REPORT OF

ASSESSMENT WORK COMPILED PRIOR TO JANUARY, 1987

ON THE MINERAL CLAIM NAMED BELOW IN THE

MINING DIVISION OF CARIBOO

SHALOM CLAIM GROUP

NTS 93G 1E / NTS 93H 4W

53° 4' N, 121° 58' W

FOR

OWNER AND OPERATOR OF CLAIM

PINEGROVE RESOURCES LTD.

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DATE:

April 10, 1987

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ABSTRACT

During the period June 16 to October 31, 1986 two VLF(EM-16) surveys and one magnetometer survey were conducted with several silt samples and bedrock chip samples taken in the Quesnel Gold Trough, Cariboo Mining Division, British Columbia. The surveys were carried out by this writer and another employee of Pinegrove Resources Ltd. The instruments used were a Geonics VLF(EM-16) unit with two receiving crystals; a Cuttler, Maine (NLK 24.0 kHz) and a Seattle, Washington (NLK 24.8 kHz) crystal, and an EDA Proton Magnetometer. A total of 120 kilometers was covered over two grid systems with three geophysical surveys.

Readings were taken every 25 meters on the Cuttler grid while readings on the Seattle grid were spaced every 15 meters. The results of the electromag survey and magnetometer survey are very good and the raw data is plotted on the cross sections endorsed in the Appendix of the report.

The electromag work has outlined several east/west and north/south possible conductive zones where the strong north/south trends appear similar to noted fault zones of the Barkerville-Wells area. The intersection of this strong north/south trend and the east/west trend bear closer examination.

Additional exploration work is recommended in the areas of the intersection of the north/south and east/west trends to the east of the Seattle grid baseline, and the more continuous east/west trends associated with the continuous north/south trends.

GEOLOGICAL - GEOPHYSICAL ASSESSMENT REPORT SHALOM #1 - #7

INTRODUCTION

The geological field work and the geophysical surveys (electromag, magnetometer) during the 1986 field season were commissioned by Mr. Anton Kozub, President of Pinegrove Resources Ltd., who owns the claim block, due to recommendations made by Pinegrove's consultants: Allan Frew, P.Geol., Wm. Howard Myers, P.Eng., and George Richardson.

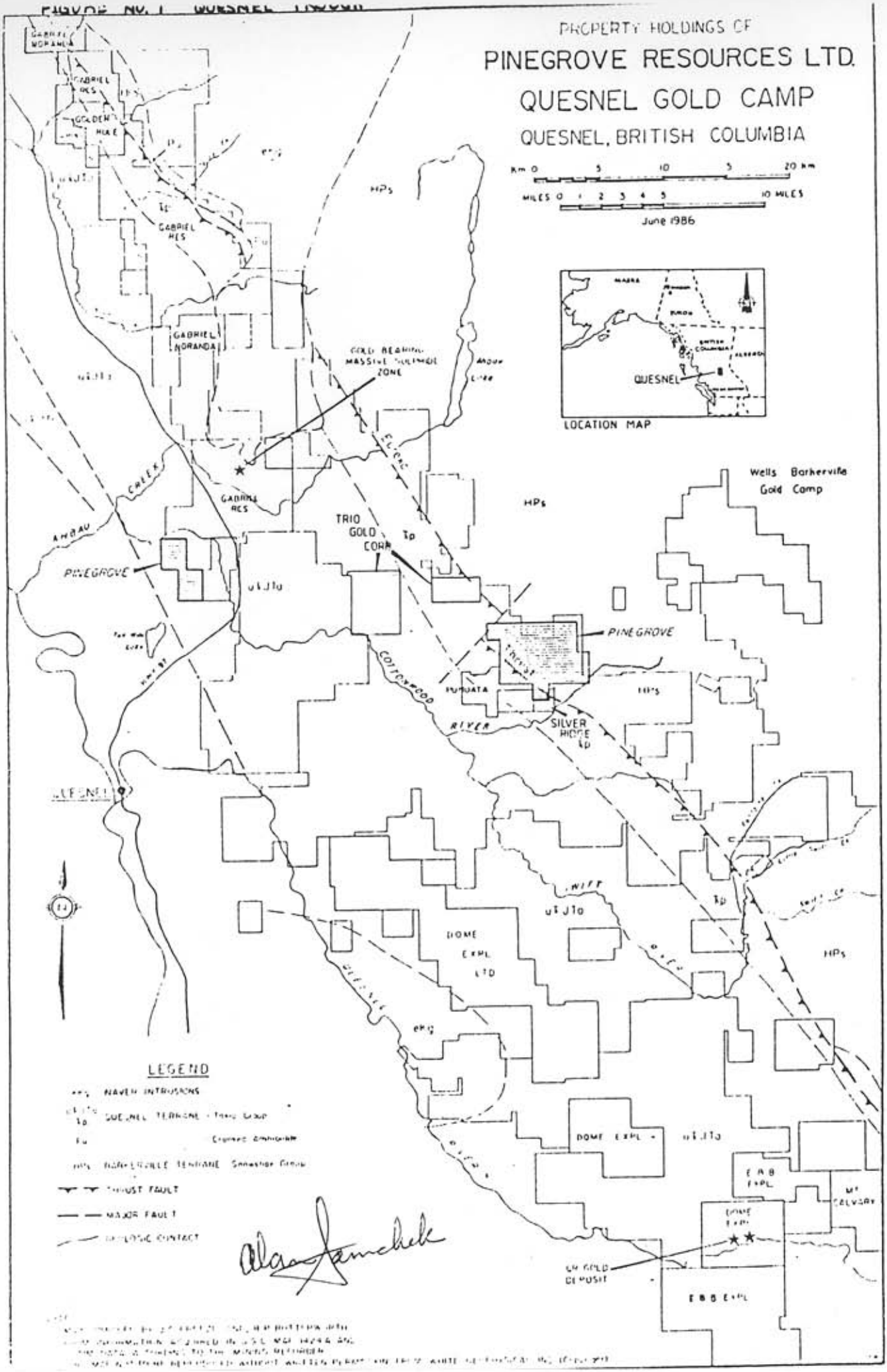
The claim block is composed of seven claims identified as the Shalom #1 - #7 claims inclusive with a total of 94 units. The name, record number, map number, and total number of units in each claim are tabulated below:

Claim Name	Record No.	Map No.	No. of Units
Shalom #1	7470	93G1E	18
Shalom #2	7471	93H4W	18
Shalom #3	7472	93G1E	15
Shalom #4	7528	93H4W	12
Shalom #5	7529	93H4W	15
Shalom #6	7822	93H4W	6
Shalom #7	7821	93H4W	10
			94

The claim block is located west of Pinegrove Creek, north of Lightning Creek; between Hyde Lake and Pinegrove Creek. The centre of the property is more specifically located at co-ordinates 53° 4' north latitude and 121° 59' west longitude. The property is accessible from Quesnel and Wells, B.C. by way of Highway Number 26 a distance of approximately 50 kilometers and 30 kilometers respectively. The area is drained to the north by Pinegrove Creek, to the east by Lightning Creek, to the south by John Boyd and Ramos Creek and to the west by Mary Creek.

The terrain in the area of the claim block is quite varied with flat treed and logged areas to the west and south of the properties, while the north and east sections of

FIGURE NO. 1 QUESNEL LOCATION



the property are marked by stiff cliffs and slopes as the north side runs over the peak of Pinegrove Mountain. Pinegrove Mountain is the highest elevational point of the property (5,000 feet above sea level) which occupies the northwest portion of Shalom #4. Mountain glacial till of varying thicknesses covers the total area, ranging from a few feet to in excess of 100 feet thick, there occupying ancient stream valleys.

Access to the different portions of the claim block is accessible via old and new logging roads built while logging was carried out in previous years. Access takes place from three points off of Highway No. 26 and leads to different portions of the claim block. These points are; the 600 road from Cottonwood House Provincial Park, the Hyde Lake Road and the Troll Ski Resort Roads. These accesses provide availability to the southwest portion of the claim block, the south central and east portions of the claim block and the northeast portion of the claim block, respectively.

The area is heavily forested with predominantly pine and spruce and lesser amounts of balsam fir. Small patches of birch are widely spaced throughout the property. As a result or consequence, extensive woods-harvesting operations are in progress throughout the property.

The climate in this portion of British Columbia is moderate to cold. The area does experience chinook conditions during the winter months and the climate becomes very mild for brief periods of time. Snowfall in the area is moderate to heavy. In the summer the area experiences fairly consistent rain in early and late summer with extended dry hot spells in between.

The objective of the work undertaken is to get an overall reconnaissance of the area detailing any conductive anomalies and/or trends of possible mineralization and therefore, potential areas for gold exploration. Due to the terrain and little geophysics in the area two grids were established (see Maps 2 & 3) and a Geonics VLF(EM-16) survey was used. VLF(EM-16) lines for the Cuttler grid were spaced 250 m apart perpendicular to the baseline that started in the northwest corner of Shalom No. 1 and trended 120° AZ across the property. Readings were taken 25 m apart along the crosslines, with instrument facing grid Cuttler Station NLK (24.0

kHz). The VLF(EM-16) lines for the Seattle Grid (see Map No. 3) were spaced 200 m north apart in an east-west direction, perpendicular to the baseline that trended north/south along the boundary of Shalom #2 and Shalom #4 claims. Readings were taken every 15 meters with the instrument facing east using Seattle Station NLK 24.8 kHz. After this data was compiled, a magnetometer survey was undertaken to observe the magnetic factor of the conductive anomalies observed. The magnetometer survey was done on the Cuttler grid with an EDA proton progression magnetometer using the tie line method verses the loop method, taking readings every 25 m, starting at Line #7 to Line #22. The data from both of the geophysical surveys, VLF(EM-16) and the EDA magnetometer have been represented in the Appendix and Map Illustration section respectively. The VLF(EM-16) data has been plotted from field notes without any filter corrections on cross sections while the magnetometer data is plotted on a map and explained more fully in the geophysical section of this report.

The geological work carried out for the property was compiled during the geophysical surveys. This entailed sporadic silt sampling of the streams, bedrock chip samples for assay, description of bedrock outcrops if available access found and location of outcrops. Due to the large area to cover and high degree of glacial drift only small bedrock locations were found and sampled. These are indicated on the map in the back pocket.

A breakdown of the costs and times of the VLF(EM-16) surveys, the magnetometer survey and the geological data are detailed in the Appendix of the report.

The qualifications and experience of the authors for this report are detailed in the Certificate section in the Appendix of this report.

HISTORY

Placer gold mining has been taking place in the Cariboo Placer Belt of the Quesnel Trough since the late 1800's. The majority of the placer gold was produced during the gold rush which started around 1861 and tapered off substantially near 1898 when the gold rush started in the Yukon. Placer gold was discovered in the

Wingdam area and a shaft was driven vertically to get to the pay zone. This was abandoned shortly due to flooding. The Wingdam property is again under consideration by Silver Ridge Resources and a new shaft is under construction. Further, east the famous Barkerville area has undergone serges throughout the 20th century as people continue to explore for gold.

The only lode gold operations noted in the area in the past are: the Cariboo Gold Quartz Mine and the Island Gold Quartz Mine which started production in the 1930's. The only known mine in the Quesnel trough is the Mosquito Creek Mine located approximately 2 miles north of Wells. This mine produced gold from replacement type ore bodies in contrast to the gold produced from quartz veins with pyrite and gold in the original Cariboo Gold Quartz Mine. This mine appears to be still operating on a limited scale.

GEOLOGY

The area of the Shalom claims, located in the Wingdam area is not unlike other portions of the Cariboo where bedrock is covered with a mantle of glacial drift overgrown with trees and vegetation. This limits outcrop exposure to sharp breaks in slopes, road-cuts, old placer gold workings, top of ridges, incised stream beds and mountain tops.

Due to the situation of the claim area the geology of the map area is covered generally by 2 GSC Maps 93H and 93G; the geology of the McBride area and the geology of the Prince George area, respectively. These broad maps place the Shalom claims in the Cariboo group bounding the Nicola group to the west, thereby, the geology is composed of the Snowshoe and Kaza formations of Paleozoic age.

Specifically, the claims are underlain by the Cariboo Mountain group composed of the Snowshoe and Kaza formations containing various carbonate rocks, clastic sedimentary rocks and minor intrusive dikes. Despite the effects of deformation and regional metamorphism the rocks still commonly show original bedding and other sedimentary features. Many of the rocks are difficult to name due to small gradational, chemical and slight textural changes that occur.

Overall, the area is composed mostly of schists and phyllites of varying chemistry with clastic siltstones and quartz and minor carbonate formations. Argillites and graphite phyllites are interrelated due to their close chemistry and only structural metamorphism due to high stress controls the chemistry of the rock. There is only one intrusive rock type in the area as mapped by R.B. Campbell in the GSC 1973 paper 72-35, Geology of McBride Map area. This intrusive bed runs across the lower south portion of the claims and consists of a foliated diorite and augite porphyry basalt, gabbroic in nature.

Structurally, the area has been mapped by Struik and R.B. Campbell and various theories have been proposed for the bedding features observed. The older theory suggests that the units are from Paleozoic age to Quaternary with faulting the reason for the lay of the beds in their present state. However, recently, mapping by Struik (1986) has suggested that there are four terranes with rocks in each terrane from Paleozoic to Cretaceous age and these terranes are separated by several thrust faults. Both theories, however, map a thrust fault running southeast to northwest across the lower third of the Shalom property. As can be seen in the Index Map in the Appendix. This fault is called the Eureaka thrust fault.

The general trend of the rocks cleavage and possible bedding is northwest and inclined to the southwest. Foliation is intense and varies with degrees of structural stress in the area.

The lode gold in the Cariboo area appears to come from two sources: large quartz veins associated or intersecting large north trending faults as noted in the Wells - Barkerville area or replacement deposits where hot fluids carrying mineralization have infiltrated limestone deposits and have replaced the limestone with mineralization carried in the fluids as mined by Mosquito Creek Mines.

GEOLOGICAL WORK

As shown in the Appendix various samples were taken for chemical analysis. These samples range from creek silt samples, bedrock chip samples and bedrock samples.

These samples are indicated on the geological claim map specifying their location (Appendix).

The silt samples taken from the creek beds were taken at a depth of 6" to 12" and it was attempted to take these samples in a medium to fine silt grain area. The channel samples and bedrock chip samples were taken as described below. The channel sample was used in a gossan zone were only loose sediment was available and no actual intact bedrock. Therefore, a channel 1"x1" by several feet long was cut into the gossan zone with a hammer and this material was analyzed. The bedrock chip samples were used where existing bedrock was found and geological information could be obtained.

The only difference between the bedrock samples and the channel samples is the material being sampled. The bedrock samples are made up of bedrock chips and the channel samples are made up of loose gossan material. Therefore, both samples were lumped together on the geological map.

All sample assay results are shown in the Appendix. Various preparations were made by Chemex Laboratories for the various samples assayed. The geochemical samples wer4e assayed directly for gold, while most of the bedrock chip samples underwent a 24 multi-element ICP analysis, and the rest of the samples were fire assayed for gold and silver.

The geochemical silt samples were sieved down to 35 mesh then ring-ground to 100 mesh. The sample was then fire assayed for gold with lead cupellation (i.e., dissolved in nitric, aqua regia) and finished by AA or Atomic Absorbtion.

The rock samples were crushed and then split down to 150 grams, then ring-ground to 100 mesh. Some of these samples were then fire assayed as above for gold and silver. The samples sent away for I.C.P. analysis were split to 0.20 grams and totally digested in chloric, nitric, hydrofluric acid digestion to dryness. Then sample was taken up in HCL for finishing (volume of 25 mls of 10% HCL), then the sample was run on the I.C.P. instrument.

For further details see the publications from Chemex Laboratories.

SAMPLE LOCATION AND DESCRIPTION

As noted in the Geological Work section of this report, the collection process of the sampling was summarized. A more detailed description of the locations and samples collected will be given below.

Locations of all geological samples taken and their corresponding assay results are shown in the Appendix. The samples on the geological claims map of the Shalom Claims and the assays as illustrations in the Appendix, respectively. The geological samples are broken up into three categories.

1) Prospector float samples
2) Geochemical silt samples, and
3) Geological bedrock chip samples (including the channel samples)

A description of the first category of samples, assayed, as noted below, was unable to be obtained since they were taken before the writer was hired.

GKR - 86 - 000 1A	2 x 4 -1 Gouge
GKR - 86 - 000 1B	2 x 4 -2 Gouge
GKR - 86 - 000 2A	
GKR - 86 - 000 2B	
GKR - 86 - 000 3A	
GKR - 86 - 000 3C	
GKR - 86 - 000 4	

These samples are located in approximate areas since exact descriptions were unattainable.

The geochemical silt samples taken are numbered: Shalom #1 to Shalom #26 conclusively and were taken from the streams draining the Shalom property. The samples are described as fine sand to silt in size, largely composed of subrounded to rounded, frosted quartz and chert with minor amounts of ferromagnesium minerals and plagioclase. These samples, as noted in the geological work section of this report, were collected on sandbars, six inches below the surface of the ground. The results of the assays and specific locations of each sample can be found in the Appendix.

The bedrock chip samples and channel samples were taken from the limited outcroppings in the area. Geological mapping was considered but due to the limited coverage and unavailability of air photos this was abandoned for future consideration. The samples that were of interest for assaying are located on the Geological Claims Map located in the Appendix. A brief description of the samples, along with the corresponding sample number as located on the map and are given below.

SH1-100	Greenish quartz schist with micaceous mineralization
SH1-101	Black quartzose phyllite with minor graphite
SH1-102	Grayish green finely laminated chlorite schist
SH1-103/104	Kaolinized porphyrites quartz porphyry
SH1-105/107	Dark grey to black slatey argillite or phyllite
SH1-109	Grayish green to grayish black chlorite schist
SH1-111	Medium grained light green quartzite
SH1-112/113	Dark gray to black shale
SH1-114	Black shale with quartz oxidized iron banding
SH1-115	Slaty light gray to dark black shale
SH1-116/118	Greenish to whitish quartz chlorite porphyry
SH1-119	Grayish green to olive green micaceous schist
SH1-120	Grayish to black phyllite with minor quartz veining
SH1-121	Grayish green chlorite schist with minor quartz veins
SH1-122	Grayish black quartzose phyllite
SH1-123	Blocky black argillite with remnant cubic pyrite
SH1-124	milky white to grayish quartz in black argillite
SH2-100	Green shale to a dark gray or black shale
SH2-101/102	Black slate with quartz veining. Minor calcite.
SH2-103	Highly weathered with green to gray chlorite schist with platly mineralization and high degree of iron staining.
SH2-104	Very highly weathered black shale with no quartz, appears coal like (massive)
SH2-105	Black quartzose slate with 15% quartz veins parallel to cleavage
SH2-106	Medium to low grade greenish gray chlorite schist with minor quartz stringers.
SH2-107	Green chlorite schist with no quartz veining

SH2-108	Soft black shaley material (argillite)
SH2-109	Very low grade chlorite schist or meta argillite
SH2-110	Reddish gray to greenish black chlorite schist
SH6-100	Olive green shale with rusty clay size particles
SH6-101	Quartz veins less than 1cm thick
SH6-102	Dark gray to black slate. With 10-20% quartz veining
SH6-103	Grayish to black slate with quartz veining
SH7-100	Chlorite schist with minor quartz veining and possible remnant ultramafic mineralization
SH7-100A	Quartzose chlorite biotite schist with quartz veining
SH7-100B	Quartzose chlorite schist
SH7-101	Pale green flaky talc
SH4-100/101	Light green quartz rich chlorite schist, minor talc.
SH4-102	Oxidized reddish quartz with pyrite and limonite
SH4-103	Very fine grained dark green podrphyritic basalt
SH4-104	Dark green quartzose chlorite schist with disseminated calcite and pyrite

CHANNEL SAMPLES

CH-AF1 and CH-AF2	Were taken across a gossan zone located as shown on the map bounded by a fissile slate. This material was composed of reddish to yellowish colored gouge with oxidation very evident.
Shalom Channel Samples #1/6	Were taken further up the road from the above samples and is located in a similar gossan zone bounded by an apparent or possible meta-volcanic rock with a porphyritic texture.

NOTE: The draftsman made an error in his legend. No soil samples were taken. The indicator shows the position of the bedrock chip samples.

PHYSICAL WORK

Two types of physical work were undertaken on the Shalom claim group: grid establishment and road maintenance.

The road maintenance took place on the logging roads that criss-cross the Shalom property as shown in Figure (5); Appendix, which is required by the Mineral Act - section 13, regulation 1a. The roads were cut and damaged by spring runoff due to improper drainage. These road cuts were repaired and drainage ditches replaced or manufactured. The cost of this physical work is itemized in the Assessment Report on page 8, Section D (D6 CAT, LOADER, BACKHOE AND A LOWBED).

The grids established can be noted on the Geophysical Maps provided in the Assessment Report in the Appendix. The grids established were flagged with orange flagging and the base stations on the baseline were multi-flagged with blue, yellow and orange flagging. On each crossline readings were marked by flagging at 15 meter intervals and markings indicating distances from the baseline. Two basic grids were established: east-west crosslines with a north-south baseline (referred herein as the Seattle Grid) and northeast-southwest crosslines with a northwest-southeast baseline (referred herein as the Cuttler Grid).

The cost of the established grade is incorporated in the Assessment Report under Section A (labour).

GEOPHYSICAL WORK

Magnetometer Survey

The writer has used a proton progression magnetometer under various field conditions and places, in the southeastern province of Manitoba and Ontario, to outline magnetic zones and fractures. Under the guidance of a consultant the data was collected and proper corrections taken into account, as outlined below.

An EDA Proton Progression Magnetometer was used in the magnetic survey. The component measured was the vertical magnetic field and all values were corrected to a diurnal field of 58,000. A tie-line loop method was used instead of a loop method due to the time element involved and the terrain difficulties encountered. A loop method would have not been able to cover the entire area.

If unfamiliar with the tie-line method, it basically takes a series of points you tie together along a baseline within a small period of time, for example one hour. Then the survey is conducted and the instrument man takes readings in a grid pattern (no loop required) tying into the tie points as they are encountered. The tie-line points are corrected to any magnetic fluctuations and the survey points are corrected to the tie points providing the surveyors to take longer time from tying into a base station and therefore travelling longer distances.

The results of the magnetic data are presented in map form since the tabulated mathematical data takes up several hundred pages and is far too bulky for this report. The Magnetometer Map can be found in the back pocket (Appendix).

VLF (EM-16) Survey

The writer has used the VLF electromag in several instances and along with the geophysical consultants experience in the area (Wm. H. Myers) who has used the instrument on several different prospects to outline conductive zones, therefore, great care was taken to obtain accurate and the best possible field data, as outlined below.

A Geonics VLF(EM-16) instrument was used reading Cuttler Maine (NLK 24.0 kHz) and Seattle, Washington (NLK 24.8 kHz) for the respective Cuttler Grid and Seattle Grid shown in the Appendix. The lines of the Cuttler grid are spaced 250 meters apart, with readings taken every 25 meters and the instrument was facing north. The crosslines for the Seattle grid are spaced 200 meters apart, with readings taken every 15 meters and with the instrument facing east.

Due to the known structure in the area (Eureaka Thrust Fault) the grid systems were established to give any intersecting trends between the north-south faulting

system and any east-west geological features. A copy of all profiles copied from field notes and not filtered in any way are enclosed in the Appendix to this report. All data is plotted on percent rather than dip angle indicator scales, and all lines were run using the Geonics Limited EM-16 receiver serial #19010.

On Thursdays and Mondays when the station was off for maintenance the field crew caught up on their plotting of the raw data.

A brief description of each line ran during the survey is given below with possible interpretation of the results.

Cuttler Grid

This grid is composed of 22 lines, covering Shalom #1, #2, #4, #6, #7, with a total distance of 63.8 kilometers with all lines spaced at 250 m apart.

Line 0, 1, 2

These three lines are located in the northwest section of the claim block. The terrain in the area of the lines is located in the headwaters of the left branch of Mary Creek by the 600 Road. These lines show two possible east/west fault trends, that are moderate in strength and both do not show up in the third line but disappear.

Line 3, 4, 5, 6, 7, 8, 9, 10, 11

These nine lines run through the relatively flat section of the right branch of Mary Creek. The terrain is moderate to steeply sloping to the southwest and westerly direction. South of the baseline the area was logged off between lines 6 and 10. This made the traversing relatively easier. The slope to the east was steadily steeper as these lines approached Pinegrove Mountain on Line 14. The profiles to the north of the baseline became very quiet and minor to no conductive anomalies were recognized. Meanwhile to the south of the baseline moderate to strong readings were noted. These possible conductive fault zones or anomalous areas trend in an east/west direction with really strong anomalies becoming localized on

Lines 9 to 11 with signatures disappearing on lines adjacent to these other lines. Possible tabular signatures can be noted, but again localized, on lines 7, 8, 9 and 10 just south of the baseline. Due to large amounts of overburden in the Mary Creek area and glacial tills some anomalous affects can disappear or appear due to depth of overburden and/or appearance of conductive clays.

Lines 12, 13, 14, 15

These four lines are located in the middle of the property west of the steep Ramos Creek Valley but on the moderate to gentle slope leading up to the peak of Pinegrove Mountain to the north. The slope south of the baseline is relatively gentle to moderate while as the line proceeds north it becomes steeper but doesn't move over the top of the Pinegrove Mountain ridge that trends east to west. Several strong anomalous zones are noted on these lines: one at the approach to the mountain peak north of the baseline, two separate forms right on the baseline and one at the very southern point of Shalom #2. These zones trend east/west and are very strong. No terrain affect can be accounted for them.

Lines 16, 17, 18

These three lines are located to the east of line 15 and in a complex terrain area. The terrain to the south of the baseline runs into the headwaters of Ramos Creek with various ravines, drainage chutes, etc. To the north of the baseline the terrain climbs up to the Pinegrove ridge and drops over a steeply dipping slope that runs northeast into the Pinegrove Creek then up another steep slope that moves into the Troll ski resort. The only strong anomalous zone noted is located close to the baseline and continues the east/west trend of the previous lines. Minor trends are noted in the north section by Pinegrove Creek and far south section in the complex Ramos Creek area.

Lines 19, 20, 21, 22

These four lines are located to the extreme east boundary of the Shalom property and on a side slope dipping to the east into Lightning Creek and Highway 24. The terrain is moderate to steep with Line 22 on the highway. Line 22 may be

unreliable data due to hydro power lines near the highway. In the north section above the baseline the strong east/west trend is still prominent and indicates a continuous trend. The southern area below the baseline is still fairly complex due to some ground evidence of faulting locally due to steep ravines and drainage chutes.

Seattle Grid

The grid is composed of 18 lines covering the south portion of the Shalom claim block just south of Pinegrove Mountain. The total amount of lines ran is 31.1 kilometers with lines spaced 200 meters apart. The first baseline set up was the boundary between Shalom #2 and Shalom #4, with the crosslines running east/west as shown on the Grid Map in the Appendix and the 0N Line is the extreme west boundary of the property.

Lines 0N and 2N

Both of these two lines are 200 meters apart with line 0N the extreme south claim block boundary. These two lines also cut across similar terrain. To the east of the baseline, the lines start well at the bottom of the Ramos Creek Valley and move up slope to the east through an area of steep ravines and run-off chutes. In the west direction the lines move up out of Ramos Creek up a steep slope sloping east then the lines move out onto a flat section with a slight west slope. There are three small possible conductive or small anomalous zones to be noted. These zones trend in a north/south direction and one is located to the west of the baseline and the other two to the east. These trends end somewhere between Line 2 and 4 but seem to continue strongly to the south connecting up to some magnetic anomalies compiled by airborne survey for the Wingdam property several years ago by Wm. H. Myers the geophysical, geological consultant and advisor to the writer.

Line 4N

This line is located 200 meters north of Line 2 and is higher up the headwaters of Ramos Creek. The terrain to the west is slightly sloping to the east into Ramos Creek then flattens off while the east line runs up the west dipping slope of Ramos

Creek and over a ridge into the east dipping shoulder of the Lightning Creek drainage. This line contains one strong conductive zone to the east and two minor zones to the west. As mentioned before, the anomalous zones from Line 0N and 2N do not continue but are cut off.

Lines 6, 8 and 10 North

These three lines are located 200 meters progressively north of Line 4. The terrain is basically similar as they are located in the moderate side slope of Pinegrove Mountain. In the west direction the terrain follows the same grade and is, therefore, relatively flat while the east part of the line is initially flat then falls sharply to the east into the Lightning Creek drainage system. The strong anomalous conductive zone continues on the east side of the baseline and the west side of the base line continues the anomalies started on Line 4 but these break sharply off like the very bottom anomalies; possibly due to overburden affects or they are just conductive clay anomalies. Another strong conductive zone begins just 200 to 300 meters west of the baseline on Line 8 and 10. These anomalies are strong in structure as the faulting system similar to other areas in the Cariboo, for example the Wells-Barkerville area.

Lines 12 and 14 North

These two lines are located 200 meters progressively north of Line 10. The terrain along these lines is moderate to the west and moderate to steep to the east of the baseline. Again to the east the line slopes steeply down to the east as the slope dips down into both Lightning and Pinegrove Creek. The strong anomaly to the east continues in attitude while the two farthest anomalies to the west pinch off and the two anomalies just west of the baseline pinch off as well.

Lines 16 and 18

These two lines are located 200 meters progressively north of Line 14. The terrain to the west is flat and moves into the headwaters of Mary Creek where the area has been logged off. The east section of the lines east of the baseline drops off the Pinegrove ridge as they move eastward. The peak of Pinegrove Mountain is located

on Line 18N. The only anomaly or conductive zone left is the strong zone to the east of the baseline since in the west direction the area remains inactive. Due to the strength and continuation of the easterly north trending zone this is a possible major fault in the area.

CONCLUSIONS:

The VLF(EM-16) reconnaissance type profiles on the Shalom claims, ran during the 1986 field season, has produced some very interesting and possibly potential areas for further exploration work for possible gold mineralization. The continuous north/south and east/west trends shown on the map in the index are some of the areas worth investigation. The area of interest is basically situated in Shalom #2 and Shalom #4 since overburden and slope fluctuations increase and create interpretation problems as we move further north, east and west from this area. The magnetometer survey also appears to give a slight magnetometer fluctuation in these areas and therefore provides further information or evidence for further exploration.

RECOMMENDATIONS:

The intersection of the strong north/south trend and the several east/west trends centered just south of the peak of Pinegrove Mountain would be a potential area for further exploration. Further exploration work is also recommended for the more continuous east/west trends on the Cuttler Grid associated with apparent magnetometer anomalous zones. The work should be in the form of more detailed electromag profiles as immediate lines with possible input electromag as well as VLF, self potential surveys and possible shallow drilling with limited Lithogeochem analysis.
This is considered to be a very worthwhile exploration programme and well worth the expenditures of monies to carry out the recommended work.

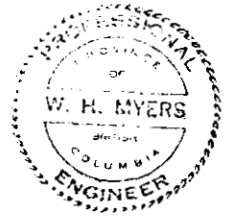
Respectively Submitted

Alan Samchek (Geol. Eng.)

Approved

Wm. H. Myers P.Eng.(B.C.)
P.Geol.(Alta.)
Geological-Geophysical Consult.

November, 1987



APPENDIX

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SUMMARY OF WORK COMPLETED IN 1986 FIELD SEASON
SHALOM GROUP OF CLAIMS

A) **Geophysics:**
VLF(EM-16)
- transmitting station: Seattle, Washington
- total number of kilometers covered - 31 kilometers
VLF(EM-16)
- transmitting station: Cuttler, Maine
- total number of kilometers covered - 64 kilometers
Magnetometer
- total number of kilometers covered - 38.7 kilometers

B) **Grid Establishment:**
VLF(EM-16) Grid
- Seattle grid: total number of kilometers covered - 31.1 kilometers
- Cuttler grid: total number of kilometers covered - 64 kilometers
Magnetometer Grid
- total number of kilometers covered - 38.7 kilometers

C) **Geochemical Sampling:**
- 26 geochem samples collected
- 86 litho geochem samples collected

KILOMETERS OF VLF-EM SURVEY, 1986 SEASON
Seattle Grid

Line #	Km
0N	3.1
2N	2.1
4N	2.8
6N	2.9
8N	3.6
10N	3.7
12N	3.8
14N	3.5
16N	2.3
18N	2.3
TOTAL 10 lines	31.1 = 31 km

KILOMETERS OF VLF-EM SURVEY, 1986 SEASON
Cuttler Grid

Line #	Km
0	1.0
1	1.5
2	2.0
3	2.4
4	3.0
5	3.4
6	3.4
7	5.3
8	3.1
9	3.0
10	2.8
11	2.7
12	2.5
13	2.7
14	3.0
15	4.1
16	4.4
17	4.0
18	3.8
19	3.5
20	2.2
21	1.4
22	0.6
TOTAL 22 lines	63.8= 64 km

ITEMIZED COST STATEMENT - SHALOM CLAIM GROUP

A) **Labour:**

Employee #1; June 15 - August 31; total days worked = 66 days; @138/day; total wages = $9,108
Employee #2; July 16 - July 23; total days worked = 6 days; @$138/day; total wages = $828
Employee #3; July 24 - August 20; total days worked = 24 days; @138/day; total wages = $3,312
Employee #4; September 10 - September 13; total days worked = 4 days; @$138/day; total wages = $552
Employee #5; June 1 - October 31; total days worked = 46 days; @$180/day; total wages = $8,280
Employee #6; September 15 - October 31; total days worked = 18 days; @$138/day; total wages = $2,484
Employee #5; June 15 - November 15; total days worked = 108 days; @$138/day; total wages = $14,906

TOTAL WAGES = $39,470

B) **Accommodations:**

Employee #1; 66 days @$50/day; total amount = $3,300
Employee #2; N/A
Employee #3; N/A
Employee #4; N/A
Employee #5; 46 days @$50/day; total amount = $2,300
Employee #6; 18 days @$50/day; total amount = $900
Employee #7; 108 days @$50/day; total amount = 5,400

TOTAL ACCOMMODATIONS = $11,900

C) **Instrument Rental:**

June 15 - October 31; VLF(EM-16); 108 days @$30/day; total rental = $3,240
September 1 - October 31; proton magnetometer; 54 days @$55/day; total rental = $2,970

TOTAL RENTAL FEE = $6,210

D) **Truck and Other Rentals:**

Truck #1; 4x4 Jeep; June 15 - September 31; used 108 days @$40/day; total = $4,320
Truck #2; 4x4 Ford; June 1 - September 31; used 46 days @$40/day; total = $1,840
D6 Cat; July 26 - July 29; used 4 days @$735/day; total = $2,940
Loader; July 26 - July 29; used 4 days @$860/day; total = $3,440

D) **Truck and Other Rentals:** (Continued)

Backhoe; July 26 - July 29; used 4 days @$1,125/day; total = $4,500
Lowbed (Mob & Demob); July 29; used 1 day @$650/day; total = $650

TOTAL RENTAL FEE = $17,690

E) **Consultants Fees:**

Consultant #1; June 9 - June 15; 7 days @$300/day; total = $2,100; October 15 - October 19; 5 days @$300/day; total = $1,500
Consultant #2; September 10 - September 12; 3 days @$300/day; total = $900
Consultant #3; August 7 - August 10; 4 days @$300/day; total = $1,200

TOTAL FEES = $5,700

F) **Geochemical Assays:**

13 rock (chip) samples; analysed for Au, Cu, Pb, Zn, and Ag; @$30/sample; total cost = $390
65 rock (chip) samples; analysed for Au and Ag; @ $20/sample; total cost = $1,300
26 geochem samples; analysed for Au; @$14/sample; total cost = $364
18 rock (chip) samples; analysed by I.C.P. (24 common elements) plus Au and Ag; @$30/sample; total cost $540

TOTAL ANALYSIS COST = $2,594

G) **Miscellaneous Cost and Cost of Report:**

Office supplies - $2,000
Field supplies - $1,200
Report cost - $500

TOTAL MISC. COSTS = $3,700

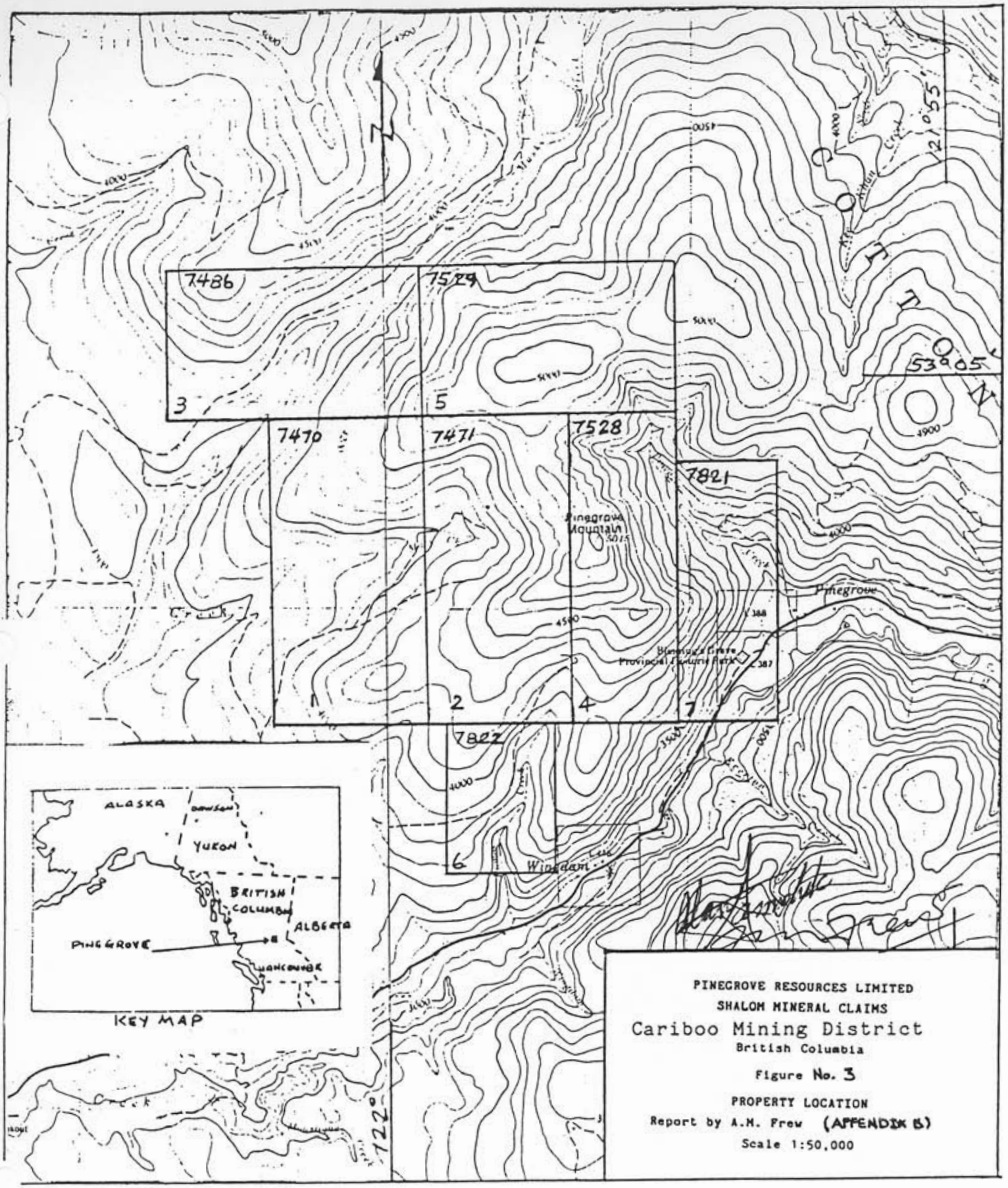
H) **Travel and Transportation Costs:**

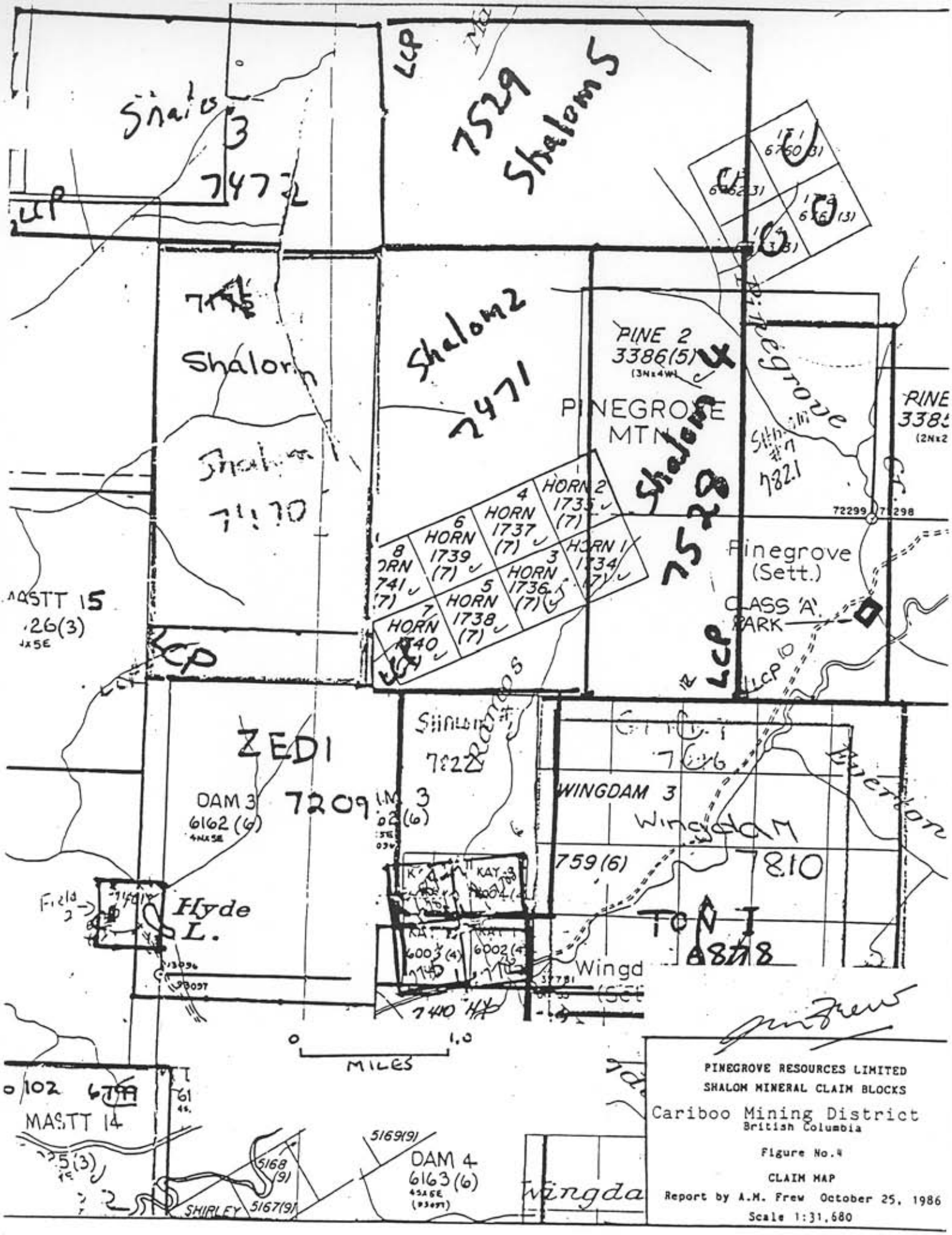
20% of the present sub-total of the Shalom claim group
Travel Cost = $16,500

I) **Total Costs:**

TOTAL ASSESSMENT COST = $100,064

I L L U S T R A T I O N S


7486
7529
7470
7471
7528
7821
7822
3
5
2
4
7
6
Pinegrove Mountain
Pinegrove
Wingdam
Creek
Provincial Forest
ALASKA
YUKON
BRITISH COLUMBIA
ALBERTA
PINEGROVE
VANCOUVER
KEY MAP
122°
121°05'
53°05'
N
PINEGROVE RESOURCES LIMITED
SHALOM MINERAL CLAIMS
Cariboo Mining District
British Columbia
Figure No. 3
PROPERTY LOCATION
Report by A.M. Frew (APPENDIX B)
Scale 1:50,000



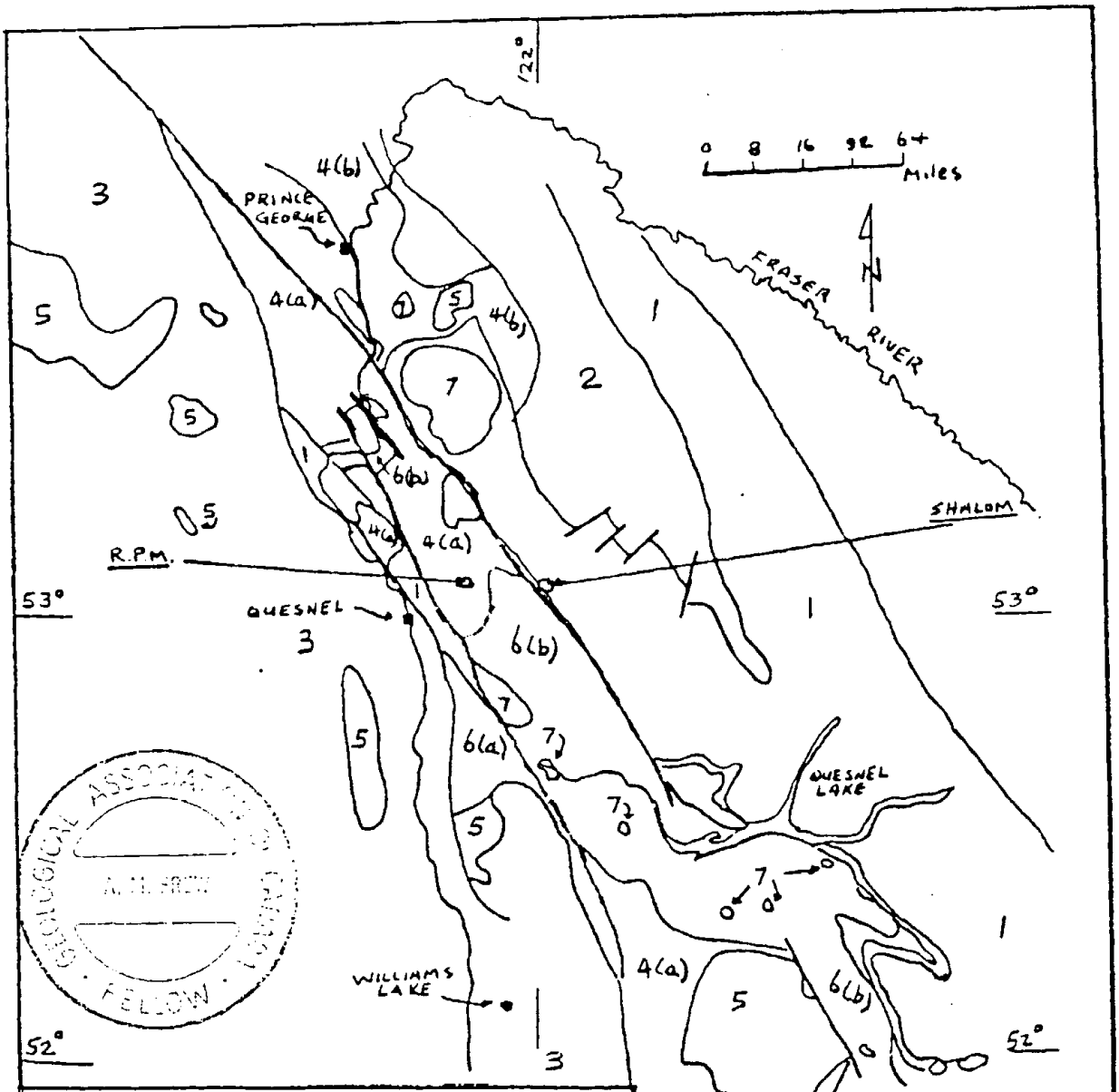
PINEGROVE RESOURCES LIMITED
SHALOM MINERAL CLAIM BLOCKS
Cariboo Mining District
British Columbia

Figure No.4

CLAIM MAP

Report by A.M. Frew October 25, 1986

Scale 1:31,680



LEGEND

CRETACEOUS
- 7 "100 m.y. intrusions"; quartz monzonite and granodiorite

LOWER JURASSIC
- bg Conglomerate, greywacke, shale
- bv Andesitic fragmental rocks and minor sediments

UPPER TRIASSIC AND/OR LOWER JURASSIC
- 5 "200 m.y. intrusions"; granodiorite and quartz diorite

UPPER TRIASSIC
- 4a NICOLA GROUP: andesite, limestone, greywacke, and argillite
- 4b Black phyllite, shale, and schist

PENNSYLVANIAN AND PERMIAN
- 3 CACHE CREEK GROUP: argillite, greenstone, limestone, greywacke, chert

MISSISSIPPIAN
- 2 SLIDE MOUNTAIN GROUP: basalt, argillite, conglomerate, greywacke, chert

PROTEROZOIC AND CAMBRIAN
- 1 KAZA AND CARIBOO GROUPS: shale, limestone, quartzite, grit; metamorphic equivalents

Geological contact

Fault

(after Campbell & Tipper, 1970)

PINEGROVE RESOURCES LIMITED

R.P.M. & CHALOM MINERAL CLAIMS

Cariboo Mining District

British Columbia

Figure No. 4

REGIONAL GEOLOGY

Report by A.M. Frew (APPENDIX D)

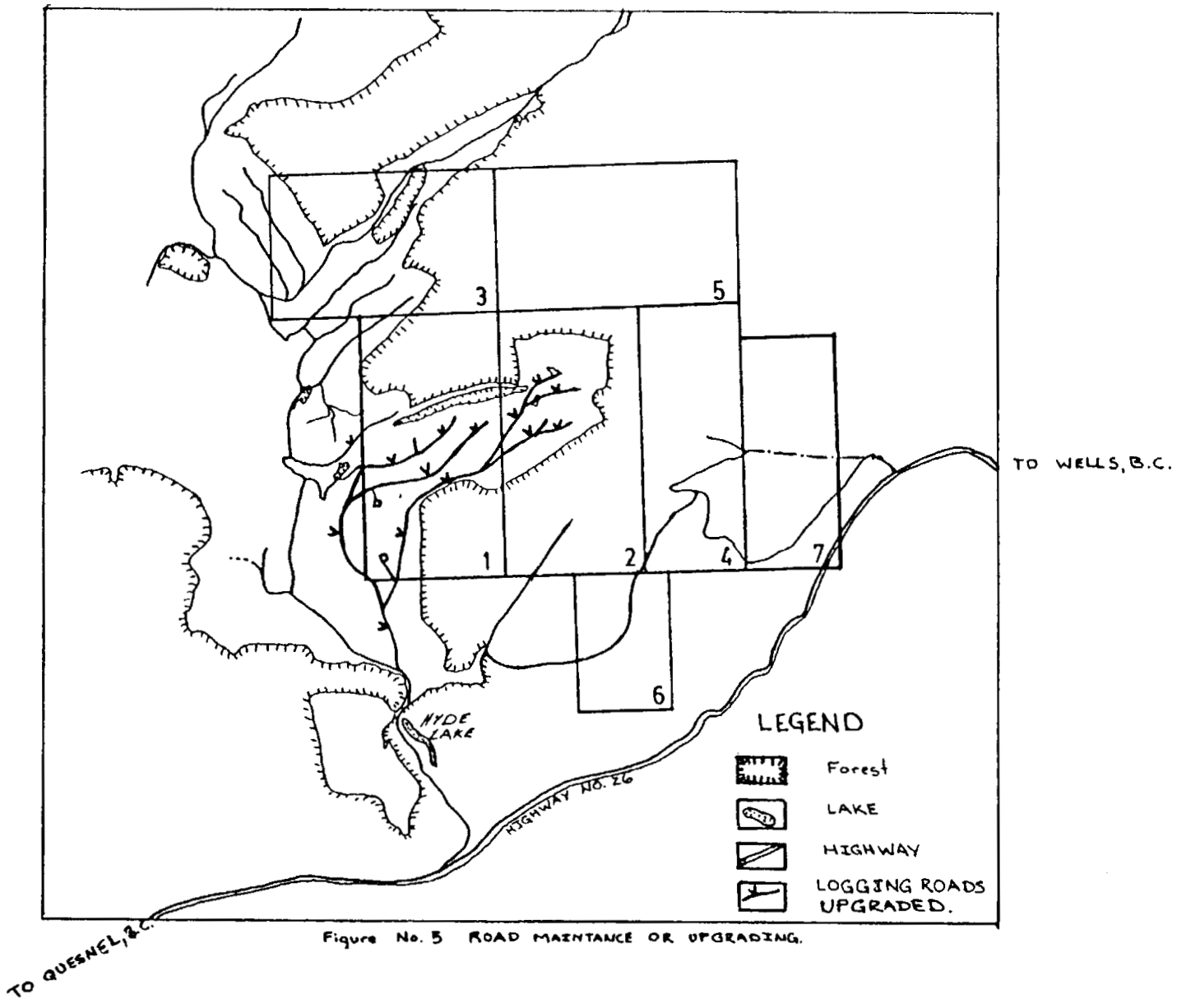


Figure No. 5 ROAD MAINTANCE OR UPGRADING.

SHALOM CLAIMS

SCALE 1:67000

ASSAY RESULTS

Chemex Labs Ltd.

Analytical Chemists • Geochemists • Registered Assayers

212 Brooksbank Ave.
North Vancouver, B.C.
Canada V7J 2C1
Phone: (604) 984-0221
Telex: 043-52597

CERTIFICATE OF ANALYSIS

TO : PINEGROVE RESOURCES LTD. **

P.O. BOX 7280, STATION M
EDMONTON, ALBERTA
T5E 6C8

CERT. # : A8616838-001-A
INVOICE # : I8616838
DATE : 3-SEP-86
P.O. # : NONE

Sample description	Prep code	Au ppb FA+AA	Pt ppb				
SH 7	205	10	<50	--	--	--	--

VOI rev. 4/85

Certified by .....

Chemex Labs Ltd.

212 Brooksbank A
North Vancouver, B
Canada V7J 2

Analytical Chemists • *Geochemists* • *Registered Assayers*

Phone: (604) 984-02
Telex: 043-525

CERTIFICATE OF ANALYSIS

TO : PINEGROVE RESOURCES LTD. **

P.O. BOX 7280, STATION M
EDMONTON, ALBERTA
T5E 6C8

CERT. # : A8616837-001
INVOICE # : I8616837
DATE : 27-AUG-86
P.O. # : NONE

Sample description	Prep code	Ag ppm Aqua R	Au ppb FA+AA				
SH1-101-2	205	0.1	<5	--	--	--	--
SH1-112-2	205	0.2	<5	--	--	--	--
SH1-113-2	205	0.5	<5	--	--	--	--
SH1-114-2	205	0.5	<5	--	--	--	--
SH1-117-2	205	0.1	<5	--	--	--	--
SH1-124-2	205	0.1	<5	--	--	--	--
SH2-100-2	205	0.1	<5	--	--	--	--
SH2-101-2	205	0.5	<5	--	--	--	--
SH2-102-2	205	3.4	<5	--	--	--	--
SH2-104-2	205	1.2	<5	--	--	--	--
SH2-105-2	205	0.4	<5	--	--	--	--
SH2-107-2	205	0.2	<5	--	--	--	--
SH2-108-2	205	0.1	<5	--	--	--	--
SH4-104-2	205	0.1	<5	--	--	--	--
SH6-102-2	205	0.6	<5	--	--	--	--
SH7-1008-2	205	1.4	85	--	--	--	--

VOI rev. 4/85

Certified by Hart Bichler....

Chemex Labs Ltd.

•Analytical Chemists •Geochemists •Registered Assayers

212 Brooksbank Ave.
North Vancouver, B.C.
Canada V7J 2C1

Phone: (604) 984-0221
Telex: 043-52597

CERTIFICATE OF ANALYSIS

TO : PINEGROVE RESOURCES LTD.

P.O. BOX 7280, STATION H
EDMONTON, ALBERTA
T5E 6C0

AA CERT. # : A8617140-001-A
INVOICE # : I8617140
DATE : 10-OCT-86
P.O. # : NONE

Sample description	Mo ppm (ICP)	W ppm (ICP)	Zn ppm (ICP)	P ppm (ICP)	Pb ppm (ICP)	Bi ppm (ICP)	Cd ppm (ICP)	Co ppm (ICP)	Ni ppm (ICP)	Ba ppm (ICP)	Fe % (ICP)	Mn ppm (ICP)	Cr ppm (ICP)	Mg % (ICP)	V ppm (ICP)	Al % (ICP)	Be ppm (ICP)	Ca % (ICP)	Cu ppm (ICP)	Ag ppm AAS	Ti % (ICP)	Sr ppm (ICP)	Na % (ICP)	K % (ICP)
SH1-101-2	2	<10	68	360	14	<2	<0.5	11	38	705	5.05	330	180	1.63	84	9.94	1.5	0.16	34	<0.2	0.399	65	0.68	3.69
SH1-112-2	7	<10	540	>10000	18	3	0.5	3	101	1380	1.95	27	195	0.36	770	2.90	<0.5	7.14	120	0.4	0.129	405	0.04	1.49
SH1-113-2	15	<10	240	2150	24	<2	0.5	2	38	1290	1.64	21	185	0.38	1050	2.68	<0.5	0.17	111	0.8	0.128	62	0.06	1.15
SH1-114-2	16	<10	240	9550	26	<2	0.5	2	40	1650	1.69	21	210	0.16	780	1.87	<0.5	1.92	197	1.0	0.099	185	0.02	0.74
SH1-117-2	3	<10	82	1130	4	<2	<0.5	30	74	125	7.89	1130	145	4.49	365	7.88	<0.5	6.60	195	<0.2	1.500	560	3.08	0.25
SH1-124-2	2	<10	9	225	8	3	<0.5	1	5	600	0.58	20	170	0.17	67	1.85	<0.5	0.07	25	<0.2	0.104	28	0.09	0.64
SH2-100-2	2	<10	42	170	10	<2	<0.5	5	17	85	7.34	1120	155	1.12	50	8.81	1.0	10.20	23	<0.2	0.351	1750	0.31	0.04
SH2-101-2	6	<10	28	2390	16	<2	<0.5	2	14	655	0.60	42	210	0.14	210	1.31	<0.5	0.53	40	1.0	0.109	47	0.03	0.32
SH2-102-2	10	15	90	6290	10	<2	<0.5	4	11	4340	4.69	79	200	0.49	675	5.70	<0.5	0.25	275	3.0	0.571	205	0.19	2.26
SH2-104-2	5	<10	129	1350	10	<2	<0.5	8	29	1770	3.55	119	195	0.35	148	3.06	<0.5	0.04	70	1.2	0.199	125	0.09	1.49
SH2-105-2	6	<10	46	465	40	<2	<0.5	2	12	1550	0.90	23	230	0.08	210	1.32	<0.5	0.03	14	0.4	0.054	90	0.04	0.32
SH2-107-2	6	<10	139	535	230	<2	<0.5	24	67	990	8.10	1000	155	0.49	98	10.30	2.0	0.04	70	0.4	0.220	77	0.51	5.15
SH2-108-2	4	<10	30	210	144	5	<0.5	3	8	565	2.17	128	190	0.49	54	8.58	2.0	0.05	11	<0.2	0.251	93	0.69	4.06
SH4-104-2	3	<10	164	1330	12	<2	<0.5	51	54	560	10.10	900	145	3.25	235	9.93	<0.5	1.34	32	0.4	0.848	112	0.60	2.90
SH6-102-2	9	<10	10	6870	48	2	<0.5	1	5	515	0.53	54	185	0.18	765	1.18	<0.5	1.59	32	0.4	0.082	95	0.02	0.47
SH7-100B-2	2	<10	77	590	12	<2	<0.5	30	107	1410	5.52	450	380	1.55	178	12.30	1.5	0.31	1290	1.4	1.050	168	3.53	4.94

Certified by ..., H.F. Shaw .....

Chemex Labs Ltd.

•Analytical Chemists •Geochemists •Registered Assayers

212 Brooksbank Ave.
North Vancouver, B.C.
Canada V7J 2C1

Phone: (604) 984-0221
Telex: 043-52597

CERTIFICATE OF ANALYSIS

TO : RAPID PROPERTY MANAGEMENT (R.P.M.) LTD.

14880 - 70 A ST.
EDMONTON, ALBERTA
T5C 1W1

AA CERT. # : A8616368-001-A
INVOICE # : I8616368
DATE : 19-AUG-86
P.O. # : NONE

ATTN: TONY NOZUB

Sample description	Mo ppm (ICP)	W ppm (ICP)	Sn ppm (ICP)	P ppm (ICP)	Pb ppm (ICP)	Bi ppm (ICP)	Cd ppm (ICP)	Cu ppm (ICP)	Ni ppm (ICP)	Sb ppm (ICP)	Fe % (ICP)	Mn ppm (ICP)	Cr ppm (ICP)	Mg % (ICP)	V ppm (ICP)	Al % (ICP)	Sr ppm (ICP)	Ca % (ICP)	Zn ppm (ICP)	Ag ppm AAS	Ti % (ICP)	Ba ppm (ICP)	Na % (ICP)	K % (ICP)
SMT-100	1	<10	28	865	22	<2	<0.5	24	136	47	5.61	1670	350	1.94	105	7.05	<0.5	12.10	47	0.5	0.820	600	4.50	0.23

Alex Sanchuk

Chemex Labs Ltd.

212 Brooksbank Ave.
North Vancouver, B.C.
Canada V7J 2C1

•Analytical Chemists •Geochemists •Registered Assayers

Phone: (604) 984-0221
Telex: 043-52597

CERTIFICATE OF ANALYSIS

TO : RAPID PROPERTY MANAGEMENT (R.P.M.) LTD.

14830 - 73 A ST.
EDMONTON, ALBERTA
T5C [illegible]

** CERT. # : A8616368-001-[illegible]
INVOICE # : I8616368
DATE : 19-AUG-[illegible]
P.O. # : NONE

ATTN: TONY [illegible]

Sample description	Mo ppm (ICP)	W ppm (ICP)	Zn ppm (ICP)	P ppm (ICP)	Pb ppm (ICP)	Bi ppm (ICP)	Cd ppm (ICP)	Co ppm (ICP)	Ni ppm (ICP)	Ba ppm (ICP)	Fe % (ICP)	Mn ppm (ICP)	Cr ppm (ICP)
SHT-100	1	<10	73	856	30	<2	<0.5	24	132	47	5.61	1570	350

Sample description	Mg % (ICP)	V ppm (ICP)	Al % (ICP)	Be ppm (ICP)	Ca % (ICP)	Cu ppm (ICP)	Ag ppm AAS	Ti % (ICP)	Sr ppm (ICP)	Na % (ICP)	[illegible] K % (ICP)
SHT-100	1.94	105	7.36	<0.5	10.10	47	0.6	0.800	600	1.50	0.03

gold .002 ~~P.P.M~~ · oz pr Ton
platinum <35 P.P.M (50 ppb)
Silver ~~.06~~ .07 ~~P.P.M~~ · oz · pr · Ton

Alan [signature]

Certified By ....

Chemex Labs Ltd.

Analytical Chemists *Geochemists* *Registered Assayers*

212 Brooksbank Ave.
North Vancouver, B.C.
Canada V7J 2C1

Phone: (604) 984-0221
Telex: 043-52597

CERTIFICATE OF ANALYSIS

TO : PINEGROVE RESOURCES LTD.

P.O. BOX 7280, STATION H
EDMONTON, ALBERTA
T5E 6G9

AA CERT. # : A8616839-001-A
INVOICE # : I8616839
DATE : 1-SEP-86
P.O. # : NONE

Sample description	Mo ppm (ICP)	W ppm (ICP)	Zn ppm (ICP)	P ppm (ICP)	Pb ppm (ICP)	Bi ppm (ICP)	Cd ppm (ICP)	Co ppm (ICP)	Ni ppm (ICP)	Ba ppm (ICP)	Fe % (ICP)	Mn ppm (ICP)	Cr ppm (ICP)	Mg % (ICP)	V ppm (ICP)	Al % (ICP)	Be ppm (ICP)	Ca % (ICP)	Cu ppm (ICP)	Ag ppm AAS	Ti % (ICP)	Sr ppm (ICP)	Na % (ICP)	K % (ICP)
SH 7	<1	<10	98	685	14	<2	<0.5	30	90	825	5.52	1190	190	1.67	96	8.57	1.0	5.46	65	<0.2	0.301	260	1.82	3.35

Certified by .....

To: PINEGROVE RESOURCES LTD
P.O. Box 7280, Station "M"
Edmonton, Alberta T5E 6C8
Attn: Tony Kozub

File No. 29310
Date November 17, 1986
Samples Rock

Certificate of ASSAY

LORING LABORATORIES LTD.

SAMPLE No.	PPB Au	PPM Cu	PPM Pb	PPM Zn	PPM Ag
"Geochemical Analysis" "Rock Samples"					
Channel Sample #1	20	236	24	167	.5
#2	10	225	27	236	.6
#3	Nil	42	14	201	.4
#4	30	39	24	197	.4
#5	10	55	20	275	.7
#6	30	38	22	335	.6
2x4-1 GOUGE	5	329	17	129	.3
2x4-2	Nil	41	14	131	.5
CH-AF1	15	126	18	255	1.0
CH-AF2	10	115	22	149	.8
SH2-T4	70	199	28	65	2.0
SH6-T5	Nil	15	18	169	.4
SH7-T3	35	22	42	54	1.1

I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES . . . .

Rejects Retained one month.

Pulps Retained one month unless specific arrangements made in advance.

Assayer

To: PINEGROVE RESOURCES LTD.
P.O. Box 7280, Station "M"
Calgary, Alberta T5E 6C8
Attn: Joe Kozub

File No. 29008
Date September 3, 1986
Samples Rock

Certificate of ASSAY

LORING LABORATORIES LTD.

SAMPLE No.	PPM Ag	PPB Au
"Geochemical Analysis"		
SH1-100	.2	Nil
SH1-101-1	.1	Nil
SH1-102	.2	Nil
-103	.1	5
-104	.2	Nil
-105	Nil	Nil
-106	.1	Nil
-107	.1	Nil
-108	.2	5
-109	.1	Nil
SH1-110	.1	Nil
-111	.2	Nil
-112-1	1.6	10
-113-1	2.6	15
-114-1	.7	5
-115	.7	5
-116	Nil	5
-117-1	.1	Nil
-118	.5	5
-119	.4	5
SH1-120	.3	10
-121	.2	10
-122	.5	10
-123-1	.4	15
-124-1	.2	Nil
SH2-100-1	.8	5
-101-1	6.1	15
SH2-102-1	.6	15

I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES . . . .

Rejects Retained one month.

Pulps Retained one month unless specific arrangements made in advance.

Assayer

To: PINEGROVE RESOURCES LTD
P.O. Box 7280 Station "M"
Edmonton, Alberta T5E 6C8
Attn: Joe Kozub

File No. 29008
Date September 3, 1986
Samples Rock

Certificate of ASSAY

LORING LABORATORIES LTD.

SAMPLE No.	PPM Ag	PPB Au
"Geochemical Analysis"		
SH2-103	.4	5
SH2-104-1	.9	15
-105-1	.2	30
-106	.4	20
-107-1	.4	15
-108	.4	5
-108-1	.2	Nil
SH2-110-1	.1	5
SH4-101-1	.1	25
-102-1	.2	20
-104-1	.3	10
-105-1	.4	10
SH6-100	.7	5
-101	.4	Nil
-102-1	.9	5
SH7 100-a-1	.3	35
100-b-1	3.5	160
SH7 100-c-1	Nil	5
SH7-101-1	Nil	10

I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES . . . .

Rejects Retained one month.

Pulps Retained one month unless specific arrangements made in advance.

Assayer

To: PINEGROVE RESOURCES LTD
P.O. Box 7280, Station "M"
Edmonton, Alberta T5E 6C8
Attn: Tony Kozub

File No. 29310
Date November 17, 1986
Samples Sediment

Certificate of ASSAY

LORING LABORATORIES LTD.

SAMPLE No.	PPB Au
"Geochemical Analysis"	
SHALOM #1	Nil
2	10
3	20
4	Nil
5	Nil
6	10
7	5
8	10
9	Nil
SHALOM #10	10
11	20
12	5
13	Nil
14	10
15	Nil
16	Nil
17	Nil
18A	100
18B	20
SHALOM #20	10
21	10
22	Nil
23	20
24	Nil
25	Nil
SHALOM #26	Nil

I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES . . . .

Rejects Retained one month.

Pulps Retained one month unless specific arrangements made in advance.

Assayer

To: PINEGROVE RESOURCES LTD.
P.O. Box 7280, Station "M"
Edmonton, Alberta T5E 6C8
Attn: Tony Kozub

File No. 29310
Date November 17, 1986
Samples Sediment

Certificate of ASSAY

LORING LABORATORIES LTD.

SAMPLE No.	PPB Au
"Geochemical Analysis"	
SHALOM A	5
B	Nil
SHALOM C	Nil
0+230N 0+000E	Nil
0+300N 0+155E	Nil
0+300N 0+710E	5
0+500N 5+95E	+1000
0+700N 0+640E	200
0+900N 0+600E	30

I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES . . . .

Rejects Retained one month.
Pulps Retained one month unless specific arrangements made in advance.

Assayer

To: PINEGROVE RESOURCES LTD
P.O. Box 7280, Station "M"
Edmonton, Alberta T5E 6C8
Attn: Tony Kozub

File No. 29310
Date November 17, 1986
Samples Sediment

Certificate of ASSAY

LORING LABORATORIES LTD.

SAMPLE No.	OZ./TON GOLD
"Assay Analysis"	
0+500N5+95E	.266

I Hereby Certify THAT THE ABOVE RESULTS ARE THOSE ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES . . . .

Rejects Retained one month.
Pulps Retained one month unless specific arrangements made in advance.

D. Eades
Assayer

CERTIFICATE

I, William Howard Myers, do hereby certify that I am an independent geological-geophysical consultant with offices at Suite #309 - 543 Granville Street, Vancouver, B.C., V6C 1X8, British Columbia. I have been actively engaged in my profession as an independent consultant in both oil and mining since 1952. I am a professional geologist, P.Geol., #16704 of the Association of Professional Engineers, Geologists and Geophysicists of Alberta. I am also a member P.Eng., #14056, of the Professional Engineers of British Columbia. I now hold a Life Membership in both Societies.

I graduated from Fresno State College, Fresno, California in 1939 with high honors and a B.Sc. degree in Geology. I did graduate work at Stanford University, Stanford, California for a M.Sc. degree in Geology, 1939-41. After graduating I spent three years with the U.S. Geological Survey as a field geologist and eleven years in the field of geoghysical exploration for oil and minerals.

During the past 21 years since 1964, I have spent the majority of my time in the field and consulting for gold exploration in the Cariboo Area of British Columbia. In the past four years, I have carried out extensive geophysical surveys and research programmes for gold exploration in the Cariboo Area of British Columbia. Much of the work involved the techniques recommended by R.W.Boyle in Bulletin 280 of the Geological Survey of Canada. This publication does not follow the older conventional exploration techniques.

Over the exploration period I provided consultant survices, by approving field work, interpretations and compilation of results by the field supervisor, Alan Samchek (Geol. Eng.).

Wm. Howard Myers, P.Eng.(B.C.)
P.Geol.(Alta.)
Geological-Geophysical Consultant

November, 1987

PROFESSIONAL
W. H. MYERS

CERTIFICATE

I, Alan Samchek, do hereby certify that I am a graduate Geological Engineer from the University of Manitoba. I have been working actively in the mining industry for the past two years and am an Engineer in training with the APEGGA Society. I have been working under the guidance and direction of Wm. H. Myers a Geological - Geophysical Consultant residing in Vancouver, B.C.

Mr. Wm. H. Myers' credentials are noted on the following page.

During the exploration work completed, this writer plotted the data obtained in the field and supervised the field crews work in the field.

November, 1987

ALAN SAMCHEK
Engineer in Training
Geological Engineer
Edmonton, Alberta

SHALOM 3
SHALOM 1
SHALOM 5
SHALOM 2
SHALOM 4
SHALOM 7
SHALOM 6
TRAIL
TRAIL
PINE GROVE MT.
PINE CREEK
TROLL SKI RESORT
MARY CREEK
LOGGING ROAD
LOGGING ROAD
EVERTON CREEK
RAMOS CREEK
WINGDAM
MELVILLE SHAFT
PROVINCIAL HIGHWAY #26
HYDE LAKE
LIGHTNING CREEK
WINGDAM CREEK

PART 1 OF 2
GEOLOGICAL BRANCH
ASSESSMENT REPORT
16,397

PINEGROVE RESOURCES LTD.

EDMONTON, ALBERTA

SHALOM CLAIM GROUP

WINGDAM AREA, CARIBOO MINING DIVISION

CLAIM MAP

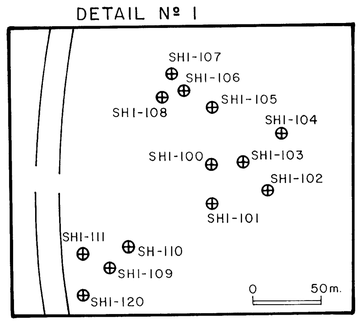
SCALE 1:10,000
0 0.5 1 km

WM. HOWARD MYERS, P.ENG. (B.C.), P.GEOL. (ALTA.)
CONSULTANT, Vancouver, British Columbia
ALAN SAMCHEK, GEOLOGICAL ENGINEER
(FIELD SUPERVISOR)

NOTE: THIS MAP COMPILED FROM AN UNCONTROLLED LAID DOWN MOSAIC USING AERIAL PHOTOGRAPHS BY WM. HOWARD MYERS P.ENG.
CLAIM LOCATION TAKEN FROM B.C. DEPT. MINES MAP 93H/4W

Drawn by: dw
DATED: 1987, JULY

DETAIL Nº 1



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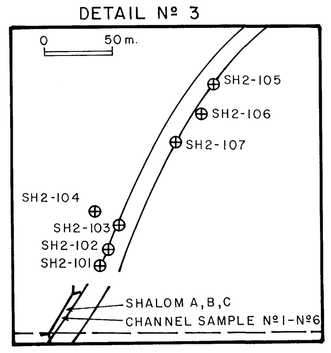

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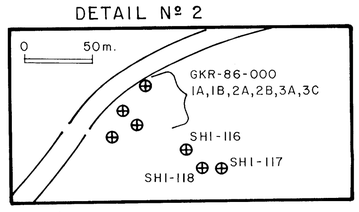

SHALOM 3
SHALOM 1
SHALOM 5
SHALOM 2
SHALOM 4
SHALOM 7
SHALOM 6
SH6-100
SH6-101
PINE GROVE MT.
TRAIL
TRAIL
PINE CREEK
TROLL SKI RESORT
MARY CREEK
LOGGING ROAD
LOGGING ROAD
SH1-122
SHI-119
SH2-100
SH1-121
SH1-123
SHI-123
AREA OF DETAIL Nº 2
AREA OF DETAIL Nº 1
AREA OF DETAIL Nº 3
GKR-8600-3B
SH7-100
SH7-101
SH7-100a
SH7-100b
CH-AF1&CH-AF2
SH6-102
SH6-103
EVERTON CREEK
RAMOS CREEK
WINGDAM
MELVILLE SHAFT
PROVINCIAL HIGHWAY #26
HYDE LAKE
LIGHTNING CREEK
WINGDAM CREEK

LEGEND

X SILT SAMPLE LOCATION

⊕ SOIL SAMPLE LOCATION

PART 1 OF 2
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EDMONTON, ALBERTA

SHALOM CLAIM GROUP

WINGDAM AREA, CARIBOO MINING DIVISION

1986 GEOLOGICAL CLAIM MAP

SCALE 1:10,000

0 0.5 1 km

WM. HOWARD MYERS, P.ENG. (B.C.), P.GEOL. (ALTA.)
CONSULTANT, Vancouver, British Columbia
ALAN SAMCHEK, GEOLOGICAL ENGINEER
(FIELD SUPERVISOR)

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CLAIM LOCATION TAKEN FROM B.C. DEPT. MINES MAP 93H/4W

Drawn by: dw

DATED: 1987, JULY

N

BASELINE (Az 120°)

L0 L1 L2 L3 L4 L5 L6 L7 L8 L9 L10 L11 L12 L13 L14 L15 L16 L17 L18 L19 L20 L21 L22

SHALOM 1
SHALOM 2
SHALOM 3
SHALOM 4
SHALOM 5
SHALOM 6
SHALOM 7

TRAIL

PINE GROVE MT.

PINE CREEK

TROLL SKI RESORT

MARY CREEK

LOGGING ROAD

LOGGING ROAD

EVERTON CREEK

RAMOS CREEK

WINGDAM
MELVILLE SHAFT

PROVINCIAL HIGHWAY #26

HYDE LAKE

LIGHTNING CREEK

WINGDAM CREEK

PART 1 OF 2
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PINEGROVE RESOURCES LTD.

EDMONTON, ALBERTA

SHALOM CLAIM GROUP

WINGDAM AREA, CARIBOO MINING DIVISION

CUTTLER GRID (1986)

SCALE 1:10,000
0 0.5 1 km

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CONSULTANT, Vancouver, British Columbia
ALAN SAMCHEK, GEOLOGICAL ENGINEER
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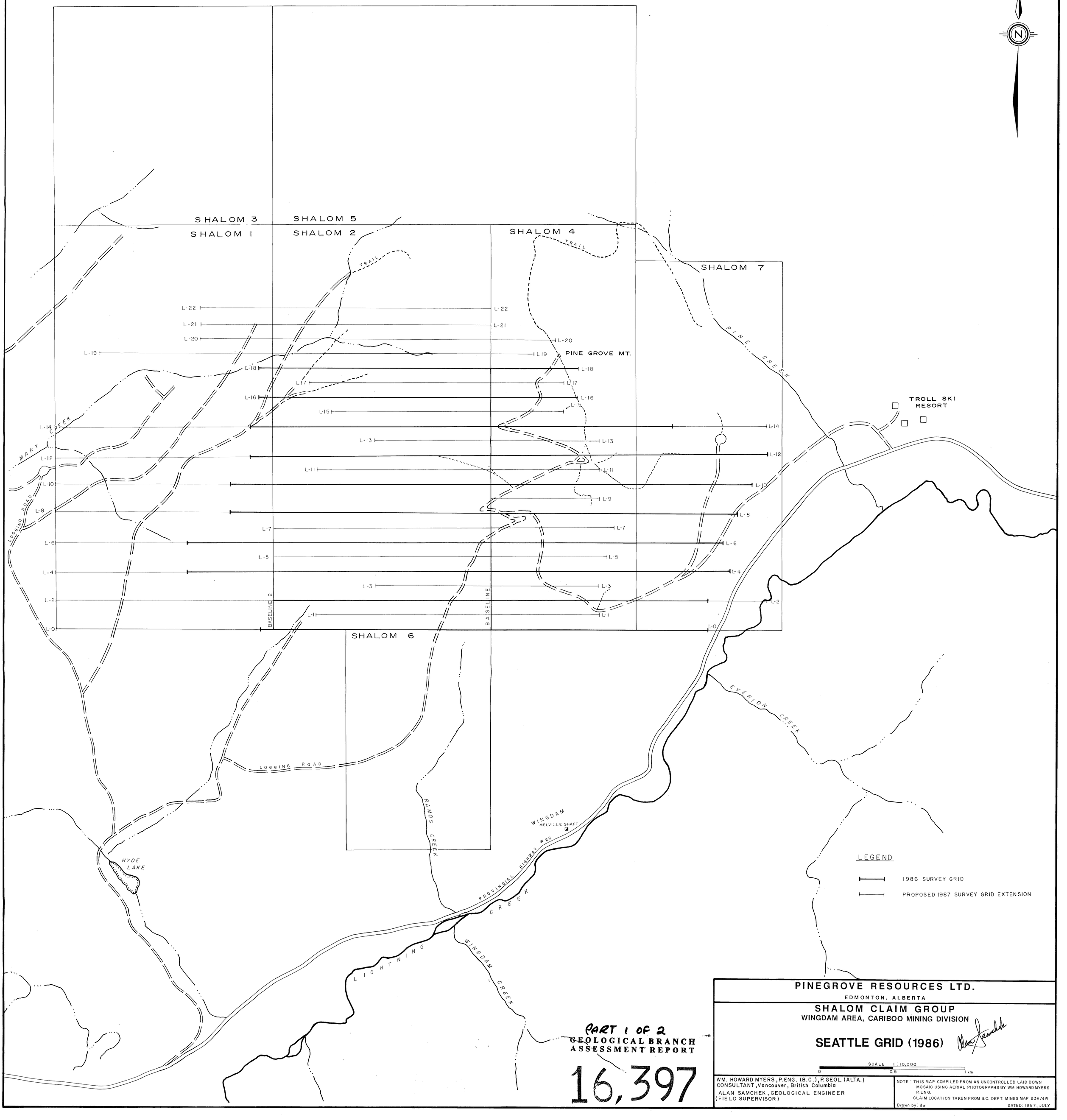
CLAIM LOCATION TAKEN FROM B.C. DEPT. MINES MAP 93H/4W

Drawn by: dw

DATED: 1987, JULY



PART 1 OF 2
GEOLOGICAL BRANCH
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PINEGROVE RESOURCES LTD.

EDMONTON, ALBERTA

SHALOM CLAIM GROUP

WINGDAM AREA, CARIBOO MINING DIVISION

SEATTLE GRID (1986)

SCALE 1:10,000

0 0.5 1 km

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CONSULTANT, Vancouver, British Columbia
ALAN SAMCHEK, GEOLOGICAL ENGINEER
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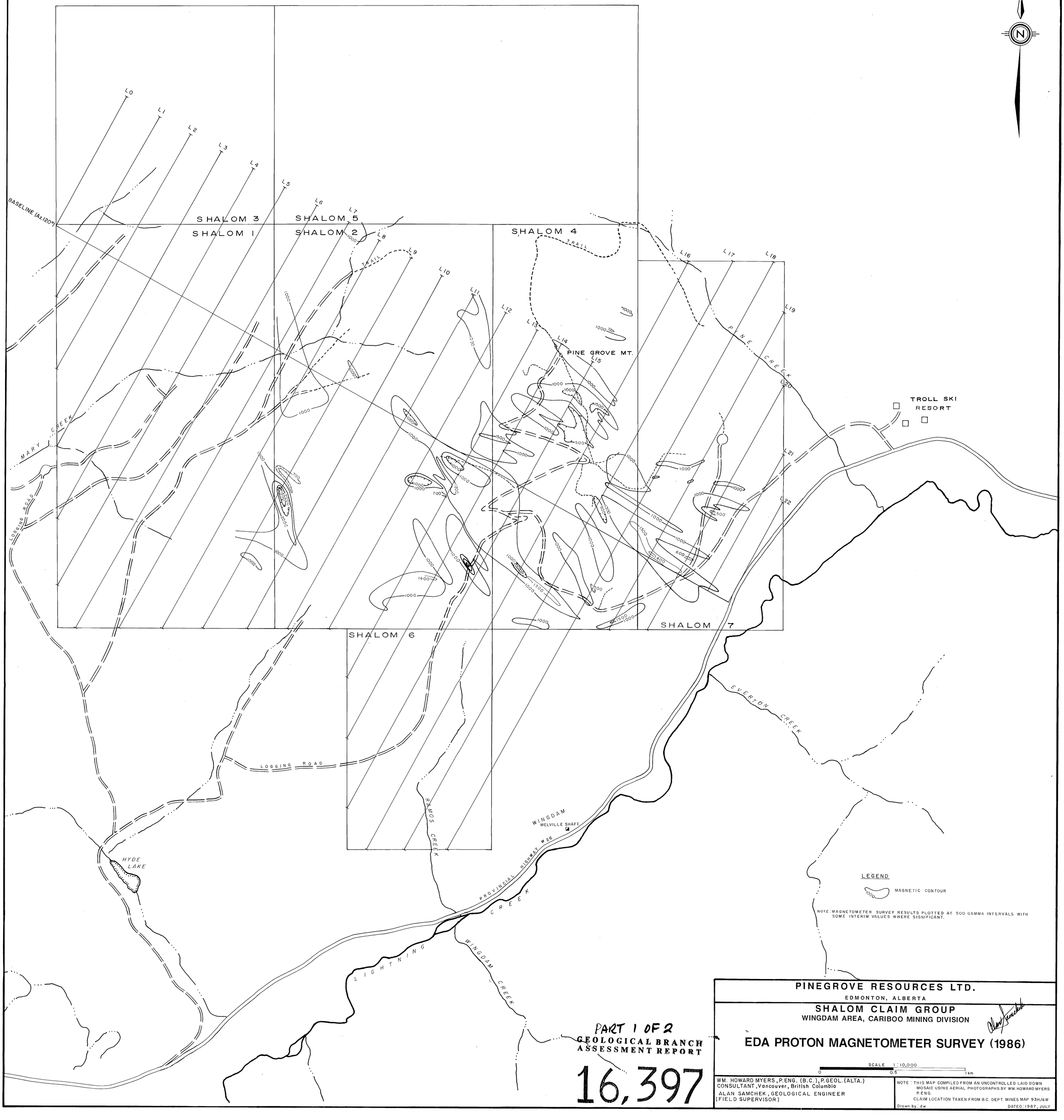
Drawn by: dw

DATED: 1987, JULY



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EDMONTON, ALBERTA

SHALOM CLAIM GROUP

WINGDAM AREA, CARIBOO MINING DIVISION

EDA PROTON MAGNETOMETER SURVEY (1986)

SCALE 1:10,000

0 0.5 1 km

WM. HOWARD MYERS, P.ENG. (B.C.), P.GEOL. (ALTA.)
CONSULTANT, Vancouver, British Columbia

ALAN SAMCHEK, GEOLOGICAL ENGINEER
(FIELD SUPERVISOR)

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CLAIM LOCATION TAKEN FROM B.C. DEPT. MINES MAP 93H/4W

Drawn by: dw

DATED: 1987, JULY