

WAHL & DANIELS PROSPECTING

REPORT OF WORK

MARGON LAKE CLAIMS

N.T.S. 42 D/15 SW/SE

IN THE

DISTRICT OF THUNDER BAY

2. 220 38

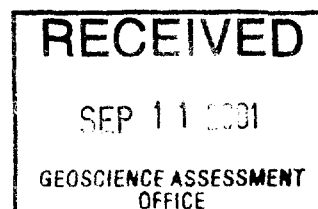
Marathon, Ontario
August 23, 2001

Rudolf Wahl, Prospector
Marathon, Ontario



42D14SE2007 2.22038 SYINE

010



2. 220 38

Table of Contents

	Page
1.0 INTRODUCTION	1
2.0 LOCATION AND ACCESS	1
Key Location map	2
Claim map	3
3.0 REGIONAL GEOLOGY	4
4.0 PROSPECTING / GEOLOGICAL MAPPING	5
5.0 WORK CONDUCTED ON THE PROPERTY	6
Map GPS Location of stripped area	1:10000
Map GPS Location of stripped area	1: 6000
- Pictures of stripped section	
6.0 CONCLUSION AND RECOMMENDATIONS	7

List of Figures and Maps

	Scale
Appendix I Rock sample Description	
Map 1 Stripped Areas & Geology	2cm = 5 m



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SYINE

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1.0 Introduction

From September 25 to October 31, 2000, general prospecting, stripping with a Superhoe HS40 C, geological mapping along stripped section and rock sampling was conducted on the Margon Lake property. Assay results are not available at this time. The purpose of the work was to follow the old Mocan Valley showing (up to 0.56 oz/t Au) to the east.

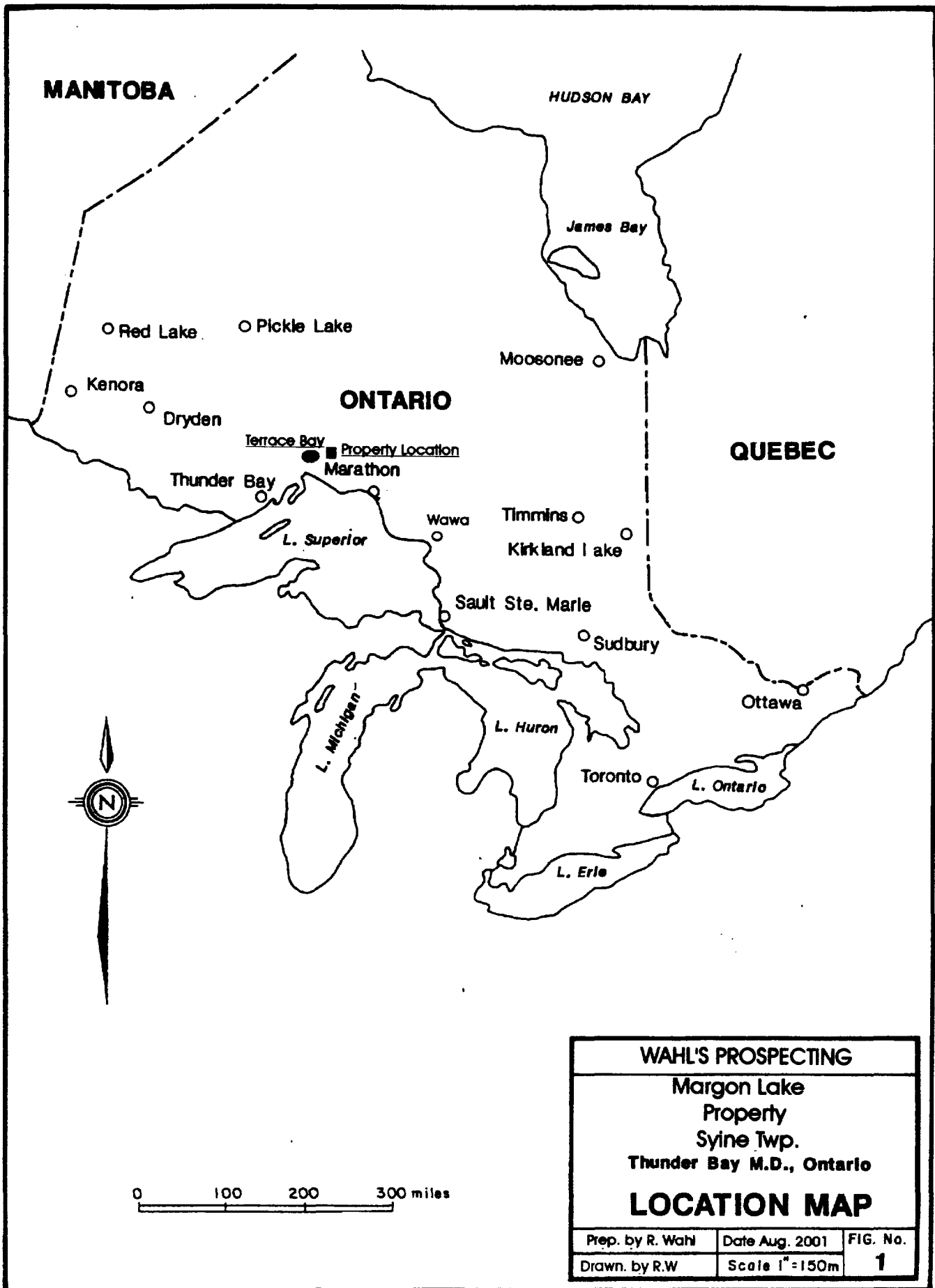
2.0 Property Location and Access

Syine Township and Santoy Lake area - Terrace Bay
Thunder Bay Mining Division.

NTS, quadrangle 42 D 15 SW/SE
Latitude 48 52' - Longitude 86 59'

Syine Twp. Claim Map G- 634
Santoy Lake Area Claim Map G- 612

The property consist of 54 unpatented mining claims located in Syine Township and the Santoy Lake Area, 11 kilometers east-northeast of Terrace Bay, 250 kilometers east of Thunder Bay and 55 kilometers west of Hemlo Gold Camp. The property is 6 kilometers due north of Lake Superior. The southern most claims are close by the Trans Canada Highway (Hwy. 17) and are easily accessible by trail. The north and northwestern claims are most easily reached by Helicopter or fixed-wing aircraft landing on Lunch Lake and Little Davidson Lake.



3.0 Regional Geology

The Property is underlain by a conformable sequence of intercalated volcanic and sedimentary units of early Precambrian age. Intrusions of basic and granitic rocks have crosscut all formations with the latter being represented by the Jackfish Lake Batholith exposed along the property's southern boundary. Regional metamorphism from green schist to lower amphibolite facies has been recognized by Walker (1967). The area was mapped by J. W. R. Walker for Ontario Department of Mines in 1953. A preliminary report of this work was published in 1956 but it was not until 1967 that the final report included colored maps. Structurally the area has probably undergone several episodes of deformation with the most notable being the anticlinal and synclinal folding associated with the numerous granitic bodies. Foliations generally trending east-west with southerly dips are common in most rock types while shearing of various intensity also occurs.

A large proportion of the property is underlain by volcanic rocks of mafic composition. In the southern claims massive or foliated flows predominate the succession and were pervasively altered by carbonate and to a lesser extent by epidote and silica. Pillowed flows, similar mineralogically to the massive flows, are exposed in the eastern claims. Selvages are well preserve and contain fine euhedral garnets. Shearing made top determinations impossible. Flows of possible pillowed origin have been noted in the west-central portion of the property but here again shearing had masked the original structures.

Mafic tuffs have been recognized throughout but were most common within the eastern claims.

Pinkish to white weathering surfaces were diagnostic colours for the felsic tuffs and crystal tuffs on the property. They occurred essentially in the north-central part of the ground but were also found as narrow lensoidal units in the mafic succession. Blue quartz-eyes were also characteristic with the crystal tuffs having a larger percentage.

Intercalated with these volcanics were narrow, bands of siliceous and in part pyritiferous chert. Only a few outcrops were noted however Walker's (1997) map (OGS Map 2107) illustrates the possible existence of numerous such units.

Diorite and gabbro were mapped as late but in part synvolcanic intrusives which in many cases could have represented feeder dykes or sills. Some of the diorite contained the blue quartz eyes and may represent either felsic tuff or altered mafic volcanics.

Granodiorite exposed along the southern boundary belongs to the Jackfish Lake Batholith, a late granitic intrusive which probably affected the area structurally as well as metamorphically.

4.0 Prospecting / Geological Mapping

Much of the central part of the Margon Lake property was geologically mapped and prospected with emphasis on prospecting in order to locate significant mineralization. In addition to evaluating the area in vicinity of the gold-bearing quartz vein of the Mocan Valley shoeing (up to 0.56 oz/t Au). Area east were stripped with a Superhoe HS40 C in 8 section along the shear zone. All stripped sections were found to be underlain by mafic volcanics and mafic intrusives with minor accumulations of chert, iron formations and pyroxenite. Pervasive carbonate alteration was noted in each stripped section, but became most intense in the shear zone. Sulphide mineralization in form of pyrite and chalcopyrite was most common and recognized as disseminations or masses in most of the stripped sections. The cherts generally contained upward of 5% sulphides as fine disseminations of pyrite and pyrrhotite, while higher concentrations occurred at some locations. Magnetite in the form of disseminated grains was recognized in the mafic volcanics and intrusives while massive forms occurred in the iron formation.

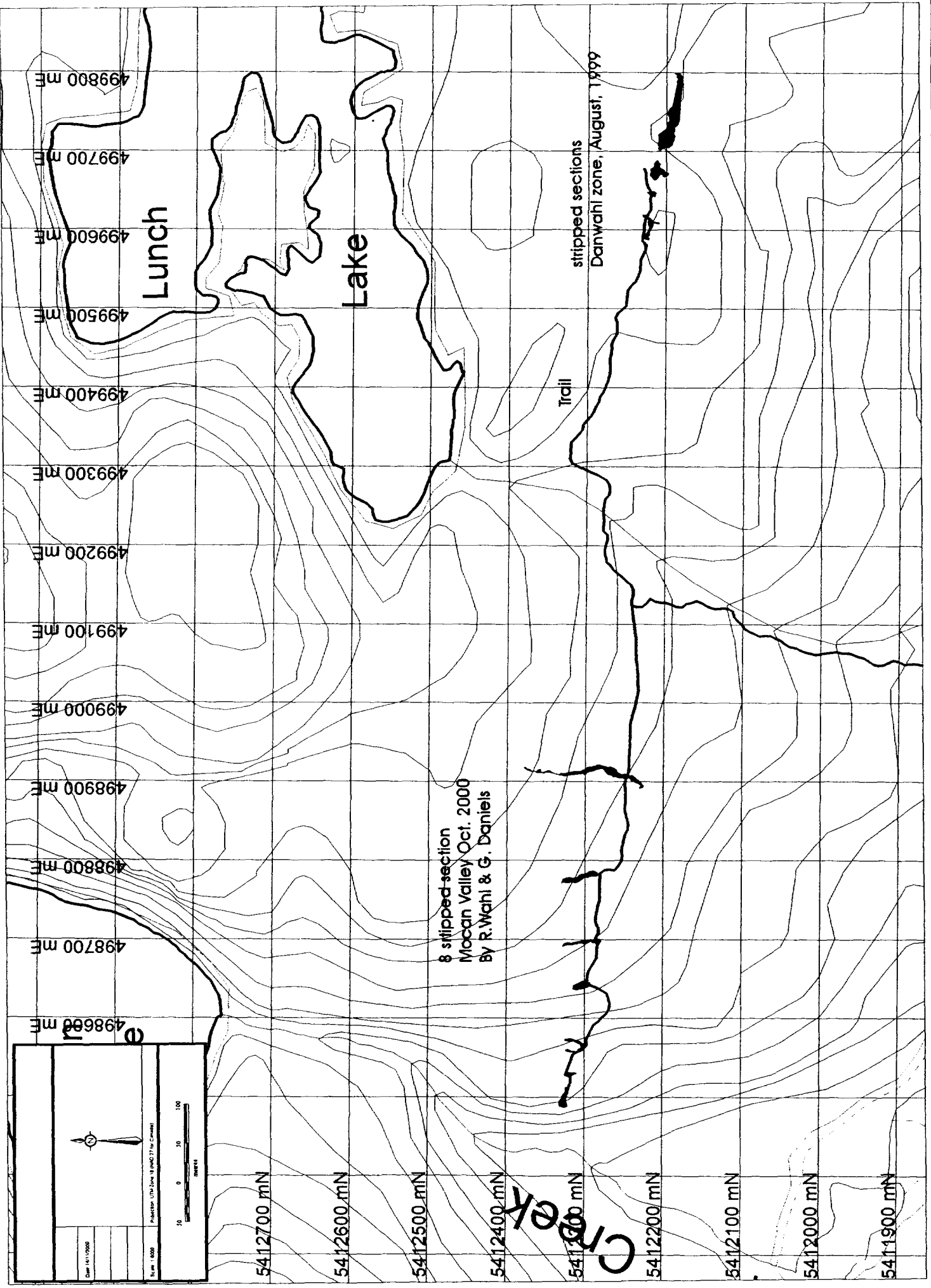
5.0 Work conducted during the 2000 prospecting season.

The Margon Lake property consists of 8 unpatented mining claims totaling 54 units located in the Syine Twp (G-634) and Santoy Lake (G-612) areas of the Thunder Bay Mining Division.

<u>CLAIM NUMBER</u>	<u>UNITS</u>	<u>Work was conducted on claim No:</u>
1232944	4	1232945
1232945	12	
1232946	1	
1232947	6	
1216782	16	
1216783	11	
1216784	1	
1232950	<u>3</u>	
TOTAL	54	

5.1 Work completed

- a. Locating old tunnel east site of Margon creek (late 1800).
- b. Traced and flagged shear zone from tunnel for 500 meters.
- c. Using a superhoe Hs40 C, operated by Steve Hamer, stripped 8 sections along the 500 meter long shear zone.
- d. Flagged traverse lines and geological mapping over the 8 stripped areas.
- e. Blasting and hand stripping.
- f. A total of 54 samples were obtained for assay.
- g. Topographic features (trail, lakes and creeks) were also used for control mapping and prospecting.



Lunch

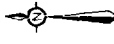

Lake

Trail

stripped sections
Danwahl zone, August, 1999

8 stripped section
Moccasin Valley Oct. 2000
By R. Wahl & G. Daniels



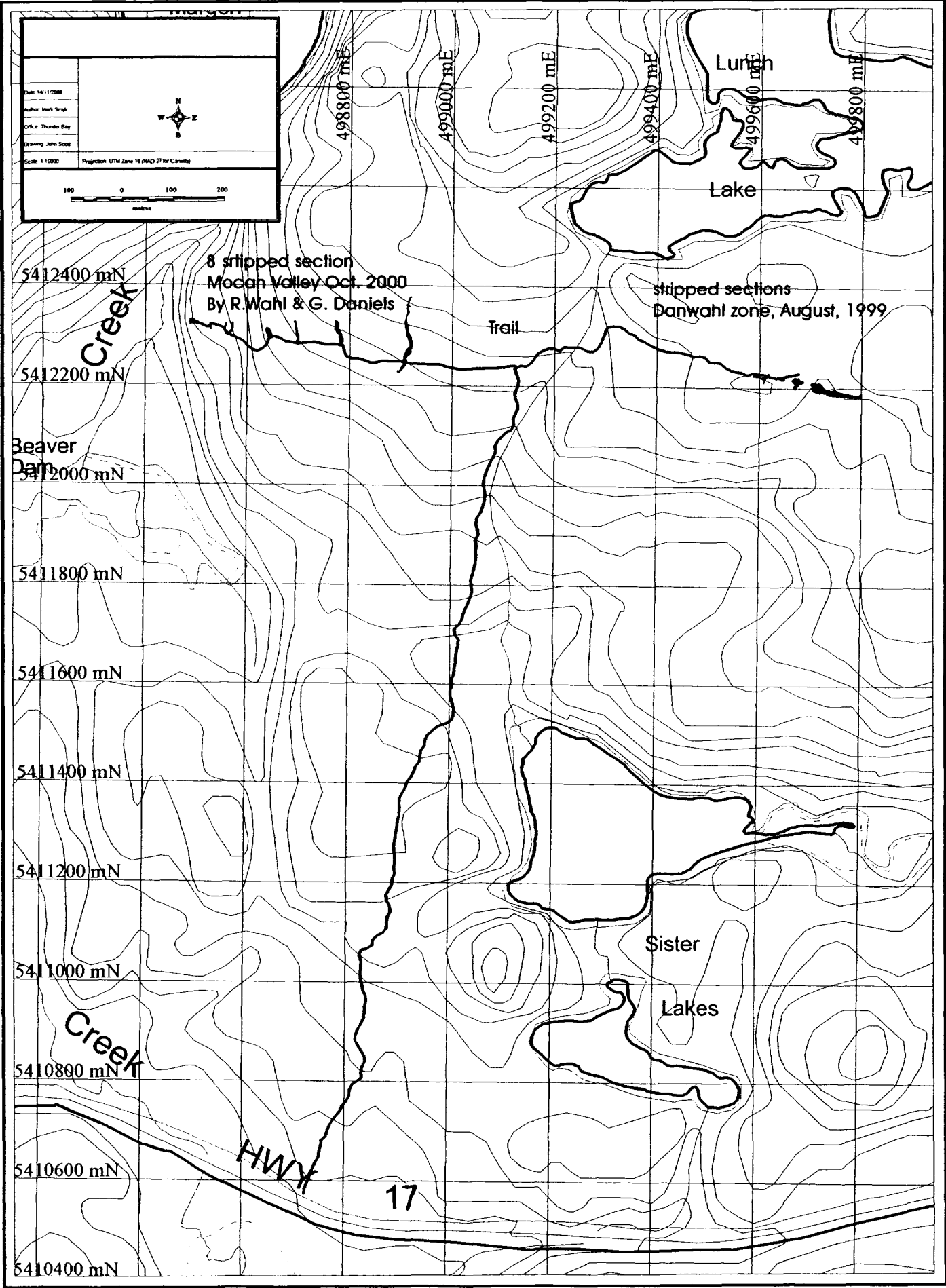
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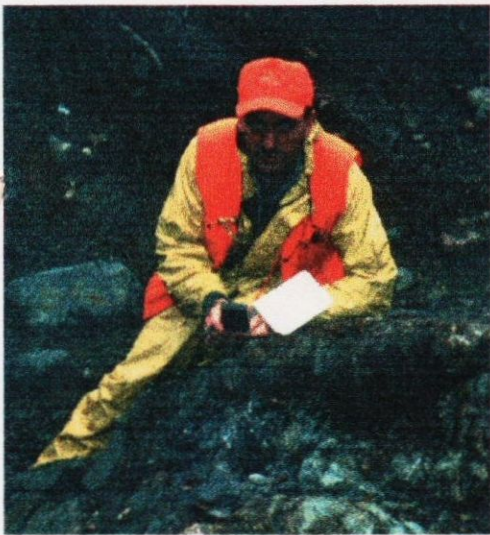
	
Scale: 1:5000	Projection: UTM Zone 18Q UTM (30°E 27°E Contour)
	

499800 ME
499700 ME
499600 ME
499500 ME
499400 ME
499300 ME
499200 ME
499100 ME
499000 ME
498900 ME
498800 ME
498700 ME
498600 ME

5412700 mN
5412600 mN
5412500 mN
5412400 mN
5412300 mN
5412200 mN
5412100 mN
5412000 mN
5411900 mN

Date: 14/1/2000	
Author: Mark Smith	
Office: Thunder Bay	
Drawing: John Scott	
Scale: 1:10000	Projection: UTM Zone 18 (NAD 21 for Canada)

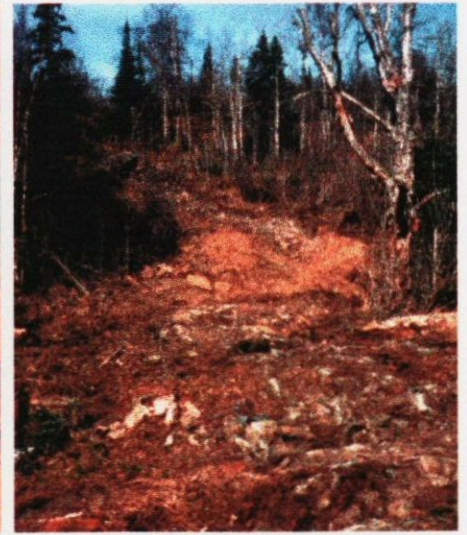






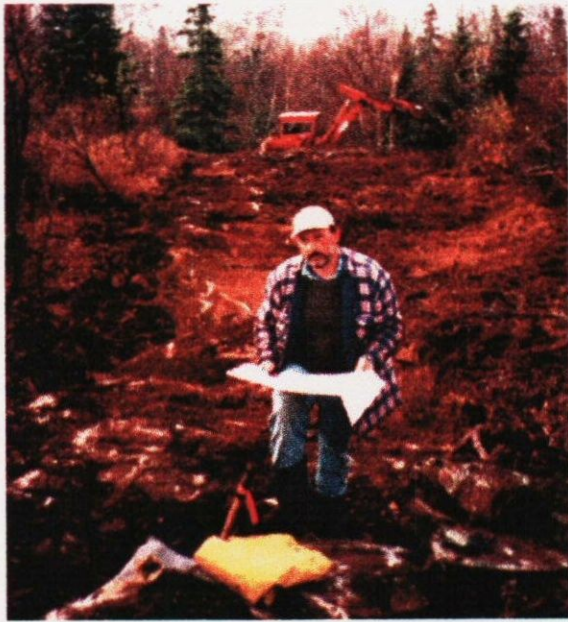
Mark Smyk Resident Geologist



Stephen Hamer, Superhoe Hs40C



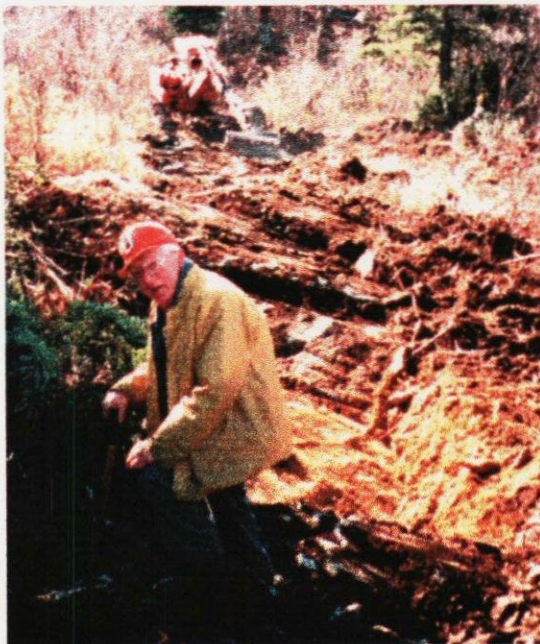
Southern section stripped area #8



Rudolf Wahl mapping stripped section #8



Stephen Hamer stripping section #7



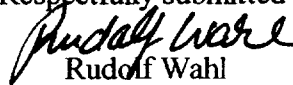
George Daniels taken rock samples

6.0 Conclusion and Recommendations

Because of the existence of favorable stratigraphy on the property, the presence of geophysical anomalies similar to anomalies associated with gold mineralization in the area, the proximity of the Mocan Valley showing to the Old Empress Mine to the southeast and the Ursa Major mine to the north continued exploration is warranted.

A program of geological mapping, trenching, soil and rock geochemical surveys supplemented by induced polarization surveys is recommended over the Mocan Valley showing (stripped area), to out line the targets for diamond drilling.

Marathon, Ontario
August 23, 2001

Respectfully submitted

Rudolf Wahl
Prospector

2. 22038

APPENDIX I
ROCK SAMPLE DESCRIPTION

Sample Description (Assay Results not available at this time).

Sample No.	Sample Description	Au (ppb)	Ag ppm	Cu ppm
# 1	Shear zone Pyrite / 5% chalcopyrite, Sulfur ,			
# 2	Shear zone Pyrite / 5% chalcopyrite, Sulfur ,			
# 3	Shear zone Pyrite / 2% chalcopyrite, Sulfur ,			
# 4	Shear zone Pyrite / 8% chalcopyrite, Sulfur ,			
# 5	Shear zone Pyrite / 5% chalcopyrite, Sulfur ,			
# 6	Quartz vein 5% Pyrite / chalcopyrite			
# 7	Quartz vein 10% Pyrite			
# 8	Quartz vein 5% Pyrite			
# 9	Quartz vein trace Pyrite			
#10	Quartz vein trace Pyrite / trace chalcopyrite			
#11	Quartz vein trace pyrite			
#12	Shear zone 10% Pyrite, Sulfur, Chlorite Quartz veining, Magnetite,			
#13	Shear zone 5% Pyrite, sulfur, Chlorite			
#14	Quartz vein trace Pyrite			
#15	Shear zone Pyrite / 5% chalcopyrite, Sulfur ,			
#16	Shear zone Pyrite / 10% chalcopyrite, Sulfur ,			
#17	Quartz vein trace Pyrite			
#18	Shear zone Pyrite / 2% chalcopyrite, Sulfur ,			
#19	Shear zone Pyrite / 5% chalcopyrite, Sulfur ,			

Sample Description (Assay Results not available at this time).

Sample No.	Sample Description	Au (ppb)	Ag ppm	Cu ppm
# 20	Shear zone Pyrite / 10% chalcopyrite, Sulfur ,			
# 21	Shear zone Pyrite / 2% chalcopyrite, Sulfur ,			
# 22	Shear zone Pyrite / 5% chalcopyrite, Sulfur ,			
# 23	Quartz vein 5% Pyrite / chalcopyrite			
# 24	Shear zone Pyrite / 2% chalcopyrite, Sulfur ,			
# 25	Quartz vein 10% Pyrite / chalcopyrite			
# 26	Quartz vein 5% Pyrite			
# 27	Quartz vein 10% Pyrite			
# 28	Quartz vein trace Pyrite			
# 29	Quartz vein trace Pyrite / trace chalcopyrite			
# 30	Quartz vein trace pyrite			
# 31	Shear zone 5% Pyrite, Sulfur, Chlorite ,			
# 32	Shear zone 5% Pyrite, sulfur, Chlorite			
# 33	Quartz vein trace Pyrite / chalcopyrite			
# 34	Shear zone Pyrite 10% chalcopyrite, Sulfur ,			
# 35	Quartz vein 5% Pyrite / chalcopyrite			
# 36	Quartz vein trace Pyrite			
# 37	Shear zone Pyrite / 5% chalcopyrite, Sulfur ,			
# 38	Shear zone Pyrite / 2% chalcopyrite, Sulfur ,			

Sample Description (Assay Results not available at this time). 2 · 220 38

Sample No.	Sample Description	Au (ppb)	Ag ppm	Cu ppm
# 39	Quartz vein 5% Pyrite / chalcopyrite			
# 40	Quartz vein 5% Pyrite / chalcopyrite			
# 41	Quartz vein 5% Pyrite / chalcopyrite			
# 42	Quartz vein 5% Pyrite / chalcopyrite			
# 43	Quartz vein 2% Pyrite / chalcopyrite			
# 45	Quartz vein 5% Pyrite / chalcopyrite			
# 46	Quartz vein 10% Pyrite / 5% chalcopyrite			
# 47	Quartz vein 10% Pyrite / trace chalcopyrite			
# 48	Quartz vein 10 Pyrite / 15% chalcopyrite			
# 49	Quartz vein 15 Pyrite / 10% chalcopyrite			
# 50	Quartz vein trace pyrite			
# 51	Shear zone 15% Pyrite, Sulfur, Chlorite ,			
# 52	Shear zone 20% Pyrite, sulfur, Chlorite			
# 53	Quartz vein 15% Pyrite / chalcopyrite			
# 54	Shear zone Pyrite 10% chalcopyrite, Sulfur ,			

W0140.30686

2.22038

Assessment Work Breakdown

<u>Type of Work</u>	<u>Name & Address</u>	<u>Dates Worked</u>	<u>Days/hours</u>
Prospecting, Geological Mapping, Rock sampling, Hand stripping,	George Daniels Box 526 Terrace Bay, Ontario POT - 2WO	September 25 to October 31, 2000	31 Days
Prospecting, Geological Mapping, Rock sampling, Hand stripping,	Rudolf Wahl Box 1022 Marathon, Ontario POT - 2EO	September 25 to October 31, 2000	31 Days
Mechanical stripping with Superhoe Hs40 C on claim # 1232945	Belham LTD Box 25 Kaministiquia, Ontario POT - 1XO	October 13 to October 21, 2000	63.5 hr.

Dated 27 Aug 2001

Signed Rudolf Wahl

(Rudolf Wahl)

Date: 2001-DEC-04

GEOSCIENCE ASSESSMENT OFFICE
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RUDOLF WAHL
BOX 1022
47 GRAHAM AVENUE
MARATHON, ONTARIO
P0T 2E0 CANADA

Tel: (888) 415-9845
Fax: (877) 670-1555

Submission Number: 2.22038
Transaction Number(s): W0140.30686

Dear Sir or Madam

Subject: Approval of Assessment Work

We have approved your Assessment Work Submission with the above noted Transaction Number(s). The attached Work Report Summary indicates the results of the approval.

At the discretion of the Ministry, the assessment work performed on the mining lands noted in this work report may be subject to inspection and/or investigation at any time.

In future assessment work reports for physical work, additional information will be required in order to meet the requirements of the Assessment Work Regulation. Please note that a daily log of activities would have clarified the work sequence. As it stands at the moment, it may appear that the stripped areas were mapped before the stripping began. It is unclear even after a 45 day notice whether the samples were analyzed. Although the work was approved in this instance, additional information will be required in the future.

If you have any question regarding this correspondence, please contact LUCILLE JEROME by email at lucille.jerome@ndm.gov.on.ca or by phone at (705) 670-5858.

Yours Sincerely,



Ron Gashinski
Supervisor, Geoscience Assessment Office

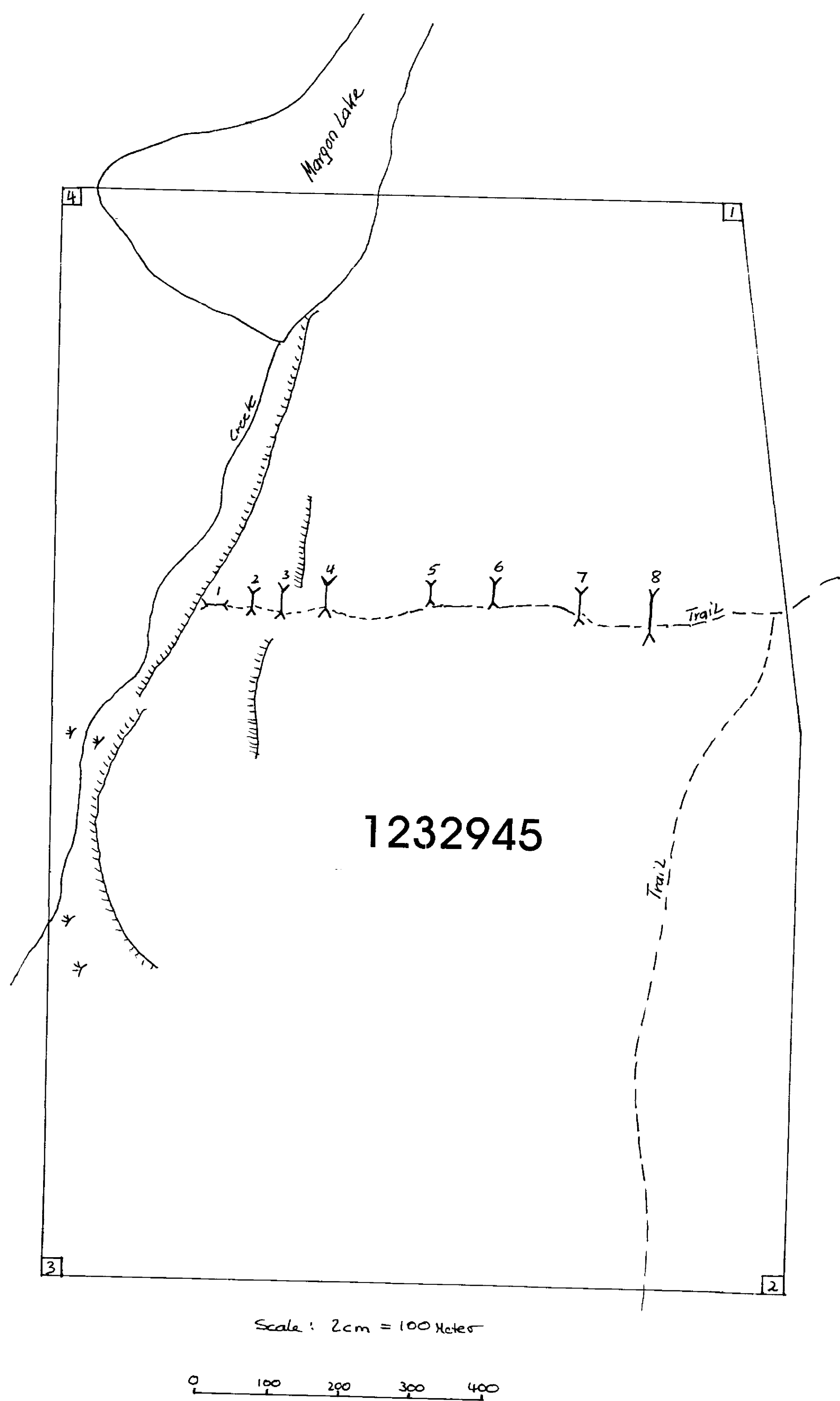
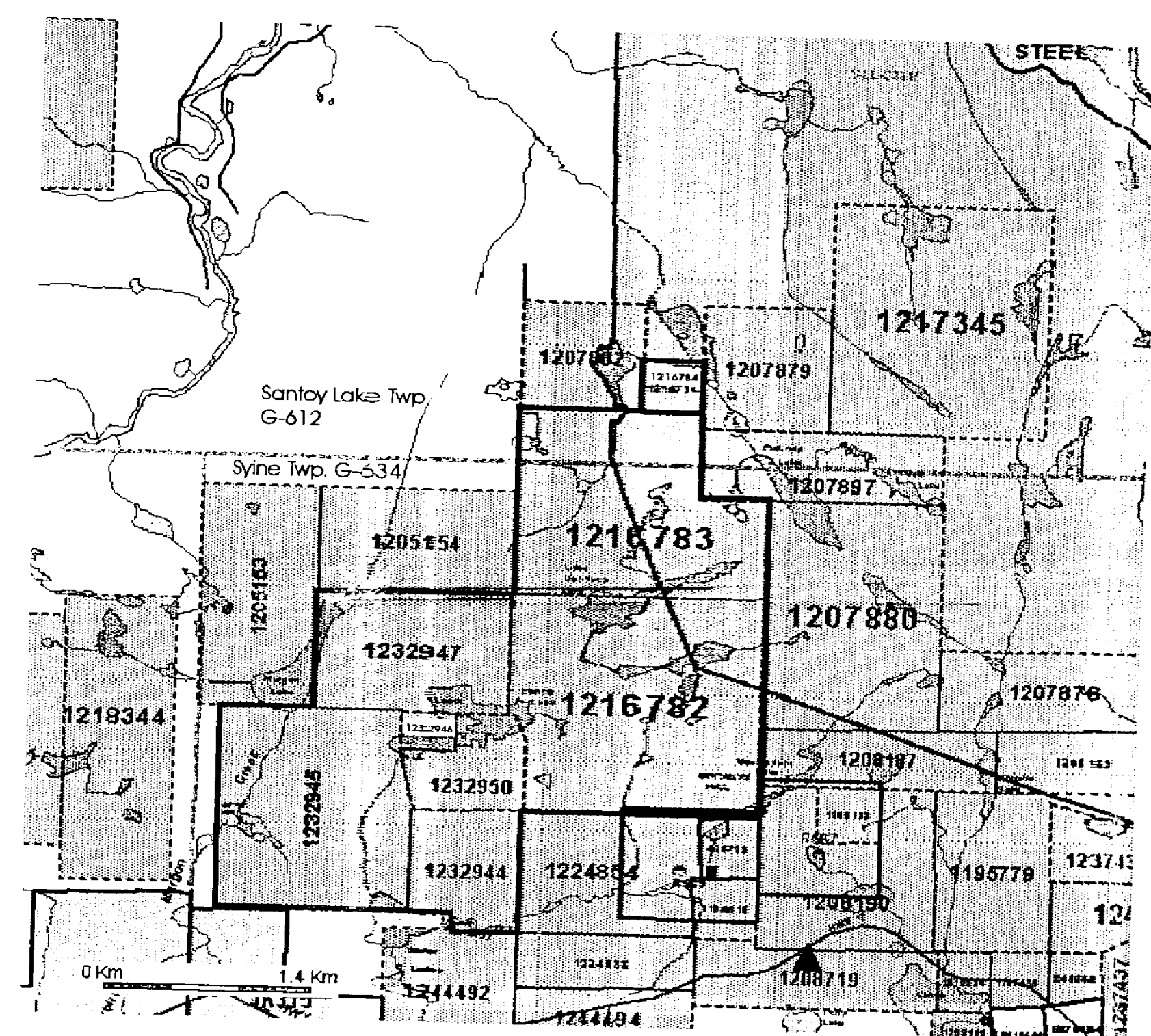
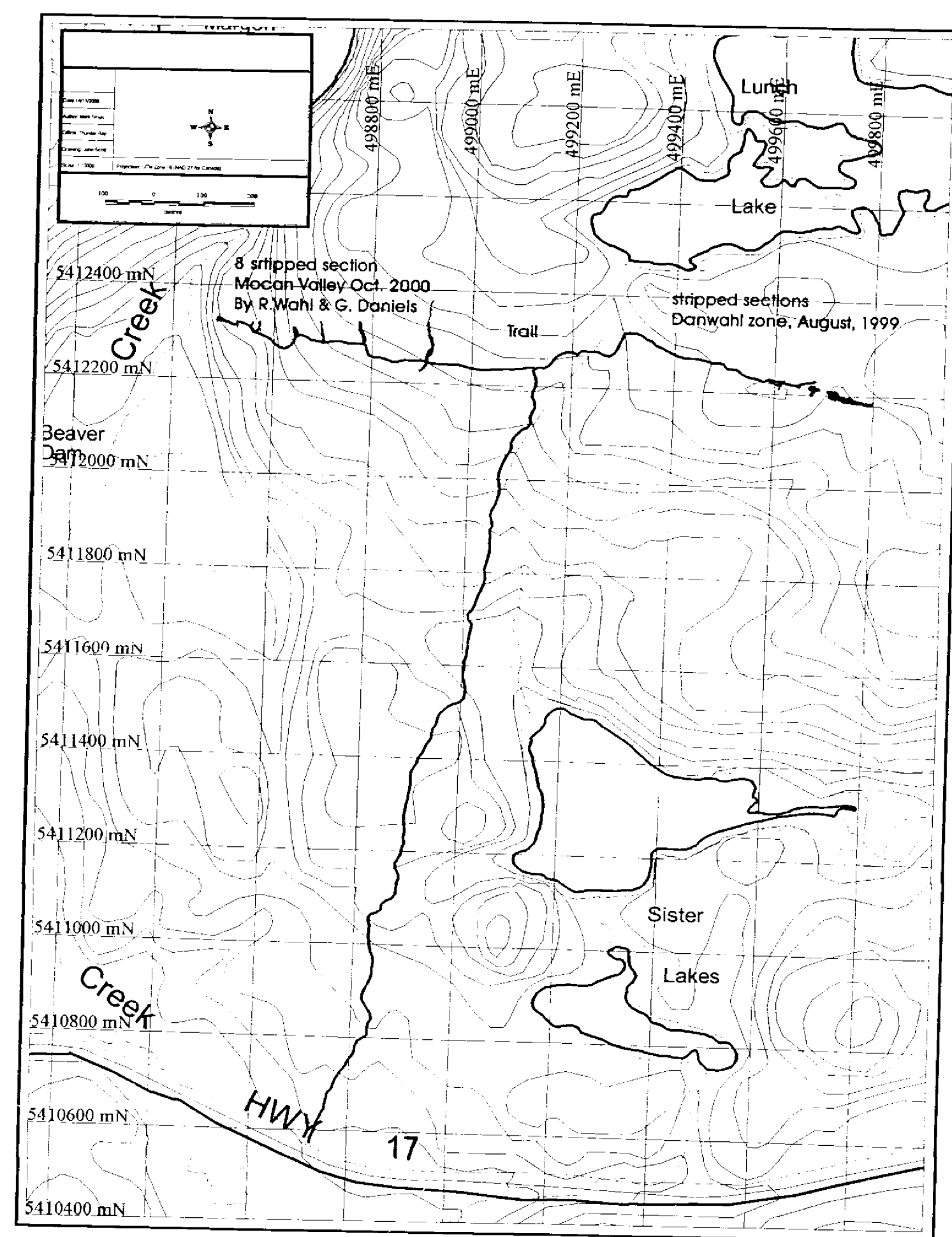
Cc: Resident Geologist

George Ray Daniels
(Claim Holder)

Rudolf Wahl
(Assessment Office)

Assessment File Library

Rudolf Wahl
(Claim Holder)



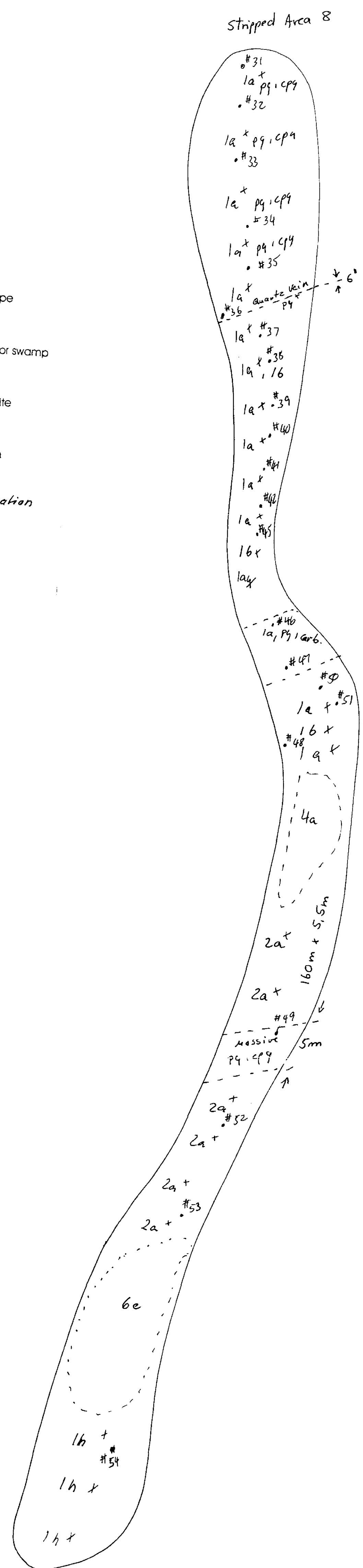
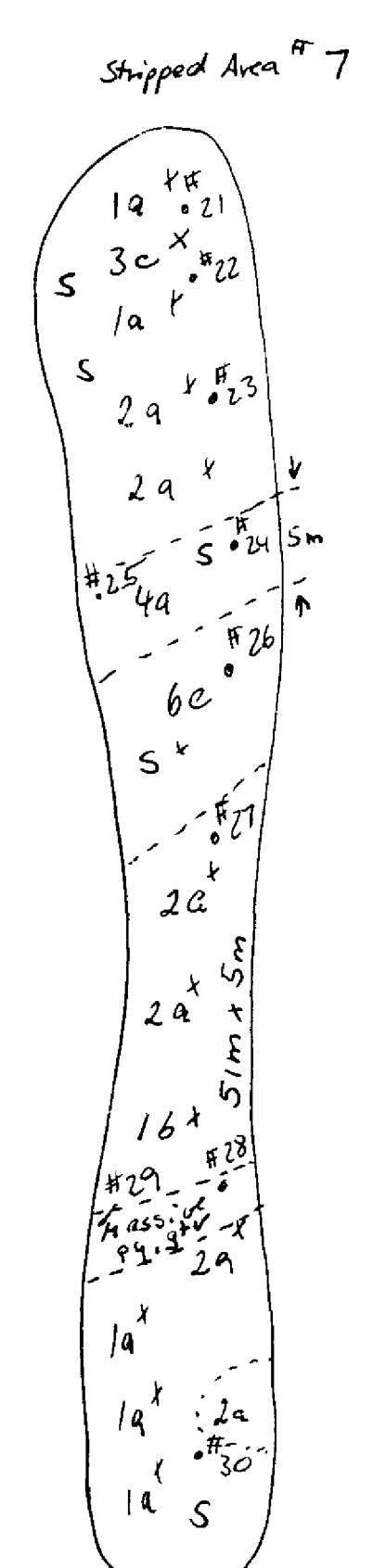
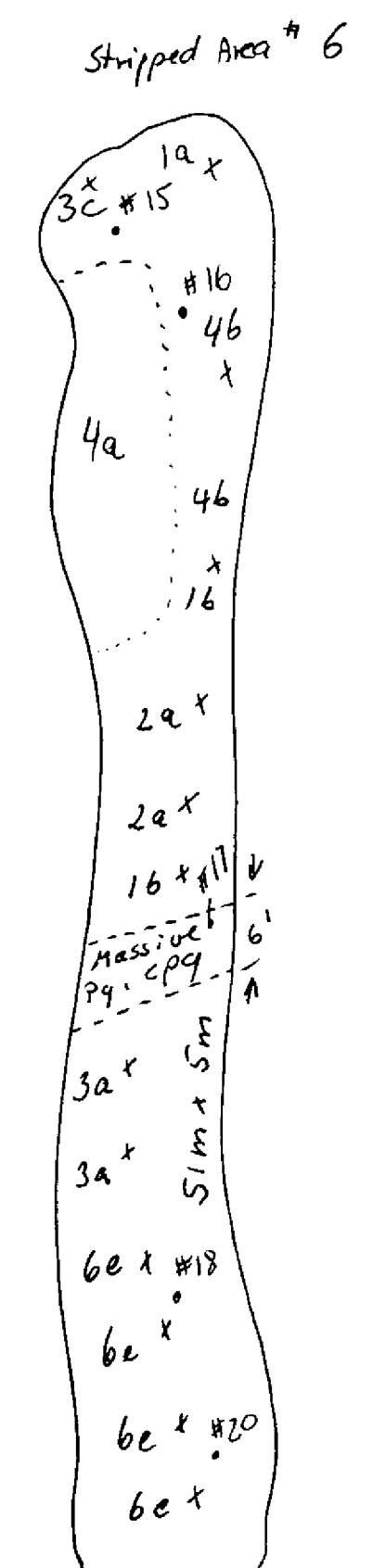
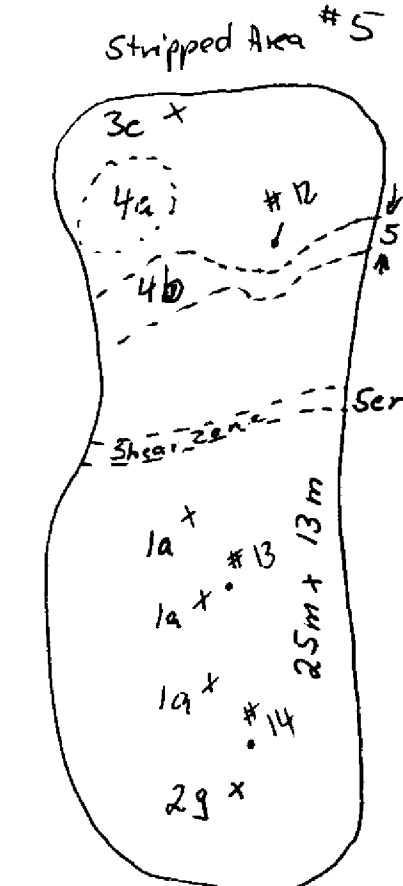
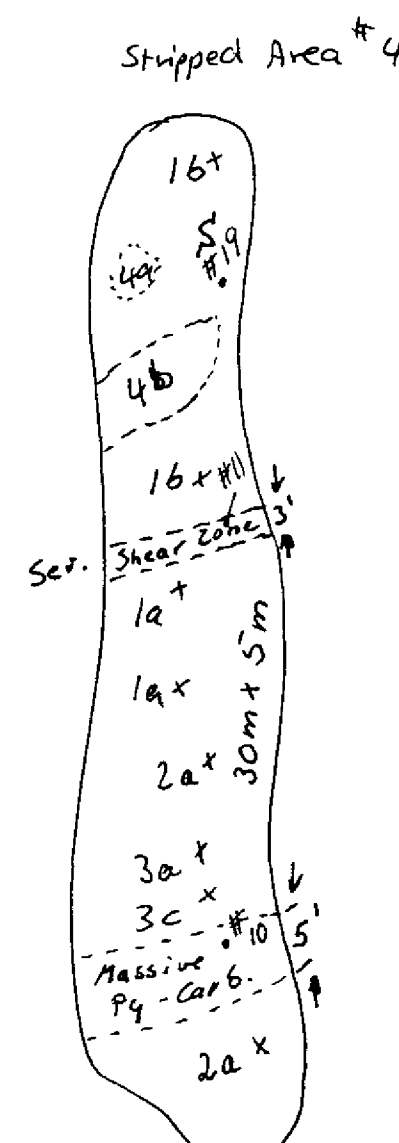
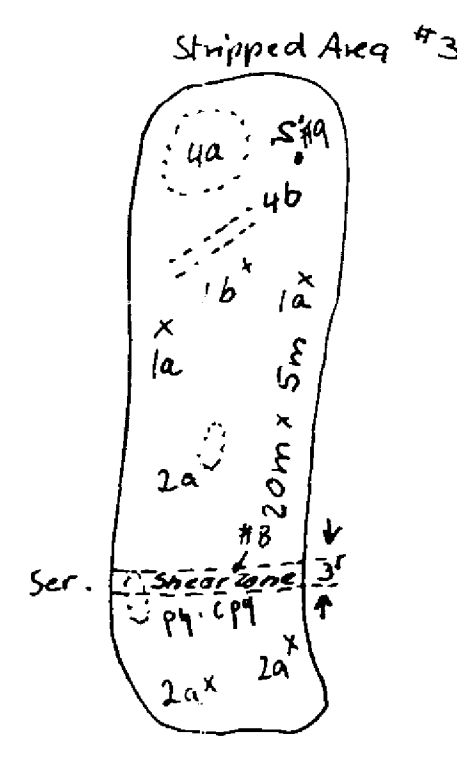
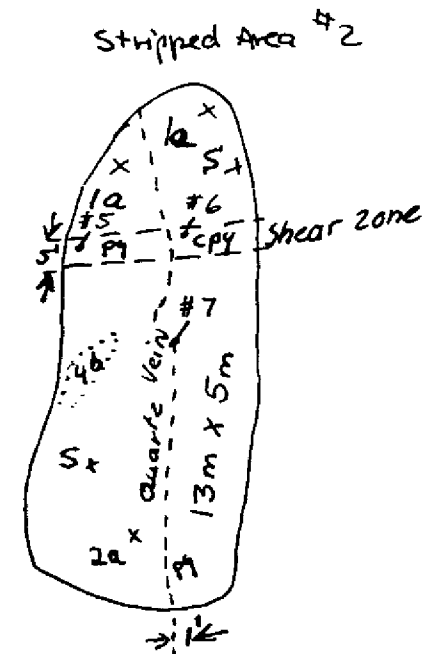
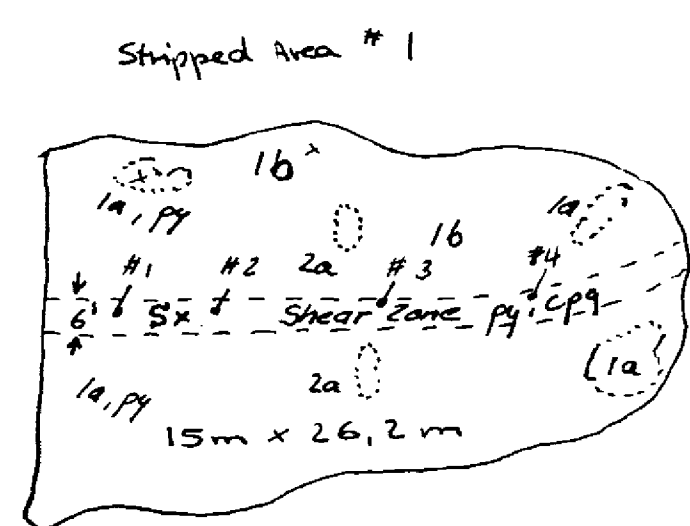
**Stripped areas & Geology
MARGON LAKE
LAKE PROPERTY**

WORK PROGRAM 2000

- Hand stripped area
- Stripped area, Superhoe
- Trail
- Claim Post

2000

SYINE Twp. G-634



- LEGEND**
- 1 Mafic Metavolcanics (Unsubdivided)
 - 1a Dark green flows
 - 1b Quartz diorite, dioritic flows
 - 1h Gabbroic flows
 - 2 Intermediate to Felsic Metavolcanic (Unsubdivided)
 - 2a Light gray or green to white flows
 - 2g Crystal tuff, porphyritic flows
 - 3 Metasediments - may be interflow sediments (Unsubdivided)
 - 3a Fine-grained clastics
 - 3c Chemical Sediments (Chert, banded iron formation, limestone)
 - 4 Mafic Intrusions (Unsubdivided)
 - 4a Gabbro
 - 4b Diorite
 - 6 Intermediate to Felsic Intrusions (Unsubdivided)
 - 6e Pegmatite
- SYMBOLS**
- Downslope
 - Bedrock
 - Muskeg or swamp
 - Pyrite
 - Chalcopyrite
 - Sulphides
 - Sericitization
 - Quartz Vein
 - Sample Location