

52J07NE0009 52J07NE0027C1 GREBE LAKE

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SUMMARY REPORT ON RAYLLOYD RESOURCES
DIAMOND DRILL PROGRAM ON THE
WIGGLE CREEK PROSPECT, McCUBBIN TWP.,
ONTARIO

November 20, 1983

G.M. Hogg & Associates Ltd.,
28 Thompson Avenue,
Toronto, Ontario



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INTRODUCTION

From July 27 to August 11, 1983, Raylloyd Resources Ltd. test drilled the Wiggle Creek gold prospect located in McCubbin Township, Ontario. The program included 11 holes for a total of 3,740 feet of drilling.

The drilling was completed by Bradley Bros. Ltd., using BQ wireline equipment. The program was supervised by R.G. Ramsay of Raylloyd Resources Ltd. The writer logged the core, and prepared this summary report. All assaying was carried out by Assayers (Ontario) Ltd. of Toronto, Ontario.

The drilling program described herein is actually the second phase of the evaluation of the property, and was carried out within what is known as the North Grid Area. Anomalous locations in the South Grid Area were drilled during May and June, 1983.

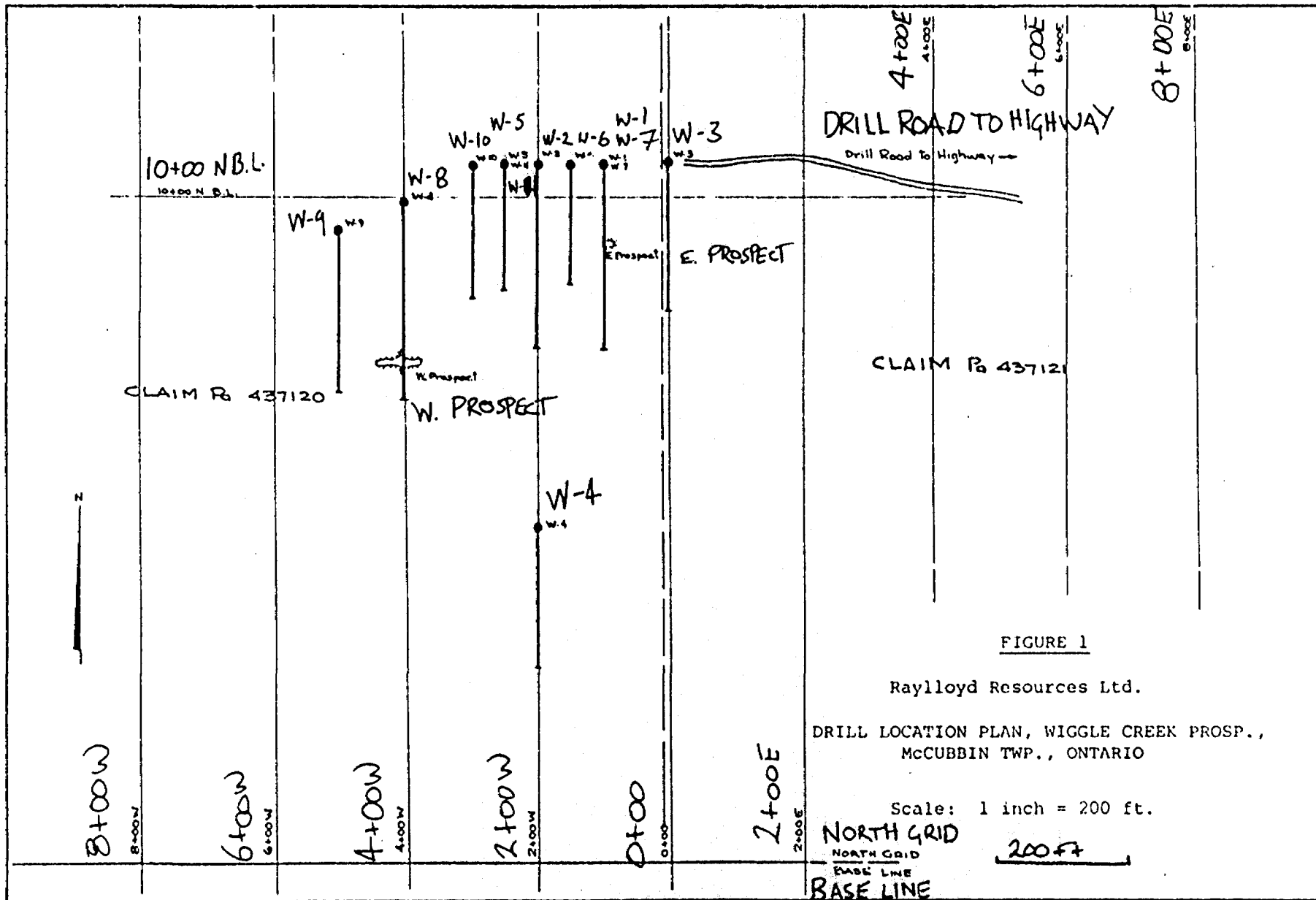
DRILL LOCATIONS

The Wiggle Creek prospect lies within the northern part of the Raylloyd Resources Savant Lake property, specifically within claims Pa 437120 and Pa 437121. As noted, it is included in the North Grid system, earlier covered by geophysical surveys performed by Raylloyd Resources.

Drilling locations are shown in Figure 1 to this report, and lie approximately $\frac{1}{2}$ mile due west of Highway 599. The area is easily accessible via a drill road cut from the highway.

The prospect area is thinly covered with overburden, and gold-bearing quartz carbonate veining is exposed in two trenched areas termed the "West Prospect" and the "East Prospect" in Figure 1.

Drilling was carried out along the general east-west strike of the prospect



at spacing of from 50 to 100 feet. Hole locations may be listed as follows:

Hole No.	North Grid Location	Azimuth	Dip	Depth (ft.)
W-1	1+00W; 10+50N	180°	-45°	400
W-2	2+00W; 10+50N	180°	-45°	400
W-3	0+00 ; 10+50N	180°	-45°	320
W-4	2+00W; 5+00N	180°	-45°	325
W-5	2+50W; 10+50N	180°	-45°	256
W-6	1+50W; 10+50N	180°	-45°	250
W-7	1+05W; 10+50N	180°	-60°	350
W-8	4+00W; 9+90N	180°	-45°	437
W-9	5+00W; 9+50N	180°	-45°	343
W-10	3+00W; 10+50N	180°	-45°	282
W-11	2+50W; 10+50N	180°	-60°	377

Total: 11 holes comprising 3,740 ft.

Hole W-4 was drilled to the south of the prospect area to test a conductive and magnetically active zone of unknown character.

DESCRIPTION OF PROSPECT AREA

GEOLOGICAL:

The Raylloyd property occupies the western end of the Savant Lake Basin. It is underlain by cherty magnetite iron formation with associated pyritic and carbonate-rich material, mafic volcanics and chlorite schist, and tuffaceous graywacke.

The western end of the Savant basin is essentially a closed synclinal structure, but the various contained formations are folded into a series of anticlinal and synclinal folds which plunge to the east into the basin interior. Faulting appears minor in nature, probably formed subordinate to folding in drag folded locations, etcetera.

In the prospect area the formational sequence from the north, or basin rim,

is (1) mafic volcanics, (2) intermixed iron formation and chlorite schist, and (3) tuffaceous graywacke. Gold and silver occur associated with arsenopyrite in a pyritic and carbonate-rich facies of the iron formation. Excellent gold values, in the 0.50 to 1.00 oz.Au/ton range, have been obtained from distinctive highly brecciated and veined quartz-carbonate zones within this formation. Arsenopyrite is always present in strongly auriferous areas.

MAGNETICS:

In reference to Figure 2, the distribution of iron formation is clearly defined by high magnetic readings. In the prospect area in particular, the presence of folding and/or faulting is indicated by contour irregularities.

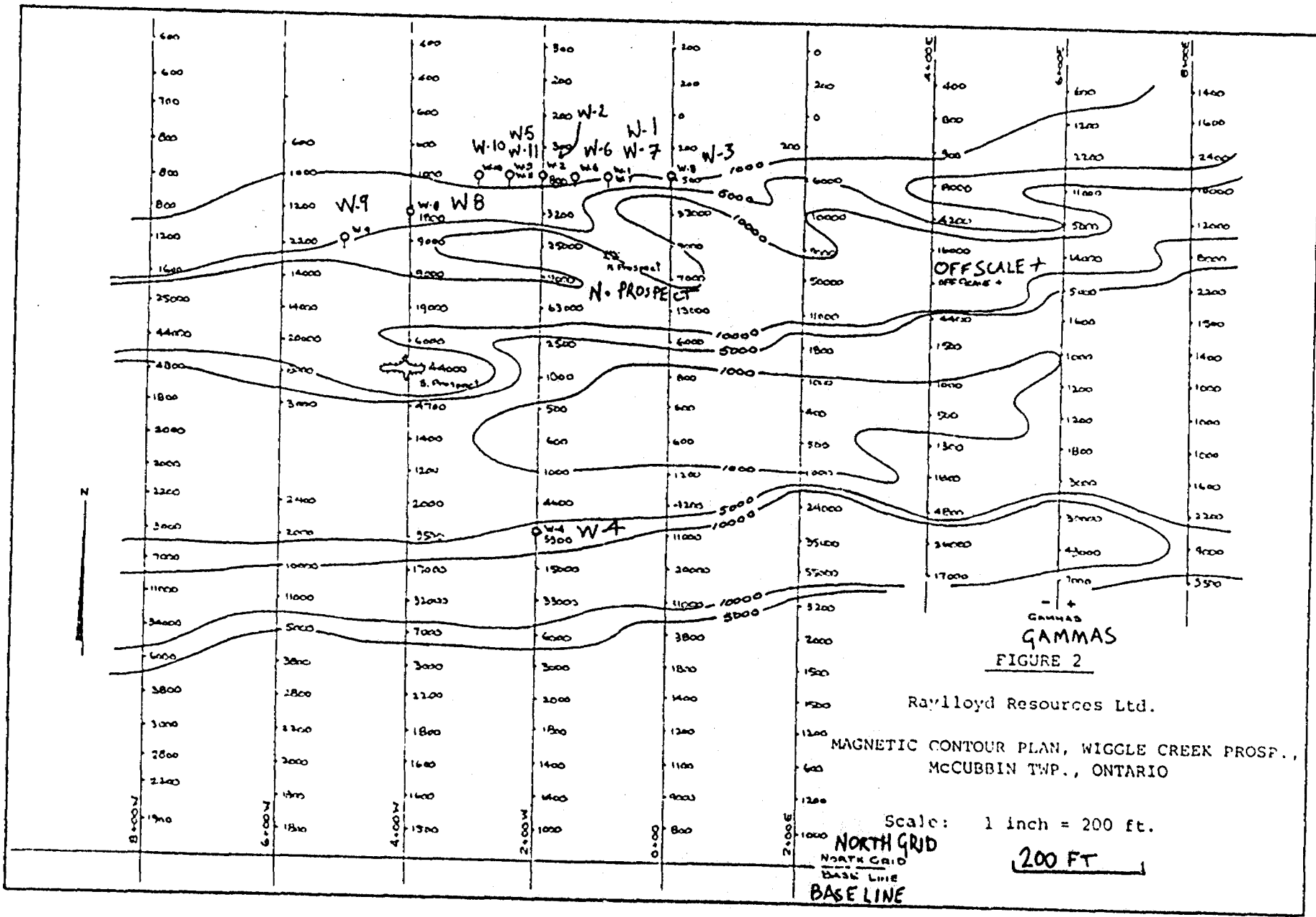
The magnetic contour configuration as shown in Figure 2 has been re-interpreted on the basis of recent drilling information.

VLF-EM:

Filtered VLF-EM values in the prospect area are shown in Figure 3. Also shown are the re-interpreted VLF-EM conductor axes, again developed on the basis of recent drilling information.

Prominent are a series of conductors of moderate to low strength (numbered 1 to 5), which are non-formational in character. They appear to represent VLF-EM response to WNW-trending sheared and fractured zones, which are believed derived from fault failure in strongly drag-folded areas. The condition is noted in outcrop, notably in areas exposed in the opening of the drill road to the prospect area.

It will be noted that drilling to date has been concentrated mainly along the Anomaly 3 area.



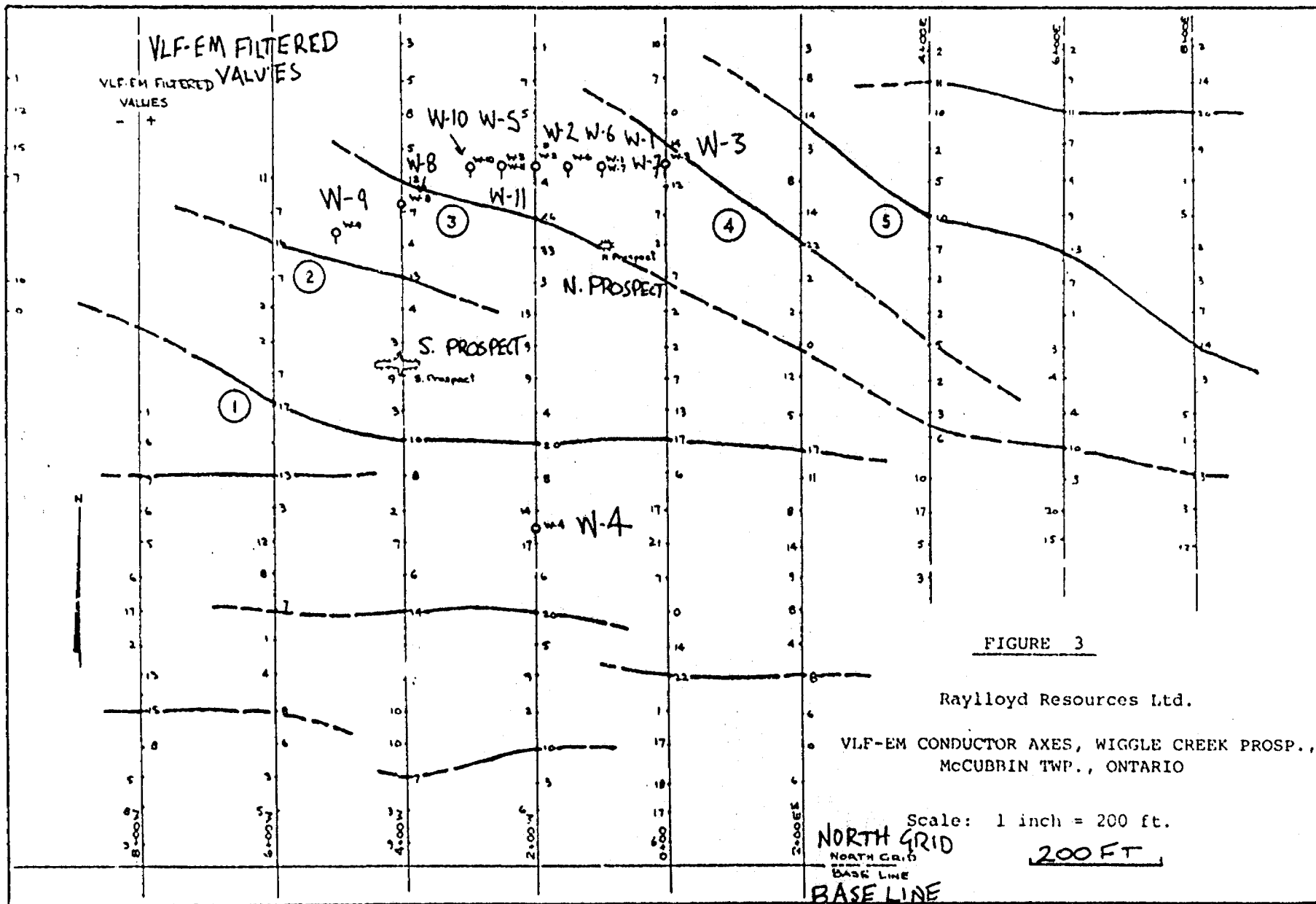


FIGURE 3

Raylloyd Resources Ltd.

VLF-EM CONDUCTOR AXES, WIGGLE CREEK PROSP.,
McCUBBIN TWP., ONTARIO

DRILLING RESULTS

Tenholes were drilled along a strike length of 500 feet in the prospect area at intervals of 50 to 100 feet. The maximum vertical depth tested was 250 feet.

Strongly veined quartz-carbonate zones from 15 to 50 feet in thickness were encountered over the 500 foot strike length tested. These contain sporadic pyrite and arsenopyrite mineralization, and are consistently auriferous in a low range. The best values encountered in the drilling were as follows:

Hole W-1	209.4'- 210.8' (1.4 ft.)	0.50 oz.Au/ton
Hole W-5	232.5'- 233.5' (1.0 ft.)	0.49 oz.Au/ton
Hole W-11	263.0'- 264.0' (1.0 ft.)	0.30 oz.Au/ton

It will be noted that the inclusion of lower grade assays in these areas yields values in the 0.05 to 0.10 oz.Au/ton range over widths of 5 to 6 feet.

Hole W-4 was drilled to the south, and intersected formations similar to those existing in the prospect area. In general the rocks are not highly carbonated, however, and no quartz-carbonate zone development was noted. It is thought probable that the entire formational sequence of the prospect area is repeated to the south through folding action.

Sections of all holes are included in this report as Appendix I, and copies of the drill logs are also provided (in pocket).

INTERPRETIVE CONSIDERATIONS

An interpretive plan of the Wiggle Creek prospect area is shown in Figure 4. It shows a drag-folded unit of intermixed chlorite schist and cherty magnetite iron formation lying between mafic volcanics and graywacke.

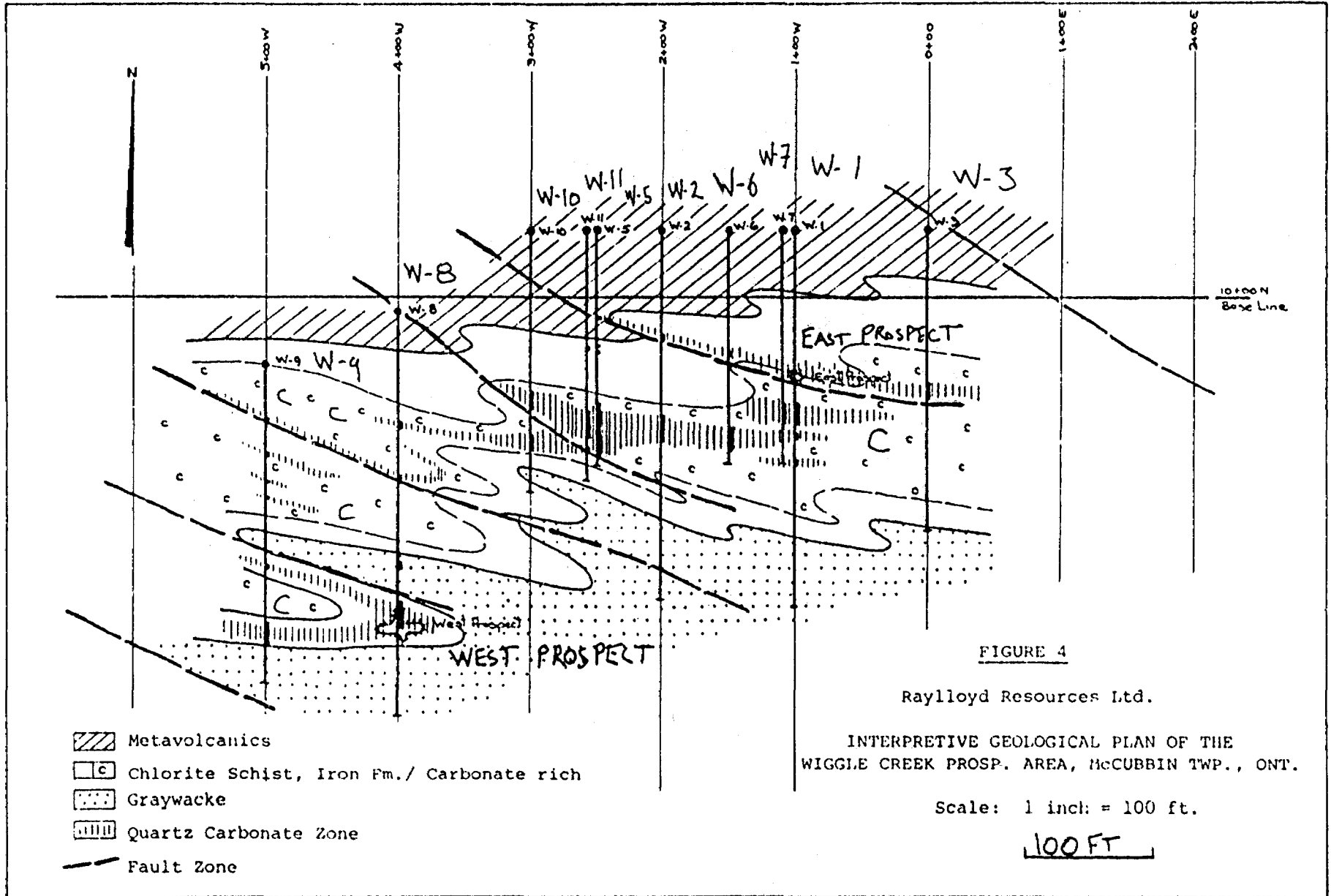


FIGURE 4

Raylloyd Resources Ltd.

INTERPRETIVE GEOLOGICAL PLAN OF THE
WIGGLE CREEK PROSP. AREA, McCUBBIN TWP., ONT.

Scale: 1 inch = 100 ft.

100 FT

Within the chlorite schist/iron formation unit, a central core of pyritic and carbonate-rich material is identified. It generally conforms with areas of stronger cherty iron formation development, and is thus considered essentially a sedimentary feature. In all probability it represents a pyrite-carbonate facies of the iron formation, deposited with more or less tuffaceous material and chert during certain periods of initial basinal sedimentation. It also contains arsenopyrite and gold, and this association is marked.

Folding and west to WNW-trending minor faulting appears to have developed, likely in conjunction with basinal formation. Some redistribution of the more mobile constituents, including silica, carbonate, pyrite, arsenopyrite and gold, then occurred; concentrating in dilatant areas and forming the chloritic quartz-carbonate zones indicated in Figure 4.

In the prospect area dips appear mainly vertical, and drag folds plunge vertically or very steeply to the west. Gold distribution is erratic within the quartz-carbonate vein or breccia zones. This is typical of iron formation-related gold mineralization, and it will be noted that an assay value in the 0.05 oz.Au/ton range in such an environment is likely significant.

It is interesting to observe in Figure 4, that neither of the two prospects located in surface work are directly related to the main zone of auriferous quartz-carbonate veining as defined by drilling.

In respect to Figures 2 and 3, it is clear that similar untested areas of structural deformation occur along the favourable formational unit. In Figure 3, these would include anomalies 1, 4 and 5.

Attention is also drawn to the south property area, where several "anomalous" areas were tested in an earlier drilling program (see Appendix II for a summary report on this program). Here, particularly in the eastern part

of the South Grid area, arsenopyrite-bearing quartz-carbonate material indistinguishable from that in the main prospect area was encountered. No higher gold values were obtained from such material in this area, but it is auriferous.

EVALUATION REQUIREMENTS

Additional evaluation effort in the main prospect area is believed warranted. This should include provision for the testing of structurally identified targets (anomalies 1,4 and 5, Figure 3), and the more effective sampling of the known zone. The following holes are suggested:

Hole No.	North Grid Location	Azimuth	Dip	Depth (ft.)
W-12	2+00E ; 11+00N	180°	-45°	400 (anom.4)
W-13	4+00E ; 11+00N	180°	-45°	400 (anom.5)
W-14	6+00W ; 9+00N	180°	-45°	400 (anom.1)
W-15	2+50W ; 8+75N	0°	-80°	350 (sample)

Total: 4 holes comprising 1,550 ft.

Holes W-12, W-13 and W-14 are similar to those drilled in the known prospect area, and the noted locations will allow testing of areas of maximum deformation along the favourable horizon.

Hole W-15 is designed to penetrate the area of maximum quartz - carbonate development encountered in the main prospect area more or less down-dip. The object is to obtain as large and continuous a sample of the zone as possible, and hopefully to ascertain a better idea of what the grade of mineralized zone may be.

In addition, three test holes have been recommended in the eastern part of the South Grid area (see Appendix II). These holes will comprise an

additional 1,400 feet of diamond drilling.

CONCLUSIONS & RECOMMENDATIONS

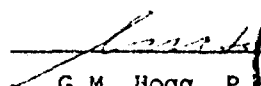
The results of the initial evaluation program on the Raylloyd Resources' Wiggle Creek prospect, and also in other parts of the property, are considered encouraging.


In the known prospect area sizeable zones of auriferous quartz-carbonate veining and brecciation have been defined, and good grade gold values have been reported over narrow widths within them. However, overall grade potential of such zones remains uncertain and requires better definition.

The nature and distribution of gold occurrence in the property area is much better understood as a result of the initial program, and additional areas warranting testing have been defined. These lie on formational strike with the known prospect, and in the southeastern property area.

A drilling program comprising four holes for a total footage of 1,550 feet has been proposed for the main prospect area; and an additional three holes for a total footage of 1,400 feet have previously been recommended for the southeastern property area. The cost of this work may be estimated at approximately \$70,000.

Respectfully Submitted,

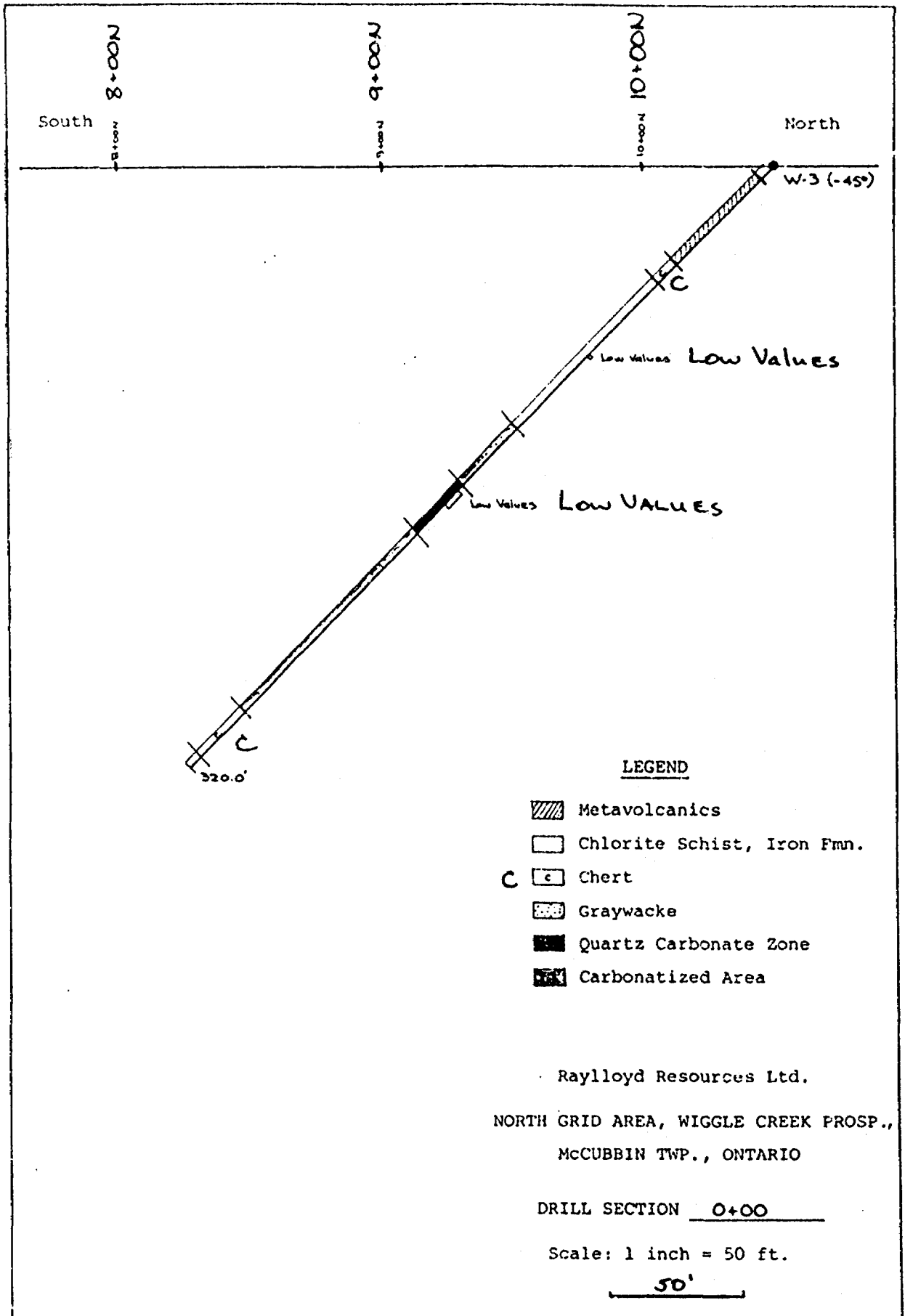

G.M. Hogg, P. Eng.

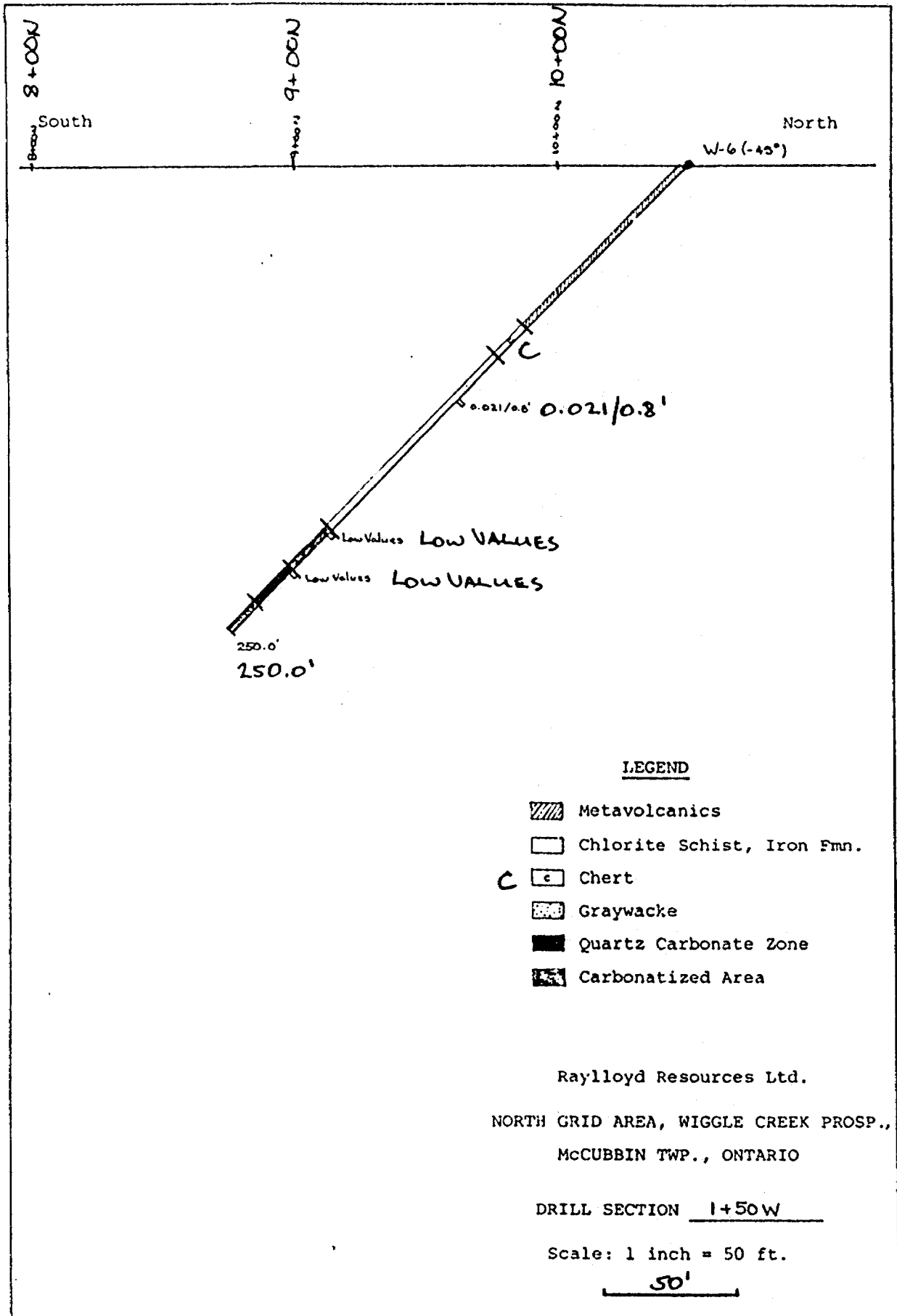


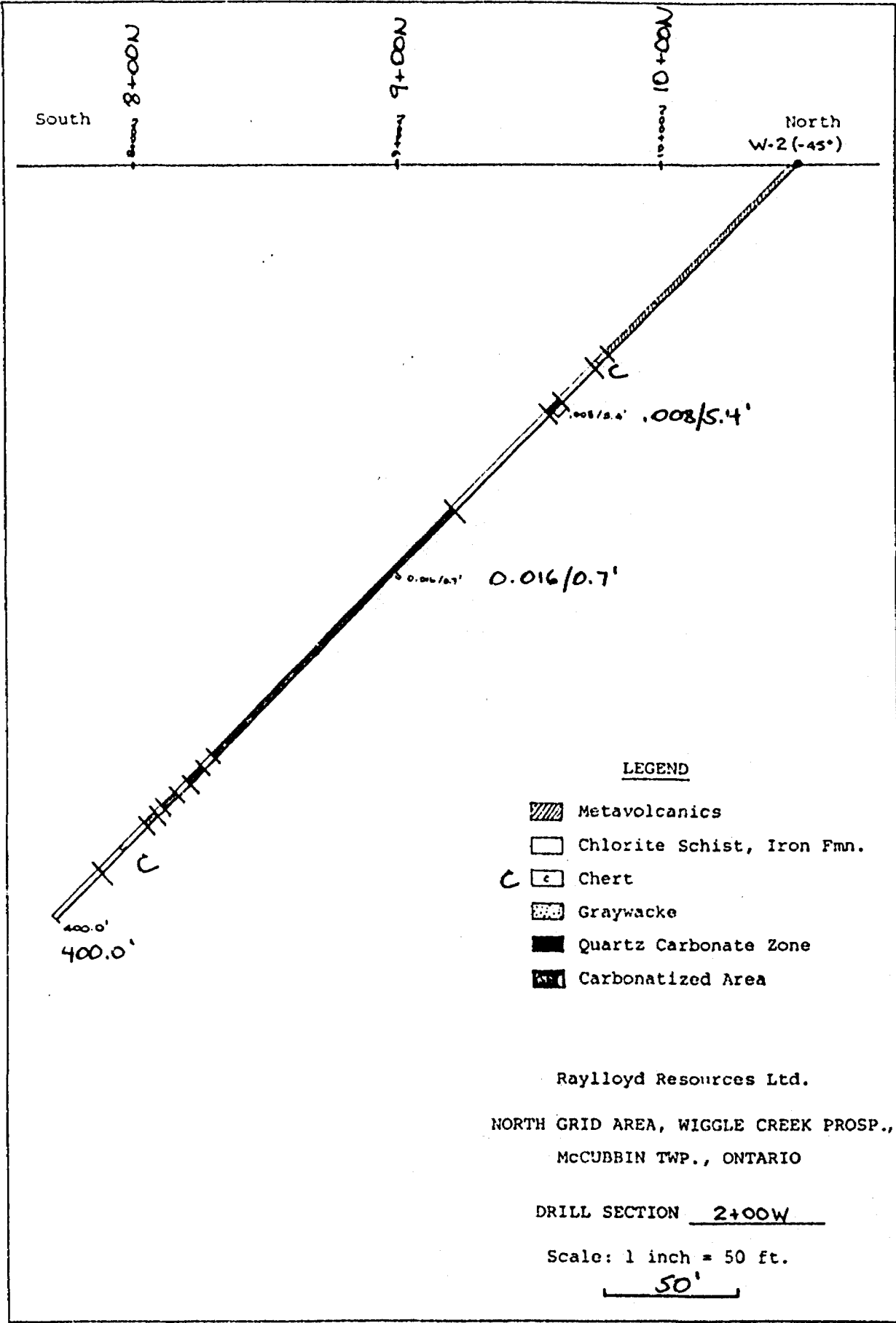
The seal is circular with the text "REGISTERED PROFESSIONAL ENGINEER" around the top and "PROVINCE OF ONTARIO" around the bottom. In the center, it reads "G. M. HOGG".

APPENDIX I

Drill Sections, Main Prospect Area.







South

8+00N

9+00N

10+00N







North
W-2 (-45°)

400.0'
400.0'

0.016/0.7' 0.016/0.7'

.008/5.4' .008/5.4'

LEGEND

-  Metavolcanics
-  Chlorite Schist, Iron Fmn.
-  Chert
-  Graywacke
-  Quartz Carbonate Zone
-  Carbonatized Area

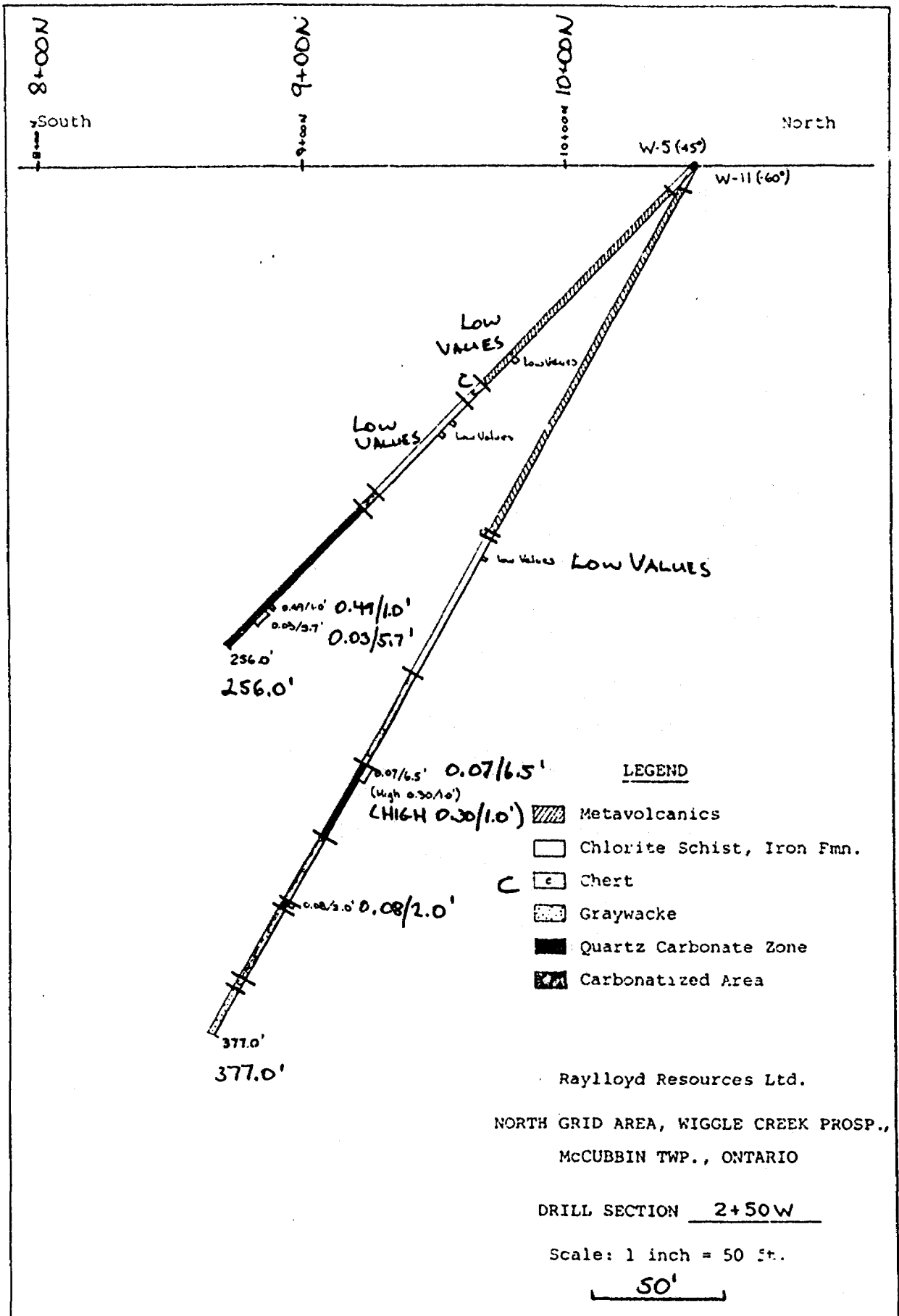
Raylloyd Resources Ltd.

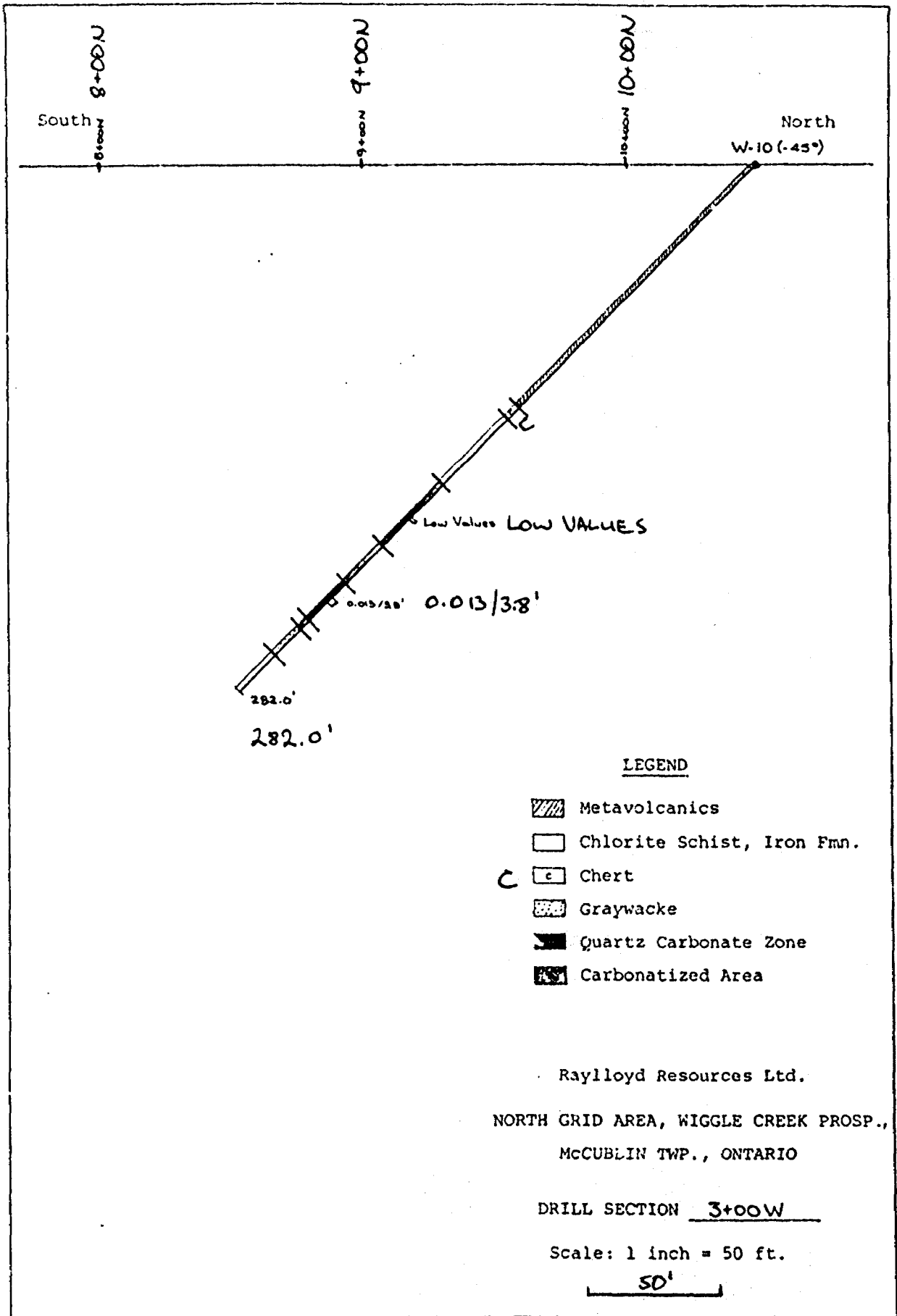
NORTH GRID AREA, WIGGLE CREEK PROSP.,
McCUBBIN TWP., ONTARIO

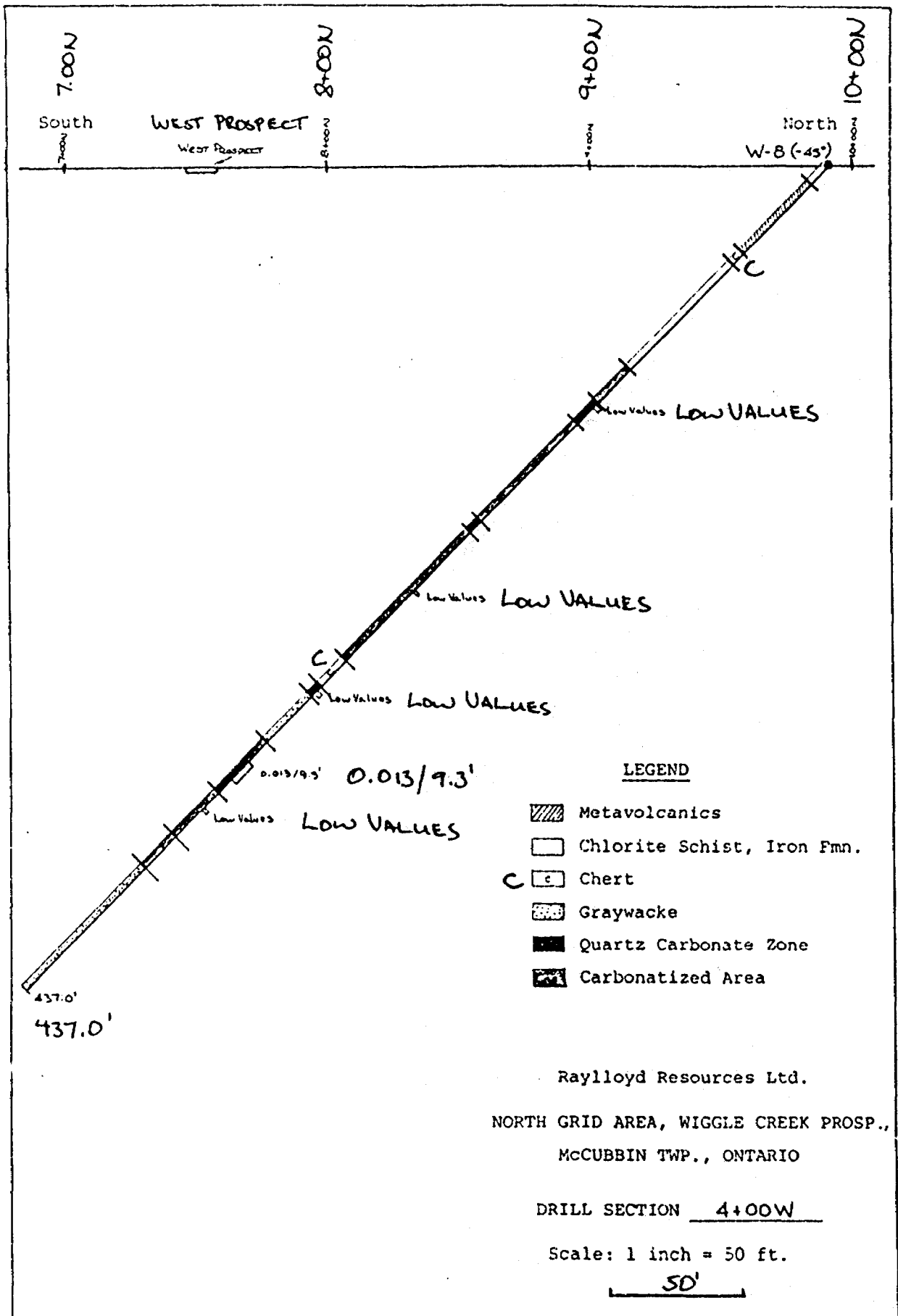
DRILL SECTION 2+00W

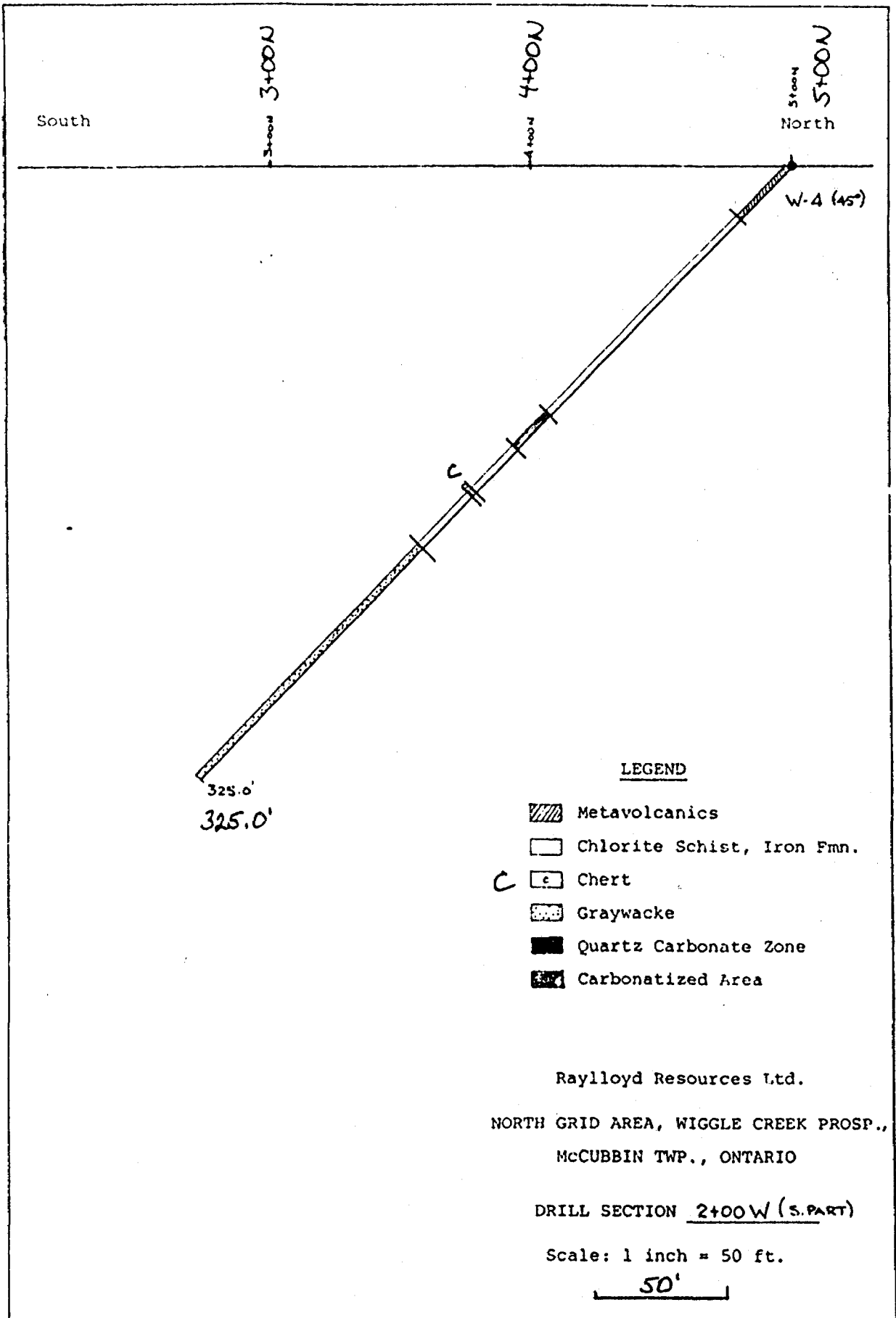
Scale: 1 inch = 50 ft.

50'









APPENDIX II

Summary Report on Raylloyd Resources
Drilling Program, May-June, 1983

G. M. HOGG & ASSOCIATES LTD.

28 THOMPSON AVENUE.
TORONTO, CANADA M8Z 3T3

TELEPHONE:
(416) 233 3255

MEMORANDUM

To: Mr. R.G. Ramsay, Raylloyd Resources Ltd.
From: G.M. Hogg, P.Eng.
Re: Raylloyd Resources Wiggle Creek Drill Program, Results and Recommendations.
Date: July 14, 1983.

The anomaly drilling phase of the Raylloyd Wiggle Creek project has been completed as recommended. While only low gold values have been reported from core sampling, the results of this work are encouraging, and their importance should not be underestimated. Significantly rather heavy arsenopyrite mineralization has been noted in quartz-chlorite schist intersected in several of the "K" anomaly holes, all of which are closely associated with cherty iron formation. It was best developed in the vicinity of the K-8 anomaly, the hole being collared in a strongly mineralized zone.

The model environment for gold occurrence in the general locality is the Wiggle Creek prospect itself. Here gold is closely associated with arsenopyrite, as far as is known, and depositionally they appear related. While gold is present in the Wiggle Creek prospect in some quantity, we know it is not strongly concentrated on the Stargazer ground about 2,000 feet to the east (trenched area). Thus the arsenopyrite may be considered as a gross indicator mineral, not necessarily always accompanied by gold. Nonetheless, its presence defines the depositional horizon we are looking for.

In this context it can be seen that the presence of strong arsenopyrite mineralization in the south grid area, previously unknown, is very encouraging, and follow-up work is required.

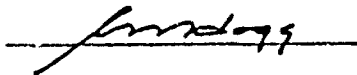
As such mineralization seems most prevalent in the eastern portion of the south grid, work should be concentrated there. It is suggested that detailed prospecting and rock geochemical sampling be carried out between lines 0+00 to 56+00E from 15+00N to 15+00S. Humic soil samples may also be taken on a few lines and analyzed for gold content. This procedure may help to isolate areas anomalous in gold for drill testing.

The K-8/K-5 anomaly area is in any case demonstrated of particular interest, and we now know that the magnetics are most significant geophysically (the arsenopyrite zones are very closely associated with cherty magnetite iron formation). Accordingly, I suggest that additional test drilling be done in this area on completion of the Wiggle Creek prospect drilling which will be undertaken shortly. The following locations are recommended:

<u>Hole No.</u>	<u>Location</u>		<u>Azimuth</u>	<u>Dip</u>	<u>Depth</u>
K8-2	12+00E	1+50N	180°	-45°	450 ft.
K8-3	20+00E	3+00N	180°	-45°	450 ft.
K8-4	26+00E	7+00N	180°	-45°	500 ft.

Total: 3 holes for an additional 1,400 ft.

In respect to the Wiggle Creek prospect drilling it should be emphasized that sulphide mineralization appears to be localized within a tuffaceous facies of the iron formation. Thus test holes should be located so as to traverse the entire iron formation horizon as indicated by magnetics. The hole locations as recommended in our previous report are designed to do this, but if there is any doubt in the process of field location, the hole collars should be moved further north.



G.M. Hogg, P.Eng.

RAYLLOYD RESOURCES LTD.
 WIGGLE CREEK PROPERTY
 McCUBBIN TWP., ONT.

SCALE: 1 in. = 1/4 mi. (1:320')

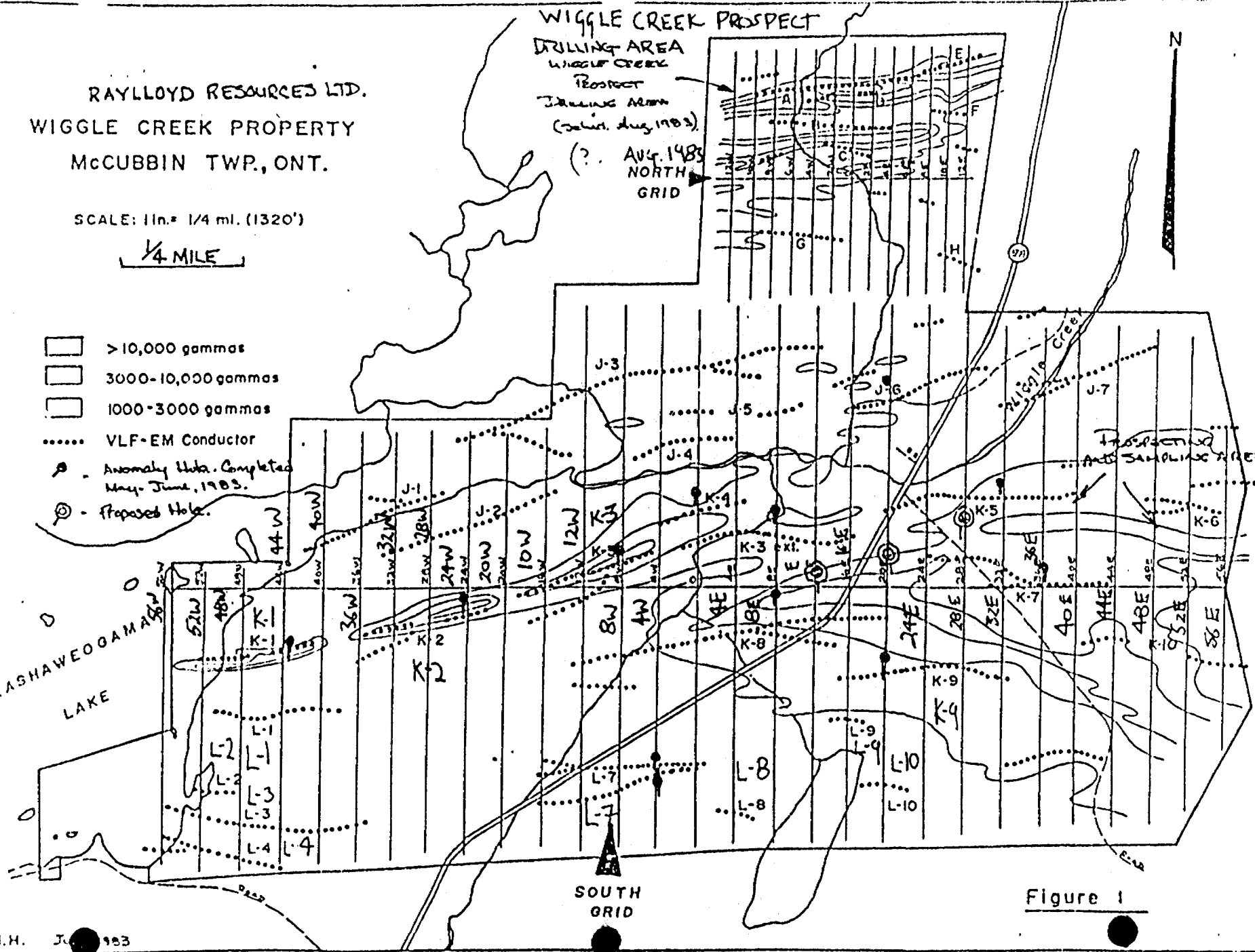
1/4 MILE

- >10,000 gammas
- 3000-10,000 gammas
- 1000-3000 gammas
- VLF-EM Conductor
- Anomaly Utd. Completed May-June, 1983.
- Proposed Hole.

WIGGLE CREEK PROSPECT

DRILLING AREA
 WIGGLE CREEK
 PROSPECT
 DRILLING AREA
 (Solid Aug 1983)
 (?) AUG. 1983
 NORTH
 GRID

KASHAWEOGAMA
 LAKE



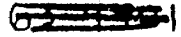
SOUTH
 GRID

Figure 1



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OM 83-2-P-64

THIS SUBMITTAL CONSISTED OF VARIOUS REPORTS, SOME OF WHICH HAVE BEEN CULLED FROM THIS FILE. THE CULLED MATERIAL HAD BEEN PREVIOUSLY SUBMITTED UNDER THE FOLLOWING RECORD SERIES (THE DOCUMENTS CAN BE VIEWED IN THESE SERIES):

- ① Report on Wiggle Creek Gold Property, → See Toronto file # 2.5565
G. M. Hoag & Assoc. Ltd., Jan. 19/83 Report of Work #22 for 1983
- ② Drill Holes J6-1, K1-1, K2-1, K3-1, → See Toronto file GREBE LAKE
K3-2, K4-1, K5-1, K7-1, K8-1, K9-1, DDR's # 18 + #19
L7-1, L7-2, L7-3, W1 to W11; Reports of Work #98 + #100 for 1983
RAYLLOYD RESOURCES LTD; MAY - AUG /83 and #56 for 1984

Raylloyd Resources Ltd.

109 BAYFIELD STREET
BARRIE, ONT. L4M 3A9
705-728-0481

January 26, 1984.

Ministry of Natural Resources,
Mr. Don James,
Resident Geologist,
Patricia Mining Division,
P.O. Box 669,
Sioux Lookout, Ont.
POV 2T0

Dear Sir:

Please find enclosed Report and Logs
in regard to our 1983 drill program on our Properties
in McCubbin Township, Claims # 437120 -1. These
are in the Savant Lake area and known as our Wiggle
Creek gold prospect.

Yours very truly,

L. T. Bristow
L. T. Bristow,
Chairman of the Board
RAYLLOYD RESOURCES LIMITED

LRB/g

