

GEOCHEMICAL AND  
TRENCHING REPORT

ON THE

RUSS PROPERTY

Kamloops Mining Division, British Columbia

Claims:	RUSS #100	5137(11)
	AIRFIELD 1	5440(1)
	AIRFIELD 2 FR.	5441(1)
	EBAR	5518(2)
	HILL	5519(2)
	DAT FR.	5520(2)

Latitude: 51°15'N. Longitude: 119°51'W. N.T.S. 82M/5W.

Owner(s): J.M. Ashton and J.D. Graham  
9411 Ferndale Road  
Richmond, B.C. V6Y 1X4

Operator: RACER RESOURCES LTD.  
Suite 700 - 675 West Hastings Street  
Vancouver, B.C. V6B 1N2

Consultant: MINOREX CONSULTING LTD.  
2391 Bossert Avenue  
Kamloops, B.C. V2B 4V6  
(604) 376-8228

**GEOLOGICAL BRANCH  
ASSESSMENT REPORT**

**13,793**

July 25, 1985

J.D. Blanchflower, F.G.A.C.  
Consulting Geologist

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## INTRODUCTION

Racer Resources Ltd. of Suite 700 - 675 West Hastings Street, Vancouver, B.C. has optioned six contiguous mineral claims in the Kamloops Mining Division, British Columbia. This report, prepared at the request of the directors of Racer Resources Ltd., describes the results of the prospecting, soil geochemical survey and trenching undertaken on the RUSS property during June, 1985.

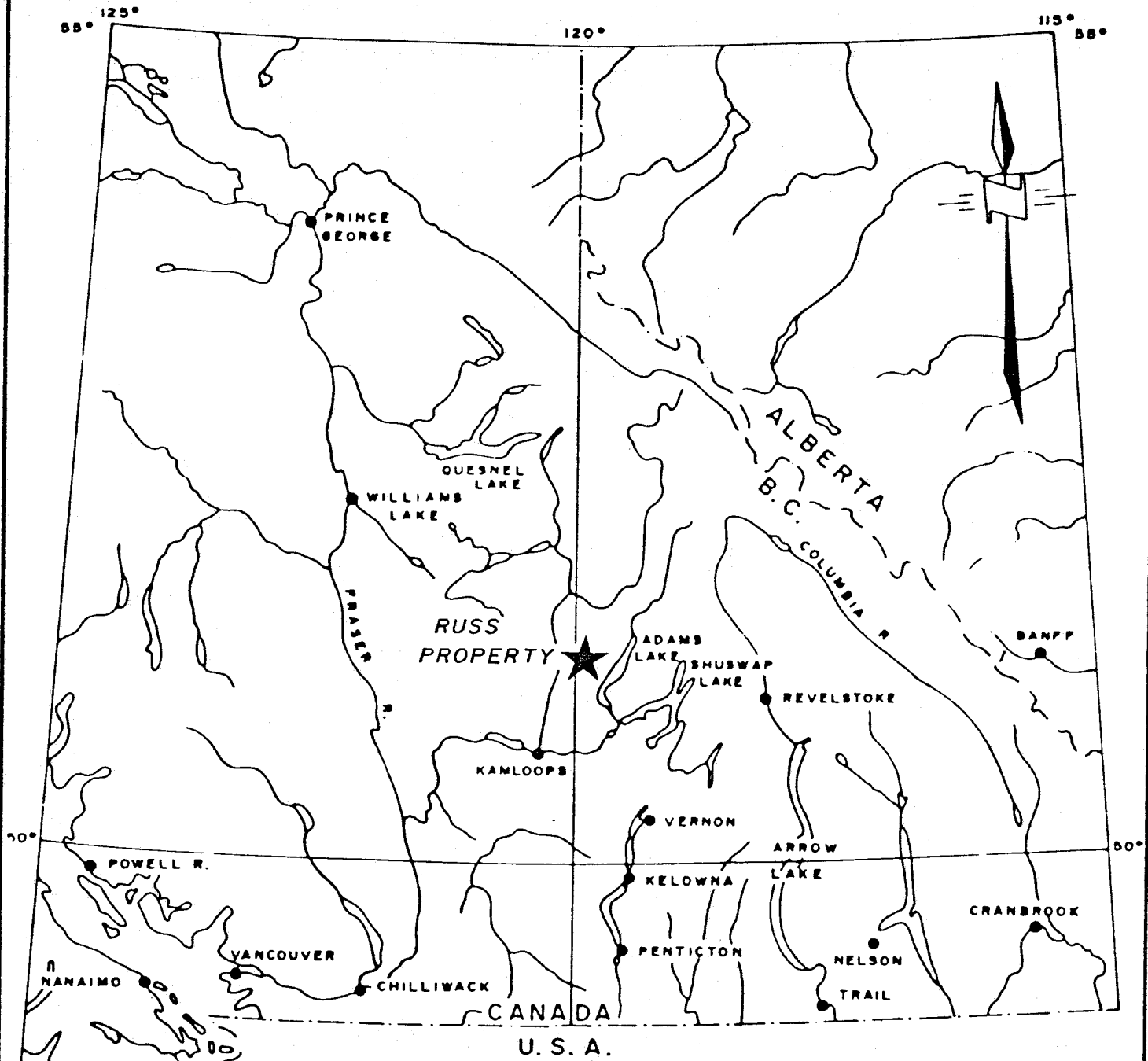
The purposes of the 1985 exploration program were to define the sources of several coincident geological, geochemical and geophysical anomalies discovered during 1984, and to evaluate the exploration potential elsewhere within the claim group; as recommended in the report by J.D. Blanchflower (1984). This assessment work was undertaken between June 1st and June 15th, 1985. Report preparation was carried out between June 16th and July 25th, 1985 after all results had been received, plotted and interpreted.

## SUMMARY

The RUSS property is comprised of 6 contiguous M.G.S. and two-post mineral claims located in the Kamloops Mining Division of southcentral British Columbia. The claims are situated on the west side of East Barriere Lake, at its southern end, approximately 77 kilometres north-northeast of Kamloops, B.C. Their geographic coordinates are 51°15'N. latitude by 119°51'W. longitude (N.T.S. 82M/5W).

Vehicular access is readily possible via Highway 5 north from Kamloops to Barriere; thence east on the paved and gravel Barriere Lakes road to Russel Creek. A gravel logging haulage road joins the East Barriere Lake at this point and provides facile access northeast to the RUSS 100 and EBAR claims. It is approximately 87 kilometres by road from Kamloops to the property.

The subject claims were staked by or for Mr. J.M. Ashton and Mr. J.D. Graham, both residing in Richmond, B.C. Racer Resources Ltd. optioned these claims in the latter half of 1984.



*J.P. Powell*

MINOREX CONSULTING LTD. GEOLOGICAL CONSULTANTS, KAMLOOPS, B.C.	
RACER RESOURCES LTD. VANCOUVER, BRITISH COLUMBIA	
<b>LOCATION MAP</b>	
<b>RUSS PROPERTY</b> <b>KAMLOOPS MINING DIVISION, B.C.</b>	
Date: June, 1985	Scale: 1" = 64 Miles
Dwn by: P.J.M.	Dwg no. 1

In October, 1983 Rea Gold Corporation announced the discovery of massive sulphide mineralization with high precious-metal values approximately 3 kilometres southwest of Johnson Lake. To date, the "Rea Gold" deposit has published drill indicated reserves of 150,000 tonnes grading 0.43 oz./T gold, 3.6 oz./T silver, 3% zinc, 3.1% lead and 0.70% copper. The subject property is situated approximately 12 kilometres north-northwest of this massive sulphide deposit.

This property is underlain by a major north-trending stratigraphic contact between mafic volcanics and sediments, both belonging to the Late Devonian to Early Mississippian-age Eagle Bay Formation. The mafic volcanic units include: well defined subaqueous flows, pillow basalts, and extensive mafic lapilli to agglomerate pyroclastics. The sedimentary assemblage is comprised of: limestone with a minor clastic component, grey to black "dirty" chert and phyllite.

The volcanic and sedimentary rock units trend 170° and dip -25° eastward. All lithologies have been affected by regional folding and metamorphism (i.e. lower greenschist facies). Weakly disseminated pyrite is quite common and widespread, particularly within the phyllitic sediments.

The 1985 exploration program included: prospecting all 1984 geological, geochemical and/or geophysical anomalies and beyond the limits of the established control grid; establishment of 1.8 line-kilometres of fill-in control grid; collection and analysis of 74 "B" horizon soil geochemical samples for gold, silver, copper, lead and zinc; excavation of 8 trenches with subsequent surveying, mapping, sampling and reclamation; collection and analysis of 11 rock geochemical samples for gold, silver, copper, lead and zinc; and report and map preparation.

The results of the exploration work were negative. No significant mineralization worthy of further exploration was discovered. It is recommended that the company seriously consider terminating this project.

## PROPERTY AND OWNERSHIP

The property consists of six contiguous mineral claims, situated in the Kamloops Mining Division of southcentral British Columbia. The configuration of the claims is shown in Figure 2. The following table summarizes all pertinent mineral claim data.

<u>Claim Name</u>	<u>Record No.</u>	<u>Tag No.</u>	<u>Type</u>	<u>Units</u>	<u>Record Date</u>	<u>Owner</u>
RUSS #100	5137	79219	M.G.S.	8	Nov. 28/83	J.M. Ashton
EBAR	5518	79242	M.G.S.	18	Feb. 10/84	J.M. Graham
AIRFIELD 1	5440	79277	M.G.S.	9	Jan. 12/84	J.D. Graham
AIRFIELD 2FR.	5441	79278	M.G.S.	Fr. 1	Jan. 12/84	J.D. Graham
HILL	5519	395087M	2-post	1	Feb. 10/84	J.D. Graham
DATFR.	5520	79241	M.G.S.	Fr. 1	Feb. 10/84	J.D. Graham

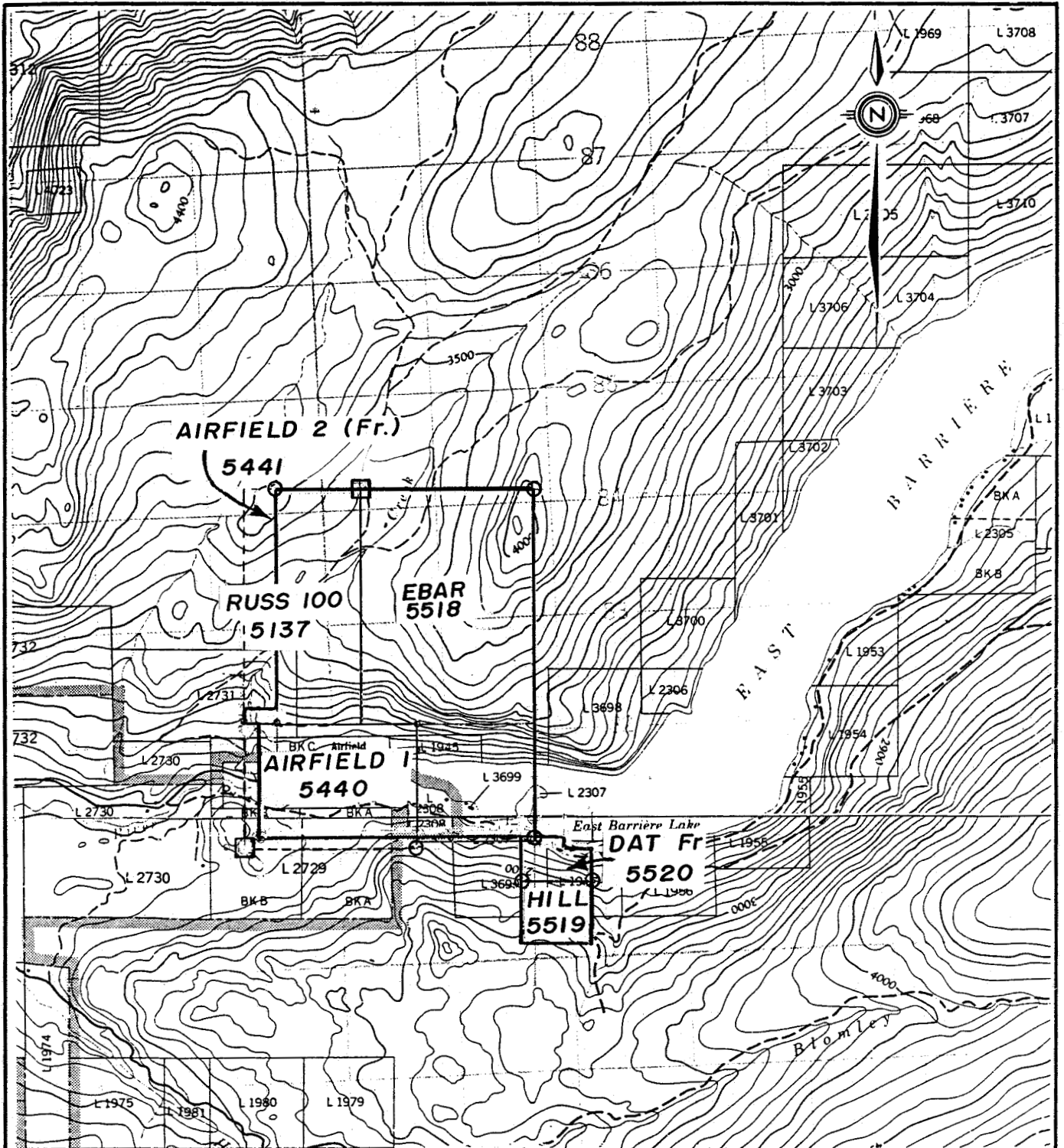
## LOCATION AND ACCESS

The subject property is situated on the western side of East Barriere Lake, straddling its southern end, immediately east of Russel Creek. The claims are approximately 23 kilometres east-northeast of the town of Barriere or 77 kilometres north-northeast of the city of Kamloops in southcentral British Columbia. The geographic coordinates of the claim group are 51°15'N. latitude by 119°51'W. longitude (N.T.S. 82M/5W).

The claims are readily accessible from Kamloops via Highway 5 north to Barriere; thence east on the Barriere Lakes road to a point just west of East Barriere Lake. At the confluence of Russel Creek with East Barriere River a good logging haulage road joins the East Barriere Lake road and leads northeast to the RUSS 100 and EBAR claims. In total the claims are approximately 87 kilometres by road from Kamloops.

## PHYSIOGRAPHY

The property covers the north and south facing slopes near



*J.D. Blanchflower*

To accompany report by J.D. Blanchflower

<p><i>Mc</i>  <b>MINOREX CONSULTING LTD.</b>          GEOLOGICAL CONSULTANTS, KAMLOOPS, B.C.</p>		
<p><b>RACER RESOURCES LTD.</b>          VANCOUVER, BRITISH COLUMBIA</p>		
<p><b>CLAIM MAP</b></p> <p><b>RUSS PROPERTY</b>          KAMLOOPS MINING DIVISION, B.C.</p>		
<p>Drawn by: P.J.M.</p>	<p>Scale: 1:50,000</p>	
<p>Date: June, 1985</p>	<p>Figure No.: 2</p>	



the outlet of East Barriere Lake. Elevations within the claims range from 2,000 to 4,100 feet A.M.S.L.

The climate is moderate with temperatures ranging between -25°C. and +30°C. Precipitation is usually moderate to heavy. The exploration season may extend from May to November.

A northcentral portion of the property has been logged, however, elsewhere there is a moderate to thick growth of pine, fir, cedar and aspen.

Bedrock exposures are scarce except in areas with logging roadcuts or high relief.

#### HISTORY

The Barriere Lakes to Adams Plateau region has received intermittent exploration since the 1920's. Early workers concentrated their efforts on exploring and developing several of the stratabound base-metal deposits known throughout the region. However, to date most of the known lead - zinc - silver occurrences have not proved to be viable.

Craigmont Mines discovered the Chu Chua copper deposit in 1978 near the headwaters of Chu Chua Creek, northwest of North Barriere Lake. This discovery renewed interest in the area and several major companies conducted aerial and ground-oriented surveys looking for a similar copper-rich massive sulphide occurrence. However, when world copper prices declined exploration interest shifted elsewhere in the province.

In late October, 1983 Rea Gold Corporation, a junior resource company listed on the Vancouver Stock Exchange, announced the discovery of gold-bearing massive sulphide mineralization south of Johnson Lake. This occurrence is hosted by a highly altered basic volcanic sequence of the Eagle Bay Formation which up until then had been referred to simply as a "greenschist" member. This member of the Eagle Bay Formation strikes locally northwestward and dips -45° northeastward within the Rea Gold property, but more importantly, it has also been mapped elsewhere within the region.



LEGEND

UPPER TRIASSIC AND LOWER JURASSIC NICOLA GROUP (?)

UPPER TRIASSIC OR LOWER JURASSIC

**Tjv** AUGITE PORPHYRY BRECCIA

UPPER TRIASSIC

**Tl** DARK GREY LIMESTONE

DEVONIAN TO PERMIAN

ALLOCHTHONOUS INTERNALLY IMBRICATED OCEANIC ASSEMBLAGE

FENNELL FORMATION

UPPER STRUCTURAL DIVISION

**uFb** GREY AND GREEN PILLOWED AND MASSIVE METABASALT; MINOR AMOUNTS OF BASALTIC BRECCIA, TUFF, DIABASE, GABBRO, AND CHERT

**uFc** GREY AND GREEN BEDDED CHERT

LOWER STRUCTURAL DIVISION

**IFc** GREY AND GREEN BEDDED CHERT, CHERTY ARGILLITE, SLATE, AND PHYLLITE

**IFb** GREY AND GREEN PILLOWED AND MASSIVE METABASALT; MINOR AMOUNTS OF BASALTIC BRECCIA AND TUFF

**IFg** GABBRO, DIORITE, DIABASE

**IFp** LIGHT TO MEDIUM GREY QUARTZ-FELDSPAR PORPHYRY RHYOLITE

**IFs** LIGHT TO DARK GREY SANDSTONE, SILTSTONE, SLATE, PHYLLITE, AND QUARTZITE; MINOR AMOUNTS OF LIMESTONE AND CHERT; IN PLACES INCLUDES GREY TO GREEN QUARTZOSE AND FELDSPATHIC PHYLLITE (METATUFF)

**IFcg** INTRAFORMATIONAL CONGLOMERATE; CLASTS DERIVED EXCLUSIVELY FROM FENNELL FORMATION LITHOLOGIES

**IFu** UNDIVIDED; MAINLY IFc, IFg, and IFb, BUT MAY INCLUDE ANY OR ALL OF ABOVE ROCK TYPES

DEVONO-MISSISSIPPIAN AND OLDER PARAUTOCHTHONOUS ROCKS (EBP TO SDQ)

EAGLE BAY FORMATION (EBP TO EBG)

MISSISSIPPIAN

**EBP** DARK GREY PHYLLITE AND SLATE WITH INTERBEDDED SILTSTONE, SANDSTONE, AND GRIT; MINOR AMOUNTS OF CONGLOMERATE, LIMESTONE, AND METATUFF; **EBP<sub>l</sub>**-LIMESTONE; **EBP<sub>v</sub>**-METAVOLCANIC BRECCIA AND TUFF

DEVONIAN AND/OR MISSISSIPPIAN

**EBF** LIGHT TO MEDIUM GREY, RUSTY WEATHERING FELDSPATHIC PHYLLITE AND FRAGMENTAL PHYLLITE DERIVED FROM INTERMEDIATE TO FELSIC TUFF AND VOLCANIC BRECCIA; MINOR AMOUNTS OF DARK GREY PHYLLITE AND SILTSTONE; **EBF<sub>q</sub>**-LIGHT GREY MASSIVE "CHERTY QUARTZITE" (SILICEOUS EXHALITE ?)

DEVONIAN

**EBA** LIGHT SILVERY GREY TO MEDIUM GREENISH GREY SERICITE-QUARTZ PHYLLITE AND SERICITE-CHLORITE-QUARTZ PHYLLITE DERIVED FROM FELSIC TO INTERMEDIATE VOLCANIC AND VOLCANICLASTIC ROCKS INCLUDING PYRITIC, FELDSPATHIC, AND COARSELY FRAGMENTAL VARIETIES; LESSER AMOUNTS OF DARK GREY PHYLLITE, SILTSTONE, AND GREEN CHLORITIC PHYLLITE; INCLUDES BIOTITE-FELDSPAR-QUARTZ SCHIST AND GNEISS, BIOTITE-QUARTZ HORNFELS AND AMPHIBOLITE ADJACENT TO BALDY BATHOLITH; **EBA<sub>l</sub>**-FELDSPAR PORPHYRY, FELDSPATHIC PHYLLITE, PYRITIC SERICITE-FELDSPAR-QUARTZ PHYLLITE, METAVOLCANIC BRECCIA; **EBA<sub>s</sub>**-SERICITIC QUARTZO-FELDSPATHIC SCHIST AND GNEISS DERIVED FROM FELSIC INTRUSIVE ROCKS; **EBA<sub>u</sub>**-UNDIVIDED EBA and EBA<sub>l</sub>

DEVONIAN (?) AND/OR OLDER (?) (UNITS EBU TO EBG)

**EBU** LIGHT TO DARK GREEN CHLORITIC PHYLLITE, DARK GREY PHYLLITE AND SILTSTONE, LIMESTONE, QUARTZITE

**EBM** GREY AND GREEN VESICULAR AND PILLOWED METABASALT, GREENSTONE, CHLORITE SCHIST; MINOR AMOUNTS OF BEDDED CHERT, SILICEOUS PHYLLITE AND FINE-GRAINED QUARTZITE

**EBK** BANDED LIGHT GREY AND GREEN ACTINOLITE-QUARTZ SCHIST AND EPIDOTE-ACTINOLITE-QUARTZ ROCK; LESSER AMOUNTS OF GARNET-EPIDOTE SKARN, CHLORITIC SCHIST, AND SERICITE-QUARTZ SCHIST

DEVONIAN (?) AND/OR OLDER (?) (UNITS EBU TO EBG) (CONTINUED)

**EBL** CALCAREOUS BLACK PHYLLITE, DARK GREY LIMESTONE AND ARGILLACEOUS LIMESTONE

**EBS** GREY AND GREEN PHYLLITIC SANDSTONE AND GRIT, PHYLLITE, AND QUARTZITE; LESSER AMOUNTS OF LIMESTONE, DOLOSTONE, GREEN CHLORITIC PHYLLITE, SERICITE-QUARTZ PHYLLITE, AND FELDSPATHIC SERICITE-QUARTZ PHYLLITE; **EBS<sub>q</sub>**-LIGHT GREY TO WHITE QUARTZITE; **EBS<sub>c</sub>**-LIMESTONE, DOLOSTONE, MARBLE; **EBS<sub>s</sub>**-GREENSTONE, PILLOWED METABASALT, CHLORITIC PHYLLITE; **EBS<sub>cg</sub>**-CONGLOMERATE; **EBS<sub>g</sub>**-GREY PHYLLITE AND SILTSTONE; **EBS<sub>s</sub>**-SIDERITE-SERICITE-QUARTZ PHYLLITE AND FELDSPATHIC PHYLLITE (METATUFF); **EBS<sub>p</sub>**-PYRITIC SERICITE-QUARTZ PHYLLITE AND CHLORITOID-SERICITE-QUARTZ PHYLLITE

**EBG** MEDIUM TO DARK GREEN CALCAREOUS CHLORITE SCHIST AND FRAGMENTAL SCHIST DERIVED LARGELY FROM MAFIC TO INTERMEDIATE VOLCANIC AND VOLCANICLASTIC ROCKS; LESSER AMOUNTS OF LIMESTONE AND DOLOSTONE; MINOR AMOUNTS OF QUARTZITE, GREY PHYLLITE, AND SERICITE-QUARTZ PHYLLITE; **EBG<sub>c</sub>**-LIMESTONE, DOLOSTONE, MARBLE; **EBG<sub>l</sub>**-TSHINAKIN LIMESTONE MEMBER-MASSIVE, LIGHT GREY FINELY CRYSTALLINE LIMESTONE AND DOLOSTONE; **EBG<sub>s</sub>**-DARK TO LIGHT GREY SILICEOUS AND/OR GRAPHITIC PHYLLITE, CALCAREOUS PHYLLITE, LIMESTONE, CALC-SILICATE, CHERTY QUARTZITE; MINOR AMOUNTS OF GREEN CHLORITIC PHYLLITE AND SERICITE-QUARTZ PHYLLITE; **EBG<sub>q</sub>**-LIGHT TO MEDIUM GREY QUARTZITE; **EBG<sub>p</sub>**-DARK GREY PHYLLITE, CALCAREOUS PHYLLITE AND LIMESTONE; MINOR AMOUNTS OF RUSTY WEATHERING CARBONATE-SERICITE-QUARTZ PHYLLITE (METATUFF ?); **EBG<sub>cg</sub>**-POLYMICITIC CONGLOMERATE

SPAILEM CREEK-DEADFALL CREEK SUCCESSION (SDQ)

LOWER CAMBRIAN (?) AND/OR HADRYNIAN (?)

**SDQ** LIGHT TO DARK GREY QUARTZITE, MICACEOUS QUARTZITE, GRIT, AND PHYLLITE; LESSER AMOUNTS OF CALCAREOUS PHYLLITE, CARBONATE, AND GREEN CHLORITIC SCHIST; NORTHEASTERN EXPOSURES INCLUDE STAUROLITE-GARNET-MICA SCHIST, CALC-SILICATE SCHIST, AND AMPHIBOLITE

TERTIARY OR QUATERNARY

**Tb** OLIVINE BASALT

MIOCENE OR PLOCENE

**mTb** PLATEAU LAVA: OLIVINE BASALT

Eocene

KAMLOOPS GROUP

**eTs** SKULL HILL FORMATION AND RELATED ROCKS: ANDESITE AND BASALT; INCLUDES MINOR AMOUNTS OF MUDSTONE AND SHALE IN THE VICINITY OF ALEX AND HAGGARD CREEKS

**eTc** CHU CHUA FORMATION: SANDSTONE, SHALE, CONGLOMERATE, COAL

CRETACEOUS OR TERTIARY

**qp** QUARTZ-FELDSPAR PORPHYRY

CRETACEOUS

BALDY BATHOLITH, RAFT BATHOLITH, AND RELATED ROCKS

**Kg** GRANITE AND GRANODIORITE

AGE UNKNOWN









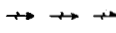
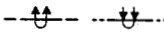
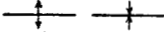

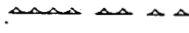
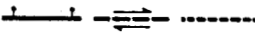



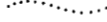


**di** FOLIATED DIORITE, QUARTZ DIORITE, AND GABBRO

**ub** SERPENTINITE

LATE DEVONIAN

**Dgn** GRANITE AND GRANODIORITE ORTHOGNEISS; **Dgnp** INCLUDES SILLIMANITE-BEARING PARAGNEISS

SYMBOLS

- GEOLOGICAL CONTACT: DEFINED, APPROXIMATE, ASSUMED 
- BEDDING, TOP KNOWN: INCLINED, OVERTURNED 
- BEDDING, TOP UNKNOWN: HORIZONTAL, INCLINED, VERTICAL 
- FACING DIRECTION OF PILLOWED BASALT: INCLINED, OVERTURNED 
- SYNMETAMORPHIC SLATY CLEAVAGE, SCHISTOSITY, OR GNEISSOSITY: HORIZONTAL, INCLINED, VERTICAL 
- MINERAL LINEATION 
- POSTMETAMORPHIC CRENULATION CLEAVAGE: INCLINED, VERTICAL 
- CRENULATION LINEATION 
- MESOSCOPIC FOLD AXIS: SYNMETAMORPHIC, POSTMETAMORPHIC, LATE KINK 
- AXIAL TRACE OF SYNMETAMORPHIC FOLD: OVERTURNED ANTICLINE, OVERTURNED SYNCLINE; ESTABLISHED, INFERRED 
- AXIAL TRACE OF POSTMETAMORPHIC FOLD: ANTIFORM, SYNFORM 
- LATER (SYN OR POSTMETAMORPHISM) WEST TO SOUTHWESTERLY DIRECTED THRUST FAULT; TEETH ON UPPER PLATE: DEFINED, APPROXIMATE, ASSUMED 
- EARLY (PRE FOLDING AND METAMORPHISM) EASTERLY DIRECTED THRUST FAULT; TEETH ON UPPER PLATE: DEFINED, APPROXIMATE, ASSUMED 
- FAULT; DOT ON DOWNTHROWN SIDE, ARROWS INDICATE SENSE OF STRIKE SLIP MOVEMENT: DEFINED, APPROXIMATE, ASSUMED 
- CONODONT FOSSIL LOCALITY: MISSISSIPPIAN, PENNSYLVANIAN, PERMIAN 
- LOCATION OF RADIOMETRICALLY DATED SAMPLE (Pb/U ON ZIRCONS AND Rb/Sr WHOLE ROCK): INDICATE A DEVONIAN AGE FOR UNIT EBA AND FOR UNIT IFp 
- MINERAL OCCURRENCE 
- LIMIT OF GEOLOGICAL MAPPING OR OUTCROP 
- LINE OF GEOLOGICAL CROSS-SECTION 
- TOPOGRAPHICAL CONTOUR (200-METRE INTERVAL) 

MINERAL OCCURRENCES

Minfile	Location	Mineral Occurrences	Minfile	Location	Mineral Occurrences
1	REXSPAR	U, F	17	BROKEN RIDGE	Pb, Zn, Cu
2	FOGHORN (CHIDGRIN)	Ag, Pb, Zn, Cu	18	HARPER	Cu, Pb, Zn
3	LYDIA	Pb, Ag, Cu	19	EBL	Cu
4	JUDY	Mo, Cu	20	KAJUN (JUNE)	Ag, Pb, Zn, Cu
5	WINDPASS	Au, Cu, Bi, Ag	21	TWIN MOUNTAIN	Pb, Zn, Cu, Ag, Au, barite
6	SWEET HOME	Au, Cu, Bi	22	REA	Au, Ag, Pb, Zn, Cu
7	GOLD HILL	Au, Pb, Cu, Zn, Ag	23	HOMESTAKE	Ag, Pb, Zn, Au, Cu, barite
8	QUEEN BESS	Pb, Zn, Ag	24	BECA (TOM)	Cu, Pb, Zn, Au, Ag
9	CC (CHU CHUA)	Cu, Zn	25	JOE (GLEN)	Cu, Pb, Zn
10	ENARGITE	Pb, Zn	26	ELSIE	Pb, Zn, Ag, Au
11	FORTUNA 1	Pb	27	LUCKY COON	Pb, Zn, Ag, Au, As
12	FORTUNA 2	Pb	28	KING TUT	Ag, Pb, Zn, Au
13	COPPER CLIFF	Pb, Zn, Cu	29	SPAR	Pb, Au, Ag, Cu
14	RAINBOW	Cu, Pb, Zn	30	PET	Pb, Zn
15	C-C	Cu, Pb, Zn	31	MOSQUITO KING	Pb, Zn, Ag
16	MAY	Cu, Zn	32	BC (CUS)	Cu, Pb, Zn
			33	FORTUNA	Cu, Pb, Ag, Au

Since the discovery, Corporation Falconbridge Copper has optioned Rea Gold Corporation's AR and HN claims and has carried out a detailed exploration program including thirty-six drill holes. To date, drill indicated reserves are estimated at 150,000 tonnes grading 0.43 oz./T gold, 3.61 oz./T silver, 3% zinc, 3.1% lead and 0.7% copper.

In October and November, 1984 the writer, on behalf of Racer Resources Ltd., carried out a preliminary exploration program on the subject property. This work included: the establishment of a control grid over the RUSS 100 and EBAR claims (19.9 line-km.); geological mapping at a scale of 1:5,000 (18 line-km.); soil geochemical sampling (566 samples for Au, Ag, Cu, Pb, Zn), and geophysical surveying (19.8 line-km. of magnetometer and 18 line-km. of VLF-EM).

Results of the 1984 exploration program indicated that a coincident geological and geophysical anomaly at grid coordinates 98N. by 102E. warranted further work. Fill-in geochemical surveying, trenching and prospecting were recommended for further exploration (Blanchflower, 1984).

#### REGIONAL GEOLOGY

The Barriere Lakes - Adams Plateau region has been geologically mapped by a number of government workers; the most definitive and recent published works have been by V.A. Preto, G.P. McLaren and P.A. Schiarizza (1980) and V.A. Preto (1981 and 1984). Much of the following text is based on the results of these recent works.

This region is dominantly underlain by a weakly to moderately-metamorphosed assemblage of sedimentary and volcanics belonging to the Late Devonian to Early Mississippian-age Eagle Bay Formation. Regionally the Eagle Bay Formation appears to stratigraphically overlie dominantly volcanic rocks of the Late Devonian Fennell Formation. Both of these major formations have been intruded by granodiorite orthogneiss to biotite quartz monzonite ranging in age from Late Devonian to Cretaceous. Locally the metamorphosed

strata and intrusions are overlain by olivine basalt flows of Pleistocene to Recent age.

Structural features of the region include at least two periods of folding and faulting (Preto et al, 1979). An early period of folding, west to northwest trending with axes plunging north to northwest, has deformed the volcanic and sedimentary strata prior to later folding with fold axes plunging gently north.

There are numerous base-metal occurrences known in the region, many of which clearly are stratabound massive sulphide deposits syngenetic with their host rocks. Such polymetallic deposits, commonly with associated barite and precious-metal values, are most abundant in the Birk Creek - North Barriere Lake, Johnson Lake - Sinmax Creek and Adams Plateau areas (Preto, 1979). See Figure 3 for a map of the regional geology and locations of the known mineral occurrences.

#### 1985 EXPLORATION PROGRAM

The 1985 exploration program included: prospecting, establishment of additional survey grid, soil geochemical sampling, trenching and rock geochemical sampling. The field work was carried out between June 1st and 15th. Report preparation followed the receipt of all analytical results.

Messrs. K. Kaye and T. Robinson, two experienced geological/geochemical assistants, aided the writer in all phases of the exploration program. The Statement of Qualifications for the writer accompanies this report.

#### Prospecting Survey

Before further detailed surveying and trenching the field personnel prospected all of the 1984 geological, geochemical and/or geophysical anomalies. This work was extended beyond the limits of the established survey grid to include the HILL, DAT FRACTION,

AIRFIELD 1 and the southern portions of the RUSS 100 and EBAR claims.

Although this work was limited by the paucity of outcrop it did accomplish two important tasks - investigated the 1984 results and discovered a quartz-pyrite vein structure at grid coordinates 91N. by 103+75E.

#### Survey Control Grid

Since the exploration work did not require clean-cut and cleared lines, the fill-in control grid lines were established using drag survey chains and compasses. All lines were well blazed and flagged with two colours of flagging. Sample stations were picketed and labelled using tear-proof tyvek labels.

Fill-in grid lines were established from grid coordinates 97E. to 103E. for lines 97, 99 and 100N. The same grid orientation was used as last year. See Figures 6 to 12 for the orientation and coordinates of the control grid.

A total of 1.8 kilometres of additional grid was established to control subsequent fill-in soil geochemical surveying.

#### Geochemical Survey

##### Soil Geochemical Sampling

Soil geochemical samples of the "B" soil horizon were collected using a grub hoe or mattock. Survey notes of the sample character (i.e. active, dry, or swamp); texture (i.e. clay, silt, sand, organic, or gravel); origin (i.e. residual, colluvial, alluvial, or glacial); horizon; depth; colour; and location were made at each sample station. From these notes, the soil samples consisted dominantly of a mixture of silt, clay and sand from the colluvial, alluvial and glacial overburden. The "B" soil horizon was usually sampled 10 to 20 cm. beneath the surface to minimize organic contents.

The samples were collected by Messrs. K. Kaye and T. Robinson, employed by Minorex Consulting Ltd. A total of 74 soil samples were collected over a two-man day period.

All soil samples were placed in kraft paper envelopes, field dried, and delivered to Chemex Labs Ltd. in Vancouver, B.C. There the samples were dried at 60°C., sieved to -80 mesh and analysed by atomic absorption spectrophotometric methods under the supervision of professional assayers. All soil samples were analysed for gold (p.p.b.), silver (p.p.m.), copper (p.p.m.), lead (p.p.m.) and zinc (p.p.m.).

The Certificate of Analysis accompanies this report as Appendix I. Appendix III documents the analytical procedures and all analytical results are plotted on Figures 7 to 11.

#### Trenching Program

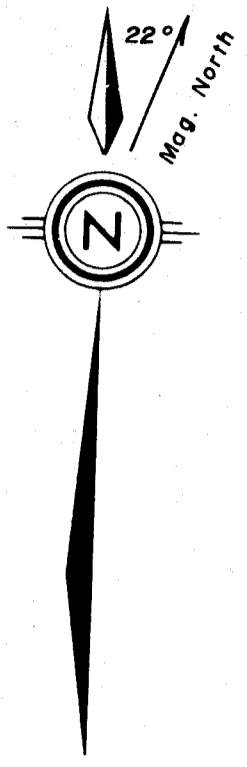
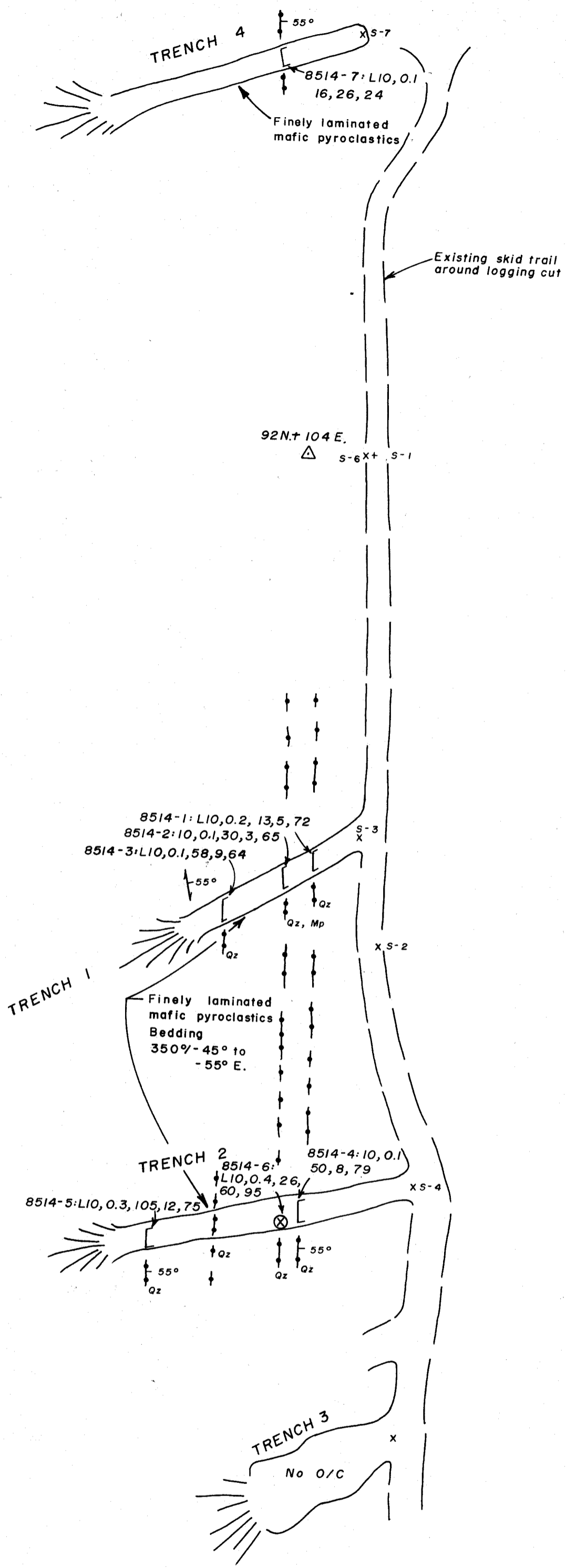
A Caterpillar D8 bulldozer was utilized to excavate eight trenches very near or over the most favourable exploration targets. Since five of the trench sites were located within an already disturbed area, a recent winter logging cut, and there were no crawler backhoes available locally at the time, the writer carried out the work with the heavier equipment. The bulldozer was contracted from L. Bloomfield and Son of Barriere, B.C.

The eight trenches were excavated at grid coordinates:

- 1) 91+40N. by 103+80E.
- 2) 91+00N. by 103+85E.
- 3) 90+60N. by 103+80E.
- 4) 92+55N. by 103+90E.
- 5) 99+10N. by 101+15E.
- 6) 97+85N. by 101+55E.
- 7) 96+10N. by 97+40E.
- 8) 98+10N. by 98+50E.

See Figures 4, 5, 6 and 12 for the locations, dimensions and results of the trenching program.

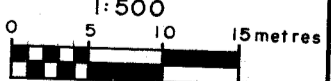




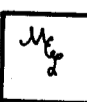
— LEGEND —

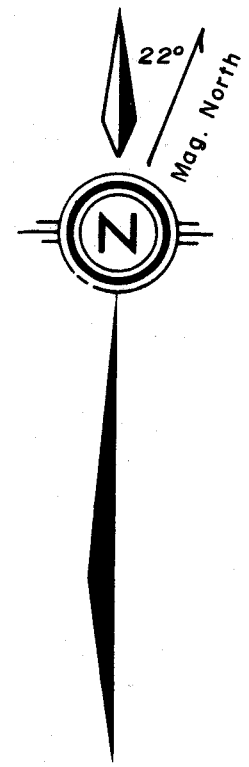
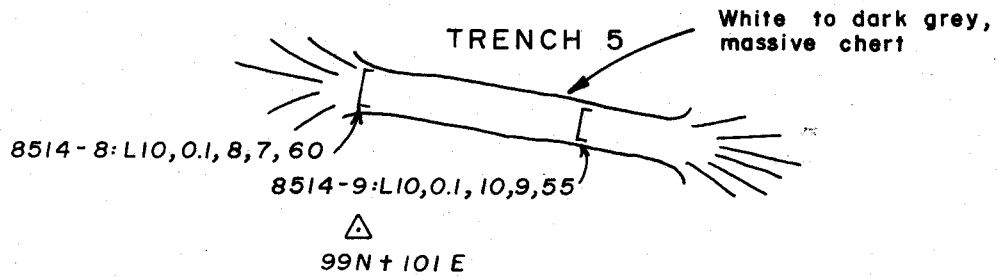
- △ Grid location
- XS-2 Survey station
- ↙ 55° Bedding
- 8514-3: L10, 0.1, 58, 9, 64  
Chip sample: Sample No.: Au. p.p.b., Ag. p.p.m.  
Cu. p.p.m., Pb. p.p.m., Zn. p.p.m.
- 8514-6: L10, 0.4, 26, 60, 9  
Grab sample: Sample No., Au. p.p.b.,  
Ag. p.p.m., Cu. p.p.m., Pb. p.p.m., Zn. p.p.m.
- ⊗ Quartz vein
- Qz Quartz
- Mp Mariposite
- O/C Outcrop

— SCALE —



*J.D. Blanchflower*  
To accompany report by J.D. Blanchflower

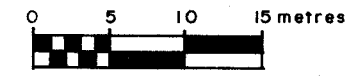
 <b>MINOREX CONSULTING LTD.</b> GEOLOGICAL CONSULTANTS, KAMLOOPS, B.C.	
<b>RACER RESOURCES LTD.</b> VANCOUVER, BRITISH COLUMBIA	
<b>TRENCHING PLAN</b> <b>TRENCHES 1 to 4</b> <b>RUSS PROPERTY</b> KAMLOOPS MINING DIVISION, B.C.	
Tech. work by: J.D.B.	NTS: 82 M / 5W
Drawn by: P.J.M.	Scale: 1:500
Date: June, 1985	Figure No.: 4



— LEGEND —

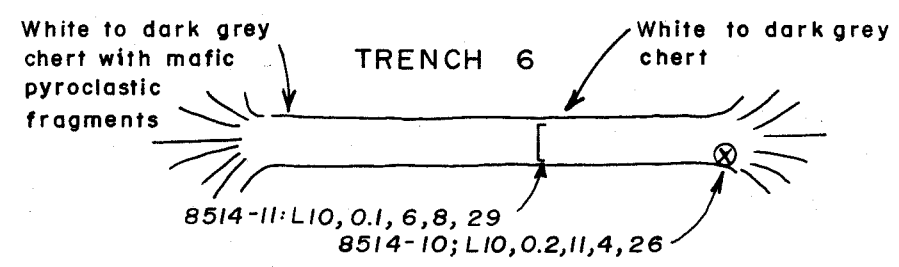
- △ Grid location
- x S-2 Survey station
- 55° Bedding
- 8514-3: L10, 0.1, 58, 9, 64 Chip sample: Sample No.: Au. p.p.b., Ag. p.p.m. Cu. p.p.m., Pb. p.p.m., Zn. p.p.m.
- 8514-6: L10, 0.4, 26, 60, 9 Grab sample: Sample No., Au. p.p.b., Ag. p.p.m., Cu. p.p.m., Pb. p.p.m., Zn. p.p.m.
- ⊗ Quartz vein
- Qz Quartz
- Mp Mariposite
- O/C Outcrop

— SCALE —  
1:500



*J.D. Blanchflower*  
To accompany report by J.D. Blanchflower

△ 98N + 101E



MCL <b>MINOREX CONSULTING LTD.</b> GEOLOGICAL CONSULTANTS, KAMLOOPS, B.C.	
<b>RACER RESOURCES LTD.</b> VANCOUVER, BRITISH COLUMBIA	
TRENCHING PLAN TRENCHES 5 and 6 <b>RUSS PROPERTY</b> KAMLOOPS MINING DIVISION, B.C.	
Tech. work by: J.D.B.	NTS: 82 M / 5W
Drawn by: P.J.M.	Scale: 1:500
Date: June, 1985	Figure No.: 5

After the trenches were excavated, surveyed, mapped and sampled the bulldozer landscaped the sites to minimize any surface disturbance. Any fallen trees were bucked and limbed, and the limbs were scattered. All trenches were then seeded with a recommended grass seed mixture in full compliance of the submitted Notice of Work and Reclamation Program on a Mineral Property.

#### Rock Geochemical Sampling

Eleven rock geochemical samples were collected from five trenches. These samples were logged, bagged and delivered to Chemex Labs Ltd. in Vancouver, B.C. There the samples were crushed, sieved to -80 mesh and analysed by atomic absorption spectrophotometric methods under the supervision of professional assayers. All rock geochemical samples were analysed for gold (p.p.b.), silver (p.p.m.), copper (p.p.m.), lead (p.p.m.) and zinc (p.p.m.).

The Certificate of Analysis accompanies this report as Appendix II. All analytical results are plotted on Figures 4, 5 and 12, and Appendix IV contains detailed sample descriptions and analytical summaries.

#### RESULTS OF THE 1985 EXPLORATION PROGRAM

The results of the 1985 exploration program are not encouraging.

#### Prospecting Survey

That portion of the property beyond the established control grid was thoroughly prospected with negative results. Only minor magnetite or occasional pyrite mineralization was discovered locally within mafic volcanic flows and pyroclastics underlying the HILL and DAT Fr. mineral claims. Elsewhere much of the intervening area within

the East Barriere Lake valley is covered by extensive overburden, probably glacial deposits with alluvial deposition in the valley bottom. None of the geological results warranted further geochemical or geophysical surveying.

Within the grid area all coincident geological, geochemical and/or geophysical anomalies were prospected to determine their sources prior to trenching. Although the extensive overburden inhibited this work the field personnel were able to determine that:

- 1) there were no exposed sources for the scattered soil geochemical anomalies along Russel Creek in the northwestern portion of the grid area.
- 2) the magnetic anomaly between grid coordinates 97 and 100N. by 102 to 103+50E. could be directly attributed to disseminated magnetite mineralization in the underlying mafic volcanics and phyllites.
- 3) there is an en echelon quartz-pyrite vein structure striking  $170^\circ$  and dipping  $-45^\circ$  to  $-55^\circ$  eastward at grid coordinates 91N. by 103+80E.
- 4) other lower-priority geochemical and/or geophysical anomalies either had no bedrock exposures in the vicinity, or if they did, the country rocks were barren of any significant sulphide mineralization.

In summary, the prospecting survey confirmed the exploration potential of the existing grid area and its results were utilized subsequently during the trenching program.

#### Geochemical Survey

#### Soil Geochemical Sampling

Figures 7 to 11 accompanying this report are plots of the

gold, silver, copper, lead and zinc values obtained from soil samples collected during the 1984 and 1985 soil geochemical surveys. The 1984 analytical results were subjected to standard statistical techniques to determine mean, threshold and anomalous metal contents of the soils. All results have been contoured at intervals noted on each individual plan. In addition, percent cumulative frequency versus metal value graphs, mean and anomalous values have been plotted for each element.

A summary of the geostatistical results for the 1984 geochemical survey are:

Element	Mean $\bar{x}$	Threshold $\bar{x} + 2S.D.$	Definitely Anomalous $\bar{x} + 3S.D.$
Gold (p.p.b.)	1.1	2.3	2.9
Silver (p.p.m.)	0.2	0.8	1.1
Copper (p.p.m.)	27.7	68.1	88.3
Lead (p.p.m.)	11.9	29.1	37.7
Zinc (p.p.m.)	79.1	130.7	156.5

From the above all possibly (threshold to definitely anomalous values) and definitely anomalous sample sites were identified and a compilation plan was plotted as Figure 12. Results of the 1985 fill-in geochemical survey appear to confirm the 1984 results, which were:

- 1) Gold geochemical values are very low with no apparent dispersion pattern correlative with either the other analysed elements or the results of the other surveys.
- 2) Anomalous silver values seem to be concentrated in the north-western portion of the survey grid, within an area of thick overburden cover and seasonal drainage. Such an area would undoubtedly be affected by downslope dispersion due to ground-water movement.

- 3) Anomalous copper values appear to correlate with the mapped and projected trends of the mafic pyroclastic unit. Like the silver distribution, the highest copper values (159 and 140 p.p.m.) were returned from samples collected near Russel Creek. Since both silver and copper are relatively mobile elements within this environment, the high values may be quite removed from their source.
- 4) Anomalous lead values have a similar distribution as the silver results, concentrated in the northwestern section of the grid with no definite lithologic relationship.
- 5) Zinc values are generally quite low and evenly distributed throughout the survey area. The highest zinc value (247 p.p.m.) was returned from the same sample with anomalous silver, copper and lead values, near Russel Creek.

The 1985 geochemical results better defined the known geochemical anomalies but they did not discover any new geochemical targets. The higher coincident responses remain located within the Russel Creek valley, spatially related to thick deposits of reworked glacial alluvium.

#### Trenching Program

#### Rock Geochemical Sampling

As previously mentioned eight trenches were excavated within the control grid area, six of which exposed the underlying bedrock. Both trenches 3 and 8 were excavated to a 2-metre depth with no evidence of bedrock.

Eleven samples were collected from trenches 1, 2, 4, 5 and 6. It was the writer's opinion that the bedrock exposed in trench 7 did not warrant sampling. The locations and analytical results of the rock geochemical sampling are shown on Figures 4, 5 and 12.

Results of the trenching and rock geochemical sampling were negative. The highest analytical results were returned from sample 85-14-5, located at trench 2. This sample assayed: less than 10 p.p.b. Au, 0.3 p.p.m. Ag, 105 p.p.m. Cu, 12 p.p.m. Pb, and 75 p.p.m. Zn. This sample was collected along the exposed length of a 0.3-metre wide quartz vein with minor pyrite mineralization.

#### CONCLUSIONS

The results of the prospecting, soil geochemical sampling and trenching program were negative. No significant mineralization, either indicative of a massive sulphide deposit or worthy of further exploration, was discovered.

Except for the anomalous soil geochemistry within the Russel Creek valley most of the 1984 exploration targets have been tested by this year's work. Further exploration of the Russel Creek valley would require soil profiling and basal till sampling with much more sophisticated geophysical surveying. Both exploration techniques would be inhibited by the deep overburden and the projected presence of conductive sedimentary rocks (i.e. graphitic phyllites). Also, such exploration would be both costly and high speculative given the present results.

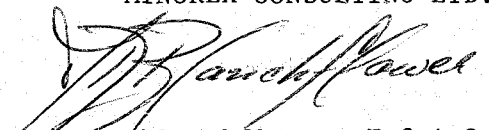
Based on the above results it is the writer's opinion that no further exploration is warranted.

#### RECOMMENDATIONS

It is recommended that no further exploration be undertaken and that pending a review of the option agreement, this project should be terminated.

Submitted by,

MINOREX CONSULTING LTD.

  
J.D. Blanchflower, F.G.A.C.  
Consulting Geologist

July 25, 1985  
Kamloops, B.C.

STATEMENT OF QUALIFICATIONS

I, J. DOUGLAS BLANCHFLOWER, of the City of Kamloops, Province of British Columbia, DO HEREBY CERTIFY THAT:

- 1) I am a Consulting Geologist with business office at 2391 Bossert Avenue, Kamloops, British Columbia, V2B 4V6; and President of Minorex Consulting Ltd.
- 2) I am a graduate in geology with a Bachelor of Science, Honours Geology degree from the University of British Columbia in 1971.
- 3) I am a Fellow of the Geological Association of Canada.
- 4) I have practised my profession as a geologist for the past fourteen years.

Pre-Graduate experience in Geology - Geochemistry - Geophysics in British Columbia, Yukon and Northwest Territories (1966 to 1970).

Three years as Geologist with the B.C. Ministry of Energy, Mines and Petroleum Resources (1970 to 1972).

Seven years as Exploration Geologist with Canadian Superior Exploration Limited (1972 to 1980).

Three years as Exploration Geologist with Sulpetro Minerals Limited (1980 to 1982).

Two years as Consulting Geologist with Minorex Consulting Ltd.

Active exploration and development experience in Western North America.

- 5) I own no direct, indirect or contingent interest in any of the subject claims, nor shares in or securities of RACER RESOURCES LTD.
- 6) I supervised the prospecting, geochemical survey and trenching program carried out on the RUSS property between June 1st and 15th, and wrote this report which documents the results.
- 7) I consent to the use of this report in a Prospectus or Statement of Material Facts.



J.D. Blanchflower, F.G.A.C.



STATEMENT OF COSTS

Re: Prospecting survey of the property beyond the limits of the 1984 control grid area and over known geological, geochemical and/or geophysical anomalies that resulted from the 1984 exploration program.

Establishment of 1.8 line-kilometres of fill-in control grid.

Collection and analysis of 74 "B" horizon soil geochemical samples. All were analysed for gold, silver, copper, lead and zinc at Chemex Labs Ltd. in Vancouver, B.C.

Excavation of 8 trenches within the control grid area. All trenches were surveyed, geologically mapped, sampled, and subsequently landscaped and seeded in compliance with the filed Reclamation Program.

Collection and analysis of 8 rock geochemical samples for gold, silver, copper, lead and zinc at Chemex Labs Ltd. in Vancouver, B.C.

Collation, plotting, drafting, interpretation and documentation of all resultant data from the 1985 exploration program.

1) Personnel

J.D. Blanchflower - geologist

June 1 to June 7/85 4.5 days

June 8 to July 25/85 4.5 days

9 days

9 days @ \$300./day \$2,700.00

K. Kaye - geological assistant/sampler

June 1 to 7 - 6 days @ \$187./day 1,122.00

T. Robinson - geological assistant/sampler

June 1 to 8 - 7 days @ \$150./day 1,050.00

\$4,872.00

\$4,872.00

2) Vehicle Expense

a) '83 Ford 4x4 P/U (Minorex)

3.5 days @ \$35./day plus \$122.50

475 km. @ \$.35/km. 166.25

b) Datsun P/U 2 WD (T. Robinson)

8 days @ \$25./day plus 200.00

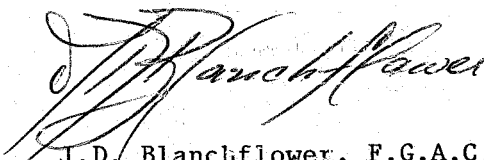
580 km. @ \$.25/km. 145.00

\$633.75

633.75

3)	Room and Board		
	Room - 15 man days @ \$11.77/man day	\$176.55	
	Board - 16.5 man days @ \$12.15/man day	<u>200.40</u>	
		\$376.95	376.95
4)	Trenching (L. Bloomfield and Son, Barriere, B.C.)		
	9.5 hrs. @ \$125./hr. (D8 H bulldozer)		1,187.50
5)	Expendable Field Supplies		42.11
	75 soil sample bags		
	72 tyvek labels		
	5 rolls of flagging		
	1 roll of topo chain thread		
	11 plastic sample bags		
6)	Analyses (Chemex Labs Ltd., Vancouver, B.C.)		
	74 soil samples for Au, Ag, Cu, Pb and Zn		
	@ \$9.70/s. plus preparation	\$792.80	
	11 rock samples for Au, Ag, Cu, Pb and Zn		
	@ \$9.70/s. plus preparation	<u>134.20</u>	
		\$927.00	927.00
7)	Miscellaneous Field Expenses		
	Grass seed for reclamation		19.20
8)	Office Expenses		
a)	Drafting and Report Collation (P. Mason)		
	Drafting - 8 hrs. @ \$18./hr.	\$144.00	
	Collation - 4 hrs. @ \$12./hr.	<u>48.00</u>	
		\$192.00	
b)	Typing (J & L Enterprises)		
	9½ hrs. @ \$18./hr.	171.00	
c)	Printing, photocopying (Universal Reproductions)	169.14	
d)	Miscellaneous expenses - telephone charges (on client's behalf), postage, etc.	<u>35.00</u>	
		\$567.14	567.14
	Total Cost of Project		<u>\$8,625.65</u>
	from June 1 to July 25, 1985		

July 25, 1985

  
J.D. Blanchflower, F.G.A.C.  
Geologist

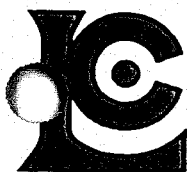
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- . . . et al (1984): Geology of the Adams Plateau - Clearwater Area; B.C. Ministry of Energy, Mines & Pet. Res.; Preliminary Map No. 56.
- B.C. Ministry of Energy, Mines & Pet. Res. Minfile 082M/SW.

APPENDIX I

Chemex Labs Ltd.

Certificate of Analysis - Soils



# Chemex Labs Ltd.

Analytical Chemists • Geochemists • Registered Assayers

212 Brooksbank Ave.  
North Vancouver, B.C.  
Canada V7J 2C1

Telephone: (604) 984-0221  
Telex: 043-52597

## CERTIFICATE OF ANALYSIS

TO : MINOREX CONSULTING LTD.

\*\* CERT. # : A8512644-001-A  
INVOICE # : I8512644  
DATE : 17-JUN-85  
P.O. # : 8514  
RUSS

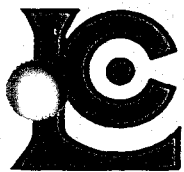
2391 BOSSERT AVE.  
KAMLOOPS, B.C.  
V2B 4V6

ATTN: DOUG BLANCHFLOWER CC: RACER RESOURCES LTD.

Sample description	Prep code	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Au-AA ppb	
97N + 97.00E	202	23	20	145	0.6	<10	--
97N + 97.25E	202	5	19	75	0.2	<10	--
97N + 97.50E	202	12	14	94	0.1	<10	--
97N + 97.75E	202	38	22	115	0.6	<10	--
97N + 98.00E	202	40	21	95	0.5	<10	--
97N + 98.25E	202	33	18	87	0.2	<10	--
97N + 98.50E	202	135	18	88	1.3	<10	--
97N + 98.75E	202	48	13	61	0.6	<10	--
97N + 99.00E	202	70	23	85	1.2	<10	--
97N + 99.25E	202	28	19	98	0.4	<10	--
97N + 99.50E	202	35	17	85	0.1	<10	--
97N + 99.75E	202	32	15	120	0.1	<10	--
97N + 100.00E	202	27	14	78	0.1	<10	--
97N + 100.25E	202	37	17	145	0.1	<10	--
97N + 100.50E	202	18	10	81	1.7	<10	--
97N + 100.75E	202	8	7	100	0.3	<10	--
97N + 101.00E	202	9	9	108	0.5	<10	--
97N + 101.25E	202	33	11	70	0.1	<10	--
97N + 101.50E	202	7	7	123	0.3	<10	--
97N + 101.75E	202	24	40	103	0.1	<10	--
97N + 102.00E	202	29	11	115	0.1	<10	--
97N + 102.25E	202	27	12	100	0.2	<10	--
97N + 102.50E	202	21	14	88	0.1	<10	--
97N + 102.75E	202	32	10	83	0.1	<10	--
97N + 103.00E	202	24	10	95	0.2	<10	--
99N + 97.00E	202	42	24	172	3.0	<10	--
99N + 97.25E	202	51	32	180	1.5	<10	--
99N + 97.50E	202	45	20	80	0.5	<10	--
99N + 97.75E	202	54	25	98	3.0	<10	--
99N + 98.00E	202	64	27	125	1.2	10	--
99N + 98.25E	202	41	38	180	0.6	<10	--
99N + 98.50E	202	55	21	140	1.0	<10	--
99N + 98.75E	202	51	11	65	1.2	<10	--
99N + 99.00E	202	62	26	108	0.4	<10	--
99N + 99.25E	202	60	16	65	0.1	<10	--
99N + 99.50E	202	19	15	198	0.2	<10	--
99N + 99.75E	202	31	18	88	0.4	<10	--
99N + 100.00E	202	18	19	122	0.1	<10	--
99N + 100.25E	202	24	12	126	0.1	<10	--
99N + 100.50E	202	31	12	123	0.1	<10	--

Certified by Hart Bickler





# Chemex Labs Ltd.

Analytical Chemists • Geochemists • Registered Assayers

212 Brooksbank Ave.  
North Vancouver, B.C.  
Canada V7J 2C1

Telephone: (604) 984-0221  
Telex: 043-52597

## CERTIFICATE OF ANALYSIS

TO : MINOREX CONSULTING LTD.

\*\* CERT. # : A8512644-002-A  
INVOICE # : 18512644  
DATE : 17-JUN-85  
P.O. # : 8514  
RUSS

2391 BOSSERT AVE.  
KAMLOOPS, B.C.  
V2B 4V6

ATTN: DOUG BLANCHFLOWER CC: RACER RESOURCES LTD.

Sample description	Prep code	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Au-AA ppb	
99N + 100.75E	202	12	14	117	0.1	<10	--
99N + 101.00E	202	19	55	330	0.1	<10	--
99N + 101.25E	202	21	12	140	0.1	<10	--
99N + 101.50E	202	24	23	114	0.1	<10	--
99N + 101.75E	202	8	9	32	0.1	<10	--
99N + 102.00E	202	63	24	140	0.1	<10	--
99N + 102.25E	202	10	11	118	0.1	<10	--
99N + 102.50E	202	10	10	185	0.1	<10	--
99N + 102.75E	202	12	8	118	0.1	<10	--
99N + 103.00E	202	6	5	82	0.1	<10	--
101N + 97.00E	202	24	14	78	0.1	<10	--
101N + 97.25E	202	18	17	86	0.3	<10	--
101N + 97.50E	202	10	12	72	0.1	<10	--
101N + 97.75E	202	31	15	140	0.5	<10	--
101N + 98.00E	202	12	14	59	0.1	<10	--
101N + 98.25E	202	34	21	115	0.6	<10	--
101N + 98.50E	202	12	13	59	0.3	<10	--
101N + 98.75E	202	25	13	155	0.4	<10	--
101N + 99.00E	202	23	15	90	0.1	<10	--
101N + 99.25E	202	15	18	110	0.5	<10	--
101N + 99.50E	202	23	15	115	0.1	<10	--
101N + 99.75E	202	8	9	67	0.1	<10	--
101N + 100.00E	202	13	11	93	0.1	<10	--
101N + 100.25E	202	21	15	125	0.1	<10	--
101N + 100.50E	202	12	11	110	0.2	<10	--
101N + 100.75E	202	20	10	95	0.1	<10	--
101N + 101.00E	202	17	12	90	0.1	<10	--
101N + 101.25E	202	31	10	88	0.1	<10	--
101N + 101.50E	202	56	5	174	0.1	<10	--
101N + 101.75E	202	12	7	80	0.1	<10	--
101N + 102.00E	202	11	10	95	0.1	<10	--
101N + 102.50E	203	18	3	16	0.1	<10	--
101N + 102.75E	202	33	17	97	0.3	<10	--
101N + 103.00E	202	28	13	90	0.1	<10	--

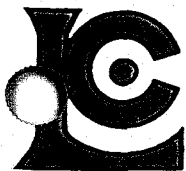


Certified by Hart Bichler

APPENDIX II

Chemex Labs Ltd.

Certificate of Analysis - Rocks



# Chemex Labs Ltd.

Analytical Chemists • Geochemists • Registered Assayers

212 Brooksbank Ave.  
North Vancouver, B.C.  
Canada V7J 2C1

Telephone: (604) 984-0221  
Telex: 043-52597

## CERTIFICATE OF ANALYSIS

TO : MINOREX CONSULTING LTD.

2391 BOSSERT AVE.  
KAMLOOPS, B.C.  
V2B 4V6

\*\* CERT. # : A8512645-001-A  
INVOICE # : 18512645  
DATE : 17-JUN-85  
P.O. # : 8514  
RUSS'

ATTN: DOUG BLANCHFLOWER CC: RACER RES. LTD.

Sample description	Prep code	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Au-AA ppb	
8514-01	205	13	5	72	0.2	<10	--
8514-02	205	30	3	65	0.1	10	--
8514-03	205	58	9	64	0.1	<10	--
8514-04	205	50	8	79	0.1	10	--
8514-05	205	105	12	75	0.3	<10	--
8514-06	205	26	60	95	0.4	<10	--
8514-07	205	16	26	24	0.1	<10	--
8514-08	205	8	7	60	0.1	<10	--
8514-09	205	10	9	55	0.1	<10	--
8514-10	205	11	4	26	0.2	<10	--
8514-11	205	6	8	29	0.1	<10	--

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APPENDIX III

Analytical Procedures  
for  
Geochemical Analyses

## GEOCHEMICAL ANALYSIS

### Gold Method

- a) The samples are dried in a geochemical drying oven and then screened through a stainless steel 80 mesh sieve. The minus 80 fraction is reserved for analysis and the plus 80 mesh fraction is discarded.
  
- b) 29.17 grams of sample are weighed, silver added, along with fluxes and the sample is started as a fire assay. After cupellation the bead is dissolved and the samples are then mixed to insure homogeneity and are read, upon settling, on a Varian Techtron AA 5 or 475 atomic absorption spectrophotometer using an air-acetylene flame.
  
- c) All additions of liquid reagents are from Oxford Model S-A pipettors.

## GEOCHEMICAL ANALYSIS

### Silver, Copper, Lead and Zinc Method

- a) The samples are dried in a geochemical drying oven and then screened through a stainless steel 80 mesh sieve. The minus 80 fraction is reserved for analysis and the plus 80 mesh fraction is discarded.
- b) The samples are then weighed into test tubes, nitric acid is added, and they are placed in a hot water bath for thirty minutes. Hydrochloric acid is then added and the samples are digested for a further 90 minutes in the water bath. The samples are then diluted with deionized water.
- c) The samples are then mixed to insure homogeneity and are read, upon settling, on a Varian Techtron AA 5 or 475 atomic absorption spectrophotometer. An air-acetylene flame is used for the analysis of silver, copper, lead and zinc.
- d) All additions of reagents are from Oxford Model S-A pipettors.
- e) Standards and re-assay checks are carried along with each run of 35 samples.

APPENDIX IV

Sample Descriptions

and

Analytical Summaries

## APPENDIX IV

## Sample Descriptions and Analytical Summaries

Sample No.	Location		Analysis					Description
	N.	E.	Cu p.p.m.	Pb p.p.m.	Zn p.p.m.	Ag p.p.m.	Au p.p.b.	
85-14-1	91+49	101+01	13	5	72	0.2	<10	Chip sample along 3 m. of a quartz vein varying up to 0.3 m. wide. Hematitic alteration after weathered pyrite disseminations.
85-14-2	91+47	103+98	30	3	65	0.1	10	Same as 84-14-1.
85-14-3	91+47	103+92	58	9	64	0.1	<10	Chip sample along 3 m. of a quartz vein structure varying up to 0.15 m. wide. Weathered pyrite disseminations. Ankeritic alteration in the wallrock.
85-14-4	91+05	104+01	50	8	79	0.1	10	Chip sample along 3 m. of a white quartz vein infilling a 170°/50°E. shear structure. Varies from 0.1 to 0.3 m. wide. Minor pyrite disseminations.
85-14-5	91+01	103+99	105	12	75	0.3	<10	Quartz-rich ankeritic zone within mafic pyroclastics oriented 170°/-45°E. Vein varies up to 0.3 m. wide. Disseminated minor pyrite.
85-14-6	91+04	103+88	26	60	95	0.4	<10	Grab sample of white quartz vein material from bottom of trench (~0.3 m. wide). Minor py disseminations.
85-14-7	92+50	103+94	16	26	24	0.1	<10	Chip sample along 3 m. of quartz infilled shear structure 0.1 to 0.2 m. wide, oriented 170°/-50°E. Minor pyrite in ankeritic altered, mafic pyroclastic wall rocks.

## APPENDIX IV

## Sample Descriptions and Analytical Summaries

Sample No.	Location		Analysis					Description
	N.	E.	Cu p.p.m.	Pb p.p.m.	Zn p.p.m.	Ag p.p.m.	Au p.p.b.	
85-14-8	99+09	101+00	8	7	60	0.1	<10	Chip sample across 3 m. trench of slightly limonitic chert. No visible mineralization.
85-14-9	99+07	101+15	10	9	55	0.1	<10	Same as 85-14-8.
85-14-10	97+93	101+75	11	4	26	0.2	<10	Chip sample across 3 m. trench of limonitic quartz veining randomly oriented in chert country rock. No visible mineralization.
85-14-11	97+94	101+63	6	8	29	0.1	<10	Chip sample across 3 m. trench of limonitic quartz veined chert country rock. No pyrite observed.

— LEGEND —

□ Overburden and glacial alluvium.

LATE DEVONIAN and (?) OLDER to LATE MISSISSIPPIAN and (?) YOUNGER

EAGLE BAY FORMATION

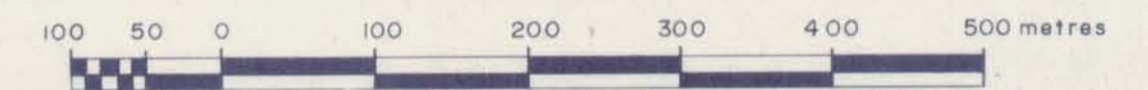
- 6 Limestone: Massive, buff to grey weathering. May contain weak detrital components.
- 5 Phyllite & Chloritic Wacke: Fine-grained, highly foliated gray-green weathering sediments. Locally weakly calcareous. Wacke member; silica poor, dominated by mafic detritus, may be gradational to fine-grained reworked volcanoclastics.
- 4 Chert: Medium to dark grey. May develop weak 2-5 cm. wide ribbon structures. Massive, nonfoliated. No evidence for breccia features.
- 3 Massive Pyroclastics: Lapilli to agglomerate size fragmental. Fragments generally wispy ovoids, possible alignment parallel to strike. Medium to dark green, (C.I. ≈ 40). Believed to be basaltic composition.
- 2 Mafic Flows: Flow dominated basaltic sequence. May contain well preserved pillow structures.
- 1 Undifferentiated Mafic Pyroclastics and Flows: Undivided 2 and 3.

— SYMBOLS —

- Limit of drift covered area
- Geological contact, gradational
- Fault, downthrown side indicated
- Foliation; inclined, vertical
- Bedding
- Lineation, axes of minor folds
- Boulder, area of outcrop, probable outcrop
- Road
- Stream
- Legal corner post, claim boundary; unsurveyed
- Epidote
- Chlorite
- Topographic contour interval is 100 feet. Based on Department of Energy, Mines and Resources topography map.
- Fill-in grid line, 1985

— SCALE —

1:5,000



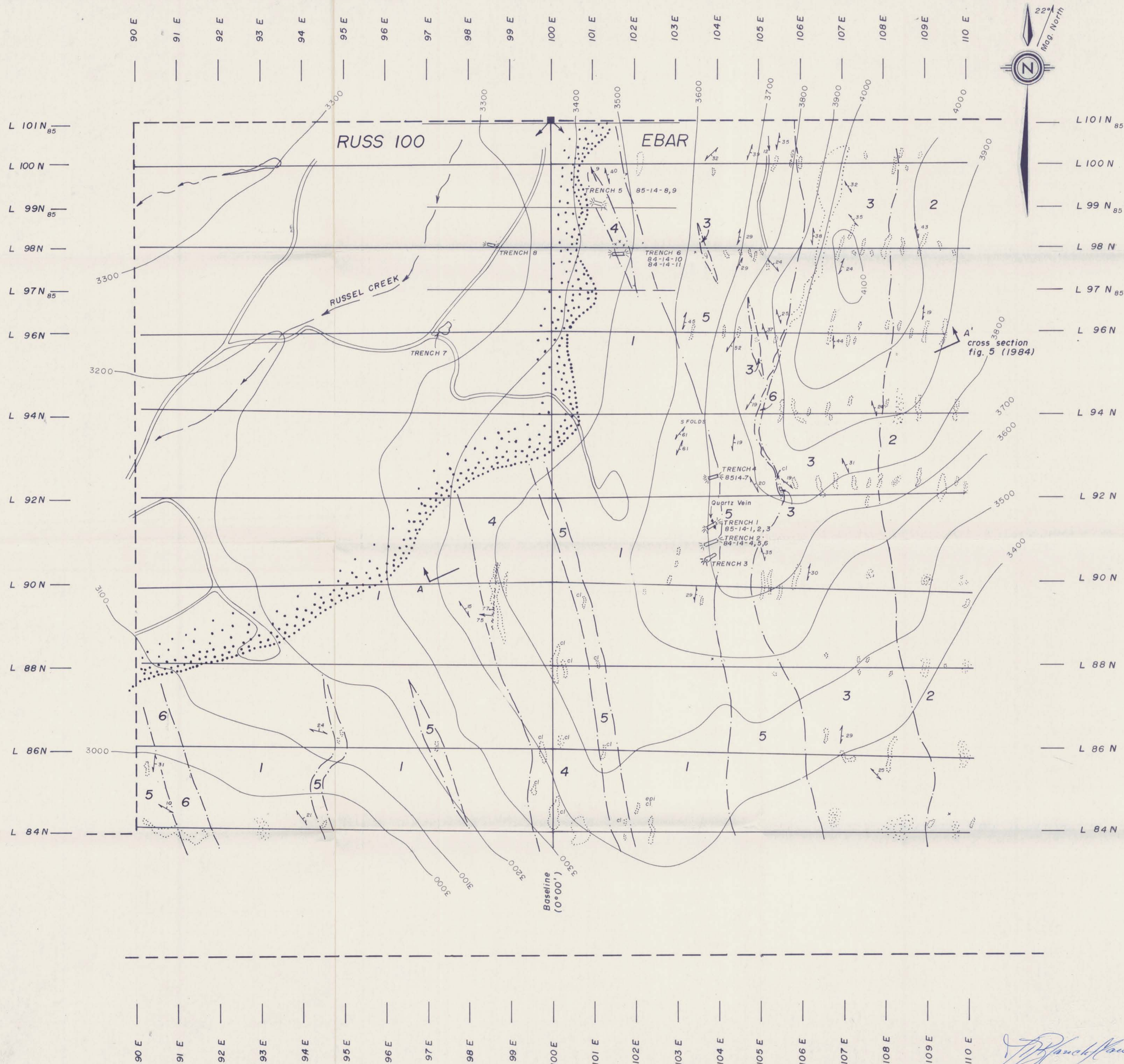
To accompany report by J.D. Blanchflower

MINOREX CONSULTING LTD.  
GEOLOGICAL CONSULTANTS, KAMLOOPS, B.C.

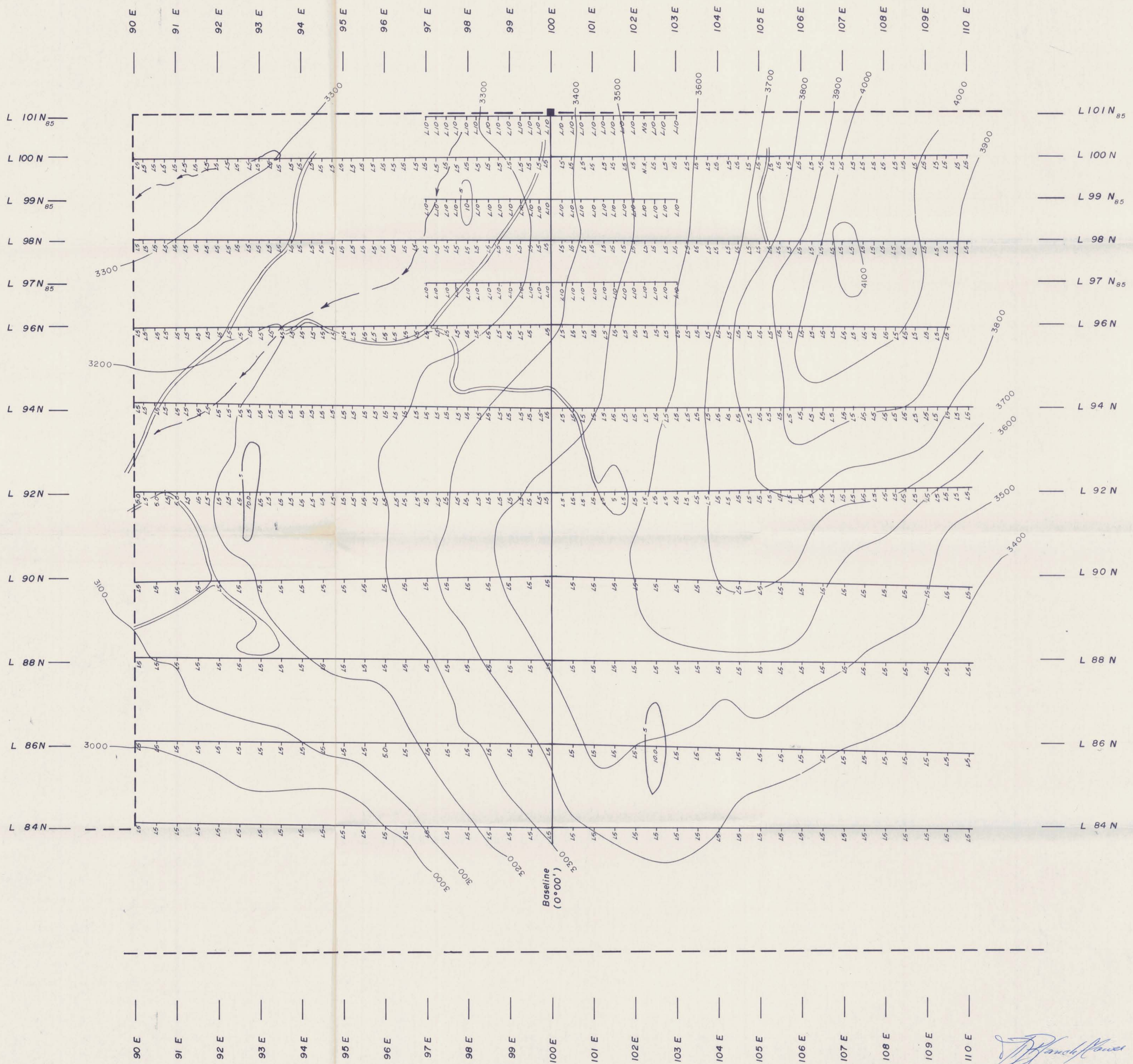
**RACER RESOURCES LTD.**  
VANCOUVER, BRITISH COLUMBIA

GEOLOGICAL PLAN  
**RUSS PROPERTY**  
KAMLOOPS MINING DIVISION, B.C.

Technical work by:	J.O.	N.T.S.:	82 M/5 W
Drawn by:	P.J.M.	Scale:	1:5,000
Date:	June, 1985	Figure No.:	6



*J.D. Blanchflower*



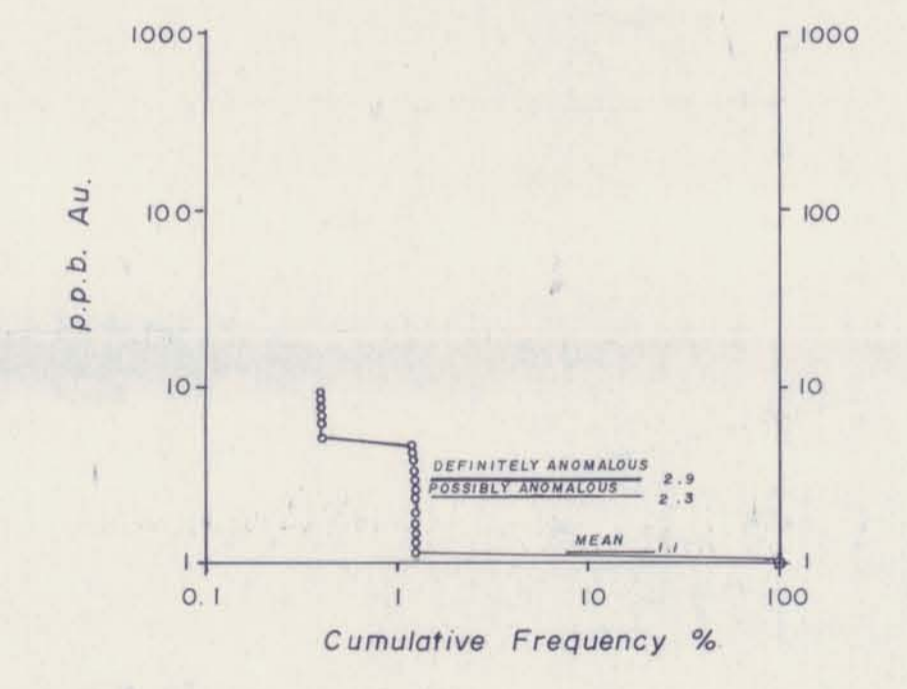
GEOLOGICAL BRANCH  
ASSESSMENT REPORT

13,793

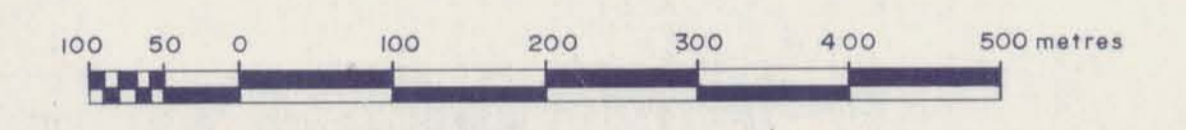
—LEGEND—

- Road
- Intermittent stream
- Claim boundary, unsurveyed
- Legal corner post, unsurveyed
- Grid line 1985 Fill-in line
- Soil sample station; Au. (p.p.b.)
- Topographic contour line : 100 ft. interval
- Gold contour lines (p.p.b.) 5  
10

—GEOSTATISTICS—



—SCALE—  
1:5,000



To accompany report by J.D. Blanchflower

*M.C.*  
**MINOREX CONSULTING LTD.**  
GEOLOGICAL CONSULTANTS, KAMLOOPS, B.C.

**RACER RESOURCES LTD.**  
VANCOUVER, BRITISH COLUMBIA

SOIL GEOCHEMICAL PLAN  
GOLD (p.p.b.)  
**RUSS PROPERTY**  
KAMLOOPS MINING DIVISION, B.C.

Technical work by: J.D.B.	N.T.S.: 82 M/5 W
Drawn by: P.J.M.	Scale: 1:5,000
Date: June, 1985	Figure No.: 7

*J.D. Blanchflower*

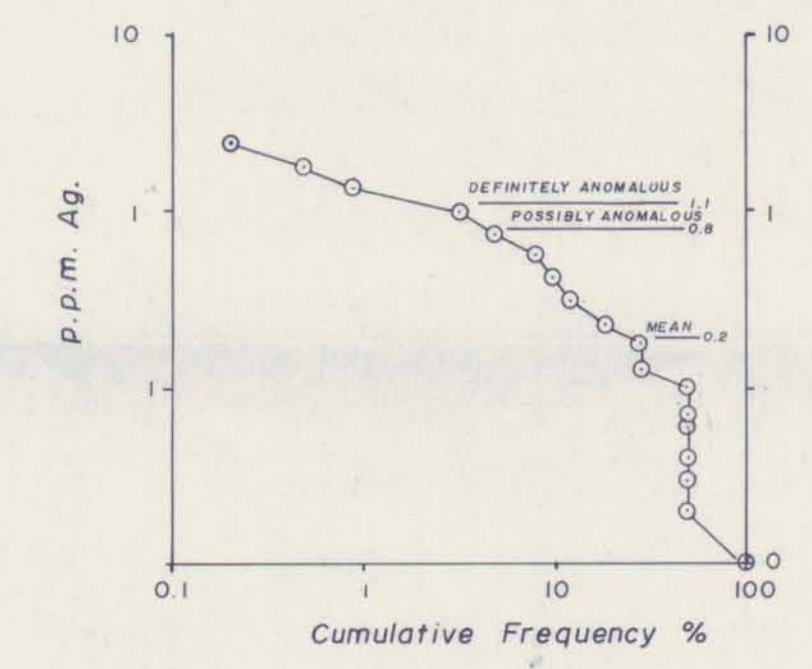




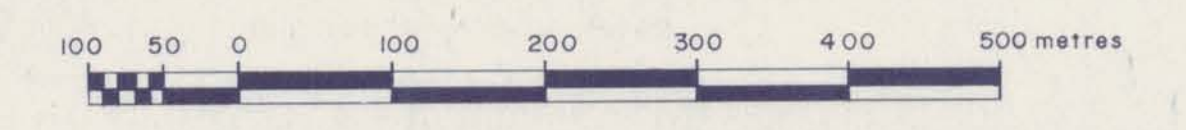
—LEGEND—

- Road
- Intermittent stream
- Claim boundary, unsurveyed
- Legal corner post, unsurveyed
- Grid line 85 1985 Fill-in line
- Soil sample station; Ag (p.p.m.)
- Topographic contour line : 100 ft. interval
- Silver contour lines (p.p.m.)
  - 0.5
  - 0.75
  - 1.00
  - 2.00
  - 3.00

—GEOSTATISTICS—



—SCALE—  
1:5,000



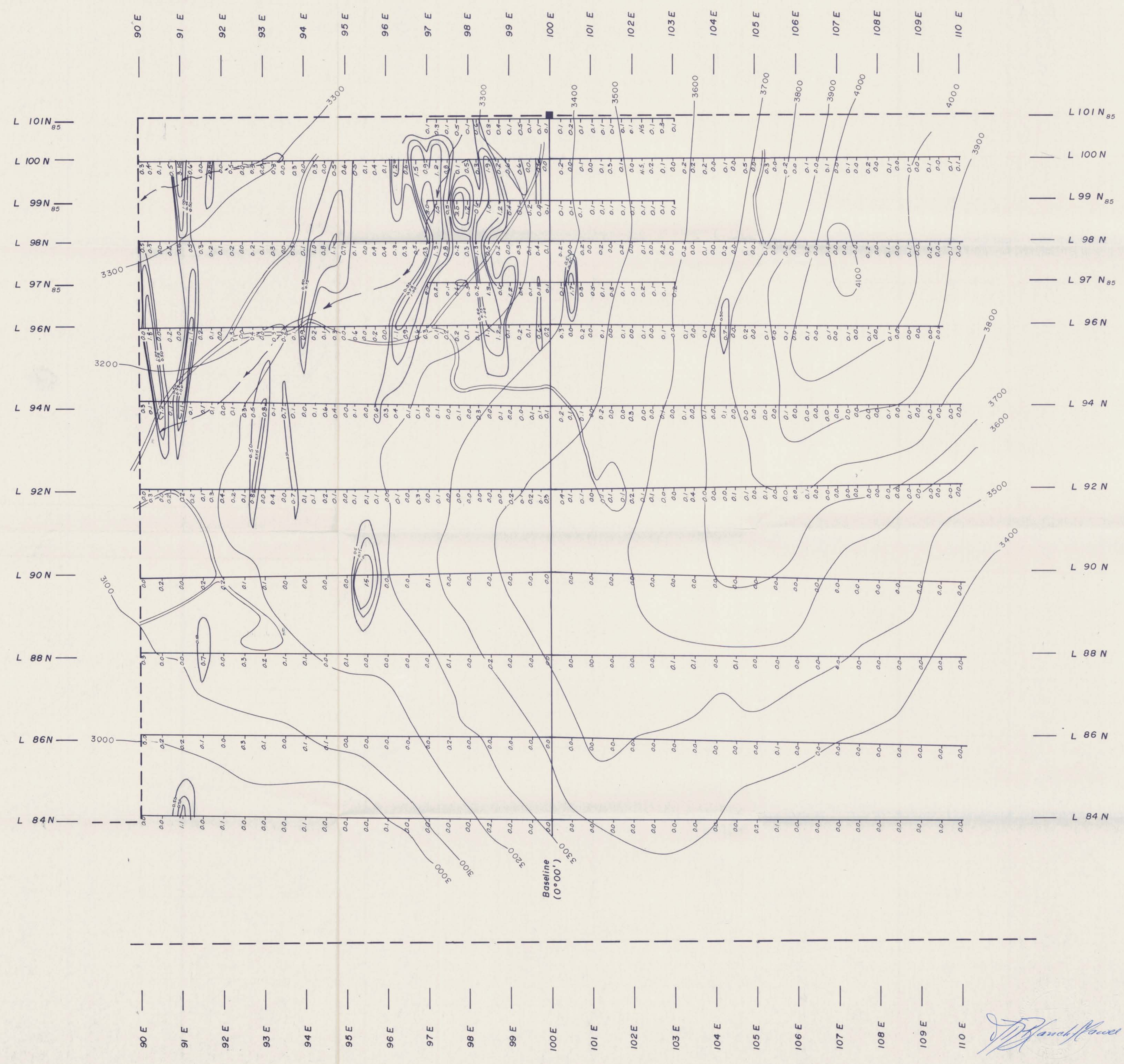
To accompany report by J.D. Blanchflower

**MINOREX CONSULTING LTD.**  
GEOLOGICAL CONSULTANTS, KAMLOOPS, B.C.

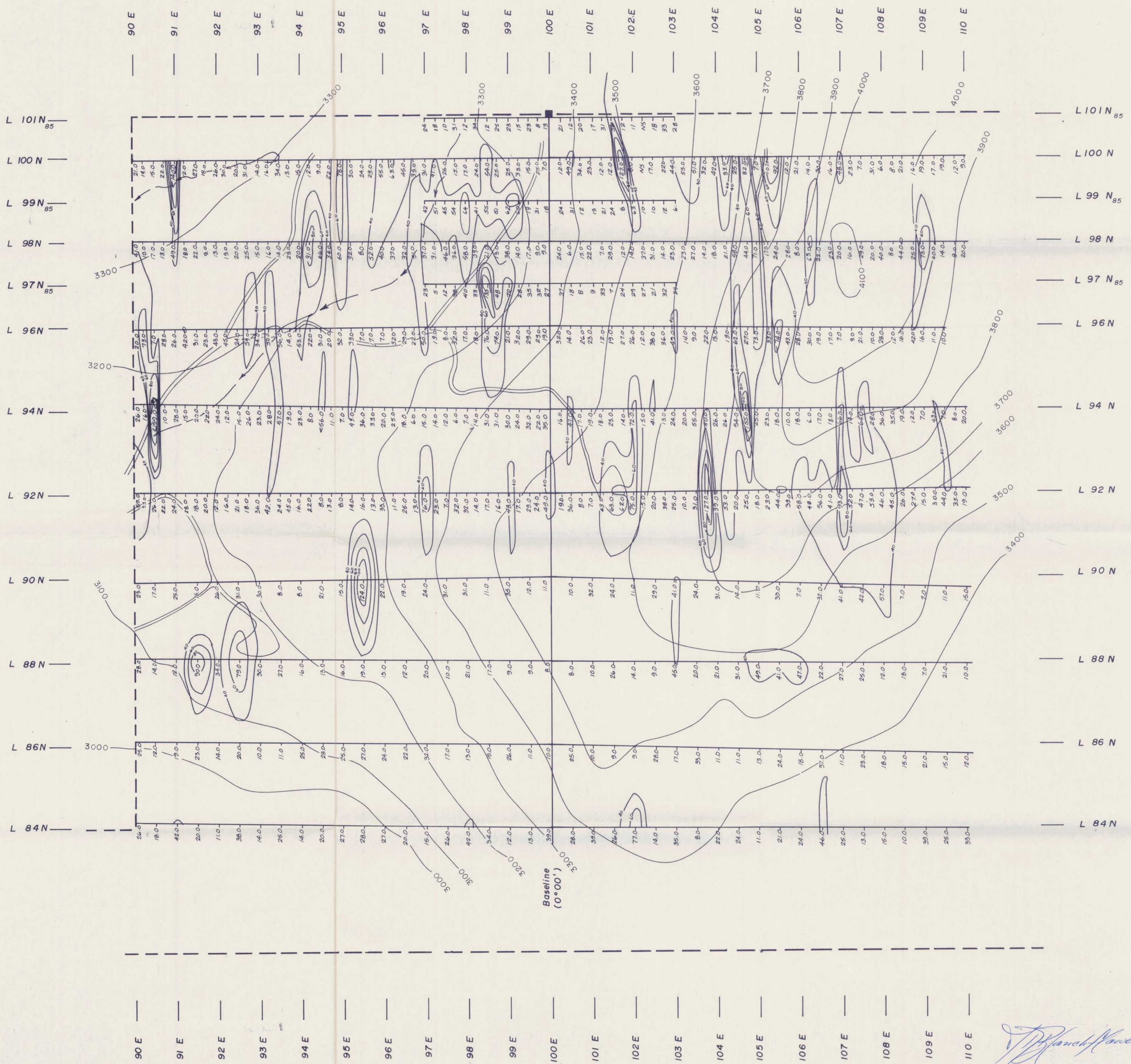
**RACER RESOURCES LTD.**  
VANCOUVER, BRITISH COLUMBIA

SOIL GEOCHEMICAL PLAN  
SILVER (p.p.m.)  
**RUSS PROPERTY**  
KAMLOOPS MINING DIVISION, B.C.

Technical work by: J.D.B.	N.T.S.: 82 M/5 W
Drawn by: P.J.M.	Scale: 1:5,000
Date: June, 1985	Figure No.: 8



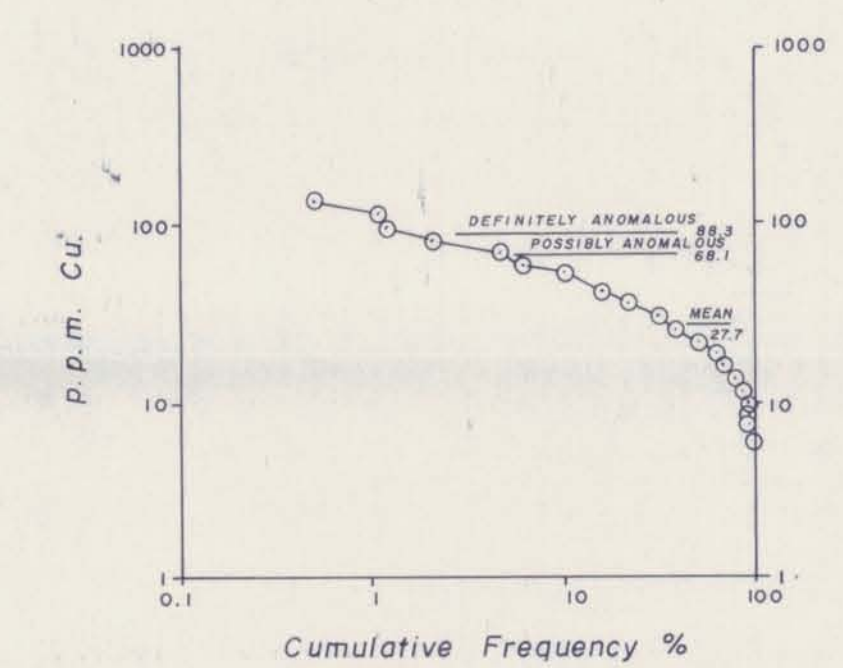
**13,793**



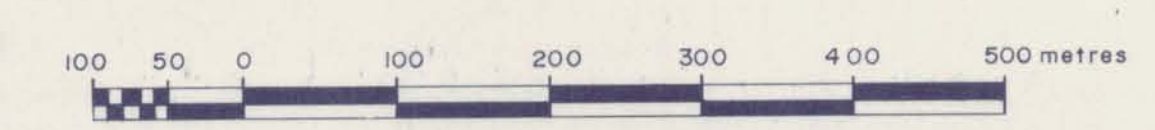
**—LEGEND—**

- Road
- Intermittent stream
- Claim boundary, unsurveyed
- Legal corner post, unsurveyed
- Grid line 85 1985 Fill-in line
- Soil sample station, Cu. (p.p.m.)
- Topographic contour line : 100 ft. interval
- Copper contour lines (p.p.m.)
  - 40
  - 60
  - 80
  - 100
  - 150

**— GEOSTATISTICS —**



**— SCALE —**  
1:5,000



To accompany report by J.D. Blanchflower

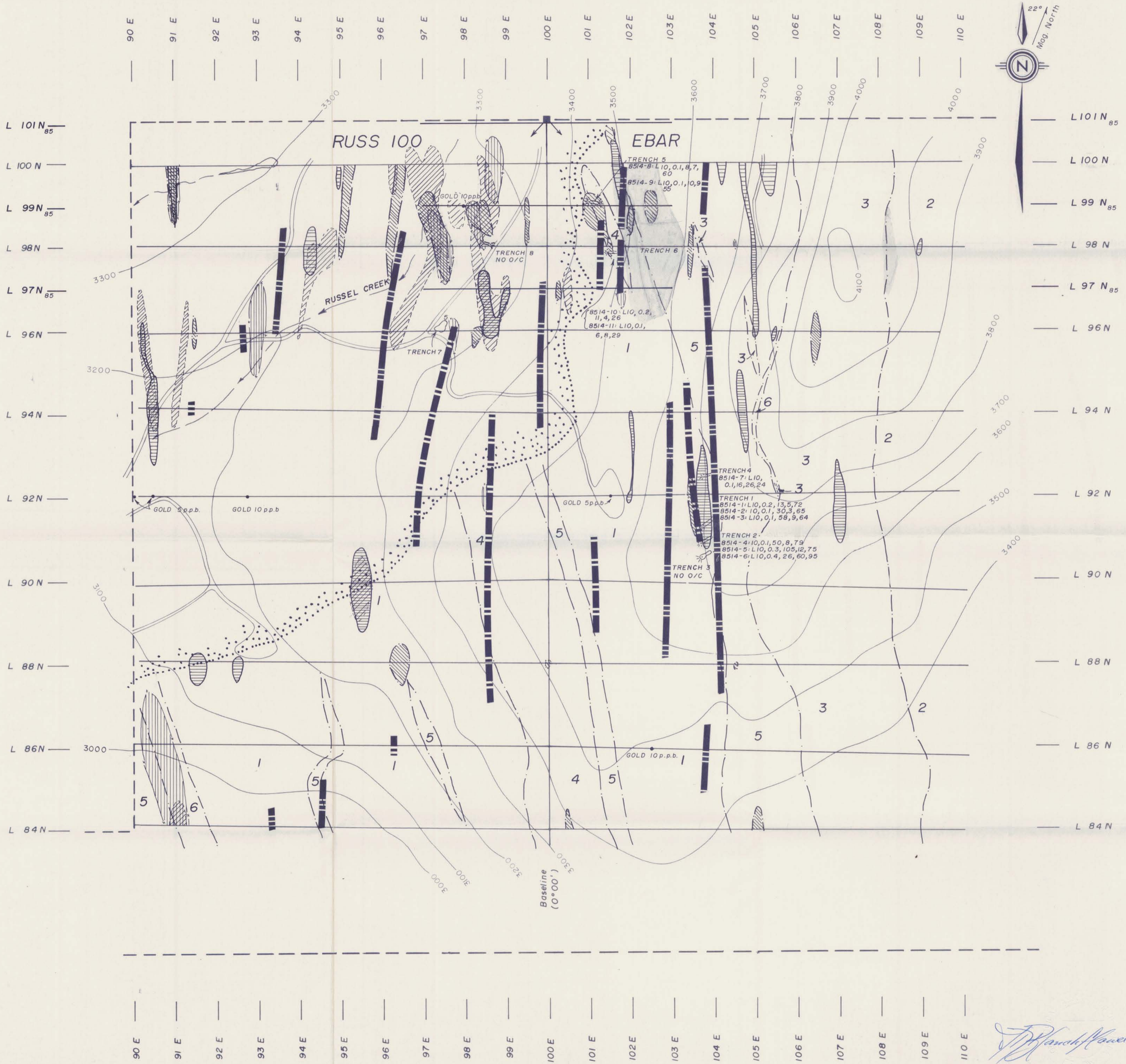
**MINOREX CONSULTING LTD.**  
GEOLOGICAL CONSULTANTS, KAMLOOPS, B.C.

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VANCOUVER, BRITISH COLUMBIA

SOIL GEOCHEMICAL PLAN  
COPPER (p.p.m.)  
**RUSS PROPERTY**  
KAMLOOPS MINING DIVISION, B.C.

Technical work by: J.D.B.	N.T.S.: 82 M/5 W
Drawn by: P.J.M.	Scale: 1:5,000
Date: June, 1985	Figure No.: 9

*J.D. Blanchflower*



— LEGEND —

**GEOLOGICAL LEGEND**  
 LATE DEVONIAN and (?) OLDER to LATE MISSISSIPPIAN and (?) YOUNGER

- EAGLE BAY FORMATION**
- 6 Limestone
  - 5 Phyllite & Chloritic Wacke
  - 4 Chert
  - 3 Massive Pyrocastics
  - 2 Mafic Flows
  - 1 Undifferentiated Mafic Pyrocastics

**GEOLOGICAL BRANCH ASSESSMENT REPORT**

**13,793**

**GEOLOGICAL SURVEY**

- Geological contact, gradational
- ... Limit of drift covered area

**GEOCHEMICAL SURVEY**

- POSSIBLY ANOMALOUS RESULTS**
- Silver > 0.8 p.p.m.
  - Copper > 70 p.p.m.
  - Lead > 30 p.p.m.
  - Zinc > 130 p.p.m.
- Rock Sample: Sample No., Au. p.p.b., Ag. p.p.m., Cu. p.p.m., Pb. p.p.m., Zn. p.p.m.

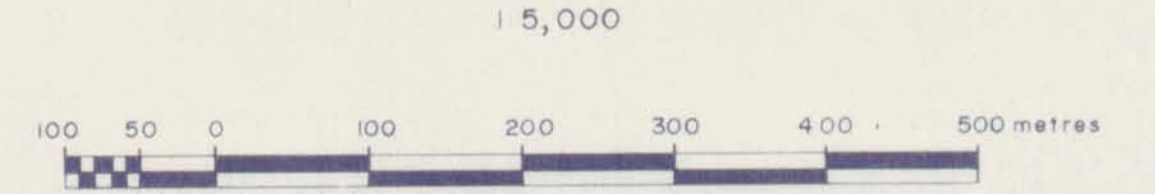
**GEOPHYSICAL SURVEY**

- VLF EM RESULTS (FRASER PLOT)**
- Seattle, Washington, U.S.A. > 30% filtered dip angle
  - Annapolis, Maryland, U.S.A. > 30% filtered dip angle
- MAGNETOMETER RESULTS**
- > 1500 gammas

**TOPOGRAPHY**

- Topographic contour interval is 100feet.
- Based on Department of Energy, Mines and Resources topography map.
- L 99 N<sub>85</sub> Fill-in grid line, 1985

— SCALE —



To accompany report by J.D. Blanchflower  
**MINOREX CONSULTING LTD.**  
 GEOLOGICAL CONSULTANTS, KAMLOOPS, B.C.

**RACER RESOURCES LTD.**  
 VANCOUVER, BRITISH COLUMBIA






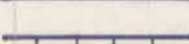

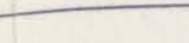
**COMPILATION PLAN**  
**RUSS PROPERTY**  
**KAMLOOPS MINING DIVISION, B.C.**

Technical work by:	J.D.B.	N.T.S.:	82 M/5 W
Drawn by:	P.J.M.	Scale:	1:5,000
Date:	June, 1985	Figure No.:	12

*J.D. Blanchflower*

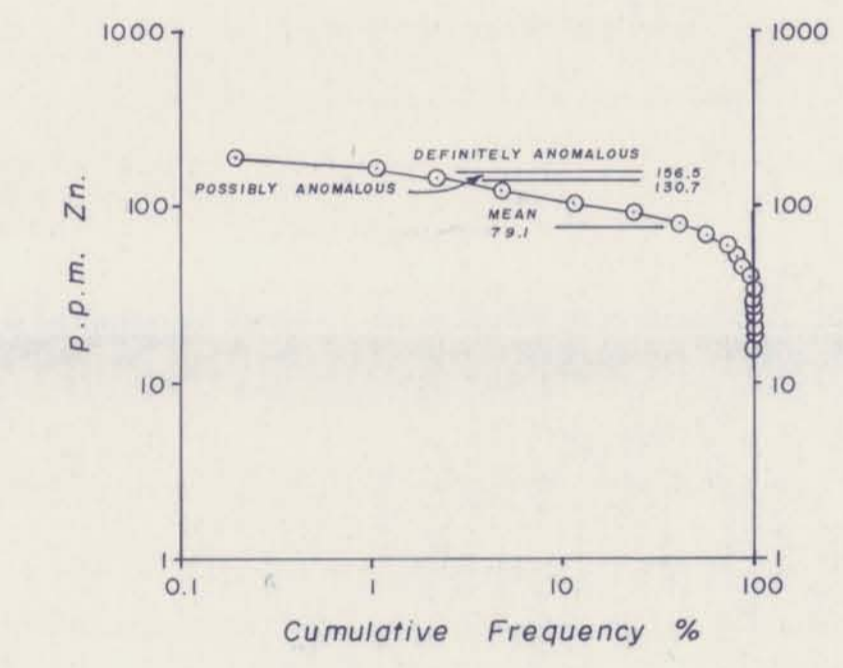
13,793

—LEGEND—

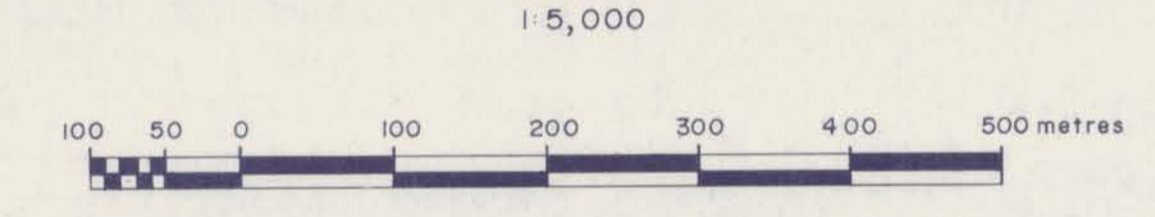
-  Road
-  Intermittent stream
-  Claim boundary, unsurveyed
-  Legal corner post, unsurveyed
-  Grid line 1985 Fill-in line
-  Soil sample station, Zn (p.p.m.)
-  Topographic contour line : 100 ft. interval
-  Zinc contour lines (p.p.m.)

- 100
- 125
- 150
- 200

— GEOSTATISTICS —



—SCALE—



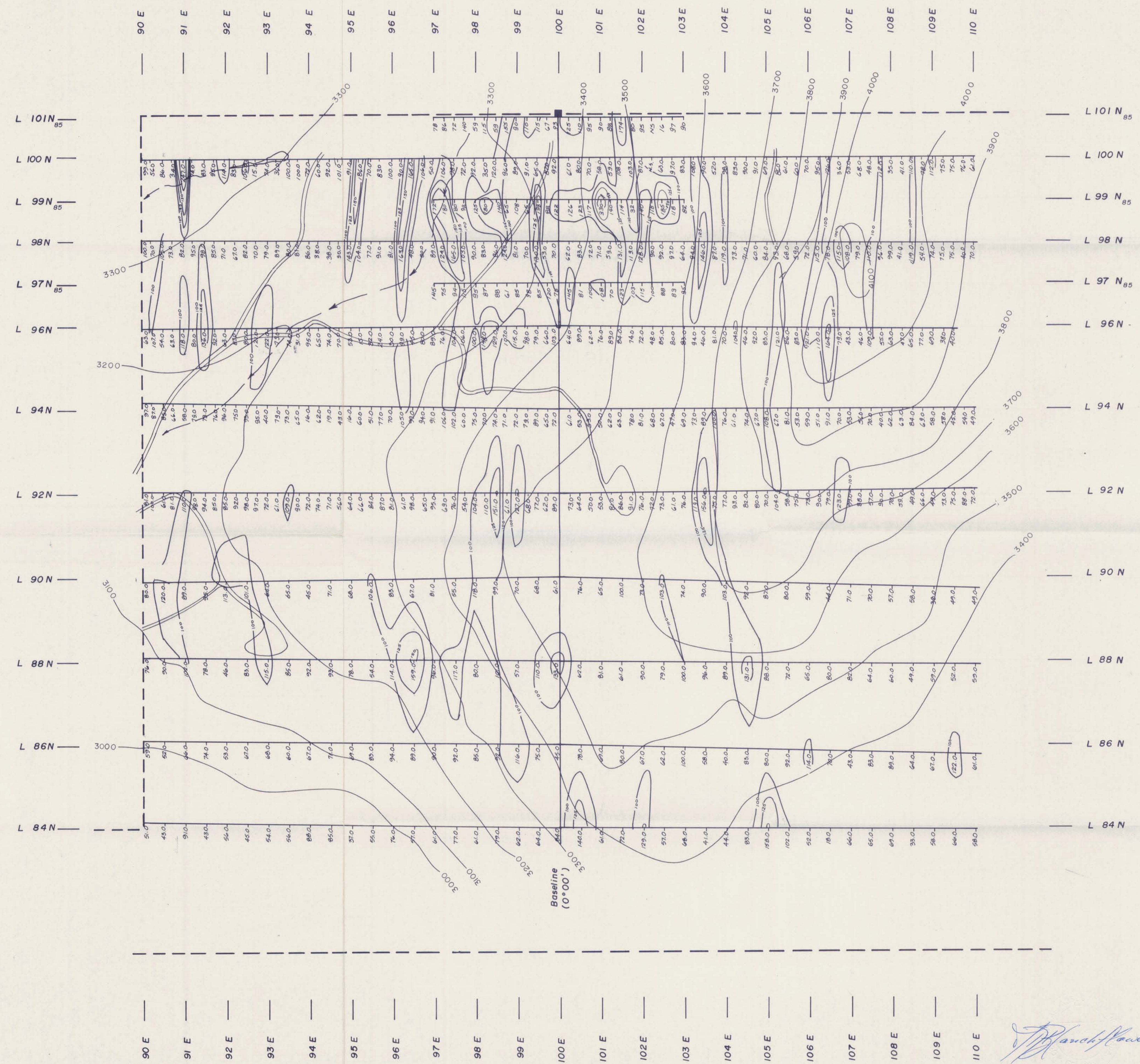
To accompany report by J.D. Blanchflower

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GEOLOGICAL CONSULTANTS, KAMLOOPS, B.C.

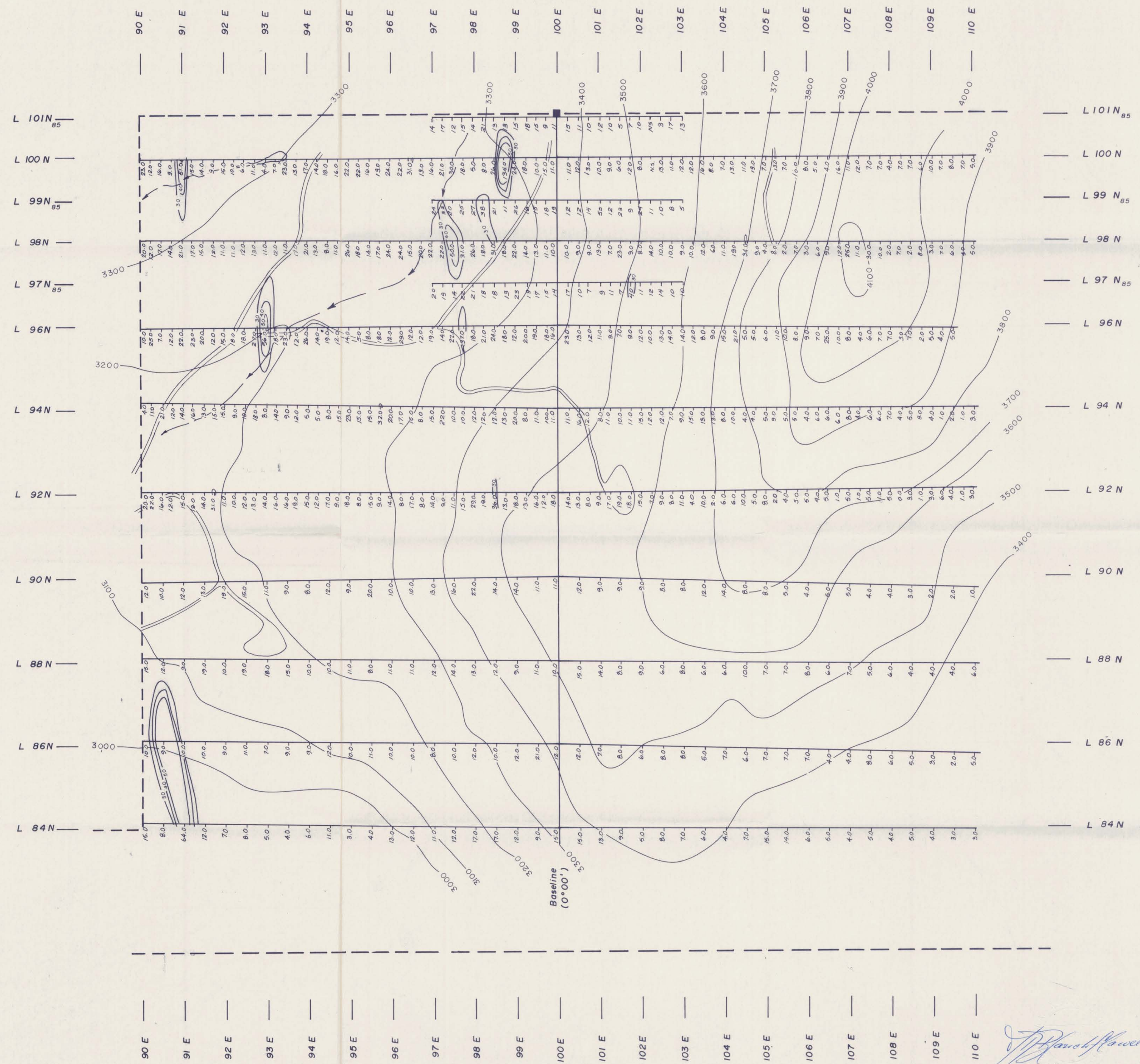
**RACER RESOURCES LTD.**  
VANCOUVER, BRITISH COLUMBIA

SOIL GEOCHEMICAL PLAN  
ZINC (p.p.m.)  
**RUSS PROPERTY**  
KAMLOOPS MINING DIVISION, B.C.

Technical work by:	J.D.B.	N.T.S.:	82 M/5 W
Drawn by:	P.J.M.	Scale:	1:5,000
Date:	June, 1985	Figure No.:	11



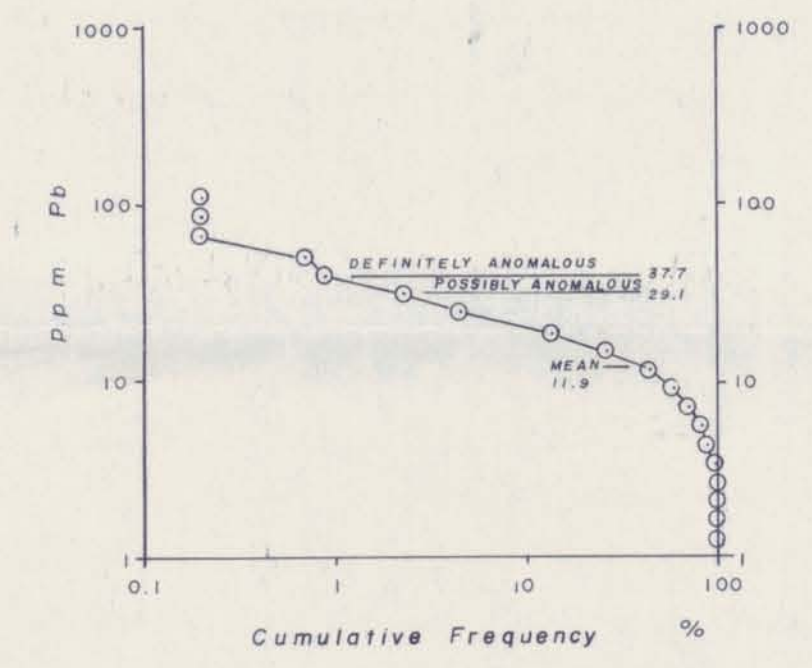
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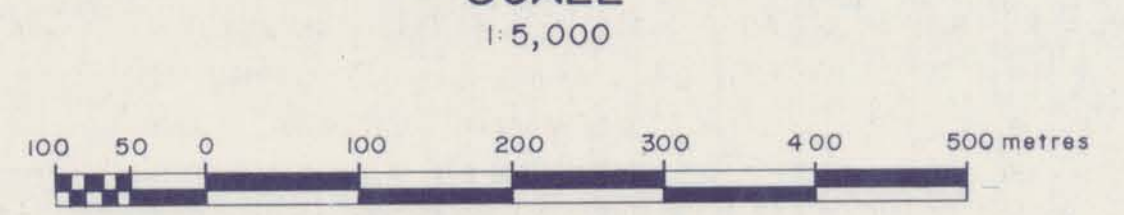
—LEGEND—

- Road
- Intermittent stream
- Claim boundary, unsurveyed
- Legal corner post, unsurveyed
- Grid line 85 1985 Fill-in line
- Soil sample station; Pb (p.p.m.)
- Topographic contour line: 100 ft. interval
- Lead contour lines (p.p.m.)
  - 30
  - 40
  - 50

— GEOSTATISTICS —



—SCALE—



To accompany report by J.D. Blanchflower

MINOREX CONSULTING LTD.  
GEOLOGICAL CONSULTANTS, KAMLOOPS, B.C.

**RACER RESOURCES LTD.**  
VANCOUVER, BRITISH COLUMBIA

SOIL GEOCHEMICAL PLAN  
LEAD (p.p.m.)  
**RUSS PROPERTY**  
KAMLOOPS MINING DIVISION, B.C.

Technical work by:	J.D.B.	N.T.S.:	82 M/5 W
Drawn by:	P.J.M.	Scale:	1:5,000
Date:	June, 1985	Figure No.:	10

*J.D. Blanchflower*