ARIS SUMMARY SHEET

District Geologist, Smithers Off Confidential: 89.10.03

ASSESSMENT REPORT 18058 MINING DIVISION: Omineca

PROPERTY: Hidden Valley
LOCATION: LAT 54 54 00 LONG 127 52 30
UTM 09 6084027 572144
NTS 093L13W
CLAIM(S): Hidden Valley 1
OPERATOR(S): Kookaburra Gold
AUTHOR(S): Nebocat, J.
REPORT YEAR: 1988, 37 Pages
COMMODITIES
SEARCHED FOR: Copper,Molybdenum/Molybdenite,Gold,Silver,Lead
GEOLOGICAL
SUMMARY: Jurassic intermediate volcanics are intruded by a pyritiferous monzonite and feldspar porphyry measuring 2.5 kilometres in length by 1 kilometre in width. A later stage quartz monzonite stock intruded the volcanics and porphyry, veining it with quartz, calcite and locally barite. Chalcopyrite, molybdenite and pyrite represents early stage mineralization, and galena, sphalerite, arsenopyrite and pyrite accompanied intense silicification during a later stage. Precious metals appear to be associated with the later stage.

WORK
DONE: Geological,Geochemical
GEOL 400.0 ha
ROCK 50 sample(s) ;ME
SILT 14 sample(s) ;ME
SOIL 45 sample(s) ;ME
MINFILE: 093L 076

GEOLOGICAL & GEOCHEMICAL REPORT

ON THE HIDDEN VALLEY 1 CLAIM

Omineca Mining Division

Latitude: 54° 54' North
Longitude: 127° 52.5' West

NTS: 93 L/13W

by

John Nebocat

October 7, 1988

Owner: Charles Kowall

Operator: Kookaburra Gold Corporation

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Appendices

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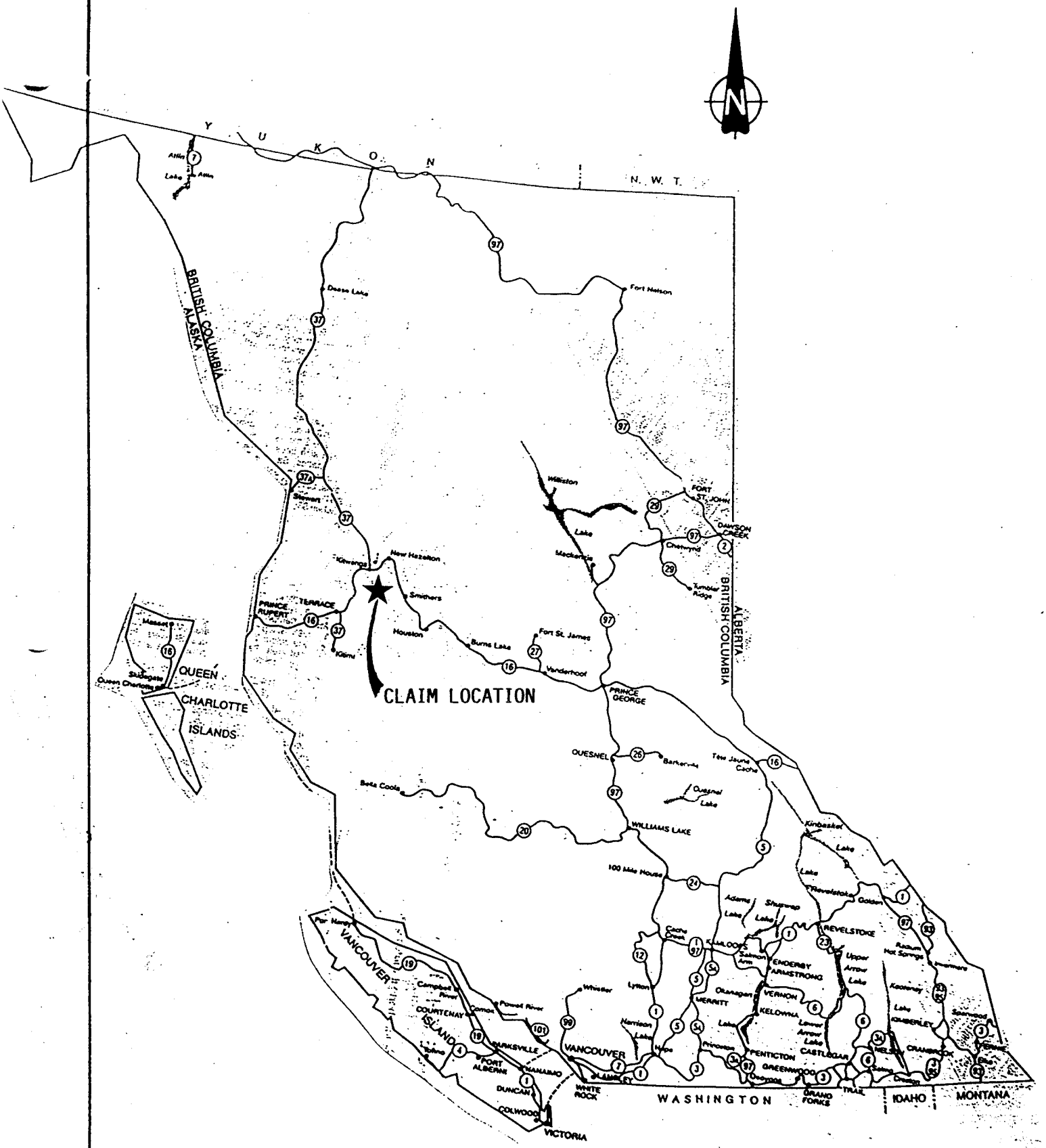
INTRODUCTION

The **Hidden Valley 1** claim is situated on NTS map sheet 93L/13W, 48 km WNW of the town of Smithers, B.C. and is accessible by helicopter from there or from the end of the Hankin Lake logging road, about 18 km east of the property. The claim is centered on a north facing hanging valley draining into the headwaters of the west fork of Kitsuns Creek.

Relief on the property is steep and ranges from 3500 ft. ASL (1067 m) to 6500 ft. ASL (1982 m) between the NE and SW corners of the claim (see Figure 2).

Most of the claim sits above the treeline, hence, vegetation is typified by tundra-type balsam, heather and various alpine flora; larger timber, including balsam, spruce and hemlock occurs below the treeline. Snowfields last year round in some of the northerly facing slopes, and an alpine glacier feeds Kitsuns Creek at the SW corner of the claim.

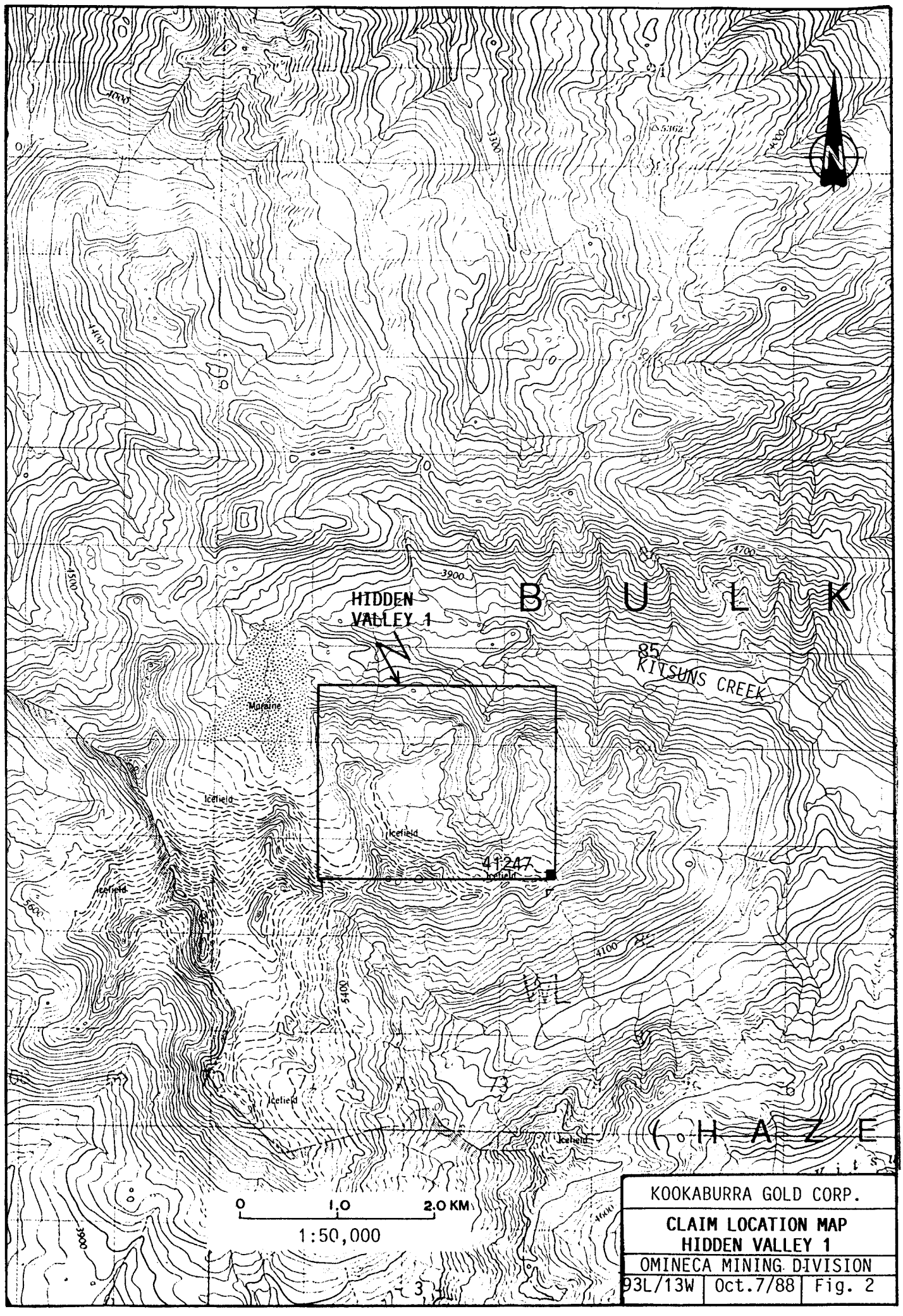
The property was originally discovered and staked by **Amax Exploration** in 1964; after a program of geological mapping and soil sampling, the ground was allowed to lapse. **Mastadon Highland Bell Mines Ltd.** "rediscovered" the property in 1967 and performed geological, geochemical, magnetic and induced polarization surveys, did hand trenching and drilled one 600 ft. hole between 1967 and 1968. The property was subsequently optioned by **Pechiney Development Ltd.** in 1970. They drilled 2595 ft. in 7 holes in various locations on the claim as well as additional detailed geological mapping, fill-in soil sampling between previously established grid lines and minor petrographic work. **Pechiney** returned the property to **Mastadon Highland Bell** after which the claims were allowed to lapse. The ground has been restaked at various times, details are not available to the author. The **Hidden Valley 1** claim was staked by Charles Kowall in September, 1987, who vended the property to **Kookaburra Gold Corp.** in July, 1988.



KOOKABURRA GOLD CORP.

INDEX MAP
HIDDEN VALLEY 1

Date: Oct. 7/88 Fig. 1



KOOKABURRA GOLD CORP.		
CLAIM LOCATION MAP HIDDEN VALLEY 1		
OMINECA MINING DIVISION		
93L/13W	Oct.7/88	Fig. 2

Kookaburra Gold Corp. performed work on the **Hidden Valley 1** claim during July 11-19 and Sept. 7-9, 1988. An area of 2 km^2 was mapped at a scale of 1:10,000, and soil, silt and rock samples were collected.

The purpose of this work was to test if a porphyry-type deposit, previously explored for Cu and Mo, could host a precious metal deposit.

The status of the claim is as follows:

Record Date	Record No.	No. of Units	Expiry Date
October 5, 1987	9009	20	October 5, 1991

GEOLOGY

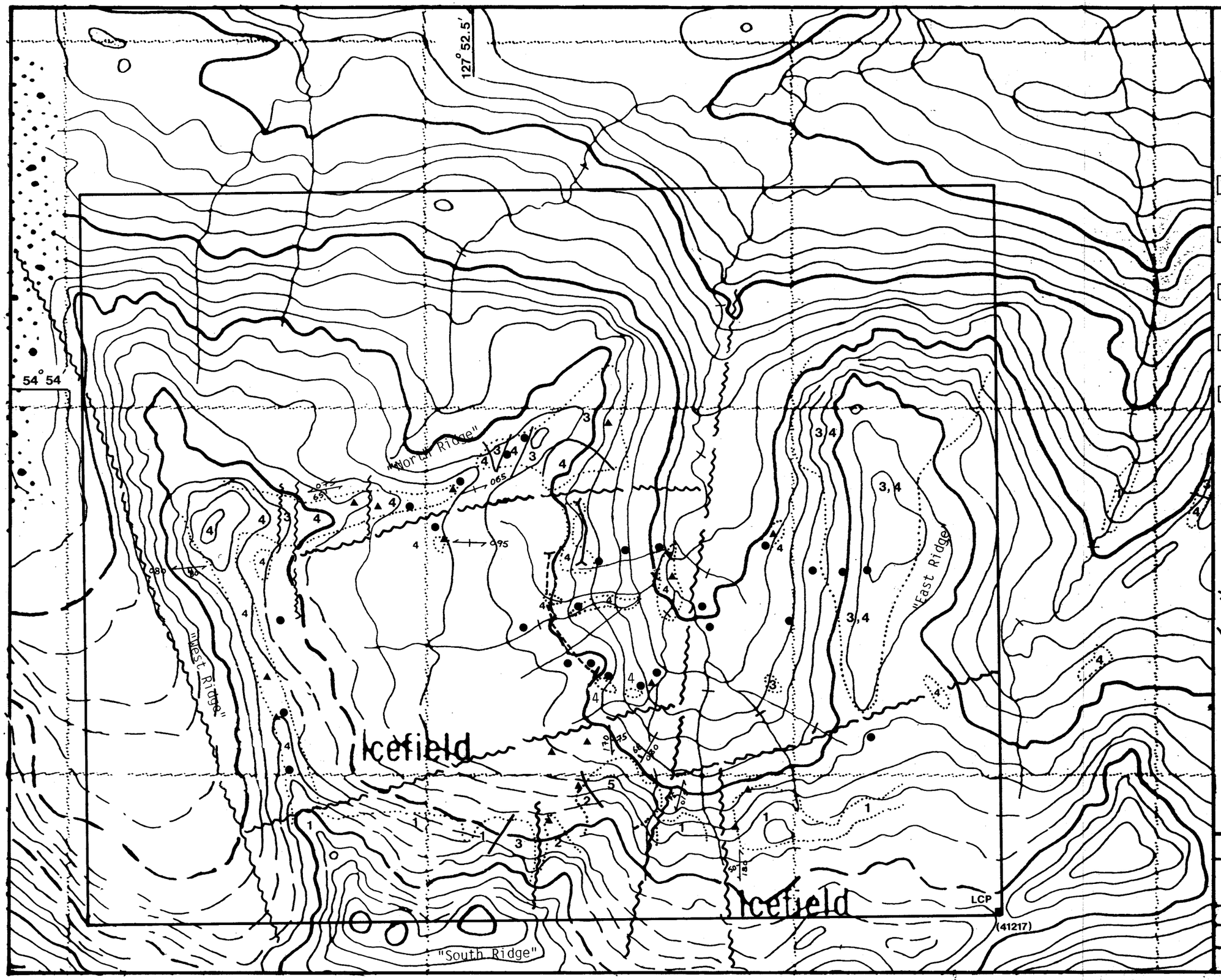
Regional Geology

The GSC map (O.F. 351) shows the property to be underlain by the Upper Jurassic **Netalzul Volcanics** of the **Bowser Lake Group,** comprised of intermediate to mafic flows, breccias and tuff. These in turn are intruded by the late Cretaceous **Bulkley Intrusions** described as porphyritic granodiorite and quartz monzonite. Large block faults trending NW, NE and E-W dissect the ground.

Property Geology

The detailed geology is shown in **Figure 3,** following. In general, our interpretation differs not too much from that of previous companies, but a few poignant differences are evident.

The main intrusive mass was previously mapped as a phased intrusion ranging in composition from diorite to syenite, but petrographic work done by **Pechiney** revealed that the rock was mainly a feldspar porphyry showing varying degrees of alteration. The author concurs with the latter interpretation, and supported by the petrographic data has classified the intrusion as a monzonite with subtle phase changes to plagioclase feldspar porphyry.



LEGEND

? CRET. – TERT. ?

5 QUARTZ MONZONITE

L. CRET.

4 MONZONITE ; FELDSPAR PORPHYRY

M. JUR. – HAZELTON GROUP

3 HORNFELS

2 SILICIC BRECCIA, POSS. VOLCANIC

1 ANDESITIC FLOWS, AUTO – BRECCIA

80 / 075 CLEAVAGE ; FOLIATION

OUTCROP

TRENCH

SOIL SAMPLE LINE

SILT SAMPLE

SOIL SAMPLE

ROCK SAMPLE

0 100 250 500 m

CLAIM LOCATED WITH TOPO. MAP

KOOKABURRA GOLD CORP.

HIDDEN VALLEY 1 CLAIM GEOLOGY

OMINECA MINING DIVISION

93L-13	1:10,000	OCT. 7, 1988
		Figure 3

The stock, within the limits of our mapping, extends up to 2.5 km E-W and up to 1 km N-S. A strong cleavage imparted on the monzonite/feldspar porphyry and trending 070°/vertical to steeply SE may reflect the long dimension of the stock during emplacement. This trend is at least partially fault controlled.

The monzonite/feldspar porphyry stock is intensely pyritized, and the volcanics which it intrudes have been hornfelsed and mineralized with disseminated pyrrhotite and pyrite. Most of the volcanics occupy the high ridge along the southern border of the claim and along the steeper ridges facing Kitsuns Creek to the north. East of the hanging valley the intrusive is intimately intercalated with hornfels. Previous mapping suggests that this ridge is underlain by felsic tuffs, but the author feels that these are very light coloured, bleached and pyritized flows and/or tuffs of the andesite described above.

A previously unrecognized siliceous stock of nominal quartz monzonite composition outcrops in the cirque at the head of the hanging valley. Bluish quartz eyes dot the buff to pinkish coloured rock which is pervasively carbonatized and laced with N-S trending shears occupied by quartz/calcite ± siderite ± barite veins. The quartz phenocrysts make the rock stand out as an intrusive rather than an altered felsic volcanic. In addition, this stock is laced with greyish-white, banded chalcedonic quartz veins that resemble chert. They are sinuous, range from a few mm to 10's of cm in thickness and occupy various fracture sets; however, a common trend is 030°/65°NW. Cavities in the centers of these veins are filled with tiny quartz crystals, and minor chalcopyrite and malachite was seen in them locally.

Adjacent to and in contact with the quartz monzonite to the SW occurs a similar weathering and altered buff coloured rock that is brecciated, siicified and locally pyritized. It appears to be a felsic volcanic; however, in view of its spatial setting to the hypersiliceous stock, this is probably an intrusive or tectonic breccia along the margin of the stock.

The quartz/calcite ± barite veining seen in the stock occurs in this unit as well.

Structure

The GSC map, Open File 351, shows the **Hidden Valley 1** claim bounded by three major faults forming a triangular block; these and other fault directions are noted on the property.

The most obvious structural trend is one ranging from 060° to 080° with steep NW to SE dips. A strong cleavage is imparted throughout the monzonite/feldspar porphyry parallel to the trend described above, but it is most pronounced on the "north ridge" near the contact with the hornfels and along the "west ridge". Offsets along this trend occur just south of the "north ridge", separating it from the "plateau" on which the trench is located, and along the base of the steep "south ridge" underlain by intermediate to felsic volcanics and the quartz monzonite.

A major NW-trending fault, one mapped by the GSC, exists along the western boundary of the claim and forms a steep scarp, the base of which is occupied by a glacier.

A NE-trending fault is mapped by the GSC east of the claims. Our mapping did not completely cover this area to confirm it, but a parallel fault is believed to occupy the hanging valley in the center of the claim. This fault is believed to post-date the ENE faults described previously, and the "east ridge" appears to be down-dropped relative to the western block. The fault outcrops in the cirque to the south where an attitude of 015°/75°NW was measured along slickensides. Altered quartz monzonite is separated from relatively unaltered andesitic agglomerate across this break.

North-south faulting is seen trending from 010° to 160° with dips ranging from 50°W to vertical. A fracture set subordinate to the ENE trend occurs throughout the monzonite/feldspar porphyry and quartz monzonite, but it may be older than the "N-S" faults.

Quartz/calcite $\pm$ siderite veins are common in the quartz monzonite stock and along some major shears in the andesite and in the monzonite along the "north ridge". At one site on the "south ridge" occurs a 1.5 m thick quartz monzonite dyke occupying a N-S fault dipping 55°W. Quartz/calcite veins parallel the contact and quartz stringers

emanate for ½ to 1 m into the andesite at right angles to the dyke. Minor carbonatization of the andesite is noted, and traces of chalcopyrite, malachite and ?arsenopyrite? were seen in the dyke.

An east-west fracture/fault set with near-vertical dips is seen in the trench dug in 1967 (see Figure 11). These fractures host quartz and magnetite stringers throughout. A subordinate set trends $150^{\circ}/65^{\circ}$ + SW. The ENE-trending fault sets exist alongside the east-west fractures and appear to be later. The older sets parallel the major faults mapped by the GSC to the north and west of the claims.

Pechiney Development Ltd. identified 5 fault orientations, and the author concurs with most of their observations.

Mineralization and Alteration

The most striking feature on the claims is the vivid colour anomaly seen throughout most of the monzonite/feldspar porphyry and adjacent hornfels. Up to 3% disseminated pyrite is scattered throughout the rock, but most of the fractures are coated with limonite, presumably after weathered sulphides. Pyrrhotite occurs in a fresh looking feldspar porphyry on the summit at the junction of the "west" and "north" ridges and in the hornfelsed volcanics.

The most significant mineralization observed in outcrop, so far, is in the trenched outcrop where chalcopyrite, malachite, azurite and molybdenite occur (Figure 11). Chalcopyrite and molybdenite occur within fractures or quartz veins trending east-west, but the grade of Cu and Mo mineralization is sub-economic. Away from the central "core" of mineralization (roughly 40 m wide) mineralization and quartz veining dissipates rapidly. Argillic, sericitic and minor potassic alteration was seen in the mineralized zone, while chlorite, and magnetite is more common along the fringes.

In the creek, 500 ft. below the trench, an intense quartz stockwork system cuts altered monzonite over a 200 m width and occurs in smaller isolated outcrops to the south and west. The veins trend several directions, but a preferred east-west to ENEorientation is evident. Sulphide mineralization is not as strong as in the trench, but galena and

sphalerite occurs here as well as chalcopyrite, pyrite and molybdenite (see sample #2550, Figures 4-10). Elevated silver and gold values were also obtained from this site: 12.3 ppm and 480 ppb, respectively.

Well mineralized float occurs in a morraine beneath the volcanics and quartz monzonite on the "south ridge". Galena, sphalerite, chalcopyrite, arsenopyrite and pyrite were seen in quartz veins, siliceous volcanics, silicified breccia and an intermediate tuff (samples 2541-5 & 2401-6). So far, only the silicic breccia was found in outcrop, the other units are believed to originate higher up on the slope. Galena, sphalerite, chalcopyrite and up to 5% disseminated pyrite was noted in float and outcrop; the highest precious metal values obtained from outcrop are 11.7 ppm Ag and 1260 ppb Au over a 2.0 m interval (see sample #'s 2373-2376, Appendix II, and Figures 4-10). Elevated previous metal values appear to correlate with galena and sphalerite more so than with chalcopyrite.

Late stage drusy, chalcedonic and boxwork-textured quartz $\pm$ calcite $\pm$ barite veins exist throughout the monzonite and hornfels, particularly along the "north ridge". They also appear to be confined primarily to the ENE-trending fault zones, though some occur in the E-W shears too. Aside from pyrite, some chalcopyrite, malachite and arsenopyrite was observed, but no galena or sphalerite. Sericite alteration is common in these veins.

GEOCHEMISTRY

Procedures

A total of 50 rock, 14 silt and 45 soil samples was collected on the claim.

Soil samples were collected using a mattock and stainless steel trowel from a depth of 10 cm to 20 cm. The "B" horizon is not everywhere developed, and in many cases the "C" horizon was sampled. The samples were placed in kraft paper envelopes. Rock samples, whether grab samples from float or chips taken across measured widths from outcrop, were obtained using a rock hammer and collected in plastic bag.

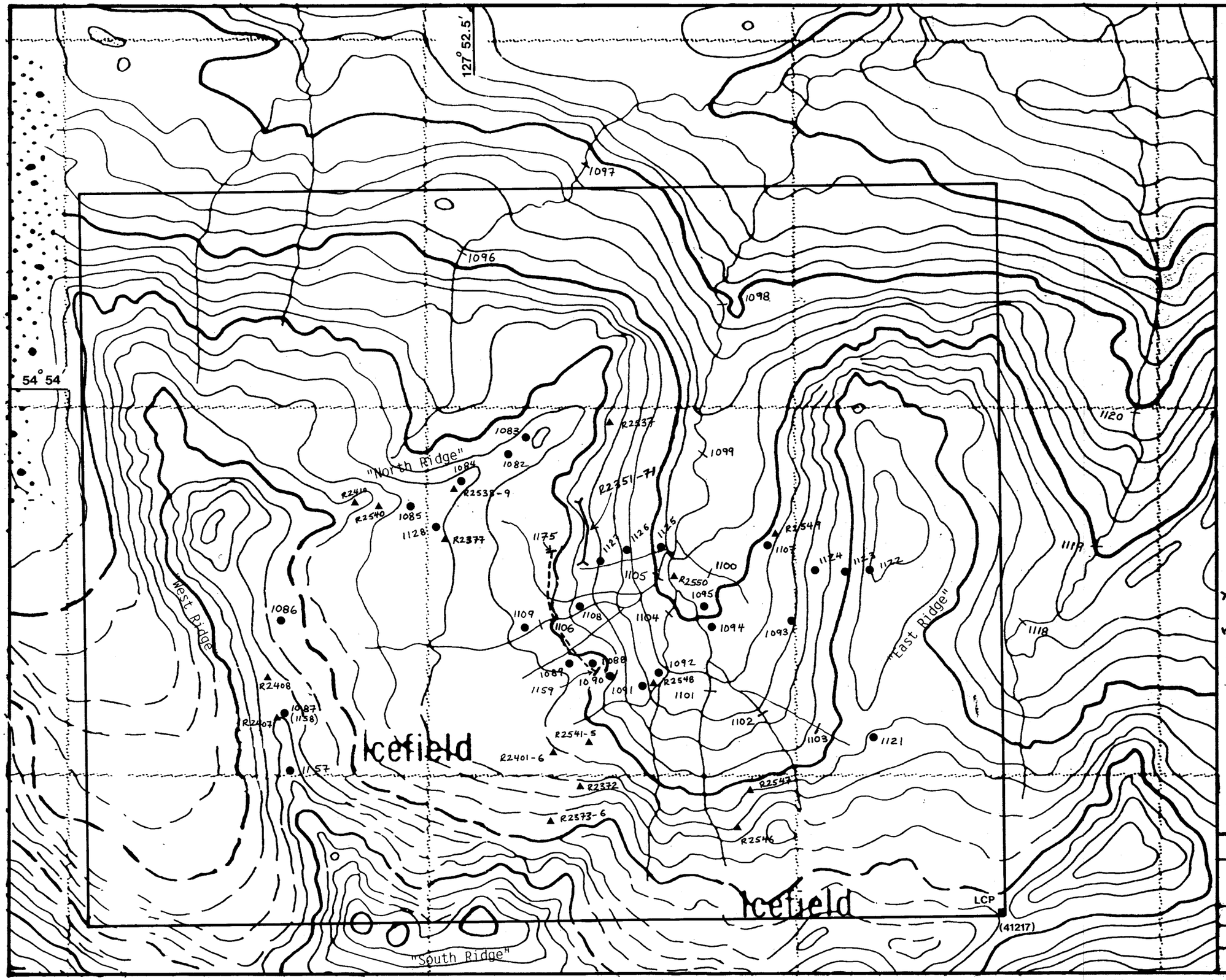
The samples were prepared and analyzed by Min-En Labs of North Vancouver, B.C.

After drying at 95°C soil and silt samples are sieved through an 80 mesh screen. Rock samples are crushed in a jaw crusher and pulverized by a ceramic plated pulverizer to 150 mesh size.

The samples were analyzed for 12 elements (see Appendices I & II) by ICP analysis, and for Au using "wet" and fire assay preparations for silt/soil and rock samples, respectively.

For ICP analysis, a 1.0 g sample is digested for 4 hours with an aqua regia/perchloric acid mixture. After cooling, samples are diluted to standard volume and analyzed by computer operated Jarrall Ash 9000 ICAP or Jobin Yvon 70 Type II Inductively Coupled Plasma Spectrometers.

For Au, a 5.0 g or 10.0 g sample of -80 mesh soil or silt is pretreated with a nitric/perchloric acid mixture. The samples are then digested with aqua regia and subsequently taken up with 25% HCl to suitable volume. Following further oxidation and treatment the Au is extracted using MIBK solution. The solution is analyzed by Atomic Absorption Spectrometry to a detection limit of 5 ppb.



LEGEND

- TRENCH
- SOIL SAMPLE LINE
- SILT SAMPLE
- SOIL SAMPLE
- ROCK SAMPLE

0 100 250 500 m

CLAIM LOCATED WITH TOPO. MAP

KOOKABURRA GOLD CORP.

HIDDEN VALLEY 1 CLAIM SAMPLE LOCATIONS

OMINECA MINING DIVISION

93L-13	1:10,000	OCT. 7, 1988
		Figure 4

Rock sample pulps had a 15.00 g or 30.00 g sample preconcentrated through fire assay techniques followed by the same digestion techniques described above. The solution is analyzed using Atomic Absorption instrumentation to a detection limit of 1 ppb.

Interpretation

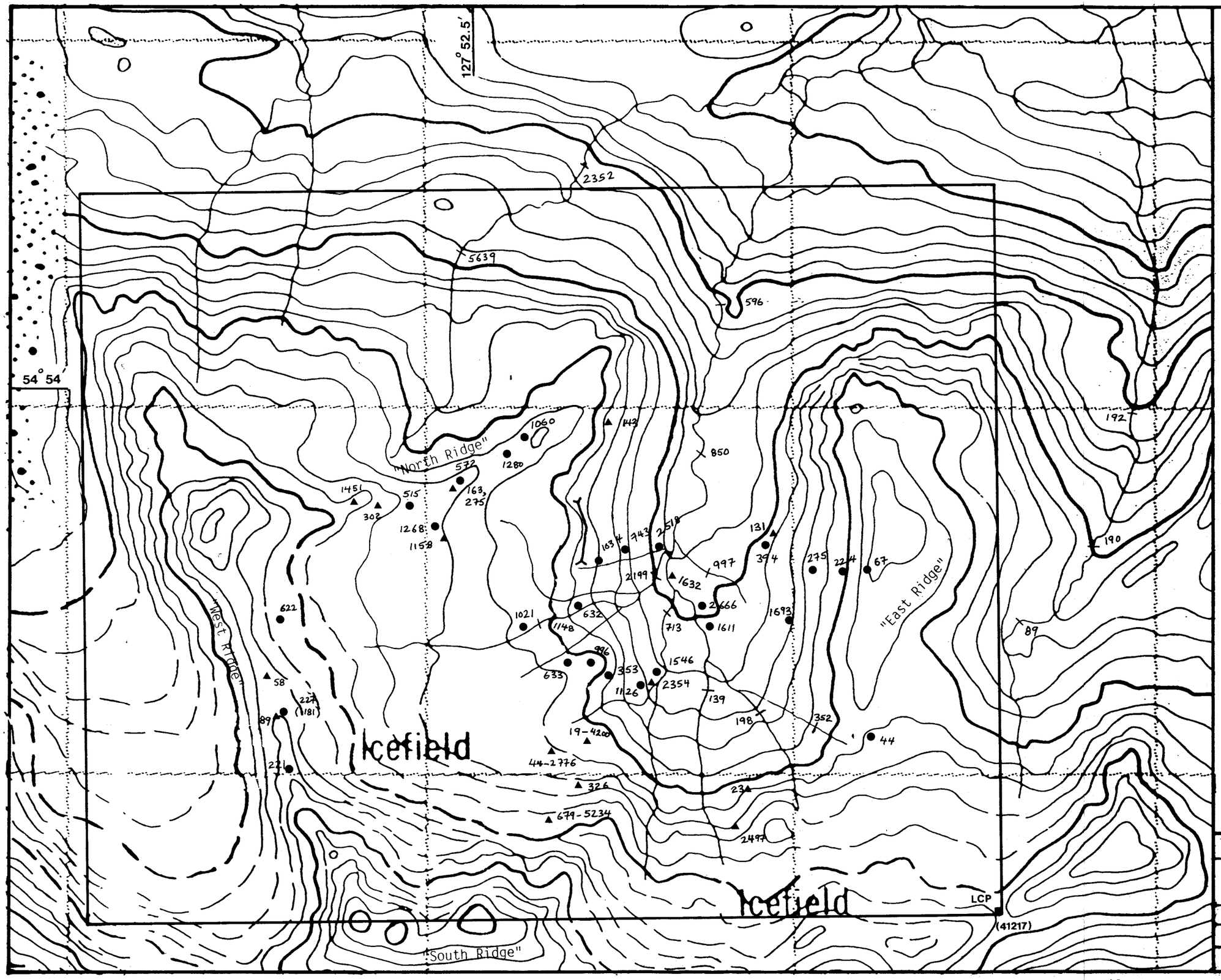
No statistical treatment was performed on the values obtained due to the small number of samples collected and because most of the samples were taken from mineralized areas. The threshold values posted on **Figures 4-11** were selected by visual inspection of the data. Of the 13 elements analyzed, only Cu, Mo, Au, Ag, As and Pb appeared to bear any significant anomalies or correlations with each other.

Copper (Figure 5)

Silt, soil and rock samples all show highly elevated values in the drainage basin of the hanging valley in the center of the claim. The highest values of 2352 ppm and 5639 occur in the small creek draining the ridge near the northern boundary of the claim. This area was not explored by **Kookaburra Gold Corp.**, and no significant mineralization has been documented as occurring in this drainage.

Soil samples were collected from gossanous soil in the vicinity of quartz/carbonate $\pm$ barite veins in which either pyrite, chalcopyrite, malachite or arsenopyrite may have been observed, hence the generally elevated values. The 400 m long line sampled SW of the trench yielded values ranging from 26 ppm to 3044 ppm; the lower values may be partly attributable to thicker overburden (see Appendix I).

Anomalous Cu values are found in various rock/vein types throughout the claim area, particularly at the old trench where continuous but sub-economic values were obtained.



LEGEND

	THRESHOLDS
SILT SAMPLE	300 PPM
SOIL SAMPLE	500 PPM
ROCK SAMPLE	1000 PPM

0 100. 250 500 m

CLAIM LOCATED WITH TOPO. MAP

KOOKABURRA GOLD CORP.		
HIDDEN VALLEY 1 CLAIM COPPER – PPM		
OMINECA MINING DIVISION		
93L – 13	1 : 10,000	OCT. 7, 1988
		Figure 5

Molybdenum (Figure 6)

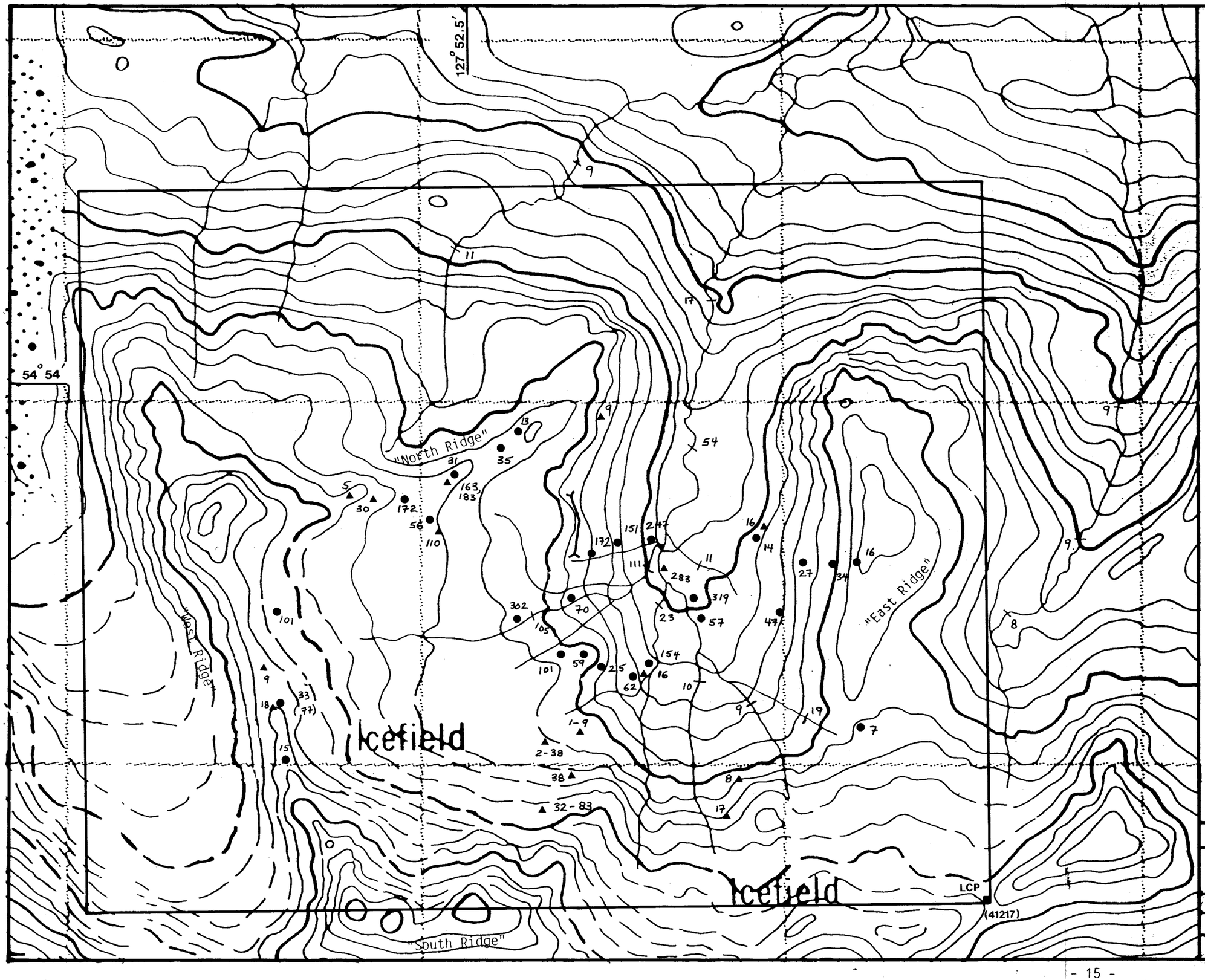
Molybdenum yielded fewer anomalies than Cu did and tends to cluster about the quartz stockwork system seen in the creek south and east of the trench. The highest silt value ran only 54 ppm, just 250 m downstream from the stockwork. A few soil and rock samples collected from quartz veins on the "north" and "west" ridges yielded values of up to 101 ppm and 183 ppm in soil and rock, respectively.

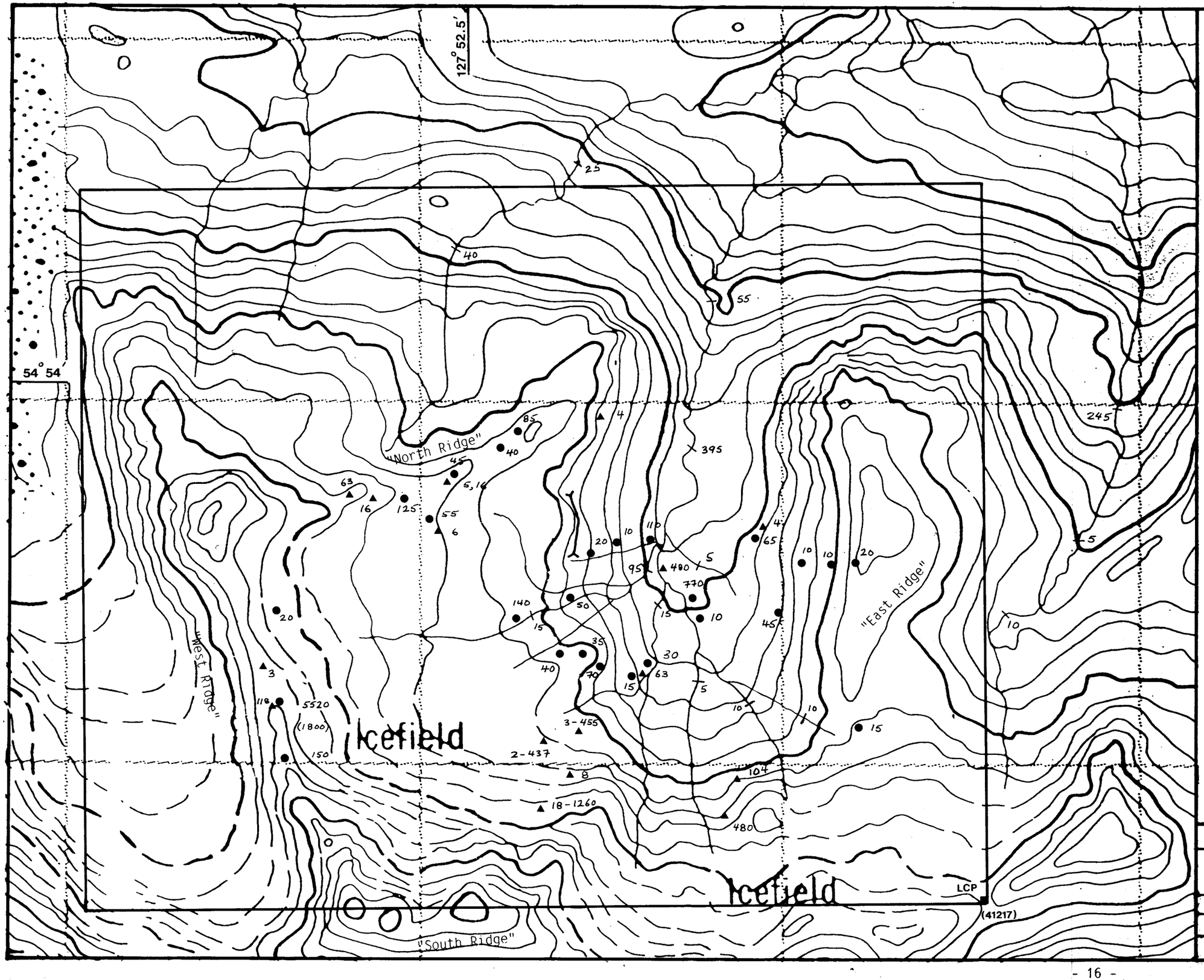
Gold (Figure 7)

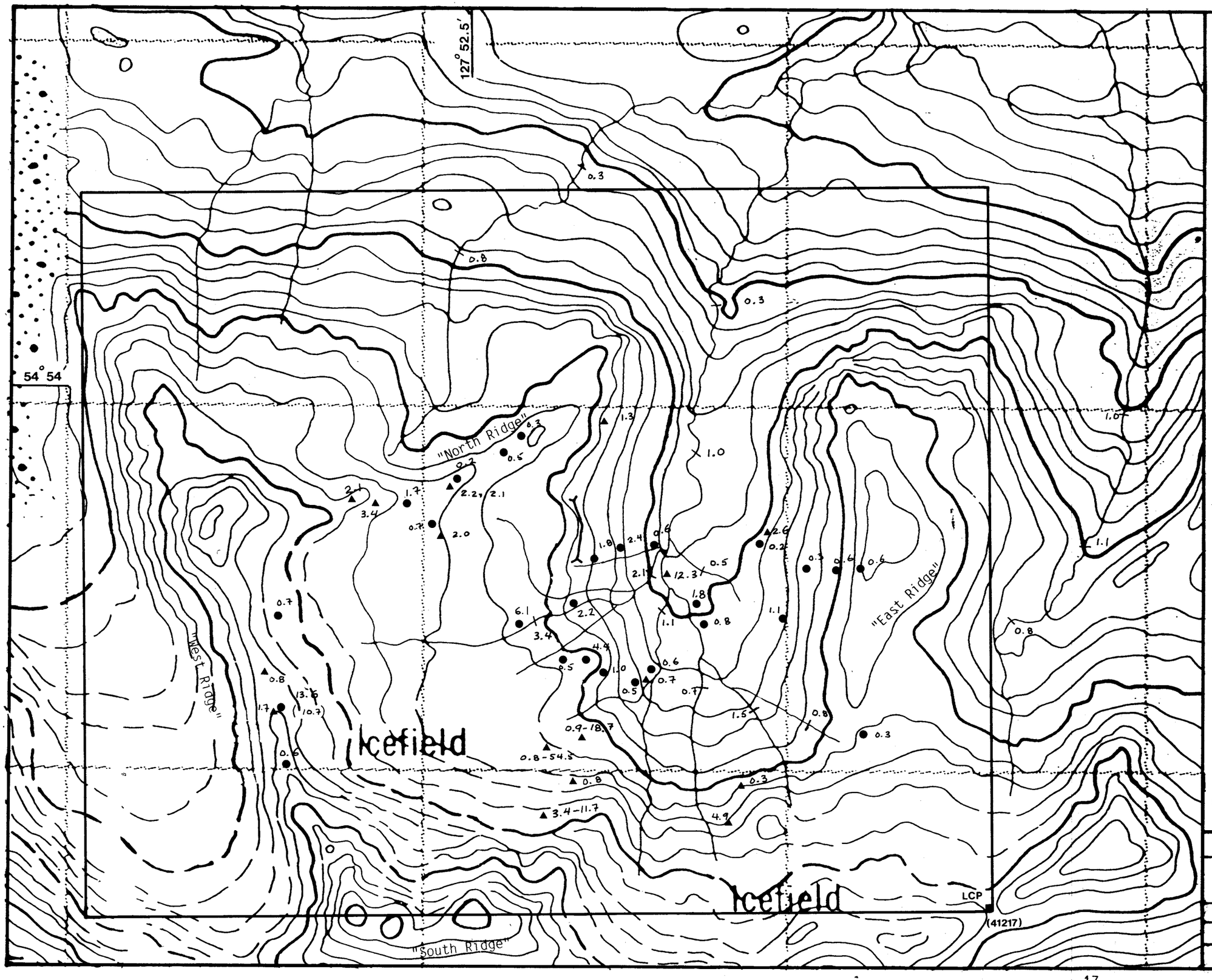
Gold shows a stronger correlation with Cu than with Mo in all three sample media. One notable exception exists on the "west ridge" where a soil sample taken from a shear zone hosting boxwork quartz veins ran 5520 ppb Au and only 227 ppm Cu. A follow-up sample ran 1800 ppb Au and 181 ppm Cu while a rock sample of the vein yielded only 118 ppb Au and 89 ppm Cu. A "nugget" or enrichment effect is suggested by the results of the soil samples; in addition, the poor correlation between Cu and Au suggests that this may be a vein genetically different from others on the claim. Also, Au values from samples taken from the trench were low relative to those collected from nearby veins and from the stockwork zone (up to 480 ppb in rock and 770 ppb in soil). Three samples in the trench (Figure 11) range from 100 ppb to 224 ppb, and they were all collected within or near ENE-trending fault zones.

Silver (Figure 8)

Anomalous Ag values are not as widespread as the Au anomalies, but tend to concentrate around the quartz stockwork zone in the cirque and peripheral to the quartz monzonite stock further south. The highest values ran 1.5 ppm, 13.6 ppm and 54.5 ppm in silt, soil and rock, respectively.


127° 52.5'
54° 54
"North Ridge"
"West Ridge"
"East Ridge"
"South Ridge"
Icefield
Icefield
LCP
(41217)
N
LEGEND
THRESHOLDS
SILT SAMPLE 25 PPM
SOIL SAMPLE 60 PPM
ROCK SAMPLE 100 PPM
0 100 250 500 m
CLAIM LOCATED WITH TOPO. MAP
KOOKABURRA GOLD CORP.
HIDDEN VALLEY 1 CLAIM
MOLYBDENUM – PPM
OMINECA MINING DIVISION
93L-13
1:10,000
OCT. 7, 1988
Figure 6


127° 52.5'
54° 54'
"North Ridge"
"West Ridge"
"East Ridge"
"South Ridge"
Icefield
Icefield
LCP
(41217)
5520
(1800)
2-437
3-455
18-1260
480
395
245
N
LEGEND
THRESHOLDS
SILT SAMPLE 20 PPB
SOIL SAMPLE 40 PPB
ROCK SAMPLE 100 PPB
0 100 250 500m
CLAIM LOCATED WITH TOPO. MAP
KOOKABURRA GOLD CORP.
HIDDEN VALLEY 1 CLAIM
GOLD - PPB
OMINECA MINING DIVISION
93L-13
1:10,000
OCT. 7, 1988
Figure 7



LEGEND

THRESHOLDS		
SILT SAMPLE	1.0	PPM
SOIL SAMPLE	2.0	PPM
ROCK SAMPLE	10.0	PPM

0 100 250 500 m

CLAIM LOCATED WITH TOPO. MAP

KOOKABURRA GOLD CORP.		
HIDDEN VALLEY 1 CLAIM SILVER – PPM		
OMINECA MINING DIVISION		
93L-13	1:10,000	OCT. 7, 1988
		Figure 8

Arsenic (Figure 9)

Arsenic yields very strong anomalies in all three media (XX ppm - XXXX ppm) and shows a strong correlation with Cu and to a lesser extent with Au. Silt samples from the creeks draining the stockwork and the cirque south from it are anomalous--some of these can be explained by arsenopyrite-bearing quartz/calcite $\pm$ barite veins along faults draining into these creeks. However, soil and rock samples collected from and around the stockwork zone, within an area 400 m N-S by 700 m E-W, are also anomalous.

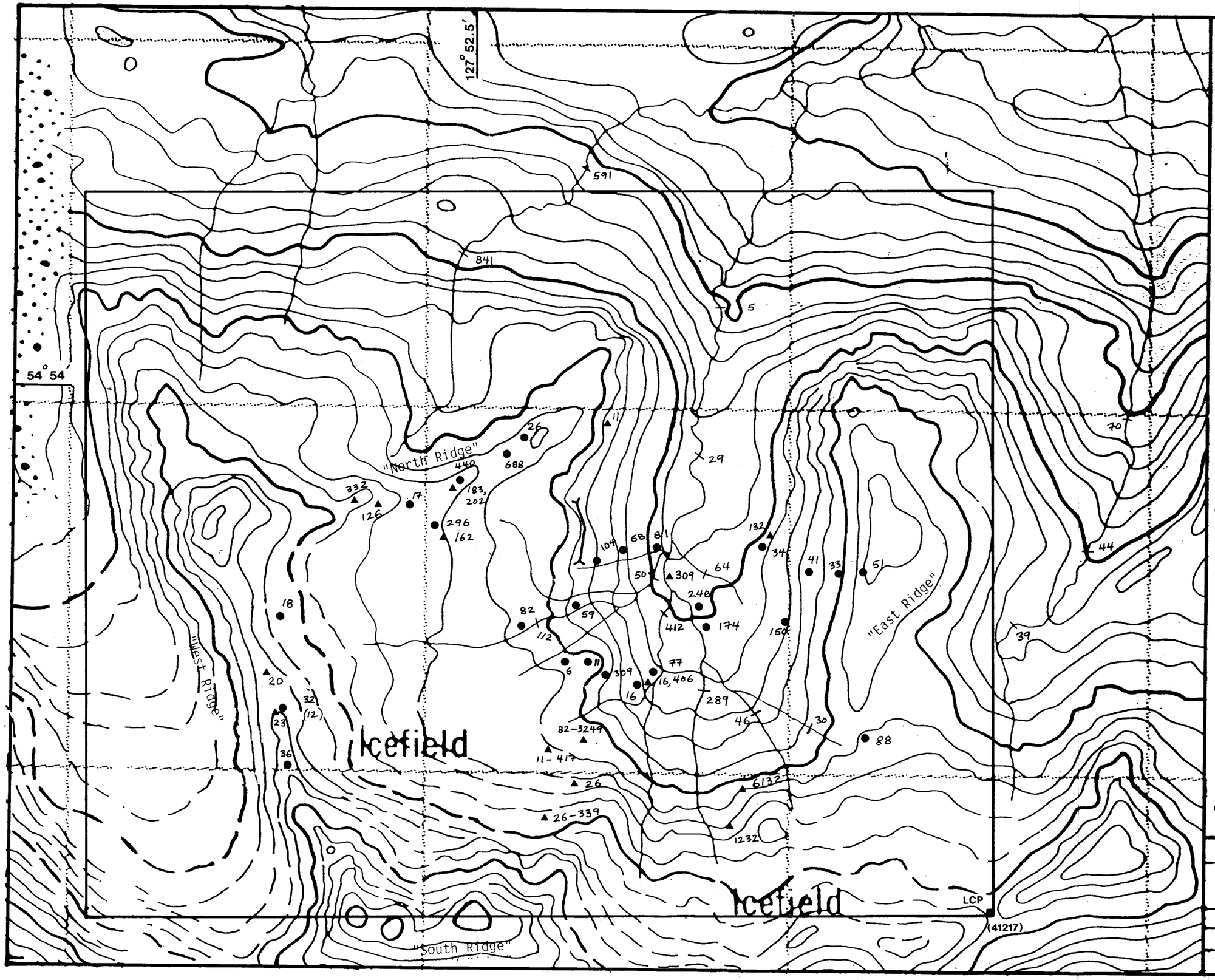
Samples taken from veins along the "north ridge" and silt samples from the creek draining the basin north from it are also highly anomalous; values of 591 ppm and 841 ppm are the highest silt values obtained.

Exceptions to this Cu-Au correlation exist in the trench and on the "west ridge" where low Au and As values occur with highly anomalous Cu, and low Cu and As values coexist with highly anomalous Au, respectively.

Lead (Figure 10)

Anomalous Pb values show a restricted locus about the quartz stockwork zone in the creek and a concentration in rock samples taken from float and outcrop of the silicified breccia west of the quartz monzonite stock. Galena was seen in quartz stringers at both locations.

The distribution of Pb anomalies somewhat resembles that of Ag and Mo, though the latter two have some anomalies away from the central core described above.



LEGEND

THRESHOLDS

SILT SAMPLE	50	PPM
SOIL SAMPLE	75	PPM
ROCK SAMPLE	100	PPM

0 100 250 500 m

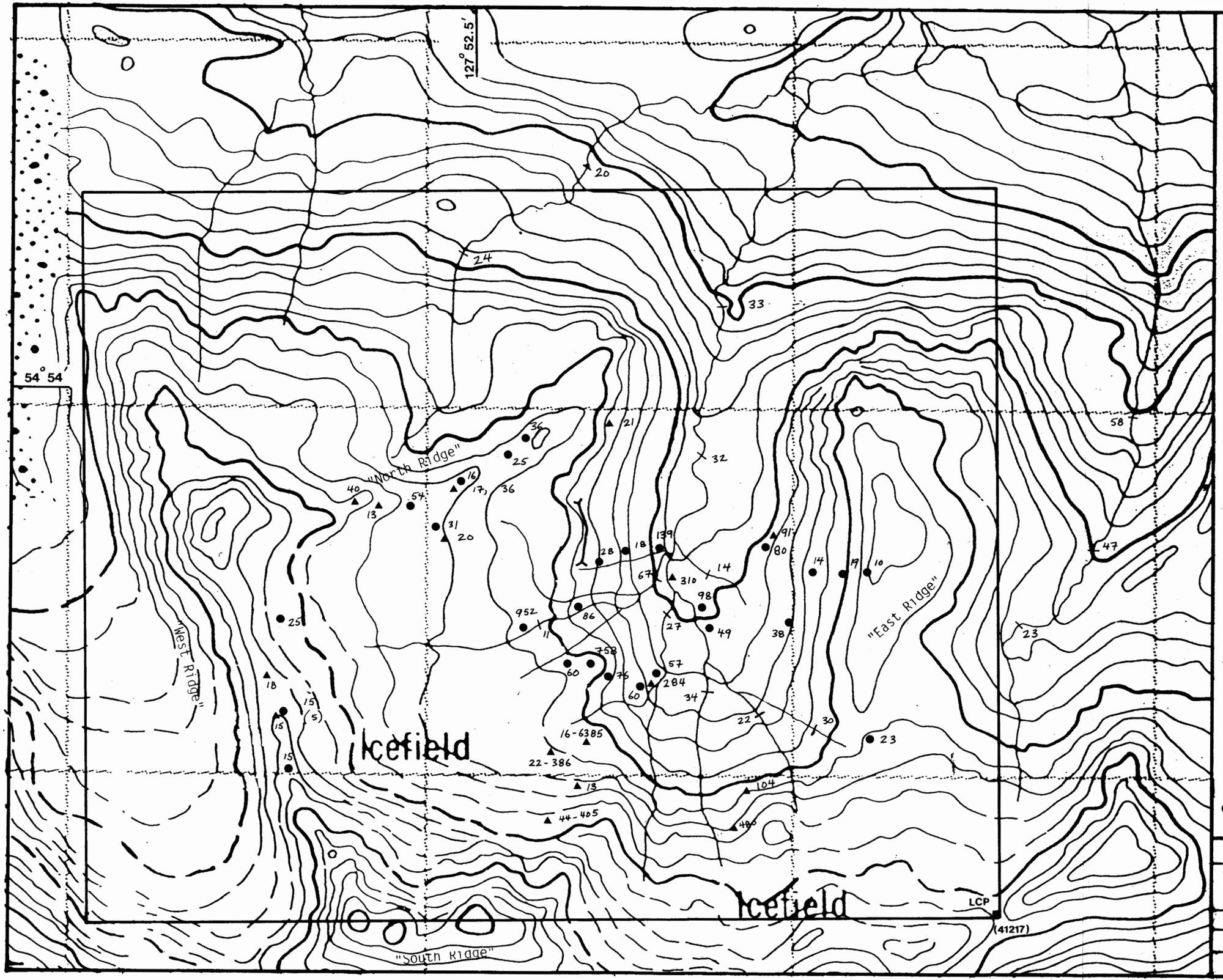
CLAIM LOCATED WITH TOPO. MAP

KOOKABURRA GOLD CORP.

HIDDEN VALLEY 1 CLAIM
ARSENIC – PPM

OMINECA MINING DIVISION

93L-13	1:10,000	OCT. 7, 1988
		Figure 9


127° 52.5'
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(41217)
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952
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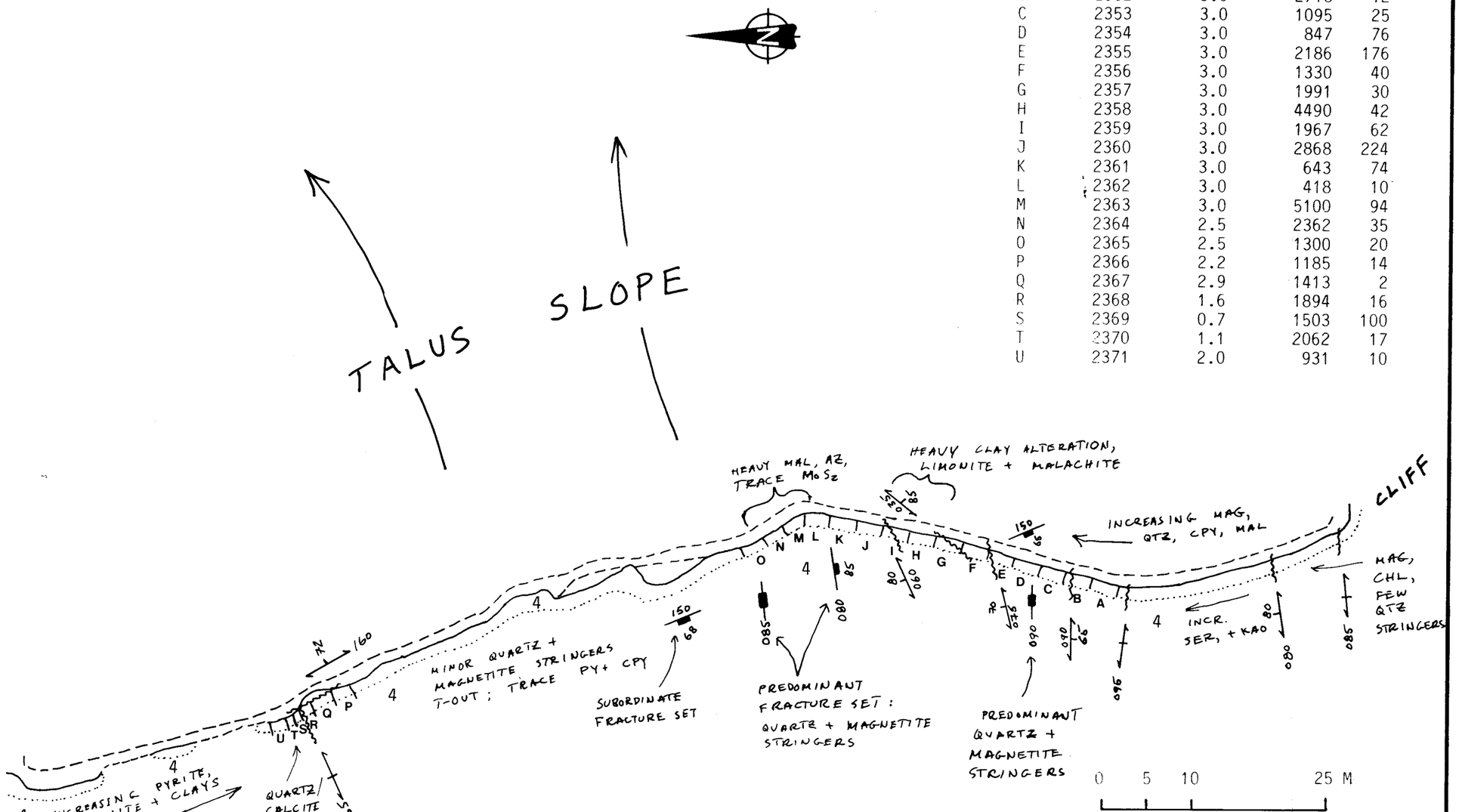
49
38
758
60
76
57
284
60
34
22
30
23
16-6385
22-386
13
104
480
44-405
25
18
15
(5)
15
15
LEGEND
THRESHOLDS
SILT SAMPLE 50 PPM
SOIL SAMPLE 80 PPM
ROCK SAMPLE 100 PPM
0 100 250 500m
CLAIM LOCATED WITH TOPO. MAP
KOOKABURRA GOLD CORP.
HIDDEN VALLEY 1 CLAIM
LEAD – PPM
OMINECA MINING DIVISION
93L-13
1:10,000
OCT. 7, 1988
Figure 10

LOCATION	SAMPLE #	WIDTH (M)	CU-PPM	AU-PPB
A	2351	3.0	1360	16
B	2352	3.0	2718	12
C	2353	3.0	1095	25
D	2354	3.0	847	76
E	2355	3.0	2186	176
F	2356	3.0	1330	40
G	2357	3.0	1991	30
H	2358	3.0	4490	42
I	2359	3.0	1967	62
J	2360	3.0	2868	224
K	2361	3.0	643	74
L	2362	3.0	418	10
M	2363	3.0	5100	94
N	2364	2.5	2362	35
O	2365	2.5	1300	20
P	2366	2.2	1185	14
Q	2367	2.9	1413	2
R	2368	1.6	1894	16
S	2369	0.7	1503	100
T	2370	1.1	2062	17
U	2371	2.0	931	10



LEGEND

az : azurite
chl: chlorite
cpy: chalcopyrite
kao: koalinite
mag: magnetite
py : pyrite
qtz: quartz
ser: sericite

Fault

Shear Zone: incl., vert.

Fracture: incl., vert.

Trench & Outcrop

4 Monzonite/ Feldspar Porphyry

KOOKABURRA GOLD CORP.
HIDDEN VALLEY 1 CLAIM
TRENCH GEOLOGY & ASSAYS
OMINECA MINING DIVISION
93L/13 1:500 Oct. 7/88
Figure 11

CONCLUSIONS

1. A "porphyry-type" intrusive system, previously explored for Cu and Mo, shows signs of hosting a potential bulk tonnage, precious/base metal deposit.

2. A monzonite/feldspar porphyry stock intruded intermediate volcanics causing widespread pyritization and hornfels alteration.

3. A later stage, silica-rich quartz monzonite stock intruded the monzonite/feldspar porphyry resulting in at least two stages of mineralization: first, porphyry-style mineralization represented by fracture-filled quartz $\pm$ magnetite stringers hosting chalcopyrite, pyrite and molybdenite; second, widely spaced drusy, chalcedonic and boxwork quartz/calcite $\pm$ barite veins containing pyrite $\pm$ chalcopyrite $\pm$ arsenopyrite. A quartz stockwork zone exposed at a greater depth than the above-mentioned phases may be related to either of the events, but evidence is yet inconclusive. The correlation between Cu, As and Au around the stockwork and in the peripheral veins, in contrast with their disassociation in the earlier phase of mineralization in the trench area, suggests that the stockwork may be related to the later phase.

4. Chalcopyrite $\pm$ magnetite $\pm$ arsenopyrite occurs in late stage veins accompanied by siderite or similar ferruginous carbonate in predominantly N-S trending faults or fractures. Carbonate-filled shear zones are seen cross-cutting second phase, ENE-trending, quartz/calcite/chalcopyrite veins on the "north ridge" in one location, but this relationship was not observed elsewhere.

5. Post-mineral block faulting, trending ENE, NNE and N-S, has caused some displacement but is not believed to be extensive. The NNE-trending fault in the hanging valley has down-dropped the "east ridge" relative to the "plateau" to the west; the stockwork in the creek cannot be traced to the nearest outcrop 250 m to the east and less than 50 m higher in elevation, while the veins can be traced laterally for 300 m and 150 m in elevation to the west.

6. The quartz monzonite stock is believed to be the source of the later phases of quartz/carbonate veining and mineralization, and the correlation of Cu, As and Au observed along the "north ridge" and in the creek draining it suggests that another such mineralizing intrusion may exist near there.

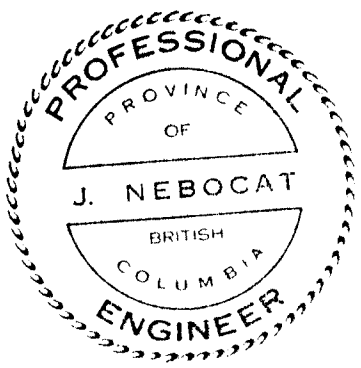
RECOMMENDATIONS

1. A detailed grid should be established in the cirque to explore the stockwork zone and areas to the south, east and west. Lines should be spaced no further than 50 m apart with stations every 25 m.

2. Further mapping and sampling is to be done above and around the quartz monzonite stock to find the outcrop sources of the higher grade float found in the morraine below.

3. The creek draining the "north ridge", from which highly anomalous Cu, As and moderately anomalous Au values were obtained, must be thoroughly prospected and sampled.

John Nebocat



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Schindler, J.N. and Barker, R.A., 1965, Geological and Geochemical Report on the Kitsuns Creek Property: Assessment Report #698, Ministry of Energy, Mines and Petroleum Resources.

Tipper, H.W., et at, 1976, Smithers, 93 L, 1:250,000: Geological Survey of Canada, Open File 351.

COST STATEMENT

Labour:

July 11 - 19, 1988			
John Nebocat:	9 days x $161/day	$1,449.00	
Lorne Graham:	9 days x $80/day	720.00	
Sept. 7 - 9, 1988			
John Nebocat:	3 days x $161/day	483.00	
Albert Theron:	3 days x $200/day	600.00	
Oct. 3 - 5, 1988			
John Nebocat:	3 days x $161/day	483.00	
		$3,735.00	$ 3,735.00
Assays:			
14 silt & 45 soil samples @ $11.75		$ 693.25	
50 rock samples @ $16.25		812.50	
		$1,505.75	1,505.75
Helicopter:			2,695.61
Food & Supplies:			439.52
Airfare:			573.40
4 x 4 Rental:			
4 days x $40/day			160.00
Accommodations & restaurants:			172.98
Fuel:			50.00
Report typing and preparation			98.50
Total:			**$ 9,430.76**

STATEMENT OF QUALIFICATIONS

I, John Nebocat, residing at 13 - 230 West 14th Street, North Vancouver, British Columbia, declare that:

1. I am a geologist and Regional Manager in the employ of **Kookaburra Gold Corporation,** with an office at 203 - 698 Seymour Street, Vancouver, British Columbia.

2. I obtained a technical diploma at the **British Columbia Institute of Technology** in 1974, subsequently I graduated with a B.Sc. in Geological Engineering in 1984, from the **Montana College of Mineral Science & Technology,** Butte, Montana.

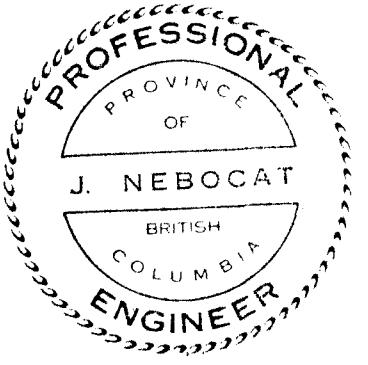
3. I am a registered Professional Engineer with the **Association of Professional Engineers of British Columbia.**

4. I have been employed in mineral exploration and earth science studies with industry and government since 1973.

5. I carried out and supervised the work described within this report.

John Nebocat

John Nebocat, P.Eng.
Regional Manager,
Kookaburra Gold Corp.



APPENDIX I

Silt and Soil Sample Results

APPENDIX I

COMPANY: KOOKABURRA GOLD — MIN-EN LABS ICP REPORT — (ACT:F31) PAGE 1 OF 2

PROJECT NO: H.V. — 705 WEST 15TH ST., NORTH VANCOUVER, B.C. V7M 1T2 — FILE NO: 8-1026/P1+2

ATTENTION: J.NEBOCAT — (604)980-5814 OR (604)988-4524 — * TYPE SOIL GEOCHEM * — DATE:JULY 29, 1988

(VALUES IN PPM)	AG	AS	BA	CD	CU	FE	MN	MO	PB	SB	ZN	W
1082	.5	688	84	2.4	1280	109400	1163	35	25	8	72	2
1083	.3	26	38	.7	1060	176700	445	13	36	3	37	4
1084	.2	440	80	1.1	572	111540	294	31	16	2	44	1
1085	1.7	17	335	1.0	515	128330	88	172	34	4	59	1
1086	.7	18	88	.6	622	77020	479	101	25	2	66	2
1087	13.6	32	150	.7	227	79300	16	33	15	1	16	8
1088	4.4	11	191	1.7	996	45550	1479	59	758	1	131	2
1089	.5	6	117	.3	633	60430	1374	101	60	3	77	2
1090	1.0	309	111	.8	353	50240	878	25	76	3	68	1
1091	.5	16	243	.6	1126	51710	1276	62	60	1	79	1
1092	.6	77	102	.1	1546	77990	1289	154	57	14	67	3
1093	1.1	150	222	1.4	1693	54000	1110	47	38	1	148	1
1094	.8	177	226	.8	1611	62290	1303	57	49	1	153	1
1095	1.8	248	830	1.0	2666	82630	2157	319	98	26	109	2
1096	.8	841	124	.6	5639	48210	1249	11	34	6	155	2
1097	.3	591	165	1.4	2352	49850	1472	9	20	1	284	1
1098	.3	5	55	1.7	596	171590	1966	17	33	6	47	3
1099	1.0	29	185	1.3	850	61160	1413	54	32	1	86	1
1100	.5	64	81	.4	997	57870	2224	11	14	3	87	1
1101	.7	289	190	1.2	139	60640	1000	10	34	28	99	1
1102	1.5	46	112	2.2	198	47010	524	9	22	6	80	2
1103	.8	30	143	.7	352	72340	914	19	30	9	88	2
110440M	1.1	412	160	1.0	713	57550	984	23	27	11	118	2
1105	2.1	50	192	1.2	2199	39590	849	111	67	1	94	1
1106	3.4	112	58	.7	1148	43610	162	105	11	1	48	1
1107	.2	34	40	1.2	394	146530	122	14	80	5	30	2
1108	2.2	59	426	1.5	632	35330	768	70	86	1	53	1
1109	6.1	82	195	3.8	1021	73550	1653	302	952	20	646	2
[redacted]												
111840M	.8	39	152	1.9	89	41680	908	8	23	3	154	2
1119	1.1	44	222	1.4	190	49690	882	9	47	2	198	2
1120	1.0	70	309	1.6	192	62370	1341	9	58	14	207	1
1121	.3	88	112	1.2	44	46620	1154	7	23	3	110	1
1122	.6	51	68	1.2	67	138060	41	16	10	6	23	3
1123	.6	33	76	1.5	224	156780	65	34	19	3	28	1
1124	.3	41	43	.9	275	150460	92	27	14	1	25	1
1125	.6	81	456	.9	2518	70670	2637	247	139	4	166	2
1126	2.4	68	706	1.4	743	47600	363	151	18	1	26	1
1127	1.8	104	707	.7	1034	53160	835	172	28	1	36	1
1128	.7	296	107	.4	1268	68570	897	56	31	7	56	2

COMPANY: KOOKABURRA GOLD | MIN-EN LABS ICP REPORT | (ACT:F31) PAGE 2 OF 2

PROJECT NO: H.V. | 705 WEST 15TH ST., NORTH VANCOUVER, B.C. V7M 1T2 | FILE NO: 8-1026/P1+2

ATTENTION: J.NEBOCAT | (604)980-5814 OR (604)988-4524 | # TYPE SOIL GEOCHEM # | DATE:JULY 29, 1988

(VALUES IN PPM)	AU-PPB
1082	40
1083	85
1084	45
1085	125
1086	20
1087	5520
1088	35
1089	40
1090	70
1091	15
1092	30
1093	45
1094	10
1095	770
1096	40
1097	25
1098	55
1099	395
1100	5
1101	5
1102	10
1103	10
110440M	15
1105	95
1106	15
1107	65
1108	50
1109	140
1110	5
1111	5
1112	5
1113	10
1114	10
1115	5
1116	5
1117	5
111840M	10
1119	5
1120	245
1121	15
1122	20
1123	10
1124	10
1125	110
1126	10
1127	20
1128	55

APPENDIX I

COMPANY: KOOKABURRA GOLD — MIN-EN LABS ICP REPORT — (ACT:F31) PAGE 1 OF 1

PROJECT NO: B.V./EPI — 705WEST 15TH ST., NORTH VANCOUVER, B.C. V7M 1T2 — FILE NO: 8-1553S/P1

ATTENTION: J.NEBOCAT — (604)980-5814 OR (604)988-4524 * TYPE SOIL GEOCHEM * — DATE:SEPTEMBER 24, 1988

(VALUES IN PPM)	AG	AS	BA	CD	CU	FE	MN	MO	PB	SB	ZN	W	AU-PPB
1157	.6	36	59	2.4	221	180610	1	15	5	10	9	1	150
1158	10.7	12	155	1.1	181	81490	25	77	15	4	24	11	1800
1159 *	.4	18	135	.8	26	43550	1004	2	20	3	85	1	5
1160	.5	1	94	.1	28	47230	707	8	23	2	79	1	5
1161	.2	267	144	.4	95	57930	834	8	25	2	72	1	10
1162	1.6	27	84	1.0	241	49130	661	12	22	2	72	1	5
1163	2.4	31	184	1.2	1610	45910	535	48	41	1	115	1	10
1164	.4	38	61	.7	187	53470	532	14	18	2	87	1	5
1165	1.2	31	108	1.2	3044	55160	787	216	39	1	138	1	20
1166	1.1	41	137	.8	2599	50900	924	128	48	4	78	1	15
1167	.8	8	59	.6	167	41480	274	27	15	2	80	1	10
1168	.9	23	53	.5	416	44040	309	53	38	4	65	1	5
1169	.3	2	103	1.0	64	45900	943	3	33	3	108	1	5
1170	.7	15	56	.8	114	53690	381	12	15	5	69	1	20
1171	.7	5	67	.1	75	39890	496	4	18	5	89	1	5
1172	1.9	24	82	1.0	1860	86990	931	182	42	1	49	1	70
1173	.7	88	61	.4	205	50000	291	18	20	5	65	1	20
1174	2.7	33	38	.4	1296	37010	113	134	13	1	45	1	10
1175 *	3.4	56	71	.5	860	43450	167	79	20	2	38	1	80

* Soil line - samples collected at 25 m intervals. See Figures 3 & 4 for location.

APPENDIX II

Rock Sample Results and Descriptions

APPENDIX II

COMPANY: KOOKABURRA GOLD — MIN-EN LABS ICP REPORT — (ACT:F31) PAGE 1 OF 2
PROJECT NO: H.V. — 705 WEST 15TH ST., NORTH VANCOUVER, B.C. V7M 1T2 — FILE NO: 8-1026/P1+2
ATTENTION: J.NEBOCAT — (604)980-5814 OR (604)988-4524 — * TYPE ROCK GEOCHEM * — DATE:JULY 29, 1988

(VALUES IN PPM)	AG	AS	BA	CD	CU	FE	MN	MO	PB	SB	ZN	W
2351	1.6	46	1010	3.6	1360	26820	370	149	17	1	28	3
2352	1.6	36	708	1.5	2718	36170	356	115	17	1	33	1
2353	.7	38	1216	1.2	1095	52570	612	140	21	1	38	2
2354	1.1	19	295	2.0	847	54510	383	51	16	1	44	2
2355	2.4	43	988	1.7	2186	46410	381	88	19	1	34	1
2356	1.7	49	936	2.1	1330	49240	265	159	11	1	22	3
2357	2.2	71	694	1.7	1991	35980	242	230	10	1	22	4
2358	2.3	64	1109	1.7	4490	35910	287	240	17	1	27	1
2359	2.5	56	533	2.4	1967	32060	218	247	15	1	20	3
2360	2.9	27	471	1.3	2868	52570	222	92	16	1	24	1
2361	1.8	31	296	2.3	643	31900	235	65	13	3	23	6
2362	2.2	44	1374	3.0	418	20160	143	81	10	9	14	6
2363	3.3	57	955	2.3	5100	27520	207	255	19	1	20	1
2364	2.6	43	925	1.5	2362	36000	245	115	15	1	21	3
2365	1.4	20	315	2.7	1300	32420	251	70	14	2	22	4
2366	1.4	94	764	2.0	1185	26480	214	35	10	1	28	3
2367	1.6	39	449	3.0	1413	17290	159	22	13	1	16	3
2368	1.7	40	1262	2.9	1894	18600	214	51	15	1	20	1
2369	2.3	97	1400	1.9	1503	39790	227	389	63	12	37	5
2370	1.8	49	1063	2.3	2062	31630	220	173	27	1	30	1
2371	1.1	28	246	2.3	931	28940	227	23	9	1	22	5
2372	.8	26	951	2.1	326	31720	3142	38	13	6	56	1
2373	11.7	339	461	1.6	679	66610	657	32	405	1	430	1
2374	4.9	89	305	2.4	1262	51670	668	34	75	1	197	1
2375	3.4	26	308	2.7	3282	41320	1251	59	44	2	117	1
2376	14.1	100	178	5.4	5234	55900	2417	83	116	4	607	1
2377	2.0	162	519	2.4	1158	24750	187	110	20	11	22	12
2537	1.3	11	32	1.2	143	51250	161	9	21	5	22	5
2538	2.2	183	134	1.9	163	27790	20	163	17	16	10	8
2539	2.1	202	1415	2.5	275	26700	69	183	36	91	29	7
2540	3.4	126	88	2.3	302	44780	32	30	13	18	13	9
2541	18.7	3249	73	33.1	337	28220	36	1	6385	109	5789	1
2542	2.2	82	36	1.5	609	125040	672	5	71	1	89	8
2543	.9	444	14	1.6	19	58670	894	8	16	22	40	2
2544	15.4	1442	38	3.2	1650	43940	20	8	40	419	142	12
2545	5.1	815	22	1.7	4200	61670	772	9	21	11	76	1
2546	4.9	1232	57	4.8	2497	41520	1967	17	28	30	88	1
2547	.3	6132	2107	4.9	23	45690	3539	8	32	8	30	1
2548	.7	16406	23	27.7	2354	370160	102	16	284	1047	390	1
2549	2.6	132	343	2.1	131	61580	57	16	91	7	18	4
2550	12.3	309	389	3.8	1632	35580	416	283	310	47	124	1

(VALUES IN PPM)	AU-PPB	DESCRIPTION	WIDTH (M)
2351	16	monzonite/feldspar porphyry; trench	3.0
2352	12	" " "	3.0
2353	25	" " "	3.0
2354	76	" " "	3.0
2355	176	" " "	3.0
2356	40	" " "	3.0
2357	30	" " "	3.0
2358	42	" " "	3.0
2359	62	" " "	3.0
2360	224	" " "	3.0
2361	74	" " "	3.0
2362	10	" " "	3.0
2363	94	" " "	3.0
2364	35	" " "	2.5
2365	20	" " "	2.5
2366	14	" " "	2.2
2367	2	" " "	2.9
2368	16	" " "	1.6
2369	100	" " "	0.7
2370	17	" " "	1.1
2371	10	" " "	2.0
2372	8	banded quartz/barite/calcite vein, tr. pyrite	1.4
2373	1260	silicified breccia, 5% py.,tr. galena	2.0
2374	53	" " "	3.5
2375	18	" " "	2.5
2376	211	" " "	2.2
2377	6	quartz-sericite vein w/tr. cpy, mal, az, py,	grab
2537	4	hornfelsed volcanic, 5%-10% diss. py & po	1.2
2538	5	pyritic quartz-sericite vein in monzonite	1.6
2539	16	vuggy quartz vein, after pyrite, tr. ser, py	0.7
2540	16	boxwork texture in chalcedonic quartz vein, py	1.5
2541	455	quartz stringers with diss. gal, sph, arseno.	0.3 (float)
2542	38	pyrite stringers in quartz veins	grab (float)
2543	8	chalcedonic quartz veins in maroon tuff; py, as	grab (float)
2544	3	boxwork quartz vein w/diss py ± arseno ± tetra	grab (float)
2545	269	quartz/calcite vein in maroon tuff; py, cpy	grab (float)
2546	480	quartz/calcite vein along fault; mal, cpy	0.9
2547	104	quartz/calcite/barite vein w/ diss. arseno	0.2
2548	63	very finely banded massive sulphide (py) cobble	grab (float)
2549	4	intensely kaolinized monzonite, few qtz veins	2.0
2550	480	quartz stockwork in monz.; mal, cpy, gal, ars.	1.8

APPENDIX II

COMPANY: KOOKABURRA GOLD — MIN-EN LABS ICP REPORT — (ACT:F31) PAGE 1 OF 1

PROJECT NO: H.V./EPI — 705 WEST 15TH ST., NORTH VANCOUVER, B.C. V7M 1T2 — FILE NO: 8-1553/P1

ATTENTION: JOHN NEBOCAT — (604)980-5814 OR (604)988-4524 # TYPE ROCK GEOCHEM # — DATE:SEPTEMBER 20, 1988

(VALUES IN PPM)	AG	AS	BA	CO	CU	FE	MN	MO	PB	SB	ZN	W	AU-PPB
2401	.8	20	914	7	44	12410	477	8	54	1	40	1	4
2402	.9	11	464	8	78	28350	173	4	22	1	30	1	2
2403	54.5	417	1494	3	833	92570	76	2	94	939	39	1	437
2404	1.2	23	726	8	145	12780	806	17	28	6	58	1	22
2405	14.4	355	79	35	2776	91130	496	10	386	5	1510	1	196
2406	1.9	92	195	16	287	43650	1728	38	56	1	57	1	21
2407	1.7	23	51	8	41	13050	34	18	15	4	13	4	118
2408	.8	20	325	12	58	36200	21	9	18	1	19	1	3
[redacted]													
2410	2.1	332	256	12	1451	34780	246	5	40	4	83	1	63
[redacted]													

SAMPLE NUMBER	DESCRIPTION	WIDTH (M)
2401	quartz monzonite stock w/tr. py, qtz carb. veins	grab
2402	hornfelsed plagioclase porphyry, 1% diss py	grab (float)
2403	limonitic boxwork in quartz vein	grab (float)
2404	chalcedonic quartz vein	grab (float)
2405	silicified & pyritic (5-10%) volcanic w/ gal & sph	grab (float)
2406	silicified & pyritic breccia	grab (float)
2407	boxwork quartz vein with pyrite clots at depth	0.8
2408	pyritic monzonite/feldspar porphyry	1.0
2410	cpy/py/mal/az stringers parallel to dominant 070° fr.	0.2