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86-1035-15833
12/87

**DRILLING
REPORT**

on the

SNOWFLAKE PROPERTY

OSOYOOS MINING DIVISION

BRITISH COLUMBIA

Latitude: 49° 12'N

Longitude: 119° ^{24.8'}~~23'~~W

N.T.S. 82E/4E

for

**Millennium Resources Inc.
2204-2075 Comox Street
Vancouver, British Columbia
V6G 1S2**

Owner: Island Technology Corp.
Operator: Kronex Resources Ltd.

by

Steven F. Coombes, B.Sc.

February 27, 1987

FILMED

15,833

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

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SUMMARY

The Snowflake property is located three kilometers northwest of the village of Oliver in the southern Okanagan region of British Columbia.

The property contains a past producing gold mine, the Standard, which shipped in the order of 2,900 tons of ore grading approximately 0.5 ounce/ton gold during 1961 and 1962.

During the last three years a number of exploration programs have been carried out centered around the old Standard Mine, mostly in the form of diamond drilling.

The program described in this report consisted of surveying, underground geological mapping and a 610 meter diamond drilling program which was carried out during January and February, 1987.

The 1987 program was successful in determining several parameters controlling mineralization in the area of the old Standard Mine.

1.0 The quartz vein which was developed during 1961 and 1962 as the Standard Mine has been proven to extend down to at least the 530 meter level with minor fault offsets.

2.0 Many of the structures controlling displacement of the vein, such as dykes and shear zones, have been defined.

3.0 Assays have been obtained which indicate the probable grade of the Standard vein at depth.

4.0 Information has been added to the structural picture of the highly faulted area north of the No. 2 Adit.

The program showed that there is little potential for an economic deposit in the area tested. It is recommended that no further work be carried out in the area of the old Standard Mine.

INTRODUCTION

This report on the Snowflake property has been prepared at the request of Mr. Michael Foley of Millennium Resources Inc.

Millennium Resources Inc. retained Searchlight Resources Inc., a private geological consulting company, to carry out an exploration program on the Snowflake property near Oliver, B.C. This program consisted of surveying, underground geological mapping and diamond drilling carried out between January 22nd and February 19th, 1987. The program was recommended and directed by F. Marshall Smith, P.Eng. with the field work supervised by Steven Coombes, B.Sc.

This report provides a summary of the work carried out by previous operators as well as a detailed description of the winter 1987 program.

LOCATION AND ACCESS

The Snowflake property is located at $49^{\circ} 12'N$ latitude and $119^{\circ} 35'W$ longitude in the Osoyoos Mining Division of British Columbia on NTS sheet 82E/4E. The property lies approximately three kilometers northwest of the village of Oliver in the southern Okanagan. Oliver, with a population of approximately 2000, offers full facilities including a small airfield. The closest commercially serviced airport is at Penticton, 45 kilometers to the north.

Access to most of the property is by two wheel drive vehicle on paved or improved gravel roads. To reach the old Standard Mine, the area of recent exploration activity, proceed southwest from the traffic lights in Oliver on the Fairview Road. At four kilometers turn right (north) on the Fairview-White Lake Road. Where this road bends to the left at 2.8 kilometers, a narrow, gated dirt track leads to the right. This can be followed for approximately .9 kilometers to the entrance to the No. 2 Adit, the main workings of the Standard Mine.



MILLENNIUM RESOURCES INC.			
SNOWFLAKE PROPERTY			
050Y005 MINING DIVISION, B.C.			
PROPERTY LOCATION			
SEARCHLIGHT RESOURCES INC.			
DATE	SCALE	NTS	FIGURE No
FEB. 1987	1:8,000,000	82E/4E	1

PHYSIOGRAPHY AND CLIMATE

Elevations on the Snowflake property range from 305m (1000 feet) to 790m (2600 feet) above sea level. The topography is gentle with rolling hills on the upper parts of the property dropping steeply in a series of cliffy bluffs to the floor of the Okanagon River valley to the east. The hills are frequently transected by narrow gullies and washes giving complex topography on a small scale. Outcrop exposure is fair on the steeper slopes but alluvial material, often very deep, covers any flat parts of the property.

The property lies within the southern Interior biogeoclimatic zone characterized by very low precipitation (approximately 300mm annually) and vegetation consisting of ponderosa pine, bitterbrush, sagebrush and bunchgrass.

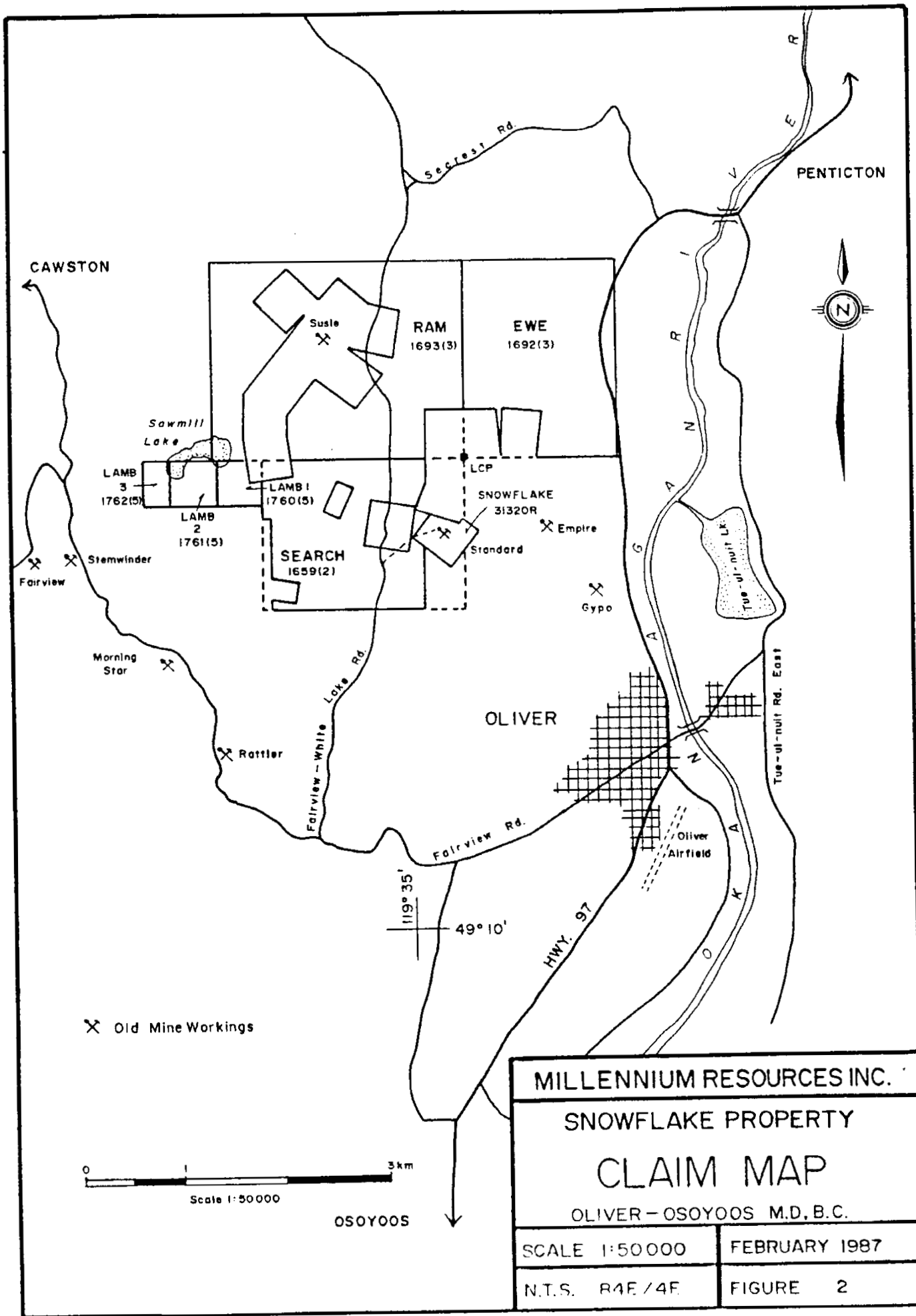
June, July and August are the warmest months of the year with an average temperature of approximately 30°C with occasional highs of over 40°C. Winters are relatively mild and of short duration. Snowfall normally remains light on the valley floor increasing to greater depths at the higher elevations. After the end of February, freezing conditions are rare.

The water table has dropped considerably during the past few years so that very little water is presently standing on the property.

CLAIM INFORMATION

The Snowflake property consists of three modified grid mineral claims and four two post mineral claims containing a total of 48 units. The property is currently being held under option by Millennium Resources Inc. of Vancouver, B.C. Claim information is as follows:

<u>Claim Name</u>	<u>Record Number</u>	<u>Units</u>	<u>Expiry Date</u>
Snowflake	31320	1 (2 post)	December 5, 1987
Ram	1693	20	March 14, 1987
Ewe	1692	12	March 14, 1987
Search	1659	12	February 10, 1987
Lamb 1	1760	1 (2 post)	March 16, 1987
Lamb 2	1761	1 (2 post)	March 16, 1987
Lamb 3	1762	1 (2 post)	March 16, 1987



CAWSTON

PENTICTON



LAMB 3
1762(5)

LAMB 2
1761(5)

LAMB 1
1760(5)

SEARCH
1659(2)

RAM
1693(3)

EWE
1692(3)

SNOWFLAKE
31320R

Standard

Empire

Gypo

Fairview

Morning Star

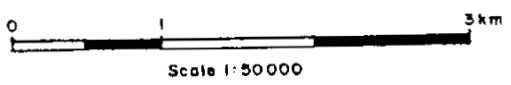
Rattler

OLIVER

Oliver
Airfield

119° 35'
49° 10'

X Old Mine Workings



OSOYOOS

MILLENNIUM RESOURCES INC.

SNOWFLAKE PROPERTY

CLAIM MAP

OLIVER - OSOYOOS M.D., B.C.

SCALE 1:50 000

FEBRUARY 1987

N.T.S. R4E/4E

FIGURE 2

HISTORY

The Snowflake property is within the historic Fairview Camp. This camp is one of the oldest in British Columbia and is presently being re-explored due to the recent rise in gold prices.

The original claims of the Fairview Camp were staked in the early 1890's and were developed during the next decade. Most of the production from the area was prior to 1910, primarily from the Stemwinder Mine.

The camp lay dormant until 1933 when Fairview Amalgamated Gold Mines Ltd. began operations on the Morning Star and Fairview properties. From 1936 to the end of 1939 they produced 10,681 ounces of gold and a large amount of silver from the milling of 109,405 tons of ore (Cooke, 1946). This caused renewed exploration activity throughout the camp. Several of the old pits and trenches on the Snowflake property date from this time.

In 1946 Cominco commenced development work on the Fairview property and from then until 1961 mined silica with minor precious metal values for use as flux in their smelter at Trail, B.C.

A summary of the production within the Fairview Camp is as follows (Price and Eccles, 1985).

<u>MINE</u>	<u>PRODUCTION (tons)</u>	<u>GOLD (oz)</u>	<u>SILVER (oz)</u>
Morning Star*	121,500	13,947	152,407
Stemwinder	30,490	3,093	17,090
Susie	7,860	2,639	48,822
Standard	-2,919	-1,787	-5,408
Empire	640	140	1,448
Tinhorn	300	45	15
Mak Siccar	200	128	62
Smuggler	150	84	120
Fairview*	10	11	39
Gypo	>250,000	silica/fluorite	

* recent silica production excluded

In the early 1960's work was commenced on the Snowflake property, known at that time as the Standard. This consisted of trenching, sinking several shafts, the driving of three adits and the drilling of four diamond drill holes at the end of No. 2 adit to try and locate the extension of the vein. The work was carried out by Continental Consolidated Mines Ltd. and Norex Mines Ltd. (Sookochoff, 1983) under the supervision of Dr. A.C. Skerl, P.Eng. The mine produced ore during late 1961 and early 1962 from the No. 2 Adit.

The records are incomplete as to the exact tonnage and grade shipped from the Standard Mine but it appears to have been in the order of 2,900 tons with an average grade of approximately 0.5 ounces/ton gold and 1.9 ounces/ton silver.

Production records for 1961 are in the form of smelter return certificates from Cominco for Lots 4 to 7 shipped by Norex Mines Ltd. It has been assumed that these certificates are for ore shipped from the Standard although no direct reference to this property has been found. The 1962 records are from the Statistics Branch of the B.C. Ministry of Mines and Petroleum Resources. A summary of these records is as follows:

Date	tons	Gold (ounces)	Silver (ounces)	Lead (pounds)	Zinc (pounds)
Nov. 20 '61	217.6775	346.760	261.21		
Dec. 13 '61	55.257	73.768	38.680		
Dec. 13 '61	56.557	75.193	73.524		
Dec. 13 '61	75.404	87.582	86.715		
1962	2,068	563	4430	6368	4261
	2,473.8955	1,146.303	4,890.129	6368	4261

This would give an average grade of .463 ounces/ton gold and 1.98 ounces/ton silver for 2,474 tons shipped.

The B.C. Department of Mines Annual Reports for 1961 and 1962 show that a total of 2,919 tons was produced which means that records are missing for some 445 tons. This was presumably shipped to Cominco as Lots 1 to 3 in 1961. Assuming the same average grade as Lots 4 to 7, the overall average would become .612 ounces/ton gold and 1.85 ounces/ton silver.

Production ceased when the grade of material shipped was consistently less than 0.25 ounce/ton gold.

In the late 1970's the property was staked as the Snowflake by Mr. Bill Hegan who drove a fourth exploratory adit in 1978. This adit failed to reach the vein. In 1983 Mr. Hegan entered into an option agreement with Vermilion Enterprises Ltd. who eventually acquired 100% interest in the property as well as staking much of the surrounding ground. Vermilion Enterprises Ltd. later changed their name to Vermilion Resources Inc. and in 1984 carried out a two phase NQ diamond drilling program.

The first phase was carried out under the direction of Mr. L. Sookochoff, P.Eng. and consisted of five drill holes totaling 262 meters. The best intersection was in hole 84-5 which returned .246 ounce/ton gold and 2.84 ounce/ton silver over one meter.

The second phase drilling was supervised by Mr. R. Adamson, P.Eng. of Dolmage Campbell and Associates Ltd. This program consisted of 330 meters of drilling in five holes. The core from this phase of drilling apparently was never logged and was in many places sampled without splitting. This has caused difficulty in correlation with previous and subsequent drilling on the property. Assays from this drilling include .304 ounces/ton gold over 0.8 meters and .414 ounces/ton gold over 0.9 meters.

In 1984, subsequent to the diamond drilling, a 300 meter VLF-EM program was carried out on the property to evaluate this as a method of locating the veins at depth. The results were inconclusive but it indicated that a more detailed VLF-EM survey might be of value.

In 1986 the Snowflake property was optioned by Silver Saddle Mines Ltd. who carried out a program consisting of two diamond drill holes, grid soil sampling and VLF-EM. A total of approximately 187 meters of BQ core was drilled in two holes. Information on this program is incomplete because the consultant carrying out the work was not paid and therefore did not release all of the results.

Millennium Resources Inc. optioned the property in early 1987 and carried out the exploration program outlined in this report.

1987 WORK PROGRAM

The 1987 work program on the Snowflake property was carried out by Millennium Resources Inc. of Vancouver, British Columbia. On January 22, 1987 work commenced under the supervision of F. Marshall Smith, P.Eng. This program consisted of the following:

- surface survey of the existing workings and roads at a scale of 1:500,
- underground survey of the Standard No. 2 Adit at a scale of 1:250, a distance of 223 meters,
- preparation of a topographic map of the area of the old Standard Mine workings at a scale of 1:500 (approximately $.025 \text{ km}^2$),
- minor rehabilitation of the Standard No. 2 Adit,
- geological mapping of the Standard No. 2 Adit on the 1:250 survey plan,
- logging of all recoverable core from the 1984 second phase and the 1986 drilling programs, a total of 516.3 meters (1694'),
- 610 meters (2003') of NQ diamond drilling in ten holes using a Longyear 38 drill.

The field work was completed on February 19, 1987.

REGIONAL GEOLOGY

The Snowflake property lies within the central part of the Okanagon Plutonic and Metamorphic Complex. The claims are primarily underlain by a calc-alkaline intrusive complex of three distinct phases of quartz monzonite composition, which are, in sequence of deposition:

Biotite-Hornblende Quartz Monzonite

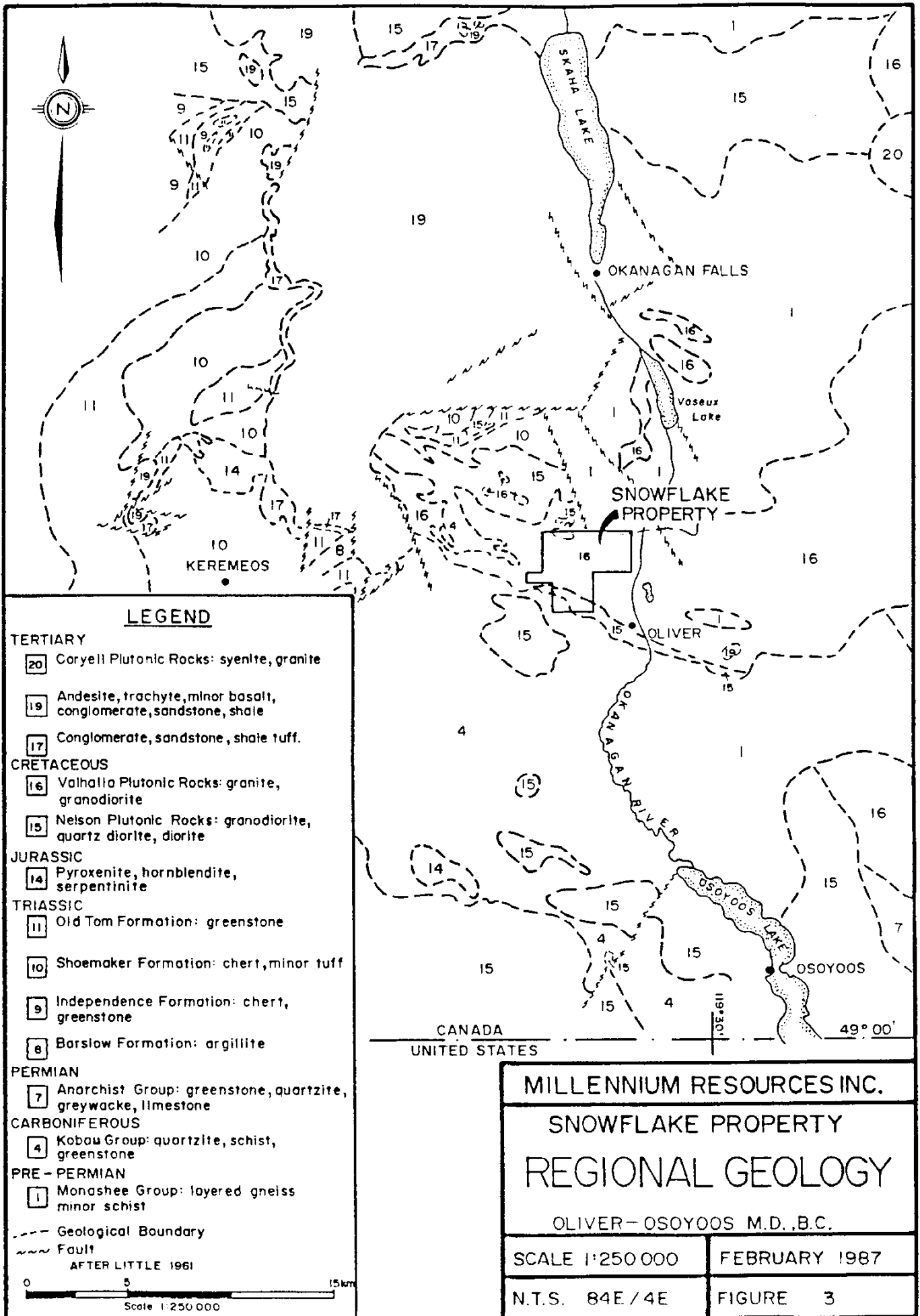
Porphyritic-Biotite Quartz Monzonite

Muscovite-Garnet Quartz Monzonite

The first two were previously termed 'Oliver Syenite' and 'Oliver Granite' by Bostock (1940). Later studies have shown a trend from near granodiorite to near granite composition indicating increased alkaline enrichment with deposition. These three main phases are all of Cretaceous Valhalla plutonic age. Dioritic rocks and fine-grained dykes and pods may comprise two additional phases.

In the area of the property the Valhalla Plutonic rocks intrude the Carboniferous Kobau Group consisting of quartzites, schists and greenstones as well as Cretaceous Nelson Plutonic rocks of variable composition. Most of the precious metal production from the Fairview Camp was from quartz veins within the Kobau Group.

Mineralization within the camp consists of pyrite, galena, sphalerite and lesser chalcopyrite and gold tellurides hosted in quartz veins. The deposits form as "shoots" of varying width up to several meters which generally do not exceed 60 meters in length and have so far been found only close to the surface. The geometry of the deposits within the camp is further complicated by dykes and faults which have offset the veins.



LEGEND

TERTIARY

- 20** Coryell Plutonic Rocks: syenite, granite
- 19** Andesite, trachyte, minor basalt, conglomerate, sandstone, shale
- 17** Conglomerate, sandstone, shale tuff.

CRETACEOUS

- 16** Valhalla Plutonic Rocks: granite, granodiorite
- 15** Nelson Plutonic Rocks: granodiorite, quartz diorite, diorite

JURASSIC

- 14** Pyroxenite, hornblendite, serpentinite

TRIASSIC

- 11** Old Tom Formation: greenstone
- 10** Shoemaker Formation: chert, minor tuff
- 9** Independence Formation: chert, greenstone
- 8** Barslow Formation: argillite

PERMIAN

- 7** Anarchist Group: greenstone, quartzite, greywacke, limestone

CARBONIFEROUS

- 4** Kobou Group: quartzite, schist, greenstone

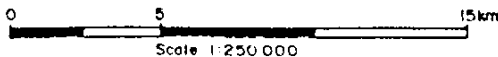
PRE - PERMIAN

- 1** Monashee Group: layered gneiss, minor schist

--- Geological Boundary

~ Fault

AFTER LITTLE 1961



MILLENNIUM RESOURCES INC.

SNOWFLAKE PROPERTY
REGIONAL GEOLOGY

OLIVER - OSOYOOS M.D., B.C.

SCALE 1:250 000

FEBRUARY 1987

N.T.S. 84E/4E

FIGURE 3

PROPERTY GEOLOGY

The quartz vein exposed in No. 2 Adit strikes approximately 040° and dips 65° to 80° to the southeast. It occurs within granodiorite of the Valhalla Plutonic Complex, formerly called the Oliver Granite, and is displaced by at least one dyke and several faults. The quartz is translucent to milky white in the drill core and underground workings while in surface outcrop it is stained a rusty red by the oxidation of sulphides. Pyrite, galena and sphalerite are the three most abundant sulphides with minor chalcopyrite. The sphalerite is dark in colour indicating a high iron content. Precious metals are in the form of gold and hessite, a silver telluride. The sulphide and precious metal mineralization occurs as fracture fillings in the vein and therefore were probably deposited in the latter stages of filling.

In the Standard No. 2 Adit the quartz vein is bisected by a magnetic augite-lamprophyre dyke from 109 to 118 meters. A second dyke of the same composition, or the first one displaced by faulting, is intersected in the drift from 203 to 212 meters.

Several faults or shears are seen in the No. 2 Adit as well as in the drill core, generally sub-parallel to either the quartz vein or the augite-lamprophyre dyke. One shear containing minor gouge commonly occurs along the footwall of the vein. These shears have varying amounts of displacement. Surface evidence indicates both lateral and rotational movement up to several meters.

Minor potassic alteration was seen in the drill core, not necessarily related to the main quartz vein. This alteration is probably related to a post veining movement of fluids within the fracture system.

The area to the north of the No. 2 Adit is cut by a number of faults and shear zones which have offset the veins. This area also displays considerably more potassic alteration in the drill core. Drilling and surface work indicates that there is at least two veins in this area but further work will be needed to determine their locations at depth. It is probable that these veins will not be found along any significant strike length due to the highly faulted nature of the ground.

DRILLING PROGRAM

The drilling commenced on January 30, 1987 and was completed on February 15, 1987. A summary of the drill holes is as follows:

DDH No. - 87-1
 Location - 9,143.3N 9,742.6E
 Bearing - 303⁰ 30'
 Dip - -67⁰
 Length - 54.9m (180')
 Objective - To test for the extension of the South Zone vein to the north and below its contact with the augite-lamprophyre dyke.
 Results - Intersection of 2.13 meters of milky white quartz vein containing minor sulphides at 50m. Assays include .042 oz/ton gold over .91m and .028 oz/ton gold over .73m.

DDH No. - 87-2
 Location - 9,142.8N 9,743.5E
 Bearing - 303⁰ 30'
 Dip - -80⁰
 Length - 72.2m (237')
 Objective - To test for the extension of the South Zone vein to the north and below its contact with the augite-lamprophyre dyke.
 Results - Intersection of 3.30 meters of milky white quartz vein and silica flooded granodiorite containing minor sulphides at 51m. Assays include .010 oz/ton gold over 1.60m.

DDH No. - 87-3
 Location - 9,142.5N 9,743.9E
 Bearing - -
 Dip - -90⁰
 Length - 81.4m (267')
 Objective - To test for the extension of the South Zone vein to the north and below its contact with the augite-lamprophyre dyke.
 Results - Intersection of 1.83 meters of quartz vein containing minor sulphides at 77m. Assays include .006 oz/ton gold over 1.14m.

DDH No. - 87-4
 Location - 9,131.7N 9,739.0E
 Bearing - $-301^{\circ} 45'$
 Dip - -58°
 Length - 53.3m (175')
 Objective - To test for the extension of the South Zone vein below its contact with the augite-lamprophyre dyke.
 Results - Intersection of 1.84 meters of quartz vein and silica flooded granodiorite containing minor sulphides at 46m. Assays include .036 oz/ton gold over 0.50m.

DDH No. - 87-5
 Location - 9,131.3N 9,739.7E
 Bearing - $-301^{\circ} 45'$
 Dip - -82°
 Length - 80.2m (263')
 Objective - To test for the extension of the South Zone vein below its contact with the augite-lamprophyre dyke.
 Results - Intersection of 1.53 meters of quartz vein and silica flooded granodiorite containing minor sulphides at 69m. Assays include .162 oz/ton gold over 0.81m.

DDH No. - 87-6
 Location - 9,119.7N 9,730.0E
 Bearing - $303^{\circ} 30'$
 Dip - -55°
 Length - 48.5m (159')
 Objective - To test for the extension of the South Zone vein below its contact with the augite-lamprophyre dyke.
 Results - Intersection of 1.32 meters of milky white quartz vein and silica flooded granodiorite containing minor sulphides at 45m. Assays include .008 oz/ton gold over 1.32m.

DDH No. - 87-7
 Location - 9,119.4N 9,730.7E
 Bearing - 303⁰ 30'
 Dip - -79⁰
 Length - 76.2m (250')
 Objective - To test for the extension of the South Zone vein below its contact with the augite-lamprophyre dyke.
 Results - Intersection of 1.38 meters of milky white quartz vein and silica flooded granodiorite containing minor sulphides at 68m. Assays include .016 oz/ton gold over 0.31m.

DDH No. - 87-8
 Location - 9,253.2N 9,815.6E
 Bearing - 317⁰
 Dip - -50⁰
 Length - 46.3m (152')
 Objective - To test for the up dip continuation of the vein intersected in DDH 84-5.
 Results - No intersection, vein has apparently been displaced by faulting.

DDH No. - 87-9
 Location - 9,252.3N 9,816.5E
 Bearing - -
 Dip - -90⁰
 Length - 61.9m (203')
 Objective - To test for the down dip continuation of the vein intersected in DDH 84-5.
 Results - Intersection of 2.13 meters of milky white quartz vein and silica flooded granodiorite containing minor sulphides at 56m. Assays include .006 oz/ton gold over 0.95m.

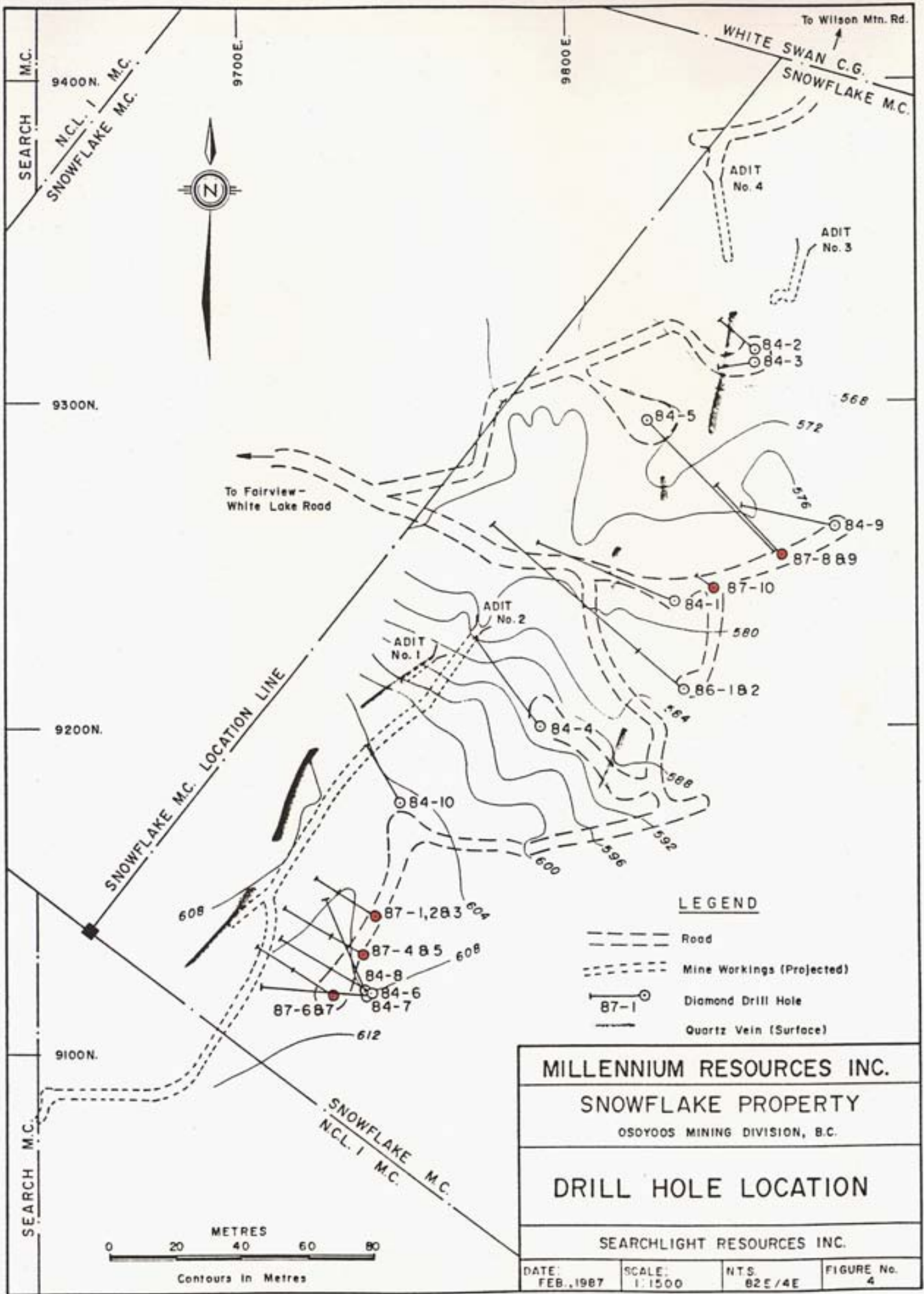
DDH No. - 87-10
Location - 9,242.5N 9,796.0E
Bearing - 305⁰
Dip - -79⁰
Length - 35.7m (117')
Objective - To test for the extension of the vein exposed at surface to the north.
Results - Intersection of 1.00 meters of milky white quartz vein and silica flooded granodiorite containing minor sulphides at 17m. Assays include .030 oz/ton gold over 1.12m.

The core from the 1987 drilling program, as well as all core recoverable from the previous drilling programs, has been labelled and stored in the No. 4 Adit on the Snowflake claim.

A total of forty core samples were collected, five from previous drilling and thirty-five from the 1987 program. All samples were analyzed for gold and silver by standard fire assay techniques at Chemex Labs Ltd. of Vancouver, B.C. A detailed description is as follows:

In the sample preparation stage the screens are checked for metallics which, if present, are assayed separately and calculated into the results obtained from the pulp assay. 0.5 assay ton sub samples are fused in litharge, carbonate and siliceous fluxes. The lead button containing the precious metals is cupelled in a muffle furnace. The combined silver and gold is weighed on a microbalance, parted, annealed and again weighed as gold. The difference in the two weights is the amount of silver. The detection limits are 0.003 oz/ton for gold and 0.01 oz/ton for silver.

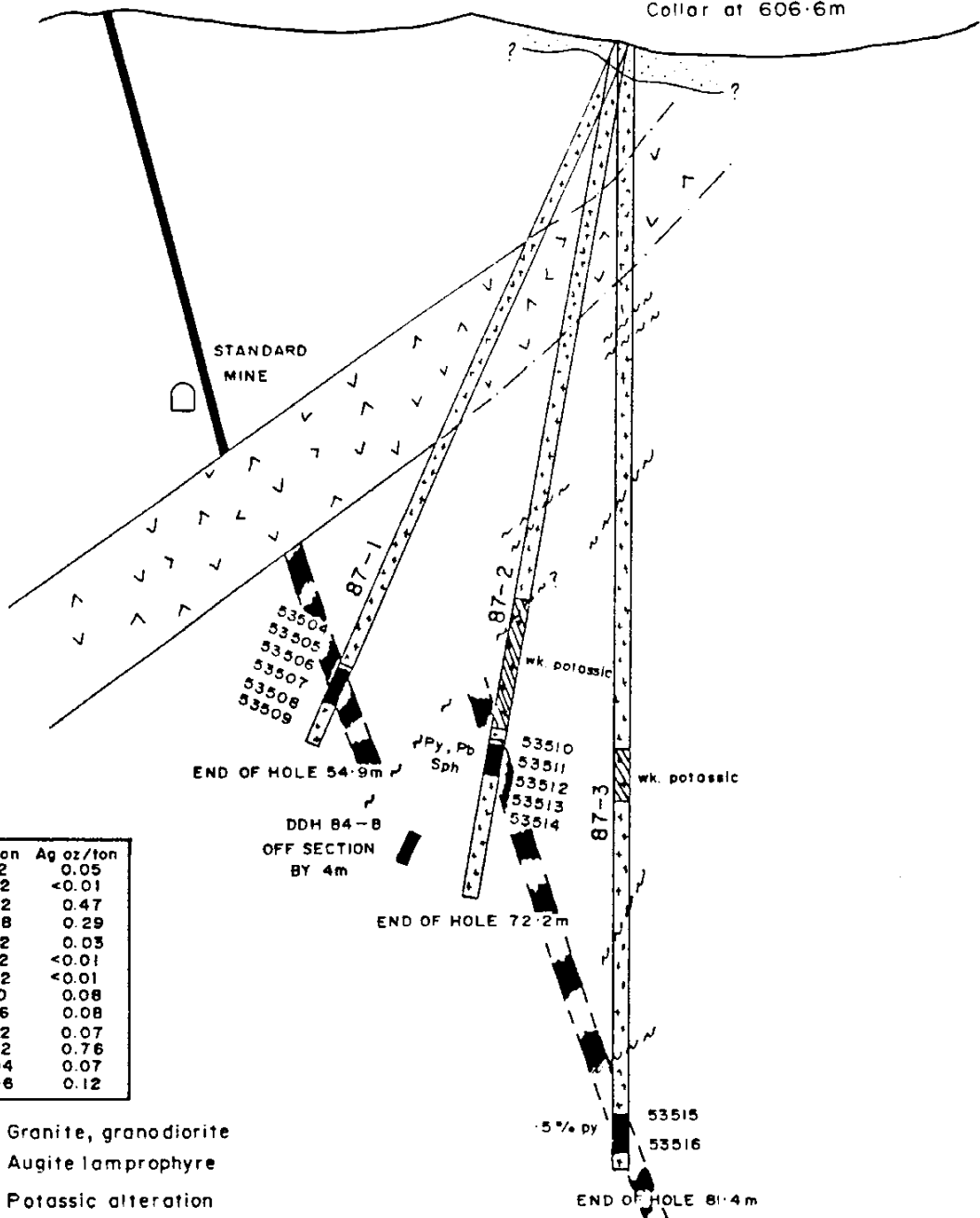
The highest values obtained were from DDH 87-5 which assayed .162 ounce/ton gold and 1.49 ounce/ton silver over .81 meters. The rest of the assays were all less than .070 ounce/ton gold.



DDH's 87-1,2 & 3

Collar at 606.6m

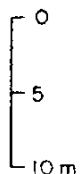
610m
600m
590m
580m
570m
560m
550m



SAMPLE No.	Au oz/ton	Ag oz/ton
53504	< 0.002	0.05
53505	< 0.002	< 0.01
53506	0.042	0.47
53507	0.028	0.29
53508	0.002	0.03
53509	< 0.002	< 0.01
53510	< 0.002	< 0.01
53511	0.010	0.08
53512	0.006	0.08
53513	0.002	0.07
53514	0.062	0.76
53515	0.004	0.07
53516	0.008	0.12

- Granite, granodiorite
- Augite lamprophyre
- Potassic alteration
- Vein material
- Friable intrusive

SCALE 1:500, 1cm = 5m



MILLENNIUM RESOURCES INC.

SNOWFLAKE PROPERTY

DDH's 87-1,2&3

CROSS SECTION LOOKING 036°

OLIVER-OSOYOOS M.D., B.C.

DRAWN BY SC, BC

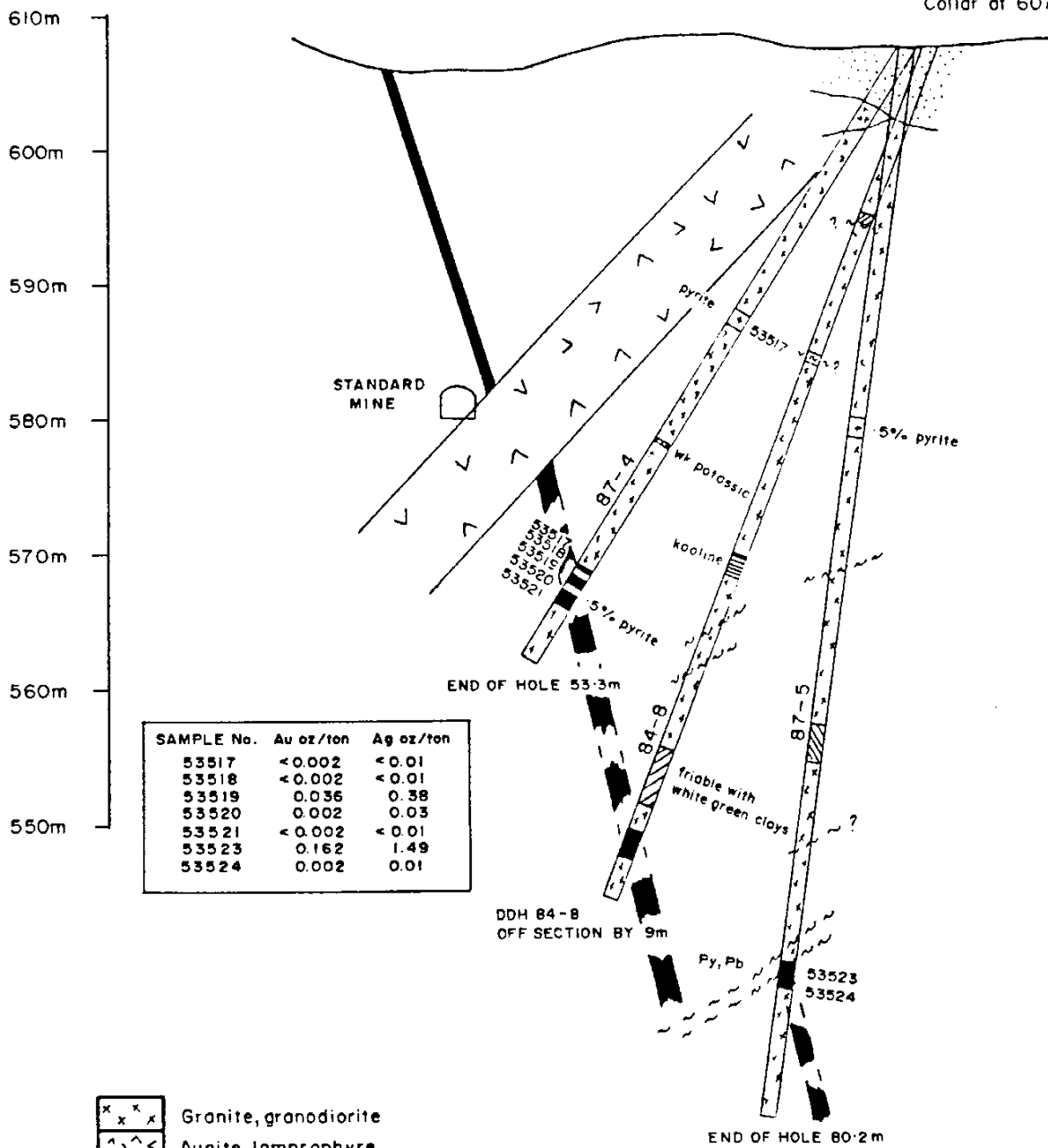
FEBRUARY 1987

N.T.S. 82E - 4E

FIGURE 5

DDH's 87-4,5

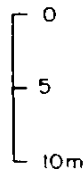
Collar at 607.4 m



SAMPLE No.	Au oz/ton	Ag oz/ton
53517	<0.002	<0.01
53518	<0.002	<0.01
53519	0.036	0.38
53520	0.002	0.03
53521	<0.002	<0.01
53523	0.162	1.49
53524	0.002	0.01

- Granite, granodiorite
- Augite lamprophyre
- Potassic alteration
- Vein material
- Friable Intrusive

SCALE 1:500, 1 cm = 5 m



MILLENNIUM RESOURCES INC.

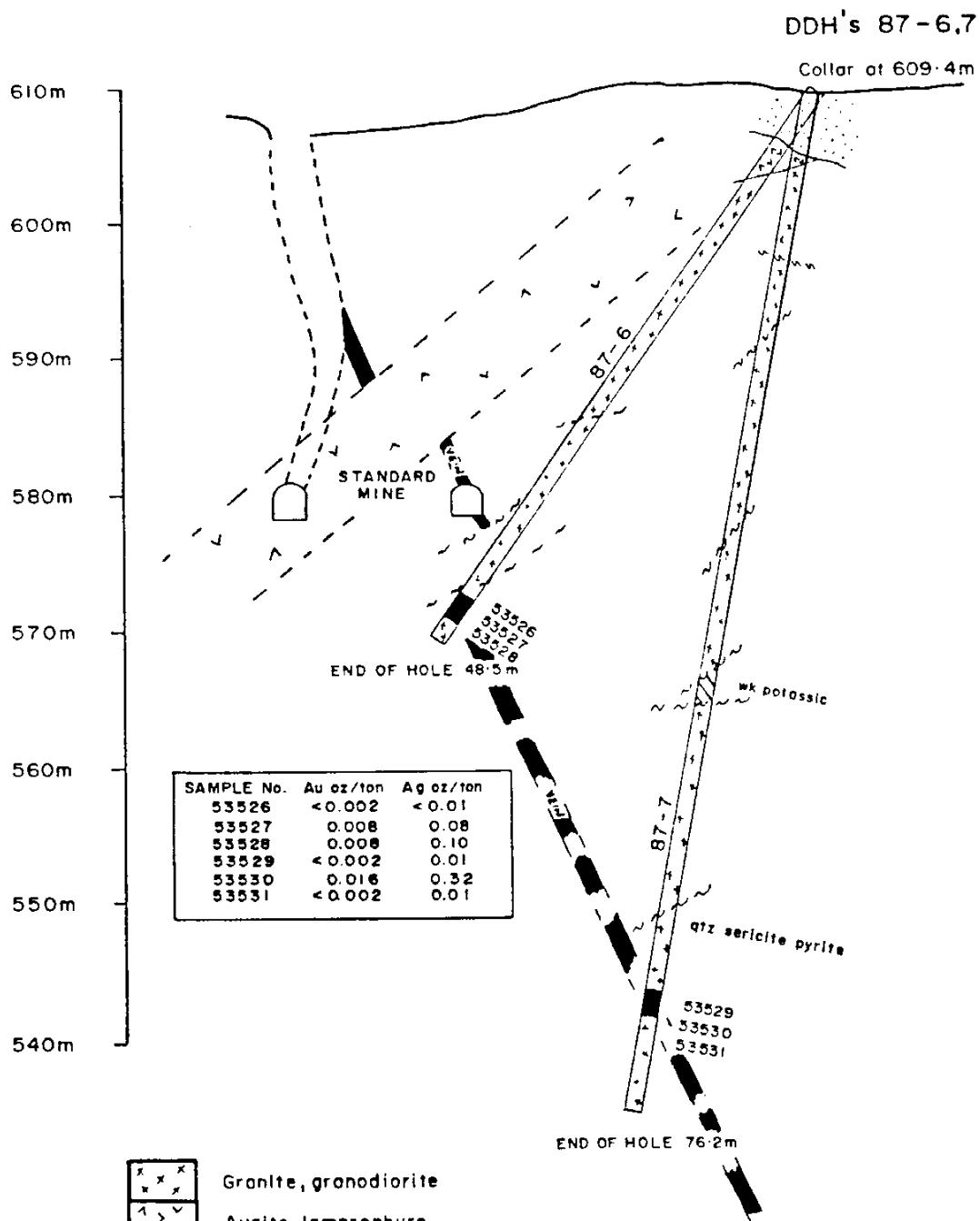
SNOWFLAKE PROPERTY

DDH's 87-4&5

CROSS SECTION LOOKING 030°

OLIVER-OSOYOOS M.D., B.C.

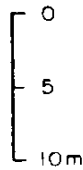
DRAWN BY SC, BC	FEBRUARY 1987
N.T.S. 82E-4E	FIGURE 6



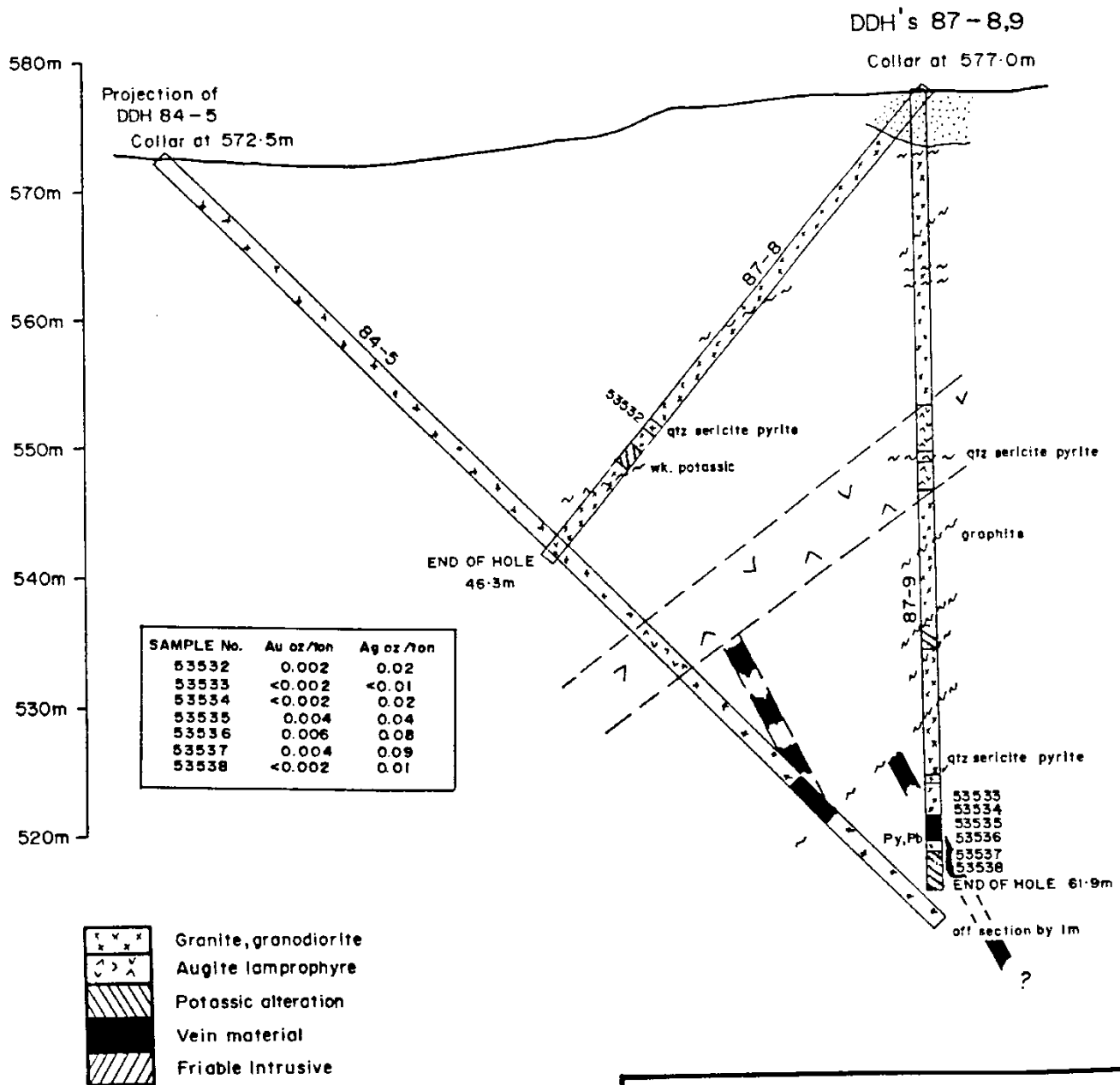
SAMPLE No.	Au oz/ton	Ag oz/ton
53526	<0.002	<0.01
53527	0.008	0.08
53528	0.008	0.10
53529	<0.002	0.01
53530	0.016	0.32
53531	<0.002	0.01

- Granite, granodiorite
- Augite lamprophyre
- Potassic alteration
- Vein material
- Friable intrusive

SCALE 1:500, 1cm = 5m



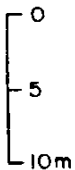
MILLENNIUM RESOURCES INC.	
SNOWFLAKE PROPERTY	
DDH's 87-6 & 7	
CROSS SECTION LOOKING 33°30'	
OLIVER - OSOYOOS M.D., B.C.	
DRAWN BY SC, BC	FEBRUARY 1987
N.T.S. 82E - 4E	FIGURE 7



SAMPLE No.	Au oz/ton	Ag oz/ton
53532	0.002	0.02
53533	<0.002	<0.01
53534	<0.002	0.02
53535	0.004	0.04
53536	0.006	0.08
53537	0.004	0.09
53538	<0.002	0.01

MILLENNIUM RESOURCES INC.	
SNOWFLAKE PROPERTY	
DDH's 87-8 & 9 CROSS SECTION LOOKING 46° 45'	
OLIVER-OSOYOOS M.D., B.C.	
DRAWN BY SC, BC	FEBRUARY 1987
N.T.S. 82E - 4E	FIGURE 8

SCALE 1:500, 1cm = 5m



CONCLUSIONS

The Snowflake property has limited potential for a deposit of economic dimensions within the area which has been explored to date for several reasons.

1.0 The underground workings can only be reasonably extended to the 550 level due to the nature of the topography, below this depth a shaft would have to be utilized which would considerably increase the cost of mining.

2.0 The only section of vein which has been proven to date to have any significant strike length is the down dip extension of the South Zone within the Standard No. 2 Adit. This zone contained the last ore shipped from the Standard Mine which averaged less than 0.20 ounce/ton gold.

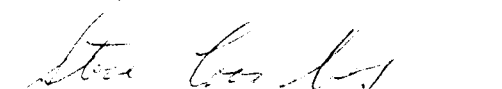
3.0 The assays obtained to date from drill core samples indicate sub-economic grades in the down dip extension of the South Zone. This, however, may be a function of the spotty nature of the mineralization and the actual mining grade may be somewhat higher.

4.0 The area to the north of the No. 2 Adit is highly faulted with the vein (or veins) displaced and rotated. This greatly reduces the chance of finding a section of vein with a strike length which can be profitably developed.

RECOMMENDATIONS

It is recommended that no further work be carried out in the area of the old Standard Mine.

If further work is carried out on the property it should be to try and locate other veins which haven't been explored to date. Preparation of a topographic map at a scale of 1:5,000 with ten meter contour intervals of the rest of the claims should be undertaken to be used as a base for geological mapping. A structural interpretation from aerial photography should also be considered as a means of determining the geometry of the fractures on the Snowflake property in relation to the other past producers in the region.



Steven F. Coombes, B.Sc.

February 27, 1987

COST STATEMENT

Snowflake Property

January 22 to February 19, 1987:

Wages:

S. Coombes	
11.1 days @ \$187.50	\$2,081.25
32.0 days @ \$225.00	\$7,200.00
B. Callaghan	
18.0 days @ \$225.00	\$4,050.00
D. Nelles	
0.2 days @ \$187.50	\$37.50
TOTAL WAGES	\$13,368.75

Assays

Gold/Silver 40 @ \$25.80 \$1,032.00

Water Truck rental

103.9 hours @ \$60.00 \$6,234.00

Equipment rental

\$207.60

Travel, Airfare, Freight

\$2,250.22

Underground Rehabilitation

\$3,747.60

Diamond Drilling

1887 ft. @ \$23.10 \$43,589.70

114 ft. @ \$27.50 \$3,135.00

47 hours @ \$27.50/hr. \$1,292.50

mob/demob @ \$3,300.00 \$3,300.00

Surveying

20 days @ \$577.50 \$11,550.00


Supplies, consumables	\$844.82
Room and Board 90 man-days @ \$40.29	\$3,626.29
Drafting, Printing	\$719.32
Office expense, Accounting	\$1,238.28
Telephone	\$295.62
Computer, Copying, Binding	\$281.90
Rehab. Permit rental	\$500.00
Engineering fees (F.M. Smith)	\$2,792.88
<hr/>	
TOTAL	\$100,006.48

CERTIFICATE OF QUALIFICATIONS

I, Steven F. Coombes, do hereby certify that:

1. I am a geologist employed by Searchlight Resources Inc. with a business address of 218-744 West Hastings St., Vancouver, British Columbia, V6C 1A5.
2. I graduated from the University of British Columbia with a B.Sc. degree (Geology) in 1983.
3. I have practiced my profession in western Canada for the past three years.
4. I was directly involved with all of the exploration work carried out on the Snowflake property during January and February, 1987.
5. The program carried out on the Snowflake property was recommended and supervised by F. Marshall Smith, a Professional Engineer with offices in Vancouver, British Columbia.
6. This report is based on information received from field surveys carried out during January and February, 1987 as well as from reports by Professional Engineers and others working for the owners and operators of the property.
7. I have no interest in the properties or shares of Millennium Resources Inc. or in any of the companies with contiguous property to the SNOWFLAKE claims.

Respectfully Submitted:



Steven F. Coombes, B.Sc.
Geologist.

February 27, 1987

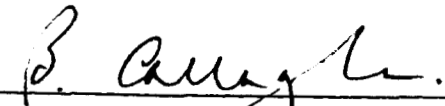
STATEMENT OF QUALIFICATIONS

I, Brian Callaghan, of the City of Kelowna, in the Province of British Columbia, do hereby state that I graduated from the University of Brandon, Manitoba in 1980, with a B.Sc. Degree in Geology and have been working in all phases of mining exploration in Canada for the past seven years.

I have had responsible positions as a Geologist with various mineral exploration companies in Canada.

I personally logged the core from the Diamond Drilling program carried out on the Snow Flake Property in Oliver, B.C. during the period of January 28 to February 16, 1987.

March 25, 1987
Kelowna, B.C.


Brian Callaghan, B.Sc.

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- Adamson, R.S., 1984: Letter Report to Vermilion Resources Inc. on the Snowflake Property, July 3, 1984, 4 pp.
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Sookochoff, L., 1984: Interim Diamond Drilling Report for Vermilion Resources Inc. on the Snowflake Property, 10 pp.

Sookochoff, L., 1986: Letter Report on the Snowflake property for Silver Saddle Mines Ltd., June 19, 1986, 2 pp.



Chemex Labs Ltd.

Analytical Chemists • Geochemists • Registered Assayers

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BRITISH COLUMBIA, CANADA V7J-2C1

PHONE (604) 984-0221

CERTIFICATE OF ANALYSIS A8711144

To: SEARCHLIGHT RESOURCES INC.

218 - 744 W. HASTINGS ST.
VANCOUVER, B.C.
V6C 1A5

Page No. : 1
Tot. Pages: 1
Date : 13-FEB-87
Invoice # : I-8711144
P.O. # : NONE

Project : MILLENIUM-SNOWFLAKE

Comments: CC: STEVE COOMBS

SAMPLE DESCRIPTION	PREP CODE		Ag oz/T	Au oz/T							
			RUSH FA	RUSH FA							
53501-G	236	--	< 0.01	< 0.002							
53502-G	236	--	< 0.01	< 0.002							
53503-G	236	--	< 0.01	< 0.002							
53504-G	236	--	< 0.05	< 0.002							
53505-G	236	--	< 0.01	< 0.002							
53506-G	236	--	0.47	0.042							
53507-G	236	--	0.29	0.028							
53508-G	236	--	0.03	0.002							
53509-G	236	--	< 0.01	< 0.002							
53510-G	236	--	< 0.01	< 0.002							
53511-G	236	--	0.08	0.010							
53512-G	236	--	0.08	0.006							
53513-G	236	--	0.07	0.002							
53514-G	236	--	0.76	0.062							
53515-G	236	--	0.07	0.004							
53516-G	236	--	0.12	0.006							
53517-G	236	--	< 0.01	< 0.002							
53518-G	236	--	< 0.01	< 0.002							
53519-G	236	--	0.38	0.036							
53520-G	236	--	0.03	0.002							
53521-G	236	--	< 0.01	< 0.002							
53522-G	236	--	< 0.01	< 0.002							

ALL ASSAY DETERMINATIONS ARE PERFORMED OR SUPERVISED BY B.C. CERTIFIED ASSAYERS

CERTIFICATION :

Al Christie



Chemex Labs Ltd.

Analytical Chemists • Geochemists • Registered Assayers

212 BROOKSBANK AVE., NORTH VANCOUVER,
BRITISH COLUMBIA, CANADA V7J-2C1

PHONE (604) 984-0221

CERTIFICATE OF ANALYSIS A8711399

To: SEARCHLIGHT RESOURCES INC.

218 - 744 W. HASTINGS ST.
VANCOUVER, B.C.
V6C 1A5

Page No. : 1

Tot. Pages: 1

Date : 21-FEB-87

Invoice # : I-8711399

P.O. # : NONE

Project : MILLENIUM-SNOWFLAKE

Comments :

SAMPLE DESCRIPTION	PREP CODE	Ag oz/T RUSH FA	Au oz/T RUSH FA								
53523 G	236 ---	1.49	0.162								
53524 G	236 ---	0.01	0.002								
53525 G	236 ---	0.57	0.058								
53526 G	236 ---	< 0.01	< 0.002								
53527 G	236 ---	0.08	0.008								
53528 G	236 ---	0.10	0.008								
53529 G	236 ---	0.01	< 0.002								
53530 G	236 ---	0.32	0.016								
53531 G	236 ---	0.01	< 0.002								
53532 G	236 ---	0.02	0.002								
53533 G	236 ---	< 0.01	< 0.002								
53534 G	236 ---	0.02	< 0.002								
53535 G	236 ---	0.04	0.004								
53536 G	236 ---	0.08	0.006								
53537 G	236 ---	0.09	0.004								
53538 G	236 ---	0.01	< 0.002								
53539 G	236 ---	0.44	0.030								
53540 G	236 ---	0.03	0.002								

ALL ASSAY DETERMINATIONS ARE PERFORMED OR SUPERVISED BY B.C. CERTIFIED ASSAYERS

CERTIFICATION :

Christie

DRILL HOLE RECORD

Property Snowflake Location Oliver B.C. District Osoyoos Hole No. SF-I-86 Length 134.7 (?)
 Commenced 1986 Completed 1986 Core Size BQ True Bearing 311 (?) Corr. Dip _____
 Lat. 9,211.6 Dep. 9,835.4 Elev. 581.5 Hor. Comp. _____ Vert. Comp. _____
 % Recovery _____ Collar Dip 55 Deg. (?) Date 30 January 1987 Objective _____

Colour Plot B Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Ca	SiO ₂ /Al ₂ O ₃ - Ca/SiO ₂
	0-6.71m		Casing - .31 m ground porphyritic biotite rich granodiorite	0/6.71						
	6.71 - 89.5		Fresh to weak argillic alteration of a porphyritic granodiorite <i>crumbly</i>	6.7-7.8	57					
			Feldspar phenocrysts up to 1.5 Cm 10-15% biotite. Fresh to moderate <i>crumbly to</i>	7.8-9.3	90					
			chlorite alteration calcite along fracture surfaces.	9.3-10.8	80					
			<i>crumbly to</i>	10.8-11.3	50					
			<i>15.9 m</i>	11.3-12.8	10					
			<i>CORE GROUND</i>	12.8-14.3	20					
			<i>@ 14.8 m</i>	14.3-14.8	56					
				14.8-15.8	128.5					
			<i>CORE GROUND</i>	15.8-17.4	95					
			<i>@ 17.4 m</i>	15.8-18.5	80					
				18.9-20.1	100					
			<i>CORE GROUND</i>	20.4-21.9	86					
			<i>@ 21 m</i>	21.9-23.5	98					
				23.5-25.0	100					
			<i>CORE GROUND</i>	25.0-26.5	55					
			<i>@ 26.2 m</i>	26.5-27.1	38					
				27.1-28.7	100					
			<i>CORE GROUND</i>	28.7-29.3	75					
			<i>@ 29.6 m</i>	29.3-30.1	100					
				30.1-32.4	120					
			<i>CRUMBLY</i>	32.4-33.9	100					
				33.9-34.7	100					

NOTE: All angles measured from core axis. Logged by B. Callaghan Checked by _____ Hole No. D.D.H. SF-I-86
 Date 30 January 1987 Date _____ Page 1 of 4

DRILL HOLE RECORD

SF 86-I

Pit # Dios	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
35.4	36.6		Quartz sericite altered granodiorite with silica ? zones containing scattered pyrite.							
				34.9-36.4	80	35.4-36.6	SAMPLED	1.2 m		
						NOT SAMPLED				
36.6	37.8		Siliceous quartz zone - milky white, brittle, part friable, with 10% sericite. semi-massive pyrite and trace galena occur at contact with quartz, sericite altered intrusive	37.9 m	36.4-37.9	10	36.6-37.8	SAMPLED	1.2 m	
				37.5-39	25					
				39-39.5	75					
				39.5-40.5	100					
			Ø 36.6 m - vein is missing in box from 36.6 to 37.8m	40.5-41.8	100					
			58.2 to 59.7m - trace disseminated fine grain pyrite	41.8-43.3	100					
			60.96 m - trace scattered fine grained pyrite over 10 1/2 cms	43.3-44.5	12.5					
				44.5-46	100					
				46-47.5	100					
				47.5-49.1	100					
				49.1-50.6	100					
				50.6-52.1	100					
				52.1-53.6	100					
				53.6-57.7	85					
				57.7-58.2	100					
				58.2-59.7	100					
				59.7-61.6	100					
65.8	65		7.6 cms quartz sericite pyrite - .5% cubic scattered pyrite	61.6-63.4	100					
				63.4-64.6	100					
				64.6-66.1	100					
				66.1-66.7	100					
				66.7-69.2	100					

DRILL HOLE RECORD

SP 86-I

Plot 8 Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
				69.2-70.7	100					
				70.7-72.2	100					
				72.2-73.8	100					
	73.8	74.2	Quartz sericite pyrite - pyrite cubic, scattered up to 2 mm. Slickensides at 74.1 m	73.8-75.3	100					
				75.3-76.8	100					
				76.8-78.3	100					
				78.3-79.9	100					
				79.9-81.4	100					
	83.5		.4 CM milky white ? quartz with sericite on vein walls	81.4-82.9	100					
	83.8		1 cm " " " " " " " " " " Scattered F.G. pyrite	82.9-84.4	100	84.2-84.4		20-32		
				84.4-86	100					
	84.2	84.4	20-32 cm of quartz vein material ?	86-87.5	100					
	84.4	84.75	quartz sericite alteration with minor F.G. cubic pyrite	87.5-89	100					
	85.0	85.3	altered lamprophyre dyke, slippery polished surfaces and highly magnetic.	89-90.5	100					
				90.5-92	100					
	86.0		approximately 86 m get change from argillie to slight potassic alteration of granodiorite, 1-2% very fine grained disseminated pyrite from 86m to dyke contact at 89.5 m	92.0-93.6	100					
				93.6-95.1	100					
				95.1-96.6	?			.86m		
	89.5	109.9	altered lamprophyre, magnetic, fracture surfaces chloritic and part infilled with calcite. 15% augite phenocrysts(magnetic?)	96.6-98.1	100					
				98.1-99.7	100					
			100.3 m - calcite veinlets (hairline) with multi-directional	99.7-101.2	100					
				101.2-102.7	100					
				102.7-104.2	100					
				104.2-105.8	100					
			107.3 m 30 cms of moderate potassic altered granodiorite	105.8-107.3	100					

DRILL HOLE RECORD

SF 86-I

C	Plot B Dips	DEPTH		DESCRIPTION	RECOVERY		Sample interval	Sample No.	Length	ANALYSIS	
		from	to		run	%				Au-oz/ton	Ag-oz/ton
		109.9	113.5	- weak potassic alteration of a porphyritic granodiorite	107.3-108.8	100					
				15-20% chlorite, trace cubic pyrite up to 1 mm	108.8-110.8	100					
				- 15 cms of lamprophyre dyke in section with missing core. May ^{61 m of core missing between} have been placed there! _{photo blocks}	110.5-111.9	?	Possibly quartz				
					111.9-113.4	100	111.1-111.4				
				113.5 m - locally warped bands of chlorite in potassic altered granodiorite at contact with augite lamprophyre	113.4-114.9	100					
					114.9-116.4	100					
		113.5	116.4	Altered augite lamprophyre - magnetic. Minor calcite along fracture surface.	116.4-118	100					
					118-119.5	100					
		116.4	124.7	Weak potassic altered porphyritic granodiorite chlorite along fracture surfaces.	119.5-121	100					
					121-122.5	100					
				- 122.2 m 24 cms fine medium grained dark grey-green porphyritic intrusive with fragments of feldspar phenocrysts in finer groundmass	122.5-124.1	100					
					124.1-125.6	100					
					125.6-127.1	100					
				123.7m - 1 cm wide milky white barren quartz veinlet	127.1-128.6	100					
					128.6-130.1	100					
				129.4 Quartz-sericite-pyrite zone 4 cms in width	130.1-131.7	100					
				pyrite cubic, 1-2 mm up 1% scattered	131.7-133.2	100					
				associated with with sericite and chlorite	133.2-134.7	95					
				Core ends at 134.7 meters							

Project Snowflake Logged by B. Callaghan Checked by _____ Hole No. SF 86-I
 Location Oliver, B.C. Date 30 January 1987 Date _____ Page 4 of 4

DRILL HOLE RECORD

08 747 W. EAST 17th STREET
VANCOUVER B.C. V6C 1A5
(604) 664-2361

Property Snowflake Location Oliver B.C. District Osoyoos Hole No. SP 86-2 Length 51.8 m
 Commenced 1986 Completed 1986 Core Size BQ True Bearing 311 (?) Corr. Dip _____
9,211.6 Dep. 9,835.4 Elev. 581.5 Hor. Comp. - Vert. Comp. -
 % Recovery _____ Collar Dip -70 Date 31 January 1987 Objective _____

Colour Plot B Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Ca - oz/ton	Ag - oz/ton
	0	7.3m	Casing	Blocky Ground @ 7.6m	7.3-8.5	75				
	7.3	51.8m	Fresh porphyritic granodiorite phenocrysts up to 1.5 cms 15-20% biotite, fresh, coarse grained	Blocky	8.5-9.8	50				
			15.5 m - 15.9m quartz sericite, pyrite ?	Blocky Ground @ 12.0	9.8-11	37.5				
			1% pyrite scattered cubic up to 2 mm	Blocky	11-12.5	40				
			-slickensided polished surfaces	Blocky	12.5-14	60				
				Blocky	14-14.3	50				
				Blocky Ground @ 15.8	14.3-15.8	60				
				Blocky	15.8-16.5	60				
				Blocky	16.5-17.2	100				
				Blocky 17.4m ground	17.2-18.9	100				
			17.06 m Minor calcite veining	Blocky	18.9-20.4	95				
			19.4 m 1 cm milky white barren quartz veinlet	Blocky	20.4-21.8	80				
					21.8-23.3	100				
				Blocky	23.3-24.8	100				
			24.2 m possible shearing in granite- gouge whitish green clays	Blocky	24.8-26.1	100				
				Blocky	26.1-27.6	100				
				Blocky	27.6-29.1	100				
					29.1-30	100				
					30-31.1	100				
					31.1-32.6	100				
					32.6-34.1	100				

NOTE: All angles measured from core axis. Logged by B. Galleghan Checked by _____ Hole No. SP 86-2
 Date Saturday 31 January 1987 Date _____ Page I of 2

DRILL HOLE RECORD

SF 86-2

Plot B Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
				34.1-35.7	100					
				35.7-37.2	100					
			37.6 m I cm fault gouge green clays- sericite	37.2-38.7	100					
				Blacky 38.7-39.5	100					
	37.6	40.7	Weak to moderate argillic alteration of a PGD	Blacky 39.5-41	100					
			39.8 m I cm of gouge consisting of calcite sericite clays	Blacky 41-42.5	100					
	43.1	43.8	Main intersection of quartz but vein is missing from	176 m missing SAMPLE 43.1-43.8	50					
			box. Vein width approximately 50.8 cm 1% quartz sericite	Blacky 44-45.6	100	43.1-43.8		50.8 m		
			pyrite alteration on vein walls	Blacky 45.6-48.6	100					
			48.6 m granodiorite mafic rich up to 25% chlorite	Blacky 48.6-50.4	100					
			- sericite along fracture surfaces till end of hole	Blacky 50.4-51.8						
			Ø 51.8 m							

DRILL HOLE RECORD

Property Snowflake Location Oliver District Osoyoos Hole No SF-87-1 Length 54.9m
 Commenced Jan 30/87 (N) Completed JAN 31st/87 (N) Core Size 19 True Bearing 303° 30' Corr. Dip _____
 Lat. 9 143.3 Dep. 9.742.6 Elev. 603.9 Hor. Comp. 21.45 Vert. Comp. 50.54
 % Recovery _____ Collar Dip -67° Date 2nd Feb 1987 Objective _____

Colour Plot & Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
	0	2.1m	Salvage plants at 2.1m. Very blocky	2.1-37	60					
	2.1m	14.6m	FRESH (PART) ALYPTIC GRANODIORITE. 25%-30% quartz 20-25% plagioclase 20% K feldspar 10% biotite 3% muscovite	37-46	66					
				46-52	100					
				52-61	100					
				61-82	80					
				82-98	100					
			10/m - Coarse crumbly 70% or coarse approx. matrix 2mm-1cm magn. with massive clays	98-113	80					
				113-122	100					
				122-137	100					
			14.2m - 14.6m - ^{non} fine crumbly ^{and} close to dyke contact. Also biotite altered & chlorite.	137-146	100					
				146-153	100					
	14.6	31.1m	CAMP PRO 14.6m - altered(?) 25% plagioclase consist + 10% quartz (?) 5-10% pyroxene 5% Hb	153-171	95					
			Fractures infilled with calcite in matrix. Surfaces slipping oxidized - dark green to bright green. Magnetite.	171-186	100					
			17.1m quartz veinlets 2mm wide, contorted	186-192	58					
			19.5m 3x2mm quartz-carbonate veinlets, irregular 20% calc axis	192-201	100					
			16.8m 20ms of calc part interwoven.	201-207	75					
				207-213	100					
				213-229	100					
				229-235	100					
				235-238	00					
				238-244	00					

NOTE: All angles measured from core axis. Logged by B. PALLANWAN Checked by _____ Hole No. SF-87-1
 Date 2nd February 1987 Date _____ Page 1 of 3

DRILL HOLE RECORD

87-1

Colour Plot & Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS		
	from	to		run	%				Au-oz/ton	Ag-oz/ton	
			ground 25.3m blocky	24.4-25.9	75						
			Fract. 20% shalyite greenish	25.9-26.8	83						
			blocky	26.8-27.4	100						
			"	27.4-28.0	100						
			"	28-29.3	87.5						
			blocky and cherty	29.3-29.9	100						
			blocky	29.9-31.1	100						
			31.1m - clay coats surface between granodiorite and open-shale brownish comp. shaly.	31.1-32.3	100						
			"	32.3-32.9	100						
			"	32.9-34.1	100						
			"	34.1-35.4	100						
			"	35.4-36.6	87.5						
			"	36.6-37.5	100						
			"	37.5-38.7	100						
			"	38.7-39.9	100						
			good	39.9-41.5	100						
			41.5m - shalyite + clay coat fracture surfaces in granodiorite	41.5-43	100						
			with occasional shalyite + ironstone in shalyite	43-44.8	100						
			and scattered cubic pyrite occurs along contact	44.8-45.1	??						
			crumby + blocky	45.1-46.3	9.5						
			46.3m - shalyite + clay coat fracture surfaces in granodiorite	46.3-48.1	100	50.33-48.16	53504	1.83	4.002	.05	
			with occasional shalyite + ironstone in shalyite	48.1-49.3	37.5	48.16-49.32	53505	1.22	4.002	4.01	
			contains shalyite + chlorite in shalyite also scattered with shalyite	49.3-50.2	87.5	49.32-50.21	53506	.91	.042	.47	
5%			35cm of mkt. shalyite granodiorite + calc. shalyite	50.2-50.3	100	50.21-51.02	53507	.73	.028	.29	
20%			23cm mkt. shalyite granodiorite	50.3-50.9	12.5	51.02-51.51	53508	.49	.002	.03	

DRILL HOLE RECORD

Property SNOWFLAKE Location OLIVER District 320/1025 Hole No. 8-1 Length 72.2 m
 Commenced JAN 31st/87 (N) Completed FEB 3rd/87 (N) Core Size NQ True Bearing _____ Corr. Dip _____
 Lat. _____ Dep. _____ Elev. 606.8 Hor. Comp. 12.54 Vert. Comp. - 71.10
 % Recovery _____ Collar Dip -80° Date 4th Feb/87 Objective _____

Colour Plot & Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
	2 -	2.1m	Reddish at 2.1	blocky	21-27	100				
	2.1m	11.3m	Exp. - weak Arg. mic. altered prop. in the immediate 15-20% calc + muscovite. Sections fresh & crumbly to 9.8m - Calcite infills fractures that contain minor grey white clasp.	"	27-37	83				
				"	37-52	70				
				"	52-61	100				
				"	61-82	43				
	11.3m	-20.4	30° contact - chlorite, limonite. Quartz impregnated. 11.7m - 120° strike shear toward chlorite, limonite calcite Indicates polished chlorite and small scale granular (Kali)	blocky	82-97	70				
				ground at 9.8m	97-113	90				
				blocky	11.3-11.9	100				
				"	11.9-12.8	100				
				ground at 12.8m blocky	12.8-14	75				
				ground at 14.3m blocky	13.4-14.3	75				
				blocky	14.3-14.9	100				
				"	14.9-15.8	100				
			16.3m - 3x 40° Calcite quartz stringers	"	15.8-17	100				
				"	17-17.7	100				
				ground at 17.8m	17.7-18.3	70				
				ground at 18.2m	18-18.2	15				
				ground at 19.6m	18.3-19.6	75				
				blocky	19.6-20.1	70				
			20.1m 1x 30° calcite zone	"	19.6-20.1	100				
	20.4m	-53.70	20.4m. Contact broken up - calc crumbly & blocky. As above granular (Kali)	"	20.1-20.7	100				

NOTE: Logged by L. R. IN CALLAGHAN Checked by _____ Hole No. 8-1
 All angles measured from core axis. Date 12th February 1987 Date _____ Page 1 of 4

DRILL HOLE RECORD

Colour Plot 8 Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
			fracture surfaces smeared and coated with grey clays and minor carbonite	2 1/2' between 58' and 61'	20.7-21	250				
				blocky	21-22.6	100				
				blocky and chunky	22.6-23.2	100				
				blocky	23.2-23.8	100				
				"	23.8-24.4	100				
				"	24.4-24.7	100				
				"	24.7-25.9	100				
				good	25.9-27.4	100				
				blocky	27.4-28	100				
				blocky chunky	28-29	110				
				blocky	29-29.9	100				
				"	29.9-30.8	100				
				"	30.8-31.7	100				
				"	31.7-32	85				
				blocky and chunky	32-32.9	50				
			35.1 mib ⁸ clean white (rouge)	blocky	32-34.1	100				
			35.5 mib ⁸ " " "	"	34.1-35.7	100				
				"	35.7-36.9	87				
				"	36.9-38.1	27				
			38.1 ? clean + chunky (rouge)	"	38.1-38.7	100				
				"	38.7-39.6	100				
				"	39.6-40.5	100				
			40.8m high stannic white - mostly fresh	"	40.5-41.5	100				
			41.3 4m ⁸ white - clean chunky with occasional pyrite	"	41.5-42.4	100				
				"	42.4-43.9	100				

DRILL HOLE RECORD

Colour Plot & Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS		
	from	to		run	%				Au-oz/ton	Ag-oz/ton	
				Blocky	43.9-44.8	100					
				"	44.8-46.1	100					
				"	46-47.5	100					
				"	47.5-48.4	100					
				"	48.4-49.1	100					
				"	49-49.6	100					
				"	49.6-49.9	100					
				"	49.9-50.3	100	50.29-51.10	53510	.81	2.002	2.01
				"	50.3-50.9	100	51.10-52.77	53511	1.60	.010	.08
				Blocky	50.9-51.1	100	52.70-53.48	53512	.73	.006	.08
				Blocky	51-51.9	100	53.43-53.95	53513	.52	.002	.07
				"	51.9-52.7	100	53.95-54.60	53514	.65	.062	.76
				"	52.7-53.0	100					
				good.	53.0-53.8	100					
				"	53.8-54.3	100					
				"	54.3-54.7	100					
				"	54.7-55.8	100					
				"	55.8-57.3	100					
				"	57.3-58.2	100					
				"	58.2-59.4	100					
				Blocky	59.4-60.7	100					
				"	60.7-62.2	100					
				good	62.2-63.7	100					
				Blocky	63.7-64.1	100					
				"	64.1-65.8	100					
				"	65.8-67.1	100					
				good	67.1-68.6	100					
				Blocky	68.6-69.5	100					

DRILL HOLE RECORD

Colour Plot & Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
			<i>black magnetite granodiorite</i>	<i>6/0-6/7</i>	<i>49.5-70.1</i>	<i>100</i>				
				<i>"</i>	<i>70.1-70.7</i>	<i>100</i>				
				<i>"</i>	<i>70.7-71.2</i>	<i>100</i>				
			<i>End hole at 77.2m.</i>							

DRILL HOLE RECORD

Property SNOWFLAKE Location OLIVER District 050/1005 Hole No. SF 87-3 Length 81.38m
 Commenced Feb 3/87 (N) Completed Feb 5/87 (D) Core Size N9 True Bearing — Corr. Dip —
 Lat. — Dep. — Elev. 606.8 m Hor. Comp. — Vert. Comp. —
 % Recovery — Collar Dip -90° Date 6th Feb 1987 Objective —

Colour Plot & Dips	DEPTH		DESCRIPTION		RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to			run	%				Au - oz/ton	Ag - oz/ton
	0	- 2.40m	bedrock starts at approximately 2.40m.	slaty	274-335	100					
	2.40	- 8.23m	Froch part of amphibole granulite. biotite between 15-25%. Minor carbonate remaining trace scattered pyrite and minor white clay within along fracture surfaces.	"	335-428	100					
				"	428-549	100					
				"	549-640	50					
				blocky	640-701	100					
				blocky	701-762	75					
				blocky	762-823	100					
	9.13	- 17.30m	Contact Amphibole Amphibole fracture surfaces not as polished or chloritic! 823-1036 monite stained fracture surfaces	"	823-914	100					
				"	914-1036	100					
				"	1036-1125	100					
				"	1125-1189	100					
				"	1189-1372	83					
				"	1372-1576	100					
				"	1576-1676	100					
				"	1676-1737	100					
				crumbly blocky	1737-1790	100					
				blocky	1790-1981	83					
				"	1981-2073	100					
				crumbly blocky	2073-2173	50					
				crumbly blocky	2173-2225	27					
				blocky	2225-2408	100					
				"	2408-2499	100					
				"	2499-2621	100					

NOTE: All angles measured from core axis. Logged by BRIAN CULBERTSON Checked by — Hole No. SF-87-3
 Date 6th Feb 1987 Date — Page 1 of 4

DRILL HOLE RECORD

87-3

Colour Plot & Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
			- fractures silicified, + carbonate, minor copper pyrite	black,	25.21-26.82	100				
				"	26.82-27.74	100				
				"	27.74-28.35	100				
				"	28.35-28.96	100				
				"	28.96-29.57	100				
				"	29.57-30.18	100				
				"	30.18-30.79	100				
				"	30.79-31.40	100				
			33.05m 2cm: 2 50° first zone green clays + 10° pyrite	"	33.05-34.75	100				
				crumbly and blocky.	34.75-35.97	87.5				
	35.87m-	35.87m	fracture intense + greenish clay	" "	35.97-36.58	100				
				" "	36.58-37.19	92				
				" "	37.19-37.80	100				
				" "	37.80-38.41	60				
				" "	38.41-39.02	90				
				" "	39.02-39.63	40				
				" "	40.63-41.24	100				
				" "	41.24-41.85	50				
			43.23m - 10cm friable	blocky	43.23-44.54	100				
			44.12m - 2cm "	crumbly + blocky	44.54-45.52	66				
			46.02m - 10cm "	" "	45.52-46.02	100				
				" "	46.02-46.74	87.5				
				" "	46.74-47.99	75				
				" "	47.99-48.56	86				
				ground @ 49.07m blocky	48.56-49.07	25				

DRILL HOLE RECORD

87-3

Colour Plot 8 Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
	51m	54.5m	Very weak quartzite al. lamination	blocky	49.07-49.99	100				
	54.50m			"	49.99-51.51	100				
				"	51.51-52.73	100				
				"	52.73-54.25	100				
				"	54.25-55.47	100				
				"	55.47-56.69	100				
				"	56.69-58.22	100				
				"	58.22-59.44	95				
				"	59.44-60.96	100				
				"	60.96-62.48	100				
				"	62.48-64.00	100				
	63.34m	65° 10cms	fract. gray grey green shaly	blocky	63.09-64.51	100				
				good	64.52-65.73	100				
				blocky	65.73-67.25	100				
				good	67.25-68.77	100				
				blocky	68.78-69.99	100				
				"	69.99-71.21	100				
				"	71.21-72.42	100				
	72.44m	55° 5cm	fract. gray green shaly - some small iron pyrite	crumbly blocky	72.23-72.54	100				
				"	72.54-73.75	100				
				blocky	73.75-74.96	100				
	76.78 - 76.83		weak quartzite - on line with bedded 20° - remain deep	"	74.96-76.17	100				
	76.83 - 76.81m		contact by the matrix with matrix part may be filled with 5% pyrite + arsenic	"	76.17-77.38	100				
	78.81 -		contact 20° with weak matrix altered in lower	"	77.38-78.59	100	77.38-77.57	53515	.69	.004 .07
			at 78.81 has arsenic in matrix also some pyrite	"	78.59-79.80	100	77.57-78.31	53516	1.14	.006 .12

DRILL HOLE RECORD

87-4

Colour Plot 8 Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS		
	from	to		run	%				Au-oz/ton	Ag-oz/ton	
				blocky	25.60-26.21	100					
				blocky	26.21-27.43	100					
				"	27.43-28.74	100					
				good	28.74-30.48	100					
				good	30.48-32	100					
				blocky	32-33.53	100					
			34.47m 4cm wt potassic siliceous	good	33.53-35.05	100					
			35.05m - 36.58m - Siliceous frosted intrusives - mostly chlorite 25%	ground to 30.78m blocky	35.05-36.58	95					
			38.30° - fractures chlorite + clays + calcite +	blocky	36.58-38.10	100					
			4% cubic pyrite, scattered	good	38.10-38.71	100					
				good	38.71-39.10	100					
				blocky	39.10-40.23	100					
				"	40.23-41.95	100					
				"	41.95-42.77	100					
			42.57 - 44m fine intrusives + green clays + calcite	"	42.77-44.64	100					
				"	44.64-46.32	100					
				"	46.32-47.55	100					
			45.52 - 46.32m Siliceous frosted intrusives - sericite chlorite + 5% pyrite	"	44.64-46.32	100	45.52-46.32	53518	.80	<.002	2.01
			46.32 - 46.82m 50% Milky white quartz 5% cubic pyrite up to 3mm.	curry ground 46.02, 46.21	46.02-46.21	75	46.32-46.82	53519	.50	.036	.38
			46.82 - 47.55m Siliceous frosted + sericite 1-5% K ₂ O 5% scattered cubic pyrite	blocky	47.24-47.85	85	46.82-47.55	53520	.73	.002	.03
			48.94m 1.5m 40% quartz + K ₂ pyrite	"	47.85-48.46	100	47.55-48.16	53521	.61	<.002	<.01
			47.55m - 48.16m 2.1m milky white quartz - smoky grey, blocky	"	48.46-49.16	100					
			48.46m 5% magnetite in which is noted in log	good	49.16-50.21	100					
			open 2m	"	50.21-51.21	100					
			end hole at 53.34m	"	51.21-52.71	100					

DRILL HOLE RECORD

Property SNOWFLAKE Location OLIVER District OSOYOOS Hole No. 87-5 Length 80.16
 Commenced Feb 6th/87 (W) Completed Feb 8th/87 (D) Core Size N.G. True Bearing _____ Corr. Dip _____
 Lat. _____ Dep. _____ Elev. 607.4m Hor. Comp. 11.16 Vert. Comp. 79.38
 % Recovery _____ Collar Dip -82° Date 8th Feb 1987 Objective _____

Colour Plot & Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au - oz/ton	Ag - oz/ton
	0	-	Red rock		742					
	7.62	-	Dark part propylitic brecciated part friable. Fracture surfaces greenish mineral inclusions and carbonate	blocky and columnar lost 9.25	752-825 823-945	100 25				
				blocky lost 122m @ 11.89	9.45-10.0 10.06-11.89	33 33				
				blocky ground lost 122m @ 11.89	11.39-12.80	50				
				14.13 - ground	12.80-14.13	70				
				blocky ground lost 122m @ 11.89	14.33-15.85	10				
				blocky	15.85-16.15	100				
				"	16.15-16.46	100				
				"	16.46-17.70	100				
				ground lost 122m @ 11.89	17.70-17.79	50				
				blocky	17.79-18.70	100				
			18.70m - 19.20m friable	"	18.70-19.51	100				
				"	19.51-20.25	100				
				"	20.25-21.30	100				
				"	21.30-23.77	37.5				
				"	23.77-24.30	100				
	27.86	- 29.71m	Extensive ground brecciated mineral inclusions with 1/2 white fracture surfaces with mineral inclusions with 1/2 white	"	24.30-27.86	27.5				
				"	27.86-28.30	100				
				"	28.30-30.08	100				

NOTE: All angles measured from core axis. Logged by W. MILLER Checked by _____ Hole No. 87-5
 Date 8th Feb 1987 Date _____ Page 1 of 3

DRILL HOLE RECORD

87-5

Colour Plot & Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
			- fractures - chlorite slightly p. ch. l.	blocky	30.48-32.41	100				
				"	32.61-35.64	90				
				"	35.66-38.71	100				
			38.91m - 35° - 1cm green clays - chlorite trace cubic pyrite	ground w/ 41.45m	38.71-41.45	83				
			39.21m - 40° - 1cm " " " "	blocky, crumbly w/ 42.06	41.45-42.06	75				
			41.86 - 42.06 - friable, some green clays along fracture surfaces	blocky	42.06-43.28	100				
				"	43.28-44.50	100				
			44.40 - 44.90m friable some green clays along fracture surfaces	"	44.50-45.11	100				
			45.40 - 46.12m " " " "	blocky and crumbly	45.11-46.02	100				
			46.72 - 50.02m 46.72m - 50.02m - green clays, chlorite, some fracture surfaces	blocky	46.02-46.63	100				
			of epidiorite with moderate chlorite alteration	"	46.63-48.16	100				
			50.09m - 57.44m w. pattern alteration of porphyritic granodiorite	"	48.16-49.69	100				
				"	49.69-51.21	100				
				"	51.21-52.12	66				
				good	52.12-53.64	100				
				"	53.64-55.17	100				
				"	55.17-56.69	100				
				ground w/ 57.61m	56.69-57.61	90				
				ground w/ blocky 58.22m	57.61-58.22	50				
			58.22m - 59.06m - porous - friable with green clays and part friable trace cubic pyrite with granodiorite	"	58.22-59.13	100				
				"	59.13-59.74	100				
				"	59.74-60.66	100				
				"	60.66-62.18	100				
				"	62.18-63.10	100				
			63.70m 35° - 5cm friable, chlorite minor green clays	"	63.10-64.42	100				

DRILL HOLE RECORD

87-5

Colour Plot B Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
	65.78	67.14	- Matrix fine grained, gang ^{10%} & feldspar with ^{selected} zone with good	64.62-65.78	100					
			150 matrix selected to block. Fracture surfaces phyllosilicate block	65.22-66.10	100					
			with zone along zone with minor calcite, silicate block	65.14-65.57	100					
	66.72m	67.14m	50° fault zone fresh - complete block	67.07-68.28	100					
			clays with 50° fragments up 1cm.	68.28-68.88	100					
	67.14	68.88	11cm matrix alteration or amorphous.	68.88-69.03	80%	68.88-69.03	53523	.81	.162	1.49
	68.88	69.03	15cm milky white quartz 3 pellets on fine ground	69.03-69.03	90%	68.88-69.03	53524	.72	.002	.01
			galena & trace pyrite in solid solution	69.03-69.03	100					
	69.03	69.18	15cm fresh sensitive silica flooded entrance	71.62-72.85	100					
	69.18	69.49	31cm? 140° milky white quartz - broken up. No visible sulphides	72.85-74.78	100					
	69.49	70.41	Schist flooded entrance with minor quartz & pyrite	74.78-75.59	100					
			trace pyrite along fracture surfaces	75.59-77.11	100					
	70.41	80.16	1/2 inch strong alteration with scattered zones	77.11-80.16	100					
			injection with up to 70%	78.42-80.16	100					

DRILL HOLE RECORD

SF 87-6

Colour Plot 8 Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS		
	from	to		run	%				Au-oz/ton	Ag-oz/ton	
			fresh propylitic greenschist (continued) ^{slight K} moderate leu	Blocky	23.4-24.8	66					
			blonde colored	"	25.08-26.9	75					
				"	26.68-28.99	75					
				"	28.99-29.8	100					
				"	29.82-27.13	100					
				"	27.13-27.43	100					
				"	27.43-27.76	95					
			29.82-30.72 Surface, coated with dark green chlorite and grey coloured extensive quartz	" good	27.76-28.96	100					
				blocky	28.96-29.87	100					
				blocky	29.87-30.78	100					
				"	30.78-32.00	100					
			32.00m - 32.71m Talciferous friable with abundant fine white carbonaceous gouge at 32.21m plus calcite.	blocky crumbly	32.00-32.60	100					
				blocky	32.61-33.53	100					
				blocky	33.53-35.05	95					
			Weathered propylitic greenschist - less chlorite now with calcite	"	35.05-36.97	100					
				"	36.97-38.88	100					
				"	38.88-39.80	100					
				good	39.80-39.82	100					
				blocky	39.82-39.99	100					
				"	39.99-41.15	100					
				"	41.15-42.67	100					
				"	42.67-43.28	100					
				"	43.28-44.50	100					
			44.72-45.20 ^{concentrated 00-50°} Mal K. matrix with some As 11.20m sulphides	" - good	44.50-46.02	100	44.72-45.20	63526	.48	2.02	2.01
			Vanadium and small stockwork in calcite coated intrusives	blocky	46.02-46.52	100	45.20-45.97	63527	.67	.008	.08

DRILL HOLE RECORD

Property Snowflake Location OUVER District OSOYOOS Hole No. 87-4 Length 53.34 m.
 Commenced Feb 5th/87 (N) Completed Feb 6th/87 (D) Core Size NG True Bearing 301° 45' Corr. Dip _____
 Lat. 9 131.7 Dep. 9.739.0 Elev. 607.4 m. Hor. Comp. 28.27 Vert. Comp. 45.23
 % Recovery _____ Collar Dip -53° Date 7th Feb 1987 Objective _____

Colour Plot & Dips	DEPTH		DESCRIPTION		RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to			run	%				Au - oz/ton	Ag - oz/ton
	0	3.66m	Bedrock starts at 3.66m	core ground w/ 366 blocky	566-549	17					
	3.66	7.62m	Dark grey to black, fine grained, massive, micaceous, localities with calcite	ground w/ 600m blocky	549-610	50					
				ground w/ 6.04 blocky	610-701	66					
			6.10m - 10° 15' calcite limonite veins 15-3mm	ground w/ 701 blocky	701-762	50					
	7.62m		Contact with part. porphyritic ^{with} microcline	blocky and cementary	762-823	100					
		7.62m - 8.63m	fine grained, coarse - 25% biotite schists	blocky	823-975	80					
		8.63m - 9.72m	limonite - 50% biotite - calcite	good	975-1097	100					
				"	1097-1187	100					
				blocky	1187-1311	100					
				blocky	1311-1402	100					
				blocky, good	1402-1544	100					
				"	1544-1646	100					
		16.46m	limonite stain along fracture part of scattered cubic pyrite	blocky	1646-1767	75					
		17.27m	limonite " " " 5% fine grained pyrite	"	1767-1859	100					
		18.59m	1981m fine grained	core lost at 19.81m blocky	1859-1981	50					
				blocky	1981-2103	100					
				"	2103-2225	100					
		22.50m - 22.87m	5% magnetite - 20-40% quartz	"	2225-2250	100					
		22.87m - 23.47m	limonite	"	2250-2347	100					
	23.47m	24.99m	oxidized limonite pyrite. Zone with a vertical crack 2/10	ground at 24.99m missing 24.08m	2347-2499	83	23.47-24.88	53517	1.41	<.002	<.01
			vertical crack pyrite. also fine grained limonite with disseminated pyrite	"	2499-2564	75					

NOTE: Logged by B. Cameron Checked by _____ Hole No. F-87-4
 All angles measured from core axis. Date 7/2/87 Date _____ Page 1 of 2

DRILL HOLE RECORD

Property Sidwells Location OLIVE? District NSW D.D.S. Hole No. SE 77-7 Length 76.2 m
 Commenced Feb 10th/87 (D) Completed Feb 11th/87 (N) Core Size NA True Bearing 303° 30' Corr. Dip _____
 Lat. _____ Dep. _____ Elev. 609.4 m Hor. Comp. 14.54 Vert. Comp. -74.80
 % Recovery _____ Collar Dip -79° Date 10th February 1987 Objective _____

Colour Plot 8 Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au - oz/ton	Ag - oz/ton
	0	4.88	4.88 casing	ground? dark-crumbly	489-500	50				
	4.88	4.95	Frable broken up granodiorite	blocky	501-510	70				
	4.90	5.10	Highly altered limonitic stained amphibolite	"	610-37	40				
	5.10		Dark pink porphyritic granodiorite fine grained	crumbly	747-853	33				
			with patches of white calcite veins	" "	853-970	80				
			7.22m - 17.09m limonite stain along fracture surfaces	" "	975-1128	50				
			10.65m - 11.40m steep calcite 2mm. coarse grained	blocky	1128-1180	100				
				crumbly	1189-1200	66				
			12.33m 4mm intensive goethite - chlorite staining	ground 12.33-12.80 blocky	1280-1420	75				
				blocky	1420-1450	100				
				blocky	1467-1500	100				
			15.76m Moderate chlorite alteration of granodiorite	"	1544-1585	100				
				"	1585-1690	100				
				ground 17.07-17.98 blocky	1696-1707	70				
			17.07m - chlorite staining in fracture interspersed	ground 17.98-18.53 blocky	1707-1798	33				
				ground 18.53-19.51 blocky	1798-1853	50				
			18.53m - 50% iron oxide - dark staining limonite	blocky	1854-1951	100				
			19.1m - 50% iron oxide - dark staining limonite	"	1951-2002	100				
				"	2002-2005	15				
				good	2101-2103	100				
				ground 22.05-22.50	2205-2250	66				

NOTE: All angles measured from core axis. Logged by G. P. ... Checked by _____ Hole No. 77-7
 Date 10th February 1987 Date _____ Page 1 of 1,321

DRILL HOLE RECORD

SF-87-7

Sur Plot B Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
				blocky	22.80-23.77	100				
			mod. chlorite alteration of quartzite quartzite	ground 24.25						
				blocky	24.25-24.80	75				
				blocky	24.90-25.00	100				
				ground 25.20m						
				ground 25.60	24.69-25.30	75				
				blocky	25.30-25.60	75				
				blocky ground 26.21	25.60-26.21	75				
				blocky	26.21-26.52	100				
				good	26.52-26.83	100				
				"	27.43-27.74	100				
				blocky & soil	27.74-28.28	100				
				blocky	28.28-28.79	100				
				blocky	29.57-29.68	80				
				blocky	30.48-30.49	90				
			31.80m K ₂ scattered white quartz	blocky	31.09-31.00	60				
			32.61m 15° clay - white quartz	blocky	32.00-32.00	100				
			32.00m - 32.61m wk. alteration ill.	ground 32.20m	32.41-32.21	75				
			33.22m - 38.97m wk chlorite alteration. fine line	blocky	37.22-37.55	100				
			surface friable with iron, clay, white	ground 38.10	38.54-38.14	75				
				blocky	38.14-38.40	100				
				good	38.44-38.57	100				
				blocky 38.38m	38.97-38.98	75				
				"	38.98-37.11	100				
				10x. 61m @ 38.12	37.19-38.10	33				
				blocky	38.10-38.20	100				
				good	38.20-38.20	100				

DRILL HOLE RECORD

SF 87-7

Plot 8 Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
		39.60m - 41.76m	Q. sandstone matrix with rock	good	39.32-40.54	100				
			abundant granitoid of \vee Miles 25-30% - chlorite	good	40.54-41.76	100				
		41.76m - 42.98m	less chlorite alteration - fracture surfaces	ground 41.76m blocky	41.74-42.98	75				
			interbedded with clay + calcite	blocky	42.98-43.59	100				
		43.59m - 44.20m	grey white interbedded grey 40% calcite minor	blocky	43.59-44.20	100				
			carbonate permeable	"	44.20-45.02	100				
				"	45.02-46.02	100				
		46.02m - 46.63m	NS. calcite alt.	"	46.02-46.63	100				
		46.63m - 47.24m	10cm grey green interbedded grey + calcite	"	46.63-47.24	100				
				"	47.24-47.85	100				
				"	47.85-48.47	100				
				blocky	48.47-49.07	50				
				ground 51.51m blocky	49.07-51.51	86				
		51.51m - 52.13m	conc. for alt. K 52.13m	crumbly	51.51-52.13	50				
		52.07m - 52.76m	calcite veins	crumbly	52.07-52.76	50				
				" ground 52.76	52.76-53.34	50				
				ground 53.34	53.34-53.95	33				
				crumbly	53.95-54.56	20				
				blocky	54.56-55.17	100				
				good	55.17-55.78	100				
				"	55.78-56.39	100				
		57.36m - 57.97m	very weak yellow alteration	"	57.36-57.97	100				
		58.34m - 58.95m	10% matrix - chlorite thin points along fracture surfaces	"	58.34-58.95	20				
		59.04m - 59.65m	intensive brown - chlorite clay + calcite	"	59.04-59.65	100				
				ground blocky	60.34-60.95	70				

DRILL HOLE RECORD

SF 87-7

Sur Plot 8 Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS		
	from	to		run	%				Au-oz/ton	Ag-oz/ton	
			62.02 - 62.27m quartz, fine white quartz. ph. 5.9, lamination + fractured	blocky	61.52-62.74	100					
			"white quartz"	"	62.74-63.45	100					
52.27m	62.27m	53°	Sens - milky white quartz - no visible sulphides. Quartz	"	63.45-64.39	100					
			slow matrix	"	64.39-65.48	100					
	64.00m	45°	Sensite calcite, also: baritic matrix	ground 65.48 blocky	65.48-66.00	90					
58.58m	65.58m	?	Sens - milky white quartz - no visible sulphides	blocky	66.00-67.01	100	67.25-68.22	53529	.96	<.002	.01
			or go. size along margins	blocky	68.22-68.53	100	68.22-68.53	53530	.31	.016	.32
67.26-68.22		35°	milky white brittle quartz + sensite in Kems.	blocky ground 68.53	68.53-68.84	80	68.53-68.84	53531	.31	<.002	.01
68.22-68.53m			Taksonic abundant Sensite minor cl. s.p. Si. calcite quartz	blocky	68.84-69.53	100					
68.53-68.84m			milky white brittle quartz / with dark grey ground / fine calcite quartz	"	69.53-70.25	100					
68.84-69.14			altered matrix - Sensite minor sulphides	"	70.25-71.57	100					
			white - green ground - calcite along fracture with baritic matrix	"	71.57-72.71	100					
			one is not fracture	blocky - good	72.71-74.71	100					
				good	74.71-75.44	100					

DRILL HOLE RECORD

Property SNOWFLAKE Location OLIVER District 050Y005 Hole No. 87-8 Length 46.33m
 Commenced Feb 12 87 (D) Completed Feb 17th 87 (N) Core Size N.G. True Bearing ~ 317° Corr. Dip -50°
 Dep. _____ Elev. 577m Hor. Comp. 29.78 Vert. Comp. 35.49
 Recovery _____ Collar Dip -50° Date 13th Feb 1987 Objective _____

Sur Plot B Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
	0-	4.27		0-4.27						
	4.27-		Partings of quartzite & sandstone	4.27-6.10	5					
			shaly sandstone with mica 25%	6.10-8.25	71					
			shaly sandstone & blocky from 4.27 to 12.57m	8.25-9.45	100					
			Blocky sandstone from 10.47m	9.45-10.67	100					
			9.45m - 10.67m Mica with sandstone	10.67-11.89	100					
			10.67 - 11.89m sandstone with mica & quartzite	11.89-13.11	100					
			25% quartzite block 13.12m	13.11-14.33	100					
				14.33-15.55	100					
			Blocky sandstone from 17.7m with mica	15.55-17.7	100					
				17.7-18.92	100					
				18.92-20.14	100					
				20.14-21.36	100					
				21.36-22.58	100					
				22.58-23.8	100					
				23.8-25.02	100					
				25.02-26.24	100					
				26.24-27.46	100					
				27.46-28.68	100					
				28.68-29.9	100					
				29.9-31.12	100					
				31.12-32.34	100					
				32.34-33.56	100					
				33.56-34.78	100					
				34.78-36.0	100					
				36.0-37.22	100					
				37.22-38.44	100					
				38.44-39.66	100					
				39.66-40.88	100					
				40.88-42.1	100					
				42.1-43.32	100					
				43.32-44.54	100					
				44.54-45.76	100					
				45.76-46.98	100					
				46.98-48.2	100					
				48.2-49.42	100					
				49.42-50.64	100					
				50.64-51.86	100					
				51.86-53.08	100					
				53.08-54.3	100					
				54.3-55.52	100					
				55.52-56.74	100					
				56.74-57.96	100					
				57.96-59.18	100					
				59.18-60.4	100					
				60.4-61.62	100					
				61.62-62.84	100					
				62.84-64.06	100					
				64.06-65.28	100					
				65.28-66.5	100					
				66.5-67.72	100					
				67.72-68.94	100					
				68.94-70.16	100					
				70.16-71.38	100					
				71.38-72.6	100					
				72.6-73.82	100					
				73.82-75.04	100					
				75.04-76.26	100					
				76.26-77.48	100					
				77.48-78.7	100					
				78.7-79.92	100					
				79.92-81.14	100					
				81.14-82.36	100					
				82.36-83.58	100					
				83.58-84.8	100					
				84.8-86.02	100					
				86.02-87.24	100					
				87.24-88.46	100					
				88.46-89.68	100					
				89.68-90.9	100					
				90.9-92.12	100					
				92.12-93.34	100					
				93.34-94.56	100					
				94.56-95.78	100					
				95.78-97.0	100					
				97.0-98.22	100					
				98.22-99.44	100					
				99.44-100.66	100					

Logged by B. C. ... Checked by _____ Hole No. 87-8
 All angles measured from core axis. Date 17th Feb 1987 Date _____ Page 1 of 2

DRILL HOLE RECORD

Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
				ground 3078	3078-3079	25'				
				blocky	3078-3170	83				
				ground 3251	3170-3251	50				
	33.06	33.82m	quartzite + granite. 5% calc. fine sand and carbon. limonite inclusions quartz	ground 3251	3231-3244	100	3230-3237	43532	82	.002 .02
				"	3244-3256	100				
			34.44m chert - white calc. fracture surfaces. ground 3546m	ground 3546m	3536-3547	75				
			35.36 - 37m WR potassic alteration - chert + calc. along fractures. ground	ground	3537-3544	100				
			26-17m - 36-32m 30° blocky → chert.	"	3749-3901	100				
				blocky	3901-3952	100				
			39.17m 15° - 2.5cm clay + quartz + chert.	"	3952-4023	100				
				"	4023-4084	75				
				ground 4145	4084-4145	50				
				blocky	4145-4206	75				
				ground 4206	4206-4298	100				
				blocky	4298-4420	100				
				good	4420-4542	100				
			4.12m 20° 3x3mm clay + calc. + quartz.	good	4542-4633	66				
			End hole 4633m							

DRILL HOLE RECORD

Property SNOWFLAKE Location OLIVER District OSOYOOS Hole No. 87-9 Length 61.87m
 Commenced Feb 12th / 87 (N) Completed Feb 14th / 87 (D) Core Size N.G. True Bearing - Corr. Dip 11
 Dep. - Elev. 577m. Hor. Comp. - Vert. Comp. -
 Recovery - Collar Dip -90° Date 14th Feb 1987 Objective -

Sur Plot & Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au - oz/ton	Ag - oz/ton
	0	4.27	Passing to 4.27m							
	3.92		- N. 1/2 with fresh granite blocks	ground to 4.180m blocky	3.96-4.00	66				
	7.02	74.39m	same granite base as lined	ground to 6.30m blocky	5.49-7.52	79				
			5.178m - 2mm white calcite	ground to 8.42m blocky	7.62-8.53	83				
			5.70m - 5.8m - 15° chlorite clay + calcite	ground to 8.13m 9.55m blocky	8.09-9.73	75				
				blocky	9.75-10.97	100				
			7.62m - 1.0m - 40° chlorite + calcite	"	10.97-12.80	100				
			10.64m 40° x 2mm clay, calcite limestone	good	12.80-14.02	100				
			11.62m - 12.50m - 5-10% mica - bit of chlorite	good	14.02-19.24	100				
			12.50m - 14.02m - " " " " " " " " " " " "	"	14.02-17.07	100				
			" " " " " " " " " " " "	"	17.07-18.29	100				
			" " " " " " " " " " " "	"	18.29-19.51	100				
			" " " " " " " " " " " "	"	19.51-20.73	100				
			" " " " " " " " " " " "	"	20.73-21.95	100				
			14.34m - 14.34m granite base represented chlorite mica	"	21.95-23.17	100				
			" " " " " " " " " " " "	"	23.17-24.39	100				
			14.70m - 14.70m same mica chlorite calcite with calcite clay	blocky	24.39-25.61	100				
			" " " " " " " " " " " "	"	25.61-26.83	100				
			14.70m - 14.70m same mica chlorite calcite with calcite clay	"	26.83-28.05	100				
			14.70m Mafic with interstratified illite contact	"	28.05-29.27	100				

Logged by 10/2/87 Checked by 10/2/87 Hole No. 87-9
 Date 14 Feb 1987 Date 14 Feb 1987 Page 1 of 3

All angles measured from core axis.

2/10/87

DRILL HOLE RECORD

87-9

Plot # Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS		
	from	to		run	%				Au-oz/ton	Ag-oz/ton	
27.38-			14.50m - Dyke contact ground fine ass dark	blocky	265-275	100					
			green black bituminous & polished for 42ms	good	279-301	100					
			no contact with bituminous	good blocky	318-320	100					
			Dip to 15° S. bituminous green ass. from contact medium	blocky	31-323	100					
			run up 15° in some 7 meters. Very abundant	"	322-327	100					
			change to red-ink color along fracture. Vanadium	" good	327-328	100					
27.60-28.04m			alt. granite	blocky	356-370	100					
28.04-28.44m			Impure granite	"	379-384	100					
28.44-28.73m			30° contact with intrusive highly altered - chlorite - calcite	good	374-391	100					
28.73-29.20m			contact with 70° - graphite - clay - mica	"	391-402	90					
			olive brown impure clay calcite fractured with	blocky to good	402-422	100					
			random mineralized clays	"	422-435	100					
29.20-			Impure granite contact with intrusive to no more -	blocky crumbly	435-445	95					
			20-60% bituminous - bituminous clay and salt	ground 245-22	445-455	83					
			and graphite. Swirls distributed near contact with	blocky	455-472	100					
			run up to 33° - 1.2 km. Fine dark granite	"	472-473	100					
29.20-30.32			17m impure granite	good	473-478	100					
			24.84m 50° slick sided - with fine mineral inclusions	good	478-485	100					
			42-50m 40° Shakenite, graphite & clay & siliceous mineral	good	485-491	100					
			41.14m 50° " graphite & clay in	"	509-523	100					
			40.75m - 41.50m Intrusive salt, friable, breaks apart with	blocky	523-532	100	5364	5353	.75	2.002	2.01
			protruding masses	"	532-534	100	5364	5354	.53	2.002	.02
40.75-41.14m			40-40m Intrusive & alteration in granite	"	534-548	100	5417	5355	1.61	.004	.04
41.14-43.04m			43.04-44.07m Matrix with salt 50% mica & chlorite	ground 245-19m	448-459	50					
43.04-43.44m			30-15° matrix - salt - mica - chlorite & black clays	"	459-461	100	5578	5363	.95	.006	.08

DRILL HOLE RECORD

57-9

Dr Plot 8 Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS		
	from	to		run	%				Au-oz/ton	Ag-oz/ton	
		47.70m	fault zone 30° graphite clng	blocky	568-5730	100	5673-5766	5527	.93	.004	.09
		47.70m - 51.10m	fault zone fractured altered	blocky cement	5730-5791	100	5263-5952	5358	1.86	2.002	.01
		51.10m - 51.81m	fine grained	fine grained	5791-5842	50					
		58.20-59.20m	matrix alteration massive cubic quartz	quartz	5952-5958	100					
		51.10m - 54.10m	blocky matrix	blocky	5958-6035	100					
		54.10m - 55.72m	matrix alteration cubic quartz	"	6035-6096	100					
		55.72m	with quartz	"	6096-6107	83					
		54.41m - 55.72m	less quartz matrix with matrix white green quartz + graphite with fine grained matrix								
		55.72 - 57.91m	Very quartz milky white matrix massive unaltered with light green white quartz clng. Very fine grained matrix quartz + some coarse matrix with some associated with quartz								
		57.91m	graphite matrix 3 blobs associated with white quartz								
		57.91m	" " 1 white								
		57.91 - 58.20m	quartz matrix massive alteration cubic quartz clng								
		58.20 - 61.87m	quartz matrix massive alteration cubic quartz								

DRILL HOLE RECORD

Property SNOW FLAKE Location OLIVER District 050y005 Hole No. SF 87-10 Length 3566m
 Commenced Feb 14th/87 (D) Completed Feb 15th/87 (D) Core Size N9 True Bearing - 305° Corr. Dip _____
 Dep. _____ Elev. 577m Hor. Comp. 6.80 Vert. Comp. 35.00
 Recovery _____ Collar Dip -79° Date 15th February 1987 Objective _____

Sur Plot & Dips	DEPTH		DESCRIPTION	RECOVERY		Sample Interval	Sample No.	Length	ANALYSIS	
	from	to		run	%				Au-oz/ton	Ag-oz/ton
	2.44m		white altered granite. Lenses of quartz along fracture surfaces	ground to 2.50m blocky 3.04m ground to 4.50m 3.66m	2.44-3.66	028				
				blocky	4.57-5.18	100				
	5.12	5.75m	23° blocky	"	5.18-5.79	75				
	5.75m	7.67m	51° blocky → white	"	5.79-6.71	66				
				good	6.72-7.92	100				
				"	7.92-8.53	100				
	8.53m	9.2m	sericite along limestone	good & blocky	8.53-9.75	100				
	9.2m	10.2m	sericite along limestone contacts	blocky	9.75-11.17	100				
	10.66m	11.2m	extensive fault zone fault zone with k. lens + sericite + minor calcite. blocky altered. 5.1% calcite	blocky fault zone missing? 14.67m	11.17-11.53	97				
				blocky	11.53-15.6	87				
	12.80m	13.2m	granite - dark grey with common kage	blocky	12.80-13.2	100	1290-1802	53539	1.12	.030 .44
			with nodules of calcite in fracture zone	"	13.2-13.70	100	1302-13.70	53540	.88	.002 .03
			sections of calcite with sericite along fracture surfaces	good	13.71-14.2	100				
	14.2m	15.1m	50°-10m / white with small + quartz lenses	good & blocky	14.2-15.1	100				
			medium dark reddish limestone. Cl. very fine grained	good	15.1-17.25	100				
			highly altered limestone	"	17.25-21.6	100				
	17.67	24.61	alt. in limestone. alt. 1 fault zone	"	21.6-24.61	100				
			thin kage + calcite + sericite + to galena contact	"	24.61-25.91	100				

Logged by S. C. [unclear] Checked by _____ Hole No. 87-10
 Date 15th February 1987 Date _____ Page 1 of 2

All angles measured from core axis.