

A GEOLOGICAL AND GEOPHYSICAL SURVEY OVER THE EMPRESS STRUCTURE, EMPRESS EAST CLAIM BLOCK, SYINE TOWNSHIP, SANTOY LAKE AREA TERRACE BAY, ONTARIO

2.18425

Prepared by:

SDA Geological Services, Ltd. 215 Van Norman Street Thunder Bay, Ontario P7A-4B6

Ph: (807) 345-3330 Fax: (807) 345-1177





SYINE

42D15NW2001 2.18425

010C

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
INTRODUCTION	2
LOCATION AND ACCESS	3
REGIONAL GEOLOGY	3
EXPLORATION HISTORY	7
WORK PROGRAM	7
Linecutting Geophysics Geochemistry Geology	7 7 8 10
RESULTS & ANALYSIS	12
Geophysics Geochemistry Geology	12 12 13
CONCLUSIONS & RECOMMENDATIONS	16
Costs-Diamond Drilling Costs-Power Stripping	16 16
REFERENCES	18

FIGURES

1) Location Map	4
2) Claim map	5
3) Regional geology map	6
4) VLF-EM Survey	9

TABLES

1) Claim Status of the Empress East Property	3
2) Humus Sampling Results – Empress East Grid Area	13
3) Proposed Diamond Drill Hole Program	16

APPENDICES

1) Humus Assay Results	19
2) Rock Assay Results	20
3) Rock Sample Descriptions	21

MAP FOLIOS

1) Colored Fraser-filtered VLF-EM Geophysics	22
2) Colored shadowed Total Field Magnetics	23
3) Geological Map	24
4) Integrated Compilation	25
5) Magnetics and VLF-EM profiles	26

EXECUTIVE SUMMARY

An initial site visit to the Empress Property (Lavigne, 1997) recognized the gold exploration potential of the "Empress Structure" on the Empress East Property of Landis Mining Corporation (LIS-ASE; 50%) and McArthur Minerals Inc. (50%), a private Ontario corporation.

As a result of the recommendations arising therefrom, a comprehensive integrated program of linecutting, ground geophysics (magnetics, VLF-EM), humus geochemistry, geological mapping and rock sampling was carried out over the Empress Structure, immediately east of the old Empress Mine lease.

Survey results indicate that the Empress Structure is an 800m long auriferous shear zone, a splayed portion of a system of altered and weakly sulphide mineralized structures which traverse a portion of the Empress East Property for 1.7km east of the Empress Mine lease.

A short program of diamond drilling (700m in 6 holes) is recommended initially to test the subsurface continuity and tonnage potential of gold-bearing quartz veins and pyritic sericite schists in the Empress Structure, in an area of elevated surface gold values (0.67 oz Au/t over 3m). In addition, a short program of surface stripping and sampling is recommended in the area of L6+00E, 0+25N and L9+00E, BL to better understand the controls on gold mineralization in this area.

INTRODUCTION

This report deals with the results of an integrated exploration program carried out on a portion of the Empress East Property extending east of the Empress Mine lease (Claim 459728) along an auriferous mineralized feature known as the "Empress Structure".

The Empress East Property consists of a series of 17 contiguous unpatented mining claims in Priske Township which are held under option by Calgary, Alberta-based Landis Mining Corporation (LIS-ASE; 50%) and McArthur Minerals Inc. (50%), a private Ontario corporation. All work in the present survey was carried out on portions of Claims 1208187, 1208188 and 1208190 (Figure 2).

The Empress Structure is an auriferous splay fault/shear extending east/northeast from the Empress Mine Lease onto the Empress East Property. Exploration work was conducted on a newly cut survey grid consisting of a 2.0km baseline oriented at 055° azimuth across the Property and 17.1km of linecutting in 17 survey lines oriented normal to the baseline. The survey lines were spaced at 100m along the baseline with pickets at 25m station intervals.

An integrated exploration database consisting of ground geophysics (total field magnetics and VLF-EM), humus geochemistry, geological mapping and rock sample assays was generated over the survey grid.

Dates/Personnel

Linecutting of the Empress East survey grid was sub-contracted to D.L. Gibson and Associates of Sault Ste. Marie and conducted by a 4-man crew under the supervision of David Gibson during the period July 5-19, 1997. A total of 20.1km of ground magnetics and VLF-EM were performed at 12.5m grid intervals over the entire survey grid by David Gibson during the period July 17-19, 1997.

A total of 347 humus soil samples for gold analysis were collected at 12.5m grid intervals over selected VLF-EM anomalies on the Empress Grid by a 3-man crew consisting of Abraham Drost, Yvan Boucher and Boyd Smith during the period September 17-20, 1997.

The Empress survey grid area was geologically mapped and prospected by a 4-man crew during the period October 18-21, 1997. A total of 101 rock samples were collected for gold analysis during this period. Personnel included geologists, Dino Kaoukis, Alain Garand, Nathaniel Noel and Abraham Drost.

Digitizing and plotting services were provided by Paul Nielsen, Geologist, Thunder Bay.

LOCATION, ACCESS & CLAIM STATUS (Table 1)

The Empress East property consists of 15 contiguous unpatented mining claims in Syine Twp. (Map G-634) (66 units; Claim numbers 845646, 1195779, 1196616, 1207878, 1207879, 1207880, 1207897, 1208187, 1208188, 1208189, 1208190, 1208719, 1210334, 1224854, 1224888) and an additional non-contiguous claim (4 units, 1207882) (Figure 2), in the Santoy Lake area (Map G-612) to the north, in the Thunder Bay Mining Division, Province of Ontario, Canada (Figure 1). The southern part of the property is traversed by Trans-Canada Hwy 17 along the north shore of Lake Superior. The highway leads to the communities of Terrace Bay , 14 km to the west, and Marathon, 60 km east. A serviceable gravel road leads into the lower portion of the Empress East Property.

TABLE 1 DESCRIPTION OF THE EMPRESS EAST AND URSA MAJOR PROPERTY Claims in Syine Township and Santoy Lake Area

Mining Claim	Units	Area	Expiry Date	Due
845646	1	Syine Twp.	1999-Dec-27	400.00
1195779	6	Syine Twp.	1998-Jul-15	2400.00
1196616	1	Syine Twp.	2001-Mar-28	400.00
1207878	8	Syine Twp.	1999-Jan-27	3200.00
1207879	4	Santoy Lk. Area	1999-Jan-27	1600.00
1207880	12	Syine Twp.	1999-Jan-27	4800.00
1207882	4	Santoy Lk. Area	2001-Jan-27	719.00
1207897	4	Santoy Lk. Area	1999-Jan-27	1600.00
1208187	4	Syine Twp.	1999-Feb-13	1600.00
1208188	1	Syine Twp.	2000-May-17	400.00
1208189	3	Syine Twp.	1999-Feb-13	1200.00
1208190	8	Syine Twp.	1999-May-17	3200.00
1208719	4	Syine Twp.	1998-Apr-16	1600.00
1210334	1	Syine Twp.	1999-Feb-12	400.00
1224854	6	Syine Twp.	1999-May-21	1950.00
1224888	3	Syine Twp.	1998-Dec-11	1200.00

REGIONAL GEOLOGY

The former Empress Mine lies within the Schreiber-Hemlo greenstone belt. The immediate area is apparently underlain by both mafic and felsic volcanic flows and fragmentals (Figure 3). The core of the greenstone belt in this area contains a large volume of gabbroic intrusives and the belt is bound to the south by the granodioritic Terrace Bay Batholith. Intrusion of the Terrace Bay batholith has metamorphosed the rocks to epidote-amphibolite and amphibolite facies.



EMPRESS EAST PROPERTY SCHREIBER - HEMLO GREENSTONE BELT GEOLOGICAL COMPILATION







LANDIS MINING CORPORATION (LIS - ASE)

Figure 2 (after ODM G.R. 50, Map 2107)



EXPLORATION HISTORY

The adjacent Empress Mine was developed in the period 1895-99 and produced 112 ounces of gold from 1100 tons of ore. The property was extensively re-evaluated in 1936-37. The old trenches found on the Empress East property can be attributed to the later of these two periods of activity. The Empress Mine property lay dormant until the 1970's and the only significant activity on the Empress East property was undertaken by Micham Exploration Inc. from 1982 to 1984 under the supervision of David R. Bell Geological Services. A program of geological mapping, rock and soil sampling, magnetic, VLF-EM and IP geophysical surveys and diamond drilling were carried out. This work defined the "Empress Structure", a series of moderate to strong IP anomalies and Au, Cu, Zn anomalies coincident with quartz veining in the area of the Empress Mine adit and extending east onto the present day Empress East property (Figure 4).

Micham Exploration Inc. conducted an 8 hole diamond drilling program at 200 foot centers, extending from the Empress Mine east to Beaverdam Creek, well within the Empress East property. The easternmost two holes (Folio 4) 441-84-7 and 441-84-8 were drilled from the same collar location at -50 degrees and -80 degrees to test an IP anomaly. These holes intersected a "carbonatized sericitic shear" from 48.0' - 184.1' (441-84-7) and 51.0' - 203.0' (441-84-8). The carbonate-sericite shear contained gold values in DDH 441-84-7 of 0.062 opt Au over 5' (117.0' - 122.0') and 0.134 opt Au over 4.6' (130.4' - 135.0'). These values occur within a 60' wide pyritic envelope of elevated gold values up to 588 ppb Au (85.0' - 145.0'). The follow-up hole, DDH 441-84-8, intersected 1.29 opt Au over 2' (163.9' - 165.9') within a 100' wide envelope of elevated gold values up to 704 ppb Au. Similar targets east of Beaverdam Creek, where IP anomalies coincide with soil geochemical anomalies were not tested by this drilling program.

WORK PROGRAM

Linecutting and Geophysics (Map Folio 1,2,5)

During the month of July, from July 05/97 to July 19/97, D.L.Gibson and Associates participated in an exploration program on the Empress East project, located east of Terrace Bay, Ontario. Work performed included grid construction and a ground magnetics and VLF-EM geophysical survey on behalf of SDA Geological of Thunder Bay, Ontario. Linecutting was performed by a four man crew of cutters, contracted in by Gibson and Associates and all geophysical survey/preparations were performed by D.L. Gibson, Gibson and Associates.

Survey Specifications

A total of 17.1km of grid lines were constructed on the property with fluorescent painted pickets marked in pencil at 25 meter station intervals. Survey readings were taken at 12.5 meter intervals

along established grid lines (Figure 2).

VLF-EM/Total Field Magnetic Survey

The VLF-EM/Total Field Magnetic survey was performed similtaneously by David L. Gibson on July 17-19, 1998. The survey was performed with the use of two Scintrex Envi-Mag portable magnetometers. One unit was used as a base station to correct for diurnal variations. The other unit/field unit, was a Envi-Mag/Grad/VLF unit configured to take total field readings and VLF readings simultaneously at each 12.5 meter station. The VLF survey used the Cutler, Maine station at 24 mhz. The field unit was operated in the stop and go mode configured for advanced mineral exploration. The total field sensor and VLF receiver unit were mounted on a backpack frame for ease of handling along the grid. Magnetic data from the field unit was downloaded to a portable PC.

Maps were generated by Gibson and Associates from the collected data with the use of Geopac[™] software and printed on vellum in black and white format. Additional copies were made and sent to SDA Geological for interpretation. Magnetic maps were produced and contoured at 100nt along with a separate datum plot of the readings. VLF-EM In-phase and Quadrature profiles were produced, using the same software and plotted on black and white vellum (Folio 5).

Shadowed total field magnetic and Fraser Filtered VLF-EM color contoured maps were produced from the profile data by Paul Nielsen in Geosoft[™] format (Map Folios 1,2). The Fraser Filter is a moving average filter [(a+b)-(c+d)] applied to the raw in-phase VLF-EM profile data. The Fraser-filtered data set emphasizes VLF-EM conductive crossover points which are shown in high negative blue values in the Empress data set (Figure 4; Folio 1). Whereas the profile data are of limited utility, the color contoured Fraser –Filter VLF-EM and total field magnetics present an immediate and empirically obvious tool for guiding prospecting and mapping activities on the Empress East Property.

Geochemistry (Appendix 1; Map Folio 4)

A thin veneer of sands and gravels, mineral soils, humus and sphagnum moss cover the Precambrian rocks of the Empress East Property. The humus (Ao) horizon is typically the best developed and persistent soil horizon over the Empress East Grid, and is the medium of choice for geochemical sampling in areas of overburden cover. Humus is a useful tool in establishing dispersion of gold and other metal cations in overburden where the potential metal ion-bearing groundwater circulation is relatively unimpeded by clays or deep overburden and groundwater has contact with mineralized bedrock and the humus horizon. Gold molecules are chemically complexed by the humic acid molecule in the humus horizon and form a residual target for



sampling.

A total of 347 humus soil samples for gold analysis were collected at 12.5m grid intervals over selected VLF-EM anomalies on the Empress Grid by a 3-man crew consisting of Abraham Drost, Yvan Boucher and Boyd Smith during the period September 17-20, 1997.

In order to economize with analytical and sample selection costs, first phase geochemical target selection was based on the color-contour Fraser-filtered VLF-EM data set. The crossover field outlining the auriferous Empress Structure and related Empress Formational Structure and Empress Splay Structure was sampled where possible at 12.5m station intervals except where prevented by swamp, outcrop or lack of a sample-worthy humus horizon. The humus program was also designed to profile known bedrock gold occurrences on the Empress Property on an orientation basis in order to determine the humus response (eg. 0.67 oz Au/t over 3m at L6+12E, 0+25N).

Humus samples were collected by hand at specific station intervals after the leaf litter was brushed aside and the humus layer exposed. The humus sample (cleaned of as much root material as possible) was placed in a porous kraft brown paper sample bag. The sample bags were numbered with the station location. Samples were hand-delivered to Chemex Laboratories in Thunder Bay, for sample preparation and analysis by fire assay and atomic absorption methods (FA-AA). Analytical results were reported in ppb Au to a detection limit of 1ppb Au. Great care was taken at the sample collection stage not to include mineral soils in the humus samples, as this could affect the assay procedure.

Sample Preparation

At Chemex Laboratories, the humus samples were dried, manually disaggregated and screened out to provide 30g of -10 mesh clean humus material. In the fire assay process, the humus material is completely dissolved and the precious metals extracted using molten lead. The lead and precious metals are then separated in a secondary process called cupellation. The lead bead is then dissolved in nitric acid and the gold content of the solution, representative of the humus sample with appropriate correction factors for sample size, is determined by the atomic absorption method in ppb gold.

Geological Mapping (Map Folio 3; Appendix 2,3)

Geological mapping was undertaken at 100m line intervals on the Empress Grid with data collection off lines in areas of interest. The geological mapping while stratigraphically faithful, was prospecting oriented and focused more particularly on areas of hydrothermal alteration, structural deformation, presence of quartz veining and/or the presence of sulphide mineralization. Since these attributes and known gold occurrences are more typically developed in the various throughgoing structural features identified geophysically on the Empress Property (eg. "Empress Structure"), the mapping relied quite heavily on colored magnetic and VLF-EM data maps carried

by each geologist in the field.

Outcrop location information along with notations on lithology, alteration, structure, veining and sulphide mineralization were recorded on loose leaf lined vellum sheets by each mapper on a daily basis. Completed sheets were then digitized in Autocad by Paul Nielsen in Thunder Bay, prior to final edit.

Prospecting and Rock Sampling (Map Folios 3,4; Appendix 2, 3)

Rock sampling and prospecting were carried out by each geologist at the time the geological mapping was being conducted. Rock samples typically were taken in areas of anomalous deformation (shearing), alteration (sericite, silica, Fe-carbonate), quartz veining and sulphides.

4-5lb rock samples were collected at each sample location and placed in a plastic sample bag for shipment to Accurassay Laboratories in Thunder Bay. Sample particulars were recorded on preprinted sample tags in triplicate, with one tear-off tag placed in the sample bag. Sample locations were recorded on the geological mapping notes.

Sample descriptions and locations, and ultimately assay results, were transcribed each evening onto a Sample Spreadsheet (Appendix 3).

Sample Preparation

At Accurassay Laboratories, the rock samples were dried and rough crushed to -3/8" material (reject). From this homogenized material, a 120 gram portion was completely crushed to -80 mesh pulp and homogenized, from which a 29.16g cut of -80 mesh material was taken. In the fire assay process, the rock pulp material is completely dissolved and the precious metals extracted using molten lead. The lead and precious metals are then separated in a secondary process called cupellation. The lead bead is then dissolved in nitric acid and the gold content of the solution, representative of the rock sample after application of various calculations to account for sample weight, is determined in ppb gold by the atomic absorption method.

RESULTS & ANALYSIS

Geophysics (Map Folios 1,2,5)

Two sets of geophysical survey data were generated on the Empress East Property, namely total field magnetics and VLF-EM data.

VLF-EM data outlines several structural features on the Property including the key Empress Structure which is also outlined by a series of old prospector pits. This feature is a sericitic shear zone which trends at 070° azimuth between L0+00, 1+25N to L8+00,BL along which several ore-grade gold assays were obtained including 3.3 oz Au/ton in a grab sample (64953) and 0.67 oz Au/ton over 3m (Lavigne, 1997).

The Empress Structure appears from the geophysics to be a splayed shear zone which converges with a throughgoing structural feature termed the "Empress Formational Feature" trending at 090° azimuth between L2+00E, 3+00N to L15+00E, 2+00S. Geological mapping shows this feature to be a sheared structure exhibiting weakly pyritic, yellowish, bleached and sericitic, occasionally fissile wallrocks and gossanous quartz stringers locally where exposed. Several old prospector pits were also resampled southeast of the baseline along the Empress Formational Feature, with low geochemically anomalous gold values obtained. Best grab sample values obtained during the present program included 651 ppb Au (64918) and 775 ppb Au (Lavigne, 1997).

Two other VLF-EM crossover features are evident on the VLF-EM dataset in the area of line L1+00W to L2+00E, at 1+00S and 4+50S respectively. These features are unexplained geologically due to overburden cover, but appear to extend grid west along strike onto Claim 1196616 on the Empress East Property. Several minor, low intensity Fraser-filter crossover anomalies are noted locally on the Empress East grid. These apparently mimic topographic features locally.

Colored total field magnetics was of limited utility in the overall mapping and prospecting program other than to confirm broad geological and structural trends. Geological mapping confirmed that isolated and locally continuous magnetic highs appear to outline late diabase intrusive plugs, evidently emplaced into pre-existing structural features.

Geochemistry (Appendix 1; Map Folio 4)

Humus sampling generated several area of interest on the Empress East Property, for humus values exceeding the analytical detection limit of 1 ppb Au. These are prioritized on a straight-line basis (Table 2). Only 3 area attain classical "anomalous" status on the basis of exceeding the mean + 2(standard deviation) **anomaly threshold of 58 ppb Au**.

It is not the purpose of this report to downgrade the potential exploration significance of other

lower intensity sites at this time, due to the site specific vagaries of overburden thickness and composition (eg. clays) and local groundwater regime.

SITE PRIORITY	GRID POSITION	HUMUS VALUES (ppb Au)	LITHOTECTONIC SETTING (FOLIO 4)
1	6+00E, 0+25N	117, 120	Empress Structure near 0.67
			oz Au/t over 3m in rock
2	9+00E, BL	32, 92	N. margin of Empress
			Formational Structure
			775 and 651 ppb Au in rock
3	11+00E, 2+75S	75	S. margin of Empress Splay
			Structure
4	13+00E, 2+25S	3, 30	S. margin of Empress
		······································	Formational Structure
5	12+00E, 1+00N	22	Empress Structure
6	0+00,1+25 to 1+75N	11, 12, 18	Empress Structure
7	14+00E, 2+75S	18	S. margin of Empress
			Formational Structure
8	15+00E, 2+75S	3, 6, 15	N. Margin Empress
			Formational Structure
9	10+00E, 1+25S	3,3,3,3,9	Altered mafic volcanics
			between domains

Table 2Humus Sampling Results, Empress East Area

Sites 1 and 2 are associated with gold assay results in rock. These are targeted for further followup work by power stripping and diamond drilling. The remaining sites are suggested as a possible focus for additional prospecting work.

Geology (Map Folio 3)

Results of geological mapping (Folio 3) show that this portion of the Empress East Property is predominantly a mafic volcanic protolithic sequence. The mafic volcanics are in turn transected by several "lithotectonic domains" or "alteration-structural zones" within which structural deformation (shearing / faulting) and alteration facies (predominantly sericite and silica) have altered and overprinted the mafic volcanics creating several distinct lithological marker horizons. The mafic volcanics are in turn apparently intruded by a large quartz diorite stock in the north portion of the grid and a granodioritic to granitic sill in the southwest portion of the mapping area. This latter feature may represent an apophyse or fractionated sill off the main Terrace Bay Batholith to the south.

Geological mapping of available outcrop exposure confirms the initial geophysical interpretation of at least 3 main lithotectonic domains on the Empress East Property, namely:

Empress Structure	070°	azimuth
Empress Formational Structure	090°	azimuth
Empress Splay Structure	060°	azimuth

(Map Folio 4)

The dominant Empress Structure appears to be a convergent splay feature with the throughgoing, but less strongly developed, Empress Formational Structure (Folios 3,4). These converge in the area of L7+00E, 0+35N. These features may represent a conjugate set of shearing or a typical subsidiary splay fault model. Both zones appear to be displaced somewhat by a northeast block fault trending at 020° azimuth, crossing the baseline at L5+00E, BL. The fault has topographic expression and appears to have an east-side-up orientation.

The **Empress Structure** is characterized by a moderately to strongly sheared, laminated and occasionally fissile core of bleached, sericitic rock with with intense medium buff brown to light yellow sericitic hydrothermal alteration. The zone is locally biotite-rich along strike and features variable addition of silica, calcite, chlorite, fuchsitic and iron-carbonate alteration facies.

A series of locally sulphide-rich discontinuous and boudinaged quartz veins up to 1m wide and various quartz stringers and lenses pinch and swell along strike within the Empress Structure. Sulphide mineralization varies from trace to 10% disseminated and blebby pyrite within the sericite schist. Minor chalcopyrite, galena and specular hematite are locally present within the quartz veins.

In terms of gold grade, the sericite schist can run up to 2 g/t over 1.5m (Lavigne, 1997). Spectacular gold grades, 0.67 oz Au/t over 3m (Lavigne, 1997) and 3.3 oz Au/t (grab sample; 64953) are only obtained in conjunction with quartz vein enrichment. In prospector pits at L6+00E, 0+25N, a dominant **easterly plunging lineation to the quartz veins** and sericite schists was **measured at 070°/50°**. The quartz veins appear to be strongly rodded as pencils, lozenges and lenses at this location.

A fine-grained biotitic (potassic alteration) and siliceous overprint also persists in the mafic volcanics outwards from the sheared sericitic core for a total width of some 100m. Remnant lithologies within the Empress Structure include silicified and biotitic mafic volcanics, quartz – muscovite/biotite schists, and so-called "felsic lapilli tuffs", an alteration/deformation product distinguished by a sheared, white siliceous appearance and transposed flattened heterolithic fragments, and quartz stringers locally, in the matrix.

The **Empress Formational Structure** is a sporadically developed and less well exposed zone of medium buff to to light creme yellow sericite schists with 2-5% disseminated pyrite. Minor rusty and pyritic quartz veining is also present locally, and although these rocks look highly prospective, the best gold values obtained were a moderately elevated 651 ppb Au (64918) and 775 ppb Au

(Lavigne, 1997).

A secondary splay structure trending at 060° azimuth is developed in the area of L8+00E, 2+00S to L12+00E, 2+00S. This feature is termed the **Empress Splay Structure** and appears from the VLF-EM data to be spatially-related as a low-angle splay feature developed off the main Empress Formational Feature. The splay feature exhibits iron-carbonate and silica alteration locally and low gold values where sampled, but remains largely unexplored due to cover by a large wet boggy area. Widespread "flinty" silicification of the mafic volcanic sequence occurs south of the domain boundary. Particular prospecting attention is needed in the area of several as yet unexplained, potentially significant humus anomalies (Table 2), ie.

3	11+00E, 2+75S	75	S. margin of Empress Splay Structure
9	10+00E, 1+25S	3,3,3,3,9	Altered mafic volcanics between domains

CONCLUSIONS & RECOMMENDATIONS

Survey results indicate that the Empress Structure is an 800m long auriferous shear zone, a splayed portion of a system of altered and weakly sulphide mineralized structures which traverse a portion of the Empress East Property for 1.7km east of the Empress Mine lease. Identification of shoots of gold mineralized sericite schists and quartz vein arrays within the Empress Structure should be the initial focus to test the potential for developing a gold tonnage and grade resource on the Empress East Property.

A short program of diamond drilling (700m in 6 holes) is recommended initially to test the subsurface continuity and tonnage potential of gold-bearing quartz veins and pyritic sericite schists in the Empress Structure, in an area of elevated surface gold and humus values in rock (0.67 oz Au/t over 3m) (Table 3). In addition, a short program of power stripping, washing and channel sampling is recommended in the area of L6+00E, 0+25N and L9+00E, BL to better understand the controls on gold mineralization in this area, which is accessible from the east end of the Empress grid.

DDH	LENGTH (m)	GRID REFERENCE	AZIMUTH/DIP
EMP-1	150m	3+50E, 0+12S	325°/-45°
EMP-2	110m	4+50E, 0+12S	325°/-45°
EMP-3	110m	5+50E. 0+25S	325°/-45°
EMP-4	110m	6+00E, 0+25S	325°/-45°
EMP-5	110m	6+50E, 0+25S	325°/-45°
EMP-6	110m	9+00E, 0+50S	325°/-45°
TOTAL	700m		Mag. Decl. 4°W

Table 3 Proposed Diamond Drill Program – Empress East Property

Costs-Diamond Drilling

All in costs per metre for a small diamond drilling program on the Empress East Property are estimated at \$110.00-\$130.00 per metre. This will include charges for mobilization and demobilization of drill crews and equipment, diamond drilling costs, geological supervision, core logging and core splitting, assay costs, report writing, room and board and travel costs. Total drilling costs are estimated at \$77,000.00 to \$91,000.00 depending on the need for helicopter access to the topographically challenging drill sites.

Costs-Power Stripping

30 hours backhoe time7 days geological supervision7 days washing and sampling crew@\$350.00/day

\$4000.00 including float \$2450.00 \$2450.00

16

TOT	AL	\$16,900.00
Room and Board/Travel		\$1500.00
Misc. equipment rentals, blades etc.		\$2000.00
300 rock sample assays – gold	@\$15.00/ea	\$4500.00

The above programs are designed to test previously unexplored areas on the Empress East Property which show greatest gold exploration potential on surface. Depending on the results obtained, the suggested power stripping and drilling programs could be expanded as warranted.

REFERENCES

LAVIGNE, M. 1997	Empress East Property – Recommendations for Exploration Matawin Mineral Exploration August 26, 1997
WALKER, J.W.R., 1967	Geology of the Jackfish – Middleton Area O.D.M. Geological Report 50, 38p. Accomp. By Map 2107

APPENDIX 1 HUMUS ASSAY RESULTS



Analytical Chemists * Geochemists * Registered Assayers

5175 Timberlea Blvd., Mississauga Ontario, Canada L4W 2S3 PHONE: 905-624-2806 FAX: 905-624-6163 To: SDA GEOLOGICAL SERVICES, LTD.

##

215 VAN NORMAN ST. THUNDER BAY, ON P7A 4B6

Project : EAST EMPRESS Comments: ATTN: ABRAHAM DROST Page Number : 1 Total Pages : 4 Certificate Date: 28-SEP-97 Invoice No. : 19742440 P.O. Number : Account : NCW

				CERTIFIC	ATE OF A	NALYSIS	A97	42440	
SAMPLE	PREP CODE	Au ppb EXT-AA							
L1W-1+37.55 L1W-1+25.05 L1W-1+12.55 L1W-1+00.05 L1W-0+87.55	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 < 1 < 1 5							
L1W-0+75.0S L1W-0+62.5S L1W-0+50.0S L1W-0+37.5S L1W-0+25.0S	240 205 240 205 240 205 240 205 240 205 240 205	< 1 1 1 < 1 2							1
L1W-0+12.58 L1W-BL0 L1W-0+12.5N L1W-0+25.0N L1W-0+37.5N	240 205 240 205 240 205 240 205 240 205 240 205	4 < 1 < 1 < 1 < 1 < 1							
L1W-0+50.0N L1W-0+62.5N L1W-0+75.0N L0-1+75.0S L0-1+62.5S	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 < 1 < 1 < 1 < 1							
L0-1+50.05 L0-1+37.55 L0-1+25.05 L0-1+12.55 L0-1+00.05	240 205 240 205 240 205 240 205 240 205 240 205	< 1 2 < 1 1 < 1							
L0-0+87.55 L0-0+75.05 L0-0+62.55 L0-0+50.05 L0-0+37.55	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 < 1 < 1 < 1 < 1 < 1							
L0-0+25.0S L0-0+87.5N L0-1+00.0N L0-1+12.5N L0-1+25.0N	240 205 240 205 240 205 240 205 240 205 240 205	<pre> < 1 < 1 < 1 1 1 1 1 1 1 1 </pre>							
L0-1+37.5N L0-1+50.0N L0-1+62.5N L0-1+75.0N L0-1+87.5N	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 18 < 1							



Analytical Chemists * Geochemists * Registered Assayers

5175 Timberlea Blvd., Mississauga Ontano, Canada L4W 2S3 PHONE: 905-624-2806 FAX: 905-624-6163

To: SDA GEOLOGICAL SERVICES, LTD.

215 VAN NORMAN ST. THUNDER BAY, ON P7A 4B6

Project : EAST EMPRESS Comments: ATTN: ABRAHAM DROST

CEDTIFICATE OF ANALVER A0749440

##

Page Number : 2 Total Pages : 4 Certificate Date: 28-SEP-97 Invoice No. :19742440 P.O. Number Account NCW

				CERTIFIC	ATE OF ANALTSIS	A9/4244(,
SAMPLE	PREP CODE	Au ppb EXT-AA					
L1E-1+50.0s	240 205	2					
L1E-1+37.5 <i>8</i>	240 205	< 1					
L1E-1+25.0S	240 205	< 1		1		1	
L1E-1+12.5S	240 205						
L1E-0+75.0s	240 205	< 1					
L1E-0+62.5S	240 205	< 1					
L1E-0+50.0s	240 205			ļ		4	
L1E-0+37.55	240 205	< 1					
L1E-0+25.0S	240 205	< 1				l í	
L1E-0+37.5N	217	< 1					
L1E-0+50.0N	240 205	< 1					
L1E-0+62.5N	240 205	< 1	1 1				
L1E-0+75.0N	240 205	8					1
L1E-0+87.5N	240 205	< 1					1
L1E-1+00.0N	240 205	< 1					
L1E-1+12.5N	240 205	8					
L1E-1+25.0N	240 205	< 1					
L1E-1+37.5N	240 205	< 1	Į į			l l	
L1E-1+50.0N	240 205	< 1					
L1E-1+62.5N	240 205	< 1					
L2E-1+25.0S	240 205	< 1					
L2E-1+12.5S	240 205	< 1				1	
L2E-1+00.0s	240 205	< 1				1	
L2E-0+87.55	240 205	2					
L2E-0+75.0S	240 205	< 1					
L2E-0+62.55	240 205	1					
L2E-0+50.05	240 205	< 1				1	
L2E-0+37.58	240 205	1					
L2E-0+25.0S	240 205					1	
L2E-0+25.0N	217	< 1					
L2E-0+37.5N	240 205	< 1					
L2E-0+50.0N	240 205	< 1					
L2E-0+62.5N	240 205	< 1	ļ				
L2E-0+75.0N	240 205	< 1				4 I	
L2E-0+87.5N	240 205	< 1					
L2E-1+00.0N	240 205	< 1				F	
L2E-1+12.5N	240 205	22					
L2E-1+25.0N	240 205	< 1	l l		l l	1 1	
L2E-2+62.5N	240 205	< 1					
L2E-2+75.0N	240 205	1	1	Ī			
}		1				\ \	1



Chemex Labs Ltd.

Analytical Chemists * Geochemists * Registered Assayers Mississauga L4W 2S3

5175 Timberlea Blvd., Ontario, Canada L4W 2S3 PHONE: 905-624-2806 FAX: 905-624-6163 To: SDA GEOLÓGICAL SERVICES, LTD.

##

215 VAN NORMAN ST. THUNDER BAY, ON P7A 4B6

Project : EAST EMPRESS Comments: ATTN: ABRAHAM DROST

Page Number :3 Total Pages :4 Certificate Date: 28-SEP-97 Invoice No. 19742440 P.O. Number Account :NCW

and the straight

				(CERTIFIC	ATE OF A	NALYSIS	A97	42440	
SAMPLE	PREP CODE	Au ppb EXT-AA								
L2E-2+87.5N L2E-3+00.0N L2E-3+12.5N L2E-3+25.0N L2E-3+37.5N	240 205 240 205 240 205 240 205 240 205 240 205	2 < 1 2 < 1 < 1								
L3E-BL0 L3E-0+12.5N L3E-0+25.0N L3E-0+37.5N L3E-0+50.0N	240 205 240 205 240 205 240 205 240 205 240 205	1 < 1 3 < 1 < 1								
L3E-0+62.5N L3E-0+75.0N L3E-0+87.5N L3E-1+00.0N L3E-1+12.5N	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 2 1 1								
L3E-1+25.0N L3E-2+50.0N L3E-2+62.5N L3E-2+62.5N L3E-2+75.0N L3E-2+87.5N	240 205 240 205 240 205 240 205 240 205 240 205	1 < 1 < 1 4 < 1								
L3E-3+00.0N L3E-3+12.5N L3E-3+25.0N L4E-0+50.0S L4E-0+37.5S	240 205 240 205 240 205 240 205 240 205 240 205	6 < 1 < 1 2 < 1								
L4E-0+25.05 L4E-0+12.55 L4E-BL0 L4E-0+12.5N L4E-0+12.5N L4E-0+25.0N	240 205 240 205 240 205 240 205 240 205 240 205	1 < 1 < 1 < 1 < 1 1								
L4E-0+37.5N L4E-0+50.0N L4E-0+62.5N L4E-0+62.5N L4E-0+75.0N L4E-0+87.5N	240 205 240 205 240 205 240 205 240 205 240 205	<pre>< 1 2 < 1 < 1 2 < 1 2</pre>								
L4E-1+50.0N L4E-1+62.5N L4E-1+75.0N L4E-1+87.5N L4E-2+12.5N	240 205 240 205 240 205 240 205 240 205 240 205	2 < 1 < 1 1 < 1								



Analytical Chemists * Geochemists * Registered Assayers

5175 Timberlea Blvd., Mississauga Ontario, Canada L4W 2S3 PHONE: 905-624-2806 FAX: 905-624-6163

To:	SDA GEOLOGICAL SERVICES, LTD.	

##

215 VAN NORMAN ST. THUNDER BAY, ON P7A 4B6

Project : EAST EMPRESS Comments: ATTN: ABRAHAM DROST

Page Number :4 Total Pages :4 Certificate Date: 28-SEP-97 Invoice No. :19742440 P.O. Number : Account :NCW

				(CERTIFIC	ATE OF A	NALYSIS	A97	42440	
SAMPLE	PREP CODE	Au ppb EXT-AA								
L4E-2+25.0N L4E-2+50.0N L4E-2+62.5N	217 240 205 240 205	< 1 < 1 < 1								
······································	L <u>l</u>		l	 	L	<u> </u>	L	<u> </u>	<u> </u>	



L4W 2S3

Analytical Chemists " Geochemists " Registered Assavers 5175 Timberlea Blvd... Mississauda

Ontario, Canada PHONE: 905-624-2806 FAX: 905-624-6163 TO: SUA GEOLUGICAL SERVICES, LID.

1111

215 VAN NORMAN ST. THUNDER BAY, ON P7A 4B6

EAST EMPRESS Project : Comments: ATTN: ABRAHAM DROST

CERTIFICATE OF ANALYSIS

Hage Numper :1 Total Pages :3 Certificate Date: 28-SEP-97 Invoice No. : 19742442 P.O. Number :NCW Account

A9742442

PREP Au ppb SAMPLE CODE EXT-AA L5E-0+87.5S 240 205 < 1 L5E-0+75.0S 240 205 < 1 L5E-0+62.5S 240 205 < 1 L5E-0+50.0S 240 205 < 1 L5E-0+37.5S 205 240 < 1 L5E-0+25.0S 240 205 < 1 L5E - 0 + 12.5s240 205 < 1 L5E-BL0 240 205 < 1 L5E-0+12.5N 240 205 < 1 L5E-0+25.0N 240 205 2 L5E-0+37.5N 240 205 < 1 L5E-0+62.5N 240 205 < 1 L5E-0+75.0N 240 205 < 1 L5E-1+12.5N 205 240 < 1 L5E-1+25.0N 205 240 1 L5E-1+37.5N 240 205 < 1 L5E-1+50.0N 205 < 1 240 L5E-1+62.5N 240 205 < 1 L5E-1+75.0N 205 240 < 1 L5E-1+87.5N 240 205 < 1 L5E-2+00.0N 240 205 < 1 L5E-2+12.5N 240 205 < 1 L6E-2+00.0s 240 205 < 1 L6E-1+87.5S 240 205 < 1 L6E-1+75.0s 240 205 < 1 L6E-1+62.55 205 240 < 1 L6E-1+50.0S 240 205 < 1 L6E-1+12.5S 240 205 < 1 L6E-1+00.0s 240 205 6 L6E-0+87.55 240 205 < 1 L6E-0+75.0S 240 205 < 1 L6E-0+62.58 240 205 < 1 L6E-0+50.0s 240 205 < 1 L6E-0+37.55 205 240 < 1 L6E-0+25.0s 240 205 < 1 L6E-0+12.5s 240 205 < 1 L6E-BL0 240 205 < 1 L6E-0+12.5N 240 205 117 L6E-0+25.0N 205 240 120 L6E-0+37.5N 240 205 6



Analytical Chemists * Geochemists * Registered Assayers

5175 Timberlea Blvd., Mississauga Ontario, Canada L4W 2S3 PHONE: 905-624-2806 FAX: 905-624-6163 To: SDA GEOLOGICAL SERVICES, LTD.

##

215 VAN NORMAN ST. THUNDER BAY, ON P7A 4B6

Project : EAST EMPRESS Comments: ATTN: ABRAHAM DROST Page Number :2 Total Pages :3 Certificate Date: 28-SEP-97 Invoice No. :19742442 P.O. Number : Account :NCW

			C	ERTIFIC	ATE OF A	NALYSIS	A97	42442	
SAMPLE	PREP CODE	Au ppb EXT-AA							
L6E-0+50.0N L6E-0+62.5N L6E-0+75.0N L6E-0+87.5N L6E-1+00.0N	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 < 1 < 1 < 1 < 1							
L6E-1+12.5N L6E-1+37.5N L6E-1+50.0N L6E-1+62.5N L6E-1+75.0N	240205240205240205240205240205	< 1 < 1 < 1 < 1 < 1 3							
L6E-1+87.5N L7E-2+00.0S L7E-1+25.0S L7E-1+12.5S L7E-1+10.0S	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 3 < 1 not/ss							
L7E-0+87.5S L7E-0+75.0S L7E-0+62.5S L7E-0+50.0S L7E-0+37.5S	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 3 < 1 < 1							
L7E-0+25.05 L7E-0+12.55 L7E-BL0 L7E-0+12.5N L7E-0+12.5N L7E-0+25.0N	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 3 < 1							
L7E-0+37.5N L7E-0+50.0N L7E-0+62.5N L7E-0+62.5N L7E-0+75.0N L7E-0+87.5N	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 < 1 < 1 < 1 < 1							
L7E-1+00.0N L7E-1+12.5N L7E-1+25.0N L7E-1+25.0N L7E-1+37.5N L8E-1+50.0S	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 < 1 < 1 3							
L8E-1+37.5S L8E-1+25.0S L8E-1+12.5S L8E-1+00.0S L8E-0+87.5S	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 < 1 < 1 < 1 < 1 < 1							



Analytical Chemists * Geochemists * Registered Assayers

 5175 Timberlea Blvd.,
 Mississauga

 Ontario, Canada
 L4W 2S3

 PHONE: 905-624-2806
 FAX: 905-624-6163

TO: SUA GEOLUGICAL SERVICES, LID.

#

215 VAN NORMAN ST. THUNDER BAY, ON P7A 4B6

Project : EAST EMPRESS Comments: ATTN: ABRAHAM DROST

CERTIFICATE OF ANALYSIS

Page Number : 3 Total Pages : 3 Certificate Date: 28-SEP-97 Invoice No. :19742442 P.O. Number NCW Account

				(CERTIFIC	ATE OF A	NALYSIS	A97	42442	
SAMPLE	PREP CODE	Au ppb EXT-AA								
L8E-0+75.0S L8E-0+62.5S L8E-0+50.0S L8E-0+37.5S L8E-0+25.0S	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 < 1 < 1 < 1								
L8E-0+12.55 L8E-BL0 L8E-0+12.5N L8E-0+25.0N L8E-0+37.5N	240 205 240 205 240 205 240 205 240 205 240 205	<pre>< 1 < 1</pre>								
L8E-0+50.0N L8E-0+62.5N L8E-0+75.0N L9E-2+25.0S L9E-2+12.5S	240 205 240 205 240 205 240 205 240 205 240 205	<pre>< 1 < 1 < 1 < 1 < 1 3</pre>								
L9E-2+00.0S L9E-1+87.5S L9E-1+75.0S-A L9E-1+75.0S-B L9E-1+62.5S	240 205 240 205 240 205 240 205 240 205 240 205	<pre>< 1 < 1</pre>								
L9E-1+50.0S L9E-1+37.5S L9E-1+25.0S L9E-1+12.5S L9E-1+10.0S	240 205 240 205 240 205 240 205 240 205 240 205	<pre>< 1 < 1 < 1 < 1 3 < 1</pre>								
L9E-0+87.55 L9E-0+75.05 L9E-0+62.55 L9E-0+25.05 L9E-0+12.55	240 205 240 205 240 205 240 205 240 205 240 205	<pre>< 1 < 1</pre>								
L9E-BL0 L9E-0+12.5N L9E-0+25.0N	240 205 240 205 240 205	32 92 < 1								



L4W 2Š3

Analytical Chemists * Geochemists * Registered Assavers Mississauga

5175 Timberlea Blvd. Ontario, Canada PHONE: 905-624-2806 FAX: 905-624-6163 To: SDA GEOLOGICAL SERVICES, LTD.

##

215 VAN NORMAN ST. THUNDER BAY, ON P7A 4B6

Project : EAST EMPRESS Comments: ATTN: ABRAHAM DROST

Page Number :1 Total Pages :3 Certificate Date: 28-SEP-97 Invoice No. :19742742 P.O. Number Account :NCW

CERTIFICATE OF ANALYSIS A9742742 PREP daa uA SAMPLE CODE EXT-AA 240 205 L0-5+00.0s з L1E-4+62.5s 240 205 9 L1E-4+75.0s 240 205 < 1 L10E-BL0 240 205 < 1 L10E-0+12.55 240 205 < 1 L10E-0+25.0S 240 205 < 1 L10E-0+37.5S 240 205 < 1 L10E-0+50.0S 240 205 з L10E-0+62.5S 240 205 < 1 L10E-0+75.0S 240 205 < 1 205 L10E-0+87.5S 240 3 L10E-1+00.0S < 1 240 205 L10E-1+12.5s 205 240 9 L10E-1+25.0S 240 205 3 L10E-1+37.5s 217 -----3 L10E-1+50.0\$ 240 205 3 L10E-1+62.55 240 205 3 L10E-1+75.0S 217 < 1 -----L11E-0+25.0S 205 240 3 L11E-0+37.5S 240 205 < 1 L11E-0+50.0S 240 205 < 1 L11E-0+62.5S 240 205 < 1 L11E-0+75.0S 240 205 < 1 L11E-0+87.55 240 205 3 L11E-1+00.0S 240 205 < 1 L11E-1+25.0S 240 205 < 1 L11E-1+37.55 240 205 < 1 L11E-1+50.0s 240 205 < 1 L11E-1+62.5s 240 205 < 1 L11E-1+87.5s 240 205 < 1 L11E-2+00.05 240 205 < 1 L11E-2+12.5s 240 205 < 1 L11E-2+25.0S 240 205 < 1 L11E-2+37.5S 217 < 1 ---L11E-2+50.0S 205 240 < 1 L11E-2+62.5s 240 205 < 1 L11E-2+75.0s 240 205 75 L12E-4+62.5N 240 205 3 L12E-4+50.0N 240 205 < 1 L12E-4+37.5N 240 205 < 1



Analytical Chemists * Geochemists * Registered Assayers

5175 Timberlea Blvd., Mississauga Ontario, Canada L4W 2S3 PHONE: 905-624-2806 FAX: 905-624-6163 To: SDA GEOLOGICAL SERVICES, LTD.

##

215 VAN NORMAN ST. THUNDER BAY, ON P7A 486

Project : EAST EMPRESS Comments: ATTN: ABRAHAM DROST Page Number :2 Total Pages :3 Certificate Date: 28-SEP-97 Invoice No. :19742742 P.O. Number : Account :NCW

			CERTIFIC	ATE OF ANALYSI	S A97	42742	
SAMPLE	PREP CODE	Au ppb EXT-AA					
L12E-4+25.0N L12E-4+12.5N L12E-4+00.0N L12E-0+50.0S L12E-0+62.5S	240205240205240205240205240205	< 1 < 1 < 1 < 1 < 1 < 1 < 1					
L12E-0+75.0S L12E-0+87.5S L12E-1+00.0S L12E-1+12.5S L12E-1+25.0S	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 < 1 < 1 < 1 < 1					
L12E-1+37.5S L12E-1+50.0S L12E-1+62.5S L12E-1+62.5S L12E-1+75.0S L12E-1+87.5S	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 < 1 < 1 < 1					
L12E-2+00.0S L12E-2+12.5S L12E-2+25.0S L12E-2+37.5S L12E-2+50.0S	217 240 205 240 205 217 217	< 1 < 1 < 1 < 1 < 1 < 1 < 1					
L12E-2+62.5S L12E-2+75.0S L12E-2+87.5S L13E-0+87.5S L13E-1+12.5S	217 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 < 1 < 1 < 1					
L13E-1+25.0S L13E-1+37.5S L13E-1+50.0S L13E-1+62.5S L13E-1+62.5S L13E-1+75.0S	240 205 240 205 240 205 240 205 217	< 1 < 1 3 < 1 < 1					
L13E-1+87.5s L13E-2+00.0s L13E-2+12.5s L13E-2+25.0s L13E-2+37.5s	240 205 240 205 240 205 240 205 240 205 240 205	< 1 < 1 < 1 < 3 30					
L13E-2+50.0S L14E-1+37.5S L14E-1+50.0S L14E-1+75.0S L14E-2+00.0S	217 240 205 217 217 240 205	< 1 < 1 < 1 < 1 < 1 < 1 < 1					



Analytical Chemists * Geochemists * Registered Assayers

5175 Timberlea Blvd.,MississaugaOntario, CanadaL4W 2S3PHONE: 905-624-2806FAX: 905-624-6163

To: SDA GEOLOGICAL SERVICES, LTD.

##

215 VAN NORMAN ST. THUNDER BAY, ON P7A 4B6

Project : EAST EMPRESS Comments: ATTN: ABRAHAM DROST Page Number :3 Total Pages :3 Certificate Date: 28-SEP-97 Invoice No. :19742742 P.O. Number : Account :NCW

				CERTIFIC	ATE OF A	NALYSIS	A97	42742	
SAMPLE	PREP CODE	Au ppb EXT-AA							
L14E-2+12.5S L14E-2+25.0S L14E-2+37.5S L14E-2+50.0S L14E-2+62.5S	240 205 240 205 217 217 240 205	< 1 < 1 < 1 < 1 < 1 < 1							
L14E-2+75.08 L14E-2+87.58 L14E-3+00.08 L14E-3+12.58 L14E-3+25.08	240 205 240 205 240 205 240 205 240 205 217	< 1 18 < 1 3 < 1							
L14E-3+37.58 L15E-1+50.08 L15E-1+62.58 L15E-1+75.08 L15E-1+87.58	240 205 217 240 205 240 205 217	< 1 6 < 1 3 15							
L15E-2+00.0S L15E-2+25.0S L15E-2+37.5S L15E-2+50.0S L15E-2+62.5S	217 240 205 240 205 217 240 205	< 1 < 1 6 < 1 < 1							
L15E-2+75.0s L15E-2+87.5s L15E-3+00.0s L15E-3+25.0s L15E-3+37.5s	217 240 205 240 205 217 217	< 1 < 1 < 1 < 1 < 1 < 1 < 1							
L15E-3+50.0S L15E-3+62.5S L15E-3+75.0S L15E-3+87.5S L15E-4+00.0S	240 205 240 205 217 240 205 217	<pre>< 1 < 1</pre>							
L15E-4+12.5S L15E-4+37.5S	240 205 240 205	< 1 < 1							

APPENDIX 2 ROCK ASSAY RESULTS



ç		107 THUNDEI	O LITHIUM DRIVE, UNIT 2 R BAY, ONTARIO P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820
		I	age 1
SDA GEOLOGICA	L	c	Oct 22, 1997
215 VAN NORMA THUNDER BAY, P7A 4B6	N ST. ONTARIO	÷	Job# 9740962
SAM	PLE #	Gold	Gold
Accurassay	Customer	ppb	Oz/t
1	64820	22	<0.001
3	64822	<5	<0.001
5	64824	<5 7	<0.001
6 7	64825	37	0.001
8 9	64827 64828	6 <5	<0.001
10 11 Che	64829 ck 64829	<5 <5	<0.001 <0.001
12 13	64830 64831	<5 <5	<0.001 <0.001
14 15	64832 64833	<5 <5	<0.001 <0.001
16 17	64834 64835	<5 13	<0.001 <0.001
18	64836 64837	<5 10	<0.001
20 21 Che	64838 ch 64838	<5	<0.001
22	64839 64840	<5	<0.001
23	64841	8 19	<0.001
25	64843	23	<0.001
27 28	64844 64845	11 8	<0.001
29	64846	14	<0.001

Certified By: Bluce



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

Oct 22, 1997

Job# 9740962

<0.001

<5

SDA GEOLOGICAL 215 VAN NORMAN ST. THUNDER BAY, ONTARIO P7A 4B6

58

59

SAMPL	8 #	Gold	Gold
Accurassay	Customer	ppb	Oz/t
20	64947	6	<0.001
30 31 Chark	64047	-5	
31 Check	64040	< 5	
32	64940		
33	04043 64050	11	
34	0483V 640E1	10	
35	04051 64052	10	
30	04052 CA952	30	
37	64853	-5	
38	64834	< 5	
39	64855	< C 1 2	
40	64856	13	
41 Check	64856	8	<0.001
42	64857	96	0.003
43	64858	16	<0.001
44	64859	<5	<0.001
45	64860	<5	<0.001
46	64861	<5	<0.001
47	64862	<5	<0.001
48	64863	<5	<0.001
49	64864	<5	<0.001
50	64865	<5	<0.001
51 Check	64865	<5	<0.001
52	64866	6	<0.001
53	64867	<5	<0.001
54	64868	8	<0.001
55	64869	<5	<0.001
56	64870	<5	<0.001
57	64871	<5	<0.001
58	64872	<5	<0.001

Certified By

64872

64873

ACCURASSAY LABORATORIES A DIVISION OF ASSAY LABORATORY SERVICES INC.

		107 Thundef P a	0 LITHIUM DRIVE, UNIT 2 8 BAY, ONTARIO P7B 63 9HONE (807) 623-6448 age ^{FAX} (807) 623-6820
SDA GEOLOGICAL		o	ct 22, 1997
215 VAN NORMAN ST. THUNDER BAY, ONTARI P7A 4B6	0	J	ob# 9740962
SAMPLE #		Gold	Gold
Accurassay Cus	tomer	ppb	Oz/t
60	64874	<5	<0.001
61 Check	64874	<5	<0.001
62	64875	<5	<0.001
63	64876	<5	<0.001
64	64877	<5	<0.001
65	64878	<5	<0.001
66	64901	<5	<0.001
67	64902	<5	<0.001
68	64903	<5	<0.001
69	64904	<5	<0.001
70	64905	<5	<0.001
71 Check	64905	<5	<0.001
72	64906	<5	<0.001
73	64907	6	<0.001
74	64908	16	
75	64911	< 5	
76	64912	< 5	
77	64913	< 5	
78	64914	۲ <u>۶</u> 11	
79	64915	35	
80 81 Chosh	64916	21	<0.001
81 Check	64917	15	<0.001
02	64919	651	0.019
03	64951	<5	<0.001
85	64952	9	<0.001
86	64953	114172	3.330
87	64954	230	0.007
88	64955	262	0.008
89	64956	88	0.003

Certified By:



		107 Thunde E	O LITHIUM DRIVE, UNIT 2 R BAY, ONTARIO P7B 6G3 PHONE (807) 623-6448 FAX (807) 623-6820 Page 4	
SDA GEOLOGICAI		c	Oct 22, 1997	
THUNDER BAY, C P7A 4B6	I ST. DNTARIO	Job# 9740962		
SAME	PLE #	Gold	Gold	
Accurassay	Customer	ppb	Oz/t	
		-	-0.001	
90 91 C har	64957	/ 7		
91 Chec	CADED	1		
92	64930 64950	< 5		
93	64950	<5		
J1 05	64960	<5		
95	64962	<5		
50	64962	<5		
57	64964	<5		
90	64965	<5		
100	64966	<5		
101 Chec	· k 64966	<5		
101 CHec	64967	<5	<0.001	
102	64968	<5	<0.001	
104	64973	<5	<0.001	
105	64974	<5	<0.001	
106	64975	282	0.008	
107	64976	<5	<0.001	
108	64977	<5	<0.001	
109	64978	<5	<0.001	
110	64979	<5	<0.001	
111 Chec	:k 64979	<5	<0.001	
112	64980	<5	<0.001	

2 Der1 Certified By:

APPENDIX 3 ROCK SAMPLE DESCRIPTIONS

Date	Sample	Easting	Northing	Sample Type	Rock Type	Description	Sample	Au (ppb)	Au (oz/ton)
19/10/07	64920	1400	5	arab	10	silicaous looking fine-med grained. Slightly	64820		
10/0/9/	04020	1-+00		grab		altered.	04020	22	
18/10/97	64821	1400	47	grab	5d	representative sample	64821	9	
18/10/97	64822	1400	85	grab	5d	representative sample	64822	<5	
18/10/97	64823	1405	465	grab	1a	med grainedbiotite bearing?	64823	<5	
18/10/97	64824	1515	395	grab	5d	>10% pyrite + chalcopyrite. Blue qtz eyes.	64824	7	
18/10/97	64825	1515	395	grab	5d + qv	Sample contains cpy bearing quartz vein.	64825	7	
18/10/97	64826	1500	350	grab	5d	Host rock plus quartz vein in sample. Tourmaline in quartz vein.	64826	37	
18/10/97	64827	1500	350	grab	dA	qtz, chlorite, cpy bearing vein in 5d	64827	6	
18/10/97	64828	1500	-10	grab	1a	Moderately altered (silicified). Qtz veins	64828	<5	
19/10/97	64829	1400	-225	grab	1a	Strongly silicified and moderately altered. Small quartz veinlets. Trace pyrite	64829	<5	
19/10/97	64830	1360	-210	grab	1a	Brittle fractured and silicified. Narrow shear zones in outcrop	64830	<5	
19/10/97	64831	1400	-160	grab	1a	Moderately altered. Narrow shears and some brittle fracturing. Pyritic veins. Strong foliation.	64831	<5	
19/10/97	64832	1520	-150	grab	1a,n	Silicified, mod-strong alteration with minor sericite.	64832	<5	
19/10/97	64833	1500	-190	grab	1a	silicified 1a with 1-3% pyrite. Weak-mod alteration.	64833	<5	
19/10/97	64834	1500	-240	grab	3m	Strong cataclastic fabric. Completely altered.	64834	<5	
19/10/97	64835	1305	-310	grab	1a	Sample of float. Silicified with 5% pyrite	64835	13	
19/10/97	64836	1300	-182	grab	1n, 3m	Moderate-strong alteration. Sheared and silicified.	64836	<5	
20/10/97	64837	1200	-263	grab	1n,a,c?	Trace pyrite with calcite filled vugs	64837	10	
20/10/97	64838	1200	-163	grab	1n	Calcite veinlets. Also contains minor sericite?	64838	<5	
20/10/97	64839	1200	-140	grab	3m	Qtz sericite schist. 1% pyrite.	64839	<5	
20/10/97	64840	1100	-70	grab	5a	Diabasemed-coarse grained. 1-3% pyrite	64840	8	
20/10/97	64841	1100	-83	grab	5a?	Trench location with silicified and mineralized shear zone in 5a unit?	64841	19	

Date (dd/mm/yy)	Sample: Number	Easting	Northing	Sample Type	Rock Type	Description	Sample Number	Au (ppb) Au (oz/ton)
20/10/97	64842	1100	-87	grab	5a?	Cherty like mineralized zone in sheared 5a? In trench.	64842	6
20/10/97	64843	1100	-87	grab	5a?	Totally silicified zone in trench. Trace pyrite.	64843	23
20/10/97	64844	1100	-170	grab	1a?	Totally altered and silicified. Trace pyrite. Small felsite veinlets.	64844	11
20/10/97	64845	1100	-223	grab	1a	Strongly sheared. Trace pyrite.	64845	8
20/10/97	64846	1000	-477	grab	1h,1n,3f	Pyrite 2%	64846	14
21/10/97	64847	8000	-112	grab	1n,3m	mod-strong alterationsilicification	64847	6
21/10/97	64848	8000	-378	grab	1n	Mod-strong silicification. Rusty weathering.	64848	<5
21/10/97	64849	910	-490	grab	1a	garnet bearing + biotite	64849	<5
21/10/97	64850	900	-405	grab	5a, 1a?	Coarse grained, foliated and magnetic. Py 1-3%	64850	11
18/10/97	64851	-85	40	grab	1a,f	Massive tuff, wk carb, tr py	64851	10
18/10/97	64852	7	220	grab	1a	wk carb, tr py	64852	7
18/10/97	64853	10	140	grab	3m	Qtz ser schist, st sil, st carb, st ser, 5-8% py	64853	30
18/10/97	64854	-60	140	grab	1m	chlorite schist, on strike with last sample but only tr py and lacks alt and shearing of last	64854	<5
18/10/97	64855	-20	35	grab	1a,f	rep sample	64855	<5
19/10/97	64856	300	35	grab	1a	mod sil, mod ser, 1-2% py	64856	13
19/10/97	64857	300	85	grab	3m	st sil, st ser, mod carb, 5-8% py	64857	96
19/10/97	64858	310	135	grab	1a	mod sil, tr py	64858	16
19/10/97	64859	295	312	grab	1a	Med gr, st sil, 2-4% py	64859	<5
19/10/97	64860	425	237	grab	1a	mod sil, 1-2% py	64860	<5
19/10/97	64861	415	188	grab	1m	chlorite schist wk sil, tr-1% py	64861	<5
19/10/97	64862	405	60	grab	3m	4-6% ру	64862	<5
19/10/97	64863	400	-90	grab	1a	coarse grained with hem staining, mod sil, tr-1%	64863	<5

Date	Sample	Easting	Northing	Sample Type	Rock Type	Description	Sample	Au (ppb) Au (oz/ton)
(dd/mm/yy)	Number						Number	
19/10/97	64864	400	-190	grab	1a	rep sample	64864	<e< td=""></e<>
19/10/97	64865	300	-380	grab	1a	rep sample	64865	-
19/10/97	64866	300	-315	grab	1a	wk sil, tr-1% py	64866	<5
20/10/97	64867	800	50	grab	1a,m	massive mafic volcanic with layers of ch schist, mod sil tr py	64867	<5
20/10/97	64868	815	135	grab	1a	cg, mod sil, tr-1% py	64868	8
20/10/97	64869	890	465	grab	1a	med gr, tr py, hem st, mod sil	64869	<5
20/10/97	64870	1090	285	grab	1a	med gr, tr py, hem st, mod sil	64870	<5
20/10/97	64871	1100	485	grab	1a,m	massive mafic volcanic with layers of ch schist,	64871	<5
20/10/97	64872	900	240	grab	1a	rep sample	64872	<5
20/10/97	64873	900	70	grab	1a	rep sample	64873	<5 <5
21/10/97	64874	585	0	grab	1a	mod sil, tr py	64874	
21/10/97	64875	600	-160	grab	1a	rep sample	64875	
21/10/97	64876	600	-305	grab	1a	mod sil tr-1% py	64876	
21/10/97	64877	700	-405	grab	1a	rep sample	64877	<5
21/10/97	64878	700	-38	grab	1a	st sil, fol, tr py	64878	<5
21/10/97	64901	900	-325	grab	1a	fine grained, magnetic. Beige weathering like	64901	<5
21/10/97	64902	915	-343	grab	1a, 5a?	fine -med grained. Zones of 1n. 1-2% pyrite.	64902	<5
21/10/97	64903	900	-225	grab	1a	Fine-med grained.	64903	<5
21/10/97	64904	900	-175	grab	1n,3m	Trace pyritemoderately altered	64904	<5
21/10/97	64905	900	-75	grab	3f, 3m	Altered? With quartz veins. Shearing fabric. Fine disseminated pyrite.	64905	<5
21/10/97	64906	900	-75	grab	1n	sample of qv in 1n	64906	<5
21/10/97	64907	937	-10	grab	3m	contact with diabase. Pyrite stringers.	64907	6

	Sample	Easting	Northing	Sample Type	Rock Type	Description	Sample	Au (ppb)	Au (oz/ton)	
21/10/97	64908	1075	-87	arab	3m	Strong silicification, Pyritized	64908			
				g		· · · · · · · · · · · · · · · · · · ·		16		
21/10/97	64911	600	100	grab	1a,k	fine grained with mafic clots; tr-1% py; rusty partings	64911	<5		
21/10/97	64912	600	280	grab	1a	medium grained; trace-1% pyrite	64912	<5		
21/10/97	64913	700	330	grab	5a	med grained 5a at cliff edge; tr-1% pyrite	64913	<5		
21/10/97	64914	705	175	grab		Med grained granodiorite w/ quartz -kspar stringers: py clots locally; tr - 1% pyrite	64914	<5		
21/10/97	64915	700	60	grab		mafic flow; trace-1% pyrite	64915	11		
21/10/97	64916	893	0	grab; loose		altered felsic fragmental sericite schist; pyrite- chlorite seams: 3-5% fracture fill pyrite	64916	35		
21/10/97	64917	893	0	grab		oxidized coarse grained quartz vein with chlorite partings; 2-3% blebby pyrite	64917	13		
21/10/97	64918	975	-25	grab	2	oxidized coarse grained quartz vein with pyrite- chlorite partings: 3-5% blebby pyrite	64918	651		
18/10/97	64951	100	-5	grab	1a	Dark green fine grained mafic volcanic, recrystallized and amphibolized, massive and tr	64951	<5		
18/10/97	64952	120	85	grab	3m	Qtz-Ser schist sheared mod-strong ser, wk sil mod Fe-Carb 1% pv	64952	9		
18/10/97	64953	90	122.5	grab	dv	well mineralized mixed hosted in 3m, 5-10%py	64953	114172	3.33	
18/10/97	64954	90	122.5	grab	3m	fine grained, light green-gray, mod silicified, sericitized Fe carb. Sheared with 5% py	64954	230		
18/10/97	64955	110	120	grab	3m	fine grained, light green-gray, mod silicified, sericitized Fe carb. Sheared with 5% py	64955	262		
18/10/97	64956	110	120	grab	dA	white, slightly rusty, 1m wide with 1-2% py	64956	88		
18/10/97	64957	100	142.5	grab	1a	Dark green fine grained mafic volcanic, wk-mod silicified, wk ser, 1-3% py	64957	7		
18/10/97	64958	100	310	grab	1a	Dark green fine grained mafic volcanic, wk-mod silicified, 1-2% py	64958	<5		
18/10/97	64959	200	197	grab	1a	rep sample	64959	<5		
18/10/97	64960	200	115	grab	1a	wk sil, mod Fe-carb tr py fine grained massive mafic volcanic	64960	<5		
18/10/97	64961	200	90	grab	1a	Altered st sil, wk ser, tr py fine grained	64961	<5		
18/10/97	64962	200	-117	grab	1a	rep sample	64962	<5		
18/10/97	64963	188	-275	grab	6a	Med grained granodiorite, tr py	64963	<5		

Date	Sample	Easting	Northing	Sample Type	Rock Type	Description	Sample	Au (ppb) Au (oz/ton)
fad/mm/yyj	Number						Number	
19/10/97	64964	1300	0	grab	1a	Wk sil, fine-med gr, green to grey weathered	64964	
						surface with tr py (intrusive, dioritic ?)		<5
19/10/97	64965	1292	79	grab		No description	64965	
								<5
19/10/97	64966	No descrip.		grab		No description	64966	
		•		Ŭ		, , , , , , , , , , , , , , , , , , ,		<5
19/10/97	64967	1131	BI	arab		No description	64967	
			DE	9				<5
10/10/07	64968	1115	0+01	arab		No description	64968	
13/10/37	04900	1115	0.01	grab			04000	-5
24/10/07	64072	410		areh	1	Felieted w/k Eo ov, w/k oil, rore ny	64072	
21/10/97	04973	410	U	grab	Ia	Foliated wk re-ox, wk sil, rare py	04973	-5
04/40/07	0.107.1	500	45				04074	<5
21/10/97	64974	500	15	grab	1a	mod-st sil, fine grained, re sample	64974	
					· · · · · ·			<5
21/10/97	64975	?	?	grab	1a	Strong sil qv 2-4% in host, tr-1% in qv.	64975	
								282
21/10/97	64976	500	232	grab	5e	Gabbro, coarse grained	64976	
				-				<5
21/10/97	64977	505	-127	grab	1a	rep sample	64977	
				-				<5
21/10/97	64978	500	-315	arab	1a	rep sample	64978	
				J				<5
21/10/97	64979	500	-455	drah	1a	Ren sample in coct with granodiorite	64979	
21/10/01	04070		400	grub		inter oumple in oner with granoulonite	0,070	<5
21/10/07	64080	500		arab	69	arapodiorite	64090	
21/10/9/	04900	500	-400	grab	Va		04900	-5
					<u> </u>	<u> </u>	1	<>

MAP FOLIO 1 COLOR CONTOURED FRASER-FILTERED VLF-EM

MAP FOLIO 2 COLOR CONTOURED SHADOWED TOTAL FIELD MAGNETICS

.

MAP FOLIO 3 GEOLOGY OF THE EMPRESS EAST GRID AREA

MAP FOLIO 4 INTEGRATED COMPILATION OF GEOPHYSICS, GEOCHEMISTRY AND GEOLOGY WITH PROPOSED DRILLHOLE LOCATIONS EMPRESS EAST PROPERTY

MAP FOLIO 5 TOTAL FIELD MAGNETICS – DATA AND CONTOURS VLF-EM PROFILES

Portario Ministry of Northern Develop	Declaration of Assess Performed on Mining Mining Act. Subsection 65/2) and	Land Asset	saction Number (office use)
w2001 2.18425 SYINE nstructions: - For work performed	writy of subsections sed to review the as lining Recorder, M 900 on Crown Lands before recording	65(2) and 66(3) of the Minir sessment work and correspondinistry of Northern Develop 2.18 a claim, use form 024	ng Act. Under section 8 of the nd with the mining land holder. Soment and Mines, 6th Floor, 3425
- Please type or print	in ink.		
lame AUDREN FERRI	(Col)	Client Number	6
iddress		Telephone Number	r anul
4.0. Box 105	8 Alin Data	Fax Number	15-7214
lame lettace Bay	UNTRILO TUI-2W	Client Number	
JOHN DUDLE	FERGUSON	13144 + Telephone Number	
P.O. BOX 105	8	Fax Number	5-9214
Terrace Bay	Ontario POT-2W	0	
(see attached So	chedule)		
2. Type of work performed: Che	ck (~) and report on only ONE of	f the following groups for	or this declaration.
Geotechnical: prospecting, survival assays and work under section	eys, Physical: drilli 18 (regs) trenching and	ng, stripping, associated assays	Rehabilitation
Vork Type Glophy Sical 900	ogical and geochemica	l Offi	ce Use
Survey on	ant guid with	Commodity	
assays and	- report.	Total \$ Value of Work Claimed 2	8,100,00
lates Work From 05 07 07	7 To 25 10 97 ar Day Month Year	NTS Reference	
ilobal Positioning System Data (if available)	Township/Area SYINE TWP/12	Mining Division	and Re 1
	Mor G.Plan Number	2 Resident Geologist	unare sug
Please remember to: - obtain a work - provide prope - complete and - provide a ma - include two c	permit from the Ministry of Natura r notice to surface rights holders b attach a Statement of Costs, form p showing contiguous mining lands opies of your technical report.	al Resources as require before starting work; 1 0212; s that are linked for ass	signing work;
Person or companies who pre	pared the technical report (Attac	ch a list if necessary)	
per.Horaham P:	Drost Drost		5-3330
adress 215 Van Norman	St. Trunder Bay ON	(807)	
ame		Telephone Number	
ddress	RECEIVED	Fax Number	
ame	8091 L + 901	Telephone Number	DECODDE
ddress	GEOSCIENCE ARSESSMENT	Fax Number	NECONDE
	OFFICE		APR 1 4 1998
Contification by Decorded Hole	lan av Avant		
Al. I			
(Print Name)	Drost., do hereby certify t	hat I have personal kno	owledge of the facts set
orth in this Declaration of Assessme r after its completion and, to the be	ent Work having caused the work to st of my knowledge, the annexed	o be performed or with report is true.	essed the same during
ignature of Recorded Holder or Agent	To A	Date	001-11-0
	Dullet !!		08/04/98
pent's Address	I Talophone	Number	Number 1

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 - 1 - O Or An tax a / I wat solt the privation of the second

		en de Maria	W. 1140.0	0401	maraneous marian	OM61AC+
Mining work wa mining column indicate	Claim Number. Or if as done on other eligible land, show in this the location number ad on the claim map.	Number of Claim Units. For other mining land, list hectares.	Value of work performed on this claim or other m2 gland.	Value of work applied to this claim. 4.25	Value of work assigned to other mining claims.	Bank. Value of work to be distributed at a future date.
eg	TB 7827	16 ha	\$26, 825	N/A	\$24,000	\$2,825
eg	(1234567	12 5	0	\$24,000	0	0
eg	1234568	2	\$ 8, 892	\$ 4,000	0	\$4,892
1	1208190	8	9835.00	3033.00	6802.00	Ø
2	1208187	4	8430.00	1600.00	16830.00	Ø
3	1208188		7025.00	400.00	4226.00	2399.00
4	1195779	6	1405.00	2400.00	ϕ'	Ø
5	1207880	12	1405.00	4800.001	ø	
6	1207878	8	Ø	3200.00	í Ø	
7	1207879	4	Ø	1600.00		
8	1207897	4	ø	1600.00		
9	1208189	3	Ø	1200.00		
10	1208719	4	ø	1600.00		
11	1210334	1	Ø	400.001		
12	1224854	6	ø	1950.00		
13	1224888	3	ϕ	1200.001		
14	1224855		Ø	350.00		
15	1224856		ϕ	368.00	Ø	Ø
		Column Totals	28100.00	25701.00	17858.00	2399 00

28[00.00] 2570[.00] 17858.00] 2399.00 _____, do hereby certify that the above work credits are eligible under Abraham P. Drost I.

subsection 7 (1) of the Assessment Work Regulation 6/96 for assignment to contiguous claims or for application to the claim where the work was done. $\begin{array}{c} D & M & Y \\ \hline Date \\ 08 & 04 & 98 \end{array}$

Signature of Recorded Holder or Agent Authorized in Writing

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

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

 \mathbb{M}_{1} 1. Credits are to be cut back from the Bank first, followed by option 2 or 3 or 4 as indicated.

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

3. Credits are to be cut back equally over all claims listed in this declaration; or

4. Credits are to be cut back as prioritized on the attached appendix or as follows (describe):

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

For Office Use Only			
Received Stamp		Deemed Approved Date	Date Notification Sent
	DECORDED	Date Approved	Total Value of Credit Approved
	INCOURCE		
	8021 4 1998	Approved for Becording by Mining Becorder (Sic	
	MIN 14 1330		
0241 (02/96)			

I. Recorded holders) continued W.9840.00401 Name: GEORGE RAY DANIELS Client: 124014 Address: P.O. Box 526 Terrace Bay, Ontario 2.18425 POT-2WO

Telephone: (807) 825-9097 Faxo: (807) 825-9318







Ministry of Northern Davelopment and Mines

Statement of Costs for Assessment Credit

Transaction Number (office use)

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

	• ····································	<u>~.10</u> .	1 ~ V
Work Type	Units of Work Depending on the type of work, list the number of hours/days worked, metres of drilling, kilo- metres of grid line, number of samples, etc.	Cost Per Unit	Total Cost
eld Linecutting Tielines, Grid	lines 20 km baseline 1.0 km t	eline 360.00/km	7236.00
eld Clophysics tombined	M 17.1 Km	154.03/km	2634.00
ed bological Mapping		/	
Sr. Geologists(2)	6 days @ \$350.00 day	\$ 350.00/day	2100.00
Jr. Geologisto(2)	g. days@ \$ 275.00/dey	\$ 275.00/day	2200.00
& Olochemistry apervision	anding Z days @ \$350/da	\$ 350.00/day	700.00
ettoject Supervision Kaport W	riting 7 days @ \$350/de. Geologist)	\$ 350.00/day	2450.00
Associated Costs (e.g. supplies,			A27
1V(00/Dem	op Mrlen @ . 75 dayla		937.50
	tssays (347)	12.10	4200.00
<u>Kock</u>	Assays (101)	11.04	1116.00
Decli	5(2) Mimus Sampling	52 hrs @#12.00/AT	629.00
Transpo	1/19171ZING SCHUICES		1175.98
Hx4 turcks(z) 3	600 km @\$.35/km	\$0.35/Km	1260 00
			10-00-00
Food an	d Lodging Costs Scheiber		1469.45
(Sept. 17-20	0; October 18-21, 1997)		
Calculations of Filing Discounts:	APR 1 4 1998	Assessment Work	\$28,102.93
 Work filed within two years of period If work is filed after two years at Value of Assessment Work. If the 	erformance is claimed at 100% of the nd up to five years after performance, is situation applies to your claims, us	above Total Value of A it can only be claimed e the calculation below:	ssessment Work. at 50% of the Total
TOTAL VALUE OF ASSESSME	NT WORK × 0.50 =	Total \$ valu	e of worked claimed
Note: - Work older than 5 years is not elle - A recorded holder may be require request for verification and/or corre Minister may reject all or part of the Certification verifying costs: I,	gible for credit. d to verify expenditures claimed in this ction/clarification. If verification million e assessment work submitted. ADD ADD ADD ADD ADD ADD ADD AD	E ASSESSMENT amounts shown are as	thin 45 days of a is not made, the accurate as may
(please print full name) reasonably be determined and the	costs were incurred while conducting	assessment work on the	e lands indicated on
the accompanying Declaration of W	Vork Kormias Agent		I am authorized
to make this certification.	(recorded holder) agent, for state c	company position with signing aut	MY.
0212 (02/96)	K. A M	an lost 1	18/04/98
••	Sec. (1999) Sec		

Ministry of Northern Development and Mines	Ministère du Développement du Nord et des Mines		
		Geoscience /	Assessment Office
huma 00, 4008		933 Ramsey	Lake Road
June 23, 1998		6th Floor	
		Sudbury, On	tario
AUDREY FERGUSON P.O. BOX 1058		P3E 6B5	
TERRACE BAY, Ontario		Telephone: ((888) 415-9846
P0T-2W0		Fax: ((705) 670-5881
		Visit our website at:	
		www.gov.on.ca/MND	M/MINES/LANDS/mlsmnpge.htm
Dear Sir or Madam:		Submission Numbe	r: 2.18425
		Status	
Subject: Transaction Numbe	r(s): W9840.00401	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 Lucille Jerome by e-mail at jeromel2@epo.gov.on.ca or by telephone at (705) 670-5858.

Yours sincerely,

~ Ha

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

Work Report Assessment Results

Submission Number: 2.18425								
Date Correspondence Sent: June 23, 1998			Assessor:Lucille Jerome					
Transaction Number	First Claim Number	Township(s) / Area(s)	Status	Approval Date				
W9840.00401	1208190	SYINE	Deemed Approval	June 22, 1998				
Section: 14 Geophysical M 14 Geophysical V 12 Geological GE 17 Assays GCHN	IAG ILF IOL IET							
Correspondence to: Resident Geologist		Recorded Holder(s) and/or Agent(s): Abraham Peter Drost						
Assessment Files Library Sudbury, ON		AUDREY FERGUSON TERRACE BAY, Ontario						
			JOHN DUDLEY FE TERRACE BAY, On	RGUSON tario				
			GEORGE RAY DA TERRACE BAY, On	NIELS tario				



42D15NW2001 2.18425 SYINE 200

ical contact/lithotectonic domains	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
outcrop appable at scale	†
qq	* *
ge; strike and dip	
ige vertical dip	
ng; strike and dip	\square
ng; vertical dip	
2	
e location; number	
le location; number; > 5 ppb Au	
(foult	

loca	tion;	number;	>	5	PF
one	/ fa	ult			
arp					
one orp	/ fa	ult		-	F

42D15NW2001 2.18425 SYINE

250

.

EMPRESS EAST PROFECTED VLF-EM SURVEYS 124,0 Hz APR 14 1993 PROFILED IN-PHASE/OUPPOPER ASSESSMENT PROFILE SCALE: 1 cm = 20% SCALE: 1:5000 SURVEYED BY: GIBSON AND ASSOCIATES

3/1/1.3

EPS,

1000 ERST

OD ERST

000

E Port

100 ERST

600 ERST

SOO ERST

ADD ERST

300 ERST

200 ERST

OO ERST

0

100

AFO,

1,00

NORTH

A00

NORTH

300 NORTH

200 NORTH

100

NORTH

LINE

500

1500

1 DO ERST

× 2312

12000

1300 EAST

1200 ERST

100 ERST

,000

E PST

OD ERST

BOO ERST

100 EAST

600 ERST

SOO ERST

LOO ERST

300

CP51

(PS)

500 50074

EP51

BASE 100 50UTH 200 500174 300 50UTH 400 50UTH SOUTH 500 1500 ERST 1400 ERST 1300 EPST 1200 ERST

2.18425

EMPRESS PROJECT (EAST)

TOTAL FIELD MAGNETOMETER SURVEY CONTOURED DATA CONTOUR INTERVAL: 100 nT SCALE: 1:5000 SURVEYED BY: GIBSON AND ASSOCIATES

500 NORTH

400 NORTH

300 NORTH

0980

EAST

1000 EAST

ON EAST

BOO EAST

100 EAST

600 EAST

SOO EAST

X

200 NORTH

100 NORTH

BASE LINE

100 50UTH

200 500174

1500 EAST

LOO EAST

1300 EAST

1200 EAST

300 50074

400 50UTH

500 50UTH

1500 EAST

1200 EAST

Q

 $\mathbf{\hat{\mathbf{x}}}$