Report Pursuant to Section 101
<u>of the Securities Act, R.S.O. 1990, c.5.5, as amended</u>

This report is made in relation to a disposition of shares of RJK Explorations Ltd. (the "Company") pursuant to Section 101 of the *Securities Act* (Ontario).

1. **Name and Address of Offeror.**

   R.J. Kasner Co. Ltd. ("Kasco"), 4 Al Wende Avenue, Kirkland Lake, Ontario, P2N 3T5

2. **Designation and number or principal amount of securities and the Offeror's securityholding percentage in the class of securities of which the Offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances.**

   Disposition of 800,000 class A subordinate voting shares of the Company (the "Shares") representing 3.6% of the issued and outstanding Shares, assuming the conversion/exercise of all options and convertible securities of the Company held by Kasco.

3. **Designation and number or principal amount of securities and the Offeror's securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to the obligation to file the news release.**

   1,680,140 Shares representing 7.6% of the issued and outstanding Shares, assuming the conversion/exercise of all options and convertible securities of the Company held by Kasco.

4. **Designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph 3 over which:**

   (a) **the Offeror, either alone or together with any joint actors, has ownership and control;**

   Ownership of 1,680,140 Shares, representing 7.6% of the issued and outstanding Shares, assuming the conversion/exercise of all options and covertible securities of the Company held by Kasco.

(b) **the Offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the Offeror or any joint actor; and**

NIL

(c) **the Offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership**.

NIL

5. **The name of the market in which the transaction or occurrence that gave rise to the news release took place.**

The transaction took place through the facilities of the TSX Venture Exchange on October 23rd, 2002.

6. **The purpose of the Offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer.**

Kasco disposed the Shares of the Company for investment purposes and may, depending on market and other conditions, increase its beneficial ownership, control or direction over Shares of the Company through market transactions, private agreements, treasury issuances, exercise of options, convertible securities or otherwise.

7. **The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the Offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities.**

The Shares were sold through the facilities of the TSX Venture Exchange.

8. **Names of any joint actors in connection with the disclosure required by this Appendix.**

N/A

9. **In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value of the consideration paid by the Offeror.**

N/A

10. **If applicable, a description of any change in any material fact set out in a previous report by the entity under the early warning requirements of Part 4 in respect of the reporting issuer's securities.**

Prior to the sale of 800,000 Shares, Kasco owned 2,480,140 Shares, representing 11.2% of the issued and outstanding Shares, assuming the conversion/exercise of all options and convertible securities of the Company held by Kasco. As a result of the sale of the 800,000 Shares, Kasco now holds 1,680,140 Shares, representing 7.6% of the issued and outstanding Shares, assuming the conversion/exercise of all options and convertible securities of the Company held by Kasco.

DATED this 23rd day of October, 2002.

R.J. KASNER CO. LTD

Per: ________________________________

Authorized Signatory