ASSESSMENT REPORT

ON

PROSPECTING WORK

ON THE FOLLOWING CLAIMS

ELK 3617(11)

MOOSE 3618(11)

LOCATED

25 KM NORTH OF

STEWART, BRITISH COLUMBIA

LATITUDE 56° 08' LONGITUDE 129° 57'
N.T.S.

SKEENA MINING DIVISION

NORTHWESTERN, BRITISH COLUMBIA

WORK: SEPT. 2,3,13,14, 1983

ON BEHALF OF

TEUTON RESOURCES CORP.

VANCOUVER, BRITISH COLUMBIA

REPPORT BY:

D. CREMONESE, P. ENG. 152 - 890 WEST PENDER STREET VANCOUVER, BRITISH COLUMBIA

JANUARY 6, 1984

CEOLOGICAL BRANCH ASSESSMENT REPORT

11,800

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INTRODUCTION

A. Property - Location, Access and Physiography

The property is situated approximately 15 miles north of Stewart. It occupies the western flank of the Bear River Ridge, in the area between Long and Divide Lakes. Easiest access is by way of the Big Missouri road network, with the last two or three miles by foot. Alternate access is directly by helicopter from Stewart.

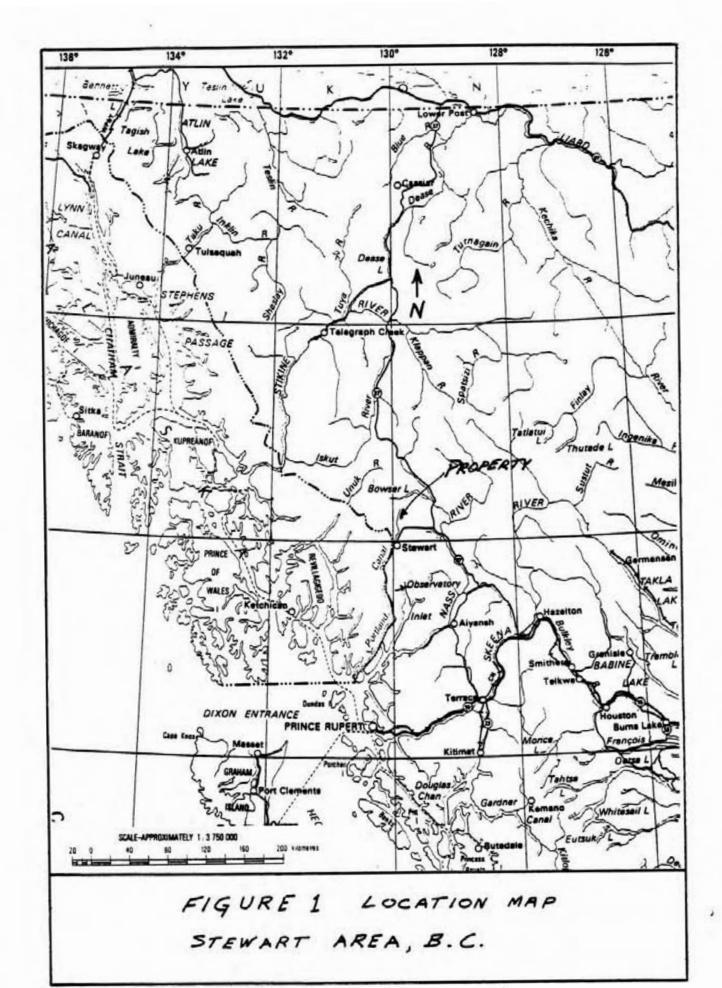
Elevations vary from 3,500 feet on the western boundary of the Elk claim near Cascade Creek to 5,700 feet at the height-of-land in the north-east quadrant of the Moose claim. Lower slopes in the Elk claim feature bare rock bluffs and talus slopes with occasional clumps of trees. Although there are many steep sections throughout the property, most of the claim area is safely accessible without mountaineering equipment. A large ice cap (which has been receding rapidly in recent years) occupies more than 50% of the Moose claim.

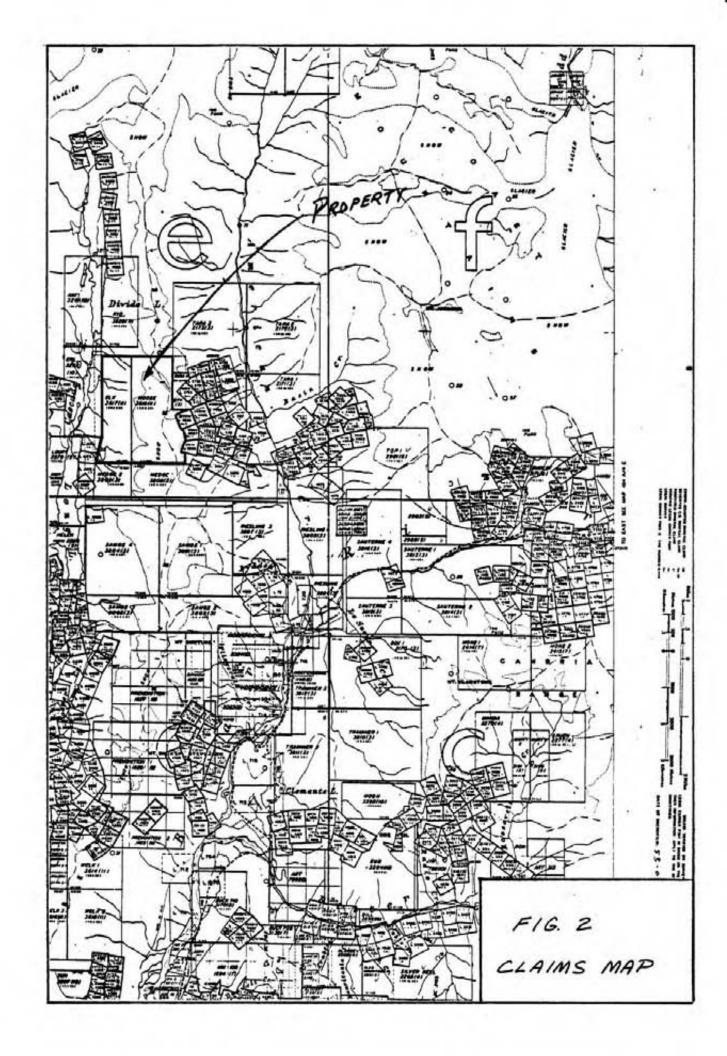
B. Status of Property

The Elk and Moose claims are presently owned by Teuton Resources Corp. of #152-890 West Pender Street, Vancouver, British Columbia. Relevant claim information is summarized below:

| Claim Name | Record No. | No. of Units |
|------------|------------|--------------|
| Elk | 3617(11) | 12 |
| Moose | 3618(11) | 18 |

The claims are situated in the Skeena Mining Division. They are shown on Fig. 2.





C. History

The property is believed to cover the old Silver Crown group of 19 mineral claims which last saw exploration activity during the mid 1960's. According to a B.C. Government map entitled "Mines and Prospects in the Stewart and Hyder Areas" (Ref. 1), the Silver Crown showing should be somewhere close to the border between the Elk and Moose claims towards the northern limit of the property. These showings reportedly consist of a number of veins, six inches to seven feet in width, in a 1,500 foot long north-northwesterly trending zone. The veins, mostly quartz breccia and carbonate lenses, fill fractures in Middle Jurassic Bowser siltstones and greywackes. In 1968, 33 trenches were put in on the veins disclosing silver/lead/zinc mineralization (Ref. 1).

The property also abuts to the east the old Spider group crown grants. Extensive development of quartz veins on the Spider No. 3 crown grant has been carried out over a number of years. Several underground workings follow the principal vein structures and it is reported that small tonnage shipments from the property during the 1930's carried high-grade silver values (Ref. 3). Local rumour (Stewart) suggests that spectacular high-grade gold or electrum has also been found on the property. It is not known whether any work has proceeded on the Spider group in recent years.

The eastern edge of the Moose claim abuts the well-known, high-grade silver Mountain Boy group of crown grants. Renewed interest in precious metals has reactivated this old property; limited diamond drilling was carried out on some of the claims during fall of 1983. Results are not known.

D. References

- Grove, E.W. (1972): Geology and Mineral Deposits of the Stewart Area; B.C. Department of Mines and Petroleum Resources, Bull. 58.
- Grove, E.W. (1982): Unuk River, Salmon River, Anyox Map Areas;
 Ministry of Energy, Mines and Petroleum Resources.
- 3. Minister of Mines Annual Report, 1936, B. 28.
- 4. Mines and Petroleum resources Report, 1965., p. 50.

E. Summary of Work Done

Work was undertaken during the period September 2 - 3, 1983 and also the period September 13 - 14, 1983. Personnel included D. Cremonese, P. Eng., and Hans Foerster. The property was accessed from Stewart by truck along the Granduc Road, then east along the Big Missouri road. The last two miles or so were undertaken on foot. Work consisted of detailed prospecting of the areas designated on Fig. 3 (in map pocket). Samples taken were analysed by Acme Analytic Laboratories of Vancouver, B.C. Poor weather conditions and an early snowfall at high altitude restricted activities.

PROSPECTING REPORT

A. Preamble

Rock sample locations, air-photo lineaments, and geological contacts have been sketched on a 500 foot interval contour map reproduced in this report as Fig.3 - "Prospecting Work" (Map Pocket). Contours were traced from a standard N.T.S. topographic map for the region. Sample locations are approximate and have been charted according to field altimeter readings. Geological information presented in Fig. 3 was derived from Bull. 58, B.C. Department of Mines and Petroleum Resources (Ref. 1).

Rather than trace each of the field traverses undertaken (which would unduly clutter the map) the approximate boundaries of the two areas prospected have been outlined. The southern area is underlain mostly by siltstones/greywacke with the exception of the southwest corner which features the eastern edge of an augite diorite stock. The northern area prospected is underlain by siltstones and lithic/feldspathic wacke. Both areas contain minor exposures of pebble conglomerates.

The 1983 prospecting program emphasized investigation of the augite diorite in the southern area during the first visit to the property. The region and rocks around the legal post were also examined, both to familiarize with local geology and also to ascertain the southern limit of the claims. The second area prospected (during the last visit) was covered in an unsuccessful attempt to locate the Silver Crown showings.

B. Results

The target of the first trip to the property, September 2 and 3, 1983, was the augite diorite stock in the southwest corner of the Elk claim. This stock hosts silver/gold bearing veins in the Spider group crown grants to the west. Some time was spent on the Spider property, itself, in order to familiarize with local veins and mineralogy. Thereafter a line was run due west from the Legal Post in order to define the southern boundary of the claim. Although the exposed sections of augite diorite in the southwest corner of the claim were carefully prospected, no mineralized structures of sufficient size were noted. Detailed prospecting of the creek bed ("Creek #1-Fig. 3) uncovered several float samples, mineralized with quartz and pyrite (in vugs). Assays by Acme Analytical Laboratories of Vancouver using standard fire assay techniques showed the following:

| Sample Name | Ag (oz/ | ton) Au | (oz/ton) |
|-------------|---------|---------|----------|
| Dru-1 | 1.04 | | 0.021 |
| Dru-2 | 0.94 | | 0.032 |
| Dru-3 | 0.31 | | 0.008 |
| | | | |

The float samples contained quartz without inclusions or wall-rock fragments. Prospecting of the drainage of both Creeks #1 and #2 failed to disclose the source of the float or any other interesting mineralization.

A second visit to the property was made September 13 and 14, 1983 is an unsuccessful attempt to locate the showings on the old

Silver Crown property (as described in the History section). Because of an early snowfall, levels above 4,200 feet were not accessible for any meaningful prospecting. Bad weather and heavy mist during both days interfered with efforts to prospect the lowerlying areas. Although numerous small, lensoidal quartz veins were found, these are typical of the Bowser sediments throughout the Stewart complex and are not of economic importance. No samples were taken.

C. Conclusions

Minor amounts of gold and silver were found in quartz float samples in a creek draining the southern portion of the Elk claim. Attempts to locate the old Silver Crown showings were frustrated by an early snowfall (these showings are reported to lie between 4,500 and 5,500 foot elevation: Ref. 1).

Although preliminary investigation of the augite diorite stock in the southwestern portion of the claim failed to uncover any veins in place, more work is recommended in this area because of the favourable geology.

In order to increase the likelihood of finding the Silver Crown showings, it is recommended that next year's program involve a helicopter camp at 4,800 to 5,000 foot elevation in the northern portion of the property. This camp would also serve as a base for reconnaisance of ablation areas on the western edge of the Mountain Boy crown grants. Preferably, this exploration should take place in mid-summer so as to avoid early snow.

Respectfully submitted Discharrence, P. Long. Jan. 6, 1984

APPENDIX I - WORK COST STATEMENT

Field Personnel: .

| Dino Cremonese, P. Eng. | |
|--|----------------------|
| Sept. 2,3,13,14 (1983) | \$ 1,200 |
| 4 days @ \$300/day | \$ 1,200 |
| Hans Foerster, Assistant | |
| Sept. 2,3,13,14 (1983) | |
| 4 days @ \$200/day | 800 |
| Food: 8 man-days @ \$25/day | 200 |
| Field Supplies: Topfill, flagging, etc. | 24 |
| Truck Rental: 4 days @ \$30/day (All-found) | 120 |
| Analysis: Acme Analytical Labs. | |
| 3 Au/Ag fire assays @ \$12.50 each | 37.50 |
| General Transportation: Vanc/Stewart/Vanc. 20% of \$1,320 | 264 |
| 20% 01 \$1,320 | 201 |
| Report Costs: | |
| D. Cremonese, P.Eng Report preparation | |
| 1 1/2 days @ \$300/day | 450 |
| George Toop - Draughting | 00.00 |
| 4 1/2 hours @ \$15/hr. | 67.50 |
| Maps, copies, blow-ups, jackets, etc. | 42 |
| Word Processor: 3 hrs. @ \$25/hr | 75 |
| TOTAL. | \$3,280.00 |
| TOTAL | φ3,200.00 ======= |

APPENDIX II - CERTIFICATE

- I am a consulting engineer (metallurgical) with an office at Suite 152-890 West Pender Street, Vancouver, British Columbia;
- I am a graduate of the University of British Columbia (B.A. Sc. in Metallurgical Engineering, 1972 and L.L.B., 1979;
- 3. I am a Professional Engineer registered with the Association of Professional Engineers of the Province of British Columbia as a resident member (#13,876);
- 4. I have practiced my profession since 1979;
- This report is based upon work carried out on the Elk and Moose claims, Skeena Mining Division in September 1983.
- 6. I am a principal of Teuton Resources Corp., owner of the Elk and Moose claims: this report was prepared soley for satisfying assessment work requirements in accordance with government regulations.

Dated at Vancouver, British Columbia, this 6th day of January, 1984.

Dino Cremonese, P. Eng.

ACME ANALYTICAL LABORATORIES LTD. 852 E. HASTINGS, VANCOUVER B.C. PH: 253-3158 TELEX: 04-53124

DATE RECEIVED SEPT 15 1983

DATE REPORTS MAILED SEA

ASSAY CERTIFICATE

SAMPLE TYPE : ROCK - CRUSHED AND PRULVERIZED TO -100 MESH.

DER DEAN TOYE, CERTIFIED B.C. ASSAYER

ARCHAEAN RESOURCES CORP FILE # 83-2165

PAGE# 1

| SAMPLE | AG | AU |
|---------|--------|--------|
| | DZ/TON | OZ/TON |
| HI-QTZ | 1.02 | .011 |
| -GERI-1 | 04 | -005 |
| -DIP | 1.31 | - 003 |
| H-I-P | 1.54 | -001 |
| OLAC | 1.18 | -002 |
| FLOAT | .09 | -004 |
| MYS | 10.04 | -03B |
| TENN | 3.48 | .054 |
| DRU-1 | 1.04 | .021 |
| DRU-2 | .94 | .032 |
| DRU-3 | .31 | .008 |
| | | |

