

REPORT on DIAMOND DRILLING

- on the -

CODE-FEN PROPERTY

Omineca Mining Division, British Columbia

- for -

VITAL PACIFIC RESOURCES LTD.

860 - 625 HOWE STREET

VANCOUVER, B. C. V6C 2T6

Covering: Red, Red 2, Jay 2, Cof 8, 9, 10, 11 Fr.,
Code 3-15 inc., 21Fr., 22-29 inc., 30 Fr.,
204, 205, Fen 181-187 inc., 188 Fr.,
189-196 inc., 207-217 inc., 223-230 inc.,
231 Fr., 232, 233, 237 Fr., 253

Work Performed: August 1 - October 13, 1985

Location: (1) 54° 10'N, 126° 57'E
(2) NTS Maps 93 L/2W & 3E
(3) 33 km. SW of Houston, B.

- prepared by -

DAWSON GEOLOGICAL CONSULTANTS LTD.

102 - 310 Nicola Street
Kamloops, B. C. V2C 2P5

James M. Dawson, P. Eng.

October 18, 1985

GEOLOGICAL BRANCH
MINING DEPARTMENT REPORT

14,029

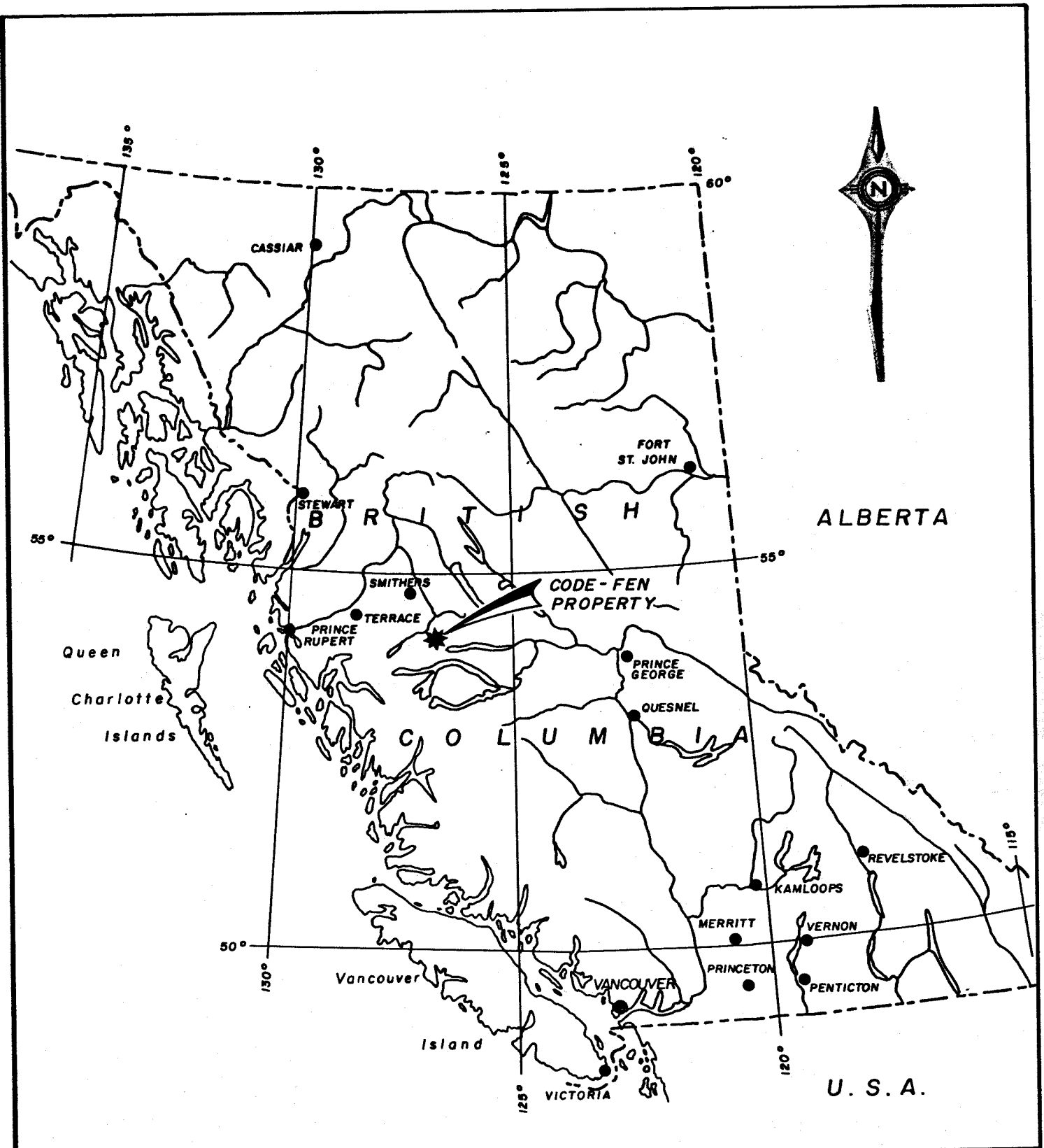
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VITAL PACIFIC RESOURCES LTD.	
LOCATION MAP	
CODE-FEN PROPERTY	
OMINECA MINING DIVISION	
BRITISH COLUMBIA	
Technical Work by: Dawson Geo. Cons. Ltd.	Date : October 1985
Scale : 1cm. = 87 km.	Dwg No. 375-1

INTRODUCTION

This report has been requested by the directors of Vital Pacific Resources Ltd. It describes the results of a programme of diamond drilling carried out during August and September, 1985, on the Code-Fen property.

A series of maps showing property location, claims and geology and drill hole locations are included with this report.

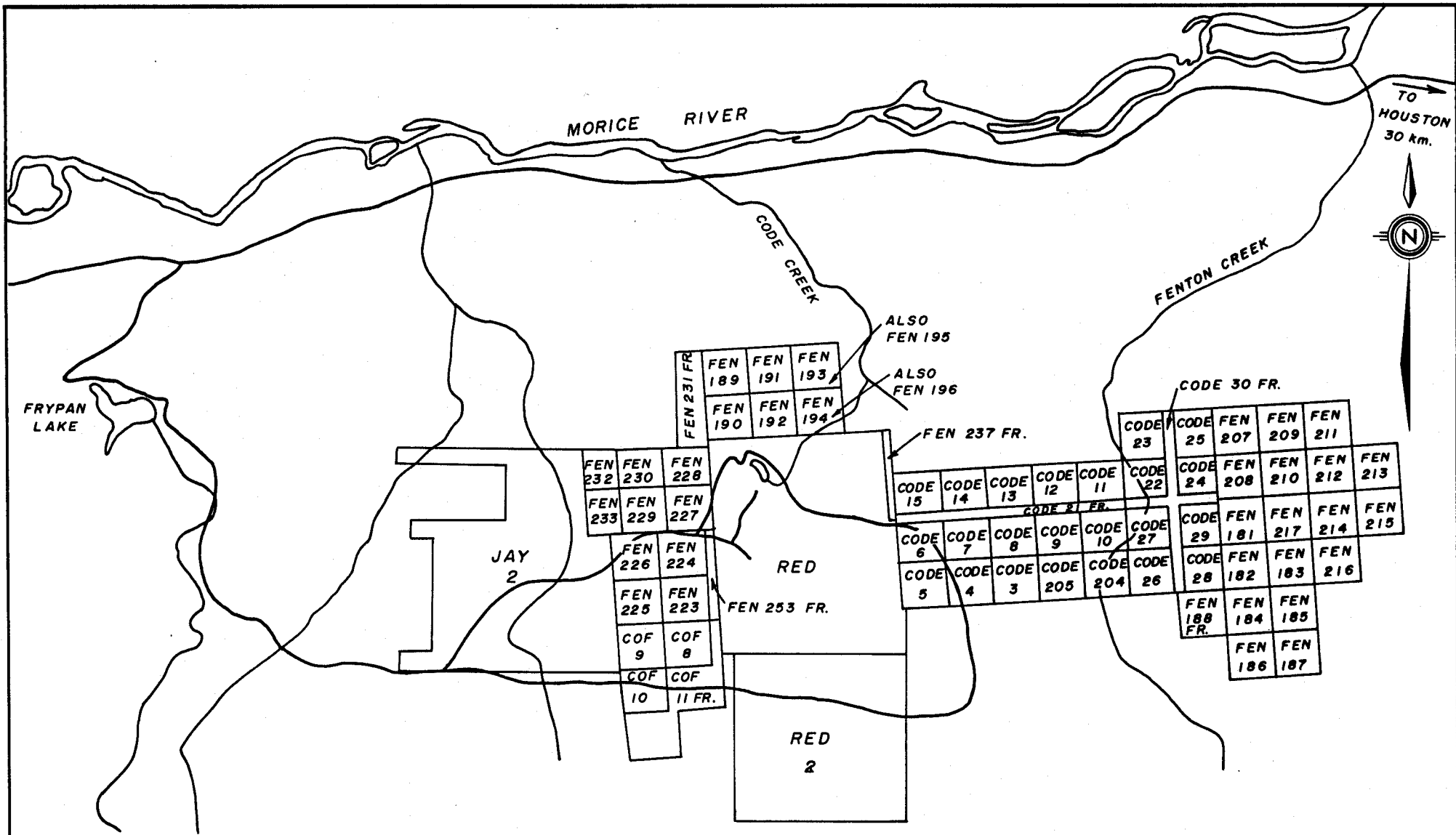
SUMMARY AND CONCLUSIONS

- (1) The Code-Fen property consists of 72 contiguous metric and two-post claims totalling 114 units situated in gentle terrain in central British Columbia. Access is via about 55 kilometres of paved and gravel road south from Houston, B. C. which lies on the northern transprovincial highway.
- (2) The property was discovered during a regional geochemical silting programme in 1965 and has been explored almost continuously since that time. Extensive geological, geochemical and geophysical surveys have been carried out by several companies as well as trenching, road construction and approximately 8,000 metres of drilling in 75 holes.
- (3) The property is underlain by Late Cretaceous and Tertiary acid to intermediate volcanics and associated volcanoclastic sediments which surround two or more windows of intermediate to acid pyroclastic rocks of Jurassic age.
- (4) Mineralization consists of disseminations and veinlets of galena, sphalerite and pyrite with quartz and calcite in a zone of intense sericite/clay alteration and weak to moderate pyritization. Because thick sections of low grade silver mineralization were encountered in some of the early holes the property was considered to have potential for hosting a Goosely-type, bulk tonnage deposit. The presence of high grade float led to speculation that the anomalous soil values might have been transported from another source either to the east or west.
- (5) The current drilling programme tested several geophysical anomalies. No significant sulphides were intersected.

PROPERTY

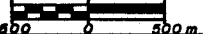
The property consists of a contiguous block of 72 MGS and 2-post claims aggregating 114 units as follows:

<u>Claim Name</u>	<u>Record No.</u>	<u>No. of Units</u>	<u>Tag No.</u>	<u>Expiry Date</u>
Red	315	16	01445	June 4, 1987
Red 2	448	9	11330	October 13, 1987
Jay 2	867	20	41620	November 10, 1987
Cof 8	106927	1	267948M	March 27, 1987
Cof 9	106928	1	267949M	March 27, 1987
Cof 10	106929	1	267950M	March 27, 1987
Cof 11 Fr.	106930	1	267951M	March 27, 1987
Fen 223	93132	1	32223M	October 23, 1987
Fen 224	93133	1	32224M	October 23, 1987
Fen 225	93134	1	32225M	October 23, 1987
Fen 226	93135	1	32226M	October 23, 1987
Fen 227	93136	1	32227M	October 23, 1987
Fen 228	93137	1	32228M	October 23, 1987
Fen 229	93138	1	32229M	October 23, 1987
Fen 230	93139	1	32230M	October 23, 1987
Fen 231 Fr.	93142	1	32231M	October 23, 1987
Fen 232	93140	1	32232M	October 23, 1987
Fen 233	93141	1	32233M	October 23, 1987
Fen 237 Fr.	93146	1	32237M	October 23, 1987
Fen 253 Fr.	93147	1	32253M	October 23, 1987
Fen 189	91571	1	32189M	August 28, 1987
Fen 190	91572	1	32190M	August 28, 1987
Fen 191	91573	1	32191M	August 28, 1987
Fen 192	91574	1	32192M	August 28, 1987
Fen 193	91575	1	32193M	August 28, 1987
Fen 194	91576	1	32194M	August 28, 1987



VITAL PACIFIC RESOURCES LTD.

CLAIM MAP
 CODE - FEN PROPERTY
 OMINECA MINING DIVISION
 BRITISH COLUMBIA

TECH WORK BY: DAWSON GEOL. CONS. LTD.	SCALE: 1:50,000 
DRAWN BY: P. J. M.	DATE: OCTOBER 1985
APPROVED BY: J. M. DAWSON, P. ENG.	DWG. NO.: 375-2

TSALITPN
LAKE

<u>Claim Name</u>	<u>Record No.</u>	<u>No. of Units</u>	<u>Tag No.</u>	<u>Expiry Date</u>
Fen 195	91577	1	32195M	August 28, 1987
Fen 196	91578	1	32196M	August 28, 1987
Code 4	30317	1	542557	June 8, 1987
Code 5	30318	1	542558	June 8, 1989
Code 6	30319	1	542559	June 8, 1989
Code 7	30320	1	542560	June 8, 1989
Code 14	30327	1	542567	June 8, 1987
Code 15	30328	1	542568	June 8, 1987
Code 21 Fr.	55646	1	819256	November 8, 1987
Code 3	30316	1	542556	June 8, 1987
Code 8	30321	1	542561	June 8, 1987
Code 9	30322	1	542562	June 8, 1986
Code 10	30323	1	542563	June 8, 1986
Code 11	30324	1	542564	June 8, 1986
Code 12	30325	1	542565	June 8, 1986
Code 13	30326	1	542566	June 8, 1986
Code 22	57203	1	598316	December 28, 1986
Code 23	57204	1	598317	December 28, 1986
Code 24	57205	1	598318	December 28, 1986
Code 25	57206	1	598319	December 28, 1986
Code 26	57207	1	598320	December 28, 1986
Code 27	57208	1	598321	December 28, 1986
Code 28	57209	1	598322	December 28, 1986
Code 29	57210	1	598323	December 28, 1986
Code 30 Fr.	57211	1	598324	December 28, 1986
Code 204	92721	1	32204M	October 2, 1986
Code 205	92722	1	32205M	October 2, 1986
Fen 181	91563	1	32181M	August 28, 1986
Fen 182	91564	1	32182M	August 28, 1986
Fen 183	91565	1	32183M	August 28, 1986
Fen 184	91566	1	32184M	August 28, 1986

<u>Claim Name</u>	<u>Record No.</u>	<u>No. of Units</u>	<u>Tag No.</u>	<u>Expiry Date</u>
Fen 185	91567	1	32185M	August 28, 1986
Fen 186	91568	1	32186M	August 28, 1986
Fen 187	91569	1	32187M	August 28, 1986
Fen 188 Fr.	91570	1	32188M	August 28, 1986
Fen 207	94586	1	32207M	October 20, 1986
Fen 208	94587	1	32208M	October 20, 1986
Fen 209	94588	1	32209M	October 20, 1986
Fen 210	94589	1	32210M	October 20, 1986
Fen 211	94590	1	32211M	October 20, 1986
Fen 212	94591	1	32212M	October 20, 1986
Fen 213	94592	1	32213M	October 20, 1986
Fen 214	94593	1	32214M	October 20, 1986
Fen 215	94594	1	32215M	October 20, 1986
Fen 216	94595	1	32216M	October 20, 1986
Fen 217	94596	1	32217M	October 20, 1986

LOCATION AND ACCESS

The Code-Fen property is located in central British Columbia about 33 kilometres southwest of the town of Houston and approximately 70 kilometres south of Smithers. The geographic center of the property is at 54° 10' north and 126° 57' east.

The property can be reached by driving west on the northern trans-provincial highway (No. 16) from Houston for 4 kilometres to the Morice River forest access road and thence south to kilometre 41.8. From here a series of logging roads lead south and east a distance of 10 kilometres to the center of the property (see Figure 375-2).

PHYSIOGRAPHY AND VEGETATION

The claims form a roughly rectangular east-west-trending block which covers a low, rolling upland area about 4 kilometres south of the valley of the Morice River. Elevations vary from 2,700 feet a.s.l. along the northern boundary to about 3,700 feet a.s.l. in the south central and southeastern parts of the claim block. Generally, however elevations are around 2,900 feet with several prominent knolls (remnant volcanic centers?) rising to elevations of 3,100 and 3,200 feet.

The property is well treed with mature spruce, pine and fir except for several large logging slashes in the western third of the claims. Swampy areas are present near the headwaters of the several creeks which drain the property.

The area is heavily mantled by glacial till and outcrops are scarce. Locally overburden can reach depths greater than 20 metres.

HISTORY

The property was discovered as a result of a regional silt sampling programme carried out by Julian Mining Co. in 1965. A silver-lead-zinc anomaly was outlined on Code Creek and 20 claims were staked. Soil sampling was performed over the entire property and an access road constructed.

In 1966 the property came under the control of Anaconda American Brass Ltd. and from 1966-71 an extensive programme of exploration was carried out including geological mapping, magnetometer and induced polarization surveys, geochemical soil sampling, trenching and diamond drilling.

In 1972 Helicon Explorations Ltd. performed Afmag and induced polarization surveys and bored 25 diamond drill holes totalling 11,000 feet. Most of this drilling was carried out in the eastern part of the current claim block. In 1973 this company carried out further drilling and trenching.

In 1975 Sullivan and Rogers acquired the Red claim for Vital Pacific Resources. In 1976 this company conducted electromagnetic, induced polarization and magnetometer surveys as well as drilling 2 core holes on this property.

In 1976 Vital Pacific staked the Jay claim and carried out geochemical soil sampling as well as an induced polarization survey.

In 1978 Vital Pacific optioned its property to Mattagami Lake Mines Ltd. and three diamond drill holes were bored on the Jay claim.

In 1979 Mattagami optioned the Code-Fen claims from Anaconda, thus consolidating the entire property. In 1979-80 Mattagami carried out extensive detailed geophysical work including I.P., Crone-Shootback EM, Radem and EM 16R ground surveys as well as an airborne magnetic and electromagnetic survey. In late 1981 a diamond drilling programme totalling 745.3 metres in 9 holes was completed.

In 1981 Mattagami carried out a further drilling programme totalling 946.2 metres in 8 holes.

In 1983 Mattagami terminated its agreement and a new option agreement was reached between Vital Pacific, Anaconda and Cominco Ltd.

In 1984 Cominco carried out induced polarization, magnetic and electromagnetic surveys and did 1,411 metres of percussion drilling in 22 holes. Cominco dropped its option in early 1985.

During the 1985 field season Vital Pacific performed soil sampling, magnetometer and VLF electromagnetic surveys on three separate grids and bored six diamond drill holes aggregating 824 metres.

GEOLOGY AND MINERALIZATION

The property is underlain by Late Cretaceous and Tertiary acid to intermediate volcanics and associated volcanoclastic sediments which surround two (?) or more windows of intermediate to acid pyroclastic rocks of Jurassic age.

The oldest rocks are interpreted to be part of the Hazelton assemblage and are exposed in two eroded windows in the central and western parts of the property respectively. They are generally tuffs and coarser pyroclastics of dacitic to andesitic composition. Most of these rocks are mottled greenish grey in colour and are epidote bearing.

Rocks thought to be part of the Tip Top Hill lavas and pyroclastics (Late Cretaceous) occupy several northeasterly trending zones in the central and southern parts of the property. These rocks consist of red and green grey andesite and dacite flows and tuffs as well as intercalated volcanoclastic sediments.

Tertiary volcanic rocks tentatively correlated with the Eocene Houston phase of the Buck Creek assemblage are exposed on scattered knolls in the western and central part of the claim block. These lavas and volcanic breccias are commonly medium to dark brown and aphanitic. They are generally andesitic in composition.

The youngest rock unit, informally known as the Fenton Creek volcanics outcrops in the south and east parts of the property. This unit consists of volcanic breccias, lava, tuff and dikes which are generally rhyolitic in composition. These rocks are interpreted to be post-Miocene in age.

Mineralization consists of disseminations and veinlets of galena, sphalerite and pyrite with quartz and calcite in a zone of intense sericite/clay alteration and weak to moderate pyritization (see Figure 375-3). Early trenching by Anaconda located a massive sulphide boulder which assayed approximately 0.45 oz/ton gold, 30 oz/ton silver and 25% combined lead-zinc. A similar boulder was found during the 1985 season, near the location of the first boulder.

Considerable speculation has taken place concerning movement of the till cover. It was previously considered that ice movement had been from west to east and thus the high grade float might have come from that direction.

Percussion drilling by Cominco in 1984 established that a till layer containing anomalous lead-zinc-silver values overlies a thin layer of residual overburden. They speculated that the till source might have been to the east where thick sections of low grade silver mineralization with accompanying lead-zinc was encountered in earlier drilling.

DRILLING PROGRAMME

Six diamond drill holes aggregating 824 metres were drilled on the subject property in August and September, 1985. The location of these holes is plotted on Figure 375-3 and drill logs are included in Appendix C of this report.

This drilling was carried out to test several geophysical targets. Five of the holes were drilled in Tip Top Hill andesites and/or Buck Creek andesites and associated pyroclastics and sediments. The sixth hole was drilled near the interpreted contact of the Fenton Creek Rhyolite with the Tip Top Hill andesite. Primarily rhyolitic fragmentals were encountered in this hole.

No significant sulphides were encountered in this drilling however a number of occurrences of pyrobitumen and at least three zones containing liquid petroleum were encountered.

respectfully submitted,

DAWSON GEOLOGICAL CONSULTANTS LTD.,



James M Dawson
James M. Dawson, P. Eng.

Kamloops, B. C.

October 18, 1985.

APPENDIX A

PERSONNEL

PERSONNEL

J. M. Dawson, P. Eng.

Geologist

August 21-29

September 26

October 8, 10, 13, 1985.

(13 days)

APPENDIX B

STATEMENT OF EXPENDITURES

PROGRAMME COSTS

LABOUR:

J. M. Dawson, P. Eng.
13 days @ \$350/day \$ 4,550.00

EXPENSES AND DISBURSEMENTS:

(a)	Contract diamond drilling	48,432.80	
(b)	Truck rental	1,194.00	
(c)	Motel and meals	467.46	
(d)	Travel	74.75	
(e)	Telephone, secretarial, miscellaneous field equipment and hardware purchase	<u>205.60</u>	
			<u>50,374.61</u>

Total costs \$ 54,924.61

APPENDIX C

DRILL LOGS

KERR—DAWSON & ASSOCIATES LTD. - DIAMOND DRILL RECORD

Suite 1 - 219 Victoria St.
Kamloops, B.C.
Phone 374-0544

PROPERTY..... Code-Fen

HOLE No. 85-1

DIP AND AZIMUTH TEST		
Corrected		
Footage	Angle	Azimuth

Core Size NQ

Angle of Hole - 45°

Claim.....

Section.....

Bearing 270°T

Total Depth 200.6 M.

% Recovery

Elev. Collar 940 M.

Latitude 7+78N

Departure 10+10E

Sheet No 1 of 11

Logged by J. M. Dawson

Date Begun Aug. 23, 1985

Date Finished Aug. 25, 1985

Core Stored At Property.....

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
		Overburden to (?) 30 cm.						
.3-2.4m.	20 cm.	Red to purplish grey or mauve andesite, finely porphyritic with subhedral white plagioclase crystals up to 5 mm long with minor scattered biotite flakes in a dense groundmass; referred to by Cominco as mauve, amygdaloidal andesite.						
2.4-5.5m	0	Similar dense fresh andesite; some bleaching around incipient fractures.						
5.5-7.3m	0	Similar to last section; bleaching and weak argillic alteration along fractures common; minor limonite staining on fractures.						
7.3-8.5m	0	Similar to last section; frequent bleaching to white and grey colours.						
8.5-11.6m	0	Similar red-purple andesite with 10% feldspar phenocrysts and significant (1-2%) finer hornblende and biotite crystals in the usual dense groundmass.						

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PROPERTY _____ Code-Fen _____

HOLE No. 85-1

SHEET No. 3 of 11

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE					
39-42.1m	0	Similar blotchy and bleached porphyritic andesite; frequently pale buff-grey to white; minor limonite on fractures.							
42.1-45.1	0	Similar blotchy, discoloured andesite porphyry.							
45.1-48.2m	0	From 45.1 to 47.3 m similar red to grey-white mottled andesite porphyry; stringers and cavity fillings of apple green, talcose material - pyrophyllite(?) dumortierite(?); from 47.3 - 48.2 m. fragmental - agglomerate or conglomerate of sub-rounded pieces of red porphyritic andesite and pale greenish grey feldspathic material.							
48.2-51.2m	0	Red to greenish volcanic conglomerate; matrix is predominantly soft, chloritic material with scattered flakes of biotite.							
51.2-53.0m	0	Similar fragmental rock in fine greenish chloritic matrix; some fragments up to 5-7.6cm in diameter rounded edges - several different types of fragments; fine grained sections with maximum fragments size 7 mm - sedimentary breccia.							
53.0-54.3m	0	Similar red to green breccia; more massive in some sections.							

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PROPERTY _____ Code-Fen _____

HOLE No. 85-1 _____

SHEET No. 4 of 11 _____

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE					
54.3-57.3m	0	Breccia of red and green andesitic material, some large blocks to 30-40cm wide forming coarse mosaic breccia with small fragments to sand size between larger dikes.							
57.3-60.4m	0	Similar breccia of (?) sedimentary origin with large blocks and infilling of finer grained material; fractures and cavities filled by later soft, apple green material pyrophyllite(?).							
60.4-63.4m	0	Similar breccia; large red fragments of andesitic flow rock interspersed with lenses and sections of poorly sorted finer material; frequent cavity fillings of the unknown soft, waxy apple green mineral.							
63.4-66.4m	0	Similar breccia of large red brown andesite to basalt fragments with amounts of finer cluster material between fragments; light green mineral common.							
66.4-69.5m	0	Similar breccia; large fragments are now more dense fine grained dark grey to brown basalt(?) of several types; similar irregular lenses of finer unsorted material.							
69.5-72.5m	0	Similar breccia of red brown to dark grey basaltic (?) or andesitic fragments becoming more massive - flow(?) at 71.6m maybe just a very large fragment, usual green talcose mineral.							

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PROPERTY _____ Code-Fen _____ HOLE No. 85-1 SHEET No. 5 of 11

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE			
72.5-75.6	0	Breccia(?) of grey-white to dark grey andesitic to (?) basaltic material; maybe a flow which is brecciated in place; portions are bleached to a white grey; usual green waxy mineral as well as some fracture coatings of amorphous, black, pitchy mineral with brilliant luster; pyrolusite(?)					
75.6-78.6m	0	From 74.7 -77.3 m. similar breccia of dark grey or brown andesite, some zones bleached to grey white; from 77.3 - 78.0 m. fine grained felsic material with finely disseminated black grains of ?? manganese?; from 78.0 - 78.6m. breccia with a large boulder of red- brown porphyritic andesite(?).					
78.6-81.7	0	Similar dark grey andesite - breccia in part; frequent hair-line fractures with black pitchy, amorphous mineral <1% of rock; sometimes associated with green-white waxy mineral.					
81.7- 84.7m	0	Primarily dark grey massive andesite or basalt - weakly porphyritic in part; minor fractures with the black unknown pitchy mineral.					
84.7-87.5m	0	Dark grey, fine grained andesite(?); weakly porphyritic with scattered fine grained feldspars; minor fine fracture coatings with black amorphous material.					

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HOLE No. 85-1

SHEET No. 6 of 11

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
87.5-90.5m	0	Dark grey to purplish grey, weakly porphyritic andesite.						
90.5-93.9m	0	Similar porphyritic andesite - seems more siliceous; scattered fracture coated with the unknown black mineral - pitchblende, also trace chalcopyrite with the black material.						
93.9-96.9m	0	Similar purplish-grey andesite; bleached to buff-white around incipient fractures.						
96.9-100m	0	Similar to last section; bleached along fracture; one 25cm bleached zone has hairline fractures with black, unknown mineral @ 97.5m.						
100-101.8m	0	Similar dark, purplish grey; weakly porphyritic andesite.						
101.8-104.9m	0	Similar to last section.						
104.9-106.1	0	Similar to last section.						
106.1-109.1	0	From 106.1-107.7 m. similar grey andesite; minor black, pitchy mineral with traces pyrite in one bleached zone from 107.1-107.4m.; from 107.7-109.1 m. red-brown breccia with purplish grey to red andesite fragments up to 5 cm. across, frequent cavity and fracture fillings of dark green, waxy, soft mineral.						

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HOLE No. 85-1

SHEET No. 7 of 11

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
109.1-112.2	0	Sedimentary section of coarse to fine grained volcanic breccia; graded bedding and scour features, fragments are red and green intermediate volcanics; finer grained material at end of section is pale greenish grey soft-friable.						
112.2-115.2	0	Bedded volcanic wacke, light grey with graded bedding, tops up, bedding at 85° to core axis; @113.4 change from grey to dark grey to black finer grained sediments; @113.8 minor stringers of barren chalcedonic quartz.						
115.2-118.3	0	Similar dark grey to black volcanic wacke or water-lain tuff - fragments up to 1 cm. across.						
118.3-121.3	0	Similar fine grained volcanic sediment to 118.6m. then change to poorly sorted volcanic conglomerate and (?) agglomerate at end of section.						
121.3-124.4	0	Volcanic conglomerate or agglomerate, poorly sorted, fragments up to 8 cm. across matrix changes from grey to red, @122.2 mixed fragments of several types of intermediate volcanics.						
124.4-127.4	0	Similar red-brown agglomerate; most fragments are purplish-grey amygdaloidal andesite.						

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PROPERTY _____ Code-Fen _____ HOLE No. 85-1 SHEET No. 8 of 11

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
127.4-130.5	0	To 130.1 similar fresh agglomerate with purple-grey fragments in red brown groundmass; from 130.1-130.5m. dark green grey andesite flow - brecciated in part.						
130.5-133.5	0	Similar grey brecciated (auto) andesite to 133.3m. contains some included fragments of red brown material similar to the agglomerate.						
133.5-136.6	0	Essentially agglomerate or volcanic conglomerate; several varieties of intermediate flows; matrix colour changes from red to grey @ 134.7m.						
136.6-139.6	0	Similar grey volcanic conglomerate.						
139.6-142.9	0	Similar to last section; some very large fragments up to 30 cm. wide.						
142.9-145.7	0	Similar to last section; poorly sorted; fragments up to 10 cm. across but predominantly less than 2 cm. in a fine grained green grey matrix.						
145.7-148.7	0	Similar fresh agglomerate or conglomerate.						
148.7-151.8	0	From 148.7-150.4 m. similar agglomerate; from 150.4 to 151.7m. purplish grey amygdaloidal and porphyritic basalt(?), obvious or pyroxene phenocrysts up to 5 mm. and widely scattered; zeolites fill irregular vesicles.						

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HOLE No. 85-1

SHEET No. 9 of 11

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
151.8-154.8	0	To 153.5 similar grey basalt; from 153.5-154.8 m. red-brown agglomerate; matrix red; fragments grey to red-brown.						
154.8-157.9	0	Grey to red-brown agglomerate; dominantly fragments of intermediate volcanics.						
157.9-160.9	0	To 159.7 similar fresh agglomerate, minor calcite veining; from 159.7-160.9 dark green grey, fine grained, fresh andesite; autobrecciated in part.						
160.9-164.0	0	To 162.2 similar dark green grey andesite; cut by frequent barren stringers of calcite and quartz; from 164.0-164.0 predominantly purplish-grey agglomerate and finer water-lain tuff. Some irregular stringers of calcite.						
164.0-167.0	0	To 164.7 fine grained, thin bedded volcanic wacke; bedding at 80° to core axis - tops up; from 164.7-167.0 fresh volcanic conglomerate; sub-rounded clasts up to 6 cm. across in fine grained, green-grey matrix.						
167.0-170.1	0	Similar to last section - fragments 50% - matrix 50%.						
170.1-173.1	0	Similar volcanic conglomerate to 171.9 from 171.9 to 173.1 fine grained crudely bedded volcanic wacke; bedding at 80° to core axis.						

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PROPERTY..... Code-Fen.....

HOLE No. 85-3.....

DIP AND AZIMUTH TEST		
Corrected		
Footage	Angle	Azimuth

Core Size NQ.....
 Angle of Hole
 Claim.....
 Section.....
 Bearing 270° T.....

Total Depth 200.6 M.....
 % Recovery
 Elev. Collar 890 M.....
 Latitude 7+50N.....
 Departure 7+00E.....

Sheet No. 1..... of 8.....
 Logged by J. M. Dawson.....
 Date Begun Aug. 26, 1985.....
 Date Finished Aug. 28, 1985.....
 Core Stored At Property.....

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE					
		Hole cased to 9.1 metres.							
9.1-11.9	46cm	Black fine grained, dense carbonaceous mudstone; occasional coarser fragments.							
11.9-14.6	10cm	Similar to last section - occasionally slightly coarser mudstone - carbonaceous and weak petroleum smell.							
14.6-17.7	0	Similar fine grained black carbonaceous tuff or mudstone. Sample at 15.8 metres.	25514						
17.7-20.7	0	Similar black carbonaceous mudstone to 18.6 then grading through grey brown to greenish interbedded mudstone and siltstone layers at end of section; bedding at 80° to core axis.							
20.7-23.8	0	To 22.6 pale greenish very fine grained thin bedded mudstone; 22.6-23.8 moderately sorted pale greenish, soft volcanic wacke; fragments generally ½ to 1 cm. wide.							

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HOLE No. 85-3

SHEET No. 2 of 8

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
23.8-26.8	0	Similar greenish volcanic wacke; occasional fragments to 2 cm.						
26.8-29.9	0	Similar to last section.						
29.9-32.9	0	Similar to last section, crude bedding at 80° to core axis.						
32.9-36.0	0	Similar pale green volcanic, water-lain fragmental; matrix is soft pale green material; fragments of various types but generally dark green and up to 1 cm. in size.						
36.0-39.0	0	Similar to last section.						
39.0-42.1	0	Similar to last section.						
42.1-45.1	0	Similar to last section.						
45.1-47.9	0	Similar pale green, moderately sorted waterlain volcanic fragmental; cut by several narrow barren veins of chalcedonic quartz from 45.7-47.9 m.; one such veinlet @ 47.2 contains minor globules of bitumen.						
47.9-50.9	0	Similar pale grey-green aquagene tuff or waterlain fragmental of volcanic origin; minor barren vuggy quartz veins between 48.8-49.1 m.; minor liquid bitumen associated with some of these.						

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PROPERTY _____ Code-Fen _____ HOLE No. 85-3 SHEET No. 3 of 8

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
50.9-53.9	0	Similar pale green aquagene tuff.						
53.9-57.0	0	Similar aquagene tuff some finer and coarser horizons; minor thin mudstone bands at 75° to core axis.						
57.0-60.0	0	Pale green to darker green, moderately sorted waterlain fragmental fragments primarily of rhyolitic material (?).						
60.0-63.1	0	Pale green to red-brown waterlain volcanic fragmental; some fragments of ?? intrusive material up to 4 cm. across.						
63.1-66.1	0	Buff to pale red-purple moderately sorted volcanoclastic.						
66.1-69.2	0	Similar to last section - fragments to 2 cm.						
69.2-72.2	0	Similar to last section.						
72.2-75.3	0	Red to pale pink similar waterlain fragmentals.						
75.3-78.6	10cm	Similar to last section.						
78.6-81.7	0	Similar to last section.						
81.7-84.7	0	Similar to last section.						

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PROPERTY _____ Code-Fen _____ HOLE No. 85-3 _____ SHEET No. 4 of 8 _____

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
84.7-87.8	0	Similar waterlain fragmental unit colour varying from creamy white to buff red (oxidized) - partly sub-aerial and partly sub-marine.						
87.8-90.8	0	Similar to last section.						
90.8-93.9	0	Similar to last section, predominantly rhyolitic material.						
93.9-96.9	0	Greenish grey to buff similar waterlain fragmentals of rhyolitic character.						
96.9-100.0	0	Similar to last section.						
100.0-103.0	0	Similar fragmentals; scattered calcite veining, trace pyrite on fractures.						
103.0-106.1	0	Similar red-buff to pale green fragmentals.						
106.1-109	0	Similar to last section.						
109.0-112.2	0	Similar to last section.						
112.2-115.2	0	To 114.9 similar fragmentals; from 114.9-115 black dense, soft - carbonaceous mudstone; contact with overlying fragmentals @ 80° to core axis.						

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HOLE No. 85-3

SHEET No. 5 of 8

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
116.2-118.3	0	Black, fine grained, dense carbonaceous or bituminous mudstone; electrically conductive. Sample at 118.3 -	25508					
118.3-121.3	0	Dark red-brown fine grained volcanic mudstone; very faintly magnetic.						
121.3-124.4	0	Similar dark red-brown faintly magnetic volcanic mudstone or volcanic wacke.						
124.4-127.4	0	Similar to last section - waterlain volcanic fragmental, some scattered fragments up to 1 cm. across.						
127.4-130.5	0	Dense, dark purplish grey waterlain volcanic fragmental, fine grained as previously; very faintly magnetic. Sample @ 130.5m.	25509					
130.5-133.5	0	Similar to last section.						
133.5-136.6	0	Dark, purplish grey fine grained fragmental, waterlain - becoming coarser at end of section - 50% fragments up to 6 mm.; faintly magnetic. Sample @ 136.6	25510					
136.6-139.6	0	From 136.6-137.2 dark red-brown transition zone from predominantly fine mudstone-wacke to coarser waterlain fragmental - 40% fragments of various volcanics and 60% fine grained red-brown, hematitic matrix - coarser material continues to 139.6 - this coarser material more magnetic.						

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PROPERTY _____ Code-Fen _____ HOLE No. 85-3 SHEET No. 6 of 8

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
139.6-142.6	0	Dark red-brown volcanic breccia of waterlain origin; grey to buff-white fragments up to 4 cm. across in dense fine grained red-brown matrix - weakly magnetic.						
142.6-145.7	0	Similar to last section.						
145.7-148.7	0	Similar volcanic breccia; weakly magnetic.						
148.7-151.8	0	Similar volcanic breccia; weakly magnetic.						
151.8-154.8	0	Red brown similar volcanic waterlain breccia; weakly magnetic.						
154.8-157.9	0	Similar red-brown breccia to 156.1; from 156.1 to 157.9 dark grey to green grey, finer grained detrital volcanic breccia and wacke; weakly magnetic - trace pyrite in narrow calcite stringers at end of section.						
		Sample @ 157.9 m.	25511					
157.9-160.9	0	Green grey weakly magnetic volcanic fragmental - waterlain as before.						
160.9-164.0	0	Similar to last section; occasional large fragments to 10 cm.; weakly magnetic.						
164.0-167.0	0	Similar to last section; weak bedding at 80° to core axis.						

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PROPERTY _____ Code-Fen _____ HOLE No. 85-3 SHEET No. 7 of 8

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
167.0-170.1	0	Similar fragmentals - dark purplish grey - weakly magnetic.						
170.1-173.1	0	Similar dark purplish grey waterlain volcanic fragmentals; at end of section frequent blebs of prehnite (?) - pale green - soft. Sample @ 171.6 m. 25512						
173.1-176.2	0	Dark red-brown to purplish grey, waterlain volcanic fragmental; more magnetic - fine grains of accessory magnite visible.						
176.2-179.2	0	Similar purplish grey, waterlain fragmentals, weakly magnetic.						
179.2-182.3	0	Similar to last section.						
182.3-185.3	0	Similar to last section.						
185.3-188.4	0	Similar to last section; more light grey to buff - rhyolitic (?) fragments.						
188.4-191.4	0	Similar to last section; green soft material - prehnite?? present in 2-4% range as scattered blebs or cavity fillings.						

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PROPERTY Code-Fen

HOLE No. 85-4

DIP AND AZIMUTH TEST		
Corrected		
Footage	Angle	Azimuth

Core Size NQ
 Angle of Hole -45°
 Claim
 Section
 Bearing 180 °T

Total Depth 100 M.
 % Recovery
 Elev. Collar
 Latitude 1+00S } Grid
 Departure 2+00E } 85-B.

Sheet No. 1 of 2
 Logged by C.J.S.
 Date Begun
 Date Finished
 Core Stored at Property

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
		Overburden to 7.3 metres.						
7.3-13.1		Green and purple andesite. Relatively fresh.						
13.1-18.6		Greenish tuff or andesite - <u>not</u> banded. Some pyrite seams. Minor fragmental zones. <u>Oil</u> at 15.5 metres.						
18.6-24.7		Green and purple fragments. Trace oil in calcite vughs and veins.						
24.7-30.5		Mostly purple brecciated andesite with 1.5 metre bleached zone containing dark veinlets - mostly chalcedonic quartz and minor pyrite.						
30.5-33.2		Purple andesite, or andesitic tuff.						
33.2-38.4		Bleached zone - fragmental, pyrite.						
38.4-53.0		Purple andesitic fragmental or breccia. Very modest alteration. Unmineralized?						
53.0-58.7		Mostly purple andesitic breccia, probably waterlain. Barren?						

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PROPERTY Code-Fen

HOLE No. 85-5

DIP AND AZIMUTH TEST		
Corrected		
Footage	Angle	Azimuth

Core Size NQ
 Angle of Hole -45°
 Claim
 Section
 Bearing 330 °T

Total Depth 100 M.
 % Recovery
 Elev. Collar
 Latitude 1+08S } Grid
 Departure 2+00E } 85-B

Sheet No. 1 of 2
 Logged by C.J.S.
 Date Begun
 Date Finished
 Core Stored at Property

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
		Overburden to 4.3 metres.						
4.3-13.1		Green and purple andesite, some brecciated, very minor pyrite.						
13.4-14.9		Bleached zone with veining; minor pyrite.						
15.24-19.8		Purple andesite. Bitumen in calcite vugh at 15.24m. Minor pyrite.						
19.8-25.3		Bleached andesitic fragmental. Alteration moderate. Some pyrite.						
25.3-29.3		Purple andesitic fragments.						
29.3-38.1		Bleached fragmentals and tuffs with much calcite-clay alteration, minor sulphides.						
38.1-39.9		Bleached fragmentals.						
40.2-48.8		Mostly "purple andesite" with minor bleached zones with pyrite veinlets and carbonate alteration.						

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PROPERTY _____ Code-Fen _____ HOLE No. 85-5 SHEET No. 2 of 2

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE			
48.8-57		As above.					
57.0-64.3		Bleached silicified volcanics with fractures containing quartz, pyrite and minor unknown black minerals. Also unknown red-brown mineral, probably non-metallic. Sample of L.C.P.					
64.6-75.3		Mainly unaltered "purple andesite".					
75.3-81.1		Mainly purple andesitic breccia, but contains 3.04 m. bleached zone with breccia and veining of quartz, pyrite and red mineral.					
81.1-83.5		Dark green andesite?					
83.5-90.5		Bleached, "crackled", brecciated zone containing pyrite and unknown dark mineral --- sphalerite?					
90.5-100.0		Largely unaltered "purple andesite" with 1.5 m. bleached zones and minor pyrite.					
		Note: Bleached lightly mineralized zones to be sampled for L.C.P. analysis. No economic lead-zinc is possible but significant Ag, Au, Hg(??) could be present.					
		End of hole.					

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PROPERTY Code-Fen

HOLE No. 85-6

DIP AND AZIMUTH TEST		
Corrected		
Footage	Angle	Azimuth

Core Size NQ
 Angle of Hole - 45°
 Claim
 Section
 Bearing 180°T

Total Depth 173.12m
 % Recovery
 Elev. Collar
 Latitude 5+50S } Grid
 Departure 4+00E } 85-B

Sheet No. 1 of 3
 Logged by C.J.S.
 Date Begun
 Date Finished
 Core Stored at Property

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
		Overburden to 27.4 metres.						
27.4-34.14		White rhyolitic tuff with alternating dark bands 1.3 cm. apart. Banding 65° to core axis. Very minor veining with sulphides.						
34.14-36.6		Rhyolitic breccia fragments up to 15.2 cm. < 1% sulphide with fine black mineral in fractures.						
36.6-43.6		Finely banded white tuff - fine grained. Some fracturing with quartz and pyrite (1% ?). Clay alteration. Sphalerite or other dark sulphide present ? Banding 30° to core. Evidence of slumping.						
43.6-49.4		Finely banded rhyolitic tuff containing dark bands .25 cm. apart. Dark bands cherty with pyrite and very fine grained dark sulphide (?). Sulphide 1-2%?						
56.7-62.8		Similar rock with marked clay alteration, apparently less sulphide.						

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PROPERTY _____ Code-Fen _____ HOLE No. 85-6 SHEET No. 2 of 3

DEPTH	CORE LOST	DESCRIPTION	SAMPLE No.	WIDTH of SAMPLE				
62.8-68.8		Very similar. Clay alteration, very low sulphides.						
68.3-74.4		Similar banded tuff - banding 45° to core axis. Infrequent pyrite veins in cross-cutting fractures. Clay alteration.						
74.4-79.9		Similar. All of above rocks slightly radioactive (1.5 to 2 x background).						
80.2-82.0		Banded tuff, hard, white, (rhyolitic). Very minor sulphide.						
82.0-91.4		Intensive alteration. Rock is very soft, greenish. Talc? Chlorite? Clay. Remnants of bedding ? noted. No sulphide noted. Streaks of reddish mineral - rhodochrosite?						
91.4-99.4		Basic or ultrabasic igneous rock ? Rock is dark to olive green and appears monomineralic - pyroxenite? dunite? No sulphide noted.						
99.7-107.9		Rhyolitic fragmental or breccia. Moderate alteration. Numerous dark veins along fractures in bedding and surrounding angular fragments (up to 2.5 cm. in diameter). Veins largely chert? Fine pyrite <1%?						

APPENDIX D

REFERENCES

REFERENCES

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APPENDIX E

WRITER'S CERTIFICATE

JAMES M. DAWSON, P. ENG.

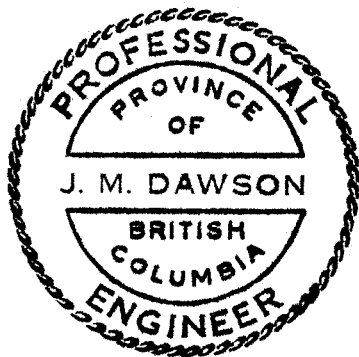
Geological Engineer

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C E R T I F I C A T E

I, JAMES M. DAWSON, of Kamloops, British Columbia, do hereby certify that:

- (1) I am a geologist employed by Dawson Geological Consultants Ltd., Suite 102 - 310 Nicola Street, Kamloops, B. C.
- (2) I am a graduate of the Memorial University of Newfoundland - B. Sc. (1960), M. Sc. (1963), a fellow of the Geological Association of Canada and a member of the Association of Professional Engineers of British Columbia. I have practised my profession for 22 years.
- (3) I am the author of this report which is based on a diamond drilling programme carried out under my supervision.

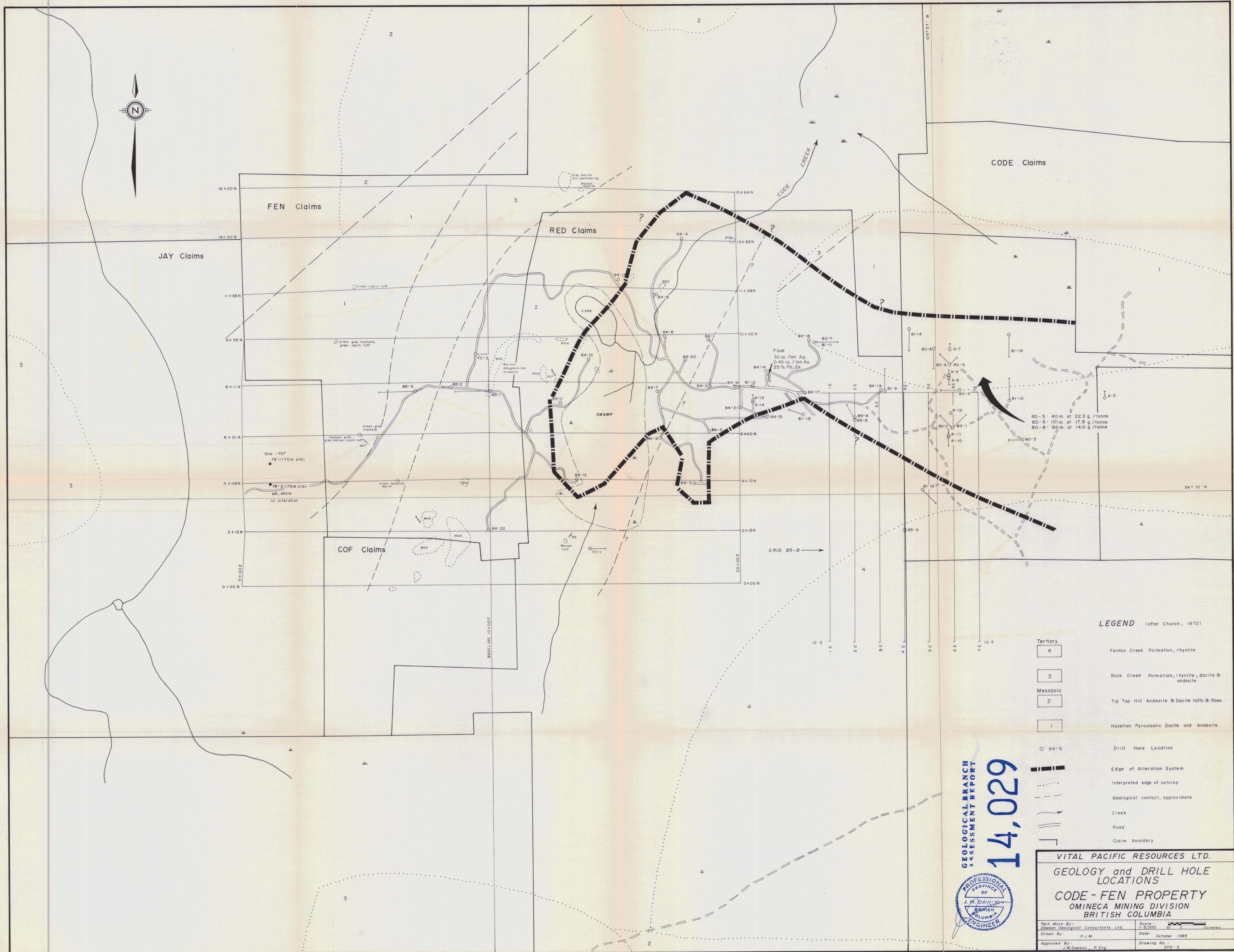


DAWSON GEOLOGICAL CONSULTANTS LTD.,

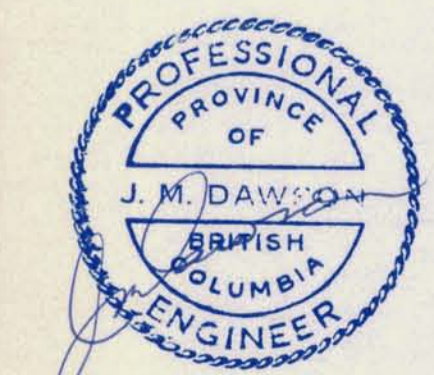
James M. Dawson
James M. Dawson, P. Eng.

Kamloops, B. C.

October 18, 1985.



**GEOLOGICAL BRANCH
ASSESSMENT REPORT**
14,029



LEGEND (after Church, 1972)

- 4 Tertiary
Fenton Creek Formation, rhyolite
- 3 Mesozoic
Buck Creek Formation, rhyolite, dacite & andesite
- 2 Mesozoic
Tip Top Hill Andesite & Dacite tuffs & flows
- 1 Mesozoic
Hazelton Pyroclastic Dacite and Andesite
- O 84-5 Drill Hole Location
- Edge of Alteration System
- Interpreted edge of outcrop
- Geological contact, approximate
- Creek
- Road
- Claim boundary

VITAL PACIFIC RESOURCES LTD.
GEOLOGY and DRILL HOLE LOCATIONS
CODE - FEN PROPERTY
OMINECA MINING DIVISION
BRITISH COLUMBIA

Tech Work By: Dawson Geological Consultants Ltd.	Scale: 1:5,000
Drawn By: P.J.M.	Date: October 1985
Approved By: J.M. Dawson, P. Eng.	Drawing No.: 375-3