

11/88
LOG NO: 1214

RD.

ACTION:

FILE NO: 87-882-16621

ASSESSMENT REPORT
EXPLORATION AND GEOTECHNICAL
DIAMOND DRILLING
ON THE
EXPOT MINERAL CLAIM
SKEENA MINING DIVISION

Owned by:

B. D. FAIRBANK
#1201-675 West Hastings Street
Vancouver, B.C.

Operated by:

CITY RESOURCES (CANADA) LIMITED
#2000 - 666 Burrard Street
Vancouver, B.C.
V6C 2X8

LATITUDE - 53° 32' 16" N
LONGITUDE - 132° 17. 0" W
16' 21"

103 F/9W

By: R. S. Tolbert

November 1987

16,621

GEOLOGICAL BRANCH
ASSESSMENT REPORT



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Introduction

The Expot Claim is located 18 km south-south west of Port Clements on Graham Island, Queen Charlotte Islands, B.C. The claims lie within N.T.S. 103 F 9 W. A five hole diamond drilling program was conducted on the claims to test several gold targets and also to gain geotechnical information of the ground conditions present. The program of diamond drilling was conducted from April 10 to April 30, 1987 with logging and compilation completed after these dates. Only minor precious metal values were encountered in the drilling.

Location

The Expot Claim is located 18 km south-south west of Port Clements on Graham Island, Queen Charlotte Islands B.C. The claim is located in NTS 103 F/9W at latitude 53° 32' .30" north, and longitude 132° 17' 0" west.

Access

Access to the claim area is gained via dirt and gravel logging roads southwards from Port Clements onto the claim. Drill equipment was moved via truck or skidded from drillsite to drillsite.

Claim Status

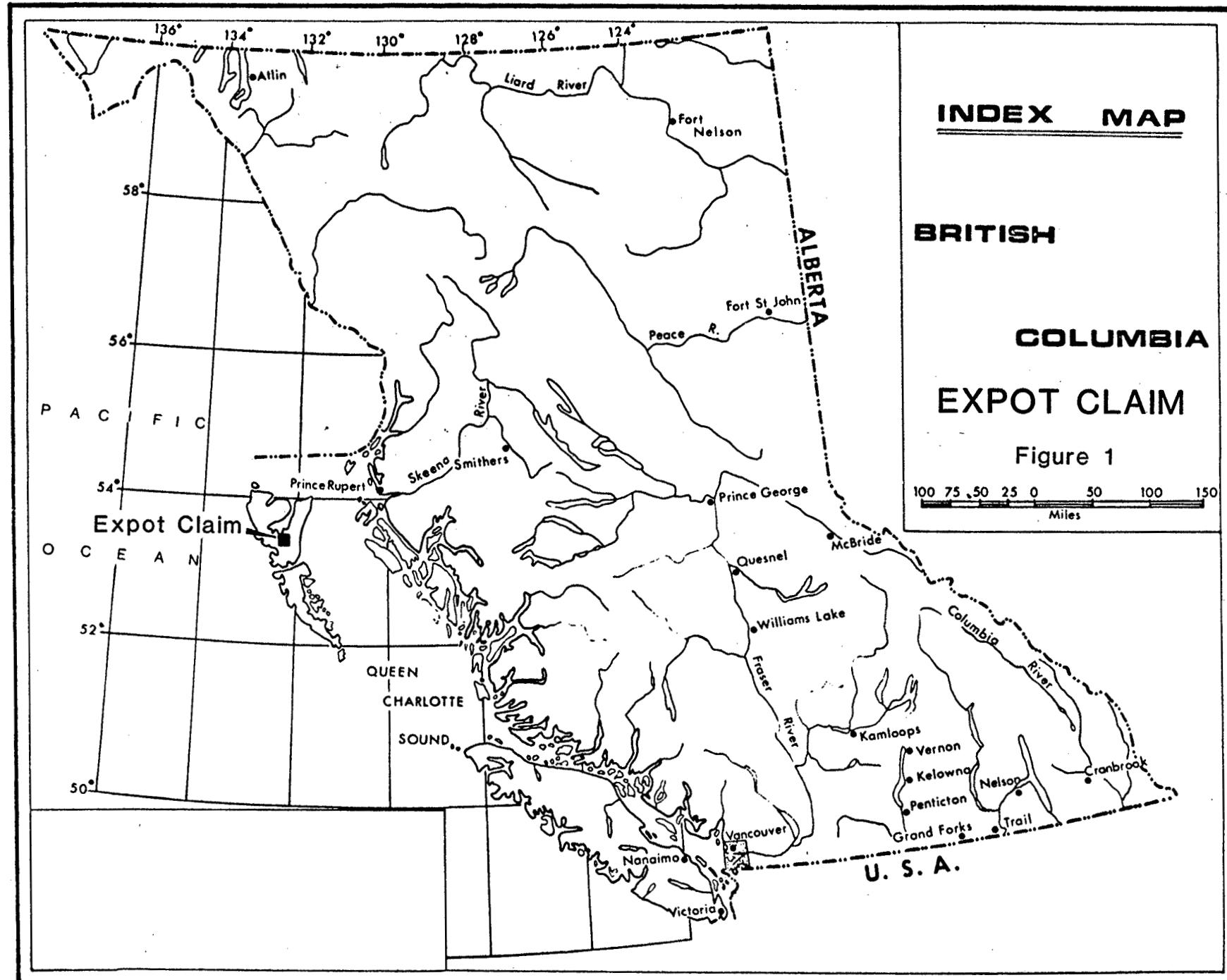
The Expot Claim is a 20 unit claim located in the Skeena Mining Division owned by B. D. Fairbank and recorded on November 26, 1986. The claim is to be sold to City Resources (Canada) Limited, Suite 2000 - 666 Burrard Street, Vancouver, B.C., V6C 2X8.

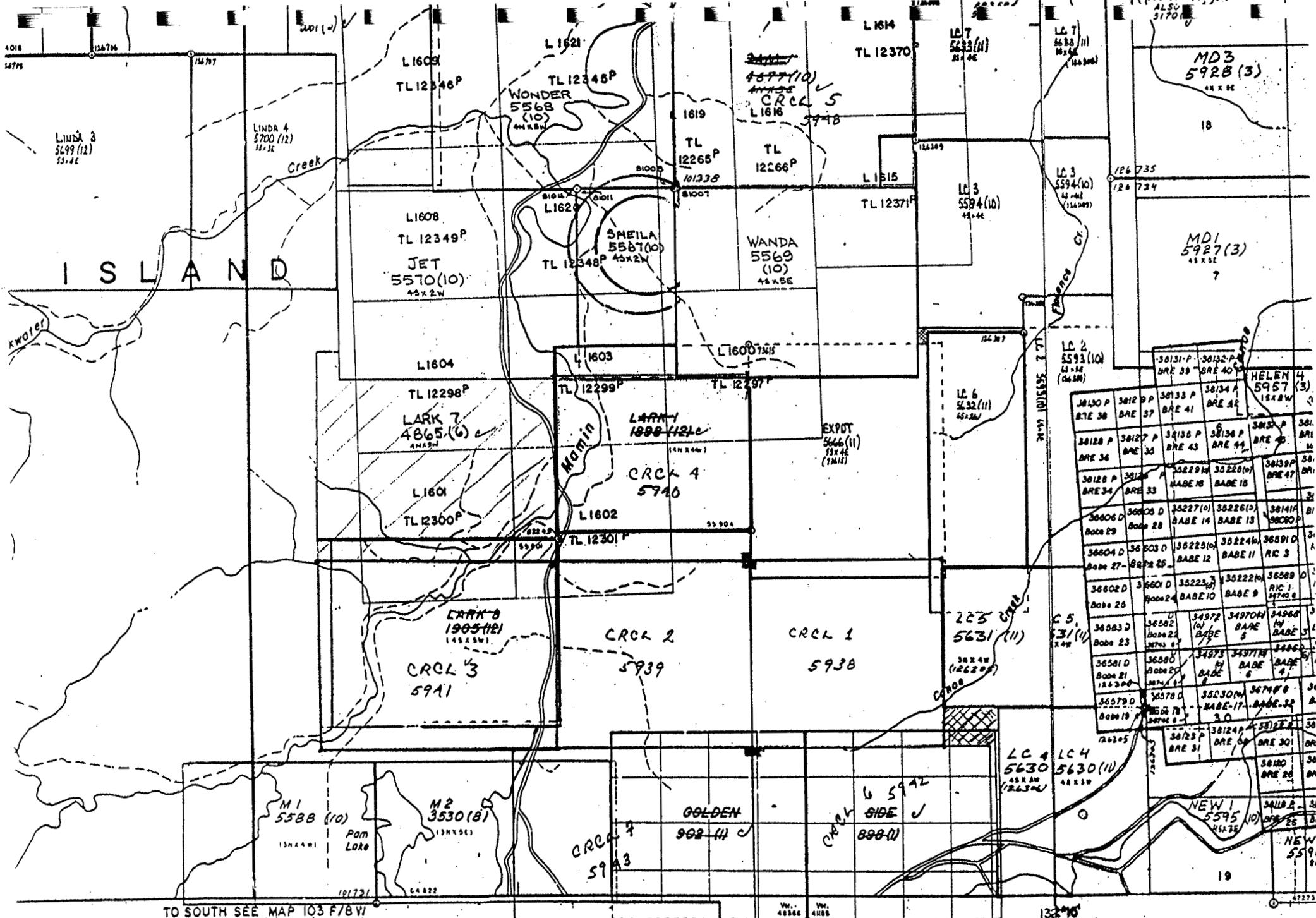
<u>Claim Name</u>	<u>Record No.</u>	<u>Record Date</u>	<u>Expiry Date</u>
Expot	5666	Nov. 26, 1986	Nov. 26, 1987

Assessment credit is applied for under this report.

Work Done

Five diamond drillholes, 87 GEO-3 to 87 GEO-7 were drilled by D.W. Coates Enterprises Ltd, 583 Vantage Place, Delta, B.C., V4G 1A5 using a Longyear 38 drill rig. A total of 296.4 m (972.4 ft) of NQ core drilling was done. The core was geologically and geotechnically logged and mineralized sections were split and one half was sent to Chemex Labs Ltd., 212 Brooksbank Ave., North Vancouver, B.C., V7J 2C1 who assayed the core for gold by fire assay methods. The remaining core was stored at the Cinola Deposit Camp of City Resources (Canada) Limited on Graham Island.





MINERAL TITLES REFERENCE MAP 103 F / 9 W
DEPARTMENT OF MINES AND PETROLEUM RESOURCES VICTORIA, B.C.

Three diamond drillholes 87-GEO-1, 87-GEO-2 and 87-GEO-3 were also drilled during this program but off the claim group. This latter portion of the program totalled 300.1 m (984.6 Ft) of NQ diamond drilling.

Geology

Regional Geology

The geology of the Queen Charlotte Islands is described in full in B.C. Department of Mines and Petroleum Resources Bulletin #54 Geology of the Queen Charlotte Islands, British Columbia by A. Sutherland Brown. Repeating of this excellent work would be superfluous and the reader is referred to this publication for Regional geology background.

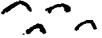
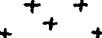
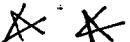
Property Geology

The geology of the Expot Claim has only been mapped in very general way and the following is a brief description of the geological interpretation.

The claims are underlain by the Masset Formation of Paleocene-Eocene ? Age as described by Sutherland Brown. It consists of a thick succession of volcanic flows; generally basaltic in composition; pyroclastics, primarily composed of alkali basalts and sodic rhyolites; and some reworked volcanics forming a volcanic sandstone-tuff variety. All the above belong to the Tartu Facies of the Masset Formation.

A brief description of the lithologic units encountered in the diamond drilling is given below along with a corresponding division within the Tartu Facies:

<u>Graphic Symbol</u>	<u>Facies</u>	<u>Lithology Description</u>
▽:o:▽ ○.▽.○	TMA	<u>Lapilli Tuff Breccia</u> Variable, heterolithic. Dominantly basaltic fragments, but local has a high felsic percentage. Commonly at least 1% hematized fragments. Overall dark colour.
↖↖ ↖↖	TMb1	<u>Welded Ash Tuff</u> Andesitic? Commonly teardrop to vermiform shaped fragments. Often vesicular or amygdaloidal. Dark grey-green. Rare crystal fragments.

	TMb2	<u>Welded Ash Flow</u>
		Similar to TMb1, but appears more like a flow. Commonly brecciated (monolithic) and banded. Rarely vesicular
	TMb3	<u>Basalt Flow</u>
		Porphyritic, only weakly vesicular, may be brecciated, may be andesitic, dark grey in colour.
	TMb4	<u>Ash Tuff</u>
		Fine grained, well sorted, homogeneous (may be re-worked by sedimentary action), rare lapilli and/or crystals
	TMb5	<u>Lapillit Tuff</u>
		Not brecciated, lapilli up to 6 cm and rounded. Locally cast-supported. Ashy matrix.
	TMc	<u>"Carbonaceous" Tuff-Breccia</u>
		Tan to dark grey, angular tuff fragments in clayey, black matrix. Local Shearing.
	TMd	<u>Volcanic Glass</u>
		Devitrified, soft, dark, local banding, brittle vitreous to waxy surface. Various colours.
	3b	<u>Rhyolite Crackle Breccia</u>
		Porphyritic, gray to buff in colour.

Diamond Drilling

A diamond drillhole program consisting of 596.5 m of NQ diamond drilling in eight holes was conducted in the general area. Five holes in this program consisting of 296.5 m of NQ core were drilled within the boundaries of the Expot Claim or 49.69% of the drilling.

D.W. Coates Enterprises Ltd. of 583 Vantage Place, Delta, B.C., V4G 1A5 carried out the program under City Resources (Canada) Limited supervision using a Longyear 38 diamond drill rig.

The core was geologically logged by R. Boyce, contracted by City Resources (Canada) Limited, and geotechnically logged by T. Collette of Steffen, Robertson & Kirsten Consulting Engineers. Diamond drill logs are attached as Appendix I. The mineralized sections of the core were split and sent to Chemex Labs Ltd., 212 Brooksbank Ave. North Vancouver, B.C. V7J 2C1 for sample preparation and fire analysis for gold. Assay sheets for the 73 samples submitted are attached as Appendix II. The remaining core is stored at the Cinola Deposit camp on Graham Island, Queen Charlotte Islands, B.C.

The following is a list of the diamond drill holes on the Expot Claim:

<u>Hole No.</u>	<u>Azmuth</u>	<u>Inclination</u>	<u>Depth</u>
87-GEO-3	000°	-60°	114.9 m
87-GEO-4	050°	-60°	93.0 m
87-GEO-5	270°	-60°	50.3 m
87-GEO-6	-	-90°	18.3 m
87-Geo-7	-	-90°	22.9 m
			=====
		Total	296.4 m
			=====

Conclusions

The area is underlain by dark green Lapilli Tuffs to agglomerates, ash tuffs and welded ash tuffs, and basalt flows. All rock units are unaltered to slightly altered with local sections of chloritic to slightly argillitic alteration associated with shears.

Calcite and/or quartz veining is sparse in the drilling and restricted to narrow, less than two meters, sections of veinlets in shear zones.

Shearing is not common in the drill core and is generally narrow, less than two metres wide. Some sections of tectonic fracturing or hydrofracturing over longer intervals is evident in some drill core.

Minor sulphides, mainly pyrite, are found as disseminations and occasionally as fracture coatings throughout the core, but is more common in the altered sections of the core.

The property has been tested by five diamond drillholes which returned no economic gold mineralization or anomalous gold values.

Although the property has not been fully drill tested it appears that viable gold mineralization does not exist on the claims.

Recommendations

Further drilling, if initiated, should be directed towards using the area as mine waste disposal area.

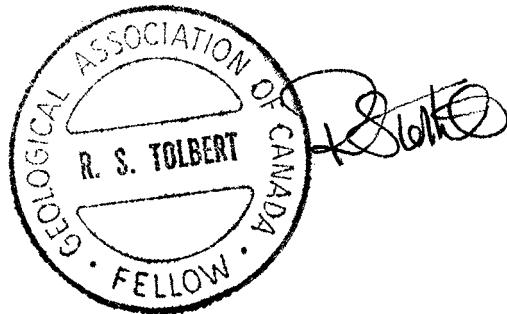
Minor sulphides, mainly pyrite, are found as disseminations and occasionally as fracture coatings throughout the core, but is more common in the altered sections of the core.

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APPENDIX I

CITY RESOURCES (Canada) LTD.

BOREHOLE LOG

Date: 25 April, 1987

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HOLE NUMBER: 07-GEO-3

CORE ORIENTATION DIAGRAM

PROJECT : Cinola (Robe) Geotechnical

LOCATION : Queen Charlotte Islands

CLAIM : _____

GRID COORDINATES : _____

U.T.M. COORDINATES : _____ N

E

COLLAR ELEVATION : 295m.

INCLINATION : -60°

TOTAL DEPTH : 114.9m.

PURPOSE : Tailings pond investigation - placed piezometer 99.1 to 114.9

REASON FOR HOLE TERMINATION: Reached target depth

LOGGED BY: R.A. Boyce DATE(S) LOGGED: 25-27 April, 1987

DRILLING CONTRACTOR: D.W. Coates STARTED: 11 April, 1987 COMPLETED: 15 April, 1987

CORE		
SIZE	FROM	TO
NQ	7.6 m	114.9 m

COLLAR CASED AND CAPPED: 4.4 m Casing

HOLE CEMENTED: 0.0 to 97.2 m

STEEL DOWN HOLE: —

CITY RESOURCES (Canada) LTD.
SURVEY LOG

Page 2 of 12

DDH 87-GEO-3

Date: 25 April, 1987 Logged By: R.A. Boyce

Collar Survey By: _____ Down Hole Survey By: _____ SRK

ELEVATION	NORTHING	EASTING	UNITS FT/M	RFE
295 m.				

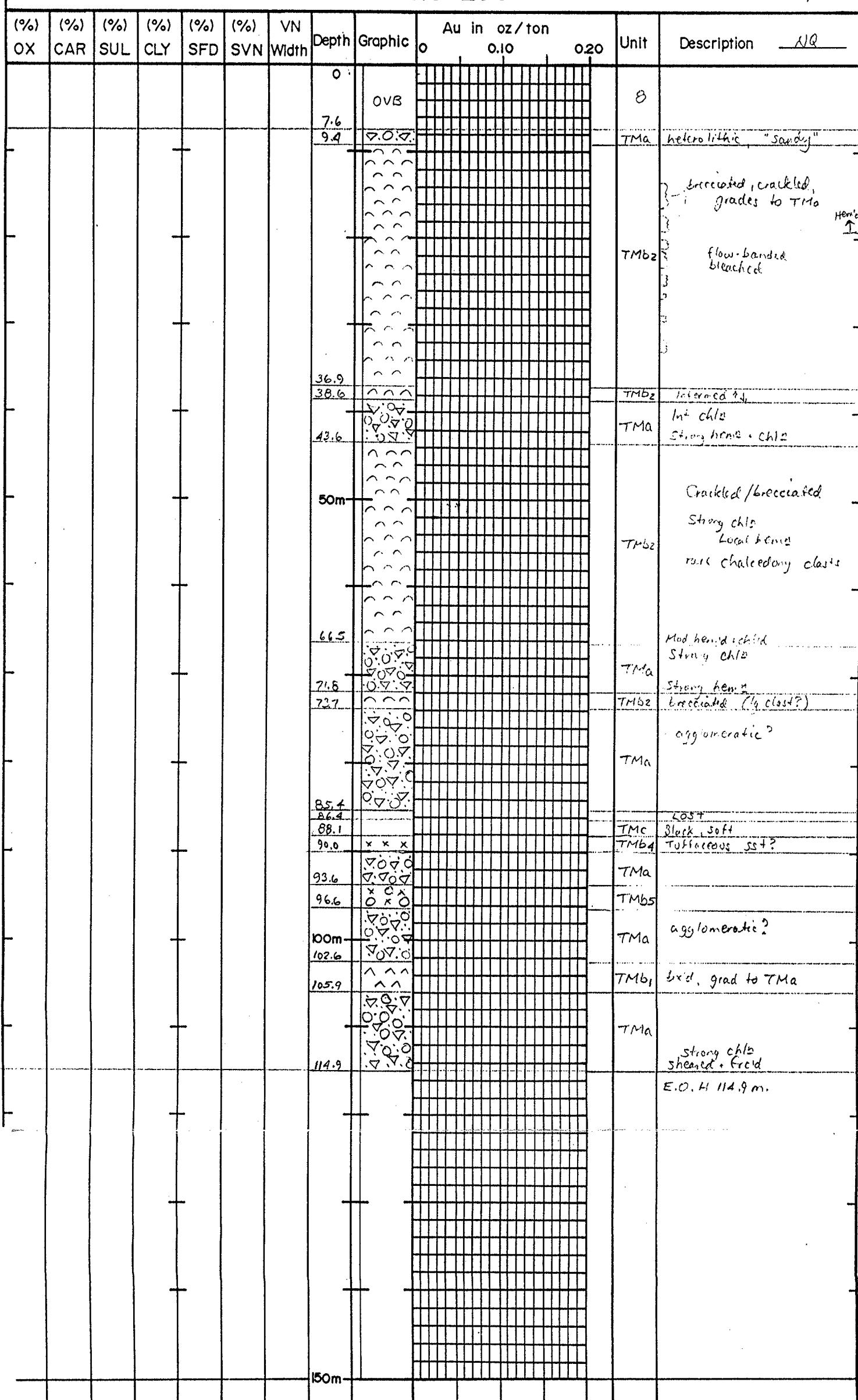
DEPTH	INCLINATION	TRUE AZIMUTH	COMMENTS
0.0	-60°	010°	Not surveyed
50.3	-59°	005°	Sperry-Sun
113.4	-59°	005°	Sperry-Sun
114.9	-59°	005°	Not surveyed

COMMENTS ON COLLAR SURVEY
Not surveyed

PAGE 3 OF 12
DATE: 25-27 April, 1987

CITY RESOURCES (Canada) LTD.
LITHOLOGIC LOG

HOLE NO. 87-GEO-3
LOGGED BY: R.A. Boyce



CITY RESOURCES (Canada) LTD.

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DOM 87-GEO-3

LITHOLOGIC LOGDate 25-27 April /87 Logged By R.A. Boyce

FROM	TO	UNIT	% OX	% GHL	% SUL	% CLY	% SPD	% SVB	% CALVN	DESCRIPTION
*X0.0	7.6	8								→ OVERBURDEN
*7.6	9.4	TMA								→ LAPILLI TUFF BRECCIA - weathered (strongly in top 30 cm) brownish to olive. Clasts mainly sm lapilli, 70% rndl, various volc. tnes. Matrix tuffaceous "sand." Lwr contact hidden in rubble
7.6	9.4	TMA	25	5	1	35	0	0	0	Wk-mod argillization, wklly oxidized (+ hematized) generally soft. "Coppery" dism suls in some clasts. Cal amygdalites in some clasts.
*9.4	36.9	TMB ₂								→ WELDED ASH FLOW or airfall ^{intermed compo} ash tuff - variable unit. V OXrd 10.2-11.6. Following sections brecciated or cracked and grade into or include parts of TMA : 13.5-16.4, 17.0-19.2, 20.1-21.1, 21.5-23.4, 23.9-24.7, 26.2-26.9, 28.7-29.3, 31.9-32.9. Local vermiciform texture. Central part well-foliated (flow-foliated?). Section 23.0-24.2 is paler (bleached?) and appears more fibric (probably same material). ^{Texture more like} flow than in upper
9.4	36.9	TMB ₂	4	90	1	5	0	1	2	Weakly argillized and wk-mod chlorite. Hematized sections above 19 m, 50% lim 13.2-11.6. Cal veinlets and frz-filling common. Uncommon chal frz-fill below 24 in.
*36.9	38.6	TMB ₂								→ WELDED ASH FLOW - intermediate. Between above unit...and breccia below. Mgtlled red-purple + local pale green. Old weathering etc?

CITY RESOURCES (Canada) LTD.
LITHOLOGIC LOG

DDH 87-GEO-3

Page 5 of 12

Date 25-27 April /87 Logged By R. A. Boyce

FROM	TO	UNIT	% CHL	% SUL	% CIV	% STD	% SVB	% CALVN	DESCRIPTION
36.9	38.6	TMB ₂	55	30	0	1	0	0	Strongly oxidized (hematized), mod chloritized
*38.6	43.6	TMA							→ LAPILLI TUFF-BRECCIA - texture obscured by alteration - mainly small lapilli matrix fg + local fgm banded sulfaccous rocks. clayey. Bright to dark green and brick red.
38.6	42.1	TMA	10	70	0	10	0	0	Intensely chloritized, weak-mod. a-oxidized, local strong hematite.
42.1	43.6	TMA	45	20	4	2	0	1	Strongly hematized, mod. a-ox esp at lower end. Patchy strong dism sulf
*43.6	66.5	TMB ₂							→ WELDED ASH-FLOW or tuff - crackled/brecciated almost entirely. Ok gray-grn to almost black intermed rmp ⁿ . Included in thin wrist due to monolithic forms (+ rare chalcedony grains). Start section oxidized w/ reddish matrix. Mod. well-fried w/ some local orange. Central part shows distinct foliation or (flow) banding.
43.6	64.0	TMB ₂	2	20	3	4	0	1	Mod to strongly chloritized v local mod. hem ⁿ ; rare irreg patches cal or chal in matrix and v. rarely chalcedony as sm clasts. Dismoy in matrix locally strong.
64.0	66.5	TMB ₂	35	40	1	2	0	0	Mod hematized in matrix; mod chloritized. Py on frcs.
*66.5	76.8	TMA							→ LAPILLI TUFF-BRECCIA - heterolithic. Mod gray w/ few red clasts and locally greenish. Lower section brick red. Lapilli increase in size. % orange downward. Fried.

CITY RESOURCES (Canada) LTD.
LITHOLOGIC LOG

DOM 87-GEO-3

Page 6 of 12

Date 25-27 April/87 Logged By: R.A. Boyce

FROM	TO	UNIT.	% OX	% CHL	% SUL	% CIT	% SPD	% SVD	% CALVIN	DESCRIPTION
665	70.6	TMa	5	45	5	5	0	0	1	Mod to strongly chloritized, wk andes + ox. Rare cal veins. Dism py throughout.
70.6	71.8	TMo	50	15	2	20	0	0	0	Strongly hematized, spoty chl. Py on frs Mod angle
*71.8	73.7	TMb ₂							→	WELDED ASH FLOW - BRECCIA, dk gray-grn. may be gradational to a clast wth TMa
71.8	73.7	TMb ₂	2	40	5	3	0	0	1	Mod chloritized, wk local calcs, minor hem. Dism py in matrix. Single 6 cm cal vein
*73.7	85.4	TMa							→	LAPILL-TUFF-BRECCIA - heterolithic - approaches agglomerate texture. Variable clast lithology size angularity and grain vs matrix. Includes var f.g. volc, amygdaloidal + rachitic part. Dk gray-grn to med-pale grn, and locally purpleish
73.7	85.4	TMa	2	30	4	5	0	0	1	Variably chloritized, highly angul. Cal in rare amygdalites. Lstn on lithology.
*85.4	86.4	—							→	LOST
*86.4	88.1	TMc							→	CARBONACEOUS TUFF-BRECCIA: dark colour - black matrix w/ tan to dk gray tuff lns - angular to 1cm. Jnt. Black may be phyllite? Locally, black clsts in light matrix. Fibrous + sherd.
86.4	88.1	TMc	0	5	6	10	0	0	1	Strong carbon (or other blk mineral) pervasive. Wk chl.; variable. angle. Dism py. Rare cal veins

CITY RESOURCES (Canada) LTD.
LITHOLOGIC LOG

Page 7 of 12

DOH 87-GEO-3

Date 25-27 April, 1987 Logged By R.A. Boyce

FROM	TO	UNIT	% OX	% CHL	% SUL	% CLT	% SPD	% SVB	% CALVN	DESCRIPTION
*88.1	90.0	TMB4								→ ASH-TUFF : f.g., well sorted, locally, bxd. DK olive-gray. Unlike other TMB1. Possibly reworked in tuffaceous laminae.
88.1	90.0	TMB4	2	15	1	25	0	1	1	Wk-mod argln, wk chl, wk hemin. Minor fractures fill cal and/or chal.
*90.0	93.6	TMa								→ LAPILLI-TUFF-BRECCIA - representative, heterolithic incl. tuffaceous, pyritic basaltic and banded rhyolitic fgms.
90.0	93.6	TMa	4	15	3	2	0	0	0	V weak argln, spotty hemin. Py wky clin. strong on frs. Wk chl
*93.6	96.6	TMB5								→ LAPILLI-TUFF - dk gray-grn. - 15 to 60% lapilli in ash tuff matrix, v locally, annular/diadoidal Local bxz.
93.6	96.6	TMB5	5	20	4	2	0	1	1	Wk-mod chl, local hemin. Wk clin-py. Cal + chal frs - fill in, cal+chl in vesicles
*96.6	102.6	TMa								→ LAPILLI-TUFF-BRECCIA - heterolithic, poorly-sorted - approaches agglomerate. Larger clasts generally rounded. Incl. angular, med gray-grn, solid core.
96.6	102.6	TMa	2	18	2	5	0	0	1	Wk-mod chl, wk argln, hemin at v local fgms. Wk clin-py. v. wky on frs. Rare cal+veins
*102.6	105.9	TMB1								→ WELDED ASH-TUFF - unit gradational to TMA brecciated, w/ 50% non-agglom. fgms. Flow- banded fgms. DK grn-gray, fractured. Bottom 50 cm rubbly.

DDH 07-660-3

LITHOLOGIC LOG

Date: 25-27 Apr 187 Logged By: R. A. Boyce

CITY RESOURCES (Canada) LTD.

pon 87-GEO-3

YELIN LOG

Date 25-26 April /87 Logged By: R.A. Boyce.

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CITY RESOURCES (Canada) LTD.
DISCONTINUITY LOG

DOM 87-GEO-3

Page 10 of 12
Date: 25-26 April / 87 Logged By: R.A. Boyce

FROM	TO (AT)	FEATURE	REC	ANGLE	ROTATION	IN METRE	THICKNESS (m)	PIPE ANGLE	PIPE AZIMUTH	DESCRIPTION
10.1	11.3	RU			40°		1.2			Rusty, weathered Frc zone
	13.8	FS			38°		0.05			Lim - Chl slicken. zone
	18.4	FS			50°		0.03			Rusty, Frc zone
23.1	24.1	FB					1.0			Heavily Fred (not rusty) zone
24.9	28.6	FB					3.7			" " " " " in b'x'd rock
	30.2	FS			40°		0.03			Chl/cal slip stc.
	31.4	FS			15°					Chl slickenides
32.5	33.4	FB					0.9			Chloritic Frc zone a.s rubble - pyritic
35.1	36.7	RU					1.6			
38.7	41.2	RU					2.5			Intensely chloritized, soft zone - hem'd above + below
44.3	45.2	RU					1.9			Rubble + Fred, brecciated rock (fault zone?)
47.2	64.0	RU					16.8			" " " " " "
67.5	68.0	FG			20°		0.01			Chl-clay slip stc
67.8	69.0	RU					1.2			Rubble + Fred rock
69.9	71.0	RU					1.1			Soft, chloritic Fred rock - very hem'd below
	72.4	FS			20°					Chl-clay slickenides
76.7	77.7	FB					1.0			Sheared, slickenides zone
82.2	82.4	RU			40°		0.1			Cal-chl Frc zone
94.0	95.1	FS			0°					Irregular chl slickenides stc
105.2	106.2	RU					0.9			Pyritic, chloritic Fred rock + rubble
113.3	114.9	RU					1.6			" " " " " " (Fault)
29.0	SO				23°					Alignment of laevig. flow bedding?
57.0	SO				29°					" " " " " "

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DDH 87-GEO-3

ASSAY LOG

Date: 25-27 April 1987 Logged By: R.A. Boyce

Assayed By: _____

Sampled By: _____

CITY RESOURCES (Canada) LTD.
BOREHOLE LOG

Date: 27 April 1, 1987

Page 1 of 7

HOLE NUMBER: 87-GEO-4

CORE ORIENTATION DIAGRAM

PROJECT : Cincta (Bebe) Tailings

LOCATION : Queen Charlotte Islands

CLAIM : _____

GRID COORDINATES : _____

U.T.M. COORDINATES : _____ N

E

COLLAR ELEVATION : 265 m.

INCLINATION : -60°

TOTAL DEPTH : 93.0 m.

PURPOSE : Geotechnical study of Saddle Dam site, placed piezometer 50.9 - 52.4 m

REASON FOR HOLE TERMINATION: Reached target depth

LOGGED BY: R.A. Boyce DATE(S) LOGGED: 27 April, 1987

DRILLING CONTRACTOR: D.W. Coates STARTED: 17 April, 1987 COMPLETED: 18 April, 1987

CORE		
SIZE	FROM	TO
NQ	89.4	93.0m.

COLLAR CASED AND CAPPED: 29.0 m Cas'co

HOLE CEMENTED: 0.0 to 49.4 m

STEEL DOWN HOLE: —

CITY RESOURCES (Canada) LTD.Page 2 of 7**SURVEY LOG**DDH 87-GEO-4Date: 27 April, 1978 Logged By: R.A. Boyce

Collar Survey By: _____ Down Hole Survey By: _____

ELEVATION	NORTHING	EASTING	UNITS FT/M	RFE
265			M	

DEPTH	INCLINATION	TRUE AZIMUTH	COMMENTS
0.0	-60°	052°	Not surveyed
93.0	-60°	052°	Not surveyed due to high potential of caving and instrument loss

COMMENTS ON COLLAR SURVEY
Not surveyed

PAGE 3 OF 7
DATE: 27 APRIL, 1987

CITY RESOURCES (Canada) LTD.
LITHOLOGIC LOG

HOLE NO. 87-GEO-4
LOGGED BY: R.A. Boyce

(%) OX	(%) CAR	(%) SUL	(%) CLY	(%) SFD	(%) SVN	VN Width	Depth	Graphic	Au in oz/ton	Unit	Description	NQ
							0	OVB	0 0.10 0.20			
								OVB				
								OVB				
								OVB				
							50m	OVB				
								OVB				
								OVB				
								OVB				
							89.1	OVB				
							93.0	+ + + + +		TM63		
							100m				EOH 93.0m.	
							150m					

DDH 87-GEO-4

LITHOLOGIC LOG

Date: 27 April, 1987 Logged By: R. A. Boice

<u>FROM</u>	<u>TO</u>	UNIT	% OX	% CHL	% SUL	% GLY	% SPD	% SVB	% CALVN	DESCRIPTION
*0.0	89.4	8								→ OVERBURDEN - cobbly till
*89.4	93.0	TM63								→ BASALT : flow (may be boulders in OVB) dk gray grn. locally amygdaloidal w/ chl or Qz. Ground up and compacted. B. Horn 20 cm is TMA w/ some sil'd clasts
89.4	93.0	TM63	5	3	1	1	35	0	0	Variably silicified, weakly oxidized

CITY RESOURCES (Canada) LTD.

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POH 87-GEO-4

VEIN LOG

Date 27 April 1997 Logged By R.A. Boyce

DDH 87-GEO-4

CITY RESOURCES (Canada) LTD.
DISCONTINUITY LOG

Page 6 of 7

Date: 27 April, 1987 Logged By: R. A. Boyce

CITY RESOURCES (Canada) LTD.
ASSAY LOG

DDH 87- GEO-4
Assayed By: Chemex

Page 7 of 7

CITY RESOURCES (Canada) LTD.Date: 25 April, 1987**BOREHOLE LOG**Page 1 of 9HOLE NUMBER: 87-GEO-5**CORE ORIENTATION DIAGRAM**PROJECT : Cinota (Babe) TailingsLOCATION : Queen Charlotte Islands

CLAIM : _____

GRID COORDINATES : _____

U.T.M. COORDINATES : _____ N

E

COLLAR ELEVATION : 280. m.INCLINATION : -60°TOTAL DEPTH : 50.3 m.PURPOSE : Geotechnical study of upstream end of tailings pond, placed piezometer 25.0 - 50.3mREASON FOR HOLE TERMINATION: Reached target depthLOGGED BY: R. A. Boyce DATE(S) LOGGED: 25 April, 1987DRILLING CONTRACTOR: D.W. Coates STARTED: 10 April, 1987 COMPLETED: 11 April, 1987

CORE		
SIZE	FROM	TO
NQ	<u>6.9 m</u>	<u>50.3m</u>

COLLAR CASED AND CAPPED: 6.7m CasingHOLE CEMENTED: 0.0 to 25.0mSTEEL DOWN HOLE: —

CITY RESOURCES (Canada) LTD.
SURVEY LOG

Page 2 of 9

DDH 87-GEO-5

Date: 25 April, 1987 Logged By: R.A. Boyce

Collar Survey By: _____ Down Hole Survey By: _____ SRK

ELEVATION	NORTHING	EASTING	UNITS Ft/M	RFE
28C			M	

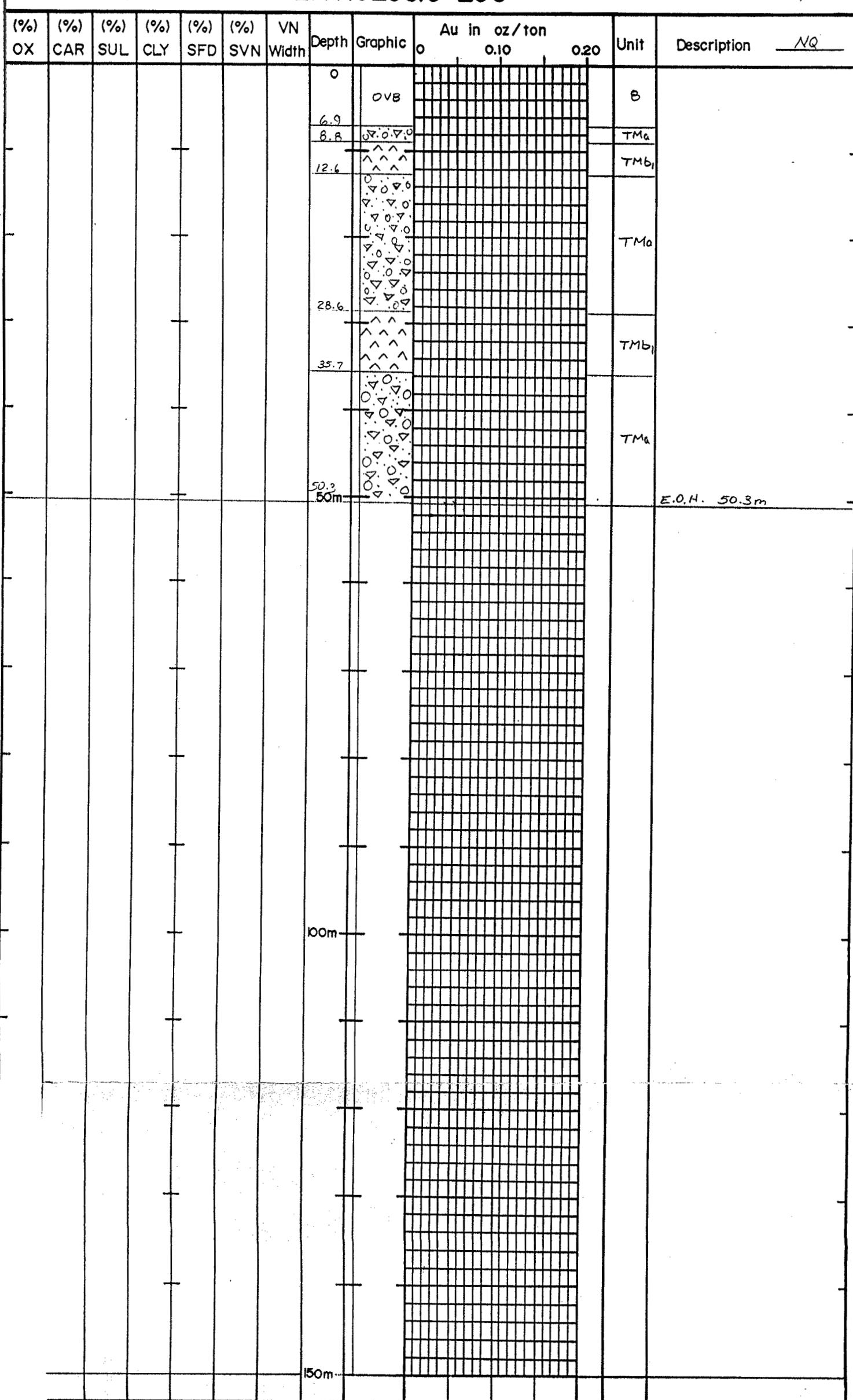
DEPTH	INCLINATION	TRUE AZIMUTH	COMMENTS
0.0m	-60°	200°	Not Surveyed
47.3m	-59°	279°	Sperry-Sun
50.3m	-59°	279°	Not Surveyed

COMMENTS ON COLLAR SURVEY
Not surveyed

PAGE 3 OF 9
DATE: 25 April, 1987

CITY RESOURCES (Canada) LTD.
LITHOLOGIC LOG

HOLE NO. 87-GEO-5
LOGGED BY: R.A. Boyce



CITY RESOURCES (Canada) LTD.

Page 4

000 87-GEO-5

LITHOLOGIC LOG

Date 25 APR /87 Logged By R. A. Boyce

FROM	TO	UNIT	% CHL	% SUL	% CLT	% SFD	% EVN	% CALVIN	DESCRIPTION
*0.0	6.9	8							> OVERBURDEN
X6.9	8.8	TMA							> LAPILLI TUFF-BRECCIA - fragmental unit, med dk gray-grn w 10% brick-red fms. Fms 60% ang to subang, concentric, 1-15 mm, largest 20cm. Seriate clast/matrix particle sizes. Particles pale grn, lt gray, dk gray-green, brick red, clst & rarer, fragmental. Matrix mod to rkt gray-brn. Rubble + ground-up core. Possibly grad from OVB in the 30 cm.
6.9	8.8	TMA	25	25	2	15	0	0	5 Mod hematized, weakly argillized. Common fine cal veinlets. Some diam + aggrat. svls @ 7.2 m appear native Cu colour
*8.8	12.6	TMB ₁							> WELDED ASH-TUFF? (possible ash flow.) dk gray to black, solid core. Fms ash sized to v. rarely lapilli, irreg-shaped, ang to rndd. 5% vesicles smaller than 5mm lined w/ chl, and uncommonly filled w/ gray clay, wht cal or v. rarely chalcedony. Textures obscure on drilled, sawn or broken stes - appears generally as basalt, but is possibly more acidic. Upper contact irregular but fairly sharp. Faint foliation. (Clast? Dyke?)
8.8	12.6	TMB ₁	1	30	0	4	0	0	1 moderately chloritized, v. weakly, argillized. Oxid rare, on frs, local cal as veinlets + amygdalites.

CITY RESOURCES (Canada) LTD.

Page 5

DOM 87-GEO-5

LITHOLOGIC LOG

Date 25 APR/87 Logged By R.A. Boyce

FROM	TO	UNIT	% OX	% CHL	% SUL	% ELV	% SFD	% SVR	% CALVN	DESCRIPTION
*12.6	28.6	TMa	—	—	—	—	—	—	—	→ LAPILLI TUFF - BRECCIA: Med-dk gray-grn to gray-red. Similar to unit at collar except for clast size distribution. Commonly contains ~ 25% small lapilli but locally, 10 to 20 cm. [30 cm fgm ash/x11 ff 21.0 - 21.3, and 60 cm clast (dyke?) 25.3 - 25.9 of welded ash ff w/ common vermiform irreg. pods (amygdules?) of cal or chalcedony. 7 Supported by, f.g., purplish-gray matrix. Noted minor banded rhyolite. Unit could be called conglomerate. Foliation and/or streaming locally evident, though may be deflected around some fgm. 60% of fgm rounded, esp larger ones.
12.6	28.6	TMa	30	30	1	5	0	0	3	Weak pervasive argillization and carbonization, spotty chloritization. Locally, common cal veinlets to 3 mm, mod pervasive hematitization, esp in certain fgm..
*28.6	35.7	TMb	—	—	—	—	—	—	—	→ WELDED ASH TUFF - similar to this unit above. Dk gray-grn to black. F.a. texture of apparent ash-size clasts w/ cal filling of uncommon vesicles/cavities. Upper contact "interfingered" over 30 cm. No evident foliation. Solid core.
28.6	35.7	TMb	0	30	1	1	0	0	0	Mod chloritized. Minor svls on chloritic frc sfc.
*35.7	50.3	TMa	—	—	—	—	—	—	—	→ LAPILLI TUFF-BRECCIA - mainly dark gray-green to less commonly med-pale gray-green. Variable texture and dominant particle size. Top 30 cm Frx'd + Heated w/ cal (fault? 6x?) .. Smaller particles (ash matrix + sm lapilli) are rndd to ang. Larger particles (20% of total), commonly

CITY RESOURCES (Canada) LTD.
LITHOLOGIC LOG

CON 87-GEO-5

Page 6 of 9

Date: 25 April /87 Logged By: R. A. Boyce

CITY RESOURCES (Canada) LTD.

PPM 87-660-5

VEIN LOG

Date 25 April /87 Logged By R.A. Boyce

CITY RESOURCES (Canada) LTD.
DISCONTINUITY LOG

DDH 87-GEO-5

Page 8 of 9

Date: 25 April, 1987 Logged By: R. A. Boyce

CITY RESOURCES (Canada) LTD.
ASSAY LOG

DDH 87-GEO-5

Assayed By: _____

Date: 25 April, 1987 Logged By: R.A. Boyce

Sampled By: _____

CITY RESOURCES (Canada) LTD.

Date: _____

BOREHOLE LOG

Page 1 of 7

HOLE NUMBER: 87-GEO-6

CORE ORIENTATION DIAGRAM

PROJECT : Cinola (Babe) Tailings

LOCATION : Queen Charlotte Islands

CLAIM : _____

GRID COORDINATES : _____

U.T.M. COORDINATES : _____ N

_____ E

COLLAR ELEVATION : 295 m.

INCLINATION : -90°

TOTAL DEPTH : 18.3 m

PURPOSE : Test for water table in tailings area - piezometer set 12.8 to 18.3 m.

REASON FOR HOLE TERMINATION: Reached target depth

LOGGED BY: R.A. Boyce DATE(S) LOGGED: 27 April, 1987

DRILLING CONTRACTOR: D.W. Coates STARTED: 16 April, 1987 COMPLETED: 16 April, 1987

CORE		
SIZE	FROM	TO
NQ	6.4 m.	18.3 m.

COLLAR CASED AND CAPPED: 5.5m Casing

HOLE CEMENTED: 0.0 to 11.3 m.

STEEL DOWN HOLE: _____

CITY RESOURCES (Canada) LTD.
SURVEY LOG

Page 2 of 7

DDH 87-GEO-6

Date: 27 April, 1987 Logged By: R.A. Boyce

Collar Survey By: _____ Down Hole Survey By: _____

ELEVATION	NORTHING	EASTING	UNITS F/M	RFE
295			M	

DEPTH	INCLINATION	TRUE AZIMUTH	COMMENTS
0.0	-90°		Not surveyed
18.3	-90°		" "

COMMENTS ON COLLAR SURVEY
Not surveyed

PAGE 3 OF 7
DATE: 27 April, 1987

CITY RESOURCES (Canada) LTD.
LITHOLOGIC LOG

HOLE NO. 87-GEO-6
LOGGED BY: R.A. Boyce

(%) OX	(%) CAR	(%) SUL	(%) CLY	(%) SFD	(%) SVN	VN Width	Depth	Graphic	Au in oz/ton	Unit	Description
							0	DVB	0		
							6.4		0.10		
							18.3		0.20		
							50m				
							100m				
							150m				

CITY RESOURCES (Canada) LTD.
LITHOLOGIC LOG

Page 4 of 7

~~DDM~~ 87-GEO-6

Date: 27 April, 1987 Logged By: R. A. Boyce

CITY RESOURCES (Canada) LTD.

Page 5 of 7

POW 87-6E0-6

VEIN LOG

Date 27 April, 1987 Logged By: R.A. Boyce

CITY RESOURCES (Canada) LTD.
BOREHOLE LOG

Date: 27 April, 1987

Page 1 of 7

HOLE NUMBER: 87-GEO-7

CORE ORIENTATION DIAGRAM

PROJECT : Cinola (Babe) Tailings

LOCATION : Queen Charlotte Islands

CLAIM : _____

GRID
COORDINATES : _____

U.T.M.
COORDINATES : _____ N

_____ E

COLLAR
ELEVATION : 325m.

INCLINATION : -90°

TOTAL DEPTH : 22.9m.

PURPOSE : To test for water table depth. Piezometer placed 17.4 to 22.9m.

REASON FOR
HOLE TERMINATION: Reached target depth

LOGGED BY: R. A. Boyce DATE(S) LOGGED: 27 April, 1987

DRILLING
CONTRACTOR: D.W. Coates STARTED: 19 April, 1987 COMPLETED: 19 April, 1987

CORE		
SIZE	FROM	TO
NO	30m.	22.9m.
_____	_____	_____
_____	_____	_____

COLLAR CASED AND CAPPED: No casing

HOLE CEMENTED: 0 to 17.4 m

STEEL DOWN HOLE: _____

CITY RESOURCES (Canada) LTD.Page 2 of 7**SURVEY LOG**DDH 87-GEO-7Date: 27 April, 1987 Logged By: R.A. Boyce

Collar Survey By: _____ Down Hole Survey By: _____

ELEVATION	NORTHING	EASTING	UNITS Ft/M	RFE
325			M	

DEPTH	INCLINATION	TRUE AZIMUTH	COMMENTS
0.0	-90°		Not surveyed
22.9	-90°		" "

COMMENTS ON COLLAR SURVEY

Not surveyed

PAGE 3 OF 7
DATE: 27 April, 1987

CITY RESOURCES (Canada) LTD.
LITHOLOGIC LOG

HOLE NO. 87-GEO-7
LOGGED BY: R.A. Boyce

(%) OX	(%) CAR	(%) SUL	(%) CLY	(%) SFD	(%) SVN	VN Width	Depth	Graphic	Au in oz/ton	Unit	Description
							0 3.0	OVB	0 0.10 0.20	8	
							22.9			TM63	
							50m				E.O.H. 22.9 m.
							100m				
							150m				

CITY RESOURCES (Canada) LTD.
LITHOLOGIC LOG

Page 4 i7

87-GEO-7

Date 27 April, 1987 Logged By R.A. Boyce

APPENDIX II



Chemex Labs Ltd.

Analytical Chemists • Geochemists • Registered Assayers
 212 BROOKSBANK AVE., NORTH VANCOUVER,
 BRITISH COLUMBIA, CANADA V7J-2C1
 PHONE (604) 984-0221

CERTIFICATE OF ANALYSIS A8714223

To : CITY RESOURCES (CANADA) LIMITED

2000 - 666 BURRARD ST.
 VANCOUVER, BC
 V6C 2X8

Page No. : 1
 Tot. Pages: 2
 Date : 13-MAY-87
 Invoice # : I-8714223
 P.O. # : NONE

Project :
 Comments:

SAMPLE DESCRIPTION	PREP CODE	Au FA oz/T										
63301 G	208	--	< 0.002									
63302 G	208	--	< 0.002									
63303 G	208	--	< 0.002									
63304 G	208	--	< 0.002									
63305 G	208	--	< 0.002									
63306 G	208	--	< 0.002									
63307 G	208	--	< 0.002									
63308 G	208	--	0.003									
63309 G	208	--	< 0.002									
63310 G	208	--	< 0.002									
63311 G	208	--	0.003									
63312 G	208	--	< 0.002									
63313 G	208	--	< 0.002									
63314 G	208	--	< 0.002									
63315 G	208	--	< 0.002									
63316 G	208	--	< 0.002									
63317 G	208	--	< 0.002									
63318 G	208	--	0.004									
63319 G	208	--	0.002									
63320 G	208	--	< 0.002									
63321 G	208	--	< 0.002									
63322 G	208	--	< 0.002									
63323 G	208	--	< 0.002									
63324 G	208	--	< 0.002									
63325 G	208	--	< 0.002									
63326 G	208	--	< 0.002									
63327 G	208	--	< 0.002									
63328 G	208	--	< 0.002									
63329 G	208	--	< 0.002									
63330 G	208	--	< 0.002									
63331 G	208	--	< 0.002									
63332 G	208	--	< 0.002									
63333 G	208	--	< 0.002									
63334 G	208	--	0.006									
63335 G	208	--	0.003									
63336 G	208	--	< 0.002									
63337 G	208	--	< 0.002									
63338 G	208	--	< 0.002									
63339 G	208	--	< 0.002									
63340 G	208	--	< 0.002									



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 BRITISH COLUMBIA, CANADA V7J-2C1
 PHONE (604) 984-0221

CERTIFICATE OF ANALYSIS A8714223

To : CITY RESOURCES (CANADA) LIMITED

2000 - 666 BURRARD ST.
 VANCOUVER, BC
 V6C 2X8

Page No. : 2
 Tot. Pages: 2
 Date : 13-MAY-87
 Invoice # : I-8714223
 P.O. # : NONE

Project :
 Comments:

SAMPLE DESCRIPTION	PREP CODE	Au FA oz/T										
63341 G	208	--	0.004									
63342 G	208	--	< 0.002									
63343 G	208	--	0.002									
63344 G	208	--	< 0.002									
63345 G	208	--	< 0.002									
63346 G	208	--	0.004									
63347 G	208	--	0.005									
63348 G	208	--	0.002									
63349 G	208	--	0.003									
63350 G	208	--	< 0.002									
63351 G	208	--	0.002									
63352 G	208	--	0.002									
63353 G	208	--	0.002									
63354 G	208	--	0.003									
63355 G	208	--	< 0.002									
63356 G	208	--	< 0.002									
63357 G	208	--	< 0.002									
63358 G	208	--	< 0.002									
63359 G	208	--	< 0.002									
63360 G	208	--	< 0.002									
63361 G	208	--	< 0.002									
63362 G	208	--	< 0.002									
63363 G	208	--	< 0.002									
63364 G	208	--	< 0.002									
63365 G	208	--	< 0.002									
63366 G	208	--	< 0.002									
63367 G	208	--	< 0.002									
63368 G	208	--	< 0.002									
63369 G	208	--	< 0.002									
63370 G	208	--	< 0.002									
63371 G	208	--	< 0.002									
63372 G	208	--	< 0.002									
63373 G	208	--	< 0.002									

APPENDIX III

CINOLA GOLD PROJECT
HIGH WEST AREA
GEOTECHNICAL DRILL PROGRAM
APRIL 1987

Prepared by:

Tim Collett
Steffen Robertson & Kirsten (B.C.) Inc.
801 - 1030 West Georgia Street
Vancouver, B.C. V6E 2Y3

November 1987

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2.0 THE INVESTIGATION	2
2.1 Geology	2
2.2 Groundwater	2
3.0 RESULTS	3
3.1 Geology	3
3.2 Groundwater	4

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- 1 Location of High West Area
- 2 Borehole Location Plan

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Appendix

A **Geological Sections**

B **Borehole Logs**

 B-1 **Summary Logs**

 B-2 **Detailed Logs**

1.0 INTRODUCTION

During April 1987, a geotechnical investigation of the bedrock in the vicinity of the proposed High West tailings/waste rock impoundment was carried out by Steffen Robertson and Kirsten Consulting Engineers on behalf of City Resources (Canada) Limited. The investigation consisted of drilling eight boreholes supplemented by mapping readily accessible rock and soil exposures. Figure 1 shows the location of the High West area in the vicinity of the Cinola Gold Project.

The purpose of the investigation was to identify the general geotechnical aspects of the site. The geological and hydrogeological characteristics were determined in order to provide an understanding of the foundation conditions beneath the proposed embankments, the baseline groundwater system, and potential rock quarry sites. Bedrock beneath the proposed impoundment area was examined for economic potential by City Resources (Canada) Limited.

2.0 THE INVESTIGATION

During April 1987, a preliminary geotechnical subsurface investigation of the proposed High West tailings/waste rock impoundment was performed. A total of eight boreholes (87-GEO-1 to 87-GEO-8) were drilled and piezometers were installed in six of them (87-GEO-2, 87-GEO-4 to 87-GEO-8). Boreholes 87-GEO-1 to 87-GEO-5 were inclined at either 50° or 60° to the horizontal and boreholes 87-GEO-6 to 87-GEO-8 were vertical. Boreholes 87-GEO-1 to 87-GEO-4 were deep, ranging from 90 m to 170 m long; borehole 87-GEO-5 was about 50 m long, and boreholes 87-GEO-6 to 87-GEO-8 were shallow, about 20 m deep. Figure 2 shows the location of the boreholes. The borehole logs are included in Appendix B.

2.1 Geology

As drilling progressed geotechnical logging of the core was performed at the rig by Steffen Robertson and Kirsten Consulting Engineers. For each run the following items were recorded: recovery, RQD (Rock Quality Designation), degree of weathering, hardness, fracture/joint description, and rock type. For each run the fracture/joint roughness, dip, separation, infilling, and frequency was recorded.

While drilling continued, the core was taken to the coreshed and the geology logged by City Resources (Canada) Limited. The primary concerns of the logging were the lithology and economic potential of the core.

2.2 Groundwater

During drilling, constant head packer tests were conducted in six of the boreholes (87-GEO-1 to 87-GEO-5, and 87-GEO-7). Boreholes 87-GEO-6 and 87-GEO-8 were not tested because they were shallow holes, primarily intended for piezometer installation, located adjacent to deeper holes that had already been tested. The boreholes were tested in five to thirty meter lengths (the average length was ten meters) over most of the length of the holes. The test zones were sealed with a single pneumatic packer and extended to the bottom of the hole at the time of the test. The excess head was provided by gravity feed and by pumping water at a constant pressure. In order to obtain more accurate hydraulic conductivity estimates, water was used for lubrication during drilling instead of mud, except in some of the fracture zones where clay squeezed on the drill rods. Packer tests were not performed in the zones where mud was used. The packer zones and associated hydraulic conductivities are illustrated in the borehole logs.

3.0 RESULTS

3.1 Geology

All the rock encountered in the High West area is part of the tertiary Massett Formation. The boreholes encountered layers of ash tuff flow, welded ash flow, welded ash tuff, basalt flow, and lapilli-tuff breccia. Five geological sections (A-A to E-E inclusive) were interpreted from the data; they are included in Appendix A. The basalt flow seems to lie to the north and northwest of Florence Creek, under the saddle and saddle knoll. To the south and southwest of Florence Creek the geology is mixed layers of more felsic flows and breccias. Near the surface the bedrock is predominantly a welded ash flow or welded ash tuff underlain by lapilli-tuff breccia. The flows and breccia are not clearly defined; throughout each layer are numerous narrow bands of ash tuff, welded ash tuff, welded ash flow, lapilli tuff, and lapilli-tuff breccia. In borehole 87-GEO-2 a few rhyolite flows were identified in the basalt.

The basalt seems to be separated from the more felsic flows and breccias by a fracture plane along Florence Creek. Borehole 87-GEO-2 encountered a fracture plane which likely parallels the dip of the southern scarp of Florence Creek (see geological section C-C). The core was not oriented so, though dips were recorded, the structural directions could not be identified. The deeply incised tributaries to Florence Creek also seem to follow fracture zones. Borehole 87-GEO-1 appears to be drilled along the length of a fracture plane which has been eroded into a gully by the Florence Creek tributary (the flow direction used for the geological sections were based on measurements taken during surficial mapping).

The majority of the core was unweathered except in the vicinity of fracture zones. The fracture zones encountered often had associated complete chloritic and argillaceous alteration and some oxidation of the bedrock. The rock is soft and brecciated, often having an RQD of less than 30%. Borehole 87-GEO-1 was intensely weathered over the entire length of the borehole, probably because it was drilled along a fracture plane.

Most of the bedrock lies outside of the fracture zones and bedrock is usually medium hard, only slightly weathered, and often brecciated. RQD values range from about 20 to 100%, and are on average about 60%.

The core was examined for economic potential by City Resources (Canada) Limited. The core was logged by a geologist and any zones which indicated signs of economic mineralization were assayed. The results show that no

potential orebodies were intersected during the drill program.

Drilling through the overburden indicated that the average depth to bedrock is about six metres, however at topographic highs, such as the saddle knoll, bedrock may be at the surface. In the saddle (borehole 87-GEO-4) the overburden extended to a depth of 80 m. This is thought to be the ancient Florence Creek valley which has been filled with overburden during glaciation. The overburden was identified from the tricone cuttings as a brown sand and gravel with some silt and clay and is probably a till.

For geotechnical purposes the Massett volcanics are considered suitable for embankment construction material. The rock should quarry fairly easily since it is not too hard and will break along joint planes.

The preliminary study indicates that the bedrock should make a suitable foundation material for the proposed embankments. For detailed design more investigation is required. The volcanics are generally medium hard and fairly competent. The proposed main embankment lies over an area of complex geology (refer to geological section C-C) which requires detailed investigation. The proposed saddle embankment will be constructed over a thick zone of overburden. The overburden should be an adequate foundation material since it appears to be a low permeability, fairly dense till. (The permeability is discussed in the next section.)

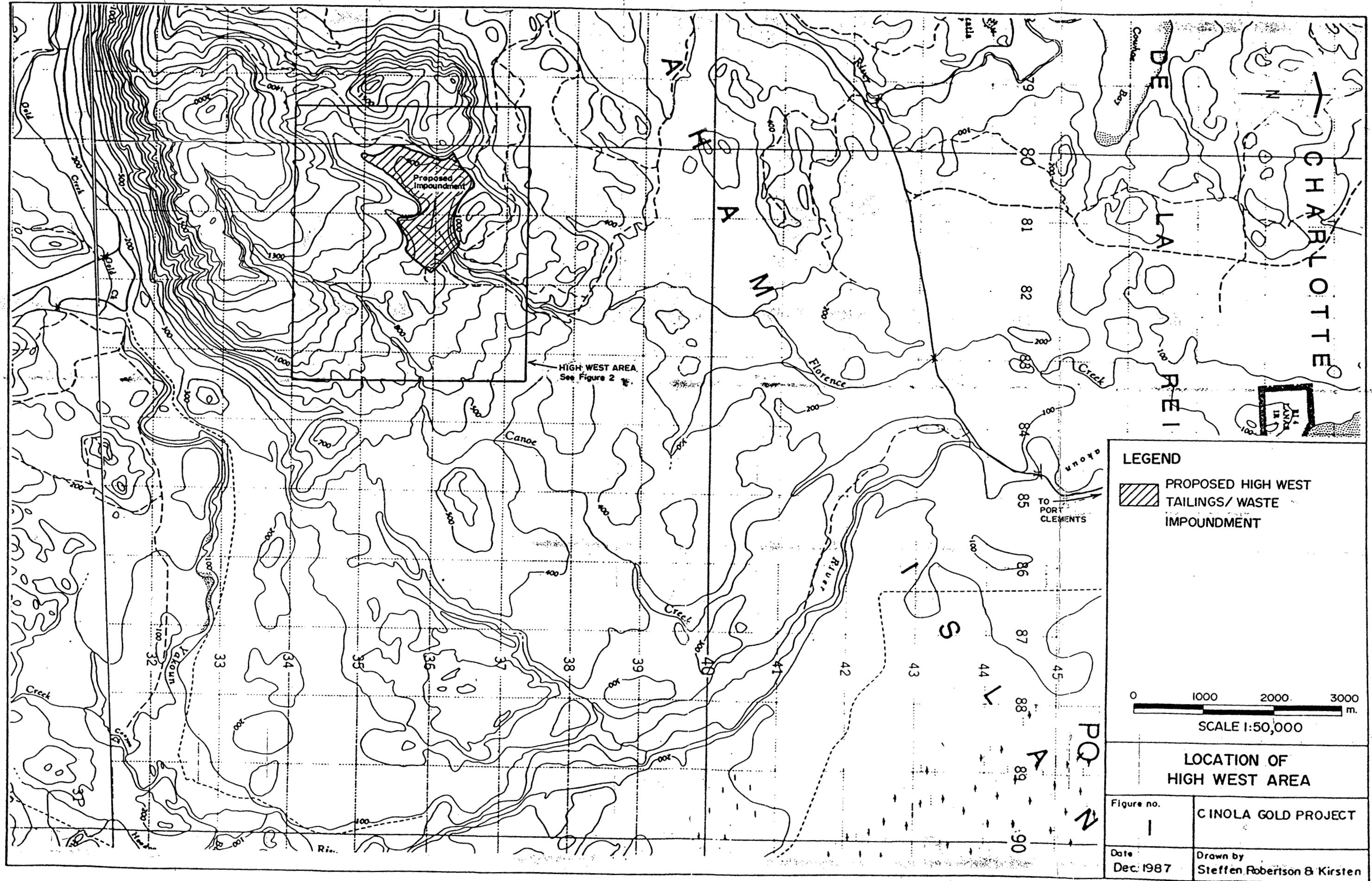
3.2 Groundwater

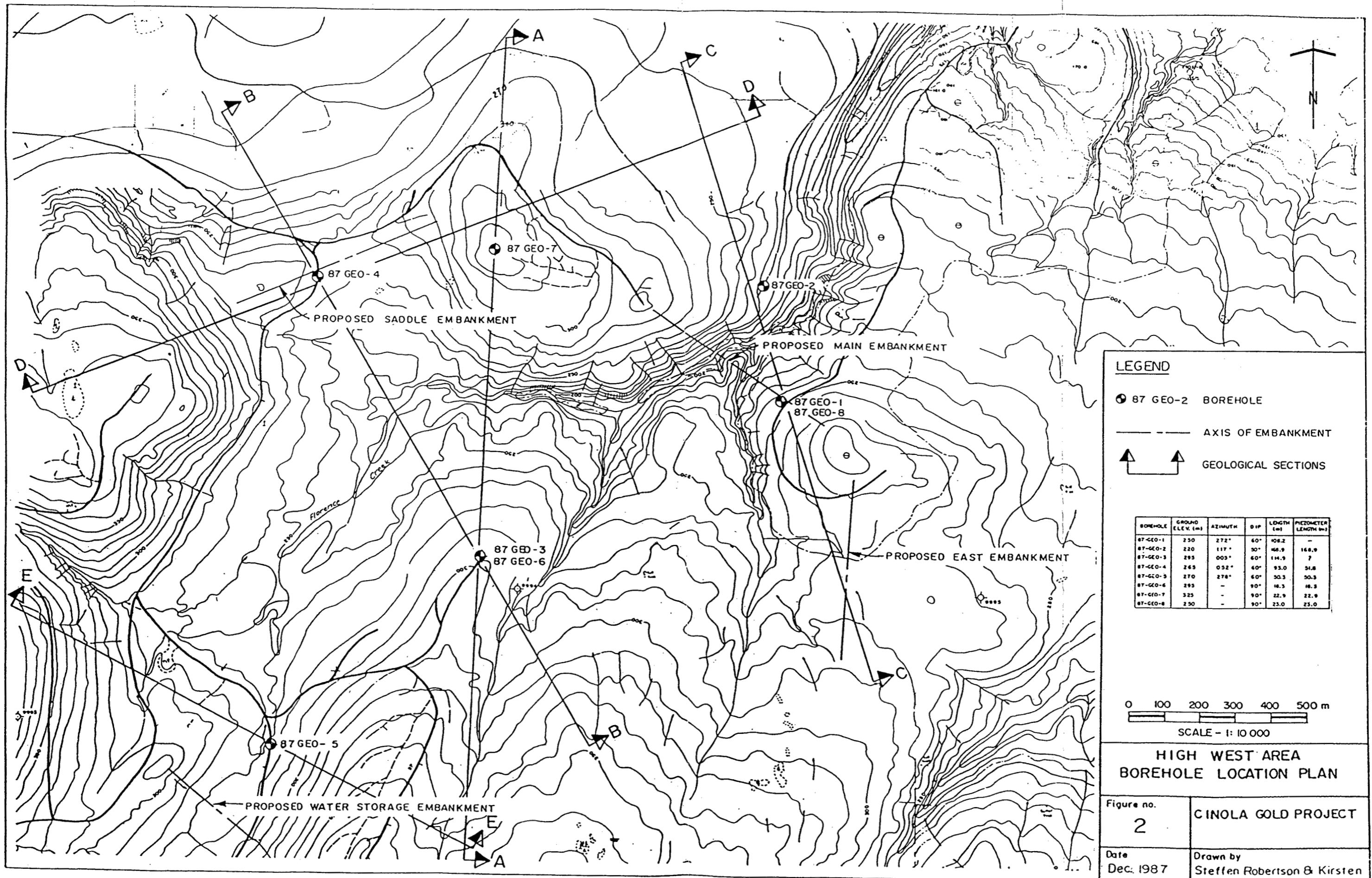
The results of the packer tests and the piezometer water levels were analyzed to develop a concept of the groundwater system in the High West area.

Groundwater flows from the topographic highs to the topographic lows. All the groundwater in the Florence Creek basin, defined by the saddle and the saddle knoll to the north and northwest and the high ridges to the south and southwest, appears to be captured by Florence Creek. Piezometer water levels, when compared to the water table encountered while drilling, indicate that the hydraulic gradient is downwards from the topographic highs and upwards beneath Florence Creek. The water table is generally about 3 m below the ground surface, but was found to be about 18 m deep in the saddle and the saddle knoll. Slight artesian flow was encountered in borehole 87-GEO-1, probably due to a partial groundwater barrier imposed by the fracture plane.

The hydraulic conductivity data was analyzed and a value of $5 (10^{-8})$ m/sec appears to be the most plausible overall value for the Massett Volcanics. Only two tests were conducted in the overburden materials, the average measured

hydraulic conductivity was 2×10^{-7} m/sec. The data indicates that the fault zones have hydraulic conductivity values that are well within the range of hydraulic conductivities found in the bedrock.



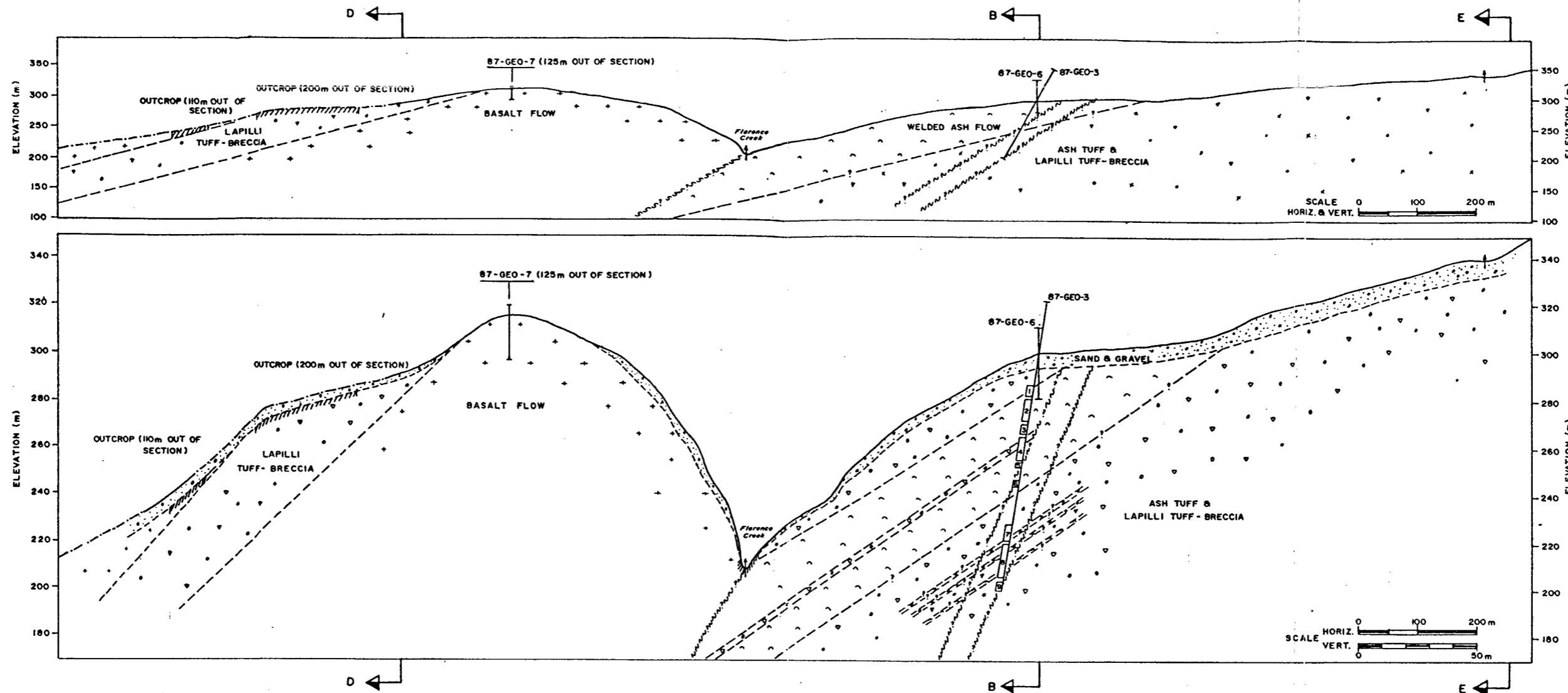


APPENDIX A
GEOLOGICAL SECTIONS

Contains:

Geological Section A-A
Geological Section B-B
Geological Section C-C
Geological Section D-D
Geological Section E-E

Note: For the location of the geological sections on plan
refer to Figure 2 in the text.



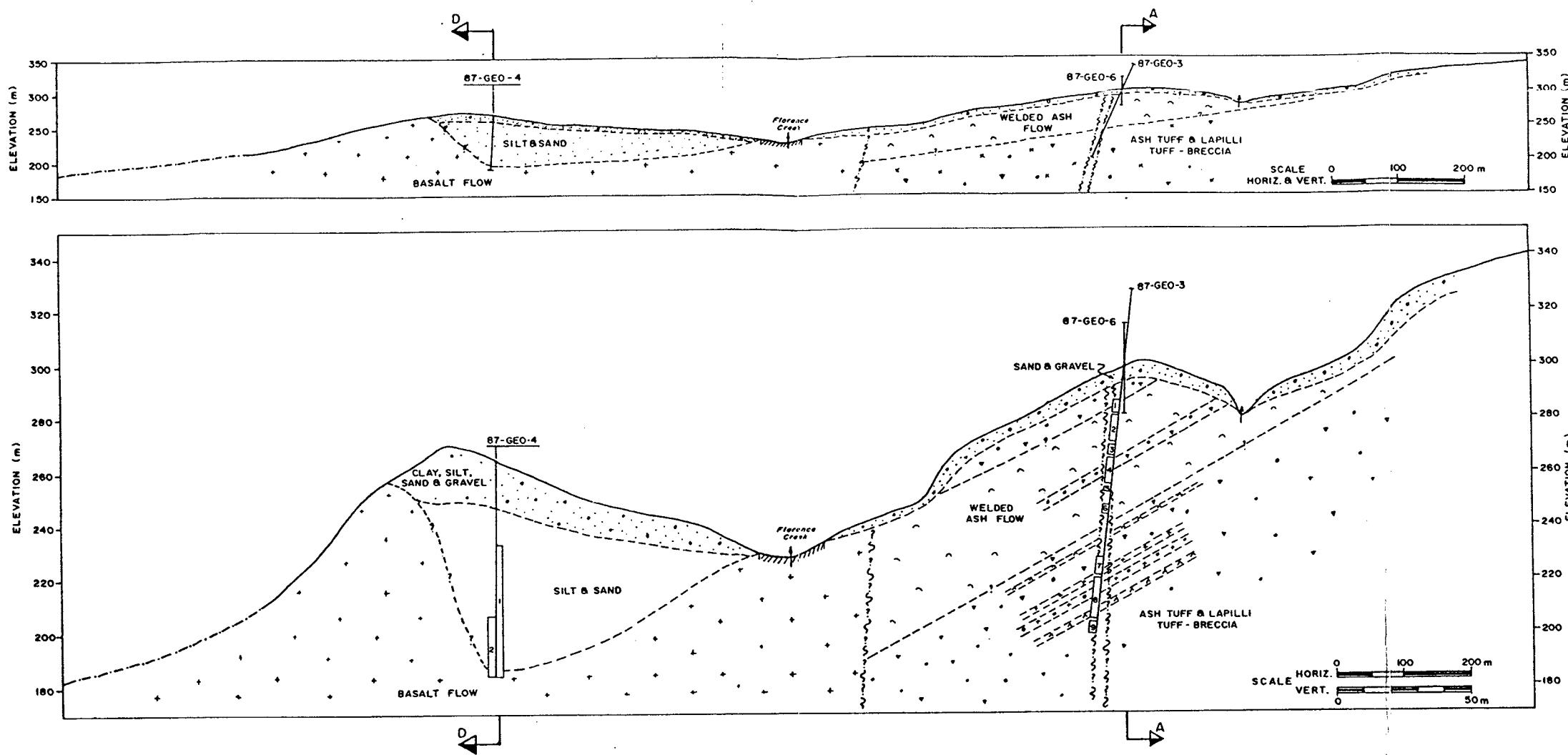
LEGEND	
Contacts and Structure	Known _____ Probable _____ Possible _____
Outcrop	Mapped by SRK Apr. 1987
Lithology	Lapilli Tuff-Breccia Welded Ash Tuff Welded Ash Flow Basalt Flow Ash Tuff Lapilli Tuff Rhyolite Crackle-Breccia
Structure	Fracture Plane
Creeks	↑ Flow into Section ↓ Flow out of Section ▲ Seasonal Creeks
Topography	— From 1:5000 Topo Map Produced for MacMillan Bloedel - - - From 1:50,000 Federal Topo Map

Note:

- Contacts are assumed to be linear and parallel to the flow directions indicated on SRK's structural geology map, Apr. 1987.
- Lithologies are from SRK logs by T. Collett and J. Sharpe, and City Resources logs by R. Boyce
- Hydraulic Conductivity are from SRK logs

FIELD TEST RESULTS		
HOLE	PACKER ZONE	HYDRAULIC CONDUCTIVITY ($\times 10^{-4}$) m/s
87-GEO-3	1	5.96
	2	14.8
	3	10.2
	4	14.5
	5	14.6
	6	1.64
	7	2.62
	8	4.05
	9	17.1

CITY RESOURCES (CANADA) LIMITED		DATE NOV. 1987
CINOLA GOLD PROJECT		PROJ. NO. 62602
HIGH WEST AREA		APPROVED BY
GEOLOGICAL SECTION A-A		DRAW. NO.
STEFFEN ROBERTSON & KIRSTEN Consulting Engineers		62602-12 REV.A



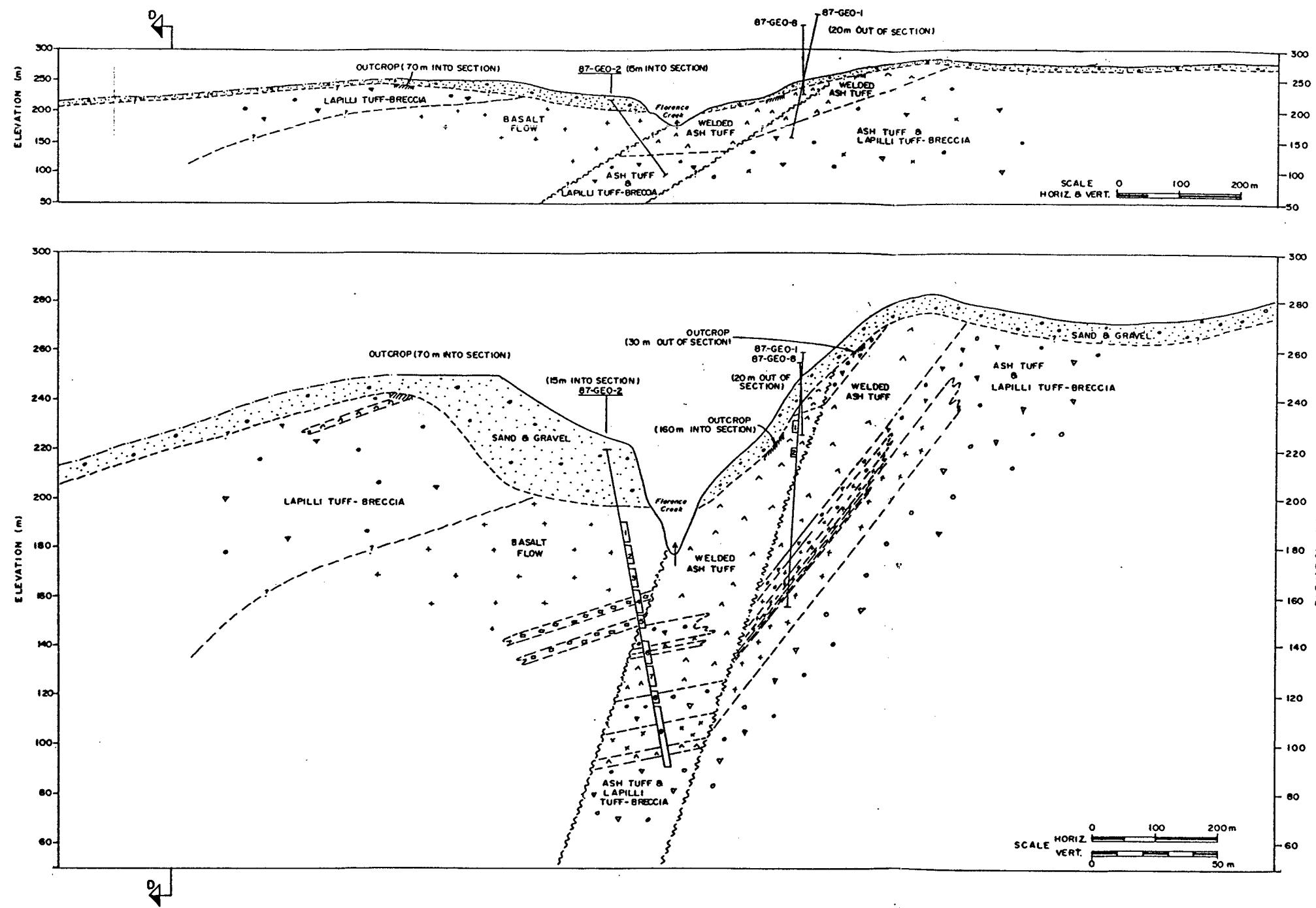
Contacts and Structure	Known		? Possible	
	—	- - -		
<i>Outcrop</i>				
	Mapped by SRK Apr. 1987			
<i>Lithology</i>				
	Lapilli Tuff-Breccia			
	Welded Ash Tuff			
	Welded Ash Flow			
	Basalt Flow			
	Ash Tuff			
	Lapilli Tuff			
	Rhyolite Crackle-Breccia			
<i>Structure</i>				
	Fracture Plane			
<i>Creeks</i>				
	↑ Flow into Section	↑ Seasonal Creeks		
	↓ Flow out of Section			
<i>Topography</i>				
	— From 1:5000 Topo Map Produced for MacMillan Bloedel			
	- - - From 1:50,000 Federal Topo Map			

Note:

- Contacts are assumed to be linear and parallel to the flow directions indicated on SRK's structural geology map, Apr. 1987.
- Lithologies are from SRK logs by T. Collett and J. Sharpe, and City Resources logs by R. Boyce
- Hydraulic Conductivity are from SRK logs

FIELD TEST RESULTS		
HOLE	PACKER ZONE	HYDRAULIC CONDUCTIVITY ($\times 10^{-7}$ m/s)
87-GEO-4	1	2.54
	2	1.92
87-GEO-3	1	5.96
	2	14.8
	3	10.2
	4	14.5
	5	14.6
	6	1.64
	7	2.62
	8	4.05
	9	17.1

CITY RESOURCES (CANADA) LIMITED		DATE NOV. 1987
CINOLA GOLD PROJECT		PROJ. NO. 62602
HIGH WEST AREA		APPROVED BY
GEOLOGICAL SECTION B-B		DRAW. NO. 62602-13
STEFFEN, ROBERTSON & KIRSTEN Consulting Engineers		REV.A



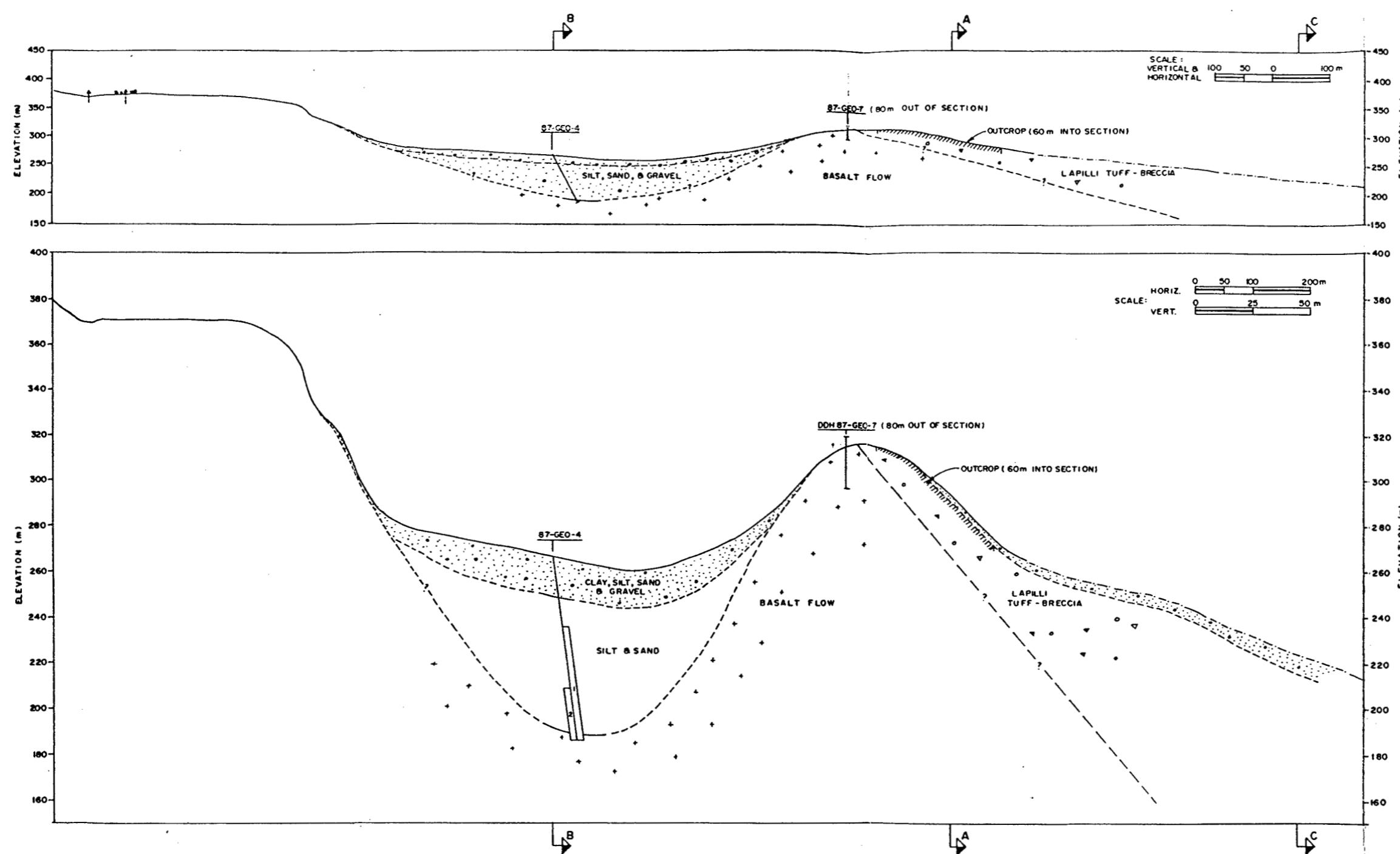
FIELD TEST RESULTS		
HOLE	PACKER ZONE	HYDRAULIC CONDUCTIVITY ($\times 10^{-4}$) m/s
87-GEO-2	1	1.97
	2	2.03
	3	0.111
	4	0.612
	5	1.92
	6	2.21
	7	3.65
	8	0.250
	9	0.139
	1	10.8
87-GEO-1	2	3.93

LEGEND		
Contacts and Structure	— Known	— ? — Possible
Outcrop	—	Mapped by SRK Apr. 1987
Lithology	Lapilli Tuff-Breccia Welded Ash Tuff Welded Ash Flow Basalt Flow Ash Tuff Lapilli Tuff Rhyolite Crackle-Breccia	
Structure		Fracture Plane
Creeks	↑ Flow into Section ↓ Flow out of Section	↑ Seasonal Creeks
Topography	— From 1:5000 Topo Map Produced for MacMiles Gold	— From 1:50,000 Federal Topo Map

Note:

- Contacts are assumed to be linear and parallel to the flow directions indicated on SRK's structural geology map, Apr. 1987.
- Lithologies are from SRK logs by T. Collett and J. Sharpe, and City Resources logs by R. Boyce.
- Hydraulic Conductivity are from SRK logs.

CITY RESOURCES (CANADA) LIMITED		DATE NOV. 1987
CINOLA GOLD PROJECT HIGH WEST AREA		PROJ. NO. 6260 2
		APPROVED
		DRWD. NO. 6260 2 -
		14 REV.A
GEOLOGICAL SECTION C-C		
STEFFEN ROBERTSON & KIRSTEN, Consulting Engineers		



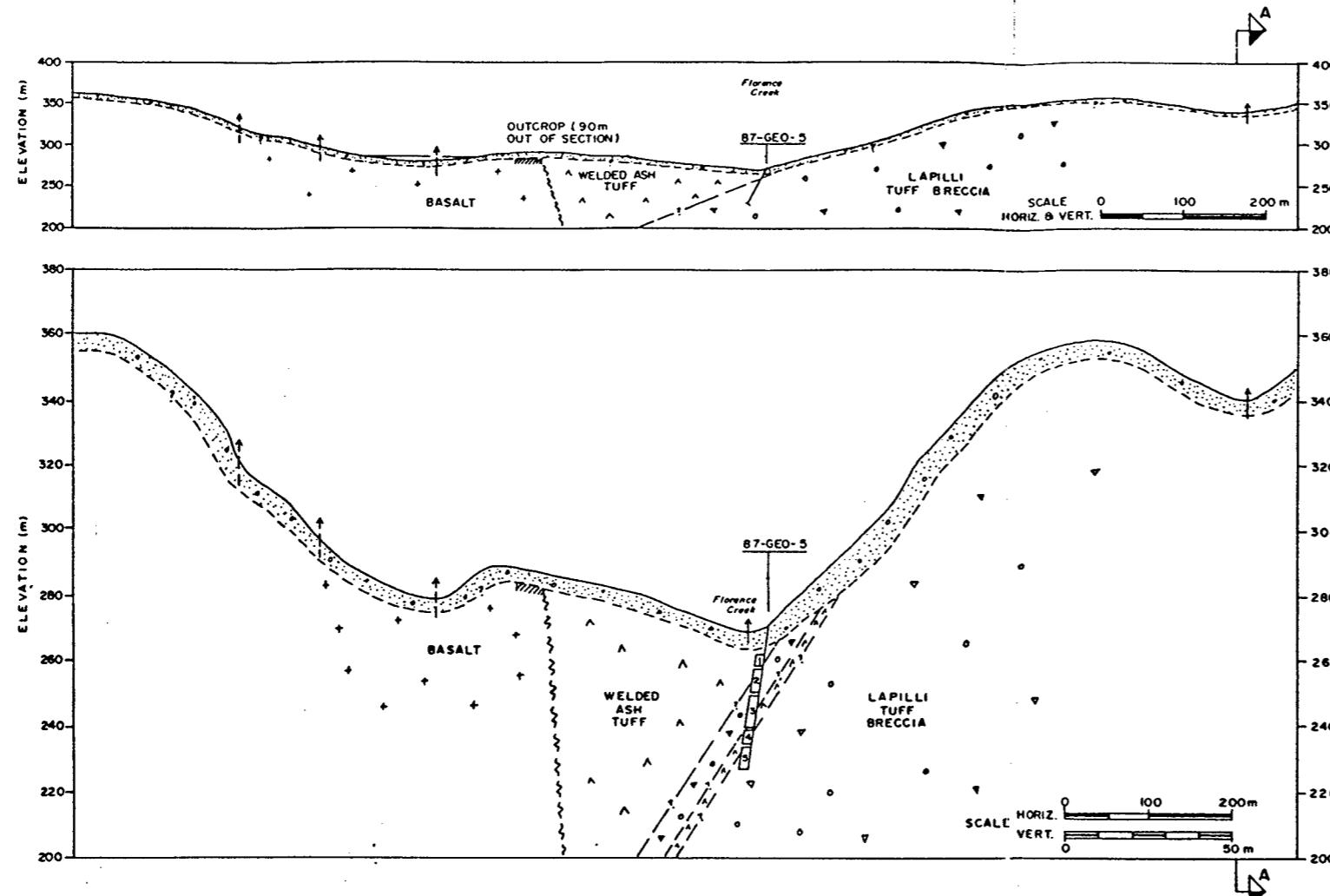
FIELD TEST RESULTS		
HOLE	PACKER ZONE	HYDRAULIC CONDUCTIVITY ($\times 10^{-3}$) m/s
87-GEO-4	1	2.54
	2	1.92

Contacts and Structures	Known	?	Possible
Outcrop			
	Mapped by SRK Apr. 1987		
Lithology	Lapilli Tuff-Breccia Welded Ash Tuff Welded Ash Flow Basalt Flow Ash Tuff Lapilli Tuff Rhyolite Crack-Breccia		
Structure	Fracture Plane		
Creeks	Flow into Section Flow out of Section		Seasonal Creeks
Topography	From 1:20,000 Topo Map Produced for MacMillan Bloedel From 1:30,000 Federal Topo Map		

Note:

- Contacts are assumed to be linear and parallel to the flow directions indicated on SRK's structural geology map, Apr. 1987.
- Lithologies are from SRK logs by T. Collett and J. Sharpe, and City Resources logs by R. Boyce.
- Hydraulic Conductivity are from SRK logs.

CITY RESOURCES (CANADA) LIMITED	DATE NOV. 1987
CINOLA GOLD PROJECT	PROJ. NO. 62602
HIGH WEST AREA	APPROVED BY
GEOLOGICAL SECTION D-D	DRW. NO. 62602-15
STEFFEN ROBERTSON & KIRSTEN, Consulting Engineers	REV. A



FIELD TEST RESULTS		
HOLE	PACKER ZONE	HYDRAULIC CONDUCTIVITY ($\times 10^{-7}$ m/s)
87-GEO-5	1	3.97
	2	0
	3	5.63
	4	2.39
	5	0

LEGEND	
Contacts and Structure	— Known - - - Probable
Outcrop	Mapped by SRK Apr. 1987
Lithology	<ul style="list-style-type: none"> • Lapilli Tuff-Breccia △ Welded Ash Tuff □ Basalt Flow × Ash Tuff ○ Lapilli Tuff □ Rhyolitic Crackle-Breccia
Structure	~~~~ Fracture Plane
Creeks	<ul style="list-style-type: none"> ↑ Flow into Section ↓ Flow out of Section △ Seasonal Creeks
Topography	<ul style="list-style-type: none"> — From 1:5000 Topo Map Produced for MacMillan Bloedel - - - From 1:50,000 Federal Topo Map

- Note:
- Contacts are assumed to be linear and parallel to the flow directions indicated on SRK's structural geology map, Apr. 1987.
 - Lithologies are from SRK logs by T. Collett and J. Sharpe, and City Resources logs by R. Boyce
 - Hydraulic Conductivity are from SRK logs

CITY RESOURCES (CANADA) LIMITED

CINOLA GOLD PROJECT
HIGH WEST AREA

GEOLOGICAL SECTION E-E

STEFFEN ROBERTSON & KIRSTEN Consulting Engineers

DATE NOV. 1987

PROJ. NO. 62602

APPROVED BY

DRW. NO. 62602-

16

REV.A

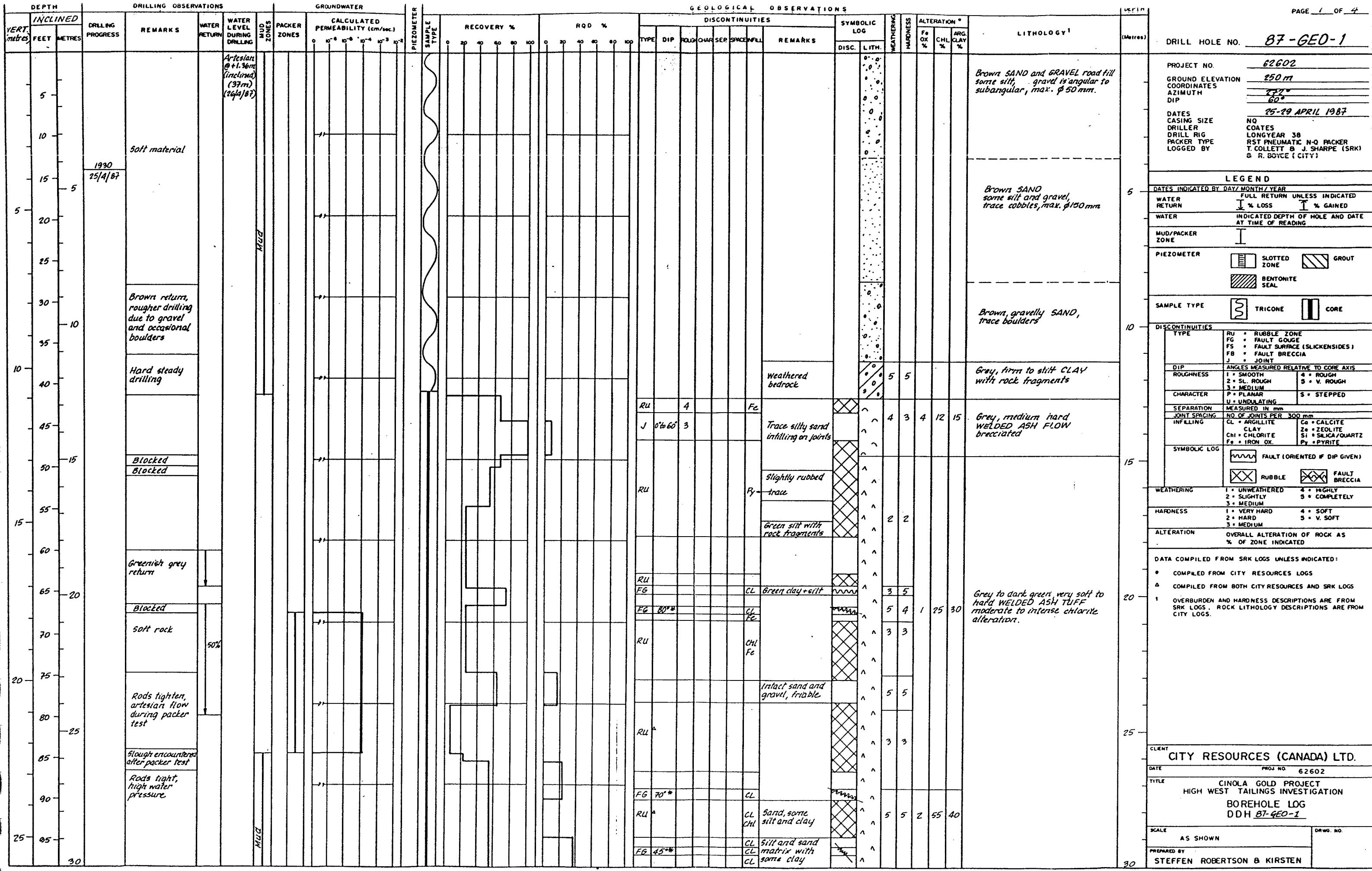
APPENDIX B

BOREHOLE LOGS

Contains:

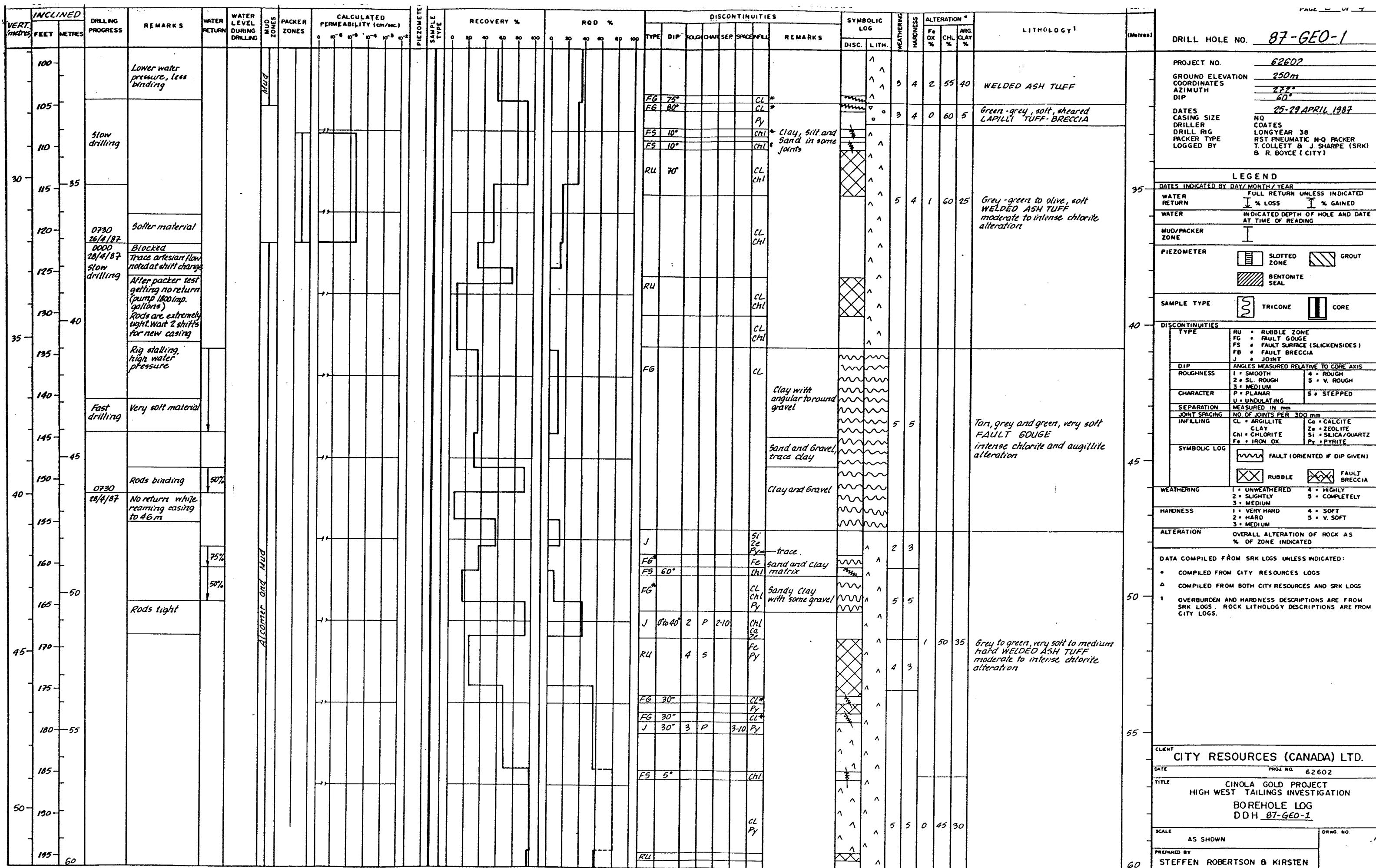
Borehole 87-GEO-1
Borehole 87-GEO-2
Borehole 87-GEO-3
Borehole 87-GEO-4
Borehole 87-GEO-5
Borehole 87-GEO-6
Borehole 87-GEO-7
Borehole 87-GEO-8

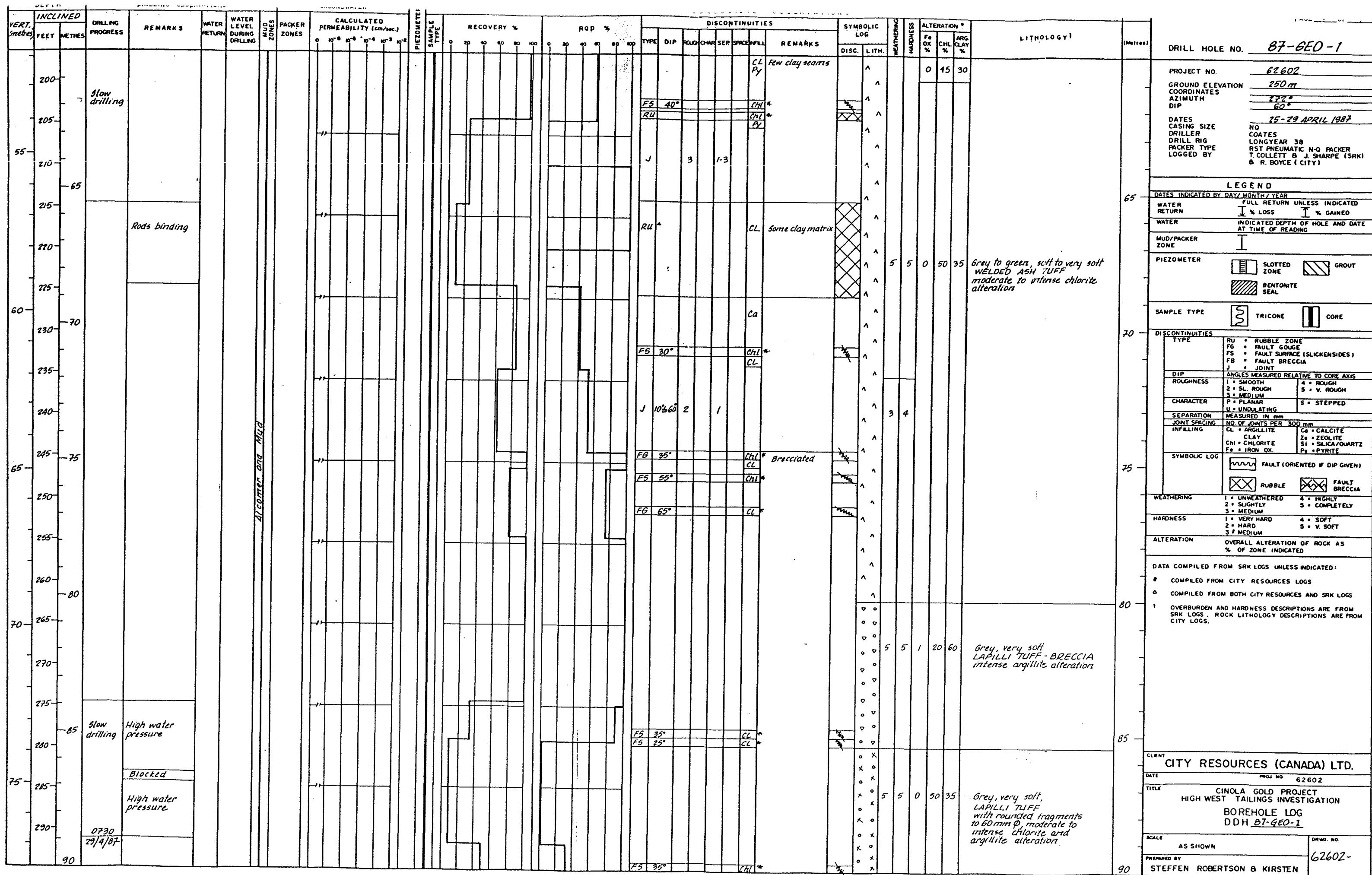
Note: For the location of the boreholes on plan refer to Figure 2 in the text.

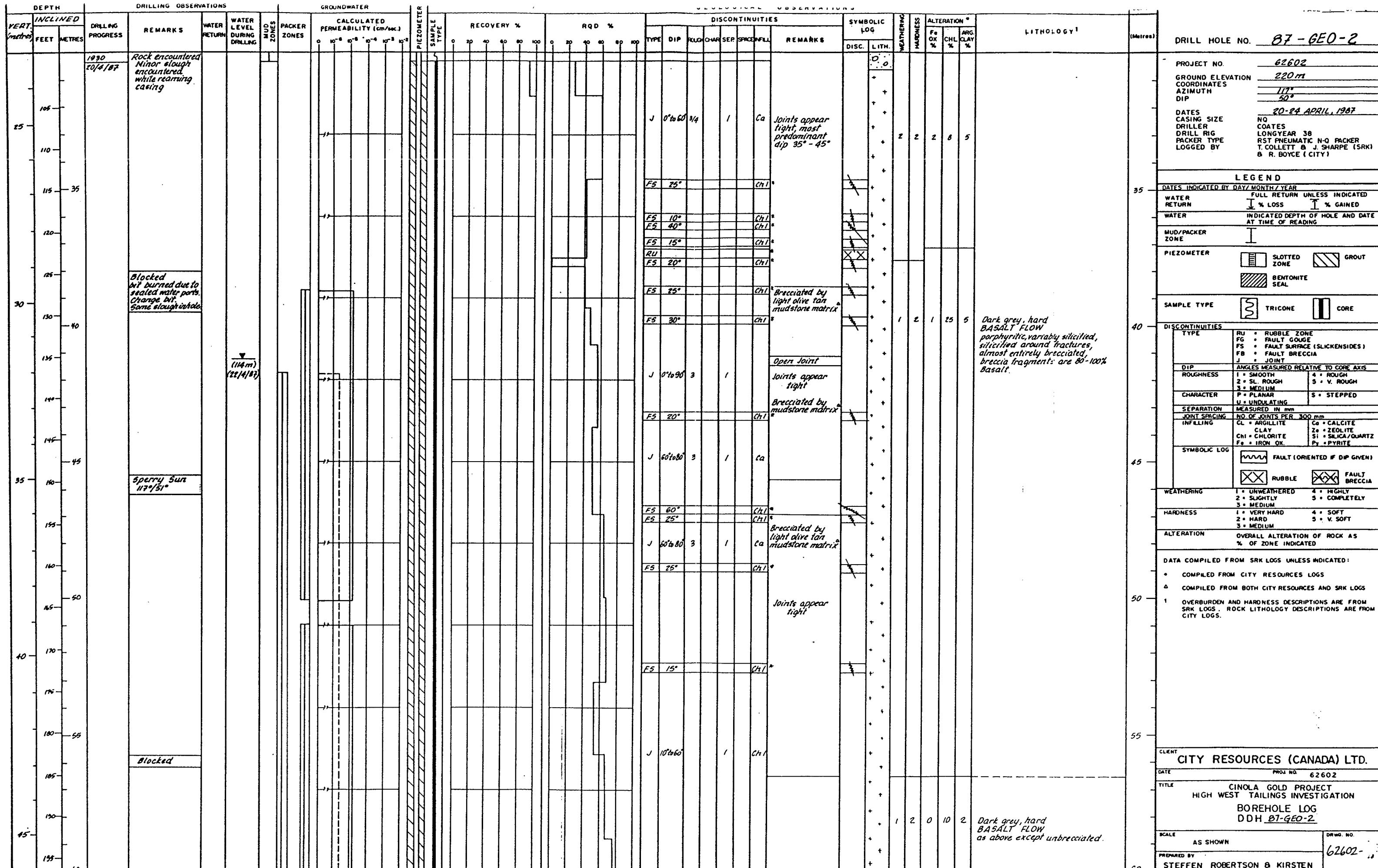


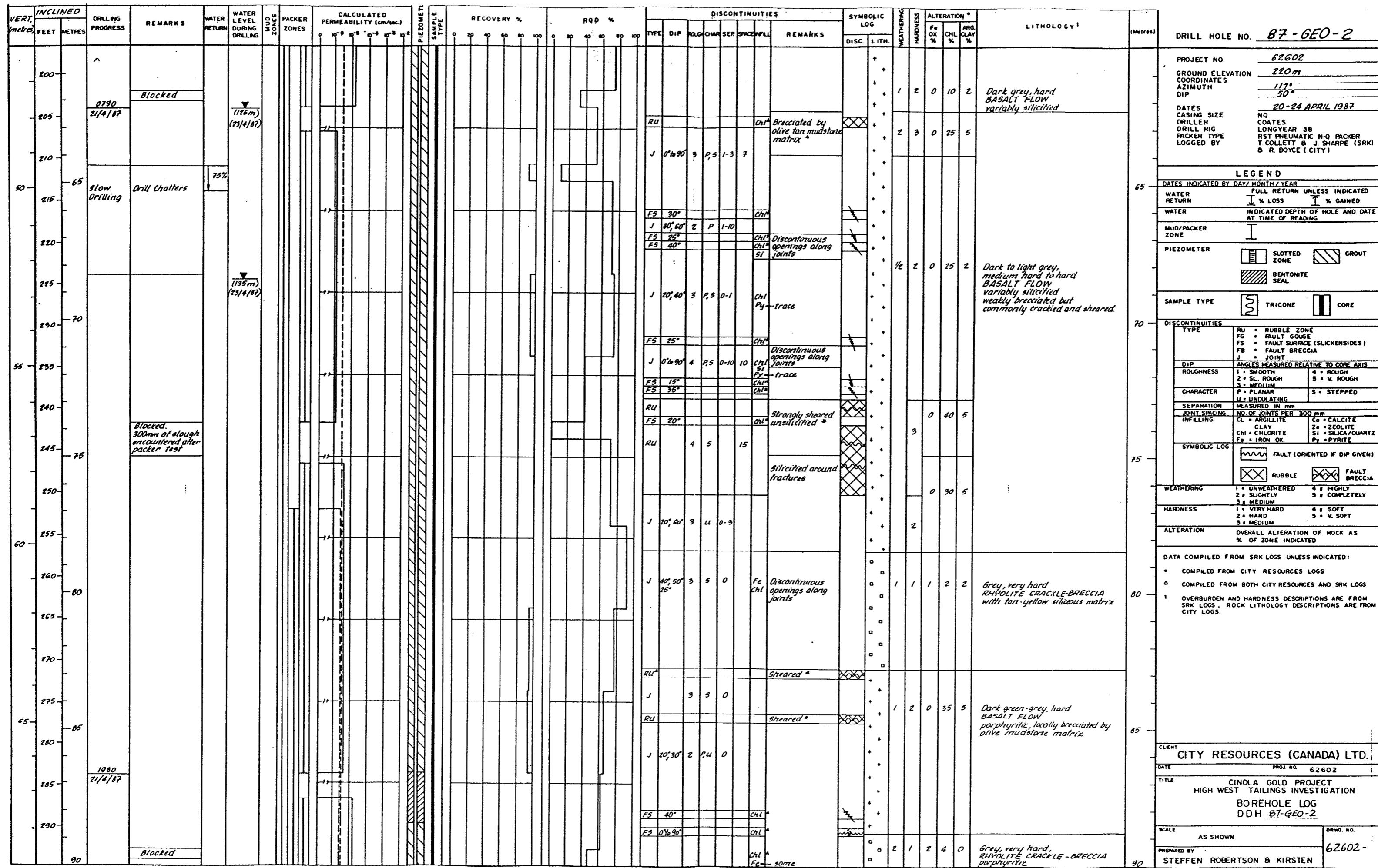
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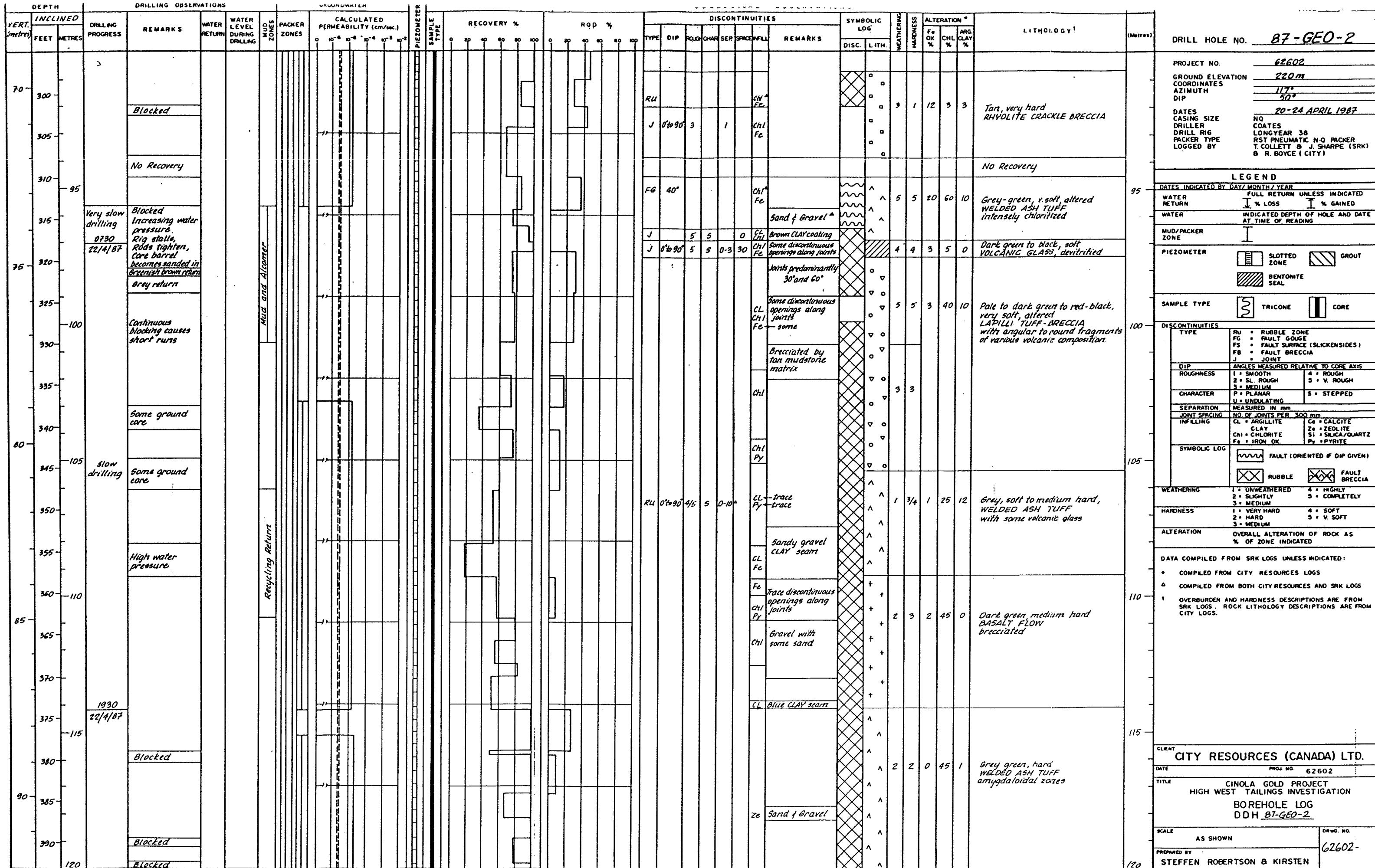
DETAILED LOGS

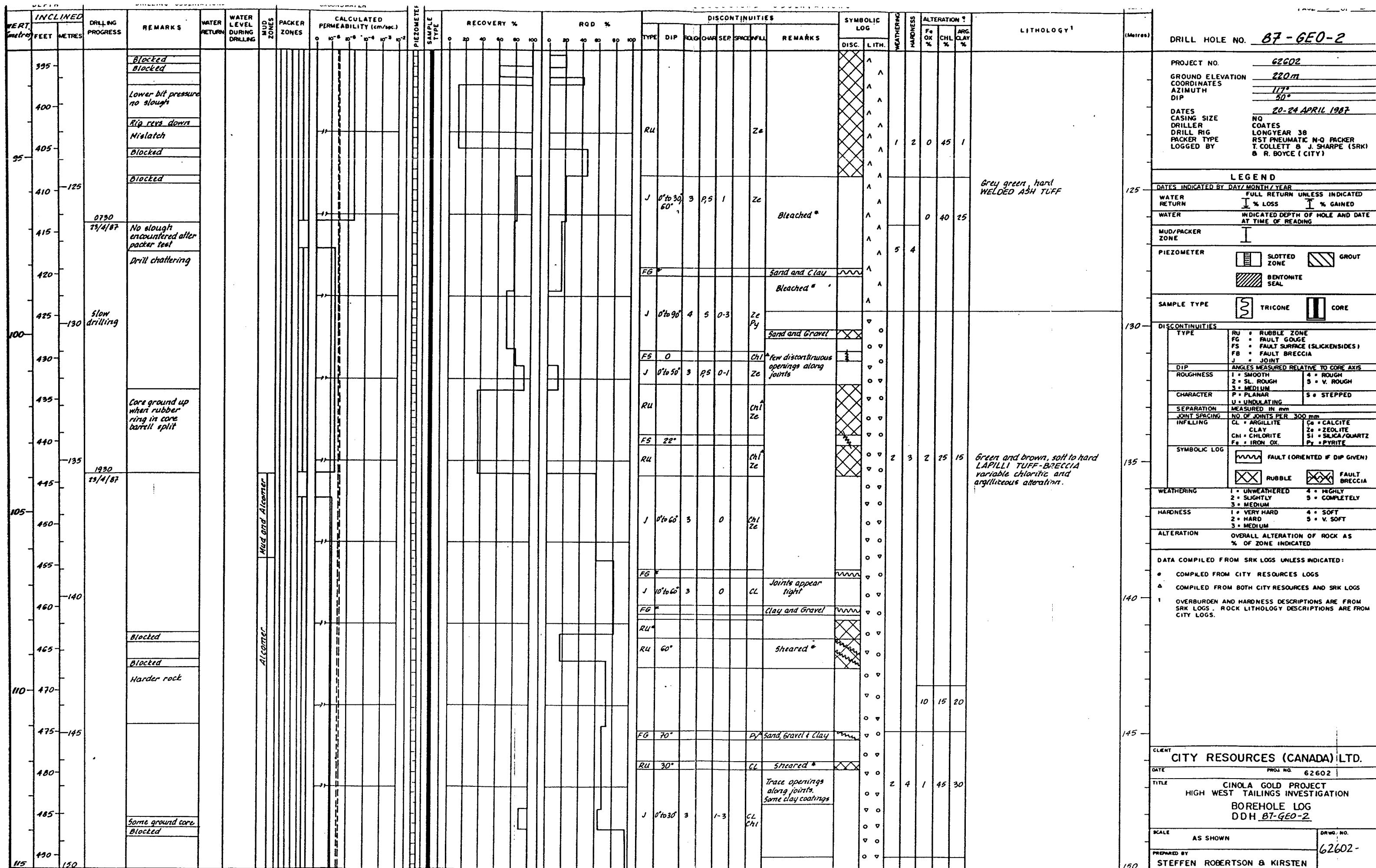


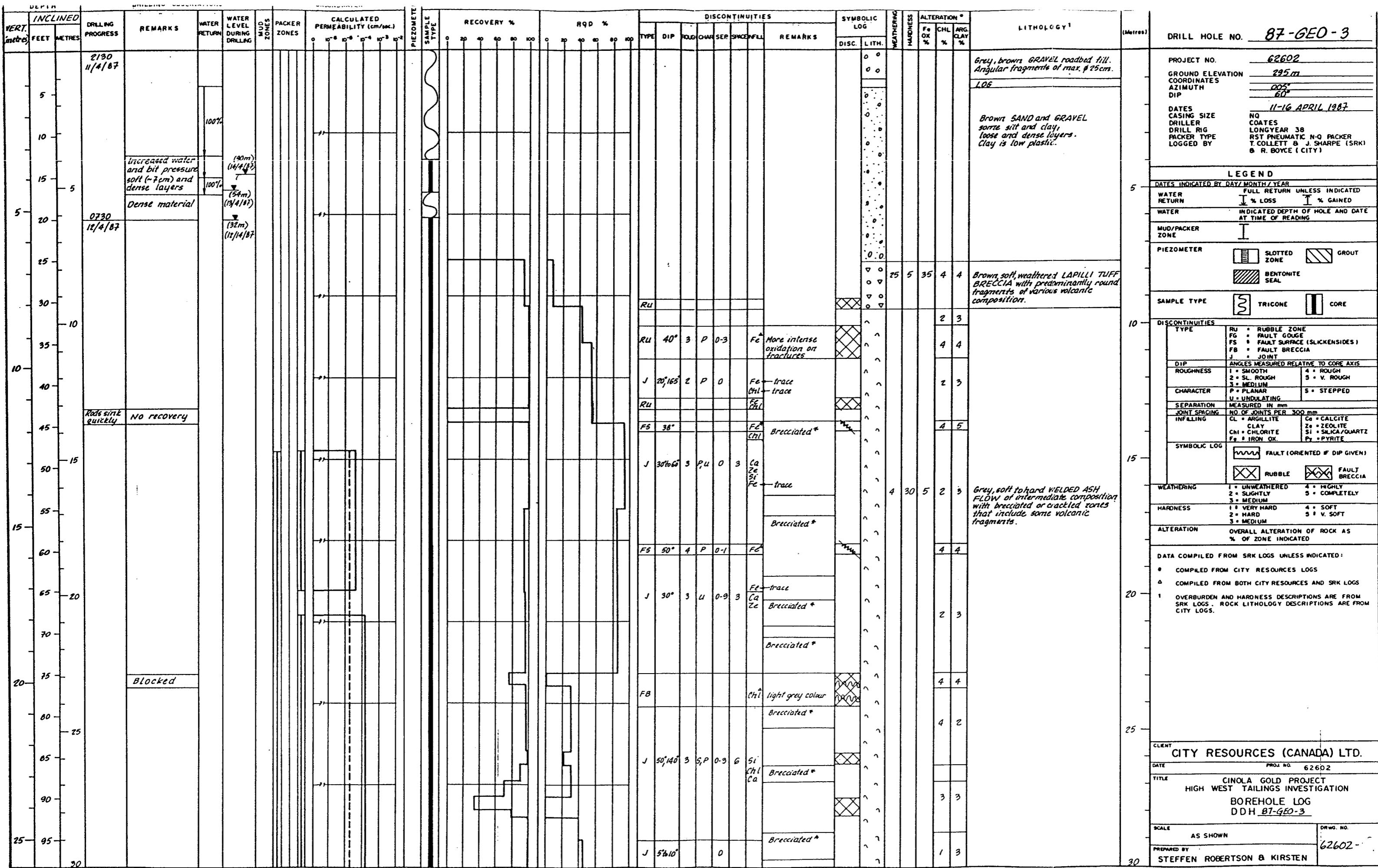


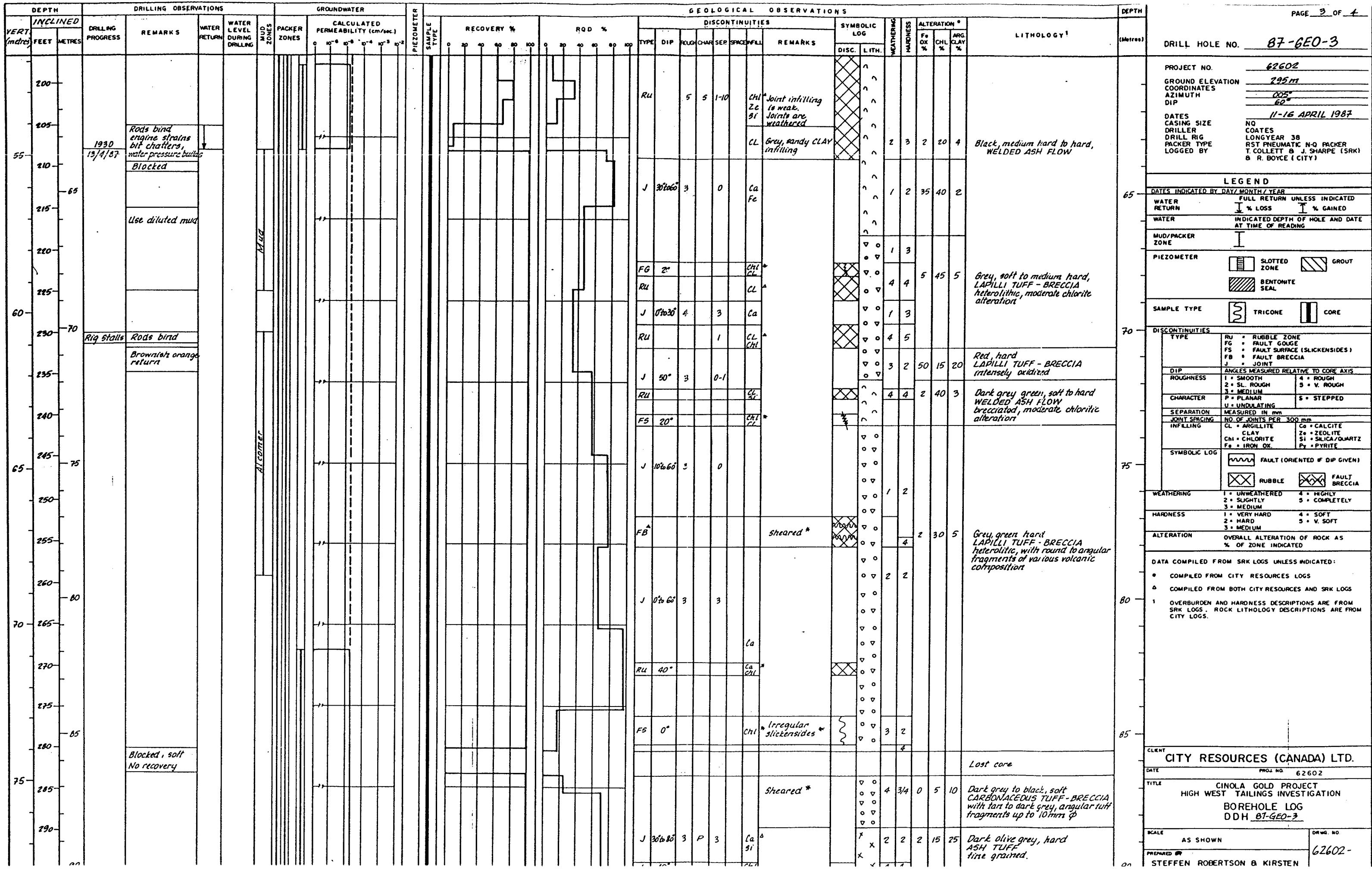


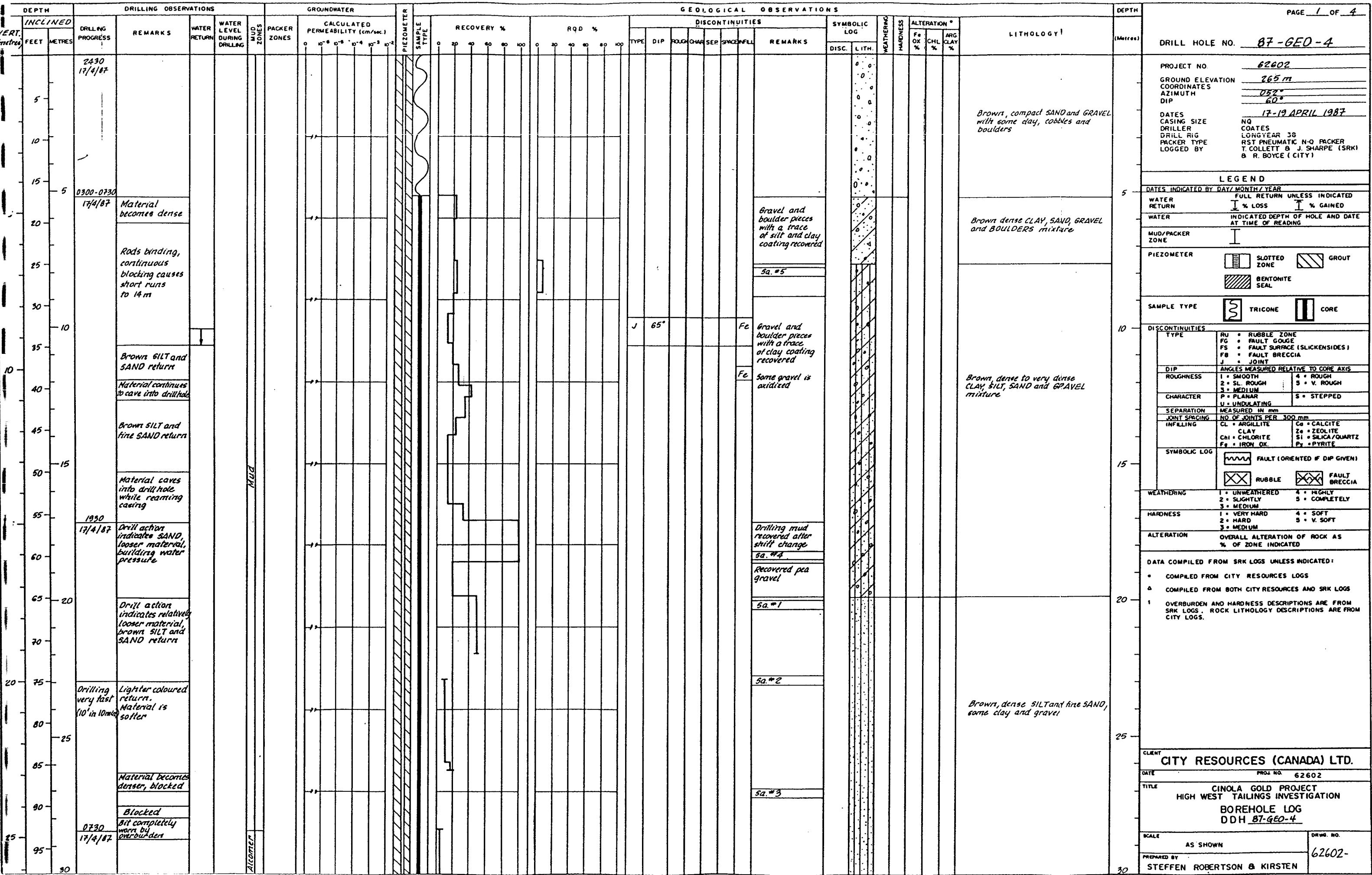


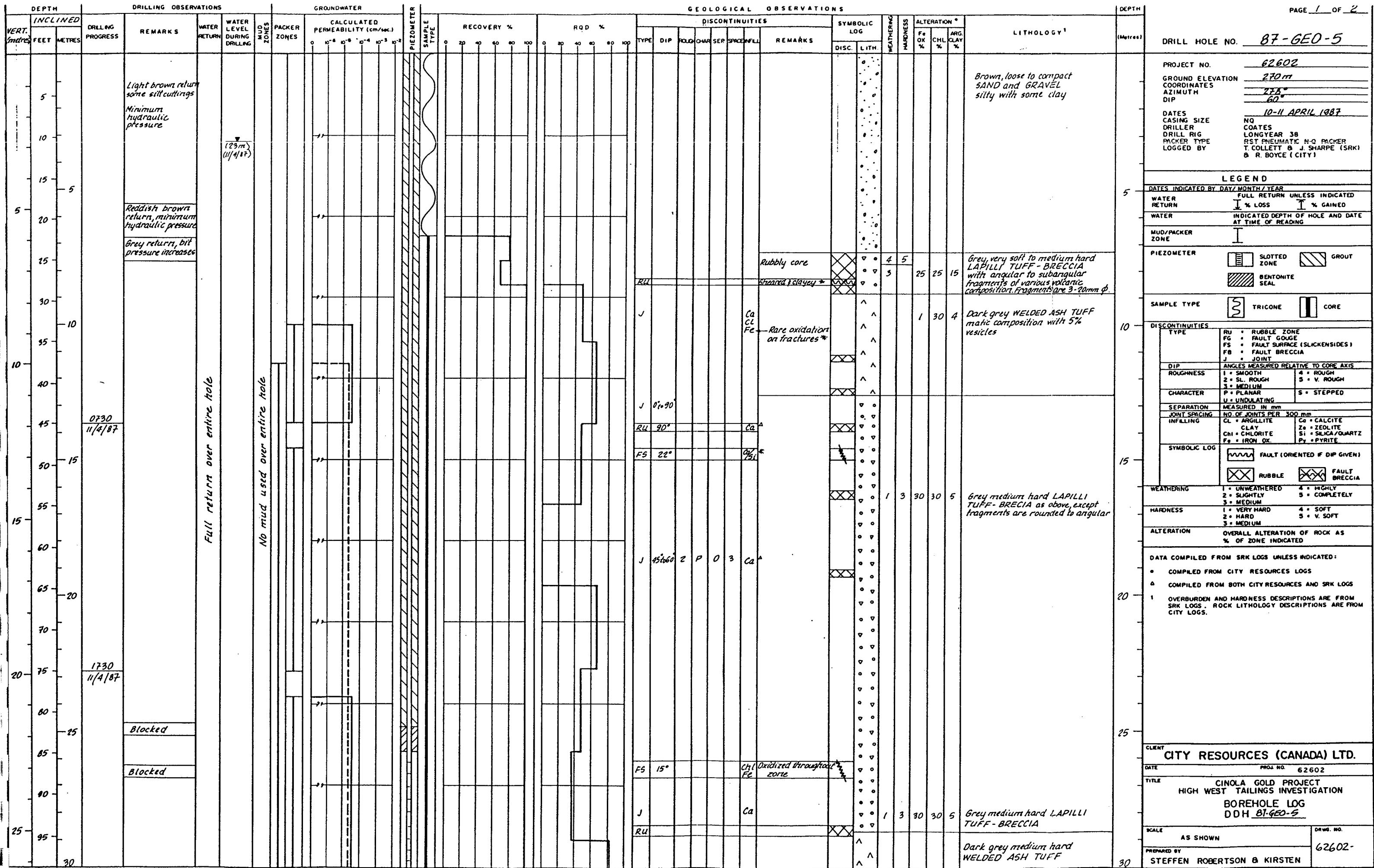












DRILL HOLE NO. 87-GEO-5

PROJECT NO. 62602

GROUND ELEVATION 270m

COORDINATES 775° 60'

AZIMUTH DIP

DATES 10-11 APRIL 1987

CASING SIZE NQ

DRILLER COATES

DRILL RIG LONGYEAR 38

PACKER TYPE RST PNEUMATIC N-Q PACKER

LOGGED BY T. COLLETT & J. SHARPE (SRK)

B. R. BOYCE (CITY)

LEGEND

DATES INDICATED BY DAY/MONTH/YEAR

WATER RETURN FULL RETURN UNLESS INDICATED

WATER % LOSS % GAINED

MUD/PACKER ZONE INDICATED DEPTH OF HOLE AND DATE AT TIME OF READING

PIEZOMETER SLOTTED ZONE GROUT

BENTONITE SEAL

SAMPLE TYPE TRICONE CORE

DISCONTINUITIES TYPE RU RUBBLE ZONE

RU FAULT GOUGE

FS FAULT SURFACE (SLICKENSIDES)

FB FAULT BRECCIA

J JOINT

DIP ANGLES MEASURED RELATIVE TO CORE AXIS

ROUGHNESS 1 SMOOTH 4 ROUGH

2 SL. ROUGH 5 V. ROUGH

3 MEDIUM

CHARACTER P PLANAR S STEPPED

U UNDULATING

SEPARATION MEASURED IN mm

JOINT SPACING NO. OF JOINTS PER 300 mm

INFILLING CL CALCIATE Ca CALCIATE

ZI ZEOLITE ZA ZEOLITE

CHI CHLORITE SI SILICA/QUARTZ

FE IRON OX PY PYRITE

SYMBOLIC LOG FAULT (ORIENTED IF DIP GIVEN)

RUBBLE FAULT BRECCIA

WEATHERING 1 UNWEATHERED 4 HIGHLY

2 SLIGHTLY 5 COMPLETELY

3 MEDIUM

HARDNESS 1 VERY HARD 4 SOFT

2 HARD 5 V. SOFT

3 MEDIUM

ALTERATION OVERALL ALTERATION OF ROCK AS % OF ZONE INDICATED

DATA COMPILED FROM SRK LOGS UNLESS INDICATED:

- COMPILED FROM CITY RESOURCES LOGS
- △ COMPILED FROM BOTH CITY RESOURCES AND SRK LOGS

1 OVERBURDEN AND HARDNESS DESCRIPTIONS ARE FROM SRK LOGS. ROCK LITHOLOGY DESCRIPTIONS ARE FROM CITY LOGS.

CLIENT CITY RESOURCES (CANADA) LTD.

DATE PROJ NO. 62602

TITLE CINOLA GOLD PROJECT

HIGH WEST TAILINGS INVESTIGATION

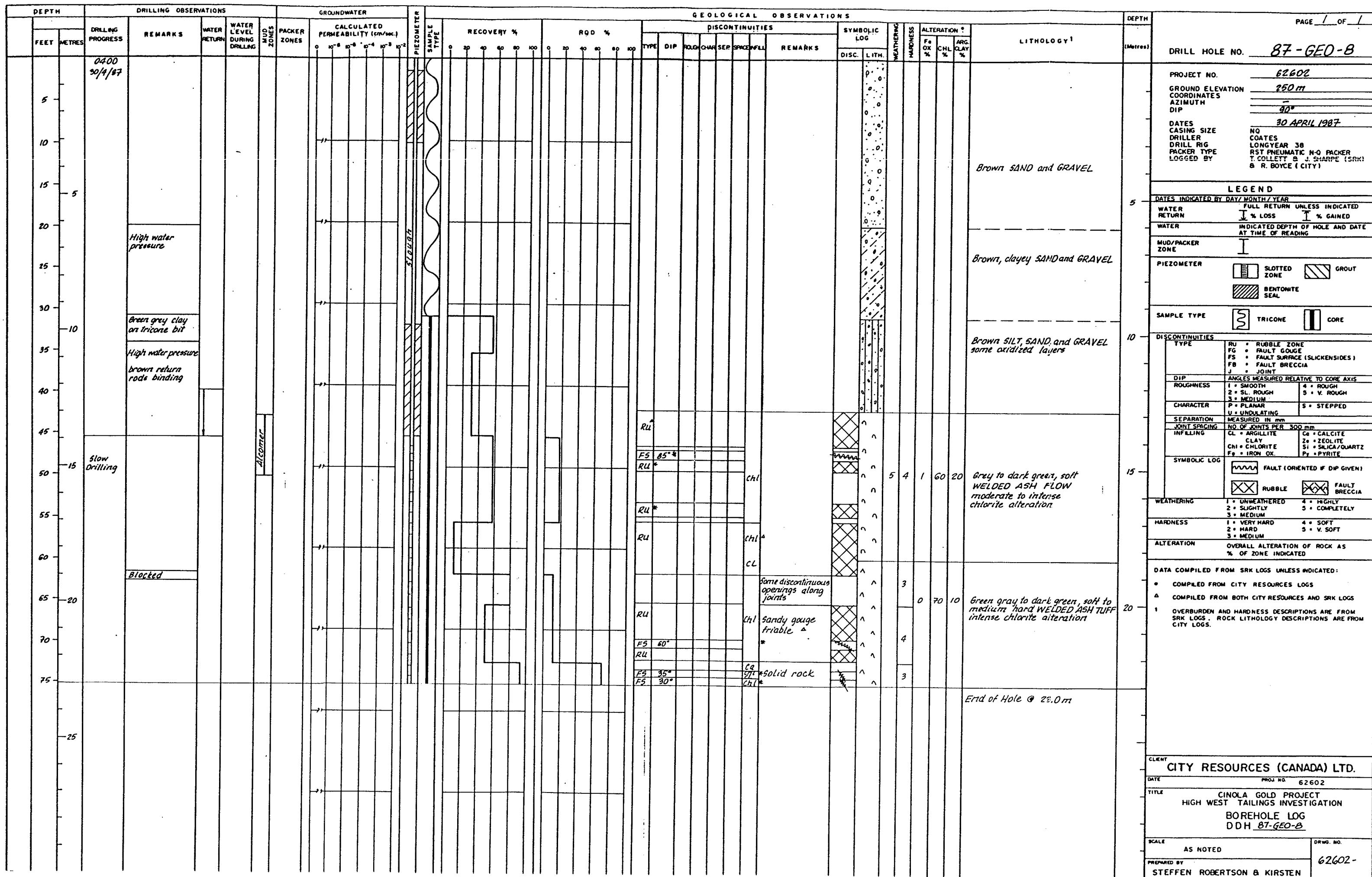
BOREHOLE LOG DDH 87-GEO-5

SCALE AS SHOWN

PREPARED BY STEFFEN ROBERTSON & KIRSTEN

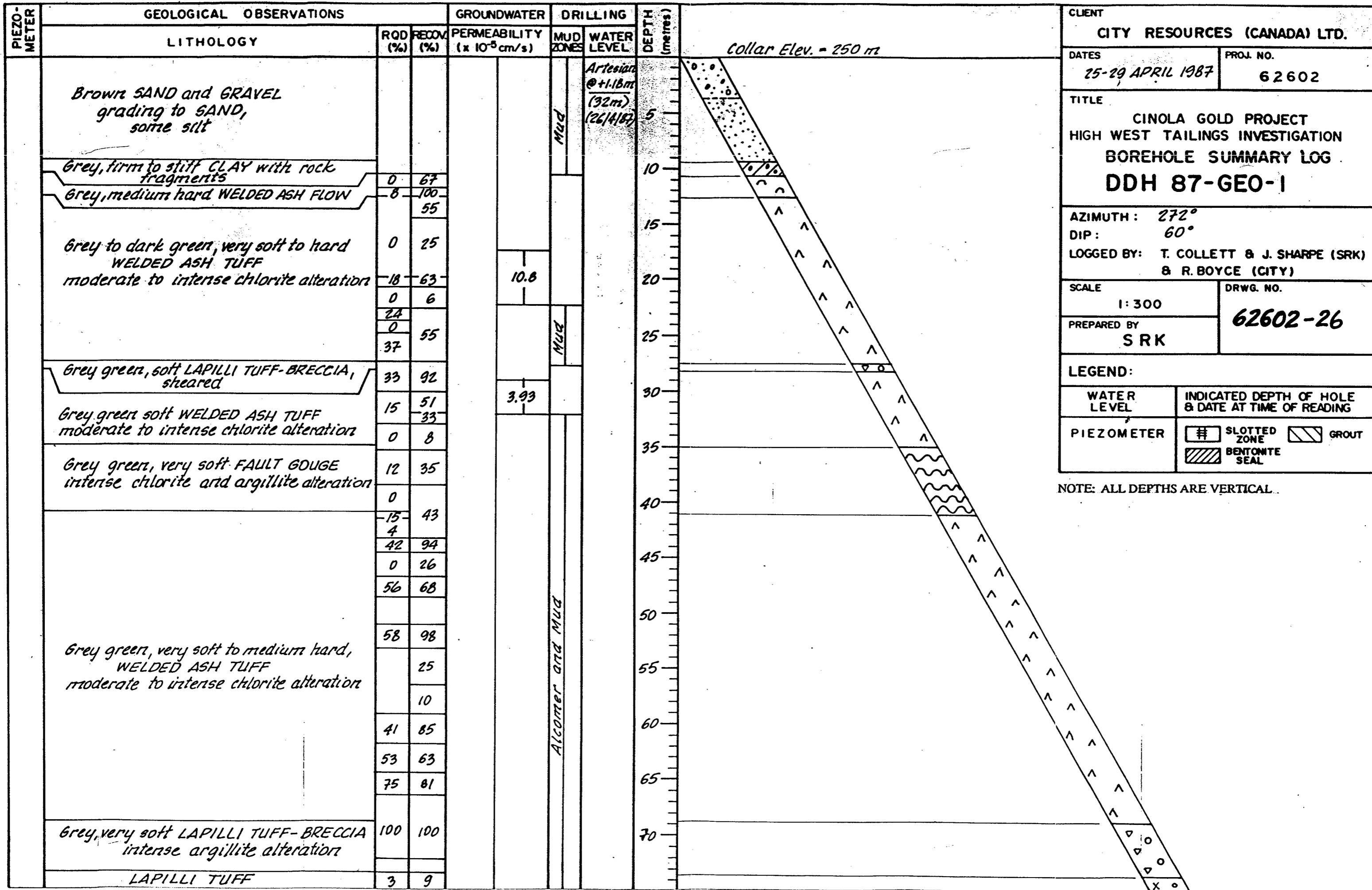
DRUG. NO. 62602-

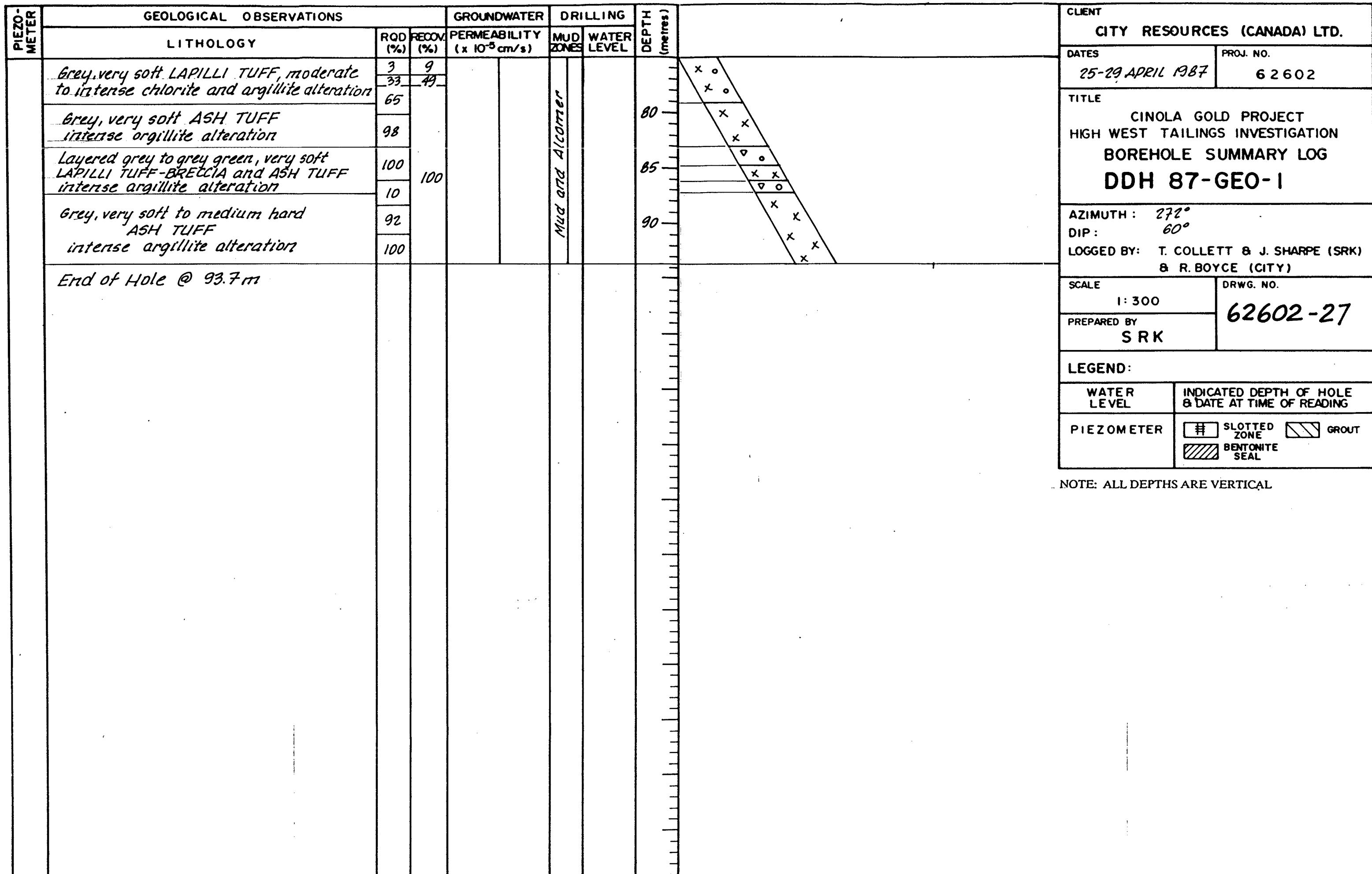
DEPTH		DRILLING OBSERVATIONS							GEOLOGICAL OBSERVATIONS										DEPTH									
FEET	METRES	DRILLING PROGRESS	REMARKS	WATER RETURN	WATER LEVEL DURING DRILLING	MUD ZONE	PACKER ZONES	GROUNDWATER					GEOLOGICAL OBSERVATIONS										DEPTH					
								CALCULATED PERMEABILITY (cm/sec.)					DISCONTINUITIES										DEPTH					
								0	10^{-6}	10^{-5}	10^{-4}	10^{-3}	10^{-2}	Type	Sample	Recovery %	Rod %	Type	Dip	Rock Char	Sep.	Spacefill	Remarks	Symbolic Log	Weathering	Hardness	Alteration %	Depth
								0	20	40	60	80	100	0	20	40	60	80	100	DISC.	LITH.	WEATHERING	HARDNESS	Fe OX %	Chl %	Arg Clay %	(Metres)	
5																										DRILL HOLE NO. 87-GEO-6		
10																										PROJECT NO. 62602		
15																										GROUND ELEVATION 295 m		
20																										COORDINATES AZIMUTH 90°		
25																										DATES LOGGED BY COATES LONGYEAR 38 RST PNEUMATIC N-Q PACKER T. COLLETT B. J. SHARPE (SRK) B. R. BOYCE (CITY)		
30																										LEGEND		
35																										DATES INDICATED BY DAY/MONTH/YEAR		
40																										FULL RETURN UNLESS INDICATED		
45																										WATER RETURN % LOSS % GAINED		
50																										WATER INDICATED DEPTH OF HOLE AND DATE AT TIME OF READING		
55																										MUD/PACKER ZONE		
60																										PIEZOMETER SLOTTED ZONE GROUT		
65																										BENTONITE SEAL		
70																										SAMPLE TYPE TRICONE CORE		
75																										DISCONTINUITIES		
80																										TYPE RU = RUBBLE ZONE FG = FAULT GOUGE FS = FAULT SURFACE (SLICKENSIDES) FB = FAULT BRECCIA J = JOINT		
85																										DIP ANGLES MEASURED RELATIVE TO CORE AXIS		
90																										ROUGHNESS 1 = SMOOTH 2 = SL. ROUGH 3 = MEDIUM		
95																										CHARACTER P = PLANAR U = UNDULATING		
100																										SEPARATION MEASURED IN mm		
105																										JOINT SPACING NO. OF JOINTS PER 300 mm		
110																										INFILLING CL = ARGILLITE Co = CALCITE CLAY Ze = ZEOLITE CHL = CHLORITE Si = SILICA/QUARTZ Fe = IRON OX. Py = PYRITE		
115																										SYMBOLIC LOG FAULT (ORIENTED IF DIP GIVEN)		
120																										RUBBLE FAULT BRECCIA		
125																										WEATHERING 1 = UNWEATHERED 2 = SLIGHTLY 3 = MEDIUM		
130																										4 = HIGHLY 5 = COMPLETELY		
135																										HARDNESS 1 = VERY HARD 2 = HARD 3 = MEDIUM		
140																										4 = SOFT 5 = V. SOFT		
145																										ALTERATION OVERALL ALTERATION OF ROCK AS % OF ZONE INDICATED		
150																										DATA COMPILED FROM SRK LOGS UNLESS INDICATED:		
155																										• COMPILED FROM CITY RESOURCES LOGS		
160																										△ COMPILED FROM BOTH CITY RESOURCES AND SRK LOGS		
165																										1 OVERBURDEN AND HARDNESS DESCRIPTIONS ARE FROM SRK LOGS. ROCK LITHOLOGY DESCRIPTIONS ARE FROM CITY LOGS.		
170																										CITY RESOURCES (CANADA) LTD.		
175																										DATE PROJ. NO. 62602		
180																										TITLE CINOLA GOLD PROJECT HIGH WEST TAILINGS INVESTIGATION		
185																										BOREHOLE LOG DDH 87-GEO-6		
190																										SCALE AS SHOWN		
195																										DRAW. NO. 62602-		
200																										PREPARED BY STEFFEN ROBERTSON & KIRSTEN		

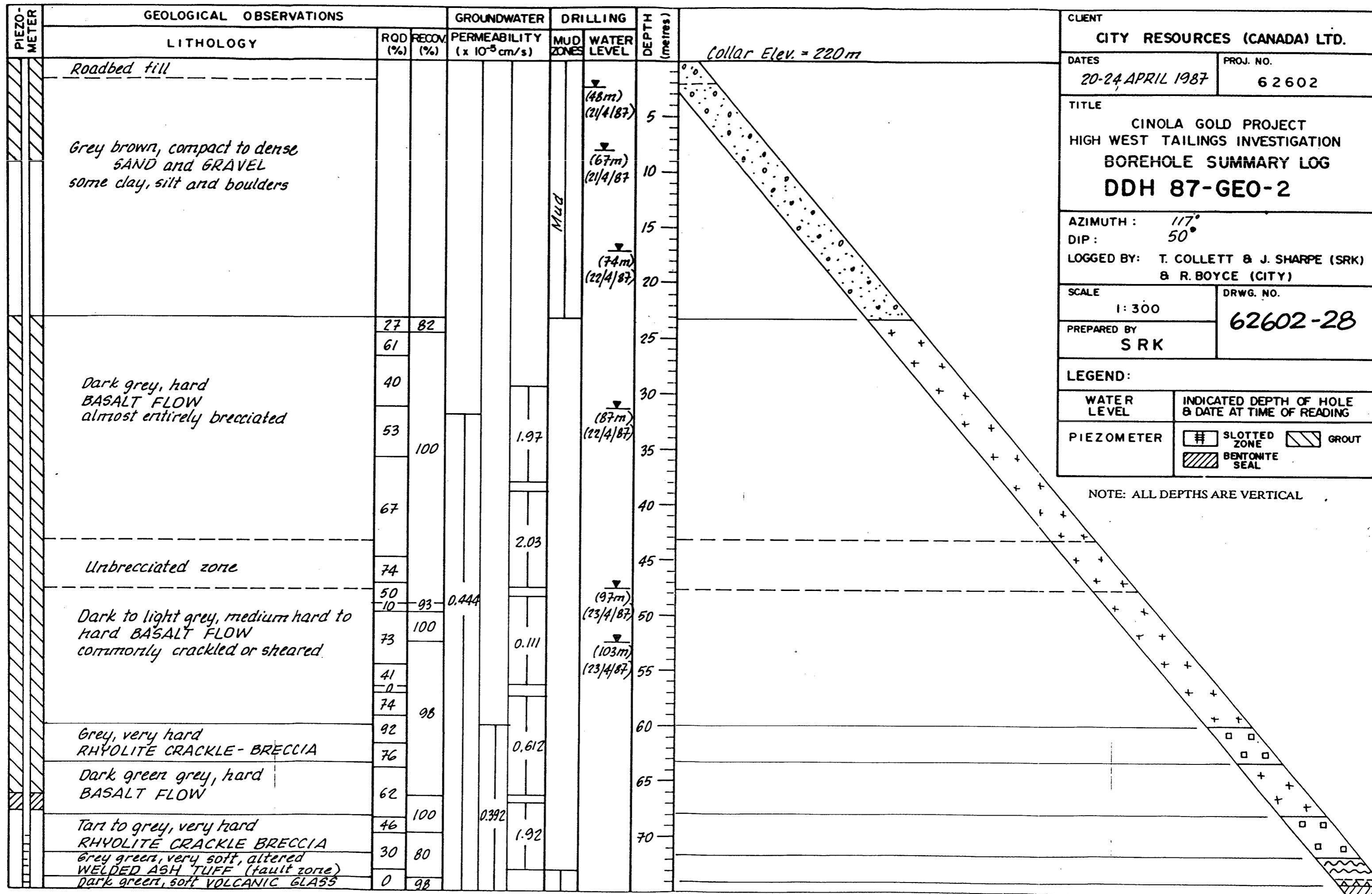


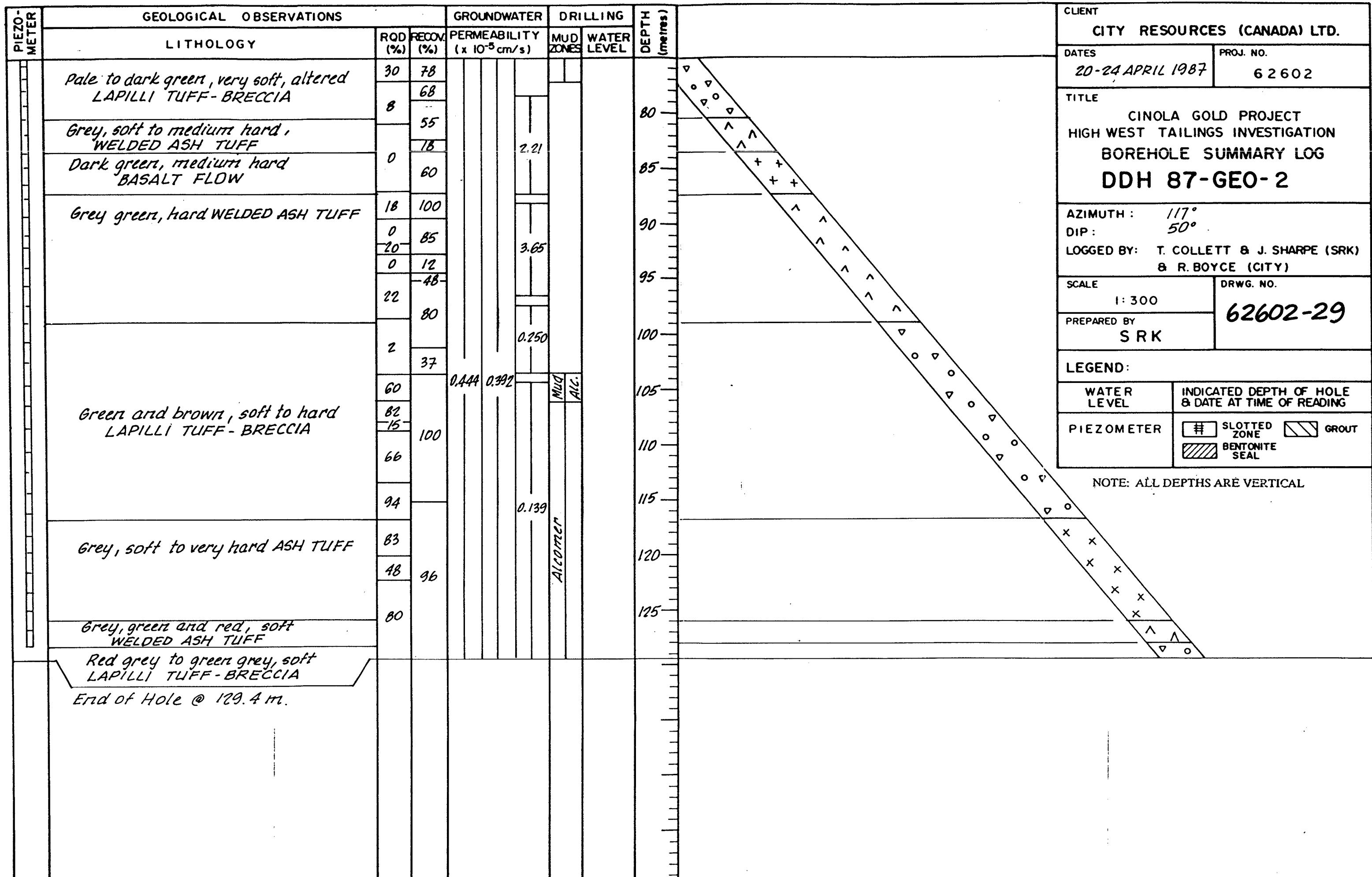
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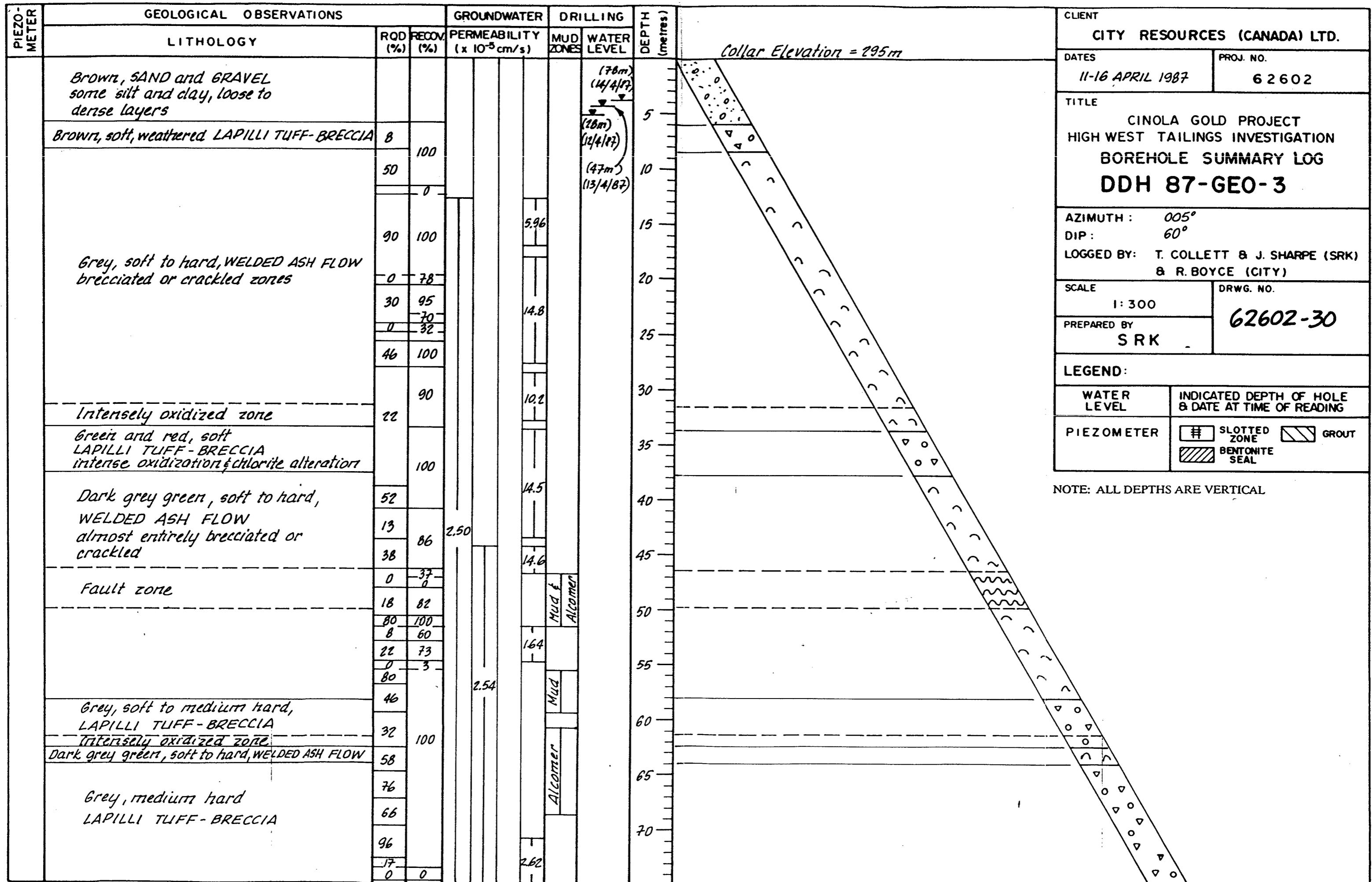
SUMMARY LOGS

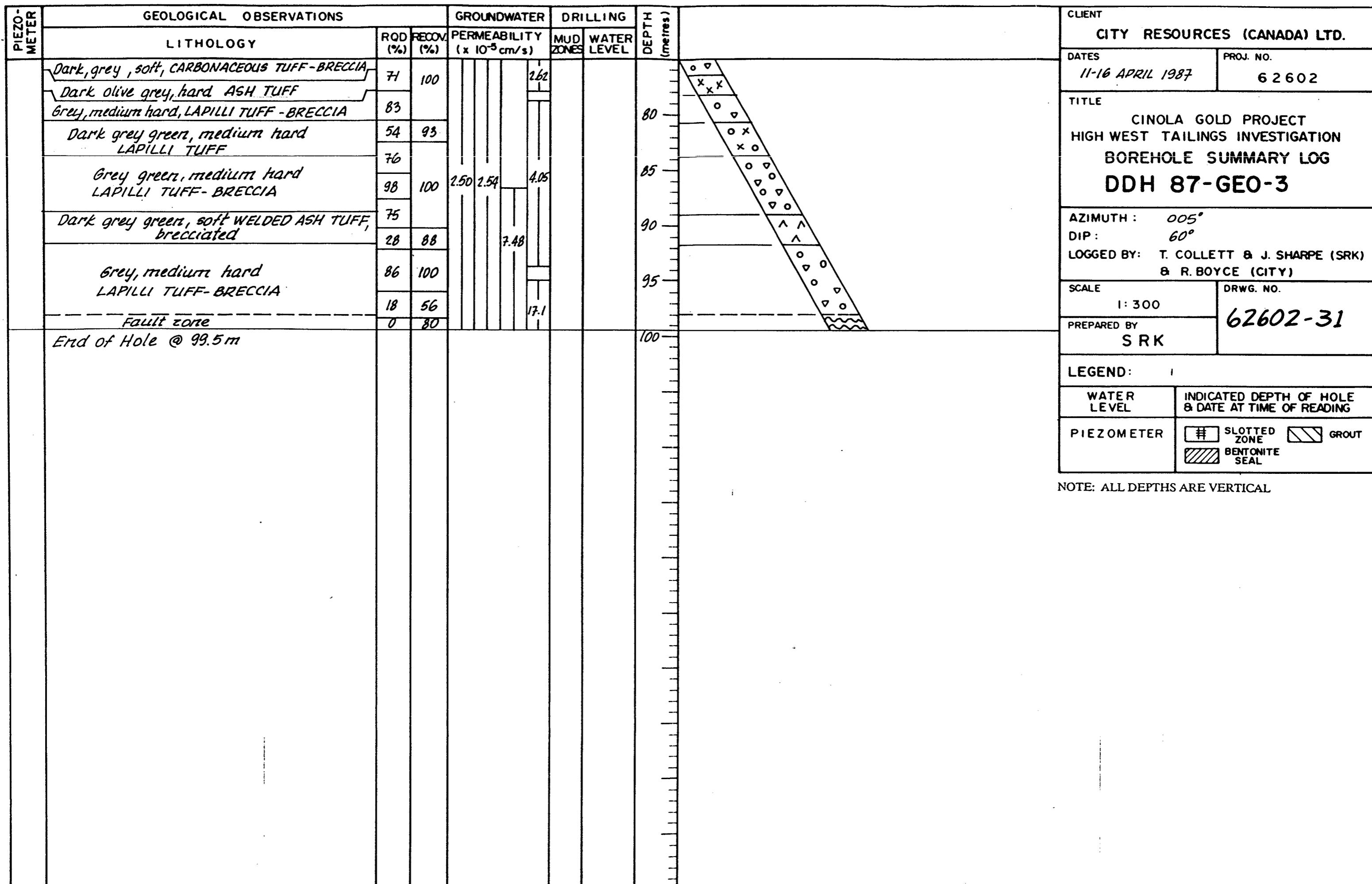


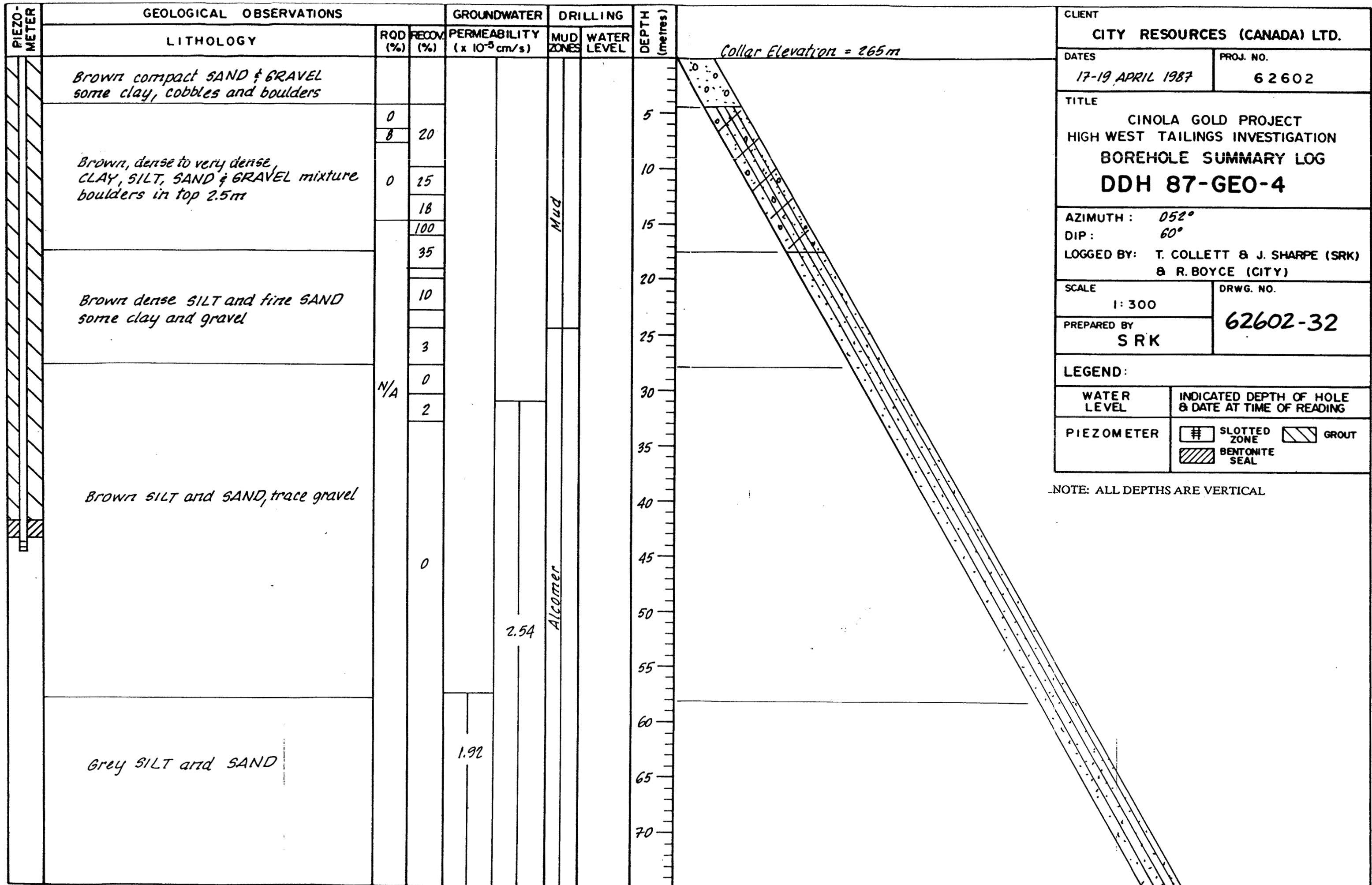


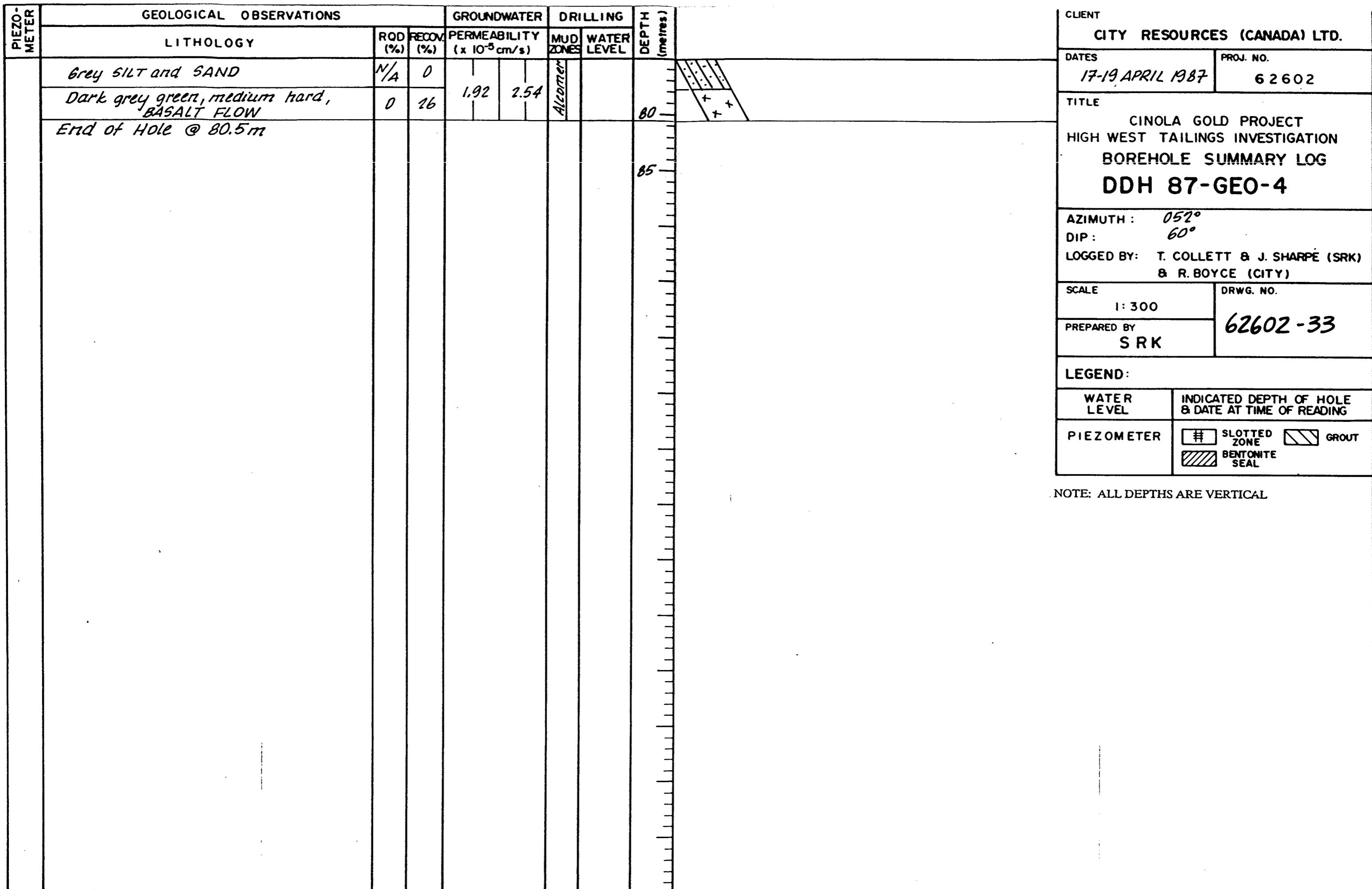


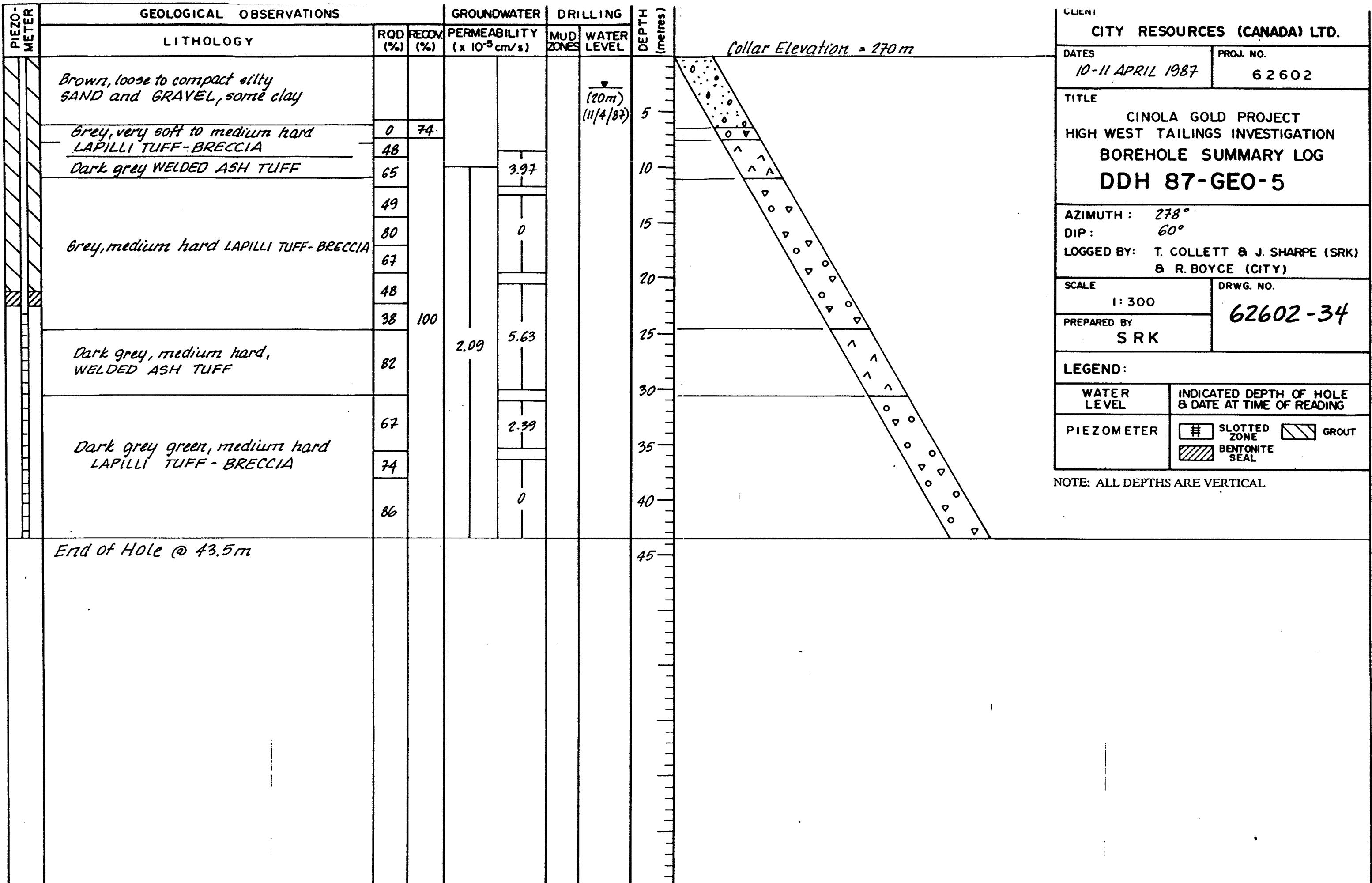






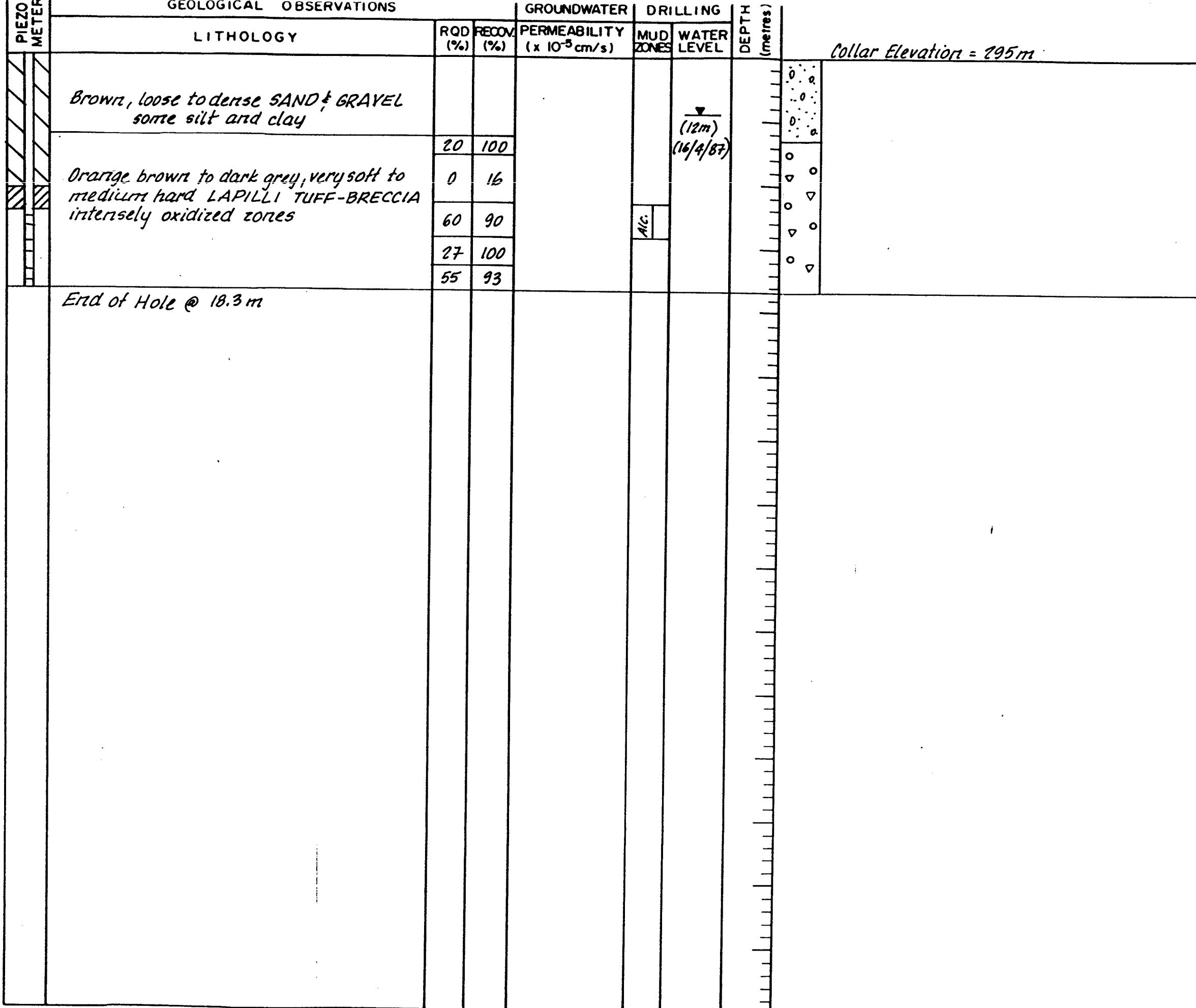






PIEZOMETER

GEOLOGICAL OBSERVATIONS



CLIENT

CITY RESOURCES (CANADA) LTD.

DATES

16 APRIL 1987

PROJ. NO.

62602

TITLE

CINOLA GOLD PROJECT
HIGH WEST TAILINGS INVESTIGATION
BOREHOLE SUMMARY LOG
DDH 87-GEO-6

AZIMUTH: —

DIP: 90°

LOGGED BY: T. COLLETT & J. SHARPE (SRK)
& R. BOYCE (CITY)

SCALE

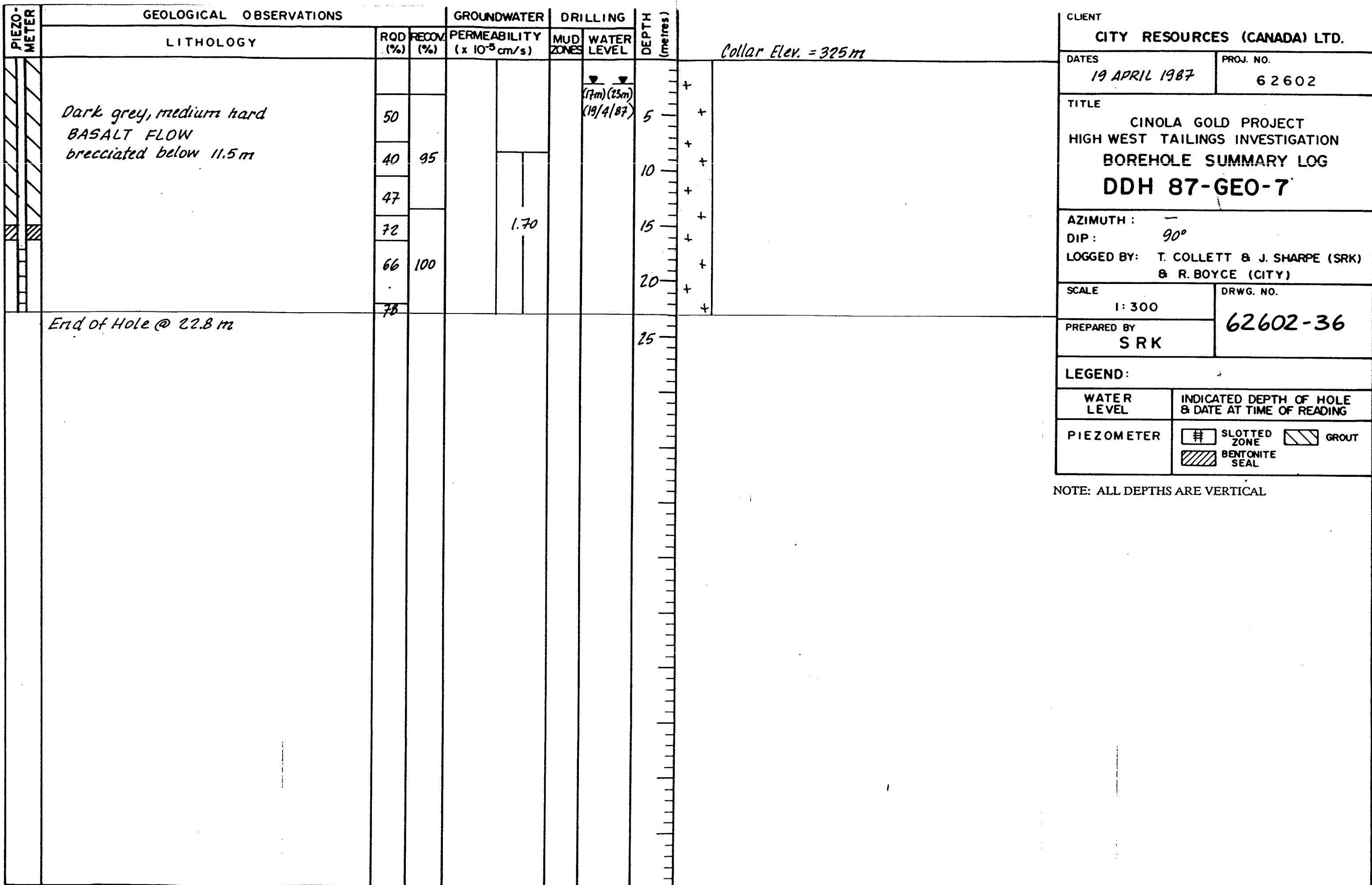
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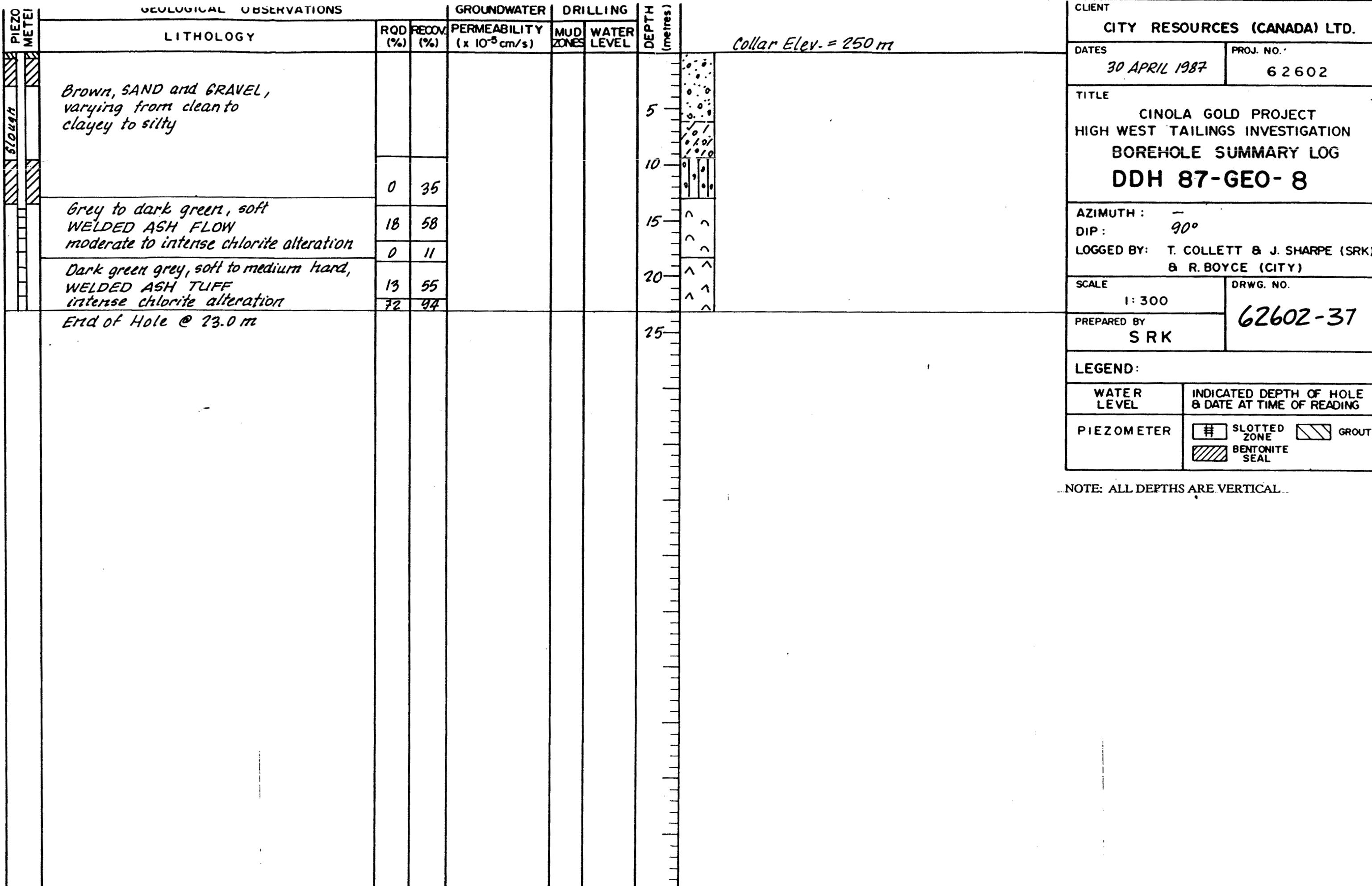
DRWG. NO.
62602-35PREPARED BY
SRK

LEGEND:

WATER LEVEL	INDICATED DEPTH OF HOLE & DATE AT TIME OF READING	
PIEZOMETER	SLOTTED ZONE BENTONITE SEAL	GROUT

NOTE: ALL DEPTHS ARE VERTICAL





APPENDIX IV

November 19, 1987

A STATEMENT OF QUALIFICATION

I, Tim Collett, am presently employed as a junior geotechnical engineer with Steffen, Robertson, and Kirsten (B.C.) Inc. Consulting Engineers. I currently reside at:

1040 Jefferson Avenue
West Vancouver, B.C.
V7T 2A5
Telephone: 922-6047.

I am a registered engineer-in training with the Association of Professional Engineers of British Columbia. I graduated from the geological engineering program at the University of British Columbia in the spring of 1986. While at university and upon graduation, I spent four summers (1983-1986) as an assistant geologist. My duties involved soil sampling, surficial geology mapping, geophysical surveys, splitting core, and some core logging.

I have been employed as a geotechnical engineer for one year, involved in numerous field programs and office work. In the field I have been a field engineer on both soil and bedrock drill programs, and in the office I have prepared and analyzed data.

Sincerely,



Tim Collett

Certification

I, Robert A. Boyce, with address at 8067 11th Avenue,
Burnaby, B.C., do hereby certify that:

I am a geologist.

I graduated from the University of British Columbia in
1977, with a BSc. in Geology.

I have engaged in the practice of mineral exploration,
continuously since graduation, in the provinces of British
Columbia, Saskatchewan and Quebec, and in the Yukon and
Northwest Territories.

I am a Fellow of the Geological Association of Canada and
a member of the Canadian Institute of Mining and
Metallurgy.

I hold valid subsisting Free Mining Certificate
297890BOYCRA.

signed this 25 November, 1987

R. A. Boyce

R. A. Boyce

CERTIFICATION

I, JOHN RAYMOND DEIGHTON, of 3250 West 33rd Avenue, Vancouver, British Columbia, do hereby certify that:

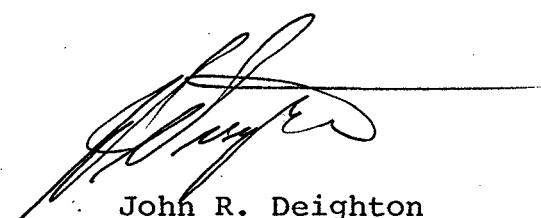
I am a graduate of the University of British Columbia, with a Bachelor of Science Degree in Geology, 1965.

Since graduation I have been engaged in Mineral Exploration in British Columbia, Yukon, Northwest Territories, Washington, Arizona and California.

I am a Fellow of the Geological Association of Canada and of the Canadian Institute of Mining and Metallurgy.

I am a Geologist

Vancouver, B. C.



John R. Deighton
Geologist

STATEMENT OF QUALIFICATIONS

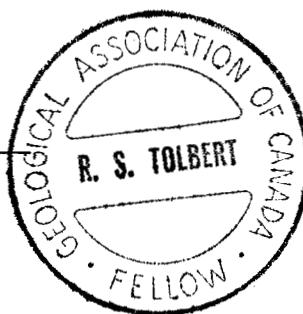
I, ROBIN STUART TOLBERT, of #306 - 145 East 12th Street, North Vancouver, British Columbia, V7L 2J3, state that:

1. I graduated in 1972 from Edinburgh University, Scotland with a B.Sc. in Geology.
2. From 1974-1978, I was employed by UMEX as Geologist, and from 1979-81 as Senior Geologist, on exploration programs in B.C., Yukon and western United States.
3. From 1981-1985, I was employed by Cyprus Anvil Mining Corporation, as District Geologist, based in Faro, Yukon involved in exploring and developing deposits within the Anvil District.
4. From 1985-1987, I was a Consulting Geologist.
5. From February 1987-present, I have been employed by City Resources (Canada) Limited as Manager of the Exploration Department.

DATED at Vancouver this 9th day of November 1987.



R. S. Tolbert



APPENDIX V

STATEMENT OF COSTS

Salaries

R.A. Boyce (Contract Geologist)	
April 24 to May 1	
7 1/2 days @ \$250/day	\$ 1,906.40
T. Collette (Geological Engineer)	
April 9 to May 27th Field and	
office time as per bill	11,862.00
	<hr/>
	\$13,768.40

Drilling

D.W Coates Enterprises Ltd	
as per invoice (4 man drill crew)	
	66,688.03

Assaying

73 samples (preparation and Au by	
Fire Assay)	
	837.67

Room and Board

111 man days at \$35/man day	3,885.00
------------------------------	----------

Transportation

21 days equivalent vehicle rental at	
\$50/day 1050.00	
Airfare 323.40	\$ 1,373.40

Report Preparation

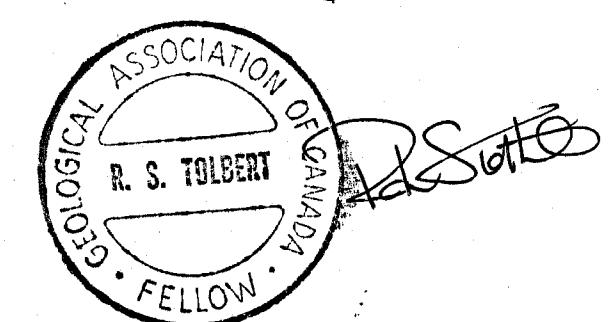
Drafting, supplies, typing, writing, etc.	1,000.00
Total expenditures	\$ 87,552.50
	<hr/>

Since program drilling (8 holes) was 596.5 m and only (5 holes)
296.5 m was done on the Expot Claim or 49.69%, then only
\$87,552.50 x 49.69% = \$43,504.84 can be claimed.

GEOLOGICAL BRANCH
ASSESSMENT REPORT

16,621

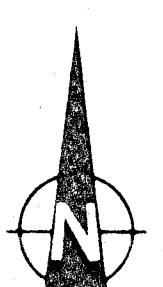
BOREHOLE	GROUND ELEV (m)	AZIMUTH	DIP	LENGTH (m)	PIEZOMETER LENGTH (m)
B7-GEO-1	250	272°	60°	108.2	-
B7-GEO-2	220	117°	50°	168.9	168.9
B7-GEO-3	295	005°	60°	114.9	-
B7-GEO-4	265	052°	60°	93.0	51.8
B7-GEO-5	270	278°	60°	50.3	50.3
B7-GEO-6	295	-	90°	18.3	18.3
B7-GEO-7	325	-	90°	22.9	22.9
B7-GEO-8	250	-	90°	23.0	23.0



0 100 200 300 400 500 metres
SCALE - 1:5000

LEGEND

- INCLINED BOREHOLE
- VERTICAL BOREHOLE
- (P) PIEZOMETER INSTALLED



CITY RESOURCES CANADA LTD.
QUEEN CHARLOTTE PROJECT

BOREHOLE LOCATION PLAN

STEFFEN ROBERTSON & KIRSTEN, Consulting Engineers

DATE	MAY, 1987
PROJECT NO	62602
Figure	3
NO	62602-15

