



52B13SW0011 2.12153 MIRANDA LAKE

010

BLUE REGAL RESOURCES LIMITED

MAGNETOMETER SURVEY ON
THE LAW-SPENCE OCCURRENCE PROPERTY
DISTRICT OF RAINY RIVER
ONTARIO

RECEIVED
FEB 6 1989
MINING LANDS SECTION

25787
by: Wayne E. Holmstead
January 31, 1989



52B135W0011 2.12153 MIRANDA LAKE

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INTRODUCTION

The Law Spence Occurrence property is owned by Blue Regal Resources Ltd. It consists of 22 contiguous, unpatented mining claims in the Calm Lake and Righteye Lake areas in the District of Rainy River, Ontario. The claims were staked by Rick Angove and Matt Stewardson.

The following report describes the history, geology and mineralization of the Law Occurrence and the Spence Occurrence and the immediate vicinity and a magnetometer survey on the property.

The claim numbers listed below are 100% owned by Blue Regal Resources Ltd.;

940895	940939	989649
940896	974196	989650
940897	974197	1000621
940898	974198	1000622
940899	974199	1000623
940900	974200	1000624
940901	989648	1000625
940938		

The Law Occurrence and Spence Occurrence are located between Banning and Niven Lakes south of Asmussen Township and about 30 kilometers west of Atikokan, Ontario (latitude 48 44', longitude 92 00'). Access is via Highway 11, one kilometre north and by boat across Banning Lake and by foot trail across the claims. Most services are available in Atikokan or Thunder Bay.

HISTORY

The Law Occurrence was first described in a Geological Survey of Canada report by Tanton (1927). He reported that "Mr Law of Banning reported discovering gold-bearing vein material visibly mineralized with chalcopyrite at a locality 650 feet south of Niven Lake along the portage to Seine river near Banning. Two grab samples taken by him from this vicinity are said to have shown, upon assay, gold values at the rate of \$28(1.33 oz.) and \$33(1.57 oz.) per ton, respectively."

The Spence Occurrence was first described in 1928 in a letter written by Frank Spence of Fort William to Mr. Watson of the Mining Corporation in Toronto (Resident Geologist's Files, Thunder Bay). In the letter he reported a quartz porphyry dike "that varies from 300 to 500 feet in width and extends over one mile in length. There has been no work on this and only surface assays which run \$0.20 (0.01 oz), \$1.92 (0.09 oz), \$13.40 (0.64 oz) and \$18.00 (0.86 oz), in gold with a 5% copper content."

The Law Syndicate was formed and in 1929 conducted prospecting, trenching and stripping (Schnieders and Dutka, 1985). Results were not available at the time of writing.

In 1956, Moneta Porcupine Mines conducted geological mapping and ground electromagnetic surveys (Schnieders and Dutka, 1985).

John Heilman, a former owner of the property of no known affiliation, drilled two short holes (212 feet) on the Law Occurrence in 1960. He intersected greenstone, diorite and occasional quartz veining all mineralized with pyrite. Some chalcopyrite was detected in the quartz veining. No assay values were included.

Cominco carried out geological and geophysical surveys and 150 metres of diamond drilling in 1966. The holes were drilled to intersect electromagnetic conductors. The mineralized rocks encountered consisted of silicified and graphitic zones up to 3 meters thick with massive pyrite, pyrrhotite and trace amounts of chalcopyrite (Fumerton, 1985).

In 1981, the property was staked by Fern Elizabeth Gold Mining Company Limited (Schnieders and Dutka, 1985).

Phantom Exploration conducted a property visit for Strike Exploration Limited in 1982 (Schnieders and Dutka, 1985).

In 1987, Matt Stewardson, a former owner of the property, took 10 grab samples from the Law Occurrence and had them assayed for gold and silver by Geoscience Laboratories in Toronto. The best gold results were; 0.04 oz/ton from a mineralized quartz vein on claim 940899, 0.03 oz/ton in quartz vein with up to 20% sulphides and 0.01 oz/ton in massive pyrite (70%) containing siliceous fragments (possibly sheared quartz vein material).

No further exploration work was done on the property in 1987.

LINE-CUTTING AND MAGNETOMETER SURVEY

An east-west trending baseline with cross-lines spaced at 100 meters were cut over the entire property. A total of 24 km of lines were cut on the property in June, 1988.

Total field magnetic measurements were made with a Scintrex MP-2 proton magnetometer at 25 meter intervals along the grid lines. Diurnal variation were determined by a base station check at regular intervals of about 2 hours. Results of the survey are contoured on the accompanying maps.

RESULTS OF THE MAGNETOMETER SURVEY

The magnetometer survey was successful in delineating areas of magnetite and sulphide enrichment on the Blue Regal property. Magnetic highs of up to 63,000 gammas extend from Niven Lake in the northwest corner of the property and curves around the margin of the granitic batholith to Line 14W, 4400S on the western portion of the property.

REFERENCES

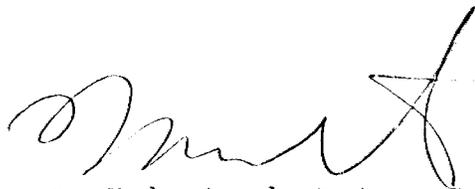
- Ferguson, S. A., Groen, H. A., Haynes, R.
1971: Gold Deposits of Ontario, Part 1, Ontario Department of Mines and Northern Affairs, Mineral Resources Circular 13, 315 p.
- Fumerton, S. J.
1985: Geology of the Calm Lake Area, District of Rainy River; Ontario Geological Survey Report 226, 72 p.
- Fumerton, S. J.
1986: Geology of the Righteye Lake Area, District of Rainy River; Ontario Geological Survey Report 239, 57 p.
- Little, W. C. B.
1928: Private Report to Mining Corporation of Canada Limited, Resident Geologist's Files, Thunder Bay, 5 p.
- Schmieders, E. R., and Dutka, R. J.
1985: Property Visits and Reports of the Atikokan Economic Geologists, 1979-1983, Atikokan Geological Survey; Ontario Geological Survey Open File Report 5539, 512 p.
- Spence, F.
1928: Letter to Mr Watson of Mining Corporation, Resident Geologist's Files, Thunder Bay, 1 p.
- Sullivan, A.
1928: Extracts from Reports of Engineers on Elizabeth Gold Mines, Resident Geologist's Files, Thunder Bay.
- Tanton, T. L.
1927: Mineral Deposits of the Steeprock Lake Map Area, Ontario; Geological Survey of Canada, Summary Report for 1925, Part C, p. 1-11.
- Wilkinson S. J.
1982: Gold Deposits of the Atikokan Area; Ontario Geological Survey, Mineral Deposits Circular 24, 54 p.

CERTIFICATE

I, Wayne E. Holmstead, of the City of Kingston in the Province of Ontario, DO HEREBY CERTIFY THAT:

1. I am a Consulting Geologist with address at 1074 Dillingham Street, Kingston, Ontario, Canada.
2. I graduated from the University of Toronto with a Bachelor of Science in Geology in 1976 and have been practicing my profession since.
3. I am a fellow in good standing of the Geological Association of Canada.
4. I have no interest, directly or indirectly, nor do I expect to receive any interest, directly or indirectly, in the mining property described in this report or in the securities of Blue Regal Resources Ltd.
5. This report is based upon the sources listed on Page 9, and upon several visits to the property.
6. I permit Blue Regal Resources Ltd. to use this report or portions of this report in the prospectus or other documents of the company.

Dated at Kingston, Ontario, this 31st day of January, 1988.



Wayne E. Holmstead, B.Sc., F.G.A.C.



Ontario



52B13SW0011 2.12153 MIRANDA LAKE

900

Ministry of
Northern Development
and Mines

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

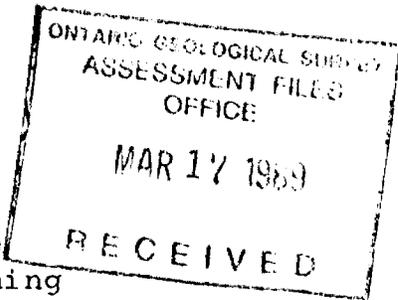
Ministère du
Développement du Nord
et des Mines

(416) 965-4888

March 9, 1989

Your File: W8804-633
Our File: 2.12153

Mining Recorder
Ministry of Northern Development and Mines
435 James Street South
P. O. Box 5000
Thunder Bay, Ontario
P7C 5G6



Dear Sir:

RE: Notice of Intent dated February 14, 1989
Geophysical (Magnetometer) Survey on Mining
Claims TB940895 et al in Hepburn Lake, Factor Lake,
McQuat Lake, Miranda Lake

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

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

Yours sincerely,

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

Encls:

DK: eb

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

cc: Mr. W. Holmstead
1074 Dillingham St.
Kingston, Ontario
K1P 2P4

cc: Blue Regal Resources
500-67 Richmond St. W.
Toronto, Ontario
M5H 1Z5

cc: Resident Geologist
Thunder Bay



Recorded Holder
Blue Regal Resources

Township or Area
Hepburn Lake, Factor Lake, McQuat Lake, Miranda Lake

Type of survey and number of Assessment days credit per claim	Mining Claims Assessed
Geophysical Electromagnetic _____ days Magnetometer _____ 20 _____ days Radiometric _____ days Induced polarization _____ days Other _____ days Section 77 (19) See "Mining Claims Assessed" column Geological _____ days Geochemical _____ days Man days <input type="checkbox"/> Airborne <input type="checkbox"/> Special provision <input checked="" type="checkbox"/> Ground <input checked="" type="checkbox"/> <input type="checkbox"/> Credits have been reduced because of partial coverage of claims. <input type="checkbox"/> Credits have been reduced because of corrections to work dates and figures of applicant.	TB-940895 to 901 inclusive 940938-39 974196 to 99 inclusive 989648 1000622-23

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

10 DAYS MAGNETOMETER

TB-974200
989649-50
1000621

No credits have been allowed for the following mining claims

not sufficiently covered by the survey insufficient technical data filed

TB-1000624-25



Northern Development and Mines
Ontario

Report of Work
(Geophysical, Geological,
Geochemical and Expenditures)

633

Instructions: If number of mining claims traversed exceeds space on this form, attach a list. Note: Only days credits calculated in the "Expenditures" section may be entered in the "Expend. Days Cr." columns. Do not use shaded areas below.

2.12153

Type of Survey(s) **GEOPHYSICAL / M'QUAT LAKE, FACTOR LAKE, MIRANDA LAKE**
 Mining Ad. **6-342** **6-529** **6-532**
 Claim Holder(s) **BLUE REGAL RESOURCES**
 Address **500 - 67 RICHMOND ST WEST, TORONTO, M5H 1Z5**
 Survey Company **GEOCOM CONSULTING**
 Name and Address of Author (of Geo-Technical report) **W HOLMSTEAD, 116 NIAGARA ST, KIRKLAND PQ H9J 3B6**
 Date of Survey (from & to) **15 01 88 31 10 88**
 Total Miles of line Cut **33 KM**
 Prospector's Licence No. **T 5003**

Credits Requested per Each Claim in Columns at right

Mining Claims Traversed (List in numerical sequence)

Special Provisions	Geophysical	Days per Claim
For first survey: Enter 40 days (This includes line cutting)	- Electromagnetic - Magnetometer	20
For each additional survey: using the same grid: Enter 20 days (for each)	- Radiometric - Other	
Man Days Complete reverse side and enter total(s) here	Geological	
	Geochemical	
	Geophysical	
	- Electromagnetic - Magnetometer - Radiometric - Other	
Airborne Credits Note: Special provisions credits do not apply to Airborne Surveys	Geological	
	Geochemical	
	- Electromagnetic - Magnetometer - Radiometric	

Mining Claim		Expend. Days Cr.	Mining Claim		Expend. Days Cr.
Prefix	Number		Prefix	Number	
TB	940895				
	940896				
	940897				
	940898				
	940899				
	940900				
	940901				
	940938				
	940939				
	974196				
	974197				
	974198				
	974199				
	974200				
	989648				
	989649				
	989650				
	1000621				
	1000622				
	1000623				
	1000624				
	1000625				

Expenditures (excludes power stripping)

Type of Work Performed

Performed on Claim(s)

Calculation of Expenditure Days Credits

Total Expenditures ÷ 15 = Total Days Credits

Instructions: Total Days Credits may be apportioned at the claim holder's choice. Enter number of days credits per claim selected in columns at right.

Date **NOV 18/88** Recorded Holder or Agent (Signature) *[Signature]*

Total number of mining claims covered by this report of work: **22**

For Office Use Only

Total Days Cr. Recorded **November 24 1988** Mining Recorder *[Signature]*

Approved as Recorded *[Signature]* Branch Director

Certification Verifying Report of Work

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

Name and Postal Address of Person Certifying **W. HOLMSTEAD - AS ABOVE**

Date Certified **NOV 18/88** Certified by (Signature) *[Signature]*

HEPBURN LAKE G-532

NOTES

AREAS WITHDRAWN FROM DISPOSITION

S.R. - SURFACE RIGHTS M.R. - MINING RIGHTS

Description	Order No.	Date	Disposition	File
Rt. W 10/87 202 - 500 Withdrawn see Factor Lake area G538				
Rt. W 10/87 202 - 500 Withdrawn see Factor Lake area G538				

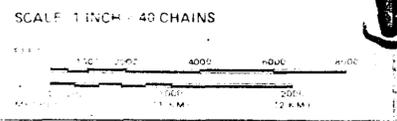
LEGEND

HIGHWAY AND ROUTING	
OTHER ROAD	
TRAILS	
SURVEYED LINES	
TOWNSHIP BOUNDARIES, ETC.	
LOTS, MINING CLAIMS, PARCELS, ETC.	
UNSURVEYED LINES	
RAILWAY AND RIGHT OF WAY	
UTILITY LINES	
NON-PERMANENT STREAM	
FLOODPLAIN	
SUBSIDENCE	
RESERVATION	
ORIGINAL BOUNDARIES	
MARSH OR MUDFLATS	
MINER	
TRAVERSING MONUMENT	

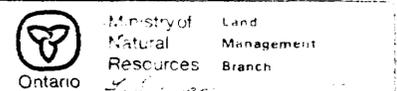
DISPOSITION OF CROWN LANDS

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	

NOTE: MINING RIGHTS IN PARCELS PATENTED PRIOR TO MAY 1, 1912, VESTED IN THE ORIGINAL PATENTEE BY THE PUBLIC LANDS ACT, P.S.O. 1910, CHAP. 380, SEC. 63, SINCE



AREA
FACTOR LAKE
 M.N.R. ADMINISTRATIVE DISTRICT
ATIKOKAN & FORT FRANCES
 MINING DIVISION
THUNDER BAY & KENORA
 LAND TITLES / REGISTRY DIVISION
RAINY RIVER



Date: NOVEMBER 1981 Number: **G-5127**

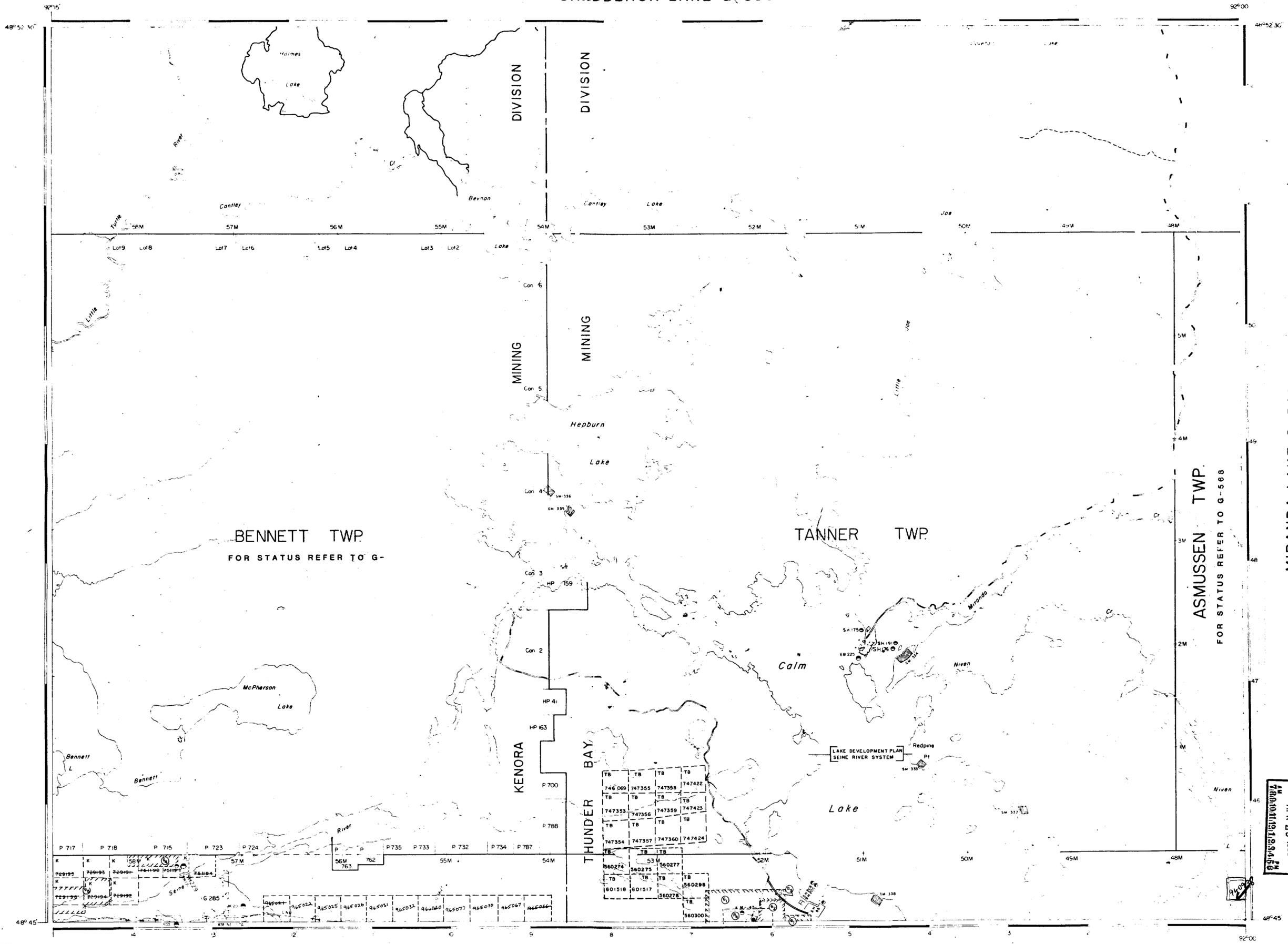
WILD POTATO LAKE G-565

MCQUAT LAKE G-542

BEAVERHOUSE LAKE G-510



SANDBEACH LAKE G-556



NOTES

AREAS WITHDRAWN FROM DISPOSITION

S.R. - SURFACE RIGHTS		M.R. - MINING RIGHTS	
Description	Order No.	Date	Disposition File
SEC. 43, 44 Act	W21/80NCR 30/6/80	S.R.O.	163472
SAND AND GRAVEL			
M.T.C. GRAVEL PIT	984	M.T.C. GRAVEL PIT	1089
GRAVEL FILE	35700		

FLOODING RIGHTS IN CONNECTION WITH WATER POWER SITES AT STURGEON FALLS AND CALM LAKE TO AN ELEVATION OF 1173' AND 1255' L.O. 6626 FILE 16799

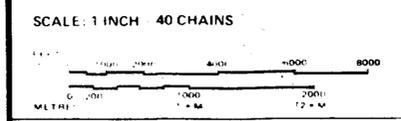
LEGEND

HIGHWAY AND RIGHT OF WAY	
OTHER ROADS	
TRAILS	
SURVEYED LINES	
TOWNSHIP BOUNDARIES ETC.	
LOTS MINING CLAIMS PARCELS ETC.	
UNSURVEYED LINES	
LOT LINES	
PARCEL BOUNDARIES	
MINING CLAIMS ETC.	
RAILWAY AND RIGHT OF WAY	
UTILITY LINES	
NON PERENNIAL STREAM	
FLOODING OR FLOODING RIGHT	
SUBDIVISION OR COMPOSITION 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	

NOTE: MINING RIGHTS IN PARCELS PATENTED PRIOR TO MAY 6 1913, VESTED IN ORIGINAL PATENTEE BY THE PUBLIC LANDS ACT, R.S.O. 1910, CHAP. 380, SEC. 63, SUBSEC. 1



AREA
HEPBURN LAKE
 M.N.R. ADMINISTRATIVE DISTRICT
ATIKOKAN
 MINING DIVISION
THUNDER BAY/KENORA
 LAND TITLES / REGISTRY DIVISION
RAINY RIVER

Ministry of Natural Resources
 Land Management Branch
 Ontario

Date: DECEMBER 1981
 Number: G-532

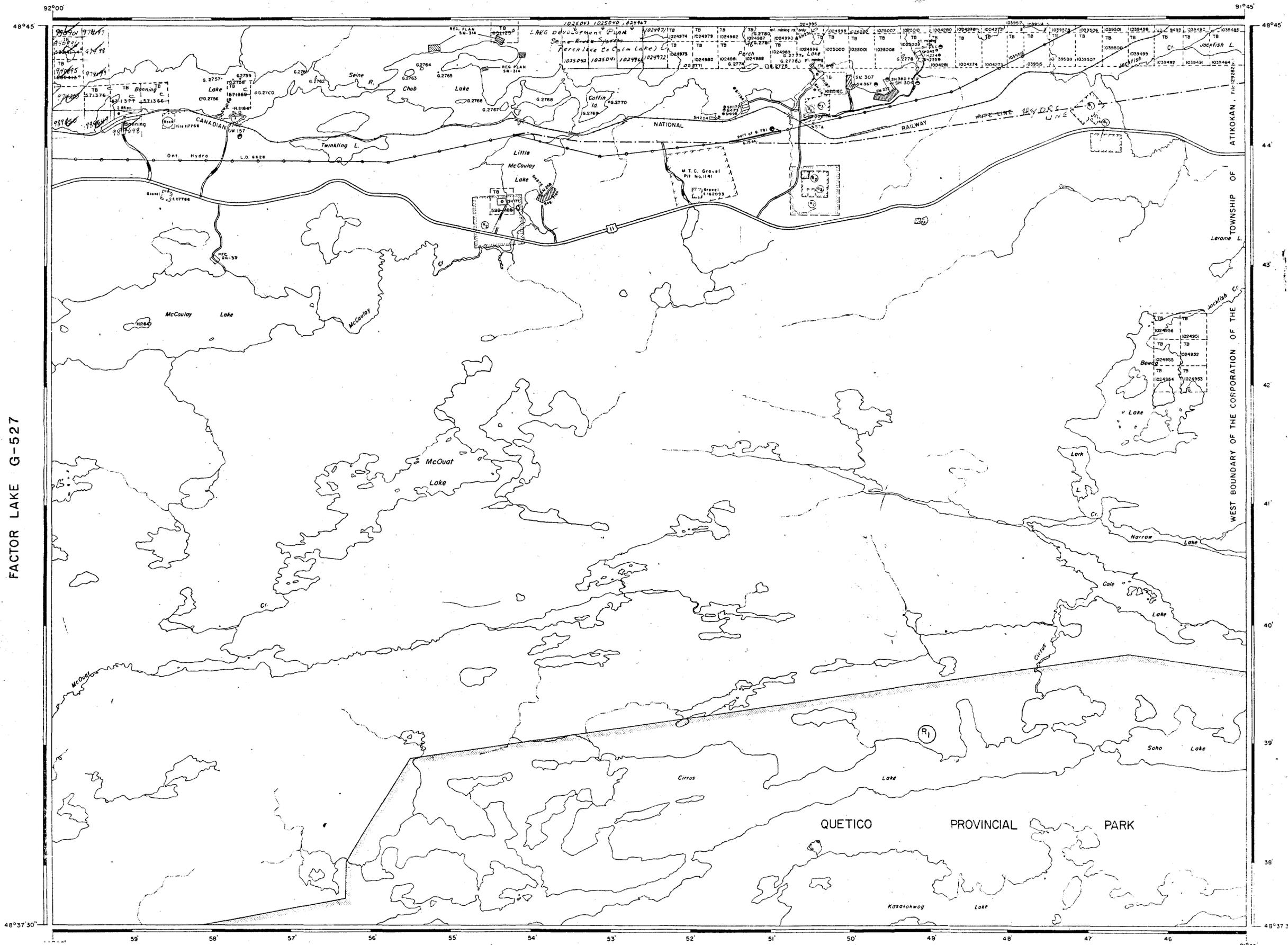
MIRANDA LAKE G-543

ASMUSSEN TWP.
FOR STATUS REFER TO G-568

FACTOR LAKE G-527



MIRANDA LAKE G-543



REFERENCE

AREAS WITHDRAWN FROM DISPOSITION

Description	Order No.	Date	Disposition	File
Sec. 43 M. Act. (R.S.O. 1970)	W.41/73	31/8/73	S.R.M.R.	180216
	W.21/BONCR 30/6/80		S.R.O.	163472

SAND AND GRAVEL

M.T.C. Gravel Reserve Oct. 16, 1973
 - PII NP 2A-B
 Gravel File: 162093
 M.T.C. Gravel Reserve 2A-B, File 162093

Area within the Quetico Provincial Park withdrawn from staking.

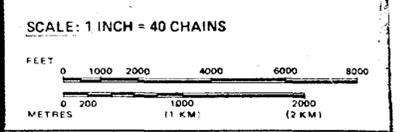
LEGEND

HIGHWAY AND ROUTE No	
OTHER ROADS	
TRAILS	
SURVEYED LINES	
TOWNSHIPS, BASE LINES, ETC.	
LOS, 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	

NOTE: MINING RIGHTS IN PARCELS PATENTED PRIOR TO MAY 5, 1913, VESTED IN ORIGINAL PATENTEE BY THE PUBLIC LANDS ACT, R.S.O. 1970, CHAP. 380, SEC. 63, SUBSEC. 1.



AREA

McOUAT LAKE

M.N.R. ADMINISTRATIVE DISTRICT
ATIKOKAN

MINING DIVISION
THUNDER BAY

LAND TITLES / REGISTRY DIVISION
RAINY RIVER

Ministry of Natural Resources
 Land Management Branch
 Ontario

Date: DECEMBER, 1981
 Number: **G-542**

QUETICO LAKE G-551



CROWROCK LAKE G-520

REFERENCES

AREAS WITHDRAWN FROM DISPOSITION

S.R. - SURFACE RIGHTS M.R. - MINING RIGHTS

Description Order No. Date Disposition File

SAND AND GRAVEL

④ Quarry Permit 483

LEGEND

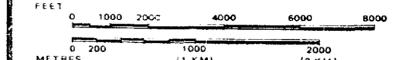
- HIGHWAY AND ROUTE No.
- OTHER ROADS
- TRAILS
- SURVEYED LINES
- TOWNSHIPS, BASE LINES, ETC.
- LOTS, MINING CLAIMS, PARCELS, ETC.
- UNSURVEYED LINES
- LOT LINES
- PARCEL BOUNDARY
- MINING CLAIMS ETC.
- RAILWAY AND RIGHT OF WAY
- UTILITY LINES
- NON PERENNIAL STREAM
- FLOODING OR FLOODING RIGHTS
- SUBDIVISION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

DISPOSITION OF CROWN LANDS

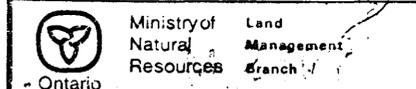
TYPE OF DOCUMENT	SYMBOL
PATENT, SURFACE & MINING RIGHTS	⊙
" SURFACE RIGHTS ONLY	○
" MINING RIGHTS ONLY	⊙
LEASE, SURFACE & MINING RIGHTS	⊙
" SURFACE RIGHTS ONLY	○
" MINING RIGHTS ONLY	⊙
LICENCE OF OCCUPATION	⊙
ORDER-IN-COUNCIL	⊙
RESERVATION	⊙
CANCELLED	⊙
SAND & GRAVEL	⊙

NOTE: MINING RIGHTS IN PARCELS PATENTED PRIOR TO MAY 6, 1913, VESTED IN ORIGINAL PATENTEE BY THE PUBLIC LANDS ACT, H.S.O. 1970, CHAP. 380, SEC. 63, SUBSEC. 1.

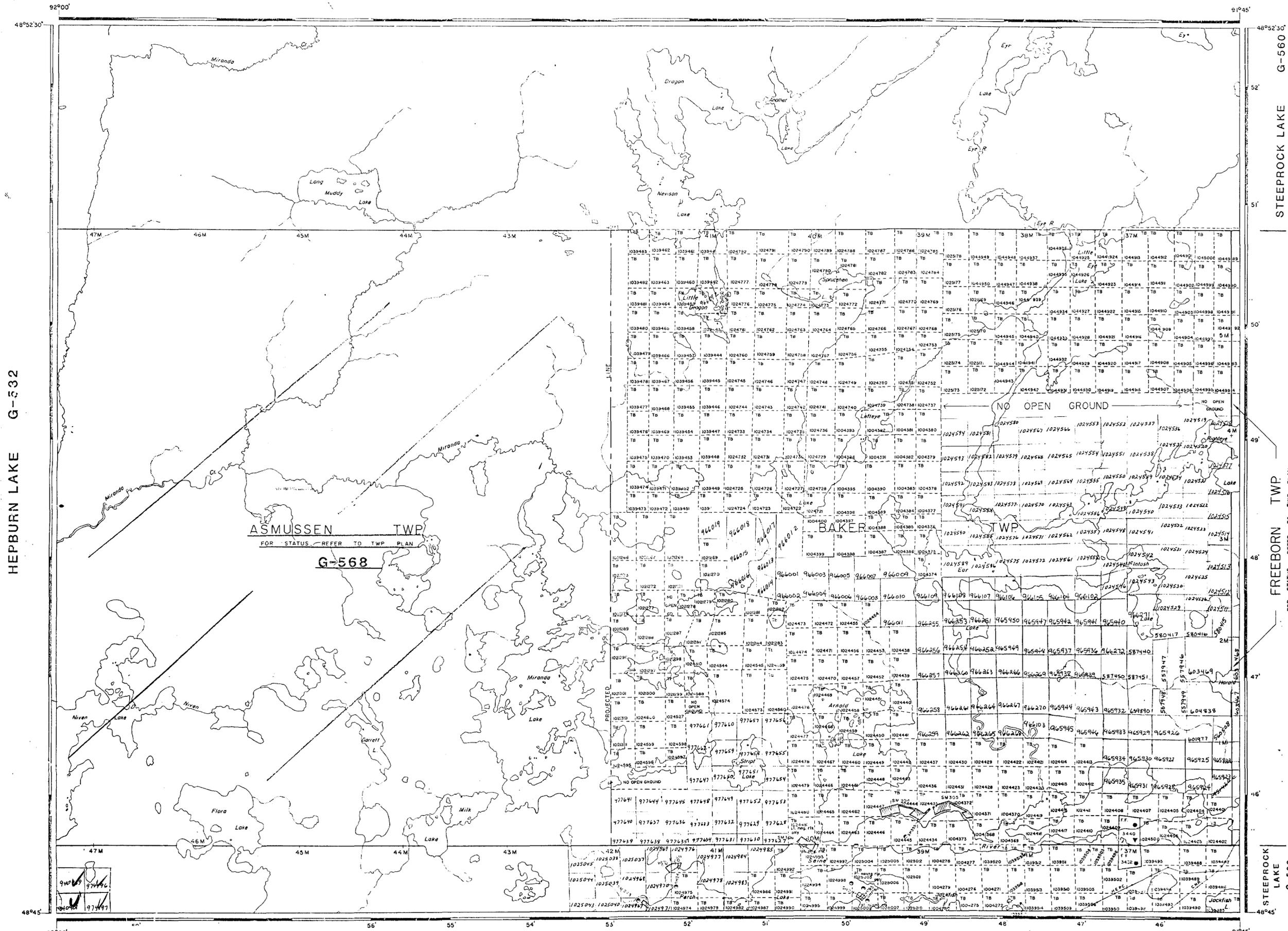
SCALE: 1 INCH = 40 CHAINS



AREA
MIRANDA LAKE
 M.N.R. ADMINISTRATIVE DISTRICT
ATIKOKAN
 MINING DIVISION
THUNDER BAY
 LAND TITLES / REGISTRY DIVISION
RAINY RIVER



Date August 15, 1985 Number **G-543**



STEEP ROCK LAKE G-560
 FREEBORN TWP G-570
 FOR STATUS REFER TO TWP PLAN

HEPBURN LAKE G-532

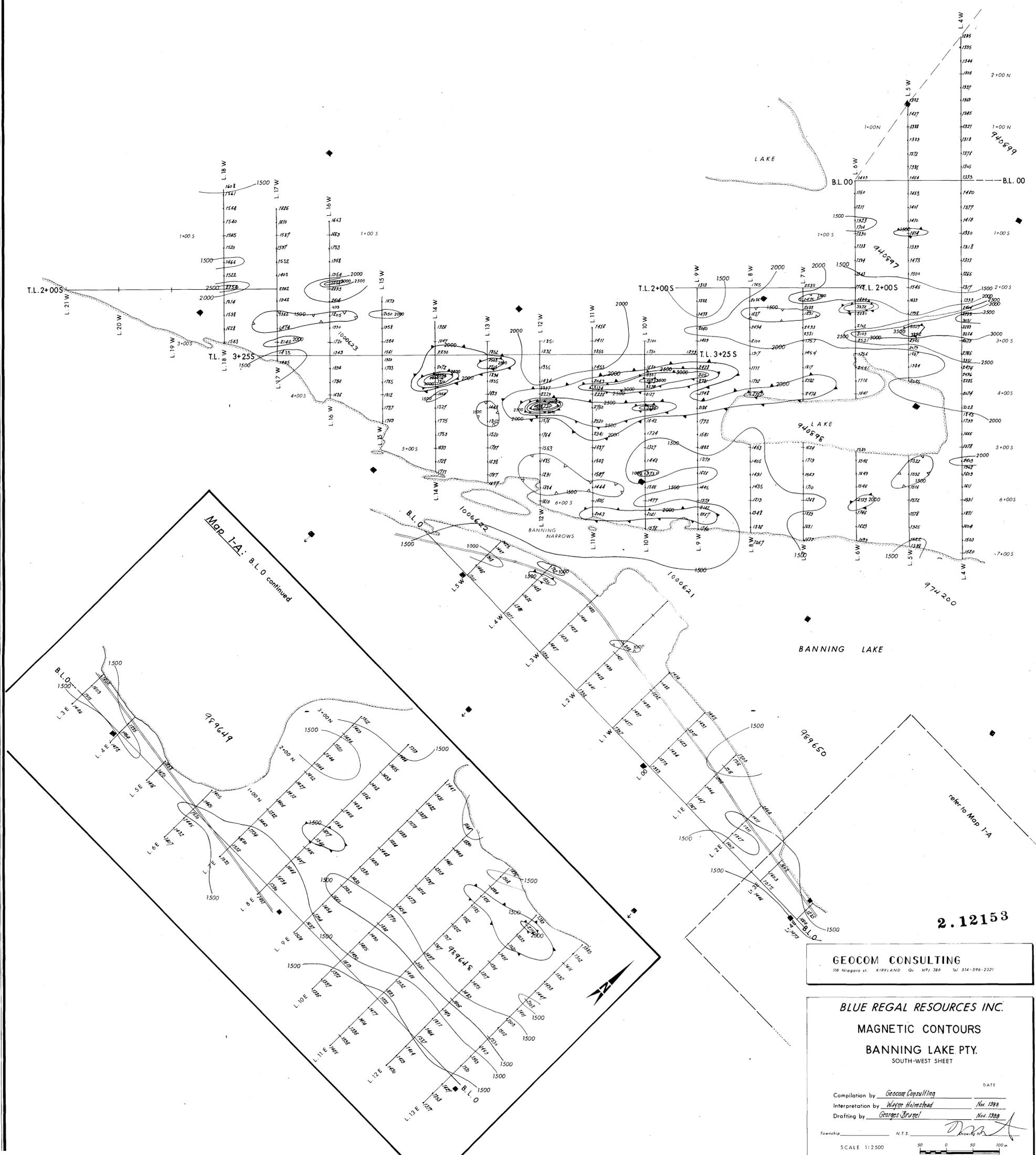
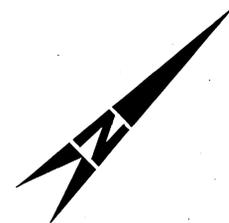
ASMUSSEN TWP
 FOR STATUS REFER TO TWP PLAN
 G-568

BAKER TWP

FREEBORN TWP
 FOR STATUS REFER TO TWP PLAN
 G-570

STEEP ROCK LAKE
 G-560

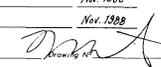
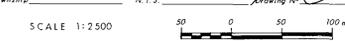
 HIGH VALUE CONTOUR
 LOW VALUE CONTOUR
 BASIC VALUE IS 58000 GAMMAS

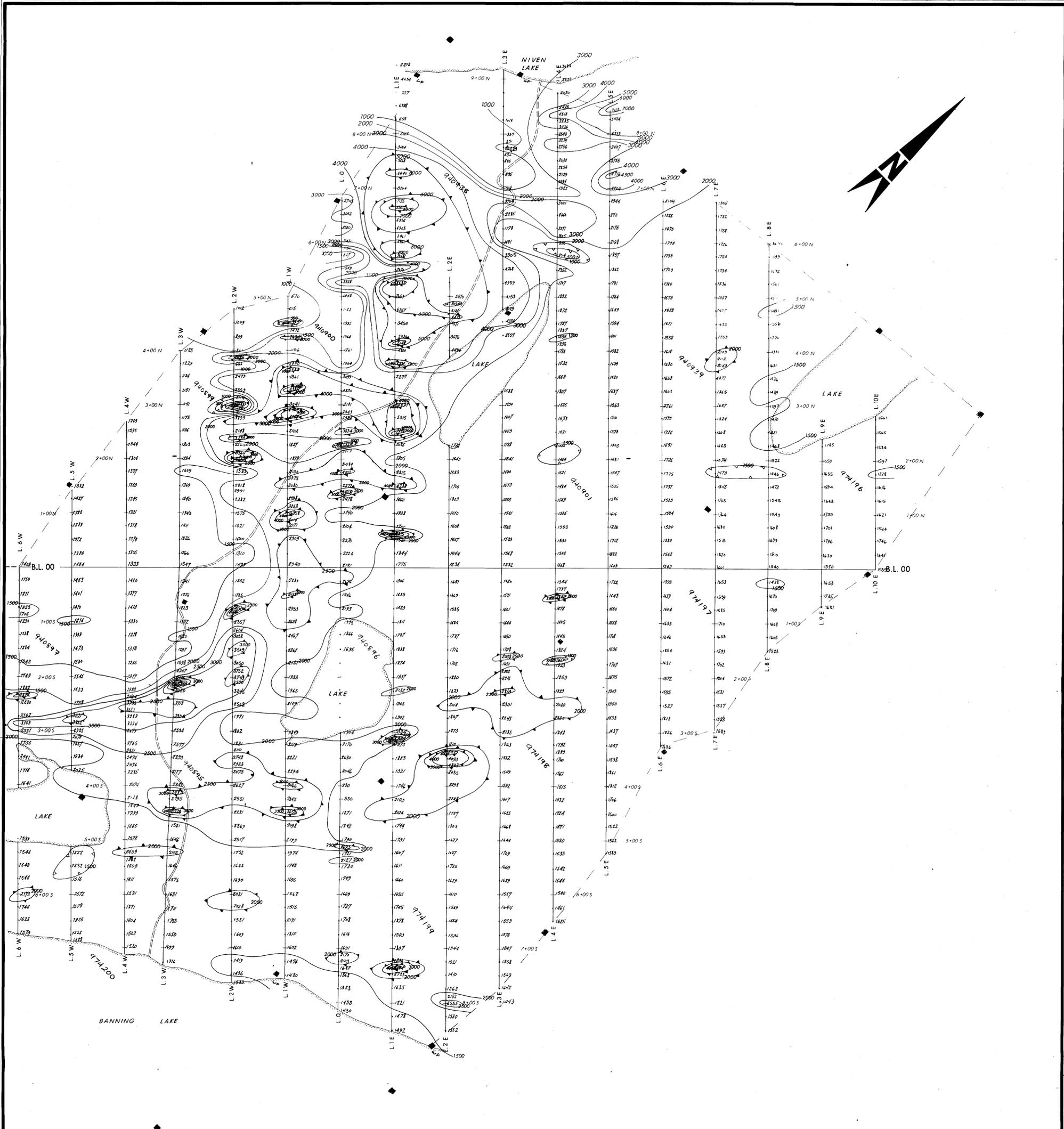


2.12153

GEOCOM CONSULTING
 116 Niagara St. KIRKLAND Qc. H9J 3B6 Tel. 514-596-2321

BLUE REGAL RESOURCES INC.
MAGNETIC CONTOURS
BANNING LAKE PTY.
 SOUTH-WEST SHEET

DATE _____
 Compilation by Geocom Consulting
 Interpretation by Wayne Holmstead No. 1388
 Drafting by Georges Brunel No. 1388
 Township _____ N.T.S. 
 SCALE 1:2500 



2.12153

GEOCOM CONSULTING
 716 Niagara St. KIRKLAND Qc H9J 3B6 Tel: 514-696-2321

BLUE REGAL RESOURCES INC.
MAGNETIC CONTOURS
BANNING LAKE PTY.
 NORTH-EAST SHEET

Compilation by Geocom Consulting DATE _____
 Interpretation by Wayne Holmsted Nov. 1988
 Drafting by Georges Brunel Nov. 1988

Township _____ N.T.S. DM Drawing No. _____
 SCALE 1:2500 0 50 100 m

▲ HIGH VALUE CONTOUR
 ▼ LOW VALUE CONTOUR
 BASIC VALUE IS 58000 GAMMAS

