GEOCHEMICAL AND GEOPHYSICAL REPORT

ON THE SILVERHORN PROPERTY

WORK PERFORMED ON THE SILVERHORN, SILVERHORN 2,

SILVERHORN 3, SILVERHORN 4, AND SILVERHORN 5 CLAIMS

NELSON MINING DIVISION

NTS 82F 3W

49 42'N lat. 117 20'W long.

OWNER: SALMET RESOURCES CORPORATION

OPERATOR: SALMET RESOURCES CORPORATION

CONSULTANT: HINTERLAND RESOURCE SERVICES LTD.

AUTHOR: V. RYBACK - HARDY, P.Eng.

Date: January 15, 1981.

Hinterland Resources Ltd.
11691 Trumpeter Drive,
Richmond, B.C.
V7E 3X4
(604) 271 - 5922

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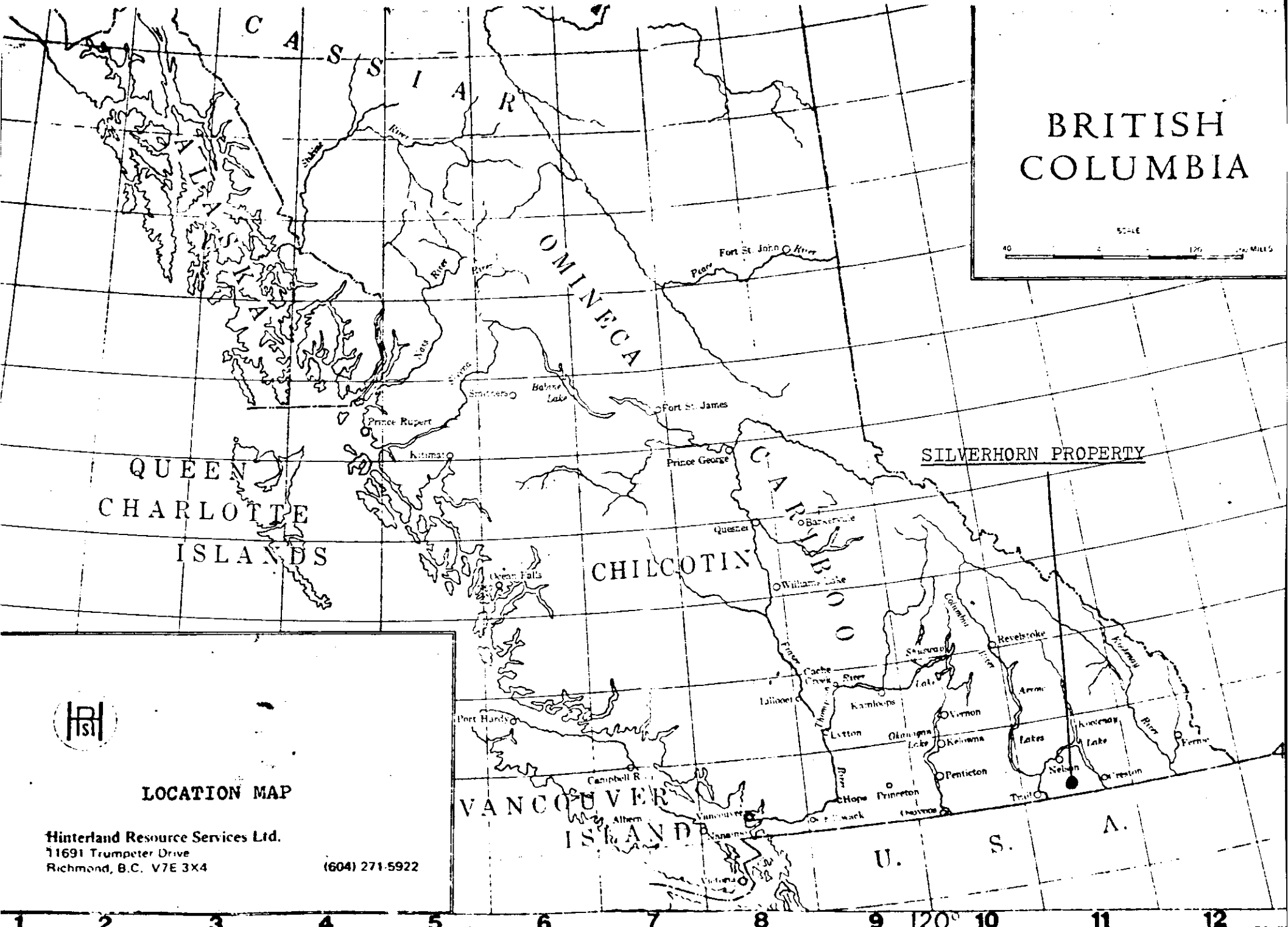
BRITISH COLUMBIA
SILVERHORN PROPERTY
LOCATION MAP
Hinterland Resource Services Ltd.
11691 Trumpeter Drive
Richmond, B.C. V7E 3X4
(604) 271-5922
CASSIAR
OMINECA
CARIBOO
CHILCOTIN
QUEEN CHARLOTTE ISLANDS
VANCOUVER ISLAND
U. S. A.
Fort St. John
Prince Rupert
Prince George
Fort St. James
Williams Lake
Port Hardy
Kamloops
Vernon
Kelowna
Penticton
Nelson
Trail
Revelstoke
Princeton
1 2 3 4 5 6 7 8 9 120° 10 11 12

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LISTS OF MAPS IN FOLDING FILE

INTRODUCTION

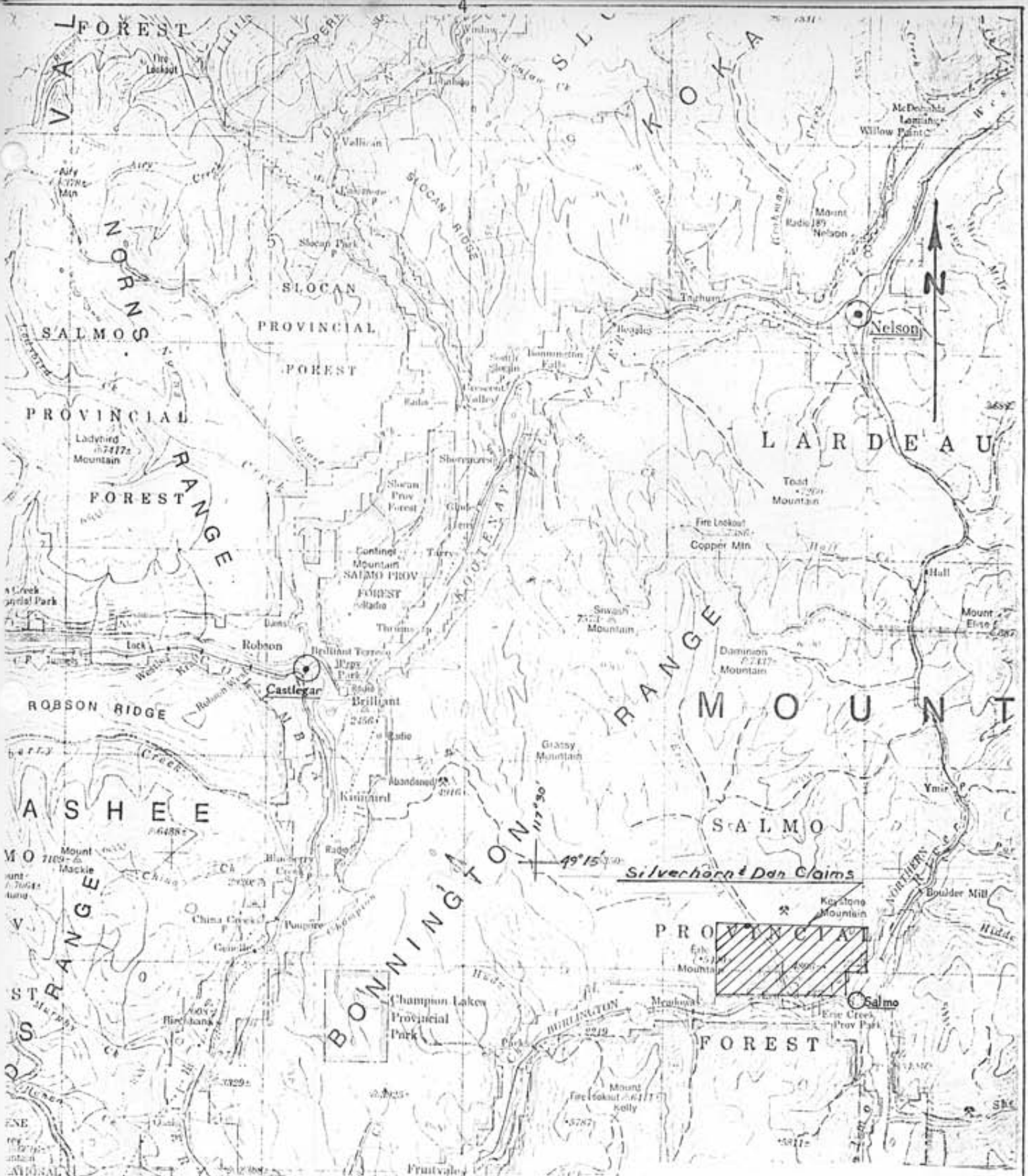
Between October 5, 1980 and November 30, 1980, a crew of two to three men completed a program of geochemical sampling, VLF-EM, magnetometer survey, and trenching on the Silverhorn Property located about 2 km west of Salmo, B. C. The area covers the contact between the crystalline intrusive rocks of an outlier of Lower Cretaceous Nelson Batholith and andesite tuffs and flows of the Lower Jurassic Rossland Formation.

The claims lie south of Hooch (Whiskey) Creek and straddle Erie Creek. The topography of the property is moderately steep; rising about 600 metres from the lowest point (elevation 760 m) to the highest point on the claims. The area is generally well covered with a thin veneer of drift and soil. Vegetation is scrub second growth, moderately thick brush consisting of Sitka Alder, Aspen, and other Poplars. Occasionally there are a few scattered Firs and Yellow Pine. Outcrops of rock are sparse except along a line of southwesterly facing bluffs at about 900 metres elevation. Old workings and road cuts which expose bedrock indicate that, although overburden cover is generally extensive and locally can range in depth up to 9.5 metres, it is not deep and generally less than a few metres. The area lies within the Selkirk Mountains (Physiographic Subdivision).

Access is by good gravel road from Salmo, B. C. A spur of the Burlington Northern Railway and an arterial paved highway run along the southern edge of the claim group.

The property consists of the following mineral claims (modified grid system).

Claim Name	No. of Units	Record Number	Record Date	Expiry Year
Silverhorn	1	737	Aug. 7, 1978	1982
Silverhorn 2	1	905	Dec. 12, 1978	1982
Silverhorn 3	2	906	Dec. 12, 1978	1982
Silverhorn 4	2	916	Dec. 12, 1978	1982
Silverhorn 5	3	1104	June 27, 1979	1983
Silverhorn 6	3	1106	July 3, 1979	1983



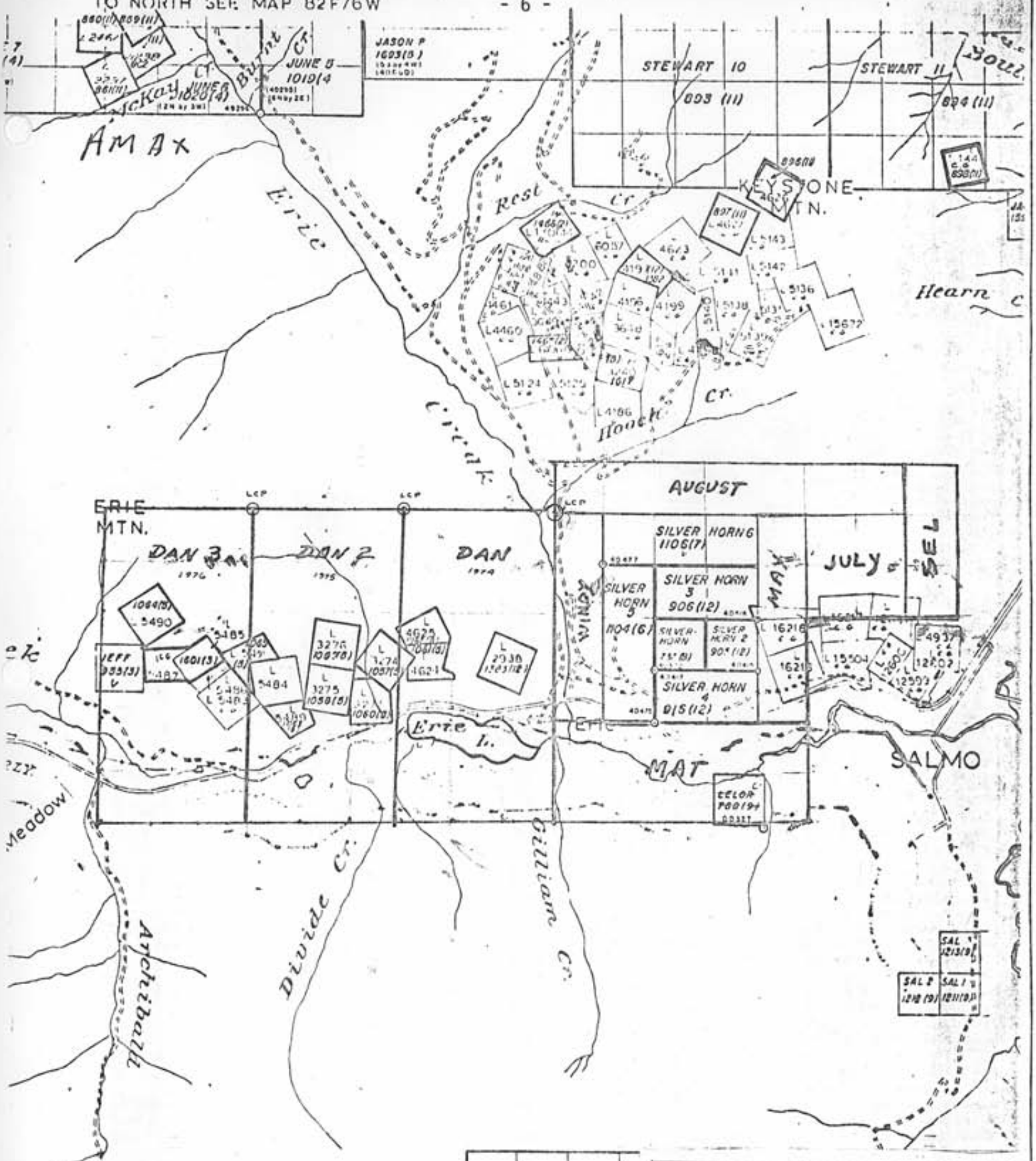
SALMET RESOURCES CORPORATION		
SCALE 1:250000	APPROVED BY:	
DATE: Jan 20/81		
Index Map - Silverhorn Property		
Nelson M.D. 82 F 3W		

Claim Name	No. of Units	Record Number	Record Date	Expiry Year
Wendy	4	1911	Sept. 16, 1980	1981
May	4	1909	Sept. 16, 1980	1981
July	4	1913	Sept. 16, 1980	1981
August	7	1910	Sept. 16, 1980	1981
Sel	3	1929	Sept. 30, 1980	1981
Mat	10	1928	Sept. 30, 1980	1981
Dan	18	1974	Oct. 23, 1980	1981
Dan 2	18	1975	Oct. 23, 1980	1981
Dan 3	18	1976	Oct. 23, 1980	1981

Although there is an old adit about 30m long and several old cuts and caved adits located on the Silverhorn No. 5 claim, there is no record of work being done in the immediate area. The claims were staked on behalf of Salmet Resources Corporation, the present owner, during 1978 and 1979. In the fall of 1979, Salmet, as operator, commenced a program of geochemical sampling and geophysical surveying on the claim group.

The claims are ideally situated in the heart of an area rich in mining activity - past and present. The area has had several producing lead-zinc-silver mines (Blue Bell, H.B., Jersey) and contains one of the few tungsten producers in British Columbia (Emerald). Mining and ore processing can be done cheaply since the property has good road and rail access; is well supplied with water and timber; and is located near an abandoned mill in workable condition at the H.B. mine 10 km to the east and a lead-zinc smelter at Trail 30 km to the southwest.

Mineralization on the property indicates a possibility of precious and base metal values in veins as well as a possibility of deeper skarn-type tungsten-molybdenum mineralization.



SALMET RESOURCES CORPORATION		
Drawn VRH		
CLAIM LOCATION MAP		
Scale 1 : 50 000		Jan/19/81

Summary of Work Done

a. Geochemical Survey
   No. of soil samples - 219 (195 grid samples, 24 profile samples)
   No. of rock samples - 80 Chip samples from trenches

b. Geophysical Survey
   11.0 lineal km magnetometer survey
   11.0 lineal km VLF-EM Survey

c. Line Cutting and Grid Establishment
   11.0 lineal km - 100 metre line spacing and 50 metre stations
   (11 lines 1000 metres long)

Detailed Technical Data and Interpretation

The purpose of the invetstigations was to determine the extent of the mineralization found in the old adit on the Silverhorn 5 claim and to test the possibility of deeper skarn-type tungsten-molybdenum mineralization.

Line Cutting and Grid Establishment

A 1000 metre base line running east-west was hand-cut and run with a hand-held "Sylva-Ranger" compass. Stations were established at 100 metre intervals using cedar lath pickets. Distances along the base line were measured with a plastic "poly chain". From the 100 metre stations, cross lines were run and hand-cut for a length of 1000 metres. At 50 metre intervals, cedar lath pickets were set, a grid co-ordinate was marked on the lath with a felt pen, and the lath was then flagged with fluorescent orange flagging.

Geochemical Survey

At all grid points, a mineral soil sample, free from organic material, was collected from the "B" horizon at an average depth of 0.3 metre using a mattock. No samples were collected in the vicinity of the gravel pit in the southwest corner of the grid area. The mineral soil was collected in a numbered Kraft paper envelope. The soil samples were air dried in

the field, boxed and sent to Min-En Laboratories Ltd. Rock chip samples were analysed by General Testing Laboratories. The rock chip samples in Trench 1 and 1A were fine grained granodiorite (hypabyssal). The rock samples from Trench 2 were argillite. Those from Trench 3 and 4 were acid to intermediate volcanics (andesite).

At the laboratory, the soil samples were further air dried at 95° C and sieved. The rock samples were pulverized in a ceramic plate pulverizer and sieved. A 1.0 gram portion of the -80 mesh fraction was taken and digested in 10 ml of perchloric and nitric acid for six hours. The sample is then diluted to 25 ml with ion-free water and then aspirated in an Atomic Absorbtion unit. The Mo, Cu, Pb, Zn and Ag are determined in parts per million (ppm). Tungsten values are determined by fusion and colorimetric determination. A detailed laboratory procedure is appended to this report.

Interpretation

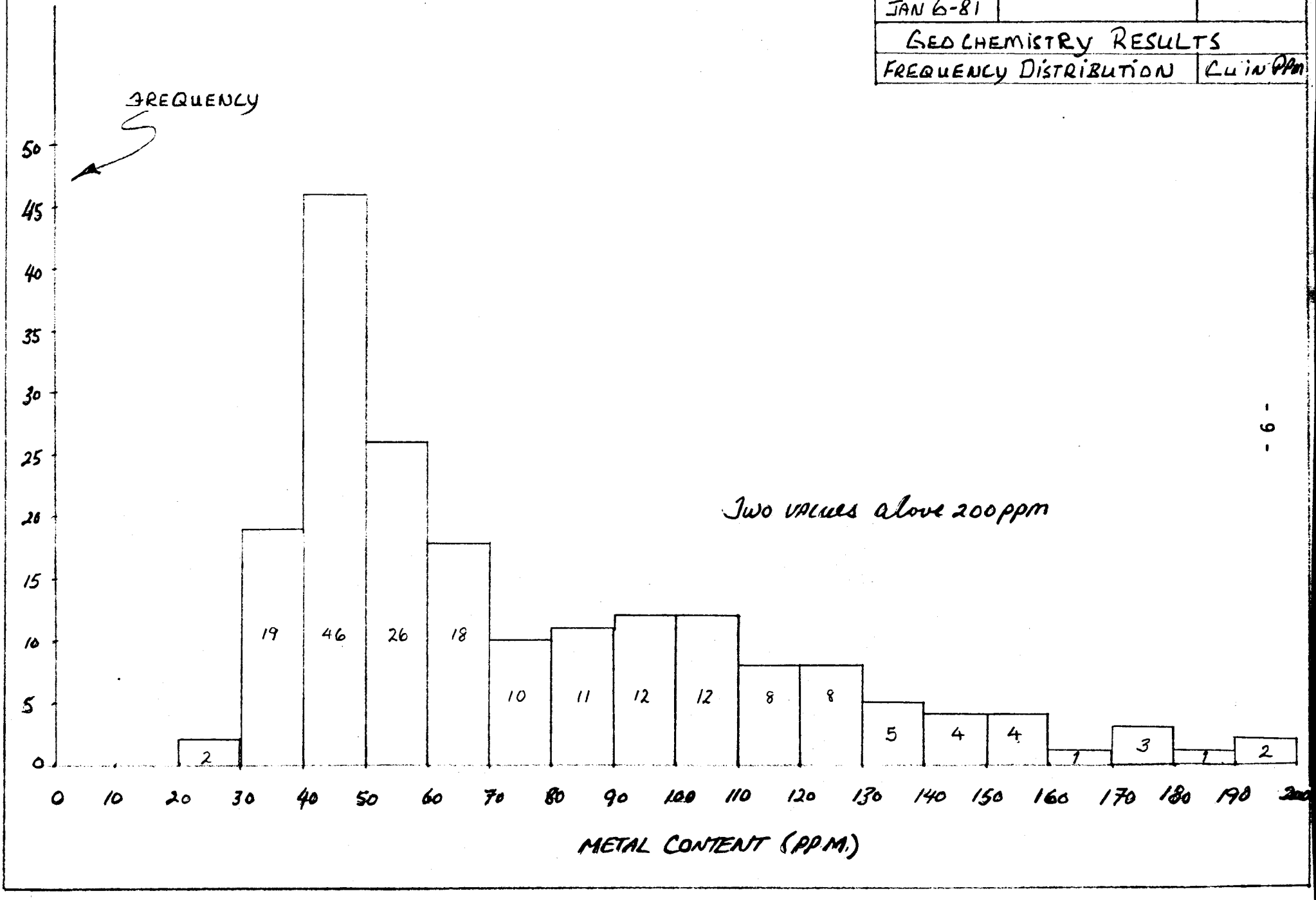
The various metal values were plotted at corresponding grid points. The results were then contoured using intervals calculated statistically as follows:

	Pb	Zn	Cu	Ag	Mo	W
$\bar{x}$ (mean)	39.82	212.05	76.82	1.27	n/c	n/c
s (standard deviation)	40.53	110.31	41.86	1.21	n/c	n/c
Background	<80	<320	<120	n/c	n/c	n/c
Def. Anom.	80-120	320-433	120-160	n/c	n/c	n/c
Prob. Anom.	120-160	433-543	160-202	n/c	n/c	n/c
Strongly Anom.	>160	>543	>202	n/c	n/c	n/c
(n=195)						

The silver, molybdenum, and tungsten values were fairly low and were not contoured.

The geochemical overprint indicates a signature anomaly partly co-incident

SILVERHORN PROPERTY		
JAN 6-81		
GEOCHEMISTRY RESULTS		
FREQUENCY DISTRIBUTION	Cu in ppm	

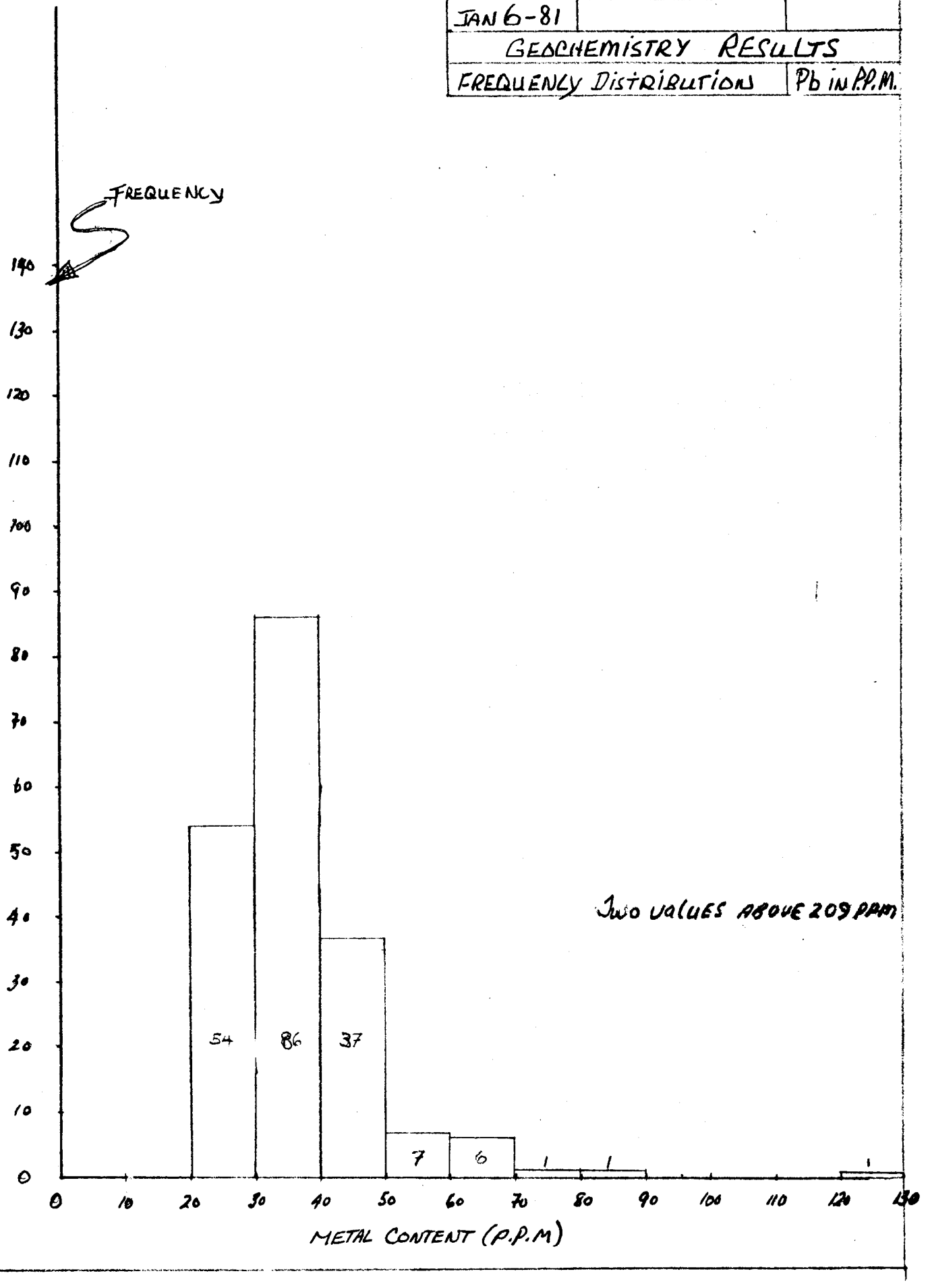


SILVERHORN PROPERTY

JAN 6-81

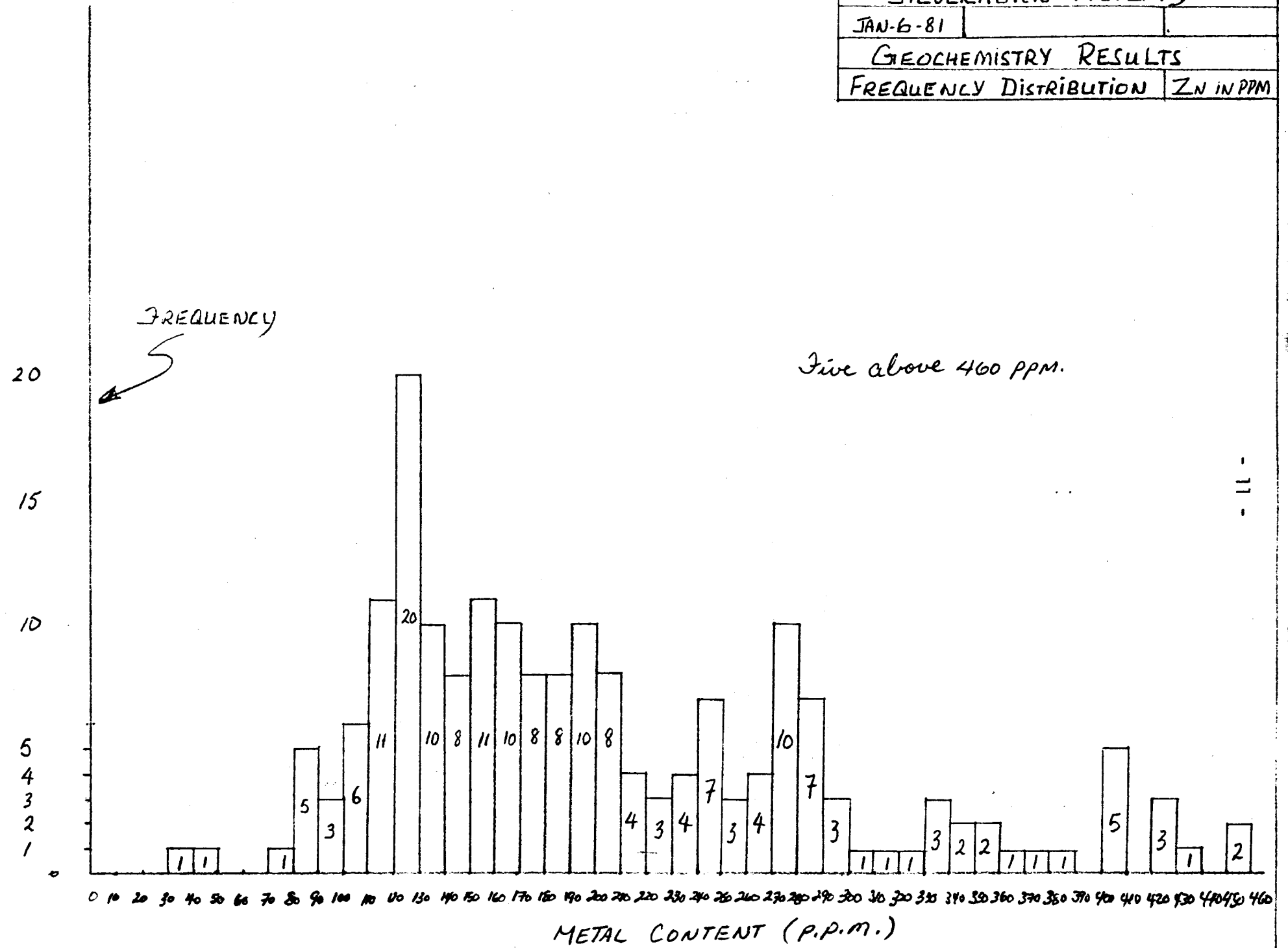
GEOCHEMISTRY RESULTS

FREQUENCY DISTRIBUTION | Pb IN P.P.M.



Two values above 209 ppm

SILVERHORN Proj. y	
JAN-6-81	
GEOCHEMISTRY RESULTS	
FREQUENCY DISTRIBUTION	ZN IN PPM

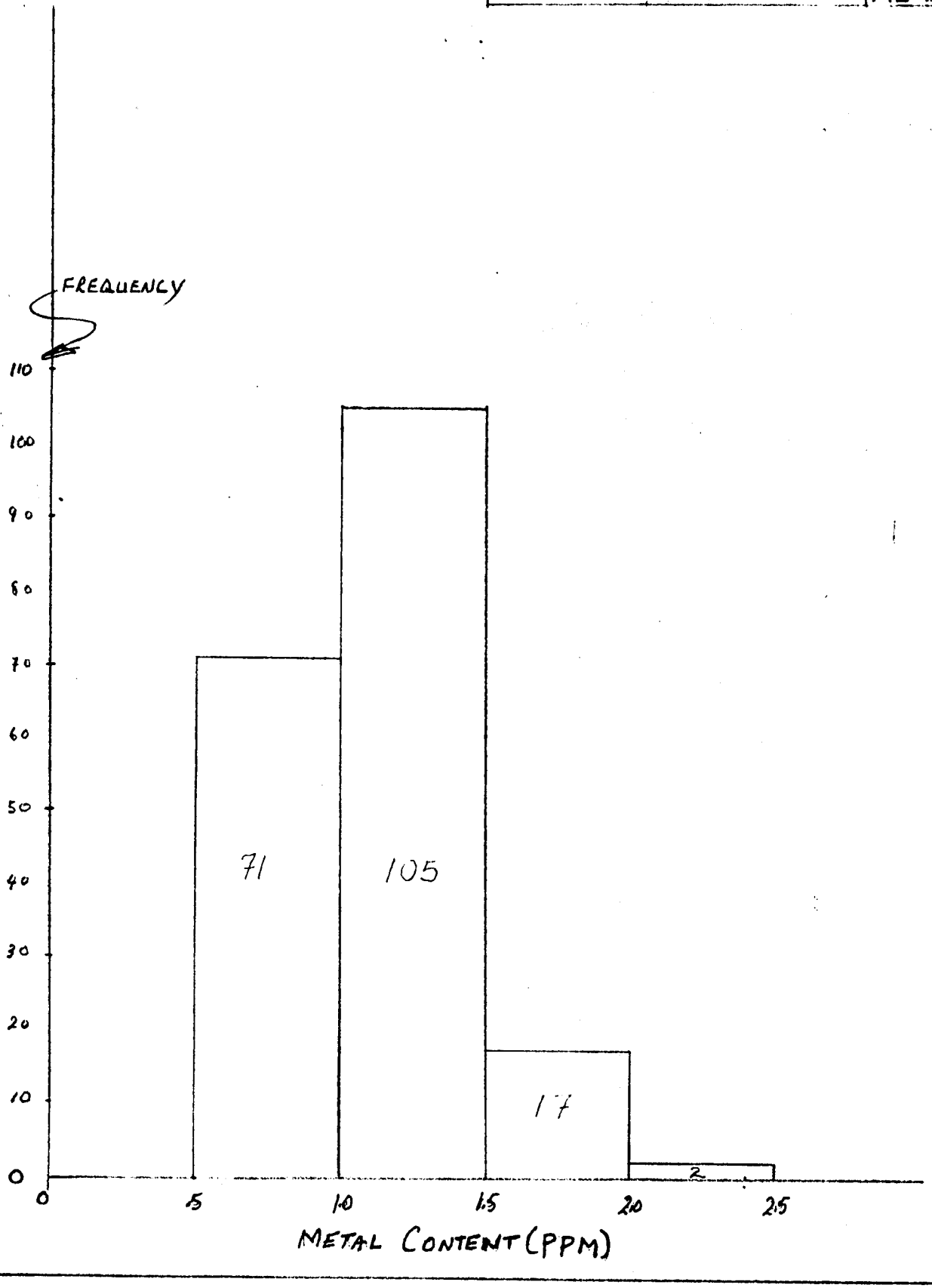


SILVERHORN PROPERTY

JAN. 6 = 81

GEOCHEMISTRY RESULTS

FREQUENCY DISTRIBUTION | Ag. IN PPM



in copper, lead and zinc centered over the known old workings. The geochemically anomalous soils reflecting the underlying mineralization may possibly be enhanced by local soil disturbance from old workings.

The lead-in-soils anomaly is restricted to the area around the old adits. The copper-in-soils shows a much broader dispersion pattern and a linear northeasterly trend through the center of the grid area. The geochemical dispersion pattern for zinc is similar to that of copper in a general sense. There also appears to be a northerly trending anomalous zone striking through the old adits and then northerly beyond the grid area. This may emanate from a mineralized zone (vein system) further north and up slope. The silver, molybdenum, and tungsten values were consistently low.

Geophysical Survey

The grid area was covered with a magnetometer (vertical component) and a VLF-EM survey. The magnetometer used was a GP-70 Proton Magnetometer which reads the absolute vertical intensity of the magnetic field directly in gamma's. All values were reduced by 32000 gammas for ease of plotting.

The magnetometer readings were corrected for diurnal variation by multiple readings at established local base stations and linearly corrected as a function of time.

The VLF survey was conducted with a Phoenix VLF-2 instrument which measures the dip angle of the resultant field and the "out-of-phase" or quadrature component as a percentage of the maximum horizontal field. The VLF transmitter used was located at Seattle, Washington (Jimmy Creek - 18.6 kHz).

Interpretation

The following geological description is intended to give background

information in regard to the geophysical interpretation.

The Silverhorn Property is underlain by andesitic volcanics of the Lower Jurassic Elsie Formation (Rossland Group.) Mapping by the Geological Survey of Canada indicates that the rocks have been folded into a broad anticline trending northeasterly. To the west, the predominately volcanic rocks are faulted against older argillites of the Archibald Formation (Sinemurian Beds) along Erie Creek. In this area, a small plug (1000m dia.$^{\pm}$) of the Nelson Batholith has been mapped. This body of granitic rock is believed to occur on both sides of the Erie Creek Fault. To the east, the Elsie formation is in contact with younger argillites and siltstones of the Hall Formation.

On the Silverhorn 5 claim, rubble from a prominent set of south westerly facing bluffs indicates the occurrence of an epidote-diopside skarn zone within grey fine-grained andesites. Further west, outcroppings of the granodiorite (augite porphyryte?) were found.

Locally the volcanics are intermediate to felsic. Two hand specimens were collected and brought in for thin section analysis. The petrographic report is appended to this report.

Mineralization on the property consists of minor amounts of fine grained pyrite ubiquitously disseminated throughout the rocks. Galena, Sphalerite, chalcopyrite, and malachite occur in quartz-carbonate veins of varying orientations cutting volcanic rocks.

An adit approximately 30 metres long cuts a flat dipping vein between 5 and 10 cm thick which strikes northerly and dips 15 degrees easterly. Further along this adit, a second vein was found trending northeasterly and dipping 45 degrees to the southeast. This vein pinches and swells to widths between 5 and 20 cm. The two veins are similar; composed mainly of calcite, quartz and contain bands of massive fine-grained galena and sphalerite with scattered chalcopyrite and malachite. Chip

samples of the flat-dipping vein and the vein and about 1 metre of wall-rock on either side of the vein were collected and assayed. The material assayed as follows:

Sample	Width	%Pb	%Zn	%Cu	Ag oz/ton	Au oz/ton
Vein	14 cm	16.4	4.9	1.92	3.02	0.002
Vein & Wall Rock	2.0 m.	5.1	0.88	0.38	0.90	0.002

The 2.0 m. chip sample would represent a true mining width.

The VLF-EM survey indicated several moderate to strong easterly trending conductors. These may be faults or contacts between the granodiorite and the volcanic sequence. A short, strong conductor is indicated south of the old caved adit at 7+00N on line 3+00E and may represent as yet undiscovered vein mineralization.

The contoured magnetometer readings indicate a saddle shape field intensity trending northerly to northeasterly with magnetic highs at either end and very low magnetic reading between. The magnetic anomaly may represent contact skarn zones. There is also a northerly trending magnetic high centered over the area of the old adits and therefore partly co-incidental with the copper and zinc geochemical anomalies. This magnetic trend may represent the contact between the high level intrusive and the volcanics to the east.

Conclusions

The 1980 field program outlined a geochemical soil anomaly partially co-incident in copper, lead, and zinc. Soil profiles indicate that metallic ions over mineralized areas may not disperse readily through areas of thicker overburden and silver, lead, and molybdenum values in near surface soils may be subdued. Therefore mineralized areas may not be detected by shallow soil sampling. Deep overburden sampling may be required to test for subsurface mineralization.

Economic Assessment and Recommendations

Recent samples of veins taken by the author in old workings on the Silverhorn property; to the east on the Silver Dollar Property; and to the west across Erie Creek off the property all carried significantly high gold and/or silver values. Molybdenum and tungsten values were also significantly high in the sample taken at the western showing. If other vein systems are located on the Silverhorn Property, there is a good probability that they will contain economic values of gold and silver.

The results generated from the 1980 field program must be termed moderately encouraging. As the risk factor in developing an economic potential is still high, it is advisable to invite participation from other companies in a joint venture endeavour. Precious metal potential has been indicated and molybdenum-tungsten mineralization may be present; therefore a further cautious follow-up program may be warranted.

In this context, the following program is recommended.

(1) Extend the grid to cover the extension of the claim group to the north, east and west.

(2) A conservative program of diamond drilling to test the correlation of the geochemical anomalies to vein-type mineralization. Completion of one or two deep holes to test for deep seated tungsten-molybdenum mineralization.

(3) Completion of geological mapping to aid in geochemical-geophysical correlation.

(4) Contingent on the results of (2), extend the geochemical sampling program to the east, west and north.

Physical Work

During November 10 to November 13, a total of 32 hours was required by a Euclid 8230 "bulldozer" to excavate a total of 323 lineal metres of trenching. The location of the trenches are shown on the data maps and

the dimensions are as follows:

No.	Length	Width	Depth (metres)
1	63	3	2
1A	50	3	2
2	50	3	18
3	100	3	9
4	60	3	2

Itemized Cost Statement

Wages (Contract Rates)

Linecutting, Geochemical, Geophysical

V. Ryback-Hardy, 2 days @ $225.00/day (Supervision)	$ 450.00
G. Siemens, 42.5 days @$140.00/day	5,950.00
A. Bolton, 32.5 days @ $130.00/day	4,225.00
N. Upham, 15.5 days @ $130.00/day	2,015.00
Total Wages	$12,640.00

Transportation

4x4 Bronco all inclusive (gas and oil) 47 days @ $45.00 per day	2,115.00
Mobilization and Demobilization	160.00
Total Transportation	$2,275.00

Instrument and Equipment Rental

Chainsaw, 24 days @ $15.00/day	$360.00
VLF-EM Rental, 5 days @ $20.00/day	100.00
Proton Magnetometer Rental, 3 days @ $25.00/day	75.00
Total Instrument and Equipment	$535.00

Food and Accommodation

92.5 man-days @ $40.00/man-day	$3,700.00

Chemical Analyses

80 Rock Chip geochem W @ $4.35/sample	$ 348.00
80 Rock Chip geochem Au @ $4.50/sample	360.00
80 Rock Chip geochem Ag, Cu, Pb, Zn, Mo @ $3.50/sample	280.00
219 Soil geochem, Mo, Cu, Pb, Zn, Ag, W @ $9.10/sample	1,992.90
4 Rock Assays, Ag, Au, Cu, Pb, Zn, Mo, WO_3 @ $41.70/sample	166.80
Total Chemical Analyses	$3,149.70

Physical Work

Equipment (8230 Euclid) 32 hrs. @ $65.00/hr.	$2,080.00
Powder (40% FORCITE)	109.00
Fuse	40.00
Magazine Charge	18.96
Drill Rental	150.00
Labour: 3 men for 3 days	900.00
Fred Kluckert	
John Helgren	
James Kennedy	
Labour: E. Helgren (Supervision) 6 days @ $100.00/day	600.00
Total Physical Work	$3,897.96

Miscellaneous

Shipping Charges	$10.20
Petrographic Report	77.00
Total Miscellaneous	$87.20

Report Preparation

Wages, V. Ryback-Hardy, P.Eng., 5 days @ $225.00/day	$1,125.00
N. Upham (drafting) 6 days @ $130.00/day	780.00
Blueprinting	141.22
Typing and Binding	135.87
Total Report Preparation	$2,182.09
TOTAL ASSESSMENT VALUE	$28,464.95

TOTAL NUMBER OF UNITS: 98 Units

Respectfully Submitted

Victor Ryback-Hardy

Victor Ryback-Hardy, P.Eng.

STATEMENT OF QUALIFICATIONS

Certificate

I, Victor Ryback-Hardy of the municipality of Richmond, British Columbia, do hereby certify that:

(1) I am a consulting geological engineer with an office at 11691 Trumpeter Drive, Richmond, B. C.

(2) I am a graduate of the University of British Columbia with a degree in Applied Science (B.A.Sc., 1970).

(3) I have practiced my profession continuously since graduation while being employed by such companies as El Paso Mining and Milling Company and Kennco Explorations (Western) Limited. I have been in private independent practice since May, 1980.

(4) I have no interest, either direct or indirect in the properties or securities of Salmet Resources Corporation, nor do I expect to acquire any such interest.

(5) I am a member in good standing of the Association of Professional Engineers of the Province of British Columbia.

Victor Ryback-Hardy

Hinterland Resource Services Ltd.
January 19, 1981
Richmond, B. C.

APPENDIX I

Petrographic Report

on

Two Hand Specimens

Submitted for Thin Section Examination

Hand Specimen #1 located at 7+75N 3+50E

Hand Specimen #2 located at 3+75N 3+50E

PETROGRAPHY OF THIN SECTIONS

SUBMITTED BY V. RYBACK-HARDY OF

HINTERLAND RESOURCE SERVICES, LTD.

David W. Klepacki
December 15, 1980

Petrography of Thin Sections
Submitted by V. Ryback-Hardy of
Hinterland Resource Services, Ltd.

Thin sections #1 and #2 , submitted by Victor Rybsck-Hardy of Hinterland Resource Services, Ltd., have been examined with the petrographic microscope. The sections are altered intermediate and acid volcanic or high level intrusive rocks. Alteration mineralogy and textures are characteristic of low grade regional metamorphism, or propylitic alteration. No textures of intense flooding or removal of mineral phases are present. Specimen #1, the granodiorite, had a dike of sanidine and quartz traversing the thin section, but because of intergrowth textures with primary plagioclase, is interpreted tobe magmatic rather than a low temperature alteration. Mineralization appears both post-magmatic and a product of alteration. Sulphides are disseminated throughout the thin sections and have clean and corroded faces. Oxides are products of breakdown of mafic minerals. Both oxides and sulfides have suffered some corrosion in later alteration.

Estimated Modes from Thin Section*

	Specimen #1	Specimen #2
Quartz	30	5
Plagioclase	10	25
% Anorthite	An1	An0
K Feldspar	10	-
Hornblende	-	17
Pyrite	x	2
Oxides	5	3
Apatite	x	x
Chlorite	18	x
Epidote	-	1
Carbonate	1	12
White Mica	25	5
Rutile	1	-
Clays	x	30

*Modes were visually estimated from thin section and are given in percentages.

Thin Section Description:

Specimen #1: This rock is an altered fine grained, equigranular, granodiorite. Primary phases are plagioclase, quartz, potash feldspar, biotite and apatite. Altered plagioclase phenocrysts occupy 50% of the rock and so the original conposition would be close to that of a granodiorite. A late stage magmatic veinlet composed of rounded to subhedral quartz and clean albitic plagioclase floating in a matrix of sanadine traverses the thin section. Included in the veinlet are primary feldspar phenocrysts and mafic mica. No silica halo or silicification textures are observed; quartz grains have clean boundries and distinct grain shape.

Plagioclase has been completely altered to white mica, albite, and quartz. Albite twinning is nearly obliterated and secondary white albite clouded with fine white mica. Chlorite cleavage is packed with fine rutile needles and leucoxene rimes. Since titanium is incompatible with the chlorite structure, these grains are interpreted as altered magmatic biotite.

Specimen #2: This rock is an altered porphyritic hornblende-plagioclase andesite. Primary phases are phenocrysts of altered hornblende and plagioclase in a matrix of fine grained material, now altered to "clays", with smaller phenocrysts of plagioclase and hornblende. The relict phenocrysts occupy 60% of the thin section.

The plagioclase is mostly altered to albite, carbonate, and some fine white mica. Hornblendes are light green and moderately altered to carbonate, opaque minerals, rutile and minor epidote and chlorite. The matrix is composed of very fine grained, clear, low relief and low birefringent platy minerals identified as clays with the species undefined. Carbonate clots, fine opaques, and small altered phenocrysts of hornblende and plagioclase also are found in the matrix.

Interpretation:

Specimen #1 is a fine grained granodiorite. Specimen #2 is a porphyritic andesite of volcanic or hypabyssal origin. Both specimens have an alteration mineralogy typical of low grade regional metamorphism or propylitic alteration. No features indicative of intense metasomatism (including silicicification) were observed. Mineralization is late magmatic as sulphides have suffered slight corrosion and alteration with the host rock.

APPENDIX II

Analytical Lab Procedure

PHONE 980-5814

MIN-EN Laboratories Ltd.
Specialists in Mineral Environments
Corner 15th Street and Bewicke
705 WEST 15th STREET
NORTH VANCOUVER, B.C.
CANADA

ANALYTICAL PROCEDURE REPORTS FOR ASSESSMENT WORK

PROCEDURE FOR GOLD GEOCHEMICAL ANALYSIS.

Geochemical samples for Gold processed by Min-En Laboratories Ltd., at 705 W. 15th St., North Vancouver Laboratory employing the following procedures.

After drying the samples at 95°C soil and stream sediment samples are screened by 80 mesh sieve to obtain the minus 80 mesh fraction for analysis. The rock samples are crushed and pulverized by ceramic plated pulverizer.

A suitable sample weight 5.0 or 10.0 grams are pre-treated with HNO_3 and $HClO_4$ mixture.

After pretreatments the samples are digested with Aqua Regia solution, and after digestion the samples are taken up with 25% HCl to suitable volume.

At this stage of the procedure copper, silver and zinc can be analysed from suitable aliquote by Atomic Absorption Spectrophotometric procedure.

Further oxidation and treatment of at least 75% of the original sample solutions are made suitable for extraction of gold with Methyl Iso-Butyl Ketone.

With a set of suitable standard solution gold is analysed by Atomic Absorption instruments. The obtained detection limit is 5 ppb.

PHONE 980-5814

MIN-EN Laboratories Ltd.
Specialists in Mineral Environments
Corner 15th Street and Bewicke
705 WEST 15th STREET
NORTH VANCOUVER, B.C.
CANADA

ANALYTICAL PROCEDURE REPORTS FOR ASSESSMENT WORK

PROCEDURES FOR Mo, Cu, Cd, Pb, Mn, Ni, Ag, Zn, As, F

Samples are processed by Min-En Laboratories Ltd., at 705 W. 15th St., North Vancouver Laboratory employing the following procedures.

After drying the samples at 95°C soil and stream sediment samples are screened by 80 mesh sieve to obtain the minus 80 mesh fraction for analysis. The rock samples are crushed by a jaw crusher and pulverized by ceramic plated pulverizer.

1.0 gram of the samples are digested for 6 hours with HNO_3 and $HClO_4$ mixture.

After cooling samples are diluted to standard volume. The solutions are analyzed by Atomic Absorption Spectrophotometers.

Copper, Lead, Zinc, Silver, Cadmium, Cobalt, Nickel and Manganese are analysed using the CH_2H_2-Air flame combination but the Molybdenum determination is carried out by C_2H_2-N_2O gas mixture directly or indirectly (depending on the sensitivity and detection limit required) on these sample solutions.

For Arsenic analysis a suitable aliquote is taken from the above 1 gram sample solution and the test is carried out by Gutzit method using Ag $CS_2N(C_2H_5)_2$ as a reagent. The detection limit obtained is 1.2 ppm.

Fluorine analysis is carried out on a 200 milligram sample. After fusion and suitable dilutions the fluoride ion concentration in rocks or soil samples are measured quantitatively by using fluorine specific ion electrode. Detection limit of this test is 10 ppm F.

PHONE 980-5814

MIN-EN Laboratories Ltd.
Specialists in Mineral Environments
Corner 15th Street and Bewicke
705 WEST 15TH STREET
NORTH VANCOUVER, B.C.
CANADA V7M 1T2

ANALYTICAL PROCEDURE FOR ASSESSMENT WORK

PROCEDURE FOR: TUNGSTEN

0.5 gram of prepared samples are weighed into nickel crucibles and fluxed with 1:4 times with carbonate flux in a temperature controlled furnace.

Samples than are dissolved and suitable aliquots are taken for colorimetric procedures.

The interferring elements are reduced from the solutions by a 10% $SnCl_2$ solution before the test is carried out by the Zinc Dithol reagent.

The coloured complex is extracted with Kerosene oil to obtain pure and more easily discrimented blue color.

Samples are measured against a suitable suit of standards which are carried through the same manner as the samples.

APPENDIX III

VLF-EM SURVEY DATA

Silverhorn Property

Transmitter at Seattle, Washington

18.5 kHz

VLF EM. SURVEY
SALMET.
SILVERHORN Property

S-
N+

Null / Horz. FS. x 100

LINE 00E.

STN.	Null Rad.	Horz. Field.	Dip	FS. Ratio in %
00	10	560	20S	1.79
50N	20	240	16N	8.33
1+00	30	250	5N	12.00
1+50	20	300	2N	6.67
2+00	N.R.			
2+50	N.R.			
3+00	40	340	4S	11.76
3+50	40	360	4S	11.11
4+00	50	380	8S	13.16
4+50	60	440	8S	13.64
5+00	60	480	5S	12.50
5+50	30	400	6N	7.50
6+00	20	360	12N	5.56
6+50	20	340	8N	5.88
7+00	20	300	5N	6.67
7+50	20	300	0	6.67
8+00	20	300	0	6.67
8+50	20	300	2S	6.67
9+00	10	280	4S	3.57
9+50	10	310	10S	3.33
10+00N	20	310	18S	6.45

Count all numbers in Horz. Field Cline. as full numbers no decimals.

VLF-EM
SALMET
SILVERHORN Property

Line 1400E Full Numbers

STN.	Null Read.	Horz. Field	Dip	F.S. Ratio in %
0+00	50	1 50	42N	33.33
0+50 N	30	2.10	13N	14.29
1+00	20	2 30	6N	8.70
1+50	20	2 30	8N	8.70
2+00	10	2 30	0	4.35
2+50	10	2 50	4S	4.00
3+00	40	3.10	10S	12.90
3+50	30	360	10S	8.33
4+00	60	400	8S	15.00
4+50	60	440	0	13.64
5+00	50	440	4N	11.36
5+50	30	380	10N	7.89
6+00	30	340	12N	8.82
6+50	30	2.80	6N	10.71
7+00	40	270	2N	14.81
7+50	20	280	8N	7.14
8+00	20	2.60	0	769
8+50	10	2 60	2S	3.85
9+00	20	2 90	6S	6.90
9+50	10	2 90	12S	3.45
10+00N	30	2.90	20S	10.34

VLF-EM
SALMAT
SILVERHORN Property

Line 2+00E

STN	Null Read.	Horz. Field	Dip∠	F.S. Ratio in %
0+00	10	140	40N	7.14
0+50N	20	190	10N	10.53
1+00	20	210	4N	9.52
1+50	20	220	2S	9.09
2+00	20	230	6S	8.70
2+50	30	230	10S	13.04
3+00	30	250	12S	12.00
3+50	30	250	12S	12.00
4+00	60	280	16S	21.43
4+50	40	310	12S	12.90
5+00	40	310	10S	12.90
5+50	60	420	10S	14.29
6+00	30	280	15N	10.71
6+50	40	240	9N	16.67
7+00	20	210	10N	9.52
7+50	20	200	7N	10.00
8+00	30	200	2N	15.00
8+50	30	210	10S	14.29
9+00	20	210	12S	9.52
9+50	10	220	14S	4.55
10+00N	10	220	19S	4.55

VLF-EM
SALMIET
SILVERHORN Property.

Line 3+00 E

STN	Null Read.	Horz. Field	Dip L	F.S. Ratio in %
0+00	30	1.60	13N	18.75
0+50N	20	1.70	7N	11.76
1+00	20	1.60	0	12.50
1+50	20	1.50	6S	13.33
2+00	20	1.50	10S	13.33
2+50	20	1.60	14S	12.50
3+00	20	1.70	14S	11.76
3+50	20	1.70	15S	11.76
4+00	20	1.70	20S	11.76
4+50	10		18S	
5+00	10	1.90	18S	5.26
5+50	10	1.80	14S	5.56
6+00	10	1.80	20S	5.56
6+50	10	3.10	35S	3.23
7+00	16	2.40	4N	4.17
7+50	20	2.10	0	9.52
8+00	20	2.00	1N	10.00
8+50	20	1.90	0	10.53
9+00	20	1.90	8S	10.53
9+50	20	2.00	10S	10.00
10+00N	20	2.00	16S	10.00

VLF-EM
SALMET
SILVERHORN Property

Line 4+00E

STN	Null Read.	Horz. Field.	Dip L	F.S. Ratio %
0+00	30	2.40	14N	12.50
0+50N	10	2.10	8N	4.76
1+00	20	2.00	3N	10.00
1+50	30	2.00	3S	15.00
2+00	30	2.10	7S	14.29
2+50	30	2.10	12S	14.29
3+00	30	2.20	12S	13.64
3+50	40	2.10	12S	19.05
4+00	10	2.10	14S	4.76
4+50	10	2.10	16S	4.76
5+00	10	2.00	16S	5.00
5+50	5	1.90	14S	2.63
6+00	10	1.90	16S	5.26
6+50	5	2.00	4S	2.50
7+00	10	1.60	6S	6.25
7+50	20	1.40	6S	14.29
8+00	20	1.40	8S	14.29
8+50	20	1.20	14S	16.67
9+00	20	1.10	17S	18.18
9+50	20	1.30	23S	15.38
10+00N	20	1.88	14S	11.11

VLF-EM
SALMET
SILVERHORN Property.

Line 5+00E

Sta	Null Read	Horiz. Field	Dip	F.S. Ratio in %
0+00	30	270	10N	11.11
0+50N	30	230	8N	13.04
1+00	40	230	6N	17.39
1+50	30	230	2N	13.04
2+00	40	230	6S	17.39
2+50	30	250	10S	12.00
3+00	20	270	10S	7.41
3+50	20	280	12S	7.14
4+00	20	280	12S	7.14
4+50	10	290	15S	3.45
5+00	10	310	12S	3.23
5+50	10	380	12S	2.63
6+00	0	380	8S	0
6+50	5	320	5S	1.56
7+00	10	380	6S	2.63
7+50	10	400	5S	2.50
8+00	20	400	6S	5.00
8+50N	20	400	6S	5.00
—	—	—	—	—
—	—	—	—	—
—	—	—	—	—

VLF-EM
SALMET
SILVERHORN Property

Line 6+00E

STN	Null Read.	Horz. Field	Dip	F.S. Ratio in %
0+00	60	300	8N	20.00
0+50N	30	340	7N	8.82
1+00	20	290	17N	6.90
1+50	40	280	5N	14.29
2+00	40	270	0	14.81
2+50	50	300	3S	16.67
3+00	30	360	3S	8.33
3+50	30	360	6S	8.33
4+00	20	360	4S	5.56
4+50	40	380	7S	10.53
5+00	50	440	9S	11.36
5+50	40	460	8S	9.70
6+00	30	480	6S	6.25
6+50	30	480	6S	6.25
7+00	40	500	6S	8.00
7+50	40	520	7S	7.69
8+00	50	500	10S	10.00
8+50	50	540	6S	9.26
9+00	50	520	10S	9.62
9+50	50	580	8S	8.62
10+00N	30	560	7S	5.36

VLF-EM
SALMET
SILVERHORN Property.

Line 7100E from G.S. Notes.

STN	Null Read.	Horz. Field	Dip L	F.S. Ratio in %
0+00	5	750	4N	.53
0+50N	4	990	3N	.40
1+00	1	990	10S	.10
1+50	1	990	11S	.10
2+00	4	950	4S	.42
2+50	7	950	2S	.74
3+00	7	930	1N	.75
3+50	5	970	2N	.52
4+00	1	950	1S	.11
4+50	4	950	6N	.42
5+00	4	940	7N	.43
5+50	6	900	12N	.67
6+00	6	860	17N	.70
6+50	2	900	7N	.22
7+00	2	940	9N	.21
7+50	2	840	10N	.24
8+00	3	870	11N	.34
8+50	5	900	12N	.56
9+00	6	960	10N	.63
9+50				
10+00N				

VLF-EM
SALMET
SILVERHORN Property

Line 8400E. from G.S. notes.

STN	Null Read.	Hong Field	Dip L	F.S. Ratio in %
0+00	14	900	20N	1.75
0+50N	11	920	14N	1.20
1+00	5	900	0	.56
1+50	16	950	1N	1.68
2+00	9	950	2S	.95
2+50	11	920	6S	1.20
3+00	10	950	7S	1.05
3+50	15	850	5S	1.76
4+00	15	920	1N	1.63
4+50	14	920	3N	1.52
5+00	15	880	3N	1.53
5+50	14	950	9N	1.47
6+00	10	970	17N	1.03
6+50	14	910	15N	1.54
7+00	9	920	13N	.98
7+50	7	970	9N	.72
8+00	9	970	9N	.93
8+50	11	950	9N	1.16
9+00	13	950	14N	1.37
9+50	11	970	12N	1.13
10+00N	7	920	14N	.76

VLF-EM
SALMET
SILVERHORN Property

LINE 9100E. - from G.S. Noter.

STN.	Null Read.	Horz. Field	Dip L	F.S. Ratio in %
0+00	—	530	—	
0+50N	—	670	—	
1+00N	1	710	15N	.14
1+50	4	890	14N	.45
2+00	2	900	3S	.22
2+50	3	700	17S	.43
3+00	4	600	11S	.67
3+50	6	600	3S	1.00
4+00	7	610	0	1.15
4+50	6	610	2N	.98
5+00	7	630	3N	1.11
5+50	9	650	7N	1.38
6+00	10	690	11N	1.45
6+50	14	860	16N	1.63
7+00	9	960	10N	.94
7+50	8	860	8N	.93
8+00	14	860	11N	1.63
8+50	14	900	10N	1.56
9+00	14	850	13N	1.65
9+50	15	880	13N	1.70
10+00N	7	980	13N	.71

VLF-EM
SALMET
SILVERHORN Property

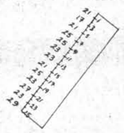
Line 10+00E from G.S. Note

STN	Null Read.	Horz. Field.	Dip	F.S. Ratio in %
0+00	5	900	11N	.56
0+50N	5	940	25N	.53
1+00	3	900	17N	.33
1+50	1	900	10N	.11
2+00	3	970	5N	.31
2+50	3	900	0	.33
3+00	1	850	14S	.12
3+50	4	770	16S	.52
4+00	6	710	7S	.85
4+50	15	890	4S	1.69
5+00	16	870	2N	1.84
5+50	17	890	6N	1.91
6+00	19	900	9N	2.11
~~6+50~~	~~21~~ NR.			
7+00	21	950	25N	2.21
7+50	11	900	14N	1.22
8+00	7	870	13N	.80
8+50	7	880	11N	.80
9+00	7	870	13N	.80
9+50	7	940	16N	.74
10+00N	5	940	9N	.53

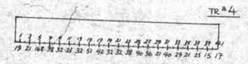
Rock Chip Samples from Trench Floor

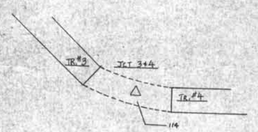
Trench #1 & #1A Pb. in PPM

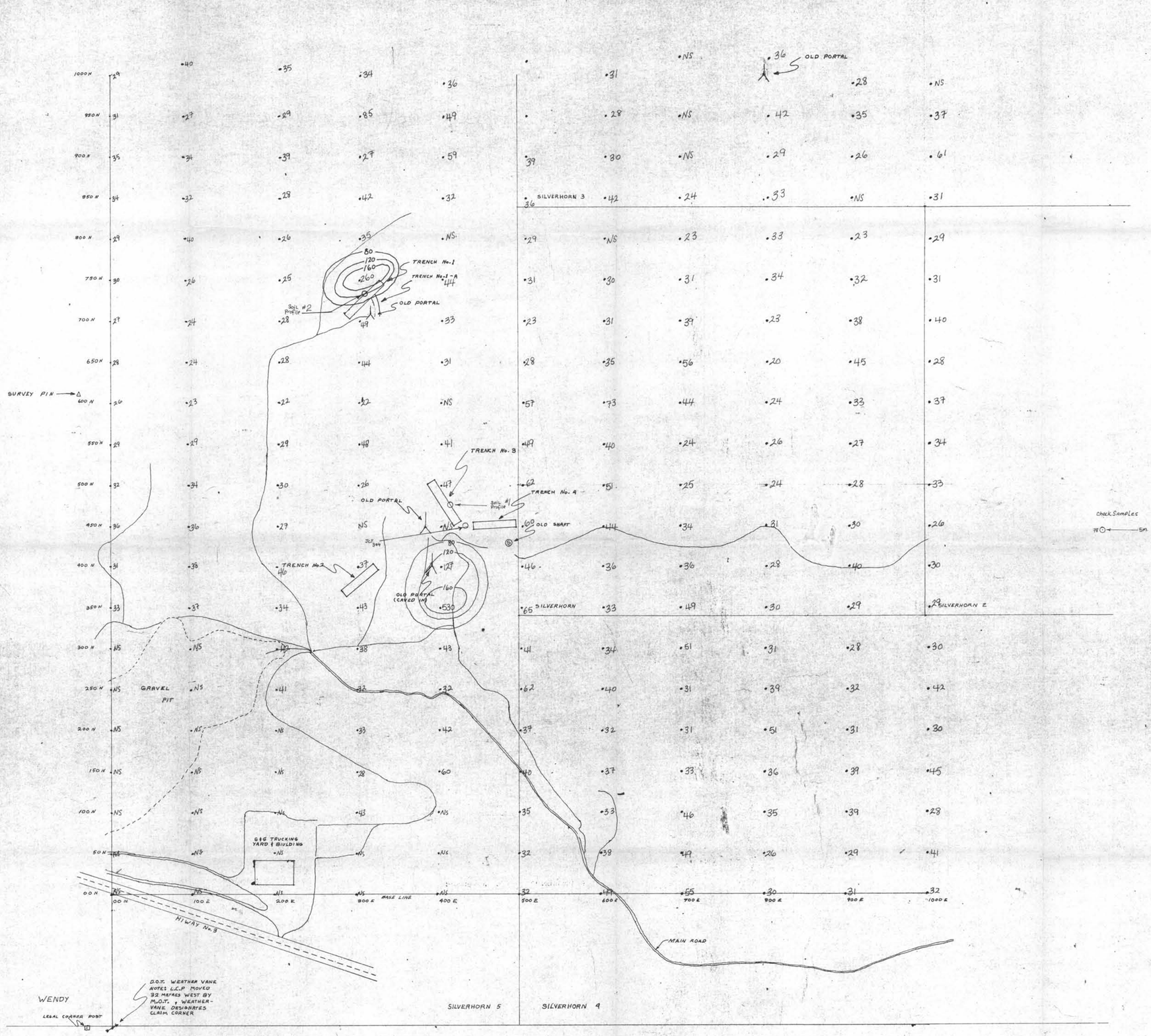
Trench #2 , Pb. in P.P.M.



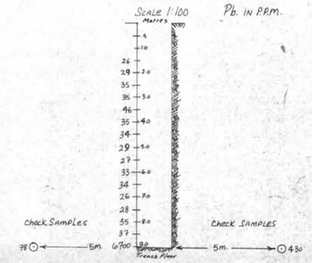
Trench #3&4 Pb. in P.P.M.



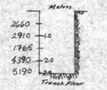




Soil Profile #1
Scale 1:100 Pb. in P.P.M.



Soil Profile #2
Scale 1:100 Pb. in P.P.M.



LEGEND

MAIN ROADS

GRAVEL PIT BOUNDARY

Background 40 - 80 P.P.M.
Probably Anomalous 80 - 120 P.P.M.
Definitely Anomalous 120 - 160 P.P.M.
Strongly Anomalous > 160 P.P.M.

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
NO. 8986

PROFESSIONAL ENGINEER
VICTOR BYRON HARDY
BRITISH COLUMBIA

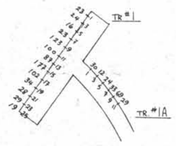
SALMET RESOURCES CORPORATION.		
SCALE: 1:2000	APPROVED BY: Victor Hardy	DRAWN BY: GS
DATE: DEC 12 1980		REVISED:

Geochemical Soils Pb in P.P.M.
Silverhorn Property
Nelson M.D.
Map No. 1

HINTERLAND RESOURCE SERVICES LTD.

Rock Chip Samples from trench floor

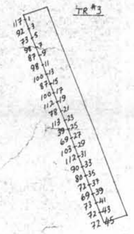
Trench #1 & #1A Cu. in PPM

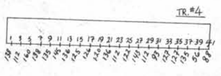


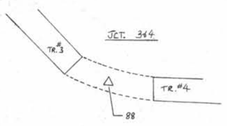
N.I.S.

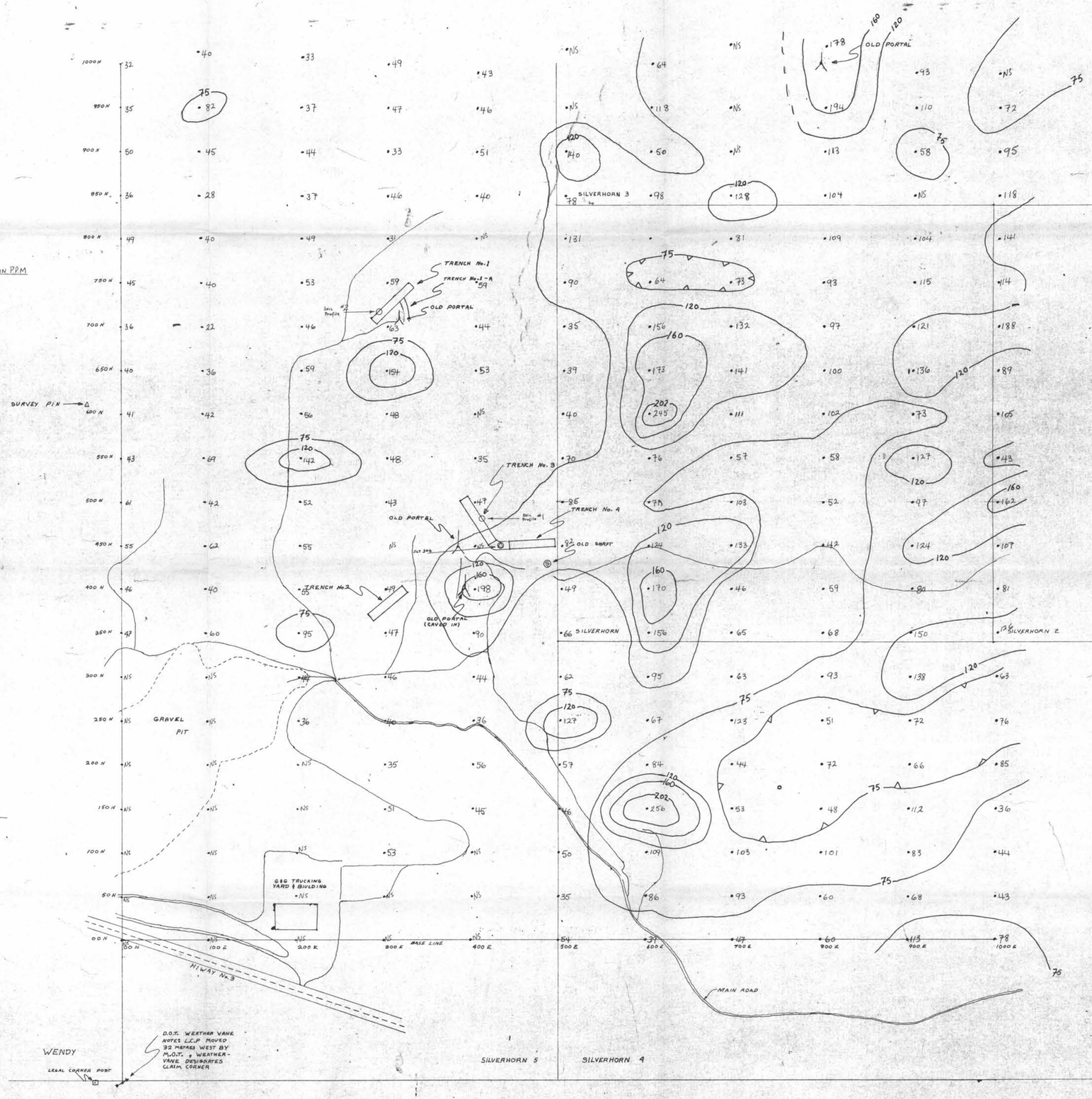
Cu IN PPM

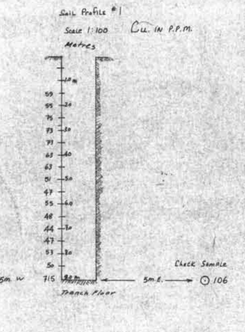
Trench 3&4 Cu. in P.P.M.











LEGEND

MAIN ROADS

GRAVEL PIT BOUNDARY

Background 77 PPM. to 119 PPM.
Probably Anomalous 120 PPM. to 160 PPM.
Definitely Anomalous 161 PPM. to 202 PPM.
Strongly Anomalous > 202

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
NO. 8986

PROFESSIONAL ENGINEER
VICTOR DYRACK-HARDY
BRITISH COLUMBIA

SALMET RESOURCES CORPORATION.

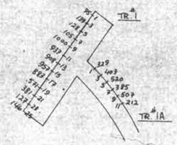
SCALE: 1:2000	APPROVED BY:	DRAWN BY: GE
DATE: DEC. 12 1980	Victor Dyrack-Hardy, P.Eng.	REVISED:

Geochemical Soils Cu. in P.P.M.
Silverhorn Property
Nelson M.D.
Map No. 2

HINTERLAND RESOURCE SERVICES LTD.

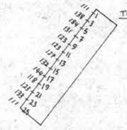
Rock Chip Samples from trench floor.

Trench #1 & #1A Zn. in PPM.

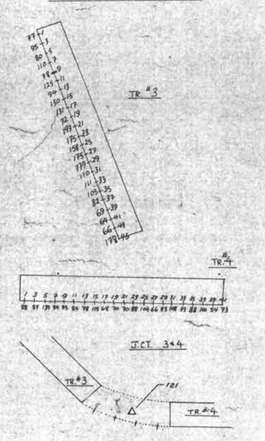


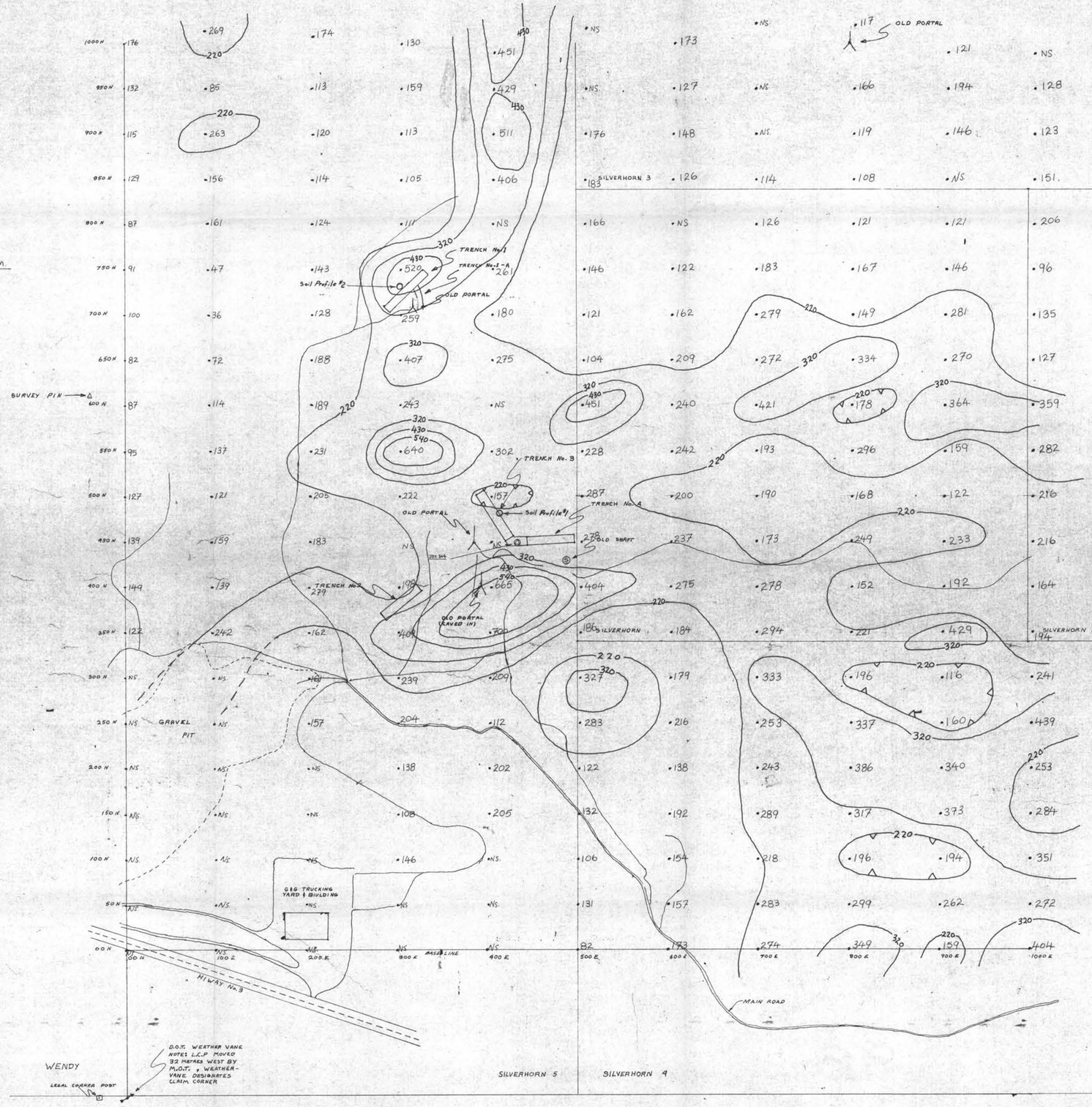
NTS.

Trench #2 Zn. in PPM.



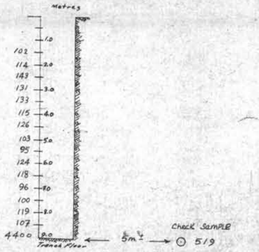
Trench 3&4 Zn. in P.P.M.



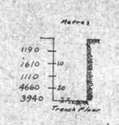


N

Soil Profile #1
SCALE 1:100 Zn. in P.P.M.



Soil Profile #2
SCALE 1:100 Zn. in P.P.M.



LEGEND
MAIN ROADS
GRAVEL PIT BOUNDARY
BACKGROUND — 212 - 319
PROBABLY ANOMALOUS — 320 - 432
DEFINITELY ANOMALOUS 433-543
STRONGLY ANOMALOUS > 543

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
8986
NO.

PROFESSIONAL ENGINEER
VICTOR RYBACK-HARDY
BRITISH COLUMBIA

SALMET RESOURCES CORPORATION.

SCALE: 1:2000	APPROVED BY: Victor Ryback-Hardy P.Eng	DRAWN BY: CT
DATE: DEC 12 1980		REVISED:

GEOCHEMICAL SOILS Zn. in ppm.

SILVERHORN PROPERTY
NELSON M. D.

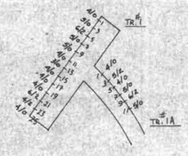
Map No. 3

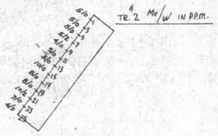
HINTERLAND RESOURCE SERVICES LTD.

ROCK CHIP SAMPLES from trench floor

Trench #1 & 1A Mo/W in P.P.M.

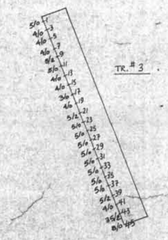
N.T.S.

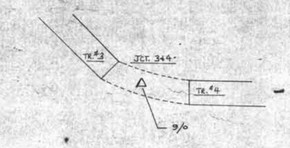


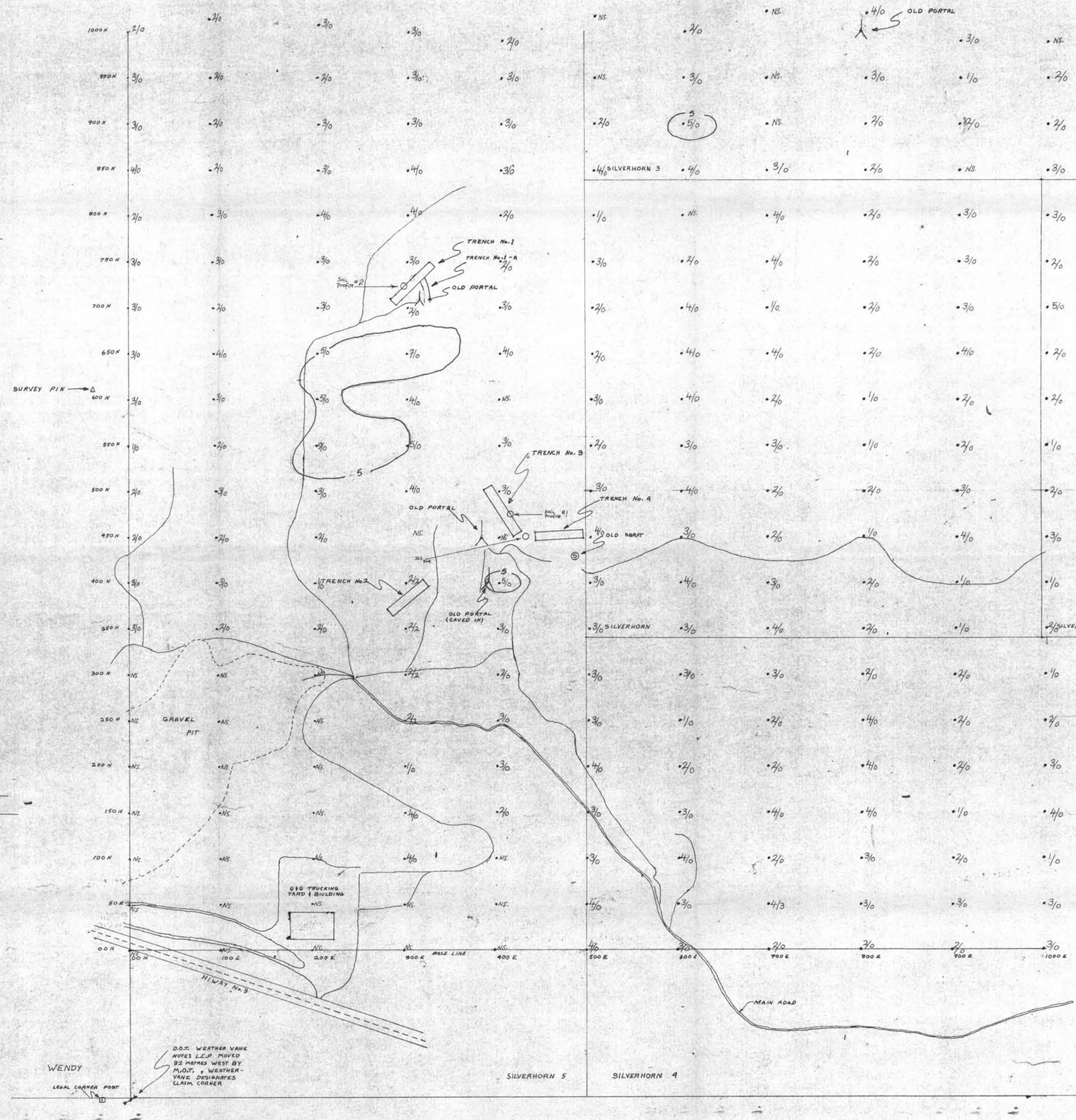


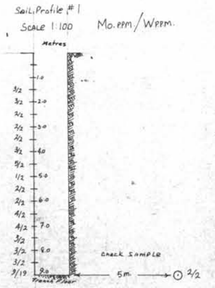
Tr. #2 Mo/W in P.P.M.

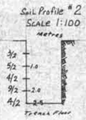
TRENCH 3&4 Mo/W IN P.P.M.











LEGEND

MAIN ROADS

GRAVEL PIT BOUNDARY

• 4/3 — Mo PPM / W PPM

(note: W values less than 2 PPM indicated as 0 on map)

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
8986
NO.

PROFESSIONAL ENGINEER
VICTOR RYBACK-HARDY
BRITISH COLUMBIA

SALMET RESOURCES CORPORATION.

SCALE: 1:2000	APPROVED BY: Victor Ryback-Hardy, P.Eng	DRAWN BY: G.E.
DATE: DEC 12 1980		REVISED:

GEOCHEMICAL SOILS Mo & W IN PPM.

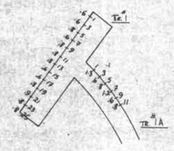
SILVERHORN PROPERTY
NELSON M.D.

Map No. 4

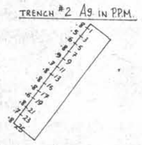
HINTERLAND RESOURCE SERVICES LTD.

Rock Chip Samples from trench floor

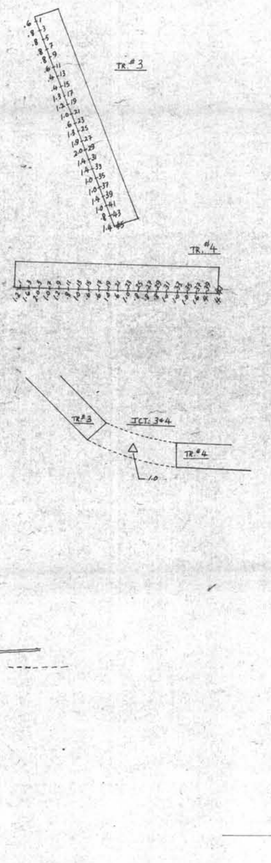
TRENCH #1 & #1A Ag. IN PPM.

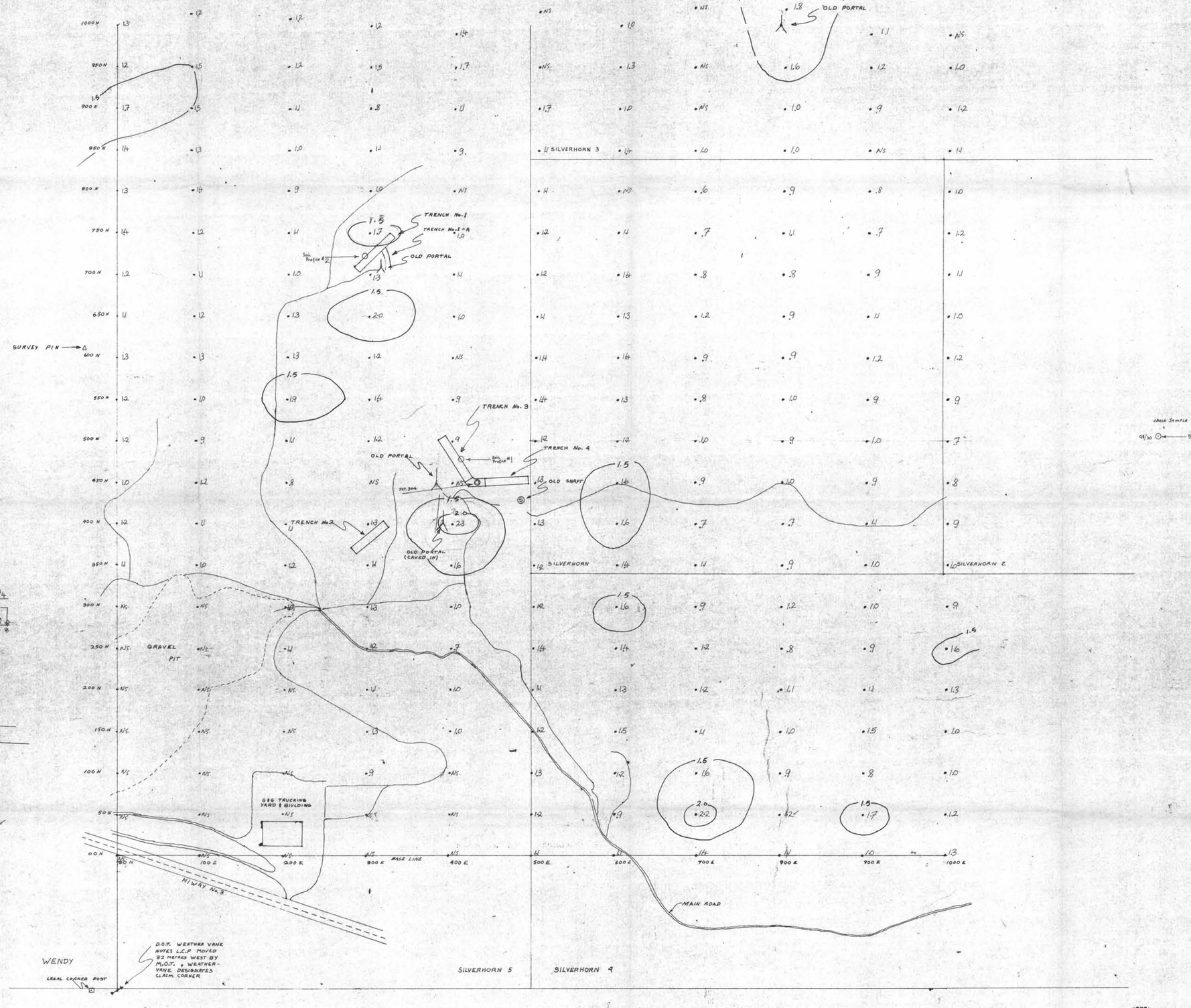


TRENCH #2 Ag IN PPM.



TRENCH 3&4 Ag IN PP.M.



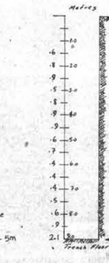


LEGEND

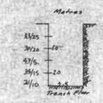
MAIN ROADS

GRAVEL PIT BOUNDARY

Soil Profile #1
SCALE 1:100 Ag ppm.



Soil Profile #2
SCALE 1:100 Ag ppm/Au. ppb



MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
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PROFESSIONAL ENGINEER
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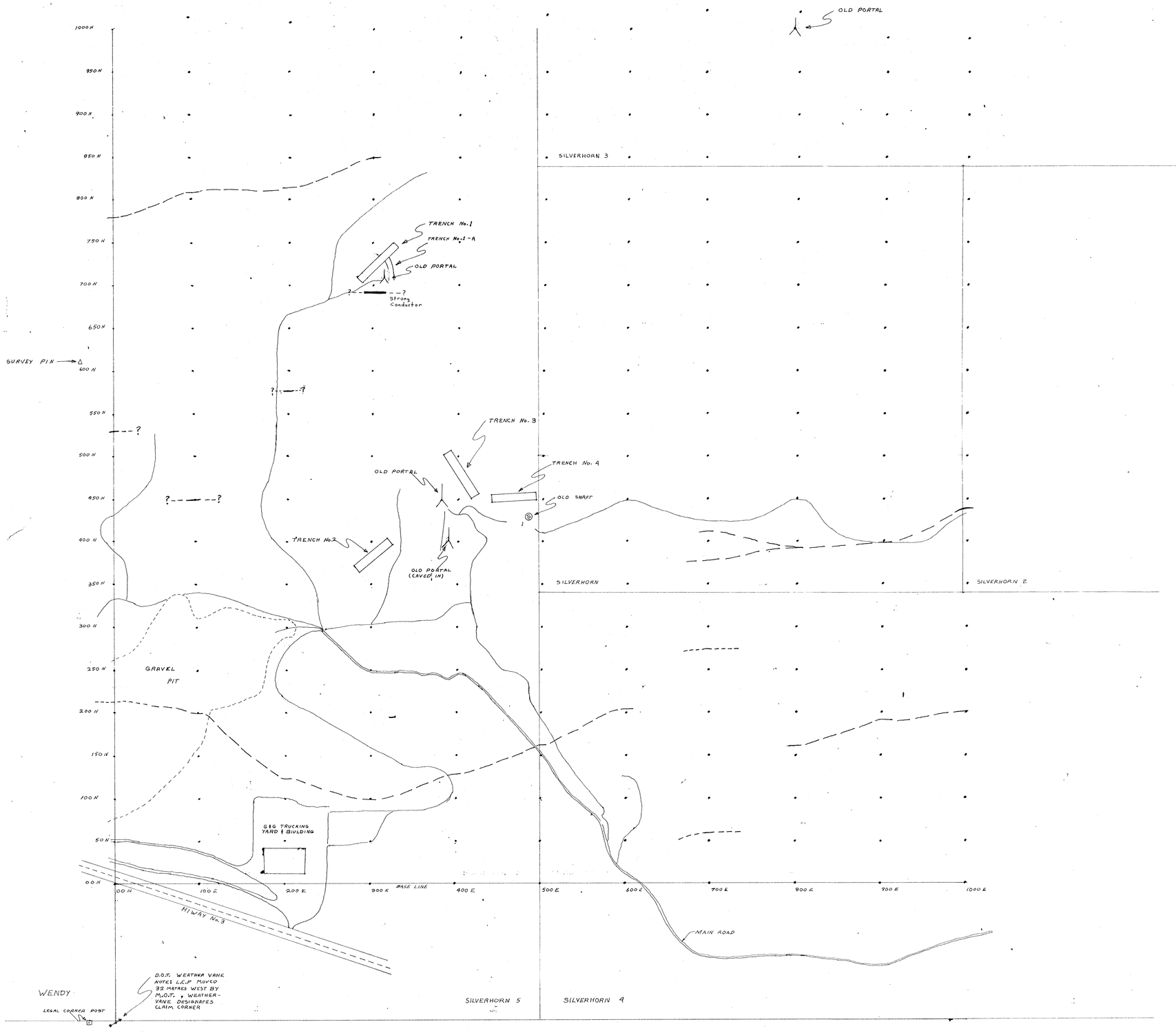
SCALE: 1:2000	APPROVED BY: Victor Hydack-Hardy P.Eng	DRAWN BY: C.E.
DATE: DEC 12 1980		REVISED:

GEOCHEMICAL SOILS Ag in ppm.

SILVERHORN PROPERTY
NELSON M. D.

Map No. 5

HINTERLAND RESOURCE SERVICES LTD.



LEGEND

MAIN ROADS

GRAVEL PIT BOUNDARY

WEAK CONDUCTOR

STRONG CONDUCTOR

MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
NO. 8986

PROFESSIONAL ENGINEER
VICTOR RYBACK-HARDY
BRITISH COLUMBIA

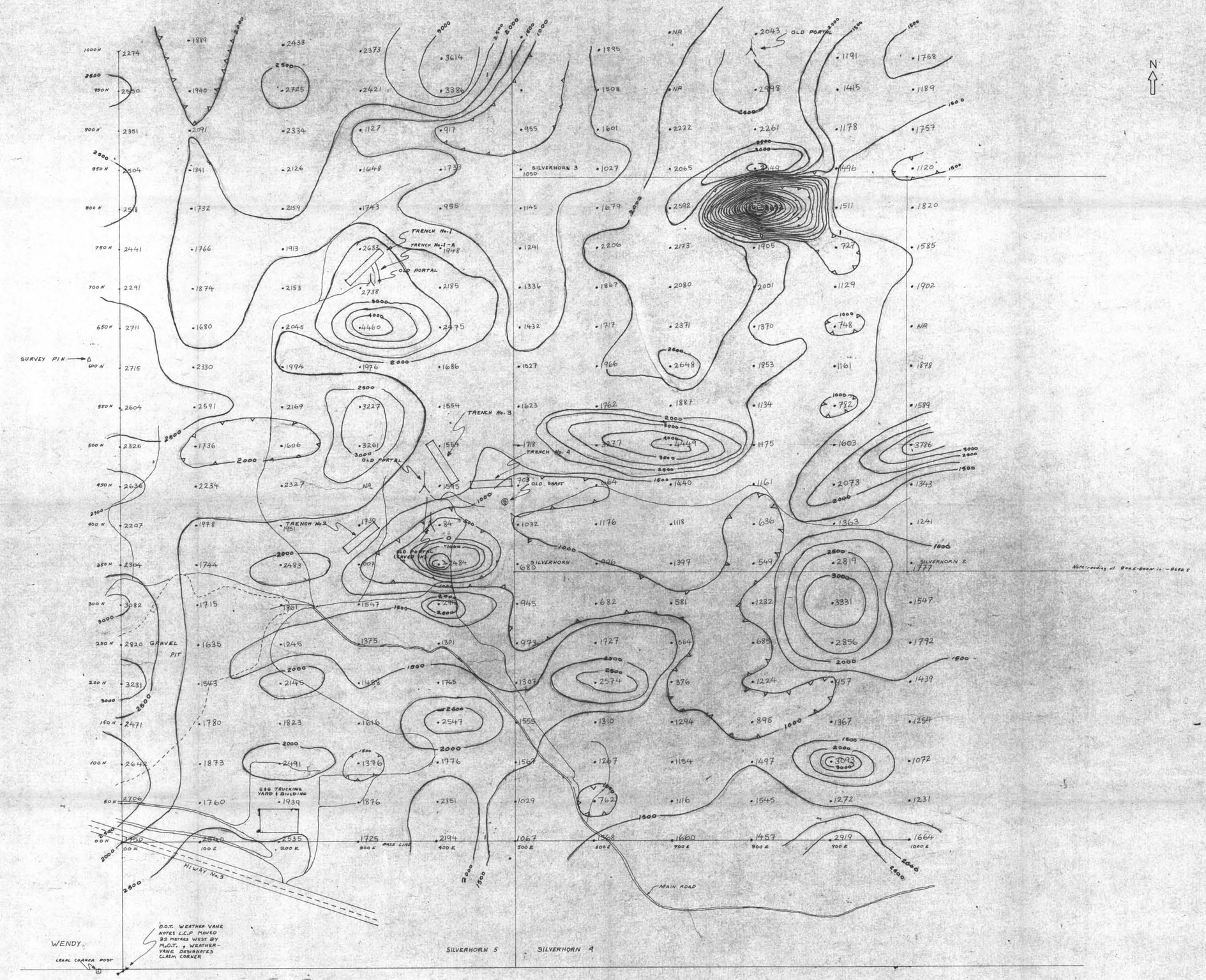
SALMET RESOURCES CORPORATION.

SCALE: 1:2000	APPROVED BY: Victor Ryback-Hardy P.Eng.	DRAWN BY: GS
DATE: DEC 12 1980		REVISED:

VLF-EM Survey
Surface Conductors

Map No. 6

HINTERLAND RESOURCE SERVICES LTD.



MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
NO. 8986

PROFESSIONAL ENGINEER
VICTOR TYSACK-HARDY
BRITISH COLUMBIA

SALMET RESOURCES CORPORATION.

SCALE: 1:2000	APPROVED BY: Victor Tysack-Hardy P.Eng.	DRAWN BY: G.C.
DATE: DEC 12 1980		REVISED:

MAGNETOMETER SURVEY Map #17

Total Field in Gammas Add +32000 G's
Contour Interval = 500 G's.

Proton Precession Magnetometer

HINTERLAND RESOURCE SERVICES LTD.

Maximum Field Strength (Percent)
(Dip angles in degrees)

LINE 10+00E
LINE 9+00E
LINE 8+00E
LINE 7+00E
LINE 6+00E
LINE 5+00E
LINE 4+00E
LINE 3+00E
LINE 2+00E
LINE 1+00E
LINE 0+00

BASELINE 0+50 1+00N 1+50N 2+00N 2+50N 3+00N 3+50N 4+00N 4+50N 5+00N 5+50N 6+00N 6+50N 7+00N 7+50N 8+00N 8+50N 9+00N 9+50N 10+00N

Legend: Dip Angle in Degrees – ———
Maximum Field Strength – - - - - -

PROFESSIONAL ENGINEER
VICTOR RYBACK-HARDY
BRITISH COLUMBIA

Salmet Resources Corporation

date: Victor Ryback-Hardy P.Eng. scale: 1:2000

SILVERHORN PROPERTY

VLF - EM SURVEY

DRAWN BY: M.L.L.
Map No. 16