010

PRELIMINARY REPORT ON THE EAGLE LAKE PROPERTIES KENORA MINING DIVISION ONTARIO, CANADA

FOR

EAGLE LAKE RESOURCES LTD.

Prepared by:

J. W. Redden, B.Sc.
Box 117
Wabigoon, Ont.
POV 2WO

Jan. 23, 1988

Table of Contents

List of Figures
(at back of report)

Appendices

Introduction:

The Eagle Lake Area has been the scene of mining exploration for almost a hundred years. Numerous gold prospects have been discovered. It has only been in the last few years that systematic exploration has been undertaken.

Presently, several properties in the area are being vigorously explored for gold.

Eagle Lake Resources Ltd. have optioned a 91-claim property and a separate 11-claim group from J. Harrison, a local prospector. The 91-claim block contains several gold showings. The 11-claim block contains a gold showing.

This report is based on the results of field examination, review of the literature and discussions with individuals familiar with the area. The descriptions refer generally to the 91-claim option. A separate description of the 11-claim block is given in Appendix II.

Discussions are underway to expand the property by optioning several adjacent claim blocks. Brief descriptions of some of the adjacent claim blocks are given in Appendices III to VI.

Location, Access and Physiography:

The Eagle Lake Properties are located in Northwestern Ontario, 30 km west of Dryden (fig.1).

Dryden is a town on the Trans-Canada Highway mid-way between Winnipeg, Manitoba and Thunder Bay, Ontario (fig.1). Dryden has a population of 6500 and is the commercial centre for a regional population of 35,000. The main local industry is pulp and paper. Great Lakes Forest Products Ltd. in Dryden employs 1600 people. Other major local industries include commercial printing and tourism. The area contains a pool of skilled and semi-skilled labour.

Transportation facilities include twice-daily Canadian Airlines International flights to and from Toronto and Winnipeg, daily transcontinental Via Rail service and Greyhound bus service four times daily. Major trucking firms are represented in Dryden, as is Canadian Pacific Railways, whose main line passes through Dryden.

The property covers several islands and adjacent water (fig.2,3 & 4). It is most conveniently reached by outboard motor boat from any of the numerous tourist camps on the north shore of Eagle Lake. Boats, motors and other gear can be rented from most of the camps. American plan, European plan and self-contained cottages are available.

The property has a maximum relief of about 100 m (average 20-30 m above lake level). The area is rocky with sparse overburden on the higher ground. Lower ground is covered by a variable thickness of till overlain by a mantle of clay or sand. Sand is more common in the south and west portions and clay more common in the north. The islands are tree-covered. Small stands of commercial timber are present on some of the islands. Outcrop is covered by a heavy growth of moss on some of the islands.

The Property:

The 91-claim property consists of the following claims;

K 8825448	K 1007486
K 959739	K 1007534 to -541
K 972455 to -465	K 1007543 to -547
K 972470 to -476	K 1007571 to -577
K 972478	K 1007581 to -589
K 1007459	K 1008237 to -256
K 1007461 to -465	K 1017915 to -923

The 11-claim block consists of the following claims;

K 851594 to -600

K 855981 to -984

Status of Claims:

All claims are in good standing.

Sufficient work credits are presently available to cover the requirements on the 91-claim block until August, 1988.

Additional work will be required on the 11-claim block by March 31, 1988 to retain these claims.

More detailed summaries of the status of the claims is presented in Appendices I and II.

Previous Work in Area:

Several partially documented exploration programmes and numerous undocumented ones have been conducted on and near the properties.

The claim block is situated between several small past-producers and showings. The area has been actively prospected for gold since the 1890's. Two features of note are inherent in earlier work. Work was confined to a narrow strip of land adjacent to the lake and the exploration tended to consist of finding an occurrence of gold, digging one or two pits, sinking a shaft and installing a mill.

The tendency to stick close to the water is understandable, given the convenience of 'shoreline prospecting' and the ease of boat travel. Most showings to date are located near the water. This is attributed to the lack of effort, not to any inherent difference in the rocks or the potential of the areas away from the water.

Early exploration and development followed the trend of the times to sink shafts and carry on development work without first thoroughly exploring the surface to obtain the broad picture. The companies and/or individuals involved were usually underfinanced and technically weak. This resulted in money wasted on development and purchase of a mill when sound business practice would indicate otherwise.

During the 1930's exploration for gold was carried out on two properties between Hardrock and Fornieri Bays, immediately east of the 91-claim group. Erratic gold values were discovered in quartz veins associated with pyritic, silicified, altered felsics. The claims on Hardrock Bay are now under option to Noranda Exploration and the Forneri Bay claims are owned by Raleigh Resources.

Exploration was carried out by Steep Rock Iron Mines Ltd. during 1955. A magnetic survey and four diamond drill holes were completed to assess a magnetite occurrence running easterly from the northeast corner of North Twin Is. Results indicated only a narrow discontinuous horizon of magnetite to be present. The work was directed specifically at the iron ore potential of the magnetite.

Magnetite occurrences on Net Is. were likely explored at about the same time. No documentation exists, however the old pits and trenches are restricted to the magnetite zones. The tonnage potential indicated by the trenching is too limited to be considered as a source of iron ore.

During 1983, Mistango Consolidated Resources Limited carried out geophysical, geological and sampling programmes on their claims adjacent to the west of the 91-claim group. Several of the claims contain old workings with gold values. VLF

conductors were found but no follow-up has been done. Two drill holes along strike from one of the old showings intersected a strong shear zone but gold values were low.

Only minor work has been done on and in the vicinity of the 91-claim block. Some old pits and trenches were cleaned out on the northeast corner of North Twin Is. The main shaft of the Baden-Powell was partially dewatered however debris prevented a thorough evaluation of the deposit.

International Platinum has been exploring for gold in felsic horizons to the northeast of the 91-claim block. Reports of the work to date are encouraging.

During 1987, a government-sponsored airborne magnetic and electromagnetic survey was published. Noranda Exploration staked claims to the east and west of the 91-claim option based on the survey. No work has yet been done on the ground.

Regional Geology (fig.4)

The property is located within the Wabigoon sub-Province of the Canadian Shield. All consolidated rock types are Pre-Cambrian in age. The predominant rock type is a granitoid intrusive - a lobe of the Atikwa Batholith. This lobe has invaded the pre-existing pile of mafic and felsic volcanics.

The general trend of the volcanics is parallel to the granitoid contact along the north edge. The volcanics to the east appear to be truncated by the intrusion.

Subsequent to the emplacement of the intrusion, the area was subjected to tectonic movement. The result is a series of east - west to northeasterly shears and a series of north northwesterly shears. Both sets of shears contain gold.

Property Geology:

The only systematic geological mapping of the area was carried out by Moorhouse in 1938 for the Ont. Dept. Mines. The following description is based on that work, review of other data on the area and field work by the author.

The oldest rocks exposed on the property are a series of mafic and felsic metavolcanics. These occupy the north and east parts of the property. They strike northeast to east and dip vertically to steeply north. Most outcrops expose foliated to slightly schistose rocks with considerable local shearing. Mafic rocks predominate on Net Is. and to the southwest. Felsics are more common on North Twin Is. Silicification is common within the volcanics controlled by the stratigraphy. Carbonate alteration is extremely

variable, ranging from nil/sparse to almost pure carbonate in zones up to 1.5m in thickness. Several of the carbonate zones crosscut the stratigraphy. Disseminated pyrrhotite and/or pyrite occur over widths of 10-15m in the felsic volcanics along the channel between North Twin and Net Is.

The intrusive granitoid varies in composition from a true granite to granodiorite. Porphyritic phases are present as are varieties containing bluish opalescent quartz. All varieties are coarse to very coarse grained. Insufficient data is available to determine if the variation is due to multiple intrusions or a somewhat differentiated single event. Only a few small felsic dykes were noted to cut the granitoid. For convenience, the term "granitoid" is used in this report to indicate this general rock type.

The granitoid contains numerous volcanic inclusions. These are generally aligned parallel to the volcanic/granitoid contact. Widths to 15m were observed for some of these remnants. The inclusions are generally mafic and aphanitic. A porphyritic variety is present in some locations. Later shearing has created chlorite schist in some of the inclusions. Only one felsic inclusion was seen.

The contact along the channel between North Twin and Net Is. consists of several layers (sills?) of granitic material within the volcanics. The volcanics consist of chlorite schist and a dark siliceous rock, probably a felsic volcanic. The lack of a chilled contact indicates the volcanics were at a temperature similar to the intrusion during emplacement.

Structural Geology:

Little structural data is available on the geometry of the volcanics underlying the property. Work by the author to the northeast indicates tight isoclinal folding of the volcanics. This folding is believed to continue westward to include the volcanics on the north and northwest of the 91-claim group.

No data is available to determine the structure of the felsic volcanics immediately east of the claims. It is generally considered that the felsics represent the upper part of the volcanic sequence and occupy the core of a syncline. This interpretation appears to be too simplistic, however additional data will be required before a more comprehensive interpretation is warranted.

Numerous mafic volcanic xenoliths are present within the granitoid rocks underlying the property. The xenoliths are preferentially oriented east - west. They likely represent the roots of the volcanic pile invaded by the granitoid.

Shearing is the most prevalent structural data visible. Two major shear directions have been identified: NE-SW to E-W and NNW-SSE.

The northeast - southwest (NE-SW) to east - west (E-W) shearing is most pronounced in the volcanics but is also common in the granitoid intrusive. The foliation and the stratigraphy of the volcanics both have this trend in the north and west parts of the property. Carbonatization, silicification, sulphidation and gold mineralization are associated with this shear direction.

The north northwest - south southeast (NNW-SSE) shearing has been observed in the granitoids and to a lesser extent in the metavolcanics. Silicification, carbonatization, sulphidation and gold mineralization are associated with the shearing.

Numerous lineaments are present throughout the area. The major lineaments are readily apparent as linear topographic lows on the contour maps and air photos of the area. Many more linear features are apparent in the field. These lineaments parallel the known shear directions. It is likely that a number of these linear features also represent shear zones.

Economic Geology:

Numerous occurrences of mineralization are known to exist on the property. Most of these were examined, sampled and assayed to determine gold content. In addition most of the shoreline was viewed from a passing boat to assess the overall potential of the property. Each location is described, followed by general observations. The sample locations are shown on Fig.3. A glossary of all abreviations used is given in Appendix VII.

Descriptions of Showings

Net Is. Loc.1

- -south corner of bay, SW corner K 972455
- -massive sulphide zone
- -12" massive and adjacent 2' dissem. sulphide
- -strike 079, vert dip
- -intense alteration with sulphide
- -copper and zinc contents equal to commercial ore
- -exposed only at low water

Samples

E-21	mass.sulphide, py,cp,sph,po?	0.005 oz/ton Au
E-22	1-5% py,po,cp,sph	trace Au

Net Is. Loc.2

- -NW of lg. bay,E side of is. SE part K 972461
- -magnetite-rich zone exposed in old pits
- -zone up to 10' wide, strike about 075, vert dip
- -magnetite accompanied by 5-15% pyrite, locally to 50%
- -wallrock massive mafic volc. with up to 10% dissem.mag
- -only minor shearing and silicification
- -occasional quartz stringers to 1/4"
- -exposed on ridge, swamp to west, overburden to east
- -see AEM map for magnetic expression

Samples

E23	chlorite schist,dissem.mag&py,rusty,sil.	trace Au
E24	gran.white quartz, no S, no rust	trace Au
E25	gossan, intensely weathered py and mag	trace Au
E26	dissem.py in chlorite schist	trace Au
E27	mass. po,py,mag, trace cp?	0.005 oz/ton Au
E28	gossan	trace Au

Net Is. Loc. 3 (multiple)

-along north shore of island, K 972462 and -465
-shear zones at several locations on shoreline
-probable several separate zones
-shearing to 50', strike 073-080, vert dip
-mafic/intermed. volc. with felsic layers 3-5' wide
-qv to 12" with ankerite/siderite, tour, minor local fuchsite
-alteration: sericite, talc, silica
-exposures continue under water

Samples

E29	qv with 10-30% carb,tour,fuchsite, no py	trace	Au
E30	talcose schist, no py	trace	Au
E31	qv, 5-10% carb,tour,rust, no py	0.005 oz/ton	Au
E32	felsic sheared wall rock,qtz eyes,trace py	trace	Au
E33	qv,tour,rust, no py, sil,sericitic	0.005 oz/ton	Au
E35	dark grey sheared felsic, tr py, trace mal?	nil	Au
E36	light cream coloured sheared felsic,no py	nil	Au
E37	6" q-c vein in felsic schist	trace	Au

Net Is. Loc. 4

-small bay on NW shore, K 1007534
-intrusive carbonate bodies cutting chloritic schists
-original rock mafic/intermediate volcanic
-foliation strike 070, dip vert
-carb 'veins' up to 4' thick cut and distort foliation
-very minor silicification with pyrite
-carbonate contains up to 10-15% quartz
-no pyrite seen in the carbonate or wallrock
-J. Harrison reports panning fine Au from this area

Samples

E38	q-c vein, minor py in adjacent schist	trace	Au
E39	as E38 but no py	trace	Au
E40	massive carbonate with trace tourmaline	trace	Au
E41	schist with minor q-c vein	trace	Au

Net Is. Loc. 5

-E end of bay, W shore of is., K 100759
-25' adit into hill
-gold-bearing material shipped to custom mill (est. 5tons)
-sunk in shear zone 2-5' wide, strike 146, dip vert
-shear zone contains quartz vein to 6" plus irregular quartz lenses
-overall appearance of 'boudinaged' but likely due to shape of cavities created by shearing
-dissem. py and cp in vein and in sheared, silicified wallrock
-abundant azurite, minor malachite on adit back and walls
-same shear exposed along strike 100' from adit on shore
-here qv 1-8" with quartz lenses in wallrock
-a second shear zone up to 25' wide on shore strikes 090-120 with vert.dip
-contains blocks of gr to 18"x6'
-appears to be source of weak conductor shown on AEM survey (fig.6)

Samples

E42	fresh looking gr, trace py	nil	Au
E43	sheared wallrock qv on shore	0.005 oz/ton	Au
E44	qv on shore, minor py,cp	0.015 oz/ton	Au
E45	adit, wallrock, azurite stain, no S	trace	Au
E46	" " , rust, no S	trace	Au
E47	" " , no rust or stain	nil	Au
E48	" " with qv, az ,py	0.005 oz/ton	Au
E49	" " , heavy az stain, mal, no S	nil	Au
E50	" qv with trace py and cp	0.60 oz/ton	Au
E51	adit dump, qtz with minor py	0.005 oz/ton	Au
E52	" " " " chlorite, ser, carb, no S	0.025 oz/ton	Au

Net Is. Loc. 6

-point on E side of island, K 972455 and -459
-disseminated S over width of 100-200'
-on contact of volcanics and granitoid
-mafic volcanics on contact contain several shear zones (chlorite schist) and granitoid dykes conformable with the foliation
-minor dissem. py in chlorite schist and massive (recrystallized ?) adjacent mafic volcanics
-north of mafic layer are felsic agglomerate and massive siliceous felsic rocks
-felsics contain 2-3% po with lesser py and minor cp
-S occur disseminated and as films on joints and slips
-only minor localized rust
-the massive siliceous felsic appears to be a hornfels

Samples

E53	felsic agglom. 1% po, minor py	trace Au
E54	" " siliceous, 2-3% po trace cp	trace Au
E55	chlorite schist, 2-3% py	nil Au
E56	float from beach, similar to E54	nil Au

Net Is. Loc. 7

-W-facing bay, SW part K 1007544
-on S side E-W shearing in gs and adjacent gr
-qv to 2" with erratic silicification
-minor dissem. py and cp on walls of qv and adjacent schist
-on N side minor irregular shears in gs and adjacent gr
-most of gs massive (recrystalized?)
-minor dissem. py, po?,cp?
-occasional qtz stringers and blebs
-weak conductor on AEM survey

Samples

E104	dissem. py & cp in chlorite schist	trace Au
E105	trace of cp in qtz stringers	nil Au
E106	1% dissem. py in massive gs	trace Au

Net Is. Loc. 8

-SW shore of island, K1007464
-40' width of siliceous rocks (felsic) with dissem. S
-adjacent to south are 20' of massive to moderately schistose mafic volcanics containing 1-3% dissem. py
-further to south are massive mafic volcanics, no pyrite
-localized gossan but not obvious

Samples

E107	dark grey, siliceous, 2-3% py, trace cp	trace Au
E108	as E107 but light grey	0.01 oz/ton Au
E109	2% py in massive mafic	nil Au
E110	grey, sil, dissem. po-py, py-cp on shears	nil Au
E111	light and dark grey, siliceous, po,py,cp	trace Au

Net Is. Loc. 9

-south shore of large bay,W side of island, K 1007465
-6' shear zone on shore of lake
-contains qv up to 12", strike 047, vert dip
-no S, only minor rust
-second qv 3-6" wide in 12" shear, strike 155, vert dip
-traces of S only

Samples

E112	glassy and white qtz, rust, no S	nil Au
E113	fine granular quartz, minor pyrite	0.06 oz/ton Au
E114	fine gran & coarse qtz, no S	0.01 oz/ton Au

Net Is. Loc. 10

-reef off west shore, SE corner K 1007543
-north part felsic fragments in intermediate tuff
-6 carbonate zones to 4' wide, strike irreg. N-S, vert. dip
-central part fine grained intermediate massive tuff
-south part medium grained to aphanitic mafic/intermediate volcanics, part volcanic breccia
-all rock types about E-W strike, vert dip

Samples

E119	sheared felsic, minor po,py	trace Au
E120	carb vein, minor sericite & fuchsite, no S	nil Au
E121	similar to E120 with trace py & cp	nil Au
E122	talc ser. chlorite schist with speck cp	nil Au
E123	massive tuff, minor py, trace po	trace Au
E124	med.grained sl.sheared int.volc. minor py	trace Au
E125	aph, mass int/mafic volc.minor po,py,cp	trace Au

North Twin Is. Loc.1

-east side of bay, K 882548
-shear zone exposed in old pit on shoreline
-shearing 4-6' wide, strike 074, vert dip
-contains quartz vein 6"-2' carrying up to 5% py and cp as streaks and blebs
-alteration zone along felsic/mafic contact
-overburden inland - no outcrop

Samples

E-14	quartz vein, 4-5% py,cp	0.110 oz/ton Au
E-15	sericite schist, 2% dissem. py	0.060 "
E-16	sheared intermed. volc., 1% py (cp?)	0.015 "
E-17	2"x8' qv in tension crack, 50' S of shear	nil Au

North Twin Is. Loc.2

-north side of bay, NW part of island, K 959739
-sheared, silicified and sulphidized zone outcrops on shoreline
-zone 50-60' wide, strike 065-070, vert dip
-north half chloritic schist with minor agglomerate, altered
-south half intermed/felsic agglom.with moderate shearing
-minor localized gossan only

Samples

E18	mass.py with minor po, altered mafic volc.	trace Au
E19	dissem.py(2-3%) with po, alt mafic volc.	trace Au
E20	dissem.py (.5-1%), int/felsic volc.	0.005 oz/ton Au

North Twin Is. Loc. 3

-SE shore, SW part K 1007581
-gs inclusion in typical gr
-inclusion sheared, strike 060, dip vert, contains qv to 1' thick

Sample

E94	qv with tour,carb, no S or rust	nil Au

North Twin Is. Loc. 4

-south shore, K 10078251
-minor shearing in mafic volcanic remnant, carbonated
-exposed for 20' width on shore

Sample

E95	1-2% dissem. py in mafic volcanic	nil Au

North Twin Is. Loc. 5

-shear zone 4-6' wide, strike 052, dip vert, in gr
-contains qv to 2'
-2' of chlorite in zone may represent original xenolith

Sample

E97	quartz with chlorite	nil Au

North Twin Is. Loc. 6

-near common boundary of K 972470 and K 1008237
-shearing in gs and gr on shore
-20' of gs exposed (rest under water)
-strike 090, dip vert,
-carbonated with local silicification

Samples

E98	chlorite schist, minor carb. trace py	nil Au
E99	sheared gr, 30-40% carb, rusty, no S	trace Au
E100	qtz bleb, dissem.py on joints	nil Au

North Twin Is. Loc. 7

-on small bay, SW part K 1008260
-8' shear zone in gs, strike 064, dip vert
-chlorite schist with q-c veins to 8"
-silicified, carbonated, minor talc, sericite, serpentine?

Samples

E101	qtz with minor carb	nil Au
E102	75% carb (ank), talc, chlorite	nil Au

South Twin Is. Loc. 1

-reef off NW corner of island, SE corner of K 972470
-mafic xenolith on south side in gr sheared to 8' wide, strike 090, dip vert
-contains qv to 6"
-shearing in gr strikes 125, dip vert, no qv
-two felsite dykes 5' wide strike E-W, unsheared

Sample

E74 quartz, no S, no rust nil Au

South Twin Is. Loc. 2

-shore near centre of W side K 1017915
-gs remnant in gr contains several shears to 10' wide
-some folding and distortion of foliation, overall strike 068, vert dip
-a few carbonate seams to 3"

Samples

E92 silicified chlorite schist, trace py,cp? nil Au
E93 glassy quartz, no S nil Au

South Twin Is. Loc. 3

-20' inland from point, NE corner K 1008248
-sheared gr with 1-3' sheared mafic xenolith
-minor sericite and silicification

Samples

E96 quartz, no S nil Au

South Twin Is. Loc. 4

-50' inland on common claim line K 1008240 and -241
-complex of gr, chlorite schist and mafic matter absorbed by gr, all slightly sheared
-several minor felsite dykes

Sample

E103 gr with mafics absorbed, rust spots, no S trace Au

South Twin Is. Loc. 5

-south shore, centre of K 1017919
-silicified mafic inclusion in gr
-irregular qv 3-4' wide striking 015 +/-10, dip -60 E
-very minor rust on exposure

Samples

E136	quartz, heavy hematite stain	trace Au
E137	fine gran qtz with cp, mal, chlorite	0.01 oz/ton Au

Prendible Is. Loc. 1

-north shore, east part of K 1007573
-sheared and altered zone 4-5' wide in gr, strike 125, vert dip

Sample

E61	qv to 8", chlorite, minor pyrite	0.01 oz/ton Au

Airborne Geophysics

During 1987, the results of a regional airborne magnetic and electromagnetic survey were released. A copy of the results for the property area is included as figures 5 and 6.

The magnetite horizon referred to in the text is apparent from the survey. The breaks in the continuity of the horizon on the west part of North Twin Island and the west part of Net Island are due to the intrusion of the granitoid. The strong conductor associated with the magnetics is due to the magnetite and associated sulphides.

The strong conductors to the north of North Twin and Net Islands are likely stratigraphic based on their considerable length.

The strong conductor just east of North Twin Island appears to cut the magnetic trend and could represent a fault or shear zone. The west end of the conductor is on Eagle Lake Resources Ltd. claims.

The strong conductor in the southeast part of the property may represent the westward continuation of the W. W. Smith Prospect. This prospect consists of sulphide-rich chert and felsic volcanics. Ont. Geo. Surv. publication MP 134 reports 0.25 oz/ton Au across 4' from a headland immediately east of claim K 1017923. The claims adjoining K 1017923 are owned by Noranda Exploration. The W. W. Smith Prospect is under option to Noranda.

The other major strong conductors are located off the northwest shore of Net Island. The pattern of these conductors is not clear. Some appear to be stratigraphic (those to the south). The divergence in strike of the conductors compared to that of the very long conductor to the north suggests a discontinuity such as a fault or shear zone.

At least some of the weaker conductors are due to shear zones, several of which may be correlated with observed shears in the field. A number of the conductors are single line anomalies. This suggests that not all of the shear zones are indicated by the airborne survey. Ground VLF is required to discover and outline the weaker conductors.

Summary - Economic Geology:

Gold deposits in the area are characterized by faulting or shearing. This is accompanied by carbonatization and silicification. Pyrite is usually present and chalcopyrite is often present.

Shearing, carbonatization, silicification and pyritization have been found at several places on the claim block. Occurrences have been seen in the metavolcanics and the diorites (units 1 and 4, fig.4).

Many of the shears in the area are readily identified using VLF. A VLF survey, followed by geological mapping and stripping, is the typical exploration procedure used to evaluate these structures.

Conclusions:

1. Significant gold values are found at numerous locations on and adjacent to the claim group.

2. Gold is associated with sulphide-bearing silicified shear zones.

3. Major shear directions are NNW-SSE and NE-SW to E-W.

4. Fig.5 & 6, (AEM Survey), indicate numerous conductors, some of which are known to correspond to gold-bearing shear zones.

5. Previous exploration in the area has been limited to only a cursory examination of the easily discovered. No comprehensive systematic exploration has been done.

Recommendations:

1. A thorough, methodical, systematic exploration programme should be carried out to evaluate the mineral potential of the claim block.

2. The first phase of the programme should consist of establishing baselines over the entire property before spring break-up. This will permit both the land and water portions of the property to be tied into the same grid. A number of mag and VLF lines should be run on the ice if ice conditions permit. The north and southeast portions of the property should receive the priority for geophysics. Baselines would be oriented east - west, with picket lines north - south. This orientation will allow for all the known shear directions to be covered. Readings every 25m on lines spaced at 100m will identify the areas of interest. The limits of the claim block would also be defined at this time. Due to the method of staking water - covered areas in Ontario, it is good practice to verify the staking by actual measurement of the distances on the ice.

3. The second phase would be undertaken during the summer of 1988. This would consist of linecutting and geophysics on the islands, geological mapping, stripping, rock trenching, sampling and assaying. The results of this programme will guide the scope and conduct of phase three.

4. The third phase would consist of mag and VLF from the ice to complete geophysical coverage of the property and preliminary diamond drilling. This phase would be carried out during the winter of 1988/89.

5. The fourth phase would be a summer (1989) programme of detailed geological mapping, stripping, trenching, sampling and assaying of the targets outlined in the previous phases.

6. The fifth phase would be a drilling programme to further test targets identified in the previous phases.

Proposed Exploration Programme - 91-Claim Option

Phase I

control baselines, linecutting, VLF and mag, supervision, drafting, report

Total $15,000

Phase II

geological mapping, stripping, linecutting, VLF and mag, rock trenching, sampling and assaying, supervision, drafting, report, camp, logistical support, supplies

Total $130,000

Phase III

linecutting, mag, VLF, diamond drilling (5000'), logging, sampling, assays

Total $250,000

Phase IV

geological mapping, linecutting, VLF and mag, stripping and trenching, rock trenching,sampling and assaying

est. Total $150,000

Phase V

diamond drilling - 15,000'

est. Total $600,000

TOTAL $1,145,000

APP. I: CLAIM STATUS - HARRISON 91-CLAIM OPTION

EAGLE LAKE AREA

KENORA MINING DIVISION - ONTARIO

claim no.	recording date	good to
K 882548	Feb 10 87	Feb 10 88
K 959739	Feb 10 87	Feb 10 88
K 972455	July 13 87	July 13 88
K 972456	July 13 87	July 13 88
K 972457	July 13 87	July 13 88
K 972458	July 13 87	July 13 88
K 972459	July 13 87	July 13 88
K 972461	Aug 21 87	Aug 21 88
K 972462	Aug 21 87	Aug 21 88
K 972463	Aug 21 87	Aug 21 88
K 972464	Aug 21 87	Aug 21 88
K 972465	Aug 21 87	Aug 21 88
K 972469	Aug 21 87	Aug 21 88
K 972470	Aug 21 87	Aug 21 88
K 972471	Aug 21 87	Aug 21 88
K 972472	Aug 21 87	Aug 21 88
K 972473	Aug 21 87	Aug 21 88
K 972474	Aug 21 87	Aug 21 88
K 972475	Aug 21 87	Aug 21 88
K 972476	Aug 21 87	Aug 21 88
K 972478	Aug 21 87	Aug 21 88

APP. I, cont'd

claim no.	recording date	good to
K 1007459	Oct 21 87	Oct 21 88
K 1007461	Oct 21 87	Oct 21 88
K 1007462	Oct 21 87	Oct 21 88
K 1007463	Oct 21 87	Oct 21 88
K 1007464	Oct 21 87	Oct 21 88
K 1007465	Oct 21 87	Oct 21 88
K 1007468	Oct 21 87	Oct 21 88
K 1007469	Oct 21 87	Oct 21 88
K 1007470	Oct 21 87	Oct 21 88
K 1007471	Oct 21 87	Oct 21 88
K 1007472	Oct 21 87	Oct 21 88
K 1007473	Oct 21 87	Oct 21 88
K 1007534	Oct 21 87	Oct 21 88
K 1007535	Oct 21 87	Oct 21 88
K 1007536	Oct 21 87	Oct 21 88
K 1007537	Oct 21 87	Oct 21 88
K 1007538	Oct 21 87	Oct 21 88
K 1007539	Oct 21 87	Oct 21 88
K 1007540	Oct 21 87	Oct 21 88
K 1007541	Oct 21 87	Oct 21 88
K 1007543	Oct 21 87	Oct 21 88
K 1007544	Oct 21 87	Oct 21 88
K 1007545	Oct 21 87	Oct 21 88
K 1007546	Oct 21 87	Oct 21 88
K 1007547	Oct 21 87	Oct 21 88

APP. I, cont'd

claim no.	recording date	good to
K 1007571	Oct 23 87	Oct 23 88
K 1007572	Oct 23 87	Oct 23 88
K 1007573	Oct 23 87	Oct 23 88
K 1007574	Oct 23 87	Oct 23 88
K 1007575	Oct 23 87	Oct 23 88
K 1007576	Oct 23 87	Oct 23 88
K 1007577	Oct 23 87	Oct 23 88
K 1007581	Oct 23 87	Oct 23 88
K 1007582	Oct 23 87	Oct 23 88
K 1007583	Oct 23 87	Oct 23 88
K 1007584	Oct 23 87	Oct 23 88
K 1007585	Oct 23 87	Oct 23 88
K 1007586	Oct 23 87	Oct 23 88
K 1007587	Oct 23 87	Oct 23 88
K 1007588	Oct 23 87	Oct 23 88
K 1007589	Oct 23 87	Oct 23 88
K 1008237	Oct 23 87	Oct 23 88
K 1008238	Oct 23 87	Oct 23 88
K 1008239	Oct 23 87	Oct 23 88
K 1008240	Oct 23 87	Oct 23 88
K 1008241	Oct 23 87	Oct 23 88
K 1008242	Oct 23 87	Oct 23 88
K 1008243	Oct 23 87	Oct 23 88
K 1008244	Oct 23 87	Oct 23 88
K 1008245	Oct 23 87	Oct 23 88
K 1008246	Oct 23 87	Oct 23 88
K 1008247	Oct 23 87	Oct 23 88
K 1008248	Oct 23 87	Oct 23 88
K 1008249	Oct 23 87	Oct 23 88
K 1008250	Oct 23 87	Oct 23 88
K 1008251	Oct 23 87	Oct 23 88
K 1008252	Oct 23 87	Oct 23 88
K 1008253	Oct 23 87	Oct 23 88
K 1008254	Oct 23 87	Oct 23 88
K 1008255	Oct 23 87	Oct 23 88
K 1008256	Oct 23 87	Oct 23 88
K 1017915	Oct 23 87	Oct 23 88
K 1017916	Oct 23 87	Oct 23 88
K 1017917	Oct 23 87	Oct 23 88
K 1017918	Oct 23 87	Oct 23 88
K 1017919	Oct 23 87	Oct 23 88
K 1017920	Oct 23 87	Oct 23 88
K 1017921	Oct 23 87	Oct 23 88
K 1017922	Oct 23 87	Oct 23 88
K 1017923	Oct 23 87	Oct 23 88

APP.II DESCRIPTION OF HARRISON 11-CLAIM OPTION

Introduction

This claim block is located at the entrance to Meridian Bay of Eagle Lake. The centre of the claims is about 2.5 miles southeast of the southeast corner of the 91-claim option. The location of the claims is shown on Fig. 3 and 4. Several old logging roads on the claims connect to a gravelled road about 3 -4 miles to the south.

Status of Claims:

The following list details the claim status.

claim no.	recording date	good to
K 851594	Jan 13 86	Mar 31 88
K 851595	Jan 13 86	Mar 31 88
K 851596	Jan 13 86	Mar 31 88
K 851597	Jan 13 86	Mar 31 88
K 851598	Jan 13 86	Mar 31 88
K 851599	Jan 13 86	Mar 31 88
K 851600	Jan 13 86	Mar 31 88
K 855981	Jan 13 86	Mar 31 88
K 855982	Jan 13 86	Mar 31 88
K 855983	Jan 13 86	Mar 31 88
K 855984	Jan 13 86	Mar 31 88

Previous Work

Several individuals and companies have carried out work over the northwest part of the claim block in the past. This work was principally for base metals (copper). According to J. Harrison, cobalt is also present.

The earliest work on file indicates stripping and trenching was carried out in the late 1960's and early 70's. A strong shear zone striking ENE was located.

Selco carried out ground EM and mag in 1972. Only weak conductors were located and the claims lapsed.

Minor trenching was done in 1973.

Airborne EM and mag with ground follow-up was carried out by Sherritt Gordon in the late 1970's. No major conductors were discovered and the claims lapsed.

J. Harrison staked the property on the basis of the results of samples collected by J. Parker, a government geologist. The samples were from a quartz vein containing chalcopyrite.

Geology

The claims were not visited by the author. The general geology is shown on Fig.4 of this report. Mafic volcanics with a N-S foliation are shown to underly the entire property.

The property is located on the west limb of a tightly folded syncline. The stream flowing north northwesterly from the southeast corner of the property occupies a possible shear zone with quartz veins along the banks according to Harrison.

Economic Geology

According to J. Parker (pers.comm.), the rocks near the shore are sheared, altered, carbonated mafic volcanics. Parker observed two shear zones in the northwest part of the property; one more or less east-west and the other more or less north-south. The gold-bearing sample was collected from a fine granular quartz vein about 3' thick exposed along the shore within the east-west shearing. The full width of the shear zone is not exposed. The north-south shear observed was in the order of 20' wide. Numerous old pits and trenches are present near the shore however all are caved, covering the bedrock.

Mr. Parker reported that to his knowledge samples from the property had never been assayed for gold prior to his work. He considers the vein to be an excellent exploration target.

Results from J. Parker's samples

0.02	oz./ton Au,	4880	ppm Cu
0.01	"	5760	"
<0.01	"	1640	"
0.22	"	0.46	oz./ton Ag, 2.12% Cu

Conclusions

1. Gold is present in a silicified shear zone within sheared, altered, carbonated mafic volcanics.

2. Geophysics (EM and mag) has been carried out in the past over present claims K 851594, -595, -5982 and part of -5596. There is serious doubt if the EM surveys would have identified all weak conductors associated with silicified shear zones.

3. Three shear zones are known to occur on the claim group.

4. One shear zone striking ENE is known to contain gold.

5. A second shear zone is associated with silicification.

6. Additional exploration is warranted to define the extent of the known occurrences and to evaluate the property for additional zones.

Recommendations

1. Linecutting, VLF and magnetic surveys should be carried out this winter.

2. Geological mapping and sampling followed by stripping and trenching would be done next summer.

3. Preliminary diamond drilling would be carried out next winter to test the targets located by recommendations 1 and 2.

4. No data is available to assess the potential of the area to the east, southeast or northeast of the claim block. Provision should be made for the aquisition of additional claims as results indicate.

Proposed Exploration Programme

Phase I		
linecutting, VLF, mag with report		$15,000
Phase II		
geological mapping, sampling, stripping		10,000
Phase III		
drilling, 2,000'		80,000
	Total	$105,000

Notes:

A minimum of 60 days work per claim is required by March 31, 1988 to keep the claims in good standing to Jan. 13, 1989. Phase I will provide 60 days per claim

Phase II will provide a minimum of 40 days per claim, keeping the claims in good standing to Jan. 13, 1990.

The drilling in Phase III will provide 2,000 days credit - more than enough to complete the total assessment work requirements of 200 days per claim.

APP. III DESCRIPTION OF SOVEREIGN CLAIMS

Mr. W. Sovereign of Dryden holds four claims near the northeast corner of North Twin Island. These claims were staked to cover an old gold showing and possible extensions of the zones. The location is shown on Fig. 3 and 4.

Claim Status

The following list details the claim status.

claim no.	recording date	good to
K 1003291	May 12 87	May 12 88
K 1003292	May 12 87	May 12 88
K 1003293	May 12 87	May 12 88
K 1007486	Sept 4 87	Sept 4 88

Showings (examined by author)

Loc. 1

- -north part of island, centre of K 1003291
- -explosive volcanic breccia; blocks of magnetite and mafic volcanics in a felsic tuff 150-300' inland
- -to the north are intermediate/mafic tuffs
- -trenched qv to 24" exposed for length of 150', strikes 013, dip 80-85E - tension crack filling
- -4-6" shear on shore striking 077, dip -85N, contains 1/2" qv, hosted in intermed. tuff
- -felsic tuff and agglomerate also present
- -two other small qv reported to be nearby but not examined
- -minor silicification in exposures, Steep Rock Iron Mines Ltd. drill logs indicate stronger silicification to north under water

Samples

E1	sericite schist, trace py	trace Au
E2	xenolith, 60% mag, 2-3% py, mafic volc.	0.005 oz/ton Au
E3	" 5% py in mafic volc.	0.005 oz/ton
E4	" 1/2% py in sheared intermed. volc.	trace Au
E5	felsic/intermed. tuff, epidote, py, cp	0.005 oz/ton Au
E6	xenolith, mag-rich, 1/4" py seams	0.005 oz/ton Au
E7	" 10-20% py, sheared mafic volc.	1.120 oz/ton Au
E8	composite chip, 24" qv, banded, no S	0.080 oz/ton Au
E9	" " 4-12" qv (013), py	0.200 oz/ton Au
E10	" " 1/2" qv (077), minor py	trace Au

Loc. 2

-shoreline, east part K 1003292
-20' width of 30-80% magnetite, est. strike 075, dip vert, contains talc and carbonate on shears
-felsic volcanics on S, mafic volcanics on N
-mafic volcanics contain dissem. mag. Xls near mag zone

Sample

E11 magnetite, pyrite trace Au

Loc. 3

-reef off N shore, N part K 1003292
-shear zone in intermed. volc. strikes 066, dip vert
-hosts qv 2-15" thick containing cp, tour, sericite

Samples

E12 qtz with chlorite, tour and talc slips 0.320 oz/ton Au
E13 " " " " " 0.025 oz/ton Au

Summary

-gold present in N-S quartz veins occupying tension cracks

-gold present in quartz veins in ENE-WSW shear zones

-drilling by Steep Rock Iron Mines Ltd. indicated silicification and some pyrite in the volcanics off the north shore of the island

APP. IV DESCRIPTION OF

MISTANGO CONSOLIDATED RESOURCES LTD. CLAIMS

Introduction

These eight claims were part of a larger block staked to cover the known gold showings on this part of Eagle Lake. These remaining claims are considered by Mistango to have the most potential.

The author examined and sampled the Golden Eagle Mine. Data on the other showings was abstracted from a report written for Mistango by A. C. A. Howe International Ltd.

Claim Status

claim no.	recording date	assessment exp	days geo phy	geo	ddh	tot	good to
K 590013	June 9 82		80	13	47	140	June 9 88
K 590014	June 9 82		80	13	47	140	June 9 88
K 590082	June 9 82		80	13	47	140	June 9 88
K 590096	June 9 82		80		60	140	June 9 88
K 594272	June 9 82	22	80	13	47	162	June 9 88
K 594273	June 9 82	22	80	13	47	162	June 9 88
K 594274	June 9 82	22	80	13	87	202	June 9 88
K 594275	June 9 82	22	80	13	53	168	June 9 88

Showings

Golden Eagle Mine

-north side of Prendible Is. K 590082
-tunnel into hill for 70' intersects 40' shaft from top of hill
-tunnel continues further into hill, sloping down at 20-30 degrees - not examined
-adit on quartz vein 2"-3' wide, strike 156. vert dip
-same qv in shaft 18-24" thick
-vein occupies shear zone in granitoid
-produced 17 oz Au from 29 tons

Samples (collected by author)

E62	quartz with coarse pyrite, cp?	0.02 oz/ton Au
E63	silic wallrock, minor qv, coarse py	0.03 oz/ton Au
E64	" " " qs, fine py	0.04 oz/ton Au

Sample results from Mistango's work ranged from 0.012 to 0.92 oz/ton Au.

Eldorado Mine

-on SE shore, K 594274
-silicified shear zone 4.5' wide, min. 500' long, strike 070, dip -73N
-open cut 70x20', 140' shaft with 100' drifting on 70' level, 25' drifting on 120' level
-drilling on ice intersected a strong, silicified shear 8-12' wide but only low Au values
-produced 14 oz Au from 30 tons
-samples from nil to 0.06 oz/ton Au

Grace Mine

-K 594273
-six narrow NE striking qv within shear zones
-#1 shaft 28' deep
-#2 shaft 187' with 170' crosscutting and drifting on 100' level and 90' crosscutting on 180' level
-adit 128' long with 90' of drifting
-produced 83.75 oz from 418 tons
-samples from nil to 1.41 oz/ton Au

Pioneer Island

-K 590014
-sulphide zone 1-5' wide, strike NE-SW
-pyrite with quartz and minor chalcopyrite
-80' shaft with 160' of drifting on 70' level
-gold panned from gossan
-samples nil to 0.002 oz/ton Au
-2 drill holes by Sherritt Gordon Mines Ltd. in 1981 indicates silicification zones separate from the sulphide horizon, no assays given
-no recorded production

Buffalo Mine

-on claim line of K 594272 and K 594273
-quartz veins in 10-25' wide, NE striking shear zones
-30' adit with 78' of drifting
-2 shafts (pits), 28' and 15' deep
-no recorded production

Soapstone Quarry

-near shore on K 590013
-produced blocks for lining kraft furnaces
-in talcose schist band up to 100' wide, striking NE

Summary

-gold showings associated with silicified shears

-some of shears appear as VLF conductors

-several conductors not yet tested

-geometry of shear zones and their spacial relationship to each other unknown

-more work required to assess potential

-additional work warranted

-soapstone is of interest as a possible 'cottage industry', but is not considered a viable exploration venture

-348 days of assessment work are due by June 9, 1988 to complete the total assessment work requirements on the claims

Note: assessment work can only be transferred between claims in a contiguous group. K 1007578 and -579 were acquired to permit the transfer of work. These two claims are presently held in the name of J. W. Redden, pending completion of the option agreement.

APP.V DESCRIPTION OF SMITH CLAIMS

Introduction

This claim block surrounds the Baden-Powell Mine, a modest past producer. Mr. B. Smith of Thunder Bay owns Patented lot FM 168 containing the mine workings. The other claims were staked to cover possible extensions to the known vein systems and to cover favourable geology in the immediate area.

Claim status

claim no.	recording date	good to
K 1007353	July 23 87	July 23 88
K 1007354	July 23 87	July 23 88
K 1007355	July 23 87	July 23 88
K 1007356	July 23 87	July 23 88
K 1007454	Sept 23 87	Sept 23 88
K 1007455	Sept 23 87	Sept 23 88
K 1007456	Sept 23 87	Sept 23 88
K 1007457	Sept 23 87	Sept 23 88
K 1007458	Sept 23 87	Sept 23 88
K 1007580	Oct 23 87	Oct 23 88
K 1009253	July 23 87	July 23 88
K 1009254	July 23 87	July 23 88
K 1009255	July 23 87	July 23 88
K 1009256	July 23 87	July 23 88

Showings (examined by author)

Loc. 1

- -patented lot FM 168
- -main shaft 140' deep with 129' of development on 60' level
- -three veins reported on property
- -main shaft long axis strike 164
- -very little quartz on dump (milled)
- -no quartz vein exposed at shaft
- -hosted in grey biotite granodiorite with occasional blue quartz eyes
- -second shaft 200' from main shaft
- -8'x8', 30' to water (reportedly 50' deep)
- -quartz vein 6"-2' in collar strikes 158, dip vert
- -40' along strike is a pit with long axis 070 (another vein?)
- -5-6' quartz on side of pit
- -wallrock sheared, altered and silicified gr
- -feldspar porphyry dyke
- -production of 288 oz. Au from 163 tons (1.77 oz/ton)

Samples

E75 quartz, no S		trace Au
E76 as E75 with 30% carbonate (ankerite)		trace Au
E77 fine gran white quartz, <5% carb, 3%po, <1%cp		trace Au
E78 as E77 with 1.5% cp, trace po	0.13	oz/ton Au
E79 sheared wallrock, 1% dissem. py & cp		trace Au
E80 sheared, silic. gr with 2%po, 1%py, no qv	0.03	oz/ton Au
E81 as E80 but with quartz stringers	0.03	oz/ton Au
E82 fine gran quartz with a few specks of py	1.95	oz/ton Au
E83 coarse granular quartz, no S	0.04	oz/ton Au

Loc. 2

- -on NE point of South Twin Is., north central part of K 1009255
- -feldspar porphyry cuts gr
- -northeasterly shearing

Samples

E84 glassy quartz, rusty, malachite?		trace Au
E85 sheared gr and porphyry, rusty, poss. fine S		trace Au

Loc. 3

-south shore of bay, east side of K 1009253
-old trench on 3-12" qv in 2-4' shear striking 159, dip -50W
-sheared silicified gr wallrock contains 1-2% po, py
-porphyritic felsite dyke 5-6' wide strikes NE, dip unknown, contains 1-2% S
-very little quartz on dump (milled?)

Samples

E86	quartz, some rust, no S	0.01 oz/ton Au
E87	" and sheared gr, <1% po & cp	0.01 oz/ton Au
E88	felsic dyke with 1% po	trace Au
E89	sheared silicified gr, 1-2% po	0.03 oz/ton Au

Loc. 4

-point in SW corner K 1009256
-slightly sheared altered gr with mafic volcanic xenolith
-late stage qv cuts all rock types and shearing

Samples

E90	sheared mafic, <1% cp and py	trace Au
E91	quartz, no S	trace Au

Loc. 5

-NE corner of island, N part K1007355
-5-6' wide shear in mafic volcanics and adjacent gr
-qv to 3' strikes 146, dip vert to steeply E
-sulphides present along qv/volcanic contact, very minor rust
-mafics are silicified

Samples

E134	2-3% cp in quartz stringers	0.01 oz/ton Au
E135	quartz with coarse chlorite, no S	0.01 oz/ton Au

Summary

-past producer on high grade gold occurrence

-associated with NNW-SSE silicified shear

-other gold showings and shears present

-never drilled

-thick moss cover, very little overburden

Note:

The Ontario Mining Act does not allow the transfer of work credits from patented or leased claims to adjoining claims. This means that work done on patented lot FM 168 cannot be applied for assessment work credits.

APP. VI DESCRIPTION OF HANSSON CLAIMS

Introduction

These two claims were staked by E. Hansson of Waldof (west of Eagle River) to cover a quartz vein and sulphide zone outcropping on the islands. Some maps show one of the islands covered by the claims to be Pioneer Island. This is not correct. Pioneer Island is 1/4 mile to the southwest on Mistango claim K 590014.

Claim Status

claim no.	recording date	good to
K 972413	May 27 87	May 27 88
K 972414	May 27 87	May 27 88

Showings (sampled by author)

Loc. 1

-N shore of west island, NW corner of K 972413
-intermed. agglom. with felsic fragments
-quartz vein up to 4' thick strikes 050, dip -30S contains blebs of po and cp

Sample

E126 mass. po & cp in glassy qtz 0.01 oz/ton Au

Loc. 2

-N shore of east island, NE corner of K 972413
-carbonated chlorite schist and silicified felsics with dissem. po, py, cp
-zone strikes 049, dip vert, minimum width of 12'

Sample

E127 aph silic rock, 3-4% po, py and trace cp trace Au

Loc. 3

-SE shore of east island, K 972413
-area of pyritized mafic volcanics
-dissem py in volcanic breccia
-dissem py in sheared mafics and adjacent gr
-coarse py with 1/2-1cm amphibole crystals between pillows in mafic
-minor silicification

Samples

E128	gossan from py weathering	trace Au
E129	7mm py cubes with amphibole	0.01 oz/ton Au
E130	sil chlorite schist,qtz bleb,dissem py, tr cp	trace Au
E131	sheared gr with py & cp on shears	0.01 oz/ton Au

Summary

-anomalous gold values

-favourable geology

APP. VII

GLOSSARY OF ABBREVIATIONS

agglom	agglomerate
alt	alteration
ank	ankerite
aph	aphanitic
az	azurite
carb	carbonate
cp	chalcopyrite
dissem	disseminated
gr	granitoid
gran	granular
gs	greenstone
int	intermediate
inter	intermediate
irreg	irregular
is	island
lg	large
mag	magnetite
mal	malachite
mass	massive
med	medium
po	pyrrhotite
poss	possible
py	pyrite
q-c	quartz and carbonate
qtz	quartz
qv	quartz vein
S	sulphide
ser	sericite
sil	siliceous
sl	slight
sph	sphalerite
tour	tourmaline
tr	trace
vert	vertical
volc	volcanic
Xls	crystals
?	possible

all strikes and dips in degrees

APP. VIII

TENTATIVE EXPLORATION PROGRAMME

HARRISON, SOVEREIGN, MISTANGO, SMITH AND HANSSON OPTIONS

Phase I - winter 1987/88	
establishh base lines check boundaries lines, mag, VLF on 11 claims	30,000
Phase II - spring/fall 1988	
lines, mag, VLF on land portions geological mapping strip, trench, assays	140,000
Phase III - winter 1988/89	
lines, mag, VLF on ice preliminary d. drilling (8,000')	370,000
Phase IV - spring/fall 1989	
strip, trench, assays	150,000
Phase V - winter 89/90	
d. drill (26,000')	1,040,000
TOTAL	$1,730,000.00

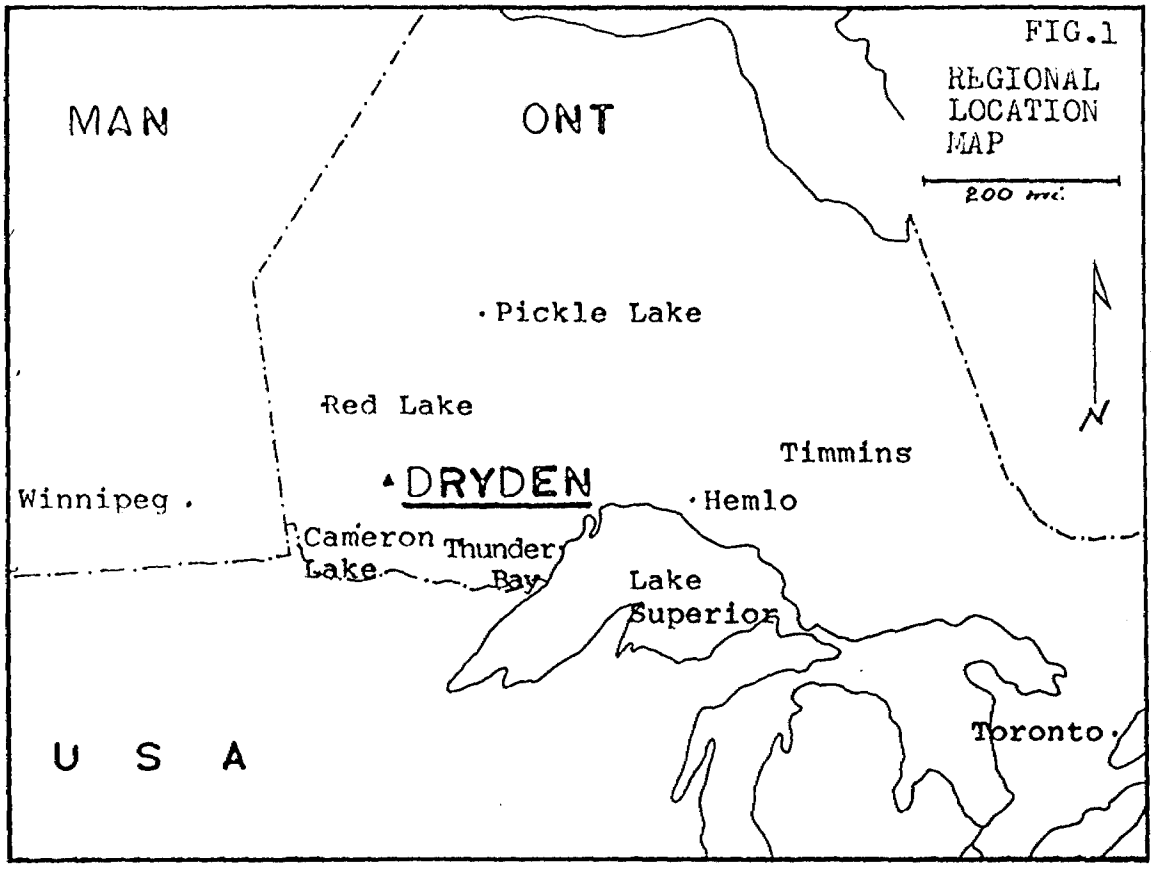


FIG.1
REGIONAL
LOCATION
MAP
200 mi.
MAN
ONT
Pickle Lake
Red Lake
DRYDEN
Timmins
Winnipeg
Hemlo
Cameron
Lake
Thunder
Bay
Lake
Superior
Toronto
U S A
N

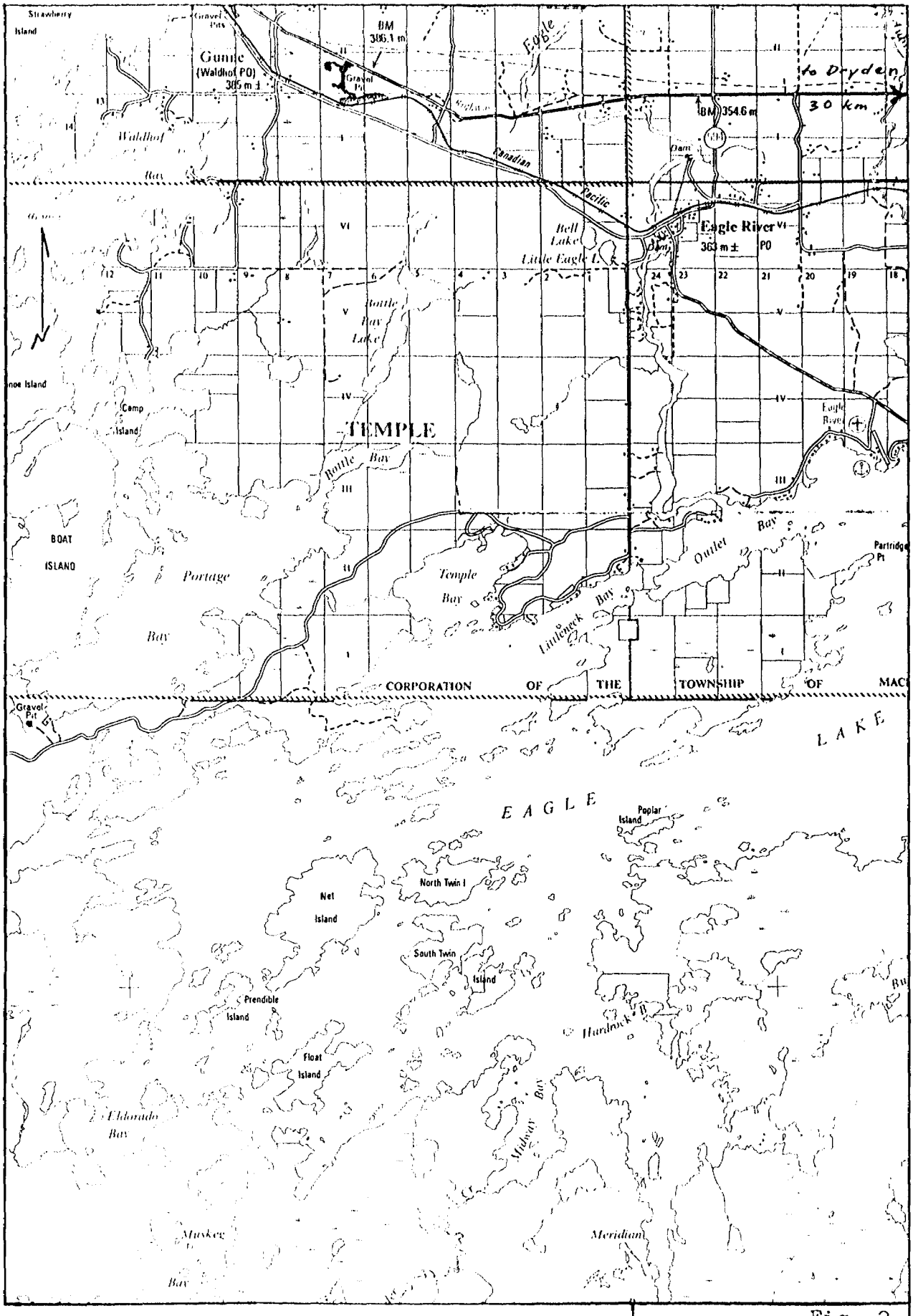


Fig. 2
AREA LOCATION MAP

2 mi.

Fig. 3

PROPERTY MAP

EAGLE LAKE RESOURCES LTD.

AND VICINITY

EAGLE LAKE AREA

ONTARIO

½ mi.

Sample No. 75-83

Eagle Lake

Hut Island

Pioneer Island

Prendible Island

Rendevous Point

Eldorado Bay

Muskeg Bay

North Twin Island

South Twin Island

Poplar Island

Midway Pt.

Midway Bay

Meridian Bay

PROPERTY OWNERSHIP

Harrison 91-Claim Option	
Harrison 11-Claim Option	
Sovereign	
Mistango	
Smith	
Hansson	
International Platinum	
Noranda	
Raleigh Resources	

LEGEND

PRE-CAMBRIAN

KEWEENAWAN

Diabase and basalt dikes (7)

ALGOMAN?

Quartz (q), porphyry (p), quartz porphyry (qp), quartz-feldspar porphyry (fp), granite porphyry (gp).

Pink pegmatitic granite (6).

Pink or white, normal biotite and hornblende granite (5a); basic granite, syenite, granodiorite, diorite (5b); sheared or gneissic granite (5c), occurrences of 5a, 5b or 5c not differentiated (5).

Hybrid diorite and mixed contact phases (4a); amphibolite and related basic hybrid intrusives (4b).

HAILEYBURIAN?

Highly altered gabbro, chlorite schist (3d).

Brown weathering diabase, norite and gabbro (3a); normal gabbro and anorthosite (3b); chloritic altered gabbro and anorthosite (3c).

TIMISKAMING?

Sediments: greywacke, slate, quartzite and paragneiss (2).

Iron formation.

KEEWATIN

Iron formation.

Rhyolitic flows and intrusives, in part Algoman? (1h), acid tuffs, agglomerates and breccias (1t), carbonate schist, altered intermediate and acid volcanics and porphyries (1g).

Intermediate flows, dacites, andesites (1e); intermediate tuffs, agglomerates and breccias (1t).

Massive lavas, altered andesites, basalts etc. (1a), pillow lavas (1b), basic intrusives and coarse flows (1c), chlorite schist (1d).

The heavier colours on the map indicate observed outcrops of rock. The lighter colours indicate the probable extent of the different rocks in the drift-covered areas.

MINING PROPERTIES REFERENCE

1. Eagle Lake Soapstone Quarry.
2. Grace Gold Mine.
3. Eldorado Gold Location.
4. Buffalo Mine.
5. Viking Gold Location.
6. Pioneer Island.
7. Golden Eagle Mine
8. Baden Powell Mine.
9. Meridian Bay Mining Co.
10. W. W. Smith (Birch Bay Gold Mines) find.
11. Fornieri find (Erie Canadian).

Fig. 4
GENERAL GEOLOGY
EAGLE LAKE AREA
ONTARIO

1 mi

49° 40'

95° 20'

95° 10'

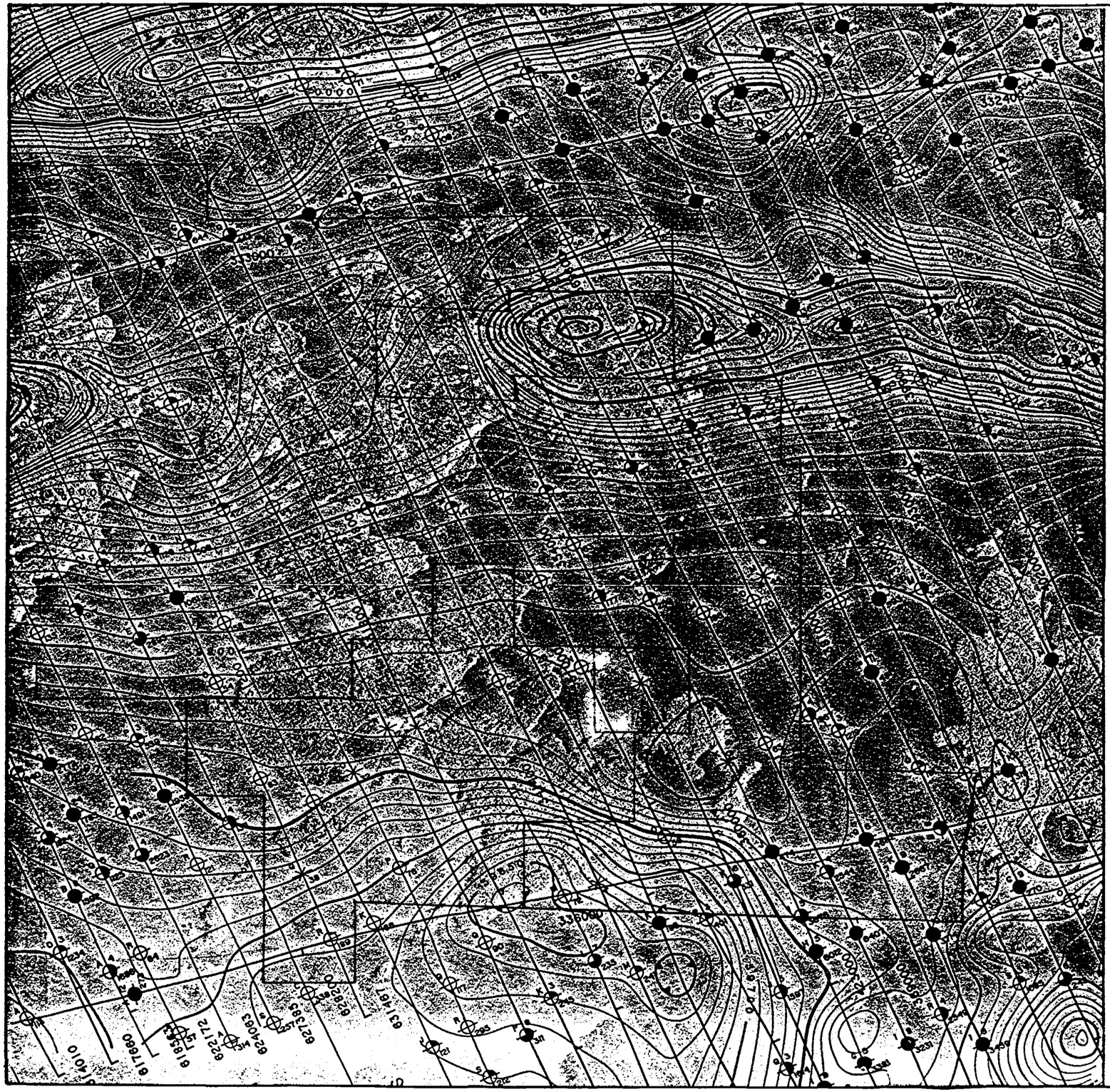


Fig. 5

AIRBORNE AM AND ABM SURVEY

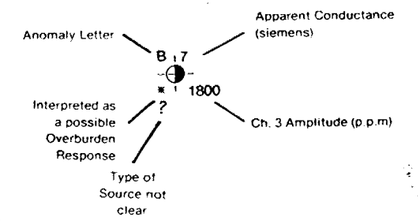
(EAST PART)

Scale 1:20,000

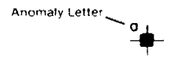
N

GEOTEM® Peak Response Symbols

ANOMALY	DECAY INTERVAL CLASSIFICATION
	1-2 Channel (350, 450 microseconds)
	3-4 Channel (550, 670 microseconds)
	5-6 Channel (790, 910 microseconds)
	7-8 Channel (1050, 1190 microseconds)
	9-10 Channel (1350, 1510 microseconds)
	11-12 Channel (1680, 1870 microseconds)



Culture Response



Magnetic Contours

10 Gamma Contour Line

50 Gamma Contour Line

250 Gamma Contour Line

Magnetic Depression

* Nanotesla (nT) = 1 gamma

Mean magnetometer sensor altitude.....120 metres
Mean electromagnetic sensor altitude.....40 metres
Mean flight line spacing.....200 metres
Flight lines.....2630 N

378400

Source: O.G.S. Map 80969, 1987

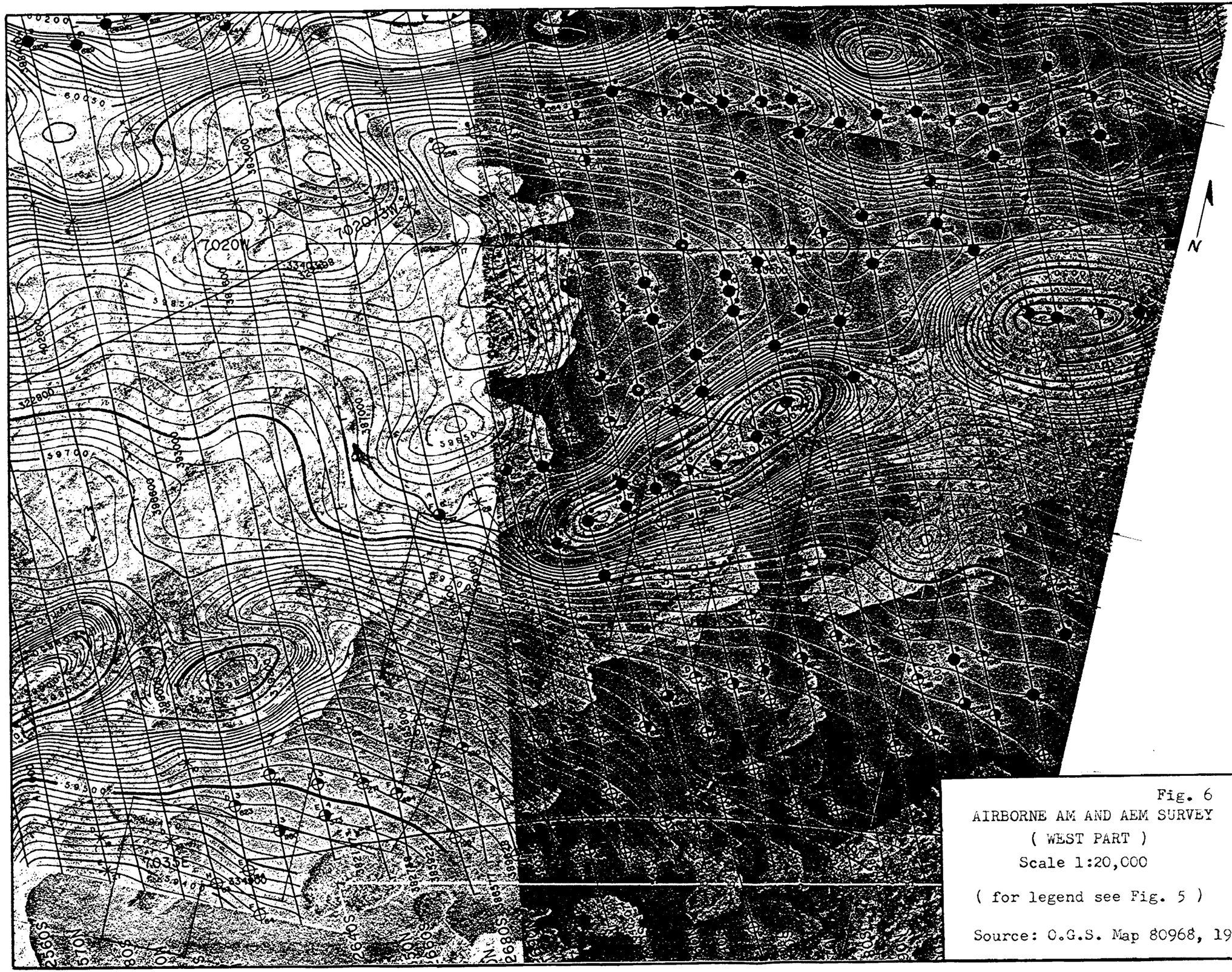


Fig. 6
AIRBORNE AM AND AEM SURVEY
(WEST PART)
Scale 1:20,000

(for legend see Fig. 5)

Source: O.G.S. Map 80968, 1987

Ministry of Northern Development and Mines
Ontario

Report of Work
(Geophysical, Geological, Geochemical and Expenditures)

DOCUMENT No. W8801.199

Instructions: – Please type or print. Jap 88
– If number of mining claims traversed exceeds space on this form, attach a list.
Note: – Only days credits calculated in the "Expenditures" section may be entered in the "Expend. Days Cr." columns.
– Do not use shaded areas below.

T.5

Mining Act 2.11626

Type of Survey: EXPENDITURE

Township or Area: M-1729 GARNET BAY / G.2573 BUCHAN BAY

Claim Holder(s): EAGLE LAKE RESOURCES LTD JOHN HARRISON EAGLE LAKE, ONT

Prospector's Licence No.: T.5049 + H.6810

Address: 301, 634-6 AVENUE S.W. CALGARY ALTA T2P 0S4

Survey Company: J.W. REDDEN - GEOLOGIST

Date of Survey (from & to): Day | Mo. | Yr. | Day | Mo. | Yr.

Total Miles of line Cut: —

Name and Address of Author (of Geo-Technical report): J.W. Redden Box 117 Wabigoon Ont P0V 2W0

Credits Requested per Each Claim in Columns at right

Special Provisions		Days per Claim
For first survey: Enter 40 days. (This includes line cutting)	Geophysical - Electromagnetic	
	- Magnetometer	
For each additional survey: using the same grid: Enter 20 days (for each)	- Radiometric	
	- Other	
	Geological	
	Geochemical	

Man Days		Days per Claim
Complete reverse side and enter total(s) here	Geophysical - Electromagnetic	
	- Magnetometer	
	- Radiometric	
	- Other	
	Geological	
	Geochemical	

Airborne Credits		Days per Claim
Note: Special provisions credits do not apply to Airborne Surveys.	Electromagnetic	
	Magnetometer	
	Radiometric	

RECEIVED
AUG 24 1988
MINING LANDS SECTION

Mining Claims Traversed (List in numerical sequence)

Mining Claim Prefix	Mining Claim Number	Expend. Days Cr.
K	972456	20
	972457	20
	972458	20
	972461	20
	1007462	20
	1007469	20
	1007534	20
	1007535	20
	1007536	20
	1007537	20
	1007539	20
	1007540	20
	1007541	20
	1007544	20
	1007545	20
	1007581	20
	1007582	20
	1007583	20
	1008237	20
	1008238	20
	1008239	20
	1008243	6
	1008250	20

Mining Claim Prefix	Mining Claim Number	Expend. Days Cr.
K	1008251	20
	1008252	20
	1008253	20
	1008254	20

ONTARIO GEOLOGICAL SURVEY
ASSESSMENT FILES OFFICE
DEC 19 1988
RECEIVED

KENORA MINES DIV.
AUG 9 1988
AM 7 8 9 10 11 12 1 2 3 4 5 6 PM

Expenditures (excludes power stripping)

Type of Work Performed: PRELIMINARY EVALUATION

Performed on Claim(s): all

Calculation of Expenditure Days Credits

Total Expenditures: $ 7900.00 ÷ 15 = Total Days Credits: 526

Instructions: Total Days Credits may be apportioned at the claim holder's choice. Enter number of days credits per claim selected in columns at right.

972455

Total number of mining claims covered by this report of work: 27

For Office Use Only

Total Days Cr. Recorded	Date Recorded	Mining Recorder
526	Aug 9/88	M E Lemay Acting
	Date Approved as Recorded: 9 Dec 88	Director

Date: Aug 5/88

Recorded Holder or Agent (Signature)

Certification Verifying Report of Work

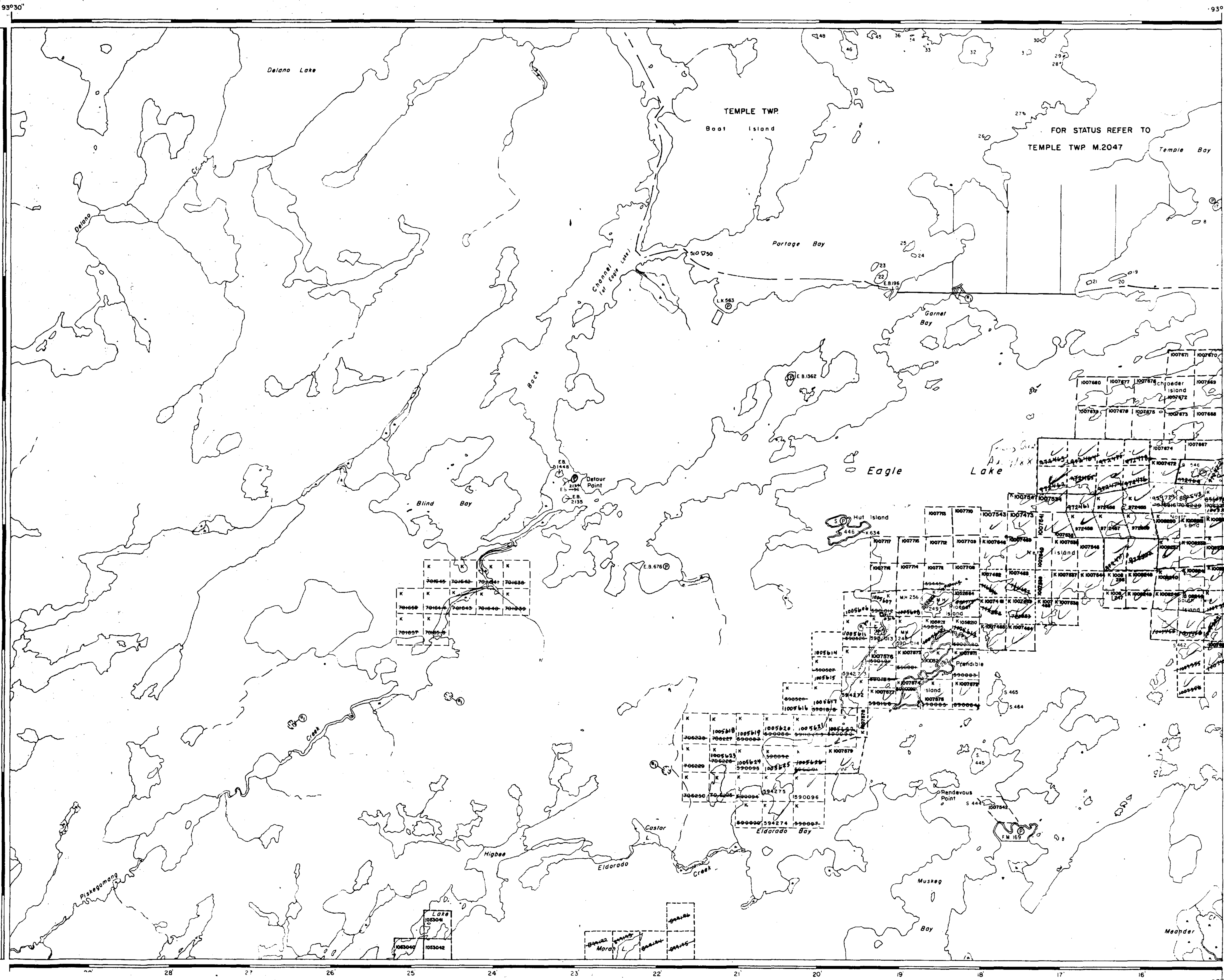
I hereby certify that I have a personal and intimate knowledge of the facts set forth in the Report of Work annexed hereto, having performed the work or witnessed same during and/or after its completion and the annexed report is true.

Name and Postal Address of Person Certifying: J.W. REDDEN Box 117, Wabigoon Ont P0V 2W0

Date Certified: Aug 5/88

Certified by (Signature)

1162 (85/12)



AREA OF

GARNET BAY

EAGLE LAKE

DISTRICT OF KENORA

KENORA MINING DIVISION

SCALE: 1-INCH = 40 CHAINS

LEGEND

PATENTED LAND	Ⓟ
CROWN LAND SALE	C.S.
LEASES	Ⓛ
LOCATED LAND	Loc.
LICENSE OF OCCUPATION	L.O.
MINING RIGHTS ONLY	M.R.O.
SURFACE RIGHTS ONLY	S.R.O.
ROADS	
IMPROVED ROADS	
KING'S HIGHWAYS	
RAILWAYS	
POWER LINES	
MARSH OR MUSKEG	
MINES	
CANCELLED	C.

NOTES

400' Surface Rights Reservation along the shores of all lakes and rivers.

AREAS WITHDRAWN FROM DISPOSITION

S.R. – SURFACE RIGHTS M.R. – MINING RIGHTS

Description	Order No.	Date	Disposition	File
(R1) RESERVE				163473

SAND & GRAVEL

(G1) GRAVEL FILE 35539

KENORA MINING DIV. RECEIVED OCT 21 1988 AM 7 8 9 10 11 12 1 2 3 4 5 6 PM

NATIONAL TOPOGRAPHIC SERIES 52F11

PLAN NO. M.1729

ONTARIO
MINISTRY OF NATURAL RESOURCES
SURVEYS AND MAPPING BRANCH

52F11NE0213 2.11626 BUCHAN BAY (EAGLE LA

200

496932

93°15'

93°00'

49°45'

49°37'30"

TEMPLE TWP.
FOR STATUS REFER TO TWP. PLAN

AUBREY TWP.
FOR STATUS REFER TO TWP PLAN

AUBREY TWP.

EAGLE LAKE
INDIAN RESERVE NO. 27

AUBREY TWP.
FOR STATUS REFER TO TWP PLAN

TEMPLE TWP

Farabout Peninsula

Eagle Lake

Outlet Bay

Temple Bay

Littleneck Bay

Partridge Pt.

Swanson Is.

Windigo Pt.

Reserve Bay

Spring Bay

Stanton Island

Midway Bay

Meridional Bay

Froghead Bay

Buchan Bay

Bear Narrows

Nabish Cr.

Midway Pt.

Garnet Bay G-2581

Contact Bay G-2579

Osbourne Bay G-2588

13' 12' 11' 10' 9' 8' 7' 6' 5' 4' 3' 2' 1'

44' 43' 42' 41' 40' 39' 38'

LEGEND

PATENTED LAND	(P)
CROWN LAND SALE	C.S.
LEASES	(L)
LOCATED LAND	Loc.
LICENSE OF OCCUPATION	L.O.
MINING RIGHTS ONLY	M.R.O.
SURFACE RIGHTS ONLY	S.R.O.
ROADS	
IMPROVED ROADS	
KING'S HIGHWAYS	
RAILWAYS	
POWER LINES	
MARSH OR MUSKEG	
MINES	
CANCELLED	C.

REFERENCES

AREAS WITHDRAWN FROM DISPOSITION

M.R.O. – MINING RIGHTS ONLY
S.R.O. – SURFACE RIGHTS ONLY
M.+S. – MINING AND SURFACE RIGHTS

Description	Order No.	Date	Disposition	File

SCALE: 1 INCH = 40 CHAINS

FEET 0 1000 2000 4000 6000 8000
METRES 0 200 1000 (1 KM) 2000 (2 KM)

AREA
BUCHAN BAY
EAGLE LAKE

M.N.R. ADMINISTRATIVE DISTRICT
DRYDEN

MINING DIVISION
KENORA

LAND TITLES / REGISTRY DIVISION
KENORA

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

Ministry of Natural Resources — Land Management Branch
Ontario

Date FEBRUARY, 1984.

Number G-2573

52F11NE0213 2.11626 BUCHAN BAY (EAGLE LA

210

496931