INTRODUCTION (CONT'D)

WHEN SOME MAGNETIC FEATURES SUBSEQUENTLY WERE LOCATED, THESE WERE FURTHER INVESTIGATED BY ELECTROMAGNETIC MEANS (IN THE CASE OF CONDUCTORS A AND B), AND BY IP MEANS, IN THE CASE OF ANOMALIES C AND D.

THE RESULTS OF THE MAGNETIC AND ELECTROMAGNETIC WORK ARE SHOWN ON THE ACCOMPANYING MAP.

CLAIM DETAILS AND PREVIOUS WORK

THE PROPERTY CONTAINS 4 CLAIMS, NUMBERED K 39716 TO K 39719, AND REGISTERED IN THE KENORA MINING DIVISION. They are held under option by Latin American Mines Lyd. FROM A. Kozowy of Dryden. Ontario.

THERE HAS BEEN A PICKET LINE GRID OUT ON THE CLAIMS BEFORE. THE APPROXIMATE POSITION OF THE FORMER BASE LINE IS SHOWN ON THE ACCOMPANYING MAP. NO RESULTS OF ANY WORK DONE FROM THESE LINES HAS BEEN TRACKED DOWN AS YET.

A FIND OF NICKEL-COPPER SULFIDES DISSEMINATED IN GABBRO WAS MADE DURING THE SUMMER OF 1966, AND THE 3 TRENCHES SHOWN ON THE MAP WERE PUT DOWN THEN.

DISCUSSION OF GEOPHYSICAL RESULTS

ANOMALY A, WITH ITS ACCOMPANYING CONDUCTOR, IS AN INTERESTING FEATURE. THERE IS NO OUTCROP ALONG ITS LENGTH.

THERE IS A POSSIBILITY THAT IT MAY BE CAUSED BY A DIABASE DIKE HAVING A WEAKLY CONDUCTIVE MARGIN, BUT THE REGIONAL MAGNETIC PICTURE SUGGESTS MORE THAT IT IS PART OF A FOLDED STRUCTURE OF WHICH ANOMALIES B AND D ARE A PART.

DISCUSSION OF GEOPHYSICAL RESULTS (CONT'D)

THIS TYPE OF FOLDING IS RARE IN DIABASE DIKES, BECAUSE THEY HAVE ARRIVED LONG AFTER MOST PRECAMBRIAN FOLDING HAS TAKEN PLACE.

ANOMALY A WARRANTS DRILLING, AND HOLE NO. 1 IS PROPOSED AT A LOCATION WHERE THE CONDUCTOR SEEMS CLOSEST TO SURFACE.

THE HOLE SHOULD TEST BOTH THIS CONDUCTOR AND THE ENCLOSING MAGNETIC HIGH, BOTH OF WHICH ARE INDICATED TO DIP STEEPLY NOTH-EAST.

ANOMALY B DOES NOT HAVE A CLOSE MAGNETIC-ELECTROMAGNETIC ASSOCIATION, BUT IT IS INTERESTING BECAUSE OF THE ISOLATED NATURE OF THE MAGNETIC HIGH WITH ITS LIMITED DIMENSIONS, AND THE STRENGTH OF THE PARALLEL CONDUCTOR. HOLE 2 IS PROPOSED TO TEST BOTH FEATURES.

NO DRILLING OF THE SHOWING IS PROPOSED, BECAUSE OF ITS APPARENTLY VERY LIMITED EXTENT. THE MAGNETIC RESULTS, AND THE LIMITED GEOLOGICAL EVIDENCE, SUGGEST THAT IT MAY LIE NEAR THE MARGINS OF A TONGUE OF ANDESITE COMING IN FROM THE NORTHEAST SECTION OF THE CLAIMS. IT IS SUGGESTED THAT THIS MAY BE INVESTIGATED, AND A SEARCH MADE FOR OTHER MINERALIZED AREAS IN THE SAME GEOLOGICAL SETTING, BY CAREFUL PROSPECTING AFTER THE SNOW GOES.

ANOMALIES C AND D ARE RATHER FORMLESS FEATURES, AND IT IS
THOUGHT THAT THEY ARE DUE TO SIMPLE MAGNETITE INCREASE IN
AREAS OF THE GABBRO STOCK. However, AN IP INVESTIGATION OF
THESE ANOMALIES HAS BEEN MADE, TO TEST THE POSSIBILITY THAT
THEY ARE CAUSED BY DISSEMINATED PYRRHOTITE-CHALCOPYRITE. THESE
RESULTS HAVE NOT YET BEEN RECEIVED.

CONCLUSIONS

- 1. ANOMALIES A AND B HAVE ECONOMIC POSSIBILITIES AND BOTH WARRANT DRILLING.
- 2. Anomalies C and D are much less interesting, but their possibilities are being further checked.
- 3. THE SHOWING SEEMS TO BE MUCH TOO SMALL IN DIMENSIONS TO WARRANT DRILLING.

RECOMMENDATIONS

1. Two DRILL HOLES ARE PROPOSED, HAVING A TOTAL FOOTAGE OF 1000 FEET. THE LOCATION DETAILS ARE AS FOLLOWS:

| | LOCATION | DIRECTION | ANGLE | LENGTH |
|------------|--------------------|--------------------|--------------|---------|
| HOLE NO. 1 | 480w on Line 4s | 215 ⁰ τ | -50° | 500 FT. |
| HOLE No. 2 | 830e on Line 0 | 075° t | - 50° | 500 FT. |

THE COST OF THIS DRILLING SHOULD BE ABOUT \$6,000.

2. IT IS SUGGESTED THAT SOME SURFACE PROSPECTING BE DONE
IN THE SHOWING AREA, AND SOME DETAILED MAPPING, AFTER
THE SNOW GOES.

THE COST OF THIS SHOULD BE ABOUT \$1,000.

TOTAL COST ESTIMATE = \$ 7.000.00

Rosalida

ROSS KIDD
MINING ENGINEER AND GEOPHYSICIST

APPENDIX ONE

THE MAGNETIC WORK WAS DONE WITH A SHARPE MF-1.

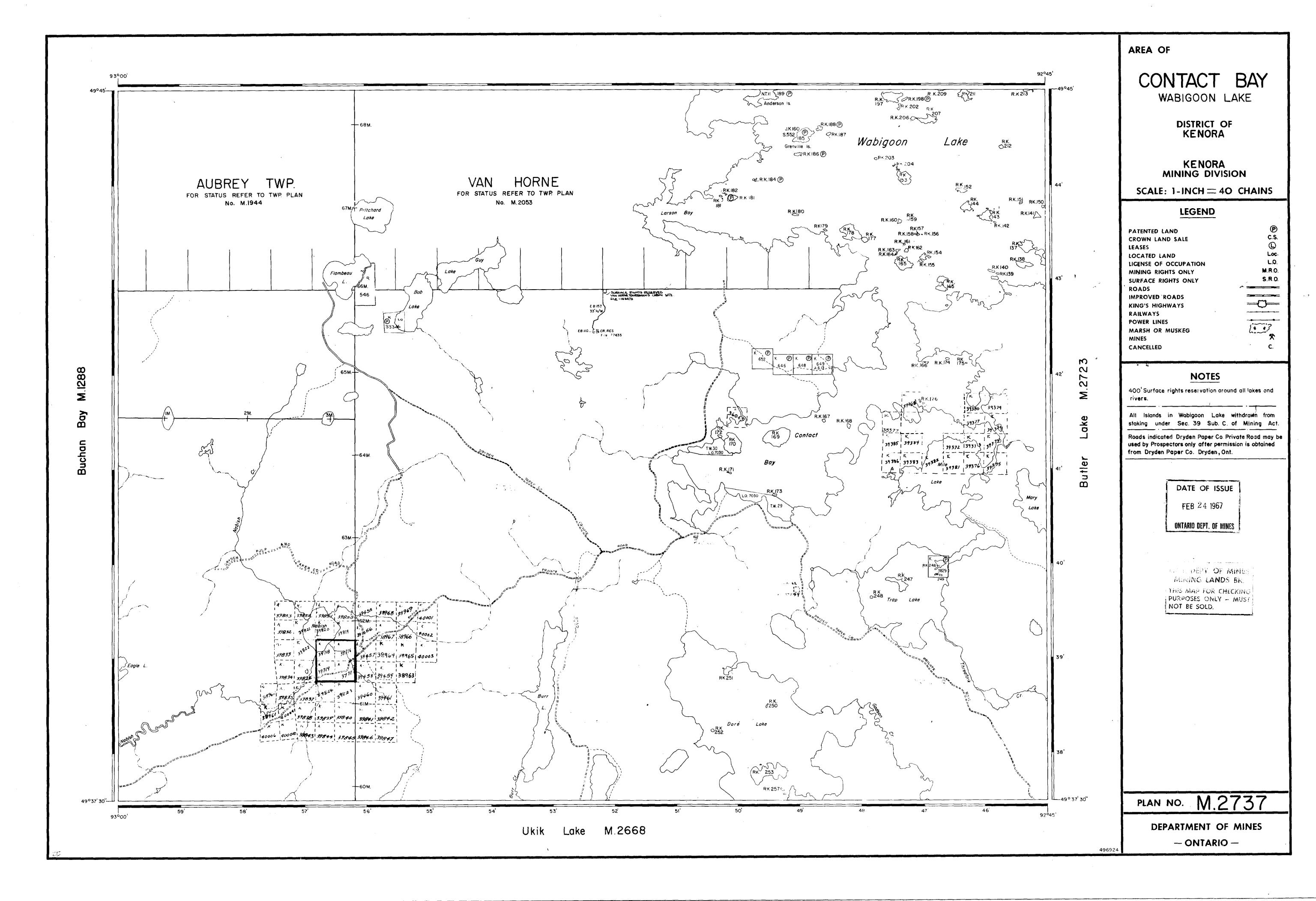
FLUXGATE MAGNETOMETER READING THE VERTICAL COMPONENT

OF THE EARTH S MAGNETIC FIELD.

THE MAGNETIC NORWAL IS TAKEN AS ABOUT 1100 GAMMAS IN THE GABBRO AREA, AND ABOUT 950 GAMMAS IN THE ANDESITE AREA.

THE ELECTROMAGNETIC CHECK WORK WAS DONE WITH A RONKA EM 16 UNIT. READINGS OF DIP ANGLE ARE SHOWN ON THE MAP, AND ON ONE LINE (LINE 10s) THE QUADRATURE RESPONSE IS ALSO GIVEN.

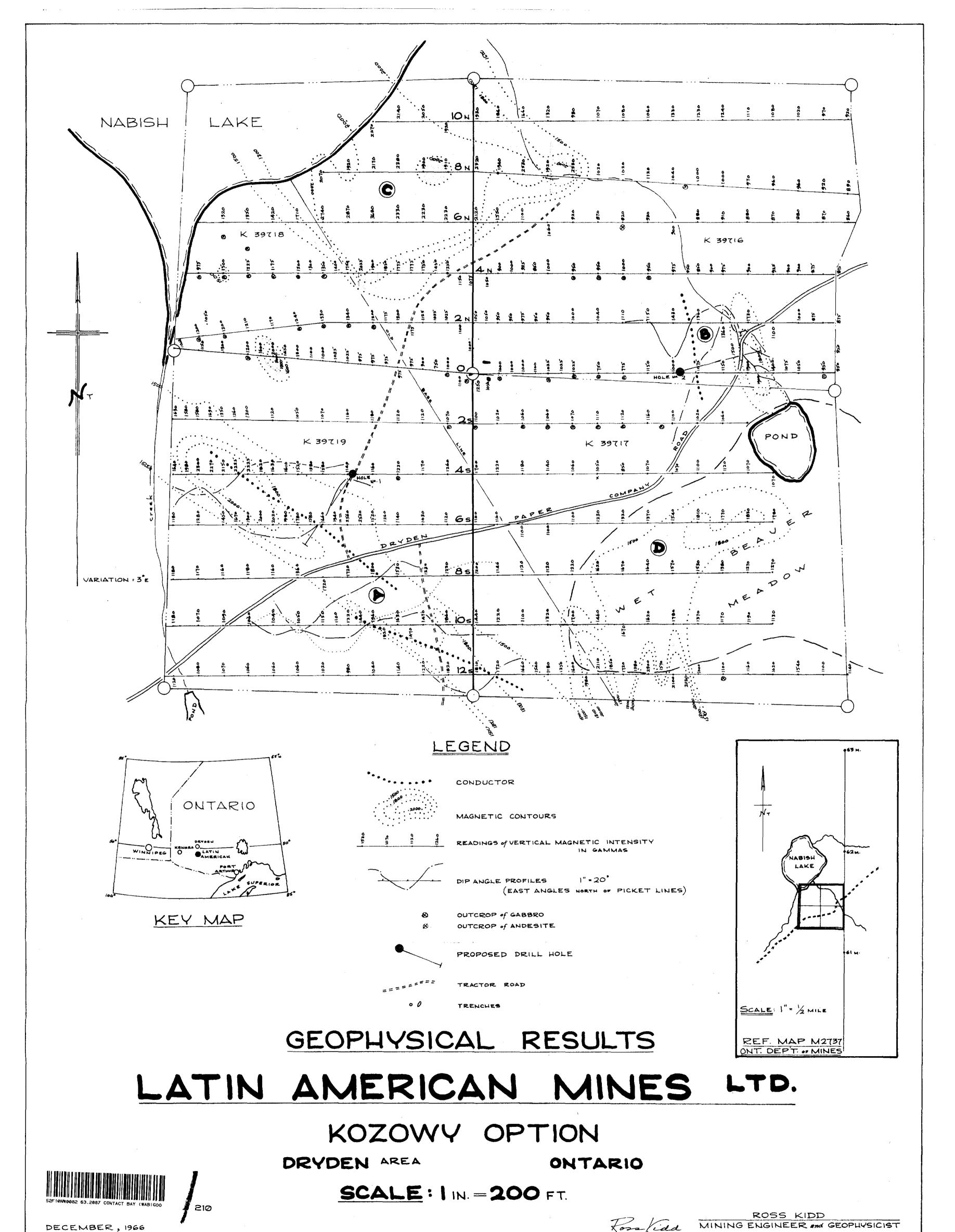
THE IP CHECK WORK WAS DONE WITH A MCPHAR FREQUENCY RESPONSE UNIT, BY MOREAU, WOODARD & Co. LTD.



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