

87-460-15952
4/88

CHARLEMAGNE RESOURCES LTD.

DIAMOND DRILLING REPORT

PHILLIPS ARM PROPERTY

Vancouver Mining Division

NTS 92K 6, 11

50°30'N, 125°24'W

FILMED

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

by

15,952

Max Holtby, B.Sc., F.G.A.C.
Jenna Hardy, M.Sc., F.G.A.C.

NIMBUS MANAGEMENT LTD.

July 1987

**SUB-RECORDER
RECEIVED**
AUG 12 1987
M.R. # \$.....
VANCOUVER, B.C.

CLAIMS WORKED

Name	Type	Record	Anniversary
Cog	M.Grid	1546	August

Owner: Charlemagne Resources Ltd.
Operator: Nimbus Management Ltd. on behalf of
Charlemagne Resources Ltd.

(i)

DISCUSSION AND SUMMARY

The Phillips Arm property is part of a series of gold occurrences and deposits that form a 7 km northwest-trending belt, termed the Phillips Arm Gold Belt. Originally this belt consisted of properties between Phillips Arm and Loughborough Inlet but actually extends southeastward to Sonora and Channel Islands for a total length of some 1.5 km. The most important properties in this belt are the two previous producers: the **Doratha Morton Mine** and the **Alexandria Mine**. The Doratha Morton is currently held by **New Signet Resources Ltd.** and lies east of the area of drilling known as the **Champion-Commonwealth**. Past production for the Doratha Morton Mine was 10,385 tons grading 0.46 oz. Au/ton and 1.4 oz. Ag/ton with current reserves reportedly 10,000 tons grading 0.42 oz. Au/ton.

The present report describes drilling in two holes on a VLF-EM anomaly in the Commonwealth-Champion. Hole **CHG.86.1** (100.60 m, $0^{\circ}/-50^{\circ}$) penetrated quartz veined granodiorite with five auriferous zones and a best intersection of 0.235 oz/t Au over 0.07 m. Hole **CHG.86.2** (52.12 m, $0^{\circ}/-70^{\circ}$) traversed a basalt dyke for most of its length.

The results of the two initial diamond drillholes clearly warranted additional follow-up drilling. This was completed, but is not described in this assessment report.

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		"
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1. INTRODUCTION

This report describes a 2-hole drilling program part of an exploration program carried out from October 12, 1986 to February 13, 1987 by Nimbus Management Ltd. on behalf of Charlemagne Resources Ltd., 615 - 800 West Pender Street, Vancouver, B.C., V6C 2V6, on the Phillips Arm property. Hole **CHG.86.1** was completed from November 27 to December 6, 1986. Hole **CHG.86.2** was completed over the period December 6 to 7, 1986. A total of 152.72 m of BQ Core was drilled.

1.1 LOCATION, ACCESS, PHYSIOGRAPHY AND CLIMATE

The Phillips Arm property is located 55 kilometres north of Campbell River in the Pembroke range of the Coast Mountains, southwestern British Columbia, as shown in **Figure 1**. The claims lie within NTS 92 K6 and K11 (see **Figure 2**) and are centred at latitude-longitude $50^{\circ}30'N - 125^{\circ}24'W$.

The property can be reached from Campbell River by way of boat, float plane or helicopter service. Landing craft style barges and tugs operate between Campbell River and nearby logging camps on regular scheduled or chartered basis. The nearest settlements are Shoal Bay, 5 km to the southeast on East Thurlow Island, and Fanny Bay, approximately 5 km to the northwest. Blind Channel, located 12 km southwest, is the nearest post office.

The northern portion of the property can be reached from the G.W. Cox and Sons logging camp in Fanny Bay. A well maintained logging road provides good access to the northwest end of the property.

The southern access route extends from Picton Point at the mouth of Phillips Arm to as far north as the Doratha-Morton with various subsidiary roads.

While road conditions are generally poor, they are accessible with 4-wheel drive vehicles or motorcycles. This road does not connect with the northern access route.

For the 1986 program, equipment was barged from Campbell River to Fanny Bay and then via logging roads or by helicopter to the campsite on the Cog claim in the Champion-Commonwealth area of interest. A helicopter was used for all moves of the diamond drill equipment.

The property covers approximately 4750 Ha of rugged terrain rising precipitously from sea level to 1125 m. Away from the shoreline slopes are less demanding but they are thickly overgrown with immature second growth. Slide alder and devil's club infest most creek channels. Outcrops are abundant within the steeper stream cuts but gradually lessen with a decreased gradient.

A variably thick layer of glacial till covers some portions of the property and, being an effective barrier to movement of groundwater between bedrock and upper soil horizons, causes variable geochemical responses in soils.

The climate is generally wet B.C. coastal, with snow persisting at upper levels until mid-June and beginning as early as late October.

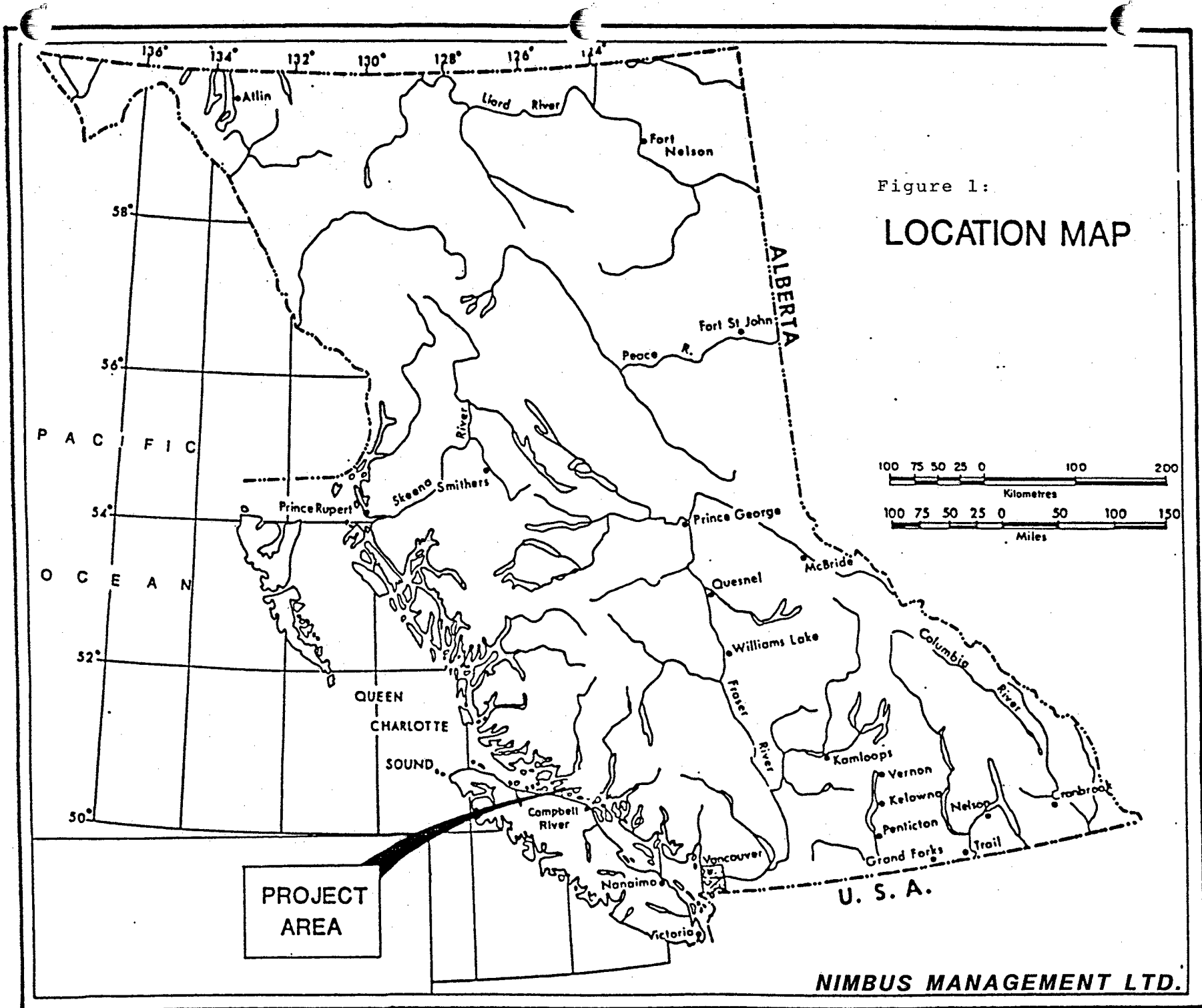
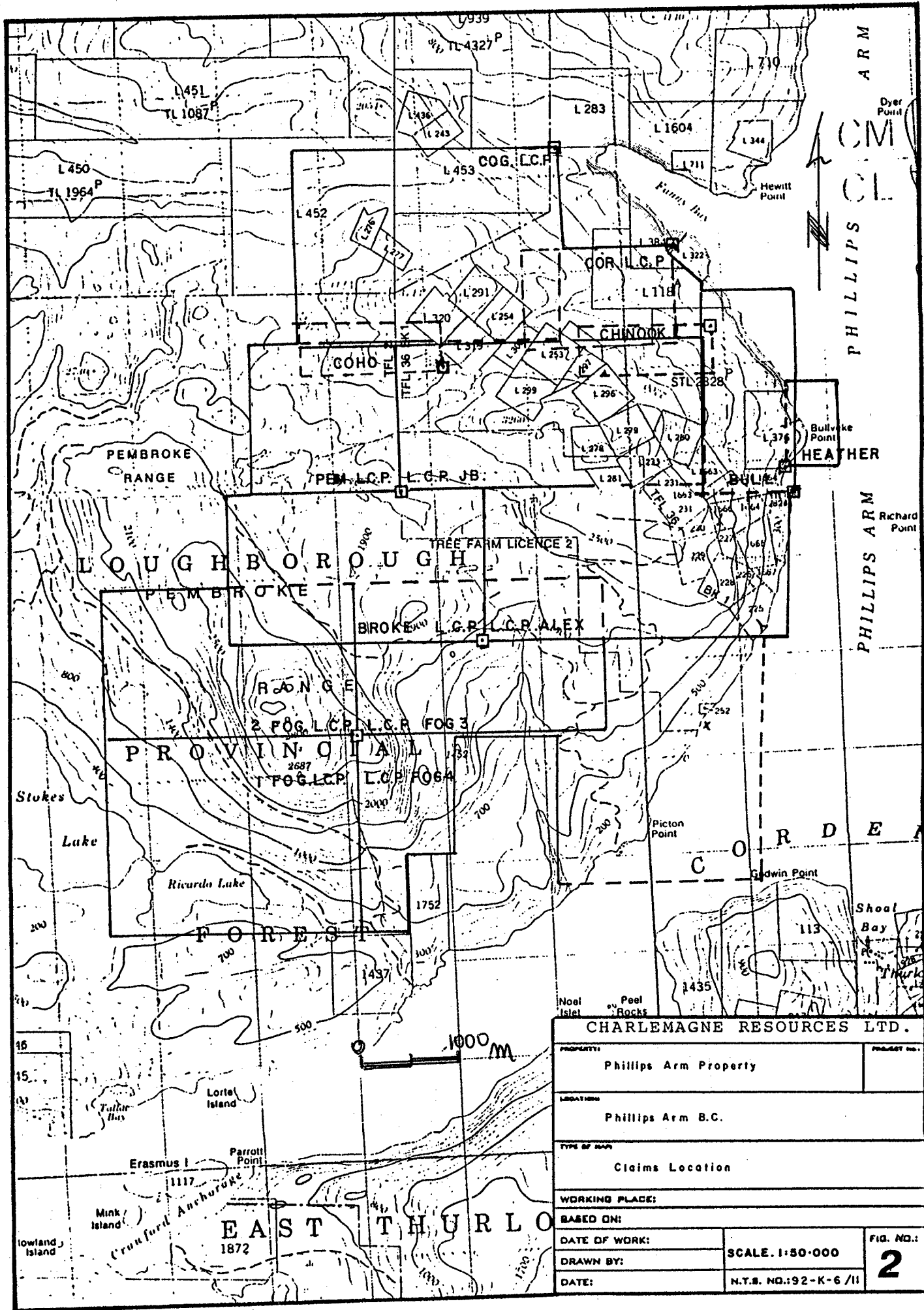


Figure 1:
LOCATION MAP



CHARLEMAGNE RESOURCES LTD.	
PROPERTY:	Phillips Arm Property
LOCATION:	Phillips Arm B.C.
TYPE OF MAP:	Claims Location
WORKING PLACE:	
BASED ON:	
DATE OF WORK:	
DRAWN BY:	
DATE:	
SCALE: 1:50 000	FIG. NO.: 2
N.T.S. NO.: 92-K-6/II	

1.2 CLAIM OWNERSHIP AND STATUS

The property comprises 16 reverted crown grants, 1 crown grant and 180 units in 15 mineral claims.

Claim locations are shown in **Figures 2 and 86.1**, with ownership and expiry shown in **Tables 1, 2, and 3**. Expiry dates do not include assessment credits resulting from this program.

Table 1 - REVERTED CROWN GRANTS

Claim	Lot No.	Record No.	Area (Ha)	Date of Record/ Expiry	Ownership by Charlemagne
Alexandria	225	40	17.9	Nov. 6/87	100%
Enid	280	47	18.7	"	"
Comox	296	49	20.7	"	"
Empress	279	50	18.2	"	"
Julie	233	51	15.7	"	"
Duchess	231	52	20.9	"	"
Jubilee Fr.	230	53	6.6	"	"
Duke	229	54	18.4	"	"
Highland Laddie	228	55	18.6	"	"
Emperor	227	335	18.7	Nov. 7/87	"
Stella	281	336	10.4	"	"
Jennie B.	278	337	17.2	"	"
Mary Rose	1667	338	20.6	"	"
Gold Dust Fr	1663	339	17.3	"	"
Premier Fr.	1667	340	4.6	"	"
Waterloo Fr.	226		2.3	"	"
Premier	1665	341	16.1	"	"

Table 2 - MODIFIED GRID CLAIMS

Claim	Record No.	Units	Date of Record/Expiry	Ownership by Charlemagne
Pict	1492	20	June 15/90	100%
Pem	1495	9	"	"
Bull	1496	8	"	"
Broke	1497	15	"	"
Cor	1505	6	June 24/90	"
JB	1507	18	"	"
Alex	1508	18	"	"
Cog	1546	20	Aug. 31/90	"
Fog 1	1771	20	Mar. 8/90	"
Fog 2	1772	15	"	"
Fog 3	1773	15	"	"
Fog 4	1774	8	"	"
Chinook	1826	3	July 17/90	"
Coho	1827	3	"	"
Heather	1828	2	"	"

Table 3 - CROWN GRANTS

Claim	Record No.	Ownership by Charlemagne
Champion	L276	*

* After transfer from Falconbridge Ltd., 100% by Charlemagne.

1.3 HISTORY OF THE PROPERTY

Gold mineralization was first discovered on the property in 1893 with intermittent exploration since that time. The main workings on the claim block are on the Alexandria claim. Between 1896 and 1910 five adits were driven on the gold-bearing veins exposed on the shoreline of Phillips Arm. In 1932, Premier Gold Mining Co. optioned the Alexandria and extended the workings, driving the 100 and 200 levels beneath the No. 1 adit. Alex Mining optioned the property in 1939 and shipped 1867 tons grading 0.383 oz. Au/ton and 0.701 oz. Ag/ton.

In the mid-1920's, the adit on the Enid claim and the shaft on the Julie claim were driven. No production is recorded.

The two adits on the Champion-Commonwealth claims were driven in 1899 with no recorded production.

In the late 1970's and early 1980's, Corpac Minerals conducted geochemical sampling programs on the present claim blocks. Other companies were active in the area in the late 1970's and early 1980's, but carried out only limited work on the property.

In 1983, Charlemagne Resources Ltd. optioned the 16 reverted crown grants from M.P. Warshowski and J.W. McLeod. Five additional claims were staked that year to increase the property to 114 units. Charlemagne's 1983 program of underground mapping, sampling and diamond drilling sought extensions to the known mineralization in the Alexandria workings. Northward extensions were considered limited but, most significantly, extensions were found between the No. 1 and 100 level. Reserves on the Alexandria are estimated at 27,300 tons grading 0.291 oz. Au/ton.

In 1985, Falconbridge Ltd. optioned the claims from Charlemagne Resources. Additional claims were staked to bring the property to its present size. Falconbridge personnel mapped the property at a scale of 1:10,000 with sections at 1:2500, carried out rock sampling, soil sampling and ground VLF-EM over selected areas, diamond drilled in the Alexandria workings and completed an airborne VLF-EM survey over the whole claim block. Despite encouraging results, the property reverted to Charlemagne Resources Ltd. in 1986.

1.4 1986 WORK PROGRAMME

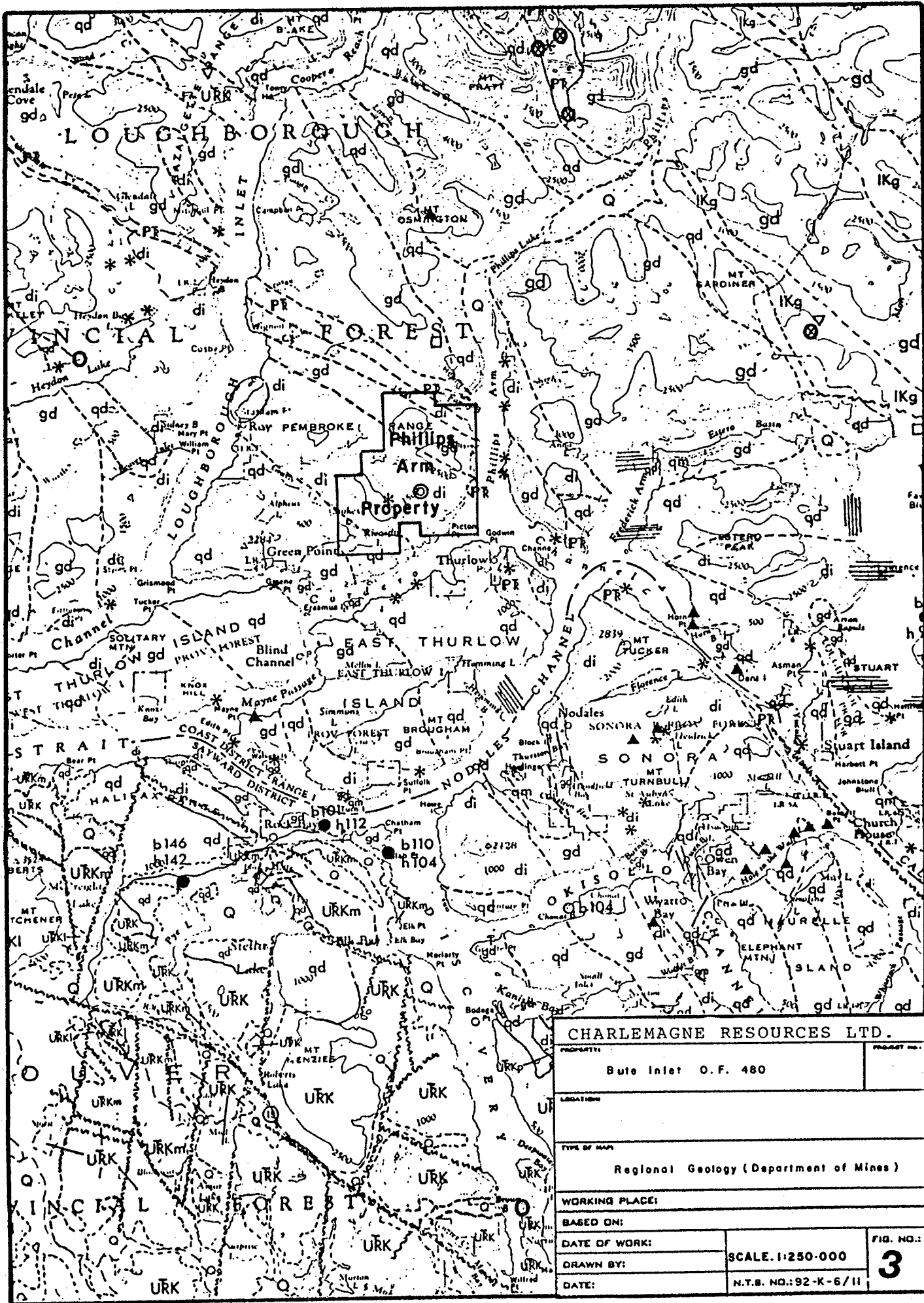
Work in 1986 concentrated in three main areas: The **Fog North and South**, the **Commonwealth-Champion** and the **Enid** area as shown in **Figure 86.1**. A total of 1063.46 m was completed in 13 holes over the interval November 26, 1986 to February 5, 1987. However, this assessment report is limited to holes CHG.86.1 and CHG.86.2 completed between November 27 to December 7, 1986 for a total footage of 152.72 m of BQ core. Drilling was carried out by Jempland Construction Ltd. of Prince George. A JKS 300 was operated by three persons on a one long shift-per-day basis. Drill moves were completed using a 206B helicopter based in Campbell River. All core is stored on site at locations shown on the individual drill logs.

2. REGIONAL GEOLOGY

The regional geology of the property, as described in Geological Survey of Canada OF 480 (Roddick, 1977), is shown in **Figure 3**. Most of the area is underlain by plutonic rocks, ranging from gabbro to quartz monzonite. Regionally, the area is dominated by granodiorite in a broad northwesterly elongate belt of 50 km width, flanked by belts of mainly quartz diorite with lesser granodiorite and diorite. The Phillips Arm property lies in such a flanking belt on the south side of the central granodiorite belt.

Steeply dipping metasedimentary and metavolcanic rocks of Paleozoic and/or Triassic age or Lower Cretaceous age form long narrow belts or pendants that accentuate this northwesterly striking pattern. Bounding shear zones are visible in some areas, but synplutonic recrystallization has commonly reduced them to foliations or obliterated them entirely. In other areas, pendant boundaries are gradational over 1 km to 2 km.

The pendant shown extending northward from Fanny Bay (on the north side of the claim block) consists chiefly of Paleozoic and/or Triassic quartz-biotite schist with some marble and skarn. Quartzite, chlorite and biotite schists with interbedded massive greenstones are locally abundant. Similar rocks are found on the property south of Fanny Bay.



CHARLEMAGNE RESOURCES LTD.

PROPERTY:		PROJECT NO.:	
Bute Inlet O.F. 480			
LOCATION:			
TYPE OF MAP:			
Regional Geology (Department of Mines)			
WORKING PLACE:			
BASED ON:			
DATE OF WORK:		SCALE: 1:250 000	
DRAWN BY:		N.T.S. NO.: 92-K-6/11	
DATE:		FIG. NO.:	
		3	

LEGEND FOR FIG. NO.: 3

STRATIFIED ROCKS

QUATERNARY

Q Alluvial and glacial deposits

CRETACEOUS

LOWER CRETACEOUS
GARRIES GROUP
 Greenstone, volcanic breccia, argillite, minor conglomerate, limestone, and schist

IKg

JURASSIC

LOWER JURASSIC
BOHARZA GROUP
 Andesitic flows and pyroclastics

IJb

IJh

HARBLEDONS FORMATION
 Feldspathic tuffs, siliceous argillite, phyllite, quartzite and minor limestone

TRIASSIC

UPPER TRIASSIC
PARSON BAY FORMATION
 Dark grey shale, calcarenite, tuffs

IRp

IRq

QUATSINO LIMESTONE
 Mainly thick-bedded, light grey bioclastic limestone

IRKp

Pillow lava within Quatsino Limestone

URK

UPPER KARNUTSEN
 Basalt flows; minor limestone, shale, pillow lava, and pillow breccia

URKk

MIDDLE KARNUTSEN
 Pillow breccia and aquagene tuff

URKm

LOWER KARNUTSEN
 Closely packed pillow lava

URKl

PALEOZOIC AND/OR TRIASSIC

Pr Amphibolite, schist, quartzite; minor crystalline limestone, greenstone

PALEOZOIC OR OLDER

gn Granitoid gneiss, amphibolite, and schist

METABOLIC ROCKS

f Felsite

Geological boundary (defined, approximate or assumed)

Attitude of bedding or flows (inclined, vertical)

Attitude of foliation, gneissosity (inclined, vertical)

Axis of multiple minor folds (showing plunge direction; axial plane vertical)

Fault (defined, approximate, assumed)

Anticline (axial trace defined, approximate)

Syncline (axial trace defined, approximate)

Dike swarms (lines parallel trend)

Potassium-argon age determinations: single \circ ; multiple \bullet

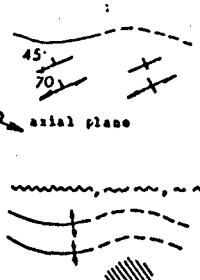
biotite = b; hornblende = h; USC determination = \blacksquare

Observed minerals: chalcopyrite = \square ; garnet = \otimes ; magnetite = \oplus

malachite = \odot ; molybdenite = \ominus ; pyrite = $*$

pyrrhotite = ∇ ; sillimanite = \odot ; sphene = \blacktriangle

Fossil locality \textcircled{f}



PLUTONIC ROCKS

qm Quartz monzonite

gd Granodiorite

qd Quartz diorite

di Diorite

gb Gabbro

Geology by J. L. Roddick, W. W. Hutchison and G. J. Woodsworth, 1970-76.
 Vancouver Island and part of Quadra Island by D. Carlisle, 1960-71.
 St. Saleigh area by G. J. Woodsworth, 1971-73.

3. PROPERTY GEOLOGY

The property geology is described in Hicks (1986). During 1985, much of the property was mapped at 1:10,000 scale with the Champion-Commonwealth area being mapped at 1:2500 scale and the Alexandria adit at 1:250 scale. Heavy snowfall during the 1986 program limited surface work; descriptions in the property geology section are **therefore** taken from Hicks (1986).

3.1 LITHOLOGIES

The property geology is dominated by a variety of granite to granodiorite intrusives of Late Jurassic to Cretaceous age. Medium-grained biotite hornblende granodiorite makes up about 70% of the exposures. Gradational contacts are common between different intrusive units. In areas of strong and extreme shearing original compositions are difficult to determine.

Medium to dark green fine-grained andesite-dacite tuffs and possible flows approximate 20% of mapped lithologies. Exposures of this unit are found most abundantly near to, and northwest of the Alexandria workings. Narrow ribbons or slivers of andesite-dacite parallel the regional northwest trend.

Dark to grey to black biotite-hornblende schist/gneiss and amphibolite generally occur close to intrusive-volcanic contacts. This proximity suggests that these units could be contact metamorphic equivalents of the andesite-dacite volcanics. Foliation within the schist parallels the general northwest trend of the intrusive contact as well as the foliation within the intrusive.

Argillaceous sediments are found in a narrow band extending northwest from Bullveke Creek to the Doratha-Morton workings.

Disseminated pyrite up to 2% gives a rusty weathered appearance. Minor bull quartz veins (less than 5 cm) are possibly quartz segregations.

Three types of dykes are known on the property. Two different compositions of intermediate dykes are cut by later mafic dykes. Intermediate composition dykes tend to generally parallel larger quartz veins while mafic dykes crosscut them at an oblique angle. Mafic dykes have not undergone shearing and silicification as have other dykes indicating that they are of a later age.

3.2 STRUCTURE

The property can be divided into two obvious zones of differing structural "grain". North of Bullveke Creek a strong northeast-southwest trend is evident in topographic lineaments, while south of Bullveke Creek the structural trends are subtle and not as easy to classify.

In the **Champion-Commonwealth** area, a zone with a strong degree of shearing is evident in rocks approximately 75 m either side of the main creek drainage. Quartz veins run parallel to foliation in this zone.

The Alexandria Mine is characterized by a northwest trending sheared zone at least 30 m wide with narrow discrete zones of silicification and quartz veins within the boundaries. The heavily silicified wall rocks of the No. 1 adit are characterized by a strong platy fabric in the quartz which resembles fabrics observed in the Commonwealth-Champion grid area and is thought to be related to shearing.

3.3 ALTERATION

The most intense alteration observed on the property is in sheared zones that host the auriferous quartz veins.

The zones are characterized by a strong silicification and bleaching and retain little of their original fabric. Sericitization is also common within sheared zones.

Weak potassic alteration is related to fracturing and carbonate fracture filling, but the relationship of this to the auriferous event is unknown.

4. 1986 DIAMOND DRILLING

The Champion-Commonwealth area is centred on two crown grants, lots 276 and 277, respectively. It extends from the northwestern end of the Doratha Morton property of New Signet Resources Inc. westward across the Cog claim on to the Koop claim of Bow Valley Resources Ltd.

Drillholes CHG.86.1 and 2 were collared from a single site to test anomalous VLF-EM and soil geochemistry, as well as surface gold showings of 0.2 oz. gold per ton to 0.84 oz. gold per ton found in 1985.

Hole CHG.86.1 (Figure CC86.4) was sited to test downdip extensions of the high gold values in samples collected from a roadcut at grid co-ordinates 9+65E-9+65N. The hole intersected five auriferous zones. The uppermost or first zone of 0.046 oz. Au/ton over 1.28 m (15.7 to 16.98 m) is associated with quartz veining in foliated granodiorite. The shear zone with which VLF anomaly A is considered associated was intersected at 29.15 m and the next auriferous quartz vein system (185 ppb Au over 1.6 m) extended from 29.15 to 30.75 m. This zone most likely correlates with the roadcut samples, giving an approximate 45° S dip to the auriferous zone and possibly to the shear zone. The third zone is (43.5 to 50.2 m) is similar to the second zone, but it has a high assay of 0.106 oz. Au/ton over 0.88 m, associated with an apparent fault. The final two zones are associated with silicification rather than quartz veining; the interval 58.2 to 60.53 m (2.33 m) averaged 260 ppb Au and 74.68 to 78.61 m (3.93 m) averaged 365 ppb.

Hole 86.2 (Figure CC86.4) was drilled as a further downdip test to the surface mineralization and to test beneath the first zone found in Hole 86.1. Unfortunately, Hole 86.2 traversed a basalt dyke for almost its total length.

In the Champion-Commonwealth workings, the quartz veining and mineralization are hosted solely by granodiorite and do not extend into the diorite or calc-silicate exposed north and south of the vein system. In holes CHG.86.1 and 2, the mineralization is hosted both by granodiorite and diorite.

The auriferous shear zone cut by these drill holes is considered to be the western extension of the zone exposed in the Champion-Commonwealth workings.

5. CONCLUSIONS AND RECOMMENDATIONS

A strong VLF-EM conductor with coincident anomalous gold values in soils was tested by holes CHG.86.1 and 86.2.

This conductor passes through the old Champion-Commonwealth workings. It would appear to be on strike from the nearby Doratha Morton Mine, where past production of 10,385 tons grading 0.46 oz. Au/ton and 1.4 oz. Ag/ton is recorded, and current reserves of 10,000 tons grading 0.42 oz. Au/ton are reported.

Diamond drilling on the VLF-EM conductor at a site 550 m west of the Champion-Commonwealth adits has demonstrated that the auriferous shear zone extends at least that distance.

Most of the length of the coincident conductor and geochemical anomaly remains untested. An additional diamond drilling with holes to initially test higher geochemical values, and beneath exposures in the Champion-Commonwealth workings is strongly recommended.

Respectfully submitted.

Max Holtby, B.Sc., F.G.A.C.

Jenna Hardy, M.Sc., F.G.A.C.

6. BIBLIOGRAPHY

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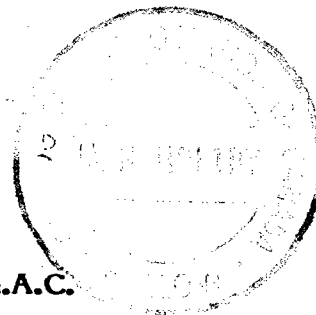
7. STATEMENT OF QUALIFICATIONS

I, Max H. Holtby, residing at 103 - 1026 Queens Avenue, New Westminster, B.C., hereby certify that:

1. I graduated from the University of British Columbia in 1972 with a B.Sc. in Honours Geology.
2. I am a Geological Association of Canada Fellow and Geological Society of Malaysia Member in good standing.
3. The field work described herein was done under my direct supervision.
4. I have worked full time since 1971 as an exploration geologist and in mine management in Canada, Malaysia, and Liberia, West Africa.

Respectfully submitted,

Max H. Holtby, B.Sc., F.G.A.C.



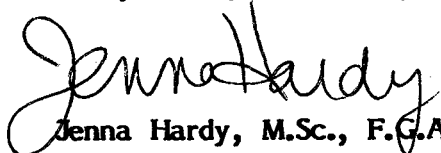
July 1, 1987

7. STATEMENT OF QUALIFICATIONS

I, Jenna Hardy, of 535 East Tenth Street, North Vancouver, B.C. V7L 2E7, state that:

1. I am a geologist with address above, who graduated from the University of Toronto with a B.Sc. (Specialist in Geology) in 1974 and an M.Sc. in 1980.
2. I have practised my profession continuously since 1974 and have worked in the Cordillera since 1976.
3. I have been employed as a full-time project geologist by various companies in Vancouver since 1978.
4. I am a Fellow of the Geological Association of Canada, with membership number F2640.
5. I was the project geologist for Falconbridge Ltd. during and before the period of its option of the Phillips Arm property from Charlemagne Resources Ltd., and personally supervised all work described by Hicks (1986).
6. I was the project co-ordinator for the 1986 program at Phillips Arm and supervised all work carried out to date.
7. I have no direct or indirect legal or financial interest in the Phillips Arm property of Charlemagne Resources Ltd. or any claims within a 10 km radius of the property.

Respectfully submitted,


Jenna Hardy, M.Sc., F.G.A.C.

July 1, 1987

1. PHILLIPS ARM PROJECT COST STATEMENT
(October 12, 1986 to March 6, 1987)

GENERAL

Food & Accommodation:			
	5 persons, 550 mandays @ \$29.63 (rounding)		\$ 16,296.75
Supplies:			20,541.70
Transport:			
	Barge	\$ 3,376.00	
	Fixed Wing - (various types/rates)	1,708.00	
	Helicopter - 108.86 hours @ \$400/hour	43,544.00	
	Truck - 4 months @ \$1048.58/month	4,194.32	
	Miscellaneous	<u>1,475.76</u>	54,298.08
Communications:			3,519.77
Personnel:			
	Project Co-ordinator - 65 days @ \$325	\$21,125.00	
	Project Geologist - 137 days @ \$230	31,510.00	
	Field Geologists - 90 days @ \$160	14,400.00	
	Field Assistants - 244 days @ \$110	<u>26,840.00</u>	93,875.00
Equipment Rental:			
	VLF-EM - 57 days @ \$21.88/day	\$ 1,247.26	
	Punjari - 1.5 months @ \$607.87/month	911.80	
	Chainsaws (2) - 3.5 months @ \$642/month	<u>2,247.00</u>	4,406.06
Report Writing:			1,703.78
Management Fee: Nimbus Management Ltd.			<u>41,005.36</u>
	Total		\$235,646.50 =====

DIAMOND DRILLING

Total invoiced costs including:
drill mobilization, drill supplies,
footage, cooking charges for 1063.46 m

\$126,817.61

=====

Of this total, 152.72 or 14.36% was drilled in holes CHG.86.1 and 2 on the Cog claims. (Commonwealth-Champion Area). Both general and drilling costs are apportioned accordingly.

AREAS OF INTEREST

Fog North and South

VLF Rental	- 25.27 x 12 days	\$ 303.24
Contract Soil Sampling	- 10,575 x 882/1592	5,858.76
Soil Analyses	- Au(faa), Cu, Ag @ \$10.25	9,040.50
Helicopter	- 10.47 hours @ \$400	4,188.00
Field Assistant	- 5 days @ \$110	550.00
	Total	\$ 19,940.50

=====

2. COMMONWEALTH-CHAMPION AREA (COG CLAIM)

General Costs:		
46% of \$235,646.50		\$108,397.39
Diamond Drilling:		
Direct Costs - 46% of \$126,817.61		58,336.10
Analyses - 550 @ \$14.76 (faa Au, Ag, Cu)		8,118.00
Geophysics:		
VLF-EM Rental - \$25.27 x 60 days		1,516.20
Field Assistant - 25 x \$110.00		2,750.00
Soil Sampling:		
Contract Soil Sampling - 10,575 x 710/1592		4,716.24
Soil Analyses (faa Au, Ag, Cu) - 710 @ \$10.25		<u>7,277.50</u>
	Total	\$191,111.43
		=====

3. HOLES CHG.86.1 and 2

General Costs:		
14.36% of \$235,646.50		\$ 33,838.84
Diamond Drilling:		
Direct Costs - 14.36% of \$126,817.61		18,211.01
Analyses - 102 @ \$14.76 (faa Au, Ag, Cu)		<u>1,505.52</u>
	Total	\$ 53,555.37
		=====

4. ENID AREA

General Costs:

54% of \$235,646.50

\$127,249.11

Diamond Drilling:

Direct Costs - 54% of \$126,817.61

68,481.51

Analyses - 203 @ \$14.76 (faa Au, Ag, Cu)

2,996.28

Rock Chip Sampling:

Analyses (faa Au, Ag, Cu) - 78 @ \$14.76

1,151.28

Field Geologist - 6 days @ \$160

960.00

Field Assistant - 16 days @ \$110

1,760.00

Total

\$202,598.18
=====

Geological and Geochemical

\$286,832.50

Diamond Drilling

126,817.61

Total

\$413,650.11
=====

Appendix 1

DIAMOND DRILL HOLE LOGS AND RESULTS

NIMBUS MANAGEMENT LTD.

DRILL HOLE LOG

HOLE NO. CHG 86-1

SHEET 1 OF 9

PROPERTY: PHILLIPS FIRM

LENGTH: 100.6 m

CORE SIZE: B Q

LOCATION: BRITISH COLUMBIA

	BEARING	INCLINATION
COLLAR	0°	- 50°

COMMENCED: Nov. 27, 1986

ELEVATION: 610 m

COORDINATES: CC GRID

950N - 955E

COMPLETED: Dec. 6, 1986

LOGGED BY: M. Holtby

SAMPLED BY: J. Bacon

CORE STORED AT: On the property at the drillsite

FROM m	TO m	DESCRIPTION	RECOVERY		SAMPLES			ASSAYS					
			RUN	%	NO.	FROM	TO	LENGTH	Au oz/ton	Au ppb	Ag ppm	Cu ppm	Zn ppm
0	3.66	No core - casing	0	TO		m	m	m					
3.66	9.75	Basalt dyke	3.66	0	10001	3.66	5.79	2.13		2	0.8	59	80
		very dark grey	5.79	46	02	5.79	7.75	1.96		4	0.6	30	83
		py - trace, disseminated	9.14	45	03	7.75	9.75	2.00		3	0.7	54	92
		3% subhedral plagioclase, up to 4 mm	9.75	43									
		5.29 - 5.32 m - (approx. depths due to poor core recovery)	11.89	30									
		- granodiorite, 3% disseminated magnetite	12.19	63									
		1% disseminated py, foliated 30° to C.A.	13.26	59									
		6.0 - 6.1 m - granodiorite, no magnetite or pyrite	13.72	98									
		(could be cave - has been ground)	14.78	88									
9.75	14.78	Granodiorite	15.70	71	10004	9.75	11.4	1.65		5	0.2	8	41
		- medium grey; very fresh appearance	16.15	100	05	11.4	13.26	1.86		5	0.2	29	46
		biotite 20%, weakly chloritized	17.07	72	06	13.26	14.78	1.52		3	0.2	40	49
		py - trace disseminated; magnetite - trace to 1/4% disseminated	18.90	77									
		occasional andesitic xenoliths	19.20	130									
		11.3 - 11.4 - moderately foliated 20° to 30° to C.A.	19.81	56									
		- very siliceous; py - trace disseminated	20.73	77									
			21.34	59									
14.78	16.98	Granodiorite	22.10	49	10007	14.78	15.7	.92		56	0.4	12	74

FROM	TO	DESCRIPTION	RECOVERY		SAMPLES			ASSAYS					
			RUN	%	NO.	FROM	TO	LENGTH	Au	Au	Ag	Cu	Zn
		- same unit as previous interval but	22.25	130	08	15.7	16.15	.45		1050	4.0	132	161
		strongly foliated 40° to 50° to C.A.	22.56	90	09	16.15	16.98	.83		1850	6.8	335	245
		- dark grey; moderately magnetic	22.85	72									
		- py - traces, disseminated	23.47	61									
		14.78 - 14.82 - siliceous envelopes about 3 mm	24.08	69									
		quartz vein; 75° to C.A.; 1% pyrite	25.91	78									
		disseminated	28.35	86									
		15.7 - 16.98 m - stronger foliation, contorted;	30.18	76									
		5% quartz veining; pyrite 1/2% disseminated;	31.70	64									
		foliation 55° - 60° to C.A.	33.22	72									
16.98	21.6	Granodiorite	34.14	88	10010	16.98	17.62	.64		126	0.4	57	53
		light grey to white	34.44	77	11	17.62	19.20	.58		17	0.1	10	44
		pyrite - trace to 0.1% disseminated	35.05	75	12	19.20	20.73	1.53		7	0.1	2	35
		very siliceous	35.66	100	13	20.73	21.60	.87		6	0.4	23	47
		after 17.62 m - medium grey	38.10	86									
		- very fine grained to aphanitic matrix	38.71	57									
		0.1% blue to purple quartz eyes, up	39.32	100									
		to 2 mm	42.37	76									
		- weakly magnetic, trace magnetite	43.59	88									
		biotite 1%-2%; 1/2% light green	45.42	100									
		sericite (fine grained)	46.02	77									
		21.6 m contact - 70° to C.A., sharp but irregular	46.48	37									
21.6	22.1	Basalt dyke	47.24	70	10014	21.60	22.10	.50		10	1.2	56	140
		- black, very fine grained; moderately magnetic	48.46	74									
22.1	22.17	Pebbles - probably cave of granodiorite	50.29	86	10015	22.10	22.17	.07	235	4700	18.5	235	163

FROM	TO	DESCRIPTION	RECOVERY		SAMPLES			ASSAYS					
			RUN	%	NO.	FROM	TO	LENGTH	Au	Au	Ag	Cu	Zn
		from 16.15 - 16.98 m	51.51	68									
22.17	22.93	Granodiorite - same as 17.62 - 21.6 m	52.73	54	10016	22.17	22.93	.76		17	.6	98	52
		2% chloritized biotite; trace disseminated pyrite;	54.56	88									
		very weakly magnetic	55.47	37									
22.93	23.34	Basalt dyke - same as 21.6 - 22.1 m	56.69	88	10017	22.93	23.34	.41		9	1.2	52	94
		22.93 m contact - 35° to C.A.	57.91	102									
		23.34 m contact - 85° to C.A.	59.44	75									
23.34	27.0	Granodiorite - same as 22.17 - 22.93 m	60.66	80	10018	23.34	25.00	1.66		7	.4	32	54
			62.18	92	19	25.00	27.00	2.00		10	.5	37	59
27.0	27.35	Basalt dyke - same as 21.6 - 22.1 m	63.09	68	10020	27.00	27.35	.35		2	1.3	38	103
27.35	29.15	Granodiorite - same as 22.17 - 22.93 m	63.70	85	10021	27.35	28.35	1.00		5	.3	27	51
		after 27.55 m - 0.1% epidote fracture fillings	66.75	96	22	28.35	29.15	.80		3	.4	18	53
29.15	31.8	The Shear Zone - Granodiorite	68.28	92	10023	29.15	30.18	1.03		140	.5	24	30
		light yellow stain (limonite)	69.80	89	24	30.18	30.5	.32		340	.7	40	35
		- silicified - bands of clear and milky quartz,	70.56	63	25	30.50	30.75	.25		170	1.4	136	142
		contorted at start of section, usually	72.85	99	26	30.75	31.80	1.05		24	.5	39	43
		about 40° to C.A.	74.68	96									
		- 5% clear quartz veins, majority with foliation	75.90	93									
		but also cutting foliation	76.96	100									
		py - about 0.1% disseminated	78.03	100									
		30.5 - 30.75 m - py 1% in black, fine grained	80.47	103									
		material mixed with quartz, strongly	81.49	88									
		foliated	82.60	100									
31.8	34.09	Basalt dyke - same as 21.6 - 22.1 m	83.52	105	10027	31.80	32.90	1.10		14	1.3	48	76
			83.82	50	28	32.90	34.09	1.19		19	1.2	57	67

FROM	TO	DESCRIPTION	RECOVERY		SAMPLES			ASSAYS					
			RUN	%	NO.	FROM	TO	LENGTH	Au	Au	Ag	Cu	Zn
34.09	37.5	Granodiorite (Shear Zone) - same as 29.15 - 31.8 m	84.12	80	10029	34.09	35.05	.96		45	.3	24	21
		- almost all quartz veining parallel to foliation	86.87	93	30	35.05	36.00	.95		97	.3	27	21
		- py, trace fracture filling	87.17	87	31	36.00	37.00	1.00		115	.4	37	29
		foliation 70° to C.A.	90.22	96	32	37.00	37.50	.50		31	.6	89	35
		sericite - 1/2% to 1%, very light green to clear	91.14	84									
37.5	41.45	Basalt dyke - same as 21.6 - 22.1 m	93.88	97	10033	37.5	41.45	3.95		15	1.6	56	78
		37.5 m contact - 30° to C.A. - sharp	95.40	77									
		41.45 m contact - 80° to C.A. - sharp but irregular	96.32	80									
41.45	51.5	Granodiorite (Shear Zone) - same as 29.15 - 31.8 m	96.77	84	10034	41.45	42.37	.92		67	.9	83	79
		42.46 - 42.47 - quartz vein, milky colour, contacts,	97.08	97	35	42.37	43.31	.94		33	.3	20	36
		sharp and 60° to C.A.	97.23	93	36	43.50	44.50	1.00		230	.8	16	58
		43.31 - 43.5 m - basalt dyke	99.97	93	37	44.50	45.42	.92		154	.7	17	70
		46.59 - 47.0 m - 20% granodiorite, 80% highly chloritized	100.28	100	38	45.42	46.48	1.06		130	.6	25	71
		mafic material	100.60	120	39	46.48	47.24	.76		19	.5	22	93
		after 43.7 m - pinkish (potassic alteration) near	THE	END	40	47.24	48.12	.88	.106	3000	4.2	65	310
		fractures - spotty			41	48.12	49.12	1.00		43	.4	27	91
		47.24 - 48.12 m - probably fault, soft, very pale			42	49.12	50.20	1.08		150	.7	26	110
		green colour, sericitized			43	50.20	51.50	1.30		21	.3	16	57
		48.12 m - beginning of weaker foliation											
		quartz veins decrease to 2%-3%											
		48.75 - 48.83 - mylonite zone, 60° to C.A.											
		50.2 - 51.5 m - gradual decrease in foliation											
51.5	55.53	Granodiorite - similar to 17.62 - 21.6 m but			10044	51.50	52.73	1.23		10	.4	33	39
		less silicified			45	52.73	53.73	1.0		18	.5	71	94
		blue quartz eyes, pyrite trace to 0.1%			46	53.73	54.56	.83		12	.4	22	55

FROM	TO	DESCRIPTION	RECOVERY		SAMPLES				ASSAYS				
			RUN	%	NO.	FROM	TO	LENGTH	Au	Au	Ag	Cu	Zn
		15% to 20% of interval is broken up and soft with potassic alteration (pink colour)			47	54.56	55.53	.97		20	.6	35	60
55.53	56.3	Basalt dyke very dark grey, massive, soft, pyrite 0.2% as fracture fillings and disseminations 56.3 m contact - 40° to C.A.			10048	55.53	56.30	.77		21	1.3	88	230
56.3	62.97	Granodiorite medium grey; potassic alteration (pink colour) near fractures moderately foliation; siliceous alteration pyrite trace to 0.1%; sericite 1%-2% 58.2 - 60.53 m - whitish grey, highly foliated and pulverized 60.53 - 62.15 m - pale grey, soft, brecciated 62.15 - 62.97 m - foliation 50% to C.A., gradual change from brecciated to massive grandiorite			10049	56.30	57.20	.90		135	.7	39	108
					50	57.20	58.20	1.00		87	.8	66	1140
					51	58.20	59.44	1.24		244	.8	21	147
					52	59.44	60.53	1.09		279	1.9	60	205
					53	60.53	61.40	.87		13	.9	17	112
					54	61.40	62.15	.75		15	1.0	44	98
					55	62.15	62.97	.82		29	1.2	115	170
62.97	71.52	Granodiorite dark grey, massive feldspar - subhedral, l to 2.5 mm, 35+% pyrite - trace fracture filling and disseminated moderately magnetic - disseminated magnetite biotite - chloritized; starts at about 1% but increases to 5% down section 68.75 m - 6 mm quartz vein: 25° to C.A.:			10056	62.97	64.00	1.03		10	.8	83	102
					57	64.00	66.00	2.00		12	.6	80	81
					58	66.00	68.00	2.00		8	.7	64	83
					59	68.00	69.00	1.00		4	.9	47	
					60	69.00	69.90	.90		4	.8	60	
					61	69.90	70.40	.50		5	1.2	86	
					62	70.40	71.52	1.12		6	1.3	124	

NIMBUS MANAGEMENT LTD.

DRILL HOLE LOG

HOLE NO. CHG 86-2
SHEET 1 OF 2

PROPERTY: PHILLIPS ARM
LOCATION: BRITISH COLUMBIA
ELEVATION: 610 m
COORDINATES: CC GRID
950N - 955E
CORE STORED AT: On the property

LENGTH: 52.12 m
COLLAR BEARING INCLINATION
0° - 70°

CORE SIZE: B Q
COMMENCED: December 6, 1986
COMPLETED: December 7, 1986
LOGGED BY: M. Holtby
SAMPLED BY: J. Bacon

FROM m	TO m	DESCRIPTION	RECOVERY		SAMPLES			ASSAYS				
			RUN	%	NO.	FROM	TO	LENGTH	Au oz/ton	Au ppb	Ag ppm	Cu ppm
0	2.13	No core - casing	0	TO		m	m	m				
2.13	42.07	Basalt dyke	2.13	0	10091	2.13	10	7.87		1	1.1	31
		dark greenish grey; massive; weakly magnetic	3.05	63	10092	10.00	20	10.00		2	1.2	61
		py - trace disseminated	4.27	100	10093	20.00	30	10.00		3	.8	38
		41.07 - 42.07 m - brecciated, quartz filling between	5.79	95	10094	30.00	41.07	11.07		2	1.1	57
		a few breccia fragments (especially from	8.84	88	10095	41.07	42.07	1.00		1	1.6	43
		41.2 - 41.5 m)	10.36	71								
		42.07 m contact - 70° to C.A.	11.13	57								
42.07	42.21	Granodiorite	12.65	100	10096	42.07	42.21	1.14		1	.8	107
		purplish grey, aphanitic matrix - strongly silicified	13.41	70								
			14.94	97								
		py 0.1% disseminated greater than fracture fillings	16.46	100								
		epidote - 0.2% fracture filling	17.53	103								
		42.21 m contact - 40° to C.A., sharp but irregular	19.05	105								
42.21	43.00	Basalt dyke - same as 2.13 - 42.07 m	20.73	94								
43.00	43.15	Granodiorite - same as 42.07 - 42.21 m	22.25	103	10097	43.00	43.15	.15		1	.9	36
		biotite 2% - moderately chloritized	23.77	86								
43.15	43.39	Basalt dyke - same as 2.13 - 42.07 m	25.30	100								
43.39	43.59	Granodiorite - same as 42.07 - 42.21 m	26.97	99	10098	43.39	43.59	.20		2	.5	19

Appendix 2

ANALYTICAL RESULTS AND PROCEDURES

MIN-EN Laboratories Ltd.

Specialists in Mineral Environments

Corner 15th Street and Bewicke
705 WEST 15TH STREET
NORTH VANCOUVER, B.C.
CANADA V7M 1T2

FIRE GOLD GEOCHEMICAL ANALYSIS BY MIN-EN LABORATORIES LTD.

Geochemical samples for Fire Gold processed by Min-En Laboratories Ltd., at 705 W. 15th St., North Vancouver Laboratory employing the following procedures.

After drying the samples at 95^oC soil and stream sediment samples are screened by 80 mesh sieve to obtain the minus 80 mesh fraction for analysis. The rock samples are crushed and pulverized by ceramic plated pulverizer.

A suitable sample weight 15.00 or 30.00 grams are fire assay preconcentrated.

After pretreatments the samples are digested with Aqua Regia solution, and after digestion the samples are taken up with 25% HCl to suitable volume.

Further oxidation and treatment of at least 75% of the original sample solutions are made suitable for extraction of gold with Methyl Iso-Butyl Ketone.

With a set of suitable standard solution gold is analysed by Atomic Absorption instruments. The obtained detection limit is 1 ppb.

MIN-EN Laboratories Ltd.

Specialists in Mineral Environments

Corner 15th Street and Bewicke

705 WEST 15th STREET

NORTH VANCOUVER, B.C.

CANADA

ANALYTICAL PROCEDURE REPORTS FOR ASSESSMENT WORK

PROCEDURES FOR Mo, Cu, Cd, Pb, Mn, Ni, Ag, Zn, As, F

Samples are processed by Min-En Laboratories Ltd., at 705 W. 15th St., North Vancouver Laboratory employing the following procedures.

After drying the samples at 95°C soil and stream sediment samples are screened by 80 mesh sieve to obtain the minus 80 mesh fraction for analysis. The rock samples are crushed by a jaw crusher and pulverized by ceramic plated pulverizer.

1.0 gram of the samples are digested for 6 hours with HNO_3 and HClO_4 mixture.

After cooling samples are diluted to standard volume. The solutions are analyzed by Atomic Absorption Spectrophotometers.

Copper, Lead, Zinc, Silver, Cadmium, Cobalt, Nickel and Manganese are analysed using the CH_2H_2 -Air flame combination but the Molybdenum determination is carried out by C_2H_2 - N_2O gas mixture directly or indirectly (depending on the sensitivity and detection limit required) on these sample solutions.

For Arsenic analysis a suitable aliquote is taken from the above 1 gram sample solution and the test is carried out by Gutzeit method using $\text{AgCS}_2\text{N}(\text{C}_2\text{H}_5)_2$ as a reagent. The detection limit obtained is 1.2 ppm.

Fluorine analysis is carried out on a 200 milligram sample. After fusion and suitable dilutions the fluoride ion concentration in rocks or soil samples are measured quantitatively by using fluorine specific ion electrode. Detection limit of this test is 10 ppm F.

MIN-EN LABORATORIES LTD.

Specialists in Mineral Environments

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

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

TELEX:VIA USA 7601067 UC

Certificate of GEOCHEM

Company: NIMBUS MANAGEMENT
Project: CHG PHILLIPS ARM
Attention: JENNA HARDY

File: 6-1247
Date: DEC 6/86
Type: ROCK GEOCHEM

We hereby certify the following results for samples submitted.

Sample Number	CU PPM	PB PPM	ZN PPM	AG PPM	AU-FIRE PPB
10001	59	22	80	0.8	2
10002	30	17	83	0.6	4
10003	54	20	92	0.7	3
10004	8	10	41	0.2	5
10005	29	14	46	0.2	5
10006	40	16	49	0.2	3
10007	12	14	74	0.4	56
10008	132	19	161	4.0	1050
10009	335	22	245	6.8	1850
10010	57	8	53	0.4	126
10011	10	8	44	0.1	17
10012	2	8	35	0.1	7

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

PH (604)980-5814 OR (604)988-4524

TELEX: VIA USA 7501067 UC

Certificate of GEOCHEM

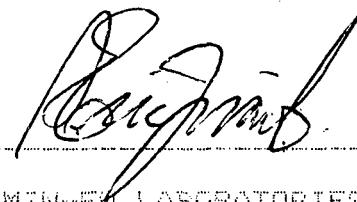
Company: NIMBUS MANAGEMENT
 Project: CHS PHILLIPS ARM
 Attention: J. HARRY

File: 16-1258
 Date: DEC 10/86
 Type: ROCK GEOCHEM

We hereby certify the following results for samples submitted.

Sample Number	CU PPM	PB PPM	ZN PPM	AS PPM	AU-FIRE PPS
10013	23	4	47	0.4	6
10014	36	17	140	1.2	10
10015	275	14	163	18.5	4700
10016	98	8	52	0.6	17
10017	52	20	94	1.2	9
10018	32	7	54	0.4	7
10019	37	9	59	0.5	10
10020	38	21	103	1.3	2
10021	27	5	51	0.3	5
10022	18	6	33	0.4	3
10023	24	3	30	0.5	140
10024	40	3	35	0.7	340
10025	136	42	142	1.4	170
10026	39	4	43	0.5	24
10027	48	23	76	1.3	14
10028	57	16	67	1.2	19

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) 993-5314 OR (604) 993-4524

TELEX: VIA USA 7601067 UC

Certificate of ASSAY

Company: NIMBUS MANAGEMENT
Project: CHG PHILLIPS ARM
Attention: J. HARDY

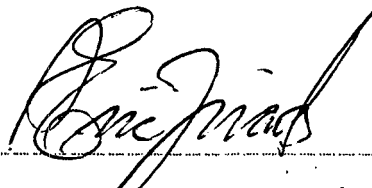
File: 6-1258
Date: DEC 10/86
Type: ROCK ASSAY

We hereby certify the following results for samples submitted.

Sample Number	AU* G/TONNE	AU* OZ/TON
10015	8.05	0.235

* 1 ASSAY TON

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

PHC (604)980-5814 OR (604)988-4524

TELEX:VIA USA 7601667 UC

Certificate of GEOCHEM

Company: NIMBUS MANAGEMENT

File: 6-1261

Project: CHG-PHILLIPS ARM

Date: DEC 10/86

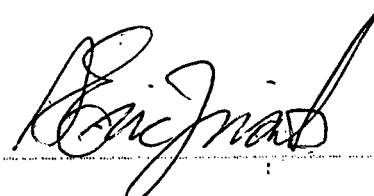
Attention: J. HARDY

Type: ROCK GEOCHEM

We hereby certify the following results for samples submitted.

Sample Number	CU PPM	PB PPM	ZN PPM	AG PPM	AU PPB	AU G/TONNE	AU OZ/TON
10029	24	6	21	0.3	45		
10030	27	3	21	0.3	97		
10031	37	3	29	0.4	115		
10032	89	23	35	0.6	31		
10033	56	22	78	1.6	15		
10034	83	50	79	0.9	67		
10035	20	4	36	0.3	33		
10036	16	3	58	0.8	230		
10037	17	3	70	0.7	154		
10038	25	2	71	0.6	130		
10039	22	7	93	0.5	19		
10040	65	12	310	4.2	3000	3.62	0.106
10041	27	4	91	0.4	43		
10042	26	5	110	0.7	150		
10043	16	2	57	0.3	21		
10044	33	8	39	0.4	10		
10045	71	5	94	0.5	18		
10046	22	3	55	0.4	12		
10047	35	6	60	0.6	20		
10048	88	20	230	1.3	21		
10049	39	7	108	0.7	135		
10050	66	5	1140	0.8	87		
10051	21	4	147	0.8	244		
10052	60	13	205	1.9	279		
10053	17	15	112	0.9	13		
10054	44	14	98	1.0	15		
10055	115	13	170	1.2	29		
10056	83	6	102	0.8	10		
10057	80	8	81	0.6	12		
10058	64	9	83	0.7	8		

Certified by



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Specialists in Mineral Environments

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

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

TELEX:VIA USA 7601067 UC

Certificate of GEOCHEM

Company: NIMBUS MANAGEMENT
Project: CHG PHILLIPS ARM
Attention: JENNA HARDY

File: 6-1276
Date: DEC 12/86
Type: ROCK GEOCHEM

We hereby certify the following results for samples submitted.

Sample Number	CU PPM	AG PPM	AU-FIRE PPB
10059	47	0.9	4
10060	60	0.8	4
10061	86	1.2	5
10062	124	1.3	6
10063	48	1.2	3
10064	21	0.8	2
10065	57	0.9	83
10066	155	1.3	335
10067	123	1.1	400
10068	152	1.4	375
10069	64	1.0	350
10070	43	0.7	30
10071	21	0.6	2
10072	46	1.1	3
10073	12	0.7	2
10074	15	0.6	3
10075	82	1.3	2
10076	25	1.1	1
10077	54	1.2	2
10078	116	1.1	3
10079	73	0.9	1
10080	84	1.2	2
10081	63	0.8	2
10082	59	0.8	1
10083	32	0.7	2
10084	22	0.6	23
10085	28	0.8	2
10086	17	0.4	13
10087	12	0.3	2
10088	58	1.4	1

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Company: NIMBUS MANAGEMENT

File: 6-1276/P2

Project: CHG PHILLIPS ARM

Date: DEC 12/86

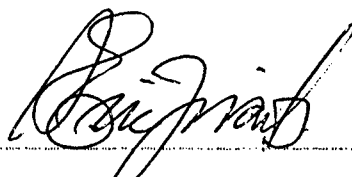
Attention: JENNA HARDY

Type: ROCK GEOCHEM

We hereby certify the following results for samples submitted.

Sample Number	CU PPM	AG PPM	AU-FIRE PFB
10089	18	0.4	37
10090	32	0.4	36
10091	31	1.1	1
10092	61	1.2	2
10093	38	0.8	3
10094	57	1.1	2
10095	43	1.6	1
10096	107	0.8	1
10097	36	0.9	1
10098	19	0.5	2
10099	50	0.7	1
10100	35	0.5	4
10101	44	0.8	2
10102	76	0.7	18

Certified by



MIN-EN LABORATORIES LTD.

VICTORIA

FAME REPORT (E191) 15763



Province of
British Columbia

Ministry of
Energy, Mines and
Petroleum Resources

ASSESSMENT REPORT
TITLE PAGE AND SUMMARY

TYPE OF REPORT/SURVEY(S): DRILLING; GEOPHYSICAL; GEOCHEMICAL
TOTAL COST: 352,787.62

AUTHOR(S): J. Hardy SIGNATURE(S):

DATE STATEMENT OF EXPLORATION AND DEVELOPMENT FILED: Feb. 11/87 YEAR OF WORK: 1986-87

PROPERTY NAME(S): PHILLIPS ARM

COMMODITIES PRESENT: Ag, Au, Cu

B.C. MINERAL INVENTORY NUMBER(S) IF KNOWN: 92K-24,25,28

MINING DIVISION: Vancouver NTS: 92K/11W

LATITUDE: 50°31'21" LONGITUDE: 125°25'50"

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

COG, Lots 276, 277

OWNER(S): (1) Charlemagne Resources Ltd. (2)

MAILING ADDRESS

OPERATOR(S) (that is, Company paying for the work): (1) as above (2)

MAILING ADDRESS

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

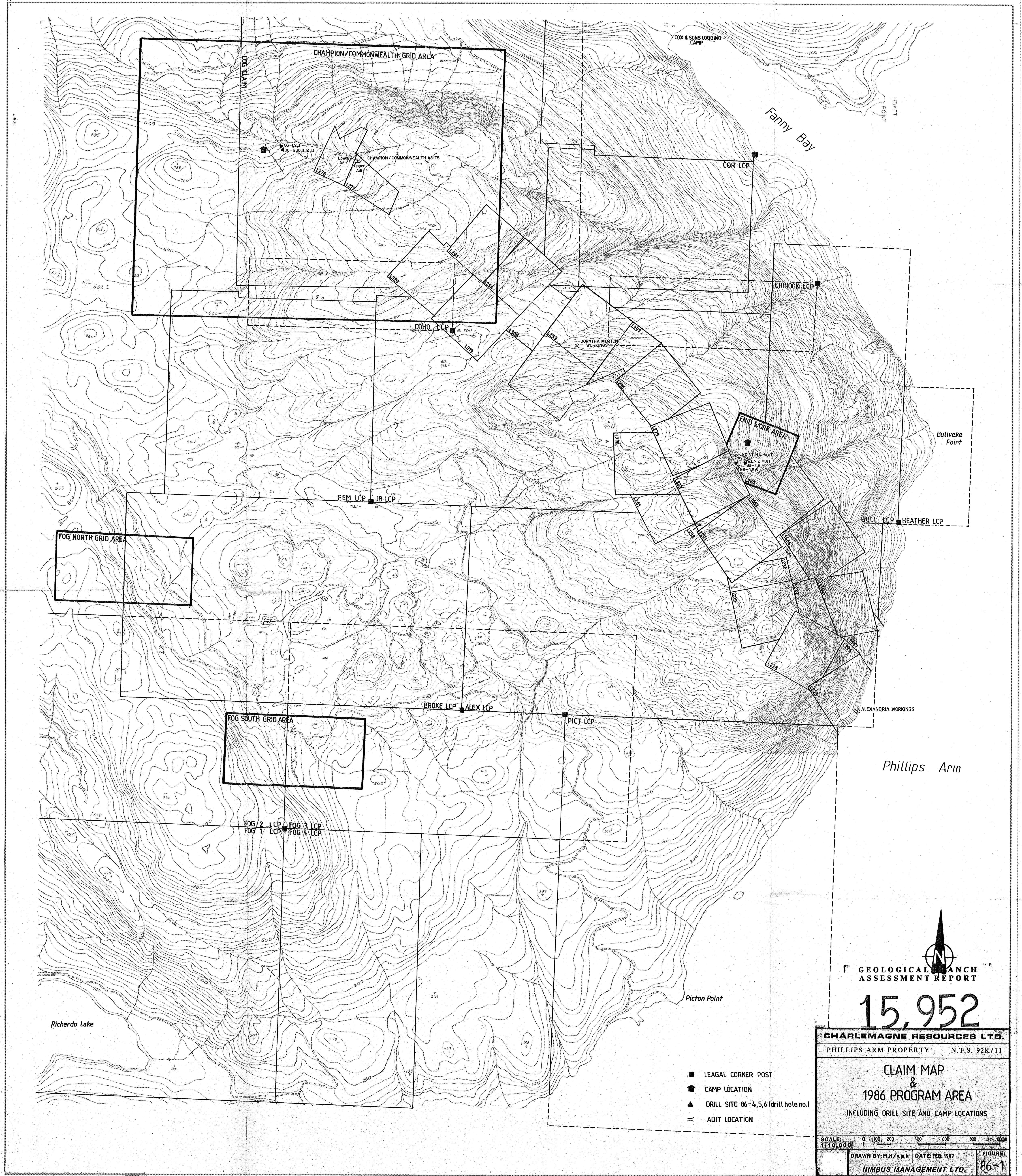
Steeply dipping metasedimentary and metavolcanic rocks form narrow bands engulfed in the main mass of the Coast Plutonic Complex. These bands are thought to represent fault slices. Gold occurs in narrow quartz veins.

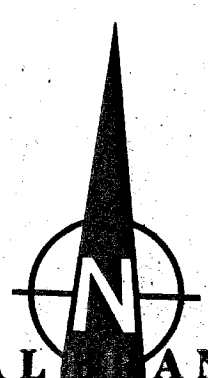
REFERENCES TO PREVIOUS WORK:

A.R. 15952, 12577, 6108, 8287, 11839, 10399, 12577, 13864, 14466

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	COST APPORTIONED
GEOLOGICAL (scale, area)			
Ground			
Photo			
/ <u>GEOPHYSICAL (line-kilometres)</u>			
<u>Ground</u>			
Magnetic			
Electromagnetic		EMGR 11.3 km VLF	"
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
/ <u>GEOCHEMICAL (number of samples analysed for ...)</u>			
Soil		SOIL 1952; Au, Cu, Ag	COG, Lots 276, 277
Silt			
Rock			
Other			
/ <u>DRILLING (total metres; number of holes; size)</u>			
Core		DIAD 957.0m; 11 holes; BQ	"
Non-core			
RELATED TECHNICAL			
Sampling/assaying		SAMP 250; Au, Ag, Cu, Zn	"
Petrographic			
Mineralogic			
Metallurgic			
PROSPECTING (scale, area)			
PREPARATORY/PHYSICAL			
Legal surveys (scale, area)			
Topographic (scale, area)			
Photogrammetric (scale, area)			
Line/grid (kilometres)			
Road, local access (kilometres)			
Trench (metres)			
Underground (metres)			
			TOTAL COST 352,787.62

FOR MINISTRY USE ONLY	NAME OF PAC ACCOUNT	DEBIT	CREDIT	REMARKS:
Value work done (from report)				
Value of work approved				
Value claimed (from statement)				
Value credited to PAC account				
Value debited to PAC account				
Accepted	Date Feb. 24/88	Rept. No. 15763		Information Class (2)




 GEOLOGICAL BRANCH
 ASSESSMENT REPORT

15,952
 CHARLEMAGNE RESOURCES LTD.
 PHILLIPS ARM PROPERTY N.T.S. 92K/11

CLAIM MAP
 &
 1986 PROGRAM AREA
 INCLUDING DRILL SITE AND CAMP LOCATIONS

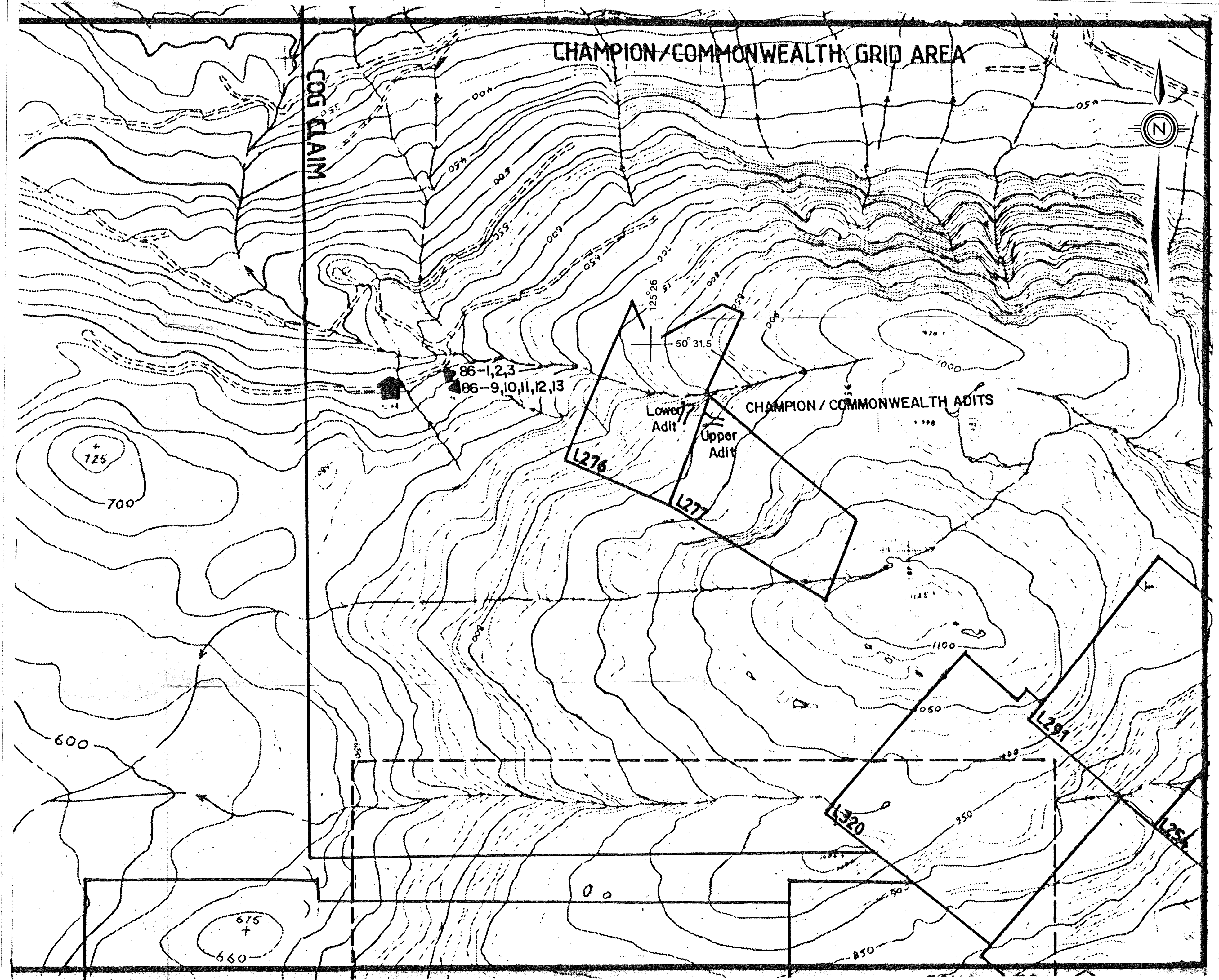
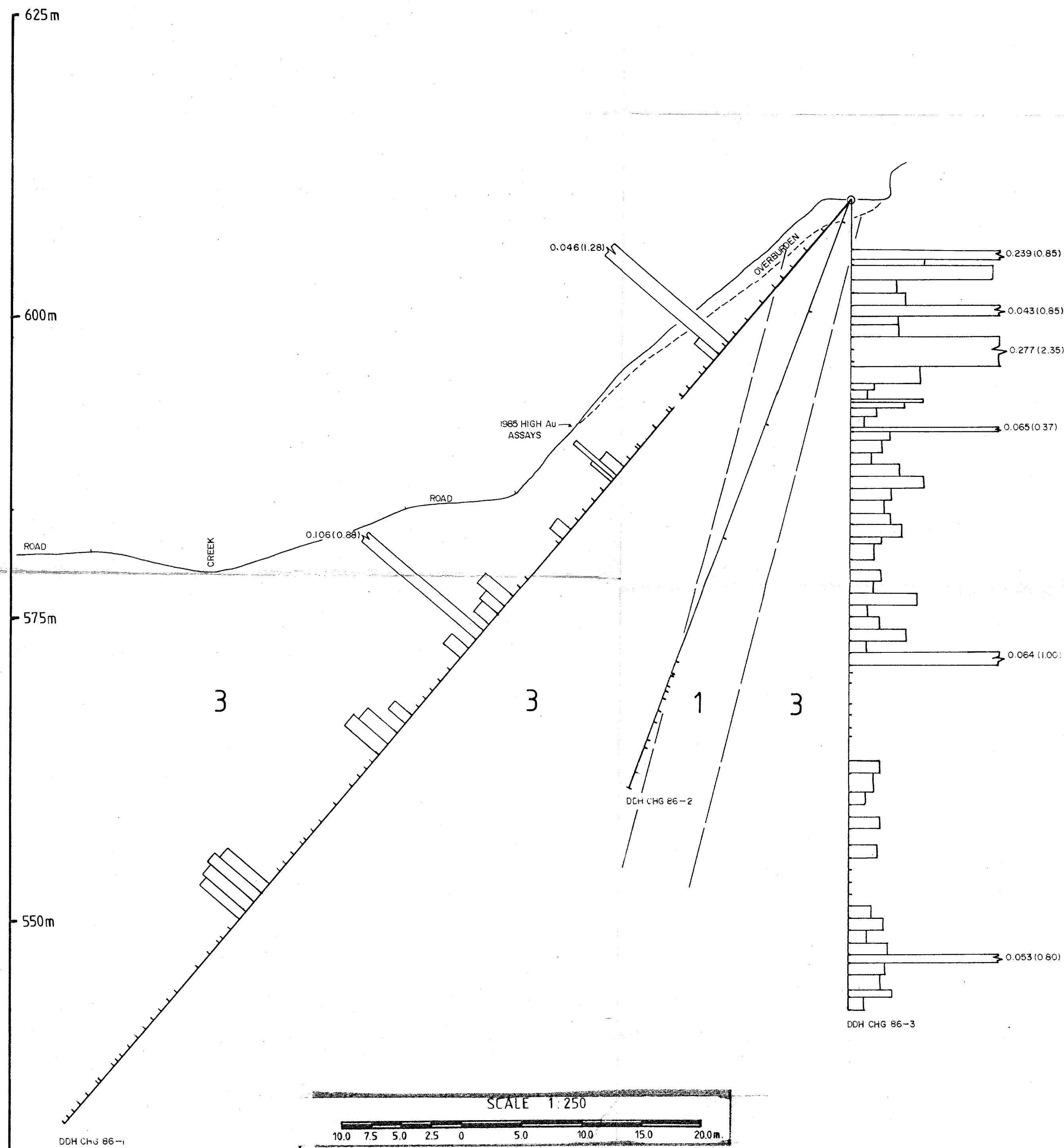
- LEAGAL CORNER POST
- CAMP LOCATION
- ▲ DRILL SITE 86-4,5,6 (drill hole no.)
- ∩ ADIT LOCATION

SCALE: 0 100 200 400 600 800 1000
 1:10,000

DRAWN BY: M.H./V.M.K. DATE: FEB. 1997
 NIMBUS MANAGEMENT LTD.

FIGURE 86-1

N 0° PLANE 180° S



GEOLOGICAL BRANCH
ASSESSMENT REPORT

15,952

CHARLEMAGNE RESOURCES LTD.

PHILLIPS ARM PROPERTY N.T.S. 92K/11

CHAMPION / COMMONWEALTH

DDH 86-1,2,3

X-SECTIONS / GEOLOGY

DRAWN BY: MHH/vmk DATE: MAR. 1997
NIMBUS-MANAGEMENT FIGURE: CC 86-4

- 1 Basalt dyke
- 2 Granodiorite - fresh, massive dykes or plutons (Falconbridge unit 3c)
- 3 Granodiorite (Falconbridge unit 3b)
- 4 Diorite (Falconbridge unit 3d)
- Lithologic contact

