

Ste 1201-675 W. Hastings St.
Vancouver, B.C.
Canada V6B 1N2
(604) 688-1553

Consulting
Geologists
and
Engineers

**GEOLOGICAL, GEOCHEMICAL, GEOPHYSICAL,
AND DIAMOND DRILLING
REPORT ON THE SILVER DOLLAR PROPERTY,
SALMO, BRITISH COLUMBIA
VOLUME II**

Latitude: 49° 11' 45" N
Longitude: 117° 17' 30" W
NTS: 82F/3W

FOR

**HIGHLAND QUEEN MINES LIMITED
2120 - 650 West Georgia St.
Vancouver, British Columbia
V6B 4N9**

Prepared by

**Reginald L. Faulkner, B.Sc., M.A.Sc.
David Chromecc, B.Sc.**

**FAIRBANK ENGINEERING LIMITED
Vancouver, B.C.**

September, 1988
(Work dates May 14 - August 7, 1988)

18,786

GEOLOGICAL BRANCH
ASSESSMENT REPORT

FILMED

DL 1237

D.L. 1237

SL 67

S.L. 67

PLAN 120783'

SD 1
5088 (5)

SD 2
5089 (5)

SL 64

SL 60

SL 59

SL 67

SL 6

Part 2 of 3
**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

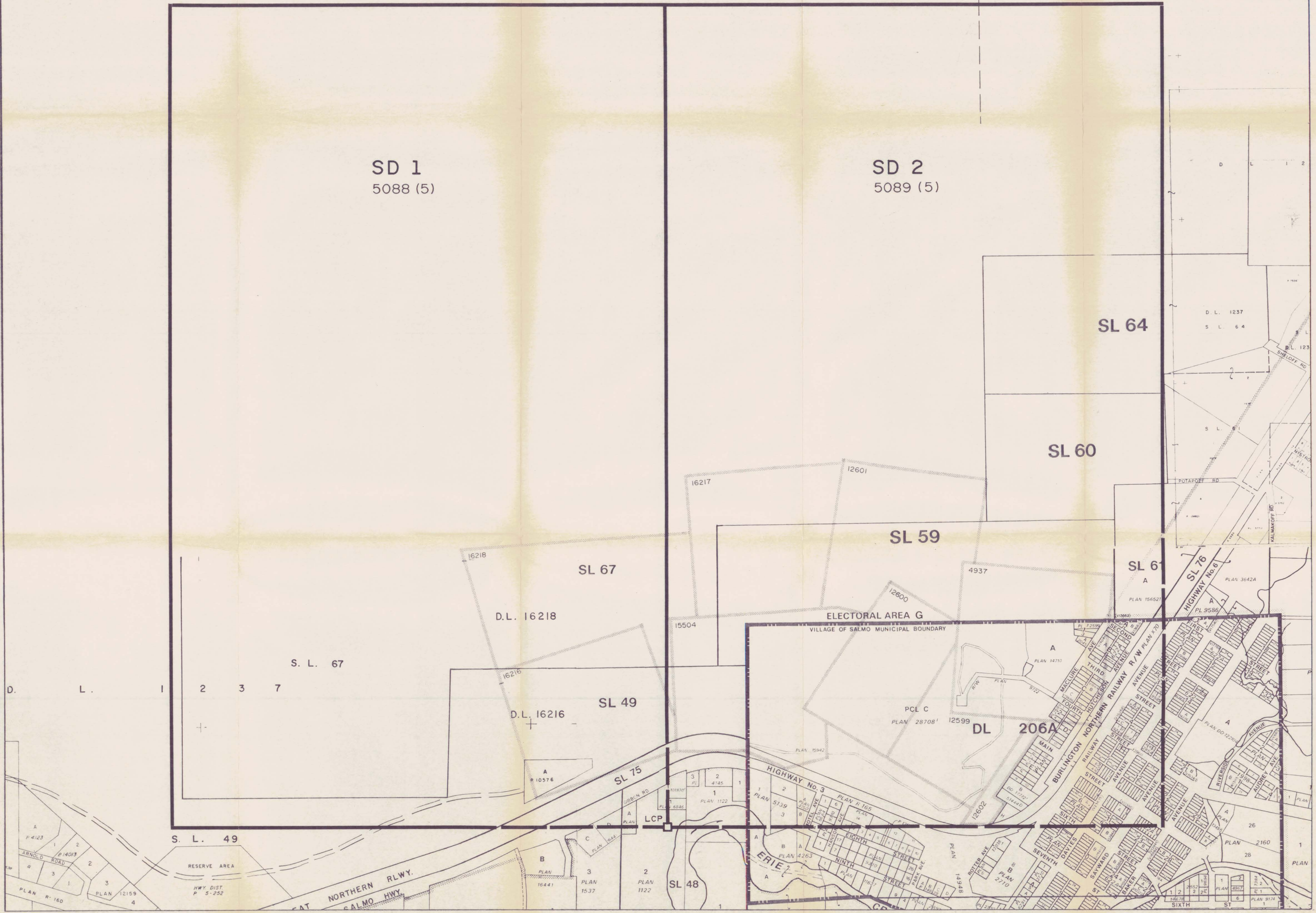
18,786

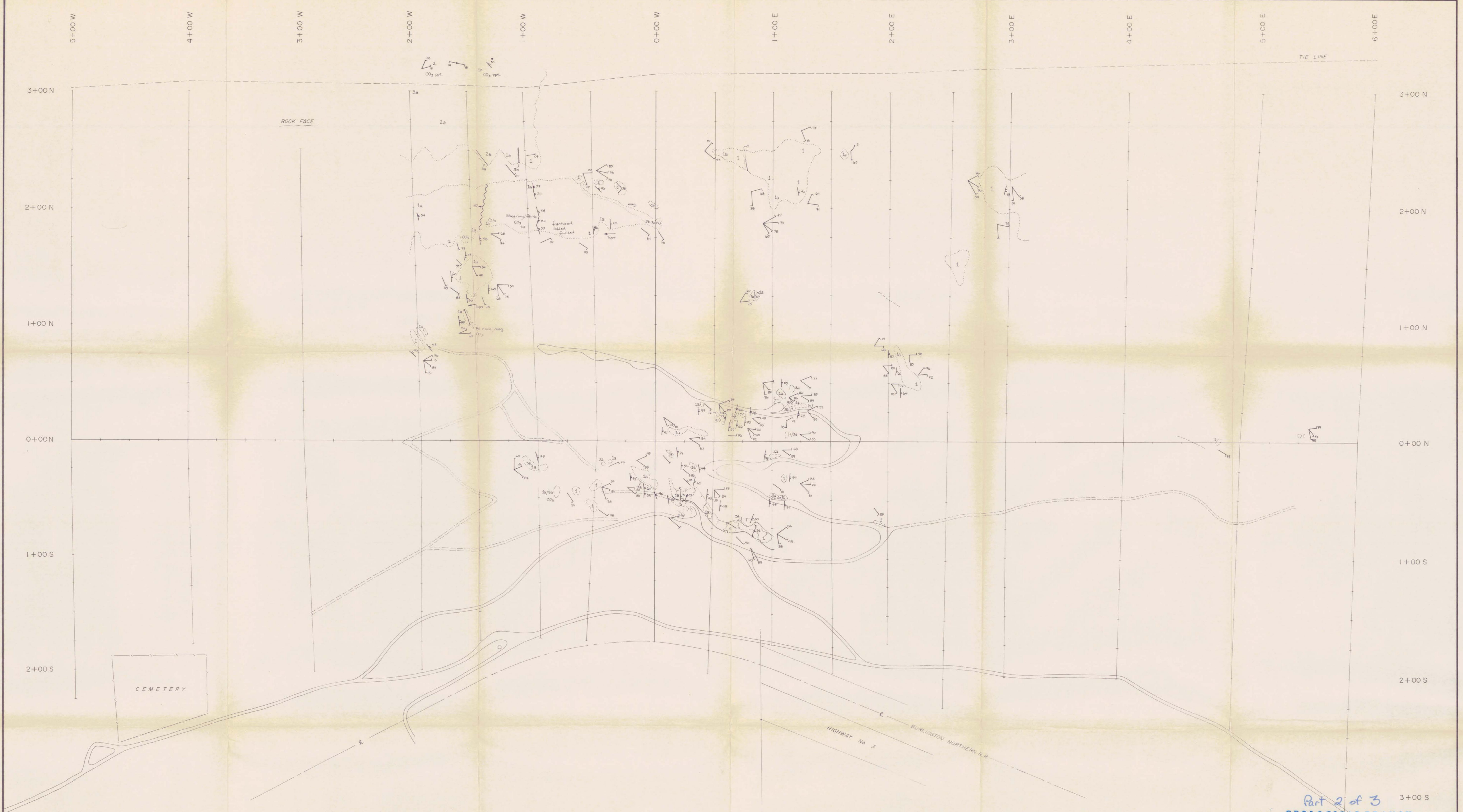
Base from:
Surveys & Mapping Branch,
Ministry of Environment,
Victoria, B.C.;
Revised: July, 1987

82.F.014.3.4	82.F.024.2.1
82.F.014.4.3	82.F.014.4.3



HIGHLAND QUEEN MINES LTD.	
DATE: SEPT/88	SILVER DOLLAR PROPERTY
REVISED:	
LAND TENURE	
MAP	
PROJECT No: 155/88	SURVEY BY: NTS 82 F/3
FIGURE No: 3	DRAWN BY: BEM SCALE: 1:5000
FAIRBANK ENGINEERING LTD.	





LEGEND

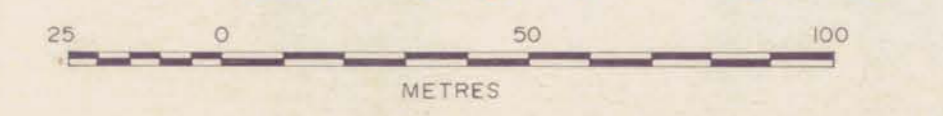
LITHOLOGIES

- 1 GREYWACKE
- 1a GREYWACKE/ARGILLITE
- 2 ARGILLITE
- 2a ARGILLITE/GREYWACKE
- 3a CRYSTAL TUFF
- 3b ASH (FELSIC) TUFF
- 4 ANDESITE
- 5 FELDSPAR QUARTZ PORPHYRY
- mag magnetite
- CO₃ carbonate
- ppt surface precipitate

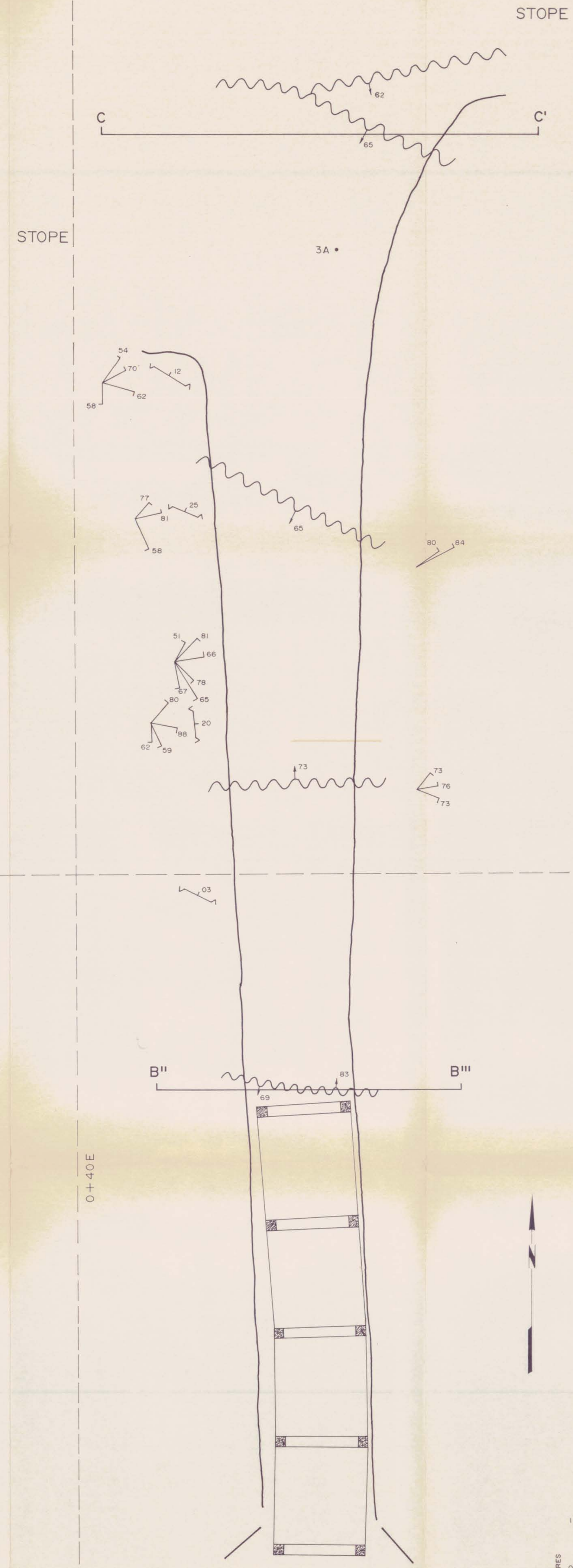
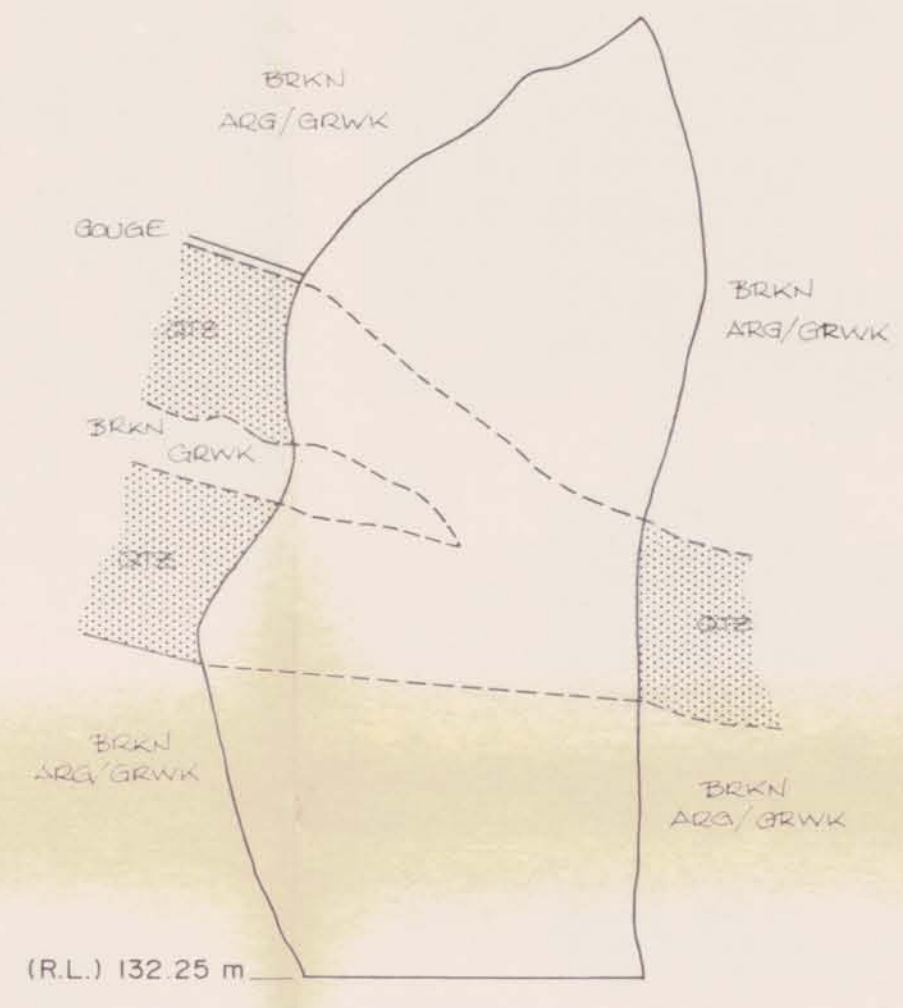
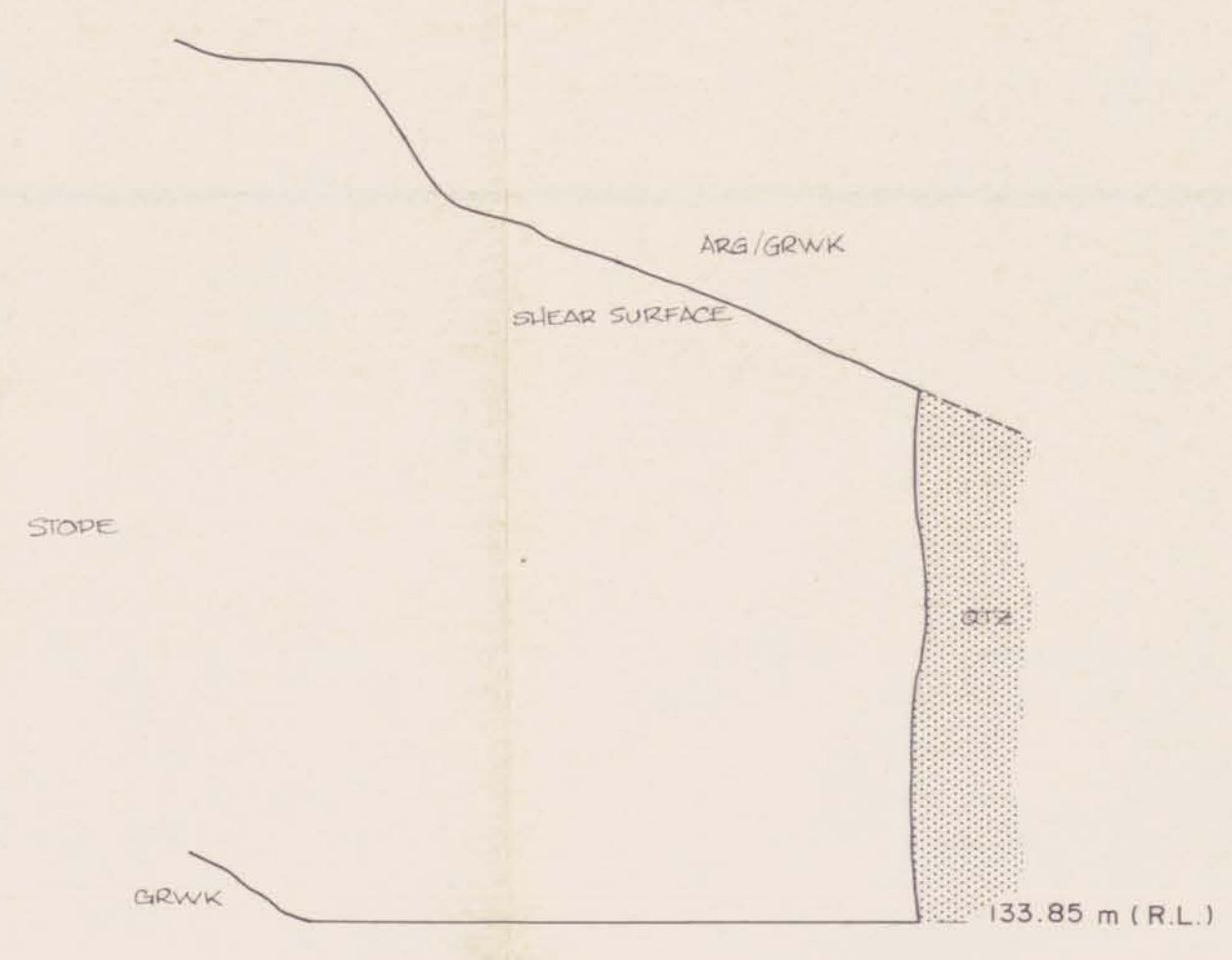
- Contact: known, unknown
- Fault with dip
- Bedding, tops unknown
- Bedding, tops known
- Joint with dip
- Shear with dip
- Fold with plunge
- Outcrop
- Portal
- Road, drillsite
- Overgrown road
- Trail
- Soil geochemistry grid

Part 2 of 3
**GEOLOGICAL BRANCH
 ASSESSMENT REPORT**

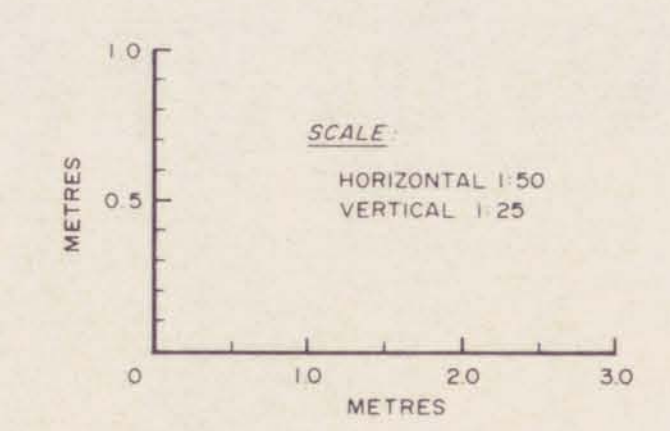
18,786



HIGHLAND QUEEN MINES LTD.	
DATE SEPT/88	SILVER DOLLAR PROPERTY NELSON M.D., B.C.
REVISED	
GRID GEOLOGY	
PROJECT No 155/88	SURVEY BY RLF NTS 82 F/3
FIGURE No 5	DRAWN BY BEM SCALE 1:1250
FAIRBANK ENGINEERING LTD.	



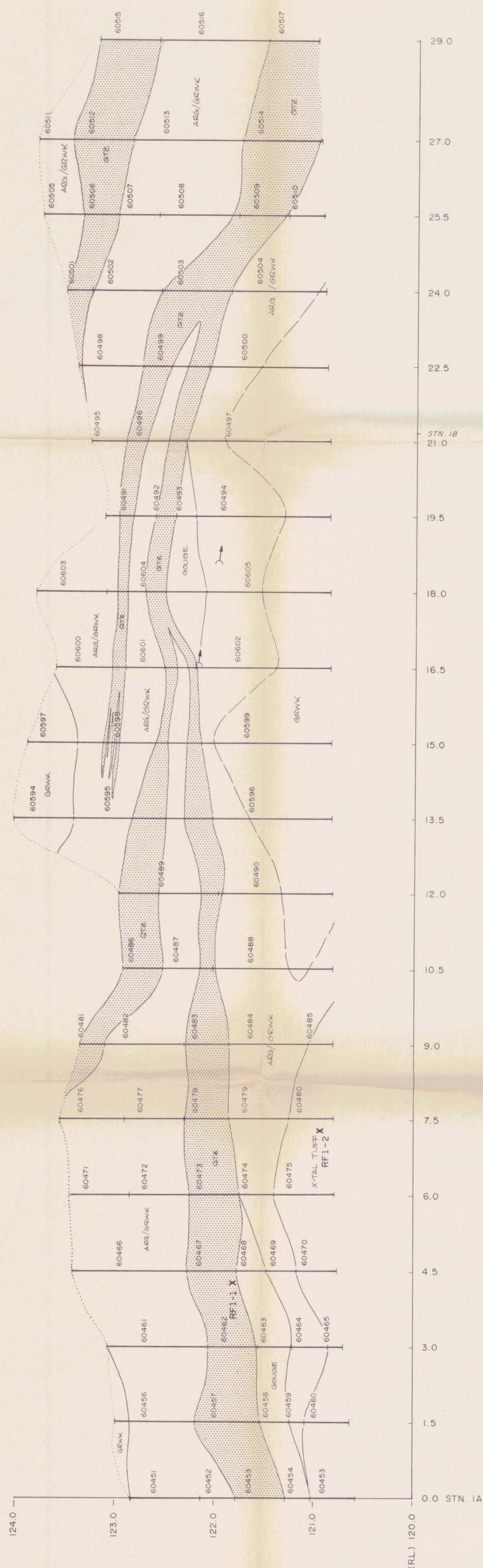
- LEGEND**
- Drift
 - Survey stations
 - Sample intervals & numbers
 - Cross-section
- LITHOLOGIES**
- Quartz
 - Greywacke/Argillite
 - Argillite/Greywacke
 - Crystal Tuff
 - Geological contact; assumed
 - Roof line
 - Joint with dip in footwall
 - Shear with dip, footwall contact
 - Thrust fault
 - Fault with dip as seen in back
 - Fault zone with dip as seen in back
 - Drag fold with plunge in footwall
 - Fold with plunge
 - Bedding in footwall, top not known



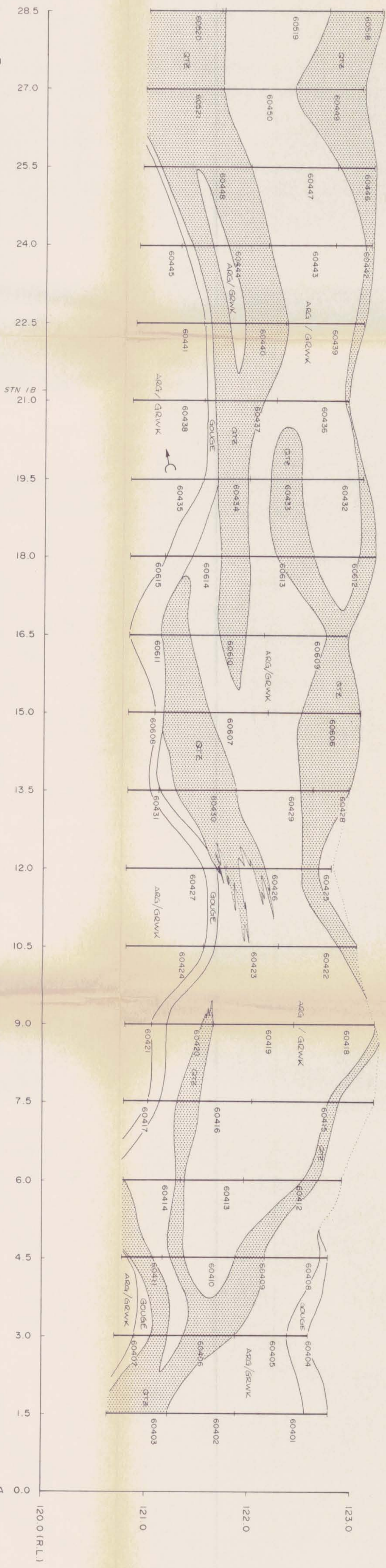
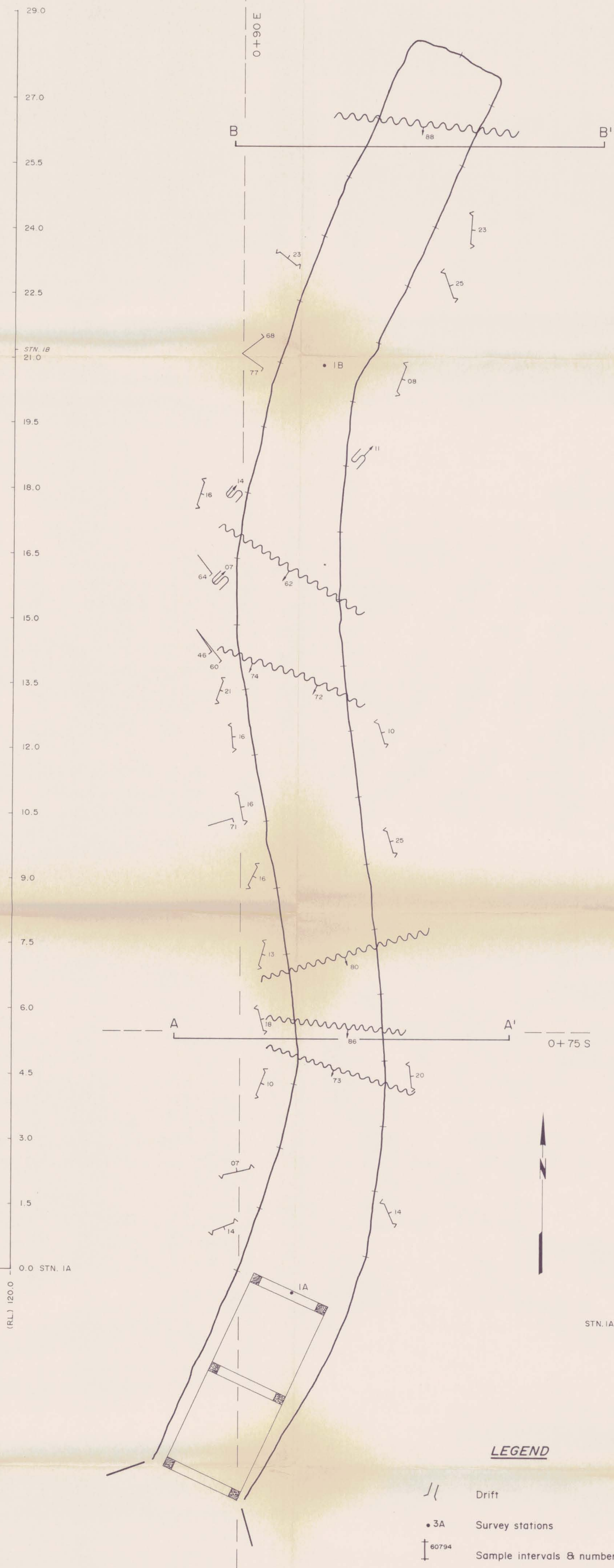
NOTE:
Relative Level (R.L.) is based on an elevation of 120.0 m at Station 14. (See Figure 9)

Part 2 of 3
GEOLOGICAL BRANCH ASSESSMENT REPORT
18,786

HIGHLAND QUEEN MINES LTD.	
DATE: SEPT/88	SILVER DOLLAR PROPERTY NELSON M.D., B.C.
REVISED:	
DRIFT 3 GEOLOGY: PORTAL TO STATION 3A + 2.4 m	
PROJECT No: 155/BB	SURVEY BY: RLF, et al NTS: B2 F/3
FIGURE No: 7a	DRAWN BY: BEM SCALE: As Shown
FAIRBANK ENGINEERING LTD.	



LEFT RIB



RIGHT RIB

LEGEND

- Drift
- Survey stations
- Sample intervals & numbers
- Cross-section
- RF1-1: Polished thin section
- RF1-2: Thin section

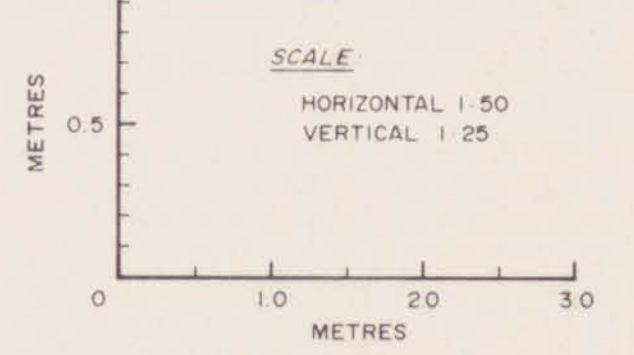
LITHOLOGIES

- Quartz
- Greywacke/Argillite
- Argillite/Greywacke
- Crystal Tuff
- Geological contact, assumed
- Roof line

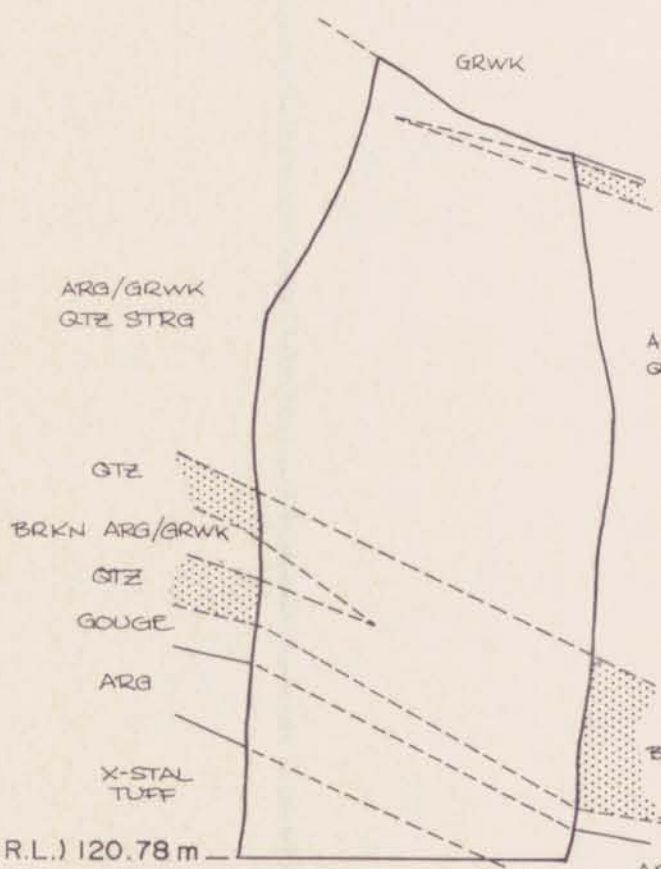
- Joint with dip in footwall
- Shear with dip, footwall contact
- Thrust fault
- Fault with dip as seen in back
- Fault zone with dip as seen in back
- Drag fold with plunge in footwall
- Fold with plunge
- Bedding in footwall, top not known

Part 2 of 3
**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

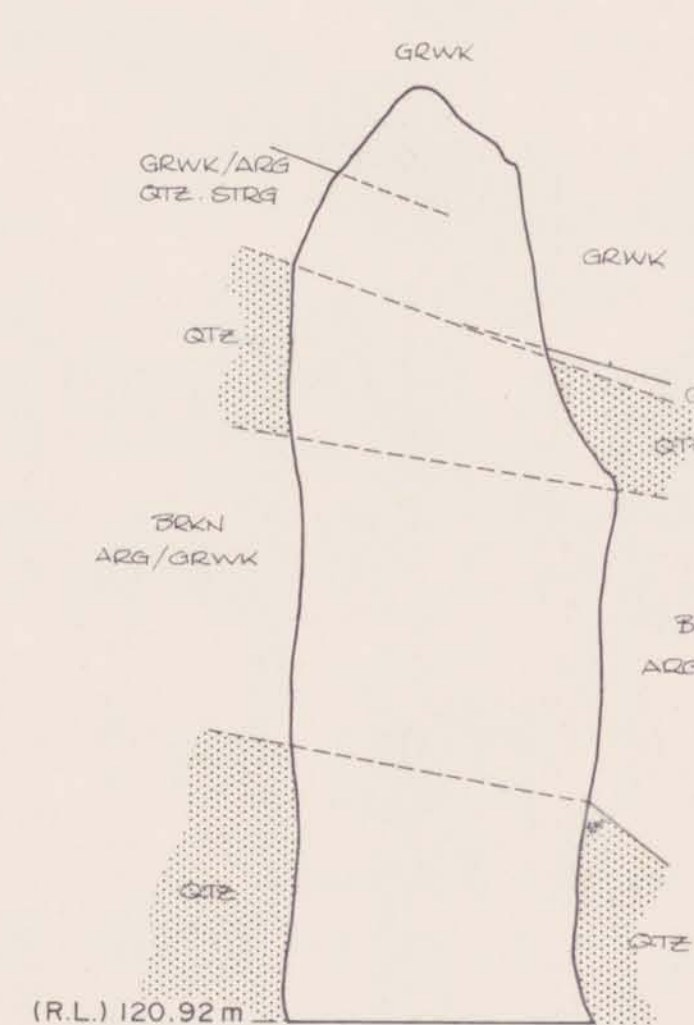
18,786



NOTE: Relative Level (R.L.) is based on an elevation of 120.0 m at Station 14. (See Figure 9)



Section 1: A-A'
1A + 6.0m north



Section 2: B-B'
1B + 5.5m north

HIGHLAND QUEEN MINES LTD.

SILVER DOLLAR PROPERTY
NELSON M.D., B.C.

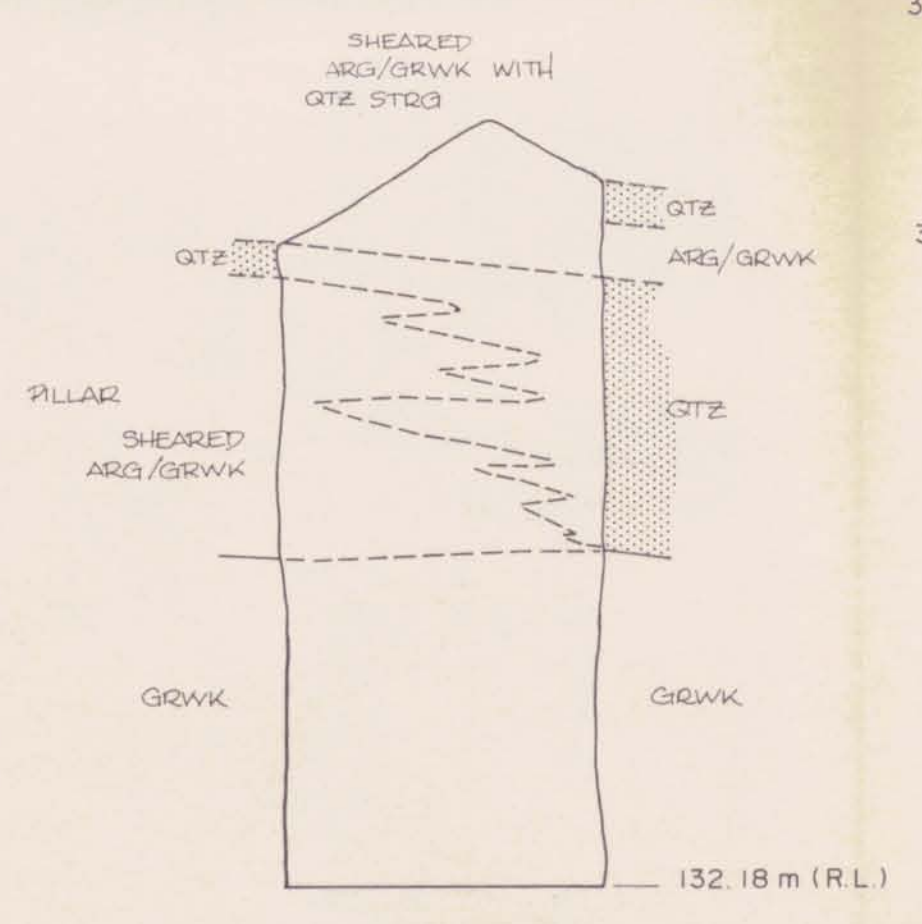
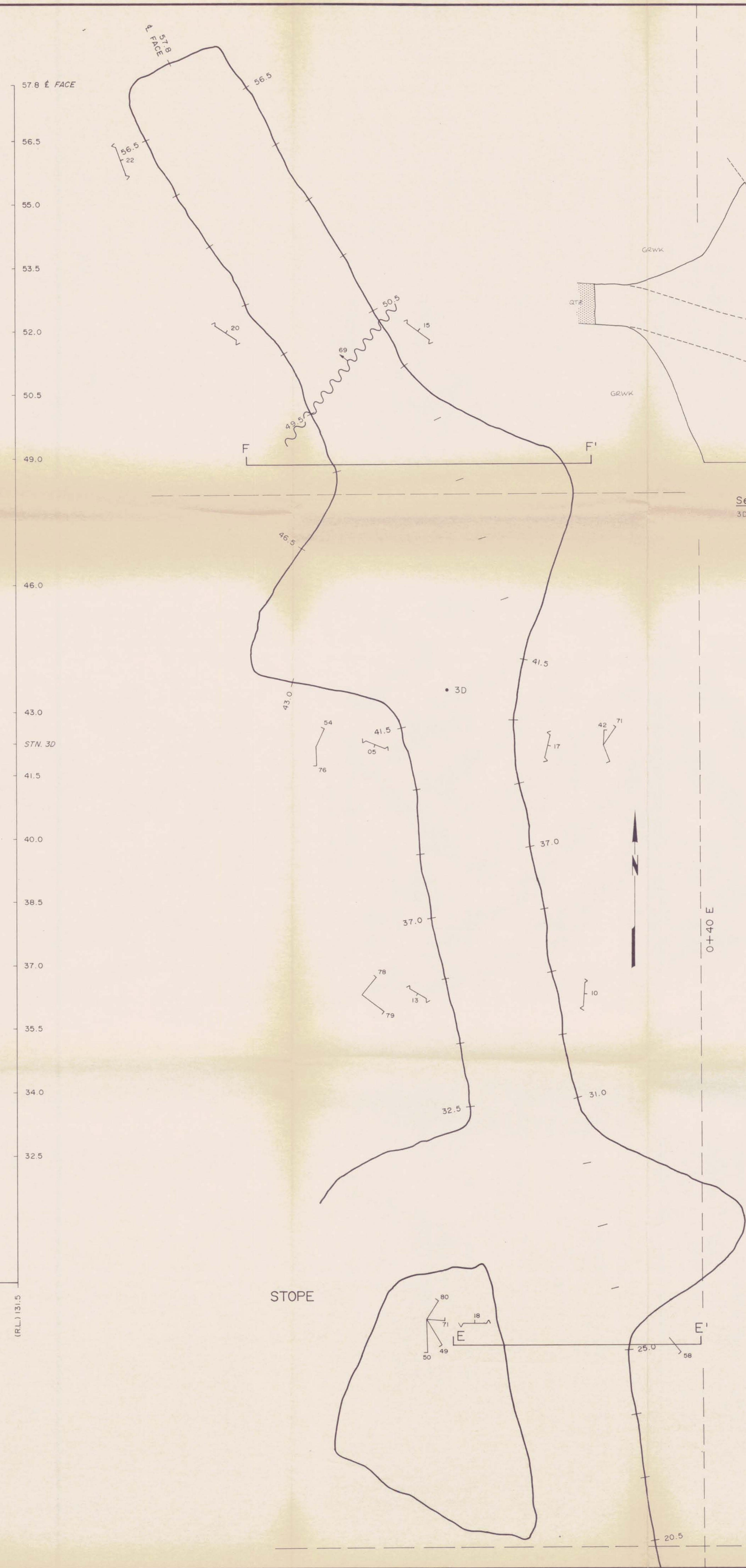
**DRIFT 1
GEOLOGY**

DATE: SEPT/88
REVISIONS:
PROJECT No: 155/88
FIGURE No: 6

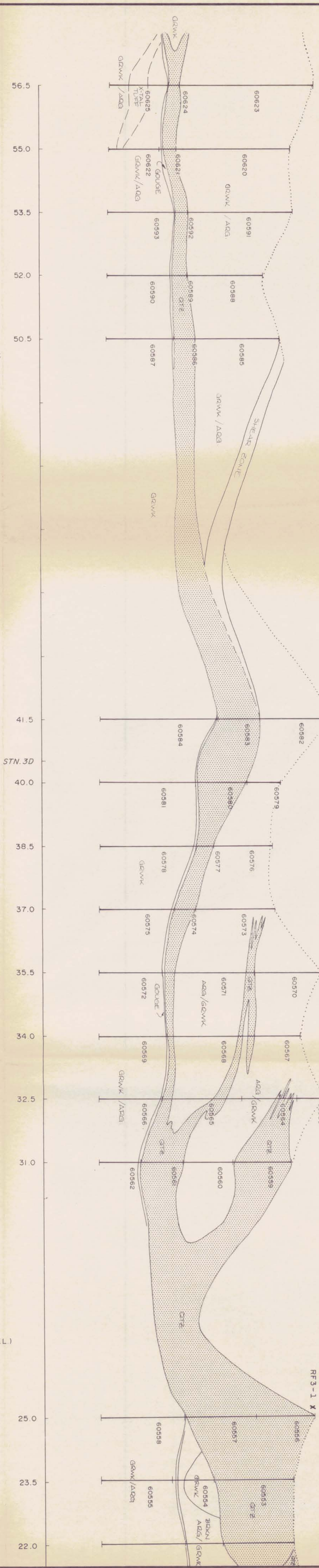
SURVEY BY: RLF et al
DRAWN BY: BEM

NTS: B2 F/3
SCALE: As Shown

FAIRBANK ENGINEERING LTD.

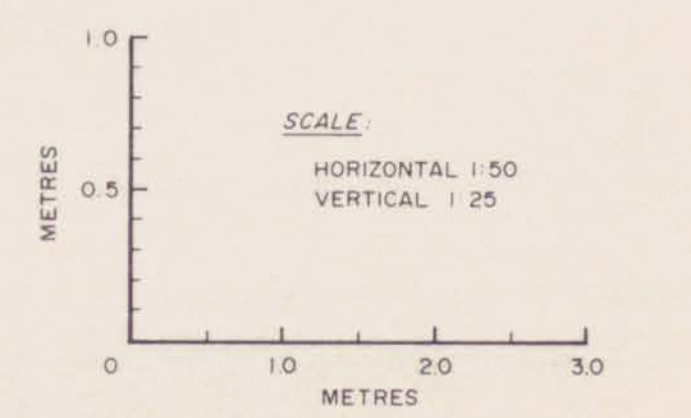


Section 5: E-E'
3C + 11.5 m north



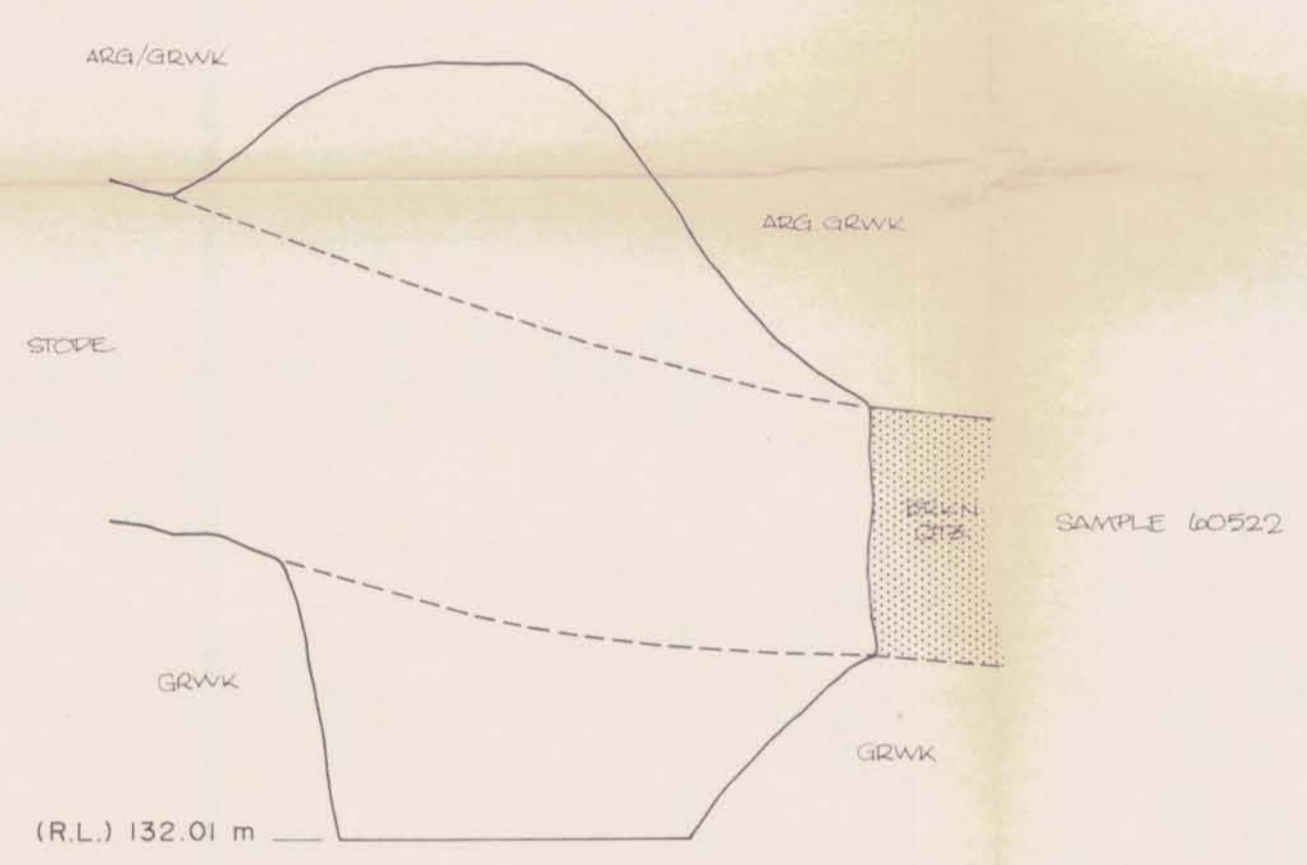
- LEGEND**
- Drift
 - Survey stations
 - Sample intervals & numbers
 - Cross-section
 - RF3-1: Polished thin section

- LITHOLOGIES**
- Quartz
 - Greywacke/Argillite
 - Argillite/Greywacke
 - Crystal Tuff
 - Geological contact; assumed
 - Roof line
 - Joint with dip in footwall
 - Shear with dip, footwall contact
 - Thrust fault
 - Fault with dip as seen in back
 - Fault zone with dip as seen in back
 - Drag fold with plunge in footwall
 - Fold with plunge
 - Bedding in footwall, top not known

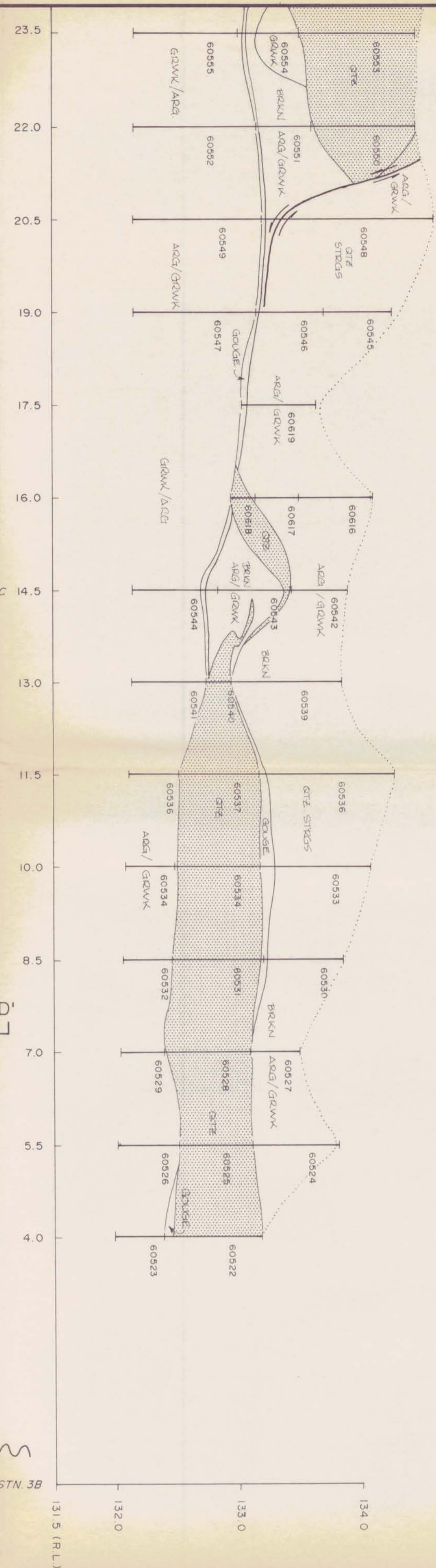
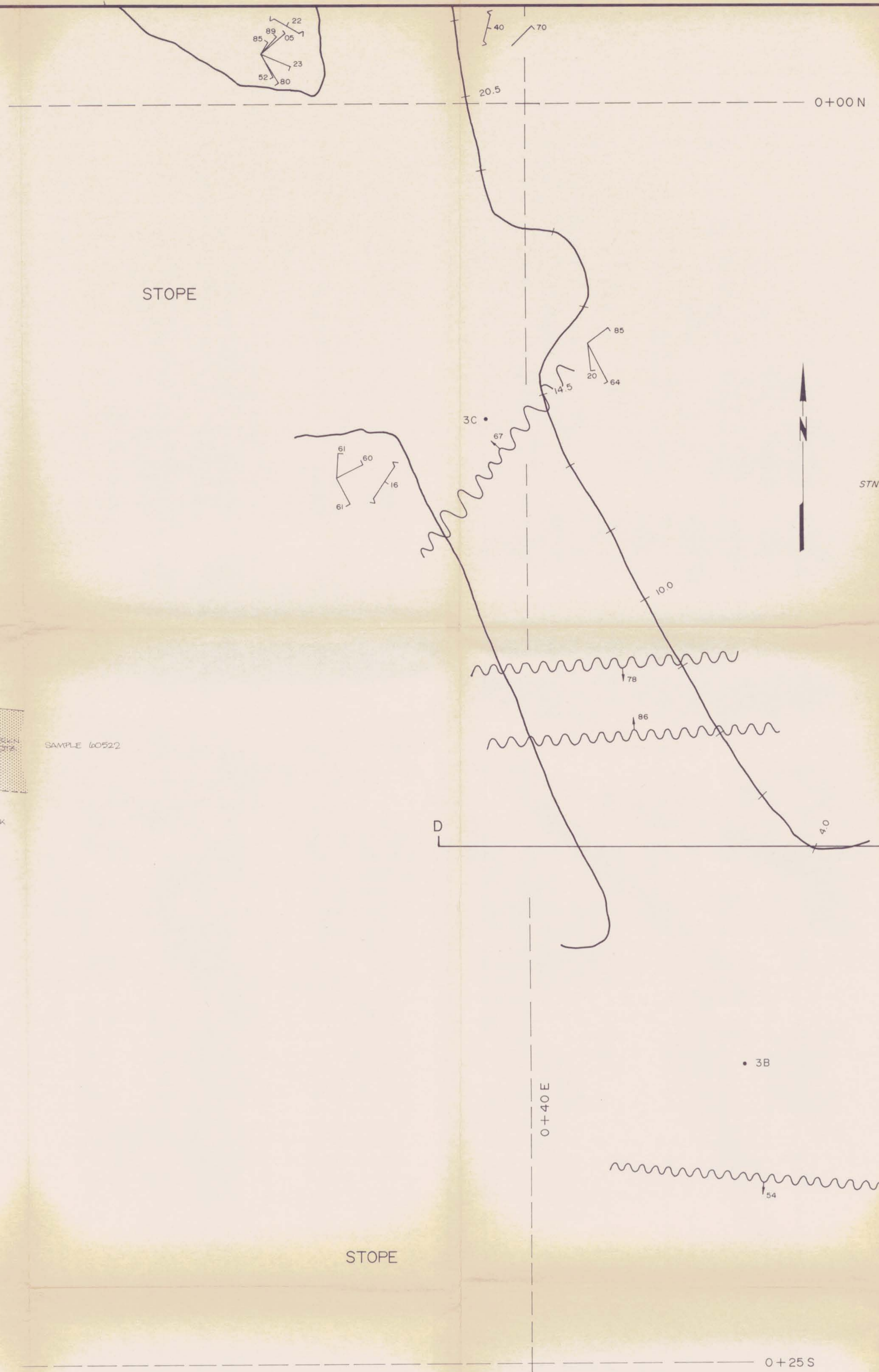


NOTE: Relative Level (R.L.) is based on an elevation of 120.0m at Station 14. (See Figure 9)

HIGHLAND QUEEN MINES LTD.	
DATE SEPT/88	SILVER DOLLAR PROPERTY NELSON M.D., B.C.
REVISED	
DRIFT 3 GEOLOGY: STATION 3C+8.0m TO END OF DRIFT	
PROJECT No 155/88	SURVEY BY: RLF, et al NTS: B2 F/3
FIGURE No 7c	DRAWN BY: BEM SCALE: As Shown
FAIRBANK ENGINEERING LTD.	



Section 4: D-D'
3B + 4.9 m north

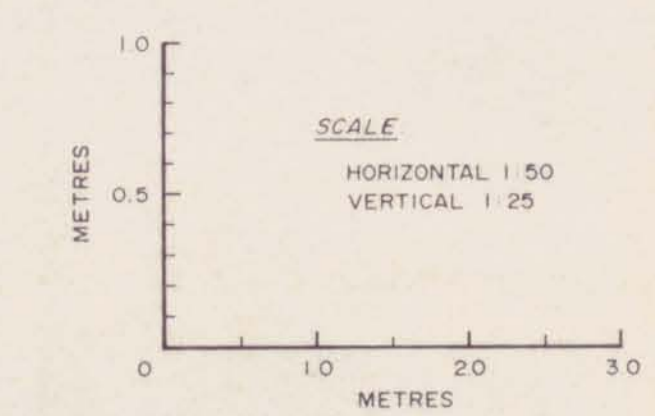


LEGEND

- Drift
- Survey stations
- Sample intervals & numbers
- Cross-section

LITHOLOGIES

- Quartz
- Greywacke/Argillite
- Argillite/Greywacke
- Crystal Tuff
- Geological contact; assumed
- Roof line
- Joint with dip in footwall
- Shear with dip, footwall contact
- Thrust fault
- Fault with dip as seen in back
- Fault zone with dip as seen in back
- Drag fold with plunge in footwall
- Fold with plunge
- Bedding in footwall, top not known



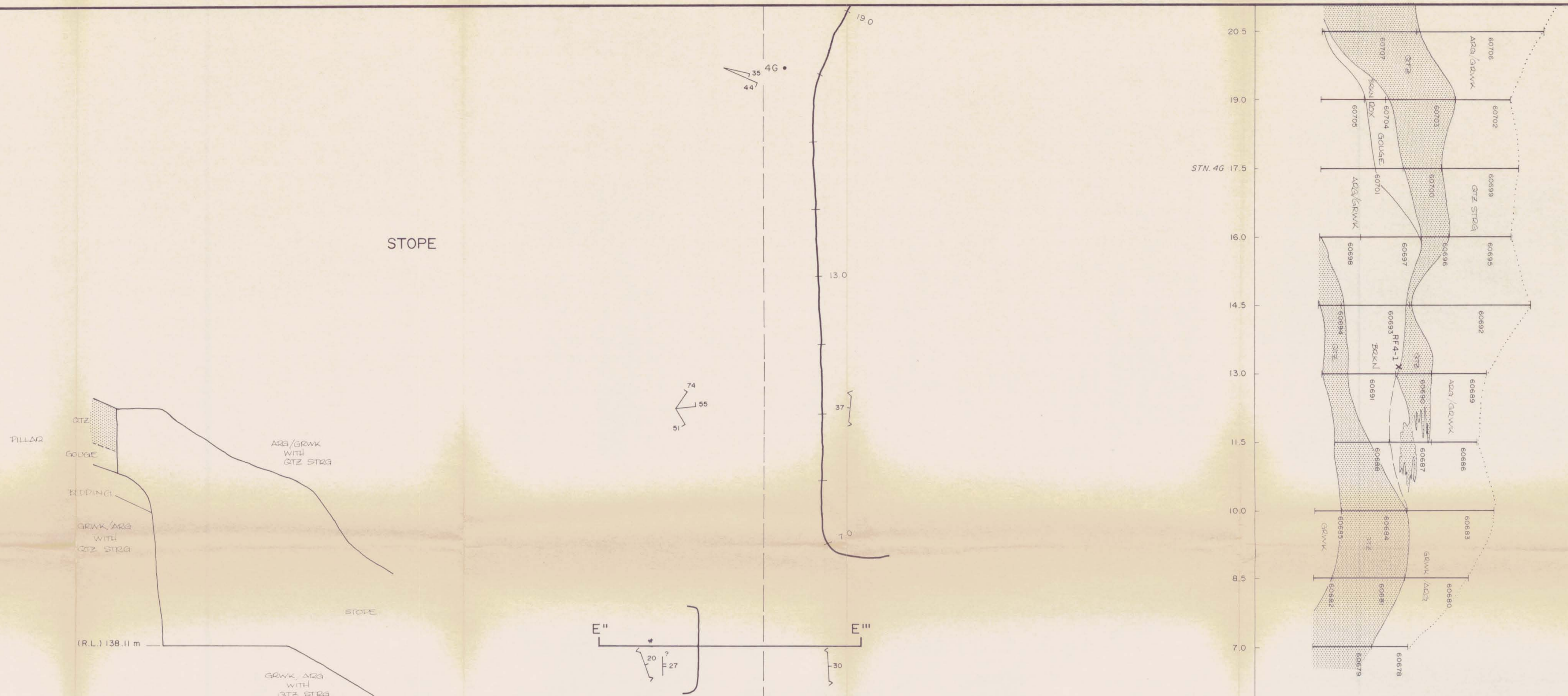
NOTE: Relative Level (R.L.) is based on an elevation of 120.0 m at Station 14. (See Figure 9)

Part 2 of 3
**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

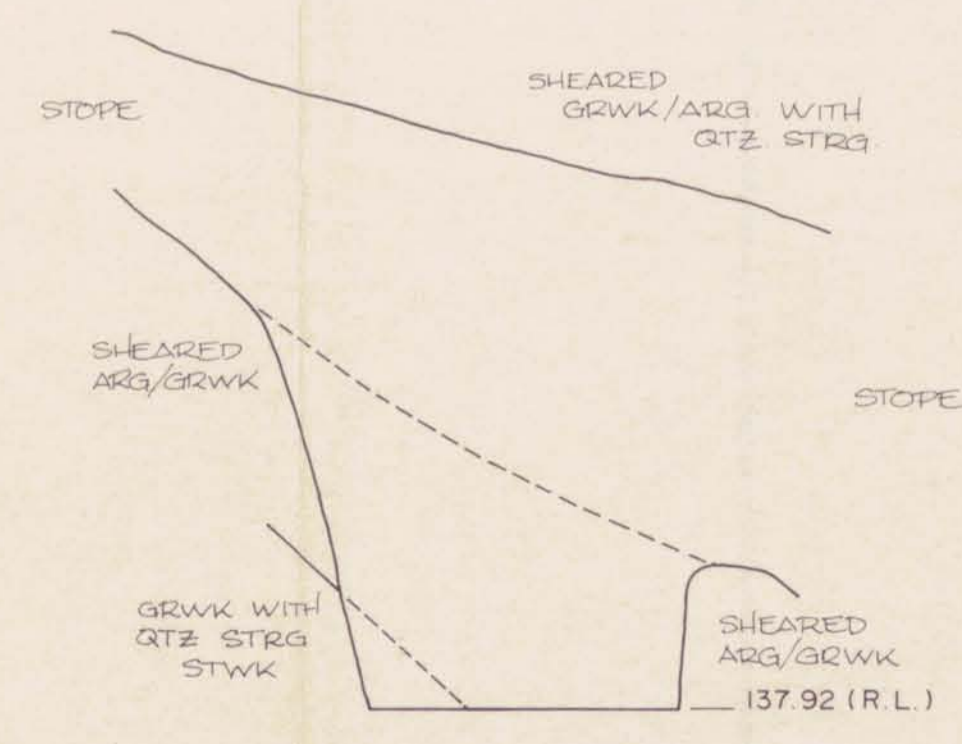
18,786

HIGHLAND QUEEN MINES LTD.	
DATE: SEPT/88	SILVER DOLLAR PROPERTY
REVISED:	NELSON M.D., E.C.
DRIFT 3 GEOLOGY:	
STATION 3A+2.4m TO STATION 3C+8.0m	
PROJECT No: 155/88	SURVEY BY: RLF, et al
	NTS: B2 F/3
	SCALE: As Shown
FIGURE No: 7b	FAIRBANK ENGINEERING LTD.

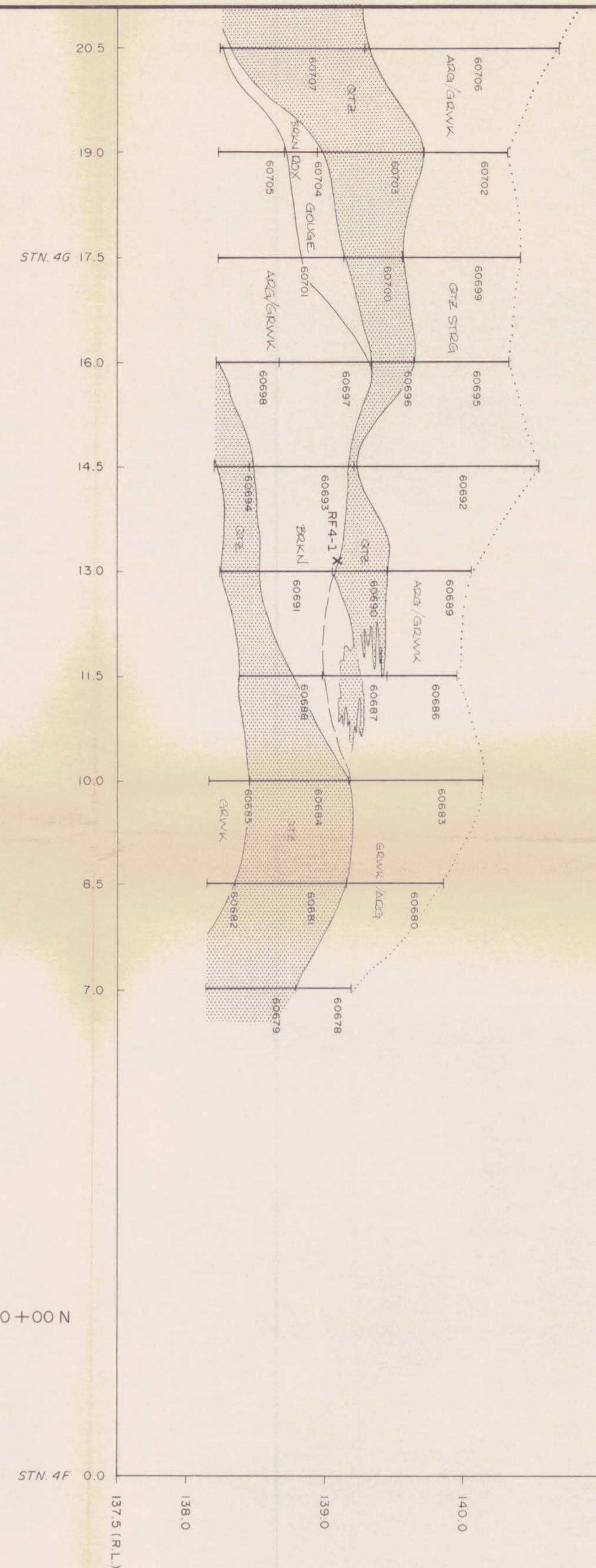




Section 5: E''-E'''
 4F + 4.75 m. north



Section 4: D''-D'''
 4F + 4.75 m. north

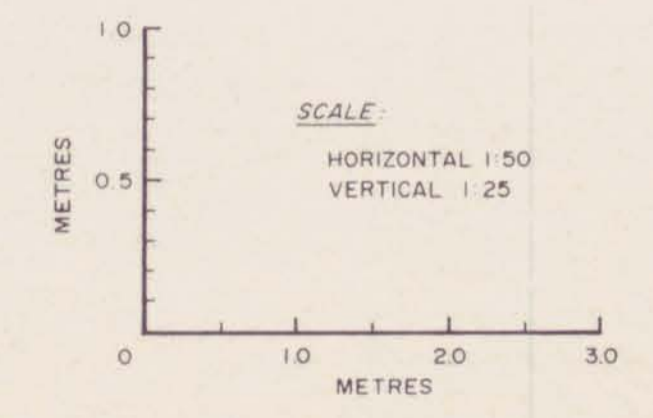


LEGEND

- Drift
- Survey stations
- Sample intervals & numbers
- Cross-section
- RF4-1: Polished thin section

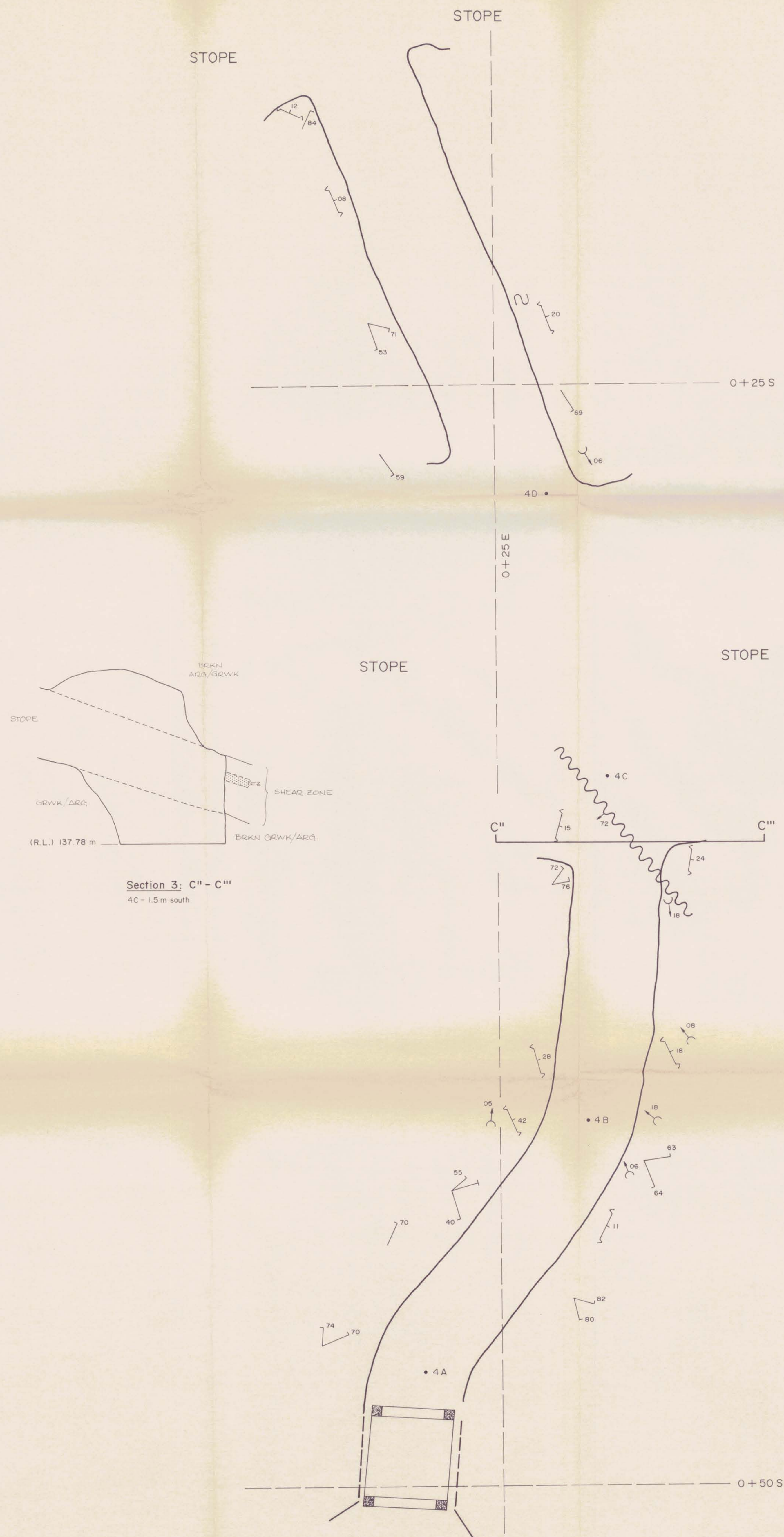
- LITHOLOGIES**
- Quartz
 - Greywacke/Argillite
 - Argillite/Greywacke
 - Crystal Tuff
 - Geological contact; assumed
 - Roof line

- Joint with dip in footwall
- Shear with dip, footwall contact
- Thrust fault
- Fault with dip as seen in back
- Fault zone with dip as seen in back
- Drag fold with plunge in footwall
- Fold with plunge
- Bedding in footwall, top not known



NOTE: Relative Level (R.L.) is based on an elevation of 120.0 m at Station 14. (See Figure 9)

HIGHLAND QUEEN MINES LTD.	
DATE: SEPT/88	SILVER DOLLAR PROPERTY NELSON M.D., B.C.
REVISION:	
DRIFT 4 GEOLOGY	
STATION 4D+11.0m TO STATION 4G	
PROJECT No: 155/88	SURVEY BY: RLF et al NTS: 82 F/3
FIGURE No: 8b	DRAWN BY: BEM SCALE: As Shown
FAIRBANK ENGINEERING LTD.	



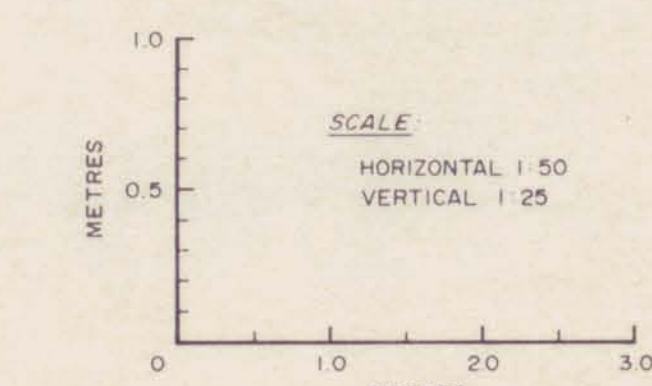
Section 3: C'' - C'''
4C - 1.5 m south

LEGEND

- Drift
- Survey stations
- Sample intervals & numbers
- Cross-section

LITHOLOGIES

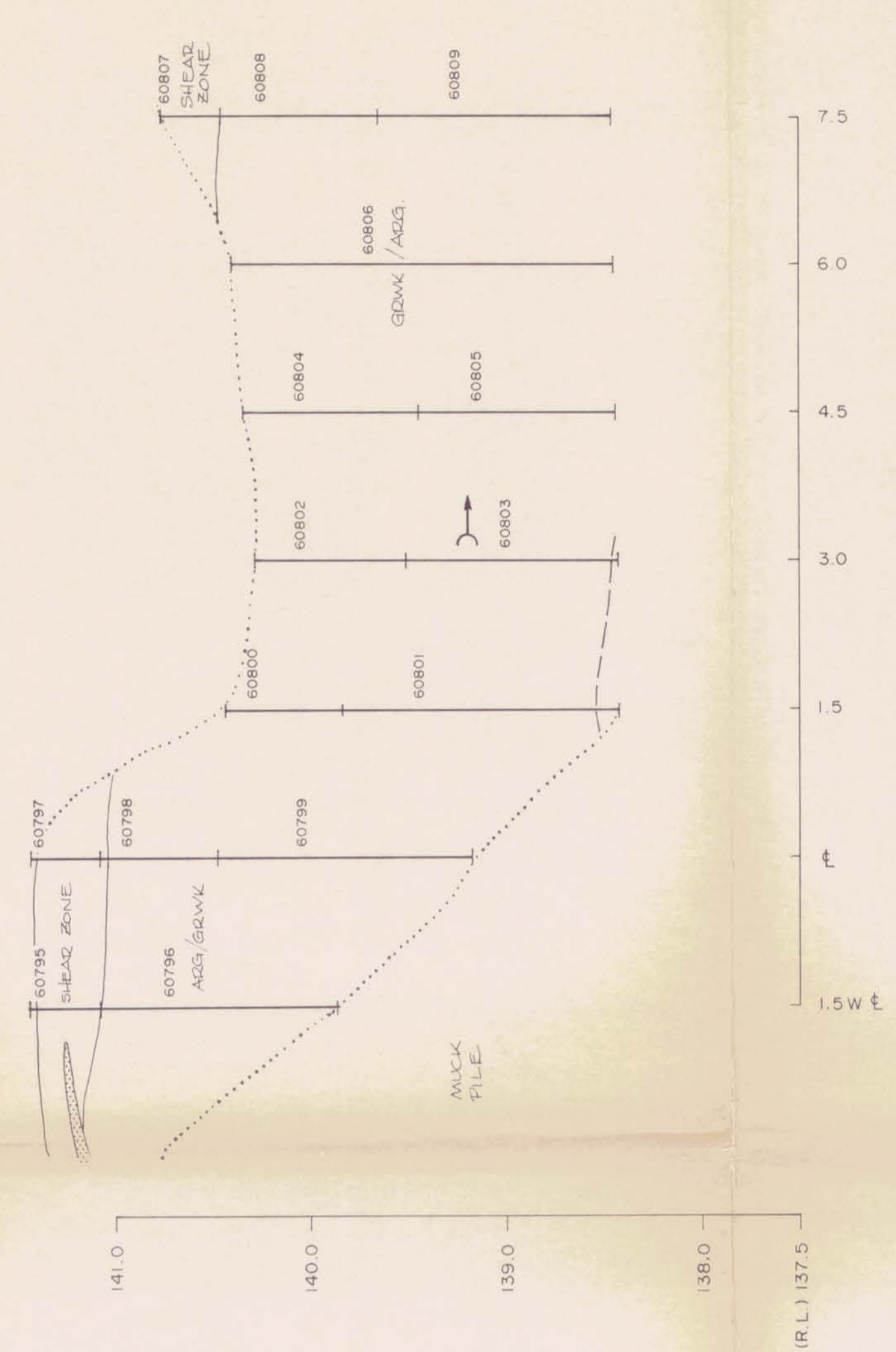
- Quartz
- Greywacke/Argillite
- Argillite/Greywacke
- Crystal Tuff
- Geological contact, assumed
- Roof line
- Joint with dip in footwall
- Shear with dip, footwall contact
- Thrust fault
- Fault with dip as seen in back
- Fault zone with dip as seen in back
- Drag fold with plunge in footwall
- Fold with plunge
- Bedding in footwall, top not known



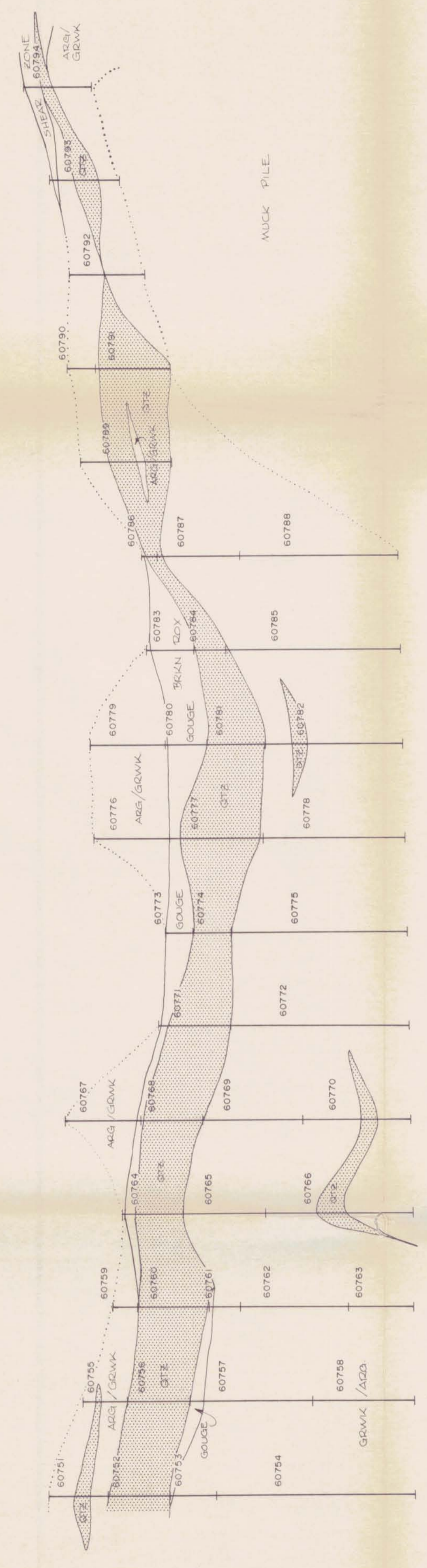
NOTE: Relative Level (R.L.) is based on an elevation of 120.0 m at Station 14. (See Figure 9)

Part 2 of 3
**GEOLOGICAL BRANCH
ASSESSMENT REPORT**
18,786

HIGHLAND QUEEN MINES LTD.	
DATE: SEPT/88	SILVER DOLLAR PROPERTY NELSON M.D., B.C.
REVISED:	DRIFT 4 GEOLOGY: PORTAL TO STATION 4D + 11.0 m
PROJECT No: 155/88	SURVEY BY: RLF et al NTS: B2 F/3
	DRAWN BY: BEM SCALE: As Shown
FIGURE No: 8a	FAIRBANK ENGINEERING LTD.

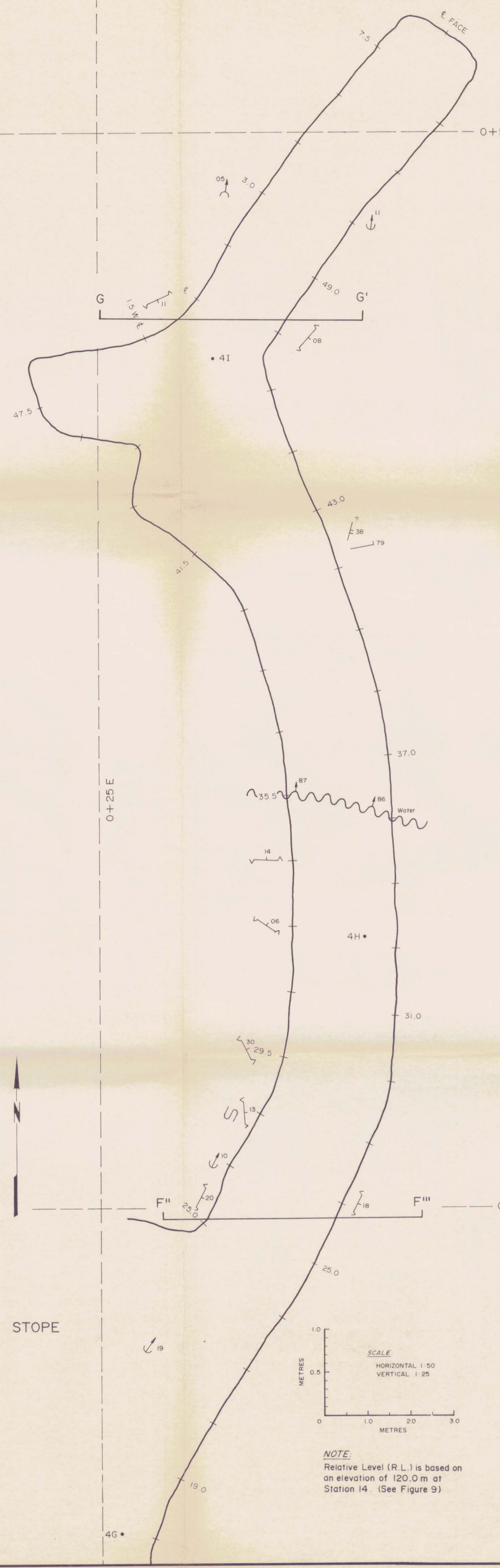


(R.L.) 137.5
7.5
6.0
4.5
3.0
1.5
1.5 W E



(R.L.) 137.5
141.0
140.0
139.0
138.0

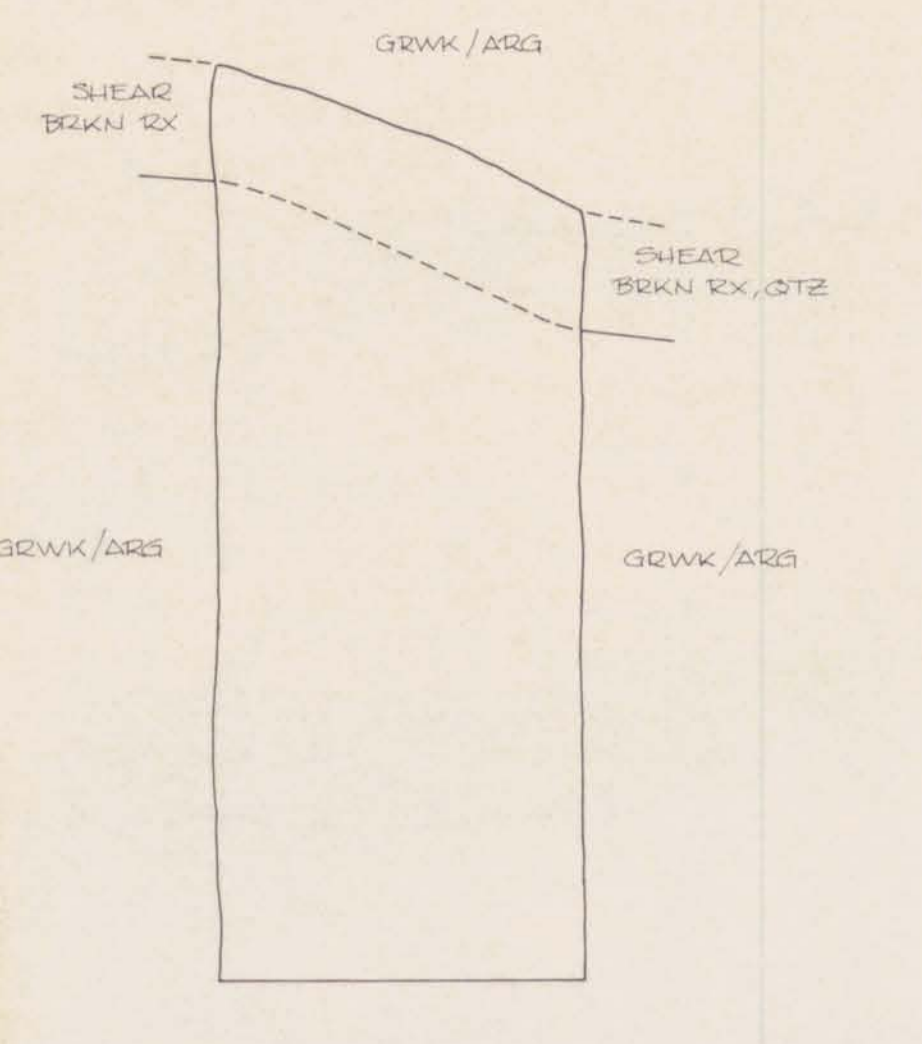
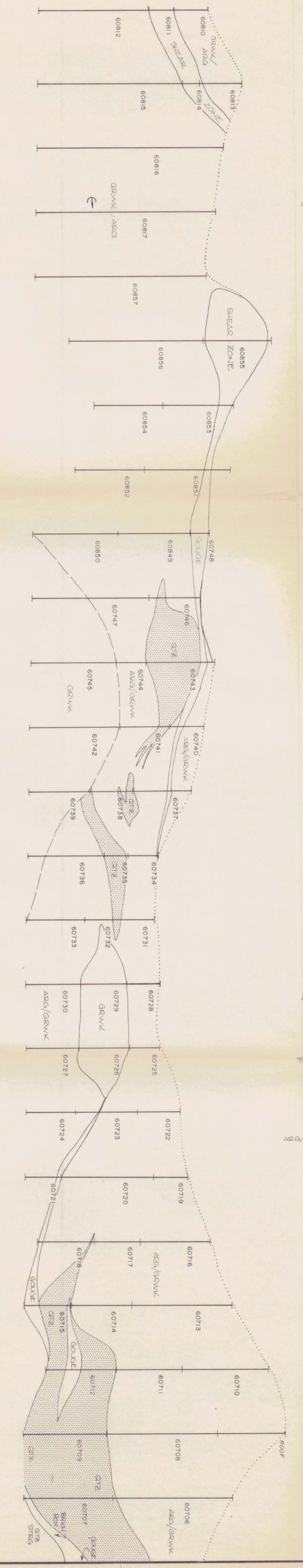
47.5 STN 41
46.0
44.5
43.0
41.5
40.0
38.5
37.0
35.5
34.0
32.5 STN 4H
31.0
29.5
28.0
26.5
25.0



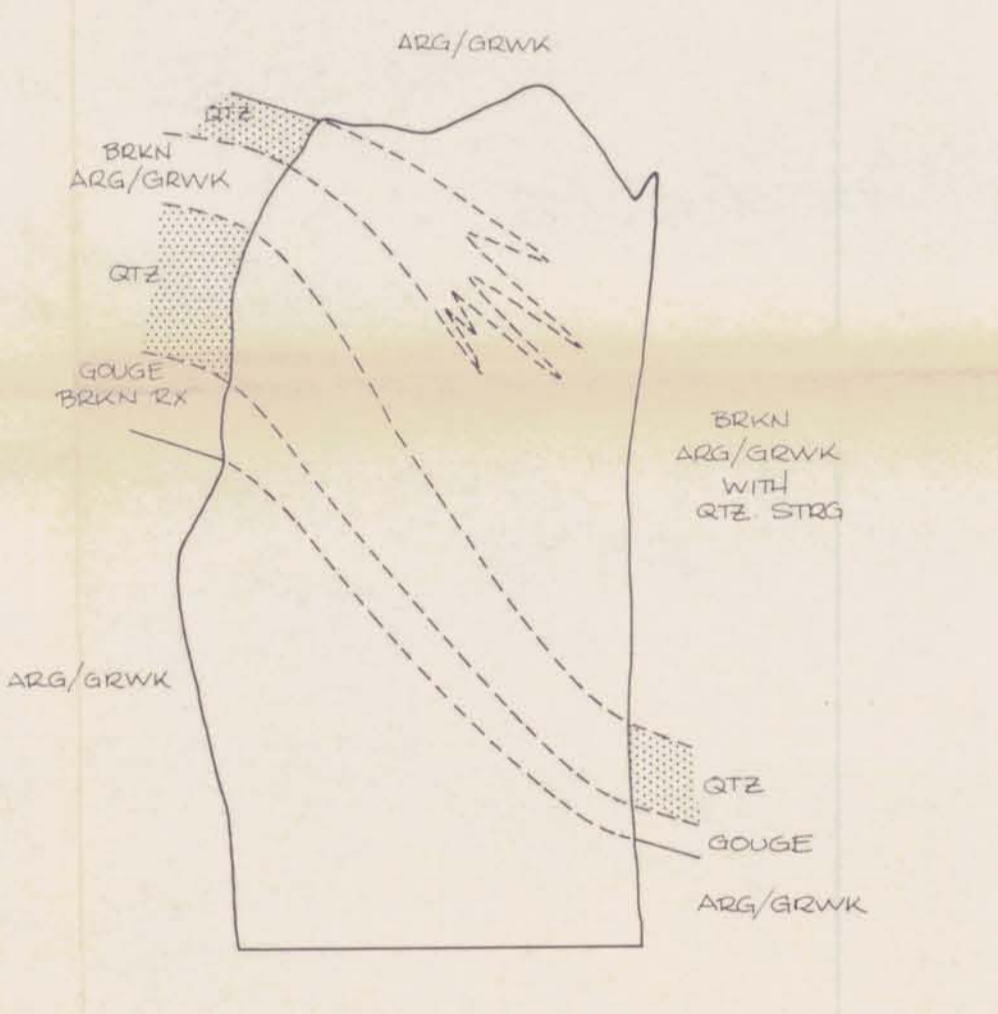
SCALE
HORIZONTAL 1:50
VERTICAL 1:25
METRES

NOTE:
Relative Level (R.L.) is based on an elevation of 120.0 m at Station 14. (See Figure 9)

E FACE
0+50 N
STN 41
STN 4H
0+25 N
4G*



Section 7: G-G'
41+5.0 m north



Section 6: F''-F'''
46+8.0 m north

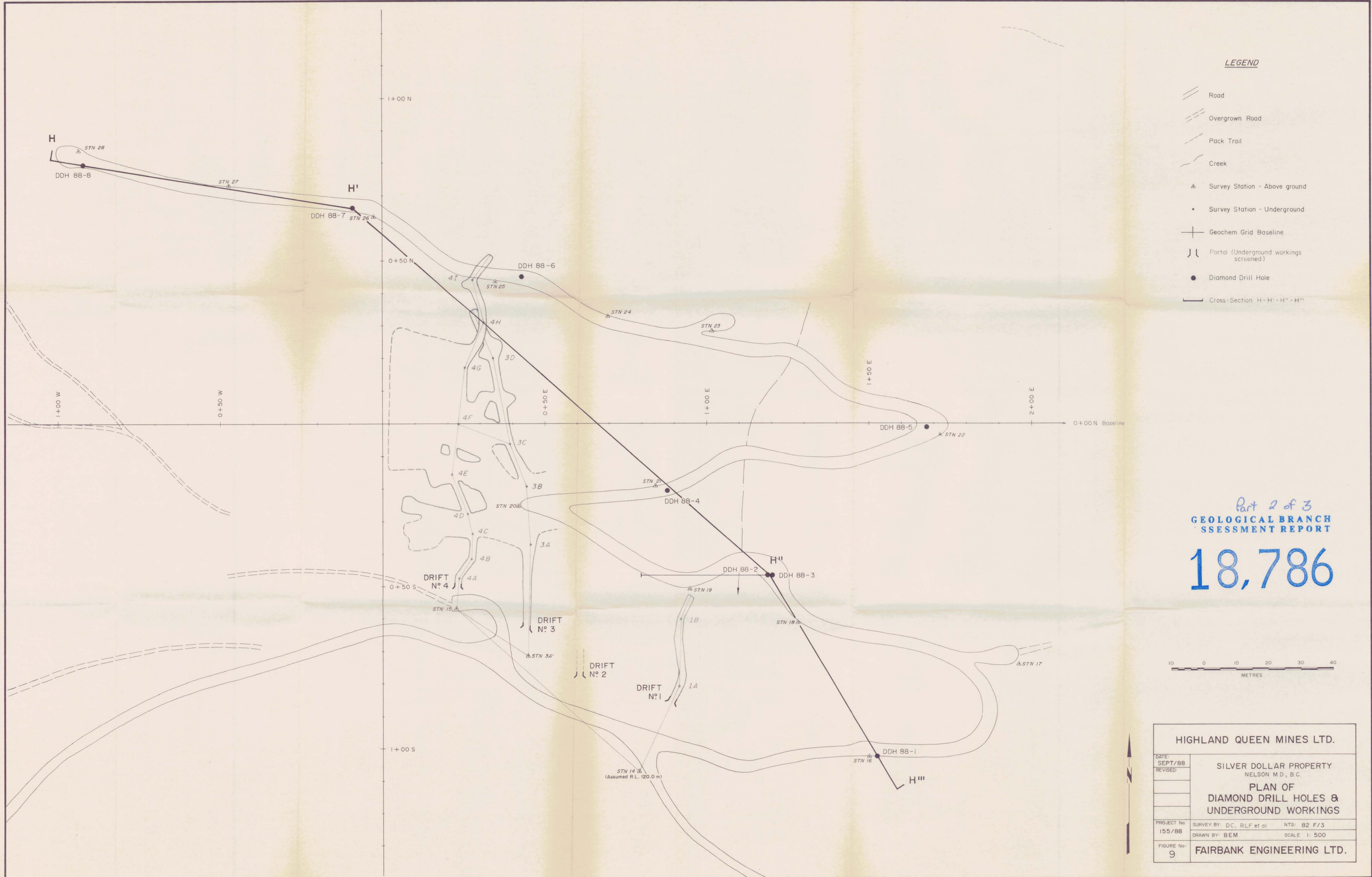
Part 2 of 3
GEOLOGICAL BRANCH ASSESSMENT REPORT

18.786
HIGHLAND QUEEN MINES LTD.

DATE: SEPT/88	SILVER DOLLAR PROPERTY NELSON M.D., B.C.	
REVISION:	DRIFT 4 GEOLOGY STATION 46 TO END OF DRIFT	
PROJECT NO: 155/88	SURVEY BY: RLF et al	NTS: B2 F/3
FIGURE No: 8c	DRAWN BY: BEM	SCALE: As Shown
	FAIRBANK ENGINEERING LTD.	

LEGEND

- Drift
 - Survey stations
 - Sample intervals & numbers
 - Cross-section
- LITHOLOGIES**
- Quartz
 - Greywacke/Argillite
 - Argillite/Greywacke
 - Crystal Tuff
- Geological contact; assumed
 - Roof line
 - Joint with dip in footwall
 - Shear with dip, footwall contact
 - Thrust fault
 - Fault with dip as seen in back
 - Fault zone with dip as seen in back
 - Drag fold with plunge in footwall
 - Fold with plunge
 - Bedding in footwall, top not known



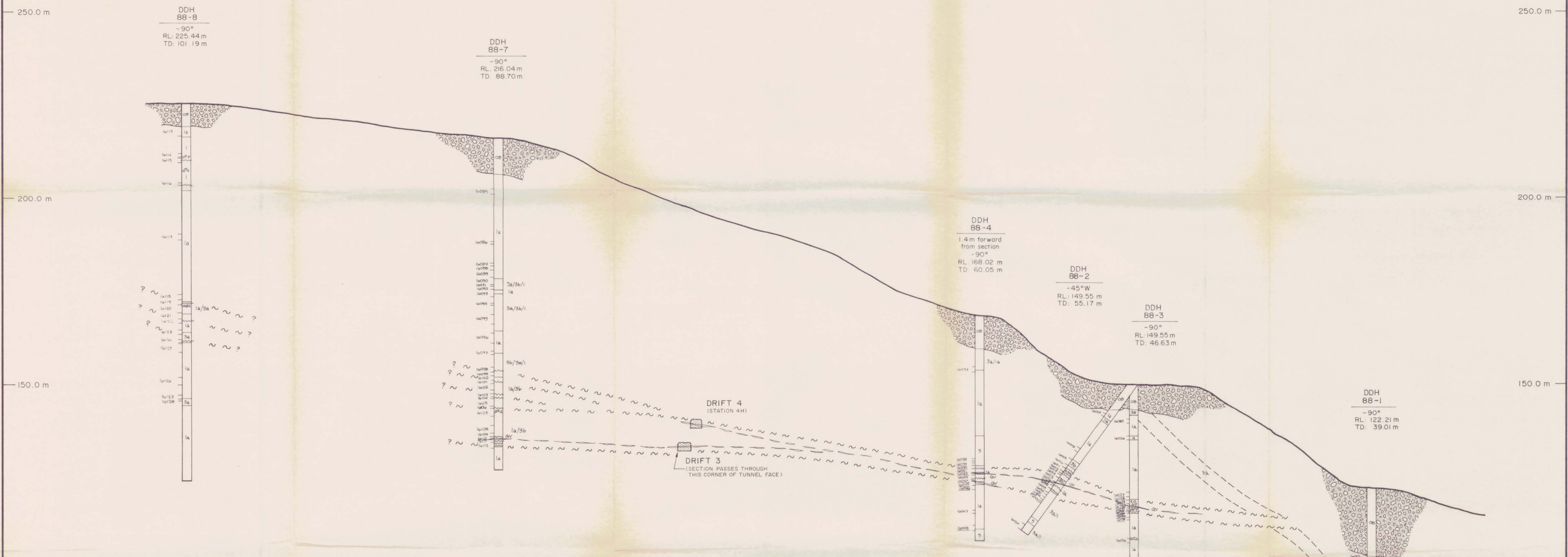
Part 2 of 3
**GEOLOGICAL BRANCH
ASSESSMENT REPORT**
18,786

H

H'

H''

H'''



LEGEND

LITHOLOGIES

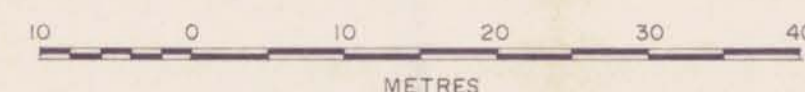
- 1 GREYWACKE
- 1a GREYWACKE/ARGILLITE
- 2 ARGILLITE
- 2a ARGILLITE/GREYWACKE
- 3a CRYSTAL TUFF
- 3b ASH (FELSIC) TUFF
- 4 ANDESITE
- 5 FELDSPAR QUARTZ PORPHYRY

- Overburden
- Breccia
- Shearing / Faulting
- Quartz Vein
- Geologic Contact
- Diamond Drill Hole
- Diamond Drill Core Sample
(Anomalous samples underlined - see chart reproduced at right for values)

DIAMOND DRILL CORE GEOCHEMISTRY

DDH No.	Sample No.	Depth	Width	Gold	Silver	DDH No.	Sample No.	Depth	Width	Gold	Silver
		m.	m.	ppb.	ppm.			m.	m.	ppb.	ppm.
2	16014	34.96-35.79	0.83	135	2.4	4	16038	38.05-39.65	1.60	20	3.1
	16015	35.79-37.37	1.58	157	1.9		16039	39.65-40.43	0.78	16	2.8
	16016	37.10-38.00	0.90	69	2.5		16041	41.30-42.30	1.00	8	2.4
	16017	38.00-38.51	0.51	10	2.9		16042	42.30-42.98	0.68	71	2.9
3	16027	28.75-30.00	1.25	6	2.5	16044	43.89-44.68	0.79	81	2.6	
	16028	30.00-30.93	0.93	3	2.7	16045	44.68-45.70	1.02	39	3.8	
	16029	30.93-31.85	0.92	2	2.4	16046	45.70-46.75	1.05	5	2.9	
	16030	31.85-33.00	1.15	91	3.4	16048	56.25-57.75	1.50	3	2.8	
	16031	33.00-33.45	0.45	288	3.4	5	16053	57.00-57.75	2.40	1	3.7
	16032	33.45-33.85	0.45	27	3.9	6	16080	77.9-79.0	1.10	165	1.8
	16033	33.85-34.40	0.55	210	3.2	6	16082	80.15-81.0	0.85	165	0.8
	16034	34.40-35.05	0.65	60	2.9	7	16083	81.0-81.35	0.35	2600*	7.7
16035	35.05-36.20	1.15	22	2.6	7	16110	80.34-80.70	0.36	20	1.2	

*(0.082 oz/ton
2.82 gm/tonne)



Part 2 of 3
GEOLOGICAL BRANCH
ASSESSMENT REPORT

18,786

HIGHLAND QUEEN MINES LTD.

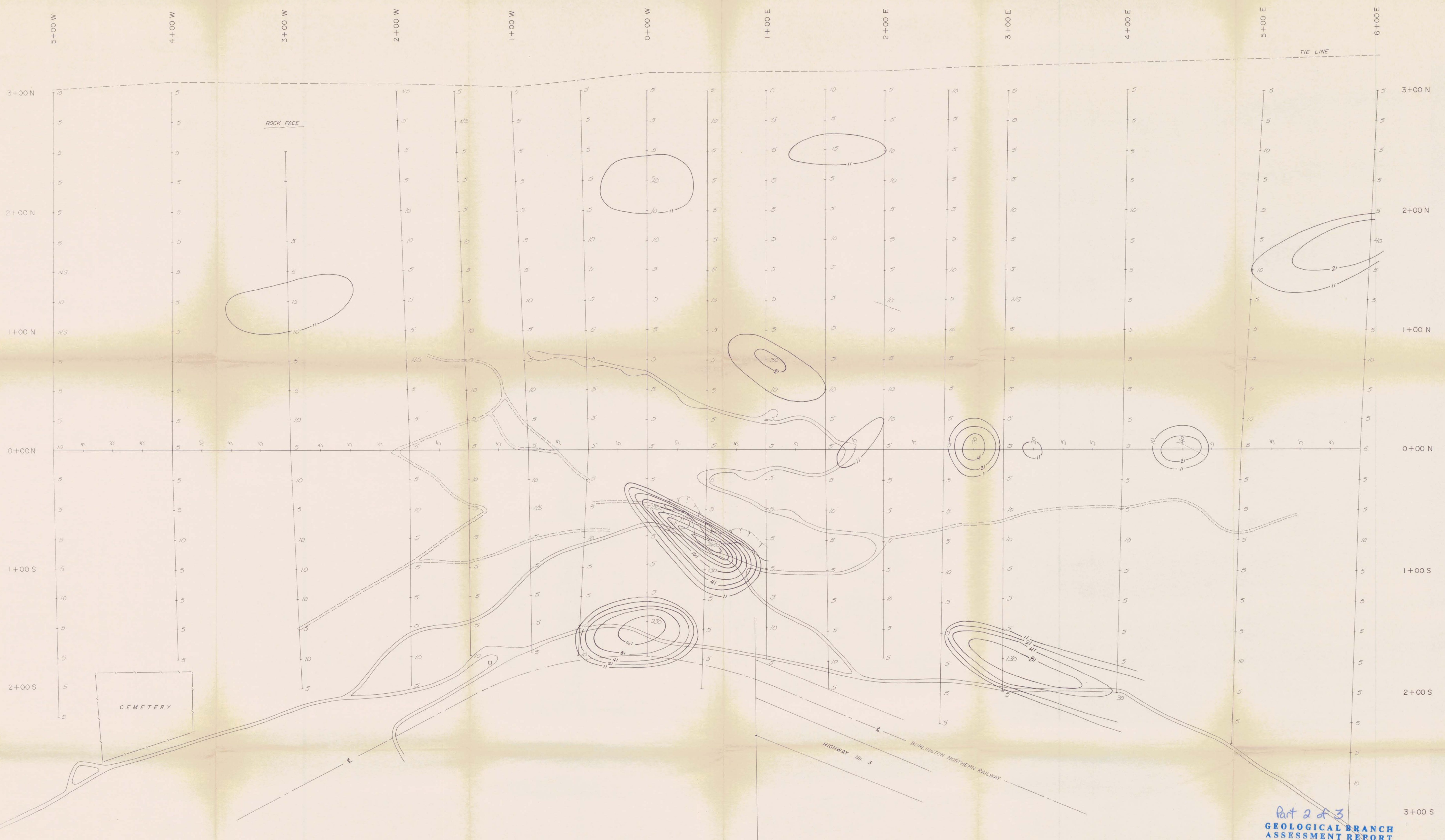
DATE: SEPT/88
REVISED:

SILVER DOLLAR PROPERTY
NELSON M.D., B.C.

GEOLOGICAL
CROSS-SECTION H-H'-H''-H'''

PROJECT No. 155/88
SURVEY BY: NTS 82 F/3
DRAWN BY: BEM
SCALE: 1:500

FIGURE No. 10
FAIRBANK ENGINEERING LTD.



LEGEND

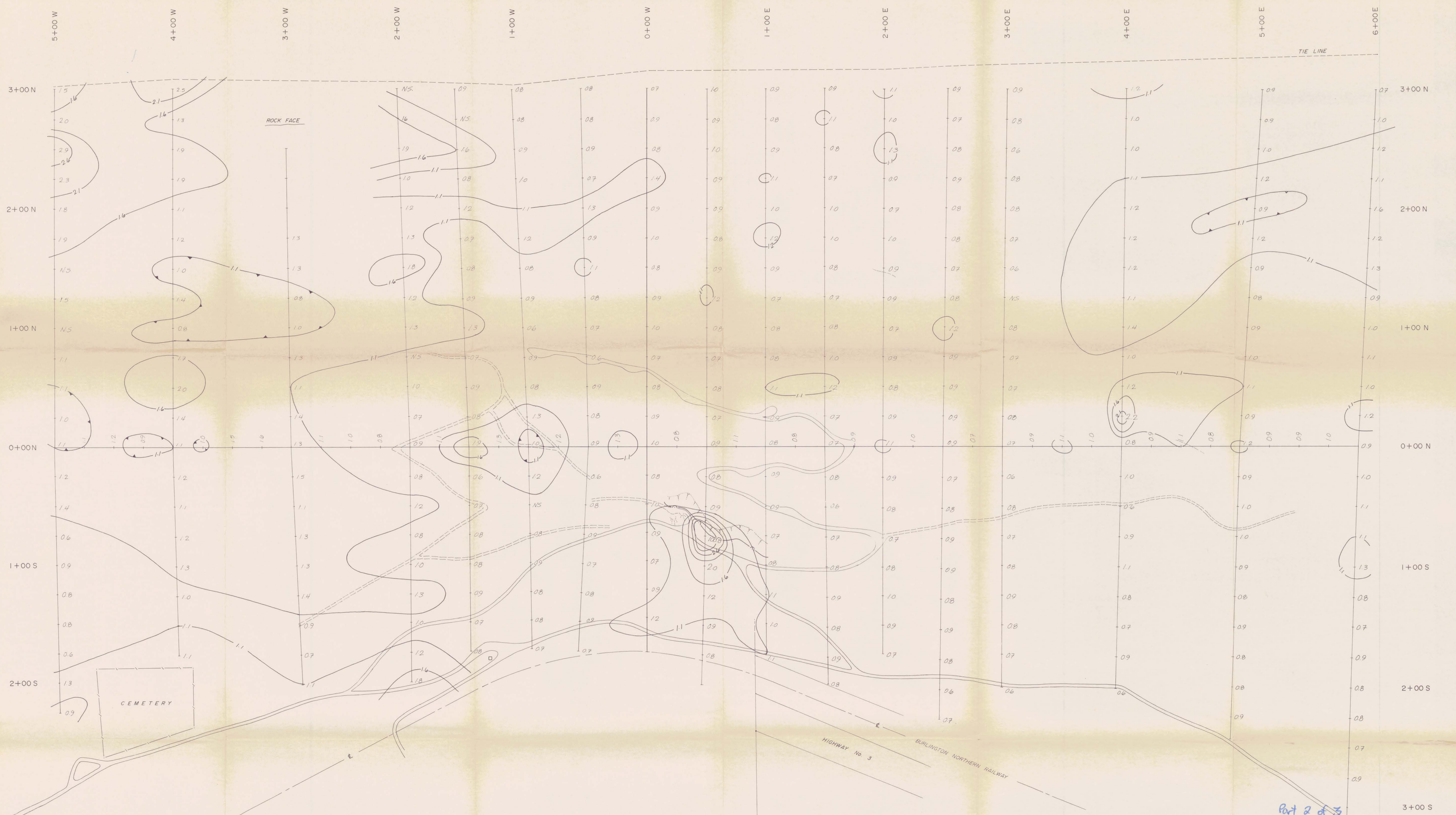
- Road
- Overgrown Road
- Pack Trail
- Cliff
- Portal
- Soil sample grid
- Contour intervals:**
 - 5-10 ppb Au
 - 11-20 " "
 - 21-40 " "
 - 41-80 " "
 - 81-160 " "
 - 161-320 " "
 - >321 " "

Part 2 of 3
**GEOLOGICAL BRANCH
 ASSESSMENT REPORT**

18,786

25 0 50 100
 METRES

HIGHLAND QUEEN MINES LTD.	
DATE: SEPT/88	SILVER DOLLAR PROPERTY NELSON M.D., B.C.
REVISED:	GRID SOIL GEOCHEMISTRY GOLD (ppb)
PROJECT No: 155/88	SURVEY BY: ΔWP NTS: B2 F/3 DRAWN BY: BEM SCALE: 1:1250
FIGURE No: 11	FAIRBANK ENGINEERING LTD.



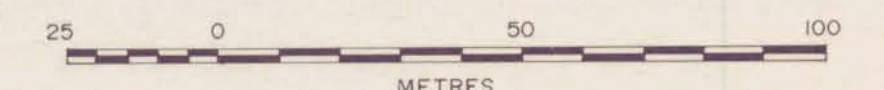
LEGEND

Road
 Overgrown Road
 Pack Trail
 Cliff
 Portal

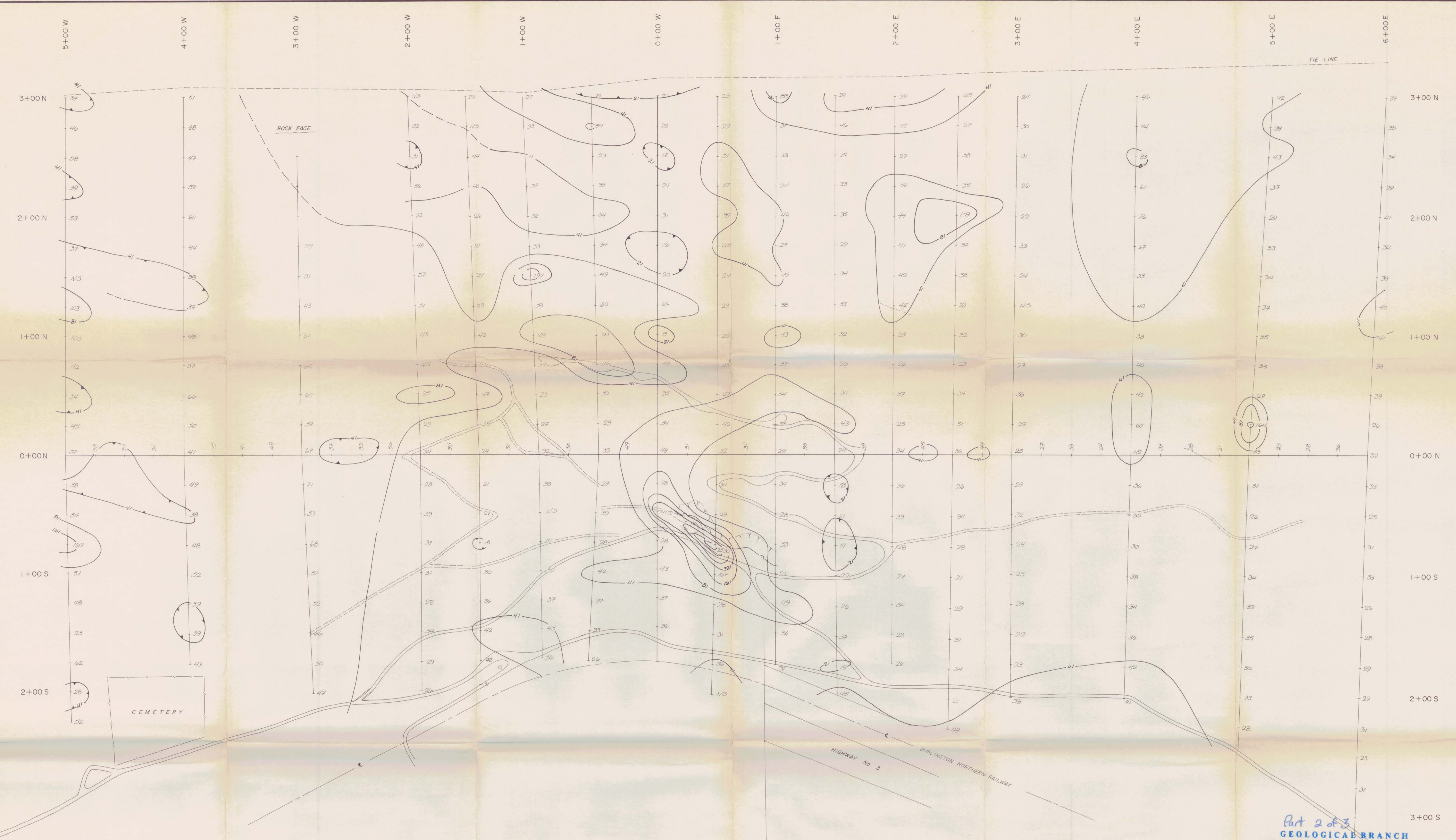
Soil sample grid
 Contour intervals:
 0.6 - 1.0 ppm Ag
 1.1 - 1.5 "
 1.6 - 2.0 "
 2.1 - 2.5 "
 2.6 - 3.0 "
 >3.1 "

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**GEOLOGICAL BRANCH
 ASSESSMENT REPORT**


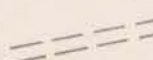
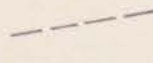
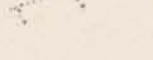
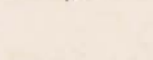
18,786

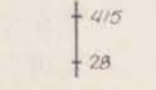


HIGHLAND QUEEN MINES LTD.		
DATE SEPT/88	SILVER DOLLAR PROPERTY NELSON M.D., B.C.	
REVISED	GRID SOIL GEOCHEMISTRY SILVER (ppm)	
PROJECT No. 155/88	SURVEY BY: AWP	NTS: 82 F/3
FIGURE No. 12	DRAWN BY: BEM	SCALE: 1:1250
FAIRBANK ENGINEERING LTD.		



LEGEND

 Road
 Overgrown Road
 Pack Trail
 Cliff
 Portal

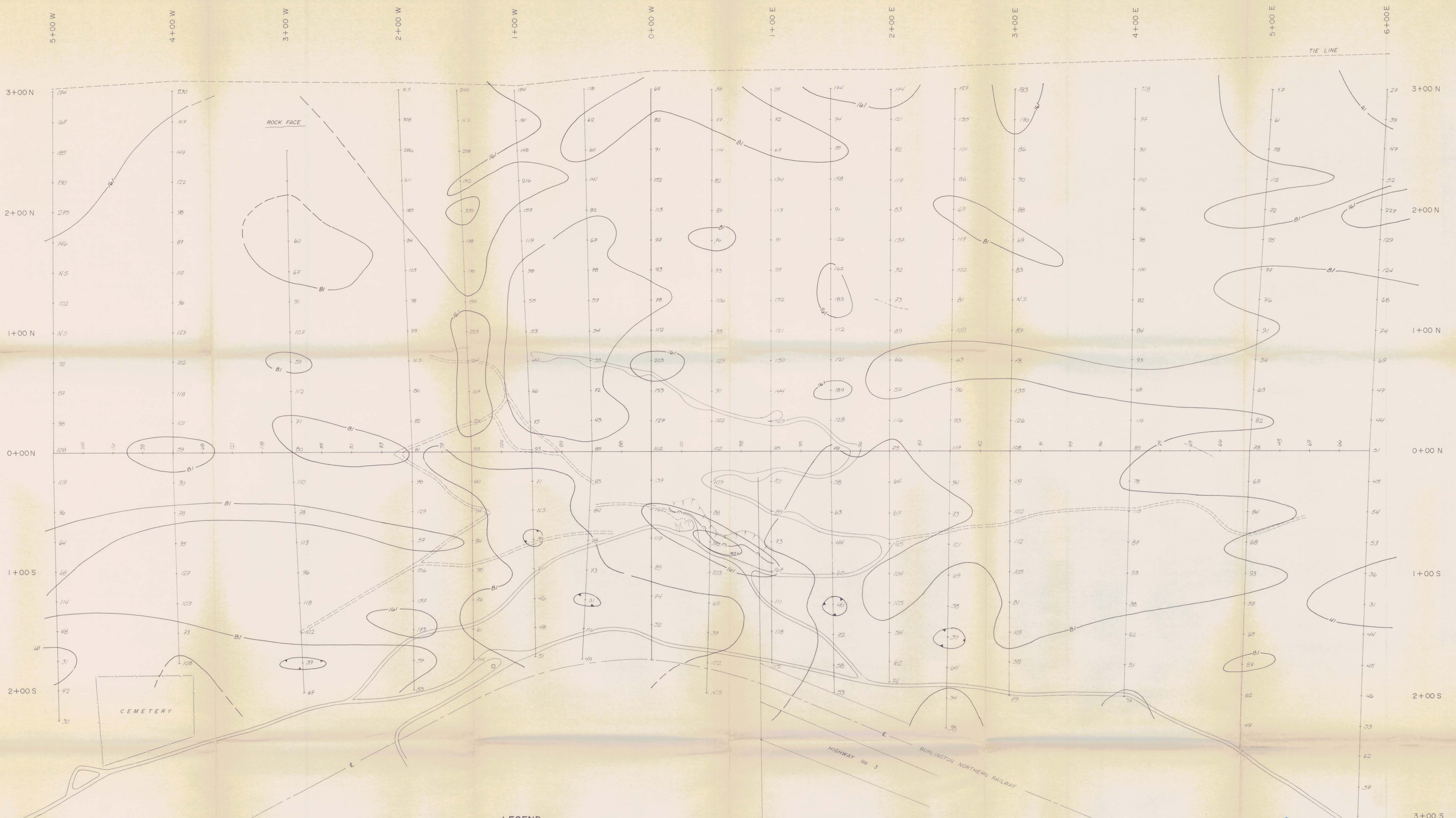
 Soil sample grid
 Contour intervals:
 0 - 10 ppm Pb
 11 - 20 "
 21 - 40 "
 41 - 80 "
 81 - 160 "
 161 - 320 "
 > 320 "

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 GEOLOGICAL BRANCH
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HIGHLAND QUEEN MINES LTD.	
DATE SEPT / 88 REVISED	SILVER DOLLAR PROPERTY NELSON M.D., B.C.
GRID SOIL GEOCHEMISTRY LEAD (ppm)	
PROJECT No 155/88	SURVEY BY AWP NTS 82 F/3 DRAWN BY BEM SCALE: 1:1250
FIGURE No 13	FAIRBANK ENGINEERING LTD.



LEGEND

- Road
- Overgrown Road
- Pack Trail
- Cliff
- Portal
- Soil sample grid
- Contour intervals.**
 - 0 - 40 ppm Cu
 - 41 - 80 "
 - 81 - 160 "
 - 161 - 320 "
 - > 321 "

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**GEOLOGICAL BRANCH
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 METRES

HIGHLAND QUEEN MINES LTD.		
DATE SEPT/88	SILVER DOLLAR PROPERTY NELSON M.D., B.C.	
REVISED	GRID SOIL GEOCHEMISTRY COPPER (ppm)	
PROJECT No. 155/88	SURVEY BY: AWP	NTS: B2 F/3
FIGURE No. 14	DRAWN BY: BEM	SCALE: 1:1250
FAIRBANK ENGINEERING LTD.		



LEGEND

	Road		Soil sample grid
	Overgrown Road		Contour intervals:
	Pack Trail		0 - 150 ppm Zn
	Cliff		151 - 300 "
	Portal		301 - 450 "
			451 - 600 "
			601 - 750 "
			751 - 900 "
			>901 "

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HIGHLAND QUEEN MINES LTD.		
DATE: SEPT/88	SILVER DOLLAR PROPERTY NELSON M.D., B.C.	
REVISED:	GRID SOIL GEOCHEMISTRY ZINC (ppm)	
PROJECT No: 155/88	SURVEY BY: AWP	NTS: 82 F/3
FIGURE No: 15	DRAWN BY: BEM	SCALE: 1:1250
FAIRBANK ENGINEERING LTD.		