LOG NO: 1229 RD.

168

FILE NO: 87-950-16683

9/88

1987 ASSESSMENT REPORT

PROSPECTING

CLAIM NAME:	B1
RECORD NO:	3659
MINING DIVISION:	Liard
LOCATION:	Near McBride Creek
MONTH OF RECORD	October 1987
AGENT FOR:	Orsina Resources Ltd.
OPERATOR:	Balance Resources Ltd.
AUTHOR:	H. Kim, P. Geol., F.G.A.C.
DATES OF WORK:	August 13, 1987 to August 26, 1987
DATE OF REPORT:	November 5, 1987

FILMED

104I/3E

58°11'18" 129°7'59"

GEOLOGICAL BRANCH
ASSESSMENT REPORT

16,683

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SUB-RECORDER
RECEIVED
NOV 9 1987
M.R. # ..... $ .....
VANCOUVER, B.C.

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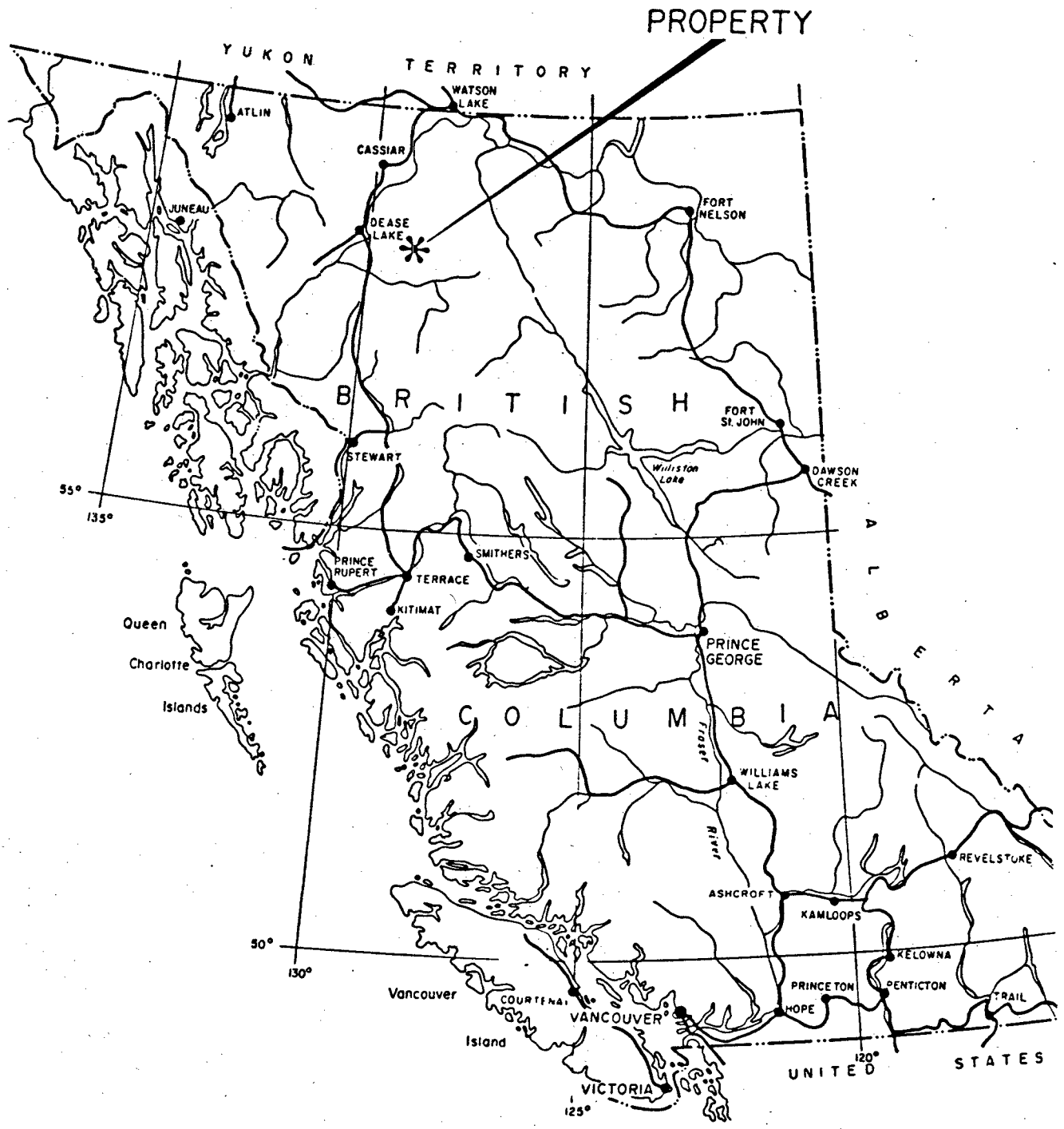


0 100 200 300 KILOMETERS

0 100 200 MILES

BALANCE RESOURCES LTD.
Vancouver, B.C.

B1& D MINERAL CLAIMS
PROPERTY LOCATION MAP

BANYAN EXPLORATION CONSULTANTS Inc.

DRAWN	PROJECT	DATE	FIG.
LDS	McBride	NOV. /87	1

INTRODUCTION

This report summerizes the results of prospecting and sampling on the B1 Claim in the Liard Mining Division during the period from August 18, 1987 to August 26, 1987. The program was carried out, under the writer's supervision, by Rod Husband Jr. B.Sc, Geologist, who also completed a portion of geological mapping in the adjoining D Claim Group, which is covered by a separate report.

PROPERTY

Particulars of B1 Claim are as follow:

CLAIM NAME	RECORD NUMBER	NO OF UNITS	EXPIRY DATE
B1	3657	20	OCT. 3 / 88

LOCATION AND ACCESS

The property is located about 80 kilomtres southeast of Dease Lake, B.C.. Dease Lake is 245 kilometres south of Watson Lake near B.C. Yukon border. The Cassier-Stewart Highway connecting through Terrace and Watson Lake, B.C. and Whitehorse, Yukon passes about 40 kilometres west of the claim.

Access to the claim is not readily provided. There are two ways for reaching the property:

1. Direct flight to the claim by helicopter from Dease Lake Airport.

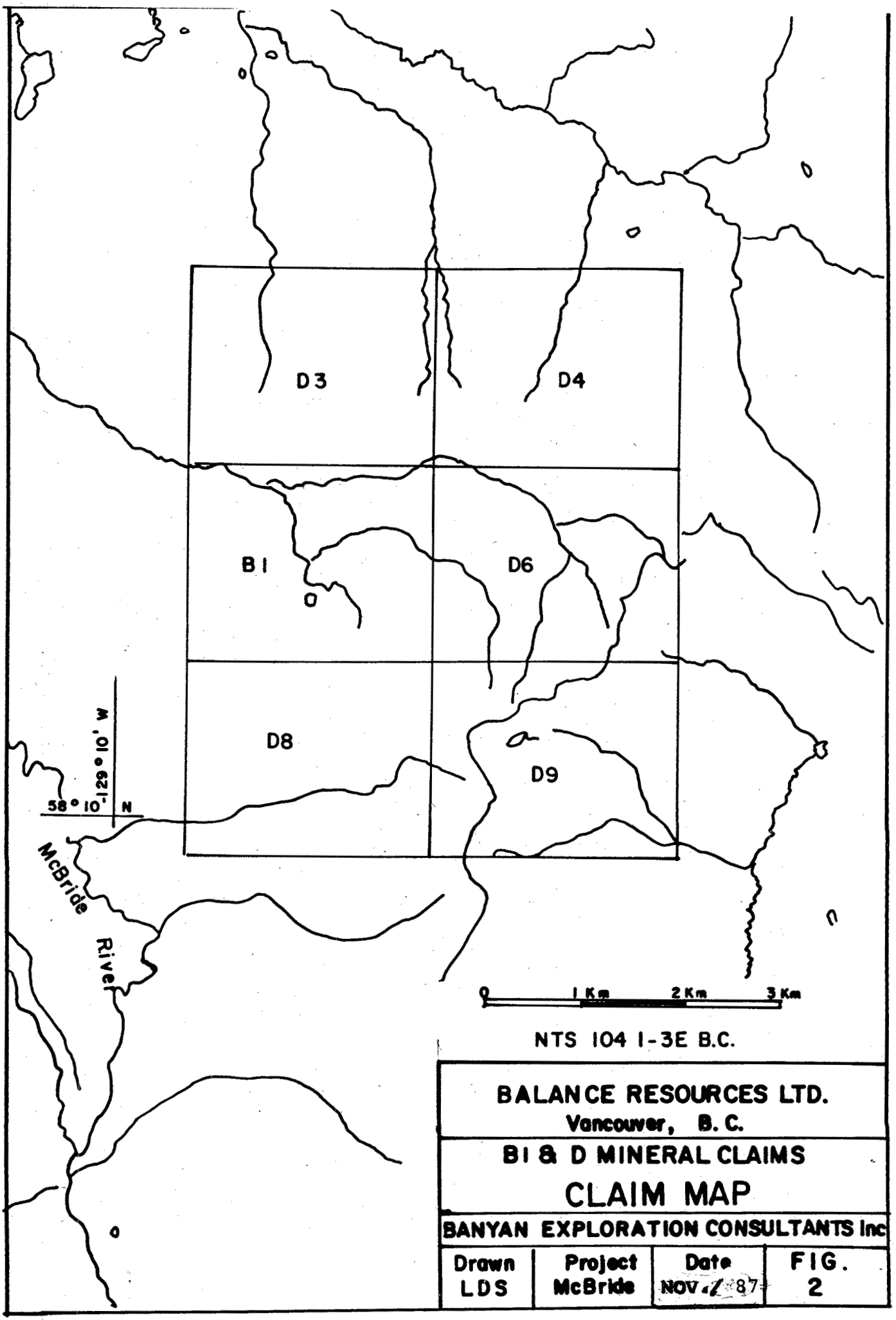
2. By fixed wing landing on Turnagain Lake, 7 kilometres to the north, thence by foot or helicopter to the claim.

There is also an all season bulldozer road (Dease Lake-Kutcho Air Strip) passing within 20 kilomters to the north with a spur road to the northeast.

PHYSIOGRAPHY AND CLIMATE

The B1 Claim is situated within a rolling upland plateau, northeast of McBride Creek in Stikine River Drainage Basin (Pacific) of the northern B.C.. A lake in the southern central part of the claim is at 1522.5 m above sea level, which is 700 m vertically higher than McBride Creek level.

Vegetation consists of dwarf alder, dwarf balsam, grasses, lichen and mosses; the lower forest cover consists primarily of spruce and poplar. Water is plentiful in the streams draining the ranger.



NTS 104 I-3E B.C.

BALANCE RESOURCES LTD.
Vancouver, B. C.

B1 & D MINERAL CLAIMS

CLAIM MAP

BANYAN EXPLORATION CONSULTANTS Inc

Drawn	Project	Date	FIG.
LDS	McBride	NOV 1 87	2

The area is within a heavy snowfall belt where the property may be snow free for only four months. The best season for surface exploration would be between mid July and mid September.

REGIONAL GEOLOGY

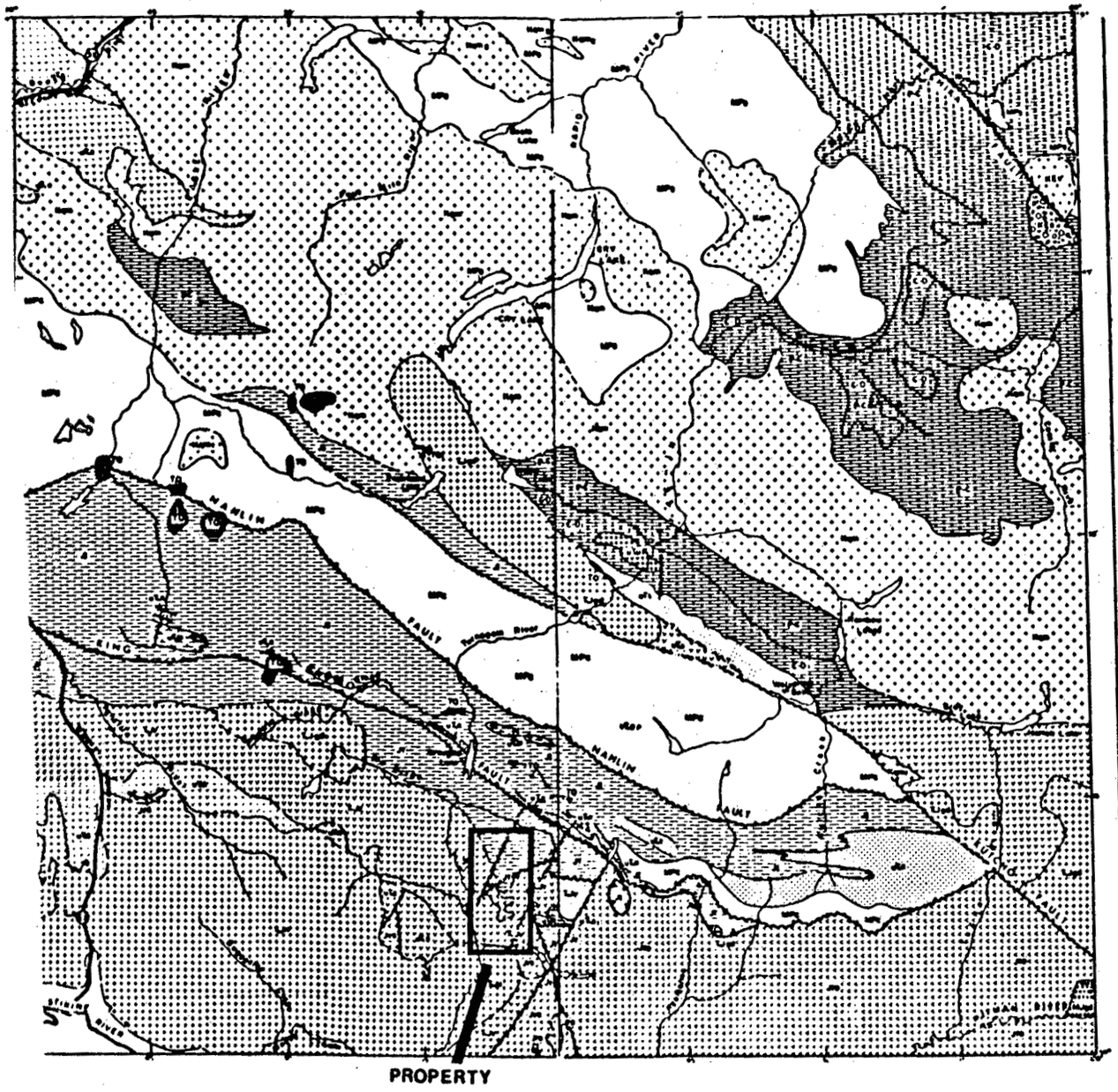
A GSC Paper 78-1A by H. Gabrielse updates the geology of the Cry Lake Sheet. The earliest publications of the Cry Lake Geology were prepared by J. Monger, L. Thurstad and H. Tippers (1977) and A. Panteleyev and D. Pearson (1956). A portion of GSC map by Gabrielse (1978) is presented in Fig 3 of the report.

The oldest rock unit in the region is limestone strata including silty and arenaceous sediments of Cambrian to Devonian in age. Lying above the Cambrian to Devonian strata are Mississippian to Permian Strata designated as Cache Creek and Sylvester Groups made up with cherty, pellitic and calcareous sediments, compounded by ultramafic intrusives and the equivalent volcanics. Overlying again the aforementioned Mississippian Devonian sequences are Triassic and Jurassic volcanic and volcaniclastic rocks, which are directly related to the property geology of inerest.

All the above volcanic and sedimentary sequences from Cambrian to Jurassic periods have been intruded by plutonic rocks in two different ages; Triassic "Hotailuh" Batholith" and Mid-Cretaceous "Cassiar Batholith". The Hotailuh batholith consists mainly of granodiorite and syenite, outcropping the south western part of the map sheet. The Cassiar batholith of mide Cretaceous northeastern half part of the area, might have attributed to trigger an epithermal quarte veining with auriforous mineralization.

Coarse clastic sediments and basalt lava with pyroclastics ranging in age from Tertiary to Quaternary periods are scatfered in small parts on the claim, but are not important in bulk view.

A major tectonic element characterizing the region is the northwestern Trending "King Salmon Thrust Fault", which parallels other NW trending Nahlin and Kutcho Faults to the northeast. An older Cache Group overlies the younger Triassic Inklin and Takwhaoni formations by low-angled King Salmon Thrust Fault. Gabbriese (1978) placed two northeast trending faults slicing the middle of the property.



Legend

Stratified Rocks

TERTIARY AND QUATERNARY

TQ: Basalt; lava, tuff, agglomerate

CRETACEOUS(?) AND TERTIARY
UPPER CRETACEOUS(?) TO EOCENE(?)

KEo: Conglomerate, sandstone, shale

KEm: Rhyolite, pisolitic siliceous tuff, chalcedonic rhyolite breccia

JURASSIC
MIDDLE JURASSIC (mainly)

"TODDOSHINE VOLCANICS": Mauve and green andesitic and dacitic volcanics; conglomerate, siltstone, shale

LOWER JURASSIC (mainly Toarcian)

"TODDOSHINE VOLCANICS": Andesite, dacite, rhyolite, green and maroon feldspar porphyry, tuff, breccia; calcareous siltstone, silty limestone

LOWER JURASSIC (mainly Pliensbachian)

INKLIN FORMATION: Greywacke, slate conglomerate (age range uncertain), locally includes

TAKHINI FORMATION: Greywacke, siltstone, argillite, conglomerate

TRIASSIC AND JURASSIC
UPPER TRIASSIC AND LOWER JURASSIC

Andesitic green and maroon weathering volcanics

UPPER TRIASSIC

STUHINI FORMATION: Augite porphyry, coarse-bladed feldspar porphyry; minor sedimentary rocks

SINWA FORMATION: Pelvic limestone; minor calcareous shale

"HUTCHO FORMATION": Quartz-eye sericite schist, chlorite schist, breccia, conglomerate

MISSISSIPPIAN TO PERMIAN

CACHE CREEK GROUP: Chert, shale, limestone, ultramafics, gabbro, diorite, basic volcanics

SYLVESTER GROUP: Chert, slate, limestone, ultramafics, gabbro, diorite, basic volcanics; lower part includes chert granite and chert-pebble conglomerate

CAMBRIAN TO DEVONIAN

Limestone, dolomite, sandstone, siltstone, shale; mainly black, carbonaceous phyllite, probably includes lower

PROTEROZOIC AND LOWER CAMBRIAN

Limestone, sandstone, shale, grit and metamorphosed equivalents: PL-C; mainly metamorphosed clastic rocks

Legend (cont.).

Intrusive Granitic Rocks

MID-CRETACEOUS (mainly)

CASSIAR BATHOLITH: Quartz monzonite, alaskite, granodiorite and diorite; locally foliated porphyritic near contact; abundant metasedimentary inclusions near Eagle River; age uncertain

Hgm: Hgmg in part diorite

MID-JURASSIC(?)

Hgd Granodiorite, leucocratic, pink; fine to medium grained

UPPER TRIASSIC AND LOWER JURASSIC (may include younger rocks in part)

HOTAILUH Batholith: Granodiorite, syenodiorite, gabbro

Tdgd: Hornblende diorite, quartz monzonite, locally foliated

Ultrabasic Rocks - Alaskan Type

UPPER TRIASSIC(?)

Dunite, peridotite, pyroxenite

FIGURE 3

BALANCE RESOURCES LTD.
B1 & D CLAIMS
REGIONAL GEOLOGY

after Gabrielse, 1978

PROPERTY GEOLOGY

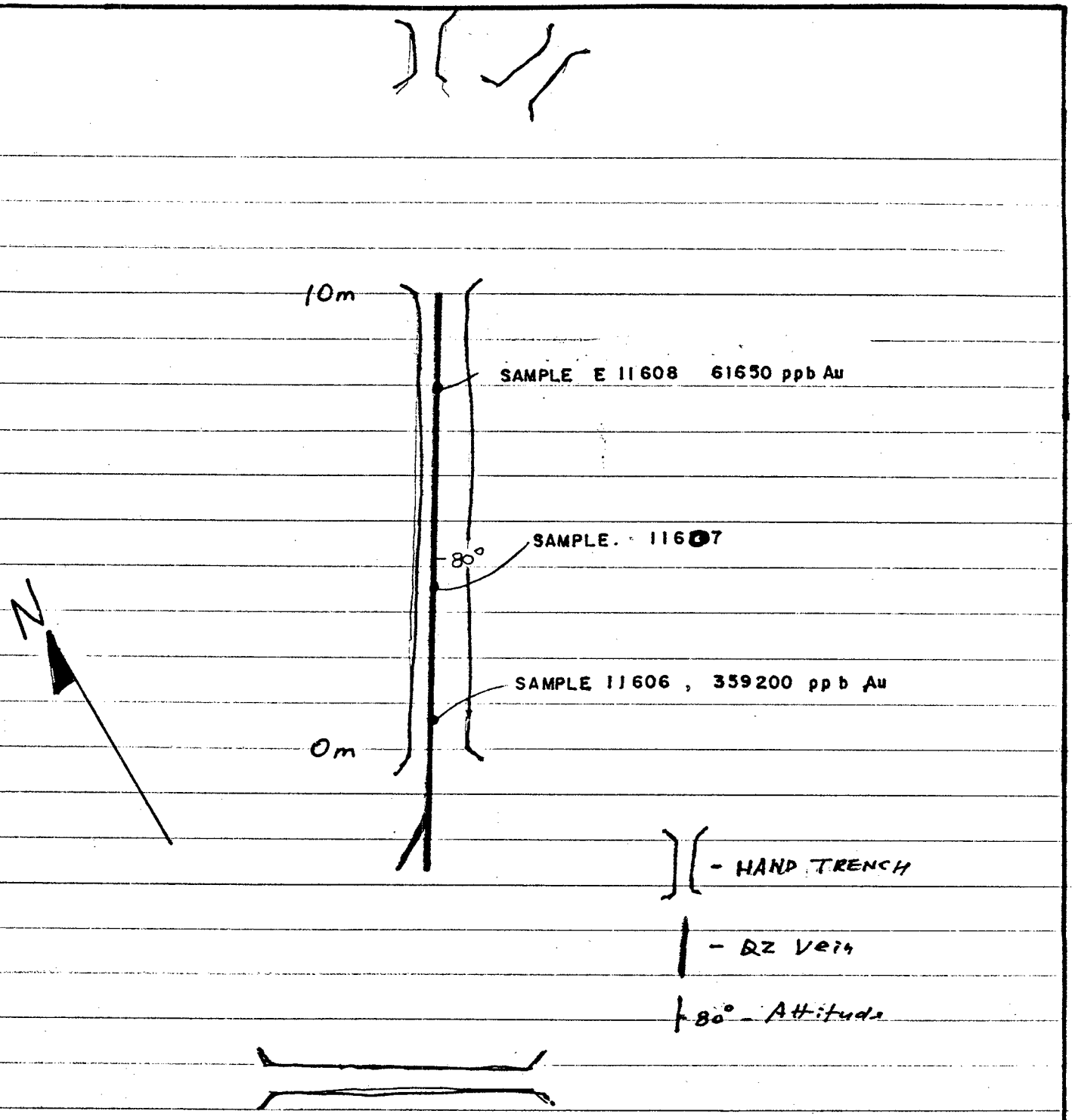
A handicap to geological mapping in the B1 Claim is widespread glacial drift cover, densely forested with dwarf alders and numerous muskegs and swamps. The rock exposure is confined to the ridge top, above timber line to the southwest. Within this context in view, the property geology is dominated by green and purple volcanic and volcaniclastic strata, which are interstratified with lithic sandstone and conglomerate, and overlain by black argillite unit. This gentle attitude of bedding, compounded by scarce outcrop, makes a stratagraphic measurement difficult. The green and purplish volcaniclastics are esentially andesite in composition. The contact relationship between green and purplish Volcanic sequence including andesite agglomerates appears to be normal and conformable.

RESULTS OF PROSPECTING

Detailed prospecting was completed by Rod Husband Jr. B.Sc. and his assistant, D. Husband Sr. in the vicinity of Discovery showing. The black argillite which hosts the high-grade gold showing, called Discovery Vein, has been detailed prospected with frequent hand digging for a projected strike length of 960m to the north east of the trenched vein. Husband reported: "Overburden once again hampered exposing more of the vein by hand. The Discovery Vein was exposed for only 10m along strike. It is a white quartz vein from 2 to 15 cm thick withinn altitude of approximately 035 /75 SE. The quartz contains galina, sphalerite and pyrite of varying amounts."

The discovery Vein is hosted by the black argallite unit including dark grey and dark green greywacke. "To the northeast, along strike, is a small gulley with a creek. On the opposite wall of the gulley is a black argillite with fractures running 110 /60 NE, compared with those in the hust rock of 030 /65 NW. This could indicate a fault in the gulley and more study should be done to determine if in fact it is. If so, this could prove to be favourable structural trap for mineralization. Trenching would be helpful in this determination."

Figure 4 shows the location of prospecting covered by R. Husband and his assistant. Figure 5 presents sample locations of the vein.



MAP OF DISCOVERY VEIN
SHOWING SAMPLE LOCATIONS.

FIG. 5 SKETCH

SAMPLING RESULTS

DISCOVERY VEIN

CONCLUSIONS

Based on the results of previous sampling, a narrow quartz vein hosted by black argillite shows as high as 4.705 oz/ton Kg and 32.40 oz/ton kg (Rayner Peng 1986). The gulley to the northeast may conceal a fault wich provided channels for quartz veining and mineralization.

The above results support a program consisting of geophysical survey and trenching as a next phase in exploration.

RECOMMENDATIONS

It is recommended that E-M-16 Survey be carried out for trench site selection. Contingent on the promising results from E-M-16 survey, mechanical trenching by Hydraulic backhoe should be implemented to expose the minerlized structure. A program costing $10,000 is recommended.

APPENDIX (i) - REFERENCES

14.0 REFERNCES

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Yeager, D.A. and Ikona, C.K. 1982. Report on the D1 Mineral Claim. Private Report.

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APPENDIX (ii) ASSAY PROCEDURES

GOLD & SILVER OZ / TON

Standard fire assay techniques are used for the assay of silver and gold in quartz vein samples by Acme Analytical Lab, Vancouver, B.C..

APPENDIX (iii)

CERTIFCATES

I, Hun Kim, with a business address in the City of Vancouver, B.C. do hereby certify that:

1. I am a consulting geologist and registered in the Geological Association of Canada (Registration #F1309).

2. I am a registered, licensed member, in good standing, of the Association of Professional Engineers, Geologists and Geophysicists in the Province of Alberta (Registration #5848).

3. I am a graduate of Seoul University (1858) holding a B.Sc. degree in Geology and completed one year of post graduate studies for a Master of Science degree (1960).

4. I have practised my profession for 16 years in Canada, and for 7 years in foreign countries per US Agency of Interntional Development overseas project for the U.N. and assessed about 200 different metallic and non-metallic mines and properties including 104 precious metal deposits.

5. This report is based on the writer's visit to the property between July 1986 and 1987 plus available maps and reports from government and private sources on the region.

6. I have no interest, direct nor indirect, in the properties described herein, or in the securities of any company involved, nor do I expect to receive any interest in the future.

Dated at Vancouver, B.C. this 20th day of November, 1987.

Hun Kim, P.Geol., F.G.A.C.
Consulting Geologist

PROFESSIONAL ENGINEER - ALBERTA
HUN KIM
LICENSED TO PRACTISE

GEOLOGICAL ASSOCIATION
H. KIM
F1309
FELLOW

APPENDIX (iv) STATEMENT OF COST

Wage, Rod Husband, B.Sc.		$1200.00
Wage, Assistant D. Husband Sr.		826.00
	Total	$2096.00

**NOTE

Many other costs; helicopter, airplanes, consultants wage, fly camping, radio telephone, etc are used for the adjoinging D Claim Group, which is covered by a separate report.

ACME ANALYTICAL LABORATORIES LTD.
852 E. HASTINGS, VANCOUVER B.C.
PH: (604) 253-3158 COMPUTER LINE: 251-1011

DATE RECEIVED SEPT 1 1987

DATE REPORTS MAILED Sept 10/87

GEOCHEMICAL ASSAY CERTIFICATE

SAMPLE TYPE : ROCK
Au* - 10 GM. IGNITED, HOT AQUA REGIA LEACHED, MIBK EXTRACTION, AA ANALYSIS.

ASSAYER D Toye DEAN TOYE , CERTIFIED B.C. ASSAYER

SOOKOCHOFF PROJECT BANYON FILE# 87-3800 PAGE# 1

SAMPLE	Au* ppb
E 11601	2175
E 11602	560
E 11603	2520
E 11604	2850
E 11605	2320
E 11606	359200
E 11607	13320
E 11608	61650

B1 claim

SAMPLES FROM DISCOVERY VEIN SAMPLE DESCRIPTIONS

E 11606
- Chip across 6cm wide quartz vein with 10-20% galena some pyrite. Host is black aphanitic with apparent glass shards-unit 1 andesite tuff.

E 11607
- Chip across 6cm wide quartz vein, very little rust sample contains aboundant sulfides-sphalerite, galena and pyrite.

E 11608
- Chip across 15cm wide quartz vein containing pyrite galena and sphalerite.

D3 CLAIM

D4 CLAIM

D6 CLAIM

B1 CLAIM

D8 CLAIM

D9 CLAIM

1987 PROSPECTING LIMIT

R. Husband, B.Sc., Geologist

1986 HAND TRENCHES

1986 HAND TRENCH

Discovery

6449 500 N

4935000E

SCALE

0 100 200 300 400 500 m

1:5000

GEOLOGICAL BRANCH
ASSESSMENT REPORT

16,683

BALANCE RESOURCES LTD.

B1 & D CLAIMS
LIARD MINING DIVISION, B.C. NTS:104I/3E

LOCATION OF 1987 PROSPECTING

By R. Husband, B.Sc

B I CLAIM

BANYAN EXPLORATION CONSULTANTS INC.

DATE: SEPT., 1987 BY:H.K./rwr FIGURE: 4