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## **Report on 1997 – 1998 Exploration Program**

**Flint Lake Property** 

Sioux Narrows, ON

**Dogpaw Lake Area G-2613** 

## Kenora Mining Division, Ontario

NTS 52 F/5 SW

Latitude 49°20' N Longitude 93°50' W

Magnetic Declination in 1998: 2°9' East

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## **EXECUTIVE SUMMARY**

In December 1996, Avalon Ventures Ltd. acquired the option to earn a 100% interest in the Flint Lake property. The property, comprised of three claims totalling 10 units, is located 70 kilometres southeast of Kenora in northwestern Ontario. The primary exploration target is structurally controlled mesothermal gold mineralization.

The Flint Lake property is located near the junction of two major regional structures, the Pipestone-Cameron Deformation Zone (PCDZ) and the Wabigoon Fault System. Numerous gold deposits and occurrences are spatially associated with both structures. The regional PCDZ, which passes through the Flint Lake property, trends northwest-southeast, and is characterized by a major zone of shearing with strongly schistose rocks that are extensively carbonatized and quartz veined. Gold deposits located along the PCDZ include the Nuinsco Cameron Lake deposit (2.8 million tonnes grading 6.2 grams per tonne) eight kilometres to the southeast and the Royal Oak Shoal Lake deposit (2 million tonnes grading 12 grams per tonne) to the northwest near the Manitoba-Ontario border.

Recent gold exploration in the immediate area of the Flint Lake property has produced some significant results. Preliminary drill results from the Avalon Dubenski property immediately adjacent to the west, announced in a company news release in March 1997, included 32.67 grams per tonne over 10.15 metres. The mineralization is described as disseminated free gold occurring in a sericite-carbonate schist. Also in March 1997, Houston Lake Mines Ltd. announced preliminary drilling results on the Canadian Arrow Property, contiguous to the west of the Dubenski property, which included 8.0 metres grading 36.44 grams per tonne.

Avalon initiated a first phase exploration program in April 1997 which consisted of linecutting and a ground magnetometer survey. This was followed up in July and August with reconnaissance and grid mapping, rock sampling and a soil geochemical survey. Further work consisted of an induced polarization survey, completed in March 1998, which covered the Meahan occurrence. Results from the multiphase program are encouraging and have delineated potential extensions to the Meahan occurrence in addition to new targets for gold mineralization. Based on these results, further exploration consisting of prospecting, detailed mapping, rock sampling, and diamond drilling is warranted.

# TABLE OF CONTENTS

## EXECUTIVE SUMMARY

1.0	INTRODUCTION	1
2.0	LOCATION, ACCESS AND TOPOGRAPHY	1
3.0	LAND POSITION	2
4.0	PREVIOUS EXPLORATION	3
5.0	REGIONAL GEOLOGY	4
6.0	PROPERTY GEOLOGY	6
	6.1 Stratigraphy	6
	6.2 Alteration	8
	6.3 Structure	9
7.0	CURRENT PROGRAM METHODOLOGY AND RESULTS	11
	7.1 Linecutting and Magnetometer Survey	11
	7.2 Geological Mapping and Rock Sampling	12
	7.3 Soil Geochemical Survey	12
	7.4 Induced Polarization Survey	13
8.0	DISCUSSION OF RESULTS	13
9.0	CONCLUSIONS AND RECOMMENDATIONS	15
	REFERENCES	17
	STATEMENT OF EXPENDITURES	19
	STATEMENT OF QUALIFICATIONS	20

### List of Tables

Table 1	Flint Lake Property Claims List	2
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## **List of Figures**

Figure 1	General Location Map	Following 1
Figure 2	Claim Map	Following 2
Figure 3	Regional Geology	Following 4
Figure 4	Property Geology	Following 6



28 February 1999

Avalon Ventures Ltd.

010C

# List of Appendices

Appendix 1	Magnetometer Instrument Specifications
Appendix 2	Rock Sample Descriptions and Assay Certificates
Appendix 3	MMI Methodology, Response Ratio Data and Assay Certificates -
	Soil Samples

# List of Maps

Map 1	Ground Magnetometer Survey – Posted Data Scale 1:5000
Map 2	Ground Magnetometer Survey – Contoured Data Scale 1:5000
Map 3	Geology Map Scale 1:5000
Map 4	Rock Sample Location Map with Au (ppb) Scale 1:5000
Map 5	MMI Soil Geochemistry Map Scale 1:5000

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28 February 1999

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## **1.0 INTRODUCTION**

Avalon Ventures Ltd. optioned the Flint Lake property in December 1996 on the basis of significant gold mineralization in historic trenches, proximity to a major regional structure, the Pipestone-Cameron Deformation Zone (PCDZ), and the relatively unexplored nature of the property.

Avalon's exploration program on the Flint Lake property began in April 1997 with linecutting and ground magnetometer survey. In July and August 1997, a comprehensive exploration program, which included geological mapping, rock sampling and an MMI soil geochemical survey, was carried out during a larger program that covered six contiguous properties being operated by Avalon at the time. In March 1998, an induced polarization survey was carried out over a portion of the Flint Lake property. The purpose of this report is to document the results of the exploration program and to make recommendations for further work.

## 2.0 LOCATION, ACCESS AND TOPOGRAPHY

The Flint Lake property is located in the Kenora Mining Division of Northwestern Ontario, approximately 70 kilometres south-southeast of the town of Kenora (Figure 1). The town of Sioux Narrows, located on Highway 71 and on the east shore of Lake of the Woods, is 15 kilometres northwest of the property. The NTS map sheet reference for the area is 52 F/5 SW and the geographical coordinate is Latitude 49°20' N Longitude 93°50' W.

The Flint Lake claims are located along the east shore of Flint Lake. Access to the property is gained by travelling east along the Cameron Lake Road that initiates off Highway 71 approximately 10 kilometres south of Sioux Narrows. Travel on the Cameron Lake road requires a special permit issued by the Ministry of Natural Resources in Kenora and is subject to the approval of Nuinsco Resources Ltd. At approximately mileage 13.0 (mileage marked on side of road) a bush road diverges north from the main road and extends to the southeast corner of the property. Flint Lake can also be accessed via the Cedartree River at mileage 10.0, or by a short portage immediately east of Cameron Creek near mileage 12.5 on the Cameron Lake road. Wilderness outfitters on Caviar Lake maintain hunting and fishing facilities on Caviar Lake, Flint Lake, Cedartree Lake and Stephen Lake and provide access via boat from Sioux Narrows.

The terrain of the Flint Lake property area is typical of the Canadian Shield, scoured by glacial activity to produce a region of relatively low relief with numerous lakes, rivers and low-lying areas which outline faults and rocks less resistant to weathering.

The majority of the area, predominantly underlain by mafic metavolcanics, is low and undulating with a topographic relief that does not usually exceed 15 metres. It is also characterized by few bedrock exposures. The rest of the map area is underlain by mafic to ultramafic sills, intermediate to felsic metavolcanics, and felsic intrusions, and is characterized

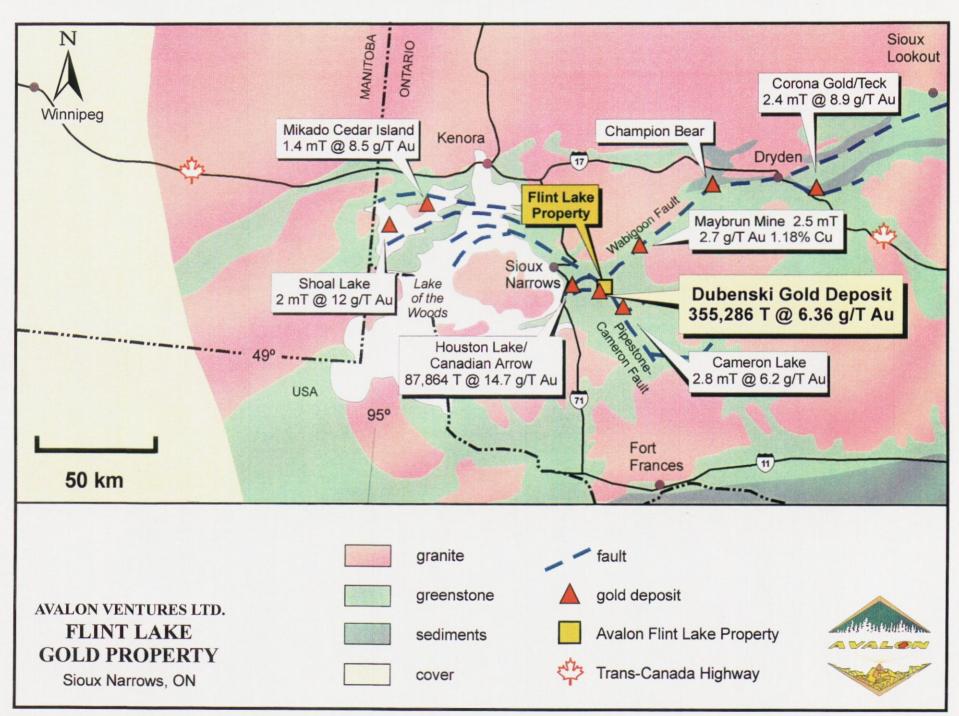


Figure 1: General Location Map

by good bedrock exposure, with hills that are elongated parallel to the trend of the rock units, and relief that varies from 15 to 125 metres.

The region is well covered with spruce, pine, alder, and birch trees. There is ample water from rivers and lakes around the property to support exploration and development work. Exploration can be carried out on a year-round basis. The property is snow-free from May to October, allowing for a six month summer exploration season. Diamond drilling and ground geophysics can be carried out on a year-round basis but may be more convenient in the winter when the ground and lakes are frozen.

## 3.0 LAND POSITION

The Flint Lake property consists of three unpatented mining claims, which comprise 10 claim units for a land area totalling 400 acres (Figure 2). The claims are located in the north central portion of claim sheet G-2613, Dogpaw Lake Area. NTS reference for the property is 52 F/5 SW, with the property being centred on Latitude 49°20' N Longitude 93°50' W.

The claims are held under an option agreement with recorded holder Tim Twomey of Balmertown, Ontario. Pertinent claim information is listed in Table 1.

The claims are held under a three year option agreement during which time Avalon must make a total of \$84,000 in cash payments and incur a minimum of \$150,000 in exploration expenditures on the property to keep the option in good standing. Upon completion of these commitments, Avalon will have earned a 100% undivided interest in the property, subject to a 2.5% Net Smelter Returns (NSR) royalty retained by the vendor.

Claim	Units	Recorded Holder	Recorded	Assessment Due
K 1178246	2	Tim Twomey	18 Oct 1995	18 Oct 1999
K 1178247	4	Tim Twomey	18 Oct 1995	18 Oct 2000
K 1184549	4	Tim Twomey	16 Aug 1996	16 Aug 2001
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Table 1: Flint Lake Property Claims List

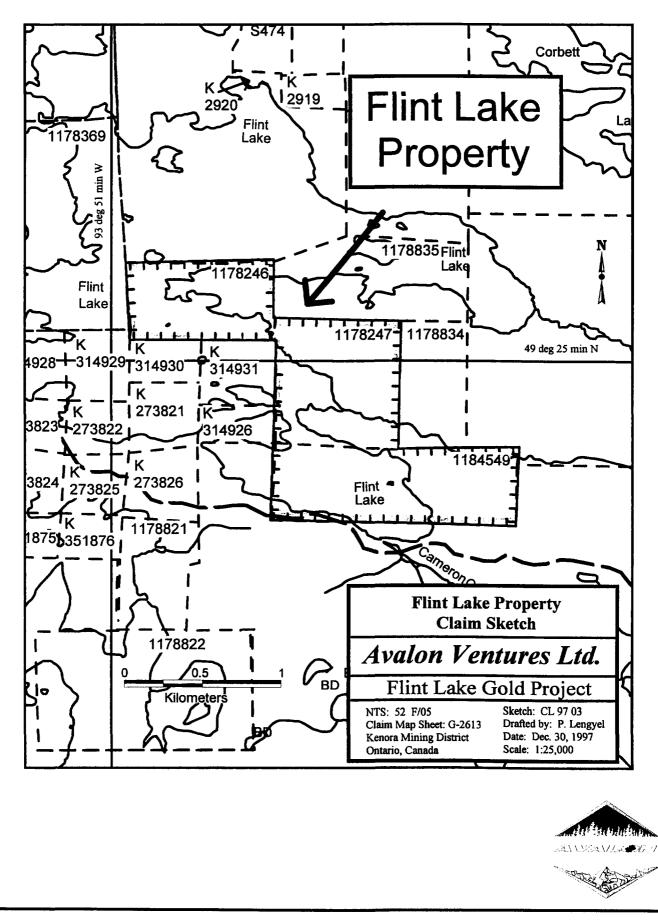


Figure 2: Claim Map

## 4.0 PREVIOUS EXPLORATION

A review of assessment files for the area indicates that there has been little systematic exploration in the area of the Flint Lake property. Prospecting in the region was followed up with exploratory shaft development on significant gold occurrences such as the Gold Panner Mine, Flint Lake Prospect, and Dubenski Gold Deposit, followed by shallow exploratory drilling along the main mineralized trend on the Dubenski property, and limited shallow drilling on select occurrences elsewhere. The Flint Lake property is host to the historic Meahan occurrence. A brief summary of the work covering the Flint Lake property is as follows:

#### **Government Mapping**

Lawson briefly explored the Cedartree-Flint Lake part of the Rainy River region in the early 1880s for the Geological Survey of Canada. W. McInnes (1902) also worked in the area for the Geological Survey of Canada. No further government work was reported from the region until 1933 when E.M. Burwash produced a report for the Ontario Department of Mines (Burwash, 1933), with maps at a scale of 1 inch to 1 mile. This work was used extensively by prospectors and mining companies in the area until the mid 1970s.

J.C. Davies and J.A. Morin conducted a regional mapping survey of the Cedartree Lake area for the Ontario Division of Mines in 1976.

In 1980, the Ontario Geological Survey completed a compilation over the Dogpaw Lake area, reported by Rivett and MacTavish as Preliminary Map P2061.

Energy Mines and Resources Canada and the Ontario Ministry of Northern Development and Mines conducted an airborne magnetometer and electromagnetic survey over the Dogpaw-Cameron Lake area in 1987.

S. Buck conducted a structural and metallogenetic study of the Pipestone-Cameron Deformation Zone in the Flint and Cameron Lakes area for the Ontario Geological Survey in 1988.

#### **Exploration on the Flint Lake Property and Meahan Occurrence**

The earliest exploration work reported for the Flint Lake property is from the Meahan occurrence which is located at the eastern end of current claim K 1184549. The occurrence was reported by Davies and Morin (1976) as being originally discovered by J.B. Meahan, and subsequently reported by R. Thomson in 1944. The showing consists of a series of trenches that expose several pyrite-bearing shear zones and/or narrow (<0.5 m) quartz veins along a general east-west trend within a mafic-ultramafic intrusion. Gold values ranging up to 2 ounces per ton were reported from one narrow (20 cm) pyrite bearing quartz vein. No diamond drilling has been reported for the Meahan occurrence.

Gateway Uranium Mines drilled two short holes in 1961 on the north shore of the peninsula on current claim K 1178246. Sheared mafic volcanics with minor pyrite were noted in the logs but no assays were reported.

Pango Gold Mines Ltd. completed geological mapping, magnetometer and VLF surveys in 1973 and two diamond drill holes in the southeast bay of Flint Lake in 1975. The holes intersected sheared and altered tuff that contained anomalous values of up to 0.01 ounces per ton Au over 3.0 feet. These holes are assumed to have intersected the eastern extension of the structure hosting the Dubenski deposit.

Several of the Sherritt Gordon diamond drill holes that were completed during the 1980s drilling campaign on the Dubenski gold deposit (adjacent property to the west) were drilled on the east shore of Flint Lake, due west of the main Meahan showing. A drill fence, consisting of three diamond drill holes (FL81-1, 2 and 3) were re-drilled in a second drilling campaign in 1987 by hole FL86-02. No assays were reported from these holes. The re-drilling of the holes and the absense of assays suggests that the holes intersected anomalous gold values.

G. Martin conducted additional stripping and trenching around the historic Meahan trenches in the late 1980s. No assays were reported.

Sampling in 1996 and 1997 by the current property vendor, Tim Twomey confirmed the historical high grade gold values from the Meahan trenches and added two coincident humus anomalies that suggest the mineralization continues along strike to the northwest.

### 5.0 **REGIONAL GEOLOGY**

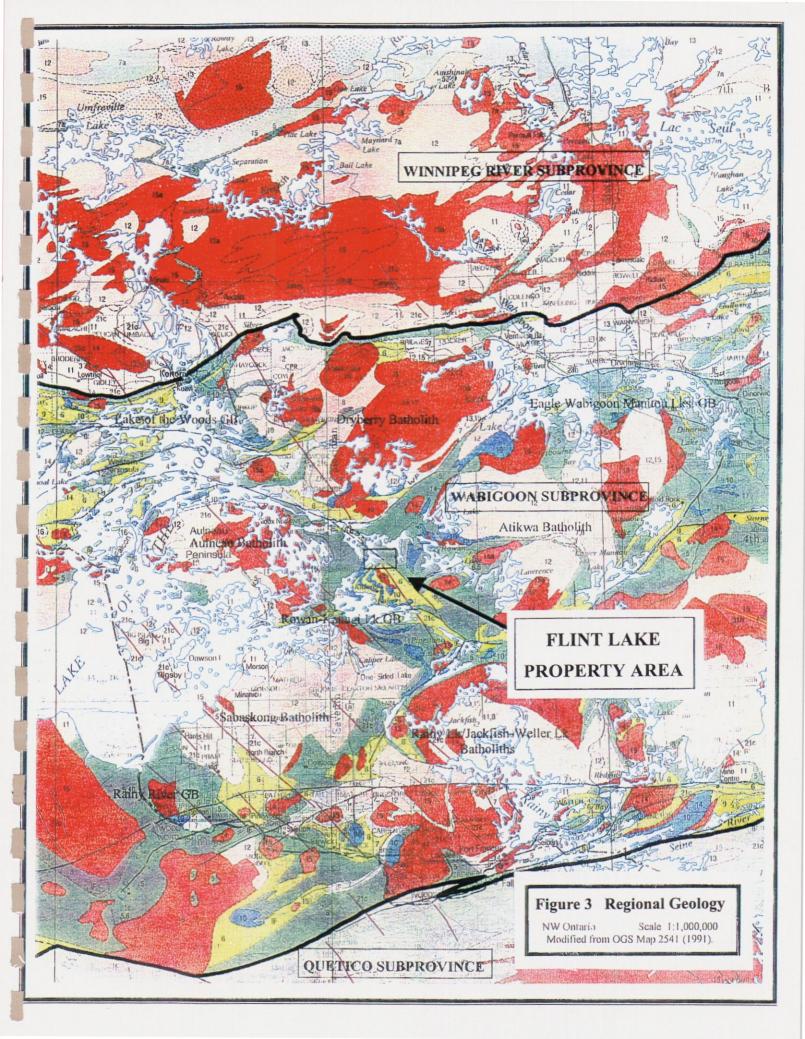
The Flint Lake property occurs within the Kakagi-Rowan Lakes greenstone belt, located on the western end of the Wabigoon Subprovince within the Archean Superior Province of the Canadian Shield. The Wabigoon Subprovince is a granite-greenstone terrain separating the gneissic terranes of the Quetico Subprovince to the south and the Winnipeg River Subprovince to the north (Figure 3).

The stratigraphy of the Kakagi-Rowan Lakes greenstone belt consists of a lower and upper volcanic sequence. The lower sequence, the Rowan Group, is comprised of submarine, ultramafic to mafic, komatiitic-tholeiitic volcanic flows and minor interflow sediments (2775-2745 Ma?). The upper sequence, the Kakagi Lake Group, is comprised of an intermediate to felsic tholeiitic to calc-alkaline volcaniclastic sequence (2711 Ma). The upper volcanic lastic sequence has been intruded by the Kakagi sills, a series of syn- to post-volcanic ultramafic to mafic sills and dykes. Current work suggests there may be extrusive equivalents within the belt.

Geochemical results to date indicate that the majority of the lithologies present in the belt were deposited in a simple, submarine volcanic arc environment (Blackburn, 1991, ref. Gill

28 February 1999

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1979, p. 310). Recent work suggests that portions of the belt may have formed on earlier continental crustal material (Blackburn, 1991, p. 371). Similar settings have been observed in Proterozoic volcanic belts in the Flin Flon-Snow Lake area of Canada (Syme, et. al, 1996), the Cambrian-Ordovician volcanic terranes within the Appalachian region of the eastern United States (Hatcher, 1989), and the Western Cordilleran (Burchfiel, et. al., 1992).

The upper Kakagi Lake Group sequence of tholeiitic, ultramafic to mafic sills intruding a volcaniclastic assemblage deposited above a submarine volcanic arc is similar to the White Lake ferrogabbro sills, the Two Portage Lake ferrobasalt and Two Portage Lake rhyolite crystal tuff, in the Flin Flon-Snow Lake volcanic belt (Bailes and Syme, 1989, pp. 37). The position of the bimodal assemblage high in the stratigraphy and the geochemical affinity are interpreted to represent a relatively late, arc rifting environment. The arc rifting develops above an existing, stable arc platform and involves complex structural deformation and renewed magma intrusion and extrusion in the form of silicic (often volcaniclastic) and mafic lava from a zoned, fractionated magma chamber. The arc/arc-rift setting suggest the volcanic belt has had a long-lived, structurally complex, geological history. A volcanic belt with a complex history should be more suitable for subsequent mesothermal gold deposition than a simple arc-derived belt.

The belt has been subjected to at least three main deformation events. D1 includes syndepositional, localized folding that was produced during arc development due to sediment loading and to diapiric emplacement of synvolcanic intrusions. D2 formed a series of recumbent east-west trending folds and thrust faults, potentially during arc consolidation or pre- to early accretion. A final deformation event, D3, occurred during the accretion of the volcanic arc with the older Archean proto-continent to the northwest. The D3 event resulted in a gross northeast alignment of stratigraphy that contains numerous northeast, east-west, and northwest oriented deformation zones.

The rocks in the property area have been deformed by the Pipestone-Cameron Deformation Zone (PCDZ), a northwest trending brittle-ductile to ductile shear zone. The PCDZ crosscuts the east-west to northeast trending foliation and bedding. Offset stratigraphy along this PCDZ indicates that the deformation zone has produced at least three kilometres of apparent horizontal displacement and an undefined but significant vertical displacement, resulting in a reverse sense of motion, north block up.

The rocks immediately south of the PCDZ in the project area have been synclinally folded along an east-west axis. The folded stratigraphy is offset by the PCDZ, indicating that it predates the PCDZ. However, it is unresolved at present whether the east-west oriented folding is related to the predominantly east-west fabric produced during D2, or whether it was produced by the north-directed stress early in the D3 event.

The metamorphic grade within the Kakagi-Rowan Lakes greenstone belt is typically lower greenschist to middle greenschist facies, but it can increase to middle amphibolite facies towards the contact of the belt with the various bounding plutons.

28 February 1999

## 6.0 **PROPERTY GEOLOGY**

Reconnaissance geological mapping on the Flint Lake property was carried out during a comprehensive exploration program on this and other contiguous properties being explored by Avalon Ventures Ltd. at the time. In addition, specific areas of the property were prospected and systematic grid mapping was conducted over the land portion of the southernmost claim of the property. The results of the mapping program are shown schematically in Figure 4 and plotted at a scale of 1:5000 on Map 3.

## 6.1 Stratigraphy

Avalon's mapping program and regional compilation shows the northeastern portion of the Flint Lake property to be underlain by massive to pillowed mafic volcanic flows of the Rowan Lake Group. The southwestern two-thirds of the property is underlain by intermediate to felsic volcaniclastic flows and mafic dykes of the Kakagi Lake Group. The two groups have been structurally juxtaposed along the Pipestone-Cameron Deformation Zone (PCDZ), a one kilometre wide zone of deformation which runs through the Flint Lake property, trending northwest-southeast. As discussed in Section 5.0, movement along the PCDZ has been a combination of dextral and vertical displacement, resulting in relative uplift and preferential erosion along the north side of the PCDZ, exposing stratigraphically lower lithologies within the Rowan Lake Group.

### **Rowan Lake Group**

The Rowan Lake Group in the property area is comprised of massive to pillowed subaqueous, mafic volcanic flows. The pillowed varieties contain pillows ranging in diameter from 0.5 to 1.2 metres, with selvages typically <2 cm thick. Pillow textures on an outcrop on an adjacent property to the north indicate stratigraphic tops are to the south at that location. The Rowan Lake Group covers approximately 15% of the Flint Lake property.

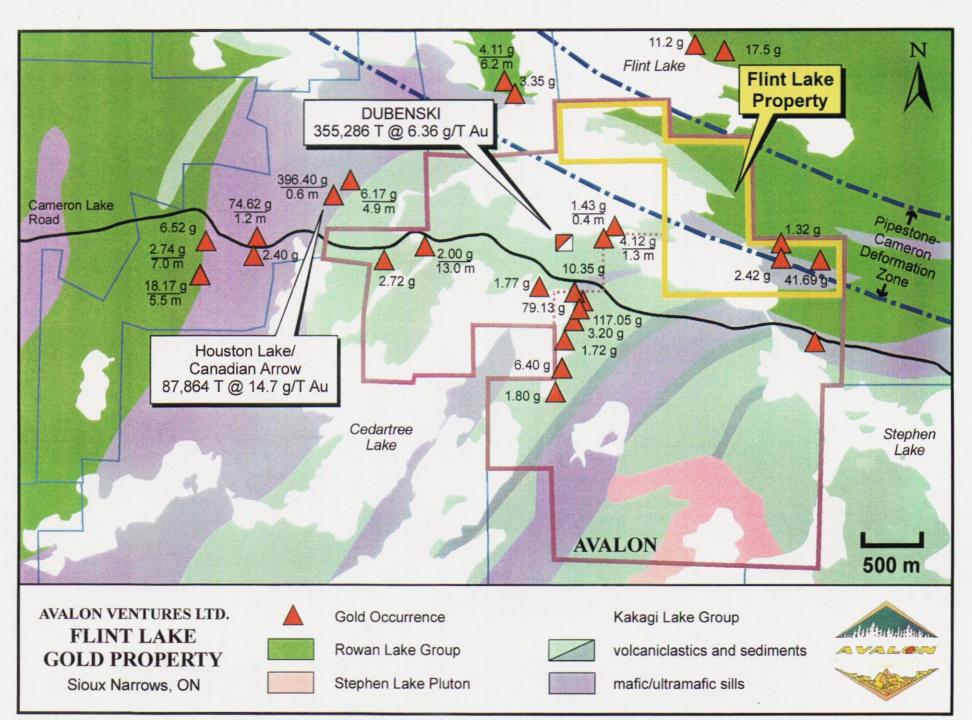
### Kakagi Lake Group

The Kakagi Lake Group is comprised of coarse to fine grained, intermediate to felsic volcaniclastic and minor rhyodacitic flows that have been intruded by a series of bedding-parallel ultramafic to mafic sills. The rhyodacitic flows are aerially and volumetrically minor components of the volcanic sequence.

### Intermediate to Felsic Volcaniclastic Units

Rhyodacitic lapilli tuff, ash tuff and tuff breccia were mapped along the east shoreline of Flint Lake in the northern half of the Flint Lake property. The units are moderately to strongly foliated, roughly parallel to the trend of the PCDZ, and are variably altered with ankerite and chlorite. Sheared feldspar crystal tuff was noted near the southern boundary of the property along the shoreline of the southeast bay of Flint Lake. Strong sericitization occurs along this shoreline and grades northward in several outcrops into a strong ankerite-

28 February 1999



sericite schist that is exposed on several outcrops within the bay. Drilling beneath the bay along strike approximately 900 metres to the northwest by Pango Gold Mines Ltd. (1973) and Sherritt Gordon Ltd. (1981-1987) intersected numerous zones of highly sheared tuff with significant sericite alteration, local quartz veins and local disseminated pyrite, pyrrhotite and chalcopyrite.

#### Kakagi Lake Sills

The volcaniclastic sequences and massive flows are intruded by mafic to ultramafic sills of the Kakagi Lake Group. The sills include gabbro, pyroxenite and serpentinite compositions, although gabbro appears to be the dominant lithology in the region. On the Flint Lake property, one sill extends from several islands just outside the property boundary west of the centre claim, across the southern portion of that claim and through the centre of the southernmost claim through the Meahan occurrence. This sill contains the most diverse compositions, including gabbro, pyroxenite and serpentinite.

Another sill identified by prior mapping (Davies and Morin, 1976) occurs along the south shore of the southeast bay of Flint Lake (southwest corner of the southernmost claim), immediately west and southeast of Cameron Creek. The sill extends northeast to the shore of Flint Lake where it is crosscut and offset by the PCDZ. An offset of at least 800 metres is indicated by the displacement of the sill along a failure plane that coincides with Cameron Creek.

#### **Rhyodacite Flows**

One large outcrop of massive rhyodacite flow was observed on the Flint Lake property near L 4500 E/1600 N. The aphanitic flow weathers to a light grey to white and is medium green on fresh surface. No porphyritic component was observed and primary textures are absent, possibly due to overprinted alteration and shearing from the PCDZ.

#### **Stephen Lake Intrusive Suite**

The largest intrusion that was emplaced in the area occurs one kilometre south of the Flint Lake property, north and southwest of Little Stephen Lake. This intrusive body, called the Stephen Lake Pluton, is felsic to intermediate in composition. A quartz-feldspar porphyry dyke, assumed to be related to the Stephen Lake Pluton, outcrops at the western edge of the peninsula on the northernmost claim of the Flint Lake property. This dyke is approximately 150 metres wide, is moderately foliated to locally sheared and shows sericite and ankerite alteration.

#### **Kenora-Fort Frances Dyke Swarm**

Two occurrences of diabase dyke on the peninsula in the northernmost claim of the Flint Lake property are interpreted to be a single dyke emplaced as part of the Archean aged Kenora-Fort Frances dyke swarm that occurs through the region.

## 6.2 Alteration

Several zones of extensive hydrothermal alteration were delineated during the field program. All the high strain zones contain weak to strong structurally controlled carbonate  $\pm$  sericite  $\pm$  chlorite alteration within schistose to phyllitic rocks. Quartz and ankerite veins are also common within areas that are strongly altered.

All rock types within the property area, with the exception of the late Archean diabase dykes, exhibit some degree of structurally controlled hydrothermal alteration. The tuffaceous sequences typically alter to sericite  $\pm$  carbonate  $\pm$  chlorite schist, except where adjacent to mafic-ultramafic sills, where there is significantly more pervasive chlorite alteration. The mafic-ultramafic sills typically alter to chlorite  $\pm$  carbonate schist. The mafic volcanic flows of the Rowan Lake Group typically alter to chlorite  $\pm$  carbonate  $\pm$  sericite schist.

There is a distinct carbonate zonation to the alteration assemblages. Most structures contain a peripheral "halo" of calcite-carbonate alteration. The carbonate alteration occurs as <2 cm thick veins in conjugate sets within moderate to strongly fractured host rock (outer brittle fabric associated with brittle-ductile environments). The calcite veins grade inwards toward the core of the alteration into pervasive calcite alteration, then pervasive ankerite alteration, generally accompanied by an increase from weak to strong pervasive sericitization and/or chloritization. Ankerite alteration, in the core of the alteration assemblages, occurs as pervasive replacement, as stringer veins typically <2 cm thick, and as rhombohedral porphyroblasts.

The mapped exposures within the PCDZ on the east shore of Flint Lake contain significant ankerite  $\pm$  sericite alteration across widths ranging from 200 to 400 metres. Within this structure, there are zones of disseminated pyrite (<1%) and quartz  $\pm$  ankerite veins. The widespread alteration accompanying the PCDZ-related structures indicates that this area of the volcanic belt has been subjected to complex structural deformation over an extended period of time. Multiple generation vein sets and pre-deformation alteration indicates that the structures have been subjected to multiple pulses of hydrothermal fluid. The structural complexity and hydrothermal history suggest that the Flint Lake area may have been situated above a well-developed long-lived, potentially large crustal hydrothermal reservoir. A large crustal reservoir capable of producing extensive alteration should be capable of producing large, economic gold deposits.

### 6.3 Structure

The 1997 field program focused on defining the structural elements of the Flint Lake area to guide subsequent exploration programs. The rocks in the property area have been exposed to at least three regional deformation events. The latest and most prevalent deformation event, D3, resulted in the development of a variety of structures, including isoclinal folding and steeply dipping deformation zones which appear to have overprinted earlier D1 and D2 fabric.

The D3 event is tentatively subdivided into an early and a late phase. The early phase resulted in the formation of northeast oriented isoclinal folds within the Rowan Group and the Kakagi Lake Group rocks. Foliation parallel deformation zones, including the Wabigoon Fault (WF) were formed at this time. As described in Section 5.0, the northeast trending, early D3 structures typically exhibit sinistral displacement.

The late phase, which is probably continuous with the early phase, resulted in the propagation of the regionally extensive Pipestone-Cameron Deformation Zone (PCDZ) across early phase folded stratigraphy, in a northwest direction. PCDZ-parallel anticlinal folds were formed in Rowan Group volcanic stratigraphy immediately north of, and against the PCDZ (Buck, 1988). Regional mapping has shown that northwest trending structures in the Wabigoon Subprovince typically exhibit dextral displacement.

Structural hosts to mesothermal gold mineralization in the Flint Lake area are either early D3, northeast trending, foliation parallel shear zones, or late D3 northwest trending structures subparallel to or within the PCDZ. The hydrothermal mineralizing fluids that produced the gold occurrences are thought to have been active from the development of the earliest, northeast trending foliation parallel structures to the termination of movement along the PCDZ.

The PCDZ is a reverse fault with a significant strike-slip component. Reverse fault settings are considered favourable structures for mesothermal gold deposition. According to Sibson and Poulson (1988), reverse fault activation requires supralithostatic fluid pressure from hydrothermal fluids in crustal reservoirs to overcome friction in a compressive stress environment. The hydrothermal fluids are self-sealing due to precipitation during pressure release and the sealing effect causes repeated fluid pressure build-up and repeated failure.

Horizontal displacement on the PCDZ is in the order of 3000 metres in the Dogpaw Lake area. Vertical displacement is unknown, however, the corresponding block of upper Dogpaw Lake Group volcaniclastic and intrusive units is completely absent on the north block, suggesting vertical displacement in the same range. Reverse motion typically occurs with typical vertical slip increments of about one metre. If the PCDZ has undergone up to 3000 metres of displacement, the PCDZ may have been subjected to at least 3000 separate pulse of hydrothermal fluid and mineral precipitates, including gold. Consequently, the PCDZ structure and any subparallel, second order PCDZ-parallel structures should all have excellent potential in the Flint Lake area to host a mesothermal gold deposit. Any early D3, pre-PCDZ structures are also considered to have excellent potential due to the possibility of reactivation during the propagation of the PCDZ through the belt and the associated vertical permeability generated within this late stress regime.

#### **Early Phase D3 Structures**

The majority of the fabric within the Flint Lake area was produced by late phase D3 structures. There is little evidence of early, northeast trending structures within the area. Magnetic data from the current program suggests the presence of east-west to northeast trending magnetic features that might represent early, northeast trending foliation, or foliation-parallel structural features that have not been completely overprinted by PCDZ fabric.

#### Late Phase D3 Structures

The late D3 event is the propagation of the PCDZ along the northwest axis of the greenstone belt and the formation of subparallel structures and associated second order structures that formed within the transpressive structural setting. In the Flint Lake area, the majority of the rocks have been overprinted with PCDZ-related fabric, grading from low strain weak foliation to high strain schistose to phyllitic foliation, the latter often coincident with strong hydrothermal alteration.

Regional mapping indicates that the PCDZ has undergone mainly dextral displacement with the north block uplifted above the south block in a reverse sense of motion. The shear zones within the PCDZ are characterized by moderate to well-developed C and S fabric observed in stretched pillows (>5:1 stretching), chlorite carbonate schist fabric in the Rowan Lake mafic volcanics, stretched fragments that grade into sericite-chlorite-carbonate schist in the Kakagi Lake Group volcaniclastics, and stretched/rotated pyroxenes and amphiboles that are gradational into chlorite-carbonate schist in the Kakagi Lake mafic to ultramafic sills. The CS fabric orientations consistently indicate a sense of dextral displacement along the PCDZ. Deformation along the PCDZ coincides with the earliest mapped locations of the PCDZ and is assumed to have accommodated a considerable amount of the strain resulting in a significant offset of stratigraphy along strike (> 3000 metres of offset gabbro dyke) and an unknown, but presumed to be appreciable, vertical offset.

Magnetic data from the current program offers additional supporting evidence that the PCDZ has experienced dextral displacement internally, in the form of simple shear displacement of up to 1000 metres. The same data shows a comparable sense of displacement along the north and south margin of the PCDZ, in the form of brittle fault failure with displacement of at least 3000 metres on the south margin and an unknown, but presumed to be larger, displacement on the north margin.

Regional geological features suggest that the PCDZ may have developed due to the relative movement of plutons within the Wabigoon Subprovince during D3 (Figure 3). The Dryberry and Atikwa batholiths northeast of the PCDZ would have been compressed against the northern boundary of the subprovince within a northwest directed compressional environment. If the northwest directed stress continued after the collision of those batholiths, the Rainy Lake, Sabaskong and Aulneau batholiths to the southwest would still be "in motion". With one batholith complex anchored against the north boundary of the subprovince, and continued stress compressing the southern batholithic complexes, the strain would have to be taken up by displacement along the plane of weakness between the two complexes within the greenstone belt, resulting in the formation of the PCDZ.

### 7.0 CURRENT PROGRAM METHODOLOGY AND RESULTS

Avalon's initial exploration program on the Flint Lake property consisted of several components including linecutting, a ground magnetometer survey, geological mapping, rock sampling, a soil geochemical survey and a limited induced polarization geophysical survey. These components are described briefly in the following sections and the results are discussed together in Section 8.0.

## 7.1 Linecutting and Magnetometer Survey

The initial phase of exploration consisted of linecutting and a ground magnetometer survey and was conducted from April 1 to May 15, 1997. The linecutting and magnetometer survey were part of a larger survey carried out by Vytyl Exploration Services of Thunder Bay, Ontario on behalf of Avalon Ventures Ltd. over several Avalon projects in the area. A total of 25 kilometres of grid was constructed over the land and ice portions of the property, to complete a grid with 100 metre spaced lines and with stations picketed at 25 meter intervals.

The ground magnetometer survey was carried out over the entire grid except in one small area where poor ice conditions prevented safe survey conditions. Readings were taken at 12.5 metre intervals along each line. This survey was performed by Vytyl Exploration Services of Thunder Bay, Ontario using a GSM-19. The instrument specifications can be found in Appendix 1. Readings were corrected for diurnal variation, plotted at a scale of 1:5000 (Map 1) and contoured using Geosoft software (Map 2).

The magnetometer survey data varies from low to moderate relief in the northwestern portion of the property to moderate to strong relief in the southeastern claim block. The southeastern claim is characterized by a series of east west trending, disjointed magnetic highs up to several thousand nT, caused by the presence of a magnetite bearing, gabbro intrusive. The disjointed nature of the magnetic high differs from the geological mapping interpretation, and suggests the body has been structurally dismembered. The magnetic low immediately north, and also trending west northwest, is caused by the presence of intensely sheared rocks of the PCDZ (magnetite destructive).

28 February 1999

The remainder of the property magnetics is interpreted to reflect volcanic assemblages except for the sporadic highs of up to several hundred to 2000 nT, which again probably represent magnetite bearing mafic intrusive rocks.

## 7.2 Geological Mapping and Rock Sampling

The second phase of exploration consisted of geological mapping, which was conducted during July and August 1997 as part of a larger exploration program on several properties being explored by Avalon at the time. A field crew of two geologists and two geological assistants were mobilized to the property area on 21 July 1997 and demobilized 21 August 1997. The mapping program consisted of reconnaissance and lakeshore mapping over two-thirds of the property area, systematic mapping along the grid lines cut on the land portion of claim K 1184549 and prospecting along the flanks of a prominent topographic lineament adjacent to the Meahan occurrence. A total of approximately six days were spent mapping the Flint Lake property, including time spent to evaluate the Meahan occurrence. The results of this program are discussed in greater detail in Section 6.0 and Section 8.0. Rock outcrop locations, alteration and structural features noted are presented on Map 3.

In conjunction with geological mapping and prospecting, rock samples were collected from outcrops along the grid and at other locations, particularly at the trenches of the Meahan occurrence to verify historically reported results. Anomalous results are discussed in Section 8.0. A total of 52 samples were collected and shipped for preparation to Chemex Labs in Thunder Bay, Ontario. From there, they were sent to Chemex Labs in Mississauga, Ontario for analysis. The samples were analyzed for gold by fire assay/atomic absorption with a gravimetric finish. The sample locations and values are plotted at a scale of 1:5000 on Map 4. Sample description sheets and assay certificates are included in Appendix 2.

## 7.3 Soil Geochemical Survey

A systematic soil geochemical survey was conducted over the majority of the grid on claim K 1184549. Approximately three days were spent on the Flint Lake property collecting a total of 40 samples for mobile metal ion (MMI) analysis at XRAL Laboratories in Toronto, Ontario. The sampling program was designed to test the Meahan occurrence and any potential strike extensions to the west. The MMI package used was the gold exploration suite which analyzes for gold, cobalt, nickel, palladium and silver. MMI technology methodology, calculated response ratio data and the assay certificates are presented in Appendix 3.

MMI results to date indicate that a response ratio over 5 is considered significant. The higher the number of samples that are combined in the background calculation, the more accurate the correction. Therefore, the background calculated for the Flint Lake property is the same as was used for the entire survey area (427 samples from all the properties explored by Avalon at the time). All gold values obtained from the MMI soil sample survey on the Flint Lake property have been statistically manipulated as described above and plotted at a scale of 1:5000 (Map 5). Three samples taken from the Flint Lake property contained anomalous response ratios of 5 or above. The highest number obtained (RR=42) was from a sample taken adjacent to the Meahan trenches. Two other anomalous results were obtained, one located 200 metres along strike to the west from the Meahan (RR 5), and a second approximately 175 south of the Meahan occurrence, with an response ratio of 11.

## 7.4 Induced Polarization Survey

In March 1998, an induced polarization (IP) chargeability and resistivity survey was conducted on three lines (L 4400 E, L 4600 E and L 4800 E) on claim K 1184549. The survey was subcontracted to Val d 'Or Sagax of Val-d 'Or, Quebec and formed part of a larger survey being conducted on three adjacent properties being explored by Avalon. The logistics and survey instrument specifications are included in a separate report by Val D'Or Sagax (Potvin, 1998).

Briefly, the survey delineated one low to high chargeability anomaly (IP-8), and two isolated anomalies. IP(8) is partially associated with a resistivity high, most likely the gabbro intrusive as mapped, and correlates with the Meahan occurrence. The chargeability indicates the presence of an appreciable amount of disseminated sulfides, particularly on line 48+00, and decreasing in intensity to the west.

Survey results also indicate the presence of relatively deep overburden cover in the north part of the surveyed area where the PCDZ is interpreted.

## 8.0 DISCUSSION OF RESULTS

Exploration completed by Avalon on the Flint Lake property in 1997 and 1998, consisted of establishing a 100 metre spaced cut line grid across the entire property, completion of a ground magnetometer survey, reconnaissance and grid mapping, prospecting, a soil MMI geochemical survey and a limited induced polarization survey.

The ground magnetometer survey assisted in the delineation of a sheared mafic-ultramafic intrusion along the property's eastern boundary beneath a prominent topographic lineament and swamp. Geological mapping further delineated the main high strain deformation zone of the Pipestone-Cameron Deformation Zone (PCDZ) through this lineament extending southeast out of the property and northwest through a prominent east-west peninsula and out of the property.

The rocks along the PCDZ include a strongly sheared sequence of tuff breccia, volcanic conglomerate and lapilli tuff along the main peninsula in the northwest. These volcaniclastics represent the downthrown/south block, offset from variably sheared, massive to pillowed mafic volcanic flows to the north. The Meahan occurrence consists of a series of trenches that expose several pyrite-bearing shear zones and/or narrow (<0.5 m) quartz veins along a general east-west trend within a mafic-ultramafic intrusion.

A second major structure, generally referred to as the Dubenski Shear Zone (DSZ), is interpreted to extend northwest from the bay in the southeast corner of Flint Lake into the lake, rotating from a northwest orientation to an east-west orientation further west out of the property. Recent mapping on the adjacent properties gives clear evidence the previously inferred Dubenski shear zone is in fact a late cleavage event that post dates gold mineralization. Based on these observations, the Dubenski shear zone will herein be referred to as the Dubenski alteration zone (DAZ).

Examination of the Meahan occurrence indicates that it is one of several second and third order east-west (rotational?) structures that have formed in response to first order shearing along the PCDZ, and/or in response to reactivation of both the PCDZ and the DAZ. Ground magnetic data supports this observation in that the mafic intrusive hosting the Meahan has been structurally dismembered, defined by a series of northeast trending lows. The Meahan occurs within one of the strongest lows.

Samples taken during the mapping and prospecting phase along the PCDZ obtained anomalous values in excess of 1.0 g/T Au along the south edge of the swamp, along the contact between the mafic-ultramafic intrusion hosting the Meahan Showing and the sheared volcaniclastic rocks immediately north of the intrusion. Anomalous values include 1,320 ppb Au and 2,420 ppb Au from grab samples of sheared mafic to intermediate rocks containing disseminated to stringer pyrite approximately 100 and 300 meters west northwest of the Meahan occurrence. At the Meahan occurrence, rock sampling during this program returned anomalous values of 1,050 ppb and 4,090 ppb Au. Historically reported high grade values were confirmed by one sample from the current program which returned a value of 41,690 ppb Au.

The MMI soil survey outlined three anomalous areas. One anomalous area (RR=42) is directly coincident with highly anomalous gold values in rock samples from the Meahan trenches, while another with a RR=5 occurs 200 metres along strike to the west. A third sample with RR=11 represents a new target 175 metres to the south of the Meahan occurrence, and is at the gabbro/volcanic contact. The anomalous MMI soil results are supported by previous humus sampling work by Twomey. Several anomalous values in humus, ranging from 50 to 200 ppb Au, are subparallel to the anomalous trend from rock sampling along the southern edge of the PCDZ. Subsequent humus samples taken by Twomey and analyzed by Avalon slightly widened the main humus trend by adding an additional anomalous value of 140 ppb Au. Additionally, the presence of another anomaly was indicated along the south boundary of the property (10, 20, and 60 ppb Au), and potentially an extension of the Meahan anomaly on the north side of the swamp (25 ppb Au). Although the suggested anomalies contain mainly low values, the main humus anomaly contains values ranging from 25 to 200 ppb Au along a 300 meter trend. The trend is subparallel to and coincident within 100 meters of the anomalous values obtained from rock samples along the edge of a swamp immediately north and west of the Meahan occurrence.

The IP survey, which covers the Meahan occurrence and potential extensions to the west, delineated a weak to strong chargeability trend, which is coincident with the occurrence and

28 February 1999

Avalon Ventures Ltd.

is associated with a strong resistivity anomaly. The trend occurs across 400 metres, strikes northwest, and was picked up on all three lines surveyed. This trend is roughly coincident with anomalous rock, soil and humus results and therefore defines a priority target for follow-up work.

Though potentially not exposed on the Flint Lake property, mapping and prospecting of the DAZ on the Dubenski property, contiguous to the west of the Flint Lake property, delineated strong cleavage and stratigraphically controlled zoned hydrothermal alteration. The periphery of the DAZ contains conjugate fracture controlled calcite veins that grade into pervasive Cacarbonatization towards the structure. The north edge of the DAZ also contains weak to moderate pervasive chloritization, presumably due to the local influence of the adjacent mafic-ultramafic intrusions on the hydrothermal fluid composition. The core of the alteration zone is defined by a gradation from Ca-carbonatization to Fe/Mg-carbonatization (ankerite) and local disseminated to fracture controlled pyrite. The Fe/Mg-carbonatization includes both pervasive and vein controlled emplacement.

Research completed by T. Twomey and conveyed to Avalon indicates that there is significant alteration beneath the southeast bay of Flint Lake, delineated primarily by Sherritt Gordon drilling in 1981 and 1987. The results reported by Sherritt Gordon had insignificant results, according to the assays included in the logs, with the exception of the later drilling, for which assays were not reported.

Samples taken from the limited outcrop exposure of the possible extension of the DSZ on the Flint Lake property were inconclusive. One shoreline sample obtained a value of 315 ppb Au from a sheared lapilli tuff with strong pervasive calcite and chlorite alteration, suggesting that the structure may contain gold beneath the lake.

## 9.0 CONCLUSIONS AND RECOMMENDATIONS

Exploration work on the Flint Lake property has been successful in prioritizing existing targets and defining new targets for future exploration programs. The work completed in the immediate vicinity of the Meahan showing is encouraging. The coincident IP chargeability anomalies and anomalous values obtained from rock, humus and soil samples west-northwest of the Meahan occurrence along the edge of a large swamp that covers the PCDZ suggest the presence of gold mineralization along the edge of, or beneath overburden cover to the north. Mapping of the PCDZ along strike to the northwest also delineated a trend of significant alteration and mineralization 1200 metres long and up to 200 meters wide.

It is recommended that the anomalous prospecting results obtained along the edge of the swamp be followed up with detailed mapping and sampling to better define the mineralization source. Follow up mapping and prospecting should also be completed along the alteration zone delineated along the PCDZ in the northwest claim.

28 February 1999

Diamond drilling of a minimum of two holes and 400 metres is recommended to test the Meahan occurrence at depth and the new target area delineated 175 metres south of the Meahan. The offsets in magnetic data used to interpret the mafic-ultramafic intrusion beneath the swamp coincide with deformation and alteration observed to the northwest. Diamond drilling should also include at least one fence of drill holes across the strike of the PCDZ to the north of the Meahan occurrence, and based on positive results, a second fence of holes along strike to the west north west.

Recognition on the Dubenski property, that gold mineralization is most likely stratigraphically controlled, and overprinted by a late structural event has major implications for the area, and in particular the extension of this zone to the east, onto the Flint Lake Property. This zone may host gold mineralization beneath the southeast Bay of Flint Lake. Strong alteration observed on the peninsula to the west was also observed along the southeast and east shoreline of the same bay, indicating that the hydrothermal alteration may be consistent beneath the lake. It is recommended that reconnaissance drilling be completed east of the mouth of the peninsula to test for strike-extension mineralization along the Dubenski Alteration Zone and to the east to test the 1981 and 1987 drill holes that were completed by Sherritt Gordon.

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17

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Work Type	Units of Work	Cost per Unit of Work	Total Cost			
Linecutting	25 km	\$ 290/km	\$ 7,250			
Ground Magnetometer Survey	25 km	\$ 80/km	\$ 2,000			
IP Survey	1.5 km	\$ 1500/km	\$ 2,250			
Geological Mapping – Geologist and Assistant	6 days	\$ 550/day	\$ 3,300			
Geochemical Sampling – Geological Assistant	3 days	\$ 200/day	\$ 600			
Rock Sample Analyses	52 analyses	\$ 15/sample	\$ 780			
Soil Sample Analyses	40 samples	\$ 25/sample	\$ 1,000			
Supervision, Report and Drafting	20 days	\$ 7,000				
Associated Costs	ـــــــــــــــــــــــــــــــــــــ					
Supplies and small equipment rental (e.g., samplin stationery, fuel, report reproduction)	g materials,		\$ 870			
Truck and boat rental			\$ 750			
Food and Lodging Costs	\$ 450					
Mobilization and Demobilization						
Total Value of Assessment Work						

# Statement of Expenditures

## STATEMENT OF QUALIFICATIONS

I, Ian J. Campbell of 64 Summit Avenue, Thunder Bay, do hereby certify that:

I am a graduate of Lakehead University in Thunder Bay and hold a Bachelor of Science Degree in Geology 1982.

I am currently serving in the position of Vice President-Exploration of Avalon Ventures Ltd., 851 Field Street, Thunder Bay, Ontario P7B 6B6. I hold both direct and indirect interest in the securities of Avalon Ventures Ltd.

I am presently employed on a full time basis with Campbell & Associates Geological Services Inc. of 64 Summit Avenue, Thunder Bay, Ontario P7B 3N9.

I have been employed as an exploration geologist on a full time basis since 1982, and prior to that as a geological field assistant for four field seasons.

I am a Fellow of the Geological Association of Canada (1985) and a member in good standing with the PDAC and the CIM.

Dated in Thunder Bay, Ontario this 28<sup>th</sup> day of February, 1999.

Ian J. Campbell, FGAC

Avalon Ventures Ltd.

## STATEMENT OF QUALIFICATIONS

I, Karen J. Rees of 269 Valley Street, Thunder Bay, Ontario, do hereby certify that:

I am a graduate of the University of Saskatchewan and hold an Honours Bachelor of Science (Geology) Degree, 1984.

I am presently employed as General Manager of Avalon Ventures Ltd. of 851 Field Street, Thunder Bay, Ontario P7B 6B6.

I have been employed as an exploration geologist by three mining companies over the last twelve years.

Dated in Thunder Bay, Ontario this 28<sup>th</sup> day of February, 1999.

Marenghees

Karen J. Rees, B.Sc. General Manager Avalon Ventures Ltd.

# Appendix 1

# **Magnetometer Instrument Specifications**

# **Instrument Description and Specifications**

# Magnetometer/Gradiometer GSM-19

Resolution:	0.01 nT (gamma), magnetic field and gradient.
Accuracy:	0.2 nT over operating range.
Range:	20,000 to 120,000 nT, automatic tuning requiring initial set-up.
Gradient Tolerance:	Over 10,000 nT/m.
Operating Interval:	3 seconds minimum, faster optional. Readings initiated from keyboard, external trigger, or carriage return via RS-232-C.
Input/Output:	6 pin weatherproof connector, RS-232C, and (optional) analog output.
Power Requirements:	12V, 200mA peak (during polarization), 30 mA standby. 300mA peak in gradiometer mode.
Power Source:	Internal 12 V, 1.9 Ah sealed lead-acid battery standard, others optional. An External 12V power source can also be used.
Battery Charger:	Input: 110/220 VAC, 50/60 Hz and/or 12 VDC (optional). Output: 12V dual level charging.
Operating Ranges:	Temperature: -40°C to +60°C. Battery Voltage: 10.0V minimum to 15V maximum. Humidity: up to 90% relative, non condensing.
Storage Temperature:	-50°C to +65°C
Dimensions:	Console: 223 x 69 x 240 mm. Sensor Staff: 4 x 450 mm sections. Sensor: 170 x 71 mm dia. Weight: Console 2.1 kg, Staff 0.9 kg, Sensors 1.1 kg each.

### **Physical Overview**

The parts of the GSM-19 magnetometer/gradiometer are as follows:

- The sensor is a dual coil type designed to reduce noise and improve gradient tolerance. The coils are electrostatically shielded and contain a proton rich liquid in a pyrex bottle, which also acts as an RF resonator.
- The sensor is coaxial, typically RG-58/U, up to 100 m long.
- The staff is made of strong aluminum tubing sections (plastic staff optional). This construction allows for a selection of sensor elevations above ground during surveys. For best precision the full staff length should be used. Recommended sensor separation in gradiometer mode is one staff section (56 cm from sensor axis to sensor axis), although two or more sections are sometimes used for maximum sensitivity.
- The console contains all the electronic circuitry. It has a 16 key keyboard, a 4 x 20 character alphanumeric display, and sensor and power/input/output connectors. The keyboard also serves as an ON-OFF switch.
- The power/input/output connector also serves as RS232C input/output and optionally as analog output and/or contact closure triggering input.
- The keyboard, front panel, and connectors are sealed i.e. the instrument can operate under rainy conditions.
- The charger has 2 levels of charging, full and trickle, switching automatically from one to another, input is normally 110V 50/60 Hz. Optionally, 12 VDC input can be provided.
- The all-metal housing of the console guarantees excellent EMI protection.

#### **Software Version 4.0**

There are several major versions of software for the GSM-19. As of August 92, GEM Systems added a major software upgrade to its GSM-19 family, enhancing its capabilities. This new generation of software (version 4.0) has the following advantages:

- 1. Diurnal correction (reduction) with interpolation can be used in conjunction with other GSM-19 models with software version 4.0. This allows the base mag to run with longer cycle time. Previous software could do interpolation only with fast GSM-19 types.
- 2. Memory filing system. Now 50 files can be stored in a directory, and mode of operation can be changed without erasing memory. With the software previous to version 4.0, only 1 file could be retained in memory, and this would be lost when modes of operation were switched.
- 3. Line and station numbers have been enlarged. Lines can now be 5 digits as opposed to 4 digits in previous software. Station numbers are now 7 digits as opposed to 6 in the previous software.
- 4. Transmission time has been significantly shortened.

Appendix 2

# **Rock Sample Descriptions**

and Assay Certificates

Sample	Easting	Northing	Au (ppb)	Description
239167	4750	1700	41690	Meahan showing, main trench, 20 cm qtz vein, 5% disseminated py, tr cpy, vg?
239168	4800	1720	1050	Meahan showing, east trench, gabbro, moderately sheared, 2% py
239179	4130	1690	<5	mafic volcanic or sheared gabbro, 10 cm qtz-ank vein, 1% py
239180	4130	. 1690	220	mafic volcanic or sheared gabbro, 10 cm qtz-ank vein, 1% py
239181	4075	1750	<5	gabbro, calcite, tr py
239182	4110	1840	<5	serpentinite, amphibolite, pyroxenite, tr cpy
239183	3645	2035	<5	gabbro (sheared serpentinite/pyroxenite), tr py
239202	4350	1485	125	sericite-ankerite schist - Dubenski shear extension?
239203	4360	1490	50	sericite-ankerite schist - Dubenski shear extension?
239204	2580	2965	15	qtz stockwork in sheared tuff breccia, red qtz veins, strong chloritization
239205	2535	3020	<5	feldspar porphyry, strongly sheared, sericitized, tr py
239206	2535	3020	<5	feldspar porphyry, strongly sheared, sericitized, tr py
239207	2535	3020	<5	feldspar porphyry, strongly sheared, sericitized, .5 m zone of pervasive ank, tr py
239208	2550	3015	<5	chlorite-sericite-ankerite schist, tr py
239209	2550	3015	<5	chlorite-sericite-ankerite schist, tr py
239210	2740	3135	<5	chlorite-ankerite schist, tr py
239211	3150	3100	<5	qtz-ank vein in sericitized, chloritized sheared mafic volcanic, tr py
610762	4000	2225	<5	silicified ash tuff, tr py
610766	4250	1950	<5	silicified, sericitized ash tuff, strongly foliated, tr py
610767	4300	1895	2420	strongly silicified, weak carbonate, 5-10% py
610768	4400	1905	45	fine grained ash tuff, sheared, tr py
610769	4560	1890	490	sheared, silicified, 5-10% py
610771	3520	2200	50	gabbro, tr py
610772	3580	2200	<5	gabbro, iron stain, tr py
610773	3620	2200	<5	shear zone, ankerite, quartz, calcite, tr py
610774	3700	2100	<5	shear, sericitized
610808	4300	1950	1320	fine grained ash tuff, sheared, sericite, calcite, ankerite, 5-10% py, cpy
610810	3895	1935	10	fine grained ash tuff, stongly sheared, sericite, calcite, silicified, tr py
610811	3750	2002	110	fine grained ash tuff, ankerite, calcite, silicifiec, 1% py
610812	3500	2150	<5	sheared fine grained gabbro, ankerite, calcite, 1% py
610813	4110	1800	<5	sheared gabbro, strong calcite, tr py
610814	4080	1775	315	sheared fine grained gabbro, ankerite, calcite, tr py
610815	4055	1910	40	moderately sheared ash tuff, calcite, tr py
610896	4796	1604	<5	rhyodacite, tr py

# Flint Lake Property Rock Sample Descriptions

Sample	Easting	Northing	Au (ppb)	Description
610897	4800	1737	10	serpentinite, local float from old trench, chlorite, serp, calcite, 2-5% py
610898	4720	1785	25	brecciated intermediate feldspar crystal tuff, silicified, 2% py
610899	4700	1875	<5	coarse grained intermediate ash tuff, strongly foliated, sericite, calcite
610900	4700	1790	90	serpentinite, chlorite, serp, 15% py
610928	4116	1820	<5	subangular boulder on shore, ankerite, tr py, tr malachite
610951	4596	1715	150	serpentinite?, moderatley magnetic, serp, chl, hematite, 2% py
610952	4580	1805	<5	fine grained gabbro, moderately magnetic with milky white quartz vein
610953	4603	1865	<5	silicified zone at west end of trench, hematite, 1-2% py
610954	4604	1865	<5	silicified zone at west end of trench, hematite, 3-5% py
610955	4500	1915	<5	sheared foliated basalt, chlorite, calcite, tr py
610956	4608	1553	65	rhyodacite, near contact with mafic dyke, ankerite, calcite, 1% py
610957	4200	1940	<5	coarse grained intermediate ash tuff, sericite, calcite, 1% py
610958	4204	1705	55	serpentinite with coarse grained quartz vein, up to 20 cm wide, tr cpy, py, mal
610960	4200	1700	<5	intermediate tuff, foliated, sericite, calcite, tr py
610961	4775	1760	300	strongly magnetic mafic/ultramafic, chlorite, calcite, 1% py
610962	4775	1718	4090	fine grained, strongly magnetic mafic/ultramafic, gossanous, chlorite, 20% py
610963	4740	1720	50	magnetic mafic/ultramafic, foliated, chlorite, serp, 2-5% py
610967	4430	1525	<5	intermediate tuff, rusty weathering, no sulphides



# Chemex Labs Ltd.

Analytical Chemists \* Geochemists \* Registered Assayers

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#### To: AVALON VENTURES LTD.

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						CERTIFIC	ATE OF A	NALYSIS	A97	739420	
SAMPLE		REP ODE	Au ppb FA+AA	Au FA g/t							
610942 610943 610944 610945 610946	205 205 205	226 226 226 226 226 226	2720 350 10 185 95								
610947 610959 610960 610961 610962	205 205	226 226	<pre>&lt; 5 &lt; 5 &lt; 5 300 4090</pre>						•		
610963 610964 610965 610966 610967	205 205	226 226	50 < 5 < 5 < 5 < 5 < 5								
610968 610969 610970 610971 610972	205 205 205 205 205	226 226 226	<pre>&lt; 5 &lt; 5 320 15 &lt; 5</pre>		ſ						
610973	205	226	< 5								

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CERTIFICATION:\_



Analytical Chemists \* Geochemists \* Registered Assayers 5175 Timberlea Blvd., Mississauga Ontario, Canada L4W 2S3 PHONE: 905-624-2806 FAX: 905-624-6163

To: AVALON VENTURES LTD.

777 RED RIVER RD. THUNDER BAY, ON P7B 1J9

Project : 519,522,523,526 Comments: ATTN: IAN CAMPBELL CC: DON BUBAR

Page Number :1 Total Pages :2 Certificate Date: 05-SEP-97 Invoice No. :19739420 P.O. Number : :OPJ Account

				CERTIFICATE OF ANALYSIS A9739420						
SAMPLE	PREP CODE	Au ppb FA+AA	Au FA g/t							
239197 239198 239199 239200 239201	205 226 205 226 205 226 205 226 205 226 205 226	285 < 5 < 5 >10000 6780	  11.28	,						
239202 239203 239204 239205 239205 239206	205 226 205 226 205 226 205 226 205 226 205 226	125 50 15 < 5 < 5								
239207 239208 239209 239210 239211	205 226 205 226 205 226 205 226 205 226 205 226	2 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5								
239212 239213 239214 239214 239215 239216	205 226 205 226 205 226 205 226 205 226 205 226	<pre>&lt; 5 &lt; 5 </pre>								
239217 239218 239219 239220 239220 239221	205 226 205 226 205 226 205 226 205 226 205 294	<pre>&lt; 5 &lt; 5 &lt; 5 &lt; 5 &lt; 5 &lt; 5 785</pre>								
239222 239223 239224 239225 610931	205 226 205 226 205 226 205 226 205 226 205 226	710 225 < 5 < 5 < 5 < 5								
610932 610933 610934 510935 510936	205 226 205 226 205 226 205 226 205 226 205 226	<pre>&lt; 5 &lt; 5 &lt; 5 &lt; 5 &lt; 5 165</pre>								
610937 510938 510939 510940 510941	205 226 205 226 205 226 205 226 205 226 205 226	<pre>&lt; 5 75 &lt; 5 &lt; 5 50</pre>								
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Analytical Chemists \* Geochemists \* Registered Assayers 5175 Timberlea Blvd.,

Mississauga L4W 2S3 Ontario, Canada L4W 2S3 PHONE: 905-624-2806 FAX: 905-624-6163 To: AVALON VENTURES LTD.

777 RED RIVER RD. THUNDER BAY, ON P7B 1J9

Project : 522,526,519 Comments: ATTN: IAN CAMPBELL CC: DON BUBAR

Page Number :3 Total Pages :3 Certificate Date: 26-AUG-97 Invoice No. : 19738256 P.O. Number : Account :OPJ

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**CERTIFICATE OF ANALYSIS** A9738256

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610908 610909 610910 610911 610912	205226205226205226205226205226	<pre>&lt; 5 &lt; 5 155 310 &lt; 5</pre>						
610913 610914 610915 610916 610917	205 226 205 226 205 226 205 226 205 226 205 226	<pre>&lt; 5 &lt; 5 &lt; 5 &lt; 5 &lt; 5 2740</pre>						
610918 610919 610920 610921 610922	205 226 205 226 205 226 205 226 205 226 205 226	<pre>&lt; 5 110 &lt; 5 &lt; 5 &lt; 5 &lt; 5</pre>						
610923 610924 610925 610926 610927	205 226 205 226 205 226 205 226 205 226 205 226	<pre>&lt; 5 &lt; 5 35 465 &lt; 5</pre>						
610928 610929 610930 610951 610952	205 226 205 226 205 226 205 226 205 226 205 226	<pre>&lt; 5 &lt; 5 &lt; 5 150 &lt; 5</pre>						
610953 610954 610955 610956 610957	205 226 205 226 205 226 205 226 205 226 205 226	<pre>&lt; 5 &lt; 5 &lt; 5 &lt; 5 65 &lt; 5</pre>						
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### Chemex Labs Ltd.

Analytical Chemists \* Geochemists \* Registered Assayers

5175 Timberlea Blvd.,MississaugaOntario, CanadaL4W 2S3PHONE: 905-624-2806FAX: 905-624-6163

To: AVALON VENTURES LTD.

777 RED RIVER RD. THUNDER BAY, ON P7B 1J9

Project : 522,526,519 Comments: ATTN: IAN CAMPBELL CC: DON BUBAR Page Number :2 Total Pages :3 Certificate Date: 26-AUG-97 Invoice No. :19738256 P.O. Number : Account :OPJ

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					CERTIFIC	ATE OF A	NALYSIS	A97	38256	
SAMPLE	PREP CODE	Au ppb FA+AA								
610830 610831 610832 610833 610834	205 226 205 226 205 226 205 226 205 226 205 226	<pre></pre>								
610835 610836 610837 610838 610839	205 226 205 226 205 226 205 226 205 226 205 226	30 < 5 < 5 < 5 25								
610840 610841 610842 610843 610844	205 226 205 226 205 226 205 226 205 226 205 226	55555 V V V V V								
610845 610846 610847 610848 610849	205 226 205 226 205 226 205 226 205 226 205 226	5 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4		ì						
610850 610889 610890 610891 610892	205       226         205       226         205       226         205       226         205       226	<b>л л л л</b> 10 10 10 10								
610893 610894 610895 610896 610897	205 226 205 226 205 226 205 226 205 226 205 226	<pre>&lt; 5 &lt; 5 &lt; 5 &lt; 5 &lt; 5 10</pre>								
610898 610899 610900 610901 610902	205 226 205 226 205 226 205 226 205 226 205 226	25 < 5 90 45 10								
610903 610904 610905 610906 610907	205 226 205 226 205 226 205 226 205 226 205 226	5 < 5 15 < 5 < 5 < 5								



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To: AVALON VENTURES LTD.

# 777 RED RIVER RD. THUNDER BAY, ON P7B 1J9

Project : 522,526,519 Comments: ATTN: IAN CAMPBELL CC: DON BUBAR

Page Number : 1 Total Pages : 3 Certificate Date: 26-AUG-97 Invoice No. : 19738256 P.O. Number : OPJ Account

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	_			CERTIFICATE OF ANALYS				A9738256		
PREP CODE	Au ppb FA+AA									
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CERTIFICATION:



Analytical Chemists \* Geochemists \* Registered Assayers

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To: AVALON VENTURES LTD.

777 RED RIVER RD. THUNDER BAY, ON P7B 1J9 Page Number:1Total Pages:1Certificate Date:27-AUG-97Invoice No.:19738176P.O. Number:Account:OPJ

Project: 519

Comments: ATTN: IAN CAMPBELL CC: DON BUBAR, FAX: PAT LENGYEL

						CERTIFICATE OF ANALYSIS			A97	A9738176		
SAMPLE	PRI COI	EP DE	Au ppb FA+AA	Au FA g/t								
M610864 M610883 M610884 M610885 M610886	205 205 205 205 205 205	226	60 10 < 5 < 5 < 5 < 5		,							
M610887 M610888 N239167 N239168	205 205 205 205 205	226 226	<pre></pre>	41.69								
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Analytical Chemists \* Geochemists \* Registered Assayers Mississauga L4W 2S3

5175 Timberlea Blvd., Ontario, Canada L4W 2S3 PHONE: 905-624-2806 FAX: 905-624-6163 To: AVALON VENTURES LTD.

777 RED RIVER RD. THUNDER BAY, ON P7B 1J9

Page Number :2 Total Pages :3 Certificate Date: 19-AUG-97 Invoice No. P.O. Number :19737290 : OPJ Account

Project :

519 Comments: ATTN: IAN CAMPBELL CC: DON BUBAR FAX: PAT LENGYEL

#### **CERTIFICATE OF ANALYSIS** A9737290

						 01230	
SAMPLE	PREP CODE	Au ppb FA+AA					
N239141 N239142 N239143 N239144 N239145	205 294 205 226 205 226 205 294 205 294	215 425 775 225 960	1				
N239146 N239147 N239148 N239149 N239150	205 294 205 294 205 294 205 294 205 294 205 226	325 275 370 1220 2790					
N239151 N239152 N239153 N239154 N239155	205 226 205 226 205 226 205 226 205 226 205 226	3470 320 145 515 445					
N239156 N239157 N239158 N239159 N239160	205 294 205 294 205 294 205 294 205 294 205 294	100 3450 2580 1410 4850					
N239161 N239162 N239163 N239164 N239165	205 294 205 294 205 294 205 294 205 226 205 226	330 245 365 325 645					
N239166 M610771 M610772 M610773 M610774	205 226 205 226 205 226 205 226 205 226 205 226	3270 50 < 5 < 5 < 5 < 5					
M610775 M610776 M610810 M610811 M610812	205 226 205 226 205 226 205 226 205 226 205 226	<pre></pre>					
M610813 M610814 M610815 M610851 M610852	205 226 205 226 205 226 205 226 205 226 205 226	<pre></pre>					
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5175 Timberlea Blvd., Mississauga Ontario, Canada L4W 2S3 PHONE: 905-624-2806 FAX: 905-624-6163

#### To: AVALON VENTURES LTD.

777 RED RIVER RD. THUNDER BAY, ON P7B 1J9

Page Number :1 Total Pages :1 Certificate Date: 19-AUG-97 Invoice No. :19737276 P.O. Number : OPJ Account

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#### Project : 522

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Comments: ATTN: IAN CAMPBELL CC: DON BUBAR FAX: PAT LENGYEL

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					CERTIFIC	ATE OF A	NALYSIS	A97	737276	
SAMPLE	PREP CODE	Au ppb FA+AA								
M610751 M610752 M610753 M610754 M610755	205 226 205 226 205 226 205 226 205 226 205 226	<pre></pre>								
4610756 4610757 4610758 4610759 4610760	205 226 205 226 205 226 205 226 205 226 205 226	<pre></pre>	 							
MG10761 MG10762 MG10763 MG10764 MG10765	205         226           205         226           205         226           205         226           205         226           205         226	<pre></pre>								
M610766 M610767 M610768 M610769 M610770	205 226 205 226 205 226 205 226 205 226 205 226	<pre></pre>		I						
M610801 M610802 M610803 M610804 M610805	205 226 205 226 205 226 205 226 205 226 205 226	<pre>&lt; 5 &lt; 5 </pre>								
M610806 M610807 M610808 M610809	205 226 205 226 205 226 205 226 205 226	<pre></pre>								
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### Appendix 3

### MMI Methodology, Response Ratio Data

And Assay Certificates – Soil Samples

#### **Background – MMI Technology**

MMI technology differs from traditional soil geochemistry as it uses a proprietary selective leach process designed to scavenge mobile metal ions from the surface of substrate particles. Traditional soil geochemistry methods analyze samples using a complete digest, attempting to detect traces of residual mineralization, or a remobilized and precipitated extension of it. MMI technology, by scavenging only mobile metal ion particles from the surface of substrate particles, leaves behind the actual soil particles.

Mobile metal ion particles mobilize from bedrock mineralization sources, via groundwater, and adhere to the surface of particles forming in the soil, rather than precipitate out as oxide minerals. The relatively low concentrations of mobile metal ions present in the soil combined with the mechanism of metal ion transfer, and the mechanism of adhesion on clay particle surfaces precludes the detection of extensive dispersal trains. Consequently, MMI soil anomalies either occur immediately above a deposit, where the ions have exploited fracture permeability from the source at depth to the surface, or, in the case of inclined strata, they may also occur on the up-dip exposure of that strata, having exploited stratigraphic permeability as well as structural permeability.

MMI technology results to date indicate that it is capable of detecting mineralization from sources as deep as 700 metres below surface, theoretically beyond the detection range of surface sampling, conventional surface geophysics, and well beyond the typical shallow exploratory drilling depths.

#### **Data Manipulation**

Typical soil profiles undergo regular mechanical erosion, volume reduction by conversion from bedrock to soil, and chemical weathering. All three processes have a tendency to disseminate mineralization away from the original bedrock source, although typically these dispersed zones are volumetrically smaller than the original source. Conventional sampling, using partial or complete digestion analysis, obtains values from these dispersed zones that can range as high as ore grade, bedrock mineralization. Additionally, these dispersed zones can also produce soil sample anomalies and stream sediment anomalies in the same range as those that would be detected adjacent to a bedrock sourced anomaly.

The limited spatial distribution of mobile metal ions precludes the dispersion any considerable distance from source. In addition, significant accumulations of mineralization are required to generate measureable MMI anomalies. Consequently, the MMI soil data tends to have a very low signal-to-noise ratio.

Response ratios (RR), used as a practical means of eliminating background noise, define anomalies from a standard MMI soil analysis database. Subsequent interpretation relies on the values representing the relative difference between background noise and real anomalies, rather than interpreting absolute values as is typically done in conventional geochemical surveys. To calculate the response ratio, the average value of the lowest quartile is divided into the database and all results are rounded to a value greater or equal to 1.

SAMPLE ID	Au	avg25%tl	au/corr (RR)
48+05E 17+18N	0.28	0.125	2.24
48+01E 16+00N	1.4	0.125	11.2
48+00E 19+01N	0.125	0.125	1
48+00E 18+50N	0.125	0.125	1
48+00E 18+00N	0.125	0.125	1
48+00E 17+60N	5.23	0.125	41.84
48+00E 16+35N	0.56	0.125	4.48
48+00E 15+01N	0.31	0.125	2.48
47+00E 18+75N	0.125	0.125	1
47+00E 18+25N	0.125	0.125	1
47+00E 17+29N	0.125	0.125	1
47+00E 16+75N	0.125	0.125	1
47+00E 16+25N	0.125	0.125	1
47+00E 15+75N	0.55	0.125	4.4
47+00E 15+50N	0.125	0.125	1
47+00E 15+25N	0.125	0.125	1
46+00E 18+37N	0.125	0.125	1
46+00E 17+55N	0.62	0.125	4.96
46+00E 17+00N	0.125	0.125	1
45+70E 18+00N	0.125	0.125	1
45+00E 18+25N	0.32	0.125	2.56
45+00E 17+71N	0.44	0.125	3.52
45+00E 17+22N	0.125	0.125	1
45+00E 16+60N	0.125	0.125	1
44+10E 17+50N	0.37	0.125	2.96
44+00E 19+25N	0.125	0.125	1
44+00E 18+50N	0.125	0.125	1
44+00E 17+00N	0.125	0.125	1
43+90E 18+00N	0.125	0.125	1
43+90E 16+50N	0.125	0.125	1
43+00E 17+76N	0.125	0.125	1
43+00E 17+25N	0.125	0.125	1
43+00E 16+75N	0.125	0.125	1
43+00E 16+40N	0.125	0.125	1
43+00E 15+75N	0.3	0.125	2.4
43+00E 15+25N	0.125	0.125	1
42+00E 19+50N	0.125	0.125	1
42+00E 17+50N	0.125	0.125	1
42+00E 17+00N	0.125	0.125	1
41+00E 19+25N	0.125	0.125	1

### Flint Lake Property Soil MMI Response Ratio Data



#### XRAL Laboratories A Division of SGS Canada Inc.

Work Order:	017778	1	Date:	13/01/98		
Element.	Au	Co	Ni	Pd	Ag	
Method.	MMI-B	MMI-B	MMI-B	MMI-B	MMI-B	
Det.Lim.	0.25	1	5	0.25	0.25	
Units.	ppb	ppb	ррb	ppb	ppb	

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Page 2 of 4

41+00E 19+25N

< 0.25

452 < 0.25 9.47

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Work Order:	017778	Ι	Date:	13/01	/98
Element.	Au	Co	Ni	Pd	Ag
Method.	MMI-B	MMI-B	MMI-B	MMI-B	MMI-B
Det.Lim.	0.25	1	5	0.25	0.25
Units.	ppb	ppb	ррь	ppb	ppb
41+00E 19+75N	< 0.25	6	498	0.31	9.06
42+00E 17+00N	< 0.25	20	150	0.31	14.2
42+00E 17+50N	< 0.25	2	76	< 0.25	6.67
42+00E 19+50N	< 0.25	3	98	< 0.25	7.71
42+00E BL 20+00N	0.36	2	521	<0.25	11.8
43+00E 15+25N	<0.25	2	337	< 0.25	0.76
43+00E 15+75N	0.30	3	539	< 0.25	20.3
43+00E 16+40N	< 0.25	1	139	< 0.25	2.67
43+00E 16+75N	< 0.25	<1	40	< 0.25	13.5
43+00E 17+25N	< 0.25	2	60	< 0.25	0.62
43+00E 17+76N	< 0.25	42	74	< 0.25	7.75
43+00E 19+75N	< 0.25	2	266	< 0.25	24.3
43+00E 23+00N	< 0.25	13	158	< 0.25	14.5
43+00E 23+50N	< 0.25	2	102	< 0.25	3.76
43+00E 24+00N	<0.25	3	102	< 0.25	7.44
43+00E 24+50N	< 0.25	29	174	0.39	22.7
43+90E 16+50N	< 0.25	<1	27	< 0.25	1.19
44+00E 17+00N	< 0.25	1	89	< 0.25	0.70
44+10E 17+50N	0.37	1	148	< 0.25	1.62
43+90E 18+00N	< 0.25	21	50	< 0.25	0.71
44+00E 18+50N	< 0.25	4	130	< 0.25	40.4
44+00E 19+25N	< 0.25	2	93	<0.25	0.99
44+00E 23+00E	< 0.25	1	95 84	<0.25	0.99
44 + 00E 23 + 30N	< 0.25	5	322	< 0.25	7.59
44+00E 23+30N 44+00E 24+00N		2		<0.25	9.93
44 T OUE 24 T OUN	<0.25	2	1211	<0.25	9.93
45+00E 16+60N	< 0.25	<1	33	< 0.25	0.55
45+00E 17+22N	< 0.25	2	47	< 0.25	1.12
45+00E 17+71N	0.44	5	69	< 0.25	6.33
45+00E 18+25N	0.32	2	387	< 0.25	5.23
45+00E 24+25N	<0.25	16	120	<0.25	7.58
45+00E 24+75N	< 0.25	11	317	0.27	11.3
46+00E 17+00N	< 0.25	8	34	<0.25	2.20
46+00E 17+55N	0.62	2	36	<0.25	4.27
45+70E 18+00N	< 0.25	7	30	0.26	5.57
46+00E 18+37N	<0.25	36	53	<0.25	3.94
46+00E 22+85N	<0.25	30	200	0.27	9.67
46+00E 23+00N	< 0.25	8	431	<0.25	9.03
46+00E 23+22N	< 0.25	11	241	0.33	6.48
46+00E 23+50N	< 0.25	6	533	< 0.25	11.6
46+00E 24+00N	<0.25	8	201	0.32	10.7
46+00E 24+48N	<0.25	3	155	<0.25	15.1
47+00E 15+25N	< 0.25	5	358	< 0.25	1.25
47+00E 15+50N	< 0.25	34	191	< 0.25	5.69
47+00E 15+75N	0.55	1	264	0.29	13.0
47+00E 16+25N	< 0.25	5	62	< 0.25	0.44
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Page 3 of 4

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Work Order:	017778	Ι	Date:	13/01	/98
Element. Method. Det.Lim.	Au MMI-B 0.25	Co MMI-B 1	Ni MMI-B 5	Pd MMI-B 0.25	Ag MMI-B 0.25
Units.	ppb	ppb	ррб	ppb	ррь
47+00E 16+75N	< 0.25	15	26	< 0.25	7.67
47+00E 17+29N	< 0.25	5	46	< 0.25	4.12
47+00E 18+25N	< 0.25	6	36	< 0.25	13.7
47+00E 18+75N	< 0.25	5	51	< 0.25	9.77
47+00E 22+75N	<0.25	8	59	<0.25	6.34
47+00E 23+25N	<0.25	8	61	< 0.25	7. <b>59</b>
47+00E 23+95N	< 0.25	7	161	0.27	9.87
47+00E 24+75N	< 0.25	13	64	0.54	11.4
48+00E 15+01N	0.31	9	838	< 0.25	15.1
48+00E 16+35N	0.56	7	380	<0.25	7 <b>.9</b> 7
48+00E 17+60N	5.23	3	160	< 0.25	6.40
48+00E 18+00N	< 0.25	16	180	< 0.25	12.4
48+00E 18+50N	< 0.25	6	178	< 0.25	5.03
48+00E 19+01N	<0.25	2	154	< 0.25	0.90
48+00E 22+00N	<0.25	44	120	<0.25	30.2
47+95E 23+00N	<0.25	13	79	0.26	12.1
47+95E 24+00E	<0.25	4	152	< 0.25	2.37
48+01E 16+00N	1.40	8	614	0.40	20.0
48+05E 17+18N	0.28	7	296	< 0.25	8.23
48+00E 24+50N	1.15	30	164	0.49	36.8

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Page 4 of 4



VAL D'OR SAGAX INC. 50 Lamaque Boulevard Val-d'Or (Quebec) Canada J9P 2H6 Tel: (819) 874-2001 Fax: (819) 874-2002 Email: vds@vdsagax.ca



DOGPAW LAKE

52F05SW2006 2.19340

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A REPORT ON AN INDUCED POLARIZATION/RESISTIVITY SURVEY performed over the FLINT LAKE PROJECT Kenora District, Ontario submitted to AVALON VENTURES LTD. 98-N310.2 APRIL 1998

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### TABLE OF CONTENTS

DOGPAW LAKE

1	IN	FRODUCTION	. 1
2	TH	E FLINT LAKE PROPERTY	. 1
	2.1	Location and Access	. 1
	2.2	Survey Grid	. 1
	2.3	Description	. 1
3	TE	CHNICAL SPECIFICATIONS OF THE SURVEY	. 4
	3.1	Generalities	. 4
	3.2	Electrode Array	. 4
	3.3	Equipment	. 4
	3.4	IP Survey Parameters Calculations	6
	3.5	True-Depth Section Imaging	6
	3.6	Quality Control	. 6
4	RE	SULTS AND INTERPRETATION	. 7
	4.1	Data presentation	. 7
	4.2	Interpretation	. 7
5	CO	NCLUSION AND RECOMMENDATIONS	8

#### **LIST OF FIGURES**

Figure 1 :	General location	2
Figure 2 :	Index of claims and survey area	3
Figure 3 :	The dipole-dipole array	4
Figure 4 :	The transmitted signal at C1-C2	5
	ELREC-6+ Timing for the slices of an IP decay curve	

#### **APPENDICES**

#### ATTACHED AT THE END OF THIS REPORT

Pseudosections and *image2D* true-depth sections of the apparent resistivity and apparent chargeability (3 sheets at a scale of 1:2500).

#### LIST OF MAPS, at a scale of 1 : 5000

98-N310-4.0	Geophysical interpretation
98-N310-4.2	image2D apparent resistivity contour map at 50 m depth level
98-N310-4.3	image2D apparent chargeability contour map at 50 m depth level

#### **COLOUR PLANS SUBMITTED SEPARATELY**

- 98-N310-4.2c *image2D* apparent resistivity contour map at 50 m depth level
- 98-N310-4.3c *image2D* apparent chargeability contour map at 50 m depth level



#### **1** INTRODUCTION

At the request of Mr. Ian Campbell of AVALON VENTURES LTD., VAL D'OR SAGAX INC. has performed an induced polarization/resistivity survey over the FLINT LAKE property (NTS 52F/5) (figure 1). The object of this survey is to define, if possible, promising anomalies for the search of economic mineralization on this property.

After a brief description of the method employed, we discuss the results obtained and attempt to interpret them in light of the available geological and geophysical information. Based on the results of this interpretation, we then establish what further work, if any, should be performed.

#### 2 THE FLINT LAKE PROPERTY

#### 2.1 Location and Access

The property is located approximately 60 kilometres south-east of Kenora in the Kenora District, province of Ontario (NTS 52F/5) (figure 1). The access is possible first by the Highway #71 as far as 10 kilometres south of Sioux Narrows and then by the Cameron road for a distance of approximately 11 kilometres.

#### 2.2 Survey Grid

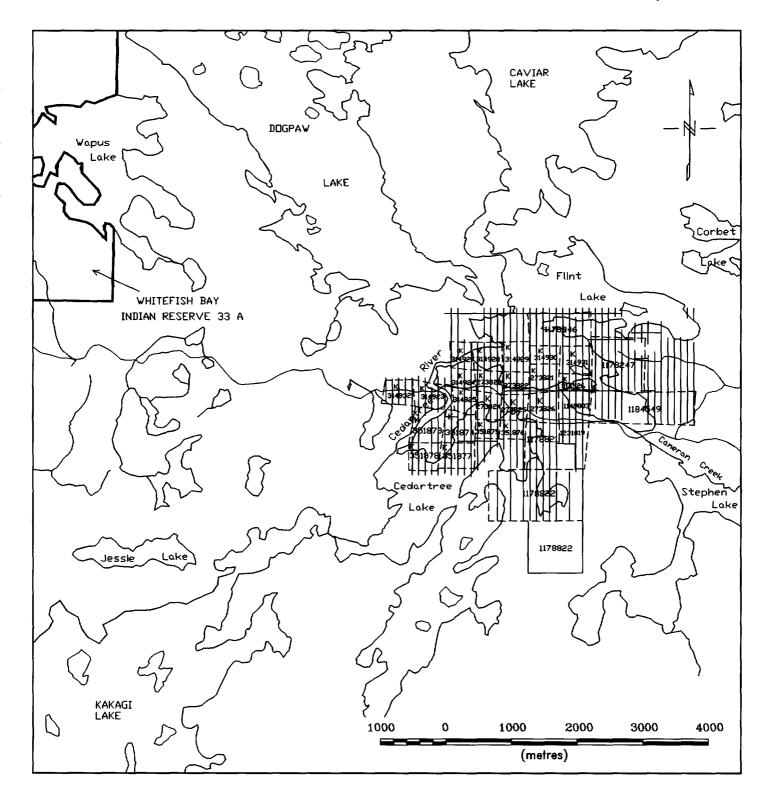
The survey grid consists of several tie lines striking east-west and lines striking northsouth, cut every 100 metres between 1+00E and 48+00E. This grid is metric and all the lines are chained every 25 metres. However, the present survey only covered lines 44+00E, 46+00E and 48+00E between 15+00N and 21+00N (figure 2).

#### 2.3 Description

The property is held by AVALON VENTURES LTD. and the claims partially and totally covered by the present field works are shown on figure 2.



Figure 2: Index of claims and survey area



AVALON VENTURES LTD.



#### **3 TECHNICAL SPECIFICATIONS OF THE SURVEY**

#### 3.1 Generalities

A total of 1.8 kilometres of induced polarization/resistivity were completed on March 9, 1998 over the FLINT LAKE property. This survey was performed under the direction of Mr. Paul Melançon with the help of four assistants.

#### **3.2 Electrode Array**

The dipole-dipole array (figure 3) was used for the investigation of all IP lines performed on the FLINT LAKE property. The nominal spacing a between the electrodes was set at 25 metres and separation factor n between the transmitting and the potential dipoles ranged from 1 to 6.

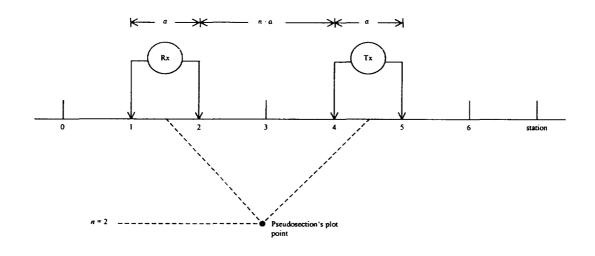


Figure 3: The dipole-dipole array

#### 3.3 Equipment

The induced polarization equipment employed consisted of a transmitting device as well as a receiving device, both working in pulse current mode. A GDD transmitter model TX-11 supplied by a 1.4 kW generator was used to provide a stable current. Stainless steel electrodes were used to provide contact with the ground for the transmission of current as well as the reception of the signal. The current was transmitted with a period of 8 seconds and an effective cycle of 50% (figure 4).



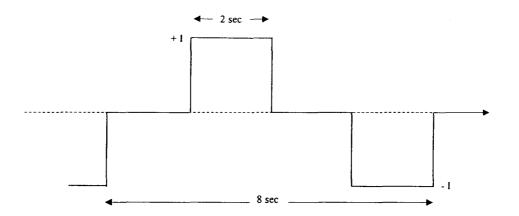


Figure 4: The transmitted signal at  $C_1$ - $C_2$ 

Primary voltage  $V_p$  and apparent chargeability  $M_a$  were measured with an ELREC-6+ IP receiver manufactured by Iris Instruments Ltd. The integration of the transient voltage after current shut-off was performed over twenty windows ( $M_1$  to  $M_{20}$ ) of equal duration of 80 ms each (figure 5). Those twenty parameters are automatically normalised in relation with the decay rate of the transitory voltage due to a pure electrode polarization effect. Therefore, all parasitic contribution to the signal can be filtered by observing the deviation between the values  $M_1$  to  $M_{20}$  read at the receiver.

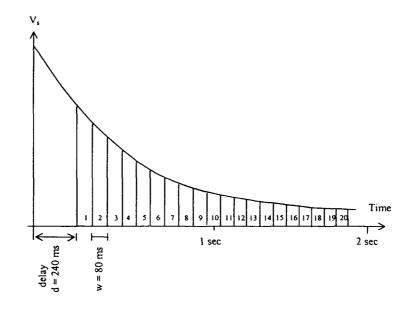


Figure 5 : ELREC-6+ Timing for the slices of an IP decay curve

#### AVALON VENTURES LTD.



#### **3.4 IP Survey Parameters Calculations**

Apparent resistivity was determined using the following equation :

$$\rho_a = \pi \cdot \frac{V_p}{I} \cdot n \cdot (n+1) \cdot (n+2) \cdot a \quad (in \ \Omega \cdot m)$$

Where

a = dipole length (25 m) n = dipole separation factor  $V_P = \text{primary voltage (mV)}$ I = injected current (mA)

Chargeability  $M_a$  is expressed in mV/V and is the weighted average of at least 10 of the partial apparent chargeability windows ( $M_1$  to  $M_{20}$ ). Windows that do not fit the general polarization curve are rejected.

#### **3.5** True-Depth Section Imaging

To facilitate quantitative interpretation, an automatic 2D inversion software of resistivity/induced polarization data sets, developed by VAL D'OR SAGAX INC., has been used with the data from the FLINT LAKE property. With this software, no initial guess (starting model) needs to be defined by the user. The subsoil is divided in small cells and a spatial deconvolution of raw data is applied. The result is a smooth model representing the conductive, resistive and polarizable bodies distribution on true-depth sections. The resulting image represents a model of all possible solutions, highlighting the most probable ones. However, this process does not recover intrinsic resistivity and chargeability unless the source is very wide.

Imaging cannot create information that is not in the raw data set, i.e. the limitations of the technique and array used will still prevail. For instance, resolution at depth is very limited and subhorizontal structures are difficult to resolve. However, noise is efficiently rejected, near-surface effects are easily identified and complex responses such as wide units, two sources next to each other, vertical or inclined geological contacts are well resolved.

#### 3.6 Quality Control

The apparent resistivity error is essentially that of the nominal spacing a between the electrodes, approximately 3% in all. The average error on apparent chargeability measurements, which represent the average of 5 to 17 measuring cycles, is 0.40 mV/V.

#### 4 **RESULTS AND INTERPRETATION**

#### 4.1 Data presentation

The results of the induced polarization survey are presented in the form of pseudosections and *image2D* true-depth sections of the apparent resistivity and apparent chargeability at a scale of 1 : 2500. Position of the interpreted IP anomalies has been included on the pseudosections.

The results are also presented in the form of *image2D* apparent resistivity and apparent chargeability maps at 50 m depth level (98-N310-4.2 and 98-N310-4.3). Colour versions of *image2D* apparent resistivity and apparent chargeability maps at 50 m depth level are submitted separately. The principal interpreted anomalous IP zones have been reproduced on the geophysical interpretation map (98-N310-4.0). All maps are presented at a 1 : 5000 scale.

#### 4.2 Interpretation

The measured apparent resistivity values ranged between 16 and about 96 000  $\Omega$ ·m while the apparent chargeability values ranged between less than 0 and 38 mV/V. The poorly polarizable and highly conductive zone present in the north portion of the survey area is characteristic of a thick overburden layer and of an inefficient bedrock investigation with the present electrode configuration.

The present survey delineated only one (1) polarizable anomaly labelled IP-8 and two isolated anomalies, which were not marked. Anomaly IP-8, weakly to strongly polarizable, is partially associated with a resistivity high on lines 46+00E and 48+00E. This anomaly is probably induced in part by a bedrock uplift, the bedrock being more resistive and polarizable than the overburden. However, the presence of an appreciable amount of disseminated mineralization is locally possible due to the only partial correspondence with the high resistivity values. Finally, note that the source of this anomaly seems to be shallow and its depth extension very limited.



#### 5 CONCLUSION AND RECOMMENDATIONS

One moderate anomaly, named IP-8, and two isolated anomalies were defined by the present IP survey. Anomaly IP-8, which can reflect the presence of a variable amount of disseminated mineralization, seems to be caused by a shallow source of very limited depth extent.

Therefore, a surface verification is recommended on anomaly IP-8 at lines 46+00E and 48+00E to determine the nature of the associated mineralization. If the results of this verification are positive, a DDH could be executed to test at depth the extension of the source of this anomaly; an additional IP coverage could also be done eastward of line 48+00E.

Finally, we recommend to use a more penetrating array, like pole-dipole or dipoledipole with a spacing a of 50 metres, for the achievement of an eventual additional IP survey in the north part of the present surveyed area.

Respectfully submitted,

VAL D'OR SAGAX INC.



Hugues Potin

Hugues Potvin, Eng. Geophysicist

HP/ag

#### AVALON VENTURES LTD.

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Mining Act, Subsection 65(2) and 66(3), R.S.O. 1990

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Instructions: - For work performed on Crown Lands before recording a claim, use form 0240. - Please type or print in lnk.

#### Recorded holder(s) (Attach a list if necessary) 1.

MIIIISU V

Northern Development and Mines

Tim Twomey	203959
P.O. Box 88	Telephone Number C/0 807 - 735-3450
Balmertown, ON POVICO	Fax Number 40 807 - 735 - 2703
Name Correspondence to: Avalon Ventures Ltd.	Client Number
Address 851 Field Street	Telephone Number 807-346-0404
Thunder Bay, ON P7B6B6	Fax Number 807 - 346-4233

#### Type of work performed: Check ( ~ ) and report on only ONE of the following groups for this declaration. 2.

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the mining land where work was performed, at the time work was performed. A map showing the contiguous link must accompany this form.

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Mining Claim Number. Or If work was done on other eligible mining land, show in this column the location number indicated on the claim map.		Number of Claim Units. For other mining land, list hectares.	Value of work performed on this claim or other mining land.	Value of work appfied to this claim.	Value of work assigned to other mining claime.	Bank. Value of wor to be distributed at a future date.
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I, <u>Karen Kees</u>, do hereby certify that the above work credits are eligible unde (Print Full Name) subsection 7 (1) of the Assessment Work Regulation 6/96 for assignment to contiguous claims or for application to the claim where the work was done.

Signature of Recorded Holder or Agent	Authorized in Writing
Karens	

# March 29, 1999

#### 6. Instructions for cutting back credits that are not approved.

Some of the credits claimed in this declaration may be cut back. Please check (  $\sim$  ) in the boxes below to show how you wish to prioritize the deletion of credits:

1. Credits are to be cut back from the Bank first, followed by option 2 or 3 or 4 as indicated.

2. Credits are to be cut back starting with the claims listed last, working backwards; or

3. Credits are to be cut back equally over all claims listed in this declaration; or

4. Credits are to be cut back as prioritized on the attached appendix or as follows (describe):

RECEIVED 2:20 P.M. MAR 3 0 1030 2 19540

GEOSCIENCE ASSESSMENT

Note: If you have not indicated how your credits are to be deleted, <del>credits will be cut</del> back from the Bank first, followed by option number 2 if necessary.

For Office Use Only		
Received Stamp	Deemed Approved Date	Date Notification Sent
	Date Approved	Total Value of Credit Approved

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Northern Development and Mines for Assessment Credit

(1).9910.00077

Personal information collected on this form is obtained under the authority of subsection 6(1) of the Assessment Work Regulation 6/96. Under section 8 of the Mining Act, the information is a public record. This information will be used to review the assessment work and correspond with the mining land holder. Questions about this collection should be directed to the Chief Mining Recorder, Ministry of Northern Development and Mines, 6th Floor, 933 Ramsey Lake Road, Sudbury, Ontario, P3E 685.

Work Type	Units of Work Depending on the type of work, lis of hours/days worked, metres of o metres of grid line, number of sar	srilling, kilo-	Cost Per Unit of work	Total Cost
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, <u>Aren Rees</u> (please print full name	, do hereby certi	fy, that the	amounts shown are as	accurate as may
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### **Statement of Expenditures**

W.9910-00017

Work Type	Units of Work	Cost per Unit of Work	Total Cost	
Linecutting	25 km	\$ 290/km	\$ 7,250	
Ground Magnetometer Survey	25 km	\$ 80/km	\$ 2,000	
IP Survey	1.5 km	\$ 1500/km	\$ 2,250	
Geological Mapping – Geologist and Assistant	gical Mapping – Geologist and Assistant 6 days \$ 55		\$ 3,300	
		\$ 200/day	\$ 600	
Rock Sample Analyses	52 analyses	\$ 15/sample	\$ 780	
Soil Sample Analyses	40 samples	\$ 25/sample	\$ 1,000	
Supervision, Report and Drafting	20 days	\$ 350/day	\$ 7,000	
Associated Costs				
Supplies and small equipment rental (e.g., sampling materials, stationery, fuel, report reproduction)			\$ 870	
Truck and boat rental			\$ 750	
Food and Lodging Costs			\$ 450	
Mobilization and Demobilization			\$ 550	
	Total Value of	Assessment Work	\$ 26,800	



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GEOSCIENCE ASSESSMENT

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	Ministry of Northern Development and Mines	Ministère du Développement du Nord et des Mines	G	eoscience	Ontario
April 20, 1999			933 Ramsey Lake Road 6th Floor Sudbury, Ontario		
· · · · · · · · ·	THY J TWOMEY 80X 88			3E 6B5	mano
BALMERTOWN, Ontario P0V-1C0				elephone: ax:	(888) 415-9846 (877) 670-1555
			Visit our w www.gov.c		: DM/MINES/LANDS/mlsmnpge.htm
Dear Sir or Madam:			Submissi	ion Numb	<b>ber:</b> 2.19340
Subje	ct: Transaction Number(s	): W9910.00077	Status Deemed Appr	roval	

We have reviewed your Assessment Work submission with the above noted Transaction Number(s). The attached summary page(s) indicate the results of the review. WE RECOMMEND YOU READ THIS SUMMARY FOR THE DETAILS PERTAINING TO YOUR ASSESSMENT WORK.

If the status for a transaction is a 45 Day Notice, the summary will outline the reasons for the notice, and any steps you can take to remedy deficiencies. The 90-day deemed approval provision, subsection 6(7) of the Assessment Work Regulation, will no longer be in effect for assessment work which has received a 45 Day Notice. Allowable changes to your credit distribution can be made by contacting the Geoscience Assessment Office within this 45 Day period, otherwise assessment credit will be cut back and distributed as outlined in Section #6 of the Declaration of Assessment work form.

Please note any revisions must be submitted in DUPLICATE to the Geoscience Assessment Office, by the response date on the summary.

If you have any questions regarding this correspondence, please contact Steve Beneteau by e-mail at steve.beneteau@ndm.gov.on.ca or by telephone at (705) 670-5855.

Yours sincerely,

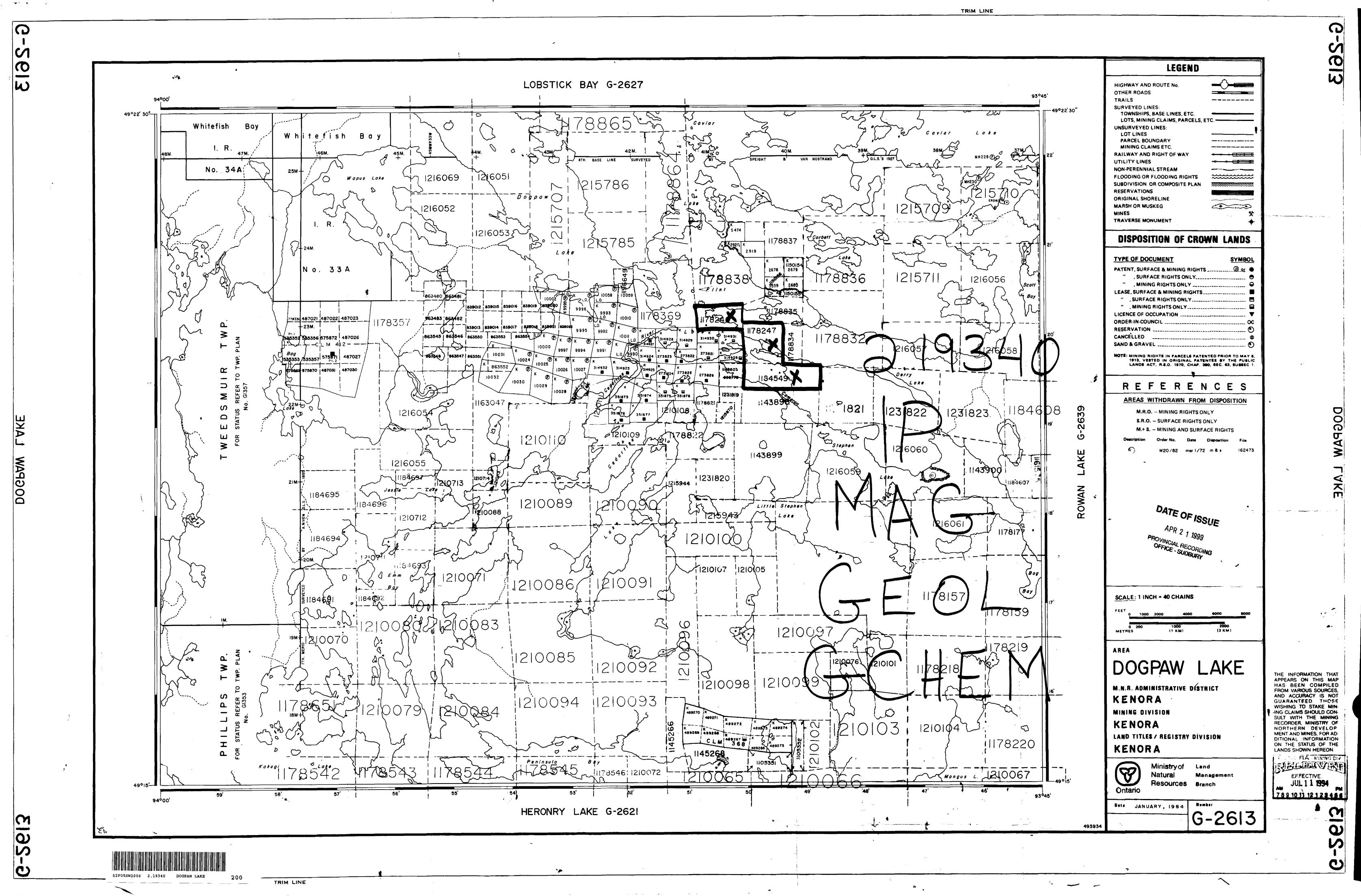
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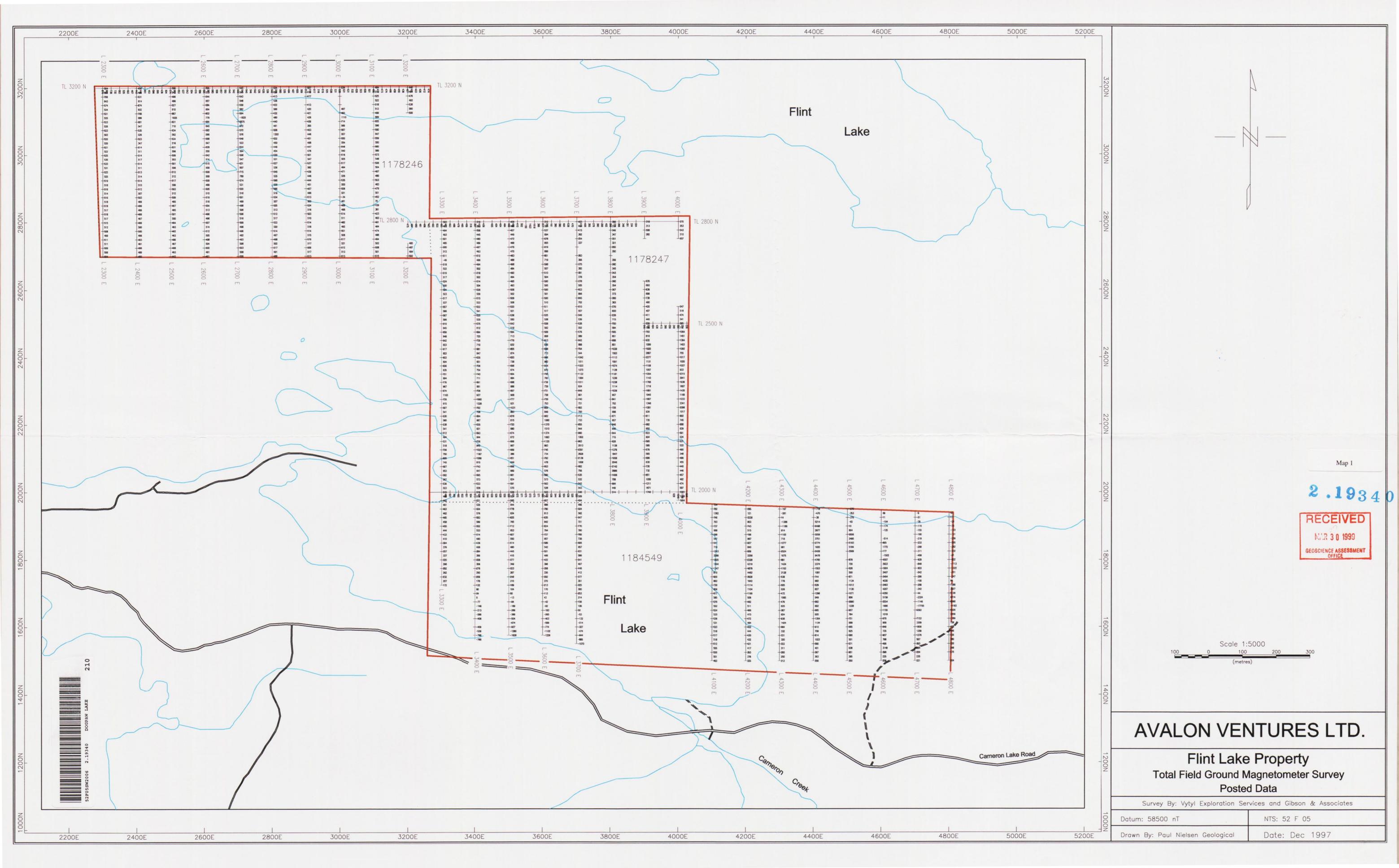
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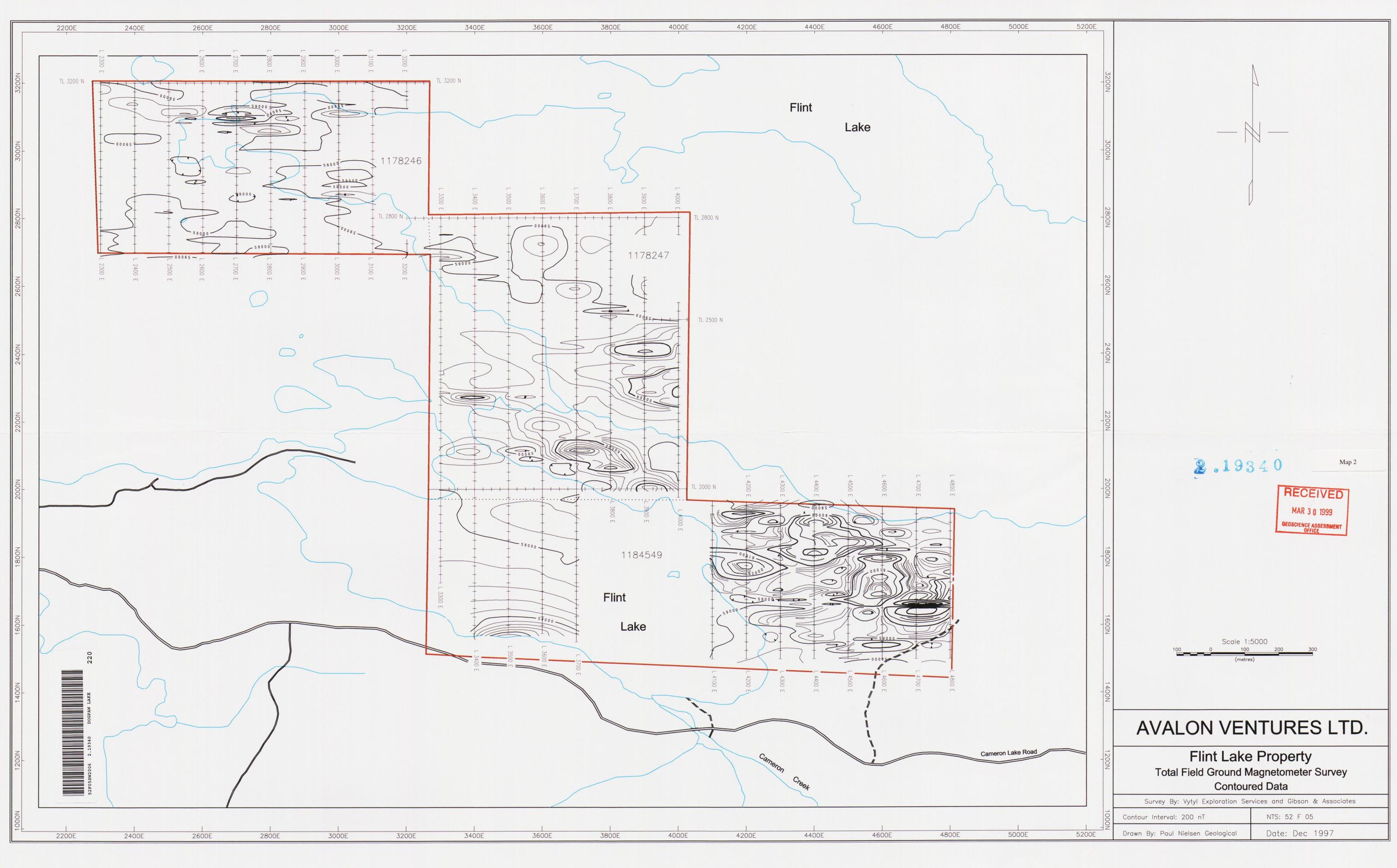
# Work Report Assessment Results

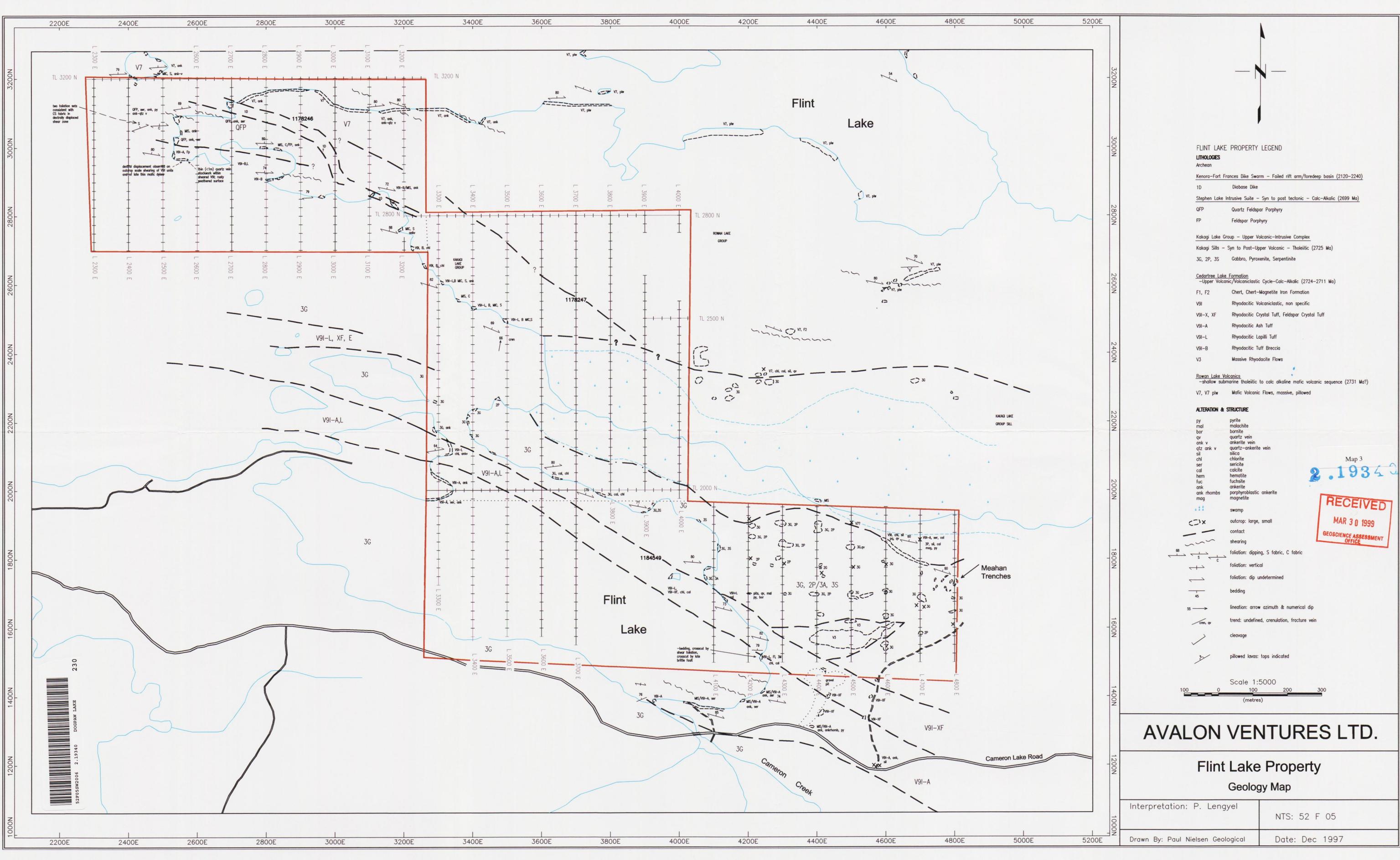
Submission Number: 2.19340							
Date Correspondence Sent: April 20, 1999		Assessor:Steve Beneteau					
Transaction Number	First Claim Number	Township(s) / Area(s)	Status	Approval Date			
W9910.00077	1178246	DOGPAW LAKE	Deemed Approval	April 14, 1999			
Section: 14 Geophysical IP 14 Geophysical M 12 Geological GE 13 Geochemical C	IAG OL						
Correspondence to: Resident Geologist		<b>Recorded Holder(s) and/or Agent(s):</b> Karen Rees					
Kenora, ON			THUNDER BAY, ON				
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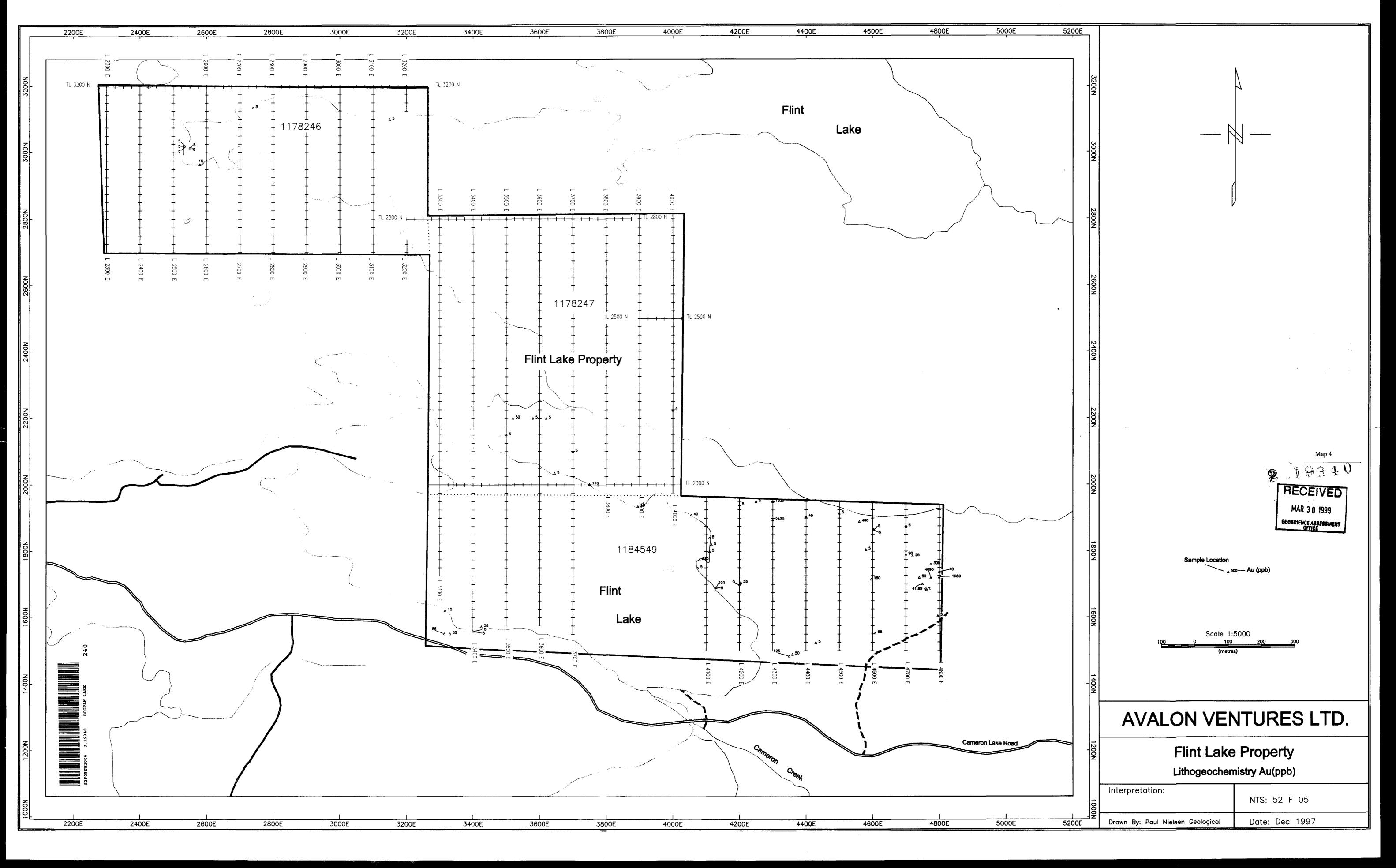


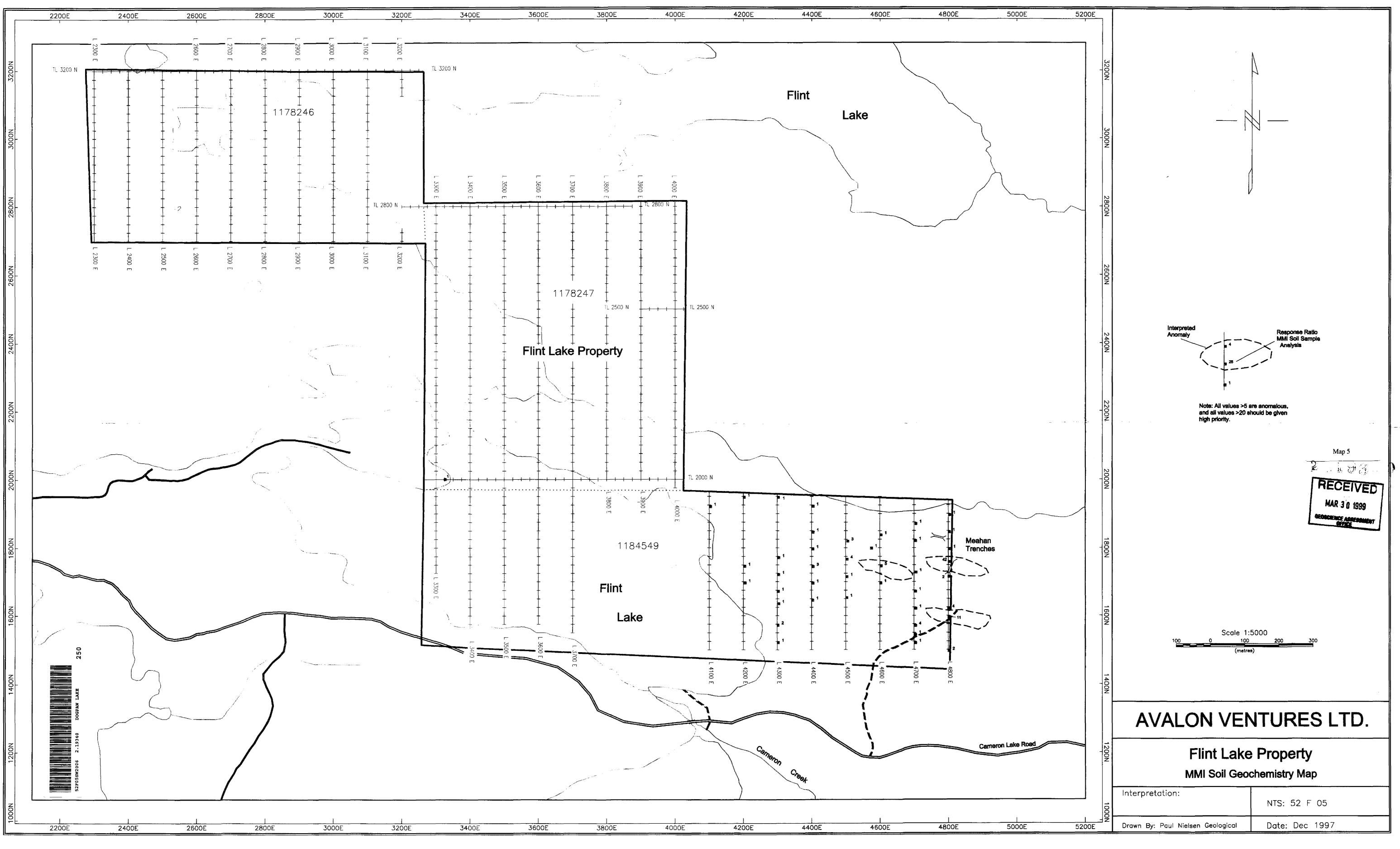
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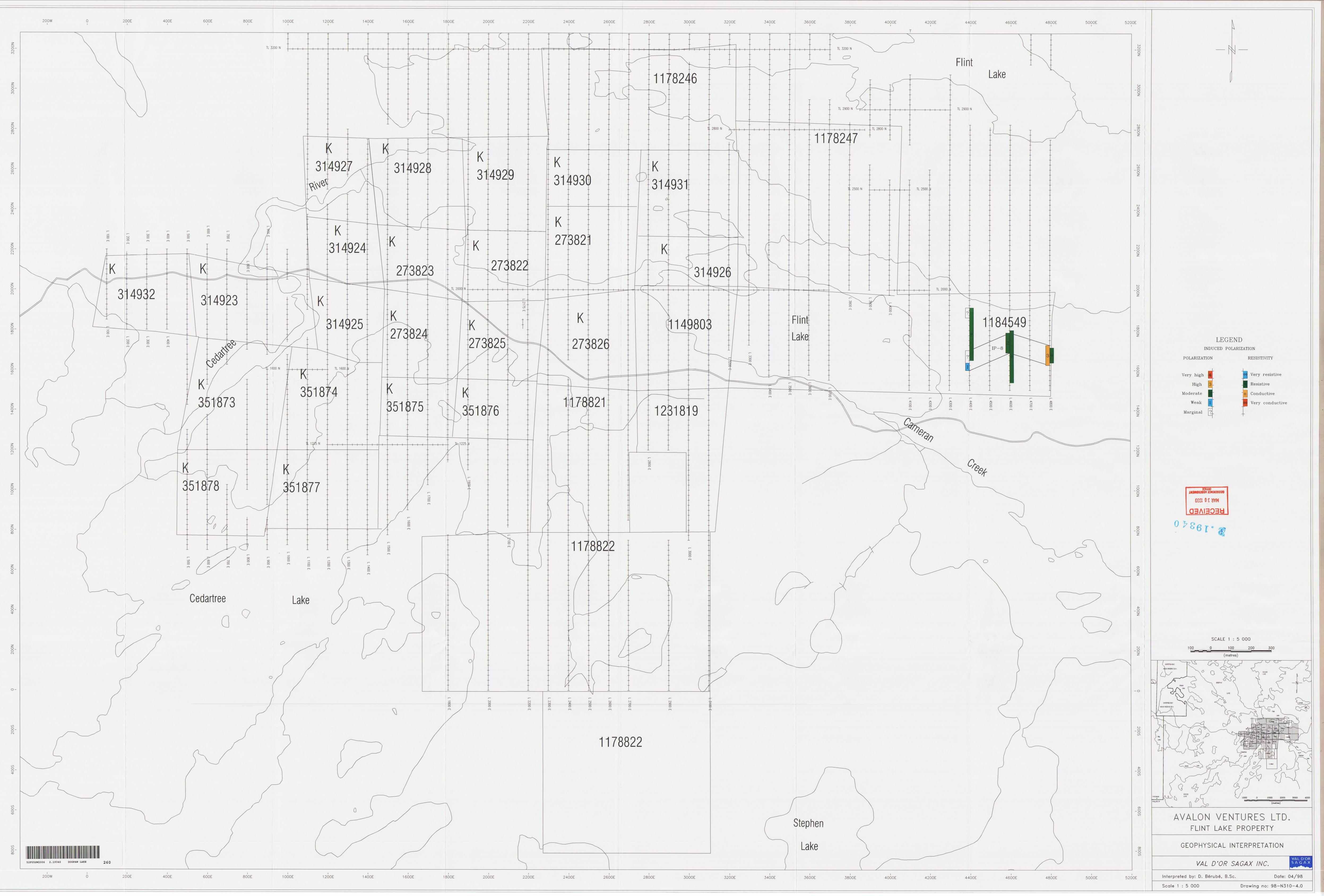


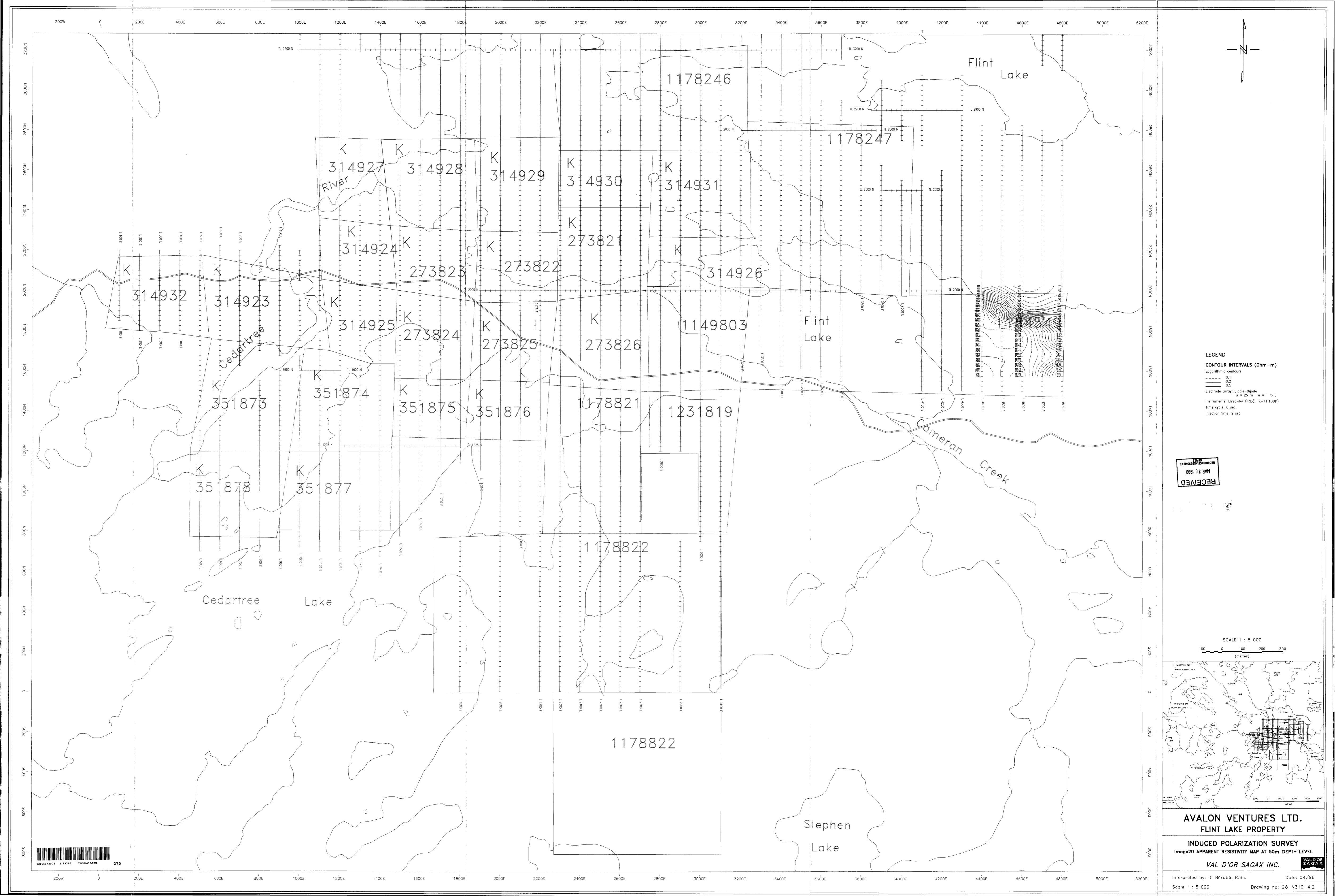


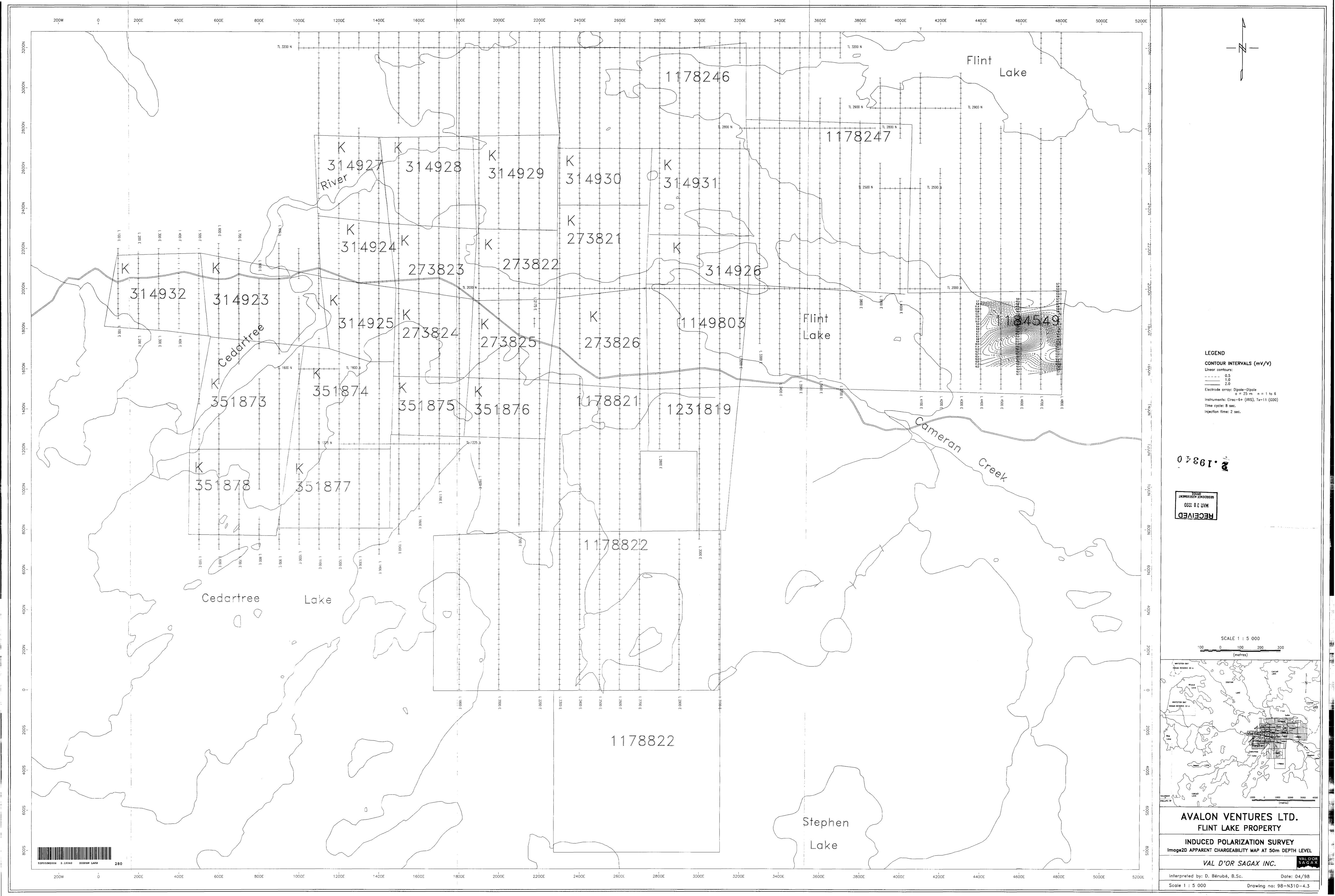


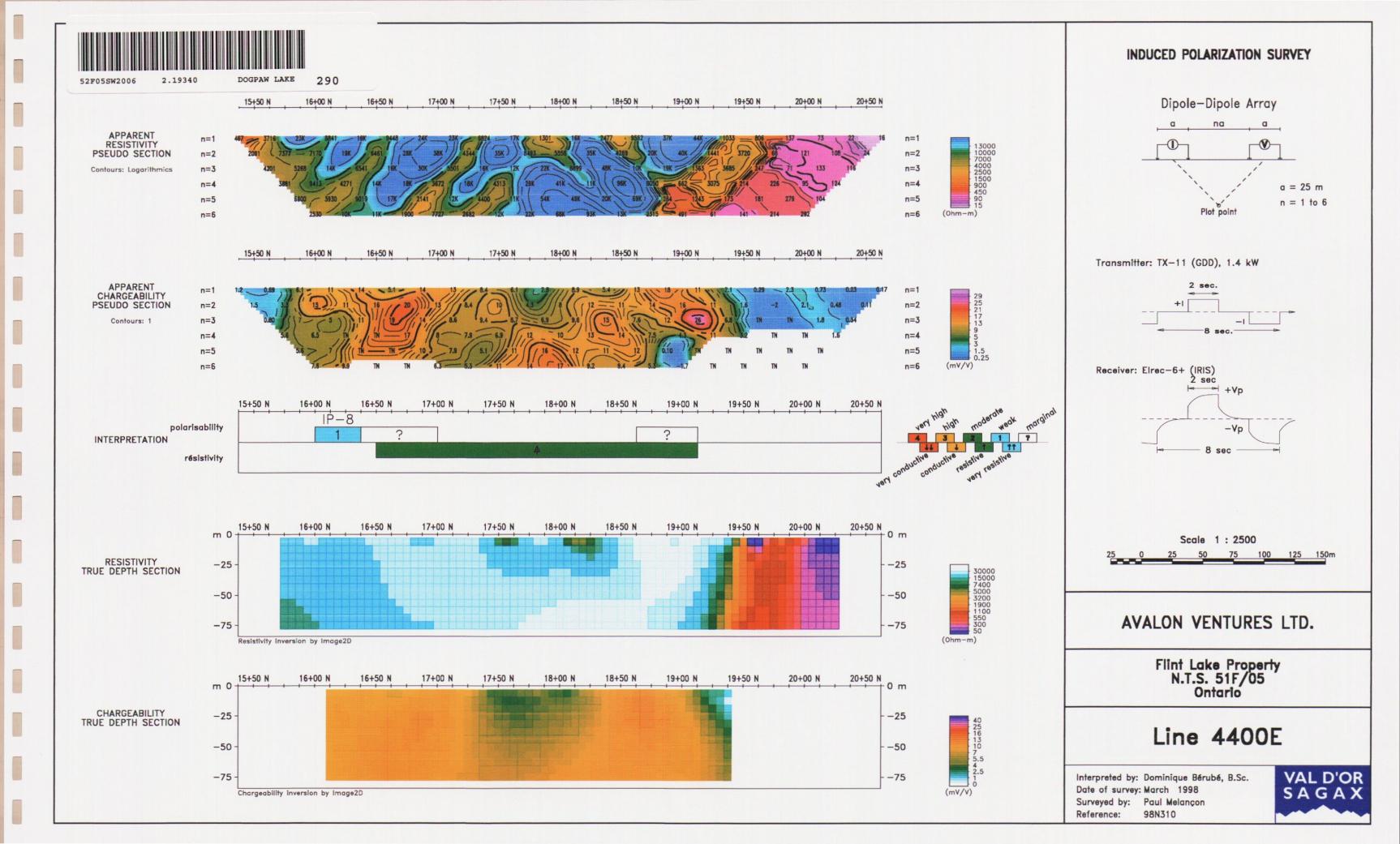














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