LOG NO: 0609 RD. 1
ACTION: Date received report back from amendments.
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0126 RD.
FILE NO:

ASSESSMENT REPORT

GEOCHEMICAL SURVEY

VICTORIA CLAIM

NANAIMO MINING DIVISION

NTS 92F/10E

LAT : 49 44'N
LONG: 124 35'W

SUB-RECORDER
RECEIVED
DEC 30 1988
M.R. # ..... $ .....
VANCOUVER, B.C.

GEOLOGICAL BRANCH
ASSESSMENT REPORT

REPORT FOR : S.L. BEALE

REPORT BY : R.WARES P.Eng.

DATE : JUNE 2, 1988

18,212

VANCOUVER, BRITISH COLUMBIA

SUMMARY

The Last Link claim group, comprising 9 reverted Crown Grant mineral claims, is located on northern Texada Island, in the Nanaimo Mining Division (NTS, 92F/10E). The claims are owned by S. & D. Beale of Vancouver, B.C.

The claims are located in an area of active mineral exploration. Exploration hasa been at a moderate to high level on northern Texada for the past ten years. A number of high grade but small gold bearing sulphide or vein systems have been discovered, explored and drilled. None have achieved a size and grade to justify mining individual deposits. Each discovery has triggered exploration programs in the area

The Last Link claim group straddles two important shear or fault zones that have been demonstrated to host small but high grade gold-quartz vein systems. Exploration in past years has enhanced the possibility that similar deposits may be present on part of the claim group. A soil survey in 1988 by the owner delineated an anomalous gold area that parallels a known gold bearing fault zone but may be a separate structure, not previously identified. The anomalous gold area is paralleled by anomalous copper, lead and zinc values in the soil. These are pathfinders for gold mineralization on Texada Island.

Continued exploration of the Last Link claim group is recommended to follow up and investigate the anomalies. Exploration requires careful work to identify and follow up the source of the anomalies.

An exploration program is recommended to continue exploration on the claim group. It should encompass careful geophysical and geochemical work, followed up by overburden and rock sampling.

TABLE OF CONTENTS

List of Figures

1 INTRODUCTION

The Victoria claim, part of the Last Link claim group was examined by the writer at the request of Mr. S. Beale. Purpose of examination was to describe and evaluate existing information on the claim group and, on that basis, make recommendations for future exploration on the claims.

1:1 Location

The Last Link claim group, comprising 9 claims, is located on Texada Island, B.C. in the Nanaimo Mining Division.(NTS 92F/10E)

The claims are located 120 kms north west of Vancouver, B.C., and 4 kms south west of Vananda, Texada Island. (fig 1)

1:2 Access

Access to Texada Island is from Vancouver by scheduled air service to Gillies Bay (8 kms south of the property) or ferry from Powell River, the regional administrative centre.

On Texada, the property is accessible from Vananda, the largest population centre on the island, by gravel road. Within the property, a network of logging and mining access roads provide reasonable access to most parts of the property.

1:3 Topography

The Last Link claim group lies at elevations from 50m to 200m above sea level. Relief is moderate, though locally difficult. The area is covered by second growth hemlock, alder and cedar with local pockets of first growth timber. Logging activity has been localised and small scale in nature.

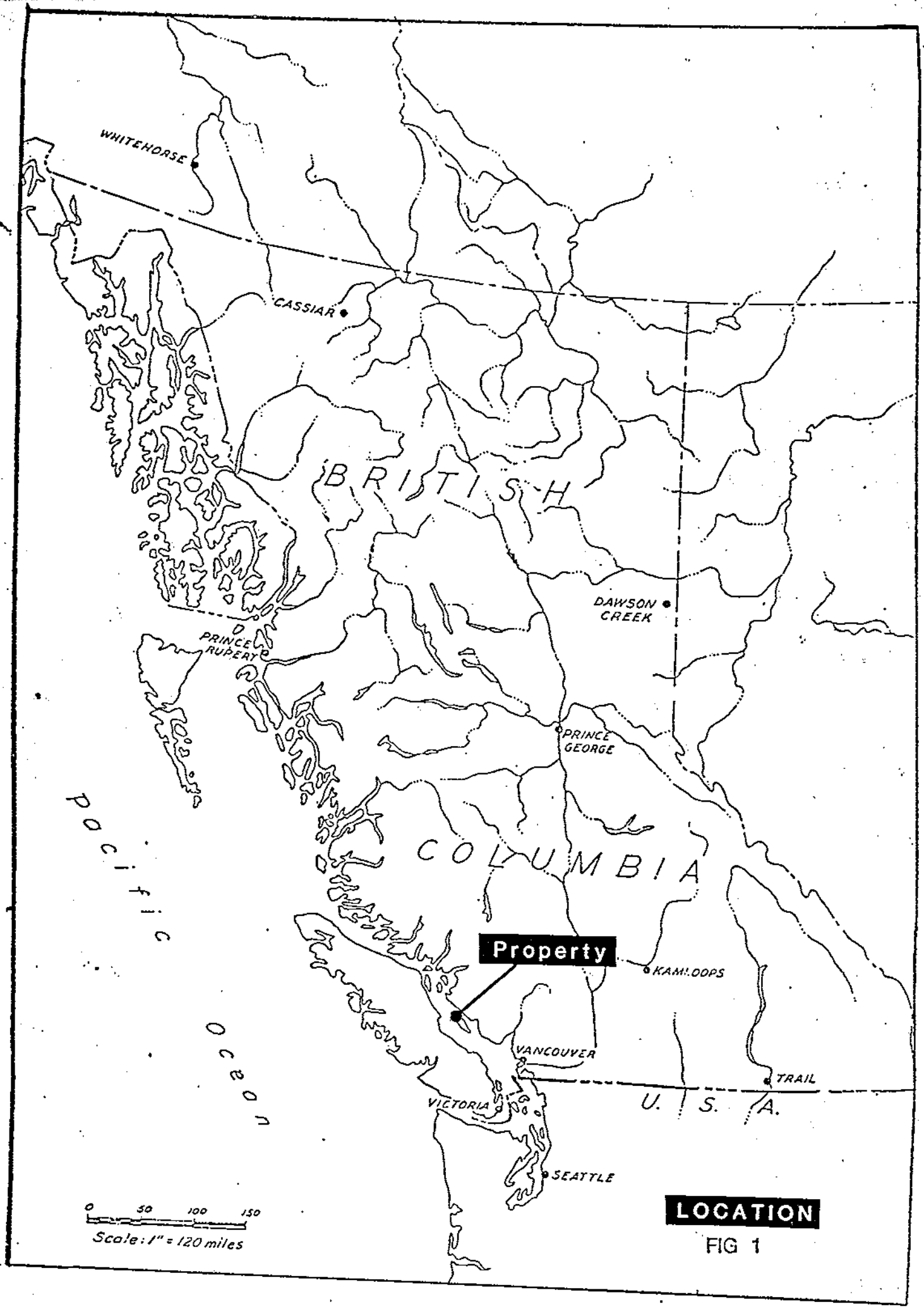
The climate is moist, typical of coastal south west B.C. with no climatic deterrents to mineral exploration.

Some surface rights on the claim group are privately held.. A substantial mineral exploration requires agreement with holders of surface rights.

1:4 Claim Status

The claim group comprises 9 reverted Crown Grant mineral claims. They are in the Nanaimo Mining Division (NTS 92F/10E)

(table 1, fig 2)



LOCATION

FIG 1

TABLE 1 Claim Description

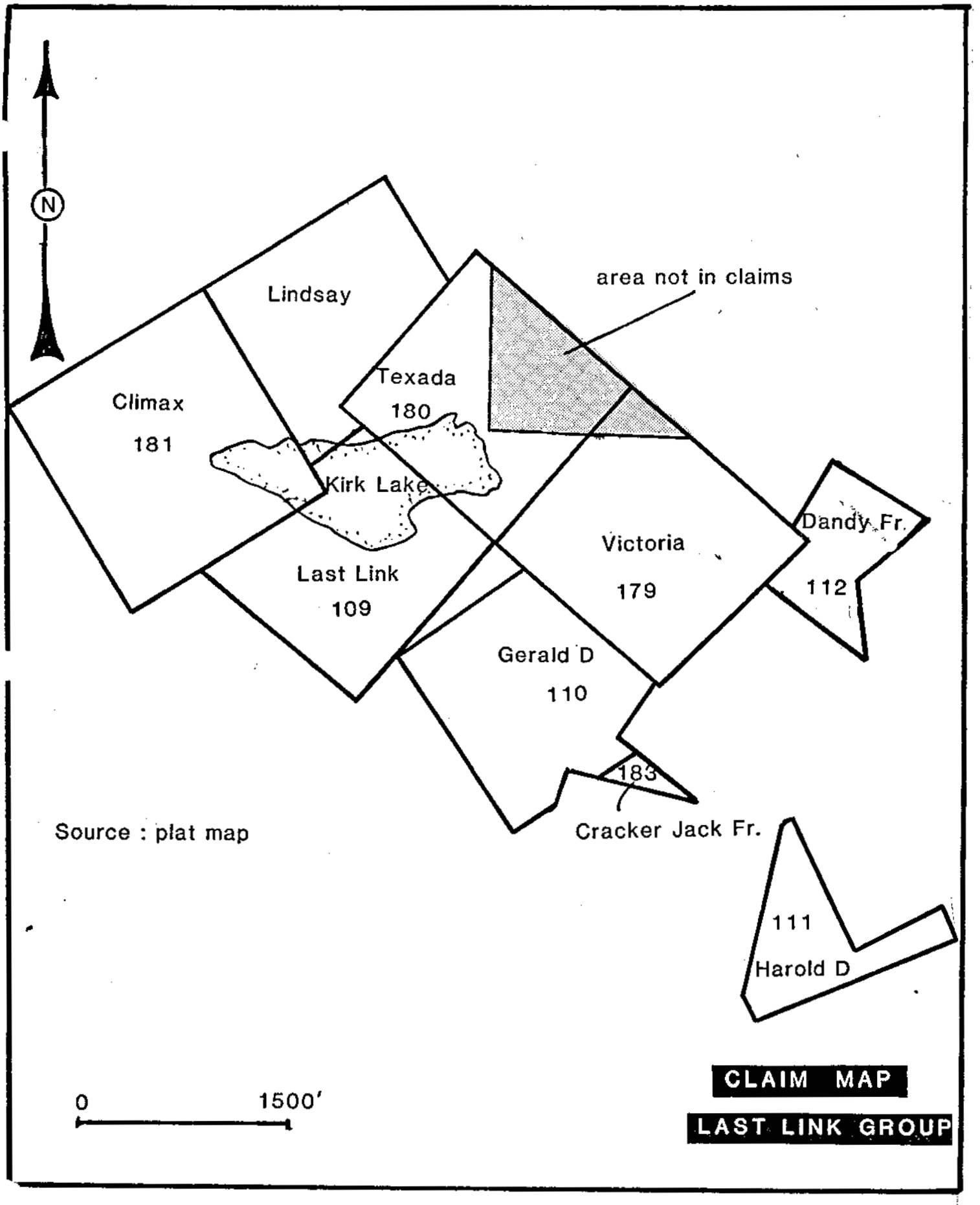
Name	#	Record Date	Standing	Acres	Ha
Last Link	109	October 1, 1976	1988	42.59	17.24
Gerald D	110	October 1, 1976	1988	41.17	16.66
Harold D **	111	October 1, 1976	1988	16.82	6.48
Dandy Fr.	112	October 1, 1976	1988	15.77	6.38
portion Victoria	179	October 1, 1976	1988	46.56	18.84
portion Texada	180	October 1, 1976	1988	34.42	13.93
Climax	181	October 1, 1976	1988	51.65	20.90
Lindsay	182	October 1, 1976	1988	43.24	17.49
Cracker Jack Fr	183	October 1, 1976	1988	1.91	0.73
			TOTAL	293.33	118.71

** The recorded owner of the Dandy Fraction is Dianne M. Beale, with the same address as S.L. Beale

The recorded owner of the balance of the claims is Stanley L. Beale, 4469 Belmont Avenue, Vancouver, B.C. V6R 1Ca

(Source : property files, S.L. Beale; Gold Commissioners Office)

The claims are collectively known as the Last Link group


N
Lindsay
area not in claims
Texada
180
Climax
181
Kirk Lake
Dandy Fr.
Victoria
179
112
Last Link
109
Gerald D
110
183
Cracker Jack Fr.
111
Harold D
Source : plat map
0
1500'
CLAIM MAP
LAST LINK GROUP

1:5 Previous Work

Prior to acquisition of the claim group by the present owners, the Last Link claim group was subject to intermittent prospecting from the 1890's onwards, as was much of northern Texada Island. Prospecting activity was generated by development and production from a number of small mines in the Vananda area that were in production, intermittently, from 1892 to 1947.

Detailed records of prior prospecting and exploration are non existent, if ever documented. A brief description of the Victoria shaft is present in McConnell's memoir on Texada (1914).

Since acquisition, owners have conducted intermittent prospecting and physical work.

Present owners conducted a reconnaissance soil survey, outlining erratic Au geochemical anomalies on the Gerald D claim. (Beale 1979)

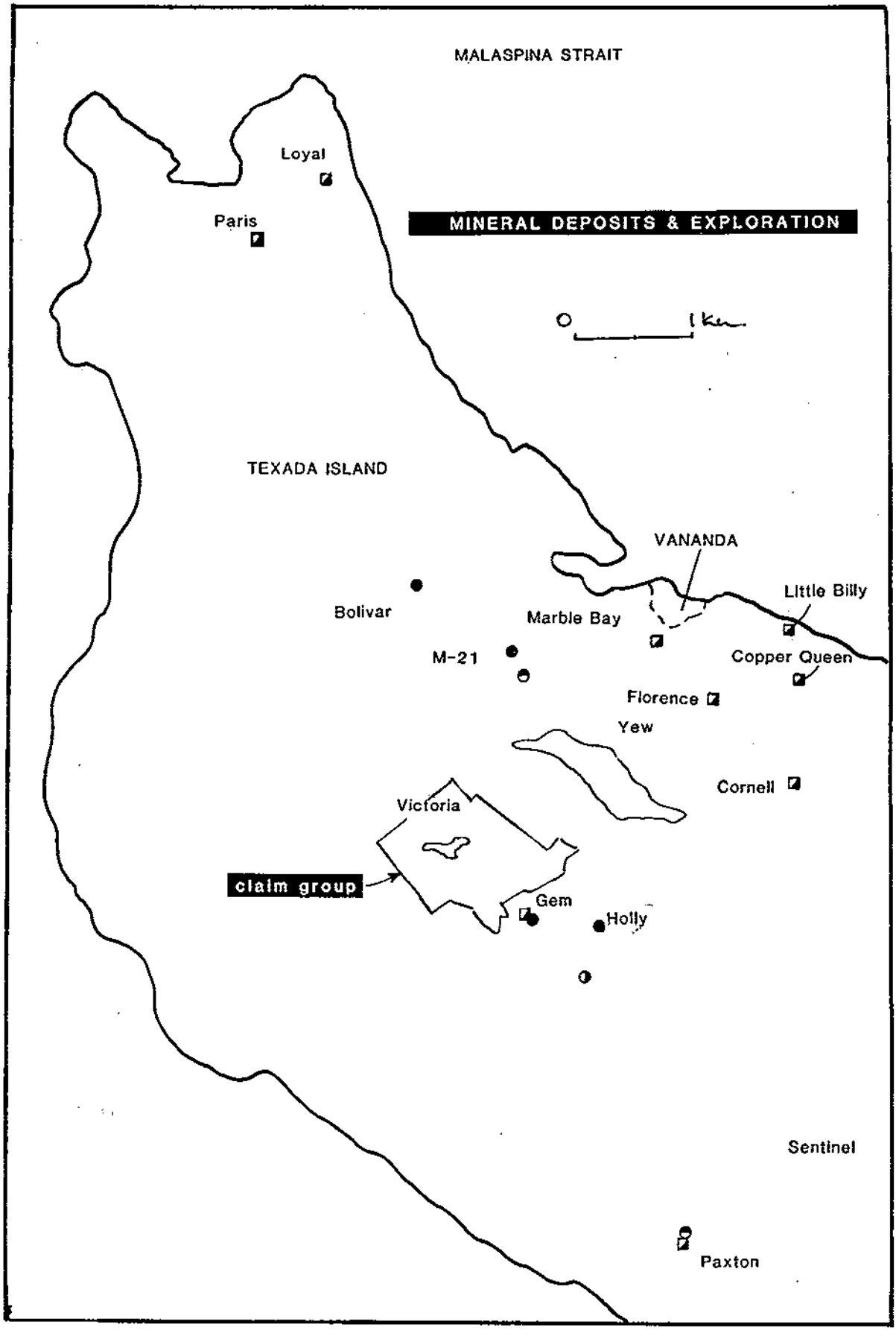
The claims were optioned to Rhyolite Resources Inc in 1983, with the option dropped in 1984. During the above option, Rhyolite conducted ground geochemistry, geophysics and mapping, especially on the Dandy Fraction, aimed at determining the source of spectacular gold bearing float discovered on surface by a local prospector in late 1982. No source was discovered.(Wares. 1983)

In 1985, Northair Mines as part of a program on adjacent claims mapped and examined part of the claim group but did not enter into an option .

The owners conducted a geochemical reconnaissance on the Victoria claim group in Feb. 1988, with the objective of tracing gold bearing shear zones onto the claim group.

The property was examined by the writer in 1983, 1984 while with Rhyolite Resources Inc. and on Feb.19, 1988, in company with one of the owners, Stan Beale. Location of previous work is outlined in fig.3

Mineral exploration continues in the general area of the property.


MALASPINA STRAIT
Loyal
Paris
MINERAL DEPOSITS & EXPLORATION
0 1 km
TEXADA ISLAND
VANANDA
Little Billy
Bolivar
Marble Bay
M-21
Copper Queen
Florence
Yew
Cornell
Victoria
claim group
Gem
Holly
Sentinel
Paxton

2 REGIONAL INFORMATION

2:1 Regional Geology

Texada Island, particularly the northern half, has been a focus of exploration and mining activity for the past 100 years.

The general geology was first described in detail by McConnell (1914), and amplified by subsequent mapping and exploration activity.

Essentially, Texada Island is an open, northerly plunging syncline. Exposed in the south of the island are Sicker Group sediments, overlain by units of the Karmutsen Group which is 4000-5000m thick, of Triassic age and predominantly a pillowed basaltic sequence. The upper portion comprises volcaniclastic units with thin calcareous interflow sediments.It is conformably overlain by the relatively uniform Quatsino Limestone sequence.

Several suites of granodiorite and diorite intrusions are present.

Disruption and truncation of sequences is present, caused by prevalence of strike slip faults that transect the island. Some reactivation of shears is recognised, with later vertical movement along some fault zones. (Wares, 1983)

2:2 Mineral Deposits

With the exception of the limestone quarries, there are no active mines on Texada.

Exploration and development in the early years of the century, generated a number of mines with variable production histories. The major mine on Texada was the Prescott (Texada Iron) that was a skarn iron-copper deposit developed initially by open pit, then by underground. It closed in 1977.

Mineral deposits on Texada have been categorised by McConnell (1914), Wares(1983) and Garratt(1985). Deposits occur in several contrasting styles. The essential controls are a combination of structure and lithology. The essential features are steep shear and/or fault zones that provide a locus for intrusion or hydrothermal alteration. Where intrusions dominate, skarn iron copper-gold skarns are developed at limestone contacts, often with a sulphidic envelope. Where alteration is prominent, from faults or buried intrusions, shear and gash vein gold mineralization is common, often pyritic.

Small carbonate sequences in the Karmutsen volcanics have been shown to host small stratabound massive sulpides, with a high precious metal content.

On the northern part of the island, the thick carbonate sequence provides an indirect control on structural and vein developemnt. There is a higher frequency of vein deposits and shear controlled precious metal mineralization in the shear zones below the carbonate/volcanic contact, matched by increased alteration.

2:3 Exploration

In the past decade, exploration has been active in the general area of the Last Link claim group, focussed on gold showings. Though shown to be widespread, none to date have been developed to a sustainable tonnage/grade. Focus has been on precious metal skarns and on gold-quartz vein systems,

Rhyolite Resources examined the Last Link group and conducted ground geocehemistry, geophysics and geological mapping on the Dandy fraction, as well as drilling on the Golden Rod in 1983. Objectives of exploration at that time was location of the source of spectacular high grade float discovered on the Dandy Fraction on surface in 1982. Rhyolite carried out a focussed soil and bedrock/soil sampling program but, with the exception of one weak dispersion train, were unable to locate the source of the float or information on its origin. The nearby Gem Mine reportedly had localised high grade gold showings , but documentation was not obtained to confirm characteristics (Wares, 1983).

Northair Mines optioned the adjacent Gem and Holly Claims in 1985 after discovery of high grade gold mineralisation in place on the Holly claim. Northair carried out drilling and sampling but were unable to develop either a strike length or grade that approached economic possibilities. Northair did discover a flat lying manto like massive sulphide with enhanced precious metal values on the Yew claims, carried out drilling and sampling but subsequently dropped the option (Garratt, 1985, Hicks, 1986)

In 1986, Rhyolite re-optioned the Holly claim and carried out bulk sampling, with material hauled to the Bolivar mill . Tonnage extracted and grade recovered are not known.

The Northair program emphasised the importance of shear zone controlled precious metal mineralization in quartz stringer zones.

Earlier programs had shown that, in addition to the shear zone controlled gold mineralisation, elongate dilatant quatz veins also carried gold mineralisation, especially evident in the Gem mine area.

Essential features of the programs are that control structures pass from the Gem/Holly claims onto the Last Link group.(fig. 3)

Exploration for comparable enriched areas, requires not only detailed structural analysis and sampling, but careful geophysical programs to delineate alteration envelopes around vein systems marked by alteration of host volcanics (Wares, 1983)

3 PROPERTY INFORMATION

3:1 Property Geology

The Last Link group has, on superficial examination, relatively simple geology. Outcrop is variable in amount. North facing slopes have moderate outcrop exposure while low ground and south facing slopes have moderate to extensive veneer of till and fluvoglacial debris.

In detail, the property has a complex structure.

The property straddles the upper part of the Karmutsen Group, with upward transition from pillowed basalts to mixed volcaniclastics, flows and interflow, lensoidal carbonate units

The dominant structural feature (fig 4) is the continuation of the Gem, Holly shear zones onto the Last Link ground, and development of the Kirk Lake splay (Wares, 1983, Garratt, 1985)

Both zones are a locus of alteration accompanied by some small zones of high grade gold mineralization, one type in shear zones and the other in dilatant quartz veins which appear to post date the stringer zones typical of the shears.

Saml1 diorite dykes are present along shear and fracture zones and carry minor low grade auriferous pyrite lenses.

In the Victoria workings, a steep pyritic shear zone is present, paralleling the Kirk Lake shear, if not actually part of it. Structural information indicates some strike slip movement. the Kirk Lake linear. Nowhere are junctions of shears exposed.

On the Dandy fraction, small errratic quartz stringers, some with minor visible gold (Wares, 1983) parallel trends of the Gem shear zone. Despite an intensive investigation, none of the veins or minor showings could be demonstrated to be the source of the spectacular gold float referred above.

3:2 Geochemical Exploration

A reconnaissance soil geochemical survey by Beale (1979) showed some erratic high soil(Au) geochemical anomalies on the Gerald D claim. Subsequent trenching did not define an anomalous source.

Geochemical exploration on the claims is impeded by highly variable overburden. North facing slopes have moderate outcrop and a thin veneeer of till, locally calcareous. South facing, gentler slopes carry a down (ice) slope cover of till, overlain by post glacial beach deposits, which render geochemical expression haphazard. Valleys, especially the Kirk Lake area, have fluvoglacial aprons, and organic deposits. Geochemical exploration requires careful appreciation of till morphology to be effective.

On the Dandy Fraction, geochemical exploration by Rhyolite Resources Inc.(Wares, 1983)was carried out to determine float sources. Survey methods incorporated conventional soil sampling, and till/bedrock boundary samples. The sample pattern included a small scale grid and sampling at 20m intervals along lines 50m apart. Samples were analysed for 24 elements to determine possible pathfinder elements. No distinctive dispersion train could be determined, although one weak zone was indicated, with Au values from 50- 150 ppb. Au. No source of high grade gold float, discovered by a local prospector, was determined.

3:3 1988 Geochemical Exploration

A survey was conducted by the owners to assess the potential of the Victoria claim for similarities to Au mineralization encountered on the Holly Claim. The survey was conducted by two local prospectors. Samples were collected along six traverses not a grid.

Objectives were to search for dispersion from shear zone controlled mineralization rather than search for broad anomalies. This search pattern is more effective where overeburden is variable.

Samples were collected at 50' intervals along traverse lines. Samples were analysed for Ag, As, Bi, Cu, Pb, Zn and Au.(fig. 4)

Some sample sites failed to provide sufficient material for analysis. A total of 118 soils were analysed.

Sample data was statistically analysed and plotted for Au values and for a discriminant factor (Cu + Pb + Zn) normalised to remove analytical bias.(fig. 5, 6). Statistical analysis showed a high correlation of Au (ppb) with Zn , Pb and Cu (in order of correlation (r=0.74, 0.64 and 0.40 respectively). Correlation of As, and Ag with Au was lower but statistically significant. Bi

values showed poor correlation

Statistical data is tabulated in appendix A:4

Samples lines were directed at determining anomalous areas close to the Gem fault and the Kirk lake structure.

3:4 Distribution of Au values

Gold values, in the limited sample population, ranged to 695 ppb Au. , with a mean (ln) of 36 ppb. Possible sub populations are present, but the limited population size precludes further analysis. Values of 36-220 ppb Au are possibly anomalous, 220-600 ppb Au, in the category of probabaly anomalous, and greater than 600 ppb, categorized as anomalous.

The data (fig. 5) exhibit a grouping in lines # 1 & 3, with a further small grouping in the west section of line # 5. Erratic spot anomalous features are present in line # 2.

The traverses were originally targeted on structures between line # 1 and 2 (Gem fault). Data indicates an anomalous zone from a previously unidentified structure near line # 3. Dispersion down slope to the north towards line # 1 appears limited, in part from the presence of calcareous till.

Samples from the vicinity of the Victoria workings (# 87- 93, line # 4) show no anomalous pattern. Samples from line # 5, # 94-99, show some anomalous patterns. Prevalence of trenching in this area suggests some secondary contamination.

3:5 Other Elements

Correlation coefficients of the analysed elements show a moderate to good correlation of Cu, Pb and Zn with Au values (Appendix 4).

To better define the areal distribution, a combination factor was used, based on the probability distribution. The factor used was (ln Cu + 1.08 ln Zn + 1.37 ln Pb), to normalise and reduce analytical bias.

Data (fig. 6) shows weak values (< 84ppm) in line # 1, with a moderate concentration in the western portion of line # 2. Line # 3 reveals a strong trend that parallels that of the gold values.

Line # 4 shows a moderate concentration near the Victoria workings, while line # 5 & 6 show a weak distribution essentially similar to that of the gold values.

The data suggests that there is a structure near and in the vicinity of line # 3 that should be followed up by trenching.

No further analysis was made of distribution of other elements, since they essentially parallel that of the two groups described above.

3:6 Rock Geochemical Data, Prospecting Data

A total of 18 rock samples (grab) were collected to determine, where possible. possible sources of anomalous soils.

Gold values were generally low. Sample # 35959, ran 393 ppb Au while sample # 35952 ran 7426 ppm lead and 103 ppb Au. Both samples are from the Victoria shear zone. Sample # 35952 ran 1312 ppm Cu, also from the Victoria zone.

The Victoria zone, on the western part of the Victoria claim, is a pyritic shear, striking 120 , and dipping 70 - 80 to the south. An irregular quartz stringer is present in the shear, lensoidal and 0.1 to 0.3m wide. Wallrock is variably chloritised and carries 1-4% disseminated pyrite. Samples from the vein and the pyritic wallrock ran (above) below levels of immediate economic interest.

The Victoria shear, appears to be a splay of a larger structure that occupies the valley, 30m south. Attempts to find exposures of this structure by prospecting were unsuccessful. Objectives of future exploration should be to uncover the structure and trace extensions of the splay.

Prospecting in the area is hindered by an infill of fluvoglacial debris in valley bottoms.

Small trenches were noted during prospecting. These had been excavated prior to acquisition of the claims, apparently in an effort to trace extensions of the adjacent Gem structure, in the 1930's. None of the samples form the trenches returned values of economic interest.

Samples from elsewhere, both float and bedrock were background in nature and did not enhance exploration possibilities.
For prospecting to be successful in the area, trenching with a light excavator is needed to trace the structure, determine cause of geochemical anomaly and focus exploration effort.

4 SUMMARY AND RECOMMENDATIONS

The limited geochemical sampling program on the Victoria claim outlined a moderate level anomaly, centred on line # 3 . The anomaly does not, on present evidence derive from the Gem fault zone but from a parallel and unknown structure.

Other weak anomalous zones on lines # 4 & 5 appear to derive from extensions of the Kirk Lake shear zone.

The sample pattern of the present survey precludes accurate delineation of the anomaly or its cause.

Follow up work to test this anomaly should encomapss trenching to bedrock where possible, a small grid across the anomaly and limited magnetometer work to define alteration patterns, if any.

Sampling in the future should be on a regular grid , centred on the known anomalies.

R. Walcott, P.Eng.
Vancouver, June 2, 1988

A:1 Statement of Qualifications

I, Roy Wares, with a business address in the City of Vancouver, British Columbia, do hereby certify that -

1) The report on the Victoria claim is based on an examination of the property on Feb. 19, 20, 1988 and examination of geochemical data obtained by S. Beale.

2) I am a registered professional engineer, in good standing, with the Association of Professional Engineers of British Columbia .

3) I hold the degrees of B.Sc. Geology, from Aberdeen University, SCotland and an M.Sc. degree from Queen's University, Kingston, Ontario.

4) I have practised my profession for 24 years in B.C., Yukon, Onratio, U.S.A. and U.K.

5) The report is based on examination of the claims and familiarity with the area from previous work with Rhyolite Resources Inc. in 1983/84 and property examinations on Texada Island from 1969 to the present.

6) I am familiar with the work of D. Murphy, R. Duker, and M. Ryan who have prospecting experience on Texada Island over a period of 10 years. I have previously supervised explaration and sampling programs in which they have been engaged .

7) I have no interest directly or indirectly, in property or securities controlled by S. Beale, directly or indirectly, nor do I expect to receive any.

8) I have no interest, directly or indirectly, in any claims, or any company holding claims within 20 kms of the Victoria claim.

June 2, 1988

A:2 References Cited

Beale.S(1979) Geochemical Report on the Last Link Group Texada Island (assessment report), Sept. 1979

Beale.S. property files

Garratt.G.(1985)Geological Mapping Report on the Holly group of claims, Texada Island, report for Northair Mines Ltd. (June 1985)

Hicks.K.(1986) Diamond Drilling and Geological Report on the Holly Property-Yew Claims, report for Northair Mines Ltd., June 1986

McConnell R.(1914)Texada Island, Geological Survey of Canada Memoir # 58, 112p., 1914

Wares.R.(1983)Summary Report: Bolivar-Cortez-Holly Claim Groups, for Rhyolite Resources Inc, Nov. 1983

Wares.R.(1988)Report, Last Link Claim Group, report for S. Beale (private)

A:3 Sample Data

Soil sampling on the Victoria claim group was carried out by a field crew supervised by M.Ryan. The sampling crew comprised D. Murphy and R. Ducker.

Mr Murphy and Ducker have been involved in prospecting and sampling of mineral properties for a period of ten years, both having experience working for companies and consultants on Texada Island under qualified supervision. I am familiar with their work. Mr Murphy has previously taken the advanced prospecting course from the B.C.D.M.

Mr Ryan has been involved in supervising and conducting field programs on Texada Island for a period of three years, both for companies and supervised by qualified personnel. I am familiar with his work and have, in the past, examined several properties where his sampling methods were an integral part of exploration work.

Soil samples were collected from B horizon soils, at depths from 10 cm to 30 cm. Soils were collected from sample sites on traverse lines at intervals of 50' (15m).

Care was taken to avoid sample sites where a veneer of organic material or marine clays were present. In certain areas of Texada Island, geochemical expression is inhibited by these factors. In particular, on the Victoria claim, organic debris and marine clay is poorly developed or not present.

All rock samples collected were grab samples of representative material. Samples were collected by Murphy and Ducker. All samples were of Karmutsen volcanic units, with weak shearing and minor carbonate alteration. Samples # 35951 and 35952 carried weak, disseminated pyrite, , 2%.

R. Wares, P.Eng.

MIN-EN Laboratories Ltd.
Specialists in Mineral Environments
Corner 15th Street and Bewicke
705 WEST 15TH STREET
NORTH VANCOUVER, B.C.
CANADA V7M 1T2

Analytical Procedure Report for Assessment Work

31 Element ICP

Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Co, Cu, Fe, K, Li, Mg, Mn, Mo, Na, Ni, P, Pb, Sb, Sr, Th, U, V, Zn, Ga, Sn, W, Cr

Samples are processed by Min-En Laboratories Ltd., at 705 West 15th Street, North Vancouver, employing the following procedures.

After drying the samples at 95°C soil and stream sediment samples are screened by 80 mesh sieve to obtain the minus 80 mesh fraction for analysis. The rock samples are crushed by a jaw crusher and pulverized by ceramic plated pulverizer or ring mill pulverizer.

1.0 gram of the sample is digested for 4 hours with an aqua regia $HClO_4$ mixture.

After cooling samples are diluted to standard volume. The solutions are analysed by computer operated Jarrall Ash 9000 ICAP or Jobin Yvon 70 Type II Inductively Coupled Plasma Spectrometers. Reports are formatted and printed using a dot-matrix printer.

PHONE 980-5814

MIN-EN Laboratories Ltd.
Specialists in Mineral Environments
Corner 15th Street and Bewicke
705 WEST 15th STREET
NORTH VANCOUVER, B.C.
CANADA

ANALYTICAL PROCEDURE REPORTS FOR ASSESSMENT WORK

PROCEDURE FOR GOLD GEOCHEMICAL ANALYSIS.

Geochemical samples for Gold processed by Min-En Laboratories Ltd., at 705 W. 15th St., North Vancouver Laboratory employing the following procedures.

After drying the samples at 95°C soil and stream sediment samples are screened by 80 mesh sieve to obtain the minus 80 mesh fraction for analysis. The rock samples are crushed and pulverized by ceramic plated pulverizer.

A suitable sample weight 5.0 or 10.0 grams are pre-treated with HNO_3 and $HClO_4$ mixture.

After pretreatments the samples are digested with Aqua Regia solution, and after digestion the samples are taken up with 25% HCl to suitable volume.

At this stage of the procedure copper, silver and zinc can be analysed from suitable aliquote by Atomic Absorption Spectrophotometric procedure.

Further oxidation and treatment of at least 75% of the original sample solutions are made suitable for extraction of gold with Methyl Iso-Butyl Ketone.

With a set of suitable standard solution gold is analysed by Atomic Absorption instruments. The obtained detection limit is 5 ppb.

COMPANY: VANANDA GOLD LTD. | MIN-EN LABS ICP REPORT | (ACT:F31) PAGE 1 OF 1

PROJECT NO: VICTORIA | 705 WEST 15TH ST., NORTH VANCOUVER, B.C. V7M 1T2 | FILE NO: 8-277/PJ+2

ATTENTION: D.MURPHY | (604)980-5814 OR (604)988-4524 | * TYPE SOIL GEOCHEM * | DATE:MAR 9, 1989

(VALUES IN PPM)	AG	AS	BI	CU	PB	ZN	AU-PPB
VIC 001	1.2	4	9	35	21	39	3
VIC 002	1.5	8	12	20	21	53	7
VIC 003	1.9	10	13	73	32	91	5
VIC 004	.9	9	6	77	19	46	24
VIC 005	1.0	7	7	21	13	38	2
VIC 006	.6	11	7	25	10	44	3
VIC 007	.7	8	4	46	4	26	4
VIC 008	1.4	7	6	159	19	41	6
VIC 009	1.3	11	8	72	15	51	3
VIC 010	1.2	12	4	107	20	65	2
VIC 012	.9	11	6	79	12	39	3
VIC 013	.6	10	5	37	10	38	4
VIC 015	.5	7	4	76	13	33	6
VIC 017	.8	24	1	411	38	86	93
VIC 018	1.1	21	6	252	37	95	315
VIC 019	1.1	11	6	113	31	75	59
VIC 020	1.1	12	5	158	23	59	28
VIC 021	.9	8	6	117	22	79	113
VIC 022	.8	6	5	25	15	38	9
VIC 023	.6	5	7	26	14	37	4
VIC 024	1.1	7	7	20	18	43	17
VIC 025	1.3	10	12	40	20	61	11
VIC 026	1.1	10	10	24	27	66	3
VIC 027	1.1	9	9	32	13	60	2
VIC 028	1.4	11	10	28	19	61	4
VIC 029	1.5	9	15	23	25	77	1
VIC 030	2.1	10	16	17	32	68	2
VIC 031	1.6	9	14	14	17	66	2
VIC 032	1.3	8	13	14	13	53	1
VIC 033	1.0	10	13	47	18	76	3
VIC 034	.4	21	5	132	38	123	1
VIC 035	1.7	10	10	30	30	65	4
VIC 036	.9	1	4	9	15	43	27
VIC 037	.5	8	5	7	10	35	536
VIC 038	1.0	18	8	21	27	83	2
VIC 039	1.5	5	7	97	34	100	1
VIC 040	1.1	1	7	46	21	66	4
VIC 041	1.2	19	8	98	39	106	290
VIC 042	3.0	23	16	92	36	81	2
VIC 043	.5	5	4	35	32	97	1
VIC 044	.6	2	4	79	17	47	4
VIC 045	2.8	18	12	76	24	120	3
VIC 047	.5	9	2	71	15	38	1
VIC 048	1.2	8	4	70	21	58	2
VIC 049	1.1	9	4	64	22	71	8
VIC 050	1.1	7	3	83	25	47	14
VIC 051	.7	3	2	27	16	36	3
VIC 052	.6	6	2	15	6	24	6
VIC 053	.6	18	2	29	28	62	30
VIC 054	2.8	23	5	131	41	131	27
VIC 055	2.6	21	7	117	47	129	30
VIC 056	3.4	23	9	112	36	123	34
VIC 058	3.7	15	10	102	38	113	5
VIC 060	2.0	9	4	50	18	62	3
VIC 061	.9	6	2	179	22	49	8
VIC 062	.9	4	3	115	19	41	6
VIC 066	1.7	15	3	248	28	89	41
VIC 069	2.1	21	7	99	39	124	106
VIC 070	.9	8	3	45	15	53	9
VIC 071	1.0	4	2	28	16	36	4

COMPANY: VANANDA GOLD LTD. | MIN-EN LABS ICP REPORT | (ACT:F31) PAGE 1 OF 1

PROJECT NO: VICTORIA | 705 WEST 15TH ST., NORTH VANCOUVER, B.C. V7M 1T2 | FILE NO: 8-277/P3+4

ATTENTION: D.MURPHY | (604)980-5814 OR (604)988-4524 | * TYPE SOIL GEOCHEM * | DATE:MAR 9, 1988

(VALUES IN PPM)	AG	AS	BI	CU	PB	ZN	AU-PPB
VIC 073	1.8	16	10	100	42	93	33
VIC 074	2.2	5	10	87	45	68	290
VIC 075	2.5	6	12	117	52	92	38
VIC 076	1.8	25	5	196	44	147	24
VIC 077	2.7	7	11	133	46	149	111
VIC 078	3.5	6	19	122	42	181	615
VIC 079	3.1	21	12	169	50	177	74
VIC 081	1.1	15	1	369	53	185	87
VIC 082	3.5	18	13	74	43	181	15
VIC 083	.9	5	3	27	41	136	19
VIC 084	1.2	23	3	372	43	123	54
VIC 085	1.7	22	7	121	34	89	13
VIC 086	.7	15	1	54	43	148	14
VIC 087	.9	10	1	46	19	59	17
VIC 088	.9	13	1	119	26	75	6
VIC 089	2.3	20	1	111	34	259	9
VIC 090	3.5	23	2	126	41	186	3
VIC 091	2.5	20	1	160	31	129	13
VIC 092	2.8	25	1	174	44	189	32
VIC 093	1.5	22	1	433	42	150	48
VIC 094	.9	6	1	37	19	83	14
VIC 095	1.9	22	1	197	46	124	37
VIC 096	.5	10	1	90	35	107	685
VIC 097	2.0	15	1	74	43	172	171
VIC 098	.6	12	1	103	30	86	108
VIC 101	.9	7	1	67	21	61	9
VIC 103	.4	7	1	33	21	41	12
VIC 105	.7	3	1	13	9	17	4
VIC 106	1.1	7	1	16	15	25	11
VIC 107	.5	3	1	10	10	16	18
VIC 108	1.3	3	3	29	29	41	5
VIC 109	1.2	2	3	20	20	37	4
VIC 110	.8	2	3	28	19	39	2
VIC 111	.7	3	3	17	17	37	2
VIC 112	.6	8	3	10	12	31	3
VIC 113	.8	5	4	10	14	18	2
VIC 114	.7	4	4	18	17	43	2
VIC 115	1.7	14	10	118	27	66	3
VIC 116	.9	11	5	105	18	37	5
VIC 117	.8	5	6	60	17	30	4
VIC 118	.8	2	8	29	22	30	3
VIC 119	3.0	22	22	106	48	104	2
VIC 120	1.9	10	12	116	28	67	2
VIC 121	1.2	10	13	71	23	64	3
VIC 122	1.2	7	7	51	19	51	1
VIC 123	1.5	7	7	55	34	51	2
VIC 124	1.2	4	8	39	24	37	1
VIC 126	.9	6	7	20	26	44	2
VIC 127	1.0	8	7	20	19	42	3
VIC 128	.9	1	5	55	22	55	2
VIC 129	2.4	14	10	49	40	192	59
VIC 130	.7	12	2	32	27	77	7
VIC 131	1.1	10	6	48	28	101	3
VIC 132	1.1	8	3	72	26	55	2
VIC 133	1.1	16	5	45	33	70	2
VIC 134	.7	9	3	28	18	39	21
VIC 135	.8	1	2	12	11	39	4
VIC 136	.9	9	2	141	36	48	42

COMPANY: VANANDA GOLD
PROJECT NO: VICTORIA
ATTENTION: D.MURPHY

MIN-EN LABS (CP REPORT
705 WEST 15TH ST., NORTH VANCOUVER, B.C. V7M 1T2
(604)980-5814 OR (604)988-4524

(ACT:F31) PAGE 1 OF 1
FILE NO: 8-237
* TYPE ROCK GEOCHEM * DATE:MARCH 7, 1988

(VALUES IN PPM)	AG	AS	BI	CU	PB	ZN	AU-PPB
35951	1.6	1	2	1312	13	66	119
35952	3.6	4	1	518	7426	93	103
35953	.8	8	21	185	68	77	19
35954	1.2	6	28	156	43	65	10
35955	1.2	1	12	76	18	50	47
35956	.8	8	8	36	10	26	12
35957	1.0	13	20	235	15	46	22
35958	.6	16	11	34	14	37	7
35959	.4	5	1	190	6	26	393
35960	.6	11	2	39	7	55	18
35961	.8	14	10	172	12	50	21
35962	.6	12	6	68	14	29	17
34901	1.0	3	3	170	27	108	14
34902	.8	15	4	31	72	163	22

A:4 Statistical Data

Correlation matrix (N=118), Victoria Soils *

	Ag	As	Bi	Cu	Pb	Zn	Au
Ag	1.00						
As	0.55	1.00					
Bi	0.53	0.03	1.00				
Cu	0.32	0.46	0.05	1.00			
Pb	0.66	0.65	0.29	0.46	1.00		
Zn	0.84	0.82	0.06	0.73	0.68	1.00	
Au	0.35	0.37	0.04	0.40	0.64	0.74	1.00

* Au ppb, Ag*10, As, Cu, Pb, Zn ppm

	mean	poss anom.	prob anom.	anomalous
Au mean (ln)	= 36 ppb,	36-220	220-600	>600
Ag mean	= 1.1ppm			
As mean	= 9.5ppm			
Bi mean	= 9.8ppm			
Cu mean	= 110ppm			
Pb mean	= 57ppm			
Zn mean	= 98ppm			

Factor coefficient F' ln F= ln Cu + 1.08ln Zn + 1.37ln Pb

A:5 Statement of Costs

Geochemical Survey

1) D.Murphy,prospector, Feb.23-27,1988, 4.5 days,$150/d	$ 750.00
2) R.Duker, prospector, Feb.23-27,1988. 4.5 days. $150/d	$ 750.00
3) R.Wares, geologist,Feb 19, May 15, June 2,1988, 2 days @ 320/d.	$ 640.00
4) Transport, Vancouver/Texada Island	$ 96.00
5) Consumables/Supplies	$ 60.00
6) Geochemical Samples, 118 samples @ $ 7.00/sample	$ 826.00
7) Room/Board, Feb. 19/1988	$ 46.00
sub total	$3168.00

Prospecting

1) D.Murphy, prospector, Feb 28,1988, 1 day. @150/d	$ 150.00
2) R.Duker, prospector, Feb 28, 1988, 1 day @ $150/d	$ 150.00
3) M.Ryan, prospector, Feb 25-28, 1988, 4 days @ $150/d	$ 600.00
4) R.Wares, geologist, Feb 20,1988, 1 day @ 320/d	$ 320.00
5) Assay Samples, 25 samples @ 15.00/s	$ 375.00
6) Report preparation/consumables	$ 40.00
sub total	$1635.00

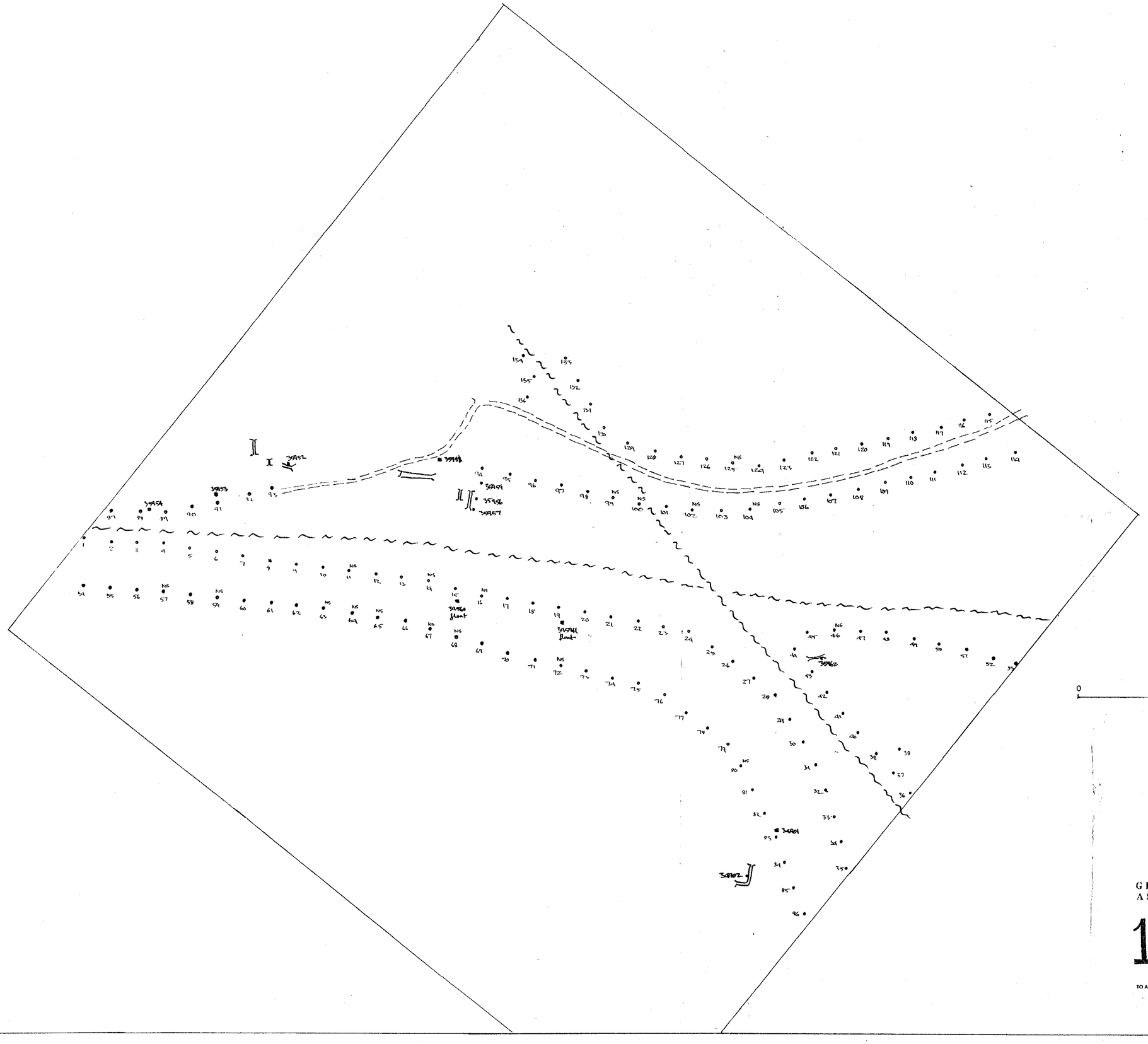
Total, Geochemistry & Prospecting $ 4,803.00

A total of $ 3600 to be applied as per affidavit filed.

R.Wares, P.Eng.

Vancouver, B.C.

Nov 25, 1988



GEOLOGICAL BRANCH
ASSESSMENT REPORT

18,212

TO ACCOMPANY REPORT DATED June 2/88
BY R. WARES, P. ENG.

VICTORIA CLAIM

SAMPLE LOCATIONS

- soil sample
- NS no sample
- grab sample
- chip sample
- fault zone
- trench
- adit

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
R. WARES

FIG.4

line # 4

line # 6

line # 5

line# 1

line # 2

line # 3

N

0 100m

200'

VICTORIA CLAIM

GOLD GEOCHEMISTRY

- sample site
- NS no sample

- background < 36
- possibly anomalous 36-220
- probably anomalous 220-600
- anomalous >600ppb

GEOLOGICAL BRANCH
ASSESSMENT REPORT

18,212

TO ACCOMPANY REPORT DATED June 2/88
BY R. WARES, P. ENG.

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
ROY WARES

FIG.6

line # 4

line # 1

line # 3

line # 6

line # 5

line # 2

N

0 100m

200'

GEOLOGICAL BRANCH
ASSESSMENT REPORT

18,212

TO ACCOMPANY REPORT DATED June 21/98
BY R. WARES, P. ENG.

VICTORIA CLAIM

Cu-Pb-Zn factor

- sample site
- NS (no sample)
- background < 84
- possibly anomalous 84-180
- probably anomalous 180-250
- anomalous ppm
- with Au - possibly anomalous
- probably anomalous
- anomalous

factor = $\ln f = (\ln Cu + 1.08 \ln Zn + 1.37 \ln Pb)$

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
ROY WARES

FIG. 6