UNITED HEARNE RESOURCES, LTD.

ASSESSMENT REPORT

GEOLOGICAL MAPPING

PROPERTY OF CRO-MUR MINING & EXPLORATION CO. LTD.

LOCATION SUSAP & HUNTER CREEKS 49°06'N, 119°48'W

SIMILKAMEEN MINING DIVISION, B.C.

N.T.S. 82E/4W

<u>CLAIMS</u> <u>BUCK 25, 26 26232,26233</u> <u>DON 1 - 3 29224-29226</u>

PREPARED BY

L.S. TRENHOLME, P.Eng.

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Vancouver, B.C. June 21, 1979

TABLE OF CONTENTS

	Page		
INTRODUCTION	1		
SUMMARY	1		
LOCATION and ACCESS	3		
PROPERTY and TITLE	3		
GEOLOGY	5		
HUNTER CREEK WORKINGS			
CONCLUSIONS and RECOMMENDATIONS			
COST STATEMENT	10		
CERTIFICATE	11		
MAPS: Fig. 1 Location Map 2 Claims and Topography 3 Location of Workings 4 Plan: Hunter Creek Workings 5 Detail: Adit and Shaft	2 4 6 7 8		

UNITED HEARNE RESOURCES LTD.

REPORT ON GEOLOGICAL MAPPING SUSAP CREEK PROPERTY MAY, 1979

INTRODUCTION

Under an option agreement dated December 1, 1978, United Hearne Resources Ltd. acquired the right to explore the Susap Creek property of Cro-Mur Mining and Exploration Company, Ltd.

Concurrently with a diamond drilling program, described in a separate report by L.S. Trenholme dated June 21, 1979, it was decided to investigate certain mineral occurrences referred to in early reports, located about 1500 metres ENE of the drilling locale. Written and verbal references to these copper and copper-molybdenum showings were vague as to location, structure and lithological environment.

Four days were required by 2 and 3 - man parties searching in very steep wooded terrain to locate the principal showings of interest known as "The Hunter Creek Workings". Two days were then spent by Bryan Fraser, B.Sc. and helper mapping these workings; plus an additional day by Mr. Fraser and L.S. Trenholme in further locating possible access routes and drill sites.

SUMMARY

A mapping program was carried out on old workings showing considerable chalcopyrite and molybdenite in the eastern part of a reverted Crown Grant now covered by Claim RON-1.

The work was carried on concurrently with, and following, a drilling program on non-contiguous property of Cro-Mur Mining and Exploration Co. Ltd.

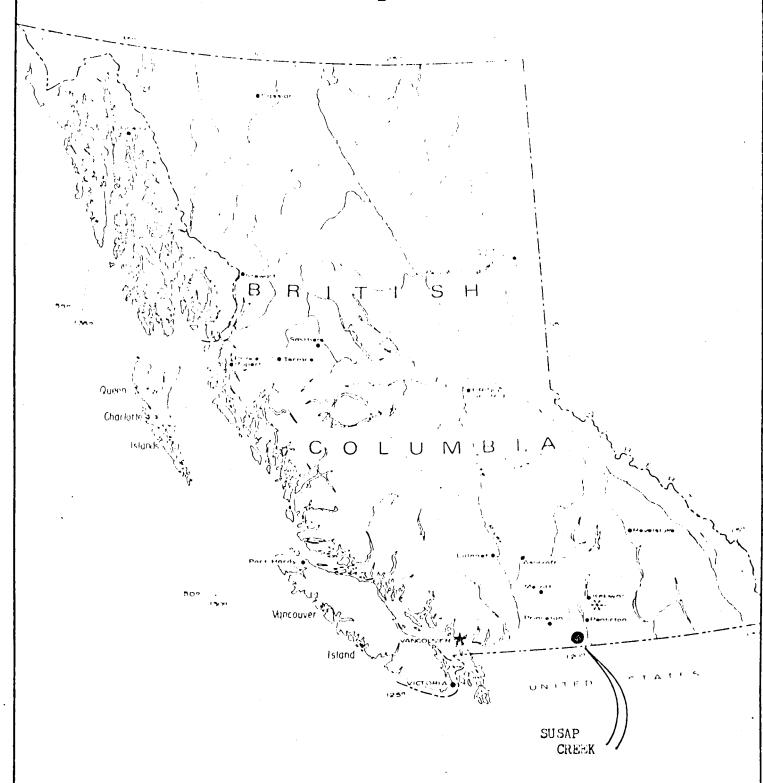


Figure 1. General Location Map

Susap Creek Property of

CRO-MUR MINING & EXPLORATION CO.,LTD Similkameen Mining Division, B.C.

MILES 0 50 (0) 200 50 400 Costs in the amount of \$1616.43 were incurred in the mapping program as direct fees and wages plus a pro-rated share of travel and accomodation costs incurred by both programs.

LOCATION AND ACCESS

The Cro-Mur property is located about 11 km. south of Keremeos, B.C. at latitude 49°06'N, longitude 119°48'W. The copper-molybdenum showings described herein are located in the northeast part of the reverted Crown Grant covered by claim DON-1, which in turn is located near the eastern end of the Cro-Mur claim group.

Access is via Highway 3, 19 km. southeast from Keremeos, thence 15 km. westerly via 4-wheel drive road to the principal workings on Susap Creek, thence mainly on foot ENE across the divide between Susap Creek and Hunter Creek. Alternate access on foot would be via the north bank of Hunter Creek from the Similkameen River, a distance of about 4 km.

PROPERTY AND TITLE

The 5 claims to which this assessment report applies are owned by Cro-Mur Mining and Exploration Company Ltd., P.O. Box 577, Penticton, B.C.

Claim Name	Record No.	Renewal
Buck 25	26232	April 3
Buck 26	26233	April 3
Don - 1	29224	July 13
Don - 2	29225	July 13
Don - 3	29226	July 13

All work claimed for assessment purposes was done on Claim DON-1.



To Accompany Assessment Report of United Hearne Resources, Limited June. 1979

GEOLOGY

The subject claims straddle the contact between various granitic phases of the Similkameen batholith and the older stratified Shoemaker and Old Tom Formations.

Chalcopyrite and molybdenite, with minor pyrite, are generally restricted to a single set of fractures which strike about N10°W and dip about 35°E. These are best developed in a medium to coarse grained granodiorite showing marked potassic alteration (pink feldspar and biotite) with irregular quartz veining.

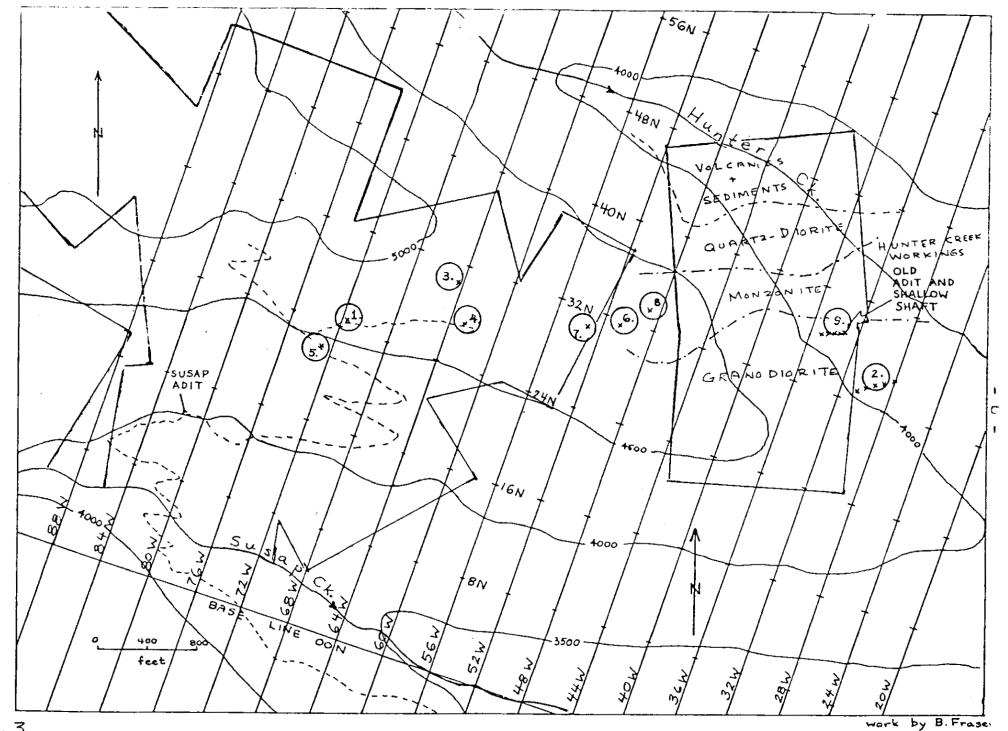
HUNTER CREEK WORKINGS

An old 10-metre adit and 5-metre shaft were located in the central part of Claim DON-1 and about 50 metres west of the east boundary of the property, on the steep south wall of Hunter Creek. Other old pits and trenches expose parts of the mineralized zone for a distance of 70 metres to the southwest where it becomes obscured by overburden (Fig. 4).

Limited sampling of the adit in 1963 is reported to have given average assay values of gold 0.01 ounces per ton; silver, 0.55 ounces per ton; copper, 1.25%; molybdenite, 0.84%.

Because of the occurrence of the mineralization in irregularly spaced openings, it is the present writer's opinion that bulk sampling would be required to determine a reliable grade. The thickness of the mineralized zone is from 8 - 10 metres as determined from observation of unmineralized outcrops above and below it and the exposed width (strike exposure) is about 20 metres. The northerly strike extension is above terrain, whereas the length of the southerly strike extension into the hillside is unknown.

The easterly down-dip extension is terminated abruptly by cross fractures between the adit portal and the shaft, whereas the westerly up-dip extension is obscured by overburden.

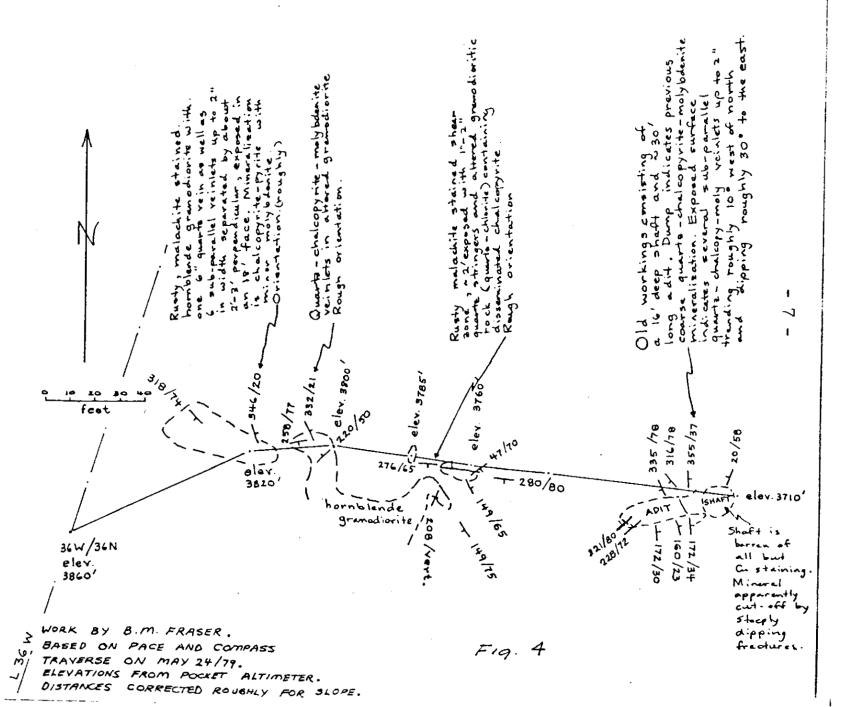


Eig. 3.

LOCATION MAP FOR SHOWINGS NORTHEAST OF MAIN DRILL AREA

ON 'CRO-MUR' PROPERTY

SKETCH OF SHOWINGS NEAR HUNTER CREEK ON 'SUSAP PROPERTY'





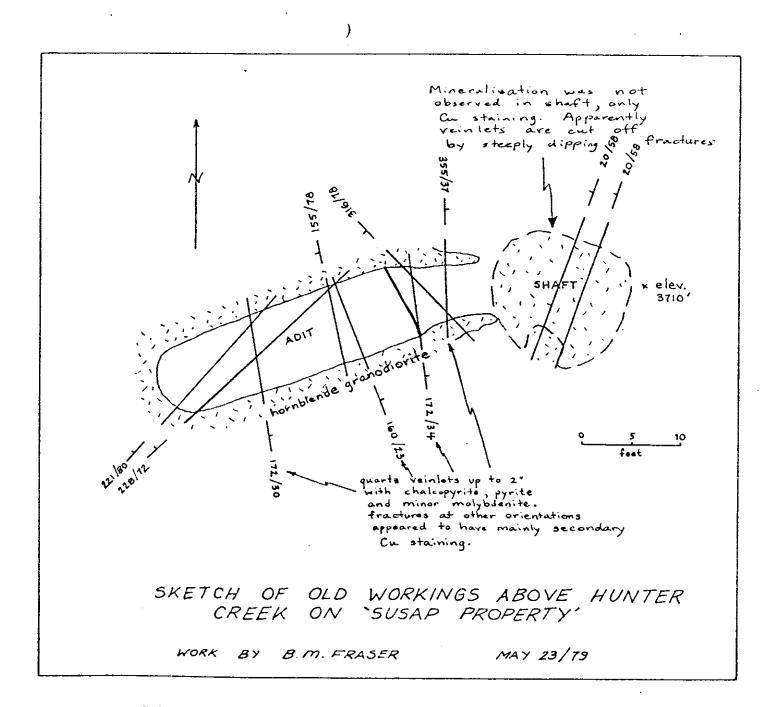


Fig. 5.

CONCLUSIONS AND RECOMMENDATIONS

- 1. At the present time, the Hunter Creek showings in themselves are of marginal economic interest, but they do demonstrate a second set of low angle, well-mineralized fractures on the Cro-Mur property. They are about 1500 metres east of the principal showings near Susap Creek, with numerous known minor copper showings in the intervening ground. It is therefore reasonable to suppose that other similar sub-surface mineral zones might be located by an extensive drilling program.
- 2. The cost of road building and negotiating passage across the Indian Reserve discourage drilling the Hunter Creek showings on their own merit.
- 3. A re-study of geophysical data on hand may provide some clues to the location of other sub-surface zones worthly of drill testing.

Vancouver, B.C.

L. STienholm

COST STATEMENT

Work Done			Man/
<u>Date</u>	by.	<u>Purpose</u>	<u>Days</u>
Oct. 8, 1978	W. Petrie & L.S. Trenholme	Search ½day	1
May 8, 1979	Petrie, Trenholme, Fraser	Search	3
May 23-24/ 79	Fraser and Kohler	Map Working	4
May 30, 1979	Fraser and Trenholme	Road Access and Possible Drill Sites	
	TOTAL Man/days		
Wages and Fees			
Wm. Petrie Bryan Fras John Kohle L.S. Trenh	er 4 days @100.00 r 2 days @ 50.00	127.50 400.00 100.00 500.00	1127.50
Expense			
	ad maintenance tel, meals, transportation	160.00 328.93	<u>488.93</u> 1616.43

Certified Correct

4.5. Vrewholm

L.S. Trenholme

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June 21, 1979

Vancouver, B.C.

STATEMENT OF QUALIFICATIONS

The undersigned certifies that:

- 1) He is a graduate geologist (M.Sc., McGill, 1939) and has practised as a mining and exploration geologist to the present time.
- 2) He is a member in good standing of the Association of Professional Engineers of the Province of British Columbia (#9521) and conducts a consulting practice from his office at #508, 475 Howe Street, Vancouver, B.C.
- He personally visited the claims described herein on October 8, 1978, May 8, 1979 and May 30, 1979. On the latter date he checked the mapping as performed by Bryan Fraser, B.Sc. and hereby confirms its accuracy.
- 4) In consideration of assistance in negotiating an Option Agreement between United Hearne Resources Ltd. (Optionee) and Cro-Mur Mining and Exploration Company Ltd. (Optionor) he has received a commission of ten percent (10%) of certain payments already made and is eligible to receive the same commission on any future payments.
- 5) Nevertheless, this report has been written objectively, in keeping with reasonable geologic concepts and good engineering practice.

L.S. Trenholme

L.S. Vrenholm

June 21, 1979

21-6-79