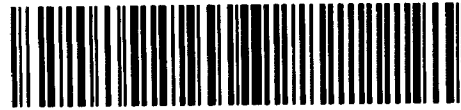


HARPER Consulting Serv



52F05SW0106 63.4085 DOGPAW LAKE

010

H. Grant Harper P. Eng., President
Consulting Engineer & Geologist

314 Hendon Avenue
Willowdale, Ontario M2M 1B2
(416) 225-7412

December 1, 1978.

Mr. Murray Axmith,
Suite 202,
220 Bay St.,
Toronto.

re: McLennan Gold Prospect

Dear Mr. Axmith,

At your request I have been making enquiries into a gold prospect submitted to you by Mr. Roy Martin, a well known prospector. The property consists of 7 patented mining claims (K10024 to K10030 inclusive) located between Dogpaw and Cedartree Lakes, District of Kenora, Ontario. The claim area is about 350 acres.

Access to the property is via Cedartree and Kakagi Lakes from Highway 71 about 16 miles south of Sioux Narrows. The property actually lies about 4 miles east of Highway 71.

The property has been owned since the 1940's by G.E. McLennan of Kenora, Ontario. He and Mr. Martin (who made the original Dogpaw gold discovery) state that no work has been done on the property except the prospecting and diamond drilling which is reported in GR 134, Geology of the Cedartree Lake Area, by J.C. Davies and J.A. Morin published by the Ontario Ministry of Natural Resources. My only source of technical data is this report. Mr. McLennan, with whom I have spoken by telephone, has none of the original drill logs or other data.

The McLennan gold showing was probed by 14 drill holes by the exploration subsidiary of Sylvanite Gold Mines Ltd in 1945. Only 2 of the 14 holes were blanks. These assay results of the drilling and the surface trenches are included in GR 134 and are encouraging with respect to both grade and width. An appreciable strike length is indicated and there is no evidence of it bottoming. The zone is open to the southwest while to the northeast it passes onto claims held by Noranda Explorations Ltd. Further close interval and deeper drilling of this zone is warranted and recommended.

At least one other occurrence of gold is known to occur on the property. This zone has not been opened up or

or diamond drilled. This zone and the rest of the property should be re-explored and re-evaluated.

One of the more enticing features of the McLennan property is its spatial relationship to properties adjoining on the north and east. Drilling on the Noranda property has indicated 90,650 tons grading 0.43 ounces of gold. The Dubenski property (originally Caswell-Williams Prospect) has been extensively diamond drilled and according to Dubenski via Martin contains about 190,000 tons grading about 0.25 ounces of gold. According to Martin several years ago Noranda considered mining both properties simultaneously treating the ore in a portable mill. Further drilling on the McLennan property has a chance of establishing a drill indicated tonnage and since all three properties are within 1 mile of each other, the proposed mining venture might come about.

I consider the McLennan property worthy of further exploration and evaluation and recommend the following.

- 1.- Staking 10 to 16 claims to the south.
- 2.- Line cutting, mapping, magnetic and VLF surveying.
- 3.- Surface and till prospecting and sampling for gold.
- 4.- A minimum of 2000 feet of diamond drilling.

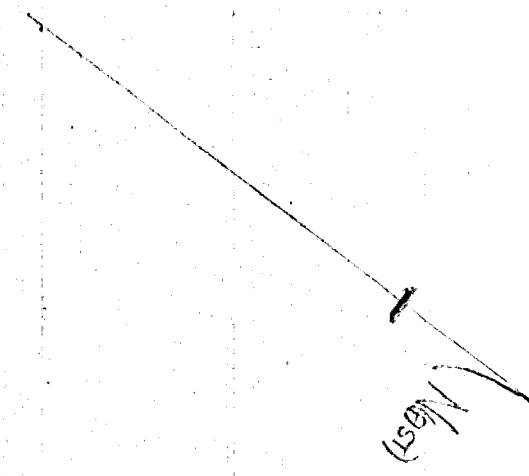
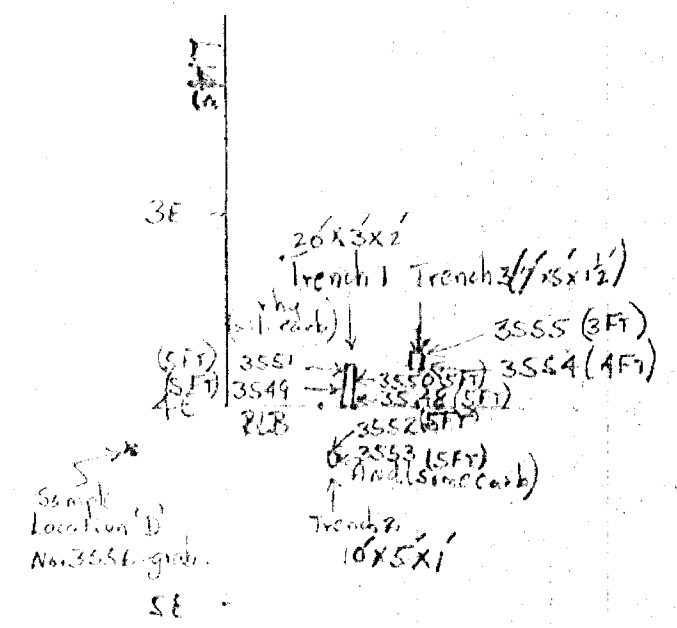
The cost of the above program would amount to \$75,000. to \$100,000. depending on the results of the surface work.

Respectfully submitted,

13755/07455

CANADIAN RESOURCES LTD
DUGDOWN LAKE AREA
KENORA, ONTARIO

BLB SAMPLING (GRABS)



M. JULY - AUGUST 1979.

SCALE 1" = 100 FT

10 X 10 TO 100 FT (100 FT 20 200)

**X-RAY ASSAY LABORATORIES
LIMITED**

1885 LESLIE STREET, DON MILLS, ONTARIO M3B 3J4

CERTIFICATE OF ANALYSIS

INVOICE NO. 5307

TO: CANRAY RESOURCES LTD,
ATTN: MURRAY AXMITH,
SUITE 202, 220 BAY ST.,
TORONTO, ONTARIO.
M5J 1P3

18 ROCKS SUBMITTED ON 30-JUL-79

WERE ANALYSED AS FOLLOWS:

	UNITS	METHOD	DETECTION LIMIT
AU	OZ/TON	FA	0.010
AG	OZ/TON	FA	0.200

DATE 23-AUG-79

X-RAY ASSAY LABORATORIES LIMITED

CERTIFIED BY *J. H. Opdebbeck*

J. H. Opdebbeck
J. H. OPDEBEECK

SAMPLE

AU OZ/TON AG OZ/TON

SAMPLE	AU OZ/TON	AG OZ/TON
3541	TRACE	NIL
3542	TRACE	NIL
3543	TRACE	NIL
3544	TRACE	NIL
3545	TRACE	TRACE
3546	0.01	TRACE
3547	0.02	TRACE
3548	TRACE	NIL
3549	NIL	NIL
3550	NIL	NIL
3551	NIL	NIL
3552	NIL	NIL
3553	NIL	NIL
3554	NIL	NIL
3555	NIL	NIL
3556	NIL	NIL
3557	NIL	NIL
3558	NIL	NIL

AUGUST 4, 1979.

OLD DIAMOND DRILL CORE LOGS (SIZE 'E')
- SPLIT CORE -

DDH 8.

- 109-113 Brecciated Andesite. [No. 3569].
113-119 More siliceous-trachyte - no sulphides. [No. 3570].
119-125 Siliceous with up to 2-3% pyrite. [No. 3571].

DDH 11

- 203.3-207.5 quartz vein in andesite with few specs pyrite. [No. 3572].

- DDH 133 [Boxes have been used more than once].
The footage block at end of 25 ft clearly indicates 150-175
150-156 Andesite - no sulphides. [No. 3573].
156-160 Siliceous, few specs pyrite. [No. 3574].
160-168 Andesite - no sulphides. [No. 3575].

DDH 4

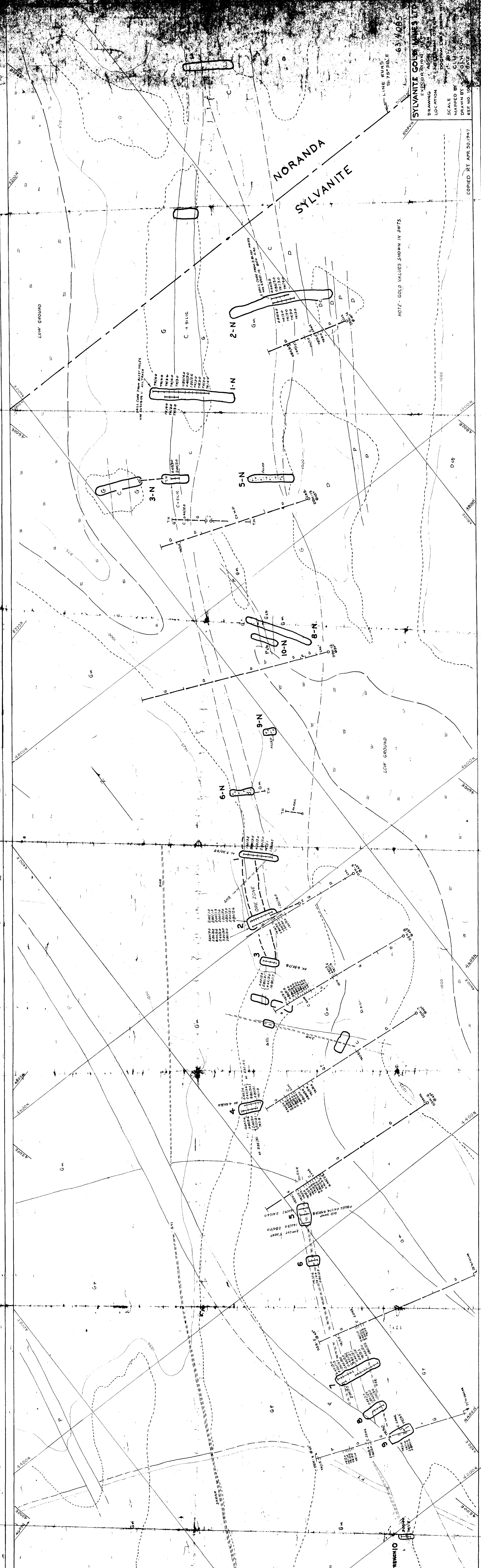
- 210-214 Andesite - very little carbonate, more siliceous material.
Up to 10% fine yellow pyrite. [No. 3576].

↑
THIS IS A VERY GOOD CHECK ON ASSAY RESULTS. GOUT MAP INDICATES 0.30/4.0 FT. THE MARKINGS ON THE CORE BOX IS ALL QUITE DISTINCT.

DDH 4

- 83-89 Siliceous trachyte, no pyrite. [No. 3577].

- DDH 124 [BOXES have been used more than once].
92.6-98.0 Quartz porphyritic Andesite, few specs pyrite.
The footage blocks clearly indicate footage. [No. 3578].

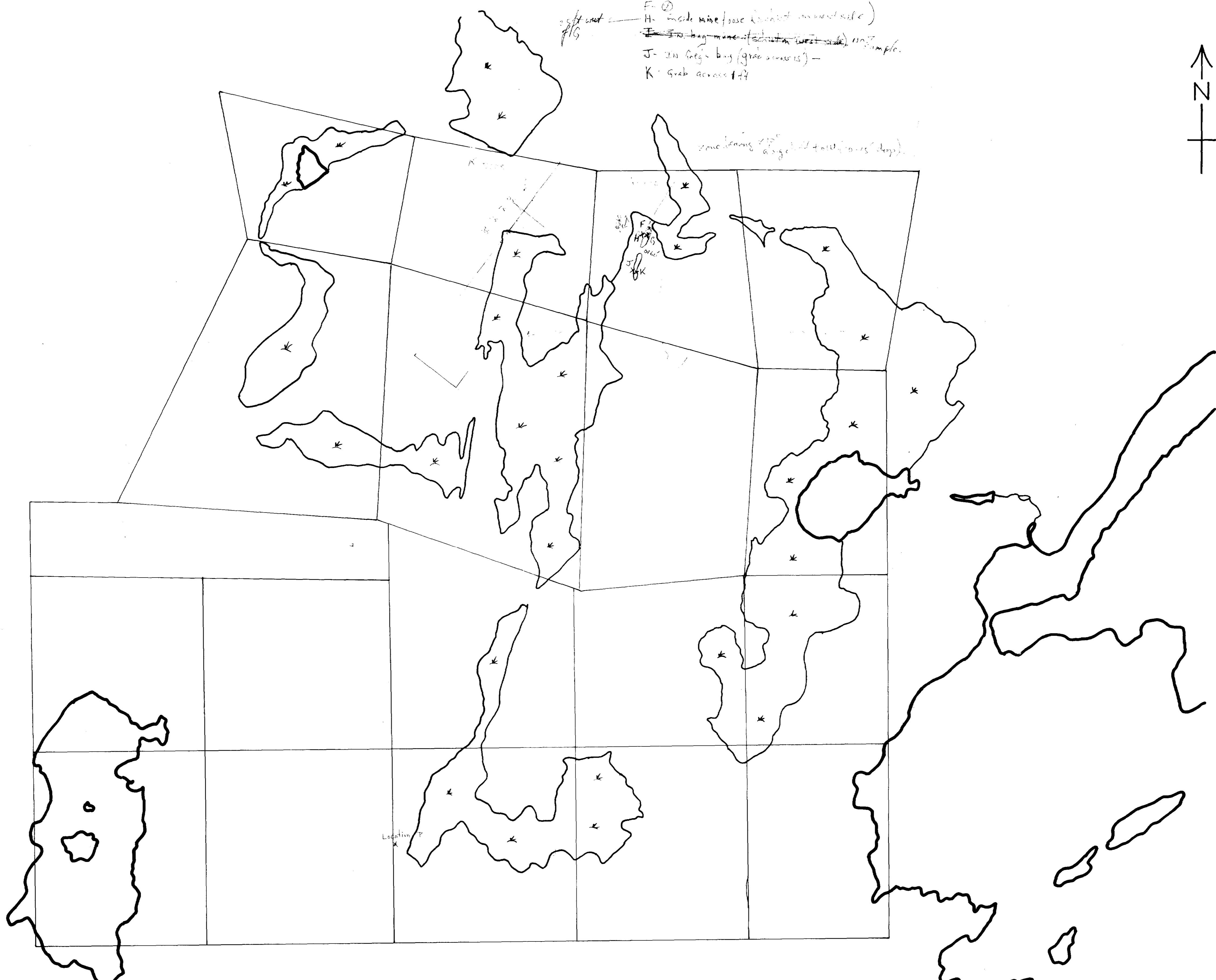


NOTE - GOLD VALUES SHOWN IN DWTS.

SYLVANITE GOLD MINES LTD.
 DRAWING: EXPLORATION
 LOCATION: SYLVANITE, QUEBEC
 SCALE: 1" = 200'
 DRAWN BY: CLM
 REF. NO. 100
 DATE: 1947

COPIED RT. APR. 30, 1947

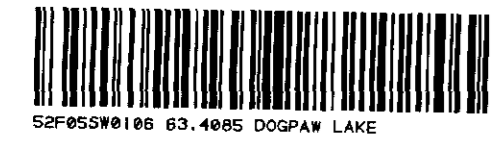
G- ①
 F- ②
 H- inside mine fosse (located on west side)
~~F- In bag mine (located west side) 40' sample.~~
 J- In Gage bay (grab across 15) -
 K: Grab across 177



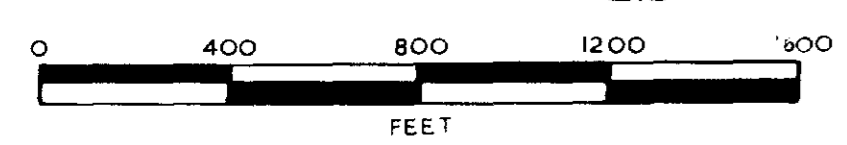
63-4085

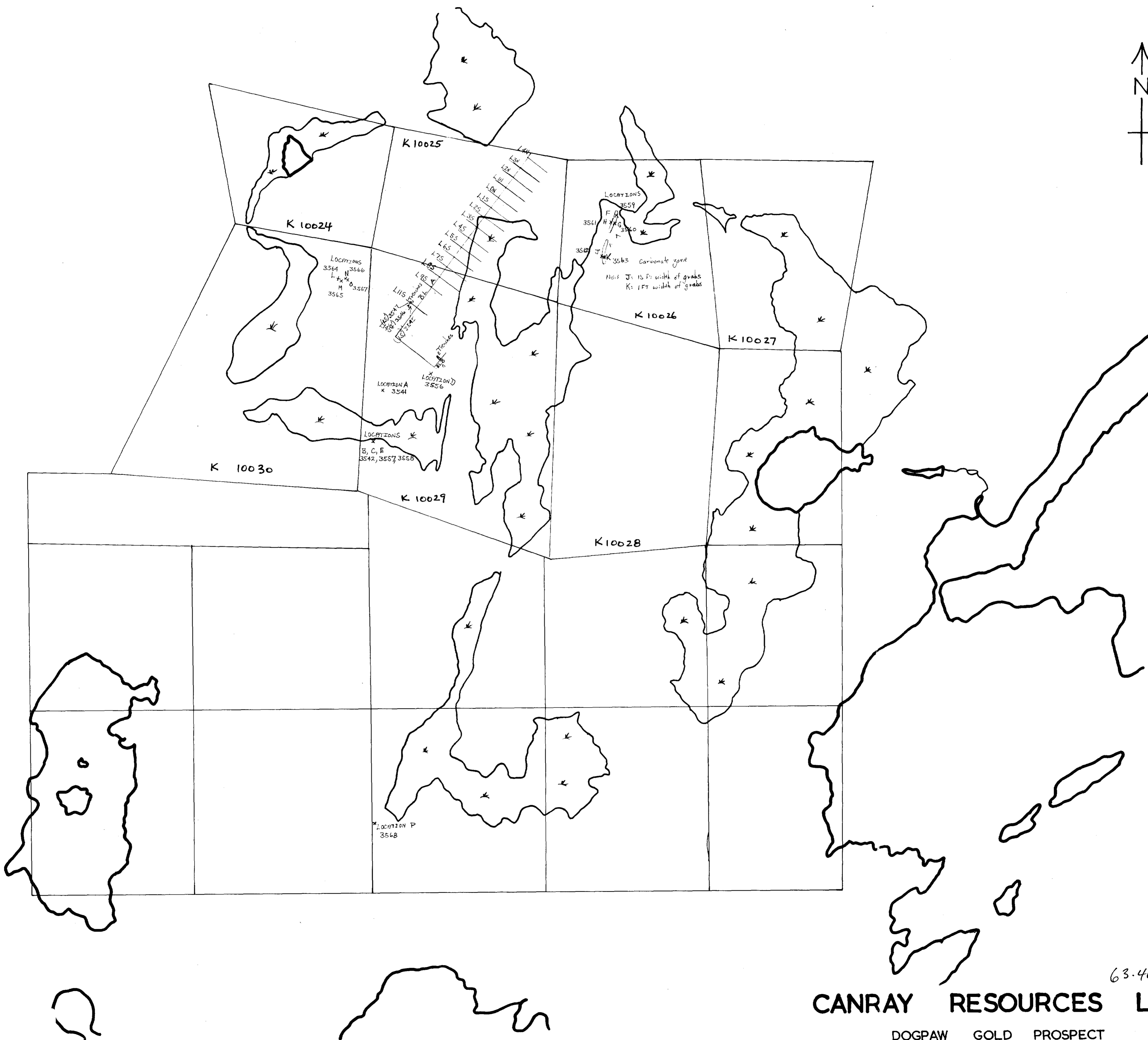
CANRAY RESOURCES LTD

DOGPAW GOLD PROSPECT



210





63-4085

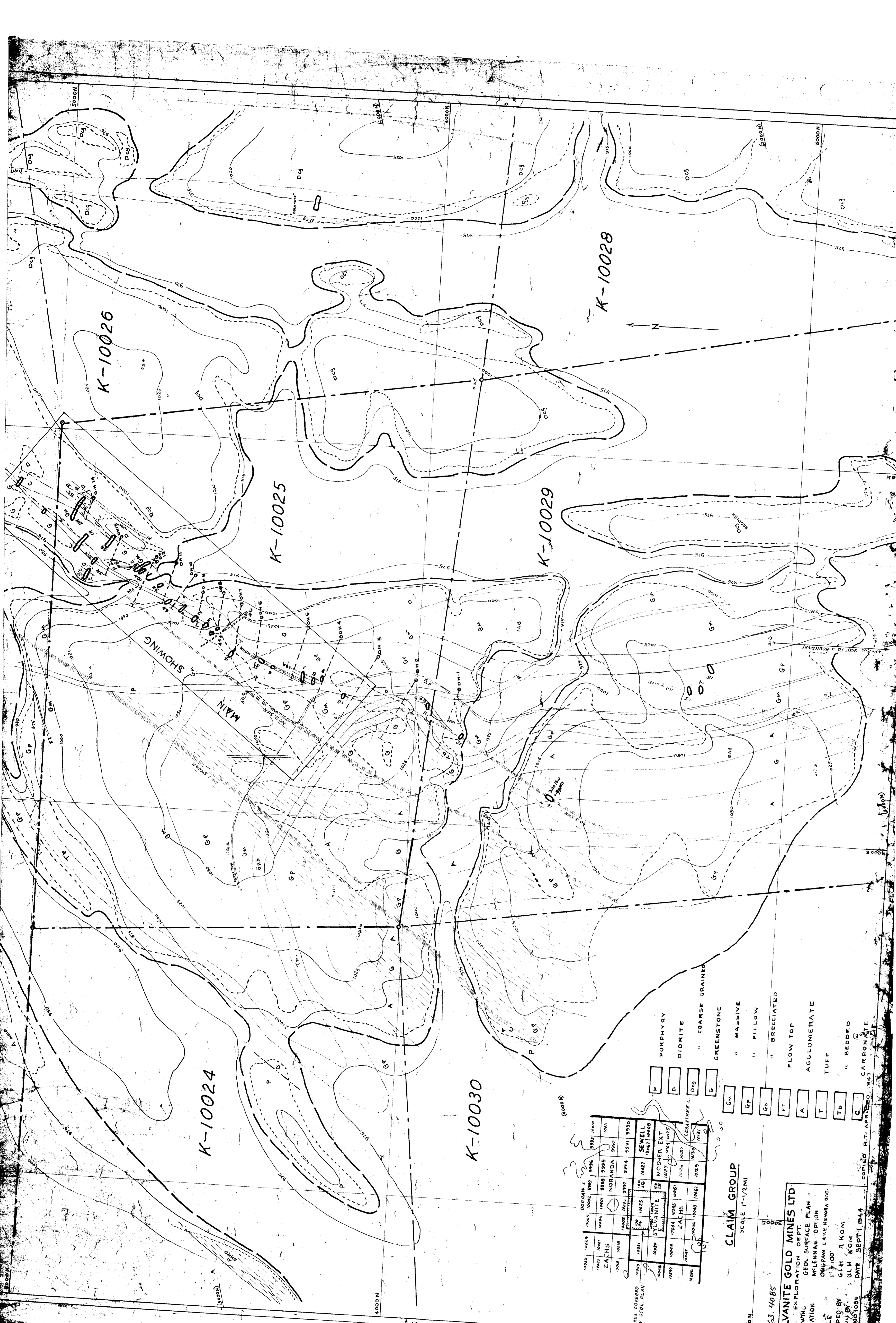
CANRAY RESOURCES LTD

DOGPAW GOLD PROSPECT



220





K-10024

K-10025

K-10026

K-10028

K-10029

K-10030

AREA COVERED BY GEOL PLAN

10024	10025	10026	10027	10028	10029	10030
ZACHS	ZACHS	ZACHS	ZACHS	ZACHS	ZACHS	ZACHS
10024	10025	10026	10027	10028	10029	10030
10024	10025	10026	10027	10028	10029	10030
10024	10025	10026	10027	10028	10029	10030
10024	10025	10026	10027	10028	10029	10030
10024	10025	10026	10027	10028	10029	10030

CLAIM GROUP
SCALE 1"=1/2 MI

63-4085
SYLVANITE GOLD MINES LTD
EXPLORATION DEPT.
GEOLOGICAL SURFACE PLAN
MCLENNAN-OPTION
DUGRAW LAKE MEMORA DIST
SCALE 1"=100'
DRAWN BY GLH KOM
DATE SEPT 1, 1944
CORDED RT. APR 25, 1947

- P PORPHYRY
- D DIORITE
- Dcs COARSE GRAINED
- G GREENSTONE
- Gm MASSIVE
- Gp PILLOW
- Gp BRECCIATED
- FT FLOW TOP
- A AGGLOMERATE
- T TUFF
- Tp SEDDED
- C CARBONATE

