



52M01SE0160 2.10473 BALL TWP

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Rock Sample Analysis
for Gold
at
Shane Resources Limited
Red Lake Property
Ontario

Brian C. Asbury,
Consulting Geologist
Toronto, Ontario
October 16, 1987

Introduction

At the request of Shane Resources Ltd. the author took 5 rock samples from an old trench on one of 52 mining claims held by the company in the Red Lake area of northwestern Ontario as part of a comprehensive exploration program in the area. The samples were assayed for gold.

The Property

The Red Lake property of Shanes Resource Ltd. consists of claims KRL 448434 to 448437, KRL 448439, KRL 775338, KRL 793736 to 793754, KRL 827859 to 827874, KRL 828045 to 828054 and KRL 9829 located in the southern portion of Ball and Todd townships.

The samples were taken on claim KRL 448437.

Previous Work

In 1934-35 a 200 foot shaft and some drifting by West Red Lake Gold Mines Limited on claim KRL 448437 tested a vein on the 200 foot level and outlined 222 feet of 0.40 oz./ton gold across an average of 42 inches. Some drilling was done in the general vicinity of the shaft in 1958 and 1961 with reported gold values. Overgrown trenches on various parts of the property indicate considerable prospecting during the 1930-40 period.

Shane Resources began an exploration program in 1986 with trench sampling, humus sampling and reconnaissance geology. In March 1987 VLF and magnetometer surveys were carried out across the entire property. A summer program in 1987 mapped and humus sampled the entire property as well as drill-testing of the shaft vein.

General Geology

The property is located in the Red Lake archean greenstone belt which is about 48 km by 25 km and made up of mafic to felsic rocks, clastic sedimentary rocks which have been intruded by intermediate to felsic rocks.

Locally the property is underlain by east-west trending felsic to ultramafic rocks with intrusives of quartz porphyry, granite and granodiorite.

The shaft vein is a quartz-filled fracture in carbonated greenstone in contact with felsic porphyry and strikes about N10W.

Rock Sampling and Results

Five grab samples were taken from an old trench about 100m north of the known shaft vein along it's approximate strike to check an earlier grab sample that ran 15.5 g/t or 0.45 oz/ton gold. The trench is at 4+90N, 3+65W on the shaft area grid (see map in envelop).

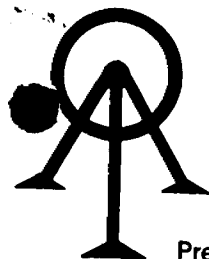
<u>Sample</u>	<u>Description</u>	<u>Assay</u>
12979	Cherty rhyolite, 5% pyrite, no cb.	66 ppb
12980	Cherty rhyolite, no pyrite	19 ppb
12981	Dark rhyolite, 15% cubic pyrite	285 ppb
12982	Cherty rhy., some qtz vein, 5-10% py.	190 ppb
12983	Cherty rhyolite, 1-5% clots, diss. py.	114 ppb

Conclusions

The sampling did not prove up the earlier high grab sample value. The highest sample ran 0.285 ppm or 0.008 oz/ton gold and the gold variation in the samples suggest an association with pyrite content.

Further sampling is recommended with emphasis on locating and sampling quartz vein material which may have been the source of higher gold values in the original grab sample.

John C. Astbury
October 16, 1987



ACCURASSAY LABORATORIES LTD.

P.O. BOX 604

KIRKLAND LAKE, ONTARIO, CANADA P2N 3J5

TEL.: (705) 567-6343

President: Dr. GEORGE DUNCAN, M.Sc., Ph. D., C. Chem (Ont.), C. Chem (U.K.), M.C.I.C., M.R.S.C., A.R.C.S.T.

Certificate of Analysis

12401 Shane Resources
600 - 128 4th Avenue South
Saskatoon, Saskatchewan
S7K 1N8

Page #1

Date: 09-Sep-87 19

Work Order: 170219

Assay results are as follows:

SAMPLE NUMBER		
Accurassay	Customer	Gold
60818	12979	ppb
60819	12980	66
60820	12981	19
60821	12982	285
60822	12983	190
60822	12983	114
		76 Check

Special Order

return to:

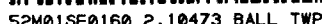
BRIAN C. ASBURY
BOX 456, STATION K,
TORONTO, ONTARIO
CANADA M4P 2G9

Per: PK

ORIGINAL



79



900

7987 2.14.13

Min:

Type of Survey	Township or Area
ASSAYING	BALL TOWNSHIP
Owner	Prospector's Licence No.
SHANE RESOURCES LTD.	T 4766
Address	Saskatchewan
600 - 128 4 TH Ave S., Saskatoon, S7K 1M8	
Survey Company	Date of Survey (Month & Year)
BRIAN C. ASBURY	5 9 87 7 9 87
	Day Mo. Yr. Day Mo. Yr.
Name and Address of Author (of Geo-Technical report)	Total Miles of line Cut
BRIAN C. ASBURY	

Mining Claims Traversed (List in numerical sequence)

Special Provisions	Geophysical:	Days per Claim
For first survey:	- Electromagnetic	
Enter 40 days. (This includes line cutting)	- Magnetometer	
For each additional survey:	- Radiometric	
using the same grid:	- Other	
Enter 20 days (for each)	Geological	
	Geochemical	
Man Days	Geophysical	Days per Claim
Complete reverse side	- Electromagnetic	
and enter total(s) here	- Magnetometer	
	- Radiometric	
	- Other	
	Geological	
	Geochemical	
Airborne Credits		Days per Claim
Note: Special provisions	Electromagnetic	
used to do not apply	Magnetometer	
to Airborne Surveys	Radiometric	

[illegible]

Type of Work Performed	ASSAYING		
Performed on Claim(s)	KRL 448437		
Calculation of Expenditure Days Credits			
Total Expenditures		Total Days Credits	
\$ 45 ⁰⁰	÷	15	= 3
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.			

4

Date <i>Apr 10/87</i>	Recorded Holder or Agent (Signature) <i>Brian C. Gaskins</i>
--------------------------	---

For Office Use Only		Mining Recorder	
Total Days Cr. Date Recorded	Recorded	Date Approved by Recorder	
3	12/16/87	OK: [Signature]	

Name and Postal Address of Person Certifying		
BRIAN C. ASBURY		
Box 20 Rothmore Dr. Toronto M4W 1V4		
Date Certified	Certified by (Signature)	
Sept 10, 1987	Brian C. Ashby	

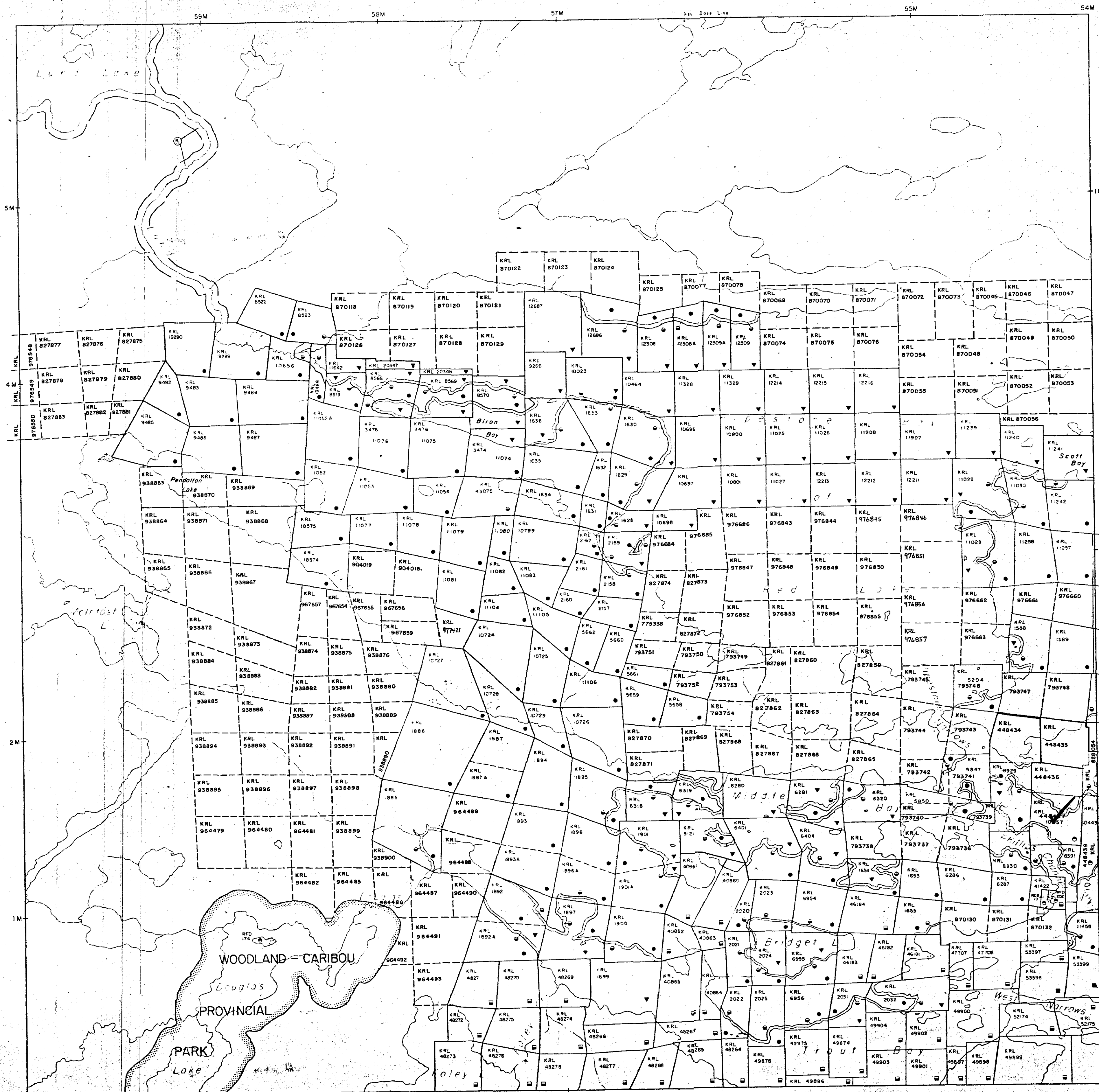
AREAS WITHDRAWN FROM DISPOSITION

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

Description Order No. Date Disposition File

PROPOSED PARK RES. 77/02/28 M+S 17/02/23

W735-57-1 M.R.O.



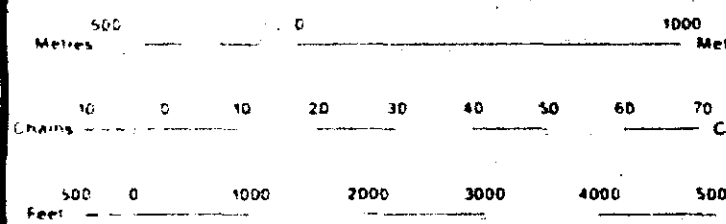
LEGEND

HIGHWAY AND ROUTE NO.
 OTHER ROADS
 TRAILS
 SURFACE LINES
 MINING RIGHTS BASE LINES ETC.
 LOTS MINING CLAIMS PARCELS ETC.
 OWNED LINES
 BOUNDARY
 MINING CLAIM ETC.
 RAILWAY AND RIGHT OF WAY
 TITLES LINES
 NATURAL STREAM
 FLOODING OR FLOODING RIGHTS
 SUBDIVISION OR COMPOSITE PLAN
 RESERVATIONS
 ORIGINAL SHORELINE
 MARSH OR MUSKIEG
 MINES
 TRAVERSE MONUMENT

DISPOSITION OF CROWN LANDS

TYPE OF DOCUMENT	SYMBOL
PATENT SURFACE & MINING RIGHTS	●
SURFACE RIGHTS ONLY	○
MINING RIGHTS ONLY	○
LEASE SURFACE & MINING RIGHTS	■
SURFACE RIGHTS ONLY	■
MINING RIGHTS ONLY	■
LICENCE OF OCCUPATION	▼
ORDER IN COUNCIL	OC
RESERVATION	○
CANCELLED	○
SAND & GRAVEL	○

NOTE: MINING RIGHTS IN PARCELS PATENTED PRIOR TO MAY 6 1913 VESTED IN ORIGINAL PATENTEE BY THE PUBLIC LANDS ACT, R.S.O. 1970 CHAP. 380 SEC. 63 SUBSEC. 1



SCALE 1:20 000

RED LAKE MINING DIVISION
OCT 23 1987
RED LAKE, ONTARIO



TOWNSHIP
BALL
 M.N.R. ADMINISTRATIVE DISTRICT
 RED LAKE
 MINING DIVISION
 RED LAKE
 LAND TITLES / REGISTRY DIVISION
 KENORA (Patricia Portion)

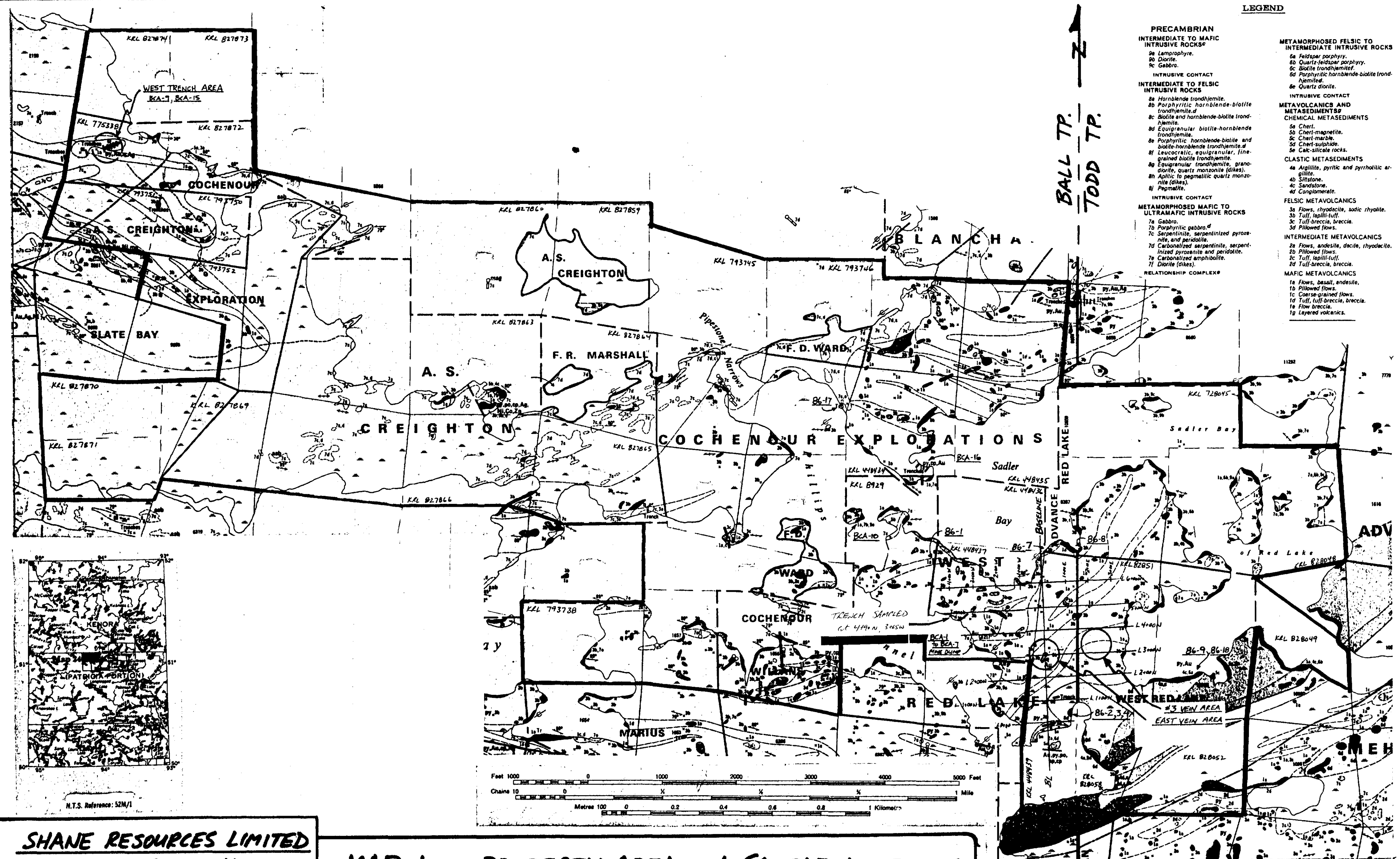
Ministry of Natural Resources
 Ontario
 Ministry of Northern Development and Mines

Date SEPTEMBER 1986

G-3740



5040100100 2-10473 BALL TWP



SHANE RESOURCES LIMITED
RED LAKE PROPERTY

MAP 1 PROPERTY AREA and SAMPLE LOCATIONS

BASE MAP FROM O.G.S. MAP 2265 (BALL TP.), MAP 2406 (TODD TP.)

