

2.17531

REPORT
ON
DIAMOND DRILL HOLE

DR96-62
BY
MIDWEST DRILLING
FOR
KWG RESOURCES
ON CLAIM
1204017

OCTOBER 1996

RECEIVED
JUL 30 1997
MINING LANDS BRANCH



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PREPARED BY: STEVE S. MUNRO, B.Sc.
Wednesday, March 12, 1997

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1.0 INTRODUCTION

This report describes a single diamond drill hole, drilled by Midwest Drilling on behalf of KWG Resources Inc. of Toronto, Ontario, located south of the Attawapiskat River in the James Bay Lowlands of Ontario.

The drill hole was part of a drilling programme, carried out from a base established at Spider Lake, located approximately 300km northeast of the town of Nakina, Ontario. Drilling commenced on October 13, 1996 and was completed on October 16, 1996. A total depth of 304m was reached.

2.0 DRILL HOLE LOCATION

The drill hole is located approximately five kilometers south of the Attawapiskat River, at the following coordinates:

53° 04.511' North Latitude
and 85° 15.727' West Longitude

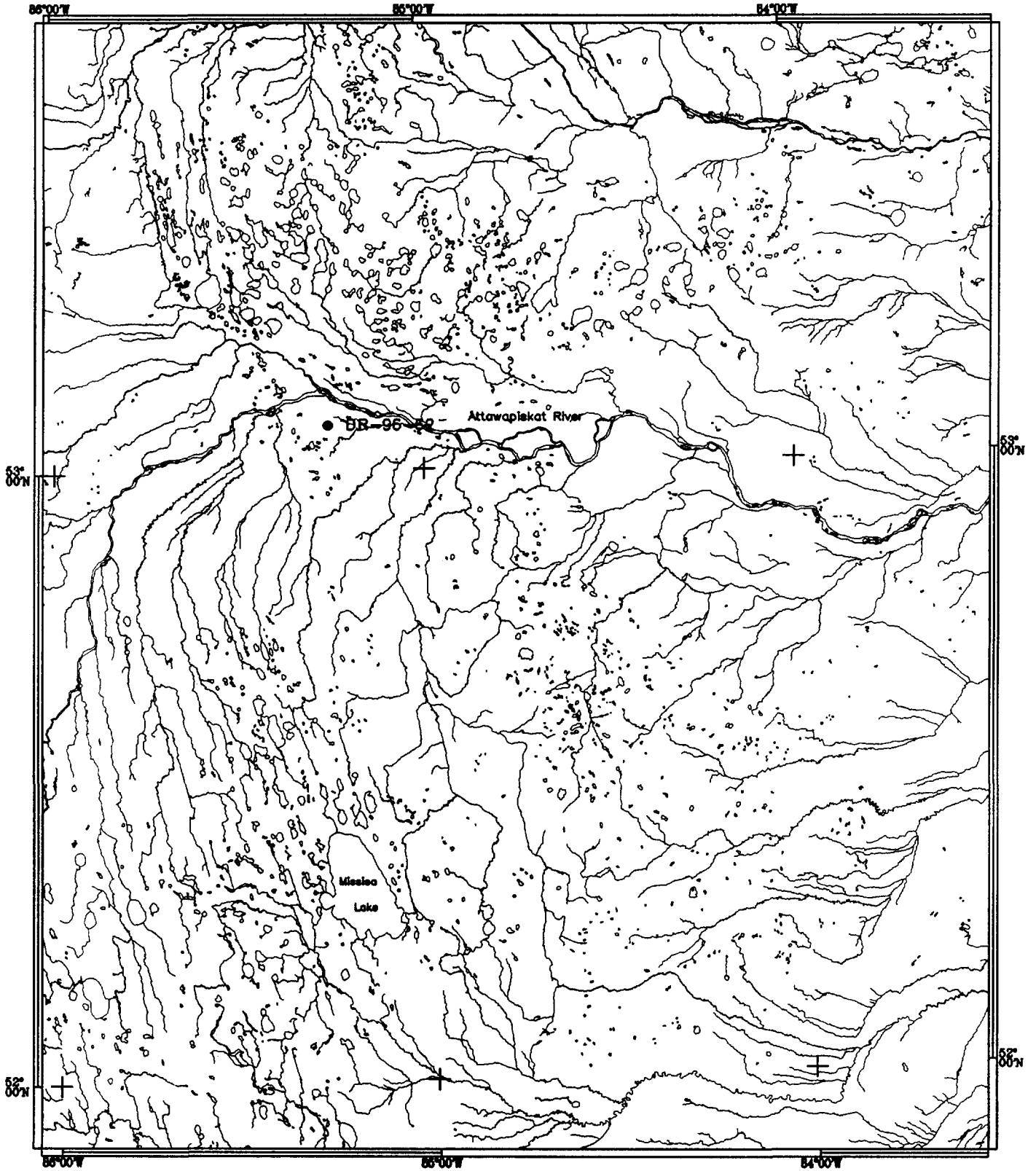
The location of the drill hole is shown in figure 1.

3.0 DRILL HOLE PLAN AND LOG

Specific information about the drill hole is included in the geologist's drill log that accompanies this report. Along with the drill log is a plan map showing the drill hole's location on the claim

4.0 THE DRILL CORE

The drill core was logged on October 14, 1996, at the Spider Lake camp, by Roger Thomas. Details of shipment and storage of the drill core follow the geologist's log, included in this report.



SCALE 1:1,000,000

FIGURE 1 - DRILL HOLE LOCATION MAP

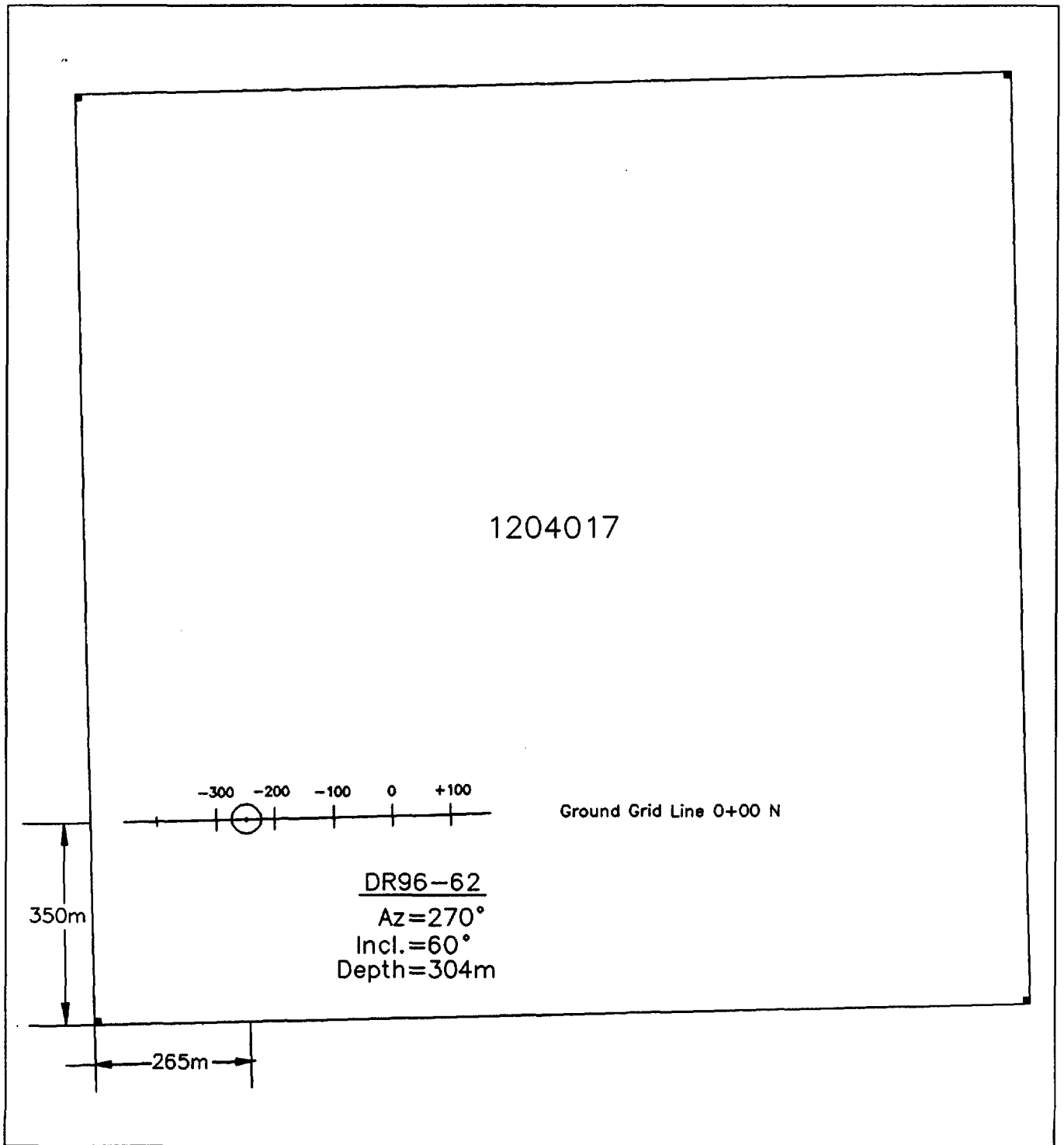
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DRILL HOLE LOCATION PLAN

CLAIM 1204017

SHEET 531851

NTS 43F/03



MAGNETIC DECLINATION -12 deg



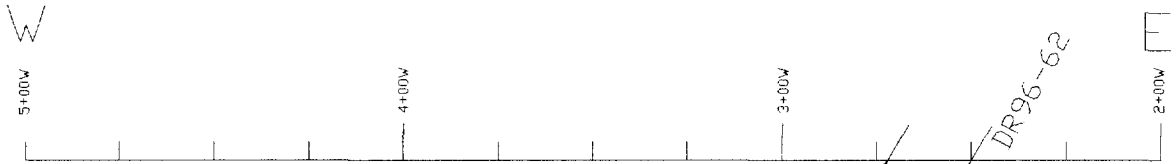
(metres)

Scale 1:10,000



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→ 090° T



DR96-62

60°

Overburden

Dolomite
Siltstone
Dolomite
Siltstone

Dolomite+siltstone
Dolomite

Sandstone

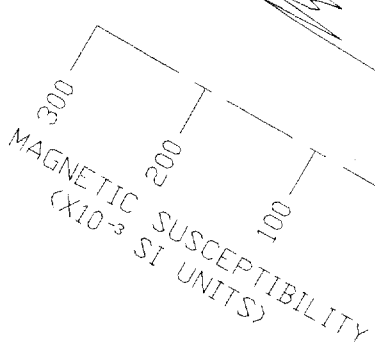
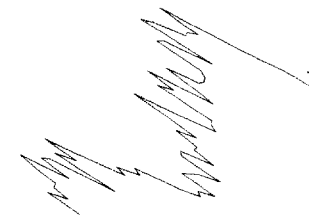
Granite gneiss

Kimberlite dike
Granite gneiss

Kimberlite-diatreme

Kimberlite

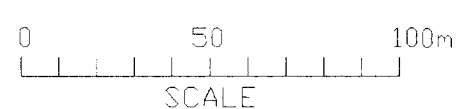
Kimberlite-contact zone
Granite



Looking North

24

DRILL HOLE:	DR 96-62
GRID:	E-11
LINE:	0+00N
CLAIM:	1204017
DRAWN BY:	R. D. Thomas
DATE:	20/02/97



DIAMOND DRILL HOLE LOG

Client: Spider Resources Inc. and KWG Resources Inc.
Drilled by: Midwest Drilling
Logged by: Roger D. Thomas, MSc., P.Eng. for C. F. Gleeson and Associates Ltd.
Roger D Thomas.

Hole No. DR 96-62
Page 1 of 14

LOCATION:

Province:	Ontario	Grid Name:	Spider #1
County/District:	Kenora (Patricia Portion)	Claim No:	1204017
Latitude/Longitude:	53° 04.5113°N / 85° 15.7273°W	UTM:	16 616426mE 5881829mN
Grid:	E 11	Grid reference:	0+00N 2+50W

DRILL HOLE CHARACTERISTICS:

Core Size:	BQ	Hole orientation:	270°
Depth of Casing:	15.24 m	Inclination:	60°
Total depth:	304.14 m		
Date Drilled:	October 13 - 16, 1996		
Date Logged:	October 14 - 17, 1996		
Date Log Printed:	27 February 1997		

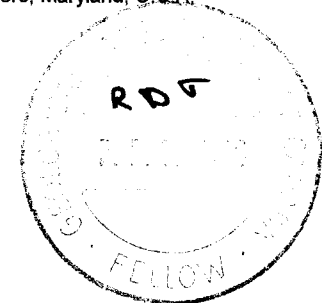
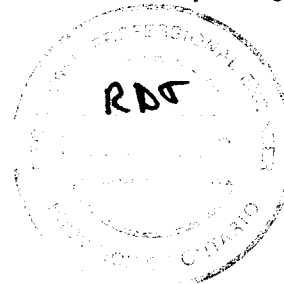
Note: Alphanumerics in parentheses following colours (eg: greyish black (N2) or greenish black (5G3/1)) are Munsell Color numbers after Goddard, E. N., Trask, P. D., de Ford, R., Rove, O. N., Singewald, J. T. and Overbeck, R. M. 1984: Rock-color chart; Geological Society of America, Special Publication, Boulder, Colorado, U.S.A.

Munsell Products 1973: Munsell soil color charts; Munsell Products, Macbeth Color & Photometry Division of Kollmorgen Corporation, Baltimore, Maryland, U.S.A.

Angularity (VA = very angular, A = angular, SA = subangular, SR = subrounded, R = rounded, WR = well rounded) is according to:

Powers, M. C. (1953): Comparison chart for visual estimation of roundness; Journal of Sedimentary Petrology, v. 23, p. 117 - 119.

"M. S." = magnetic susceptibility



From (m)	To (m)	Description	Sample No	From (m)	To (m)	Length (m)	Depth (m)	M. S. (10 ⁻³)	
0.00	13.36	Overburden: Unconsolidated materials. 0-12.92: Peat overlying marine clay. 12.92-13.36: Till light olive grey (5Y6/1), compact, silty till composed of 20% cobbles and boulders to 0.12m diameter, 20% pebbles, 20% sand, 40% silt and clay. Cobbler and boulders recovered include predominantly mafic volcanics and secondarily limestone (as below). 1 quartzite, 3 felsic intrusive (or gneiss), 3 small mafic intrusives (or gneiss), 1 brownish sandstone, one boulder of red sandstone interbedded with grey dolomite.					13	2.67	
							14	0.05	
							15	0.17	
							16	0.00	
							17	-0.05	
							18	0.00	
13.36		CONTACT: sharp	14	14.00	14.10	0.10	19	0.00	
13.36	39.80	PALEOZOIC DOLOMITE, with chert and limestone interbeds. Mottled yellowish grey (5Y7/2) and dark yellowish brown (10YR4/2), well bedded, fairly hard and competent with good core retrieval below 26m depth. Predominantly yellowish grey dolomite with dark yellowish brown chert and limestone in middle of unit as indicated below. Dolomite is very finely crystalline, massive to weakly stratified with 10-15mm irregular beds (CA=76°), pitted from dissolution in upper part. Composed of 0-2% fossil fragment of bivalves and rugose corals, 80% dolomite, and 20% silica (very hard in places). @14.08: 10-20mm, irregular chert bed. 14.00-26.00: 9.35m of core recovered. 21.50-28.40: 20% 20-40mm limestone beds composed of 40% fine grained calcite in 60% microcrystalline calcite matrix. Much of the lost core in this section may be the result of the presence of limestone. 29.10-33.86: 50% 5-30mm chert and siliceous limestone beds, commonly fossiliferous. 37.80-38.40: Very pale orange (10YR8/2), massive limestone.	17	broken core			20	0.00	
				20	20.00	20.10	0.10	21	0.32
				23	22.85	22.95	0.10	22	0.02
				26	26.00	26.10	0.10	23	-0.40
				29	29.00	29.05	0.05	24	0.00
				32	32.00	32.09	0.09	25	0.00
				35	34.91	35.00	0.09	26	-0.12
				38	37.90	38.00	0.10	27	0.00
								28	-0.15
								29	-0.07
								30	0.02
								31	-0.12
								32	-0.02

From (m)	To (m)	Description	Sample No	From (m)	To (m)	Length (m)	Depth (m)	M. S. (10 ⁻³)
39.80		CONTACT: In broken and ground core.					33	0.00
39.80	53.70	PALEOZOIC Siltstone Medium grey (N5), fairly uniform, massive, fairly competent with fair core recovery (some broken and ground sections, <1m core lost). Composed of 1-2% SA, fine and very fine quartz sand, 2% fine biotite, 1% very fine cubes, disseminated pyrite, 90% silt and clay, 5% calcite (cement?). @44.00: turns very pale orange (10YR8/2) with 10% SA fine sand, 20% SA, very fine quartz sand in silt matrix with 20% calcite and 1% fine disseminated pyrite cubes. Bedding is more pronounced (CA=65°) 45.98-46.45: Turbidite ?, 30% 2x8mm A fragments of limestone in silt matrix 46.45-48.14: 50% 10-20mm beds of sandstone composed of 20%-40% SR-SA medium quartz sand, 30%-40% fine quartz sand, 20%-40% silt, 5% calcite and dolomite cement, trace fine pink garnets. 50.84-51.82: 50% microcrystalline massive limestone interbeds, 0.1-0.15m thick. 51.82-53.70: sandstone (as above 46.45-48.14)	41	40.72	40.82	0.10	34	0.00
			44	44.01	44.08	0.07	35	0.47
			47	47.00	47.10	0.10	36	0.00
			50	49.92	50.00	0.08	37	0.00
			53	53.00	53.06	0.06	38	0.00
							39	0.00
							40	0.02
							41	0.10
							42	0.07
							43	0.12
							44	0.10
							45	0.12
							46	0.07
53.70		CONTACT, gradational over 30mm					47	0.10
53.70	56.12	PALEOZOIC DOLOMITE Mottled yellowish grey (5Y7/2) and pale yellowish brown (10YR6/2), competent, cores well with good retrieval; massive to fragmental, to weakly bedded (CA=68°); 20% calcite, 80% dolomite. @53.40: 20x30mm cavity lined with drusy dolomite.	56	56.00	56.08	0.08	48	0.00
							49	0.10
							50	0.15
							51	0.12
							52	0.15
56.12		CONTACT, uppermost clastic unit, CA=66°					53	0.20

From (m)	To (m)	Description	Sample No	From (m)	To (m)	Length (m)	Depth (m)	M. S. (10 ⁻³)
56.12	74.52	PALEOZOIC Siltstone Light greenish grey (5GY7/1), massive to finely laminated, generally fairly hard; cores well with good core retrieval. Composed of 5% SA-SR very fine quartz sand, 70% medium to coarse quartz silt, 25% fine silt, clay and silica cement. 56.12-56.55: interbedded dolomite (as above 53.70-56.12) and fine quartz sandstone in 20-30mm beds. 56.55-57.36: fine to medium grained quartz sandstone 57.36-59.12: medium greenish grey (5G5/1) 59.12-59.53: dolomite (as above 53.70-56.12) 59.53-59.84: medium grained quartz sandstone 62.30-62.53: turbidite bed ?, 70% angular clasts of siltstone (red and grey) to 20mm in silt matrix @67.95: turns moderate red (5R5/4) to dark reddish brown (10R3/4).					54	0.02
			59	59.00	59.09	0.09	55	0.00
			62	62.00	62.08	0.08	56	0.20
			65	65.00	65.05	0.05	57	0.05
			68	68.00	68.09	0.09	58	0.17
			71	71.00	71.05	0.05	59	0.02
							60	0.05
							61	-0.92
							62	0.02
							63	0.32
74.52		CONTACT in broken core					64	0.02
74.52	99.52	PALEOZOIC interbedded dolomite and siltstone 60% pale yellowish brown (10YR6/2) dolomite in 0.1-0.4m beds with 40% finely laminated, light greenish grey (5GY7/1) siltstone (as above 56.12-74.52) in 0.1-0.2m units. Soft to moderately hard with fair core retrieval as short lengths of dolomite and broken, ground core of siltstone. Bedding CA=67°. Dolomite is very fine grained, massive to finely laminated to contorted, composed of 100% dolomite. 74.52-74.58: turbidite ? 40% A fragments of underlying units in fine silt matrix @79.70: 10mm chert band, dark brown 83.00-83.25: very soft clay beds 83.00-86.00: very broken core, 1.6m lost core. 87.00-94.65: siltstone as above (56.12-74.52) 93.02-94.35: moderate greenish yellow (10Y7/4) 95.00-99.52: 2.42m lost core.	74				65	0.05
			77	77.03	77.09	0.03	66	0.47
			80	79.86	80.00	0.14	67	0.02
			83	too soft			68	0.05
			86	too soft			69	-0.22
			89	88.92	89.00	0.08	70	0.02
			92	91.92	92.00	0.08	71	0.02
			95	95.00	95.07	0.07	72	-0.17
			98	lost core			73	-0.05
							74	0.50

From (m)	To (m)	Description	Sample No	From (m)	To (m)	Length (m)	Depth (m)	M. S. (10 ⁻³)
99.52		CONTACT, sharp. CA=63°					75	-0.05
99.52	126.54	PALEOZOIC dolomite, "worm burrowed" Yellowish grey (5Y7/2) to medium grey (N5), hard, cores well with excellent core retrieval, 5-40% 1-2 x 6-8mm "worm burrows", 5-15% very finely crystalline calcite, 5-15% very fine SA quartz sand, 50-80% microcrystalline dolomite, 0-3% fossil (bivalve) fragments. Rock is fairly massive but is "globular" in places. 99.52-100.31: highly contorted, globular, interbedded siltstone (as above 56.12-74.52) and dolomite. @104.17: bedding CA=63° 104.53-105.77: contorted to slightly "globular" to massive with no "worm burrows" 111.86-114.87: as above (104.53-105.77) @117.42: bedding becomes more prominent but wavy, CA=74° @125.88: 3-12mm thick sand beds become apparent. They increase in thickness and abundance downwards.	101	100.93	101.00	0.07	76	0.00
			104	104.00	104.12	0.12	77	0.15
			107	107.00	107.10	0.10	78	0.00
			110	110.00	110.12	0.12	79	-0.27
			113	113.00	113.12	0.12	80	0.00
			116	116.00	116.12	0.12	81	0.00
			119	119.00	119.10	0.10	82	-0.05
			122	122.00	122.09	0.09	83	0.10
			125	125.00	125.06	0.06	84	0.00
							85	0.00
							86	0.00
126.54		CONTACT: sharp color change at base of lowest dolomite bed. CA=67°					87	0.00
							88	-0.32
126.54	132.12	PALEOZOIC sandstone Medium grey (N5) grading into greenish grey to very light grey (N8) at base, moderately competent with good core recovery. Upper part is finely laminated, very fine grained quartz sandstone with 5% SA fine quartz sand and trace very fine-grained disseminated cubes of pyrite. Unit coarsens downwards. Non-calcareous cement. 128.03-129.35: medium grained quartz sandstone with 10% 10mm pebbles of white quartz sandstone. 129.35-131.26: fine-grained quartz sandstone with 2% 8x29mm quartz sandstone pebbles partially replaced with pyrite.	128	127.91	128.00	0.09	89	0.07
			131	130.95	131.00	0.05	90	0.17
							91	0.02
							92	-0.07
							93	0.27
							94	0.42
							95	-0.07

From (m)	To (m)	Description	Sample No	From (m)	To (m)	Length (m)	Depth (m)	M. S. (10 ⁻³)	
126.54	132.12	PALEOZOIC sandstone, cont. 131.00-132.12: 0.5m lost core 131.26-132.14: coarse grained quartz sandstone with 5-10% SA-SR quartz granules with 30% fine quartz sand matrix.					96	0.10	
							97	-0.22	
							98	0.17	
							99	nr	
132.12		CONTACT indistinct					100	-0.05	
132.12	168.15	PRECAMBRIAN granite gneiss Pale red (5R6/2) to moderate red (5R4/6), weakly banded to massive, fine-grained, non-magnetic, hard, cores well with excellent retrieval. Composed of 0-2% 15mm subhedral pink K-spar, 5-20% 1-6mm subhedral pink feldspar, 10-30% euhedral 1-2mm pink feldspar, 20% anhedral interstitial quartz, 2-15% 1mm black euhedral amphibole, trace 1mm euhedral magnetite, 5-10% chlorite (after amphibole), trace sphene and leucoxene. Banding is a result of segregation of mafic minerals. @137.00: banding CA=66° @144.00: banding CA=59° @144.02: 1mm calcite vein, margins are hematized; CA=59° @144.08: 8mm biotite+calcite rich band, CA=62° 146.23-146.91: texture becomes indistinct, color becomes deeper red (hematization becomes more intense ?) @149.90: banding CA=62° @153.38: banding CA=85° 155.35-161.01: texture less distinct, color deeper red (increased hematization ?), moderately fractured with abundant 1mm irregular calcite filled fractures. @161.70: banding CA=53° 161.01-168.15: highly silicified; abundant 1mm calcite filled fractures at various CA.	134	134.00	134.09	0.09	101	0.00	
				137	137.00	137.10	0.10	102	-0.02
				140	140.00	140.07	0.07	103	-0.10
				143	143.00	143.09	0.09	104	0.00
				146	146.00	146.10	0.10	105	0.00
				149	149.00	149.10	0.10	106	-0.10
				152	151.81	151.91	0.10	107	0.02
				155	154.88	154.96	0.08	108	-0.15
				158	158.00	158.15	0.15	109	-0.22
				161	161.00	161.10	0.10	110	0.00
				164	164.00	164.09	0.09	111	0.05
				167	167.00	167.09	0.09	112	0.90
								113	0.00
								114	0.12
								115	0.10
								116	0.15

From (m)	To (m)	Description	Sample No	From (m)	To (m)	Length (m)	Depth (m)	M. S. (10 ⁻³)	
168.15		CONTACT, diffuse, CA=17°					117	0.60	
168.15	168.80	KIMBERLITE dyke Upper contact has 10mm reaction zone; adjacent 10mm of wall rock is intensely fractured parallel to contact. Medium dark grey (N4) very fine-grained, homogeneous, 5% WR, 1-2mm xenoliths of granite, 2-5% 1-2mm WR-A highly altered olivine, 20-30% 1mm mica (Phlogopite), 30-40% very fine-grained groundmass, 30-40% aphanitic serpentine groundmass with calcite. MS=66.1 Lower contact has 10mm reaction zone 168.35-168.45: xenolith, highly altered granite					118	0.00	
								119	0.25
								120	0.20
								121	0.25
								122	0.07
								123	0.02
								124	0.12
168.80		CONTACT diffuse, CA=21°					125	0.02	
168.80	186.23	PRECAMBRIAN granite gneiss (as above 132.12-168.15) 168.80-169.02: very highly altered 169.02-169.20: highly fractured to brecciated, coarse-grained @174.20: banding CA=56° @178.00: becomes finely fractured (CA=26°); fractures filled with 1mm calcite; fracturing intensity increases down hole. @184.60: banding CA=58°	170	170.00	170.11	0.11	126	0.02	
			173	173.00	173.06	0.06	127	0.05	
			176	175.94	176.00	0.06	128	0.47	
			179	178.93	179.00	0.07	129	0.12	
			182	182.00	182.12	0.12	130	0.25	
			185	185.00	185.13	0.13	131	0.45	
								132	0.42
186.23	186.55	CONTACT ZONE: highly fractured to brecciated, 0.3m lost core. One 5mm calcite+serpentine filled fracture, CA=10°					133	0.72	
								134	10.8
186.55	209.50	KIMBERLITE, diatreme facies, highly contaminated Dark greenish grey (5G4/1), fairly homogeneous, massive to very weakly foliated, moderately hard, cores well with excellent retrieval, strongly magnetic; appears to	188	188.00	188.13	0.13	135	18.1	
			191	190.87	190.97	0.10	136	9.22	
			194	194.00	194.11	0.11	137	10.4	

From (m)	To (m)	Description	Sample No	From (m)	To (m)	Length (m)	Depth (m)	M. S. (10 ⁻³)
186.55	209.50	<p>KIMBERLITE, diatreme facies, cont. be highly contaminated. 5-10% 5-60mm diameter granite xenoliths with highly altered reaction rim surrounding a 5mm core; 20% 1-5mm xenoliths of feldspar, embayed and corroded; 10% 0.3-0.6mm euhedral to WR, highly altered olivine; 20% very fine-grained mica, primarily biotite; 10-20% very fine-grained, pervasive, calcite; 5% fine-grained, disseminated magnetite; 30-40% aphanitic serpentine.</p> <p>186.55-186.97: 70% xenoliths of granite, very highly altered, possibly brecciated.</p> <p>186.97-188.45: 20% WR to embayed, 10-60mm diameter masses of black kimberlite containing 30% 1mm diameter euhedral to WR olivine, 20% 1mm masses of calcite, 30% very fine-grained mica, 20% aphanitic groundmass. (This material appears to be less contaminated kimberlite).</p> <p>188.43-189.47: very highly altered xenolith @204.00: xenolith content decreases to 2%</p>	197	197.07	198.17	0.10	138	13.9
			200	200.00	200.10	0.10	139	12.4
			203	203.00	203.11	0.11	140	9.75
			206	206.00	206.09	0.09	141	11.5
			209	209.00	209.09	0.09	142	4.67
							143	7.20
							144	4.80
							145	9.00
							146	7.75
							147	9.12
						148	0.75	
209.50		CONTACT, arbitrary, gradational					149	9.67
209.50	284.70	<p>KIMBERLITE, very highly contaminated Dark greenish grey (5GY3/1), homogeneous, fine-grained, massive, moderately hard, cores well with excellent recovery, strongly magnetic; 1% very highly altered 2-4mm diameter xenoliths, 20% 0.2-0.5mm very highly altered xenoliths, 20% 0.3-0.5mm euhedral highly altered olivine, 15% coarse mica (biotite), 10% very fine-grained mica, 2% calcite in 1-2mm masses, 30% very fine-grained serpentine groundmass, 2% very fine-grained disseminated euhedral magnetite; ghosts of 20-50mm xenoliths are apparent in places.</p> <p>232.32-232.80: very highly altered xenolith 241.70-251.20: 50% 1-5mm xenoliths in mica+serpentine matrix; 2% ghosts of 5mm olivine euhedra altered to biotite+serpentine.</p>	212	212.00	212.12	0.12	150	11.6
			215	214.87	214.96	0.09	151	25.8
			218	218.00	218.09	0.09	152	12.3
			221	221.00	221.07	0.07	153	5.35
			224	224.00	224.10	0.10	154	2.82
			227	227.00	227.09	0.09	155	11.2
			230	230.00	230.10	0.10	156	0.95
			233	232.90	233.00	0.10	157	0.32
			236	235.89	236.00	0.11	158	4.60

From (m)	To (m)	Description	Sample No	From (m)	To (m)	Length (m)	Depth (m)	M. S. (10 ⁻³)
209.50	284.70	KIMBERLITE, very highly contaminated, cont 251.20-257.25: 30% 1-5mm xenoliths in mica+ serpentine matrix; 1% 20mm xenoliths, very highly altered, 1% ghosts of 2mm olivine euhedra highly altered to biotite and serpentine. @258.90: increasing to 20% 10-20mm xenoliths, very highly altered @282.39: calcite vein, ground core (0.05m lost) @282.60: 40mm calcite vein with serpentine and hematite along margins, CA=28° @282.83: 10mm calcite vein, CA=32° 283.20-284.33: abundant 1-3mm calcite filled fractures, CA=20°-40° @284.14: calcite content increases to 20% as disseminated 1-3mm masses. Also increase in hematization ? or goethite; rock is quite soft.	239	239.00	239.11	0.11	159	5.32
			242	242.00	242.07	0.07	160	0.90
			245	245.00	247.07	0.07	161	12.4
			248	248.00	248.09	0.09	162	0.40
			251	251.00	251.08	0.08	163	10.8
			254	254.00	254.10	0.10	164	2.72
			257	257.00	257.09	0.09	165	1.92
			260	260.00	260.09	0.09	166	1.50
			263	263.00	263.08	0.08	167	4.75
			266	266.00	266.09	0.09	168	0.30
284.70		CONTACT, rock becomes very soft and highly weathered (earthy)	269	269.00	269.07	0.07	169	0.32
			272	271.91	272.00	0.09	170	4.25
284.70	289.73	KIMBERLITE, contact zone Dusky brown (5YR2/2), earthy, very soft, moderate to poor core recovery. 10-20% A very highly altered 5-30mm granitic xenoliths in very fine-grained groundmass containing biotite, serpentine, and calcite. Some kimberlitic textures are apparent but mineralogy can not be determined. 286.00-287.10: highly altered granitic xenolith	275	275.05	275.12	0.07	171	5.80
			278	278.00	278.09	0.09	172	1.10
			281	280.92	281.00	0.08	173	0.20
			284	284.00	284.11	0.11	174	1.87
			287	287.00	287.06	0.06	175	3.72
289.73		CONTACT, sharp CA=40°					176	5.30
289.73	304.14	GRANITE Moderate reddish brown (10R4/6) to pale red (10R6/2), fine to medium-grained, massive to weakly gneissic, hard, cores well with excellent recovery; 2-3% 10-15mm	290	290.00	290.09	0.09	177	3.82
			293	293.03	293.17	0.14	178	0.50
			296	296.00	296.08	0.08	179	0.37

From (m)	To (m)	Description	Sample No	From (m)	To (m)		Depth (m)	M. S. (10 ⁻³)
289.73	304.14	GRANITE, cont. anhedral-subhedral pink feldspar, 60% subhedral 1-2mm K-feldspar, 5% black amphibole, 1% leucoxene after sphene, 2-3% fine-grained disseminated magnetite, 29% anhedral quartz, trace very fine-grained pyrite and calcite on fractures 289.73-290.81: highly altered, may be assimilating into kimberlite 290.81-291.95: abundant serpentine filled fractures, rock is altered adjacent to fractures. 289.73-295.10: decreasing intensity of red color. 294.55-294.98: abundant serpentine filled fractures; rock is altered adjacent to fractures. @297.50: banding CA=58°	299	298.90	299.00	0.10	180	0.27
			302	302.00	302.10	0.10	181	-0.80
							182	0.40
							183	0.20
							184	56.0
							185	113
							186	98.3
							187	63.1
							188	91.5
							189	105
304.14		END OF HOLE: magnetic anomaly explained. Note: This kimberlite body is a dike like feature which may have been intersected at a low angle (20°-30°) thus making it appear wider than its true width. The textures of the kimberlite resembles some of those seem in the dikes of kimberlite at Kyle #3 and in the contact zones with the breccia in Kyle #1. Examination beneath the binocular microscope revealed that the mineralogy (large olivines) have been totally altered to biotite±serpentine. True kimberlitic mineralogy was not observed in this drill hole.					200	98.8
							201	99.8
							202	71.0
							203	103
							204	113
							205	73.0
							206	10.7
							207	133
							208	167
							209	240
							210	203

Depth (m)	M. S. (10 ⁻³)	Depth (m)	M. S. (10 ⁻³)	Depth (m)	M. S. (10 ⁻³)	Depth (m)	M. S. (10 ⁻³)	Depth (m)	M. S. (10 ⁻³)
211	211	231	182	251	206	271	135	291	1.27
212	211	232	223	252	197	272	172	292	0.60
213	238	233	193	253	227	273	184	293	4.85
214	248	234	163	254	266	274	167	294	2.12
215	182	235	180	255	236	275	138	295	1.67
216	224	236	159	256	254	276	156	296	5.45
217	229	237	160	257	197	277	164	297	7.47
218	187	238	140	258	255	278	153	298	9.90
219	181	239	169	259	261	279	159	299	4.07
220	180	240	166	260	234	280	204	300	7.55
221	183	241	129	261	277	281	156	301	2.77
222	211	242	147	262	260	282	126	302	15.6
223	183	243	153	263	241	283	199	303	8.75
224	165	244	159	264	241	284	147	304	4.67
225	223	245	127	265	226	285	53.0		
226	198	246	141	266	243	286	4.05		
227	211	247	137	267	213	287	1.37		
228	159	248	154	268	198	288	1.22		
229	158	249	193	269	166	289	1.30		
230	152	250	187	270	168	290	0.80		

Sample No	From (m)	To (m)	Length (m)	% Kimberlite			
96-62-1	186.55	191.00	4.32	80			
96-62-2	191.00	197.00	5.79	93			
96-62-3	197.00	203.00	5.80	96			
96-62-4	203.00	209.00	5.80	96			
96-62-5	209.00	215.00	5.70	99			
96-62-6	215.00	221.00	5.91	99			
96-62-17	221.00	227.00	5.83	100			
96-62-8	227.00	233.00	5.71	98			
96-62-9	233.00	239.00	5.89	100			
96-62-10	239.00	245.00	5.82	100			
96-62-11	245.00	251.00	5.84	100			
96-62-12	251.00	257.00	5.82	100			
96-62-13	257.00	263.00	5.82	100			
96-62-14	263.00	269.00	5.83	100			
96-62-15	269.00	275.00	5.84	99			
96-62-16	275.00	281.00	5.76	98			
96-62-17	281.00	287.00	5.89	70			
96-62-18	287.00	292.00	4.85	50			

CORE BOXING AND STORAGE

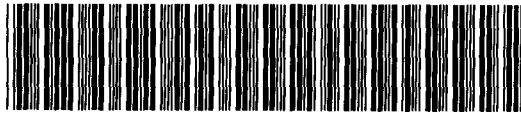
DR96-62 BOX No.	DEPTH		ROCK TYPE	SHIP/ STORE	BOX No.	DEPTH		ROCK TYPE	SHIP/ STORE
	FROM	TO				FROM	TO		
1	12.92	19.62	Paleozoic	Camp	21	134.95	140.85	Precambrian	Camp
2	19.62	25.63	Paleozoic	Camp	22	140.85	146.67	Precambrian	Camp
3	25.63	32.00	Paleozoic	Camp	23	146.67	152.53	Precambrian	Camp
4	32.00	37.79	Paleozoic	Camp	24	152.53	158.42	Precambrian	Camp
5	37.79	42.88	Paleozoic	Camp	25	158.42	164.18	Precambrian	Camp
6	42.88	48.66	Paleozoic	Camp	26	164.18	170.11	Precambrian	Camp
7	48.66	54.20	Paleozoic	Camp	27	170.11	176.00	Precambrian	Camp
8	54.20	60.19	Paleozoic	Camp	28	176.00	182.00	Precambrian	Camp
9	60.19	65.88	Paleozoic	Camp	29	182.00	187.77	Precambrian	Camp
10	65.88	71.69	Paleozoic	Camp	30	187.77	193.72	Precambrian	Camp
11	71.69	77.38	Paleozoic	Camp	31	193.72	199.69	Kimberlite	Lakefield
12	77.38	84.00	Paleozoic	Camp	32	199.69	205.45	Kimberlite	Lakefield
13	84.00	90.80	Paleozoic	Camp	33	205.45	211.33	Kimberlite	Lakefield
14	90.80	96.50	Paleozoic	Camp	34	211.33	217.29	Kimberlite	Lakefield
15	96.50	104.60	Paleozoic	Camp	35	217.29	223.10	Kimberlite	Lakefield
16	104.60	110.56	Paleozoic	Camp	36	223.10	229.08	Kimberlite	Lakefield
17	110.56	116.42	Paleozoic	Camp	37	229.08	234.83	Kimberlite	Lakefield
18	116.42	122.38	Paleozoic	Camp	38	234.83	240.61	Kimberlite	Lakefield
19	122.38	128.26	Paleozoic	Camp	39	240.61	246.51	Kimberlite	Lakefield
20	128.26	134.95	Paleozoic/ Precambrian	Camp	40	246.51	252.36	Kimberlite	Lakefield



Personal information collected on this form is obtained under the authority of the Mining Act. This information will be used for correspondence. Questions about this collection should be directed to the Provincial Manager, Mining Lands, Ministry of Northern Development and Mines, Fourth Floor, 159 Cedar Street, Sudbury, Ontario, P3E 6A5, telephone (705) 670-7264.

Instructions: Please type or print and submit in duplicate.

- Ref
- Re
- A s
- Te
- A s



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2.17531

assessment work or consult the Mining

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te.

npany this form,

Recorded Holder(s) KWG Resources Inc.		Client No. 224701
Address #1000 - 350 Bay St., Toronto, Ontario, M5H 2S6		Telephone No. (416) 869-0626
Mining Division Porcupine	Township/Area Attawapiskat	M or G Plan No. G-1446
Dates Work Performed	From: Oct 13/96	To: Oct 16/96

Work Performed (Check One Work Group Only)

Work Group	Type
Geotechnical Survey	
Physical Work, including Drilling	Diamond Drilling
Rehabilitation	
Other Authorized Work	
Assays	
Assignment from Reserve	

Total Assessment Work Claimed on the Attached Statement of Costs \$ 60,732

Note: The Minister may reject for assessment work credit all or part of the assessment work submitted if the recorded holder cannot verify expenditures claimed in the statement of costs within 30 days of a request for verification.

Persons and Survey Company Who Performed the Work (Give Name and Address of Author of Report)

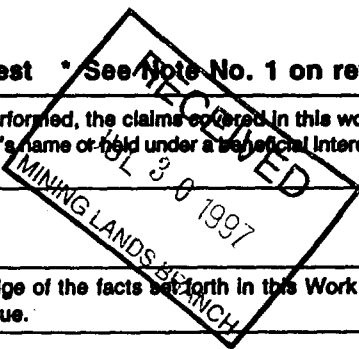
Name	Address
Midwest Drilling	180 Cree Cres, Winnipeg, Manitoba, R3J 3W1
Roger Thomas	1373 Corkery Road, Carp Ontario, K0A 1K0
Steve Munro	614 Bayfield Street, Pickering Ont. L1V 3W5

Attach a schedule if necessary)

Certification of Beneficial Interest * See Note No. 1 on reverse side

I certify that at the time the work was performed, the claims covered in this work report were recorded in the current holder's name or held under a beneficial interest by the current recorded holder.

Date	Recorded Holder or Agent (Signature)
Mar 13/97	[Signature]



Certification of Work Report

I certify that I have a personal knowledge of the facts set forth in this Work report, having performed the work or witnessed same during and/or after its completion and annexed report is true.

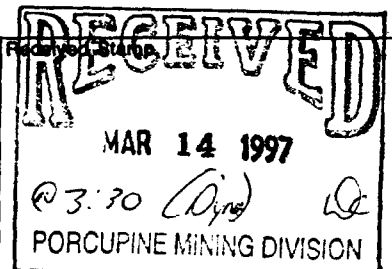
Name and Address of Person Certifying

Steve Munro, #1000-350 Bay St., Toronto Ontario, M5H 2S6

Telephone No.	Date	Certified By (Signature)
(416) 869-0626	Mar 13/97	[Signature]

Office Use Only

Total Value Cr. Recorded	Date Recorded	Mining Recorder
Deemed Approval Date	Date Approved	
Date Notice for Amendments Sent		



Deemed June 12 1997

Work Report Number for Applying Reserve	Claim Number (see Note 2)	Number of Claim Units
	12041012	16
Total Number of Claims		1

Value of Assessment Work Done on this Claim	Value Applied to this Claim
60,732	32,000
Total Value Work Done	
60,732	32,000
Total Value Work Applied	

Value Assigned from this Claim	Reserve: Work to be Claimed at a Future Date
-	28,732
Total Assigned From	
-	28,732
Total Reserve	

2.1.58

RECEIVED
 JUL 30 1997
 MINING LANDS BRANCH

Credits you are claiming in this report may be cut back. In order to minimize the adverse effects of such deletions, please indicate from which claims you wish to prioritize the deletion of credits. Please mark (✓) one of the following:

1. Credits are to be cut back starting with the claim listed last, working backwards.
2. Credits are to be cut back equally over all claims contained in this report of work.
3. Credits are to be cut back as prioritized on the attached appendix.

In the event that you have not specified your choice of priority, option one will be implemented.

Note 1: Examples of beneficial interest are unrecorded transfers, option agreements, memorandum of agreements, etc., with respect to the mining claims.

Note 2: If work has been performed on patented or leased land, please complete the following:

I certify that the recorded holder had a beneficial interest in the patented or leased land at the time the work was performed.	Signature	Date
---	-----------	------

Statement of Costs for Assessment Credit

État des coûts aux fins du crédit d'évaluation

Mining Act/Loi sur les mines

Transaction No./N° de transaction

W. 9760.00217

2.175

Personal information collected on this form is obtained under the authority of the Mining Act. This information will be used to maintain a record and ongoing status of the mining claim(s). Questions about this collection should be directed to the Provincial Manager, Minings Lands, Ministry of Northern Development and Mines, 4th Floor, 159 Cedar Street, Sudbury, Ontario P3E 6A5, telephone (705) 670-7264.

Les renseignements personnels contenus dans la présente formule sont recueillis en vertu de la Loi sur les mines et serviront à tenir à jour un registre des concessions minières. Adresser toute question sur la collecte de ces renseignements au chef provincial des terrains miniers, ministère du Développement du Nord et des Mines, 159, rue Cedar, 4^e étage, Sudbury (Ontario) P3E 6A5, téléphone (705) 670-7264.

1. Direct Costs/Coûts directs

Type	Description	Amount Montant	Totals Total global
Wages Salaires	Labour Main-d'oeuvre	6,720	
	Field Supervision Supervision sur le terrain		6,720
Contractor's and Consultant's Fees Droits de l'entrepreneur et de l'expert-conseil	Type Drilling	23,162	
	Helicopter Support	26,516	
	Geologists	2,408	52,086
Supplies Used Fournitures utilisées	Type		
Equipment Rental Location de matériel	Type		
Total Direct Costs Total des coûts directs			58,806

2. Indirect Costs/Coûts indirects

** Note: When claiming Rehabilitation work Indirect costs are not allowable as assessment work. Pour le remboursement des travaux de réhabilitation, les coûts indirects ne sont pas admissibles en tant que travaux d'évaluation.

Type	Description	Amount Montant	Totals Total global
Transportation Transport	Type Flood Plane		
	Service	Ø	
			Ø
Food and Lodging Nourriture et hébergement	Camp Costs		1,926
Mobilization and Demobilization Mobilisation et démoblisation			
Sub Total of Indirect Costs Total partiel des coûts indirects			1,926
Amount Allowable (not greater than 20% of Direct Costs) Montant admissible (n'excédant pas 20 % des coûts directs)			1,926
Total Value of Assessment Credit (Total of Direct and Allowable indirect costs)		Valeur totale du crédit d'évaluation (Total des coûts directs et indirects admissibles)	60,732

Note: The recorded holder will be required to verify expenditures claimed in this statement of costs within 30 days of a request for verification. If verification is not made, the Minister may reject for assessment work all or part of the assessment work submitted.

Note: Le titulaire enregistré sera tenu de vérifier les dépenses demandées dans le présent état des coûts dans les 30 jours suivant une demande à cet effet. Si la vérification n'est pas effectuée, le ministre peut rejeter tout ou une partie des travaux d'évaluation présentés.

Filing Discounts

1. Work filed within two years of completion is claimed at 100% of the above Total Value of Assessment Credit.
2. Work filed three, four or five years after completion is claimed at 50% of the above Total Value of Assessment Credit. See calculations below:

Total Value of Assessment Credit	Total Assessment Claimed
	x 0.50 =

Remises pour dépôt

1. Les travaux déposés dans les deux ans suivant leur achèvement sont remboursés à 100 % de la valeur totale susmentionnée du crédit d'évaluation.
2. Les travaux déposés trois, quatre ou cinq ans après leur achèvement sont remboursés à 50 % de la valeur totale du crédit d'évaluation susmentionné. Voir les calculs ci-dessous.

Valeur totale du crédit d'évaluation	Evaluation totale demandée
	x 0,50 =

Certification Verifying Statement of Costs

I hereby certify: that the amounts shown are as accurate as possible and these costs were incurred while conducting assessment work on the lands shown on the accompanying Report of Work form.

I am authorized as Claims Manager (Recorded Holder, Agent, Position in Company)

I make this certification

RECEIVED
MAR 14 1997
03:30 (D)
PORCUPINE MINING DIVISION

Attestation de l'état des coûts

J'atteste par la présente: que les montants indiqués sont le plus exact possible et que ces dépenses ont été engagées pour effectuer les travaux d'évaluation sur les terrains indiqués dans la formule de rapport de travail ci-joint.

Et qu'à titre de _____ je suis autorisé (titulaire enregistré, représentant, poste occupé dans la compagnie)

à faire cette attestation.

Signature [Signature] Date March 13/97

Ministry of
Northern Development
and Mines

Ministère du
Développement du Nord
et des Mines



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

August 6, 1997

Steve Munro
RESSOURCES KWG INC.
350 BAY STREET
SUITE 1000
TORONTO, ONTARIO
M5H-2S6

Telephone: (888) 415-9846
Fax: (705) 670-5863

Dear Sir or Madam:

Submission Number: 2.17531

Status

Subject: Transaction Number(s): W9760.00217 Deemed Approval

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

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

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

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

Yours sincerely,

A handwritten signature in black ink, appearing to read "Blair Kite".

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

Work Report Assessment Results

Submission Number: 2.17531

Date Correspondence Sent: August 06, 1997

Assessor: Steve Beneteau

Transaction Number	First Claim Number	Township(s) / Area(s)	Status	Approval Date
W9760.00217	1204017	ATTAWAPISKAT	Deemed Approval	June 12, 1997

Section:

10 Physical PDRILL

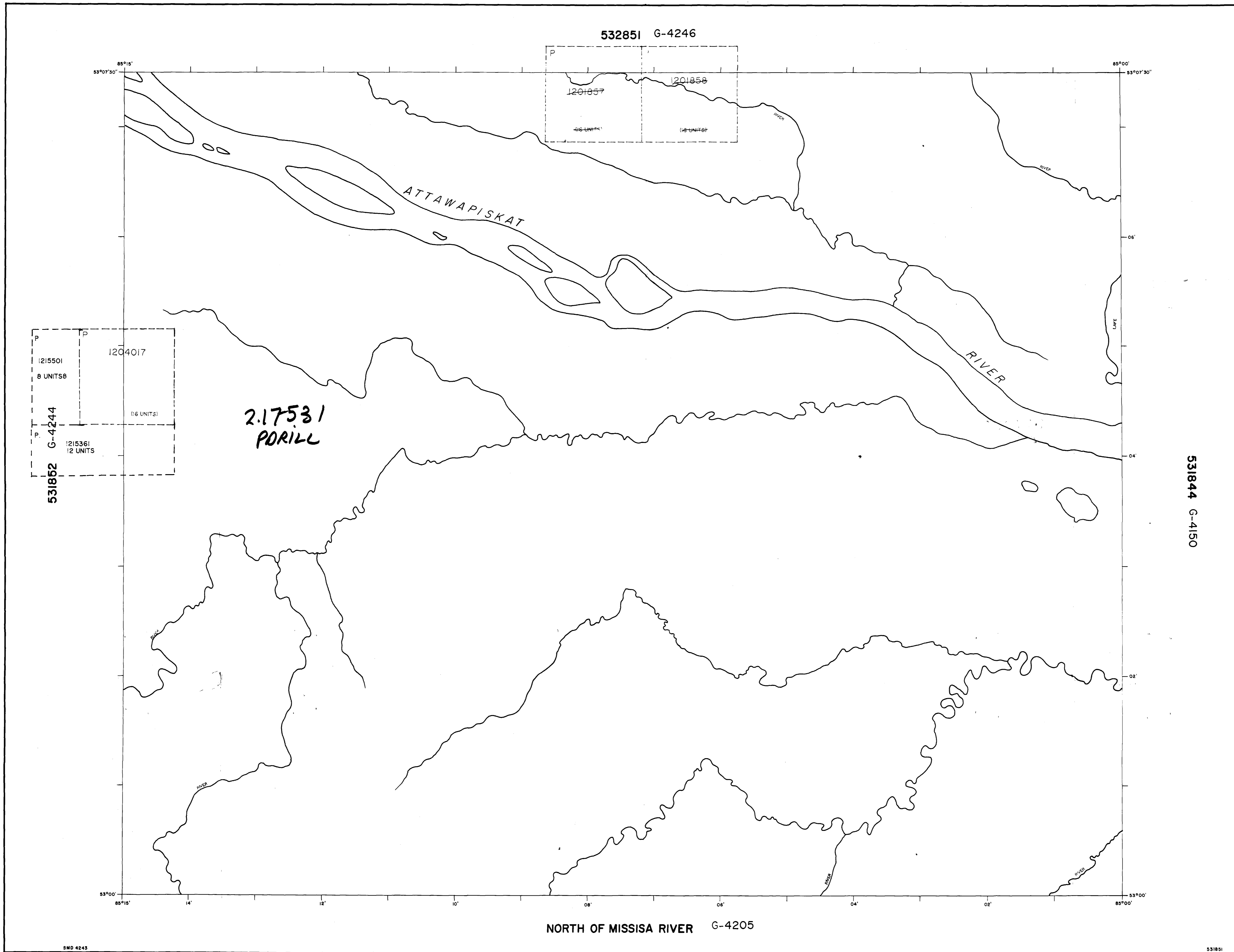
Correspondence to:

Resident Geologist
South Porcupine, ON

Assessment Files Library
Sudbury, ON

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

Steve Munro
RESSOURCES KWG INC.
TORONTO, ONTARIO



LEGEND

HIGHWAY AND ROUTE No.	
OTHER ROADS	
TRAILS	
SURVEYED LINES:	
TOWNSHIPS, BASE LINES, ETC.	
LOTS, MINING CLAIMS, PARCELS, ETC.	
UNSURVEYED LINES:	
LOT LINES	
PARCEL BOUNDARY	
MINING CLAIMS ETC.	
RAILWAY AND RIGHT OF WAY	
UTILITY LINES	
NON-PERENNIAL STREAM	
FLOODING OR FLOODING RIGHTS	
SUBDIVISION OR COMPOSITE PLAN	
RESERVATIONS	
ORIGINAL SHORELINE	
MARSH OR MUSKEG	
MINES	
TRAVERSE MONUMENT	

DISPOSITION OF CROWN LANDS

TYPE OF DOCUMENT	SYMBOL
PATENT, SURFACE & MINING RIGHTS	
" SURFACE RIGHTS ONLY	
" MINING RIGHTS ONLY	
LEASE SURFACE & MINING RIGHTS	
" SURFACE RIGHTS ONLY	
" MINING RIGHTS ONLY	
LICENCE OF OCCUPATION	
ORDER IN COUNCIL	
RESERVATION	
CANCELLED	
SAND & GRAVEL	

AREAS WITHDRAWN FROM DISPOSITION

Description	Order No.	Date	Disposition	File
M.R.O. - MINING RIGHTS ONLY				
S.R.O. - SURFACE RIGHTS ONLY				
M.+S. - MINING AND SURFACE RIGHTS				

SCALE: 1 INCH = 40 CHAINS

FEET 0 1000 2000 4000 6000 8000

METRES 0 200 1000 2000

11 KM 12 KM

AREA
531851

M.N.R. ADMINISTRATIVE DISTRICT
COCHRANE

MINING DIVISION
PORCUPINE

LAND TITLES / REGISTRY DIVISION
KENORA/PATRICIA PORTION

Ministry of Natural Resources Ontario

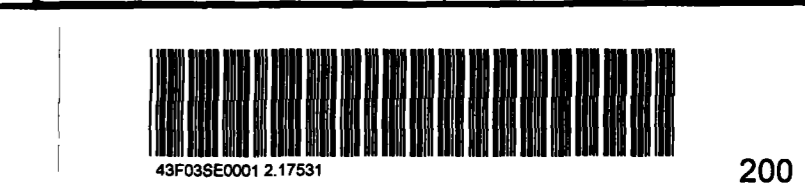
Ministry of Northern Development and Mines

Date JULY, 1995

Number **G-4243**

ACTIVATED NOV. 7/95 BY D.C.

CHECKED BY: D.K.



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