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UNITED LINCOLN RESOURCES INC.

ASSESSMENT REPORT

MT. MILLIGAN PROPERTY

Omineca Mining Division

NTS 93 N/1

Latitude 55° 08'N, Longitude 124° 04'W

by

FILMED

Rebagliati Geological Consulting Ltd.

GEOLOGICAL BRANCH
ASSESSMENT REPORT

17,936

C.M. Rebagliati, P.Eng.

September 30, 1988

TABLE OF CONTENTS

	<u>PAGE</u>
1. INTRODUCTION	1
2. LOCATION AND ACCESS	1
3. CLAIMS	2
4. PROPERTY GEOLOGY	3
5. ESKER ZONE GEOLOGY AND MINERALIZATION	3
6. DIAMOND DRILLING	5
7. CONCLUSIONS	5
8. RECOMMENDATIONS	5
9. STATEMENT OF COSTS	6
10. STATEMENTS OF QUALIFICATIONS	7

LIST OF FIGURES

	<u>FOLLOWING PAGE</u>
LOCATION MAP	1
CLAIM MAP	2
DRILL HOLE LOCATION MAP	5

APPENDICES

APPENDIX I	Drill Logs and Certificates of Analyses
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1. INTRODUCTION

In 1988 United Lincoln Resources Inc. undertook a diamond drilling program on their Mt. Milligan property to explore for gold deposits.

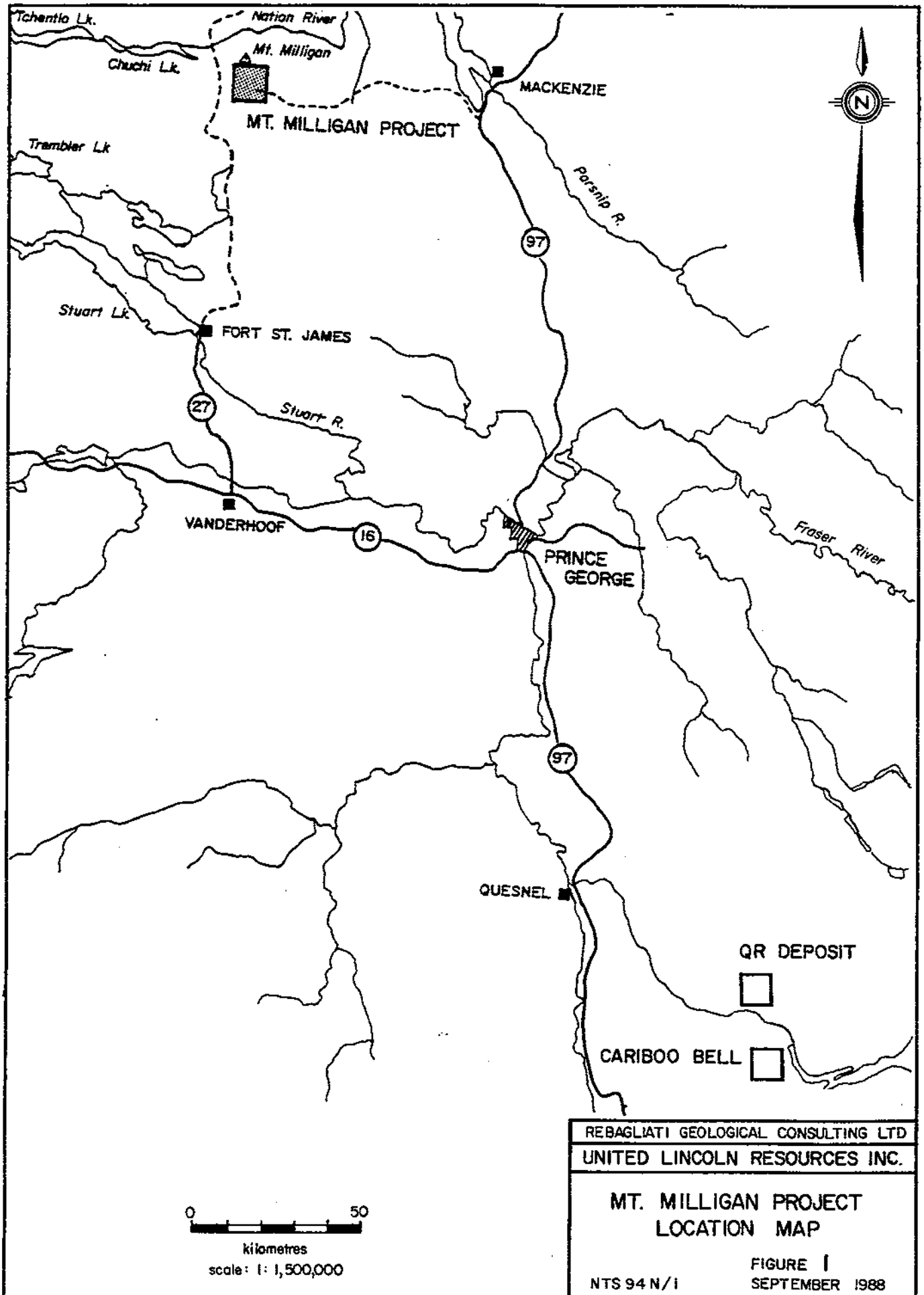
This report summarizes the project activities and exploration results. Recommendations are made to guide future exploration.

2. LOCATION AND ACCESS

The Phil and Heidi claims are located at latitude $55^{\circ} 08'N$ and longitude $124^{\circ} 04'W$ in the Omineca Mining Division. They are approximately 95 km north of Fort St. James and 10 km southeast of the Nation River bridge on the Manson Creek Highway (NTS 93N/1, Figure 1).

Access to the property is by a gravel road which extends 10 km beyond the Rainbow Creek Bridge at the end of the Philips North Main Line logging road. Access to the Philips Main Line is gained from Windy Point on Highway 97, approximately 150 km north of Prince George.

The claims cover a series of northwest-trending ridges which extend from Mt. Milligan in the north to Rainbow Creek in the south. Local relief is in order of 300 metres with an average elevation of 1200 metres. Drainage from the property is either east to



Rainbow Creek or west to Suschona Creek, then north to the Nation River. Vegetation consists of continuous dense growth of pine, fir, spruce, balsam, alder and aspen. The entire property is below treeline.

3. CLAIMS

The Mt. Milligan property is comprised of 18 claims totalling 275 units (Figure 2). The Phil claims are jointly owned by Lincoln Resources Inc. and BP Resources Canada Limited, whereas the Heidi Claims are held under option from Richard Haslinger of Fort St. James.

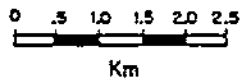
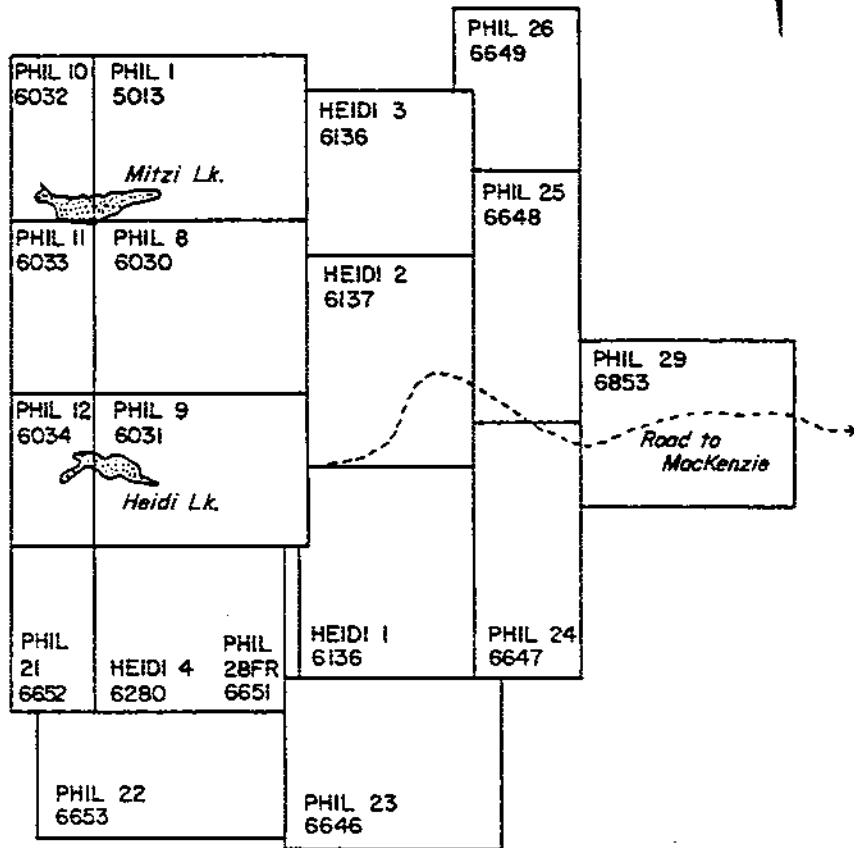
Essential claim data are listed as follows:

LINCOLN B/P CLAIMS

<u>Claim</u>	<u>No. of Units</u>	<u>Record Number</u>	<u>Recording Date</u>	<u>Expiry Date</u>
Phil 1	20	5013	Feb. 28, 1983	Feb. 28, 1990
Phil 8	20	6030	Dec. 29, 1983	Dec. 29, 1990
Phil 9	20	6031	Dec. 29, 1983	Dec. 29, 1990
Phil 10	8	6032	Dec. 29, 1983	Dec. 29, 1990
Phil 11	8	6033	Dec. 29, 1983	Dec. 29, 1990
Phil 12	8	6034	Dec. 29, 1983	Dec. 29, 1990
Phil 21	8	6652	Sept. 10, 1984	Sept. 10, 1989
Phil 22	18	6653	Sept. 10, 1984	Sept. 10, 1989
Phil 23	20	6646	Sept. 10, 1984	Sept. 10, 1989
Phil 24	18	6647	Sept. 10, 1984	Sept. 10, 1989
Phil 25	18	6648	Sept. 10, 1984	Sept. 10, 1989
Phil 26	12	6649	Sept. 10, 1984	Sept. 10, 1989
Phil 28 FR	1	6651	Sept. 10, 1984	Sept. 10, 1992
Phil 29	<u>20</u>	6853	March 5, 1985	March 5, 1989

199 units

△ Mt. Milligan



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UNITED LINCOLN RESOURCES INC.

MT. MILLIGAN PROJECT
CLAIM MAP

NTS 94 N/1

FIGURE 2
SEPTEMBER 1988

HASLINGER OPTION

<u>Claim</u>	<u>No. of Units</u>	<u>Record Number</u>	<u>Recording Date</u>	<u>Expiry Date</u>
Heidi 1	20	6136	April 26, 1984	April 26, 1992
Heidi 2	20	6137	April 26, 1984	April 26, 1992
Heidi 3	16	6138	April 26, 1984	April 26, 1990
Heidi 4	<u>20</u>	6280	June 20, 1984	June 20, 1992
	<u>76 units</u>			
Total Units	275			

4. PROPERTY GEOLOGY

The general claim area is underlain by a thick Upper Triassic volcanic sequence of augite porphyritic flows, breccias and crystal tuffs. Interbedded, thinly laminated, re-worked tuffs, tuffaceous siltstone and argillite comprise a minor sedimentary component. Sedimentary units seldom exceed 5 m in thickness. Limestone and other calcareous units have not been observed. Strike measurements conform to the regional north-northwest trend. Moderate to steep easterly dips prevail; however, steep westerly dips are not uncommon. Numerous dykes intrude the volcanic strata.

5. ESKER ZONE GEOLOGY AND MINERALIZATION

The Esker Zone comprises three or more related northeasterly-trending semi-massive pyrite-chalcopyrite-quartz-carbonate-sericite bodies hosted by propylitic altered andesitic flows and fragmental units and augite porphyritic units. This volcanic assemblage is typical of the Takla/Nicola Groups in the Quesnel Trough.

The northeast-trending series of sulphide-rich auriferous bodies appear to occupy three or more closely-spaced, parallel, silicified shear zones. The shears are related to the intrusion of the northeasterly-trending group of diorite-monzodiorite-monzonite dykes. These shears lie within a large irregularly-developed propylitic alteration envelope which has a potassic core centred over a porphyritic monzonitic stock.

The propylitic alteration occurs in three forms which are variable in their intensity and distribution. The most common is a pervasive epidotization of feldspar laths and the fine-grained matrix of the flow and fragmental units. Approximately 1-5% disseminated pyrite accompanies this alteration. Numerous epidote and epidote-pyrite veinlets fill later cross-cutting fractures. In areas of intense alteration epidote-pyrite-calcite-chlorite clots up to 4 cm in diameter are found which totally obliterate rock textures. All of the propylitic altered rock is geochemically enriched in gold and copper.

The semi-massive sulphide mineralization is comprised of granular pyrite and subordinate chalcopyrite in a matrix of quartz, carbonate and sericite. The mineralization resembles replacement type deposits occupying shear-related dilation zones. Some post-depositional movement is indicated by the alignment of sericite along minor internal schistose shears.

Trenching and diamond drilling have traced the auriferous sulphide zone for 450 m along strike and to a vertical depth of 120 m. The zone is open to the northeast, southwest and to depth.

6. DIAMOND DRILLING

During the period August 1 - 3, 1988, United Lincoln Resources Inc. sunk NQ diamond drill hole 88-57 to a depth of 152.80 m on the Phil 9 claim (Figure 3).

A zone of quartz-carbonate-pyrite veining from 54.68 m to 55.13 m assayed 0.405 oz/ton gold and 1.58 oz/ton silver. Host rocks are propylitic altered (epidote-pyrite) andesitic augite porphyry fragments typical of the Takla Group. Drill logs and Certificates of Analyses are included in Appendix I.

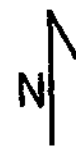
7. CONCLUSIONS

The grade and style of mineralization intersected in hole 88-57 are sufficiently encouraging to justify continued exploration of the mineralized structures.

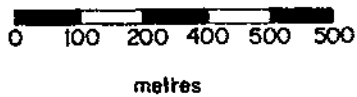
8. RECOMMENDATIONS

Diamond drill the Esker Zone structures at 25 to 50 m intervals along strike and down dip to ascertain their extent and continuity.

LCP
PHIL 9



DDH 88-57



LINCOLN RESOURCES INC.		
MT MILLIGAN PROJECT DIAMOND DRILL HOLE LOCATIONS		
SCALE: 1:12000	NTS 93 N/1	FIGURE 3

9. STATEMENT OF COSTS

DIAMOND DRILLING


Quest Canada Drilling Ltd. August 1-3, 1988
501.2 ft (152.8m) @ \$22.75/ft

11,402.00

STATEMENT OF QUALIFICATIONS

I, Clarence Mark Rebagliati, of 3536 West 15th Avenue, Vancouver, B.C., hereby certify that:

1. I am a consulting Geologist Engineer with offices at 3536 West 15th Avenue, Vancouver, B.C.
2. I am a graduate of the Provincial Institute of Mining, Haileybury, Ontario (Mining Technology, 1966).
3. I am a graduate of the Michigan Technological University, Houghton, Michigan, U.S.A. (B.Sc., Geological Engineering, 1969).
4. I have practised my profession continuously since graduation.
5. I am a member in good standing of the Association of Professional Engineers of British Columbia.
6. The foregoing report is based on:
 - a. A study of all available company and government reports.
 - b. My personal knowledge of the general area resulting from regional studies, compilations, the supervision of property work carried out during the period May 1983 to August, 1988.



A circular professional seal for C.M. Rebagliati, a Professional Engineer in British Columbia. The seal features the text "PROFESSIONAL ENGINEER" around the perimeter, "BRITISH COLUMBIA" at the bottom, and "PROVINCE" at the top. The name "C. M. Rebagliati" is written across the center. A large, stylized signature is written over the seal.

C.M. Rebagliati, P.Eng.
September 30, 1988

STATEMENT OF QUALIFICATIONS

I, Robert M. Cann, of 1260 Silverwood Crescent, North Vancouver, B.C. do hereby certify that:

1. I am a Geologist with offices at 1260 Silverwood Crescent, North Vancouver, B.C.
2. I am a graduate of the University of British Columbia with the following degrees:
Bachelor of Science (Honours) Geology, 1976
Master of Science in Geology, 1979.
3. I have practised my profession continuously since graduation.

I am a fellow in good standing of the Geological Association of Canada.

Robert M. Cann
September 30, 1988

APPENDIX I

DRILL LOGS AND CERTIFICATES OF ANALYSES

ACME ANALYTICAL LABORATORIES LTD. DATE RECEIVED: AUG 12 1988
852 E. HASTINGS ST. VANCOUVER B.C. V6A 1R6
PHONE(604)253-3158 FAX(604)253-1716 DATE REPORT MAILED: Aug. 18/88

GEOCHEMICAL ANALYSIS CERTIFICATE

- SAMPLE TYPE: Core
AU* ANALYSIS BY ACID LEACH/AA FROM 10 GM SAMPLE.

ASSAYER: *C. Leong* D. TOYE OR C. LEONG, CERTIFIED B.C. ASSAYERS

UNITED LINCOLN RESOURCES LTD. PROJECT MT. MILLIGAN FILE # 88-3543

SAMPLE#	AU* ppb
C 54324	56
C 54325	775
C 54326	63
C 54327	51
C 54328	74
C 54329	59
C 54330	255
C 54331	9230
C 54332	58
C 54333	121
C 54334	145
C 54335	895
C 54336	260

GEOCHEMICAL/ASSAY CERTIFICATE

88-57

ICP - .500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 HCL-HNO3-H2O AT 95 DEG.C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER. THIS LEACH IS PARTIAL FOR Hg Pb Sr Ca P LA CR NG BA TI B W AND LIMITED FOR NA K AND AL. AU DETECTION LIMIT BY ICP IS 3 PPM. - SAMPLE TYPE: REJECT AG** & AU(-100 MESH) BY FIRE ASSAY FROM S.A.T.

DATE RECEIVED: AUG 30 1988 DATE REPORT MAILED: *Sept 27/88* ASSAYER: *C. Leong* D. TOYE OR C. LEONG, CERTIFIED B.C. ASSAYERS

UNITED LINCOLN RESOURCES LTD. PROJECT MT. MILLIGAN File # 88-3543R

SAMPLE#	Mo	Cu	Pb	Zn	Ag	Ni	Co	Mn	Fe	As	D	Au	Tl	Sr	Ca	Sb	Bj	V	Cr	P	Se	Cr	Mg	Ba	Ti	B	Al	K	W	Cu	Ag**	SAMPLE	AU-100	NATIVE	AUC.	
	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	%	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	%	%	PPM	PPM	%	PPM	%	PPM	%	%	PPM	%	OL/T	WT GN	OL/T	AU NG	OL/T	
C 54331	7	1497	3158	20402	49.8	37	28	1822	10.98	34889	5	14	2	30	227	649	5	29	2.96	.067	2	47	.53	19	.02	5	.73	.01	.21	1	.17	1.58	308	.603	.02	.105

✓ ASSAY REQUIRED FOR CORRECT RESULT -

RECEIVED
 SEP 29 1988
 Ans'll