



52E10SW8310 40 SHOAL LAKE

010

DIAMOND DRILLING

AREA: SHOAL LAKE

REPORT NO: 40

WORK PERFORMED FOR: Golden Rule Resources Ltd.

RECORDED HOLDER: Same as above [xx]  
: Other [ ]

<u>Claim No.</u>	<u>Hole No.</u>	<u>Footage</u>	<u>Date</u>	<u>Note</u>
842066	SL-88-01	<sup>12</sup> 498'	Sept/88	(1)
710781	SL-88-02/ SL-88-03	508' 507'	Sept/88 Sept/88	(1) (1)
		<u>1513'</u>		

NOTES: (1) #W8801.230, filed in Jan/89

#230-88

REPORT OF WORK  
1988 DRILL PROGRAM  
SHOAL LAKE CLAIMS  
GLASS TOWNSHIP  
KENORA MINING DIVISION  
NTS 52E/10

SEPTEMBER 7, 1988

FOR  
GOLDEN RULE RESOURCES LTD.  
CALGARY, ALBERTA

by  
Bruce T. Evans, P. Geol.  
#410, 1122 - 4th Street S.W.  
Calgary, Alberta  
T2R 1M1

KENORA  
MINING DIV.  
RECEIVED  
SEP - 9 1988  
AM 7 8 9 10 11 12 1 2 3 4 5 6 PM



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52E105W8310 40 SHOAL LAKE

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1. Introduction
2. Property Location
3. Geology and Previous Work
4. Diamond Drill Program
5. Personnel
6. Results
7. Conclusions and Recommendations

**CERTIFICATE**

**LIST OF FIGURES**

**FIG. 1 Shoal Lake Property Location Map**

**LIST OF APPENDICES**

**APPENDIX 1 Drill Hole Location Map**

**APPENDIX 2 Drill Hole Logs**

1. Introduction

The Shoal Lake Property consists of 29 contiguous mining claims located at Bag Bay of Shoal Lake. The property overlays the western portion of the Canoe Lake Intrusive.

The objective of the 1988 Diamond Drill program was to test geophysically inferred northeast structures through the Canoe Lake Intrusive for economic gold mineralization.

The claims are adjacent to properties held by Kenora Prospectus and Miners Ltd. (KPM) which cover the Mikado and Cedar Island Mines which were former producers.

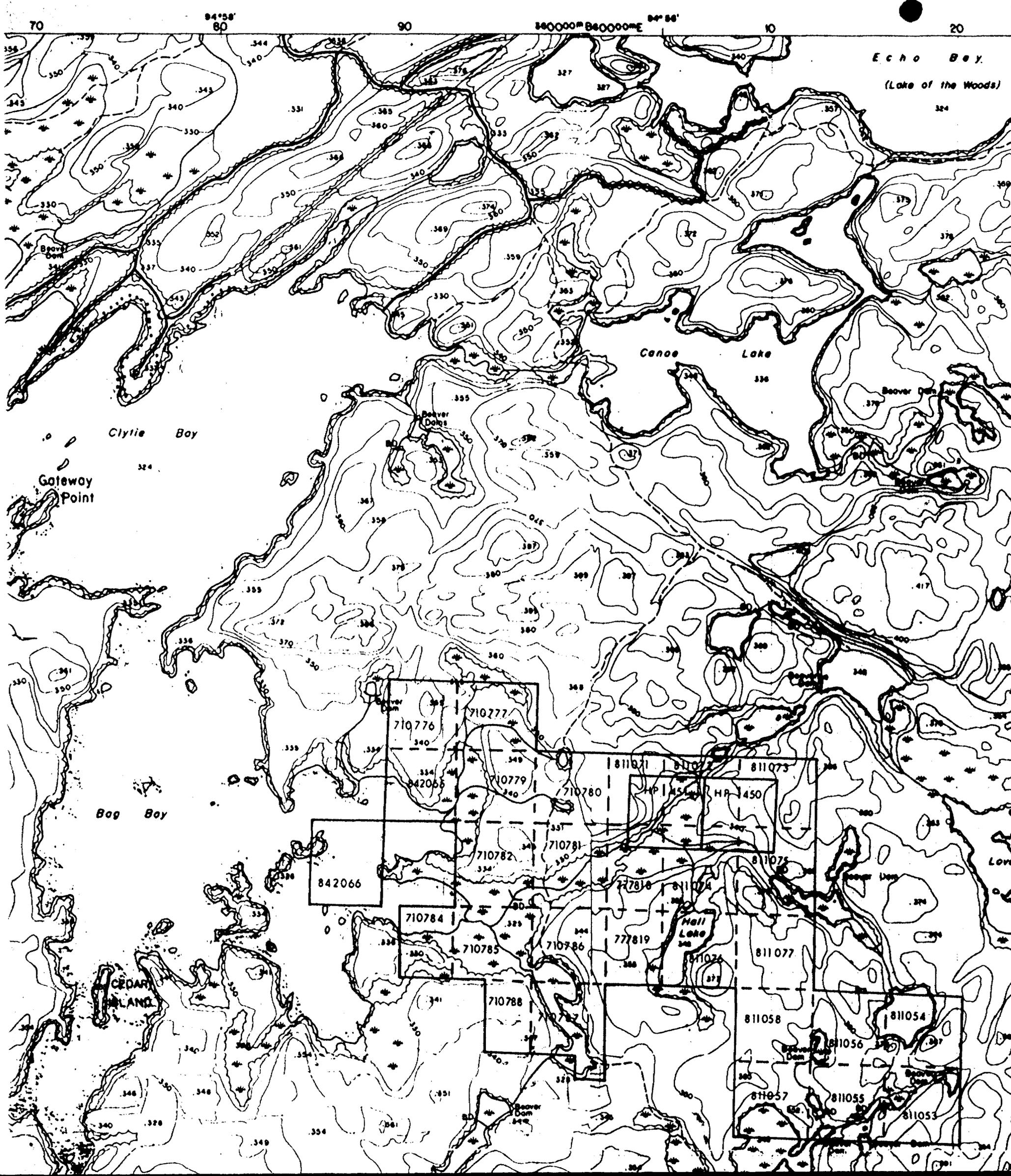
Consolidated Professor's Shoal Lake gold deposit is located five (5) kilometers northwest and is presently under development.

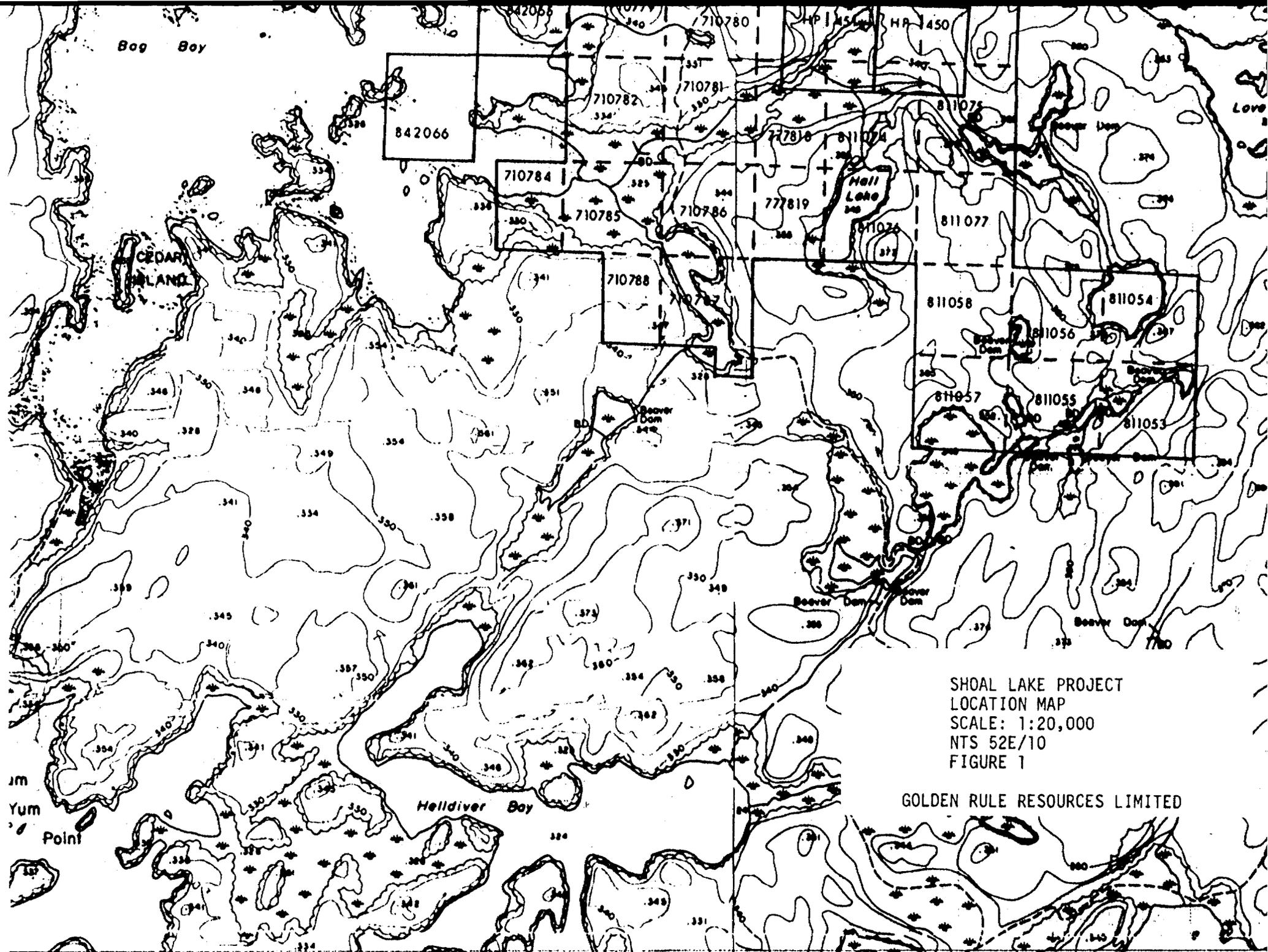
2. Property Location

Thirty-five (35) kilometers west on Highway 17, access is gained by the Rush Bay Road south to Clytie Bay. A bush road from Clytie Bay can be followed south to the property or they can be reached by boat.

3. Geology and Previous Work

The Shoal Lake region underwent extensive exploration for gold during the late 1800's and a number of deposits were discovered near the western contact of the Canoe Lake Stock with northeasterly trending volcanics. The 29 claim block of the present group was then covered by patented claims (D410, D411, 418) on which the patents have now lapsed.





Bag Bay

CEDAR ISLAND

Hell Lake

Helldiver Bay

Yum Point

SHOAL LAKE PROJECT  
LOCATION MAP  
SCALE: 1:20,000  
NTS 52E/10  
FIGURE 1

GOLDEN RULE RESOURCES LIMITED

A prospect called the Bullion Mine appears to have been located on the present claims. The two claim groups south west of Bag Bay was covered by patented claim D232.

The Mikado Mine located on patent D200, one kilometre southwest of the claims was the most productive gold deposit in this portion of Shoal Lake.

It is believed that the gold occurrences along the western margin of the Canoe Lake Stock are related to the intrusion of the stock. Three past producers namely Cedar Island (Cornucopia), Mikado and Olympia are located near the contact. These deposits are primarily hosted by quartz veins within altered volcanics. The veins carry pyrite, chalcopyrite, molybdenite and native gold. Two occurrences are located within the Canoe Lake Stock itself namely the Crown Point and the Tycoon.

On the present claims, exploration is intended to locate shear or fracture zones within the Canoe Lake Stock itself and near its contact with the surrounding volcanic rocks.

The assessment files do not contain any records of work carried out on these claims with the exception of the two claim southern group where Denison did ground geophysics in 1980.

#### 4. Diamond Drill Program

Three Diamond Drill holes were completed for a total of 1,513 feet (461.16 m) of BQ size core drilling. Drill holes were targeted to test geophysically inferred northeast trending fault/shear structures. The location of drill holes SL-88-01, SL-88-02 and SL-88-03 are in Appendix 1 and drill logs in Appendix 2.

The drill used for this program was a JKS Super 300. Rig transport was by barge off of Shoal Lake and by skidder/tractor on land.

Drill core is stored at Gold Point Farm near Machin Point.

5. Personnel

Project Supervisor	Bruce T. Evans, P. Geol. 120 Strathdale Close S.W. Calgary, Alberta T3H 2K4
Geologist	Micheal P. Komarevich 3715 Richmond Road S.W. Calgary, Alberta
Geologist	Robert M. Gerhardt P. O. Box 568 Kipling, Saskatchewan S7H 5M3
Drill Contractor	CAN WEST Diamond Drilling 926-A Alloy Drive Thunder Bay, Ontario P7B 6A4

6. Results

Intersected in all three drill holes were gramitic rocks of the Canoe Lake Intrusive. Evident in all three drill holes were the targeted shear structures. Shear structures were typified by a broad deformation and silicification of the host wall rock and by a minor increase (to 3%) in fine pyrite content.

Core recovery was 100% throughout.

7. Conclusions and Recommendations

The diamond drill program confirmed the validity of the interpreted shear structures. Geological mapping completed with topography mapping demonstrates that shear structures occupy topographic "lows" and as well they demonstrate a weak EM signature.

Assays from split core samples are still pending therefore no determination of gold content can be made.

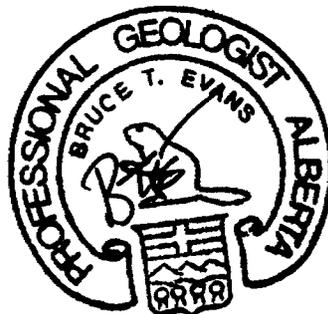
Recommended exploration of the property is continued structural interpretation for shear and cross type structures. To assist structural interpretation, detail geological mapping and geophysics (MAG and VLF) is recommended.

Respectfully submitted,



BRUCE T. EVANS, P. Geol.

September 7, 1988



CERTIFICATE

I, Bruce Thomas Evans, of the City of Calgary, Province of Alberta, residing at 120 Strathdale Close S.W., do hereby certify that:

1. I am a Senior Exploration Geologist with for the firm Golden Rule Resources Ltd. with offices at #410, 1122 - 4 Street, SW., Calgary, Alberta.
2. I am a graduate of Queen's University, B.Sc. (Hons.) Geology (1982) and have practiced my profession continuously since graduation.
3. I am a member in good standing of the Association of Professional Engineers, Geologists and Geophysicists of Alberta.
4. I personally directed the exploration work carried out on the Shoal Lake claims during 1988.

DATED at Calgary, Alberta this 7th day of September, 1988.

Respectfully submitted,

B. T. Evans, P. Geol.











S = Alpha S 0 = Zero 1 = One 2 = Two 7 = Seven Ø = Alpha O I or i = Alpha I z = Alpha Z

Identity Data		Survey Data		Upper Tier		Lower Tier		Assay Data		F-Entry		GRAPHIC									
KEY	FLAG	FORMAT VERSION	H/T TYPE	ID of DRILLHOLE/TRaverse NAME AND NUMBER	SIZE OF CORE OR HOLE	YR	MON	DATE AND TIME DAY HR MIN APT	GEOLOGGED BY	ED BY	YR	COMPLETED MON DAY	COMMENT / REMARK	GRID AZIMUTH	UNITS M/F						
I	D E N G B O S	6	0	5											06						
I	P R J																				
KEY	TURN G.P.T. 000=Collar	FROM	TO	F-S	O	AZM	CLOCKWISE FROM TRUE N	V-ANG	NEG IF DOWN	STATION	OFFSET	NEG IF LEFT	NORTHING	NEG IF SOUTH	EASTING	NEG IF WEST	ELEVATION	NEG IF SUB-SEA			
S																					
U	FLAG	FROM	TO	RECOVERY	T <sub>MOD</sub>	MIX	ROCK-SOIL	TIPIFY-MAT	QALMAT	TEXTURES	GRAIN	FRACTURE	STRUCT	STRIKE	DIP	ALTERATION & MINERALIZATION	DEFAULT SUITES	SUMMARY			
L																					
A																					
F																					
D		113.29	113.75				XGRNT			QZ6											
L										FF2											
RDES		113.29	113.75				Quartz Flooded Granite (GRNT) same as above unit starting @ 101.60 except, it has been flooded with quartz and locally altered changing its composition to 50-60% massive quartz, 10-30% feldspars accompanied with 10% gausseil altered from the feldspars, 15% chlorite altered from the biotite with 1-3% remnant biotite, 2-5% micromerced & disseminated carbonates, 1-2% disseminated cubes of pyrite, trace chalcopyrite contacts are gradational.														
MFOL		113.59	113.60				XGRNT						VC		45						
D		114.74	115.25				XGRNT			QZ6											
L										FF2											
RDES		114.74	115.25				Quartz Flooded Granite (GRNT) same as above interval 113.29-113.75m except the pyrite content ranges from 1-3% locally. Contacts are gradational.														
MFOL		116.30	116.31				XGRNT						FO		50						
E		118.64	151.79				XGRNT														
L																					
RDES		118.64	151.79				Granite (GRNT) same as interval 101.60-118.64m except this unit is lighter in color with a slight bleached appearance, quartz content increases to 30-35%														
MFOL		119.00	119.01				XGRNT						FO		50						
N		119.50	123.10				XGRNT														
L																					
RDES		119.50	123.10				Quartz Flooded Granite (GRNT) same as above interval 113.29-113.75 except quartz content ranges from 40-60% as the zone grades in and out both pyrite and chalcopyrite contents ranges from 1-3% and are located along the margins of carbonate veins as well as being disseminated, contacts are gradational														
MFOL		121.50	121.51				XGRNT						VC		40						
MFOL		123.30	123.31				XGRNT						FO		50						
M		126.94	127.22				XGRNT														
L																					
RDES		126.94	127.22				Quartz Flooded Granite (GRNT) same as above interval 119.50-123.10, contacts are gradational														
MFOL		127.86	127.86				XGRNT						FO		50						































S = Alpha S 0 = Zero 1 = One 2 = Two 7 = Seven Ø = Alpha O I or i = Alpha I z = Alpha Z

IDENTITY DATA		SURVEY DATA		UPPER TIER		LOWER TIER		ASSAY DATA		F-ENTRY		GRAPHIC																												
KEY	FLAG	FORMAT VERSION	M/T TYPE	ID OF DRILLHOLE/TRAVERSE NAME AND NUMBER	SIZE OF CORE OR HOLE	YR	MON	DATE AND TIME DAY HR MIN APT	GEOLOGGED BY	ED BY	YR	MON	DAY	COMMENT / REMARK	GRID AZIMUTH	UNITS M/F																								
I-	D E N	6 8 0 5		SL-88-03												07																								
I-	P R J																																							
KEY	TURN G.P.T. 000 = Collar	FROM	TO	F-S	O	AZM	CLOCKWISE FROM TRUE	V-ANG	NEG IF DOWN	STATION	OFFSET	NEG IF LEFT	NORTHING	NEG IF SOUTH	EASTING	NEG IF WEST	ELEVATION	NEG IF SUB-SEA																						
S-																																								
U	FLAG	FROM	TO	RECOVERY	T MOD	MIX	ROCK-SOIL	TYPIFY-MAT	QALMAT	TEXTURES	GRAIN	FRACTURE	STRUCT	STRIKE	DIP	ALTERATION & MINERALIZATION	DEFAULT SUITES	SUMMARY																						
L																																								
A	FROM	TO	RECOVERY	R Q D	FM MEAN	ENV	RTQ	LC COLOUR	TMz	QMz	TXz	TXa	SA	Rn	Sw	O/C	IS	Im	N	SI	Tz	STRUCT ID	AZM	DIP	TA	KF	MU	CL	EP	HE	Mw Amt	PR	MO	SL	Mw Amt	M1	M2			
F																																								
M		134.38	139.11				XGRNT	PFQZ4MCM546								DZ																								
L							AG	KF2								H2D=																								
RDES		134.38	139.11				Quartz Flooded Altered Granite (GRNT)									same as interval																								
							acc. gradational																																	
MFOL		135.07	135.08				XGRNT									VC																								
MFOL		139.09	139.10				XGRNT									VC																								
MFOL		143.90	143.91				XGRNT									F0																								
MFOL		146.75	146.76				XGRNT									F0																								
MFOL		148.67	148.68				XGRNT									VC																								
M		148.90	149.10				XSIDK	BIQZ8M/ER34								VC																								
L							TA	FF1MS								D																								
RDES		148.40	149.10				Siliceous Dyke (SIDK)																																	
							light tan with a slight green hue and gray stringers, equigranular, massive texture, composition 80-85% Quartz as clear to translucent phenocrysts, 10% feldspar, phenocrysts, 5% biotite in the gray stringers. Contacts are sharp @ 20° TCA																																	
MFOL		152.90	152.91				XGRNT									F0																								
RSUM		154.52	154.53				END OF HOLE	T.D. @ 154.53 m (507 feet)																																
							CASING LEFT IN HOLE UPON COMPLETION																																	
							HOLE WAS NOT CEMENTED																																	
							100% RECOVERY UNLESS INDICATED BELOW																																	

Final P.H.K. September 09/88



**SHOAL LAKE G-2642**  
 Name and Postal Address of Recorded Holder:

**Golden Rule Resources Ltd.**  
 #410, 1122 - 4th St. S.W., Calgary, Alberta T2R 1M1

Summary of Work Performance and Distribution of Credits

Total Work Days Cr. claimed	Mining Claim			Mining Claim			Mining Claim		
	Prefix	Number	Work Days Cr.	Prefix	Number	Work Days Cr.	Prefix	Number	Work Days Cr.
1483									
for Performance of the following work. (Check one only) <input type="checkbox"/> Manual Work <input type="checkbox"/> Shaft Sinking Drifting or other Lateral Work. <input type="checkbox"/> Compressed Air, other Power driven or mechanical equip. <input type="checkbox"/> Power Stripping <input checked="" type="checkbox"/> Diamond or other Core drilling <input type="checkbox"/> Land Survey	K	842066	68	K	710784	33	K	811071	68
		842065	68		710785	28		811072	68
		710776	28		710786	28		811073	68
		710777	28		710787	28		811074	68
		710779	28		710788	28		811075	68
		710780	28		777817	40		811076	73
		710781	28		777818	50		811077	68
		710782	28		777819	50		811053	68

All the work was performed on Mining Claim(s): **842066, 710781**

Required Information eg: type of equipment, Names, Addresses, etc. (See Table Below)

Diamond Drill Rig  
 Skidder/ Tractor  
 Contractor

JKS Boyles Super 300  
 John Degre  
 Can West Diamond Drilling  
 926-A Alloy Drive  
 Thunder Bay, Ontario  
 P7B 6A4

ONTARIO GEOLOGICAL SURVEY  
 ASSESSMENT FILES  
 OFFICE  
 SEP 15 1988

RECEIVED  
 MINING DIV.  
 SEP - 9 1988  
 AM 7 8 9 10 11 12 1 2 3 4 5 6 PM

SL-88-01 SEPT. 1-3/88 498'  
 SL-88-02 SEPT. 3-6/88 508'  
 SL-88-05 SEPT. 6-8/88 507'

BQ CORE

Date of Report: Sept. 7, 1988  
 Recorded Holder or Agent (Signature): *[Signature]*

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  
**Bruce T. Evans, P. Geol. 120 Strathdale Cl. S.W. Calgary, Alberta**

Date Certified: **SEPT. 7/88**  
 Certified by (Signature): *[Signature]*

Table of Information/Attachments Required by the Mining Recorder

Type of Work	Specific information per type	Other information (Common to 2 or more types)	Attachments
Manual Work	Nil	Names and addresses of men who performed manual work/operated equipment, together with dates and hours of employment.	Work Sketch: these are required to show the location and extent of work in relation to the nearest claim post.
Shaft Sinking, Drifting or other Lateral Work			
Compressed air, other power driven or mechanical equip.	Type of equipment	710775	Work Sketch (as above) in duplicate
Power Stripping	Type of equipment and amount expended. Note: Proof of actual cost must be submitted within 30 days of recording.		
Diamond or other core drilling	Signed core log showing; footage, diameter of core, number and angles of holes.	Names and addresses of owner or operator together with dates when drilling/stripping done.	
Land Survey	Name and address of Ontario land surveyor.	Nil	Nil



Mining Act

Name and Postal Address of Recorder Holder	Prospector's Licence No. T1918
--	-----------------------------------

Summary of Work Performance and Distribution of Credits

Total Work Days Cr. claimed	Mining Claim			Work Days Cr.	Mining Claim			Work Days Cr.	Mining Claim			Work Days Cr.
	Prefix	Number			Prefix	Number			Prefix	Number		
For Performance of the following work. (Check one only) <input type="checkbox"/> Manual Work <input type="checkbox"/> Shaft Sinking Drifting or other Lateral Work. <input type="checkbox"/> Compressed Air, other Power driven or mechanical equip. <input type="checkbox"/> Power Stripping <input type="checkbox"/> Diamond or other Core drilling <input type="checkbox"/> Land Survey	K	811054		73								
		811055		68								
		811056		68								
		811057		68								
		811058		68								

All the work was performed on Mining Claim(s):

Required Information eg: type of equipment, Names, Addresses, etc. (See Table Below)

Date of Report	Recorded Holder or Agent (Signature) 
----------------	--

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	Date Certified
	Certified by (Signature) 

Table of Information/Attachments Required by the Mining Recorder

Type of Work	Specific information per type	Other information (Common to 2 or more types)	Attachments
Manual Work	Nil	Names and addresses of men who performed manual work/operated equipment, together with dates and hours of employment.	Work Sketch: these are required to show the location and extent of work in relation to the nearest claim post.
Shaft Sinking, Drifting or other Lateral Work			
Compressed air, other power driven or mechanical equip.	Type of equipment	710775	
Power Stripping	Type of equipment and amount expended. Note: Proof of actual cost must be submitted within 30 days of recording.	Names and addresses of owner or operator together with dates when drilling/stripping done.	
Diamond or other core drilling	Signed core log showing; footage, diameter of core, number and angles of holes.		Work Sketch (as above) in duplicate
Land Survey	Name and address of Ontario land surveyor.	Nil	Nil







**GOLDEN RULE RESOURCES LTD.**

SHOAL LAKE PROJECT  
ONTARIO

**DRILL HOLE LOCATION MAP**

Date: JUNE/88	N.T.S.:
Revised:	
Scale: 1: 10,000	200 300 400