84-668 - 15222

GEOCHEMICAL AND GEOPHYSICAL REPORT

ON THE

24K GROUP

NTS 82E/5W

OSOYOOS MINING DIVISION

Latitude 49° 19.1'

Longitude 119° 55'

for

Owner/Operator: Mr. Moore Schram

R.R. 1, Site 75

Keremeos, B.C.

V0X 1N0

October 30, 1986

3501 - 16th Street

Vernon, B.C. V1T 3X7

Roy Kregosky

BSc., F.G.A.C.

TABLE OF CONTENTS

Summary.....Page 1

Introduction.....Page 2

Property History.....Page 2

Property Geology.....Page 4

Geochemical Survey.....Page 6

Geophysical Survey.....Page 8

Conclusion and Recommendations.....Page 8

Itemized Cost Statement.....Page 9

Bibliography.....Page 10

Certificate

Illustrations

Location Map.....Fig. 1

Claim Location Map.....Fig. 2

Survey Location Map.....Fig. 3

Geological Map.....Fig. 4

Geochemical Survey: Cu.....Backpocket 1...Fig. 5

Pb.....Backpocket 1...Fig. 6

Zn.....Backpocket 1...Fig. 7

Ag.....Backpocket 2...Fig. 8

Au.....Backpocket 2...Fig. 9

Geophysical Survey: Dip Angle....Backpocket 3...Fig. 10

Filtered Data.Backpocket 3..Fig. 11

Geochemical Results, 1986.....Fig. 12-15

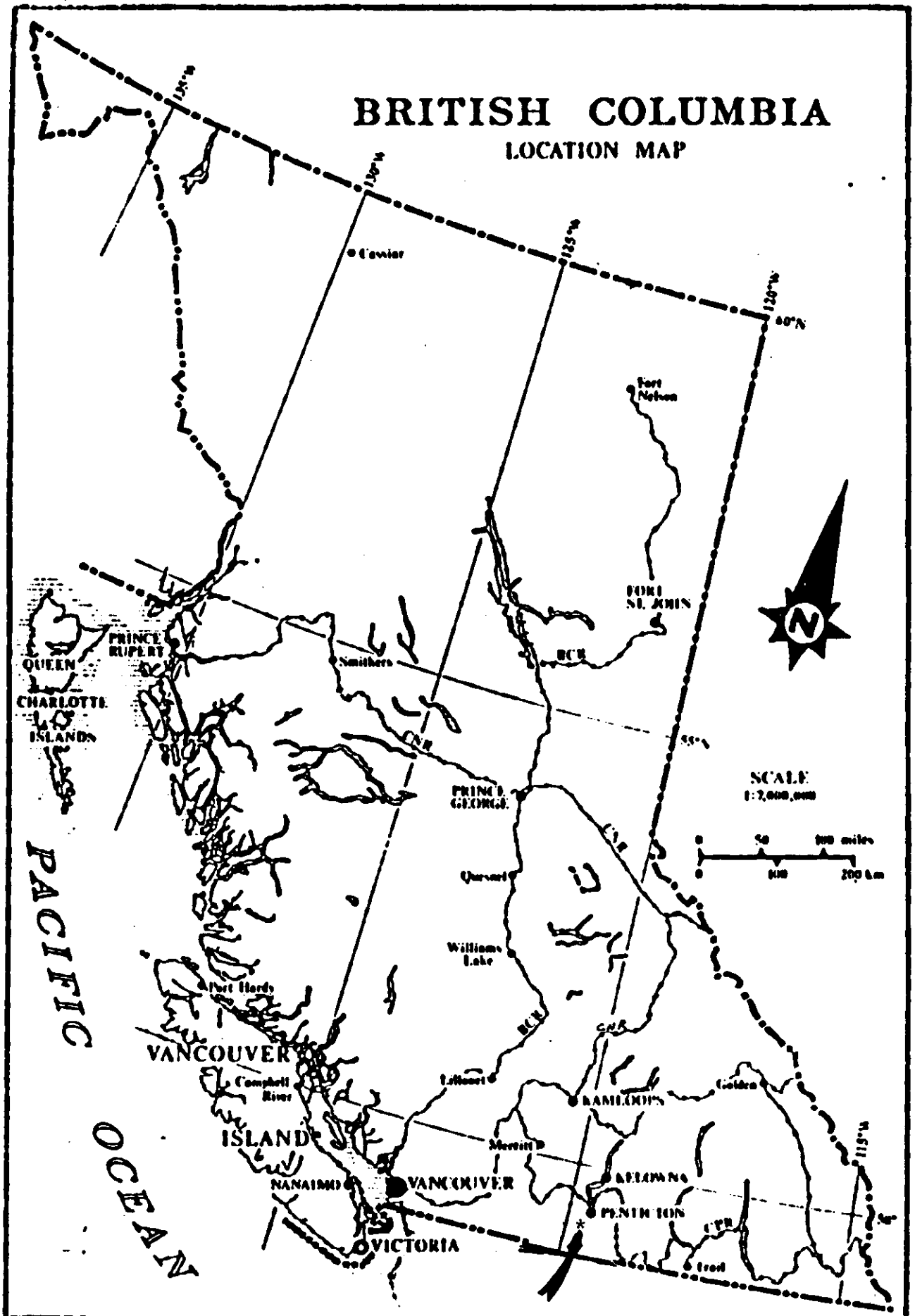
Lithogeochemical Results - Homestake.....Fig. 16

Rock Assay - Homestake.....Fig. 17

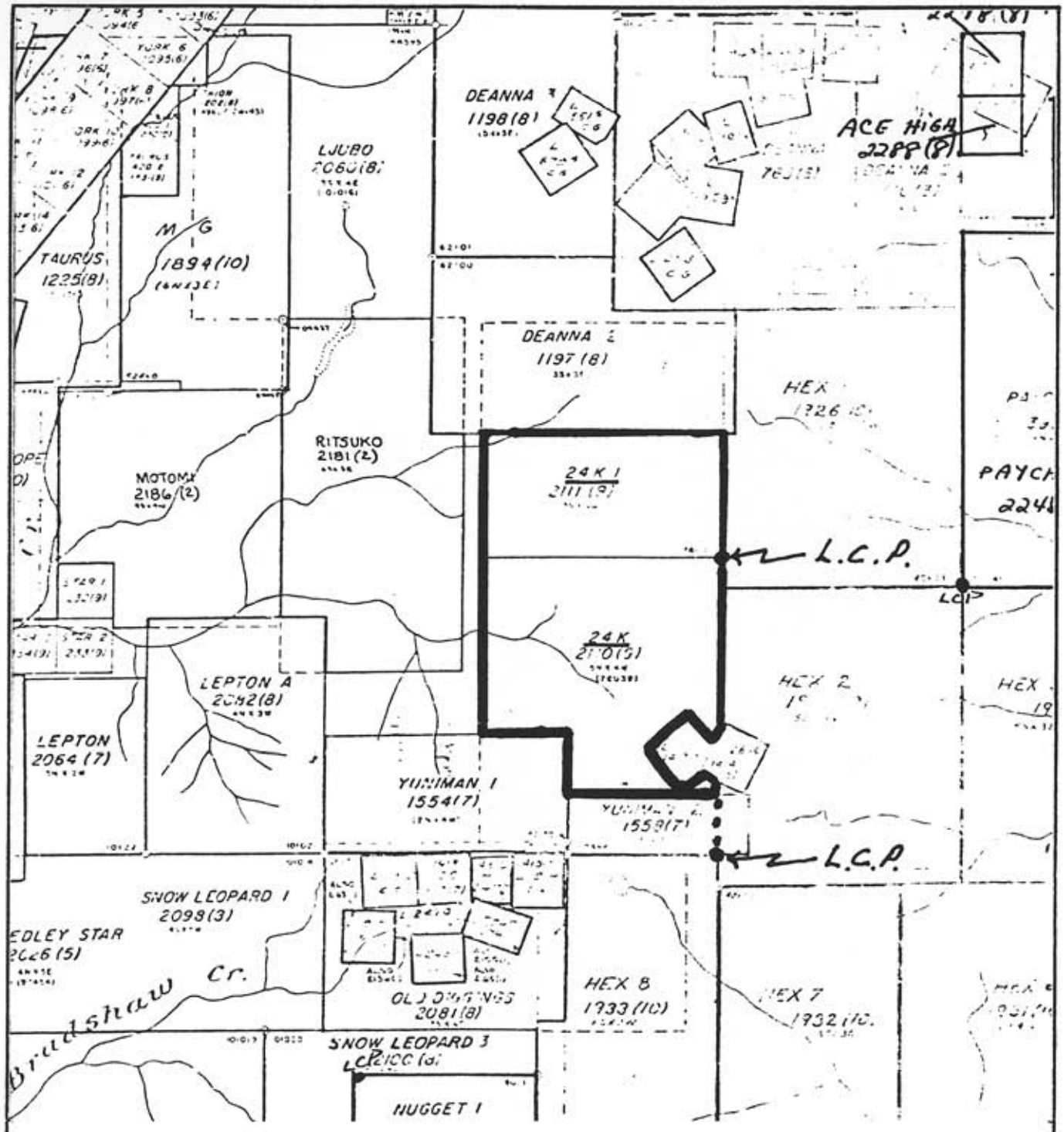
Location of Lithogeochemical Samples - Homestake.Fig. 18

Lithogeochemical Results - Goldstone.....Fig. 19

Rock Assay - Goldstone.....Fig. 20



Monashee Geological Services	24K GROUP OSOYOOS MINING DIVISION	DATE Oct.30/86 FIG No. 1

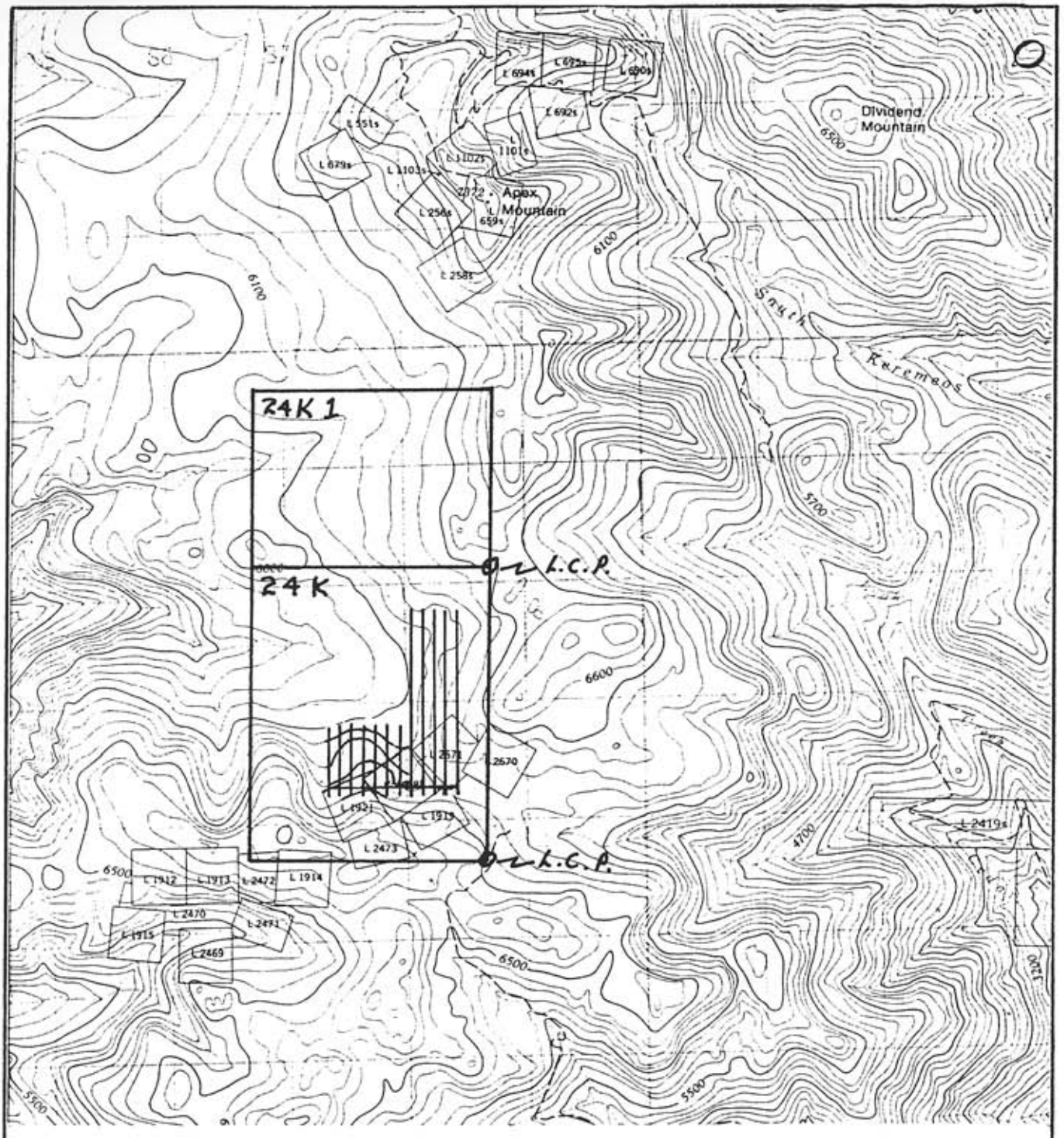


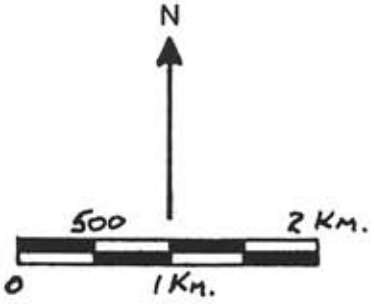
24K GROUP

OSOYOOS MINING DIVISION

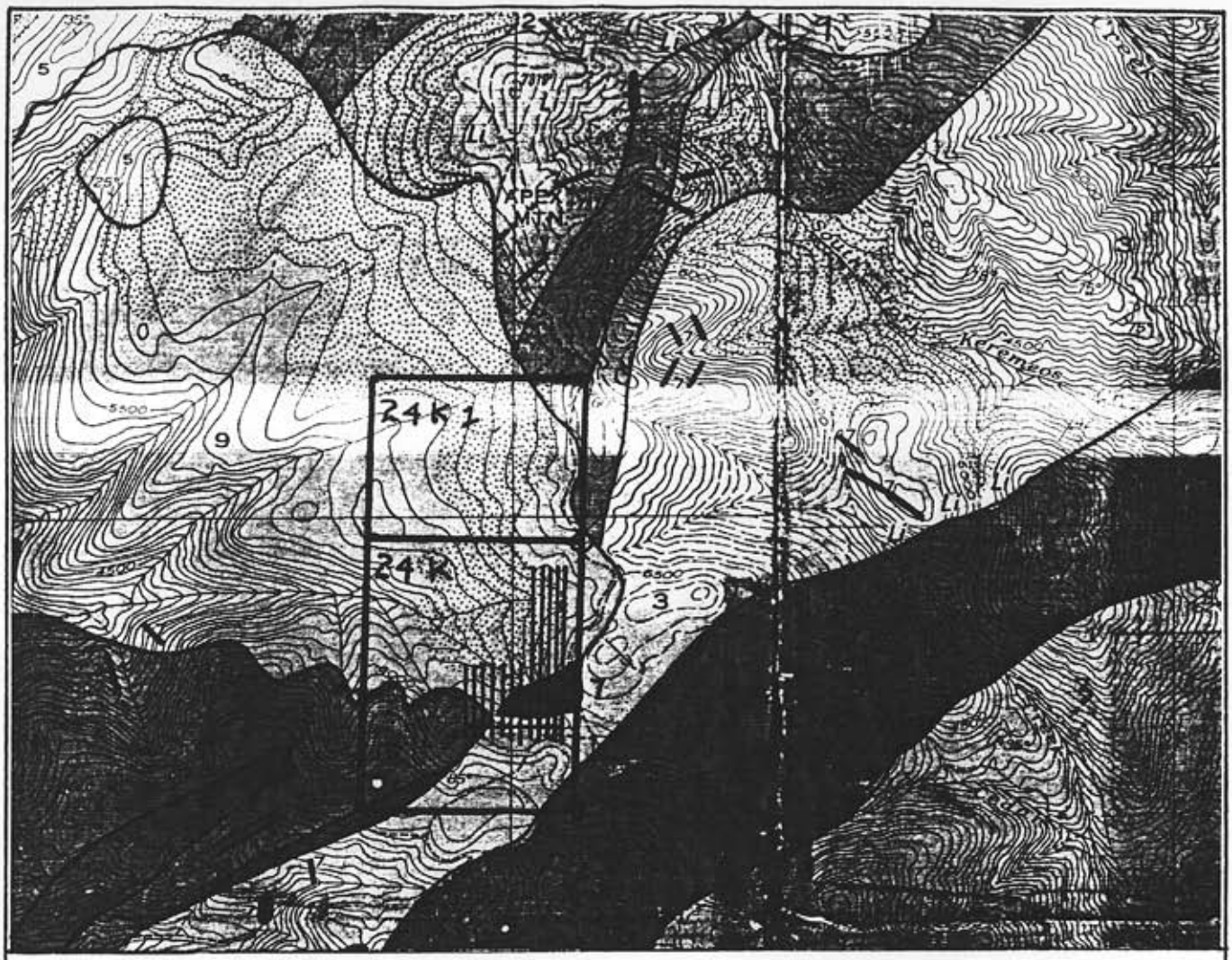
CLAIM LOCATION MAP

Monashee Geological Services	nts: 82E/5 Oct.30/86	Fig. no. 2





24K GROUP		
OSOYOOS MINING DIVISION		
SURVEY LOCATION MAP		
Monashee Geological Services	nts:82E/5 Oct.30/86	Fig. no. 3



POST – TRIASSIC

9 *Granodiorite*

7y *Mainly diorite: gabbro, quartz diorite*

TRIASSIC OR OLDER

OLD TOM FORMATION: mainly basalt and andesite (greenstone); related dioritic intrusives; chert

3 *SHOEMAKER FORMATION: mainly chert; tuff, greenstone, limestone*

INDEPENDENCE FORMATION: chert, greenstone, breccia, argillite, limestone

N

0 1 mile

24K GROUP

OSOYOOS MINING DIVISION

Geology Map

Monashee Geological Services	nts: 82E/5 Oct.30/86	Fig. no. 4

ACME ANALYTICAL LABORATORIES LTD.
852 E.HASTINGS ST.VANCOUVER B.C. V6A 1R6
PHONE 253-3158 DATA LINE 251-1011

DATE RECEIVED: AUG 19 1986

DATE REPORT MAILED: Aug 23/86

GEOCHEMICAL ICP ANALYSIS

.500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER. THIS LEACH IS PARTIAL FOR MN.FE.CA.P.CR.MG.BA.TI.B.AL.NA.K.W.SI.ZR.CE.SN.Y.NB AND TA. AU DETECTION LIMIT BY ICP IS 3 PPM.
- SAMPLE TYPE: SOILS -80MESH AU* ANALYSIS BY AA FROM 10 GRAM SAMPLE.

ASSAYER: D. Toye ..DEAN TOYE. CERTIFIED B.C. ASSAYER.

L.M. SCHRAM PROJECT - 24K FILE # 86-2146

SAMPLE#	Cu PPM	Pb PPM	Zn PPM	Ag PPM	Au* PPB
L0 1500N	10	6	25	.1	3
L0 1450N	11	8	32	.1	8
L0 1400N	7	10	27	.2	2
L0 1350N	14	8	36	.1	11
L0 1300N	10	8	32	.1	5
L0 1250N	9	7	31	.2	1
L0 1200N	5	8	17	.1	2
L0 1150N	10	8	39	.3	3
L0 1100N	15	7	37	.1	7
L0 1050N	20	14	67	.1	4
L0 1000N	12	8	31	.2	4
L0 950N	13	10	44	.3	85
L0 900N	6	8	25	.1	11
L0 850N	7	12	35	.1	3
L0 800N	10	11	64	.1	5
L0 700N	17	13	32	.3	4
L0 650N	37	16	149	1.0	22
L0 600N	25	10	148	1.0	28
L0 550N	31	14	116	1.1	14
L1E 1500N	14	11	52	.1	7
L1E 1450N	14	10	46	.1	1
L1E 1400N	12	11	41	.1	5
L1E 1350N	14	14	38	.6	3
L1E 1325N	14	12	37	1.0	1
L1E 1250N	17	11	71	.2	4
L1E 1200N	17	10	44	.1	100
L1E 1150N	14	10	38	.1	1
L1E 1100N	14	7	34	.1	4
L1E 1050N	9	9	19	1.8	1
L1E 1000N	13	11	42	.1	2
L1E 950N	18	13	46	.4	17
L1E 900N	13	16	46	.8	8
L1E 850N	6	6	15	.2	6
L1E 800N	12	9	11	1.5	6
L1E 750N	12	11	15	.3	20
L1E 700N	33	14	53	.7	8
STD C/AU-0.5	61	43	138	7.3	500

Fig. 12

SAMPLE#	Cu PPM	Pb PPM	Zn PPM	Ag PPM	Au* PPB
L1E 650N	11	16	134	.3	14
L1E 600N	12	11	48	.3	7
L1E 550N	13	8	52	.2	6
L1E 500N	18	12	92	.3	9
L1E 450N	27	12	77	.4	4
L1E 400N	25	11	64	.4	6
L1E 350N	19	10	60	.1	9
L2E 1500N	11	8	43	.1	1
L2E 1450N	12	8	46	.1	1
L2E 1400N	20	8	57	.1	3
L2E 1350N	16	10	58	.2	2
L2E 1250N	12	8	47	.1	3
L2E 1200N	19	11	59	.3	4
L2E 1150N	11	7	46	.3	5
L2E 1100N	18	10	55	.1	5
L2E 1050N	14	11	44	.1	7
L2E 1000N	15	10	48	.1	4
L2E 950N	15	8	74	.5	3
L2E 900N	15	3	56	.7	4
L2E 850N	13	8	72	2.4	1
L2E 800N	15	10	65	.6	5
L2E 750N	14	14	72	.4	6
L2E 700N	23	16	82	.6	5
L2E 650N	18	12	77	.1	3
L2E 600N	17	14	72	.1	5
L2E 550N	20	9	57	.1	2
L2E 500N	19	12	64	.1	2
L2E 450N	19	8	59	.3	2
L2E 400N	22	13	79	.3	3
L2E 350N	40	7	84	.4	5
L2E 300N	21	9	72	.3	8
L2E 250N	28	14	64	.1	36
L2E 200N	23	11	76	.3	6
L2E 150N	25	19	65	.2	10
L2E 100N	19	12	58	.3	23
L2E 50N	21	16	63	.3	18
STD C/AU-0.5	59	41	137	7.2	490

Fig. 13

SAMPLE#	Cu PPM	Pb PPM	Zn PPM	Ag PPM	Au* PPB
L2E BL	23	11	59	.3	48
L2E 50S	25	18	57	.5	26
L2E 100S	47	18	118	1.4	20
L2E 150S	39	9	94	.9	95
L3E 700N	15	8	50	.4	8
L3E 650N	35	12	60	1.1	6
L3E 600N	17	9	65	.1	7
L3E 550N	16	5	58	.1	10
L3E 500N	17	15	58	.3	7
L3E 450N	20	7	65	.1	8
L3E 400N	20	10	58	.1	12
L3E 350N	21	7	60	.1	17
L3E 300N	11	9	39	.1	6
L3E BL	19	12	44	.2	24
L3E 50S	25	6	64	.2	16
L3E 100S	56	15	74	.8	105
L3E 150S	47	10	97	.6	39
L4E BL	45	13	187	.8	36
L4E 50S	32	8	67	.5	31
L4E 100S	35	7	80	.1	13
L4E 150S	68	15	124	1.0	70
STD C/AU 0.5	61	36	141	7.3	510

Fig. 14

ACME ANALYTICAL LABORATORIES LTD. 852 E.HASTINGS ST.VANCOUVER B.C. V6A 1R6 PHONE 253-3158 DATA LINE 251-1011

GEOCHEMICAL ICP ANALYSIS

.500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER.
THIS LEACH IS PARTIAL FOR MN.FE.CA.P.CR.MG.BA.TI.B.AL.NA.K.W.SI.ZR.CE.SN.Y.NB AND TA. AU DETECTION LIMIT BY ICP IS 3 PPM.
- SAMPLE TYPE: SOILS -80 MESH AU** ANALYSIS BY FA+AA FROM 10 GRAM SAMPLE. HG ANALYSIS BY FLAMLESS AA.

DATE RECEIVED: OCT 16 1985 DATE REPORT MAILED: Oct 23/85 ASSAYER. D. Toye. DEAN TOYE OR TOM SAUNDRY. CERTIFIED B.C. ASSAYER

HOMESTAKE MINERAL PROJECT - BR-5710 FILE # 85-2835 PAGE 1

SAMPLE#	Mo PPM	Cu PPM	Pb PPM	Zn PPM	Ag PPM	Ni PPM	Co PPM	Mn PPM	Fe %	As PPM	U PPM	Au PPM	Th PPM	Sr PPM	Cd PPM	Sb PPM	Bi PPM	V PPM	Ca %	P %	La PPM	Cr PPM	Mg %	Ba PPM	Ti %	B PPM	Al %	Na %	K %	W PPM	Au** PPB	Hg PPB
24K 7W 500N	3	17	14	52	.4	12	6	218	2.53	13	5	ND	2	19	1	2	3	51	.26	.03	8	17	.32	173	.09	4	1.83	.02	.03	1	42	30
24K 7W 450N	3	26	17	106	.8	18	9	959	2.82	35	5	ND	1	24	2	2	2	50	.42	.05	11	19	.41	216	.08	2	2.05	.02	.04	1	24	40
24K 7W 400N	4	41	21	141	1.3	21	9	1141	2.50	21	5	ND	1	40	1	2	2	34	.78	.11	22	17	.36	310	.06	5	2.24	.02	.05	1	31	120
24K 7W 350N	8	42	13	90	.8	22	7	981	2.21	19	7	ND	1	33	2	2	3	30	.48	.18	29	14	.21	293	.05	2	2.50	.02	.03	1	16	130
24K 7W 300N	3	56	14	71	1.6	29	7	1510	1.50	11	5	ND	1	95	2	2	2	18	2.50	.20	24	18	.32	531	.02	4	1.45	.02	.04	1	14	140
24K 7W 250N	3	34	23	111	.7	22	9	1036	2.66	21	5	ND	1	32	1	2	2	40	.55	.09	13	20	.42	306	.07	3	2.05	.02	.04	1	29	40
24K 7W 200N	4	45	20	158	.8	34	11	1612	3.12	30	5	ND	1	35	1	2	2	42	.61	.15	14	32	.48	299	.05	3	2.16	.02	.05	1	24	60
24K 7W 150N	5	61	31	187	1.0	51	15	5098	3.07	28	5	ND	1	45	4	2	2	34	.88	.22	15	31	.41	478	.04	6	1.83	.02	.06	1	34	100
24K 7W 100N	4	52	18	141	.9	33	10	1409	2.81	25	5	ND	1	45	1	2	3	35	.79	.18	13	28	.39	443	.06	3	2.19	.02	.06	1	15	90
24K 7W 50N	4	61	22	124	1.4	35	12	990	2.69	21	5	ND	1	40	2	2	2	37	.76	.21	15	36	.44	287	.04	2	2.08	.02	.06	1	55	110
24K 7W 0N	3	65	14	55	2.0	21	7	232	2.16	13	5	ND	1	30	1	2	2	33	.56	.14	16	26	.29	183	.05	3	2.07	.02	.04	1	17	160
24K 7W 50S	3	71	17	77	1.0	26	9	524	2.48	11	5	ND	1	33	1	2	4	38	.60	.15	15	26	.43	186	.06	3	1.96	.04	.06	1	14	80
24K 7W 100S	3	98	11	140	1.2	40	12	603	2.61	17	5	ND	1	46	3	2	2	40	1.12	.16	21	35	.55	214	.06	4	1.98	.02	.06	1	23	90
24K 7W 150S	4	65	35	186	.7	32	12	1235	3.25	24	5	ND	1	27	2	3	2	50	.37	.13	16	33	.49	228	.05	4	2.03	.01	.06	1	18	40
24K 6W 500N	2	15	8	40	.3	8	5	295	2.56	9	5	ND	1	10	1	2	2	49	.10	.08	6	13	.26	153	.06	2	1.84	.02	.02	2	11	50
24K 6W 450N	3	26	24	68	.5	13	7	264	2.99	48	5	ND	2	11	1	2	2	55	.12	.05	7	20	.34	144	.08	4	1.74	.01	.03	1	17	70
24K 6W 400N	3	22	12	67	.5	8	5	167	2.50	12	5	ND	2	14	1	2	2	46	.17	.03	9	12	.28	166	.07	3	1.74	.02	.03	1	21	50
24K 6W 350N	2	15	18	63	.3	11	6	318	2.46	3	5	ND	2	21	1	2	2	45	.27	.03	10	12	.35	254	.11	4	2.38	.02	.04	1	11	30
24K 6W 300N	3	48	12	77	1.4	32	8	838	2.48	18	5	ND	1	43	1	2	2	36	1.17	.13	18	19	.41	227	.07	2	2.37	.02	.05	1	22	100
24K 6W 250N	3	42	17	70	1.7	16	10	1359	2.61	14	5	ND	1	35	1	2	2	38	.62	.13	22	16	.35	326	.07	4	2.58	.03	.05	2	18	140
24K 6W 200N	3	14	11	47	.2	9	4	220	2.27	10	5	ND	1	11	1	2	2	42	.15	.06	6	13	.24	163	.06	3	1.55	.03	.03	2	21	50
24K 6W 150N	3	15	9	44	.3	10	5	273	1.54	12	5	ND	1	14	1	2	2	33	.20	.04	8	15	.24	183	.07	2	1.12	.01	.04	1	65	40
24K 6W 100N	6	29	15	36	1.7	13	8	597	1.83	6	6	ND	1	30	1	2	2	34	.53	.18	21	14	.23	245	.03	2	1.61	.02	.03	1	16	90
24K 6W 50N	4	27	10	63	.4	16	9	887	2.49	21	5	ND	1	18	1	2	2	41	.28	.06	11	21	.37	178	.10	5	1.77	.02	.04	1	17	60
24K 6W 0N	4	35	15	85	.5	22	10	991	2.79	24	5	ND	1	21	1	2	2	44	.36	.07	10	24	.41	167	.10	4	1.94	.02	.05	1	14	50
24K 6W 50S	4	23	13	55	.6	13	7	202	2.52	13	8	ND	1	14	1	2	2	40	.25	.06	8	19	.27	111	.09	3	1.54	.01	.04	1	12	60
24K 6W 100S	4	18	17	34	.4	11	3	100	1.72	12	6	ND	1	17	1	2	2	31	.28	.06	8	17	.17	88	.06	2	.90	.01	.03	1	20	50
24K 6W 150S	5	31	14	62	.4	18	8	433	2.71	13	5	ND	1	13	1	2	2	46	.12	.08	8	31	.32	146	.08	2	1.43	.01	.05	1	22	60
STD C/FA-AU	21	61	40	135	7.4	66	30	1201	3.96	38	16	8	38	49	16	15	21	58	.48	.15	38	59	.88	181	.08	40	1.72	.06	.11	11	48	1700

Fig. 15

ACME ANALYTICAL LABORATORIES LTD. 852 E.HASTINGS ST.VANCOUVER B.C. V6A 1R6 PHONE 253-3158 DATA LINE 251-1011

GEOCHEMICAL (ICP) ANALYSIS

.500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER.
THIS LEACH IS PARTIAL FOR MN.FE.CA.P.CR.MG.BA.TI.B.AL.NA.K.W.SI.ZR.CE.SN.Y.NB AND TA. AU DETECTION LIMIT BY ICP IS 3 PPM.
- SAMPLE TYPE: ROCK CHIPS AU** ANALYSIS BY FA+AA FROM 10 GRAM SAMPLE. HG ANALYSIS BY FLAMELESS AA.

DATE RECEIVED: SEPT 25 1985 DATE REPORT MAILED: Oct 3/85 ASSAYER.. DEAN TOYE OR TOM SAUNDRY. CERTIFIED B.C. ASSAYER

HOMESTAKE MINERALS PROJECT - BR-5710 FILE # 85-2529 PAGE 1

SAMPLE#	Mo PPM	Cu PPM	Pb PPM	Zn PPM	Ag PPM	Ni PPM	Co PPM	Mn PPM	Fe %	As PPM	U PPM	Au PPM	Th PPM	Sr PPM	Cd PPM	Sb PPM	Bi PPM	V PPM	Ca %	P %	La PPM	Cr PPM	Mg %	Ba PPM	Ti %	B PPM	Al %	Na %	K %	W PPM	Au** PPB	Hg PPB
BR-99-4-4818	17	274	845	948	8.6	98	35	2214	5.53	95	5	ND	3	270	50	2	2	61	5.46	.21	7	75	2.17	61	.05	3	.83	.02	.38	1	-	-
BR-99-4-4819	153	2778	8874	6984	95.0	39	15	3903	3.89	88	5	10	2	372	554	24	2	11	5.43	.11	3	16	1.04	35	.01	2	.12	.01	.08	159	-	-
BR-99-4-4820	2	34	161	113	1.2	3	5	813	1.48	3	5	ND	1	82	7	2	2	4	2.12	.09	9	1	.10	568	.01	5	.39	.03	.21	1	205	-
BR-99-4-4821	24	606	1167	209	35.7	18	11	605	3.60	31	5	3	1	10	12	4	2	27	.15	.16	9	18	.26	42	.01	3	.43	.02	.07	1	2850	-
BR-99-4-4822	8	115	21	251	.8	90	14	286	3.83	4	5	ND	2	19	2	2	3	73	.88	.32	14	37	.36	68	.11	4	.59	.04	.08	1	22	-
BR-99-4-4823	8	41	75	520	2.7	9	6	443	2.45	11	5	ND	1	17	25	2	2	4	.27	.02	3	3	.13	18	.01	2	.09	.01	.05	1	370	5
BR-99-4-4824	5	123	18	30	5.3	13	8	244	2.80	39	5	ND	1	5	1	2	2	14	.06	.02	6	9	.18	22	.01	3	.38	.01	.06	1	550	5
BR-99-4-4825	3	40	241	19	.6	11	6	76	1.71	1001	5	ND	2	5	1	2	2	4	.02	.03	8	4	.07	34	.01	4	.21	.01	.09	1	35	-
BR-99-4-4826	4	128	192	868	2.6	21	28	1535	7.55	37	5	ND	2	81	20	2	2	114	4.13	.15	3	37	2.20	52	.08	2	2.02	.03	.24	1	440	90
STD C/FA-AU	20	61	40	138	6.9	68	29	1191	3.95	37	19	8	37	53	16	15	22	60	.48	.15	37	60	.88	178	.08	39	1.72	.06	.11	12	50	1300

RECEIVED
OCT 8 1985
H.M.D.C.

Fig. 16

ACME ANALYTICAL LABORATORIES LTD.
852 E. HASTINGS, VANCOUVER B.C.
PH: (604) 253-3158 COMPUTER LINE: 251-1011

DATE RECEIVED SEPT 25 1985

DATE REPORTS MAILED Oct 3/85

ASSAY CERTIFICATE

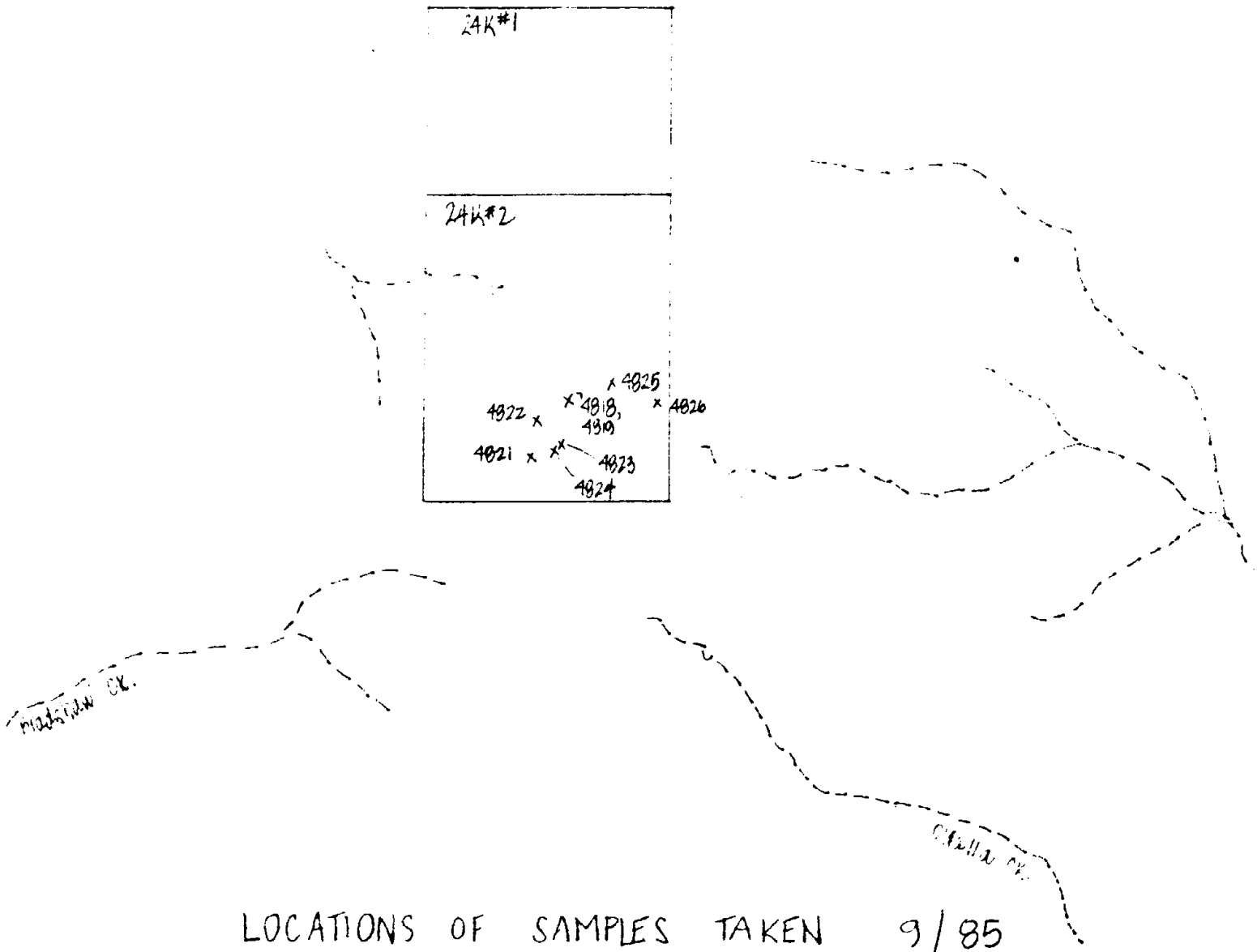
SAMPLE TYPE : ROCK - CRUSHED AND PULVERIZED TO -100 MESH.
AG** AND AU** BY FIRE ASSAY

ASSAYER _____ DEAN TOYE OR TOM SAUNDRY, CERTIFIED B.C. ASSAYER

HOMESTAKE MINERAL PROJECT BR-5710 FILE# 85-2529 PAGE# 1

SAMPLE		Cu %	Pb %	Zn %	Ag** gm/t	Au** gm/t
BR-99-4-4818	TRENCH #1	.03	.10	.11	9.5	1.20
BR-99-4-4819	TRENCH #1	.29	.99	.79	98.5	12.65

Fig. 17



LOCATIONS OF SAMPLES TAKEN 9/85

LEGEND
X = ROCK SAMPLE LOCATION

24K
82E/5
scale: 1:50,000

Fig.18

ENVIRONMENTAL TESTING
GEOCHEMISTRY
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August 26, 1986
Reissue

CERTIFICATE OF ANALYSIS ETK 86-156

CLIENT: Goldstone Exploration Ltd.
460 Okaview Road
R. R. #4
KELOWNA, B. C.
V1Y 7N2

ATTENTION: Mr. C. Brett

SAMPLE IDENTIFICATION:

ET#	Description		Au (ppb)	Ag (ppm)
156-1	20710	TRENCH #1	>1000	>30.
156-2	20711	TRENCH #2	>1000	20.4
156-3	20712	TRENCH #3	>1000	21.2
156-4	20713	TRENCH #4	>1000	20.6
156-5	20714		140	2.9

NOTE: > = greater than

ECO-TECH LABORATORIES LTD.
Thomas J. Fletcher, B.Sc.
Chief Assayer

TJF/AV/mil

Fig. 19

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ENVIRONMENTAL TESTING
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10041 E. Trans Canada Hwy., R.R. #2, Kamloops, B.C. V2C 2J3 Phone (604) 573-5700
Telex: 048-8393

September 29, 1986

CERTIFICATE OF ANALYSIS ETK 86-156A

CLIENT: Goldstone Exploration Ltd.
460 Okaview Road
R. R. #4
KELOWNA, B. C.
V1Y 7N2

ATTENTION: Mr. C. Brett

SAMPLE IDENTIFICATION:

ET#	Description		Au (oz/T)
156-1	20710	TRENCH #1	0.174
156-2	20711	TRENCH #2	0.081
156-3	20712	TRENCH #3	0.096
156-4	20713	TRENCH #4	0.076

ECO-TECH LABORATORIES LTD.
Thomas J. Fletcher, B.Sc.
Chief Assayer

TJF/mil

Fig. 20

SUMMARY

The 24K Group of claims, located in the Osoyoos Mining Division, is comprised of 32 units which are registered to Mr. L.M. Schram of Ollala, B.C.

The claims cover a favourable belt of highly fractured and altered Triassic metasediments and metavolcanic rocks which have been intruded by Cretaceous Nelson Plutonic rocks.

Pyritic mineralization occurs in shear/fracture zones in the metasediments or as chalcopyrite, galena, sphalerite and pyrite hosted quartz veins at the intrusive/metamorphic contact. Precious metal values of up to 0.370 oz/ton Au have been obtained. Recent geochemical surveys have outlined multielement soil anomalies in two areas of the grid/claims.

The geophysical survey has also delineated a number of electromagnetic conductors on the claims, one of which is coincident with a silver/gold soil anomaly.

Based on the favourable results, it is the author's belief that the 24K claims clearly merit further exploration to evaluate its precious and base metal potential..

INTRODUCTION

This report was written and compiled by the author at the request of Mr. Moore Schram of Ollala, B.C. The information herein is based upon historical notes, recent developments and a property examination by the author on October 15, 1986.

The 24K claim group is located approximately 25 kilometers northwest of Keremeos, B.C. (fig.1) in the Osoyoos Mining Division. Access is from B.C. Highway 3A 7 kilometers north of Keremeos to Ollala and hence, an additional 18 kilometers west along the Ollala Creek Road.

The property (fig. 2 and 3) is located in the plateau region which is situated just south of Apex Mountain. A height of land known as Yuniman Ridge forms the southern boundry of the claims. Exposures are northerly along this ridge with the remaining portions of the property having moderate topography. Elevations range from 1700 meters along the western boundry, to more than 1900 meters along the eastern claim boundry. The claims are covered by mixed coniferous forests thereby providing sufficient timber resources for exploration and development purposes.

PROPERTY HISTORY

The 24K group (fig. 2 and 3) is comprised of 2 contiguous claims totaling 32 units as outlined below:

Claim	Record Number	Units	Record Date	Expiry Date
24K	2110	20	Sept.20/84	Sept.20/87
24K #1	2111	12	Sept.28/84	Sept.28/87

The claims are currently registered to Mr. Moore Schram of Ollala, B.C.

The 24K. claims are partially staked over ground which historically is known as the Yuniman Group. This group consisted of a number of claims, more notably, The Black Pine, Bushrat, Little Bessie, Far West, Star of Hope (L2671) and Eclipse (L2670) Crown Grants. The B.C.M.M. report for 1933 (p.171) states that "...on the Star of Hope and Eclipse, a considerable amount of mineralization in the volcanic breccia containing bands of arsenopyrite has been uncovered. Values up to an ounce is gold have been obtained", and further on "... on the old Yuniman, similar mineralization and high values in gold have been found.". Hedley Yuniman Gold Fields Ltd. (B.C.M.M., 1933) held the property in the early 1900's with development consisting of "..several hundred feet of tunelling, upraising and sinking...". Values of up to 4.30 oz/ton Au and 6.2 oz/ton Ag have been reported (B.C.M.M., 1929) on the Yuniman Group.

More recently, Rossland Mines Ltd. (B.C.M.M., 1958) conducted geological and geophysical surveys in the area during the late 1940's. Subsequent exploration has been performed by Toby Creek Resources with the majority of the Yuniman ground now being held by Echo Mountain Resources of Vancouver. They have carried out geological, geophysical and geochemical surveys followed by some trenching and preliminary diamond drilling.

During the fall of 1985, Mr. Schram carried out preliminary geochemical and geophysical surveys of the 24K claim. The present author has documented the results in the appropriate

report.

Additional activity in the area includes survey work performed by Cominco on adjoining property to the north of the 24K claims.

By far the most interesting development in the area consists of Mascot Gold Mines plans to reopen the old Hedley Mascot gold mine near Nickel Plate Mountain. Their property which is approximately 5 kilometers northwest of the 24K claims has open pit and underground reserves in the neighborhood of 7 million tons grading approximately 0.16 oz/ton. A mill rate of 1,800 tons per day will see the Nickel Plate mine produce 100,000 troy ounces of gold per annum.

PROPERTY GEOLOGY

The area in the vicinity of the 24K Group has been mapped over the years by Bostock (1927), Cairnes (1937), and Little, 1961. According to Bostock (Map 628A, fig.4) the property is underlain by metasediments and metavolcanic rocks of Triassic age. These belong to three contemporaneous formations including the Old Tom, Shoemaker and Independence Formations. These rocks have been intruded in the northern portion and locally by diorites, gabbro and granodiorites of the Cretaceous Nelson Batholith.

Bostock (B.C.M.M. 1937) states"...Nickel Plate Mountain is on the Northwest limb of a major anticline and that (the Yuniman Group) is on the south-east limb...the rocks are mapped as predominantly sediments including bands of volcanics, with a north-easterly strike and steep dips. A large body of granodiorite...(and) many dikes intrude the bedded rocks... (as well) sedimentary rocks are classed as cherts, in addition

to argillaceous types...mineralization includes quartz veins and obscure zones of shearing and alteration...the metallic minerals are pyrite, arsenopyrite and rarely sphalerite and galena."

Personal observations on the 24K Group have noted two separate but associated modes of mineralization. The predominant mode of mineralization consists of pyrite and arsenopyrite occuring in heavily altered and sheared cherty rocks of the Independence Formation. The structures which usually occur as a stockwork were observed in trenches 2-4 (fig. 5-11). This mode was also noted at an incline shaft located on L2671 (Star of Hope). Chip sampling of trenches 2-4 by Homestake Minerals (fig. 16-18, BR-99-4-4821,4823/24) and by Goldstone Exploration (fig.19, 20711/13) has outlined anomalous gold and silver values. Subsequent assaying by Goldstone (fig.20) indicates the significance, up to 0.096 oz/ton of Au, of the mineralization at these trenches.

A second mode of mineralization was noted at trench 1 on the 24K claim. At this location a quartz vein was observed to be associated with a felsite porphyry/F.g. gabbro contact. The vein which is 30 cm. wide strikes 100^{o} and dips 60^{o} south. The zone has a width of 1 meter and appears to be widening down dip. Contact metamorphism extends into both walls which locally can be heavily pyritic. As well, chalcopyrite and galena were observed in the altered porphyry wall rocks.

Trench 1 was chip sampled by Homestake (fig.17, Br-99-4-4818/19) and Goldstone (fig.20, 20710). Homestake assays

returned 12.65 gm/tonne (0.370 oz/ton) Au and 98.5 gm/tonne (2.89 oz/ton) Ag with Goldstone assaying 0.174 oz/ton Au. The precious metal values in other areas of the Yuniman claims are associated with the pyritic content of the rock (personal communication), therefore it is possible that the values in trench 1 could increase with additional widths.

Additional field relationships observed on the 24K claims indicate the significance of the intrusive/volcanic contacts and shear breccia zones.

GEOCHEMICAL SURVEY

A combined geochemical (fig.5-9 and 12-14) and geophysical (fig.10-11) survey was carred out on extensions of the grid that was established during the summber of 1985. Additional lines were added to the west and east as well as some lines being extended to the north.

A total of 10 days were spent on the two surveys by Mr. Schram and one field assistant. A total of 93 soil samples were collected. In addition, Homestake minerals obtained 28 soil samples (fig.15) and 9 lithogeochemical samples (fig.16 and 18) during the fall of 1985.

The geochemical samples were collected from the 'B' soil horizon, hand sorted for rock and organic material, placed in numbered Kraft paper envelopes and sent to Acme Laboratories of Vancouver, B.C. The samples (fig.12-14) were analyzed for copper, lead, zinc, silver and gold.

The samples collected by Homestake Minerals (fig.15-16) were also sent to Acme Laboratories but underwent a 31 element plus gold ICP analysis. Specifications are noted

at the top of the analysis sheets. Due to the limited number of samples and their somewhat separate areas of collection, all results were treated subjectively. Threshold values being derived visually.

This years' geochemical survey has outlined a number of areas of interest as well as explanding eastward the Ag/Au anomaly located the previous year. There are basically two areas of main interest; the multi-element anomaly (fig.5-9, Cu-98p.p.m., Pb-35p.p.m., Zn-187p.p.m., Ag-2.0p.p.m. and Au-65p.p.b.) located on L6+00W and L7+00W which is still open to the west and south; in addition, the Ag/Au anomaly (fig.5-9) located last year has been extended a further 300 meters to the east. This anomaly is significant with silver and gold values up to 2.4 p.p.m. and 265 p.p.b. respectfully. This anomaly is also situated in the area of a faulted intrusive/ metasediment-metavolcanic contact.

Sporatic soil anomalies (fig.7-9) are located in the norther portions of L0+00 to L3+00E. Zinc values up to 149 p.p.m., silver to 2.4 p.p.m. and gold values to 100 p.p.b. were encountered in this broad region.

The geochemical data has also given a suggestion of the trace element level in the underlying bedrock. The northern portions of L0+00 to L3+00E consistently record lower trace element levels than the southern sectors or L6+00W and L7+00W exhibit. Based on the geological map (fig.4) the northern portions would be underlain by granodiorite whereas the central and southern sectors are underlain by metasedimentary and metavolcanic rocks. A program of geological mapping and geochemical prospecting would help to better define this apparent disparity

GEOPHYSICAL SURVEY

This survey (fig.10-11) used a Sabre VLF-EM (Model 27) instrument which was tuned to the Annapolis, Maryland transmitter. It operates at a frequency of 21.4 Khz. In all a total of 7.8 line kilometers were surveyed.

The VLF-EM survey yielded low responses and outlined a number of, usually, isolated and limited conductors. The exception to this is the primary conductor located on L0+00 to L6+00W at approximately 4+75N. This anomaly is also associated with a strong 'cross-over' and inflection at L1+00W 5+00N. This VLF-EM conductor was first delineated during the summer of 1985 but has now been traced an additional 100 meters west and 300 meters to the east for a total length of approximately 800 meters.

Another conductor which was outlined during 1985 in the southern portion has also been extended easterly. Shorter, anomaly associated lines which have not been plotted has traced this conductor to 6+00E for a total length of approximately 600 meters. This VLF-EM anomaly is also located in the area of the major Ag/Au geochemical anomaly (fig. 8and9) as well as a faulted intrusive metasediment-metavolcanic contact.

Additional areas of interest are located at the secondary conductors on L0+00 and L1+00E at 9+50N and 13+00N.

CONCLUSIONS AND RECOMMENDATIONS

The geochemical and geophysical programs conducted on the 24K Group were successful in extending the anomalies located the previous year as well as outlining additional

areas of interest.

A multi-element soil anomaly was delineated in the western portions of the grid and remains open to the west. The main Ag/Au soil anomaly in the southern portions of the grid is still open and appears to be associated with a faulted intrusive contact in this area. Additional geochemical anomalies in the northern sector of the grid has indicated areas of interest.

The VLF-EM anomaly has extended the two primary conductors located last year in the central and south-eastern portions of the grid.

Rock assays collected by Homestake Minerals and Goldstone Resources has indicated the significance of the precious metal mineralization.

Based on the continuing positive results obtained from the 24K Group, the favorable geological environment and the renewed interest in the area caused the the reopening of the Hedley-Mascot Gold Mine, it is recommended that more thorough and extensive geochemical and geological programs be conducted on the 24K claims. This is especially true for the southern sector of the claims which is underlain by an intrusive/ metasediment - metavolcanic contact.

ITEMIZED COST STATEMENT

M. Schram, prospector: 10 days @$100.00/day.....$1,000.00

Field Assistant: 7 days @$75.00/day.....$ 525.00

Transportation: truck rental @$40.00/day.....$ 360.00

VLF-EM rental 10 days @$25.00/day.....$ 250.00

Food & Accommodation @$30.00/man/day.....$ 510.00

93 Soil samples:	Cu,Pb,Zn & Ag @$4.00 ea.....	$ 372.00
	Au @$4.00 ea.....	$ 372.00
	Preparation @.75 ea.....	$ 69.75
37 Soil samples:	31 element ICP @$6.00ea.....	$ 222.00
	Au @ $5.50 ea.....	$ 203.50
	Preparation @ .60 ea.....	$ 22.20
2 assays Ag, Au @$9.50.....		$ 19.00
2 days report preparation @ $200.00/day.....		$ 400.00
	TOTAL	$4,325.45

BIBLIOGRAPHY

-B.C.M.M. (1933) p. 171

-B.C.M.M. (1929) p. 268

-B.C.M.M. (1958) p. 63

-Bostock H.S. (1927) G.S.C. Map 628A - Ollala

-Kregosky, R.D. (1985) Geochemical and Geophysical Report on the 24K Group - Assessment Report.

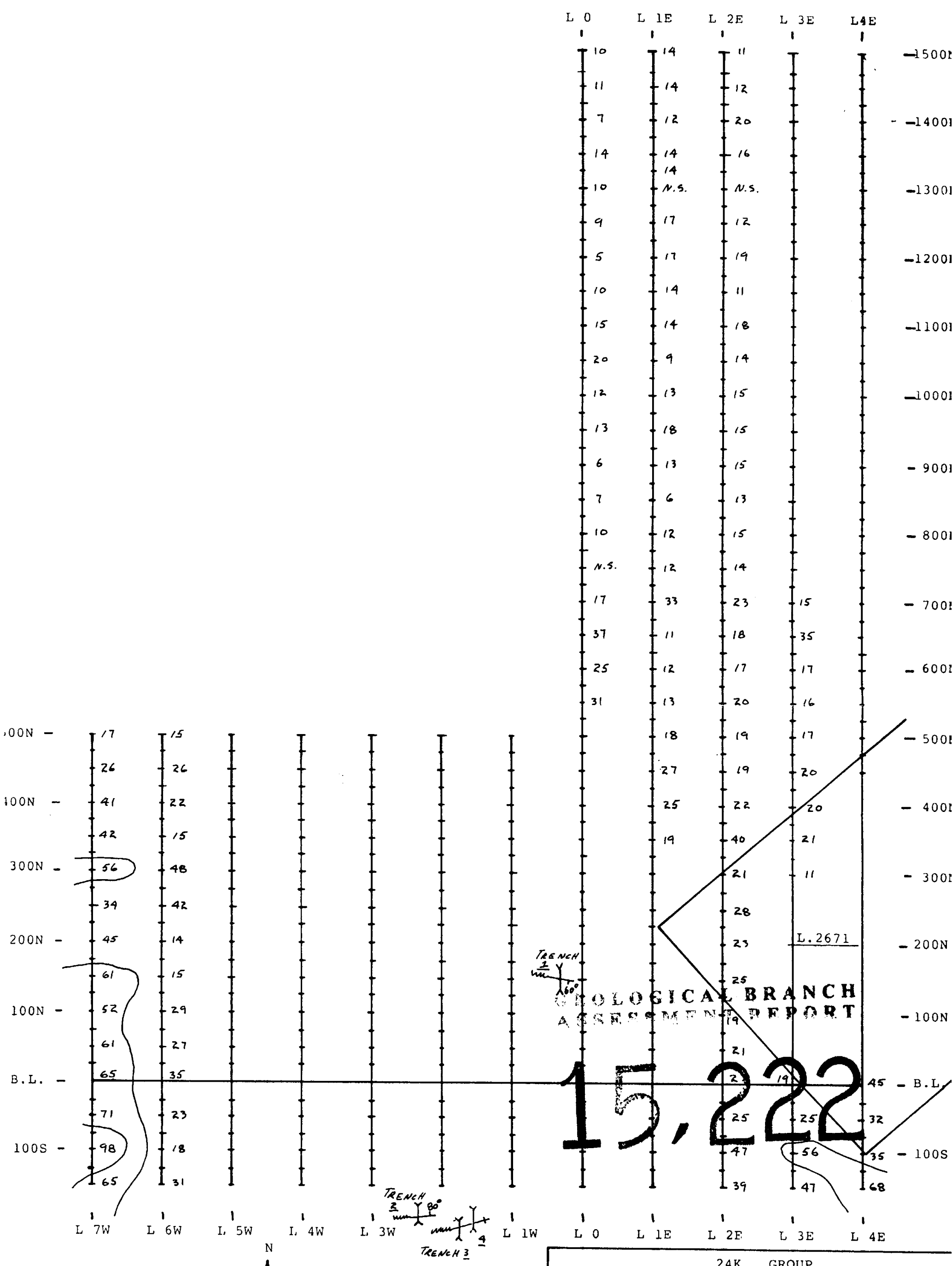
CERTIFICATE

I, Roy D. Kregosky of the City of Vernon, Province of British Columbia, do hereby certify that:

1. I am a consulting geologist with a business address at 3501 - 16th Street, Vernon, B.C. V1T 3X7.
2. I am a graduate of the University of Calgary where I obtained by BSc. degree in Geology in 1970.
3. I am a Fellow of the Geological Association of Canada.
4. I have practiced my profession since 1970.
5. This report dated October 30, 1986 is based on a personal field examination I made of the claims on October 15, 1986 and from information gathered from available maps, reports and personal communication.

Dated at Vernon, B.C. this 4th day of November, 1986.

Roy D. Kregosky
BSc., F.G.A.C.


L 0
L 1E
L 2E
L 3E
L4E
1500N
1400N
1300N
1200N
1100N
1000N
900N
800N
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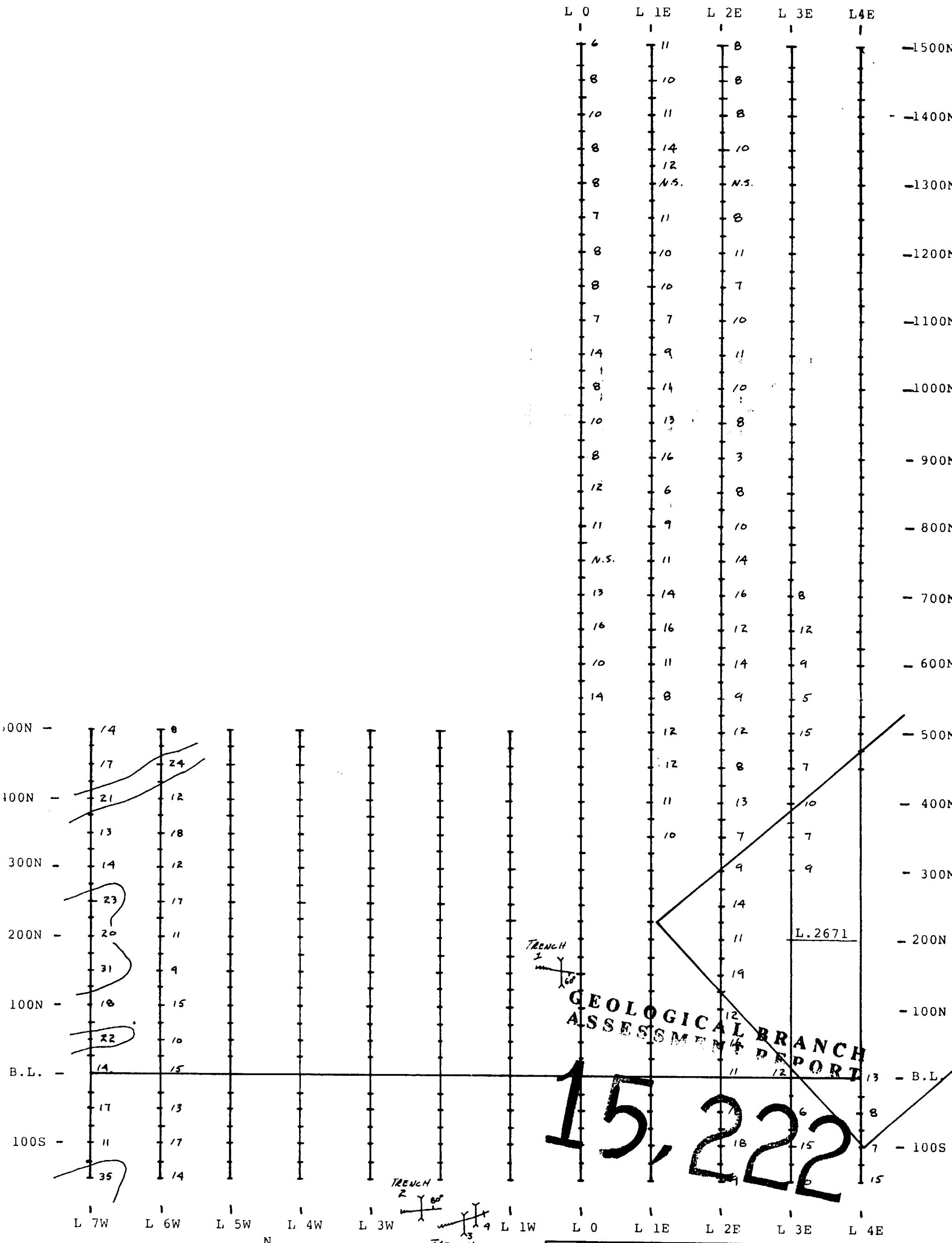
600N
500N
400N
300N
200N
100N
B.L.
100S
L 7W
L 6W
L 5W
L 4W
L 3W
L 1W
TRENCH 1
TRENCH 2
TRENCH 3
TRENCH 4
L.2671
15,222
GEOLOGICAL BRANCH
ASSESSMENT REPORT
N
50
0
100
200m.
scale 1: 5,000
24K GROUP
OSOYOOS MINING DIVISION
GEOCHEMICAL SURVEY
Anomalous Cu: 50.p.p.m.
Monashee Geological Services
nts:82E/5
Oct.30/86
Fig.5



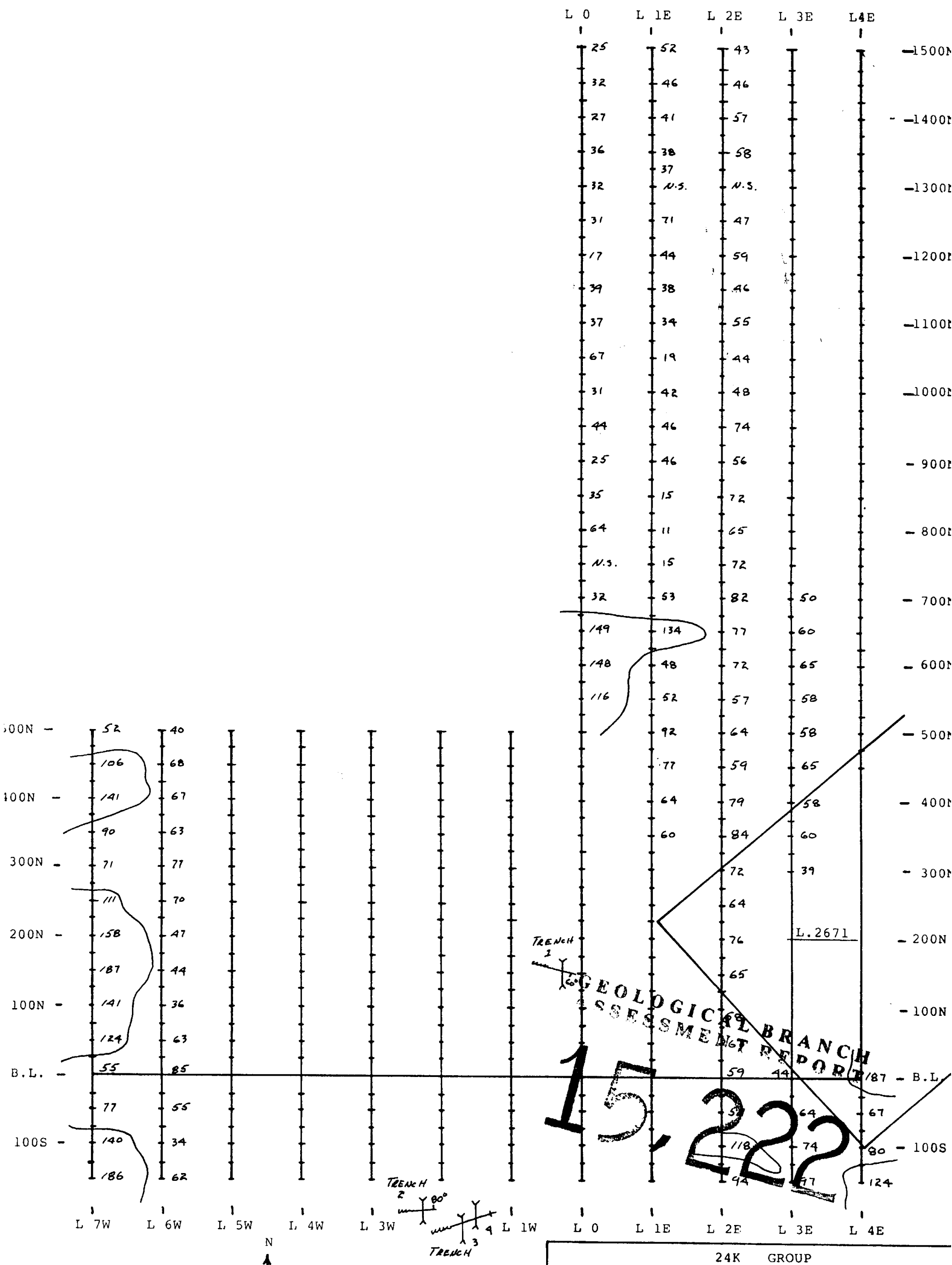
24K GROUP

OSOYOOS MINING DIVISION

GEOCHEMICAL SURVEY

Anomalous Pb: 20 p.p.m.

Monashee Geological Services	nts:82E/5 Oct.30/86	Fig.6



N

50

0 100 200m.

scale 1: 5,000

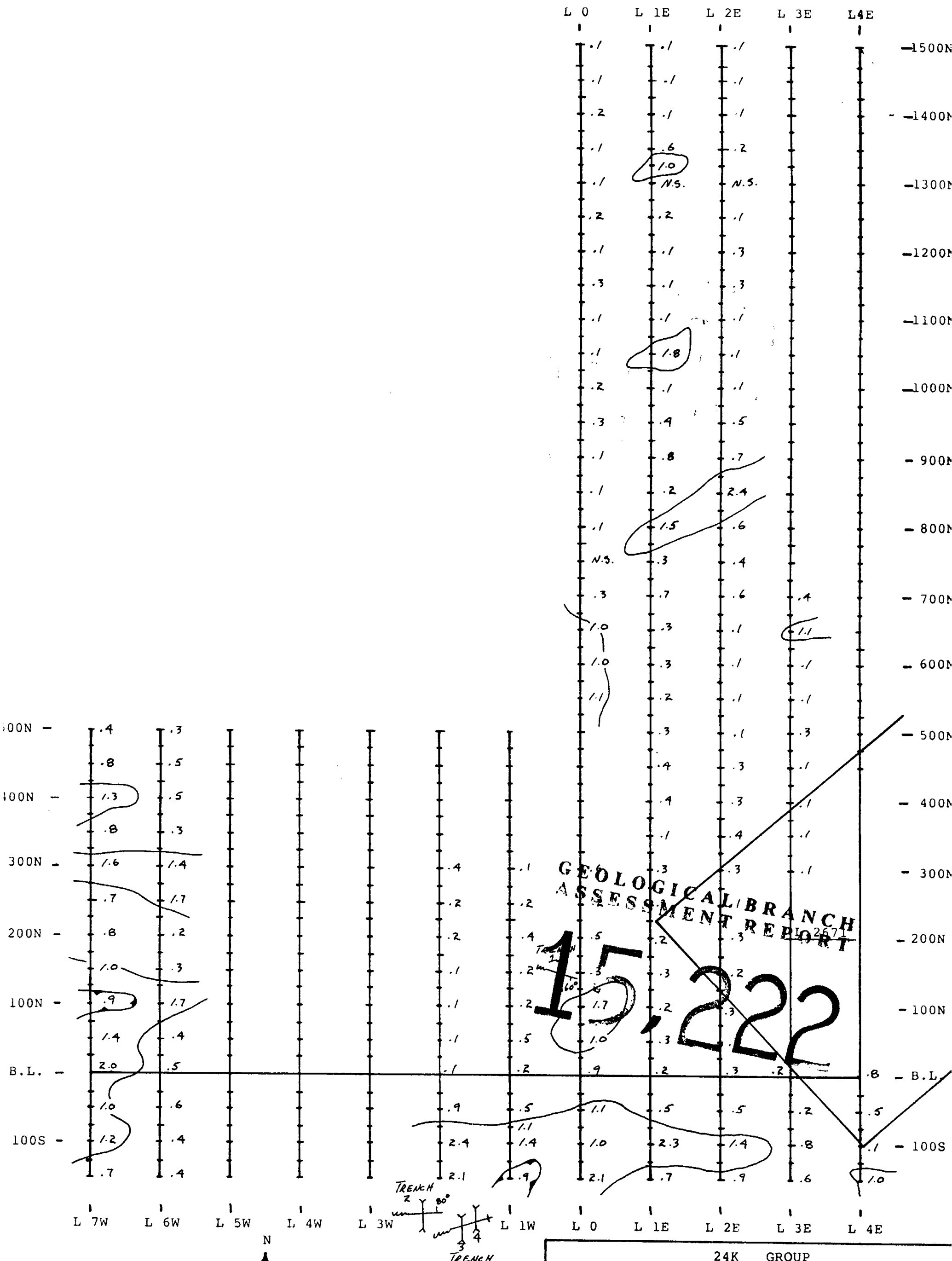
24K GROUP

OSOYOOS MINING DIVISION

GEOCHEMICAL SURVEY

Anomalous Zn: 100 p.p.m.

Monashee Geological Services	nts:82E/5 Oct.30/86	Fig.7



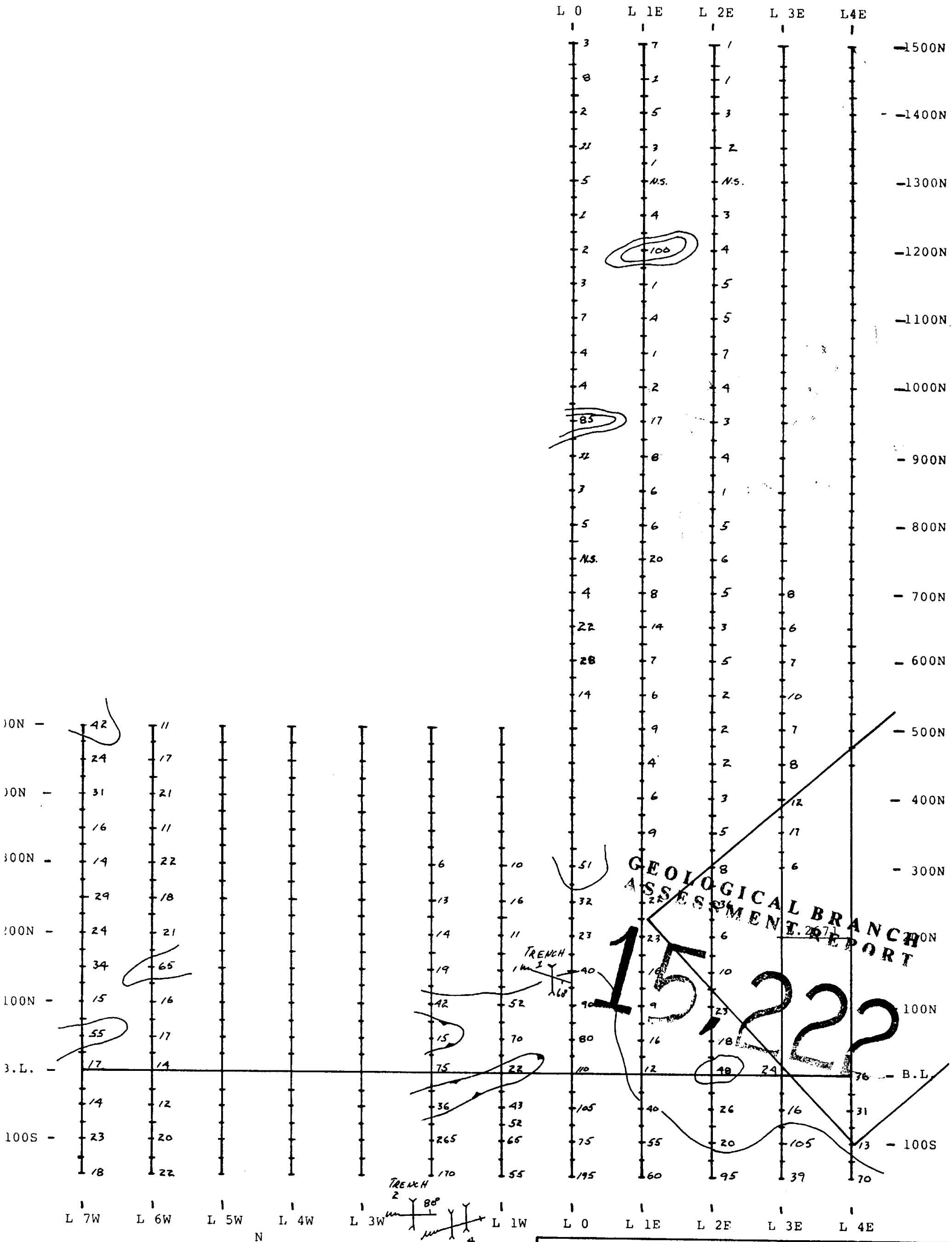
24K GROUP

OSOYOOS MINING DIVISION

GEOCHEMICAL SURVEY

Anomalous Ag: 1.0 p.p.m.

Monashee Geological Services	nts:82E/5 Oct.30/86	Fig. 8



N

50

0 100 200m.

scale 1: 5,000

24K GROUP

OSOYOOS MINING DIVISION

GEOCHEMICAL SURVEY

Anomalous Au.: 40 p.p.b.

Monashee Geological Services	nts:82E/5 Oct.30/86	Fig. 9

L 0 L 1E L 2E L 3E L4E

1500N 1400N 1300N 1200N 1100N 1000N 900N 800N 700N 600N 500N 400N 300N 200N 100N B.L. 100S

Annapolis 21.4 Khz.

Primary Conductors -

Secondary Conductors -

+20 +10 0 -10 -20

degrees

TRENCH 1 60°

TRENCH 2 80°

TRENCH 3 4

L 7W L 6W L 5W L 4W L 3W L 1W L 0 L 1E L 2E L 3E L 4E

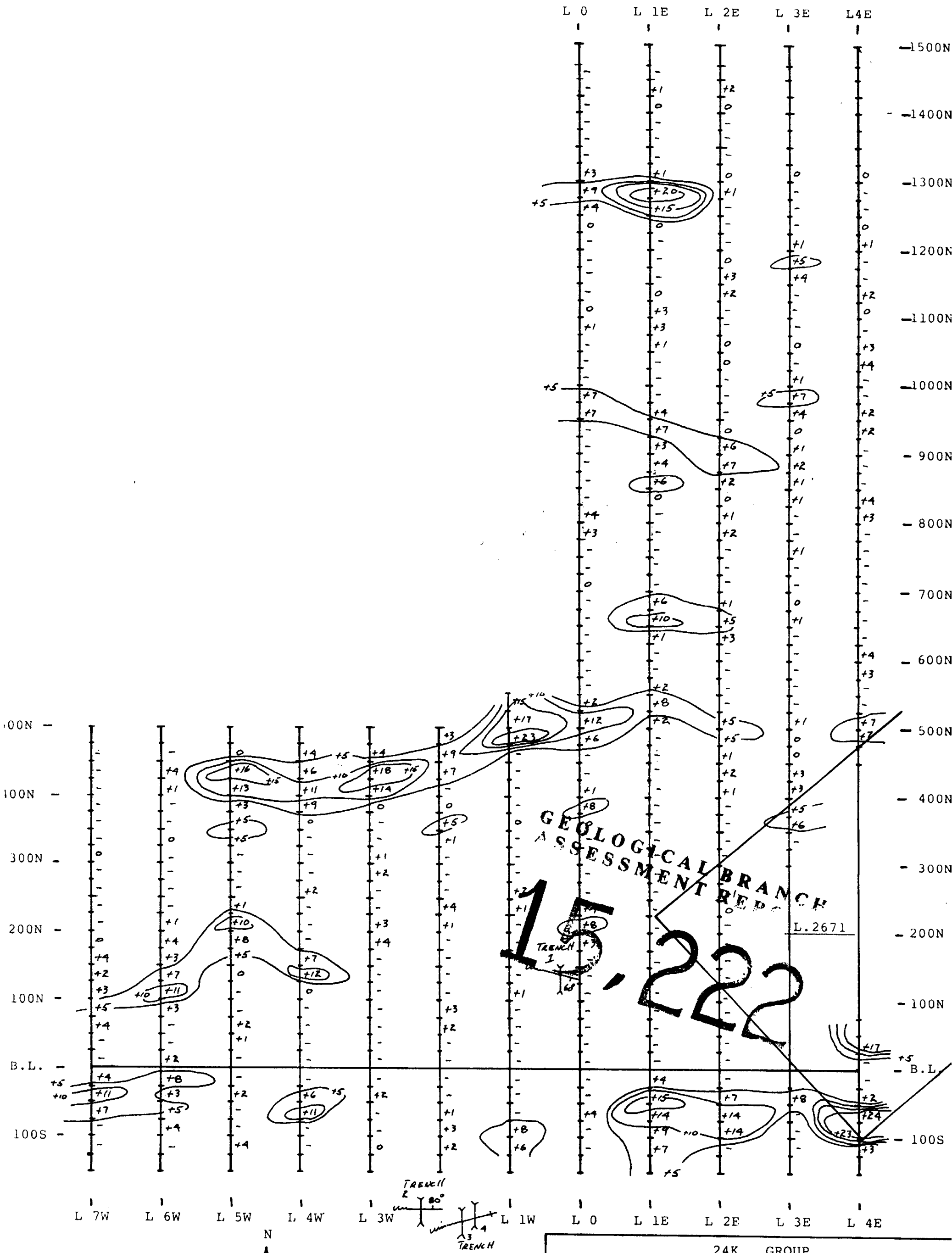
N

50

0 100 200m.

scale 1: 5,000

24K GROUP		
OSOYOOS MINING DIVISION		
GEOPHYSICAL SURVEY VLF-EM DIP ANGLE		
Monashee Geological Services	nts:82E/5 Oct.30/86	Fig. 10



N

50

0 100 200m.

scale 1: 5,000

Contour Interval - +5

24K GROUP		
OSOYOOS MINING DIVISION		
GEOPHYSICAL SURVEY VLF-EM FILTERED DATA		
Monashee Geological Services	nts:82E/5 Oct.30/86	Fig. 11