

TRENCHING PROJECT
AND BULK SAMPLING
ON THE

TIL CLAIM GROUP

(TIL 1-4, AGE 1-4, WOLF & HUGH CLAIMS)

Work conducted: HUGH Claim Record # 2072
15 metres long x 2.7 metres wide x 3.4 metres deep.

SLOCAN MINING DIVISION

N.T.S. 82F/13 E & W

Latitude 49° 59'N

Longitude 117° 43'W

WELCOME NORTH MINES LTD.

(Owner & Operator)

Period of Work October 1, 1980 to June 30, 1981.
(Work is on-going)

Report by J. D. Guild, P.Eng.

July 15, 1981

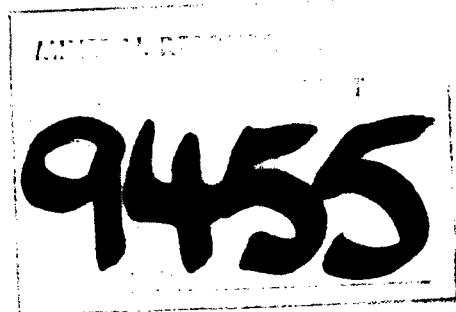


TABLE OF CONTENTS

| | <u>Page</u> |
|--------------------------------|-------------|
| Introduction | 1 |
| Location & Access | 1 |
| Property Definition | 2 |
| Trenching and Sampling Program | 2 |
| Trenching Results | 3 |
| Conclusion & On-going Program | 4 |

TABLES

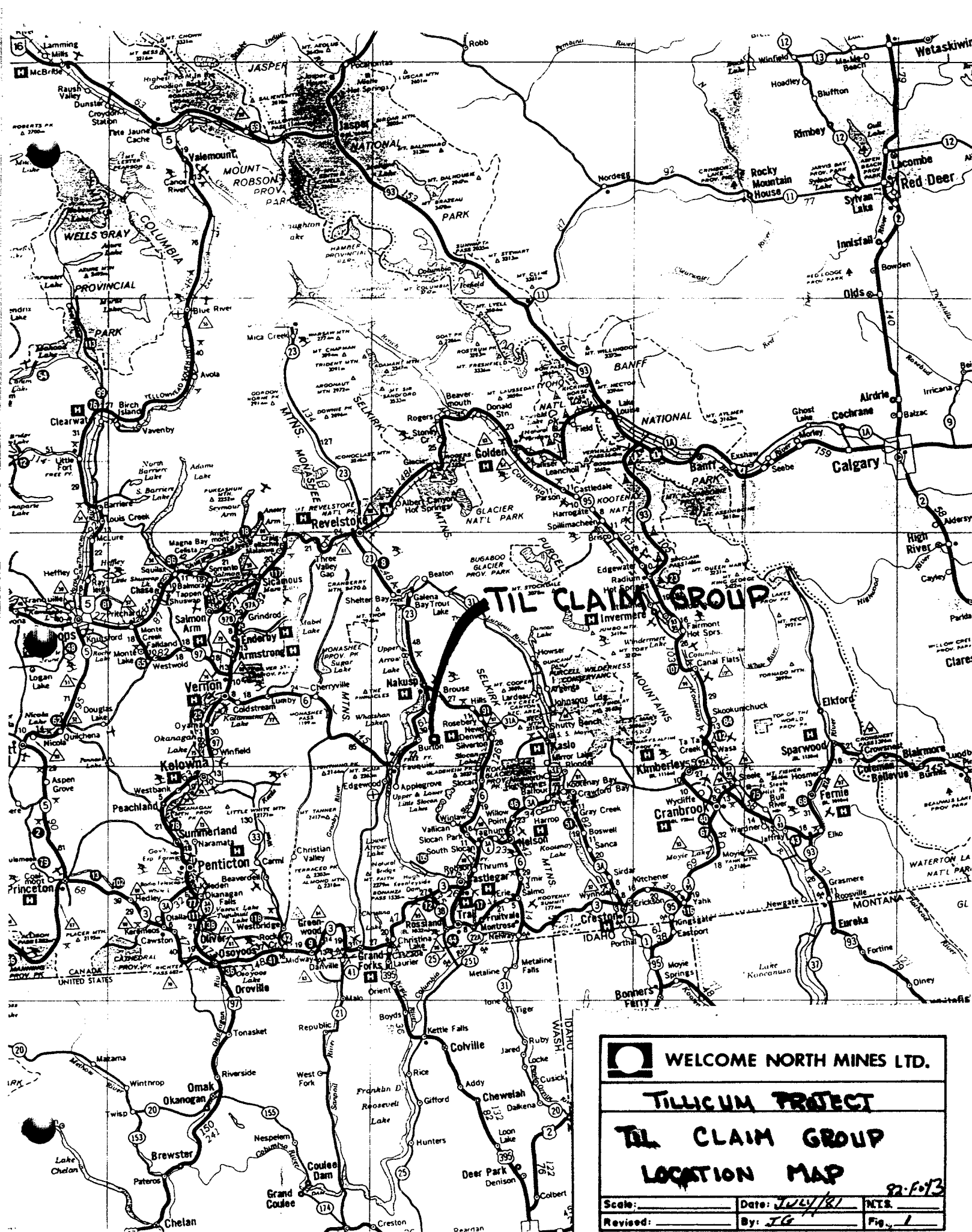
| | |
|----------|-----------------------------|
| Table I | - Muck Sample Assay Results |
| Table II | - Chip Sample Assay Results |

ILLUSTRATIONS


| | |
|----------|--|
| Figure 1 | Location Map |
| Figure 2 | Claim Map |
| Figure 3 | Location of Trench and Ore Storage Facilities. |

APPENDICES

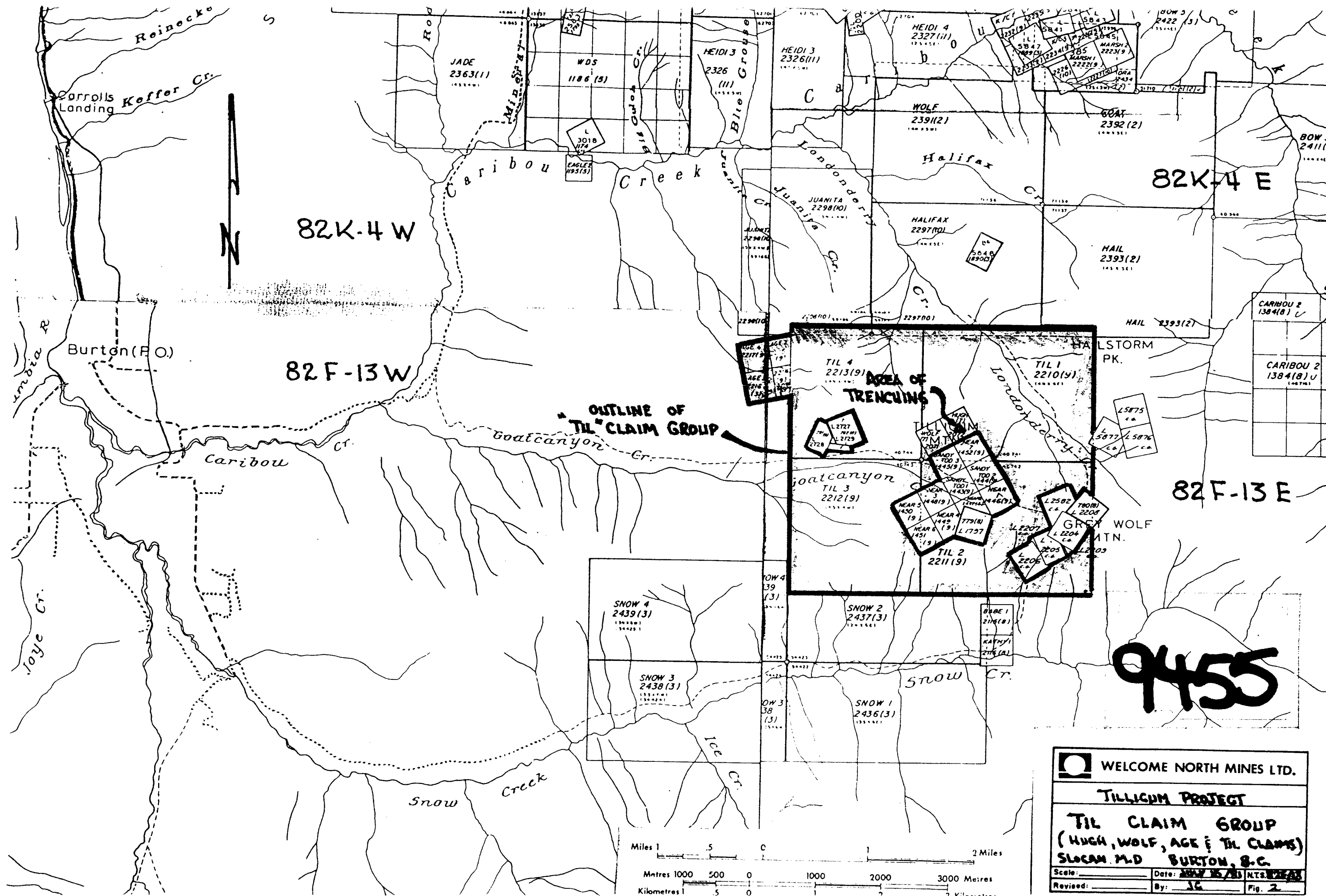
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|--------------|-------------------------|
| Appendix I | Itemized Cost Statement |
| Appendix II | Author's Certificate |
| Appendix III | Assay Certificates |




TIL CLAIM GROUP

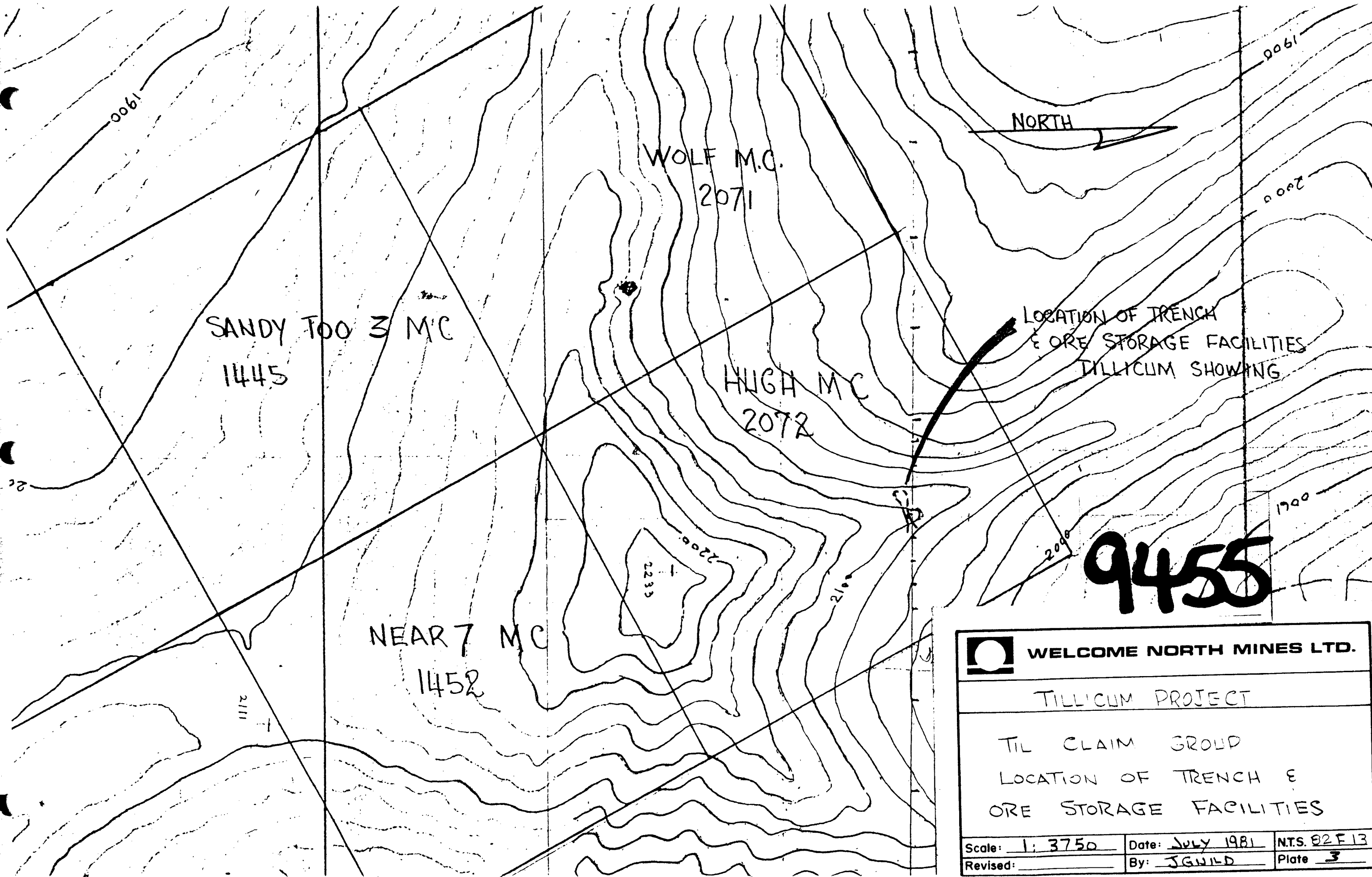
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|---|----------------------|---------------|
|  WELCOME NORTH MINES LTD. | | |
| TILICUM PROJECT | | |
| TIL CLAIM GROUP | | |
| LOCATION MAP | | |
| Scale: _____ | Date: <i>July/81</i> | M.T.S. |
| Revised: _____ | By: <i>JG</i> | Fig. <i>1</i> |


82-1013



9455

| | | |
|---|------------------------|---------------------|
|  WELCOME NORTH MINES LTD. | | |
| TILGICH PROJECT | | |
| TIL CLAIM GROUP (HUGH, WOLF, AGE & TIL CLAIMS) | | |
| SLOCAN M.D. BURTON, B.C. | | |
| Scale: _____ | Date: MAY 16/83 | NTS: 1:25000 |
| Revised: _____ | By: JG | Fig. 2 |



| | | |
|---|---------------------------------|--------------|
|  | WELCOME NORTH MINES LTD. | |
| TILlicum PROJECT | | |
| TIL CLAIM GROUP LOCATION OF TRENCH & ORE STORAGE FACILITIES | | |
| Scale: 1: 3750 | Date: July 1981 | NTS. 82 F 13 |
| Revised: | By: JGWLD | Plate 3 |

INTRODUCTION

The TIL Claim Group is located ten kilometres to the east of the village of Burton in the Arrow Lake region of British Columbia, (N.T.S. 82F/13) (Figure 1). Present access to the claims is by helicopter from Nelson, B.C.

The total claim group consists of 92 units of claims and is made up of mineral claims, Crown grants and 2 post claims (figure 2). Work to date has mainly been carried out on the HUGH Claim and this report relates to the assessment requirements on the TIL Group of which the HUGH is a part.

Welcome North Mines Ltd. holds the group through an option agreement dated September 20, 1980.

The Tillicum showing is a high grade gold occurrence newly discovered in 1980. Welcome North began field work, consisting mainly of hand trenching in May 1981. This work which is designed to assess the economics of the deposits will continue through the 1981 field season.

Application for assessment credit on the TIL Group is made through this report which describes the work which has been carried out to date.

LOCATION & ACCESS

The TIL Claim Group is located on Tillicum Mountain ten kilometres to the east of the village of Burton in the Arrow Lakes region of British Columbia. The principal known mineral occurrence in the group occurs on the north facing flank of the mountain at an elevation 2100 m. The location is more precisely defined by the co-ordinates 49° 59'N and 117° 43'W within N.T.S. map sheet 82F/13.

Present access to the showing is by way of helicopter to the main camp on Goat canyon creek, a distance of 90 km to the northwest of Nelson, B.C. and thence by a 1.5 km northly trending footpath to the showing. Serviceable logging roads lead to about three km of the camp. These roads are being used for helicopter sling landing sites.

PROPERTY DEFINITION

The Til Claim Group is made up of the following 78 claims:

| <u>Claim Name</u> | <u>Grant Number</u> | <u>Number of Units</u> | <u>Recording Date</u> |
|-------------------|---------------------|------------------------|-----------------------|
| TIL 1-4 | 2210-2213 | 72 | September 29, 1980 |
| AGE 1-4 | 2214-2217 | 4 | September 29, 1980 |
| WOLF | 2071 | 1 | July 29, 1980 |
| HUGH | 2072 | 1 | July 29, 1980 |

Through an option agreement with A.Gustafson & E.Gustafson of Burton, B.C. dated September 20, 1980 the claim group is held by Welcome North Mines Ltd. #1027 - 470 Granville St.Vancouver, B.C.

The Tillicum gold showing is a new discovery made by A.Gustafson, a private prospector, in the summer of 1980.

TRENCHING AND SAMPLING

The Tillicum gold showing occurs on a narrow northerly-trending spur of Tillicum Mountain some 150 m to the north of the peak, figure 3. The mineralization is contained within intermixed Paleozoic metavolcanic and sedimentary rock the precise ages of which have yet to be determined.

The highest gold values are centred around an east-west trending steeply southerly dipping structure which may be fault related. Certain layers of the gently dipping wallrock adjacent to this structure are also selectively skarnified and mineralized with galena, sphalerite and pyrrhotite and carry significant values in gold.

Because of snow cover work to date on the Tillicum property has been concentrated on the central core of the main showing. The adjacent wallrock has not been thoroughly sampled or examined nor has any effort been directed to following the zone on strike.

Trenching has been carried out through solid rock by drilling and blasting over a distance of 15 m, to an average width of 2.7 m and to an average depth of 3.4 m. Mineralized material from the trench has been hand cobbled, stored in timber cribs built in the adjacent hillside and in part bagged in preparation for slinging out by helicopter. An initial trial shipment of 20 tons is to be made to the Trail Smelter to determine the metallurgical characteristics of the ore and to determine the viability of helicopter supported direct shipments.

The depth of trenching has been dictated by the desire to penetrate the highly fractured and weathered surface capping which covers the mineral zone. This objective has been accomplished and it has been established that values persist to depth.

As snow cover recedes on-going efforts will be directed toward following the zone on strike and to investigating significant values indicated in the wallrock adjacent to the core zone.

TRENCHING RESULTS

The results of muck sampling the mineralized material extracted from the Tillicum trench are tabulated in table I. These samples indicate average grades in excess of 2 oz. gold per ton. Chip sampling as the pit progressed confirm the average grades indicated by muck sampling. Chip sample assays are presented in table II.

CONCLUSION AND ON-GOING PROGRAM

Trenching on the Tillicum mineral showing has indicated significant dimensions to the high-grade gold mineralization first found in outcrop in 1980. The gold values have been found to persist below the gossany surface cap rock. Mineralized material stockpiled and bagged on the surface will be utilized for test shipments to the Trail smelter and revenue generated from these shipments may defray the cost of on-going exploration and development.

Future effort will be mainly directed toward extending the known zone through further trenching and through geological, geochemical and geophysical programs. It is projected that this work could result in an underground test of the deposit in early 1982.



Respectfully submitted

J.D. Guild, P.Eng.

TILlicum PROPERTY - MUCK SAMPLE LEDGER (LOW GRADE STOCKPILE - UNCUT VALUES)

| Date (D M Yr) | Assay No. | No. Cars | No. Tons | Au Ozs/Ton | Au x Weight | Av. Au Ozs/Ton | TOTAL LOW GRADE STOCKPILE - UNCUT | | | L.G. UNCUT STOCKPILE TO DATE | | |
|---------------|-----------|----------|----------|---------------|----------------|-------------------|-----------------------------------|------|-------------------|------------------------------|-------------------|------------------|
| | | | | | | | Assay Numbers From To | Tons | Av. Au Ozs/Ton | Tons | Av. Au Ozs/Ton | Date (D M Yr) |
| 2-6-81 | 53358 | - | 3.0 | 0.065 | 0.195 | | | | | | | |
| " | 360 | - | 2.0 | 10.35 | 20.70 | | | | | | | |
| | | | 5.0 | | 20.895 | 4.179 | | 5.0 | 4.179 | 5.0 | 4.179 | 2-6-81 |
| 3-6-81 | 53370 | 10 | 1.5 | 1.985 | 2.977 | | | | | | | |
| " | 371 | 2 | 0.3 | 1.116 | 0.335 | | | | | | | |
| 4-6-81 | 374 | 4 | 0.6 | 3.84 | 2.304 | | | | | | | |
| 5-6-81 | 376 | 13 | 1.9 | 0.472 | 0.897 | | | | | | | |
| 6-6-81 | 378 | 10 | 1.5 | 0.558 | 0.837 | | | | | | | |
| 8-6-81 | 379 | 7 | 1.1 | 1.55 | 1.705 | | | | | | | |
| 10-6-81 | 381 | 10 | 1.5 | 0.742 | 1.113 | | | | | | | |
| " | 382 | 3 | 0.4 | 2.32 | 0.928 | | | | | | | |
| 11-6-81 | 385 | 10 | 1.5 | 0.42 | 0.63 | | | | | | | |
| " | 399 | 9 | 1.3 | 1.52 | 1.976 | | | | | | | |
| 12-6-81 | 53402 | 10 | 1.5 | 0.136 | 0.204 | | | | | | | |
| " | 403 | 10 | 1.5 | 0.052 | 0.078 | | | | | | | |
| " | 404 | 3 | 0.4 | 0.16 | 0.064 | | | | | | | |
| | | | 15.0 | | 14.048 | 0.937 | | 15.0 | 0.937 | 20.0 | 1.747 | 12-6-81 |
| 14-6-81 | 53414 | 4 | 0.6 | 3.62 | 2.172 | | | | | | | |
| " | 416 | 10 | 1.5 | 0.296 | 0.444 | | | | | | | |
| " | 417 | 12 | 1.8 | 0.34 | 0.612 | | | | | | | |
| 15-6-81 | 418 | 14 | 2.1 | 2.32 | 4.872 | | | | | | | |
| | | | 6.0 | | 8.100 | 1.350 | | 6.0 | 1.350 | 26.0 | 1.656 | 15-6-81 |

TILlicum PROPERTY - MUCK SAMPLE LEDGER

(HIGH GRADE STOCKPILE - UNCUT)

| Date(D M Yr) | Assay No. | No. Cars | No. Tons | Au Ozs/Ton | Au x Weight | Av. Au Ozs/Ton | TOTAL HIGH GRADE STOCKPILE - UNCUT | | | H.G. UNCUT STOCKPILE TO DATE | | | |
|--------------|-----------|----------|----------|---------------|----------------|-------------------|------------------------------------|------|-------------------|------------------------------|-------------------|------------------|---------|
| | | | | | | | Assay Numbers From To | Tons | Av. Au Ozs/Ton | Tons | Av. Au Ozs/Ton | Date (D M Yr) | |
| 2-6-81 | 53359 | - | 0.3 | 2.15 | 0.645 | | | | | | | | |
| 2-6-81 | 361 | - | 1.0 | 1.55 | 1.55 | | | | | | | | |
| 2-6-81 | 369 | - | 3.0 | 1.39 | 4.17 | | | | | | | | |
| | | | 4.3 | | 6.365 | 1.48 | | | 4.3 | 1.48 | | 2-6-81 | |
| 3-6-81 | 53372 | 5 | 0.75 | 3.45 | 2.587 | | | | | | | | |
| 4-6-81 | 373 | 2 | 0.3 | 11.98 | 3.594 | | | | | | | | |
| 5-6-81 | 375 | 3 | 0.4 | 14.46 | 5.784 | | | | | | | | |
| 6-6-81 | 377 | 3 | 0.4 | 4.02 | 1.608 | | | | | | | | |
| 8-6-81 | 380 | 10 | 1.5 | 8.72 | 13.08 | | | | | | | | |
| 10-6-81 | 383 | 10 | 1.5 | 8.85 | 13.275 | | | | | | | | |
| 11-6-81 | 384 | 10 | 1.5 | 2.84 | 4.26 | | | | | | | | |
| 11-6-81 | 386 | 12 | 1.8 | 1.035 | 1.863 | | | | | | | | |
| 12-6-81 | 53400 | 9 | 1.3 | 1.35 | 1.755 | | | | | | | | |
| 12-6-81 | 401 | 10 | 1.5 | 0.725 | 1.087 | | | | | | | | |
| | | | 11.0 | | 48.895 | 4.444 | | | 11.0 | 4.444 | 15.3 | 3.612 | 12-6-81 |
| 14-6-81 | 53415 | 12 | 1.8 | 4.85 | 8.73 | | | | | | | | |
| 15-6-81 | 419 | 10 | 1.5 | 4.85 | 7.275 | | | | | | | | |
| 16-6-81 | 420 | 7 | 1.1 | 4.18 | 4.598 | | | | | | | | |
| " | 421 | 10 | 1.5 | 5.29 | 7.935 | | | | | | | | |
| " | 422 | 10 | 1.5 | 2.72 | 4.08 | | | | | | | | |
| " | 423 | 14 | 2.1 | 2.87 | 6.027 | | | | | | | | |
| 18-6-81 | 424 | 10 | 1.5 | 0.345 | 0.518 | | | | | | | | |

TILlicum PROPERTY - MUCK SAMPLE LEDGER

(HIGH GRADE STOCKPILE - UNCUT)

| Date(D M Yr) | Assay No. | No. Cars | No. Tons | Au Ozs/Ton | Au x Weight | Av. Au Ozs/Ton | TOTAL HIGH GRADE STOCKPILE - UNCUT | | | H.G. UNCUT STOCKPILE TO DATE | | | |
|--------------|-----------|----------|----------|---------------|----------------|-------------------|------------------------------------|------|-------------------|------------------------------|-------------------|------------------|---------|
| | | | | | | | Assay Numbers From To | Tons | Av. Au Ozs/Ton | Tons | Av. Au Ozs/Ton | Date (D M Yr) | |
| 18-6-81 | 53425 | 10 | 1.5 | 0.886 | 1.329 | | | | | | | | |
| " | 426 | 10 | 1.5 | 0.582 | 0.873 | | | | | | | | |
| " | 427 | 10 | 1.5 | 0.283 | 0.425 | | | | | | | | |
| 19-6-81 | 428 | 6 | 0.8 | 0.351 | 0.281 | | | | | | | | |
| | | | 16.3 | | 42.071 | 2.581 | | | 16.3 | 2.581 | 31.6 | 3.08 | 19-6-81 |
| 25-6-81 | 53441 | | 0.5 | 13.35 | 6.675 | | | | | | | | |
| 26-6-81 | 442 | | 0.6 | 2.9 | 1.74 | | | | | | | | |
| 27-6-81 | 443 | | 0.8 | 1.75 | 1.4 | | | | | | | | |
| " | 444 | | 1.0 | 3.015 | 3.015 | | | | | | | | |
| " | 445 | | 1.2 | 5.695 | 6.834 | | | | | | | | |
| " | 446 | | 1.7 | 8.460 | 14.382 | | | | | | | | |
| 28-6-81 | 53454 | | 2.5 | 0.089 | 0.223 | | | | | | | | |
| " | 455 | | 1.1 | 0.694 | 0.763 | | | | | | | | |
| | | | 9.4 | | 35.032 | 3.727 | | | 9.4 | 3.727 | 41.0 | 3.228 | 28-6-81 |

CHIP SAMPLE ASSAY RESULTS - TABLE II

| 1981 | Assay No. | | meters width. | Au | Ag | Cu | Pb | Zn. |
|---------|-----------|---|------------------|-------|------|-------|------|------|
| | 53351 | Chip | 2.0 | 0.984 | 1.30 | 0.36 | 0.57 | 0.17 |
| | 52 | ✓ | 3.0 | 0.143 | .32 | 0.028 | 0.01 | 0.09 |
| | 53 | ✓ | 1.45 | 0.377 | .58 | 0.029 | 0.19 | 0.12 |
| | 54 | ✓ | 3.0 | 2.550 | 1.19 | 0.048 | 0.32 | 0.31 |
| | 55 | ✓ | 1.2 | 0.185 | .61 | 0.039 | 0.18 | 0.19 |
| | 56 | ✓ | 2.2 | 0.112 | .21 | 0.028 | 0.07 | 0.05 |
| | 57 | ✓ | | 0.326 | .87 | 0.022 | 0.29 | 0.08 |
| | 62 | ✓ | 2.3 | 0.165 | 0.3 | 0.026 | 0.08 | 0.12 |
| | 63 | ✓ | 0.3 | 0.175 | 0.98 | 0.069 | 0.93 | 0.36 |
| | 64 | ✓ | 0.6 | 0.356 | 1.21 | 0.058 | 0.31 | 0.28 |
| | 65 | ✓ massive sulphide. | 0.15 | 3.420 | 4.49 | 0.168 | 2.12 | 5.43 |
| | 66 | ✓ | 0.15 | 0.129 | 0.51 | 0.051 | 0.42 | 0.69 |
| | 67 | ✓ | 0.50 | 0.478 | 2.60 | 0.05 | 0.89 | 0.81 |
| | 68 | ✓ | 1.0 | 9.230 | 3.29 | 0.049 | 0.62 | 0.29 |
| June 19 | 53387 | ✓ Chlcr gran. H.W. rock | 1 1.0 | 0.156 | | | | |
| | 88 | ✓ Min. zone, msv. sulph. pyrri. arsenic | 1 1.2 | 2.48 | | | | |
| | 89 | ✓ DISSEM arsenic + pyrri. | 3 1.0 | 0.062 | | | | |
| | 90 | ✓ " " " | 4 0.7 | 0.043 | | | | |
| | 91 | ✓ Min zone, mainly arsenic | 5 0.4 | 0.023 | | | | |
| | 92 | Blk. argillite dissem py. | 6 0.4 | 0.015 | | | | |
| | | | 4.7 | | | | | |
| | 53393 | | 1A 1.0 | 0.007 | | | | |
| | 94 | | 2A 1.9 | 0.028 | | | | |
| | 95 | | 2A(0) - | 0.003 | | | | |
| | 96 | | 3A 0.9 | 0.002 | | | | |
| | 97 | | 3A(0) - | 0.002 | | | | |
| | 98 | | 4A 0.3 | 0.002 | | | | |

APPENDIX 1

Itemized Cost Statement - TIL Claim Group (Trenching Project)
(and Bulk Sampling)
Period Oct.1 1980 - June 30, 1981

Assays and Geochemical Analyses -
(See Appendix III for Assay Certificates)

| | | |
|---|--------------------------|-----------------------------|
| COPPER Cu | 28 Assays @ \$6.50 ea. = | 182.00 |
| GOLD Au | 131 " @ \$9.00 ea. = | 1179.00 |
| SILVER Ag | 43 " @ \$7.50 ea. = | 322.50 |
| ZINC Zn | 40 " @ \$7.50 ea. = | 300.00 |
| LEAD Pb. | 40 " @ \$7.00 ea. = | 280.00 |
| ARSENIC As | 2 " @ \$8.00 ea. = | 16.00 |
| IRON Fe | 2 " @ \$8.00 ea. = | 16.00 |
| SiO ₂ | 4 " @ 10.00 ea. = | 40.00 |
| Sb(ppm) | 2 " @ 10.00 ea. = | 20.00 |
| Ca0% (Calc) | 5 " @ 10.00 ea. = | 50.00 |
| Al.0% (Alum) | 2 " @ 10.00 ea. = | 20.00 |
| Sample preparation | | <u>300.00</u> |
| | Assay Total: | \$2725.50 |
| Camp Maintenance (grocery, accommodation etc) | | 5199.56 |
| Consulting Fees | | 687.50 |
| Telephone & Radio | | 424.58 |
| Field Equipment & Supplies (equipment rental), camp, hardwear, bags etc. | | 13013.43 |
| Fuel | | 40.00 |
| Maps, Printing, Drafting | | 843.55 |
| Helicopter - Okanagan Helicopters Ltd. | | 7344.37 |
| Salaries (see following pages for detailed account by individual & date) | | 34217.41 |
| Transportation | | 1482.35 |
| Total cost to June 30, 1981 - | | <u>\$65,978.25</u> ===== |

TILlicUM PROPERTY - NUMBER OF DAYS WORKED - SEPT.1980 - JUNE 1981

| <u>Name</u> | <u>Days Worked</u> | <u>Rate</u> | <u>TOTAL WAGE</u> |
|---------------|--|--|--|
| John S. Brock | 1 day-Nov.7, 1980 7 days - June 5,12,13,16,26, 28,29,1981 <u>8</u> | Total 8 days @ \$250.00 p/d | 2,000.00 |
| Jim Crawford | 14 days -Feb.9-14,16-20 23-25, 1981 1 day - Mar.10,1981 11 days- Apr.6,13-15,21,23,24, 27-30,1981 15 days-May 1, 4-8,11, 13-15, 19-22,29,1981 12 days-June 1-5,8-11,13, 28,29,1981 <u>53</u> | @ 147.86 p/d | 7,836.58 |
| John D. Guild | 3 days-Nov.11, 18-19, 1980 2 days -Dec.8-9, 1980 1 day -Feb.24, 1981 2 days -Mar.12,20,1981 11 days -Apr.6-8,21-24,27-30,1981 20 days- May 4-6,8,13-15,19-31,1981 <u>30</u> days -June 1-30, 1981 <u>69</u> | @ 164.29 p/d | 11,336.01 |
| Tasma Guild | 6 days - May 26-31, 1981 <u>30</u> days - June 1-30 <u>36</u> | @ 46.00 p/d | 1,656.00 |
| David Harding | 2 hours - Oct.27,28, 1980 <u>2</u> hours - Feb.12, 1981 <u>4</u> hours | @ 9.20 p/hr. | 36.80 |
| Dave Heino | 9 days -May 15-16,20-26,1981 4 days -May 27-30, 1981 5 days -June 20-24,1981 <u>25</u> days -June 1-19,25-30,1981 <u>43</u> | @ 105.00 p/d @ 130.00 p/d @ 105.00 p/d @ 130.00 p/d | 945.00 520.00 525.00 3,250.00 |

TILlicum PROPERTY - NO. OF DAYS WORKED -SEPT.1980-JUNE 1981

| <u>Name</u> | <u>Days Worked</u> | <u>Rate</u> | <u>TOTAL WAGE</u> |
|---------------|---|---------------|------------------------------|
| Matthew Holtz | <u>11</u> days - June 20-30,1981 11 | @ \$34.50 p/d | 379.50 |
| Les Kiss | 6 days -Sept.23-28,1980 <u>21</u> days -June 3-20,22-24,1981 27 | @ 115.00 p/d | 3,105.00 |
| Alan Vichert | 12 days -May 20-31,1981 <u>30</u> days -June 1-30,1981 42 | @ 62.56 p/d | 2,627.52 |
| Total days: | 289 days, 4 hours | | <u>\$ 34,217.41</u> ===== |



WELCOME NORTH MINES LTD.

1027 - 470 Granville St., Vancouver, B.C. V6C 1V5 • Telephone (604) 687-1658

Mr. T. Kalnins

November 4, 1981

November 4, 1981

Mr. T. Kalnins
Ministry of Energy, Mines and
Petroleum Resources
Mineral Resources Division,
Geological Branch
617 Government Street
Victoria, BC
V8V 1X4

| | | |
|----------|------|----|
| LOG # | 11.5 | T2 |
| ACTION: | | |
| FILE NO: | | |

Dear Mr. Kalnins:

Re: Assessment Report - TIL Claims Group
(TIL 1-4, AGE 1-4, WOLF and HUGH Claims)
Slocan Mining Division, N.T.S. 82F/13

As per our telephone conversation of November 2, 1981, enclosed are the chip sample assay plans for the TILLICUM GOLD Showing (Money Pit) which you require for the acceptance of our assessment report on the above-noted claim group. The sampling was at various elevations as the pit progressed in depth; hence there are a series of four plans, each representing a different level. Also included is a final sample plan which shows the assays at the present pit bottom, which work was done subsequent to the filing of our report. A weighted average of the latter sample results indicates a mineral zone averaging 2.68 ounces per ton gold over a width of 1.69 m and a length of 14.1 m.

Most of the assays which are included in our report are muck samples representing material which was bagged and eventually sent to Trail for smelting (Table 1). In total, sixty-six tons were bagged and flown by helicopter to the nearest road, some 3 km distance. Smelter returns for the initial twenty-one tons of these shipments graded 3.88 ounces per ton gold. These results compare reasonably with our muck samples for the same material which averaged 3.08 ounces per ton gold.

In order to locate the Money Pit, where the assessment work was carried out, relative to the claim boundaries I am enclosing a larger-scale geological map which also incorporates some of the work done this season after the anniversary of the claims and the submittal of our assessment report.

.....2

Your analysis that our cost of trenching appears unreasonably high is, on the face of it, correct. I believe, however, that you will agree that these costs are more reasonable when the following factors are considered:

- Our trenching involved selective blasting, the matting of blasts to avoid flyrock of highgrade material, the handling, cobbing and bagging of ore, including the construction of storage bins.
- The work was done in heavy snow conditions prior to the normal field season when a more conventional surface exploration program of the claim group involving geological mapping and geochemical and geophysical surveys was planned and eventually carried out.
- Many of the costs included in our "Statement of Costs" could more appropriately be charged to the subsequent program which was conducted after the date of our assessment submittal, i.e., the moving in of a large camp by helicopter, camp set-up, etc.

I trust that you will find the sample plans and my explanation satisfactory and that you may now approve our assessment submittal.

If you require any further information or back-up data, I would appreciate your contacting me by letter or at telephone number 687-1658 at your earliest convenience.

Yours truly,

WELCOME NORTH MINES LTD.

J.D. Guild
J.D. Guild, P.Eng.
Geologist

JDG:ld
Enc:

APPENDIX II

CERTIFICATE

I, JOHN D. GUILD do hereby certify that:

1. I am a practicing geologist employed by Welcome North Mines Ltd.
2. I am a graduate of the University of Alberta, B.Sc., (Geology).
3. I am a member in good standing of the Association of Professional Engineers of the Province of British Columbia.
4. I have practiced my profession since 1959 primarily in Western North America but also in Eastern Canada, Australia and Mexico.
5. Part of my duties with Welcome North Mines consist of supervising the field activities and exploration of the TILlicum Claim Group.



John D. Guild, B.Sc., P.Eng.

July 15, 1981

APPENDIX III

Appendix III is made up of the Assay Certificates
which pertain to the TILLICUM PROJECT.

Certificate of Assay

JUN 22 1981

TO: Welcome North Mines,
1027-470 Granville St.,
Vancouver, B.C.

PROJECT No. _____
 DATE: June 20/81.
 File No. 1-324

| SAMPLE No. | Au oz/ton | | | | |
|-------------------------|--------------|--|--|--|--|
| <i>Fluorim</i> 53370 | 1.985 | | | | |
| 71 | 1.116 | | | | |
| 72 | 3.450 | | | | |
| 73 | 11.980 | | | | |
| 74 | 3.840 | | | | |
| 75 | 14.460 | | | | |
| 76 | .472 | | | | |
| 77 | 4.020 | | | | |
| 78 | .558 | | | | |
| 79 | 1.550 | | | | |
| 80 | 8.720 | | | | |
| 81 | .742 | | | | |
| 82 | 2.320 | | | | |
| 83 | 8.850 | | | | |
| 84 | 2.840 | | | | |
| 85 | .420 | | | | |
| 86 | 1.035 | | | | |
| 87 | .156 | | | | |
| 88 | 2.480 | | | | |
| 89 | .062 | | | | |
| 90 | .043 | | | | |
| 91 | .023 | | | | |
| 92 | .015 | | | | |
| 93 | .007 | | | | |
| 94 | .028 | | | | |
| 95 | .003 | | | | |
| 96 | .002 | | | | |
| 97 | .002 | | | | |
| 98 | .002 | | | | |
| 53399 | 1.520 | | | | |

MINE-EN Laboratories Ltd.

CERTIFIED BY: *[Signature]*

MIN-EN LABORATORIES LTD.
 705 WEST 15TH STREET, NORTH VANCOUVER, B.C. V7M 1T2
 PHONE: (604) 980-5814 OR (604) 988-4524

Certificate of Assay

JUN 22 1981

TO: Welcome North Mines,
1027-470 Granville St.,
Vancouver, B.C.

PROJECT No. _____
 DATE: June 20/81.
 File No. 1-324

| SAMPLE No. | Au | Mo % | Cu % | Pb % | Zn % | Ag |
|------------|--------|------|------|------|------|--------|
| | oz/ton | | | | | oz/ton |
| 53400 | 1.350 | | | | | |
| 01 | .725 | | | | | |
| 02 | .136 | | | | | |
| 03 | .052 | | | | | |
| 04 | .160 | | | | | |
| 05 | .172 | | | | | |
| 06 | .092 | | | | | |
| 07 | .050 | | | | | |
| 08 | .094 | | | | | |
| 09 | .025 | | | | | |
| 10 | .008 | | | | | |
| 11 | 2.520 | | | | | |
| 12 | .640 | | | | | |
| 53413 | .652 | | | | | |

Trace

Trace

*Not copy
 Jack*

Certificate of Assay

Attn:

TO: Welcome North Mines,
1027-470 Granville St.,
Vancouver, B.C.

PROJECT No. Mr. Guild
 DATE Jan. 21/81,
 File No. 1-19

| SAMPLE No. | Cu % | Pb % | Zn % | Ag | Au |
|--|-------|------|------|--------|--------|
| | | | | oz/ton | oz/ton |
| ① 28135 | 8.550 | -- | -- | 4.43 | .046 |
| ② 36 | -- | .03 | .03 | .30 | .062 |
| ③ 37 | -- | .98 | .51 | 11.90 | .020 |
| ④ 28138 | -- | .25 | 1.73 | 1.92 | 2.495 |
| Total weight of 28138 is 19.6 kg. | | | | | |
| 43 lbs | | | | | |
| ① Basin ⁸¹ - Specimen copper stained, badly used intrusion from undisclosed gravel pit - N Canal Rd - R Etzel | | | | | |
| ② Eep OEX - Blk. Grouse Slovan Area | | | | | |
| ③ 10' chip - qtz from raw road cut 200' N of N adit | | | | | |
| ④ Specimens from N adit - selected qtz | | | | | |
| ⑤ Tillicum 43 pound bulk sample from pit - random rubble | | | | | |

*1.00
 100%*

MIN-EN Laboratories Ltd.

CERTIFIED BY

[Signature]

12th 457
 RY #53
 #54

OCT 15 1980

Certificate of Assay

TO: Welcome North Mines, PROJECT No. ~~Ronoke~~
1027-470 Granville St., DATE Oct.11/80.
Vancouver, B.C. File No. 0-957

| SAMPLE No. | Cu % | Pb % | Zn % | Ag | Au |
|------------|------|------------------------|------|--------|-------|
| | | | | oz/ton | oz/t |
| 3551 | -- | -- | -- | .49 | .05 |
| 52 | -- | -- | -- | .38 | .04 |
| 53 | -- | -- | -- | 2.36 | 1.29 |
| 54 | -- | -- | -- | .18 | .02 |
| 55 | -- | -- | -- | .06 | .01 |
| 56 | -- | -- | -- | .02 | .00 |
| 57 | -- | -- | -- | .51 | .06 |
| 58 | -- | -- | -- | .08 | .00 |
| 3559 | -- | -- | -- | .07 | .00 |
| 69266 | -- | <i>TILLICUM</i> .02 | .07 | .16 | .04 |
| 67 | -- | 10.04 | 7.25 | 21.60 | 10.60 |
| 68 | -- | .12 | .11 | .33 | .09 |
| 69 | -- | 5.96 | 7.05 | 17.95 | 36.17 |
| 70 | -- | .50 | 8.65 | 3.59 | .20 |
| 71 | -- | .12 | .40 | .63 | .97 |
| 72 | -- | .55 | 3.87 | 2.39 | 2.48 |
| 73 | -- | 5.88 | 6.95 | 23.40 | 46.05 |
| 74 | -- | 1.06 | 3.54 | 14.80 | 44.93 |
| 75 | -- | .05 | .09 | .19 | .19 |
| 76 | -- | .05 | .16 | .17 | .06 |
| 77 | .378 | .02 | 1.56 | .32 | .01 |
| 69278 | .306 | .01 | .56 | .22 | .00 |

DEX
 OLD
 TIMER
 G. 2/4/80

TILLICUM

DEX
 A. McKinnon
 NANATAK
 AREA

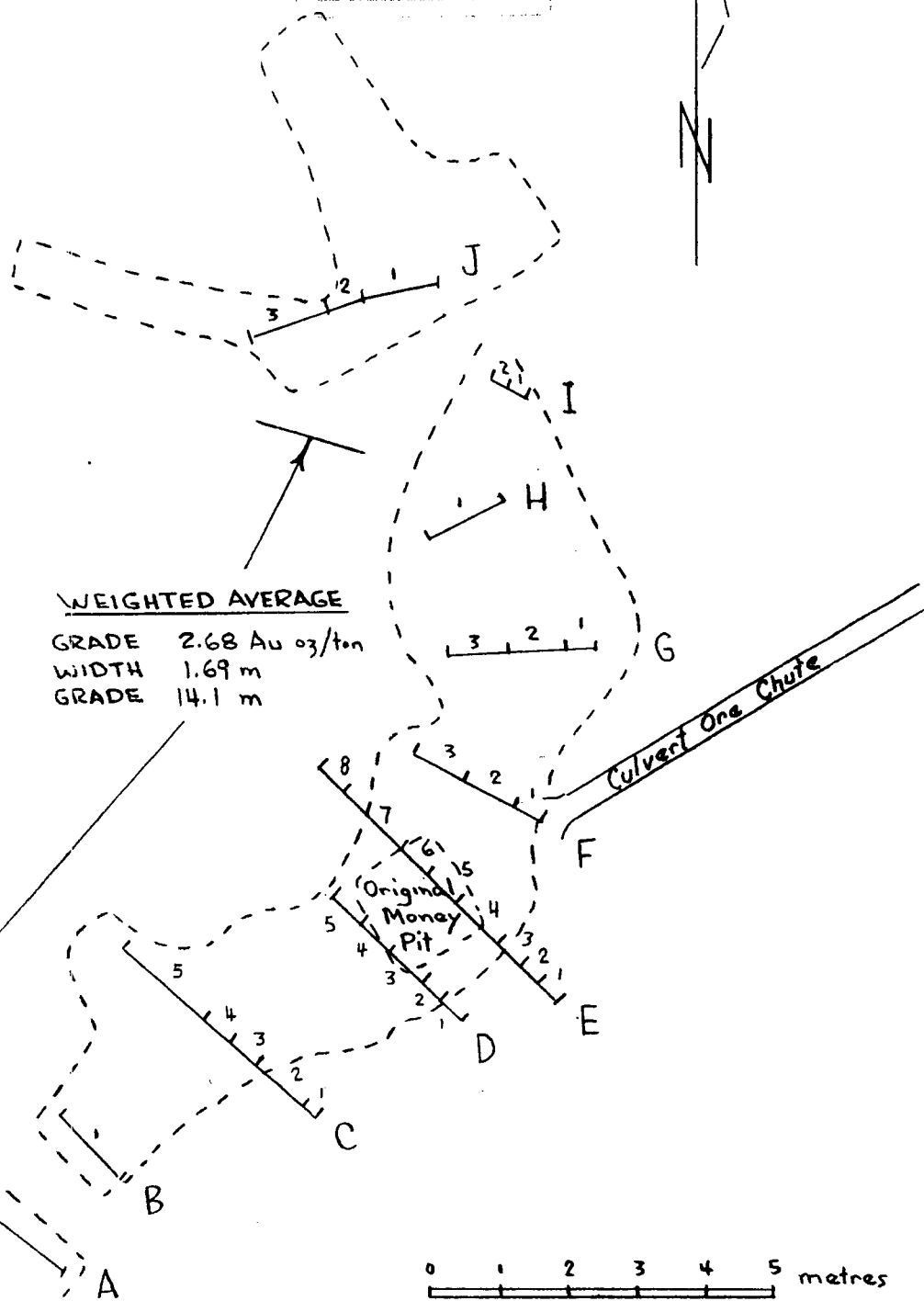
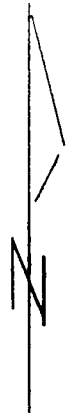
MIN-EN Laboratories Ltd.

CERTIFIED BY *[Signature]*

CHIP SAMPLES

| | SAMPLE No. | WIDTH m | Au oz/t | |
|---|------------|---------|---------|-------|
| A | 1 | 59689 | 1.2 | 6.51 |
| | 2 | 53463 | 1.6 | .01 |
| | 3 | 53464 | .3 | .001 |
| B | 1 | 59676 | 1.4 | 5.08 |
| C | 1 | 59677 | .3 | .12 |
| | 2 | 59678 | 1.0 | 1.01 |
| | 3 | 59679 | .5 | 3.49 |
| | 4 | 59680 | .4 | .08 |
| | 5 | 59681 | 1.6 | .07 |
| D | 1 | 59682 | .15 | .05 |
| | 2 | 59683 | .7 | .01 |
| | 3 | 59684 | .6 | .40 |
| | 4 | 59685 | .8 | .06 |
| | 5 | 59686 | .4 | 6.09 |
| E | 1 | 59651 | .4 | .32 |
| | 2 | 59652 | .4 | 2.62 |
| | 3 | 59653 | .4 | .21 |
| | 4 | 59654 | .9 | 2.07 |
| | 5 | 59655 | .7 | 2.94 |
| | 6 | 59656 | .4 | 3.28 |
| | 7 | 59657 | 1.2 | .25 |
| | 8 | 59658 | .4 | .009 |
| F | 1 | 59659 | .4 | 31.50 |
| | 2 | 59660 | .4 | 1.37 |
| | 3 | 59661 | .8 | .09 |
| G | 1 | 59662 | .6 | .20 |
| | 2 | 59663 | .8 | .51 |
| | 3 | 59664 | .9 | .05 |
| H | 1 | 59665 | 1.2 | .81 |
| I | 1 | 59666 | .3 | .04 |
| | 2 | 59667 | .4 | .04 |
| J | 1 | 53462 | 1.0 | .06 |
| | 2 | 59668 | .6 | .05 |
| | 3 | 53461 | 1.2 | .02 |

9455

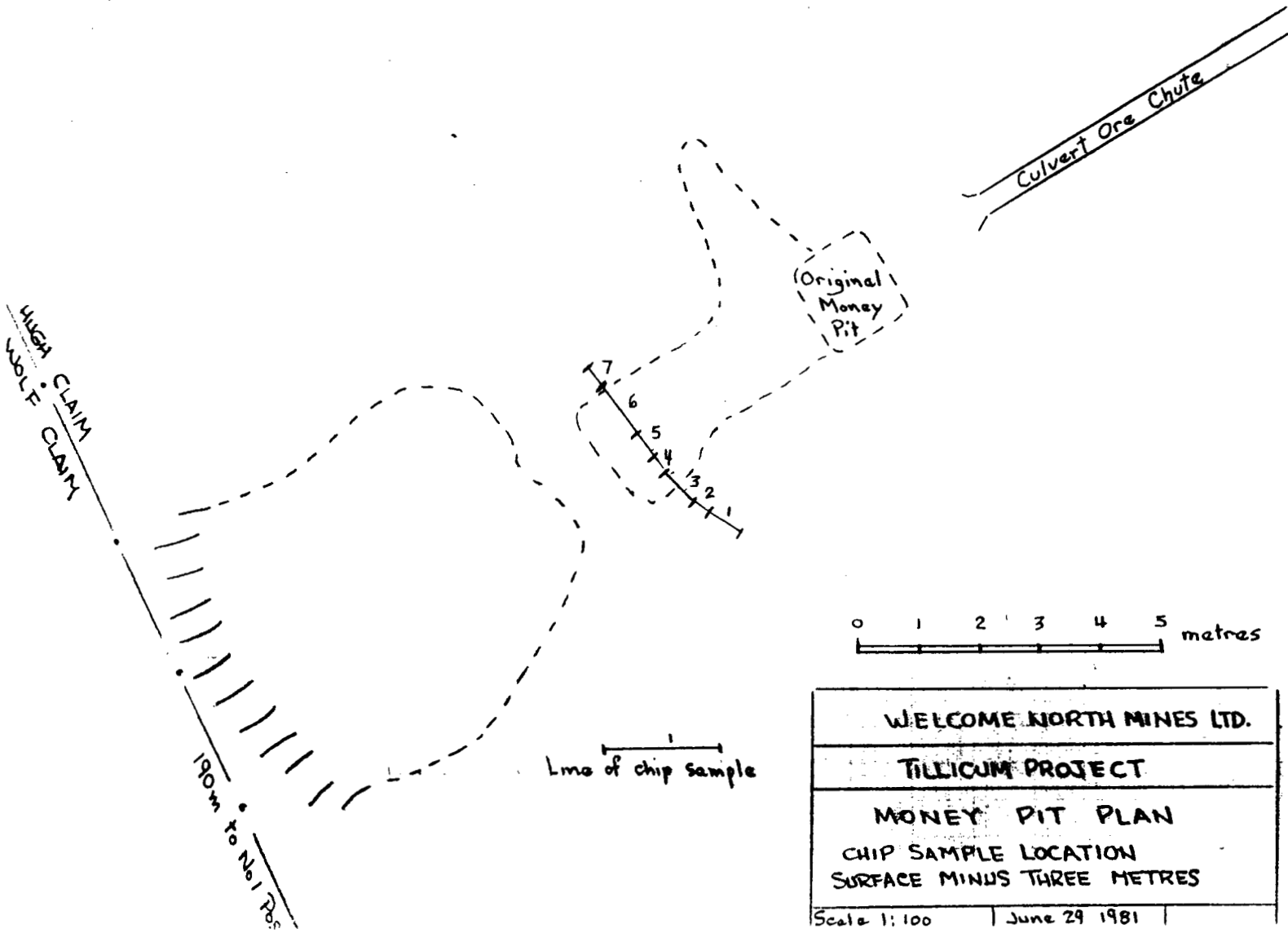
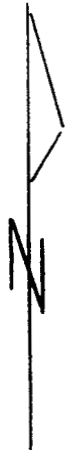


HIGH CLAIM
 WOLF CLAIM
 190m to No. 1 Post

| | | |
|--------------------------|----------|--|
| WELCOME NORTH MINES LTD. | | |
| TILlicum PROJECT | | |
| MONEY PIT PLAN | | |
| CHIP SAMPLE LOCATION | | |
| FINAL 1981 CUT | | |
| Scale 1:100 | Aug 1981 | |

CHIP SAMPLES

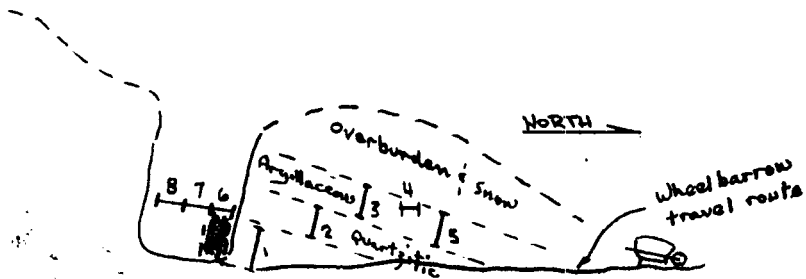
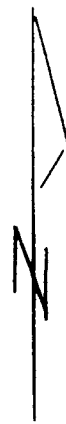
| | Sample No. | Width m | AU g/t |
|---|------------|---------|--------|
| 1 | 53453 | .6 | .07 |
| 2 | 53452 | .3 | .22 |
| 3 | 53451 | .65 | .11 |
| 4 | 53447 | .3 | 2.22 |
| 5 | 53448 | .45 | 2.35 |
| 6 | 53449 | .95 | .32 |
| 7 | 53450 | .4 | .16 |



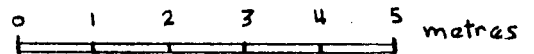
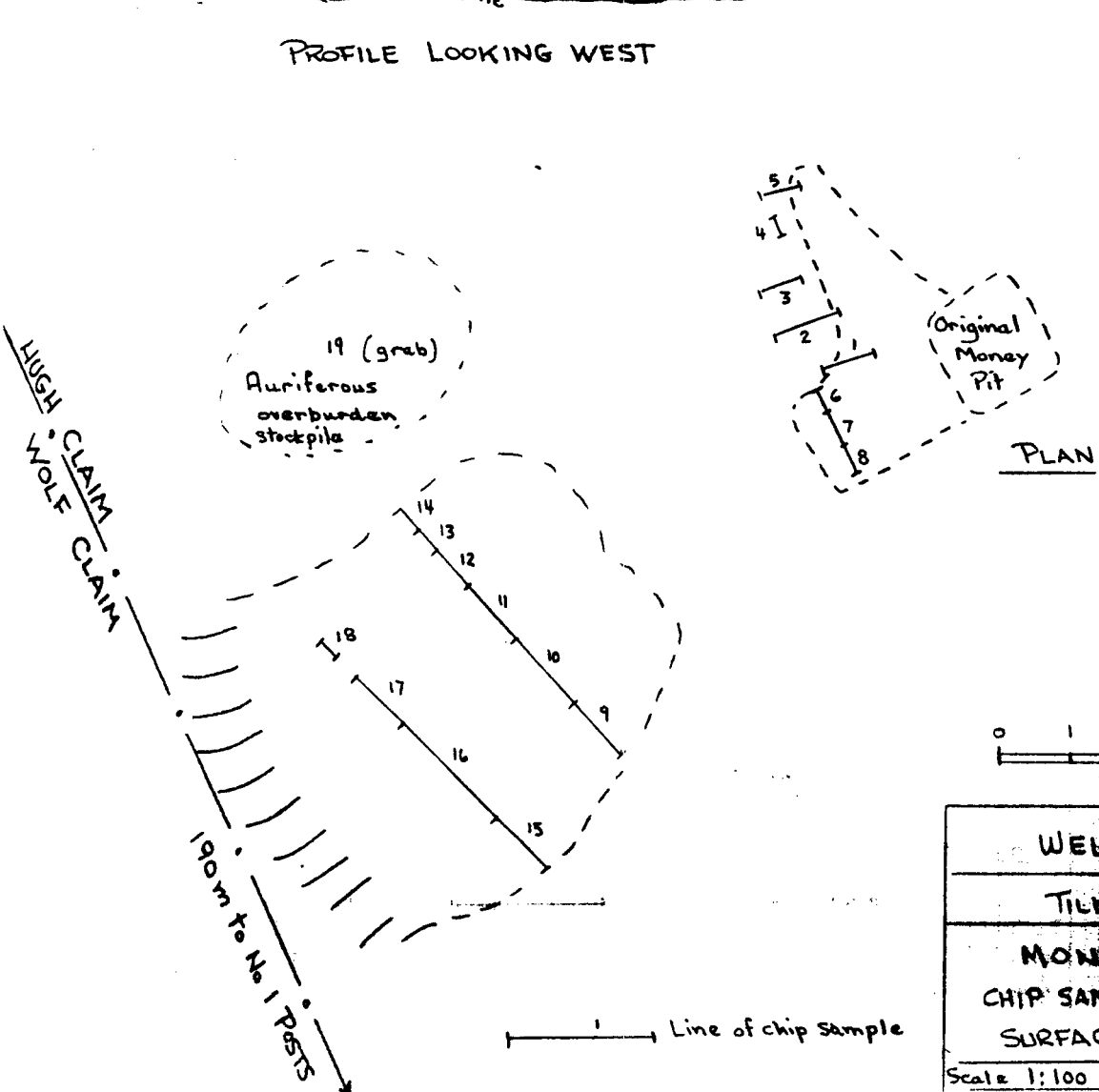
| | |
|----------------------------|--------------|
| WELCOME NORTH MINES LTD. | |
| TILlicum PROJECT | |
| MONEY PIT PLAN | |
| CHIP SAMPLE LOCATION | |
| SURFACE MINUS THREE METRES | |
| Scale 1:100 | June 29 1981 |

CHIP SAMPLES

| Sample No | Width m | Au g/t | Sample No. | Width m | Au g/t | | |
|-----------|---------|--------|------------|---------|--------|-----|------|
| 1 | 53406 | .8 | .09 | 9 | 53387 | 1.0 | .16 |
| 2 | 53407 | .9 | .05 | 10 | 53388 | 1.2 | 2.48 |
| 3 | 53408 | .6 | .09 | 11 | 53389 | 1.0 | .06 |
| 4 | 53409 | .3 | .03 | 12 | 53390 | .7 | .04 |
| 5 | 53410 | .6 | .008 | 13 | 53391 | .4 | .02 |
| 6 | 53411 | .3 | 2.52 | 14 | 53392 | .4 | .02 |
| 7 | 53412 | .5 | .64 | 15 | 53393 | 1.0 | .007 |
| 8 | 53413 | .6 | .65 | 16 | 53394 | 1.9 | .003 |
| | | | | 17 | 53397 | .9 | .002 |
| | | | | 18 | 53398 | .3 | .002 |
| | | | | 19 | 53405 | - | .17 |



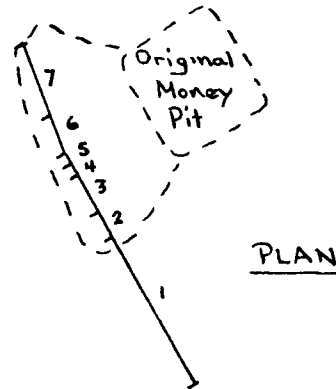
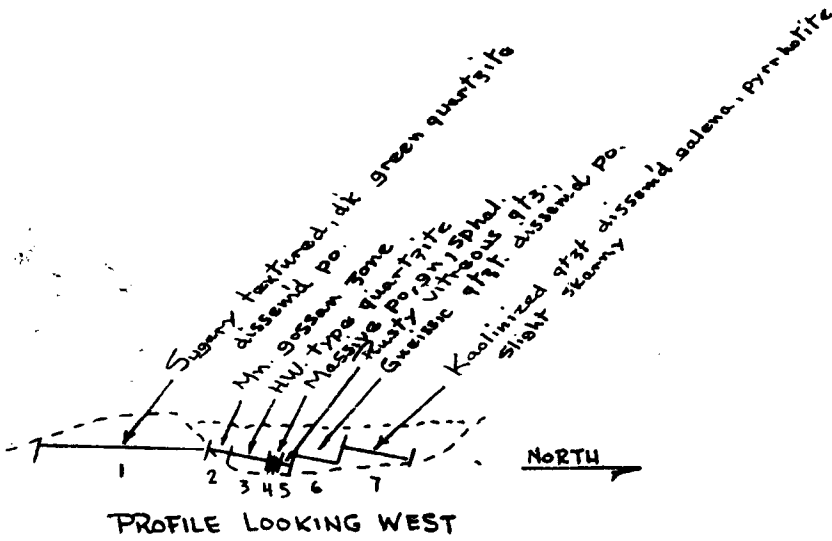
PROFILE LOOKING WEST



| | | |
|--------------------------|--------------|--|
| WELCOME NORTH MINES LTD | | |
| TILlicum PROJECT | | |
| MONEY PIT PLAN | | |
| CHIP SAMPLE LOCATION | | |
| SURFACE MINUS TWO METRES | | |
| Scale 1:100 | June 13 1981 | |

CHIP SAMPLES

| sample No. | width m | Au oz/t | Ag oz/t | Pb % | Zn % | Cu % | |
|------------|---------|---------|---------|------|------|------|-----|
| 1 | 53362 | 2.3 | .16 | .30 | .08 | .12 | .03 |
| 2 | 53363 | .3 | .17 | .98 | .93 | .36 | .07 |
| 3 | 53364 | .6 | .36 | 1.21 | .31 | .28 | .06 |
| 4 | 53365 | .15 | 3.42 | 4.49 | 2.12 | 5.43 | .17 |
| 5 | 53366 | .15 | .13 | .51 | .42 | .69 | .05 |
| 6 | 53367 | .5 | .48 | 2.60 | .89 | .81 | .05 |
| 7 | 53368 | 1.0 | 9.23 | 3.29 | .62 | .29 | .05 |



HUGH CLAIM
WOLF CLAIM
190m to No. 1 Pos

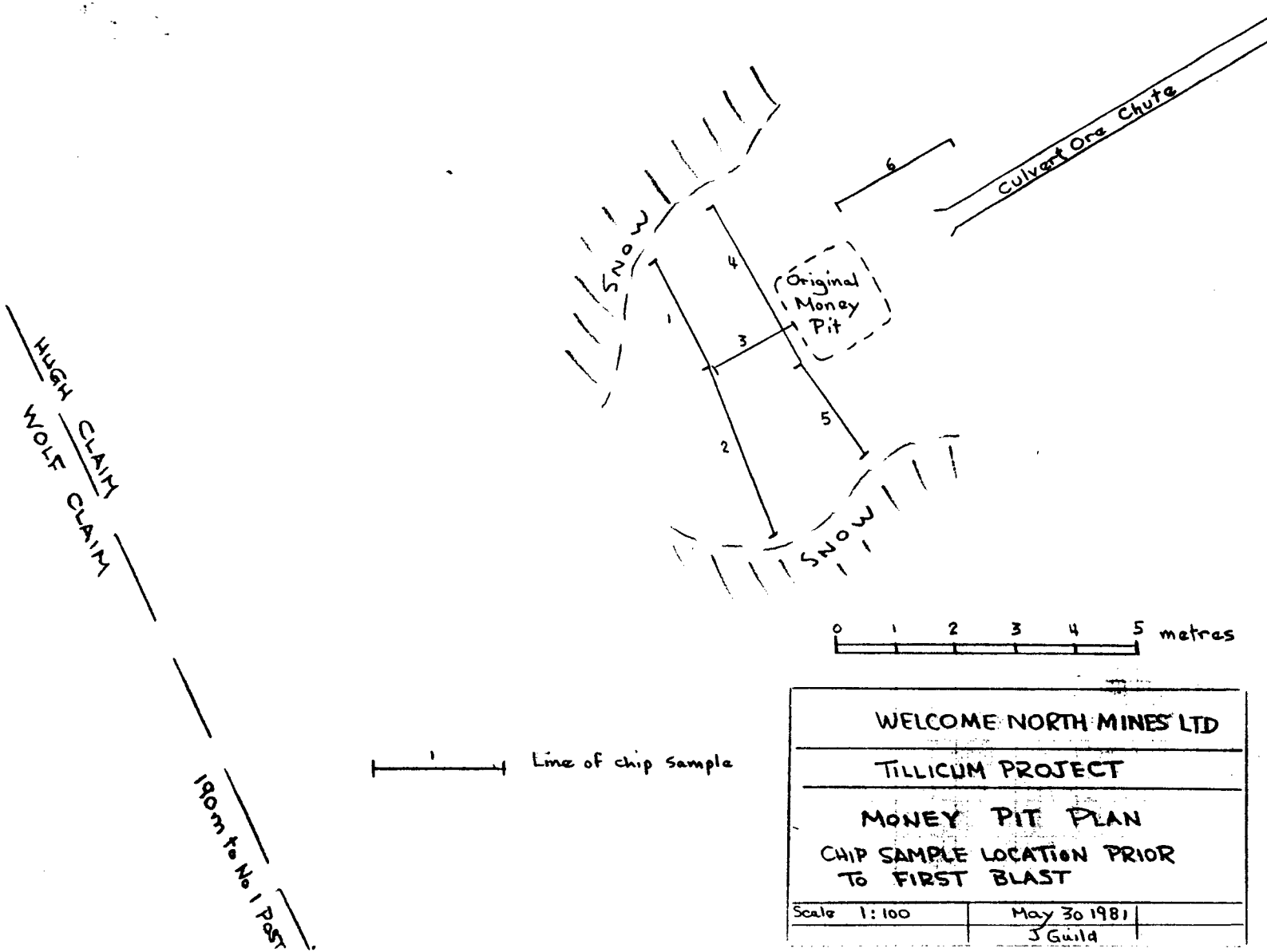
0 1 2 3 4 5 metres

Line of chip Sample

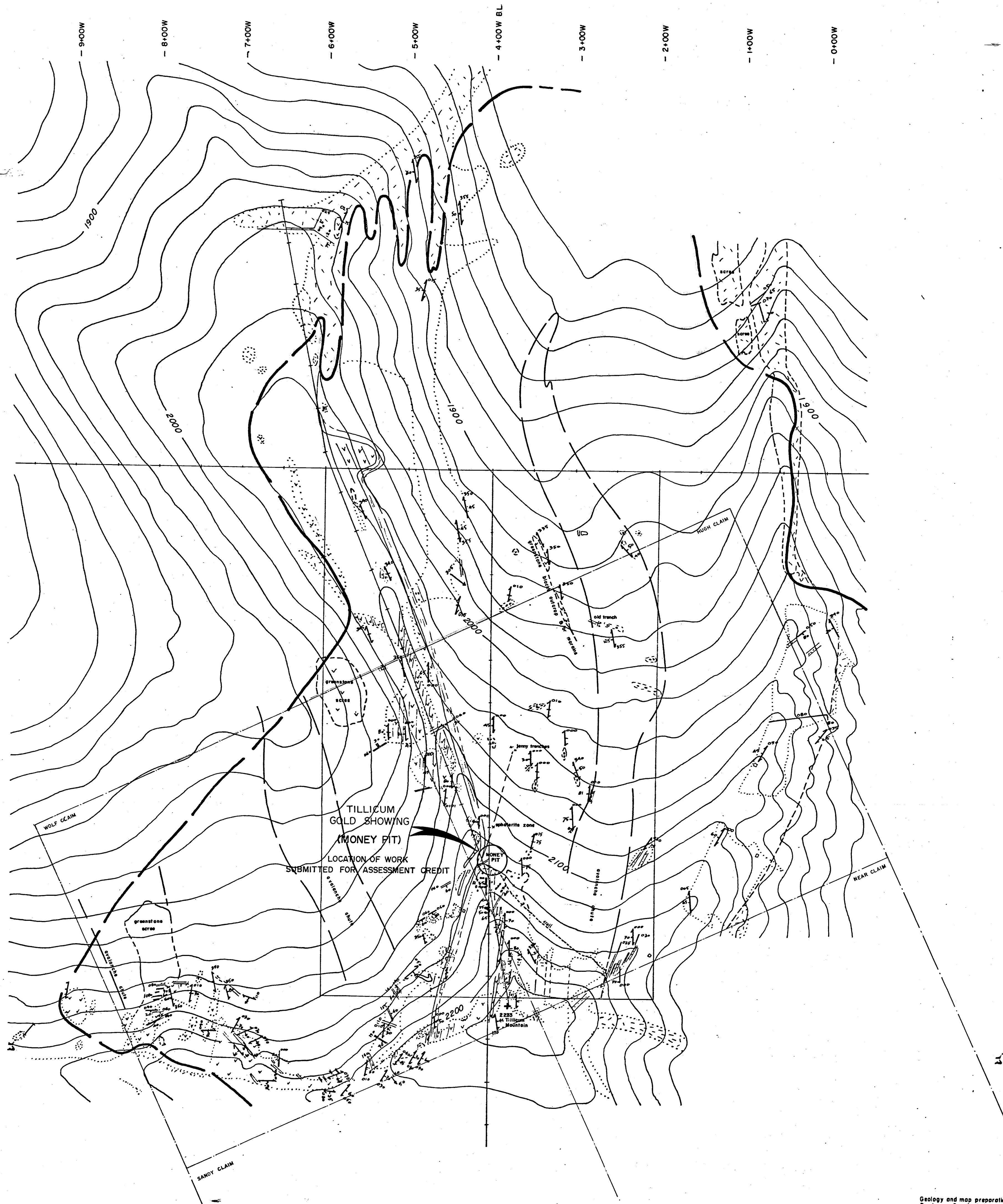
| | | |
|--------------------------|-------------|--|
| WELCOME NORTH MINES LTD. | | |
| TILlicum PROJECT | | |
| MONEY PIT PLAN | | |
| CHIP SAMPLE LOCATION | | |
| SURFACE MINUS ONE METRE | | |
| Scale 1:100 | June 1 1981 | |
| | 1 Gold | |

CHIP SAMPLES

| | Sample No | Width m | Au oz/t | Ag oz/t | Pb % | Zn % | Cu % |
|---|-----------|---------|---------|---------|------|------|------|
| 1 | 53351 | 2.0 | 0.98 | 1.30 | .57 | .17 | .04 |
| 2 | 53352 | 3.0 | 0.14 | .32 | .01 | .09 | .03 |
| 3 | 53353 | 1.4 | 0.38 | .58 | .19 | .12 | .03 |
| 4 | 53354 | 3.0 | 2.55 | 1.19 | .32 | .31 | .05 |
| 5 | 53355 | 1.2 | 0.18 | .61 | .18 | .19 | .04 |
| 6 | 53356 | 2.2 | 0.11 | .21 | .07 | .05 | .03 |



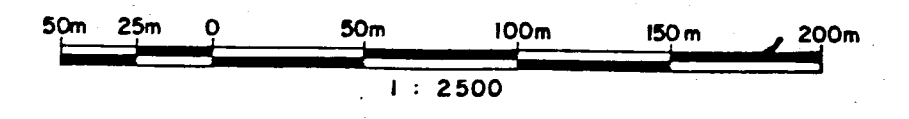
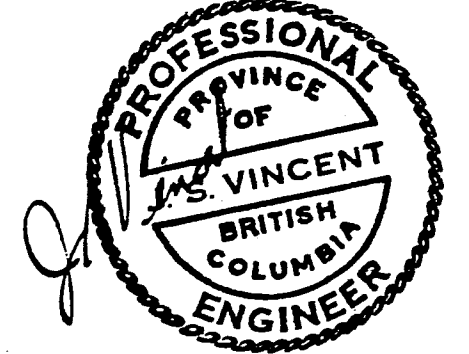
| | |
|---|-------------|
| WELCOME NORTH MINES LTD | |
| TILlicum PROJECT | |
| MONEY PIT PLAN | |
| CHIP SAMPLE LOCATION PRIOR TO FIRST BLAST | |
| Scale 1:100 | May 30 1981 |
| | J Guild |



LEGEND:

- Jurassic to Cretaceous**
- Goot Canyon - Halifax Ck stock: hornblende - biotite quartz, monzonite with granodiorite, quartz diorite contact phases.
 - Lamprophyre dykes
 - Alaskite dykes and quartz veins
- Triassic Kaslo Group**
- Greenstone
 - Argillite
 - Quartzite
- Pelitic schists, quartzites and included ophiolite areas undivided.**
- Argillite
 - Quartzite

9455



WELCOME NORTH MINES - ESPERANZA EX
JOINT VENTURE
 TILlicum MOUNTAIN GOLD PROPERTY - NORTH SLOPE AREA

GEOLOGICAL MAP - NORTH SLOPE

Glen E. White
 geophysical consulting
 services Ltd.

| |
|---------------------|
| Interpreted By: JSV |
| Drawn By: N.L.R |
| Checked By: J.S.V. |
| Date: SEPT./81 |
| Fig. No.: 4 |

Geology and map preparation by
 Dr. James Crawford, Esperanza Explorations Ltd.
 1981 Field season.