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GEOPHYSICAL & GEOCHEMICAL

Assessment Report

for

CONTROL ENERGY CORP.

on the

MONTANA CLAIM GROUP

Greenwood Mining Division

GEOLOGICAL DRANN. Ms. 82E/7W
ASSESSMENT REPORT

18,899

July 4, 1989
Vancouver, B.C.

SOOKOCHOFF CONSULTANTS INC.
Laurence Sookochoff, P.Eng.

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Geophysical & Geochemical
Assessment Report
for
CONTROL ENERGY CORP.

SUMMARY

The Montana Claim Group located 30 km north of Camp McKinney and 10 km east of Beaverdell is comprised of six reverted crown grants and one sixteen unit claim. At Camp McKinney, some one million dollars of gold was produced largely between 1894 and 1903.

At Beaverdell the Wallace Mountain silver deposits have been mined since 1900 with the Highland Bell (1930) property in continuous production since 1916. The silver deposits are hosted by the West Kettle Batholith which is intruded by the Beaverdell Stock. Native silver is "found throughout a vertical range of at least 1000 feet".

On the Montana Group a number of old workings - circa 1900 - explore northwesterly trending zones of mineralization hosted by volcanics and pelitic sediments of the Anarchist Group of rocks.

Exploration work completed since 1985 over the known showings returned assays (grab sample) of up to 5.62% Cu, 1.76% Pb, 5.35% Zn and 11.71 oz Ag/ton from a northwesterly trending quartz vein intermittently exposed within workings for 40 meters.

Grab samples of mineralized quartz from a dump at the northwestern portion of the workings returned up to .620 oz Au/ton. A portion of the adit was cleaned out and revealed a northeasterly trending shear zone hosting narrow lenticular quartz veins. Samples from the zone returned values of up to 2.78% Zn, .45 oz Ag/ton and .001 Au/ton across 0.3 meters.

The geophysical results of the 1989 geophysical and rock geochemical program delineated an indicated major northwesterly trending structure paralleling Canyon Creek. The northernmost workings of the known mineral zone occurs on the southern periphery of the VLF-EM zone and peripheral to a localized high within the zone. A significantly higher localized anomaly occurs within the zone some 200 meters northwest at the southerly flowing Fourth of July Creek. The two indicated cross structures could provide the controlling structures to potentially economic mineralization.

INTRODUCTION

Recent localized and limited exploration programs on the Montana claim group have resulted in the location of geological structures with accompanying mineralization which are indicative to potentially economic mineral zones.

The 1989 geophysical and rock geochemical program was initiated to expand on the exploration of the property and to obtain additional information towards the location of these mineral zones.

Information for this report was obtained from reports as cited under Bibliography and from the writer's supervision of exploration programs on the property since 1985.

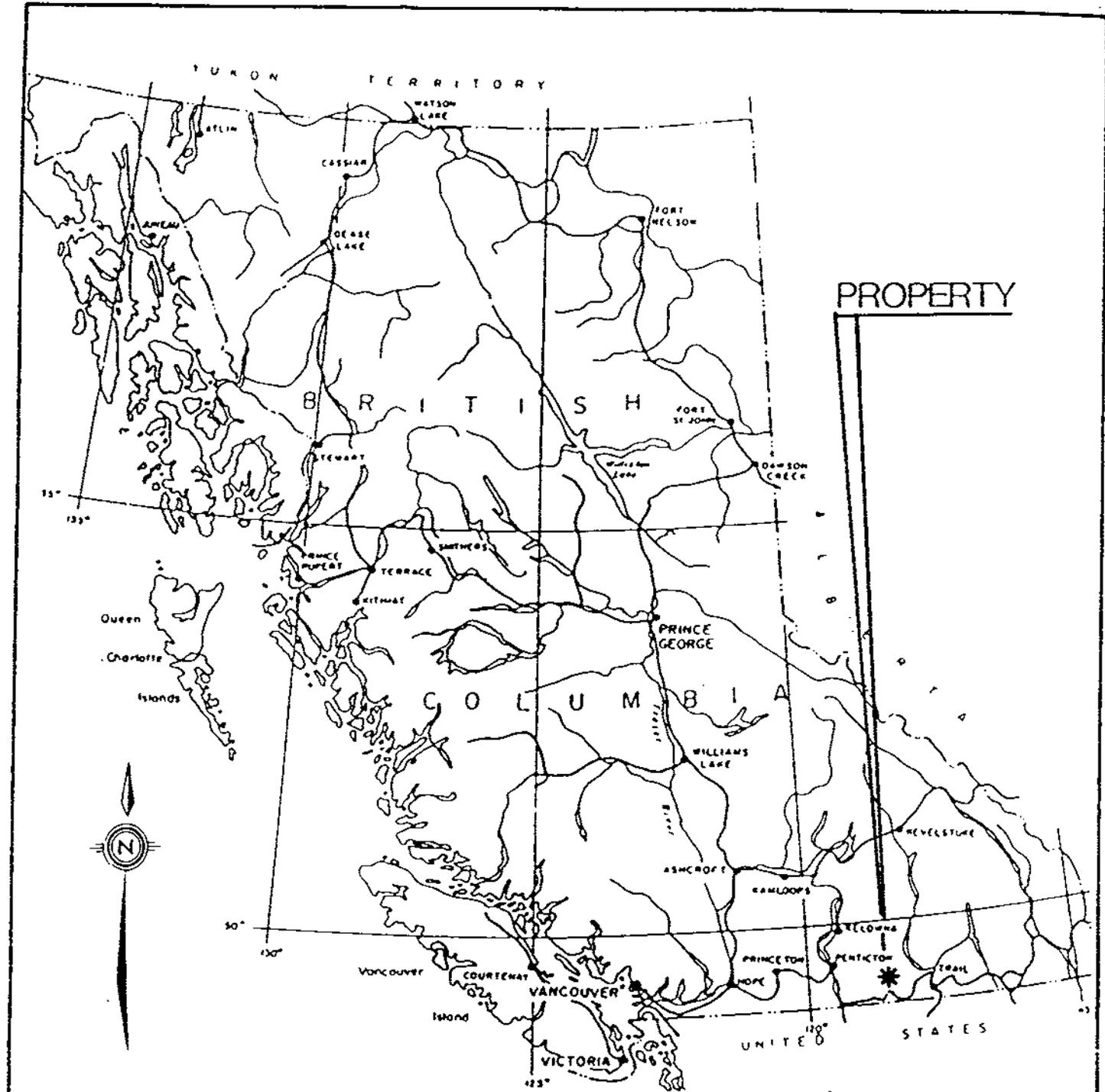
PROPERTY

The property consists of six reverted crown grants and one unit claim of sixteen units. The unit claim creates a contiguous claim group. Particulars are as follows:

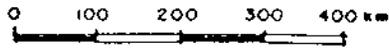
<u>Claim Name</u>	<u>Lot No.</u>	<u>Record No.</u>	<u>Expiry Date*</u>
Assayer	991	3838	July 06, 1990
Fourth of July	2638	4115	July 12, 1990
Muldoon	2639	3842	July 06, 1990
Montana	2640	3840	July 06, 1990
Colorado	2641	3839	July 06, 1990
Idaho	2642	3841	July 06, 1990
Montana	16 units	4309	April 11, 1991

* Upon the approval of one year's assessment work applied April 11, 1989, July 5, 1989, and July 10, 1989 for which this report forms a part thereof.

The Montana claim overstakes three claims in the northeast corner. Thus with the overstaking and the limited extension of the reverted crown grants beyond the claim boundary, the effective area of the property is approximately 310 hectares.



SOOKOCHOFF CONSULTANTS INC.				
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Montana Group				
GREENWOOD M D				
LOCATION MAP				
SCALE 1:6,300,000	DATE	NTS 82E/7W	JOB NO.	FIGURE 1



LOCATION AND ACCESS

The property is located 32 km north of Rock Creek on Lake Ridge between Canyon Creek to the west and the Kettle River to the east. Beaverdell is 10 km to the west and Camp McKinney 30 km to the south.

From Rock Creek on the Southern Trans Provincial Highway No. 3 the Rock Creek - Kelowna Highway is taken to Westbridge and then the Christian Valley road which parallels the Kettle River to the west. At km 32 the Canyon Creek road is taken to the claim group. The eastern boundary of the property is approximately one km along this road.

PHYSIOGRAPHY AND CLIMATE

The property is within the Beaverdell Range of mountains with elevations on the property range up to 1250 meters on the southwest from 975 meters in the northeast.

The general climate of the area includes moderate winters with a snow free period of up to eight months.

WATER AND POWER

Canyon Creek, the main waterway of the area crosses the southwestern portion of the property. Kettle River parallels the eastern boundary one km to the east.

HISTORY

The history of the area stems from the discovery of placer gold in 1859-60 within Rock Creek which enters the Kettle about three km north of the International Boundary about 50 km south of Beaverdell. It was probably during this period that the Kettle River and its tributaries were prospected nearly to their headwaters.

The first lode claim in southern British Columbia was staked upon Rock Creek in 1884. With the ensuing lodes of copper and gold discovered and developed in the Boundary district and Rossland a small army of prospectors found their way up the West Kettle River between 1896 and 1900. At Beaverdell all the more important claims on Wallace Mountain were located between 1896 and 1897 and in the next four years numerous claims were worked on this mountain, at Carmi, near Triple Lakes and on Arlington Mountain.

Development work began on the Carmi Mine four km north of Beaverdell in 1899 and on the Sally group on Wallace Mountain in 1900. These two small properties were more or less continuously developed between 1900 and 1909. The Carmi Mine was worked sporadically to 1940 with records on the Sally group including shipments up to 1941.

At the Carmi Mine production from 1901 to 1940 totalled 5,480 tons with recovered values of 2,994 ounces of gold, 9,675 ounces of silver, 7,806 pounds lead and 17,498 pounds zinc.

Recorded production from the Bell property on Wallace Mountain starts in 1913 and from 1916 on thru was in production every year. Production exceeded 1000 tons in 1926 and in subsequent years. Production from the Highland Lass was recorded in 1922 and beginning in 1928 production was recorded for each year.

The Bell and Highland properties came under the same management in 1930 and were operated as the Highland Bell mine since 1936. Production from 1936 to 1945 which was mainly from hand sorted ore shipped to Trail afforded 1,583 oz gold, 6,024,732 oz silver and some lead and zinc from the 41,447 tons of ore shipped.

Production from the Wallace Mountain deposits have been achieved continuously from the Sally in 1900 to the present where production from the Highland Bell continues at 100 tons per day.

On the Montana Claim Group reference is made in the Minister of Mines Reports on the former crown grants. In the 1900 Minister of Mines Report the Montana Colorado et.al.group is mentioned where \$2,000 has been expended in development work.

In the 1901 M. of M. Report reference is made to a 70 foot tunnel and a six foot winze developed on the property. An open cut "100 feet" to the south and a second open cut is referred to. There is no known work recorded on this property from the early 1900's work to 1985.

In June 1985 Z.A. Szybinski under the employ of Sookochoff Consultants Inc. located, sampled and reported on the workings. A report on these findings was set out in an assessment report for Sundance Gold Ltd. by Laurence Sookochoff, P.Eng. dated July 11, 1985.

In July 1986 a limited geological, geochemical and geophysical program was completed over the mineralized showings area of the Montana claim group. The results of the work program were reported on an assessment report by the writer for Agrel Resources Ltd. dated September 26, 1986.

In June and July 1987 Control Energy Corp. carried out an exploration program to gain access to the reported tunnel on the Montana claim.

In April 1989 a localized geophysical and rock geochemical program was completed to locate potential mineral bearing structures in the immediate area of the known showings. This report relates the information on the survey and results thereof.

GEOLOGY

The general geology of the area is of predominantly Permian Anarchist Group overlain by minor localized areas of the Cenozoic Kettle River Formation and to a greater extent the youngest rocks of the area, the Phoenix volcanic group. The Cretaceous Nelson Plutonic Rocks intrude the Anarchist group as stocks or plugs which are also overlain by the Kettle River and Phoenix groups.

The Anarchist group consists very largely of highly metamorphosed sedimentary rocks but includes also altered greenstones and possibly also altered intrusive rocks. The sedimentary members of the group are the altered equivalents of quartzite, slate and limestone, micaceous quartzites, mica schists, and crystalline limestone. The sheared greenstones possibly represent both intrusive and extrusive types.

Feldspar porphyry "dykes" are also common in the area. The rock is described as a "pale pink to flesh colored, fine grained rock with granitic texture. Quartz, feldspar, shreads of biotite, hornblende, small grains of apatite and some iron ore make up the balance of the rock".

At Camp McKinney, irregular veins of massive to bluish quartz up to several hundred feet long in a general association with the Nelson-Anarchist contact zone are mineralized with pyrite, galena, sphalerite and free gold. One mine - the Cariboo-Amelia produced over a million dollars worth of ore in the years of 1895 to 1903 inclusive.

The gold bearing mineral zones at Camp McKinney are mainly of quartz veins occurring in the schists of the Anarchist series and in general paralleling the strike and dip of the schistosity. The quartz veins are mineralized with pyrite accompanied by galena and zinc blende and carry in places good values in gold. With only pyrite in the veins, the gold values are low.

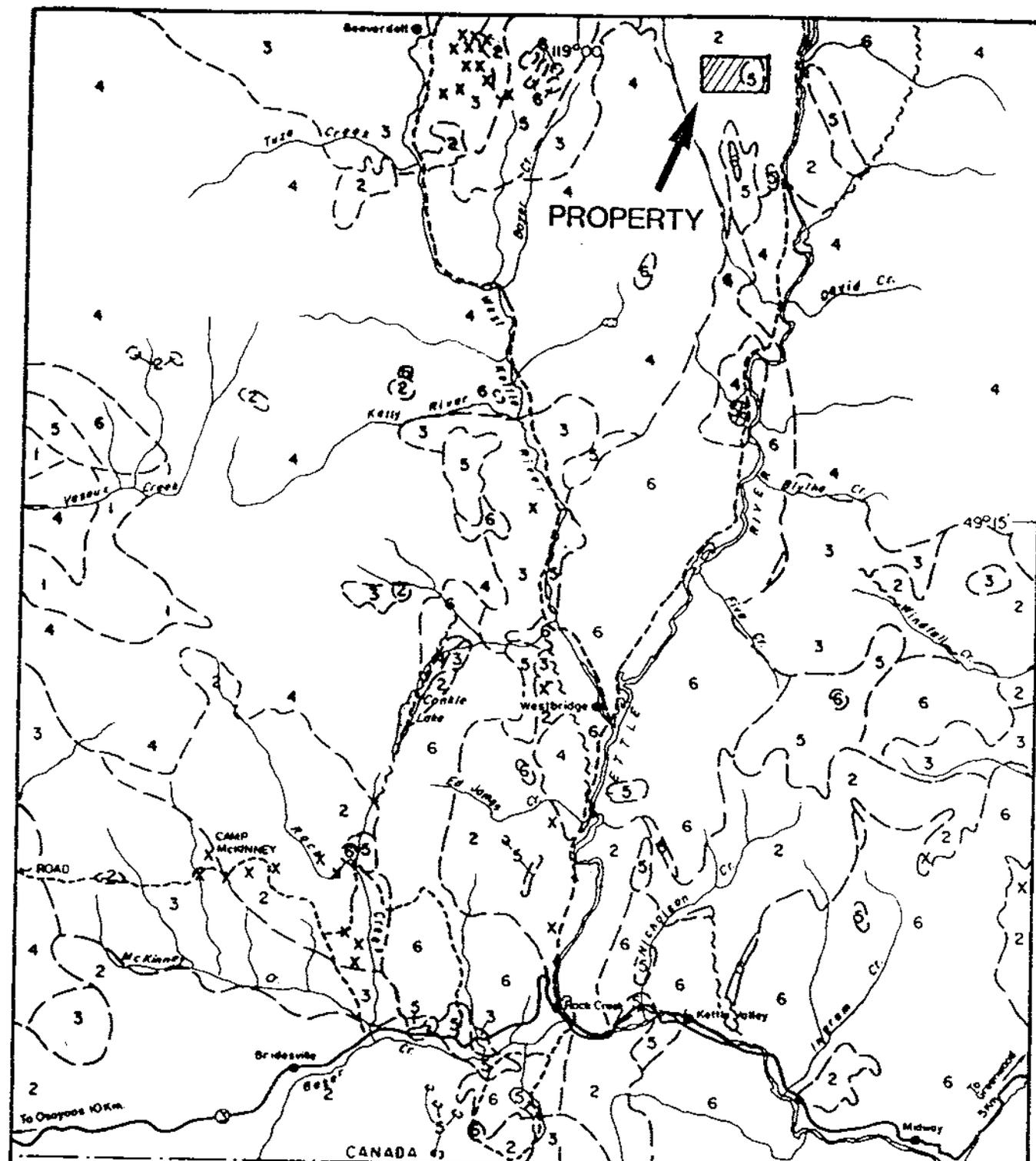


FIGURE 2

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Montana Group

GEOLOGY & CLAIM MAP

N.T.S. 82E/7W



SCALE 1:250,000

LEGEND

- 6 ANDESITE, TRACHYTE, MINOR BASALT
- 5 KETTLE RIVER FORMATION
- 4 VALHALLA PLUTONIC ROCKS
- 3 NELSON PLUTONIC ROCKS
- 2 ANARCHIST GROUP
- 1 MONASHEE GROUP
- X MINERAL OCCURRENCES



South of Camp McKinney, gold mineralization is associated with shear zones within volcanic rocks with little or no quartz. The zones are "from 3 to 4 feet wide" and are impregnated with considerable amounts of ankeritic carbonates. Abundant pyrite is disseminated throughout the rock in the vicinity of the shear zones.

On the Blue Jay claims within 200 meters west of the southwest corner of the Montana claim a series of pits and shafts were excavated along a N 30 degree W strike along a shear zone. The fracture zone is up to two meters wide heavily oxidized and dipping 45 to 70 degrees to the southwest. Reported assays of samples from the workings along the 200 m long shear zone (over a 50 m vertical elevation) range from 0.02 to 1.08 oz Au/ton. In 1983 an 18 Kg sample grading 0.38 oz Au/ton was sent to the Dankoe mill for metallurgical testing.

Placer gold has been derived from the creeks in the Camp McKinney area - more significantly McKinney and Rock Creeks. Reported production from Rock Creek since 1874 to 1945 is 4916 ounces of gold. Crouse Creek (Cedar Creek) within two km west of the Montana claim contains placer gold with reported production from 1886 to 1940 of 184 ounces of gold with a fineness of 821-838.

The Montana claim group, as indicated from Map 6-1957 Kettle River Geology East Half, is underlain mainly by the Anarchist Group with the Kettle River formation adjacent to the southeast.

On the Montana reverted crown grant, which forms part of the Montana claim group, a tunnel was driven within "...black shaley material occurring between two slip walls in a fine, igneous rock...mineralized with iron sulphide...and irregularly distributed...lenses of quartz of varying sizes carrying chiefly iron sulphides. The values found are said to have been chiefly in gold and silver...upon assay gave \$8 in gold and 6 oz in silver per ton." (1901 Minister of Mines report p. 1136).

This area, previously explored and reported on, is located approximately 2.4 km west of the main Christian Valley - Rock Creek (Kettle River) road.

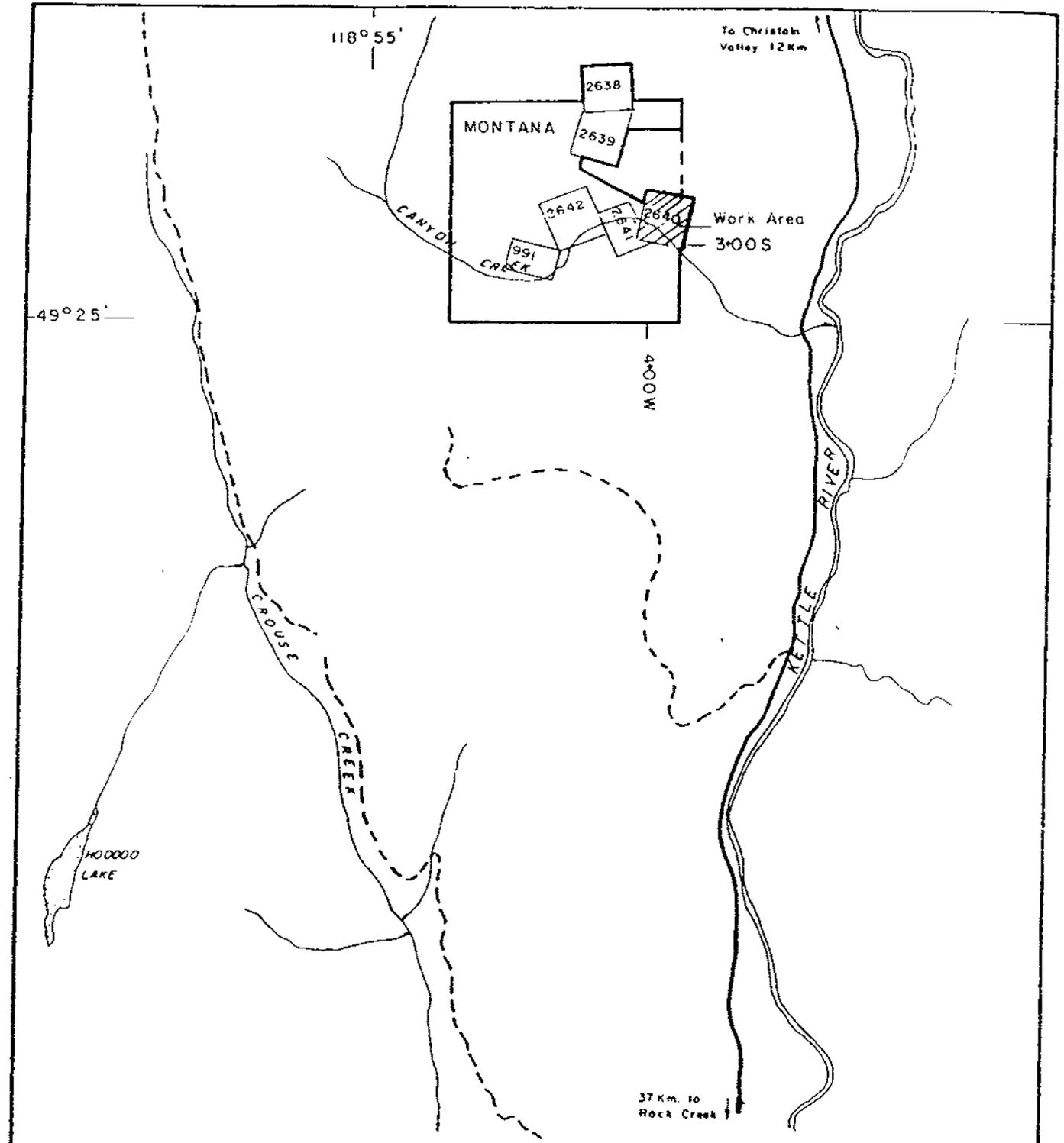


FIGURE 3

SOOKOCHOFF CONSULTANTS INC.	
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INDEX MAP	
N.T.S. 82E-7W	GREENWOOD M.D., B.C.
SCALE 1:50,000	



RESULTS OF PREVIOUS EXPLORATION

In addition to the exploration completed in 1901, recent exploration consisted of:

1) The 1985 exploration program resulted in the location of a series of workings exposing a northwesterly trending mineralized zone (Figure 5).

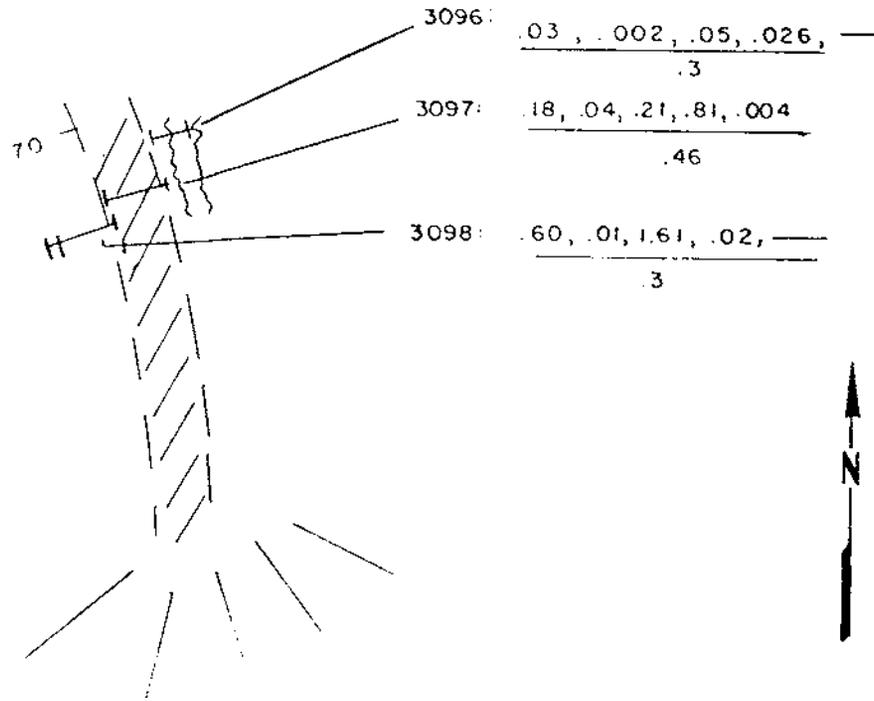
Szybinski (1985) describes the zones as:

No. 1 tunnel located 87 m north of Canyon Creek on a 35-45° southwest slope is two meters long in a direction of 320°. The drift is exploring a highly oxidized zone mineralized with malachite, azurite, pyrite, galena and zinc blende. The mineralization is hosted by a 0.5 meter wide quartz vein striking at 310-320° and dipping 70° NE. The vein can be traced on the surface of the outcrop at 310°.

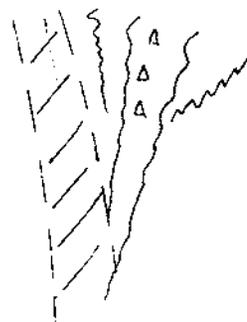
Grab samples (Figure 5) from the dump taken by Szybinski (1985) are described by the writer as follows:

<u>Sample No.</u>	<u>Description</u>	<u>Assay</u>				
		%Cu	%Pb	%Zn	Ag oz/ton	Au
3010	Drusy qtz. w/mod limonite and pyrite	--	1.12	--	2.03	.008
3011	Pockets of sulphides (25%) in a highly oxidized volcanic debris matrix	5.62	1.76	5.35	11.71	.022
3012	Sulfide pockets assoc. w/ a feldspar porphyry carbonated flow	--	--	--	5.08	.034

PLAN



SECTION



LEGEND

- QUARTZ VEIN
- SAMPLE INTERVAL
- SHEAR

SAMP No.	Cu%	Pb%	Zn%	Ag	Au	gZ/ton
3096	.03	.002	.05	.81	.004	.3

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MONTANA GROUP

GREENWOOD M D

**Tunnel No.1 Vein
Assay Plan & Section**

SCALE:
1:200

DATE:

N.T.S

DRAWN BY:
GEO-COMP

FIGURE:
4

The writer sampled the tunnel No. 1 showing (Fig. 4) with results as follow:

<u>Sample No.</u>	<u>Description</u>	<u>Width</u> (m)	<u>Assay</u>			
			%Cu	%Pb	%Zn	Ag Au oz/ton
3098	Heavily carbon. lt. gray rhyolite	.3	.60	.01	1.61	.02 --
3097	Qtz. veins with it sulfides	.46	.18	.04	.21	.81 --
3096	Greenstones w/lt diss. py.	.3	.03	.002	.05	.026 --

The footwall zone of gray rhyolite is in contact with a pelitic schist containing a gougy brecciated limonite zone. The pelitic schist is also carbonated with lt. sulfides and malachite on the fracture planes.

Tunnel No. 2 is situated 25 meters northwest of Tunnel No. 1 and is at 360° crosscutting the vein. The tunnel is partially caved however the vein exposed at the portal strikes at 315° and dips 90° and is up to 0.8 meters wide. The quartz carbonate vein is mineralized with pyrite and malachite. A grab sample from the vein returned 5.08 oz Ag/ton and 0.034 oz Au/ton.

Cut No. 1 is 15 meters at 310° from Tunnel No. 2. A 0.3 meter quartz vein is brecciated and contains pyrite and weak oxidation. A grab sample from the zone returned 2.03% Cu, 1.26 oz Ag/ton and .004 Au/ton.

Cut No. 2, 25 meters at 25° from Cut No. 1 contains a heavily oxidized one meter wide quartz vein with malachite stain. At a road cut northwest of cut No. 2 a sample of a fine-grained acid igneous rock containing lenses of highly oxidized material returned an assay of 227 ppm Cu, 90 ppm Zn, 45 ppm Pb and 3.9 ppm Ag. A grab sample of dacitic float material in the vicinity of Cut No. 2 returned an assay of 140 ppm Cu, 225 ppm Zn, and .4 ppm Ag.

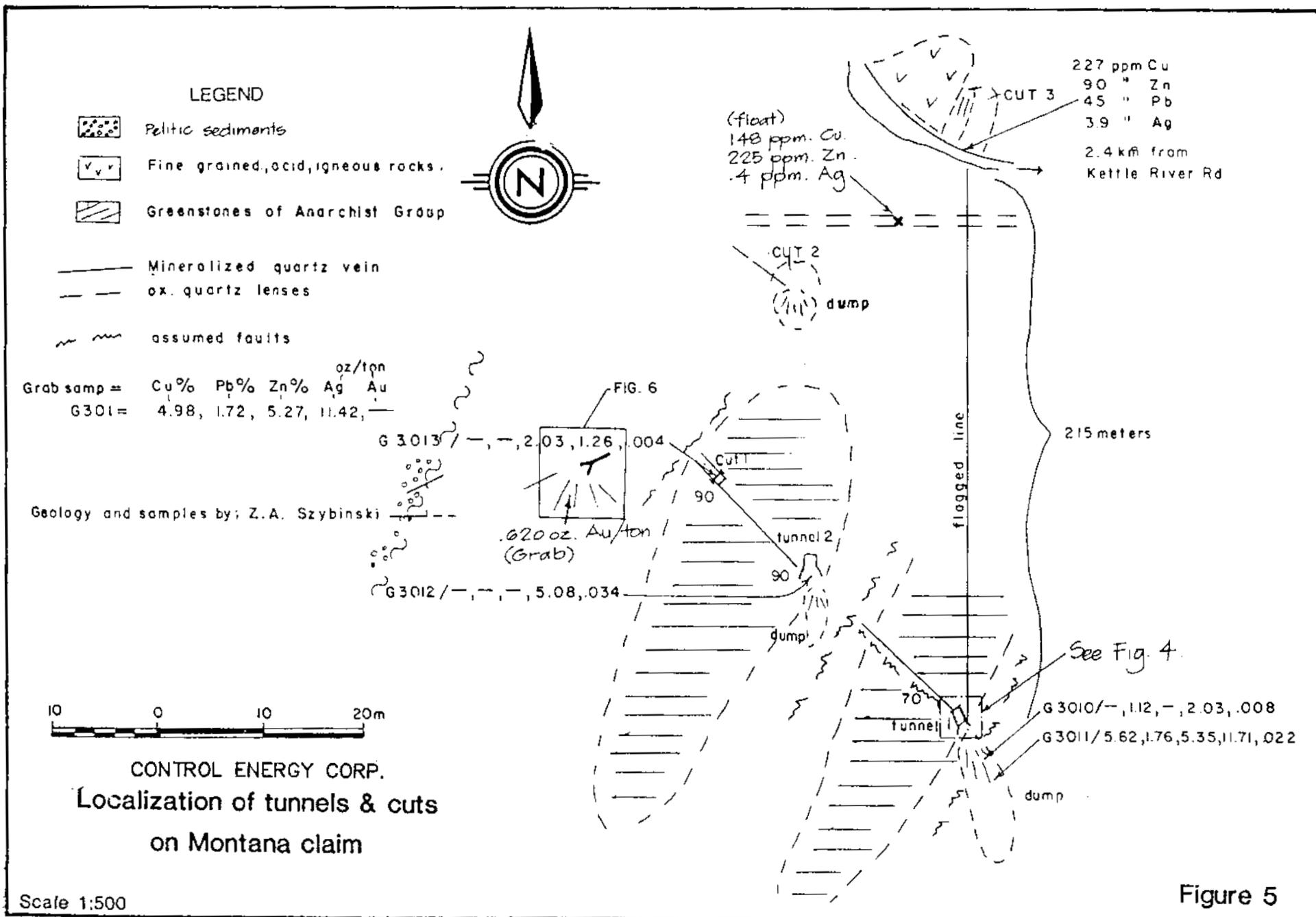


Figure 5

2) As a result of the 1986 exploration program, the dump from the tunnel described in the 1901 Minister of Mines Report was located some 10 meters west and along strike of the westernmost open cut. The adit was inaccessible due to caving, however the dump contained specimens of mineralized quartz-carbonate material. A grab sample from the dump containing fine grained pyrite along fractures and coarser pyrite disseminations returned an assay of 3,484 ppm Cu, 4,363 ppm Pb, 42,805 ppm Zn, 107.1 ppm Ag, and 14,000 ppb Au. A fire re-assay returned .620 oz Au/ton.

A sample of pelitic material exposed in a wash 15 meters west of the adit returned 17 ppb Au. A sample of heavily limonitized quartz from a pit 15 meters northeast of the adit returned 1,310 ppb Au (.038 oz Au/ton).

Exploration also included localized geochem, VLF-EM and magnetometer survey over the mineralized zone. These were completed in order to test the response of the mineralized zones to the surveys.

Four of eight soil samples returned anomalous gold values (up to 50 ppb). The VLF-EM results indicated that the mineralized structure could be detected utilizing the VLF-EM method. The magnetometer results indicated that the survey would not be useful in detecting the mineralized zone.

3) In 1987 an exploration program was successful in the removal of sufficient muck from the portal site of the tunnel to expose a northeasterly trending shear zone hosting narrow zones of quartz carbonate with associated sulphides. The zone varies in width to one meter wide and is exposed for four meters in length.

Samples taken by the writer from the mineralized zone returned assays as follows:



LEGEND



Qtz Vein
w/sulphides



Sample site

$\frac{.04 \text{ } .15}{0.3}$

$\frac{Zn, \text{ oz } Ag/ton}{\text{Sample width (metres)}}$



Pyrite dissem-
inations

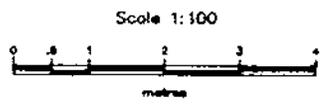
$\frac{2.78 \text{ } .45}{0.3}$

$\frac{1.87 \text{ } .95}{0.3}$

$\frac{.20 \text{ } .20}{0.3}$

$\frac{.04 \text{ } .15}{0.3}$

x — .620 oz Au/ton (Grab)



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MONTANA GROUP				
GREENWOOD M.D.				
WESTERN ADIT				
SAMPLE SITES & ASSAYS				
SCALE: 1:100	DATE	K.E.S.	DRAWN BY: GEO-COMP	FIGURE: 6

<u>Sample No.</u>	<u>Description</u>	<u>Width</u> (m)	<u>Assay</u>		
			<u>%Zn</u>	<u>Ag</u>	<u>Au</u> oz/ton
9297	Limonitic zone on south wall. Qtz. breccia and sulphides	0.3	.04	.15	.004
9298	Hanging wall of zone with 2-4 inches qtz. & sulphides	0.3	2.78	.45	.001
9299	Lower zone, shear w/ diss. sulphides	0.3	1.87	.95	.022
9300	Lower zone. lt. sil'd + H diss.				

EXPLORATION PROGRAM - 1989

GEOPHYSICAL SURVEYS

VLF-EM surveys (Fig. 7 - 12)

The 1989 exploration program consisted of a localized VLF-EM survey in addition to rock geochemical sampling. The area covered consisted predominantly of the peripheral area to the known mineralized zones in order to locate similarly mineralized structures with potentially economic mineralization.

A Sabre model 27 VLF-EM receiver instrument manufactured by Sabre Electronics of Vancouver was utilized for the survey. The transmission stations utilized were Seattle and Annapolis broadcasting at a frequency of 24.8 KHz and 21.4 respectively.

The VLF-EM receiver measures the amount of distortion produced in a primary transmitted magnetic field and a secondary magnetic field which may be induced by a conductive mass such as a sulphide body. The VLF-EM unit, due to its relatively high frequency, can detect low conductive zones such as fault or shear zones, carbonized sediments or lithological contacts.

The major disadvantage of the VLF method, however is that the high frequency results in a multitude of anomalies from unwanted sources such as swamp edges, creek and topographical highs.

The results of the VLF-EM survey were plotted for the Fraser Filtered data and the raw data separately.

The Seattle station indicated a northwesterly trending anomalous zone paralleling Canyon Creek within the northern portion of the survey area. This major zone, reflected in both the Fraser Filtered and the raw field results, appears to be the control, or result in, a subordinate set of east-west structures expressed by directional anomalous zones.

The Annapolis station results, which would be more reliable due to the near parallelism of the station to the major structures, indicated a similar major northwesterly trending anomalous zone (Fraser Filtered) in the northern portion of the survey area with the prime anomalous area at the southern portion of the zone in the western adit area (2+50W 1+40S) and in the Fourth of July Creek area 300 meters north of the junction with Canyon Creek (4+50W 1+00N). The raw data results indicate only an east-west trending anomalous zone along the southern portion of the workings area (2+00W 2+60S) westerly across Canyon Creek. A correlative anomaly is also indicated in the Fourth of July Creek area.

Magnetometer Survey

A magnetometer survey was carried out over the southwest and northeast sector of the claim utilizing the geochemical grid stations. Readings were taken at 20 meter intervals. A GEM Systems GSM-8 serial No. 1202 magnetometer was utilized in the survey.

All rocks contain some magnetite from very small fractions of a percent up to several percent, and even several tens of percent in the case of magnetic iron deposits. The distribution of magnetite or certain characteristics of its magnetic properties may be used in exploration or mapped for other purposes. The anomalies from naturally occurring rocks and minerals are due chiefly from the presence of the most common magnetic mineral magnetite or of related minerals including limonite and pyrrhotite (with sulfide mineralization).

Magnetic anomalies of the earth's magnetic field are caused by two different kinds of magnetism: induced and remanent. Induced magnetization refers to the action of the field on the material wherein the ambient field is enhanced and the material itself acts as a magnet. The proportion of magnetism is related to the magnetic susceptibility of the material. Typically, more basic igneous rocks have a higher susceptibility than the acid igneous rock; the latter in turn have a higher susceptibility than sedimentary rocks.

The remanent magnetization is often the predominant magnetization (relative to the induced magnetization) in many igneous rocks. The remanent mineralization is important in geological mapping.

Magnetic minerals may also occur in association with sulphide zones or may be decomposed through the action of dynamic or thermal metamorphism. Thus the survey results could indicate lithology structure, alteration patterns and most significantly, mineral zones in a favorable geological environment.

The magnetometer survey was performed over the same grid as the VLF-EM survey. The survey was closed at regular intervals and the readings corrected for diurnal variation. Six and one-half line kilometers of survey were completed.

The results which were within a range of 2000 gammas from a base of 56000 gammas, indicated a mag HI of 57500 gammas in the Fourth of July Creek VLF-EM anomalous area with a near equal HI near the southern portion of the workings area. As the specific geology in the area is not known, the cause of the HI's in these areas - as well as in other areas, could not be related.

ROCK GEOCHEMICAL SAMPLING

Seven rock samples were taken in the sampling program with the locations shown on Figure 12. All the samples except two were taken from the workings area of known mineralization. Samples MON 5A and MON 5 were taken from an outcrop at 4+00W 4+40S west of Canyon Creek. A description of the rock samples with the assay results are as follows.

Sample No.	Location	Description	ppm Pb	ppm Zn	ppm Ag	ppm As	ppb Au
Mon 1	225W 200S	float-100% lim w/ occ pockets py	10097	2174	92	147	460
Mon 2	240W 160S	c g dacite w/ vl sulphides & mal	5016	41749	330	282	3200
Mon 3	225W 200S	rhyolite w/ pkts py	257	40970	70	254	340
Mon 4	200W 230S	100% limonite, rhyolite & shale	3090	2216	116	395	490
Mon 5A	400W 440S	siliceous diorite w/ blebs py	85	301	2.6	126	27
Mon 5B	400W 440S	shale w/lt-mod lim on fr	37	260	1.6	8	15
Mon 6	200W 230S	float-100% lim w/ pkts fine py & mal: host-rhyolite	5242	18063	125	300	520

CONCLUSIONS

The geophysical and geochemical surveys were successful in providing information as to areas of potential economic mineral zones on the Montana claim group

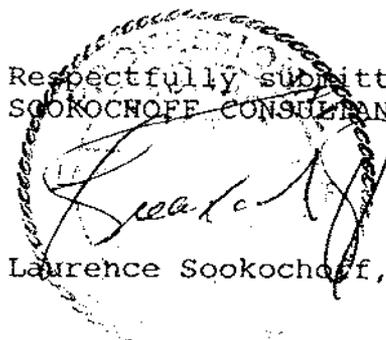
The favorable areas include a northwesterly trending VLF-EM anomalous zone paralleling Canyon Creek to the northeast. The zone, which is strongly indicated on the "Annapolis" fraser filtered VLF-EM survey data, indicates the known mineralized workings on the southern periphery of the zone and adjacent to localized high reading within the zone. The primary localized anomaly within the zone is at the July 4, 1989 juncture with the southerly flowing Fourth of July 4, 1989 July Creek. This intersection of VLF-EM indicated and topographically indicated structures suggests a mineral controlling cross structure

Other open ended east-west VLF-EM anomalous zones occur south of the main zone. These anomalous zones would require additional field data to determine the significance.

RECOMMENDATIONS

A continuing exploration program is recommended on the Montana claim group. Initially, the Fourth of July Creek VLF-EM anomaly should be examined to determine its causative effect. Should the anomaly indicate potential mineralization, the VLF-EM survey should be extended westerly to close the anomaly with following exploration work to test the zone.

Respectfully submitted
SOOKOCHOFF CONSULTANTS INC.



Laurence Sookochoff, P.Eng.

Vancouver, B.C.
July 4, 1989

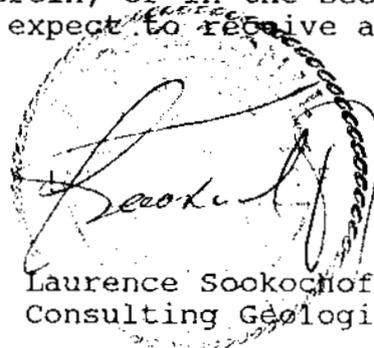
CERTIFICATE

I, Laurence Sookochoff, of the city of Vancouver, in the Province of British Columbia, do hereby certify:

That I am a Consulting Geologist with offices at 602-510 West Hastings St., Vancouver, V6b 1L8.

I further certify that:

1. I am a graduate of the University of British Columbia (1966) and hold a B.Sc. degree in Geology.
2. I have been practising my profession for the past twenty-three years.
3. I am registered with the Association of Professional Engineers of British Columbia.
4. Information for this report was obtained from sources as cited under Bibliography and from fieldwork and supervision carried out by the writer.
5. I have no direct, indirect nor contingent interest in the property described herein, or in the securities of CONTROL ENERGY CORP. nor do I expect to receive any.



Laurence Sookochoff, P.Eng.
Consulting Geologist

July 4, 1989
Vancouver, B.C.

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Control Energy Corp.
Montana Claim Group
Statement of Costs

The work on the Montana claim group was carried out from April 7, 1989 to July 5, 1989 to the value of the following:

Pat Crook, Jack Zackodnick	
April 7 - 14, 1989	
16 man days @ \$250.	\$ 4,000.00
Truck rental: 8 days @ \$ 75.	600.00
Room, board, gas, & field supplies	1,529.00
Assays	245.94
Instrument rentals: 6 days @ \$100.	600.00
Draughting, xerox & printing	845.60
Report	<u>1,000.00</u>

\$8,820.54

=====

Appendix I

ASSAY CERTIFICATES

ACME ANALYTICAL LABORATORIES LTD.
852 E. HASTINGS ST. VANCOUVER B.C. V6A 1R6
PHONE(604)253-3158 FAX(604)253-1716

DATE RECEIVED: MAY 3 1989

DATE REPORT MAILED: *May 8/89.*

GEOCHEMICAL ANALYSIS CERTIFICATE

ICP - .500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER. THIS LEACH IS PARTIAL FOR MN FE SR CA P LA CR MG BA TI B W AND LIMITED FOR NA K AND AL. AU DETECTION LIMIT BY ICP IS 3 PPM.
- SAMPLE TYPE: ROCK AU* ANALYSIS BY ACID LEACH/AA FROM 10 GM SAMPLE.

SIGNED BY *C. Long* D.TOYE, C.LEONG, J.WANG; CERTIFIED B.C. ASSAYERS

SOOKOCHOFF CONSULTANTS INC. PROJECT-MONTANA FILE # 89-0982

SAMPLE#	Pb PPM	Zn PPM	Ag PPM	As PPM	Au* PPB
MON-1	10097✓	2174	92.2/	147	460
MON-2	5016	41749✓	330.6/	282	3200
MON-3	257	40970✓	70.6/	254	340
MON-4	3090	2216	116.1/	395	490
MON-5A	85	601	2.6	126	27
MON-5B	37	260	1.6	8	15
MON-6	5242	18063	125.0 /	300	520

/
- ASSAY REQUIRED FOR CORRECT RESULT -

Appendix II

GEOPHYSICAL SURVEY DATA

CONTROL ENERGY GEOPHYSICAL SURVEY

		VLF	VLF	
West	South	Seattle	Annapolis	Mag
0	-500	3	-5	56763
0	-480	7	-1	56744
0	-460	7	-2	56744
0	-440	5	-2	56734
0	-420	10	2	56902
0	-400	12	-1	57208
0	-380	4	6	56986
0	-360	5	6	56842
0	-340	6	9	56834
0	-320	6	7	57452
0	-300	3	6	57201
0	-280	-5	13	57103
0	-260	-3	14	57025
0	-240	-5	14	57555
0	-220	-4	12	57128
0	-200	-6	12	56960
0	-180	-5	11	56964
0	-160	-7	16	56906
0	-140	-9	20	56343
0	-120	-11	20	56916
0	-100	-9	14	57214
0	-80	-4	11	57004
0	-60	1	8	57007
0	-40	4	8	56899
0	-20	3	7	56844
0	0	4	10	56817
0	0	2	8	56812
0	20	-4	11	56755
0	40	-9	16	56595
0	60	-11	20	56506
0	80	-9	20	56312
0	100	-8	16	56335
-50	-440	8	-5	56586
-50	-420	8	-4	57127
-50	-400	8	-4	56636
-50	-380	6	-3	55787
-50	-360	5	6	56535
-50	-340	2	3	56689
-50	-320	6	6	56933
-50	-300	-4	18	57446
-50	-280	-2	11	57056
-50	-260	-6	14	57091
-50	-240	-6	12	57097
-50	-220	-6	16	57039
-50	-200	-4	14	57025
-50	-180	-8	18	56984
-50	-160	-10	19	56934
-50	-140	-9	22	56946
-50	-120	-12	20	56986
-50	-100	-7	15	56953
-50	-80	-5	10	56983
-50	-60	-2	8	56916
-50	-40	0	6	56902

CONTROL ENERGY GEOPHYSICAL SURVEY

		VLF	VLF	
West	South	Seattle	Annapolis	Mag
-50	-20	-1	8	56815
-50	0	0	8	56855
-50	20	-7	9	56805
-50	40	-3	13	56737
-50	60	-6	17	56544
-50	80	-6	22	56385
-50	100	-9	20	56206
-100	-1000	8	-5	56987
-100	-980	8	-7	56833
-100	-960	14	-10	56918
-100	-940	11	-8	57004
-100	-920	8	-8	56903
-100	-900	8	-8	56948
-100	-880	8	-6	57281
-100	-860	6	-4	57083
-100	-840	6	-5	56752
-100	-820	-2	6	56800
-100	-800	-4	3	56881
-100	-780	0	4	56889
-100	-760	-2	6	56969
-100	-740	-2	3	56860
-100	-720	-1	4	56967
-100	-700	1	4	57027
-100	-680	-4	8	56208
-100	-660	-8	12	56984
-100	-640	-10	15	56738
-100	-620	-10	11	57616
-100	-600	-8	11	57216
-100	-580	-6	10	57374
-100	-560	-6	8	57409
-100	-540	-1	4	55842
-100	-520	-4	4	56606
-100	-500	-4	8	56688
-100	-480	3	1	56935
-100	-460	5	1	57265
-100	-440	8	-4	56528
-100	-420	6	-4	56686
-100	-400	5	-3	56635
-100	-380	4	-1	56420
-100	-360	3	-1	56754
-100	-340	-1	0	57039
-100	-320	3	1	57101
-100	-300	3	0	57020
-100	-280	4	-6	57037
-100	-260	2	-5	56881
-100	-240	-3	-1	56856
-100	-220	-4	9	57228
-100	-200	-7	10	57458
-100	-180	-6	8	57149
-100	-160	-6	10	57023
-100	-140	-8	9	57103
-100	-120	-12	11	57015
-100	-100	-13	14	57010

CONTROL ENERGY GEOPHYSICAL SURVEY

		VLF	VLF	
West	South	Seattle	Annapolis	Mag
-100	-80	-14	11	56916
-100	-60	-4	4	56966
-100	-40	-2	2	56860
-100	-20	-6	2	56853
-100	0	-1	6	56842
-100	20	-5	3	56822
-100	40	-10	15	56868
-100	60	-8	17	56728
-100	80	-10	22	56576
-100	100	-9	21	56541
-100	120	-6	18	56838
-100	140	-6	14	56905
-100	160	-9	19	57130
-150	-240	-6	11	57261
-150	-220	-6	20	57380
-150	-200	-3	19	57032
-150	-180	-4	18	57022
-150	-160	-5	14	57029
-150	-140	-8	14	57022
-150	-120	-8	16	57045
-150	-100	-7	18	56859
-150	-80	-2	14	56883
-150	-60	-1	11	56936
-150	-40	1	9	56916
-150	-20	0	6	56917
-150	0	3	6	57094
-150	20	-4	6	56954
-150	40	-1	10	56846
-150	60	-4	1	56783
-150	80	-7	16	56660
-150	100	-7	17	56748
-150	120	-7	17	56867
-150	140	-5	10	57250
-150	160	-7	16	58154
-200	-1000	10	-15	56723
-200	-980	11	-22	56852
-200	-960	11	-18	56899
-200	-940	10	-12	57023
-200	-920	6	-16	56923
-200	-900	4	3	56911
-200	-880	4	6	56930
-200	-860	1	-14	56942
-200	-840	1	-10	56955
-200	-820	-4	-8	56985
-200	-800	0	-8	56986
-200	-780	0	3	56991
-200	-760	-4	4	56969
-200	-740	-14	2	56962
-200	-720	-19	4	57106
-200	-700	-19	11	57182
-200	-680	-16	9	57180
-200	-660	-8	-1	57182
-200	-640	0	-7	57389

CONTROL ENERGY GEOPHYSICAL SURVEY

		VLF	VLF	
West	South	Seattle	Annapolis	Mag
-200	-620	4	-4	57228
-200	-600	-4	-5	57275
-200	-580	-6	-4	57324
-200	-560	-7	0	57109
-200	-540	-8	-2	57049
-200	-520	-7	6	56986
-200	-500	-8	2	57024
-200	-480	-4	-5	56584
-200	-460	-1	-16	56889
-200	-440	-2	-9	57159
-200	-420	-8	-6	57112
-200	-400	2	-12	57089
-200	-380	6	-10	57073
-200	-360	8	-7	56834
-200	-340	4	-6	56868
-200	-320	1	-9	56921
-200	-300	3	-10	56929
-200	-280	-2	-6	56853
-200	-260	-10	-1	56650
-200	-240	-6	12	57015
-200	-220	-9	13	56991
-200	-200	-8	16	56947
-200	-180	-9	21	56905
-200	-160	-10	19	56872
-200	-140	-8	19	56810
-200	-120	-9	18	56944
-200	-100	-7	16	56978
-200	-80	-4	13	56918
-200	-60	-3	10	57148
-200	-40	-3	9	57054
-200	-20	-4	7	56940
-200	0	0	10	56883
-200	20	0	8	56873
-200	40	-3	11	56860
-200	60	-2	10	56804
-200	80	0	12	56762
-200	100	-1	8	57045
-200	120	-2	9	57445
-200	140	-3	15	57679
-200	160	-7	21	57470
-250	-220	-6	11	56886
-250	-200	-12	10	56886
-250	-180	-13	16	56874
-250	-160	-23	34	56839
-250	-140	-16	21	56780
-250	-120	-9	18	56897
-250	-100	-9	17	57222
-250	-80	-4	15	57042
-250	-60	-2	15	57014
-250	-40	-3	13	56938
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CONTROL ENERGY GEOPHYSICAL SURVEY

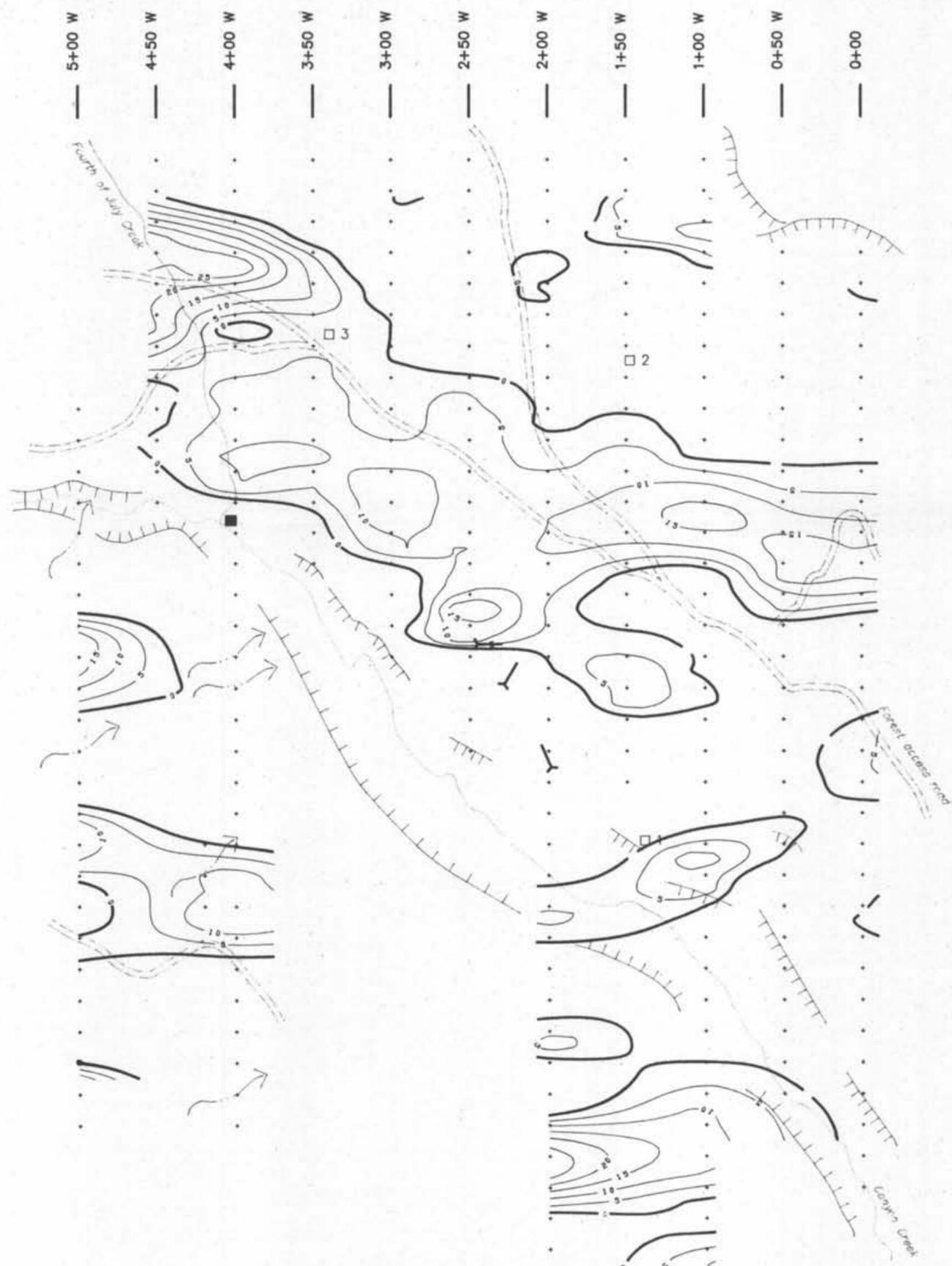
		VLF	VLF	
West	South	Seattle	Annapolis	Mag
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-250	60	3	10	56807
-250	80	-2	9	56842
-250	100	-3	12	57025
-250	120	-4	13	57219
-250	140	-6	14	57333
-250	160	-9	16	57438
-300	-160	-11	19	56904
-300	-140	-11	19	56881
-300	-120	-14	24	56843
-300	-100	-13	26	56827
-300	-80	-15	22	57099
-300	-60	-8	19	56956
-300	-40	-5	13	56942
-300	-20	-2	12	56935
-300	0	-4	14	57130
-300	20	-3	9	57226
-300	40	-5	13	57006
-300	60	-6	10	56938
-300	80	-5	12	57094
-300	100	-5	15	57289
-300	120	-8	18	57123
-300	140	-6	15	57417
-300	160	-7	18	57240
-350	-100	-18	19	56910
-350	-80	-16	20	56926
-350	-60	-19	21	56969
-350	-40	-12	20	56911
-350	-20	-7	16	56775
-350	0	-6	14	56814
-350	20	-7	14	57003
-350	40	-10	10	56979
-350	60	-6	12	57017
-350	80	-6	8	57186
-350	100	2	4	57519
-350	120	0	8	57396
-350	140	-8	10	57056
-350	160	-8	15	57132
-400	-460		-10	56908
-400	-440		-26	56935
-400	-420		-19	56927
-400	-400		-9	56896
-400	-380		-7	56892
-400	-360		-2	56888
-400	-340		-3	56889
-400	-320		-8	56886
-400	-280		-13	56912
-400	-260		-10	56881
-400	-240		-2	56877
-400	-220		4	56853
-400	-200		8	56814
-400	-180		6	56811
-400	-160		8	56719

CONTROL ENERGY GEOPHYSICAL SURVEY

		VLF	VLF	
West	South	Seattle	Annapolis	Mag
-400	-140		12	56840
-400	-120		15	56762
-400	-100		18	56727
-400	-80		22	56800
-400	-60		30	56682
-400	-40		21	56808
-400	-20		22	56839
-400	0		18	56947
-400	20	-10	18	56979
-400	40	-9	15	56957
-400	60	-9	18	56973
-400	80	-11	18	57056
-400	100	-4	3	57171
-400	120	-3	3	57134
-400	140	-1	3	57048
-400	160	-4	9	57121
-420	-320		-11	56882
-420	-300		-22	56816
-420	-280		-14	56843
-450	-60		20	56751
-450	-40		23	56734
-450	-20		20	56771
-450	0	-16	22	56742
-450	20	-16	22	56542
-450	40	-20	23	56930
-450	60	-10	13	57009
-450	80	-8	12	56881
-450	100	-3	4	56791
-450	120	3	-4	56909
-450	140	10	-7	56931
-450	160	2	1	56828
-500	-460		-11	56846
-500	-440		-14	56866
-500	-420		-21	56880
-500	-400		-18	56865
-500	-380		-3	56975
-500	-360		-5	57117
-500	-340		-6	57001
-500	-320		-4	56899
-500	-300		-3	56904
-500	-280	2	-4	57104
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-500	-240	4	-8	56899
-500	-220	1	-4	56996
-500	-200	-3	0	56975
-500	-180	-6	-2	56934
-500	-160	1	-6	56884
-500	-140	7	-12	56835
-500	-120	10	-16	56957
-500	-100	0	1	56786
-500	-80	-4	4	56828
-500	-60	-9	14	56794
-500	-40	-7	18	56694

CONTROL ENERGY GEOPHYSICAL SURVEY

		VLF	VLF	
West	South	Seattle	Annapolis	Mag
-500	-20	-8	20	56943
-500	0	-8	18	57000



LEGEND

- ROAD
- CREEK
- GULLY
- CLIFF
- ADIT
- CABIN
- CLAIM POST

- 1 MONTANA 63594 4E 3S
- 2 MONTANA 4E 2S
- 3 DAN 63581 3N 1W

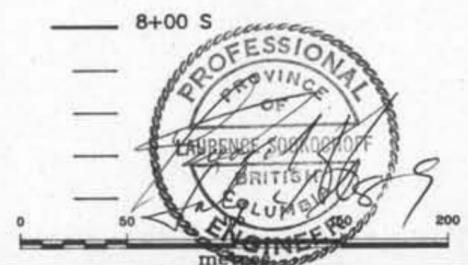
GEOLOGICAL BRANCH
ASSESSMENT REPORT

18,899

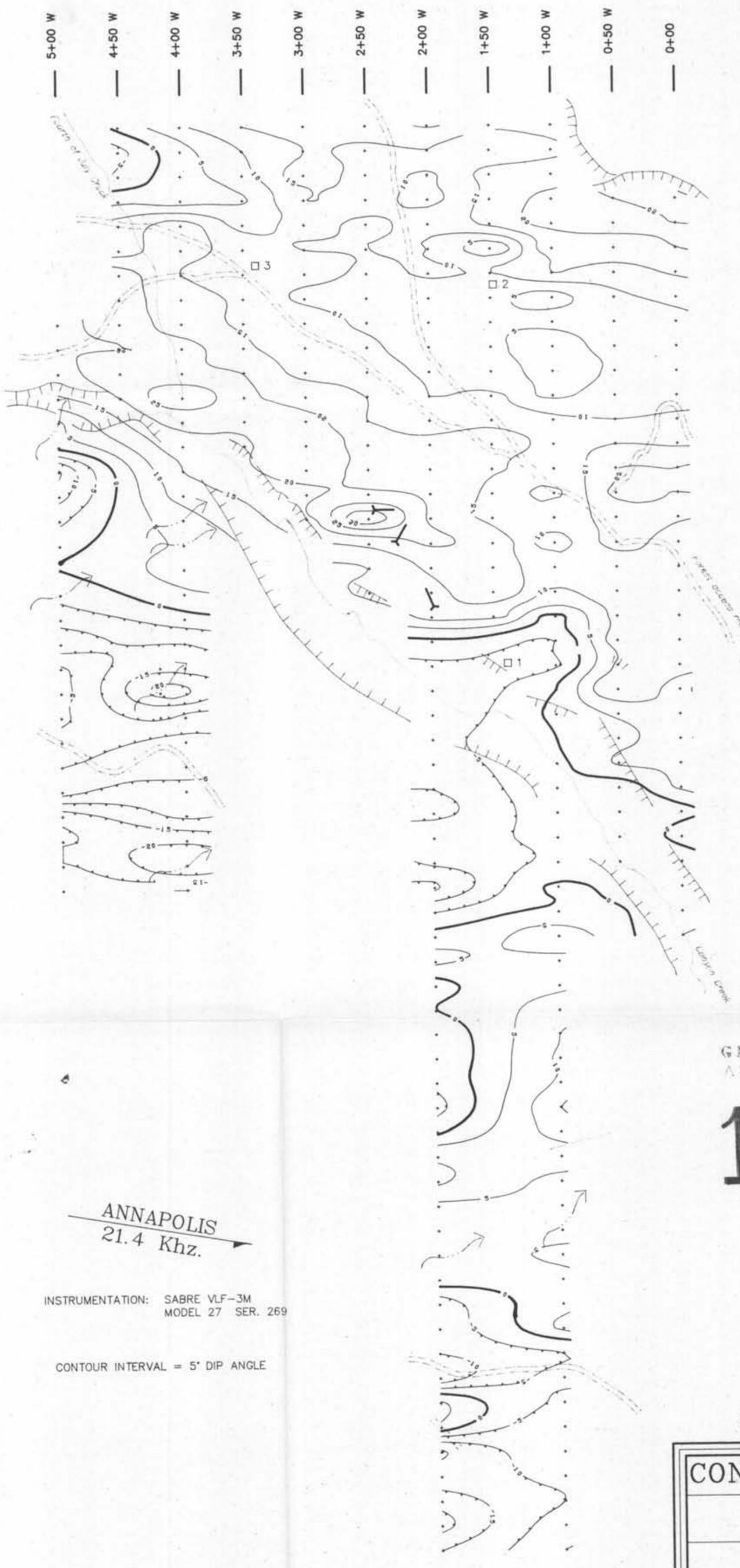
ANNAPOLIS
21.4 Khz.

INSTRUMENTATION: SABRE VLF-3M
MODEL 27 SER. 269

CONTOUR INTERVAL = 5' DIP ANGLE
ONLY POSITIVE IP VALUES PLOTTED



CONTROL ENERGY CORP.				
MONTANA GROUP GREENWOOD MINING DIVISION				
VLF-EM SURVEY FRASER FILTERED DATA				
SCALE: 1:2500	DATE: JULY '89	N.T.S. 82E/7W	DRAWN BY GEO-COMP	FIGURE: 7



LEGEND

- ROAD
- CREEK
- GULLY
- CLIFF
- ADIT
- CABIN
- CLAIM POST

- 1 MONTANA 63594 4E 3S
- 2 MONTANA 4E 2S
- 3 DAN 63581 3N 1W

GEOLOGICAL BRANCH
ASSESSMENT REPORT

18,899

ANNAPOLIS
21.4 Khz.

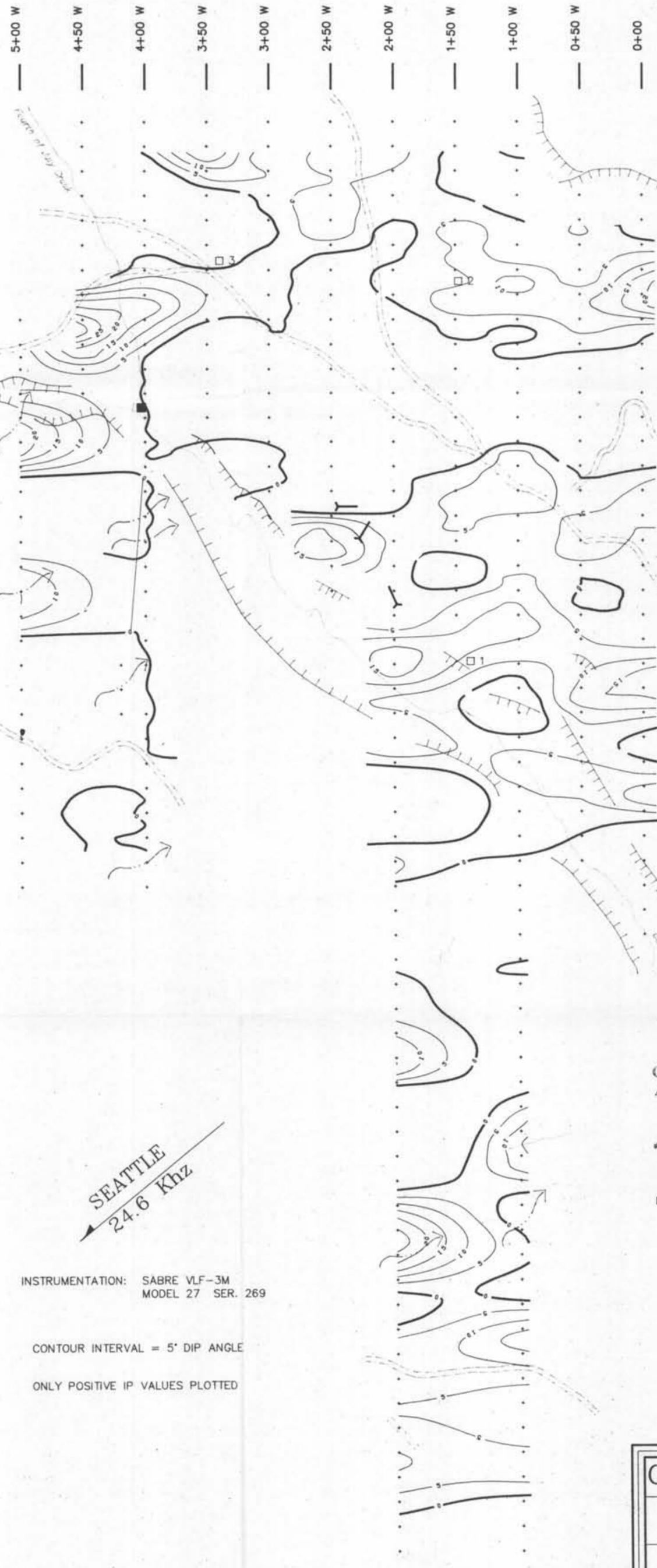
INSTRUMENTATION: SABRE VLF-3M
MODEL 27 SER. 269

CONTOUR INTERVAL = 5' DIP ANGLE



CONTROL ENERGY CORP.				
MONTANA GROUP GREENWOOD MINING DIVISION				
VLF-EM SURVEY				
SCALE: 1:2500	DATE: JULY '89	N.T.S. 82E/7W	DRAWN BY GEO-COMP	FIGURE: 8

Sookochoff Consultants Inc.



2+00 N
1+00 N
0+00
1+00 S
2+00 S
3+00 S
4+00 S
5+00 S
6+00 S
7+00 S
8+00 S

- LEGEND**
- ROAD
 - CREEK
 - GULLY
 - CLIFF
 - ADIT
 - CABIN
 - CLAIM POST
- 1 MONTANA 63594 4E 3S
 - 2 MONTANA 4E 2S
 - 3 DAN 63581 3N 1W

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

18,899

SEATTLE
24.6 Khz

INSTRUMENTATION: SABRE VLF-3M
MODEL 27 SER. 269

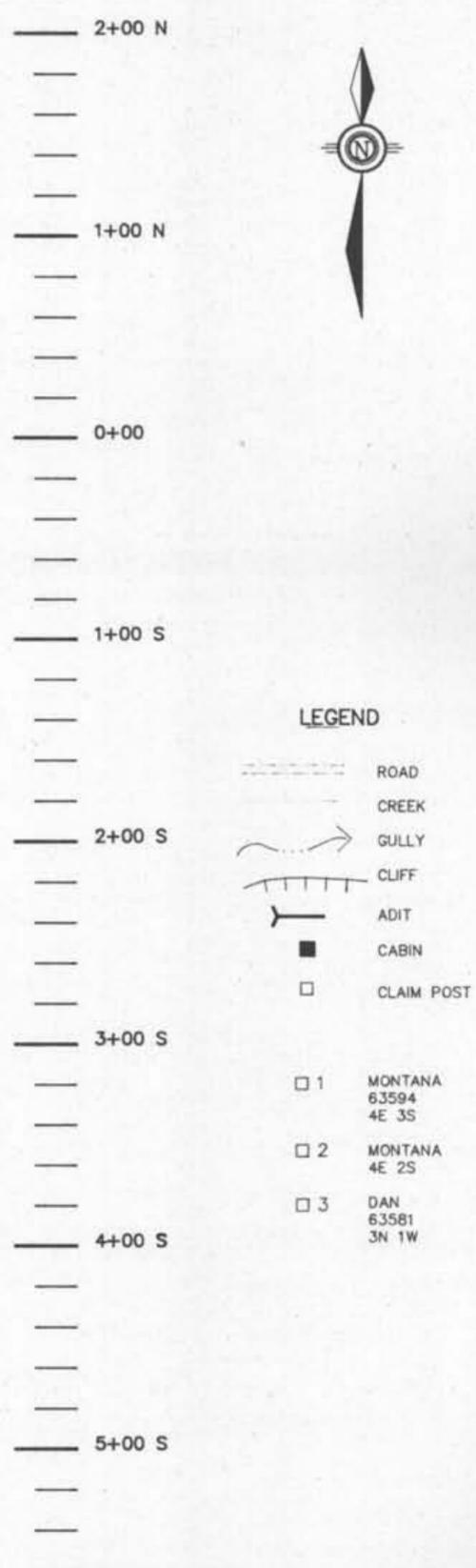
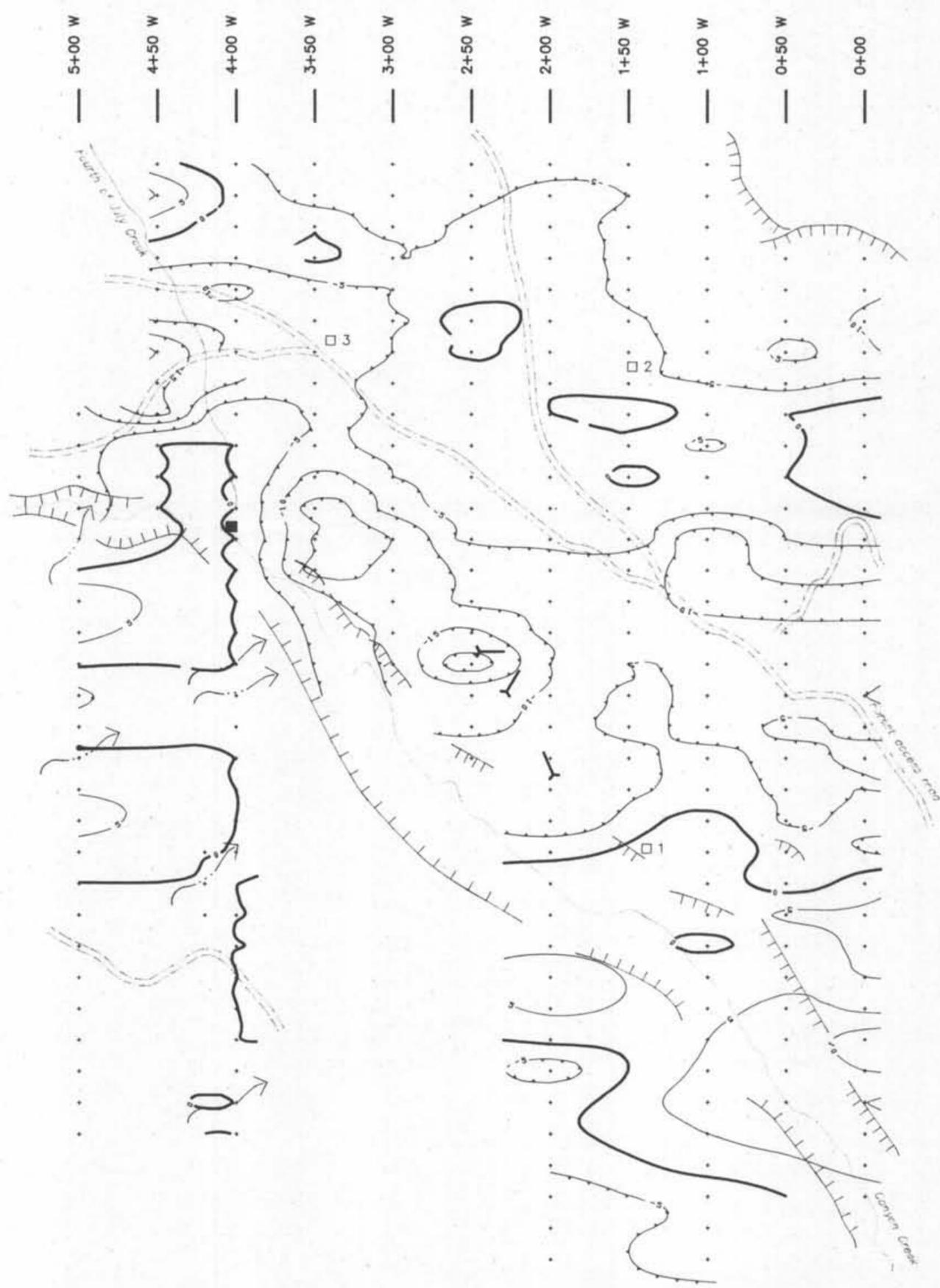
CONTOUR INTERVAL = 5' DIP ANGLE

ONLY POSITIVE IP VALUES PLOTTED



0 50 100 150 200
metres

CONTROL ENERGY CORP.				
MONTANA GROUP GREENWOOD MINING DIVISION				
VLF-EM SURVEY FRASER FILTERED DATA				
SCALE: 1:2500	DATE: JULY '89	N.T.S. 82E/7W	DRAWN BY GEO-COMP	FIGURE: 9



GEOLOGICAL BRANCH
ASSESSMENT REPORT

18,899

SEATTLE
24.6 Khz

INSTRUMENTATION: SABRE VLF-3M
MODEL 27 SER. 269

CONTOUR INTERVAL = 5' DIP ANGLE



CONTROL ENERGY CORP.				
MONTANA GROUP GREENWOOD MINING DIVISION				
VLF-EM SURVEY				
SCALE: 1:2500	DATE: JULY '89	N.T.S. 82E/7W	DRAWN BY GEO-COMP	FIGURE: 10
Sookchoff Consultants Inc.				



2+00 N
1+00 N
0+00
1+00 S
2+00 S
3+00 S
4+00 S
5+00 S
6+00 S
7+00 S
8+00 S

- LEGEND**
- ROAD
 - CREEK
 - GULLY
 - CLIFF
 - ADIT
 - CABIN
 - CLAIM POST
- 1 MONTANA 63594 4E 3S
 - 2 MONTANA 4E 2S
 - 3 DAN 63581 3N 1W

INSTRUMENTATION:
GEM SYSTEMS GSM-8
SER. 1202

100 gamma interval
500 " "

LOGICAL BRANCH
ASSESSMENT REPORT

18,899



0 50 100 150 200
metres

CONTROL ENERGY CORP.				
MONTANA GROUP GREENWOOD MINING DIVISION				
MAGNETOMETER SURVEY				
SCALE: 1:2500	DATE: JULY '89	N.T.S. 82E/7W	DRAWN BY GEO-COMP	FIGURE: 11
Sookochoff Consultants Inc.				

5+00 W 4+50 W 4+00 W 3+50 W 3+00 W 2+50 W 2+00 W 1+50 W 1+00 W 0+50 W 0+00

2+00 N
1+00 N
0+00
1+00 S
2+00 S
3+00 S
4+00 S
5+00 S
6+00 S
7+00 S
8+00 S



- LEGEND**
- ROAD
 - CREEK
 - GULLY
 - CLIFF
 - ADIT
 - CABIN
 - CLAIM POST
 - 1 MONTANA 63594 4E 3S
 - 2 MONTANA 4E 2S
 - 3 DAN 63581 3N 1W

ANNAPOLIS
VLF-EM ANOMALY
R - RAW DATA
F - FRASER FILTERED
MAGNETOMETER ANOMALY

GEOLOGICAL BRANCH
ASSESSMENT REPORT

18,899



GEOCHEMICAL SAMPLING RESULTS

Sample No.	Pb (ppm)	Zn (ppm)	Ag (ppm)	As (ppm)	Au (ppb)
MON-1	10097	2174	92.2	147	460
MON-2	5016	41749	330.6	282	3200
MON-3	257	40970	70.6	254	340
MON-4	3090	2216	116.1	395	490
MON-5A	85	301	2.6	126	27
MON-5B	37	260	1.6	8	15
MON-6	5242	18083	125.0	300	520

CONTROL ENERGY CORP.

MONTANA GROUP
GREENWOOD MINING DIVISION

COMPILATION MAP

SCALE: 1:2500	DATE: JULY '89	N.T.S. 82E/7W	DRAWN BY: GEO-COMP	FIGURE: 12
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Sookochoff Consultants Inc.