



42C16NW0102 2.12452 ERMINE

010

GEOPHYSICAL REPORT
ON THE
DERRY-ERMINE PROJECT
FOR
DERRY GOLD INC.

RECEIVED

MAY 8 1989

MINING LANDS SECTION

Prepared by:
S. Anderson
Exsics Exploration
April 20, 1989



42C16NW0102 2.12452 ERMINE

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TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION.....	1
PERSONNEL.....	1
CLAIMS.....	2
LOCATION AND ACCESS.....	4
GEOPHYSICAL PROGRAM.....	5
SURVEY RESULTS.....	8
RECOMMENDATIONS AND CONCLUSIONS.....	11
CERTIFICATION	

LIST OF FIGURES

- Figure 1 - Location Map
- Figure 2 - Road Location Map
- Figure 3 - Claim Map

LIST OF MAPS

- MAP NO 1 - Contoured Magnetometer Survey
- MAP NO 2 - Profiled Max-Min Survey 444 Hz
- MAP NO 3 - Profiled Max-Min Survey 1777 Hz

APPENDICES

- APPENDIX A - EDA Omni IV System
- APPENDIX B - Apex MaxMin II Portable EM
- APPENDIX C - Technical Data Statement

INTRODUCTION

A magnetic and electromagnetic (horizontal loop) survey was conducted on the Derry-Ermine Project located in Derry and Ermine Townships, District of Algoma.

This survey was conducted by Exsics Exploration Limited under contract to Derry Gold Inc., and was completed during the month of December 1988. The program was carried out on a portion of the property, which consisted of 66 contiguous unpatented mining claims. All of the claims surveyed are located on, or partially on Kabinakagami Lake which were covered by a total of 56.6 km (35.17 miles) of grid lines. The purpose of the program was to investigate this portion of the property for any geophysical responses which may indicate areas favorable for gold or base metal deposition.

PERSONNEL

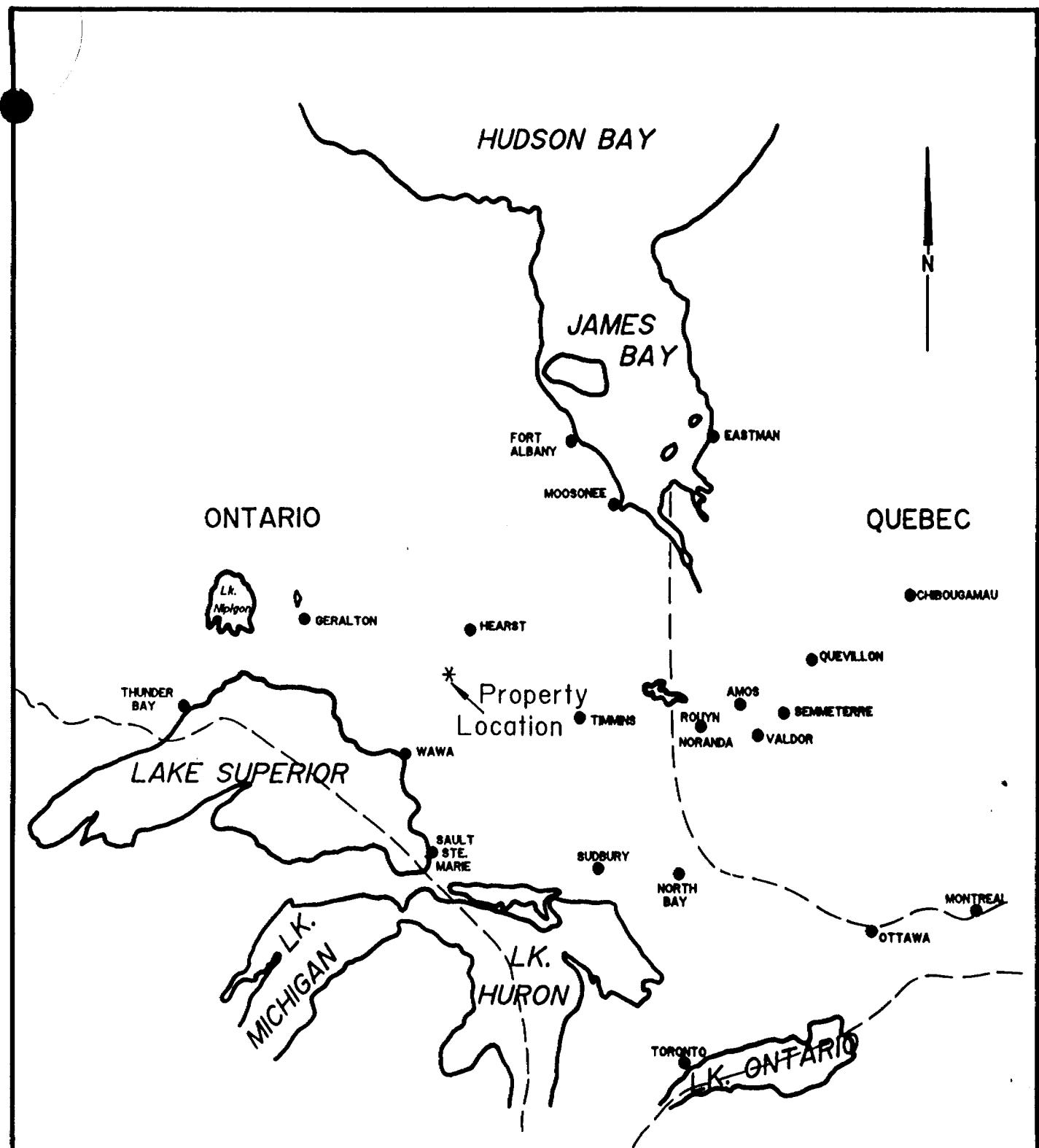
The people directly involved with this program were employed by Exsics Exploration Limited, and are as follows:

Wayne Pearson.....Timmins

Richard Mathieu.....North Bay

Robin Mathieu.....North Bay

All work was supervised by J. C. Grant.



 EXSICS EXPLORATION LTD. P.O. Box 1000, P4N-7X1 Suite 13, Hollinger Bldg., Timmins Ont. Telephone: 705-267-4751		
CLIENT: DERRY GOLD RESOURCES INC.		
PROPERTY: DERRY - ERMINE PROJECT		
TITLE: LOCATION MAP		
Date: April 1989 Scale: 1"=125miles NTS:		
Drawn:	Interp:	Job No. EE-218

Fig. 1

CLAIMS

The claims covered and partially covered by the Derry-Ermine Project are listed below:

<u>Claim #</u>	<u>Township</u>	<u>Claim #</u>	<u>Township</u>
916641	Ermine	952957	Ermine
916658	"	952958	"
916659	"	952959	"
916660	"	952967	"
916675	"	952968	"
916676	"	952969	"
916677	"	952970	"
916678	"	952983	"
916679	"	952984	"
916692	"	952985	"
916693	"	952986	"
916694	"	952993	"
916695	"	952994	"
916696	"	952995	"
916697	"	953011	"
916698	Ermine	953012	Ermine

<u>Claim #</u>	<u>Township</u>	<u>Claim #</u>	<u>Township</u>
931467	Derry	953019	Ermine
932313	"	953020	"
932314	"	953021	"
932315	"	953037	"
932333	"	953038	"
932334	"	953039	"
932335	"	953040	"
932336	"	932361	Derry
932337	"	932362	"
932338	"	932363	"
932339	"	932364	"
932340	"	932381	"
932356	"	932382	"
932357	"	932383	"
932358	"	932384	"
932359	"	932385	"
932360	"	932387	"

66 Claims

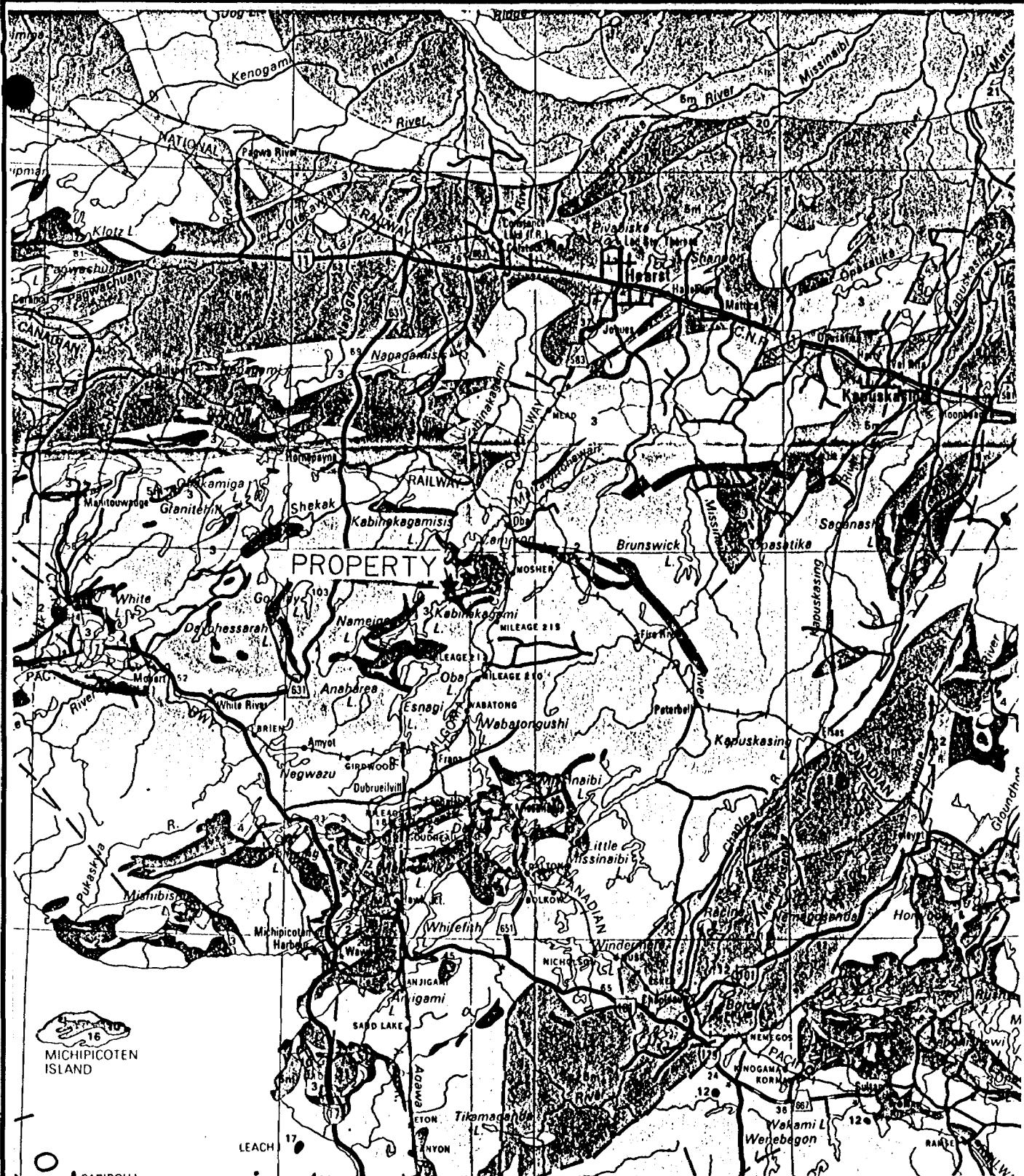
LOCATION AND ACCESS

The Derry-Ermine Project is located in Derry and Ermine Townships, District of Algoma, Sault Ste. Marie Mining Division. It is situated approximately 96.5 km (60 miles) southwest from the town of Hearst and approximately 21 km (13 miles) southwest from the village of Oba. The entire grid is located on the central section of Kabinakagami Lake.

Access to the property during the survey period was gained by going south from Hearst on Hwy 583 and the Caithness road for approximately 96.5 km (60 miles) to the village of Oba.

From Oba, a camp was mobbed into Kabinakagami Lake by helicopter supplied by Canadian Helicopters from Wawa, and a base camp was established on the lake near the property. From here, the grid was accessed by snowmobile for the entire survey period. A one hour snowmobile ride from the base camp, down the Oba river, provided access to the village of Oba in case of emergency.

During the summer months, the property is most easily accessed by float plane. However, access by boat is also possible by way of the Oba River which leads from Oba to Kabinakagami Lake.



EXSICS EXPLORATION LTD.

P.O. Box 1680, P4N-7X1
Suite 13, Hollinger Bldg, Timmins Ont.
Telephone: 705-267-6151



CLIENT: DERRY GOLD RESOURCES INC.

PROPERTY: DERRY - ERMINE PROJECT

TITLE:

ROAD LOCATION MAP

Fig. 2

Date: April 1989

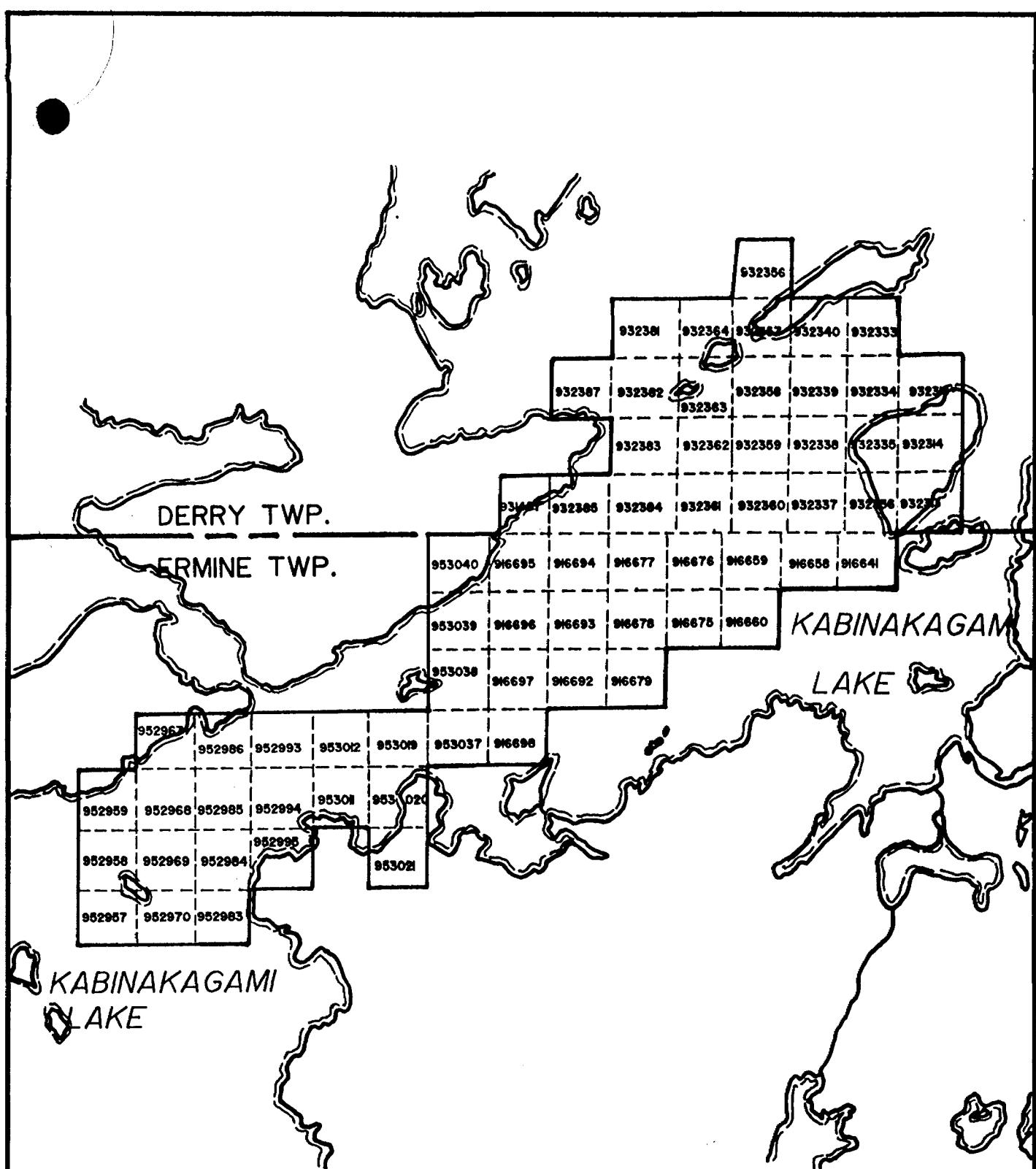
Scale:

NTS:

Drawn:

Interp:

Job No. EE-218



 EXSICS EXPLORATION LTD. P.O. Box 1888, P4N-7X1 Suite 13, Hollinger Bldg, Timmins Ont. Telephone: 705-267-4751		
CLIENT: DERRY GOLD RESOURCES INC.		
PROPERTY: DERRY - ERMINE PROJECT		
TITLE: CLAIM BLOCK SKETCH		
Fig. 3		
Date: April 1989 Scale: _____		NTS: _____
Drawn: P.G. Interp: _____		Job No. EE-218

GEOPHYSICAL PROGRAM

This program, completed by Exsics Exploration Limited during the month of December 1988, consisted of a total field magnetic survey and a two frequency Horizontal Loop EM (Max-Min II) survey. The entire grid was read at 200 meter line spacing and 25 meter station intervals.

Magnetic Survey

The magnetic survey was completed on 50 km (31 miles) of grid lines using the EDA Omni IV System. A total of 2000 readings were recorded across the grid. The specifications on the EDA Omni IV System can be found under Appendix A of this report.

This survey was done by using a base station. A fixed point was established on the survey grid, and the base station unit was tuned to a reference field of 58,000 gammas. The field units were also tuned at the same fixed point and set to the same reference field.

The base station unit was set to record and store readings at 30 second intervals, so as to monitor any spiking or change in the earth's diurnal throughout the day.

At the end of the day, the field units and the base station unit are coupled together and the raw field data is dumped to the base station, where it is merged. The internal microprocessor then computes the diurnal variation in the earth's magnetic field for each surveyed grid coordinate by comparing the times at which the readings

were taken and computing any mid-interval values.

This correlation is done during the data dump of the units. The retrieved data is corrected data ready for plotting. Each value has had 58,000 gammas subtracted from it for ease in plotting.

The base station corrected method is most useful in the northern latitudes where more detailed monitoring of the diurnal variation is required.

This unit is capable of recording and storing magnetic values accurate to the decimal point, thus greatly improving the accuracy and quality of the data obtained.

The data obtained in the field was then plotted on a base map at a scale of 1:5000 and contoured at 100 gamma intervals wherever possible. This map can be found in the back pocket of this report.

Horizontal Loop EM Survey

The HEM Survey was conducted on 50 km (31 miles) of grid lines using the Apex Max-Min II System. A total of 2000 readings were recorded across the entire grid.

The survey itself consisted of recording two frequencies, a high (1777 hz), and a low (444 hz), at 25 meter intervals. A coil separation of 150 meters was used throughout the entire survey, resulting in a theoretical search depth of 75-80 meters. The recorded values for this HEM Survey are plotted at the midpoint between the two operators.

This survey results in a negative value positioned over the conductor axis, with positive peaks approximately 75 meters each side of the negative. The shoulder with the higher positive peak represents the down dip side of the conductor.

The collected data for each of the two frequencies consisted of an in-phase and quadrature value.

The data for each of these frequencies was then plotted on separate base maps at a scale of 1:5000. The in-phase values were plotted on the right side of the line and the out of phase (quadrature) plotted on the left side. The values were then profiled at a scale of $1\text{cm}=20\%$, with negative values profiled to the left of the line and positive values to the right.

Maps for the 1777 hz and 444 hz frequencies can be found in the back pocket of this report.

SURVEY RESULTS

The HEM Survey was successful in outlining a number of conductive zones striking across the property. Each of these zones will be discussed individually and in further detail below:

Zone A:

This HEM conductor strikes the entire length of the property, from L48E/575N to L8W/400N, and likely extends off the grid to the east and west. The zone appears to be offset slightly between L42E and L44E, and between L28E and 30E. The western portion of this zone has an approximate conductivity of 1.5 mhos and a depth to source of 7.5 meters.

There is a weak magnetic high flanking this zone to the south from L32E to L38E. This zone is also situated along the northern flank of a strong bullseye magnetic feature from L18E to L26E. These strong magnetics may be the result of iron formation. As well, strong magnetics which may also be related to iron formation, flank this zone to the south from L4W to L6W.

This feature tends to run parallel and to the south of the lakeshore for it's entire strike length, and may be a overburden response.

Zone B:

This is an HEM conductor which strikes from L34E/875N to L42E/1050N, and would appear to extend off the property in both directions. It has approximate conductivity of 1.5 mhos and a depth to source of 12 meters.

The feature's conductor axis is offset slightly between L32E and L34E, and between L42E and L44E, which appears to be the result of influence from the shore line. As with Zone A, this feature parallels the shore line to the south throughout most of it's strike length, and may be an overburden response.

Zone C:

This zone strikes from L24E/175N to L50E/25S, and appears to extend off the property to the east. This feature may extend as far west as L34E/250N, being broken between L38E and L40E. The western portion of this zone is flanked to the south by a magnetic high on L36E.

Zone D:

This zone strikes from L10E/250S to L18E/50S. It is offset between L12E and L14E, which is likely the result of influence from a small island on L10W. This feature appears to be cut off to the east by the strong bullseye magnetics mentioned under Zone A. To the west it is cut off by north-south striking structure, shown by a magnetic high, which is likely a diabase dyke cutting through the area, as shown by Map 2220, Manitouwadge-Wawa Sheet, Geological Compilation Series.

RECOMMENDATIONS AND CONCLUSIONS

The geophysical program conducted on the property was successful in outlining a number of areas of interest, which were described under results. All of these areas should be looked at in further detail.

First priority should be given to Zone A, which shows a relatively strong response, striking across most of the survey grid.

Zone B, also shows a relatively strong response, but over a shorter strike length, and should have second priority.

Zones C and D show weaker response over shorter strike lengths, and would have last priority.

As well as the zones discussed, there were a number of other areas with weak responses located. None of these areas should be dismissed without further investigation.

Because the survey grid is located almost entirely over Kabinakigami Lake, any further work is limited to either additional geophysical programs, or if the zones are felt to be resolved good enough, a drill program.

If some of the zones discussed are not felt to be resolved good enough to drill, further geophysical programs may be considered. An electromagnetic (Max-Min) survey using a different cable length may help detect any zones which could be the result of an overburden response. As well, a "gradient array" Induced Polarization Survey would be very useful in determining the validity of any of the zones in question.

Respectfully Submitted,



S. Anderson

Exsics Exploration Ltd.

CERTIFICATION

I, Steve Anderson of Timmins, Ontario hereby certify that:

1. I hold a three year Technologist Diploma from the Sir Sandford Fleming College, Lindsay, Ontario, obtained in 1982.
2. I have been practising my profession since 1980 in Ontario, Quebec, Saskatchewan and NWT, for Urangesellschaft Canada Ltd., Asamer Oil Ltd., Rayan Explorations, and most recently Exsics Exploration Ltd.
3. I have based conclusions and recommendations contained in this report on knowledge of the area, my previous experience, and on the results of the field work conducted on the property during December, 1988.
4. I hold no interest, directly or indirectly in this property, nor do I expect to receive any interest in the DERRY-ERMINE PROJECT for DERRY GOLD INC., or any of it's subsidiary companies.

Dated this 20th day of April 1989
at Timmins, Ontario.



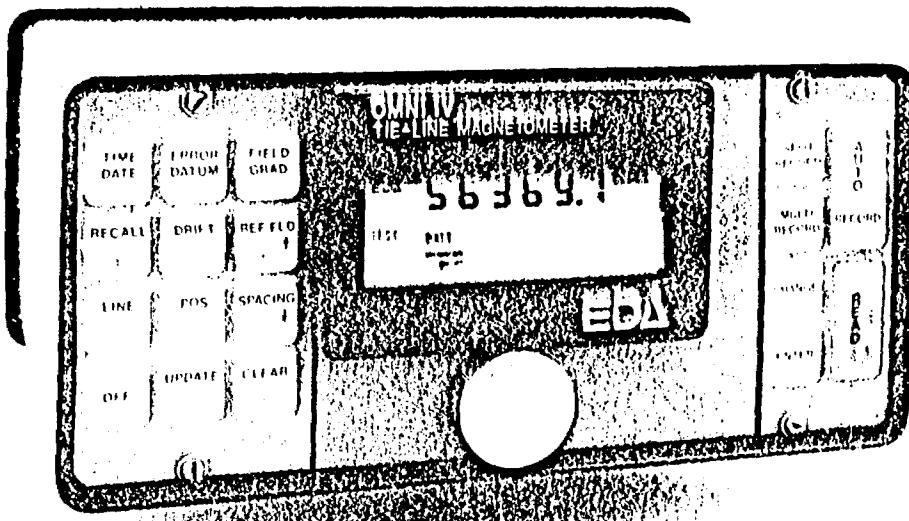
S. D. Anderson

APPENDICES

APPENDIX A

OMNI IV "One-Line" Magnetometer

EDA



OMNI IV's Major Benefits

- Four Magnetometers in One
- Self Correcting for Diurnal Variations
- Reduced Instrumentation Requirements
- 25% Weight Reduction
- User Friendly Keypad Operation
- Universal Computer Interface
- Comprehensive Software Packages



Specifications

Dynamic Range	18,000 to 110,000 gammas. Roll-over display feature suppresses first significant digit upon exceeding 100,000 gammas.
Tuning Method	Tuning value is calculated accurately utilizing a specially developed tuning algorithm.
Automatic Fine Tuning	± 15% relative to ambient field strength of last stored value
Display Resolution	0.1 gamma
Processing Sensitivity	± 0.02 gamma
Statistical Error Resolution	0.01 gamma
Absolute Accuracy	± 1 gamma at 50,000 gammas at 23°C ± 2 gamma over total temperature range
Standard Memory Capacity	
Total Field or Gradient	1,200 data blocks or sets of readings
Tie-Line Points	100 data blocks or sets of readings
Base Station	5,000 data blocks or sets of readings
Display	Custom-designed, ruggedized liquid crystal display with an operating temperature range from -40°C to +55°C. The display contains six numeric digits, decimal point, battery status monitor, signal decay rate and signal amplitude monitor and function descriptors.
RS 232 Serial I/O Interface	2400 baud, 8 data bits, 2 stop bits, no parity
Gradient Tolerance	6,000 gammas per meter (field proven)
Test Mode	A. Diagnostic testing (data and programmable memory) B. Self Test (hardware)
Sensor	Optimized miniature design. Magnetic cleanliness is consistent with the specified absolute accuracy.
Gradient Sensors	0.5 meter sensor separation (standard), normalized to gammas/meter. Optional 1.0 meter sensor separation available. Horizontal sensors optional.
Sensor Cable	Remains flexible in temperature range specified, includes strain-relief connector
Cycling Time (Base Station Mode)	Programmable from 5 seconds up to 60 minutes in 1 second increments
Operating Environmental Range	-40°C to +55°C; 0-100% relative humidity; weatherproof
Power Supply	Non-magnetic rechargeable sealed lead-acid battery cartridge or belt; rechargeable NiCad or Disposable battery cartridge or belt; or 12V DC power source option for base station operation.
Battery Cartridge/Belt Life	2,000 to 5,000 readings, for sealed lead acid power supply, depending upon ambient temperature and rate of readings
Weights and Dimensions	
Instrument Console Only	2.8 kg, 238 x 150 x 250mm
NiCad or Alkaline Battery Cartridge	1.2 kg, 235 x 105 x 90mm
NiCad or Alkaline Battery Belt	1.2 kg, 540 x 100 x 40mm
Lead-Acid Battery Cartridge	1.8 kg, 235 x 105 x 90mm
Lead-Acid Battery Belt	1.8 kg, 540 x 100 x 40mm
Sensor	1.2 kg, 56mm diameter x 200mm
Gradient Sensor (0.5 m separation - standard)	2.1 kg, 56mm diameter x 790mm
Gradient Sensor (1.0 m separation - optional)	2.2 kg, 56mm diameter x 1300mm
Standard System Complement	Instrument console; sensor; 3-meter cable, aluminum sectional sensor staff, power supply, harness assembly, operations manual.
Base Station Option	Standard system plus 30 meter cable
Gradiometer Option	Standard system plus 0.5 meter sensor

E D A Instruments Inc.
4 Thorncilffe Park Drive
Toronto, Ontario
Canada M4H 1H1
Telex: 06 2322 EDA TOR
Cable: Instruments Toronto
(416) 425 7800

In U.S.A.
E D A Instruments Inc.
5151 Ward Road
Wheat Ridge, Colorado
U.S.A. 80033
(303) 422 9112

Printed in Canada

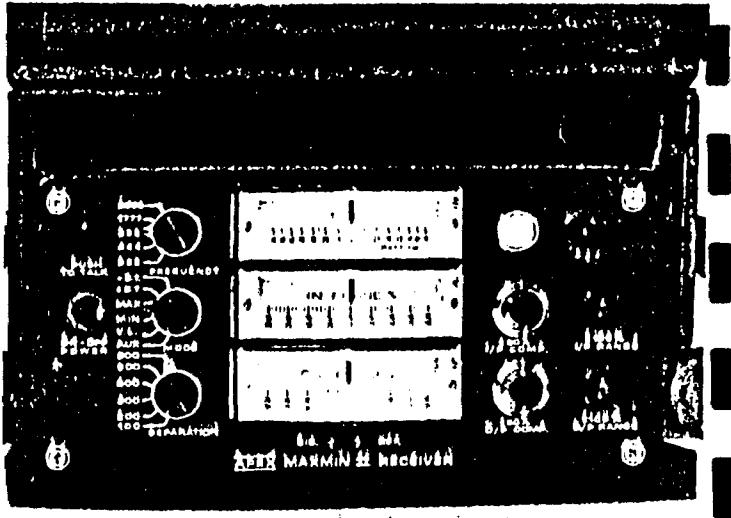
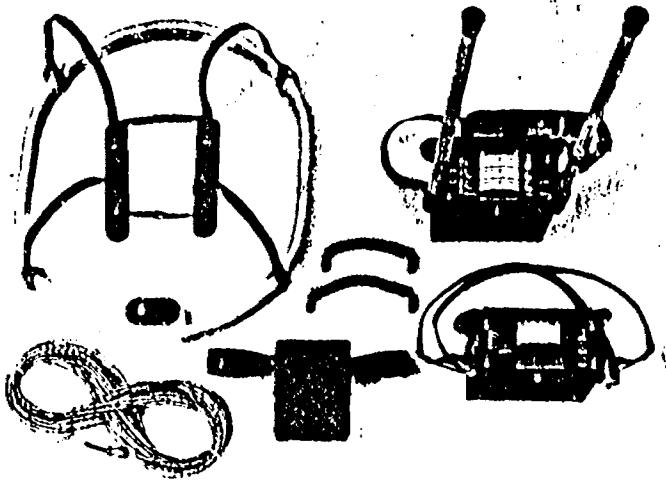
A P P E N D I X B

APEX

MAXMIN II PORTABLE EM

- Five frequencies: 222, 444, 888, 1777 and 3555 Hz.
- Maximum coupled (horizontal-loop) operation with reference cable.
- Minimum coupled operation with reference cable.
- Vertical-loop operation without reference cable.
- Coil separations: 25, 50, 100, 150, 200 and 250 m (with cable) or 100, 200, 300, 400, 600 and 800 ft.
- Reliable data from depths of up to 180m (600 ft).
- Built-in voice communication circuitry with cable.
- Tilt meters to control coil orientation.





SPECIFICATIONS :

Frequencies: 222, 444, 888, 1777 and 3555 Hz.

Modes of Operation: MAX: Transmitter coil plane and receiver coil plane horizontal (Max-coupled; Horizontal-loop mode). Used with reference cable.

MIN: Transmitter coil plane horizontal and receiver coil plane vertical (Min-coupled mode). Used with reference cable.

V.L.: Transmitter coil plane vertical and receiver coil plane horizontal (Vertical-loop mode). Used without reference cable, in parallel lines.

Coil Separations: 25, 50, 100, 150, 200 & 250m (MMII) or 100, 200, 300, 400, 600 and 800 ft. (MMIIP). Coil separations in V.L. mode not restricted to fixed values.

Parameters Read:

- In-Phase and Quadrature components of the secondary field in MAX and MIN modes.
- Tilt-angle of the total field in V.L. mode.

Readouts:

- Automatic, direct readout on 90mm (3.5") edgewise meters in MAX and MIN modes. No nulling or compensation necessary.
- Tilt angle and null in 90mm edge-wise meters in V.L. mode.

Scale Ranges:

- In-Phase: $\pm 20\%$, $\pm 100\%$ by push-button switch.
- Quadrature: $\pm 20\%$, $\pm 100\%$ by push-button switch.
- Tilt: $\pm 75\%$ slope.
- Null (V.L.): Sensitivity adjustable by separation switch.

Readability: In-Phase and Quadrature: 0.25% to 0.5%; Tilt: 1%.

Repeatability:

$\pm 0.25\%$ to $\pm 1\%$ normally, depending on conditions, frequencies and coil separation used.

Transmitter Output:

- 222Hz : 220 Atm²
- 444Hz : 200 Atm²
- 888Hz : 120 Atm²
- 1777Hz : 60 Atm²
- 3555Hz : 30 Atm²

Receiver Batteries: 9V trans. radio type batteries (4). Life: approx. 35hrs. continuous duty (alkaline, 0.5 Ah), less in cold weather.

Transmitter Batteries:

12V 6Ah Gel-type rechargeable battery. (Charger supplied).

Reference Cable:

Light weight 2-conductor teflon cable for minimum friction. Unshielded. All reference cables optional at extra cost. Please specify.

Voice Link:

Built-in intercom system for voice communication between receiver and transmitter operators in MAX and MIN modes, via reference cable.

Indicator Lights:

Built-in signal and reference warning lights to indicate erroneous readings.

Temperature Range: -40°C to +60°C (-40°F to +140°F).

Receiver Weight: 8kg (18 lbs.)

Transmitter Weight: 13kg (29 lbs.)

Shipping Weight: Typically 60kg (135 lbs.), depending on quantities of reference cable and batteries included. Shipped in two field/shipping cases.

Specifications subject to change without notification

APEX PARAMETRICS LIMITED
200 STEELCASE RD. E., MARKHAM, ONT., CANADA, L3R 1G2

Phone: (416) 495-1612

Cables: APEX PARA TORONTO

Telex: 06-868773 NORDVIK TOR

A P P E N D I X C

CLAIM LIST

<u>CLAIM #</u>	<u>TOWNSHIP</u>	<u>WORK DAYS CREDIT</u>
P-916641	ERMINE	60
P-916658	"	"
P-916659	"	"
P-916660	"	"
P-916675	"	"
P-916676	"	"
P-916677	"	"
P-916678	"	"
P-916679	"	"
P-916692	"	"
P-916693	"	"
P-916694	"	"
P-916695	"	"
P-916696	"	"
P-916697	"	"
P-916698	"	"
P-931467	DERRY	"
P-932313	DERRY	"
P-932314	DERRY	"
P-932315	DERRY	"
P-932333	DERRY	"
P-932334	DERRY	"
P-932335	DERRY	"
P-932336	DERRY	"
P-932337	DERRY	"
P-932338	DERRY	"
P-932339	DERRY	"
P-932340	DERRY	"
P-932356	DERRY	"
P-932357	DERRY	"
P-932358	DERRY	"
P-932359	DERRY	"
P-932360	DERRY	"
P-932361	DERRY	"
P-932362	DERRY	"
P-932363	DERRY	"
P-932364	DERRY	"
P-932381	DERRY	"
P-932382	DERRY	"
P-932383	DERRY	"
P-932384	DERRY	"
P-932385	DERRY	"
P-932387	DERRY	"
SSM-952957	ERMINE	"
SSM-952958	ERMINE	"
SSM-952959	ERMINE	"
SSM-952967	ERMINE	"
SSM-952968	ERMINE	"
SSM-952969	ERMINE	"

<u>CLAIM #</u>	<u>TOWNSHIP</u>	<u>WORK DAYS CREDIT</u>
SSM-952970	ERMINE	60
SSM-952983	ERMINE	"
SSM-952984	ERMINE	"
SSM-952985	ERMINE	"
SSM-952986	ERMINE	"
SSM-952993	ERMINE	"
SSM-952994	ERMINE	"
SSM-952995	ERMINE	"
SSM-953011	ERMINE	"
SSM-953012	ERMINE	"
SSM-953019	ERMINE	"
SSM-953020	ERMINE	"
SSM-953021	ERMINE	"
SSM-953037	ERMINE	"
SSM-953038	ERMINE	"
SSM-953039	ERMINE	"
SSM-953040	ERMINE	"

TOTAL 66 CLAIMS



Ontario

Ministry of
Northern Development
and Mines

Geophysical-Geological-Geochemical Technical Data Statement

File _____

**TO BE ATTACHED AS AN APPENDIX TO TECHNICAL REPORT
FACTS SHOWN HERE NEED NOT BE REPEATED IN REPORT
TECHNICAL REPORT MUST CONTAIN INTERPRETATION, CONCLUSIONS ETC.**

Type of Survey(s) Magnetic, Electromagnetic (Max-Min)Township or Area Derry and Ermine TownshipsClaim Holder(s) Derry Gold Resources Inc.Steve WengleSurvey Company Exsics Exploration Ltd.Author of Report Steve AndersonAddress of Author P.O. Box 1880, Timmins On P4N 7X7Covering Dates of Survey Dec 15/88 - Dec 22/88
(linecutting to office)Total Miles of Line Cut 56.6 km (35.17 miles)

MINING CLAIMS TRAVERSED List numerically

See Attached
(prefix) (number)SSM.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

If space insufficient, attach list

<u>SPECIAL PROVISIONS</u>		<u>DAYS</u> per claim
<u>CREDITS REQUESTED</u>		
ENTER 40 days (includes line cutting) for first survey.	Geophysical	40
ENTER 20 days for each additional survey using same grid.	--Electromagnetic	20
	--Magnetometer	
	--Radiometric	
	--Other	
	Geological	
	Geochemical	

AIRBORNE CREDITS (Special provision credits do not apply to airborne surveys)Magnetometer _____ Electromagnetic _____ Radiometric _____
(enter days per claim)DATE: April 29/89 SIGNATURE: Steve Anderson
Author of Report or AgentRes. Geol. _____ Qualifications 212306Previous Surveys

File No.	Type	Date	Claim Holder
.....
.....
.....
.....
.....

TOTAL CLAIMS 66

GEOPHYSICAL TECHNICAL DATA

GROUND SURVEYS — If more than one survey, specify data for each type of survey

Number of Stations 2,000 Number of Readings 2,000
Station interval 25 Meters Line spacing 200 Meters
Profile scale 1 cm = 20%
Contour interval _____

MAGNETIC

Instrument EDA - Omni IV
Accuracy — Scale constant ± 0.1 gamma
Diurnal correction method Base Station
Base Station check-in interval (hours) 30 seconds
Base Station location and value _____

ELECTROMAGNETIC

Instrument Apex Max-Min II
Coil configuration Co Planar
Coil separation 150 meters
Accuracy $\pm 1\%$
Method: Fixed transmitter Shoot back In line Parallel line
Frequency 444 Hz and 1777 Hz (specify V.L.F. station)
Parameters measured In-Phase and Quadrature (out-of-phase)

GRAVITY

Instrument _____
Scale constant _____
Corrections made _____

Base station value and location _____

Elevation accuracy _____

INDUCED POLARIZATION

RESISTIVITY

Instrument _____
Method Time Domain Frequency Domain
Parameters — On time _____ Frequency _____
— Off time _____ Range _____
— Delay time _____
— Integration time _____
Power _____
Electrode array _____
Electrode spacing _____
Type of electrode _____

SELF POTENTIAL

Instrument _____ Range _____

Survey Method _____

Corrections made _____
_____**RADIOMETRIC**

Instrument _____

Values measured _____

Energy windows (levels) _____

Height of instrument _____ Background Count _____

Size of detector _____

Overburden _____

(type, depth - include outcrop map)

OTHERS (SEISMIC, DRILL WELL LOGGING ETC.)

Type of survey _____

Instrument _____

Accuracy _____

Parameters measured _____
_____Additional information (for understanding results) _____
_____**AIRBORNE SURVEYS**

Type of survey(s) _____

Instrument(s) _____

(specify for each type of survey)

Accuracy _____

(specify for each type of survey)

Aircraft used _____

Sensor altitude _____

Navigation and flight path recovery method _____

Aircraft altitude _____ Line Spacing _____

Miles flown over total area _____ Over claims only _____

GEOCHEMICAL SURVEY – PROCEDURE RECORD

Numbers of claims from which samples taken _____

Total Number of Samples _____

Type of Sample _____
(Nature of Material)

Average Sample Weight _____

Method of Collection _____

Soil Horizon Sampled _____

Horizon Development _____

Sample Depth _____

Terrain _____

Drainage Development _____

Estimated Range of Overburden Thickness _____

SAMPLE PREPARATION (Includes drying, screening, crushing, ashing)

Mesh size of fraction used for analysis _____

General _____

ANALYTICAL METHODS

Values expressed in: per cent
p. p. m.
p. p. b.

Cu, Pb, Zn, Ni, Co, Ag, Mo, As, -(circle)

Others _____

Field Analysis (_____ tests)

Extraction Method _____

Analytical Method _____

Reagents Used _____

Field Laboratory Analysis

No. (_____ tests)

Extraction Method _____

Analytical Method _____

Reagents Used _____

Commercial Laboratory (_____ tests)

Name of Laboratory _____

Extraction Method _____

Analytical Method _____

Reagents Used _____

General _____

Claim #	Township	Claim #	Township
916641	Ermine	952957	Ermine
916658	"	952958	"
916659	"	952959	"
916660	"	952967	"
916675	"	952968	"
916676	"	952969	"
916677	"	952970	"
916678	"	952983	"
916679	"	952984	"
916692	"	952985	"
916693	"	952986	"
916694	"	952993	"
916695	"	952994	"
916696	"	952995	"
916697	"	953011	"
916698	"	953012	"
931467	Derry	953019	"
932313	"	953020	"
932314	"	953021	"
932315	"	953037	"
932333	"	953038	"
932334	"	953039	"
932335	"	953040	"
932336	"		
932337	"		
932338	"		
932339	"		
932340	"		
932356	"		
932357	"		
932358	"		
932359	"		
932360	"		
932361	"		
932362	"		
932363	"		
932364	"		
932381	"		
932382	"		
932383	"		
932384	"		
932385	"		
932387	"		



Ontario

Ministry of
Northern Development
and Mines

Ministère du
Développement du Nord
et des Mines

August 10, 1989

Mining Lands Section
880 Bay Street, 3rd Floor
Toronto, Ontario
M5S 1Z8

Telephone: (416) 965-4888

Your File: W8905-87
Our File: 2.12452

Mining Recorder
Ministry of Northern Development and Mines
875 Queen Street East
Box 669
Sault Ste. Marie, Ontario
P6A 2B3

Dear Madam:

Re: Notice of Intent dated July 10, 1989 Geophysical (Electromagnetic and Magnetometer) Survey submitted on Mining Claims P 916641 et al in Ermine and Derry Townships.

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

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

Yours sincerely,

W.R. Cowan
Provincial Manager, Mining Lands
Mines & Minerals Division

hjs. RM:eb
Enclosure

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

Resident Geologist
Wawa, Ontario

Steve Wengle
Toronto, Ontario

MINISTRY OF NORTHERN DEVELOPMENT AND MINE SURVEY
ASSESSMENT WORK CREDITS
OFFICE
DATE 8/10/89
RECEIVED

Steve Anderson
Timmins, Ontario

Randy Maass
Timmins, Ontario



Ministry of
Northern Development
and Mines

Technical Assessment
Work Credits

File

2.12452

Date

July 10, 1989

Mining Work No.

Recorder's Report of
W8905-87

Recorded Holder

Steve Wengle

Township or Area

Ermine and Derry Townships.

Type of survey and number of Assessment days credit per claim	Mining Claims Assessed
Geophysical	
Electromagnetic _____ 29 days	P 916641 916658 to 660 incl. 916675 to 679 incl. 916692 to 698 incl. 931467
Magnetometer _____ 15 days	932313 to 315 incl. 932333 to 340 incl. 932356 to 364 incl. 932381 to 385 incl.
Radiometric _____ days	932387
Induced polarization _____ days	952957 to 959 incl. 952967 to 970 incl. 952983 to 986 incl. 952993 to 995 incl.
Other _____ days	953011-012 953019 to 021 incl. 953037 to 040 incl.
Section 77 (19) See "Mining Claims Assessed" column	
Geological _____ days	
Geochemical _____ days	
Man days <input type="checkbox"/>	Airborne <input type="checkbox"/>
Special provision: <input checked="" type="checkbox"/>	Ground <input checked="" type="checkbox"/>
<input type="checkbox"/> Credits have been reduced because of partial coverage of claims.	
<input type="checkbox"/> Credits have been reduced because of corrections to work dates and figures of applicant.	

Special credits under section 77 (16) for the following mining claims

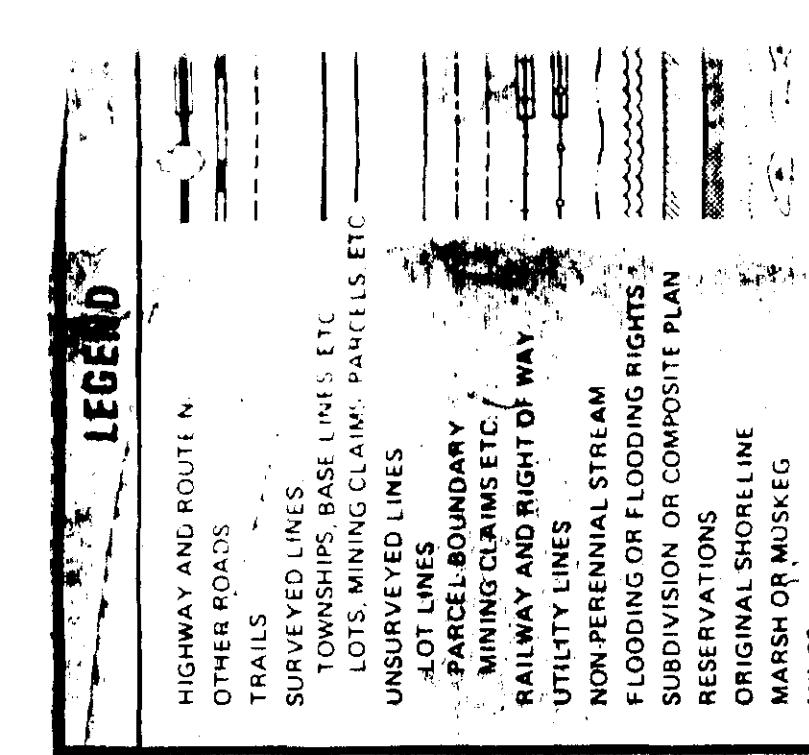
No credits have been allowed for the following mining claims

not sufficiently covered by the survey

insufficient technical data filed

The Mining Recorder may reduce the above credits if necessary in order that the total number of approved assessment days recorded on each claim does not exceed the maximum allowed as follows: Geophysical - 80; Geological - 40; Geochemical - 40; Section 77(19) - 60.

AREAS WITHDRAWN FROM DISPOSITION			
M.R.O. - MINING RIGHTS ONLY			
S.A.O. - SURFACE RIGHTS ONLY	M.S. - MINING AND SURFACE RIGHTS	Date	Disposition
Disposition	Order No.	File	



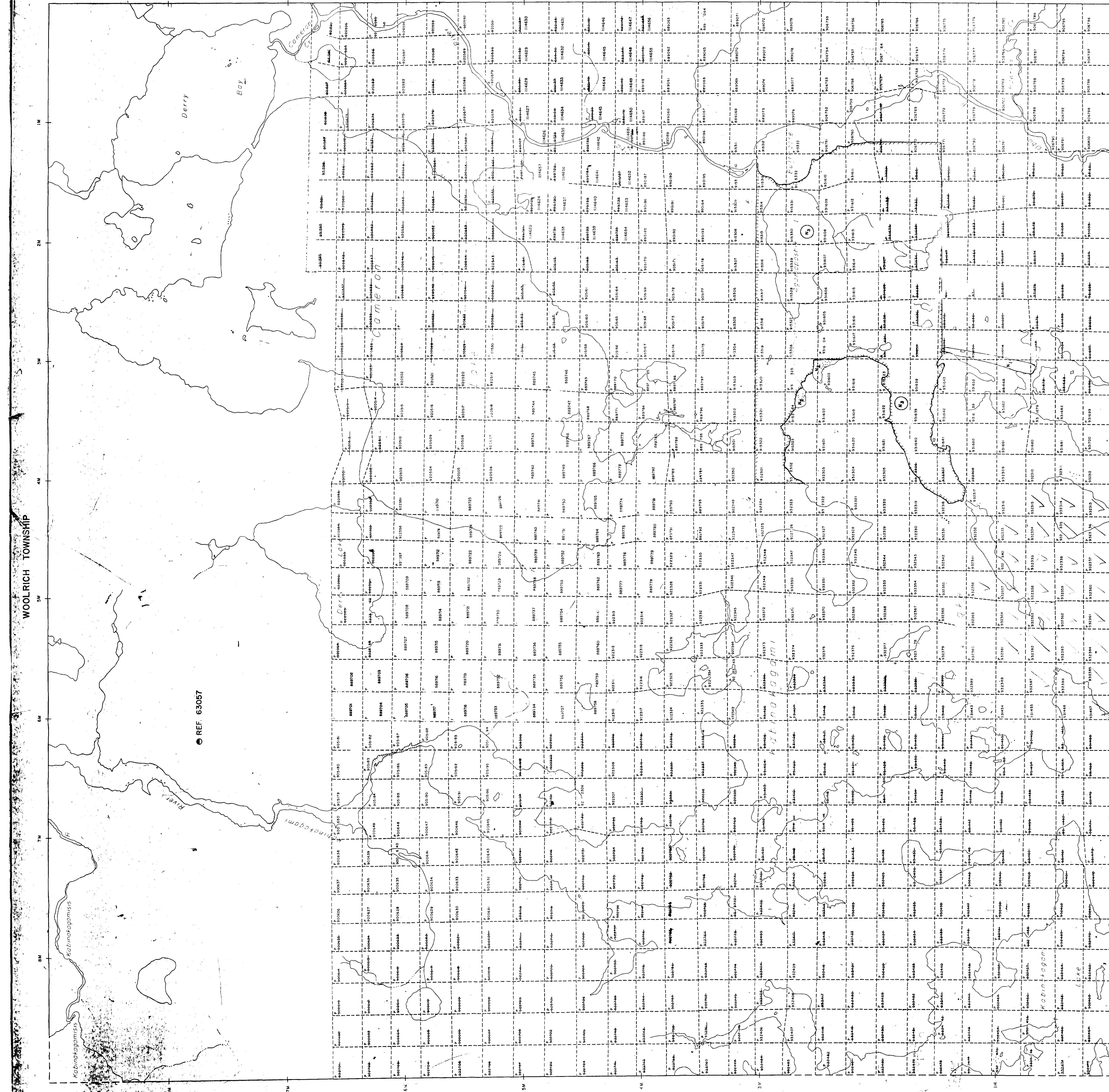
DISPOSITION OF CROWN LAND:

TYPE OF DOCUMENT: S.M.B.
 PATENT SURFACE & MINING RIGHTS
 SURFACE RIGHTS ONLY
 LEASE SURFACE & MINING RIGHTS
 SURFACE RIGHTS ONLY
 MINING RIGHTS ONLY
 LICENCE OF OCCUPATION
 ORDER IN COUNCIL
 RESERVATION
 CANCELLED
 SAND & GRAVEL
 NOTE: UNDIVIDED, PARCELS PATENTED, ETC., LANDS ACT 1872, ETC.

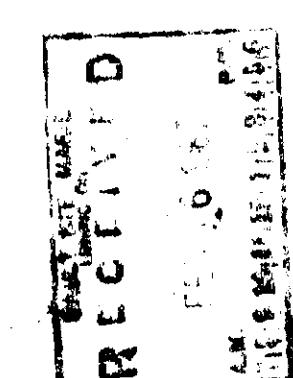
SCALE 1:20 000
 NOTE:
 SURFACE RIGHTS ONLY OF THIS TOWNSHIP
 PATENT SURFACE & MINING RIGHTS ONLY
 ALL MINING CLAIMS MINING RIGHTS ONLY

SCALE 1:20 000
 NOTE:
 SURFACE RIGHTS ONLY OF THIS TOWNSHIP
 PATENT SURFACE & MINING RIGHTS ONLY
 ALL MINING CLAIMS MINING RIGHTS ONLY

LEASE AGREEMENTS
 AIRPORT
 TOURIST CAMP
 LAND USE



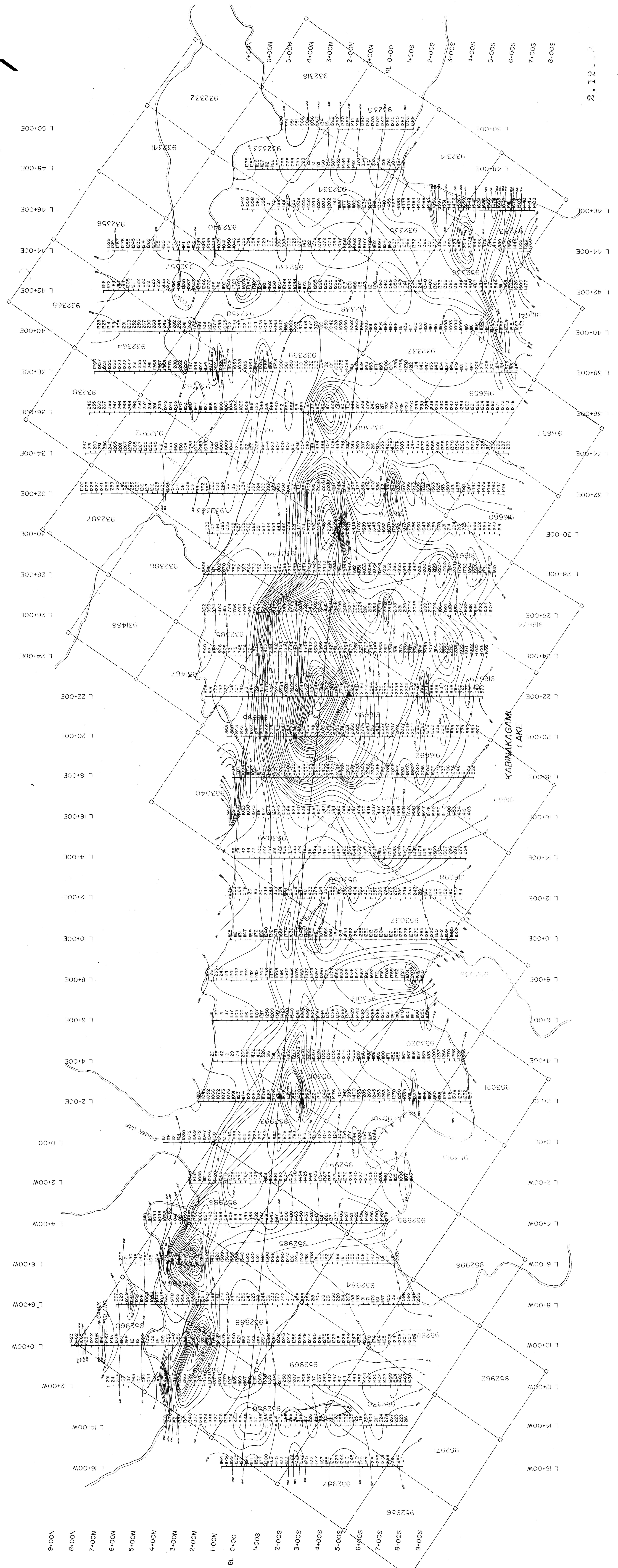
LIPTON TOWNSHIP



DATE OF ISSUE
 JUL 28 1986
 SAULT STE. MARI
 LAND REGISTRY OFFICE

N.W. ADMINISTRATIVE DISTRICT
 HEARST
 MINING DIVISION
 LAND TITLES / REGISTRY DIVISION
 SAULT STE. MARI
 ALGOMA
 Ministry of Natural Resources and Miner Ontario

DIST. OCTOBER 1986
 G-230



EXSICS EXPLORATION LTD.

MAGNETOMETER SURVEY

CONTOURED

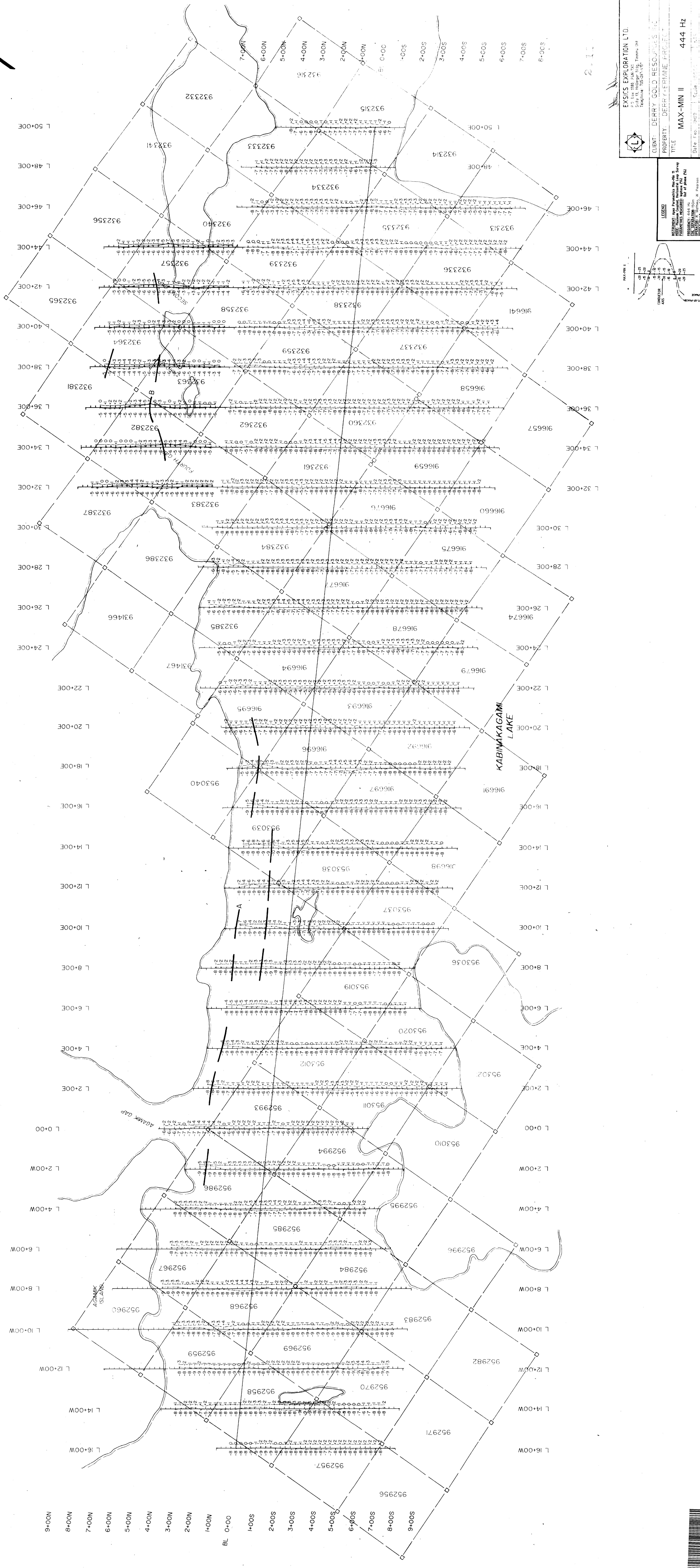
PROPERTY: DERR /-ERMINE PROJECT

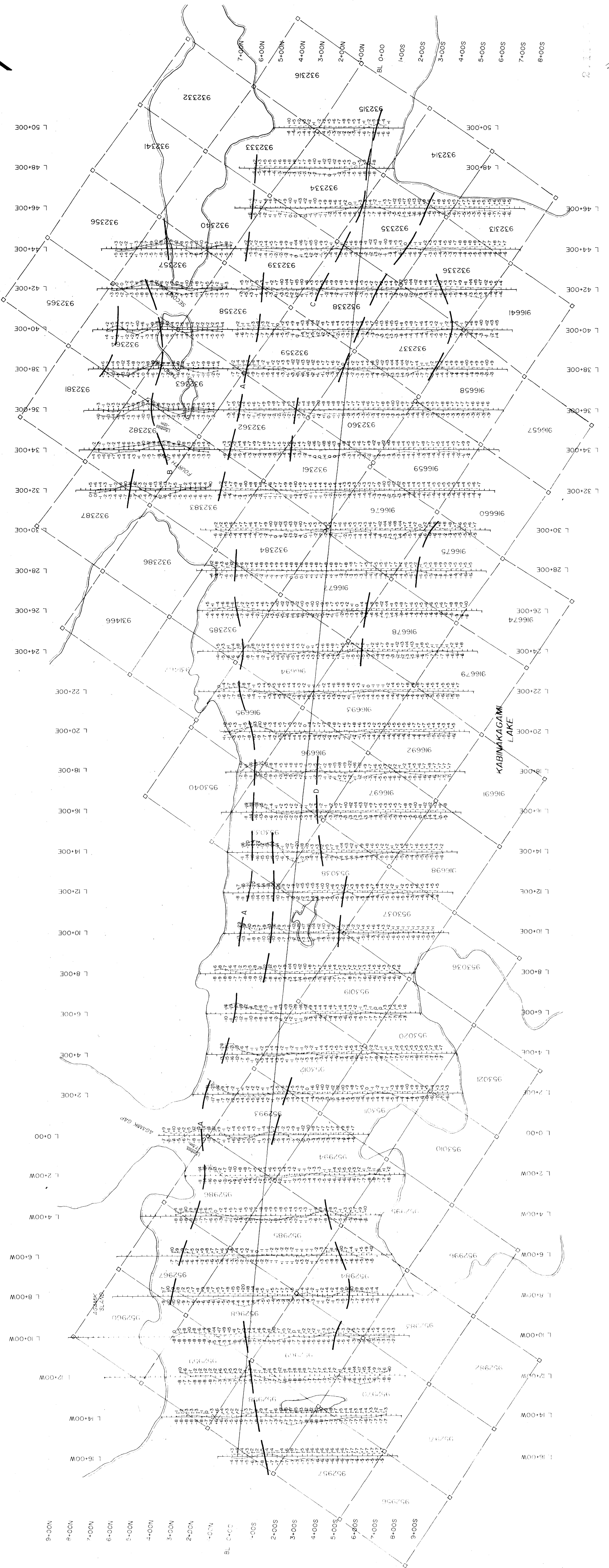
DERRY GOLD RESOURCES INC.

LEGEND

Instrument: EDA OMNI
 Parameters Measured
 Accuracy: +/- 5 nano-
 Journals: Corrected by
 Contour Interval: 0.100
 Reference Field: 58.12
 Datum Subtracted: 58

A standard linear barcode is positioned vertically on the left side of the page. To its right, the text "42C16NN0102 2.12452 ERHINE" is printed vertically.





EXSICS EXPLORATION LTD.			
P.O. Box 1880, P.M.N. 7X1 Suite 13, Hollinger Bldg, Timmins Ont. Telephone: 705-267-4151			
CLIENT: DERRY GOLD RESOURCES INC.			
PROPERTY: DERRY - FERNMINE PROSPECT			
TITLE:		MAX-MIN II 1777 Hz	
Date: Feb 1989	Scale: 1:50,000		
Drawn: P.S.	Interp.: J.S.		

INSTRUMENT: Apex Parametrics Max-Min 11
MODE: Maximum Coupled, Horizontal Loop Survey
PARAMETERS MEASURED: Inphase (%)
OUT OF PHASE (%):
FREQUENCY: 1777 Hz
COIL SEPARATION: 150m
OPERATOR: R. Mathieu, W. Pearson
PROFILE SCALE: $lcm=20\%$

42C16NW0102 2.12452 ERMI NE