

ARIS SUMMARY SHEET

District Geologist, Kamloops

Off Confidential: 89.07.28

ASSESSMENT REPORT 18019

MINING DIVISION: Nicola

PROPERTY: Snowflake
LOCATION: LAT 49 58 36 LONG 120 34 30
UTM 10 5538635 673873
NTS 092H15E

CLAIM(S): Snowflake 7, Snowflake 10

OPERATOR(S): Gerle Gold

AUTHOR(S): Smitheringale, W.G.

REPORT YEAR: 1988, 63 Pages

COMMODITIES

SEARCHED FOR: Gold, Silver, Copper

GEOLOGICAL

SUMMARY: Andesitic and dacitic lahar deposits, agglomerates, tuffs and associated argillaceous limestone of the Upper Triassic Nicola Group strike northward and dip west. These rocks are cut by north-striking faults, and cross faults. The volcanics show sericite, chlorite and epidote alteration. Gold and silver values accompany chalcopyrite in thin carbonate fracture-controlled veinlets.

WORK

DONE: Drilling
DIAD 304.0 m 3 hole(s);NQ
Map(s) - 1; Scale(s) - 1:1000
SAMP 220 sample(s) ;AU,AG,CU

RELATED

REPORTS: 14983
MINFILE: 092HNE061

LOG NO: 1122	RD.
ACTION:	
63 p.	
FILE NO:	

DIAMOND DRILLING REPORT

SNOWFLAKE 7 AND SNOWFLAKE 10 CLAIMS

NICOLA MINING DIVISION

SOUTH CENTRAL BRITISH COLUMBIA

NTS MAP-SHEET 92H/15E

LAT. 49 58.6 N, LONG. 120 34.5 W

OWNED BY QUILCHENA RESOURCES LTD.

FILMED

OPERATED BY GERLE GOLD LTD.

SUB-RECORDER
RECEIVED
NOV 9 1988
M.R. # _____ \$ _____
VANCOUVER, B.C.

prepared by

W.G. SMITHERINGALE Ph.D., P.Eng.

W.G. SMITHERINGALE & ASSOCIATES LTD.

July 27 1988
**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

18,019

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INTRODUCTION

Property Location and Definition

The Snowflake 7 and 10 claims lie in south-central B.C., 21 km SE of Merritt and 6 km NNE of Aspen Grove (Fig. 1). Access is from Hwy. 5A by 2 km of dirt road.

TABLE 1: Claims Covered by Gerle Gold Ltd.'s
Option Agreement.

<u>Claim</u> <u>Name</u>	<u>No.of</u> <u>Units</u>	<u>Record</u> <u>Number</u>	<u>Group</u>	<u>Expiry</u> <u>Date*</u>
Snowflake	6	8	A	May 13, 1994
Snowflake 2	4	93	B	April 14, 1996
Snowflake 3	6	167	A	Aug 20, 1994
Snowflake 4	8	211	B	Feb 11, 1996
Snowflake 5	2	212	B	Feb 11, 1996
Snowflake 6	6	321	A	Sept 16, 1994
Snowflake 7	20	470	B	June 15, 1996
Snowflake 10	6	514	A	Oct 25, 1996
Tule 10	4	322	A	Sept 16, 1994

* The work described in this report will change the anniversary year of all the claims to 1998.

The claims are at the 1000 m level in prime grazing land containing aspen groves and small stands of fir. Tule lake, the nearest reliable source of water, is about 1.5 km south of the 1988 drill sites. Portions of the claims lie within the boundaries of Douglas Lake Cattle Company Ltd., and permission from the company is required to drill within these boundaries. The Snowflake 7 and Snowflake 10 claims, on which the drilling described in this report was done, are two of nine claims covered by an option agreement between Quilchena Resources Ltd., the owner, and Gerle Gold Ltd., the operator. These claims are listed in Table 1. The Snowflake 7 and Snowflake 10 have been grouped, respectively, with the Snowflake B Group, comprising 94 units, and the Snowflake A

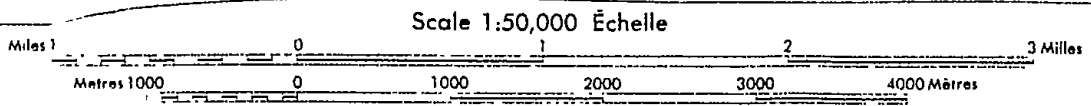
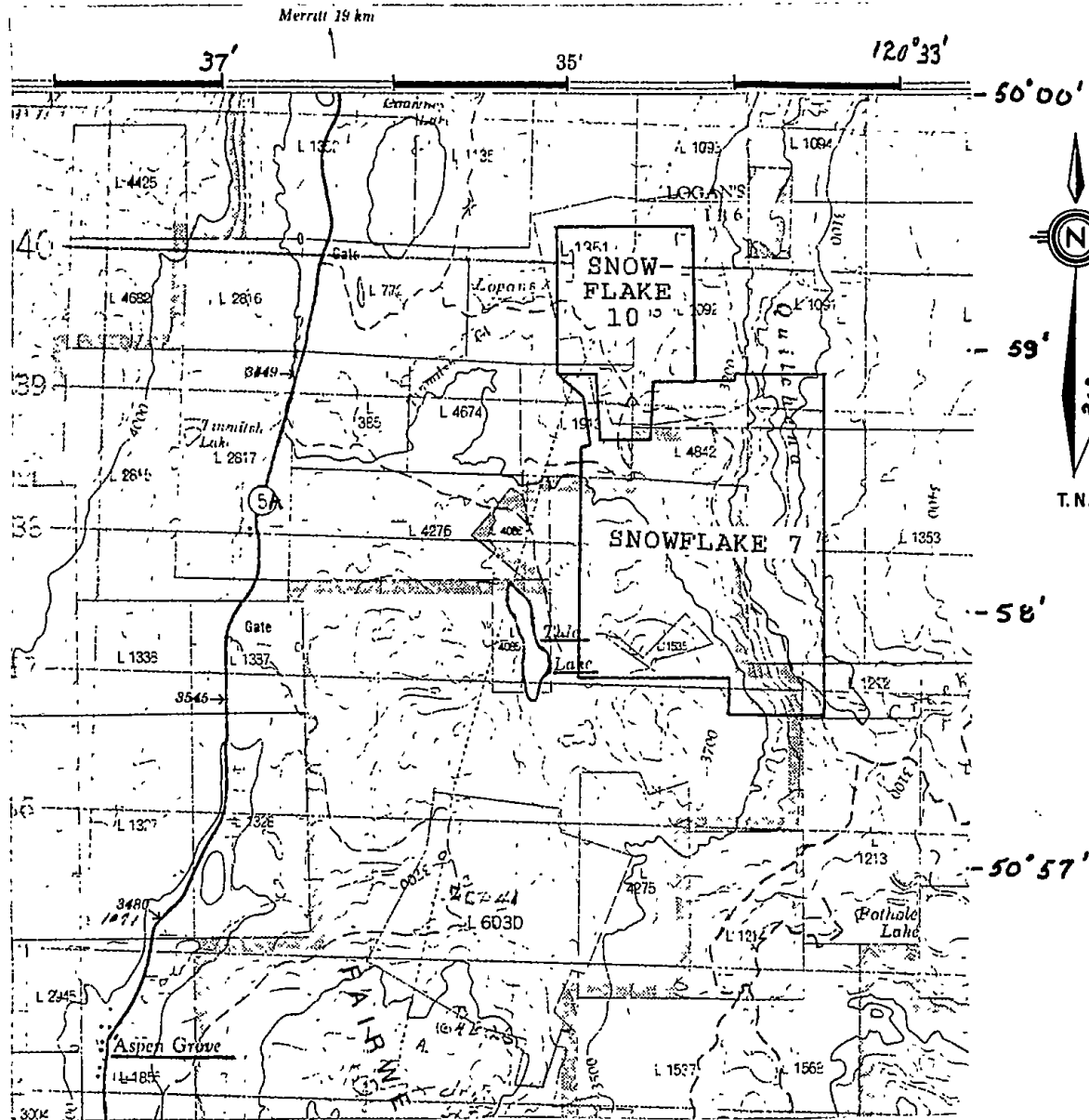
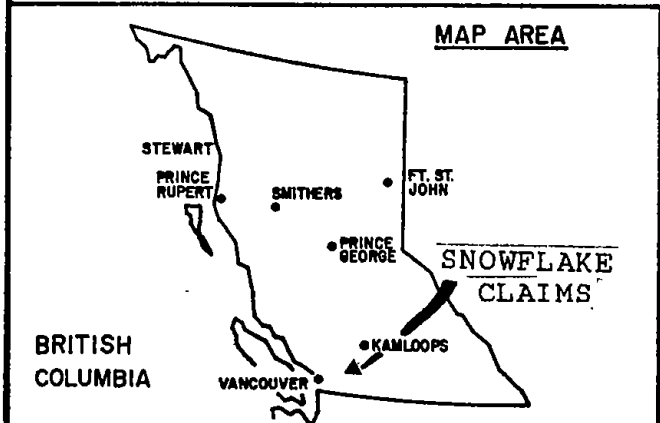


FIGURE 1



GERLE GOLD LTD.

SNOWFLAKE 7 AND 10
CLAIMS

LOCATION MAP

July 27, 1988

W.G. SMITHERINGALE & ASSOCIATES LTD.

Group, comprising 98 units. The claims in Groups A and B not covered by the option agreement are not listed in Table 1.

History

Numerous showings of copper minerals are known in the Aspen Grove area. The 1901 Annual Report of the Minister of Mines, B.C. (p. 1179) describes the "Aspen Grove Camp" as being a year old and including 100 or more claims. Most of the early exploration in the area was done between 1912 and 1928, and is described in the Annual Reports of the Minister of Mines, B.C. for those years. The area was explored again between 1965 and 1975 for porphyry copper deposits, this work being described in Annual Reports of the Minister of Mines, B.C., in annual issues of Geology, Exploration and Mining in B.C. and in Assessment Reports. Complete bibliographies are given by Rice (1947) and Preto (1979). The closest of these old properties to the Snowflake property is the Blue Jay (Preto, 1979, pp. 75-77), which overlapped the western portion of the Snowflake claims, about 300 m west of the drill sites described herein.

The recent exploration history of the area now covered by the Snowflake claims dates from 1983, when an old report describing interesting gold values obtained during a 1967 drill program prompted Laramide Resources Ltd. to option the claims. The values reported were 10 ft. of 0.130 oz/ton Au, 60 ft. of 0.150 oz/ton Au and 10 ft. of 0.115 oz/ton Au, all from one hole for which the collar location was not reported. Laramide conducted I.P. and magnetometer surveys and a 12 hole diamond drill program of 996 m in 1983 and continued their work in 1985. In 1985 the property was acquired by Quilchena Resources Ltd. In 1986 part of the property was optioned by Lornex Mining Corporation who extended the I.P. survey and diamond drilled six holes totalling 577 m. Lornex dropped their option and in 1987 Gerle Gold Ltd. optioned the claims listed in Table 1 and conducted a 16 hole, 1,239 m diamond drill program. The exploration conducted since 1983

on the Snowflake claims is documented in detail by I.M. Watson (1988).

During June and July, 1988, Gerle Gold Ltd. conducted a 3 hole, 304 m diamond drill program, which is the subject of this report.

GEOLOGY

Regional

The Aspen Grove Camp lies in the Princeton-Merritt copper belt, which includes the Ingerbelle and Afton porphyry copper deposits. This belt is underlain by andesitic and basaltic volcanic rocks, intrusive bodies of diorite and syenite that are comagmatic with the volcanic rocks and associated volcanoclastic and sedimentary rocks. All of these units belong to the Upper Triassic Nicola Group (Preto, 1979). In the Quesnel Trough Nicola rocks host the QR gold prospect as well as numerous other copper-gold occurrences.

Mineralization in the Aspen Grove area consists principally of pyrite, chalcopyrite, bornite, chalcocite, native copper and malachite. It occurs in breccia zones and as disseminations, replacements and fillings in small fractures in Nicola volcanic and related intrusive rocks and in associated argillaceous and limey sediments. Copper mineralization is widespread but low grade, and is often accompanied by minor gold and silver values. For example, on the former Blue Jay property chalcopyrite, bornite, chalcocite and native copper with pyrite and secondary malachite occurs finely disseminated and in fracture fillings in Nicola volcanic rocks and in dioritic intrusive rocks (Preto, 1979).

Property

The geology of the Snowflake 7, Snowflake 10 and surrounding claims consists of dominantly andesitic to dacitic tuff, agglomerate and lahar deposits and a sequence of dark grey,

argillaceous sediments that vary from argillaceous and limey feldspar crystal tuff to argillaceous limestone to argillite. Lesser amounts of andesite flows and several small stocks of diorite and monzonite-syenite complete the assemblage. Agglomerates and lahar deposits with a dominantly green matrix are interpreted as being subaqueous and those with a dominantly red matrix are interpreted as being subaerial. The stratified rocks strike northward and dip moderately steeply to the west. The claims straddle or lie immediately east of the northern end of the Kentucky-Alleyne fault, which is a regional, north trending fault. Cross faults, probably with minor displacement, are present.

The stratigraphic section intersected by drilling on the Snowflake 10 claim consists of green polymict agglomerate (and possibly lahar deposits) and andesite tuff and flow rocks overlain by a sedimentary sequence consisting of argillaceous and tuffaceous limestone and limey feldspar crystal tuff, which in turn is overlain by more andesitic agglomerate and tuff. An argillite unit commonly occurs at the base of the sedimentary sequence and in places a monolithic felsite lapilli tuff with lapilli varying up to 1.5 cm across occurs just below the main sediment-agglomerate contact.

Alteration observed in drill core includes sericitization, chloritization, epidotization and possibly some kaolinization. Alteration appears to be zoned in so far as moderate pervasive sericitization and chloritization without epidote is present in the upper 10 m to 40 m of the volcanic sequence that underlies the sediments and epidotization and hematite in fractures (see below) appears to be confined to the lower portion of the volcanic sequence. Intense sericitization adjacent to some, but not all, fractures and faults has produced bleached zones superimposed on the pervasive alteration.

Conjugate fractures and small breccia zones adjacent to relatively strong fractures and slips are filled with calcite with or without lesser quartz, talc(?), hematite and in places unidentified clay minerals and/or zeolites. These veinlets vary in thickness from hairline to several centimetres, but most are less than 0.5 cm.

Mineralization observed in drill core consists of minor disseminated pyrite, principally in the argillaceous and limey sediments, and sparse pyrite, chalcopyrite, bornite and sphalerite, and even more sparse galena, in the carbonate veins and breccia fillings. Gold and silver values accompany the vein and breccia mineralization in two fairly well defined zones, one at the base of the sedimentary sequence and the other in the volcanics about 5 m below the base of the sedimentary sequence, and also in several much less clearly defined zones lower in the volcanic sequence.

THE 1988 DIAMOND DRILL PROGRAM

Description

Three NQ wireline holes totalling 304 m were drilled with a Longyear '38' during the 1988 program by P.W. Diamond Drilling Ltd. of McLure, B.C. The core is stored in covered racks on the Willow Heights Ranch, property of Mr. Les Bryant, at Aspen Grove.

The drill program was supervised in the field by W.G. Smitheringale, the core was logged by him and was split for sampling under his supervision. Samples were submitted to CDN Resource Laboratories Ltd. of Burnaby, B.C. for geochemical analysis for gold, silver and copper. The core logs and assay certificates are presented in Appendix 1.

The orientation and other details of each hole are given in Table 2. The collar locations are shown on Fig. 2, a

diamond drill hole plan prepared by I.M. Watson (1988).

TABLE 2: Details of 1988 Diamond Drill Holes

Drill Hole	Grid Location	Azimuth	Collar Elevation	Inclination	Length
88-1	205+83N 194+77E	067.5	1008.3m	collar:-45 @ 65m :-53 @ 101m:-52	101m
88-2	205+39N 194+48E	041.5	1012.5m	collar:-79 @ 85m :-80	85m
88-3	204+06N	065	approx. 1000m	collar:-44.5 @ 118m:-51.5	118m

Purpose

None of the 34 holes drilled during the 1983 to 1987 programs succeeded in duplicating the gold bearing intercepts reported in 1967. Before the 1988 program one of the drillers on the 1967 program visited the drill site with Gerle Gold personnel, where he identified an old drill collar that he recalled as being the hole that produced the good assays.

The primary purpose of the 1988 program was to re-drill the 1967 gold bearing intercept, and accordingly the first hole was collared 1.5 m SW of the hole identified by the 1967 driller and drilled parallel to it. The purpose of the second hole was to trace several gold bearing zones intersected in section 205+40N by previous drilling down dip. The intersections in question are:

Drill Hole	Interval	Width	Assays in oz/ton	
			Au	Ag
83-8	42.6-44.0	1.4	1.05	12.0
87-3	36.0-37.5	1.5	0.803	
	43.5-45.0	1.5	0.218	
87-4	67.5-69.0	1.5	0.038	

The purpose of the third hole drilled was to explore an untested I.P. anomaly that runs northwesterly through 204+00N, 191+50E.

Interpretation and Conclusions

1. Drill hole 88-1 did not duplicate the gold assays reported from the 1967 drilling, so it is unlikely that the old hole collared at the site of DDH 88-1 was the hole in question. Most likely the 1967 hole that had the good intersection was drilled towards the southwest, not the northeast, down the dip of one of the southwestward dipping gold bearing zones identified by the 1983, 1986 and 1987 drilling.

2. Drill hole 88-2 extended the gold bearing zones intersected by drill holes 83-8, 87-3 and 87-4 some 30 m down dip from hole 87-4. The drill hole 88-2 intersections are detailed in the following table.

Mineralized Zone	DH 88-2 Intersection	Ore Minerals	Geochemical Analysis		
			Gold	Silver	Copper
upper	65m to	chalco-	80ppb	0.3ppm	120ppm
	67m	pyrite	110ppb	0.1ppm	130ppm
lower	78m to	chalco-	<5ppb	0.1ppm	370ppm
	81m	pyrite & bornite	<5ppb <.002	0.2ppm <0.1ppm	90ppm 160ppm

oz/ton

The zones are geochemically anomalous at these points, but their gold and silver contents are economically unimportant.

3. Although minor amounts of chalcopyrite are present in DDH 88-3 core, no mineralization of significance was encountered. The cause of the I.P. anomaly at this location is

unexplained.

4. Although this drill program was unsuccessful in intersecting economically important mineralization, it has further confirmed the presence of geochemically anomalous gold in association with copper mineralization in zones of fracture controlled carbonate veining.

5. The general geology of the claims under option to Gerle Gold Ltd., and of the surrounding region, constitutes a favourable environment for gold exploration. The geological similarities between the Snowflake claims and the QR deposit southeast of Quesnel listed by Watson (1984) have been supported by the work to date. On this basis the I.P. anomalies that have not been explored remain valid drill targets. Specifically, anomalies A on line 190N and 191N, A1 on lines 186N and 187N, B on lines 193N to 196N, C1 on line 190N and D1 on line 208N, all of which are discussed by Cartwright (1986), warrant investigation. Anomaly A1 lies just outside the boundary of Gerle Gold's option. This land should be optioned, if a reasonable agreement can be drawn, before further drilling is undertaken.

6. The author quickly examined some of the previous year's drill core and found a degree of disparity in terminology and interpretation of details among the different geologists that have logged the core, although the general interpretation from year to year seems consistent. A clearer concept of the controls of mineralization might be forthcoming if all the core were re-logged by one person.

RECOMMENDATIONS

1. All the core should be re-logged and the data acquired to date should be reviewed by one geologist in an effort to formulate an hypothesis for the control of mineralization on the Snowflake claims.

2. Before further drilling is undertaken outcrops should be mapped for features that are highlighted by the study in 1 above.

3. The suitability of the area for gold exploration should be re-evaluated on the basis of the results of recommendations 1 and 2. If the potential of the area is considered to be good, recommendations 4 and 5 should be carried out, otherwise the option on the Snowflake claims should be dropped.

4. The claim on which I.P. anomaly A1 occurs should be acquired.

5. I.P. anomalies A, A1, B, C1, and D1 (described above) should be drilled.

ITEMIZED COST STATEMENT

Wages & Fees

K. Hodgson, core splitter:

June 17 to June 30; \$100.00/day
12.5 days\$1250.00
4% holiday pay... 50.00
U.I. 29.73
C.P. 21.67\$1351.40

W.G. Smitheringale, consultant/project manager:

19.5 days @ \$400.00/day7800.00...\$9151.40

Food & Accommodation

W.G. Smitheringale, June 8 to 11 and June 16 to 30:

Food, 18 days @ 14.72/day\$265.02
Accommodation, 3 days @ \$44.65
and 14 days @ 38.88 678.27.....943.29

Transportation

Vehicle rental June 16 to July 1, 16.5 days,
@ \$46.26/day for rental, kms and insurance

.....\$763.25
Toll road charges 10.00
Fuel 176.24.....949.49

Analyses

220 core samples, geochem analysis for Au, Ag & Cu
@ \$12.35 each\$2717.00
1 sample assay for Au @ \$13.0039.00...2756.00
sub total \$13800.18

carried forward ...\$13800.18

Supplies

Building supplies	.....	\$ 50.09
Sample bags	.....	84.00
Miscellaneous supplies	.....	<u>140.07</u>.....274.16

Equipment rental

Core splitter, 1 month @ 79.50/mo 79.50

Report

Consultants fees	.....	\$800.00
Typing, maps & reproduction	.....	<u>200.00</u>....1000.00

Diamond drilling (P.W. Diamond Drilling Ltd.)

1000 ft. @ 27.49/ft. all found	.....	<u>27489.33</u>
	Total	\$42643.17

APPORTIONMENT OF COST

The apportionment of cost between the Snowflake 10 claim, which belongs to Snowflake Group A, and the Snowflake 7 claim, which belongs to Snowflake Group B, is made on the basis of the footage drilled on each claim.

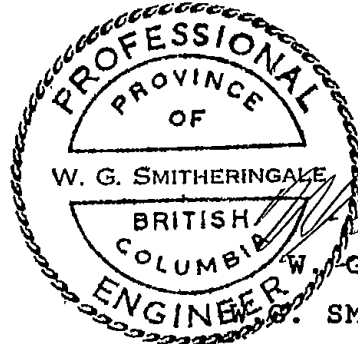
Total drilling cost and footage drilled ... \$42,643/1000 ft.

Snowflake 10 (613 ft. drilled):

apportionment of cost is $613/1000 \times 42,643 = \$26,140$

Snowflake 7 (387 ft. drilled):

apportionment of cost is $387/1000 \times 42,643 = \$16,503$



W.G. Smitheringale
 W. G. Smitheringale, Ph.D., P.Eng.
 SMITHERINGALE & ASSOCIATES LTD.

REFERENCES

Cartwright, P.A.(1986): Report on the Continuation of the Induced Polarization and Resistivity Survey on the Snowflake Claims. Private report for Lornex Mining Corporation Ltd.

Preto, V.A.(1979): Geology of the Nicola Group Between Merritt and Princeton. B.C. Ministry of Energy, Mines and Pet. Res., Bull. 69.

Rice, H.M.A.(1947): Geology and Mineral Deposits of the Princeton Map-Area, British Columbia. Geol. Surv. Canada, Mem. 243.

Watson, I.M.(1984): A Summary Review of the Snowflake Property. Private report for Laramide Resources Ltd.

Watson, I.M.(May, 1988): Diamond Drilling Report on the Snowflake 'A' and 'B' Groups. Private report for Gerle Gold Ltd.

A more complete bibliography is given by Watson, 1988.

CERTIFICATION

I, William G. Smitheringale, hereby certify that:

I am a practising Professional Geological Engineer, resident at 4611 Hoskins Road, North Vancouver, B.C.

I am a graduate of the University of British Columbia with the degree of Geological Engineer (B.Ap.Sc., 1955) and of the Massachusetts Institute of Technology with the degree of Doctor of Philosophy in Geology (Ph.D., 1962).

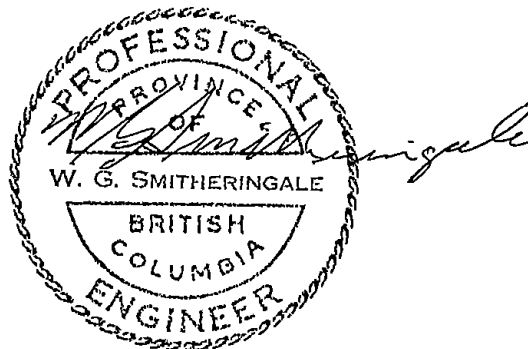
I have practised my profession continuously for twenty six years as Geologist with the Geological Survey of Canada, as Assistant and Associate Professor, Department of Geology, Memorial University of Newfoundland and, since 1974, as a Consulting Geologist.

I am a member in good standing of the Association of Professional Engineers of the Province of British Columbia (Registration No. 10802).

This report is based on field and office work conducted by me and under my supervision between June 8 and July 27, 1988.

W.G. SMITHERINGALE, Ph.D., P.Eng.

July 27, 1988



APPENDIX 1
Assay Certificates

Geochemical analysis for Au, Ag and Cu was carried out by CDN Resource Laboratories Ltd. of Burnaby, B.C.

The core samples were crushed, subsampled and the subsample was pulverized to pass a 100 mesh screen. Gold was determined on a 15 gm portion of the pulp that was fused to produce a gold bead which was then leached with HNO₃ to remove Ag. The remaining bead was dissolved in aqua regia and the gold content was determined using atomic absorption. Ag and Cu were determined using HNO₃ extraction and atomic absorption analysis.

CDN RESOURCE LABORATORIES LTD.

6329 BERESFORD STREET BURNABY, B.C. V5E 1B3 / PH: 435-8376 / FAX 435-9746

GEOCHEMICAL REPORT

To: Gerle Gold Ltd.
904 - 675 West Hastings
Vancouver, B.C.
V6B 1N2

Number: 88312
Date: June 27, 1988
Proj.:

Attn: Ray Hrkac

	Au ppb	Ag ppm	Cu ppm
50501	<10	0.6	186
50502	10	0.5	205
50503	<10	0.5	188
50504	10	<0.1	106
50505	10	0.4	182
50506	10	0.3	188
50507	20	0.2	160
50508	10	0.4	160
50509	20	0.1	172
50518	30	0.1	126
50519	10	0.2	174
50520	20	0.2	88
50521	20	0.5	122
50522	10	<0.1	104
50523	20	0.1	80
50524	20	0.2	128
50525	20	0.2	80
50526	30	<0.1	146
50527	10	<0.1	156
50528	20	<0.1	116
50529	<10	<0.1	132
50530	<10	<0.1	136
50531	<10	<0.1	134
50532	10	<0.1	130
50533	<10	<0.1	124
50534	<10	0.3	110
50535	20	<0.1	104
50536	10	<0.1	108
50537	10	<0.1	100
50538	10	<0.1	166
50539	<10	0.4	128
50540	<10	0.1	260
50541	<10	<0.1	106
50551	<10	0.6	100
50552	<10	0.3	92
50553	10	0.6	94
50554	<10	<0.1	84
50555	10	<0.1	70
50556	10	0.8	136
50557	10	<0.1	122

CDN RESOURCE LABORATORIES LTD.

6329 BERESFORD STREET, BURNABY, B.C. V5E 1B3 / PH: 435-8376 / FAX: 435-9746

GEOCHEMICAL REPORT

To: Gerle Gold Ltd.
904 - 675 West Hastings
Vancouver, B.C.
V6B 1N2

Number: 88312
Date: June 27, 1988
Proj.:

Attn: Ray Hrkec

	Au ppb	Ag ppm	Cu ppm
50558	180	<0.1	98
50559	20	<0.1	120
50560	30	<0.1	110
50561	30	<0.1	48
50562	10	<0.1	118
50563	<10	<0.1	138
50564	<10	<0.1	122
50565	<10	<0.1	124
50566	<10	<0.1	124
50567	<10	0.3	106
50568	10	<0.1	126
50569	20	<0.1	200
50570	20	<0.1	142
50571	10	0.2	156
50572	30	0.2	102
50573	20	0.5	540
50574	10	<0.1	142
50575	10	0.1	142

CDN RESOURCE LABORATORIES LTD.

6329 BERESFORD STREET, BURNABY, B.C. V5E 1B3 / PH: 435-8376 / FAX: 435-9746

GEOCHEMICAL REPORT

To: Gerle Gold Ltd.
904 - 675 West Hastings
Vancouver, B.C.
V6B 1N2

Number: 88324
Date: July 15, 1988
Proj.:

Attn: Ray Hrkac cc. Bill Smitheringale

	Au ppb	Ag ppm	Cu ppm
50510	< 5	2.9	200
50511	50	3.5	170
50512	20	3.4	150
50513	40	3.3	130
50514	50	3.1	130
50515	120	0.6	130
50516	640	0.9	170
50517	90	1.3	100
50542	20	3.2	210
50543	< 5	1.6	30
50544	< 5	1.7	40
50545	< 5	0.1	20
50546	< 5	1.8	40
50547	< 5	1.6	40
50548	20	0.1	40
50549	90	0.1	10
50550	25	0.1	10
50576	30	0.1	10
50577	< 5	0.1	10
50578	15	0.1	40
50579	20	0.1	20
50580	25	0.1	50
50581	10	0.1	40
50582	< 5	0.1	40
50583	< 5	0.1	30
50584	< 5	0.1	20
50585	< 5	0.1	20
50586	< 5	0.1	100
50587	< 5	0.1	40
50588	< 5	0.1	60
50589	25	0.1	100
50590	< 5	0.1	70
50591	< 5	0.1	100
50592	< 5	0.1	90
50593	< 5	0.1	90
50594	< 5	0.1	80
50595	< 5	0.1	120
50596	< 5	0.1	110
50597	< 5	0.1	70
50598	< 5	0.2	70

Duncan Sordness

CDN RESOURCE LABORATORIES LTD.

6329 BERESFORD STREET, BURNABY, B.C. V5E 1B3 / PH: 435-8376 / FAX: 435-9746

GEOCHEMICAL REPORT

To: Gerle Gold Ltd.
904 - 675 West Hastings
Vancouver, B.C.
V6B 1N2

Number: 88324
Date: July 15, 1988
Proj.:

Attn: Ray Hrkac

cc. Bill Smitheringale

	Au ppb	Ag ppm	Cu ppm
50599	< 5	0.1	80
50600	15	0.1	80
50601	< 5	0.1	80
50602	95	0.2	80
50603	< 5	0.1	80
50604	65	0.2	140
50605	40	0.1	130
50606	20	0.1	140
50607	< 5	0.1	40
50608	< 5	0.1	50
50609	< 5	0.1	40
50610	45	0.1	60
50611	80	0.1	130
50612	80	0.1	40
50613	95	0.1	40
50614	35	0.1	130
50615	100	0.1	130
50616	70	0.1	200
50617	80	0.1	150
50618	15	0.3	150
50619	110	0.1	140
50620	< 5	0.1	130
50621	380	0.1	120
50622	< 5	0.1	40
50623	65	0.1	120
50624	< 5	0.1	90
50625	< 5	0.1	120
50626	< 5	0.1	110
50627	< 5	0.1	120
50628	< 5	0.1	100
50629	< 5	0.1	120
50630	< 5	0.1	70

Duncan Sanderson

CDN RESOURCE LABORATORIES LTD.

6329 BERESFORD STREET, BURNABY, B.C. V5E 1B3 / PH: 435-8376 / FAX: 435-9746

GEOCHEMICAL REPORT

To: Gerle Gold Ltd.
904 - 675 West Hastings
Vancouver, B.C.
V6B 1N2

Number: 88334
Date: July 15, 1988
Proj.:

Attn: Ray Hrkac cc. Bill Smitheringale

	Au ppb	Ag ppm	Cu ppm
50631	< 5	0.2	70
50632	< 5	0.1	90
50633	< 5	0.1	130
50634	< 5	0.1	140
50635	< 5	0.3	150
50636	< 5	0.1	50
50637	80	0.3	120
50638	110	0.1	130
50639	< 5	0.1	120
50640	< 5	0.1	110
50641	< 5	0.1	100
50642	< 5	0.1	50
50643	< 5	0.1	120
50644	< 5	0.1	50
50645	< 5	0.1	70
50646	< 5	0.1	50
50647	< 5	0.1	50
50648	< 5	0.1	130
50649	< 5	0.1	50
50650	< 5	0.1	370
50651	< 5	0.2	90
50653	< 5	0.1	50
50654	< 5	0.1	140
50655	< 5	0.1	60
50656	< 5	0.1	50
50657	< 5	0.1	20
50658	< 5	0.1	270
50659	< 5	0.1	40
50660	10	0.1	100
50661	< 5	0.1	100
50662	< 5	0.1	60
50663	< 5	0.1	130
50664	< 5	0.1	30
50665	< 5	0.1	10
50666	< 5	0.1	10
50667	< 5	0.1	10
50668	< 5	0.1	10
50669	< 5	0.1	10
50670	15	0.1	40
50671	< 5	0.1	10

Duncan Swedman

CDN RESOURCE LABORATORIES LTD.

6329 BERESFORD STREET, BURNABY, B.C. V5E 1B3 / PH: 435-8376 / FAX: 435-9746

GEOCHEMICAL REPORT

To: Gerle Gold Ltd.
904 - 675 West Hastings
Vancouver, B.C.
V6B 1N2

Number: 88330
Date: July 15, 1988
Proj.:

Attn: Ray Hrkac cc. Bill Smitheringale

	Au ppb	Ag ppm	Cu ppm
50672	< 5	0.1	10
50673	< 5	0.1	10
50674	< 5	0.1	10
50675	< 5	0.1	10
50676	< 5	0.1	20
50677	< 5	0.1	10
50678	< 5	0.1	10
50679	< 5	0.1	10
50680	< 5	0.1	10
50681	< 5	0.1	10
50682	< 5	0.1	10
50683	< 5	0.1	10
50684	< 5	0.1	10
50685	< 5	0.1	10
50686	< 5	0.1	10
50687	< 5	0.1	10
50688	< 5	0.1	10
50689	< 5	0.1	10
50690	< 5	0.1	450
50691	< 5	0.2	480
50692	35	0.1	40
50693	< 5	0.1	30
50694	< 5	0.1	10
50695	< 5	0.1	10
50696	< 5	0.1	10
50697	< 5	0.6	20
50698	< 5	0.1	50
50699	< 5	0.1	10
50700	< 5	0.1	80
50701	< 5	0.1	380
50702	< 5	0.1	110
50703	< 5	0.1	80
50704	< 5	0.1	100
50705	< 5	0.1	100
50706	< 5	0.1	30
50707	< 5	0.2	40
50708	< 5	0.1	30
50709	< 5	0.1	10
50710	< 5	0.1	30
50711	< 5	0.1	20

Duncan Sanderson

GEOCHEMICAL REPORT

To: Gerle Gold Ltd.
904 - 675 West Hastings
Vancouver, B.C.
V6B 1N2

Number: 88330
Date: July 15, 1988
Proj.:

Attn: Ray Hrkac cc. Bill Smitheringale

	Au ppb	Ag ppm	Cu ppm
50712	< 5	0.1	20
50713	< 5	0.1	10
50714	< 5	0.2	50
50715	< 5	0.3	190
50716	< 5	0.1	50
50717	< 5	0.1	10
50718	< 5	0.1	10
50719	< 5	0.1	10
50720	< 5	0.1	10

Duncan Sanderson

CDN RESOURCE LABORATORIES LTD.

6329 BERESFORD STREET, BURNABY, B.C. V5E 1B3 / PH: 435-8376 / FAX: 435-9746

**** ASSAY REPORT ****

To: Gerle Gold Ltd.
904 - 675 West Hastings
Vancouver, B.C.
V6B 1N2

Number: 88330
Date: July 15, 1988
Proj.:

Attn: Ray Hrkac cc. Bill Smitheringale

	Au oz/ton -100	Au oz/ton +100
50558	<0.002	<0.002
50573	<0.002	<0.002
50652	<0.002	<0.002

These 3 samples were screened through a #100 sieve. The +100 fractions and one assay ton sub-samples of the -100 fractions were fire assayed.

Duncan Lundgren
Licensed Assayer of British Columbia

APPENDIX 2

1988 Diamond Drill Hole Logs

**GERLE GOLD LTD.
DIAMOND DRILL RECORD**

HOLE NO. DDH 88-1 PAGE 10F 12
PROPERTY SNOWFLAKE

LOCATION 205+82N, 194+78E
AZIMUTH 067 1/2"

DIP: -45 LENGTH 101.8m ELEVATION 1008.3m CLAIM NO. Snowflake 10 (A Group)
STARTED June 17, 1988 CORE SIZE: NQ DATE LOGGED June 18, 1988 SECTION
COMPLETED June 19, 1988 DIP TESTS: at 65m: - 50
PURPOSE: To duplicate DDH 67-1 at 101m: - 49

FLAG	METRES		DESCRIPTION	ALTERATION			SULPHIDES		SAMPLE No.	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Au ppb	Ag ppm	Cu ppm
	from	to		Q	Chl	Ser	Ox	%Py		%Cp	from							to
	0	15.5m	CASING														
	15.5	29.1	LIMESTONE: Dark grey, aphanitic, argillaceous. Generally massive, but thinly bedded or laminated in places. F. gr. dissem. py throughout averages 1-2%. Calcite veins and stringers hairline to 1cm thick fill fractures throughout, averaging 1-2% of core; many contain variable amounts of f. gr. py; walls of many veins are slickensided; some veins contain a pale green talcose mineral - talc(?)					1-2%		15.5	16.0	0.5	100	<10	0.6	186	
			15.5-20.0: many veins fill conjugate fractures; 1 set 45 deg. to C.A., the other set 70 deg. to C.A.							16.0	17.0	1.0	100	10	0.5	205	
			20.4: 1cm gouge 30 deg. to C.A.							17.0	18.0	1.0	100	<10	0.5	188	
			20.9: 1cm calcite vein 45 to C.A. One wall is graphitic and slickensided.							18.0	19.0	1.0	98	10	<0.1	106	
			25.5: 1cm calcite vein. One wall is a slip 45 to C.A. with 1cm of gouge. Adjacent to slip is 5cm calcite filled box containing minor py and 1 spec of cp.							19.0	20.0	1.0	100	10	0.4	182	
										20.0	21.0	1.0	90	10	0.3	188	
										21.0	22.0	1.0	95	20	0.2	160	
										22.0	23.0	1.0	100	10	0.4	160	
										23.0	24.0	1.0	100	20	0.1	172	
										24.0	25.0	1.0	90	<5	2.9	200	
										25.0	26.0	1.0	93	50	3.8	170	

**GERLE GOLD LTD.
DIAMOND DRILL RECORD**

HOLE NO.		DDH 88-1		PAGE		50f		12						
FLAG	METRES	DESCRIPTION			ALTERATION	SULPHIDES	SAMPLE	INTERVAL	LENGTH	%	Au	Au	Ag	Cu-Ag
	from to	0	Chl	Ser	Ox	%Py	%Sp	No	from to	Metres	Recovery	oz/ton	ppb	ppm
		46.0-46.5: calcite - qtz veins and bx filling has been re-brecciated by faulting.												
Int		Interpretation: here late movement in a previous fault zone is post calcite veining.												
N.B.		Note: limey arg. at the bottom of the L.S. unit also occurs in DR 83-B.												
	46.5 48.7	FELSIC LAPILLI TUFF: med. grey, limey. Semi angular lapilli up to 1cm across. 90% of lapilli are composed of f.gr. felsite containing little or no qtz or mafics. Composition probably latite.												
		Alteration: feldspars are cloudy. A few grains of unknown altered to pale tan or cream.												
		Veins: calcite (some with qtz) hairline to 5mm wide; most 40 to 50 deg. to L.H., some 10-20 to L.H.												
Flt		46.5: wall of fault zone 70 to L.H. forms the contact.												
		46.4-48.7: crystal and lapilli tuff; max size of lapilli 0.5cm.												
	46.7 51.2	PILCHICT AGGLOMERATE: fragments 90%, matrix 10%. frags from 0.5 to 5cm across. About 70% of frags are felsite (probably latite and andesite) both with and without mafics. The remainder are dark grey feldspar crystal tuff, argillite and/or L.S. and greenish f-gr. andesitic tuff.												
								50557	46.5	48.0	100	1.5	10	122
								50558	48.0	49.0	100	1.0	180	98

**GERLE GOLD LTD.
DIAMOND DRILL RECORD**

HOLE NO.	DDH 88-1	PAGE	60F	12
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FLAG	METRES from	to	DESCRIPTION	ALTERATION				SULPHIDES		SAMPLE No.	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Au ppb	Ag ppm	CU ppm	
				Q	Carb	Chi	Ser	Ox	%Py		%Cp	from							to
			Alteration: feldspars in frags are cloudy; matrix altered to chlorite; unknown alt'd to pale tan. 49.5: qtz vein 50 to C.A. has bleached zone 20cm each side. Bleaching consists of matrix of feldspar frags altering to pale creamy colour and some unknown (K-spar?) crystals altering to creamy pink.																
			Veins: similar to 46.5 to 48.7. 49.8-50.2: 1mm calcite filled slip runs 10 deg. to C.A. and has adjacent calcite flooded bx zone. 50.8-51.2: 1cm calcite and talc fissure vein sub parallel to C.A. carries minor py. Another vein carries 60 to C.A. carries minor py.							0.5	49.0	50.0	1.0	100	20	<0.1		120	
	51.2	52.0	CRYSTAL AND FELSIC LAPILLI TUFF, med. grey, f. gr., carbonate in places. Lapilli are felsic; crystal frags are mostly feldspar. Composition is probably talite. Bedding: 51.2: top contact 30 to C.A. 52.0: bottom contact 45 to C.A.							X	50.0	51.0	1.0	100	30	<0.1		110	
			Alteration: feldspar cloudy (sericitization?)																
			Veins: three conjugate sets: 35 to C.A. 65 to C.A. 40 to C.A.																
			These are approx. average; individual attitudes vary considerably, thickness is hairline to 5mm. All contain mainly calcite, some with minor qtz and traces of py.																
											51.0	52.0	1.0	100	30	<0.1		118	
											52.0	53.0	1.0	100	10	<0.1		118	

GERLE GOLD LTD.
DIAMOND DRILL RECORD

HOLE NO. DDH 88-1 PAGE 70f 12

FLAG	METRES		DESCRIPTION	ALTERATION			SULPHIDES		SAMPLE No.	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Au ppb	Ag -oz/ton ppm	Ag ppm
	from	to		Q	Chl	Ser	Ox	%Py		%Cp	from							to
	52.8	54.1	POLYHEDR ABGLOMERATE: angular frags 80%, matrix 20%. Frag size up to 5cm. Composition 80% feldspar (latite?) 10% dark f-gr. basalt, 10% med. grey f-gr. andesite.														
			Alteration as above. Veins as above.														
	54.1	55.5	CRYSTAL TUFF AND ARGILLITE: 5cm to 20cm thick beds of crystal tuff tuffaceous arg. and arg. Parts of all types have a calcareous matrix.						0.1 to 0.5		53.0	54.0	1.0	100	<10	<10.1	138
			Alteration: as above.														
			Veins Calcite, with or without talc and minor qtz; minor py; up to 3cm thick. Same attitudes as above.						0.5 to 5		54.0	55.0	1.0	100	<10	<10.1	122
			55.0- bedding 70 to 6-h.								55.0	56.0	1.0	100	<10	<10.1	124
			At bottom contact there is a 5cm bed of chert.														
	55.5	79.6	POLYHEDR ABGLOMERATE: angular frags 80-90% of rock. 5.5-61.5. size frags mainly 0.5 to 3cm, one 30cm. 70% of frags are light grey and are feldspar or f-gr. latite or andesite; the remainder are dark grey, plag. microporphyratic basalt and medium greenish grey, f-gr. (andesite?) tuff.						1								
			Alteration: feldspars cloudy (sericitized?); mafics chloritized; latite frags calcitic (plag. att. includes calcite); i.e. same as 48, 7-51, 2.														
			Veins: relatively few, composition and orientation						0.1-0.5		56.0	57.0	1.0	100	<10	<10.1	124

GERLE GOLD LTD.
DIAMOND DRILL RECORD

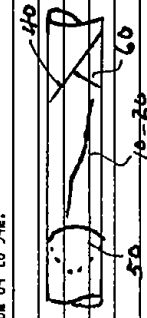
HOLE NO. DDH 88-1 PAGE 8 OF 12

FLAG	METRES		DESCRIPTION	ALTERATION			SULPHIDES			SAMPLE No	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Au ppb	Ag g/ton	CU Ag ppm
	from	to		Q	Carb	Chl	Ser	Ox	%Py		%Cp	from							to
			essentially same as above; most are 40-60 to 6.5m and a few 10 to 20 to 6.5m.															
			57.8-59.0: bx filling partly vuggy.							50567		57.0	58.0	100	<10			
			59.0: 1cm thick vein of k-spar, qtz, calcite and pale green talc(?) carries minor py; 60 to 6.5m; minor bleaching either side.							50568		58.0	59.0	100	10			
			59.5-59.8: tan coloured, sandy-clayey filling of what may be a fault zone, some of the sand is definitely rounded - it must have been washed in!							50569		59.0	60.0	130	20			
			61.5-79.6: fragments are larger and a smaller proportion are latite than from 55.5 to 61.5. There is considerable variation in size and composition from place to place. Typical frag. size is 1cm to 5cm with 10 to 30cm not uncommon. Typical frag. composition is 50% light grey latite or andesite, 25% greenish grey, f.g., andesite tuff. Large frags and andesitic frags more common near bottom of this unit.							50570		60.0	61.0	100	20			
			Alteration: 61.5 in 79.6: pervasive alteration same as above.															
			local bleaching occurs adjacent to some veins and above faults as follows:															
			62.3: 1cm gouge with adjacent graphitic calcite and qtz flooded by has bleached zone for 10cm either side. Minor py in calcite and qtz.															

25% DARK GREY F.G. BASALT AND

GERLE GOLD LTD.
DIAMOND DRILL RECORD

HOLE NO. DDH 88-1 PAGE 12 OF 12

FLAG	METRES		DESCRIPTION	ALTERATION		SULPHIDES		SAMPLE No	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Au ppb	Ag after PPM	Cu-Ag ppm
	from	to		Q	Chl	Ser	Ox		%Py	%Cp							from	to
			Some veins carry minor py, but note the rock sulfide is pyrrhotite. One vein carries cp, as noted below. Some veins are wuggy.													
			Vein orientation is the same as above. e.g. from 84 to 94m:													
																
			The abundance of each set varies from place to place. Many are slickensided, i.e. post alteration movement.													
			89.2: less than 1% cp in thin vein.					x	89.0	90.0	1.0	100	20	0.1		40
			89.7: 0.5cm gouge 20 to L.A.						90.0	91.0	1.0	100	90	0.1		10
			92.0-101.8: a series of veins run sub parallel to core axis. Five of these are 0.5cm thick or larger. From a structural point of view this is a good zone for mineralization.						91.0	92.0	1.0	100	25	0.1		10
									92.0	93.0	1.0	100	30	0.1		10
									93.0	94.0	1.0	100	45	0.1		10
									94.0	95.0	1.0	100	15	0.1		40
									95.0	96.0	1.0	100	20	0.1		20
									96.0	97.0	1.0	100	25	0.1		50
									97.0	98.0	1.0	100	10	0.1		40
									98.0	99.0	1.0	100	45	0.1		40
									99.0	100.0	1.0	100	25	0.1		30
									100.0	101.0	1.0	100	45	0.1		20
									101.0	101.8	0.8	100	45	0.1		20

101.8 EOH

**GERLE GOLD LTD.
DIAMOND DRILL RECORD**

HOLE NO. DDH 88-2 PAGE / OF 15
PROPERTY: SNOWFLAKE

CLAIM NO.: Snowflake 10 (A Group)
SECTION: 205 + 40N
LOGGED BY: W. Smitheringale

LOCATION: 205 + 40N, 194 + 48E
AZIMUTH: 41.5
DIP: -79
ELEVATION: 1012.5m
STARTED: June 20, 1988
DATE LOGGED: June 21, 1988
CORE SIZE: NQ
DIP TESTS: at 85m -80

PURPOSE: to test for the downdip extension of the mineralized zones intersected in drill holes 83-8, 87-3 and 87-4.

FLAG	METRES		DESCRIPTION	ALTERATION			SULPHIDES		SAMPLE No.	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Au ppm	Ag ppm	Cu ppm
	from	to		Q	Carb	Chl	Ser	Ox		%Py	%Cp							from	to
	0	13.7	Lossing														
	13.7	32.0	FELDSPAR CRYSTAL LUFT: Light greenish grey, f.gr., little or no bedding. Limy in places - probably due to limy matrix. Finely disse. py throughout varies 0.1 to 0.5%. The crystal frags are mainly feldspar. Matrix is greenish.														
			Alteration: feldspars are cloudy (sericitized); green colour of matrix may be due to chlorite. In places frags and matrix are micro-fractured - almost incipient mylonitization (this is adjacent to fractures).														
			veins: fracture controlled veins of calcite with or without qtz are hairline to 1cm thick and form up to 20% of core. The dominant vein-fracture orientation is sub-parallel to the core axis. These veins likely comprise a much smaller portion of the rock than the core.														
			Not all fractures contain veins. Fracture and vein walls are graphitic and stickensided, and the adjacent rock is either a breccia or microbrecciated.														
			13.7-22.7: gouge, calcite flooded by or highly fractured due to close spaced vein fractures sub parallel to.														
									50586	13.7	15.0	1.3	72	<5	0.1	100	
									50587	15.0	16.0	1.0	65	<5	0.1	40	
									50588	16.0	17.0	1.0	30	<5	0.1	60	
									50589	17.0	18.0	1.0	83	<5	0.1	100	
									50590	18.0	19.0	1.0	75	<5	0.1	70	
									50591	19.0	20.0	1.0	75	<5	0.1	100	
									50592	20.0	21.0	1.0	90	<5	0.1	90	
									50593	21.0	22.0	1.0	80	<5	0.1	80	
									50594	22.0	23.0	1.0	90	<5	0.1	80	
									50595	23.0	24.0	1.0	100	<5	0.1	120	

GERLE GOLD LTD.
DIAMOND DRILL RECORD

HOLE NO DDH 88-2 PAGE 6 60F 15

FLAG	METRES		DESCRIPTION	ALTERATION			SULPHIDES		SAMPLE No.	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Au ppb	Ag ppm	CU Ag ppm
	from	to		Q	Chl	Ser	Ox	%Py		%Cp	from							to
			45-0: graphitic slip and gouge 30 to C.A.														
			45-6: graphitic slip and gouge 45 to C.A.														
			46-2-46-3: several graphitic slips with gouge 45 to C.A.														
	46.4	53.3	ARGILLITE, IMPURE ARGILLITE AND FELDSPAR CRYSTAL TUFF: interlayered on a scale of 20cm to 1m. Individual units are faintly to distinctly thin bedded to laminated. Arg. is black and non-to slightly limest. Impure arg. is dk grey, limest. and contains tuff components. Feldspar crystal tuff is med to dark grey, depending on the amount of arg. impurity, and is variably limest.						0.1 to 0.5		46.0 to 48.0	1.0	90	15	0.3		150
			46-4-46-6: med. grey, very limest. tuff.								48.0 to 49.0	1.0	85	110	0.1		140
			46-6-49-0: dark grey, tuffaceous and strongly limest. arg.								49.0 to 50.0	1.0	85	45	0.1		130
			49-0-49-8: med. grey, non-limest, argillaceous tuff.								50.0 to 51.0	1.0	70	380	0.1		120
			49-8-50-9: med. grey, slightly limest. tuff.								51.0 to 52.0	1.0	100	65	0.1		40
			50-9-51-4: dark grey and black, thinly bedded to laminated limest. and tuffaceous arg. and arg. A few 0.5 to 1cm beds of tuff.								52.0 to 53.0	1.0	90	65	0.1		120
			51-4-52-4: med. grey limest. tuff.														
			52-4-53-3: dark grey limest. arg; one 10cm bed of tuff.														
	53.3	58.6	CRYSTAL FELDSPAR ARGILLITE TUFF AND ARGILLITE, interbedded on a scale of 1cm to 30cm. Arg. is limest. fine tuff								53.0 to 54.0	1.0	100	45	0.1		120
											54.0 to 55.0	1.0	85	45	0.1		110

GERLE GOLD LTD.
DIAMOND DRILL RECORD

FLAG	METRES		DESCRIPTION	ALTERATION			SULPHIDES		SAMPLE No.	INTERVAL		LENGTH Metres	% Recovery	AU oz/ton	AU ppb	Ag. content. PPM	Cu mg/ppm
	from	to		Ox	Ser	Chl	Carb	%Py		%Sp	from							to
			55.9: several 3mm veins 20 to C.A., minor py.						0.5								
			Faults: 49.8: sandy bx: core lost and a number of minor graphitic slips about 45 to C.A. and several thin gouge seams with adjacent bx at about 10-20 to C.A.														
			Bedding: 52.2: 30 to C.A. 56.3: 50 to C.A. 57.0: 50 to 70 to C.A. 58.0: 10 to C.A.														
Fold																	
	58.6	61.4	FELDSPAR CRYSTAL TUFF: med. grey; massive except for ghost bedding by wispy argillaceous bands; variably limy; disseminated py 0.1 to 0.5.						0.1 to 0.5								
			Alteration: feldspar cloudy (sericitization); occasional grains of a micaceous mineral (prob. biotite) now bent and altered to a creamy mineral.														
			50.6: colour changes to greenish grey, indicating chloritic matrix.														
			veining: thin veins form about 0.5% of core. Veins and bx flooding are distinctly less abundant than above. Veins carry minor py.						0.1 to 0.5	50631	59.0	60.0	1.0	100	< 5	0.2	70
			56.5: 0.5cm vein 70 to C.A. carries a few grains of sphalerite. Vein walls and minerals are stickensided, indicating post veining movement.						Zns	50632	60.0	61.0	1.0	100	< 5	0.1	90

GERLE GOLD LTD.
DIAMOND DRILL RECORD

HOLE NO. DDH 88-2 PAGE 12 OF 15

FLAG	METRES from to	DESCRIPTION	ALTERATION				SULPHIDES %Py %Sp	SAMPLE No.	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Au ppb	Ag -oz/ton 0.011	Cu Ag ppm
			Q	Carb	Chl	Ser			Ox	from							to
		are pseudomorphed by epidote. A few epidote grains have amphibole outlines. Hematite in the fracture veins.														
		N.8. This is the first appearance of epidote.														
		Note: Because of the darker green of the matrix I would call this an andesitic tuff starting possibly at 70.6 and definitely by 72. But the colour may be an alt. effect.														
		72.1: 10cm intense bleaching adjacent to a calcite vein.														
		72.1-76.4: med. to dark green, propylitized crystal tuff with intensely bleached sections adjacent to calcite (with or without qtz and hematite) veins. Some feldspar grains simply cloudy, some are creamy due to strong sericitization and some are pseudomorphed by epidote.						50644	72.0	73.0	1.0	85	<5	0.1		50
		bleached sections as follows: 72.9-73.2: 1cm vein of calcite, qtz and hem at 73.0 35 deg to C.A.														
		73.3-73.4: calcite-qtz veins with minor py 1re 60 and 45 to C.A.						50645	73.0	74.0	1.0	95	<5	0.1		70
		73.5-73.6: veins 40 and 70 to C.A.														
		73.7-73.9: 1cm vein 65 to C.A.														
		74.3: 5cm bleached thin vein.														

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DIAMOND DRILL RECORD

HOLE NO. DJH 88-2 PAGE 13 OF 15

FLAG	METRES		DESCRIPTION	ALTERATION			SULPHIDES			SAMPLE No.	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Au ppb	Ag oz/ton	Cu Ag ppm
	from	to		Q	Carb	Chl	Ser	Ox	%Py		%Cp	from							to
			74.4: 5cm bleached thin vein.									74.0	75.0	90	<5		0.1	50
			75.2-76.0: several 0.5cm and many thin veins 30 to 45 to C.A. Veins are graphitic and carry minor py.									75.0	76.0	90	<5		0.1	50
			76.4-80.4: green chloritization and sericitization with superimposed pervasive hematite alteration on which there is superimposed bleaching. The character of alteration is:															
			1) green chlorite-sericite alteration; includes cloudy alteration of some feldspars, opaque creamy alt (strong sericitization?) of others, but no epidote.															
			2) hematite alteration; involves growth of extremely f-gr. hematite in matrix, feldspars and amphiboles. Hematization appears not to be related to fracturing or veins as is the bleaching. (Possibly hematization was a deuteric effect and only appears to be superimposed on chloritization).															
			3) bleaching as described previously.															
			veins from 76.4-80.4 form form 1-2% of core and occupy same sets of fractures as higher in hole. Thicker veins at:															
			76.2: 1cm in new zone, minor bleaching; 45 to C.A.									76.0	77.0	100	<5		0.1	130
			76-4: 1cm as at 76.2; 45 to C.A.															
			77.3-77.8: bleached zone with several veins 45 and 30 to C.A.									77.0	78.0	100	<5		0.1	50

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DIAMOND DRILL RECORD

HOLE NO. DDH 88-2 PAGE 14 OF 15

FLAG	METRES		DESCRIPTION	ALTERATION			SULPHIDES			SAMPLE No.	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Au ppb	Ag -oz/ton PPM	Cu Ag ppm
	from	to		O	Carb	Chl	Ser	Ox	%Py		%Cp	from							to
			78.7: 20cm bleached zone with 8mm calcite-qtz vein carrying about 0.5 to 1% very fine py and specs of py.							x	x	78.0	79.0	100	<5		0.1	370
			78.8: 20cm bleach zone around veins 45 and 20 to L.A.															
			78.9-79.6: bleached zone around several veins carrying minor f-gr, py and a spec of cp at 78.95. Very intense bleaching for 10cm at 79.5							x	x	79.0	80.0	95	<5	0.2	90	
			80.0-80.4: partially bleached zone toned by coarsening bleach zones adjacent to numerous small veins.															
			80.4-81.0: intense bleaching has produced a blotchy light grey rock. Alteration includes stitification as well as qtz-calcite veining. Central gouge zone at 80.8 zone carries 0.1% very f-gr, py and a number of small specs of cp. At 80.9 is a coarse blob of bornite and cp 2cm long.							x	x	80.0	81.0	95	<0.002	<0.1	160	
			How many of the tiny black specs or flakes I have assumed are tarnished bornite or chalcocite?															
			81.0-83.3: green chloritized and sericitized crystal left with patchy weak pervasive hematite alteration and local superimposed bleaching.									81.0	82.0	97	<5	0.1	50	
			82.2: possible bornite or sooty chalcocite and intergrown cp in qtz vein.							x		82.0	83.0	75	<5	0.1	140	
												83.0	84.0	110	<5	0.1	60	
												84.0	85.0	90	<5	0.1	50	

**GERLE GOLD LTD.
DIAMOND DRILL RECORD**

HOLE NO. DM-88-3 PAGE 1 OF 10
PROPERTY: SNOWELAKE

LOCATION 204+06N, 190+87.5E
AZIMUTH: 065

DIP: -44.5 LENGTH: 118m ELEVATION: Approx 1000m CLAIM NO.: SnowLake 7 (B-Group)
(similar to DM 86-1 and 87-1)
STARTED: June 25, 1988 CORE SIZE: NO DATE LOGGED: June 26, 1988 SECTION:
COMPLETED: June 29, 1988 DIP TESTS: at 118m: -51 LOGGED BY: M. Spitzeringale

PURPOSE: To drill IP anomaly 'A' located here.

FLAG	METRES		DESCRIPTION	ALTERATION			SULPHIDES		SAMPLE No.	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Ag ppm	Cu Ag ppm	
	from	to		0 Carb	Chl	Ser	Ox	%Py		%Cp	from						to
	0	17.1	CASING:														
	17.1	19.7	ANDESITIC XYLE TUFF: med grey, f-gr. 60% feldspar, 20% amphibole, 20% matrix. No py. There was 0.5% finely disseminated magnetite, but its now altered to hematite. Alterations: feldspars sericitized (cloudy); amphibole altered to hematite! Slight limeyness probably due to calcite from alt. of plagioclase. Weathering has produced hematite in the matrix. 19.1-19.7: matrix is largely hematitic. Can't tell if hematite is an alteration product or if matrix was derived from subaerial hematitic flows. Veining: hairline to 5mm thick calcite (with or without qtz, calc and chlorite) form 5% of core. Tiny grains of hematite pseudomorphous after magnetite occur along vein margins just as py occurs in other holes. Was py replaced by magnetite, or was magnetite the primary vein mineral? I think pyrite was replaced by magnetite here and in matrix.							50657	17.1	18.5	1.4	65	45	0.1	20
										50658	18.5	20.1	1.5	75	45	0.1	270

**GERLE GOLD LTD.
DIAMOND DRILL RECORD**

FLAG	METRES		DESCRIPTION	ALTERATION			SULPHIDES		SAMPLE No.	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Au ppb	Ag oz/ton PPM	Cu-Ag ppm
	from	to		0	Carb	Chl	Ser	Ox		%Py	%Cp							from	to
			generally absent from veins, although vein at 26.2 carries 0.5% py.								24.5	26.0	87	<5	0.1	60	
											26.0	27.5	89	<5	0.1	130	
	28.1	56.0	RED AGGLOMERATE: colour of matrix changes from green to red at about 28.1m.								27.5	29.0	100	<5	0.1	30	
			28.0-29.0: proportion of matrix increases from about 20% to about 40% and the fragments clearly become unsupported by 3m. Fragment size very unsorted, ranging up to 5cm or more. Frags vary from rounded to angular. No py, but rock is magnetic.														
Int			The red (hematite) matrix probably reflects subaerial deposition.														
			Alteration: sericitization of feldspars, chloritization (?) of some feldspars, and mafics replaced by hematite. Adjacent to a few fractures there are aureoles, bleaching which is strong sericitization and chloritization; minor epidote in some. Note general absence of epidote.														
			Veins: generally less than 1% of rock. Composition and form same as above. Most have no sulphides except for:								29.0	30.5	73	<5	0.1	10	
			29.5: less than 1% very fine-gr. py.								30.5	32.0	100	<5	0.1	10	
			33.7: vein fragments in dx zone, less than 0.5% py.														
			34.0: vein fragments in dx zone, less than 0.5% py.								32.0	33.5	90	<5	0.1	10	
			A few veins contain kaolinite? e.g. at 31.7.								33.5	35.0	55	<5	0.1	10	
			29.3: 5cm bx; minor fault.								35.0	36.6	38	<5	0.1	10	

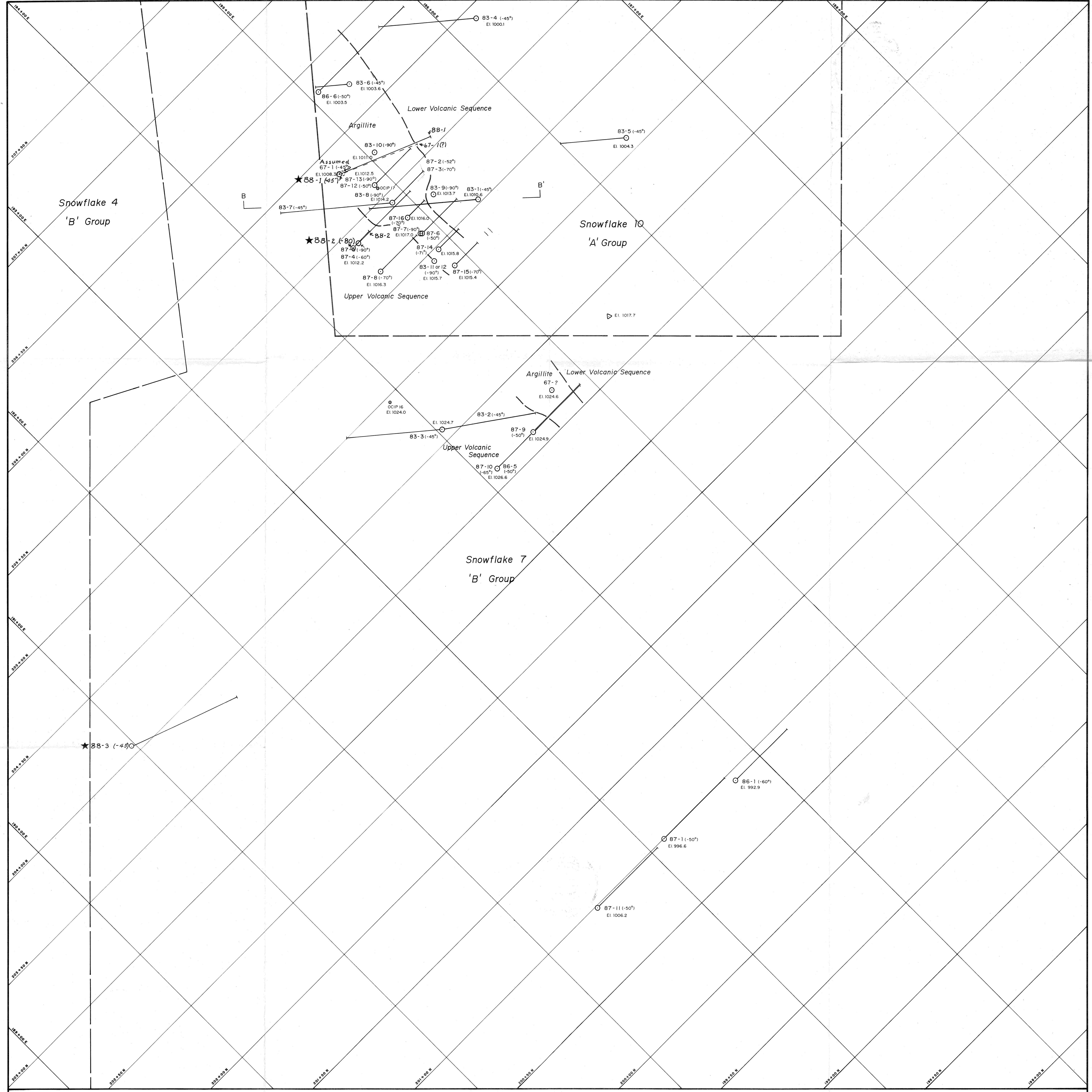
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DIAMOND DRILL RECORD

HOLE NO. DDI 88-3 PAGE 4 OF 10

FLAG	METRES		DESCRIPTION	ALTERATION			SULPHIDES			SAMPLE No	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Ag ppb	Au ppm	Ag ppm
	from	to		Q	Carb	Chi	Ser	Ox	%Py		%Cp	from							to
Fit			30.0-30.7: gouge and bx; bleached. A strong fault zone. A few vein frags.							50670	36.5	39.2	2.6	15	15	0.1	10	
			31.0: lcn gouge 60 to C.A. minor fault.							50671	39.2	40.5	1.3	85	<5	0.1	10	
			33.5-33.7: bx and gouge; minor fault.							50672	40.5	42.0	1.5	73	<5	0.1	10	
			34.0: scm gouge and bx; minor fault.															
Fit			34.1-39.2: gouge and bx, poor recovery; major fault zone; a few vein frags.															
			39.4: lcn gouge 40 to C.A.; minor fault.															
			41.1: lcn gouge 40 to C.A.; minor fault.															
			42.1: lcn bx; minor fault.															
Fit			42.3-51.0: mainly bx and gouge. Red matrix is bleached adjacent to some, but not all veins and gouge zones.															
			Pale grey or green kaolinite? (or some clay mineral alteration) is abundant in some gouge zones.															
			Veins in this interval (42.3 to 51.0) comprise about 5% of the core. Many are fragmented by the bx. They have the same general orientation as higher in the hole. N.B. Veins containing mainly qtz are common. Sulfides absent except for small patches of sooty py and cp between 42.5 and 47.7. These were deposited in micro-fractures in qtz veins. This py has a distinctly different habit							50673	42.0	43.8	1.8	53	<5	0.1	10	
										50674	43.8	45.3	1.5	80	<5	0.1	10	
										50675	45.3	46.9	1.6	59	<5	0.1	10	
										50676	46.9	48.2	1.3	66	<5	0.1	10	
										50677	48.2	50.0	1.8	75	<5	0.1	10	
F.D.										50678	50.0	51.5	1.5	60	<5	0.1	10	

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DIAMOND DRILL RECORD

FLAG	METRES		DESCRIPTION	ALTERATION			SULPHIDES			SAMPLE No	INTERVAL		LENGTH Metres	% Recovery	Au oz/ton	Au ppb	Ag -ashbr ppm	Cu-Ag ppm
	from	to		Q	Carb	Chl	Ser	Or	%Py		%Cp	from							to
			Vein frags contain minor py at: 64.8 65.8 to 66.1 66.8															
	67.3	118.0	RED AGGLOMERATE: similar to 28.1 to 56.0. Green intervals from 86.5 to 88.0, 91.3 to 91.7, 103.0 to 103.5 and 107.0 to 108.0. Total py in these intervals (including vein py) is less than 0.5%. 57.4 57.4: ZGM gouge. 67.9: ZGM gouge. 88.1-88.8: bx, core lost.															
			Alteration: bleaching adjacent to some veins. Faint pervasive (but variable) bleaching from 85.5 to 86.5 and 91.7 to 118.0. Certain fragments are more bleached than the matrix.															
F11			70.6-78.8: major zone of gouge and bx. Rock fragments are moderately to strongly bleached. Vein material comprises 5 to 10% of the frags. Vein frags contain sooty py and specs of cp from 72.7 to 73.5 and minor sooty py from 72.4 to 78.0.								50691	69.8	72.0	2.2	25	<5	0.2	480
											50692	72.0	73.5	1.5	83	35	0.1	40
									x		50693	73.5	75.0	1.5	93	<5	0.1	30
											50694	75.0	76.5	1.5	67	<5	0.1	10
F12			80.2-88.7: major gouge and bx.								50695	76.5	78.0	1.5	76	<5	0.1	10
			81.4: 2cm gouge, slips 45 to C.A.								50696	78.0	79.5	1.5	69	<5	0.1	10
			82.0-82.2: gouge and bx, slips at 40 to C.A.								50697	79.5	81.0	1.5	65	<5	0.6	20

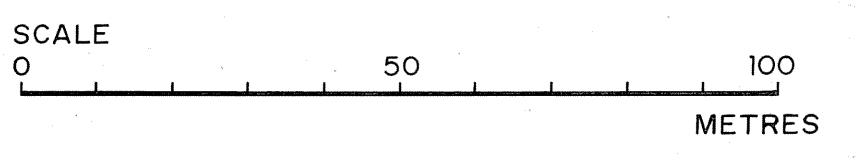


Note: All elevations are relative. OCIP 16 elevation established by altimeter.

GEOLOGICAL BRANCH
ASSESSMENT REPORT

18,019

- 87-16 (-70°)
El 1016.0 Diamond drill hole location, showing hole number, dip and elevation in metres
- ★ 88-1 (-45°) 1988 Diamond drill hole.



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SNOWFLAKE PROPERTY		NICOLA M.D., B.C.	
DIAMOND DRILL HOLE PLAN			
<small>W.G. SMITHERINGALE & ASSOCIATES LTD. MODIFIED FROM I.M. WATSON & ASSOCIATES LTD. (May 1988, DWG 41)</small>			
SCALE	DATE	NTS No.	FIG No.
1 : 1000	July 27, 1988	92H/15E	2