	42.98	44.50	1.52	<5.0		
			4088	44.50	46.02	1.52	10.0		
			4089	46.02	47.55	1.52	<5.0		
			4090	47.55	49.07	1.52	<5.0		
			4091	49.07	50.60	1.52	<5.0		
			4092	50.60	52.12	1.52	<5.0		
			4093	52.12	53.64	1.52	90.0		

HOLE NO.: PI-85-05

from (m)	to (m)	Description	Sample No.	from (m)	to (m)	Length (m)	Au (ppb)	Au (oz/ton)	Ag (oz/ton)
			4094	53.64	55.17	1.52	5.0		
			4095	55.17	55.96	.79	140.0		
55.96	123.75	MIXED ZONE - METABASALT INTERFINGERED WITH SYENITE Very vague upper contact over approximately 2 m. Pyrite locally approximately 3%. Local coarse grained pyritic approximately 1 cm across. Local arsenic in carbonate veins. Some sections look siliceous. Volcanic has been locally metamorphosed to dark grey to black hornfels. 102.41 105.46 Local chalcopyrite and possible bornite in syenite and volcanic.	4096	55.96	57.00	1.04	265.0		
			4097	57.00	58.22	1.22	60.0		
			4098	58.22	59.74	1.52	35.0		
			4099	59.74	61.26	1.52	10.0		
			4100	61.26	62.79	1.52	15.0		
			4101	62.79	64.31	1.52	10.0		
			4102	64.31	65.84	1.52	5.0		
			4103	65.84	67.36	1.52	5.0		
			4104	67.36	68.88	1.52	<5.0		
			4105	68.88	70.41	1.52	<5.0		
			4106	70.41	71.93	1.52	<5.0		
			4107	71.93	73.46	1.52	<5.0		
			4108	73.46	74.98	1.52	<5.0		
			4109	74.98	76.50	1.52	25.0		
			4110	76.50	78.03	1.52	10.0		
			4111	78.03	79.55	1.52	<5.0		
			4112	79.55	81.08	1.52	5.0		
			4113	81.08	82.60	1.52	<5.0		
			4114	82.60	84.12	1.52	<5.0		
			4115	84.12	85.65	1.52	<5.0		
			4116	85.65	87.17	1.52	<5.0		
			4117	87.17	88.70	1.52	<5.0		
			4118	88.70	90.22	1.52	<5.0		
			4119	90.22	91.74	1.52	<5.0		
			4120	91.74	93.27	1.52	<5.0		
			4121	93.27	94.79	1.52	<5.0		
			4122	94.79	96.32	1.52	<5.0		
			4123	96.32	97.84	1.52	<5.0		
			4124	97.84	99.36	1.52	<5.0		
			4125	99.36	100.89	1.52	<5.0		
			4126	100.89	102.41	1.52	<5.0		
			4127	102.41	103.94	1.52	<5.0		
			4128	103.94	105.46	1.52	<5.0		
			4129	105.46	106.98	1.52	<5.0		
			4130	106.98	108.51	1.52	5.0		
			4131	108.51	110.03	1.52	<5.0		
			4132	110.03	111.56	1.52	10.0		
			4133	111.56	113.08	1.52	<5.0		
			4134	113.08	114.60	1.22	<5.0		
			4135	114.60	115.82	.30	<5.0		
			4136	115.82	116.13	1.52	<5.0		
			4137	116.13	117.65	1.52	<5.0		
			4138	117.65	119.18	1.52	5.0		
			4139	119.18	120.70	1.52	5.0		
			4140	120.70	122.22	1.52			

HOLE NO.: PI-85-05

from (m)	to (m)	Description	Sample No.	from (m)	to (m)	Length (m)	Au (ppb)	Au (oz/ton)	As (oz/ton)
			4141	122.22	123.75	1.52	<5.0		
123.75	129.84	PINK SYENITE							
		Contact over 1.5 m.	4142	123.75	125.27	1.52	<5.0		
		Only minor mafic fragments.	4143	125.27	126.80	1.52	10.0		
		Epidote alteration abundant throughout.	4144	126.80	128.32	1.52	<5.0		
		Minor pyrite only in minor mafic xenoliths.	4145	128.32	129.84	1.52	5.0		
		END OF HOLE.							

APPENDIX IV

DETAILED BUDGET

DETAILED BUDGET

DETAILED EXPENDITURES—PETER ISLAND RESOURCES—BARNET TOWNSHIP PROPERTY

1.0 LINE CUTTING		
1.1 SUBCONTRACTOR		
45 KM. AT $ 185 /KM.	8325	$ 8325
SUBTOTAL		$ 8325
2.0 MAGNETOMETER SURVEY		
2.1 EXPEDITING AND MOBILIZATION		
2.1.1 FEES		
- 1 FIELD TECHNICIAN(S)		
2 DAY(S) AT $ 150 /DAY	300	
2.1.2 EXPENSES		
-LOCAL TRAVEL	100	
-TRUCK RENTAL 2 DAY(S) AT $ 55 /DAY	110	
-ATV RENTAL 2 DAY(S) AT $ 40 /DAY	80	
-CONSUMABLES 2 DAY(S) AT $ 20 /MAN DAY	40	
-HOTEL 1 NIGHT(S) AT $ 30 /MAN NIGHT	30	
-EXPRESS	100	
-INSTRUMENT RENTAL 3 DAY(S) AT $ 45 /DAY	135	$ 875
2.2 FIELD SURVEY		
2.2.1 FEES		
- 1 FIELD TECHNICIAN(S)		
15 DAYS AT $ 150 /DAY	2250	
2.2.2 EXPENSES		
-TRUCK RENTAL 15 DAYS AT $ 55 /DAY	825	
-ATV RENTAL 15 DAYS AT $ 40 /DAY	600	
-CONSUMABLES 15 DAYS AT $ 20 /MAN DAY	300	
-HOTEL 15 NIGHT(S) AT $ 30 /MAN NIGHT	450	
-INSTRUMENT RENTAL 15 DAYS AT $ 45 /DAY	675	
-FIELD SUPPLIES 15 DAYS AT $ 5 /DAY	75	$ 5175
2.3 DEMOBILIZATION		
2.3.1 FEES		
- 1 FIELD TECHNICIAN(S)		
1 DAY(S) AT $ 150 /DAY	150	
2.3.2 EXPENSES		
-LOCAL TRAVEL	100	
-TRUCK RENTAL 1 DAY(S) AT $ 55 /DAY	55	
-ATV RENTAL 1 DAY(S) AT $ 40 /DAY	40	
-CONSUMABLES 1 DAY(S) AT $ 20 /MAN DAY	20	
-HOTEL 0 NIGHT(S) AT $ 30 /MAN NIGHT	0	
-EXPRESS	100	
-INSTRUMENT RENTAL 2 DAY(S) AT $ 45 /DAY	90	$ 555
2.4 DATA COMPILATION AND REPORT		
2.4.1 FEES		
- 1 SR. PROF. ENG.		
3 DAYS AT $ 450 /DAY	1350	
2.4.2 EXPENSES		
-DATAPLOTTING AT SCALE OF 1:2500		
45 KILOMETERS AT $ 20 /KM.	900	
-TYPING/PRINTING	150	$ 2400
SUBTOTAL		$ 9025

DETAILED BUDGET

(Continued)

3.0 DIAMOND DRILLING PROGRAM		
3.1 EXPEDITING AND MOBILIZATION		
3.1.1 FEES		
-2 GEOLOGIST(S)/TECHNICIAN(S) 2 DAY(S) AT $ 460 /DAY	920	
3.1.2 EXPENSES		
-LOCAL TRAVEL	100	
-AIR TRAVEL Toronto-Timmins	150	
-TRUCK RENTAL 2 DAY(S) AT $ 55 /DAY	110	
-ATV RENTAL 2 DAY(S) AT $ 40 /DAY	80	
-CONSUMABLES 2 DAY(S) AT $ 20 /MAN DAY	80	
-HOTEL 1 NIGHT(S) AT $ 30 /MAN NIGHT	60	$ 1500
3.2 FIELD DRILLING SURVEY		
3.2.1 FEES		
-2 GEOLOGIST(S)/TECHNICIANS(S) 28 DAYS AT $ 460/DAY	12880	
3.2.2 EXPENSES		
-MOB./DEMOB. DRILL	3500	
-DIAMOND DRILLING CONTRACTOR 1,500 m @ $45/m	67500	
-DRILLING CONSUMABLES core boxes, drill bits, etc.	5000	
-ASSAY COSTS	11000	
-TRUCK RENTAL 28 DAYS AT $ 55 /DAY	1540	
-ATV RENTAL 28 DAYS AT $ 40 /DAY	1120	
-CONSUMABLES 28 DAYS AT $ 20 /MAN DAY	1120	
-HOTEL 28 NIGHT(S) AT $ 30 /MAN NIGHT	1680	
-TELEPHONE, SHIPPING EXPENCES	1000	
-FIELD SUPPLIES 28 DAYS AT $ 5 /DAY	140	$ 106480
3.3 DEMOBILIZATION		
3.3.1 FEES		
- 2 GEOLOGIST(S)/TECHNICIAN(S) 1 DAY(S) AT $ 460 /DAY	460	
3.3.2 EXPENSES		
-LOCAL TRAVEL	100	
-AIR TRAVEL Timmins-Toronto	150	
-TRUCK RENTAL 1 DAY(S) AT $ 55 /DAY	55	
-ATV RENTAL 1 DAY(S) AT $ 40 /DAY	40	
-CONSUMABLES 1 DAY(S) AT $ 20 /MAN DAY	40	
-HOTEL 0 NIGHT(S) AT $ 30 /MAN NIGHT	0	$ 845
3.4 DATA COMPILATION AND REPORT		
3.4.1 FEES		
-JUNIOR GEOLOGIST 10 DAYS AT $ 260 /DAY	2600	
-SENIOR GEOLOGIST 3 DAYS @ $ 375 /DAY	1125	
3.4.2 EXPENSES		
-COMPUTER TIME	2500	
-MAP PREPARATION AND DRAFTING	350	
-TYPING/PRINTING	350	$ 6925
SUBTOTAL		$ 115750
4.0 SUPERVISION		
4.1 FEES		
- 1 SENIOR GEOLOGIST 6 DAY(S) AT $ 375 /DAY	2250	$ 2250
SUBTOTAL		$ 2250

NOTE Values shown represent an average of a pyramid of PFE values under each station (Frasers Average)

DDH Location

Proposed DDH Location

Area of low amplitude magnetics

SCALE 1:5000

100 0 200 400

METRES

PETER ISLAND RESOURCES

BARNET TOWNSHIP

SURVEY BY

Jan 16/86

REGISTERED PROFESSIONAL ENGINEER R. W. WOOLHAM PROVINCE OF ONTARIO

OM85-6-C-142

DRAWN BY L.E. COLLINS

INDUCED POLARIZATION SURVEY

APPROVED BY R.W. WOOLHAM

N.T.S.

DATE JANUARY 1986

PERCENT FREQUENCY EFFECT

DWG No 85-70-1

DERRY, MICHENER, BOOTH & WAHL

63.4960