VOLUME 1 OF 4

FAME GRANT REPORT

FOR

EQUITY SILVER MINES LIMITED

1986 MINESITE EXPLORATION PROGRAMME

ID No. 10963 M-19

OMINECA MINING DIVISION

NTS 93 L/1

LATITUDE 54 10' N

LONGITUDE 126 15' W

WORK BY: EQUITY SILVER MINES LIMITED

REPORT BY: R. B. PEASE

FEBRUARY 1987

SMITHERS

FAME REPORT (M19) 15710

Province of British Columbia

Ministry of Energy, Mines and Petroleum Resources

ASSESSMENT REPORT TITLE PAGE AND SUMMARY

TYPE OF REPORT/SURVEY(S): DRILLING

TOTAL COST: 743,731.85

AUTHOR(S): R.B. Pease

SIGNATURE(S):

DATE STATEMENT OF EXPLORATION AND DEVELOPMENT FILED: Feb. 23/87

YEAR OF WORK: 1986

PROPERTY NAME(S): EQUITY SILVER MINE

COMMODITIES PRESENT: Cu, Ag

B.C. MINERAL INVENTORY NUMBER(S), IF KNOWN: 93L-1

MINING DIVISION: Omineca

NTS: 93L/1W

LATITUDE: 54°10'

LONGITUDE: 126°15'

NAMES and NUMBERS of all mineral tenures in good standing (when work was done) that form the property [Examples: TAX 1-4, FIRE 2 (12 units); PHOENIX (Lot 1706); Mineral Lease M 123; Mining or Certified Mining Lease ML 12 (claims involved)]:

ML No.1 (Lots 5056-67, 5087-90)

OWNER(S):

(1) Equity Silver Mines Limited (2)

MAILING ADDRESS:

OPERATOR(S) [that is, Company paying for the work]:

(1) as above (2)

MAILING ADDRESS:

as above

SUMMARY GEOLOGY (lithology, age, structure, alteration, mineralization, size and attitude):

Deposits occur in a homoclinal Upper Jurassic – Cretaceous inlier within Tertiary volcanics. Mineralization is in distinct tabular zones hosted by pyroclastics, and on strike with each other. Principal ore minerals are tetrahedrite and chalcopyrite.

REFERENCES TO PREVIOUS WORK:

A.R. 13264, 1683, 5346, 6985, 7166, 6456, 7343, 10727, 10869, 14942, 15379, 15374

(over)

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	COST APPORTIONED
GEOLOGICAL (scale, area)			
Ground			
Photo			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL (number of samples analysed for ...)			
Soil			
Silt			
Rock	ROCK 25; Cu, Zn, Ag, Au, As, Sb	ML NO.1 (Lots 5056-67, 5087-90)	743,731.85
Other			
DRILLING (total metres, number of holes, size)			
Core	DIAD 14,415.7 m; 79 holes; NQ		
Non-core			
RELATED TECHNICAL			
Sampling/assaying	SAMP 383Z; Cu, Ag, Au, Sb, As, Fe, Zn		
Petrographic			
Mineralogic			
Metallurgic			
PROSPECTING (scale, area)			
PREPARATORY/PHYSICAL			
Legal surveys (scale, area)			
Topographic (scale, area)			
Photogrammetric (scale, area)			
Line/grid (kilometres)			
Road, local access (kilometres)			
Trench (metres)	TREN 420.0m 2 Trenches		
Underground (metres)			
		TOTAL COST	743,731.85

FOR MINISTRY USE ONLY	NAME OF PAC ACCOUNT	DEBIT	CREDIT	REMARKS:
Value work done (from report) 743,731.85				
Value of work approved				
Value claimed (from statement)				
Value credited to PAC account				
Value debited to PAC account				
Accepted Date Feb.23/88	Rept. No 15710			Information Class (1)

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In the spring of 1986, the British Columbia government announced a programme, Exploration British Columbia - Financial Assistance for Mineral Exploration (FAME), to promote private sector mineral exploration. One component of the programme, Accelerated Mine Exploration, was to provide grants to mining companies covering up to one-third of eligible exploration expenses at developed mines for the purpose of discovering additional economic reserves. The maximum assistance would be $ 300,000 per project. In late May 1986, Equity Silver Mines Limited submitted an application for assistance, to supplement our 1986 minesite exploration programme.

On July 4, 1986 the Honourable Anthony J. Brummet, Minister of Energy, Mines and Petroleum Resources, informed Equity that under the FAME programme, a grant of $ 150,000 had been awarded for the 1986 minesite exploration programme. At the completion of the programme, the grant payment will be pending a successful review of a financial statement and technical data submitted in the format of an Assessment Report by February 28, 1987.

This report has been prepared to present the technical data from Equity's programme.

Respectively Submitted
EQUITY SILVER MINES LIMITED

Robert Pease, B. Sc.
Exploration Geologist

Distribution: Exploration File
B. C. Government

INTRODUCTION

(i) Location and Access

The Equity Silver minesite is located 40 km southeast of the town of Houston, British Columbia (see Figure 1), approximately 575 km by air north-northeast of Vancouver. The town of Houston is serviced by the Canadian National Railway and British Columbia Highway No. 16. Daily jet air service to Vancouver is available from Smithers, a one hour drive northwest of Houston. The minesite lies in the gentle, and occasionally steep, hills of the Nechako Plateau physiographic region. Access is gained to the property by an all-weather gravel road from Houston (see Figures 2 and 3). Access to the drillsites and trenches discussed in this report is via numerous minesite roads and recently constructed connecting 4 x 4 trails (see Figures 4a and 4b).

(ii) Claim Ownership and Status

The Equity minesite property consists of Certified Mining Lease No. 1 and Mining Lease No. 6 surrounded by a block of 289 two-post mineral claims, 7 fractional claims, and 3 modified grid claims (43 units). All of these claims and leases are wholly owned by Equity Silver Mines Limited and are not subject to any vendor agreements. All of the work programme was conducted on these claims and leases. Also contained within the minesite claim block are 19 two-post claims and one fraction, jointly held with Teck Corporation and Pioneer Metals Corporation.

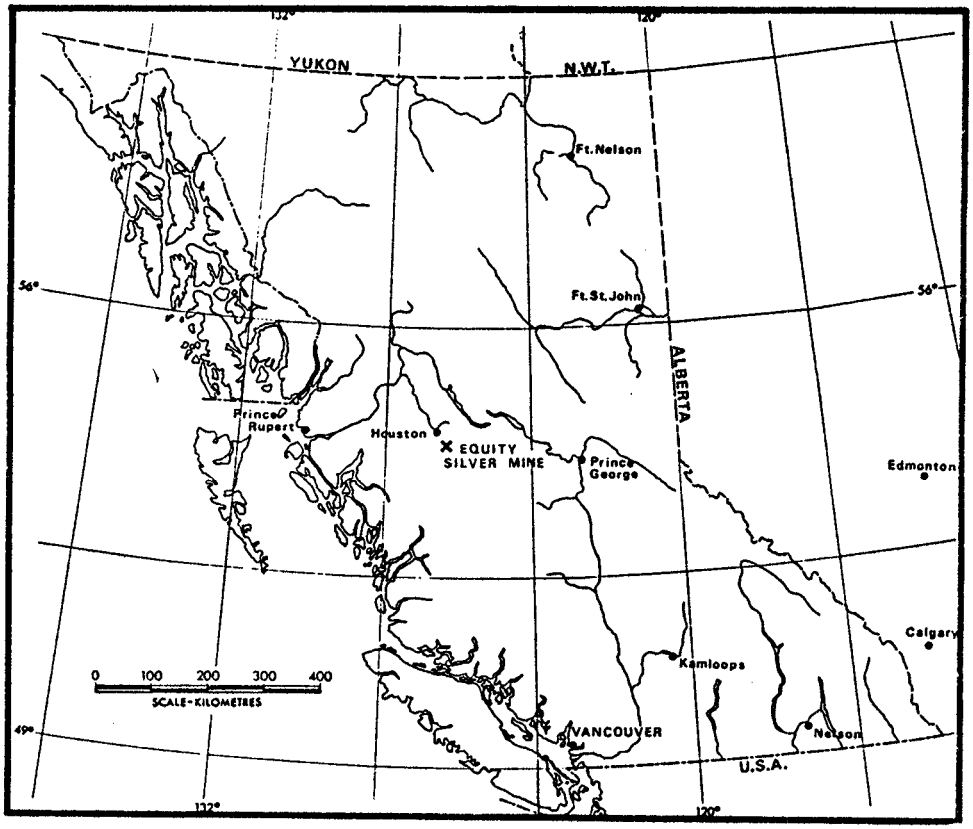

FIGURE 1 - MINESITE LOCATION

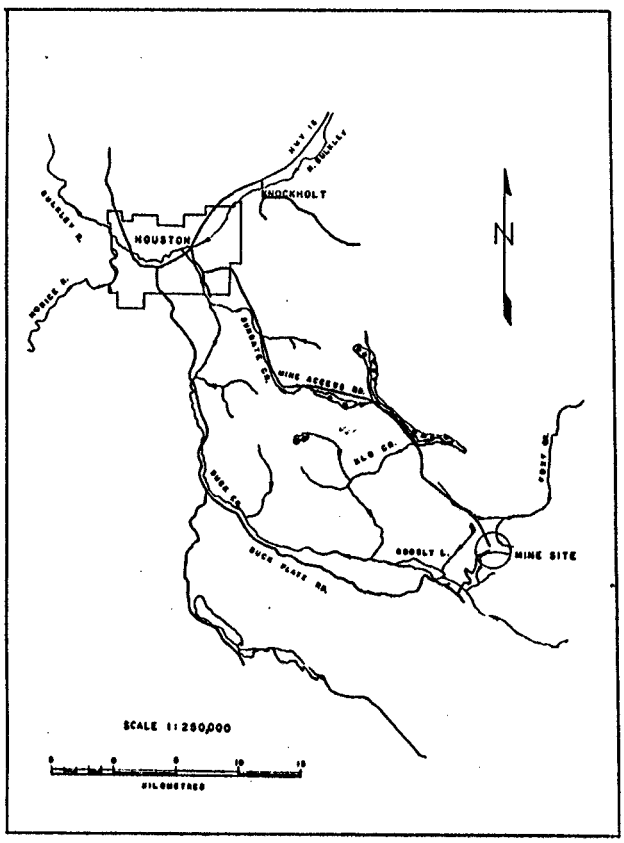

FIGURE 2 - MINESITE ACCESS

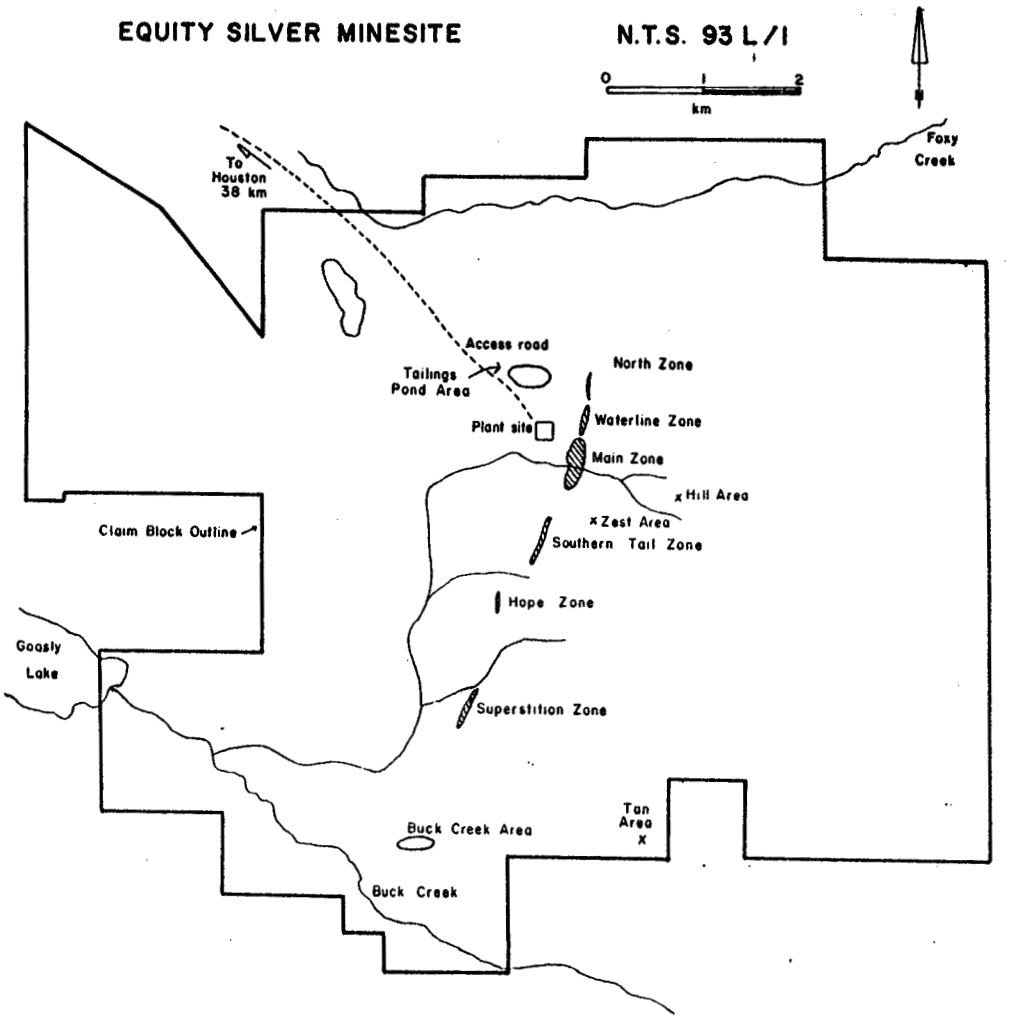

FIGURE 3 - PROPERTY LAYOUT

The company has been continuously operating a 5 500 tpd open pit mining and milling complex at this site since mid 1980. Production was increased to 10 000 tpd in mid 1986. Three ore deposits are known to occur on Certified Mining Lease No. 1. The Southern Tail deposit has been mined out to the economic limit of an open pit. The Main Zone deposit is currently being mined by an open pit, and the Waterline deposit has yet to be developed. Proven ore reserves, as of January 1987, were approximately 18.3 million tonnes at a grade of 0.26 % copper, 85 g/t silver, and 1.03 g/t gold, based on a 70 g/t silver equivalent* cut-off.

(iii) Purpose

Seventy-nine NQ size diamond drillholes, totalling 14 415.7 metres, were drilled to test possible mineralized structures. These holes were spread over nine different zones or areas (see Figure 3). The drill targets varied from; areas were no drilling had been previously done (Buck, Tan, Hope, Zest, North), to areas were some previous drilling had been done (Superstition, Tailing Pond), and to zones of defined mining reserves (Main, Waterline). Two overburden trenches totalling approximately 400 metres were excavated in the Hill area to test a soil anomaly.

* g/t silver equivalent = (g/t Ag) + (% Cu X 77) + (g/t Au X 54)

SUMMARY

Drilling in the general area south of the Southern Tail zone, lead to the discovery of the Hope zone. The apparently tabular zone is poorly defined, but has a north-south strike, vertical dip, true width of perhaps 30 metres, and has been traced over a length of 200 metres. The zone is hosted by Unit 2 dust tuff, and the minerals chalcopyrite, sphalerite, and tetrahedrite occur mainly in microveins.

Drilling in the Superstition zone provided additional intersections to better define the zone, and extended the zone 100 metres farther north. Unfortunately the grade still appears to be below a practical economic level. Drilling in the Zest area located a large zone (apparent width 100 metres) of silicification, relatively high magnetite content, and anomalous silver values. Patchy chalcopyrite-pyrrhotite-sphalerite mineralization occurs within this zone.

In the Main Zone orebody, drilling and subsequent re-interpretation of mineralized structures in the central portion, lead to an increase in the mining ore reserve of 486,000 tonnes. Drilling just off the south end of the Main zone pit, further defined a steeply dipping structure which is similiar in style of mineralization to the Main zone. The structure has a geologically inferred reserve of 0.7 million tonnes, but a lower average grade.

Drilling in the Waterline orebody generally confirmed the up and down dip continuity of mineralized structures. After re-calculation, the proven geological ore reserve tonnage was increased 31 %, and the

overall grade was reduced by 9 %. The effect of the 1986 drilling on the open pit mining reserve is pending.

Drilling in the general area north of the Waterline orebody, lead to the discovery of a new mineralized structure, termed the North zone. The north-south striking, vertically dipping, vein-like structure was traced over 400 metres. True widths vary from 1 to 25 metres. Mineralization occurs as relatively coarse-grained chalcopyrite, sphalerite, arsenopyrite, tetrahedrite, and pyrrhotite in irregular microveins and breccia fillings which can locally grade into massive sulphide. An inferred geological reserve was calculated to be 435,000 tonnes at an average grade of 0.32 % Cu, 92 g/t Ag, and 2.24 g/t Au.

The drilling in the Buck and Tan areas failed to locate any significant mineralization or alteration. Minor mineralization of no economic significance was intersected in the Tailing Pond area. Trenching in the Hill area did not uncover any mineralization, and failed to define the soil anomaly source.

The total expenditures directly related to the programme approached $ 750,000. The FAME grant, if received pending acceptance of this report, will account for $ 150,000 or 20 % of this expenditure. Within the details of the programme, the drilling south of the Main zone pit, and a significant amount of the Waterline zone drilling, would not have been executed without the anticipation of receiving the FAME grant.

RECOMMENDATIONS

The following are recommendations for future Equity minesite exploration programmes.

1. Diamond drilling programmes are required to further define and analyze the mining potential of the North and Hope zones.

2. The mineralized structure south of the Main zone pit should continue to be evaluated as pit development proceeds.

3. The southern portion of the Superstition zone, which appears to be higher grade, requires further definition by diamond drilling.

4. Diamond drilling is required in the Zest area to determine if the silicified anomalous silver zone, is related to a nearby zone of economically significant mineralization.

5. Although not specifically related to the results of the 1986 programme, the down-dip extensions of the Main and Southern Tail zones, which may be feasible to mine by underground methods, require to be tested by surface diamond drilling.

6. No further work is recommended in the Buck, Tan, Tailing Pond, or Hill areas.

PROPERTY DESCRIPTION

(i) Geology

The geology of the Equity Silver property is briefly described below and illustrated on Figure 5. The reader is referenced to Cyr, et al. (1984) for a more detailed description.

The deposits occur in a homoclinal Upper Jurassic to Cretaceous inlier consisting of sedimentry, pyroclastic, and volcanic rocks flanked by intrusions and surrounded by younger, unconformable Tertiary andesitic to basaltic flows and flow breccias. Four stratigraphic conformable subdivisions, termed the Goosly Sequence, are recognized in the inlier and consist of a basal conglomerate and argillite (clastic division); intercalated sub-aerial tuffs and breccias (pyroclastic division); interbedded volcanic conglomerate, sandstone, and bedded tuff (sedimentry-volcanic division); and andesite and dacite flows (volcanic flow division). The Goosly sequence has an overall strike of 015 and dips generally to the west.

A quartz monzonite stock (58 m.y.) on the west, and a gabbro-monzonite complex (49 m.y.) to the east, intrude the Goosly sequence. Post-mineral andesite and quartz latite dykes (49 m.y.) crosscut the Goosly sequence and the gabbro-monzonite complex.

(ii) Mineralization

Economically significant Cu-Ag-Au mineralization occurs in three distinct zones designated the Main, Waterline, and Southern Tail orebodies. Cu-Ag-Au mineralization of undetermined economic significance occurs in the Superstition, Hope, and North zones (see

Figure 3). Pyrite is the most abundant metallic mineral throughout the Goosly sequence regionally, and within the zones of Cu-Ag-Au mineralization in particular. The principal silver mineral is tetrahedrite with minor values contributed by a variety of argentiferous minerals. Chalcopyrite is the principal copper mineral and a smaller but significant portion is in tetrahedrite.

The ore minerals are generally restricted to tabular zones subconcordant to host rock stratigraphy. They occur as disseminations, veins, fracture fillings, and locally as massive pods and matrix material in breccia zones. The primary ore control is structural, since "economic" sulphides tend to be best concentrated in zones of intense fracturing (microveins, stringers) and brecciation.

It is believed the Cu-Ag-Au mineralization is epigenetic in origin. Intrusive activity resulted in the introduction of hydrothermal metal-rich solutions into the pyroclastic division of the Goosly sequence. Sulphides introduced into the more competent and permeable ash and lapilli tuffs of the Main, Waterline, and North zones formed as stringers and disseminations which grade randomly into zones of massive sulphide. In the Southern Tail, Superstition, and Hope zones, sulphides formed as veins, fracture fillings, and breccia zones in the brittle, less permeable fine grained dust tuff. Emplacement of postmineral dykes into all types of sulphide-rich pyroclastic rocks resulted in remobilization and concentration of sulphides adjacent intrusive contacts. Remobilization, concentration, and contact metamorphism of sulphides occurred in the Main and Waterline zones at the contact with the postmineral gabbro-monzonite complex.

(iii) Alteration

Alteration assemblages in the Goosly sequence are characterized by minerals rich in alumina, boron, and phosphorous. The distribution of various alteration zones is illustrated on Figure 6. Four types of alteration are recognized and briefly described below. The reader is referenced to Wojdak and Sinclair (1984) for a more detailed discussion.

1. Aluminous alteration is characterized by a suite of aluminous minerals including analusite, corrundum, pyrophyllite, and scorzalite. These alteration zones show a systematic spatial relationship to areas of mineral deposits.

2. Boron-bearing minerals consisting of tourmaline and dumortierite occur within the ore zones and in the hangingwall section of the Goosly sequence.

3. Phosphorous-bearing minerals including scorzalite, apatite, augelite, and svanbergite occur in the hangingwall zone, immediately above and intimately associated with sulphide minerals - particularly in the Main and Waterline zones.

4. Phyllic alteration is characterized by weak to pervasive sericite-quartz replacement. It appears to envelope zones of intense fracturing, with or without chalcopyrite/tetrahedrite occurences, particularly in Unit 2 dust tuffs.

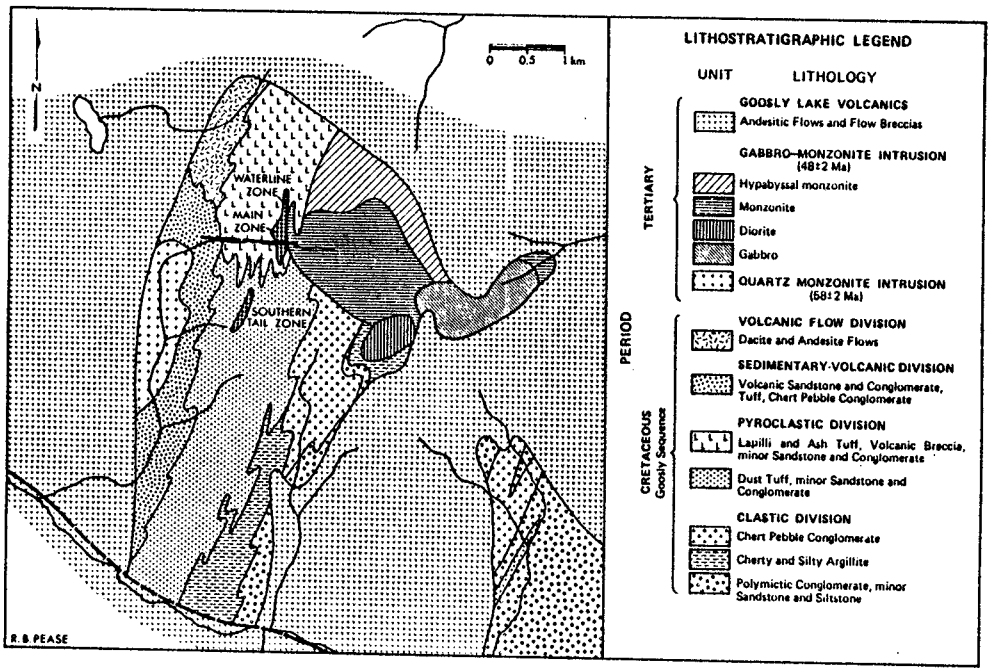

FIGURE 5 - PROPERTY GEOLOGY

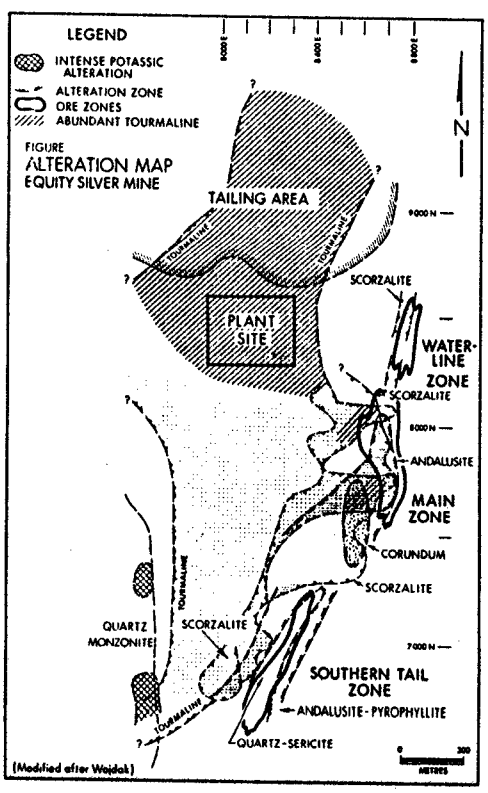

FIGURE 6 - PROPERTY ALTERATION

DRILLING PROGRAMME

The programme consisted of 14 415.7 m of NQ wireline diamond drilling spread over seventy-nine (79) holes in nine different zones or areas. The collar locations and surface projections of the drillholes are shown on Figures 4a and 4b.

The drill setup pads and access roads were constructed prior to drill mobilization mostly by a contracted D8 tractor, but occasionally Equity's D6 tractor was used. The programme commenced in February (1986) with drillhole number X86CH231, and was completed in November with drillhole number X86CH309. Up to late August (drillhole X86CH274), the drilling contractor was G & D Diamond Drilling of Kamloops, B.C. The remaining holes were drilled by J. T. Thomas Diamond Drilling of Smithers, B.C. A skid-mounted Longyear Super 38 wireline drill rig was utilized by both contractors, and they supplied a tractor to move and assist the drill.

The core was transported to the logging facilities at the minesite immediately following hole completion. The core logging was divided between four people through the programme; the author (32%), Mr. Daryl Hanson (41%), Mr. Jim Cyr (21%), and Mr. Ray Westendorf (6%). Mr. Hanson, a geologist temporarily employed by Equity, has prevalent academic and practical training, holding a B.Sc. degree in geology and having over ten years experience in mineral exploration. Mr. Cyr, Equity's mine geologist, has prevalent academic and practical training, holding a B. Sc. degree in geology and having over ten years experience in mine geology. Mr. Westendorf, a Carleton University geology student temporarily employed by Equity, logged three holes

under the supervision of the author.

Two logging systems were used in the programme. The holes drilled in the Waterline and Main zones were logged by Mr. Cyr, and a handwritten graphic logging form which he prefers was used. For the balance of the programme, a coded core logging system was utilized mainly to improve the measure of objectivity, consistency, measureability, and readability as compared to handwritten logs. The coding system allows geologic and assay data to be entered into formatted computer data files. These files can be accessed by programs which plot sections and plans, perform statistical analyses, and assist in reserve calculations. An explanation of the logging codes is provided in Appendix I. The logs of the coded drillholes are reproduced in Appendix II, and the handwritten graphic logs are reproduced in Appendix III.

The core was sampled top to bottom in approximately 3.0 metre intervals. Barren dyke intersections were generally omitted. Sampling was done by a hand operated core splitter. One half was placed in plastic sample bags and delivered to Equity's minesite laboratory for assay, and the other half was returned to the core box for permanent storage. The split core is stored in the facilities at the minesite.

The core samples were assayed for the metals Cu, Ag, Au, Sb, As, Fe, and Zn. In Equity's assay procedure, 1 gram of pulverized material is dissolved in 10 ml of nitric acid and 30 ml of hydrochloric acid. This solution is boiled for fifteen (15) minutes, after which 10 ml of 10 % tartaric acid is added and the sample is returned to the hot plate for five (5) minutes. The solution is

allowed to cool and quantitative analysis is done on an atomic absorption machine, except for Au which is fire assayed first.

TRENCHING PROGRAMME

Two trenches totalling 420 metres were excavated in the Hill area, using a contracted D8 tractor. The trench locations are shown on Figure 4a.

The trenches were mapped and sampled in approximately 3.0 metre intervals, by D. Hanson between August 15 and 20. A total of 25 chip samples were submitted to the Placer Development Limited Laboratory in Vancouver for geochemical analysis of Cu, Zn, Ag, Au, As, and Sb.

The analytical techniques used by Placer's lab are summarized below:

Cu, Zn, Ag, and As - 0.5 grams of pulverized material dissolved in cold $HCLO_4/HNO_3$ for 4 hours and analyzed by atomic absorption

Au - 10.0 grams of pulverized material dissolved in Aqua Regia for 3 hours and analyzed by atomic absorption

Sb - 0.5 grams of pulverized material dissolved in cold HCL/HNO_3 for 2 hours and analyzed by atomic absorption

RESULTS

(i) Buck Creek Area

The four holes drilled in this area were discouraging. The holes were located on a single section to test for a possible southern extension of the Superstition mineralized structure, which occurs approximately 1000 metres to the north (see Figure 4b). The overburden was found to be 65 to 80 metres thick, which was much more than expected, and caused problems in completing the holes as planned.

Drillholes X86CH231 and X86CH232 intersected unaltered and unmineralized interbedded volcanic sandstones and conglomerates. Drillhole X86CH233, collared further to the east, intersected mainly lapilli tuffs. Some of the lapilli fragments were altered to sericite. Drillhole X86CH234 failed to reach bedrock after all the drill casing had been used, and therefore was abandoned.

All the rocks intersected can be correlated to Unit 3 of the Goosly Sequence. Bedding observed in the vertical hole (X86CH232) indicated a dip angle of -60°. No mineralization, except for minor amounts of disseminated pyrite, was intersected. Also, no well developed zone of intense fracturing or alteration which could be indicative of nearby "economic" mineralization in this area of the property was encountered.

(ii) Superstition / Hope Zones

The geology of this area is restricted to Unit 2 (Pyroclastic Division) and Unit 3 (Sedimentry - Volcanic Division) of the Goosly sequence. The Unit 2/Unit 3 contact is shown on Figure 4b. The Unit

2 rocks intersected in the drilling consist mainly of massive, fine grained, green to tan dust tuffs. Some coarser grained ash and lapilli tuffs were also intersected. The Unit 3 rocks intersected in the drilling consist of interbedded chert pebble conglomerate, quartz sandstone, well-bedded dust and ash tuffs, and some volcanic conglomerate and sandstone. The chert pebble conglomerate and quartz sandstone tend to dominate the base of the unit, while the tuffs and sandstones are more common higher in the section. Both Unit 2 and 3 are cut by numerous andesite and quartz latite dykes.

The Units are believed to be steeply folded and have an overall strike of 017 degrees. The folding is apparent in Unit 3 rocks, but difficult to interpret in Unit 2 pyroclastics due to their massive nature and lack of well-preserved identifible bedding.

Unit 2 is considered the main target for hosting "economic" mineralization. The key guides to locating mineralization in this area are degree of fracturing, and alteration intensity. Low grade alteration (Propylitic) is characterized by chlorite lining fractures (microveins). Higher grade alteration is defined by increasing intensity of quartz-sericite (or phyllic) replacement. That is, "economic" mineralization could be expected to occur in a zone of intense fracturing and pervasive phyllic alteration. The "economic" mineralization anticipated is chalcopyrite and/or tetrahedrite occurring in microveins. Accessory minerals could include sphalerite, arsenopyrite, and specular hematite. Pyrite occurring in microveins and disseminations is common throughout Unit 2 and 3. The distribution of lithology, fracture intensity, alteration, and Cu-Ag mineralization is summarized in the following hole by hole discussion. Descriptions of the frequent, post-mineralization dykes are generally

omitted.

The holes drilled immediately south of the Southern Tail defined a weakly mineralized southern extension of the Southern Tail structure, but due to the low grade and narrow width further exploration is not warrented. Some of the holes drilled north of Superstition Creek (see Figure 4b) intersected a new mineralized structure which has been termed the Hope zone. The holes drilled in the Superstition zone lead to further definition of this structure. Both the Hope and Superstition zones require further study and additional drilling to determine feasibility of mining. The Hope zone is poorly defined, and the grade of the Superstition zone appears to be below an economic level.

The Hope zone was traced over 200 metres of strike length and is open to depth. The zone appears to dip vertically, and strike slightly west of north. The mineralization does not come to the surface, and a strike extension to the north is possible. Mineralization occurs over a true width up to approximately 30 metres, and consists of chalcopyrite, sphalerite, and tetrahedrite (with or without quartz) in irregular microveins. The host rock is Unit 2 dust tuff, and mineralization is enveloped by varying intensities of quartz-sericite (phyllic) alteration.

The Superstition zone has been traced over a strike length of approximately 500 metres. It strikes 020° and dips 45 to 70 degrees to the west. True widths are variable, but average approximately 20 metres. Chalcopyrite, sphalerite, arsenopyrite, and tetrahedrite occur in irregular microveins, hosted by mainly Unit 2 dust tuff. This mineralization is enveloped by varying intensities of phyllic

alteration and silicification. The zone contains a geological inferred reserve of approximately 3.0 million tonnes. An up-dated grade calculation is pending, but should be in the area of 0.30 % Cu, 35 g/t Ag, and 0.15 g/t Au.

Holes X86CH235, X86CH236, and X86CH237 were drilled on a section to test the southern extension of the Southern Tail structure. Hole 235 was collared in Unit 3 chert pebble conglomerate, but passed into Unit 2 dust tuff at 98.0 metres. The dust tuffs displayed low to moderate fracture intensity, and weak to moderate phyllic alteration to 155.0 metres. From 155.0 to 209.3 metres, the fracture intensity increases and the phyllic alteration becomes moderate to pervasive. The tuffs in the balance of the hole have a generally low fracture intensity, but maintain pervasive phyllic alteration. Weak sporadic chalcopyrite occuring in mircoveins is common in the first 60 metres of the hole. The zone from 294.0 to 300.0 metres assayed 29 g/t Ag, 0.18 g/t Au, and 0.48 % Zn. The zone from 312.0 to 316.8 averaged 22 g/t Ag, 0.52 g/t Au, and 0.48 % Zn. These later two zones contained trace chalcopyrite and tetrahedrite in microveins and breccia fillings.

Hole X86CH236 intersected Unit 2 dust tuffs with generally low fracture intensities and mainly chloritic alteration. Occasional weak to moderate phyllic alteration was noted near the top of the hole. The zone from 141.0 to 147.6 metres was strongly brecciated and silicified, and cut by numerous small dykes. This zone averaged 0.24 g/t Au. Weak sporadic chalcopyrite occuring in microveins was noted from 150.2 to 216.2 metres.

Hole X86CH237 was collared in Unit 2 ash tuffs, but passes into dust tuff from 48.9 to 164.0 metres. Interbedded dust and ash tuff was

intersected through the balance of the hole. The tuffs were generally weakly fractured, and displayed strong chloritic with minor weak phyllic alteration. The zone from 66.0 to 72.0 metres contained chalcopyrite in microveins, and averaged 0.41 % Cu and 9 g/t Ag.

Holes X86CH238 and X86CH239 were drilled to intersect a possible southern extension of a weak structure previously defined to the north. The rock types intersected were Unit 2 dust tuffs, with minor ash units towards the end of the holes. Both holes display low fracture intensities, but rather pervasive quartz-sericite alteration. A few sporadic very low Ag assays were obtained, but they cannot be attributed to a significant structure.

Holes X86CH260 and X86CH261 were drilled on the same section as 238 and 239 but further to the east. This location tested a possible southern extension of the Southern Tail structure. Mainly Unit 2 dust tuffs were intersected, with some ash tuff near the top of 260 and a few intervals of lapilli tuff near the bottom of 261. The fracture intensity was relatively low throughout both holes. In hole 260, weak to moderate quartz-sericite alteration was observed above 61.0 metres, and only chlorite alteration occurs below. Hole 261 displays a very similiar alteration pattern with weak to moderate quartz-sericite above 101.0 metres, and chlorite below. Weak sporadic chalcopyrite in microveins was noted above 49.0 metres in hole 260. Two low grade intersections were found in hole 261, from 103.0 to 106.0 metres (0.38 % Cu, 28 g/t Ag) and from 124.0 to 126.3 (0.24 % Cu, 15 g/t Ag) metres.

Hole X86CH240 was drilled to test a possible up-dip extension of a small mineralized zone located by a hole drilled in 1970. Hole 240

intersected Unit 2 ash tuffs which displayed relatively high fracture intensity and moderate to pervasive quartz-sericite alteration. No significant mineralization was located. At a later date, hole X86CH262 was drilled on the same section but down-dip of the 1970 hole. A relatively good mineralized intersection was found, which was later termed the Hope zone. Hole X86CH273 was drilled further down-dip on the same section, and holes X86CH272 and X86CH274 were drilled approximately 100 metres to the south and north respectively, in an attempt to trace the zone.

All of these holes (262, 272, 273, 274) were collared in interleveled Unit 3 chert pebble conglomerates, quartz sandstones, and well-bedded ash and dust tuffs, and passed into Unit 2 dust tuffs to the end of the hole. In hole X86CH262, the Unit 2 dust tuffs display medium to high fracture intensity and moderate to strong phyllic alteration down to approximately 270 metres. Below this point, the tuffs display only low to medium fracture intensity and chloritic alteration. Hole 262 contains a zone approximately 100 metres long of sporadic Cu-Ag mineralization broken by a few barren post-mineralization dykes. Two of the better intersections include; 167.0 to 194.0 metres averaging 0.57 % Cu and 14 g/t Ag, and 235.0 to 256.3 metres averaging 0.39 % Cu and 298 g/t Ag. These zones contained chalcopyrite and tetrahedrite in microveins.

The Unit 2 dust tuffs in hole X86CH273 displayed relatively high fracture intensity and pervasive quartz-sericite alteration to the end of the hole. However, only sporadic low grade mineralization was intersected. The interval from 228.0 to 267.3 metres averaged 0.23 % Cu with a few low Ag assays. In hole X86CH274, the Unit 2 dust tuffs displayed the same fracture and alteration pattern as hole 273. Two

sections of chalcopyrite and tetrahedrite occurring in microveins were located from 229.0 to 236.8 metres (0.50 % Cu, 109 g/t Ag), and from 291.0 to 299.1 metres (0.26 % Cu, 75 g/t Ag).

The Unit 2 portion of hole X86CH272 is dominantly dust tuff, but contains some interleveled ash tuff. The tuffs display a medium to high fracture intensity and moderation to pervasive phyllic alteration. Only low grade mineralization was intersected. A zone from 164.0 to 251.0 metres contains sporadic chalcopyrite in microveins with a few tetrahedrite occurences.

Farther to the south, hole X86CH263 was drilled up-section from a 1970 drillhole. Unit 2 dust tuffs were encountered throughout the hole (except dykes). Down to 55.1 metres, only low fracture intensity and chloritic alteration was observed. From 55.1 metres to the end of the hole, medium fracture intensities and weak to moderate phyllic alteration was encountered. A zone from 57.0 to 119.0 metres contains sporadic chalcopyrite in microveins. A few patches of chalcopyrite, numerous occurences of tetrahedrite, and relatively high amounts of sphalerite, all occur in microveins from 159.0 to 186.2 metres. This intersection averaged 20 g/t Ag and 0.92 % Zn.

Holes X86CH264 and X86CH265 were drilled to intersect the northerly trace of the Superstition zone structure. Hole 264 was collared in Unit 3 volcanic sandstone and chert pebble conglomerate, and passed into Unit 2 dust tuffs with minor ash tuff units to the end of the hole. Hole 265 intersected Unit 2 dust tuffs throughout, except for some ash tuff units towards the end of the hole. Both holes are cut by numerous dykes.

The Unit 2 portion of hole 264 from 89.0 to 130.0 metres,

displays low fracture intensity and propylitic alteration, with a few sporadic chalcopyrite occurences in microveins. From 130.0 metres to the end of the hole, a medium to high fracture intensity was observed, with weak to moderate phyllic alteration. The zone from 133.0 to 145.0 metres contains numerous chalcopyrite and tetrahedrite in microveins, averaging 0.21 % Cu and 40 g/t Ag. Hole 265 contains medium to high fracture intensity and moderate phyllic alteration throughout. The zone from 48.8 to 61.3 metres averaged 0.49 % Cu with a low Ag grade of 9 g/t. Sphalerite occurences in microveins were found towards the end of both holes (particularly 265) with no associated chalcopyrite or tetrahedrite.

Hole X86CH266 was drilled down-section of a 1984 hole. Unit 2 dust tuffs were intersected throughout the hole. The zone from 101.0 to 203.0 metres displayed moderate to high fracture intensity with some brecciation, and pervasive phyllic alteration. The balance of the hole contained medium fracturing and weak to moderate phyllic alteration. Sporadic chalcopyrite with occasional tetrahedrite was found in microveins from 101.0 to 203.0 metres. The section from 188.0 to 203.0 metres averaged 0.32 % Cu, and 37 g/t Ag.

Hole X86CH267 was located inbetween two previously drilled holes, but was prematurely terminated at 108.2 metres due to drilling problems. The hole should have continued to at least 150 metres to have properly tested the target. Unit 2 dust tuffs with considerable ash tuff interleveled were intersected. Down to 40.2 metres, the fracture intensity was low, and weak quartz-sericite alteration was observed. From 40.2 metres to the end of the hole, the fracture intensity increased and the phyllic alteration became pervasive. A few sporadic chalcopyrite occurences in microveins were encountered.

Hole X86CH269 was drilled up-section (albeit 30 m to the south), and holes X86CH268 and X86CH271 were drilled down-section, of a 1983 hole. Hole 268 was abandoned in a fault zone at 72.9 metres, and hole 271 was drilled later at a steeper angle to test the same zone.

Hole 269 intersected Unit 2 dust tuffs. A medium fracture intensity and moderate to occasionally pervasive phyllic alteration was encountered down to 56.1 metres. Below this depth, only low fracturing and weak to moderate phyllic alteration were observed. A few chalcopyrite occurences in microveins were noted near the top of the hole. Hole 271 intersected Unit 2 dust tuffs with some interleveled lapilli tuff towards the end of the hole. A low fracture intensity with generally only chloritic alteration was observed down to 88.0 metres. From 88.0 to 162.0 metres, a medium to high fracture intensity and moderate to pervasive phyllic alteration with a few silicified intervals was encountered. In the balance of the hole, a low fracture intensity and propylitic alteration was found. Hole 271 was essentially devoid of chalcopyrite/tetrahedrite mineralization.

Hole X86CH270 was drilled inbetween two 1983 holes. It was collared in Unit 2 ash tuff to 39.0 metres and passed into dust tuff to the end of the hole. Down to 54.8 metres, a low fracture intensity, and propylitic with some weak phyllic alteration was observed. In the zone from 54.8 to 98.0 metres, the fracture intensity increased and moderate phyllic alteration with a few intervals of silification was encountered. Below 98.0 metres, the fracture intensity was low and only propylitic alteration was noted. Sporadic, but some good grade, chalcopyrite and tetrahedrite

mineralization was intersected in the zone from 54.8 to 98.0 metres. The section from 61.0 to 76.0 metres averaged 0.28 % Cu and 28 g/t Ag, and the section from 82.0 to 88.0 metres averaged 0.35 % Cu and 118 g/t Ag.

(iii) Main Zone

Open pit mining is currently underway in this zone, and the majority of Equity's mining reserves are located in the Main Zone pit. The ore zone is approximately 700 metres long, up to 90 metres wide, and open to depth on several sections. The zone has an overall orientation of 015° and dips 65 degrees to the west. At a 70 g/t silver equivalent cut-off, the grade averages 0.26 % Cu, 94 g/t Ag, and 1.12 g/t Au.

The mineralization is hosted by mainly Unit 2 ash and lapilli tuffs. Several post-mineral dykes cross-cut the orebody. Pyrite, chalcopyrite, and tetrahedrite are the most common sulphides with accessory pyrrhotite, arsenopyrite, sphalerite and galena. These minerals occur mainly as relatively fine-grained disseminations which can locally grade into patches of massive sulphide. The sulphides also occur in irregular microveins and veins. Gold is believed to occur mainly as very fine blebs on tetrahedrite grain boundaries. Pryyhotite is generally confined within a 70 metre wide zone around the contact with the gabbro-monzonite complex, and is believed to be derived from the conversion of pyrite by contact metamorphism. Magnetite is commonly disseminated throughout the ore zone.

Main zone alteration can be classified as advanced argillic. The zone is enveloped by a varying intensity of chlorite/pyrite lining microfractures and in disseminations. Spatially associated with the

ore zone is a suite of aluminous minerals including andalusite, corundum, pyrophyllite, and scorzalite. Ore zones can also be apparently silicified.

Two drill programmes were executed in the Main zone in 1986 (see Figure 4a). Two holes (86-246 and 247) were drilled down-dip of the central portion of the zone. Rocks within this area of the pit had been interpreted as waste and low grade. This interpretation was in doubt, and the holes were drilled to allow a re-interpretation of this area. Four other holes (86-297 to 300) were drilled off the south end of the Main zone pit to test the continuity of a poorly defined mineralized structure.

In the central portion, holes 86-246 and 247 intersected mainly Unit 2 ash and lapilli tuff, cut by numerous dykes. Hole 86-246 intersected a zone from 84.0 to 117.0 metres, which averaged 0.24 % Cu, 110 g/t Ag, 1.06 g/t Au. This zone contained patches of scorzalite, and fine-grained disseminations and stringers of chalcopyrite. Hole 86-247 intersected a zone from 147.0 to 214.0 metres, which averaged 0.35 % Cu, 96 g/t Ag, and 0.97 g/t Au. This zone contained an irregular distribution of sphalerite and chalcopyrite in fine patches and microveins, as well as fine-grained disseminated tetrahedrite. After a re-interpretation of this area, and a re-calculation mining reserves within the Main zone pit, the mining reserve at a 70 g/t silver equivalent cut-off increased by 486,000 tonnes.

At the south end of the Main zone, hole 86-297 intersected an interleveled sequence of Unit 2 dust, ash, and lapilli tuff. A few sporadic intervals assayed between 20 and 50 g/t Ag, but no significant mineralization or alteration was noted in the core.

Hole 86-298 was collared in Unit 2 dust tuff, but passed into interleveled ash and lapilli tuff. Three mineralized intersections were discovered, but no obvious alteration or mineralization, except for a few microveins of sphalerite, was observed. A zone from 47.0 to 59.0 metres, averaged 61 g/t Ag and 0.28 g/t Au, and a zone from 68.0 to 80.0 metres, averaged 39 g/t Ag and 0.14 g/t Au. The last zone from 89.0 metres to the end of the hole (101.2), averaged 35 g/t Ag and 0.38 g/t Au.

Hole 86-299 encountered interleveled Unit 2 ash and lapilli tuff. Two mineralized zones were intersected; the first from 70.0 to 82.0 metres, averaged 0.32 % Cu, 97 g/t Ag, and 0.37 g/t Au. This zone contained patches of scorzalite and was occasionally silicified. Some disseminated sphalerite and tetrahedrite were observed. The second zone ran from 106.0 to 121.9 metres (end of hole), and averaged 60 g/t Ag and 0.74 g/t Au. A few traces of tetrahedrite were noted in microveins, and oddly some molybdenite as well.

Hole 86-300 intersected interleveled Unit 2 ash and lapilli tuff. A zone from 69.0 to 100.6 metres (end of hole), averaged 0.17 % Cu, 52 g/t Ag, and 0.37 g/t Au. Patches of scorzalite were observed at the top of this interval, and disseminated chalcopyrite and rare tetrahedrite were noted within the zone.

This mineralized structure at the south end of the Main zone requires further drilling to be properly evaluated. The host rocks, mineralization, and alteration appear very similiar to the Main zone. It was unfortunate that three of the four holes ended in mineralization. The silver mineralization (tetrahedrite?) is very fine grained since it was generally not visible in drillcore. The zone has

been traced for approximately 200 metres, strikes 045°, and dips steeply to the northwest. The zone contains a geologically inferred reserve of 0.7 million tonnes at a grade of 0.12 % Cu, 75 g/t Ag, and 0.42 g/t Au.

(iv) Waterline Zone

The style of mineralization/alteration in the Waterline zone is very similiar to the Main zone. The host rocks are mainly Unit 2 ash and lapilli tuff, with some dust tuff and volcanic conglomerate and sandstone. Post-mineral andesite and trachyandesite dykes are very common.

The mineralized zone is 375 metres long and averages approximately 40 metres wide. It has a general strike of 010 degrees and dips vertically. The northern half of the zone is open to depth. The minerals chalcopyrite, pryyhotite, sphalerite, tetrahedrite, and arsenopyrite occur mainly as disseminations, which can grade into massive sulphide, and irregular microveins (stringers). The average grade of the current mining reserve is 0.30 % Cu, 76 g/t Ag, and 1.19 g/t Au at a 70 g/t silver equivalent cut-off. Full-scale open pit mining is presently scheduled to commence in 1989.

As in the Main zone, alteration can be classified as advanced argillic. Scorzalite is commonly noted close to and within the mineralized zone. Silicification of the mineralized zone and an apparent increase in magnetite are also common.

Twelve holes (86-248 to 252 and 86-290 to 296) were drilled in the zone in 1986 (see Figure 4a). Nine holes were drilled down-dip of previous holes on existing sections to test the continuity of the mineralized structure to depth. The other three holes were drilled up-

dip of previous holes on existing sections to test the continuity of the mineralized structure to the surface.

The proven geological reserves in the Waterline zone were re-calculated after the 1986 drilling to 5.1 million tonnes averaging 0.25 % Cu, 68 g/t Ag, and 1.05 g/t Au at a 70 g/t silver equivalent cut-off. This represents an increase in tonnage of 31 % and a 9 % decrease in overall grade, as compared to the previous reserve. The geologic model of the deposit changed very little, and most of the additional reserves were defined below previous elevations. The effect of the 1986 drilling on the open pit mining reserve is pending.

Hole 86-248 encountered interleveled Unit 2 ash and lapilli tuff, and passed into the gabbro-monzonite complex (Unit 7) at 102.1 metres. A zone from 87.0 to 102.1 metres, averaged 0.11 % Cu, 49 g/t Ag, and 0.72 g/t Au. This zone contained occasional patches and disseminations of chalcopyrite, and rare scorzalite. A xenolith of Unit 2 tuff in the gabbro complex (111.7 to 115.2 metres), contained a few patches of chalcopyrite.

Hole 86-249 intersected mainly Unit 2 ash and lapilli tuff, with minor dust tuff and volcanic sandstone. At 145.7 metres, the hole passed into the gabbro-monzonite complex. The first interval of the hole, from 4.6 to 7.0 metres, assayed 0.58 % Cu, 161 g/t Ag, and 0.93 g/t Au, and contained chalcopyrite in microveins. No other significant mineralization was found.

Hole 86-250 encountered Unit 2 interleveled ash and lapilli tuff, and passed into the gabbro-monzonite complex at 177.7 metres. Down to 126.0 metres, a few sporadic silver assays of 15 to 40 g/t were obtained. The zone from 126.0 to 147.0 metres, averaged 0.12 % Cu, 152 g/t Ag, and 1.44 g/t Au, even though diluted by a few barren dykes.

Some silicification and disseminated magnetite were noted in the zone, but no tetrahedrite was observed. This demonstrates the sometimes very fine-grained nature of the silver mineralization.

Hole 86-251 was collared in Unit 2 interleveled ash and lapilli tuff, but passed into a rock of uncertain origin which could be a porphyritic flow or pre-mineral dyke, or an assimilation of the porphyritic dyke and the ash-lapilli tuff. At 60.6 metres, the hole passed into the gabbro complex. A zone from 24.0 to 60.6 metres, averaged 0.19 % Cu, 220 g/t Ag, and 2.14 g/t Au. It displayed some minor silicification, but again no obvious silver mineralization.

Hole 86-252 initially intersected Unit 1 chert pebble conglomerate and passed into Unit 2 dust tuff at 32.3 metres. A zone from 32.3 to 41.5 metres, averaged 111 g/t Ag and 0.87 g/t Au, displayed some silicification, and rare patches of scorzalite. Unfortunately, the hole was abandoned at 41.5 metres due to caving.

Hole 86-290 was collared in Unit 2 ash tuff, with some lapilli tuff, volcanic sandstone and conglomerate. Unit 2 dust tuff becomes more common towards the end of the hole. A zone from 224.0 to 239.0 metres, averaged 1.01 % Cu, 84 g/t Ag, and 1.14 g/t Au. This zone was silicified, contained abundant chalcopyrite in microveins, and a few minor patches of molybdenite were noted.

Hole 86-291 intersected mainly interleveled Unit 2 ash and lapilli tuff, with some dust tuff. The hole passed into the gabbro complex at 195.3 metres. Down to 160.0 metres, a few sporadic higher copper-silver assays were obtained. The zone from 160.0 to 195.3 metres, encountered sporadic chalcopyrite in microveins and patches, and some silicification. It had a low grade average assay of 0.08 %

Cu, 20 g/t Ag, and 0.18 g/t Au.

Hole 86-292 was collared in Unit 2 dust tuff, but a 97.0 metres, passed into interleveled dust and ash tuff. A zone from 28.0 to 34.0 metres, averaged 0.24 % Cu, 11 g/t Ag, and 2.39 g/t Au, and contained chalcopyrite and arsenopyrite in microveins. A second interval from 46.0 to 49.0 metres, assayed 45 g/t Ag and 1.32 g/t Au, but no obvious alteration or mineralization was noted.

Hole 86-293 intersected interleveled Unit 2 ash and lapilli tuff. A zone from 206.0 to 239.4 metres, averaged 0.23 % Cu, 67 g/t Ag, and 0.75 g/t Au. The zone displayed some minor silicification, and chalcopyrite and sphalerite in microveins.

Hole 86-294 also intersected interleveled Unit 2 ash and lapilli tuff. A zone from 108.0 to 114.0 metres, averaged 37 g/t Ag and 0.47 g/t Au; and a second zone from 129.0 to 141.0 metres, averaged 38 g/t Ag and 0.43 g/t Au. No significant alteration or mineralization was observed in either of these low grade intervals.

Hole 86-295 encountered Unit 2 interleveled ash and lapilli tuff. Four mineralized intersections were found. The interval from 21.0 to 24.0 metres, assayed 73 g/t Ag and 0.52 g/t Au; the zone from 153.0 to 159.0 metres, averaged 44 g/t Ag and 0.54 g/t Au; and the zone from 171.0 to 195.0 metres, averaged 22 g/t Ag and 0.32 g/t Au. No significant alteration or mineralization was detected in these three relatively low grade intervals. The zone from 195.0 to 207.0 metres, averaged 0.35 % Cu, 150 g/t Ag, and 1.02 g/t Au. This zone contained occasional patches of chalcopyrite-pyrrhotite-magnetite, and displayed some minor silicification.

Hole 86-296 intersected interleveled Unit 2 ash and lapilli tuff. The interval from 39.0 to 42.0 metres, assayed 0.21 % Cu, 111 g/t Ag,

and 0.25 g/t Au; and another short intersection from 87.0 to 93.0 metres, averaged 0.10 % Cu, 80 g/t Ag, and 1.19 g/t Au. Neither of these two zones contained any obvious alteration or mineralization. A third zone from 192.0 to 213.0 metres, averged 0.19 % Cu, 86 g/t Ag, and 0.82 g/t Au. This zone contained occasional patches of chalcopyrite-magnetite, and minor patches of pyrrhotite.

(v) North Zone / Tailing Pond Area

The geology of this area is generally restricted to Unit 2 of the Goosly sequence, although some conglomerates which belong to Unit 1 were intersected in two holes , and the most westerly hole intersected Unit 4 rocks (see Figure 4a). The Unit 2 rocks intersected in the drilling consist mainly of ash, lapilli, and dust tuffs. A previously undetected Unit 2 lithology, tuffaceous siltstone/claystone, was defined. Numerous andesite and quartz latite dykes cut through the area.

The structure of the area is difficult to interpret, but the units are believed to dip steeply and strike approximately north-south. The volcanic breccia intersected in hole 254 may be a pipe-like body.

One of the key guides to locating mineralization in this area is degree and type of alteration. Low grade alteration (Propylitic) is characterized by chlorite lining fractures. Higher grade alteration can be defined by increasing intensity of argillic (aluminous) replacement and/or increasing silification, and/or quartz-sericite (Phyllic) replacement. That is, "economic" mineralization could be expected to occur in a zone of higher grade alteration. The "economic" mineralization anticipated is chalcopyrite and/or

tetrahedrite occurring in microveins, fine disseminations, and/or patches and blebs. Accessory minerals could include sphalerite arsenopyrite, pyrrhotite, specular hematite, and magnetite. Pyrite occurring in microveins and disseminations is common throughout the area. The distribution of lithology, alteration, and mineralization is summarized in the following hole by hole discussion. Descriptions of the frequent, post-mineralization dykes are generally omitted.

The three holes drilled in the vicinity of the Tailing Pond intersected only minor mineralization, and no further work is warrented. The general area north of the Waterline zone had been termed the North Area. The 1986 drilling discovered a distinct mineralized structure, which was named the North zone.

The North zone was traced for over 400 metres of strike length, but the southern 200 metres was, by far, the best defined. The zone has a vertical dip, and strikes north-south. True widths are variable from 1 to 25 metres, but the average appears to be about 8 metres. The host rocks are mainly Unit 2 ash and lapilli tuff, with some tuffaceous siltstone in the northern portion. Alteration appears to be confined to, or within a few metres of, the mineralized structure. It consists of an advanced argillic suite (visible scorzalite), silicification, and some phyllic replacement. Magnetite commonly envelops the zone as well. Mineralization occurs as relatively coarse-grained chalcopyrite, sphalerite, arsenopyrite, tetrahedrite, and pyrrhotite in irregular microveins and breccia fillings which can locally grade into massive sulphide, generally confined to a macrovein-like structure. The North zone contains a geologically inferred reserve of approximately 435,000 tonnes at a grade of 0.32 %

Cu, 92 g/t Ag, and 2.24 g/t Au. Additional drilling is required to further define this structure.

Holes X86CH253, X86CH254, and X86CH255 were drilled in the Tailing Pond area to further define mineralized zones intersected by 1979 drilling. In hole 253, Unit 2 dust and ash tuffs were intersected with minor interleveled volcanic conglomerate. Only chlorite alteration was noted in most of the hole, however the zone from 126.0 to 132.0 metres displayed quartz-sericite alteration. The tuffs in this zone were brecciated, with matrix filling pyrite and minor chalcopyrite.

Hole X86CH254 intersected mainly Unit 2 volcanic breccia with some interleveled lapilli and ash tuff. Quartz-tourmaline alteration was common throughout the hole, accompanied by disseminated pyrite. No significant "economic" mineralization was encountered. Hole X86CH255, which was collared further to the northwest, intersected Unit 4 interleveled andesite and dacite flows. Some minor phyllic alteration was noted, and pyrite stringers were common. The zone from 74.7 to 85.0 metres, averaged 41 g/t Ag and 0.45 % Zn, and contained sphalerite occurring in patches and veins.

Holes X86CH241, X86CH242, and X86CH243 were drilled on a section to test a possible northerly strike extension of the Waterline zone. Hole 241 intersected interleved Unit 2 dust and ash tuffs, except a zone from 51.0 to 122.0 metres which contained mainly volcanic conglomerate. Most of the hole displayed no alteration. Chlorite alteration occurred sparingly. No copper-silver mineralization was noted, but a few anomalous silver values were determined near the top of the hole.

Holes X86CH242 and 243 intersected mainly Unit 2 ash tuff, except

for the upper portion of 243 were considerable Unit 1 chert pebble conglomerate was encountered. These holes displayed chlorite alteration on fractures, and contained abundant pyrite stringers. No significant mineralization was found.

Holes X86CH244 and X86CH245 were drilled on a section further north to also test for a possible northerly strike extension of the Waterline zone. Hole 244 intersected mainly Unit 2 lapilli tuffs with some interleveled dust tuff. No significant alteration or mineralization was found. Hole 245 was collared in chert pebble conglomerate, which belongs to Unit 1, and passed into Unit 2 dust tuffs. Weak sporadic chlorite alteration was noted. The zone from 35.0 to 41.0 metres contained a few blebs of chalcopyrite and returned anomalous silver values.

Hole X86CH256 was drilled approximately 200 metres west of hole 241. It was abandoned at 124.1 metres due to caving, but should have continued to approximately 275 metres to properly test the target. Unit 2 volcanic sandstones and conglomerates, with a few interleveled lapilli tuffs, were intersected. No significant alteration or mineralization was found.

Hole X86CH257 was drilled 350 metres to the west of hole 245. It was collared in Unit 2 volcanic conglomerates and sandstones, but at 209.3 metres it passed into tuffaceous siltstones. These siltstones were originally logged as Unit 3 silty argillites, and the log in Appendix II still uses this terminology. In retrospect, and after further drilling in the area, these rocks were recognized as a new Unit 2 lithology, tuffaceous siltstone/claystone. Some of the volcanic sandstones and conglomerates displayed weak phyllic

alteration, but no alteration was obvious in the tuffaceous siltstone except for a few zones of silification. An intersection from 241.8 to 242.5 metres assayed 52 g/t Ag, but no tetrahedrite was visible in the core. The zone from 261.2 to 262.2 metres contained abundant pyrite, chalcopyrite, arsenopyrite, and sphalerite in microveins. This zone assayed 4.2 % Cu, 2410 g/t Ag, 2.5 g/t Au, and 1.1 % Zn.

Hole X86CH259 was collared approximately 85 metres east of hole 256. It encountered interleveled Unit 2 lapilli tuff, volcanic conglomerate and sandstone, with some silty argillite to 125.1 metres. These rocks displayed chloritic alteration and contained abundant pyrite stringers. These units were originally logged as Unit 3 due to their sedimentry character, but should be correlated to Unit 2. From 125.1 to the end of the hole, Unit 2 ash and lapilli tuffs with chloritic alteration were intersected. However, the zone from 142.0 to 160.0 metres displayed some phyllic alteration and contained breccia fillings of chalcopyrite, tetrahedrite, arsenopyrite, and sphalerite. It assayed 0.13 % Cu, 58 g/t Ag, and 1.11 g/t Au.

Hole X86CH284 was drilled approximately 85 metres south of hole 259 to further define the North zone structure. Unit 2 volcanic sandstone and conglomerate, with minor lahar and breccia, were intersected to 91.0 metres. Mainly lapilli and ash tuffs were encountered in the balance of the hole. Chlorite alteration and pyrite stringers were found throughout the hole. The intersection from 163.0 to 182.3 metres was silicified and displayed some phyllic alteration, and contained abundant chalcopyrite, tetrahedrite, sphalerite, arsenopyrite, and pyrrhotite in disseminations and mircoveins. This zone averaged 0.45 % Cu, 128 g/t Ag, and 3.19 g/t Au even though it was cut by two small barren dykes.

Hole X86CH286 was drilled 100 metres east of Hole 257. It was collared in Unit 2 dust tuffs, but at 80.0 metres passed into Unit 2 tuffaceous siltstone/claystone with some interleveled volcanic conglomerate. The zone from 72.1 to 189.0 metres displayed weak to moderate phyllic alteration, and the balance of the hole contained chlorite alteration. A few silicified ash tuffs were noted near the end of the hole. A broad zone from 72.1 to 122.6 metres contained sporadic sphalerite in microveins and returned anomalous silver values. The section from 112.5 to 122.6 metres assayed 0.5 % Zn.

Hole X86CH285 was drilled approximately 100 metres south of Hole 286. It intersected interleveled Unit 2 dust and ash tuffs, and some lapilli tuff units towards the end of the hole. None of the tuffaceous siltstone units were encountered. The rocks were generally unaltered, except for a few sporadic chloritic intervals. A zone from 108.0 to 115.8 metres displayed moderate phyllic alteration. The zone from 44.0 to 90.8 metres contained minor sphalerite in microveins. The section from 96.6 to 115.8 contains abundant sphalerite and a few occurences of tetrahedrite in microveins. This interval assayed 1.1 % Zn and 17 g/t Ag.

Hole X86CH287 was drilled 110 metres north of Hole 286. Unit 2 tuffaceous siltstone/claystones were intersected throughout the hole, and no significant alteration was identified. A large quartz latite dyke was encountered near the target zone, and a few anomalous silver assays were determined immediately above the dyke.

Hole X86CH258 was drilled 210 metres north of Hole 257. . Unit 2 tuffaceous siltstones/claystones with some interleveled volcanic sandstone and conglomerate were intersected. As in Hole 257, these

units were originally logged as Unit 3. The hole was prematurely terminated at 190.2 metres due to drilling problems. No significant mineralization was encountered, but the hole should have continued to approximately 275 metres to have properly tested the target.

Hole X86CH288 was drilled 100 metres east of Hole 258. A large dyke complex was intersected to 113.4 metres, then Unit 2 tuffaceous siltstones with minor interleveled lapilli tuff and volcanic sandstone to the end of the hole. No significant alteration or mineralization was encountered.

Hole X86CH289 was drilled 250 metres north of Hole 288. It was collared in Unit 2 ash and lapilli tuffs. At 80.0 metres, tuffaceous siltstone units started to occur, and became more frequent towards the end of the hole. The zone from 88.1 to 104.2 metres displayed phyllic alteration. The balance of the hole is unaltered, except for a few weak chloritic intervals. The section from 92.0 to 98.0 metres contained sporadic chalcopyrite in microveins, and returned anomalous silver values.

The last holes of the 1986 programme (X86CH301 to 309) were closely spaced in the southern portion of the North zone to better define the mineralized structure.

Hole X86CH303 intersected Unit 2 dust tuff displaying typical chlorite/pyrite alteration. The zone from 74.0 to 87.6 metres was silicified and contained trace patches of scorzalite. The zone hosted abundant chalcopyrite, tetrahedrite, sphalerite, and pyrrhotite in patches and microveins; and averaged 1.06 % Cu, 208 g/t Ag, and 4.54 g/t Au.

Holes X86CH301 and 302 were drilled on the same section. Both holes encountered interleveled dust, ash and lapilli tuffs with

chlorite/pyrite alteration. From 129.0 to 134.7 metres in hole X86CH301; the tuffs were silicified and contained chalcopyrite, tetrahedrite, sphalerite, and arsenopyrite in disseminations and microveins; and averaged 0.67 % Cu, 175 g/t Ag, and 7.94 g/t Au. The zone in hole X86CH302 was from 72.0 to 78.0 metres, but displayed no obvious alteration. It contained patches of chalcopyrite and microveins of sphalerite, and assayed 0.43 % Cu, 174 g/t Ag, and 2.79 g/t Au.

Hole X86CH304 intersected mainly Unit 2 ash tuff, with dust and lapilli tuff becoming more common near the end of the hole. The tuffs again displayed typical chlorite/pyrite alteration. The zone from 86.5 to 97.3 metres, encountered some silicification and brecciation, but little obvious alteration and only minor chalcopyrite in breccia fillings and microveins of sphalerite. However, the zone averaged 0.44 % Cu, 157 g/t Ag, and 2.41 g/t Au even though cut by a few small barren dykes.

Holes X86CH305 and 309 were drilled on the same section as hole 284. Both holes intersected mainly Unit 2 ash tuff, with some interleveled lapilli tuff and typical chlorite/pyrite alteration. In hole 305, a zone from 51.1 to 81.0 metres, contained some silicification, trace patches of scorzalite, and minor microveins of sphalerite and chalcopyrite. Allowing for the dilution of two large dykes, the zone still returned a low grade average assay of 16 g/t Ag and 0.65 g/t Au. In hole 309, a zone from 80.0 to 116.0 metres, averaged 0.30 % Cu, 92 g/t Ag, and 3.26 g/t Au. Within this zone, the alteration and mineralization was irregular, but the tuffs were generally silicified, contained minor patches of scorzalite, and were

occasionally brecciated. Chalcopyrite, sphalerite, tetrahedrite, and arsenopyrite occurred in breccia fillings, microveins, and were occasionally massive.

Hole X86CH308 was collared in Unit 2 tuffaceous siltstone, but gradually passed into dust tuff at approximately 76.0 metres. Two mineralized intersections were encountered. A zone from 39.9 to 45.4 metres averaged 0.19 % Cu, 26 g/t Ag, and 3.74 g/t Au. This zone was generally silicified, and contained microveins of chalcopyrite, sphalerite, tetrahedrite, and arsenopyrite. A second zone from 73.0 to 88.0 metres, averaged 0.57 % Cu, 84 g/t Ag, and 1.90 g/t Au, and was incompletely silicified and brecciated, with microveins of chalcopyrite, sphalerite, tetrahedrite, and arsenopyrite.

Hole X86CH307 intersected an interleveled sequence of Unit 2 tuffaceous siltstone, and ash and lapilli tuff, with typical chlorite/pyrite alteration. A narrow mineralized zone was encountered from 58.8 to 60.1 metres, which assayed 1.18 % Cu, 248 g/t Ag, and 9.30 g/t Au. This interval contained chalcopyrite in patches and tetrahedrite, sphalerite, and arsenopyrite in microveins. A wider zone from 42.0 to 58.8 metres, did contain some sporadic anomalous assays of Ag and Au.

Hole X86CH306 was drilled inbetween holes 259 and 241, and intersected mainly Unit 2 tuffaceous siltstone. The geology of these three holes does not easily correlate, and demonstrates the structural complexity and rapid facies changes within Unit 2. Two relatively low grade mineralized intersections were encountered. A zone from 33.0 to 53.0 metres contained little obvious alteration, and occasional microveins of sphalerite, arsenopyrite, and chalcopyrite. This zone averaged 11 g/t Ag and 0.50 % Zn, after being diluted by a few barren

dykes. The second zone from 72.0 to 84.0 metres, again displayed little obvious alteration, and only a few microveins of chalcopyrite, sphalerite, arsenopyrite, and rare tetrahedrite. The zone averaged 15 g/t Ag, 0.61 g/t Au, and 0.61 % Zn.

(vi) Tan Area

Three holes (X86CH275, 276, and 277) were drilled on a section to test for favourable host rocks (Unit 2 pyroclastics) and possible mineralization in this area (see Figure 4b). Previous drilling on the NWB and Dina claims (owned by Silver Standard Mines) immediately to the south in 1970 and 1980, discovered pyroclastic rocks similiar to Unit 2 containing some weak Cu-Ag mineralization. The results from the three holes were discouraging, since favourable host rocks were not intersected and no mineralization or significant alteration was detected.

All three holes intersected rocks which belong to the Tertiary volcanics (Unit 9 in Equity's stratigraphic sequence), and correlate regionally to the Goosly Lake Formation. The most common lithology was a greenish-grey flow breccia. A light green massive andesite flow, a greyish trachyandesite flow, and a buff brown quartz-eye prophyritic flow were also intersected. It was anticipated that these drillholes would be collared in the Unit 9 volcanics, but within 10 to 50 metres, pass into the more favourable underlying older pyroclastics. The drilling confirmed Unit 9 volcanic flows continue to a vertical depth of at least 150 metres.

(vii) Zest Area

Six holes (X86CH278 to 283) were drilled on two sections to test

sporadic Cu-Zn-Ag mineralization discovered by previous trenching in the area (see Figure 4a). A strong arsenic rock chip anomaly, which may be related to a mineralized structure at depth, was also determined in one of the southern trenches.

The drilling intersected mainly Unit 2 dust, ash, and lapilli tuff. The coarser grained pyroclastics were more common on the northern section, while the southern section was dominated by the finer grained rocks. The mineralization/alteration encountered reflects the host lithology difference, since fine-grained disseminated and patchy sulphides with silicification occur in the north, while phyllic alteration and sulphides in microveins are more common in the south.

Unfortunately, the mineralization discovered must be considered minor in an economic sense. However, on the northern section, a wide zone (approx. 100 metres) of silicification, relatively heavy disseminated magnetite, some patchy Cu-Ag-Zn mineralization, and a general broad silver anomaly, may be part of a structure which contains more significant (ie. higher grade) mineralization nearby. This zone warrents further exploration. The results are pending from a more sensitive geochemical analysis of the drillcore from this zone, which will hopely better define the structure. The sporadic low grade mineralization encountered on the southern section is not likely related to a significant structure, and does not warrent more exploration.

Hole X86CH278 was collared at the west end of the northern section, and initially intersected mainly Unit 2 dust tuff, which displayed some weak phyllic alteration. At 162.0 metres, the lithology changed to interleveled ash and lapilli tuff, which were generally

silicified and contained abundant disseminated magnetite. The hole ended in the gabbro-monzonite complex. A zone from 187.5 to 196.5 metres, averaged 0.36 % Cu and 20 g/t Ag, and contained disseminations of chalcopyrite and pyrrhotite. The section from 187.5 to 190.5 was massive magnetite-pyrrhotite-pyrite-chalcopyrite. A wider zone from 156.0 to 249.0 metres, contained sporadic silver anomalies and greater than 5 % disseminated magnetite.

Hole X86CH279 was collared approximately 130 metres east of hole 278. It intersected interleveled Unit 2 dust, ash, and lapilli tuff; which displayed some weak to moderate phyllic alteration near the top of the hole, and patchy silicification farther down-hole. The interval from 146.0 to 149.0 metres, assayed 0.08 % Cu, 11 g/t Ag, and 0.32 % Zn. This assay was caused by a 0.1 metre patch of sphalerite, chalcopyrite, and tetrahedrite at 147.0 metres.

Hole X86CH280 was collared approximately 100 metres east of hole 279. It intersected mainly Unit 2 dust tuff, with some ash tuff. Occasional weak to moderate phyllic alteration was observed. No significant mineralization was detected, except for a few intervals containing minor amounts of sphalerite in microveins.

Hole X86CH281 was drilled at the east end of the southern section. Interleveled Unit 2 ash and dust tuff was intersected. The zone from 22.1 to 74.0 metres, contains sporadic sphalerite and arsenopyrite in microveins, and occasional anomalous silver assays. Hole X86CH282 was collared approximately 215 metres west of hole 281. It encountered Unit 2 volcanic conglomerate to 83.0 metres, and passed into dust tuff to the end of the hole. Only a few sporadic microveins of chalcopyrite were noted.

Hole X86CH283 was collared approximately 200 metres west of hole 282. It intersected mainly Unit 2 dust tuff with some ash tuff. A zone from 111.0 to 146.0 metres, averaged an anomalous 8 g/t Ag. A second zone from 186.0 to 189.0 metres, assayed 0.33 % Cu and 16 g/t ag, and contained a few patches of chalcopyrite and arsenopyrite.

(viii) Hill Area

Two trenches, orientated east-west, were excavated across a previouly determined Cu-Zn-Ag soil anomaly (see Figures 4a and 7). The area was believed to be underlain by intrusive rocks of the gabbro-monzonite complex (Unit 7), which according to genetic theory, could not host "Equity style" mineralization since the complex clearly post-dates the mineralizing event. The trenching proceeded anyway, due to the size and strength of the soil anomaly, in an attempt to explain the source.

The overburden was found to be between 1 and 4 metres thick. Unit 7 monzonites, cut by a few dykes, were found to underlie the area. No significant Cu-Zn-Ag mineralization was found. The soil anomaly could not have been caused by the immediately underlying bedrock, therefore the source remains unexplained.

Trench 86TR30N uncovered Unit 7 monzonite porphyry and a few dykes. The porphyry contained 15 % subhedral plagioclase phenocrysts in a fine-grained grey matrix. The zone from 96.0 to 104.5 metres displayed very thin fracture fillings of quartz-pyrite, but assayed normal background metal content.

Trench 86TR27N uncovered coarse-grained Unit 7 monzonite,. cut by a few dykes. The monzonite contained 25 % plagioclase phenocrysts. A zone from 130.5 to 135.0 metres displayed strong clay/limonite

alteration, and averaged 595 ppm Zn and 1.8 ppm Ag. These values could be considered well above normal background levels, but not sufficent to cause the observed anomaly.

TABLE 1

STATEMENT OF EXPENDITURES

1. Construction of Drillsites and Access Roads and Trench Excavation	
D8 Tractor, 267 hours @ 117.50	$ 31 372.50
D6 Tractor, 120 hours @ 45.00	5 400.00
2. Diamond Drilling	
8084.8 metres @ 35.27/m	285 150.89
Consumables	7 954.37
6330.9 metres @ 44.29/m	280 395.56
Consumables	9 766.03
3. Sample Assaying	
3832 drillcore samples @ 15.00/sample	57 480.00
25 trench chip samples @ 14.70/sample	367.50
4. Salaries	
R. Pease; logging and supervision	
Period from Feb. 10 to Apr. 9	
16 days @ 185.00/day	2 960.00
Period from June 20 to Nov. 19	
63 days @ 185.00/day	11 655.00
D. Hanson; logging and supervision	
Period from Feb. 10 to Apr. 11	
27 days @ 165.00/day	4 455.00
Period from June 19 to Nov. 20	
49 days @ 165.00/day	8 085.00
J. Cyr; logging and supervision	
Period from June 5 to June 20	
11 days @ 185.00/day	2 035.00
Period from Oct. 15 to Nov. 18	
19 days @ 185.00/day	3 515.00
G. Saretsky; splitting, data entry	
Period from Feb. 10 to Apr. 14	
35 days @ 115.00/day	4 025.00
Period from June 23 to Sept. 30	
37 days @ 115.00/day	4 255.00

TABLE 1

STATEMENT OF EXPENDITURES

CONTINUED

	R. Westendorf; logging, data entry, splitting Period from July 3 to Aug. 29 22 days @ 95.00/day	2 090.00
	M. Meleski; splitting, data entry Period from July 3 to Aug. 29 10 days @ 100.00/day	1 000.00
	R. Barnes; splitting, data entry Period from June 23 to Aug. 29 24 days @ 95.00/day	2 280.00
	S. Padley; splitting Period from Oct. 1 to Dec. 12 46 days @ 115.00/day	5 290.00
5.	Vehicle Rental and Fuel 204 days @ 50.00/day	10 200.00
6.	Report Preparation	4 000.00
	TOTAL	$ 743 731.85

AUTHOR'S QUALIFICATIONS

I, Robert B. Pease, do hereby certify that:

1. I am a geologist residing at R. R. # 1, Kerr Road, Telkwa, British Columbia.

2. I am a 1981 graduate of the University of Waterloo, Waterloo, Ontario, with an Honours Bachelor of Science degree in Earth Sciences.

3. As a student, I spent some twenty (20) months employed in the mineral exploration field with several mining companies in various regions of Canada.

4. I was employed as an exploration geologist with Duval International Corporation in Vancouver from May 1981 to January 1982.

5. Since February of 1982, I have been continously employed as an exploration geologist with Equity Silver Mines Limited in Houston, British Columbia.

6. I am an Associate Member of the Geological Association of Canada, and a Member of the Canadian Institute of Mining and Metallurgy.

7. I personally supervised the work programmes as described in this report.

R. B. Pease, B.Sc.
Exploration Geologist
EQUITY SILVER MINES LIMITED

REFERENCES

Cyr, J. B.; Pease, R. B.; and Schroeter, T. G. (1984): Geology and Mineralization at Equity Silver Mine. Journal of Econ. Geol., Vol. 79, pp. 947-968.

Wojdak, P. J. and Sinclair, A. J. (1984): Equity Silver Ag-Cu-Au Deposit: Alteration and Fluid Inclusion Studies. Journal of Econ. Geol., Vol. 79, pp. 969-990.

APPENDIX I

Diamond Drillhole Logging Code Explanation

LOGGING CODE EXPLANATION

Column 1 is a key which indicates the type of data or information on each line.

I - Identity information/data
S - Survey data
/ - Upper tier geologic data
L - Lower tier geologic data
R - Free form remarks
A - Assay and analysis data

I DATA

Each drillhole has two I lines at the start.

The first line indicates:

Col. 17 to 24 - Drillhole Name
Col. 26 to 27 - Size of Core
Col. 29 to 35 - Day/Month/Year Logged
Col. 36 to 38 - Logger's Initials
Col. 39 to 41 - Helper's Initials (if any)
Col. 42 to 45 - Drilling Contractor
Col. 46 to 50 - Month/Year Hole Drilled
Col. 51 to 53 - Drill Rig Type
Col. 63 to 68 - Grid Azimuth (0.0 if True North)

The second line indicates:

Col. 5 to 45 - Company Name
Col. 46 to 80 - Zone and type of Geocode* used.

NOTE: * Equity uses two types of Geocodes, ST and MN. The ST geocode is used when a hole is drilled south of the Main Zone, and the MN geocode is used to the north of, and including, the Main Zone. This is done to reflect the differing host rock and style of mineralization/alteration between the northern and southern sections of the property.

S_DATA

The S000 line is the collar survey data. Subsequent S lines (S001, S002, etc.) are down-the-hole surveys.

Col. 5 to 10 - From (a decimal point is inferred between column 8 and 9)
Col. 11 to 16 - To (a decimal point is inferred between column 14 and 15)
Col. 17 to 18 - Units; MT (metres), FT (feet)
Col. 20 to 26 - Total Length
Col. 27 to 32 - Azimuth
Col. 33 to 38 - Dip
Col. 51 to 60 - Northing
Col. 61 to 70 - Easting
Col. 71 to 80 - Elevation

/_AND_L_DATA

Disregard the /SCL and LSCL lines, they are only for computer processing. Two lines are available to describe a geologic interval, the upper line (/) and the lower line (L). The /NAM line defines the mineral fields .for the upper line, and the LNAM defines the lower line. These mineral fields change according to the type of Geocode (ST or MN) used.

ST Geocode - upper (/NAM) line

Col. 57, 58 MS - Muscovite (sericite)
Col. 59, 60 CL - Chlorite
Col. 61, 62 QZ - Quartz
Col. 63, 64 PY - Pyrite
Col. 65, 66 CP - Chalcopyrite
Col. 67, 68 TT - Tetrahedrite
Col. 69, 70 AS - Arsenopyrite
Col. 71, 72 PR - Pyrrhotite

- lower (LNAM) line

Col. 57, 58 CB - Carbonate
Col. 59, 60 GY - Gypsum
Col. 63, 64 MG - Magnetite
Col. 65, 66 HE - Hematite
Col. 67, 68 SL - Sphalerite
Col. 69, 70 GL - Galena
Col. 71, 72 MO - Molybdenum

MN Geocode - upper (/) line

Col. 57, 58 QZ - Quartz
Col. 59, 60 SZ - Scorzalite
Col. 61, 62 TO - Tourmaline
Col. 63 to 72 - Same as ST Geocode

- lower (L) line

Col. 57, 58 DM - Dumortierite
Col. 59, 60 CB - Carbonate
Col. 61, 62 CL - Chlorite
Col. 63 to 72 - Same as ST Geocode

Upper (/) Geologic Data

Col. 5 to 10 - From (decimal inferred between 8 and 9)
Col. 11 to 16 - To (decimal inferred between 14 and 15)
Col. 17 to 20 - Recovery in Metres (decimal inferred between 18 and 19)
Col. 24 to 27 - Rock Type Code - See Rock Type Chart
Col. 28 to 29 - Typifying Mineral 1 - see Mineral Chart
Col. 30 to 31 - Typifying Mineral 2 - see Mineral Chart
Col. 35 to 36 - Texture 1 - see Texture Chart
Col. 37 to 38 - Texture 2 - see Texture Chart
Col. 47 - Essentially always a "P" which stands for Principle Geologic Interval. If "D", it stands for Ditto Interval which means all of the above interval description applies, except as noted.
Col. 49 to 50 - Structure 1 - see Structure Chart
Col. 55 to 56 - Angle to Core Axis of Structure 1
Col. 57 - Mineral Field, Mode of Occurence - see How Chart
Col. 58 - Mineral Field, Amount of Occurence - see Amount Chart
Col. 59 to 72 - Mineral Fields, same pattern continues (ie. How, Amount) as in columns 57, 58.

Lower (L) Geologic Data

Col. 17 to 20 - RQD in Metres (decimal inferred between 18 and 19)
Col. 28 to 29 - Colour Code - see Colour Chart
Col. 35 to 36 - Typifying Mineral 3 - see Mineral Chart
Col. 37 to 38 - Typifying Mineral 4 - see Mineral Chart
Col. 43 - Count of Fractures at Steep Angle to Core Axis - See Amount Chart
Col. 44 - Count of Fractures at Medium Angle to Core Axis - See Amount Chart
Col. 45 - Count of Fractures at Low Angle to Core Axis - See Amount Chart
Col. 46 - Count of Total Fractures - See Amount Chart

NOTE: Columns 43 to 46 not always used

Col. 49 to 50 - Structure 2 - see Structure Chart
Col. 55 to 56 - Angle to Core Axis of Structure 2
Col. 57 to 72 - Mineral Fields, as in upper (/) Data

R_DATA

These are free form remarks written by the logger to further describe the gelogic interval. Note that Rock Type Codes (see Rock Type Charts) are often used.

A_DATA

This last type of data lists the assay information for the hole. Note that remarks are also used.

The first line, A001, defines a "set" of assay data. eg. A002 would define a different set, etc. The following lines describe and list the assay data.

ALAB Col. 17 to 80 - Define Laboratory
ATYP Col. 17 to 80 - Define Type of Determination
AMTH Col. 17 to 80 - Define Analytical Method
AUMM Col. 17 to 80 - Define Assay Fields
A001 Col. 5 to 10 - From (decimal inferred between 8 and 9)
Col. 11 to 16 - To (decimal inferred between 18 and 19)
Col. 23 to 26 - Sample Number
Col. 33 to 38 - Percent Copper
Col. 39 to 44 - Grams/Tonne Silver
Col. 45 to 50 - Grams/Tonne Gold
Col. 51 to 56 - Percent Antimony
Col. 57 to 62 - Percent Arsenic
Col. 63 to 68 - Percent Iron
Col. 69 to 74 - Percent Zinc

CHARTS

1. Rock Type Chart

A four digit code is used to describe rock types. The first and second digits are common to both ST and MN Geocodes. The first digit (number) defines stratigraphic unit, and the second digit (letter) defines a lithology unique to the stratigraphic unit. In the ST Geocode, the third digit (number) defines the intensity of fracturing

or brecciation, and the fourth digit (number) defines the type and intensity of alteration. In the MN Geocode, the third digit (number) defines the alteration, and the fourth digit (number) defines the mineralization.

One special code, OVBN, is used for overburden.

First Digit	Stratigraphic Unit	Second Digit	Lithology
1	Clastic Division	A	Polymictic Conglomerate
		B	Cherty or Silty Conglomerate
		C	Chert Pebble Conglomerate
		D	Quartz Sandstone
		E	Cherty Argillite
		F	Silty Argillite
2	Pyroclastic Division	A	Flow Breccia
		B	Ash Flow
		C	Dust Tuff
		D	Ash Tuff
		E	Lapilli Tuff
		F	Volcanic Breccia
		G	Volcanic Sandstone
		H	Volcanic Conglomerate
		I	Welded tuff
		J	Interbedded Dust and Ash Tuff
		K	Lahar
		L	Tuffaceous Siltsone
		M	Claystone
3	Sedimentry - Volcanic Division	A	Chert Pebble Conglomerate
		B	Quartz Sandstone
		C	Laminated Dust Tuff
		D	Volcanic Conglomerate
		E	Volcanic Sandstone
		F	Dust Tuff
		G	Ash Tuff
		H	Lapilli Tuff
		I	Volcanic Siltstone
		J	Interbedded Dust and Ash Tuff
		K	Silty Argillite
4	Volcanic Flow Division	A	Andesite Flow
		B	Dacite.Flow
6	Quartz Monzonite	A	Fresh Quartz Monzonite
		B	Altered (Potassic) Quartz Monzonite

7	Gabbro-Monzonite Complex	A	Gabbro
		B	Diorite
		C	Monzonite
		D	Hypabyssal Monzonite Prophyry
		E	Gabbro - Monzonite Transition Phase
8	Property Dykes	A	Andesite
		B	Trachyandesite
		C	Quartz Latite
9	Tertiary Volcanics (Goosly Lake Fm)	A	Trachyandesite Flow
		B	Amygdaloidal Andesite Flow
		C	Flow Breccia
		D	Reddish-Purple Flow
		E	Massive Andesite Flow
		F	Quartz-eye Porphyry (Latite)
		G	Tuffaceous Sandstone/Siltstone

ST - Geocode

Third Digit	Intensity of Fracturing or Brecciation
0	No Fracturing
1	Weak Fracturing
2	Moderate Fracturing
3	Mod to Strong Fracturing
4	Strong Fracturing
5	Weak Brecciation
6	Weak to Mod Brecciation
7	Moderate Brecciation
8	Mod to Strong Brecciation
9	Strong Brecciation

Fourth Digit	Type and Intensity of Alteration
0	Unaltered
1	Weak Propylitic (CHL - CLAY)
2	Strong Propylitic
3	Weak Phyllic (QTZ - SER.)
4	Moderate Phyllic
5	Pervasive Phyllic
6	Advanced Argillic
7	Weak Potassic
8	Strong Potassic
9	Silicic (QTZ)

MN - Geocode

Third Digit	Alteration
0	Unaltered
1	Propylitic
2	Scorzalite Bearing/Argillic
3	Andalusite Bearing/Argillic
4	Moderate Silicification
5	Strong Silicification
6	Biotite Hornfels
7	Pyrite Porphyroblast Bearing
8	Phyllic (Quartz-Sericite)
9	Quartz - Tourmaline

Fourth Digit	Sulphide Mineralization
0	None
1	Disseminated Pyrite +/- Chalcopyrite
2	Pyrite - Magnetite Intergrowths
3	Sulphide Bearing (CP+/-PY+/-SL) Stringers
4	Sulphide Bearing (CP+/-PY) Patches
5	Massive Sulphide (CP+/-PY+/-TT+/-PO+/-SL) Replacements or Remobilized
6	Grey, "Dusty" Sulphides (fine grained mixture of sulphides and quartz)
7	Sulphides in Breccia Matrix (CP+/-PY+/-TT+/-SL)

2. Mineral Chart (ie. Mineral short-forms)

QZ	Quartz
CL	Chlorite
CY	Clay
CB	Carbonate
PY	Pyrite
MS	Muscovite
CP	Chalcopyrite
TT	Tetrahedrite
AS	Arsenopyrite
PR	Pyrrhotite
MG	Magnetite
HE	Hematite
SL	Sphalerite
GL	Galena
MO	Molybdenite
GY	Gypsum
EP	Epidote
FL	Feldspar
BI	Biotite

3. Texture Chart (ie. Texture Short-Forms)

<<	Micro Veins
MX	Massive
BR	Brecciated
P*	Porphyritic
A*	Amygdaloidal
TC	Trachytic
WP	Wispy
VU	Vugs
AD	Adherring/Pyroclastic
RC	Chilled Rind/Pyroclastic

4. Structure Chart (ie. Structure Short-Forms)

C/	Contact
BD	Bedding
V/	Vein
F/	Fault
BN	Banding
FB	Flow Banding
CU	Upper Contact
CL	Lower Contact
SH	Shear

5. How Chart

Symbol	Most Dominant Mode of Occurence
A	Amygdaloids, cavity fillings
B	Blebs
#	Breccia fillings
C	Coatings & encrustations
*	Clasts
D	Disseminations & scat.x'ls
E	Envelopes
F	Framework crystals
G	Gouge
H	Halos
I	Eyes, augen
J	Interstitial
K	Stockwork
L	Laminated/bedded
M	Massive
N	Nodules
O	Spots
Q	Patches, as in quilts
R	Rosettes & x'tls clusters
S	Selvages
$	Sheeting
T	Stainings, as in tarnish
U	Euhedral crystals

V	Veins
>	Macroveins
<	Microveins
W	Boxwork
X	Massive and/or laminated/bedding
Y	Dalmationite
Z	Fresh, primary rock
+	Flooding

6. Amount Chart

Code	Assigned Value	Range
X	100	100
9	90	85 to 99
8	80	75 to <85
7	70	65 to <75
6	60	55 to <65
5	50	45 to <55
4	40	35 to <45
3	30	25 to <35
2	20	15 to <25
1	10	7 to <15
=	5	4 to < 7
+	3	2 to < 4
)	1	.5 to < 2
*	.3	.2 to <.5
(	.1	.05 to <.2
-	.03	.02 to <.05
.	.01	Trace = <.02
0	0	Nil, Absent
/	.07	Present: Estimate impossible
?	0	Possibly Present

7. Colour Chart

The colour chart can be used in two ways. A lightness can be combined with a colour, or two colours can be combined.

eg. 3U - Dark Brown

or

RU - Reddish Brown

Lightness		Colour	
Symbol	Value	Symbol	Colour
9	palest	R	Red

8	pale
7	light
6	lighter
5	medium
4	darker
3	dark
2	very dark
1	darkest

U	brown (Umber)
O	Orange
T	Tan (khaki)
Y	Yellow
L	Lime (Y-G)
G	Green
Q	Aqua (B-P)
B	Blue
V	Violet (B-P)
P	Purple
M	Mauve (P-R)
W	White
A	Gray
N	Black (Noir)

SOUTHERN TAIL ZONE

UNIT 7 GABBRO COMPLEX

UNIT 1 CLASTICS

UNIT 6
QUARTZ
MONZONITE

Surface trace of HOPE ZONE

Superstition Cr.

Bessemer Cr.

UNIT 2 PYROCLASTICS

UNIT 9 TERTIARY
VOLCANICS

SUPERSTITION ZONE

UNIT 9 TERTIARY VOLCANICS

UNIT 3 SEDIMENTS AND
PYROCLASTICS

Noel Paul Brook

BUCK AREA

UNIT 1

TAN AREA

6500 7000 7500 8000 8500 9000 9500 10000 10500

6500 6000 5500 5000 4500 4000

GEOLOGICAL BRANCH
ASSESSMENT REPORT

15,710

PART 1 OF 4

LEGEND - see Figure 4 A

DATA PLOTTED ON THIS MAP:

	FIELD HOLE	FILE EQTY03xFAME-HOLES.
⊕ POINTS:		

DIRECTION OF NORTH AT CENTRE OF MAP

0 125 250 375 500
METRES

EQUITY SILVER MINES LIMITED	
DRAWN PS	FIGURE 48. DRILLHOLE LOCATIONS, GEOLOGY (SOUTH HALF)
DATE 87/02/10	
SCALE 1:5000	
	NO. PLATE

Access Road to Houston

Pond limit

UNIT 9 TERTIARY VOLCANICS

Tailing Pond

UNIT 4 VOLCANIC FLOWS

NORTH ZONE

UNIT 2 PYROCLASTICS

Core Shack

Plantsite Compound

WATERLINE ZONE

Berzelius Cr.

UNIT 9 TERTIARY VOLCANICS

UNIT 7 GABBRO MONZONITE COMPLEX

Pit limit

UNIT 3 SEDIMENTS AND PYROCLASTICS

Bessemer Cr.

MAIN ZONE

Dump limit

Trench 86TR30N

UNIT 6 QUARTZ MONZONITE

WASTE DUMPS

Trench 86TR27N

SOUTHERN TAIL ZONE

Old pit limit

? Anomalous zone

ZEST AREA

UNIT 1 CLASTICS

Getty Cr.

GEOLOGICAL BRANCH
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LEGEND

- Geologic Contact
- Road, major
- Road, minor
- Generalized surface projection of mineralized zone

DATA PLOTTED ON THIS MAP:

	FIELD	FILE
* POINTS:	HOLE	EQTY93-FAME-HOLES.

DIRECTION OF NORTH AT CENTRE OF MAP

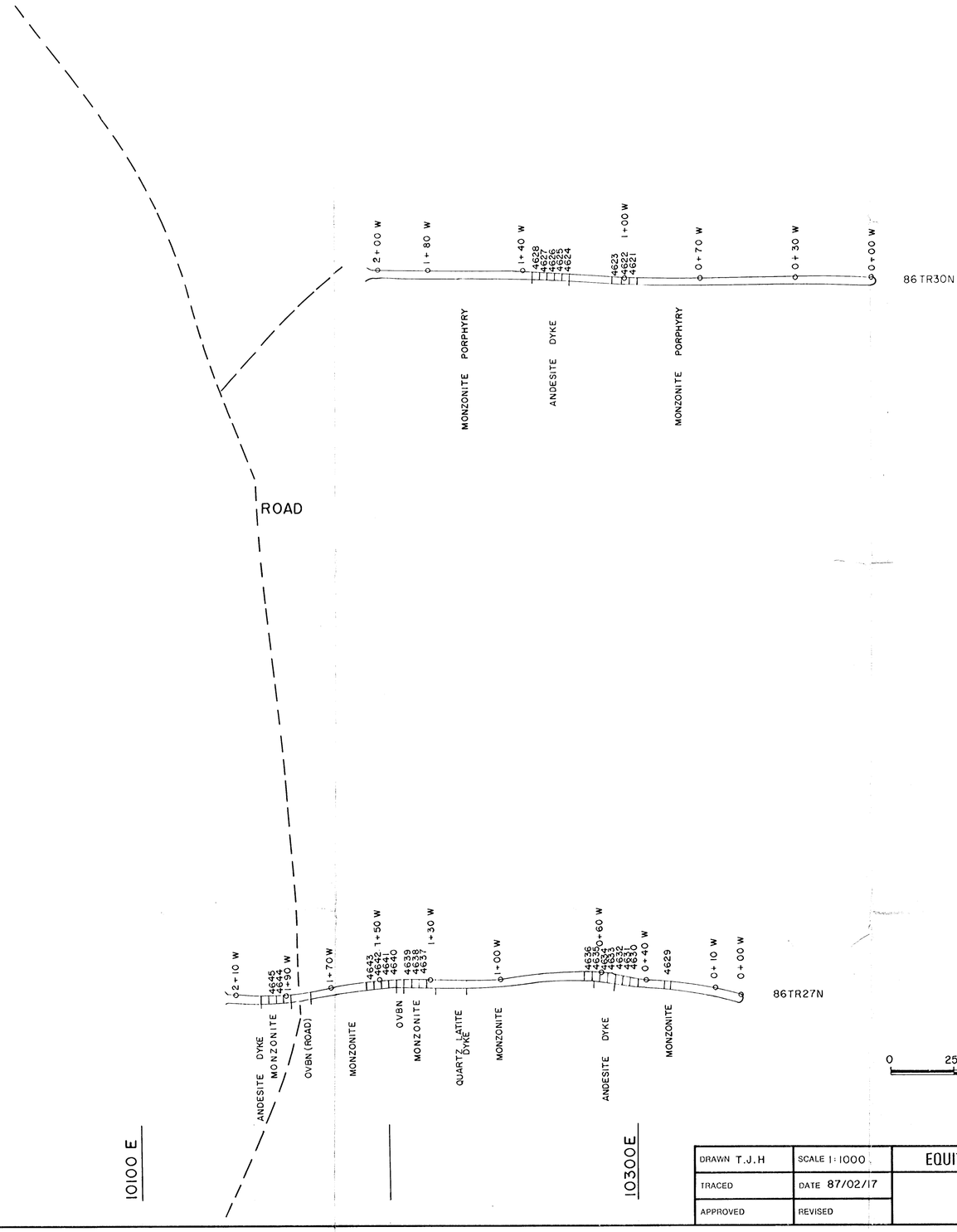
0 125 250 375 500
METRES

EQUITY SILVER MINES LIMITED	
DRAWN PS	FIGURE 4A. DRILLHOLE LOCATIONS. GEOLOGY (NORTH HALF)
DATE 87/02/10	
SCALE 1:5000	
	NO. PLATE

TRENCH SAMPLE GEOCHEM RESULTS

(All values in ppm)

SAMPLE	Cu	Zn	Ag	Au	As	Sb
4621	65	253	0.3	0.04	8	5
4622	67	277	0.5	0.04	2	8
4623	59	296	0.2	0.03	<2	5
4624	125	285	0.7	0.04	<2	5
4625	131	303	0.6	0.04	<2	6
4626	134	310	0.6	0.05	3	<2
4627	109	279	1.0	<0.02	2	<2
4628	72	76	0.7	<0.02	<2	5
4629	58	68	<02	<0.02	<2	4
4630	40	70	0.3	0.33	7	4
4631	58	74	<02	0.04	15	5
4632	37	112	0.2	0.04	25	5
4633	40	113	<0.2	0.04	4	10
4634	31	100	<0.2	0.06	<2	7
4635	39	88	0.3	0.15	7	7
4636	44	73	0.2	0.10	<2	6
4637	50	355	1.4	0.25	2	5
4638	111	900	2.2	0.14	<2	8
4639	96	530	1.9	<0.02	9	55
4640	60	261	0.2	0.09	14	8
4641	67	220	0.2	<0.02	11	12
4642	68	242	0.5	<0.02	13	10
4643	60	192	0.5	<0.02	6	7
4644	136	380	1.2	0.78	4	8
4645	90	480	0.9	0.02	<2	8



GEOLOGICAL BRANCH
ASSESSMENT REPORT

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DRAWN T.J.H	SCALE 1:1000	EQUITY SILVER MINES LTD.	FIGURE 7 HILL AREA TRENCHES
TRACED	DATE 87/02/17		
APPROVED	REVISED		FILE REF No.

NG-1-386