



52E08SE0006 2.7735 PHILLIPS

010

Combined Property
Wasabi Resources Ltd.
Phillips Township, District of Kenora
Kenora Mining Division
Ontario

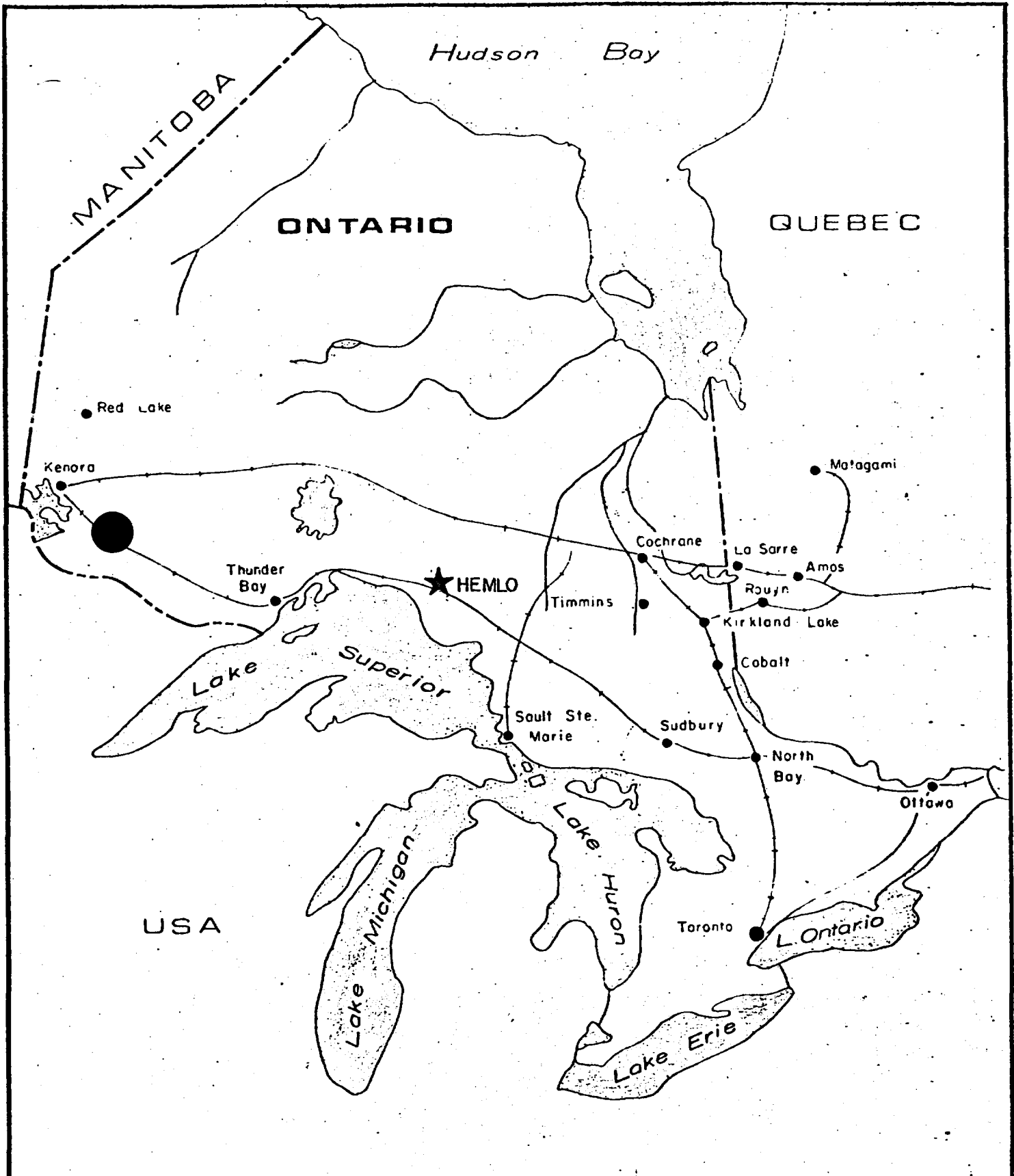
Geophysical Surveys
December 1984

RECEIVED

JAN 30 1985

MINING LANDS SECTION

U. Abolins P. Eng.
January 21, 1984



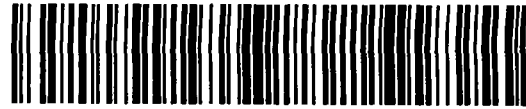
WASABI RESOURCES LTD.

COMBINED PROPERTY
PHILLIPS TWP.
KENORA MINING DIVISION

KM 0 160 320
 MILES 100 200

Scale: 1 : 8,236,800

FIGURE 1.



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PHILLIPS TOWNSHIP
DISTRICT OF KENORA
KENORA MINING DIVISION

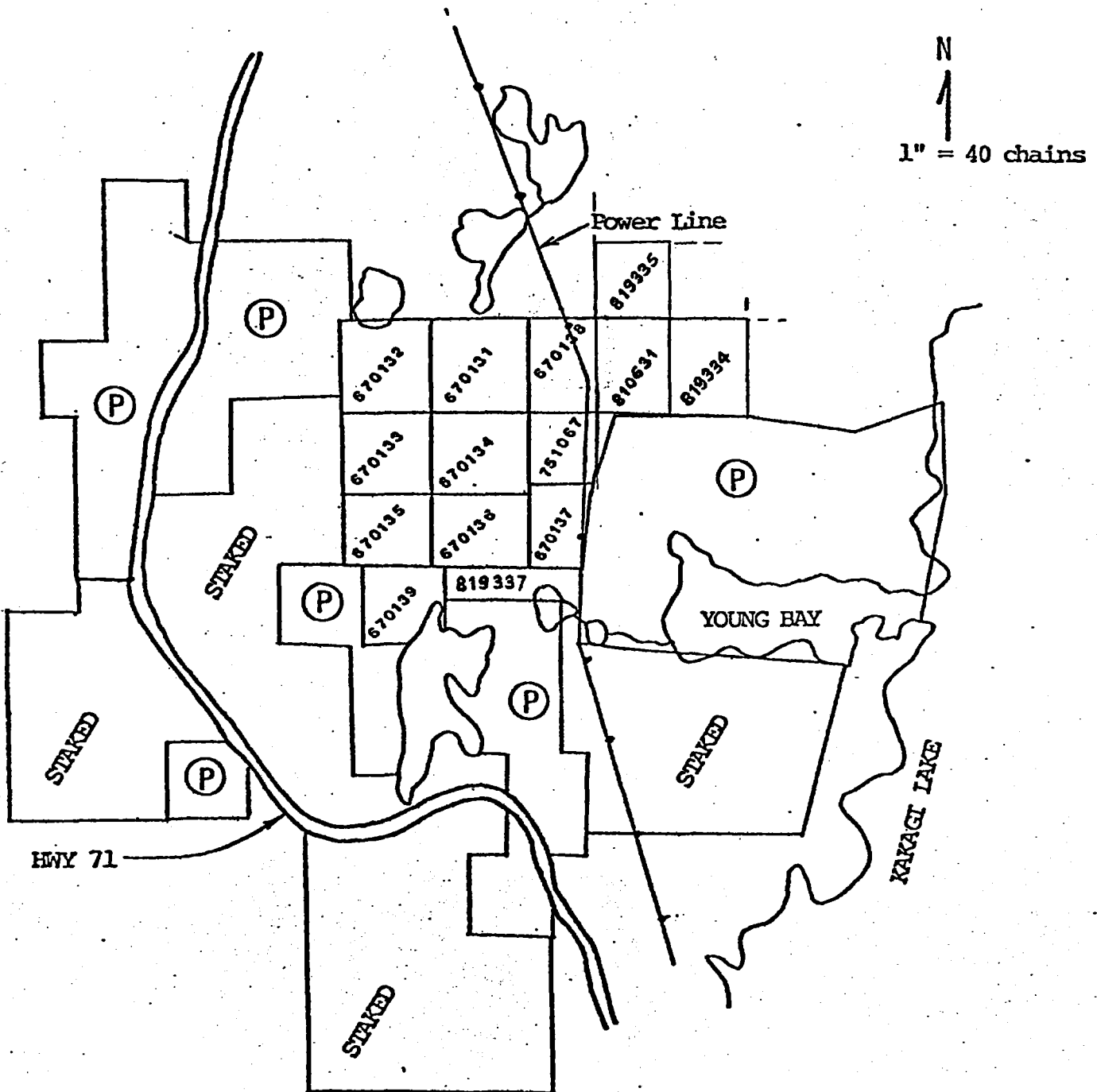


FIGURE 2: CLAIM MAP

Introduction

This report describes the electromagnetic VLF EM-16 and proton magnetometer surveys on part of the 40 claim Combined Property located in the Kakagi-Cameron Lakes area of the Kenora Mining Division.

The surveys were conducted during the first two weeks of December by the staff of The Durham Resources Group.

Location and Access

The Combined Property is located 42 miles southwest of Kenora Ontario, between Highway 71 in the vicinity of Camp Bay on Lake of the Woods and Young Bay of Kakagi Lake.

Access to the property is good as a bush road runs eastward from Highway 71, through the central portion of the claim block. Further interior access is provided by logging skid roads and an Ontario Hydro transmission line.

Physiography

The property occurs in an area of steeply rolling hills. Local elevations of several hundred feet over the same horizontal distance are quite common. The areas of line 0 + 00 and line 18 + 00 E on the base line are the topographic highs of the property from which both Lake of the Woods and Kakagi Lake can be seen. Numerous swampy areas are present between the hills. The area has recently been clear-cut and the remaining vegetation on the property now consists of scrub bush with patches of mature spruce, balsam, and cedar in the low lying swampy areas and as scattered clusters of mature jack, red and white pine on the gravelly hillsides.

Property

The part of the property covered by the present survey consists of 13 unpatented 40 acre mining claims.

K670131 - K670139 inclusive	recorded February 16, 1983
K751067	recorded October 26, 1983
K810631	recorded October 22, 1984
K819335, 819337	recorded October 22, 1984

The claims are located in north central Phillips Township, Kenora Mining Division.

Previous Work

The Combined Property was first discovered in 1897. Between 1897 and 1906 two shafts and a number of pits were put down to explore a number of quartz veins. One shaft was sunk to a 101 foot depth with 166 feet of drifting, the other shaft was sunk to 45 feet with 159 feet of drifting. In 1903 a 37 ton mill test was carried out and returned a grade of 0.33 oz. Au/ton.

In 1980, Sherritt Gordon Mines Ltd. carried out a geological reconnaissance-prospecting programme on four claims adjoining the old Combined workings to the west. Sherritt located two quartz veins in the northwest corner of current claim K670131. Trenching across one of the veins and accompanying wall rock returned a muck assay of 0.06 oz. Au/ton over a width of approximately 12 feet. The other quartz vein only recorded trace values.

No work has ever been recorded on these claims between 1906 and 1980.

In 1981, The Ontario Geological Survey funded a study "Feasibility of Small Scale Gold Mining in Northwestern Ontario", which involved the review of some 400 gold occurrences in the Kenora, Kakagi Lake, and Mine Centre areas. The report states that a speculative tonnage of 240,000 tons of 0.30 oz. Au. could exist on the Combined Property.

A property of 10 claims covering the Combined workings was acquired in 1983 under option from Mess. A.G. Huber, A. Laferniere, and R.W. Pitkanen of Fort Frances. Subsequently an additional 30 claims were staked and added on to the property. During the month of September of 1984, eight short holes for a total of 660 feet were drilled to test the flat lying Combined Vein. The drilling showed that the quartz vein extended past the old workings, was up to 39 feet thick, and carried scattered gold values.

Regional Geology

The Combined Property lies on the western edge of Kakagi Lake which is at the western limit of the Wabigoon Volcanic Belt. Peripheral to a central volcanic accumulation (NE of Kakagi Lake) of partially contemporaneous felsic volcanics and volcano-sedimentary rocks, is a thick sequence of fine to medium grained basic volcanics consisting mainly of massive and pillowed basalt and andesite flows. Coarse mafic rocks, commonly amphibolitic or gabbroic in nature, are enclosed within the flow sequence and are probably genetically related to the mafic volcanics (Kwong & Crocket 1978). It is within this unit that the recently discovered Nuinsco-Lockwood gold deposit has been discovered on the north shore of Cameron Lake. The Combined Property is approximately 12 miles west of this gold discovery, and occurs in the same peripheral mafic volcanic unit on the opposite side of the volcanic centre.

Overlying these mafic volcanics, is a felsic pyroclastic pile composed of assorted tuffs and minor flows. Chemically, the predominant portion of the

unit is dacitic in composition. Rhyodacite occurs in subordinate amounts while rhyolite is rare. The felsic sedimentary rocks of this unit include well-bedded chert, siltstone, and tuffwacke. Well banded felsic tuffs are interbedded with these rocks. Lying within the felsic pyroclastic assemblage are well differentiated gabbro-pyroxenite-peridotite sills.

There are several felsic intrusive bodies in the area, with the most prominent being the Stephen Lake Stock located in the centre of the pyroclastic pile. Felsic porphyry dikes are common particularly within the peripheral basic volcanic rocks.

The major structure in the area is the Pipestone-Cameron Fault, which northwesterly-southwesterly transects the eastern portion of the volcanic pile through Cameron Lake. The association of this fault structure to gold mineralization is unknown at this time.

Electromagnetic Survey

A VLF EM-16 survey utilizing the Cutler Maine transmitting station was performed over a cut grid. The lines were cut at a spacing of 300 feet, except that in the area of the old Combined workings the lines were cut at a spacing of 150 feet. A total of 14.3 miles of line were cut from a base line with a 65° azimuth.

Nine conductors or conductive trends as well as a number of single line cross-overs were outlined in the survey. The double hydro transmission line was very noisy and influenced readings for a considerable distance.

Magnetometer Survey

A magnetometer survey using a portable proton magnetometer with a staff was run at the same time as the electromagnetic survey. A daily base station was set-up on a bush road on L24+00W at 15+00N. The base line was surveyed

first and then the grid was run by doing two lines in a loop, using the base line stations as loop base stations. The magnetometer survey showed a variability generally in the range of 1000 to 2000 gammas with rare larger variations up to 6000 gammas. The values are typical of a sequence of basic volcanics with interfingering tuffites and the occasional intrusive. Two trends appear on the magnetometer survey; the major one paralleling the known bedding and the other which is slightly cross-cutting, representing basic intrusives.

Survey Results

Conductor AA

A 1200 foot long variable conductor which may consist of multiple zones at the west end. Very strong on L12+00W, where it is 81% peak to peak. Good agreement with Fraser contours. No direct magnetic anomaly but magnetic anomalies of 800 - 2000 gammas directly on strike adjacent to the ends of the conductor.

Conductor BB

A very variable conductor ranging from weak to strong, and has been traced approximately 2400 feet. It is open to the west where it is quite strong, being 103% peak to peak. A break or a section of very poor conductivity occurs in the central portion of the conductor where there is a direct and a flanking magnetic anomaly of about a 1000 gammas. The axis trace of the conductor is in good agreement with the Fraser contours. The conductor is probably caused by sulphide mineralization within a tuffaceous horizon or a shear zone.

Conductor CC

This conductor is probably a fault offset of Conductor BB. The conductor is quite variable ranging in strength from weak to strong and displaying occasionally good conductivity. It has been traced 3000 feet and is open to the east where it is very strong, 106% peak to peak. The magnetics are quite variable along the strike of the conductor and show patchy directly associated anomalies of several hundred gammas. The conductor is probably caused by sulphide mineralization within a tuffaceous horizon or within a shear zone.

Conductor DD

A short (300 foot long) conductor. Moderate strength on L12+00E of 56% peak to peak. May be open to the east. No magnetic anomaly associated with the conductor.

Conductor EE

A short conductor (traced 650 feet) of moderate strength. Complicated by the hydro transmission line. It occurs adjacent to a flanking low and may represent a weakly mineralized or sheared contact.

Conductor FF

A weak, multiple conductor, traced about 1000 feet. No magnetic association. Probably caused by weakly mineralized tuffs or shears.

Conductor GG

A short very poor and weak conductor. May be about 400 feet long. No direct magnetic anomaly present, but a 1000 gamma anomaly is present on the west extension along strike. Conductor FF occurs directly on strike about 900 feet to the northeast .

Conductor HH'

An intermittent conductor of 2400 foot length. Generally a very poor conductor with occasional cross-overs of moderate strength such as line 21+00W where it is 67% peak to peak. The conductor is complicated by a slightly cross-cutting magnetic dike and possibly a northeast striking fault.

Conductor JJ

A single line anomaly which is open on strike to the west. A 5000 to 6000 gamma magnetic anomaly occurs on the south flank.

Conclusions and Recommendations

Since the property is located in a gold bearing area, weak shear zones or mineralized tuffs should be considered potential drill targets. Conductors BB, CC, DD, HH', and JJ require more geophysics as they have not been fully traced-out.

Geological mapping of the property prior to a drilling programme would be a great asset. The geophysical surveys indicate the possible presence of a northeast striking fault through Markell Lake and the western bay of Girard Lake. A magnetic dike appears to be present parallel to the possible fault.

At the present level of survey completion, conductors AA, BB, CC, EE, FF, and HH' warrant testing by drilling.

Respectfully Submitted

Uldis Abolins P.Eng.
Uldis Abolins P.Eng.

References

Hopkins, P.E.

1921: Ontario Gold Deposits, - Their Character, Distribution, and Productiveness, Ontario Department of Mines, Volume XXX, Part II, 1921.

Kwong, Y.T.J., and Crocket, J.H.

1978: Background and Anomalous Gold in Rocks of an Archean Greenstone Assemblage, Kakagi Lake Area, Northwestern Ontario, Economic Geology, Vol. 73, pp. 50-63.

Morse, R.H., and Harder, D.G.,

1980: Kenora Gold Project, Combined Area Claims (Terrell Option), Geological and Trenching Report, Assessment Files - Phillips Twp., Ontario Ministry of Natural Resources, Mining Lands Section.

Neilson, J.N., and Bray, R.C.E.

1981: Feasibility of Small Scale Gold Mining in Northwestern Ontario (parts of the Districts of Kenora, Rainy River, and Thunder Bay), Ontario Geological Survey, Open File Report 5332, Vol. 1 and 2.

CERTIFICATE

I, Uldis Abolins of 340 Burnett Avenue, in the City of North York, in the Municipality of Toronto, in the Province of Ontario,

DO HEREBY CERTIFY:

1. That I am a graduate of the University of Toronto with the degree of B.A.Sc. in Geological Engineering.
2. That I have actively practised my profession in mineral exploration since graduation in 1967.
3. That I am a Registered Professional Engineer in the Provinces of Ontario and Quebec.
4. That I have no interest either directly or indirectly in the property or securities of Wasabi Resources Ltd. nor do I expect to receive any.
5. That permission is hereby given to Wasabi Resources Ltd. to reproduce this report for use with a Statement of Material Facts or Prospectus.



Uldis Abolins, B.A.Sc., P.Eng.

Dated at the Municipality of Toronto
Province of Ontario
This 21st Day of January 1985.



52E085E0006 2.7735 PHILLIPS

900

Mining Lands Section

File No 27735

Control Sheet

TYPE OF SURVEY	<input checked="" type="checkbox"/>	GEOPHYSICAL
	<input type="checkbox"/>	GEOLOGICAL
	<input type="checkbox"/>	GEOCHEMICAL
	<input type="checkbox"/>	EXPENDITURE

MINING LANDS COMMENTS:

lpa KB.

S. Hurst

Signature of Assessor

85-01-31

Date

1985 03 15

Your File: 14-85
Our File: 2.7735

Mining Recorder
Ministry of Natural Resources
4 Government Road East
Kirkland Lake, Ontario
P2N 1A2

Dear Sir:

RE: Notice of Intent dated February 12, 1985
Geophysical (Electromagnetic & Magnetometer)
Survey on Mining Claims K 670131, et. al.,
in Phillips Township

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,

S.E. Yundt
Director
Land Management Branch

Whitney Block, Room 6643
Queen's Park
Toronto, Ontario
M7A 1W3

S. Hurst:mc

cc: Wasabi Resources Ltd
Suite 916
111 Richmond Street West
Toronto, Ontario
M5H 2G4
Attention: U. Abolins P. Eng.,

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

cc: Resident Geologist
Kirkland Lake, Ontario



Ontario

Ministry of
Natural
Resources

Technical Assessment Work Credits

File
2.7735

Date
1985 02 12

Mining Recorder's Report of
Work No. 14-85

Recorded Holder
WASABI RESOURCES LTD, D. MacEACHERN

Township or Area
PHILLIPS TOWNSHIP

Type of survey and number of Assessment days credit per claim	Mining Claims Assessed
Geophysical Electromagnetic _____ 20 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.	K 670131 670133 to 138 inclusive 751067 777360 810631 819335

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

<u>15 DAYS MAGNETOMETER</u> <u>15 DAYS ELECTROMAGNETIC</u> K 670132	<u>10 DAYS MAGNETOMETER</u> <u>10 DAYS ELECTROMAGNETIC</u> K 670139 777361 819337
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No credits have been allowed for the following mining claims

not sufficiently covered by the survey Insufficient technical data filed



Ministry of
Natural
Resources

Ontario

Feb. 27/85

1985 02 12

Your File: 2.7735
Our File: 14-85

Mining Recorder
Ministry of Natural Resources
4 Government Road East
Kirkland Lake, Ontario
P2N 1A2

Dear Sir:

Enclosed are two copies of a Notice of Intent with statements listing a reduced rate of assessment work credits to be allowed for a technical survey. Please forward one copy to the recorded holder of the claims and retain the other. In approximately fifteen days from the above date, a final letter of approval of these credits will be sent to you. On receipt of the approval letter, you may then change the work entries on the claim record sheets.

For further information, if required, please contact Mr. R.J. Pichette at 416/965-4888.

Yours sincerely,

S.E. Yundt
Director
Land Management Branch

Whitney Block, Room 6643
Queen's Park
Toronto, Ontario
M7A 1W3

Rj S. Hurst:mc

Encls.

cc: Wasabi Resources Ltd
Suite 916
111 Richmond Street West
Toronto, Ontario
M5H 2G4
Attention: U. Abolins P. Eng.,
cc: Mr. G.H. Ferguson
Mining & Lands Commissioner
Toronto, Ontario



Ministry of
Natural
Resources

Notice of Intent
for Technical Reports

1985 02 12

2.7735/14-85

An examination of your survey report indicates that the requirements of The Ontario Mining Act have not been fully met to warrant maximum assessment work credits. This notice is merely a warning that you will not be allowed the number of assessment work days credits that you expected and also that in approximately 15 days from the above date, the mining recorder will be authorized to change the entries on his record sheets to agree with the enclosed statement. Please note that until such time as the recorder actually changes the entry on the record sheet, the status of the claim remains unchanged.

If you are of the opinion that these changes by the mining recorder will jeopardize your claims, you may during the next fifteen days apply to the Mining and Lands Commissioner for an extension of time. Abstracts should be sent with your application.

If the reduced rate of credits does not jeopardize the status of the claims then you need not seek relief from the Mining and Lands Commissioner and this Notice of Intent may be disregarded.

If your survey was submitted and assessed under the "Special Provision-Performance and Coverage" method and you are of the opinion that a re-appraisal under the "Man-days" method would result in the approval of a greater number of days credit per claim, you may, within the said fifteen day period, submit assessment work breakdowns listing the employees names, addresses and the dates and hours they worked. The new work breakdowns should be submitted direct to the Land Management Branch, Toronto. The report will be re-assessed and a new statement of credits based on actual days worked will be issued.



Ministry of
Natural
Resources

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

FWM

27735

W 85 01 14

Instructions - Please type or print.

#14-85

Note - Only days credits calculated in the "Expenditures" section may be entered in the "Expend. Days Cr." columns.
- Do not use shaded areas below.

Mining Act

Type of Survey(s) Geophysical - electromagnetic, magnetometer		Township or Area Phillips Township <i>M-2102</i>	
Claim Holder(s) 1) Wasabi Resources Ltd.		Prospector's Licence No. <i>H.9574</i>	
Address: Suite 916 - 111 Richmond St. W. Toronto, Ontario M5H 2G4		2) D. MacEachern 208 Second St. Ft. Frances, Ontario	
Survey Company Durham Resources Group		T986	
Name and Address of Author (of Geo Technical report) U. Abolins 916 - 111 Richmond Street West, Toronto, Ontario M5H 2G4		Date of Survey (from & to) 03 12 84 20 12 84 Day Mo. Yr. Day Mo. Yr.	
		Total Miles of Line Cut 15.3	

Credits Requested per Each Claim in Columns at right

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

Mining Claims Traversed (List in numerical sequence)

Mining Claim		Expend. Days Cr.	Mining Claim		Expend. Days Cr.
Prefix	Number		Prefix	Number	
K	670131				
	670132				
	670133				
	670134				
	670135				
	670136				
	670137				
	670138				
	670139				
	751067				
	777360				
	777361				
	810631				
	819335				
	819337				

RECEIVED
JAN 30 1985
MINING LANDS SECTION

KENORA MINING DIV.
JAN 25 1985

Expenditures (excludes power stripping)

Type of Work Performed:

Performed on Claim(s):

Calculation of Expenditure Days Credits

Total Expenditures \$ ÷ 15 = Total Days Credits

670131

Total number of mining claims covered by this report of work. **15**

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.

For Office Use Only

Total Days Cr. Recorded *600* Date Recorded *Jan 25/85* Mining Recorder *ME Lemay/acting*

Date Approved as Recorded *Jan 25/85* Branch Director *See Revised Statement*

Date *Jan. 21/85* Recorded Holder or Agent (Signature) *U. Abolins P. Eng.*

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
U. Abolins P. Eng. 916-111 Richmond Street West



**GEOPHYSICAL - GEOLOGICAL - GEOCHEMICAL
TECHNICAL DATA STATEMENT**

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

Type of Survey(s) Geophysical-electromagnetic, magnetometer
Township or Area Phillips Township
Claim Holder(s) Wasabi Resources Ltd.
Don MacEachern
Survey Company Durham Resources Group
Author of Report U. Abolins P. Eng.
Address of Author 916 - 111 Richmond Street West Toronto
Covering Dates of Survey Dec. 3/84 - Dec. 20/84
(linecutting to office)
Total Miles of Line Cut 15.3

**MINING CLAIMS TRAVERSED
List numerically**

K	670131
(prefix)	(number)
K	670132
K	670133
K	670134
K	670135
K	670136
K	670137
K	670138
K	690139
K	
K	751067
K	777360
K	777361
K	810631
K	819335
K	819337

If space insufficient, attach list

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

AIRBORNE CREDITS (Special provision credits do not apply to airborne surveys)

Magnetometer _____ Electromagnetic _____ Radiometric _____
(enter days per claim)

DATE: Jan. 21/85 SIGNATURE: U. Abolins P. Eng.
Author of Report or Agent

Res. Geol. _____ Qualifications J. J. J.

Previous Surveys

File No.	Type	Date	Claim Holder

RECEIVED
JAN 30 1985
MINING LANDS SECTION

TOTAL CLAIMS 15

OFFICE USE ONLY

SELF POTENTIAL

Instrument _____ Range _____

Survey Method _____

Corrections made _____

RADIOMETRIC

Instrument _____

Values measured _____

Energy windows (levels) _____

Height of instrument _____ Background Count _____

Size of detector _____

Overburden _____
(type, depth – include outcrop map)

OTHERS (SEISMIC, DRILL WELL LOGGING ETC.)

Type of survey _____

Instrument _____

Accuracy _____

Parameters measured _____

Additional information (for understanding results) _____

AIRBORNE SURVEYS

Type of survey(s) _____

Instrument(s) _____
(specify for each type of survey)

Accuracy _____
(specify for each type of survey)

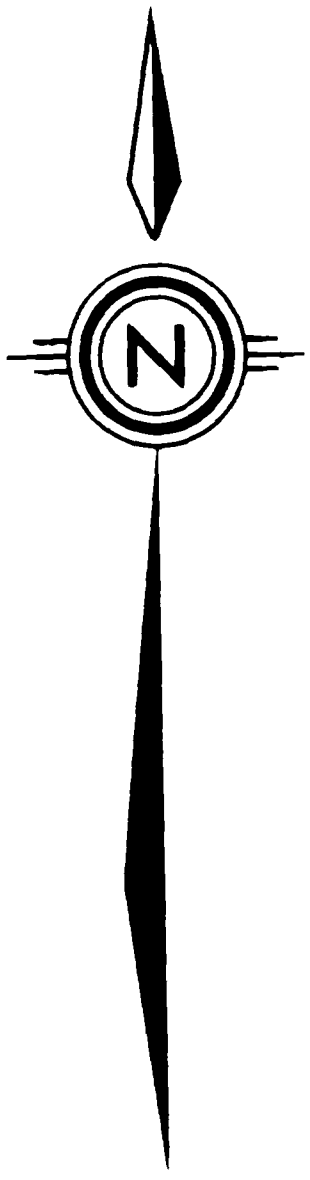
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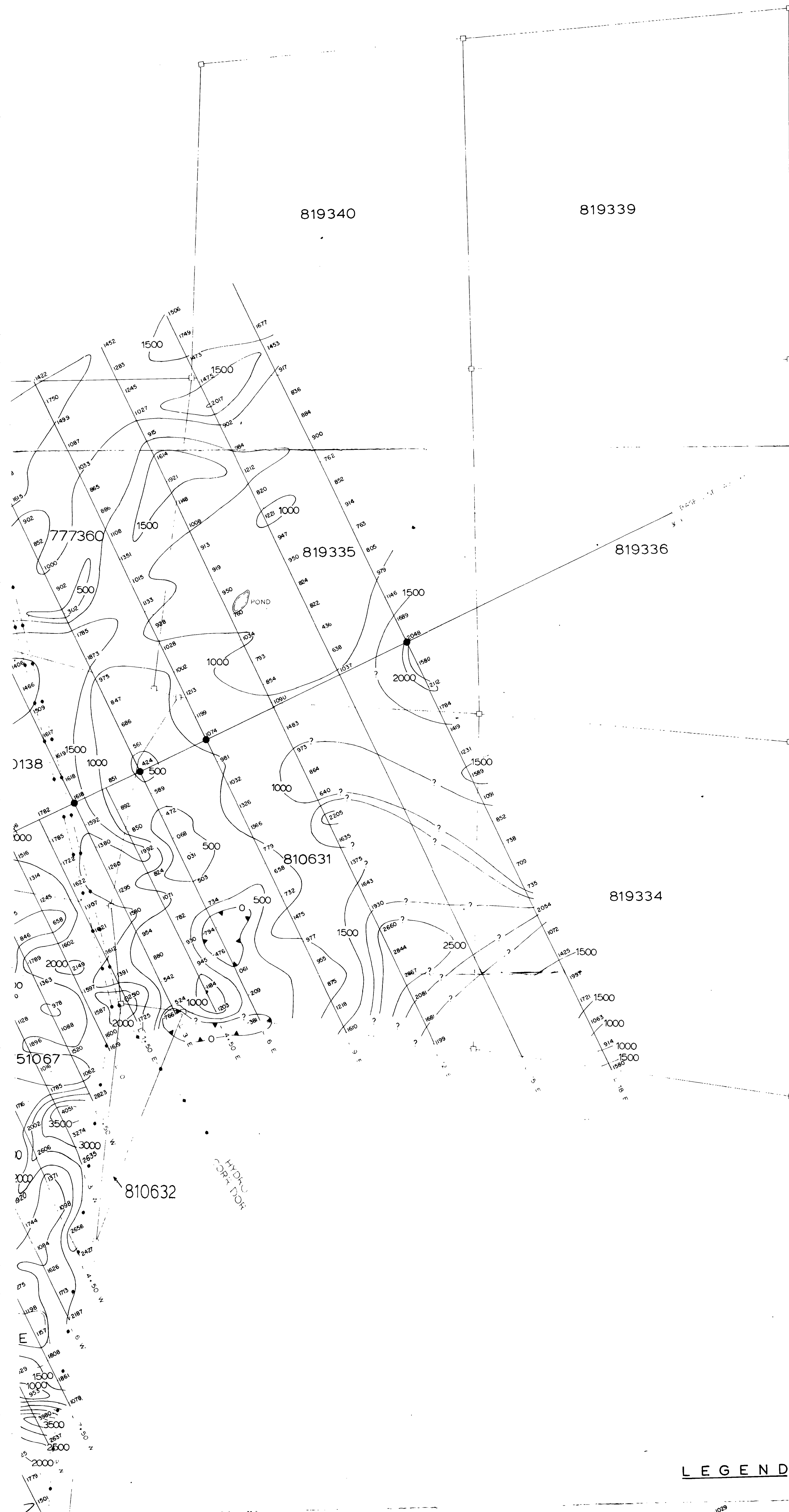
Sensor altitude _____

Navigation and flight path recovery method _____

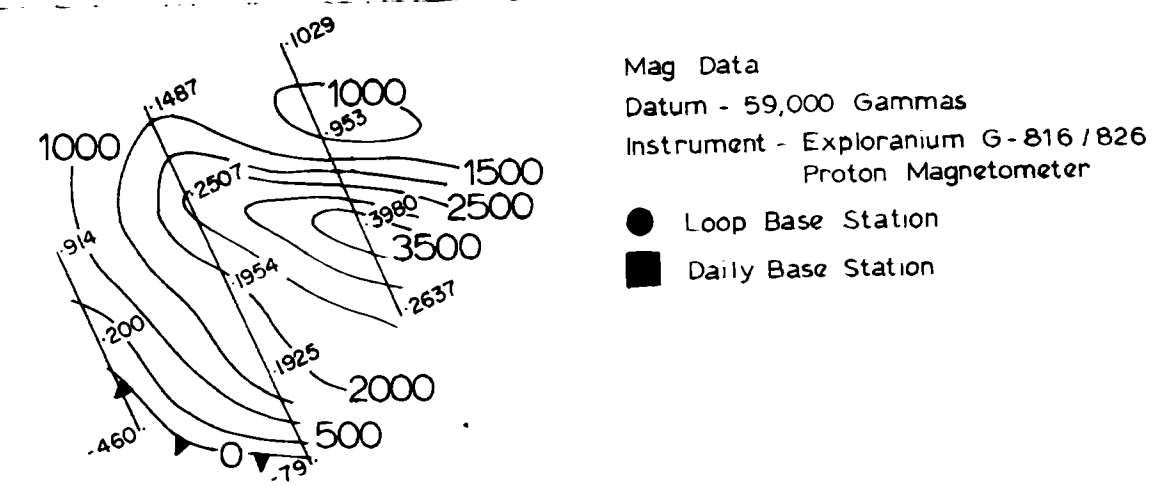
Aircraft altitude _____ Line Spacing _____

Miles flown over total area _____ Over claims only _____

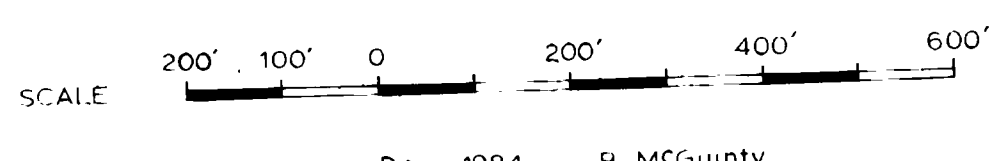




LEGEND

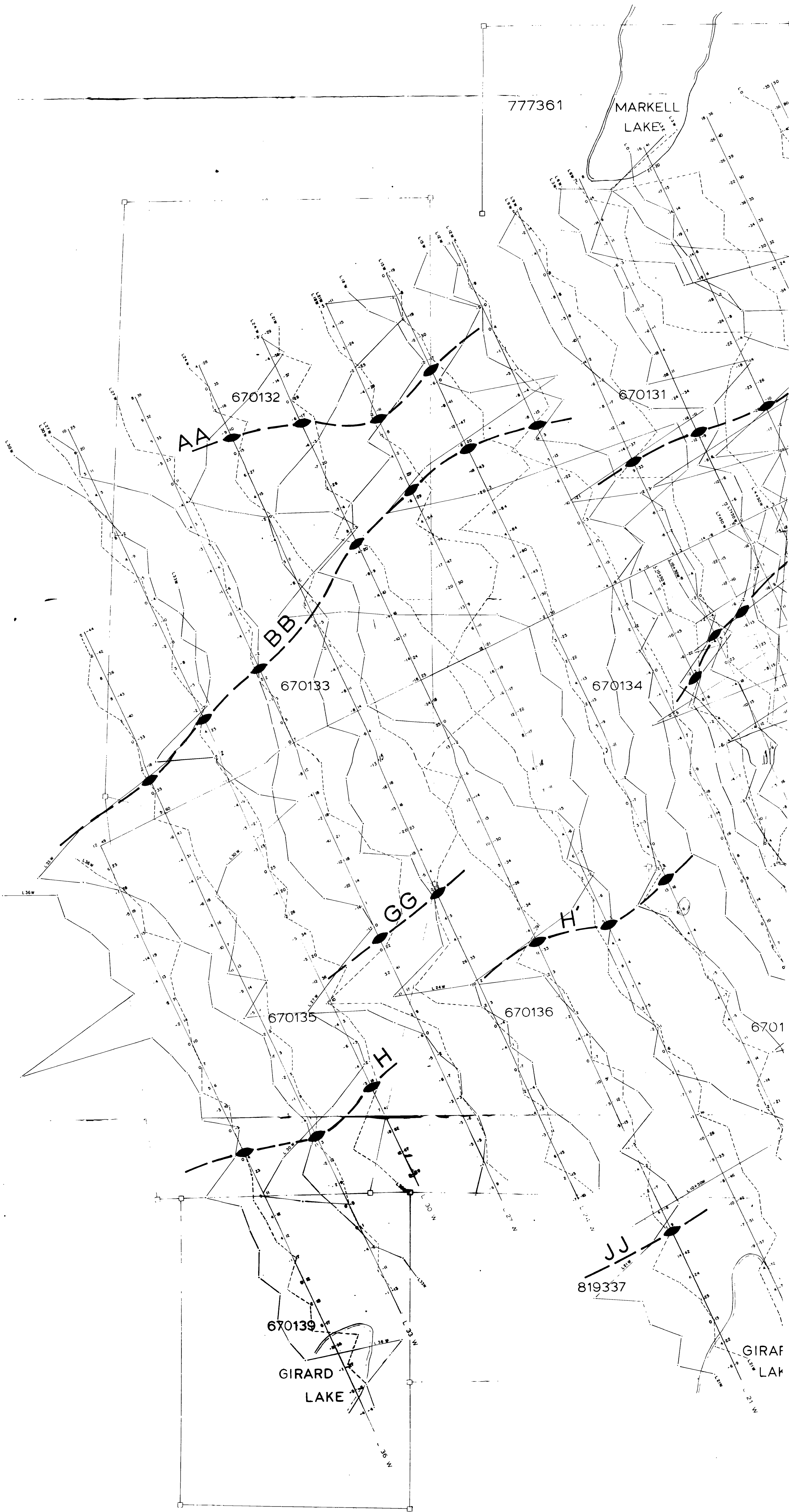
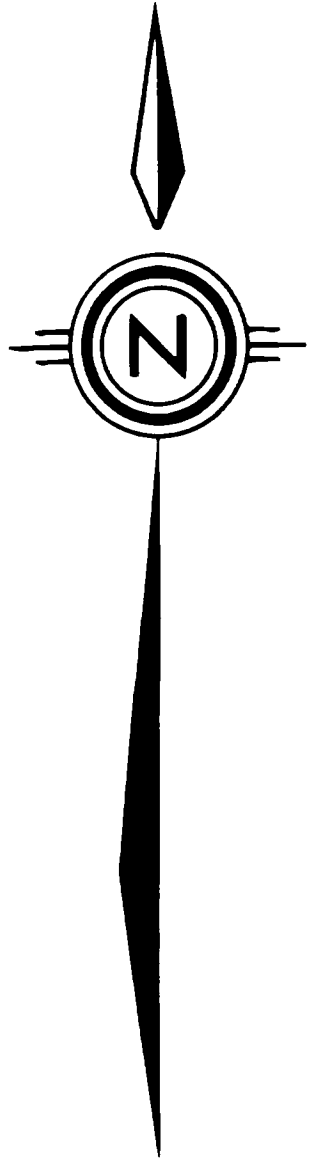


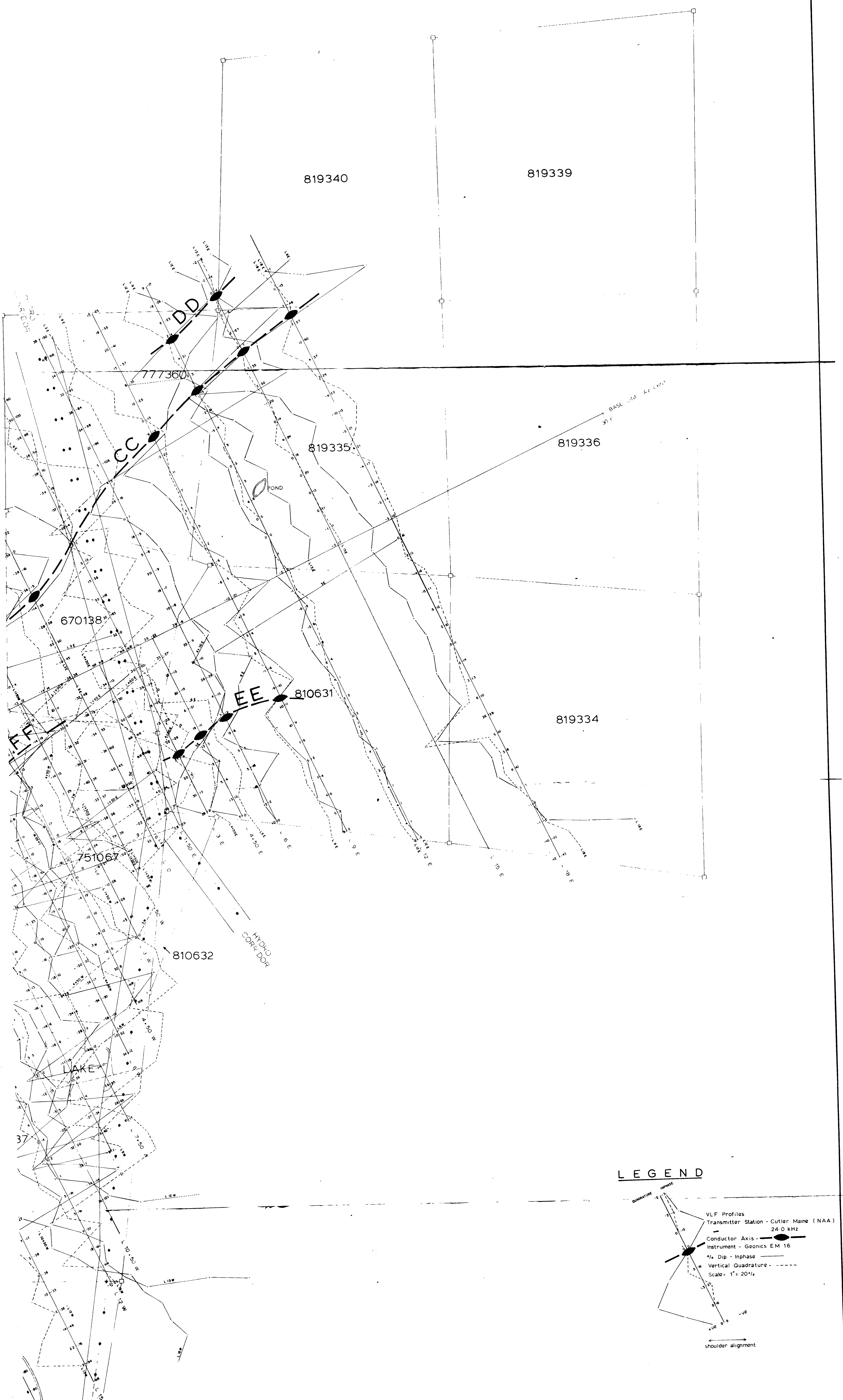
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 COMBINED PROPERTY
 PHILLIPS TOWNSHIP
 KENORA MINING DISTRICT
 MAGNETOMETER SURVEY



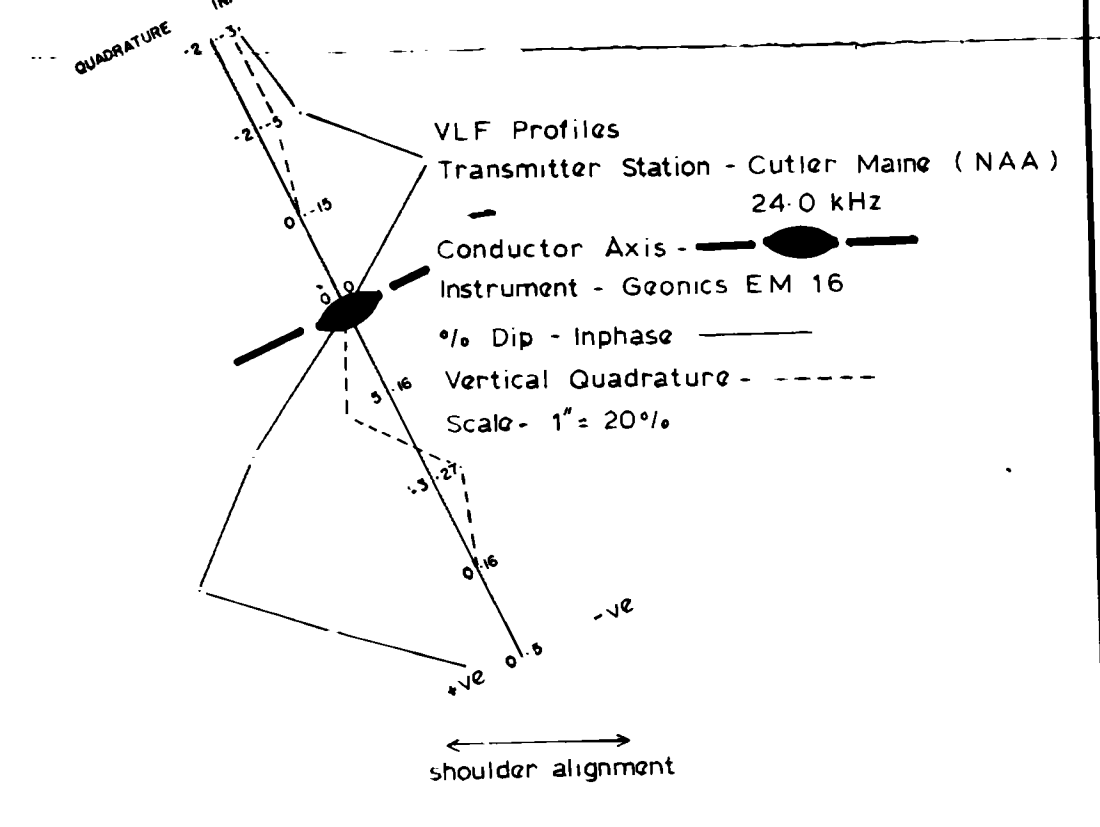
Dec 1984 B. McGuinty

N. Chisholm
Jan 21/85

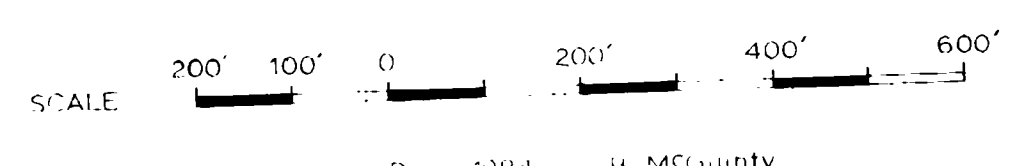




LEGEND



WASABI RESOURCES LIMITED
 COMBINED PROPERTY
 PHILLIPS TOWNSHIP
 KENORA MINING DISTRICT
 VLF SURVEY

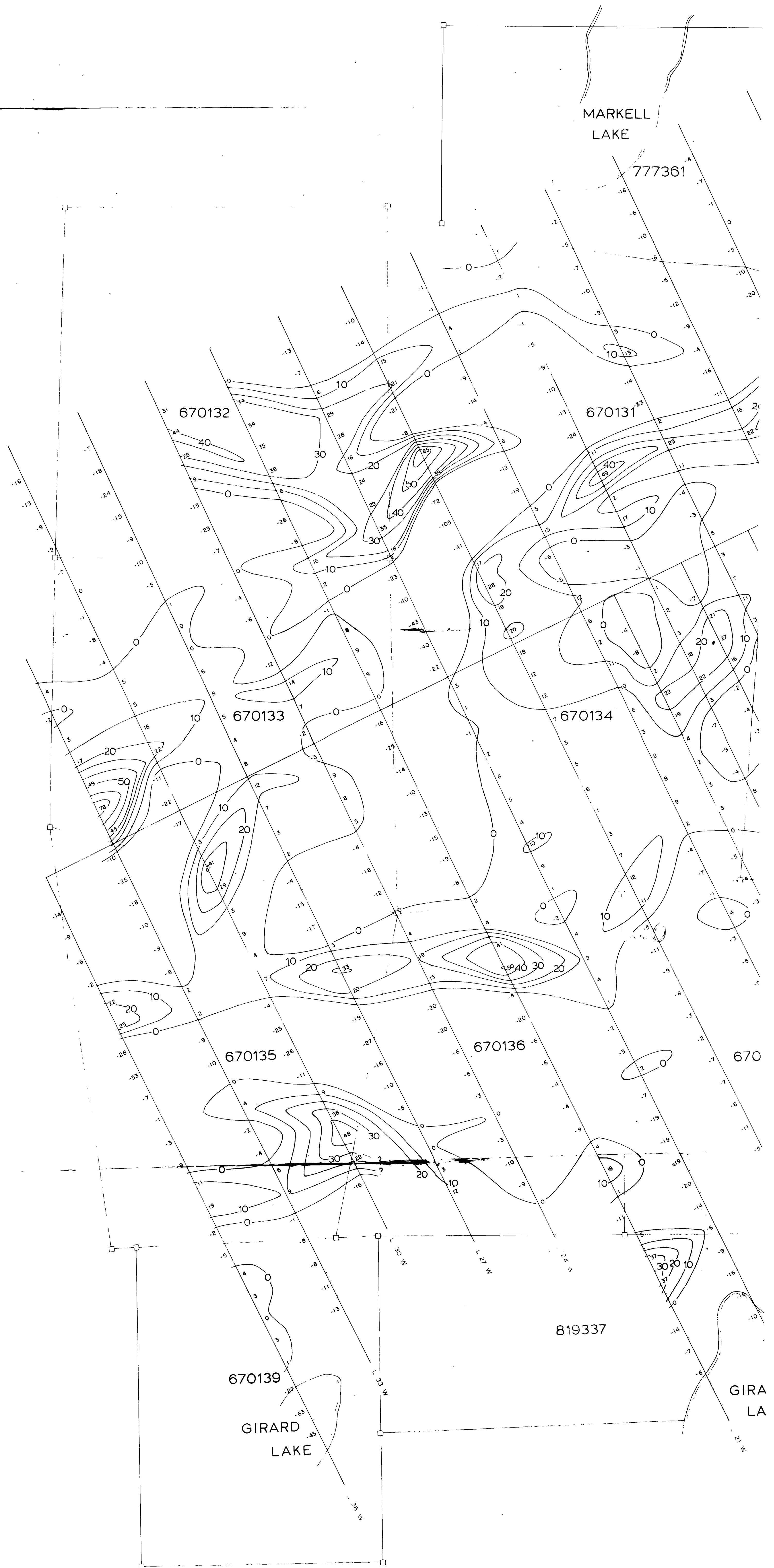
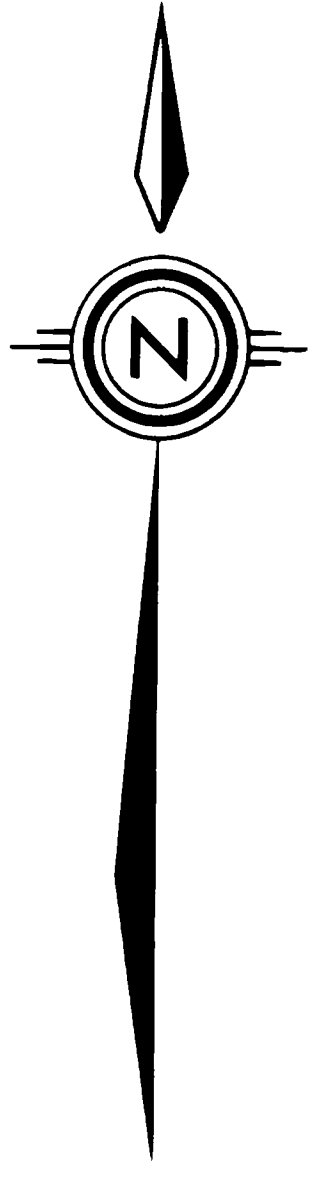


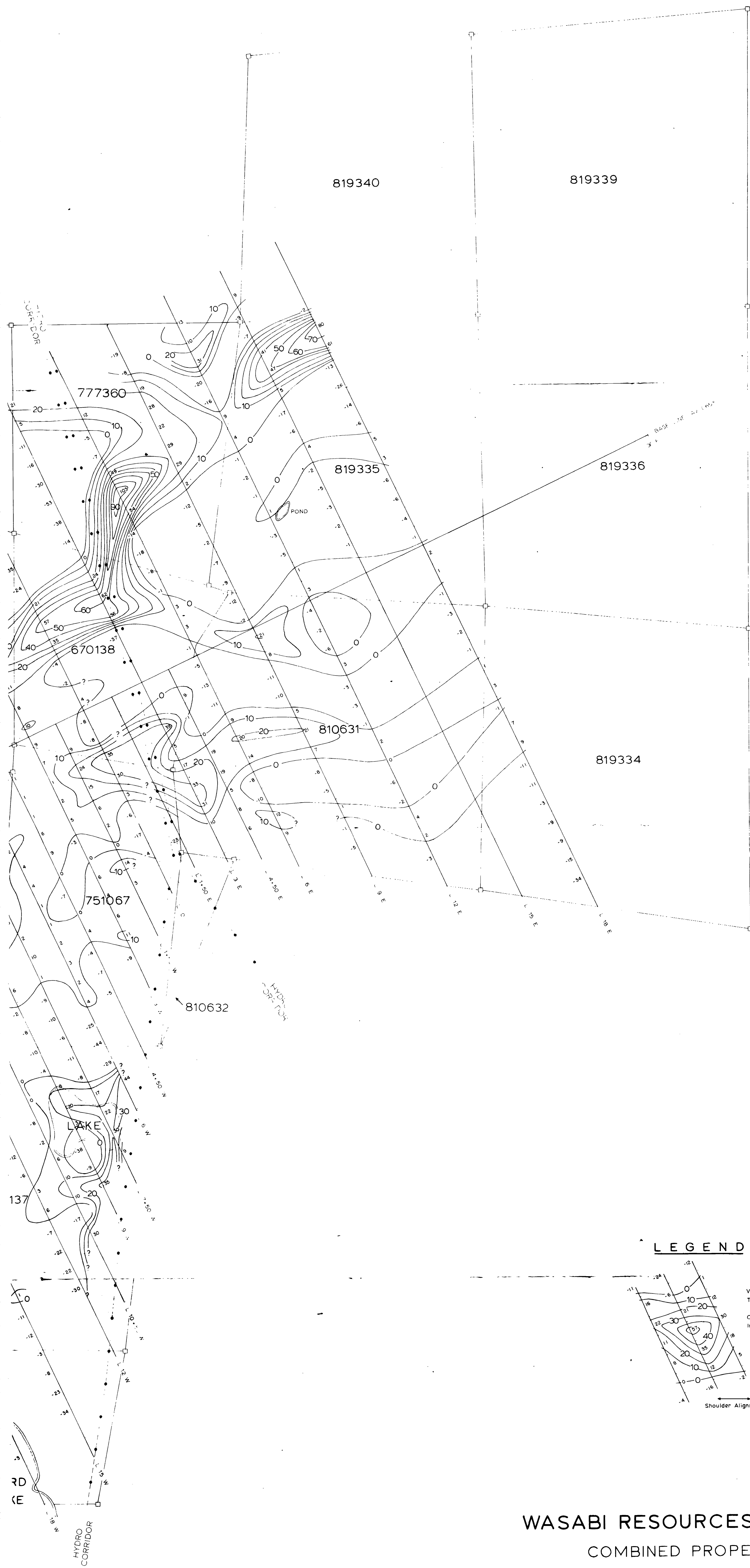
R. Sedore
Jan 21/85

Dev. 5984 B. McCreedy

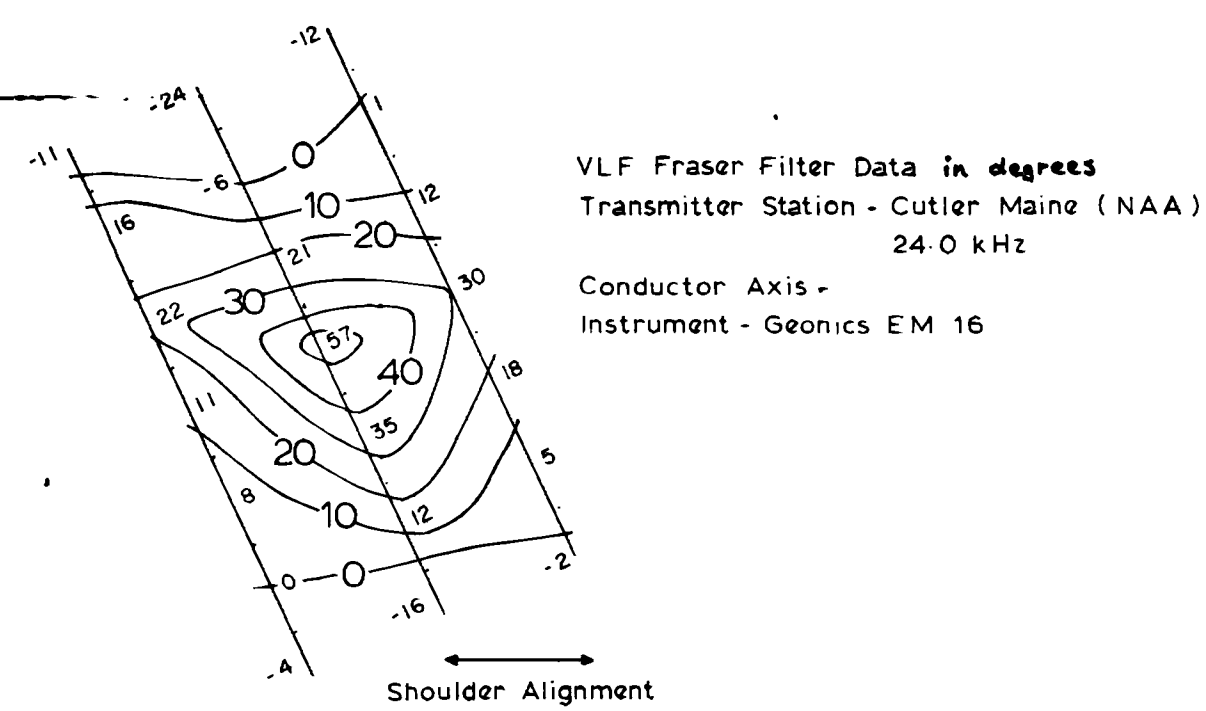
R. Sedore Drafting Services

2-7735

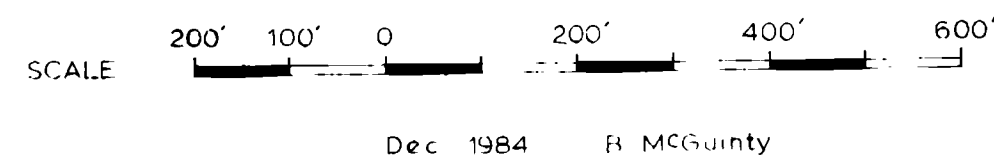




LEGEND



WASABI RESOURCES LIMITED
 COMBINED PROPERTY
 PHILLIPS TOWNSHIP
 KENORA MINING DISTRICT
 VLF FRASER FILTERED DATA



R. Sedore
Jan. 2/85