

DIAMOND DRILLING REPORT

ON

THE CID GROUP
IRON MASK AREA
KAMLOOPS, B.C.

OF

COMET INDUSTRIES LTD.
INITIAL DEVELOPERS LTD.
DAVENPORT INDUSTRIES LTD

BY

N.B. VOLLO, P.ENG.
DEC 3RD, 1986

Kamloops M.D.

92 I / 9 W

50° 40' 120° 28.5'

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

15,608

FILMED

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Diamond Drill Logs and Sample Record.

PLATE I - Geological Map, 1:2500, DM Zone

PLATE II- Geological Map, 1:2500, Audra Zone

SUMMARY

The CID Mineral Claim Group is located 10 km west of the City of Kamloops, B.C. and adjoins the producing Afton Mine. It includes the former producing Iron Mask Mine. Extensive exploration of the property since 1972 has been done by the Comet-Initial-Davenport group and by Getty Mines Ltd., Canadian Superior Explorations Ltd., and Craigmont Mines Limited. This work has resulted in the discovery of several Copper-Gold zones, some of which are of possible economic size and grade. Reinterpretation of previous data by the writer suggested that the two most westerly of these, the Audra and DM, might strike north-easterly and have potential for developing minable tonnages. Two holes were drilled, one on each zone, totalling 209m, confirming this hypothesis. Additional drilling should be done to develop tonnage on these zones.

LOCATION AND ACCESS

The property is located on the TransCanada Highway about 10 km west of the center of the City of Kamloops, partly within the extended boundaries of the city (fig. 1). The surface is rolling grassland with a few small salt ponds and is used as rangeland. The extreme eastern portion contains a few residences and an industrial park, though the latter has no tenants at this time. The northern and eastern portions are crossed by a major power line and gas and oil trunk pipelines. The Coquihalla Highway, under construction, crosses the property to join the Trans Canada highway at the west end of Iron Mask Lake, and in conjunction with this, the TransCanada will be moved some distance north.

PROPERTY

The property consists of 8 claims totalling 86 units, 2 fractions, 10 two post claims, one mineral lease and 25 Mineral Crown Grants, as shown on fig. 2, as follows:

CID-1, 20 units, Rec. No. 4564	exp. July 4th, 1989
CID-2, 20 units, " 4565	" " " , 1990
CID-3, 20 units, " 4566	" " " , 1992
CID-4, 9 units, " 4567	" " " , 1990
CID-5, 12 units, " 4568	" " " , 1988
OR-11, 3 units, " 722	" Feb 27th, 1988
OR-13, 1 unit, " 723	" " " , 1988
OR-14, 1 unit, " 724	" " " , 1988
Bonnie Jean Fr., " 780	" Apr 22nd, 1991
Delta 1061 Fr., " 943	" Jul 22nd, 1991
Ro-61, 1 claim, " 48255	" Dec 14th, 1988
Mineral Lease 21, Application for renewal filed.	

all held by record by Comet Industries Ltd.

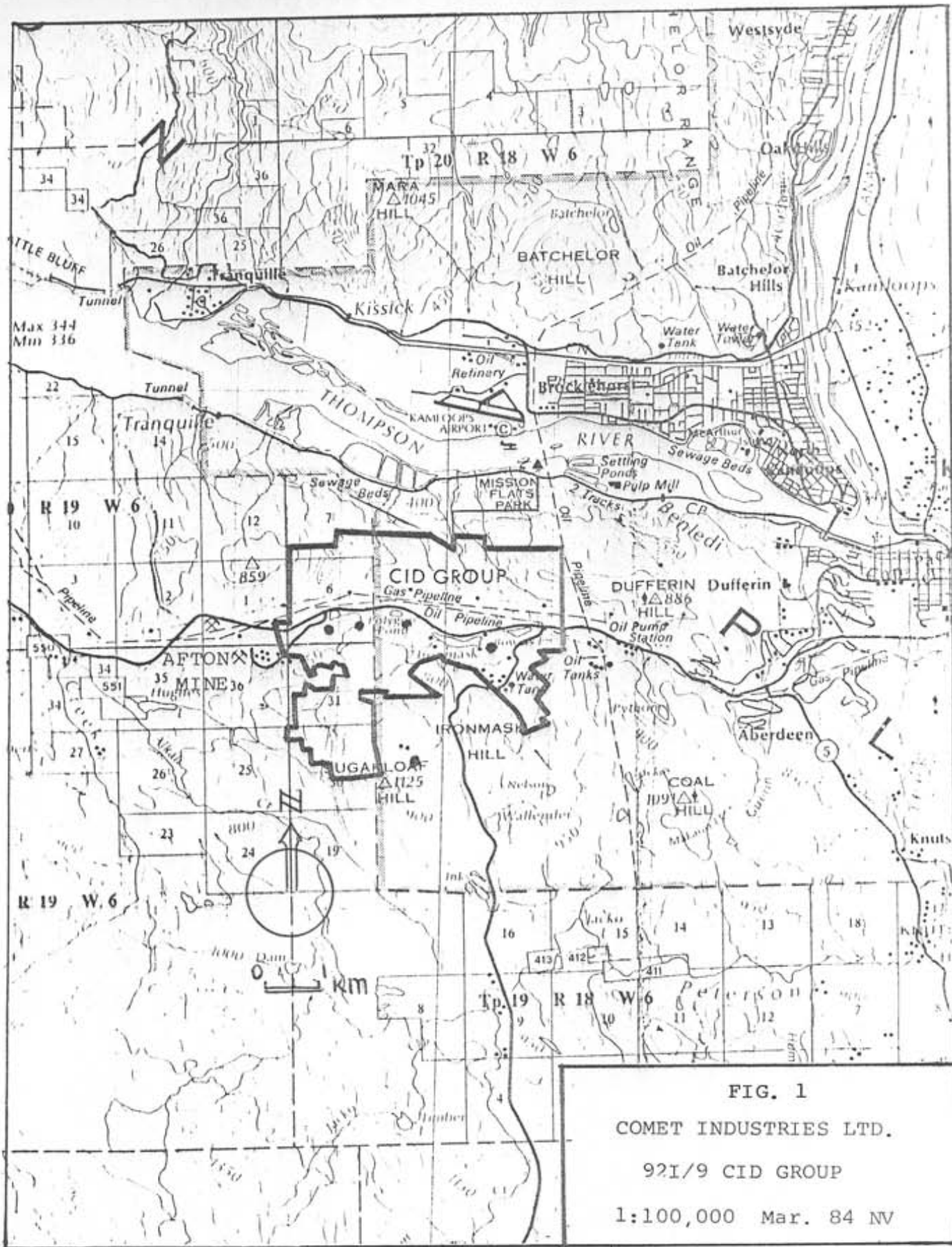


FIG. 1
 COMET INDUSTRIES LTD.
 92I/9 CID GROUP
 1:100,000 Mar. 84 NV

EB-3 to 11, Rec. Nos. 94028 - 94036, 9 claims, in good standing until Dec. 30th, 1988, held by record 70% by Comet Industries Ltd. and 30% by Initial Developers Ltd.

Mineral Crown Grants, Lots 878, 879, 880, 1036, 1050, 1066, 1067, 1068, 1301, 1302, 1340, 1342, 1747, 5622, 5623, 5625, 5626, 5627, 5628, 5629, all K.D.Y.D., mineral title held by Davenport Industries Ltd.

By agreement, Comet Industries Ltd. holds 40%, Initial Developers Ltd. 30% and Davenport Industries 30% interest in all of the above properties.

HISTORY AND PREVIOUS WORK

Copper was discovered on the property around the turn of the Century and between 1904 and 1928 the former Iron Mask Mine produced 5,000,000 pounds of copper and 3800 ounces of gold from 180,000 tons of ore. Since the discovery of the adjacent Afton deposit in 1972, some 40,000 m of percussion, rotary and diamond drilling have been completed by Comet Industries Ltd., Getty Mines Ltd., Canadian Superior Exploration Ltd. and Craigmont Mines Limited. At least nine copper-gold deposits have been discovered (fig. 2), of which two, the Big Onion and Crescent, approach economic size and grade.

GEOLOGY

The CID group is within the Iron Mask Batholith, an alkalic intrusive complex, coeval with the surrounding Nicola volcanics of Triassic age. Rock compositions range from picrite gabbro to monzonite, forming a more mafic Iron Mask suite and a slightly younger, more felsic, Cherry Creek suite. The rocks are extensively faulted, altered and mineralized and contain several known copper-gold deposits, the largest of which, the Afton, went into production in 1972 with a reserve of 34,000,000 tons grading 1% Cu and appreciable gold-silver values. The Triassic rocks are partly covered by flat lying Tertiary continental sediments, acid volcanics and basalts. These were accompanied by extensive vertical faulting and slumping

At least nine significant copper showings and deposits are known on the Cid Group (fig. 2), of which the largest are the Big Onion-Tailings zone and the Crescent zone.

The writer has replotted and reinterpreted the Crescent zone as a well defined, tabular body of mineralization striking northeasterly and dipping about 60° to the southeast. It is centered in and around a body of Cherry Creek breccia intrusive into monzonite. It is cut off on both ends by normal faults, probably of Tertiary age. The Audra and DM zones to the

west (nos. 4 and 5, fig. 2), are geologically similar to the Crescent in that they are associated with small bodies of Cherry Creek intrusive breccia. The Audra has been tested by a number of holes, mostly percussion, one of which intersected 55m grading better than 1% Cu. The zone has been interpreted as an easterly striking body, but, as with the Crescent Zone, this may not be the case and replotting of data on N 45° W sections indicates it may be open to the northeast. Similarly, one percussion drill hole on the DM zone intersected 0.53% Cu over its length of 122 m (400'), and replotting of data suggests it may be open to the northeast. The present program was done to test this hypothesis by drilling one inclined hole across each zone. It is unlikely that large tonnages could be developed in these zones, but reserves up to two or three million tonnes are possible.

DIAMOND DRILL PROGRAM

The core is stored in a large core shack on the property.

A diamond drilling program was carried out from October 13th to 19th, 1986, with two BQ holes, totalling 209m completed. The grid was previously established by a transit survey.

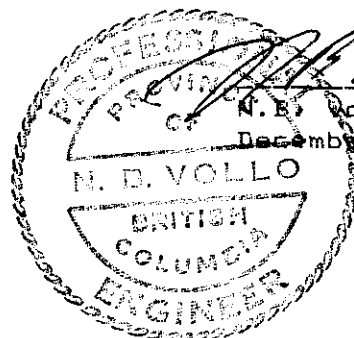
Hole 86-60 was drilled NW at -50° across the DM zone, intersecting 40m grading 0.40%Cu and 0.18 g/t Au. Mineralization is in altered monzonite of the Cherry Creek suite. Hole 86-61 was drilled NW at -50° across the projected northeast extension of the Audra zone, intersecting low grade mineralization from 25 to 80m, 0.55% Cu and 0.47 g/t Au from 80 to 93.5m, at which point the zone is cut off by a major fault. Mineralization is also in altered Cherry Creek monzonite and diorite.

The remaining half core from diamond drill hole ID-8 on the Crescent Zone was assayed as a check and to determine gold content in this zone.

CONCLUSIONS AND RECOMMENDATIONS

The drill program, in conjunction with previous data, confirms that both zones strike northeasterly and dip at high angles to the southeast. Further drilling should be done, initially on 50m stepouts along strike, to develop possible reserves.

The re-assays of ID-8 check with previous assays and indicate the Crescent zone contains about the same amount of gold as the other Iron Mask orebodies.

A circular professional seal for N. B. Vollo, a Professional Engineer in British Columbia. The seal contains the text "PROFESSIONAL ENGINEER", "N. B. VOLLO", and "BRITISH COLUMBIA". A signature is written across the seal, and the text "N. B. Vollo, P. Eng. December 3rd, 1986" is printed below it.

N. B. Vollo, P. Eng.
December 3rd, 1986

STATEMENT OF EXPENDITURES

Crowfoot Developments Ltd., Surveying, June 9th & 10th, 2 days	\$ 575
PW Diamond Drilling, McLure, B.C., 209m BQ Diamond Drilling at \$41/m	8,575
Additives, water, tractor, moving and standby time	2,150
Mobilization and demobilization	290
N.B. Vollo, P.Eng., Supervision, Core logging, Report, June 2nd to Oct. 21st, Dec. 3rd; 6.375 days at \$400	2,550
Kamloops Research & Assay Laboratories Ltd. 50 assays for Cu, Au, Ag at \$19.66	983
Overlander Secondary School, 40 core boxes at \$2.50	85
Vehicle expense, 300 miles at \$0.50	150

TOTAL	\$15,358

APPENDIX I

Drill Hole 86-60, pp. 1 to 3

" " 86-61, pp. 1 to 3

" " ID-8, p. 1

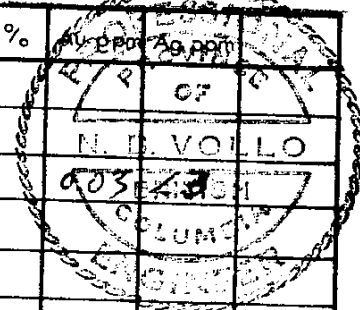
DIAMOND DRILL CORE LOG - SAMPLE RECORD

DEPTH	DIP	BEARING AST.
COLLAR	-5°	315°

PROPERTY 92119 CID CLAIM CID-1 HOLE NO. 96-60
 LATITUDE STARTED Oct 13/86 CORE SIZE B.R.
 DEPARTURE FINISHED Oct 16/86 SECTION 1750 SW
 ELEVATION TOTAL LENGTH 103.4 3074 NW

LOGGED BY N. B. Vollo

DEPTH	DESCRIPTION	MINERALIZATION	SAMPLE	FROM	TO	m	Cu %	Mo %	ANALYSIS			
									AV. EPOR	AS PPT		
00	Collar											
7.7	Monzonite											
	Grey, fine to medium grained, streaked through with irregular black red K alteration - 1-5% white gypsum-calc. veinlets, mostly about 1-2 mm and at high core angles	Mod. cp fracture	5957	7.7	10.0	2.3	.21					
	15 cm muddy gouge at 13.9											
	14.0 - becomes badly broken											
	16.3 lost core											
	17.7 - grey - minor K alt	Spse Py Cp	5959	17.7	20.0	2.3	.20			Tr	Tr	
	20.0 - lost core											
	22.2 - becomes pinkish grey, medium grained. Mod. fractured and healed by 5-10% white gypsum striae. ~ 1% cp	L 14. cp	5960	22.2	25.0	2.8	.18			Tr	Tr	
	22.0 becomes reddish, with strong K alt. 5% gypsum-calcite veinlets - cp occurs disseminated, as fine seams and fracture coatings, and as blebs in Qtz-calc veins.	"	61	25.0	30.0	5.0	.28			Tr	Tr	
		"	62	30.0	35.0	5.0	.46			.17	Tr	
		"	63	35.0	40.0	5.0	.27			.07	.34	0.40
		"	64	40.0	45.0	5.0	.33			.14	Tr	0.18
		"	65	45.0	50.0	5.0	.51			.27	Tr	
		"	66	50.0	55.0	5.0	.29			.07	1.71	40.0
		"	67	55.0	60.0	5.0	.43			.14	Tr	



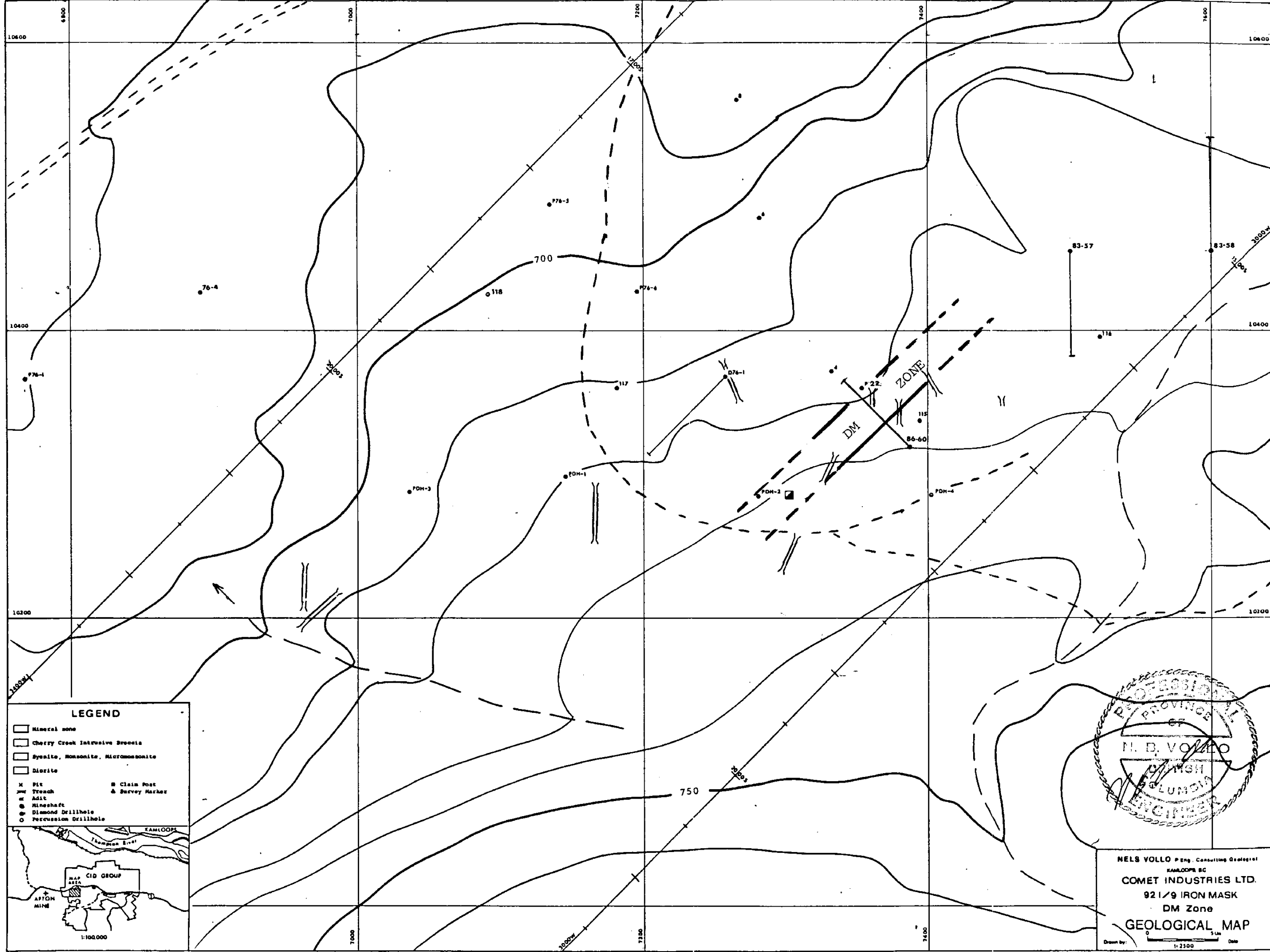
DIAMOND DRILL CORE LOG -- SAMPLE RECORD

 PROPERTY 921/9 CID

 HOLE No. 88-60

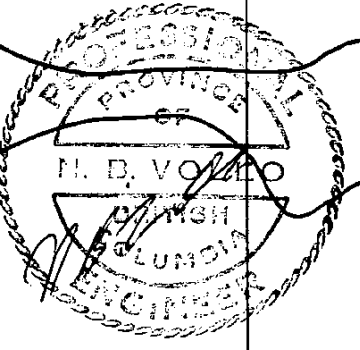
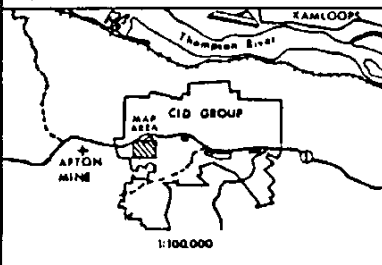
 SHEET No. 2 of 3

DEPTH	DESCRIPTION	MINERALIZATION	SAMPLE	FROM	TO	m	Cu %	Mo %	Au ppm	Ag ppm
	57.5 - Crushed, muddy fault zone - about 70°C.									
	58.0 - As before - dark, with 20% brick coloured salt. - 5% white gypsum stringers. Very sparse pink monzonite fragments	~ 1% sp Py	5968	60.0	65.0	5.0	.39		0.17	1.71
		" "	69	65.0	70.0	5.0	.55		0.41	0.34
72.2	Fault zone - Crush zone - with sections of muddy clay gouge - Core angle ~ 65-70°	< 1% sp Py	70	70.0	75.0	5.0	.24		0.03	.34
77.7	Cherry Creek Breccia - Abundant pink micro-monzonite fragments, medium grained, in a darker matrix - 10% gypsum-carb. stringers, mostly < 1mm	< 1% sp Py	71	75.0	84.0	5.0	.21		Tr	1.71
	Py occurs diss. and as fine Qtz epidote stringers, sharp, irregular contact to	~ 1% sp Py	72	80	85	5.0	.29		.21	2
83.2	Micro monzonite - medium grained, uniform pale brick red, mod. fractured and healed by fine gypsum-carb. stringers - sparse epidote - Sharp, irregular 35° contact to	1-2% sp, minor Py	-	85.0	90.0	5.0				
		" "		90.0	95.0	5.0				
		" "		95	100.0	5.0				



LEGEND

- Mineral zone
- Cherry Creek Intrusive Breccia
- Syenite, Monzonite, Micromonzonite
- Diorite
- X Pit
- Trench
- Adit
- Shaft
- Diamond Drillhole
- Percussion Drillhole
- Claim Post
- ▲ Survey Marker

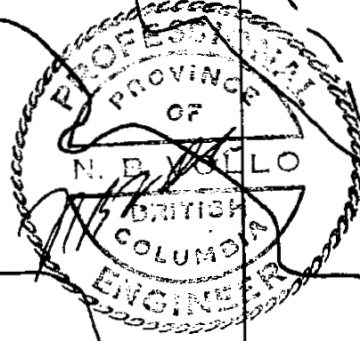


NELS VOLLO P. Eng. Consulting Geologist
 KAMLOOPS, BC
COMET INDUSTRIES LTD.
 921/9 IRON MASK
 DM Zone
GEOLOGICAL MAP
 Drawn by: _____ Date: _____
 1:2500



LEGEND

- Mineral zone
- Cherry Creek Intrusive Breccia
- Syenite, Monzonite, Micromonzonite
- Diorite
- × Pit
- Trench
- ⊕ Adit
- ⊕ Mineshaft
- Diamond Drillhole
- Percussion Drillhole
- Claim Post
- ▲ Survey Marker



NELS VOLLO P. Eng. Consulting Geologist
 KAMLOOPS BC
 COMET INDUSTRIES LTD.
 921/9 IRON MASK
 Audra Zone
GEOLOGICAL MAP
 Scale: 1:2500