



52G15NW0146 52G/15NW-92-C SIXMILE LAKE

010

EVALUATION of the MINERAL POTENTIAL
of the SL-1 GROUP of MINING CLAIMS
OWNED by NORLEX MINES LIMITED
NEAR STURGEON LAKE, NORTHWESTERN ONTARIO

by

W. B. Blakeman, M. Sc.
Geologist

CANADIAN JAVELIN LIMITED

November 26, 1969

Ottawa, Ontario

I. INTRODUCTION:

This report was prepared at the request of the management of Norlex Mines Limited to inform their Board of Directors about the status of the SL-1 claims near Sturgeon Lake in northwestern Ontario and to outline a proposed mineral exploration program on this property.

A visit to the property was made by the author during mid-November, (from November 14th to November 20th) upon completion of some aerial geophysical work carried out under contract by McPhar Geophysics Limited, to verify on the ground, the presence of some anomalies detected in the aerial work. During this field trip the author conducted sufficient personal inspections to satisfy himself that the staking was completed in accordance with the regulations of The Mining Act, and he also supervised the initiation of a line-cutting program in anticipation of further ground work requirements. This report was prepared after that visit and it includes a description of the property, a discussion of its mineral potential, an outline of a phased exploration program including expected costs, and a justification for proceeding with the proposed work.

II. PROPERTY, DESCRIPTION and LOCATION:

The SL-1 claims consist of a group of 54 unpatented mining claims in one contiguous block located in the Sixmile Lake Area, District of Kenora-Thunder Bay, Patricia Mining Division. A general location map of the region, (Exhibit 1) and a specific detailed claims location map, (Exhibit 2) are appended hereto.

The 54 claims were purchased by Norlex Mines Limited from Mssrs. L. K. Smith and E. O. Dearden on October 24, 1969. All of the claims were properly recorded with the Ontario Department of Mines Recorder at Sioux Lookout, Ontario on October 16, 1969. The original transcripts of the transfers to Mr. G. N. Miler "Ir Trust", a lawyer with the firm of Day, Wilson & Campbell, Solicitors for Norlex Mines Limited, are held in the Engineering Offices of Norlex Mines Limited at 100 Bronson Avenue, Ottawa. The claims are registered as Numbers PA 229,402 to PA 229,413 inclusive, PA 227,212 to PA 227,215 inclusive, PA 227,220 to PA 227,222 inclusive, PA 229,364 to PA 229,395 inclusive, PA 211,807, PA 227,227, and PA 227,228; all of these appear on the Ontario Department of Mines, Claim Map Number M 2877, the Sixmile Lake Sheet. A personal examination of portions of the property by the writer indicates that to the best of his knowledge, the claims and the group boundaries are properly staked, tagged, and marked, in accordance with The Mining Act, and that their physical locations are as indicated on Claim Map Number M 2877.

Canadian Javelin Limited holds a 10% interest in all of the above mining claims, as well as a 20% equity interest in the Common Stock of Norlex Mines Limited. Under a management agreement with Norlex Mines Limited, all exploration, engineering, and management services are provided by Canadian Javelin Limited.

III. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES:

The property may be reached by boat from O'Brien's Landing or Groves' Landing at the southwest end of Sturgeon Lake approximately 42 miles from Ignace on the Ignace-Savant Lake Highway, (Ontario Highway # 599). It may also be reached by charter aircraft from Ignace, Savant Lake or Sioux Lookout. The C.N.R. Northern Transcontinental mainline route passes about 15 miles north of the property; and C.N.R. branchline from Sioux Lookout to the Lakehead passes about 15 miles southwest of the property.

The north boundary of the SL-1 claim group is situated approximately 1/3 mile south of the western end of the Sturgeon Lake Narrows; and, the center of the group is approximately five miles in an east-northeasterly direction from the recently announced discovery site of Mattagami Lake Mines Limited on the "Block 7" timber lease held by Abitibi Paper Company Limited.

The climate in the area is described as Cool Temperate East Coast (with short summers). Mean annual precipitation is in the order of 20 inches, and mean annual snowfall is about 80 inches. The mean January temperature is -5°F with overnight lows approaching -60°F, and mean July temperature is 62°F with daily highs approaching 95°F. The winter period extends from mid-October to late April; the average frost-free period is about 75 days.

The terrain within the group is generally flat and covered with second-growth species of woods, particularly spruce, jackpine, birch, poplar and cedar. The only extensive muskeg area is situated around the south shore of Barge Lake. The general area is prime logging country that is extensively traversed by winter logging trails and roads.

The area is in the Brown-Podzolic soil zone which is typical in the northern forests of mixed hardwoods and conifers. It is in glaciated country that is underlain with glacial detritus and scoured bedrock. Accordingly, the agricultural potential of the soil is low.

The population in the region is sparse and located in small centres along the railway lines at Ignace, Sioux Lookout, and Dryden. A transient logging and forestry population moves throughout the area during the winter season. Several Indian Reserves containing small scattered bands are also located nearby.

iv. HISTORY:

The general region has been investigated over the past century by the Geological Survey of Canada, the Ontario Department of Mines, and to varying degrees by several mining companies. Several reports have been written about the region during this period. The most recent reports are: the Ontario Department of Mines, Geological Report Number 24, Metionga Lake Area by David P. Rogers, 1964; and, the Geological Survey of Canada, Paper 68-45, Geology of the Sioux Lookout Map-Area, Ontario, a Part of the Superior Province of the Precambrian Shield, by R. Skinner, 1968. In addition, the area is extensively covered on the Ontario Department of Mines Preliminary Geological Map P-353, the Minnitaki-Sturgeon Lakes Sheet, Districts of Kenora and Thunder Bay, compiled by J. C. Davies and A. P. Pryzlak, issued in 1966.

Previous mining activity in the Sturgeon Lake Area centered around the Darkwater and St. Anthony gold mines, prior to the Second World War. Since that time many mining claims have been staked on gold, copper, and magnetite iron formation showings, but most of these claims have been allowed to lapse. There is, however, no evidence of previous staking or mineral exploration specifically on the ground currently described as the Norlex SL-1 Group.

The claim staking activity now in progress in the Sturgeon Lake Area was stimulated by a recent announcement of a mineral deposit discovery by Mattagami Lake Mines Limited in

October 1969. Mattagami Lake Mines Limited is drilling an electro-magnetic conductive zone on Block 7, southeast of Beidelman Bay on Sturgeon Lake. The company reported ore grade intersections of zinc, copper, silver, lead, and gold over 70 to 190 foot true widths along approximately 1000 feet of strike length along what appears to be the contact between acid and basic volcanic rocks. The intensity of staking activity and group holdings in the region is illustrated in Exhibit 3, reproduced from a recent survey published in the Northern Miner.

A team of prospectors headed by Messrs. E. O. Dearden and L. K. Smith staked a substantial block of 132 unpatented mining claims during the ensuing rush. They offered the block for sale to interested parties, including Norlex Mines Limited, and others. Upon the recommendations of its engineering staff, Norlex Mines Limited acquired the 54 claim SL-1 group from the above block in the vicinity of the Mattagami Lake Mines discovery and on the same geologically interpreted structure, from Messrs. E. O. Dearden and L. K. Smith, the prospectors who staked this group, in October 1969.

An approximation of expenditures incurred on this property to date by Norlex Mines Limited is the following:

1. Acquisition:

Cash Payments to vendors	\$ 10,000
Stock Payment to vendors 88,000 shares at \$.54	47,520
Legal Fees	2,000
Engineering staff time	<u>500</u>
Total Acquisition expenditures to date	\$ 60,020

2. Engineering & Exploration:

Air Borne E.M. & Magnetic Survey - McPhar Geophysics Ltd.	820
Line Cutting & Ground E.M. and Magnetic Survey - Dearex Ltd.	5,840
Home Office - Staff Time - W.S.H., P.L., W.B.	1,800
Travel & Living Expenses	<u>300</u>
Total Engineering & Exploration Expenditures to date	\$ <u>8,760</u>
GRAND TOTAL EXPENDITURES TO DATE	<u>\$ 68,780</u>

Committments for additional imminent expenditures in the current exploration program are approximately as follows:

1. Acquisition: \$ 000

2. Engineering & Exploration:

Air Borne E.M. & Magnetic Survey - McPhar Geophysics. Ltd.	800
Line Cutting & Ground E.M. and Magnetic Survey - Dearex Ltd.	5,840
Home Office - Staff Time	3,000
Travel & Living Expenses	1,000
Outside Consultants	<u>1,000</u>
REMAINING EXPENDITURES	\$ 11,640

Upon completion of the above exploration program, and under the provisions of the Ontario Mining Act, the respective claims will be in good standing for about one and a half years from the recording date of October 16, 1969. These work credits result from an airborne geophysical survey which was conducted over the SL-1 claim group for Norlex Mines Limited by McPhar Geophysics on the 5th and 6th of November 1969. At the prescribed rate of 40 man days per mile of flight line, a total credit of 1566 or 29 man days per claim is available upon submission of the report of work performed to the Ontario Department of Mines.

V. REGIONAL GEOLOGY:

The general relationship between the regional geology in the area of the Mattagami Lake Mines discovery and the Norlex SL-1 claim group is indicated in the examination of the Sturgeon Lake Area by the Ontario Department of Mines whose findings are illustrated in Map P-353. Additional data is shown on Map 2044, the Metionga Lake Area, (which accompanies O.D.M. Report Number 24, by D.P. Rogers), and on the Geological Survey of Canada Aeromagnetic Maps 1117 and 1127.

On the basis of the above data, the author is of the opinion that the southern limit of the Archean greenstone belt extends from Beidelman Bay on Sturgeon Lake, eastward across Darkwater Lake, north of Bell Lake, across the southern tip of Glitter Lake and on to the area southwest of Sassafras Lake, an approximate distance of 22 miles. The eastern limit roughly parallels the west shore of Quest Lake, and then swings south-easterly to apparently join the southern limit in a "pinched" situation southwest of Sassafras Lake. The three major rock types within this triangular area south, and east of Sturgeon Lake are acid and basic metavolcanics and a band of metasedimentary and metavolcanic rocks, including magnetite iron formation, which approximately coincides with the southeasterly trending axis of the Barge, Post, and Willet Lake series.

The assumed acid-basic metavolcanic contact extends from just north of Darkwater Lake, eastward through Clay Lake, to Hump Lake whereupon it swings northwestward approximately paralleling the south shore of the Barge, Post, Willet Lake series, to the area at the southwest end of the Narrows on Sturgeon Lake. The mineralized zone currently being drilled by Mattagami Lake Mines is reported to follow the acid-basic metavolcanic contact (Northern Miner, November 6th, 1969) along an east-west strike, and dipping steeply at 70° to the north. The Ontario Department of Mines Map 2044, the Metionga Lake Sheet, indicates outcrops of basic volcanics dipping vertically or steeply to the northeast, along the shore line of Sturgeon Lake south of the southwest end of the Narrows. This observation, plus the suggested fold nose structure containing acid and basic metavolcanics east of the Sturgeon Lake shore line and at a point west of the north end of Lyon Lake indicates that a major fold structure may be present, possibly a syncline overturned to the south and plunging to the west-northwest. There is little evidence of the fold structure to the west of Sturgeon Lake; consequently, the author suspects a major fault zone within the Lake itself. The general regional geology, as derived from all of the foregoing data is illustrated in Exhibit 4.

VI. LOCAL GEOLOGY:

In the case of the Mattagami discovery, the acid-basic metavolcanic contact zone appears to be the geologically favourable area for the emplacement of sulphide mineralization. Published data indicates that ore grade intersections of zinc, silver, copper, and lead sulphides have been encountered in the rhyolite and acidic flows and tuffs which are to the north, e.g., hanging wall side of the basic volcanics indicated on Map Number P-353. The age differences between the sulphide mineralization and the host rock as well as the relationship between the mineralization and the overall inferred synclinal structure are not known to the writer at this time. If the mineralization is controlled by structural features and the presence of fractured and brecciated rhyolites and tuffs, in close proximity to more competent and inhospitable andesites, then any area along the contact zone and within the inferred synclinal fold structure would be a geologically encouraging area in which to search for additional zones of ore grade sulphide mineralization. Under this hypothesis the entire 15 mile length of this contact zone would thus be worthy of detailed examination.

Map P-353 and Exhibit 4 indicate that the SL-1 claim group is underlain by 1.) basic igneous rocks, 2.) metasediments and volcanics, and 3.) acid and basic metavolcanic rocks, all striking northwest-southeast. Mapped outcrops (Map 2044) on the south

shore of Sturgeon Lake, just west of the claim group suggest that the rock units within the group can be expected to dip vertically or steeply to the northeast, probably representing the northeast limb of the inferred overturned fold structure. The presence of the favourable acid-basic metavolcanic contact zone is indicated by mapped outcrops of schists and gneisses associated with the basic metavolcanics along the south shore of Post Lake, and by mapped outcrops of acid agglomerate, tuff, or flow breccia along the south shore of Sturgeon Lake, just north of Lyon Lake. The indicated contact crosses the southern portion of the claim group in a northwest-southeast direction over a probable length of about 1 1/2 miles, as shown on Exhibit 5.

The inferred favourable geologic setting on and around this property classifies it as one that is worthy of extensive examination. Due to the indicated scarcity of outcrops within the group, however, it would probably be necessary to rely heavily on ground geophysical information and exploratory drilling to further delineate the contact zone and to verify the presence of mineralized areas along this contact.

VII. PROPOSED EXPLORATION PROGRAM:

In view of the potentially favourable geological conditions expected on the Norlex SL-1 claim group, there are two realistic exploration strategies or alternatives that may be considered by the company.

The first alternative would involve a very extensive field program in which the entire claim block would be geologically mapped and tested by geophysical surveys utilizing magnetometers and electro-magnetometers on cut lines no more than 400 feet apart. Such a geophysical program might outline the contact zone, and other anomalous zones that might serve as diamond drilling targets within the area covered by the claim group. The contact zone should then be subjected to an exploratory deep-drilling program with at least 500 foot holes at 1000 foot intervals along the strike of the above contact. This program would be essentially a searching operation to verify the hypothesis that such a contact zone is present and that sulphide mineralization can be expected along it. Successive holes would be spotted by utilizing geophysical information in conjunction with the progressive results of the drilling program.

Such a basic geophysical program would cost at least \$ 15,000, and considerably more if it were deemed necessary to resort to gravity and/or I.P. surveys - the latter could add another \$ 35,000 to the cost of the geophysical work.

The extensive drill program could entail up to 15,000 feet of drilling at a cost of approximately \$ 150,000, including assaying. An estimated maximum cost for such geophysical work and drilling would be in the order of \$ 200,000. Management and engineering services might amount to an additional 15%, and the total cost of this type of program could be expected to reach \$ 230,000.

Such an undertaking would require about one year to complete, and it would provide an exhaustive, in depth study of the property, greatly reducing the possibility of missing significant zones of sulphide mineralization.

The second exploration alternative open to the company involves a three-phased program whereby work would be initiated, completed and studied, for each phase prior to undertaking the following step. The three phases would entail 1.) airborne geophysics, 2.) ground geophysics, and, 3.) diamond drilling followed by a general evaluation of the total program.

The airborne geophysical phase should indicate conductive zones to be examined in detail by the ground survey which would concentrate primarily on the conductive zones outlined by airborne methods. Diamond drilling would be performed only on the favourable anomalies.

In order to be able to start an exploration program immediately after "freeze up" the company has already initiated a phased program to be carried out in conjunction with two affiliated

companies, Bison Petroleum and Minerals Limited and Canadian Javelin Limited.

Airborne Survey:

McPhar Geophysics Limited of Toronto conducted the airborne magnetometer and electro-magnetometer survey over Norlex, Bison and Javelin claims from November 4th to November 6th, 1969, using an F. 400 E.M. e.g., a single phase, dual frequency unit and a proton magnetometer mounted in a D.H.C. Beaver aircraft, flying at 450 feet and on 1/8 mile line spacing. As of the date of this report, only the very preliminary data has been made available to the Norlex engineering staff. The writer has examined this data with McPhar technical personnel. McPhar technical personnel state that the preliminary information indicates the presence of a conductive zone approximately 3000 feet in length, associated with a magnetic high, within the Norlex claim group, south of Barge Lake (as shown in Exhibit 5). The strike of this anomalous zone probably parallels that of the major rock units indicated on Map P-353. An additional conductive zone indicated by the airborne survey may be present in the east portion of the property in the vicinity of Claim Number PA 229,381. Whereas this interpretation is strictly preliminary, it must be stressed that the qualities, absolute lengths and precise locations of the conductive zones indicated by the airborne survey are not known at this time. Therefore it is necessary to await McPhar's final report before further statements can be made concerning the airborne survey.

The cost of this survey is broken down as follows:

Approximately 60 line miles at \$ 16.00 (includes ferry charge)	\$ 960
Photo Mozaic	<u>50</u>
Total Airborne Survey Cost	<u>\$1,010</u>

Of this total, \$ 820.00 has been advanced to McPhar, leaving a balance of \$ 190.00.

The author utilized a Ronka E.M. 16 electromagnetic unit to check one cut line and one claim line south of Barge Lake. This reconnaissance investigation verified the presence of the conductive zone in this area. The detailed ground survey will more precisely locate and delineate this conductive zone.

Ground Survey:

Line cutting for the ground E.M. and magnetometer survey commenced on the SL-1 claim group in late October 1969. Dearex Limited of Toronto will perform the survey using a Crone J.E.M. electromagnetic unit and a Flux-gate magnetometer. The ground work will concentrate on the target areas as indicated by the airborne survey.

The anticipated costs for the ground survey are as follows:

Line cutting: 27 miles at \$ 85.00/mile	\$ 2,295
Magnetometer Survey: 27 miles at \$ 65.00/mile	1,755
E. M. Survey: 27 miles at \$135.00/mile*	3,645
Mobilization Charge E. M./Mag. Crew:	<u>125</u>
Total Cost, Ground Survey	<u>\$ 7,820</u>

*Includes interpretation of results by D. Crone.

Of this total, \$ 5,840 has been advanced to Dearex Limited, leaving an unpaid balance of \$ 1,980.

Diamond Drilling:

The ground geophysical survey will probably outline conductive zones which will have to be drilled in order to be thoroughly evaluated. A reasonably estimated program at this date would call for six holes, at a maximum of 500 feet each, for a total of 3000 feet of drilling. By allowing \$ 10.00 per foot as a slightly high drilling cost, the drilling program is estimated to cost \$ 30,000.

Engineering Office Services:

1. Technical Staff:

Field - one engineer for 6 weeks at \$ 900 per week	\$ 5,400
Office - Engineer & Draftsman for 3 weeks each at \$ 500 per week	3,000
Transportation - Ottawa to field site	1,000

2. Assays Estimated:

One hundred determinations at \$ 10.00	<u>1,000</u>
Total Engineering Office Services	<u>\$ 10,400</u>

Estimated Total Cost, Engineering and Exploration:

Airborne Survey	\$ 1,010
Ground E.M. & Magnetic Survey (Including Line Cutting)	8,000
Diamond Drilling	30,000
Engineering Office Services	<u>10,400</u>
GRAND TOTAL	<u><u>\$ 49,410</u></u>

Upon completion of the three-phase program outlined as alternate Number 2, it will be necessary to evaluate all of the information acquired up to that time.

A decision should then be made to either proceed with an expanded exploration-mine development program, or to reduce the scale of exploration activities to the point that it is sufficient to maintain the claims in good standing, or to cease all work on the property.

The three-phase program would provide the company with the advantage of being able to

evaluate the results of each phase prior to planning and committing funds to undertake the following one. However, it does have the inherent risk, common to most relatively rapid exploration programs, of missing something which is not indicated as an anomaly or conductor.

VIII. SUMMATION and CONCLUSIONS:

The Norlex Mines SL-1 claim group consists of 54 unpatented mining claims located in the Sturgeon-Sixmile Lake Area, Patricia Mining Division, District of Thunder Bay, North-western Ontario.

The property was purchased from Mssrs. E. O. Dearden and L. K. Smith, the prospectors who staked the ground, in October 1969. Norlex Mines Limited holds a 90% interest in the ground and Canadian Javelin Limited holds the remaining 10% interest.

The recent claim staking activity in the area was sparked by an announcement of the discovery of a mineral deposit by Mattagami Lake Mines Limited in early October 1969. Mattagami Lake Mines has reported ore grade intersections of zinc, copper, lead, gold and silver with true widths of up to 190 feet along approximately 1000 feet of strike length, and on what appears to be a contact between acid and basic volcanic rocks in an Archean greenstone belt in the vicinity of Sturgeon Lake.

The geologic structure on which Mattagami is drilling appears to be a major fold, possibly a syncline overturned to the south and plunging to the west. The assumed acid-basic volcanic contact follows the shape of the fold structure and has a probable strike length of 15 miles. Sulphide mineralization is thought to be controlled by the structure, and by the presence of fractured and

brecciated rhyolites and tuffs in close proximity to more competent and inhospitable andesites; consequently, any location along the inferred contact warrants geological investigation for additional zones of sulphide mineralization.

A geologically favourable, and possibly similar, acid-basic metavolcanic contact appears to cross the southern portion of the SL-1 claim group in a northwest-southeast direction for a distance of approximately 1 1/2 miles

Outcrops are expected to be scarce on the claim group, therefore geophysical surveys and detailed diamond drilling would be necessary to thoroughly investigate the property.

Two alternate exploration strategies are available to the company for verifying the hypothesis and expectations on the property.

The first alternative involves line cutting magnetometer, and electromagnetometer surveys over the entire claim group. The possibility also exists that it might be necessary to resort to gravity and I.P. surveys to provide adequate information. In addition to the geophysical work, diamond drilling would have to be done on a detailed basis to verify the inferred contact zone and to obtain evidence of sulphide mineralization. This program would probably require 15,000 feet of drilling and the total cost of such a program would be \$ 230,000.

The second alternative strategy would involve a cursory three-phase program including

an airborne geophysical survey, followed by a ground geophysical survey concentrating on the anomalous area of interest indicated by the airborne survey. After evaluation and study of the geophysical work, a modest diamond drilling program with about 3,000 feet of drilling could be undertaken. The cost of the total program would be in the order of \$ 50,000. The current exploration program follows this strategy.


In order to be able to proceed with ground work immediately after "freeze up" an airborne survey has been completed and a conductive zone has been indicated on the property just to the south of Barge Lake. Ground reconnaissance with an E.M. 16 unit has verified the existence of this conductive zone.

In addition, line cutting has been started on the claim group and a ground geophysical survey is expected to start shortly. The weakness of this strategy is the inherent high risk of not finding favourable information within the nominal budget provision.

IX. RECOMMENDATIONS:

In view of the fact that the Company has already completed an airborne geophysical survey and has initiated line cutting in preparation for the ground survey, and due to the advantages of being able to evaluate results, plan, commit funds and proceed on a step-by-step basis, it is hereby recommended that the Company follow the three-phase exploration program outlined above, but that it also strongly consider a more detailed and probing investigation of the property if the financial conditions can accommodate such an undertaking.

Respectfully submitted,


William B. Blakeman, M.Sc.
Geologist

WBB:gjt

REFERENCE MATERIAL

1. Ontario Department of Mines
Report Number 24 - Metionga Lake Area (includes
Map 2044) by David P. Rogers - 1964.
2. Geological Survey of Canada
Paper 68-45 - Geology of the Sioux Lookout Map-
Area, A Part of the Superior Province of the
Precambrian Shield by R. Skinner - 1964.
3. Ontario Department of Mines - Preliminary Geological
Map P-353 - The Minnitaki-Sturgeon Lake Sheet,
Districts of Kenora and Thunder Bay - compiled by
J. C. Davies and A. P. Pryslak - 1966.
4. Geological Survey of Canada
Aero-Magnetic Series -
 Sheets 1117 G - Bell Lake
 1127 G - Watcomb
5. Northern Miner
Issue dated November 6th, 1969.
6. Bateman, A. M. - Economic Mineral Deposits, J. Wiley
& Sons, New York - 1952.
7. Putnam D. F. and Kerr, D. P., A Regional Geography
of Canada, J. M. Dent & Sons, Toronto - 1966.

CERTIFICATE

I, William B. Blakeman, of the City of Ottawa, in the Province of Ontario, hereby certify:

1.) That I am a geologist and reside at 451 Echo Drive, Ottawa 1, Ontario.

2.) That I am employed as a geologist by Canadian Javelin Limited and have practiced my profession for over ten years.

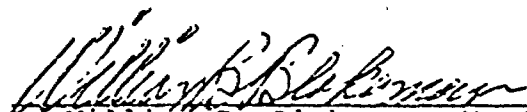
3.) That I am a graduate of the University of Vermont, Burlington, Vermont, and hold a Bachelor of Arts Degree in Geology, and that I also hold a Master of Science Degree in Economic Geology from the same University.

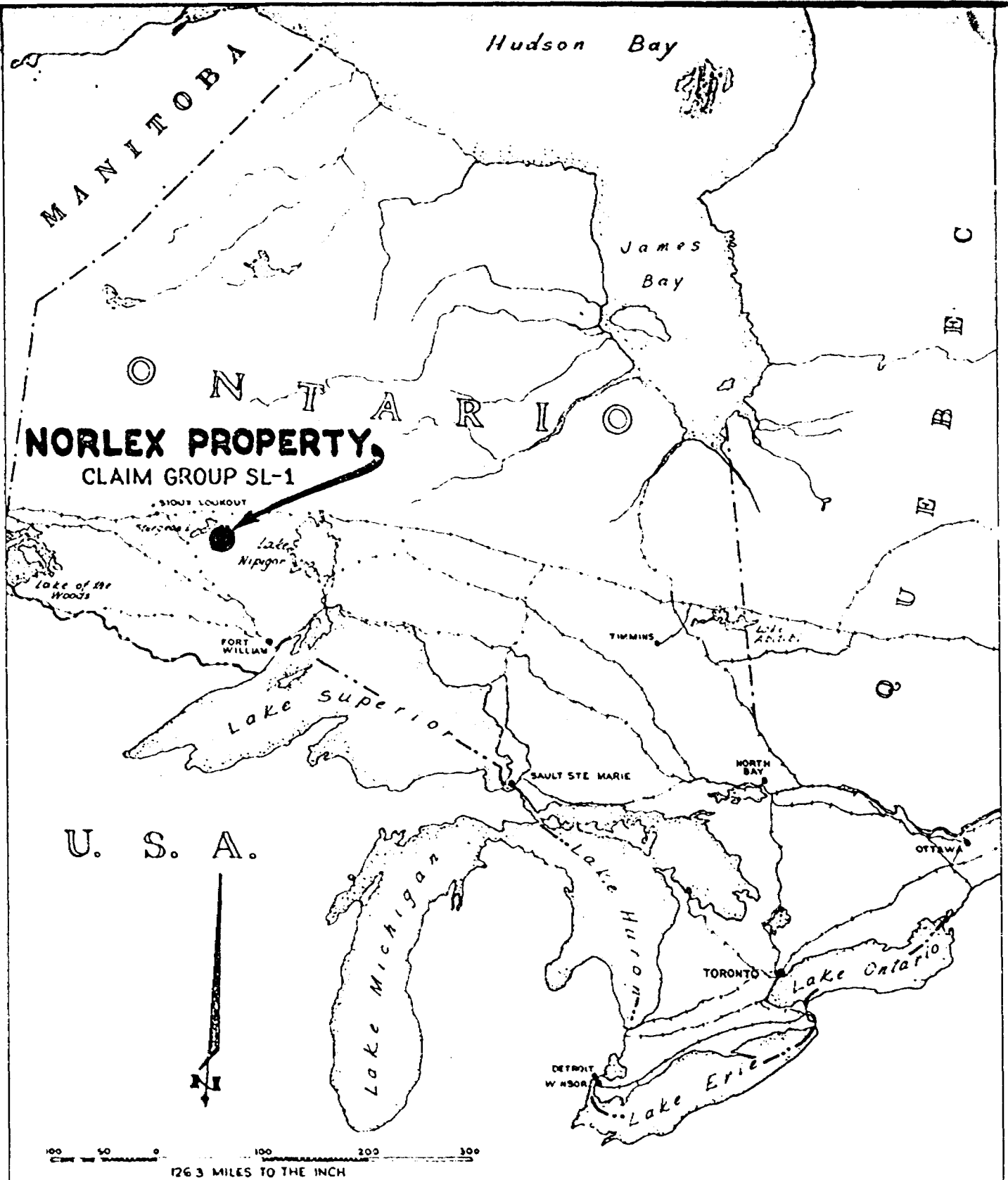
4.) That I have no interest either directly or indirectly in the properties or securities of Norlex Mines Limited and Canadian Javelin Limited, and that I do not expect to receive either directly or indirectly any interest in the securities of the above named companies.

5.) That the accompanying report is based upon a physical examination of portions of the property, a thorough study of current geologic reference material relative to the property's geographic setting, and consultation with technical personnel of McPhar Geophysics Limited relative to the results of the airborne survey.

6.) This certificate applies to the unpatented mining claims of Norlex Mines Limited known as the SL-1 claim group, situated near Sturgeon Lake, Patricia Mining Division, North-western Ontario.

Dated at Ottawa, Ontario, this 26th day of November 1969.


William B. Blakeman, M. Sc.

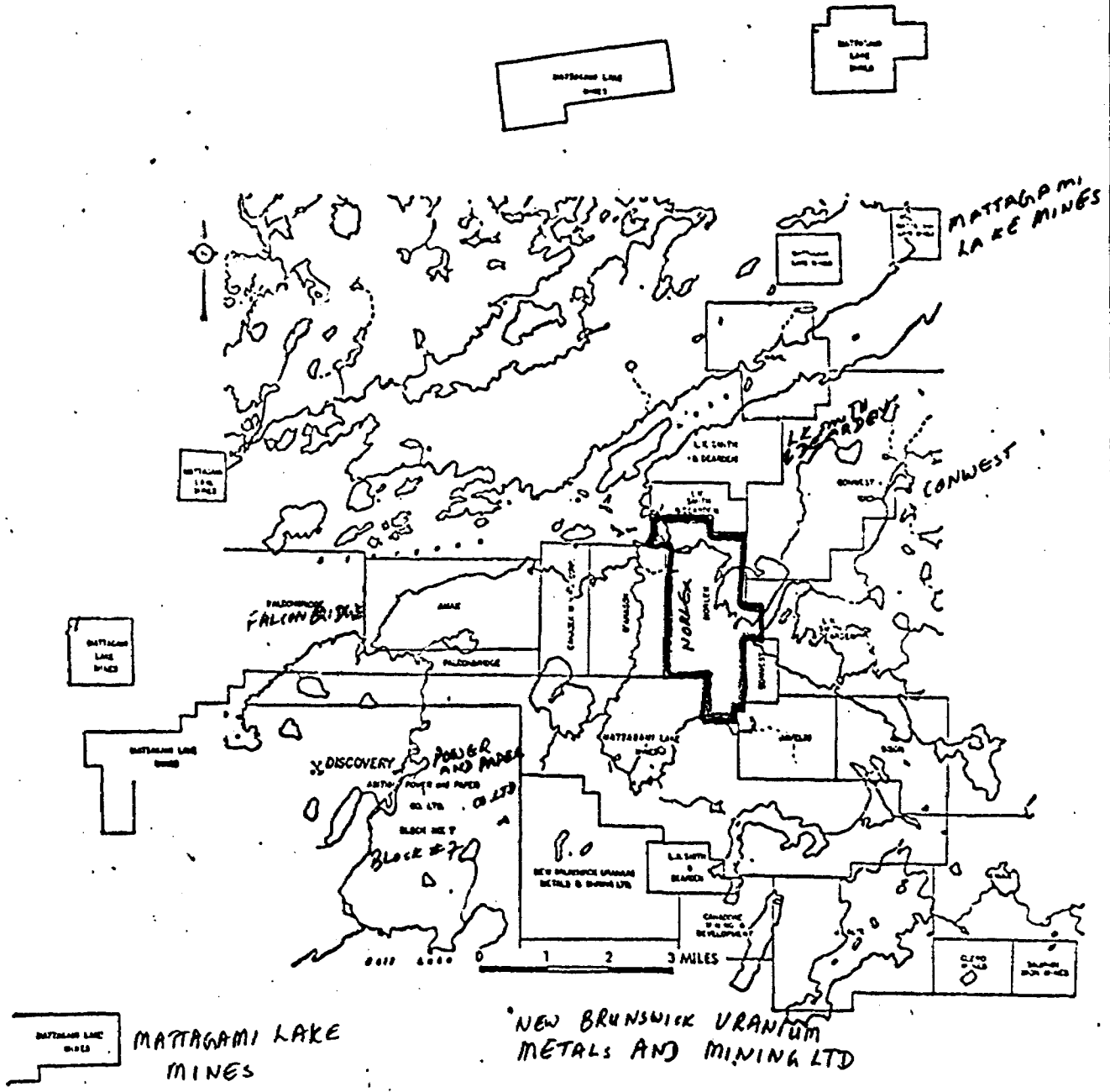


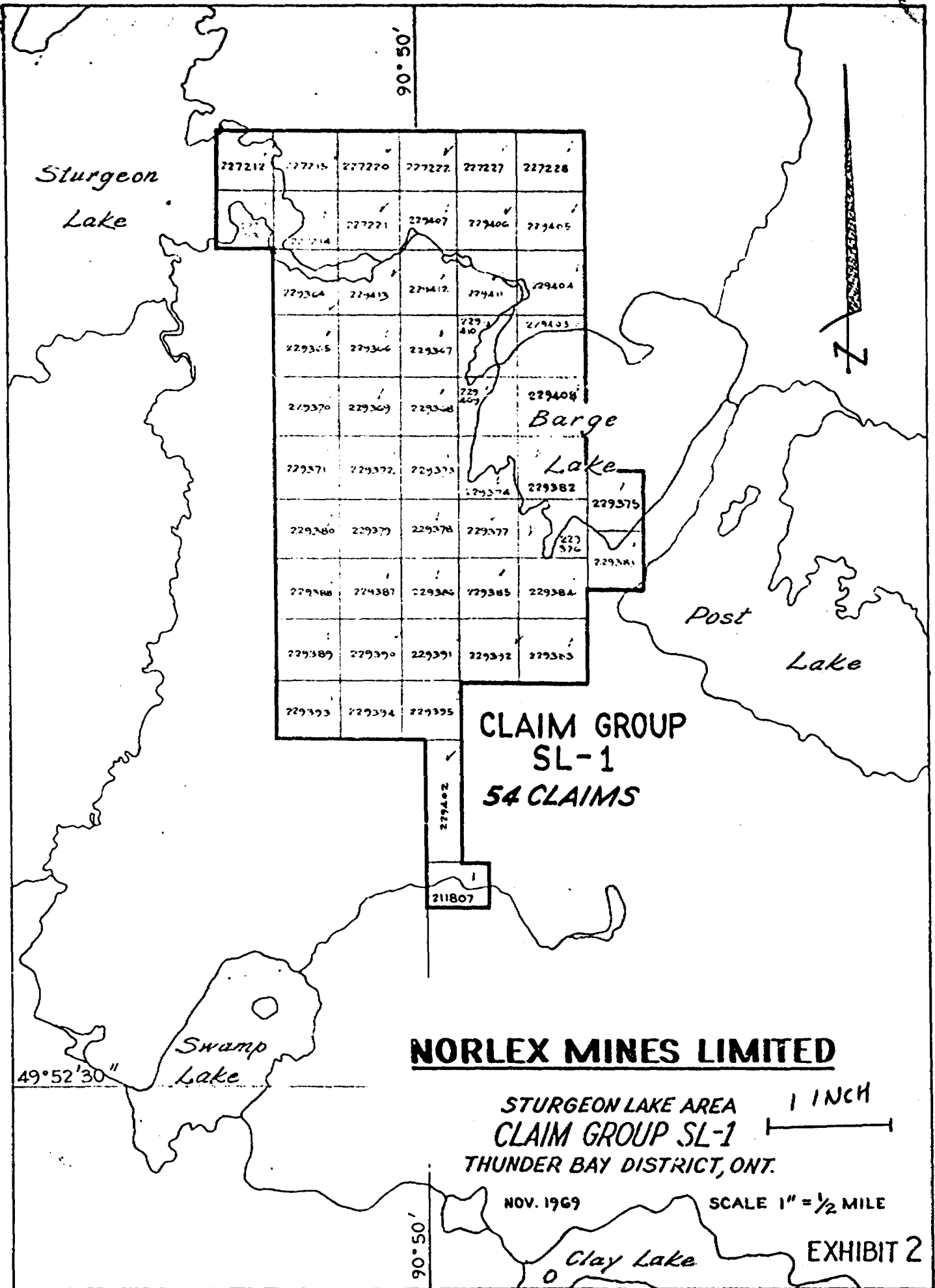
NORLEX MINES LIMITED

GENERAL LOCATION OF
STURGEON LAKE AREA CLAIM GROUP
 PROVINCE OF ONTARIO, CANADA

NOV. 1969

EXHIBIT 1





Sturgeon
Lake

227212	227215	227220	227227	227237	227228
		227221	227407	227406	227405
227364	227413	227412	227411	229404	
229365	229366	229367	229368	229369	
229370	229371	229372	229373	229374	229408
229375	229376	229377	229378	229379	229380
229381	229382	229383	229384	229385	229386
229387	229388	229389	229390	229391	229392
229393	229394	229395			

**CLAIM GROUP
SL-1
54 CLAIMS**

NORLEX MINES LIMITED

STURGEON LAKE AREA
CLAIM GROUP SL-1
THUNDER BAY DISTRICT, ONT.

NOV. 1969

SCALE 1" = 1/2 MILE

EXHIBIT 2

90° 50'

49° 52' 30"

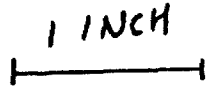
90° 50'

Swamp
Lake

Clay Lake

Post
Lake

Barge
Lake





RESOURCES ENGINEERING OF CANADA LIMITED
CONSULTING ENGINEERS
1901 YONGE STREET, TORONTO 25, CANADA

CERTIFICATE

I, William B. Magyar, of the City of Toronto, in the Province of Ontario, hereby certify:

1.) That I am a Consulting Engineer, and reside at 5 Sheffley Crescent, Weston, Ontario.

2.) That I am a registered Professional Engineer of the Province of Ontario, and of the Province of Quebec. I have practised my profession for over fifteen years.

3.) That I am a graduate of McGill University and hold a Bachelor of Engineering Degree in Mining Engineering. I am also a graduate of the University of Western Ontario, and hold a Master of Business Administration Degree. I am associated with Resources Engineering of Canada Limited, Toronto, Ontario, a firm of consulting engineers.

4.) That I have no interest, either directly or indirectly, in the property or securities of Norlex Mines Limited, and that I do not expect to receive, either directly or indirectly, any interest in the securities of that company.

5.) That the accompanying report in letter form, is based on knowledge of the property gained through Mr. W. B. Blakeman, the Geologist in charge of exploration work to date on the subject property. I did not visit the property but I had the benefit of reviewing the results of Mr. Blakeman's work, including all of the references and contracts cited in his comprehensive report on the property. My examinations were conducted during the period from November 19, 1969, to November 27, 1969, inclusive.

6.) This certificate applies to lands held under unpatented mining claims by Norlex Mines Limited, and commonly known as the SL-1 Group near Sturgeon Lake, Northwestern Ontario.

William B. Magyar, P. Eng.

52G/15NW

AREA OF SIXMILE LAKE

M-2877

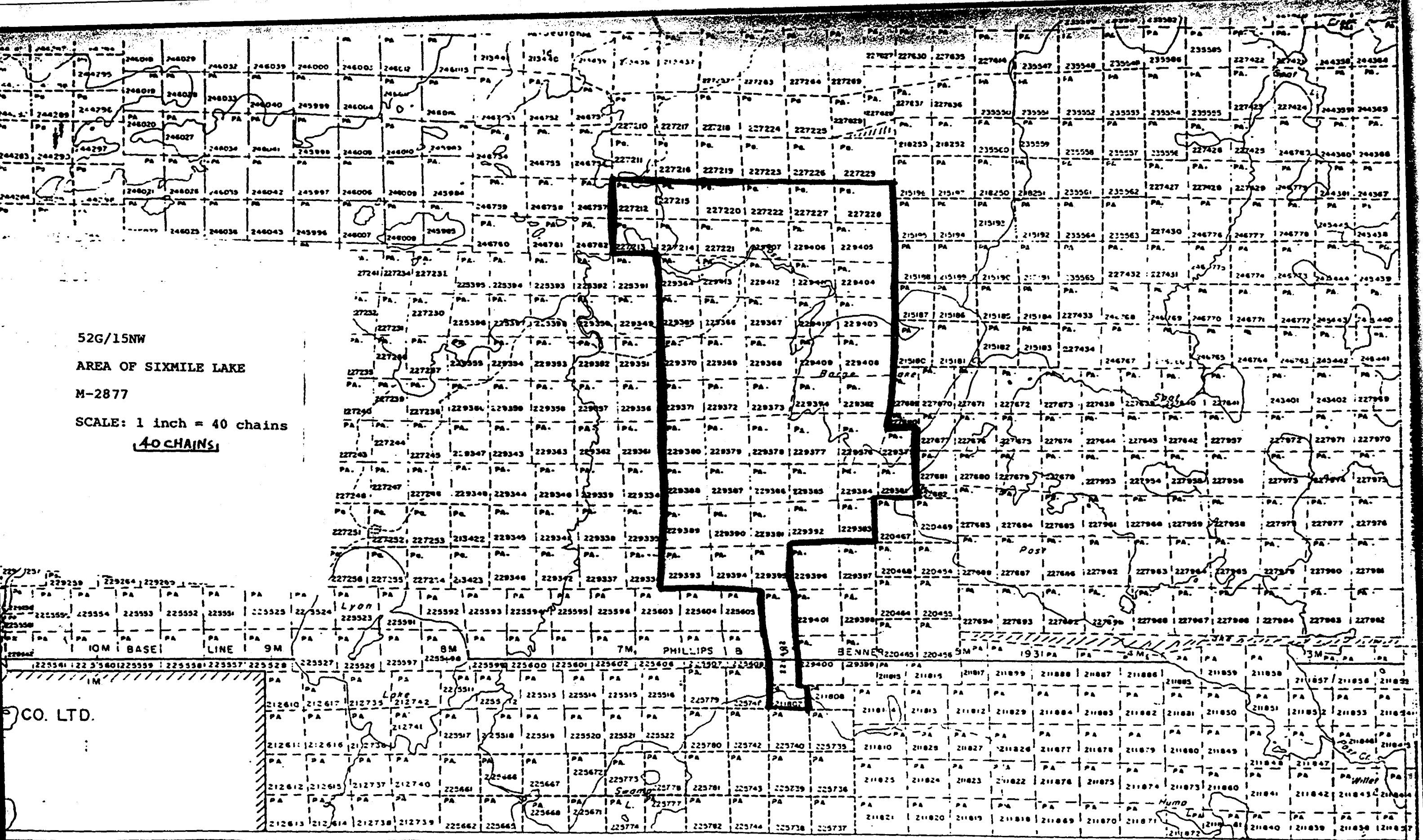
SCALE: 1 inch = 40 chains

40 CHAINS

CO. LTD.

55 54 53 52 51 50 49 48 47 46

FY 90°45



RESOURCES ENGINEERING OF CANADA LIMITED

CONSULTING ENGINEERS

1901 YONGE STREET, TORONTO 295, CANADA

File No. 113-018.0 NX

November 27, 1969.

The Board of Directors,
Norlex Mines Limited,
100 Bronson Avenue,
Ottawa 4, Ontario.

Gentlemen:

Re: The SL-1 Mining Claim Group,
Near Sturgeon Lake, Northwestern Ontario

Upon the request of your management, we completed an examination of all reports and relevant information about the above property made available by the exploration and engineering staff of Canadian Javelin Limited, who manage the property on your behalf. We were asked specifically to verify material facts reported by the property managers in their evaluation of the mineral potential of this property, and to offer our opinion on the merits of their proposed exploration program.

During the course of our investigations we interrogated and worked closely with Mr. W. B. Blakeman, the Geologist who is responsible for exploration activities on this property; and the author of the above-mentioned evaluation report. We reviewed this report and its supporting data critically; and, we examined the claim transfer and ownership documents, the agreements with the prospector-vendors of the claims group, work contracts executed with the line cutters and geophysical surveying firms, and the unaudited statement of expenses incurred by Norlex Mines Limited to date.

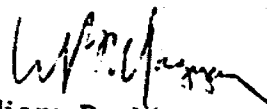
On the basis of information reviewed we are pleased to acknowledge our agreement with statements in Mr. Blakeman's report that pertain to the property ownership, location, description, status, and expenditures incurred to date on the subject property.

November 27, 1969

The hypothesis that serves as the foundation for Mr. Blakeiman's enthusiasm about the geological merits of this property is derived by sound deductive reasoning. He has taken full advantage of all published information on regional geological facts and local geophysical anomalies in arriving at his technical conclusions. On the basis of our independent review of facts, theories, and hunches pertaining to the above property, we are in agreement with Mr. Blakeiman's hypothesis that the contact zone between the acid and basic volcanics may pass through the property in the manner depicted in Exhibit 5 of his report, and that this contact zone may be a favourable one for sulphide mineralization.

In our opinion, this property merits serious consideration for further exploration work. We recommend that the least effort for consideration should be the minimal program of further ground geophysical work and minor diamond drilling, described as Alternative Number 2, at an estimated cost of \$50,000. Because of apparently difficult terrain conditions and the relative absence of outcrops on the property, this exploration strategy may not verify the main hypothesis upon which further enthusiasm may be justified. Accordingly, the risks of not finding an interesting geological situation will be high within the stipulated budget amount. If the Company's financial means are ample to undertake the comprehensive exploration strategy described as Alternative Number 1, at an estimated cost of \$230,000, then this approach merits serious consideration as the preferred approach to further work on the property.

Yours very truly,



William B. Magyar, P. Eng.,
Manager
Engineering Economics Division.