GEOLOGICAL BRANCH
ASSESSMENT REPORT

13,563

85-165-13563
3/86

GEOLOGICAL AND GEOCHEMICAL REPORT

CAMP 1 / RICE 1 - 4 MINERAL CLAIMS

Latitude 49°05' North
Longitude 119°05' West

N.T.S. 82E/3E
Greenwood Mining Division
British Columbia

for

REX SILVER MINES LTD.

Calgary, Alberta

by

Gordon L. Wilson, B.Sc.

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December 14, 1984

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AUTHOR'S QUALIFICATIONS

I, Gordon L. Wilson, of 60 Ranchridge Road N.W. in the City of Calgary in Province of Alberta, do hereby certify that:

1. I am a Project Geologist with the firm of Taiga Consultants Ltd., whose offices are located at Suite 100, 1300 - 8th Street S.W., Calgary, Alberta.

2. I am a graduate of the University of Calgary, B.Sc. Geology (1977).

3. I have worked in the field of mineral exploration since 1973.

4. I personally worked on the Camp/Rice claim group during the period September 28-29, 1984.

5. I have not received and do not expect to receive, directly or indirectly, any interest in the properties described herein nor in the securities of Rex Silver Mines Ltd., in respect of services rendered in the preparation of this report.

DATED at Calgary, Alberta, this 14th day of December, A.D. 1984.

Respectfully submitted,

G. L. Wilson

Gordon L. Wilson, B.Sc.

SUMMARY

During September 1984, the Camp/Rice claim group was revisited for a limited program of geological mapping, prospecting, blast trenching, and rock geochemical sampling. Several target areas received most of the attention: (1) the north-central part of the Rice 1 claim where prominent east/west trending I.P. and E.M. conductors were defined by Riocanex's 1970's ground geophysical surveys; (2) the east-central part of the Rice 3 claim where a number of economically significant gold-bearing veins and massive fulphide deposits occur within the altered Anarchist Group units; and (3) in the northeastern part of the Rice 2 claim where economically significant gold and silver values were previously obtained through sampling of a mineralized vein structure transecting the area.

On the Rice 1 claim, time did not permit a thorough evaluation of all the IP/EM conductors of Riocanex. However, four prominent conductors were trenched and sampled. The rocks encountered in the trenches were uniformly quartzite, moderately pyritized and rust-altered, containing zones of graphite. No quartz vein development was observed in the quartzite, although well silicified fractures were noted. Presumably, the above features are the source of the conductors. Each exposure was sampled, returning low Au-in-rock values.

On the Rice 3 claim, prospecting and geological mapping resulted in the delineation of an extensive sulphide lens of massive pyrrhotite and pyrite with lesser amounts of chalcopyrite, oriented along a splay of the regional Rock Creek Fault. No stratigraphic relationship within the deposit was observed. The mine-alization is more likely a contact metamorphic feature. Several old and long burned-out workings were located in the vicinity of the War Eagle claim; according to Annual Reports of the Minister of Mines, these workings were developed on this sulphide zone. Numerous other old workings were located to the west and south of the above, all being developed on subsidiary silicified and pyritized shear zones. Grab samples collected from float, outcrop, and boulders returned low gold values but anomalous silver values.

In the north-central and northeastern parts of the Rice 2 claim, a narrow but persistent fissure vein system transects the claim, oriented east-west. Several recent and old workings were located and sampled. The system is a hydrothermally-altered fracture/fault system with irregular vein development. Grab samples collected from mineralized outcrop along the structure returned economically significant gold and silver values. Some of the old workings are associated with the Old England / Victoria / Progress / Nighthawk group located in the early 1900's.

Additional detailed work is required to fully evaluate the above mineralized zones, all of which have returned economically important gold or silver values.

INTRODUCTION

On September 28 and 29, an eight-man crew carried out a limited exploration program on the Camp/Rice claim group near Camp McKinney. The objectives of the program were to evaluate by trenching a number of IP/EM conductors which are located on the Rice 1 claim; and to evaluate known mineralized structures occurring on the Rice 2 and 3 claims. A total of 44 rock samples were systematically and routinely collected from outcrop and boulders. All samples were submitted for Au only or Au/Ag/Cu/Pb/Zn. The Rice 1, 2, and 3 claims were mapped in detail at a scale of 1:5000.

Location and Access

The Camp 1 and Rice 1 - 4 mineral claims are located in N.T.S. 82E/3E (Figure 1), immediately southeast of Camp McKinney, and 11 km north of the Rock Creek bridge on Highway 3. The approximate geographic coordinates of the centre of the group are 49°05' North latitude and 119°05' West longitude.

Access to the central part of the claims is via the Baldy - Canyon Bridge road. The Eldon road, which parallels McKinney Creek, provides access to the western parts of the claims.

Property and Ownership

The property covers ground previously held by Canex Placer under the names of Baldy 1-12 and Rice 1-6 (early 1970's) and Hag 1-4 (mid-1970's), all now abandoned. The current Camp and Rice claims (Figure 2) are entirely owned by Rex Silver Mines Ltd. of Calgary, Alberta.

Claim	Units	Record		Date of Record
Camp 1	16	3677	-	March 29, 1983
Rice 1	20	3667	}	March 28, 1983
Rice 2	20	3668		
Rice 3	20	3669		
Rice 4	9	3670		
	85			

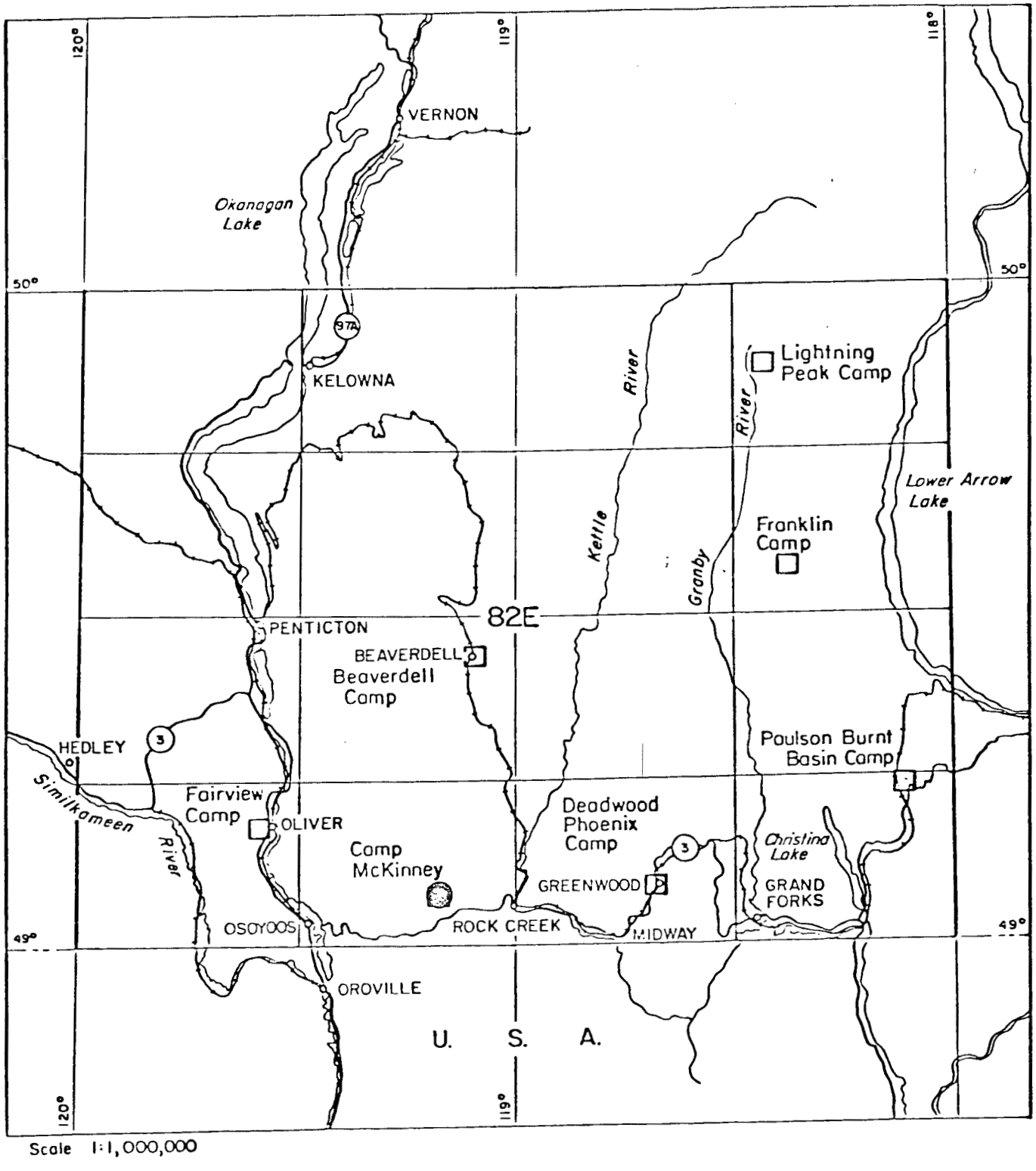
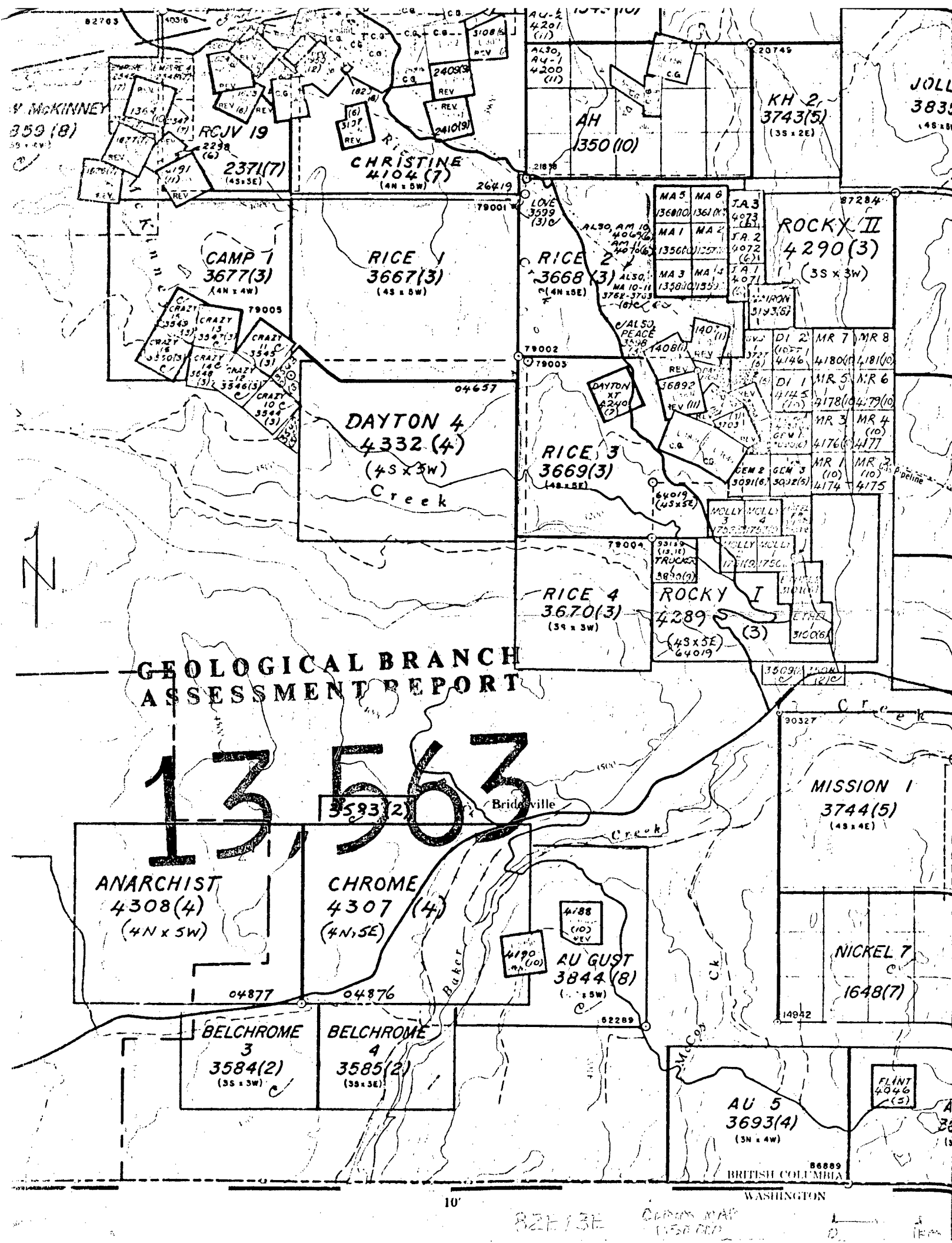


FIGURE 1

General Location Map


GEOLOGICAL BRANCH
ASSESSMENT REPORT
13,563
RCJV 19
2371(7)
(4S x 3E)
CHRISTINE
4104(7)
(4N x 5W)
CAMP 1
3677(3)
(4N x 4W)
RICE 1
3667(3)
(4S x 5W)
RICE 2
3668(3)
(4N x 5E)
ROCKY II
4290(3)
(3S x 3W)
KH 2
3743(5)
(3S x 2E)
AH
350(10)
DAYTON 4
4332(4)
(4S x 3W)
RICE 3
3669(3)
(4S x 5E)
RICE 4
3670(3)
(3S x 3W)
ROCKY I
4289
(3)
(4S x 5E)
64019
MISSION 1
3744(5)
(4S x 4E)
ANARCHIST
4308(4)
(4N x 5W)
CHROME
4307(4)
(4N x 5E)
AUGUST
3844(8)
(4S x 5W)
BELCHROME
3
3584(2)
(3S x 3W)
BELCHROME
4
3585(2)
(3S x 3E)
NICKEL 7
1648(7)
AU 5
3693(4)
(3N x 4W)
FLINT
4046
(3)
Bridesville
Creek
Baker
McCoy Ck
BRITISH COLUMBIA
WASHINGTON
10'
82E/13E

Previous Work

The claims area has been held by various companies over the years. Of most importance, though, is the work done by Canex Placer Ltd., who held a portion of the ground in the mid-1970's. Over several years, the work included reconnaissance geochemical stream sediment sampling (which indicated the area was anomalous in gold and copper); detailed I.P., magnetometer, and VLF-EM surveying; detailed soil sampling; and geological mapping. Results indicated major VLF-EM anomalies in the northern and mid-eastern parts of the property. Other prominent conductors were located elsewhere on the claims and were recommended for trenching and drilling, most of which was never carried out.

In 1983, Rex Silver Mines Ltd. carried out reconnaissance prospecting, geological mapping, VLF-EM surveying, and lithogeochemical sampling. The results indicated that potentially economic targets exist on the Rice 2 and 3 claims.

REGIONAL GEOLOGY

Due to the presence of a great deal of glacial debris covering the area, a regional geological picture has been poorly understood for many years. Most recently, however, geophysical data have been incorporated with existing geological information, resulting in a more detailed, clearer view of the area.

The property itself is uniform topographically, ranging from 780 m ASL on the Rice 4 claim, to 1500 m ASL on the Camp 1 claim. Forest cover is light, consisting of jackpine and larch. Pockets of thick second growth are found in areas logged off 25 years ago.

Most of the Camp McKinney area is underlain by the metavolcanic and metasedimentary members of the Anarchist Group. Within the metamorphic sequence, members exhibit considerable textural and compositional divergence due to the varying intensity of metamorphism and the original rock types. The sedimentary members consist of altered equivalents of quartzite, limestone, mica schist, and micaceous quartzite; the volcanics are mainly altered greenstones.

The quartzite is grey to green and commonly sheared; it contains considerable mica and in some cases graphite. The mica schist is dark in colour, consisting of similar mineralogy as the quartzite, but chlorite and mica are much more abundant. Graphite is commonly present. The limestones are blue-grey to white. The greenstones, highly sheared in places, are abundant and apparently represent the altered remnants of both intrusive type and extrusive type which is dacitic in composition. All members in the area are folded and badly faulted. In the western part of the area, they are folded into an irregular overturned syncline; elsewhere, they strike northwesterly and dip steeply northeast.

To the south, these units are intruded by a northwesterly trending belt of granitic rocks. The 1 - 3 km wide stock extends from the shoulder of Baldy Mountain in a southwesterly direction to the main highway at Rock Creek. The rocks are grey, medium- to coarse-grained, with an equigranular

texture. Examination under microscope shows some quartz, abundant plagioclase (andesine), and minor microcline. The ferromagnesian minerals are generally biotite and hornblende. The rocks fall into the general class of granodiorite to quartz-diorite, related to the Okanagan Batholith. As well, local(?) variations are apparently noted southwest of Camp McKinney. These intrusives have only limited development in the area, and contain abundant quartz, microcline, and muscovite resembling gneissic members of the Osoyoos Batholith.

The youngest rocks in the area belong to the Penticton Group, are of volcanic and sedimentary origin, and occur in the southeastern part of the region. They consist of the Marron Formation and the Springbok Formation, representing the bottom of the group composed of porphyritic andesitic lavas, dark green basalts, breccias, and tuffs.

TABLE 1

TABLE OF FORMATIONS

Middle Eocene	PENTICTON GROUP	
	Marron Fromation - Kitley Lake member	trachyandesite, andesite
	Springbok Formation	chert breccia; polymictic conglomerate
Juro-Cretaceous	OKANAGAN BATHOLITH	granite, granodiorite
Permian	ANARCHIST GROUP	quartzite, chert, limestone, greenstone

PROPERTY GEOLOGY

Overburden covers a great portion of the property; there are pasture lands on the Rice 4 claim. Aside from several isolated outcrops on the Rice 1 claim, the main exposures occur near Rock Creek. All regional units were observed on the property. The geology is presented at a scale of 1:5000 on Map 1.

Anarchist Group

These represent the oldest rocks under the property, consisting of metamorphosed sedimentary and volcanic rocks. The sedimentary members include quartzite, chert, and minor amounts of limestone. Quartzite and chert are dominant, occurring principally in the central part of the Rice 2 claim and in the northeastern part of the Rice 3 claim. They are green to blue, highly sheared in places, with minor graphite.

The volcanic members are chiefly altered greenstone, greenstone, and meta-andesite. The altered greenstone is massive, light green, chlorite-rich, soft, locally banded by thin layers of dark green chlorite. Adjacent to the intrusive contact, it becomes rich in carbonate. The greenstone is generally greenish-grey, generally porphyritic in texture, strongly chlorite altered throughout, and contains 1% disseminated pyrite. The meta-andesite is dark grey, generally massive, with local development of thin chlorite bands; chlorite-rich zones have developed in areas where fracturing is intense.

Okanagan Intrusives

The oldest granitic rocks intruding the Anarchist Group are extensive sill-like bodies belonging to the main mass extending southwest from Baldy Mountain to the main highway at Rock Creek. These intrusions range from granite to granodiorite. The granitic tongues and bodies are thought to have originated from the Okanagan Batholith, and through the Dayton Camp form one of the main wallrocks of some of the fissure veins examined.

Penticton Group

In the extreme southeastern corner of the Rice 2 claim and in the northeastern corner of the Rice 3 claim are several exposures of the Eocene Penticton Group. Two units occur here, the Springbok Formation representing the bottom of the sequence, and the Marron Formation resting unconformably above the Springbok.

Rocks of the Springbok Formation consist of a dark chert breccia in the lowest part, overlain by a well-layered polymictic pebble and boulder conglomerate. Clasts and fragments are from pre-Tertiary beds and consist of black chert, chlorite schist, greenschist, and feldspathic andesite.

Marron Formation rocks are represented by the Kitley Lake member, consisting of massive trachyandesite and andesite. These rocks are down-faulted and tilted to the east, forming the western edge of the Rock Creek Tartiary Outlier.

ECONOMIC GEOLOGY

On the bases of limited surface examinations and descriptions of occurrences in Minister of Mines Annual Reports and assessment reports, three types of mineralization have been identified as occurring within the boundaries of the Camp/Rice claim group.

1. Quartz and/or quartz-calcite filled fissure veins containing disseminations and stringers of pyrite, galena, and chalcopyrite with associated gold and silver. This type of mineralization occurs in outcrop and within previously developed zones in the central and northeastern parts of the Rice 2 claim. This feature hosts the best mineralization in the Cariboo / Amalia and the Victoria / Old England areas.

2. "Replacement" irregular or tabular massive sulphide bodies near fracture/fault zones in chemically favourable beds. Favoured lithologies for this type of mineralization include greenstone, altered greenstone, and argillite. This type was observed on the Rice 3 claim along a major splay of the Rock Creek Fault. Two deposits of economic interest occur along this splay: (a) the War Eagle, situated in the south-central part of the Rice 3 claim; and (b) the "Gem", situated 600 m along strike to the southeast.

3. Fault gouge zones 0.5 m wide related to the 8 m wide felsic dyke transecting the Rice 2 claim, characterized by a soft, recessive, fine-grained clay and carbonate zone. Fine-grained pyrite is disseminated throughout. This feature hosts the best mineralization in the Old England group, including the Progress and the Nighthawk occurrences in the northeastern part of the Rice 2 claim.

In the north-central to northeastern parts of the Rice 2 claim, there are a number of old workings believed to be related to the locally named "Old England" group. Additional workings were located between these and a large open cut 500 m to the west. The latter were developed by Riocanex

Exploration Ltd. in the mid-1970's. Several of the workings were examined, and found to expose a series of sub-parallel fissure veins striking roughly east-west. In most of the trenches and open cuts, the veins were reached and vary from 1.2 to 1.3 metres wide. Certain sections of the structure are highly silicified, and in the open cut (Riocanex), a lens of quartz is exposed along the footwall, probably resulting from continued silica replacement of the hosting argillite unit. In most of the workings, the veins contain quartz, pyrite, chalcopyrite, and galena. Evidently, as most of the workings line up on a westerly trend, at attempt was made to trace the fissure vein system westerly from the Old England group. This appears to have been somewhat successful to the point where the Riocanex open cut exists. At this point, the vein system appears to terminate, probably due to faulting.

In the southeastern part of the Rice 3 claim, there is a substantial massive sulphide body or lens characterized by extensive gossan development. Several old and dilapidated workings were located but were found to be inaccessible (Plate 1). Several trenches were located in the vicinity of these workings, developed in the same gossan zone. The deposit appears to represent massive sulphide lenses developed through replacement of the altered greenstone and argillite units by sulphides and to a lesser extent silica, along a major splay of the Rock Creek Fault. Coincidentally, the splay represents the contact between the Anarchist Group and the Okanagan granodiorite rocks. The sulphide body consists of massive pyrrhotite and pyrite with lesser amounts of chalcopyrite. On the surface, the mineralization is highly oxidized and characterized by extensive gossan development (Plate 2). Fresh surfaces show abundant pyrite, gossan-resistant pyrrhotite, and chalcopyrite.

Approximately 400 metres to the southeast of the area, lies the "Gem" deposit on the Gem #2 claim. This deposit is reported to be similar to the above described massive sulphide lens. It occurs within the chemically receptive argillite and altered greenstone units in fault contact with the Okanagan granodiorite complex. The deposit is marked on surface by a large

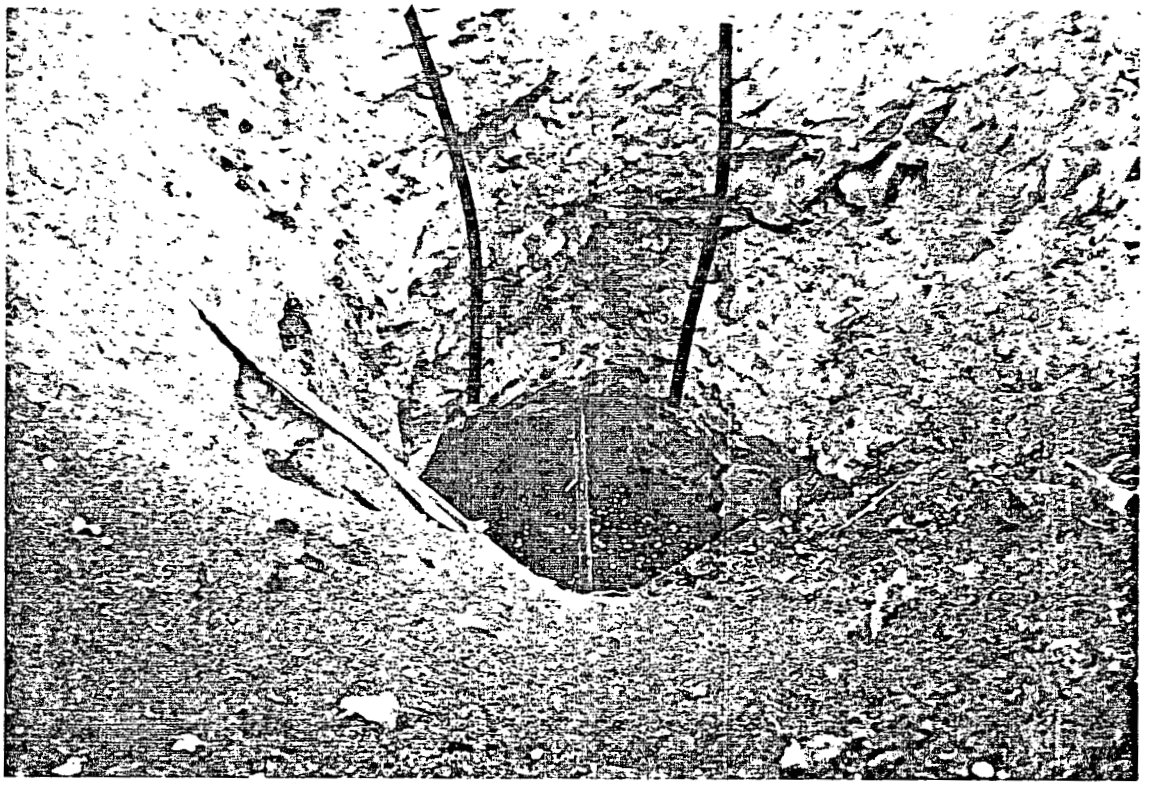


Plate 1 Indicating extent of massive arsenopyrite within the massive sulphide zone and its resistence to gossan development.

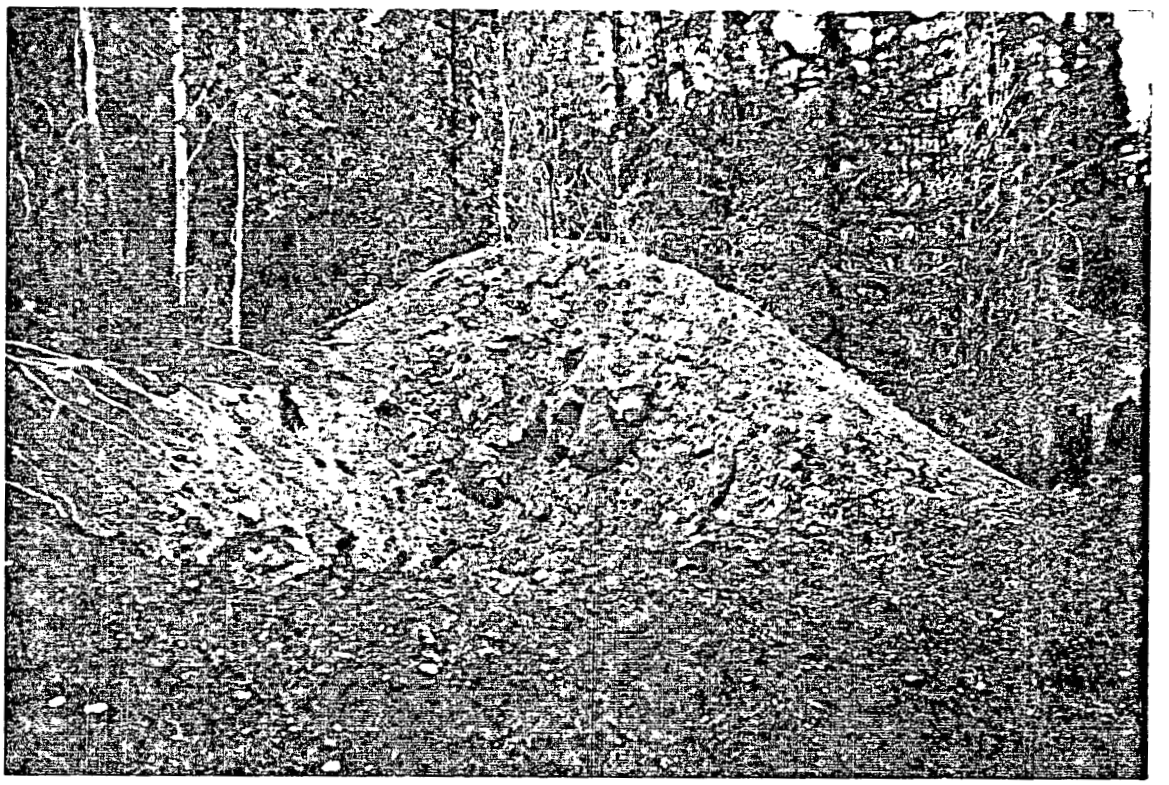


Plate 2 Inensity of gossan development capping sulphide zone.

(25 x 32 m) gossan. As reported by the owner (William Varigan of Greenwood) several test pits were developed in the 1930's and 1940's, exposing massive pyrrhotite, pyrite, and chalcopyrite. Grab samples that were collected from rock piles adjacent to the "Gem" deposit apparently returned values of up to 1.2 oz/ton Au and 3.6 oz/ton Ag (personal communication with the owner, 1983).

In the northeastern and north-central parts of the Rice 2 claim, several old workings were located and briefly examined. The workings (lengthy trenches) were developed across a north-south trending 8 m wide felsic dyke which is mineralized throughout with disseminated pyrite. On the west side of the dyke, a narrow pyritized zone of gouge varies from 5 to 150 cm wide. Time did not permit cleaning and sampling of the gouge; however, a report from the Minister of Mines Annual Report states that samples collected from these workings in the early 1900's returned values from 0.3 to 0.8 oz/ton Au. Approximately 1.7 km to the south, lies the Dayton deposit, where a 60.9 to 91.0 cm wide oxidized felsic dyke contains bands of iron oxide and pyrite, and reportedly much free gold. Samples collected by the owners and government agents returned values of 4.7 oz/ton Au (1934); 2 oz/ton Au and 5 oz/ton Ag (1916); and 5.0 oz/ton Au (1915). In both of the above occurrences, the general strike is N20°W.

In the area of the War Eagle and Younkin prospects, an outcrop exposure of highly oxidized felsic dyke material is reported in BCDM Open File "Moly Win Mining" (1967), 61 to 92 cm wide, carrying disseminated pyrite, and reported to "run high in free gold". The dyke is offset by a fault striking southeast and dipping southwest (splay discussed previously). The dyke appears to be the same one hosting the Dayton deposit to the north, and is probably the same feature observed in trenched bedrock on the Rice 2 claim, also described in government Annual Reports and private engineering reports on the area.

GEOCHEMISTRY

A total of 44 rock samples were collected during the 1984 program. Of these, 8 chip samples were collected from a number of trenches blasted on the Rice 1 claim. During geological mapping and prospecting, the other 36 samples were collected from bedrock, flat, and rock piles associated with various workings. The samples were submitted to TerraMin Research Labs Ltd. of Calgary, Alberta, for Au only or Au/Ag/Cu/Pb/Zn analyses by a combined fire assay / atomic absorption technique. Au and Ag analyses of these samples have further defined geochemically significant zones.

In the central part of the Rice 3 claim, a zone of massive sulphide mineralization is exposed. Four hand-size sampled were collected from waste material and submitted for multi-element analyses, returning anomalous Ag-in-rock values (Table 2 - I). These samples were composed of highly oxidized sulphide material, primarily pyrrhotite. Workings located in the vicinity of the sulphide body were inaccessible; to sample these at depth would require extensive cleaning of the workings.

On the Rice 2 claim, prospecting and mapping programs resulted in the location of a number of moderate to strong fracture/shear zones cutting the greenstone, chert, and argillite units. These are accompanied by varying degrees of silicification and pyritization. There is no preferred orientation; they appear to represent subsidiary structures to the Rock Creek Fault complex. A number of grab samples were collected from bedrock and boulders for Au analyses (Table 2 - II).

On the Rice 1 claim, four trenches were placed along existing VLF-EM and IP conductors defined in the northeast. A total of 8 chip samples were collected, but returned low Au-in-rock values. Sampled rock consisted of rust-altered, weakly pyritized quartzite. Some sections showed evidence of shearing which was noted in three of the exposures. Presumably, graphite is the source of the conductor.

The character and depth of overburden indicate that soil geochemical sampling would be an ineffective tool in most of this area. Compounding

TABLE 2

ANOMALOUS ROCK GEOCHEMICAL RESULTS

	Au ppb	Ag ppm	Cu ppm	Pb ppm	Zn ppm
I. GW-CR-9	52	63.00	21,000	157	730
JD-CR-9	218	4.60	197	60	17
JD-CR-10	44	58.00	15,200	83	690
Rice-84-01 Le	14	28.00	7,000	29	196
II. MOD-83-123 R	2,380				
C-155	108				
C-156	4,820				
FC-153	100				
FC-154	176				
FC-155	680				
S5-29-9	534				
S6-29-9	248				
S7-29-9	1,280				

this is the obvious contamination of all drainage systems by ore dumps and waste piles located upstream on all creeks, and the irregular spillage of waste rock and ore throughout the area as it was hauled away during production times.

The varied surficial deposits present on the Camp/Rice claim group require that caution be exercised in carrying out soil geochemical sampling. A broad area adjacent to Rice Creek is mantled by thick glacio-fluvial deposits, consisting of outwash sand and gravel formed into kames and kettles, eskers, and esker deltas. Much of this material is probably reworked Tertiary stream sediments.

Toward the western part of the property on the Camp 1 and the Rice 1 claims, a thin mantle of glacio-lacustral deposits overlies much of the area. As with the glacio-fluvial deposits, this silty material was transported, and as such would not reflect the geochemical signature of the underlying bedrock. Thus, conventional sampling of soils in these areas would be ineffective as an exploration tool.

One method of overcoming the problem of transported glacial material is to conduct an overburden drilling program. Systems such as the Wacker overburden drill can be backpacked into the area to sample the basal till horizon just above bedrock. Since this technique is relatively expensive, this type of survey should be restricted to detailed grids as a follow-up to significant geophysical targets.

In the eastern parts of the Rice 2 and the Rice 3 claims, the surficial material consists of a thin mantle of ground moraine. Since ground moraine is composed primarily of locally derived bedrock debris, soil geochemical sampling can be quite effective. However, allowance for limited down-ice dispersion must be made during the interpretation of the results.

GEOPHYSICS

EM conductors were outlined by VLF-EM surveying carried out by Riocanex Ltd. in 1976 over the same ground now covered by the Rice 1 claim. Most of the conductors were never evaluated as to their source. During the 1984 program, a Geonics VLF-EM-16 unit was used to accurately locate these conductors.

As time did not permit extensive evaluations of all VLF-EM targets, only three of the conductors were blast trenched and examined. In all three trenches, the exposed rock consisted of rusty (pyritic) gneissic quartzite containing minor graphite along fractures. The source of these moderately strong conductors could well be graphite veins or lenses within the Anarchist Group at depth. However, the rust-altered rocks encountered indicate the presence of weak sulphide mineralization and may warrant further evaluation in the future.

Much argument has been received over the success of VLF-EM surveys due to the amount of graphite associated with the quartzite and greenstone units as well as most regional and local structures. Most of the quartzite unit contains graphite which obviously accounts for some of the conductors on the Rice 1 claim. Some of the vein structures examined in the Dayton Camp area also contained variable amounts of graphite which is partly responsible for the east-west trending conductor defined in 1983. However, not all EM signatures and conductors within the Anarchist Group can be attributed to graphite, as many of these conductors also represent the major trend of known gold and silver mineralization. Thus, the search for massive sulphide (gold in pyrite) mineralization must unavoidably include the Anarchist rocks even though electrical methods are hampered by the presence of graphite. All VLF-EM targets would then be favourable since both massive and disseminated sulphide mineralizations are known to occur within graphite-rich zones.

CONCLUSIONS AND RECOMMENDATIONS

Based on the geochemical results obtained to date, as well as the size, number, and continuity of the structures which are the source of the values, it is recommended that the central and eastern parts of the Rice 2 and 3 claims be given top priority for further exploration. Three types of economically significant mineralization have been identified here, and the proximity to the Dayton Camp offers continued argument in favour of concentrating efforts in this eastern region. The most favourable area for mineralization remains within the Anarchist/intrusive interface. Favoured lithologies are the chemically receptive altered greenstone, argillite, and tuff units of the Anarchist Group.

Three exploration targets of merit have been delineated. All three appear to be under strong structural controls, and because of this lend themselves to conventional exploration techniques.

In the southeastern part of the Rice 3 claim, there is a zone of massive sulphide mineralization (the LeRoi showing area) from which economically attractive values were obtained. The mineralization is fracture/fault controlled and consists of massive pyrrhotite, pyrite, and chalcopyrite. Samples collected from various sources demonstrates that the ore is highly magnetic and the fact is represented as a broad magnetic lineament on a government airborne magnetic survey (Map 8508G).

To the southeast, outside the Rice 3 claim boundary, lies a second deposit (the "Gem") with similar characteristics. It is proposed that both deposits were developed under identical conditions and that additional massive sulphide mineralization may be discovered along this magnetically active fault zone. As well, a broad magnetic high lies just north and west of the former zone of mineralization and could represent a large concentration of sulphides. Thus, that area within the Rice 3 claim boundary should have semi-detailed grids established to facilitate ground magnetic and VLF-EM surveys.

Grid coverage must be extended to the second and third target areas on the Rice 2 claim. As two separate trends of mineralization are recognized (one associated with an east-west trending fissure vein system; the other with a north-south trending mineralized felsic dyke), two separate grids would be used, oriented at oblique angles to the mineralized trends. Ground magnetometer and VLF-EM surveys would then be completed, followed by trenching and sampling of any anomaly or conductor defined by the survey.

Unless geophysical surveying delineates a major trend onto the Rice 1 claim, no further work is recommended on that block.

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A P P E N D I X I

Analytical Techniques

TERRAMIN RESEARCH LABS LTD.
14-2235 - 30th Avenue N.E. Calgary, Alberta T2E 7C7
(403) 276-8668

SAMPLE PREPARATION

Soil and sediment samples are dried and sieved through 80 mesh nylon screen (maximum partlcle size 200 microns).

Rock or drill core samples are crushed to approximately 1/8" in a jaw crusher, riffled to obtain a representative sample, and pulverized to 100 mesh (180 micron particle size).

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FIRE ASSAY/AA METHOD FOR GOLD AND SILVER
PLATINUM AND PALLADIUM

Approximately 1 assay ton of prepared sample is fused with a litharge flux charge to obtain a lead button. The button is cupelled down to a precious metal prill which is then dissolved in aqua regia. The resulting solution is analysed by atomic absorption spectrophotemetry to determine the precious metals.

A P P E N D I X I I

Geochemical Results

TERRAMIN RESEARCH LABS LTD.

ANALYTICAL REPORT

Job # 84-298-A | Taiga Consultants | Date Oct.31, 1984

Client Project BC-83-2E | Page 1/1

	Sample No.	Au ppb	Ag ppb	Cu ppm	Pb ppm	Zn ppm
Rice	GW-CR-9	52	63000	21000	157	730
Soil	GW-J-02 (Hu)	22	14900	12700	74000	76000
	GW-J-03 Ent	6	1700	160	5600	4100
Parcel	GW-M-14 B	600	670	860	46	92
	GW-M-14 C	486	700	650	92	63
Rice	JD-CR-09	218	4600	197	60	17
	JD-CR-010	44	58000	15200	83	690
Soil	S3-4-10 Vein	8	330	51	20	11
	S4-4-10 Shear	6	210	60	4	22
	S6-4-10 Shear	240	2020	270	3	81

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TERRAMIN RESEARCH LABS LTD.

ANALYTICAL REPORT

Job # 84-287-B | Taiga Consultants Ltd. | Date Oct.18, 1984

Client Project BC-83-2E | Page 1/2

Sample No.	Au ppb	Ag ppb	Cu ppm	Pb ppm	Zn ppm
JOY-84-01 E	-2	6000	2500	2060	15200
02 J	1840	1100	180	108	108
03 H	584	20900	300	9200	2500
04 NW	62	1300	35	58	71
RICE-MOD-83-123 R	2380	360	450	8	48
-84-01 Le	14	28000	7000	29	196
RIDGE-84-01	3280	26800	3400	5500	18200
02	924	11600	1810	940	6000
03	744	6200	3000	680	2400
DDM-03	28	50	125	5	21
04	6	30	15	12	60
06	16	90	280	10	81
FC-156	6	50	7	15	8
157	40	1800	69	26	100
158	12	3500	4000	20	106
159	-2	60	18	1	10
160	6	20	86	1	119
161	8	300	43	9	52
162	8680	27100	9	400	80
163 B	1440	20200	45	730	830
165	24	5100	540	10	44000
GW-M-01	6	50	170	6	132
02	8	60	6	2	25
05	8	300	21	6	19
06	2	50	49	14	87

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ANALYTICAL REPORT

Job # 84-269 | Taiga Consultants | Date Oct.18, 1984

Client Project BC-83-2 | Page 1/3

Sample No.	Au ppb
C-151	-2
154	24
155	108
156	4820
157	48
158	2
FC-150 A	-2
153	100
154	176
155	680
GW-CR-01	-2
02	16
04	2
05	44
07 shaft	40
07 0-2 m	14
08	4
36.	54
52 (?)	4
GW-R-01	4
02 "BB"	4
02 A outcrop	-2
03	6
04 / R "S"	2
07 A	2

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TERRAMIN RESEARCH LABS LTD.

ANALYTICAL REPORT

Job # 84-269 Date

Client Project BC-83-2 Page 2/3

Sample No.	Au ppb
GW-R-09 A	8
11	-2
11 A	-2
12	4
15 0-1 m	26
15 A St. Lawrence	20
JD-CR-01	2
05	8
06	-2
07	-2
08	10
JD-CW-02	-2
03	4
04	4
JD-R-01	6
02	2
03	660
04	-2
S1-28-9	4
S2-28-9	-2
S3-28-9	-2
S1-29-1	8
S2-29-9	16
S3-29-9	-2
S4-29-9	84

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TERRAMIN RESEARCH LABS LTD.

ANALYTICAL REPORT

Job # 84-269 Date

Client Project BC-83-2 Page 3/3

Sample No.	Au ppb
S5-29-9	534
S6-29-9	248
S7-29-9	1280
S8-29-9	62
S9-29-9	-2
St. Lawrence extra samples Iron ore piles	2520

RIDGE

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A P P E N D I X I I I

Rock Sample Descriptions

ROCK SAMPLE DESCRIPTIONS

*	C-150	limestone, dark grey, argillaceous
	C-151	massive diorite
*	C-152	massive hornblende-diorite
*	C-153	massive limestone, dark grey
	C-154	massive diorite, rusty weathered, diss Py
	C-155	pit (covered): siliceous dolomite, dark grey, rusty weathered, diss Py
	C-156	pit, 20 m south of C-155: east-west trending shear 30 cm wide, dipping 17°S; argillite, dark greenish-grey, slightly calcareous, diss Py
	C-157	siliceous argillite; sheared at 10°, dipping 75°W, narrow shear 15 cm wide; malachite staining over 0.5 m width. 4x4x4 m pit.
	C-158	limestone, green, argillaceous; minor diss Py
*	C-159	dolomitic limestone, greenish-grey
	Rice-84-01 Le	dump; rusted and heavily mineralized Mt. Roberts Formation greenstone; massive Py and Po
	MOD-83-123 R	andesitic tuff, pyritic, quartz veins to 1.2 m wide
	FC-150A	boulder; white unaltered quartz; no visible sulphides
*	FC-151	outcrop; vein quartz, rust altered; diss galena, Py and Cpy
*	FC-152	outcrop; greenstone, silicified; malachite stained, weak Py to 1%
	FC-153	outcrop; vein quartz, rust altered; moderate galena, Py
	FC-154	outcrop; quartz, rust altered; diss Py to 1%
	FC-155	outcrop; vein quartz, strongly rust altered; visible diss Py and galena
	S1-28-9	boulder; unaltered granodiorite; no visible sulphides
	S2-28-9	boulder; quartz, slightly rusted; no visible sulphides
	S3-28-9	boulder; greenstone, rust altered; very minor malachite along fractures
	S1-29-9	boulder; granodiorite, unaltered; no visible sulphides
	S2-29-9	outcrop; andesite, highly silicified and rust altered; minor galena and Py

* not submitted for assay

	S3-29-9	outcrop; andesite, silicified; minor malachite
	S4-29-9	outcrop; andesitic flow rock, weakly silicified and pyritized, no other sulphides
	S5-29-9	outcrop; chert, rust stained; diss Py to 20%
	S6-29-9	outcrop; as above
	S7-29-9	outcrop; as above
	S8-29-9	outcrop; granodiorite, fractured and sheared; diss Py to ½%
	S9-29-9	outcrop; granodiorite, sheared, weakly silicified; no visible sulphides.
	JD-CR-01	quartzite, carbonaceous, pyritic, with interlayered quartz (blasted outcrop along road)
	JD-CW-02	white quartzite and dark argillite bands, brecciated, pyritic, fracture filling, sheared, limonite stained, very well indurated (trench samples on road)
	JD-CW-03	as above
	JD-CW-04	quartzite, carbonaceous, pyrite in fractures and disseminated throughout, large angular boulder 1.0 x 0.75 m; boulder uprooted by large fallen tree; total sulphides 5%
	JD-CR-05	dip vertical, strike 355°.
	JD-CR-06	outcrop; graphitic quartzite, rust altered
	JD-CR-07	outcrop; graphitic quartzite, rust altered
	JD-CR-08	outcrop; quartzite, slgihtly rust altered, minor graphite along fractures
	JD-CR-09	outcrop; quartz vein, rust altered, Py to 2%
	JD-CR-10	ore pile; rust altered massive Po and Py
	GW-CR-01	outcrop; greenstone, rust altered; diss Py to 1%
	GW-CR-02	trench; chert, rust altered, pyritized, minor diss malachite
*	GW-CR-03	trench; quartzite, highly fractured and leached, rust altered, intensely pyritized
	GW-CR-04	shaft; greenstone, coarse-grained, silicified, red altered; diss Py to 1%
	GW-CR-05	outcrop; greenstone, silicified, sheared, rust altered
*	GW-CR-06	outcrop; greenstone, highly fractured, rust altered, pyritic
	GW-CR-07	shaft/dump; greenstone, highly sheared, epidote altered, silicified
	GW-CR-07	0-2 m; chip sample; greenstone section, highly epidote and chlorite altered

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* not submitted for assay

GW-CR-08	ore dump; greenstone, highly sheared, propylitically altered, cut by quartz-carbonate stringers containing Py and galena
GW-CR-09	ore pile; gossanous massive Po and Py
GW-CR-36	boulder; argillite, slightly rust altered, weakly diss Py along fractures and cleavage planes
GW-CR-52(?)	boulder; as above

A P P E N D I X I V

Summary of Personnel and Expenditures

SUMMARY OF PERSONNEL

J. W. Davis, P.Geol. 116 MacEwan Dr. N.W. Calgary, AB T3K 2P7	Sep. 28 +29
C. H. Aussant, P.Geol. 31 Templebow Way N.E. Calgary, AB T1Y 5B5	Sep. 28
G. L. Wilson, B.Sc. 60 Ranchridge Rd. N.W. Calgary, AB T3G 1Z9	Sep. 28 + 29
Fred Cook Brabant Lake LaRonge, Sask. S0J 1L0	Sep. 28 + 29
R. R. Fader 1416 - 23rd St. N.W. Calgary, AB T2N 2P5	Sep. 28 + 29
Solomon Hardlotte P. O. Box 1164 LaRonge, Sask. S0J 1L0	Sep. 28 + 29
T. J. Termuende Wild Horse Farm Fort Steele, B.C. V0B 1N0	Sep. 28
D. D. Dancer 5 Fraser Road S.E. Calgary, AB T2H 1E4	Sep. 28 + 29
J. W. Davis, P.Geol.	Oct. 20
T. B. Millinoff 116 MacEwan Dr. N.W. Calgary, AB T3K 2P7	Oct. 20

SUMMARY OF EXPENDITURES

Personnel			
J. W. Davis	3 days @ $350	1,050.00	
C. H. Aussant	1 day @ $250	250.00	
G. L. Wilson	2 days @ $250	500.00	
F. Cook	2 days @ $230	460.00	
R. R. Fader	2 days @ $225	450.00	
S. Hardlotte	2 days @ $185	370.00	
T. J. Termuende	1 day @ $145	145.00	
D. D. Dancer	2 days @ $115	230.00	
T. B. Millinoff	1 day @ $240	240.00	
	16 man days		3,695.00
Camp and Accommodation			
16 man days @ $40/diem			640.00
Transportation (travel expenses,			
truck rental, fuel, equipment rental)			649.71
Disposable Supplies			347.50
Miscellaneous			
(maps, reproductions; phone; freight)			62.25
Post-Field Compilation			
report writing, drafting, secretarial			1,575.00
Geochemical Analyses			
Rocks for Au only	39 @ $ 9.25	360.75	
Rocks for Au/Ag/Cu/Pb/Zn	5 @ $12.75	63.75	424.50
	TOTAL		$ 7,393.96

GEOLOGICAL BRANCH
ASSESSMENT REPORT

13,563

119°10'

49°05'

Bush Road

McKinney Creek

Q

3

4

4d

3b

3a

qtz

JD-1 (2ppb Au)
JD-2 (-2ppb Au)
JD-3 (4ppb Au)
JD-4 (4ppb Au)
JD-5 (8ppb Au)
JD-6 (-2ppb Au)
JD-7 (-2ppb Au)
JD-8 (10ppb Au)

S-1-28-9 ⊙ -4ppb Au.
S-2-28-9 ⊙ -2ppb Au.
S-3-28-9 ⊙ 2ppb Au.

G.W./S.H./F.C. (1984) Traverse Line

Fine grained granodiorite

CAMP I
RICE I
RICE 2
RICE 3
RICE 4

To Baldy Road

Q Till, Sand, Gravel, Silt

TERTIARY
MIDDLE EOCENE
PENTICTON GROUP
MARRON FORMATION
1 Kittey Lake Member
KETTLE RIVER FORMATION
2 Springbok Member
JURASSIC AND/OR CRETACEOUS
NELSON INTRUSION
3 a Granite, b Granodiorite
PERMIAN
ANARCHIST FORMATION
4 a Limy Greenstone, b Chert, c Argillite, d Quartzite

a With Chlorite
b With Epidote
c With Sulphide
d Silicified
e Brecciated
f Sheared

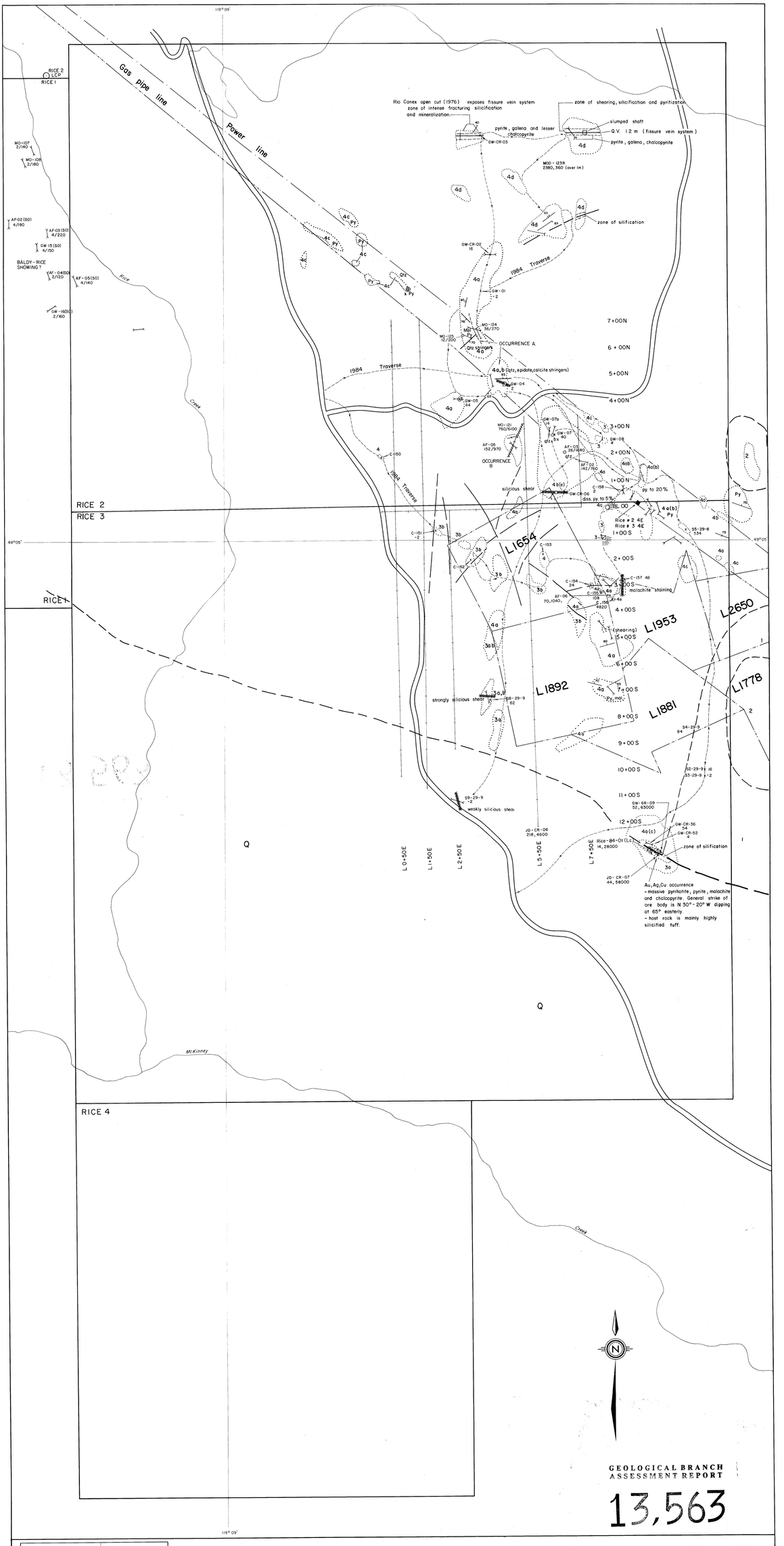
geologic contact
fault
shear
outcrop area
trench
sample section
open cut
shaft
exploratory shaft
test pit
prospect
foliation
fractures

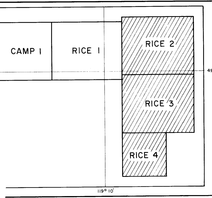
REX SILVER MINES LTD.

CAMP I, RICE I CLAIMS

GEOLOGY MAP

DATE JULY, 1983	NTS 82E/3
PROJECT BC-83-2E	MAPPED BY G. WILSON DRAWN BY
SCALE 1:5000	0 50 100 150 200 METRES
TAIGA CONSULTANTS LTD.	MAP 1





Q Till, Sand, Gravel, Silt

TERTIARY

MIDDLE EOCENE

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MARRON FORMATION

1 Kittey Lake Member

KETTLE RIVER FORMATION

2 Springbok Member

JURASSIC AND/OR CRETACEOUS

NELSON INTRUSION

3 a Granite, b Granodiorite

PERMIAN

ANARCHIST FORMATION

4 a Limy Greenstone, b Chert, c Argillite

a With Chlorite
b With Epidote
c With Sulphide
d Silicified
e Brecciated
f Sheared

geologic contact
fault
shear
outcrop area
trench
sample section
shaft
exploratory shaft
test pit
rock sample site
foliation
fractures
Au ; Ag geochem results - ppb ; ppb

GEOLOGICAL BRANCH
ASSESSMENT REPORT

13,563

REX SILVER MINES LTD.

RICE 2-4 CLAIMS

GEOLOGY MAP

DATE JULY, 1983	NTS 82E/3
PROJECT BC-83-2E	MAPPED/DRAWN BY G. WILSON
SCALE 1:5000	0 50 100 150 200 METRES
TAIGA CONSULTANTS LTD	MAP 1a