ONITAP
RESOURCES INC.

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LISTED ON:
THE TORONTO STOCK EXCHANGE.
SYMBOL: TAP

June 1989.

REPORT ON DIAMOND DRILL PROGRAM- 1989
BY ONITAP RESOURCES INC.
EXPLORATION LICENSE No.14397-REF. 11F4D
GOLDBORO AREA - GUYSBOROUGH COUNTY
NOVA SCOTIA.

INTRODUCTION:

Onitap Resources Inc. has optioned from Giant Meguma Holdings a property of 52 claims in the Goldboro area, Guysborough County, Nova Scotia. The claims cover parts of Tracts 49, 50, 51, 52, 53 and 54. They are located on the eastern part and on the south flank of the Upper Seal Harbour anticline. Access to the eastern part of the area is good. Gold is known to occur in strata-bound quartz veins within the slate beds of the Goldenville Formation which underlies the area of interest.

During June 1989, one hole totalling 996 ft. was completed for ONITAP RESOURCES INC. by Ideal Drilling (N.S.) Limited of Bathurst, New Brunswick, on tract 51, claim Q.

PROPERTY:

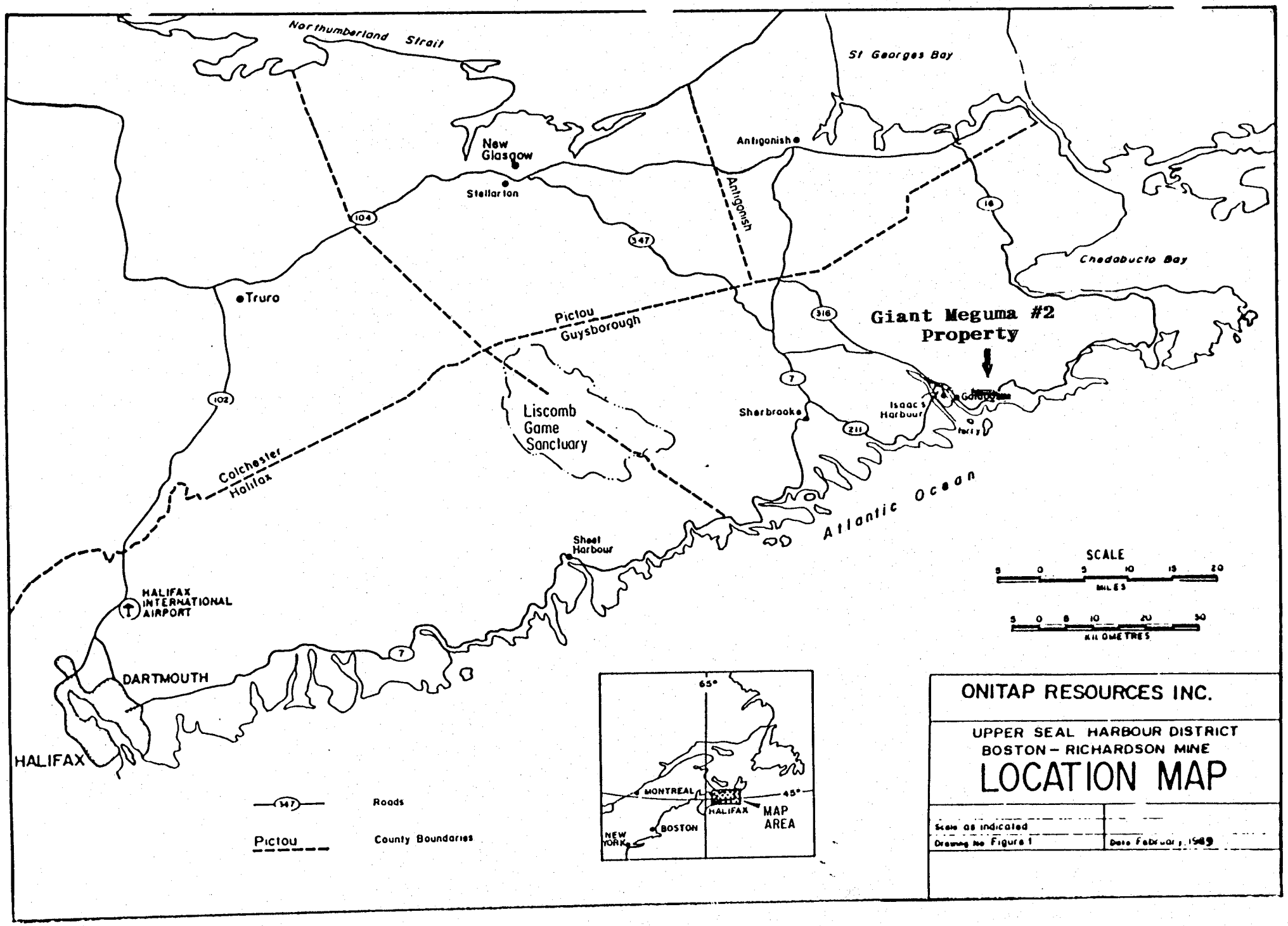
The property is located approximately one and a half mile northeast of the village of Goldboro, Nova Scotia (Fig.1). It is shown on the Nova Scotia Department of Mines Sheet No. 11F4D, known as Country Harbour. The property consists of one claim group of 52 contiguous claims, approximately 40 acres in size (1320 x 1320 feet), for a total of 2,080 acres (Fig.2).

Tract 49- Claims EFGH JKLM
Tract 50- Claims EFGH JKLM
Tract 51- Claims EFGH JKLM NOPQ
Tract 52- Claims JKLM NOPQ
Tract 53- Claims JKLM NOPQ
Tract 54- Claims JKLM NOPQ

Exploration license 14397 dated June 7, 1988. First year of issue.

Surface Rights:

The surface rights are held by the Nova Scotia Department of


Northumberland Strait
St Georges Bay
New Glasgow
Antigonish
Stellarton
Antigonish
104
347
16
Chedabucto Bay
Truro
Pictou
Guysborough
316
Giant Meguma #2
Property
7
Isaac's Harbour
Sherbrooke
211
Liscomb
Game
Sanctuary
102
Colchester
Halifax
Atlantic Ocean
Sheet Harbour
SCALE
5 0 5 10 15 20
MILES
5 0 5 10 20 30
KILOMETRES
HALIFAX INTERNATIONAL AIRPORT
DARTMOUTH
7
HALIFAX
347
Roads
Pictou
County Boundaries
65°
MONTREAL
45°
HALIFAX
MAP AREA
BOSTON
NEW YORK
ONITAP RESOURCES INC.
UPPER SEAL HARBOUR DISTRICT
BOSTON – RICHARDSON MINE
LOCATION MAP
Scale as indicated
Drawing No Figure 1
Date February, 1989

Ore Search
U 27 F 8
UPPER SEAL HARBOUR GOLD DISTRICT
DEN.

Seabright Explorations
PEND

Nairn Ore Search Con. Exp.
Mar 17/87

Seabright
March 31/89

Giant Mesuma Holdings
April 10/89

Feb 20/89
Giant Mesuma

Mesuma Holdings
June 1/88

Giant Mesuma Holdings

Scotia Prime Res
April 10/89

Lotus Resources
Oct 18/88

Lotus Resources
LOWER SEAL HARBOUR GOLD DISTRICT

J.A. Leslie
Dec 1/88

Ginger H
Sept 8/88
Dev.

Scotia Three Corner Lake
Pending

S. Grant
Apr. 19/88

Seabee
Pending

March 17/89
Scotia Prime Resources
Pending

Earlick Gold
Jan 19/89

Scott Grant
Dec 23/87

ONITAP RESOURCES INC.

UPPER SEAL HARBOUR DISTRICT
GUYSBOROUGH COUNTY, NOVA SCOTIA

CLAIM MAP

11F/4D

Fig. 2

Scale : 1/31,680

1 0 1 Mile

Lands and Forests.

LOCATION AND ACCESS:

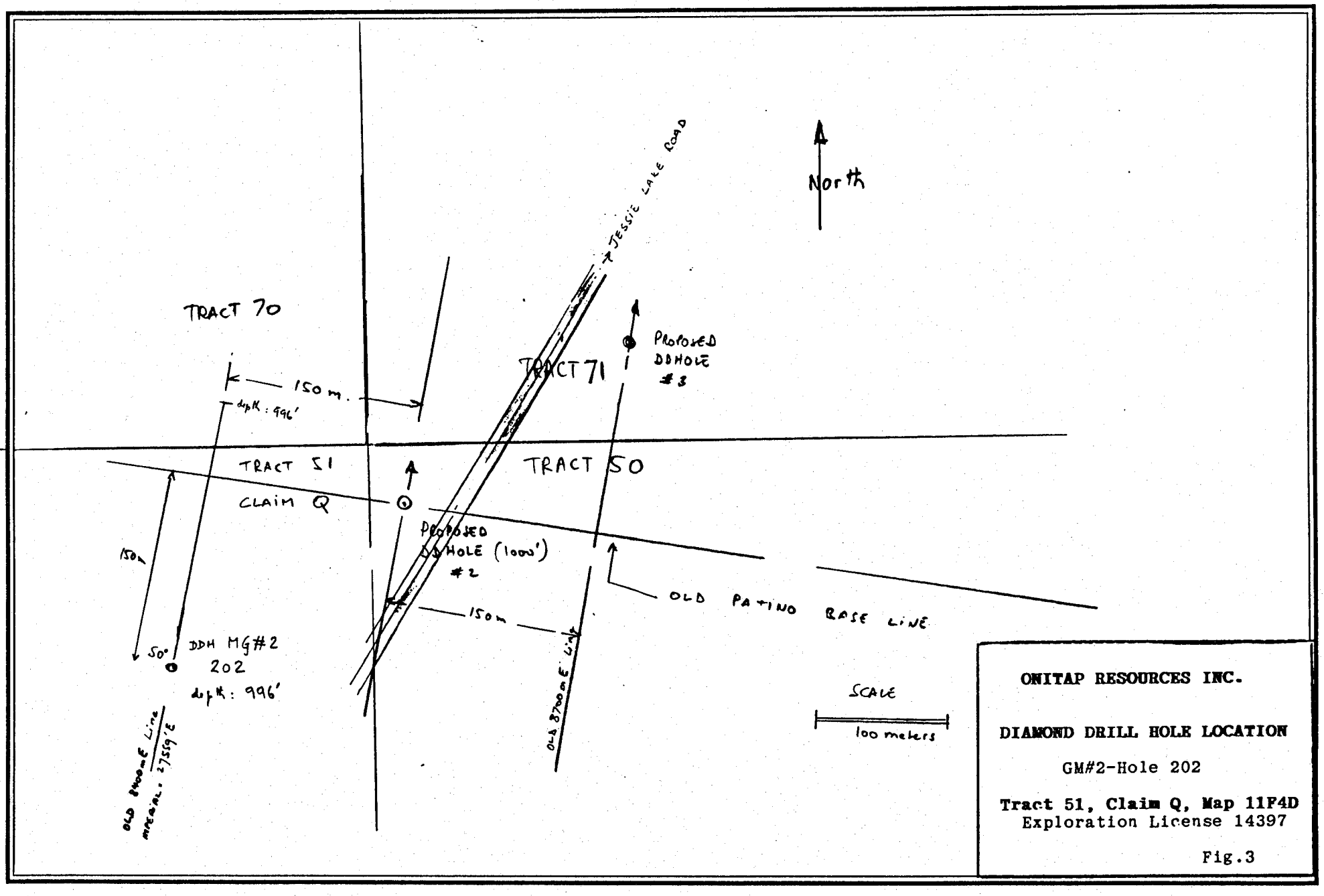
The villages of Goldboro and Isaac's Harbour are located on the eastern shore of Nova Scotia, in Guysborough County, approximately 165 km northeast of Halifax.(latitude 45 degrees 11' 30" to 45 degrees 12' 30"; longitude 61 degrees 37' 30" to 61 degrees 40' 40"; NTS 11F/4 -Country Harbour).
The fishing village (named after the harbour) lies on the western shore of the harbour, on Highway #316, opposite the village of Goldboro. A gas station, a general store and a post office are the services available in those two communities. All other services are available at the town of Sherbrooke (50 km by road to the west) or from the town of Antigonish 80 km to the north. The nearest commercial air service is at Halifax.
Access to the claims is excellent. Good gravel roads from Highway #316 pass at the eastern limit of the claim block, they were opened by Stora Forest Industries, give access to the top part of Tracts 50 and 51. The diamond drill hole location on tract 51, Claim Q is located near the Jessie Lake road. (Fig.3)

GENERAL DESCRIPTION:

The claims are located between 200 and 250 feet above sea level in an area of gently rolling hills. The shoreline of the harbour rises slowly to about 250 feet over one quarter of a mile. The area is covered with boulder-filled gravels, sandy clay, tills and muskeg. Outcrops of bedrock are rare; probably about one per cent. The area has been cut over and is now covered by secondary growth of tag alders, maple, birch, spruce, balsam and tamarack.
The climate is moderated by the Atlantic Ocean and ranges from an average summer temperature of 70 degrees F to a winter average of 26 degrees F. There is little snow accumulation.

HISTORY:

Gold was first discovered on the Isaac's Harbour Anticline, in quartz veins, in 1861. In 1892, tracing by the Geological Survey of the Upper Seal Harbour Anticline, revealed a band of quartz veins known as the Richardson Belt (later the Boston-Richardson Mine). The Richardson Mine operated until 1912 from two vertical shafts (depths of 170 and 440 feet) and one inclined shaft with much lateral drifting. From a



ONITAP RESOURCES INC.

DIAMOND DRILL HOLE LOCATION

GM#2-Hole 202

Tract 51, Claim Q, Map 11F4D
Exploration License 14397

Fig.3

total of 375,000 tons of ore mined, 50,000 ounces of gold were recovered.

Other discoveries of gold on the Upper Seal Harbour Anticline, led to the development of the Dolliver Mountain, East Goldbrook, and West Goldbrook Mines.
The results of the EM-16 and magnetometer surveys done in the area in 1981 by Patino Mines over a grid with lines spaced at 150 m, and station intervals of 25 m indicated a generally low magnetic gradient for the area. This would suggest that the underlying sedimentary sequence is of a relatively uniform nature.

In 1987, helicopter borne magnetic and EM 16 surveys were made by Aerodat Limited, but these surveys covered only the upper portions of tracts 53 and 54 of Giant Meguma #2, Exploration License No. 14397.

GENERAL GEOLOGY:

The property is underlain by rocks of the Cambro-Ordovician Meguma Group subdivided into the Goldenville Formation overlain by the Halifax Formation.
The Goldenville Formation is mainly made of sandstones interbedded with thin slate horizons, which are inferred to have been deposited by turbidity currents and reworked by bottom currents (Schenk, 1970; Harris, 1971; Waldron, 1983).
The Goldenville Formation is at least 2 km thick in the Isaac's Harbour area, however it reaches at least 8 km thick elsewhere in the Meguma Terrane.
The Halifax Formation is composed predominantly of slates with subordinate sandstones and is poorly exposed in the Isaacs Harbour area outcropping at only three localities on either side of Isaacs Harbour and on Goose Island.
Deposition of the Meguma Group appears to have been accompanied by movements on generally highly inclined east-west faults, which produced monoclinal folds. These faulted monoclines also appear to have formed the locus of fissures which formed the conduits for hot springs producing auriferous veins.
Deposition of the Meguma Group was followed by several phases of deformation acccompanied by greenschist facies metamorphism. This was closely followed by amphibolite facies, low pressure regional metamorphism in the northern part of the area.
Further deformation followed correlated with the Hercynian Orogeny. Gold appears to have been remobilized along Hercynian shear zones.

Finally, during the early Mesozoic, the area was cut by a series of northwest-southeast sinistral transcurrent faults associated with kink bands. (Keppie, 1983).

ECONOMIC GEOLOGY:

Gold has been mined in the area sporadically since the late nineteenth century. There are four abandoned mines located on tracts 64, 65 and 66. They are in order from west to east, the Dolliver Mountain, the West Goldbrook, the Boston-Richardson and the East Goldbrook . Only the Boston-Richardson can be considered as a producer. It produced 50,000 ounces of gold from a total of 375,000 tons of ore mined over a period of nineteen years at an average grade of 0.13 oz. Au/t. These mines straddle the axis of the Upper Seal Harbour anticlinal structure (Fig. 3) which is oriented in an east-west direction and plunges gently to the east. In 1987, Onitap Resources Inc. discovered several new mineralized belts below the Boston-Richardson mine and published March 8, 1988, probable reserves of 1.1 million tons @ 0.194 oz. Au/t.
The gold is associated with stratiform, stratabound and side quartz veins and as rare dissemination in the host rock slates interbedded in the sandstones of the Goldenville Formation. The gold districts are preferentially located near the hinge zone of asymmetric Acadian folds. Although true "saddle reefs" are present, as it is the case along the Upper Seal Harbour anticline, many vein systems are located on the limbs of folds adjacent to monoclinal flexures. The mineralogy and form of the veins, and their attendant wall rock alteration effects, suggest that gold was deposited initially from hydrothermal solutions, that passed upward through the fault systems, as they were ejected into seawater as low density plumes from submarine hot springs (Haynes, 1983).

OBJECTIVE

The objective was to evaluate by diamond drilling the Goldenville formation along the Upper Seal Harbour anticline in this area, by drilling several holes located in such a way as to give a crosssection of the rock formations across the anticline.

DIAMOND DRILLING PROGRAM:

The 1989 drill program consisted of Hole GM#2-m202, totalling 996 ft., which was drilled on tract 51, claim Q, at the 8400mE-150mS location of the old Patino Mines grid.

The detailed drill logs and maps are found in Appendix 1 and 2 respectively.

The lithologies encountered in the drill holes consist mainly of (1) arenites (2) greywackes and (3) rare narrow shale beds.

(1) Arenites : generally consist of siliceous sediments with a light green to grey colour, massive and well endurated with good sorting present. Also present are bedded arenites and some slightly chloritized arenites. Biotite content ranges from 5-10% throughout the section. Original bedding is difficult to see because a very strong foliation is present.

(2) Greywackes : generally consist of more thinly bedded sequences of argillaceous material which exhibits moderate sorting and have higher lithic component. These rocks are of a medium grey colour.

(3) Shales: are aphanatic, dark grey and dark green, they contain chlorite and biotite. The narrow shale beds intersected in the two drillholes are probably associated to the bedded argillaceous sequences encountered in the above greywackes. They are not the typical mudstones encountered near the Boston-Richardson mine.

RESULTS

Hole GM#2-202, 8400mE-150mS, inclined at 50 degrees north seems to be located near the anticlinal axis. It intersected thick sequences of arenites with some sections of greywackes alternating with narrow beds of chlorite-biotite shales, one thicker bed of approximately 17 ft. true thickness was intersected. The shale beds, sent for analysis, have returned anomalous gold values.

RECOMMENDATION

It is recommended to drill two additional 1,000 ft. holes, one on section 8550 mE-0.0, the other on section 8700 mE-150mE, the objective would be to locate Au-mineralization hosted in strata-bound quartz veins within the slate beds along the Upper Seal Harbour Anticline in its eastern location.

RJD/KAN/

Karl A. Naert, Ph.D.,P.Eng.
President

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CERTIFICATE OF QUALIFICATION

I, Karl A. Naert, hereby certify:

1) that I am a consulting geologist employed by Narex Ore Search Consultants Inc., 48-151 Nashdene Road, Scarborough, Ontario;

2) that I am a graduate of the University of Leuven (Belgium) with a licence in Geology and Mineralogy (B. Sc. Honours equivelent) 1963, and of The Pennsylvania State University with an M. Sc. and Ph. D. in 1973;

3) that I have been practising my profession as a geologist since 1963;

4) that I am a registered Professional Engineer in the Province of Ontario, a Fellow of the Geological Association of Canada, a member of the Geological Society of America, a member of the American Institute of Mining and Metallurgical Engineers and a member of the Canadian Institute of Mining and Metallurgy;

5) that I am a director an officer and a minor shareholder of Onitap Resources Inc.

REGISTERED PROFESSIONAL ENGINEER
K. A. NAERT
PROVINCE OF ONTARIO

Karl A. Naert, Ph. D., P. Eng.

Scarborough, Ontario
May 31, 1989

APPENDIX I

AR 89-174

DIAMOND DRILL LOG

PROPERTY: Giant Meguma 2
HOLE No.: m202
Collar Eastings: 27559.06
Collar Northings: -492.13
Collar Elevation: 0.00

Collar Inclination: -50.00
Grid Bearing: 360.00
Final Depth: 996.00 feet

Logged by: RJD KAN
Date: June 1989
Down-hole Survey: Tropari

FROM	TO	LITHOLOGICAL DESCRIPTION
0.0	21.0:	Overburden (OB) NQ to BQ at 12 feet
21.0	28.0:	Arenite (AR) medium grey, typical, irregular foliation underlined by biotite inprint, blocky ground.
28.0	29.5:	Greywacke (GR, shaly) shaly, medium grey, finely grained @ 29.5 ft. 22 degrees apparent dip
29.5	41.0:	Arenite (AR) typical, well foliated. Apparent dip of foliation: 70 degrees.
41.0	43.5:	Greywacke (GR) fine grained. grey, shaly, grading into
43.5	46.0:	Shale (SHL) chloritic, sandy, fine grained,grey greenish
46.0	49.4:	Greywacke (GR, SHL) alternating with narrow sandy shale beds as described above. @ 49.4: apparent dip: 22 degrees
49.4	50.5:	Arenite (AR) typical, foliated, medium grey
50.5	51.5:	Shale (SHL) sandy, fine grained, grenish.
51.5	79.0:	Arenite (AR) typical, foliated, medium grey Apparent dip of foliation: 68 degrees
79.0	83.0:	Shale (SHL) indurated, chloritic, greenish with narrow (1cm) quartz veins, very thin veinlets of Po, tr Py. Chlorite surrouncing quartz veinlets. Apparent dip: 20 degrees
83.0	107.5:	Arenite (AR) typical, foliated, medium grey
107.5	110.0:	Shale (SHL) grey greenish, chlorite rich, some narrow quartz veins, tr. Py.
110.0	115.0:	Arenite (AR) typical, siliceous, thin qtz. carbonate filled fractures.
115.0	120.0:	Greywacke (GR) chlorite rich, with some lenses, fragments, of greenish shale. @ 118 ft.: apparent dip: 15 degrees
120.0	132.0:	Arenite (AR) typical, foliated, apparent dip 72 degrees

ASSAYS

SAMPLE No.	FROM	TO	WIDTH	Au ppb	Au oz/t	As ppm
2016	79.00	83.00	4.00	37	0	12
2017	107.50	110.00	2.50	13	0	17

DIAMOND DRILL LOG

PROPERTY: Giant Meguma 2
HOLE No.: m202

FROM	TO	LITHOLOGICAL DESCRIPTION
132.0	137.0:	Greywacke (GR, SHL) and narrow Shale beds alternating Greywacke is fine grained, shale beds are chlorite-biotite rich with thin (max. 1cm) quartz veins, traces Py-Po Apparent dip @ 137 ft.: 15 degrees
137.0	141.0:	Greywacke (GR) typical
141.0	175.5:	Arenite (AR) typical, foliated, medium grey. Apparent dip of foliation: 60 degrees.
175.5	180.0:	Greywacke (GR) fine grained, grey
180.0	232.0:	Arenite (AR) typical, well foliated, foliation underlined by biotite inprint with 70 degrees apparent dip, medium grey.
232.0	234.5:	Greywacke (GR) medium grained, grey, with small Py crystals disseminated (approx. 1%), some narrow shaly beds present. Apparent dip: 15 degrees.
234.5	323.0:	Arenite (AR) typical, foliated, medium grey with @ 291.5: 2" of finely bedded arenite, grey. From 303-306: very siliceous, clear grey to whitish grey. @ 302.7:2" irreg.& finely bedded @ 321 ft.: 2" quartz vein.
323.0	325.2:	Shale (SHL) chlorite-biotite rich, very thin (mm) quartz veining, tr. Py Biotite joint plane: apparent dip 48 degrees Apparent dip of shale at contact with arenite: 15 degrees
325.2	336.0:	Arenite (AR) typical, medium grey, foliated. Apparent dip of foliation: 58 degrees.
336.0	353.8:	Shale (SHL) chlorite-biotite rich, fine grained, sandy, grey green, 4 thin quartz veins with tr. Py. Apparent dip of bedding: 15 degrees.
353.8	393.0:	Arenite (AR) typical, foliated, with some sections more siliceous, medium grey to white pink. @ 384: thin qtz. carbonate filled fractures.
393.0	397.0:	Greywacke (GR) finely grained, medium grey with some more shaly sections intercalated.

ASSAYS

SAMPLE No.	FROM	TO	WIDTH	Au ppb	Au oz/t	As ppm
2018	132.00	137.00	5.00	19	0	18
2019	232.00	234.50	2.50	29	0	9
2020	323.00	325.20	2.20	17	0	16
2021	336.00	341.00	5.00	12	0	15
2022	341.00	346.00	5.00	15	0	12
2023	346.00	351.00	5.00	34	0	15
2024	351.00	353.80	2.80	32	0	14

DIAMOND DRILL LOG

PROPERTY: Giant Meguma 2
HOLE No.: m202

FROM	TO	LITHOLOGICAL DESCRIPTION	SAMPLE No.	FROM	TO	ASSAYS WIDTH	Au ppb	Au oz/t	As ppm
397.0	410.0:	Arenite (AR) typical, very well foliated: apparent dip; 62 degrees. Medium grey.							
410.0	410.5:	Shale (SHL) with thin (mm) quartz veining, grey greenish.	2025	410.00	410.50	0.50	39	0	14
410.5	440.0:	Arenite (AR) typical as above. @ 415': thinly bedded section							
440.0	442.0:	Sandstones (SD) shaly, thinly crossbedded, speckled with chlorite, greenish.							
442.0	446.2:	Arenite (AR) typical, as above.							
446.2	447.0:	Sandstones (SD) thinly crossbedded as from 440.0-442.0							
447.0	466.0:	Arenite (AR) typical, some more siliceous sections, grey to pale grey. @ 450': 2" thick breccia, jaspoid, recemented by quartz carbonate.							
466.0	469.8:	Shale (SHL), chlorite-biotite rich, sandy, greenish, with thin (mm) quartz veining.	2026	467.50	468.50	1.00	25	0	12
469.8	485.0:	Arenite (AR) typical, foliated, siliceous, grey to clear grey							
485.0	486.7:	Shale (SHL) indurated, chloritic, more massive, dark green							
486.7	490.5:	Arenite (AR) typical, medium grey.							
490.5	500.8:	Greywacke (GR) chlorite rich, shaly, grey greenish with from 499.0-499.5: amore shaly bed with qtz. veining.	2027	499.00	499.50	0.50	17	0	15
500.8	531.5:	Arenite (AR) typical, well foliated: apparent dip 62 degrees, medium gray.							
531.5	533.5:	Greywacke (GR) shaly, chloritic, greenish as above.							
533.5	537.0:	Arenite (AR) typical, as above.							
537.0	539.5:	Greywacke (GR) shaly, chloritic, greenish.							
539.5	541.4:	Arenite (AR) typical.							
541.4	543.0:	Shale (SHL) green, with hairline thin irregular layers of Po (2%) disseminated.	2028	541.40	543.00	1.60	11	0	19

DIAMOND DRILL LOG

PROPERTY: Giant Meguma 2
HOLE No.: m202

FROM	TO	LITHOLOGICAL DESCRIPTION	SAMPLE No.	FROM	TO	ASSAYS WIDTH	Au ppb	Au oz/t	As ppm
543.0	546.2:	Greywacke (GR) shaly, grey green. Apparent dip:22 degrees							
546.2	568.5:	Arenite (AR) light grey, typical, siliceous							
568.5	574.0:	Greywacke shaly (GR shly), chlorite rich, greenish							
574.0	590.7:	Greywacke (GR) fine grained, with rare narrow shaly beds, grey greenish.							
590.7	592.7:	Alternation of narrow Arenite (AR,SHL) and Shale beds, grey as follows:arenite/ shale/ arenite/ shale							
592.7	606.0:	Greywacke (GR) fine grained, with chlorite, grey greenish.							
606.0	642.5:	Arenite (AR) typical, foliated, medium grey.							
642.5	644.0:	Quartz vein (QV) in arenite with fragments of chlorite and shale, rare tr Py.	2029	642.50	644.00	1.50	36	0	20
644.0	677.5:	Arenite (AR) typical, foliated, as above.							
677.5	681.5:	Greywacke (GR) as from 592.7-606.0							
681.5	684.0:	Arenite (AR) typical, foliated, medium grey.							
684.0	688.0:	Greywacke (GR) with narrow 3" intercalated beds of shale with narrow 2mm quartz veins, one with tr. Cpy.	2030	686.00	687.00	1.00	23	0	15
688.0	697.0:	Arenite (AR) typical, foliated, medium grey.							
697.0	699.0:	Greywacke (GR) typical, grey to grey greenish.							
699.0	700.5:	Arenite (AR) typical.							
700.5	701.5:	Greywacke (GR) shaly, fine grained, grey greenish.							
701.5	705.6:	Arenite (AR) typical.							
705.6	707.0:	Greywacke (GR) shaly, chloritic, dark grey.							
707.0	727.0:	Arenite (AR) typical, foliated, medium grey.							
727.0	730.5:	Greywacke (GR) slightly shaly, chloritic, grey.							

DIAMOND DRILL LOG

PROPERTY: Giant Meguma 2
HOLE No.: m202

FROM	TO	LITHOLOGICAL DESCRIPTION	SAMPLE No.	FROM	TO	ASSAYS WIDTH	Au ppb	Au oz/t	As ppm
730.5	738.0:	Arenite (AR) typical, foliated, medium grey.							
738.0	740.0:	Shale (SHL) dark grey green, generally sandy, with three narrow quartz veins	2031	738.00	740.00	2.00	25	0	14
740.0	757.5:	Arenite (AR) typical, as above.							
757.5	762.5:	Greywacke (GR) shaly, chloritic, dark grey Apparent dip of contact with arenite below: 15 degrees.							
762.5	767.7:	Arenite (AR) typical, as above.							
767.7	771.0:	Greywacke (GR) shaly, fine grained, chloritic, grey to grey greenish.							
771.0	816.0:	Arenite (AR) typical, well foliated, apparent dip of foliation 65 degrees. Sections more siliceous and around 795' qtz. carbonate filled fractures.							
816.0	817.5:	Shale (SHL) fine grained, sandy, with disseminated Py crystals grey to grey green.	2032	816.00	817.50	1.50	15	0	12
817.5	833.2:	Arenite (AR) typical, as above.							
833.2	835.2:	Greywacke (GR) shaly, fine grained, grey.							
835.2	867.5:	Arenite (AR) typical, foliated, as above.							
867.5	869.0:	Greywacke (GR) as from 833.2-835.2							
869.0	870.0:	Shale (SHL) fine grained, chloritic, green with narrow qtz. veining.	2033	869.00	870.00	1.00	37	0	12
870.0	881.0:	Greywacke (GR) locally shaly, dark grey, with narrow qtz. veining.							
881.0	903.0:	Arenite (AR) typical, foliated, medium grey.							
903.0	906.5:	Greywacke (GR) shaly, with narrow quzrt veining, generally grey.							
906.5	909.0:	Arenite (AR) typical, as above.							

DIAMOND DRILL LOG

PROPERTY: Giant Meguma 2
HOLE No.: m202

FROM	TO	LITHOLOGICAL DESCRIPTION	SAMPLE No.	FROM	TO	ASSAYS WIDTH	Au ppb	Au oz/t	As ppm
909.0	911.5:	Greywacke (GR) shaly, fine grained, grey.							
911.5	948.0:	Arenite (AR) typical, well foliated, medium grey.							
948.0	954.0:	Greywacke (GR) shaly, fine grained, grey.							
954.0	979.0:	Arenite (AR) typical, well foliated, grey to medium grey with occasional narrow shaly greywacke beds							
979.0	981.4:	Greywacke (GR) fine grained, greyish.							
981.4	982.4:	Greywacke, shaly (GR. shly) fine grained, grey, apparent dip 8 degrees.							
982.4	987.5:	Greywacke (GR) fine grained, grey becoming more shaly, with some qtz. veining from 986.0-987.5							
987.5	996.0:	Arenite (AR) typical with a well bedded section @ 991', apparent dip 15 degrees.							
		END OF HOLE 996 FT							

DOWN-HOLE SURVEY DATA

DEPTH	INCLINATION	BEARING
300.00	-49.00	326.00
600.00	-46.00	358.00
900.00	-45.00	358.00
995.00	-45.00	358.00

DIAMOND DRILL LOG

PROPERTY: Giant Meguma 2
HOLE No.: m202
Collar Eastings: 27559.06
Collar Northings: -492.13
Collar Elevation: 0.00

Collar Inclination: -50.00
Grid Bearing: 360.00
Final Depth: 996.00 feet

Logged by: RJD KAN
Date: June 1989
Down-hole Survey: Tropari

FROM	TO	LITHOLOGICAL DESCRIPTION	SAMPLE No.	FROM	TO	ASSAYS WIDTH	Au ppb	Au oz/t	As ppm
0.0	21.0:	Overburden (OB) NQ to BQ at 12 feet							
21.0	28.0:	Arenite (AR) medium grey, typical, irregular foliation underlined by biotite inprint, blocky ground.							
28.0	29.5:	Greywacke (GR, shaly) shaly, medium grey, finely grained @ 29.5 ft. 22 degrees apparent dip							
29.5	41.0:	Arenite (AR) typical, well foliated. Apparent dip of foliation: 70 degrees.							
41.0	43.5:	Greywacke (GR) fine grained. grey, shaly, grading into							
43.5	46.0:	Shale (SHL) chloritic, sandy, fine grained,grey greenish							
46.0	49.4:	Greywacke (GR, SHL) alternating with narrow sandy shale beds as described above. @ 49.4: apparent dip: 22 degrees							
49.4	50.5:	Arenite (AR) typical, foliated, medium grey							
50.5	51.5:	Shale (SHL) sandy, fine grained, grenish.							
51.5	79.0:	Arenite (AR) typical, foliated, medium grey Apparent dip of foliation: 68 degrees							
79.0	83.0:	Shale (SHL) indurated, chloritic, greenish with narrow (1cm) quartz veins, very thin veinlets of Po, tr Py. Chlorite surrounding quartz veinlets. Apparent dip: 20 degrees	2016	79.00	83.00	4.00	37	0	12
83.0	107.5:	Arenite (AR) typical, foliated, medium grey							
107.5	110.0:	Shale (SHL) grey greenish, chlorite rich, some narrow quartz veins, tr. Py.	2017	107.50	110.00	2.50	13	0	17
110.0	115.0:	Arenite (AR) typical, siliceous, thin qtz. carbonate filled fractures.							
115.0	120.0:	Greywacke (GR) chlorite rich, with some lenses, fragments, of greenish shale. @ 118 ft.: apparent dip: 15 degrees							
120.0	132.0:	Arenite (AR) typical, foliated, apparent dip 72 degrees							

DIAMOND DRILL LOG

PROPERTY: Giant Meguma 2
HOLE No.: m202

FROM	TO	LITHOLOGICAL DESCRIPTION	SAMPLE No.	FROM	TO	ASSAYS WIDTH	Au ppb	Au oz/t	As ppm
132.0	137.0:	Greywacke (GR, SHL) and narrow Shale beds alternating Greywacke is fine grained, shale beds are chlorite-biotite rich with thin (max. 1cm) quartz veins, traces Py-Po Apparent dip @ 137 ft.: 15 degrees	2018	132.00	137.00	5.00	19	0	18
137.0	141.0:	Greywacke (GR) typical							
141.0	175.5:	Arenite (AR) typical, foliated, medium grey. Apparent dip of foliation: 60 degrees.							
175.5	180.0:	Greywacke (GR) fine grained, grey							
180.0	232.0:	Arenite (AR) typical, well foliated, foliation underlined by biotite inprint with 70 degrees apparent dip, medium grey.							
232.0	234.5:	Greywacke (GR) medium grained, grey, with small Py crystals disseminated (approx. 1%), some narrow shaly beds present. Apparent dip: 15 degrees.	2019	232.00	234.50	2.50	29	0	9
234.5	323.0:	Arenite (AR) typical, foliated, medium grey with @ 291.5: 2" of finely bedded arenite, grey. From 303-306: very siliceous, clear grey to whitish grey. @ 302.7:2" irreg.& finely bedded @ 321 ft.: 2" quartz vein.							
323.0	325.2:	Shale (SHL) chlorite-biotite rich, very thin (mm) quartz veining, tr. Py Biotite joint plane: apparent dip 48 degrees Apparent dip of shale at contact with arenite: 15 degrees	2020	323.00	325.20	2.20	17	0	16
325.2	336.0:	Arenite (AR) typical, medium grey, foliated. Apparent dip of foliation: 58 degrees.							
336.0	353.8:	Shale (SHL) chlorite-biotite rich, fine grained, sandy, grey green, 4 thin quartz veins with tr. Py. Apparent dip of bedding: 15 degrees.	2021	336.00	341.00	5.00	12	0	15
			2022	341.00	346.00	5.00	15	0	12
			2023	346.00	351.00	5.00	34	0	15
			2024	351.00	353.80	2.80	32	0	14
353.8	393.0:	Arenite (AR) typical, foliated, with some sections more siliceous, medium grey to white pink. @ 384: thin qtz. carbonate filled fractures.							
393.0	397.0:	Greywacke (GR) finely grained, medium grey with some more shaly sections intercalated.							

DIAMOND DRILL LOG

PROPERTY: Giant Meguma 2
HOLE No.: m202

FROM	TO	LITHOLOGICAL DESCRIPTION	SAMPLE No.	FROM	TO	ASSAYS WIDTH	Au ppb	Au oz/t	As ppm
397.0	410.0:	Arenite (AR) typical, very well foliated: apparent dip; 62 degrees. Medium grey.							
410.0	410.5:	Shale (SHL) with thin (mm) quartz veining, grey greenish.	2025	410.00	410.50	0.50	39	0	14
410.5	440.0:	Arenite (AR) typical as above. @ 415': thinly bedded section							
440.0	442.0:	Sandstones (SD) shaly, thinly crossbedded, speckled with chlorite, greenish.							
442.0	446.2:	Arenite (AR) typical, as above.							
446.2	447.0:	Sandstones (SD) thinly crossbedded as from 440.0-442.0							
447.0	466.0:	Arenite (AR) typical, some more siliceous sections, grey to pale grey. @ 450': 2" thick breccia, jaspoid, recemented by quartz carbonate.							
466.0	469.8:	Shale (SHL), chlorite-biotite rich, sandy, greenish, with thin (mm) quartz veining.	2026	467.50	468.50	1.00	25	0	12
469.8	485.0:	Arenite (AR) typical, foliated, siliceous, grey to clear grey							
485.0	486.7:	Shale (SHL) indurated, chloritic, more massive, dark green							
486.7	490.5:	Arenite (AR) typical, medium grey.							
490.5	500.8:	Greywacke (GR) chlorite rich, shaly, grey greenish with from 499.0-499.5: amore shaly bed with qtz. veining.	2027	499.00	499.50	0.50	17	0	15
500.8	531.5:	Arenite (AR) typical, well foliated: apparent dip 62 degrees, medium gray.							
531.5	533.5:	Greywacke (GR) shaly, chloritic, greenish as above.							
533.5	537.0:	Arenite (AR) typical, as above.							
537.0	539.5:	Greywacke (GR) shaly, chloritic, greenish.							
539.5	541.4:	Arenite (AR) typical.							
541.4	543.0:	Shale (SHL) green, with hairline thin irregular layers of Po (2%) disseminated.	2028	541.40	543.00	1.60	11	0	19

DIAMOND DRILL LOG

PROPERTY: Giant Meguma 2
HOLE No.: m202

FROM	TO	LITHOLOGICAL DESCRIPTION	SAMPLE No.	FROM	TO	ASSAYS WIDTH	Au ppb	Au oz/t	As ppm
543.0	546.2:	Greywacke (GR) shaly, grey green. Apparent dip:22 degrees							
546.2	568.5:	Arenite (AR) light grey, typical, siliceous							
568.5	574.0:	Greywacke shaly (GR shly), chlorite rich, greenish							
574.0	590.7:	Greywacke (GR) fine grained, with rare narrow shaly beds, grey greenish.							
590.7	592.7:	Alternation of narrow Arenite (AR,SHL) and Shale beds, grey as follows:arenite/ shale/ arenite/ shale							
592.7	606.0:	Greywacke (GR) fine grained, with chlorite, grey greenish.							
606.0	642.5:	Arenite (AR) typical, foliated, medium grey.							
642.5	644.0:	Quartz vein (QV) in arenite with fragments of chlorite and shale, rare tr Py.	2029	642.50	644.00	1.50	36	0	20
644.0	677.5:	Arenite (AR) typical, foliated, as above.							
677.5	681.5:	Greywacke (GR) as from 592.7-606.0							
681.5	684.0:	Arenite (AR) typical, foliated, medium grey.							
684.0	688.0:	Greywacke (GR) with narrow 3" intercalated beds of shale with narrow 2mm quartz veins, one with tr. Cpy.	2030	686.00	687.00	1.00	23	0	15
688.0	697.0:	Arenite (AR) typical, foliated, medium grey.							
697.0	699.0:	Greywacke (GR) typical, grey to grey greenish.							
699.0	700.5:	Arenite (AR) typical.							
700.5	701.5:	Greywacke (GR) shaly, fine grained, grey greenish.							
701.5	705.6:	Arenite (AR) typical.							
705.6	707.0:	Greywacke (GR) shaly, chloritic, dark grey.							
707.0	727.0:	Arenite (AR) typical, foliated, medium grey.							
727.0	730.5:	Greywacke (GR) slightly shaly, chloritic, grey.							

DIAMOND DRILL LOG

PROPERTY: Giant Meguma 2
HOLE No.: m202

FROM	TO	LITHOLOGICAL DESCRIPTION	SAMPLE No.	FROM	TO	ASSAYS WIDTH	Au ppb	Au oz/t	As ppm
730.5	738.0:	Arenite (AR) typical, foliated, medium grey.							
738.0	740.0:	Shale (SHL) dark grey green, generally sandy, with three narrow quartz veins	2031	738.00	740.00	2.00	25	0	14
740.0	757.5:	Arenite (AR) typical, as above.							
757.5	762.5:	Greywacke (GR) shaly, chloritic, dark grey Apparent dip of contact with arenite below: 15 degrees.							
762.5	767.7:	Arenite (AR) typical, as above.							
767.7	771.0:	Greywacke (GR) shaly, fine grained, chloritic, grey to grey greenish.							
771.0	816.0:	Arenite (AR) typical, well foliated, apparent dip of foliation 65 degrees. Sections more siliceous and around 795' qtz. carbonate filled fractures.							
816.0	817.5:	Shale (SHL) fine grained, sandy, with disseminated Py crystals grey to grey green.	2032	816.00	817.50	1.50	15	0	12
817.5	833.2:	Arenite (AR) typical, as above.							
833.2	835.2:	Greywacke (GR) shaly, fine grained, grey.							
835.2	867.5:	Arenite (AR) typical, foliated, as above.							
867.5	869.0:	Greywacke (GR) as from 833.2-835.2							
869.0	870.0:	Shale (SHL) fine grained, chloritic, green with narrow qtz. veining.	2033	869.00	870.00	1.00	37	0	12
870.0	881.0:	Greywacke (GR) locally shaly, dark grey, with narrow qtz. veining.							
881.0	903.0:	Arenite (AR) typical, foliated, medium grey.							
903.0	906.5:	Greywacke (GR) shaly, with narrow quzrt veining, generally grey.							
906.5	909.0:	Arenite (AR) typical, as above.							

DIAMOND DRILL LOG

PROPERTY: Giant Meguma 2
HOLE No.: m202

FROM	TO	LITHOLOGICAL DESCRIPTION	SAMPLE No.	FROM	TO	ASSAYS WIDTH	Au ppb	Au oz/t	As ppm
909.0	911.5:	Greywacke (GR) shaly, fine grained, grey.							
911.5	948.0:	Arenite (AR) typical, well foliated, medium grey.							
948.0	954.0:	Greywacke (GR) shaly, fine grained, grey.							
954.0	979.0:	Arenite (AR) typical, well foliated, grey to medium grey with occasional narrow shaly greywacke beds							
979.0	981.4:	Greywacke (GR) fine grained, greyish.							
981.4	982.4:	Greywacke, shaly (GR. shly) fine grained, grey, apparent dip 8 degrees.							
982.4	987.5:	Greywacke (GR) fine grained, grey becoming more shaly, with some qtz. veining from 986.0-987.5							
987.5	996.0:	Arenite (AR) typical with a well bedded section @ 991', apparent dip 15 degrees.							
		END OF HOLE 996 FT							

DOWN-HOLE SURVEY DATA

DEPTH	INCLINATION	BEARING
300.00	-49.00	326.00
600.00	-46.00	358.00
900.00	-45.00	358.00
996.00	-45.00	358.00

ASSAYERS ONTARIO LABORATORIES
A DIVISION OF ASSAYERS CORPORATION LTD.
33 CHAUNCEY AVENUE, TORONTO, ONTARIO M8Z 2Z2 • TELEPHONE (416) 239-3527
FAX (416) 239-4012

Certificate of Analysis

Certificate No. NX-170/8950 Date: June 16, 1989

Received 24 Samples of Drill Core

Submitted by Narex Ore Search Consultants Inc. Att'n: Mr. R. Dehenne

Sample No.	Au ppb	As ppm
2001	18	9
2002	25	12
2009	19	14
2012	29	16
2014	23	16
2015	31	7
2016	37	12
2017	13	17
2018	19	18
2019	29	9
2020	17	16
2021	12	15
2022	15	12
2023	34	15
2024	32	14
2025	39	14
2026	25	12
2027	17	15
2028	11	19
2029	36	2
2030	23	15
2031	25	14
2032	15	11
2033	37	11

ASSAYERS ONTARIO LABORATORIES

Per _____

J. van Engelen Mgr.

APPENDIX II

Nova Scotia
Department of
Mines and Energy

Report of Work Performed

I, the undersigned, holder of/agent for, Exploration License No. 14397 issued on the 7TH day of JUNE, 19 88, hereby report work as follows:

W.P.M.

I have, under said License, and in conformity with the provisions of The Mineral Resources Act, performed or caused to be performed on the licensed area 634 days' work (eight-hour days) not reported before, totalling $12,680.30 as per the attached list of expenditures. (Rate is one day's work for each $20.00 spent.)

Expenditures relating to office overhead, transportation, lodging, freight, express, construction of roads, erection of buildings, etc., will be accepted up to a maximum of ten percent (10%) of the **required** work.

The said work consisted of DIAMOND DRILLING, ROAD CUTTING.

Attached is a geological report with applicable maps, sample results, drill logs, etc., which is submitted as evidence and initialled by me.

My Post Office address is 3476 DUTCH VILLAGE ROAD, HALIFAX, NOVA SCOTIA Tel. No. 445-2500

Dated this 5TH day of JUNE, 19 88.

GIANT MEGUMA HOLDINGS

per Wilfred P. Moore

Signature of ~~Licensee~~/Agent

I hereby make oath and say that the above statement is true and correct.

Wilfred P. Moore

Signature of Licensee/Agent

Sworn to
at HALIFAX,
in the County of HALIFAX,
Province OF NOVA SCOTIA.

RECEIVED
JUN 6 10
MINES AND ENERGY

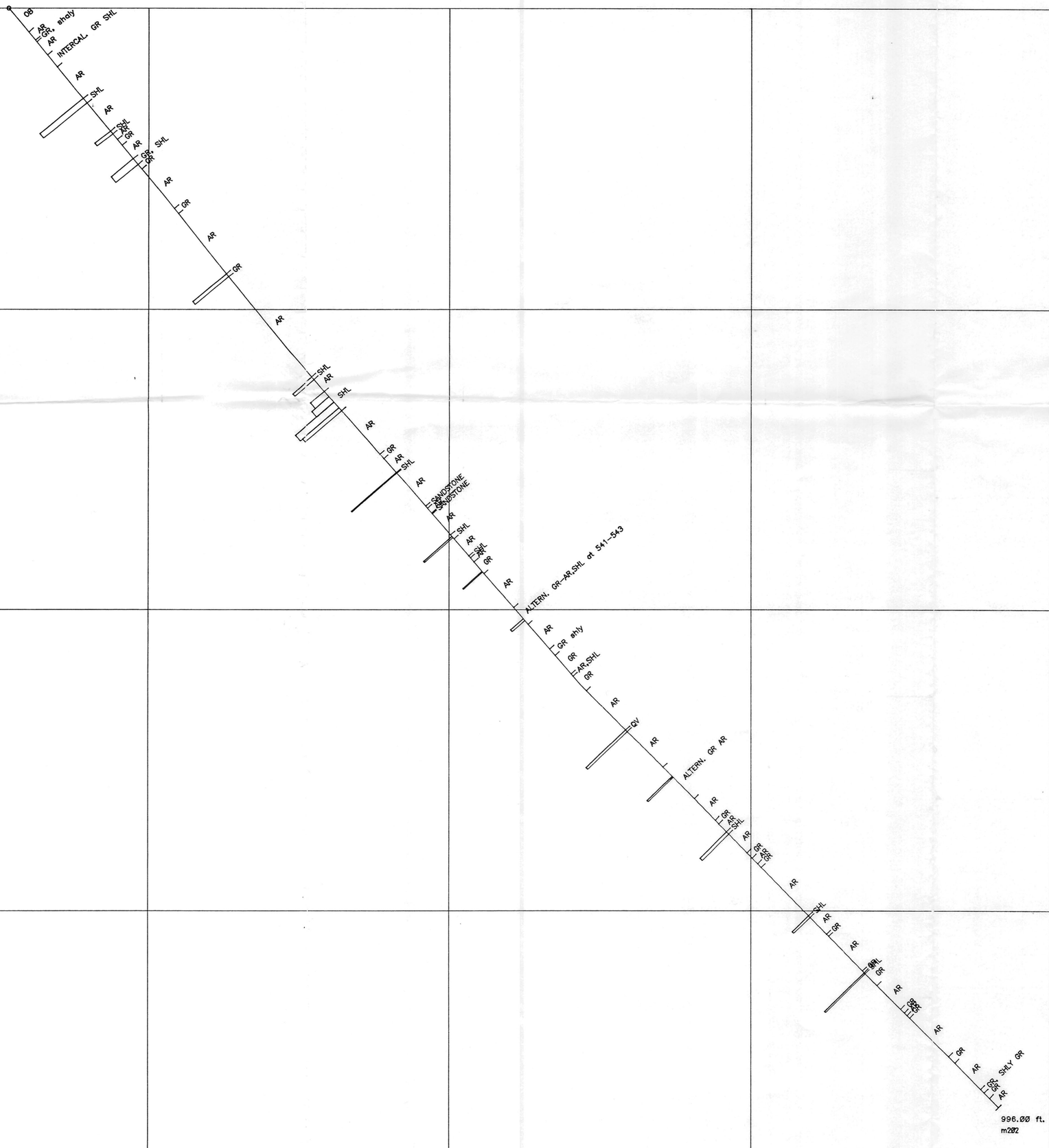
The NAMES and ADDRESSES of the men who performed the said work and the DATES upon which each man worked in its performance are as follows:

NAME	ADDRESS	MONTH	DATES
IDEAL DRILLING (N.S.) LIMITED,	P. O. BOX 40, BATHURST, N.B. E2A 3Z1	MAY, 1989	16 - 24TH
DIAMOND DRILLING			$11,640.30
CUTTING ROAD, OVERHEAD			1,040.00
TOTAL			$12,680.30

400S 200S 0N 200N 400N

27559E m200 27559E

0 0



-200 --200

-400 --400

-600 --600

-800 -800

-1000 -1000

-1200 -1200

400S 200S 0N 200N 400N

AR 89-174

GIANT MEGUMA OPTION

ONITAP RESOURCES INC

GOLDBORO AREA CLAIMS

SECTION 27559E

8400 m E

Geology & Bargraph: 1.0 inch=50 ppbAu

DRAWN BY: DMP-52 | DATE: June 1989

SCALE: 1" = 50'

REGISTERED PROFESSIONAL ENGINEER K. A. NAERT PROVINCE OF ONTARIO