

PHYSICAL, GEOLOGICAL, GEOCHEMICAL

REPORT

ON THE DORATHA MORTON PROPERTY

NTS 92 K/11

for

SIGNET RESOURCES INC.  
708 - 700 W. Pender Street  
Vancouver, B.C.  
V6C 1G8

by

FILMED

Bernard Fitch, B.A.

with technical data by

Geoffrey Spearing, B.Sc.(Eng).

T. Cameron Scott, P. Eng.

**GEOLOGICAL BRANCH  
ASSESSMENT REPORT**

**15,720**

VICTORIA

FAME E16 - 15720.



Province of British Columbia

Ministry of Energy, Mines and Petroleum Resources

ASSESSMENT REPORT  
TITLE PAGE AND SUMMARY

TYPE OF REPORT/SURVEY(S) <i>Geological, geochemical</i>	TOTAL COST \$ <i>37964.00</i>
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AUTHOR(S) *B. Fitch* SIGNATURE(S)

DATE STATEMENT OF EXPLORATION AND DEVELOPMENT FILED *27 Feb/87* YEAR OF WORK *1986*

PROPERTY NAME(S) *Doratha Morton*

COMMODITIES PRESENT *Au, Ag*

B.C. MINERAL INVENTORY NUMBER(S), IF KNOWN *92K-23*

MINING DIVISION NTS *92K 11 W*

LATITUDE *50° 31'* LONGITUDE *125° 24'*

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))

*Chimnang (L 319), Eva (L 254), Doratha Morton Fr. (L 300),  
Doratha Morton (L 253), Percy (L 299)*

OWNER(S)  
(1) *- same -* (2)

MAILING ADDRESS  
*- same -*

OPERATOR(S) (that is, Company) paying for the work  
(1) *Signet Resources Inc.* (2)

MAILING ADDRESS  
*708-700 W. Pender St.  
Vancouver, BC,  
V6C 1G8*

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

*The claims cover metasedimentary ~~and~~ roof pendent rocks in Coast Range Batholith granitic rocks. The contact is marked by a defined shear. Including the past producer Doratha Morton, current tonnage is probably 9090.9 tonnes of 13.7g Au/tonne.*

REFERENCES TO PREVIOUS WORK

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	COST APPORTIONED
GEOLOGICAL (scale, area) Ground	1:180, 1 trench		
Photo			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL (number of samples analysed for ....)		see front	
Soil	193, Au, Ag		
Silt			
Rock			
Other			
DRILLING (total metres; number of holes, size)			
Core			
Non-core			
RELATED TECHNICAL			
Sampling/assaying	6, Ag, Au		
Petrographic			
Mineralogic			
Metallurgic			
PROSPECTING (scale, area)			
PREPARATORY/PHYSICAL			
Legal surveys (scale, area)			
Topographic (scale, area)			
Photogrammetric (scale, area)			
Line/grid (kilometres)	1.8 km		
Road, local access (kilometres)			
Trench (metres)	270.0 m, 13 trenches		
Underground (metres)			
			TOTAL COST 37964.00

FOR MINISTRY USE ONLY	NAME OF PAC ACCOUNT	DEBIT	CREDIT	REMARKS:
Value work done (from report)	37964.00			
Value of work approved				
Value claimed (from statement)				
Value credited to PAC account				
Value debited to PAC account				
Accepted	Date	Rept. No.		Information Class (3)
NEK		15720		

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INTRODUCTION

The following report is based on work conducted in the period June 1, 1986 to December 31, 1986 on the Doratha Morton Claim Group. These eight claims are located approximately forty-five kilometers north of Campbell River, British Columbia, on the west side of Phillips Arm at an elevation ranging from 600 to 1050 meters (See map 1). Access to the property is by boat or seaplane to Picton Point and then by eight kilometers of logging road to within one kilometer of the claims. A road passable by four wheel drive vehicle has been constructed over the remaining distance to the center of the claim block.

The property consists of eight contiguous crown granted mineral claims that were located in the 1890's. An additional claim, also crown granted, is located on the west side of Phillips Arm and covers the original millsite. All claims are owned by Signet Resources Inc. with the vendor retaining a net profit interest.

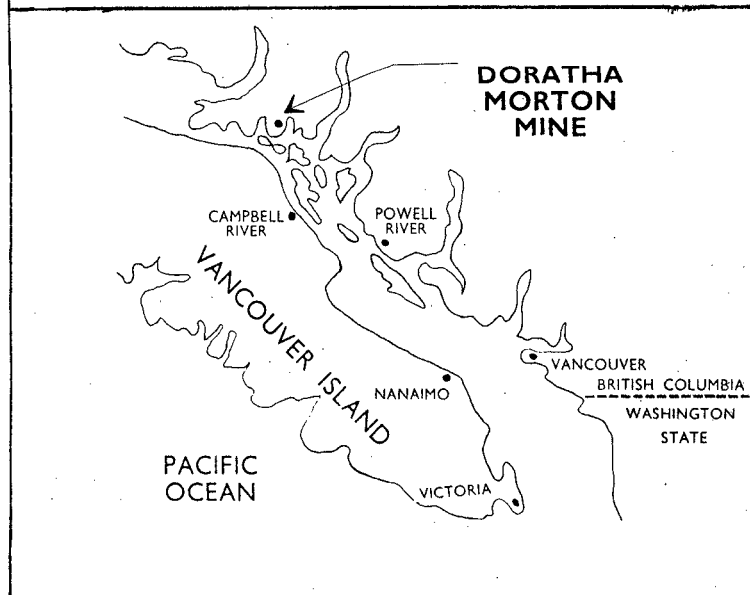
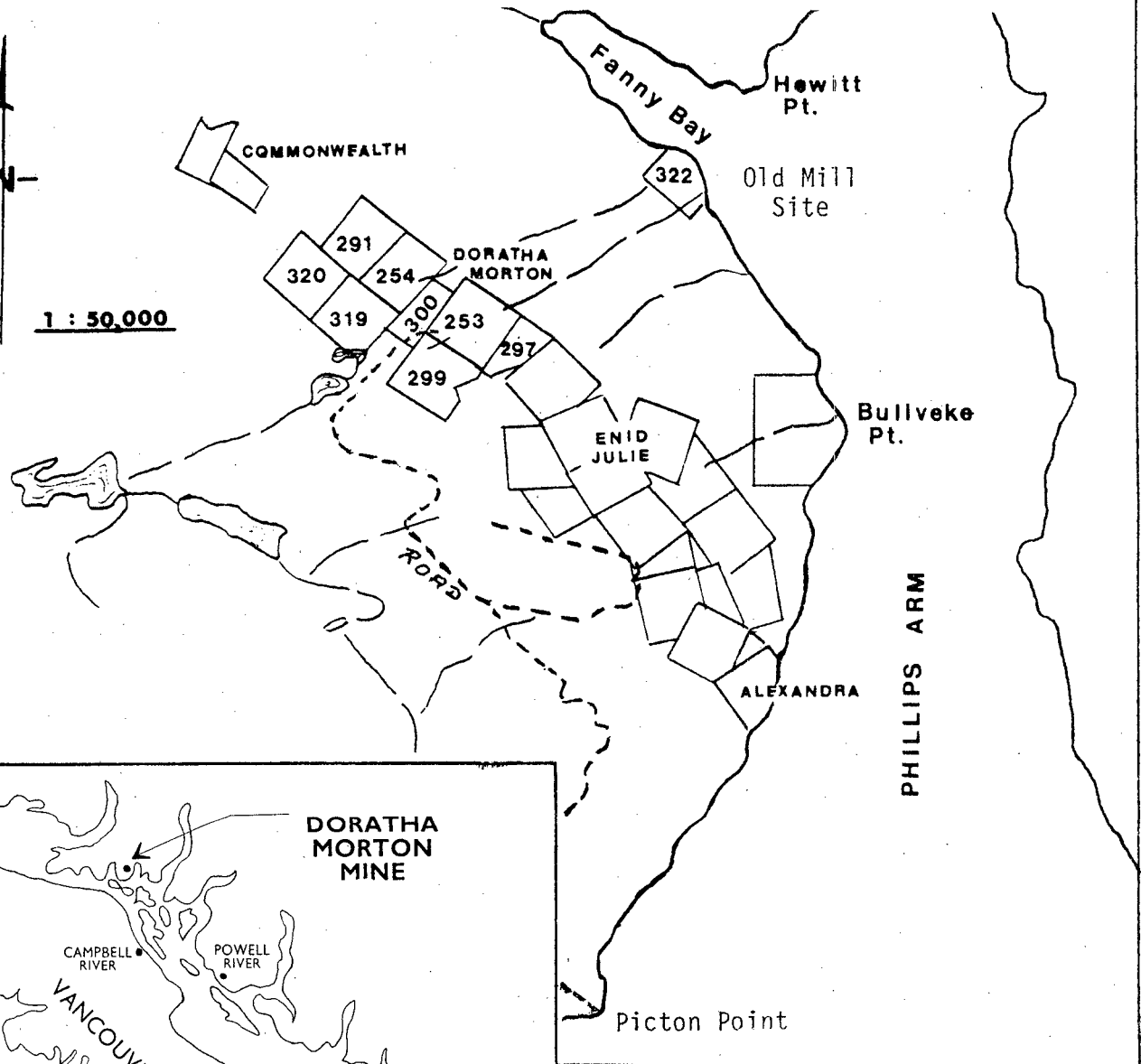
Production from the property first commenced in the 1898 - 99 period with the mining of 10,000 ton from the Doratha Morton claim, followed by cyanide treatment of the ore. Gold and silver were recovered amounting to 4,434 and 10,222 ounces respectively. Further mining was carried out throughout the 1920's and 1930's with periodic shipments of hand sorted ore to the smelter in Tacoma, Washington.

# DORATHA MORTON CLAIM GROUP

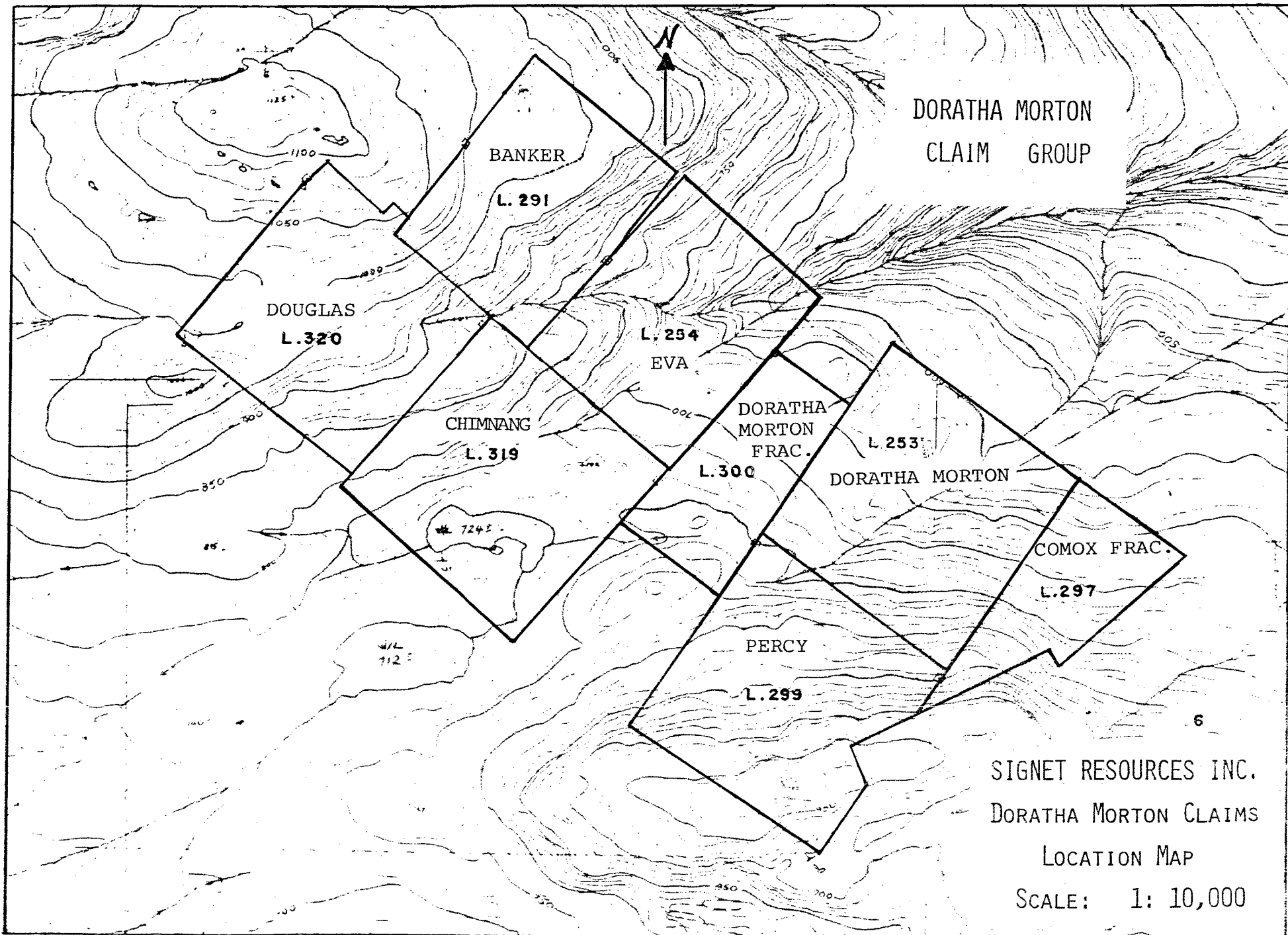
## LOCATION MAP



**1 : 50,000**



SIGNET RESOURCES INC.  
DORATHA MORTON CLAIMS  
LOCATION MAP  
SCALE: 1: 50,000



DORATHA MORTON  
CLAIM GROUP

6  
SIGNET RESOURCES INC.  
DORATHA MORTON CLAIMS  
LOCATION MAP  
SCALE: 1: 10,000

The property lay dormant until the present owner, Signet Resources Inc. commenced exploration in 1984. The old adits and pits were located and opened up, access to the claims was improved, underground mapping was conducted followed by 1650 meters diamond drilling along with some surface stripping.

Since the property is at a very early stage of development, a realistic economic assessment may be premature at this time. Numerous ore grade assay values have been obtained for gold from both drill intersections and surface trenches. These values indicate that ore continues above and some distance beyond the #1 Adit where the original 10,000 tons were mined with 8,500 ton of possible ore-grade material outlined (C.R. Harris, P. Eng., September, 1985). Additional tonnages of possible ore exist in the vicinity of other adits (#100, #3, #250) as well as in the areas covered by the scope of this report.



CURRENT PROGRAM SUMMARY

The work covered in detail by this report consists of three main interrelated concurrent phases: geochemical surveying, geological mapping and assaying, and physical work. The majority of this program was conducted in the months of June through September.

The geochemical program was firstly conducted over an area 600 meters by 300 meters with 107 samples taken at 25 meter spacing on the cross lines. A further 85 samples were taken on 10 meter spacing in an attempt to further define potential new areas of gold mineralization. All samples were assayed for gold and silver.

Stripping was conducted in three areas by surface blasting and hydraulicing followed by blasting trenches into the bedrock for sampling and geological mapping, and in one area for removing a bulk sample.

Other work during the season consisted of road and camp improvement and the construction of a core shack to hold 2,000 meters of core. A limited amount of prospecting beyond the area of recent activity was also conducted.

PHYSICAL WORK

Three areas were opened up for sampling in an attempt to expose mineralization beyond that found in previous work. In each case the overburden was removed by surface blasting in conjunction with water pressure supplied by pump from either a nearby lake or flowing streams. Overburden in each area is generally less than one meter in thickness with a sloping gradient. Following stripping, a Cobra drill, in conjunction with dynamite, was used to obtain unweathered rock to a depth of approximately 0.8 meters.

The largest section exposed is located about grid location 6+00W 0+20S where initial samples returned values up to 116 grams gold and 459 grams silver per tonne over 0.5 meters. A more detailed description of this section is covered by T. Cameron Scott, P. Eng. on pages 28 ->

1. Area A

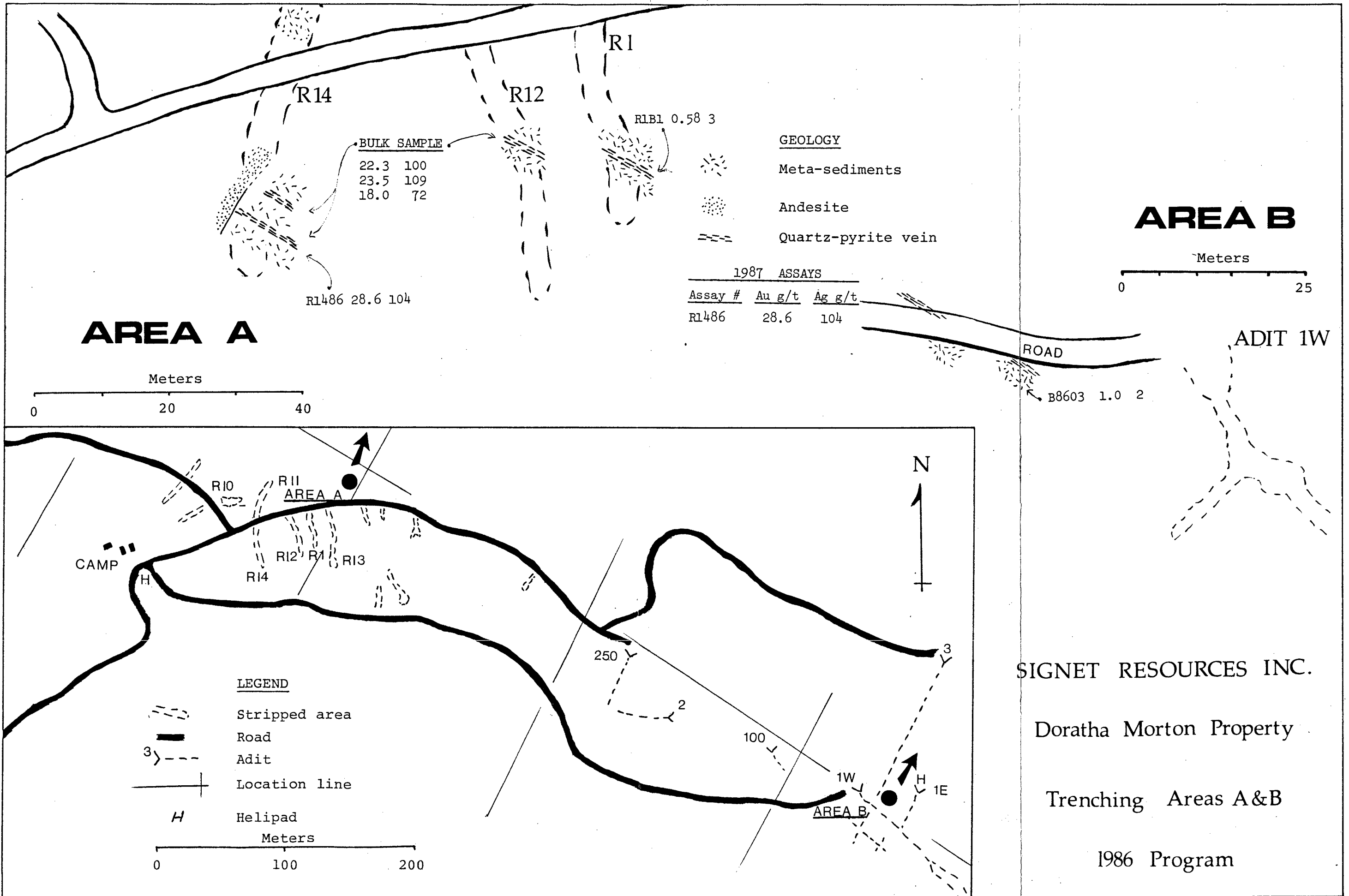
Near the camp (Area A, Map ) an earlier drill intersection through 1.6 meters assayed 26.0 grams gold per tonne at a vertical depth of 12 meters below cut R14 where a well mineralized band had been exposed. This vein of quartz-pyrite mineralization averaging 0.7 meters in width in a silicified meta-sedimentary rock was further exposed over a length of 10 meters striking northwest with a near vertical dip and parallel to a similar less mineralized vein 2 meters to the northeast, which was

also opened up for 5 meters. A northeast trending andesite dike has cut off both veins to the northwest. A chip sample across 0.5 meters of the main vein returned 28.6 g/t Au., 104 g/t Ag, and a trace of platinum. Similar, somewhat less pyritized quartz bearing veins were further exposed in cuts R1 and R12.

Approximately ten tonne of material was removed from the veins in cuts R12 and R14, sorted and about three tonne of better mineralized rock bagged to serve a bulk sample for mineralogical and recovery testing. About 60% of this shipment came from cut R14. Three typical samples of 15 kg. each were assayed for gold and silver. Assays for gold and silver respectively were: 22.3g, 23.5g, 18.0g, Au; and 100g, 109g, 72g, Ag per tonne. A helicopter was used to transfer the ore to a location on the logging road for later shipment to Vancouver.

## 2. Area B

A well mineralized vein with a width approximately 0.5 meters had been exposed on the road to the #1 W portal of the #1 adit (Area B, Map ). Previous assaying returned 11.6 and 18.3 g/t gold in grab samples of quartz-pyrite vein material; less well defined parallel quartz veinlets trending NW carrying minor pyrite in silicified or sheared rock. A typical cross section assayed 1.00 g/t/



SIGNET RESOURCES INC.

Doratha Morton Property

Trenching Areas A&B

1986 Program

OTHER PHYSICAL WORK

Use of the road approach to the property by a logging operation in the Spring had caused serious damage to the road. To re-establish camp access, about 200 meters had to be repaired with the filling in of washouts and ruts, and the replacement of two culverts.

A suitable 3 by 6 meter coreshack was constructed to house approximately 2,000 meters of core previously gathered from recent drilling.

A 300 meter northwest extension was added to the base line beyond the 7+50W location. A limited amount of prospecting in this area located thick overburden of coarse gravels and boulders giving way to increasing outcropping as the gradient increased to the north. Outcropping examined consisted of altered rocks (meta-volcanics?) containing scattered quartz veinlets of no well defined orientation. No pyritization was detected; however, no attempt was made at this time to examine the outcropping in detail nor to initiate a systematic mapping program.

INTERPRETATION OF THE RESULTS OF THE 1986 SOIL SURVEY  
ON THE DORATHA MORTON PROPERTY

Doratha Morton	L253	Percy	L299
Eva	L254	Doratha Morton	
Banker	L291	Fraction	L300
Comox Fraction	L297	Chimnang	L319
		Douglas	L320

Vancouver Mining Division

N.T.S. 92 K/11

for

Signet Resources Inc.

708-700 West Pender Street

Vancouver, B.C.

V6C 2W8

by

Charles Geoffery Spearing, B.Sc.(Eng.)

Consulting Mining Engineer

February 18, 1987

INTERPRETATION OF THE RESULTS OF THE 1986 SOIL SURVEY  
ON THE DORATHA MORTON PROPERTY

1 Introduction

The writer was commissioned by Signet Resources Inc. through Cassiar East Yukon Expediting Ltd. to process and interpret soil geochemical data collected by Signet Resources Inc. during its 1986 exploration program on the Doratha Morton Property. This report is a presentation of the results of a statistical interpretation of that data.

2 1986 Soil Survey

A soil geochemical survey was conducted by Signet Resources Inc. as part of its 1986 exploration program on the Doratha Morton Property located in the Vancouver Mining Division of B.C. at  $50^{\circ} 30.9'$  north latitude and  $125^{\circ} 24.5'$  west longitude.

Soil samples were collected along hip chain and compass lines laid out roughly orthogonal to a base line trending approximately  $N58^{\circ}W$ . The locations of the baseline and some of the soil grid lines were confirmed by transit survey (Figures 1 and 2). A total of 4.115 km of line was laid out comprising 0.775 km of base line and 3.34 km of grid line. Soil samples were taken at 25 m intervals along lines spaced at 100 m intervals from 0+50 m W to 7+50 m W along the base line. Fill in sampling was done at 10 m intervals along lines spaced 25 m apart from 4+75 m W to 7+75 m W along the base line.

Soil geochemical analyses comprise Appendix A. Lepeltier population curves comprise Appendix B and the results are graphically depicted on Figures 1 and 2.

A total of 192 samples were collected by the Signet crew over the central part of the property in an area along strike with a zone of known mineralization. Analyses for gold and silver were done by Min-En Laboratories Ltd. of Vancouver, B.C. (Appendix A). Signet provided the writer with certificates of analysis, a sampling plan and samplers' notes on soil depths and horizons.

Although the samplers' notes could not be verified by the writer in the field; it appeared that at most sample locations soils were sufficiently well-developed to obtain a proper sample from an illuviated 'B' horizon. The detail of the notes indicated to the writer that the sampling crew was competent to take proper samples.

### 3. Statistical Analysis of Geochemical Data

The writer performed a statistical analysis of the soil geochemical data using the methods of Lepeltier (1969) through which graphic representations of cumulative frequency curves resulted in the separation of data into common and anomalous populations.

Analysis of the concentrations of silver in soils resulted in the exclusion of data below the 50th, 84th and 97.5th centiles (Appendix B).

Accepting the assumption that the logs of the soil data form a normal distribution, these contours represent the mean, upper first and second standard deviations of the distribution of the logs of the data.

Geochemical contour intervals were derived from the graphic analysis as follow:



Concentrations in Soils

	silver in ppm	gold in ppb
50th centile above survey background	0.80	
84th centile subanomalous	1.25	
97.5 centile anomalous	1.95	14.5

Gold, unlike silver, comprised a distribution containing two distinct sub-populations; one normal and the other anomalous (Appendix B).

4 Interpretation of the Distribution of Silver in Soils

The distributions of the logs of silver concentrations in these soils approximates a normal distribution. This is indicative of the relative ease with which silver is transported through these soils in chemical solution or as complexed ions. This mode of transport creates gradients of metal concentrations that are appropriately represented by contours (Figure 1).

Normally, in a regional soil survey, a large population of samples is analyzed from an area largely devoid of economic mineralization. Consequently, areas of interest are commonly defined by exclusion of 84% of the regional data.

This survey is located entirely in or between areas of known economic mineralization and the mean of the logs of the silver concentrations; 0.80 ppm, is far higher than the regional crustal abundance for silver (Sinclair et al., 1978). It would possibly appear as sub-anomalous in a regional survey. and is included for reference in Figure 1.

The distribution of silver concentrations in soils reveals a narrow northwest trending area depleted in silver flanked on both sides by areas

of silver enrichment. This is consistent with a distribution developed over a northwest-trending vein or shear zone that is enriched with silver at its flanks. Silver and gold-bearing vein material assayed from trenches along the soil grid base line confirm this.

#### 5 Interpretation of the Distribution of Gold in Soils

The population of gold concentrations from this soil survey comprises two distinct sub-populations, common and anomalous (Appendix B, Figure 2).

The distribution of samples containing anomalous gold concentrations is very erratic across the grid. This combined with the separation of the gold population into two sub-populations indicates to the writer that gold is moving through these soils mostly as discrete mechanical particles. The two sub-populations of gold concentrations represent the presence or absence of discrete particles of gold in the soil samples.

The distribution of gold concentrations cannot be contoured because the amount of gold in two adjacent samples can not be used to predict the concentration of gold in the area between the samples. However, the presence and absence of anomalous gold concentrations in soils can be plotted and is useful (Figure 2).

Anomalous gold concentrations in soils occur mostly in the the fill in survey in the northwestern part of the grid where they generally form northwest-trending linear patterns. These may be related to gold-bearing shoots in underlying veins or a shear zone.

Vancouver, B.C.  
February 18, 1987



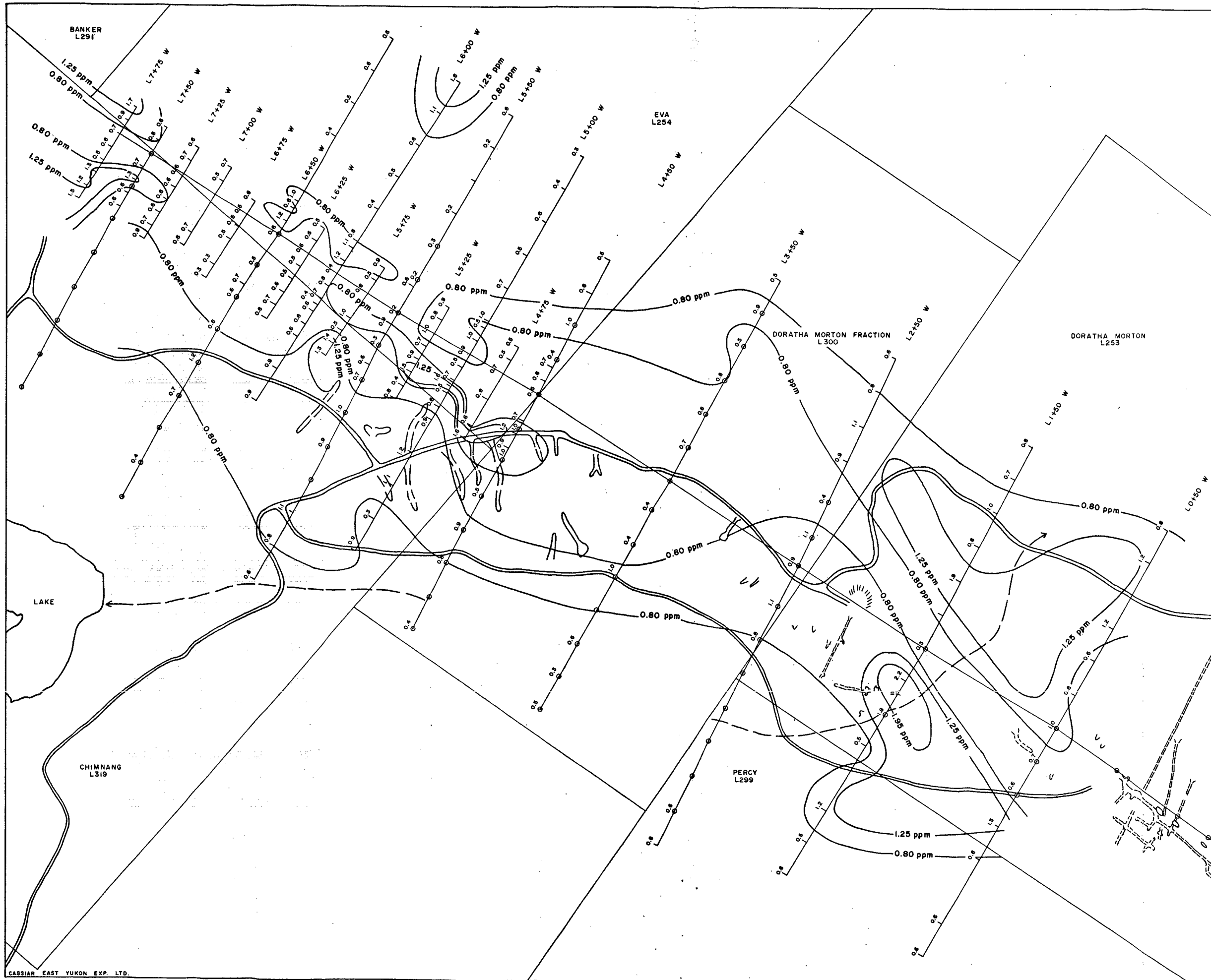
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Charles Geoffery Spearing, B.Sc. (Eng.)  
Consulting Mining Engineer

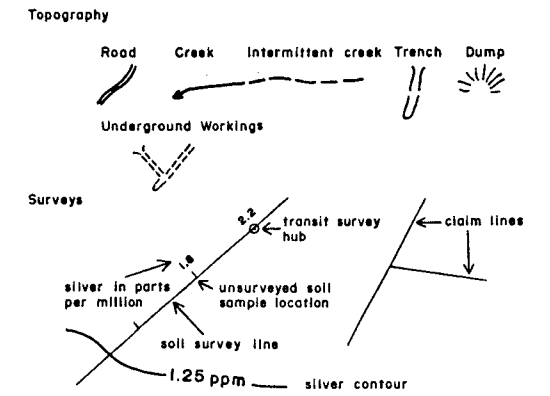
6 References

Lepeltier, C.; 1969: A Simplified Statistical Treatment of Geochemical Data by Graphical Representation, Econ. Geol., Vol. 64 pp. 538-550.

Sinclair, A.J. et al.; 1978: An Analysis of Distribution of Mineral Occurrences in British Columbia; B.C. Min. Energy, Mines and Petr. Res., Bull. 68, p. 31.



**LEGEND**

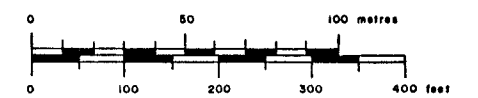


**NOTES:** Silver contours; 0.80 ppm excludes 50% of the data  
 1.25 ppm excludes 84% of the data  
 1.95 ppm excludes 97.5% of the data

For gold concentrations in soils, see Figure 2.

*Spring*

**SCALE**



N.  
 23°24' N. mag.  
 Magnetic declination for the centre of N.T.S. Map 92 K/11 as of January, 1987. Declination decreases 2.8' annually.

Figure 1

SIGNET RESOURCES INC.

**SILVER IN SOILS:  
 1986 SURVEY**

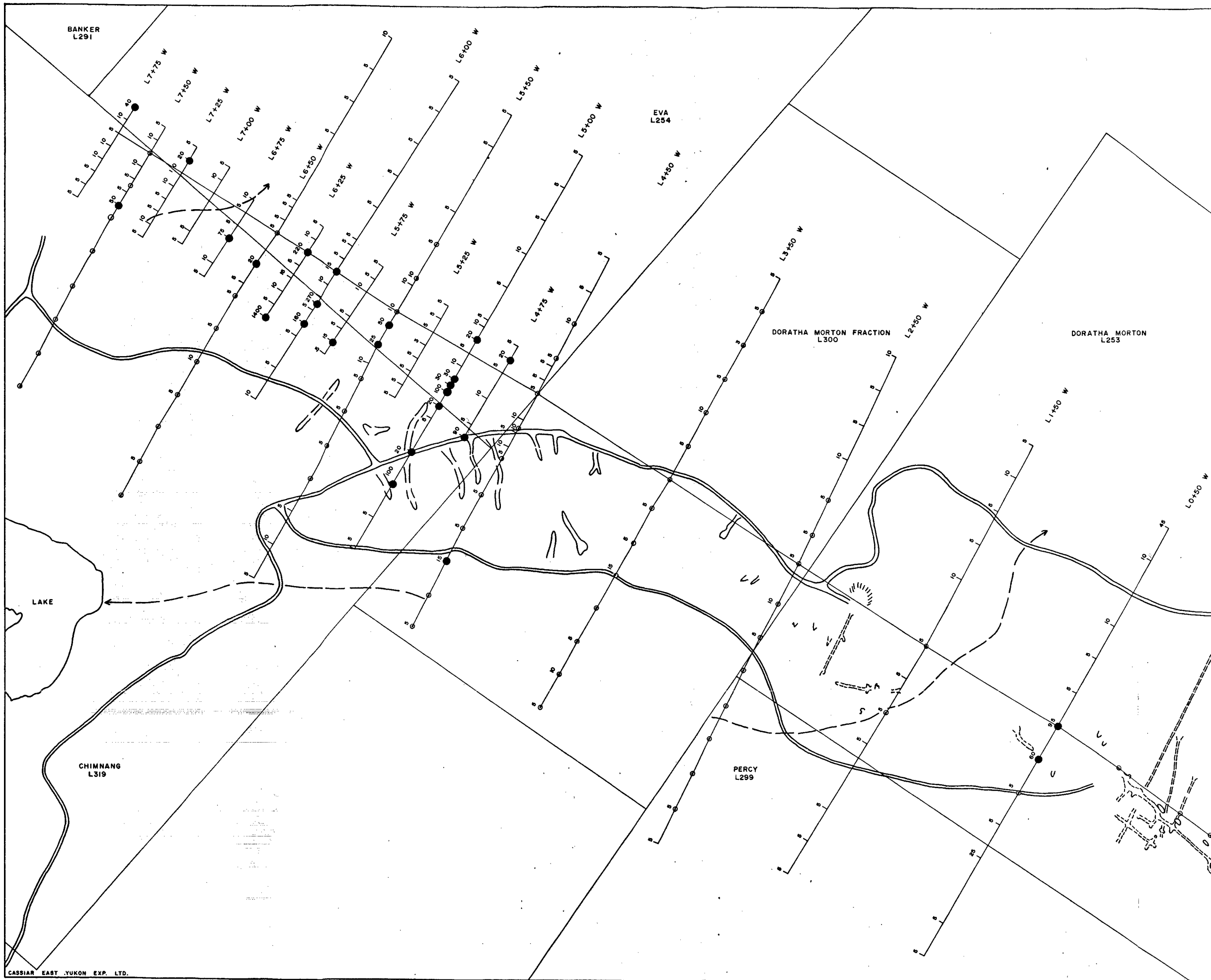
**DORATHA MORTON PROPERTY**  
 50° 30.9' N., 125° 24.5' W.

VANCOUVER MINING DIVISION

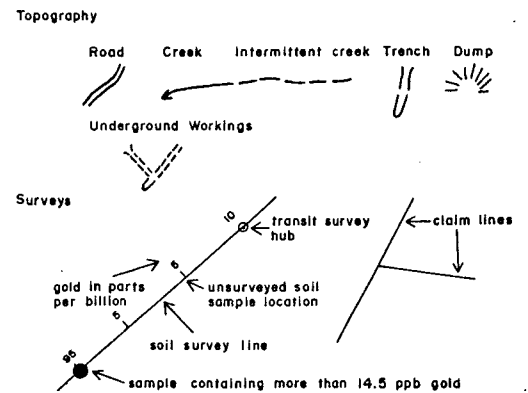
BRITISH COLUMBIA

C. G. SPEARING, B.Sc.(Eng.)

FEBRUARY, 1987



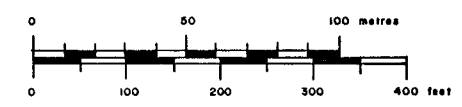
**LEGEND**



NOTE: For silver concentrations in soils, see Figure 1.

*Spearing*

**SCALE**



N.  
23° 24' N. mag.  
Magnetic declination for the centre of N.T.S. Map 92 K/11 as of January 1, 1987. Declination decreases 2.0' annually.

Figure 2

SIGNET RESOURCES INC.

**GOLD IN SOILS:  
1986 SURVEY**

DORATHA MORTON PROPERTY  
50° 30.9' N., 125° 24.5' W.

VANCOUVER MINING DIVISION      BRITISH COLUMBIA  
C. G. SPEARING, B.Sc.(Eng.)      FEBRUARY, 1987

## APPENDIX C

## CERTIFICATE OF QUALIFICATION

I, C. Geoffery Spearing, of 1825 Palmerston Avenue in the City of West Vancouver, Province of British Columbia do hereby certify:

That I am a self-employed mining engineer with office at suite 701, 543 Granville Street, Vancouver, British Columbia;

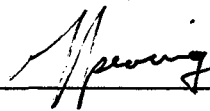
That I am a graduate of Queen's University at Kingston, Ontario where I did obtain by Bachelor of Science degree in mining engineering in 1986;

That my principal employment since 1985 has been in the field of mineral exploration;

That this report is based on data supplied by Signet Resources Inc.;

That I have no interest in the Doratha Morton Property nor in the securities of Signet Resources Inc. nor do I expect to receive any.

Dated at Vancouver, British Columbia  
This 18th day of February, 1987.



---

C. Geoffery Spearing, B.Sc.(Eng.)  
Consulting Mining Engineer

## MIN-EN LABORATORIES LTD.

Specialists in Mineral Environments

705 West 15th Street North Vancouver, B.C. Canada V7M 1T2

PHONE: (604) 980-5814 OR (604) 988-4524

TELEX: 04-352828

Certificate of GEOCHEM

Company: SIGNET RESOURCES

File: 6-536/P1

Project:

Date: JULY 31-86

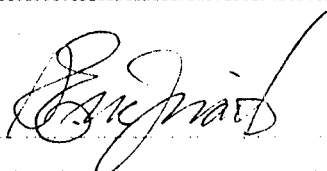
Attention: B. FITCH

Type: SOIL GEOCHEM

We hereby certify the following results for samples submitted.

Sample Number	AG PPM	AU-WET PPB	
4+50W 0+20N	0.7	5	
4+50W 0+10N	0.6	5	
4+50W 0+20S	0.7	10	
4+50W 0+30S	1.2	5	
4+50W 0+40S	0.9	10	
4+75W 0+20N	0.5	5	20MESH
4+75W 0+10N	0.5	20	20MESH
4+75W 0+00	0.7	5	
4+75W 0+10S	NO SAMPLE		
4+75W 0+20S	0.6	10	
4+75W 0+40S	0.6	5	
4+75W 0+50S	1.6	90	
5+00W 0+20N	0.5	10	20MESH
5+00W 0+10N	1.0	20	20MESH
5+00W 0+10S	0.5	10	20MESH
5+00W 0+20S	0.7	30	
5+00W 0+30S	0.5	100	20MESH
5+00W 0+40S	0.6	20	
5+25W 0+20N	0.9	5	
5+25W 0+10N	0.8	5	
5+25W 0+00	1.0	5	20MESH
5+25W 0+10S	0.7	3	20MESH
5+25W 0+20S	0.9	5	
5+25W 0+30S	1.5	5	
5+25W 0+40S	0.4	5	
5+25W 0+50S	0.8	10	
5+50W 0+20N	0.6	10	20MESH
5+50W 0+10S	0.9	50	
5+50W 0+40S	0.6	10	20MESH
5+75W 0+20N	0.7	5	

Certified by


  
MIN-EN LABORATORIES LTD.

## MIN-EN LABORATORIES LTD.

Specialists in Mineral Environments

705 West 15th Street North Vancouver, B.C. Canada V7M 1T2

PHONE: (604)980-5814 OR (604)980-4524

TELEX: 04-352028

Certificate of GEOCHEM

Company: SIGNET RESOURCES

Project:

Attention: B. FITCH

File: 6 556/P2

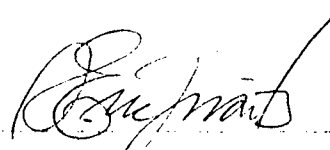
Date: JULY 31/86

Type: SOIL GEOCHEM

We hereby certify the following results for samples submitted.

Sample Number	AG PPM	AU-NET PPB	
5+75W 0+10N	0.5	5	
5+75W 0+00	0.6	10	
5+75W 0+20S	1.0	5	
5+75W 0+30S	0.5	5	20MESH
5+75W 0+40S	1.4	15	
5+75W 0+50S	1.3	5	
6+00W 0+20N	1.1	5	
6+00W 0+10N	1.2	5	20MESH
6+00W 0+10S	0.8	10	20MESH
6+00W 0+20S	0.7	5	
6+00W 0+30S	0.6	160	
6+00W 0+40S	0.6	5	20MESH
6+25W 0+20N	0.5	5	
6+25W 0+10N	0.6	10	
6+25W 0+00	0.6	220	
6+25W 0+10S	0.5	5	20MESH
6+25W 0+20S	0.5	15	
6+25W 0+30S	0.6	10	
6+25W 0+40S	0.7	5	
6+25W 0+50S	0.6	1400	20MESH
6+50W 0+20N	0.6	5	20MESH
6+50W 0+10N	1.2	5	20MESH
6+50W 0+40S	0.7	5	20MESH
6+75W 0+10N	0.6	10	
6+75W 0+00	0.5	5	
6+75W 0+10S	0.5	5	
6+75W 0+20S	0.5	75	
6+75W 0+40S	0.3	10	
6+75W 0+50S	0.3	5	
7+00W 0+20N	0.7	5	

Certified by:

  
 MIN-EN LABORATORIES LTD.



**MIN-EN LABORATORIES LTD.**  
*Specialists in Mineral Environments*  
 705 West 15th Street North Vancouver, B.C. Canada V7M 1T2

PHONE: (604) 980-5814 OR (604) 988-4524

TELEX: 04-352828

Certificate of GEOCHEM

Company: SIGNET RESOURCES  
 Project:  
 Attention: B. FITCH

File: 6-536/P3  
 Date: JULY 31/86  
 Type: SOIL GEOCHEM

We hereby certify the following results for samples submitted.

Sample Number	AG PPM	AU-WET PPB	
7+00W 0+10N	0.5	10	
7+00W 0+30S	0.7	5	20MESH
7+00W 0+40S	0.6	5	20MESH
7+25W 0+20N	0.6	5	20MESH
7+25W 0+10N	0.7	20	20MESH
7+25W 0+00	0.6	10	
7+25W 0+10S	0.6	10	20MESH
7+25W 0+20S	0.8	5	
7+25W 0+30S	0.6	5	
7+25W 0+40S	0.7	10	
7+50W 0+50S	0.9	5	
7+50W 0+20N	0.6	5	20MESH
7+50W 0+10N	0.8	10	20MESH
7+50W 0+10S	0.7	10	
7+50W 0+20S	1.3	5	
7+50W 0+30S	0.6	5	20MESH
7+50W 0+40S	0.6	50	20MESH
7+75W 0+20N	1.7	40	
7+75W 0+10N	0.9	10	
7+75W 0+00	0.7	5	20MESH
7+75W 0+10S	0.6	10	
7+75W 0+20S	0.5	10	
7+75W 0+30S	1.3	5	
7+75W 0+40S	1.2	5	
7+75W 0+50S	1.5	5	
4+50W 0+10S	0.6	5	

Certified by .....

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*Specialists in Mineral Environments*  
 705 West 15th Street North Vancouver, B.C. Canada V7M 1T2

PHONE: (604) 980-5814 OR (604) 980-4524

TELEX: 04-352828

Certificate of GEOCHEM

Company: SIGNET RESOURCES  
 Project:  
 Attention:

File: 6-442/P1  
 Date: JULY 11/86  
 Type: SOIL GEOCHEM

We hereby certify the following results for samples submitted.

Sample Number	AG PPM	AU PFB	
L0+50W1+50N	0.8	45	40MESH
L0+50W1+25N	1.2	10	
L0+50W0+75N	1.2	10	
L0+50W0+50N	0.6	5	20MESH
L0+50W0+25N	0.6	5	
L0+50W0+00	1.0	95	
L0+50W0+25S	0.7	60	
L0+50W0+50S	0.6	5	20MESH
L0+50W0+75S	1.3	5	
L0+50W1+00S	0.8	25	
L0+50W1+50S	0.6	5	40MESH
L0+50W1+75S	0.6	5	20MESH
L1+50W1+50N	0.8	5	
L1+50W1+25N	0.7	10	
L1+50W1+00N	1.0	5	20MESH
L1+50W0+75N	0.8	5	
L1+50W0+50N	1.9	10	
L1+50W0+00	0.3	5	20MESH
L1+50W0+25S	2.2	5	40MESH
L1+50W0+50S	1.8	5	40MESH
L1+50W0+75S	0.5	5	
L1+50W1+25S	1.2	5	40MESH
L1+50W1+50S	0.5	5	
L1+50W1+75S	0.6	5	40MESH
L2+50W1+50N	0.6	10	40MESH
L2+50W1+25N	0.8	5	40MESH
L2+50W1+00N	1.1	5	
L2+50W0+75N	0.9	10	
L2+50W0+50N	0.4	5	
L2+50W0+25N	1.1	5	

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705 West 15th Street North Vancouver, B.C. Canada V7M 1T2

PHONE: (604)980-5814 OR (604)988-4524

TELEX: 04-352828

Certificate of GEOCHEM

Company: SIGNET RESOURCES

File: 6-442

Project:

Date: JULY 10/86

Attention:

Type: SOIL GEOCHEM

We hereby certify the following results for samples submitted.

Sample Number	AG PPM	AU PPB	
L2+50W0+00	0.9	5	
L2+50W0+25S	1.1	10	20MESH
L2+50W0+ 0S	0.8	5	
L2+50W1+75S	0.6	5	
L2+50W2+00S	0.8	5	40MESH
L3+50W1+50N	0.5	5	
L3+50W1+25N	0.9	5	
L3+50W1+00N	0.5	3	
L3+50W0+75N	0.8	5	20MESH
L3+50W0+50N	0.6	10	40MESH
L3+50W0+25N	0.7	5	
L3+50W0+25S	0.4	5	
L3+50W0+50S	0.4	5	
L3+50W0+75S	1.0	15	
L3+50W1+25S	0.6	5	40MESH
L3+50W1+50S	0.3	10	40MESH
L3+50W1+75S	0.5	5	
L4+50W1+00N	0.5	5	
L4+50W0+75N	0.6	5	
L4+50W0+50N	1.0	10	
L4+50W0+25N	0.4	5	40MESH
L4+50W0+00	0.5	5	
L4+50W0+25S	1.0	10	
L4+50W0+50S	1.0	5	
L4+50W0+75S	0.5	5	
L4+50W1+00S	0.9	5	
L4+50W1+25S	0.8	15	
L4+50W1+75S	0.4	5	
L5+00W1+50N	0.3	5	
L5+00W1+25N	0.4	5	

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## APPENDIX A

**MIN-EN LABORATORIES LTD.**  
*Specialists in Mineral Environments*  
 705 West 15th Street North Vancouver, B.C. Canada V7M 1T2

PHONE: (604)980-5814 OR (604)988-4524

TELEX: 04-352829

Certificate of GEOCHEM

Company: SIGNET RESOURCES

File: 6-442/P3

Project:

Date: JULY 14/86

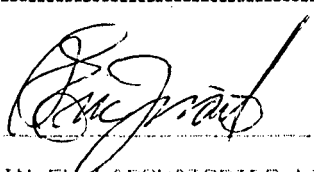
Attention:

Type: SOIL GEOCHEM

We hereby certify the following results for samples submitted.

Sample Number	AG PPM	AU PPB	
L5+00W1+00N	0.6	5	
L5+00W0+75N	0.5	10	
L5+00W0+50N	0.7	5	
L5+00W0+25N	1.0	5	
L5+00W0+00	0.9	5	
L5+00W0+25S	1.6	30	
L5+00W0+50S	0.9	5	
L5+00W0+75S	1.2	20	
L5+00W1+00S	1.1	100	
L5+00W1+25S	0.3	5	
L5+00W1+50S	0.9	5	
L5+50W1+50N	0.6	5	
L5+50W1+25N	0.2	5	40MESH
L5+50W0+75N	0.2	5	
L5+50W0+50N	0.3	5	
L5+50W0+25N	0.2	10	40MESH
L5+50W0+00	0.2	10	20MESH
L5+50W0+25S	0.3	25	
L5+50W0+50S	0.7	5	
L5+50W0+75S	1.0	5	
L5+50W1+00S	0.9	5	
L5+50W1+50S	1.1	5	
L5+50W1+75S	0.8	10	
L5+50W2+00S	0.6	5	
L6+00W1+50N	1.6	5	
L6+00W1+25N	1.1	5	
L6+00W1+00N	0.6	5	20MESH
L6+00W0+75N	0.5	5	40MESH
L6+00W0+50N	0.4	5	
L6+00W0+25N	0.8	5	

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## APPENDIX A

**MIN-EN LABORATORIES LTD.***Specialists in Mineral Environments*

705 West 15th Street North Vancouver, B.C. Canada V7M 1T2

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TELEX: 04-352828

Certificate of GEOCHEM

Company: SIGNET RESOURCES

File: 6-442/P4

Project:

Date: JULY 11/86

Attention:

Type: SOIL GEOCHEM

We hereby certify the following results for samples submitted.

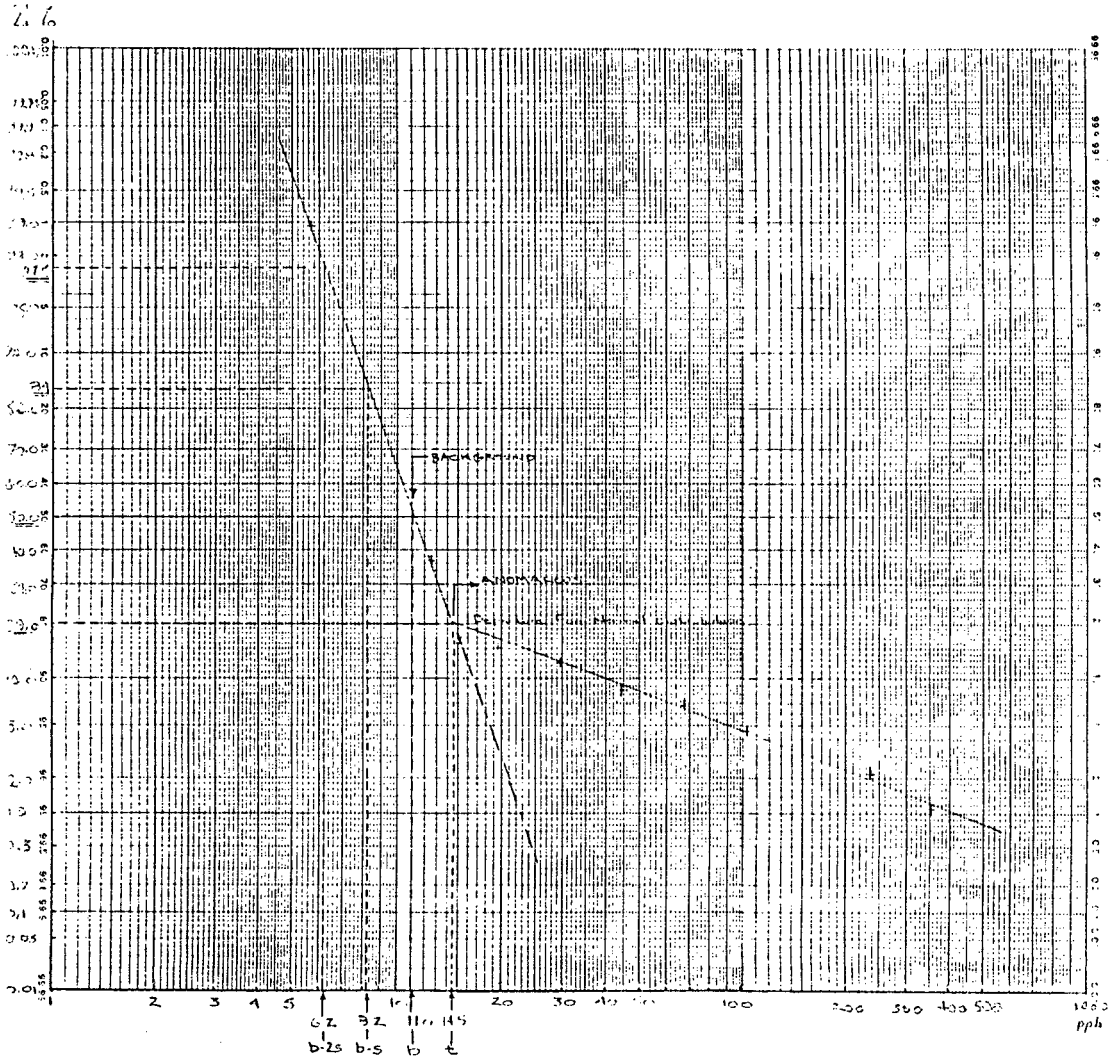
Sample Number	AG PPM	AU PPB	
L6+00W0+00	0.4	15	
L6+00W0+25S	0.4	270	
L6+00W0+50S	0.6	5	
L6+00W0+75S	0.9	5	
L6+00W1+00S	0.9	10	
L6+50W1+50N	0.6	10	20MESH
L6+50W1+25N	0.6	5	20MESH
L6+50W1+00N	0.5	5	
L6+50W0+75N	0.4	5	40MESH
L6+50W0+25N	1.0	5	20MESH
L6+50W0+00	0.6	5	
L6+50W0+25S	0.5	20	
L6+50W0+50S	0.6	5	
L6+50W0+75S	0.8	5	
L6+50W1+00S	1.2	10	
L6+50W1+25S	0.7	5	40MESH
L6+50W1+75S	0.4	5	

Certified by



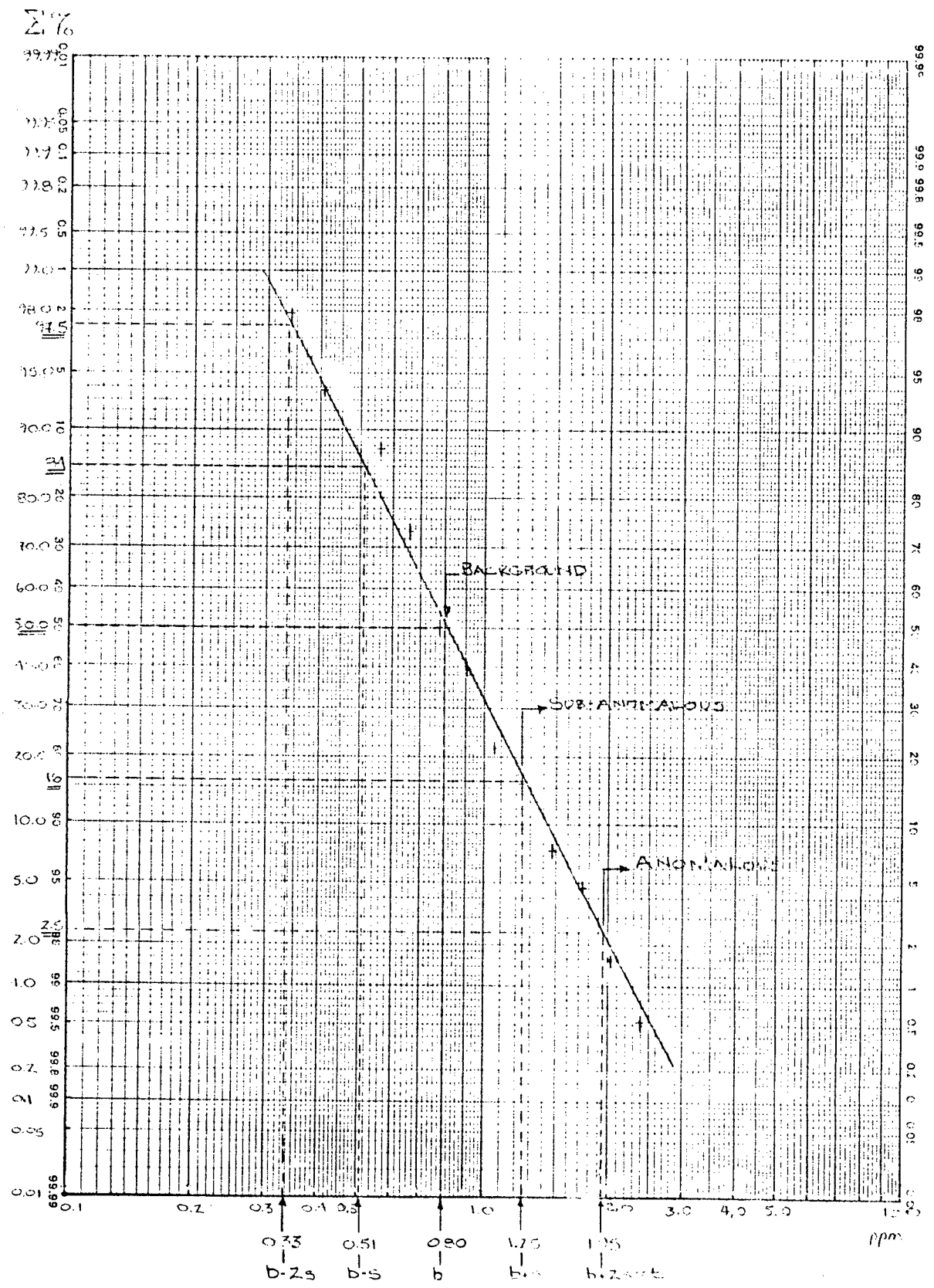
MIN-EN LABORATORIES LTD.

CUMULATIVE FREQUENCY DISTRIBUTION FOR GOLD



APPENDIX B

CUMULATIVE FREQUENCY DISTRIBUTION FOR SILVER



FIELD SOIL SAMPLING

SAMPLE LOCATION	DEPTH	SOIL COLOR AND DESCRIPTION
4+50W 0+20N	10cm	Orange & grey/gravelly
4+50W 0+10N	15cm	Brown & grey/some organic, sandy
4+50W 0+10S	15cm	Greyish/clay & organic
4+50W 0+20S	10cm	Dry sandy brown/some twigs & rock frags/N sideroad
4+50W 0+30S	20cm	Wet reddish, golden-brown/small frags/S side road
4+50W 0+40S	25cm	Orangey-brown gravelly
4+75W 0+20N	30cm	Black organic
4+75W 0+10N	2cm	Grey, gravel
4+75W 0+00	30cm	Reddish orange & organic
4+75W 0+10S	-	Way too much organic
4+75W 0+20S	3cm	Grey, clay
4+75W 0+30S	-	No sample 3 ft black muck
4+75W 0+40S	10cm	Light brown & black sandy - N side road
4+75W 0+50S	2cm	Brown orange (trench at location)
5+00W 0+20N	45cm	Grey, clay, organic
5+00W 0+10N	45cm	Grey, clay, organic
5+00W 0+10S	6cm	Grey, clay, organic
5+00W 0+20S	45cm	Orange, organic
5+00W 0+30S	9cm	Grey, clay, organic
5+00W 0+40S	45cm	Grey, clay
5+25W 0+20N	30cm	Dark clay, some organic
5+25W 0+10N	40cm	Wet light brown/grey clay, some organic
5+25W 0+00	15cm	Gray clay, some organic
5+25W 0+10S	25cm	Wet, dark grey clay, some organic
5+25W 0+20S	20cm	Light brown clay, some whitish gravel
5+25W 0+30S	25cm	Reddish brown clay, some gravel
5+25W 0+40S	15cm	Light grey clay
5+25W 0+50S	20cm	Brown & gravelly
5+50W 0+20N	15cm	Black organic with gray
5+50W 0+10N	-	Overburden, moss, wet
5+50W 0+10S	30cm	Orange clay, organic
5+50W 0+20S	-	Thick, organic

.../2



- 2 -

SAMPLE LOCATION	DEPTH	SOIL COLOR AND DESCRIPTION
5+50W 0+30S	-	Swamp
5+50W 0+40S	20cm	Reddish brown, gray/sandy & organic
5+75W 0+20N	30cm	Gravelly orange brown
5+75W 0+10N	45cm	Grey - black clay wet
5+75W 0+00	40cm	Grey organic
5+75W 0+10S	-	Swamp
5+75W 0+20S	15cm	Light brown, organic
5+75W 0+30S	30cm	Light brown, organic
5+75W 0+40S	6cm	Golden brown, organic mix
5+75W 0+50S	15cm	Orange gravelly (Road)
6+00W 0+20N	15cm	Golden brown, organic mix
6+00W 0+10N	30cm	Golden brown sand
6+00W 0+10S	45cm	Black organic
6+00W 0+20S	45cm	Grey, organic
6+00W 0+30S	60cm	Organic some clay (top of new showing)
6+00W 0+40S	40cm	Clay organic
6+25W 0+20N	50cm	Brown & grey clay
0+25W 0+10N	40cm	Light grey & black clay, some organic
6+25W 0+00	35cm	Light brown clay, some twigs
6+25W 0+10S	50cm	Brown & grey, gravelly clay
6+25W 0+20S	50cm	White & orange clay
6+25W 0+30S	25cm	Grey, gravelly clay
6+25W 0+40S	40cm	Orange & grey clay, some twigs
6+25W 0+50S	35cm	Grey, gravelly clay, some organic
6+50W 0+20N	15cm	Grey, some organic
6+50W 0+10N	35cm	Grey, orange, sandy clay
6+50W 0+10S	-	Swamp
6+50W 0+20S	-	Swamp
6+50W 0+30S	-	Too much overburden
6+50W 0+40S	45cm	Clay, organic
6+75W 0+20N	-	Creek and swamp
6+75W 0+10N	15cm	Orange, Grey, Black, sand organic
6+75W 0+00	40cm	Grey clay with black organic

.../3

SAMPLE LOCATION	DEPTH	SOIL COLOR AND DESCRIPTION
6+75W 0+10S	30cm	Grey clay with organic
6+75W 0+20S	30cm	Grey clay with organic
6+75W 0+30S	-	Thick organic
6+75W 0+40S	50cm	Light brown clay, some twigs &
6+75W 0+50S	40cm	Light grey clay with some organic
7+00W 0+20N	30cm	Golden brown, some clay
7+00W 0+10N	30cm	Light brown clay sand
7+00W 0+10S	-	Swamp
7+00W 0+20S	-	Swamp
7+00W 0+30S	35cm	Organic some clay
7+00W 0+40S	45cm	Organic, some clay
7+25W 0+20N	60cm	Organic
7+25W 0+10N	30cm	Grey, organic
7+25W 0+00	45cm	Orange, sand, organic black
7+25W 0+10S	50cm	Grey clay, some organic
7+25W 0+20S	25cm	Wet brown, gravelly clay
7+25W 0+30S	40cm	Orange, brown gravel
7+25W 0+40S	30cm	Orangey-brown, sandy-clay
7+25W 0+50S	30cm	Orange, brown, gravelly clay
7+50W 0+20N	35cm	Organic
7+50W 0+10N	45cm	Mostly organic, some clay
7+50W 0+10S	30cm	Organic, some clay, orange
7+50W 0+20S	30cm	Orange & black sand
7+50W 0+30S	50cm	Orange, clay, organic
7+50W 0+40S	60cm	Organic
7+75W 0+20N	10cm	Golden brown, sandy
7+75W 0+10N	45cm	Organic, some clay/black, grey
7+75W 0+00	25cm	Grey, orange, black, sandy, organic
7+75W 0+10S	50cm	Grey, gravelly clay & organic (came out at base - line 5M W of 7+75W + 0+00)
7+75W 0+20S	50cm	Light brown clay & organic
7+75W 0+30S	25cm	Reddish, brown sand
7+75W 0+40S	15cm	Brown gravelly - road
7+75W 0+50S	20cm	Orangey brown gravel - road

**RESULTS OF 1986 TRENCHING PROGRAM  
ON THE DORATHA MORTON PROPERTY**

Doratah Morton (Lot 253), Percy (Lot 299)  
Eva (Lot 254), Doratha Morton Fraction (Lot 300)  
Banker (Lot 291), Chimnang (Lot 319)  
Comox Fraction (Lot 297), Douglas (Lot 320)

**Vancouver Mining Division  
NTS 92K/11**

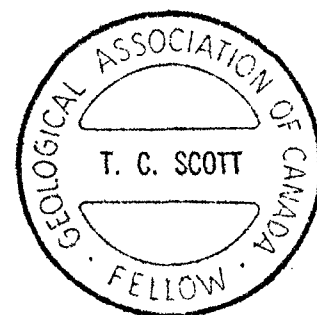
**Prepared for**

**SIGNET RESOURCES INC.  
Suite 708, 700 West Pender Street,  
Vancouver, British Columbia  
V6C 2W8**

**Prepared by**

**T. CAMERON SCOTT, B.Sc., F.G.A.C.  
Suite 900, 850 West Hastings Street,  
Vancouver, British Columbia  
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**February 25, 1987**



**RESULTS OF 1986 TRENCHING PROGRAM  
ON THE DORATHA MORTON PROPERTY**

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**DISCUSSION AND CONCLUSIONS**

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**Appendix B**        Statement of Qualifications

## INTRODUCTION

Signet Resources Inc. conducted a program of soil sampling, bulk rock sampling, and hand trenching on the Doratha Morton Property during 1986. Work performed by the writer between November 15 and 21, 1986 included mapping and sampling of new trenches, and re-logging of 1984/85 drill holes. This report summarizes the geology and assay results of the new trenches.

## TRENCHING

A series of pits and continuous trenches was constructed over a distance of 30 meters in order to investigate the causative source of anomalous gold values encountered in a recent soil geochemical survey (Figure 1). The trenches, ranging from 1.0 to 1.5 meters in depth, were dug by hand, using drill and blast methods. At all sites, bedrock was exposed at depths of 0.5 to 1.0 meters.

## GEOLOGY AND SAMPLING RESULTS

The trenching has exposed well-foliated, white to pale grey-green bedrock which displays intense silicification and sericitization (Figure 2). Minor chlorite, calcite and epidote is also evident. The strong schistose foliation strikes consistently northwest and dips steeply southwest (Figure 2). The trenches also disclosed the presence of a milky white, weakly foliated, 1.5- to 2.0-meter wide quartz vein which lies concordant with the wallrock foliation. Minor 1- to 3-centimeter wide, concordant quartz stringers also occur in silicified wallrock. Both the siliceous wallrock and quartz vein are cut by steeply dipping, northeasterly trending andesitic dykes. A sinistral offset of the quartz vein is apparent across the andesitic dykes. The trace of the quartz vein is paralleled by a 2.0-meter high, step-like break in slope, with the down drop to the northeast. This topographic feature continues along strike beyond the area of trenching, and suggests that the quartz vein may continue both to the northwest and southeast.

.2.

Pyrite occurs as patchy disseminations lying parallel to the foliation within the silicified wallrock, and as patchy concentrations within the quartz vein. The pyrite concentration seldom exceeds 2%. Chlorite often accompanies the pyrite.

Five channel samples were taken across the quartz vein by the writer. Sampling was impeded by snow cover and the disruption of bedrock as a result of blasting during the trench construction. The samples were subjected to 30-element ICP analysis and fire assay for gold and silver (Appendix A).

The following table contains a summary of sample descriptions and results. The location of the samples is shown on Figure 2.

SAMPLE SUMMARY: TRENCH L6+00E - 0+20S

Sample No.	Type	Width (m)	Assay		Description
			Ag (g/T)	Au (g/T)	
CS 152	Channel	1.10	1.72	0.68	70% quartz vein with wallrock inclusions; sericite and chlorite present; 2% pyrite.
CS 153	Channel	1.15	0.34	0.27	70% quartz vein with wallrock inclusions; 2% pyrite.
CS 155	Channel	0.65	17.49	7.41	Footwall side of quartz vein; 2% pyrite parallel to weak foliation and vein walls.
CS 156	Channel	0.80	2.74	1.13	Hanging wall side of quartz vein; trace pyrite; minor limonite.
CS 158	Channel	0.80	21.27	6.62	Milky white quartz vein; less than 2% pyrite; minor limonite.

## DISCUSSION AND CONCLUSIONS

The 1986 trenching program on the Doratha Morton Property has uncovered a 2-meter wide, auriferous quartz vein which may be in part the causative source of anomalous gold values detected in the 1986 soil sample survey area. The well-foliated silicified wallrock is similar to bedrock exposures previously examined by trenching and diamond drilling, approximately 390 meters (400 feet) to the southeast, and is probably an extension of that zone. The zone of silicification and bleaching occurs at the interface between andesitic metavolcanics and underlying (?) calcareous metasediments, and may represent a shear zone which controlled the emplacement of concordant quartz veins and related hydrothermal alteration of the wallrock.

The assay results of samples taken from the trenches near L6+00E-0+20S are consistent with those returned from sampling of similar exposures to the southeast.

The results of this work indicate that soil geochemical surveys, followed by trenching in areas of anomalous results, are exploration techniques which can be successfully applied on the Doratha Morton Property.

Respectfully submitted,



T. Cameron Scott, B.Sc., F.G.A.C.

Vancouver, British Columbia  
February 25, 1987

APPENDIX "A"

CERTIFICATE OF GEOCHEMICAL / ASSAY ANALYSES



ACME ANALYTICAL LABORATORIES LTD.

852 E. HASTINGS ST. VANCOUVER B.C. V6A 1R6

PHONE 253-3158

DATA LINE 251-1011

**GEOCHEMICAL/ASSAY CERTIFICATE**

.500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER.  
 THIS LEACH IS PARTIAL FOR MN.FE.CA.P.CR.MG.BA.TI.B.AL.NA.K.W.SI.ZR.CE.SN.Y.ND AND TA. AU DETECTION LIMIT BY ICP IS 3 PPM.  
 - SAMPLE TYPE: ROCK CHIPS A600 AND AU00 BY FIRE ASSAY



DATE RECEIVED: DEC 23 1986 DATE REPORT MAILED: *Jan 8/87*

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

SIGNET RESOURCES FILE # 86-4056

PAGE 1

SAMPLE#	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	U	Au	Th	Sr	Cd	Sb	Bi	V	Ca	P	La	Cr	Mg	Ba	Ti	B	Al	Na	K	W	Ag00	Au00
	PPH	PPH	PPH	PPH	PPH	PPH	PPH	PPH	%	PPH	PPH	PPH	PPH	PPH	PPH	PPH	PPH	PPH	%	%	PPH	PPH	%	PPH	%	PPH	%	%	%	PPH	OZ/T	OZ/T
CS-152	1	5	5	37	1.8	15	1	74	.95	2	5	ND	1	17	1	2	3	2	.09	.014	4	24	.03	48	.01	4	.34	.04	.10	1	.05	.020
CS-153	1	6	3	5	.7	1	1	73	.71	2	5	ND	1	4	1	2	2	1	.03	.005	2	2	.02	30	.01	4	.16	.03	.06	1	.01	.008
CS-155	2	5	2	2	19.7	1	1	60	.65	2	5	6	1	1	1	2	2	1	.02	.001	2	2	.01	11	.01	3	.03	.01	.01	1	.51	.216
CS-156	1	16	3	14	3.0	3	2	71	.55	2	5	ND	1	5	1	2	2	2	.04	.003	2	2	.02	30	.01	2	.21	.02	.06	1	.08	.033
CS-158	2	20	4	5	24.5	4	1	214	.90	5	5	7	1	1	1	2	2	1	.01	.001	2	5	.01	13	.01	3	.04	.01	.02	1	.62	.193
STD C	19	60	39	138	6.8	68	28	963	3.95	37	20	8	32	47	16	15	18	59	.48	.096	34	56	.88	174	.08	35	1.71	.06	.13	13	-	-

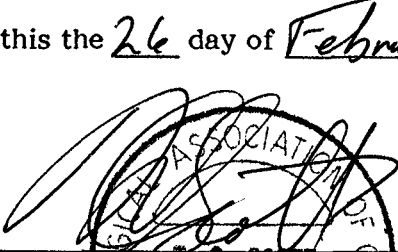
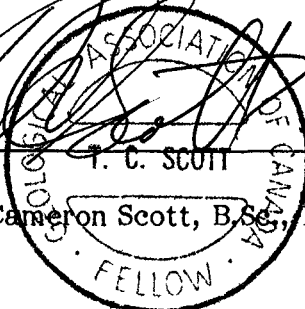
APPENDIX A

STATEMENT OF QUALIFICATIONS

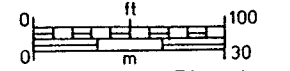
I, T. CAMERON SCOTT, of 2505 West 1st Avenue in the City of Vancouver, Province of British Columbia, DO HEREBY CERTIFY:

1. THAT I am a self-employed Consulting Geologist with offices at Suite 900, 850 West Hastings Street in the City of Vancouver, Province of British Columbia;
2. THAT I am a graduate of the University of British Columbia where I did obtain my Bachelor of Science degree in Geology;
3. THAT I am a Fellow of the Geological Association of Canada;
4. THAT my primary employment since 1963 has been in the field of mineral exploration, mainly as Field and Project Geologist;
5. THAT my experience has covered a wide range of geological environments and has allowed considerable familiarization with geophysical and geochemical techniques;
6. THAT this report is based on data collected by me during the period November 15 to 21, 1986, and on my previous knowledge of the property;
7. THAT I have no interest in the Doratha Morton Property or in the securities of Signet Resources Inc., nor do I expect to receive any.

DATED at Vancouver, British Columbia, this the 26 day of February 1987.

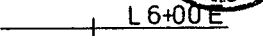

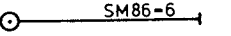
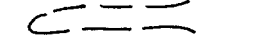
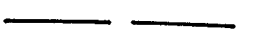


  
 \_\_\_\_\_  
 T. Cameron Scott, B.Sc., F.G.A.C.  


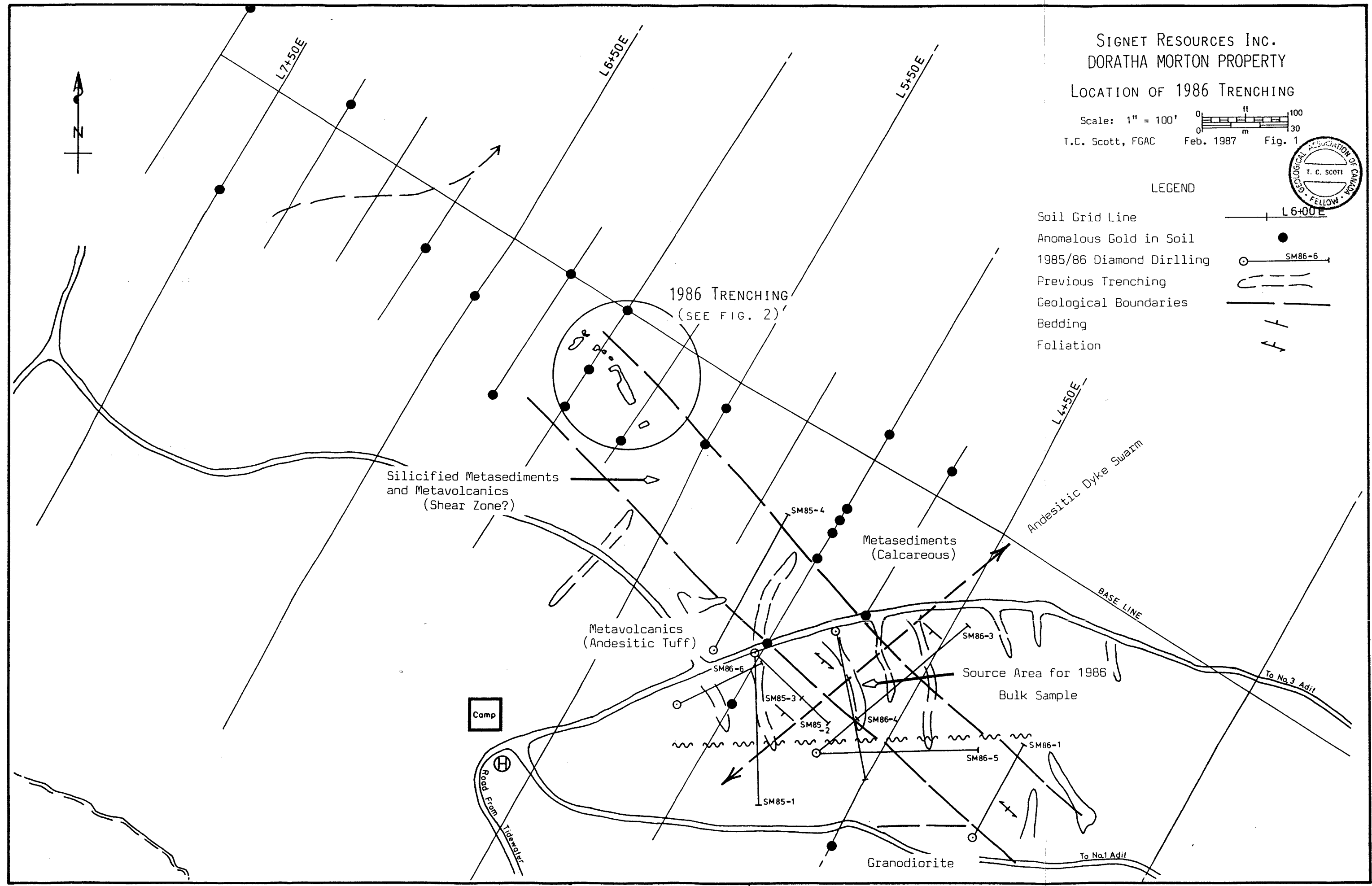
SIGNET RESOURCES INC.  
 DORATHA MORTON PROPERTY  
 LOCATION OF 1986 TRENCHING

Scale: 1" = 100'   
 T.C. Scott, FGAC Feb. 1987 Fig. 1



LEGEND

- Soil Grid Line 
- Anomalous Gold in Soil 
- 1985/86 Diamond Drilling 
- Previous Trenching 
- Geological Boundaries 
- Bedding 
- Foliation 



ROCK UNITS

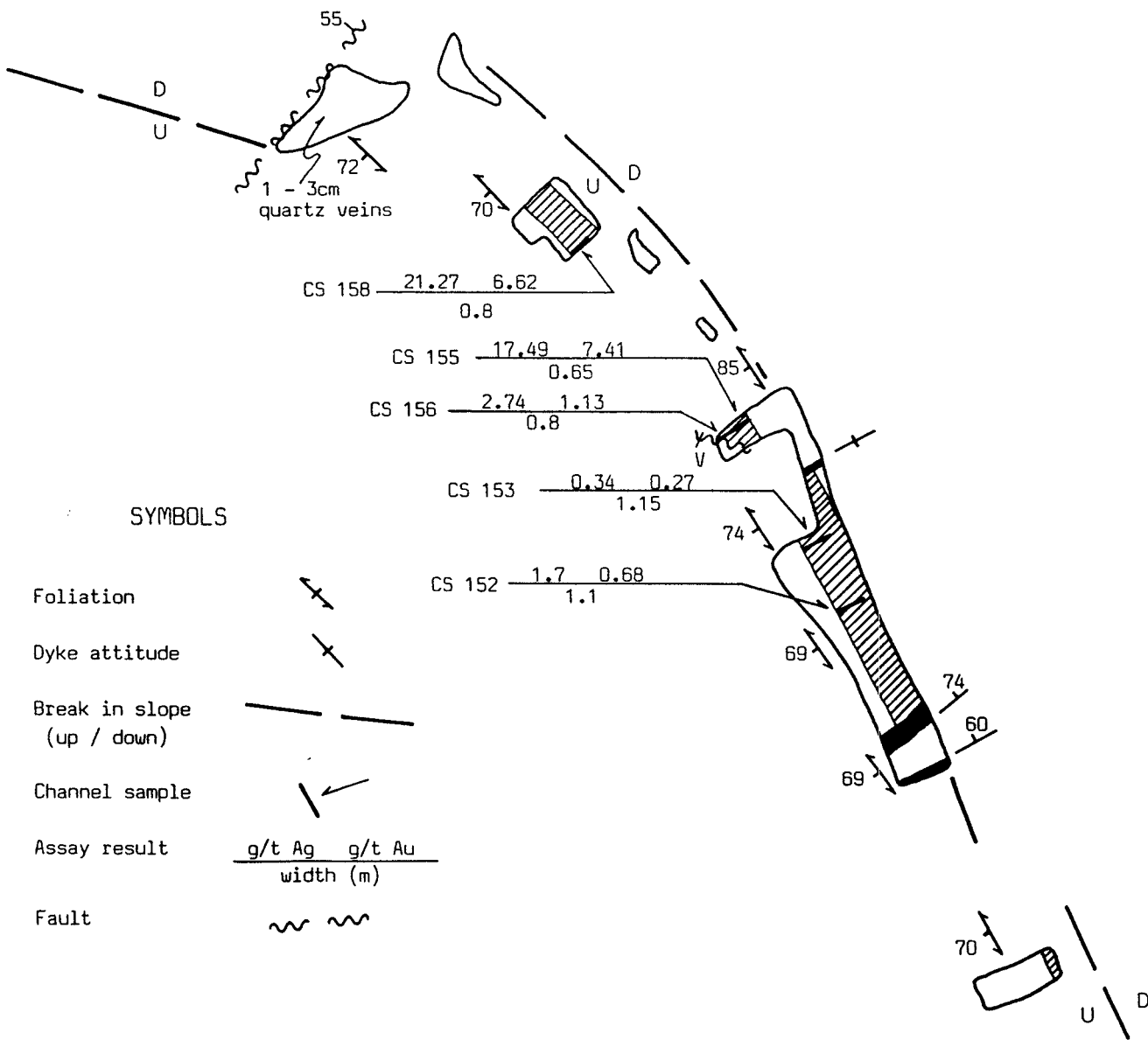
Foliated and silicified metasedaments or meta-volcanics (shear zone?)



Quartz vein



Andesite dyke



SYMBOLS

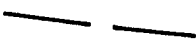
Foliation



Dyke attitude



Break in slope (up / down)



Channel sample



Assay result

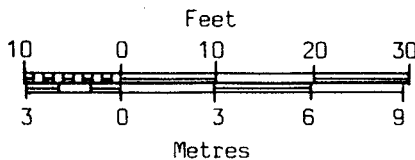
g/t Ag	g/t Au	width (m)

Fault



SIGNET RESOURCES INC.  
DORATHA MORTON PROPERTY

1986 TRENCHING  
GEOLOGY AND ASSAY  
RESULTS



**MILN-EN LABORATORIES LTD.**  
*Specialists in Mineral Environmentals*  
205 West 15th Street North Vancouver, B.C. Canada V7H 1T7

PHONE: (604) 289-5314 OR (604) 304-0524

TELEX: 04 36002

Certificate of Assay

Company: SIGNET RESOURCES  
Project:  
Attention:


File: 6443  
Date: JUL 9/86  
Time: 10:01 AM

We hereby certify the following results for samples submitted.

Sample Number	AG		AU	
	G/TONNE	OZ/TON	G/TONNE	OZ/TON
N1	457.0	13.39	116.00	3.383
N2	40.2	1.17	10.18	0.297
N3	4.8	0.14	.95	0.028

90%  
1 m w  
1 m e

64992120427

Certified by 

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

DATE RECEIVED SEPT 1 1986  
DATE REPORTS MAILED *Sept 5/86*

### ASSAY CERTIFICATE

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

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

SIGNET RESOURCES FILE# 86-2405

PAGE# 1

SAMPLE	Ag** oz/t	Au** oz/t
BB603	.06	.029
T1B1	.10	.017
T1EG	.31	.130
T2EG	.03	.005
TB4	.10	.034
BULK A	3.17	.685
BULK B	2.92	.648

*Transferred  
6x02  
2x285*

AUG. 30 SAMPLES DORATHA MORTON PROPERTY

B8603A Grab from blast at 8603 sample taken earlier N.W. from 1 W Portal on road. Banded shear - little quartz. Good pyrite.

R1B1 Typical sample being bagged from trench R1. Fine grained pyrite in quartz.

T4B Trench 4 (at 6+00 W0120 S showing) channel sample across 0.5 meters of banded shear containing streaks of pyrite.

T1EG Grab of better mineralized rock from trench T1E recently blasted open.

T2EG Better mineralized rock sample from T2. Single rock.

Hand Sorted Bulk A } From 12 bags of hand sorted  
Bulk B } ore from R1 and R14.

0002540

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

DATE RECEIVED OCT 20 1986

DATE REPORTS MAILED *Oct 29/86*

### ASSAY CERTIFICATE

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

ASSAYER *D. Toye* DEAN TOYE, CERTIFIED B.C. ASSAYER

SIGNET RESOURCES FILE# 86-3287A

PAGE# 1

SAMPLE	Ag** oz/t	Au** oz/t	Pt** oz/t
R-1486	3.07	.802	.001
BULK	2.09	.523	-

Note from Signet:

R-1486 - channel sample across 1.6 m (5 ft)  
 of vein in trench R14 recently extended.

Bulk - 40 lb taken from bulk shipment  
 prepared from Trenches R12 and R14.



STATEMENT OF EXPENDITURES

41.

Period July 1 - 14 = 14 days

Wages:

1 Fieldman Jul 1-10	(\$100 x 10 days)	\$1,000.00
1 " " 1-14	(\$100 x 14 days)	1,400.00
2 Assistants " 1-13	2@(\$60 x 13 days)	1,560.00

\$3,960.00 \$ 3,960.00

Food	294.46
Accommodation	339.31
Transportation	1,491.35
Camp Supplies	410.00

\$ 6,447.12 \$ 6,447.12

Period July 24 - Aug 7 = 15 days

Wages:

1 Fieldman Jul 24-Aug7	(\$100 x 15)	\$1,500.00
1 " " 24 " 6	(\$100 x 14)	1,400.00
1 " " 24 6	(\$100 x 14)	1,400.00
2 Assistants 24 4	2@(\$60 x 12)	1,440.00

\$5,740.00 \$ 5,740.00

Food	494.88
Accommodation	355.00
Transportation	1,274.00
Equipment - drill	642.00
Camp supplies	334.83

\$ 8,840.71 \$ 8,840.71

Period August 27 - September 4 = 9 days

Wages:

2 Fieldmen Aug 27-Sep 4	2@(\$100 x 9)	\$1,800.00
1 Assistant Sep 2-4	(\$60 x 3)	180.00
1 " Aug 31-Sep 4	(\$80 x 5)	400.00

\$2,380.00 \$ 2,380.00

Food	516.98
Transportation	2,779.72
Camp supplies and materials	802.79

\$ 6,479.49 \$ 6,479.49

Period October 11 - 13 = 3 days

Wages:

1 Fieldman Oct 11-13	(\$100 x 3)	\$ 300.00
1 Assistant 11-13	(\$60 x 3)	180.00

\$ 480.00 \$ 480.00

Food	72.78
Accommodation	126.26
Transportation	1,462.51
Camp supplies	340.17

\$ 2,481.72 \$ 2,481.72

Period Nov 15-20 = 6 days

Wages:

1 Fieldman Nov 15-20	(\$100 x 6)	\$ 600.00
1 Geologist " 15-19	(\$250 x 5)	1,500.00

\$2,100.00 \$ 2,100.00

Transportation

215.60

Camp supplies

78.11

\$ 2,393.71 \$ 2,393.71

\$26,642.75

ADDITIONAL EXPENSES

Supervision (\$500 x 3 months)	\$ 1,500.00
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Boat rental (\$1,000 x 3 months)	3,000.00
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Drill & pump rental & accessories	2,233.95
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Equipment repairs	657.60
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Insurance (project)	500.00
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Assaying - Rock	\$ 328.25
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Soil	1,600.05
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\$1,928.30

1,928.30

Geological reports

1,301.84

Report preparation

200.00

\$11,321.69 \$11,321.69

TOTAL EXPENDITURES

\$37,964.44

=====

I, BERNARD FITCH, of 467 Lakeview Street, in the Municipality of Coquitlam, British Columbia, DO HEREBY CERTIFY THAT:

- 1) I have been employed full time by exploration companies for the past ten years in a management capacity and in charge of directing various field activities, including line-cutting, geochemical surveys, trenching and assaying;
- 2) I am presently employed by Signet Resources Inc. and supervised the work described in this report;
- 3) I am a graduate of Acadia University in Wolfville, Nova Scotia where I received the degree of Bachelor of Arts in 1959;
- 4) I have taken geology courses at the University of Alaska in Fairbanks, Alaska in 1963 and at the University of British Columbia, Vancouver during 1968 - 69; and
- 5) That I supervised the work completed on the Doratha Morton Claims by one competent fieldman with experience in mining and exploration working for major mining companies, one reliable geology student, and capable assistants.

DATED at Vancouver, British Columbia this 24th day of February, 1987.



\_\_\_\_\_  
Bernard Fitch, B.A.

President

Signet Resources Inc.