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~~GEOLOGICAL~~
GEOCHEMICAL REPORT

on the

ERIE CREEK PROPERTY

Nelson Mining Division - British Columbia

Lat. 49° ^{15.9'} ~~06~~ N

Long. 117° 23.7 W

N.T.S. 82F/6W, 82F/3W

for

Owner/Operator: KOOTENAY KING RESOURCES INC.

by

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

15,510

GEOLOGICAL BRANCH
ASSESSMENT REPORT

FILMED

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SUMMARY

Kootenay King Resources Inc. holds 107 claim units which cover a molybdenum-copper-tungsten-lead-zinc-silver prospect in the Erie Creek area of southeastern British Columbia. The property is situated eleven kilometres northwest of Salmo and is accessible by good logging road. Nine of the 25 largest gold producers in British Columbia, in terms of past production, lie within 25 kilometres of the property.

The Erie Creek prospect is centred on a complex swarm of porphyritic acid to basic dikes of Eocene age which intrude sedimentary and volcanic rocks of the Hall and Rossland Formation, both of Jurassic age. The dike complex extends northward and southward for a total distance of seventeen kilometres and is six kilometres wide. Mineralization on the property occurs in four concentric zones:

- 1) an inner zone of molybdenite \pm scheelite (tungsten) mineralization which occurs in fracture and quartz vein stockworks;
- 2) a surrounding zone of chalcopyrite \pm scheelite in fracture zones and shear veins;
- 3) an outer zone of galena-sphalerite-chalcopyrite shear veins; and
- 4) a widespread zone of disseminated and fracture controlled pyrite and pyrrhotite zone which occurs in and well beyond all zones.

The property has had a long history dating back to the late 1890's. The molybdenum-copper potential has been investigated in recent years by McIntyre Porcupine Mines and AMAX Exploration Ltd. (now Canamax Resources Inc.). Their work to date has included geological, geochemical and geophysical surveys and 2778 metres of diamond drilling in 15 holes. However, surveys to date have not fully delineated or tested the lead-zinc-silver zone. Silver values of up to 7.8 ounces per ton have been reported from shear veins and values of 1.2 ounces per ton have been reported in one of McIntyre Porcupine's drill holes. Gold values of up to 0.045 have also been reported from shear veins.

CONCLUSION

The Erie Creek property is a zoned porphyry-type deposit with a central molybdenum-copper-tungsten zone surrounded by base and precious metal mineralization.

Geochemical sampling to date has only partly defined the peripheral lead-zinc-silver zone, and analyses for gold, except for spot checks and limited sampling in 1986, were not undertaken. An exploration program comprising further geochemical surveys, to fully define the lead-zinc-silver zone, followed by diamond drilling on any targets generated are warranted.

The property may have potential for gold mineralization considering (1) the proximity to a number of important gold prospects, two of which lie within the Erie Creek dike swarm and (2) the recent discovery of a significant gold deposit associated with copper-molybdenum mineralization by Selco and Rio Algom in the Mt. Aylwin area sixty-five kilometres to the north.

In addition, other lower priority targets remain, as suggested by Canamax. Should molybdenum tungsten and copper prices improve, then a possible target would be a buried high grade (0.04% MoS₂ equivalent) at depths greater than 200 metres below the Erie Creek valley floor. Other targets are low-grade tungsten in calc-silicate hornfels on the west side of Erie Creek and silver-bearing hydrothermal breccias beneath Erie Creek.

RECOMMENDATION

A two-stage exploration program is recommended to evaluate the base and precious metal potential of the Erie Creek property. Stage I will comprise expanding the survey area to fully delineate the anomalies previously partly outlined. The existing survey grids, should be extended and soil sampled at intervals of 25 metres on lines 100 metres apart. Soils should be analyzed for Mo, Cu, Pb, Zn, Ag, As, and Au. In

addition, the AMAX pulps especially those from the lead-zinc-silver zone should be reanalyzed for gold. The numerous pits and underground workings should be mapped and sampled. Should results be favorable then a Stage II program including diamond drilling of any targets generated will be warranted.

Estimated costs for Stage I and Stage II are \$37,000 and \$102,000 respectively for a grand total of \$139,000.

ESTIMATED COSTS OF RECOMMENDATIONSTAGE I

Salaries

Geologist	1 man month @ \$6000	\$ 6,000
2 Assistant samplers	2 man months @ \$3,000	6,000
Room and Board	90 man days @ \$40/day	3,600
Geochemical analyses	1000 samples @ \$12 each	12,000
Vehicle rental, transportation		2,000
Material and supplies		2,000
Report		<u>2,000</u>
	Sub Total	\$33,600
	Contingencies	<u>3,400</u>
	TOTAL	\$37,000

STAGE II Diamond Drilling

Drilling	2000 feet @ \$35/foot	\$70,000
Bulldozer:	trenching, road construction, drillsite preparation, land reclamation	
	100 hours @ \$100/hour	10,000
Engineering, supervision, consulting		7,000
Assays		<u>5,000</u>
	Sub Total	\$92,000
	Contingencies	<u>10,000</u>
	TOTAL	\$102,000
	<u>GRAND TOTAL</u>	<u>\$139,000</u>

INTRODUCTION

Kootenay King Resources Inc. holds by staking and by option from Canamax Resources Inc., 107 claim units in the Erie Creek area near Salmo, in southwestern, British Columbia. The claims cover a concentrically zoned molybdenum-tungsten-copper-lead-zinc-silver stockwork and vein system centered on a swarm of acid to basic dikes.

Recent work by Canamax Resources Inc. (formerly AMAX Exploration Inc.) has defined low-grade molybdenum-copper-tungsten mineralization in the central part of the property. The property was acquired by Kootenay King Resources for its precious metal potential. This report was prepared at the request of Mr. Larry Sostad and is based on exploration work carried out by AMAX; a property visit made by the writer on October 12, 1985; on information supplied by Canamax Resources Inc.; and on information listed under References. Canamax kindly gave the author permission to use results of their work in preparation of this report. Also summarized are results of prospecting and sampling carried out in 1986 by George King, Larry Sostad and Bill Markinson.

The Erie Creek property is one of a large number of important mineral deposits comprising a variety of commodity types in the Nelson-Salmo-Ymir area. Nine of the twenty-five largest gold mines in B.C. (in terms of past production), lie within 25 kilometres of the property. These include the deposits of the Sheep Creek and Ymir gold camps, the Granite-Poorman, Second Relief and Arlington Mines. Significant molybdenum and copper deposits have been recently discovered by Shell Canada Resources on the Stewart property seven kilometres to the east.

LOCATION AND ACCESS

The Erie Creek property is situated eleven kilometres northwest of Salmo and 25 kilometres southwest of Nelson (see Figures 1 and 2). The claims lie on both sides of Erie Creek near its confluence with Grassy

ERIE CREEK PROPERTY LOCATION MAP

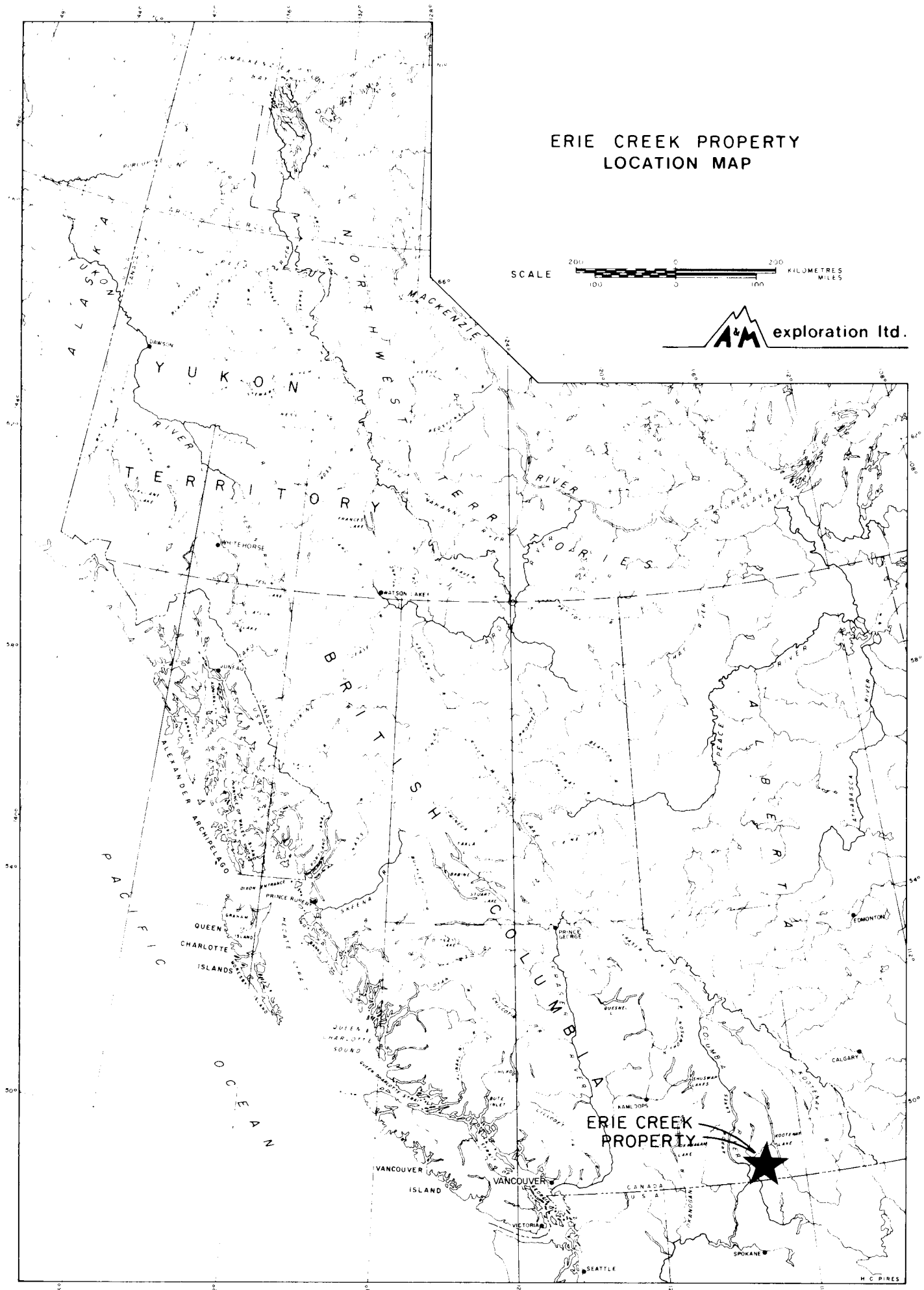
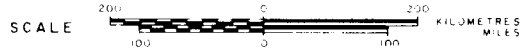


FIGURE - I

MINERAL OCCURRENCES NELSON-YMIR-SALMO AREA

SCALE 1:250,000



MINERAL OCCURRENCE ●

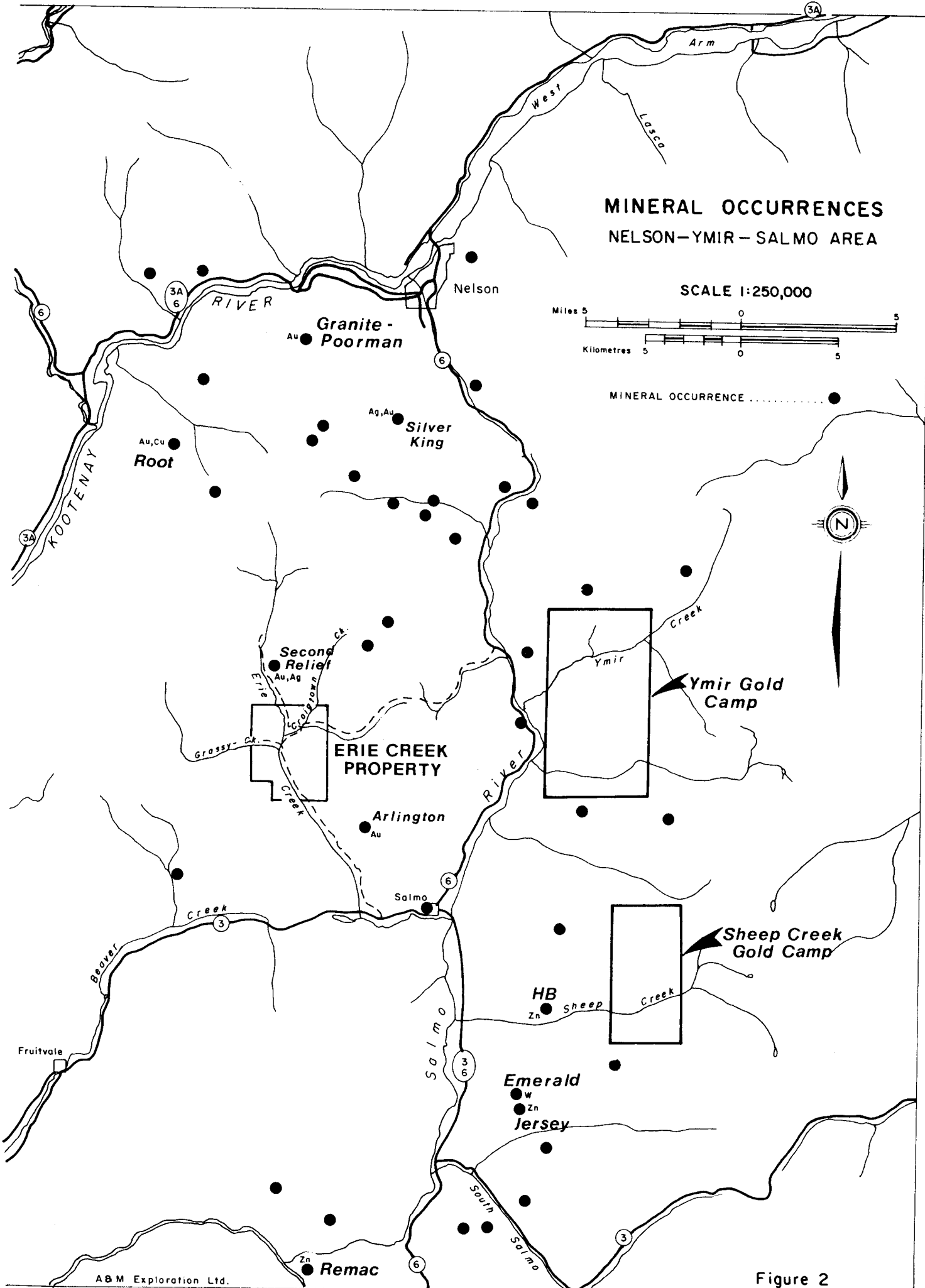


Figure 2

and Craigtown Creeks.

The area is in the Bonnington Range of the Selkirk Mountains. Topography in the claim area is moderately steep but not rugged. Elevations range from 3000 to 5500 feet. Slopes are covered with a light growth of cedar, balsam fir, Douglas fir, larch, hemlock, poplar and birch with an undergrowth of alder, willow, and false azalea.

Access is by a well maintained logging road from Highway 3, about fifteen minutes drive from Salmo.

CLAIM DATA

The Erie Creek property comprises 107 claim units (Figure 3) and are registered in the name of Kootenay King Resources Inc. Claim data area as follows:

<u>CLAIM NAME</u>	<u>RECORD NO.</u>	<u>TYPE</u>	<u>LOT NO.</u>	<u>NO. OF UNITS</u>	<u>EXPIRY DATE*</u>
Arnold	867	Rev. Crown Grant	-	1	Nov. 23, 1987
Belle	860	" " "	2461	1	Nov. 23, 1987
Ben Hassen	866	" " "	3663	1	Nov. 23, 1987
Bully Boy	862	" " "	3238	1	Nov. 23, 1987
Rosa	859	" " "	2460	1	Nov. 23, 1987
Copper King	910	" " "	5153	1	Dec. 15, 1987
Dora	909	" " "	5152	1	Dec. 15, 1987
Drum Lummon	912	" " "	5481	1	Dec. 15, 1987
Eddie	870	" " "	12186	1	Nov. 23, 1987
Florence	861	" " "	3227	1	Nov. 23, 1987
Good Enough	911	" " "	5466	1	Dec. 15, 1987
Gordon	913	" " "	12175	1	Dec. 15, 1987
Homestake	908	" " "	3662	1	Dec. 15, 1987
Louise	871	" " "	12187	1	Nov. 23, 1987
Maude S	865	" " "	3662	1	Nov. 23, 1987
Monte Carlo	907	" " "	1066	1	Dec. 15, 1987
Nelson	914	" " "	12177	1	Dec. 15, 1987
Ontario	864	" " "	3659	1	Nov. 23, 1987
Rockford	863	" " "	3435	1	Nov. 23, 1987
St. Louis	868	" " "	13176	1	Nov. 23, 1987
Westminster					
Fraction	869	" " "	12184	1	Nov. 23, 1988
June 1	4168	Mod. Grid.	-	16	July 2, 1988
June 2	4393	" "	-	8	Aug. 11, 1987
June 3	4394	" "	-	16	Aug. 11, 1987
June 4	4395	" "	-	16	Aug. 11, 1987
June 5	1019	" "	-	12	Apr. 18, 1988
June 6	4396	" "	-	12	Aug. 11, 1987
Insurance 1-6	4397-4402	2-post	-	6	Aug. 11, 1987

* Assuming current exploration work is accepted for assessment purposes.

HISTORY

Mineralization on the property was first explored in the 1890's. Little information is available on the work carried out at that time. In the 1896 B.C. Minister of Mines Annual Report, (Carlyle, 1896) brief mention is made of discoveries on the Ben Hassan and Arnold (Reverted Crown Grant) claims.

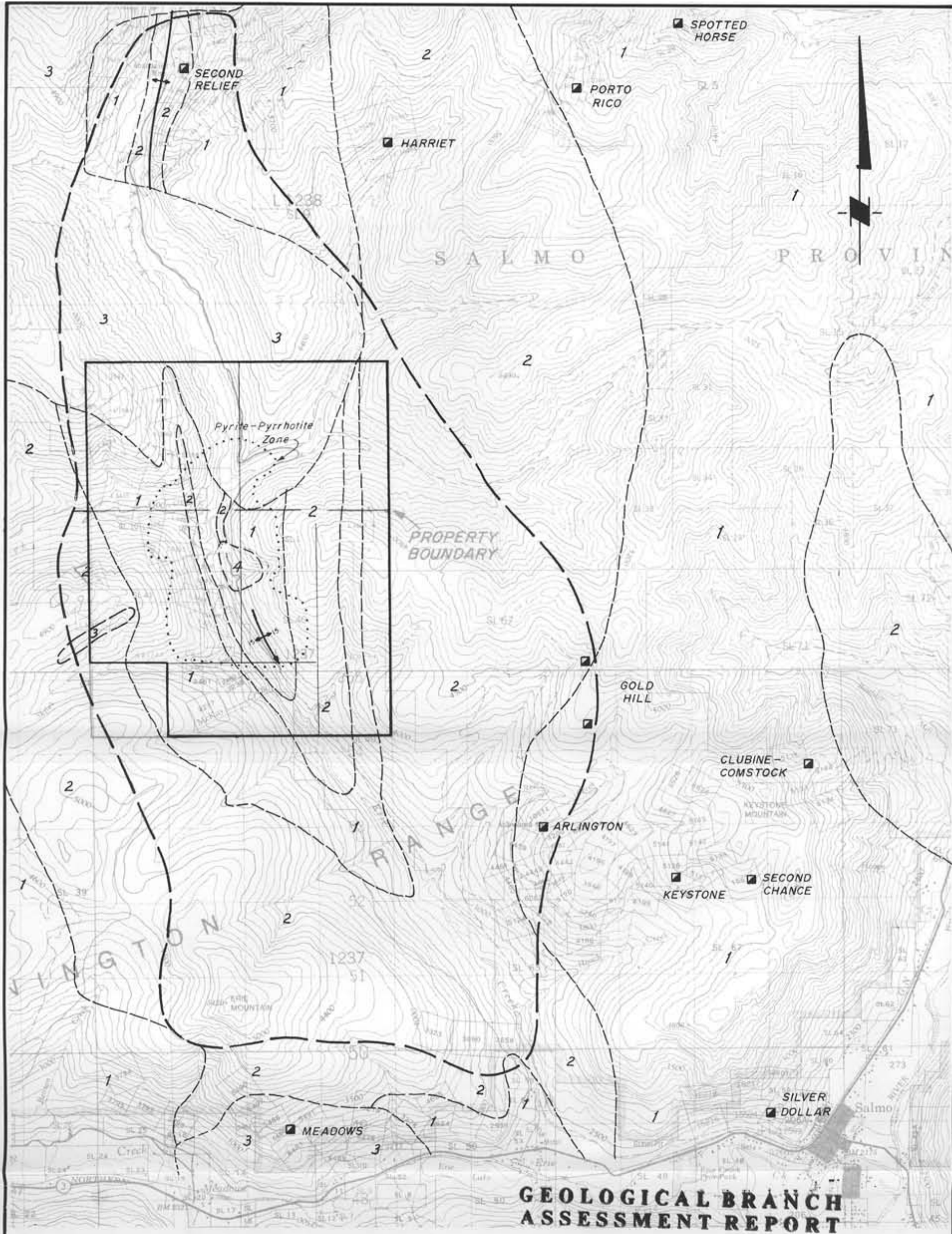
In 1926 to 1928 Consolidated Mining and Smelting Ltd. conducted diamond drilling on "copper-gold" deposits (O'Grady, 1928) on the Arnold, St. Louis and Drum Lummon claims.

In 1968, the property was held by Canzac Mines ltd. and optioned to McIntyre Porcupine Mines Ltd. who in 1969 and 1970 conducted 1712 metres of drilling in 12 holes. The best mineralization encountered was 85 metres grading 0.115% MoS_2 and 0.05% copper including a 30 metre section grading 1.2 oz/ton silver. The property was acquired by AMAX, who in 1976 to 1979, conducted detailed geological mapping, geochemical sampling, geophysical surveys and diamond drilling totalling 1066 metres in four holes. Best grades encountered were 17 metres grading 0.06% WO_3 in drill hole 80-4, and 36 metres grading 0.07% MoS_2 in drill hole 79-1.

REGIONAL GEOLOGY

The Erie Creek property is in the Nelson Map-Area of Little (1960) and the Bonnington Map-Area of Walker (1934). Geology of the immediate claim area is summarized on Figure 4.

The property lies near one of the lobes of the 160 m.y. old Nelson batholith. In this area, it is composed of coarse grained porphyritic granodiorite-granite containing numerous white orthoclase phenocrysts in a groundmass of orthoclase, plagioclase and quartz with minor amounts of hornblende and biotite. The granite has intruded sedimentary rocks of the "Sinemurian beds" (Little, 1960) and volcanic rocks of the Rossland Formation, both of Lower Jurassic age.



**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

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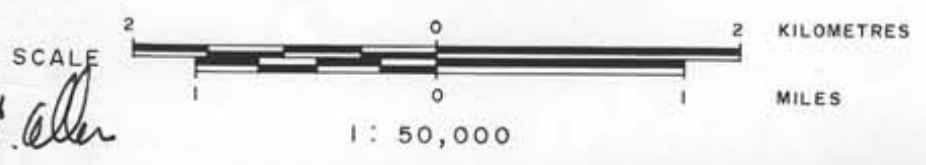
ERIE CREEK PROPERTY
NELSON M. D. - B. C.

REGIONAL GEOLOGY

- LEGEND**
- 4 ERIE CREEK STOCK
 - 3 NELSON BATHOLITH - *Porphyritic granodiorite*
 - 2 ROSSLAND FORMATION - *Augite porphyritic basalt, volcanic breccia.*
 - 1 HALL FORMATION - *Argillite, phyllite.*

- SYMBOLS**
- Limit of Erie Creek Dyke Complex.
 - Approximate geological contact.
 - Mine or prospect
 - Major fold axis (anticline).

Donald G. Allen



Vancouver -

S.P. & G.T.

After Canamax Resources Inc., 1980

A complex array of dikes and sills of porphyritic rhyolite, quartz latite, dacite, and basalt (Erie Creek dike swarm) occur in the Erie Creek basin for a distance of at least seventeen kilometres, between the Arlington and Second Relief Mines. The swarm is about one kilometre wide. An age determination of 47 million years has been reported by Hodgson et al (1979). Dikes trend north-south and parallel Erie Creek. Abundance ranges from about three per 100 metres to as many as thirty per 100 metres in the centre of the property where one or more of the dikes assume stock-like dimensions.

A number of former producers of base and precious metals occur in the immediate vicinity of Erie Creek, notably the Second Relief Mine (past production 99,000 ounces of gold from 228,000 tons of ore) to the north and the Arlington (past production 56,000 ounces of gold and 100,000 ounces of silver from 85,000 tons of ore). Both deposits and a number of other prospects are associated with the Erie Creek dike swarm although a direct genetic relation has not been established.

PROPERTY GEOLOGY

The property geology has been described by the writer (Allen, 1977) and Hodgson, Parry and Lebel (1980). The following is a brief summary. For details, see assessment reports in file with the B.C. Ministry of Energy, Mines and Petroleum Resources.

The main geological features of the property are a quartz monzonite stock containing a well developed quartz vein stockwork about 400 metres in diameter, and swarms of quartz-feldspar porphyry dikes. Host rocks are hornfelsic siltstone of the "Sinemurian Beds" and/or Hall Formation, and augite basalt and volcanic breccia of the Rosland Formation.

Erie Creek Stock

The Erie Creek stock is a light grey quartz monzonite with an aplitic texture. Four sub-types with complex cross-cutting relationships between types and molybdenum mineralization have been noted.

Dikes

Dikes of quartz-feldspar porphyry of various textures are abundant on the property, much more so than indicated on the accompanying maps. They range in width from several centimetres to about twenty metres. In general, they trend north-south ($+30^{\circ}$) and have steep dips. Numerous phases have been recognized. Age relationships with each other and with mineralization are complex. Most dikes appear to be intramineral and postmineral in age.

The most prevalent dike type is a biotite quartz-feldspar porphyry which in itself has variable proportions of phenocrysts of biotite, quartz and feldspar. Other common readily identifiable dike phases include white quartz porphyry and black basalt dikes.

Alteration

Four main alteration types have been mapped.

- 1) Biotite hornfels is apparently a contact metamorphic effect related to both the Nelson batholith and the Erie Creek dike swarm. It is developed mainly in argillite and siltstone.

- 2) Weak quartz-sericite-pyrite alteration occurs in envelopes along and adjacent to fractures and molybdenite-quartz veins.
- 3) Chlorite occurs mainly on fractures and in shear veins in augite andesite and hornfels.

Mineralization

Mineralization on the Erie Creek property occurs roughly in four concentric zones.

- 1) An inner quartz-molybdenite + scheelite zone is approximately 600 metres in diameter and is centered on the east side of Erie Creek. Host rocks are quartz monzonite dikes and stock, and white rhyolite. Grades in the zone range from 96 to 590 parts per million molybdenum, 166 to 1960 parts per million copper and 50 to 1400 parts per million tungsten. Best results reported by McIntyre Porcupine Mines were 85 metres of 0.115% MoS_2 and 0.05% Cu (including 30 metres 1.2 ounces per ton silver).
- 2) Chalcopyrite occurs over an area of 1.5 to 2 kilometres, both in and around the molybdenite zone. Chalcopyrite occurs in quartz and sulphide veinlets, as fracture coatings, and in shear veins with pyrite, pyrrhotite and minor amounts of scheelite. Best copper values were obtained up to 1.3% from vein and dump samples mainly on the west side of Erie Creek.
- 3) Pyrite and pyrrhotite occur finely disseminated and as fracture coatings in and around the molybdenite-chalcopyrite zone, over an area of about 1.5 by 2.5 kilometres.
- 4) Sphalerite and galena occur in shear veins beyond the molybdenite zone. They are found on the Arnold, St. Louis, Ben Hassen and Rosa reverted crown grant claims.

The distribution of gold and silver appears to be erratic. McIntyre Porcupine Mines reported a thirty metre composite in drill hole 69-5 that assays 1.2 ounces per ton silver. Elsewhere, silver values up to 90 parts per million (2.6 ounces per ton) are reported by AMAX from the shear veins mentioned above. Gold values of up to 620 parts per

billion (0.017 ounces per ton) are also reported.

GEOCHEMISTRY

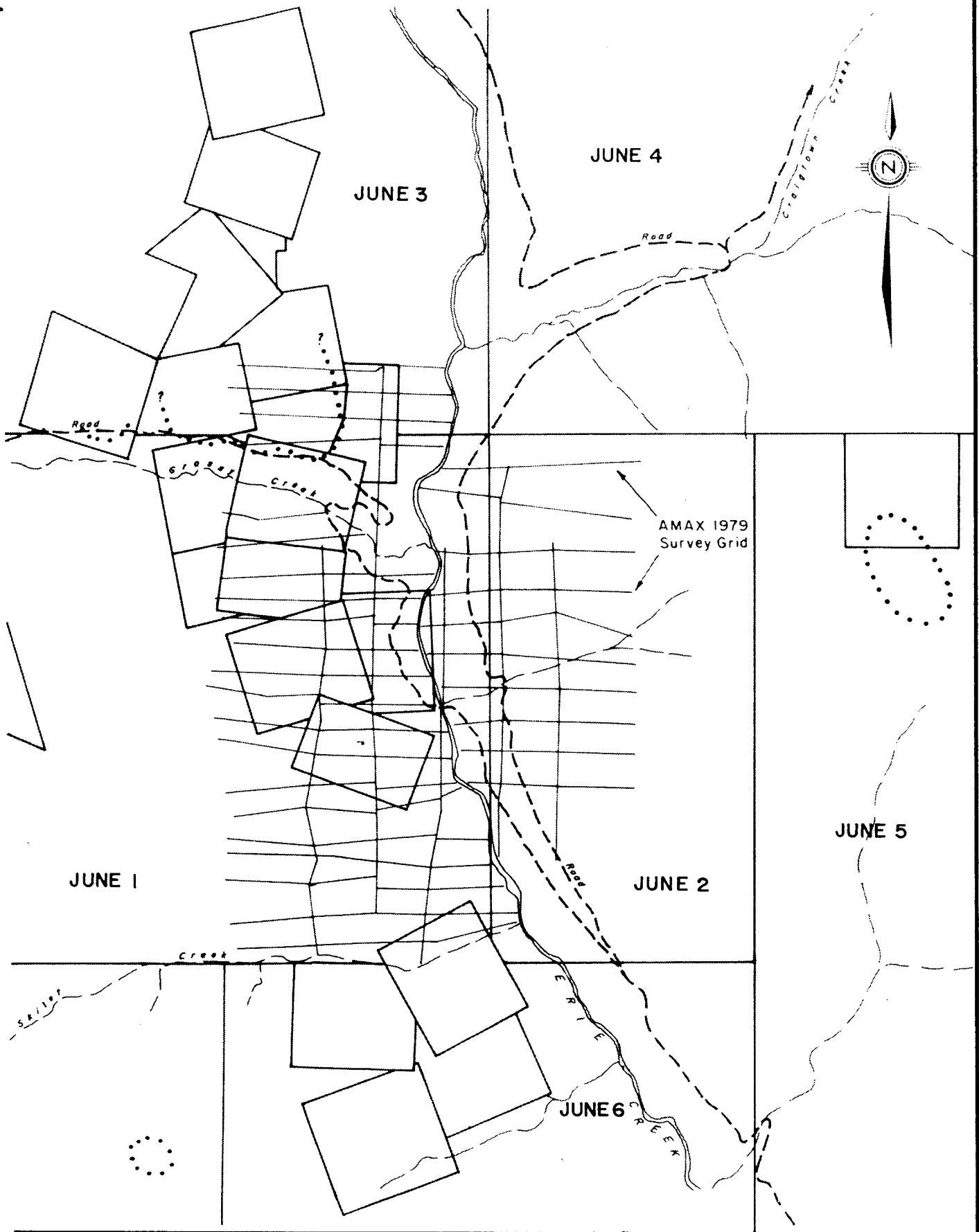
Previous Work

Results of soil and rock geochemical sampling by AMAX are summarized on Figures 5a to 5f. Data reinforces the zoning pattern already described above, i.e.:


- 1) A molybdenum soil anomaly 700 metres in diameter centered east of Erie Creek.
- 2) A tungsten anomaly about 1.2 kilometres in diameter which overlaps the molybdenum anomaly.
- 3) A copper soil anomaly which is two kilometres in diameter.
- 4) Lead and zinc soil anomaly patterns occur beyond the copper anomalies. Of significance are highly anomalous lead (>200 parts per million) and zinc (>600 parts per million) on the western part of the claims and immediately to the north of Grassy Creek. Soil sampling grids have not been extended sufficiently to fully delineate the anomalous area.
- 5) Silver values are anomalous (0.8 - 2.4 ppm) mainly in the extreme northwest part of the sampled area. Elsewhere, reconnaissance sampling has revealed several clusters of silver anomalies in soil (0.8 to 2.8 ppm with one anomalous value of 10.6 ppm obtained in the southwestern corner of the claim group) that warrant follow-up.

1985 Work

In 1985, most of the available drill core pulps on storage at Rossbacher Laboratory Ltd. were selected and analyzed for gold. Samples were analyzed to investigate whether or not gold values are present in the molybdenum-tungsten zone. Except for a few scattered anomalous values of 20 to 30 parts per billion only two significant values of 180 and 350 parts per billion (0.005 and 0.01 ounces per ton) were obtained



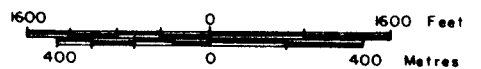
LEGEND

p.p.m. Ag \geq 0.8 

p.p.m. Ag DISTRIBUTION MAP

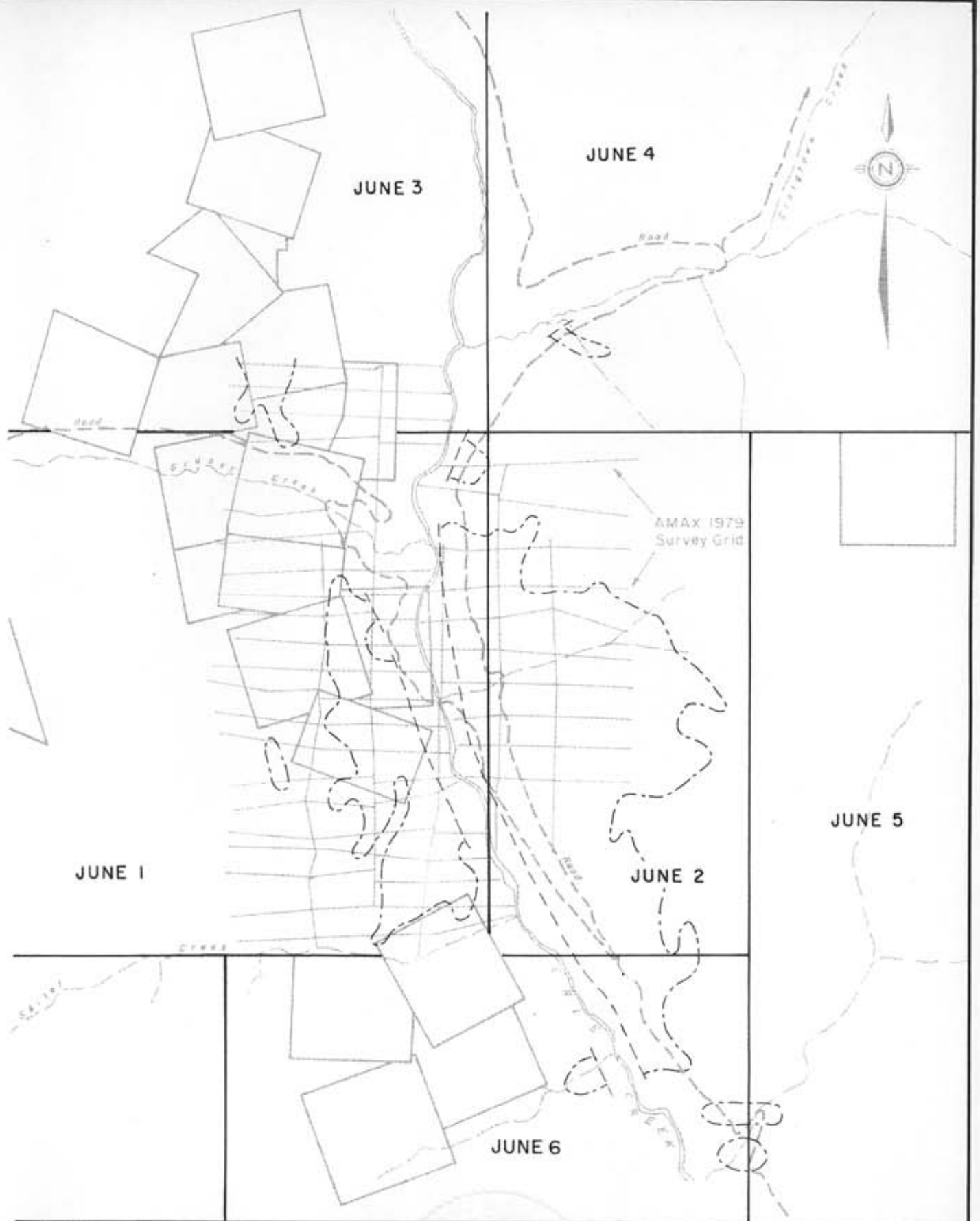
**ERIE CREEK PROPERTY
NELSON MINING DIVISION**

Donald F. Cole



After Hodgson, Parry, LeBel (Amax), 1980.

Figure 5a



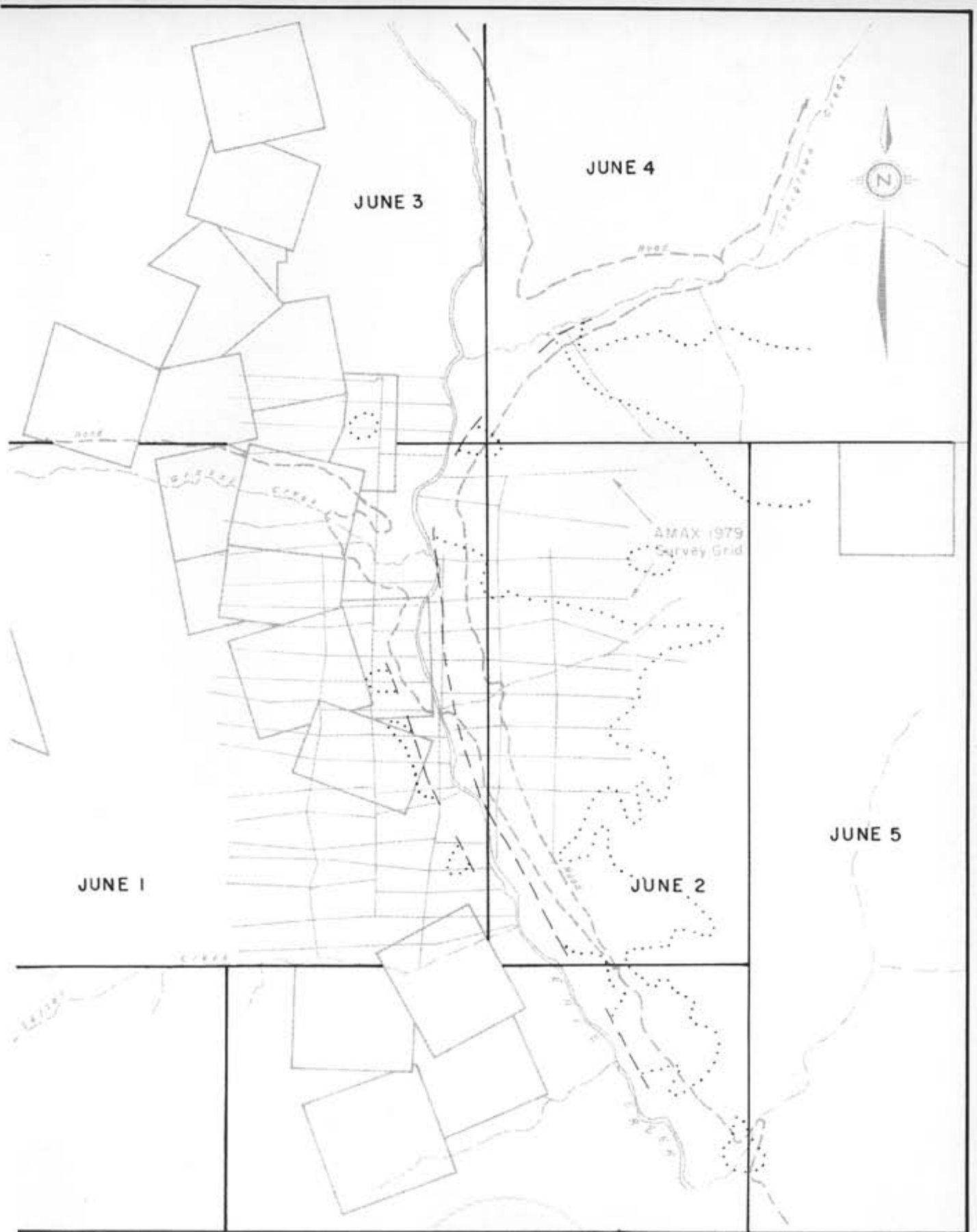
LEGEND
 p.p.m. W \geq 15

p.p.m. W DISTRIBUTION MAP
ERIE CREEK PROPERTY
 NELSON MINING DIVISION

After Hodgson, Parry, LeBel (Amax), 1980. *Donald P. Allen*



Figure 5b



LEGEND
 p.p.m. Mo \geq 4



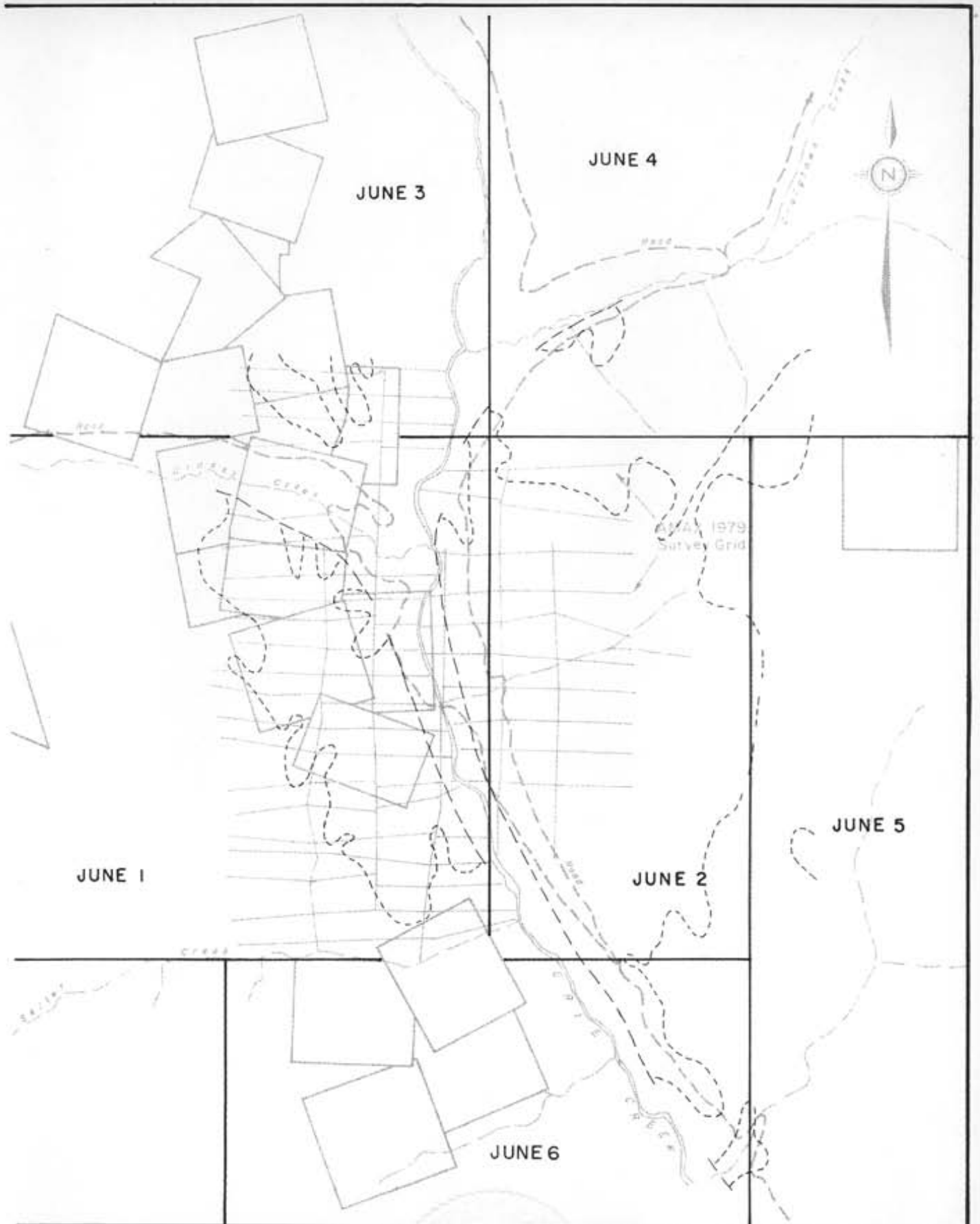
p.p.m. Mo DISTRIBUTION MAP
ERIE CREEK PROPERTY
 NELSON MINING DIVISION

Donald J. [Signature]



After Hodgson, Parry, LeBel (Amax), 1980.

Figure 5c



LEGEND
 p.p.m. Cu \geq 100

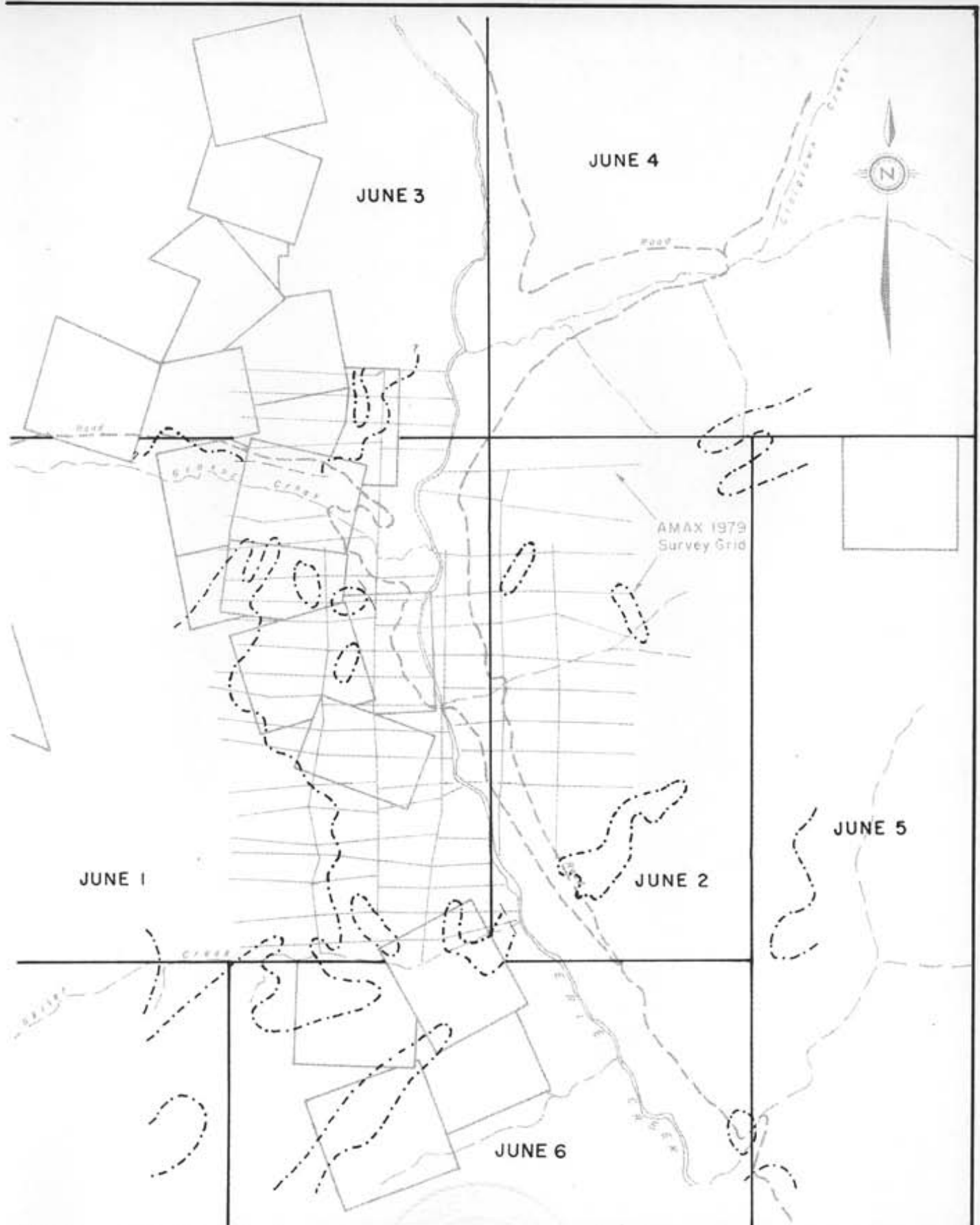
p.p.m. Cu DISTRIBUTION MAP
ERIE CREEK PROPERTY
 NELSON MINING DIVISION

Donald P. Allen



After Hodgson, Parry, LeBel (Amax), 1980.

Figure 5d



LEGEND
 p.p.m. Pb \geq 50



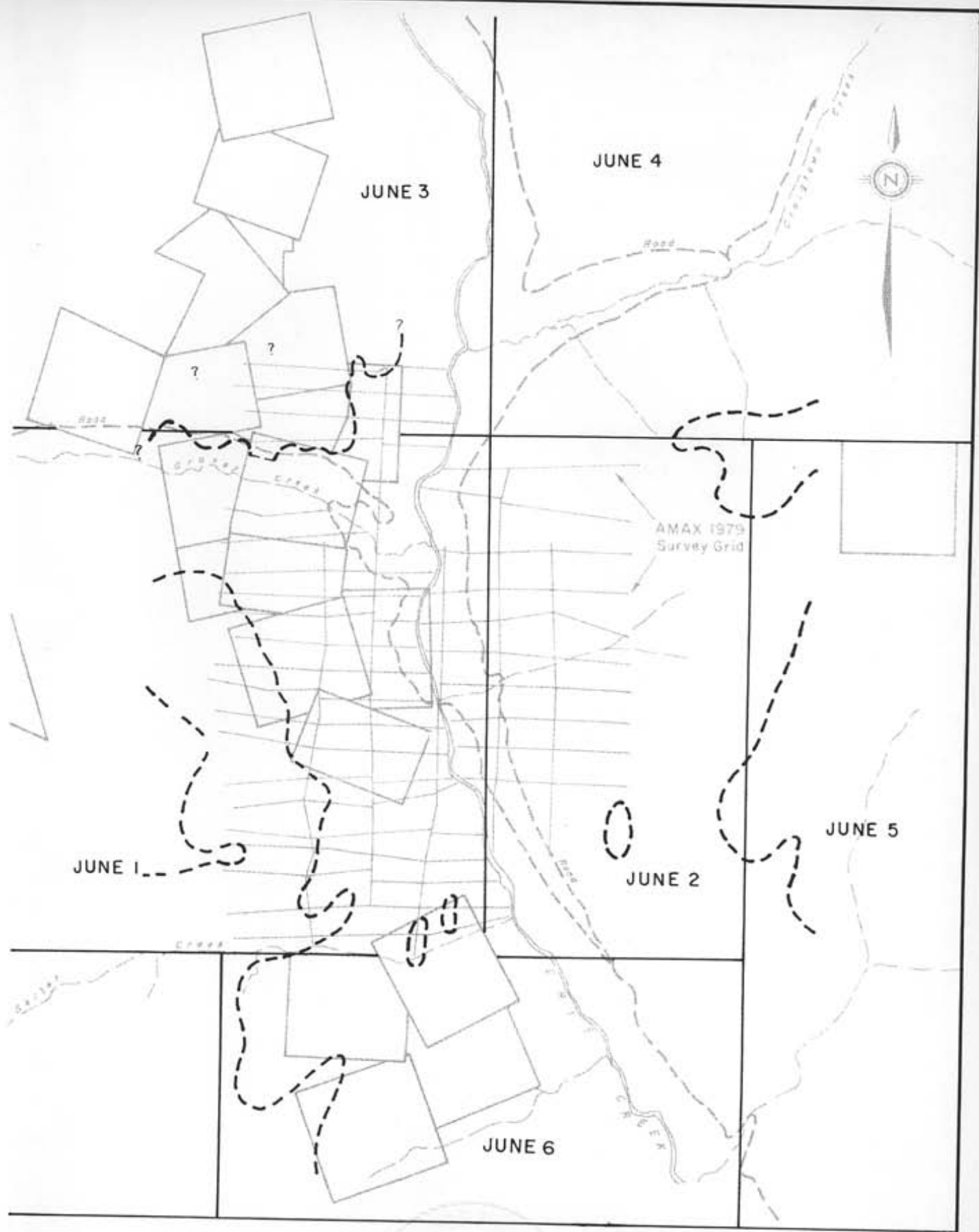
p.p.m. Pb DISTRIBUTION MAP
ERIE CREEK PROPERTY
 NELSON MINING DIVISION



Donald S. Allen

After Hodgson, Parry, LeBel (Amax), 1980

Figure 5e



LEGEND
 p.p.m. Zn \approx 200

p.p.m. Zn DISTRIBUTION MAP
ERIE CREEK PROPERTY
 NELSON MINING DIVISION

After Hodgson, Parry, LeBel (Amax), 1980.
Donald J. Allen

1600 0 1600 Feet
 400 0 400 Metres

from the interval 162 to 170 feet (2.4 metres). In this interval Parry (1980) reports the presence of chlorite-actinolite veins up to 15 centimetres wide containing up to 10% pyrrhotite and locally 1% chalcopyrite. Several samples taken by the writer (Figure 6) from the copper-tungsten zone were analyzed for gold and found to be slightly anomalous (up to 70 parts per billion).

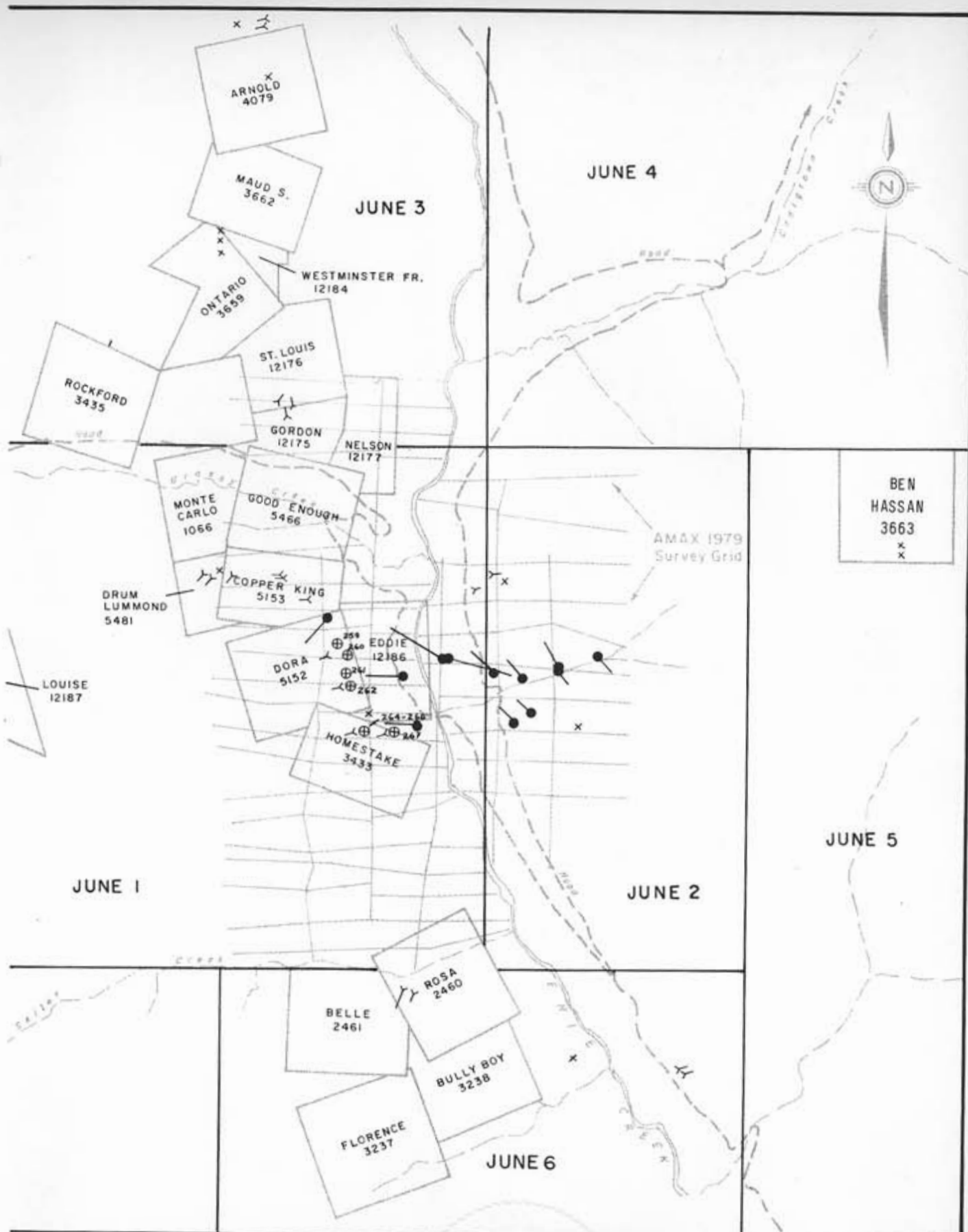
In view of the association of copper and gold with other important gold deposits in the Nelson-Salmo area, such as the Granite-Poorman Mine (Allen, 1984, Figure 2) and the Root property (Santos, 1983), further mapping and sampling is warranted.

1986 FIELDWORK

In 1986, a prospecting program was carried out on the Erie Creek property. An attempt was made to locate and sample as many of the old prospect pits, trenches and adits as possible. A total of 58 rock samples were collected. Most were a series of grab samples or rock chip samples collected from float, dumps and outcrop. Samples were shipped to Acme Analytical Laboratories and analyzed for gold and silver by standard atomic absorption techniques. Selected samples were fire assayed for gold and silver. Sample sites are plotted on Figure 7 and analytical results presented in Appendix II.

Results of sampling reveal a low but significant range of gold and silver values. Approximately one third of the samples contain anomalous gold (greater than 10 parts per billion) and silver (greater than 1.5 parts per million). Of particular interest are gold values of 0.01 and 0.04 ounces obtained from quartz veins on the Ben Hassen claim in the eastern part of the claim group.

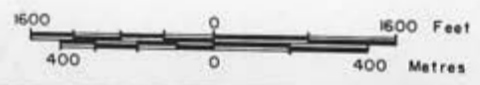
Donald J. Allen



LEGEND

- Adit x
- Shaft, Pit x x
- Drill hole ⊕
- Rock sample, sample no. ⊕ 267

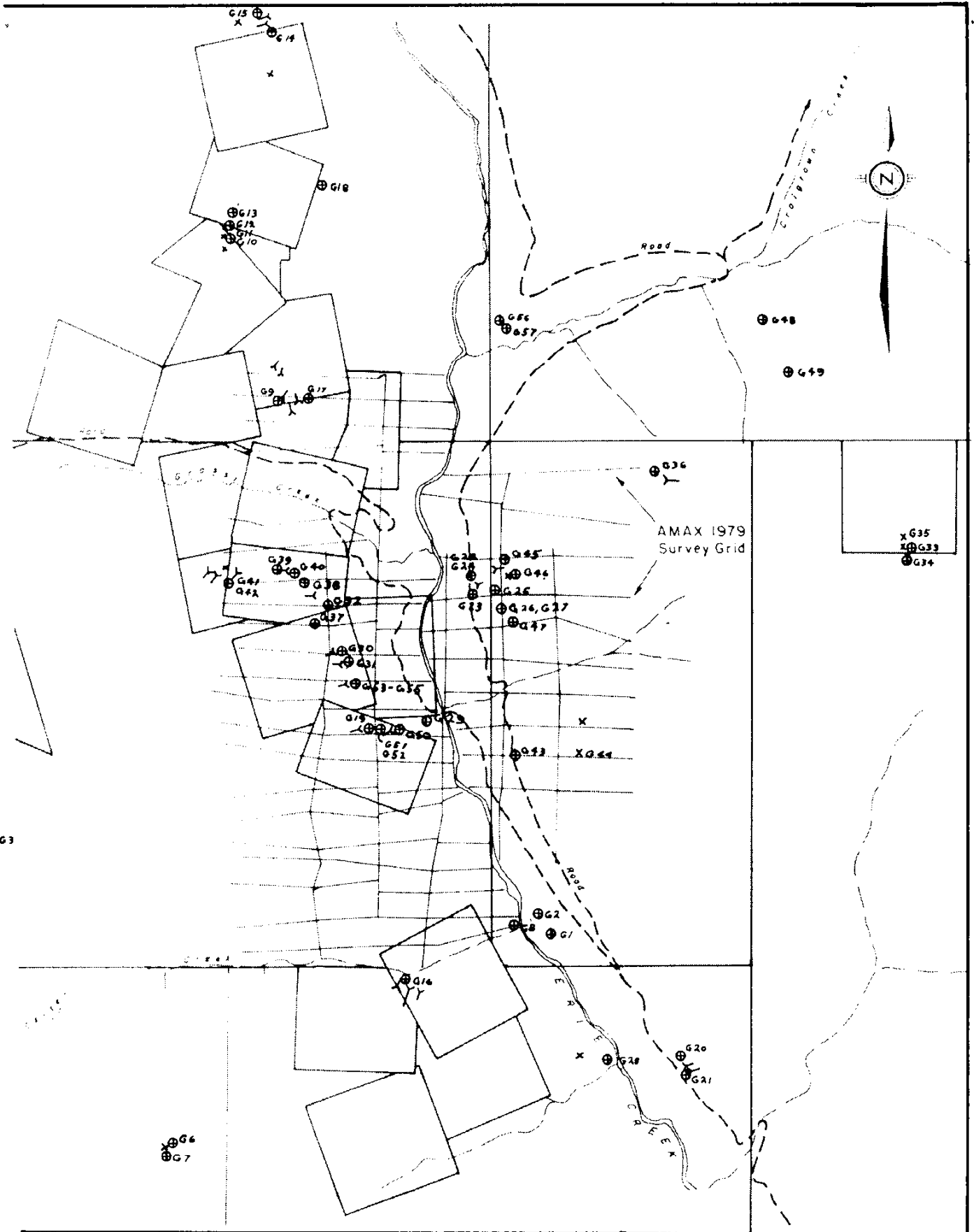
**Claims, Drill Holes, Adits, Sample Sites
 ERIE CREEK PROPERTY
 NELSON MINING DIVISION**



After Hodgson, Parry, LeBel (Amax), 1980.

Donald G. Allen

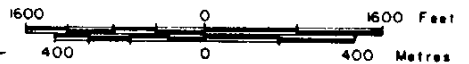
Figure 6



LEGEND

- Adit ————
- Shaft, Pit x x
- Rock sample, sample no. ⊕ G1*

**1986 sample sites
ERIE CREEK PROPERTY
NELSON MINING DIVISION**



After Hodgson, Parry, LeBel (Amax), 1980.

Donald P. All

Figure 7

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CERTIFICATE

I, Donald G. Allen, certify that;

1. I am a Consulting Geological Engineer, of A & M Exploration Ltd., with offices at #614 - 850 West Hastings Street, Vancouver, British Columbia.
2. I am a graduate of the University of British Columbia with degrees in Geological Engineering (B.A.Sc., 1964; M.A.Sc., 1966).
3. I have practised my profession of exploration geologist since 1964 to present, in British Columbia, the Yukon, Alaska and various parts of the Western United States.
4. I am a member in good standing of the Association of Professional Engineers of British Columbia.
5. This report is based on the fieldwork carried out personally by the writer from September 28 to October 2, 1976 (for AMAX), on a property visit on October 12, 1985, on information supplied by Canamax Resources Inc. (see References) and on field work carried out by George King, Larry Sostad and Bill Markinson.
6. I hold no interest, nor do I expect to receive any, in the Erie Creek property, or in Kootenay King Resources Inc.
7. I consent to the use of this report in a Statement of Material Facts or in a Prospectus in connection with raising of funds for the project covered by this report.

March 17, 1987
Vancouver, B.C.


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

APPENDIX I
SAMPLE DESCRIPTIONS

APPENDIX I

Description of samples collected by G. King

- G 1. Roadbed sample.
2. Rusty sulfide bearing felsic intermediate rock.
3. Mineralized float. (chalcopyrite, molybdenite)
4. Sample from site of old shaft @ 4900' elevation.
5. as above.
6. as above.
7. "Wallrock".
8. Angular float - quartz-feldspar porphyry.
9. Quartz-feldspar porphyry containing minor pyrite and galena.
10. Quartz vein containing pyrite.
11. Quartz vein containing chalcopyrite and pyrrhotite from shaft at 4650' elevation.
12. As above.
13. From small pit at 600' elevation.
14. From adit at 4300' elevation.
15. Quartz vein from adit immediately to the west of sample 14.
16. Adit dump sample at Skillet Creek.
17. Sample from near adit @ 3750' elevation.
18. Sample from near adit @ 4100' elevation.
19. Mineralized wall rock from trench at 3400' elevation.
20. Float sample.
21. Sample from trench.
22. 50 metres west of upper road.
23. As above.
24. At adit 75 metres east of upper road.
25. From trench 75 metres east of upper road.
26. 100 metres east of upper road.
27. As above.
28. Hornfel volcanic rock with pyrite and pyrrhotite on fractures.
29. 20 metres above trench.
30. Stockwork mineralization in white rhyolite from adit.
31. Hornfels with chalcopyrite on fractures.
32. Float sample 20 metres N of Drill site 69-1.
33. Quartz vein material with galena, pyrite and chalcopyrite from south shaft on Ben Hassan claim.
34. Mineralized wallrock, mainly dump material.
35. Quartz vein 2 cm wide from north shaft.
36. Adit dump material - minor mineralization in volcanic rock.
37. Hornfels with chalcopyrite.
38. Hornfels with chalcopyrite and pyrite.
39. Mineralized hornfels.
40. Quartz feldspar porphyry containing chalcopyrite and pyrite.
41. Adit at 3000' elevation.
42. Trench at 3850' elevation.

43. Float with chalcopyrite and pyrite.
44. Quartz vein up to 1' wide containing abundant pyrite and minor chalcopyrite.
45. Hornfels containing quartz vein stockwork - dump material.
46. Hornfels from trench at 3650' elevation.
47. No description.
48. Calc-silicate hornfels containing galena-quartz veinlets.
49. Oxidized felsite.
50. Adit at 3300' elevation.
51. North part of Homestake claim.
52. Adit in Homestake claim.
53. Adit in Dora claim.
54. Adit and trench at 3400' elevation.
55. Adit in southeast part of Dora claim.
56. Silicified intermediate dike rock containing chalcopyrite and pyrrhotite.
57. As above.
58. Felsic dike.

APPENDIX II
ANALYTICAL RESULTS

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

DATE RECEIVED: MAR 10 1987

DATE REPORT MAILED: *Mar 13/87*

GEOCHEMICAL/ASSAY CERTIFICATE

.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 AA FROM 10 GRAM SAMPLE. AU** BY FIRE ASSAY

ASSAYER: *D. King* DEAN TOYE. CERTIFIED B.C. ASSAYER.

KOOTENAY KING

FILE # 87-0643

PAGE 1

SAMPLE#	Ag PPM	Au* PPB	Ag** OZ/T	Au** OZ/T
G 1	.6	16	-	-
G 2	.1	2	-	-
G 3	26.1	2	-	-
G 4	16.4	1	-	-
G 5	9.1	1	-	-
G 6	263.4	205	7.36	.007
G 7	32.3	1	-	-
G 8	.4	2	-	-
G 9	.1	1	-	-
G 10	11.3	2	-	-
G 11	19.1	1	-	-
G 12	18.1	6	-	-
G 13	1.8	1	-	-
G 14	41.4	49	-	-
G 15	67.3	32	1.84	.002
G 16	213.2	15	6.01	.001
G 17	5.6	12	-	-
G 18	8.2	8	-	-
G 19	6.2	65	-	-
G 20	.6	1	-	-
G 21	.1	6	-	-
G 22	.6	29	-	-
G 23	.1	2	-	-
G 24	.4	2	-	-
G 25	.1	1	-	-
G 26	.9	2	-	-
G 27	.5	1	-	-
G 28	.1	11	-	-
G 29	.1	1	-	-
G 30	2.9	15	-	-
G 31	.3	3	-	-
G 32	1.2	14	-	-
G 33	223.9	1680	7.21	.045
G 34	6.1	17	-	-
G 35	259.8	305	7.84	.010
G 36	.7	76	-	-
STD C/AU-R	6.9	510	-	-

SAMPLE#	Ag PPM	Au* PPB	Ag** OZ/T	Au** OZ/T
G 37	20.2	445	-	-
G 38	.1	5	-	-
G 39	.4	1	-	-
G 40	.1	1	-	-
G 41	1.2	1	-	-
G 42	.1	1	-	-
G 43	.1	1	-	-
G 44	3.0	59	-	-
G 45	3.4	7	-	-
G 46	4.9	2	-	-
G 47	2.3	1	-	-
G 48	62.2	1	1.56	.001
G 49	.1	1	-	-
G 50	4.0	32	-	-
G 51	9.2	46	-	-
G 52	.8	3	-	-
G 53	1.3	3	-	-
G 54	2.2	15	-	-
G 55	.5	1	-	-
G 56	.3	1	-	-
G 57	.2	1	-	-
G 58	10.2	91	-	-
STD C/AU-R	6.9	505	-	-

APPENDIX III
AFFIDAVIT OF EXPENSES

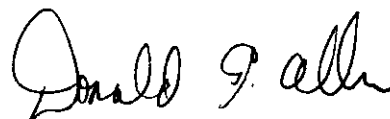
AFFIDAVIT OF EXPENSES

This will certify that prospecting was carried out on the June and Belle Groups, Erie Creek area, Nelson Mining Division during the period July 14 to August 7, 1986 to the value of the following:

Mobilization and Fieldwork

L. Sostad	7 days @ \$150/day	\$1,050.00
G. King	21 days @ \$150/day	3,150.00
B. Markinson	21 days @ \$100/day	2,100.00
Room and Board	49 man days @ \$50/day	2,450.00
Geochemical Analyses and Assays		509.00
Vehicle Rental	3 weeks @ \$250/week	<u>750.00</u>

TOTAL \$10,009.00



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