

86-606-15198

08/87

DIAMOND DRILLING REPORT

ON

OWNER/OPERATOR ~~NORTH~~ NORTHAIR MINES LTD.
NRM GROUP, NORTHAIR CLAIMS
Vancouver Mining Division
50° 07' N 123° 04' W NTS 92J3E
06.4' 06.5'

FILMED

by

J. W. MacLeod, P. Eng.

Vancouver, B.C.
October 15, 1986

GEOLOGICAL BRANCH
ASSESSMENT REPORT

15, 198

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DRILL HOLE 86-1

SUMMARY:

Drill hole 86-1 was drilled to test a VLF-FLM anomaly obtained in a survey carried out by Glen E. White, Geophysical.

The drill hole intersected a highly altered zone from 68.0 to 94.8 metres in the hole and this shear zone is probably the cause of the E. M. anomaly. A 6 metre bluish quartz-carbonate vein is emplaced in the shear zone but no sulfide mineralization is present.

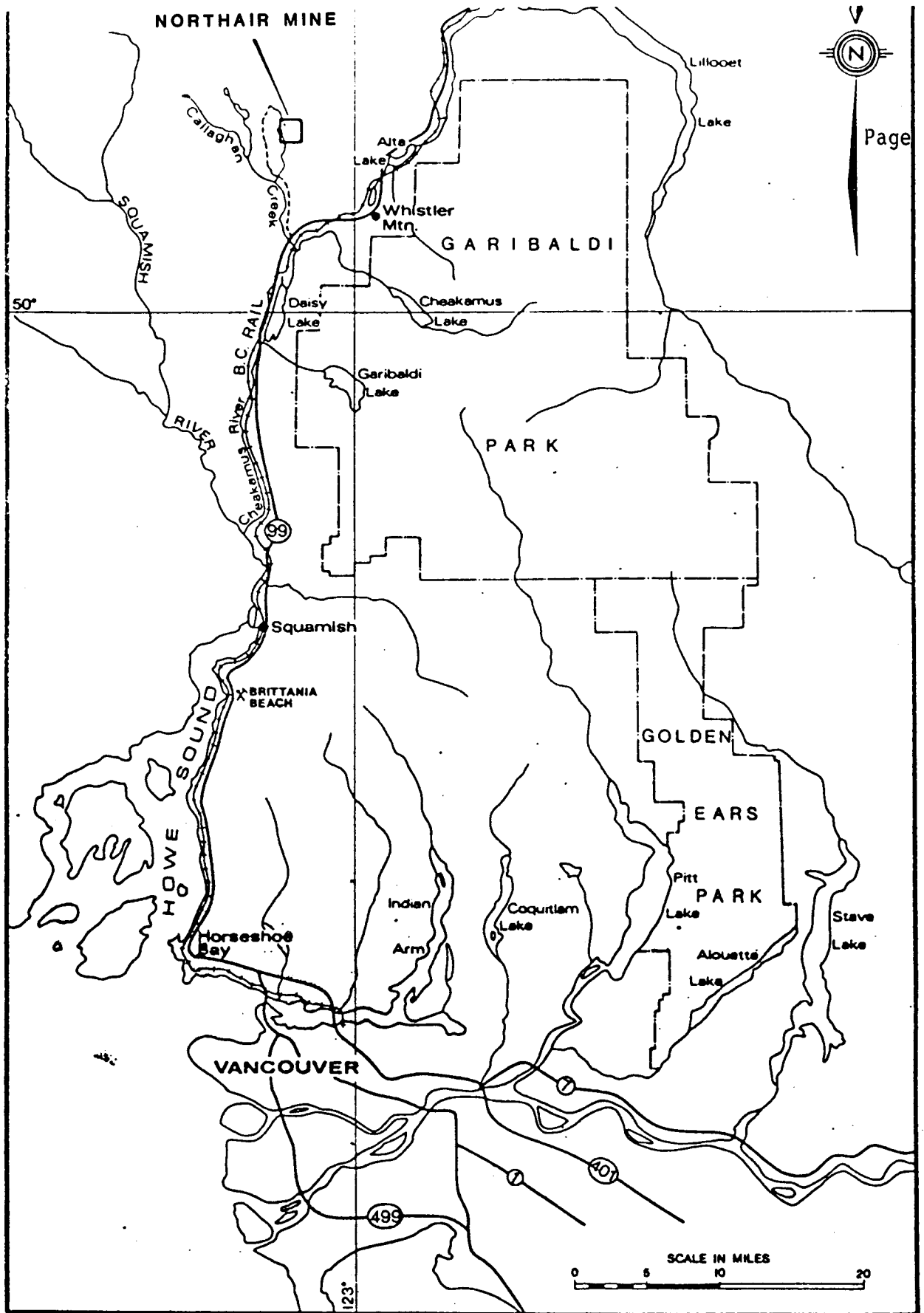


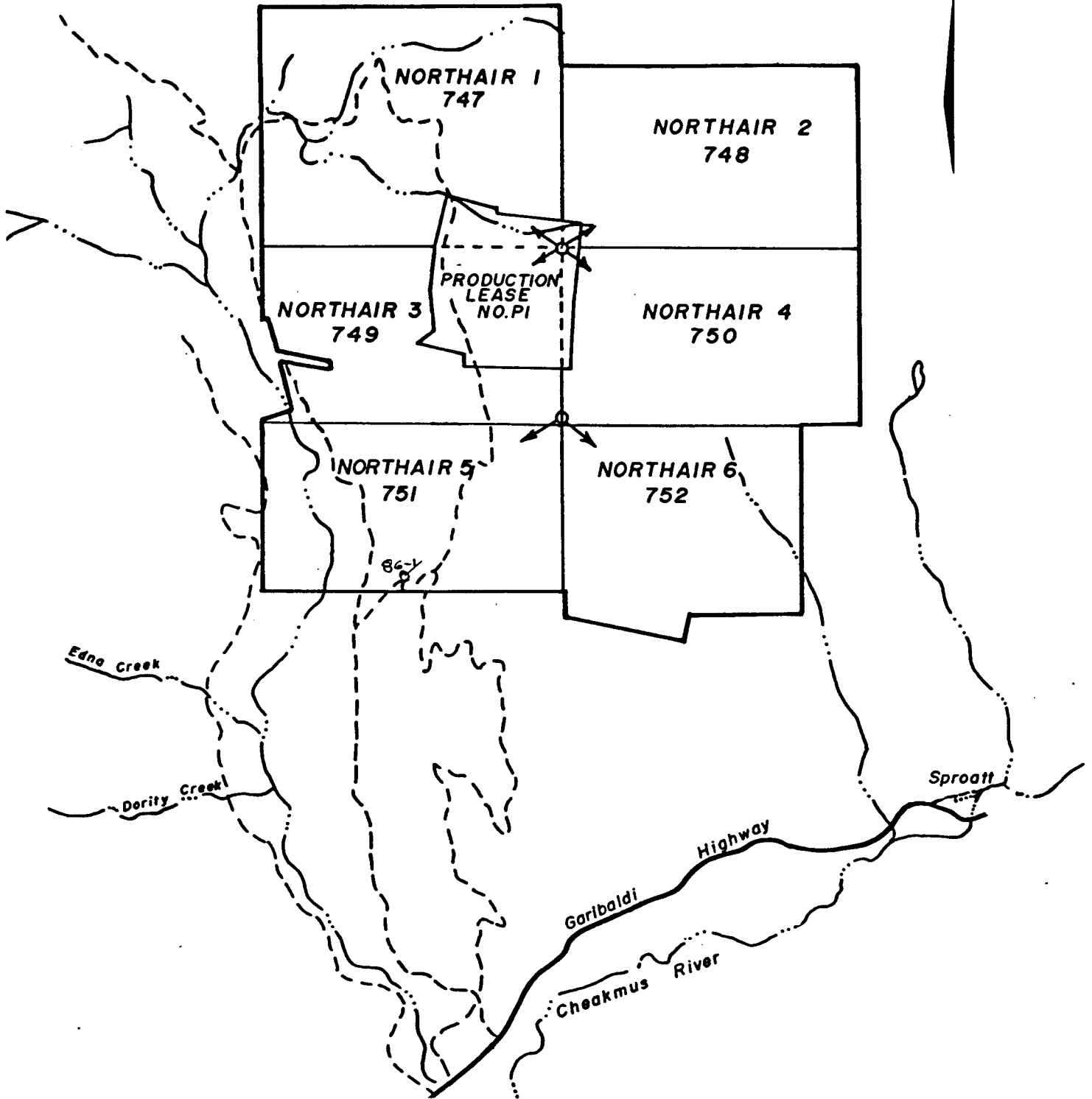
FIG. 1
GENERAL LOCATION MAP

INTRODUCTION:

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All available data regarding the Northair property were reviewed with the object of establishing a exploration target where work could be carried out to qualify for assessment purposes on the ground surrounding the Northair Production Lease No. P1.

A strong VLF-EM conductor was found to occur close to the south boundary trending northwest, the same direction as the Northair mineral zone, which had not been investigated.



MERV ENGINEERING CORP.	
PLAN OF NORTHAIR CLAIMS.	
DRAWN BY:	SCALE: 1:50000
DATE: Oct 13, 1986	N.T.S. : 9253

PROPERTY:

The NRM group consists of the following six grid claims which surround Production Lease No. P1.

<u>CLAIM</u>	<u>UNITS</u>	<u>RECORD NO.</u>	<u>ANNIVERSARY</u>
Northair 1	20	747	August 11
Northair 2	15	748	August 11
Northair 3	15	749	August 11
Northair 4	15	750	August 11
Northair 5	15	751	August 11
Northair 6	16	752	August 11

LOCATION & ACCESS:

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The Northair mine is located 100 km north of Vancouver.

Good gravel road leaves the Squamish-Whistler (99) highway 43 km north of Squamish. It is 5 km north westerly on this road to the Northair road which is 3.5 km to the mine. Diamond drill hole 86-1 is located on a logging road just off the Northair access road.

GENERAL:

The Northair mine produced gold, silver, lead, zinc and copper from an echelon north west trending quartz-carbonate veins hosted by andesite and andesitic agglomerates.

Stream silt geochemistry lead to the discovery and the area of mineralization is delimited by soil geochemistry.

The overall sulfide content is about 5 to 6% so that geophysical response over the known veins is vague.

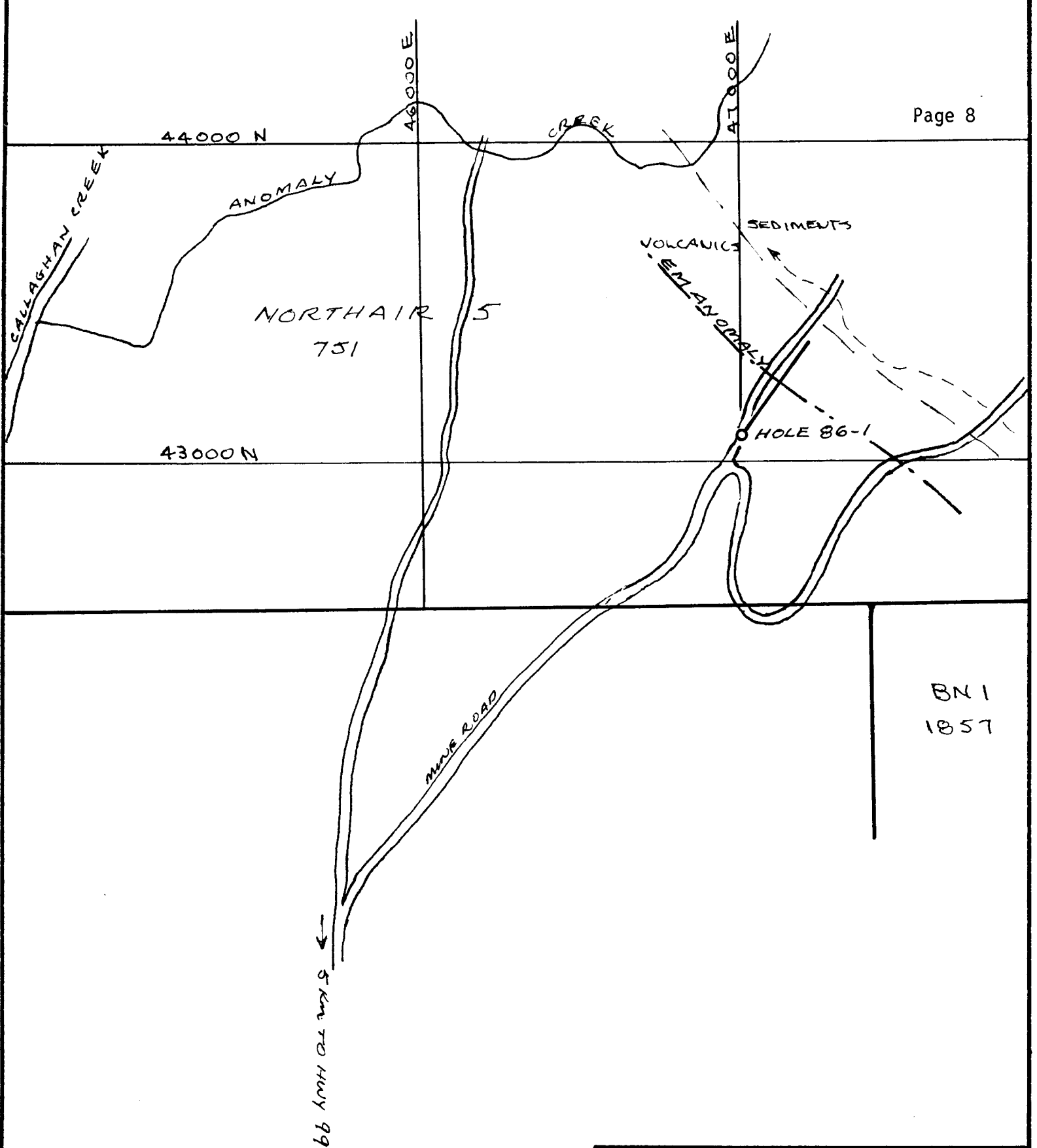
The anomaly proposed for testing by diamond drilling was much stronger than that over the mined veins so it was speculated that the sulfide content might be higher.

HISTORY:

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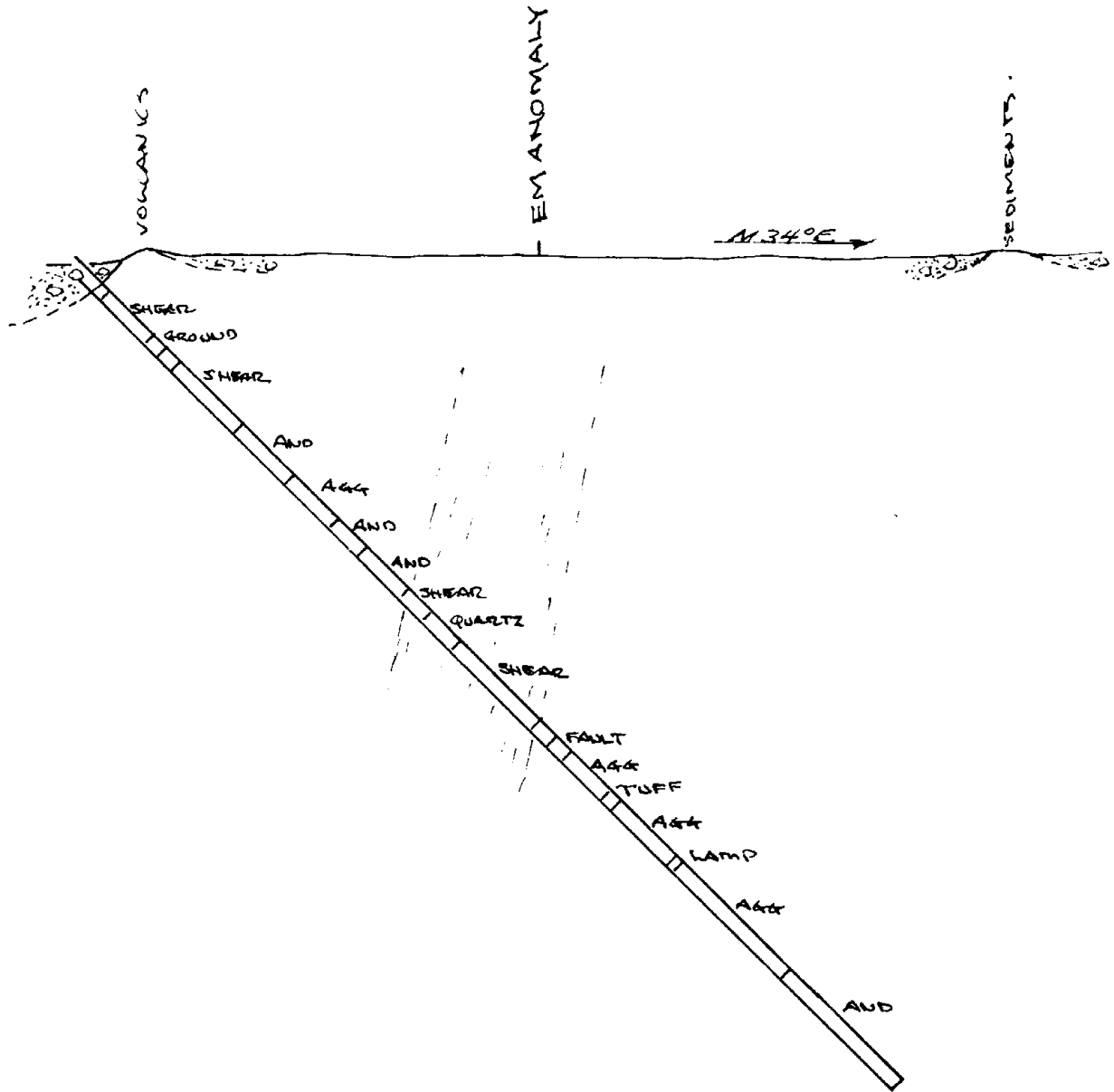
The History of the property is summarized below:

- 1969 - mineral discovery by Warshaw ski and Manifold
- 1970 - optioned to McIntyre - soil survey
- 1972 - optioned to Northair - diamond drilling, U/G exploration,
geochemistry
- 1976 - milling started
- 1982 - milling suspended
- 1981-82 detailed mapping by R. Wares
- 1983 - detailed review by Ash and Taylor
- 1985 - mapping by JM Dawson



BN 1
1857

MERV ENGINEERING CORP.	
PLAN OF DRILL HOLE 86-1	
DRAWN BY: <i>John</i>	SCALE: 1:4800
DATE: Oct 15, 1986	N.T.S. : 923E



MERV ENGINEERING CORP.	
CROSS SECTION 86-1	
DRAWN BY: JWM	SCALE: 1:1000
DATE: Oct 15, 1986	N.T.S. : 9253

Between July 28 and August 2, F. Boisvenu Diamond Drilling Ltd. completed hole 86-1 to a depth of 166.8 metres.

The hole cut the anticipated sequence of ardesites and andesitic agglomerate. A one metre section of finely banded tuff was cut at a flow contact. A one metre lamprophyre dike, common to the area, was also intersected.

A very strong shear zone was cut from 68.0 to 94.8 metres. The shears varies from chlorite schist to tan, schist to mud and gouge. It is occupied from 72.6 to 78.6, a 6 metre section, mainly by bullish quartz with carbonate (siderite) sections.

No sulfide mineral was found in the core.

CONCLUSIONS:

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The E. M. anomaly can be explained by the strong shear zone cut in the hole, unfortunately not by sulfides as anticipated.

Respectfully submitted

A handwritten signature in black ink, appearing to read 'J. W. MacLeod', written in a cursive style.

J. W. MacLeod, P. Eng.

Vancouver, B.C.

October 15, 1986

APPENDIX I

DRILL HOLE LOG

DIAMOND DRILL RECORD

PROPERTY NORTHAIR MINES LTD

HOLE No. 86-1

DIP TEST		
	Angle	
Footage	Reading	Corrected
0		45
152m		lost

Hole No. _____ Sheet No. 1
 Section _____
 Date Begun July 28, 1986
 Date Finished August 2, 1986

Lat. 43080
 Dep. 47000
 Bearing N34 E
 Elev. Collar 747m

Total Depth 166.8
 Logged By JWM
 Claim Northair 5
 Core Size N.Q.

DEPTH in metres	DESCRIPTION	SAMPLE No.	WIDTH OF SAMPLE	Au	Ag	Cu
0 - 5.2	CASING					
5.2 - 7.6	AGGLOMERATE - andesitic, medium grained green, vague fragments.					
7.6 - 15.8	SHEAR ZONE - chloritic, andesite, sheared at low angle to core					
	14.18 - 14.48 - qtz. - carb. in schist	70108	0.3	Tr.	0.04	
15.8 - 17.1	GROUND CORE					
17.1 - 20.1	SHEAR ZONE - largely replaced by fine grained dark green dike and bull quartz (25%)					
	17.1 - 17.4 qtz and calcite	70109	0.3	Tr.	-0.01	
	19.2 - 19.6 15% qtz., contorted schist	70110	0.3	Tr.	0.03	
20.1 - 33.5	SHEAR ZONE - chloritic schist, 15° to 20° to core, gradational ct. at 33.5, bull qtz., veins up to 0.3m					

DIAMOND DRILL RECORD

PROPERTY

HOLE No.

DIP TEST		
		Angle
Footage	Reading	Corrected

Hole No. Sheet No. 2 Lat. Total Depth.
 Section. Dep. Logged By.
 Date Begun. Bearing. Claim
 Date Finished. Elev. Collar. Core Size

DEPTH	DESCRIPTION	SAMPLE No.	WIDTH OF SAMPLE	Au	Ag	W03	
33.5 - 44.5	ANDESITE - light grey, weakly sheared						
44.5 - 53.0	AGGLOMERATE - dark, fine grained, irreg. qtz. - carb. stringers 15%,						
	49.7 - 50.0 25% qtz. - carb.	70111	0.3	Tr.	-0.01		
	50.0 - 50.3 40% qtz. - carb.	70112	0.3	Tr.	0.02		
53.0 - 59.1	ANDESITE - medium grained, weakly sheared 45° to core						
59.1 - 68.0	ANDESITE - grey, epidote veinlets, contacts at 45° and 50°, may be intrusive						
68.0 - 72.6	SHEAR ZONE - buff altered schist						
	71.6 - 71.9 qtz. - carb. in schist	70113	0.3	Tr.	-0.01		
72.6 - 78.6	QUARTZ VEIN - mainly bull quartz, last 1.5m much siderite						
	77.7 - 78.0 brown siderite	70114	0.3	Tr.	-0.01		

APPENDIX II

ASSAY CERTIFICATE



VANGEOCHEM LAB LIMITED

MAIN OFFICE
1521 PEMBERTON AVE.
NORTH VANCOUVER, B.C. V7P 2S3
(604) 986-5211 TELEX: 04-352578

BRANCH OFFICE
1630 PANDORA ST.
VANCOUVER, B.C. V5L 1L6
(604) 251-5656

REPORT NUMBER: 860379AA

JOB NUMBER: 860379

NORTHAIR MINES LIMITED

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SAMPLE #	Ag oz/st	Au oz/st
70108	.04	<.005
70109	<.01	<.005
70110	.03	<.005
70111	<.01	<.005
70112	.02	<.005
70113	<.01	<.005
70114	<.01	<.005
70115	<.01	<.005
70116	<.01	<.005

DETECTION LIMIT

1 Troy oz/short ton = 34.28 ppm

.01

1 ppm = 0.0001%

.005

ppm = parts per million

< = less than

signed: _____

APPENDIX III

EXPENDITURE

F. Boisveno Diamond Drill.....12,730.98

Core logging & report.....500.00

\$13,230.98

F. BOISVENU DIAMOND DRILLING LTD.
C/O 200-2695 GRANVILLE STREET
VANCOUVER, B.C. V6H 3H4



INVOICE
#0801

DATE: August 26, 1986

TO: Northair Mines Ltd.
860-625 Howe Street
Vancouver, B.C.
V6C 2T6

FOR: Surface Drilling - BBS 56
Squamish, B.C.
July 28 - August 2, 1986

Drilling	\$ 9,736.60
Mobilization and Demobilization	1,200.00
Moving and Others	980.00
Materials	760.98
Acid Test	53.40
	<u>53.40</u>
	<u>\$12,730.98</u>

GOODS RCV'D	OK FOR PAYMENT
QUANTITIES & T. OK	CHEQUE NO.
CODE	AMOUNT

Drilling

<u>Hole#</u>	<u>Size</u>	<u>Angle</u>	<u>From</u>	<u>To</u>	<u>Feet</u>	<u>Rate</u>	<u>Amount</u>
86 - 1	NQ	-40 deg.	0	547	<u>547</u>	\$17.80	<u>\$9,736.60</u>

Moving and Others:

<u>Memo:</u>	<u>Man hrs</u>	<u>Drill hrs</u>
Set up	8	4
Cave in	4	2
Tear Down	8	4
Tear Down	<u>8</u>	<u>4</u>
	<u>28</u>	<u>14</u>

28 man hours @ \$24.00 per hour	\$ 672.00
14 drill hours @ \$22.00 per hour	<u>308.00</u>
	<u>\$ 980.00</u>

Materials:

1 - NQ Bit	\$ 490.00
29 - NQ Core Boxes @ \$5.00 each	<u>145.00</u>
	635.00
Add: 7% PST	<u>44.45</u>
	679.45
Add: 12% overhead charge	<u>81.53</u>
	<u>\$ 760.98</u>

Acid Test

<u>Depth</u>	<u>Charge</u>
547	\$53.40

APPENDIX IV

ENGINEER'S CERTIFICATE

CERTIFICATE

I, James W. MacLeod, of 1220 Arbutus Street, in the City of Vancouver, in the Province of British Columbia, DO HEREBY CERTIFY:

1. That I am a Consulting Engineer, with a business address at Suite 860, 625 Howe Street, in the City of Vancouver, in the Province of British Columbia.
2. That I am a graduate of the University of Alberta with a degree of B.Sc. in Mining Engineering.
3. That I have actively practiced my profession in mineral exploration since graduation in 1946.
4. That I am a registered Professional Engineer in the Province of British Columbia.
5. That I have been associated with the Northair mine since optioning the property for McIntyre in 1970 and that I supervised the drilling and logged the core from hole 86-1.



J. W. MacLeod, B.Sc., P. Eng.

DATED at the City of Vancouver,
Province of British Columbia,
this 15th day of October 1986.