

MAR 20030007: MOUNTAIN LAKE

Received date: Jun 06, 2003

Public release date: Jun 06, 2004

DISCLAIMER

By accessing and using the Alberta Energy website to download or otherwise obtain a scanned mineral assessment report, you ("User") agree to be bound by the following terms and conditions:

- a) Each scanned mineral assessment report that is downloaded or otherwise obtained from Alberta Energy is provided "AS IS", with no warranties or representations of any kind whatsoever from Her Majesty the Queen in Right of Alberta, as represented by the Minister of Energy ("Minister"), expressed or implied, including, but not limited to, no warranties or other representations from the Minister, regarding the content, accuracy, reliability, use or results from the use of or the integrity, completeness, quality or legibility of each such scanned mineral assessment report;
- b) To the fullest extent permitted by applicable laws, the Minister hereby expressly disclaims, and is released from, liability and responsibility for all warranties and conditions, expressed or implied, in relation to each scanned mineral assessment report shown or displayed on the Alberta Energy website including but not limited to warranties as to the satisfactory quality of or the fitness of the scanned mineral assessment report for a particular purpose and warranties as to the non-infringement or other non-violation of the proprietary rights held by any third party in respect of the scanned mineral assessment report;
- c) To the fullest extent permitted by applicable law, the Minister, and the Minister's employees and agents, exclude and disclaim liability to the User for losses and damages of whatsoever nature and howsoever arising including, without limitation, any direct, indirect, special, consequential, punitive or incidental damages, loss of use, loss of data, loss caused by a virus, loss of income or profit, claims of third parties, even if Alberta Energy have been advised of the possibility of such damages or losses, arising out of or in connection with the use of the Alberta Energy website, including the accessing or downloading of the scanned mineral assessment report and the use for any purpose of the scanned mineral assessment report so downloaded or retrieved.
- d) User agrees to indemnify and hold harmless the Minister, and the Minister's employees and agents against and from any and all third party claims, losses, liabilities, demands, actions or proceedings related to the downloading, distribution, transmissions, storage, redistribution, reproduction or exploitation of each scanned mineral assessment report obtained by the User from Alberta Energy.

20030007

JUN 06 2003

New Claymore Resources Ltd.

**ASSESSMENT REPORT ON
THE MOUNTAIN LAKE PERMITS**

FOR THE PERIOD JANUARY 2001 - 2003

written by
Anthony Rich, P.Geol.

May 12, 2003



MOUNTAIN LAKE KIMBERLITE
FROM MOUNTAIN LAKE

TABLE OF CONTENTS

Text:

Summary	1
Introduction	1
Location, Access, Physiography	1
Permit Tabulation	4
Work Performed	4
Ground magnetometer and gravity surveys	4
Diamond Drilling	9
DDH Logs	9
Cost of exploration	10
Distribution of assessment credits	10
Conclusions and Recommendations	10
References	11
Declaration	12
Certificate	13

Figures:

1 Location Map.....	2
2 Permit Map	3
3 Aeromagnetic Map	5
4 Ground Magnetic Contour Map with drill holes .	6
5 Gravity Data – Bouguer Map	7
6 Gravity First Derivative Map	8

**NEW CLAYMORE RESOURCES LTD.
MOUNTAIN LAKE PROSPECT, NORTH CENTRAL ALBERTA**

1. SUMMARY

83

New Claymore Resources Ltd. Mountain Lake Prospect is within topographic map areas ~~84~~ N/5 and N/12, and located about 50 km southwest of the town of Falher in north central Alberta. The prospect comprises 17 Metallic and Industrial Mineral Permits (Permits) which encompass an area of 153,000 hectares (382,000 acres).

The prospect contains the Mountain Lake kimberlite ("MLK). The prospect area was originally held by DeBeers which company discovered only the one pipe. New Claymore is convinced that other kimberlites occur in the area and has been working to that end for the past four years.

The Company has flown the entire area for aeromagnetics and part of the area for aero-electromagnetics. These surveys were, I believe, filed as assessment at an earlier time when Permits were held in the area. The Mountain Lake pipe exhibits only a weak magnetic signature and no other obvious anomalies occur. A 'chain' of secondary anomalies was detected some fifteen kilometres west of the MLK and these were explored in detail on the ground. This produced distinct magnetic anomalies and a coincident gravity anomaly.

Diamond drilling was undertaken on these anomalies in February 2002 but no kimberlite was encountered.

2. INTRODUCTION

New Claymore Resources Ltd. has held permits in the Mountain Lake area since 1997. It is well known that kimberlites occur in clusters and since 1997, New Claymore has attempted to prove this is the case in Alberta.

Unfortunately, the airborne magnetic signature of the MLK is weak. An airborne survey covering 250,000 surrounding acres did not reveal any primary or secondary targets. A study of tertiary class targets revealed one potential area in the form of a 'chain' of 2nT airborne mag. anomalies. This straight chain appeared very much like a pipeline, in fact it adjoins a major pipeline.

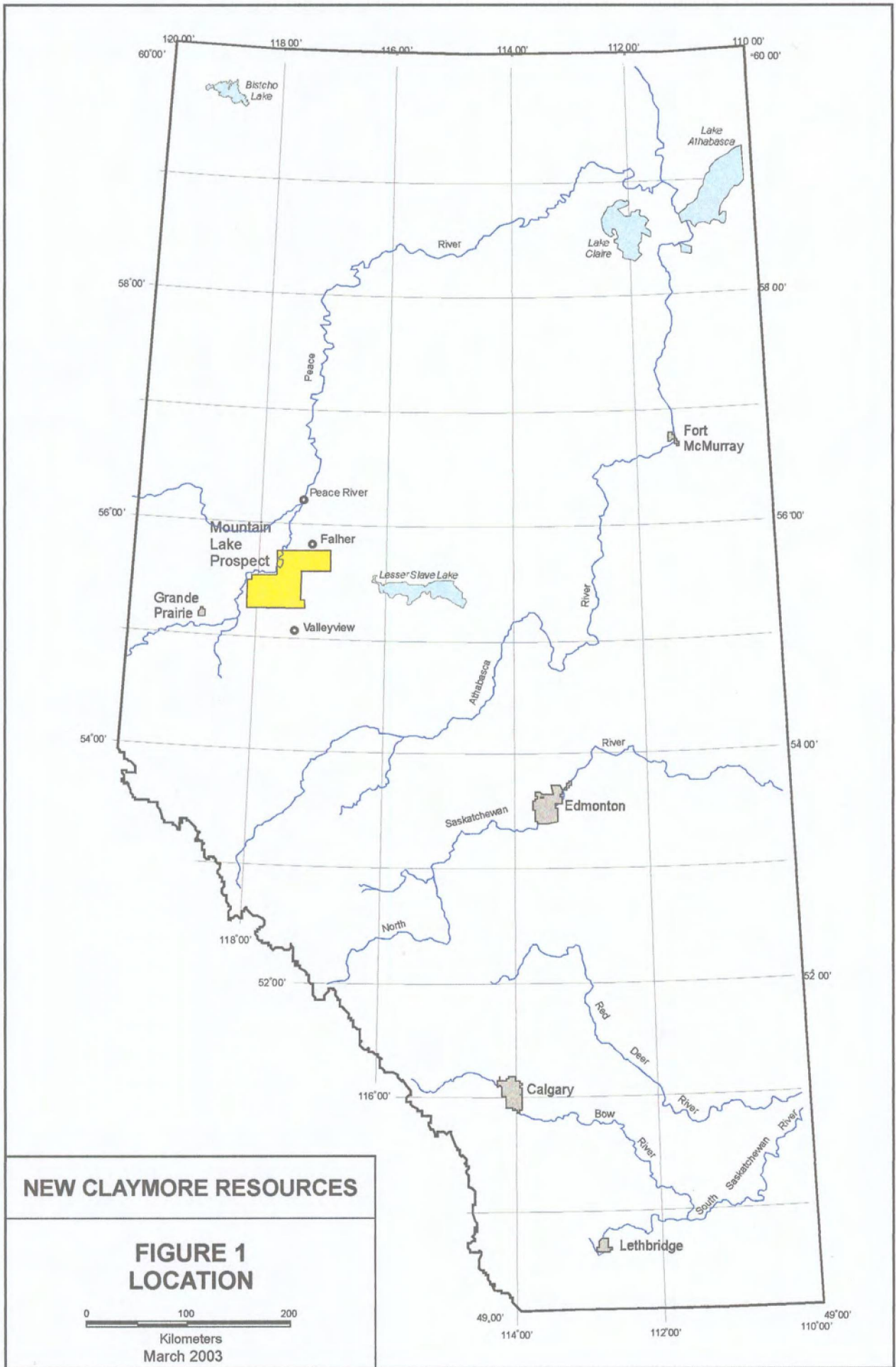
The anomalous area was surveyed by both ground mag. and gravity and a coincident anomaly was obtained. This was drilled in 2001 but the geophysical anomalies were attributed to an unusually high concentration of magnetite in the sandstone, which accounts for both the magnetic and gravity response.

3. LOCATION, ACCESS, PHYSIOGRAPHY

83

The Mountain Lake prospect is located within topographic map areas ~~84~~ N/5 and N/12, north central Alberta. The prospect is centered about 55° 27' 00" N latitude and 117° 46' 00" W longitude and located about 50 km southwest of the town of Falher and about 70 km northwest of the town of Valleyview (Fig. 1).

The Mountain Lake prospect is accessible by vehicle from the paved highway 744 from Falher and highway 676 west which highway crosses the Mountain Lake kimberlite. Secondary road allowances cover much of the area but some ATV access is required.

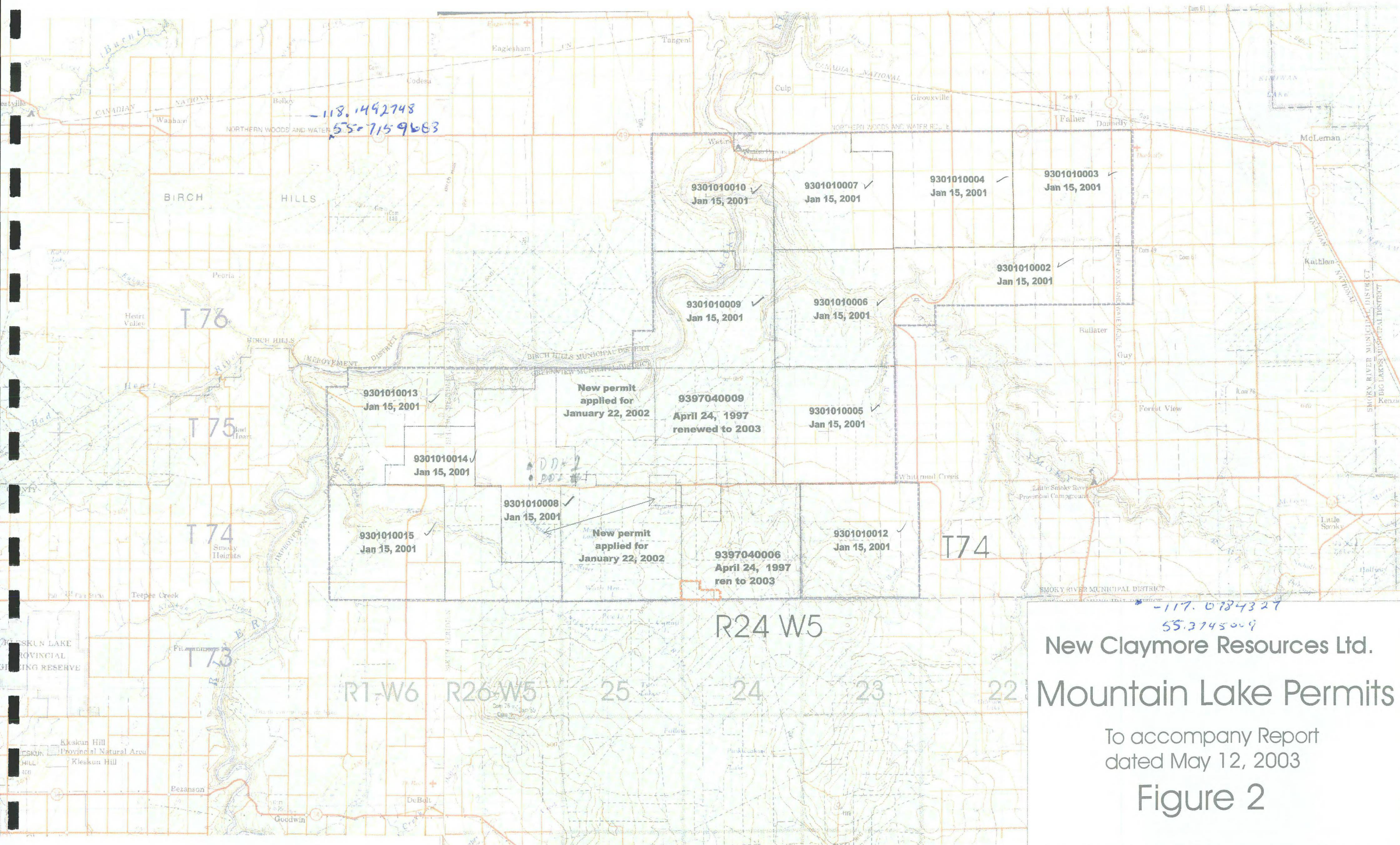


NEW CLAYMORE RESOURCES

**FIGURE 1
LOCATION**

0 100 200

Kilometers
March 2003



-117.0784327
 55.3745009
New Claymore Resources Ltd.
Mountain Lake Permits
 To accompany Report
 dated May 12, 2003
Figure 2

Topographic relief is flat near Falher with an average elevation of about 670 metres above mean sea level. The southwest portion of the property is hilly with some outcrop. Vegetation is dominated by stands of aspen poplar with white spruce and jack pine occurring on topographic highs. Lakes, peat bogs, and muskeg of sphagnum mosses and black spruce are common in low lying areas.

4. PERMIT TABULATION

The Mountain Lake prospect consists of 9 Permits located in north central Alberta, all in the name of New Claymore Resources Ltd. The permit block is shown on Figure 2

Since this assessment was carried out on only one permit and since the work will maintain only a small portion of the original group, only those permits to be maintained after this submission will be listed.

PERMIT NUMBER	COMMENCEMENT OF PERMIT TERM	REGISTERED HOLDER	AREA OF PERMIT
9301010008	January 15, 2001	New Claymore Resources Ltd.	9,216 hectares
9397040006	April 24, 1997	New Claymore Resources Ltd.	9,216 hectares
9397040009	April 24, 1997	New Claymore Resources Ltd.	7,679 hectares

The report is written by Anthony Rich, P.Geol., President of New Claymore Resources Ltd.

5. WORK PERFORMED

5.1 GROUND MAGNETOMETER and GRAVITY SURVEYS

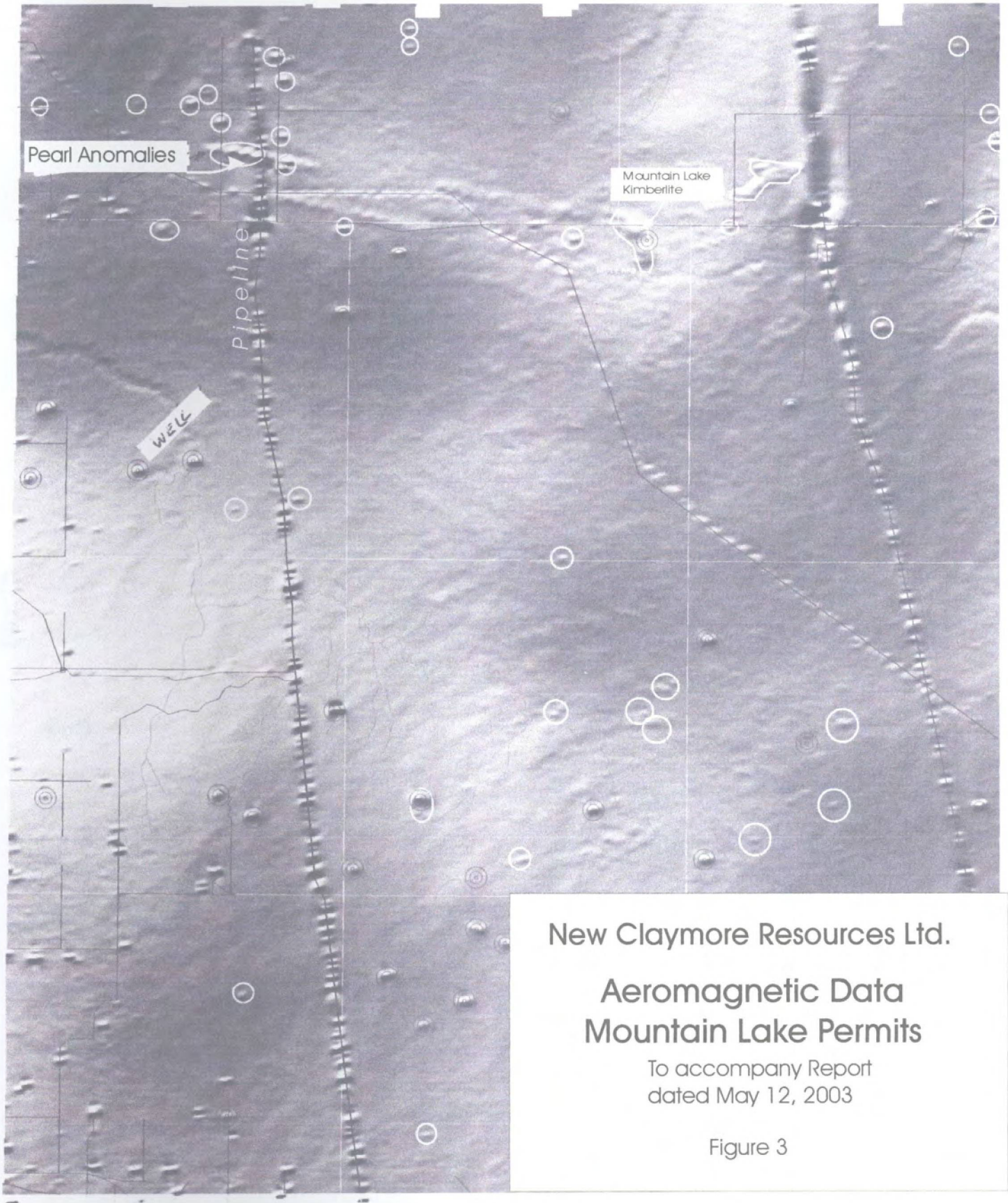
The ground magnetometer geophysical survey was conducted to define anomalous magnetic areas identified by the aeromagnetic geophysical survey and to use the magnetic patterns obtained to assist in evaluating anomalies suggestive of kimberlitic intrusives.

The aeromagnetic survey shows a 'chain' of small tertiary anomalies, called the Pearl which trend N 70° W and intersect a N/S pipeline which has an obvious mag. Signature (Fig. 3). Because the anomalies exhibited a straight line, they were first thought to be caused by a secondary pipeline but none exist in this area.

A large grid was surveyed to cover the cluster of three aeromagnetic geophysical targets. An east trending baseline 1.8 km long with cross lines spaced at 100 m intervals were surveyed perpendicular to the baseline. Grids were chained by toposfil and marked at 25 m intervals.

The survey revealed three adjoining and roughly circular distinct magnetic anomalies (Fig. 4). The easternmost and fourth anomaly was in part obscured by the strongly magnetic north/south pipeline. This anomaly could only be established by attempting to remove the magnetic effects of the pipeline itself.

At 12.5 m stations along each cross line, a magnetometer geophysical reading was collected using a GEM Systems GSM-19 integrated Overhauser effect proton precession magnetometer system. The shoulder-mounted GEM GSM-19 instrument contains an external magnetometer sensor consisting of two coils of copper wire immersed in a proton rich liquid contained in a sealed Pyrex cylinder. At each station, the sensor reads the total magnetic field strength (nT) and the data was stored in the GSM-19 instrument memory. The magnetic readings were corrected for terrestrial field magnetic variation using an GSM-19 base station programmed to collect geomagnetic field strength readings at 5 second intervals. The magnetometer data

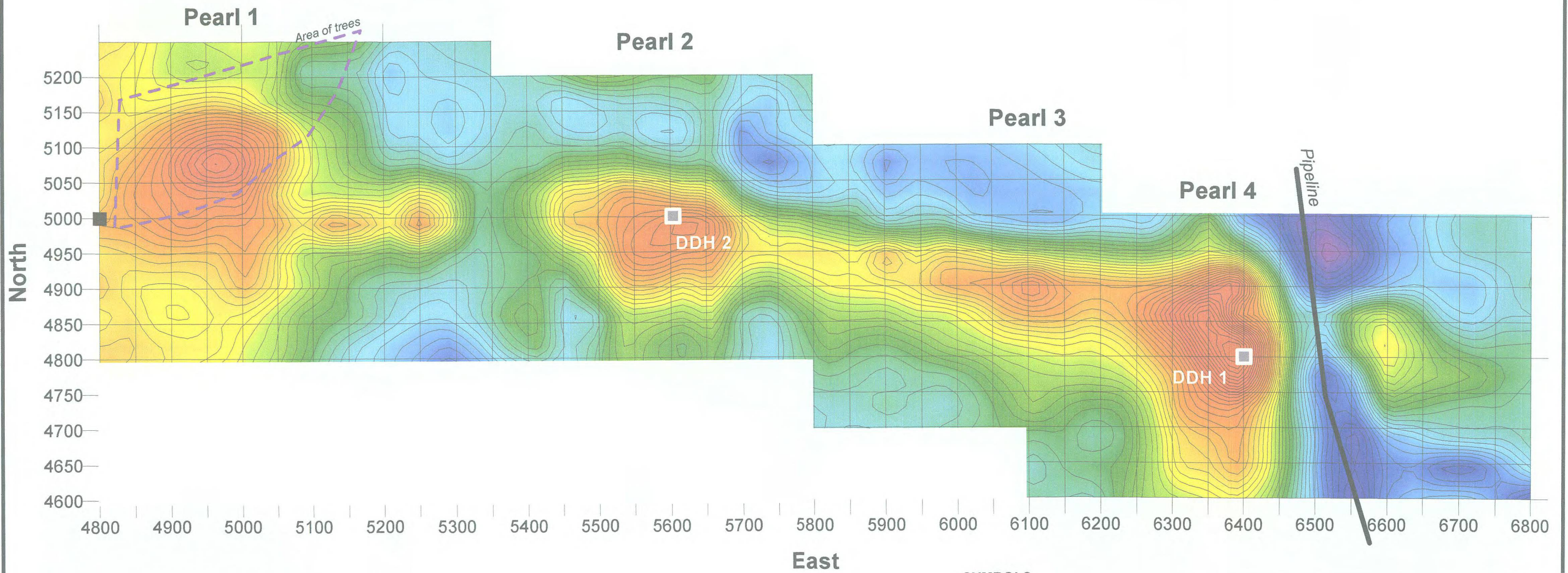


New Claymore Resources Ltd.

Aeromagnetic Data Mountain Lake Permits

To accompany Report
dated May 12, 2003

Figure 3



SYMBOLS

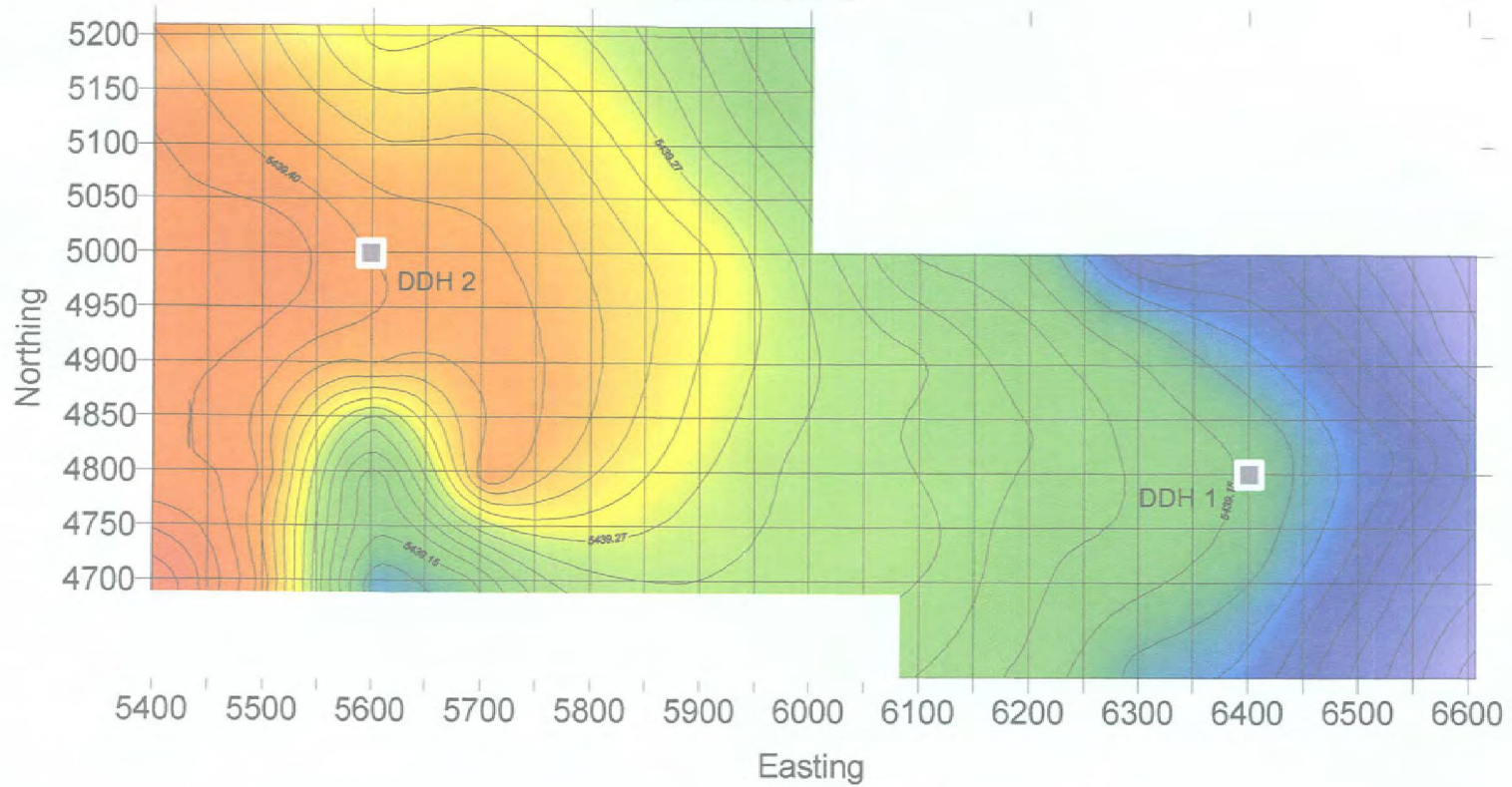
-  Diamond Drill Hole
-  NAD 27 UTM Co-ordinate
11U 0442311E 6148330N
-  Isomagnetic contour
contour interval 1 nT

NEW CLAYMORE RESOURCES LTD.	
MOUNTAIN LAKE PROSPECT	
PEARL GRID GROUND MAGNETOMETER SURVEY TOTAL MAGNETIC FIELD CONTOURS	
January 4, 2001	Figure: 4

Mountain Lake Area

BOUGUER GRAVITY MAP

FIGURE 5



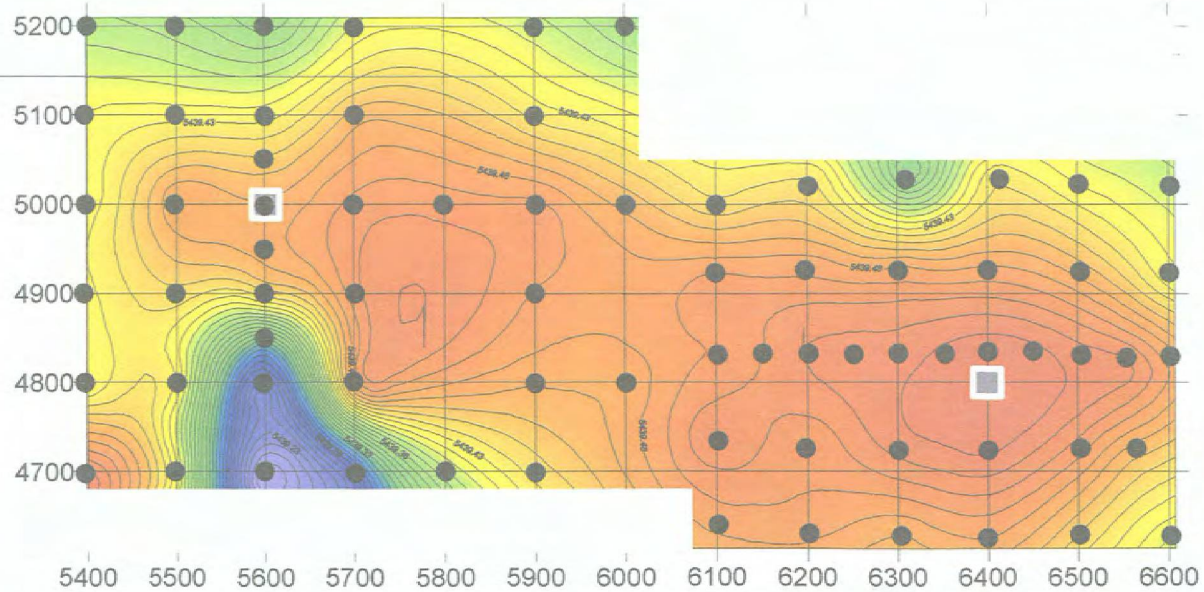
NEW CLAYMORE RESOURCES LTD.

Contour interval 0.025 mgal

September 26, 2001

Mountain Lake Area Pearl Gravity - Regional Removed

Figure 6



Contour interval 0.01 mgal

● Gravity Station

October 1, 2001

collected were transferred to an IBM compatible microcomputer using 'Gemlink' software. The software produces magnetometer data for both field readings and data which is corrected for diurnal variation.

The gravity survey was carried out in September 2001 by Anthony Rich and Robert Rzyziuk. A gravity survey relies upon an accurate vertical survey of all gravity stations. This was carried out by Anthony Rich using a Wild T0 theodolite and a stadia rod. Newer electronic instrumentation proved too slow for this type of operation. Since there were several months between the mag. Survey and the gravity, the grid had to be relocated. Luckily, the area of the Pearl is mostly cleared open fields which very much facilitated the topographic survey.

Gravity readings were taken using a Scintrex SG3 meter. This instrument uses a thermostat and automatically compensates for instrument and diurnal drift. While the Bouguer reading show a modest gravity high over two of the Pearl magnetic anomalies, a first derivative (regional removed) show this anomaly more clearly. The pipeline does not affect the gravity readings as it does the magnetics so no compensation was necessary.

The Bouguer Map shows a broad anomaly covering the two easternmost Pearl mag. Anomalies. The magnitude is approximately 0.2 miligals. This is not a strong anomaly but is what would be expected of a kimberlite intruding sandstone in this area.

5.2 DIAMOND DRILLING

In December 2000, Aggressive Diamond Drilling of Kelowna was contracted to drill a minimum of two HQ diamond drill holes on the geophysical anomalous area.

The drill was mobilized from Peace River in February and two holes were drilled over the following two weeks. The entire operation was supervised by Bob Rzyziuk. Core was shipped to the AGS warehouse in Edmonton where it still resides.

Two holes were drilled, both vertically. Overburden was found to be minimal. Sandstone was encountered immediately below the till. The sandstone was very dark and contained heavy minerals such as magnetite and ilmenite and possibly rutile. No kimberlite was present. The heavy minerals account for the gravity anomaly and the high magnetite content explains the magnetic anomalies.

Diamond Drill Logs

February, 2002

Grid Location		NAD 27 Z.11U NTS Coordinates		from	to	Interval	Description
East	North	East	North	ft	ft	ft	

DDH 1

6400	4800	443906	6148097	0	25	25	overburden - cased
				25	300	275	sandstone - dark with magnetite, ilmenite
					300		End of hole

DDH 2

5600	5000	443308	6148273	0	22	22	overburden - cased
				22	300	278	sandstone - dark with magnetite, ilmenite
						300	End of hole

5.3 COSTS OF EXPLORATION
Assessment Costs 2001 - 2003

	Costs
Magnetic Survey June 2001	
Travel and Accommodation	\$1,563.10
Rental of magnetometers	\$1,210.00
ATVs	\$783.40
Salary - [REDACTED]	\$3,000.00
[REDACTED]	\$3,000.00
	<u>\$9,556.50</u>
Gravity Survey - September 2001	
Travel and Accommodation	\$1,263.10
Rental of Gravity Meter	\$900.00
ATVs	\$647.20
Salary - [REDACTED]	\$2,400.00
[REDACTED]	\$2,400.00
	<u>\$7,610.30</u>
Diamond Drilling - February 2002	
Travel and Accommodation	\$5,429.00
Water truck	\$3,200.00
Tractor	\$1,200.00
Diamond Drill:	
mobilization	\$2,000.00
drilling	\$22,100.00
core splitting and analysis	\$2,100.00
Salary - [REDACTED]	\$3,400.00
[REDACTED]	\$2,100.00
	<u>\$41,529.00</u>
Total	<u>\$58,695.80</u>

5.4 DISTRIBUTION OF ASSESSMENT CREDITS

Portions of Permit 9301010008 to be retained:

5-24-075	6S	320 acres
5-25-074	35NE, L7,L8; 36W, L2, L7, L10, L15.	720 acres
5-25-075	1L1, L8;	80 acres
5-26-075	12S	<u>320 acres</u>
	total	<u>1,440 acres</u>

Apply eight years to these 'retained' lands in Permit 9301010008.

To: January 15, 2003	1,440 x \$2	\$ 2,880
January 15, 2005	1,440 x \$4	5,760
January 15, 2007	1,440 x \$4	5,760
January 15, 2009	1,440 x \$6	8,640
January 15, 2011	1,440 x \$6	<u>8,640</u>
	Total	\$31,680

The balance of the work credits will be applied to adjacent permits at a later date.

6. CONCLUSIONS AND RECOMMENDATIONS

The Mountain Lake area still contains only one known kimberlite, the first discovered in Alberta. New Claymore remains convinced that other kimberlites exist in the area but means other than magnetics will need be employed. The most obvious and direct tool would be seismic data, but so far the oil and gas companies have proven uncooperative.

At the time of writing, May 2003, the Company plans to involve a second company, Marum Resources Ltd., in future exploration. Perhaps the approach of a new exploration team will solve the problem.

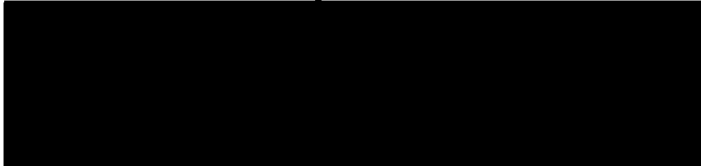
7. REFERENCES

- Dufresne, M.B., Eccles, D.R., McKinstry, B., Schmitt, D.R., Fenton, M.M., Pawlowicz, J.G., and Edwards, W.A.D. (1996) The diamond potential of Alberta; Alberta Geological Survey Bulletin No. 63, 97 p., 33 figs., 5 appendices.
- Mossop, G.D. and Stetsen, I. (eds.) (1994) Geological Atlas of the Western Canada Sedimentary Basin. Published jointly by The Canadian Society of Petroleum Geologists and The Alberta Research Council, 510 p.
- O'Connell, S.C., Dix, G.R., and Barclay, J.E. (1990) The origin, history, and regional structural development of the Peace River Arch, Western Canada; Bulletin of Canadian Petroleum Geology, vol. 38A, p. 4-24.

DECLARATION:

I, Anthony Rich of the City of Edmonton in the Province of Alberta, hereby declare I am the President of New Claymore Resources Ltd. and that the costs detailed in this report on Mountain Lake Permits are those associated with exploration herein described are true and accurate and as incurred and paid for by New Claymore Resources Ltd.

Dated at Edmonton, this 12th day of May 2003.



Anthony Rich, P.Geol.
President , New Claymore Resources Ltd.

SWORN before me in the City of Edmonton this 12th day of June, 2003

A handwritten signature in cursive script, appearing to read "A. de Villars", written over a horizontal line.

Notary Public for the Province of Alberta

ANNE S. de VILLARS, Q.C.

CERTIFICATE

I, Anthony Rich of Edmonton Alberta declare and certify that:

1. I graduated from the University of Alberta with a B.Sc. in Geophysics in 1966.
2. I was accepted as a member of A.P.E.G.G.A , the Association Of Professional Engineers, Geologists and Geophysicists of Alberta, in 1969 as a Professional Geologist.
3. I have worked in mineral exploration since 1964.
4. This report is based on personal knowledge of the Mountain Lake Property.
5. I have been President of New Claymore Resources Ltd. since incorporation in 1970.

Respectfully Submitted this 12th day of May, 2003

Anthony Rich, P.Geol.

