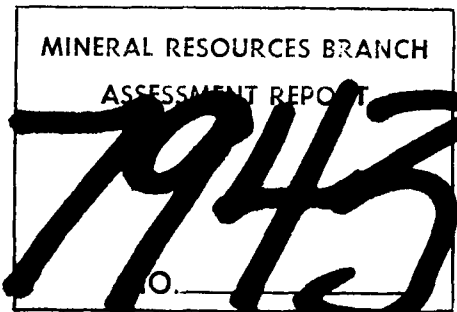


REPORT
ON THE
SARITA RIVER - POETT HEIGHTS PROPERTY
CROWN GRANT LOTS 23, 24, 25, 26, 35, 36, 54 AND
MINERAL CLAIMS RC Nos.2, 4, 5, A2,
BARKLEY SOUND - SARITA RIVER AREA
ALBERNI MINING DIVISION
VANCOUVER ISLAND, BRITISH COLUMBIA
N. Lat. 48°53' W. Long. 125°00'

for
NOMAD MINES LTD. (NPL)
Suite 1202-750 West Pender Street
Vancouver, British Columbia



by
DONALD W. TULLY, P.ENG.

January 24, 1980

West Vancouver, B.C.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION.....	1
SUMMARY AND CONCLUSIONS.....	1
PROPERTY - LOCATION, ACCESS, PHYSIOGRAPHY.....	2
CLAIMS.....	3
HISTORY - PREVIOUS DEVELOPMENT.....	4
REFERENCES.....	9
REGIONAL AND LOCAL GEOLOGICAL SETTING.....	10
MINERALIZATION.....	11
DRILLING PROGRAMS.....	12
Percussion Drill Holes - 1979.....	12
RECOMMENDATIONS.....	14
ESTIMATED COST OF THE PROPOSED WORK PROGRAM....	15
CERTIFICATE.....	18

MAPS

Figure 1 - Location Map.....(Frontispiece)	
Figure 2 - Topographic Plan (1:500,000)...(Follows page 1)	
Figure 3 - Topographic Plan (1:50,000)...(Follows page 2)	
Figure 4 - Claim Plan.....(Follows page 3)	
Figure 5 - General Geology (after GSC Open File 469).....(Follows page 9)	
Figure 6 - Plan of a survey by Wright Hill- yard & Parry dated 9/10/79 of the south boundary of the Numa- kimus Indian Reserve No. 1. A copy of this plan was submitted by Nomad Mines and modified with additional information by D.W. Tully, P.Eng.....(Follows page 10)	
Figure 7 - Plan showing UPPER and LOWER Zones, Percussion Drill Holes, EM-16 and magnetometer recon. readings in relation to the Numakimus Indian Reserve No.1.....(In Pocket)	

TABLE OF CONTENTS (cont'd)

- APPENDIX 1 - Copy of a report by P.W. Richardson, Ph.D.,
P.Eng., on the Sarita River Property for
Nomad Mines Ltd., dated September 17, 1979
- APPENDIX 2 - Correspondence relevant to an agreement
between Nomad Mines Ltd. (NPL) and the
Department of Indian Affairs and Northern
Development
- APPENDIX 3 - Assay Certificates

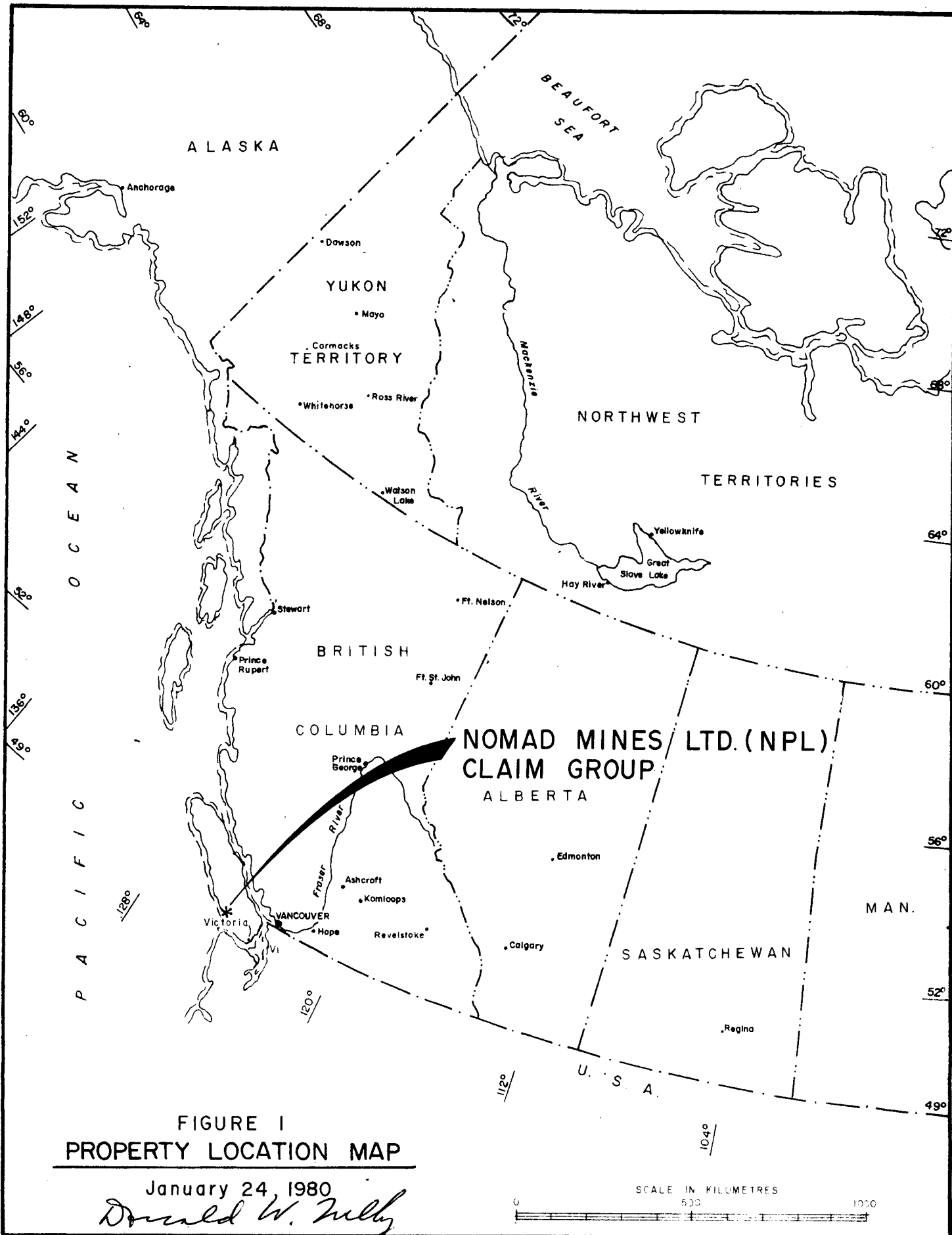
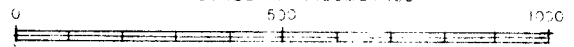


FIGURE 1
PROPERTY LOCATION MAP

January 24, 1980

Donald W. Nelly

SCALE IN KILOMETRES



INTRODUCTION

This report was prepared pursuant to a request from the Directors of Nomad Mines Ltd. (NPL) on January 16, 1980.

The purpose of this report is to summarize the historical background of the development on the Poett Heights property located at the Sarita River in the Barkley Sound-Bamfield area of Vancouver Island and to assess the mineral potential and mine-making possibilities.

This report is based upon personal examinations of the property done in November-December 1979 and in January, 1980.

A comprehensive program of geophysical, geological, percussion and diamond drill testing is recommended to develop the claim group.

SUMMARY AND CONCLUSIONS

Nomad Mines Ltd. (NPL) holds under agreement seven Crown Grant and five located mineral claims containing 24 units at Poett Heights about 35 miles (60 km) southwest of Port Alberni, Vancouver Island, British Columbia. The claims are situated immediately south of the Numakimus (Numukamis ?) Indian Reserve No. 1 and are afforded ready access by motor vehicle on the Port Alberni-Bamfield gravel road, a road distance of about 44 miles (74 km) (Figure 2).

Elevations vary from near sea-level to some 2,000 feet above sea-level at the south side of the claim area. Road access over the claim group is a prerequisite to development in the rather dense forest cover on the property.

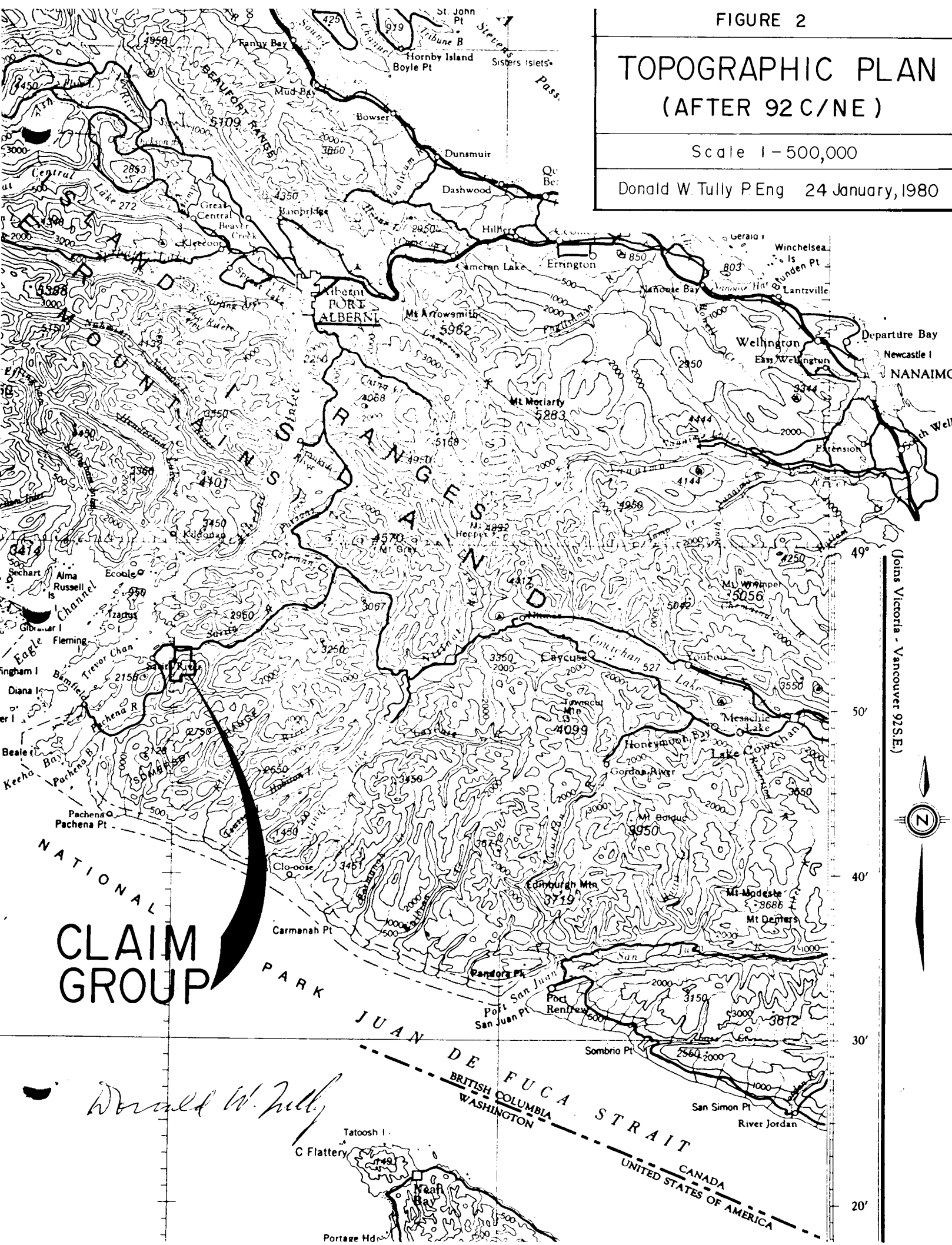
Geologically the property is underlain by calcareous sediments and granitic intrusives. Rock formations and structures trend northwesterly and dip easterly. The mineralization found to date includes pyrite, pyrrhotite, magnetite, galena,

FIGURE 2

TOPOGRAPHIC PLAN (AFTER 92 C/NE)

Scale 1-500,000

Donald W. Tully P.Eng 24 January, 1980



CLAIM GROUP

Donald W. Tully

(Joins Victoria - Vancouver 92S.E.)



49°
50°
40°
30°
20°

JUAN DE FUCA STRAIT
BRITISH COLUMBIA
WASHINGTON
CANADA
UNITED STATES OF AMERICA

sphalerite, chalcopyrite, gold and silver. The host rocks for the economic minerals found are chiefly metamorphosed contact phases of the calcareous sediments and intrusives frequently resulting in a skarn-type.

The property was examined by the writer on November 27, 28, 29 and December 8, 1979 and again on January 15, 1980.

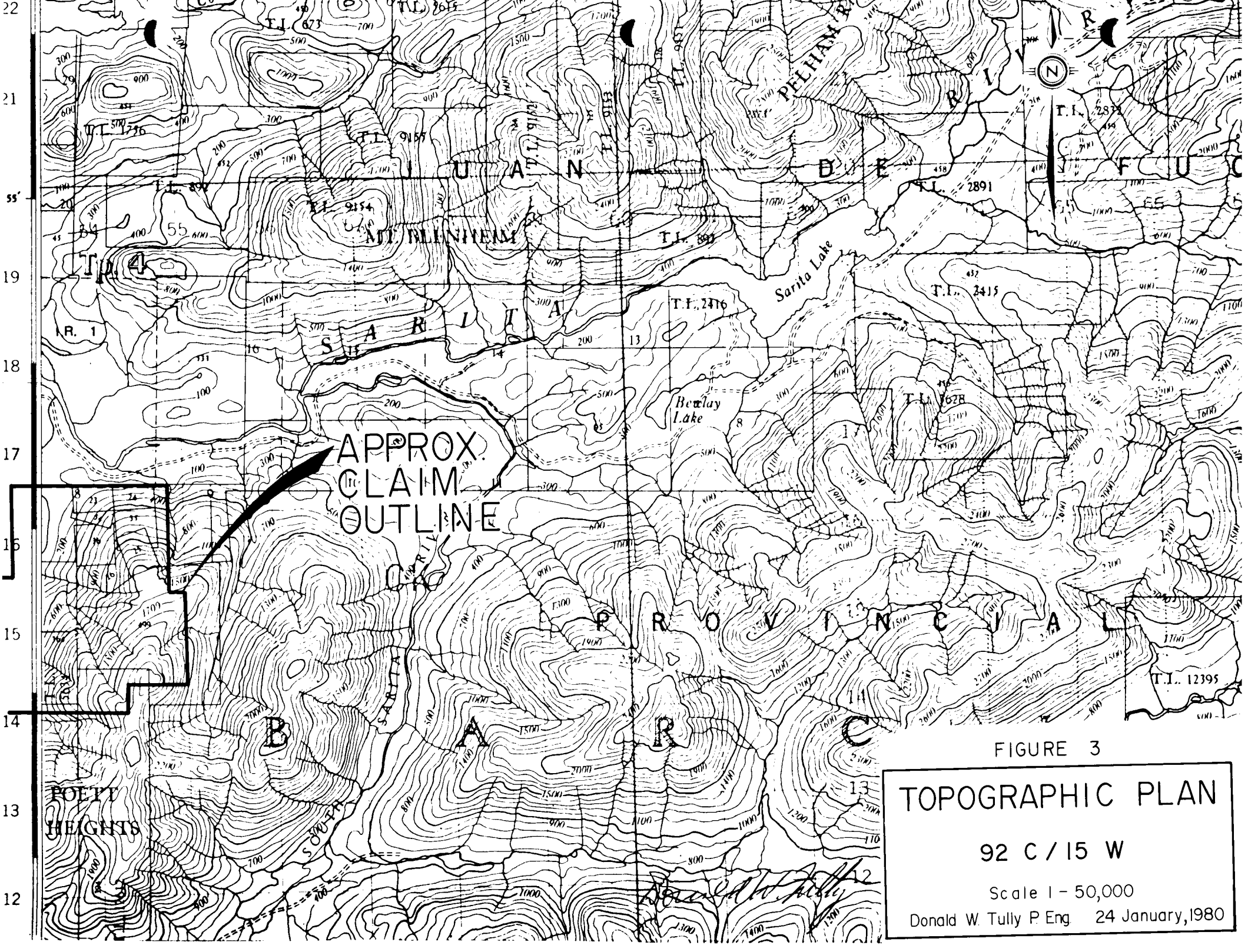
In mid-December 1979 the company drilled five percussion drill holes in the area south of the Numakimus Indian Reserve (Figure 7). Gold assays were reported from the samples taken from the first two drill holes in this program, namely N-1 and N-2. This latest drill test is located some 650 - 1,500 feet southwest of the previous percussion drill hole programs drilled in February and August 1979 at AREA "A" on the Indian Reserve. Some 4,000 feet further to the southeast of the UPPER Zone the company has reported a diamond drill hole which gave encouraging values in gold over a core length of fifty feet. The apparent width of the favourable zone on the property for gold mineralization is at least 600 feet.

It is concluded the property is an excellent exploration bet in a favourable geological environment and warrants an aggressive program of mineral exploration to assess the mineral potential.

A two-stage plan of mineral testing is recommended at an estimated total cost of \$486,120.

PROPERTY - LOCATION, ACCESS, PHYSIOGRAPHY

The property is situated immediately south of the Numakimus Indian Reserve No. 1 on the south side of the Sarita River, Township 4 at Poett Heights. The Port Alberni-Bamfield road traverses the north portion of the claim group and affords easy access by motor vehicle to the ground. Mile Posts 43 and 44 are located on this road within the property boundaries.



APPROX.
CLAIM
OUTLINE

FIGURE 3

TOPOGRAPHIC PLAN

92 C / 15 W

Scale 1 - 50,000

Donald W. Tully P. Eng. 24 January, 1980

Donald W. Tully

4

3

2

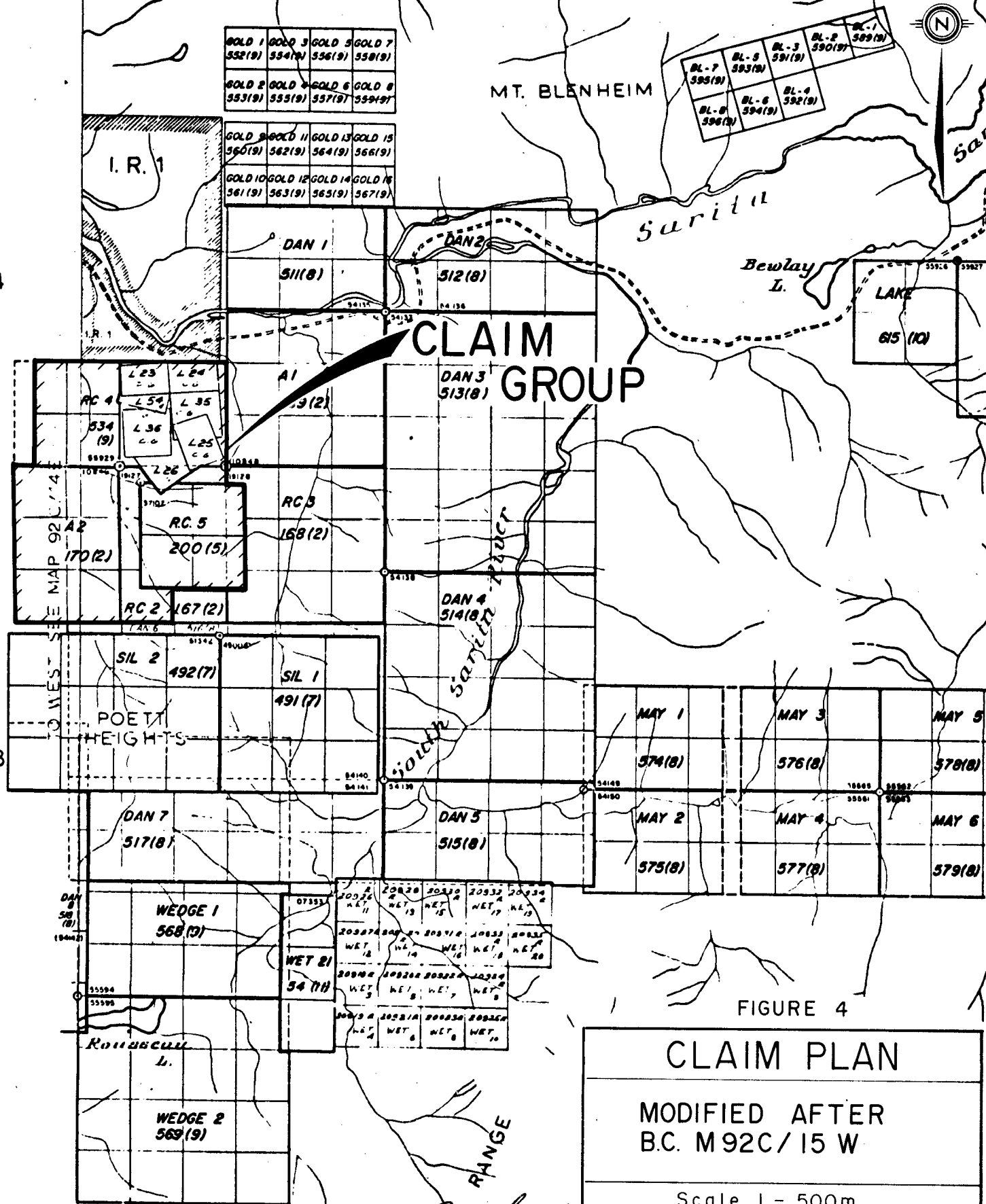


FIGURE 4

CLAIM PLAN

MODIFIED AFTER
B.C. M92C/15 W

Scale 1 - 500m.

Donald W. Tully P. Eng. 24 January, 1980

Donald W. Tully

Sarita Landing is the site of the MacMillan Bloedel Camp some three kilometres to the west of the claims (Figures 2 and 3).

Forest cover is prominent over the claim area. At the present time logging roads are being developed southward over the claims and along the trail access route to the LOWER and UPPER Zones.

The topography rises rather steeply from near sea-level on the north towards Poett Heights on the south where elevations of some 2,000 feet are recorded. Drainage is generally northward.

The climate is moderate with an annual precipitation of about 300 - 400 inches of rainfall.

Logging is the basic industry of the area.

CLAIMS

The company advises the writer that the Sarita River-Poett Heights property comprises seven Crown Grants and four located mineral claims containing 20 units, situated in part of Township 4 immediately south of the Numa-kimus Indian Reserve No. 1 on the north slope of Poett Heights. Alberni Mining Division, Vancouver Island, British Columbia (Figure 4).

Information on file with the Ministry of Energy, Mines and Petroleum Resources at Victoria and Port Alberni on January 21, 1980 was as follows:

<u>Claim Name</u>	<u>No.of Units</u>	<u>Record Number</u>	<u>Expiry Date</u>	<u>Assessed Recorded Holder</u>	<u>Remarks</u>
Black Bear	1	L 23	October 2, 1980))
Eureka	1	L 24	October 2, 1980)	Hummingbird Mines Ltd.) Held under) option agree-
British Pacific	1	L 25	October 2, 1980)		
Midday	1	L 26	October 2, 1980)) ment to pur-
Southern Cross	1	L 35	October 2, 1980)) chase
United	1	L 36	October 2, 1980))
Union	1	L 54	October 2, 1980))

The Crown Grant claims were granted on October 19, 1906.

RC #2	6	167(2)	February 14, 1980	Nomad Mines Ltd. (NPL)
RC #4	4	534(9)	September 6, 1980	Nomad Mines Ltd. (NPL)
RC #5	4	200(5)	May 25, 1980	Nomad Mines Ltd. (NPL)
A2	6	170(2)	February 14, 1980	Nomad Mines Ltd. (NPL)

The claims are believed to be continuous and are shown on British Columbia Ministry of Energy, Mines and Petroleum Resources mineral claim map M92C-15W.

The surface and the timber rights are held by MacMillan-Bloedel on the land covered by the above mentioned mineral claims.

HISTORY - PREVIOUS DEVELOPMENT

The history of the Sarita River-Poett Heights property dates back to the time when the Crown Grant mineral claims were established over the mineralized zones south of the Numakimus Indian Reserve No. 1 and now designated the LOWER and UPPER Zones (Figure 7).

During the mid-1960's it is reported that Peel Resources drilled one or two XRT size diamond drill holes in the LOWER Zone. The writer found a diamond drill rod of that size on the outcrop of this zone.

Nomad Mines Ltd. (NPL) acquired an option to purchase seven Crown Grant Mineral claims numbered L23-26, 35, 36, 54 in February, 1978. In May 1978 Nomad acquired the RC #1, RC #2 and the A2 mineral claims. The more recent history of the company is set forth in a letter to the Nomad shareholders dated January 2, 1980. The following is an excerpt taken from this letter:

" On recommendation of J.W. McLeod, Geologist, in his report dated February 15, 1979, the company carried out a ten hole program of percussion drilling to test, on a reconnaissance basis, the downward projection of copper mineralization exposed in very old trenches. The holes were drilled along an abandoned logging road in a southwest-northeast direction over a length of approximately 200 feet. The sample cuttings from these holes, numbered 8 - 17, were assayed and contained significant amounts of gold and two additional holes were drilled during suspension to check these results.

The ten percussion holes were drilled in three days, February 22, 23, and 24, 1979. The drilling was carried out by Lorne Spence under the supervision of D.A. Chapman and Al Sweeney, Company Directors. Mr. McLeod was on the property February 24, 1979. Selected samples from holes Nos. 8, 9 and 10 were submitted for assay on March 7, with the results received March 9, 1979 however were not reported to shareholders until July 12, 1979. The table below sets out the date when the samples from the percussion holes were submitted for assaying, the date the assays were available to the company and the dates on which they were first reported to shareholders. Mr. Sweeney has reported that owing to the reconnaissance nature of the program no records

" were kept of the exact hole location, or hole angles or direction of drilling. He also reported that while a sample splitter was used in the preparation of samples from approximately half of the holes it was not used in the preparation of other hole samples and that no record was kept of which hole samples were or were not split.

<u>Hole No.</u>	<u>Submitted</u>	<u>Received</u>	<u>Reported</u>
8 partial	March 7, 1979	March 9, 1979	July 12, 1979
9 partial	March 7, 1979	March 9, 1979	July 12, 1979
10 partial	March 7, 1979	March 9, 1979	July 12, 1979
11	July 26, 1979	August 7, 1979	August 9, 1979
12	July 26, 1979	August 7, 1979	August 9, 1979
13	July 26, 1979	August 7, 1979	August 14, 1979
14	July 26, 1979	August 7, 1979	August 14, 1979
15	July 26, 1979	August 10, 1979	August 20, 1979
16	July 26, 1979	August 10, 1979	August 20, 1979
17	July 26, 1979	August 9, 1979	August 17, 1979
18(Balance of 8)	July 26, 1979	August 9, 1979	August 17, 1979
19(Balance of 9)	July 26, 1979	August 9, 1979	August 17, 1979
20(Balance of 10)	July 26, 1979	August 9, 1979	August 17, 1979

The filing statement dated April 5, 1979 and accepted April 23, 1979 referred to above, covering the property acquisition, did not disclose and should have made the disclosure that the drilling had been carried out and the assay results had been received by the company. Similarly, a statement of material facts dated June 12 and accepted June 21, 1979, did not but should have made these disclosures since a portion of the recommended property work for which the funds were to be raised had been completed and the results were available.

The statement of material facts accepted June 21, 1979 provided for a best efforts offering of 300,000 treasury shares of the company at a minimum of 17½¢ each, as to one third each through three brokerage houses. The \$49,131 from this offering was received and deposited to the company's account on July 10 and July 11, 1979.

" Shares of the company were suspended from trading August 20, 1979. Following this, two percussion holes were drilled on the property under the supervision of Dr. Paul Richardson, P.Eng., at the request of the Exchange. After drilling and assaying of samples were completed, his report of September 17, 1979 states:

1. Gold assays of the samples from the original percussion Hole PH 2 are somewhat, but not significantly, higher than those from the check hole.
2. Gold assays of the samples from Hole PH 6 are significantly higher than those from the corresponding check hole.
3. Although the samples from the check holes did not average in gold as high as samples from the original holes, significant amounts of gold were found in the check holes.

NOTE: PH 2 and PH 6 have been renumbered PH 12 and PH 16, respectively. Table 1 attached to this report shows the comparative assay results of the original and the check drill holes.

The hole locations were surveyed by a B.C. Land Surveyor and determined that all of the holes were on the Numakimus Indian Reserve No. 1, more than 300 feet from the company boundary, not on the company's claims. Since this was determined the company has concluded an agreement with the Ohiaht Indian Band Council and approved by the Department of Indian and Northern Affairs, granting the company exclusive rights to explore on that portion of the Reserve between the company claims and the south shore of the Sarita River. The terms for distribution

" of any proceeds from any possible future production from that Reserve land have been discussed in preliminary meeting but have not yet been made final or part of a contract. No work will be carried out until a contract has been signed and accepted by the Regulatory bodies.

Since the shares were suspended the company drilled one diamond drill hole to the depth of 50 feet to test a showing located about one mile south of the area of percussion drilling and at an elevation of 1,200 feet. The core indicated favourable mineralization even with the poor recovery of 15 feet of the 50 feet drilled. Assay results of this diamond drill hole are as follows:

2 - 4 feet	Gold 0.10	Silver 0.60
4 - 6	0.002	0.20
6 - 8	0.010	0.83
8 - 10	0.10	3.90
10 - 14	0.020	3.01
14 - 18	0.005	0.55
18 - 23	0.002	0.27
23 - 27	0.002	0.20
27 - 32	0.005	0.18
32 - 36	0.010	0.90
38 - 41	0.020	1.73
41 - 44	0.014	1.29
44 - 45	0.005	3.05
45 - 49	0.010	1.32
49 - 50	0.005	0.74 "

The writer was shown a WINKE diamond drill machine set up at the UPPER Zone location shown on Figure 7.

P.W. Richardson, Ph.D., P.Eng., was commissioned on August 24, 1979 by Nomad Mines Ltd. (NPL) to supervise and attend the redrilling of Percussion Drill Hole PH6. The results of his work are shown with his permission in his report in APPENDIX 1 to this report.

Wright Hillyard & Parry, British Columbia Land Surveyors, Duncan, B.C. were commissioned by Nomad to survey the common boundary between the Numakimus Indian Reserve No. 1 and the Nomad Mines claim holdings. The results of this survey are shown in Figure 6. This survey plan is dated 9/10/79.

During the autumn of 1979 Nomad Mines Ltd. (NPL) entered into an agreement with the Ohaiht Indian Band regarding exploration work on the Numakimus Indian Reserve No. 1. The current status of this agreement is beyond the scope of this report but letters relevant to the negotiations are shown in APPENDIX 2 to this report.

Nomad Mines Ltd. (NPL) did a limited program of percussion drilling in five holes immediately south of the Numakimus Indian Reserve No. 1 in mid-December 1979.

REFERENCES

References available to the writer and pertinent to the ground covered by the RC #2, 4, 5, A2 and the Crown Grant Claims L23, 24, 25, 26, 35, 36, and 54 are as follows:

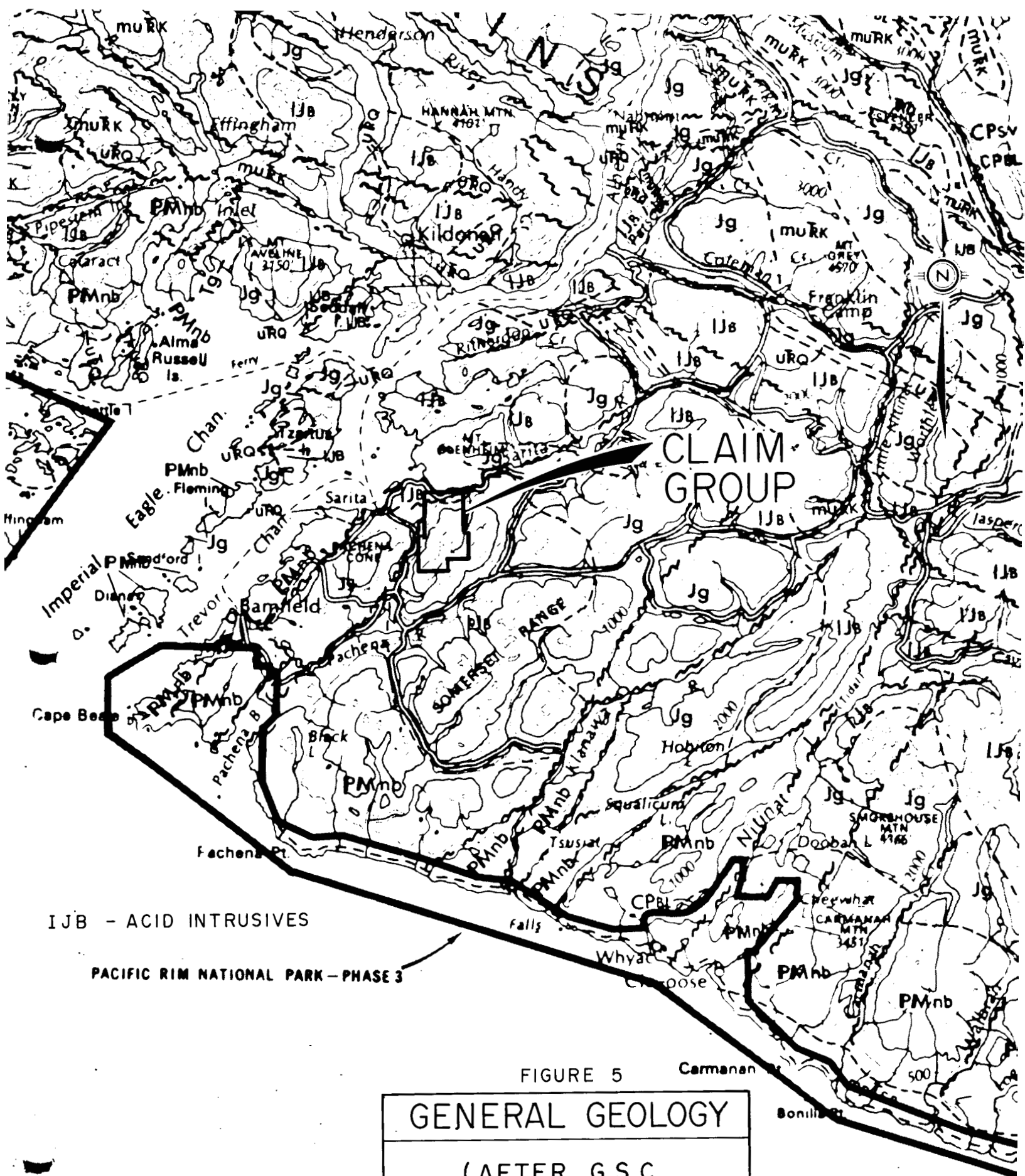
Geological Survey of Canada Open File 463, Geology of Vancouver Island, by J.E. Mueller 1977

Geological Survey of Canada Aeromagnetic Maps 749G, 9281, 9282G

Geological Report on the Sarita River Property, Vancouver Island, by James W. MacLeod, dated February 15, 1979

Report on the Sarita River Property for Nomad Mines Ltd. by P.W. Richardson, Ph.D., P.Eng., dated September 17, 1979

Personal communication with Mr. Richardson and Mr. Lorne Spence



IJB - ACID INTRUSIVES

PACIFIC RIM NATIONAL PARK - PHASE 3

FIGURE 5

GENERAL GEOLOGY
(AFTER G.S.C. OPEN FILE 469)
Scale 1-250,000
Donald W. Tully P. Eng. 24 January, 1980

LAND

Donald W. Tully

CANADA
U.S.A.

REGIONAL AND LOCAL GEOLOGICAL SETTING

The property is situated in the insular fold belt of the Canadian Cordillera (Figure 5).

Bonanza (Karmutsen ?) sediments, volcanics and granitic intrusives occupy the geologic environment in the Poett Heights area. The Pachena Cone, a volcanic feature, lies some two miles to the west of the claim area.

Three lithologic units have been recognized with the claimed ground. Impure calcareous and pelitic sediments are intruded by granitic masses. Metamorphic phases of both the sediments and the intrusives exhibit silicification and skarn alteration with gossan zones in the sediment-intrusive contact phases.

A tentative table of formations is as follows:

<u>Formation</u>	<u>Description/Event</u>	<u>Age</u>
Sand, gravel, loam	Unconsolidated sediments (Erosional Surface)	Quaternary
Mineralization Skarn gossan zones	Gold, silver, pyrite, pyrrhotite, magnetite, sphalerite, galena, chalcopyrite (Tectonic activity associated with intrusions)	Tertiary (?)
Granitic Intrusives	Granite, granodiorite, quartz monzonite (Tectonic activity)	Late Jurassic
Bonanza (Karmutsen ?) Sediments	Limestones, calcareous sediments, pelites and local volcanic units	Early Jurassic

Structural trends of formational contacts seen by the writer favour 150° azimuth direction in the northern part of the property. Towards the south in the area of the UPPER Zone (Figure 7) the strikes trend in the $165^{\circ} - 180^{\circ}$ range. Dips are generally steeply east. The aspect of "en-echelon" structural pattern is apparent in the LOWER Zone. Stripping is proposed to better expose both the UPPER and LOWER Zones.

MINERALIZATION

James W. MacLeod (1979) refers to three types of mineralization on the property as follows:

- 1) Replacement of limestone by massive magnetite.
- 2) Replacement of fine-grained volcanic rock by chalcoppyrite.
- 3) A mineralized shear zone in a highly silicified, fracture limestone. The shear contains pyrrhotite, galena, sphalerite, chalcoppyrite and possibly tetrahedrite.

These observations are well exemplified on the mineralized zone marked AREA "A" on Figure 7 where programs of percussion drilling were done in February 1979 and again in August 1979.

The writer has observed skarn in limestone in both the UPPER and LOWER Zones where replacement of the host rock by pyrrhotite and pyrite is common. In aspect, these UPPER and LOWER zones appear to trend in an "en echelon" pattern along a northwesterly strike. Both these zones trend towards

the mineralize zones at AREA "A" and the Adit shown on Figure 7. The distance between the Adit and AREA "A" is in excess of 600 feet. It is not known if the mineralization is continuous between the Adit and AREA "A" on the Numakimus Indian Reserve. Two fracture patterns are evident in the mineralized skarn at AREA "A" trending at azimuths 150° and 230°. The indicated strike length of the apparent zone trending between AREA "A" and the UPPER and LOWER Zones is about 4,000 feet.

Gold mineralization may occur in variable environments. The newly indicated zone located at azimuth 200° and some 650 feet southwest of AREA "A" in percussion drill hole N-1 (Figure 7) appears from the drill cuttings to be quite siliceous in nature. A stockwork of fine quartz veinlets can be seen in nearby rock exposures of a contact phase of the calcareous sediments and the granitic intrusives.

PERCUSSION DRILLING - 1979

In February 1979 Nomad Mines Ltd. (NPL) drilled a program of ten percussion drill holes in the location of AREA "A" on the Numakimus Indian Reserve No. 1. At that time the boundary between the Nomad claims and the Reserve was not surveyed. The results of this drilling were encouraging. P.W. Richardson, Ph.D., P.Eng., has described and summarized the results of this drill program and a subsequent check test of two drill holes discussed in his report dated September 17, 1979, and contained in the APPENDIX to this report.

Nomad Mines also drilled five percussion drill holes in the area southwest of AREA "A" and shown on Figure 7. The company delivered the drill hole samples to General Testing Laboratories, Vancouver for assay and submitted the following assay results to the writer:

<u>Hole #</u>	<u>Footage</u>	<u>oz Gold</u>	<u>oz Silver</u>	<u>Hole #</u>	<u>Footage</u>	<u>oz Gold</u>	<u>oz Silver</u>
N-1	10 - 20	0.072	0.12	N-2	20 - 30	0.002	Tr
	20 - 30	0.030	Tr		30 - 40	0.002	Tr
	30 - 40	0.064	Tr		40 - 50	0.002	0.03
	40 - 50	0.134	0.24		50 - 60	0.002	Tr
	50 - 60	0.042	Tr		60 - 70	0.182	0.10
	60 - 70	0.086	0.05		70 - 80	0.116	0.05
	70 - 80	0.088	0.02		80 - 90	0.358	0.03
	80 - 90	0.114	0.06		90 - 100	0.218	0.13
	90 - 100	0.132	0.05		100 - 110	0.382	0.05
	100 - 110	0.214	0.15		110 - 120	0.250	0.26
	110 - 120	0.122	0.05		120 - 130	0.212	0.05
	120 - 130	0.248	0.18		130 - 140	0.128	0.02
	130 - 140	0.158	0.07		140 - 150	0.223	0.11
	140 - 150	0.110	0.02		150 - 160	0.210	0.06
	150 - 160	0.094	0.02		160 - 170	0.182	0.03
	160 - 170	0.497	0.11		170 - 180	0.188	0.05
	170 - 180	0.236	0.23		180 - 190	0.255	0.14
	180 - 190	0.186	0.60		190 - 200	0.102	0.20
	190 - 200	0.124	0.05				

<u>Hole #</u>	<u>Footage</u>	<u>oz Gold</u>	<u>oz Silver</u>	<u>Remarks</u>
N-3	20 - 200	0.002	Tr	(Average) Very low sample recovery reported
N-4	10 - 200	0.002	Tr	(Average) Very low sample recovery reported
N-5	20 - 200	0.002	Tr	(Average) Very low sample recovery reported

Certificates of Assay Nos. 7912 - 1750A, B, C, and 2057 are shown in APPENX1X 3 to this report.

The writer examined those samples available to him at the property on January 15, 1980 and took a small portion of the drill sample cuttings for check assay with the following results:

<u>Sample #</u>	<u>oz</u> <u>Gold</u>	<u>oz</u> <u>Silver</u>	<u>Remarks</u>
701	0.002	Tr	From a sample bag marked N-1-9
702	0.002	Tr	From a sample bag marked N-1-10
703	0.002	Tr	From a sample bag marked N-2, 100-120
704	0.002	Tr	From a sample bag marked N-2, 120-130
700	0.002	Tr	Sample of oxidized rock near collar of N-5 hole

Assay Certificate 8001-1656 is shown in APPENDIX 3 to this report.

RECOMMENDATIONS

A two-stage program of mineral exploration is recommended to test the indicated zones of mineralization on the property.

Stage 1

- a) Access roads are prerequisite to exploring the claim area through the dense forest and undergrowth.
- b) Geological mapping, electromagnetic and magnetometer surveys are proposed on a grid pattern of 1 - 50 (map scale 1" = 164')
- c) Percussion drilling is recommended to explore the overburden areas, the subsurface of the indicated mineralized zones and delineate target areas for diamond drill testing. It is recommended the percussion drill program be supervised by an experienced professional person. Check test holes are recommended at the location of percussion drill holes N-1 and N-2. (Figure 7)

- d) Diamond drilling is recommended to test the delineated zones of mineralization along strike and width in the near surface area as well as to depth. Deep diamond drilling is proposed.

After an engineering evaluation has been made of the results of Stage 1 and a recommendation to proceed with further mineral exploration, it is proposed that Stage 2 be implemented.

Stage 2

Additional percussion drilling and deep diamond drilling is proposed to further explore the claim area.

ESTIMATED COST OF THE PROPOSED EXPLORATION PROGRAM

Stage 1

- | | | |
|----|--|--------------|
| a) | Access roads over the claim area and strip-
ping in the area of the UPPER and LOWER Zones | |
| | Nine miles of bulldozer access and stripping
is proposed using a D8H size bulldozer
(9 x \$3,500/mile) | \$ 31,500 |
| b) | Grid control lines on a pattern of 50-metre
centres over a claim area approximately
2,500 metres north-south by 2,000 metres
east-west (50 lines each fifty metres apart
x 2,000 metres in length = 100 km x \$250/km) | 25,000 |
| c) | Geological mapping (27 claim unit areas x
\$200/unit) | 5,400 |
| d) | Electromagnetic survey using deep penetration
type Turam method (Elast) over survey control
area | 18,000 |
| e) | Magnetometer survey over the survey control
area | <u>5,000</u> |
| | Carried Forward | \$ 84,900 |

	Brought Forward	\$ 84,900
f)	40 percussion drill holes to prospect the known mineralized zones for target areas for diamond drill testing x 200 feet in depth each (40 x 200 = 8,000 feet x \$5.00/ft)	40,000
	Administration, sampling, assaying, travel, etc., @ 20% of \$40,000	8,000
g)	3,000 feet of core size diamond drilling (one deep hole to a depth of 1,500 feet and three holes each 500 feet in depth) to test the mineralized zones indicated by the percussion drilling program (3,000 feet x \$22/ft.)	66,000
	Administration, core-handling, assaying, engineering reports @ 30% of \$66,000	19,800
	Contingency @ 20% of the above costs	<u>43,740</u>
	Total estimated cost of Stage 1	\$262,440

Stage 2

Should an engineering evaluation of the results of the exploration work performed in Stage 1 indicate that the property warrants further testing, it is recommended the program be continued as follows:

a)	60 percussion drill holes to further prospect the claim area and delineate target areas for diamond drill testing (60 x 200 feet in depth each = 12,000 feet 12,000 feet x \$5.00/ft)	\$ 60,000
	Administration, sampling, assaying, travel, etc., @ 20% of \$60,000	12,000
	Carried Forward	<u>\$ 72,000</u>

	Brought Forward	\$ 72,000	\$262,440
b)	4,000 feet of BX core size diamond drilling (eight holes each 500 feet in depth @ 4,000 feet x \$22/ft)	\$ 88,000	
	Administration, core-handling, assaying, engineering reports, etc., @ 30% of \$88,000	26,400	
	Contingency @ 20% of the above costs	<u>37,280</u>	
	Total estimated cost of Stage 2		<u>223,680</u>
	Total estimated cost of Stages 1 and 2		<u><u>\$486,120</u></u>

Respectfully submitted,

Donald W. Tully

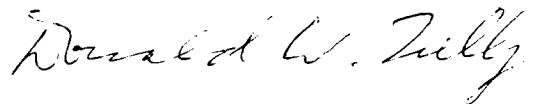
Donald W. Tully, P. Eng.

CERTIFICATE

I, DONALD WILLIAM TULLY, of the City of West Vancouver, Province of British Columbia, hereby certify as follows:

- 1) I am a Consulting Geologist with an office at Suite 102, 2222 Bellevue Avenue, West Vancouver, B.C.
- 2) I am a registered Professional Engineer of the Provinces of British Columbia and Ontario.
- 3) I graduated with a degree of Bachelor of Science, Honours Geology, from McGill University in 1943.
- 4) I have practiced my profession for thirty-four years.
- 5) I have no direct, indirect or contingent interest in the shares of Nomad Mines Ltd. (NPL) or Crown Grant Lots 23, 24, 25, 26, 35, 36, 56 and the RC #2, 4, 5 and A2 mineral claims, subject of this report, nor do I intend to have any interest.
- 6) This report dated January 24, 1980 is based on personal field examinations I made on November 27-30, December 8, 1979 and January 15, 1980, and from information gathered from available maps and reports.
- 7) Written permission from the author is required to publish this report dated January 24, 1980 in any Prospectus or Statement of Material Facts.

DATED at West Vancouver, Province of British Columbia, this 24th day of January, 1980.



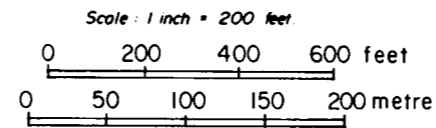
Donald W. Tully, P. Eng.,
Consulting Geologist

FIGURE 6

Copy of a survey plan submitted by Nomad Mines Ltd. (NPL) and modified by 50% REDUCTION of ORIGINAL SIZE.

Donald W. Tully P.Eng. 24 January, 1980

SKETCH PLAN OF PART OF NUMUKAMIS INDIAN RESERVE No. 1,
PART OF LOT 533 AND PART OF TOWNSHIP 4,
BARCLAY DISTRICT.

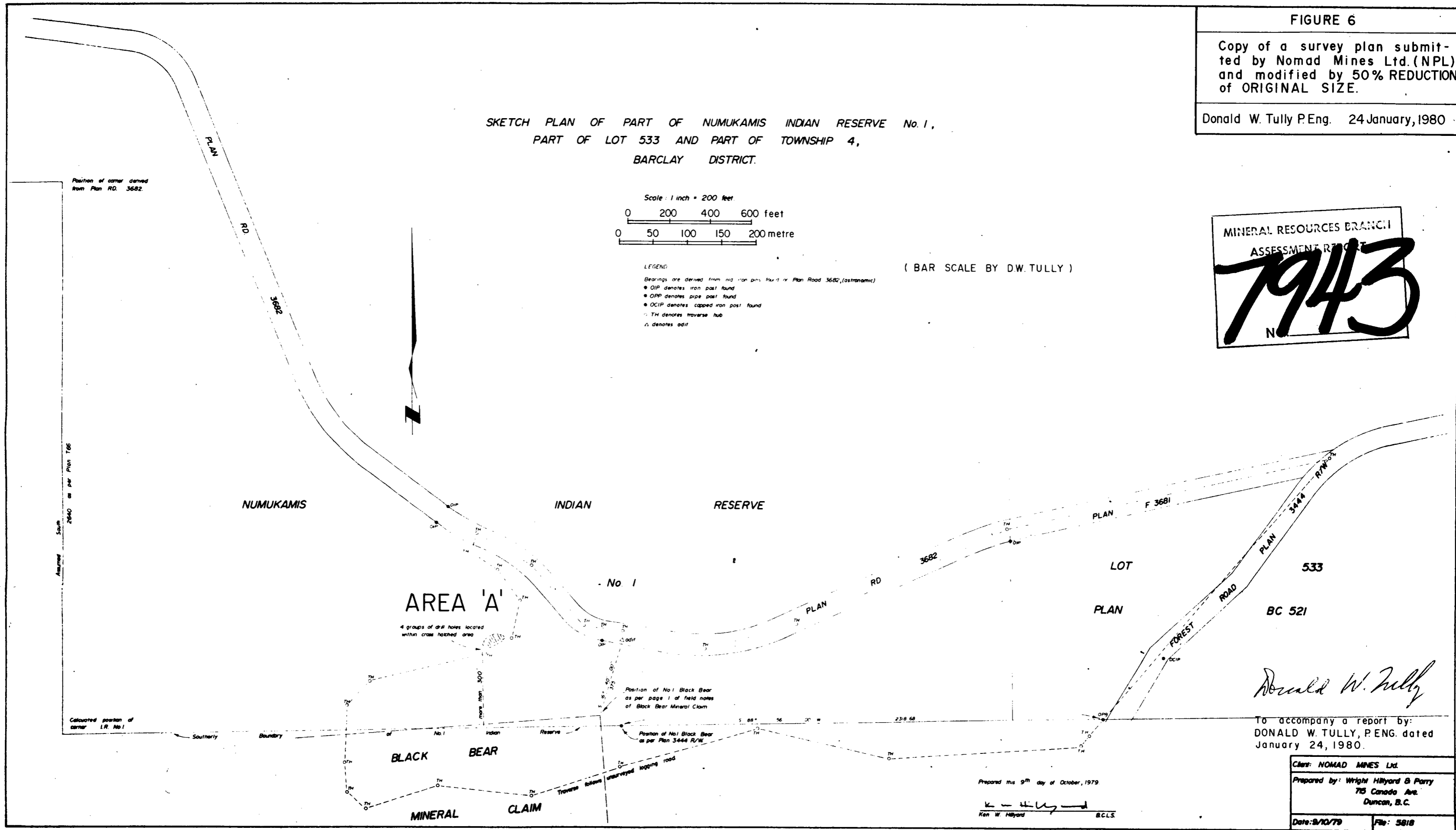


LEGEND:

- Bearings are derived from old iron pins found on Plan Road 3682, (astronomic)
- OIP denotes iron post found
- OIP denotes pipe post found
- OCIP denotes capped iron post found
- TH denotes traverse hub
- △ denotes adit

(BAR SCALE BY DW. TULLY)

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
7943
No.



Donald W. Tully

To accompany a report by:
DONALD W. TULLY, P.ENG. dated
January 24, 1980.

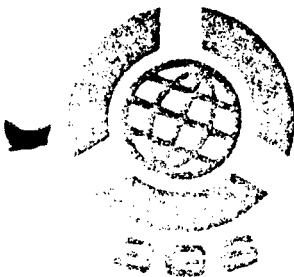
Prepared this 9th day of October, 1979

Ken W. Hillyard
Ken W. Hillyard B.C.L.S.

Client: NOMAD MINES Ltd.
Prepared by: Wright Hillyard & Parry 715 Canada Ave. Duncan, B.C.
Date: 9/10/79
File: 5818

APPENDIX 3

DON TULLY ENGINEERING LTD.
SUITE 102 - 2222 BELLEVUE AVENUE
WEST VANCOUVER, BRITISH COLUMBIA
V7V 1C7



GENERAL TESTING LABORATORIES

DIVISION SUPERINTENDENCE COMPANY (CANADA) LTD.

1001 EAST PENDER ST., VANCOUVER, B.C., CANADA, V6A 1W2
 PHONE (604) 254-1647 TELEX 04-507514 CABLE SUPERVISE

TO:
DCW TULLY ENGINEERING LTD.
 102 - 2222 Bellvue Avenue
 West Vancouver, B.C.
 V7V 1C7

CERTIFICATE OF ASSAY

No.: 7911-3052 DATE: Dec. 7/79

We hereby certify that the following are the results of assays on: **Ore**

MARKED	GOLD	SILVER	Copper	Lead	Zinc	Molybdenum	Tungsten	xxx
	oz/st	oz/st	Cu (%)	Pb (%)	Zn (%)	Mo (%)	WO ₃ (%)	
692	0.002	0.05	0.07	0.02	0.03	0.001	trace	
693	0.084	0.89	0.10	0.24	0.55	0.002	trace	
694	0.004	0.05	0.61	0.01	0.38	0.001	trace	
695	0.002	0.16	0.07	0.01	0.03	0.001	trace	
696	0.002	trace	0.01	0.01	0.01	0.002	trace	

NOTE: REJECTS RETAINED ONE MONTH. PULPS RETAINED THREE MONTHS. ON REQUEST PULPS AND REJECTS WILL BE STORED FOR A MAXIMUM OF ONE YEAR.

ALL REPORTS ARE THE CONFIDENTIAL PROPERTY OF CLIENTS. PUBLICATION OF STATEMENTS, CONCLUSION OR EXTRACTS FROM OR REGARDING OUR REPORTS IS NOT PERMITTED WITHOUT OUR WRITTEN APPROVAL. ANY LIABILITY ATTACHED THERETO IS LIMITED TO THE FEE CHARGED.

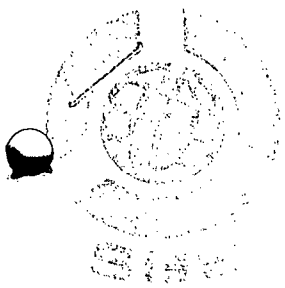
[Signature]
 L. Wong

PROVINCIAL ASSAYER

COPY

Analytical and Consulting Chemists, Bulk Cargo Specialists, Surveyors, Inspectors, Samplers, Weighers

MEMBER American Society For Testing Materials • The American Oil Chemists Society • Canadian Testing Association
 REFEREE AND OR OFFICIAL CHEMISTS FOR: National Institute Of Oilseed Products • The American Oil Chemists Society
 OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade



GENERAL TESTING LABORATORIES

DIVISION SUPERINTENDENCE COMPANY (CANADA) LTD.

1001 EAST PENDER ST., VANCOUVER, B.C., CANADA, V6A 1W2
 PHONE (604) 254-1647 TELEX 04-507514 CABLE SUPERVISE

TO:
 NOMAD MINES LTD.
 1202 - 715 West Pender Street
 Vancouver, B.C.

CERTIFICATE OF ASSAY

No.: 7912-1750 A DATE: Dec. 24/79

We hereby certify that the following are the results of assays on: **Ore samples**

MARKED	GOLD	SILVER	XXX	XXXX	XXX	XXK	YXX	XXX
	oz/st	oz/st						
<u>N-1</u> - 10-20	0.072	0.12						
20-30	0.030	trace						
30-40	0.064	trace						
40-50	0.134	0.24						
50-60	0.042	trace						
60-70	0.086	0.05						
70-80	0.088	0.02						
80-90	0.114	0.06						
90-100	0.132	0.05						
100-110	0.214	0.15						
110-120	0.122	0.05						
120-130	0.248	0.18						
130-140	0.158	0.07						
140-150	0.110	0.02						
150-160	0.094	0.02						
160-170	0.497	0.11						
170-180	0.236	0.23						
180-190	0.186	0.60						
190-200	0.124	0.05						

0.144

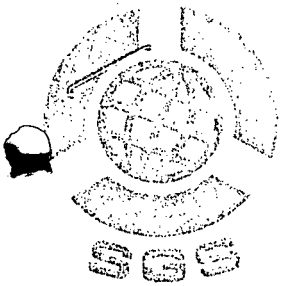
NOTE: REJECTS RETAINED ONE MONTH. PULPS RETAINED THREE MONTHS. ON REQUEST PULPS AND REJECTS WILL BE STORED FOR A MAXIMUM OF ONE YEAR.

ALL REPORTS ARE THE CONFIDENTIAL PROPERTY OF CLIENTS. PUBLICATION OF STATEMENTS, CONCLUSION OR EXTRACTS FROM OR REGARDING OUR REPORTS IS NOT PERMITTED WITHOUT OUR WRITTEN APPROVAL. ANY LIABILITY ATTACHED THERETO IS LIMITED TO THE FEE CHARGED.

L. Wong
 L. Wong
 PROVINCIAL ASSAYER

Analytical and Consulting Chemists, Bulk Cargo Specialists, Surveyors, Inspectors, Samplers, Weighers

MEMBER: American Society For Testing Materials • The American Oil Chemists' Society • Canadian Testing Association
 REFEREE AND OR OFFICIAL CHEMISTS FOR: National Institute Of Oilseed Products • The American Oil Chemists' Society
 OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade



GENERAL TESTING LABORATORIES

DIVISION SUPERINTENDENCE COMPANY (CANADA) LTD.

1001 EAST PENDER ST., VANCOUVER, B.C., CANADA, V6A 1W2
 PHONE (604) 254-1647 TELEX 04-507514 CABLE SUPERVISE

TO:
NOMAD MINES LTD.
 1202 - 715 West Pender Street
 Vancouver, B.C.

CERTIFICATE OF ASSAY

No.: 7912-1750 B DATE: Dec. 24/79

We hereby certify that the following are the results of assays on:

Ore samples

MARKED	GOLD	SILVER	XXX	XXX	XXX	XXX	XXX	XXX
	oz/st	oz/st						
<u>N-2</u> - 20-30	0.002	trace						
30-40	0.002	trace						
40-50	0.002	0.03						
50-60	0.002	trace						
60-70	0.182	0.10						
70-80	0.116	0.05						
80-90	0.358	0.03						
90-100	0.218	0.13						
100-110	0.382	0.05						
110-120	0.250	0.26						
120-130	0.212	0.05						
130-140	0.128	0.02						
140-150	0.223	0.11						
150-160	0.210	0.06						
160-170	0.182	0.03						
170-180	0.188	0.05						
180-190	0.255	0.14						
190-200	0.102	0.20						

NOTE: REJECTS RETAINED ONE MONTH. PULPS RETAINED THREE MONTHS. ON REQUEST PULPS AND REJECTS WILL BE STORED FOR A MAXIMUM OF ONE YEAR.

ALL REPORTS ARE THE CONFIDENTIAL PROPERTY OF CLIENTS. PUBLICATION OF STATEMENTS, CONCLUSION OR EXTRACTS FROM OR REGARDING OUR REPORTS IS NOT PERMITTED WITHOUT OUR WRITTEN APPROVAL. ANY LIABILITY ATTACHED THERETO IS LIMITED TO THE FEE CHARGED.

L. Wong

PROVINCIAL ASSAYER

Analytical and Consulting Chemists, Bulk Cargo Specialists, Surveyors, Inspectors, Samplers, Weighers

MEMBER: American Society For Testing Materials • The American Oil Chemists' Society • Canadian Testing Association
 REFEREE AND OR OFFICIAL CHEMISTS FOR: National Institute Of Oilseed Products • The American Oil Chemists' Society
 OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade

GENERAL TESTING LABORATORIES

DIVISION SUPERINTENDENCE COMPANY (CANADA) LTD.

1001 EAST PENDER ST., VANCOUVER, B.C., CANADA, V6A 1W2
PHONE (604) 254-1647 TELEX 04-507514 CABLE SUPERVISE



TO:
NOMAD MINES LTD.
1202 - 715 West Pender Street
Vancouver, B.C.

CERTIFICATE OF ASSAY

No.: 7912-1750 C DATE: Dec. 24/79

I hereby certify that the following are the results of assays on: **Ore samples**

MARKED	GOLD		SILVER		XXX	XXX	XXX	XXX	XXX
	oz/st	oz/st							
<u>N-3</u>	20-30	0.002	trace						
	30-40	0.002	0.10						
	40-50	0.002	trace						
	50-60	0.002	trace						
	60-70	0.002	trace						
	70-80	0.002	trace						
	80-90	0.002	trace						
	90-100	0.002	trace						
	100-110	0.002	trace						
	110-120	0.002	trace						
	120-130	0.002	trace						
	130-140	0.002	trace						
	140-150	0.002	trace						
	150-160	0.002	trace						
	160-170	0.002	trace						
	170-180	0.002	trace						
	180-190	0.002	trace						
	190-200	0.002	trace						

NOTE: REJECTS RETAINED ONE MONTH. PULPS RETAINED THREE MONTHS. ON REQUEST PULPS AND REJECTS WILL BE STORED FOR A MAXIMUM OF ONE YEAR.

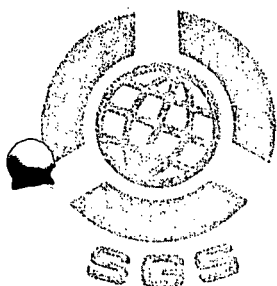
ALL REPORTS ARE THE CONFIDENTIAL PROPERTY OF CLIENTS. PUBLICATION OF STATEMENTS, CONCLUSION OR EXTRACTS FROM OR REGARDING OUR REPORTS IS NOT PERMITTED WITHOUT OUR WRITTEN APPROVAL. ANY LIABILITY ATTACHED THERETO IS LIMITED TO THE FEE CHARGED.

L. Wong
L. Wong

PROVINCIAL ASSAYER

Analytical and Consulting Chemists, Bulk Cargo Specialists, Surveyors, Inspectors, Samplers, Weighers

MEMBER: American Society For Testing Materials • The American Oil Chemists' Society • Canadian Testing Association
REFEREE AND OR OFFICIAL CHEMISTS FOR: National Institute Of Oilseed Products • The American Oil Chemists' Society
OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade



GENERAL TESTING LABORATORIES

DIVISION SUPERINTENDENCE COMPANY (CANADA) LTD.

1001 EAST PENDER ST., VANCOUVER, B.C., CANADA; V6A 1W2
 PHONE (604) 254-1647 TELEX 04-507514 CABLE SUPERVISE

TO: **NOMAD MINES LTD.**
 1202 - 715 West Pender Street
 Vancouver, B.C.

CERTIFICATE OF ASSAY

No.: 7912-2057 DATE: Jan. 7/80

We hereby certify that the following are the results of assays on: **Ore samples**

MARKED	GOLD	SILVER	XXX	XXX	XXX	XXX	XX	XXX
	oz/st	oz/st						
N-4 : 10-20	0.002	trace						
20-30	0.002	trace						
30-40	0.002	trace						
40-50	0.002	trace						
50-60	0.002	trace						
60-70	0.002	trace						
70-80	0.002	trace						
80-90	0.002	trace						
90-100	0.002	trace						
100-110	0.002	trace						
110-120	0.002	trace						
120-130	0.002	trace						
130-140	0.002	trace						
140-150	0.002	trace						
150-160	0.002	trace						
160-170	0.002	trace						
170-180	0.002	trace						
180-190	0.002	trace						
N-4 : 190-200	0.002	trace						
N-5 : 20-30	0.002	trace						
30-40	0.002	trace						
40-50	0.002	trace						
50-60	0.002	trace						
60-70	0.002	trace						
70-80	0.002	trace						
80-90	0.002	trace						
90-100	0.002	trace						
100-110	0.002	trace						
110-120	0.002	trace						
120-130	0.002	trace						
130-140	0.002	trace						
140-150	0.002	trace						
150-160	0.002	trace						
160-170	0.002	trace						
170-180	0.002	trace						
180-190	0.002	trace						
N-5 : 190-200	0.002	trace						

NOTE: REJECTS RETAINED ONE MONTH. PULPS RETAINED THREE MONTHS. ON REQUEST PULPS AND REJECTS WILL BE STORED FOR A MAXIMUM OF ONE YEAR.

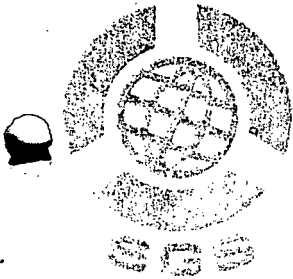
ALL REPORTS ARE THE CONFIDENTIAL PROPERTY OF CLIENTS. PUBLICATION OF STATEMENTS, CONCLUSION OR EXTRACTS FROM OR REGARDING OUR REPORTS IS NOT PERMITTED WITHOUT OUR WRITTEN APPROVAL. ANY LIABILITY ATTACHED THERETO IS LIMITED TO THE FEE CHARGED.

GENERAL TESTING LABORATORIES
 A Division of SGS SUPERVISION SERVICES INC.

L. Wong PROVINCIAL ASSAYER

Analytical and Consulting Chemists, Bulk Cargo Specialists, Surveyors, Inspectors, Samplers, Weighers

MEMBER: American Society For Testing Materials • The American Oil Chemists' Society • Canadian Testing Association
 REFEREE AND OR OFFICIAL CHEMISTS FOR: National Institute Of Oilseed Products • The American Oil Chemists' Society
 OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade



GENERAL TESTING LABORATORIES

formerly: DIVISION SUPERINTENDENCE COMPANY (CANADA) LTD.

1001 EAST PENDER ST., VANCOUVER, B.C., CANADA, V6A 1W2
 PHONE (604) 254-1647 TELEX 04-507514 CABLE SUPERVISE

TO:
DON TULLY ENGINEERING LTD.
 102 - 2222 Bellvue Avenue
 West Vancouver, B.C.
 V7V 1C7

CERTIFICATE OF ASSAY

No.: 8001-1656 DATE: Jan. 21/80

We hereby certify that the following are the results of assays on: Ore

MARKED	GOLD	SILVER	XXX	XXX	XXX	XXX	XXX	XXX
	oz/st	oz/st						
700	0.002	trace						
701	0.002	trace						
702	0.005	trace						
703	0.002	trace						
704	trace	trace						

NOTE: REJECTS RETAINED ONE MONTH. PULPS RETAINED THREE MONTHS. ON REQUEST PULPS AND REJECTS WILL BE STORED FOR A MAXIMUM OF ONE YEAR.

ALL REPORTS ARE THE CONFIDENTIAL PROPERTY OF CLIENTS. PUBLICATION OF STATEMENTS, CONCLUSION OR EXTRACTS FROM OR REGARDING OUR REPORTS IS NOT PERMITTED WITHOUT OUR WRITTEN APPROVAL. ANY LIABILITY ATTACHED THERETO IS LIMITED TO THE FEE CHARGED.

GENERAL TESTING LABORATORIES
 A Division of SGS SUPERVISION SERVICES INC.

L. Wong
 PROVINCIAL ASSAYER

Analytical and Consulting Chemists, Bulk Cargo Specialists, Surveyors, Inspectors, Samplers, Weighers

MEMBER: American Society For Testing Materials • The American Oil Chemists' Society • Canadian Testing Association
 REFEREE AND OR OFFICIAL CHEMISTS FOR: National Institute Of Oilseed Products • The American Oil Chemists' Society
 OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade

Comad Mines Ltd.

Head Office: 1202 - 750 WEST PENDER STREET, VANCOUVER, B.C. V6C 2T8

Telephone: (604) 669-1100

July 2, 1980

L 1980
PORT ALBERNI, B.C.

COSTS RE: LEE GROUP
SARITA RIVER AREA
ALBERNI MINING DIVISION

L. Spence Enterprises Drilling

1000 feet @ 5.00 5000.00
Standby time Dec. 1000.00

Assays

533.75 + 362.25 896.00

Room & Board

2 men @ 20.00/ man day/month 1,200.00

Tully's Report

6,540.40

Truck

Rental & Fuel 800.00

11173

Trailer Rental

200.00

3 Trips to Assay office from property

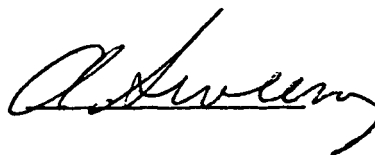
537.00/80

MINISTRY OF ENERGY, MINES
AND PETROLEUM RESOURCES

JUL 11 1980

MINERAL TITLES FILE ROOM

Certified Correct



REFERRED TO	DATE	INITIALS
G.G.C.	July 14	RR
D.C.G.C.		
G.C.		
F.M.C.		
M.T.D.R.		
P.L.C.R.		
C.O.A.L.		
FILE NO.		
FILING CLERK		

SKETCH PLAN OF PART OF NUMUKAMIS INDIAN RESERVE No. 1,
PART OF LOT 533 AND PART OF TOWNSHIP 4,
BARCLAY DISTRICT.

Scale: 1 inch = 200 feet
0 200 400 600 FT.
0 50 100 150 200 M.

LEGEND
Bearings are derived from the top plan of Plan Road 3682, (as named).
• OIP denotes iron post found.
• OIP denotes copper post found.
• OIP denotes capped iron post found.
• OIP denotes capped copper post found.
• OIP denotes capped iron post found.
• OIP denotes capped copper post found.
• OIP denotes capped iron post found.
• OIP denotes capped copper post found.

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
7943
NO.

A FIELD TRAVERSE FOUND THE DIRECTION AND DISTANCE BETWEEN 4 GROUPS OF DRILL HOLES AND PERCUSSION DRILL HOLES N-1 IS AZIMUTH 202° AND 640 FEET APPROX.

AREA 'A'

ZONES OF MASSIVE
PYRITE-PYRRHOTITE
WITH CHALCOPYRITE
IN SKARN
RESERVE

To PORT ALBERNI

Client: NOMAD MINES Ltd.
Prepared by: Wright Hillyard & Parry
75 Canada Ave.
Duncan, B.C.
Date: 9/10/79 File: 5818

Prepared this 9th day of October, 1979
K. W. Tully
K. W. Tully

FIGURE 7

NOMAD MINES LTD.(NPL)
SARITA RIVER-Poett Heights Property
ALBERNI MINING DIVISION
VANCOUVER ISLAND, B. C.

PLAN SHOWING UPPER AND LOWER ZONES,
PERCUSSION DRILL HOLES (December 1979)
ELECTROMAGNETIC (RONKA) AND
MAGNETOMETER RECON READINGS.

PART OF THIS PLAN IS MODIFIED
AFTER A BASE SKETCH
PLAN BY WRIGHT HILLYARD & PARRY AND
AND SUPPLIED BY NOMAD MINES LTD.(NPL).
MODIFICATIONS BY D.W.TULLY ARE
BASED ON PACED AND COMPASS SURVEYS.

LEGEND

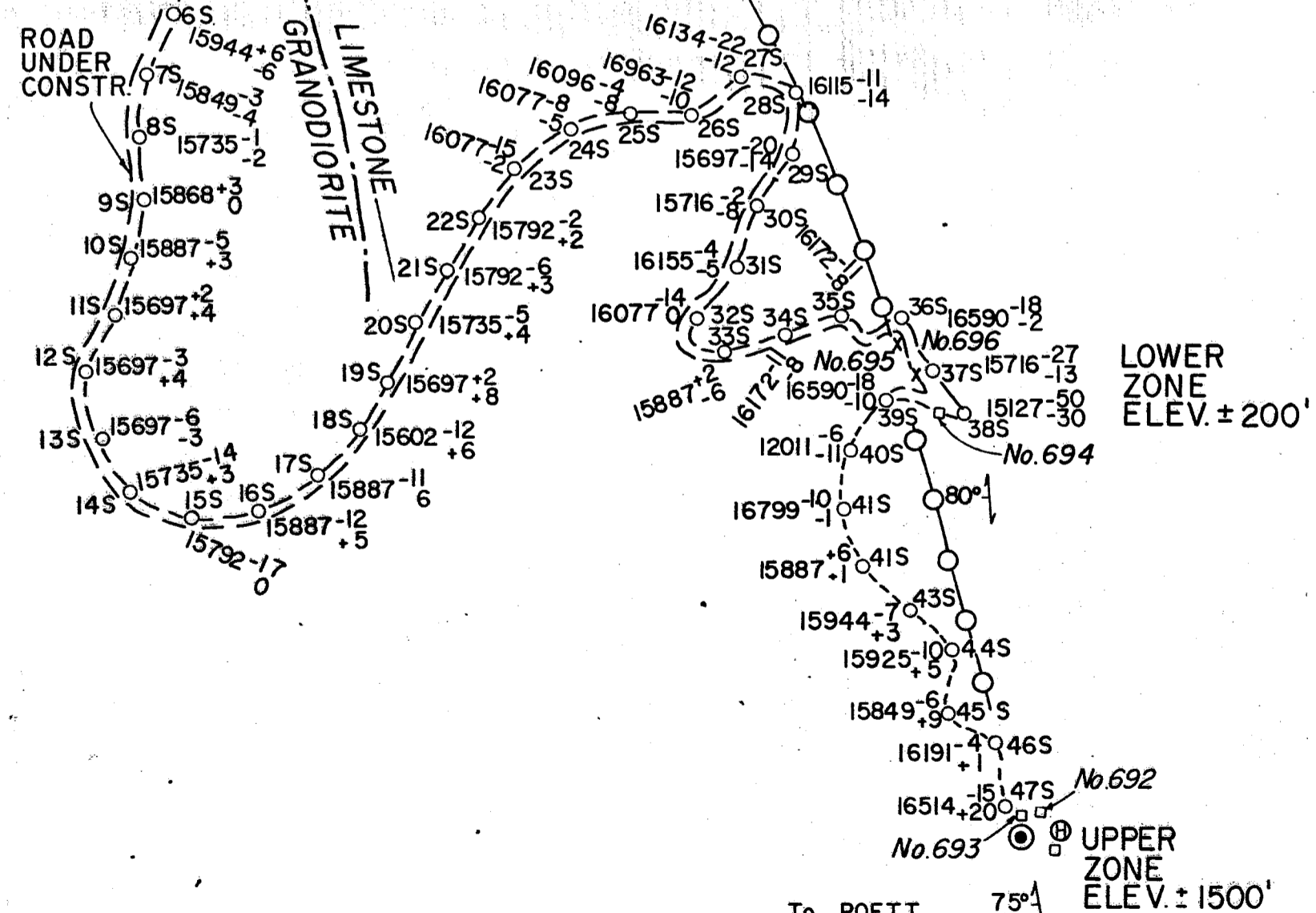
- == Gravel Road
- TRAIL
- N-1 Completed Percussion D.Hole Location.
- X→ Proposed Percussion D. Hole Location.
- Indicated Trend of Zone from Instrument Readings.
- 14S Number of Flaged Survey Station.
- 15604-4-2 Magnetometer Reading EM-16 (VLF) Reading
- No.692 Grab Sample Number and Location.
- Rock Trench
- ⊙ D.D. Hole (WINKE)
- ⊕ Helicopter Pad
- 80° Strike and Dip of Zone

Donald W. Tully

DONALD W. TULLY, PENG. JANUARY 24, 1980

BAMFIELD

INDICATED LOCATION OF PERCUSSION DRILL HOLES BY L. SPENCE
N-4 (90°)



To POETT HEIGHTS