

DOCUMENT NO.
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MAGNETIC SURVEY RESULTS
for
MURGOR RESOURCES INC.'S
(MACASSA CREEK OPTION)
MISHIBISHU PROPERTIES
NTS blocks 41N/14NW and 42C/03SW

RECEIVED
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MINING LANDS BRANCH

SALT STE. MARIE MINING DIVISION
RECEIVED

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December, 1996

*Qual. #
2.11019*

J.G. Clark
CLARK-EVELEIGH
CONSULTING



42C04SE0025 2.16986 DAVIDS LAKE

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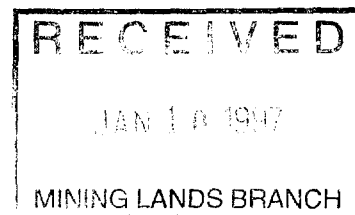
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INTRODUCTION

Clark-Eveleigh Consulting was contracted to complete a magnetic and electromagnetic (VLF-EM) survey on Murgor Resource's Inc.'s, Mishibishu Properties. The survey consisted of approximately 19 kilometers of readings covering portions of the Macassa Creek Option. The work was completed between October 4th, 1996 and December 12th, 1996.

LOCATION AND ACCESS

The Mishibishu Properties are located approximately 300 kilometres east of Thunder Bay and 50 kilometres southwest of Wawa within the Sault Ste. Marie Mining Division (Figure 1). The properties are centred on latitude 48 degrees, 02 minutes and longitude 85 degrees, 28 minutes and lie within NTS blocks 41N/14NW and 42C/03SW. They are recorded on the David Lake (G-3765), Mishibishu Lake (G-3772) and Point Isacor (G-3778) claim maps. The properties comprise four claim groups accessible via the Eagle River Mine road which either crosses through or lies within 2 kilometres of the road. The Eagle River Mine road departs southerly from Highway 17 approximately 50 kilometres west of Wawa. The properties are located between 35 and 45 kilometres south on the Eagle River mine road. A transmission power line parallels the Eagle Mine road along its entire length.

The community of Wawa provides manpower, supplies and services to logging, mining and exploration industries currently active in the area. Wawa is easily accessed and provides rail, ship, road and air transportation facilities.

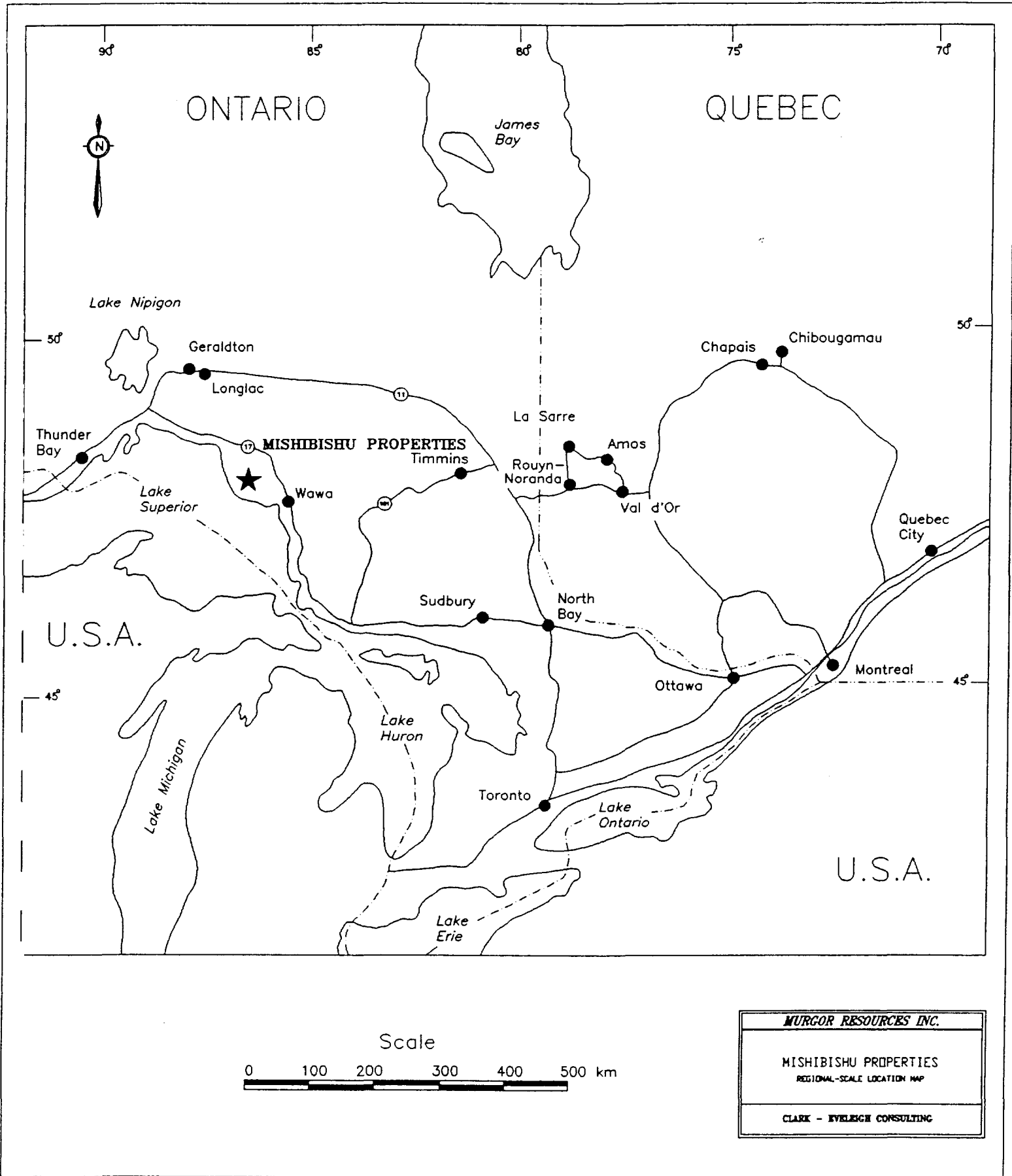


Figure 1. Regional-scale map showing the location of the Mishibishu Properties.

CLAIMS

The Mishibishu Properties comprise six options (Macassa Creek, Dorset, Cameron, Marten, Missing Lake and Birch Vein) lying within four claim blocks (Figures 2,3). The properties consist of - 16 hectare units recorded in good standing within the Sault Ste. Marie Mining Division. The properties are located within the David Lake (G-3765), Mishibishu Lake (G-3772) and Point Isacor (G-3778) claim map areas. The properties and claims are:

Macassa Creek Option

SS 771449 (1 unit)	SS 771450 (1 unit)	SS 779377 (1 unit)
SS 779378 (1 unit)	SS 779379 (1 unit)	SS 779380 (1 unit)
SS 779381 (1 unit)	SS 779382 (1 unit)	SS 779383 (1 unit)
SS 779384 (1 unit)	SS 779385 (1 unit)	SS 779386 (1 unit)
SS 779387 (1 unit)	SS 779388 (1 unit)	SS 779389 (1 unit)
SS 779390 (1 unit)	SS 779391 (1 unit)	SS 779392 (1 unit)
SS 779393 (1 unit)	SS 779394 (1 unit)	SS 779395 (1 unit)
SS 779396 (1 unit)	SS 779397 (1 unit)	SS 779398 (1 unit)
SS 779399 (1 unit)	SS 779400 (1 unit)	SS 809801 (1 unit)
SS 809802 (1 unit)	SS 809803 (1 unit)	SS 809804 (1 unit)
SS 809805 (1 unit)	SS 809806 (1 unit)	SS 809807 (1 unit)
SS 809808 (1 unit)	SS 809809 (1 unit)	SS 809810 (1 unit)
SS 809811 (1 unit)	SS 809812 (1 unit)	SS 809813 (1 unit)
SS 809814 (1 unit)	SS 809815 (1 unit)	SS 809816 (1 unit)
SS 809817 (1 unit)	SS 809818 (1 unit)	SS 809819 (1 unit)
SS 809820 (1 unit)	SS 809821 (1 unit)	SS 809822 (1 unit)
SS 809823 (1 unit)	SS 809824 (1 unit)	SS 809825 (1 unit)
SS 809826 (1 unit)	SS 809827 (1 unit)	SS 809828 (1 unit)
SS 809829 (1 unit)	SS 809830 (1 unit)	SS 809831 (1 unit)
SS 809832 (1 unit)	SS 809833 (1 unit)	SS 809834 (1 unit)
SS 809835 (1 unit)	SS 809836 (1 unit)	SS 809837 (1 unit)
SS 809838 (1 unit)	SS 809839 (1 unit)	SS 809840 (1 unit)
SS 809841 (1 unit)	SS 809842 (1 unit)	SS 809843 (1 unit)
SS 809844 (1 unit)	SS 809845 (1 unit)	SS 809846 (1 unit)
SS 809847 (1 unit)	SS 809848 (1 unit)	SS 809849 (1 unit)
SS 809850 (1 unit)	SS 809851 (1 unit)	SS 809852 (1 unit)
SS 809853 (1 unit)	SS 809854 (1 unit)	SS 809855 (1 unit)
SS 809856 (1 unit)	SS 809857 (1 unit)	SS 809858 (1 unit)
SS 809859 (1 unit)	SS 809860 (1 unit)	SS 809861 (1 unit)
SS 809862 (1 unit)	SS 809863 (1 unit)	SS 809864 (1 unit)
SS 809865 (1 unit)	SS 809866 (1 unit)	SS 809867 (1 unit)
SS 809868 (1 unit)	SS 809869 (1 unit)	SS 809870 (1 unit)
SS 809871 (1 unit)	SS 809872 (1 unit)	SS 809873 (1 unit)
SS 809874 (1 unit)	SS 809875 (1 unit)	SS 809876 (1 unit)
SS 809877 (1 unit)	SS 809878 (1 unit)	SS 809879 (1 unit)
SS 809880 (1 unit)	SS 809881 (1 unit)	SS 809882 (1 unit)
SS 809883 (1 unit)	SS 809884 (1 unit)	SS 809885 (1 unit)
SS 809886 (1 unit)	SS 809887 (1 unit)	SS 809888 (1 unit)
SS 809889 (1 unit)	SS 809890 (1 unit)	SS 809891 (1 unit)
SS 809892 (1 unit)	SS 809893 (1 unit)	SS 809894 (1 unit)
SS 809895 (1 unit)	SS 809896 (1 unit)	SS 809897 (1 unit)
SS 809898 (1 unit)	SS 809899 (1 unit)	SS 809900 (1 unit)
SS 827368 (1 unit)	SS 843124 (1 unit)	SS 843125 (1 unit)
SS 843126 (1 unit)	SS 843127 (1 unit)	SS 843134 (1 unit)

SS 843135 (1 unit) SS 843136 (1 unit) SS 843137 (1 unit)
SS 924762 (1 unit) SS 924763 (1 unit) SS 924764 (1 unit)
SS 924765 (1 unit) SS 924766 (1 unit) SS 924767 (1 unit)
SS 924768 (1 unit) SS 924769 (1 unit) SS 924770 (1 unit)
SS 1058857 (1 unit) SS 1058858 (1 unit) SS 1058859 (1 unit)
SS 1058860 (1 unit)

Birch Vein Option

SS 924435 (1 unit) SS 924436 (1 unit) SS 924437 (1 unit)
SS 924438 (1 unit) SS 924439 (1 unit) SS 924440 (1 unit)

Missing Lake Option

SS 948165 (1 unit) SS 948166 (1 unit) SS 948167 (1 unit)
SS 948168 (1 unit) SS 948169 (1 unit) SS 948170 (1 unit)
SS 948171 (1 unit) SS 948172 (1 unit) SS 948173 (1 unit)
SS 948174 (1 unit) SS 948175 (1 unit) SS 948176 (1 unit)
SS 948185 (1 unit) SS 948186 (1 unit) SS 992176 (1 unit)
SS 1037242 (1 unit) SS 1037243 (1 unit) SS 1037244 (1 unit)
SS 1037245 (1 unit) SS 1037246 (1 unit) SS 1037251 (1 unit)
SS 1037251 (1 unit) SS 1037252 (1 unit) SS 1037616 (1 unit)
SS 1025758 (1 unit) SS 1025759 (1 unit) SS 1025760 (1 unit)
SS 1025761 (1 unit) SS 1025762 (1 unit) SS 1025763 (1 unit)
SS 1025764 (1 unit) SS 1025768 (1 unit) SS 1025769 (1 unit)
SS 1025770 (1 unit) SS 1026528 (1 unit) SS 1026529 (1 unit)
SS 1026530 (1 unit) SS 1027230 (1 unit) SS 1027231 (1 unit)
SS 1027232 (1 unit) SS 1027233 (1 unit) SS 1027234 (1 unit)

Marten Option

SS 1208099 (9 units) SS 1208100 (3 units) SS 1208153 (16 units)
SS 1208155 (6 units) SS 1208156 (15 units) SS 1208157 (12 units)
SS 1208159 (1 unit) SS 1208160 (3 units) SS 1208195 (12 units)
SS 1208197 (6 units) SS 1224642 (6 units) SS 1204866 (1 unit)

Cameron Option

SS 1224837 (16 units)

Dorset Option

SS 1224838 (1 unit) SS 1224839 (2 units) SS 1224840 (2 units)

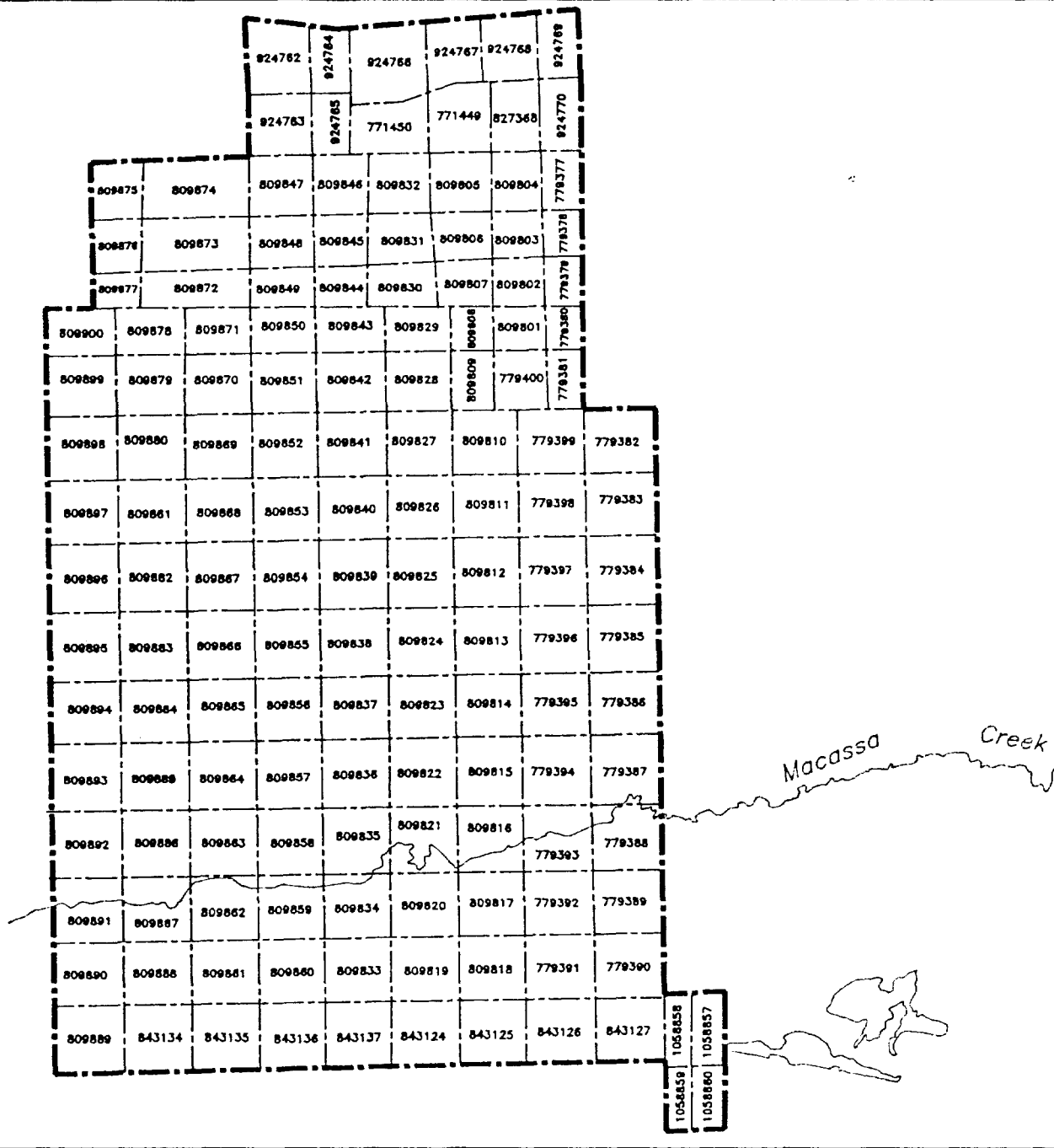


Figure: 2

MURGOR RESOURCES INC.
 MISHIBISHU PROPERTIES
 MACASSA CREEK OPTION
 CLAIMS
 CLARK - EYELEIGH CONSULTING

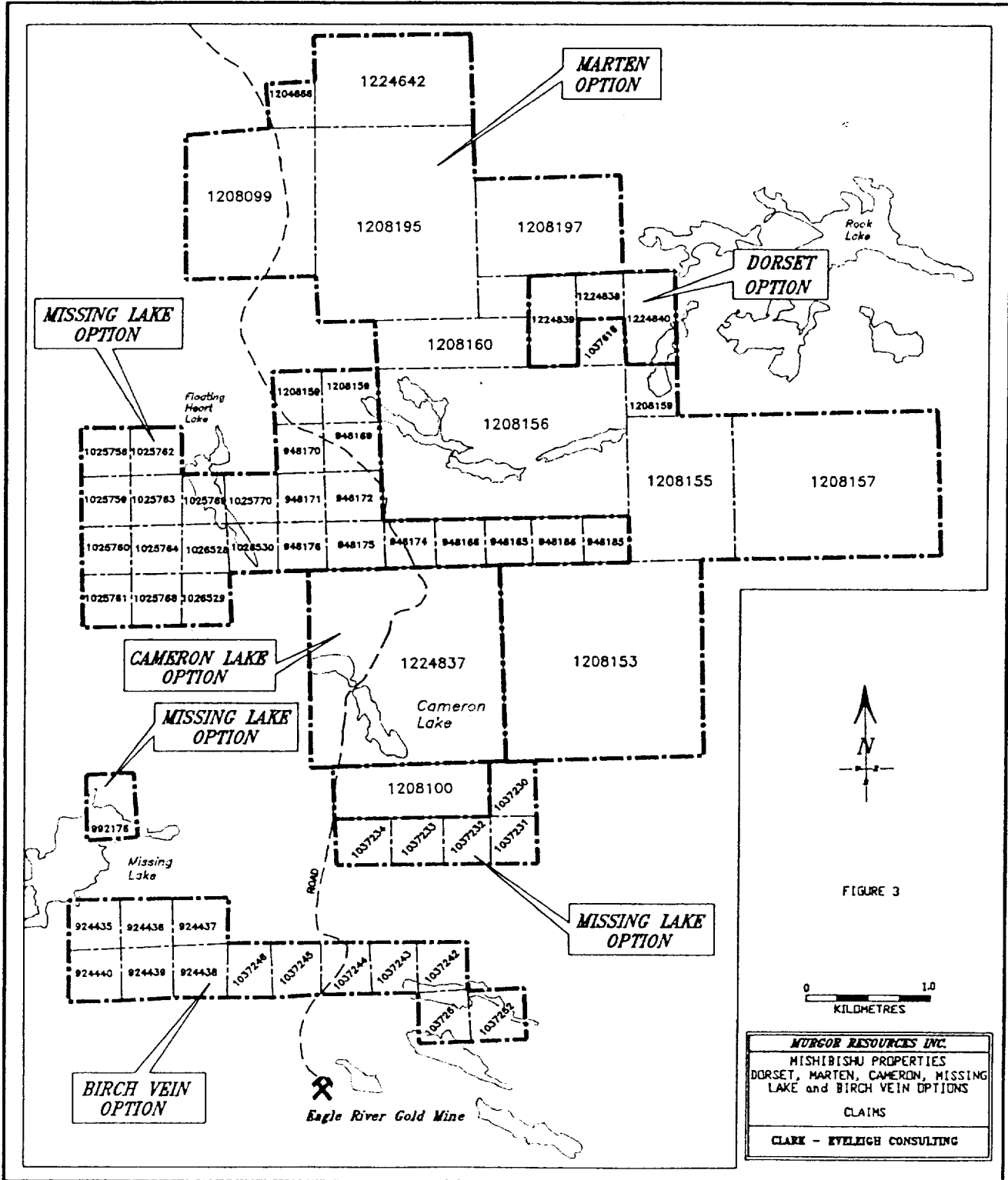


FIGURE 3

GENERALIZED REGIONAL GEOLOGY

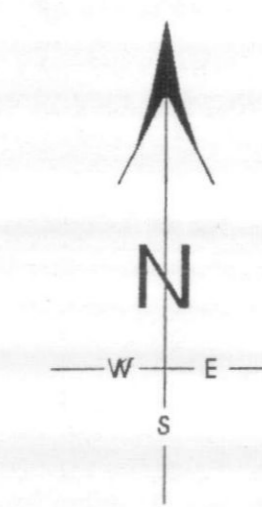
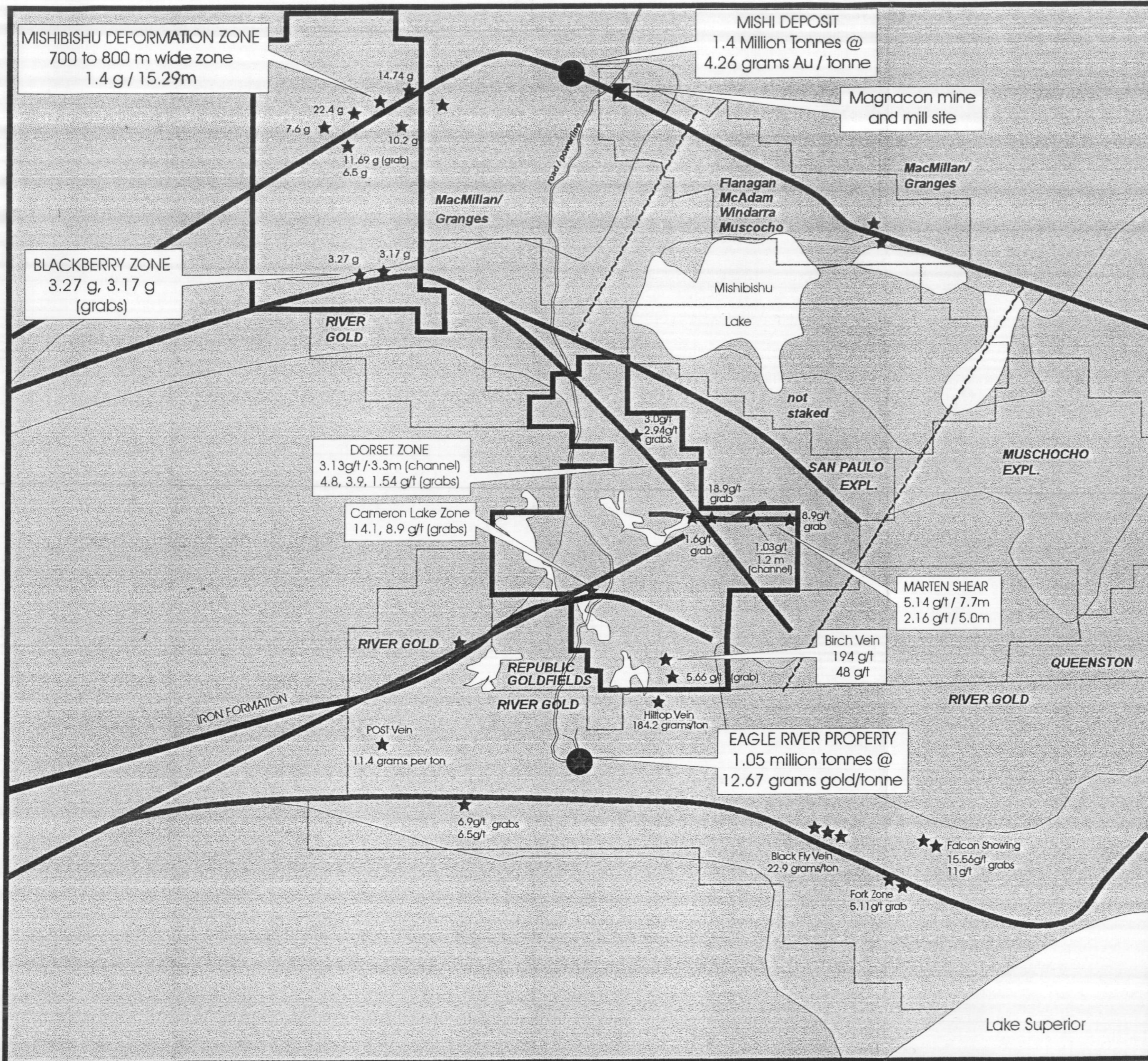
The late Archean Mishibishu Lake greenstone belt lies within the Wawa Subprovince of the Superior Structural Province (Figure 4). Volcanic rocks within the belt are dominated by one sequence of mafic (magnesium to iron tholeiite) massive to pillowed flows and associated pyroclastic units (Bowen 1986). Thin (1 to 5 metre) intermediate-felsic flows and pyroclastic rocks are intercalated with the mafic volcanic sequence. Interflow chemical (magnetite-chert, magnetite iron stone) and clastic sediments (conglomerate-turbidites) mark quiescent and rapid uplift/erosional periods within the belt. Coarse grained locally porphyritic mafic rocks have been interpreted as thick flows and/or sills and dikes. Felsic to intermediate sills, dikes and plutons within the belt vary in composition (quartz-feldspar porphyritic granite to porphyritic diorite) and size.

External batholiths enclose the supracrustal rocks. These batholiths predate the supracrustal rocks and are complex and multiphase in composition. These rocks are locally gneissic and range from well foliated to massive. Their composition varies from muscovite-biotite tonalite-diorite to hornblende granite.

A batholith, pluton and stock intrude the belt and form ovoid shaped bodies. The batholith (Bowman Lake) is composed of massive to foliated biotite and muscovite-biotite granodiorite and granite (Bowen 1986). The homogeneous pluton (Central) is relatively homogeneous and composed of porphyritic biotite monzogranite and granodiorite. The massive stock (Mishibishu Lake) is massive and composed of a specular hematite and magnetite bearing monzonite to quartz monzonite.

Archean diabase dikes crosscut all rock units. The dikes are oriented northerly, north-westerly and to a lesser extent north-easterly.

Regional metamorphism of the belt is of greenschist facies grade with amphibolite facies grade occurring at the contacts with the stocks and batholiths.



legend

- Granite
- Mafic Volcanics
- Shear Zone
- Major Deformation Zone
- Claim Boundary
- Gold Showing
- Decline
- Gold values grams per tonne

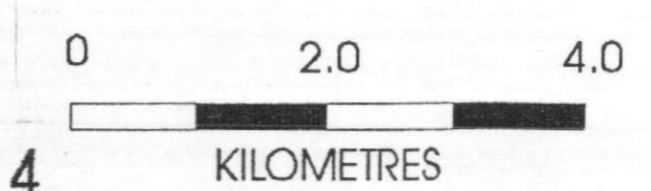


Figure 4

MURGOR RESOURCES INC.

**MISHIBISHU
PROPERTIES
COMPILATION MAP**

JULY 1996

REGIONAL GOLD MINERALIZATION

The exploration completed from the mid-1980's to the present has located numerous gold occurrences and mineral reserves within the Mishibishu greenstone belt. The gold mineralization is associated with quartz veins and sulphides (arsenopyrite-pyrite-chalcopyrite-pyrrhotite-galena) within areas of high strain (shear zones) and intense alteration. Large scale structures have been mapped by government geologists and exploration by private industry has located significant gold trends in the belt.

The gold bearing structures are commonly localized at lithological contacts due to the competency contrasts within the rocks (Heather 1986). The alteration associated with the gold bearing structures includes chlorite-carbonate (calcite-ankerite), chlorite-sericite and sericite-quartz. The deformation zones are commonly metres to hundreds of metres wide and tens of kilometres long. An example of the regional extent of these structures and their associated alteration is the Mishibishu Deformation Zone which has been identified for over a 20 kilometres along strike with widths of up to 500 metres (Heather 1986). Other large deformation zones include the Eagle River and Rook Lake zones.

The most significant gold mineralization located to date occurs in the Mishibishu (Mishi Deposit 1.4 million tonnes @ 4.26 grams gold/ tonne) and Eagle River (Eagle River mine 1.05 million tonnes @ 12.67 grams gold per tonne) deformation zones. Previous exploration during the 1980's located numerous gold showings in the various named and unnamed deformation zones within the belt. These showings have received varying amounts of exploration and/or development since their discovery.

PREVIOUS EXPLORATION

The Mishibishu Lake greenstone belt has been explored intermittently since the discovery of gold in the area by Hollinger Gold Mines Ltd.(1935). Sporadic exploration has been conducted for base metals but the most extensive exploration in the area was initiated after the discovery of the Hemlo Ore body. Exploration of greenstone belts located within 200 kilometres of the Hemlo discovery increased in the early 1980's as the style and quantity of gold mineralization became public.

Previous work on file in the Sault Ste Marie Resident Geologist Office includes:

Macassa Creek Option

1983: Airborne geophysical survey (magnetic, electromagnetic and VLF-Electromagnetic) completed by Aerodat Inc. for Dominion Explorers Inc..

1983-

1984: Ground geophysical (magnetic and VLF-EM) surveys completed by Dominion Explorers Inc.. The surveys defined the ground locations of conductors and magnetic trends located by the airborne surveys.

1984-

1986: Prospecting, soil sampling and geological mapping completed by Dominion Explorers Inc. located numerous gold showings along the Mishibishu Deformation Zone.

1986: Induced polarization survey completed by Dominion Explorers Inc. to evaluate potential of tracing gold showings by conductivity.

1986-

1987: Dominion Explorers Inc. completed diamond drilling (26 holes, 2211 metres) to assess gold showings and geophysical anomalies.

1988-

1989: Noranda Exploration Company Ltd. completed an integrated program of geological mapping, prospecting, soil sampling, diamond drilling and trenching. The program expanded and defined the known areas of gold mineralization.

Dorset, Cameron, Marten and Missing Lake Options

1970: Falconbridge Nickel Mines Ltd. completed an airborne geophysical (electromagnetic and magnetic) survey over the eastern portion of the present block to define potential base metal targets.

1972: Asarco Exploration Company of Canada completed a diamond drill program (4 holes 300 metres) testing base metal targets located just north of the Cameron Lake area.

1978: Noranda Exploration Company Ltd. completed a ground geophysical (magnetic-electromagnetic) survey exploring for base metals over the central portion of the claim block.

1980: Amoco Canada Petroleum completed a base metal exploration program north of Cameron Lake. The work included geological mapping and diamond drilling (4 holes-380 metres).

1983: Dominion Explorers Inc. completed a regional airborne geophysical (magnetic-electromagnetic) survey. Follow-up exploration on the present claim blocks included ground geophysical surveys (magnetics-electromagnetics), geological mapping and geochemical sampling.

1987-

1988: Dominion Explorers Inc. completed soil geochemical survey over the Cameron Lake Area and conducted diamond drilling (4 holes-272 metres) on the Dorset property.

1988-

1990: Noranda Exploration Company Ltd. optioned the Dominion Explorers ground and completed geological mapping, geophysical survey (induced polarization-magnetics-VLF-EM), soil geochemical surveys, stripping, prospecting and diamond drilling (21 holes-2208 metres). This exploration located numerous new gold occurrences on the present claim blocks. The diamond drill program was completed on the Marten and Missing Lake claim blocks.

Birch Vein Option

1983- Dominion Explorers completed a large-scale airborne geophysical (magnetics electromagnetic) survey which included the present claim block.

1989-

1990: Noranda Exploration Company Ltd. completed prospecting, a ground magnetic survey, soil sampling, hand stripping and diamond drilling on a large block which included the present claim block.

PROPERTY GEOLOGY

The Mishibishu Properties are located within the Mishibishu Lake greenstone belt. The properties are underlain by rocks and structures favourable to host gold mineralization similar to that found at the Eagle River Mine (1.05 million tonnes @ 12.67 grams gold per ton) and the Mishi Deposit (1.4 million tonnes @ 4.26 grams gold per ton). The geology of the properties is:

Macassa Creek Option

The property is underlain by two sequences (north and south) of west-southwest trending volcanic rocks that flank a thick clastic sedimentary sequence. The volcanics consist of amphibolitized, massive, mafic to intermediate flows intercalated with narrow felsic units. The sedimentary rocks comprise a series of polymictic conglomeratic horizons within a series of gritty quartz sandstones and dirty wackes. Late diabase dikes cross cut all rock types.

The Mishibishu Deformation Zone crosses the north part of the property. The rocks within the deformation zone are well foliated, chlorite-calcite schists (mafic volcanic protolith) and gritty, quartz-chlorite (\pm sericite) schists (sedimentary protolith). The degree of alteration and deformation within the zone varies in intensity and thickness (100-800 metres) along strike.

Gold mineralization on the Macassa Creek Property is located within quartz veined, highly strained, grey, siliceous, quartz eye-bearing rocks. Pervasive carbonate, amphibole, garnet, biotite and sericite alteration varies along strike within the deformation zone. The tourmaline, pyrite, arsenopyrite and ankerite-bearing quartz veins range in width from 1 to 40 centimetres and often have 3-4 centimetre wide haloes containing coarse-grained (0.5 centimetre) disseminated arsenopyrite crystals. Visible gold occurs as rare fine-grained specks within the quartz.

The metamorphic grade of the supracrustal rocks underlying the Macassa Creek property is upper greenschist to lower amphibolite facies.

Dorset, Cameron, Marten, Birch Vein and Missing Lake Options

These properties are underlain by easterly-trending intercalated sequences of mafic to intermediate volcanics rocks, clastic sedimentary rocks and siliceous lean iron formation. The volcanic rocks comprise massive flows with minor tuffaceous horizons. The clastic sedimentary rocks include greywackes and minor conglomerates. The lean iron formation units are generally <3 metres thick except on the Cameron property where geophysical surveys indicate widths of up to 200 metres. All rock types are cross-cut by northwest and westerly trending diabase dikes.

Shear zones and larger deformation zones are located along lithologic contacts. The dominant direction of shearing is easterly with secondary north-westerly cross-cutting shears. The sericite, carbonate, chlorite, sulphide (pyrite, pyrrhotite and arsenopyrite) and quartz vein bearing shears are up to 100 metres wide with strike lengths of up to 2 kilometres.

Gold mineralization on the properties has been located within westerly and north-westerly trending shear and deformation zones. Alteration and quartz veining varies along the strike of the deformation zone. The sulphides within the altered shear zones include pyrite, pyrrhotite and fine-grained arsenopyrite. The pyrite and arsenopyrite-bearing quartz veins vary in width up to 1.5 metres and are generally <100 metres strike long. The gold mineralization occurs both the quartz veins and the altered rock. The shear zones hosting the gold mineralization pinch and swell along strike.

The metamorphic grade of the supracrustal rocks comprising the properties is upper greenschist facies.

PROPERTY GOLD MINERALIZATION

Exploration completed in the 1980's located numerous gold showings on Murgor Resources Inc.'s Mishibishu Properties. This exploration included a limited amount of diamond drilling that confirmed the depth continuity of the surface mineralization.

Macassa Creek Option

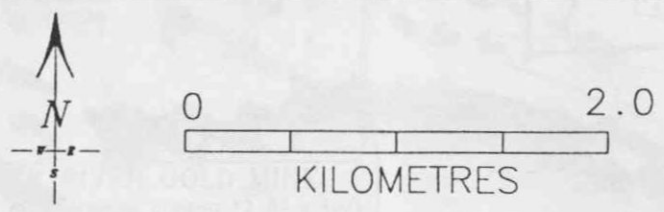
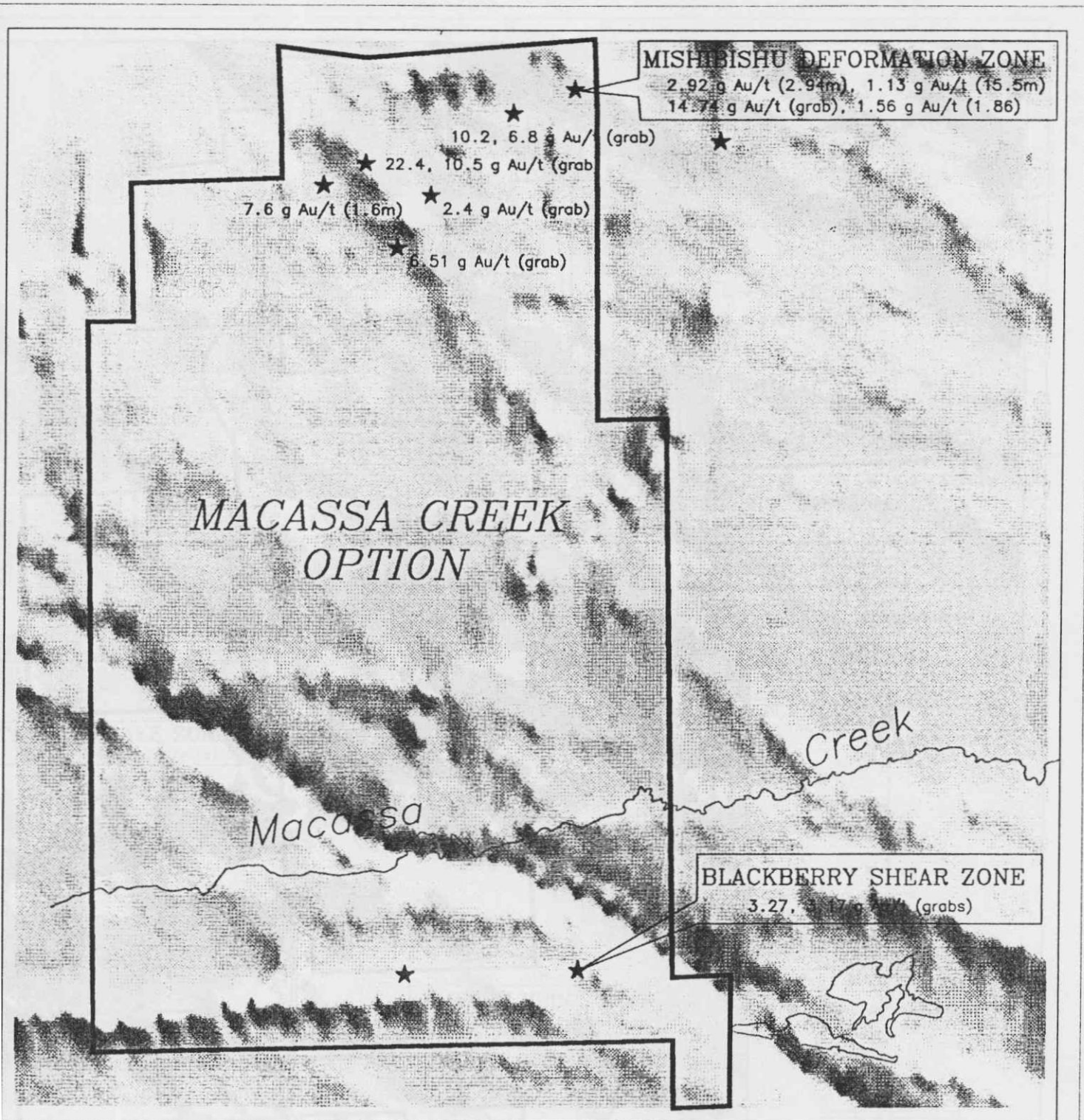
Gold mineralization on the Macassa Creek Option has been located within the Mishibishu Deformation zone and the Blackberry zone (Figure 5).

The gold mineralization in the Mishibishu Deformation zone has been traced by surface sampling and diamond drilling over an area up to 800 metres wide and 2.0 kilometres long. The highly strained, quartz-veined, arsenopyrite-rich zones produce the most consistent gold values. Past exploration has defined three high strain zones within the broad Mishibishu Deformation zone on the Macassa Creek option. Gold values returned from samples collected within the high strain zones include grab samples containing trace to 14.74 grams gold per ton, trench channel samples containing trace to 11.69 grams gold per ton over 0.8 metres and diamond drill core samples containing trace to 2.92 grams gold per ton over 2.94 metres. The exploration completed to date has not fully evaluated the width nor strike length potential of the Mishibishu Deformation zone.

The Blackberry zone has received only limited prospecting (Figure 5). The zone of shearing has been traced across width for up to 200 metres and along strike for of 0.8 kilometres. Limited grab sampling has return assay values of trace to 3.27 grams gold per ton.

Dorset Option

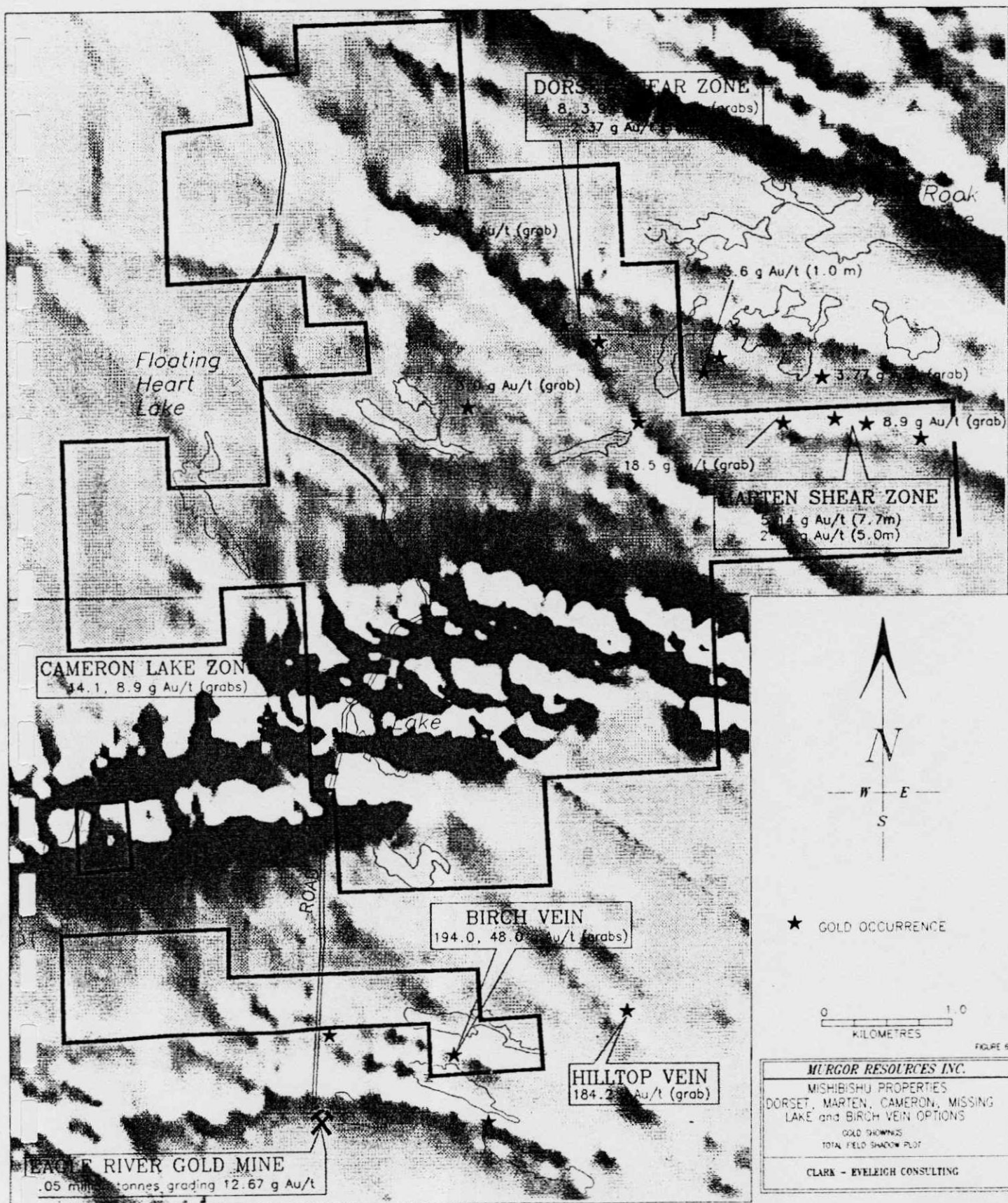
The Dorset option covers the Dorset showing (Figure 6). The showing consists of pyrite, pyrrhotite and arsenopyrite-bearing silica and carbonate altered, sheared intermediate to mafic volcanic rocks. Stripped areas of mineralization returned assay values of 2.89, 1.14, 1.03 and 1.2 grams gold per ton over 2.9, 3.0, 1.0 and 2.0 metres respectively. Diamond drilling completed prior to stripping did not return comparable values. The stripping revealed foliation-cross cutting silica alteration which may correspond to a different trend of gold mineralization then that tested by drilling.



★ Gold Occurrence

MURGOR RESOURCES INC.
 MISHIBISHU PROPERTIES
 MACASSA CREEK OPTION
 GOLD SHOWINGS
 TOTAL FIELD SHADOW PLOT
 CLARK - EVELRICH CONSULTING

Figure: 5



Marten Option

The Marten option covers the Marten shear zone (Figure 6). The gold mineralization is hosted within an altered shear zone located along the contact between volcanic and sedimentary rocks. The sericite, chlorite, carbonate and silica-altered, sulphide-(pyrite, pyrrhotite and arsenopyrite)bearing shear zone contains quartz veins ranging from <0.10 to 1.5 metres wide and 100 metres long. The Marten shear zone has been traced intermittently for over 2.0 kilometres and varies in width of up to 25 metres. Exploration of the shear zone has included stripping and limited amounts of diamond drilling (21 holes-2208). Grab samples collected along the strike of the shear zone have returned assays of 8.9, 18.5 and 1.6 grams gold per ton and trench samples have returned values of 3.77 and 1.03 grams gold per ton over 0.7 and 1.2 metres respectively. Diamond drilling of 13 short diamond drill holes (over approximately 1.0 kilometres of strike length returned values of 2.57, 2.7, 1.03, 2.16 and 5.14 grams gold per ton over 1.0, 2.0, 1.0, 5.0 and 7.7 metres respectively. The full strike extent of the Marten zone has not been fully evaluated.

Cameron Option

The Cameron option covers a gold showing known as the Cameron Lake and Clyde zone (Figure 6). Easterly trending interbeds of arenite and siliceous iron formation containing pyritic (trace to 2%) quartz veins have returned gold values. Limited sampling of the mineralization has returned values of 14.4, 7.83, 2.07 and 8.9 grams gold per ton from grab samples. The extent of gold mineralization has not been fully evaluated.

Birch Vein Option

The Birch vein option covers the gold bearing Birch vein (Figure 6). The northwest trending, <1.0 metres wide sucrosic quartz vein has been exposed for 25 metres along strike. The sulphide-(1-2% pyrite and arsenopyrite) bearing quartz vein is hosted by blue quartz-eye phyric felsic tuff. Sampling of the vein has returned 193.9 and 48.34 grams gold per ton from grab samples and 7.44 and 4.63 grams gold per ton over 0.8 and 1.0 metre respectively from chip samples. The extent and continuity of the Birch vein have not been fully evaluated.

MAGNETIC AND ELECTROMAGNETIC SURVEY

A 19 kilometer magnetic and electromagnetic (VLF-EM) survey was completed on a north-south oriented grid covering a portion of the Macassa Creek Option. The linecutting and data collection was completed by Canadian Exploration Services of Timmins. Mike Tremblay was the supervisor and principal data collector. The work was completed on claims:

SS 779377 SS 779378 SS 779379 SS 809802
SS 809803 SS 809804 SS 809805 SS 809806
SS 809807 SS 809829 SS 809830 SS 809831
SS 809832 SS 809843 SS 809844 SS 809845

The magnetic survey was completed using GEM GSM-19 field and base units. The VLF-EM data was collected using the GEM GSM-19 field unit. Readings were recorded on 12.5 metre stations. Cutler, Maine (24.0 Khz.) was used as a transmitter source for the VLF-EM survey. The maps were completed using Geosoft and ACAD processing by Clark-Eveleigh Consulting. The magnetic data is presented as data and contour maps at a scale of 1:2500 (Map 1 & 2). The electromagnetic data is presented as data and profile maps at a scale of 1:2500 (Map 3 & 4).

RESULTS OF MAGNETIC SURVEY

The magnetic survey completed helps define the lithological units. The weak northwest trends (spotty low and highs) represent regional scale diabase dikes crosscutting stratigraphy (Map 2). Weak east-west trends, similar to the trend from L4100E, 55500N to L2800E, 55450N, indicate stratigraphic horizons (Map 2). This horizon corresponds to the known gold mineralization of the Mishibishu Deformation Zone.

The magnetic survey was contoured at 100 gamma intervals to allow simple presentation that defines stratigraphy. Contour intervals of <100 gammas would clutter the map with unneeded lines making interpretation difficult.

RESULTS OF ELECTROMAGNETIC (VLF-EM) SURVEY

The electromagnetic survey outlines two conductive horizons (Map 3). The conductor that trends from L4200E, 55500N to L2800E, 55450N has a corresponding magnetic trend. This conductive horizon is co-incident to the known gold mineralization. The extremely weak conductor from L3100E, 55100N to L2700E, 55100N corresponds to a weak magnetic feature.

The electromagnetic trends may be further defined by induced polarization surveys

CONCLUSIONS AND RECOMMENDATIONS

The magnetic survey outlined the stratigraphic horizons and the crosscutting diabase dikes. The electromagnetic survey outlined two conductive horizons with co-incident magnetic trends. The magnetic / conductive trends correspond to known gold mineralization.

Further work should be focused on determining the relationship of gold showings and the magnetic/ conductive trends. Prospecting, geological mapping, induced polarization and trenching are required to further evaluate the gold bearing potential of the claim block.

References

Assessment Files, Sault Ste. Marie Resident Geologists Office, Sault Ste. Marie

Bennett, Gerald and Thurston, P.C, 1977: Geology of the Pukaskwa River-University River Area, Districts of Algoma and Thunder Bay; Ontario Division of Mines, Geoscience Report 153, 60p. Accompanied by Maps 2332 and 2333, scale 1:63360 or 1 inch to 1 mile, and chart.

Bowen, R.P., and Logothetis, J., 1985: Mishibishu Lake Area, Districts of Algoma and Thunder Bay; p.78-82 in Summary of Field Work and Other Activities 1985, Ontario Geological Survey, edited by John Wood. Owen L. White, R.B. Barlow, and A.C. Colvine, Ontario Geological Survey, Miscellaneous Paper 126, 351p.

Bowen, R.P., Logothetis, J., and Heather, K.B., 1986a: Precambrian Geology of the Mishibishu Lake Area, Northwestern Section, Districts of Thunder Bay and Algoma; Ontario Geological Survey, Map P.2968, Geological Series-Preliminary Map, scale 1:15840 or 1 inch to ¼ mile.

1986b: Precambrian Geology of the Mishibishu Lake Area, North-Central Section, Districts of Thunder Bay and Algoma; Ontario Geological Survey. Map P.2969, Geological Series-Preliminary Map, scale 1:15840 or 1 inch to 1/4 mile.

1986c: Precambrian Geology of the Mishibishu Lake Area, Northeastern Section, Districts of Thunder Bay and Algoma; Ontario Geological Survey Map. P.2970. Geological Series-Preliminary Map, scale 1:15840 or 1 inch to 1/4 mile.

1986d: Precambrian Geology of the Mishibishu Lake Area, South-Central Section, Districts of Thunder Bay and Algoma; Ontario Geological Survey Map, P.2971, Geological Series-Preliminary Map, scale 1:15840 or 1 inch to 1/4 mile.

1986e: Precambrian Geology of the Mishibishu Lake Area, Southeastern Section, Districts of Thunder Bay and Algoma; Ontario Geological Survey Map, P.2972, Geological Series-Preliminary Map, scale 1:15840 or 1 inch to 1/4 mile.

Heather, K.B. 1985: Gold Showings of the Mishibishu Lake Area, District of Thunder Bay: p.83-89 in Summary of Field Work and Other Activities 1985, Ontario Geological Survey, edited by John Wood, Owen L. White, R.B. Varlow, and A.C. Colvine, Ontario Geological Survey, Miscellaneous Paper 126, 351p.

Heather, K.B. 1986: Mineralization of the Misibishu Lake Greenstone Belt, District of Thunder Bay: in Summary of Field Work and Other Activities 1986, by the Ontario Geological Survey, edited by P.C. Thurston, Owen L. White, R.B. Barlow, M.E. Cherry, and A.C. Colvine, Ontario Geological Survey.

Ontario Geological Survey 1987: Airborne Electromagnetic and Total Intensity Magnetic Survey, Wawa Area, Districts of Algoma, Sudbury and Thunder Bay; by Dighem Surveys & Processing Inc. for Ontario Geological Survey, Geophysical/Geochemical Series, Scale 1:20000. Survey and Compilation, April, 1987 to February 1988.

Woldeabzghi, T., Williams, G. 1990: Report of Activities (1989) on the Dominion Explorers Macassa Creek Property for Noranda Exploration Company Ltd.

Woldeabzghi, T., Bellinger, W., Eveleigh, A.E. 1989: Report of Activities (1989) on the Dominion Explorers Missing Lake Property for Noranda Exploration Company Ltd.

Williams, G., Gingerich, J. 1989: Summary Report (1988) on the Dominion Explorers Missing Lake Project for Noranda Exploration Company Ltd.

Statement of Qualifications

I, J. Garry Clark do hereby certify:

· I am a resident of Thunder Bay, Ontario, Canada with address 120 N. Robinson Dr., P7A 5G6

· I have been engaged in base and precious metal exploration as a geologist since 1983

· I am a graduate of Lakehead University, Thunder Bay, Ontario (H.B.Sc., Geology, 1983)

· I have reviewed all available technical data on the Mishibishu1 Properties.

· I am a partial owner of the Dorset and Cameron Lake Claim Blocks optioned to Murgor Resources Inc.

Signature:  _____

Name: J. Garry Clark

Date: Dec 96

B.16986



Declaration of Assessment Work Performed on Mining Land

Mining Act, Subsection 85(2) and 86(3), R.S.O. 1990

Transaction Number (office use)
 09657 00223
 Assessment Files Research Imaging

Personal Information
 Mining Act, 1991
 Questions at
 833 Ramsey



Instruction

42C04SE0025 2.16986 DAVIDS LAKE

Mining Act. Under section 8 of the
 respond with the mining land holder,
 Development and Mines, 6th Floor.

900 0240.

1. Recorded holder(s) (Attach a list if necessary)

Name <i>742 Alden, Treatise, Gilbert, Levesque, Dominion Explorers Inc.</i>	Client Number <i>222905</i>
Address <i>500 Alton Dr., Thunder Bay, ON P7B 6A5</i>	Telephone Number <i>807-625-9291</i>
	Fax Number <i>807-625-9293</i>
	Client Number
	Telephone Number
	Fax Number

RECEIVED
 JAN 10 1997
 MINING LANDS BRANCH

2. Type of work performed: Check (✓) and report on only ONE of the following groups for this declaration.

<input checked="" type="checkbox"/> Geotechnical: prospecting, surveys, assays and work under section 18 (regs)	<input type="checkbox"/> Physical: drilling, stripping, trenching and associated assays	<input type="checkbox"/> Rehabilitation
Work Type <i>Magnetic - Electromagnetic Survey</i>		
Office Use		Commodity
Total \$ Value of Work Claimed <i>10,280.00</i>		NTS Reference
Mining Division <i>S.S. Marie</i>		Resident Geologist District <i>S.S. Marie</i>

- Please remember to:**
- obtain a work permit from the Ministry of Natural Resources as required;
 - provide proper notice to surface rights holders before starting work;
 - complete and attach a Statement of Costs, form 0212;
 - provide a map showing contiguous mining lands that are linked for assigning work;
 - include two copies of your technical report.

Person or companies who prepared the technical report (Attach a list if necessary)

Name <i>Clark - Eveleigh Consulting (Garry Clark)</i>	Telephone Number <i>807-625-9291</i>
Address <i>500 Alton Dr., Thunder Bay P7B 6A5</i>	Fax Number <i>807-625-9293</i>
	Telephone Number
	Fax Number
	Telephone Number
	Fax Number

Certification by Recorded Holder or Agent

J. G. Clark
 (Print Name), do hereby certify that I have personal knowledge of the facts set in this Declaration of Assessment Work having caused the work to be performed or witnessed the same during its completion and, to the best of my knowledge, the annexed report is true.

Name of Recorded Holder or Agent <i>J. G. Clark</i>	Telephone Number <i>807-625-9291</i>	Date <i>Dec 16/96</i>
Address <i>500 Alton Dr., Thunder Bay</i>	Fax Number <i>807-625-9291</i>	

Deemed - March 20/97

5. Work to be recorded and distributed. Work can only be assigned to claims that are contiguous (adjoining) to the mining land where work was performed, at the time work was performed. A map showing the contiguous link must accompany this form.

Page 1 of 2

Mining Claim Number. Or if work was done on other eligible mining land, show in this column the location number indicated on the claim map.	Number of Claim Units. For other mining land, list hectares.	Value of work performed on this claim or other mining land.	Value of work applied to this claim.	Value of work assigned to other mining claims.	Bank. Value of work to be distributed at a future date.
eg TB 7827	16 ha	\$26,825	N/A	\$24,000	\$2,825
eg 1234567	12	0	\$24,000	0	0
eg 1234568	2	\$8,892	\$4,000	0	\$4,892
1 77937.7 ✓	1	865		200	665
2 779378 ✓	1	973		200	773
3 779379 ✓	1	595		200	395
4 809802 ✓	1	432		200	232
5 809803 ✓	1	758		200	558
6 809804 ✓	1	757		200	557
7 809805 ✓	1	595		200	395
8 809806 ✓	1	785		200	585
9 809807 ✓	1	893		200	693
10 809829 ✓	1	433			433
11 809830 ✓	1	1082		400	682
12 809831 ✓	1	595			595
13 809832 ✓	1	54			54
14 809843 ✓	1	431			431
15 809844 ✓	1	757		200	557
Column Totals		10005		2400	7605

2,169,866

I, J. G. Clark, do hereby certify that the above work credits are eligible under subsection 7 (1) of the Assessment Work Regulation 6/96 for assignment to contiguous claims or for application to the claim where the work was done.

Signature of Recorded Holder or Agent Authorized in Writing: [Signature] Date: Dec 16, 1996

6. Instructions for cutting back credits that are not approved.

Some of the credits claimed in this declaration may be cut back. Please check (✓) in the boxes below to show how you wish to prioritize the deletion of credits:

- 1. Credits are to be cut back from the Bank first, followed by option 2 or 3 or 4 as indicated.
 - 2. Credits are to be cut back starting with the claims listed last, working backwards; or
 - 3. Credits are to be cut back equally over all claims listed in this declaration; or
 - 4. Credits are to be cut back as prioritized on the attached appendix or as follows (describe):
- X - call prior to cut backs.

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

For Office Use Only RECEIVED 20 DEC 1996 7:00 AM 11:21 AM 12:34 PM 5:06 PM	Deemed Approved Date	Date Notification Sent
	Date Approved	Total Value of Credit Approved
	Approved for Recording by Mining Recorder (Signature)	

5. Work to be recorded and distributed. Work can only be assigned to claims that are contiguous (adjoining) to the mining land where work was performed, at the time work was performed. A map showing the contiguous link must accompany this form.

Mining Claim Number. Or if work was done on other eligible mining land, show in this column the location number indicated on the claim map.	Number of Claim Units. For other mining land, list hectares.	Value of work performed on this claim or other mining land.	Value of work applied to this claim.	Value of work assigned to other mining claims.	Bank. Value of work to be distributed at a future date.
eg TB 7827	16 ha	\$26,825	N/A	\$24,000	\$2,825
eg 1234567	12	0	\$24,000	0	0
eg 1234568	2	\$8,892	\$4,000	0	\$4,892
1 809845	1	280			280
2 771449	1		800		
3 771450	1		800		
4 827368	1		800		
5					2,159.86
6	No Claims				
7	16 Units				
8					
9					
10					
11					
12					
13					
14					
15					\$7,885.00
Column Totals		280	2400		(280)

I, J. G. Clark, do hereby certify that the above work credits are eligible under subsection 7 (1) of the Assessment Work Regulation 6/96 for assignment to contiguous claims or for application to the claim where the work was done.

Signature of Recorded Holder or Agent Authorized in Writing: [Signature] Date: Dec 16, 1996

6. Instructions for cutting back credits that are not approved.

Some of the credits claimed in this declaration may be cut back. Please check (✓) in the boxes below to show how you wish to prioritize the deletion of credits:

- 1. Credits are to be cut back from the Bank first, followed by option 2 or 3 or 4 as indicated.
- 2. Credits are to be cut back starting with the claims listed last, working backwards; or
- 3. Credits are to be cut back equally over all claims listed in this declaration; or
- 4. Credits are to be cut back as prioritized on the attached appendix or as follows (describe):
 - Call prior to cutbacks

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

For Office Use Only

Received Stamp	Deemed Approved Date <u>March 20, 1997</u>	Date Notification Sent
	Date Approved	Total Value of Credit Approved
Approved for Recording by Mining Recorder (Signature) <u>[Signature]</u>		

Personal information collected on this form is obtained under the authority of subsection 6(1) of the Assessment Work Regulation 6/96. Under section 8 of the Mining Act, the information is a public record. This information will be used to review the assessment work and correspond with the mining land holder. Questions about this collection should be directed to the Chief Mining Recorder, Ministry of Northern Development and Mines, 6th Floor, 933 Ramsey Lake Road, Sudbury, Ontario, P3E 6B5.

Work Type	Units of Work <small>Depending on the type of work, list the number of hours/days worked, metres of drilling, kilometres of grid line, number of samples, etc.</small>	Cost Per Unit	Total Cost
Line cutting	19 kilometres	310	5890
Mag + VLF Readings	"	155	2945
Report, maps + Copies		1450	1450
Associated Costs (e.g. supplies, mobilization and demobilization).			
			2.16986
Transportation Costs			
Food and Lodging Costs			
Total Value of Assessment Work			10,285.

Calculations of Filing Discounts:

1. Work filed within two years of performance is claimed at 100% of the above Total Value of Assessment Work.
2. If work is filed after two years and up to five years after performance, it can only be claimed at 50% of the Total Value of Assessment Work. If this situation applies to your claims, use the calculation below:

TOTAL VALUE OF ASSESSMENT WORK $\times 0.50 =$ Total \$ value of worked claimed.

Note:

- Work older than 5 years is not eligible for credit.
- A recorded holder may be required to verify expenditures claimed in this statement of costs within 45 days of a request for verification and/or correction/clarification. If verification and/or correction/clarification is not made, the Minister may reject all or part of the assessment work submitted.

Certification verifying costs:

I, J. Garry Clark, do hereby certify, that the amounts shown are as accurate as may reasonably be determined and the costs were incurred while conducting assessment work on the lands indicated on the accompanying Declaration of Work form as Agent. I am authorized to make this certification.

Signature <i>J. Garry Clark</i>	Date Dec 16/96
------------------------------------	-------------------



March 11, 1997

Sheila Lessard
Mining Recorder
60 Church Street
Sault Ste. Marie, ON
P6A 3H3

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

Telephone: (705) 670-5853
Fax: (705) 670-5863

Dear Sir or Madam:

Submission Number: 2.16986

Status

Subject: Transaction Number(s): W9650.00223 Deemed Approval

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

If the status for a transaction is a 45 Day Notice, the summary will outline the reasons for the notice, and any steps you can take to remedy deficiencies. The 90-day deemed approval provision, subsection 6(7) of the Assessment Work Regulation, will no longer be in effect for assessment work which has received a 45 Day Notice.

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

NOTE: This correspondence may affect the status of your mining lands. Please contact the Mining Recorder to determine the available options and the status of your claims.

If you have any questions regarding this correspondence, please contact Steve Beneteau by e-mail at beneteau_s@torv05.ndm.gov.on.ca or by telephone at (705) 670-5855.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Ron C. Gashinski".

ORIGINAL SIGNED BY
Ron C. Gashinski
Senior Manager, Mining Lands Section
Mines and Minerals Division

Work Report Assessment Results

Submission Number: 2.16986

Date Correspondence Sent: March 11, 1997

Assessor: Steve Beneteau

Transaction Number	First Claim Number	Township(s) / Area(s)	Status	Approval Date
W9650.00223	779377	DAVID LAKES	Deemed Approval	February 21, 1997

Section:

14 Geophysical EM

14 Geophysical MAG

Note in subsequent submissions, please ensure map quality facilitates duplication.

Correspondence to:

Mining Recorder
Sault Ste. Marie, ON

Resident Geologist
Sault Ste. Marie, ON

Assessment Files Library
Sudbury, ON

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

J.Garry Clark
DOMINION EXPLORERS INC.
THUNDER BAY, ONTARIO

C-3762
DAVID LAKE
C-3762

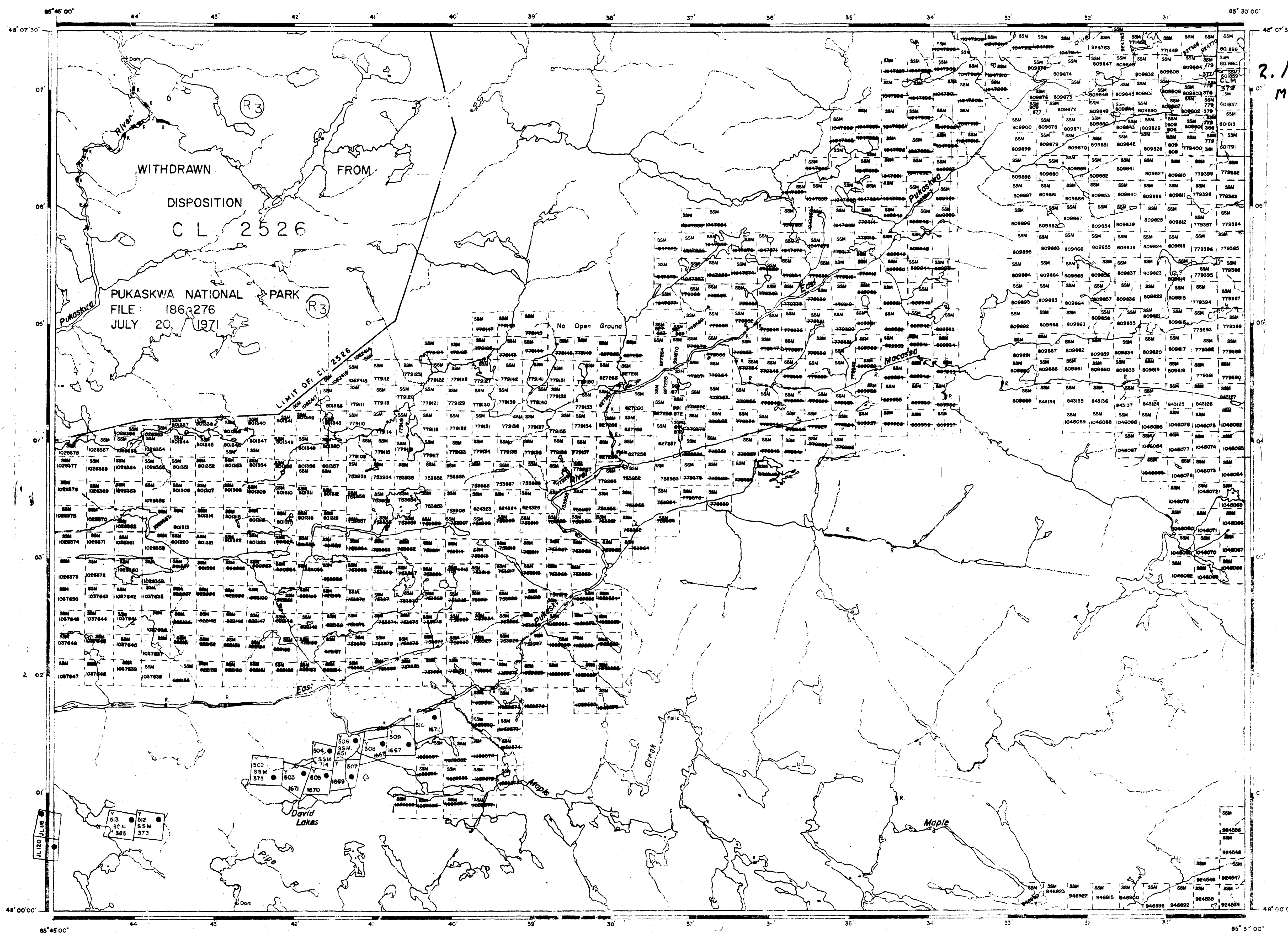
REFERENCES

AREAS WITHDRAWN FROM DISPOSITION

S.S.S. - SURFACE RIGHTS ONLY
 S.S.S. - SURFACE RIGHTS ONLY
 M.S.S. - MINING AND SURFACE RIGHTS

Disposition Order No. Date Disposition File

(R3) CL 2526 W.S.M.-D-91 JANUARY 25, 1991 S.M RIGHTS



REFERENCES

THE 1985 MAGNETIC BEARING APPROX. $S^{\circ} 30' W$
 ANNUAL CHANGE INCREASING $10' 40''$

2.16986 DOCUMENT NO.
 W9650 00223
 MAP, VLF

THE INFORMATION THAT APPEARS ON THIS MAP HAS BEEN COMPILED FROM VARIOUS SOURCES, AND ACCURACY IS NOT GUARANTEED. THOSE WISHING TO STAKE MINING CLAIMS SHOULD CONSULT WITH THE MINING RECORDER, MINISTRY OF NORTHERN DEVELOPMENT AND MINES, FOR ADDITIONAL INFORMATION ON THE STATUS OF THE LANDS SHOWN HEREON.

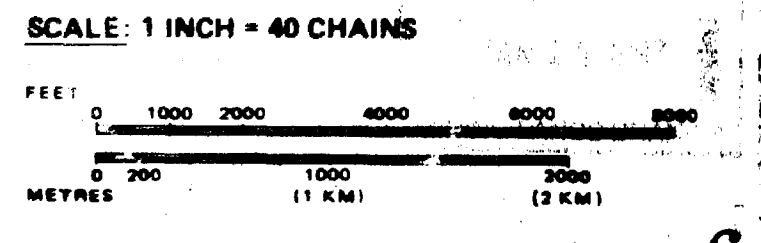
LEGEND

- 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 CERTAIN 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	
REBER / ATION	
CANCELLED	
SAND & GRAVEL	

NOTE: MINING RIGHTS IN PARCELS PATENTED PRIOR TO MAY 6, 1912, VESTED IN ORIGINAL PATENTEES BY THE PUBLIC LANDS ACT, R.S.O. 1970, CHAP. 200, SEC. 83, SUBSEC. 1



AREA 2.16986

DAVID LAKE

M.N.B. ADMINISTRATIVE DISTRICT
 WAWA

M.N.B. DISTRICT
 SAINT STE. MARIE

LAND TITLES / REGISTRY DIVISION
 THUNDER BAY

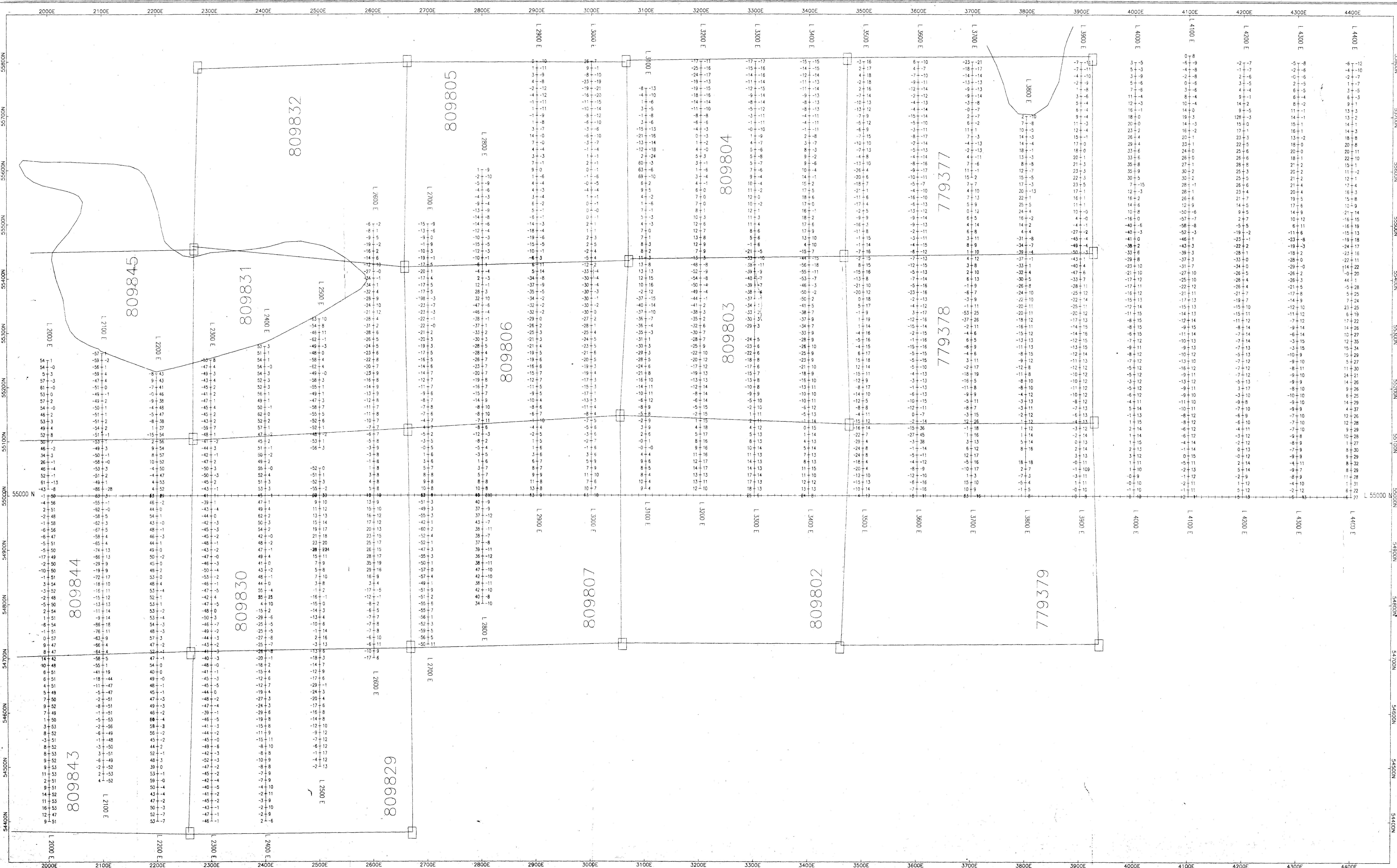


420482025 2 1888 DAVIDS LAKE 200

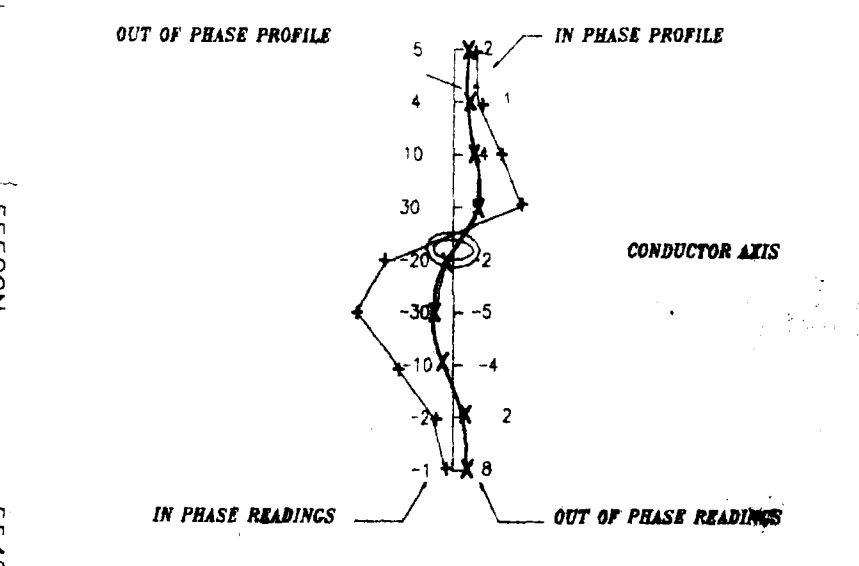
DECEMBER, 1986

Number
G-3765

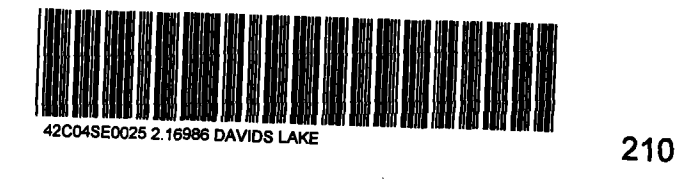
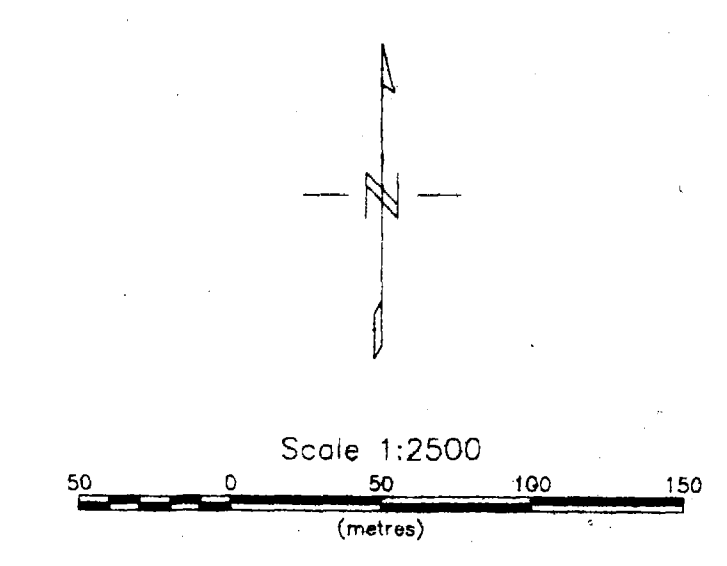
TRIM TO THIS LINE ALL AROUND



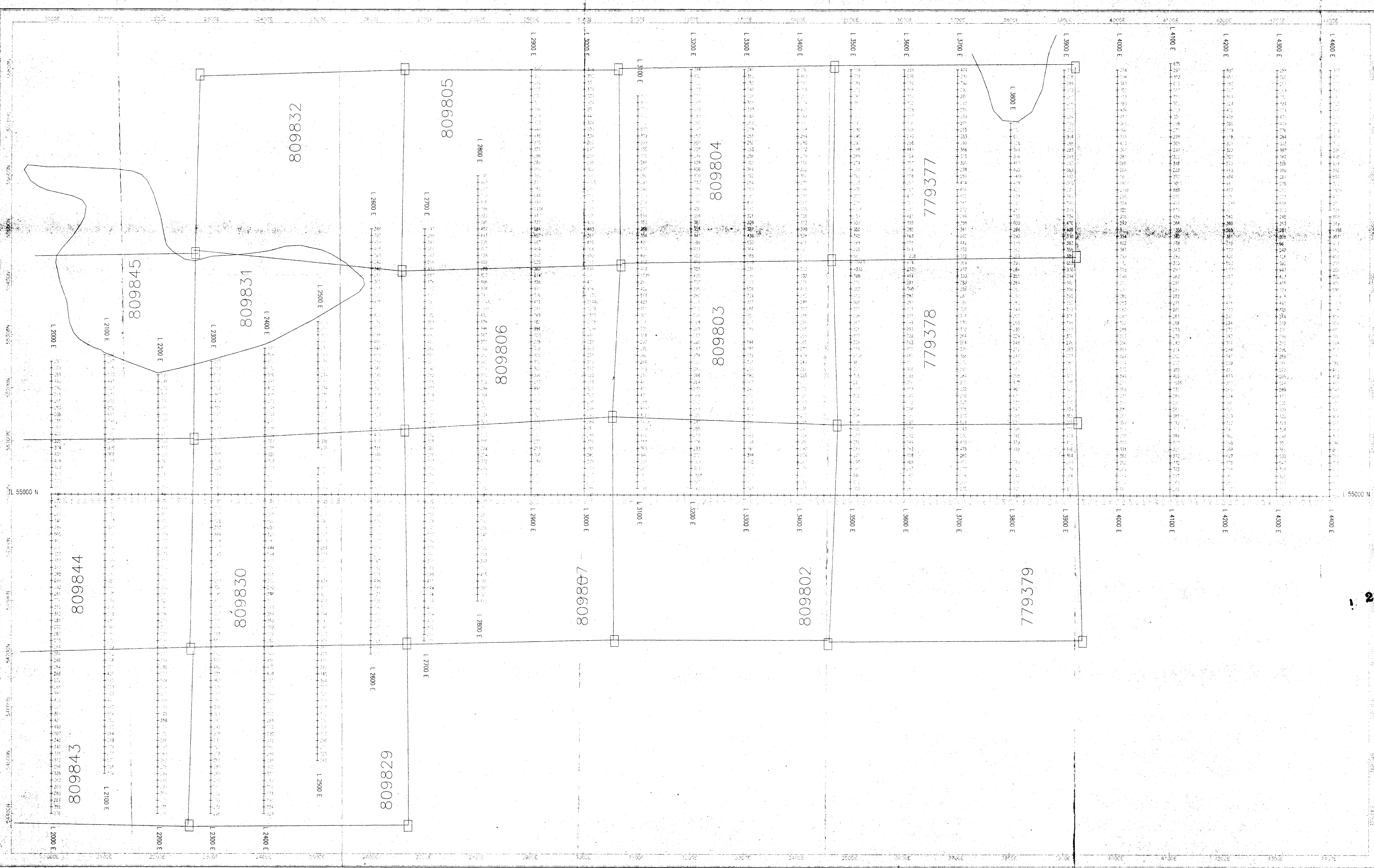
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 PROFILE SCALE: 1CM = 20%
 POSITIVE READINGS TO THE RIGHT OF LINE
 FREQUENCY: 24.0 KHZ



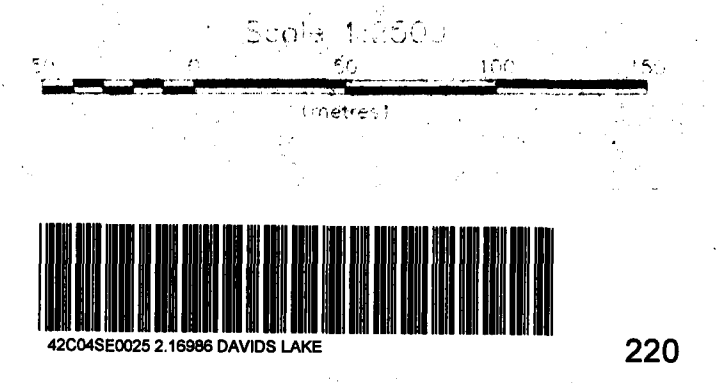
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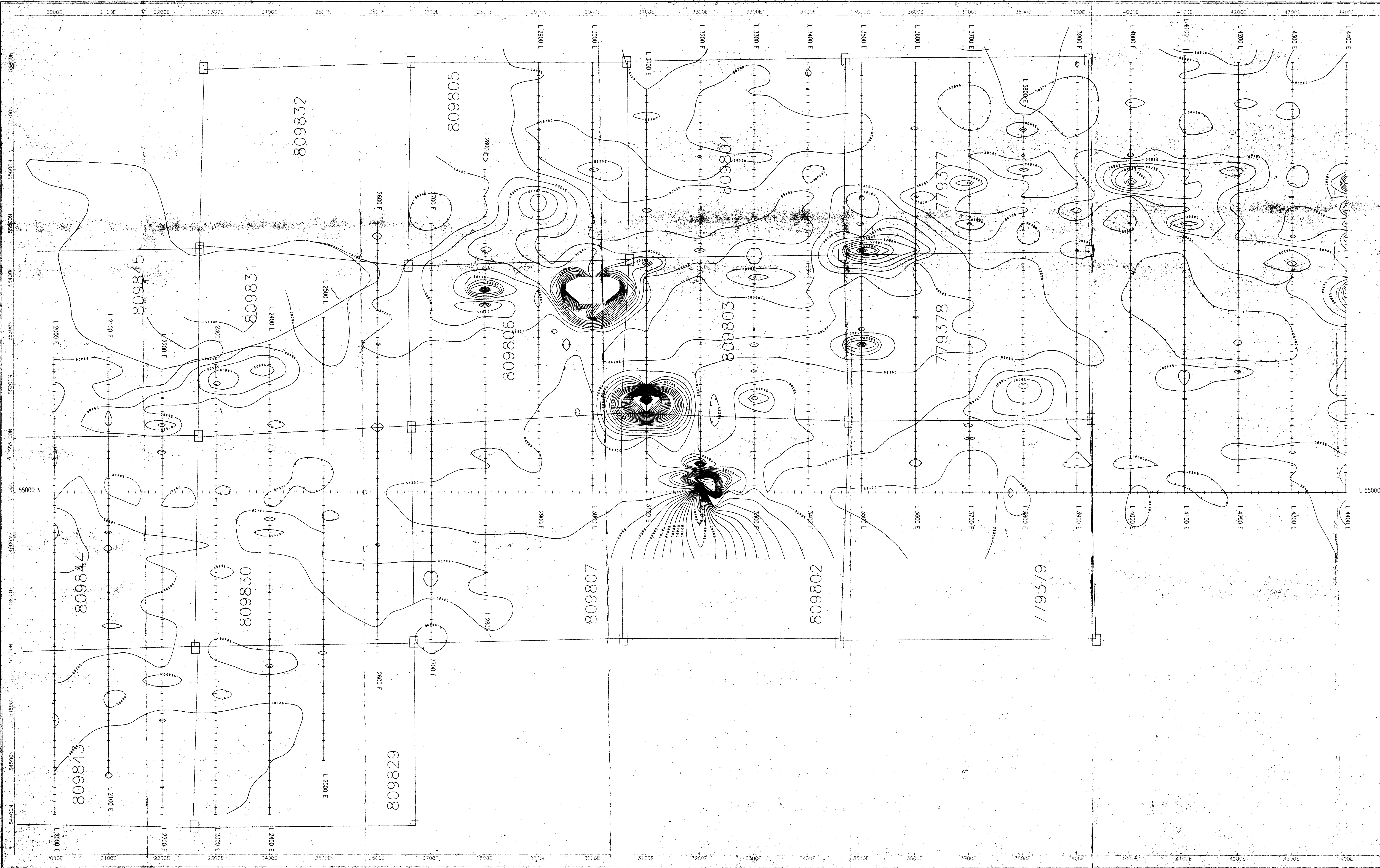


MURGOR RESOURCES INC.
 VLF-EM DATA PLOT
 CUTLER, Maine (24.0 KHz)
 GEM FIELD INSTRUMENT
 CLARK-EVELEIGH CONSULTING



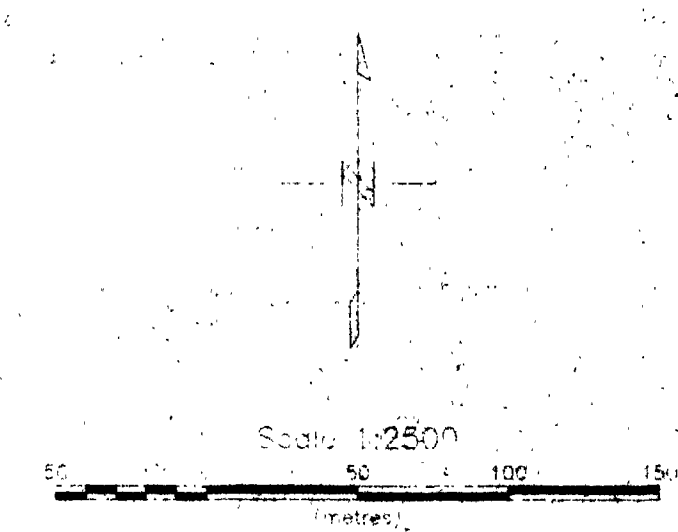
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18th 10 1997
BRANCH



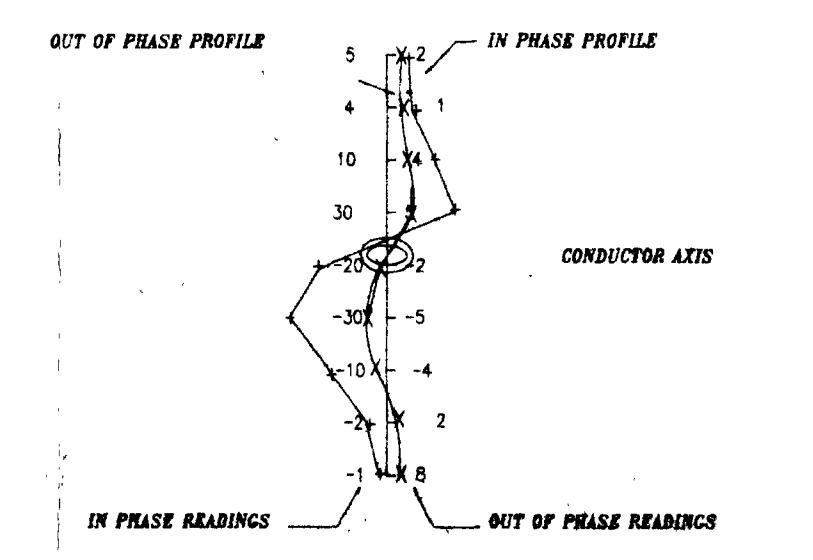
MURGOR RESOURCES INC.
MAGNETIC CONTOUR PLOT
DATUM: 587QNT
GEM FIELD AND BASE INSTRUMENTS
CLARK-EVELEIGH CONSULTING



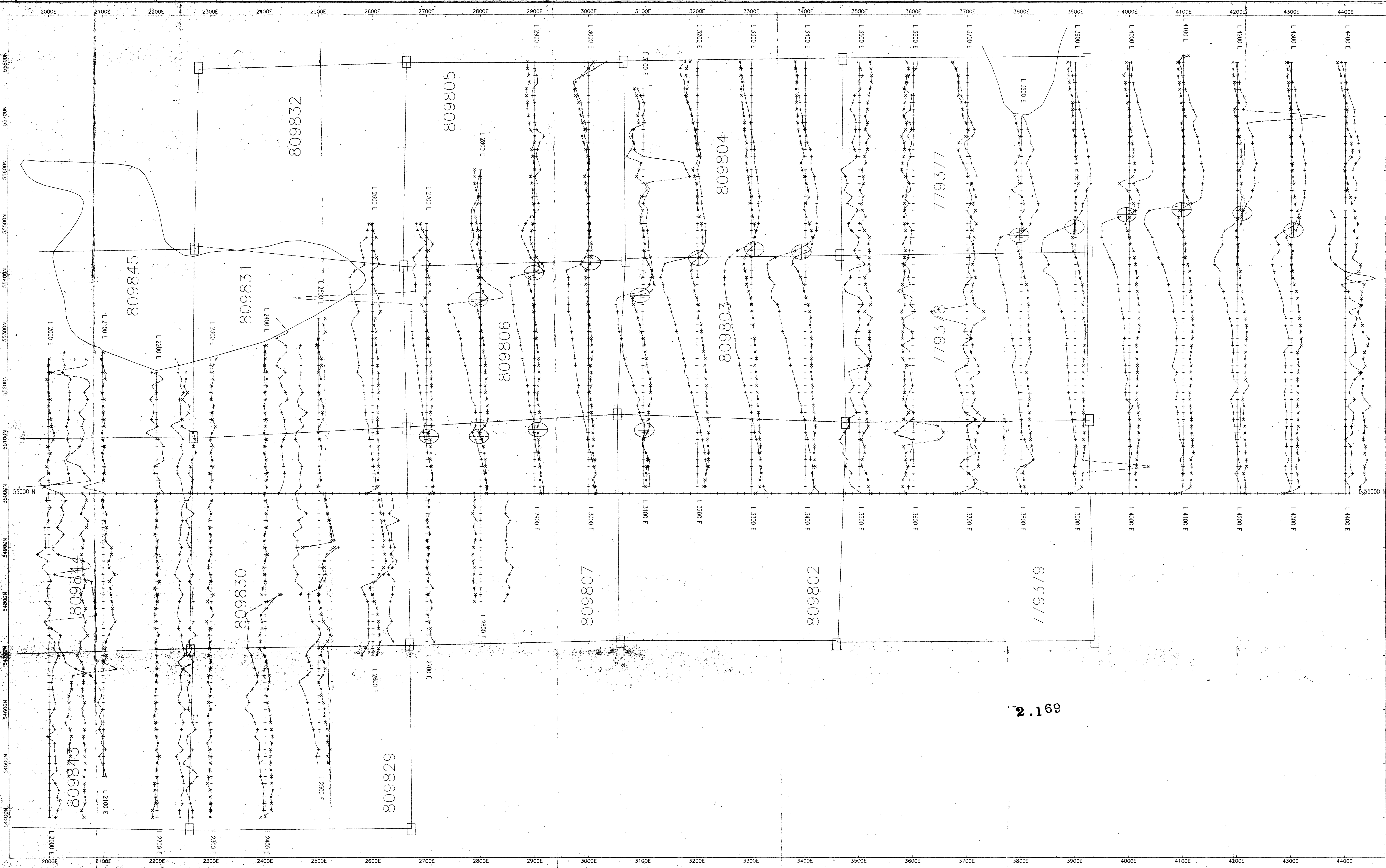
240

GEOPHYSICAL LEGEND

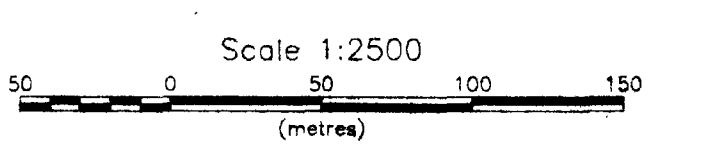
INSTRUMENT: GEM GSM-19
 PROFILE SCALE: 1CM = 20%
 POSITIVE READINGS TO THE RIGHT OF LINE
 FREQUENCY: 24.0 KHZ



⊕ Anomaly



RECEIVED
 86



MURGOR RESOURCES INC.
 VLF-EM PROFILE PLOT
 CUTLER, Maine (24.0 KHz)
 1cm = 20 units
 GEM FIELD INSTRUMENT
 CLARK-EVELEIGH CONSULTING