

C14SE2001 2.19545

HAMBLETON

010

to be a second and the second s

REPORT ON POWER STRIPPING FOR CORONA GOLD CORPORATION ON THE DAYOHESSARAH LAKE PROPERTY

LOCATED IN HAMBLETON, ODLUM, STRICKLAND AND GOURLAY TOWNSHIPS SAULT STE. MARIE MINING DIVISION ONTARIO, CANADA WHITE RIVER AREA

NTS 43 C/14 SE

Prepared by:

SDA Geological Services, Limited 215 Van Norman Street Thunder Bay, Ontario, Canada P7A 4B6

Abraham P. Drost, David S. Hunt and Steven Roach December 31, 1998

TABLE OF CONTENTS

1.0	EXECUTIVE SUMMARY	1
2.0	INTRODUCTION	2
	2.1 Property location	2
	2.2 Property access	2
	2.3 Mining claim status	3
3.0	GEOLOGY	3
	3.1 Regional geology	3
	3.2 Property geology	4
	3.3 Structure	4
	3.4 Geomorphology	5
4.0	HISTORY OF EXPLORATION	6
	4.1 Prior exploration	6
	4.2 Exploration during the current program	8
5.0	POWER STRIPPING	8
	5.1 General	8
	5.2 Sampling	9
6.0	DISCUSSION OF RESULTS	. 10
	6.1 Significant intersections	. 10
	6.2 Geological and mineralization observations	10
7.0	CONCLUSIONS	. 10
8.0	RECOMMENDATIONS	. 11
9.0	REFERENCES	. 12
10.0	CERTIFICATES OF QUALIFICATION	. 13

TABLES

Table 1:	Dayohessarah Lake Property: Claim Status after Page 3
Table 2:	Dayohessarah Lake Project: 1998 Power Stripping Program – Sample Descriptions and Assay Values
Table 3:	Dayohessarah Lake Project: 1998 Power Stripping Program – Significant intersections

FIGURES

Figure 1:	Location Map after Page 2
Figure 2:	Sugar Zone Property – Dayohessarah Belt Geological Compilation
	after Page 3

APPENDICES

APPENDIX 1: Assay Certificates, Accurassay Laboratories, Thunder Bay

APPENDIX 2: Sample Preparation and Assay Procedures, Accurassay Laboratories

DRAWINGS

(in back pockets)

Drawing DY015: Dayohessarah Lake Property: Claim Map, scale 1" = 2640'

Drawing DY020: TRENCH 1, Dayohessarah Property – Sample Numbers. Scale 1:100

Drawing DY021: TRENCH 1, Dayohessarah Property – Assays (Au ppb). Scale 1:100

Drawing DY022: TRENCH 2, Dayohessarah Property – Sample Numbers. Scale 1:100

Drawing DY023: TRENCH 2, Dayohessarah Property – Assays (Au ppb). Scale 1:100

Drawing DY024: TRENCH 3, Dayohessarah Property – Sample Numbers. Scale 1:100

Drawing DY025: TRENCH 3, Dayohessarah Property – Assays (Au ppb). Scale 1:100

Drawing DY026: TRENCH 4, Dayohessarah Property – Sample Numbers. Scale 1:100

Drawing DY027: TRENCH 4, Dayohessarah Property – Assays (Au ppb). Scale 1:100

Drawing DY028: Dayohessarah Lake Property: Location of Area of Power Stripping, 1998, scale 1:5000

ii

1.1 EXECUTIVE SUMMARY

A backhoe power stripping and channel sampling program was carried out on the Dayohessarah Lake Propery during the period September 30 to November 3, 1998. Purpose of the program was to increase the surface exposure of Sugar Zone mineralization in the 130 Shoot Area to verify surface drillhole projections and to enable detailed geological mapping and channel sampling of a known mineralized area in order to study the nature and continuity of gold mineralization. Four trenches were excavated on the Sugar Zone adjacent to Baseline 10,000E, between 12850N and 13100N

Both Upper and Lower Zones consist of a central porphyry sill \pm hydrothermally altered basalt (1N) \pm quartz vein unit, together with ancillary thinner porphyry and 1N units in the immediate hangingwall and/or footwall. The grade and width of gold mineralization varies directly with the presence of abundant 1N flanking the central porphyry and with increased amounts of quartz veining, commonly occupying the porphyry-1N contacts.

The power stripping has served to increase confidence in the controls and continuity of mineralization that has assisted the interpretation of past and current diamond drill hole intersections. As well, results of trench channel sampling were utilized in polygonal resource estimates reported by Hunt et al., 1998.

Within the stripped area is a section, potentially 50+m in strike length (12900N through 12950N, in the Trench 2 – Trench 3 area) containing significant Lower Zone gold values over widths of 3 to 6m. This would be a prime area from which a surface bulk sample could be extracted.

An open-cut bulk sample on surface may be the most expedient means of generating tonnage for a bulk sample test. It is recommended that such a bulk sample be extracted from Lower Zone mineralization between approximately 12+900N and 12+950N, where grade widths exceeding 3m were returned from several channel samples. Surface extraction from this zone could be accomplished without the potential dilution that might be involved with surface sampling of thinner portions of mineralized horizons.

Preparation for an open cut bulk sample of up to 10,000 tonnes (the limit for advanced exploration) would require significant preparation in terms of adequate channel sample density for grade control. It is recommended that a concurrent program of backhoe power stripping be implemented to clear additional ground in the 130 Shoot area between Trenches 2,3 and 4 from the Fall, 1998 program. Such stripping should be accompanied by detailed geological mapping and closely-spaced channel sampling (a sequence of samples between 2.0m and 5m apart, for example) in order to better to define along-strike controls on mineralization and sample consistency.

Based on drilling information, gold assays in the 130 Shoot area (Sections 124+00N to 126+00N) commonly occur as high values across narrow widths, associated mainly with the Upper Zone or with Hangingwall mineralized zones. It is therefore recommended that a power stripping program be carried out in the 124 Shoot area (Sections 124+00N to

l

126+00N). Such a program would refine the calculation of a gold resource in the 124 Shoot area by allowing detailed study of nature and continuity of mineralization as compared to that in the 130 Shoot area.

Extraction and processing of an open cut bulk sample from the Upper and Lower horizons of the two main shoots would allow comparison of recovered gold grade with that calculated in polygonal blocks using channel sampling and drill hole information. This would enhance the level of confidence of an updated resource estimate.

An increase in the level of activity at the Sugar Zone resource area would require an upgrade of the present trail access to the Property. Upgrading the trail to access by 4-wheel drive truck and introduction of gravel fill in soft boggy areas of the trail will require a Work Permit from the Ministry of Natural Resources. A separate work permit and approval under the terms of the <u>Mining Act</u> would also be required for the purpose of extraction of a bulk sample from the Property. The channel sampling and drilling data would be required as background data for a set of engineered drawings of extraction sites, blasthole layout etc. in support of the permitting process, which will likely also require public consultation.

2.0 INTRODUCTION

The Dayohessarah ("Dayo") or Sugar Zone Property is situated approximately 32 km northeast of the Town of White River. The property is comprised of 306 contiguous claims (402 units) located in Gourlay, Hambleton, Odlum and Strickland Townships, Sault Ste. Marie Mining Division, Ontario. Corona Gold Corporation is the recorded holder of all claims.

2.1 **Property location**

The Dayohessarah Property is situated approximately 32 km northeast of the Town of White River and 65 km east of the gold mines at Hemlo, Ontario. The property covers portions of Odlum, Strickland, Gourlay and Hambleton Townships (latitude 48° 48' north and longitude 85° 01' west, NTS 42C/ 10, 11, 14 and 15) and falls under the jurisdiction of the Sault Ste. Marie Mining Division.

Location of the Dayohessarah Property is shown on Figure 1, below.

2.2 Property access

The western and southern portions of the property are accessible via Domtar No.100 and 200 series logging roads, proceeding north from Trans Canada Highway 17 at White River, Ontario. Road 200 provides access to within 500m of the southwest shore of



-2-

Dayohessarah Lake where boat access can be gained to the property grid located on the east shore of Dayohessarah Lake. The eastern and northern portions of the property are accessible by 300-series logging roads, which extend to within 3 km of the property grid. A rough trail was established from the end of Domtar road No. 305 to allow access to the property grid via all-terrain and tracked vehicles. Access is also available by floatplane, via Dayohessarah Lake or Hambleton Lake, and by helicopter. Several helicopter pads and open spaces exist on the property. During the winter months the property is accessible by snowmobile.

2.3 Mining claim status

The Dayohessarah Lake project is comprised of 306 contiguous claims (402 units) located in Gourlay (G2313), Hambleton (G2768), Odlum (G2805) and Strickland (G2285) Townships, Sault Ste. Marie Mining Division, Ontario. Corona Gold Corporation is the recorded holder of all claims.

Claims 1218443 – 1218444, 1232640 – 1232641, and 1232643 through 1232646 were staked by Corona Gold Corporation. Claims 1174321 through 1174326, 1183251, and 1216720 through 1216722 are held through an agreement between Corona Gold Corporation and George Lawrence Mealey, James Joseph Mealey and 757410 Ontario Limited dated May 7, 1998. The remainder of the claims are held through an agreement between Corona Gold Corporation and Harte Resources Corporation, John E. Ternowesky, Lloyd Halverson, Ernie Beaven, Eino Ranta, Estate of Omer L. Belisle, Broad Horizons Trust and Broad Horizons Inc. dated July 10, 1998.

Claims making up the property are shown on Drawing DY015 in back pocket and are listed on Table 1, below.

3.0 GEOLOGY

3.1 Regional geology

The Dayohessarah Greenstone Belt may represent a remnant sliver of a once-larger volcanic edifice and is bordered by the Hemlo Greenstone Belt to the west and Kabinakagami Greenstone Belt to the east. These greenstone belts are all part of the larger east-northeast trending Wawa Subprovince of the Superior Craton. The late Archean Dayohessarah Greenstone Belt trends northwest in its southern portion and northeast in its northern portion and forms a narrow, arcuate, eastward-concave crescent wrapped about the neo-Archean Strickland Pluton. The belt is approximately 36 km in length and varies in width from 1.5 to 5.5 km. Principal lithologies in the belt are a moderately to highly deformed sequence of metamorphosed volcanics, volcaniclastics and sediments, that have been enclosed and intruded by tonalitic to granodioritic quartz porphyritic plutons (see Figure 2).



DAYOHESSARAH BELT GEOLOGICAL COMPILATION

SUGAR ZONE PROPERTY





CORONA GOLD CORPORATION (CRG - TSE) Figure 2

Claim Number	Township	Due Date	No. of Units	·····
SS 0277/5	Odlam	L-1- 2 1000	1	
SS 937765	Odlum	July 2, 1999	1	
55 93 / /66	Odlum	July 2, 1999	1	
SS 937767	Odium	July 2, 1999		
SS 937768	Odlum	July 2, 1999	1	
SS 937770	Odlum	July 2, 1999	1	
SS 937771	Odlum	July 2, 1999	1	
SS 937772	Odlum	July 2, 1999	1	
SS 1043698	Odlum	December 7, 1999	1	
SS 1043701	Odlum	July 2, 1999	1	
SS 1043702	Odlum	July 2, 1999	1	
SS 1043703	Odlum	July 2, 1999	1	
SS 1043704	Odlum	July 2, 1999	l	
SS 1043705	Odlum	July 2, 1999	1	
SS 1043706	Odlum	July 2, 1999	1	
SS 1043707	Odlum	July 2, 1999	1	
SS 1043708	Odlum	July 2, 1999	1	
SS 1043709	Odlum	July 2, 1999	1	
SS 1043710	Odlum	July 2, 1999	1	
SS 1043711	Odlum	July 2, 1999	1	
SS 1043712	Odlum	December 7, 1999	1	
SS 1043715	Odlum	December 7 1999	1	
SS 1043716	Odium	December 7, 1999	1	
SS 1043717	Odlum	December 7, 1999	1	
55 1045717	Outum	December 7, 1777	1	
SS 1043803	Odlum	July 2, 1999	1	
SS 1043806	Odlum	July 2, 1999	1	
SS 1043807	Odlum	July 2, 1999	1	
SS 1043808	Odlum	July 2, 1999	1	
SS 1043809	Odlum	July 2, 1999	1	
SS 1043810	Odlum	July 2, 1999	1	
SS 1043811	Odlum	July 2, 1999	1	
SS 1043812	Odlum	July 2, 1999	1	
SS 1043814	Odlum	December 7, 1999	1	
SS 1043815	Odlum	December 7, 1999	1	
SS 1043816	Odlum	December 7, 1999	1	
SS 1043817	Odlum	December 7, 1999	-	
SS 1043818	Odlum	December 7 1999	- 1	
SS 1043819	Odlum	December 7 1999	ī	
SS 1043820	Odlum	December 7 1999	1	
SS 1043821	Odhum	December 7 1999	1	
SS 1043822	Odlum	December 7, 1999	1	
			-	

.....

Table 1: Dayohessarah Lake Project: Claim Status

Claim Number	Township	Due Date	No. of Units
SS 1043823	Odlum	December 7, 1999	1
SS 1043824	Odlum	December 7, 1999	1
SS 1043825	Odlum	December 7, 1999	1
SS 1043826	Odlum	December 7, 1999	1
SS 1043827	Odlum	December 7, 1999	1
SS 1043828	Odlum	December 7, 1999	1
SS 1044094	Odlum	July 2. 1999	1
SS 1044095	Odlum	July 2, 1999	1
SS 1044096	Hambleton	August 7, 1999	l
SS 1044097	Hambleton	August 7, 1999	1
SS 1044100	Odlum	July 2, 1999	1
SS 1044101	Odlum	July 2, 1999	1
SS 1044102	Odlum	July 2, 1999	1
SS 1044103	Odlum	July 2, 1999	1
SS 1055500	Hambleton	October 7, 1999	1
SS 1055501	Hambleton	October 7, 1999	1
SS 1055502	Hambleton	October 7, 1999	1
SS 1055503	Hambleton	October 7, 1999	1
SS 1055504	Hambleton	October 7, 1999	1
SS 1055505	Hambleton	October 7, 1999	1
SS 1055506	Hambleton	October 7, 1999	1
SS 1055507	Hambleton	October 7, 1999	1
SS 1055508	Hambleton	October 7, 1999	1
SS 1055509	Hambleton	October 7, 1999	1
SS 1055510	Hambleton	October 7, 1999	1
SS 1055511	Hambleton	October 7, 1999	1
SS 1055512	Hambleton	October 7, 1999	1
SS 1055513	Hambleton	October 7, 1999	l
SS 1055514	Hambleton	November 12, 1999	1
SS 1055515	Hambleton	November 12, 1999	1
SS 1055516	Hambleton	November 12, 1999	1
SS 1055517	Hambleton	November 12, 1999	1
SS 1055518	Hambleton	November 12, 1999	1
SS 1055519	Hambleton	November 12, 1999	1
SS 1055520	Hambleton	November 12, 1999	l
SS 1055521	Hambleton	October 7, 1999	1
SS 1055522	Hambleton	November 12, 1999	1
SS 1055523	Hambleton	November 12, 1999	1
SS 1055524	Hambleton	November 12, 1999	1
SS 1055525	Hambleton	November 12, 1999	1
SS 1055526	Hambleton	October 7, 1999	1
SS 1055527	Hambleton	October 7, 1999	1
SS 1055528	Hambleton	November 12, 1999	1
SS 1055529	Hambleton	November 12, 1999	1
SS 1055530	Hambleton	November 12, 1999	1
SS 1055531	Hambleton	November 12, 1999	1

.....

......

Claim Number	Township	Due Date	No. of Units
SS 1055532	Hambleton	October 7, 1999	1
SS 1055533	Hambleton	October 7, 1999	1
SS 1055534	Hambleton	November 12, 1999	1
SS 1055535	Hambleton	October 7, 1999	1
SS 1055536	Hambleton	October 7, 1999	1
SS 1055537	Hambleton	October 7, 1999	1
SS 1055538	Hambleton	October 7, 1999	1
SS 1055539	Hambleton	November 12, 1999	1
SS 1055540	Hambleton	November 12, 1999	1
SS 1055541	Hambleton	November 12, 1999	1
SS 1055542	Hambleton	November 12, 1999	1
SS 1055543	Hambleton	November 12, 1999	1
SS 1055576	Hambleton	September 26, 1999	1
SS 1055577	Hambleton	September 26, 1999	1
SS 1055578	Hambleton	September 26, 1999	1
SS 1055579	Hambleton	September 26, 1999	1
SS 1055580	Hambleton	September 26, 1999	1
SS 1055581	Hambleton	September 26, 1999	1
SS 1055582	Hambleton	September 26, 1999	1
SS 1055583	Hambleton	September 26, 1999	1
SS 1055584	Hambleton	September 26, 1999	1
SS 1055585	Hambleton	September 26, 1999	1
SS 1055586	Hambleton	September 26, 1999	1
SS 1055587	Hambleton	September 26, 1999	1
SS 1055588	Hambleton	September 26, 1999	1
SS 1055589	Hambleton	September 26, 1999	1
SS 1069100	Hambleton	February 15, 2000	1
SS 1069120	Hambleton	February 15, 2000	1
SS 1069121	Hambleton	February 15, 2000	1
\$\$ 1060186	Hambleton	February 15, 2000	1
SS 1009180 SS 1060187	Hambleton	February 15, 2000	1
SS 1069187	Hambleton	February 15, 2000	1
SS 1069189	Hampleton	February 15, 2000	1
SS 1069190	Hampleton	February 15, 2000	1
SS 1069191	Hambleton	February 15, 2000	1
SS 1069192	Hambleton	February 15, 2000	1
SS 1069193	Hambleton	February 15, 2000	1
SS 1069194	Hambleton	February 15, 2000	1
		₽	
SS 1069196	Hambleton	February 15, 2000	1
SS 1069197	Hambleton	February 15, 2000	1
SS 1069198	Hambleton	February 15, 2000	1
SS 1069199	Hambleton	February 15, 2000	1
SS 1069300	Hambleton	February 15, 2000	1
SS 1069301	Hambleton	February 15, 2000	î
20 10070VI		1 001000 y 10, 2000	•

......

.

Claim Number	Township	Due Date	No. of Units
SS 1069302	Hambleton	February 15, 2000	1
SS 1069303	Hambleton	February 15, 2000	1
SS 1069304	Hambleton	February 15, 2000	1
SS 1069305	Hambleton	February 15, 2000	1
SS 1069306	Hambleton	February 15, 2000	1
SS 1069307	Hambleton	February 15, 2000	1
SS 1069308	Hambleton	February 15, 2000	1
SS 1069309	Hambleton	February 15, 2000	1
SS 1069310	Hambleton	February 15, 2000	1
SS 1069311	Hambleton	February 15, 2000	1
SS 1069312	Hambleton	February 15, 2000	1
SS 1069313	Hambleton	February 15, 2000	1
SS 1069314	Hambleton	February 15, 2000	1
SS 1069315	Hambleton	June 16, 1999	1
SS 1069316	Hambleton	February 15, 2000	1
SS 1069317	Hambleton	February 15, 2000	1
SS 1069318	Hambleton	February 15, 2000	1
SS 1069319	Hambleton	February 15, 2000	1
SS 1069320	Hambleton	February 15, 2000	1
SS 1069321	Hambleton	February 15, 2000	1
SS 1069322	Hambleton	February 15, 2000	1
SS 1069323	Hambleton	February 15, 2000	1
SS 1069324	Hambleton	February 15, 2000	1
SS 1069325	Hambleton	February 15, 2000	1
SS 1069326	Hambleton	February 15, 2000	1
SS 1069327	Hambleton	February 15, 2000	1
SS 1069328	Hambleton	February 15, 2000	1
SS 1069329	Hambleton	February 15, 2000	1
SS 1069330	Hambleton	February 15, 2000	1
SS 1069331	Hambleton	February 15, 2000	1
SS 1069332	Hambleton	February 15, 2000	1
SS 1069333	Hambleton	February 15, 2000	1
SS 1069334	Hambleton	February 15, 2000	1
SS 1069335	Hambleton	February 15, 2000	1
SS 1069336	Hambleton	February 15, 2000	1
SS 1069337	Hambleton	February 15, 2000	1
SS 1069338	Hambleton	February 15, 2000	1
SS 1069339	Hambleton	February 15, 2000	1
SS 1069340	Hambleton	February 15, 1999	1
SS 1069341	Hambleton	June 16, 1999	1
SS 1069342	Hambleton	February 15, 2000	1
SS 1069343	Hambleton	February 15, 2000	1
SS 1069344	Hambleton	February 15, 2000	1
SS 1069345	Hambleton	February 15, 2000	1
SS 1069346	Hambleton	February 15, 2000	1
SS 1069347	Hambleton	February 15, 2000	1
SS 1069348	Hambleton	February 15, 2000	1
SS 1069349	Hambleton	February 15, 2000	1
SS 1069350	Hambleton	February 15, 2000	1

.....

.....

•

Claim Number	Township	Due Date	No. of Units
CC 10/0252	Odhum	Eshaver, 15, 1000	
55 1009332 SS 1060352	Odlum	February 15, 1999	1
55 1009555	Odlum	February 15, 2000	1
55 1069354 SS 1069355	Odium	June 16, 1999	1
SS 1069355	Odlum	June 16, 1999	1
SS 1069356	Odlum	February 15, 2000	1
SS 1069357	Odlum	February 15, 2000	1
SS 1069358	Odlum	February 15, 2000	l
SS 1069359	Odlum	February 15, 2000	1
SS 1069360	Odlum	February 15, 2000	1
SS 1069361	Odlum	October 6, 1999	1
SS 1069362	Odlum	October 6, 1999	1
SS 1069363	Odlum	October 6, 1999	I
SS 1069364	Odlum	October 6, 1999	1
SS 1069365	Odlum	October 6, 1999	1
SS 1069366	Odlum	October 6, 1999	1
SS 1069367	Odlum	October 6, 1999	l
SS 1069368	Odlum	October 6, 1999	1
SS 1069369	Odlum	October 6, 1999	1
SS 1069370	Odlum	October 6, 1999	1
SS 1069371	Odlum	October 6, 1999	1
SS 1069372	Odlum	October 6, 1999	1
SS 1069373	Odlum	October 6, 1999	1
SS 1069374	Odlum	October 6, 1999	1
SS 1069375	Odlum	October 6, 1999	1
SS 1069376	Odlum	October 6. 1999	1
SS 1069378	Odlum	October 6, 1999	1
SS 1069379	Odium	October 6, 1999	1
SS 1069380	Odlum	October 6, 1999	1
SS 1069381	Odlum	October 6, 1999	1
SS 1069382	Odlum	October 6, 1999	1
SS 1069383	Odlum	October 6, 1999	1
SS 1069384	Odlum	October 6, 1999	1
SS 1069385	Odlum	October 6, 1999	1
SS 1069386	Odlum	October 6, 1999	1
SS 1069387	Odlum	October 6, 1999	1
SS 1069388	Odlum	October 6, 1999	1
SS 1069389	Odlum	October 6, 1999	1
SS 1069390	Odlum	October 6, 1999	1
SS 1069391	Odlum	October 6, 1999	1
SS 1078243	Odlum	October 6, 1999	1
SS 1078244	Odlum	October 6, 1999	1
SS 1078245	Odlum	October 6, 1999	1
SS 1078246	Odlum	October 6, 1999	1
SS 1078247	Odlum	October 6, 1999	1
SS 1078248	Odlum	October 6, 1999	1
SS 1078249	Odlum	October 6, 1999	1
SS 1078250	Odlum	October 6, 1999	1
SS 1078251	Odlum	October 6, 1999	1

Claim Number	Township	Due Date	No. of Units
	<u> </u>		
SS 1078252	Odlum	October 6, 1999	1
SS 1078253	Odlum	October 6, 1999	1
SS 1078254	Odlum	October 6, 1999	1
SS 1078255	Odlum	October 6, 1999	1
SS 1078256	Odlum	October 6, 1999	1
SS 1078257	Odlum	October 6, 1999	1
SS 1078258	Odlum	October 6, 1999	1
SS 1078259	Odlum	October 6, 1999	1
SS 1078265	Odlum	October 6, 1999	1
SS 1078266	Odlum	October 6, 1999	1
SS 1078267	Odlum	October 6, 1999	1
SS 1078268	Odlum	October 6, 1999	1
SS 1078269	Odlum	October 6, 1999	1
SS 1078270	Odlum	October 6, 1999	1
SS 1078271	Odlum	October 6, 1999	1
SS 1078272	Odlum	October 6, 1999	Ī
SS 1078273	Odlum	October 6, 1999	-
SS 1078274	Odlum	October 6, 1999	1
SS 1078275	Odlum	October 6, 1999	-
SS 1078276	Odlum	October 6, 1999	1
SS 1078277	Odlum	October 6, 1999	1
SS 1078314	Odlum	October 6, 1999	1
SS 1078315	Strickland	October 6, 1999	1
SS 1078316	Strickland	October 6, 1999	1
SS 1078317	Strickland	October 6, 1999	1
SS 1078318	Strickland	October 6, 1999	1
SS 1078319	Odlum	October 6, 1999	1
SS 1135498	Hambleton	November 15, 1999	1
SS 1135499	Hambleton	November 15, 1999	1
SS 1140638	Strickland	April 24, 1999	1
SS 1140639	Strickland	April 24, 1999	1
SS 1140640	Strickland	April 24, 1999	1
SS 1140641	Strickland	April 24, 1999	1
SS 1140642	Strickland	April 24, 1999	1
SS 1140643	Strickland	April 24, 1999	1
SS 1140644	Strickland	April 24, 1999	1
SS 1140645	Strickland	April 24, 1999	1
SS 1140646	Strickland	April 24, 1999	1
SS 1140647	Strickland	April 24, 1999	1
SS 1140648	Strickland	April 24, 1999	1
SS 1140649	Strickland	April 24, 1999	1
SS 1140658	Strickland	Anril 24 1999	1
SS 1140659	Strickland	Anril 24, 1999	1
SS 1140660	Strickland	Anril 24 1999	1
55 1140000	Strokiana	· 19111 47, 1999	

.

and a second second

Claim Number	Township	Due Date	No. of Units	
SS 1174321	Hambleton	March 16, 1999	6	
SS 1174322	Hambleton	March 16, 1999	6	
SS1174323	Hambleton	March 16, 1999	4	
SS 1174324	Hambleton	March 16, 1999	2	
SS 1174325	Hambleton	March 16, 1999	1	
SS 1174326	Hambleton	March 16, 1999	4	
SS 1174765	Odlum	October 29, 1999	3	
SS 1174766	Odlum	October 19, 1999	2	
SS 1182993	Hambleton	July 20, 1999	1	
SS 1182994	Hambleton	July 20, 1999	2	
SS 1183012	Strickland	April 24, 1999	1	
SS 1183013	Strickland	April 24, 1999	1	
SS 1183014	Strickland	April 24, 1999	1	
SS 1183015	Strickland	April 24, 1999	1	
SS 1183016	Strickland	April 24, 1999	1	
SS 1183017	Strickland	April 24 1999	1	
SS 1183018	Strickland	April 24, 1999	1	
SS 1183019	Strickland	April 24 1999	1	
SS 1183020	Strickland	April 24, 1999	1	
SS 1183020	Strickland	April 24, 1999	1	
SS 1183251	Hambleton	March 16, 1999	2	
SS 1194337	Hambleton & Odlum	July 20, 1999	1	
SS 1194339	Hambleton	April 26, 1999	1	
SS 1194340	Odlum	April 26, 1999	1	
SS 1216720	Odlum	September 26, 1999	4	
SS 1216721	Odlum	September 26, 1999	6	
SS 1216722	Odlum	September 26, 1999	2	
SS 1218443	Strickland	June 4 2000	15	
SS 1218444	Strickland	June 4, 2000	12	
55 1210111	Strontune	June 1, 2000	12	
SS 1232640	Gourlay, Strickland	June 4, 2000	12	
SS 1232641	Strickland	June 4, 2000	6	
SS 1232643	Odlum	June 4, 2000	2	
SS 1232644	Odlum	June 4, 2000	8	
SS 1232645	Odlum	June 4, 2000	6	
SS 1232646	Odlum	June 4. 2000	12	

3.2 Property geology

The Dayohessarah Belt is dominated by a basal sequence of massive to pillowed mafic volcanics, commonly with ellipsoidal, bleached alteration pods, overlain by intermediate to felsic tuff and lapilli tuff sequence. The tuffaceous units rapidly grade upward to a sedimentary sequence consisting of greywacke and conglomerates derived from volcanic, sedimentary, and felsic intrusive sources (Stott et al, 1996). Several thin, conformable and continuous cherty sulphide facies iron formations are found in the mafic volcanic sequence. Spinifex textured komatilitic flows stratigraphically underlie the main sedimentary sequence and can be traced around the north end of Dayohessarah Lake. Also at the north end of Dayohessarah Lake mafic to ultramafic sills and stocks intrude the komatilites.

A number of fine to medium grained, intermediate to felsic, quartz and/or feldspar porphyritic sills have intruded highly strained portions of the mafic volcanic sequence in the Dayohessarah Belt. Known "swarms" of the porphyries occur with greater regularity and intensity east of Dayohessarah Lake. These are weakly sulphide-enriched and locally auriferous and form a competent hostrock to Sugar Zone quartz veins and silica-flooded zones at the contacts with highly strained mafic volcanics. The porphry sills may represent sub-volcanic intrusions coeval with intermediate to felsic volcanism exposed on the west side of Dayohessarah Lake, or may be related to the emplacement of the Strickland Pluton (Stott et al, 1996). The Strickland Pluton borders the Dayohessarah Greenstone Belt to the east and is characterized by a granodiorite composition, quartz phenocrysts, fine grained titanite, and hematitic fractures. Smaller granitic quartz porphyry bodies containing minor sulphide mineralization are located along the east shore and northwest of Dayohessarah Lake.

The Dayohessarah Belt has been metamorphosed to between upper greenschist and lower amphibolite facies by intrusion of the Strickland Pluton (Stott et al. 1996). Mafic volcanics are amphibolitic and composed primarily of plagioclase and hornblende crystals. Almandine garnets are widely observed in the clastic metasediments and locally in the mafic volcanics (Stott et al, 1996).

Pre-mineralization hydrothermal alteration in the vicinity of the Sugar Zone consists of albitization, biotitization and sulphidation (pyrrhotite and pyrite). Moderate to strong silicification and base metal sulphidation (sphalerite, galena, pyrite and accessory tellurides, molybdenum etc.) accompanied the emplacement of the porphyry sills and deposition of gold-rich quartz veins.

3.3 Structure

The Dayohessarah Belt has been strongly foliated, flattened and strained. Deformation seen in the supracrustal rocks is likely related to the emplacement of the Strickland Pluton (Stott et al, 1996). Strongly developed metamorphic mineral lineations in the supracrustal rocks closely compared with the orientations of the quartz phenocryst

lineations seen in the Strickland Pluton. This probably reflects a contact strain aureole imposed by the pluton upon the belt (Stott et al., 1996). The strain fabric is best observed within the Sugar Zone (situated a few hundred meters west of the Strickland Pluton) which has been characterized as the most severely strained portion of the belt.

Relative stratigraphic ages, stratigraphic top indicators and foliation orientations in the Dayohessarah Belt define a flattened, upright synclinal fold closing at the top end of Dayohessarah Lake. The fold axis cores the metasedimentary sequence, with the fold hinge opening to the south centered along Dayohessarah Lake. Large scale flexures in komatiitic ultramafic flows are observed in the keel of the fold at the north end of Dayohessarah Lake. Given the occurrence of the Sugar Zone deposit east of Dayohessarah Lake, replication of volcanic stratigraphy on either side of the fold axis may have important implications for exploration west of Dayohessarah Lake.

Field structural analysis by G. Zhang (Zhang, 1998) studied relationships between structures and gold mineralization and possible mechanical controls of auriferous fluid flow within the Sugar Zone. Zhang's preliminary conclusions were as follows:

- The deformation of the Sugar Zone is characterized by pure shear, with the maximum compression direction normal to the Sugar Zone (i.e. trending ~230° and plunging 20-30°) and the minimum compression direction trending 239-244° and plunging 60-69°. Shearing, either strike-slip or dip-slip, along the Sugar Zone is insignificant.
- 2) There were two stages of hydrothermal activity during the deformation of the Sugar Zone. The early stage is represented by conspicuous potassic (i.e. biotite) and possibly carbonate alteration, associated with pyrrhotite and pyrite mineralization commonly along the foliation planes in highly strained, pillowed mafic flows. This stage was followed by later stage, auriferous quartz veining, as the biotite alteration is locally cross-cut by the auriferous quartz veins. Gold occurs as either coarse grained metal or closely associated with sphalerite and galena
- 3) Individual ore bodies of the Sugar Zone are ellipsoidal shaped, with a long dimension trending 274-278° and plunging 52-56°. It is consistent with the orientations of mesoscopic boudin axes of gold-bearing quartz veins measured in the field, which have a mean orientation trending 275° and plunging 49°. Therefore, the geometry of the individual ore bodies are controlled by the macroscopic boudinage of the Sugar Zone.

3.4 Geomorphology

The Dayohessarah Lake property is characterized by relatively high relief with moderately rugged physiography. The elevation ranges between 390 to 494 meters above sea level. Boreal forest cover consists predominantly of spruce, poplar and pine accompanied by large stands of birch. Extensive deadfall is noted on the northern portion of the property. The underbrush consists of moose maple, cedar, and alder.

The area is well drained and is generally dry. There are two major swampy areas on the property, one in the northeast and the other in the southeast. Both are associated with bodies of water (Gagegenha Lake and other smaller lakes and ponds).

The central portion of the property, which contains the Sugar Zone, exhibits 5-10% bedrock exposure, while the entire property in general exhibits <5% exposure. Overburden varies between 0 and 10 meters in thickness as observed in trenching and diamond drilling.

The entire area has been covered with varying amount of glacial till and outwash aterial. The Laurentide ice sheet advanced from the northeast and deposited a thin discontinuous veneer of ground moraine over the bedrock surface. Several gold-bearing boulders have been discovered, outlining a weak boulder trend emanating from the north.

4.0 HISTORY OF EXPLORATION

Government assessment files in the Sault Ste. Marie Resident Geologist's Office indicate that there has been considerable exploration on the Dayo Property and to a lesser extent in the balance of the Dayohessarah greenstone belt.

4.1 **Prior exploration**

In 1958, **The Canadian Pacific Railway** completed a regional geological survey over an extensive area encompassing the Dayohessarah and Kabinakagami greenstone belts.

In 1969, geological mapping, horizontal shootback EM and ground magnetometer surveys were performed by **Canex Aerial Exploration Ltd.** The company drilled three (3) diamond drill holes totalling 1117ft. in the vicinity of the mafic/ultramafic intrusives and flows near the north end of Dayohessarah Lake. Their best intersection was 0.326% Ni and 0.08% Cu over 5 ft. in metagabbro.

Exploration interest in the Dayohessarah area was rekindled by the gold discoveries at Hemlo in 1981. **Pezamerica Resources Ltd.** conducted an exploration program between the years 1983-1986. An initial Dighem airborne magnetic and EM survey outlined 31 airborne geophysical anomalies in the area. Twenty-four of these anomalies were investigated by **Teck Exploration** pursuant to an option-purchase agreement with Pezamerica. In the winter of 1983/84, Teck Exploration drilled nine airborne geophysical targets based on coincident gold-in-soil anomaly trends outlined earlier that year on sitespecific mini grids. The geophysical targets tested were largely explained by pyrite- and pyrrhotite-rich horizons within felsic volcanics. Hole PZ-6 returned appreciable amounts of Zn mineralization (0.47% Zn over 2.8 feet). None of the assayed sections of core returned promising gold values. In 1985, **Mascot Gold Mines Ltd.** completed geological mapping and soil sampling on 24 mini-grids pursuant to an option agreement with Pezamerica. One moderate gold-insoil anomaly (Anomaly "O") was outlined near the southwest shore of Dayohessarah Lake but never drilled. Four (4) holes totalling 1200ft. were drilled north and east of Dayohessarah Lake, including Hole PZ-15 (312ft.) collared 400m west of the ultimate discovery site of the Sugar Zone.

In 1988, Noranda Exploration Company (No Personal Liability) Limited performed reconnaissance soil and geochemical surveys on 25 claims units located at the north end of Dayohessarah Lake. The survey was base metal oriented with no significant results and the claims lapsed.

In 1988, ground magnetics and HLEM were conducted on winter ice by United Reef Petroleum Ltd. on a property located near the west shore of Dayohessarah Lake on claims presently held by Corona under option from Larry Mealey et al. A followup program in the same area was conducted in 1989 by Black Cliff Mines Ltd. Several prominent HLEM conductors remain untested by diamond drilling.

With the advent of logging roads into the region, and discovery of rusty, sulphide rich "Hemlo-style" boulders, a prospecting partnership led by John Ternowesky et al staked the entire Dayohessarah Greenstone Belt in 1989. The partnership entered into an option-purchase agreement with Broad Horizons Inc. who commissioned a fixed wing magnetics and VLF-EM airborne survey of the whole belt by Terraquest. The agreement was terminated by the prospectors for cause resulting in a lawsuit commenced by Broad Horizons. The prospectors entered into an option-purchase agreement with Akiko Glod Resources Inc. and Gold Giant Minerals Inc. whereby part of the initial terms of the deal included paying the legal fees of the vendors. The lawsuit was settled resulting in a 0.5% NSR carried interest in all claims in favour of Broad Horizons.

Hemlo Gold Mines Inc. in turn optioned the property from the Akiko Gold Resources and Gold Giant Minerals in 1991. Initial prospecting by Hemlo Gold uncovered the goldbearing Sugar Zone. The Sugar Zone was traced for 750m by mapping and trenching and I.P. data suggested that the structure extended for 1500m.

In 1993, Hemlo Gold conducted a preliminary six (6) hole diamond drill program (Holes HD93-1 to 6) totalling 800m on the Sugar Zone. The initial program returned favorable results and Hemlo Gold proceeded with additional geological mapping and prospecting, trenching, IP and magnetic geophysical surveys extending the postulated strike length to 3200m. An additional 9 holes totalling 1303m (HD94-7 to 15) were drilled by Hemlo Gold in February, 1994, followed by 6 holes totalling 1113m (HD94-16 to 21) in March and April, 1994. Hemlo Gold had delineated additional targets based on surface work and geophysics for the summer of 1984 but instead ended their option agreement. The property ultimately reverted back to the prospectors. No further work was performed on the Property until the present exploration program in 1998 initiated by **Corona Gold Corporation**.

4.2 Exploration during the current program

Rehabilitation of an existing metric survey grid and new linecutting over areas of the property without prior grid coverage was completed in a ten-day period, between September 30 and October 9, 1998. The grid was previously cut in 1992 by Hemlo Gold Mines Inc. The orientation of the preexisting survey grid was felt to be technically optimum. Refurbishment gave Corona the opportunity to preserve and utilize all survey and drilling data ("HD" series holes) generated by Hemlo Gold during their exploration on the claims. In total, 96.1 line km were cut and chained at a nominal line spacing of 100 meters with individual picketed survey stations at 25 meter intervals. A detailed ground magnetics and VLF-EM survey and reconnaissance dipole-dipole gradient IP survey was performed on the property between October 14 and 30, 1998. Geophysical survey results are reported by Simoneau, 1998.

An orientation soil sampling program of duplicate humus and B-horizon soils was carried out on selected lines over the Sugar Zone between September 27 and October 1, 1998. Results were disappointing and indicated little dispersion of bedrock gold into the overlying soil column, thought to be due largely to the presence of transported overburden and a significant silty-clay component therein. No further geochemical sampling was carried out.

A 1:1000 scale geological, prospecting, structural, and alteration-mapping program was carried out on the refurbished grid to verify previous work by Hemlo Gold and further define the property geology and to identify new exploration targets for diamond drill testing. A total of 96.1 line km of mapping and sampling was completed on the property between September 25 and October 30, 1998. Prospecting was largely directed to the Sugar Zone and extensions of the Sugar Zone to the south and to the north. IP anomalies to the north and west of the Sugar Zone were also carefully prospected along strike. Soil geochemistry and geology is reported under separate cover in Drost et al, 1998.

A diamond drilling program, consisting of 9,937m of NQ core drilled in 53 holes, was carried out between October 24 and December 8, 1998. Results of the drilling program and resulting discussion, resource estimates and future work and budget recommendations are reported under separate cover in Hunt and Drost, 1998.

6.0 **POWER STRIPPING**

6.1 General

A backhoe power stripping and channel sampling program was carried out on the Dayohessarah Lake Propery during the period September 30 to November 3, 1998. Purpose of the program was to increase the surface exposure of Sugar Zone mineralization in the 130 Shoot Area to verify surface drillhole projections and to enable detailed geological mapping and channel sampling of a known mineralized area in order to study the nature and continuity of gold mineralization.

Four trenches were excavated on the Sugar Zone adjacent to Baseline 10,000E, between 12850N and 13100N (see Drawing DY028). Trenches were excavated, power washed, channel sampled and mapped in detail. Two additional IP-based targets were stripped, washed and sampled, but not mapped due to negative results. Results of the trenching program are reported below.

Backhoe power stripping was carried out by Superior North Forestation of White River, Ontario. Detailed geological trench mapping at a scale of 1:100 was carried out by Rick Middaugh and David S. Hunt High-pressure washing and channel sampling was carried out by Andrew Bonnema, Jim Mealey, Louis Perron and Dave Pykari. All personnel were sub-contracted or employed by SDA Geological Services Limited, of Thunder Bay, Ontario, on behalf of Corona Gold Corporation, Toronto. Overall project supervision was by Abraham P. Drost, SDA Geological Services Limited.

6.2 Sampling

Channel sample locations were marked by the geologists during detailed mapping procedures. Sample locations were chosen to cross-cut mineralized zones (often with multiple cuts to a single zone, if warranted), with the purpose of sampling individual lithological and/or mineralized domains. Each sample was described by the mapping geologist.

Sawing and chipping of samples was carried out by the geotechnical staff listed above. Three hundred and thirty seven (337) 1.5 inch wide by 4 inch deep channel samples were cut using a hand-held gasoline powered circular rock saw with a diamond blade. A total of 217.85m was cut and channeled.

As a general rule, sample width varied from 0.3 m to 1.0m in length, although samples as short as 10cm were taken of specific geological units within mineralized zones. All sample boundaries conformed to geological boundaries.

Each sample was placed in a plastic sample bag. Sample bags were sealed in polyethylene feed bags (approximately 15 samples to a bag) which were shipped to Accurassay Laboratories in Thunder Bay for analyses.

Samples were assayed for gold by fire assay techniques with an AA finish. Samples within known mineralized zones and samples of material containing visible gold were assayed routinely using a screen assay 'total metallics' method. A detailed description of sample preparation and analysis procedures is presented in Appendix 2.

All raw assay data is presented as ppb (parts per billion) gold on the trench plans, Drawings DY020 through DY027, and on the Sample Description sheets, Table 2, below. Significant intersections (weighted averages), using a 1 g/t Au cutoff and no minimum sample width, are presented as g/t (grams per tonne) gold (1 g = 1000 ppb) and are

Table 2	SSARAH		ROJECT		1998 Power Stripping Pro	gram AND ASS		S
Sample No.	Trench No.	Length (m)	Sample Type	Sample Descripti	on	Au (ppb)	Au (oz./ton)	Au (g/t)
32362	trench 1	0.99	channel	mafic vol		<5	tr	tr
32363	trench 1	0.50	channel	feld por		7	0.000	0.01
32364	trench 1	0.50	channel	feld por		12	0.000	0.01
32365	trench 1	0.23	channel	feld por + minor q	v	19	0.001	0.02
32366	trench 1	0.99	channel	mafic vol		10	0.000	0.01
32367	trench 1	0.27	channel	feld por + minor q	v	11	0.000	0.01
32368	trench 1	1.00	channel	mafic vol	······································	<5	tr	tr
32369	trench 1	0.53	channel	mafic vol + felsic b	ands	26	0.001	0.03
32370	trench 1	0.98	channel	mafic vol + felsic b	ands	41	0.001	0.04
32371	trench 1	0.98	channel	mafic vol + felsic bands		17	0.000	0.02
32372	trench 1	0.50	channel	feld por	feld por		0.000	0.01
32373	trench 1	0.62	channel	feld por		12	0.000	0.01
32374	trench 1	1.04	channel	mafic vol		23	0.001	0.02
32375	trench 1	1.00	channel	feld por		55	0.002	0.06
32376	trench 1	0.47	channel	feld por		48	0.001	0.05
32377	trench 1	0.44	channel	qtz v		1478	0.043	1.48
32378	trench 1	0.51	channel	feld por		578	0.017	0.58
32379	trench 1	0.90	channel	qtz rich banded ma	afic vol	2319	0.068	2.32
32380	trench 1	0.83	channel	feld por		27	0.001	0.03
32381	trench 1	1.01	channel	mafic vol		29	0.001	0.03
32382	trench 1	0.90	channel	feld por		63	0.002	0.06
32383	trench 1	0.45	channel	feld por		185	0.005	0.19
32384	trench 1	0.65	channel	qtz v		1609	0.047	1.61
32385	trench 1	0.47	channel	feld por		2231	0.065	2.23
32386	trench 1	0.86	channel	qtz rich banded ma	afic vol	456	0.013	0.46

Sample No.	Trench No.	Length (m)	Sample Type	Sample Description	Au (ppb)	Au (oz./ton)	Au (g/t)
32387	trench 1	1.00	channel	feld por	77	0.002	0.08
32388	trench 1	0.96	channel	mafic vol	33	0.001	0.03
32389	trench 1	1.04	channel	mafic vol	16	0.000	0.02
32390	trench 1	1.07	channel	feld por	443	0.013	0.44
32391	trench 1	0.46	channel	qtz rich vein	1356	0.040	1.36
32392	trench 1	0.94	channel	qtz rich banded mafic vol	1148	0.034	1.15
32393	trench 1	0.60	channel	feld por	78	0.002	0.08
32394	trench 1	0.95	channel	feld por	156	0.005	0.16
32395	trench 1	0.46	channel	qtz rich vein	4631	0.135	4.63
32396	trench 1	1.02	channel	mafic vol	121	0.004	0.12
32397	trench 1	0.43	channel	mafic vol	59	0.002	0.06
32398	trench 1	0.24	channel	feld por	15	0.000	0.02
32399	trench 1	0.46	channel	mafic vol	7	0.000	0.01
32400	trench 1	0.52	channel	mafic vol	<5	tr	tr
32401	trench 1	0.36	channel	qtz rich mafic vol + 16 cm feld por	87	0.003	0.09
32402	trench 1	0.70	channel	mafic vol	129	0.004	0.13
32403	trench 1	0.30	channel	qtz v	4313	0.126	4.31
32404	trench 1	0.50	channel	mafic vol	250	0.007	0.25
32405	trench 1	0.99	channel	mafic vol	16	0.000	0.02
32406	trench 1	0.23	channel	mafic dyke	12	0.000	0.01
32407	trench 1	1.04	channel	mafic vol + bull qtz blow sphal noted	1013	0.030	1.01
32408	trench 1	0.45	channel	mafic vol	21	0.001	0.02
32409	trench 1	0.33	channel	feld por	33	0.001	0.03
32410	trench 1	1.00	channel	mafic vol	72	0.002	0.07
32411	trench 1	1.00	channel	mafic vol	28	0.001	0.03
32412	trench 1	0.77	channel	feld por	15	0.000	0.02
32413	trench 1	0.45	channel	mafic vol	959	0.028	0.96

Sample No.	Trench No.	Length (m)	Sample Type	Sample Description	Au (ppb)	Au (oz./ton)	Au (g/t)
32414	trench 1	0.72	channel	mafic vol	62	0.002	0.06
32415	trench 1	0.49	channel	feld por fine grd		no assay	
32416	trench 1	0.77	channel	feld por fine grd + 10 cm mafic vol	7	0.000	0.01
32417	trench 1	0.70	channel	mafic vol	<5	tr	tr
32418	trench 1	0.38	channel	feld por	10	0.000	0.01
32419	trench 1	0.62	channel	mafic vol	32	0.001	0.03
32420	trench 1	0.64	channel	feld por fine grd	12	0.000	0.01
32421	trench 1	1.08	channel	feld por fine grd	638	0.019	0.64
32422	trench 1	1.07	channel	qtz rich mafic vol	1361	0.040	1.36
32423	trench 1	0.70	channel	mafic vol	114	0.003	0.11
32424	trench 1	0.87	channel	feld por	13	0.000	0.01
32425	trench 1	0.80	channel	mafic vol	7	0.000	0.01
32426	trench 1	0.80	channel	mafic vol	7	0.000	0.01
32427	trench 1	1.03	channel	mafic vol	5	tr	tr
32428	trench 1	0.72	channel	feld por	<5	tr	tr
32429	trench 1	0.59	channel	feld por	<5	tr	tr
32430	trench 1	1.07	channel	mafic vol	10	0.000	0.01
32431	trench 2	0.93	channel	mafic vol	6	0.000	0.01
32432	trench 2	0.70	channel	bull qtz blow + 10 mafic vol	<5	tr	tr
32433	trench 2	0.89	channel	feld por	36	0.001	0.04
32434	trench 2	0.85	channel	feld por	<5	tr	tr
32435	trench 2	0.32	channel	feld por	<5	tr	tr
32436	trench 2	0.87	channel	mafic vol	11	0.000	0.01
32437	trench 2	0.50	channel	mafic vol	16	0.000	0.02
32438	trench 2	0.30	channel	2-11 cm feld por + 8 cm mafic vol	9	0.000	0.01
32439	trench 2	0.82	channel	mafic vol banded	14	0.000	0.01
32440	trench 2	0.27	channel	mafic vol + 2 qtz boudins (3 & 7 cm)	654	0.019	0.65

.

Sample No.	Trench No.	Length (m)	Sample Type	Sample Description	Au (ppb)	Au (oz./ton)	Au (g/t)
32441	trench 2	0.97	channel	mafic vol banded rusty	176	0.005	0.18
32442	trench 2	0.67	channel	mafic vol west 18 cm banded rusty qtz rich	70	0.002	0.07
32443	trench 2	0.38	channel	mafic vol banded rusty	64	0.002	0.06
32444	trench 2	0.58	channel	mafic vol banded	1742	0.051	1.74
32445	trench 2	0.36	channel	mafic vol banded rusty	168	0.005	0.17
32446	trench 2	0.85	channel	feld por	418	0.012	0.42
32447	trench 2	0.58	channel	feld por fine grd	52	0.002	0.05
32448	trench 2	0.55	channel	feld por	32	0.001	0.03
32449	trench 2	0.22	channel	qtz rich banded mafic vol	534	0.016	0.53
32450	trench 2	0.45	channel	mafic vol banded	1171	0.034	1.17
32451	trench 2	0.17	channel	qtz rich banded mafic vol	250	0.007	0.25
32452	trench 2	0.85	channel	mafic vol banded	452	0.013	0.45
32453	trench 2	0.80	channel	mafic vol banded east 15 cm rusty	109	0.003	0.11
32454	trench 2	0.36	channel	feld por rusty zones 15-25 cm at contacts	411	0.012	0.41
32455	trench 2	0.85	channel	mafic vol banded west 25 cm rusty	45	0.001	0.05
32456	trench 2	0.44	channel	mafic vol banded	131	0.004	0.13
32457	trench 2	0.29	channel	mafic vol banded + qtz boudin	955	0.028	0.96
32458	trench 2	0.61	channel	mafic vol banded	2450	0.072	2.45
32459	trench 2	0.78	channel	mafic vol banded rusty qtz rich	137	0.004	0.14
32460	trench 2	0.51	channel	mafic vol banded rusty qtz rich	2713	0.079	2.71
32461	trench 2	0.47	channel	mafic vol banded rusty	361	0.011	0.36
32462	trench 2	0.87	channel	feld por fine grained	747	0.022	0.75
32463	trench 2	1.00	channel	feld por fine grained	73	0.002	0.07
32464	trench 2	0.66	channel	mafic vol rusty	788	0.023	0.79
32465	trench 2	0.80	channel	mafic vol rusty	197	0.006	0.20
32466	trench 2	0.58	channel	mafic vol massive	63	0.002	0.06
32467	trench 2	0.36	channel	mafic vol banded + feld por	31	0.001	0.03

Sample No.	Trench No.	Length (m)	Sample Type	Sample Description	Au (ppb)	Au (oz./ton)	Au (g/t)
32468	trench 2	0.72	channel	feld por	10	0.000	0.01
32469	trench 2	0.52	channel	mafic vol rusty	31	0.001	0.03
32470	trench 2	0.47	channel	mafic vol qtz rich	30	0.001	0.03
32471	trench 2	0.72	channel	mafic vol massive	125	0.004	0.13
32472	trench 2	0.84	channel	felf por	12	0.000	0.01
32473	trench 2	0.75	channel	felf por	107	0.003	0.11
32474	trench 2	0.87	channel	felf por	18	0.001	0.02
32475	trench 2	0.76	channel	mafic vol banded rusty	156	0.005	0.16
32476	trench 2	0.52	channel	feld por	49	0.001	0.05
32477	trench 2	0.52	channel	feld por	32	0.001	0.03
32478	trench 2	0.94	channel	mafic vol banded rusty	1725	0.050	1.73
32479	trench 2	0.39	channel	feld por	2007	0.059	2.01
32480	trench 2	0.25	channel	qtz v	1938	0.057	1.94
32481	trench 2	0.50	channel	feld por	33	0.001	0.03
32482	trench 2	0.50	channel	feld por	25	0.001	0.03
32483	trench 2	0.77	channel	feld por	277	0.008	0.28
32484	trench 2	0.25	channel	qtz v	22269	0.650	22.27
32485	trench 2	0.54	channel	mafic vol	636	0.019	0.64
32486	trench 2	0.26	channel	mafic vol + 10 cm feld por dyke	198	0.006	0.20
32487	trench 2	0.45	channel	feld por	<5	tr	tr
32488	trench 2	0.79	channel	mafic vol	100	0.003	0.10
32489	trench 2	0.80	channel	mafic vol	8	0.000	0.01
32490	trench 2	0.80	channel	mafic vol	12	0,000	0.01
32491	trench 2	0.88	channel	mafic vol massive	22	0.001	0.02
32492	trench 2	0.71	channel	feld por	<5	tr	tr
32493	trench 2	0.74	channel	mafic vol	16	0.000	0.02
32494	trench 2	0.96	channel	mafic vol	18	0.001	0.02

Sample No.	Trench No.	Length (m)	Sample Type	Sample Description	Au (ppb)	Au (oz./ton)	Au (g/t)
32495	trench 2	0.90	channel	feld por	7	0.000	0.01
32496	trench 2	0.79	channel	mafic vol	12	0.000	0.01
32497	trench 2	0.70	channel	feld por	13	0.000	0.01
32498	trench 2	0.75	channel	feld por	14	0.000	0.01
32499	trench 2	0.48	channel	mafic vol massive	51	0.001	0.05
32500	trench 2	0.44	channel	mafic vol banded rusty	119	0.003	0.12
32601	trench 2	1.12	channel	feld por	20	0.001	0.02
32602	trench 2	0.65	channel	mafic vol banded	2938	0.086	2.94
32603	trench 2	0.40	channel	mafic vol + qtz + rust + 12 cm feld por dyke	2966	0.087	2.97
32604	trench 2	0.48	channel	qtz v v.g. noted	66715	1.948	66.72
32605	trench 2	0.67	channel	feld por	87	0.003	0.09
32606	trench 2	0.82	channel	feld por	1368	0.040	1.37
32607	trench 2	0.42	channel	qtz v	9984	0.291	9.98
32608	trench 2	0.33	channel	mafic vol + qtz	2975	0.087	2.98
32609	trench 2	0.33	channel	qtz v	3405	0.099	3.41
32610	trench 2	0.45	channel	feld por	39	0.001	0.04
32611	trench 2	1.02	channel	mafic vol rusty + qtz stringer	125	0.004	0.13
32612	trench 2	1.00	channel	mafic vol	11	0.000	0.01
32613	trench 2	1.05	channel	mafic vol	12	0.000	0.01
32614	trench 2	1.04	channel	feld por	11	0.000	0.01
32615	trench 2	0.78	channel	mafic vol	11	0.000	0.01
32616	trench 2	0.70	channel	mafic vol	9	0.000	0.01
32617	trench 2	0.62	channel	mafic vol	9	0.000	0.01
32618	trench 2	0.60	channel	feld por	12	0.000	0.01
32619	trench 2	0.59	channel	feld por	<5	0.000	tr
32620	trench 2	0.82	channel	mafic vol	11	0.000	0.01
32621	trench 2	0.56	channel	mafic vol rusty + qtz	83	0.000	0.08

Sample	Trench	Length	Sample	Sample Description	Au	Au	Au
NO.	NO.	(m)	Type		(ppb)	(oz./ton)	(g/t)
32622	trench 2	0.50	channel	matic vol rusty + qtz	466	0.000	0.47
32623	trench 2	0.54	channel	teid por	34	0.000	0.03
32624	trench 2	0.86	channel	feld por	1/	0.000	0.02
32625	trench 2	0.81	channel	feld por	35	0.000	0.04
32626	trench 2	0.86	channel	mafic vol rusty + qtz	296	0.000	0.30
32627	trench 2	0.65	channel	feld por	61	0.000	0.06
32628	trench 2	0.65	channel	feld por	54	0.000	0.05
32629	trench 2	0.65	channel	mafic vol	2148	0.000	2.15
32630	trench 2	0.23	channel	mafic vol rusty + qtz	5768	0.000	5.77
32631	trench 2	0.13	channel	qtz v v. g. noted	36454	0.000	36.45
32632	trench 2	0.19	channel	feld por	2511	0.000	2.51
32633	trench 2	0.34	channel	qtz v galena noted	42516	0.000	42.52
32634	trench 2	0.83	channel	feld por	50	0.000	0.05
32635	trench 2	0.77	channel	feld por	424	0.000	0.42
32636	trench 2	0.39	channel	qtz v	10044	0.000	10.04
32637	trench 2	0.43	channel	mafic vol + qtz + 10 cm feld por dyke	625	0.000	0.63
32638	trench 2	0.50	channel	mafic vol	65	0.000	0.07
32639	trench 2	0.44	channel	feld por	17	0.000	0.02
32640	trench 2	0.74	channel	mafic vol	8	0.000	0.01
32641	trench 2	0.92	channel	mafic vol	15	0.000	0.02
32642	trench 2	1.10	channel	mafic vol	<5	Nil	Nil
32643	trench 2	0.93	channel	mafic vol	48	0.001	0.05
32644	trench 3	1.00	channel	mafic vol + qtz + minor rust	636	0.019	0.64
32645	trench 3	0.82	channel	feld por	46	0.001	0.05
32646	trench 3	0.54	channel	gtz vein (highly altered mafic vol ?)	3162	0.092	3.16
32647	trench 3	1.04	channel	feld por	59	0.002	0.06
32648	trench 3	0.96	channel	mafic vol banded at contact + qtz + rust	220	0.006	0.22

Sample No.	Trench No.	Length (m)	Sample Type	Sample Description	Au (ppb)	Au (oz./ton)	Au (g/t)
32649	trench 3	0.96	channel	mafic vol massive	216	0.006	0.22
32650	trench 3	0.99	channel	mafic vol massive	68	0.002	0.07
32651	trench 3	0.64	channel	mafic vol massive	19	0.001	0.02
32652	trench 3	0.66	channel	mafic vol massive	58	0.002	0.06
32653	trench 3	0.68	channel	feld por qtz at contacts	18	0.001	0.02
32654	trench 3	0.90	channel	mafic vol + 5 cm mafic dyke	29	0.001	0.03
32655	trench 3	0.82	channel	mafic vol banded minor rust	121	0.004	0.12
32656	trench 3	1.00	channel	mafic vol banded minor qtz & rust	74	0.002	0.07
32657	trench 3	1.02	channel	mafic vol massive	150	0.004	0.15
32658	trench 3	0.99	channel	mafic vol massive	66	0.002	0.07
32659	trench 3	0.70	channel	feld por qtz at contacts	47	0.001	0.05
32660	trench 3	1.03	channel	mafic vol banded at contact	21	0.001	0.02
32661	trench 3	0.90	channel	mafic vol well foliated sheared? + qtz + rust	2400	0.070	2.40
32662	trench 3	0.32	channel	qtz v	7191	0.210	7.19
32663	trench 3	0.60	channel	feld por qtz at contact	199	0.006	0.20
32664	trench 3	0.64	channel	feld por	134	0.004	0.13
32665	trench 3	0.49	channel	feld por	881	0.026	0.88
32666	trench 3	0.46	channel	qtz v rusty	1135	0.033	1.14
32667	trench 3	0.78	channel	mafic vol well foliated sheared? + qtz + rust	562	0.016	0.56
32668	trench 3	0.89	channel	mafic vol well foliated sheared? + qtz + rust	61	0.002	0.06
32669	trench 3	0.83	channel	mafic vol massive	18	0.001	0.02
32670	trench 3	0.63	channel	mafic vol banded + qtz + rust	59	0.002	0.06
32671	trench 3	0.91	channel	mafic vol banded + qtz + rust + feld por	316	0.009	0.32
32672	trench 3	0.75	channel	feld por	112	0.003	0.11
32673	trench 3	0.80	channel	feld por + qtz v.g. noted	20456	0.597	20.46
32674	trench 3	0.58	channel	mafic vol banded rusty	2130	0.062	2.13
32675	trench 3	0.44	channel	mafic vol + qtz v v.g. noted	4779	0.140	4.78

Sample No.	Trench No.	Length (m)	Sample Type	Sample Description	Au (ppb)	Au (oz./ton)	Au (g/t)
32676	trench 3	0.40	channel	feld por	19	0.001	0.02
32677	trench 3	0.95	channel	mafic vol + qtz + rust	654	0.019	0.65
32678	trench 3	0.55	channel	mafic vol + qtz + rust	1388	0.041	1.39
32679	trench 3	0.62	channel	feld por qtz flood area	538	0.016	0.54
32680	trench 3	0.78	channel	feld por qtz flood area	3579	0.104	3.58
32681	trench 3	1.01	channel	feld por qtz flood area + mafic vol (30 cm)	4064	0.119	4.06
32682	trench 3	0.88	channel	feld por	63	0.002	0.06
32683	trench 3	0.67	channel	mafic vol	112	0.003	0.11
32684	trench 3	0.68	channel	mafic vol	10	0.000	0.01
32685	trench 3	0.68	channel	feld por	7	0.000	0.01
32686	trench 3	0.60	channel	feld por	<5	tr	tr
32687	trench 3	1.03	channel	mafic vol	16	0.000	0.02
32688	trench 3	0.70	channel	mafic vol	83	0.002	0.08
32689	trench 3	0.61	channel	mafic vol	42	0.001	0.04
32690	trench 3	0.99	channel	mafic vol banded	141	0.004	0.14
32691	trench 3	0.49	channel	feld por + qtz stringer	677	0.020	0.68
32692	trench 3	0.68	channel	feld por	135	0.004	0.14
32693	trench 3	0.60	channel	feld por	5610	0.164	5.61
32694	trench 3	0.81	channel	mafic vol + qtz stringer	40696	1.188	40.70
32695	trench 3	0.50	channel	feld por	44	0.001	0.04
32696	trench 3	0.87	channel	mafic vol banded	175	0.005	0.18
32697	trench 3	0.28	channel	mafic vol banded	113	0.003	0.11
32698	trench 3	0.52	channel	mafic vol banded + qtz + rust	1754	0.051	1.75
32699	trench 3	0.63	channel	feld por qtz flood area	22808	0.666	22.81
32700	trench 3	1.12	channel	feld por qtz flood area	907	0.026	0.91
32701	trench 3	0.80	channel	feld por + 20 cm mafic vol + qtz	15059	0.440	15.06
32702	trench 3	0.62	channel	feld por	41	0.001	0.04

.

Sample No.	Trench No.	Length (m)	Sample Type	Sample Description	Au (ppb)	Au (oz./ton)	Au (g/t)
32703	trench 3	1.08	channel	mafic vol banded at contacts	12	0.000	0.01
32704	trench 3	0.76	channel	feld por	<5	tr	tr
32705	trench 3	0.65	channel	feld por	<5	tr	tr
32706	trench 3	0.93	channel	mafic vol minor rust	15	0.000	0.02
32707	trench 3	0.80	channel	mafic vol	7	0.000	0.01
32708	trench 3	0.16	channel	qtz v bullish white coloured	6	0.000	0.01
32709	trench 3	1.01	channel	mafic vol	12	0.000	0.01
32710	trench 3	0.88	channel	mafic vol	9	0.000	0.01
32711	trench 3	0.44	channel	mafic vol	10	0.000	0.01
32712	trench 3	0.49	channel	feld por	10	0.000	0.01
32713	trench 3	0.55	channel	mafic vol finely banded + qtz + rust	57	0.002	0.06
32714	trench 3	0.57	channel	mafic vol finely banded + qtz + rust	42	0.001	0.04
32715	trench 3	0.57	channel	mafic vol finely banded + qtz + rust	12	0.000	0.01
32716	trench 4	0.65	channel	mafic vol banded minor rust	703	0.021	0.70
32717	trench 4	0.26	channel	qtz v vg noted	28409	0.829	28.41
32718	trench 4	0.62	channel	feld por	649	0.019	0.65
32719	trench 4	0.35	channel	mafic vol + qtz	10691	0.312	10.69
32720	trench 4	0.49	channel	feld por	110	0.003	0.11
32721	trench 4	0.56	channel	feld por	1671	0.049	1.67
32722	trench 4	0.15	channel	qtz v vg noted	15991	0.467	15.99
32723	trench 4	0.57	channel	mafic vol banded + qtz + rust	110	0.003	0.11
32724	trench 4	0.38	channel	mafic vol banded + qtz + rust	49	0.001	0.05
32725	trench 4	0.17	channel	mafic vol banded + qtz + rust	144	0.004	0.14
32726	trench 4	0.72	channel	mafic vol banded + qtz + rust	33	0.001	0.03
32727	trench 4	0.85	channel	mafic vol + qtz + rust	80	0.002	0.08
32728	trench 4	0.53	channel	feld por	71	0.002	0.07
32729	trench 4	0.78	channel	mafic vol more massive	46	0.001	0.05

Sample No.	Trench No.	Length (m)	Sample Type	Sample Description	Au (ppb)	Au (oz./ton)	Au (g/t)
32730	trench 4	0.81	channel	mafic vol banded at contact	181	0.005	0.18
32731	trench 4	0.98	channel	feld por	69	0.002	0.07
32732	trench 4	0.78	channel	feld por	27	0.001	0.03
_ 32733	trench 4	0.69	channel	mafic vol minor rust	58	0.002	0.06
32734	trench 4	0.83	channel	mafic vol minor rust	7	0.000	0.01
32735	trench 4	1.07	channel	feld por + qtz flood (lots of qtz stringers)	392	0.011	0.39
32736	trench 4	0.25	channel	mafic vol banded + qtz + rust	231	0.007	0.23
32737	trench 4	0.87	channel	mafic vol pillowed banded at contact	57	0.002	0.06
32738	trench 4	0.67	channel	mafic vol banded at contact + qtz v (10 cm)	21	0.001	0.02
32739	trench 4	0.73	channel	feld por	29	0.001	0.03
32740	trench 4	0.64	channel	feld por	30	0.001	0.03
32741	trench 4	0.59	channel	mafic vol banded at contact minor rust	39	0.001	0.04
32742	trench 4	0.49	channel	mafic vol banded at contact	11	0.000	0.01
32743	trench 4	0.53	channel	feld por + qtz flood (lots of qtz stringers)	31	0.001	0.03
32744	trench 4	0.17	channel	qtz v + feldpor 9/8	440	0.013	0.44
32745	trench 4	0.54	channel	mafic vol banded at contact	69	0.002	0.07
32746	trench 4	0.34	channel	mafic vol pillowed	11	0.000	0.01
32747	trench 4	0.43	channel	feld por + qtz + rust	40	0.001	0.04
32748	trench 4	0.36	channel	mafic vol banded at contact	44	0.001	0.04
32749	trench 4	0.60	channel	mafic vol banded at contact + qtz 35/25 + rust	2258	0.066	2.26
32750	trench 4	0.23	channel	qtz v rusty	1021	0.030	1.02
32751	trench 4	0.68	channel	feld por	147	0.004	0.15
32752	trench 4	0.70	channel	feld por	18	0.001	0.02
32753	trench 4	0.35	channel	feld por	321	0.009	0.32
32754	trench 4	0.27	channel	qtz v boudinaged rusty	355	0.010	0.36
32755	trench 4	0.26	channel	mafic vol banded at contact	43	0.001	0.04
32756	trench 4	0.45	channel	mafic vol banded at contact	350	0.010	0.35

Sample No.	Trench No.	Length (m)	Sample Type	Sample Description	Au (ppb)	Au (oz./ton)	Au (g/t)
32757	trench 4	0.45	channel	feld por	20	0.001	0.02
32758	trench 4	0.83	channel	feld por	8	0.000	0.01
32759	trench 4	0.39	channel	mafic vol banded	31	0.001	0.03
32760	trench 4	0.26	channel	qtz v rusty contorted contacts	1282	0.037	1.28
32761	trench 4	0.49	channel	mafic vol banded	12	0.000	0.01
32762	trench 4	0.43	channel	mafic vol banded at contact	123	0.004	0.12
32763	trench 4	0.24	channel	qtz v rusty	2358	0.069	2.36
32764	trench 4	0.51	channel	feld por	18	0.001	0.02
32765	trench 4	0.55	channel	feld por	58	0.002	0.06
32766	trench 4	0.50	channel	mafic vol banded at contact	75	0.002	0.08
32767	trench 4	0.40	channel	mafic vol banded at contact	817	0.024	0.82
32768	trench 4	0.34	channel	qtz v rusty	6190	0.181	6.19
32769	trench 4	0.86	channel	feld por	326	0.010	0.33
32770	trench 4	0.60	channel	mafic vol banded at contact	58	0.002	0.06
32771	trench 4	0.40	channel	mafic vol banded at contact	4744	0.138	4.74
32772	trench 4	0.32	channel	qtz v rusty	7693	0.225	7.69
32773	trench 4	0.62	channel	feld por	7	0.000	0.01
32774	trench 4	0.62	channel	feld por	17	0.000	0.02
32775	trench 4	0.42	channel	mafic vol banded at contact	21	0.001	0.02
32776	trench 4	0.89	channel	mafic vol banded at contact	19	0.001	0.02
32777	trench 4	0.72	channel	feld por	214	0.006	0.21
32778	trench 4	0.35	channel	feld por	<5	0.000	0.04
32779	trench 4	0.37	channel	feld por	15	0.000	0.02
32780	trench 4	0.45	channel	mafic vol banded at contact	10	0.000	0.01
32781	trench 4	0.71	channel	mafic vol banded at contact	13	0.000	0.01
32782	trench 4	0.60	channel	feld por + qtz v boudinaged	53	0.002	0.05
32783	trench 4	0.56	channel	feld por	<5	0.000	0.04

Sample No.	Trench No.	Length (m)	Sample Type	Sample Description	Au (ppb)	Au (oz./ton)	Au (g/t)
32784	trench 4	0.50	channel	mafic vol banded at contact	7	0.000	0.01
32786	trench 4	0.45	channel	feld por	11	0.000	0.01
32787	trench 4	0.68	channel	mafiv vol + feld por seam (11 cm)	305	0.009	0.31
32788	trench 4	0.11	channel	qtz v boudinaged rusty	6070	0.177	6.07
32789	trench 4	0.30	channel	feld por	59	0.002	0.06
32790	trench 4	0.52	channel	mafic vol banded + qtz + rust	13606	0.397	13.61
32791	trench 4	0.70	channel	mafic vol banded minor rust	48	0.001	0.05

plotted on the trench plans (scale 1:100) and listed on Table 3, below. Assay certificates are presented in Appendix 1.

7.0 DISCUSSION OF RESULTS

7.1 Significant intersections

Significant gold intersections are illustrated on the geological maps (Drawings DY020 through DY027) and listed on Table 3, below.

Grade-widths from stripped areas were also used for purposes of defining polygons as part of the resource estimation exercise (see Hunt et al., 1998). These significant intersections encompassing true widths and, in some cases, averages of several closely-spaced channel samples are also shown on Drawings DY020 – DY027.

7.2 Geological and mineralization observations

Both Upper and Lower Zones consist of a central porphyry sill \pm hydrothermally altered, (banded, quartz-flooded) basalt (1N) \pm quartz vein unit, together with ancillary thinner porphyry and 1N units in the immediate hangingwall and/or footwall. The grade and width of gold mineralization varies directly with the presence of abundant 1N flanking the central porphyry and with increased amounts of quartz veining, commonly occupying the porphyry-1N contacts.

Boudinaging of quartz veins is well illustrated in the Upper and Lower Zones of Trenches 2 and 3, and in the Lower Zone on Trench 4.

The variability of gold values among closely spaced samples taken from the same unit along strike can be seen in Lower Zone sampling of Trenches 2, 3 and 4.

Thinning and pinching of the Lower Zone (indeed, the lensing out of one porphyry component) is observed in Trench 4.

The interfingering, cross-cutting or ribboning of porphyritic/1N units, as suggested and illustrated on 1:1000 scale surface geological maps (see Drost et al., 1998), is neither proven nor disproven by the mapping of power stripped areas illustrated here. Additional bedrock exposure between existing trenches (along strike) would be required to settle this question.

8.0 CONCLUSIONS

The power stripping, detail mapping and sampling program succeeded in providing a two-dimensional picture of Sugar Zone mineralization and stratigraphy that has served to

Table 3

Zone	Northing*	Easting*	Trench No.	Au (g/t)	Width (m)
Interzone	12839	10047	1	4.31	0.30
Lower	12835	10065	1	1.37	1.07
Lower	12903	10064	2	7.56	3.35
Lower	12905	10064	2	10.39	4.10
Lower	12908	10064	2	2.46	3.60
Lower	12938	10064	3	10.58	6.13
Lower	12939	10064	3	4.17	6.13
Lower	12990	10074	4	1.28	0.26
Lower	13000	10060	4	1.92	0.53
Lower	13014	10062	4	2.36	0.24
Lower	13020	10063	4	6.19	0.34
Lower	13025	10063	4	4.74	0.64
Upper	12844	10032	1	1.64	1.85
Upper	12845	10031	1	1.87	1.12
Upper	12845	10033	1	1.15	0.94
Upper	12846	10031	1	1.36	0.46
Upper	12848	10031	1	4.36	0.64
Upper	12900	10032	2	2.45	0.61
Upper	12902	10035	2	2.71	0.51
Upper	12905	10038	2	1.17	0.45
Upper	12929	10034	3	3.66	1.22
Upper	12942	10038	3	3.16	0.54
Upper	12950	10035	2	1.74	0.58
Upper	12978	10042	4	6.14	2.43
Upper	13042	10049	4	8.35	0.93

Dayohessarah Lake Project 1998 Power Stripping Program - Significant Intersections

 Coordinates mark centre of each weighted average, to the nearest metre.
increase confidence in the controls and continuity of mineralization and assisted in the interpretation of past and current diamond drill hole intersections. As well, results of trench channel sampling were utilized in polygonal resource estimates reported by Hunt et al., in an accompanying report.

Within the stripped area is an area, potentially 50+m in strike length (12900N through 12950N, in the Trench 2 – Trench 3 area) containing significant Lower Zone gold values over widths of 3 to 6m. This would be a prime area from which a surface bulk sample could be extracted.

While significant cross-strike exposure has been achieved by this power stripping exercise, additional information concerning continuity of mineralization could be learned by increased exposure of mineralized zones along strike.

9.0 **RECOMMENDATIONS**

An open-cut bulk sample on surface may be the most expedient means of generating tonnage for a bulk sample test. It is recommended that such a bulk sample be extracted from Lower Zone mineralization between approximately 12+900N and 12+950N, where grade widths exceeding 3m were returned from several channel samples. Surface extraction from this zone could be accomplished without the potential dilution that might be involved with surface sampling of thinner portions of mineralized horizons.

Preparation for an open cut bulk sample of up to 10,000 tonnes (the limit for advanced exploration) would require significant preparation in terms of adequate channel sample density for grade control. It is recommended that a concurrent program of backhoe power stripping be implemented to clear additional ground in the 130 Shoot area between Trenches 2,3 and 4 from the Fall, 1998 program. Such stripping should be accompanied by detailed geological mapping and channel closely-spaced channel sampling (a sequence of samples 2.5m or 5m apart, for example) in order to better to define along-strike controls on mineralization and sample consistency.

Based on drilling information, gold assays in the 124 Shoot area (Sections 124+00N to 126+00N) commonly occur as high values across narrow widths, associated mainly with the Upper Zone or with Hangingwall mineralized zones. It is therefore recommended that a power stripping program be carried out in the 124 Shoot area (Sections 124+00N to 126+00N). Such a program would refine the calculation of a gold resource in the 124 Shoot area by allowing detailed study of the nature and continuity of mineralization as compared with that in the 130 Shoot area.

Extraction and processing of an open cut bulk sample from the Upper and Lower horizons of the two main shoots would allow comparison of recovered gold grade with that calculated in polygonal blocks using channel sampling and drill hole information. This would enhance the level of confidence of an updated resource estimate. An increase in the level of activity at the Sugar Zone resource area would require an upgrade of the present trail access to the Property. Upgrading the trail to access by 4-wheel drive truck and introduction of gravel fill in soft boggy areas of the trail will require a Work Permit from the Ministry of Natural Resources. A separate work permit and approval under the terms of the <u>Mining Act</u> would also be required for the purpose of extraction of a bulk sample from the Property. The channel sampling and drilling data would be required as background data for a set of engineered drawings of extraction sites, blasthole layout etc. in support of the permitting process, which will likely also require public consultation.

9.0 **REFERENCES**

- Bever, Christopher, 1998: Accurassay Laboratories, Standard Operations Procedures Manual for Sample Preparation (Rocks and Drill Core) & Au, Pt, Pd Fire Assay/AA Finish. Accurassay Laboratories (Div. Of Assay Laboratory Services Inc.), 1074 Lithium Dr., Unit 2, Thunder Bay, Ontario, P7B 6G3. Christopher Bever, Laboratory Manager.
- Calhoun, Robert,1994: Hemlo Gold Mines Inc., Report of Activities 1994, Dayohessarah Project. Prepared by: Noranda Exploration Company, Limited (No Personal Liability), West Precambrian District, Project No. 584/592, Hemlo, Ontario, April, 1994. Assessment Files, Sault Ste. Marie Resident Geologist's Office, Ontario Ministry of Northern Development and Mines.
- Drost, A., Hunt, D., Roach, S. and Kaoukis, D., 1998: Report on Geology for Corona Gold Corporation on the Dayohessarah Lake Project, Gourlay, Hambleton, Odlum and Strickland Townships, Sault Ste. Marie Mining Division, Ontario, NTS 42 C/14 SE. SDA Geological Services Ltd., December 31, 1998.
- Hunt, David S. and Abraham P. Drost, 1998: Report on Diamond Drilling Program for Corona Gold Corporation on the Dayohessarah Lake Property, Hambleton, Odlum, Strickland and Gourlay Townships, Sault Ste. Marie Mining Division, Ontario, NTS 43 C/14 SE. SDA Geological Services Ltd., December 31, 1998.
- Stott, G. M., 1996a: Precambrian Geology of Dayohessarah Lake area (North half) Preliminary Map No. 3309. Ontario Geological Survey.
- Stott, G. M., 1996b: Precambrian Geology of Dayohessarah Lake area (Central area) Preliminary Map No. 3310. Ontario Geological Survey.
- Stott, G. M., 1996c: Preliminary Geology of Dayohessarah Lake area (Sough half) Preliminary May No. 3311. Ontario Geological Survey.

Zhang, G., 1998: Report on field structural analysis on Dayo property (Sugar Zone gold mineralization), Dayohessarah Lake greenstone belt, White River, Ontario. Internal report for Corona Gold Corporation, December 5, 1998.

CERTIFICATE OF QUALIFICATION

DAYOHESSARAH LAKE PROPERTY HAMBLETON, ODLUM, STRICKLAND AND GOURLAY TOWNSHIPS, SAULT STE. MARIE MINING DIVISION CORONA GOLD CORPORATION.

I, DAVID STANLEY HUNT of the City of Thunder Bay, District of Thunder Bay, do certify that:

- 1) I am a graduate of the Carleton University (B.Sc. 1969) in geological sciences;
- 2) I have practiced my profession continuously for 30 years since my graduation from Carleton University;
- 3) I am a member of the Prospectors and Developers Association of Canada and a Fellow of the Geological Association of Canada;
- 4) The information presented herein is based on personal literature search and direct field research carried out on said property
- 5) I have no beneficial interest in the property discussed in this report nor do I expect to receive any in the future.

DAVID S. HUNT, BSc, FGAC December 31, 1998

CERTIFICATE OF QUALIFICATION

DAYOHESSARAH LAKE PROPERTY HAMBLETON, ODLUM, STRICKLAND AND GOURLAY TOWNSHIPS, SAULT STE. MARIE MINING DIVISION CORONA GOLD CORPORATION.

I, ABRAHAM PETER DROST of the City of Thunder Bay, District of Thunder Bay, do certify that:

- 6) I am a graduate of the University of Waterloo (B.Sc. 1984) and Queen's University (M.Sc. 1987) in geological sciences;
- 7) I have practiced my profession continuously for 15 years since my graduation from the University of Waterloo;
- I am a member of the Canadian Institute of Mining and Metallurgy, Prospectors and Developers Association of Canada and a Fellow of the Geological Association of Canada;
- 9) The information presented herein is based on personal literature search and first-hand experience and supervision of work on said property
- 10) I have no beneficial interest in the property discussed in this report nor do I expect to receive any in the future.

ABRAHAM P. DROST MSc, FGAC December 31, 1998

APPENDIX 1

Assay Certificates, Accurassay Laboratories, Thunder Bay

ACCURASSAY LABORATORIES

CORONA GOLD CORPORATION 905-2200 YONGE ST. TORONTO, ONTARIO M4S 2C6 FAX (416)488-1676 1070 L11HIUM DRIVE, UNIT 2 Page 1HUNDER BAY, ONTARIO P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820 Oct 19, 1998

Job# 9840815 Ref:Dayo

SAM	PLE #	Gold	Gold
Accurassay	Customer	ppb	Oz∕t
1	32362	<5	<0.001
2	32366	10	< 0.001
3	32368	<5	<0.001
4	32374	23	<0.001
5	32381	29	<0.001
6	32388	33	<0.001
7	32389	16	<0.001
8	32396	121	0.004
9	32397	59	0.002
10	32399	7	<0.001
11 Chec	k 32399	7	<0.001
12	32400	<5	<0.001
13	32404	250	0.007
14	32405	16	<0.001
15	32406	12	<0.001
16	32408	21	<0.001
17	32410	72	0.002
18	32411	28	<0.001
19	32414	62	0.002
20	32417	<5	<0.001
21 Chec	k 32417	<5	<0.001
22	32419	32	<0.001
23	32423	114	0.003
24	32425	7	<0.001
25	32426	7	<0.001
26	32427	5	<0.001
27	32430 .	10	<0.001

PAGE 01

Trench Sa le s Trench (2 Nonmeta - A A

ACCURASSAY LABORATORIES

1070 LITHIUM DRIVE, UNIT 2 Page thunder bay, Ontario P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820

CORONA GOLD CORPORATION 905-2200 YONGE ST. TORONTO, ONTARIO M4S 2C6 FAX (416)488-1676

Oct 19, 1998

Job# 9840821 Ref:Dayo

SAMPLE #		Gold	Gold
Accurassay	Customer	ppb	Oz/t
1	32431	6	<0.001
2	32436	11	<0.001
3	32437	16	<0.001
4	32466	63	0.002
5	32472	12	<0.001
6	32488	100	0.003
7	32489	8	<0.001
8	32490	12	<0.001
9	32491	22	<0.001
10	32493	16	<0.001
11 Check	32493	14	<0.001
12	32494	18	<0.001
13	32 49 6	12	<0.001
14	32612	11	<0.001
15	32613	12	<0.001
16	32615	11	<0.001
17	32616	9	<0.001
18	32617	9	<0.001
19	32620	11	<0.001
20	32640	8	<0.001
21 Check	32640	9	<0.001
22	32641	15	<0.001
23	32642	<5	< 0.001
24	32643	48	0.001

Certified By:

02896294081 09:22 #661/10/10



	Page 1	1070 LITHIUM DRIVE, UNIT 2 THUNDER BAY, ONTARIO P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820
CORONA GOLD CORPORATION 905-2200 YONGE ST	Oct 23, 1998	
TORONTO, ONTARIO M4S 2C6	Job #9840815	
FAX (416)488-1676		
METALLION	** • •	

METALLICS GOLD

		#1 Pulp Assay ppb	#2 Pulp Assay ppb	Metallics Assay opb	Total	% Met.in	Pulp Met.
Accur. Customer	••		66~	հեր	rup	weight (g)	
31	32363	8	7	14	7	0.500	
32	32364	8	à	14	1	0.59%	11.00
33	32365	18	20	10	10	1.10%	21.30
34	32367	11	11	14	19		19.75
35	32369	41	12	7	11	1.37%	14.04
36	32370	75		14	20	1.34%	33.32
37	32371	15	19	7	41	0.00%	24.34
38	32372	8	<5	11	17	1.82%	83,67
39	32373	11	12	11	10	0.26%	6.11
40	32375	46	E3	60	12	2.05%	54.35
41	32376	51	46	32	33	0.96%	44.12
42	32377	1284	1204	200	48	0.75%	18.20
43	32378	584	457	1020	14/0	4.04%	74.83
44	32379	1074	2789	-1202	01C	1.56%	27.17
45	32380	29	2,00	30107	2319	1.0/%	36.67
46	32382	62	2J 59	03	21	0.04%	1.49
47	32383	104	206	⊃Z 2749	63	0.72%	25.70
48	32384	1547	1608	3/40	185	0.82%	17. 54
49	32385	1700	2627	213	1609	0.98%	37.28
50	32386	314	2027	11109	2231	0.75%	14.43
51	32387	56	370	13379	456	0.86%	35.34
52	32300	244	63	1143	77	0.75%	38.91
53	32301	244 966	622	1933	443	0.68%	34,49
54	37302	1000	1309	17659	1356	1.62%	89.21
55	32392	1009	1009	14755	1148	1.01%	21.47
56	32304	142	/8	24950	78	0.04%	1.40
57	32304	143	143	1357	156	1.07%	33.84
58	32395	2430 12	4427	493709	4631	0.24%	4.61
50	32401	13	1/	33	15	0.24%	4.13
80 80	32401	84	92	42	87	2.46%	62.79
00	324UZ	172	146	128	129	0.32%	20.67

Certified by

PAGE 06

SBAL VASSARUCCA

18076236820 01/01/1664 55:20



Page 2	
Oct 23.	1998

1070 LITHIUM DRIVE, UNIT 2 THUNDER BAY, ONTARIO P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820

CORONA GOLD CORPORATION 905-2200 YONGE ST. TORONTO, ONTARIO M4S 2C6 FAX (416)488-1676

Job #9840815

METALLICS GOLD

		#1 Pulp Assay ppb	#2 Pulp Assay ppb	Metallics Assay ppb	Total ppb	% Met.in Pulp	Pulp Met. Weight (g)
Accur.	Customer						
61	32403	4238	4387	16455	4313	0.30%	4.97
62	32407	906	871	16429	1013	0.80%	46.29
63	32409	21	45	47	33	0.19%	3.34
64	32412	10	20	28	15	0.26%	6.42
65	32413	940	827	22442	959	0.35%	6.20
66	32416	8	6	14	7	0.32%	11.46
67	32418	9	11	51	10	0 18%	2.73
68	32420	12	13	12	12	0.54%	23.89
69	32421	530	513	16291	638	0.74%	38.07
70	32422	1175	1161	45309	1361	0.44%	28,67
71	32424	16	8	344	13	0.19%	10.02
72	32427	18	<5	6	9	1.05%	53.19
73	32428	<5	<5	<5	<5	0.62%	23.28
74	32429	<5	<5	<5	<5	0.94%	30,18

Certified by

05:22 \$661/10/10



1070 LITHIUM DRIVE, UNIT 2 Page 1HUNDER BAY, ONTARIO P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820

CORONA GOLD CORPORATION 905-2200 YONGE ST. TORONTO, ONTARIO M4S 2C6 FAX (416)488-1676

Oct 23, 1998

Job# 9840853 Ref: Dayo

Accurassay Customer ppb 1 32650 68 2 32651 19 <	Oz/t 0.002 0.001
1 32650 68 2 32651 19 <	0.002 =0.001
1 32650 68 2 32651 19 <	0.002 0.001
2 32651 19 <	0.001
	0.002
3 32652 58	0.002
4 32654 29 <	<0.001
5 32655 121	0.004
6 326 57 150	0.004
7 32669 18 <	0.001
8 32683 112	0.003
9 32684 10 <	0.001
10 32687 16 <	0.001
11 Check 32687 16 <	0.001
12 32688 83	0.002
13 32689 42	0.001
14 32690 141	0.004
15 32696 175	0.005
16 32697 113	0.003
17 32702 41	0.001
18 32703 12 <	0.001
19 32707 7 <	0.001
20 32709 12 <	0.001
21 Check 32709 10 <	0.001
22 32710 9 <	0.001
23 32711 10 <	0.001

Certified By:

......



Page 1	1070 LITHIUM DRIVE, UNIT 2 THUNDER BAY, ONTARIO P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820
Oct 30, 1998	

CORONA GOLD CORPORATION 905-2200 YONGE ST. TORONTO, ONTARIO M4S 2C6 FAX (416)488-1676

Job #9840822

METALLICS GOLD

Accur,	Customer	#1 Pulp Assay ppb	#2 Pulp Assay ppb	Metallics Assay ppb	Totai ppb	% Met.in Pulp	Pulp Met. Weight (g
1	32432	<5	<5	<5	<5	1 99%	56.26
2	32433	<5	73	<5	36	0.75%	35 68
3	32434	<5	<5	<5	<5	1 12%	45.40
4	32435	<5	<5	<5	<5	1 13%	20.96
5	32438	9	7	17	9	2 64%	41 38
6	32439	16	12	11	14	1 40%	65.97
7	32440	709	405	3567	654	3.23%	44.90
8	32441	122	218	718	176	1.11%	55 21
9	32442	61	74	199	70	1 63%	49 44
10	32443	. 54	76	22	64	2.20%	36 69
11	32444	. 1790	1436	38584	1742	0.35%	8.05
12	32445	147	142	1128	168	2 37%	57.36
13	32446	418	411	683	418	1 44%	61.98
14	32447	57	42	432	52	0.50%	21.89
15	32448	28	36	80	32	0.75%	30 64
16	32449	487	487	2607	534	2.21%	36.07
17	32450	944	1296	4777	1171	1.41%	43 79
18	32451	252	179	1690	250	2.33%	26.03
19	32452	74	843	22	452	1.56%	56.09
20	32453	119	89	505	109	1.15%	50.61
21	32454	427	360	2099	411	1.04%	18 57
22	32455	52	40	20	45	1.22%	60.33
23	32456	230	37	211	135	2.73%	71.95
24	32457	406	263	37866	955	1.65%	33.17
25	32458	2106	2863	710	2450	1.94%	48.29
26	32459	140	95	1451	137	1.51%	47 45
27	32460	1849	2193	47157	2713	1.53%	38.51
28	32461	352	346	3230	361	0.42%	10.80
29	32462	695	523	40823	747	0.34%	17 38
30	32463	58	83	751	73	0.47%	24.86

Certified by

ACCURASSAY LABORATORIES

A DIVISION OF ASSAY LABORATORY SERVICES INC.

 1070 LITHIUM DRIVE, UNIT 2

 Page 2
 THUNDER BAY, ONTARIO P7B 6G3

 PHONE (807) 623-6448
 PHONE (807) 623-6420

 FAX (807) 623-6820
 FAX (807) 623-6820

CORONA GOLD CORPORATION 905-2200 YONGE ST. TORONTO, ONTARIO M4S 2C6 FAX (416)488-1676 Oct 30, 1998

Job #9840822

METALLICS GOLD

		#1 Pulp Assay ppb	#2 Pulp Assay ppb	Metailics Assay ppb	Totai ppb	% Met.in Pulp	Pulp Met. Weight (g
Accur.	Customer						
31	32464	776	798	8812	788	0.79%	33.90
32	32465	120	158	5990	197	0.98%	58.80
33	32467	32	31	20	31	2.96%	38.09
34	32468	12	9	7	10	1.47%	43.28
35	32469	35	26	20	31	1.55%	46.73
36	32470	26	35	30	30	1.68%	42.30
37	32471	62	174	774	125	1.19%	44.32
38	32473	27	188	26	107	0.81%	31.30
39	32474	21	15	13	18	1.13%	50,00
40	32475	145	162	388	156	1.07%	45.49
41	32476	59	39	36	49	0.84%	20.98
42	32477	21	37	· 326	32	0.89%	25.70
43	32478	1517	1574	16291	1725	1.22%	48.58
44	32479	1534	1960	101 28	2007	3,10%	35.10
45	32480	1313	1654	13756	1938	3.70%	46.89
46	32481	33	34	21	33	1.54%	37.04
47	32482	18	32	17	25	1.44%	30.35
48	32483	381	123	2163	277	1.32%	44.34
49	32484	11022	11194	265513	22269	4.39%	55.89
50	32485	77	43	881	63	0.44%	11.25
51	32486	171	230	146	1 98	3.45%	40.16
52	32487	<5	<5	<5	<5	0.99%	23.34
53	32492	<5	<5	<5	<5	1.28%	59.97
54	32495	7	8	<5	7	1.20%	42.77
55	32497	12	10	122	13	1.87%	51.92
56	32498	13	15	6	14	1.00%	40.71
57	32499	49	53	64	51	1.68%	56.23
58	32500	124	115	29	119	0.62%	21.40
59	32601	21	19	13	20	0.65%	40.65
60	32602	2557	2587	34903	2938	1.13%	53,13

Certified by

1



	Page 3	1070 LITHIUM DRIVE, UNIT 2 THUNDER BAY, ONTARIO P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820
CORONA GOLD CORPORATION 905-2200 YONGE ST.	Oct 30, 1998	
TORONTO, ONTARIO M4S 2C6 FAX (416)488-1676	Job #9840822	

METALLICS GOLD

	0	#1 Pulp Assay ppb	#2 Pulp Assay ppb	Metaillics Assay ppb	Totai ppb	% Met.in Pulp	Pulp Met. Weight (g
Accur.	Customer						
61	32603	1900	1791	67682	2966	1 70%	45.00
62	32604	45627	44851	1176362	66715	1 90%	40.90 57.15
63	32605	67	84	1054	87	1 1 3 94	38.00
64	32606	1143	1351	24473	1368	0.52%	24 49
65	32607	8602	9313	100410	9984	1 12%	10.52
66	32608	26 67	2978	14126	2975	1.36%	26.50
67	32609	2863	3157	23742	3405	1 90%	20.09
68	32610	9	69	7	39	1.34%	24.91
69	32611	108	135	382	125	1.05%	27.01 17 07
70	32614	9	13	<5	11	0.91%	42.32 A7 31
71	32618	12	12	é	12	0.85%	21.01
72	32619	<5	<5	<5	<5	1 3394	31.21 AE 20
73	32621	34	134	24	83	1.05%	40.20 57 AB
74	32622	466	470	365	466	1 83%	57.40 52.40
75	32623	39	29	18	34	0 58%	23.13
76	32624	13	21	8	17	1 0194	24.70
77	32625	42	19	800	35	0 58%	22.47
78	3 26 26	233	350	1227	296	0.45%	21 24
79	32627	31	47	1682	81	1 2496	51.34
80	32628	44	47	1213	54	0.73%	30.UZ
81	32629	2129	2129	3659	2148	1 2294	30.30
82	32630	3393	3087	59759	5768	A 4794	
83	32631	21644	21654	242305	36454	67194	40.35
84	32632	2487	2103	20082	2511	1 2294	40.21
85	32633	28060	28433	966185	42516	1.22.70	8.70 26.20
86	32634	43	57	33	50	0 1294	20.32
87	32635	359	357	5082	474		3.00
88	32636	8134	8052	242300	10044	1.9070	40.03
89	32637	590	612	2899	625	1 06%	43.00
90	32638	65	64	67	65	2 5194	J∠.3U 58 34
91	32639	13	21	6	17	0.25%	10.24
				-	• •		10.41

Certified by:



1070 LITHIUM DRIVE, UNIT 2 Page THUNDER BAY, ONTARIO P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820

CORONA GOLD CORPORATION		FAX (807) 623-6820
905-2200 YONGE ST.	Nov 2, 1998	
TÓRONTO, ONTARIO		
M45 2C6	Job# 9840890	
FAX (416)488-1676	Ref:Dayo	Surface

SAMPLE #		Gold	Gold
Accurassay	Customer	ppb	Oz/t
1	32716	703	0.021
2	32724	49	0.001
3	32726	33	<0.001
4	32727	80	0.002
5	32729	46	0.001
6	32730	181	0.005
7	32733	58	0.002
8	32734	7	<0.001
9	32737	57	0.002
10	32741	39	0.001
11 Check	32741	36	0.001
12	32742	11	<0.001
13	32745	69	0.002
14	32746	11	<0.001
15	32755	43	0.001
16	32756	350	0.010
17	32758	8	<0.001
18	3275 9	31	<0.001
19	32761	12	<0.001
20	32762	123	0.004
21 Check	32762	234	0.007
22	32764	18	<0.001
23	32766	75	0.002
24	32767	817	0.024
25	32770	58	0.002
26	32771	4744	0.138
27	32776	19	<0.001
28	32778	<5	<0.001
29	32780	10	<0.001



1070 LITHIUM DRIVE, UNIT 2 Page 2 HUNDER BAY, ONTARIO P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820

CORONA GOLD CORPORATION 905-2200 YONGE ST. TORONTO, ONTARIO M4S 2C6 FAX (416)488-1676

Nov 2, 1998

Job# 9840890 Ref:Dayo

SAMP	LE#	Gold	Gold
Accurassay	Customer	ppb	Oz/t
30	32781	13	<0.001
31 Check	32781	14	<0.001
32	32784	7	<0.001

Certified By:



Page 1	1070 LITHIUM DRIVE, UNIT 2 THUNDER BAY, ONTARIO P78 6G3 PHONE (807) 623-6448 FAX (807) 623-6820

CORONA GOLD CORPORATION 905-2200 YONGE ST. TORONTO, ONTARIO M4S 2C6 FAX (416)488-1676 Nov 7, 1998

Job #9840854

Fench 3

METALLICS GOLD

		#1 Pulp Assay pob	#2 Pulp Assay opb	Metailics Assay pob	Total	% Met.in Pula	Pulp Met. Weight (g
Accur.	Customer	P P	FF-	PP ²	PP	1 stills	110-Bur (â
1	32644	700	571	9143	636	0 45%	27.32
2	32645	46	41	195	4 6	1.61%	63,50
3	3264 6	2126	2701	35751	3162	2.25%	59.97
4	32647	47	55	1265	59	0.66%	35.42
5	32648	212	227	318	220	0.70%	46.91
. 6	32649	160	224	10749	216	0.23%	14,64
7	32653	19	14	114	18	1.57%	61.98
8	32656	65	63	2881	74	0.37%	26.27
9	32658	52	76	299	66	1.08%	63.03
10	32659	47	38	458	47	0.98%	36.54
11	32660	16	26	17	21	0.62%	40.14
12	32661	2092	2087	58134	2400	0,55%	30,12
13	32662	5239	8418	14211	7191	4.91%	55.48
14	32663	177	168	1288	199	2.37%	63.93
15	32664	81	173	1725	134	0.44%	23.60
16	32665	620	69 9	36269	881	0.62%	21.12
17	32666	1120	1032	4428	1135	1.77%	56.55
18	32667	498	533	5646	562	0.90%	24.23
19	32668	57	65	37	6 1	0,82%	59.92
20	32670	73	46	32	59	1.02%	59.08
21	32871	187	209	24481	316	0.49%	33,88
22	32672	120	99	285	112	1.34%	61.74
23	32673	12560	14440	380454	20456	1.90%	61.42
24	32674	2264	1516	22451	2130	1.17%	46,10
25	32675	3918	3938	64536	4779	1.40%	52.64
26	32676	18	19	15	19	2.24%	66.82
27	32677	786	505	1455	654	1.04%	64.02
28	32678	1259	1293	11694	1388	1.08%	41.38
29	32679	393	624	3685	538	0.92%	36.26
30	32680	2517	3692	50893	3579	0.99%	41 97

Certified by

ACCURASSAY LABORATORIES

A	DIVISION	OF ASSAY LABORATORY SERVIC	TES INC	

	Page 2	1070 LITHILIM DRIVE, UNIT 2 THUNDER BAY, ONTARIO P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820
CORONA GOLD CORPORATION	Nov 7, 1998	
905-2200 YONGE ST.		^
TORONTO, ONTARIO	Job #9840854	Curtace.
M4S 2C6		Sull-
FAX (416)488-1676		
METALLICS G	OLU	

Ассиг.	Customer	#1 Pulp Assay ppb	#2 Pulp Assay ppb	Metablics Assay ppb	Total ppb	% Met.in Pulp	Pulp Met. Weight (g
31	32681	40 97	4027	24274	4064	0.88%	54.05
32	32682	69	58	45	63	1.03%	41.16
33	32685	6	7	<5	7	1.57%	61.56
34	32686	<5	<5	<5	<5	1.23%	59.93
35	32691	548	466	7287	67 7	2.50%	61.89
36	32692	136	124	474	135	1.32%	40.57
37	32693	4918	4002	46152	5610	2.76%	58.52
38	32694	27308	29692	816920	40696	1.55%	61.94
39	32695	43	45	16	44	1.57%	49.05
40	32698	1609	1441	26255	1754	0.93%	33.08
41	32699	20164	16940	304389	22808	1.49%	52.29
42	32700	628	738	83321	907	0.27%	19.00
43	32701	11963	13545	172150	15059	1.45%	38.12
44	32704	8	<5	<5	<5	0.91%	41.63
45	32705	<5	<5	<5	<5	1.12%	56.48
46	3270 6	12	18	25	15	0.77%	52.88
47	32708	6	6	<5	6	2.97%	30.04
48	32712	11	8	6	10	1.31%	42.15
49	32713	20	29	2008	57	1.65%	60.10
50	32714	40	45	25	42	1.72%	61.19
51	32715	12	11	8	12	1.33%	61.42



ACCURASSAY LABORATORIES

A DIVISION OF ASSAY LABORATORY SERVICES INC.

Page 1

1070 LITHIUM DRIVE, UNIT 2 1HUNDER BAY, ONTARIO P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820

CORONA GOLD CORPORATION 905-2200 YONGE ST. TORONTO, ONTARIO M4S 2C6 FAX (416)488-1676

Nov 26, 1998

Job #9840891

stace

METALLICS GOLD

		#1 Pulp Assay pob	#2 Pulp Assay pob	Metallics Assay pob	Total ppb	% Met.in Pulp	Pulp Met. Weight (g
Accur.	Customer	FF-					
1	32717	28507	28234	99429	28409	5.36%	59.58
2	32718	693	605	1229	649	0.83%	29.79
3	32719	10219	11144	56432	10691	2.09%	55.50
4	32720	160	59	57	110	14.19%	32.06
5	32721	1613	1726	11142	1671	1.85%	51.84
6	32722	16928	14968	67 86 6	15991	8.33%	53.47
7	32723	105	115	248	110	1.60%	61.47
8	32725	114	174	61	144	5.75%	62.91
9	32728	84	58	388	71	1.81%	59.64
10	32731	69	69	27	69	0.67%	46.24
11	32732	26	29	2598	27	0.41%	28.37
12	32735	317	463	14546	392	1.34%	59.44
13	32736	212	2 5 0	3182	231	1.38%	59.22
14	32738	25	18	59	21	1.22%	57. 62
15	32739	36	22	17	29	1. 45%	59,71
16	32740	32	29	20	30	1.57%	61.08
17	32743	32	29	73	31	1. 88%	60.83
18	32744	362	511	7790	440	4.91%	59.91
19	32747	50	29	23	40	4.02%	66.69
20	32748	39	48	49	44	5.49%	62.22
21	32749	3310	746	26357	2258	94.35%	3.79
22	32750	894	1148	2160	1021	5.07%	60.38
23	32751	116	179	6	147	1.71%	60.93
24	32752	17	19	10	18	1.56%	61.78
25	32753	374	268	413	321	2.62%	50.54
26	32754	386	323	165	355	3.64%	60,36
27	32757	10	30	7	20	3.30%	58.32
28	32760	1441	1123	2289	1282	2.73%	32.89
29	32763	1956	2754	5719	2358	7.71%	56 39
30	32765	59	58	42	58	2.16%	63.64





Page 2

1070 LITHIUM DRIVE, UNIT 2 THUNDER BAY, ONTARIO P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820

CORONA GOLD CORPORATION 905-2200 YONGE ST. TORONTO, ONTARIO M4S 2C6 FAX (416)488-1676

Nov 26, 1998

Job #9840891

METALLICS GOLD

		#1 Pulp Assay ppb	#2 Pulp Assay ppb	Metailics Assay ppb	Total ppb	% Met.in Pulp	Pulp Met. Weight (g
Accur.	Customer						
31	32768	5923	6408	77013	6190	3.50%	61.61
32	32769	422	230	2901	326	1.12%	58.85
33	32772	7189	8119	82843	7693	5.17%	52.98
34	32773	7	6	<5	7	2.60%	64.28
35	32774	11	23	10	17	2.54%	58.42
36	32775	24	17	15	21	2.87%	57.84
37	32777	278	149	301	214	2.05%	54.23
38	32779	<5	29	<5	15	3.92%	60.23
39	32782	54	52	31	53	1.43%	45.84
40	32783	<5	<5	<5	<5	2.16%	45.90
41	327 8 6	7	14	8	11	1.24%	25.23
42	32787	306	304	1397	305	2.08%	62.34
43	32788	6184	5930	19632	6070	9 22%	41.85
44	32789	50	67	88	59	2.96%	48.36
45	32790	10963	16224	68817	13606	2. 35%	66.35
46	32791	52	44	42	48	1.60%	46.78

Certified by

APPENDIX 2

Sample Preparation and Assay Procedures, Accurassay Laboratories

ACCURASSAY LABORATORIES STANDARD OPERATIONS PROCEDURES MANUAL

For

Sample Preparation (Rocks & Drill Core) & Au, Pt, Pd Fire Assay / AA Finish

Accurassay Laboratories (Div. Of Assay Laboratory Services Inc.) 1070 Lithium Dr., Unit 2 Thunder Bay, Ontario P7B 6G3

> Christopher Bever Laboratory Manager

Tel: (807) 623 6448 Fax: (807) 623 6820 E-Mail: accuracy@tbaytel.net

Sample Preparation Laboratories

Timmins 1 James Reid Rd. Timmins, Ontario Kirkland Lake 3 Industrial Dr Kirkland Lake, Ontario P2N 3J1 (705) 567 3361

(705) 268 3799

LIST OF CONTENTS

<u>Page</u>

Sample Preparation

	-	1.1 Introduction	1
	-	1.2 Sample Prep. Flow Chart	1
	-	1.3 Sample Prep. Procedures	2
Fire Assay Proce	dures		
	-	Rock And Drill Core Samples	4
	-	Fusion	5
	-	Cupelation	6
	-	Fire Assay Notes	7
Digestion			9
Atomic Absorption	on Spectro	ophotometry	
	-	Notes	10
	-	Procedures for Varian AA-600	11
QC/QA			14

SAMPLE PREPARATION

1.1 INTRODUCTION

One of the most important factors in assaying is that the assayer uses a representative sample of the rock or drill core section which is to be assayed. Sample preparation typically involves the crushing- pulverizing of rocks, sieving of soils and the blending of humus samples. In commercial laboratories where a large number of samples are routinely processed emphasis is placed on maximum efficiency, with no inter-sample contamination. Typical production ranges from 150 to 200 samples per day.

1.2 SAMPLE PREPARATION FLOW CHART

The following flow chart summarizes the procedures for rock, drill core sample preparation.



Thoroughly mix pulverised sample, so that you have a homogenous mixture. At this stage you should have a representative sample of the rock or drill core and are ready to proceed with assaying.

1.3 SAMPLE PREPARATION PROCEDURES

- (1) Layout samples in order on table and carefully inspect to ensure tags or numbers attached to bags correspond to documentation. If samples are missing or additional, note this on sheets and report this to sample reception or manager.
- (2) If samples are wet ,transfer into sample pans with sample tags. Position tags in such a manner as they may be easily read, if there are no sample tags with samples make up your own to place in pans. NOTE sample pans must be cleaned with compressed air prior to use. Save the plastic bags in order of emptying so that you can turn the lot upside down and later use them for reject bags. If the plastic bag is in poor shape, replace with a new one. Ensure pans are placed in the dryer in numerical order from left to right, low grade samples such as humus and soils should always be placed on top shelves of drier with high grades on lower shelves.
- (3) Make sure the jaw crusher, cone crusher, splitter and pulverizer have been cleaned prior to processing any samples. Lubricate and inspect all equipment prior to use and report to manager any equipment in need of repair. Ensure that sample exhaust has been turned on prior to processing any samples.
- (4) Crush the samples and ensure that the sample tag remains with the proper sample. Ensure sequential sample number order at all times. Clean the crusher and collecting pans between each sample with compressed air to ensure no cross contamination between samples.
- (5) If by mistake one sample has been crushed over another, do not try to cover this up. RECORD ON THE SHEETS AND REPORT IT TO THE MANAGER.
- (6) Using the riffle splitter, spilt the samples down to a size of about 250 to 400 grams. Never adjust the size of a sample by taking a handful of sample to give it the right size. The 250 to 400 gram sample is then placed in a pulp envelope with its number MATCHING the sample tag.
- (7) The reject portion is returned to the original sample bag, rolled up neatly, with sample tag number clearly visible and secured with elastic band. Rejects are stored in properly labelled pails with customer name, work order #, sample # and the date.

- (8) Using ring and puck pulverizer samples are Pulverized to 90% -150 mesh (baby powder).Samples are usually pulverized for 90 seconds to obtain 90% -150 mesh. After each sample pulverizer must be cleaned out using about 50 grams of silica sand in pulverizer, after which clean with brush and compressed air.
- (9) Matte the sample until homogeneity has been attained and place back in envelope. Brush the matting sheet clean for the next sample. If the sample has not been properly pulverized, it will be returned by the weigher to be repulverized and it must be done.

TOTAL METALLICS

- (1) Crush entire sample to -10 mesh using TM jaw crusher.
- (2) Pulverize entire sample using TM ring and puck pulverizer. Set timer for 90 sec. Note do not place more than 500 grams at a time in pulverizer.
- (3) Screen entire pulverized sample on 150 mesh screen.
- (4) Place +150 mesh fraction in appropriately labelled envelope.
- (5) Matte -150 mesh fraction and place in appropriately labelled plastic bag.

FIRE ASSAY PROCEDURES FOR ACCURASSAY LABORATORIES

ROCK AND DRILL CORE SAMPLES

1. Check work sheets for number of samples to be assayed. Obtain the appropriate number of crucibles for the work order and place in rack. Mark the crucibles as follows: Customer name, Work order number, Sample number 1,2,3..., Standard and Blank. Each batch of samples for fusion must contain a Quality Control Standard, a Blank, along with a duplicate every 10th sample. Note for total metallics assays there will be two cuts of -150 mesh fraction assayed along with the metallics (+150 mesh fraction). Therefore mark crucibles as follows: Customer name, work order number, sample number 1 pulp, 1 pulp check, 1 metallics, 2 pulp, 2 pulp check, 2 metallics, ..., standard and blank.

2. Check balance with weight for correct calibration and calibrate if necessary. Record weight in Fire Assay daily log book.

3. Weigh out: 115 grams premixed (FA003B) flux Place ingredients in crucible.

4. Accurately weigh out 30.2 grams of sample (40.2 grams for Au, Pt, Pd) and place in appropriate numbered crucible and record the weight on the work sheet. When weighing samples ensure to check that the grain size is correct (90% -150 mesh). Have sample repulverized if necessary. Note, that depending on the type of ore the flux ingredients may have to be adjusted. e.g. High sulfide ore. Note for SDA/Corona samples use 40.2 grams of sample.

5. Mix ingredients in crucible until homogeneous.

6. Add 1 mg of Silver (1 ml of 1000 ppm silver solution) to each sample including the Quality Control Standard and the blank. Add 2 mg of silver to all check assays and cap with borax. With metallics (+150 mesh fraction) add 3 mg silver.

7. Place crucibles in fire assay furnace for 45 to 50 minutes at 1090°. Note fusion time for Au, Pd, Pt samples is 75 to 90 minutes. This step is called fusion.

CUPPELATION

8. After fusion is complete remove samples from furnace and pour into cast iron pouring mold. Let cool!

9. Break glass slag and remove lead button. Shape lead button into cube using a hammer and anvil. Ensure all slag has been cleaned from the lead button. Weight lead button. Weight should be between 20 and 40 grams and if not, the sample will have to be refused and adjustments made to additions of flux and flour.

10. Place appropriate number of cupels in cupellation furnace and allow them to preheat for about 10 to 15 minutes. Then using tongs place cubed lead buttons in cupels. After about five minutes open furnace door about $1/4^{"}$ to allow air to enter furnace. Leave in furnace for about 45 to 50 minutes, until all the lead has been absorbed by the cupel and you're left with a gold and silver bead. This step is called cupellation. Remove cupels from furnace and allow to cool!

11. Beads are now ready to be picked and placed in test tubes for digestion. Before picking the beads, ensure that the beads with double silver are in the appropriate spot for the check assays and that the order of the beads is correct.

12. Ensure that all required data is entered into Fire Assay daily log book.

FIRE ASSAY NOTES

During fusion the main reaction which we are concerned with is the reduction of PbO to Pb and the ability of the lead to collect the molten Silver, Gold and all precious metals. Basically what happens during fusion is that you have a heavy liquid separation. The Lead, Silver and Gold having a higher specific gravity will settle to the bottom of the crucible and the other impurities which we are not interested in will remain in the slag. The reduction of PbO to Pb can be represented by the equation:

 $C_6H_{10}O_5 + 12 PbO_1 12 Pb + 6 CO_2^{\dagger} + 5 H_2O$ (flour)

Note that for optimum cupellation the weight of the Lead button should be between 20 and 40 grams. Some ores, specifically high sulphide ores (pyrite, galena, chalcopyrite, sphalerite) are reducing ores and no flour should be added. Example:

 $FeS_2 + 7 PbO_7 Pb + FeO + 2 SO_3^{\dagger}$ (pyrite)

In some cases the Lead button may be larger than 40 grams, in this case niter (KNO₃) will have to be used to reduce the size of the Lead button.

 $2 \text{ KNO}_3 + 5 \text{ Pb}_5 \text{ PbO} + \text{N}_2 + \text{K}_2\text{O}$

High sulphide ores can usually be detected by their dark color and luster appearance. When a high sulphide ore is suspected, then a pilot assay may be performed. Four grams of sample is fused with 42 grams PbO, 28.0 grams Na_2CO_3 , 10 grams $Na_2B_4O_7$ and 2.5 grams SiO₂. After fusion the Lead button is weighed. Depending on the size of the button, either flour or niter will be added.

1 gram of flour will reduce 12 grams Lead

1 gram of niter will oxidize about 4 grams Lead.

Some ores are high in minerals such as hematite and will act as an oxidizing agent.

Example:

$$Fe_2O_3 + Pb - PbO + 2 FeO$$

(hematite)

In this case extra flour would have to be added to compensate for the oxidizing power of the ore.

One mg of Silver is added prior to fusion, if the Silver were not added the Gold bead after cupellation would be very difficult to see, and almost impossible to transfer into a test tube because of its small size.

The purpose of cupellation is to separate the Gold and Silver from the Lead. During cupellation, the Lead is oxidized to molten litharge (it is important that furnace door is opened about 1/4" to allow air in). The molten litharge wets the inner surface of the porous cupel and is absorbed. It is important to preheat the cupel to allow the pores to open. The Gold and Silver are not absorbed because of their high surface tension and because they do not oxidize.

When digesting the bead, it is very important to ensure all of the black sponge (Gold) has gone into the solution and that the contents of the test tube are well mixed, otherwise we may end up with a low value.

DIGESTION

1. Set up test tubes in a rack according to the number of samples on the worksheet. Label all test tubes with appropriate sample numbers. Ensure first test tube has company name and work order number on it. Also ensure that all Quality Control Standards and Blanks are marked.

2. Pick beads from cupels and place in test tube using needle nose pliers.

3. Add $\frac{1}{2}$ ml parting acid (dilute HNO₃ acid). Set test tube rack on hot plate for 15 to 20 minutes (Low heat). Visually inspect beads to ensure parting has taken place.

Note: If the Silver to Gold ratio is not at least 3:1, then parting may not take place. In this case remove bead from test tube and place in clean cupel. Add a strip of Silver foil and bead together using propane torch. Then part as mentioned above.

4. After parting has completed you should be able to see a black sponge in bottom of test tube. This is the gold. Now add $\frac{1}{2}$ ml of concentrated HCL (Hydrochloride Acid). Mix each test tube on the vortex for 5 seconds. Place rack back on hot plate for 15 to 20 minutes.

5. Visually inspect to ensure all black sponge has gone into solution. When the HCI is added Ag will precipitate out as AgCI. If gold sponge has completely dissolved then add 1 ml distilled water. Samples for Au, Pt, Pd also have 1ml of 1% lanthanium solution added to them to have a final volume of 3mls. Now mix solution to ensure homogeneity of solution sample. Digestion is now completed.

6. Ensure that all required data is entered into wet-lab, Atomic Absorption daily log book. Note: check all dispensers and pipettes before use, and re calibrate if necessary.

Note: When digesting beads, it is very important to ensure, all of the black sponge (gold) has gone into the solution and that the contents of the test tube are well mixed, otherwise we may end up with a low gold value.

ATOMIC ABSORPTION SPECTROPHOTOMETRY NOTES

Atomic absorption spectrophotometry (A.A.S) is a technique based upon, the unique spectrum of each element. In every element analyzed, characteristic wavelengths are generated in a discharge lamp (Hollow cathode lamp) and in turn are absorbed by a cloud or vapor of that element. The amount of absorption is proportional to the concentration of the element which is vaporized into the light beam.

To calibrate the A.A.S., standards of a know concentration are run, the A.A.S. in turn detects the absorbance of each standard and a calibration graph can be formed

When we then run our sample, the A.A.S. reads the absorbance and it will in turn be able to give us a concentration in ppm by where it falls on the graph.

The concentration which is obtained can then be used in the following formula to find grams/tonne gold and then converted to oz/t gold.

ppm = ug/ml

<u>Concentration (ug/ml) x volume (ml)</u> = ug/g Weight of Sample (grams)

ug/g = grams/tonne

grams/tonne x 0.029167 (conversion factor) = oz/t

ATOMIC ABSORPTION SPECTROPHOTOMETRY

Procedures for Varian AA-600

1. Turn on instrument.

2. Turn on computer, start the Spectra AA system, go to the instrument window and select the sequence or method required. e.g. Au, Ag, Cu, Pd, etc.

3. Check lamps and align them if necessary. Allow lamp to warm up for approximately 15 minutes.

4. Ensure exhaust system is turned on and operating correctly.

5. Check gas supplies to make sure you have enough gas to complete your analysis. You must also check that the acetylene cylinder pressure is above 100 psi to ensure acetone is not drawn into instrument.

6.	Set the delivery pressure of the gases to the following:	Acetylene	10 psi
		Air	50 psi

7. Turn on the gas supplies to the instrument. Inspect and test all the gas hoses and connections for leaks. Replace any damaged hoses immediately.

8. Using one of the Varian burner alignment cards, locate the light path and then rotate the burner so the slot is parallel to the light path.

9. Place the card halfway along the slot with the printing facing to the left. Position the card so the vertical line is above of the slot then adjust the burner height until the light beam falls within the target area.

10. Before lighting the flame, ensure the working area is completely clear of all hazardous materials including corrosive liquids and flammable solvents.

11. Check that the liquid trap is filled with an appropriate solvent.

12. Make sure the waste container is empty.

13. Check that the drain tube is positioned correctly in the waste vessel, with the end of the tube as high as possible in the vessel above the expected liquid level.

14. Make sure the flame shield and front panel are in position. When operating the Spectra AA in flame mode ensure that the flame shield is closed and the front panel is in place.

15. Make sure chimney is correctly on place.

16. Press the "Ignite" button and keep it pressed until the flame ignites. If the ignition sequence times out before the flame ignites, release the button, wait about five seconds and restart the sequence.

17. Check the gas regulator settings and readjust if necessary.

18. When the flame has stabilized, adjust the flame conditions.

19. Aspirate with D.D.W. and allow burner to warm up for about 15 minutes.

20. Check uptake rate of nebulizer and compare with value when first installed, significant deviations may indicate a problem. If this is the case the nebulizer may have to be removed and cleaned. Check with manager in such cases.

21. Now optimize the flame signal by aspirating an appropriate blank solution (e.g. Au blank), go to the optimize page and press Instrament zero. Select signal.

22. Aspirate a standard that will give an absorbance between 0.2 and 0.8

23. Watch the signal bar and adjust the burner horizontally to obtain the maximum absorbance, but keep the burner below the light path.

24. Carefully move the burner vertically to find the maximum absorbance.

25. If absorbance values are low and will not increase by optimizing the burner, then it may be necessary to adjust the impact bead or remove, clean and adjust the nebulizer. Check with manager and follow instructions given in the Spectra AA 600 maintenance manual.

26. Exit "optimize" and select "calibrate". For Battle Mountain Gold samples, use a gold blank, a 0.50 ppm, 1.00 ppm, 2 ppm, 5 ppm and a 10 ppm standard.

27. Check instrument calibration using AA Quality Control Standards. Ensure that all

QC data is reported and included with each job that is being run. Note: if QC's are not reading within allowable limits, do not proceed with analysis of samples. Report to manager as this may indicate a problem with the AA calibration standards or a problem with the instrument.

28. Upon completion of the calibration, label the samples in the program using the "set up" option. Now aspirate appropriate sample and record results.

29. Check blank and calibration of instrument every 10th sample and reslope when necessary.

30. Samples reading over the calibration range will require a dilution. Depending on the absorbance select an appropriate dilution so that the sample will read within the calibration range. Ensure dilution is recorded on the work sheet.

31. Ensure all Fire Assay QC and Blanks are run and reported on the report.

32. After analysis has been completed, shut down the system and remove burner. Clean burner using hot water and dry using compressed air.

33. Ensure that all maintenance procedures are carried out, as stated in the Varian AA 600 manual. This is to be supervised by the manager at all times. Ensure that all maintenance done on the instrument is recorded in the daily log book.

34. Ensure daily log has been filled out. Including customer name, work order number, number of samples, operator and any problems which may have arisen.

35. Give signed and dated readings to data entry department, were a preliminary report will be produced, which includes all QC data.

36. After the manager has reviewed and approved the preliminary report and QC data, a final certificate may be issued. Note: all QC data must fall within their recommended values or reassay's must be performed.

QC / QA

An "in house" gold standard is run with each batch of samples. Blank assays are also run with each batch. In addition, a replicate assay is run on every 10th sample to be used for checking the reproducibility of the assays. Non-reproducible check assays are an indication of nugget problems with the sample and we recommend that a pulp metallics assay be performed on these.

All standards run are graphed to monitor the performance of the laboratory. Our warning limit is 2 times the standard deviation and our control limit is 3 times the standard deviation. Any work order with a standard running outside the warning limit will have selected reassays performed, and any work order with a standard running outside the control limit will have the entire batch of samples reassayed.

All QC data run with each work order is kept with the clients file. If so desired the client may have all the blanks and QC's reported on their certificates. Also, copies of our quality control graphs are available upon request.

The laboratory also keeps daily log books for Sample prep, Fire assay, Wet-lab and the Spectra AA as a part of our quality assurance. These include job's done for the day, operator, any maintenance performed, calibration of balances, instruments.

In our sample prep lab, we will randomly select samples for screen analysis to ensure grain size is being met. (90% -150 mesh) Also, rejects are resampled to check assay reproducibility from sample prep stage.

For the AA Spectra-600, we have quality control standards made up from a separately purchased 1000 ppm stock solution. These are used to check calibration standards for the AA. We are also routinely running check assays and solution standards between us and our Assay Laboratory in Kirkland Lake.



Declaration of Assessment Work Performed on Mining Land

ion 65(2) and 66(3), R.S.O. 1990

Transaction Number (office use) 9950.0004 13 Assessment Files Research Imaging



900

ubsections 65(2) and 66(3) of the Mining Act. Under section 8 of the Mining Act, sesment work and correspond with the mining land holder. Questions about this rthem Development and Mines, 3rd Floor, 933 Ramsey Lake Road, Sudbury,

Instructions: - For work performed on Crown Lands before recording a claim, use form 0240. - Please type or print in ink.

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

Name	Client Number
CORONA GOLD	302258
CORPORATION	
Address	Telephone Number
905-2200 YONGE STREET	(416) 482-8606
	Fax Number
TORONTO, ONTARIO	(416) 488-1676
Name	Client Number
Address	Telephone Number
	Fax Number

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

Geotechnical: prospecting, s assays and work under section	urveys, Physical: drilling strip on 18 (regs) X trenching and associa	ping, Endersities Rehabilitation			
Work Type		Office Use			
POWER STRIPPING, TRENCHING, W	Commodity				
ASSAYS		Total \$ Value of #151 412			
Dates Work From 30 09 Performed Day Month	1998 To 03 11 1998 Year Day Month Year	NTS Reference			
Global Positioning System Data (if available) Township/Area HAMBLETON/ODLUM/STRICKLAND		Mining Division Den et Son Han			
	M or G-Plan Number G2768/G2805/G2285	Resident Geologist District			
Please remember to: - obtain a work permit from the Ministry of Natural Resources as required: TTMM/NS					

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.

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

Name ABRAHAM P. DROST ET AL. C/O SDA GEOLOGICAL SERVICES LTD.	Telephone Number (807) 345-3330	
Address 215 VAN NORMAN STREET, THUNDER BAY, ONTARIO P7A-4B6	Fax Number (807) 345-1177	
Name	Telephone Number	
Address	Fax Number	
Name	Telephone Number	
Address	Fax Number	

Certification by Recorded Holder or Agent 4.

1, Abraham Drost _, do hereby certify that I have personal knowledge of the facts set forth in

(Print Name) this Declaration of Assessment Work having caused the work to be performed or witnessed the same during or after its completion and, to the best of my knowledge, the annexed report is true.

Signature of Recorded Holder or Agent	Date MAY 20, 1999
Agent's Address 215 VAN NORMAN STREET, THUNDER BAY, ONTARIO P7A-486	Telephone Number Fax Number (807) 345-3330 (807) 345-1177
0241 (03/97)	Deemed September 15,1999

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. 1. 9941 000143

				$\omega_{1000000}$	
Mining Claim Number Or if	Number of Claim	Value of work	Value of work	Value of work	Bank. Value of work
SDA		Fax : 807-345	-1177	Jun 18 10:56	

Work to be recorded and distributed. Work can only be assigned to claims that are contiguous (adjoining) to the mining rand where work was performed, at the time work was performed. A map showing the contiguous link must accompany this form. Inn/ 1 ABA112.

Winin work minin colun Indic	ng Claim Number. Or if was done on other sligible ng land, show in this in the location number ated on the claim map.	Number of Claim Units. For other mining land, list hectores.	Value of work performed on this claim or other mining land.	Value of work Appiled to this Cleim.	Value of work assigned to other mining claims.	Bank, Value of work to be distributed at a future date
eg	T8 7827	16 ha	\$26,825	NA	\$24,000	\$2,825
-9	1234667	12	0	\$24,000	0	0
eð.	1234568	2	\$ 8.892	\$ 4,000	0	\$4,892
1 •	1069347	1	\$39.745.	\$600.	\$24,000.	\$14,945.
2	1135498	1	\$86,955.	\$1,200	\$24,000. 23,200	441,756 62,555
3	1182994	2	\$24,712.	\$1,600.	\$22,800.	\$312.
4 1	1044090 ZAUR 3/99.	1	0	800.		
5 9	1044097	1	0	800.		1
8 *	1055578	1	0	800.		[
7 •	1055577	1	0	800.		
8 ¹	1055578	1	0	800.		
9'	1055579	1	D	800.		
10 •	1055580 Sept. 26 99	1	0	800.		
11 1	1055581	1	0	800.		
12 .	1056582	1	0	800.		
13 1	1056583	1	0	800.		
14 +	1056584	1	0	800 .		
15 4	1055585	1	o .	800.		
	Column Totals	······································	\$151,412.	\$13,200.	\$70,600.	\$77,012.

_, 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 way done

١,

Signature of Recorded Hilder or Ac anila di bezinontu Aling Date MAY 20, 1998. 1 of D

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

Some of the credits claimed in this declaration may be cut back. Please check (1) in the boxes below to show how you wish to prioritize the deletion of credits;

X 1. Credits are to be cut back from the Bank first, followed by option 2 or 3 or 4 as indicated.

D 2. Credits are to be cut back starting with the claims listed last, working backwards; or

 \square = 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):

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.

 $(1,1,\dots,k_{n-1})$

For Office Use Only			
Received Stamp	Deemed Approved Date	Date Notification Sent	
	Date Approved	* Total Value of Credit Approved	
0 241 (03/97)	Approved for Recording by Minin	Recorder (Signature)	
		RECEIVED	
	2.19545	JUN 18	
		GEOSCIENCE ASSESSMENT	
JUN 18 '99 11:05	807 3	345 1177 PAGE.02	


Schedule for Declaration of Assessment Work on Mining Land

Transaction Number (office use) W4950.00043

Mining work wa mining I the loca on the c	Claim Number. Or if is done on other eligible and, show in this column tion number indicated taim 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.
16 '	1055586	1	0	800.		
17 `	1055587	1	0	800.		
18	1055588	1	0	800.		
19 `	1055589	1	0	800.		
20 '	1069362	1	0	800.		
21 ·	1069363	1	0	800.		
22 '	1069364	1	0	800.		
_23 ·	1069365	1	0	800.		
24	1069366	1	0	800.		
25	1069367	1	0	800.		
`	1069368	1	0	800.		
27 '	1069369	1	0	800.		
28	1 06 9370	1	0	800.		
29	1069371	1	0	800.		
30	1069372	1	0	800.		
31	1069373	1	0	800.		
32	1069374	1	0	800.		
33	1069375	1	0	800.		
34	1069376	1	0	800.		
35	1069378	1	0	800.		
36 `	1069379	1	0	800.		
37	1069380	1	0	800.		
<u>38</u>	1069381	1	0	800.		
_39	1069382	1	0	800.		
40	1069383	1	0	800.		
41	1069384	1	0	800.		
42	1069385	1	0	800.		
43	1069386	1	0	800.		
_44	1069387	1	0	800.		
_45	1069388	1	0	800.		
<u>46</u> `	1069389	1	0	800.		
47	1069390	1	0	800.		
48	1069391	1	0	800.		
49	1078265	1	0	800.		
50	1078266	1	0	800.		
	Co	lumn Totals	0	28,000.		

0290 (02/96)



Ontario Ministry of Northern Development and Mines

Schedule for Declaration of Assessment Work on Mining Land ω 9950, 00043

Transaction Number (office use)

2.19515

Mining work wa mining I the loca on the c	Claim Number. Or if is done on other eligible and, show in this column tion number indicated laim 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.
51	1078267	1	0	800.		
<u>52</u>	1078268	1	0	800.		
<u>53</u>	1078269	1	0	800.		
54	1078270	1	0	800.		
55	1078271	1	0	800.		
56	1078272	1	0	800.		
57	1078273	1	0	800.		
58	1078274	1	0	800.		
59	1078275	1	0	800.		
60	1078276	1	0	800.		
<u>61</u>	1078277	1	0	800.		
<u>62</u> `	1078314	1	0	800.		
63	1078319	1	0	800.		
	1078315	1	0	800.		
65	1078316	1	0	800.		
_66	1078317	1	0	800.		
67 `	1078318	1	0	800.		
68	1078243	1	0	800.		
60	1078244	1	0	800.		
70	1078245	1	0	800.		
_71	1078246	1	0	800.		
72	1078247	1	0	800.		
73	1078248	1	0	800.		
<u>74</u> `	1078249	1	0	800.		
75	1078250	1	0	800.		
76 ·	1078251	1	0	800.		
77 -	1078252	1	0	800.		
78	1078253	1	0	800.		
79	1078254	1	0	800.		
80	1078255	1	0	800.		
81	1078256	1	0	800.		
82	1078257	1	0	800.		
83	1078258	1	0	800.		
84 `	1078259	1	0	800.		
85h	1174765	3	0	2400		
	Co	lumn Totals	0	\$29,600.		

1.00

10.000

0290 (02/96)



Schedule for Declaration of Assessment Work on Mining Land

Transaction Number (office use) W9950.00043

1

SDA

Fax : 807-345-1177

Jun 18 10:56

🛞 Ontario	Ministry of Northern Development and Mines	Sched Asses
-----------	--	----------------

ule for Declaration of sment Work on Mining Land

W940 ber (office use) 0004

Minin work minin the lo on the	ng Claim Number. Or if was done on other eligible g land, show in it is column cation number indicated a claim map.	Number of Claim Units. For other mining land, list hectares.	Value of work performed on this cleim or other mining lend.	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.
86	1174700 Dct 27/99.	2	0	1600		
	Burne 211 1	_ B	10	ED.		
	Energy Kinkler					
_00	Detilaa			600.		-
1 89	1069361 00 • [77	<u> 1</u>	0	400		
		<u> </u>	<u> </u>	<u> </u>		
	+					
						
				<u> </u>	· .	
<u> </u>						
		L	<u> </u>			
			ļ		_	
<u></u>						
				1		
					-	
				<u> </u>	1	
	1			<u> </u>		
			· · · · · · · · · · · · · · · · · · ·			
			<u> </u>	<u> </u>	<u>+</u>	
			<u> </u>	<u> </u>		
					+	· · · · · · · · · · · · · · · · · · ·
			ł			
					+	
<u></u>	+			<u> </u>	<u> </u>	<u> </u>
				L	1	l
	Col	umn Totals	10	\$3,600		

0290 (02/96)

1 . . .

RECEIVED JUN 18 1000 GEOSCIENCE ASSESSMENT OFFICE

807 345 1177

PAGE.03

JUN 18 '99 11:06

Dontario Ministry of Northern Development and Mines

Statement of Costs for Assessment Credit

Transaction Number (office use) 9950.00043

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, this 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 a Provincial Mining Recorder, Ministry of Northern Development and Mines, 3rd Floor, 933 Ramsey Lake Road, Sudbury, Ontario, P3E 6B5.

TRENCHING COSTS P. 1/2

Work Type	Units of work Depending on the type of work, list the number of hours/days worked, metres of drilling, kilometres of grid line, number of samples, etc.	Cost Per Unit of work	Total Cost	
GEOLOGICAL SUPERVISION (3 GEOLOGISTS)	59 MAN DAYS	\$350./DAY	\$20,650.	
TECHNICIANS (4)	127 MAN DAYS	\$200./DAY	\$25,400.	
ВАСКНОЕ	29.5 DAYS	\$1000./DAY	\$29,500.	
DIGITIZING PLOTTING	90 HOURS Various draft and final plots	\$30.00/HR.	\$2,700.00 \$542.97	
TRENCHING REPORT	9 DAYS	\$350.00/DAY	\$3,150.00	
Associated Costs (e.g. suppl	es, mobilization and demobilization).			
EXPEDITER	27 MAN DAYS	\$225./DAY	\$6,075.	
DIAMOND SAW BLADES (8)	\$472.42/EA		\$3779.40	
FIRE PUMPS AND HOSE; ROCK SAWS	39 DAYS	\$125/DAY	\$4,875.	
HELICOPTERS	MOB/DEMOB		\$5,409.	
ASSAYS	97 ASSAYS @ \$10.80/ea (Au) 231 SCREEN ASSAYS @ \$24.50/ea (Au)		\$1,047.60 \$5,659.50	
Transp	ortation Costs			
MILEAGE	4X4 TRUCKS (3) 10,860 KM.	\$0.35/KM	\$3,800.	
Food an	d Lodging Costs			
СООК	22 MAN DAYS	\$225./DAY	\$4,950.	
FOOD CABIN RENTAL AND AIR SERVICE	GROCERIES		\$3,436.55 \$10,467.	

Total Value of Assessment Work

\$131,442.02

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	x 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.

Certificatio ABR	n verifying costs: AHAM P. DROST	
I,	, do he	reby certify, that the amounts shown are as accurate as may reasonably
be determin	ed and the costs were incurred while of AGENT	conducting assessment work on the lands indicated on the accompanying
Declaration	of Work form as	I am authorized to make this certification.
0212 (03/97)		Signature Date MAY 20, 1999



Statement of Costs for Assessment Credit

Transaction Number (office use) W9950.00043.

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, this 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 a Provincial Mining Recorder, Ministry of Northern Development and Mines, 3rd Floor, 933 Ramsey Lake Sudhurg, Ontaria, P325 685. Road, Sudbury, Ontario, P3E 6B5.

Work Type	Units of work Depending on the type of work, list the number of hours/days worked, metres of drilling, kilometres of grid line, number of samples, etc.	Cost Per Unit of work	Total Cost
······································			
Associated Costs (e.g. sup	plies, mobilization and demobilization).		
IELD RADIOS AND SATELLITE PHONE			\$2,493.48
HARDWARE ITEMS FOR CAMP			\$3,728.91
FIELD AND SAFETY SUPPLIES			\$2,195.65
BOATS / MOTORS /TENTS / QUAD RUNNERS (2)			\$6,989.04
MISCELLANEOUS CONSUMABLES			\$1,861.62
Tran	sportation Costs		
PICKUP TRUCK RENTAL (4X4)			\$2,517.64
GASOLINE			\$184.05
Food a	Ind Lodging Costs		
			\$19.970.39
	Tota	Value of Assessment Work	
		IOTAL \$	151,412.
 Work filed within two years of period If work is filed after two years are Value of Assessment Work. If the Value of Assessment Work is the Value of Assessment Work is the Value of Assessment Work. 	erformance is claimed at 100% of the above 1 nd up to five years after performance, it can o his situation applies to your claims, use the ca	Fotal Value of Assessment Wo nly be claimed at 50% of the T Ilculation below:	ork. Total
TOTAL VALUE OF ASSESSMENT	WORK x 0.5	0 = Total \$ value of	worked claimed.
Note: Work older than 5 years is not e A recorded holder may be requi verification and/or correction/clarific or part of the assessment work sub	eligible for credit. red to verify expenditures claimed in this state cation. If verification and/or correction/clarifica pmitted.	ement of costs within 45 days o tion is not made, the Min	of a request for ister may reject a
Certification verifying costs:			
ABKAHAM P. DRUST	, do hereby certify, that the amounts	shown are as accurate as may	reasonably
(please print full name) be determined and the costs were	incurred while conducting assessment work c	on the lands indicated on the a	ccompanying
Declaration of Work form as		I am authorized to make	this certification

	recorded holder, agent, or state compa	iny position with signing authority)	_	
0212 (03/97)		Signature	Rost.	Date MAY 20, 1999

Ministry of Northern Development and Mines Ministère du Développement du Nord et des Mines

July 7, 1999

CORONA GOLD CORPORATION 2200 YONGE STREET APT 905 TORONTO, ONTARIO M4S-2C6



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

Telephone: (888) 415-9846 Fax: (877) 670-1555

Visit our website at: www.gov.on.ca/MNDM/MINES/LANDS/mlsmnpge.htm

Dear Sir or Madam:

Submission Number: 2.19545

Subject: Transaction Number(s): W9950.00043 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. Allowable changes to your credit distribution can be made by contacting the Geoscience Assessment Office within this 45 Day period, otherwise assessment credit will be cut back and distributed as outlined in Section #6 of the Declaration of Assessment work form.

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

If you have any questions regarding this correspondence, please contact Bruce Gates by e-mail at bruce.gates@ndm.gov.on.ca or by telephone at (705) 670-5856.

Yours sincerely,

. Uo

ORIGINAL SIGNED BY Blair Kite Supervisor, Geoscience Assessment Office Mining Lands Section

Correspondence ID: 13968 Copy for: Assessment Library

Work Report Assessment Results

Submission Numbe	er: 2.19545				
Date Corresponden	ce Sent: July 07,	1999	Assessor: Bruce Gates		
Transaction Number	First Claim Number	Township(s) / Area(s)	Status	Approval Date	
W9950.00043	1069347	HAMBLETON, ODEOM, STRICKLAND	Deemed Approval	July 06, 1999	
Section: 10 Physical PSTRIP 10 Physical PTRNCH	4				
Correspondence to	:		Recorded Holder(s) a	nd/or Agent(s):	
Resident Geologist			Abraham P. Drost		
South Porcupine, ON	1		THUNDER BAY, ON, C	CANADA	
Assessment Files Lit	orary		CORONA GOLD COR	PORATION	
Sudbury, ON			TORONTO, ONTARIO		



D FORESTRY OPERATIONS

TRIM LINE

2

ANNUAL CHANGE IN CREASING DI'E









2 2 **2 3** 4 **4** .









.

. . . .



250





260





A Felsic Massive Flows B Felsic Tuff C Felsic Lapilli Tuff D Intermediate Massive Flows E Intermediate Tuff F Intermediate Lapilli Tuff G Intermediate Crystal Tuff H Intermediate Tuff Breccia I Felsic To Intermediate Volcaniclastics (reworked tuffs) MAFIC TO ULTRAMAFIC VOLCANICS A Massive Flows B Pillowed Flows B Pillowed Flows C Agglomerate D Variolitic Flows E Amygdaloidal, Vesicular Flows F Flow-top Breccia G Amphibolitic flows H Mafic Tuff I Volcaniclastics (reworked tuffs) J Mafic Lapilli Tuff K Mafic Tuff Breccia M Mafic Debris Flow M Mafic Debris Flow N Hydrothermally Altered Basalt U Ultramafic Flows Z Gabbraic end member with gradational contacts

Abbreviations

- FZ fault zone
- SZ shear zone MZ mineralized zone

rusty quartz flooded zone (1N) 17 *** 6 CORONA GOLD CORPORATION TRENCH 3 DAYOHESSARAH PROPERTY

Assays (Au ppb)

DY025	Date : 23/11/98
E 1 :100	

SDA Geological Services Limited



2.19545

