

RECEIVED

JAN 24 1983

RESIDENT GEOLOGIST
SIOUX LOOKOUTConclusions

The geology is favourable for the occurrence of gold. The main discovery is big, it is not only wide, long and the break in which it occurs is very strong. Assays taken indicate that the big vein carries commercial values in gold. No work has been done on the property so it is possible that work and intensive prospecting will uncover other deposits of value. Very few new discoveries are as impressive as this one. If the programme outlined in this report is carried out, the chances of proving the existence of a large body of commercial ore are exceptionally good.

Location

The discovery is located in the north central part of McFie Township, District of Kenora, Province of Ontario. It is about two miles south of the southeast shore of Sandy Beach Lake. By road the discovery is about fourteen miles north east of Dinorwic on the Canadian Pacific Railroad between Fort William and Winnipeg. The first nine miles from Dinorwic on this road is a good motor road, part of the government highway between Dinorwic and Sioux Lookout. An old winter road leads from the highway to the discovery. Sections of this road pass through swampy ground and while it is a good winter road, considerable work would be necessary to make it passable during the summer. It is believed a new road could be cut a mile or so south of the old road that would pass through a sandy country. A road there would be passable in all seasons and the cost of cutting it would probably be less than the cost of putting the old road in shape.



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Timber and Water

There is plenty of water on the property for all purposes. A creek about five feet wide and a foot or more in depth runs through the property. The flow in this creek is fast and it will supply all the water needed for the early development of the property. A small lake a mile long and about half that wide is located a short distance southeast of the discovery. It can supply all the water needed by the property at any stage in its development. The timber is small but there is plenty for boilers and firewood.

Geology

No government report has been made on the area in which this discovery is located. However, in 1932 E. M. Hurst reported on the country just north of the discovery. His geological map stops a mile or so north of the Gardner property. His conclusions therefore apply in a general way to this property.

On page 19 of his report he says, "The most likely places for the occurrence of mineral deposits are (1) along the contact between the sedimentary belts and the greenstones (2) in the vicinity of quartz porphyry intrusives (3) in the vicinity of fresh massive granite such as occur between Swinit and Sandy Beach Lake, to the east of Alcona and between East Bay of Minnitaki Lake and Zarn Lake."

Item 2 definitely applies to the Gardner Discovery and probably item 3. As to item 1 sediments occur on the south shore of Sandy Beach Lake about two miles northwest of the discovery, but the location of the sedimentary-greenstone contact in relation to this discovery is not known. No sediments were recognized near the discovery, but they may occur there.

The country rock seen near the big vein is mostly Keewatin greenstone. In places especially near the big vein, this greenstone is schisted. This schist did not appear to be heavily mineralized but some mineral does occur in it near the vein.

The greenstone is intruded by bodies of quartz porphyry. Due to lack of time no attempt was made to determine the shape of the porphyry bodies. This porphyry is the same type as that found associated with the highgrade vein of gold bearing quartz now being developed by Clark Gold Mines on their property, about eighteen miles south of the Gariner Discovery. At Clark Gold the deposits of value found so far occur either in the porphyry or in the contact between the porphyry and the greenstone.

At the northeast end of the thousand foot section of the big vein one wall is porphyry, the other wall could not be seen. How far this condition extends to the southwest is not known, but both walls of the thirteen foot width are greenstone. The impression obtained during this examination was that the large vein enters and probably crosses a body of quartz porphyry.

The discoverer of the property says that a granite body occurs about one half mile southeast of the big vein and that the strike of the contact between the greenstone and granite is parallel to the strike of the big vein. This granite body was not examined. Judging by the granite greenstone contact between Swinit and Sandy Beach Lake, as shown on Hrst's map, the granite near the discovery may be an extension of the fresh massive granite mass mentioned in the extract from his report.

Veins.

Two quartz veins were examined on the property. The least important of these was a small vein from six inches to a foot in width. That appears to be the same vein was picked up in several places for a distance of about five hundred feet along the strike. This vein is not important unless high values are found in it. One grab sample taken from it did not give any gold values. The vein occurs in the quartz porphyry under conditions similar to those where the highgrade is found at Clark Gold. For this reason, it would be wise to do some work on this vein in hope of finding an ore shoot.

The Big Vein

This occurs in a very strong break. It strikes about north-east southwest. The dip of this vein could not be determined, but appeared to be nearly vertical with possibly a slight dip to the southeast.

Starting from the northeast exposure the vein can be followed for about one thousand feet in a southwest direction. There are gaps between the various quartz outcrops seen in this distance, but as they are all on the same general strike, it is reasonable to assume that they are all part of the same vein. Southwest of the southwest end of the thousand foot section, the strike of the vein is covered by overburden for about four hundred feet. Southwest of this low ground, several quartz showings occur. These may be the extension of the vein examined in the thousand foot section, but the strike of that vein is believed to be a hundred feet or so northwest of these quartz outcrops, in low ground.

Width It was possible to measure the width of the big vein accurately in only two places. Both of these places were in the thousand foot section. At all other exposures either one or both of the walls were covered with overburden. One measurement near the centre of the thousand foot section was acrossed a width of 24 feet. The second place near the southwest end of this section measured 13 feet in width. With one exception all the quartz outcrop in the thousand foot section appeared to be parts of veins five feet or more in width. The one exception was a series of small veins separated by a few inches of schist. The distance acrossed this series of quartz veins was 10 feet or more. Southwest of the low ground the vein is smaller than in the thousand foot section. None of the quartz showing appeared to be over five feet wide. The most southwesterly showing was made up of several small quartz veins about six inches wide in a sheared zone about twenty feet wide.

Mineralization The Metallic minerals seen were iron pyrites chalcopyrite and free gold. Several specks of free gold were found near where the thirteen foot measurement was taken at the southwest end of the thousand foot section. Iron and copper pyrites were found near the free gold and in several other showing both in the thousand foot section and southwest of the low ground.

Assays Four grab samples were taken from the thousand foot section of the vein. These samples were representative of the sections of the vein where they were taken. Assay results from them show that commercial gold values do occur in the vein.

A sample taken where the thirteen foot measurement was made assayed 0.37 oz. of \$12.95 a ton in gold. Free gold was found near where this sample was taken. The sample was carefully examined before it was assayed and no free gold was found in it. A sample taken at the twenty-four foot measurement, about six hundred feet northeast of the first sample, assayed 0.13 oz. or \$4.55 a ton in gold.

Two samples taken between the twenty-four foot measurement and the northeast exposure did not carry gold.

Recommendation

The surface of the big vein in the thousand foot section should be cleaned off by trenching and stripping for as much of this distance as is practical. It is estimated that at least half of this section can be cleaned off economically. The southwest section of the vein should be opened up in the same way. Then rock trenches should be put across the vein, deep enough to get below most of the weathering. Careful sampling of these rock trenches will give a very good idea of the values in the vein. While this work is going on the rest of the property should be prospected carefully and work done on any worthwhile veins found. This first program will cost about \$5,000 including tent camps for twenty men and the cutting of a new road. This program will take about three months to complete and it will give a very good idea of the value of the property.

If results from the surface work are up to expectation, a diamond drill program should be carried out. Final

decisions regarding the details of the drill program will be made from information obtained in doing the surface work. Until that information is available, the following program may be used to estimate the cost of the drilling. It will probably be very much like the final plan adopted. Enough information will be available sixty days after the surface work starts to plan this first drilling program. The program will probably consist of a number of short holes placed a hundred feet or so apart and pointed to cut the vein at between one hundred and one hundred and fifty feet in depth. Assuming that this drilling will be carried the full length of the thousand foot section, and that the holes average two hundred feet in depth. The total of eleven holes at two dollars a foot will be about \$4,400.

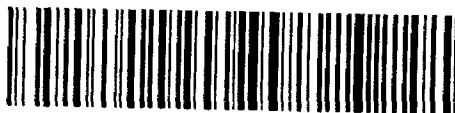
If this work gives satisfactory results, it will be desirable to test this section at greater depth and there will probably be other sections of the property that will warrant drilling. This second drill program will probably cost another four to five thousand dollars.

The total cost of the three programs will be about \$15,000. If the results are as good as the initial examination indicate they will be this work will outline an exceptionally large body of ore.

R. Russell Clark

Rochester, N. Y.
January 21st, 1935.

HERBERT M. HILL LABORATORIES



52F16SW8406 52F16SW0028B1 MACFIE

900

December 22, 1937.

Mr. Russell Clark,
717 Seward Street,
Rochester, N. Y.

Dear Sir:

May assay of the samples of ore left here
Saturday shows the following results:

C-1	no gold	
2	0.37 ozs. gold per ton	\$12.95
3	0.13	4.55
4	No gold	
5	no gold	

Respectfully submitted,
H. M. Hill Labs.,

Director.

60937

Dymont, Ontario,
December 2nd, 1937.

Messrs. John Alto and William Gardner
Webigoon and Dinorwic, Ontario

Gentlemen:

This letter is to confirm our conversation held at
Dinorwic, Ontario, Wednesday December first, 1937.

You agreed to grant me an option to purchase six min-
ing claims owned by you and more particularly described as
mining claims numbers K8821, K8822, K8823, K8858, K8859, and
K8860 located in McFie Township, District of Kenora, Province
of Ontario.

Under the terms of this option you are to receive
twenty thousand dollars (\$20,000) payable as follows:

\$2,000August 1, 1938
\$3,000November first 1938
\$5,000May first 1939
\$10,000November first 1939

You are also to receive one hundred thousand (100,000)
shares of stock in a company to be formed to take over the
ownership of these claims when the development of the claims and
conditions warrant the formation of such a company.

I agreed to keep the claims in good standing during
the time this option is in force and to keep them free and clear
of all liens or other claims against these claims for debts
caused by work done on the claims or caused to be done by my-
self or my associates.

I agreed to have a proper option drawn up by a lawyer
as soon as it can be done conveniently to sign the option and
forward it to you. You agreed to sign this option and return
it to me. On receipt of this option you are to place the titles
of these claims with the transfers properly made out to me or
to the party or parties named by me in the Royal Bank of Canada
at Dryden, Ontario. These transfers and titles to be held there
in escrow subject to the terms of the option. On completion of
the terms of the option these papers are to be delivered to me
or to the party or parties named by me. If the terms of the
option are not carried out the titles and transfers are to be
returned to you.

Signed R. Russell Clark
Witnessed Fredrick Clark
Date Dec. 2, 1937

accepted "Wm. Gardner"
Witnessed "Frank Edwards"
date 25th May, 1938

Accepted John W. Alto
Witnessed Frank Edwards
date 25th May, 1938

Ministry of Natural Resources
RECEIVED
JAN 24 1983
RESIDENT GEOLOGIST
SIOUX LOOKOUT

Report On: Gardener-Alto Gold Prospect.

By: R. J. Devlin.

Date Examined: May 22-23/38.

Date Reported: May 28/38.

Owners: Optioned by Wm. Gardener and J.W. Alto, both of Dinorwic, Ontario, to R. Russell Clark, Rochester, N. Y., U.S.A.

Claims: K-8821, 22, 23 and K-8858, 59, 60, six in all.

Location & Accessibility: Approximate centre McFie Township, District of Kenora, Ontario, two miles Southeast of Big Sandy Lake, fourteen miles North-east of Dinorwic which is about ninety miles East of Kenora on C. P. R. Can be reached by nine miles motor road and five miles winter road, or twelve miles motor road and two and one-half miles lake and two miles portage. A Lake one mile by one-quarter mile occurs one-half mile to the South of showing.

Reports and Map References: Report by R. Russell Clark. Claims shown on Ontario Department of Mines blueprint of staking in Big Sandy Lake Area.

Previous examinations by: R. Russell Clark.

Work Accomplished: Showing has received no work. Stripping indicated in sketch was done by the writer. Overburden includes large masses of quartz, but for the most part is light, and 75% of the showing as sketched could be stripped with grub-hoes.

Descriptions:

Showings: Showing consists of a series of quartz veins, lenses and stringers at the contact of, in, and associated with, a quartz porphyry dike in andesite. Strike (magnetic) varies between N54E and N44E; dip is negligible. Quartz occurs over a length of 1030', open at both ends; Quartz chunks were seen for 100' southwest into low ground beyond that sketched. Width varies between 0 and 25'; it was not possible to estimate an average width, owing to the nature of the showing. Additional quartz in porphyry was seen some 500' to the S.E.; this was narrow and gave every indication of being barren.

A grab sample, from a showing of quartz and silicified quartz porphyry, mineralized with a little finely disseminated pyrite in the corner of claim K-8821, was taken and returned Tr. This showing was covered by swift running water, so that no examination could be made.

Geology: The quartz is, for the most part, barren, save for a little Tourmaline and sericite. What little chalcopyrite and pyrite does occur is negligible. A few fine flakes of visible gold were noted in three places (see sketch).

The quartz porphyry and andesite are well schisted but contain a negligible amount of mineral.

Sample Results: The visible gold seen was so fine as to easily escape detection. In view of this, and the fact that the other mineral is negligible, the samples as shown in the sketch were taken, for the most part, to determine whether or not visible gold occurs in sections of the vein other than those at which it was actually observed.

Terms:

200,000 shares in a 3,000,000 share Company.

Recommendations: Although much of this showing is overburdened, enough was seen to convince the writer that it will not make a mine. Systematic stripping might disclose something of a more promising nature, but the writer does not believe the showing warrants this work.

"R.J.Devlin"

Dinorwic, Ontario,
July 27, 1938

Mr. R. Russell Clark
717 Seward St.
Rochester N. Y.

Dear Russell:

Just to say that I thought you were coming at any time I would have written sooner too. What I told you about that we were going to work at my property at Sandy Lake. After we cleared the bush it is sure nice to look at it. It is also showing free gold for 600 ft., and it looked funny to me when it did not turn good on account of the assay. The mining engineer that came Mr. Devlin, only the high grade is north of the big vein a few feet north. I always think if would be able to come and see for yourself what it is like. Several people have seen it already and don't believe the way it turns out. I myself don't believe only I'm surprised to know it is very low. 1600 ft. is how long the quartz is showing. But we are not going to let it go. We are going to hole it for one year anyway. I guess you received the samples I sent you this spring, there is some now a lot nicer

and better than that when we blasted. I'll be glad to hear about how you are getting along so write to me as soon as you can. I also want to see you too. This will all for now We are all sending love to you and your wife and mother.

I am,
Yours truly,

Wm Gardner.

Erie Canadian Mines, Limited

(NO PERSONAL LIABILITY)

319 ERIE COUNTY BANK BLDG.

BUFFALO, N. Y.

MINE OFFICE
KIRKLAND LAKE, ONT.

October 8, 1938

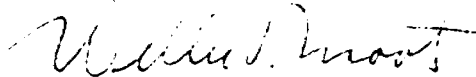
Mr. G. L. Holbrooke, Supt.,
Erie Canadian Mines, Ltd.,
P. O. Box 670,
Kirkland Lake, Ont.

Dear Mr. Holbrooke:

Mr. R. Russell Clark of Rochester came in to see me about the Gardiner-Alto property on which he had an option dated December 2, 1937. I enclose that option and the report and map which he left with me. He says he can get a new option on the same terms and thinks that if we took an assignment, he should have \$5,000 and 200,000 shares of stock in a 3,000,000 share company. He says that he examined the property last summer and that Mr. Develin did the work, and of course he thinks Develin did not do a good job. Clark's address is 717 Seward St., Rochester, N. Y.

If you think this proposition is entitled to no further consideration, please write Mr. Clark advising him of your decision and returning the papers to him, and in any event let me know what you do about it.

Yours very truly,



Managing Director.
ERIE CANADIAN MINES, LTD.

WVM/bme
ENCL.

October 11, 1938.

Mr. W. V. Moot, Managing Director,
Erie Canadian Mines Limited,
319 Erie County Bank Building,
BUFFALO, New York.

Re: Gardner Alto Property -
McKie Township

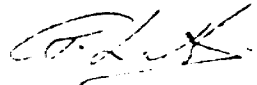
Dear Mr. Moot:

This will acknowledge your letter of October 8th with enclosed report on the above property. From the report, one would gather that the vein on this property is a very strong one and that the general geological conditions are good. I have looked up the location on the map and find that in a general way the country is underlain by greenstone with porphyry inclusions and with a large bed of granite occurring a short distance to the east.

From your reference to Mr. Devilin's assay returns on the property, I would gather that the whole occurrence is merely another one of the numerous large bull-quartz veins which occur throughout this part of the country and which carry, as a rule, little, if any, values except possibly a few specks of free gold near the margins. It is, of course, impossible to say without an examination whether or not the property is worth considering. I feel, judging from the low results of channel samples and the general small erratic distribution of gold values, where found, that the property is not worth the quite considerable expense of an examination. It might help us to form an opinion if we could get the results of Mr. Devilin's sampling, and I am writing Mr. Clark requesting this information.

Yours very truly,

ERIE CANADIAN MINES LIMITED,
(No Personal Liability)



DLH:MC

Superintendent.

October 11, 1933.

Mr. R. Russel Clark,
717 Sewald Street,
ROCHESTER, New York.

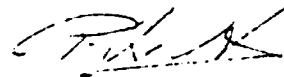
Dear Sir:

I have received a letter dated October 5th from Mr. W. V. Moot, our Managing Director, enclosing a report and option covering the Gardner Alto property in McFie Township.

In his letter Mr. Moot mentions some assay returns from samples taken by Mr. Devilin. It would help us greatly in deciding whether or not to make an examination, if you could supply us with an assay plan showing the returns of Mr. Devilin's work.

Yours very truly,

ERIE CANADIAN MINES LIMITED,
(No Personal Liability)



CLH:DO

Superintendent.

717 Howard St
Rochester N.Y.
October 13th 1938

Erie Canadian Mines Limited
Kirkland Lake Ontario.

Attention Mr. G. L. Holbrooke

Dear Sir:-

Answering your letter of October 11th. Mr Devlin's map showing the assay returns from his sampling and the geology near the big vein is in the head office of Howey Gold Mine in the Federal Bldg Toronto.

The two assays marked in pencil on the rough sketch accompanying my report are the only ones that showed values. His map and report show vein widths and length corresponding to those reported by me. The blanks reported by Mr Devlin were taken near the blanks shown on my sketch.

The reason Mr Devlin gave for turning ^{the} property down was lack of mineralization. He did not believe that a property showing so few sulphides on the surface would ever make a mine. Judging by my experience in the area I believe he is wrong. As I studied Geology and Mining at Queens and have been prospecting and developing properties in Canada for twenty years the last five in the Kenora area I believe my opinion should carry some weight. At Clark's Gold geological conditions are like those found on the Gardner-Alto property. There we had very few sulphides showing on the surface. They showed up when we shot into the veins. Work done since Devlin's examination should prove this point.

Mr Percer Reid of Howey Gold might be willing to show you or your representative Mr Devlin's map and report.

Yours very truly

F. Russell Clark

October 17, 1938.

Mr. E. J. Bolger,
Howey Gold Mines Limited,
522 Federal Building,
TORONTO, Ontario.

Dear Sir:

We have recently been approached by a Mr. R. R. Clark of Rochester with regard to a property which he controls in Dinorwic called the Cardner Alto. I understand from Mr. Clark that your company has records of a detailed sampling made by Mr. Devlin. If you have no further interest in the property, we would appreciate any information which you feel free to give us.

Yours truly,

ERIE CANADIAN MINES LIMITED,
(No Personal Liability)



GLE:NO

Superintendent.

HOWEY GOLD MINES, LIMITED
(NO PERSONAL LIABILITY)

822 FEDERAL BUILDING

TORONTO, ONT.

October 18, 1938.

Erie Canadian Mines Limited,
Kirkland Lake, Ontario.

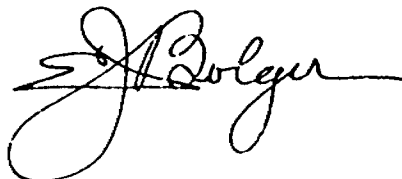
Dear Sirs:

Attention: Mr. G.L. Holbrook

We are in receipt of your letter of the 17th inst., and in reply are enclosing copy of Mr. Devlin's report and accompanying plan. We have no further interest in the property and are very glad to reciprocate and send you our information.

Yours very truly,

HOWEY GOLD MINES, Limited,



Encl.
EJB:EC.

October 22, 1938.

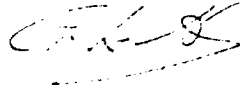
Mr. R. Russel Clark,
717 Seward Street,
ROCHESTER, New York.

Dear Sir:

I received the information from
Howey Gold Mines covering their examination
of the Gardner Alto property, and I am
glad that we are unable at this time to
undertake an examination. Should we in the
near future have submitted for examination
another property in the same area, we will
then be glad to examine your property as
well, and I will so advise you.

Yours truly,

ERIE CANADIAN MINES LIMITED,
(No Personal Liability)



GLE:MO

Superintendent.

October 22, 1938.

Howey Gold Mines Limited,
822 Federal Building,
TORONTO, Ontario.

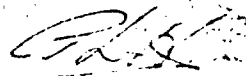
Attention: Mr. E. J. Bolger

Dear Sirs:

Thank you for your letter of
October 18th with enclosed copies of Mr.
Devlin's map and report. Should you in
future be interested in any property which
we have examined, please do not hesitate
to ask us for information.

Yours very truly,

ERIE CANADIAN MINES LIMITED,
(No Personal Liability)



GLH:MO

Superintendent.

717 Seward St.,
Rochester, N.Y.;
October 31st 1938

Eric Canadian Lines Ltd.,
Kirkland Lake, Ontario

Attention Mr G. L. Holbrooke.

Dear Sir:-

In answer to your letter of October 22nd, I am sorry you
are not able to examine the property at this time.
Gardner- Alto

Would you be kind enough to send me the report and other
papers I gave to Mr Moot and he forwarded to you. We will need that
information if we are able to interest anyone else in the property.
If another party does become interested I will advise you. In the
mean time I will be glad to arrange for you or your representative
to examine the property at any time that is convenient for you.

Yours truly

R. Russell Clark

November 3, 1938.

Mr. R. Russel Clark,
717 Seward Street,
ROCHESTER, New York.

Dear Sir:

This will acknowledge your letter of October 31st. I am enclosing the report and other papers as requested in your letter. As stated previously, should we have another examination in the area in the near future, we will get in touch with you and arrange for an examination of the Gardner-Alto property at the same time.

Yours truly,

ERIE CANADIAN MINES LIMITED,
(No Personal Liability)



CLE:MO
Encls.

Superintendent.

717 Seward St.,
Rochester, N.Y.,
May 14th 1939

Yours (MAY) 14/39

APRIL

Erie Canadian Mines Ltd.,
Kirkland Lake, Ontario

Attention Mr. G. L. Holtbrooke

Dear Sir:-

Last fall I had some correspondence with you regarding the Gardner-Alto property in the Kenora Mining District. During the last week a group have offered to purchase the property, subject to examination and acceptance by their engineers.

In my opinion it would be to the advantage of the present owners to deal with your company rather than the other group. Would it be possible for one of your engineers to examine the property within the next two months? If it can be examined within that time I am sure that Gardner and Alto will be glad to wait for your decision before accepting any other offer.

Yours truly,

H. Russell Clark

603

April 25, 1939.

Mr. R. Russell Clark,
717 Seward Street,
ROCHESTER, New York.

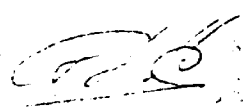
Dear Sir:

This will acknowledge your letter of April 14th regarding your Gardner-Alto property. I am afraid that at the present time we have our hands too full to be able to consider a property in the Kenora District for some time to come. We do not expect to have any examinations to make in that area in the near future.

Thank you for bringing the matter to our attention.

Yours truly,

SYLVANITE GOLD MINES, LIMITED.
(No Personal Liability)



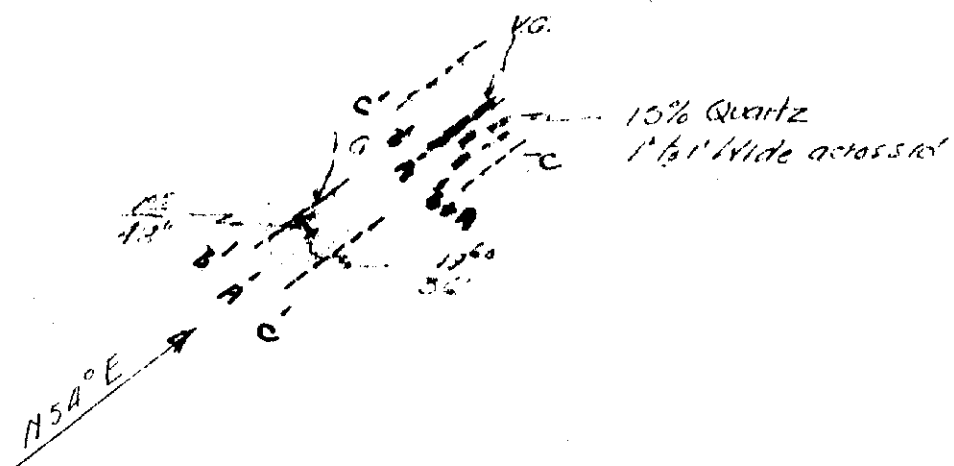
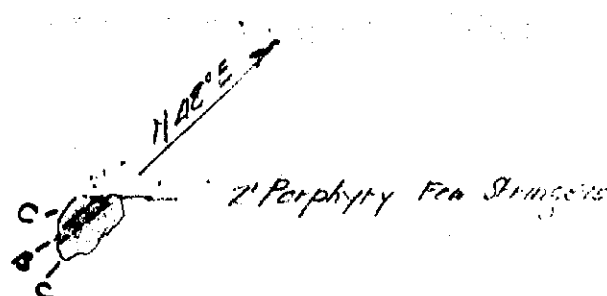
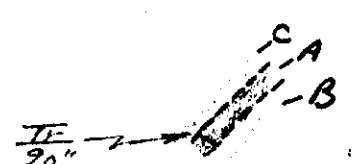
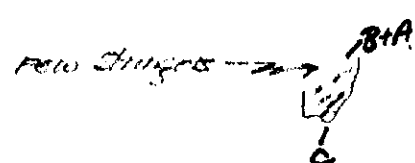
GLB:MO Superintendent of Exploration.

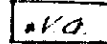




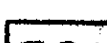

SEE ACCOMPANYING
MAP(S) IDENTIFIED AS

52 F/16 SW- 0028-B1, #1

LOCATED IN THE MAP
CHANNEL IN THE FOLLOWING
SEQUENCE (X)

		X
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-  Visible Gold
 A  QUARTZ
 B  QUARTZ PORPHYRY
 C  ANDESITE
 GEOLOGICAL BOUNDARY
 ROCK EXPOSURE BOUNDARY
 CHIP SAMPLE
 Gold @ \$3500

GARDNER-ALTO SHOW
SURFACE SKETCH
SCALE 1"=50' MAY 27 1938
DRAWN BY R.J. DEVLIN

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