85-191-13580

GEOLOGICAL BRANCH
ASSESSMENT REPORT

13,580

01/86

GEOLOGICAL, GEOCHEMICAL,
AND GEOPHYSICAL REPORT

KC 1 and 2 MINERAL CLAIMS

Latitude 56°30' North
Longitude 126°05' West
N.T.S. 94D/8E + 9E
Omineca Mining Division
British Columbia

for

GOLDEN RULE RESOURCES LTD.

Calgary, Alberta

by

Gordon L. Wilson, B.Sc.

TAIGA CONSULTANTS LTD.
#100, 1300 - 8th Street S.W.
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November 30, 1984

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AUTHOR'S QUALIFICATIONS

I, Gordon L. Wilson, of 60 Ranchridge Road N.W. in the City of Calgary in the 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 KC claims on September 20 and 23, 1984.

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

DATED at Calgary, Alberta, this 30th day of November, A.D. 1984.

Respectfully submitted,

G. L. Wilson

Gordon L. Wilson, B.Sc.

PERMIT TO PRACTICE
TAIGA CONSULTANTS LTD.
Signature
Date January 15, 1985
PERMIT NUMBER: P 2399
The Association of Professional Engineers, Geologists and Geophysicists of Alberta

SUMMARY

In September 1984, helicopter-supported stream sediment and rock sampling, ground magnetometer surveying, prospecting, and geological mapping programs were carried out on the KC 1 and 2 claims. This resulted in the discovery of three previously unknown, highly altered zones containing irregular vein development and economically significant to highly anomalous gold and silver values. All three have substantial strike lengths and widths, and show evidence of strong structural control, apparently related to a northwest trending fracture/fault zone transecting the property.

Additional detailed mapping was completed on the KC 1 claim where quartz veins and silicified fractures were previously discovered. This vein system is now known to be extensive with a strike length of approximately 1,600 metres. These targets warrant extensive and detailed follow-up work.

INTRODUCTION

Location and Access

The KC 1 and 2 claims are located in N.T.S. map-areas 94D/8E and 9E (Figure 1), approximately 360 km northwest of Prince George, at the headwaters of Kliyul Creek, very close to the Arctic-Pacific divide. The approximate geographic coordinates of the claim group are 56°30' North latitude and 126°05' West longitude (Figure 2). The Omineca development road passes 8 km north of the claims and a gravel airstrip (maintained in the summer) is located 12 km to the northwest at Johanson Lake.

Property and Ownership

The claims are sitated in the Omineca Mining Division are are entirely owned by Golden Rule Resources Ltd. of Calgary, Alberta.

Claim	Units	Record	Date of Record
KC 1	20	2694	April 8, 1980
KC 2	20	2695	

Physiography and Glaciation

The claims lie within the Omineca Mountains physiographic subdivision of the Interior Plateau. The region is entirely glaciated and characterized by wide U-shaped drift-filled major valleys and deeply-cut V-shaped upland valleys. Mountain peaks in the area average 1,980 - 2,134 metres ASL, and rise fairly abruptly from the major valleys.

Previous Work

The claims encompass the 'Banjo' and 'Independence' occurrences, first worked in the late 1940's. Early work consisted of a series of trenches and open cuts along quartz vein systems in tuff, breccia, and hornblende porphyry flows of the Talka Group volcanics. Subsequent work carried out in the area (Kli claims) by Kennco Exploration and Sumac Mines Ltd. during

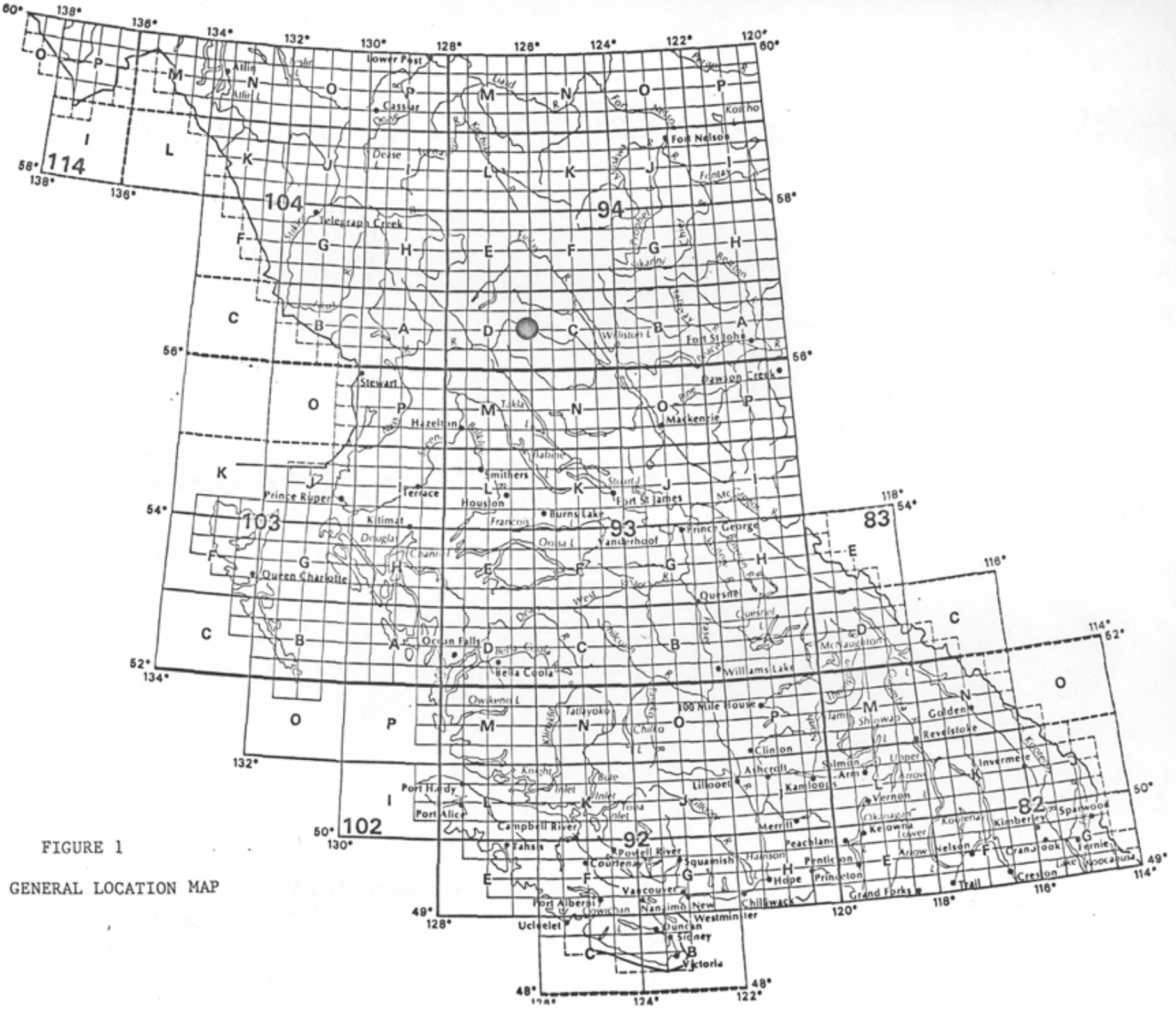


FIGURE 1

GENERAL LOCATION MAP

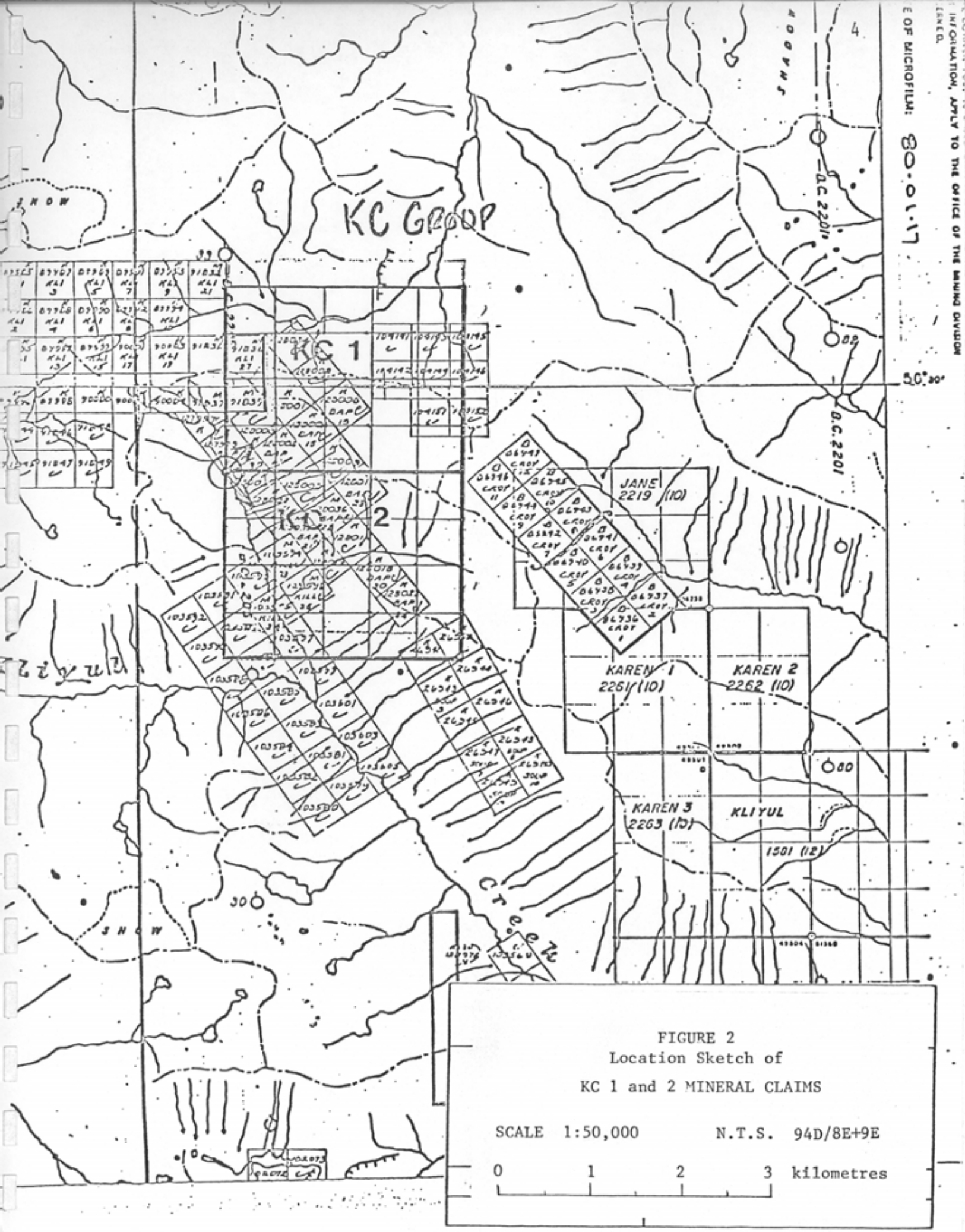


FIGURE 2
Location Sketch of
KC 1 and 2 MINERAL CLAIMS

SCALE 1:50,000 N.T.S. 94D/8E+9E

0 1 2 3 kilometres

1970-1974 included detailed stream silt and soil sampling, induced polarization and ground magnetic surveying, and drilling. Most of the work was done outside the current area of interest.

Work carried out by MP Minerals on the Bap claims (1974-1976) consisted of soil sampling, detailed mapping, ground magnetic and electromagnetic surveying, and trenching over a small grid to evaluate a strongly-sheared zone hosting a number of narrow quartz-chalcopyrite stringers. This grid was located within the current KC claim group but some distance from the Au/Ag quartz veins discovered by Golden Rule in 1981.

Work carried out in 1981 consisted of helicopter-supported reconnaissance geological mapping, prospecting, and rock and stream silt geochemical sampling. The objectives were to located and evaluate several known precious metals occurrences located within the claim group and to provide a preliminary assessment of the precious metals potential as a whole. The stream silt sampling outlined a 600-metre long Au-in-silt anomalous zone along Kliyul Creek. Potentially economic values, up to 36,400 ppb Au (1.062 oz/ton), were obtained from samples collected from the prominent quartz vein system transecting the central region of the KC 1 claim.

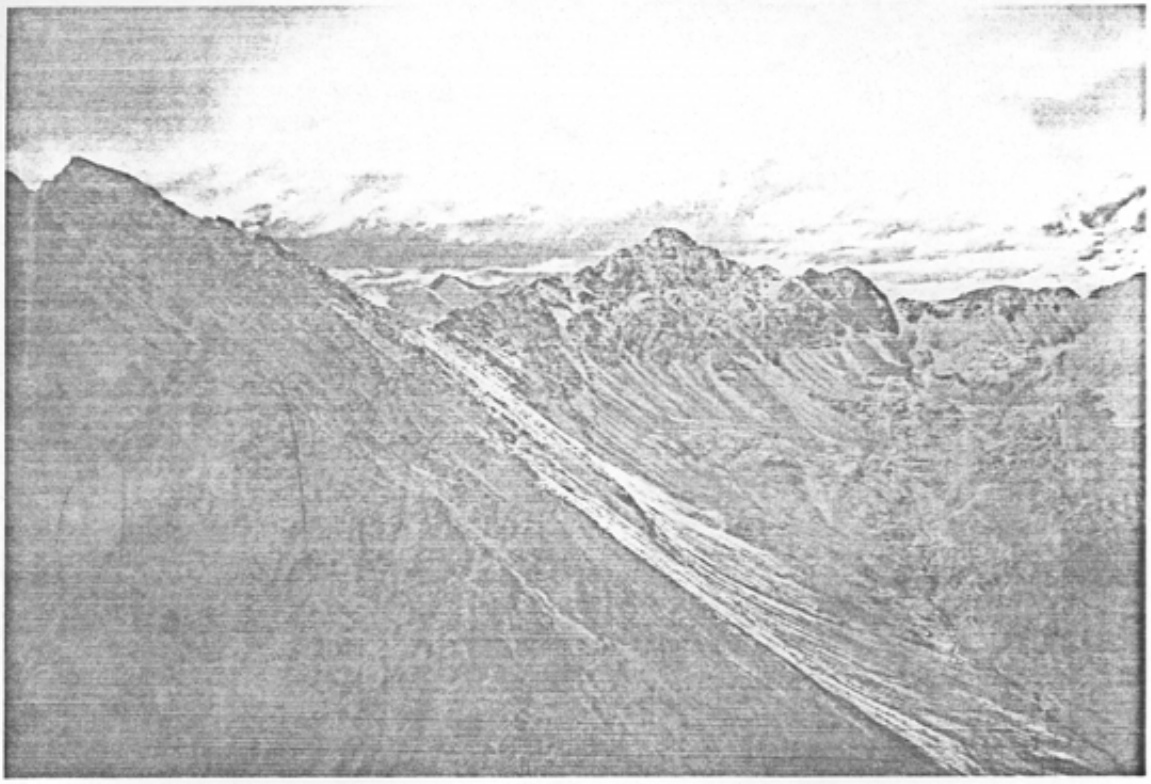
1984 EXPLORATION PROGRAM

Work carried out in 1984 consisted of helicopter-supported reconnaissance rock and stream silt geochemical sampling, prospecting, geological mapping, and ground magnetometer surveying. The work was carried out by a four-man crew based in an established camp at Johanson Lake, 12 km northwest of the property.

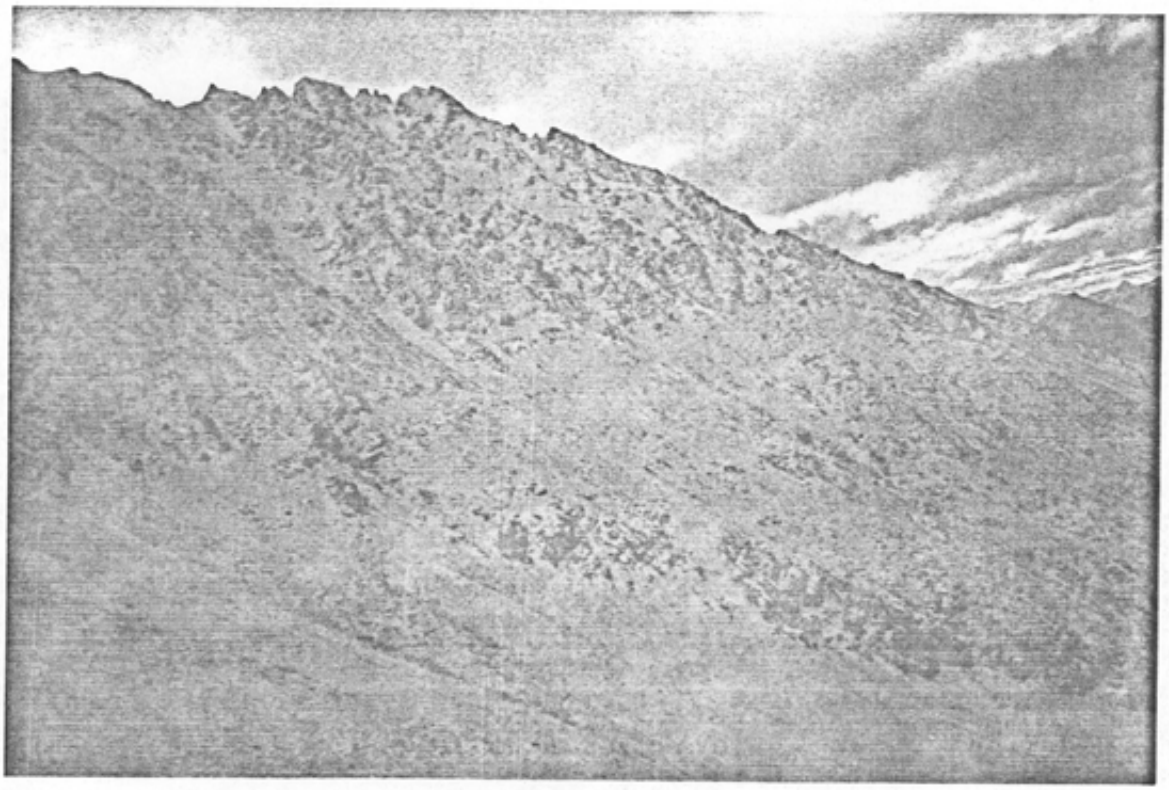
The prime objective of the program was to evaluate that area on the KC 1 claim where significant Au-in-rock values were realized in 1981. To meet this objective, 2.5 line km of grid were established over the anomalous area. As most of this ground was snow-covered, surface exploration was limited to ground magnetometer surveying with geological mapping being restricted to a few isolated bedrock exposures on the western edge of the grid. The grid lines are spaced at 100-metre intervals, with magnetometer readings taken at 25-metre stations.

Another objective included fill-in stream silt sampling along previously unsampled sections of creeks. This was carried out at 100-metre intervals. A total of 25 samples were collected. As well, existing Au-/Ag-in-silt anomalous locations were examined and sampled thoroughly to determine a possible source. A total of 27 rock samples were routinely collected in the process, from altered and/or mineralized bedrock and boulders near the anomalous locations.

Lastly, the old 'Banjo' and 'Independence' Au/Ag/Cu occurrences were revisited, mapped, and sampled. Work included detailed mapping of the trenches and the areas surrounding the occurrences where known quartz vein systems occur. A total of 6 rock samples were collected from this work.



KC: From southeast corner of KC 2, looking northwest.



KC: upper elevations

GEOLOGY

after Fox (1981)

The KC 1 and 2 claims are underlain by andesitic tuffs, minor intercalated greywacke and calcareous argillite beds, and hornblende/feldspar porphyry flows of the Upper Triassic Takla Group. These rocks are intruded by hornblende diorite, dioritic feldspar porphyry dykes, and biotite-hornblende monzonite porphyry phases of the Early Cretaceous Kliyul Creek pluton.

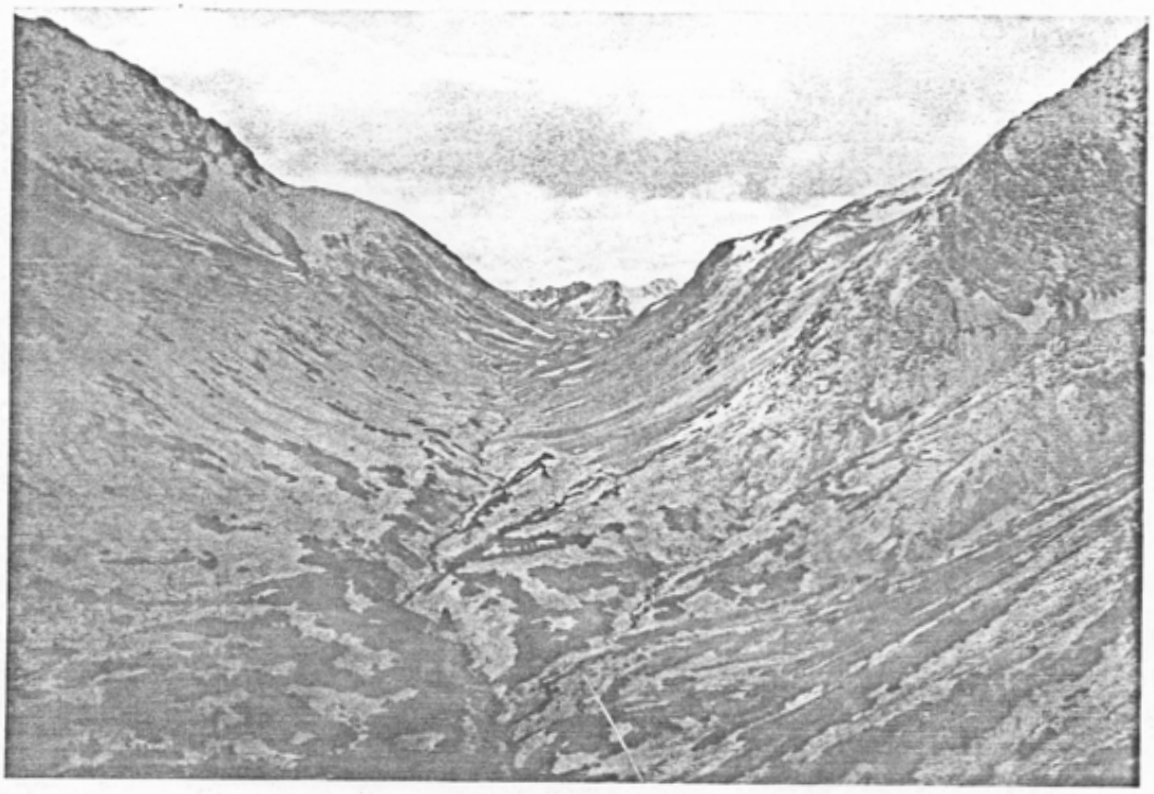
Emplacement of the intrusive rocks was evidently controlled by a very strongly sheared, southeast trending, major splay of the Dortatelle Fault. Where the fault transects the andesitic rocks, they have been intensely sheared, silicified, sericitized, chloritized, and pyritized over a 100 - 300 m wide zone.

Economic Mineralization

All gold showings on and ajdacent to the KC property occur within veins occupying fractured and/or faulted zones in Mesozoic volcanic rocks closely associated with the Early Cretaceous Kliyul Creek plutonic intrusion. The vein systems containing the gold and silver mineralization occur within a small window of Takla Group volcanic rocks which are intruded to the south by the Kliyul Creek plutonic rocks. Most of the occurrences examined can be classified as low-temperature fissure fillings. The localization of quartz and lenses along these hydrothermally-altered fracture/fault zones suggests a strong structural control for their emplacement, namely the splay of the Dortatelle Fault which transects the western portion of the property. The fracture/fault zones are characterized by extensive gossan development, moderate silicification, pyritization, and strong shearing.

The oldest showings on the KC claims are known as the 'Banjo' and the 'Independence'. The Banjo "veins" were relocated and sampled. There is one open cut on an oxidized, silicified, and pyritized shear zone. Five one-metre chip samples were collected from altered and/or mineralized sections. One geochemically anomalous gold-in-rock value was obtained from sample KC-DD-20 (704 ppb Au, 3.0 ppm Ag, 1100 ppm Cu).

KC: Illustrating major gossan development along Kliyul Creek from Soup group onto KC group.



KC

The Independence vein was also examined but not sampled due to the number of samples collected from it in 1981. The vein is exposed over 305 metres in four separate open cuts along strike. In the first (most northerly) trench, a quartz vein is exposed for 15 metres and is one metre wide. Only weakly rust-altered quartz was observed. Further south, the vein is exposed by several open cuts, exposing weak to moderate rust-altered quartz. No visible sulphides were observed in any of the workings. Another open cut just east of the last working placed along the strike of the vein exposes a large quartz lode for a distance of 35 metres. The zone consists of quartz veins and intensely silicified rock varying in width from 1.2 to 3.0 metres, striking northwest, and dipping uniformly 70°SW. No visible sulphides were encountered, although certain sections were moderately rust-altered.

Prospecting and mapping carried out upslope and in the vicinity of both stream sediment and rock geochemically anomalous zones has resulted in the discovery of several shear/fracture zones, hosting mineralized quartz veins. These shear/fracture zones are well silicified and pyritized, and variably mineralized with disseminated galena and chalcopyrite. Most are characterized by extensive gossan developments.

In the north-central and northwestern regions of the KC 1 claim, there are several well developed quartz veins in outcrop trending roughly east-west. On examination, these appear to form part of an extensive fracture zone trending 70° Az along the creek. The system shows varying degrees of silicification, and where fracturing and silification are intense, 0.2 - 1.3 metre wide quartz veins have developed. These are most common between closely spaced, parallel primary fracture sets. Pyritization generally occurs where cross-fracturing occurs, resulting in a pyrite content of up to 30% with abundant galena, chalcopyrite, and lesser sphalerite. Stream silt samples collected in 1981 returned geochemically anomalous gold-in-silt values and a subsequent evaluation of this area resulted in a number of rock samples being taken, many of which also returned anomalous values. Sample KC-DD-04 (122,000 ppb Au, 69.8 ppm Ag) was collected from float near a mineralized section of quartz vein in outcrop. Samples KC-DD-07 (33,200 ppb Au, 37.0 ppm Ag) and KC-DD-08 (3,500 ppb Au, 170.0 ppm Ag) were collected from mineralized float adjacent to and just east of a pyrite mineralized quartz vein exposed in outcrop.

Geological mapping continued on the previously discovered quartz vein system occurring along a splay of the Dortatelle Fault. This vein system occupies much of the southwestern region of the KC 1 claim. The system consists of a series of sub-parallel northwest trending fracture zones (attaining widths of up to 3 metres) which have been traced on surface for 1,500 metres. The fracture zones are characterized by strong gossan development, moderate to intense silicification and pyritization, with strong vein development along open fracture sets. An envelope of weak pyritized and gossanous andesitic tuff occurs along the system.

In the south-central and southeastern regions of the KC 2 claim, several narrow but persistent quartz-flooded shear zones were discovered. Irregular quartz lenses have developed along certain sections of the shears, usually where a strong degree of cross-fracturing is encountered. The lenses were observed to be variably mineralized with disseminated pyrite and galena, with minor sphalerite and magnetite. Several grab samples collected from bedrock and float returned economically significant gold- and silver-in-rock values (0.47 oz/ton Au and 0.14 oz/ton Ag).

GEOCHEMISTRY

A total of 25 stream silt samples were collected during 1984 and submitted to TerraMin Reserach Labs Ltd. in Calgary, Alberta. Au and Ag were analyzed by combined fire assay / atomic absorption procedures on a 25-gram aliquot. Cu, Pb, and Zn were analyzed by standard atomic absorption procedures while As was analyzed by standard colorimetric methods.

This sampling helped fill in the gaps in the previous 1981 sampling program in which only Au and Ag were analyzed. The 1981 sampling had indicated general elevated Au values with the presence of some anomalous sites returning up to 1500 ppb Au.

The main east-flowing stream in the northern portion of the KC 1 claim has elevated gold values along the entire length sampled, with a maximum of 80 ppb within the claim group. The 1984 sampling also indicates anomalous Cu values along the entire length. The maximum Cu value obtained was 840 ppm. Some elevated Zn values are also present to a maximum of 370 ppm. Pb and As display no significant enrichment.

The south-flowing tributary of Kliyul Creek returned two very anomalous sample sites within the east-central portion of the KC 2 claim. The sample sites, approximately 100 metres apart, returned the following values:

	Au	Ag	As	Cu	Pb	Zn
	ppb	ppm	ppm	ppm	ppm	ppm
KC-DD-14	478	.48	3	500	1	122
KC-DD-15b	392	.36	5	540	3	205

An association between gold and copper is evident; however, the anomalous Cu levels appear to be more general and may not be related to the same specific source as that which has given the two-site Au anomaly.

The west-flowing stream which drains the central portion of the KC 2 claim was confirmed to be anomalous by three additional sample sites upstream from the previous sampling. The prospecting also confirmed anomalous precious metals values to be present in proximity to the anomalous stream.

The 1981 sampling returned up to 1500 ppb Au and indicated that over 300 metres of the stream returned in excess of 100 ppb Au. The 1984 sampling was limited to three additional samples upstream with the following results:

	Au ppb	Ag ppm	As ppm	Cu ppm	Pb ppm	Zn ppm
S-KC-2-01	112	.37	40	530	3	112
S-KC-2-02	152	.32	35	340	2	95
S-KC-2-03	80	.28	35	370	3	103

Unlike the other stream anomalies, there appears to be a correlation between the Au and higher As values. Anomalous Cu levels are also evident.

PROSPECTING

A total of 31 rock samples were collected and submitted to TerraMin Research Labs Ltd. in Calgary, Alberta, for Au, Ag, As, Cu, Pb, and Zn analyses by combined fire assay / atomic absorption technique. Anomalous and economically significant gold- and silver-in-rock values were obtained from four zones of strong fracturing and/or shearing, quartz veining, pyritization, and silicification.

Prospecting and geological mapping were carried out in the vicinity of anomalous Au-in-silt locations RD-11 to RD-16 in the northern area of the KC 1 claim. The area is underlain by andesite tuff which is cut by a prominent east-west trending fracture zone hosting quartz veins and stringers to 1.0 m wide. These are mineralized in certain sections with disseminated to massive pyrite and galena, with lesser sphalerite and chalcopyrite. Nine samples (see Table 1 - I) were collected from float or bedrock.

In the west-central area of the KC 1 claim, there is a major north-west trending quartz vein system. A number of grab samples were collected from boulders and outcrop in this area, returning three significant Au values and one Ag value (see Table 1 - II).

Routine rock sampling carried out during prospecting and mapping of the silicified and pyritized fracture zones in the southern part of the KC 2 claim resulted in six anomalous Au and/or Ag values. Sample S4-20-9 was a grab sample from outcrop along a north trending silicified fracture zone containing stringers of galena, sphalerite, and magnetite. Samples S1-21-9, S1A-21-9, S2-21-9, S4-21-9, and S5-21-9 were collected from a 600 m section of biotite-hornblende monzonite porphyry cut by several narrow fracture and shear zones, containing weakly developed quartz veins with no preferred orientation, and are variably mineralized with disseminated pyrite, galena, and malachite. Some of the samples were collected from float, believed to come from the nearby exposed bedrock (see Table 1 - III).

TABLE 1

ROCK SAMPLING ANOMALOUS RESULTS			
		Au ppb	Ag ppm
I.	KC-DD-02	166	.19
	KC-DD-04	122,000	69.80
	KC-DD-05	410	.51
	KC-DD-07	33,200	37.90
	KC-DD-08	3,520	170.00
	KC-DD-09	1,240	7.70
II.	GW-KC-02	184	11.20
	GW-KC-03	78	1.47
	GW-KC-05	60	.36
III.	S 4-20-9	222	.25
	S 1-21-9	16,200	3.10
	S1A-21-9	4,360	6.30
	S 2-21-9	196	1.82
	S 4-21-9	232	.58
	S 5-21-9	4,660	6.70

GEOPHYSICS

A ground magnetometer survey was conducted over 2.3 line km of grid in the central part of the KC 1 claim. Lines were spaced at 100-metre intervals with magnetometer readings taken at 25-metre stations. A Scintrex MP-2 proton magnetometer was used for this survey.

Variations in the earth's magnetic field were negligible during this survey, thus eliminating the need for corrections. The raw data have been plotted and contoured on Map 4.

The magnetic background for the grid area is approximately 58,300 gammas. The signature is relatively quiet throughout the grid area. No significant response was observed over the geochemically anomalous gold-in-rock zone previously discovered during the 1981 field season.

CONCLUSIONS AND RECOMMENDATIONS

Detailed ground evaluations of existing Au- and Ag-in-silt and Au- and Ag-in-rock anomalous zones have resulted in the discovery and extension of several mineralized vein structures which transect various regions of the KC claims.

Most of the prominent structures remain open-ended and require extensive additional evaluation. The more remote, rugged areas of the property have yet to be thoroughly prospected.

Most of the structures appear to be related to the regional trend associated with the Dortatelle Fault, currently being explored by BP/Selco on ground to the south of the KC 2 claim. A series of strong fracture and shear zones (accompanied by quartz veining, pyritization, and silicification) is observed cutting most Takla formational units along the fault zone on the KC 1 and 2 claims.

All of these require detailed follow-up work to determine their economic potential.

A P P E N D I X I

Analytical Techniques

A P P E N D I X I I

Geochemical Analyses

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Sample No. Soil	Au ppb	Ag ppb	As ppm	Cu ppm	Pb ppm	Zn ppm
GW-I-03	-2	280	23	280	2	78
04	6	180	11	68	11	68
05	-2	40	12	119	2	102
06	40	710	10	137	21	96
07	658	2900	33	270	380	700
08	332	2900	27	320	530	1280
09	112	1670	7	200	146	370
KC-DD-01	80	610	11	710	19	360
KC 02	62	320	10	810	17	370
03	64	390	6	810	15	280
04	42	250	10	500	10	250
05	34	180	10	240	3	68
06	44	460	6	840	8	240
07	38	210	7	750	6	240
08	56	410	4	580	5	155
09	40	280	3	550	5	104
10	88	640	5	490	-1	166
11	68	320	4	490	3	146
12	64	330	8	630	5	260
13	48	340	5	610	3	290
14	478	480	3	500	1	122
15 A	34	260	10	300	3	250
15 B	392	360	5	540	3	205
16	10	200	16	320	3	270
17	28	310	11	380	3	330

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Sample No. Soil	Au ppb	Ag ppb	As ppm	Cu ppm	Pb ppm	Zn ppm
KC-DD-18	34	250	11	320	3	260
19	28	320	13	360	3	270
20	22	260	11	340	4	290
21	28	300	9	191	3	82
MC-G1 3+00 S BL	4	40	5	60	5	58
MC 0+25 E	6	80	3	28	3	54
0+50	4	180	3	31	3	70
1+25	-2	50	2	12	5	32
1+50	30	140	4	14	8	52
MC-G2 L0 1+50 W	-2	60	3	44	2	42
1+40	8	110	3	50	2	56
1+30	4	40	4	66	3	54
1+20	2	140	4	43	2	112
1+10	8	200	5	25	8	72
1+00	-2	190	2	32	5	60
0+90	4	120	2	27	9	108
0+80	2	170	5	57	6	124
0+70	-2	110	3	61	3	60
0+60	-2	170	3	29	4	76
0+50	-2	70	3	31	1	78
0+40	2	110	3	50	1	62
0+30	-2	60	2	20	9	73
0+20	8	70	3	55	3	52
0+10	-2	60	7	32	4	76
0+00	-2	10	3	27	1	51

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Sample No. Soil		Au ppb	Ag ppb	As ppm	Cu ppm	Pb ppm	Zn ppm
MC-RN-2		8	640	7	40	-1	92
KC	S-KC-2-01	112	370	40	530	3	112
	02	152	320	35	340	2	95
	03	80	280	35	370	3	103
SUS	3 W 3+00 N	24	420	8	39	5	56
	2+75	18	640	17	63	15	119
	2+25	56	200	32	64	27	169
	2+00	40	440	19	32	16	80
	1+75	32	520	17	51	36	112
	1+50	382	1410	42	230	22	132
	1+25	96	470	16	370	22	220
	0+75	96	800	4	156	8	37
	0+50	16	240	5	96	17	70
	0+25	32	680	5	40	12	50
BL	2+75 W	40	120	10	179	16	105
	2+50	234	190	2	110	13	43
	2+25	40	130	5	132	9	22
	2+00	260	290	11	940	6	87
	1+50	98	80	9	280	9	96
	0+50	-2	30	8	40	4	89
	0+00	16	320	22	142	14	93
SUS-RF-	1	10	2400	124	112	62	1560
	2	4	900	17	125	15	300
	3	6	630	38	65	19	730
	4	8	1120	88	127	51	580

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Sample No. / Rock	Au ppb	Ag ppb	As ppm	Cu ppm	Pb ppm	Zn ppm
KC GW-KC-01	58	1120	2	580	14	103
02	184	11200	-1	1080	330	49
03	78	1470	-1	11	3	4
04	38	410	-1	6	3	3
05	60	360	1	151	7	34
06	28	410	1	8	2	6
Engc GW-I-01	3160	47900	-1	70	10300	1580
02	16	50	-1	53	8	5
Trench B	4540	3600	1	71	1930	2200
GW-I-02	12	250	90	69	25	69
Sus GW- S-01	60	450	74	13	15	52
02 A	6520	4700	5	16400	3	104
02 B	1200	1120	21	2600	8	116
02 C	4500	7300	31	3400	8	74
02 D	4920	12700	103	3700	87	60
03	76	170	6	17	13	32
GW- T-01 A	352	1480	515	6800	25	47
Thanc 01 B	348	440	249	1520	13	39
01 C	44	200	170	490	5	38
02 A	1060	2900	44000	4500	8	59
02 B	1860	4200	20500	12500	9	102
02 C	1050	1440	7500	1670	9	33
KC KC-DD-01	18	460	89	52	2	77
02	166	190	17	53	1	47
04	122000	69800	4	53	15	48

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Sample No. / Rock	Au ppb	Ag ppb	As ppm	Cu ppm	Pb ppm	Zn ppm
KC-DD-05	410	510	4	6	6	51
Kc 07	33200	37900	-1	21	16	7
08	3520	170000	11	1880	1330	270
09	1240	7700	2	1340	6	36
10	76	350	-1	7	4	9
10+20	62	190	1	7	5	14
20	704	3000	2	1100	-1	119
21	26	210	1	64	72	65
22	54	360	1	27	54	11
23	12	10	4	4	1	55
24 A	16	70	3	30	4	75
24 B	20	210	2	3	6	3
MC MC-RN-01	N.S.					
03	2	50	3	25	2	73
04	-2	30	3	11	2	20
R-1 0-50 cm	44	100	2300	410	-1	47
50-120	2000	290	2600	640	-1	22
120-200	6	90	63	96	3	83
R-2 0-1 m	102	310	9900	480	-1	24
Thane 1-1.5	2	90	470	240	-1	23
1.5-2.5	52	160	9700	480	-1	19
2.5-3.5	62	450	10900	390	17	41
R-3 0-1 m	10	60	740	200	2	16
1-2	38	250	2800	950	-1	16
2-3	3600	610	71000	1130	7	27

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TERRAMIN RESEARCH LABS LTD.

ANALYTICAL REPORT

Job # 84-261-B

Date

Client Project GR-BC-12

Sample No. / Rock	Au ppb	Ag ppb	As ppm	Cu ppm	Pb ppm	Zn ppm
R-3 3-4 m	1140	930	78000	1860	14	34
4-5	2760	770	97000	1840	3	42
Sus RF-SUS-04	4	70	213	21	6	53
05	2	480	79	33	158	310
07	8	470	355	140	21	81
Inge S- 17- 9	2	80	19	68	2	58
18- 9	284	3900	28	3500	6	17
19- 9	6	140	9	92	2	19
KC 20- 9	12	50	5	1660	6	20
21- 9	16200	3100	125	85-	1580	1320
Sus 22- 9	72	70	4	9	12	48
KC 23- 9	14	50	4	5	9	42
KC S1A- 21- 9	4360	6300	40	3800	1100	1470
S2 - 17- 9	8	350	16	290	10	42
Inge 20- 9	78	630	3	1420	8	22
KC 21- 9	196	1820	22	310	40	19
Sus 22- 9	2	5200	43	2000	2100	156
S3 - 17- 9	4	320	56	166	9	49
Inge 20- 9	66	3300	88	42	10	79
KC 21- 9	52	240	3	59	16	6
S4 - 17- 9	4	180	21	155	6	32
Inge 20- 9	222	250	3	8	-1	26
KC 21- 9	232	580	4	4	9	6
S5 - 20- 9	36	150	6	17	9	56
KC 21- 9	4660	6700	-1	11	8	17

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TERRAMIN RESEARCH LABS LTD.

ANALYTICAL REPORT

Job # 84-261-B Date

Client Project GR-BC-12 Page 4/4

Sample No. Rock	Au ppb	Ag ppb	As ppm	Cu ppm	Pb ppm	Zn ppm
KC S6 - 20- 9	42	240	4	26	3	43
Solohon (?) vein Trench B	1600	10400	-1	154	6500	2600
" Trench C 0-1 m	94	2600	-1	102	1520	480
" OW-2	5680	9600	-1	850	2300	2400
" 2.0	4040	8000	-1	70	3100	310
" 2-3	6580	12600	4	330	2000	1020
" 3-4	68	370	3	37	28	92
" Flyrock	1250	9600	5	630	5700	2500
Trench A A-1	434	5900	-1	103	1060	440
A-2	1110	8700	-1	105	1650	810
Trench B B-01	1040	3200	10	103	2080	920
1-2 m	26800	9400	3	250	5000	1680

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A P P E N D I X I I I

Rock Sample Descriptions

ROCK SAMPLE DESCRIPTIONS

GW-KC-01	boulder; white to rusty quartz, variable amounts of malachite, minor Cpy and Py. Location downslope of west end of snow field.
GW-KC-02	boulder; white to rusty bull and vein quartz; no visible sulphides. Location east end of snow field, downslope of 1981 rock sample returning high Au-/Ag-in-rock.
GW-KC-03	boulder; quartz, moderately mineralized with Py, Cpy. Location, area containing rusty quartz float and large boulder west end of 1974 grid.
GW-KC-04	outcrop; 0.5m vein quartz traceable for 12 m, highly fractured, very rusty, weakly mineralized with Py, strikes N20°E/near-vertical dip. Location northwest corner KC 1.
GW-KC-05	outcrop; orange clay-altered and leached dacite; no visible sulphides.
GW-KC-06	boulder; unaltered white quartz.
KC-DD-01	boulder; unaltered quartz vein material.
KC-DD-02	boulder; unaltered quartz vein material.
KC-DD-03	boulder; green to rusty weathered, moderately silicified andesite with disseminated Py to 3%; No Assay.
KC-DD-04	1) boulder; narrow quartz vein cutting green chlorite-altered volcanic (andesitic basalt); moderate silicification; vein contains blebs and fracture coatings of massive Py and lesser Aspy. 2) boulder; rusty vein quartz, disseminated Py along hairline fractures.
KC-DD-05	1) outcrop; 5 cm wide quartz vein oriented 92°/75°N, weakly mineralized with malachite. 2) outcrop; vuggy vein quartz, very rusty, disseminated Py to 3%, very minor malachite.
KC-DD-07	1) outcrop; vein quartz, very rusty, moderately mineralized with disseminated Py to 5%; highly leached, numerous vugs. 2) boulder; 3 samples rusty vuggy quartz; Py to 20% in vugs.
KC-DD-08	1) boulder; rusty, impure quartz; disseminated Py and malachite. 2) boulder; vein quartz, rusty, disseminated Py to 10%, minor magnetite; vuggy and highly leached.
KC-DD-09	1) outcrop; sheared quartz and chlorite rock, well mineralized with Py and minor Cpy along fractures and in seams cutting quartz; abundant chlorite along shear plane. 2) boulder; highly sheared quartz-graphite schist; disseminated Py to 15%.

	KC-DD-10	1) outcrop; vein quartz, cutting epidote-atlered Takla andesitic tuffs; massive Py. 2) outcrop; massive sulphide mineralization along quartz vein; large well developed Py crystals in quartz.
	KC-DD-10+20	boulder; quartz vein material.
	KC-DD-10+22	boulder; rusty white quartz, fractured, abundant Py along fracture surfaces; wallrock green chlorite altered tuff. No Assay.
	KC-DD-10+25	boulder; vein quartz, 1.5 cm wide seam of massive Py; quartz is rusty and highly fractured. No Assay.
Banjo	KC-DD-20	outcrop; siliceous andesite tuff, dark grey, seams of Py.
"	KC-DD-21	1) outcrop; andesite tuff, dark brown, rusty, highly sheared. 2) outcrop; quartz, fine-grained, Py in seams, minor carbon material in quartz.
"	KC-DD-22	outcrop; quartz-feldspar; seams of Py.
"	KC-DD-23	outcrop; biotite-rich (60%) rock; weakly disseminated Py to 3%; chlorite to 40%.
"	KC-DD-24	outcrop; vein quartz; Py to 1%.
	S1-20-9	boulder; malachite-stained, weakly to moderately silicified and epidotized; very minor disseminated Py. Original rock was a non-porphyritic dacite flow, some evidence of epidote alteration on fresh surface.
	S2-20-9	outcrop (broken and sheared); andesite, dark to medium grey, weakly silicified, moderately fractured and sheared; disseminated Py to 1%; shear zone trending 335°.
	S3-20-9	outcrop; quartz in shear, very rusty, highly silicified andesite; cube Py to 5%.
	S4-20-9	outcrop; rusty highly silicified andesite; minor magnetite and Py; stringers of galena and sphalerite; shear trends 332°.
	S5-20-9	outcrop; dacite, moderately silicified, highly sheared; variable amounts of sericite, Py, chlorite; rusty, lt-grey.
	S6-20-9	outcrop; chlorite-rich and silicified andesite, sheared; disseminated Py to 10%, rusty weathering, no Cpy.
	S1-21-9	outcrop; rusty quartz-carbonate vein; disseminated Py.
	S1A-21-9	boulder; quartz-carbonate-barite(?) vein, malachite-stained, quartz is vuggy; blebs of Py and minor malachite stain within.
	S2-21-9	outcrop; silicified andesite-dacite, strongly leached, some limonitic textures; Py to 15% as disseminations and fracture coatings.

A P P E N D I X IV

Summary of Personnel

Summary of Expenditures

S3-21-9 boulder; vein quartz, slightly recrystallized; trace malachite and Py.

S4-21-9 boulder; vein quartz, moderately fractured with rust stains, trace Py.

S5-21-9 outcrop; dacite, moderately silicified, carbonaceous; Py to 2%, chlorite alteration extensive; slightly sheared.

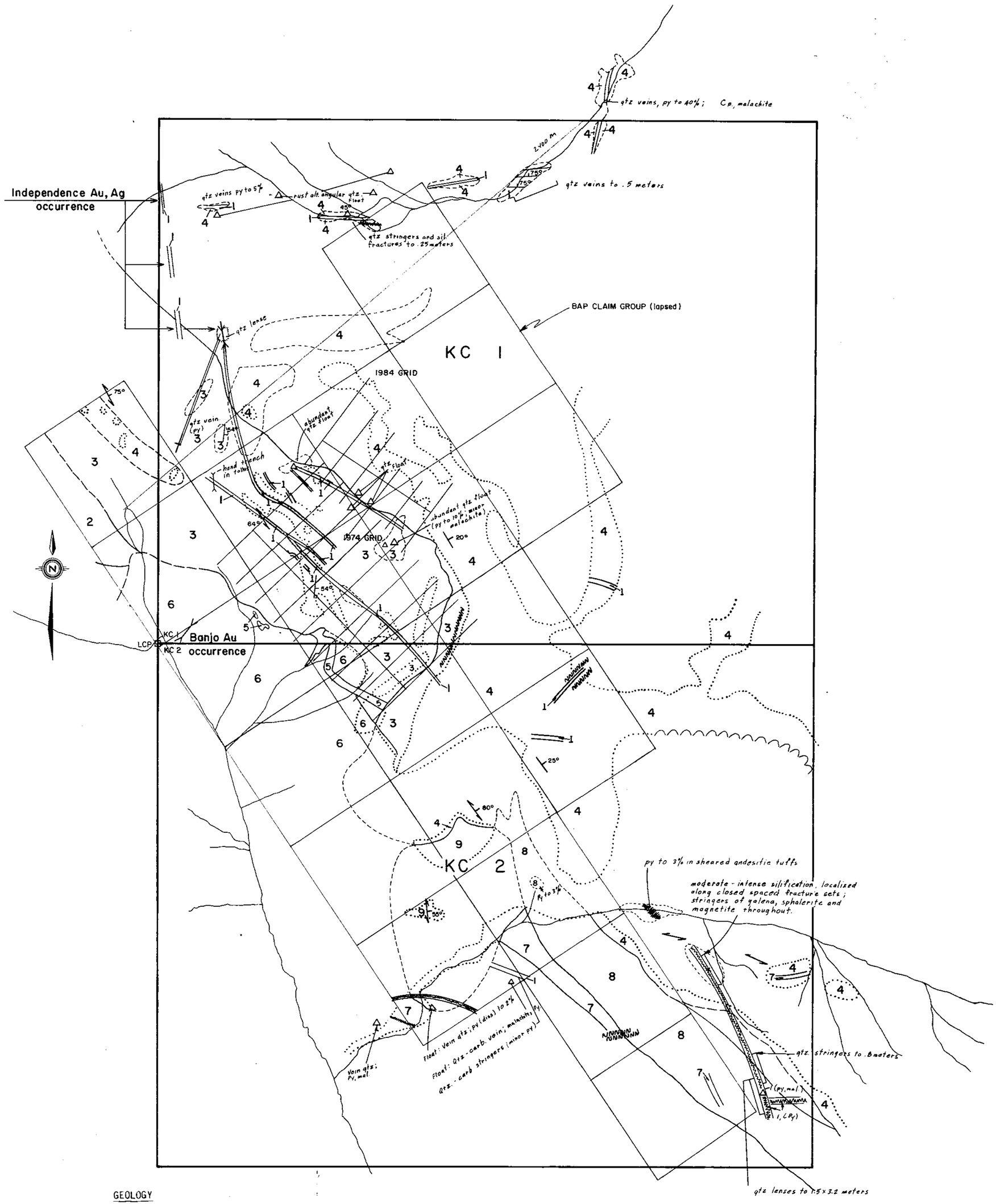
S1-23-9 outcrop; vein quartz, very coarse-grained; inclusions of chlorite and biotite; minor disseminated Py to 1%.

SUMMARY OF PERSONNEL

G. L. Wilson 60 Ranchridge Rd. NW Calgary, Alberta T3G 1Z9	Sep. 20 + 23
R. R. Fader 1516 - 23rd Street NW Calgary, Alberta T2N 2P5	Sep. 20
S. Hardlotte P. O. Box 1164 LaRonge, Sask. S0J 1L0	Sep. 20,21,23
D. D. Dancer 5 Fraser Road SE Calgary, Alberta T2H 1E4	Sep. 20,21,23

SUMMARY OF EXPENDITURES

Personnel			
G. L. Wilson	2 days	754.28	
R. R. Fader	1 day	353.59	
S. Hardlotte	3 days	911.79	
D. D. Dancer	3 days	589.29	
	9 man days		2,608.95
Northern Mountain Helicopters			
Sep. 20	0.60 hour	327.27	
Sep. 21	1.25 hours	681.81	
Sep. 22	1.50 hours	738.63	
Sep. 23	0.90 hour	490.91	2,238.62
TerraMin Research Labs Ltd.			
Soil samples, Au/Ag/As/Cu/Pb/Zn	25 @ $13.80	345.00	
Rock samples, Au/Ag/As/Cu/Pb/Zn	31 @ $15.75	488.25	833.25
Pro Rata Costs:			
Camp & Accommodation	9 man days @ $50.58		455.22
Travel Expenses	9 man days @ $30.52		274.68
Fixed-Wing Support	9 man days @ $ 4.24		38.16
Equipment Rentals	9 man days @ $15.96		143.64
Truck Rental	9 man days @ $15.96		143.64
Disposable Supplies	9 man days @ $ 4.73		42.57
Expediting & Freight	9 man days @ $ 3.74		33.66
Telephone	9 man days @ $ 5.35		48.15
Handling Charges	9 man days @ $ 1.97		17.73
Post-Field Compilation			
Report Writing	9 man days @ $87.79		790.11
Drafting	9 man days @ $14.10		126.90
Reproductions	9 man days @ $ 4.12		37.08
		TOTAL	$ 7,832.36



GEOLOGY

eKKc : KLIYUL CREEK PLUTON

- 9 Quartz monzonite
- 8 Hornblende diorite to hornblende gabbro
  - 8a Hornblende diorite porphyry
- 7 Feldspar-diorite, porphyry
- 6 Biotite-hornblende monzonite porphyry
- 5 Hornblendite, minor hornblende diorite

uR Ts,v : TAKLA GROUP

- 4 Andesitic ash tuffs and lapilli tuffs, medium-grained; some intercalations of greywacke and black calcareous argillite; minor amygdaloidal hornblende andesite porphyry
- 3 Andesitic ash tuffs, pyritiferous and gossanous, fine- to medium-grained, minor chlorite schist
- 2 Limestone, minor limy argillite

ALTERATION UNITS

- 1 Alteration - strong silicification, chloritization

SYMBOLS

- Strike and Dip of Bedding
- Strike and Dip of Foliation
- Shear Zone
- Contact - observed
- Contact - assumed
- Outcrop area
- Channel Sampling, Traverse Line
- X Rock Chip Location
- △ Float
- Cliffs

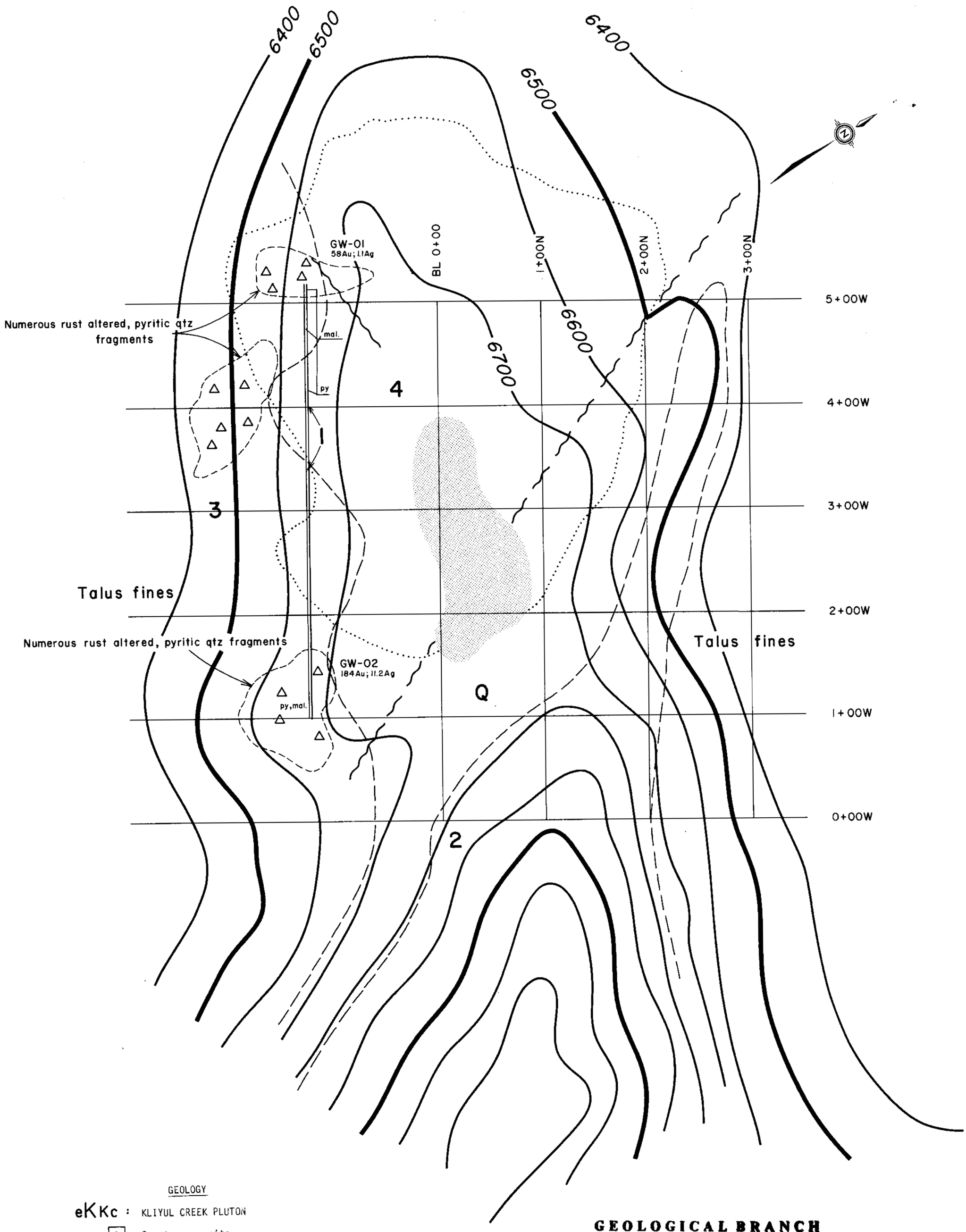
GEOLOGICAL BRANCH
ASSESSMENT REPORT

13,580

GOLDEN RULE RESOURCES LTD.

CHAPPELLE PROJECT
KC CLAIMS
GEOLOGY

DATE OCTOBER 16/84	NTS 94 D/8E,9E
PROJECT GR-BC-12	MAPPED / DRAWN BY G. WILSON
SCALE 1:10,000	0 100 200 300 400 500
TAIGA CONSULTANTS LTD	MAP 1.



GEOLOGY

eKKc : KLIYUL CREEK PLUTON

- [9] Quartz monzonite
- [8] Hornblende diorite to hornblende gabbro
  8a Hornblende diorite porphyry
- [7] Feldspar-diorite porphyry
- [6] Biotite-hornblende monzonite porphyry
- [5] Hornblendite, minor hornblende diorite

uR Ts,v : TAKLA GROUP

- [4] Andesitic ash tuffs and lapilli tuffs, medium-grained; some intercalations of greywacke and black calcareous argillite; minor amygdaloidal hornblende andesite porphyry
- [3] Andesitic ash tuffs, pyritiferous and gossanous, fine- to medium-grained, minor chlorite schist
- [2] Limestone, minor limy argillite

ALTERATION UNITS

- [1] Alteration - strong silicification, chloritization

Au - in rock (ppb)

Ag - in rock (ppm)

ICE FIELD

GEOLOGICAL BRANCH ASSESSMENT REPORT

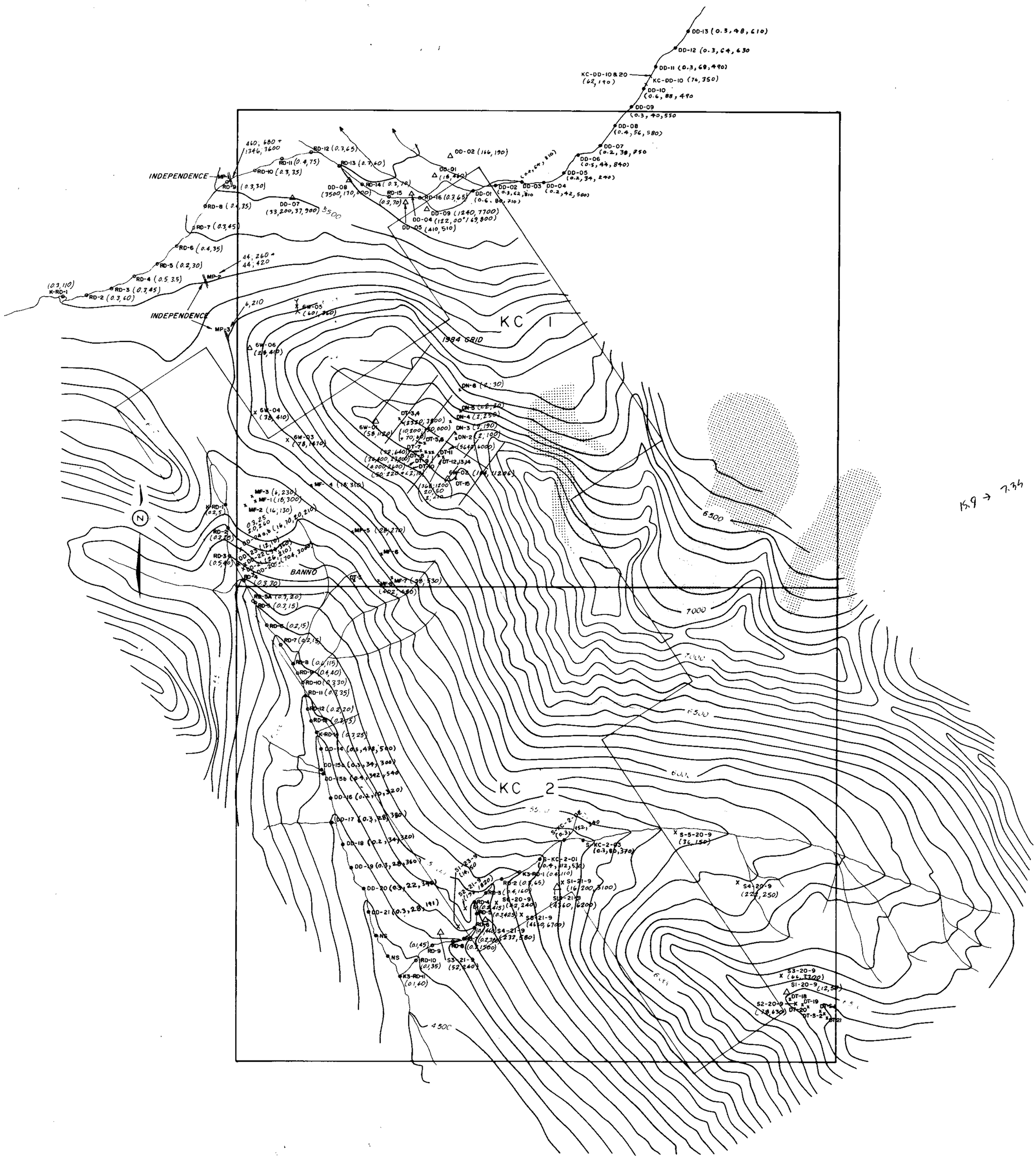
13,580

GOLDEN RULE RESOURCES LTD.

CHAPPELLE PROJECT
KC CLAIMS

KC-1 GEOLOGY 1984 GRID

DATE OCTOBER/84	NTS 94D/8E, 9E
PROJECT GR-BC-12	MAPPED/DRAWN BY G. WILSON
SCALE 1:2500	0 25 50 75 100 METERS
TAIGA CONSULTANTS LTD	MAP 2.



Ice field

Glacial moraine

△ – Float sample

x – Bedrock sample Au(ppb), Ag(ppb)

° – Silt sample Ag(ppm), Au(ppb)

Silt • – 1984 sample Ag(ppm), Au(ppb), Cu(ppm)

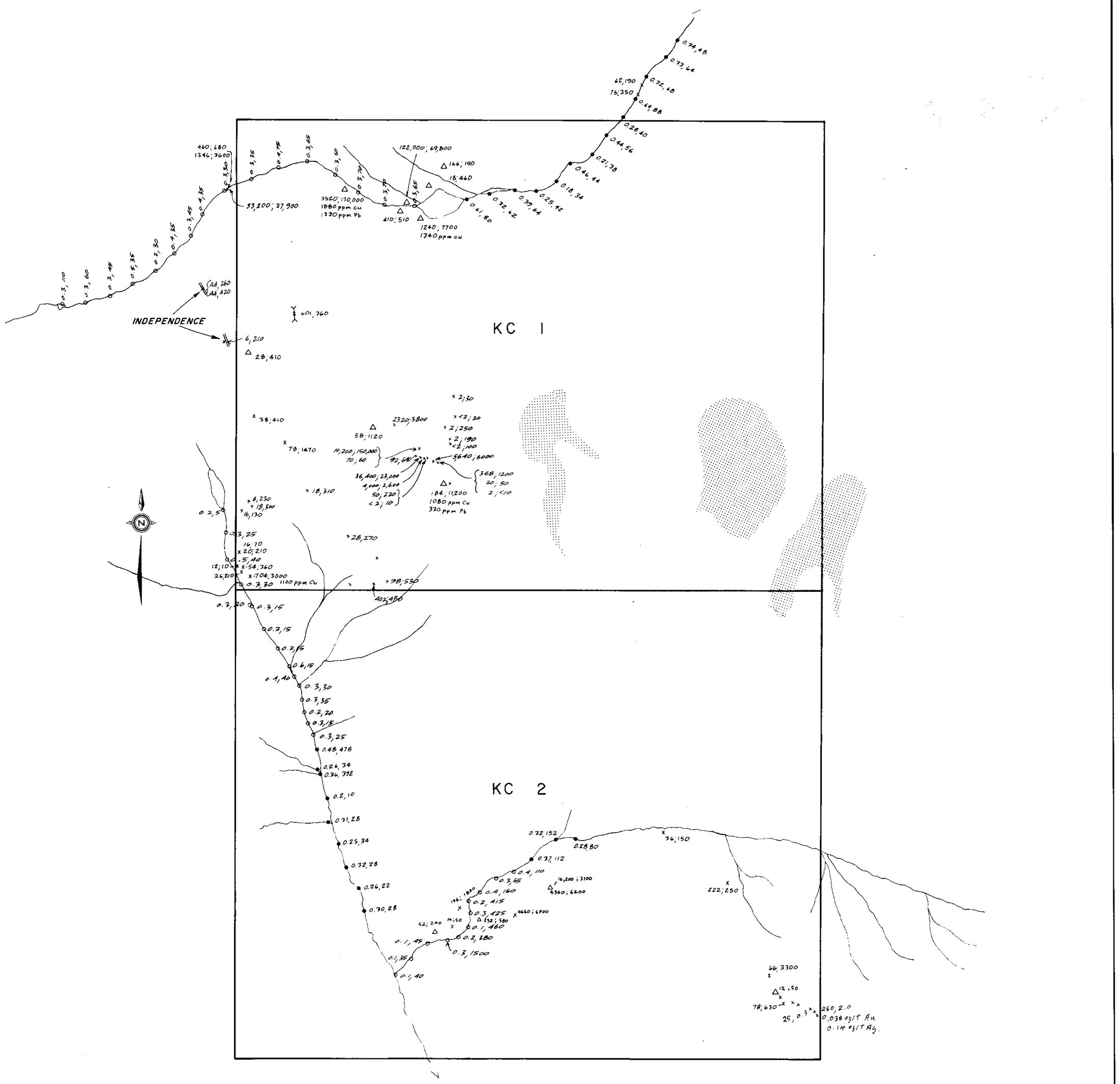
GOLDEN RULE RESOURCES LTD.

CHAPPELLE PROJECT
KC CLAIMS
SAMPLE LOCATIONS
Au and Ag Analysis

DATE: OCTOBER 19/84	N.T.S.: 94 D/8E,9E
DWG: GR-BC-12	DRAWN: G. WILSON
SCALE: 1:10,000	0 100 200 300 400 500
PEG CONSULTANTS LTD.	MAP 3

GEOLOGICAL BRANCH
ASSESSMENT REPORT

13,580

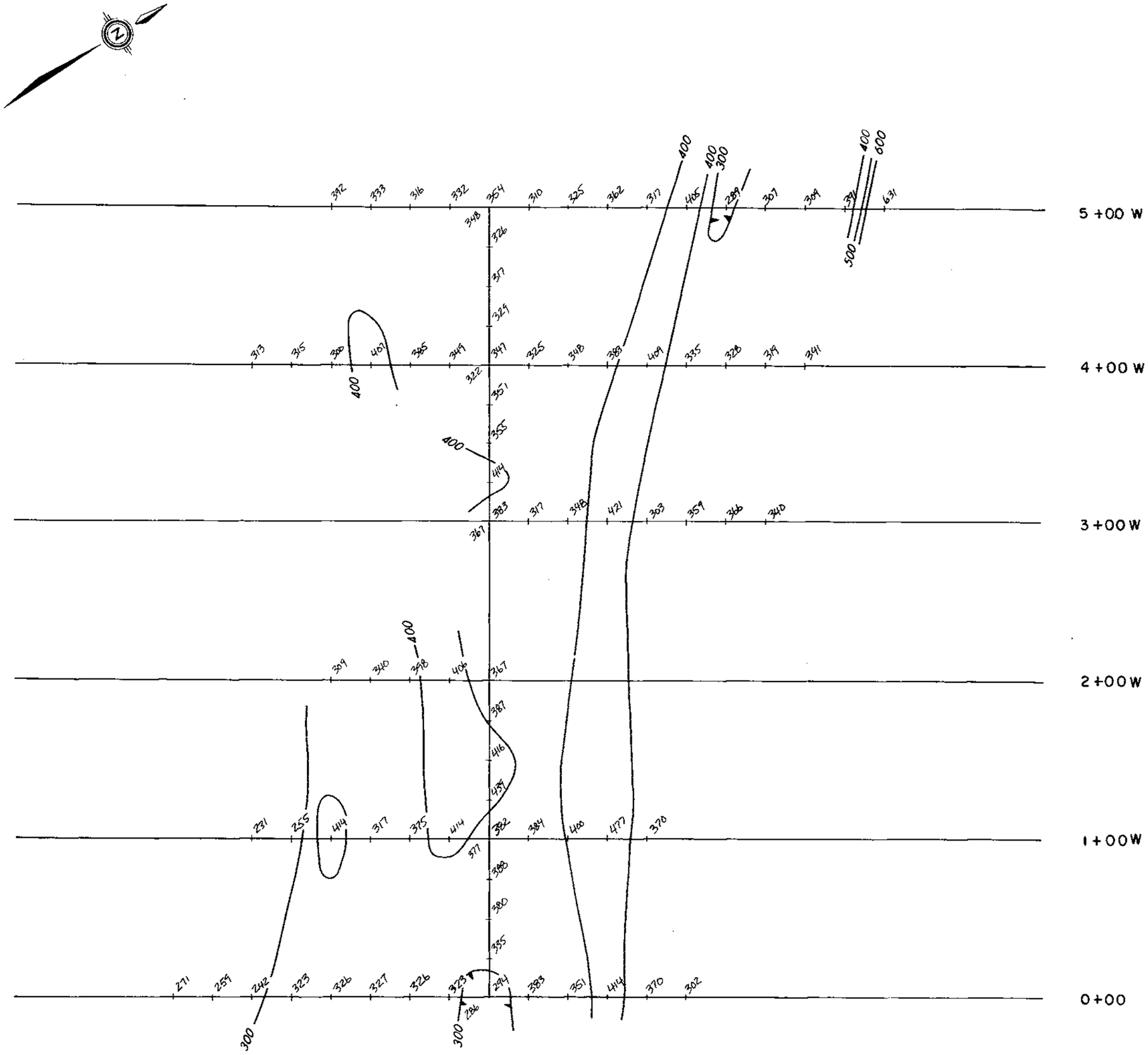


GEOLOGICAL BRANCH
ASSESSMENT REPORT

13,580

- o 1981 Stream Silt : Ag (ppm); Au (ppb)
- • 1984 Stream Silt : Ag (ppm); Au (ppb)
- x Rock Sample : Au (ppb); Ag (ppb)
- △ Boulder (Float) Sample : Au (ppb) Ag (ppb)

GOLDEN RULE RESOURCES LTD.	
CHAPPELLE PROJECT KC CLAIMS Au and Ag Analyses	
DATE	NTS 94 D/8E,9E
PROJECT GR-BC-12	MAPPED/ DRAWN BY
SCALE 1 : 10,000	0 100 200 300 400 500
TAIGA CONSULTANTS LTD	MAP 3



TOTAL FIELD VALUES ARE +58,000 NANOTESLAS

INSTRUMENT: SCINTREX MP-2 MAGNETOMETER

OPERATOR: D. DANCER

GEOLOGICAL BRANCH
ASSESSMENT REPORT

13,580

GOLDEN RULE RESOURCES LTD.

1984 GRID
GROUND MAGNETIC SURVEY
KC-1 CLAIM

DATE JANUARY / '85	NTS 94 D / 8E, 9E
PROJECT GR-BC-12	MAPPED/ DRAWN BY G. WILSON
SCALE 1: 2500	0 25 50 75 100 METERS
TAIGA CONSULTANTS LTD	MAP 4