REPORT ON THE INDUCED POLARIZATION
SURVEY AND 1985 PHASE II
DIAMOND DRILLING PROGRAM,
BARNET GOLD PROPERTY, BARNET TWP, ONT.
FOR PETER ISLAND RESOURCES INC.
NTS 42A/8

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R. W. Woolham

Ref: 85-70
Toronto, Canada
January 16, 1986

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<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUMMARY</td>
<td>(i)</td>
</tr>
<tr>
<td>INTRODUCTION</td>
<td>1</td>
</tr>
<tr>
<td>PROPERTY LOCATION AND ACCESS</td>
<td>1</td>
</tr>
<tr>
<td>GEOMORPHOLOGY</td>
<td>3</td>
</tr>
<tr>
<td>PREVIOUS WORK</td>
<td>5</td>
</tr>
<tr>
<td>PRESENT PROGRAM</td>
<td>7</td>
</tr>
<tr>
<td>REGIONAL GEOLOGY</td>
<td>8</td>
</tr>
<tr>
<td>Gold Mineralization</td>
<td>10</td>
</tr>
<tr>
<td>PROPERTY GEOLOGY</td>
<td>13</td>
</tr>
<tr>
<td>INDUCED POLARIZATION SURVEY</td>
<td>16</td>
</tr>
<tr>
<td>Introduction</td>
<td>16</td>
</tr>
<tr>
<td>Survey Parameters</td>
<td>16</td>
</tr>
<tr>
<td>Results</td>
<td>18</td>
</tr>
<tr>
<td>Discussion</td>
<td>18</td>
</tr>
<tr>
<td>DIAMOND DRILLING</td>
<td>19</td>
</tr>
<tr>
<td>Discussion</td>
<td>20</td>
</tr>
<tr>
<td>RECOMMENDATIONS</td>
<td>22</td>
</tr>
<tr>
<td>BUDGET</td>
<td>23</td>
</tr>
<tr>
<td>CERTIFICATE OF QUALIFICATIONS</td>
<td>26</td>
</tr>
<tr>
<td>P.A. Hartwick</td>
<td>27</td>
</tr>
<tr>
<td>R.W. Woolham</td>
<td></td>
</tr>
<tr>
<td>REFERENCES</td>
<td>28</td>
</tr>
<tr>
<td>APPENDIX I: INSTRUMENT SPECIFICATIONS</td>
<td>After Page 28</td>
</tr>
<tr>
<td>APPENDIX II: IP PSEUDOSECTIONS</td>
<td>After Page 28</td>
</tr>
<tr>
<td>APPENDIX III: DIAMOND DRILL LOGS</td>
<td>After Page 28</td>
</tr>
<tr>
<td>APPENDIX IV: DETAILED BUDGET</td>
<td>After Page 28</td>
</tr>
</tbody>
</table>
# TABLE OF CONTENTS
(Continued)

## LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1</td>
<td>Location Map</td>
<td>2</td>
</tr>
<tr>
<td>Figure 2</td>
<td>Claim Map</td>
<td>4</td>
</tr>
<tr>
<td>Figure 3</td>
<td>Regional Geology Map</td>
<td>9</td>
</tr>
<tr>
<td>Figure 4</td>
<td>Drill Hole Location Map</td>
<td>15</td>
</tr>
<tr>
<td>Figure 5</td>
<td>Geologic Cross Sections</td>
<td>21</td>
</tr>
<tr>
<td>Figure 6</td>
<td>Proposed Drill Holes</td>
<td>25</td>
</tr>
</tbody>
</table>

## LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 1</td>
<td>Gold Mines in the Ramore-Abitibi Lake Area</td>
<td>12</td>
</tr>
<tr>
<td>Table 2</td>
<td>Proposed Budget Summary</td>
<td>25</td>
</tr>
</tbody>
</table>

## LIST OF MAPS
(In Map Pocket)

<table>
<thead>
<tr>
<th>Map</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>85-70-1</td>
<td>Induced Polarization Survey Composite P.F.E. Contours</td>
</tr>
</tbody>
</table>
SUMMARY

Derry, Michener, Booth & Wahl (DMBW) on behalf of Peter Island Resources Inc., carried out an exploration program consisting of an IP survey and diamond drilling totalling 353 m on the Barnet Township gold property, Ontario.

Three holes were drilled to bracket an intersection of 0.21 oz. Au/ton over 3.65 m discovered in hole PI-85-01 drilled during Phase I. Additional zones of strong brecciation locally relating to significant gold mineralization were intersected; however, the lithologic geometry of the zone remains unclear due to faulting and assimilation of wall rock by the syenite.

Two of the three drill holes intersected very encouraging gold values in the vicinity of the 0.21 oz. Au/ton discovery. Three additional intersections discovered during the Phase II drilling program returned greater than 0.05 oz. Au/ton:

<table>
<thead>
<tr>
<th>Hole</th>
<th>From (m)</th>
<th>To (m)</th>
<th>Geochemical Assay (oz./ton)</th>
<th>Check Fire Assay (oz./ton)</th>
<th>Core Width (m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PI-85-04</td>
<td>39.17</td>
<td>39.47</td>
<td>0.79</td>
<td>0.83</td>
<td>0.30</td>
</tr>
<tr>
<td>PI-85-04</td>
<td>62.18</td>
<td>65.22</td>
<td>0.11</td>
<td>0.06</td>
<td>3.05</td>
</tr>
<tr>
<td>PI-85-06</td>
<td>35.08</td>
<td>35.97</td>
<td>0.27</td>
<td>0.225</td>
<td>0.88</td>
</tr>
</tbody>
</table>

A three part follow-up program is recommended:

(1) Recut grid on property to facilitate a detailed magnetometer survey and more accurate spotting of drill holes. Total length of lines to be cut is approximately 45 km.
(2) Detailed magnetometer survey to outline additional targets prior to diamond drilling program.

(3) 1,500 m of diamond drilling to further test favourable syenite-basalt contact zone outlined by detailed magnetometer survey.

The estimated cost of this program is $150,000 as summarized in the following table and detailed in Appendix IV:

<table>
<thead>
<tr>
<th>Linecutting</th>
<th>$ 8,325</th>
</tr>
</thead>
<tbody>
<tr>
<td>Magnetometer Survey</td>
<td>$ 9,025</td>
</tr>
<tr>
<td>Diamond Drilling Survey</td>
<td>$115,750</td>
</tr>
<tr>
<td>Supervision</td>
<td>$ 2,250</td>
</tr>
</tbody>
</table>

Total                          $135,350
Contingency Approximately 10%  $14,650
GRAND TOTAL                    $150,000
INTRODUCTION

This report, prepared by Derry, Michener, Booth & Wahl (DMBW) on behalf of Peter Island Resources Inc., summarizes the results of a follow-up program to the Phase I (July 1985) diamond drilling program (Ragsdale et al., 1985), consisting of an IP survey and an additional 353 m of diamond drilling, on the Barnet Township gold property. The IP survey was performed from September 25th to October 13th, 1985 and the diamond drilling from November 4th to November 17th, 1985.

The purpose of the program was to bracket the significant intersection of 0.21 oz. Au/ton over 3.66 m discovered in hole PI-85-01, drilled during Phase I, and more fully delineate the extent of the target zone by using an induced polarization survey.

PROPERTY LOCATION AND ACCESS

The property is located on the east-central edge of Barnet Township adjacent to the west boundary of Thackeray Township, approximately 30 km north of Kirkland Lake, Ontario, and 23 km east of Ramore, Ontario, as shown in Figure 1.

Access to the property is by logging roads and trails. The logging road intersects Highway #101 to the north of the property at a distance 33 km east of Matheson, Ontario. The distance from Highway #101 to the property by road and trail is approximately 17 km. The logging road is accessible by four-wheel drive or all-terrain vehicles except in the winter months when snowmobile access is possible.
FIGURE 1.

PETER ISLAND RESOURCES INC.
GENERAL LOCATION MAP

SCALE 1" = 4 miles
CONCESSION VI

CONCESSION V

CONCESSION IV

SCALE: 1 inch = 0.5 miles

FIGURE 2.

PETER ISLAND RESOURCES INC.
PROPERTY CLAIM MAP
BARNET—THACKERAY TWPS., ONTARIO
Logging operations have removed most of the other coniferous growth in this area. The remaining area to the west of the esker is low and swampy with thick undergrowth and few outcrops. One prominent topographic high is present on the east side of the claim group and is formed by a bedrock drift complex. This high forms the only significant outcrop exposure area on the property.

**PREVIOUS WORK**

Geological mapping of Barnet Township was first completed in 1921 by D.G.H. Wright of the Ontario Department of Mines. The work formed part of a large mapping program in the Black River Area. During the period 1947 to 1949, Dominion Gulf Co. completed airborne magnetic surveys over the area. They selected the present property and magnetic horizons to the north and southeast for follow-up ground exploration.

This work consisted of magnetometer surveys, geological mapping and trenching followed by drilling. The Barnet Township claim group property contains four boreholes, totalling 616 m, drilled by Dominion Gulf in 1950-1951.

In 1972, Barnet Township was covered by a high resolution aeromagnetic survey flown as part of a larger area by the Geological Survey of Canada. This work was part of a joint program shared with the Ontario Geological Survey. In 1980-1981, a helicopter airborne VLF electromagnetic survey was completed by private interests. Portions of the results covering Barnet Township were submitted for assessment credits.
During 1981, Brinco Mining Limited was actively searching for stakable ground having promising gold mineralization potential. In December of 1981, a group of 50 contiguous claims were staked in the northeast corner of Barnet Township for Brinco Mining. Magnetometer and VLF electromagnetic surveys covering the most promising exploration areas of the claim group were completed during the period May/June 1982. Geological and geochemical surveys were also performed at this time on the same geophysical survey grid. This latter work was never recorded or properly documented by Brinco Mining Limited as a retrenchment of staff and closing of the Toronto office took place in 1983.

In 1984, input airborne electromagnetic and aeromagnetic surveys covering Barnet Township were completed. This was part of a larger survey covering 40 townships funded by the Ministries of Northern Affairs and Natural Resources.

Utilizing this new regional geophysical data, R.W. Woolham, P.Eng., of DMBW, carried out a complete revaluation of geophysical and geological data on the property and recommended a program of geochemical sampling, detailed magnetometer surveys and diamond drilling in an area interpreted to be prospective for gold (Woolham, 1984).

From November 19th to December 21st, 1984, DMBW carried out a program of basal overburden sampling, in addition to fill-in linecutting and a detailed total field magnetometer survey. Gold values ranged from less than 5 to 15 ppb Au with the exception of two holes which returned values of 195 and 430 ppb Au (Routledge, 1984). The 195 ppb Au anomaly located at 101+00N, 104+50E, was considered to be down-ice from the area of diamond drilling in the current program. The 430 ppb Au anomaly, located at 108+00N, 102+00E, was not, at that time, associated with any significant geological or geophysical feature.
The magnetometer survey detailed a postulated syenite/magnetic basalt contact zone which was, in part, associated with the gold values. This zone was also magnetically inferred to be cross-cut by an east-west fault set, approximately parallel to the Destor-Porcupine fault and by a later north-south fault set. As discussed in the Regional Geology section, gold mineralization is locally associated with this structural junction in many parts of the Matheson area.

Based on this evidence, the area was subsequently drill-tested by three "BQ" boreholes totalling 300 m during the period from July 12th to July 21st, 1985. Very encouraging gold values were obtained from a brecciated and silicified section near a northern syenite-volcanic contact zone. PI-85-01 returned a weighted average of 0.21 oz. Au/ton and 0.07 oz. Ag/ton over a width of 3.66 m from 17.22 m to 20.88 m. This included a 1.07 m section which graded 0.464 oz. Au/ton and 0.15 oz. Ag/ton.

In late 1985, Jensen (1985) completed a preliminary geological map of the Ramore area. He interpreted that an interflow contact between magnesium and iron-rich tholeiitic basalts underlie the north section of the Barnet Property. The gold ore mineralization at Barrick Resources-McDermott Property is apparently associated with that type of interflow contact. The 430 ppb Au overburden anomaly located at 101+00N, 104+50E on the Barnet grid (Routledge, 1984) may be associated with that contact.

**PRESENT PROGRAM**

Phase II of the 1985 diamond drilling program was preceded by an IP survey carried out from September 25th to October, 13th, 1985. The purpose of the survey
was to outline additional areas of sulphide mineralization as the higher grade gold intersection discovered during the Phase I drilling was associated with pyrite.

Phase II diamond drilling was performed from November 4th to November 17th, 1985. The program, consisting of three "BQ" boreholes totalling 353 m in length, was carried out to test the significance of the intersection made in hole PI-85-01.

**REGIONAL GEOLOGY**

The northern Barnet/Thackeray Townships area is underlain by east to east-northeast striking, steeply dipping mafic metavolcanics and minor intercalated felsic volcanics and metasediments, which form part of the Archean Kinojevis Group. The mafic volcanics are mostly magnesium-rich and/or iron-rich tholeiitic basalts, which have been intruded by syenite, monzonite and granitic rocks. These intrusions tend to be semicircular in dimension ranging from a few hundred meters to several kilometers in diameter. The largest intrusions, located north of Barnet Township in Guibord, Michaud and Garrison Townships (Figure 3), are peripheral to the east-west trending Destor-Porcupine Fault which is 7 km north of the property. A thin sedimentary unit is associated with the Destor-Porcupine Fault in this vicinity.

There are two major fault sets in the Barnet Township area; an east-northeast trending set running approximately parallel to the Destor-Porcupine Fault zone and a later set of cross-cutting north-south faults. The east-northeast trending set are generally parallel to stratigraphy and are therefore difficult to recognize; however, the intersection with north-south faults is locally associated with small
FIGURE 3
PETER ISLAND RESOURCES INC.
REGIONAL GEOLOGY MAP
BARNET-THACKERAY TWPS., ONTARIO

Note: Geology drawn from OGS Map 2205, 1972
trondhjemitic/syenitic intrusives and/or gold mineralization. Regional geological and geophysical interpretation suggests that a prospective fault intersection is present on the Barnet Township property.

**Gold Mineralization**

Numerous gold showings occur throughout the Matheson-Black River area and many of these are associated with trondhjemitic and syenitic intrusions (Figure 3). The three most significant deposits are the currently producing Ross Mine and the formerly producing Canadian Arrow and Garrison mines. Figure 3 shows the locations of these deposits and Table 1 summarizes their geology and past production.

The Ross Mine, which accounts for the majority of the past production from the area, has been in continuous production since 1935. It was originally owned by Hollinger Consolidated Gold Mines Limited but was acquired by Pamour Porcupine Mines Limited in 1976. Active workings currently extend from the 150 ft. to the 3,150 ft. level. An approximate total of 900,00 oz. of Au and 1,330,000 oz. of Ag, averaging 0.169 oz. Au/ton and 0.283 Ag/ton has been produced (Troop, 1985).

The Ross Mine is located at the junction of the Hislop Fault, a northwest trending fault zone, and a set of cross-cutting north-northeast trending faults. The Hislop Fault runs approximately parallel to the Destor-Porcupine Fault zone in this area and probably represents a splay off of that major structure. The north-northeast trending fault set is typical of the late cross-cutting faults which are present throughout this area of the belt. It is probable that this junction has served as a conduit for hydrothermal gold/silver mineralizing fluids.
Ore in the Ross Mine is of two types; veins and alteration pipes, both of which are within strongly sericitized, hematized and often silicified basalts. The pipes appear to be relatively large, vertical, intensely altered zones which may or may not contain appreciable veining. In the upper levels, the pipes are roughly cylindrical in shape. At lower levels, the pipes become stretched parallel to the northwest shear direction, with horizontal dimensions in the order of 90 m x 25 m. The vein-type ore is comprised of blue-gray quartz stringers in brittle dilatant fracture zones, which are also roughly parallel to the northwest shear direction; however, these veins are only present at the upper levels.

The northwest shearing appears to be reflected by brittle fracturing in the upper levels, thereby resulting in vein-type mineralization with limited deformation of the alteration pipes, and in the form of ductile shearing in the lower levels which has deformed the alteration pipes but did not cause brittle fracturing.

The other two significant gold deposits in the area are the Canadian Arrow deposit in Hislop Township and the Murphy Garrison deposit in Garrison Township (Figure 3).

At Canadian Arrow, gold is associated with pyrite in thin hematitic alteration selvages adjacent to subparallel, steeply dipping quartz veins cutting a monzonite body within country rock of strongly deformed and metamorphosed basalts of the Kinojevis Group. The geology at the Murphy Garrison deposit is similar; however, in contrast to Canadian Arrow, gold is associated with quartz veins cutting the basalt; veins and associated alteration halos in the monzonite do not contain any significant gold values.
Table 1

Gold Mines in the Ramore-Abitibi Lake Area

<table>
<thead>
<tr>
<th>TOWNSHIP</th>
<th>MINE (OWNER)</th>
<th>HOST ROCK</th>
<th>NATURE OF GOLD MINERALIZATION</th>
<th>TONNAGE MILLED (tons)</th>
<th>GRADE oz./ton</th>
<th>RESERVES</th>
<th>GRADE oz./ton</th>
</tr>
</thead>
</table>
| HISLOP   | ROSS (Pamour Porcupine)  | - intensely silicified, hematized and epidote-altered basalts  
|          |                          | - No significant felsic intrusives near the ore                                             |                       |               |            |              |
| HISLOP   | CANADIAN ARROW (Pamour Porcupine) (46.38%) | - deformed and metamorphosed basalts of the Kinojevis group intruded by largely undeformed monzonite stock  
|          |                          | (Cherry, 1983)                                                                                 |                       |               |            |              |
| GARRISON | MURPHY GARRISON (Kerr Addison) | - fine-grained, dark grey metamorphosed basalt of the Kinojevis group intruded by several fine to medium-grained pink monzonite dykes  
|          |                          | (Cherry, 1983)                                                                                 |                       |               |            |              |

- ore occurs in two forms:  
  (1) Large, vertical, cylindrical alteration pipes.  
  (2) Blue-grey quartz stringers within dilatant fractures.  

- gold associated with pyrite in thin alteration haloes adjacent to subparallel steeply dipping quartz veins cutting the monzonite.  
  (Cherry, 1983)  

- gold mineralization associated with pyritiferous alteration haloes around fractures within the basalt but not in the monzonite (the monzonite is well fractured, however)  

*10,000,000 (to 1974) estimate  
300,000 (up to 1983 at which point prod. was suspended)  
63,500  
- production in 1981 only  
- mine closed in 1982  

0.169 Au  
0.283 Ag  
0.14 Au  
0.12 Au  
0.17 Ag  
0.099 Au  

533,000 (as of 1974) (proven)  
440,000 (proven and probable)  
-
PROPERTY GEOLOGY

Except for a few scattered outcrops of mafic metavolcanics, the northeast quarter of Barnet Township is generally swamp and muskeg covered. One exception is a large outcrop complex on the east half of the Barnet Township property. This area was explored by Dominion Gulf Co. during the period 1949 to 1951. The work comprised geological mapping, trenching and drilling of eight boreholes. Four of the eight boreholes are located within the present property. A geological sketch map taken from their work and from an OGS published map showing borehole locations is shown in Figure 4. Results of this earlier exploration are summarized in Woolham (1984) and in more detail in Johns (1950).

Jensen (1985) interpreted that an interflow contact between magnesium-rich tholeiitic basalts underlie the north section of the Barnet property. If that is the case, the contact could be significant as the gold-ore mineralization at Barrick Resources-McDermott property is apparently associated with that type of interflow contact.

The claim is underlain predominantly by fine-grained, chloritic to diabasic-textured tholeiitic basalt. In the northern part of the claim, the basalt is cut by an east-northeast trending syenite dyke about 50 m wide, which is exposed on line 104+50E and intersected in the Dominion Gulf hole #3 about 300 m to the east. The syenite is predominantly medium to coarse-grained and equigranular but porphyritic sections with K-feldspar (probably orthoclase) phenocrysts from 1 to 4 cm long are locally abundant. Some sections of fine to medium-grained syenite intersected in old Dominion Gulf drill holes probably represent small dykes and chill margins.
Both volcanic and intrusive rocks are relatively undeformed. Foliation, where present, strikes about 050° with a vertical dip. The basalt typically has an irregular fracture pattern with north-south and east-west sets. Metamorphic grade is generally greenschist facies with all basalt pervasively chloritized with local epidotization but in contact with syenite, the basalt often becomes contact metamorphosed to dark-grey to black hornfels.

Structurally, the property overlies the junction of two distinct fault zones. An east-northeast trending fault zone which roughly parallels stratigraphy is cross-cut by a north-south striking fault. The early fault zone appears to be related to the Destor-Porcupine fault which strikes roughly east-northeast about 10 km to the north.

Pyrite and rarely pyrrhotite occur along fracture planes in the basalt. Silicification, probably associated with intrusion of the syenite dyke, is locally present. A few scattered quartz +/- carbonate veins occur in the basalt.

Dominion Gulf Hole #3 (Figure 4) was drilled to a depth of 189 m and encountered mainly syenite with a 30 m section of "rhyolite" which is probably silicified basalt. Scattered low gold values of 0.01 to 0.03 oz./ton over widths of 30 cm to 70 cm were obtained in breccia zones and in syenite sections of the core. Narrow sections of basalt were reported to contain pyrite and in some cases minor chalcopyrite.

Three galena-bearing quartz veins were found on surface in the vicinity of hole #3 by Dominion Gulf but structural information was not recorded, hence the orientation of the structure controlling this mineralization is uncertain.
Partially modified after Dominion Gulf geology and drilling 1980/5
OGS Map P827, 1979

FIGURE 4
Peter Island Resources Inc.
Barnet Township Property
DRILL HOLE LOCATION MAP
INDUCED POLARIZATION SURVEY

Introduction

The second phase drill program, designed to further investigate the gold intersections obtained in hole PI-85-01, also included an induced polarization (IP) survey. This survey covered the "discovery hole" area and environs from line 100E to line 110E. The IP method is quite sensitive to disseminated polarizable material such as pyrite or graphite. As the gold mineralization encountered in hole PI-85-01 was associated with pyritization, it was suggested that an IP survey might delineate specific anomalous areas that would guide the second phase drill program described in this report.

Survey Parameters

The survey was performed during the period September 25th to October 13th, 1985. It was plagued by bad weather such that the production rate for the survey was very poor. One-third of the time was attributable to down-time due to bad weather.

The instruments used for the survey were the Phoenix IPT-1 transmitter and IPV-1 receiver (see Appendix I for specifications). A frequency pair of 0.25 and 4.0 Hertz was used for the survey. Detail profiles on lines 50 m to 100 m apart, using a dipole-dipole "a" spacing of 25 m for n=1,2,3 and 4 were completed on lines 103E, 103+50E, 104E, 104+50E, 105E, 106E and 107E. Dipole "a" spacings of 50 m were used on lines 100E, 101E, 102E, 103E, 108E, 109E and 110E. The coverage
extended from the south baseline to about 700 m north to cover the favourable area of interest.

The results were plotted and contoured as pseudosections and are bound with this report (Appendix II). The sections consist of, from top to bottom, a resistivity plot in ohm meters, a percent frequency effect (P.F.E.) plot and a metal factor plot. The P.F.E. is a measure of the polarizability of the material energized within the influence of the electrode array. The metal factor is a dimensionless quantity which accentuates low resistivity areas in addition to areas having coincident high P.F.E. values. The metal factor value is obtained by dividing the P.F.E. value by the resistivity value and multiplying by 1,000.

Interpretation of the location of the anomalous responses of interest is a qualitative procedure. Anomaly widths and positions are dictated by the dipole length and cannot be less than one dipole width. Very narrow sources, relative to the dipole spacing, will have responses that are diluted and averaged over a large dipole distance. Thus, detail profiling at shorter dipole configurations is necessary to accurately delineate the locations of potential drill targets.

The anomaly locations, as interpreted from the pseudosections, are shown on the sections as bar anomalies. These anomalies are designated as definite, probable or possible which is a subjective rating based on P.F.E. anomaly characteristics and correlating resistivity responses. In order to present a more representative picture of the P.F.E. results, the average value of a pyramid of values under each station has been calculated. These values are plotted and contoured as shown on Map 35-70-1.
Results

The P.F.E. values range from less than 0.5% in the west part of the grid to as high as 16% in the east portion. There is a sharp north-south P.F.E. amplitude demarcation between lines 103E and 103+50E. West of line 103+50E, values are less than 2% and generally range from 0.5 to 1%. East of line 103E, values are 2% to 4% increasing considerably past line 106E to average values of 11%.

Similarly, low resistivity values of about 500 to 1,500 ohm metre predominate west of line 103+50E while east of this zone values steadily increase to a range of 5,000 to 8,000 ohm metre. Higher values exceeding 10,000 ohm metre occur as local zones and pockets especially east of line 104+50E.

The higher P.F.E. and high resistivity values occur in an area of high amplitude magnetic responses, which are related to underlying basalt sources some of which outcrop in the area. The lower amplitude IP values occur in areas of low amplitude magnetic zones and overburden covered areas. The Phase I drilling indicated that syenite is associated with the low amplitude IP and magnetic areas.

Discussion

Very finely disseminated pyrite in basalt is probably the source of the high P.F.E./resistivity area east of line 103E. Any responses that might be attributable to pyrite within the syenite areas are masked by the response from the basalts. The P.F.E. and resistivity amplitudes conform, in a gross sense, to the magnetic patterns. Unfortunately, there is no characteristic IP signature that can be attributed
to the area surrounding hole PI-85-01. The IP survey is mapping the syenite areas but is unable to distinguish in a positive manner areas where pyrite may be present. These negative results may be a question of the volume of pyrite not the lack of it. A zone of pyrite several meters wide under 20 m of overburden cover could easily go undetected by an IP survey utilizing an "a" spacing of 25 m. To reduce this spacing to 10 or 15 m, thus increasing resolution, would also limit the depth of exploration of the method such that any pyrite in the bedrock under 20 m of overburden would still go undetected.

**DIAMOND DRILLING**

Phase II diamond drilling was carried out to bracket an intersection of 0.21 oz. Au/ton over 3.66 m in the upper part of PI-85-01. Three holes were drilled totalling 353 m in length.

In the six holes drilled to date, there have been four higher grade intersections together with several lower grade, but nevertheless, geochemically anomalous intersections. Figure 5 has two cross-sections showing hole plots with geology and anomalous assay results (see Appendix III for Diamond Drill Logs).

A summary of all intersections over 0.03 oz. Au/ton are as follows:
All of the above intersections appear to be related to zones of mafic brecciation within the syenite. The breccia zones are up to 70 m thick but higher gold values only occur in the parts of these zones where brecciation and carbonate-quartz veining become more intense. Within these gold-bearing zones pyrite content typically exceeds 1% and locally reaches 5%; however, the proportion of pyrite does not seem to directly correlate with high gold grades.

An alteration zone with anomalous gold mineralization averaging 283 ppb Au was intersected in hole PI-85-05 from 12.65 m to 21.64 m. The zone is marked by strong epidote alteration and fine to medium-grained variably altered feldspar grains. The epidote appears to be an alteration product of the feldspars. No mafic breccia zones were intersected near the zone and, hence, this anomalous zone may represent a distinct style of gold mineralization unlike the higher grade occurrences discussed above.

Discussion

As shown on the cross-sections in Figure 5, lithologic contacts do not correlate readily between drill holes. This probably reflects the junction of east-northeast and north-south faulting/shearing, which combined to highly deform the
SECTION 10325 E
NOTE PI: 85-06 is 25m east of the other

SECTION 10275 E
NOTE PI: 85-04 is 25m east of the other

PLEISTOCENE - RECENT
Ovbt: Glacial Overburden and Casing

ARCHEAN
Syenite - Medium to coarse grained. Abundant pyrite mineralization
Metabasalt - Basalt interfingers with epidote alteration

Values Au (oz/ton)  Ag (oz/ton)  X core length (m)

FIGURE 5 Geologic Cross Sections
area. Additionally, the syenite intrusion which probably intruded upwards along the deformed zone, assimilated and brecciated the mafic wallrock to further complicate the geometry of the zone.

Even though the distribution of lithologies and mineralization in the fault junction is unclear at present, the presence of significant gold grades in holes drilled to date necessitates a further follow-up magnetometer survey and diamond drilling program. Also, the geological setting at the Barnet Township property is similar to that at the Ross Mine. Both locations are centered around the junction of a zone roughly parallel to the Destor-Porcupine fault and a later north-south fault set. At the Ross Mine, the Hislop Fault trends roughly northwest, approximately parallel to the Destor-Porcupine fault and the ore is also aligned roughly in that direction.

RECOMMENDATIONS

The diamond drilling results are very encouraging and warrant considerable follow-up work. A three-part program is recommended as follows:

1. Recut grid on property to facilitate a detailed magnetometer survey and more accurate spotting of drill holes. Total length of lines to be cut is approximately 45 km.

2. Detailed magnetometer survey to outline additional targets prior to diamond drilling program.
(3) 1,500 m of diamond drilling to test favourable syenite-basalt contact zone outlined in detail by magnetometer survey.

The first eight holes which would total about 900 m are shown on Figure 6 and summarized as follows:

<table>
<thead>
<tr>
<th>Hole</th>
<th>Location</th>
<th>Length (m)</th>
<th>Azimuth</th>
</tr>
</thead>
<tbody>
<tr>
<td>PI-85-07</td>
<td>102+90N - 103+00E</td>
<td>100</td>
<td>180°</td>
</tr>
<tr>
<td>PI-85-08</td>
<td>102+40N - 103+00E</td>
<td>100</td>
<td>180°</td>
</tr>
<tr>
<td>PI-85-09</td>
<td>105+90N - 104+50E</td>
<td>120</td>
<td>180°</td>
</tr>
<tr>
<td>PI-85-10</td>
<td>104+00N - 101+50E</td>
<td>120</td>
<td>180°</td>
</tr>
<tr>
<td>PI-85-11</td>
<td>102+05N - 100+40E</td>
<td>100</td>
<td>145°</td>
</tr>
<tr>
<td>PI-85-12</td>
<td>101+65N - 100+68E</td>
<td>100</td>
<td>145°</td>
</tr>
<tr>
<td>PI-85-13</td>
<td>101+25N - 101+00E</td>
<td>120</td>
<td>145°</td>
</tr>
<tr>
<td>PI-85-14</td>
<td>109+50N - 101+50E</td>
<td>140</td>
<td>160°</td>
</tr>
</tbody>
</table>

All holes drilled at 45° inclination.

Holes for the remaining 600 m of diamond drilling would be spotted based on the results of the first 8 holes.

**BUDGET**

The estimated budget for this program is $150,000. A detailed budget is contained in Appendix IV. The expenditures are summarized in Table 2 as follows:
## Table 2

**PETER ISLAND RESOURCES INC. - BARNET TOWNSHIP PROPERTY**

**Proposed Budget Summary**

<table>
<thead>
<tr>
<th>1.0</th>
<th>Line Cutting</th>
<th>$8,325</th>
<th>$ 8,325</th>
</tr>
</thead>
</table>

### 2.0 Magnetometer Survey

- **2.1 Expediting and Mobilization**
  - 2.1.1 Fees: 300
  - 2.1.2 Expenses: 595
- **2.2 Field Survey**
  - 2.2.1 Fees: 2,250
  - 2.2.2 Expenses: 2,925
- **2.3 Demobilization**
  - 2.3.1 Fees: 150
  - 2.3.2 Expenses: 405
- **2.4 Data Compilation and Report**
  - 2.4.1 Fees: 1,350
  - 2.4.2 Expenses: 1,050

### 3.0 Diamond Drilling Survey

- **3.1 Expediting and Mobilization**
  - 3.1.1 Fees: 920
  - 3.1.2 Expenses: 580
- **3.2 Field Drilling**
  - 3.2.1 Fees: 12,880
  - 3.2.2 Expenses: 93,600
- **3.3 Demobilization**
  - 3.3.1 Fees: 460
  - 3.3.2 Expenses: 385
- **3.4 Data Compilation and Report**
  - 3.4.1 Fees: 3,725
  - 3.4.2 Expenses: 3,200

### 4.0 Supervision

- **4.1 Fees**: 2,250

**TOTAL**

$135,350

**Contingency - Approximately 10%**

$ 14,650

**GRAND TOTAL**

$150,000

---

DERRY, MICHENER, BOOTH & WAHL
Figure 6

Peter Island Resources Inc.
Barnet Township Property
PROPOSED DRILL HOLES
CERTIFICATE OF QUALIFICATIONS

I, Perry A. Hartwick, of 3700 Kaneff Crescent, Mississauga, Ontario, do hereby certify that:

(1) I am a geologist employed by the firm Derry, Michener, Booth & Wahl.

(2) I am a graduate of the University of Toronto in Honours Geology with a degree of B.Sc. in 1983 and have been practising my profession since graduation.

(3) The statements contained in this report and the conclusions reached are based upon my review of all available data. I have worked on the property during the Phase II diamond drilling program.

(4) I have no direct or indirect interest or expect to receive any in the properties or securities of Peter Island Resources Inc. or any affiliate.

Perry A. Hartwick, B.Sc.

Toronto, Ontario
January 16, 1986
CERTIFICATE OF QUALIFICATIONS

I, Roderick W. Woolham of the town of Pickering, Province of Ontario, do hereby certify;

(1) That I am a geophysicist and reside at 1463 Fieldlight Blvd., Pickering, Ontario, L1V 2S3.

(2) That I graduated from the University of Toronto in 1961 with a degree of Bachelor of Applied Science, Engineering Physics, Geophysics Option.

(3) That I am a member in good standing of the following organizations: The Association of Professional Engineers of the Province of Ontario (Mining Branch); Society of Exploration Geophysicists; South Africa Geophysical Association.

(4) That I have been practising my profession for a period of more than 20 years.

(5) That I am an Associate with Derry, Michener, Booth & Wahl, Consulting Geologists and Engineers.

(6) That I have no direct or indirect interest or expect to receive any in the properties or securities of Peter Island Resources Inc. or any affiliate.

(7) That I personally was involved with the technical supervision of the survey and wrote the report.

(8) Permission is given to use this report for assessment and/or qualification requirements.

R. W. W
B.A.Sc., P.Eng R. W. WOOLHAM

Toronto, Canada
January 16, 1986
REFERENCES

Cherry, M. E.  

Jensen, L. S.  

Johns, R. N.  

Ragsdale, L. L., Pearson, W. N. and Woolham, R. W.  

Routledge, R. E.  

Troop, D. G.  

R. W. Woolham  
APPENDIX I

INSTRUMENT SPECIFICATIONS
Variable Frequency IP Receiver

- Backed by twenty years experience in the manufacture and worldwide distribution of variable frequency induced polarization equipment
- Simple design and operation, extremely high reliability
- High sensitivity, yet high tolerance to natural and cultural electrical noise
- Rugged, lightweight, low power drain, excellent temperature specifications
- Low cost

A completely new line of induced polarization and resistivity equipment has been designed by the people who pioneered the variable frequency induced polarization method twenty years ago. In 1956 the professional staff of McPhar Geophysics Ltd., under the direction of Dr. F.G. Halley and Mr. J. Saunderhouse, developed the first variable frequency induced polarization field system. From then, until March, 1975 (when the owners elected to terminate the business of McPhar Geophysics), these variable frequency IP systems set the standard around the world for reliability and dependable field data. During this period, almost two hundred and fifty systems were manufactured and put into service on a world-wide basis. In April 1975, the senior geophysicists and engineers from the former company, organized Phoenix Geophysics Limited in order to continue to provide the mining industry with the very best geophysical instrumentation available. These new IP systems have been designed to be the easiest to operate, the lowest in price and the most reliable in the industry.

Specifications

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Specification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Input Impedance</td>
<td>2 Mégohms</td>
</tr>
<tr>
<td>Input Protection</td>
<td>The input is protected from excessive voltages by a 10,000 ohm fuse resistor.</td>
</tr>
<tr>
<td>Operating Frequencies</td>
<td>± DC 0.125, 0.25, 1.0, 2.0 and 4.0 Hz are standard, ± DC 0.156, 0.313, 1.25, 2.5 and 5.0 Hz may also be used.</td>
</tr>
<tr>
<td>Frequency Selection</td>
<td>A front panel switch is used to select F1 or F2. These two frequencies may be set internally to any of the desired operating frequencies.</td>
</tr>
<tr>
<td>Voltage Ranges</td>
<td>1 mV, 10 mV, 100 mV, 1 V, and 10 V full scale.</td>
</tr>
<tr>
<td>Voltage Display</td>
<td>A ten-turn precision dial potentiometer is used to balance the input signal. Since the readability of the dial is 0.025% of full scale, adequate resolution is maintained with voltage levels as low as a few microvolts.</td>
</tr>
<tr>
<td>Polarizability Display</td>
<td>After the input voltage is balanced, the transmitter and receiver are switched to low frequency. The meter used for balancing now automatically displays FE in percent. Resolution is 0.1% over the range -5.0 to +20.0%. An optional high resolution display may be chosen to provide additional 0.025% resolution over the range -1% to +1%. The meter is also used as a battery test.</td>
</tr>
<tr>
<td>Filters</td>
<td>A double pole notch filter attenuates 50-60 Hz by 60 db. A low pass filter attenuates frequencies above the selected operating frequency by 18 db per octave. A high pass filter attenuates all frequencies below 0.125 Hz by 12 db per octave.</td>
</tr>
<tr>
<td>Damping</td>
<td>Minimum damping is used for the high frequency voltage level adjustment. The damping for the FE measurement is continuously selectable.</td>
</tr>
<tr>
<td>Calibration</td>
<td>An internal 0.05 ohm ±1.0% resistor allows precise calibration of the system under all conditions.</td>
</tr>
<tr>
<td>Instrument Noise</td>
<td>0.05% of reading for 1 mV and all higher voltage levels. 0.2% of reading for 100 microvolt voltage level. 1.0% of reading for 10 microvolt voltage level.</td>
</tr>
<tr>
<td>Operating Temperature</td>
<td>-40°C to +60°C.</td>
</tr>
<tr>
<td>Temperature Drift</td>
<td>The voltage drift is less than 2.0% and the FE drift is less than 0.1% over the entire operating temperature range.</td>
</tr>
<tr>
<td>Batteries</td>
<td>Any 12V to 27 DC power supply may be used. Two 9V transistor radio batteries connected in series will provide one month normal field operation (battery drain is 4.5 mA).</td>
</tr>
<tr>
<td>Case</td>
<td>Non-conductive, high impact resistant plastic.</td>
</tr>
<tr>
<td>Dimensions</td>
<td>With cover - 10 x 13 x 22 cm (4 x 5 x 9 in).</td>
</tr>
<tr>
<td>Weight</td>
<td>1.1 kg (2.5 lb) including cover, batteries and carrying strap.</td>
</tr>
</tbody>
</table>

PHOENIX GEOPHYSICS LIMITED
Geophysical Consulting and Contracting, Instrument Manufacturing, Sales and Leasing.

Head Office: 200 Yorkland Blvd, Willowdale, Ont., Canada M2J 1R5. Tel: (416) 495-6350
310 - 885 Dunsmuir St, Vancouver, B.C., Canada V6C INS. Tel: (604) 684-2285
4690 Ironclad St, Denver, Colorado, U.S.A. 80229. Tel: (303) 373-0332
Timing Options

EXTERNAL TIMING BOARD

There are two available internal timing boards. Both have the same internally mounted crystal oscillator with a stability of 50 PPM over the temperature range -40°C to +60°C.

STANDARD FREQUENCY SERIES
Frequency domain mode
±DC, .062, .125, .25, 1, 2, and 4 Hz.
Time domain mode
2 sec +, 2 sec off, 2 sec - 2 sec off.
Simultaneous transmission mode
.25 and 4.0 Hz standard, other pairs available.

OPTIONAL FREQUENCY SERIES (change link on board)
Frequency domain mode
±DC, .078, .156, .313, 1.25, 2.5, and 5.0 Hz.
Time domain mode
1.6 sec +, 1.6 sec off, 1.6 sec -, 1.6 sec off.
Simultaneous transmission mode
.313 and 5.0 Hz standard, other pairs available.

The main difference between this timing board and the model A board is that the duty cycle is variable. Frequency domain operation is obtained by setting the duty cycle to 100% and selecting any of nine binary frequencies from 1/64 Hz to 4 Hz. Various time domain waveforms may be obtained by changing any of the nine frequencies and a duty cycle of 25%, 50% or 75%. The standard 2 sec +, 2 sec off, 2 sec - 2 sec off time domain waveform is chosen by selecting a duty cycle of 50% and a frequency of .125 Hz.

EXTERNAL HIGH PRECISION CRYSTAL CLOCKS

The IPT-1 may be driven by external high precision crystal clock modules such as the CL-1 and transmitter or CL-2 and transmitter driver. These clock modules were designed for use as a time reference between the IPT-1 or IPT-2 transmitters and the Mascom PV-3 phase IP receiver. The aging rate of the CL-1 clock module is 5 x 10^{-7} per day (0.11 microsec/hr at 1 Hz) and the stability of the CL-2 clock module is 10^{-5} per day (2.56 microsec/hr at 1 Hz). These clock modules weigh 7.5 kg, however space is provided for as much as 5 kg of additional external batteries for operating the CL-1 oven heated clock all day at -40°C.

Clock modules produced by other manufacturers of induced polarization receivers are also compatible with the IPT-1.

EXTERNAL ISOLATED CABLE DRIVE

The isolated cable drive option allows the IPT-1 to be driven by the timing circuitry of the IPV-3 spectral IP receiver. The maximum distance allowed between transmitter and receiver is 500m. For efficient spectral IP field surveying, the distance between the transmitter and receiver is always maintained at one electrode interval. Thus the maximum convenient electrode interval, using the isolated cable drive option, is 500m. The IPV-3 measures the current plus six voltage dipoles (n=1.6) simultaneously.

Console

Ammeter Ranges : 30 mA, 100 mA, 300 mA, 1A, 3A and 10A full scale.

Meter Display : A meter function switch selects the display of current level, regulation status, input frequency, output voltage, control voltage and line voltage.

Current Regulation : The change in output current is less than 0.2% for a 10% change in input voltage or electrode impedance.

Protection : The current is turned off automatically if it exceeds 150% full scale or if it is less than 5% full scale.
APPENDIX II

IP PSEUDOSECTIONS
INDUCED POLARIZATION SURVEY

RESISTIVITY (APR) IN OHM METER

FREQUENCY EFFECT (APR) IN %

METAL FACTOR (APR)

COMPANY: PETRA TEAR & RESOURCES INC.

LINE NO. - 104.00-E

PROPERTY: Baner TWP

OPERATOR: Dana Fault

DATE: 1985-7-3

CONTRACTOR: Remy Belanger ENG

INSTRUMENT: PHOENIX IP-I

LOGARITHMIC INTERVALS

NOTE: contoured at definite & probable

OF ANOMALOUS ZONES

SURFACE PROJECTION FUNCTION

DEFINITE

PROBABLE

POSSIBLE

INSTRUMENT: PHOENIX IP-I

CONTRACTOR: REMY BELANGER ENG

DATE SURVEYED: 1985-7-3

OPERATOR: Dana Fault

DATE: 1985-7-3

PROPERTY: Baner TWP

COMPANY: PETRA TEAR & RESOURCES INC.

RESISTIVITY (APR) IN OHM METER
INDUCED POTENTIAL  
RESISTIVITY (APP) IN OHM METER

METAL FACTOR (APP)

FREQUENCY EFFECT (APP) IN PERCENT

SURFACE PROJECTION OF ANOMALOUS ZONES

PROPERTY LINE NO.-

COMPANY: Dena Island

INSTRUMENT: PHC

CONTRACTOR: REN

DATE SURVEYED: 3/7-78

OPERATOR: INDUCED POTENTIAL

PLOTTER POINTING

- ANOMALOUS ZONES

DEFINITE

PROBABLE

POSSIBLE

- ELECTRODE C

- BARRIER

- PLUME

LINE NO.-
INDUCED POLARIZATION SURVEY

OPERATOR: 

DATE: 

APPROVED: 

REMITTANCE ENTRAP 

INSTRUMENT: 

PROGRESS REPORT (APR) 

PROPERTY: 

COMPANY: PETER ISLAND RESOURCES INC.
INDUCED POLARIZATION AND RESISTIVITY SURVEY
APPENDIX III

DIAMOND DRILL LOGS
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):

Diamond drilling logs:

PI-8501, PI-8502, PI-8503 — see Toronto diamond drill
file #14 - Barnet Tp
R.O.W. #357 for 1986

PI-8504, PI-8506 — see Toronto diamond drill
file #15 - Barnet Tp.
R.O.W. #516 for 1986
R.O.W. #153 for 1986

by: P.A. Hartwick & R.W. Woolham,
Jan/86.
**Diamond Drill Record**

**Hole No.:** PI-85-05  
**Property:** Peter Island Resource  
**Location:** Barned Township.  
**Date Started:** Nov 9, 1985  
**Date Completed:** Nov 14, 1985  
**Loaded by:** R.A. Hartwich  
**Date Loaded:** Nov 10 to 14, 1985

**Purpose:** To test ore grade intersection 30m below PI-85-01

**Dip Tests**

<table>
<thead>
<tr>
<th>from (m)</th>
<th>to (m)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>12.65</td>
<td>OVERBURDEN AND CASING</td>
</tr>
<tr>
<td>12.65</td>
<td>55.96</td>
<td>PIN: BYGNITE</td>
</tr>
</tbody>
</table>

Typical porphyritic texture but phenocryst grain size increases down hole. Minor to lack of plagioclase.  
12.65 21.64 alteration zone. Fine to medium grained feldspar grains; however,  
grain boundaries are not well defined due to epidote(?). Epidote exists as irregular line of green masses  
within a white fine grained groundmass.

<table>
<thead>
<tr>
<th>Sample</th>
<th>From (m)</th>
<th>To (m)</th>
<th>Length (m)</th>
<th>Au (ppm)</th>
<th>Au (oz/ton)</th>
<th>As (oz/ton)</th>
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</thead>
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<td>4067</td>
<td>12.45</td>
<td>14.02</td>
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<td>1.97</td>
<td>285.0</td>
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<td>2.25</td>
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<tr>
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<td>Sample No.</td>
<td>From (m)</td>
<td>To (m)</td>
<td>Length (m)</td>
<td>Au (g/t)</td>
<td>Au (oz/ton)</td>
<td>As (oz/ton)</td>
</tr>
<tr>
<td>------------</td>
<td>----------</td>
<td>--------</td>
<td>------------</td>
<td>----------</td>
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<tr>
<td>4141</td>
<td>122.22</td>
<td>123.75</td>
<td>1.52</td>
<td></td>
<td>&lt;5.0</td>
<td></td>
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<td>4142</td>
<td>123.75</td>
<td>125.27</td>
<td>1.52</td>
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<tr>
<td>4145</td>
<td>128.32</td>
<td>129.84</td>
<td>1.52</td>
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</tbody>
</table>

**123.75 - 129.84 Pink Syenite**

- Contact over 1.5 m.
- Only minor mafic fragments.
- Iridite alteration abundant throughout.
- Minor mafite only in minor mafic xenoliths.
- End of hole.
APPENDIX IV

DETAILED BUDGET
DETAILED BUDGET

DETAILED EXPENDITURES—PETER ISLAND RESOURCES—BARNET TOWNSHIP PROPERTY

1.0 LINE CUTTING

1.1 SUBCONTRACTOR

45 KM. AT $ 150 /KM. $ 675

SUBTOTAL $ 675

2.0 MAGNETOMETER SURVEY

2.1 EXPEDITING AND MOBILIZATION

2.1.1 FEES

- 1 FIELD TECHNICIAN(S)
  2 DAY(S) AT $ 150 /DAY $ 300

2.1.2 EXPENSES

- LOCAL TRAVEL $ 100
- TRUCK RENTAL 2 DAY(S) AT $ 55 /DAY $ 110
- ATV RENTAL 2 DAY(S) AT $ 40 /DAY $ 80
- CONSUMABLES 2 DAY(S) AT $ 20 /MAN DAY $ 40
- HOTEL 1 NIGHT(S) AT $ 30 /MAN NIGHT $ 30
- EXPRESS $ 100
- INSTRUMENT RENTAL 3 DAY(S) AT $ 45 /DAY $ 135 $ 675

2.2 FIELD SURVEY

2.2.1 FEES

- 1 FIELD TECHNICIAN(S)
  15 DAYS AT $ 150 /DAY $ 2250

2.2.2 EXPENSES

- TRUCK RENTAL 15 DAYS AT $ 55 /DAY $ 650
- ATV RENTAL 15 DAYS AT $ 40 /DAY $ 400
- CONSUMABLES 15 DAYS AT $ 20 /MAN DAY $ 300
- HOTEL 15 NIGHT(S) AT $ 30 /MAN NIGHT $ 450
- INSTRUMENT RENTAL 15 DAYS AT $ 45 /DAY $ 675
- FIELD SUPPLIES 15 DAYS AT $ 5 /DAY $ 75 $ 5175

2.3 DEMOBILIZATION

2.3.1 FEES

- 1 FIELD TECHNICIAN(S)
  1 DAY(S) AT $ 150 /DAY $ 150

2.3.2 EXPENSES

- LOCAL TRAVEL $ 100
- TRUCK RENTAL 1 DAY(S) AT $ 55 /DAY $ 55
- ATV RENTAL 1 DAY(S) AT $ 40 /DAY $ 40
- CONSUMABLES 1 DAY(S) AT $ 20 /MAN DAY $ 20
- HOTEL 0 NIGHT(S) AT $ 30 /MAN NIGHT $ 0
- EXPRESS $ 100
- INSTRUMENT RENTAL 2 DAY(S) AT $ 45 /DAY $ 90 $ 555

2.4 DATA COMPIILATION AND REPORT

2.4.1 FEES

- 1 SR. PROF. ENG.
  3 DAYS AT $ 450 /DAY $ 1350

2.4.2 EXPENSES

- DATAPLOTTING AT SCALE OF 1:2500 $ 900
- 45 KILOMETERS AT $ 20 /KM. $ 900
- TYPING/PRINTING $ 150 $ 2400

SUBTOTAL $ 9025
### DETAILED BUDGET
(Continued)

#### 3.0 DIAMOND DRILLING PROGRAM

#### 3.1 EXPEDITING AND MOBILIZATION

**3.1.1 FEES**
- 2 GEOLOGIST(S)/TECHNICIAN(S)  
  2 DAY(S) AT $ 460 /DAY  
  $ 920

**3.1.2 EXPENSES**
- LOCAL TRAVEL  
  $ 100
- AIR TRAVEL Toronto-Timmins  
  $ 150
- TRUCK RENTAL 2 DAY(S) AT $ 55 /DAY  
  $ 110
- ATV RENTAL 2 DAY(S) AT $ 40 /DAY  
  $ 80
- CONSUMABLES 2 DAY(S) AT $ 20 /MAN DAY  
  $ 80
- HOTEL 1 NIGHT(S) AT $ 30 /MAN NIGHT  
  $ 30  
  **SUBTOTAL**  
  $ 1500

**3.1.3 LOCAL TRAVEL**
- AIR TRAVEL Toronto-Timmins  
  $ 150

**3.1.4 LOCAL TRAVEL**
- AIR TRAVEL Toronto-Timmins  
  $ 150

**3.1.5 AIR TRAVEL**
- Timmins-London  
  $ 500

**3.1.6 AIR TRAVEL**
- London-Timmins  
  $ 500

**3.1.7 HOTEL**
- Timmins  
  $ 100

**3.1.8 CONSUMABLES**
- Core boxes, drill bits, etc.  
  $ 500

**3.1.9 ASSAY COSTS**
- $ 1100

**3.1.10 TRUCK RENTAL**
- 26 DAYS AT $ 55 /DAY  
  $ 1540

**3.1.11 ATV RENTAL**
- 26 DAYS AT $ 40 /DAY  
  $ 1120

**3.1.12 CONSUMABLES**
- 26 DAYS AT $ 20 /MAN DAY  
  $ 1120

**3.1.13 HOTEL**
- 26 NIGHT(S) AT $ 30 /MAN NIGHT  
  $ 1660

**3.1.14 TELEPHONE, SHIPPING EXPENSES**
- $ 1000

**3.1.15 FIELD SUPPLIES**
- 26 DAYS AT $ 5 /DAY  
  $ 140  
  **SUBTOTAL**  
  $ 106400

#### 3.2 FIELD DRILLING SURVEY

**3.2.1 FEES**
- 2 GEOLOGIST(S)/TECHNICIAN(S)  
  26 DAYS AT $ 460/DAY  
  $ 12880

**3.2.2 EXPENSES**
- MOB./DEMOB. DRILL  
  $ 3500
- DIAMOND DRILLING CONTRACTOR  
  1,500 m = $ 945/m  
  $ 6750
- DRILLING CONSUMABLES  
  core boxes, drill bits, etc.  
  $ 500
- ASSAY COSTS  
  $ 1100
- TRUCK RENTAL 28 DAYS AT $ 55 /DAY  
  $ 1540
- ATV RENTAL 28 DAYS AT $ 40 /DAY  
  $ 1120
- CONSUMABLES 28 DAYS AT $ 20 /MAN DAY  
  $ 1120
- HOTEL 26 NIGHT(S) AT $ 30 /MAN NIGHT  
  $ 1660
- TELEPHONE, SHIPPING EXPENSES  
  $ 1000
- FIELD SUPPLIES 28 DAYS AT $ 5 /DAY  
  $ 140  
  **SUBTOTAL**  
  $ 106400

#### 3.3 DEMOBILIZATION

**3.3.1 FEES**
- 2 GEOLOGIST(S)/TECHNICIAN(S)  
  1 DAY(S) AT $ 460 /DAY  
  $ 460

**3.3.2 EXPENSES**
- LOCAL TRAVEL  
  $ 100
- AIR TRAVEL Timmins-Toronto  
  $ 150
- TRUCK RENTAL 1 DAY(S) AT $ 55 /DAY  
  $ 55
- ATV RENTAL 1 DAY(S) AT $ 40 /DAY  
  $ 40
- CONSUMABLES 1 DAY(S) AT $ 20 /MAN DAY  
  $ 20
- HOTEL 0 NIGHT(S) AT $ 30 /MAN NIGHT  
  $ 0  
  **SUBTOTAL**  
  $ 845

#### 3.4 DATA COMPILATION AND REPORT

**3.4.1 FEES**
- JUNIOR GEOLOGIST  
  10 DAYS AT $ 260 /DAY  
  $ 2600
- SENIOR GEOLOGIST  
  3 DAYS AT $ 375 /DAY  
  $ 1125

**3.4.2 EXPENSES**
- COMPUTER TIME  
  $ 2500
- MAP PREPARATION AND DRAFTING  
  $ 350
- TYPING/PRINTING  
  $ 6725  
  **SUBTOTAL**  
  $ 115750

#### 4.0 SUPERVISION

**4.1 FEES**
- 1 SENIOR GEOLOGIST  
  6 DAY(S) AT $ 375 /DAY  
  $ 2250  
  **SUBTOTAL**  
  $ 2250