REPORT ON THE
GEOLOGY, SOIL GEOCHEMISTRY
T.C. 1-8 MINERAL CLAIMS
RECORD NO. PENDING

YMIR AREA
NELSON MINING DIVISION,
BRITISH COLUMBIA

82F/6E
49°16'30"N Latitude 117°12'W Longitude

Prepared for

GRID RESOURCES LTD.
1075 Duchess Avenue
West Vancouver, B.C.

Prepared by

B. TAYLOR, P.Eng.
G.A. NOEL & ASSOCIATES INC.

July 13, 1988

G. A. NOEL & ASSOCIATES INC.
CONSULTING GEOLOGISTS

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SUMMARY

The eight unit T.C. 1-8 claims are situated approximately 3 kilometres south of the settlement of Ymir, on the east side of the Salmon River.

A basic program of line flagging and soil sampling has been completed. There are no known mineralized showings on the claims. However, the claims lie between a former gold, silver, lead, zinc producer and a zinc, lead, silver prospect. Favourable Ymir group sediments and Nelson granodiorite underlie the property.

It is recommended that more soil sampling, prospecting, geological mapping and some geophysical work be carried out in the favourable area between the two mines. This is estimated to cost $20,300.00 in a first phase with an additional $30,000.00 to be held in reserve for possible diamond drilling, making a total of $50,300.00.

INTRODUCTION

The writer visited the property June 8-9th, 1983, in the company of Gordon and Shirley McIlroy. They were flagging grid lines and collecting soil samples. This is a summary of the information gleaned from a study of government records and the visit to the property.

PROPERTY

The property has been staked and recorded as a group of eight two-post claims.

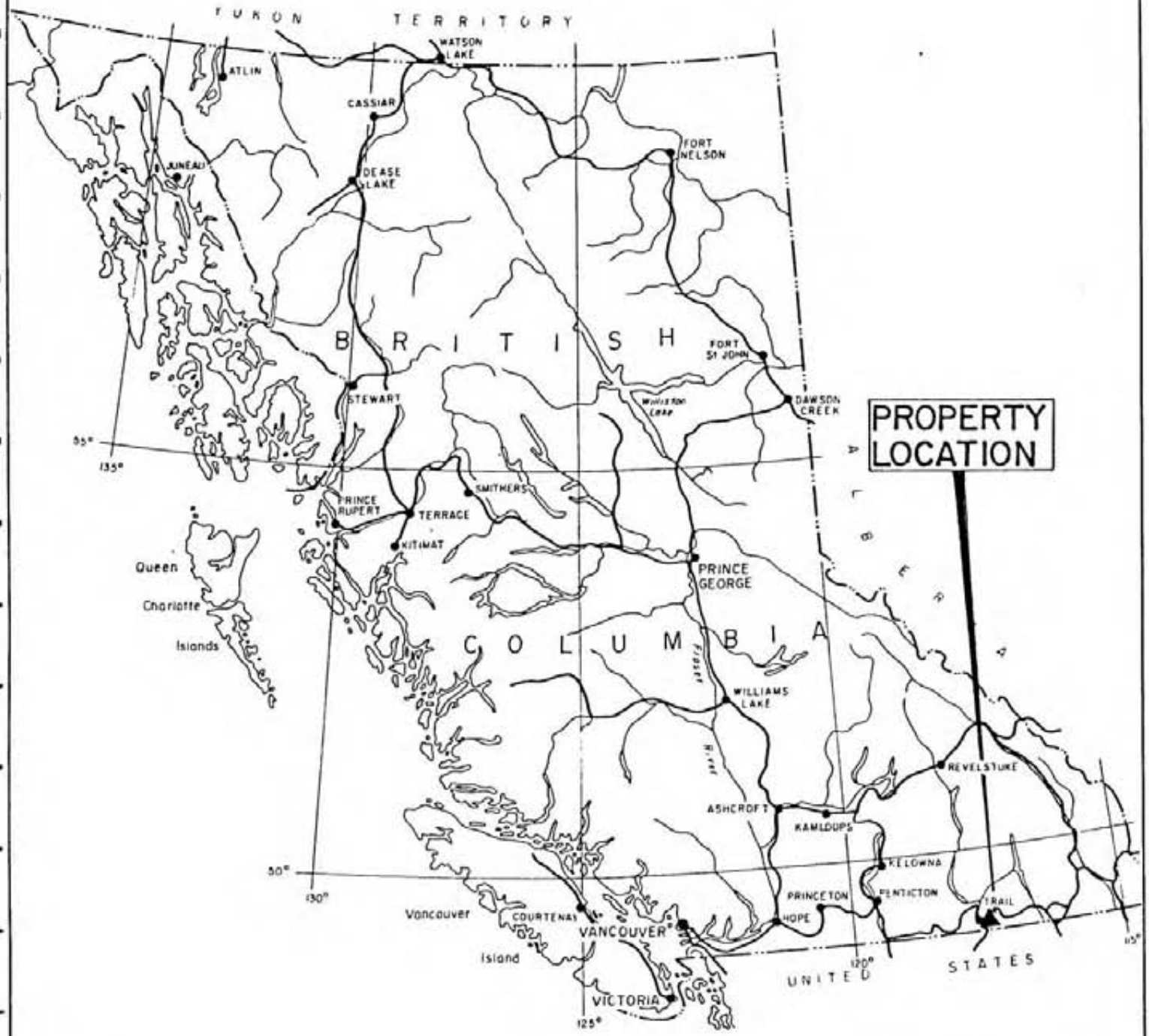
Claim Name	Record No.	Expiry Date	Ownership
T.C. 1	Pending	April 9, 1984	T. Charlesworth
T.C.2	"	"	"
T.C. 3	"	"	"
T.C. 4	"	"	"
T.C. 5	"	"	"
T.C. 6	"	"	"
T.C. 7	"	"	"
T.C. 8	"	"	"

The claims overlap a number of crown granted mineral claims. The approximate resulting shape of the ground is as shown on Figure 2.

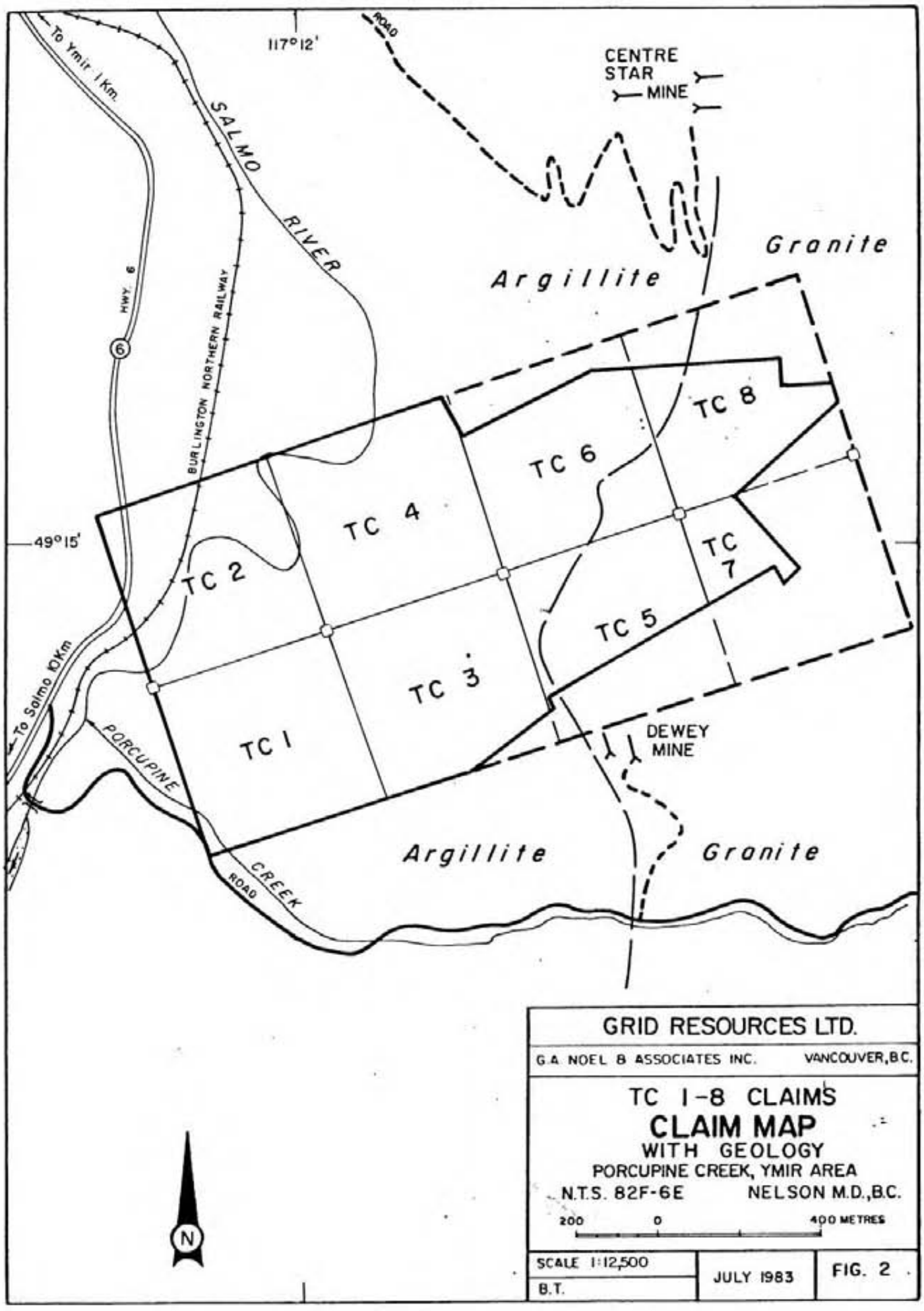
Elevation varies from 700 to 1250 metres above sea level.

TOPOGRAPHY

The property lies on a ridge climbing the southwestern portion of Jubilee Mountain. It extends from near the junction of Porcupine Creek with the Salmon River northeasterly for nearly two kilometres.



GRID RESOURCES LTD.		
G.A NOEL & ASSOCIATES INC. VANCOUVER, B.C.		
TC 1-8 CLAIMS LOCATION MAP PORCUPINE CREEK, YMIR AREA N.T.S. 82F-6E NELSON M.D., B.C.		
SCALE : AS SHOWN B.T.	JULY 1983	FIG. 1



GRID RESOURCES LTD.		
G.A. NOEL & ASSOCIATES INC. VANCOUVER, B.C.		
TC 1-8 CLAIMS **CLAIM MAP** WITH GEOLOGY PORCUPINE CREEK, YMIR AREA N.T.S. 82F-6E NELSON M.D., B.C. 200 0 400 METRES		
SCALE 1:12,500 B.T.	JULY 1983	FIG. 2

Access to the ground is via Highway 6. Approximately 2 kilometres south of Ymir a gravel road leads to the east along Porcupine Creek. The Burlington Northern railroad and the Salmo River are crossed immediately after turning off the highway. A small wooden bridge crosses the Porcupine Creek on the left within another 200 metres. This trail crosses the property to join the road to the Centre Star Mine road.

The Initial Post for T.C. 1 and 2 is located 180 metres east and 50 metres north of the junction of Porcupine Creek with the Salmo River. The centre line of the claim group runs at an azimuth of 070°

.

TOPOGRAPHY & VEGETATION

The area lies within the Nelson Range of the Selkirk Mountains. The mountain slope is moderate to steep and of an even gradient. Rock outcrops are sparse, although overburden is not heavy. In the Salmo River Valley it is wide enough to support some arable land along its banks from a combination of erosion and silt and gravel deposits.

The area is forest covered throughout, with second growth fir and spruce interspersed with alder and poplar.

HISTORY

The area has a history of mineral exploration dating back to the 1870's, when the Hall brothers staked ground near the headwaters of Ymir Creek. In 1892 the first mill was operating. The Ymir camp was very active from 1896 to 1904. A revival of mining activity was experienced in 1934 to 1940 caused by an increase in the price of gold. Yankee Girl, Ymir, and the Centre Star have all produced important amounts of silver and gold. There has been little or no production from the Ymir camp for the past thirty years.

GEOLOGY

The area is underlain by the Ymir group of rocks of Lower Jurassic age and possibly older. These are a series of sediments which outcrops along a northerly striking band two to five kilometres wide. Thickness is unknown, but at a minimum it is a thousand metres. A prominently banded argillaceous quartzite member of 125 metres thickness is overlain by argillaceous quartzite, argillite and slate. Near the top of the group are sill-like bodies that may be Rossland andesite or thin flows. The beds were highly folded at the time of the emplacement of the Nelson batholith. Outcrops on the property consisted of the banded quartzite dipping easterly at 20-60 degrees.

Intruding this and other series of rocks are the Nelson Plutonic rocks, formerly known as the Nelson granite. This is a widespread intrusive of batholithic proportions. In the vicinity of Ymir it is a porphyitic granite, a coarse, grey rock that contains white to flesh coloured phenocrysts of twinned alkali feldspar.

A contact between the two rocks crosses the property. This would appear to be the most favourable position for precious metal deposition.

MINERALIZATION

No mineral showings are known on the T.C. ground, but showings exist on both sides. One sample was taken from a narrow quartz vein. There were no values.

The Centre Star workings were visited, and the dumps examined. Most of the rock was quartzite, with only a few specimens of pyrite, galena and sphalerite being seen. The mine produced 56,275 tons of ore with a recovered grade of .22 oz/ton Au; 1.67 oz/ton Ag; 1.88 %Pb and .93%Zn. It was described by McAllister in 1948 as lying in a broad contact zone between the Nelson batholith and rocks of the Ymir gangue striking at an azimuth of 60 to 80°and dipping steeply to the northwest.

The Dewey workings lie on the south side of the T.C. claims. There has been no production recorded from them. However, a small area of tailings is present at the junction of Porcupine Creek with the Salmon River, and by inference it is at least in part their source.

The same geological conditions that gave rise to the Centre Star and Dewey deposits crosses the T.C. claims between the two deposits. The contact between the two rock types is shown on the claim map Figure 2. It was taken from Geological Survey of Canada's map 1144A.

LINE MARKING

Approximately ten kilometres of line were flagged. These were measured by Top-o-chain, marked with two colours of flagging. Stations, including those along the base line were marked with orange flagging at 100 metre intervals. Lines were run parallel to the centre line of the claims (070° azimuth). The lines were lettered in 50 metre intervals thus only every other letter was used to designate a line. Stations on the lines were numbered from west to east.

GEOCHEMISTRY

The stations thus marked were soil sampled, taking material from the B soil horizon. A total of 121 samples were analyzed by Min-En Laboratory in North Vancouver. The results are plotted as Figure 3 to 7 inclusive, and copies of the certificate of analysis appended.

Gold

Figure 3 shows the distribution of gold in soils. The highest readings were taken along the Salmo River. The tailings at the outlet of Porcupine Creek were sampled to obtain a geochemical signature of known mineral. The other high readings probably are due to contamination from tailings of other mills previously located higher upstream on the Salmo River. The site should be inspected for recent silting. There is a possibility, however, that they do represent gold in place.

Anomalous values of a much lower order are recorded near the granite-sediment contact and shoud be prospected and soil sampled on a 25 metre grid.

Silver

Silver values exist along the Salmo River as well, and probably for the same reason as for the anomalous gold. The remaining values uphill to the east are very subdued and are all background. See Figure 4.

Zinc

The high values are more diversified than the gold and silver were. High values exist along the river. However, anomalous values exist in T.C. 1,3, and 5. The values in T.C. 5 re-inforce the validity of the gold values at the same place. See Figure 5.

Lead

Anomalous lead values exist only close to the Salmo River. They are probably contamination by tailing, but should be checked and resampled at fifty metre intervals. See Figure 6.

Copper

Not all soil samples were analyzed for copper. All values received are in the background range. See Figure 7.

To Summarize high values exist along the Salmo River. This area should be checked for probable contamination before trending or rock sampling (if exposures exist). Weakly anomalous gold and zinc values exist in T.C.5. These should be checked out by sampling at closer intervals and detailed prospecting.

CONCLUSIONS AND RECOMMENDATIONS

1. The T.C. group of claims have very good location. They lie between two previously known showings, one a substantial gold, silver, lead, zinc producer.

2. The soil sampling disclosed an area beside the Salmon River which possibly is contaminated with old tailings.

3. Additional soil sampling at closer intervals is required in T.C.5, and portions of 1,2,6,7, and 8.

4. Geological mapping and study is required to piece together the known mineralization on either side of the claims and to intensify the prospecting in the most favourable area.

COST ESTIMATE

Phase I		
Soil Sampling		
Collect approximately 100 more samples @ $6.00 /sample		600.00
Geochemical analysis		1,000.00
Geology		
Geologist 7 days @$350/day		2,450.00
Report		550.00
Expenses		
Accomodation and food 25 man-days @$40/day		1,000.00
Vehicle Rental for 10 days		700.00
Geophysical		
Induced polarizatjon - resistivity survey over quartzite-granite contact, report		8,000.00
Trenching		
		5,000.00
Contingencies		1,000.00
		$ 20,300.00
Phase II		
Reserve for diamond drilling		30,000.00
	Total Phase II	$30,000.00
	Total Phase I & II	$503 00.00

Respectfully submitted

B. Taylor

B. TAYLOR, P.Eng.

CERTIFICATE

I, Bert Taylor, do hereby certify that:

1. I am a practicing geological engineer with G.A. Noel & Associates Inc., 721 - 602 West Hastings Street, Vancouver, B.C.

2. I am a graduate of the University of Saskatchewan and have been granted the degree of Bachelor of Science in Geological Engineering.

3. I have been practicing my profession as a geological engineer for over 25 years.

4. I am a member of the Association of Professional Engineers of British Columbia, Registration No. 7879.

5. I have no interest, nor expect to receive any interest, direct or indirect in the properties or securities of Grid Resources Ltd.

6. The information in this report is from the soil sampling that was done on behalf of the Company and of which I have knowledge, of government reports as listed in the bibliography and a visit to the property on June 8-9th, 1983.

7. Grid Resources Ltd. is hereby authorized to use this report, or any part of it, for the purpose of financing or as otherwise required by regulatory authorities as long as nothing is taken out of context.

Dated at Vancouver, B.C. this 24th day of July, 1983.

B. Taylor

B. TAYLOR, P.Eng.

REFERENCES

1. Little, H.W. Nelson Map Area, West Half, B.C.
Geological Survey of Canada Memior 308 1960

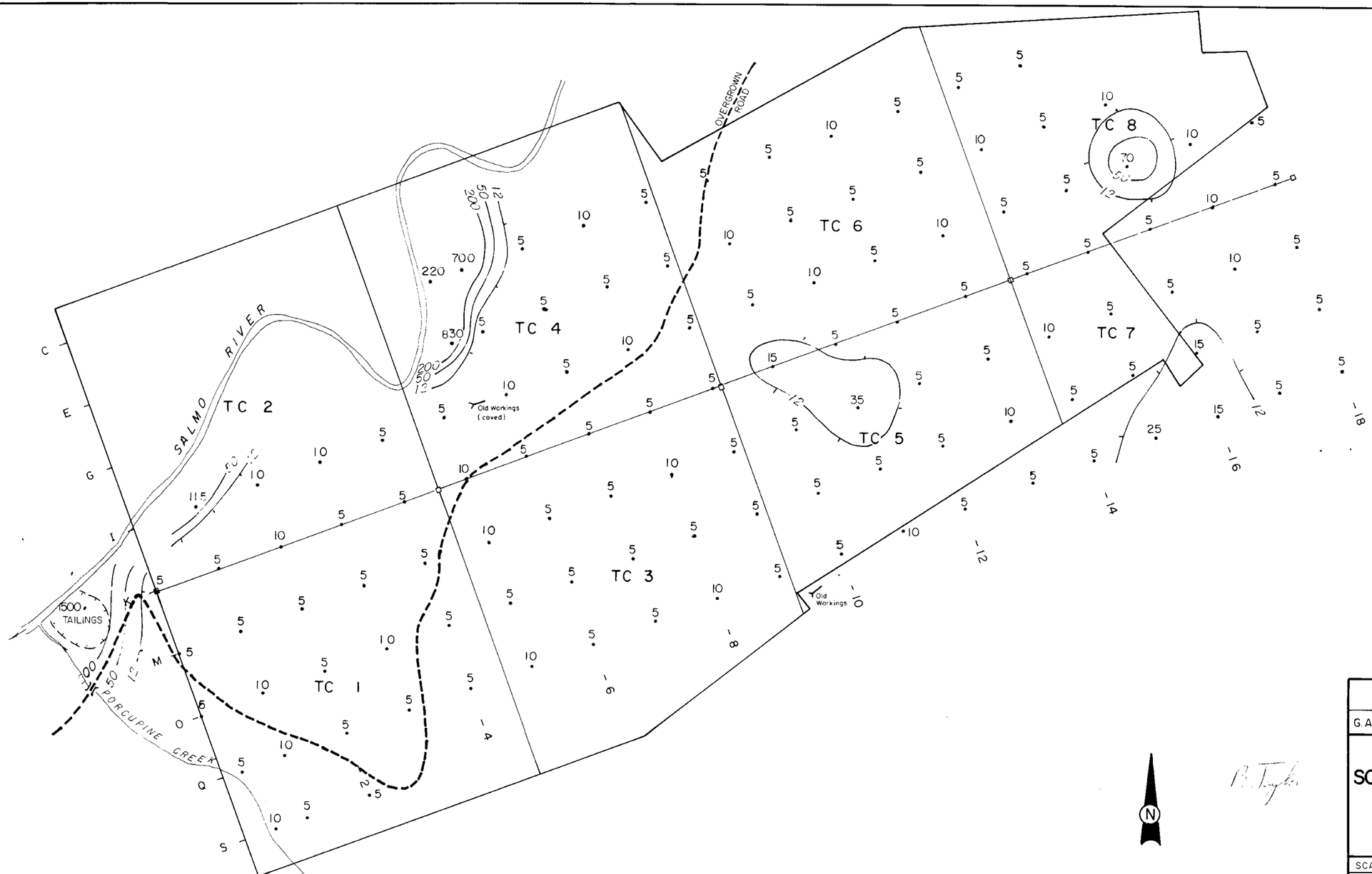
2. McAllister, A.L. Ymir Map Area, British Columbia
Geological Survey of Canada pp. 51-4 1951

3. Little, H.W. et al Geology, Ymir, Nelson East Half
British Columbia Map 1144A 1964

4. Cockfield Geolgoical Survey of Canada Memior 191 pp.17-19
1936

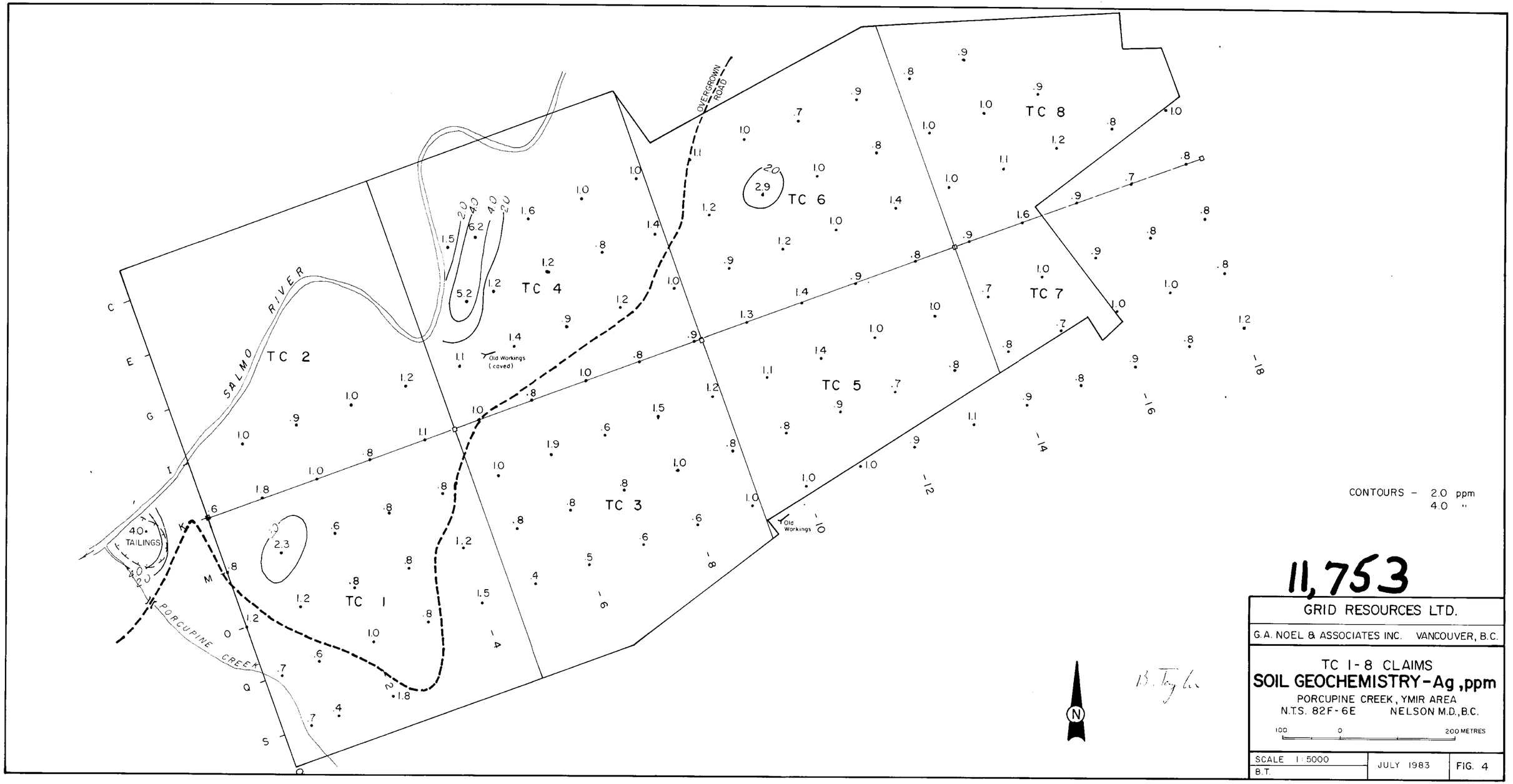
5. B.C. Ministry of Energy, Mines and Petroleum Resources
Mindep File 1981

6. B.C.D.M. Annual Report
1926 page 276
1927 page 303



GEOLOGICAL BRANCH
ASSESSMENT REPORT

11,753



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GRID RESOURCES LTD.

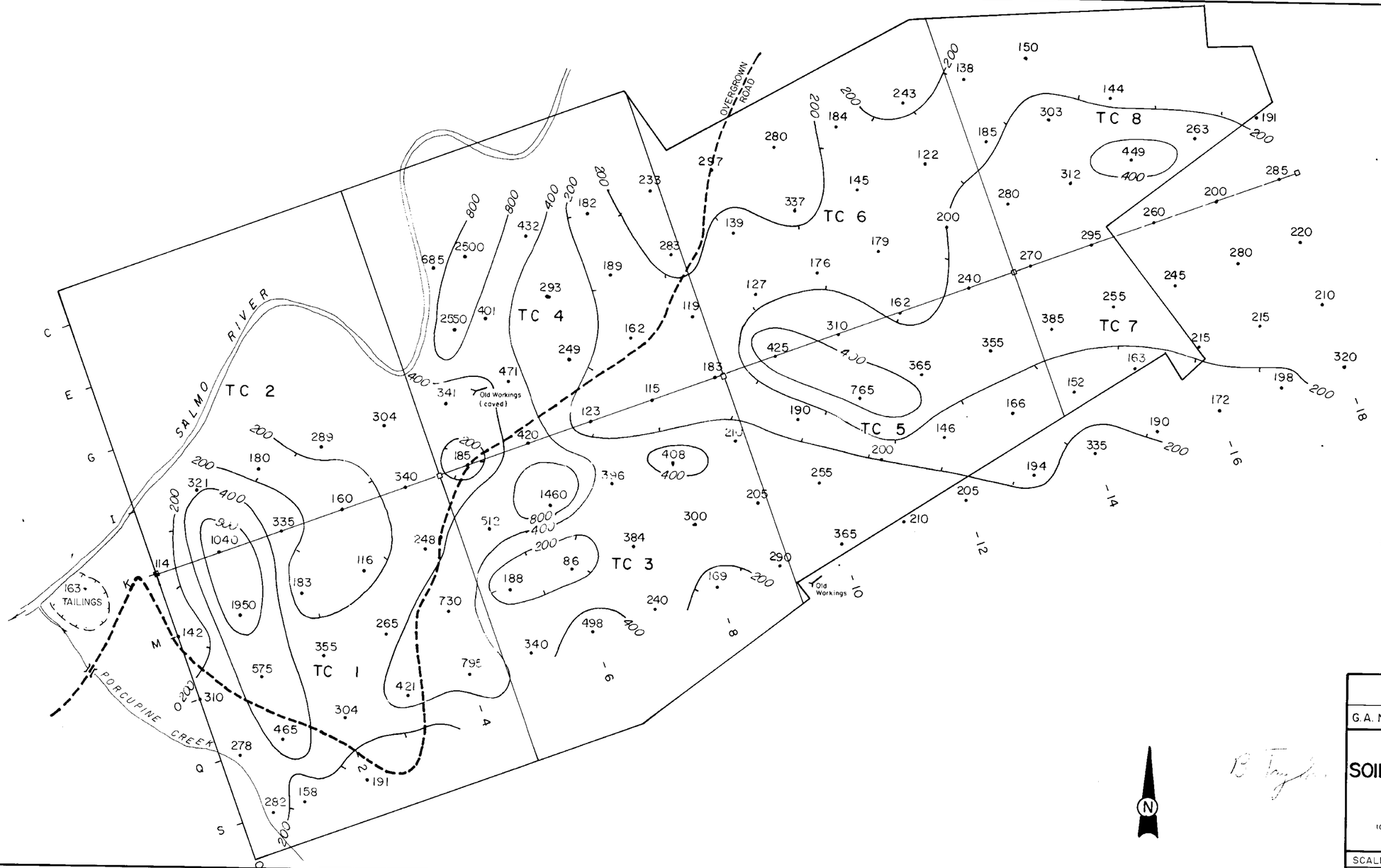
G.A. NOEL & ASSOCIATES INC. VANCOUVER, B.C.

TC 1-8 CLAIMS
SOIL GEOCHEMISTRY - Ag, ppm

PORCUPINE CREEK, YMIR AREA
N.T.S. 82F-6E NELSON M.D., B.C.

100 0 200 METRES

SCALE 1:5000	JULY 1983	FIG. 4
B.T.		



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GRID RESOURCES LTD.

G.A. NOEL & ASSOCIATES INC. VANCOUVER, B.C.

TC 1-8 CLAIMS

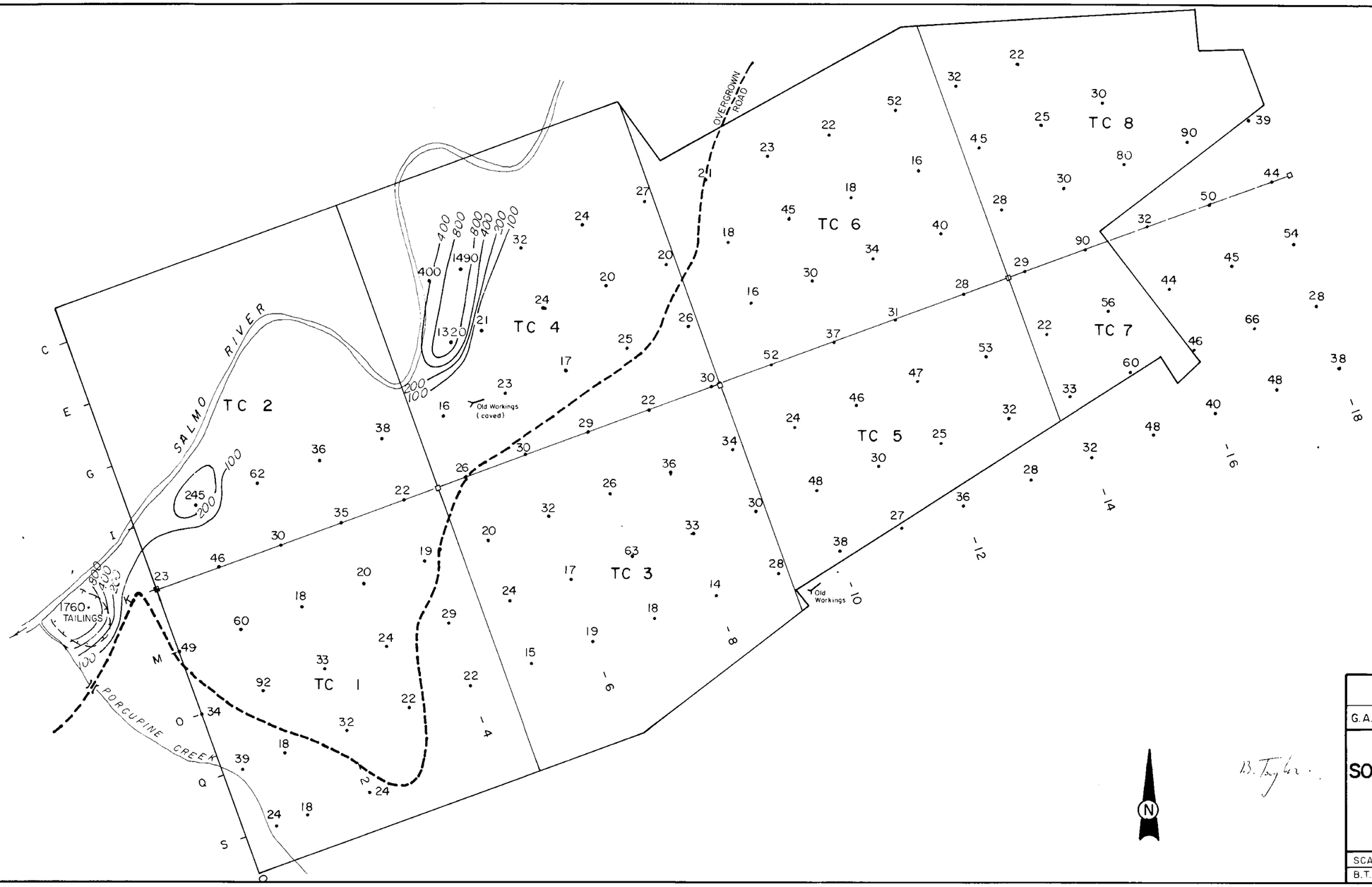
SOIL GEOCHEMISTRY - Zn, ppm

PORCUPINE CREEK, YMIR AREA

N.T.S. 82F-6E NELSON M.D., B.C.

100 0 200 METRES

SCALE 1:5000	JULY 1983	FIG. 5
B.T.		



GEOLOGICAL BRANCH
ASSESSMENT REPORT

11,753

GRID RESOURCES LTD.

G.A. NOEL & ASSOCIATES INC. VANCOUVER, B.C.

TC 1-8 CLAIMS

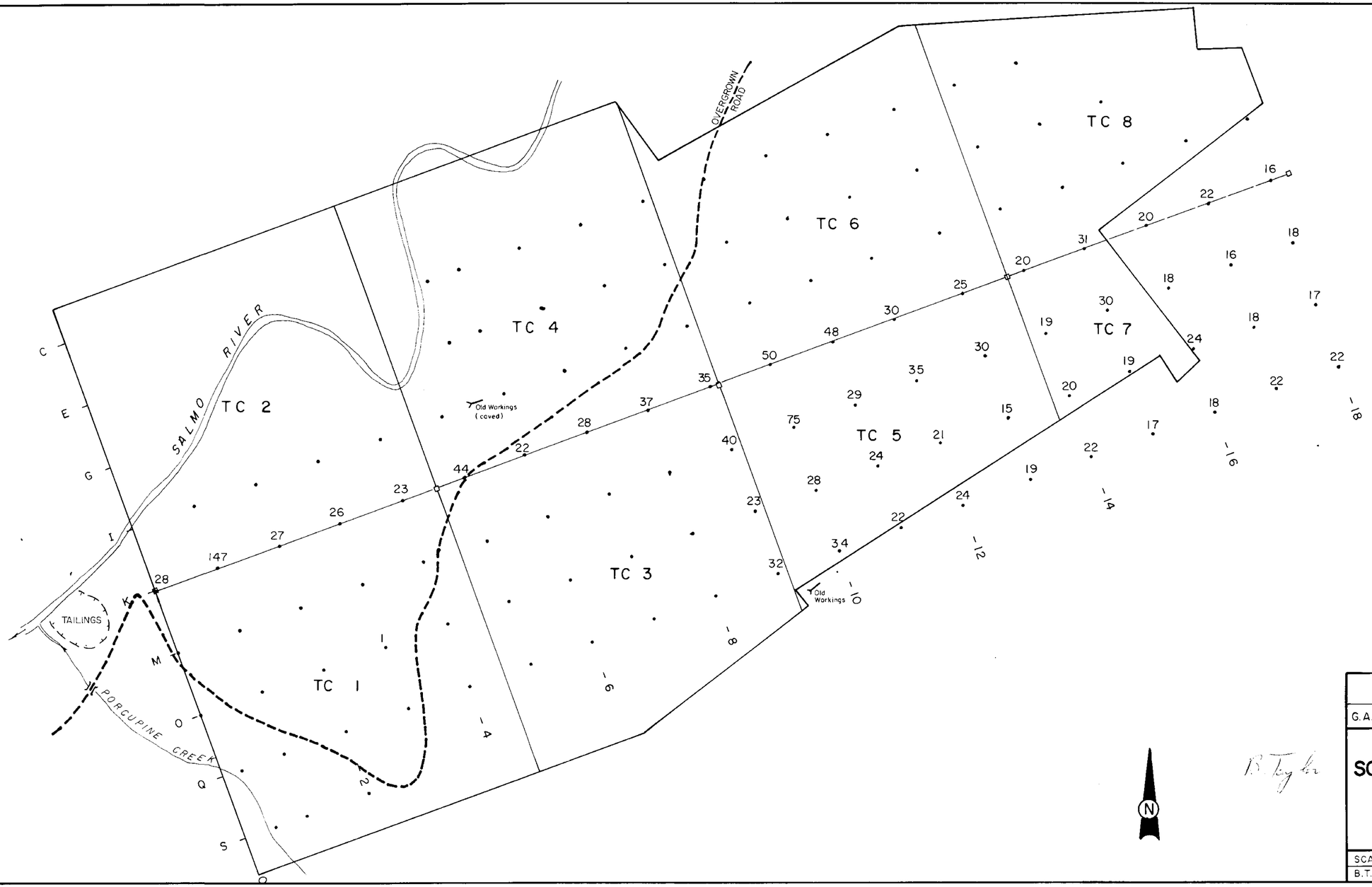
SOIL GEOCHEMISTRY — Pb, ppm.

PORCUPINE CREEK, YMIR AREA

N.T.S. 82F-6E NELSON M.D., B.C.

100 0 200 METRES

SCALE 1:5000	JULY 1983	FIG. 6
B.T.		



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GEOLOGICAL BRANCH
ASSESSMENT REPORT

GRID RESOURCES LTD.

G.A. NOEL & ASSOCIATES INC. VANCOUVER, B.C.

TC 1-8 CLAIMS

SOIL GEOCHEMISTRY - Cu, ppm

PORCUPINE CREEK, YMIR AREA
N.T.S. 82F-6E NELSON M.D., B.C.

100 0 200 METRES

SCALE 1:5000
B.T.

JULY 1983

FIG. 7

APPENDIX A

Geochem Analysis Data Sheets

MIN-EN Laboratories Ltd.

705 WEST 15th STREET,
NORTH VANCOUVER, B.C., CANADA V7M 1T2
TELEPHONE (604) 980-5814

ANALYTICAL REPORT

Project — Date of report June 27/83.

File No. 3-400 Date samples received June 20/83.

Samples submitted by: Ted Charlesworth

Company: Grid Resources

Report on: 72 soils Geochem samples

1 Assay samples

Copies sent to:

1. Grid Resources, West Vancouver, B.C.
2.
3.

Samples: Sieved to mesh -80 soil Ground to mesh -100 assay

Prepared samples stored ☒ discarded ☐

rejects assay stored ☒ discarded ☒ soil

Methods of analysis: Geochem Pb,Zn,Ag-nitric,perchloric digestion. A.A., Au-aqua regia,A.A. Assays Pb-Z-Ag-Acid digestion-chemical analysis. Au-fire assay.

Remarks:

SPECIALISTS IN MINERAL ENVIRONMENTS

COMPANY: Grid Resources

PROJECT No.:

ATTENTION: Ted Charlesworth

GEOCHEMICAL ANALYSIS DATA SHEET

MIN - EN Laboratories Ltd.
705 WEST 15th ST., NORTH VANCOUVER, B.C. V7M 1T2
PHONE (604) 980-5814

FILE No. 3-400

DATE: June 27 1983.

Sample Number	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ni ppm	Co ppm	Ag ppm	Fe ppm	Hg ppb	As ppm	Mn ppm	Au ppb
Q 1			18	465			0.6					10
2			32	304			1.0					5
3			22	421			0.8					5
4			22	795			1.5					5
5			15	340			0.4					10
6			19	498			0.5					5
7			18	240			0.6					5
Q 8			14	169			0.6					10
S 0.5			24	282			0.7					5
1			18	158			0.4					5
S 2			24	191			1.8					5
Tailings			1760	163			4.0					1500

CERTIFIED BY

COMPANY: Grid Resources

PROJECT No.:

ATTENTION: Ted Charlesworth

GEOCHEMICAL ANALYSIS DATA SHEET

MIN - EN Laboratories Ltd.
705 WEST 15th ST., NORTH VANCOUVER, B.C. V7M 1T2
PHONE (604) 980-5814

FILE No. 3-400

DATE: June 27 1983.

Sample Number	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ni ppm	Co ppm	Ag ppm	Fe ppm	Hg ppb	As ppm	Mn ppm	Au ppb
I 8			25	162			1·2					10
9			26	119			1·0					5
10			16	127			0·9					5
11			30	176			1·2					10
12			34	179			1·0					5
13			40	200			1·4					10
14			28	280			1·0					5
15			30	312			1·1					5
16			80	449			1·2					70
17			90	263			0·8					10
I 18			39	191			1·0					5
M 0			49	142			0·8					5
1			60	1950			2·3					5
2			18	183			0·6					5
3			20	116			0·8					5
4			19	248			0·8					5
5			20	512			1·0					10
6			32	1460			1·9					5
7			26	396			0·6					5
M 8			36	408			1·5					10
Q 0			34	310			1·2					5
1			92	575			1·2					10
2			33	355			0·8					5
3			24	265			0·8					10
4			29	730			1·2					5
5			24	188			0·8					5
6			17	86			0·8					5
7			63	384			0·8					5
Q 8			33	300			1·0					5
Q 0.3			39	278			0·7					5

CERTIFIED BY

COMPANY: Grid Resources

PROJECT No.:

ATTENTION: Ted Charlesworth

GEOCHEMICAL ANALYSIS DATA SHEET

MIN - EN Laboratories Ltd.
705 WEST 15th ST., NORTH VANCOUVER, B.C. V7M 1T2
PHONE (604) 980-5814

FILE No. 3-400

DATE: June 27 1983.

Sample Number	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ni ppm	Co ppm	Ag ppm	Fe ppm	Hg ppb	As ppm	Mn ppm	Au ppb
E 5.5			400	685			1.5					220
6			1490	2500			6.2					700
7			32	432			1.6					5
8			24	182			1.0					10
9			27	233			1.0					5
10			21	297			1.1					5
11			23	280			1.0					5
12			22	184			0.7					10
13			52	243			0.9					5
14			32	138			0.8					5
E 15			22	150			0.9					5
G 5.5			1320	2550			5.2					830
6			21	401			1.2					5
7			24	293			1.2					5
8			20	189			0.8					5
9			20	283			1.4					5
10			18	139			1.2					10
11			45	337			2.9					5
12			18	145			1.0					5
13			16	122			0.8					5
14			45	185			1.0					10
15			25	303			1.0					5
G 16			30	144			0.9					10
I 1			245	321			1.0					115
2			62	180			0.9					10
3			36	289			1.0					10
4			38	304			1.2					5
5			16	341			1.1					5
6			23	471			1.4					10
I 7			17	249			0.9					5

CERTIFIED BY

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

TO: Grid Resources Ltd.,
1075 Duchess Ave.,
West Vancouver, B.C.

PROJECT No.

DATE: June 27/83.

File No. 3-400

SAMPLE No.	Pb %	Zn %	Ag oz/ton	Au oz/ton		
86530 C	.01	.01	.01	.001		

MINE-EN Laboratories Ltd.

CERTIFIED BY:

MIN-EN Laboratories Ltd.

705 WEST 15th STREET,
NORTH VANCOUVER, B.C., CANADA V7M 1T2
TELEPHONE (604) 980-5814

ANALYTICAL REPORT

Project ..... Date of report May 30/83.

File No. 3-296 Date samples received May 25/83.

Samples submitted by: & Ted Charlesworth

Company: Grid Resources

Report on: 49 soils Geochem samples

..... Assay samples

Copies sent to:

1. Grid Resources, West Vancouver, B.C.
2. .....
3. .....

Samples: Sieved to mesh -80 Ground to mesh .....

Prepared samples stored ☒ discarded ☐

rejects stored ☐ discarded ☒

Methods of analysis: Cu,Pb,Zn,Ag-nitric,perchloric digestion.A.A., Au-aqua regia.A.A.

Remarks: .....

COMPA. Grid Resources

PROJECT No.:

ATTENTION: Ted Charlesworth

GEOCHEMICAL ANALYSIS DATA SHEET

MIN - EN Laboratories Ltd.
705 WEST 15th ST., NORTH VANCOUVER, B.C. V7M 1T2
PHONE (604) 980-5814

F. No. 3-296

DATE: May 30, 1983.

Sample Number	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ni ppm	Co ppm	Ag ppm	Fe ppm	Hg ppb	As ppm	Mn ppm	Au ppb
K 0		2.8	2.3	114			0.6					5
1		14.7	4.6	1040			1.8					5
2		2.7	3.0	335			1.0					10
3		2.6	3.5	160			0.8					5
4		2.3	2.2	340			1.1					5
5		4.4	2.6	185			1.0					10
6		2.2	3.0	420			0.8					5
7		2.8	2.9	123			1.0					5
8		3.7	2.2	115			0.8					5
9		3.5	3.0	183			0.9					5
10		5.0	5.2	425			1.3					15
11		4.8	3.7	310			1.4					5
12		3.0	3.1	162			0.9					5
13		2.5	2.8	240			0.8					5
14		2.0	2.9	270			0.9					5
15		3.1	9.0	295			1.6					5
16		2.0	3.2	260			0.9					5
17		2.2	5.0	200			0.7					10
K 18		1.6	4.4	285			0.8					5
M 9		4.0	3.4	210			1.2					5
10		7.5	2.4	190			1.1					5
11		2.9	4.6	765			1.4					5
12		3.5	4.7	365			1.0					10
13		3.0	5.3	355			1.0					5
14		1.9	2.2	385			0.7					5
15		3.0	5.6	255			1.0					5
16		1.8	4.4	245			0.9					15
17		1.6	4.5	280			0.8					5
M 18		1.8	5.4	220			0.8					5

CERTIFIED BY

COMPANY: Grid Resources

PROJECT No.:

ATTENTION: Ted Charlesworth

GEOCHEMICAL ANALYSIS DATA SHEET

MIN - EN Laboratories Ltd.
705 WEST 15th ST., NORTH VANCOUVER, B.C. V7M 1T2
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F. No. 3-296

DATE: May 30, 1983.

Sample Number	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ni ppm	Co ppm	Ag ppm	Fe ppm	Hg ppb	As ppm	Mn ppm	Au ppb
09		23	30	205			0·8					5
010		28	48	255			0·8					5
011		24	30	200			0·9					35
012		21	25	146			0·7					5
013		15	32	166			0·8					5
014		20	33	152			0·8					10
015		19	60	163			0·7					5
016		24	46	215			1·0					5
017		18	66	215			1·0					10
018		17	28	210			0·8					5
Q 9		32	28	290			1·0					5
10		34	38	365			1·0					5
11		22	27	210			1·0					10
12		24	36	205			0·9					5
13		19	28	194			1·1					5
14		22	32	335			0·9					5
15		17	48	190			0·8					25
16		18	40	172			0·9					15
17		22	48	198			0·8					5
Q 18		22	38	320			1·2					5

CERTIFIED BY

EXPENSE STATEMENT
May 16 - June 13, 1983

Labour	
Two persons 10 hours per day @ $10.00 per hour for 22 days S.T. McIlroy + G.E. McIlroy	$4,400
Supervision	
One person 10 hours per day @ $12.00 per hour for 10 days J.E. Charlesworth	1,200
Food - 22 days @ $25.00 per day	550
Supplies and equipment	390
Accommodation - campground	133
- trailer 22 days @ $10.00	220
Transportation	
One truck and one car, two round trips from Vancouver, including gasoline and oil - 6,400 km @15¢	960
Soil Analysis 151 samples, analyzed for Au, Ag, Pb, Zn.	1,210
Geologist Examination and report. B. Taylor	1,925
	$10,988