42B01SE0042 2.11166 HORWOOD

010

GUY THIBAULT
EXPLORATION SERVICES
Suite 22, Hollinger Building - P.O. Box 1670 Timmins, Ontario. P4N 7W8-(705) 264-2977

REPORT ON A GROUND MAGNETIC AND ELECTROMAGNETIC SURVEY FOR BAYRIDGE - PELANGIO JOINT VENTURE

BLUEBERRY ISLAND GOLD PROPERTY

HORWOOD TOWNSHIP

ONTARIO

RECEIVED
MAY 10 1988
MINING LANDS SECTION

Timmins, Ontario
March, 1988

Kenneth Guy
Geologist

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FIGURES

SUMMARY AND RECOMMENDATIONS

The ground geophysical program has successfully located and defined a number of anomalies. Two VLF-EM anomalies are recommended for additional ground follow up, bringing the total for the project to fifteen.

The magnetic survey outlined an area of probable magnetic mafic volcanics.

The ground geophysical program should greatly aid during geological mapping and assist in stratigraphic correlation of the project area.

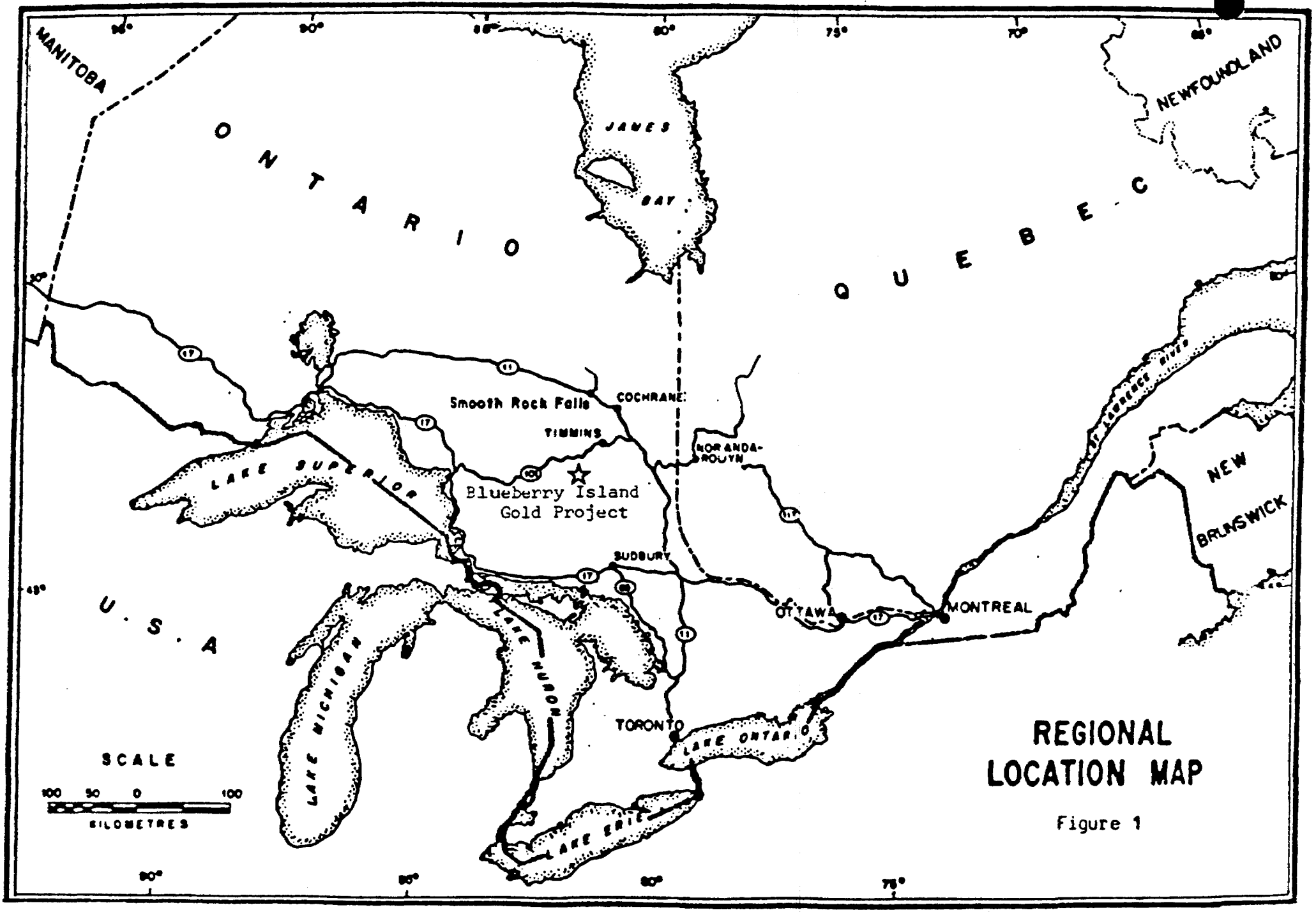
The following recommendations are made for the project area:

1) A detailed geological survey should be conducted concurrent with intensive prospecting. The geophysics indicates a near surface source for the VLF and magnetic anomalies.

2) A reconnaissance geochemical survey be conducted over the gold occurrences and the eastern portion of the property. This may aid in anomaly discrimination.

3) A reconnaissance Induced Polarization (IP) survey be conducted over some of the VLF-EM anomalies as well as in the vicinity of the gold occurrences.

Dual
2.5778



REGIONAL LOCATION MAP

Figure 1

INTRODUCTION

During the period March 1988, a combined Very Low Frequency Electromagnetic (VLF-EM) and magnetic survey was carried out over the Bayridge - Pelangio Joint Venture property in Horwood Township, Ontario.

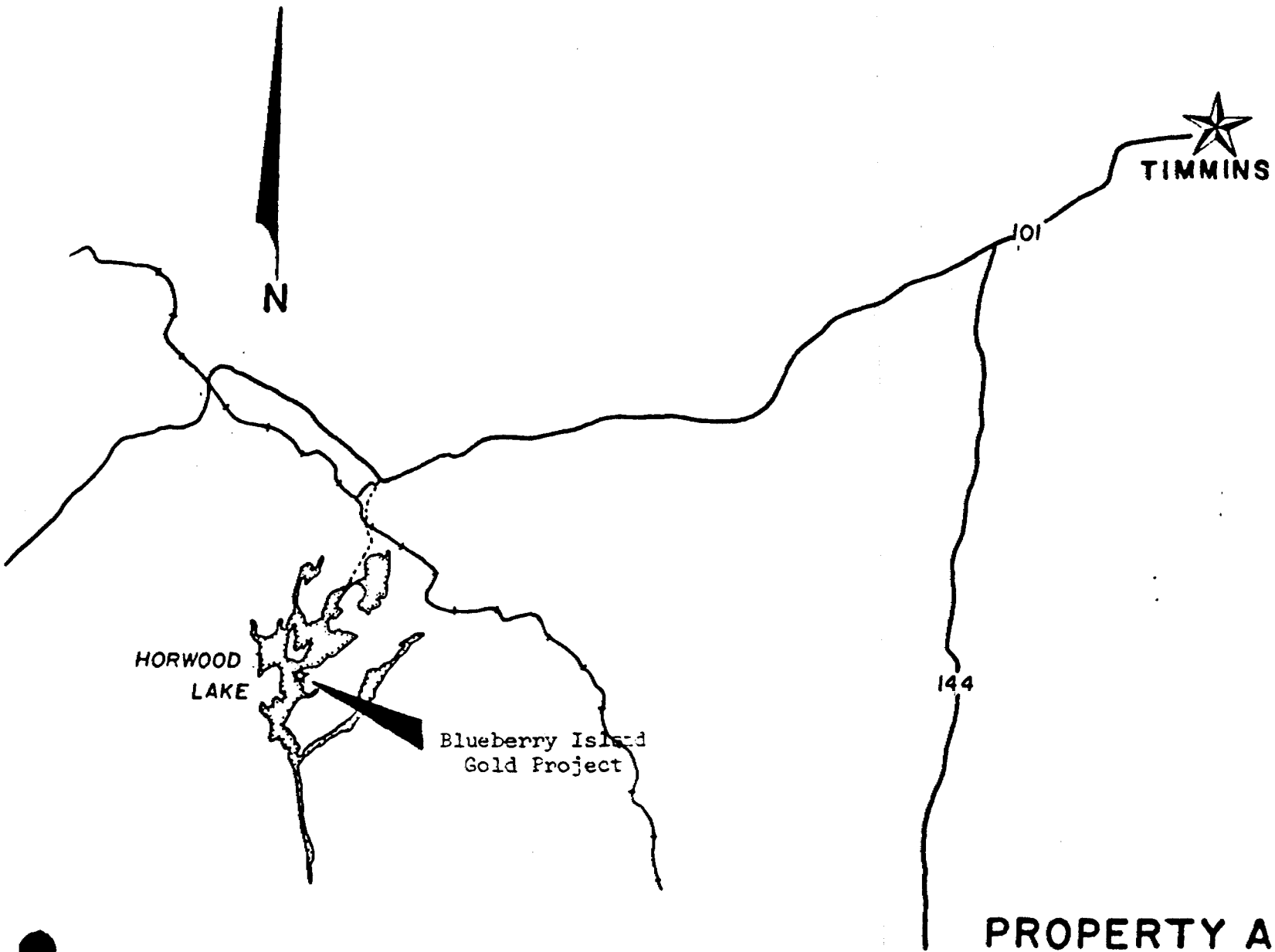
The purpose of the VLF-EM survey was to detect, on the ground, zones of conductivity which may be produced by conductive minerals and/or zones of shearing and faulting. The magnetic survey was performed to determine if any magnetic correlation exists with apparent conductivity and to aid in stratigraphic correlation.

The property encompasses a number of gold occurrences hosted by carbonatized volcanic rocks.

LOCATION AND ACCESS

The Blueberry Island Gold Property is located in central Horwood Township, Porcupine Mining Division, Ontario. The property lies approximately 70 miles southwest of Timmins, Ontario (Figure 1).

Access to the property is via Highway 616, south off Highway 101, to the northeast shore of Horwood Lake (Figure 2). Transporation by boat is then necessary to the claim group which straddles the shore of Horwood Lake.



PROPERTY ACCESS MAP

Figure 2

Scale: 1:500 000

Air transportation, helicopter or fixed wing, is also available in Timmins.

PROPERTY.

The Blueberry Island Gold Property consists of 31 contiguous, unpatented mining claims in Horwood township. The survey covered in whole or in part 14 claims; the water covered portion of property. The remainder of the property was covered during an earlier survey.

The following claims were covered in whole or in part by the combined surveys:

995955 - 995958 inclusive

901425, 901426

955556 - 955562

798703 -14 claims

The remainder of the claim block, land portion, was covered by surveys completed earlier. The entire project now has complete geophysical coverage.

PREVIOUS WORK

1949 - 1959 J.E. Lefever - 32 DDH's - 0.56 oz Au/ton over 10 feet, sludge sample assayed 7.8 oz Au/ton.

1960 Kerr Addison Mines Ltd. - magnetic survey, 7 DDH's, 3,076 feet, over the main showing - drilling indicated an auriferous zone 500 feet long by 4 feet

wide with an average assay value of 0.204 oz Au/ton hosted in a sheared diorite - occurrence is a gold and sulphide bearing, quartz - carbonate vein system.

- 3 DDH's on the Stack vein, 0.67 oz Au/ton over 1 inch

1972 - Noranda Exploration Company Limited - magnetic and VEM surveys.

1980 - Ingamar Explorations Limited - magnetic and VLF-EM surveys.

1982 - Raise Contracting - geological survey, stripping and trenching encountered gold values.

1986 - Pelangio - Larder Mines Ltd. - VLF-EM survey.

GEOLOGY

The Horwood Lake Property lies within the northeast portion of the Swayze greenstone belt. The Swayze greenstone belt is a typical Superior Province, Archean age greenstone belt consisting of predominately mafic volcanics with lesser felsic to intermediate volcanics. Intercalated tuffs and sedmints are also present. The volcanic sequence is intruded by mafic felsic intrusive rocks.

Extensive, intermittent mineral exploration has focused on gold mineralization in quartz vein systems and pyritized shear zones.

LINECUTTING

During February 1988, a total of 19.8 kilometres of line were cut on the property. The grid established on the land was extended out into the lake on the ice. The base line was extended at az 090 (E-W) with section lines every 100 metres off the base line. Picket stations were established every 25 metres on both section lines and base line.

SURVEY EQUIPMENT AND PROCEDURES

The Very Low Frequency-Electromagnetic (VLF-EM) survey was carred out using a Geonics EM16, operating at a frequency of 24.0 kHz utilizing the Cutler, Maine (NAA) transmission station. Readings of both In Phase (IP) and Quadrature (OP) were taken every 25 metres, with an accuracy of 1% on both.

A total of 19.0 km of line were surveyed during March 1988.

The data is presented as profiles on the VLF-EM plan map Figure 3.

The Magnetic survey was conducted with a Geometrics G-816 total field magnetometer. Readings were taken every 25 metres along section lines and base line. The intersection of the section lines on the base line served as base stations so that diurnal drift could be

monitored. This method allows readings to be taken and corrected with an accuracy of one gamma.

A total of 19.8 kilometres of line were surveyed during March 1988.

DISCUSSION OF RESULTS

The VLF-EM survey detected 4 anomalies which were not attributed to shoreline effects. Two anomalies were continuations of anomalies outlined on land during the previous survey.

The anomalies break down into the following priorities:

HIGH - 2 - Additional ground follow-up recommended, good conductivity with corresponding magnetic signature or structure, possible contact zone or shear zone.

MODERATE - 2 - Additional follow-up is contingent upon results from high priority anomalies.

LOW - 0 - no follow-up recommended - likely surficial or overburden response.

The two anomalies continued from the earlier survey are F1 and C1. Both were rated moderate previously and remain so based on the present survey.

The two anomalies detected uniquely by the present survey are designated F2 and D2. Both are rated high priority due their moderate conductivity and possible shear control. Both are in close proximity to known gold occurrences.

MAGNETIC SURVEY - The Magnetic survey delineated a northwest trending area of high magnetics through the property. This is a continuation of the unit outlined in the previous survey. This is probably a dioritic unit or magnetic mafic volcanic unit.

A spot high at L1W/6N appears to be a cultural effect possibly a drill casing.

CERTIFICATE

I, the undersigned, Kenneth Guy, residing at 180 Nadine Street, South Porcupine, Ontario graduated with a Bachelor of Science degree in Earth Science - Geology from the University of Waterloo, Waterloo, Ontario in 1978.

I have been employed in the field of Geology since graduation in 1978.

I am a Fellow of The Geological Association of Canada

I do not hold, nor do I expect to receive an interest of any kind in these claims held by BAYRIDGE OR PELANGIO RESOURCES LIMITED or in any other mining claims they may have.

Kenneth Guy
Geologist

Timmins, Ontario

Ministry of Northern Development and Mines

Ontario

Report of Work

(Geophysical, Geological, Geochemical and Expenditures)

W8806.00119

42B01SE0042 2.11166 HORWOOD

900

Type of Survey(s): VLF ELECTROMAGNETIC & MAGNETOMETER	Township or Area: HORWOOD TOWNSHIP
Claim Holder(s): PELANGIO LARDER MINES LTD.	Prospector's Licence No.: T-971
Address: BOX 1456, TIMMINS, ONTARIO	
Survey Company: GUY THIBAULT EXPLORATION SERVICES	Date of Survey (from & to): 10 02 88 (Day Mo. Yr.) to 10 03 88 (Day Mo. Yr.)
Name and Address of Author (of Geo-Technical report): KEN GUY, TIMMINS, ONTARIO	Total Miles of line Cut: 19.8 km

Credits Requested per Each Claim in Columns at right

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

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

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MAY 24 1988
MINING LANDS SECTION

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

Mining Claims Traversed (List in numerical sequence)

Mining Claim Prefix	Mining Claim Number	Expend. Days Cr.
P	995955	
	~~995956~~	
	~~995957~~	
	~~995958~~	
	901425	
	~~901426~~	
	955556	
	955557	
	955558	
	~~955559~~	
	955560	
	955561	
	955562	
	798703	

Mining Claim Prefix	Mining Claim Number	Expend. Days Cr.
P	995956	30 EM 20 MAG
	995957	11
	995958	20 EM 15 MAG
	901426	35 EM 15 MAG
	955559	30 EM 15 MAG

ONTARIO GEOLOGICAL SURVEY
ASSESSMENT FILES OFFICE
MAY 30 1988
RECEIVED

MAY REACHED

RECORDED
MAY - 3 1988

Total number of mining claims covered by this report of work: 14

Expenditures (excludes power stripping)

Type of Work Performed: RECORDED

Performed on Claim(s): MAY 3 1988

Calculation of Expenditure Days Credits

Total Expenditures: $ ÷ 15 = Total Days Credits

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

For Office Use Only		
Total Days Cr. Recorded: 910	Date Recorded: May 3/88	Mining Recorder:
	Date Approved as Recorded: 26 May 88	Branch Director

Date	Recorded Holder or Agent (Signature)
April 27/88	

Certification Verifying Report of Work

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

Name and Postal Address of Person Certifying		
MAURICE HIBBARD (Agent) CONNAUGHT, ONTARIO	Date Certified: April 27/88	Certified by (Signature)

1362 (85/12)

REFERENCES

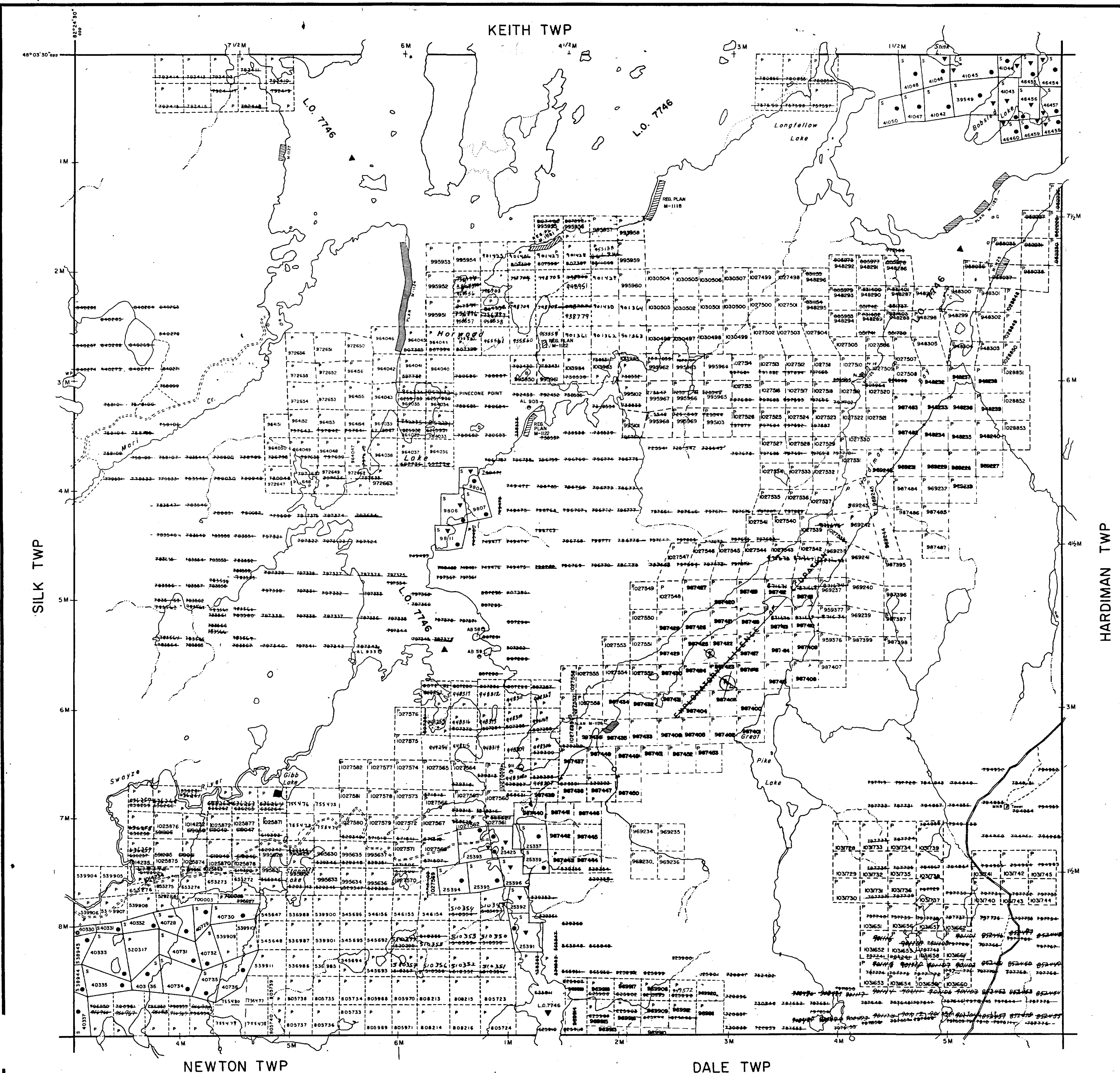
AREAS WITHDRAWN FROM DISPOSITION

M.R.O. – MINING RIGHTS ONLY

S.R.O. – SURFACE RIGHTS ONLY

M.+ S. – MINING AND SURFACE RIGHTS

	Description	Order No.	Date	Disposition	File
(R1)	SEC. 36/80	W 2/82	(re-opened N.R.O. 3/82)		
(R2)	ELO14901	NRD 22/85	JUNE 7/85	MR + SR RE-OPENED JUNE 17/85. 7:00 A.M	



FLOODING

FLOODING RIGHTS ON HORWOOD LAKE & HARDIMAN BAY TO CONTOUR ELEV. 1117 FEET ARE RESERVED TO THE SPRUCE FALLS POWER AND PAPER CO. LTD. File: 75166 L.O. 7746

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200

LEGEND

- HIGHWAY AND ROUTE No.
- OTHER ROADS
- TRAILS
- SURVEYED LINES:
  - TOWNSHIPS, BASE LINES, ETC.
  - LOTS, MINING CLAIMS, PARCELS, ETC.
- UNSURVEYED LINES:
  - LOT LINES
  - PARCEL BOUNDARY
  - MINING CLAIMS ETC.
- RAILWAY AND RIGHT OF WAY
- UTILITY LINES
- NON-PERENNIAL STREAM
- FLOODING OR FLOODING RIGHTS
- SUBDIVISION OR COMPOSITE PLAN
- RESERVATIONS
- ORIGINAL SHORELINE
- MARSH OR MUSKEG
- MINES
- TRAVERSE MONUMENT

DISPOSITION OF CROWN LANDS

TYPE OF DOCUMENT	SYMBOL
PATENT, SURFACE & MINING RIGHTS	●
" , SURFACE RIGHTS ONLY	◓
" , MINING RIGHTS ONLY	◒
LEASE, SURFACE & MINING RIGHTS	■
" , SURFACE RIGHTS ONLY	⬒
" , MINING RIGHTS ONLY	⬓
LICENCE OF OCCUPATION	▼
ORDER-IN-COUNCIL	OC
RESERVATION	Ⓡ
CANCELLED	⊗
SAND & GRAVEL	Ⓢ

NOTE: MINING RIGHTS IN PARCELS PATENTED PRIOR TO MAY 6, 1913, VESTED IN ORIGINAL PATENTEE BY THE PUBLIC LANDS ACT, R.S.O. 1970, CHAP. 380, SEC. 63, SUBSEC 1.

SCALE: 1 INCH = 40 CHAINS

FEET 0 1000 2000 4000 6000 8000

METRES 0 200 1000 (1 KM) 2000 (2 KM)

RECEIVED MAY 3 1988

TOWNSHIP

HORWOOD

M.N.R. ADMINISTRATIVE DISTRICT

CHAPLEAU

MINING DIVISION

PORCUPINE

LAND TITLES / REGISTRY DIVISION

SUDBURY

Ontario — Ministry of Natural Resources — Land Management Branch

Date MARCH 1985

Number G-3228

L-4W L-3W L-2W L-1W L-0 L-1E L-2E L-3E L-4E L-5E L-6E L-7E L-8E L-9E L-10E L-11E

L-8W L-7W L-6W L-5W

N

HORWOOD

"F2" "F1" "F" "E1" "D1" "C1" "B1" "A1"

"D2" "C2"

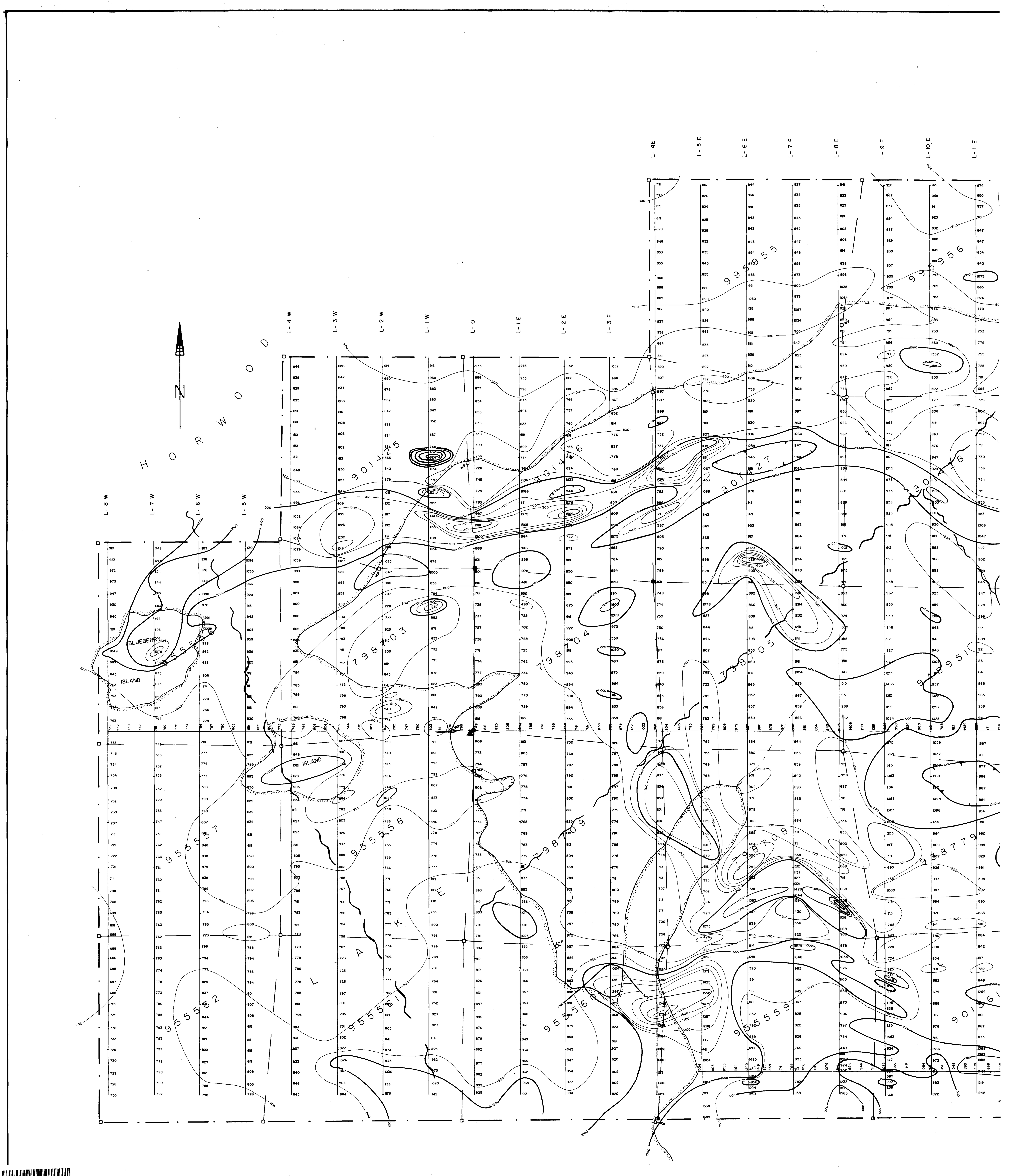
"L" "M" "P" "S" "T" "U" "V" "X"

BLUEBERRY ISLAND

ISLAND

LAKE

W.P.

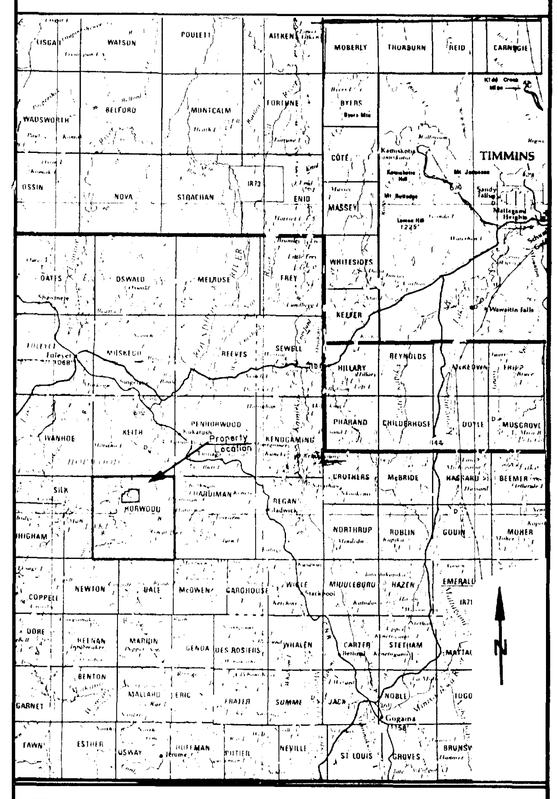


N
H O R W O O D
L A K E
BLUEBERRY
ISLAND
ISLAND
L - 8 W
L - 7 W
L - 6 W
L - 5 W
L - 4 W
L - 3 W
L - 2 W
L - 1 W
L - 0
L - 1 E
L - 2 E
L - 3 E
L - 4 E
L - 5 E
L - 6 E
L - 7 E
L - 8 E
L - 9 E
L - 10 E
L - 11 E

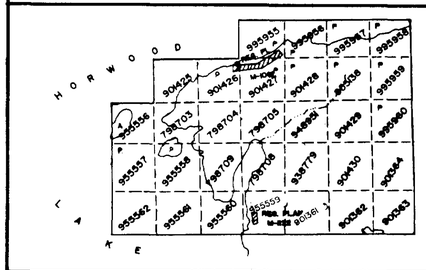
220

L- 9 E | L- 10 E | L- 11 E | L- 12 E | L- 13 E | L- 14 E | L- 15 E | L- 16 E | L- 17 E | L- 18 E | L- 19 E | L- 20 E

1200-N
1100-N
1000-N
900-N
800-N
700-N
600-N
500-N
400-N
300-N
200-N
100-N
B.L 0+00
100-S
200-S
300-S
400-S
500-S
600-S
700-S
T.L 750-S
800-S



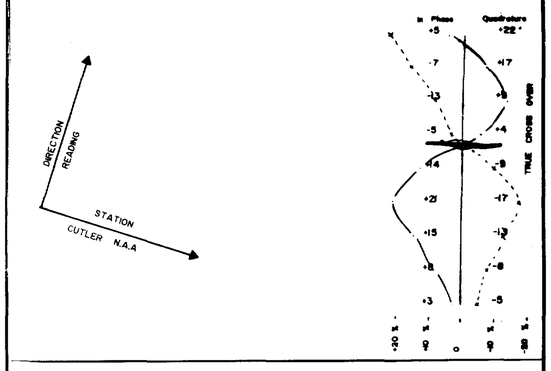
CLAIM LOCATION



TOPOGRAPHIC

- Trail portage
- Bush road
- Good driving road, Highway
- Rail road
- Claim post located
- Claim post assumed location
- Witness post
- Creek, River
- Lake shore
- Swamp, Bog
- Property boundry line

V.L.F.- E.M SURVEY



2.11166

BLUEBERRY ISLAND GOLD PROPERTY

HORWOOD TWP ONTARIO
PORCUPINE MINING DIVISION

BAYRIDGE-PELANGIO JOINT VENTURE

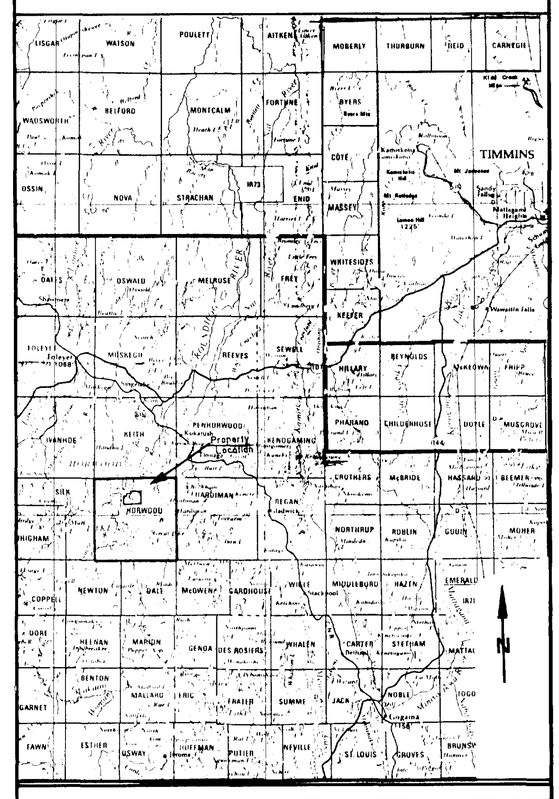
Survey by: *Guy Thibault Exploration Services*
Operators: M. Tremblay

Instrument: Geonics EM - 16	Date of Survey: AUGUST 1987 - FEBUARY 1988
Drafted by: M. Caron G. THIBAULT	SCALE: Vertical: 1cm= 10% Horizontal: 1:2500

L- 9 E | L- 10 E | L- 11 E | L- 12 E | L- 13 E | L- 14 E | L- 15 E | L- 16 E | L- 17 E | L- 18 E | L- 19 E | L- 20 E

1200-N
1100-N
1000-N
900-N
800-N
700-N
600-N
500-N
400-N
300-N
200-N
100-N
B.L 0+00
100-S
200-S
300-S
400-S
500-S
600-S
700-S
T.L 750-S
800-S

LOCATION MAP



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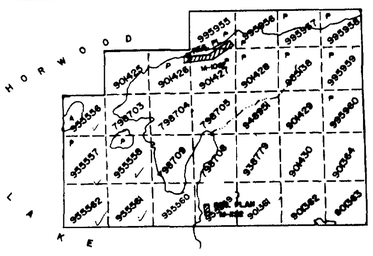

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MAGNETIC SURVEY

Add 58,000 Gammas to all readings for total field values

1000 / 500 Contours — Contour intervals: 500 GAMMAS

Depression Contour

▲ Base Station Location BL 0+00/ L- 0
58,799

Fault

2.11166

GEOLOGICAL ASSOCIATION OF CANADA — K. W. GUY — FELLOW

BLUEBERRY ISLAND GOLD PROPERTY

HORWOOD TWP ONTARIO
PORCUPINE MINING DIVISION

BAYRIDGE-PELANGIO JOINT VENTURE

Survey by: *Guy Thibault Exploration Services*
Operators: M. Caron D. Crowley

Instrument:	Date of Survey:
Scintrex Proton MP-2	AUGUST 1987- FEBUARY 1988
Drafted by: M. Caron E. St-Amant	SCALE: 1:2500