



52E10SW8516 35 SHOAL LAKE

010

DIAMOND DRILLING

Area: Shoal Lake

Report No: 35

WORK PERFORMED FOR: Golden Rule Resources Ltd.

RECORDED HOLDER: SAME AS ABOVE [x]

: OTHER []

<u>CLAIM NO.</u>	<u>HOLE NO.</u>	<u>FOOTAGE</u>	<u>DATE</u>	<u>NOTE</u>
K 77818	SL-87-01	101.8M	Jan-Feb/87	(1) (2)
	SL-87-02	99.1M	Feb/87	(1) (2)
K 77819	SL-87-04	94.5M	Feb/87	(1) (2)
K 710781	SL-87-05	91.4M	Jan/87	(1) (2)
K 77819	SL-87-06	105.2M	Feb/87	(1) (2)

NOTES: (1) # 34-87 (Filed in June/87)

(2) Text and maps copied from OMEP file # OMEG-3-C-272
August 9/87. (Assays also from OMEP report).

DDH-SL-87-04

2+47W
3+92N

55°

QD to GD

Q.Vs

SI

QD to GD

94.5m

GOLDEN RULE RES. LTD.

SHOAL LAKE PROJECT
DDH CROSS SECTION

SCALE 1:500

5m 0 5 10m

N

DRAFTED FEB 19/87 JMS

LEGEND

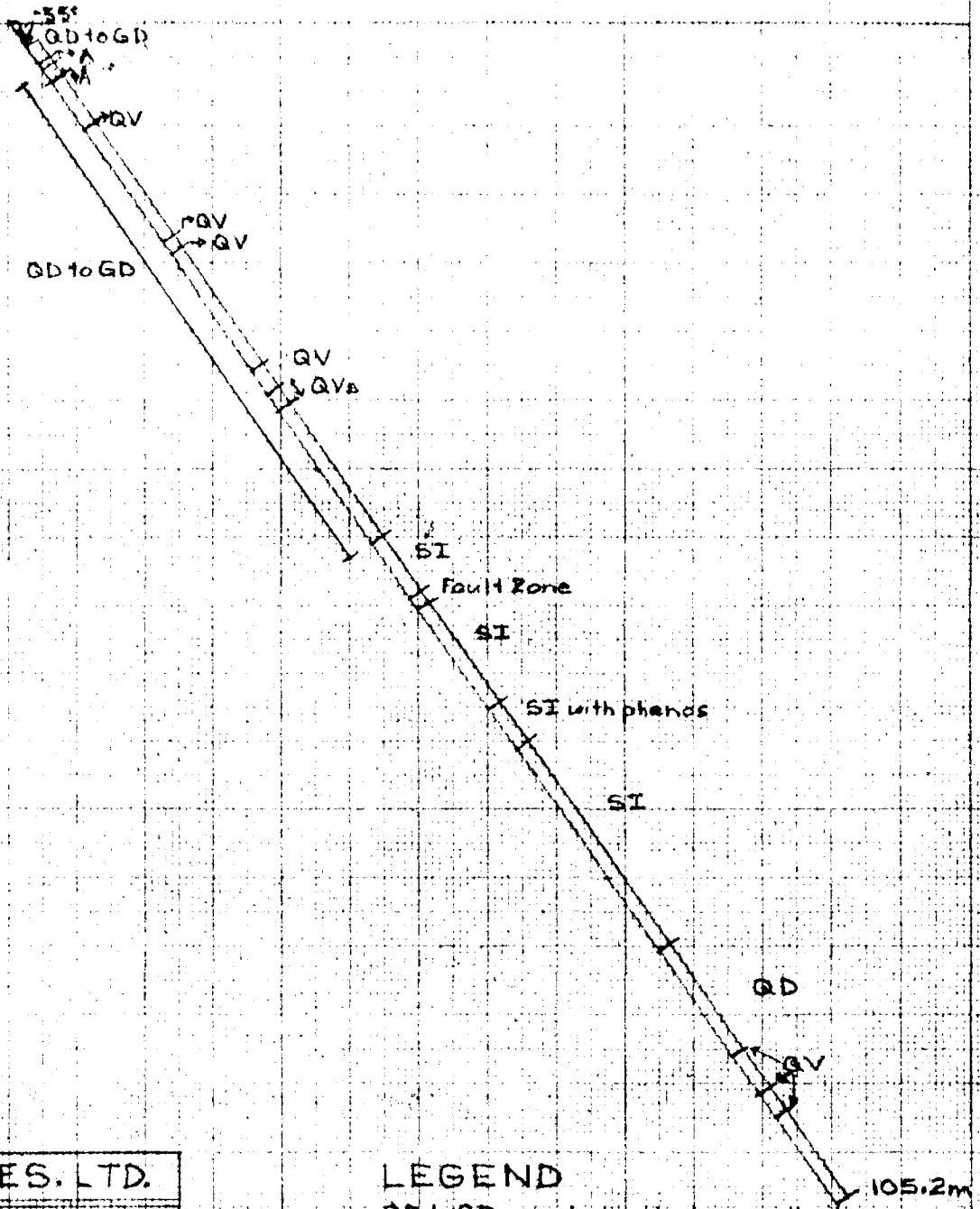
QD to GD - quartz diorite to granodiorite

SI - siliceous intrusion

Q.Vs - quartz veins

DDH 5L-87-06

4+97 W
2+00 N



GOLDENRULE RES. LTD.

SHOAL LAKE PROJECT
DDH CROSS SECTION

SCALE 1:500

5m 0 5 10

N

DRAFTED FEB 15/87 JMS

LEGEND

GD to GD - quartz diorite to granodiorite

A - aplite

SI - siliceous intrusion

QV - quartz vein

DDH SL-87-01

LS+00W
4+40N

Claim Boundary

CLAIM 777818

CLAIM 777819

QD to GD

-55°

A
QD to GD
A

QD to GD

claim boundary 34.8m depth

QV

A
QD to GD → A
GD → A
GD → A

QD to GD
with A

SI

QD to GD

101.8m

GOLDEN RULE RES. LTD.

SHOAL LAKE PROJECT
DDH CROSS SECTION

SCALE 1:500

5m 0 5 10m

N

DRAFTED FEB 15/87 JMS

LEGEND

- QD to GD - quartz diorite to gneiss
- A - apite
- SI - siliceous intrusion
- QV - quartz vein

DDH SL-B7-05

LS-00W
7.25N
55°

0 to 1.5m CASING

1.5 to 91.4m. QUARTZ DIORITE TO
GRANODIORITE. weak
propylitic alteration in some
regions, see drill log for a
complete description and
sample intervals.

QD to GD

91.4m

GOLDEN RULE RES, LTD.

SHOAL LAKE PROJECT
DDH CROSS SECTION

SCALE 1:500

5m 0 5 10m

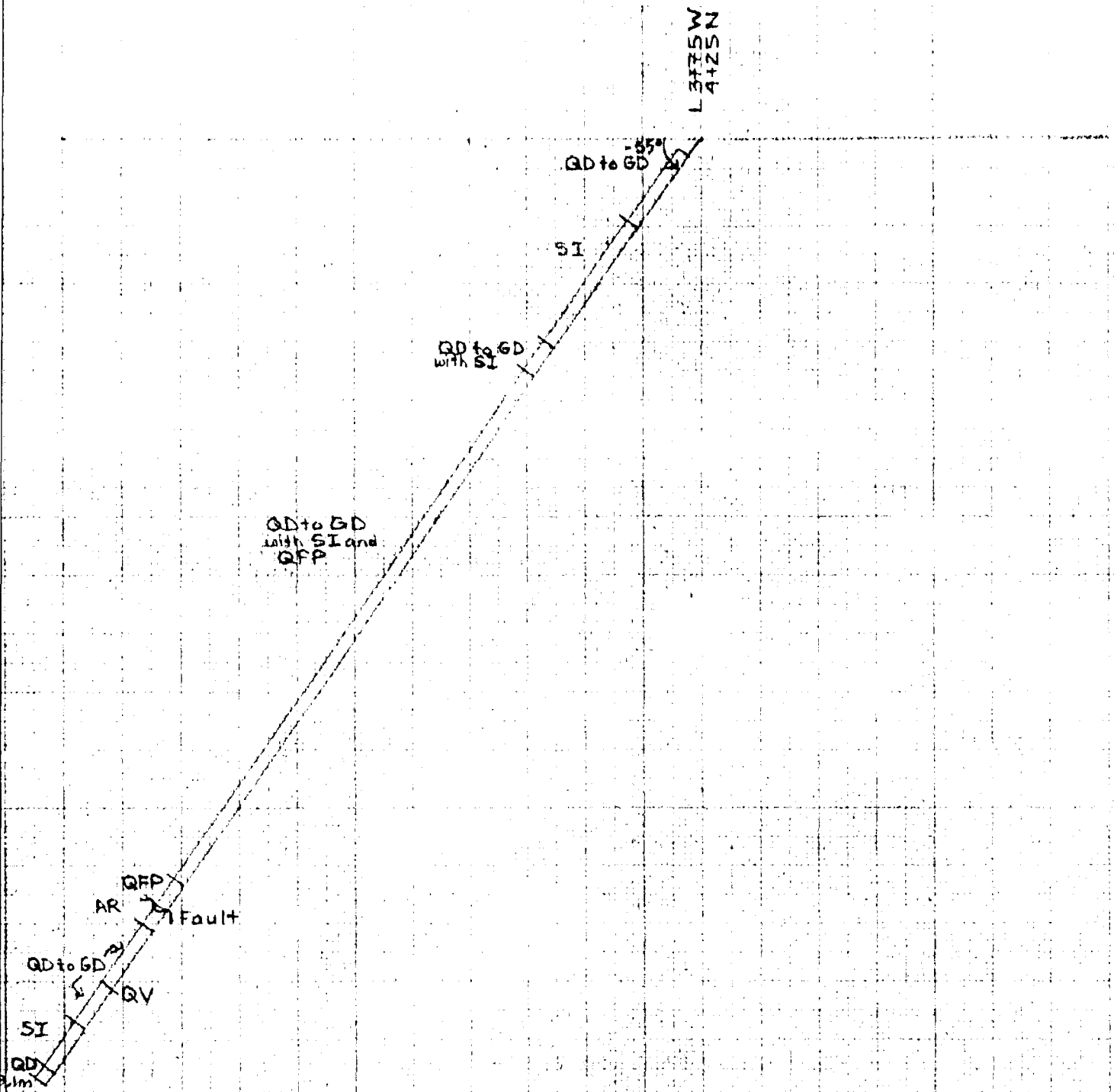
N

DRAFTED FEB. 3/87 JMS

LEGEND

QD to GD - quartz diorite to granodiorite

DDH SL-87-02



QD to GD
with SI and
QFP

QD to GD
-85°

SI

QD to GD
with SI

L 375W
4+25N

QFP
AR
Fault

QD to GD
QV
SI
QD
1m

GOLDENRULE RES. LTD.
SHOAL LAKE PROJECT
DDH CROSS SECTION
SCALE 1:500
5m 0 5 10m
N
DRAFTED FEB 15/87 JMS

LEGEND
QD to GD - quartz diorite to granodiorite
A - aplite
SI - siliceous intrusion
QFP - quartz feldspar porphyry
QV - quartz vein
AR - altered region

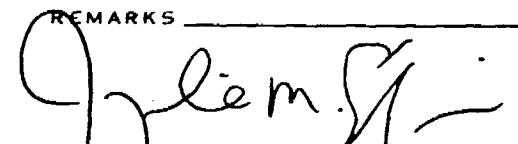
DIAMOND DRILL RECORD

samples shipped Feb 11/87

NAME OF PROPERTY GR-ONT-5
 HOLE NO. SI-87-01 LENGTH 101.8m (334')
 LOCATION SHOAL LAKE, ONTARIO
 LATITUDE 44°N DEPARTURE L5+00W
 ELEVATION _____ AZIMUTH 180° DIP -55°
 STARTED JAN. 30/87 FINISHED FEB 4th/87

FOOTAGE	DIP	AZIMUTH	FOOTAGE	DIP	AZIMUTH

HOLE NO. _____ SHEET NO. 1 of 7

REMARKS _____

 LOGGED BY JMS

FOOTAGE		DESCRIPTION	SAMPLE			ASSAYS			
FROM	TO		NO.	% SULPHIDES	FOOTAGE FROM TO TOTAL	%	%	OZ/TON	OZ/TON
0	1.5m	CASING							
1.5	2.4	quartz diorite: broken core, rusty stain							
2.4	18.9	quartz diorite to granodiorite: med. pink to med. green-grey, med. gr., granular, feldspars compose 50-55% of rock and range in colour from clear to white to brick red, quartz composes 30% and is clear and colourless to translucent light grey, biotite and/or hornblende composes 15% to 20% of rock and is dk. green to black, 1 to 5mm ^{with} frags are found throughout rock at no preferred orientation and filled with chlorite, epidote, biot, clay, minor calc and py weak to moderate propylitic alteration causes mafics to become chlorite, a few veins have potassic alteration haloes,							

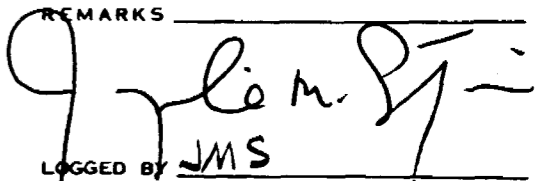
ONTARIO GEOLOGICAL SURVEY
 ASSESSMENT FILES
 RESEARCH OFFICE
 FEB 25 1987
 RECEIVED

DIAMOND DRILL RECORD

NAME OF PROPERTY GR-ONT-5
 HOLE NO. SL-87-01 LENGTH 101.8m (334')
 LOCATION SHOAL LAKE, ONTARIO
 LATITUDE 4+40N DEPARTURE L5+00W
 ELEVATION _____ AZIMUTH 180° DIP -55°
 STARTED JAN 30/87 FINISHED FEB 4/87

FOOTAGE	DIP	AZIMUTH	FOOTAGE	DIP	AZIMUTH

HOLE NO. _____ SHEET NO. 3 of 7

REMARKS _____

 LOGGED BY JMS

FOOTAGE		DESCRIPTION	SAMPLE				ASSAYS				
FROM	TO		NO.	% SULPHIDES	FOOTAGE FROM	FOOTAGE TO	FOOTAGE TOTAL	%	%	OZ/TON	OZ/TON
20.35	22.1	quartz diorite to granodiorite same description as 16.8 to 18.7m, contact at 22.1 is 40°+ca	14018	-	35.9	36.30	1.0				
			14019		36.3	37.3	1.0				
			020		52	53					
			021		53	54					
			022		54	55					
22.1	23.8	aplite dyke - same description as 18.9 to 20.35m contact at 23.8m not visible due to broken core	023		55	56					
			024		56	57					
			025		60.6	61.6	↓				
			026		61.6	62.6	1.0				
23.8	36.1	quartz diorite to granodiorite same description as 2.4 to 18.9 with increase in frac filled with chlorite and clay, mafics to chlorite	027		62.6	64.0	1.4				
			028		64.0	65.0	1.0				
			029		65.0	66.0					
			030		66.0	67.0					
36.1	36.15	quartz vein - core broken up so contacts not visible, lt grey to white qtz, f.g., no mineralization	031		71.3	72.3					
			032		72.3	73.3					
			033		73.3	74.3					
			034		74.3	75.3	↓				
36.15	45.4	aplite dyke - same description as 18.9 to 20.35m, med. red-brown colour	035		75.3	76.3	1.0				
			14036		76.3	77.4	1.1				

DIAMOND DRILL RECORD

NAME OF PROPERTY GR-ONT-5
 HOLE NO. SL-87-01 LENGTH 101.8m (334')
 LOCATION SHOALLAKE, ONTARIO
 LATITUDE 44°40'N DEPARTURE L 51°00'W
 ELEVATION _____ AZIMUTH 180° DIP -55°
 STARTED JAN 30/87 FINISHED FEB 4/87

FOOTAGE	DIP	AZIMUTH	FOOTAGE	DIP	AZIMUTH

HOLE NO. _____ SHEET NO. 647
 REMARKS _____
 LOGGED BY JMS

FOOTAGE		DESCRIPTION	SAMPLE			ASSAYS					
FROM	TO		NO.	% SULPHIDES	FOOTAGE		%	%	OZ/TON	OZ/TON	
					FROM	TO	TOTAL				
		subtidral to entedral 2 to 5mm size clear to lt grey quartz eyes with a siliceous felsite groundmass; dykes range from 2 to 50 cm in core width and contacts are at all angles tea, concentrations of py are usually assoc. with highly siliceous regions of granodiorite or occurs as vein filling along with chlorite, these 1 to 5mm wide veins cut both granodiorite and siliceous and qtz feldspar dykes.									
71.3	72.3	fractures filled with massive py									
77.4	78.9	1.5m interval contains only 0.5m core, 30% recovery									
82	83.5	3.0 m of solid core for a 1.5 m interval									

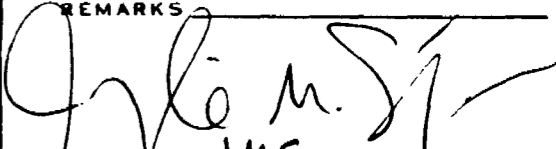
sample shipped Feb 11/87

DIAMOND DRILL RECORD

NAME OF PROPERTY GR-ONT-5
 HOLE NO. SL-87-02 LENGTH 99.1m (325')
 LOCATION SHOAL LAKE, ONTARIO
 LATITUDE 4+25 N DEPARTURE 13+75 W
 ELEVATION _____ AZIMUTH 360° DIP -55°
 STARTED FEB 4/87 FINISHED FEB 8/87

FOOTAGE	DIP	AZIMUTH	FOOTAGE	DIP	AZIMUTH

HOLE NO. _____ SHEET NO. 1 of 6

REMARKS

 LOGGED BY JMS

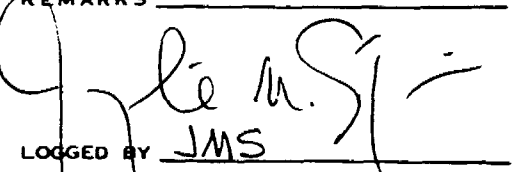
FOOTAGE		DESCRIPTION	SAMPLE			ASSAYS			
FROM	TO		NO.	% SULPHIDES	FOOTAGE FROM TO TOTAL	%	%	OZ/TON	OZ/TON
0	1.5m	CASING	14046		14.2 15.2 1.0				
1.5	4.0	bleached and rusty weathered granodiorite to qtz diorite, core broken up	047		22 23 1.0				
			048		23 24 1.0				
			049		24 25 1.0				
			050		33 34 1.0				
4.0	9.5	quartz diorite to granodiorite: med. pink to med. green-grey, med. gr., inhomogeneous in regions, feldspars compose 45-50% of rock and range in colour from clear to white to brick red, quartz is 35-40% and is clear and colourless to translucent lt. grey, original mafics now chlorite 10-15% and dk green, 1 to 5mm wide frags are filled with chlorite, epidote, claus, minor carb and py, overall moderate to intense silicification and weak to mod. propylitic alteration, frags are frequent and at no preferred orientation t.c.a., py as 1 to 5mm cubic and	051		37.5 38.0 0.5				
			052		42.7 43.2 0.5				
			053		59.5 60.5 1.0				
			054		67 68 1.0				
			055		80.9 81.9 1.0				
			056		81.9 82.7 0.8				
			057		89 89.3 0.3				
			058		91.4 92.4 1.0				
			14059		98 99.1 1.1				

DIAMOND DRILL RECORD

NAME OF PROPERTY GR-ONT-5
 HOLE NO. SL-87-04 LENGTH 94.5m (310')
 LOCATION SHOHL LAKE, ONTARIO
 LATITUDE 3+97N DEPARTURE 2+47W
 ELEVATION _____ AZIMUTH 180° DIP -55°
 STARTED FEB 11/87 FINISHED FEB 19/87

FOOTAGE	DIP	AZIMUTH	FOOTAGE	DIP	AZIMUTH

HOLE NO. _____ SHEET NO. 1 of 2

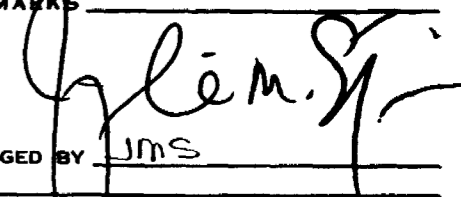
REMARKS _____

 LOGGED BY JMS

FOOTAGE		DESCRIPTION	SAMPLE			ASSAYS					
FROM	TO		NO.	% SULPHIDES	FOOTAGE FROM	FOOTAGE TO	FOOTAGE TOTAL	%	%	OZ/TON	OZ/TON
0	1.5m	CASING	14074		57.5	58.5	1.0				
0	50.5m	g. rhy. diorite to granodiorite: lt grn-gry to pink, red gr, sel homogeneous, sparse 50-55% of rock and range in colour from clear to white to brick red. quartz composes 30% and is clear and colourless to translucent lt grey, chlorite is dk green 15-20% of rock, 1 to 5mm frags at all angles tca are filled w chlorite, clay, epidote, <2% euhedral to anhedral py dissem throughout	14075		60.0	60.5	0.5				
			14076		66.5	67.5	1.0				
56.5	71.4	siliceous intrusion: lt grey-grn, felsitic frags are basine and at no preferred orientation									
57.5	58.5	quartz veins - hairline to 5mm wide at all									

DIAMOND DRILL RECORD

NAME OF PROPERTY GR-ONT-5
 HOLE NO. 2-27-05 LENGTH 91.4m (300')
 LOCATION SANDY LAKE, ONTARIO
 LATITUDE 7+25N DEPARTURE L5+00W
 ELEVATION _____ AZIMUTH 180° DIP -55°
 STARTED JAN 26/87 FINISHED JAN 30/87

FOOTAGE	DIP	AZIMUTH	FOOTAGE	DIP	AZIMUTH

HOLE NO. _____ SHEET NO. 143
 REMARKS _____

 LOGGED BY JMS

FOOTAGE		DESCRIPTION	SAMPLE				ASSAYS				
FROM	TO		NO.	% SULPHIDES	FOOTAGE FROM	FOOTAGE TO	FOOTAGE TOTAL	%	%	OZ/TON	OZ/TON
0	1.5m	CASING	14001		45.6	46.6	1.0				
1.5	91.4m	quartz diorite to granodiorite: med. pink to med. green-grey, med. gr., relatively homogeneous, granular, feldspars compose 50% - 55% of rock and range in colour from clear to white to brick red, quartz composes 30% and is clear and colourless to translucent light grey, biotite and/or hornblende composes 15% to 20% of rock and is dk green to black, 1 to 5mm wide fracs and veinlets found throughout rock at no preferred orientation, fracs are filled with chlorite, epidote, clay and quartz and masses of pyrite indistinguishable. There is an alteration aureole where propylitic alteration has taken place and leads to a change of the mafics to chlorite and/or epidote, a few veins have potassic alteration haloes, mineralization is in the form of euhedral to anhedral py 1 to 3mm size dissem. Throughout rock and in veinlets, usually 1 to 2% of rock and never greater than 5%.	14002		49.1	50.1	1.0				
			003		50.1	51.1					
			004		51.1	52.1					
			005		59.5	60.5					
			006		79.6	80.6					
			007		80.6	81.6					
			008		81.6	82.6					
			009		82.6	83.6					
			010		83.6	84.6					
			011		84.6	85.6					
			012		85.6	86.6					
			013		86.6	87.6					
9.0	9.6	chloritization of qtz-diorite, py along fracture plane	14014		87.6	88.6	1.0				



52E10SW8516 35 SHOAL LAKE

020

REPORT ON THE 1987
DIAMOND DRILL PROGRAM
(JANUARY - FEBRUARY)

Shoal Lake Property (ONT-5)
Glass Township
Kenora Mining Division
NTS 52E/10

on behalf of

GOLDEN RULE RESOURCES LTD.
NORTHERN ABITIBI MINING CORP.

Jacqueline M. Seguin
Golden Rule Resources Ltd.
May, 1987

DM86-3-C-272



52E10SW8516 35 SHOAL LAKE

020C

2

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INTRODUCTION

The Bag Bay claim group of the Shoal Lake property consists of a block of 30 claims in Glass Township of northwestern Ontario. The property occurs in a region which is presently the scene of extensive exploration by several companies.

A diamond drill program totalling 492 metres (1,614 feet) was carried out on the property in January and February of 1987. Five holes were drilled on claims K-710781, K-777818 and K777819. The purpose of the drilling was to test geophysical and geochemical anomalies which were outlined by ground magnetic and electromagnetic and geological surveys in 1984 and 1985.

In this report the background information on the property and the diamond drill program are summarized and recommendations are made for further work.

Previous assessment reports and government geology maps give a thorough coverage of the regional and local geology and the work that has been done by previous operators on or near the property. One is referred to that information for further detail on these aspects.

LOCATION AND ACCESS

Thirty-five kilometres west of Kenora on Highway 17, access is gained by the road to Clytie Bay and Rush Bay. A bush road from Clytie Bay reaches the present property but it is not accessible by ordinary motor vehicle. The Shoal Lake claims, located along Bag Bay, are three kilometres from the Clytie Bay boat ramp and from there they can be reached by motor boat in the summer. In the winter ice roads are maintained by the local residents so it is possible to travel on Shoal Lake via motor vehicle and reach both the Bag Bay claims and an easy access point to the Helldiver Bay claims.

The location is shown on Figures 1 and 2.

PERSONNEL

From January 23 to February 20, 1987 the diamond drilling program was supervised by Jacqueline M. Seguin, a geologist with Golden Rule Resources Ltd. of Calgary, Alberta.

PHYSIOGRAPHY AND TOPOGRAPHY

The topography of the Bag Bay claims is dominated by frequent outcrops of 5 to 30 m relief. Forest covers most of the property, with local areas of swamp.

8a

49.75°

8b

49.50°

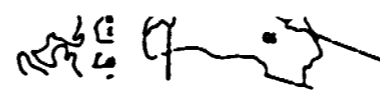
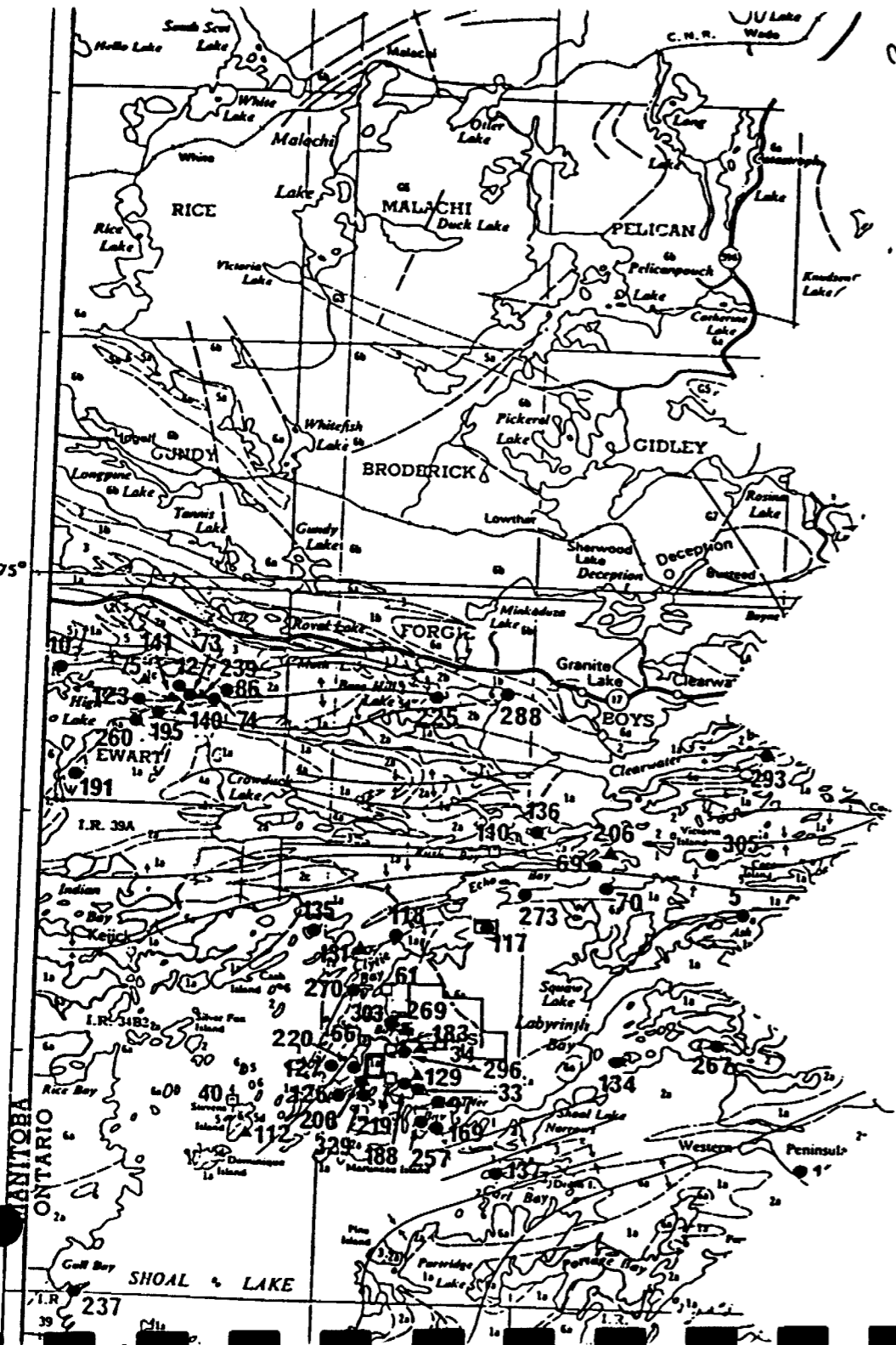
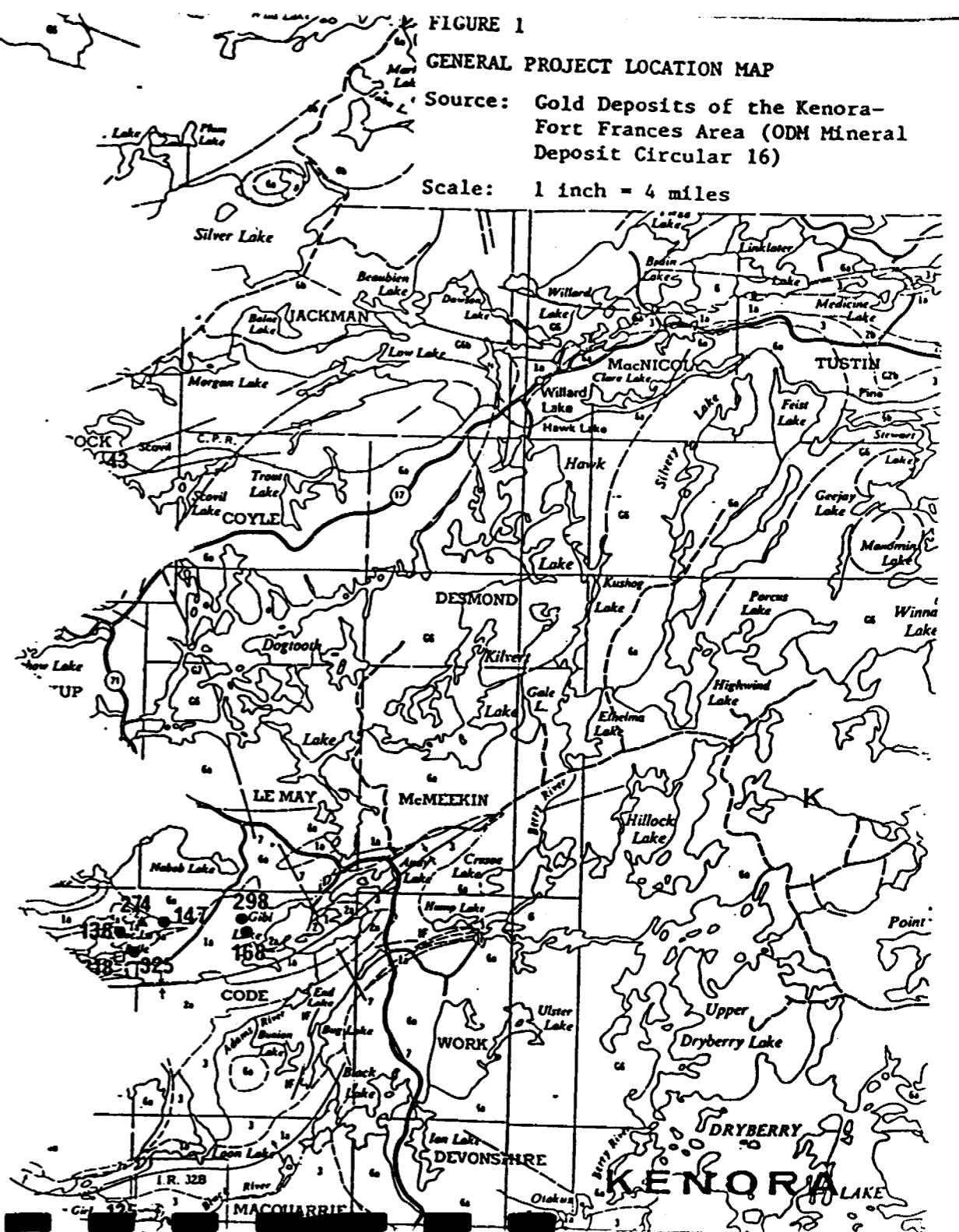


FIGURE 1
GENERAL PROJECT LOCATION MAP

Source: Gold Deposits of the Kenora-Fort Frances Area (ODM Mineral Deposit Circular 16)

Scale: 1 inch = 4 miles



ONTARIO

SHOAL LAKE

MACQUARRIE

KENORA LAKE

LAND STATUS

The Shoal Lake property, located in Glass Township is comprised of 34 mineral claims in three non-contiguous groups:

Bag Bay K-710776 to K-710777, K-710779 to K710788, K-777817 to K-777819, K-811071 to K-811077, K-811053 to K-811058, K-842065 and K-842066.

Echo Bay K-811028 and K-811031

Helldiver Bay K-710789 to K-710790

The location of the property in relation to other gold occurrences is indicated in Figure 1. The diamond drill program was carried out on claims K-710781, K-777818 and K-777819. As of March 31, 1987 the Helldiver Bay claims lapsed.

PREVIOUS WORK

The region has had a long and colorful history for gold mining and exploration. The main periods of activity were 1890-1910 and 1934-1943. Most of the gold discoveries in the region were made from 1885 to 1895, utilizing conventional prospecting techniques.

One of the more important past-producers, the Mikado Mine, is situated immediately west of the Bag Bay claims. The Midado has a recorded production of 28,335 ounces of gold. This property is currently, being drilled by St. Joe Canada Inc. Consolidated Professors Shoal Lake gold deposit is presently being developed. It is five kilometres southwest of the property.

Figure 1 illustrates the gold occurrences in this region. The cluster of known occurrences around the Canoe Lake Stock and the High Lake Stock has not until very recently been identified as an important indicator of possible significant new deposits within the intrusive bodies.

More recently work has been done on the Bag Bay group of mineral claims. Since 1984 the claims have been explored on a joint venture basis by Golden Rule Resources Ltd. and Northern Abitibi Mining Corp. During the winter of 1987 a diamond drilling program was carried out on the Bag Bay group of claims. For a detailed account of the work done in 1984 and 1985 see the assessment reports filed by Golden Rule Resources Ltd.

REGIONAL GEOLOGY

The properties are situated in the Shoal Lake area of the Kenora Mining District. The geologic mapping covering the property area is presented on the Bag Bay map sheet (Ontario Geological Survey, Map 2422) at a scale of 1/2 mile to the inch. The map sheet covers a portion of the Wagiboon Greenstone Belt of Archean age.

The properties are within and peripheral to the Canoe Lake Stock, which intrudes volcanic rocks. As is illustrated in Figure 1, numerous gold occurrences are situated along the western edge of the stock. Most of these are associated with east-west trending shear systems which continue into the stock.

ECONOMIC GEOLOGY

The gold occurrences of the region, with the exception of the Duport deposit, are generally associated with the late-stage shear zones. Modest prior production has been obtained from these structures on a historical basis. Very little recent exploration of these structures has been completed.

The properties were acquired as a result of limited surface investigations which located mineralized structures within the Canoe Lake Stock. Stocks intruding volcanic piles have been demonstrated to be very attractive environments for gold exploration. The presence of numerous gold occurrences in the adjacent volcanics, especially near intrusive contacts, is a positive indicator.

Gold deposits hosted by fissure veins and shear systems form the traditional exploration targets. However, many traditional prospectors shy away from exploring the intrusives, viewed as unproductive, even in instances in which gold occurrences are known to be present within the intrusives. The historical records indicate this to be the case for the Canoe Lake Stock.

The Bourlamaque batholith in the Val d'Or camp was one of the areas of successful exploration within favorable intrusives. More recent successes have been obtained from the Star Lake area of northern Saskatchewan. Discoveries by Calnor Resources Ltd. in the High Lake intrusive (12 miles to the northwest of the Shoal Lake area) further illustrate the importance of these settings. The intrusives are favorable settings for shear-related deposits in that the units are generally homogeneous and more susceptible to the development of brittle fracturing and the local development of dilatant zones.

Historical prospecting often had little success in this environment as the best developed shears were recessive weathering and often totally obscured by overburden.

Geophysical procedures (VLF-EM and ground magnetics) can be very useful in the exploration for this type of deposit. Since the intrusives often are flat magnetically and without significant conductance, the above-mentioned methods have the potential of responding to the shear systems and being of direct use in defining drill targets.

The weakly developed conductivity and the magnetic responses associated with the shearing are often too subtle to be of use in tracing these targets through more variably responding volcanic and sedimentary environments.

The other methods which have been of particularly good use are soil geochemistry and basal-till sampling with overburden drilling techniques in areas where soil conditions are not suitable for soil geochemistry.

LOCAL GEOLOGY

The Bag Bay mineral claims were geologically mapped in 1985 and the reader is referred to that assessment reports for the detailed geology.

In general the Bag Bay group of mineral claims cover a portion of the Canoe Lake Stock. Outcrops of granodiorite and quartz diorite with quartz veins, and small aplite dykes as well as areas of basalt are found on the property.

DIAMOND DRILL PROGRAM

A diamond drill program was conducted on the Bag Bay claims of the Shoal Lake property from January 23 to February 20, 1987. The program is summarized on Table 1 and the diamond drill hole locations are represented on Map 1.

Drilcor Industries Ltd. of Delta, B.C. was the diamond drill contractor.

Five holes were drilled on claims K-710781, K-777818 and K-777819. A total of 492 metres (1,614 feet) of NDB size core (including overburden) was drilled. Individual hole lengths varied from 91.4 to 105.2 metres.

A total of 70.6 metres of core was split and sampled in intervals varying from 0.3 to 1.4 metres. Seventy-six samples were sent to Bell-White Analytical Laboratories Ltd. of Haileybury, Ontario. All of the samples were analysed for gold. Analytical results are found in Appendix A. Significant gold values were not encountered.

The most common rock types encountered during the drilling were granodiorite to quartz diorite and aplite dykes. Quartz and quartz-carbonate veins up to 1 cm in width were encountered in all but hole 5. Hairline fractures were sporadic and exhibited haloes of potassic and silicic alteration. Up to 10% pyrite was concentrated along these fractures as fine-grained, anhedral masses. Pyrite also occurred disseminated throughout in concentrations <5% and as anhedral to euhedral crystals. Refer to the drill logs and cross-sections of Appendix B for further detail. The core was stored at the site of drill hole SL-87-02.

TABLE 1

SUMMARY OF DIAMOND DRILL PROGRAM

<u>HOLE NO.</u>	<u>CLAIM</u>	<u>LOCATION</u>	<u>AZIMUTH</u>	<u>DIP DEG.</u>	<u>LENGTH (METRES)</u>
SL-87-01	K-778818, K-777819	L5+00W, 4+40N	180 deg.	-55	101.8
Magnetic Anomaly: Magnetite with pyrite in granodiorite					
SL-87-02	K-777818	L3+75W, 4+25N	360 deg.	-55	99.1
Rock Geochemical Anomaly: No explanation Remarks: No gold-bearing veins within host					
SL-87-03	----	Not drilled, located in a swamp	----	----	----
SL-87-04	K-777819	2+47W, 3+97N	180 deg.	-55	94.5
Magnetic Anomaly: Aplite dyke VLF-EM Anomaly: Aplite dyke					
SL-87-05	K-777818 K-710781	L5+00W, 7+25N	180 deg.	-55	91.4
Magnetic Anomaly: No explanation Rock Geochemical Anomaly: No explanation Remarks: No gold bearing veins present					
SL-87-06	K-777819	4+97W, 3+00N	180 deg.	-55	105.2
Soil Geochemical Anomaly: No explanation Magnetic Anomaly: Aplite dykes					

CONCLUSIONS AND RECOMMENDATIONS

The diamond drill program effectively explained the geophysical anomalies and confirmed the geology of the Shoal Lake property. Significant gold mineralization was not found.

Most of the magnetic conductors were explained by the frequent aplite intrusions. Granodiorite to quartz diorite were dominant rock units intersected in the drilling with frequent aplite dykes.

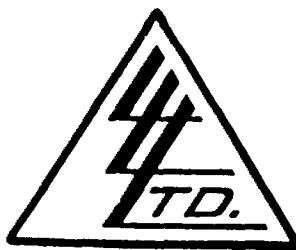
The geology of the Bag Bay claim group is similar to that reported for gold occurrences of the Canoe Lake Stock. This similarity to other gold properties indicates the potential for hosting economic gold mineralization. Further drilling on other areas of the property ie. near to the Tycoon Showing may delineate areas of gold mineralization.

SHOAL LAKE EXPENDITURES
UP TO MAY 6, 1987

Drill Contract, January 16 - February 20	\$ 88,297.85
Cat Rental and Operator	14,640.00
Supervisory and Consulting	16,786.57
Support Personnel Wages	5,550.00
Meals	604.04
Accommodation	3,800.00
Camping supplies, Equipment	240.00
Air transportation	945.00
Vehicle Rentals	3,500.00
Vehicle Operation Costs	245.00
Assays	758.00
Communication (xerox, courier, telephone, etc.)	<u>665.00</u>
TOTAL	\$ 136,031.46 =====

APPENDIX A
CERTIFICATES OF ANALYSIS

To: GOLDEN RULE RESOURCES LTD
1122 - 4 Street S.W.,
Calgary, Alberta T2R 1M1
Attn: Glen Harper
cc: J.M. Seguin
cc: J. Hansen cc: M. Fox



File No. 29576
Date February 19, 1987
Samples Core

Certificate of
ASSAY of

LORING LABORATORIES LTD.

Page # 1

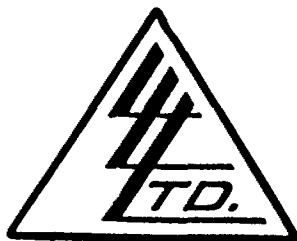
SAMPLE No.	OZ./TON GOLD
<p><u>ASSAY</u></p> <p>14014</p>	<p>.030</p>

I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE
ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES

Rejects Retained one month.
Pulps Retained one month
unless specific arrangements
made in advance.


Assayer

To: GOLDEN RULE RESOURCES LTD
 4 1122 - 4 Street S.W.,
 Calgary, Alberta T2R 1M1
 Attn: Glen Harper
 cc: J.M. Seguin
 cc: J. Hansen cc: M. Fox



File No. 29576
 Date February 19, 1987
 Samples Core

Certificate of
ASSAY OF
LORING LABORATORIES LTD.

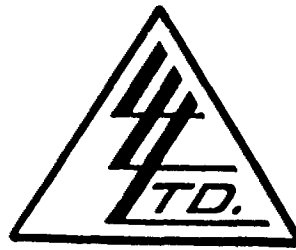
Page # 2

SAMPLE No.	PPB Au
<u>"Geochemical Analysis"</u>	
14001	45
02	15
03	30
04	10
14005	35
06	125
07	35
08	50
09	15
14010	100
11	55
12	120
13	150
14	+1000
14015	240
16	45
17	20
18	15
19	20
14020	25
21	5
22	30
23	40
24	10
14025	55
26	50
14027	30

**I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE
 ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES**

Rejects Retained one month.
 Pulps Retained one month
 unless specific arrangements
 made in advance.

[Signature]
 Assayer



To: GOLDEN RULE RESOURCES LTD.
 410, 1122, 4 Street S.W.,
 Calgary, Alberta T2R 1M1
 Attn: Glen Harper
 cc: J.M. Seguin
 cc: J. Hansen cc: M. Fox

File No. 29576
 Date February 19, 1987
 Samples Core

Certificate of
 ASSAY of

LORING LABORATORIES LTD.

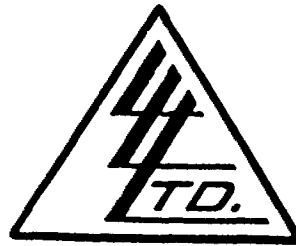
Page # 3

SAMPLE No.	PPB Au
<u>"Geochemical Analysis"</u>	
14028	30
29	35
14030	25
31	45
32	50
33	25
34	Nil
14035	25
36	20
37	30
38	25
39	20
14040	5
41	30
42	85
43	70
44	50
14045	15
46	10
47	20
48	25
49	25
14050	20
51	20
52	125
53	15
14054	20

I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE
 ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES

Rejects Retained one month.
 Pulps Retained one month
 unless specific arrangements
 made in advance.

[Signature]
 Assayer



To: GOLDEN RULE RESOURCES LTD
 1122 - 4 Street S.W.,
 Calgary, Alberta T2R 1M1
 Attn: Glen Harper
 cc: J.M. Seguin
 cc: J. Hansen cc: M. Fox

File No. 29576
 Date February 19, 1987
 Samples Core

Certificate of
ASSAY
LORING LABORATORIES LTD.

Page # 4

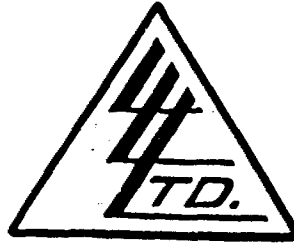
SAMPLE No.	PPB Au
<p><u>"Geochemical Analysis"</u></p> <p>14055 56 57 58 14059</p>	<p>Nil 10 15 30 Nil</p>

**I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE
 ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES**

Rejects Retained one month.
 Pulp Retained one month
 unless specific arrangements
 made in advance.

[Signature]
 Assayer

To: GOLDEN RULE RESOURCES
1122 - 4 Street S.W.,
Calgary, Alberta T2R 1M1
Attn: Glen Harper
cc: J.M. Seguin cc: M. Fox
cc: J. Hansen



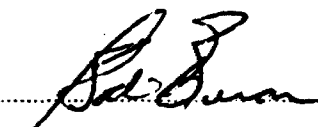
File No. 29589
Date February 20, 1987
Samples Core

Certificate of
ASSAY OF
LORING LABORATORIES LTD.

Page # 1

SAMPLE No.	OZ./TON GOLD
<p><u>ASSAY</u></p> <p>14070</p>	<p>.031</p> <p>I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES</p>

Rejects Retained one month.
Samples Retained one month
unless specific arrangements
made in advance.

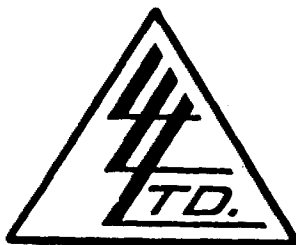

Assayer

To: GOLDEN RULE RESOURCES LTD
1122 - 4 Street S.W.,
Calgary, Alberta T2R 1M1
Attn: Glen Harper

cc: J.M. Seguin

cc: J. Hansen - Geotest Corp

cc: M. Fox - CRM LTD



File No. 29611
Date March 3, 1987
Samples Rock

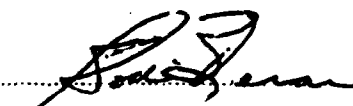
Certificate of
ASSAY of

LORING LABORATORIES LTD.

SAMPLE No.	PPB Au
<u>"Geochemical Analysis"</u>	
14074	Nil
75	15
14076	15

I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE
ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES

Rejects Retained one month.
Pulps Retained one month
unless specific arrangements
made in advance.


Assayer



#115-87

Name and Postal Address of Recorded Holder

GOLDEN RULE RESOURCES LTD.

Inspector's Licence No.

T 1918

SUITE 410 - 1122 4 ST. SW. CALGARY, ALTA. T2R 1M1

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	Days Cr.		Prefix	Number	Days Cr.		Prefix	Number	Days Cr.	
902 934	K	710776	32	K	710785	32	K	777817	20			
		710777	32		710786	32		811053	32			
		710779	32		710787	32		811054	52			
		710780	32		710788	32		811055	32			
		710781	32		777818	10		811056	32			
		710782	32		777819	10		811057	32			
		710783	32		842065	22		811058	32			
		70784	32		842066	32		811071	32			

All the work was performed on Mining Claim(s): K. 710781, 777818-19.

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

- DDH STRIP LOGS FOR SL-87-01, SL-87-02, SL-87-03, SL-87-04, SL-87-05, SL-87-06
 - LOCATION SKETCHES FOR ABOVE
 - SUPERVISING PROJECT GEOLOGIST
J. SÉGUIN
#504 815 4 AVE SW
CALGARY, AB T2P 3G8
 - DRILLING CONTRACTOR
DRILCOR INDUSTRIES LTD.
#177 7449 HUME AVE.
DELTA BC
V4G 1C3
- #1 - 334
#2 - 325
#4 - 310
#5 - 300
#6 - 345
1614 934 remaining from #34-87 ← see also

ONTARIO GEOLOGICAL SURVEY
ASSESSMENT FILES
RESEARCH OFFICE

JUL 9 1987 KENORA MINING DIV.
RECEIVED
MAY 19 1987
AM 7 8 9 10 11 12 1 2 3 4 5 6 PM

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, or witnessed same during or after its completion and the annexed report is true.

Name and Postal Address of Person Certifying

JACQUELINE M. SÉGUIN
-815 4 AVE SW CALGARY, AB
APT 1913 T2P 3G8

Date Certified
MAY 14/87

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. 710775	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	Nil		
Compressed air, other power driven or mechanical equip.	Type of equipment	Names and addresses of owner or operator together with dates when drilling/stripping done. JAN 23 - FEB 20/87	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.	Nil	Nil
Land Survey	Name and address of Ontario land surveyor.	Nil	Nil



Ministry of Northern Development and Mines

Report of Work SHOAL LAKE Instructions

Fill in on a separate form for each item to be recorded (see table below)

For Geo-technical work use form no. 1362 "Report of Work (Geological, Geophysical, Geochemical and Expenditures)"

#115-87

Mining Act

Name and Postal Address of Recorder: **GOLDEN RULE RESOURCES LTD**
SUITE 410 - 1122 4 ST. SW. CALGARY, ALTA.

Prospector's Licence No: **T 1918**

Summary of Work Performance and Distribution of Credits

Type of Work	Mining Claim			Mining Claim			Mining Claim		
	Prefix	Number	Work Days Cr.	Prefix	Number	Work Days Cr.	Prefix	Number	Work Days Cr.
Performance of the following: <input type="checkbox"/> Manual Work <input type="checkbox"/> Small Sinkings, Drilling or other Lateral Work <input type="checkbox"/> Compressed Air or other Power Driven or Mechanically Driven <input type="checkbox"/> Power Stripping <input checked="" type="checkbox"/> Drilling or other Core Drilling <input type="checkbox"/> Land Survey	K	811072	32	K			K		
		811073	32						
		811074	32						
		811075	32						
		811076	52						
		811077	32						

All the work was performed on Mining Claim(s): **K. 710781, 777 818-19**

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

DDH STRIP LOGS FOR SL-87-01, SL-87-02, SL-87-04, SL-87-05, SL-87-06

2 LOCATION SKETCHES FOR ABOVE

3 SUPERVISING PROJECT GEOLOGIST

J. SÉGUIN
#501 815 4 AVE SW
CALGARY, AB T2P 3G8

4 DRILLING CONTRACTOR

DRILCOCK INDUSTRIES LTD.

#17 744 9 HUME AVE.

DELTA BC

VAG 1C3

#1 -334

#2 -325

#4 -310

#5 -300

#6 -345

1614

934 remaining

Date of Report

MAY 14/87



Verification of 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 and that I witnessed same during and/or after its completion and the annexed report is true.

Name and Postal Address of Person Certifying

BERGHELINE M. SÉGUIN
#815 4 AVE SW CALGARY, AB
APT 1913 T2P 3G8

Date Certified

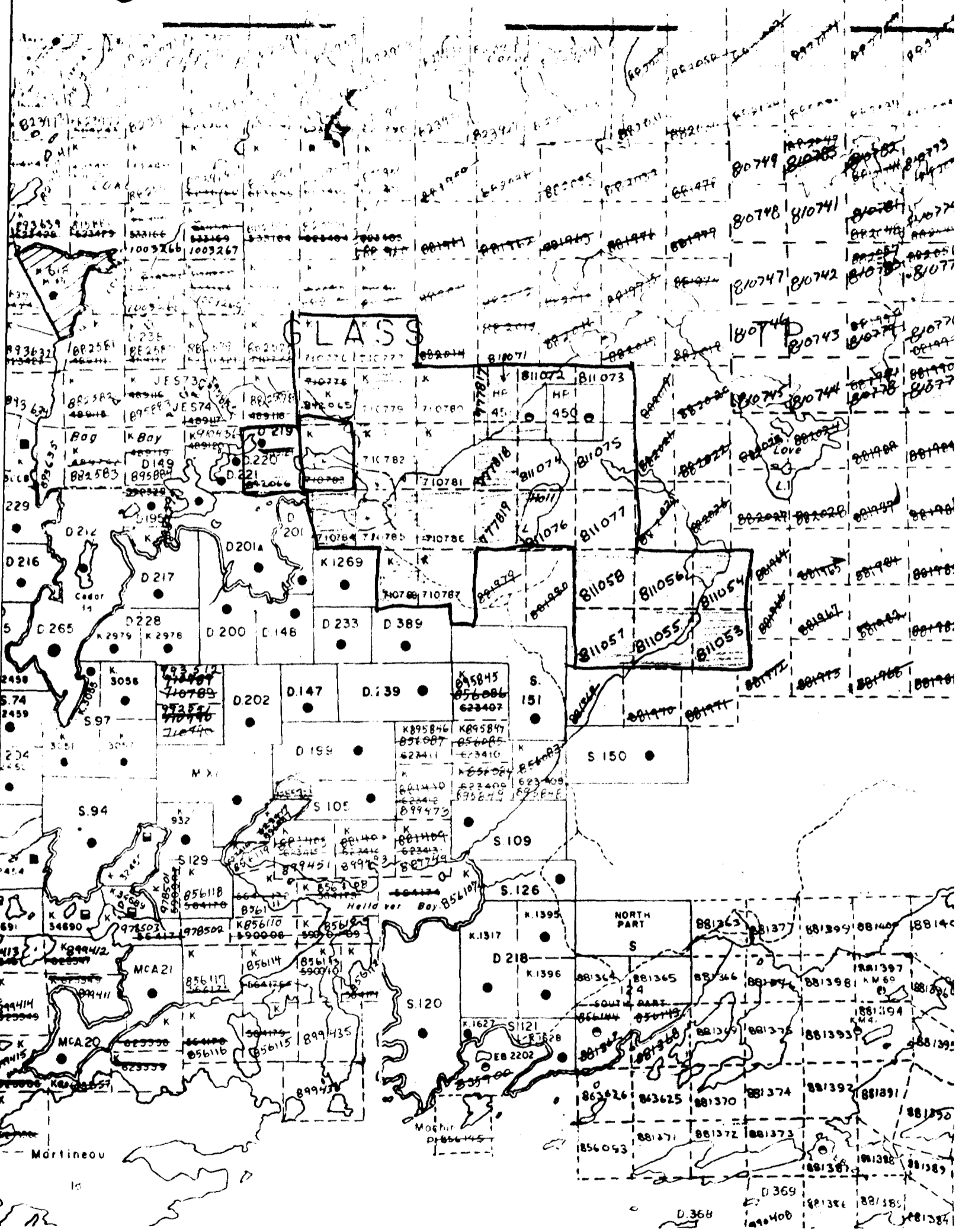
MAY 14/87

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		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
Small Sinkings, Drilling or other Lateral Work			
Compressed Air or other power Driven or Mechanically Driven	Type of equipment	Names and addresses of owner or operator together with dates when drilling/stripping done	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		
Drilling or other core Drilling	Signed core log showing footage, diameter of core, number and angles of holes		
Land Survey	Name and address of Ontario land surveyor	Nil	Nil

JAN 23 - FEB 20 1987

ECHO BAY and





Ministry of Northern Development and Mines

Report of Work

Assembly file 6.2642
SHOAL LAKE

Instructions - Supply required data on a separate form for each type of work to be recorded (see table below).
- For Geo-technical work use form no. 1362 "Report of Work (Geological, Geophysical, Geochemical and Expenditures)". #34-87

Mining Act

Name and Postal Address of Recorded Holder: **GOLDEN RULE RESOURCES LTD.**
SUITE 410 - 1122 4 ST. SW. CALGARY, ALTA.

Prospector's Licence No. **T 1918**

Summary of Work Performance and Distribution of Credits

Total Work Days Cr. claimed 680	Mining Claim			Mining Claim			Mining Claim		
	Prefix	Number	Work Days Cr.	Prefix	Number	Work Days Cr.	Prefix	Number	Work Days Cr.
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	710776	40	K	710785	40	K	777817	40
		710777	40		710786	40			
		710779	40		710787	40			
		710780	40		710788	40			
		710781	40		777818	40			
		710782	40		777819	40			
		710783	40		842065	40			
		70784	40		842066	40			

All the work was performed on Mining Claim(s): **K. 710781, 777818-19**

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

1. DDH STRIP LOGS FOR SL-87-01, SL-87-02, SL-87-03, SL-87-04, SL-87-05, SL-87-06.

2. LOCATION SKETCHES FOR ABOVE

3. SUPERVISING PROJECT GEOLOGIST
J. SÉGUIN
 #504 815 4 AVE SW
 CALGARY, AB T2P 3G8

4. DRILLING CONTRACTOR
DRILCOR INDUSTRIES LTD.
 #17 7449 HUME AVE.
 DELTA BC
 V4G 1C3

#1 - 334
 #2 - 325
 #4 - 310
 #5 - 300
 #6 - 345
 1614' 934' remaining

ONTARIO GEOLOGICAL SURVEY
 ASSESSMENT FILES
 RESEARCH OFFICE
 FEB 25 1987
 RECEIVED KENORA MINING DIV.
 FEB 19 1987
 AM 7:8,9,10,11,12,1,2,3,4,5,6 PM

Date of Report: **FEB 20/87**
 Recorded Holder or Agent (Signature): *[Signature]*

Certification Verifying Report of Work

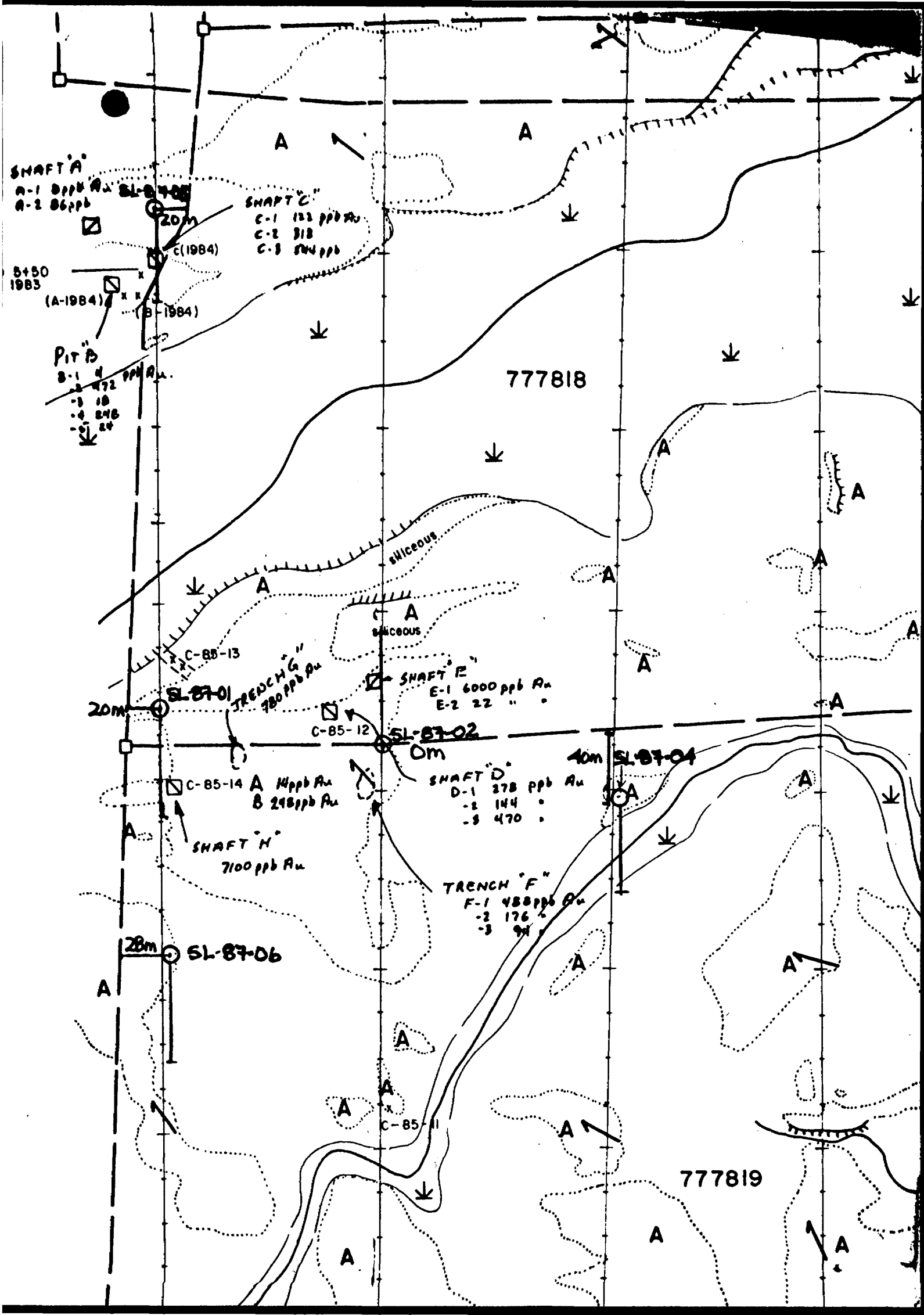
I hereby certify that I have a personal and intimate knowledge of the facts set forth in the Report of Work annexed hereto, having performed the work or witnessed same during and/or after its completion and the annexed report is true.

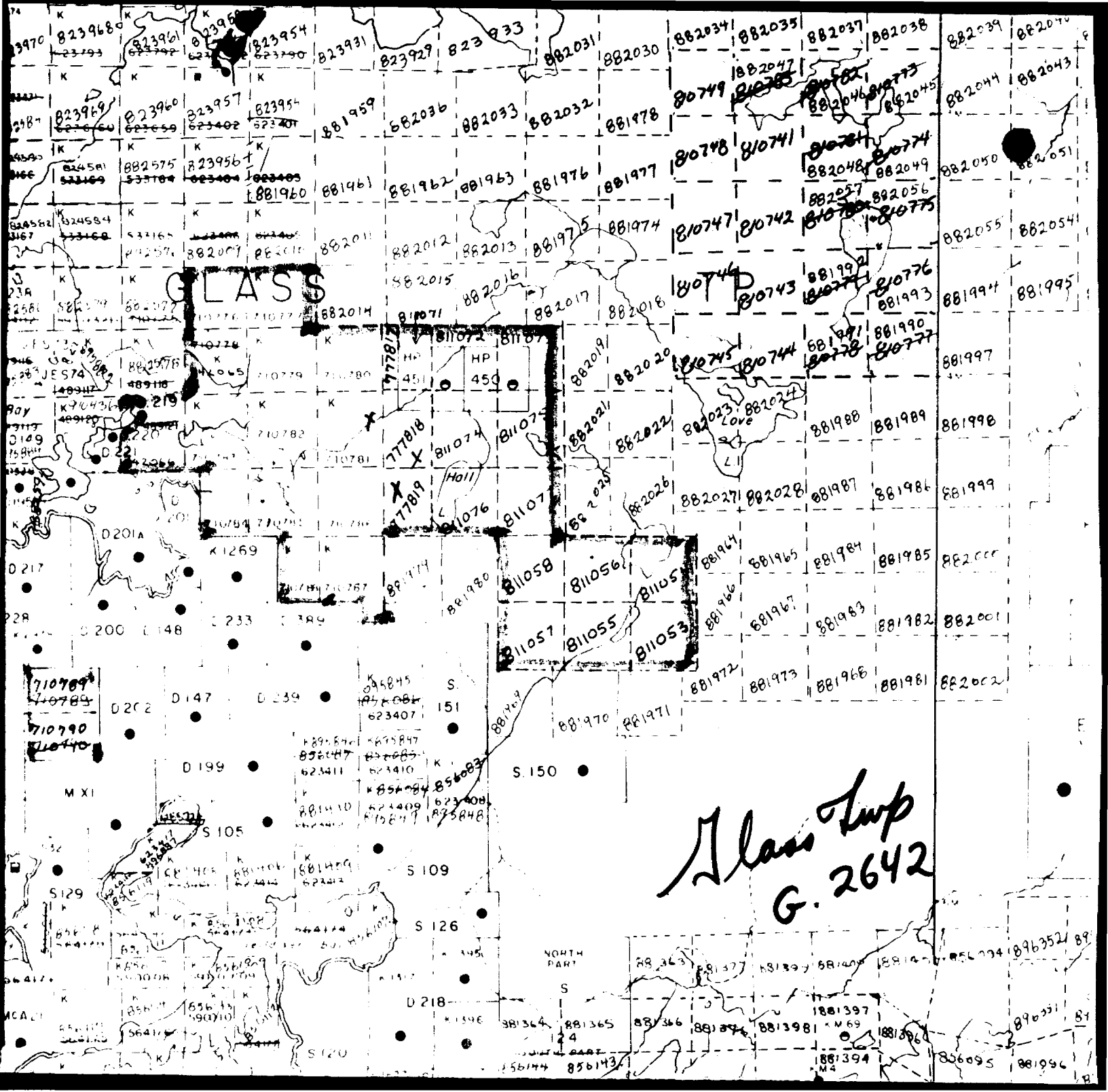
Name and Postal Address of Person Certifying
JACQUELINE M. SÉGUIN
504-815 4 AVE SW CALGARY, AB T2P 3G8

Date Certified: **FEB 20/87**
 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. 710775	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	Names and addresses of owner or operator together with dates when drilling/stripping done. JAN 23 - FEB 20/87	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.		
Land Survey	Name and address of Ontario land surveyor.	Nil	Nil





GLASS

Glass Twp
G. 2642

710789
710789
710790
710790

846845
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856900

NORTH
PART

856095
856096
856097
856098
856099
856100

NOTES

400' surface rights reservation along the shores of all lakes and rivers
 Reserve flooding rights to 1064' above mean sea level on all lands bordering on Lake of the Woods

AREAS WITHDRAWN FROM DISPOSITION

Description	Order No.	Date	Opposition	File
Sec 29/70	W-65/76	13/1/76	SR	185231
Sec 26/80	W-20/85	9/9/85	S.R.S.M.R.	185231
Sec 36/90	W-02/85	01/28/85	S.R.T.M.R.	
Sec 36	W-03/86	13/08/86	S.M.R.	185235

SAND and GRAVEL

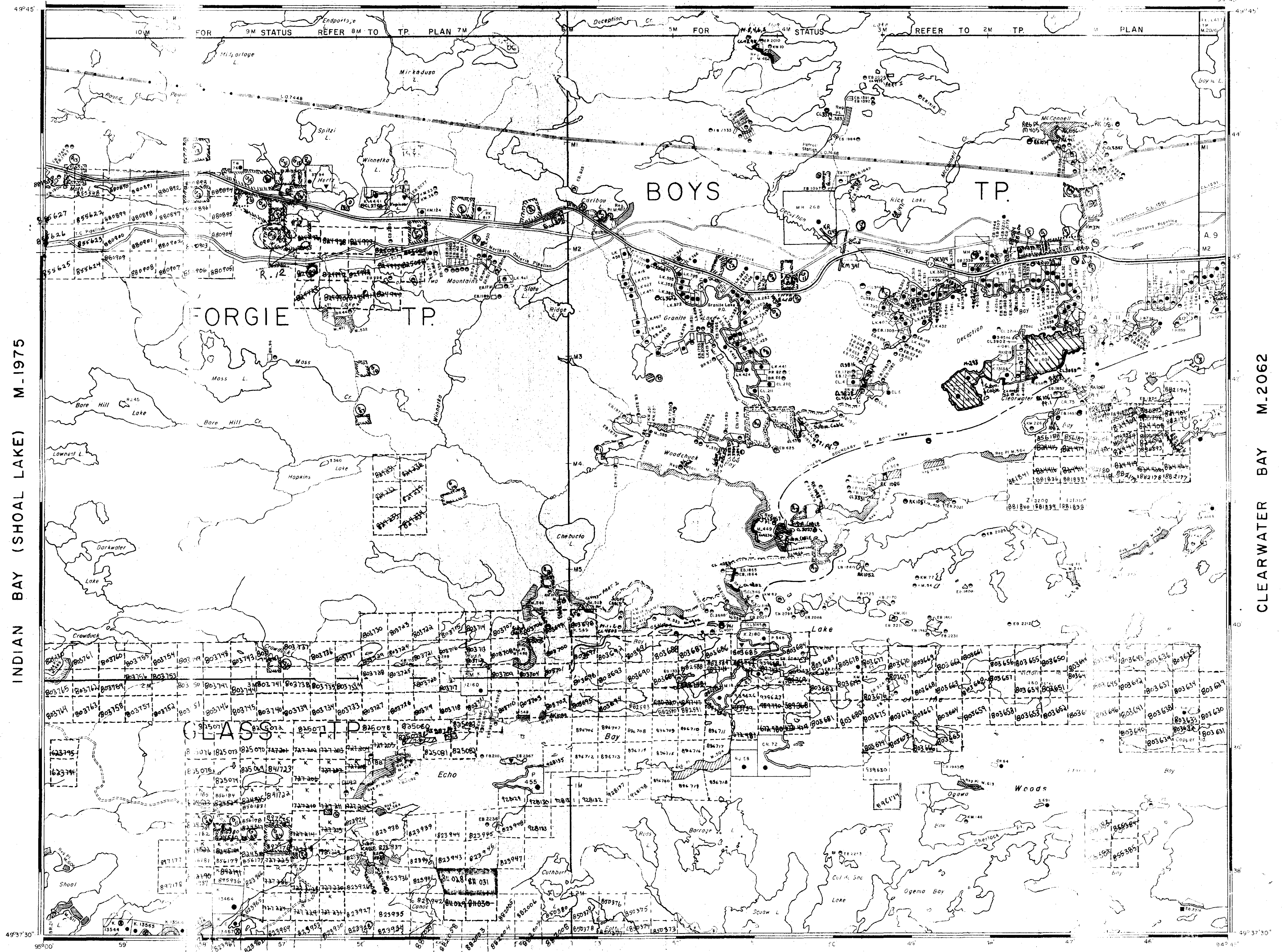
TYPE	PIT	FILE
M.T.C.	35	163489
Gravel		163496
M.T.C.	498	163498
M.T.C.	1012	163498
M.T.C.	437	163498
Gravel		163498
M.T.C.	459	163498
M.T.C.	440	163498
M.T.C.	441	163498
M.T.C.	528	163498
M.N.R.	35	163650
M.T.C.	942	163656
Gravel		120803
M.T.C.	-424	99952
Gravel		99952
M.T.C.	1158	
M.T.C.	429	99952
M.T.C.	1397	
M.T.C.	1558	
M.T.C.	423	
M.T.C.	424	
M.T.C.	426	
M.T.C.	426	
M.T.C.	426	
Gravel		169191
M.N.R.	98	99952
Gravel		169191
Gravel		189793
Gravel		189740
Gravel		123650
Gravel		99952
M.T.C.	1D-17	
Quarry Permit		
M.T.C.	1D-43	

RESERVES

M.N.R.	77094	Vol.5
Crown Reserve (S.R.O.)	163473	
M.T.C.	83811	
Crown Reserve	163473	
Public Reserve	162192	
Crown Reserve	77094	Vol.6
Crown Reserve	163473	Vol.1
Crown Reserve		
Public Use Reserve	163473	Vol.2
Tower Reserve	99952	

400' shown thus S.R.O. Reserve to M.N.R. File 163473
 Crown Reserve S.R.O. File 173645

BRODERICK TP M.1953 GIDLEY TP M.1980



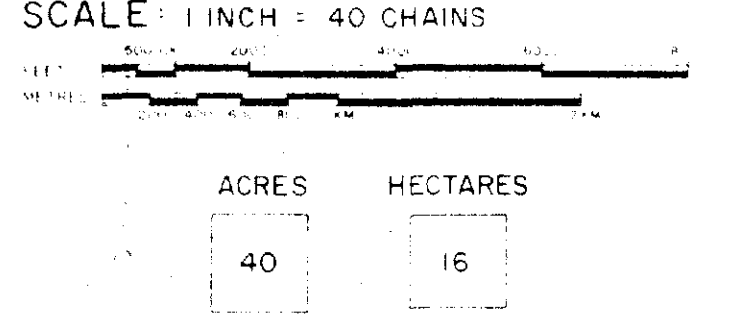
KENORA MINING DIV.
RECEIVED
 JAN 23 1987
 SEP 04 1985
 789,011,12,13,34,54
 Effective as per letter Sep 4, 1985

LEGEND

- Highway and other roads
- Other rights
- Trails
- Surveyed lines
- Township, base lines, etc.
- Lots, mining claims, parcels, etc.
- Unsurveyed lines
- Lot lines
- Parcel boundaries
- Mining claims, etc.
- Railway and right of way
- Utility lines
- Water perennial stream
- Flooding or flooding rights
- Subdivision
- Mineral shoreline
- Marsh or muskeg
- Minerals

DISPOSITION OF CROWN LANDS

- Mineral rights only
- Surface rights only
- Lease
- Surface mining rights
- Surface rights only
- Mining rights only
- License of occupation
- Crown land sale
- Order in council
- Reservation
- Annulment
- Sand and gravel



AREA
ECHO BAY & BOYS TP.
 DISTRICT
 KENORA
 MINING DIVISION
 KENORA
 D.D.#35
 ONTARIO
 MINISTRY OF NATURAL RESOURCES
 SURVEYS AND MAPPING BRANCH
 DATE: 6th SEPTEMBER 1973 PLAN No.
 NATIONAL TOPOGRAPHIC SERIES 52E10
M.1949
 496 944
 DM66-3-C-272



TL 12+50 N

12+00 N

11+00 N

10+00 N

9+00 N

8+00 N

7+00 N

6+00 N

5+00 N

4+00 N

3+00 N

2+00 N

1+00 N

L 12+50 E

L 12+00 E

L 11+25 E

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L 0+00 W

L 0+25 W

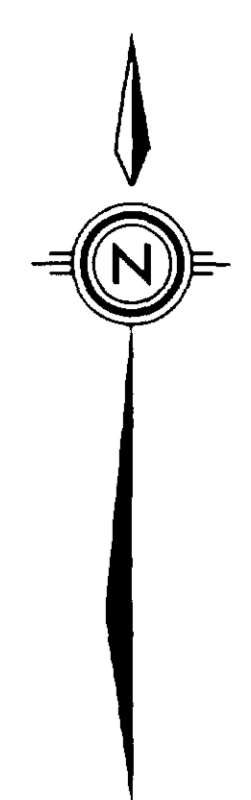
L 0+00 W

L 0+25 W

L 0+00 W

L 0+25 W

L 0+00 W

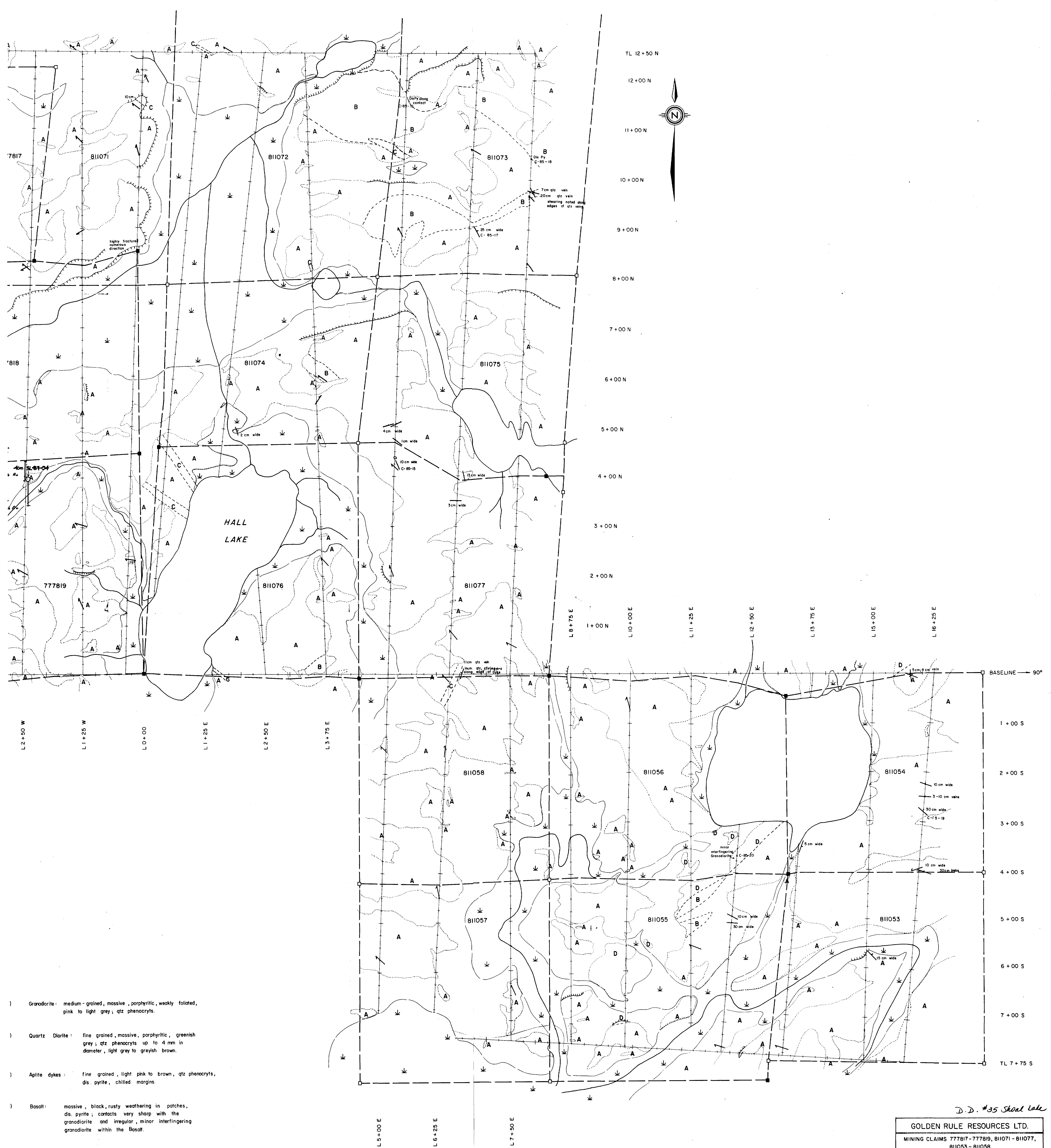


LEGEND

- quartz vein
 - > prevalent fractures
 - x C-85-10 rock sample
 - ⊕ claim post
 - claim line
 - ⊙ swamp
 - ⊙ shaft
 - ⊙ outcrop area
 - - - contact
 - ⊕ ridge
 - ⊕ SL-B7-# Diamond Drillhole Location
- (A) Granodiorite: medium-grained, massive, porphyritic, weakly foliated, pink to light grey; qtz phenocrysts.
 - (B) Quartz Diorite: fine grained, massive, porphyritic, greenish grey; qtz phenocrysts up to 4 mm in diameter, light grey to greyish brown.
 - (C) Aplite dykes: fine grained, light pink to brown, qtz phenocrysts, dis. pyrite, chilled margins.
 - (D) Basalt: massive, black, rusty weathering in patches, dis. pyrite; contacts very sharp with the granodiorite and irregular, minor interfingering granodiorite within the Basalt.

NOTE: Compiled and Interpreted by Geotest Corp.





-) Granodiorite: medium-grained, massive, porphyritic, weakly foliated, pink to light grey; qtz phenocrysts.
-) Quartz Diorite: fine grained, massive, porphyritic, greenish grey; qtz phenocrysts up to 4 mm in diameter, light grey to greyish brown.
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D.D. #35 Shoal Lake

GOLDEN RULE RESOURCES LTD.	
MINING CLAIMS 777817-777819, 811071-811077, 811053-811058	
SHOAL LAKE PROPERTY CLASS TWP. SHOAL LAKE, ONTARIO	
GEOLOGY/DDM Locations	
DATE JULY 1985/JAN 87	NTS 52 E/10
PROJECT GR-ONT-5	MAPPED/DRAWN BY C. AUSSANT
SCALE 1:2500	0 50 100 METRES
TAIGA CONSULTANTS LTD	MAP 85-1A

0186-3-C-272

MAP 1