83-#739 - 12077

12/84

IMPACT RESOURCES INC.

213 - 1999 MARINE DRIVE

NORTH VANCOUVER, B. C.

GEOLOGICAL SUMMARY

on the

CENTRAL ZEBALLOS, SCAFE, BRITANNIA B, and BRITANNIA M CROWN GRANTED MINERAL CLAIM GROUPS

BIBB CREEK - ZEBALLOS RIVER AREA

ALBERNI MINING DIVISION

ZEBALLOS, BRITISH COLUMBIA

Lat. 50 ° 02' N.

by

G. E. FJETLAND, B.Sc.

STRATO GEOLOGICAL ENGINEERING LTD.

103 - 709 DUNSMUIR STREET

VANCOUVER, B. C. V6C 1M9

September 24, 1983

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INTRODUCTION

Pursuant to a request by the directors of Impact Resources. Inc. a geological exploration program was conducted on the Central Zeballos, Scafe, Britannia B, and Britannia M claim groups located some 11 kilometers northeast of the village of Zeballos. B. C. Field work was carried out by Strato Geological Engineering Ltd. during the period August 12 to September 2, 1983 and included geological mapping, prospecting, and the location and examination of numerous old workings.

SUMMARY AND CONCLUSIONS

The Impact Resources Inc. properties, comprising some 20 Crown Grants and Reverted Crown Grants, make up the Central Zeballos, Scafe, and the Britannia "B" claim groups as a contiguous block situate on the north slope of Lukwa Mountain. The Britannia "M" claim group, consisting of 6 Crown Grants, is located some 2.7 kilometers to the south near the headwaters of Spud Creek.

Results of the reconnaisance exploration program have located five mineral targets considered to have good economic potential within the northern group of claims and two targets within the southern Britannia M claim group. Several new veins and mineral zones have been located. Some of thes veins may prove to be associated with previously known veins. Sampling of two skarn zones has shown the presence of precious metals along with good copper values and these zones should be further examined to define their extent and economic potential.

All vein systems encountered on the properties have indicated potential for good strike length and further work is strongly recommended. A program of geophysical testing and trenching is recommended to define the extent and the economic potential of the located mineral targets.

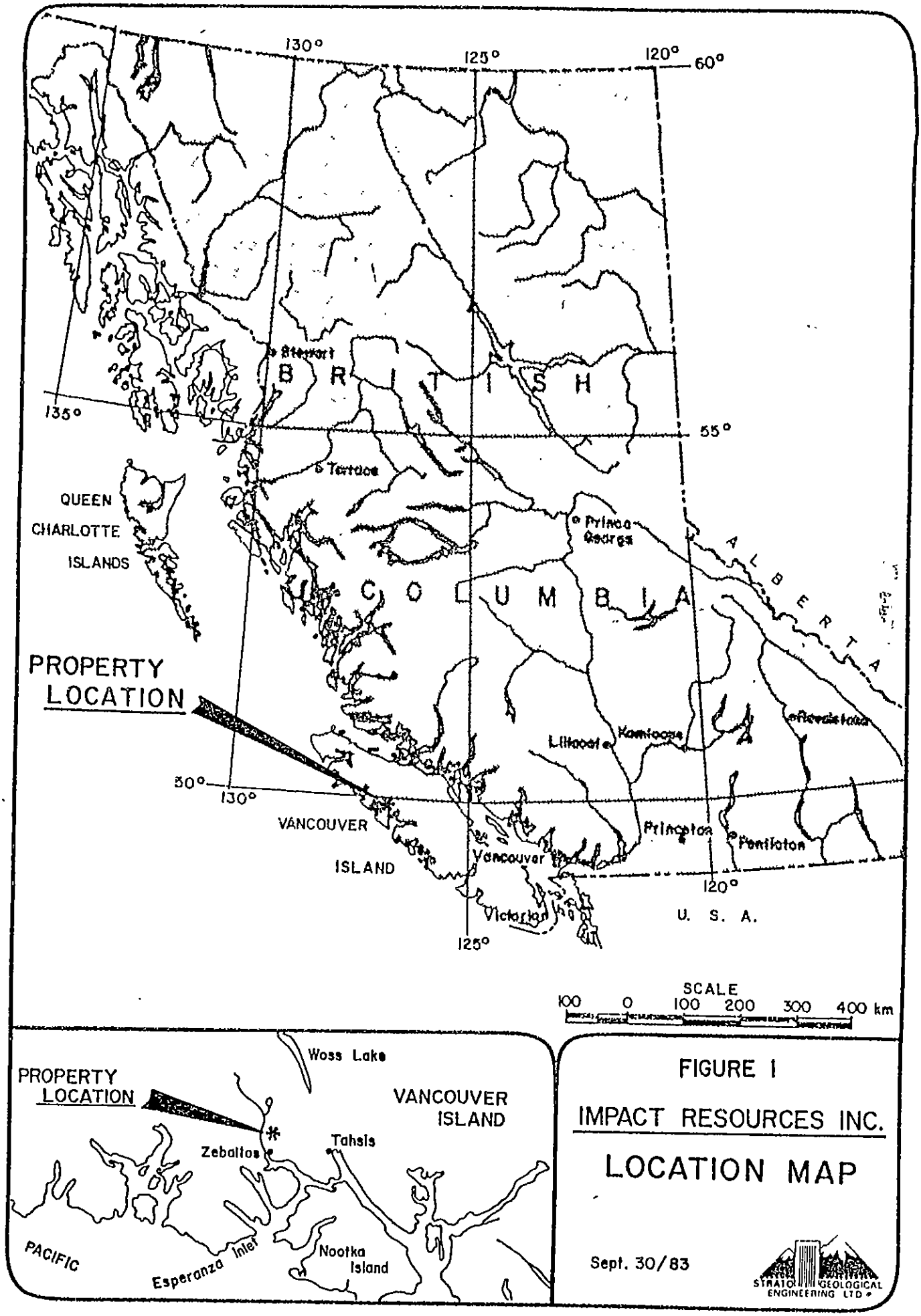

FIGURE 1

IMPACT RESOURCES INC.

LOCATION MAP

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LOCATION, ACCESS, TOPOGRAPHY

The claim groups are located on the west coast of Vancouver Island close to the village of Zeballos. Access from Campbell River, B.C. is via gravel road to the Village of Zeballos and by logging roads for some 5 km. to within hiking vicinity of the claims. The ground lies within the valleys of Bibb Creek, Gold Valley Creek and Spud Creek. A four-wheel drive vehicle with good clearance is necessary for logging roads which provide access to lower elevations in the northern claim areas.

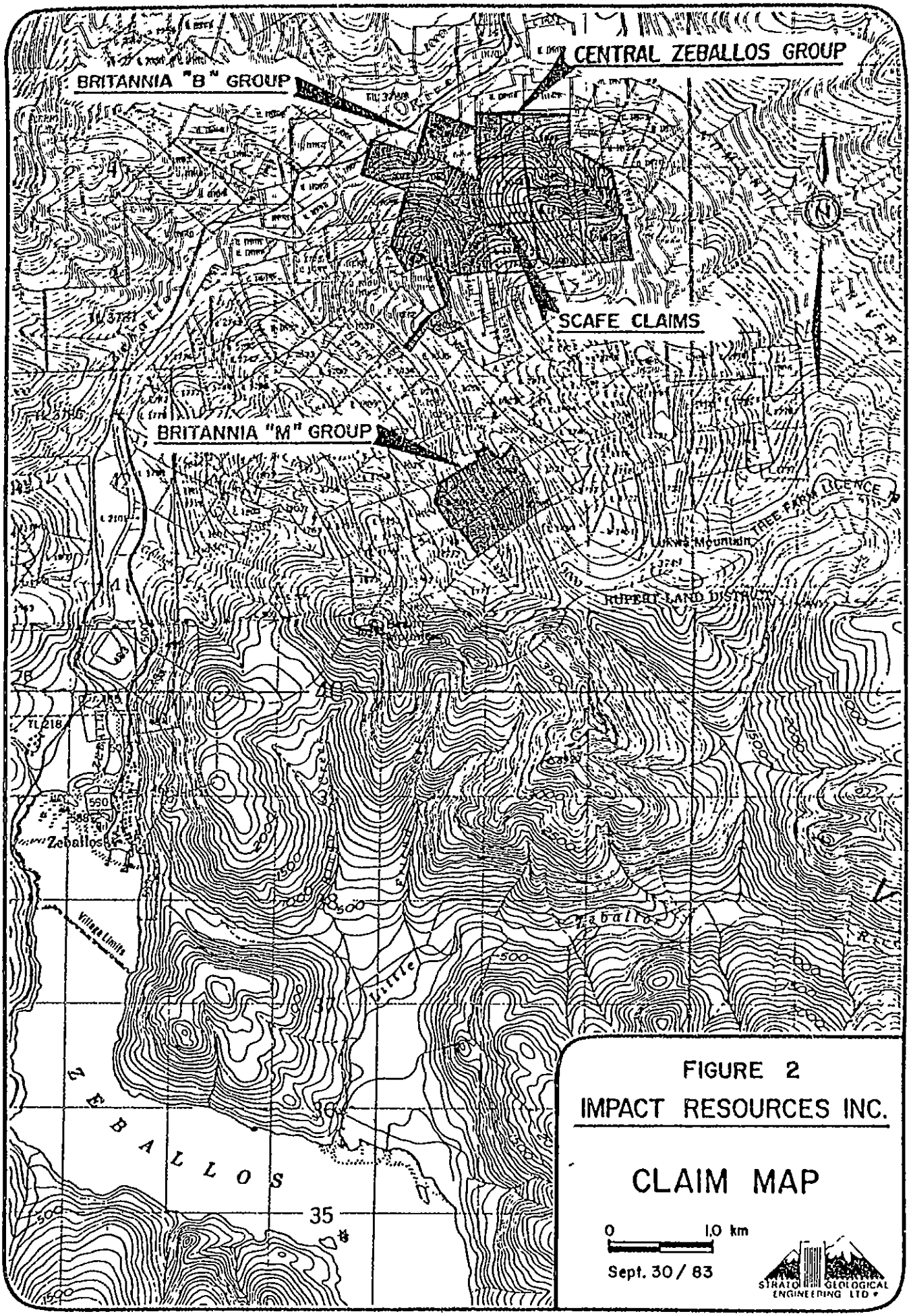
Topographic relief in the area is moderate but rugged. Elevations vary from a low of less than 100 meters near the Zeballos River to over 1000 meters above sea level in the southern portions of the claims. Many slick cliff and rock faces are found in areas covered by tall, first-growth forest. Generally the sidehills are steep with little to no underbrush.

Excellent weather conditions were encountered during the survey period. The area generally has heavy rainfall with average yearly precipitation of 4.5 meters in the Village of Zeballos and over 6 meters in the surrounding mountains.

HISTORY

The history of the Zeballos Mining Camp is extensive. The discovery of placer gold on the Zeballos River in 1904 led to the finding of high grade gold quartz veins and by 1929, with some forty claims having been staked, the first gold production from this camp was recorded. In 1934 the community of Zeballos was founded and by 1938 some thirty properties were in the process of constructing milling plants and shipping gold. Gold production, which peaked in 1940 with the shipping of 72,700 ounces of gold, was curtailed by the Second World War. By 1948 operations had resumed and gold production from the camp was recorded as 287,811 ounces.

The Central Zeballos vein, discovered in 1927 by O.T. Bibb near the headwaters of Bibb Creek, led to the formation of Central Zeballos Gold Mines Limited in 1938. The next year Reno Gold Mines of Vancouver acquired a 40% interest in the property and the mine became known by that name. By 1947, when operations ceased, the Central Zeballos mine had treated 41,655 tons of ore yielding 20,472 ounces of gold and 14,618 ounces of silver. The


CENTRAL ZEBALLOS GROUP
BRITANNIA "B" GROUP
SCAFE CLAIMS
BRITANNIA "M" GROUP
TREE FARM LICENCE
RUPERT LAND DISTRICT
Zeballos
Village Limits
ZEBALLOS
35
FIGURE 2
IMPACT RESOURCES INC.
CLAIM MAP
0
1.0 km
Sept. 30 / 83
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average grade is calculated at 0.491 ounces of gold per ton.

The Britannia B claims and the Britannia M claims were originally staked and explored by the Britannia Mining and Smelting Company. During the years of 1938 and 1939 numerous veins were located and the most promising of these were explored by adits. Although results were encouraging production was not undertaken due to the remoteness of the area, existing mining technology, and the fixed price of gold.

SURVEY PROCEDURE

A base camp was established near the number nine portal of the Central Zeballos mine. Work performed common to all properties was geological mapping, the location and sampling of old workings, and prospecting. A partial description of the work is as follows:

1. Trenches cross-cutting the Central Zeballos vein between the east and west canyons of Bibb Creek were located, flagged, and sampled where possible. These trenches are for the most part overgrown and collapsed.

2. The Central Zeballos vein west of West Canyon was traced, sampled, and flagged for its length to the third open slope. Repeated efforts to locate the westward extension of this vein were frustrated by heavy overburden and steep terrain. The average strike of the vein (270 degrees) was flagged to the west, over and down the mountain to an elevation of 300 meters (the No. 2 portal elevation).

3. Two skarn zones, North and South of the main gold vein, were also mapped, sampled, and flagged. Old diamond drill holes on the South skarn were located and marked.

4. On the Scafe and Central Zeballos properties a proposed access road was surveyed and flagged. This road should cut the westward projection of the Central Zeballos vein and provide access to the North skarn zone.

5. On the Britannia B property the adits of the Dyke and End veins were located and sampled. The eastward projection of the End vein was flagged down to a new logging road on this claim group.

6. Also located, mapped, and sampled were numerous, previously undescribed veins and mineralized zones. Two new road cutbank outcrop sections were sampled and mapped in detail.

7. On the Britannia M property several old adits were located, sampled, and flagged. A route to the adits from the road was flagged and the area was generally prospected.

Results of the survey work are presented as Figures 4 through 8.

REGIONAL GEOLOGY

Rock formations of the area range in age from Mesozoic to recent. The oldest rocks in the vicinity are the Karmutsen Volcanics, a thick pile of intermediate, fine-grained extrusives. These are overlain by the Quatsino Limestones, regionally metamorphosed and locally skarned. The limestone is intercalated with the Bonanza Volcanics, consisting of intermediate pyroclastics with flows.

These early formations were replaced and intruded by two batholiths known collectively as the Zeballos Batholith. The first was granodiorite in composition and the second quartz diorite, both of Jurassic age. The quartz diorite intrusion has been accurately dated at 38 Ma.

In the late stages of the quartz diorite intrusion, quartz veins were emplaced through all competent rock formations in the area. Mafic and felsic dykes which were emplaced last. Recent sediments were deposited in the final glaciation of the Quarternary period.

PROPERTY GEOLOGY

Granodiorite

The granodiorite batholith is the dominant rock unit of the Central Zeballos property and a major unit of the Scafe claims. Its western contact, trending northwesterly through the Scafe Claim group, is with the quartz diorite and its northern contact

6	Coast Intrusions (Zeballos Batholith)
3,4,5	Bonanza Group
2	Quatsino Group
1	Karmutsen Group

FIGURE 3

IMPACT RESOURCES INC.

REGIONAL GEOLOGY MAP

1.0 0 1.0 km

Sept. 30/83

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is with the Quatsino Limestone on the Central Zeballos claims.

This granodiorite unit is divisible into two types based on color and composition; the darker type being melanocratic and the lighter type leucocratic. The melanocratic granodiorite has a higher percentage of the mafic minerals, biotite and hornblende and is by far the most prevalent type. The rock is homogenous, medium-grained, hypodiomorphic and may locally contain pyrite disseminations. The field relationship between the melanocratic and leucocratic granodiorite is gradational but generally the leucocratic type is confined to the southern portion of the Central Zeballos property and cuts the melanocratic granodiorite as dykes.

Field evidence supports the granitization of the granodiorite unit. Many altered mafic xenoliths (remnants of a replaced volcanic unit) can be found in the granodiorite. As well, the composition of the granodiorite becomes noticeably more calcic as the contact with the limestone is approached.

Quartz Diorite

The quartz diorite batholith is the predominant rock unit of the Britannia B and the Britannia M claim groups and a major unit of the Scafe claims. The eastern contact of this unit is with the granodiorite and its western contact with Bonanza Group volcanics. The quartz diorite resembles the granodiorite: medium-grained, hypidiomorphic, homogenous but with a better "salt and pepper" texture and with glassy quartz crystals. The rock is generally fresh but can give the soil overburden a gossanous appearance. Composition is approximately 40% quartz, 40% plagioclase, and 20% biotite and hornblende.

Intrusive Complex

The intrusive complex is found to the north of the quartz diorite batholith in the Britannia B property. It is an elongate zone, an area which has been subjected to repeated acid intrusions, whose northern limit is lost under valley sediments. Originally the rock may have been a diorite but this has nearly been obscured through repeated mafic dyke, quartz diorite and quartz vein intrusions. The rock is shattered and anisotropic and hence quartz veining is not expected to carry through in a regular fashion.

Dykes

Mafic feldspar porphyry dykes are common throughout the properties and are generally found on strike with the dominant

cleavage. They are non-mineralized and suspected as being post-quartz vein. Occasional aplite dykes, felsic dykes and lamprophyre dykes are also found throughout the area.

Limestone

The Quatsino Limestone is a marine biostone found throughout much of Vancouver Island and the Gulf Islands. On this property it underlays and overlays a thickness of volcanics which has been intruded and "granitized" by the granodiorite. The limestone thus appears as two tongues, the upper to the south of the granodiorite and the lower to the north.

The limestone body consists of an intimate mixture of dolomite $(Ca,Mg)CO_3$ and calcite $CaCO_3$. It is believed that the body was originally of calcite and later replaced by dolomite. The dolomite, comprising a majority of the body, is white in color while the calcite is light grey. Calc-silicate bands run discontinuously through the limestone but this condition exists mainly in the upper body or the south tongue.

The limestone has been largely metamorphosed by the batholith intrusions. Thus it is coarsely crystalline and the bedding has generally been lost although indications are that the beds dip steeply south.

MINERALIZATION

Central Zeballos Quartz Vein

Of prime interest on the Central Zeballos and Scafe claim groups is the gold-bearing quartz vein which the former Reno Mine worked. This vein is found in the melanocratic granodiorite and for part of its length follows a feature readily observable on air photos.

The vein was exposed and examined on the surface at several points in an attempt to follow its westward extension. The vein was found to share a multi-event geological environment. From limited surface exposure it is discernable that the fissure represents a zone of weakness in which various intrusions, possibly magmatic differentiates occurred. The quartz vein represents one event, a mafic feldspar porphyry dyke a second, an aplite dyke a third, a felsic dyke a possible fourth and a leucocratic granodiorite dyke a fifth.

Locally the vein is accompanied by the leucocratic dyke. The dyke is of limited extent and hence cannot be used as an exploration tool. The same is true of the aplite dyke, at one point 75 cm wide, which rapidly pinches and is lost and of the mafic dyke whose western terminus is observable in the north wall of the first open slope.

This quartz vein varies only slightly in appearance with its width varying from 5 to 25 cm. It is heavy with sulfides, chiefly pyrite with arsenopyrite. There is about 2 cm of white gouge on the south wall and the wallrock is bleached for some 10 cm. The vein was not observed to be vuggy.

Although the surface extension of this vein to the west was hindered by heavy overburden and steep terrain, the examination of mine documents and air photographs indicates that the vein does extend into the quartz diorite unit on the Scafe claim group. A bearing of 270 degrees, or 090 degrees west, following the projected vein extension into the quartz diorite was flagged. Subcrop of quartz vein in the quartz diorite was found near this flagged line. This too is an indication of good vein extension.

Other Quartz Veins

On the Britannia B claims several old adits and veins were located and sampled and other previously undescribed veins were located. A vein located on the west bank of the Gold Valley Creek below the junction with Moncton Creek requires more extensive detail exploration. Hosted in quartz diorite, the vein is approximately 10 cm wide, vuggy, and heavy in sulfides (chiefly pyrite with chalcopyrite and sphalerite). Historically sphalerite in the area has been associated with gold. This previously undescribed vein has been named the Impact vein. (Sample BB-013-83).

Another new vein was located high on the west side of Gold Valley. It is about 3 cm wide with moderate sulfides, pyrite only. Open space filling is minimal. There is a small amount of gouge on either side of the structure and the quartz diorite country rock is bleached for about 5 cm on either side of the vein. (Sample BB-001-83).

Below this last structure, on the logging road cutbank, an interesting section of quartz diorite outcrop was located and mapped in detail. Several quartz veins were found as well as molybdenite coating cleavage faces. Sample BB-003-83 was taken from numerous narrow quartz veins ranging in width from 0.4 to 2

cm. The quartz is vuggy with heavy sulfides (pyrite only) and graphite. A second sample (BB-004-83), taken fifty meters north along the cutbank, is from a vein having much gouge on either side with pyrite and graphite throughout. Vugginess is minor. A third sample from this showing was taken from a three cm wide quartz vein. This vein consisted chiefly of gouge with quartz and rusty pyrite (Sample BB-005-83).

Also located on the Britannia B group was a showing within the Intrusive complex. A number of veins, exposed in the logging road cutbank, are of good character but because they were hosted in the Intrusive complex the question of continuity of these veins is open. Indeed, in the limited exposure provided by the cutbank, the veins were observed to pinch considerably (Samples BB-008-83, BB-009-83, BB-010-83, and BB-011-83).

Also sampled on the Britannia B property were quartz veins formerly explored by adits. These were the Dyke vein and End vein. The Dyke vein was vuggy, with heavy pyrite. The wallrock was sericitized for up to one meter on either side of the vein (Sample BB-002-83). The adit is in good shape with the timbers unrotted but the adit is knee deep in water. Records indicate the adit is some forty feet in length.

The End vein is found along the geologic contact between the quartz diorite and Intrusive complex. Its width is 22 cm with moderate sulfide content including pyrite and galena. Galena has a proven association with gold in this camp. This quartz vein is not vuggy and has much white gouge associated with it (Sample BB-006-83). The adit is found at the top of a gully near the remains of a cabin. It is in good shape with knee deep mud and water. Records indicate it is some forty feet in length.

Britannia M Veins

The Free Gold vein is found in quartz diorite. The vein is sulfide poor with some blue gouge on the south hanging wall. The quartz is vuggy and pinches and swells from 7 to 17 cm. This adit, difficult to find as it was hidden in bushes and nearly filled by debris, it is in good shape and was entered for a short distance to obtain Sample BM-001-83. Records indicate that the adit is more than 120 feet in length and that 98 feet along the drift, the vein splits into two stringers approximately four feet apart.

The Long vein and adit were located but the vein could not sampled due to the poor and dangerous condition of the adit.

The Cliff vein is found a short distance from the Long vein

along a good (and flagged) trail. The adit is driven a on fissure and is in excellent shape with only a shallow depth of mud on the floor. The Cliff vein is 7 cm wide and has moderate pyrite and graphite. The width is constant with little swelling and hence no gouge is present. At least two events of veining are present and the quartz diorite country rock has been altered for a short distance (Sample BM-002-83).

Skarns

In the Quatsino Limestone, near its contacts with the granodiorite are skarns consisting mainly of grossularite garnet, diopsides, delcite and sulfides. These two skarns are found in the south and north bodies of the Quatsino Limestone.

The south skarn has been previously explored. The Silver Standard-Granby Prospecting syndicate work program consisted mainly of surface trenching and sampling. Results indicated a total length of sulfide lenses as 985 feet with an average width of over six feet and a grade better than 2% copper. Consolidated Skeena Mines Ltd., on a later option, mapped, soil sampled, and diamond drill tested the skarn. Their results indicated a larger ore body with the best drill results showing a value of 0.10 ounces gold, 3.00 ounces silver and 3.10% copper over a core intersection of 6.5 feet at a depth of 291 feet. The skarn was mapped and sampled as shown in Figure 4.

The North skarn, located near the northeast corner of the Scafe claim group, has been explored only by surface prospecting. Mapping indicates a cupiferous skarn zone in the limestone that consists of chalcopyrite and bornite with pyrite closer to the granodiorite contact. Further away from the contact, i.e. to the North, magnetite becomes the dominant mineral. Limited rock exposure did not allow an estimation of the size of the mineralized zone and further detail work should be completed to determine the extent of the zone.

Other Mineralization

Molybdenite was found on the Britannia B property. It is cleavage coating on steeply north dipping faces and is accompanied by minor quartz and pyrite. Hornblende is porphritic on some cleavage faces. The molybdenite zone is some sixty meters wide with the heaviest coatings in the center of the zone, diminishing to either side. The mineral is not found disseminated through the quartz diorite. This showing is exposed in a logging road cutbank along with quartz veins (Figure 7).

Another showing investigated was a calcite vein exposed in

Moncton Creek. The country rock was quartz diorite and the vein is not vuggy and has moderate sulfide content (Sample BB-007-83).

SAMPLE DESCRIPTION

CZ-001-83	Quartz vein and gouge, 24 cm width. Heavy in sulphides (chiefly pyrite) A grey mineral,possible arsenopyrite, constitutes one half of sulphides.
CZ-001-83A	Aplite dyke. Against quartz vein, contains pyrite, 76 cm. width.
CZ-002-83	Quartz vein, 5 cm. width, moderately heavy sulphides, chiefly pyrite with galena. Approximately 2 cm gouge on south side of vein.
CZ-101-83	Mafic dyke, with light pyrite disseminations, non-porphyritic.
CZ-102-83	Skarn. Heavy sulphides, pyrite and calcopyrite and garnet.
CZ-103-83	Skarn. Moderately heavy sulphides, pyrite and chalco-pyrite.
CZ-104-83	Skarn. Moderate sulphides. Malachite, pyrite, and grossularite.
CZ-105-83	Skarn. Massive sulphides, chiefly pyrite with magne-tite. Sample from sulphides only.
CZ-106-83	Same site as CZ-105 but from Skarn only. No visible sulphides.
CZ-107-83	Skarn. Massive magnetite.
BB-001-83	Quartz vein, about 3 cm. wide, little or no open space filling. Moderate pyrite, narrow width of gouge on either side of vein.
BB-002-83	Quartz vein (Dyke vein) Vuggy, multi-event vein with moderate pyrite.
BB-003-83	Numerous narrow quartz veins ranging in width from 4 mm. to 2 cm. Vein is vuggy with heavy pyrite and graphite.
BB-004-83	Quartz vein, 3 cm. width, moderate pyrite, not vuggy.
BB-005-83	Sample mainly gouge with quartz, not vuggy. Pyrite present but rusted. Sampled area 5 cm. wide.
BB-006-83	Quartz vein (End vein). Width 22 cm., moderate pyrite and galena, not vuggy, quartz has much gouge with it.
BB-007-83	Calcite vein. Width 8 cm., no sulphides but heavy gossan.

BB-008-83 Quartz vein. chiefly pyrite with quartz, vein pinches and swells. In Intrusive complex.

BB-009-83 Quartz vein. Much gouge, heavy pyrite and galena. Very vuggy, in Intrusive complex.

BB-010-83 Quartz vein of irregular width varying from less than 2 cm. to more than 4 cm. Sulphide rich, mainly pyrite, minor gouge.

BB-011-83 Quartz vein. Moderate sulphides including pyrite, sphalerite, and galena. Vuggy.

BB-012-83 Quartz diorite.

BB-013-83 Quartz vein (Impact vein) 10 cm wide, heavy sulphides chiefly pyrite with sphalerite, galena and possibly chalcopyrite. Vuggy.

BM-001-83 Quartz vein (Free Gold vein). Sulphide poor, pinches and swells from 7 cm to 17 cm. Blue gouge on south hanging wall.

BM-002-83 Quartz vein. 7 cm. wide, at least 2 veining events. Moderate sulphides, mainly pyrite with graphite. No gouge, width generally constant.

STRUCTURE AND CONTROL

Geologic structure of the area is simple and hence there are few controls on quartz vein emplacement. These few controls however are of paramount importance. Firstly the quartz veins are believed to be a late stage event of the quartz diorite, the last major geological event of the area. Thus we find the quartz veins emplaced through all units and they should be expected to be found in all units.

Secondly, the veins are emplaced in areas of least resistance and hence they are located in fissures and faults on the Central Zeballos, Scafe and Britannia M properties and as well on cleavage planes on the Britannia B and Britannia M properties. Two cleavages guide the quartz veins. They are oriented at approximately 050 degrees and 100 degrees, both dipping steeply south. Although the bearing of these two cleavages differ slightly over the region they appear to be the only surfaces on which veins are emplaced. It is reasonable to assume therefore that where these cleavages are not prominent or are lost, we will not find quartz veins. This conclusion is supported by field evidence.

ROAD ACCESS

There are two alternatives by which road access to the Central Zeballos property can be achieved. A road can be constructed for a distance of approximately 625 meters by the company. The second alternative would be to build a secondary road leading off proposed Tahsis Logging Co. roads to the desired location. Although Tahsis appears to have no immediate plans for construction of their proposed roads this possibility should be investigated further.

A proposed and flagged road access for the company is, from start to finish, approximately on the same elevation as the number two level adit of the Central Zeballos mine. The proposed road cut should reveal any extension of the Central Zeballos vein on the Scafe claim group and a short extension would provide access to the North Skarn zone.

RECOMMENDATIONS

Central Zeballos and Scafe Claims

Favourable geology and history indicate more extensive exploration should be rewarding. It is recommended that the surface expression of the Central Zeballos vein be traced west into Gold Valley. This can be done most economically by surface trenching and detailed geophysical survey methods. Both electromagnetic and very detail magnetic survey methods should be investigated.

It is also recommended that the eastward projection of the Central Zeballos vein be traced. Detail geological mapping may reveal whether the vein has been displaced or has been ended by a fault.

The extent of both the North and South skarns should be delineated using magnetics and soils geochemistry on a detail grid basis. Trenching and bedrock mapping and sampling would be recommended to further define targets for diamond drill testing.

Britannia "B" claims

A number of old adits should be reconditioned and resampled. Trenching and bedrock mapping and sampling is required to extend the vein systems. Records show the Wedge vein, still to be located and sampled, as having had encouraging assay results and a good orientation.

The Impact vein and Moncton Creek calcite vein should be traced, prospected and further sampled. Trenching on either side of the creek where overburden is shallow is recommended.

Other new veins exposed in logging road cutbanks and described within this report should similarly be traced, mapped, and sampled by trenching. All quartz veins are accompanied by some wallrock alteration and require more detailed investigation.

Britannia "M" claims

Three old adits should be reconditioned, sampled, and mapped. Favourable geology indicates that the vein systems should be traced by treching to provide bedrock geology and sampling. Extension of the veins to the southwest, where very heavy overburden is encountered, will require deep trenching or drilling.

All veins encountered require more detailed investigation and magnetometer and electromagnetic survey methods should be tested over known veins(ie. Central Zeballos vein). Providing geophysical methods prove useful in defining known structures the magnetic and electromagnetic methods should be used to trace other vein systems. Trenching to obtain bedrock geology and samples is thought essential to determine the economic potential of the numerous veins located by this initial survey program.

Respectfully submitted,
Strato Geological Engineering Ltd.

G.E. Fjetland, B.Sc.
Geologist

September 24, 1983

REFERENCES

Publications and reports, public and private, available to the writer and containing information pertinent to the property area and subject of this report are:

Bothwell, Report on the Central Zeballos Claims, 1937, for Britannia Mining and Smelting Co. Ltd.

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Stevenson, J.S. Lode Gold Deposits of the Zeballos Area, 1938, B. C. Dept. of Mines.

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Tully, D.W., Preliminary Report on the Former Central Zeballos Mine Property, 1981, for Impact Resources Inc.

Tully, D.W., Report on the Former Central Zeballos Gold Mine, Alberni M.D., May 1981, for Impact Resources Inc.

CERTIFICATE

I, GREGORY EDWARD FJETLAND, of the City of Vancouver, Province of British Columbia, hereby certify as follows:

1. I am a geologist employed by Strato Geological Engineering Ltd. with offices at 103 - 709 Dunsmuir Street, Vancouver, B. C. V6C 1M9.

2. I graduated with a degree of Bachelor of Science, Geology, from the University of British Columbia in 1982.

3. I have worked as a Geological Assistant each summer from May to September since 1979 with various Canadian frims.

4. I have no direct, indirect, or contingent interest in the securities or the properties of Impact Resources Inc., nor do I expect to receive any such interest.

5. This report, dated September 24, 1983, is based upon field examinations made by myself and Field Assistant Douglas Herriott during the month of August 1983 and on research of public and private data and reports pertaining to the area.

Dated in Vancouver, Province of British Columbia, this 24th day of September, 1983.

G.E. Fjetland, B.Sc.
Geologist.

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November 24, 1983

IMPACT RESOURCES INC.
212 - 1999 Marine Drive
Vancouver, B.C.
V7P 3E9

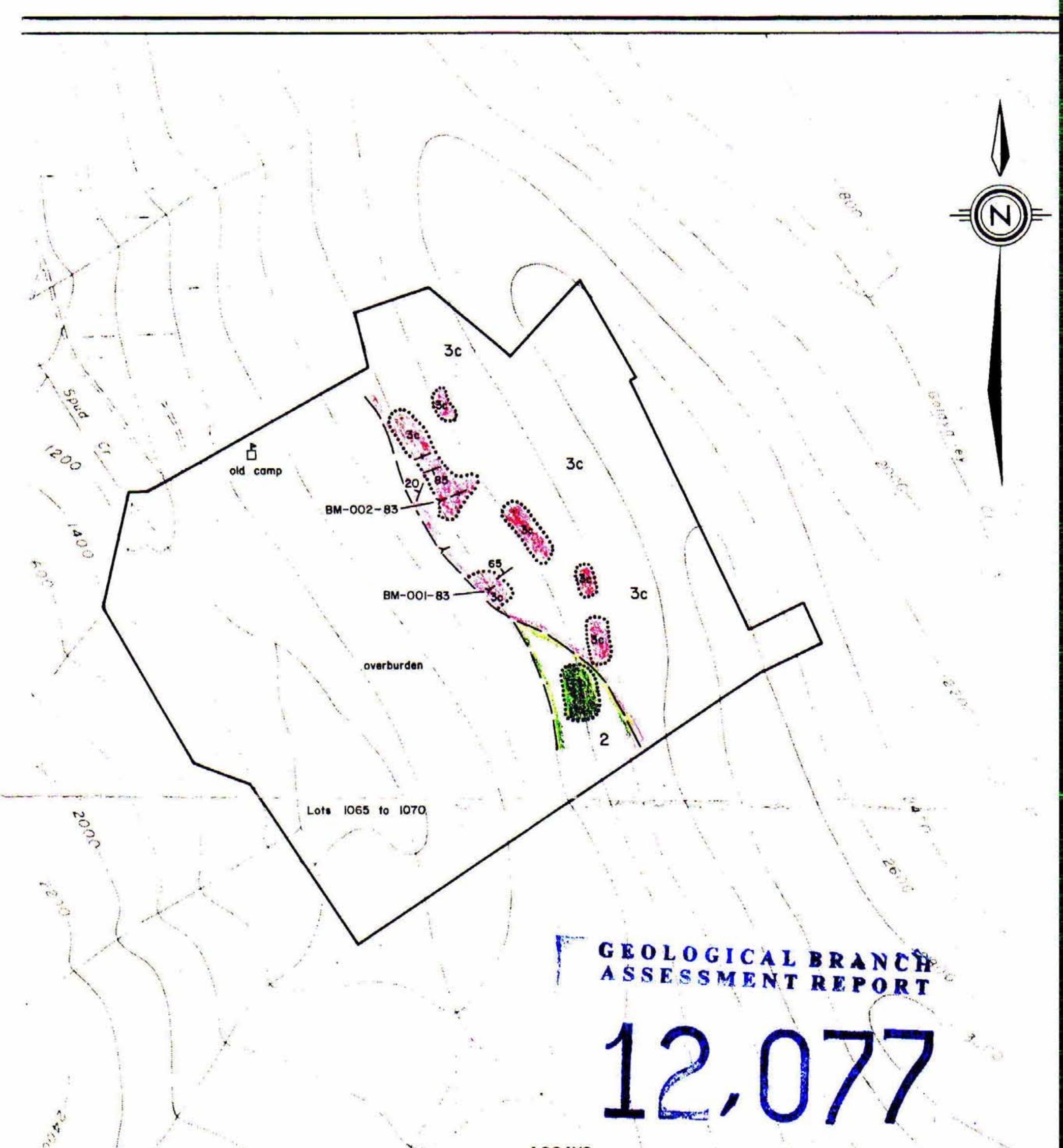
Attention: Mr. R. Kent

INVOICE

RE: ZEBALLOS CLAIM GROUPS - EXPLORATION PROGRAM.
- AS PER COST ESTIMATE DATED AUGUST 8, 1983.

TO:	CONTRACT PRICE - FIELD WORK Aug. 12 to Sept. 2/83 - 21 days @ $540/day. (incl. sample assays, etc.)	$11,340.00
	CONTRACT PRICE - Job prep., field report, field maps, etc.	1,610.00
	Drafting, Reproduction, etc. (re: D.W. Tully Report.)	478.56
	Additional Assays (Fire) for Au, Ag, & Cu.	364.80
	Total	$13,793.36
	Less Deposit	7,500.00
	Balance Due	$ 6,293.36
	1 month overdue (Nov. 13) @ 2%	125.87
	Balance Now Due	$ 6,419.23

THIRD NOTICE



ASSAYS

Sample No.	Au (oz/t)	Ag (oz/t, ppm)	Cu (%, ppm)	As (ppm)	Zn (ppm)	Pb (ppm)	Mo (ppm)
BM-001-83	1.380	-/9.7	-/97	4878	48	18	7
BM-002-83	0.102	-/1.8	-/101	7921	64	44	5

FIGURE 5

LEGEND

- 3c — Quartz diorite – contains quartz, plagioclase, biotite, & hornblende
- 2 — Intermediate volcanic extrusives – fine grained, dark green to black green
- Outcrop
- Adit (located)
- Geological contact (approximate)
- Road
- Bedding (inclined, vertical)
- Contour interval - 100 feet

To accompany a report by: D.W. TULLY, P.ENG. Sept. 30/83

IMPACT RESOURCES INC.

ALBERNI M.D. – ZEBALLOS, B.C.
BRITANNIA "M" CLAIMS

GEOLOGY

100 0 100 200 300 m

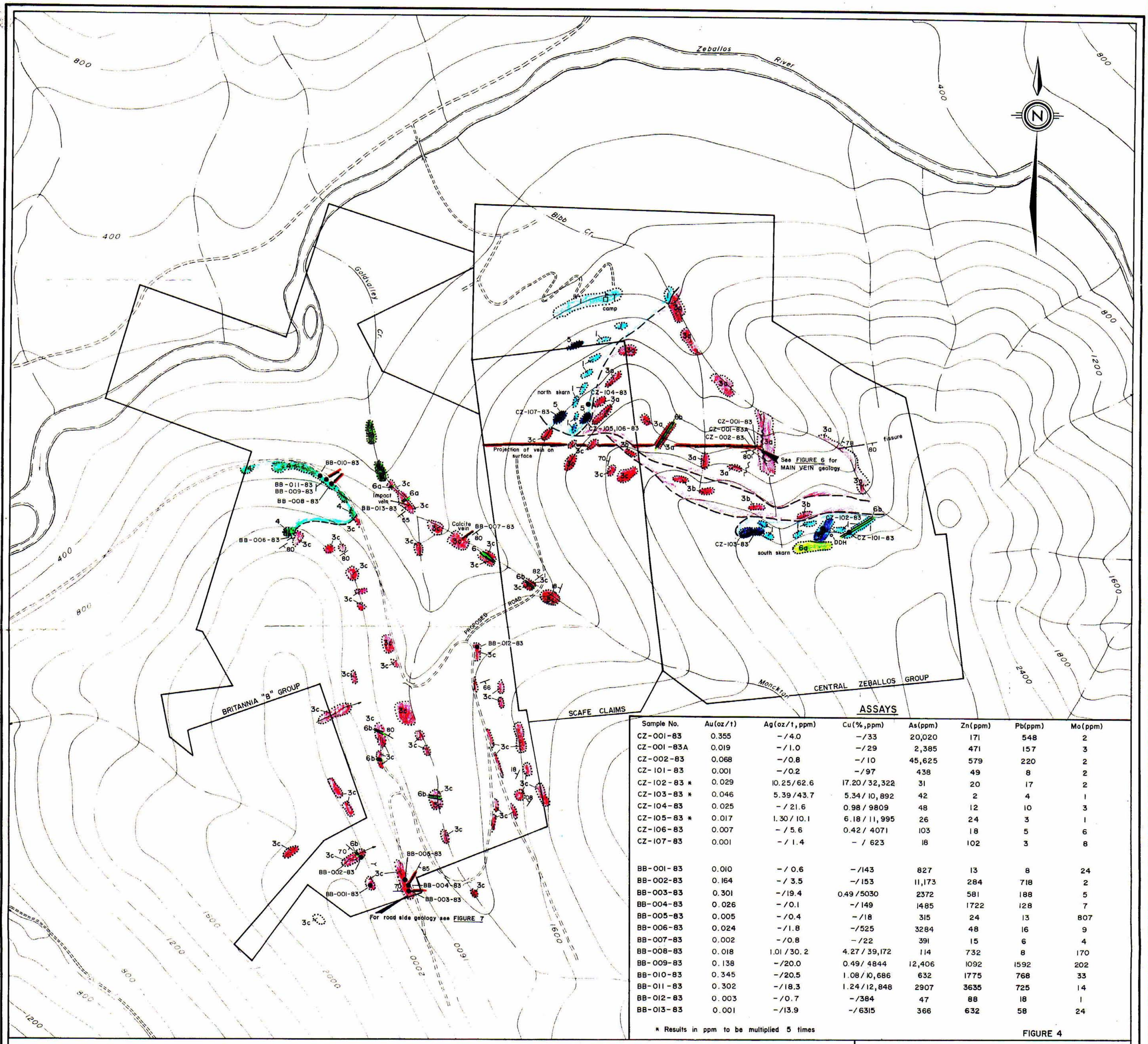
1:6000

To accompany a report by: G.FJETLAND B.Sc.
STRATO GEOLOGICAL ENGINEERING LTD.

DRAWN BY: GEF/DNH

DATED: Sept. 24/83

STRATO GEOLOGICAL ENGINEERING LTD.



ASSAYS

Sample No.	Au(oz/t)	Ag(oz/t,ppm)	Cu(%,ppm)	As(ppm)	Zn(ppm)	Pb(ppm)	Mo(ppm)
CZ-001-83	0.355	-/4.0	-/33	20,020	171	548	2
CZ-001-83A	0.019	-/1.0	-/29	2,385	471	157	3
CZ-002-83	0.068	-/0.8	-/10	45,625	579	220	2
CZ-101-83	0.001	-/0.2	-/97	438	49	8	2
CZ-102-83 *	0.029	10.25/62.6	17.20/32,322	31	20	17	2
CZ-103-83 *	0.046	5.39/43.7	5.34/10,892	42	2	4	1
CZ-104-83	0.025	-/21.6	0.98/9809	48	12	10	3
CZ-105-83 *	0.017	1.30/10.1	6.18/11,995	26	24	3	1
CZ-106-83	0.007	-/5.6	0.42/4071	103	18	5	6
CZ-107-83	0.001	-/1.4	-/623	18	102	3	8
BB-001-83	0.010	-/0.6	-/143	827	13	8	24
BB-002-83	0.164	-/3.5	-/153	11,173	284	718	2
BB-003-83	0.301	-/19.4	0.49/5030	2372	581	188	5
BB-004-83	0.026	-/0.1	-/149	1485	1722	128	7
BB-005-83	0.005	-/0.4	-/18	315	24	13	807
BB-006-83	0.024	-/1.8	-/525	3284	48	16	9
BB-007-83	0.002	-/0.8	-/22	391	15	6	4
BB-008-83	0.018	1.01/30.2	4.27/39,172	114	732	8	170
BB-009-83	0.138	-/20.0	0.49/4844	12,406	1092	1592	202
BB-010-83	0.345	-/20.5	1.08/10,686	632	1775	768	33
BB-011-83	0.302	-/18.3	1.24/12,848	2907	3635	725	14
BB-012-83	0.003	-/0.7	-/384	47	88	18	1
BB-013-83	0.001	-/13.9	-/6315	366	632	58	24

* Results in ppm to be multiplied 5 times

FIGURE 4

LEGEND

- Minor intrusive
  - a: Felsic intrusive
  - b: Mafic dyke
- Skarn: pyrite, chalcopyrite, magnetite, grossularite, diopside, calcite.
- Intrusive complex: volcanics, mafic dykes and diorite intruded by quartz diorite.
- Zeballos batholith
  - a: Granodiorite (melanocratic) – plagioclase, biotite, hornblende, minor quartz and pyrite.
  - b: Granodiorite (leucocratic) – plagioclase, quartz, lesser amounts of biotite and hornblende.
  - c: Quartz diorite – quartz, plagioclase, hornblende, biotite.
- Intermediate volcanic extrusive: fine grained, dark to black green.
- Quatsino limestone
- Bedding
- Geological contact (defined, approximate)
- Vein on surface
- Outcrop
- Rock sample location and number
- Fault
- Adit
- DDH
- Road
- Creek

Contour interval – 200 feet

To accompany a report by: D.W. TULLY, P.ENG. Sept.30/83

IMPACT RESOURCES INC.

ALBERNI M.D. – ZEBALLOS, B.C.

CENTRAL ZEBALLOS, SCAFE, BRITANNIA CLAIMS

GEOLOGY

100 0 100 200 300 m

1:6000

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