86-382-15622

QUEENSTAKE RESOURCES LTD.

MOYIE RIVER PROJECT - CRANBROOK, B.C.

Fort Steele Mining District

N.T.S. 82F/~~6~~ 8E

49° 23.7′ 116° 0.6′

Placer Leases #1902, 1080, 1775, 1773
Queenstake Resources Ltd.

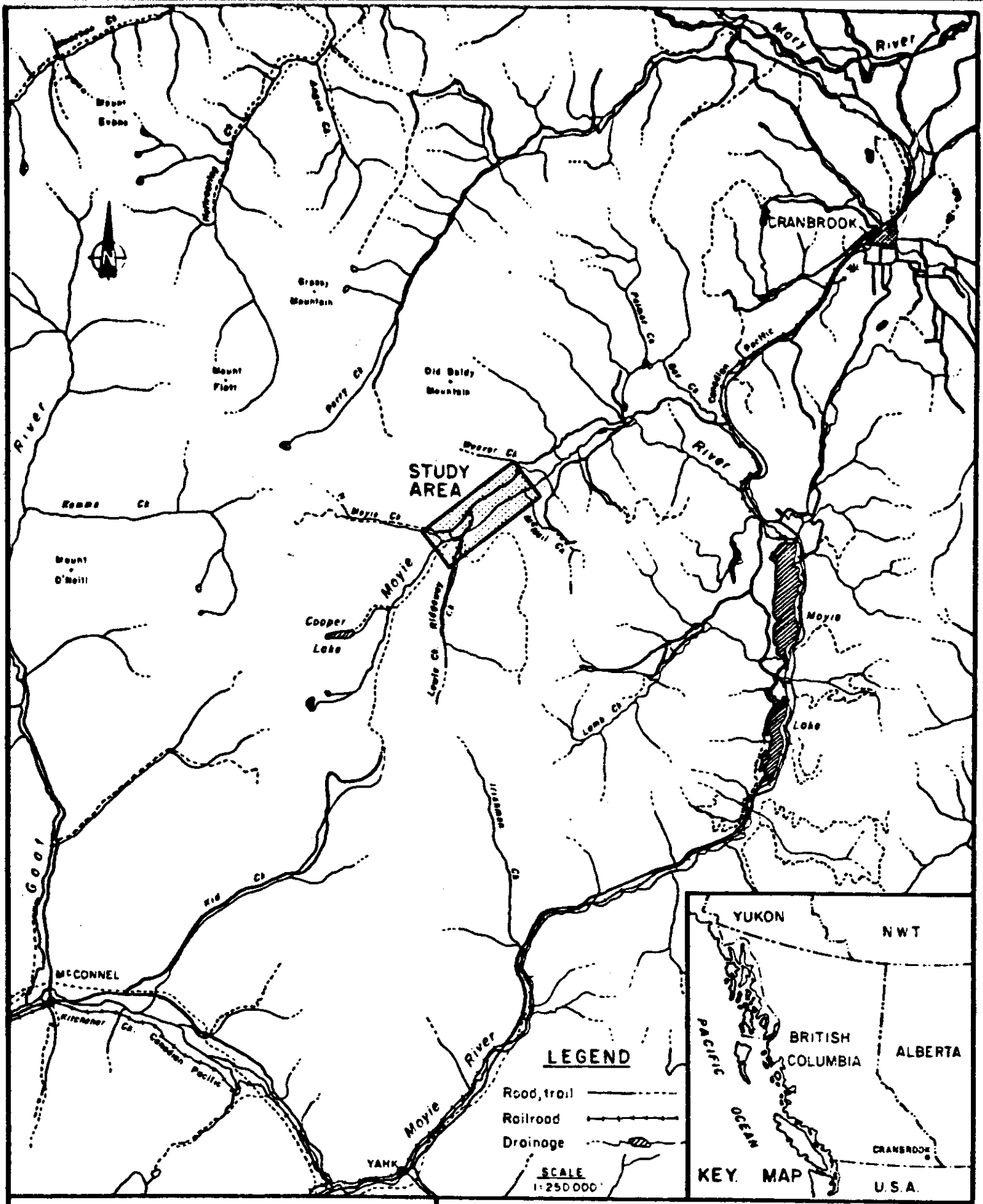
Placer Leases #1080 and 1081
Hamilton Option

by

MICHAEL P. HENRICK, Ph.B.

Covering work carried out during the period:
January 27 through March 6, 1986

TABLE OF CONTENTS



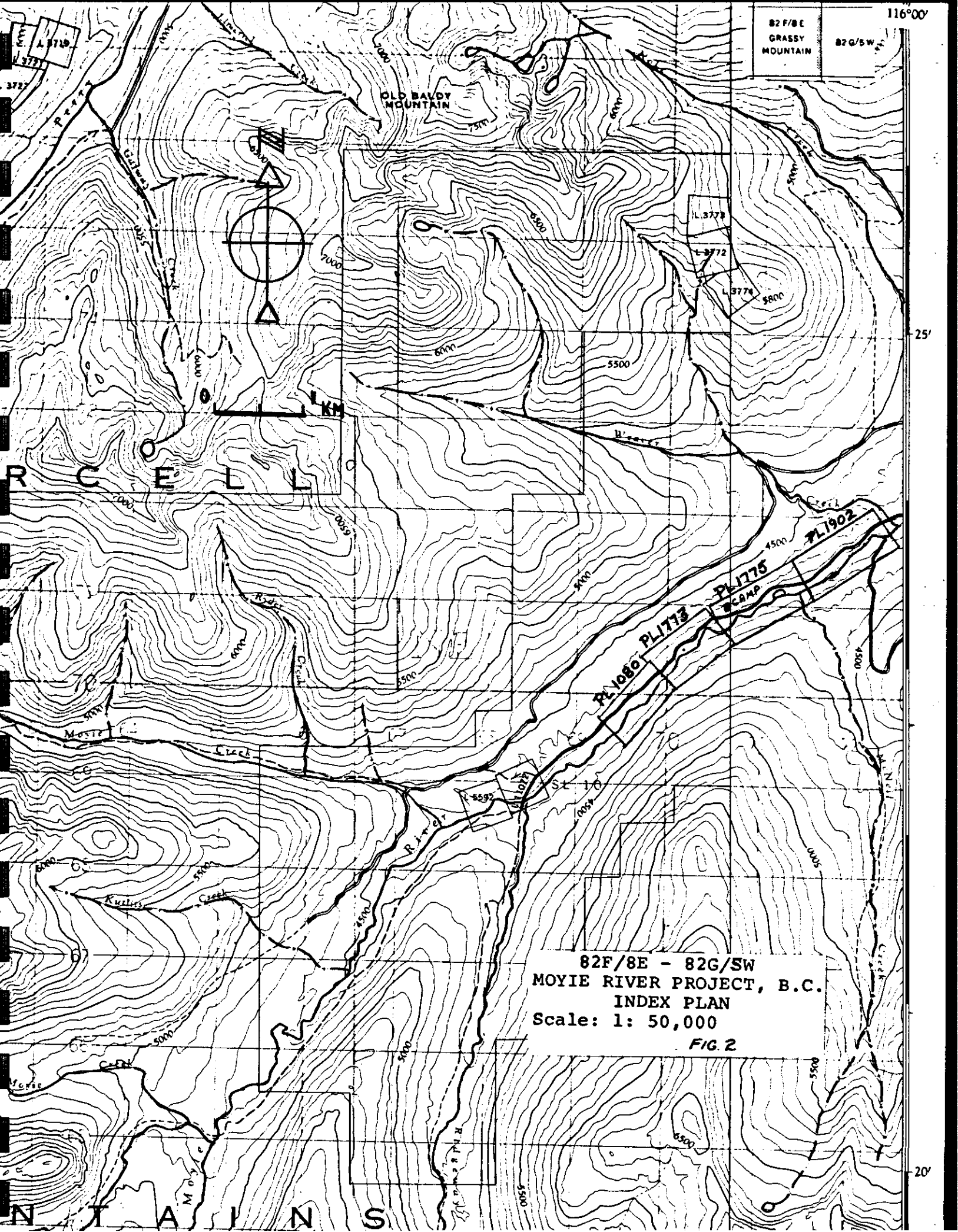
QUEENSTAKE RESOURCES LIMITED

MOYIE RIVER PLACER LEASES

STUDY AREA LOCATION PLAN

CG12078

FIG 1



82F/8E - 82G/SW
MOYIE RIVER PROJECT, B.C.
INDEX PLAN
Scale: 1: 50,000

FIG. 2

SUMMARY

Twenty holes totalling 906 feet of overburden drilling was completed on three lines on placer lease #1902. The drilling was laid out to outline the tertiary channel on lines 24+00S, 28+00S and 32+00S.

The drilling was done by Owen's Drilling Ltd. of Cranbrook B.C. using a Barber dual 1224 air rotary drill with a downhole hammer and rotating casing. The drill proved effective in completing the primary objective of outlining the channel, but fell short on the secondary objective of collecting viable samples for assessment.

Introduction

The primary objective of the 1986 drill programme was to definitively outline the tertiary channel to initiate a mining operation this coming season. This objective was accomplished. The secondary objective was to collect and evaluate samples within the pay streak to assist in evaluating the property. This objective was only partially accomplished. Due to boulders and tough drilling conditions a large portion of the drilling was done with the hammer running ahead of the casing. This gave poor and insufficient samples and resulted in poor and irratic results. Where the material drilled allowed the casing to advance ahead of the bit, good samples and consequently good results were achieved, unfortunately this was the exception rather than the rule.

Location and Access

The property is located in the Fort Steele Mining district of south central British Columbia. N.T.S. 82F/SE, Map Sheet, Moyie Lake. Moyie River flows to the north east and empties into Moyie Lake. Access to the property is via vehicle from Cranbrook - a distance of 16.6 miles. (26.6 km)

Previous Work

This property has been prospected and mined sporadically since before the turn of the century. Mining consisted of sniping on shallow bedrock areas. Evidence of four old shafts were noted. Careful scrutiny of the washed tailings around the shafts indicates that bedrock was never reached in any of the shafts presently on this property.

During 1939 and 1940 Cominco carried out an extensive drilling programme under the supervision of Mr. Frank Marleau. Marleau is reported to have later returned and sunk a shaft and drifted in the vicinity of the Moyie Mining Company 1981 pit area. It is reported he recovered 70 ounces of gold. No other work of any consequence was carried out until the Moyie Mining Company mined for four seasons between 1980 and 1983. A total of 1.25 million dollars (or 4,000 ounces) is reported to have been recovered during this period giving an average grade of .06 ounces per cubic yard for all of the material washed.

Work Completed

Drill Site Preparation

A Fiorentino Contracting D9H Cat was used to clear and level all the drill sites on lines 24+00S, 28+00S and 32+00S.

Drilling

Twenty holes totalling 906 feet of overburden drilling was completed on three lines on placer lease #1902. The drilling was laid out to outline the tertiary channel on lines 24+00S, 28+00S and 32+00S by Owen's Drilling Ltd. of Cranbrook B.C. using a Barber dual 1224 air rotary drill with a downhole hammer and rotating casing. All holes except hole #10 were run from 2 to 3 feet into bedrock to make sure that we were not drilling in a boulder and to accurately determine bedrock type. All holes ended in a gritty, acid argillite of the Aldridge formations. Hole #10 was abandoned just above bedrock when the bit disintegrated.

Sample Preparations

All holes within the channel, where samples were sufficient to wash, were processed starting at the forty foot section and progressing at two foot intervals to the bottom of the hole. Samples were collected in pre-washed five gallon plastic pails every two feet of casing advance. These samples were then weighed, volumes measured and recorded and washed through a 4 foot by 14 inch long tom set at a 2 inch to the foot gradient. The washed material was allowed to run over an astro turf matting held in place by ½" elevated, expanded metal. The discharge from the first box continuted onto another long tom of the same size, equipped and elevated in the same fashion as the first long tom. This check box was checked after each hole initially and then only periodically. No significant colour was ever found in the second check box. The concentrate and matting from the first box was removed and washed after every sample interval. The concentrate thus collected was sieved through a 5/32' inch sieve. The coarse and fine concentrate was then panned and checked for heavies and values. When required, samples were amalgamated, digested, retorted, annealed and weighed for grade calculations.

Levels & Gradient

Hole collars along each line were checked for elevation using a hand held Aristo level and staff. Distances between holes were chained and tied into the existing grid.

Longitudinal elevations between the lines were run using a Keuffel and Esser transit, chain and staff. Diagrams and calculations accompany the report plans 5 & 6.

Lining of Drill Holes

All drill holes on the river side not in the vicinity of the pit were lined with slotted 4 inch black P.V.C. plastic pipe. These cased holes can be used in the future for dewatering purposes. A ten foot length of weighted 3/4" white plastic pipe was placed in every hole within the confines of the tertiary channel and allowed to sink to the bottom of the hole before the casing was pulled. These pieces of pipe will be used at a later date for elevation and stripping control within the pit.

CONCLUSION

The rotary drill programme did complete the primary objective of this programme. The tertiary channel was established and outlined definitively on lines 24+00S, 28+00S and 32+00S. Due to the boulder content of the gravel drilled many of the samples obtained were poor and inadequate. The casing shoes were not capable of drilling through the boulders and thus the downhole hammer had to run outside of the casing ahead of the casing shoe. Thus much of the sample and in particular the gold was lost. In many instances as noted in the drill logs and sample sheet, a lot of the return air and sample was coming up aroung the outside of the casing.

Within the pay dirt, where adequate samples, were produced good values were achieved in some of the holes. These values ranged from .036 on hole #7 over 4 feet to .101 on hole #17 over 4 feet with an overall average of 0.67 for all five samples processed. These values and intervals are indicated on drill sections lines, plans 2 through 3 inclusive at the back of the report. The gold thus acquired accompanies the report. It is interesting to note that these five samples are the only samples to contain adequate gold to weigh. Fine to very fine colours occurred throughout. The better samples occurred within the pay dirt on all three lines where adequate samples were achieved.

The seismic data on line 24+00S is totally irrelevant and misleading. Holes #1 through #3 inclusive were drilled to locate the channel as outlined by Hardy & Associates, and were virtually wasted. On line 32+00S the drill data is somewhat coincident with the Hardy seismic data. This does not justify the data on line 24+00S and makes the whole Hardy & Associates survey in its present state meaningless. Bill Scott of Hardy & Associates has been contacted and has reassessed the data having been given the drill sections. He advises that the data was misplotted originally and is now coincident with the drill data. He advises that no payment of their account should be made until they have come back at their cost to re-do selected lines to justify that the survey was viable. He will be forwarding re-worked sections to us immediately and will contact us in the near future to establish a convenient data to re-do the selected lines.

RECOMMENDATIONS

If a viable agreement can be reached with the contract miner, taking into consideration the additional nine feet of material that will have to be stripped and based on the now known tertiary valley width and gradient, coupled with the values achieved from the present drill programme, I would recommend test mining in the coming season utilizing a cut of 125 feet wide by 500' long by 54 feet deep.

Michael P. Henrick
April 7, 1986
Michael P. Henrick

1' = 0.305 metres

DRILL LOG

APPENDIX (1)

Hole #1
- 0 - 6' - Sandy clay - small boulders
- 6' - 12' - Damp sandy gravel
- 12' - 12' - Sandy light gravel & clay
- 18' - 22' - Wet clay & gravel
- 22' - 27' - Bedrock

Hole #2
- 0 - 6' - Sandy gravel & boulders
- 6' - 9' - Damp sand & gravel
- 9' - 15' - Tight clay & gravel
- 15' - 23' - Clay & gravel
- 23' - 28' - Bedrock 28' liner - slotted

Hole #3
- 0 - 3' - Sandy gravels - clay & boulders
- 3' - 7' - Wet sandy gravels
- 7' - 19' - Clay & gravel
- 19' - 21' - Wet clay
- 21' - 27' - Tight sandy gravel & clay
- 27' - 29' - Hardpan gravel & clay
- 29' - 34' - Sandy gravel, clay & boulders
- 34' - 36' - Bedrock 36' liner - slotted

Hole #4
- 0 - 9' - Sandy gravel & boulders
- 9' - 14' - Tight clay & gravel
- 14' - 31' - Clay, little gravel - hard
- 31' - 32' - Sandy gravel & clay
- 32' - 35' - Clay
- 35' - 38' - Damp, sandy gravel - boulders & clay
- 38' - 44' - Boulders & gravel
- 44' - 46' - Bedrock - lined to 44' 3" slotted to bottom 40'

Hole #5
- 0' - 7' - Sandy gravels & boulders
- 7' - 20' - Hard gravel and clay
- 20' - 22' - Hard sandy gravel & clay (wet)
- 22' - 24' - Hard, sandy gravel, clay & boulders (damp)
- 24' - 25' - Green clay & sandy gravel (soft)
- 25' - 33' - Sandy gravel, clay boulders (wet)
- 33' - 48' - Hard boulders (12" x 18") - sandy, gravel, little clay
- 48' - 50' - Bedrock 10' 3/4" Plastic

Hole #6

0' - 4'	-	Sandy gravels & clay
4' - 7'	-	Sandy, gravel & clay, boulders, water
7' - 13'	-	Sandy, gravel & clay - hard
13' - 20'	-	Clay & little gravel
20' - 27'	-	Gravel & boulders (wet)
27' - 32'	-	Gravel, clay, sand & boulders (dry)
32' - 46'	-	Boulders, clay
46' - 52'	-	Gravel, clay, boulders (damp)
52' - 54'6"	-	Water, gravel, boulders, clay
54'6" - 56'6"	-	Bedrock

* 10' piece 3/4" pipe dropped to bottom of hole

Hole #7

0' - 7'	-	Sandy, gravel, boulders, water 2 G.P.M.
7' - 17'	-	Gravel, loose boulders, clay, wet
17' - 38'	-	Gravel, boulders, damp
38' - 49'	-	Sandy, gravel, boulders, little clay, wet
49' - 50'6"	-	Gravel, water, clay, boulders
50'6" - 52'6"	-	Bedrock

* 10' 3/4 Plastic dropped in hole

Hole #8

0 - 7'	-	Sandy gravel boulders, little clay (damp)
7' - 9'	-	as above - (wet)
9' - 28'	-	as above - (wet)
28' - 53'	-	as above - water (3 G.P.M.)
53' - 55'	-	Bedrock - 10' piece 3/4" Plastic

Hole #9

0 - 3'	-	Clay
3' - 5'	-	Sandy gravel - little clay & boulders
5' - 7'	-	Sandy gravel - little clay - no boulders (wet)
7' - 9'	-	Sandy gravel - little clay - boulders - dry hard
9' - 13'	-	Hardpan
13' - 18'	-	Boulders, loose sandy gravel - (damp)
18' - 23'	-	Loose sandy gravel - little clay
23' - 29'6"	-	Loose sandy gravel - boulders (damp)
29'6" - 32'6"	-	Bedrock

Hole #10

0 - 3'	-	Sandy gravel, clay - loose
3' - 8'	-	Sandy gravel, clay, boulders (loose, wet)
8' - 11'	-	Sandy gravel, clay, no boulders (loose, damp)
11' - 16'	-	Sandy gravel (wet)
16' - 24'	-	Sandy gravel - clay - dry tight
24' - 50'	-	Sandy & gravel - clay - boulders - (wet)

(Shoe shattered - had to pull out)

Hole #11

0 - 3'	-	Soil and frost
3' - 7'	-	Sandy, wet gravel, clay, boulders (wet)
7' - 25'	-	Tight, sandy - no boulders (dry)
25' - 31'	-	Bedrock - open hole 4'

Hole #12

0 - 2'	-	Clay
2' - 8'	-	Sandy, wet gravel, clay & boulders
8' - 13'	-	Sandy gravel - (wet)
13' - 26'	-	Sandy gravel hard & clay, dry
26' - 51'	-	Sandy, clay, boulders - (damp)
51' - 55'	-	Bedrock

Hole #13

0 - 6'	-	Sandy gravel, damp clay, loose boulders
6' - 23'	-	Sandy gravel, clay tight
23' - 26'	-	Boulders, sandy gravel & clay (water 2 G.P.M.)
26' - 35'	-	Sandy gravel and clay tight
35' - 39'	-	Sandy gravel - boulders (wet)
39' - 42'	-	Bedrock 10' Plastic 3/4"

Hole #14

0 - 7'	-	Sandy, gravel, clay - loose boulders
7' - 12'	-	Sandy gravel, clay - hard
12' - 16'	-	Loose gravel, water, boulders (approx 1 G.P.M.)
16' - 23'	-	as above - tight
23' - 27'	-	as above - loose - water
27' - 36'	-	as above - tight and damp
36' - 51'6"	-	Sandy gravel - no clay - boulders (3 G.P.M.)
51'6" - 54'4"	-	Bedrock - Cased to 53' 10' Plastic (3/4")

Hole # 15

0 - 8'	-	Sandy, gravel, clay, boulders - damp, loose
8' - 30'	-	Sandy, gravel, clay, boulders, - hard
30' - 53'	-	as above, (boulders) 39' - 41' 1 G.P.M. loose
53' - 57'	-	Bedrock
-		Cased to 54' - 10' Plastic (3/4")

Hole #16

0 - 4'	-	Soupy - water (approx 2 G.P.M.)
4' - 11'	-	Sandy, gravel, clay, boulders, water (2 G.P.M.)
11' - 25'	-	Sandy, gravel, clay - dry, hard
25' - 32'	-	Sandy, gravel, clay, boulders - dry, hard
32' - 36'	-	Sandy, gravel, clay, boulders - dry tight
36' - 47'	-	Boulder, sand, loose, damp
47' - 51'	-	Boulders, sand, loose, damp
51' - 54'	-	Boulders, sand, water - (approx 1 G.P.M.)
54' - 57'	-	Bedrock - 10' Plastic (3/4")

Hole #17

0 - 17'	-	Gravel, clay, water, boulders (1 G.P.M.)
17' - 20'	-	Sandy, gravel, clay - tight
20' - 23'	-	Sandy, gravel, clay - dry
23' - 30'	-	Sandy, gravel, clay - some boulders - tight
30' - 32'	-	Sandy, gravel, clay - some boulders - loose - dry
32' - 37'	-	Sandy, gravel, clay - some boulders - tight
37' - 52'	-	Sandy, gravel, clay - some boulders - loose
52' - 54'	-	
54' - 57'	-	Bedrock

Cased to 55'

Hole #18

0 - 16'	-	Sandy, gravel, clay, boulders, water
16' - 33'	-	Sandy, gravel, clay, tight, hard
33' - 39'	-	Sandy, gravel, clay, loose
39' - 45'	-	Sandy, gravel, clay, boulders, damp
45' - 48'	-	Sandy, gravel, clay, boulders, water
48' - 53'	-	Sandy, gravel, clay, boulders, wet
53' - 55'6"	-	Bedrock

Cased to 53'

Hole #19

0 - 10'	-	Clay, gravel - wet
10' - 12'	-	Sandy, gravel & clay - wet
12' - 18'	-	Sandy, gravel, clay, boulders - water
18' - 21'	-	Sandy, gravel, clay, boulders - dry - hard
21' - 23'	-	Sandy, gravel, clay, boulders - wet
23' - 32'	-	Sandy, gravel, clay, boulders - dry
32' - 35'	-	Bedrock

Cased to 33'6"

Hole #20

0 - 5'	-	Sandy, gravel, clay, boulders - dry
5' - 10'	-	Sandy, gravel, clay, boulders - water
10' - 20'	-	Sandy, gravel, clay, boulders - dry, hard
20' - 24'	-	clay, little gravel - dry
24' - 26'	-	Sandy, gravel, clay - wet
26' - 30'	-	Clay, little gravel - dry
30' - 39'	-	Sandy gravel, clay, loose boulders
39' - 46'6"	-	Sandy gravel, clay, loose water
46'6" - 50'	-	Bedrock

Cased to 47'

APPENDIX (2)

Owen's Drilling Ltd. Personnel

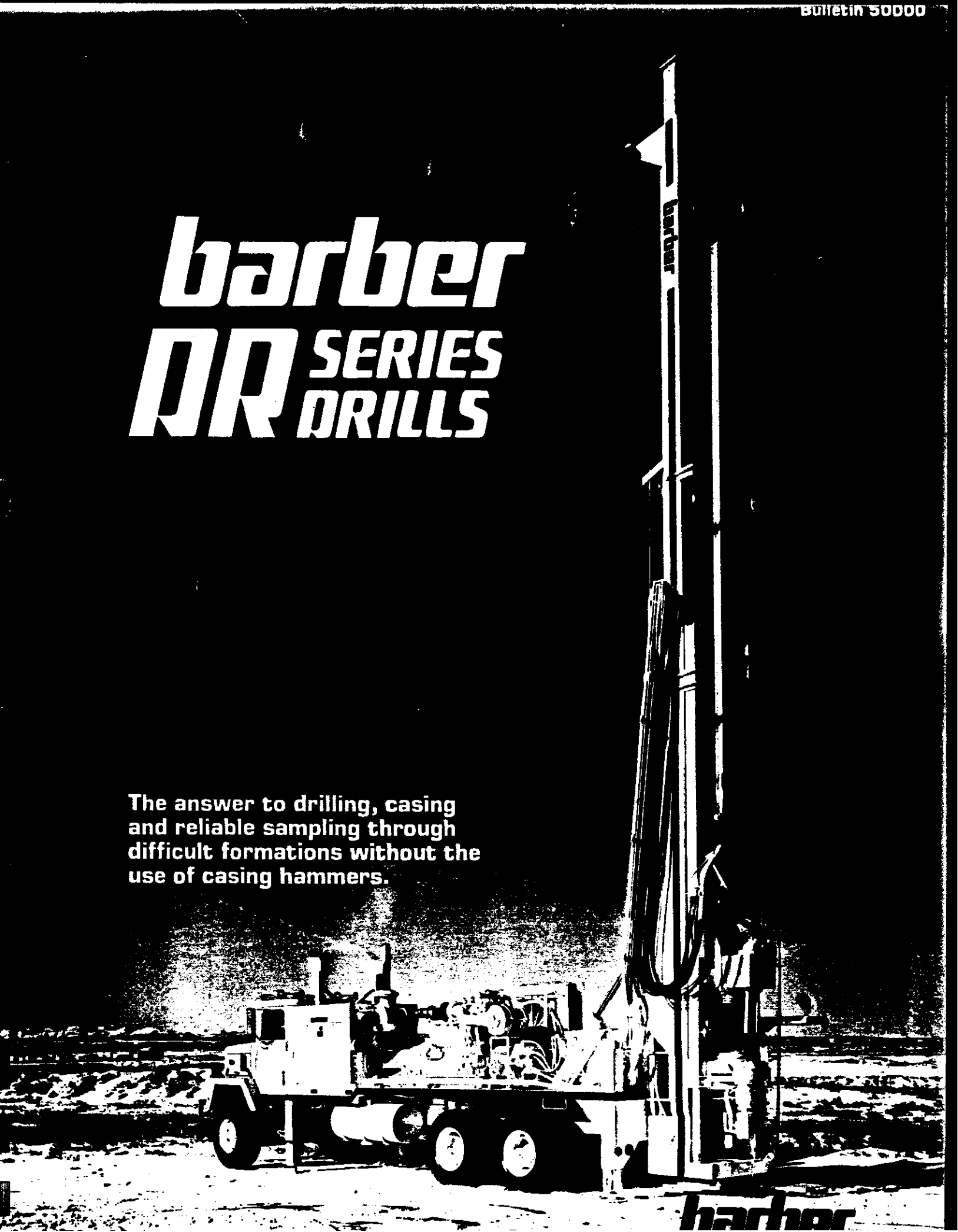
Rick France - Driller
3601 42 Avenue S.
Box 116
Cranbrook, B.C.
V1C 4H4

Terry McAllister - Helper
R. R. 1, S. 17, C48
Cranbrook, B.C.
V1C 4H4

BARBER INDUSTRIES BROCHURE

APPENDIX (3)

barber QR SERIES DRILLS



The answer to drilling, casing and reliable sampling through difficult formations without the use of casing hammers.

barber

barber DR SERIES
DUAL ROTARY DRILL RIGS

The Dual Rotary Series (DR) Drill utilizes a lower rotary table to rotate and drive casing through unconsolidated overburden such as gravel, sand and boulders. The top rotary head simultaneously handles a drill string equipped with a down hole hammer, drag bit or rolling cone rock bit to drill inside or ahead through the casing.

A patented carbide studded shoe welded on the bottom casing joint enables the rotating casing to cut its way through suspended boulders and into bed rock with no requirement for under reaming. (Fig.5)

Using this technique operators of Barber DR Drills regularly drill and case through several hundred feet of gravel and glacial tills where casing hammer users have been unsuccessful.

The up, down and rotational forces provided by the lower table are effectively transmitted to the casing through power operated jaws.

Casing can be simply rotated and pulled back out of the hole to set screens, full length plastic liners or salvage casing from abandonments.

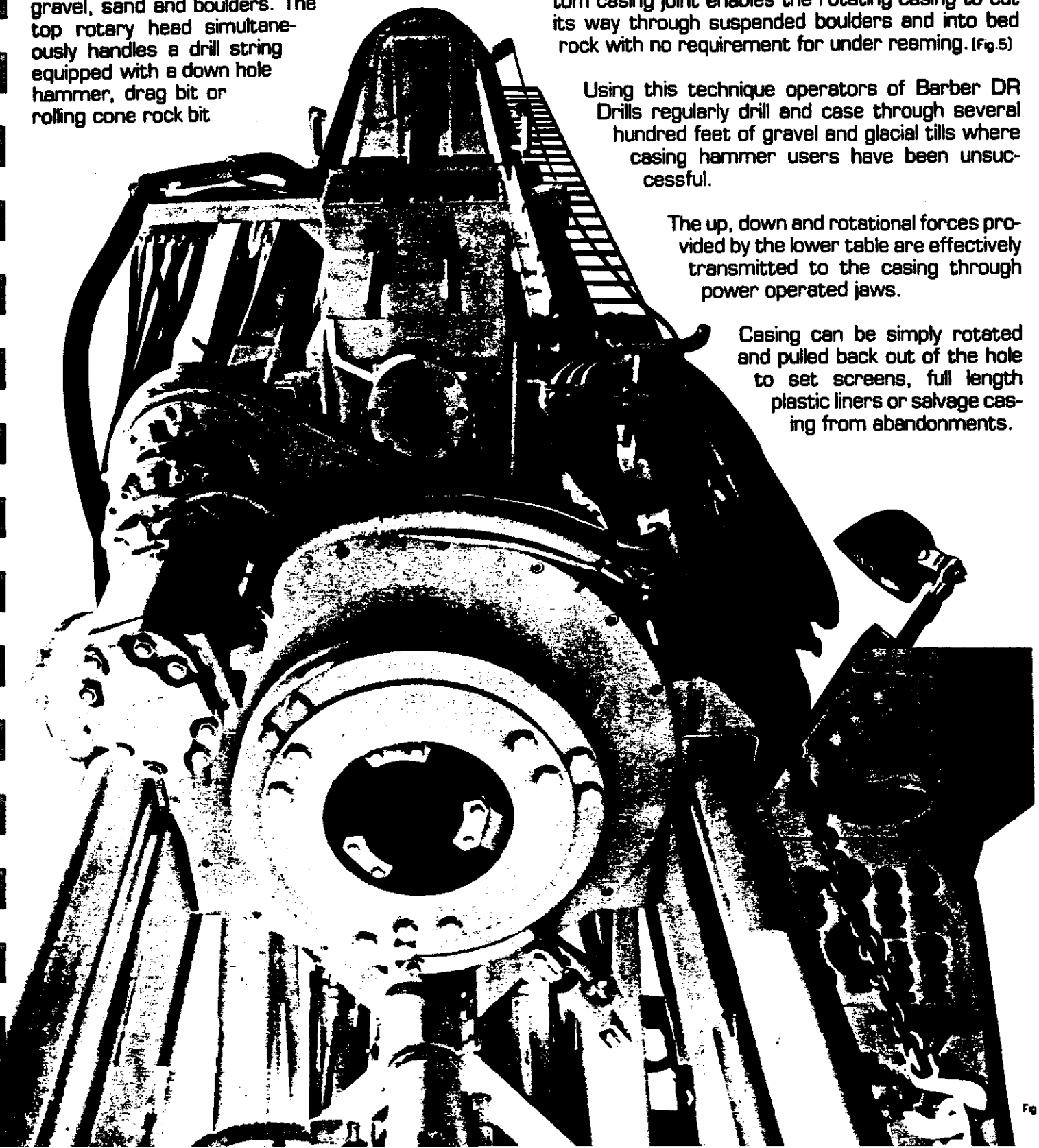


Fig. 1

Top Head and Lower Rotary [Fig.1]

Each rotary is raised and lowered by direct connected hydraulic cylinders thus eliminating the need for chains and sprockets.

The upper and lower drives may be power pin locked together for simultaneous drilling feed.

The lower table, in addition to rotating and forcing the casing through the formation, can be used to break and spin out the drill string joints.

The top head can be hydraulically tilted from a verticle to a horizontal position facilitating picking up or laying down drill pipe and casing on a horizontal rack or truck bed.[Fig.2]

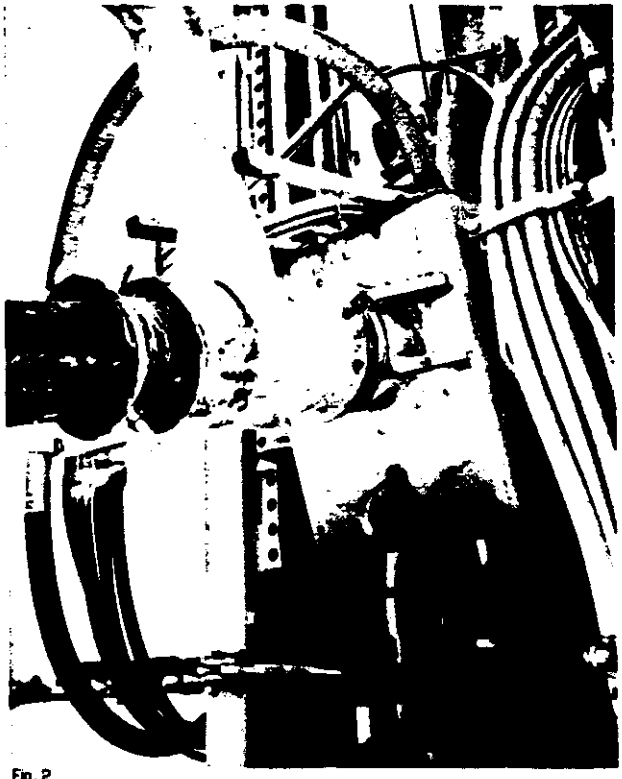


Fig. 2

Cuttings Discharge Swivel [Fig.4]

To help you keep your rig clean and catch all samples the cuttings and air or mud leave the annulus, between the drill pipe and the casing, through a discharge swivel attached to the casing. Rubber seals between the casing, swivel and drill pipe prevent leakage at these points. An integral bearing, protected by patented hard metal seals, provides support between the rotating casing and stationary discharge elbow and its attached hose.

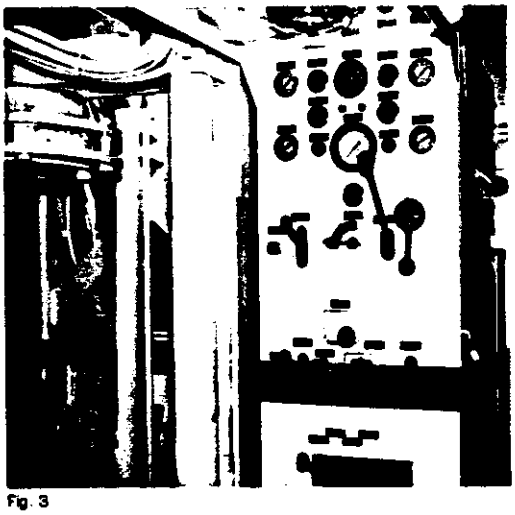


Fig. 3

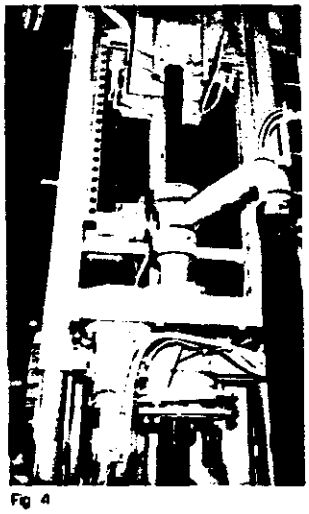


Fig. 4

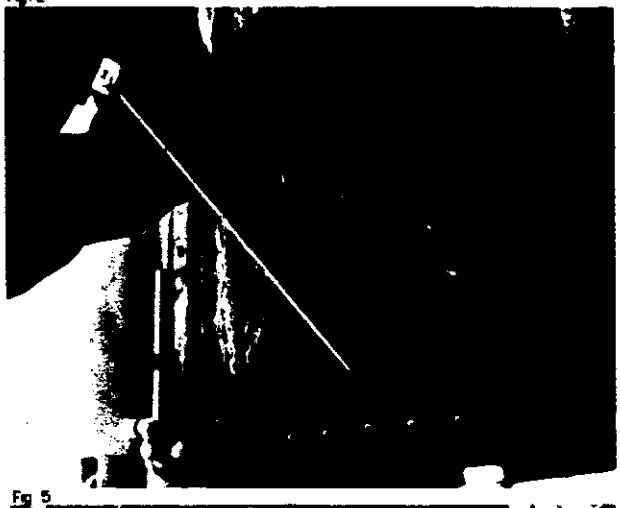


Fig. 5

Control Console [Fig.3]

The controls and instruments required to operate and monitor the machine are grouped according to function simplifying operator training. A durable steel roof provides protection for the operator and controls.

Air Compressors [Fig.6]

A wide selection of proven piston and oil flooded screw compressors are available to suit your drilling conditions and preferences.

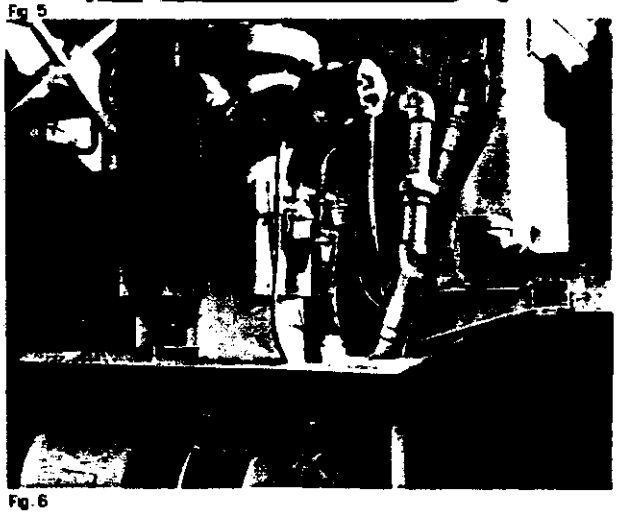


Fig. 6

SPECIFICATIONS

DR SERIES: DUAL ROTARY

LOWER TABLE

Opening:	21.0" (*17.5" x 25")	
Hoist:	72,000 lbs.	
Pull Down:	36,000 lbs.	
Stroke:	12 ft.	
Rotation:	VARIABLE High Speed 0 - 27 r.p.m.	TWO SPEED RANGES Low Speed 0 - 9 r.p.m.
Torque:	6000 lb.-ft. *12000 lb.-ft.	25,000 lb.-ft. *50,000 lb.-ft.

TOP ROTARY DRIVE

Stroke:	26.0 ft. (*29 ft.)
Hoist:	36,000 lb. (*58,000 & 60,000 lb.)
Pull Down:	18,000 lb. (*27,000 & 36,000 lb.)
Rotation:	VARIABLE 0 - 120 r.p.m.
Torque:	4,000 lb.-ft. (*5,000 & 7,000 lb.-ft.)
Hoist Speed:	0 to 100 f.p.m. up & down

DRILLING FEED

Rate:	VARIABLE 0 TO MAX HOIST
Force:	VARIABLE 0 TO MAX PULL DOWN

CARRIERS

Tandem rear drive axle trucks of suitable capacity with leveling jacks

COMPRESSOR OPTIONS

Piston	500 c.f.m. @ 250 p.s.i.
Screw	500 c.f.m. @ 350 p.s.i. 750 c.f.m. @ 250 p.s.i. 900 c.f.m. @ 350 p.s.i.

MUD PUMP OPTIONS

Centrifugal	- 4" - 3" - 400 g.p.m. @ 250 p.s.i.
Air Operated Piston	- 6" x 5" x 6"
Duplex:	- 5" x 6" or 5½" x 8"

(*OPTIONS)

SR SERIES: SINGLE ROTARY TOP DRIVE

When a lower rotary table is not required the SR Series drills retain all the advantages of directly connected hydraulic hoist and pull down cylinders plus offering a wider range of optional configurations for mining, petroleum and blast hole drilling etc.

HOISTING CAPACITIES

A range of 36,000 to 150,000 lbs. can be provided by single or dual cylinder arrangements to match your drilling depth and hoisting requirements. Strokes to 44 feet to handle API Range III casing are available.

TOP ROTARY DRIVES

Torques to 8000 lb.-ft. at 80 r.p.m. continuous ratings:

- Speeds ranges to 200 r.p.m.
- API bearing ratings to 90 tons pull back and 35 tons pull down.
- Wash pipes and packing to 600 p.s.i. air and 3000 p.s.i. mud.

AIR COMPRESSORS

Oil flooded screws to 1500 c.f.m. and 600 p.s.i. with diesel engine drives mounted on rig carrier.

MUD PUMPS

To suit purchaser's requirements.

PIPE HANDLING

Rotary carousel or hydraulic loading arms.

ANGLE DRILLING

Barber DR and SR Rigs can be fitted for angle drilling down to 40° from the horizontal.

MANUFACTURED BY barber INDUSTRIES DRILL DIVISION

P.O. Box 5280 Station "A", 9625 Shepard Road S.E., Calgary, Alberta, Canada T2H 2P3
(403) 279-7511 Telex: 038-25721

DISTRIBUTED AND SERVICED BY:

OWEN'S DRILLING LTD.

1940 - 6th STREET N.
CRANBROOK, B.C. V1C 3M9
426-2455

PRINTED IN CANADA 2000-4-83

Note: 1 ft = 0.305 m
1 lb = 0.453 kg
1 grain = 64.8 mg

APPENDIX (4)

SAMPLE PROCESS SHEETS

Hole#	Footage	Volume Weight Pounds	Volume Cubic Ft.	Colours	Weight Grains	.999 Grade	Remarks
#1	27						not sampled
#2	28						not sampled
#3	21 - 23	33	.325	0			Mainly clay & small
	23 - 25	15	.075	-			chunks - broken
	25 - 27	43	.45	0			boulders - hardwashing
	27 - 29	31	.325	-			
	29 - 31	27	.25	0			
	31 - 34	59	.70	-			
#4	24 - 26	66	.85	2 v.fine			Heavy clay
				1 medium			Poor Wash
	26 - 28	72	.95				Poor Wash
	28 - 30	67	.9				Balled Clay
	30 - 32	71	.95				Balled Clay & Diorite
	32 - 34	52	.55	5 v. fine	not saved		Boulders
	34 - 36	69	.93				Fine sand & boulders
	36 - 38	55	.55	1.v fine	abundant steel		Broken boulders
	38 - 40	94	.80				& easily washed clay
	40 - 42	50	.45	2 v. fine			
				1 fine			Diorite boulders &
	42 - 44	75	.65				Argillite bedrock
	44 - 46	30	.15				chunks - washed easily
#5	34 - 36	83	.95				
	36 - 38	71	.775				
	38 - 40	92	1.0		dry		
	40 - 42	66	.475				
	42 - 44	96	.95				
		44	.2				
	44 - 46	94	.875				
	46 - 48	100	.95	4 v. fine			
	48 - 50	95	.975	4 v. fine			
#6	34 - 36	84	.95				damp clay
	36 - 38	91	.95				
	38 - 40	86	.625	1 medium	saved		wet clay
	40 - 42	81	.875	1 medium			dry
	42 - 44	65	.675				dry
	44 - 46	63	.675				dry
	46 - 48	65	.7	1 v. fine			dry
	48 - 50	86	.95	1 v. fine			dry
	50 - 52	91	.925	2 v. fine			dry
	52 - 54	91	.775	1 fine			
				2 v. fine			wet - half clay
	54 - 56	72	.725	1 v. fine			dry

Hole#	Footage	Volume Weight Pounds	Volume Cubic Ft.	Colours	Weight Grains	.999 Grade	Remarks
#7	38 - 40	38	.15	6 v. fine			
	40 - 42	63	.60				
	42 - 44	73	.75	4 v. fine			
	44 - 46	54	.55				
	46 - 48	82	.85	2 coarse	.95 gr.		
				1 medium		.03562765	
	48 - 50	90	.95	5 v. fine	sample kept		
	50 - 52	90	.75				
#8	40 - 42	93	.60	5 v. fine			This hole was drilled
	42 - 44	100	.70	5 v. fine			mainly with bit ahead
	44 - 46	96	.75	6 v. fine			of casing - air coming
	46 - 48	96	.75	6 v. fine			up outside casing
	48 - 50	95	.75	1 fine			caused a cavern
				5 v. fine			around casing.
	52 - 53.5	85	.675				
#9	32.5						not sampled
#10	50	53	.6	1 coarse	.45gr.	.04886338	ran sample to check steel
#11	31						not sampled
#12	40 - 42	98	.87				wet
	42 - 44	55	.525				dry
	44 - 46	84	.925				dry
	46 - 48	78	.875				dry
	48 - 50	92	.95	1 v. fine			dry
	50 - 52	84	1.0	1 v. fine			dry
	52 - 53.5	96	1.0	4 v. fine			dry - Bedrock broken
#13	42						not sampled
#14	40 - 42	101	.90				Boulder chips altered
	42 - 46	96	.775				Kaolin & Limonite stain
	44 - 46	93	.70	1 medium			Wet - no clay
	46 - 48	120	1.0				abundant steel
	48 - 50	115	.9	1 nugget	1.75 gr.	.06563	black sand
	50 - 52	110	.9	1 medium			specular hematite
	52 -	93	1.0	1 v. fine			Bedrock dry
				1 fine			
#15	40 - 42	60	.65				dry
	42 - 46	92	1.0				dry
	46 - 48	86	.80				dry
	48 - 50	73	.75				dry
	50 - 52	96	.80				Wet
	52 - 54	75	.80	1 medium	.70 gr.	saved	dry
				1 large		.586196	

Hole#	Footage	Volume Weight Pounds	Volume Cubic Ft.	Colours	Weight Grains	.999 Grade	Remarks
#16	57						not sampled - poor hole. Most of the sample blew up outside of casing. Insufficient sample to process.
#17	40 - 42	82	.90	1 fine			dry Blacksand
	42 - 44	87	.90	1 fine			
	44 - 46	70	.875				Abundant steel
	46 - 48	84	.90				minor Blacksand
	48 - 50	84	.875	1 fine			"
	50 - 52	82	.850	1 fine			"
	52 - 54	63	.65	1 medium			
				1 large	.45 gr.	.10115157	
	54 - 57	Insufficient sample					
#18	40 - 42	70	.875				dry
	42 - 44	40	.375				dry
	44 - 46	78	.90	fine			dry
	46 - 48	22	.10	fine			dry
	48 - 50	38	.325	1 fine			
	50 - 52	87	.850	1 v. fine			wet
	52 - 54	72	.525	1 fine			wet
#19	35						not sampled
#20	50						not sampled insufficient sample to process

APPENDIX (5)

STATEMENT OF QUALIFICATIONS

I, Michael P. Henrick of R. R. 1, Site 39, Comp. 11, Okanagan Falls, B.C.; do hereby certify that:

1) I am a graduate from the University of North Dakota (1970) with a Bachelor of Philosophy degree in Geology.

2) From 1970 to 1982, I worked as a geologist in mineral exploration in British Columbia, the Yukon Territory, Saskatchewan, Manitoba, Ontario and Quebec as well as in Oregon, Arizona and California.

3) From January, 1983 to the present, I have worked as a geological consultant, concentrating mainly on placer evaluation and production.

4) I supervised the field work on the Moyie River Project during the 1986 program and have interpreted all data resulting from this work.

5) I am a fellow of the Geological Association of Canada.

Michael P. Henrick