85-347-13700
3/8

A&M exploration ltd. GEOLOGY • GEOPHYSICS MINING ENGINEERING

614-850 WEST HASTINGS STREET, VANCOUVER, B.C.
TELEPHONE (604) 681-0191 V6C 1E1

GEOCHEMICAL

ASSESSMENT REPORT

on the

MINERAL CREEK PROPERTY

(YELLOW CLAIMS)

Lat 49° 11' Long 124° 39'

N.T.S. 92F/2

Alberni Mining Division - British Columbia

for

SILVER CLOUD MINES LTD.

by

D. G. Allen P. Eng (B.C.)

May, 1985 Vancouver, B.C.

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SUMMARY

Silver Cloud Mines Ltd. holds two claims totalling eighteen claim units covering a gold prospect in the China Creek gold belt of Vancouver Island. The claims lie along Mineral Creek, a tributary of China Creek, twelve kilometres southeast of Port Alberni. Access is by logging road to the west side of Mineral Creek and thence by bulldozer road and trail to the showings.

The claim area is underlain by Late Paleozoic Sicker Group volcanic rocks. A prominent altered mylonite zone containing pyrite, arsenopyrite, quartz veinlets and anomalous gold values, outcrops in Mineral Creek. The mylonite was found to contain interesting gold values which average 1.6 grams per tonne over a length of 250 metres, indicating large-tonnage low-grade possibilities. Three gold-quartz veins parallel the mylonite on its east side. The quartz veins range in width from 7 to 30 centimetres and are exposed over a length of 325 metres. Grades are generally low but at least one high grade shoot (a 75 x 0.15 metre zone grading 120 grams per tonne Au) has been reported. The property has been developed by seven adits and has a recorded past production of 366 tonnes containing 9400 grams of gold (403 tons containing 303 ounces).

Preliminary soil geochemical surveys have partly outlined an area of 425 by 300 metres containing greater than

fifty parts per billion gold. Within this area gold values of more than 1000 parts per billion occurs over 300 by 120 metres. Follow-up geochemical, geophysical and geological surveys followed by diamond drilling are proposed.

CONCLUSION

The presence of widespread anomalous gold and arsenic values in soils on the YELLOW claims, along with the current activity by a number of major and junior mining companies in the Alberni area, indicate that further exploration is warranted.

The Mineral Creek property has two interesting exploration possibilities.

1) It might be possible to establish a small-tonnage of high grade material in the known vein system or possibly in some undiscovered veins.

2) Potential exists for outlining a large-tonnage of low-grade material in the mylonite zone. Anomalous gold values are found over a length of 900 metres and values averaging about 1.7 grams per ton (0.05 ounces per ton) are found over a length of 250 metres or more and a width of up to 15 metres. This suggests the presence of more than one million tonnes.

RECOMMENDATION

The following work is recommended:

1) Open up access road.
2) Geological mapping should be carried out to determine the width and extent of the mylonite zone.
3) Channel sampling across the entire width of the mylonite zone in a number of places shoud be carried out to establish grade distribution in the zone.
4) Soil sampling should be continued over the entire property to help locate other possible gold bearing zones.
5) Geophysical surveys - an induced polarization survey would aid in outlining the pyritic mylonite zone and to detect other similar zones. VLF-EM surveys would help detect any vein structures.
6) Any targets generated by such work should be drilled.

Donald F. Alle

INTRODUCTION

Siver Cloud Mines Ltd. holds two claims, totalling eighteen claim units, (YELLOW claims) in the China Creek area of southern Vancouver Island (Figure 1). The claims cover a gold-bearing mylonite zone and three gold-quartz veins in Sicker group volcanic rocks. The showings were partly developed in the late 1890's, again between 1933 and 1936 by Vancouver Island Gold Mines and a small tonnage produced.

Exploration activity in the China Creek area has been intensifying. A number of junior and major mining companies now hold mineral claims in the area. In particular, Au Resources, Nexus Resources, Westmin Resources, Noranda Inc. and Umex Inc. have recently been exploring for gold and kuroko-type massive sulfide deposits.

This report summarizes results of geochemical sampling and mapping carried out by D. G. Allen, E. Ascroft and A. Geoghegan on March 22, 1985. Results of previous work are also summarized. Additional geochemical analyses were carried out on samples taken in 1982. Data is presented on a base map prepared from maps supplied by MacMillan Bloedel Ltd.

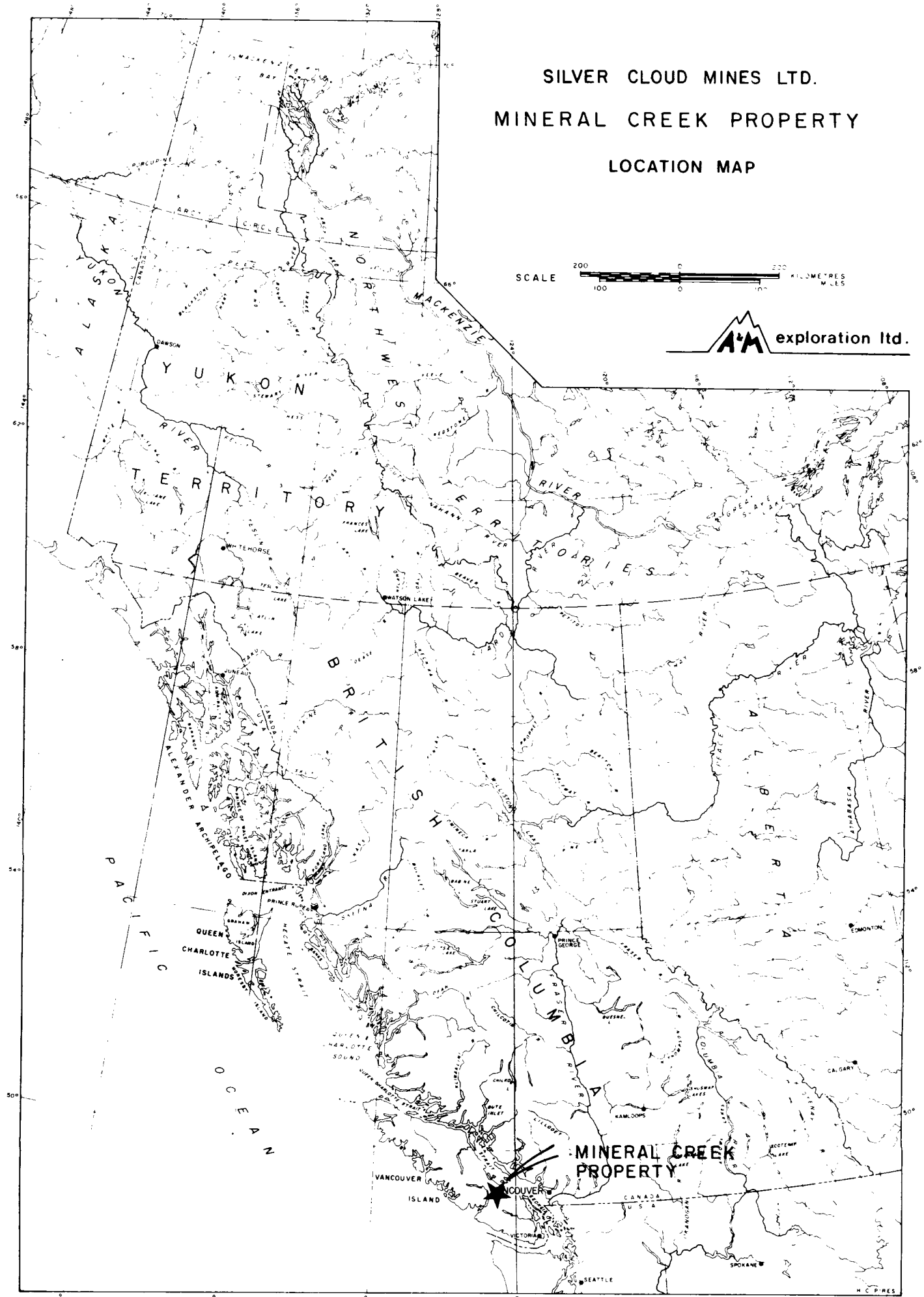

SILVER CLOUD MINES LTD.
MINERAL CREEK PROPERTY
LOCATION MAP
SCALE
200 0 200 KILOMETRES
100 0 100 MILES
A&M exploration ltd.
ALASKA
YUKON TERRITORY
NORTHWEST TERRITORIES
MACKENZIE RIVER
ARCTIC CIRCLE
DAWSON
WHITEHORSE
WATSON LAKE
BRITISH COLUMBIA
ALBERTA
PACIFIC OCEAN
ALEXANDER ARCHIPELAGO
QUEEN CHARLOTTE ISLANDS
QUEEN CHARLOTTE SOUND
PRINCE RUPERT
PRINCE GEORGE
EDMONTON
CALGARY
KAMLOOPS
VANCOUVER ISLAND
VANCOUVER
VICTORIA
SEATTLE
SPOKANE
CANADA
U.S.A.
MINERAL CREEK PROPERTY

FIGURE – 1

LOCATION, ACCESS AND PHYSIOGRAPHY

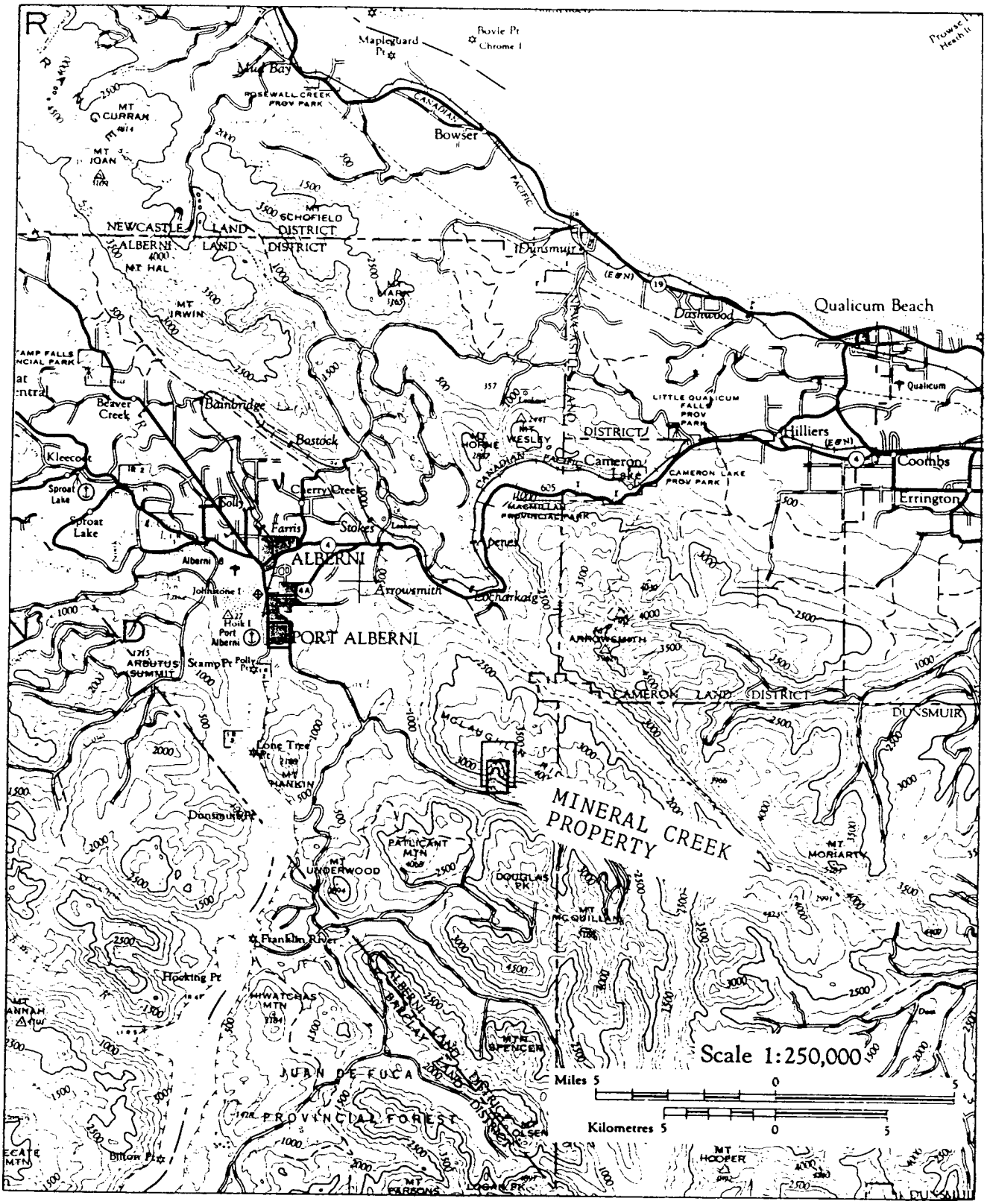
The YELLOW claims are situated on southern Vancouver Island, twelve kilometres southeast of Port Alberni (Figures 1 and 2). The claims lie between elevations 460 and 1050 metres on Mineral Creek, a tributary of China Creek. Access is by logging road to the southwest corner of the claim group at 580 metres elevation and thence by bulldozer road, now partly washed out, and by trail along the west side of Mineral Creek. Topography in the area is moderately steep and locally very steep. Vegetation consists of a mature stand of hemlock and cedar except on the southern edge which has been logged.

CLAIM DATA

The YELLOW claims are owned by Siver Cloud Mines Ltd. The claims are plotted on Figures 3 and 4.

Claim Name	No. of Units	Record No.	Expiry Date
Yellow	6	390	March 25, 1986*
Yellow M	12	2342	July 12, 1986

*Assuming work represented by this report is accepted.



92 F/2

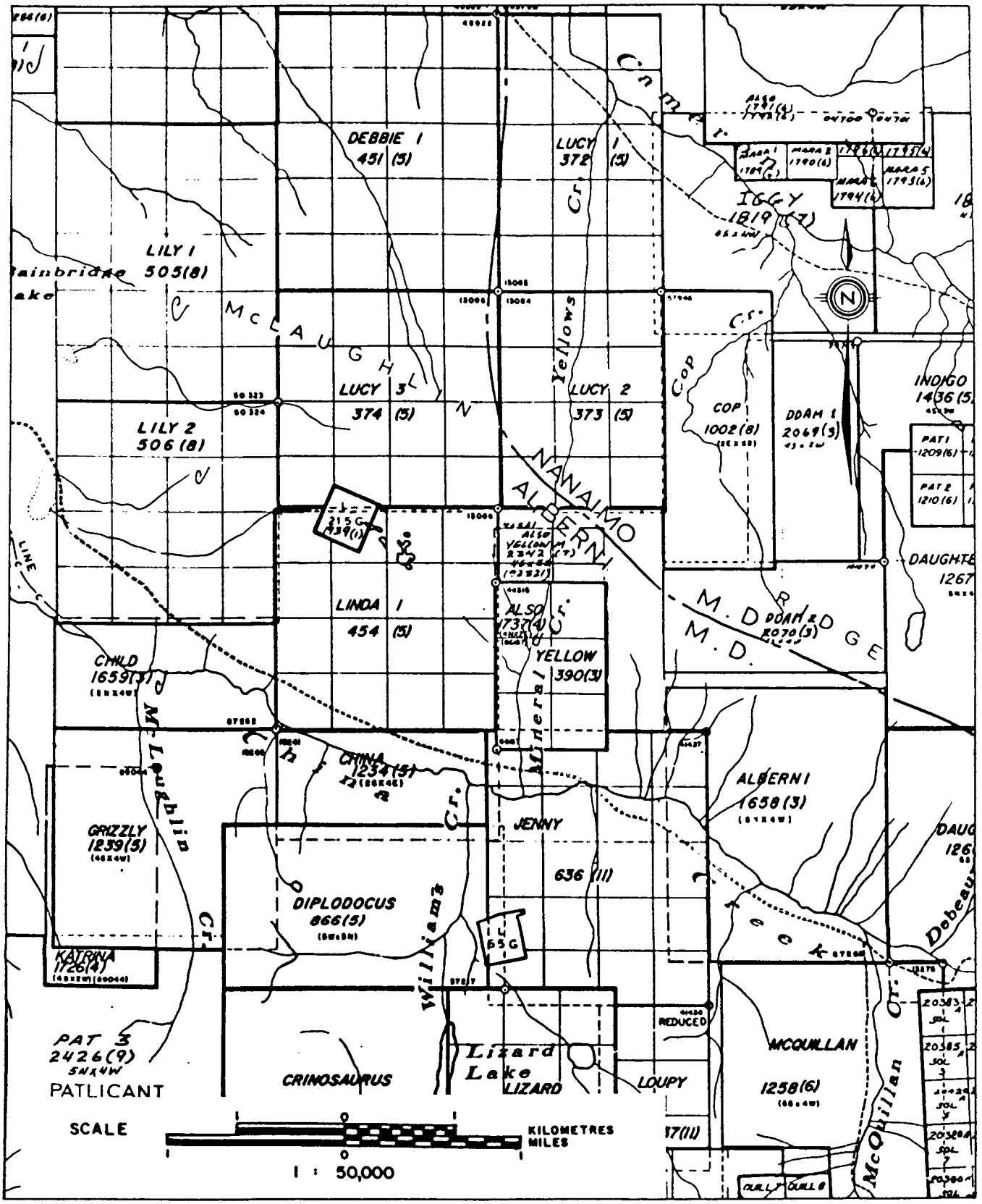
ACCESS MAP

MINERAL CREEK PROPERTY

Alberni Mining Division - British Columbia

A&M exploration ltd.

Figure 2



SILVER CLOUD MINES LTD.

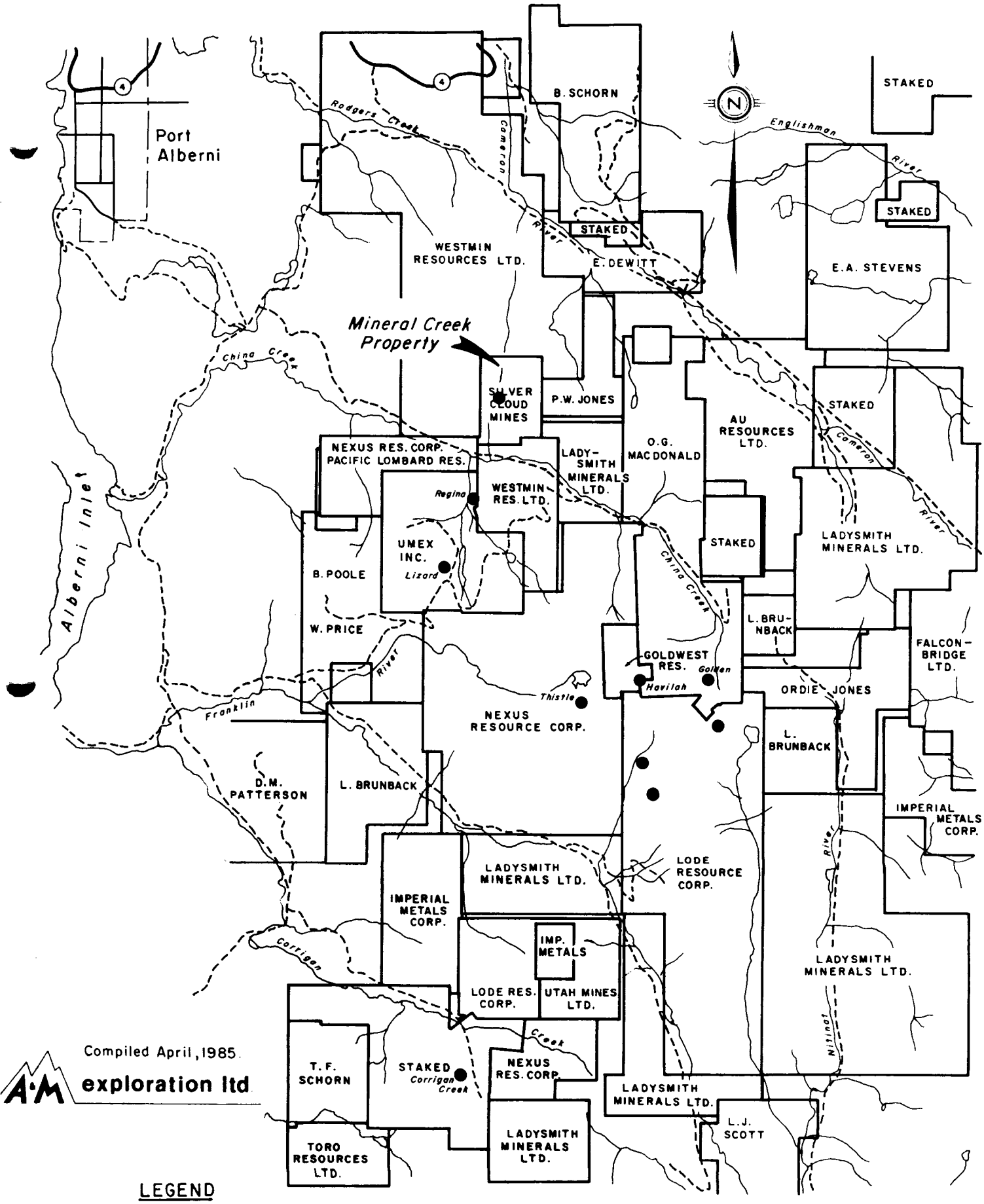
CLAIM MAP

MINERAL CREEK PROPERTY

Alberni Mining Division - British Columbia

A·M exploration ltd.

Figure 3



SILVER CLOUD MINES LTD.

MINERAL CREEK PROPERTY

CLAIM OWNERSHIP MAP

Sheet 92 F/2E

Figure 4

HISTORY

The Mineral Creek property was developed in the late 1890's by Consolidated Alberni Gold Mining Company and again in 1933 to 1936 by Vancouver Island Gold Mines. A 35 ton mill was constructed and a total of 750 metres of underground development in seven adits was carried out (Stevenson, 1944). Total production amounted to 366 tonnes containing 9400 grams of gold and 995 grams of silver.

In 1973 to 1975, the property was held by Keywest Resources Ltd. (Sam claims) who carried out prospecting and sampling (Sheppard, 1974, 1975).

The property was acquired in 1979 by Silver Cloud Mines Ltd. who carried out access road construction and limited exploration (Sheppard, 1979; Allen, 1981).

ENVIRONMENTAL CONSIDERATIONS

Mineral Creek is a tributary of China Creek which serves as a water supply for the town of Port Alberni. Although logging and mining exploration have been carried out in the China Creek watershed, great care and strict observance of city watershed regulations should be made when working in the area. Preliminary sampling of the stream sediments in Mineral Creek indicate relatively high arsenic contents. Detailed testing of water samples and

sediments should be undertaken. Ultimately, should any extensive development of the Mineral Creek prospect be undertaken, then it may be possible to move Port Alberni's water intake upstream, beyond Mineral Creek.

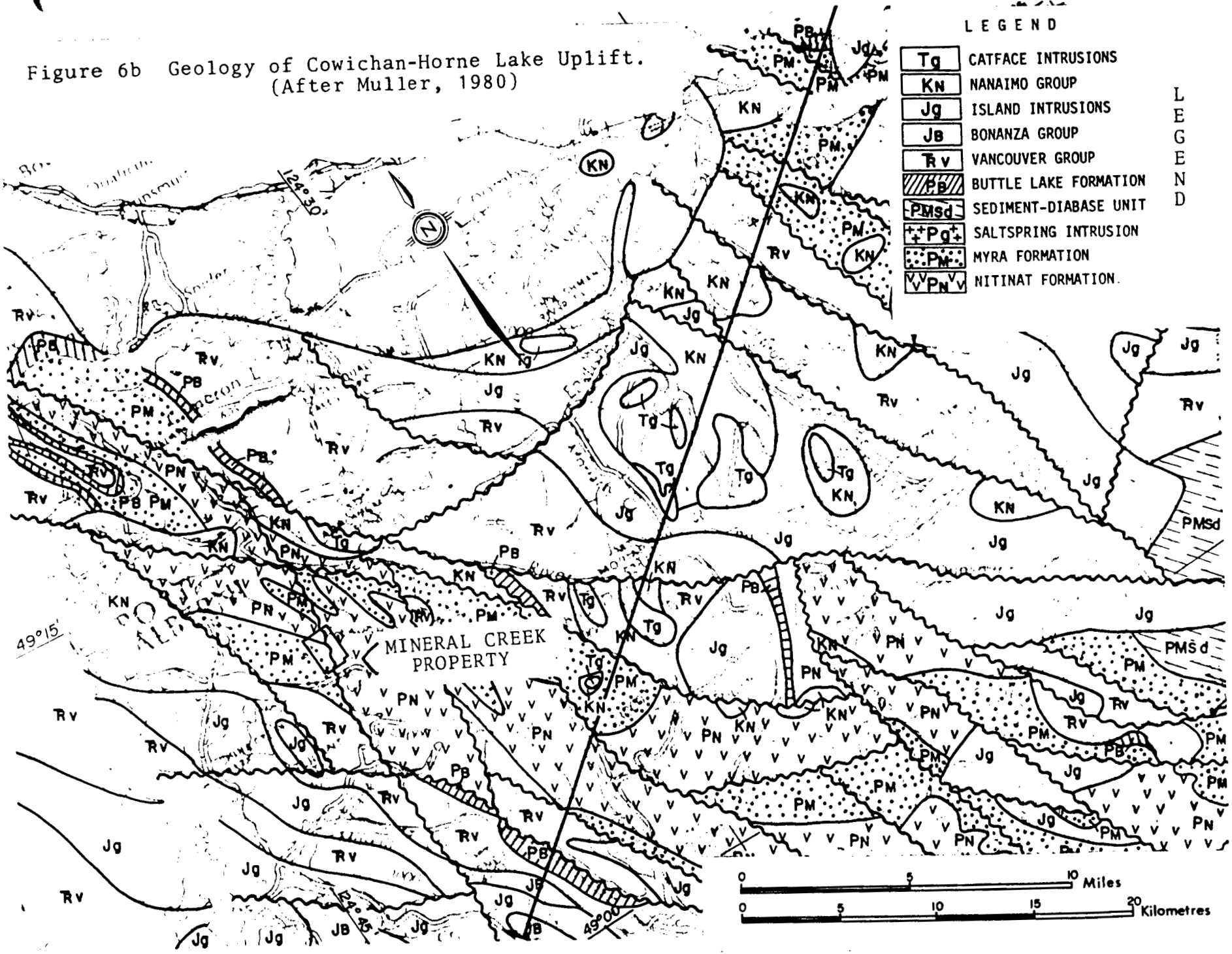
GEOLOGY

Regional Geology

The regional geology of the Alberni area has been described by Muller and Carson (1968), Muller (1980) and the geology of the China Creek Area has been described by Stevenson (1944).

The China Creek area is underlain mainly by sedimentary volcanic and sedimentary rocks of the Late Paleozoic Sicker Group which are exposed in narrow fault-bounded uplifts (Cowichan-Horne Lake uplift, see Figure 6b). According to Muller (1980), the east side of Mineral Creek is underlain by the Nitinat Formation which is described as being composed of dark basic agglomeratic, locally pillowed, lava breccia tuff. The west side of Mineral Creek is underlain by the Myra Formation which contains interbedded cherty tuff and variegated maroon and green breccia. These rocks are intruded by sills, dikes and stocks of quartz diorite and feldspar porphyry, although no intrusive rocks are known in the immediate vicinity of Mineral Creek.

Figure 6b Geology of Cowichan-Horne Lake Uplift.
(After Muller, 1980)



Geology of Cowichan-Horne Lake Uplift. (After Muller, 1980)

FIG. 6b

The major rock units trend north to northwesterly. They are cut by numerous faults and shear zones, some of which appear to have a significant control on the distribution of gold occurrences in the area. Mineral Creek is part of a prominent north-trending lineament which includes Yellow Creek to the north and Williams Creek to the south.

Mineral Deposits in the China Creek Area

The deposits in the China Creek area (Figure 4) are mainly gold-bearing quartz veins. According to Stevenson (1944):

"The vein-quartz contains variable amounts of the sulphides, pyrite, galena, and sphalerite, and small quantities of gold. The gold content of the veins is roughly proportional to the sulphide content, and samples of heavy sulphides have assayed several ounces of gold per ton.

Gold-copper ore is found in a high-temperature replacement deposit on the THISTLE.

The deposits lie in a belt 1½ miles wide that follows the general trend of a line of feldspar-porphyry stocks and dykes. Those deposits towards the south end of the belt lie close to a north-south area of diorite. This diorite is badly fractured and the resulting breccia sealed by granitic material. It is probable that the same deep-seated source gave rise to the diorite, the feldspar porphyry, the granitic

material that seals the diorite breccia, and, as late products of differentiation of the magma, the veins and replacement deposits."

The Thistle Mine is currently being explored by Westmin and Nexus Resources and is described as a volcanogenic pyritic copper-gold deposit. (Nexus Resource Corp. News Release, March, 1985).

Property Geology

The geology of the claim area has not been mapped in detail. The area was mapped on a reconnaissance basis by Tschach (1976) who noted the presence of andesite, rhyodacite and dacite flows, tuffs and breccias. Results of preliminary mapping carried out by the writer are presented in Figure 6a. Rock types encountered are mainly foliated green andesites, presumably of the Nitinat formation of the Sicker Group. Tuffaceous, anygdaloidal and slightly porphyritic varieties are locally present. Foliation trends in Lower Mineral Creek are north to northwesterly with easterly dips ranging from 45 degrees to vertical.

Mineralization

Three gold-bearing quartz veins and mineralized shear zones occur on the Mineral Creek property. These showings, underground workings, and assays are described in detail by Richmond (1934) and Stevenson (1936, 1944).

Of the three known quartz veins, two strike northwesterly and dip from 40 to 55 degrees southeastward and the third

strikes north and dips 80 degrees eastward. The veins generally range in width from about 7 to 30 centimetres but widths up to 1.2 metres have been reported. They are exposed over a length of 325 metres. They carry small amounts of pyrite and a little free gold. Assay data from this study are summarized in Table I.

The mineralized shear zone is a mylonitized, bleached and carbonatized andesite which contains stringers of quartz, along with disseminations and fracture coatings of pyrite and arsenopyrite. The zone appears to be up to 15 metres wide, strikes north-south and dips steeply. Low grade gold values occur in the zone (see below). It is undoubtedly part of a major structure which controls gold mineralization to the south in the Williams Creek-Lizard Lake area.

ASSAYS AND GEOCHEMICAL RESULTS

Rock Geochemistry

In 1981 and 1983, some of the quartz veins were sampled from the accessible stopes (1YG series - 10 samples - Table I) and a number of samples taken from the mylonite zone in Mineral Creek (1YA and 82YX series - 15 samples). Samples were analysed by atomic absorption methods for two to six of the elements Mo, Cu, Ag, Zn, Pb, As and Au. Sample sites are plotted on Figures 5a and 5b and results presented in Table I and Appendix I.

TABLE 1

SAMPLE NO.		SAMPLE DESCRIPTION	Au ppb	As ppm
1 YGT	1	7-10 cm qtz vein - upper Belcher adit	0.008*	78
	2	7-10 cm qtz-py vein - upper Belcher adit	0.560*	1,400
	3	15-18 cm qtz vein - upper Belcher adit	0.015*	176
	4	12 cm qtz vein 10 m in from portal upper Belcher adit	0.046*	180
	5	22 cm qtz vein 9 m " " " " " "	0.036*	144
	7	13 cm qtz vein 5 m " " " " " "	0.016*	126
	8	46 cm qtz vein-open stope above upper Mac adit	0.270*	640
	9	25 cm " " " " " " " "	0.080*	3,000
	10	24 cm " " " " " " " "	0.160*	640
	11	25 cm " " " " " " " "	0.010*	520
1 YAT	133	Silicified greenstone with 1-2% dissem py	10	18
	134	Bleached greenstone with abundant py - upper Shear adit dump	1,500	180
	135	Silicified greenstone with abundant py	1,560	510
	136	" " " " "	360	104
	137	Silicified greenstone with abundant py - lower Shear adit dump	870	120
	138	Silicified greenstone with abundant py	2,610	1,060
83 YXT	1	Semi-continuous chip sample across 47 m of exposed veined mylonite shear zone containing 95% quartz veining in individual chips with trace pyrite.	110	64
	7	Chip sample across 10 cm by 2 m exposed fault in highly altered andesite with very fine grained pyrite.	940	160
	8	Chip sample across 30 m of brown weathering cataclastic and mylonitic andesite on both sides of Mineral Creek. This rock is highly silicified and intensely fractured with up to 2% disseminated pyrite.	1,420	160
	9	Chip sample across 3 m of fresh and silicified andesite with rhythmically banded quartz veins.	240	56
	10	Chip sample across 1 m by 30 cm area of silicified andesite and quartz vein with minor amount of green fuchsite and 1% pyrite.	1,440	1,400
	18	Continuous and semi-continuous chip sample across 2.0 m of rusty weathering sheared and granulated andesite with trace pyrite. Microbrecciated quartz material in a grey matrix with random orientation.	1,000	680
	20	Continuous channel sample across 1.0 m of same sheared andesite outcrop as 83 YXT 18 but 1 m to the west in a pyritic zone with 3% to 5% disseminated pyrite.	2,800	1,120
	22	Chip sample along 10 cm by 75 cm area of six coalescing ribbon veins with minute siderite veins cutting them.	10	38
	25	Semi-continuous chip sample across 8.6 m of slightly foliated andesite with trace very fine pyrite dusting.	10	12
265 AT	28	2 metre chip sample across fault zone and alteration envelope of carbonatized and pyritized greenstone.	30	136
	29	Weakly sheared, silicified and quartz veined andesite.	10	10
	30	Chlorite schist with minor quartz and pyrite veining.	10	14
	31	Chlorite phyllite, with local scattered quartz veinlets. Minor amounts of pyrite in some veinlets.	10	8
	32	Quartz veined chlorite schist - bleached; minor pyrite in qtz. veinlets.	10	20
	34	Chlorite phyllite with calcite coated fractures; minor pyrite as fracture coatings.	10	36
	35	Phyllite - locally sheared and veined with pyrite-bearing quartz.	170	228

* Gold values in ounces per ton

Sample results from the veins reported by Richmond, Stevenson and Sheppard generally indicated low grades except for a 750 by 0.15 metre section in the Mac vein that averaged 126 grams per tonne (3.69 ounces per ton gold). Sheppard (1979) inferred the presence of about 725 tonnes but this may have been partly mined out. The general low grade nature of the veins is supported by the results from this study.

Results of 79 samples taken by Stevenson (1944) from the adits and 12 strippings in the mylonite zone over a length of 150 metres average 1.7 grams per tonne (0.05 ounces per ton gold). These compare with sample results obtained (1) by Sheppard on 24 samples which average 1.5 grams per tonne (0.043 ounces per ton) and (2) from this study which range up to 3.1 grams per tonne (0.09 ounces per ton). This zone therefore appears to contain anomalous gold values over a length of 900 metres and significant gold values (1.7 grams per tonne) over a length of 250 metres. Assuming a comparable depth extent and a width of 10 metres then a large tonnage (1 to 2 million tonnes) is suggested.

Significant arsenic values (100 to 3000 parts per million) are associated with high gold values in rock. Molybdenum, copper, silver, zinc and lead values are essentially insignificant.

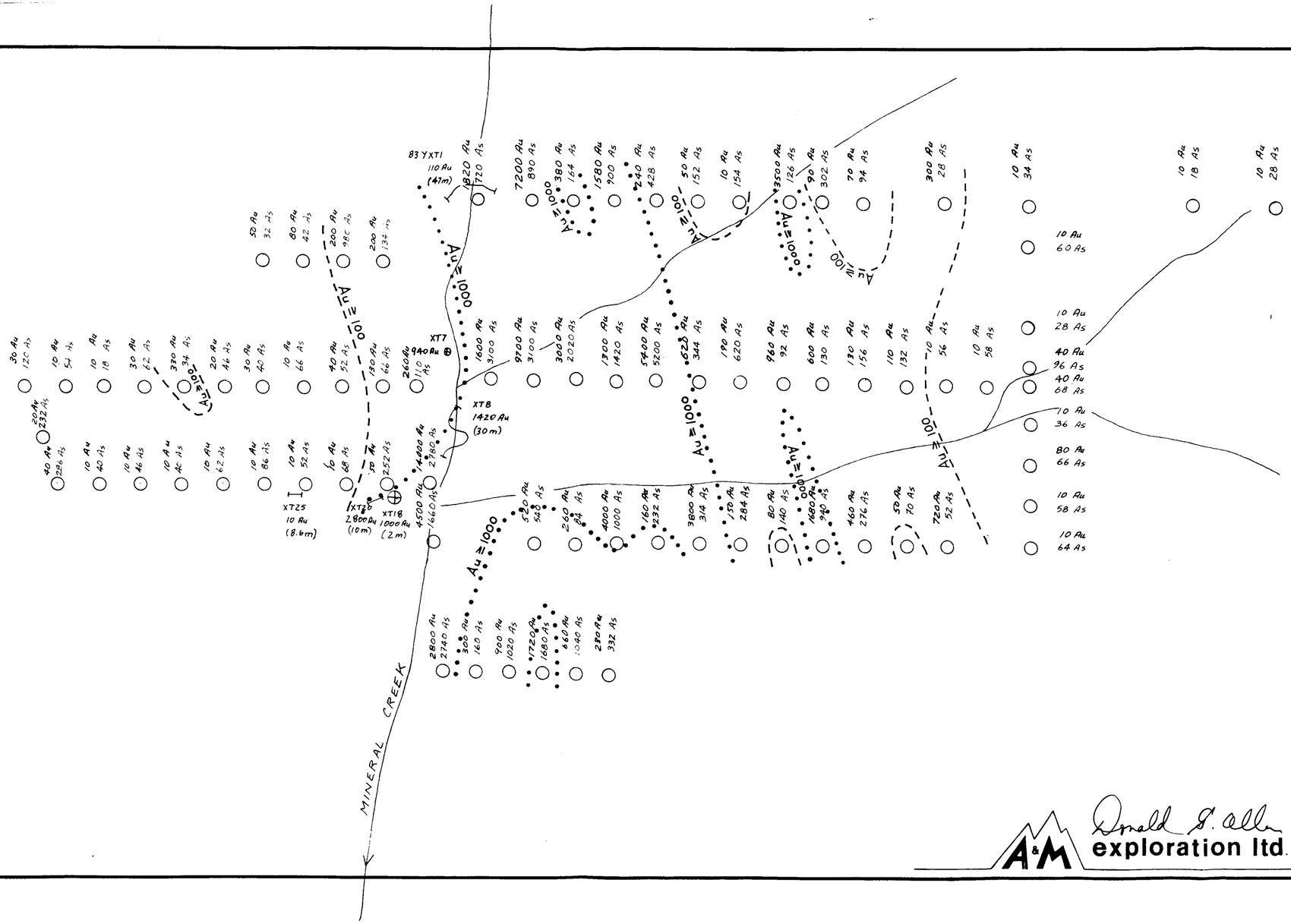
Rock sampling in 1985 (265 AT series - Table I) was carried out in lower Mineral Creek where shearing, pyritization and quartz veining was noted in outcrop. Of seven

samples analysed, two contained anomalous arsenic and gold values. Of significance is a narrow zone of shearing, fracturing and quartz veining near the southern claim boundary where a sample returned 170 ppb gold and 228 ppm arsenic (sample site AT 35, Figure 5b).

Soil Sampling

In 1983 soil sampling was carried out on a small grid in the vicinity of the known showings. Flagged lines, 100 metres apart were established by compass and hip chain using Mineral Creek as a base line and samples taken at 25 metre intervals (Figures 5a and 5b). In 1985 reconnaissance soil sampling was carried out on the southern part of the claim (area 1 Figure 5b). Soil samples consisted mainly of glacial till taken well below the 'A' horizon at depths of 20 to 30 centimetres. Samples were analysed by standard atomic absorption methods by Rossbacher Laboratories Ltd. for two to six elements. Results are presented in Appendix I and gold and arsenic values plotted on Figures 5a and 5b.

A plot of gold values in soil indicates an area 425 by 300 metres containing greater than 100 parts per billion gold. Within this area gold values of greater than 1000 parts per billion occur over an area of 120 by 300 metres, which in part is centered on the area of the workings but extends uphill, beyond the known showings.



LEGEND

240 Au / 20 As — Soil sample site; ppb Au, ppm As.

⊕ Rock chip sample site; ppb Au, ppm As.

Channel sample site; ppb Au, ppm As.

SILVER CLOUD MINES LTD.

MINERAL CREEK PROPERTY

YELLOW CLAIM

ALBERNI MINING DIVISION - BRITISH COLUMBIA

GEOCHEMICAL MAP

1983 SURVEY

SCALE 1:2000 — 100 0 100 METRES / 200 200 FEET

A&M exploration ltd.

Donald S. Allen

13,700

Figure 5b

Gold values in the central part of the claim group are weakly anomalous (20 to 100 ppb) in the immediate vicinity of Mineral Creek. However, two significant gold values (500 and 4600 ppb) were obtained. Because no adjacent lines were sampled, trend of any anomalous zone cannot be defined.

Arsenic values in soil are generally moderately to extremely anomalous (100 to 5200 parts per million) in and around the area of known showings. High arsenic values correlate fairly well with high gold values, although a number of moderately anomalous arsenic anomalies (58-428 ppm) with no associated gold anomalies were obtained on the southernmost line (line 85-1, Figure 5a). In addition, weakly anomalous to moderately arsenic values occur throughout the area sampled.

Silver values in soil range from 0.2 to 2.6 parts per million. Higher values tend to correlate with high gold values. Copper and zinc values are 200 ppm or less and are not considered to be significant.

In general results of soil sampling indicate an area of interest well beyond the known gold showings near Mineral Creek. Follow-up surveys to select drill targets are warranted.

Silt Sampling

Analyses of three silt samples taken in Mineral Creek revealed high gold and arsenic values (100 to 1400 ppb Au and 176 to 500 ppm As) which decrease downstream.

Donald G. Allen

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CERTIFICATE

I, Donald G. Allen, certify that:

1. I am a Consulting Geological Engineer, of A & M Exploration Ltd., with offices at #614 - 850 West Hastings Street, Vancouver, British Columbia.

2. I am a graduate of the University of British Columbia with degrees in Geological Engineering (B.A.Sc., 1964; M.A.Sc., 1966).

3. I have practised my profession of exploration geologist since 1964 to the present in British Columbia, the Yukon, Alaska and various parts of the Western United Stares.

4. I am a member in good standing of the Association of Professional Engineers of British Columbia.

5. This report is based on field work carried out by G. Allen, E.A. Fuller and A. Geoghegan. I personally examined the property on July 10, 1981 and March 22, 1985.

6. I hold no interest, nor do I expect to receive any, in the Yellow Claim or in Silver Cloud Mines Limited.

7. I consent to the use of this report in a Statement of Material Facts or in a Prospectus by Silver Cloud Mines Limited.

Donald G. Allen

May 29, 1985
Vancouver, B.C.

Donald G. Allen
P. Eng. (B. C.)

APPENDIX I

GEOCHEMICAL RESULTS

ROSSBACHER LABORATORY LTD.
2225 S. SPRINGER AVENUE
BURNABY, B.C. V5B 3N1
TEL : (604) 299 - 6910

CERTIFICATE OF ANALYSIS

TO : A & M EXPLORATION LTD.,
214-850 W HASTINGS ST.,
VANCOUVER, B.C.
PROJECT: 265 Muriel Creek
TYPE OF ANALYSIS: GEOCHEMICAL

CERTIFICATE#: 85050
INVOICE#: 5166
DATE ENTERED: 85-03-27
FILE NAME: A&M85050
PAGE # : 1

PRE FIX	SAMPLE NAME		PPB Au	PPM As
S		GS 1	90	102
L	-40m	GL 2	20	236
S		GS 3	10	96
S		4	10	96
S		5	10	76
S		6	40	24
S		7	10	22
S		8	10	54
S		9	10	96
S		GS 10	10	22
S		11	10	12
S		12	10	428
S		13	10	20
S		14	10	18
		15	10	6
		16	10	38
S		17	10	20
S		18	10	26
S		19	10	52
S		GS 20	10	50
S		21	10	16
S		22	10	16
S		23	10	18
S		24	10	14
S		GS 25	10	10
S		AS 25	10	62
S		26	50	34
S		27	10	68
T		AT 28	30	136
T		AT 29	10	10
T		30	10	14
T		31	10	8
T		32	10	20
L		AL 33	1480	580
T		AT 34	10	36
T		35	170	228
L		AL 36	820	456
L	-40m	37	100	176

CERTIFIED BY : D.G. Chow

ROSSBACHER LABORATORY LTD.

2225 S. SPRINGER AVENUE
BURNABY, B.C. V5B 3N1
TEL : (604) 299 - 6910

CERTIFICATE OF ANALYSIS

TO : A & M EXPLORATION LTD.,
214-850 W HASTINGS ST.,
VANCOUVER, B.C.

PROJECT: 265
TYPE OF ANALYSIS: GEOCHEMICAL

CERTIFICATE#: 85050
INVOICE#: 5166
DATE ENTERED: 85-03-27
FILE NAME: A&M85050
PAGE # : 2

PRE FIX	SAMPLE NAME		PPB Au	PPM As
S	EA	1	10	80
S	-40m	2	10	62
S		3	10	92
S		4	10	170
S		5	10	46
S		6	60	92
S		7	70	124
S		8	10	66
S		9	20	132
S	EA	10	540	402
S		12A	170	154
S	-40m	12B	50	204
S		13	100	98
S		14	4600	1040
		15	100	34
		16	10	86
S		17	10	100

CERTIFIED BY : _____

ROSSBACHER LABORATORY LTD.
2225 S. SPRINGER AVENUE
BURNABY, B.C. V5B 3N1
TEL : (604) 299 - 6910

CERTIFICATE OF ANALYSIS

TO : A & M EXPLORATION INC.,
214-850 W HASTINGS ST.,
VANCOUVER, B.C.

PROJECT:
TYPE OF ANALYSIS: GEOCHEMICAL

CERTIFICATE#: 85078
INVOICE#: 5192
DATE ENTERED: 85-04-25
FILE NAME: A&M85078
PAGE # : 1

PRE FIX	SAMPLE NAME	PPM As	Au PPB
X	83YGS 1	720	1820
X	2	890	7200
X	3	164	380
X	4	900	1580
X	5	428	240
X	6	152	50
X	7	154	10
X	8	126	3500
X	9	302	90
X	83YGS10	94	70
X	11	28	300
X	12	34	10
X	13	18	10
X	14	28	10
	15	60	10
X	16	28	10
X	17	96	40
X	18	3100	1600
X	19	3100	9700
X	83YGS20	2020	3000
X	21	1420	1300
X	22	5200	5400
X	23	344	620
X	24	620	190
X	25	92	960
X	26	130	600
X	27	156	130
X	28	132	110
X	29	56	10
X	83YGS30	58	10
X	31	68	40
X	32	36	10
X	33	66	80
X	34	58	10
X	35	64	10
X	36	52	720
X	37	70	50
X	38	276	460
X	39	940	1680
	83YGS40	140	80

CERTIFIED BY : _____

FOSSBACHER LABORATORY LTD.
2225 S. SPRINGER AVENUE
BURNABY, B.C. V5B 3N1
TEL : (604) 299 - 6910

CERTIFICATE OF ANALYSIS

TO : A & M EXPLORATION INC.,
214-850 W HASTINGS ST.,
VANCOUVER, B.C.

PROJECT:
TYPE OF ANALYSIS: GEOCHEMICAL

CERTIFICATE#: 85078
INVOICE#: 5192
DATE ENTERED: 85-04-25
FILE NAME: A&M85078
PAGE # : 2

PRE FIX	SAMPLE NAME	PPM As	Au PPB
X	83YGS41	284	150
X	42	314	3800
X	43	232	160
X	44	1000	4000
X	45	84	260
X	46	540	520
X	83YGS47	1660	4500
X	83YXS 2	134	200
X	3	980	200
X	83YXS 4	42	80
X	5	32	50
X	11	2740	2800
X	12	160	300
X	13	1020	900
X	14	1680	1720
X	15	1040	660
X	16	332	230
X	19	2780	14000
X	21	314	30
X	83YXS23	252	50
X	24	68	10
X	26	52	10
X	27	86	10
X	28	62	10
X	29	40	10
X	30	46	10
X	31	40	10
X	32	286	40
X	33	232	20
X	83YXS34	120	30
X	36	54	10
X	37	18	10
X	38	62	30
X	39	34	330
X	40	46	20
X	41	40	30
X	42	66	10
X	43	52	40
X	44	66	130
X	83YXS45	110	260

CERTIFIED BY : C. Fossbacher

APPENDIX II

AFFIDAVIT OF EXPENSES

AFFIDAVIT OF EXPENSES

This will certify that geological mapping and geochemical sampling were carried out on the YELLOW claims Mineral Creek area, Alberni Mining Division, British Columbia, on March 27, 1985 to the value of the following:

Mobilization and Fieldwork

Salaries	
D. G. Allen	$ 420.00
E. Ashcroft	200.00
A. Geoghegan	150.00
Vehicle rental, gas, travel	95.00
Board	35.00
Geochemical analyses	753.76

Report Preparation and Draughting

Salaries	
D. G. Allen	875.00
Draughting, typing, report compilation	407.00
Maps, photocopying	96.71
	$3,032.47

Donald G. Allen

Donald G. Allen,
P. Eng. (B. C.)

L.C.P. 'YELLOW M'

L.C.P. 'YELLOW'

Sil, py (silicified, pyritized)

Sil, py

BL 53+00S

Linda 1 (S.OW post)

Sil, py

quartz veins

Mineral Creek

BL 60+00S

Trail

Road

quartz veins

1a

N.T.S. 92 F/2

LEGEND

- Topographic contours, elevation in feet.
- Creek
- Claim boundary, legal corner post. (L.C.P.)
- Adit
- Joint or fracture trend.
- Foliation trend.
- Quartz vein, vein attitude.
- Outcrop, fault.

SICKER GROUP

- 1 — Andesite, greenstone
- 1a — sheared or foliated greenstone

GEOLOGICAL BRANCH ASSESSMENT REPORT

13,700

SILVER CLOUD MINES LTD.

MINERAL CREEK PROPERTY

ALBERNI MINING DIVISION – BRITISH COLUMBIA

GEOLOGICAL MAP
(PRELIMINARY)

SCALE 200 0 200 METRES
500 0 500 FEET
1 : 5,000

A&M exploration ltd. Donald G. Allen

April 16, 1985

Figure 6a

85-256-4

L.C.P. 'YELLOW M'

L.C.P. 'YELLOW'

1981–83 Surveys
See Figure 5b for details

1985 Survey

Line 0S

Line 1+10S

Line 2+10S

Line 85-1

Trail

Road

N.T.S. 92 F/2

LEGEND

- Topographic contours, elevation in feet.
- Creek
- L.C.P. — Claim boundary, legal corner post.
- Adit
- EA12 (50, 204) — Soil sample site, sample number; ppb Au, ppm As.
- AL 36 (820, 456) — Silt sample site, sample number; ppb Au, ppm As.
- AT 35 (190, 228) — Rock sample site, sample number; ppb Au, ppm As.
- Gold geochemical anomaly; ppb Au ≥ 100, 1000.

GEOLOGICAL BRANCH ASSESSMENT REPORT

13,700

SILVER CLOUD MINES LTD.

MINERAL CREEK PROPERTY

ALBERNI MINING DIVISION – BRITISH COLUMBIA

GEOCHEMICAL MAP

SCALE 200 0 200 METRES
500 0 500 FEET
1 : 5,000

Donald G. Allen
A&M exploration ltd.

April 16, 1985 Figure 5a

85-256-2