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CONSULTING ENGINEERS

Vancouver, B.C.

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ASSESSMENT REPORT

on a

RECONNAISSANCE

GEOCHEMICAL SURVEY

of the

CONSOAT and KING CLAIMS

Skeena Mining Division

British Columbia

NTS 104 B/7E & /10E 56°29'30" 130°38′

September 30, 1987 GEOLOGICAL BRANCH ASSESSMENT REPORT

FILMED Consultant Vancouver, Canada

Robert S. Adamson, P.Eng.

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ORCAN MINERAL ASSOCIATES LTD.
CONSULTING ENGINEERS

SUITE 1417 - 409 GRANVILLE STREET VANCOUVER, CANADA V6C 1T2 TELEPHONE (604) 562-3722

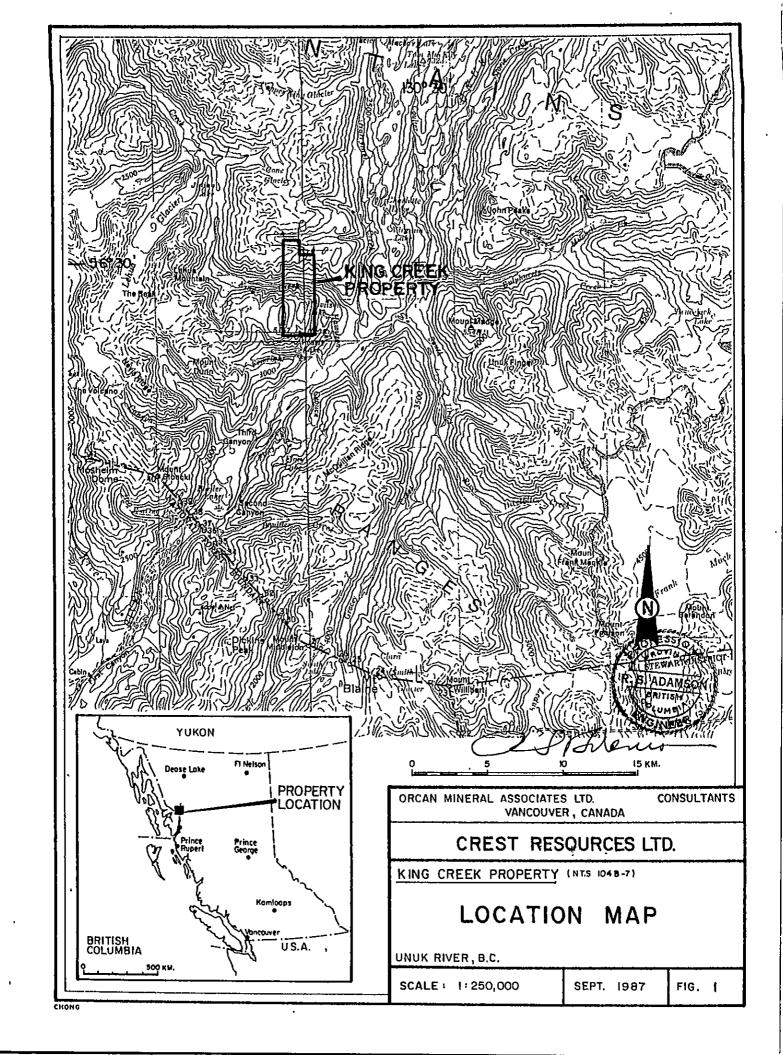
SUMMARY

A reconnaissance geochemical survey was carried out on the Consoat-King claims, a gold-copper prospect situated on King Creek, from July 18 to 24, 1987. The survey was undertaken by two men while visually prospecting the steep, south-facing slope of King Creek valley.

The geological setting consists essentially of an Early Tertiary (?) monzonite intrusion occupying a northerly striking shear-fault system in sedimentary and volcanic rocks of the Upper Triassic age Takla Group. Chalcopyrite and pyrite mineralization, partially altered to limonite, occurs predominantly in the intrusion along its western contact.

The geochemical survey consisted of collecting 54 soil, stream sediment, and rock samples. All samples were analyzed for gold and 30 other elements including copper and silver.

Anomalous gold, silver, and copper values occur in many of the samples. No significant mineral occurrences were located during the survey. Further visual prospecting of the difficult terrain on both sides of King Creek should be undertaken.



INTRODUCTION

Orcan Mineral Associates Ltd. has been asked to direct a reconnaissance geochemical prospecting program on the Consoat-King property situated astride King Creek in the Unuk River area of northwestern British Columbia (NTS 104B/7E & 10E). Two men (T. MacKenzie and W. Rogers) were dispatched to the property on July 18, 1987, returning on July 24, 1987.

The program consisted of collecting 51 silt and soil samples and three rock samples from a precipitous area immediately north of King Creek. The object of the program was to try and locate other mineralized zones occurring between two known zones which lie above timberline on the property.

Location and Access (56°28'N. Lat.; 130°38' W. Long.)

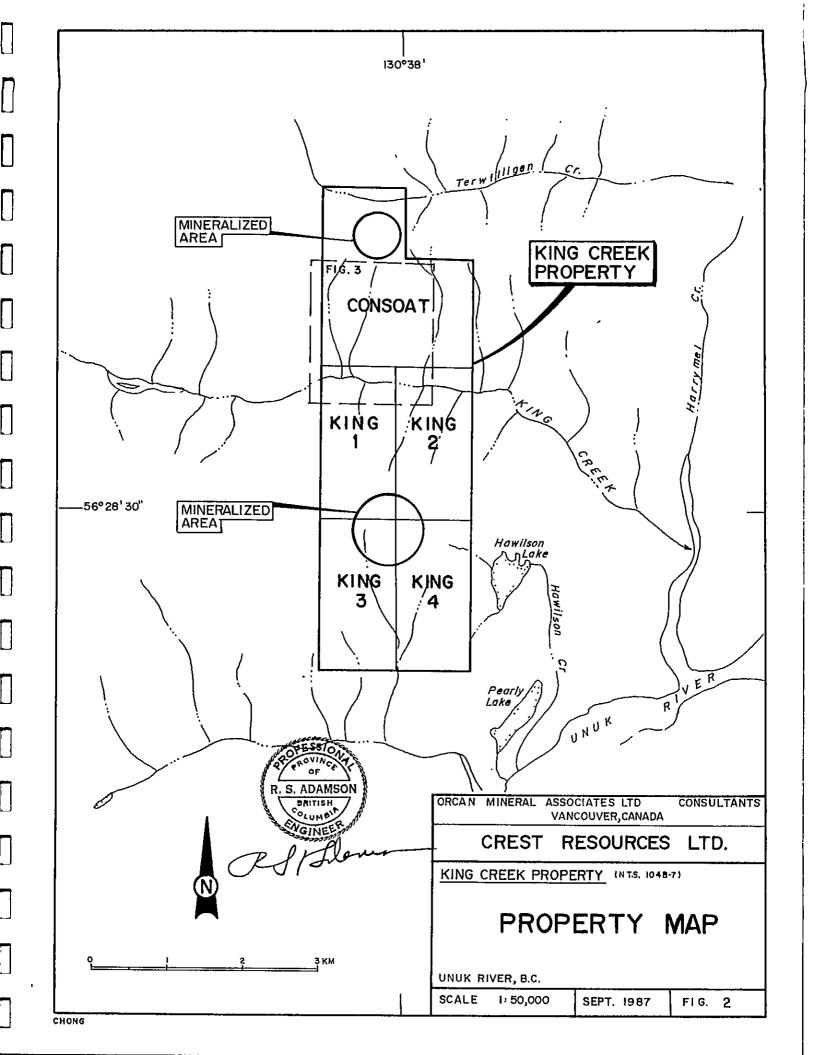
The property lies 15 kilometres northeast of the British Columbia-Alaskan boundary (figure 1) in the Unuk River drainage. Stewart, B.C., the most convenient centre of communication and supply, lies 80 kilometres to the southeast.

Access to the property is normally by helicopter from an airstrip on Snippaker Creek 15 kilometres to the northwest. Fixed wing service to the airstrip is usually by Trans Provincial Airlines from Terrace, B.C.

Property

The property comprises five located mineral claims (figure 2) enumerated as follows:

Claim	<u>Unit</u>	Record No.	RecordingDate
Consoat	20	6044	April 6, 1987
King No. 1	8	5454	July 28, 1986
King No. 2	8	5455	July 28, 1986
King No. 3	8	5456	July 28, 1986
King No. 4	8	5457	July 28, 1986



The property is very rugged along the valley of King Creek and along parallel valleys to the north and south. Above timberline (at approximately 1,200 metres), the topography becomes much more subdued. Elevations on the property range from 325 metres to 1,575 metres above sea level.

Below timberline, where the terrain is essentially steep to precipitous, vegetation consists of a dense growth of coniferous and deciduous trees. Above timberline, the vegetation consists of local clumps of stunted conifers and open grass and heather.

Snowfall during the winter months from October to May is heavy.

History

The property has been formerly held and explored by Great Plains Development Company (1971-1976), DuPont of Canada (1981), and Placer Development (1983). These companies had essentially viewed the property as a copper (gold), porphyry-type prospect. No drilling has been undertaken to date on the property, even though copper mineralization associated with a dyke-like intrusion is present. Each company had carried out only geological, geochemical, and geophysical surveys, for the most part above timberline where helicopter access is easy and mineralization is visible.

References

- 1. Gareau, M. B. November 1983 "Geochemical Assessment Report on the Cole Claim, Skeena Mining Division" for Placer Development Limited.
- 2. Grove, E. W. 1986 "Geology and Mineral Deposits of the Unuk River Salmon River Anyox Area", Bulletin 63, Ministry of Energy, Mines, and Petroleum Resources.

Personnel

The crew in the field consisted of the following:

Mr. T. MacKenzie

Mr. W. Rogers

The program was under the writer's direction.

GEOLOGICAL SETTING

The property is underlain by Upper Triassic volcanic and sedimentary rocks of the Takla Group, which strike northeasterly and dip moderately to steeply northwest. On the southern half of the property, Takla Rocks are overlain by Middle Jurassic volcanic and sedimentary rocks of the Unuk Formation. A dyke-like monzonite intrusion strikes northerly across the property. The intrusion appears to have been emplaced along a northerly striking shear-fault system.

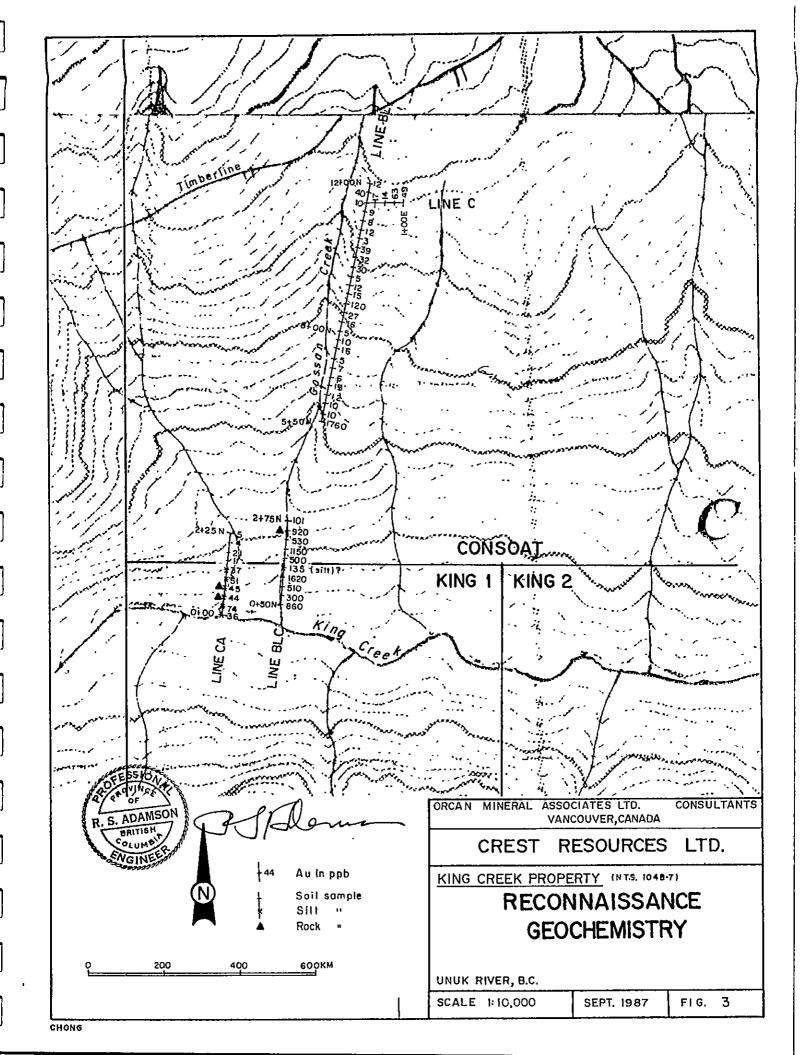
Mineralization of economic interest (chalcopyrite and pyrite with anomalous gold values) occurs predominantly in the intrusion and tends to be concentrated along its western flank. The mineralization has been partially altered to limonite, thereby developing prominent gossans on the explored areas above timberline to the north and south of King Creek.

GEOCHEMICAL SAMPLING

The prospectors collected soil, silt, and rock samples while visually prospecting along four traverses made uphill from a camp in King Creek valley. The terrain is particularly rugged and thickly wooded. Sample locations are shown on figure 3.

Sampling Techniques

Samples of stream sediments were collected in quiescent sections of creeks which crossed the traverses. Soil samples were collected from the poorly developed



soils. As a black volcanic ash is prevalent in the area, care was taken to collect samples below this horizon in the soil profile. When encountered, rock samples of rusty or mineralized float were also taken.

Samples were placed in high-wet-strength kraft paper bags, dried, and shipped to Acme Analytical Laboratories in Vancouver for geochemical analyses.

Analytical Procedures

Soil and silt samples were initially dried at 60°C and sieved to -80 mesh. For gold, 10 gram samples were ignited four hours at 600°C and digested with 30 ml of hot dilute aqua regia. Then 75 ml of clear solution obtained was extracted with five ml of methyl isobutyl ketone. Gold is determined in the MIBK extract by Atomic Absorption. For other elements in the sample, a 0.5 gram sample was digested in hot dilute aqua regia in a boiling water bath and diluted to 10 ml with demineralized water. The solution was analyzed for 30 elements using the inductivity coupled argon plasma (ICP) method.

Rock samples were initially pulverized to -100 mesh. Gold analyses were carried out by fire assay and atomic absorption. Other elements (30) were analyzed by digesting a 0.5 gram sample with 3 ml 3-1-2 HCl-HNO₃-H₂O at 95°C for one hour, diluting it to 10 ml with water, and detecting the various elements with the ICP technique.

GEOCHEMICAL RESULTS

Gold values are shown on figure 3. Because of the broad reconnaissance nature of the survey and because gold is the most important commodity sought on the property, the remaining elements were not plotted on the map. They are available in the appendix.

One of the traverses (Line BLC) returned very high gold values in the soils. This suggests a gold occurrence of some interest in the immediate area.

CONCLUSIONS

Anomalous gold, silver, and copper values occur in many of the stream sediment and soil samples. Because of the precipitous nature of the terrain, however, the source of many of these anomalous samples is likely the mineralized zone that outcrops on the upland above the steep drainage. Nonetheless, it is possible that not all have been derived from this particular source. Prominent gossans do occur on the steep hillside, although they are, for the most part, very difficult to reach.

One of the mineralized float samples returned highly anomalous copper, silver, arsenic, and antimony values. No mineral occurrences of interest were noted during the survey.

Recommendations

Because of the severe landscape, no further geochemical surveys should be carried out in the valley of King Creek. Continued visual prospecting on both sides of the creek should be undertaken, however, as experienced manpower becomes available and water conditions allow. In particular, the area on either side of Line BLC should be prospected very thoroughly.



Respectfully submitted by,

ORCAN MINERAL ASSOCIATES LTD.

of Tollerum

Robert S. Adamson, P.Eng.

STATEMENT OF COSTS

1.	Field Personnel T. MacKenzie – 7 days @ \$175.00 W. Rodgers – 7 days @ \$165.00	\$1,225.00 1,155.00	\$2,380.00
2.	Food & Accommodation	,	560.00
3.	Mobilization & Demobilization Air Fare (Vancouver to Terrace, return) Air freight Labour (Field Preparation)	764.80 270.00 340.00	1,374.80
4.	Aircraft Support Fixed Wing Helicopter	1,120.00 805.00	1,925.00
5.	Equipment & Supplies		427.00
6.	Laboratory Analyses		635.00
7.	Management		300.00
8.	Report Preparation		1,128.20 \$8,730.00

ORCAN MINERAL ASSOCIATES LTD.

CONSULTING ENGINEERS

SUITE 1417 - 409 GRANVILLE STREET VANCOUVER, CANADA V8C 1T2 TELEPHONE (804) 662-3722

CERTIFICATE

- I, Robert S. Adamson, with business and residential addresses in Vancouver, British Columbia, do hereby certify that:
 - 1. I am a consulting geological engineer.
 - 2. I am a graduate of the University of British Columbia, (B.A. Sc. in Geological Engineering, 1957).
 - 3. I am a registered Professional Engineer of the Province of British Columbia.
 - 4. From 1957 until 1967, I was engaged in mineral exploration in Canada for a number of companies. Positions included Senior Geologist, Chief Geologist, and Vice-President, Exploration. Since 1967 I have been practising as a consulting geological engineer and, in this capacity, have examined and reported on numerous mineral properties in Africa, Europe, and North and South America.
 - 5. I have not directly examined the Consoat-King property.
 - 6. I have not received, directly or indirectly, nor do I expect to receive any interest, direct or indirect, in the property of Crest Resources Ltd. or any affiliate thereof, nor do I beneficially own, directly or indirectly, any securities of Crest Resources Ltd. or any affiliate thereof.

R. S. ADAMSON

Respectfully submitted,

Vancouver, Canada

Robert S. Adamson, B.A.Sc., P.Eng.

ORCAN MINERAL ASSOCIATES LTD. <u>APPENDIX</u> Certificate of Analyses

ACME ANALYTICAL LABORATORIES 852 E. HASTINGS ST. VANCOUVER B.C. V&A 1R6 PHONE 253-3158 DATA LINE 251-1011 GEOCHEMICAL ICP ANALYSIS .500 GRAN SAMPLE IS DIGESTED WITH 3ML 3-1-2 HOL-HWO3-HOO AT 95 DEG.C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH MATER. THIS LEACH IS PARTIAL FOR BY FE CA P LA CR MS BA TI B W AND LIMITED FOR NA AND K. AN DETECTION LIMIT BY 1CP IS 3 PPM. - SAMPLE TYPE: P1-ROCK P2 TO P3-SOIL AUSE ANALYSIS BY FA+AA FROM 10 EM SAMPLE. ASSAYER. . ASSAYER TOYE, CERTIFIED B.C. ASSAYER DATE RECEIVED: AUS 4 1987 CREST RESOURCES PROJECT-KING 14 file # 87-2989 Page 1 SAIPLET MI CO THY FE AS U ĽĐ 58 BI

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ASSAY REQUIRED FOR CORRECT RESULT -

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