ARIS SUMMARY SHEET

District Geologist, Smithers Off Confidential: 89.08.29

ASSESSMENT REPORT 18479 MINING DIVISION: Skeena Omineca

PROPERTY: Beaver
LOCATION: LAT 53 30 00 LONG 127 43 30
UTM 09 5928433 584574
NTS 093E05E 093E05W
CLAIM(S): Beaver II,Beaver V-VI,Beaver 4,Beaver 7-8,Saile 5-6,Slide 1-3,One Two,Three,Four,Five
OPERATOR(S): Whitesail Min.
AUTHOR(S): Kruszewski, J.;Horne, E.J.
REPORT YEAR: 1989, 32 Pages
COMMODITIES SEARCHED FOR: Silver,Copper,Gold
KEYWORDS: Mesozoic,Paleozoic,Greenstones,Amphibolite Gneiss,Quartz Veins Coast Plutonic Complex

WORK DONE: Prospecting,Geochemical
PROS 5000.0 ha
Map(s) - 2; Scale(s) - 1:10 000
SAMP 25 sample(s) ;AU,AG,CU

RELATED REPORTS: 10747
MAP FILE: 093E 014,093E

ASSESSMENT REPORT

GEOLOGICAL, GEOCHEMICAL AND TRENCHING PROGRAMS

BEAVER II CLAIM,
BEAVER V & VI CLAIMS
BEAVER 4 CLAIM,
BEAVER 7 & 8 CLAIMS
SAILE 5 & 6 CLAIMS,
SLIDE 1, 2 & 3 CLAIMS
ONE, TWO, THREE CLAIMS

SKEENA MINING DIVISION

AND

FOUR, FIVE CLAIMS

OMINECA MINING DIVISION

KEMANO AREA NTS 93E/5 & 12

OWNER: WHITESAIL MINERALS CORPORATION,
a subsidiary of KEMANO GOLD CORP.

AUTHORS: J. KRUSZEWSKI/E. HORNE

DATE: DECEMBER 20, 1988

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1.0 INTRODUCTION

1.1 General

This geological report is submitted to the Department of Energy, Mines and Petroleum Resources of British Columbia for application of assessment work credit for work performed on the Beaver II, Beaver V and VI, Beaver 4, Beaver 7 and 8, Saile 5 and 6, Slide 1, 2 and 3, One, Two, Three, Four and Five mineral claims.

Work on the above mentioned claims was done by J. Kruszewski, Ellis Goodland, Ken MAC Gowan, Vance Kruszewski, Jon Kruszewski, and the author E. Horne from August 3 to September 29, 1988. The work consisted of general geological reconnaissance mapping, minor rock geochemical sampling, trenching and sampling exposed mineralization for assay.

The mineral claim particulars are as follows:

Claim	Record No.	No. of Units	Filing Date	Work Filed To
Beaver II	2657	20	Oct. 20/80	
Beaver VI		5	Feb. 21/83	
Beaver 4	2697	9	Dec. 11/80	1989
Beaver V	3756	12	Feb. 21/83	
Beaver 7	5401	20	Apr. 21/86	
Beaver 8	5402	16	Apr. 21/86	
Slide 1	5667	20	Dec. 3/86	
Slide 2	5668	12	Dec. 3/86	
Slide 3		20	Jan. 22/89	
Saile #6	6351	16	Aug. 31/87	
Saile #5	6350	20	Aug. 31/87	
One	6659	20	Jan. 13/88	
Two	6660	20	Jan. 13/88	
Three	6661	20	Jan. 13/88	
Four	9274	20	Jan. 13/88	
Five	9275	20	Jan. 13/88	

- Minimum work requirement $100 per unit per year.
- Filing fee is $10 per $100 filed after 4 years.
- Filing fee is $5 per $100 filed during the first 3 years.

The owner/operator for the above mentioned claims is Whitesail Minerals Corporation, 1988 FMC No. 279484. $ 306 71, 1989

Claim locations are shown in Appendix A.

1.2 Location and Access

The Beaver 5, 6, 7 and 8 claims are on the south slope of Sandifer Ridge NTS 93E/5 & 12 approximate latitude 53 degrees 30'N and longitude 127 degrees 43' 30"S. See Figure 1. The claims in part extend along the valley floor containing the Sandifer Lake Road. See Figures 1A, B and Figure 2. The elevations within the claims are from 500 to 1800 metres A.M.S.L. the topography of the claim area is quite steep towards Sandifer Ridge with a steep U shaped glacial valley floor and rugged cliffs with steep talus slopes. Outcrop exposure in the area is approximately 50%. Access to the site at Kemano can be achieved by boat or bi-weekly ferry operated from Kitimat, B.C. by the Aluminum Company of Canada. Other means of access to Kemano is by Stol aircraft or helicopter as facilities for both are available; accommodation was provided by Redfern Guiding; Whitesail Minerals Corporation personnel has rental 4X4 pickups for access to the claims. The claims are accessible by a gravel road that is frequently closed during the winter months due to snow slide conditions. The total distance of the claims to the docks at Kemano landing is 25 to 45 road kilometers from the nearest and furthest claims edge. The townsite of Kemano is 20 kilometers from the docks at Kemano landing.

1.3 History and Ownership

In the late summer of 1952 George Smith and Fred Nash staked fourteen claims and one fraction on several limonite stained quartz veins southwest of Sandifer Peak. Samples of highly pyritized material gave assay returns of up to 6 oz./ton gold. R.A. Stuart of the B.C. Department of Mines visited the property in 1952 and reported the following in the British Columbia Minister of Mines Annual Report for the year.

"The only vein examined occupies a shear zone striking northwest and dipping southwest. It outcrops continuously between elevations 4500 feet and 5000 feet in a steep shear controlled gully on the northeasternmost claim of the group. At the top of the gully, the vein, which is here about 4 feet wide, disappears beneath talus on a small bench and could not be located in the bluffs above. At the 4500 foot elevation the only place where the vein is accessible, it swells to a width of about 15 feet then pinches out abruptly. The sheared zone, about 8 feet in width, continues below the pinch out of the quartz but flattens in dip and swings to a more easterly strike." R.A. Stuart verified the gold occurrences in pyritized quartz and massive pyrite stringers and blebs.

A short summarized version of historical events is as follows:

1953 - Conwest Exploration Company options the property and mining consultant L.K. Lytle, P. Geol., conducts a detailed sampling program over a slope length of 587

feet. Lytle confirms a grade of 0.92 oz./ton gold and indicates tonnage estimates in the main vein from 43,000 to 117,000 tons.

1960 - Silver Standard Mines Ltd. options the property and estimates reserves in the main vein at 117,000 tons averaging 0.92 oz./ton gold.

1972 - Mining Consultant F.J. Hemsworth, P. Eng., confirms the gold values and recommends drifting on the vein from an adit level of 4550 feet.

1980/81 - John Kruszewski of Calgary stakes the property surrounding the immediate vein vicinity. The Department of Energy, Mines and Resources Canada, National Inventory Section estimates the reserves at 117,000 tons grading 0.92 oz./ton.

1982/83 - Mining consultant W.E. Grove, Ph.D., P.Eng., confirms gold values and reserves estimates of 43,000 tons. He also recommends a major drilling program to delineate the reserves.

1984 - Whitesail Ventures Ltd. files a prospectus to the V.S.E. to raise $455,000 at $0.65 per share. The offering is withdrawn due to partnership financial difficulties.

1985 - Canfield Resources Ltd. and Partners purchase a major interest in Whitesail Ventures Ltd., J. Kruszewski remains a partner.

Mining Consultant D. Barker, P.Eng. with Kruszewski discover a new zone below the vein approximately 400 feet below the lower fault zone. Barker also confirms the gold value estimates on the main zone and recommends a three phase exploration development program of drilling and drifting on the vein. Further claims are staked.

1986 - Bristol Resources attempts to reinstate Whitesail Ventures' stock on a public venue. Two separate field programs are completed on some of the claims. Further claims are staked. A joint venture agreement on one two-post claim (Smith #1) is negotiated with Silver Standard Mines Ltd.

1987 - Whitesail Ventures Ltd. applies for lifting of a cease trade order on the V.S.E. The company name is changed to Whitesail Minerals Corporation. An agreement for private financing is also signed with Northcor Energy Ltd. of Calgary, Alberta. A work plan for extensive field work is formulated. Further field work is to be

done on the Beaver and Slide Claims until the fall of 1987.

Presently all the Beaver and Slide claims are held by Whitesail Minerals Corporation FMC 279484. The present claim status is shown on Figure 2 and Map 2.

Whitesail Minerals Corporation also has an agreement to option 50% of the Smith #1 Claim from Consolidated Silver Standard Ltd. This claim is to be located by legal survey during June, 1987. The option agreement also includes other expenditures that are presently planned to include drilling on the Smith-Nash Vein. Option lapses, clarification sought on location and boundaries of Smith #1 claim.

1988 - Take over of Whitesail Minerals Corp. by Kemano Gold Corp. Summer/fall program launched.

2.0 SUMMARY OF WORK DONE

The August-September field program had three major objectives in mind, these are as follows:

- Prospecting to find mineralization and geological reconnaissance.
- Field work including trenching and sampling the new mineralization for assay for the Beaver II, Beaver V and VI, Beaver 4, Beaver 7 and 8, Saile 5 and 6, Slide 1, 2 and 3, One, Two, Three, Four and Five mineral claims.
- Bulk sample for metallurgical testing from the Kayo Zone.

2.1 Geological Prospecting

Geological prospecting, trenching and sampling was done in areas of minimal snow conditions on the south slopes and plateau that had minimal tree cover. In total, approximately 100 line kilometers were prospected. The areas prospected are shown on Map 1; and are those areas that show outcrop, geological structural symbols and sample numbers.

2.2 Rock Geochemical Sampling, Hand Specimen Collection and Trenching

Rock samples were collected for further petrographic description and thin section analysis in order to more accurately determine rock type characteristics that will assist in further, more detailed geological mapping programs. A total of six rock geochemical samples were collected and analyzed for gold by Loring Laboratories Ltd. of Calgary, Alberta. The method of analysis is A.A and Fire Assay. A total of fifty trench samples

were brought back to Calgary, 38 of which have been submitted to Loring Laboratories Ltd. of Calgary, Alberta for assay. Sample locations are shown on Map 2.

2.3 Trenching and Test Pitting

A total of six trenches and eighteen test pits were excavated with the use of gas operated drills, explosives and manual pick and shovel hucking. The trench and test pit locations are shown on Map 1 (folder).

The total area trenched is approximately 5 metres long X 1.0 metres wide X six trenches = 30 metres squared. The average trench depth is 0.5 metres.

The main trenching work was done on the Kayo Zone, on this Zone, the largest trench is 11 metres long, 2 metres wide and the Zone was traced for a vertical distance of 2.5 metres.

The Kayo Zone contained approximately 20% sulphides (Pyrite, Chalcopyrite, bornite & minor tetrahedrite).

Gangue minerals are quartz, carbonate, sericitic schist, limonite and minor chlorite.

Assays from this trench are listed below.

Sample No.	Gold Value (oz/ton)	Silver Value (oz/ton)	Copper Value (%)	Sample Type
48789	1.494	3.13	5.01	bulk-2.1M
25477	0.566	0.90	1.56	chip-4.0M
48783	0.544	0.71	14.58	chip-2.1M
48790	0.820	1.10	2.86	chip-1.2M
48785	0.412	-	4.62	chip-1.1M
48784	0.428	0.85	5.40	chip-1.1M

	gold	silver	copper
Average of 6 samples	0.7106 oz/ton	1.115 oz/ton	6.57%

The eighteen test pits were excavated by drilling and blasting and hand work average 1.0 X 1.0 X 0.3 metres deep.

Analyses from these test pits, trenches and other prospecting samples are described in Appendix C and discussed in more detail in Section 3.3.

3.0 DETAILED TECHNICAL DATA AND INTERPRETATION

3.1 General Geology

The regional geology is outlined on a scale of one inch to four miles by S. Duffell 1959*. The rock assemblage within the claim area is assigned to either the Mesozoic or Paleozoic Era. The rock units consist of metavolcanic or metasedimentary greenstone, amphibolite, phyllite, schist, gneiss, and crystalline limestone. Minor dykes and cupolas of intrusive mesozoic coast intrusive granite, grandiorite, diorite as well as diabase dykes are also present. The predominant rock type generally occupying the eastern 2/3 of the claims along Sandifer Road (see Map 2) is fine grained thinly bedded metavolcanic greenstones with some narrow felsic horizons. This unit is frequently injected by ptygmatic veinlets and dykes. The degree of contact metamorphism is upper green schist facies. Pyrite is a common accessory mineral and the pyritization is quite intense on the eastern 1/4 of the claim group where felsic zones are also common. The western 1/3 of the claim group, along Sandifer Road (see Map 2) is typified by predominantly a metasedimentary sequence of quart-feldspar-biotite schist, ptygmatic gneiss and occasional amphibolite. The rocks exhibit low angle dips within a structural setting of broad open northerly trending folds with axial planes plunging north at approximately 5 degrees. Rodding structures and schistocity conform to this regional low amplitude homoclinal structure. The faulting exerts a prominent affect on the surrounding topography, with low angle thrust faults trending Az.050-065 and dipping 55-75 degrees northwest frequently stacking repetitive sequences of metasediments and cyclic metavolcanics. Shearing and fracturing trends Az. 320 with slight westerly dips ($\pm$ 75 degrees) and north trending limonitic open vertical fractures have in recent experience warranted detailed sampling and frequently contain > 50 Ppb, gold. Zones of intensive fracturing, exhibiting limonite staining, silicification, quartz implacement and pyritization are considered to be prime prospecting target zones for more intensive geological field investigation.

3.2 Gold Mineralization - (Historical)

The Smith-Nash vein mineralization as described by R.A. Stuart 1952* is contained in stringers of massive granular pyrite from 2 to 6 inches wide occurring on the footwall and hanging wall of

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*Duffel, S., 1959. Whitesail Lake Map Area, British Columbia Geological Survey of Canada, Memoir 299, Department of Mines and Technical Surveys pp. 1-119.

*Stuart, R.A., 1952. British Columbia Minister of Mines Annual Report.

the vein, sheared wallrock is only slightly mineralized. Gold analysis reported were as follows:

-	Mineralized quartz vein	0.39 oz/ton gold
-	Massive pyrite from 5 inch strainer	2.90 oz/ton gold
-	Sheared wallrock	0.09 oz/ton gold

Further work on the vein by subsequent workers confirms higher gold values in coarse, massive and granular pyritic mineralized sections. Fleck Resources drilled on this vein during 1988. Minor trenching on property held by Whitesail Minerals Corporation assayed 0.68 oz/ton gold (Beaver 2 Claim).

Other mineralization of geological interest occurs in the vicinity of Bridge #6 on km.35 of the Sandifer Road. Previous work done in this vicinity obtained sample results of 0.050, 0.018 and 0.068 oz/ton gold as well as other anomalous gold values from 210 to 900 Ppb; gold. Recent government geochemical analyses, minfile GSC 1360A and B.C. RGS 16A resulted in two gold analyses of 20 - 852 on the Beaver 8 Claim.

3.3 Geological Prospecting and Trench Sampling Results

The primary geological prospecting was done within the claim area along the length of the south side ridge. The prospecting was also done in the area of Sandifer Lake and outcrop areas exposed along creek beds. The geological prospecting approximately 100 square kilometers; the prospecting was over an approximate area of 100 line kilometers.

The rock types encountered and mapped consisted of the following:
- Grandiorite, leucogranite dykes, pegmatite lenses and ptygmatic gneiss.
- North striking vertical diabase dykes.
- Quartz-feldspar biotite schist.
- Amphibolite and amphibolite gneiss.
- Metavolcanic greenstone with intercalated felsic zones.
- Carbonate-phyllitic schist.
- Metavolcanic andesite.

The major rock type groups as mapped to date are plotted on Map 1. The map also indicates the major lithological contact zones; joints and structural trends which include numerous shear zones often associated quartz vein implacement and localized sulphide (Pyrite Chalcopyrite) mineralization.

David Zone Assays

Sample No.	Gold Value (oz/ton)	Sample Type
25479	4.038	grab-0.3M
48779	0.620	grab-1.1M
48777	0.160	chip-1.3M
48781	0.066	grab-1.2M
48778	2.272	grab-0.3M
25481	0.078	grab-7.0M
25478	0.744	chip-1.0M

Average of 7 samples 1.1397 oz/ton gold

3.4 Geochemical Sampling Results

The results of five rock geochemical samples along with an accompanying brief sample description is the following. The certificate analysis is included in Appendix A.

Sample No.	Gold Values	Type of Sample	Rock Type
48776	120 ppb	Grab	Meta-volcanics sheared
48780	560 ppb	Grab	Quartz biotite schist pyrite
48781	+1000 ppb	Grab	Quartz limonite 1.2M
48782	300 ppb	Grab	Quartz magnetite Tetrahedrite, pyrite
48788	460 ppb	Grab	Quartz, rose chalcopyrite

Recent sampling by the Provincial and Federal Government (GSC Open file 1360A/B.C. RGS 16A) indicates that anomalous gold occurs south of the main drainage along the Sandifer Lake Road. Work to date by Whitesail/Kemano Gold Corporation indicates that potential sources for this anomalous gold could be the zones of quartz/sulphide shear vein as presented on Map 1. The David Zone previously discussed in Section 3.3 is one potential source area.

4.0 DATA SUMMARY

Recent work conducted on the Kemano Gold Property encompassing an area of 5,000+ hectares has significantly increased/expanded the potential of the property. Prospecting during the two month field season in 1988 resulted in the discovery of 12 new showings, some of which contain spectacular gold values.

Higher gold values are spacially related to quartz veining in the meta-sediments in proximity to intrusive and related dike rocks.

In the newly discovered South Area about three and one-half kilometers southeast of the Smith-Nash Vein and on the opposite side of the valley, a total of 16 gold bearing veins have been defined, 10 of which warrant detailed exploration work. Arithmetic averages of assay samples taken from selected zones are as follows:

1987

Vance	-	0.196 oz/ton	1 sample taken
Kayo	-	0.840 oz/ton	4 samples taken
Pat	-	0.105 oz/ton	4 samples taken
Main	-	0.198 oz/ton	4 samples taken
Sven	-	0.394 oz/ton	1 sample taken
Johnny	-	0.230 oz/ton	3 samples taken

1988

Kayo Zone Assays

Sample No.	Gold Value (oz/ton)	Silver Value (oz/ton)	Copper Value (%)	Sample Type
48789	1.494	3.13	5.01	bulk-2.1M
25477	0.566	0.90	1.56	chip-4.0M
48783	0.544	0.71	14.58	chip-2.1M
48790	0.820	1.10	2.86	chip-1.2M
48785	0.412	-	4.62	chip-1.1M
48784	0.428	0.85	5.40	chip-1.1M

	gold	silver	copper
Average of 6 samples	0.7106 oz/ton	1.115 oz/ton	6.57%

David Zone Assays

Sample No.	Gold Value (oz/ton)	Sample Type
25479	4.038	grab-0.3M
48779	0.620	grab-1.1M
48777	0.160	chip-1.3M
48781	0.066	grab-1.2M
48778	2.272	grab-0.3M
25481	0.078	grab-7.0M
25478	0.744	chip-1.0M
Average of 7 samples	1.1397 oz/ton gold	

In addition, high copper and silver values were associated with quartz veining on the South side Kayo Zone.

Previous geophysical work has demonstrated its usefulness in targeting new areas of mineralization. Current staking, amounting to some 900 hectares, was completed on the South Side in 1988 to cover new gold finds. Some 3000+ hectares were staked on the South Side in 1988 to cover these potential occurrences.

The potential for additional finds remains high considering the historical rate of new discoveries, identification of prospective new areas based on air photo information and inordinate amounts of mineralized float.

4.1 Conclusions

The Beaver and Slide claims that belong to Whitesail/Kemano Gold Corp. have been noted to consistently contain gold values in areas of fracturing, shearing and quartz vein implacement. The predominant structural trends noted to contain gold are north and northwest striking shear zones as well as some fracture zones that strike approximately Az.060 and in general appear to postdate the north and northwest trend. The Az.060 structural fractures and shears are frequently of a thrust fault nature. The gold, frequently associated with massive pyrite blebs and lenses, occurs as free gold within pyrite grain boundary zones; grain boundary zones between euhedral vuggy quartz and pyrite, within pyrite grains and within fractures within pyrite grains.

Pyrite rich greenstone frequently does contain some gold values, silicification and fracturing appear to be a requisite for gold enrichment. The predominant rock types in the area are greenstone, quartz-feldspar-biotite schist, carbonate rich phyllitic schist, amphibolite, thin felsic metavolcanic zones intercalated within the greenstones. Principal intrusive rocks

are thin pegmatic lenses and sheets; quartz veins, grandiorite, granitic and metavolcanics andesite dykes and sills and diabase dykes.

Detailed evaluation of the gold potential of the South Side deserves the first order of priority. The 1989 summer work program should re-establish the geophysical grid on the Kayo Zone and the Westerly David Zone. A VLF survey should be undertaken on this zone and additional magnetometer work completed. Further trenching and blasting should be conducted on the Kayo, Pat, Vance and David veins. Detailed sampling should be completed on the new extended grid and prospecting should be undertaken, based on air photo interpretation, in the outlined area.

The area surrounding the David Zone should be prospected and, subsequently, trenching, mapping, and systematic sampling undertaken. the camp should initially be established east of the Kayo Zone and David Zone in order to facilitate trenching, grid layout, geophysics, sampling and detailed mapping of these zones.

Diamond drilling should be planned for the South Side based on the positive results of the program outlined above.

4.2 Recommendations

Further work should concentrate in areas of noted increased fracture and shear zone intensity such as along the strike direction of the Smith-Nash vein and the gossaniferous zone around Bridge #6 km.35 which extend over the South side ridge through the Kayo and David Zones. See Map 2.

The estimated budget for the 1989 field program is $300,000.00.

The type of work that should be done includes the following:

- VLF conductor survey.
- Rock and soil geochemical sampling.
- Fracture zone analysis and geological mapping.
- The new veins should be mapped on a detailed basis. Present detailed mapping is restricted to a small area on the south ridge. Mapping should be done to the road.
- The veins should receive drilling on a step-out grid. This will establish a reserve potential.
- Three 30-50 kilogram bulk samples should be tested for gold recovery.
- Intense prospecting and detailed mapping should be done south of Sandifer River.

5.0 ITEMIZED COST STATEMENT

5.1 Wages

	Position	Daily Rate	Days Worked	Total
Ken MAC Gowan	Sr. Prospector	150.00		
Aug. 5-27/88			23	
Aug. 31-Sept. 13/88			14	
Sept. 27-29/88			3	
				6,000.00
Ellis Goodland	Prospector	100.00		
Aug. 5-27/88			23	
Aug. 31-Sept. 13/88			14	
Sept. 27-29/88			3	
				4,000.00
Vance Nelson Kruszewski	Field Assistant	60.00		
Aug. 18-30/88			13	780.00
J. Jon Kruszewski	Geology Student	100.00		
Aug. 4-30/88			27	2,700.00
John M. Kruszewski	Project Manager	200.00		
Aug. 4-30/88			27	
Sept. 8-13/88			6	
Sept. 27-29/88			3	
				7,200.00
Emmett Horne	Project Geologist	350.00		
Sept. 8-13/88			5	1,750.00
		Total Man Days	164	Total Wages 22,430.00

5.2 Commercial Accommodation

8 Days at $56.00	498.00
Cafe Meals	227.00
Total	675.00

5.3	Camp Food and Supplies and all Field Equipment	7,454.90
5.4	Transportation	
	4X4 Truck and equipment rental	3,255.00
	5 Fixed wing charters (4 Houston based 1 Terrace based)	1,887.00
	Northern Mountain Helicopters (35.09 hrs. @ 525.00)	18,417.50
	Radio Rentals	237.00
	2 Canadian airline tickets	956.00
	Total	24,752.50
5.5	Testing	
	Loring Laboratories	569.00
	Sample Bags	87.00
	Total	656.00
5.6	Cost of Report	
	Drafting and Printing	620.00
	Report Compilation	250.00
	Report Writing (2 Days at $300.00)	600.00
	Total	1,470.00
	Total Project Cost	$57,438.51

6.0 PROFESSIONAL QUALIFICATIONS AND CERTIFICATION

6.1 Qualifications

I am a practicing prospector resident at 520-521 - 3 Avenue S.W., Calgary, Alberta T2P 3T3.

I attended two (2) years of university at the University of Toronto in Ontario and two (2) years at Mount Royal College in Calgary. I do not have a degree, however, I have worked in geological exploration since 1962.

This report is based on my field work on the subject properties since July 1980 to the present. Previous geological experience includes:

- staking and initial geological exploration of what is now Baymag Mines - 2 years.
- staking and initial geological exploration of what is now Aurun Mines Perlite.
- staking and initial testing of the diatomite mine near Kamloops.
- acquiring leases, field supervisor in mapping, trenching, drilling, logging core. Gulf Minerals (coal) - 2 years.
- I am a member of Mineral Exploration Group (Calgary, Alberta).
- I do have shares in Kemano Gold Corp. and I am a director of the company.

That to the best of my knowledge the acquisition of all the data and the expenditures claimed for the performance of work as presented in this report is correct.

John Kruszewski

6.2 Professional Certification

I am a practicing geologist resident at 608, 920 - 9th Avenue S.W., Calgary, Alberta, T2P 2T9

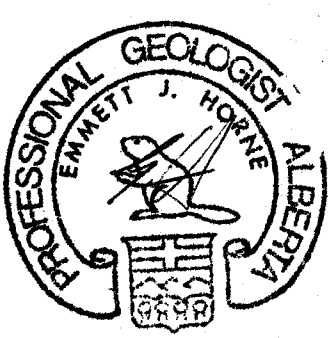
I graduated with a B.A. (Honours Equivalent) in geology from the University of Saskatchewan, Saskatoon in 1967. I also completed one post graduate year in 1970. I have practiced my profession continuously for over twenty (20) years.

I am a member of the Canadian Institute of Mining and Metallurgy and the Association of Professional Engineers, Geologists and Geophysicists of Alberta as a Professional Geologist.

This report is based on my understanding of the properties as a result of field work performed on them by the author and myself during the 1986, 1987 Field Seasons and five days during the 1988 Field Season. A comprehensive review of all reports and studies including the maps and files on the subject properties was also done.

I have no direct or indirect interest in any of the subject properties of this report. I do have shares in Kemano Gold Corp. and I am a director of the company.

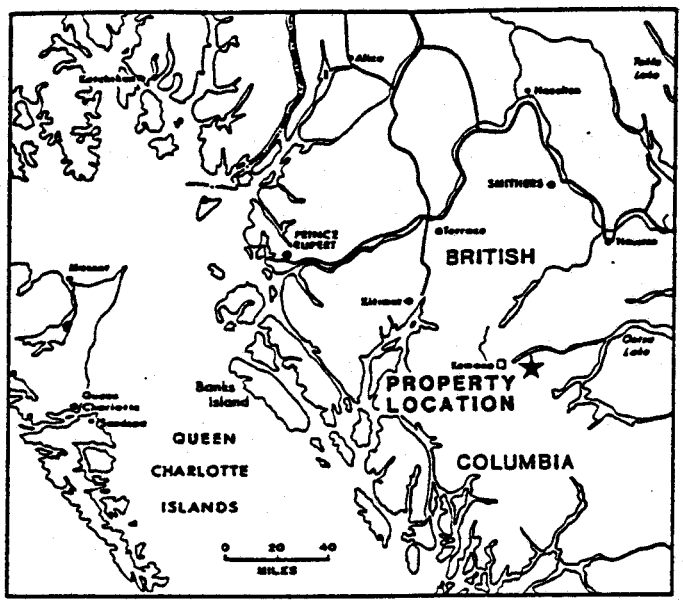
That to the best of my knowledge the acquisition of all the data and the expenditures claimed for the performance of work as presented in this report is correct.

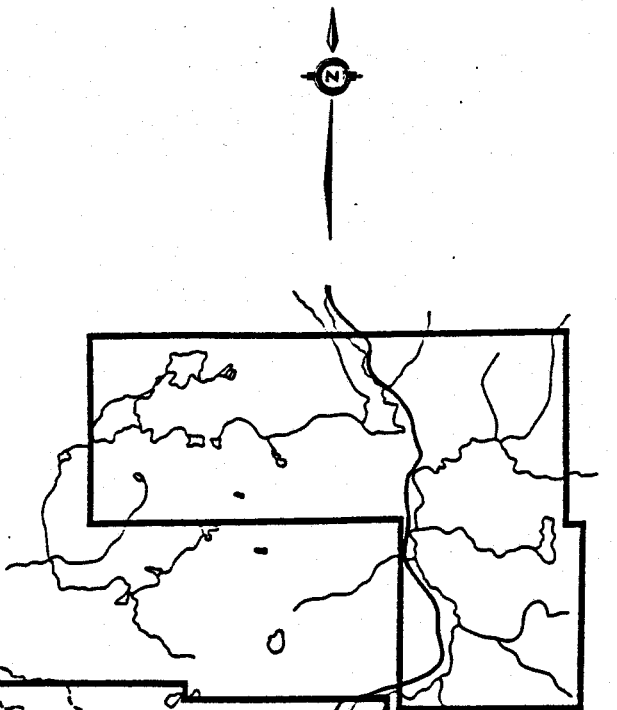


Emmett J. Horne, P. Geol.
Dated December 20, 1988

APPENDIX A

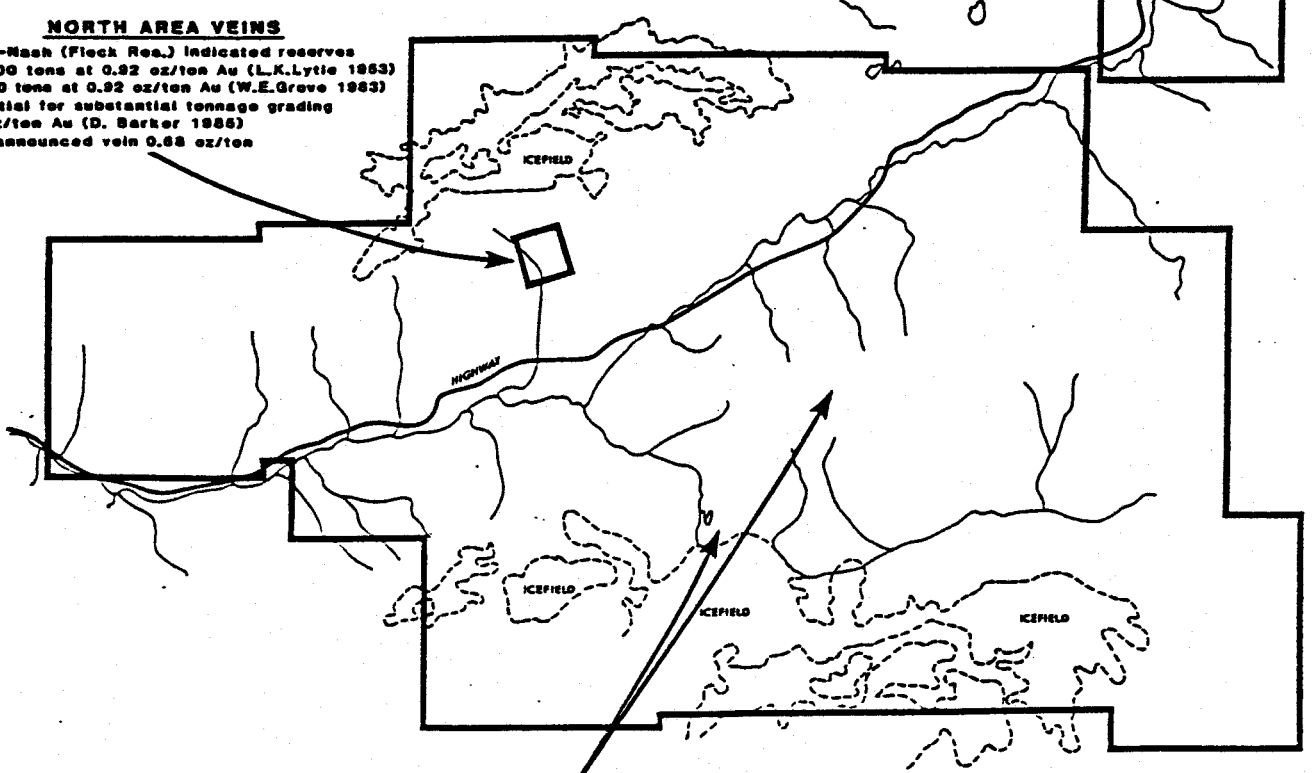
CLAIM LOCATION MAPS





NORTH AREA VEINS

Smith-Nash (Fleck Res.) indicated reserves
117,000 tons at 0.92 oz/ton Au (L.K.Lytle 1983)
43,000 tons at 0.92 oz/ton Au (W.E.Greve 1983)
Potential for substantial tonnage grading
0.5 oz/ton Au (D. Barker 1985)
New announced vein 0.68 oz/ton



SOUTH AREA VEINS

	1987		1988	
VANCE	0.196 oz/ton gold	1 Sample	0.7106 oz/ton gold	6 Samples
KAYO	0.840 oz/ton gold	4 Samples	—	—
PAT	0.105 oz/ton gold	4 Samples	—	—
MAIN	0.198 oz/ton gold	4 Samples	—	—
SVEN	0.394 oz/ton gold	1 Sample	—	—
JOHNNY	0.230 oz/ton gold	3 Samples	—	—
DAVID	—	—	1.1397 oz/ton gold	7 Samples
JON	—	—	0.132 oz/ton gold	2 Samples

1:50,000
0 2 Miles
0 1000 2000 3000 Metres

PROPERTY HOLDINGS

KEMANO GOLD CORPORATION
(WHITESAIL MINERALS CORP.)

KEMANO GOLD PROJECT
NTS 93E/5 & 12
SKEENA/OMINECA MINING DIVISIONS

Figure 1

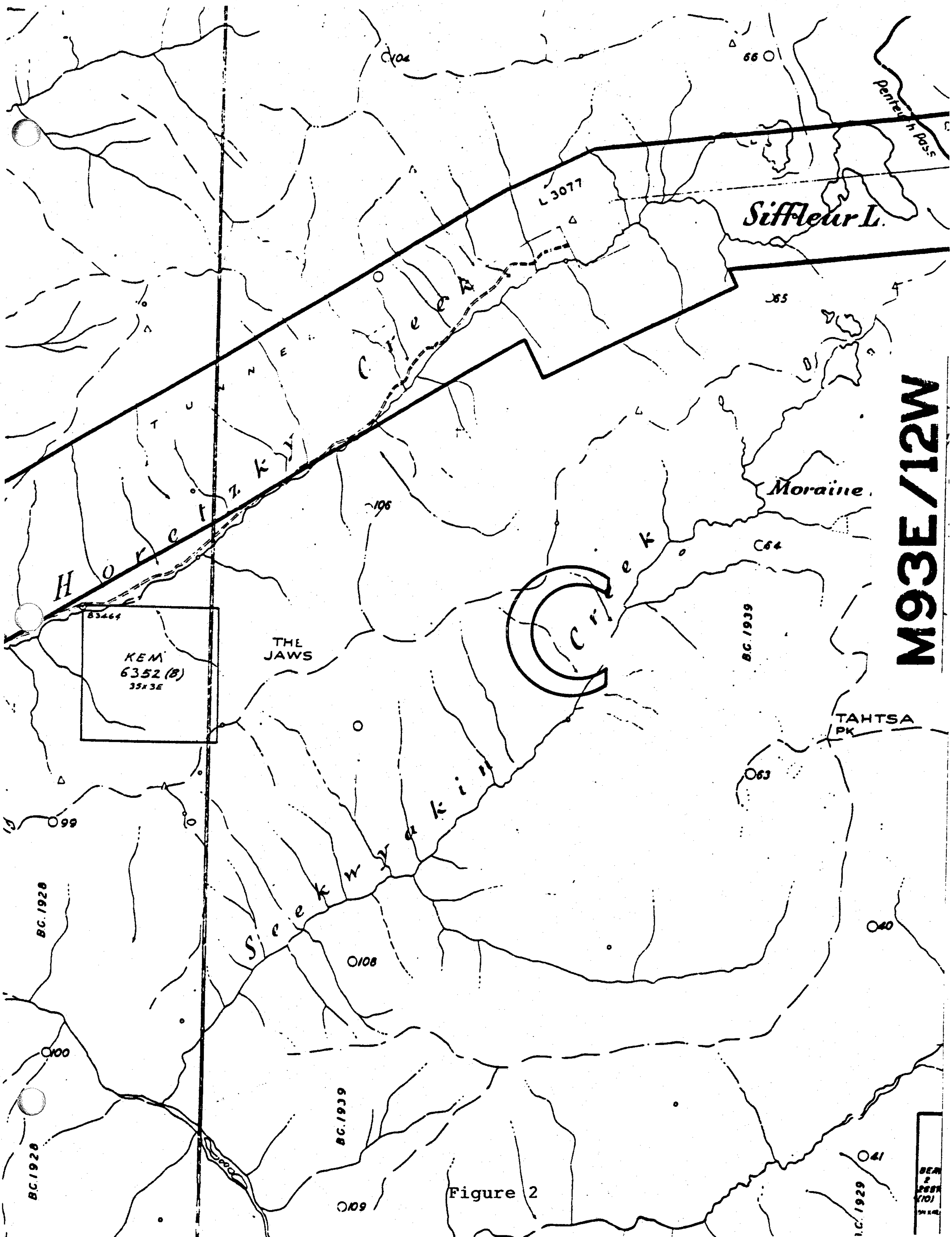

M93E/12W
Siffleur L.
L 3077
Horetzky Creek
TUNNEL
Moraine
THE JAWS
KEM
6352 (8)
35x3E
B3464
TAHTSA PK
B.C. 1939
B.C. 1928
B.C. 1929
104
66
65
64
63
106
99
100
108
109
40
41

Figure 2

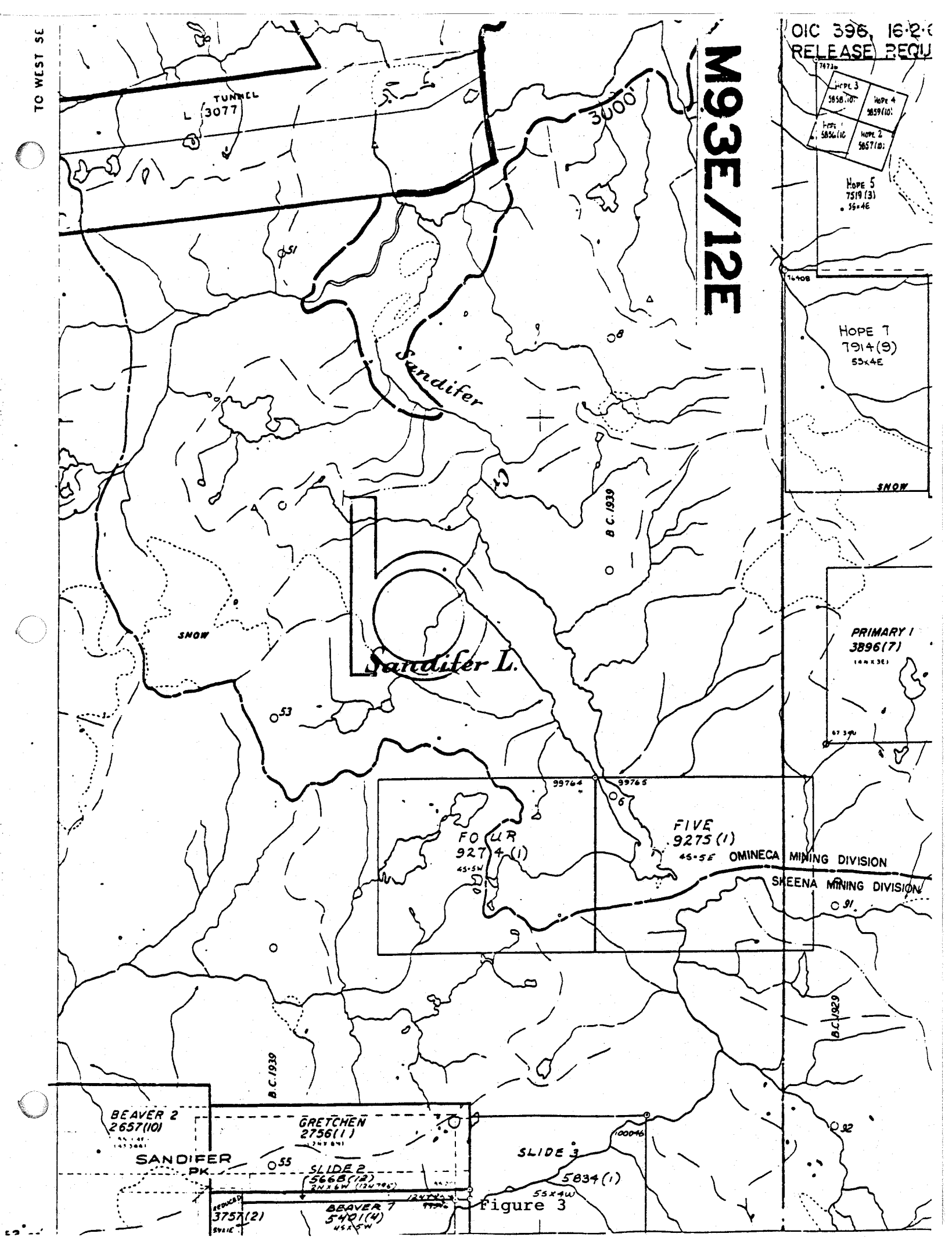

TO WEST SE
M93E/12E
OIC 396, 16-2-
RELEASE REQU
TUNNEL
L 3077
3000
51
Sandifer
8
HOPE 3
5858.10
HOPE 4
5859(10)
HOPE 1
5856(10)
HOPE 2
5857(10)
HOPE 5
7519(3)
55x4E
HOPE 7
7914(9)
55x4E
SNOW
B.C.1939
Sandifer L.
SNOW
53
PRIMARY 1
3896(7)
99764
99765
6
FOUR
9274(1)
45-5W
FIVE
9275(1)
45-5E
OMINECA MINING DIVISION
SKEENA MINING DIVISION
91
B.C.1939
B.C.1929
BEAVER 2
2657(10)
GRETCHEN
2756(1)
SANDIFER
PK
55
SLIDE 2
5668(12)
SLIDE 3
5834(1)
55x4W
92
REDUCED
3757(2)
BEAVER 7
5401(4)
45x5W

Figure 3

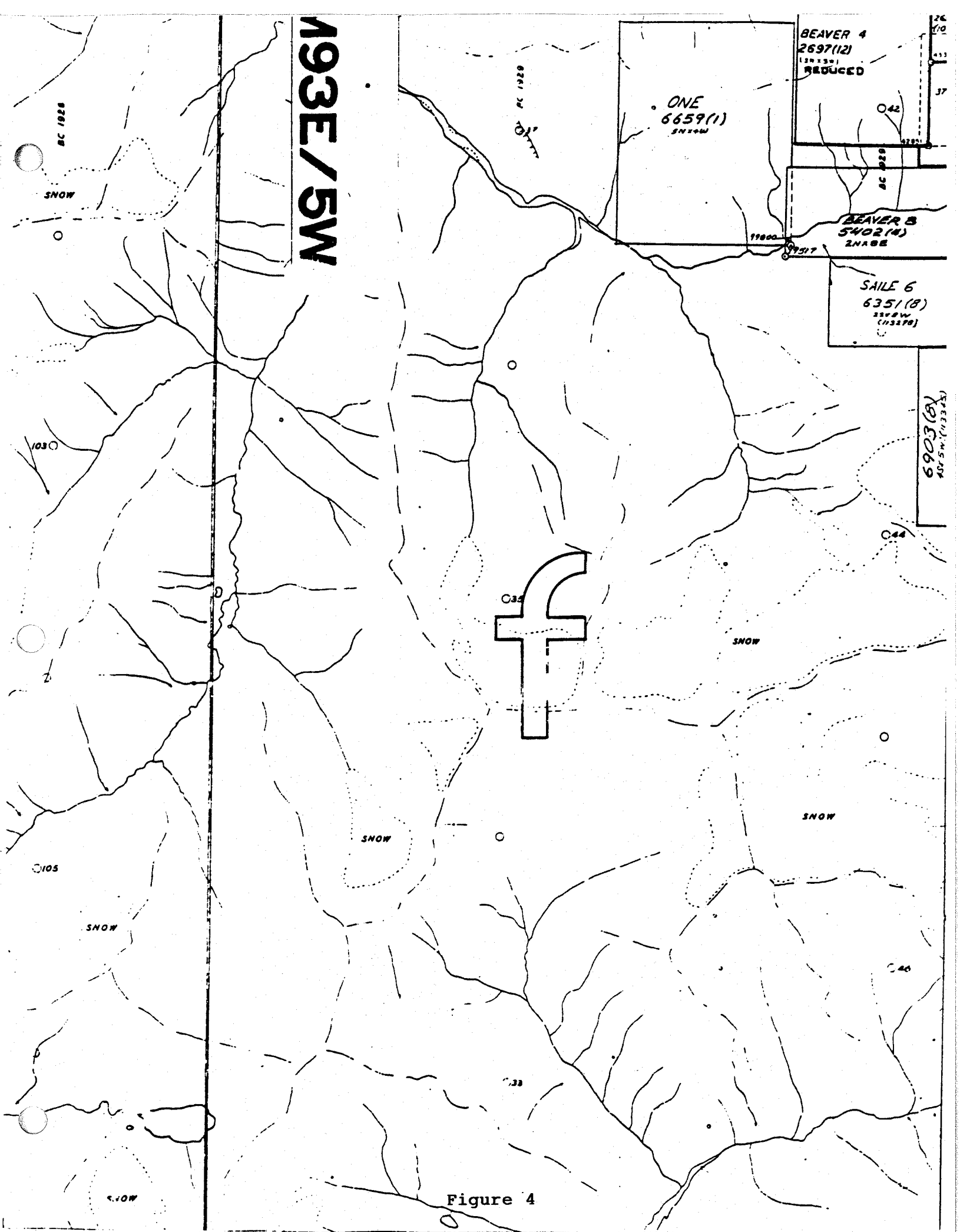

193E/5W
BEAVER 4
2697(12)
REDUCED
ONE
6659(1)
BEAVER 5
5402(4)
SAILE 6
6351(8)
6903(8)
SNOW
103
105
35
42
44
46
33

Figure 4

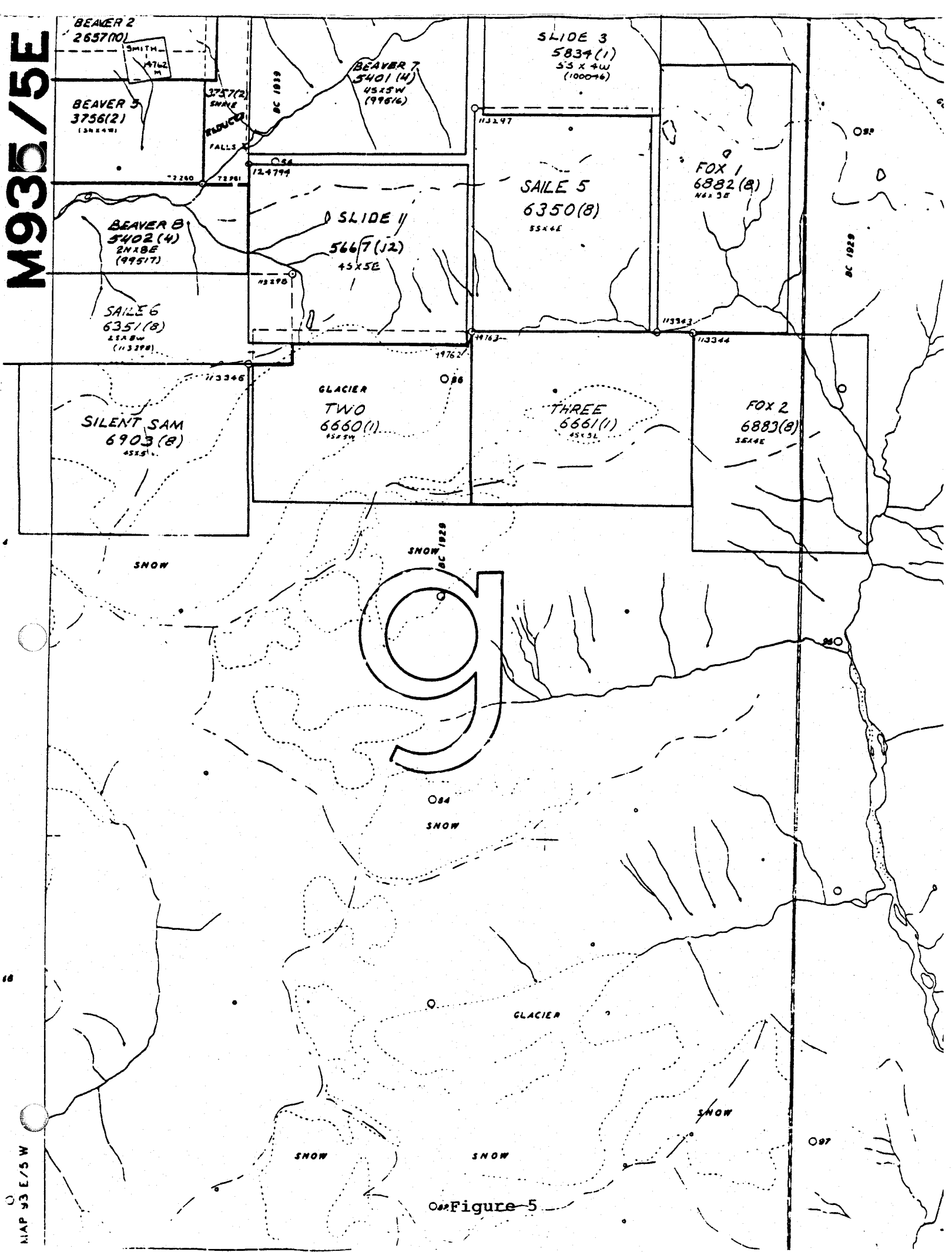

M935/5E
BEAVER 2
2657(10)
SMITH
14762
M
BEAVER 3
3756(2)
(3NX4W)
3757(2)
SNAKE
REDUCED
FALLS
BEAVER 7
5401 (4)
45X5W
(99616)
SLIDE 3
5834(1)
5S X 4W
(100046)
113247
FOX 1
6882(8)
N6X3E
BEAVER 8
5402(4)
2NX8E
(99517)
SLIDE II
5667(12)
45X5E
SAILE 5
6350(8)
5SX4E
SAILE 6
6351(8)
2SA8W
(113298)
113346
GLACIER
TWO
6660(1)
45X5W
THREE
6661(1)
45X5E
113343
113344
FOX 2
6883(8)
5SX4E
SILENT SAM
6903(8)
45X5E
SNOW
BC 1929
SNOW
SNOW
GLACIER
SNOW
SNOW
SNOW
MAP 93 E/5 W

Figure 5

APPENDIX B

LABORATORY ANALYSES

Loring Laboratories Ltd.
Calgary, Alberta

To: NORMIN MINERALS LTD.
10th Floor,
602 - 6th Avenue S.W.,
Calgary, Alberta T2P 0S5

ATTN: Jan M. Alston

File No. 31724
Date September 22, 1988
Samples Rock

Certificate of Assay
LORING LABORATORIES LTD.

SAMPLE NO.	OZ./TON GOLD	OZ./TON SILVER	% Cu
"Rock Samples"			
"Assay Analysis"			
25476	.020	-	-
25477	.566	.90	1.56
25479	4.038	-	-
25480	.124	-	-
25481	.078	-	-
25482	.010	Trace	.01
25483	.244	-	-
25484	.024	-	-
25485	.013	-	-
25486	.044	-	-
25487	.014	-	-
25488	.004	-	-
25489	.006	-	-

I Hereby Certify that the above results are those assays made by me upon the herein described samples....

Rejects retained one month.
Pulps retained one month unless specific arrangements are made in advance.

Assayer

To: NORMIN MINERALS LTD.,
10th Flr., 600 - 6th Avenue S.W.,
Calgary, Alberta T2P 0S5

ATTN: Jan M. Alston

File No. 31819
Date October 11, 1988
Samples Rock

Certificate of Assay
LORING LABORATORIES LTD.

"Assay Analysis"

SAMPLE NO.	OZ./TON GOLD	OZ./TON SILVER	% Cu
25490	.006	-	-
25491	.004	-	-
25492	.004	-	-
25493	.008	-	-
25494	.008	-	-
48777	.160	-	-
48778	2.272	-	-
48779	.620	-	-
48781	.066	-	-
48783	.544	.71	14.58
48784	.428	.85	5.40
48785	.412	-	4.62
48787	.044	-	-
48790	.820	1.10	2.86

I Hereby Certify that the above results are those assays made by me upon the herein described samples....

Rejects retained one month.
Pulps retained one month unless specific arrangements are made in advance.

Assayer

To: NORMIN MINERALS LTD.,
10th Flr., 600 - 6th Avenue S.W.,
Calgary, Alberta T2P 0S5

ATTN: Jan M. Alston

File No. 31765
Date October 17, 1988
Samples Rock

Certificate of Assay
LORING LABORATORIES LTD.

SAMPLE NO.	OZ./TON GOLD	OZ./TON SILVER	% Cu
"Rock Samples"			
"Assay Analysis"			
25478	.744	1.20	-
48751	.020	.38	.73
48752	.028	.61	.62
48753	.004	-	-
48754	.006	-	.02
48755	.002	-	-

I Hereby Certify that the above results are those assays made by me upon the herein described samples....

Rejects retained one month.
Pulps retained one month unless specific arrangements are made in advance.

Assayer

To: NORMIN MINERALS LTD.,
10th Flr., 600 - 6th Avenue S.W.,
Calgary, Alberta T2P 0S5

ATTN: Jan M. Alston

File No. 31893
Date October 24, 1988
Samples Rock

Certificate of Assay
LORING LABORATORIES LTD.

SAMPLE NO.	OZ./TON GOLD	OZ./TON SILVER	% Cu
"Rock Samples"			
"Assay Analysis"			
48786	.038	.24	-
48789	1.494	3.13	5.01

I Hereby Certify that the above results are those assays made by me upon the herein described samples....

Rejects retained one month.
Pulps retained one month
unless specific arrangements
are made in advance.

Assayer

To: NORMIN MINERALS LTD.,
10th Flr., 600 - 6th Avenue S.W.,
Calgary, Alberta T2P 0S5

ATTN: Jan M. Alston

File No. 31819
Date October 11, 1988
Samples Rock

Certificate of Assay
LORING LABORATORIES LTD.

SAMPLE NO.	PPB Au
Geochemical Analysis	
48776	120
48780	560
48780	+1000
48782	300
48788	460

I Hereby Certify that the above results are those assays made by me upon the herein described samples....

Rejects retained one month.
Pulps retained one month unless specific arrangements are made in advance.

Assayer

APPENDIX C

SAMPLE DESCRIPTIONS

Sample Descriptions

Sample No.	Gold Values (Oz/Ton)	Type of Sample	Rock Type
25476	0.02	Chip 1 M	Quartz rusty sheared
25477	0.566	Chip 4 M	Sulfides massive
25478	0.744	Chip 1 M	Quartz rusty green stone
25479	4.038	Grab .3M	Quartz sulphides limonit staining
25480	0.124	Grab 1.4M	Schist sheared quartz lenses
25481	0.078	Grab 7 M	Quartz veinlets limonite calcite
25482	0.012	Chip .6M	Meta sediments silicified
25483	0.244	Chip 2 M	Meta arkose
25484	0.024	Grab	Quartz lenses in meta sediments
25485	0.012	Grab	Greenstone with quartz veinlets sheared
25486	0.044	Grab	Greenstone with massive sulphides
25487	0.014	Grab	Quartz veins sheared in meta sediments
25488	0.004	Grab	Greenstone sheared sulphide pods and streaks
25489	0.006	Grab	Greenstone sheared sulphide pods and streaks

Sample Descriptions

Sample No.	Gold Values (Oz/Ton)	Type of Sample	Rock Type
48777	0.160	Chip 1.3M	Meta-volcanics breciated
48778	2.272	Grab 0.3M	Quartz, vuggy pyrite
48779	0.620	Grab 1.1M	Quartz sheared meta-volcanics
48781	0.066	Grab	Quartz limonite 1.2M
48783	0.544	Chip 2.1M	Quartz chalcopyrite
48784	0.428	Chip 1.1M	Quartz chalcopyrite pyrite
48785	0.416	Chip 1 M	Quartz chalcopyrite pyrite Friable
48786	0.038	Grab	Quartz pod in meta-volcanics
48787	0.044	Chip 1.1M	Quartz veinlets sheared greenstone
48789	1.494	Bulk sample 2.1M	Quartz blue-gray pyrite borimite
48790	0.820	Chip 1.2M	Quartz chalcopyrite pyrite

APPROXIMATE DECLINATION
1979
ANNUAL CHANGE MINUS 3.1'

BEAVER 2 (5N 4E)
BEAVER 4 (3N 3W)
BEAVER 5 (3N 4W)
BEAVER 6 (5N 1E)
BEAVER 7 (4S 5W)
BEAVER 8 (2N 8E)
ONE (5N 4W)
SLIDE 1 (4S 5E)
SLIDE 2 (2N 6W)
SLIDE 3 (5S 4W)
SAILE 5 (5S 4E)
SAILE 6 (2S 8W)
THREE (4S 5E)
TWO (4S 5W)

SMITH 1
NEW VEIN
0.68 oz/ton Au

SANDIFER PEAK
2065

LIMONITE STAINED SHEAR ZONES IN METASEDIMENTS
PROSPECTED SEPT.15th

GREENSTONE/MINOR Py.Cpy
T-23
& PROSPECTED Aug.7th

PROSPECTED Aug.9th

PROSPECTED AUG.15th
GREENSTONE & Py

METASEDIMENTS & QUARTZ VEINS

MacLOWAN FAULT ZONE

PROSPECTED

PROSPECTED AUG.9th

GREENSTONE/MINOR Py.Cpy
TRAVERSED & PROSPECTED
SEPT.29th

QUARTZ VEIN
METASEDIMENTS

QUARTZ VEIN
GREENSTONE

PROSPECTED
SEPT.5th - 9th

BARREN
QUARTZ VEIN

QUARTZ VEIN

QUARTZ VEIN

QUARTZ VEINS

PROSPECTED
AUG.28th & 29th

PREVALENT SHEARING
METAVOLCANICS & SEDIMENTS

PROSPECTED
AUG.28th & 29th

SHEARING

PREVALENT THIN
SHEAR ZONES
METAVOLCANICS
GRANITIC ROCKS &
METASEDIMENTS

DAVID FAULT ZONE

KALO FAULT ZONE

CAMP

T-1 T-2 T-3 T-4 T-5 T-6 T-7 T-8 T-9 T-10 T-11 T-12 T-13 T-14 T-15 T-16 T-17 T-18 T-19 T-20 T-21 T-22 T-23 T-24

PROSPECTED
AUG.22nd & 23rd

PROSPECTED
AUG.15th - 18th

PROSPECTED
AUG.24th - 26th

PROSPECTED
AUG.24th - 26th

INSET: SANDIFER LAKE CLAIMS

FOUR (4S 5W)
FIVE (4S 5E)
CAMP

METASEDIMENTS
& GREENSTONE
MINOR Py

PROSPECTED SEPT.14th

FAULT ZONE

PROSPECTED
SEPT.14th

GREENSTONE

GRANITIC
ROCKS

GRANITIC
ROCKS

PROSPECTED SEPT.13th
SHEARED GREENSTONES
QUARTZ VEINLETS & Py

PROSPECTED SEPT.12th
LIMONITE STAINED
SHEAR ZONES

T-1 T-2 T-3 T-4

BELT CHAIN & ODOMETER DISTANCES
CO-ORDINATES UTM GRID
MAP BASE: ENLARGEMENT FROM 1:50,000 TOPOGRAPHIC & FORESTRY MAP (EUROCAN P.P.)
1:10,000
0 250 500 750 1000 Metres

Cpy CHALCOPYRITE
Py PYRITE
TREND OF VEIN
T-19 TRENCH
TRAVERSE

TOPOGRAPHIC & CLAIM FEATURES
ROAD, BRIDGE & KILOMETRE
CREEK & RIVER DRAINAGE
CONTOUR (Metres) - INTERVAL: 100m
GLACIER, ICE PACK
TARN, LAKE
SURVEY STATION
LOGGED AREA
CLAIM LINE & NAME
LEGAL CORNER POST

GEOLOGICAL BRANCH
ASSESSMENT REPORT
18,479

KEMANO GOLD CORP.
(FORMERLY WHITESAIL MINERALS CORP.)

GEOLOGICAL DATA
MAP No. 1
NTS 93E/5&12

COMPILED: E.Horne, J.Kruszewski	SCALE: 1:10,000
DRAWN: Laryn Consult.	DATE: Jan.1989

APPROXIMATE DECLINATION
1979
ANNUAL CHANGE MINUS 3.1'

SMITH 1
SMITH NASH VEIN

SANDIFER PEAK · 2063

BEAVER 2 (5N 4E)
BEAVER 4 (3N 3W)
BEAVER 5 (3N 4W)
BEAVER 6 (5N 1E)
BEAVER 7 (4S 5W)
BEAVER 8 (2N 8E)
ONE (5N 4W)
SLIDE 1 (4S 5E)
SLIDE 2 (2N 6W)
SLIDE 3 (5S 4W)
SAILE 5 (5S 4E)
SAILE 6 (2S 8W)
THREE (4S 5E)
TWO (4S 5W)

BRIDGE ZONE (1986)
NEW ZONES
KAYO ZONE
JON ZONE
DAVID ZONE

MINFILE SAMPLE

0.004 / 48753
0.038 / 48786
0.044 / 25486
460 ppb Au 48788
0.566 / 25477
1.494 / 48789
0.428 / 48784
0.544 / 48783
0.820 / 48790
0.020 / 25476
0.412 / 48785
0.044 / 48787
0.014 / 25487
0.012 / 25485
0.004 / 25488
0.006 / 25489
300 ppb Au 48782
0.066 / 48781
120 ppb Au 48776
0.744 / 25478
0.124 / 25480
4.038 / 25479
0.160 / 48777
2.272 / 48778
0.620 / 48779
0.078 / 25481
0.010 / 25482
0.024 / 25484
0.244 / 25483
560 ppb Au 48780

INSET: **SANDIFER LAKE CLAIMS**

FOUR (4S 5W)
FIVE (4S 5E)

0.002 / 48755
0.020 / 48751
0.028 / 48752
0.006 / 48754

BELT CHAIN & ODOMETER DISTANCES
CO-ORDINATES UTM GRID
MAP BASE: ENLARGEMENT FROM 1:50,000 TOPOGRAPHIC & FORESTRY MAP. (EUROCAN P.P.)
1 : 10,000
0 250 500 750 1000 Metres

1988 PROGRAM

0.024 / 25484 — oz/ton Au / ppb Au / Sample No.

--- MINERALIZED ZONE

TOPOGRAPHIC & CLAIM FEATURES

- ROAD, BRIDGE & KILOMETRE
- CREEK & RIVER DRAINAGE
- CONTOUR (Metres) – INTERVAL: 100m
- GLACIER, ICE PACK
- TARN, LAKE
- SURVEY STATION
- LOGGED AREA
- CLAIM LINE & NAME
- LEGAL CORNER POST

KEMANO GOLD CORP.
(FORMERLY WHITESAIL MINERALS CORP.)

SAMPLE LOCATIONS
MAP No. 2
NTS 93E/5&12

COMPILED: E.Horne, J.Kruszewski		SCALE: 1:10,000
DRAWN: Laryn Consult.	DATE: Jan.1989	