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GEOLOGICAL, GEOCHEMICAL AND GEOPHYSICAL

ASSESSMENT REPORT

ON THE

BIRCH 1 TO 4 CLAIMS

FILMED

North Thompson River Area
 Kamloops Mining Division
 British Columbia

51° 32' North Latitude / 119° 53' West Longitude
 N.T.S. 82 M/12W

FOR

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GEOLOGICAL BRANCH
 ASSESSMENT REPORT

May 1, 1989

Field work completed between May 30 and July 15, 1988

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SUMMARY

- 1) The Birch claim group is located in south-central British Columbia and is approximately 125 kilometres north-northeast of the City of Kamloops. Numerous logging roads provide excellent access to most areas of the property.
- 2) The property consists of four modified grid claims, Birch #1 to Birch #4, totalling 38 units. The current expiry date is May 29, 1990.
- 3) The potential for gold mineralization occurring in polymetallic volcanogenic massive sulfide deposits in the area of the Birch group has been recognized since the early 1970's. Several economically viable deposits have been found in the Eagle Bay Formation units that underlie this area and a large portion of the Adams Plateau. The Samatosum deposit, in particular, will reach full scale production during the latter part of 1989.
- 4) Previous owners allowed claims covering this ground to lapse and Foundation Resources Ltd. acquired the ground in May of 1987.
- 5) A program of detailed geological mapping, soil and silt geochemical sampling, induced polarization geophysics, prospecting and hand trenching was carried out on the Birch #1 to #4 claims between May and July of 1988. This work resulted in the discovery of three new mineralized zones that carry anomalous gold values. In addition to these new mineralized areas, the previously discovered Main Massive Sulfide Zone was re-sampled. Gold values ranged from trace to 335 ppb over a one metre thickness.
- 6) The first new mineralized zone of significance found in 1988 is located a short distance to the west and up-section from the Main Massive Sulfide Zone. The new zone is a semi-massive sulfide zone hosted in chlorite schists. The schist contains abundant pyrite (15-20%) and lesser amounts of galena and sphalerite (1%). Gold values range between 175 and 220 ppb.

The second and most interesting new zone found in 1988 is located on the west side of the property along an old logging road. An iron carbonate and siliceous exhalative unit (1.3 metres thick) contains pyrite, galena and sphalerite. Minor amounts of chalcopyrite also occur. Gold values range between 60 and 300 ppb, while silver values range between 1.8 and 20.0 ppm. Lead and zinc values range to 7000 and greater than 10,000 ppm respectively. Highly anomalous soil samples located 50 metres east along L8+00W indicates this zone trends northeasterly. Gold values in the soil sample range between 100 and 265 ppb over 20 metres. A third new showing was found on the northern part of the Birch #1 claim. Intensely pyritized and silicified rhyolite and rhyolite breccia were discovered by prospecting. Fluorite is occasionally found in these particular rocks. Gold values are low, however, there is very little surface exposure of this unit so further evaluation is required to locate possible gold enriched areas.

- 7) The induced polarization survey defined the Main Massive Sulfide Zone more precisely over a 400 metre strike length. The survey indicates that two of Esso Resources Ltd. drill holes most likely did not intersect this zone. It appears that the holes were not drilled deep enough to intersect the Massive Sulfide unit. The induced polarization survey yielded a strong anomalous zone in the area of the sulfide rich rhyolite unit along line 1+00W station 29+00N. The extent of this anomalous area remains to be defined.
- 8) The results of the 1988 program indicate that all the new showings and the previously discovered Main Massive Sulfide Zone require further evaluation utilizing a program of geological, geochemical, geophysical and diamond drilling surveys.

INTRODUCTION

The Birch 1 to 4 claims consisting of 38 contiguous units were staked in May 1987 by New Global Resources Ltd. These claims have since been acquired by Foundation Resources Ltd.

The ground was originally held by Barrier Reef Resources from 1979 to 1986 as the Foggy claims. A considerable amount of work, including diamond drilling, was completed by Barrier Reef and property optionee, Esso Resources Canada. The claims were allowed to lapse in 1986/87.

Research into the area by Foundation Resources indicated that outcropping volcanogenic massive sulfide exploration targets had not been developed as precious metal exploration targets. Work in the past has been mainly for pursuit of copper, lead and zinc.

The immediate area around the Birch claims is notable for its abundance and variety of mineralization. The Rexspar uranium and fluorite - rare earth oxide deposits adjoin the Birch ground some 4 kilometres north-northwest. The Harper Creek bulk tonnage copper property is located 4 kilometres east. Approximately 50 kilometres to the south of the Birch claims, two significant ore bodies have been recently discovered in similar rocks. These orebodies are hosted by the Eagle Bay Formation schists. Rea Gold Corp. along with Minnova Corp. have discovered a silver / zinc orebody hosted by sericitic phyllites similar to rocks outcropping on the Birch claims. The Homestake deposit which lies near the Rea Gold deposit is also hosted by altered and sheared sericite schists of the Eagle Bay Formation.

The main massive sulfide zone exposed on the Birch claims appears to have considerable strike length and down dip continuity as shown by geochemical anomalies and geophysical work. Only very limited drill testing has been done and considerably more work needs to be done to evaluate the gold potential of this zone.

LOCATION AND ACCESS

The Birch claims are located some 350 kilometres northeast of Vancouver and 125 kilometres north-northeast of Kamloops in south-central B.C. The property lies 11 kilometres south of the village of Birch Island (Figure 1).

Access to the property is gained by driving 15 kilometres east from Birch Island along the south side of the North Thompson River and then 20 kilometres south and west along the Jones Creek logging road. The approximate geographic center of the property is at 51° 32' north latitude and 119° 53' west longitude.

PHYSIOGRAPHY AND VEGETATION

The claims cover part of a northerly trending ridge lying between Foghorn Creek and Lute Creek. Most of the topography is gently sloping to the north and northeast except for that part covering the steep east slope of Foghorn Creek Valley. Elevations vary between 1,463 metres and 1,828 metres.

Most of the property is covered by a dense growth of mature spruce, cedar and fir. There are widespread open areas due to recent clear-cut logging.

Outcrop is most abundant along road cuts and creek gulleys.

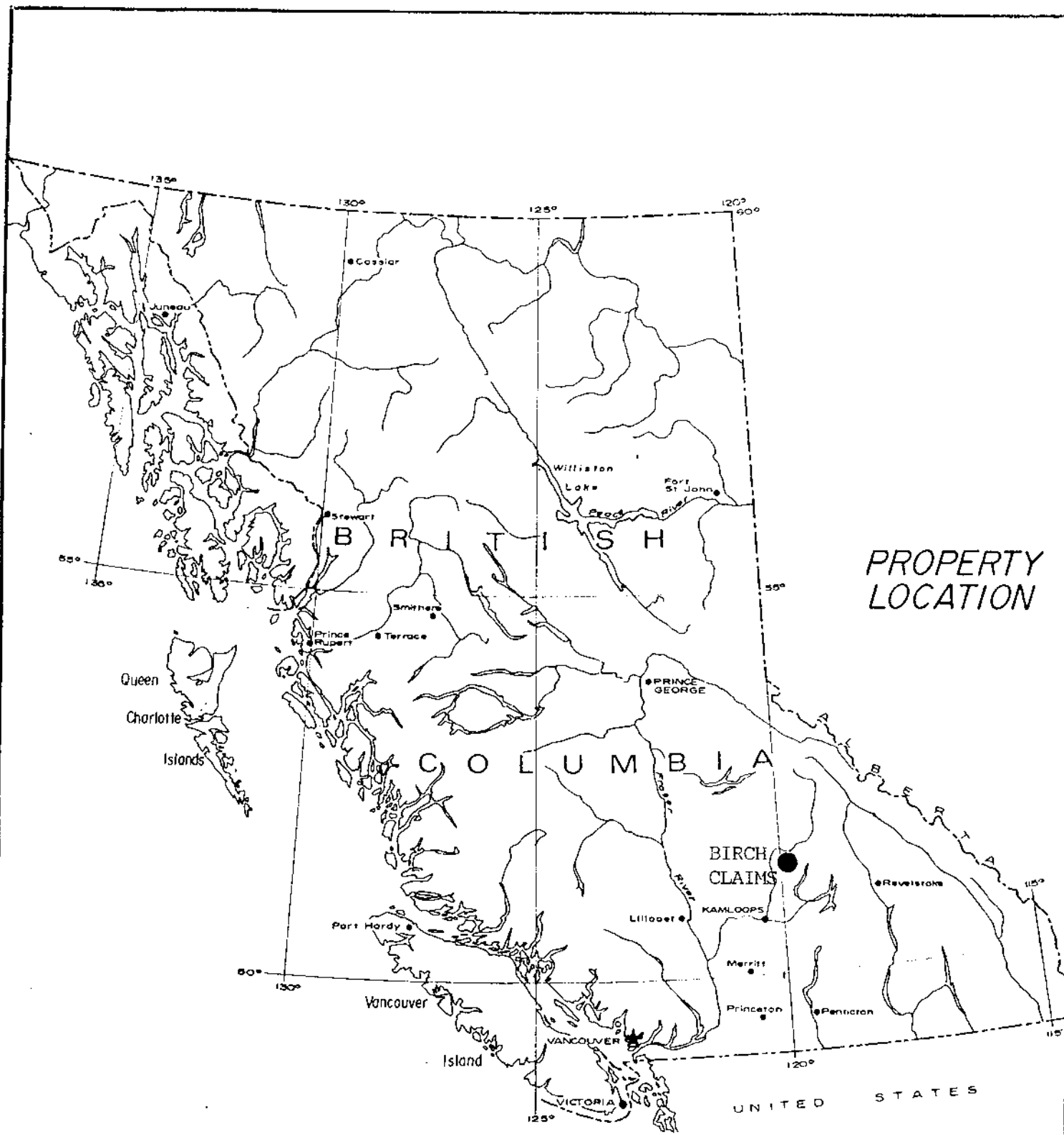
CLAIM STATUS

A total of four claims consisting of 38 units were staked by New Global Resources in May 1987. These were then sold to Foundation Resources Ltd. (see Figure 2).

TABLE 1

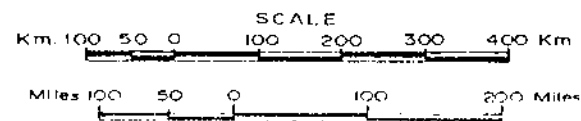
<u>Claim Name</u>	<u>Record No.</u>	<u>No. of Units</u>	<u>Expiry Date</u>
Birch #1	7055	20	May 29, 1990*
Birch #2	7056	10	May 29, 1990
Birch #3	7057	4	May 29, 1990
Birch #4	7058	4	May 29, 1990

* with application of assessment work documented in this report



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Figure #1



EXPLORATION HISTORY

Barrier Reef Resources in conjunction with Craigmont Mines carried out an airborne Dighem II EM survey over the Foggy 11 claim (now Birch claim) during the spring of 1979. This work outlined a low resistivity anomaly. Follow-up work located an outcrop of northeast striking massive sulfide mineralization within sericitic schists.

Soil geochemical sampling and a VLF-EM survey were carried out during 1979 to further expand and define the Dighem II anomaly. Anomalous geochemical values generally follow the northeasterly trending Dighem II anomaly for approximately 2,200 metres. The VLF-EM survey outlined several weak, linear conductive zones which lie in or adjacent to the Dighem II anomaly.

During 1980 and 1981 Barrier Reef expanded the geochemical soil sampling program as well as performing reconnaissance prospecting and geological mapping. A second outcrop of massive sulfides was located along with mineralized float boulders expanding the strike length of known mineralization to 900 metres.

In 1982 Barrier Reef optioned the ground to Esso Resources. Esso carried out additional ground EM and magnetometer surveys in 1983 as well more soil geochemistry. A major multi-element anomaly emerged from the survey. This anomaly was found to overlie the mineralized outcrop and to parallel its strike for approximately 700 meters. This area is also anomalous in gold.

In late 1983 Esso Resources drilled two holes about 200 metres apart along the strike of the massive sulfide outcrop and its suspected extension. Two mineralized zones were intersected in the holes. These two massive sulfide zones were separated by 35 metres of poorly mineralized rock. In 1984, Esso drilled a third hole some 200 metres down dip (to the northwest) from the first two holes. The lateral equivalents of the intersections in the first two holes were located but were poorly mineralized. Some trenching was conducted over about 100 metres of the best soil anomaly. These trenches are still in good condition, although the walls have sloughed-in to a moderate extent.

REGIONAL GEOLOGY

The claims are located in the northwest part of the Seymour Arm / Seymour Plateau, an area of Lower to Upper Paleozoic sediments and volcanics with common intrusives. The immediate claim area is underlain by Upper Paleozoic (Devonian to Mississippian) rocks of the Eagle Bay Formation. The formation consists of rusty weathering, greenish grey feldspathic chlorite schists, chlorite schist, sericite schists, quartz sericite schists and sericitic quartzites. These units comprise a relatively flat lying plate, occurring as a slightly north-plunging synform. The apparent bedding strikes northeast at azimuth 045° and dips northwesterly from 10° to 35° (see Figure 3).

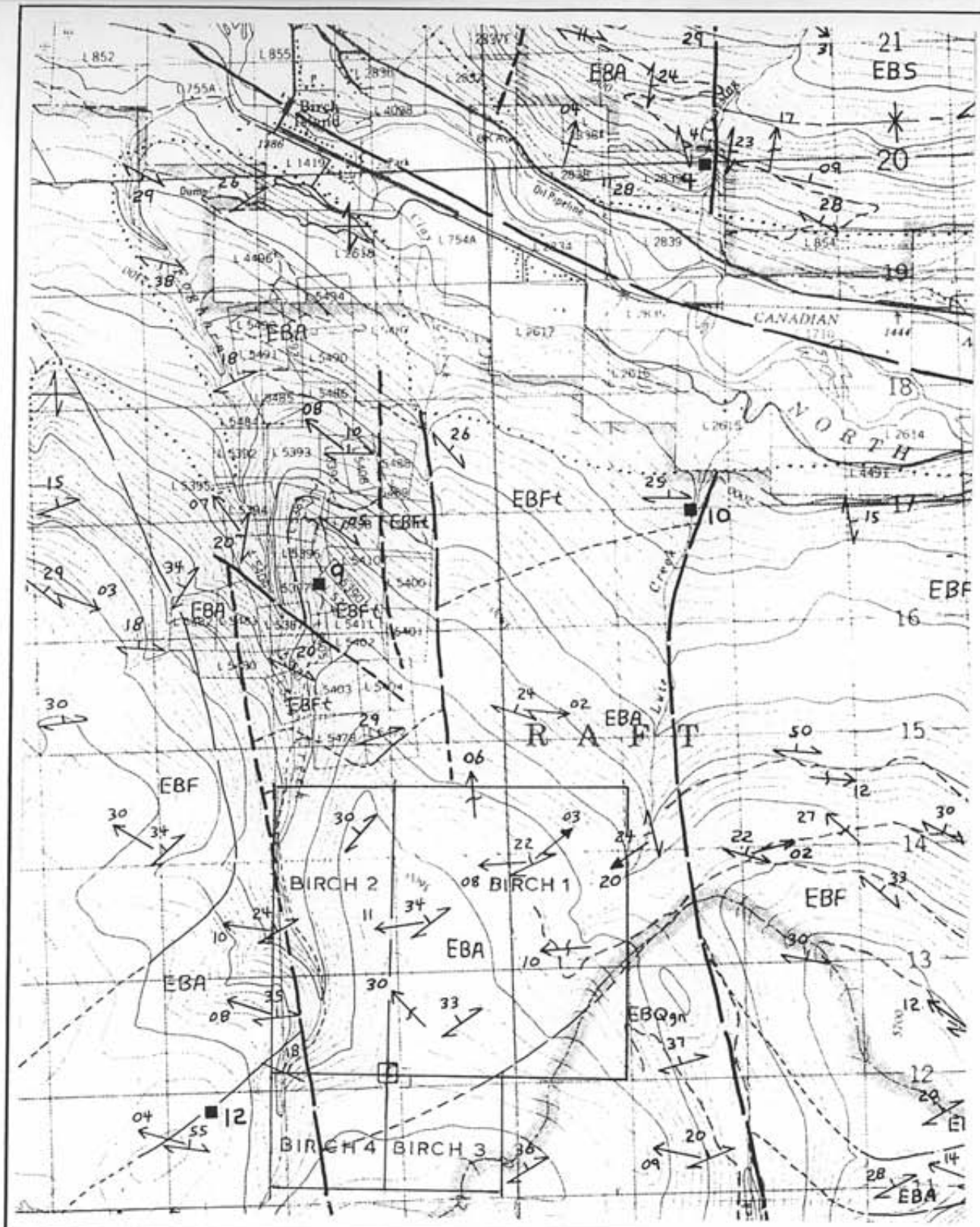
The Eagle Bay Formation rocks appear to be in thrust contact with early Pennsylvanian - Permo Triassic Fennel Formation basalts, basic fragmentals, cherts, limestones and argillites approximately 5 kilometres to the west.

Folding of the mineralized zone on the property may occur to a greater extent than previously thought. Small scale structures appear to indicate that the bedding has been deformed into tight isoclinal folds. Attention to these details in any future mapping project will help define the structural geology of the property.

MINERALIZATION AND PREVIOUS DIAMOND DRILLING

The massive sulfide outcrop exposed during Barrier Reef 1979 to 1981 work and the subsequent extension of soil geochemical anomalies and geophysical anomalies projected along the strike of this massive sulfide zone led to a small diamond drilling program by Esso Resources in 1983 and 1984.

Two holes drilled in 1983 (BBC 83.2 and 83.3) were drilled about 200 metres apart along strike of the mineralized massive sulfide outcrops. Both of these holes intersected two massive sulfide zones. The two zones are separated by about 35 metres of relatively barren rock. The third hole was drilled in 1984 (BBC 84-1)



LEGEND		FOUNDATION RESOURCES LTD	
<input type="checkbox"/> EBA - EAGLE BAY FM. DEVONIAN - Grey sericite quartz phyllite, sericite- chlorite-quartz schist. From felsic to intermediate volcanics. Sericitic quartzites	0 1000 2000 m SCALE 1:50,000		
	<input type="checkbox"/> EBQ gn - EAGLE BAY FM. LOWER CAMBRIAN? Intrusive derived ortho- gneiss.	BIRCH CLAIMS REGIONAL GEOLOGY	

approximately 200 metres down dip from the first two holes. The lateral equivalent of the mineralized zones found in the first two holes were intersected but they were poorly mineralized. A review of the drill holes and results are listed below:

TABLE 2
Esso Resources Drill Hole Summary (1983 - 1984)

<u>Hole</u>	<u>Core</u>	<u>Length (m)</u>	<u>Inclination</u>	<u>Azimuth</u>			
BBC-83 2	BQ	139.1	-45	180			
BBC-83 3	BQ	128.0	-45	180			
BBC-84 1	BQ	134.4	-90	-			

<u>Hole</u>	<u>Best Intersection</u>	<u>Width (m)</u>	<u>(oz/t)</u>		<u>(%)</u>		
			<u>Au</u>	<u>Ag</u>	<u>Cu</u>	<u>Pb</u>	<u>Zn</u>
83 2	9.3 - 11.1	1.8	.001	.12	.018	.086	.5
"	73.7 - 74.6	0.9	.01	.21	.056	.007	.012
83 3	31 - 37.1	Banded semi-massive sulfide zone					
"	34.5 - 35.6	1.1	.017	.8	1.2	.662	.065
"	35.6 - 37.1	1.5	.011	.1	.12	.011	.016
84 1	40.2 - 41.2	1.0	.001	.06	.037	.01	.01

Lithochemical results are given below for samples taken from the massive sulfide outcrop and sulfide rich float boulders.

TABLE 3
Lithochemical Results of 1988 Character Samples

<u>Rock Type</u>	<u>Au (oz/t)</u>	<u>Ag (oz/t)</u>	<u>Cu (%)</u>	<u>Pb (%)</u>	<u>Zn (%)</u>
Semi-massive pyrite in siliceous rock.	Tr.	Tr.	0.11	Tr.	0.018
Siliceous, chlor-ser. schist, 10-20% dissem. pyrite.	Tr.	Tr.	0.04	0.02	0.05
Massive pyrite with 10-15% quartz.	Tr.	Tr.	0.19	0.035	0.05
Siliceous, qtz-ser. schist with layers of semi-mass. pyrite and minor fine galena and sphalerite.	Tr.	1.48	0.19	0.26	0.33

The horizons intersected in the drill hole are composed predominantly of granular pyrite in a matrix of chlorite and quartz. The unit above the upper semi-massive sulfide zone is a relatively homogenous chlorite sericite schist which appears to be an intermediate or felsic altered flow rock.

The 35 metre sequence of rock between the two sulfide zones intersected in the drill holes is a more variable series of sericite-chlorite or chlorite schists with minor chert and argillite. They appear to have originated from fine tuffs or volcanoclastics with thick sections of more arenaceous material. Faulting is very common. The lower part of the sequence comprises a more homogeneous succession of sericite-chlorite schists which appear to represent a series of intermediate flows.

Eight grab samples taken from the property by Foundation Resources personnel returned values with slightly higher silver content. Results of the analysis of these samples are listed below. A sample of typical massive sulfide mineralization from the trenches assayed in 1988: 485 ppb gold, 2530 ppm lead, 210 ppm Sb and 1965 ppm copper.

TABLE 4
1988 Character Samples from Massive Sulfide Zone

<u>Sample No.</u>	<u>Cu ppm</u>	<u>Pb ppm</u>	<u>Zn ppm</u>	<u>Ag ppm</u>	<u>Au ppb</u>	<u>Ag oz/T</u>	<u>Au oz/T</u>
71001	600	107	372	1.9	200		
71002	660	20	960	2.0	245		
71154	600	2	23	0.9	10		
71155	153	870	380	15.0	70		
M-30-1A						0.17	0.002
M-30-1B						0.09	0.002
M-30-2						0.07	0.002
M-30-3						0.14	0.004
M-30-4						0.11	0.004
M-30-5A						0.23	0.006
M-30-5B						0.07	0.002
M-30-6						0.18	0.002
31015	1965	2530	2360	290	485		

FIELD PROCEDURES

Grid lines that had been established on the properties by other companies mentioned in the "History" section of the report in the 1979 to 1983 years required refurbishing so as to facilitate soil sampling, geophysical and geological surveying programs. The grid lines trend north and south from an east-west trending baseline designated 20+00N. The distance between stations were tight-chained to ensure a controlled and accurate measuring for the location of station pickets. The 25 metre intervals between stations was established to facilitate an Induced Polarization Geophysical Survey. Stations were established on selected lines at 10 metre intervals to mark soil sample sites. Brush and deadfall that had grown in or fallen across the grid lines since 1983 were removed using a power saw. A series of large logged off areas had been slash burned for fire control since 1983. The northern extension of the grid lines had been partially destroyed. These line extensions were re-established using a Silva compass and 50 metre long nylon tight chain. Pickets were placed at 25 metre intervals. Soil sample stations were flagged at 10 metre intervals in selected areas. From May 25 to 29, 1988 Lines 3+00W, 2+00W, 0+00, 1+00E, 2+00E, 3+00E and 4+00E were cut out between stations 10+00N and 22+00N. From May 30 to June 7, 1988 lines 1+00, 1+00W, 2+00E and 4+00E were established and cut out.

Prospecting and geological mapping traverses were plotted on a 1:5000 base map showing grid lines, geologic information, lithochemical samples and some silt and soil sites (Figure 4). Rock samples were collected and specimens saved. Certain rock samples were analyzed and these are located on Figure 9. Rock samples were labelled BP 88-1 to BP 88-56. Soil and silt samples were plotted on two 1:5000 maps with Figure 7 showing the results for gold and lead and Figure 8 showing the results for silver and zinc.

Sites for detailed soil sampling were selected as a result of studies of previous geological and geochemical surveys within areas that suggested potential for locating new mineralized zones. Very little follow-up work was done around highly anomalous sample sites found by previous operators. Character samples were taken over the main massive sulfide showing.

Soil samples were collected by grub hoe at 10 meter intervals along selected lines. Samples of the "B" horizon was collected at depths ranging between 8 and 22 cm. Each sample was placed in a waterproof kraft bag and then shipped via Greyhound bus from Clearwater, B.C. to Chemex Labs Ltd., 212 Brooksbank Avenue, North Vancouver, B.C. The samples were geochemically analyzed for gold, silver, lead and zinc. Sample numbers correspond to the line and station numbers. Soil development along the lines usually consists of the following: (1) humus, (2) 2-6 cm thick, white, silty-textured leached horizon; (3) bright, red-brown "B" horizon; (4) yellowish-brown sub "B" horizon. These soils would be expected to be transported to a minor degree although overburden is relatively shallow (less than 5 meters) and may be formed as a residual soil. Analytical procedures and results are outlined in Appendix II.

Silt samples were collected at irregular intervals along Lute Creek and its many tributaries. The sample sites were selected to re-test anomalous samples collected previously and to test areas upstream and downstream from the anomalous sample sites. A total of 25 silt samples and 378 soil samples were collected.

A dipole-dipole induced polarization survey was conducted over the Main Zone Massive Sulfide Horizon which was found by Barrier Reef and Esso Resources. This survey was conducted to more precisely delineate the boundaries of the zone and thus aid in the selecting drill targets. The "a" spacing along the line was 25 metres. Detailed explanations of the induced polarization theory, equipment used and results are included in a "Geophysical Report on an Induced Polarization Survey -Birch I Claim" by Peter E. Walcott located in Appendix V.

PROPERTY GEOLOGY

Geology

The Birch claims are underlain entirely by sheared Eagle Bay rocks. Geological mapping by Esso Minerals (Everett & Cooper, 1983) indicates that the rocks strike northeasterly and dip northwesterly at low angles (Fig. 4 in pocket). Strong schistosity obscures the original fabric of the rocks. On careful examination quartz eyes can frequently be seen, and the rocks are therefore most probably rhyolites. Pyrite, sericite and chlorite are ubiquitous over most of the property, much more so, in the writers experience, than in other areas hosting Eagle Bay rocks. The abundance of pyrite has led to the development of noticeably rusty soils.

Two phases of regional deformation and metamorphism have covered the rhyolitic units into a sequence of greenschist facies schistose rocks of varying composition. At least ten distinct horizons underlie the property. The youngest schist units are located on the west side of the property, with progression down section to the oldest units located on the eastern extremity of the property (Fig. 4). Repetition of units likely occur due to folding and thrust faulting. The southern end of the property, particularly in the vicinity of the Birch 3 and 4 claims is underlain by an orthogneiss. The northern portion of the property is underlain by grey phyllites (Fig. 4). A diabase dyke up to 10 meters thick cuts all units and trends northerly roughly paralleling Line 6+00E. All the above units comprise a relatively flat lying plate with apparent bedding striking between 035° and 060° with northwest dips varying between 10 and 35 degrees.

The units mapped on the property, going from west to east are as follows:

1. Sericitic to quartz-sericite ± chlorite schists.

These interbedded units range from yellow to pale green in colour depending on chlorite content and are highly schistose. This unit usually contains 1 to 5% quartz eyes.

2,3. Exhalative Bands and Carbonate Horizon.

These two units are interbedded with the sericitic schists. Both units were newly documented in 1988 and are well mineralized with pyrite chalcopyrite, galena and sphalerite, forming a stratabound horizon.

4. Chlorite schist.

This unit covers an extensive area between line 7+00W and the main zone massive sulfide showing exposed in trenches between line 1+00W and line 0+00 (Fig. 4). The chlorite schist is dark green coloured, banded with lamellae of chlorite, feldspar, quartz, \pm ankerite. This unit is commonly well mineralized with pyrite. Galena and sphalerite occur primarily in bands of heavy pyrite mineralization. A new showing was discovered in 1988 within this unit to the west of the main zone massive sulfide horizon.

5. Main Zone Massive Sulfide Horizon

Massive pyrite was discovered by the construction of a logging road at Line 0+00 (Fig. 4) and this horizon was detected by the Dighem airborne survey in 1979. Subsequent trenching by Esso Minerals defined an apparently conformable bed of medium to coarse, granular pyrite, 25 to 35 cm thick, containing anomalous values of lead, zinc, copper, silver and gold (Fig. 4). The massive sulfide horizon has a 35 cm thick hanging wall and 35 cm thick footwall zone of semi-massive banded pyrite. Chalcopyrite, galena and sphalerite are disseminated throughout the massive pyrite zone and along quartz rich bands in the banded semi-massive hanging wall and footwall zones. This horizon is located within the Chlorite Schist unit near its lower contact with sericitic to quartz-sericite schist units.

6. Sericitic Quartzites

This unmineralized massive unit is composed of siliceous sediments, probably quartzite, and thin felsic (rhyolitic to dacitic) flows. Quartz eyes were noted locally. Sericite occurs as thin sheets between quartzite bands. The unit has a distinctive grey-yellow to pink colouration. This unit has an apparent thickness of approximately 130 meters and it conformably overlies a sequence of mineralized and banded quartz-sericite schist.

7. Chlorite Schist

This dark green chlorite schist unit is distinguished from the banded chlorite schist located on the western half of the property. This chlorite schist has a gneissic texture. It is dark green coloured and may be a metamorphosed andesitic breccia. Remnant chloritic fragments are found along cleavage planes.

8. Phyllite

The area located approximately 150 meters north of the L20+00N baseline is underlain by a variety of phyllitic schists. The phyllites are mainly grey green coloured and have a vitreous glassy sheen and soapy texture.

9. Rhyolite Breccia

The Induced Polarization survey located a significant chargeability anomaly along line 1+00W between stations 28 + 50 north and 31 + 50 north (Fig. 5). Prospecting in this area led to the discovery of banded pyrite in a sugary textured felsic rock which outcrops along an old logging road some 200 meters NE of the I.P. anomaly along L1+100W. Further prospecting located massive quartz vein material which appears to be conformable to the overlying and underlying phyllite units. Banded sulfides in a felsic, sugary-textured rock were found to underlie the quartz vein material. Trenching revealed a very silicified and pyritized unit of rhyolite breccia which underlies the banded sulfide rich felsic unit. The Rhyolite Breccia is a light grey coloured siliceous unit which contains cherty angular fragments up to 5mm diameter. Pyrite and pyrrhotite are finely disseminated throughout the rock and are also found along the rims of the breccia fragments. Fluorite occurs as fracture fillings.

10. Orthogneiss

This unit is located on the southern Birch 3 and 4 claim. It is a light grey unit of granodioritic composition. The outcrop occurrences exhibit a massive appearance but in areas of shearing this dramatically changes to a laminated form.

MINERALIZATION AND LITHOGEOCHEMISTRY

Three new mineralized zones have been located during the 1988 exploration program on the Birch claims. Geochemical soil sampling and an Induced Polarization geophysical survey conducted in 1988 has indicated that all of these zones extend significantly beyond the limited outcrop. The Main Zone Massive Sulfide horizon discovered and investigated by Barriere Reef Resources and Esso Resources between 1979 and 1984 was more precisely defined by the 1988 Induced Polarization survey. This survey also indicated that probably only one previous diamond drill hole drilled by Esso intersected the Main Zone Massive Sulfide horizon. The potential of this zone remains largely untested. A well defined strike length of 400 meters is indicated and the faulted western extension of the Main Zone Massive Sulfide horizon may be offset to the south.

The three newly discovered mineralized areas and the Main Zone Massive Sulfide horizon exhibit four distinct types of mineralization. The most significant of the new showings found in 1988 is the exhalative band located near the western edge of the property at Line 8+60W station 20+70N (Fig. 4 and 6) This showing is exposed in an 8 meter long hand excavated trench. A 3 cm to 30 cm thick white quartz-carbonate Exhalative Unit occurs in an intensely sheared zone. The Exhalative Unit is well mineralized with coarse grained galena, sphalerite, chalopyrite and pyrite. It is overlain by sericitic and quartz-sericite schists and underlain by a massive light brown coloured iron carbonate unit. The entire outcrop and soils above the outcrop are intensely manganese stained. The attitude of the Exhalative Band is 0550/300 NW. Highly anomalous soil samples taken along Lines 8W and 9W indicates that the zone extends along strike for a distance approximately 100 meters. Rock chip samples taken across the section of all rock types from the hanging wall to the footwall are summarized below:

TABLE 5
1988 Samples from Trench on Exhalative Band Showing

<u>Sample No.</u>	<u>Length</u>	<u>Rock Type</u>	<u>PPB Gold</u>	<u>PPM Silver</u>	<u>PPM Lead</u>	<u>PPM Zinc</u>
BP 88-33	0.25 m	HW Sericite Schist	70	3.0	120	760
BP 88-34	0.40 m	HW Silicified Zone	265	10.5	3,200	2,250
BP 88-35	0.5 m	HW Manganese Zone	60	2.3	850	2,630
BP 88-36	0.2 m	Exhalative Band	145	20.0	7,000	10,000
BP 88-37	0.6 m	FW Shear Manganese Stained Carbonate	300	5.2	520	1,500
BP 88-38	0.5 m	Iron Carbonate Zone	60	1.8	235	730

(Plotted on Figure 6)

Soil sample values of this showing are also anomalous in arsenic. This mineralized zone exhibits characteristics similar to other deposits found within the Eagle Bay Formation. The Foghorn 6 claim adjacent to the Birch 2 claim has a drilled showing of baritic galena-pyrite-sphalerite veins in strata bound zones of quartz and carbonate. This ground is currently being explored by Gold Spring Resources Ltd.

A semi-massive to massive sulfide zone was located during the 1988 exploration program and occurs along the banks of Lute Creek, west of the previously discovered Main Zone Massive Sulfide horizon. It is located at Line 2+20W station 18+25N (Fig. 4) and is near the end of the horizontal projection of Esso drill hole 83-3. The sulfide mineralization is hosted by quartz rich bands in a silicified chlorite schist. Sphalerite and galena occur as sporadic disseminations associated with pyrite. Ankerite occurs as a fracture fillings.

Trenching exposed this zone over a distance of 10 meters. Three rock chip samples taken across the exposed section yielded the following results:

TABLE 6

1988 Samples from Trench on Lute Creek Semi-Massive Sulfide Zone

<u>Sample No.</u>	<u>Length</u>	<u>Rock Type</u>	<u>PPB Gold</u>	<u>PPM Silver</u>	<u>PPM Lead</u>	<u>PPM Zn</u>	<u>PPM As</u>
BP 88-40B	0.6 m	Silicified Chlorite Schist	175	2.4	134	425	130
BP 89-41	Float	Silicified Chlorite Schist	220	1.7	132	441	150
BP 88-42	0.2 m	Silicified Chlorite Schist	110	1.5	110	314	60

(Plotted on Figure 4)

This zone is located "up section" from the main zone massive sulfide horizon. The projection of this zone to the northwest appears to coincide with the mineralized sections intersected in Esso Resources drill hole 83-3 between 31 to 41 meters. The main zone massive sulfide horizon projection towards drill hole 83-3 indicates that it should have been intersected near or below the bottom of this drill hole. Drill hole 84-1 located further to the west along L3+00W did not test the main zone massive sulfide horizon as it also was drilled too short.

The pyrite-rich zone hosted by rhyolitic breccias and banded sugary-textured felsic rocks was found during follow-up of the 1988 Induced Polarization survey. Pyrite mineralization is ubiquitous throughout the rhyolitic unit up to 15% as fine grained disseminations. Silicification appears to be localized to certain zones within the sequence. The silicification may be pervasive and obscure the relict breccia fragments. Large float boulders of this lithology often contain galena, sphalerite and fluorite.

The Main Zone massive sulfide horizon is exposed in two trenches over a distance of 145 meters. The massive sulfide horizon is 25 to 35 cm thick and consists of coarse granular pyrite (90 to 95% by volume) and a 30 to 35 cm thick hanging wall and footwall zone of banded semi-massive sulfide hosted in a silicified chlorite schist. Sphalerite, galena and chalcopyrite occur interstitial to the coarse granular pyrite. Base metal sulfides constitute less than 1% of the sulfide mineralization. In the hanging wall and footwall zones minor amounts of galena, sphalerite and

chalcopyrite are disseminated in the quartzose bands within the silicified chlorite schists. Normal faulting is observed to cut the sulfide zone nearly perpendicular to its northeasterly strike and the north end of the zone appears to have been downdropped.

It appears that the Main Zone Massive Sulfide zone has only been tested by Esso Resource's drill hole 83-2. The assay values from the trenches at the surface and the shallow intersection in hole 83-2 indicates a low tenor of precious and base metals, however, a deeper intersection on hole 83-2 suggests that precious metal and copper values are increasing with depth.

The 1988 Induced Polarization survey clearly defined this zone and has found that it has a definite 400 meter strike length extending from L2+00W to L2+00E and depth potential down dip. The I.P. survey suggests that drill hold 83-3 should have been extended to a depth of 150 meters at -45° to ensure that the main zone massive sulfide horizon was intersected.

Sample BP 88-50 (Fig. 4) was taken across a one meter section of the zone and included the hanging wall and footwall banded semi-massive sulfides and the core massive sulfide horizon. It was found to contain 335 PPB gold, 1.8 PPM silver, 376 PPM lead, 245 PPM zinc. This appears to correlate with drill hole intersections in hole 83-2.

TABLE 7
Drill Hole 83-2 Summary

<u>Hole</u>	<u>Best Intersection</u>	<u>Width</u>	<u>oz/ton Gold</u>	<u>oz/ton Silver</u>	<u>% Copper</u>	<u>% Lead</u>	<u>% Zinc</u>
83-2	9.3 - 11.1 m	1.8 m	0.001	0.12	0.018	0.086	0.5
	73.7 - 74.6	0.9 m	0.01	0.21	0.056	0.007	0.012

GEOPHYSICAL SUMMARY

(Refer to Induced Polarization Report by P. Walcott for details, in Appendix V)

Previous geophysical on the property surveys included a VLF EM survey completed over the main zone massive sulfide horizon by Barriere Reef Resources. This survey showed a very weak response. The low northwesterly dip of the zone, in combination with the north sloping topography and the acute angle of the Annapolis field to the zone, would result in very poor coupling and therefore, weak response. A Horizontal Loop EM survey by Esso Minerals was relatively flat, also possibly due to poor coupling.

During June of 1988 Gemstar Resources Ltd. conducted an Induced Polarization (I.P.) geophysical survey to better define the limits of the main zone massive sulfide horizon and to re-evaluate a weak anomaly generated by an earlier I.P. survey at the north end of L 0+00 between stations 26+00N and 29+00N (Fig. 5).

The survey was carried out over the previously established north-south lines. Measurement (first to fourth separation of apparent chargeability and resistivity were made at 25 meters intervals along the lines using the dipole method.

The I.P. data was plotted on pseudo-sectioning and a contour plan map of the chargeability was produced to show anomalous trends more clearly.

The I.P. survey demonstrated that the main zone massive sulfide horizon is underlain by rocks exhibiting a moderately high chargeability background. The main zone massive sulfide horizon is clearly discernable as a zone of very high chargeability. This zone extends from Line 2W to Line 2E for a strike length of some 400 meters, and could be terminated by a fault along Lute Creek west of Line 2W.

Esso Resources diamond drill hole BBC-83-3 collared at Line 2+00W station 19+55 would not have cut the sulfide zone unless the horizon dipped significantly less than 30°.

A weak I.P. anomaly was detected around station 29+00N on Line 0+00. The higher readings occurred on the higher separations and suggested a source to the west. Further surveying indicated a strong anomalous zone centered around station 29+00N to 29+50N. Follow up prospecting located outcrops of pyritized rhyolitic breccia and a sulfide banded felsic unit (Fig. 5). Additional I.P. work is warranted to fully delineate this zone.

GEOCHEMISTRY

Soil sampling programs conducted by Barriere Reef Resources and Esso Resources from 1980 to 1983 focussed on the Main Zone Massive sulfide showing. A major multielement anomaly emerged directly overlying the trend of the massive sulfide horizon and its extensions. Of 800 soil samples collected, only 72 were analyzed for gold. These samples were taken directly over the massive sulfide zone and projected NE and SW extensions. Values ranged from 16 to 123 ppb gold.

During 1988, samples were taken at 10 meter intervals along selected lines. Samples of the "B" horizon soil were collected at depths varying between 8 and 22 centimeters. Each sample was placed in a waterproof kraft bag and sent to Chemex Laboratories for analysis. All samples were geochemically analyzed for gold, silver, lead and zinc. Certain samples taken on well mineralized areas were also analyzed for arsenic.

Silt sampling was carried out along Lute Creek and its numerous tributaries. A sample spacing of 100 meters along the creek was used.

From 1988 the following range of soil values were obtained:

TABLE 8
1988 Soil Anomaly Strength Chart

<u>Anomaly Strength</u>	<u>Gold</u>	<u>Silver</u>	<u>Lead</u>	<u>Zinc</u>
Background	10 ppb	1.2 ppm	15 - 50 ppm	50 - 125 ppm
Weak anomaly	10 - 40 ppb	1.2 - 2 ppm	50 - 70 ppm	125 - 140 ppm
Moderate strength	40 - 100 ppb	2 - 4 ppm	70 - 100 ppm	140 - 400 ppm
High strength anomaly	100 ppb	4 ppm	100 ppm	400 ppm

The Main Zone Massive Sulfide horizon is expressed as a weak to moderate gold anomaly.

Geochemical soil sampling over the projected northeast extension of the Main Zone Sulfide horizon located moderate to high strength gold and zinc anomaly. Silt sample 8 BL013 L (Fig. 6) located near Line 3+25 E station 19+10 W contained 120 ppb gold and 570 ppm zinc. The soil sampling of lines 3+00 E and 3+25 E confirms the silt sample anomaly and discovered a broad moderate to high strength gold and zinc anomaly. Gold values ranged to a high of 175 ppb while zinc values ranged to a high of 1080 ppm.

The Exhalative horizon located at Line 8+60 W station 20+70N is well mineralized with copper, lead and zinc and highly anomalous in gold and silver. A soil survey was conducted around the showing which indicated a very high strength gold anomaly over 30 meters wide along Line 8+00 W between stations 20+80 N and 21+10 N. Gold values ranges from a low of 100 ppb gold to a high of 265 ppb.

Approximately 50 meters north of the gold anomaly on Line 8+00 W a very high strength lead, zinc and silver anomaly was discovered. This anomaly is approximately 10 meters wide. Silver values range up to 12.8 ppm. Lead ranges from 320 to 1680 ppm and zinc from 300 to 1160 ppm.

The gold anomaly located along Line 8+00 W between station 20+80 N and 21+10 N is significant as it is on the projected 055° line of strike of the Exhalative horizon.

CONCLUSIONS AND RECOMMENDATIONS

Polymetallic sulfide mineralization, occurring in four different styles of deposition has been demonstrated on the Birch Claims, in an environment in which ore deposits have been found elsewhere in the area. Deposits of this type can be very different in character over relatively short distances, as exemplified by the Rea Gold and Samotosum orebodies, only few hundred metres apart. The Rea ore deposit is an arsenical pyrite-gold zone, while the Samotosum is a very high grade silver deposit, with negligible arsenic. Each soil anomaly should therefore be persistently explored until its cause is known, and any sulfide zone should be followed along strike and dip as far as practical, as a possible lead to an orebody.

The following program is recommended to explore the property:

Stage 1

1. Prepare an accurate photogrammetric topographic map at a scale of 1:2500 with 10 meter contours to provide survey control.
2. Complete 1:2500 and 1:500 scale geologic mapping on the entire property with particular attention to the northern half and western edge of the property.
3. Test survey the Main Zone Massive Sulfide horizon, Exhalative horizon and North Rhyolite Breccia with VLF-EM, on lines at 330°, using the Seattle field. If the test is successful, use this method to pinpoint the source of other soil anomalies.
4. Extend the Induced Polarization survey north eastward from the anomalous northern section of L 1+00 W. This would test more of the sulfide (pyrite)

and fluorite bearing rhyolitic breccia and help delineate its attitude. Trench targets by using a backhoe.

5. Extend soil sampling, particularly on the northern half of the property. A 20 meter spacing on lines 100 meters apart going in a northerly direction is recommended. In the vicinity of the Exhalative horizon soil sampling should be completed at 10 meter intervals on new lines placed at 50 meter spacings between the present 100 meter lines. Lines 8+00 W and 9+00 W should be extended to station 29+00 N as should Lines 10+00 W and 11+00 W. The new lines would be lines 7+50 W, 8+50 W and 9+50 W. This would assist in delineating the possible strike extensions of the Exhalative horizon.
6. Backhoe trench the gold-zinc soil and silt anomaly along Lines 3+00 E and 3+25 E and the Exhalative horizon.

Stage II

1. Contingent on results in Stage I, diamond drill all promising targets.

COST ESTIMATE OF FUTURE WORK

Stage I

1) Geological mapping and prospecting Orthophoto base map, core logging	\$ 30,000.00
2) Line cutting - grid extensions	8,000.00
3) Geochemical soil sampling and drill core assays	10,000.00
4) Induced polarization survey	14,000.00
5) Diamond drilling, 800 metre BQ at \$110/metre	<u>88,000.00</u>
Total	<u><u>\$ 150,000.00</u></u>

REFERENCES

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- Schiarizza, P., and Preto, V.A., and McLaren, G.P., and Viakow, L.J., 1978-1981, Geology of the Barriere River - Clearwater Area, BCDM Preliminary Map No. 53.
- Schiarizza, P., (1986): Open File Map 1986/5 - Geology of the Vavenby Area NTS 82 M/5, 11, 12.
- Schiarizza, P. and Preto, V.A., (1987): Geology of the Adams Plateau - Clearwater - Varenby Area, Paper 1987-2. Mineral Resources Division, Geological Survey Branch.

APPENDIX I

STATEMENT OF QUALIFICATIONS

J.T. SHEARER, M.Sc., F.G.A.C.

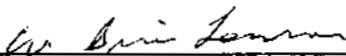
and

W.B. LENNAN, B.Sc., F.G.A.C.

STATEMENT OF QUALIFICATIONS

I, William Brian Lennan, of the City of Port Coquitlam, in the Province of British Columbia, do hereby certify that:

- 1) I am a graduate from the University of British Columbia (1973) with a Bachelor of Science degree in Geology (B.Sc.).
- 2) I have practised my profession as an Exploration Geologist continuously since graduation and have been employed by such mining companies as Cities Service Minerals Corporation Ltd., Texas Gulf Inc. and Canada Tungsten Mining Corporation Ltd. I am presently employed by New Global Resources Ltd.
- 3) I am a fellow of the Geological Association of Canada. I am also a member of the Canadian Institute of Mining and Metallurgy and the Prospectors and Developers Association of Canada.
- 4) I have personally examined all pertinent geologic, geochemical and geophysical data available on and around the Birch claims. I also supervised the geochemical silt and soil sampling, line cutting, geological mapping, and geophysical prospecting program on the Birch claims in 1988.




W.B. LENNAN, B.Sc., F.G.A.C.
May 1, 1989

STATEMENT OF QUALIFICATIONS

I, Johan T. Shearer of the City of Port Coquitlam, in the Province of British Columbia, do hereby certify:

1. I graduated in Honours Geology (B. Sc. 1973) from the University of British Columbia and the University of London, Imperial College, (M. Sc. 1977).
2. I have practised my profession as an Exploration Geologist continuously since graduation and have been employed by such mining companies as McIntyre Mines Ltd., J.C. Stephen Explorations Ltd., Carolin Mines Ltd. and TRM Engineering Ltd. I am presently employed by New Global Resources Ltd.
3. I am a fellow of the Geological Association of Canada. I am also a member of the Canadian Institute of Mining and Metallurgy, the Geological Society of London and the Mineralogical Association of Canada.
4. I have prospected and supervised the geochemical sampling on the Birch Claims from May 30 - July 15, 1988. This report is an interpretation of the results.
5. I am director of Foundation Resources Ltd. and hold seed and escrow shares.

Dated at Vancouver, British Columbia



J.T. Shearer, M. Sc., F.G.A.C.
May 1, 1989

APPENDIX II

STATEMENT OF COSTS FOR
1988 ON THE BIRCH 1 - 4 CLAIMS

May 30 to July 15, 1988

STATEMENT OF COSTS

BIRCH I - 4 CLAIMS

May 30 - July 30, 1988

Wages

W.B. Lennan (Project Geologist), 25 days @ \$250/day (20 days geologic mapping and supervision, 4 days report, 1 day travel)	\$ 6,250.00
J.T. Shearer (Senior Geologist), 6 days @ \$300/day (2 days travel, 4 days geologic mapping and supervision)	1,800.00
M. McClaren (Senior Geologist), 4 days at \$300/day (2 days travel, 2 days geologic mapping)	1,200.00
D. Perret (Prospector, Soil Sampler, Linecutter), 18 days at \$150/day (1 day travel, 5 days linecutting, 5 days soil sampling, 7 days prospecting)	2,700.00
T. Delimanozo (Soil Sampler), 18 days at \$125/day (1 day travel, 17 days soil sampling and trenching)	2,250.00
S. Shearer (Assistant for Trenching), 6 days at \$131/day (2 days travel, 4 days trenching)	786.00

Accommodation

Flag Inn, Clearwater, B.C. 18 days (between 3 and 6 men)	2,268.34
-------------------------------------------------------------	----------

Meals 1,493.19

Geophysical Survey (Induced Polarization - P. Walcott) 12,418.82

Vehicle Rentals 1,554.33

Equipment and Supplies 1,583.50

Fuel 362.97

Geochemical Analysis - Chemex Labs 5,382.70
(1 silt sample, 36 rock chip samples, 345 soil samples)

Communications (phone, etc.) 390.67

Report Preparation (drafting, word processing, maps) 500.00

TOTAL \$40,940.52

APPENDIX III

LIST OF PERSONNEL AND DATES WORKED

LIST OF PERSONNEL AND DATES WORKED

Name	Position	Address	Dates Worked Birch 1-4
J.T. Shearer	Senior Geologist	3832 St. Thomas St. Port Coquitlam, B.C.	June 16-21, 1988 (6 days)
M. McClaren	Senior Geologist	548 Beatty Street Vancouver, B.C.	June 13-16, 1988 (4 days)
W.B. Lennan	Project Geologist	876 Lynwood Avenue Port Coquitlam, B.C.	May 30, 31, 1988, June 1-7, 1988, June 13-24, 1988, June 27, 30, 1988 (25 days)
D. Perret	Prospector/ Line cutter Sampler	15331 - 17th Ave. S. Surrey, B.C.	May 30, 31, 1988, June 1-7, 1988, June 13-21, 1988 (18 days)
T. Deliamanozo	Soil Sampler		May 30, 31, 1988, June 1-7, 1988, June 13-21, 1988 (18 days)
S. Shearer	Trenching	3345 Mason Ave. Port Coquitlam, B.C.	June 16-21, 1988 (6 days)

For geophysical crew, see geophysical report by Peter Walcott, Appendix V.

APPENDIX IV

ANALYTICAL PROCEDURES AND
ASSAY CERTIFICATES - BIRCH CLAIMS

Chemex Labs Ltd.

Field Work Completed Between
May 30 and July 15, 1988

Chemex code	Procedure
208 (205)	Multiple stage crushing of up to 10 pounds of sample; riffle split and pulverize to approximately -150 mesh.
207 (212)	For samples with suspected nugget or free gold effects. Procedure as per 208, then sieve pulp through a -150 mesh screen. Examine + 150 mesh fraction for metallics. If present, save + 150 mesh fraction; if not, + 150 mesh fraction is hand pulverized and homogenized with original sample.
219	Drying charge Applied to samples too wet to be crushed.
251	Overweight charge Charged on samples over 10 pounds.

SOIL, HUMUS OR SEDIMENT SAMPLES

201	Dry, sieve through a -80 mesh screen.
202	Dry, sieve through a -80 mesh screen and save the + 80 mesh fraction.
203	Dry, sieve through a -35 mesh screen and pulverize to approximately -150 mesh.
217	Dry and pulverize entire sample (up to 200 grams) to approximately -150 mesh.
243	Same as code 203, but using a ceramic (ZrO ₂) pulverizer which eliminates Fe, Al, Si and Cr contamination.

PRECIOUS METAL ANALYSIS

TRACE LEVEL ANALYSIS

Maximum value reported for all elements is 10,000 ppb

Chemex code	Element(s)	Sample weight	Method	Detection limit
100	Gold	10 grams	Fire assay, A.A. finish	5 ppb
983	Gold	30 grams	Fire assay, A.A. finish	5 ppb
101	Gold	10 grams	Fire assay, N.A.A. finish	1 ppb
G-15	Platinum	30 grams	Fire assay, ICP-AFS	5 ppb
	Palladium			2 ppb
	Gold			2 ppb
472	Rhodium	10 grams	Fire assay, A.A. finish	5 ppb

TRACE LEVEL GEOCHEMISTRY

The methods specified below were designed to give you the best possible detection limits for individual elements. MULTIELEMENT PACKAGES are available using a variety of analytical techniques. See page 6.

Digestion charge description				
N/C	Digestion or fusion included in price			
AQ	Nitric-aqua regia digestion			
HF	Perchloric-nitric-hydrofluoric digestion			
EXT	Special digestion with an organic extraction			
NAA	Neutron activation encapsulation and irradiation charge			
XRF	X-ray analysis pellet preparation charge			
Chemex code	Element	Detection limit	Upper limit	Digestion* charge code
22	Antimony	0.2 ppm	0.1%	EXT
13	Arsenic	1 ppm	1%	N/C
25	Barium	10 ppm	1%	HF
34	Beryllium	0.1 ppm	0.1%	HF
23	Bismuth	0.1 ppm	0.1%	EXT
40	Boron	10 ppm	1%	N/C
154	Bromine	1 ppm	1%	NAA
7	Cadmium	0.1 ppm	0.02%	AQ
158	Cesium	2 ppm	1%	NAA
155	Chlorine	100 ppm	1%	N/C
12	Chromium	5 ppm	1%	HF
9	Cobalt	1 ppm	1%	AQ
2	Copper	1 ppm	1%	AQ
21	Fluorine	20 ppm	1%	N/C
31	Gallium	1 ppm	0.1%	N/C
41	Germanium	5 ppm	0.1%	N/C
107	Halbium	2 ppm	1%	NAA
543	Iodine	1 ppm	0.1%	AQ
188	Iodine	20 ppm	1%	N/C
10	Iron	0.05 %	20%	AQ
4	Lead	1 ppm	1%	AQ
27	Lithium	1 ppm	1%	HF
35	L O I @ 550°C	0.1 %	100%	N/C
11	Manganese	5 ppm	1%	AQ
20	Mercury	5 ppb	0.01%	N/C
3	Molybdenum	1 ppm	0.1%	AQ
8	Nickel	1 ppm	1%	AQ
191	Niobium	5 ppm	1%	XRF
15	Phosphorus	5 ppm	1%	N/C
376	Rhenium	1 ppm	1%	NAA
30	Rubidium	1 ppm	1%	HF
103	Scandium	1 ppm	1%	NAA
16	Selenium	0.2 ppm	0.1%	N/C
6	Silver	0.2 ppm	0.02%	AQ
32	Strontium	1 ppm	1%	HF
380	Sulfur	0.001 %	100%	N/C
151	Tantalum	2 ppm	1%	NAA
24	Tellurium	0.05 ppm	0.1%	N/C
39	Thallium	0.1 ppm	0.1%	N/C
150	Thorium	1 ppm	1%	NAA
19	Tin	2 ppm	0.1%	N/C
42	Titanium	10 ppm	1%	N/C
18	Tungsten	2 ppm	0.1%	N/C
152	Uranium	0.2 ppm	1%	N/C
33	Vanadium	5 ppm	1%	HF
801	Yttrium	5 ppm	1%	XRF
5	Zinc	1 ppm	1%	AQ
914	Zirconium	5 ppm	1%	XRF



Chemex Labs Ltd.

Analytical Chemists • Geochemists • Registered Assayers

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BRITISH COLUMBIA, CANADA V7J-2C1

PHONE (604) 984-0221

To: NEW GLOBAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH

Comments: CC: BRIAN LENNAN

Page No. : 1

Tot. Pages: 5

Date : 22-JUN-88

Invoice #: I-8816998

P.O. #: NONE

CERTIFICATE OF ANALYSIS A8816998

SAMPLE DESCRIPTION	PREP CODE	Au ppb FA+AA	Pb ppm	Zn ppm	Ag ppm Aqua R						
L0+00 18+00N	201	--	10	26	81	0.8					
L0+00 18+10N	201	--	15	206	198	2.7					
L0+00 18+20N	201	--	25	670	315	2.5					
L0+00 18+30N	201	--	20	180	389	0.6					
L0+00 18+40N	201	--	10	79	81	0.8					
L0+00 18+50N	201	--	55	219	170	1.1					
L0+00 18+60N	201	--	25	44	92	1.0					
L0+00 18+70N	201	--	5	44	114	0.6					
L0+00 18+80N	201	--	5	50	120	0.8					
L0+00 18+90N	201	--	15	105	137	1.5					
L0+00 19+00N	201	--	10	80	165	1.3					
L0+00 19+10N	201	--	5	86	66	1.0					
L0+00 19+20N	201	--	10	78	268	1.7					
L0+00 19+30N	201	--	20	38	141	0.9					
L0+00 19+40N	201	--	15	22	42	1.1					
L0+00 19+50N	201	--	20	48	135	0.9					
L0+00 19+60N	201	--	40	335	385	1.4					
L0+00 20+40N	201	--	5	30	153	0.5					
L0+00 20+50N	201	--	5	154	1000	1.1					
L0+00 20+60N	201	--	5	52	385	1.0					
L0+00 20+70N	201	--	< 5	33	295	0.5					
L1+00E 20+00N	201	--	< 15	43	46	1.3					
L1+00E 20+10N	201	--	< 5	10	36	0.3					
L1+00E 20+20N	201	--	< 5	18	59	0.3					
L1+00E 20+30N	201	--	< 5	20	44	0.9					
L1+00E 20+40N	201	--	< 5	32	50	0.2					
L1+00E 20+50N	201	--	< 5	33	121	0.6					
L1+00E 20+60N	201	--	< 5	26	165	0.6					
L1+00E 20+70N	201	--	< 5	25	119	0.9					
L3+00E 21+00N	201	--	65	230	375	1.5					
L3+00E 21+10N	201	--	< 60	246	610	0.7					
L3+00E 21+20N	201	--	< 5	43	123	0.6					
L3+00E 21+30N	201	--	10	44	383	1.2					
L3+00E 21+40N	201	--	5	40	444	4.0					
L3+00E 21+50N	201	--	10	9	1080	1.2					
L3+00E 21+60N	201	--	< 5	7	620	1.0					
L3+00E 21+70N	201	--	< 5	15	620	1.1					
L3+00E 21+80N	201	--	10	63	900	1.4					
L3+00E 21+90N	201	--	50	49	720	2.0					
L3+00E 22+00N	201	--	10	28	380	1.2					

CERTIFICATION :

Wentrichler



Chemex Labs Ltd.

Analytical Chemists • Geochemists • Registered Assayers

112 BROOKSBANK AVE., NORTH VANCOUVER,
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PHONE (604) 984-0221

10 : NEW GLOBAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project : BIRCH

Comments: CC: BRIAN LENNAN

Page No. : 2
Tot. Pages: 5
Date : 22-JUN-88
Invoice # : I-8816998
P.O. # : NONE

CERTIFICATE OF ANALYSIS A8816998

SAMPLE DESCRIPTION	PREP CODE	Au ppb FA+AA	Pb ppm	Zn ppm	Ag ppm Aqua R						
L3+00E 22+10N	201 ---	15	35	1020	0.9						
L3+00E 22+20N	201 ---	25	39	409	1.0						
L3+00E 22+30N	201 ---	60	31	213	0.9						
L3+00E 22+40N	201 ---	40	28	309	0.7						
L3+00E 22+50N	201 ---	30	70	309	0.6						
L3+00E 22+60N	201 ---	5	25	98	0.5						
L4+00E 21+60N	201 ---	20	30	410	0.9						
L4+00E 21+70N	201 ---	< 5	20	396	0.8						
L4+00E 21+80N	201 ---	10	18	175	0.5						
L4+00E 21+90N	201 ---	15	34	273	1.7						
L4+00E 22+00N	201 ---	5	18	266	0.9						
L4+00E 22+10N	201 ---	5	17	234	0.6						
L4+00E 22+20N	201 ---	10	23	320	1.2						
L4+00E 22+30N	201 ---	40	29	210	0.5						
L4+00E 22+40N	201 ---	10	31	220	1.0						
L4+00E 22+50N	201 ---	< 5	24	141	0.8						
L4+00E 22+60N	201 ---	5	24	152	0.3						
L4+00E 22+70N	201 ---	25	33	195	0.9						
L4+00E 22+80N	201 ---	20	22	201	1.3						
L4+00E 22+90N	201 ---	15	42	436	1.1						
L4+00E 23+00N	201 ---	5	30	221	0.8						
L5+00E 22+40N	201 ---	15	34	187	1.3						
L5+00E 22+50N	201 ---	15	33	199	0.7						
L5+00E 22+60N	201 ---	10	32	216	1.1						
L5+00E 22+70N	201 ---	10	21	88	0.7						
L5+00E 22+80N	201 ---	10	29	144	0.8						
L5+00E 22+90N	201 ---	15	26	121	1.0						
L5+00E 23+00N	201 ---	15	21	115	1.0						
L5+00E 23+10N	201 ---	10	21	108	0.5						
L5+00E 23+20N	201 ---	15	20	88	0.8						
L5+00E 23+30N	201 ---	< 15	29	141	0.8						
L5+00E 23+40N	201 ---	5	56	119	0.7						
L5+00E 23+50N	201 ---	90	27	151	1.0						
L5+00E 23+60N	201 ---	35	23	83	1.2						
L5+00E 23+70N	201 ---	10	55	219	0.5						
L5+00E 23+80N	201 ---	20	25	96	1.3						
L5+50W 19+50N	201 ---	10	57	142	1.4						
L5+50W 19+60N	201 ---	5	57	127	1.4						
L5+50W 19+70N	201 ---	10	170	130	1.5						
L5+50W 19+80N	201 ---	15	122	150	1.9						

CERTIFICATION :

Hart Buchler



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212 BROOKSBANK AVE., NORTH VANCOUVER,
BRITISH COLUMBIA, CANADA V7J-2C1

PHONE (604) 984-0221

To: NEW GLOBAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH

Comments: CC: BRIAN LENNAN

Page No. : 3

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Date : 22-JUN-88

Invoice #: I-8816998

P.O. #: NONE

CERTIFICATE OF ANALYSIS A8816998

SAMPLE DESCRIPTION	PREP CODE	Au ppb FA+AA	Pb ppm	Zn ppm	Ag ppm Aqua R						
L5+50W 19+90N	201	< 5	92	121	1.4						
L6+00W 19+50N	201	< 5	112	268	0.5						
L6+00W 19+60N	201	< 5	120	274	0.6						
L6+00W 19+70N	201	< 5	109	145	1.2						
L6+00W 19+80N	201	< 5	93	307	0.8						
L6+00W 19+90N	201	< 5	46	206	0.7						
L6+00W 20+00N	201	< 5	91	166	0.8						
L6+00W 20+10N	201	< 5	107	124	1.3						
L6+00W 20+20N	201	< 5	54	55	2.1						
L6+00W 20+30N	201	< 5	310	407	2.3						
L6+00W 20+40N	201	< 5	245	106	4.0						
L6+00W 20+50N	201	< 5	200	125	2.6						
L8+00W 19+00N	201	< 5	68	76	0.8						
L8+00W 19+10N	201	< 5	129	227	1.7						
L8+00W 19+20N	201	< 5	57	79	1.3						
L8+00W 19+30N	201	< 5	56	95	1.3						
L8+00W 19+40N	201	< 5	260	530	1.6						
L8+00W 19+50N	201	< 5	82	277	0.8						
L8+00W 19+60N	201	< 5	65	136	0.7						
L8+00W 19+70N	201	30	142	460	2.1						
L8+00W 19+80N	201	< 5	83	197	0.8						
L8+00W 19+90N	201	< 5	108	183	0.9						
L8+00W 20+00N	201	< 5	76	106	2.3						
L8+00W 20+10N	201	25	154	500	1.8						
L8+00W 20+20N	201	5	65	176	1.1						
L8+00W 20+30N	201	< 5	27	94	0.8						
L8+00W 20+40N	201	< 5	38	209	1.1						
L8+00W 20+50N	201	< 10	78	270	0.5						
L8+00W 20+60N	201	< 5	17	44	0.6						
L8+00W 20+70N	201	10	56	178	1.1						
L8+00W 20+80N	201	100	76	177	1.7						
L8+00W 20+90N	201	265	73	114	1.3						
L8+00W 21+00N	201	240	82	95	0.8						
L8+00W 21+10N	201	30	30	93	1.1						
L8+00W 21+20N	201	< 5	43	133	0.8						
L8+00W 21+30N	201	< 5	41	73	1.2						
L8+00W 21+40N	201	< 5	217	268	1.5						
L8+00W 21+50N	201	< 5	131	130	1.2						
L8+00W 21+60N	201	< 45	1680	1160	12.8						
L8+00W 21+70N	201	< 5	320	300	12.2						

CERTIFICATION :

Scott Buchler



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To: NEW GLOBAL RESOURCES

548 BEATTY ST.
 VANCOUVER, BC
 V6B 2L3

Project: BIRCH
 Comments: CC: BRIAN LENNAN

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CERTIFICATE OF ANALYSIS A8816998

SAMPLE DESCRIPTION	PREP CODE	Au ppb FA+AA	Pb ppm	Zn ppm	Ag ppm Aqua R						
L8+00W 21+80N	201	--	< 5	69	260	1.6					
L8+00W 21+90N	201	---	< 5	87	211	1.1					
L8+00W 22+00N	201	---	5	99	298	1.1					
L9+00W 19+00N	201	---	5	100	357	0.3					
L9+00W 19+10N	201	---	5	185	173	0.9					
L9+00W 19+20N	201	---	< 5	70	405	0.3					
L9+00W 19+30N	201	---	5	71	244	0.1					
L9+00W 19+40N	201	---	5	131	326	0.6					
L9+00W 19+50N	201	---	20	54	82	0.9					
L9+00W 19+60N	201	---	25	207	323	1.0					
L9+00W 19+70N	201	---	< 5	46	129	0.2					
L9+00W 19+80N	201	---	< 5	73	255	0.1					
L9+00W 19+90N	201	---	40	970	740	4.3					
L9+00W 20+00N	201	---	10	224	139	1.0					
L9+00W 20+10N	201	---	5	66	137	0.5					
L9+00W 20+20N	201	---	30	91	190	0.4					
L9+00W 20+30N	201	---	5	43	92	0.4					
L9+00W 20+40N	201	---	5	85	316	1.0					
L9+00W 20+50N	201	---	5	78	125	0.9					
L9+00W 20+60N	201	---	30	137	146	0.4					
L9+00W 20+70N	201	---	20	98	137	0.6					
L9+00W 20+80N	201	---	15	87	418	0.2					
L9+00W 20+90N	201	---	< 5	25	31	0.8					
L9+00W 21+00N	201	---	< 5	37	41	0.7					
L9+00W 21+10N	201	---	< 5	83	116	0.6					
L9+00W 21+20N	201	---	10	54	90	0.6					
L9+00W 21+30N	201	---	5	24	87	0.6					
L9+00W 21+40N	201	---	5	28	90	0.5					
L9+00W 21+50N	201	---	10	50	206	0.3					
L9+00W 21+60N	201	---	< 5	76	235	0.1					
L9+00W 21+70N	201	---	< 5	30	132	0.2					
L9+00W 21+80N	201	---	5	273	710	0.3					
L9+00W 21+90N	201	---	5	126	309	2.7					
L9+00W 22+00N	201	---	< 5	106	278	1.2					
L10+00W 19+00N	201	---	15	29	131	0.1					
L10+00W 19+10N	201	---	50	22	103	0.4					
L10+00W 19+20N	201	---	10	23	104	0.1					
L10+00W 19+30N	201	---	5	31	109	0.8					
L10+00W 19+40N	201	---	5	45	169	0.4					
L10+00W 19+50N	201	---	10	36	201	1.5					

CERTIFICATION :

Hart Bickler



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TO: NEW GLOBAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH

Comments: CC: BRIAN LENNAN

Page No. : 5
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Invoice #: I-8816998
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CERTIFICATE OF ANALYSIS A8816998

SAMPLE DESCRIPTION	PREP CODE	Au ppb FA+AA	Pb ppm	Zn ppm	Ag ppm Aqua R						
L10+00W 19+60N	201	< 5	19	75	0.5						
L10+00W 19+70N	201	< 5	25	91	0.1						
L10+00W 19+80N	201	15	33	106	0.1						
L10+00W 19+90N	201	10	24	95	0.9						
L10+00W 20+00N	201	< 5	19	73	0.1						
L10+00W 20+10N	201	< 5	31	133	1.2						
L10+00W 20+20N	201	< 5	20	84	0.7						
L10+00W 20+30N	201	< 5	19	71	0.1						
L10+00W 20+40N	201	15	11	55	0.5						
L10+00W 20+50N	201	10	17	82	0.4						
L10+00W 20+60N	201	5	38	100	0.6						
L10+00W 20+70N	201	5	44	137	0.3						
L10+00W 20+80N	201	10	27	93	0.4						
L10+00W 20+90N	201	5	43	146	0.3						
L10+00W 21+00N	201	< 5	37	128	0.5						
L10+00W 21+10N	201	25	141	374	0.1						
L10+00W 21+20N	201	10	55	124	0.6						
L10+00W 21+30N	201	10	96	158	0.2						
L10+00W 21+40N	201	15	77	273	0.1						
L10+00W 21+50N	201	30	114	299	0.6						

CERTIFICATION :

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to: NEW GLOBAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH

Comments: CC: BRIAN LENNAN

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CERTIFICATE OF ANALYSIS A8817249

SAMPLE DESCRIPTION	PREP CODE	Au ppb FA+AA	Ag ppm Aqua R	Pb ppm	Zn ppm						
L1+00W 28+50N	201	< 5	0.2	15	88						
L1+00W 28+60N	201	< 5	0.5	37	58						
L1+00W 28+70N	201	< 5	0.1	34	110						
L1+00W 28+80N	201	< 10	0.5	32	90						
L1+00W 28+90N	201	< 5	0.2	21	50						
L1+00W 29+00N	201	< 5	0.1	11	46						
L1+00W 29+10N	201	< 5	0.5	25	74						
L1+00W 29+20N	201	< 5	0.2	27	93						
L1+00W 29+30N	201	< 5	0.2	21	65						
L1+00W 29+40N	201	< 5	0.2	21	58						
L1+00W 29+50N	201	< 5	0.1	28	86						
L1+00W 29+60N	201	< 5	0.2	17	56						
L1+00W 29+70N	201	< 5	0.5	26	107						
L1+00W 29+80N	201	< 5	0.2	28	76						
L1+00W 29+90N	201	< 5	2.3	23	64						
L1+00W 30+00N	201	< 5	0.1	19	130						

CERTIFICATION

Jan Bichler



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NEW GLOBAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project : BIRCH

Comments: CC: BRIAN LENNAN

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P.O. #: NONE

CERTIFICATE OF ANALYSIS A8816546

SAMPLE DESCRIPTION	PREP CODE	Au ppb RUSH	Ag ppm Aqua R	Pb ppm	Zn ppm						
L4+00W 19+50N	201	---	5	0.6	67	198					
L4+00W 19+60N	201	---	5	0.5	70	200					
L4+00W 19+70N	201	---	35	0.9	33	33					
L4+00W 19+80N	201	---	10	0.4	71	175					
L4+00W 19+90N	201	---	< 5	0.7	43	108					
L4+00W 20+30N	201	---	< 5	0.3	58	250					
L4+00W 20+40N	201	---	< 5	0.7	75	172					
L4+00W 20+50N	201	---	< 5	0.4	65	166					
L4+50W 19+50N	201	---	< 5	0.9	49	132					
L4+50W 19+60N	201	---	< 5	0.7	67	255					
L4+50W 19+70N	201	---	< 5	0.9	75	195					
L4+50W 19+80N	201	---	< 5	0.3	29	180					
L4+50W 19+90N	201	---	< 5	0.4	61	290					
L4+50W 20+00N	201	---	< 5	1.2	69	270					
L4+50W 20+10N	201	---	< 5	0.5	88	410					
L4+50W 20+20N	201	---	< 5	0.6	38	116					
L5+00W 19+50N	201	---	< 5	0.5	47	173					
L5+00W 19+60N	201	---	< 5	1.0	95	140					
L5+00W 19+70N	201	---	< 5	0.7	54	205					
L5+00W 19+80N	201	---	< 5	0.7	85	360					
L5+00W 19+90N	201	---	< 5	0.7	45	78					
L5+00W 20+00N	201	---	< 5	0.7	36	100					
L5+00W 20+10N	201	---	< 5	0.4	65	218					
L5+00W 20+20N	201	---	< 5	1.0	43	150					
L5+00W 20+30N	201	---	< 5	0.2	118	470					
L5+00W 20+40N	201	---	< 5	0.9	83	205					
L5+00W 20+50N	201	---	< 5	1.1	65	122					
L5+50W 20+00N	201	---	< 5	1.4	128	500					
L5+50W 20+10N	201	---	< 10	1.5	75	100					
L5+50W 20+20N	201	---	< 5	0.7	83	265					
L5+50W 20+30N	201	---	< 5	0.8	68	203					
L5+50W 20+40N	201	---	< 10	0.6	143	340					
L5+50W 20+50N	201	---	< 5	1.2	83	275					

CERTIFICATION :

Paul Searles



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NEW GENERAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH

Comments: CC: BRIAN LENNAN

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P.O. #: NONE

CERTIFICATE OF ANALYSIS A8816321

SAMPLE DESCRIPTION	PREP CODE	Au ppb FA+AA	Pb ppm	Zn ppm	Ag ppm Aqua R						
8BL001L	201	10	50	201	1.9						
8BL002L	203	5	28	192	0.4						
8BL003L	201	10	46	271	0.6						
8BL004L	201	20	49	233	0.5						
8BL005L	203	10	46	200	0.4						
8BL006L	201	130	69	401	0.5						
8BL007L	203	25	64	420	0.4						
8BL008L	203	25	53	342	0.5						
8BL009L	201	25	77	450	0.5						
8BL010L	201	35	74	321	0.5						
8BL011L	201	30	75	316	0.6						
8BL012L	201	55	91	443	0.5						
8BL013L	201	120	99	570	0.6						
8BL014L	201	25	68	417	0.7						
8BL015L	203	10	38	192	0.6						
8BL016L	203	10	27	148	0.5						
8BL017L	203	10	32	187	0.3						
8BL018L	201	190	22	252	0.4						
8BL019L	203	20	16	218	0.3						
8BL020L	201	10	54	249	0.8						
8BL021L	203	10	37	200	0.3						
8BL022L	201	50	62	276	0.4						
8BL023L	201	115	50	270	0.4						
8BL024L	201	20	50	267	0.4						

CERTIFICATION :

Janet Buchler



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To: NEW GLOBAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH
Comments:

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Invoice #: I-8817414
P.O. #: NONE

CERTIFICATE OF ANALYSIS A8817414

SAMPLE DESCRIPTION	PREP CODE		As ppb	Ag ppm	Pb	Zn						
			FAtAA	Aqua R	ppm	ppm						
L3+25E 19+00N	201	---	25	0.5	39	115						
L3+25E 19+10N	201	---	175	1.0	250	500						
L3+25E 19+20N	201	---	80	0.5	40	104						
L3+25E 19+30N	201	---	40	0.9	110	164						
L3+25E 19+40N	201	---	10	0.6	49	121						
L3+25E 19+50N	201	---	40	2.8	70	98						
L3+25E 19+60N	201	---	60	0.7	168	390						
L3+25E 19+70N	201	---	20	1.3	45	63						
L3+25E 19+80N	201	---	60	0.6	73	149						
L3+25E 19+90N	201	---	35	1.1	156	380						
L3+25E 20+00N	201	---	15	0.7	60	111						

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10. NEW GLOBAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH

Comments: CC: BRIAN LENNAN

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Date : 23-JUN-88
Invoice # : I-8817066
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CERTIFICATE OF ANALYSIS A8817066

SAMPLE DESCRIPTION	PREP CODE	Au ppb FA+AA	Pb ppm	Zn ppm	Ag ppm Aqua R						
L3+00W 16+50N	201	---	30	50	155	0.1					
L3+00W 16+60N	201	---	50	168	500	0.7					
L3+00W 16+70N	201	---	20	68	230	0.3					
L3+00W 16+80N	201	---	15	60	158	2.5					
L3+00W 16+90N	201	---	20	68	200	0.9					
L3+00W 17+00N	201	---	30	112	158	0.8					
L3+00W 17+10N	201	---	10	42	80	0.9					
L3+00W 17+20N	201	---	15	77	265	1.2					
L3+00W 17+30N	201	---	15	68	115	0.5					
L3+00W 17+40N	201	---	15	58	124	0.1					
L3+00W 17+50N	201	---	< 10	30	75	1.9					
L3+00W 17+60N	201	---	< 5	19	55	1.8					
L3+00W 17+70N	201	---	< 5	13	103	2.5					
L4+00W 16+10N	201	---	< 5	41	66	0.4					
L4+00W 16+20N	201	---	10	43	40	0.6					
L4+00W 16+30N	201	---	< 5	26	40	2.4					
L4+00W 16+40N	201	---	< 5	15	27	0.2					
L4+00W 16+50N	201	---	< 5	46	108	0.6					
L4+00W 16+60N	201	---	10	63	138	1.6					
L4+00W 16+70N	201	---	5	84	200	1.3					
L4+00W 16+80N	201	---	10	92	200	0.9					
L4+00W 16+90N	201	---	< 5	65	155	1.1					
L4+00W 17+00N	201	---	< 5	130	390	1.1					
L6+00W 14+50N	201	---	15	20	78	0.5					
L6+00W 14+60N	201	---	10	14	38	0.6					
L6+00W 14+70N	201	---	< 10	23	100	0.4					
L6+00W 14+80N	201	---	< 5	13	46	0.1					
L6+00W 14+90N	201	---	< 5	20	89	0.2					
L6+00W 15+00N	201	---	< 10	30	98	1.0					
L6+00W 15+10N	201	---	< 5	27	120	0.5					
L6+00W 15+20N	201	---	< 5	21	44	0.5					
L6+00W 15+30N	201	---	5	22	60	0.7					
L6+00W 15+40N	201	---	30	44	95	0.2					
L6+00W 15+50N	201	---	40	19	45	0.3					
L8+00W 13+50N	201	---	5	11	38	0.1					
L8+00W 13+60N	201	---	< 5	14	34	0.6					
L8+00W 13+70N	201	---	< 5	21	67	0.1					
L8+00W 13+80N	201	---	5	13	45	0.1					
L8+00W 13+90N	201	---	< 10	17	76	1.0					
L8+00W 14+00N	201	---	< 5	10	48	0.1					

CERTIFICATION :

Hunter Bechler



Chemex Labs Ltd.

Analytical Chemists • Geochemists • Registered Assayers

112 BROOKSBANK AVE., NORTH VANCOUVER,
BRITISH COLUMBIA, CANADA V7J-2C1

PHONE (604) 984-0222

To: NEW GLOBAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH

Comments: GC: BRIAN LENNAN

Page No. : 1
Tot. Pages: 2
Date : 9-JUN-88
Invoice #: I-8816460
P.O. #: NONE

CERTIFICATE OF ANALYSIS A8816460

SAMPLE DESCRIPTION	PREP CODE	Au ppb RUSH	Ag ppm Aqua R	Pb ppm	Zn ppm						
L3+00W 21+50N	201	< 5	1.5	35	130						
L3+00W 21+60N	201	< 5	0.8	40	170						
L3+00W 21+70N	201	< 5	0.3	22	130						
L3+00W 21+80N	201	< 5	0.5	36	133						
L3+00W 21+90N	201	< 5	0.2	18	68						
L3+00W 22+00N	201	< 5	0.7	43	88						
L3+00W 22+10N	201	< 5	1.1	72	345						
L3+00W 22+20N	201	< 5	0.6	50	190						
L3+00W 22+30N	201	< 5	0.7	49	53						
L3+00W 22+40N	201	< 5	0.4	23	23						
L3+00W 22+50N	201	< 5	0.6	21	43						
L3+00W 22+60N	201	< 5	0.3	4	75						
L3+00W 22+70N	201	< 5	0.5	22	107						
L3+00W 22+80N	201	< 5	0.8	15	155						
L3+00W 22+90N	201	< 5	0.4	32	170						
L3+00W 23+00N	201	< 5	1.5	49	60						
L3+50W 21+50N	201	< 5	0.6	26	165						
L3+50W 21+60N	201	< 5	0.6	19	100						
L3+50W 21+70N	201	< 5	0.5	24	93						
L3+50W 21+80N	201	< 5	0.5	18	84						
L3+50W 21+90N	201	< 5	0.7	19	110						
L3+50W 22+00N	201	< 5	0.6	25	153						
L3+50W 22+10N	201	< 5	0.7	38	193						
L3+50W 22+20N	201	< 5	0.7	34	214						
L3+50W 22+30N	201	< 5	0.7	68	210						
L3+50W 22+40N	201	< 5	0.4	81	343						
L3+50W 22+50N	201	< 5	0.6	46	59						
L3+50W 22+60N	201	< 5	0.9	138	190						
L3+50W 22+70N	201	< 5	0.9	48	102						
L3+50W 22+80N	201	< 5	1.0	52	138						
L3+50W 22+90N	201	< 5	2.9	37	110						
L3+50W 23+00N	201	< 5	1.7	78	138						
L4+00W 20+00N	201	< 5	2.5	108	465						
L4+00W 20+10N	201	< 5	1.3	59	240						
L4+00W 20+20N	201	< 5	1.4	52	125						
L4+00W 20+30N	201	< 5	0.5	25	135						
L4+00W 20+40N	201	< 5	0.9	39	300						
L4+00W 20+50N	201	< 5	0.9	53	194						
L4+00W 21+50N	201	< 10	0.5	29	350						
L4+00W 21+60N	201	< 5	0.4	16	48						

CERTIFICATION :

Hart Buchler



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PHONE (604) 984-0221

To: NEW GLOBAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH

Comments: CC: BRIAN LENNAN

Page No. : 2
Tot. Pages: 2
Date : 9-JUN-88
Invoice #: I-8816460
P.O. # : NONE

CERTIFICATE OF ANALYSIS A8816460

SAMPLE DESCRIPTION	PREP CODE	Au ppb RUSH	Ag ppm Aqua R	Pb ppm	Zn ppm						
L4+00W 21+70N	201	5	0.5	12	49						
L4+00W 21+80N	201	5	0.5	25	88						
L4+00W 21+90N	201	5	0.4	14	47						
L4+00W 22+00N	201	10	0.5	19	86						
L4+00W 22+10N	201	5	0.4	20	128						
L4+00W 22+20N	201	5	0.4	19	63						
L4+00W 22+30N	201	5	0.2	21	110						
L4+00W 22+40N	201	5	0.7	37	123						
L4+00W 22+50N	201	5	0.7	17	130						
L4+00W 22+60N	201	5	0.6	24	130						
L4+00W 22+70N	201	5	0.4	87	245						
L4+00W 22+80N	201	5	1.6	64	148						
L4+00W 22+90N	201	5	1.0	88	430						
L4+00W 23+00N	201	20	1.6	230	1800						

CERTIFICATION :

Paul Jenner



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TO: NEW GOLD RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH

Comments: CC: BRIAN LENNAN

Page no. : 2
Tot. Pages: 2
Date : 23-JUN-88
Invoice #: I-8817066
P.O. #: NONE

CERTIFICATE OF ANALYSIS A8817066

SAMPLE DESCRIPTION	PREP CODE	Au ppb FA+AA	Pb ppm	Zn ppm	Ag ppm Aqua R						
L8+00W 14+10N	201	---	< 5	12	90	1.0					
L8+00W 14+20N	201	---	< 5	6	57	2.1					
L8+00W 14+30N	201	---	< 5	7	40	0.1					
L8+00W 14+40N	201	---	5	10	53	0.1					
L8+00W 14+50N	201	---	5	10	41	0.1					
L11+00W 19+00N	201	---	< 5	20	100	0.3					
L11+00W 19+10N	201	---	< 5	13	70	0.8					
L11+00W 19+20N	201	---	15	21	90	0.2					
L11+00W 19+30N	201	---	5	25	95	0.9					
L11+00W 19+40N	201	---	5	15	88	0.1					
L11+00W 19+50N	201	---	< 5	23	150	0.6					
L11+00W 19+60N	201	---	< 10	33	115	0.1					
L11+00W 19+70N	201	---	< 5	15	75	0.1					
L11+00W 19+80N	201	---	10	30	122	0.6					
L11+00W 19+90N	201	---	5	11	93	0.6					
L11+00W 20+00N	201	---	< 5	11	58	0.6					
L11+00W 20+10N	201	---	< 5	15	86	0.7					
L11+00W 20+20N	201	---	< 5	13	66	0.7					
L11+00W 20+30N	201	---	< 5	10	80	0.6					
L11+00W 20+40N	201	---	< 5	18	97	0.2					
L11+00W 20+50N	201	---	< 5	16	58	0.6					
L11+00W 20+60N	201	---	10	13	58	0.1					
L11+00W 20+70N	201	---	10	13	62	0.5					
L11+00W 20+80N	201	---	< 5	26	108	0.5					
L11+00W 20+90N	201	---	< 5	15	80	0.2					
L11+00W 21+00N	201	---	< 5	16	73	0.1					
L11+00W 21+10N	201	---	< 5	25	114	0.5					
L11+00W 21+20N	201	---	10	62	165	0.8					
L11+00W 21+30N	201	---	< 5	42	128	0.6					
L11+00W 21+40N	201	---	10	28	142	0.8					
L11+00W 21+50N	201	---	< 5	12	125	0.9					

CERTIFICATION :

Hart Bickler



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PHONE (604) 984-0111

T. LEW GIBSON R. ... RCEES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH

Comments: CC: BRIAN LENNAN

Page: 1
Tot. Pages: 1
Date: 23-JUN-88
Invoice #: I-8817162
P.O. #: NONE

CERTIFICATE OF ANALYSIS A8817162

SAMPLE DESCRIPTION	PREP CODE	Au ppb FA+AA	Pb ppm	Zn ppm	Ag ppm Aqua R	As ppm					
8BL025L	201	5	68	373	0.3	-----					
SD-1	201	210	422	340	2.0	650					
SD-2	201	720	760	500	14.2	1000					
SD-3	201	240	183	195	12.0	300					
SD-4	201	220	158	520	6.2	280					
SR 5+75 W	201	15	83	122	1.6	-----					
SR 6+00 W	201	10	105	120	1.1	-----					
SR 6+25 W	201	< 5	33	198	0.5	-----					
SR 6+50 W	201	10	27	71	0.5	-----					
SR 6+75 W	201	15	50	113	0.6	-----					
SR 7+00 W	201	20	35	142	1.0	-----					
SR 7+50 W	201	20	73	250	0.7	-----					
SR 7+75 W	201	5	38	130	0.7	-----					
SR 8+00 W	201	10	133	193	1.2	-----					

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To: NEW GLOBAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH

Comments:

Page No. : 1
Tot. Pages: 1
Date : 27-JUN-88
Invoice #: I-8817396
P.O. #: NONE

CERTIFICATE OF ANALYSIS A8817396

SAMPLE DESCRIPTION	PREP CODE	As ppb FA+AA	Ag ppm Aqua R	Pb ppm	Zn ppm	As ppm					
BP 88-40	205	175	2.4	134	429	130					
BP 88-41	205	220	1.7	132	441	150					
BP 88-42	205	110	1.5	110	314	60					
BP 88-43	205	10	0.1	30	15	5					
BP 88-44	205	< 5	0.1	7	65	4					
BP 88-45	205	< 5	0.2	16	6	10					
BP 88-46	205	10	1.7	300	100	9					
BP 88-47	205	<< 5	0.2	26	8	16					
BP 88-48	205	<< 5	0.8	117	32	4					
BP 88-49	205	<< 5	0.1	12	1	2					

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To: NEW GLOBAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH

Comments: CC: BRIAN LENNAN

Page No. : 1
Tot. Pages: 1
Date : 23-JUN-88
Invoice # : I-8817250
P.O. # : NONE

CERTIFICATE OF ANALYSIS A8817250

SAMPLE DESCRIPTION	PREP CODE	Au ppb FA+AA	Ag ppm Aqua R	Pb ppm	Zn ppm						
BP-88-40	205 --	60	0.5	21	140						

CERTIFICATION :

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IEW AL 1 JRCE

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project : BIRCH

Comments: CC: BRIAN LENNAN

P. o. :
Tot. Pages: 1
Date : 23-JUN-88
Invoice # : I-8817163
P.O. # : NONE

CERTIFICATE OF ANALYSIS A8817163

SAMPLE DESCRIPTION	PREP CODE	Au ppb FA+AA	Pb ppm	Zn ppm	Ag ppm Aqua R						
BP88-16	205	75	190	157	1.8						
BP88-19	205	35	12	318	0.4						
BP88-21	205	< 5	1	9	0.1						
BP88-23	205	150	49	29	4.2						
BP88-24	205	5	1	65	0.2						
BP88-25	205	35	59	317	0.6						
BP88-26	205	50	375	320	1.5						
BP88-29	205	435	278	68	3.3						
BP88-30	205	25	115	130	0.9						
BP88-31	205	15	36	110	1.3						
BP88-32	205	60	32	155	3.6						
BP88-33	205	70	120	760	3.0						
BP88-34	205	265	3200	2250	10.5						
BP88-35	205	60	850	2630	2.3						
BP88-36	205	145	7000	>10000	20.0						
BP88-37	205	300	520	1500	5.2						
BP88-38	205	60	235	730	1.8						
BP88-39	205	10	38	67	0.3						

CERTIFICATION :

Handwritten signature: Kurt Bickler



Chemex Labs Ltd.

Analytical Chemists • Geochemists • Registered Assayers

111 BROOKSBANK AVE., NORTH VANCOUVER,
BRITISH COLUMBIA, CANADA V7J-2C1

PHONE (604) 984-0221

To: NEW GLOBAL RESOURCES

548 BEATTY ST.
VANCOUVER, BC
V6B 2L3

Project: BIRCH

Comments:

Page No. : 1
Tot. Pages: 1
Date : 28-JUN-88
Invoice #: I-8817415
P.O. #: NONE

CERTIFICATE OF ANALYSIS A8817415

SAMPLE DESCRIPTION	PREP CODE	Au ppb FA+AA	Ag ppm Aqua R	Pb ppm	Zn ppm						
BP88 - 50	205 ---	335	1.8	376	245						
BP88 - 51	205 ---	40	0.1	20	36						
BP88 - 52	205 ---	50	0.1	16	23						
BP88 - 53	205 ---	< 5	0.2	32	42						
BP88 - 54	205 ---	10	0.1	6	57						
BP88 - 55	205 ---	15	0.3	8	290						
BP88 - 56	205 ---	10	0.1	8	157						

CERTIFICATION : Hart Buchler

APPENDIX V

INDUCED POLARIZATION REPORT
BY PETER E. WALCOTT AND ASSOCIATES LIMITED

Birch 1 Claim

PETER E. WALCOTT & ASSOC. LTD.

A GEOPHYSICAL REPORT

ON

AN INDUCED POLARIZATION SURVEY

Birch Island Area, British Columbia
51° 32' N, 119° 53' W
N.T.S. 82M/12W

Claims surveyed: BIRCH I

Survey Dates: May 31 - June 9,
1988

FOR

GEMSTAR RESOURCES LTD.

Vancouver, B.C.

BY

PETER E. WALCOTT & ASSOCIATES LIMITED

Vancouver, B.C.

JUNE 1988

GEOPHYSICAL SERVICES

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PROPERTY, LOCATION & ACCESS	2
PREVIOUS WORK	3
GEOLOGY	4
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SURVEY SPECIFICATIONS	6
DISCUSSION OF RESULTS	8
SUMMARY, CONCLUSIONS & RECOMMENDATIONS	10

APPENDIX

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PERSONNEL EMPLOYED ON SURVEY	ii
CERTIFICATION	iii
I.P. PSEUDO SECTIONS	iv

INTRODUCTION.

Between May 31st and June 9th, 1988, Peter E. Walcott & Associates Limited carried out limited (budget controlled) induced polarization (I.P.) surveying over part of a property, located in the Birch Island area of British Columbia, for Gemstar Resources Ltd.

The survey was carried out over north-south lines, that were cut and chained by personnel from New Global Resources Ltd.

Measurements (first to fourth separation) of apparent chargeability (the I.P. parameter) and resistivity were made every 25 metres along the lines using the dipole-dipole method of surveying with a 25 metre dipole.

The I.P. data are presented in contour form on individual pseudo-sections bound in this report.

The progress of the survey was hampered by the inclement weather - it snowed and rained every day but one - and the three foot deep snowdrifts in the treed areas.

PROPERTY, LOCATION & ACCESS.

The property is located in the Kamloops Mining Division of British Columbia and consists of the following claims:

<u>Claim Name</u>	<u>No. of Units</u>	<u>Record No.</u>	<u>Anniversary Date</u>
Birch #1	20	126959	May 29th
Birch #2	10	126960	May 29th
Birch #3	4	126961	May 29th
Birch #4	4	126962	May 29th

The claims are situated on a northerly trending ridge lying between Foghorn Creek and Lute Creek, some 100 kilometre north north-east of the town of Kamloops and some 11 kilometres south of the village of Birch Island, British Columbia.

Access is obtained by means of two wheel drive vehicle from Birch Island by a 15 kilometre drive along the south side of the North Thompson River, and thence by a 20 kilometre drive up the Jones Creek logging road.

PREVIOUS WORK.

Previous work on the property consisted of airborne electromagnetic surveys, ground electromagnetic and induced polarization surveying, geochemical surveying, prospecting and geological mapping and diamond drilling carried out by Barrier Reef Resources, Craigmont Mines and Esso Resources between 1979 and 1984.

The results of this work are partially documented in reports now held by Gemstar Resources Ltd.

GEOLOGY.

The reader is referred to the previously mentioned reports and to a summary report on the property by W. Brian Lennan of New Global Resources Ltd.

Basically the property is underlain by Upper Paleozoic rocks of the Eagle Bay Formation consisting for the most of buff coloured phyllites and quartz sericite schists.

Generally the apparent bedding strikes northeasterly and dips shallowly to the northwest. Small scale structures indicate that tight isoclinal folding has occurred.

Minor disseminated pyrite is found scattered throughout the Eagle Bay phyllite.

PURPOSE.

The purpose of the survey was to relocate the previously observed I.P. anomaly and to define its extent - it was open in both directions with a smaller spacing prior to further investigation by drilling.

SURVEY SPECIFICATIONS.

The induced polarization (I.P.) survey was carried out using a pulse type system, the principal components of which are manufactured by Huntco Limited and Phoenix Geophysics Limited of Metropolitan Toronto, Ontario.

The system consists basically of three units, a receiver (Huntco), a transmitter and a motor generator (Phoenix). The transmitter, which provides a maximum of 2.0 kw d.c. to the ground, obtains its power from a 2.0 kw 400 c.p.s. three phase alternator driven by a gasoline engine. The cycling rate of the transmitter is 2 seconds "current-on" and 2 seconds "current-off" with the pulses reversing continuously in polarity. The data recorded in the field consists of careful measurements of the current (I) in amperes flowing through electrodes C₁ and C₂, the primary voltage (V) appearing between the two potential electrodes, P₁ and P₂, during the "current-on" part of the cycle and the chargeability (M.) presented as a direct readout using a 100 millisecond delay and a 1000 millisecond sample window by the receiver, a digital receiver controlled by a microprocessor.

The apparent resistivity (P.) in ohm metres is proportional to the ratio of the primary voltage and the measured current, the proportionality factor depending on the geometry of the array used. The chargeability and the resistivity are called apparent as they are values which that portion of the earth sampled would have if it were homogeneous. As the earth sampled is usually inhomogeneous the calculated apparent chargeability and resistivity are functions of the actual chargeability and resistivity of the rocks.

The survey was carried out using the "dipole-dipole" electrode array. This electrode configuration and the methods of presenting the results are illustrated in the appendix. Depth penetration with this array is increased or decreased by increasing or decreasing "a" and/or "n".

In practise, the equipment is set up at a particular station of the line to be surveyed; three transmitting dipoles are laid out to the rear, measurements are made for all possible combinations of transmitting and receiving dipoles, up to the fourth separation, i.e. n=4; the equipment is then moved 3 "a" feet along the line to the next set-up.

A 25 metre dipole was employed on this survey, and first to fourth separation measurements made every 25 metres along the survey lines.

The survey was originally started with a Phoenix I.P.V.I. frequency I.P. receiver but was changed to the time domain system after numerous problems with coupling and leakage - the receiver suffered from moisture problems - due to the driving wet snow and rain.

DISCUSSION OF RESULTS.

The I.P. survey showed the area around the showing to be underlain by rocks exhibiting a moderately high chargeability background - from the high teens to the low twenties - above which a zone of high chargeability is clearly discernible.

This zone extends from Line 2W to Line 2E for a strike length of some 400 metres, and could be terminated by a fault along the creek west of Line 2W.

It is narrower and of apparently limited depth extent on Line 2W, as illustrated by the typical pant leg response, but becomes wider and more complex to the east as can be seen from the profile plots of the ten point moving average.

It is associated with a zone of lower resistivity on Line 2W, which incidentally does not exhibit the same pant leg characteristics, as are the more intense parts of it on Lines 1W and 0 as can be observed on the resistivity and metal factor plots.

A case could have been made for the zone to extend from Line 3W to 4E and beyond as a weak anomaly over a background of some ten milliseconds, as suggested by the chargeabilities over the ends of the Lines 2W, 1W, 3E and 4E, but this was refuted by further surveying on Line 0 to the north where high teens and above were encountered for some 500 metres.

D.D.H BBC-83 3 collared at 19 + 55N on Line 2W would not have cross sectioned the anomaly there unless the zone dipped less than 30° to the north.

Line 0 was surveyed to the north to investigate a possible one point first separation (a = 50 m) metal factor high - mostly attributable to a resistivity low - around 27N obtained on the previous survey.

The same resistivity low was obtained but was believed by the writer to be solely caused by the underlying swampy conductive ground.

A weaker anomaly was observed around 29N on the extension of this line. Its pattern of a pant leg with the higher

DISCUSSION OF RESULTS cont'd

reading on the higher separations are suggestive of a causative source off to one side of the line.

Line 10W, a line 100 metres to the west of Line 0 at 29N and running along an old road some 15 degrees to the grid was surveyed in the remaining time frame to explore this possibility.

A strong and as yet undefined anomalous zone was observed centred around 29 to 29 + 50N that could have similar causative sources as the main anomaly.

SUMMARY, CONCLUSIONS & RECOMMENDATIONS.

Between May 31st and June 9th, 1988, Peter E. Walcott & Associates Limited undertook a limited induced polarization survey on the Birch claims, North Thompson River area, for Gemstar Resources Limited.

The survey was carried out to delineate a previously drilled undefined I.P. anomaly associated with a mineralized showing.

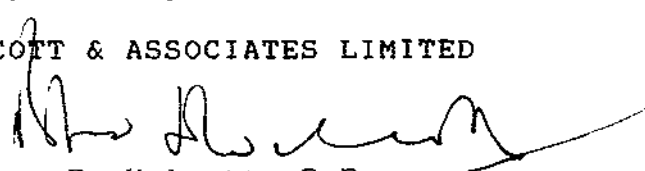
The chargeability results indicated this zone to have a strike length of some 400 metres, to have a shallow limited depth extent causative source on its western extent, and to broaden and become more complex to the east.

Further surveying along Line 0 and Line 1.0W to the north of this zone found another and as yet undefined chargeability anomaly that could have a similar causative source as the above.

As a result the writer recommends that soil sampling and prospecting be carried out in the vicinity of the second anomaly, and that the results of this and similar work over the main zone be correlated with the geophysical results prior to further investigation by geophysics and/or diamond drilling.

Respectfully submitted,

PETER E. WALCOTT & ASSOCIATES LIMITED


Peter E. Walcott, P.Eng.
Geophysicist

Vancouver, B.C.

June 1988

PETER E. WALCOTT & ASSOC. LTD.

A P P E N D I X
=====

PETER E. WALCOTT & ASSOC. LTD.

- 1 -

COST OF SURVEY.

Peter E. Walcott & Associates Limited undertook the survey on a daily basis. Mobilization and reporting were extra so that the total cost of the survey was \$12,418.82.

GEOPHYSICAL SERVICES

PETER E. WALCOTT

605 RUTLAND COURT, COQUITLAM, B.C. V3J 3T8 • TEL. 939-0383

I N V O I C E

NO. 1840

Date: June 16th, 1988

Terms: NET 30 DAYS

To: FOUNDATION RESOURCES LTD.
548 Beatty St.,
Vancouver, B.C.
V6B 2L3

Re: I.P. Survey, Birch Island, B.C.

1. Mobilization: Vancouver - Clearwater - Vancouver	\$2,300.00
2. Provision of senior geophysicist, operator, helpers and equipment for 7 days at \$1,115.00 per day	7,805.00
3. Room	738.72
4. Board	625.74
5. 10% of item 3 & 4	136.44
6. Drafting & report preparation	437.92
7. Report writing: 5 hours at \$75.00 per hour	<u>375.00</u>
	\$12,418.82
	Less deposit <u>5,000.00</u>
	\$ 7,418.82
<u>Project W-434</u>	<u>=====</u>

INVOICE NO. 1840

Please note interest will be charged at the rate of 1 1/2% per month on all overdue accounts.

PETER E. WALCOTT & ASSOC. LTD.

- ii -

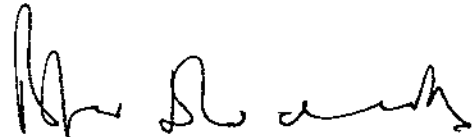
PERSONNEL EMPLOYED ON SURVEY.

<u>Name</u>	<u>Occupation</u>	<u>Address</u>	<u>Dates</u>
Peter E. Walcott	Geophysicist	Peter E. Walcott & Assoc. 605 Rutland Court, Coquitlam, B.C. V3J 3T8	May 31 - June 9 June 15-16, 1988
G. Mandryk	Geophysical Operator	"	May 31 - June 9 1988
C. Dobie	Geophysical Assistant	"	"
J. Walcott	"	"	June 1 - June 9 1988 June 16th, 1988

CERTIFICATION.

I, Peter E. Walcott, of the Municipality of Coquitlam, British Columbia, hereby certify that:

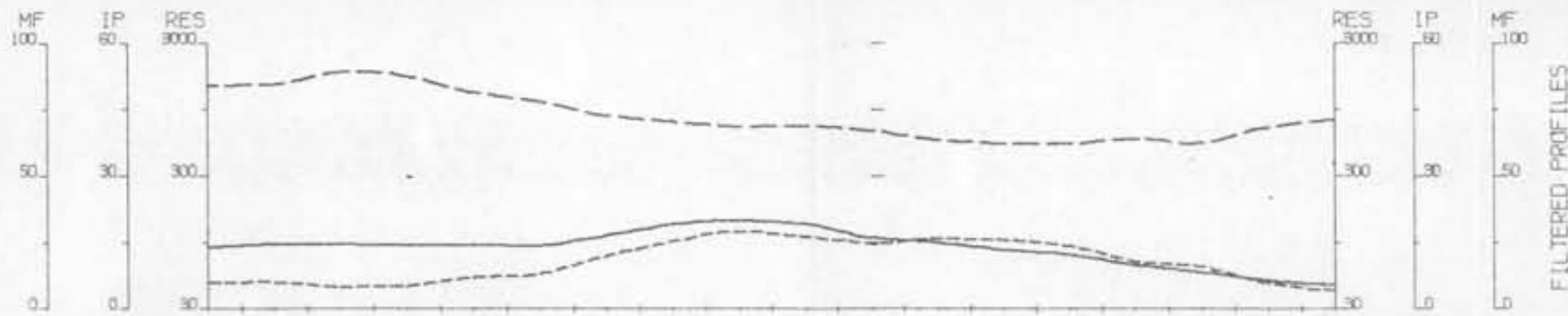
1. I am a graduate of the University of Toronto in 1962 with a B.A.Sc. in Engineering Physics, Geophysics Option.
2. I have been practising my profession for the last twenty six years.
3. I am a member of the Association of Profession Engineers of British Columbia and Ontario.
4. I hold no interest, direct or indirect, in the securities or properties of Gemstar Resources Ltd., nor do I expect to receive any.



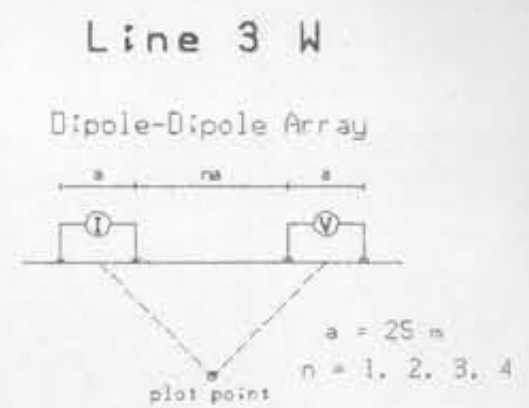
Peter E. Walcott, P.Eng.

Vancouver, B.C.

June 1988

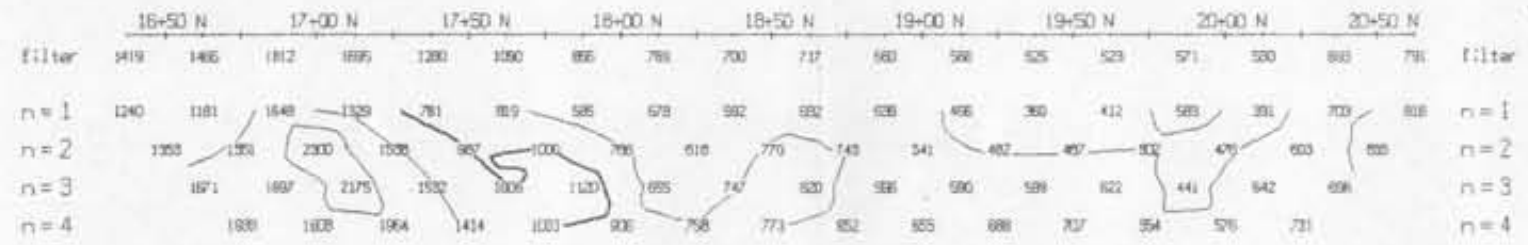


FILTERED PROFILES



TOPOGRAPHY

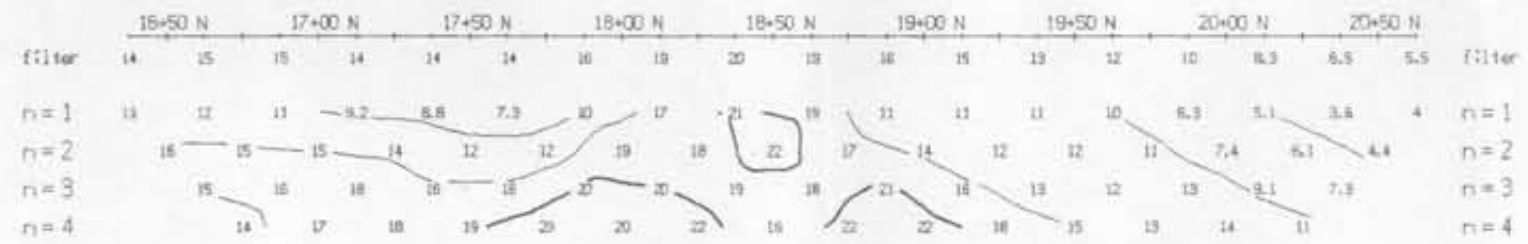
Filtered Profiles



RESISTIVITY
(ohm-m)

Resistivity ----- filter
Polarization ===== * *
Metal Factor - - - - - * * *

Logarithmic
Contours 1, 1.5, 2, 3, 5, 7.5, 10, ...



CHARGEABILITY
(milliseconds)

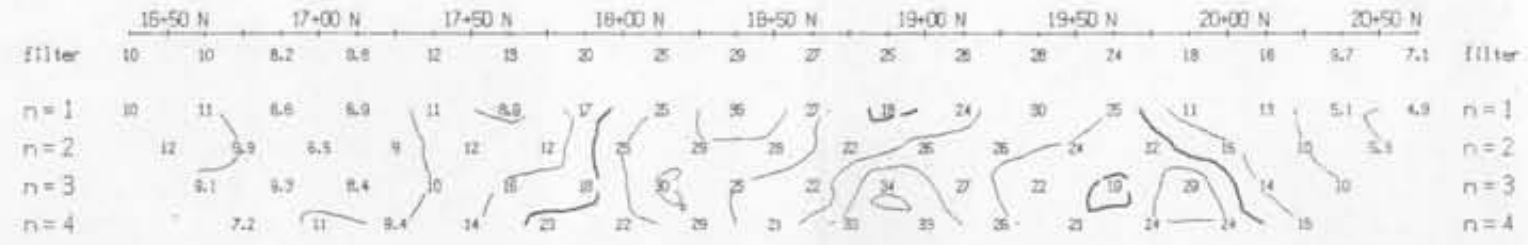
INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Poorly defined polarization increase.

Resistivity feature.



INTERPRETATION

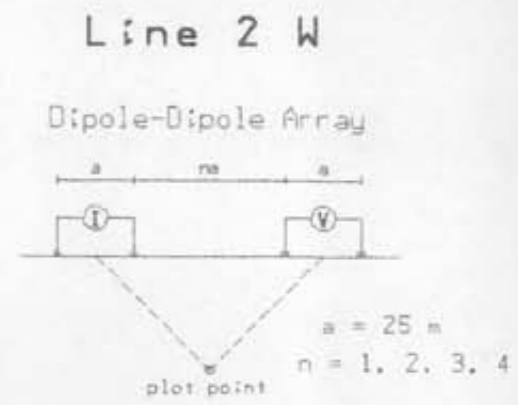
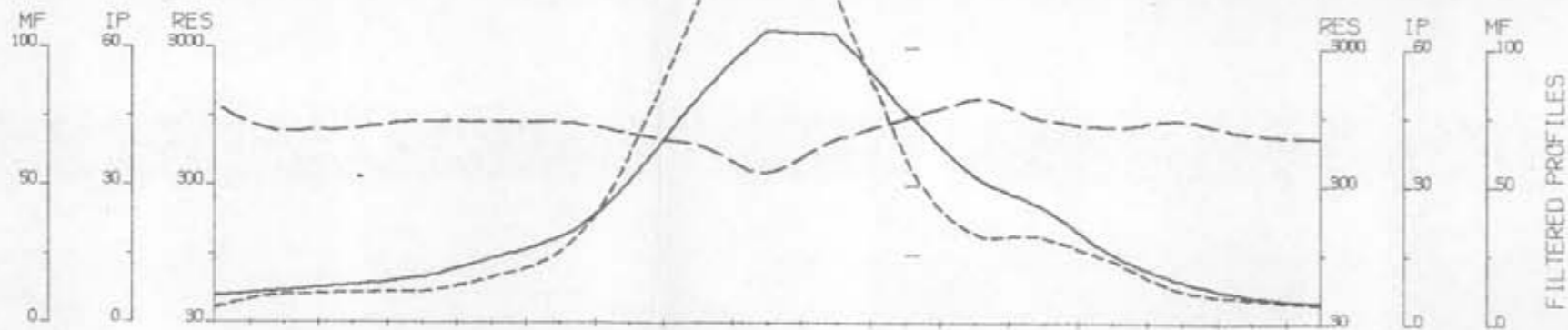
METAL FACTOR
(ip/res * 1000)

GEMSTAR RESOURCES LTD.

INDUCED POLARIZATION SURVEY
BIRCH CLAIM
BIRCH ISLAND, B.C.

Date: 06/88 N.T.S.: 82 M/12
Interpretation by: P.E.W.
Scale: 1 : 2500

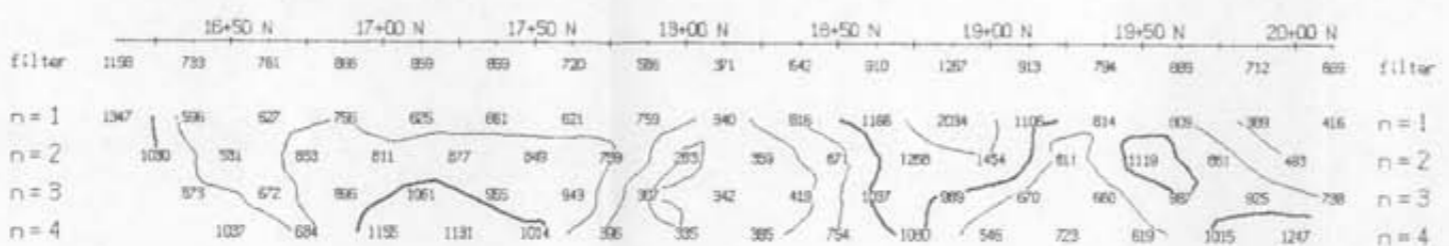
PETER.E. WALCOTT & ASSOC. LTD



TOPOGRAPHY

Filtered Profiles

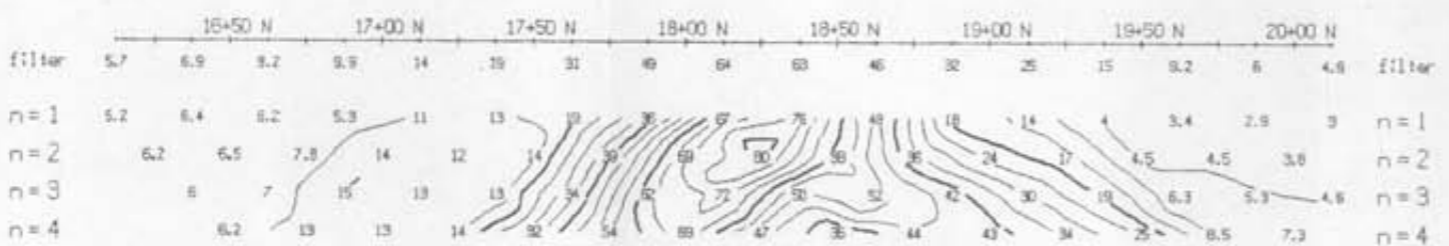
Resistivity	-----	filter
Polarization	=====	* *
Metal Factor	-----	* * *
		* * * *



RESISTIVITY

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10, ...

Instrument: MKIV, IPT1
 Frequency: 0.125 Hz
 Operator: P.E.W



CHARGEABILITY

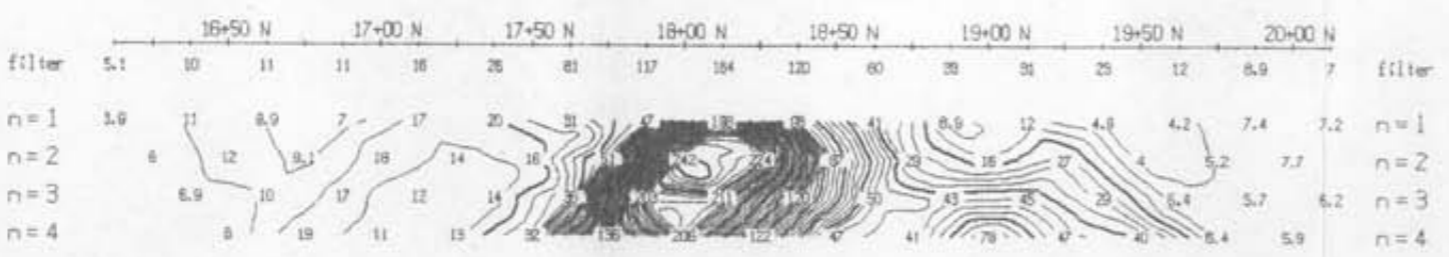
INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Poorly defined polarization increase.

Resistivity feature.



INTERPRETATION

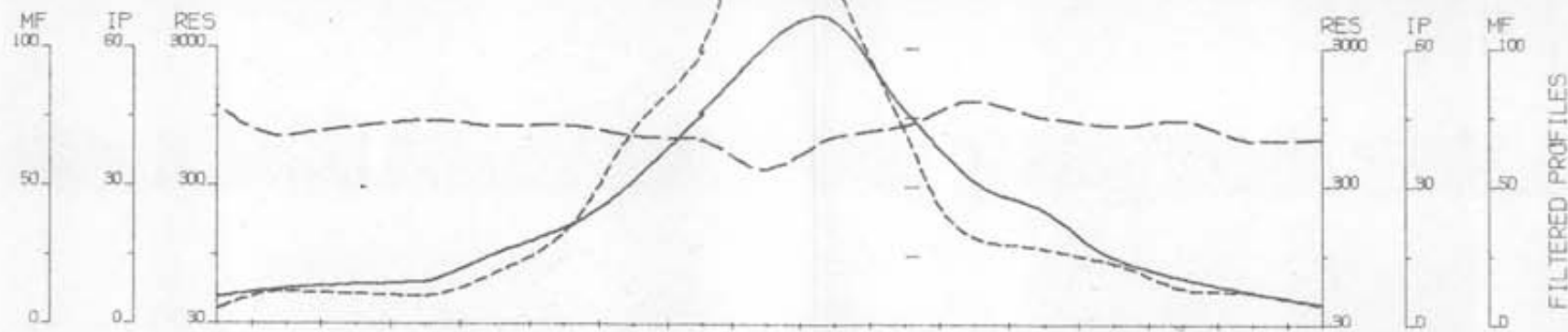
METAL FACTOR

GEMSTAR RESOURCES LTD.

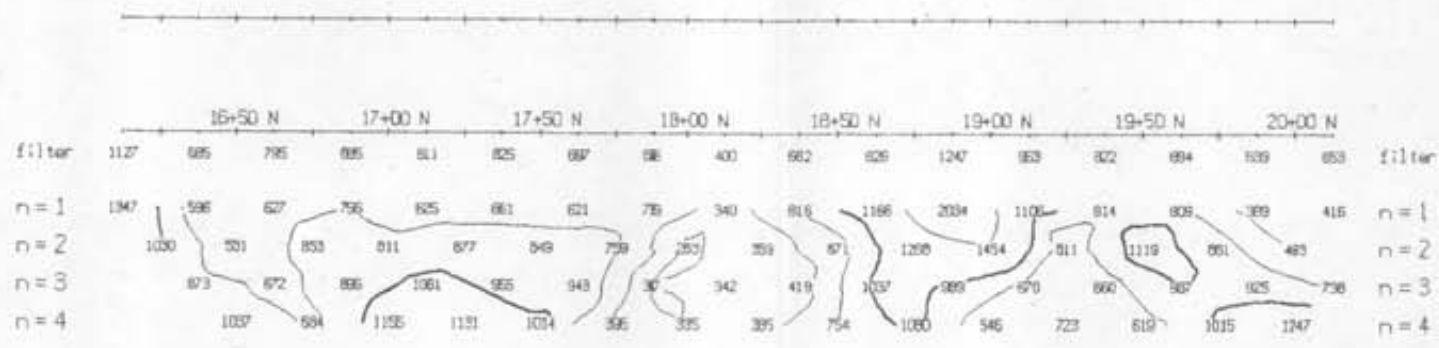
INDUCED POLARIZATION SURVEY
 BIRCH CLAIM
 BIRCH ISLAND, B.C.

Date: 06/88 N.T.S.: 82 M/12
 Interpretation by: P.E.W
 Scale: 1 : 2500

PETER.E. WALCOTT & ASSOC. LTD

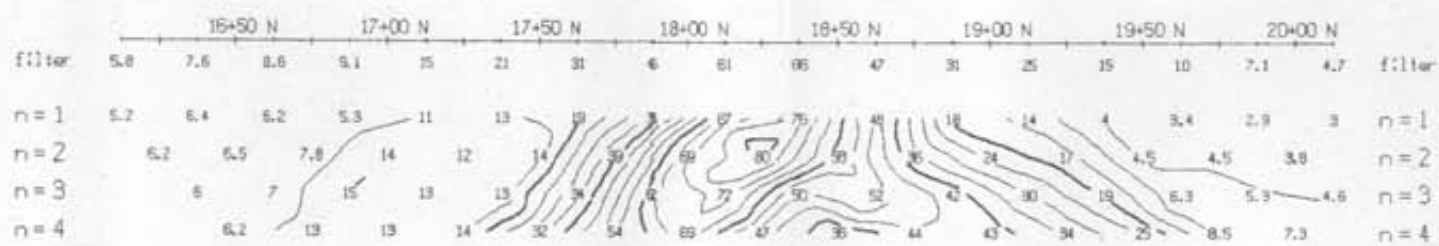


FILTERED PROFILES

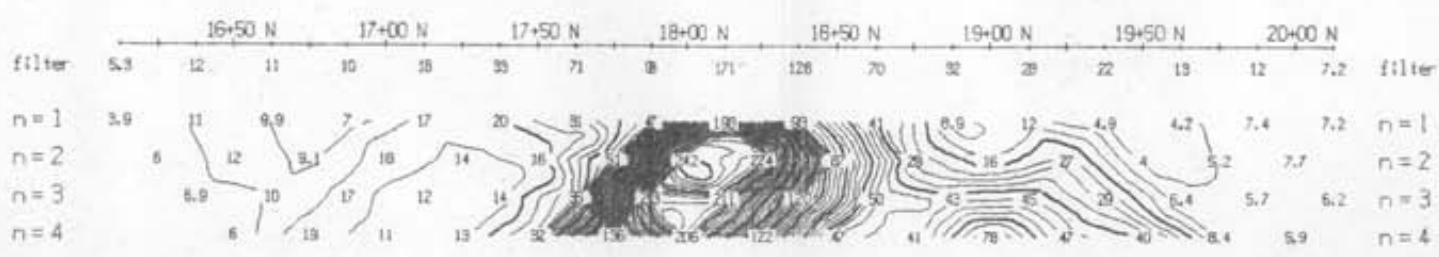


TOPOGRAPHY

RESISTIVITY
(ohm-m)



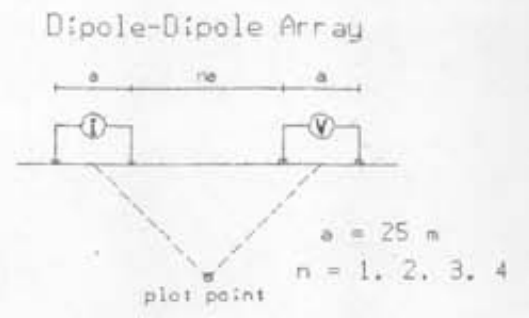
CHARGEABILITY
(milliseconds)



INTERPRETATION

METAL FACTOR
(ip/res * 1000)

L-2W



Filtered Profiles

Resistivity	-----	filter	*
Polarization	=====		**
Metal Factor	-----		* *
			* *

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10, ...

Instrument: MKIV, IPTI
Frequency: 0.125 Hz
Operator: P.E.W

INTERPRETATION

- Well defined, strong increase in polarization with or without marked decrease in resistivity.
- ||||||** Fairly well defined moderate increase in polarization.
- Poorly defined polarization increase.

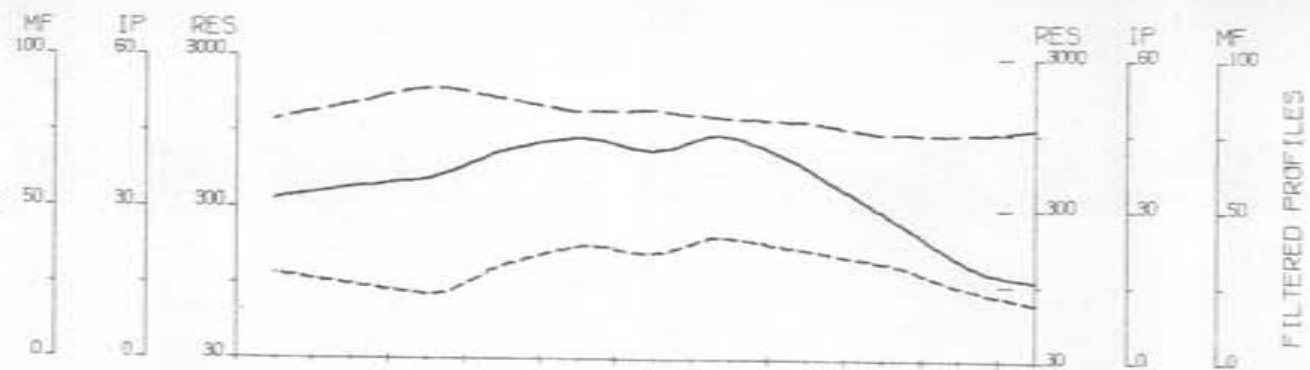
Resistivity feature.

GEMSTAR RESOURCES LTD.

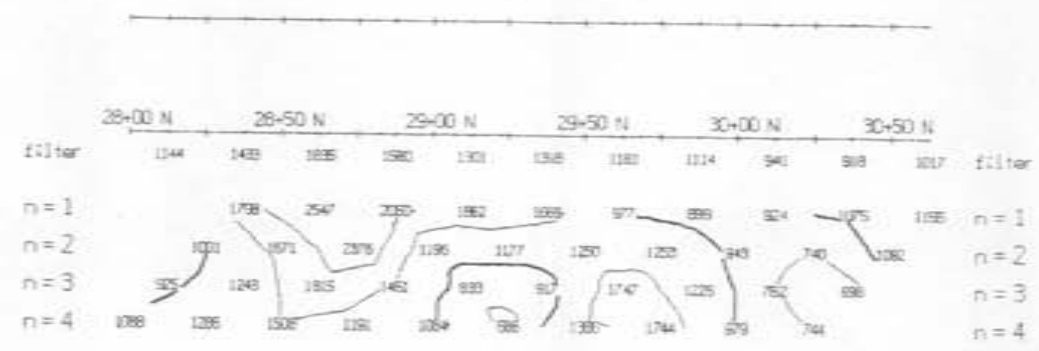
INDUCED POLARIZATION SURVEY
BIRCH CLAIM
BIRCH ISLAND, B.C.

Date: 06/88 N.T.S.: 82 M/12
Interpretation by: P.E.W
Scale: 1 : 2500

PETER.E. WALCOTT & ASSOC. LTD

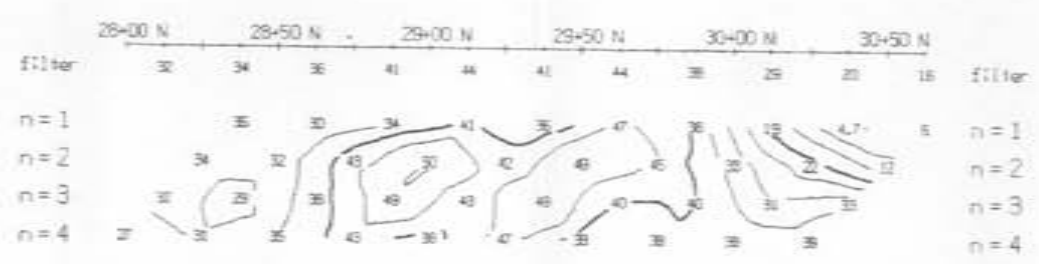


TOPOGRAPHY



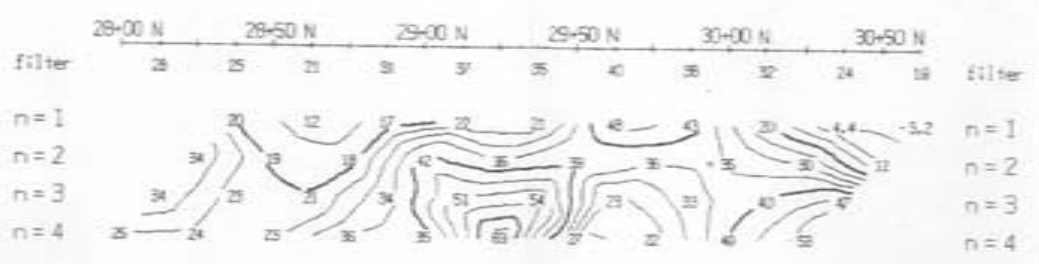
RESISTIVITY

(ohm-m)



CHARGEABILITY

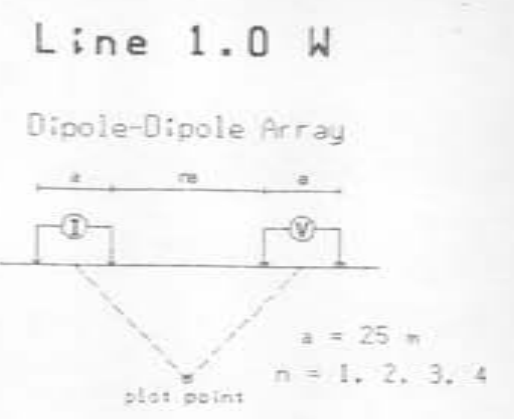
(millssecs)



INTERPRETATION

METAL FACTOR

(ip/res * 1000)



Filtered Profiles

Resistivity	-----	filter
Polarization	=====	*
Metal Factor	-.-.-.-.-	**

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10, ...

Instrument: MKIV, IPT1
Frequency: 0.125 Hz
Operator: P.E.W

INTERPRETATION

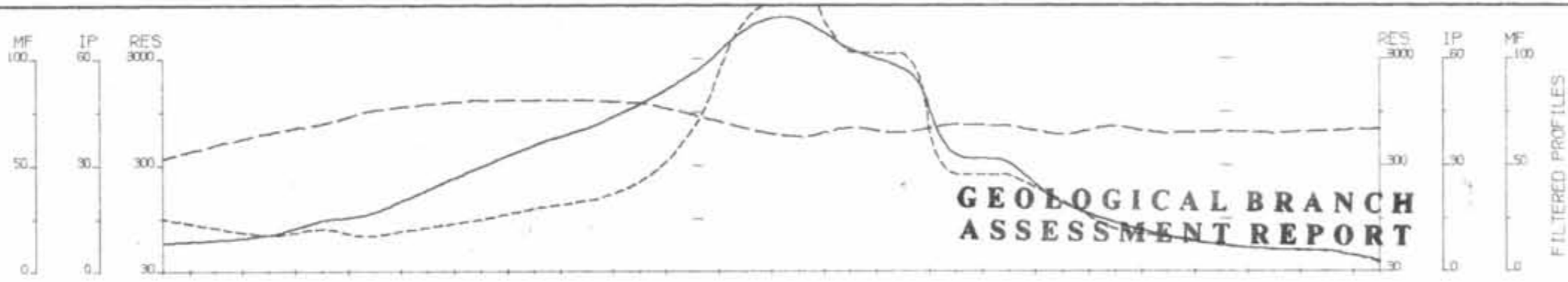
- █ Well defined, strong increase in polarization with or without marked decrease in resistivity.
- ▒ Fairly well defined moderate increase in polarization.
- ░ Poorly defined polarization increase.
- Resistivity feature.

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INDUCED POLARIZATION SURVEY
BIRCH CLAIM
BIRCH ISLAND, B.C.

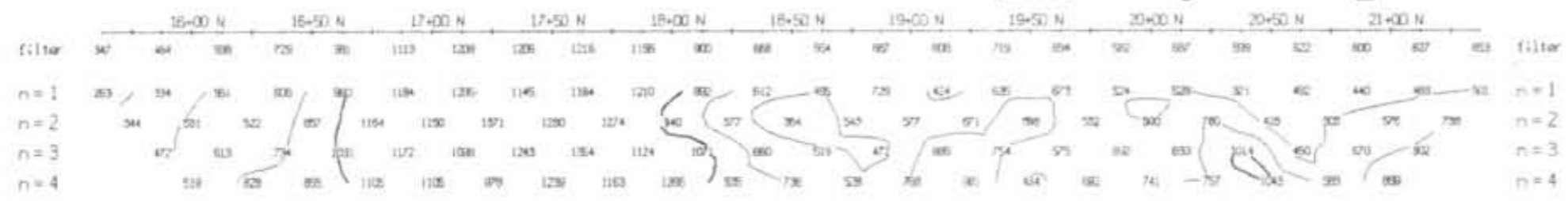
Date: 06/86 N.T.S.: 82 M/12
Interpretation by: P.E.W
Scale: 1 : 2500

PETER F. WALCOTT & ASSOC LTD

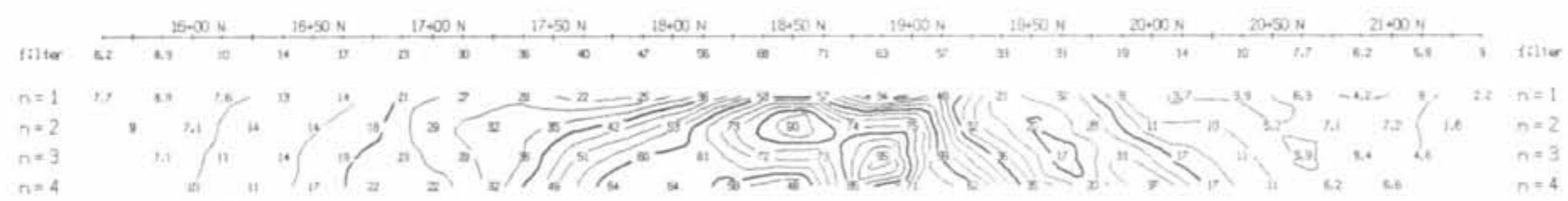


**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

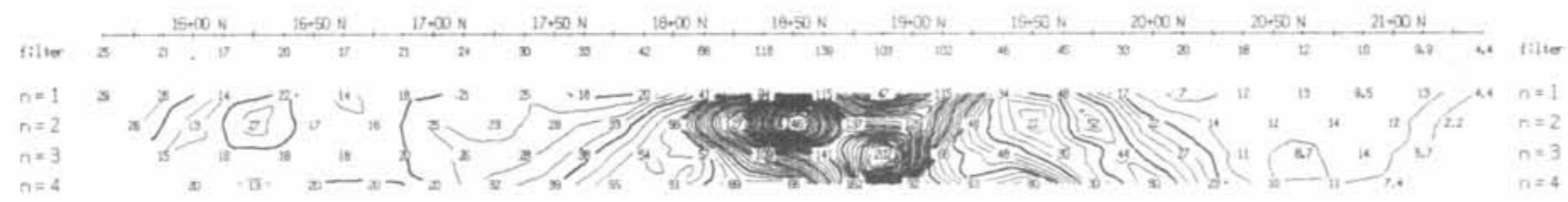
18,970



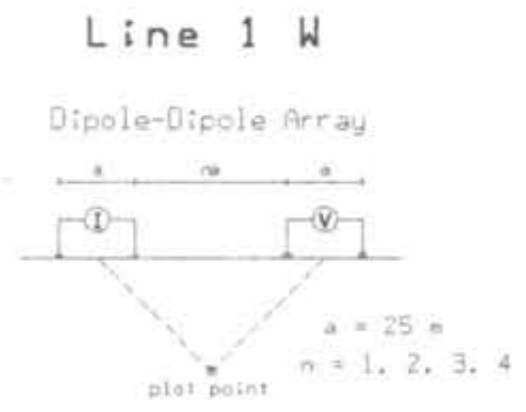
TOPOGRAPHY
RESISTIVITY
(ohm-m)



CHARGEABILITY
(milliseconds)



METAL FACTOR
(ip/res * 1000)



Filtered Profiles

Resistivity ——— filter
Polarization ——— *
Metal Factor - - - - * * * *

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10, ...

Instrument: MKIV, IPI1
Frequency: 0.125 Hz
Operator: P.E.W

INTERPRETATION

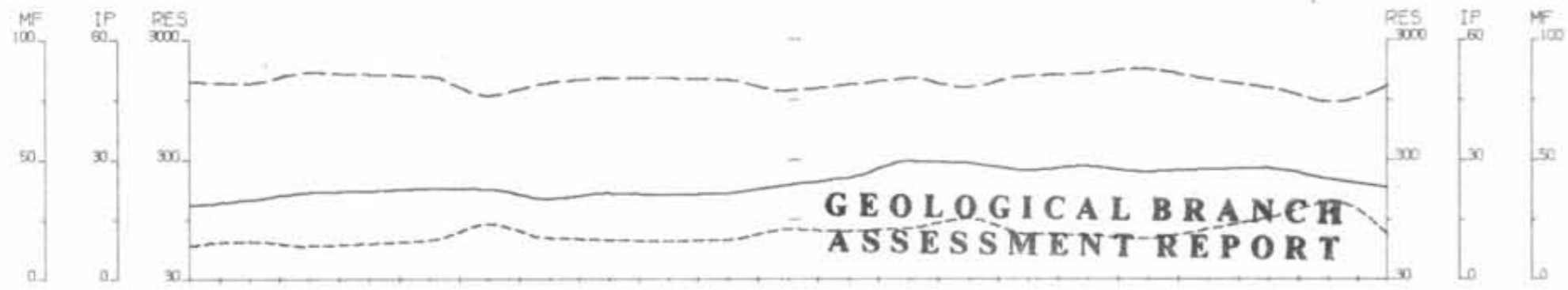
- Well defined, strong increase in polarization with or without marked decrease in resistivity.
- Fairly well defined moderate increase in polarization.
- Poorly defined polarization increase.
- Resistivity feature.

GEMSTAR RESOURCES LTD.

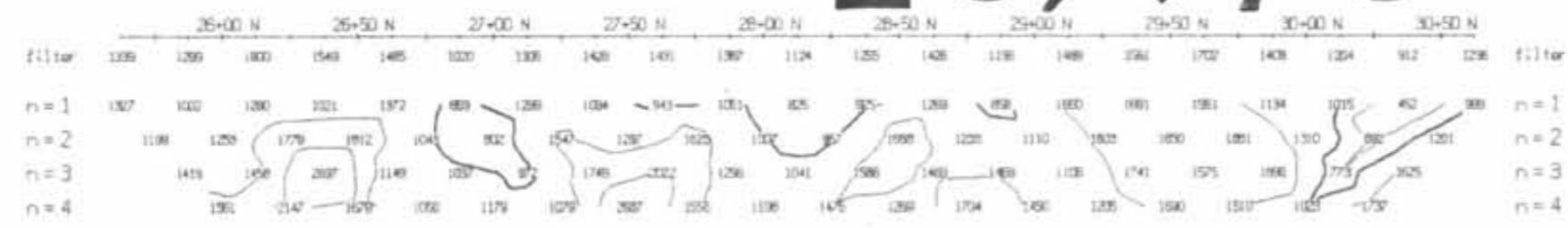
**INDUCED POLARIZATION SURVEY
BIRCH CLAIM
BIRCH ISLAND, B.C.**

Date: 06/88 N.T.S.: 82 M/12
Interpretation by: P.E.W
Scale: 1 : 2500

PETER.E. WALCOTT & ASSOC. LTD

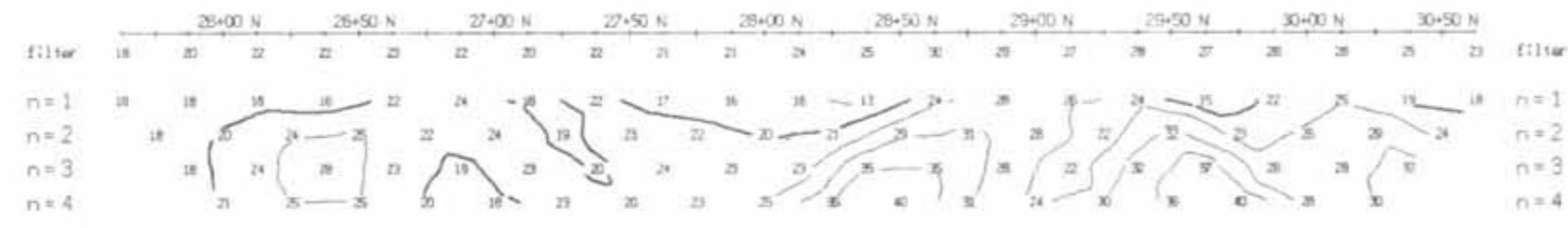


18,970

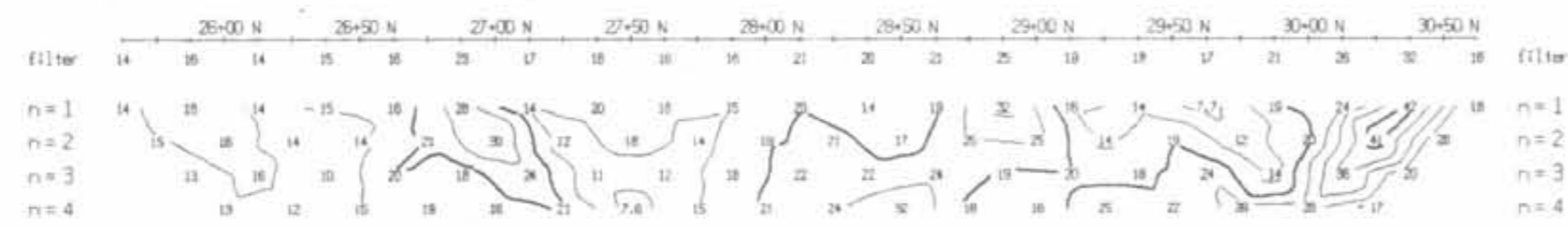


TOPOGRAPHY

RESISTIVITY
(ohm-m)

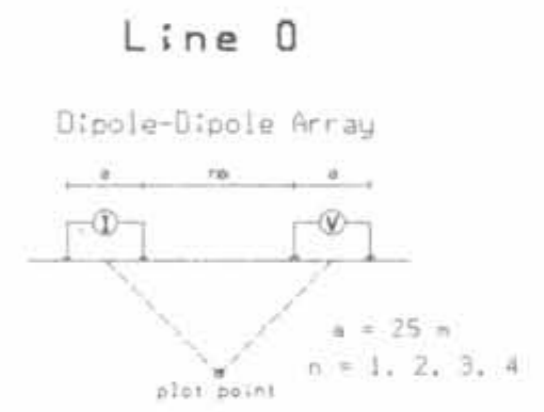


CHARGEABILITY
(millisec)



INTERPRETATION

METAL FACTOR
(ip/res * 1000)



Filtered Profiles

Resistivity ----- filter
Polarization ===== * *
Metal Factor - - - - - * * * *

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10, ...

Instrument: MKIV, IPT1
Frequency: 0.125 Hz
Operator: P.E.W

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

***** Fairly well defined moderate increase in polarization.

Poorly defined polarization increase.

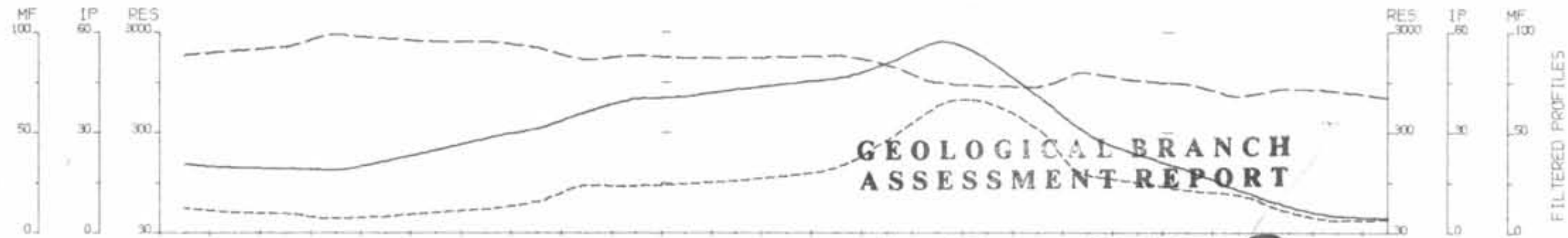
Resistivity feature.

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INDUCED POLARIZATION SURVEY
BIRCH CLAIM
BIRCH ISLAND, B.C.

Date: 06/88 N.T.S.: 82 M/12
Interpretation by: P.E.W
Scale: 1 : 2500

PETER.E. WALCOTT & ASSOC. LTD



**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

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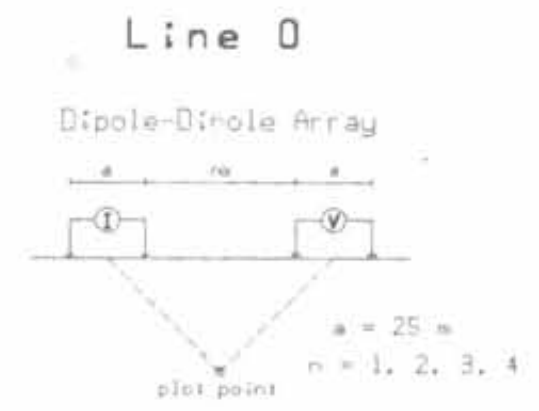
TOPOGRAPHY

RESISTIVITY

CHARGEABILITY

INTERPRETATION

METAL FACTOR



Filtered Profiles

Resistivity	-----	filter
Polarization	=====	x x
Metal Factor	-----	* * *
		* * * *

Logarithmic Contours 1, 1.1, 2, 3, 5, 7.5, 10, ...

Instrument: MKIV, IPT1
Frequency: 0.125 Hz
Operator: P.E.W.

INTERPRETATION

- Well defined, strong increase in polarization with or without marked decrease in resistivity.
- Fairly well defined moderate increase in polarization.
-** Poorly defined polarization increase.
-** Resistivity feature.

GEMSTAR RESOURCES LTD.

**INDUCED POLARIZATION SURVEY
BIRCH CLAIM
BIRCH ISLAND, B.C.**

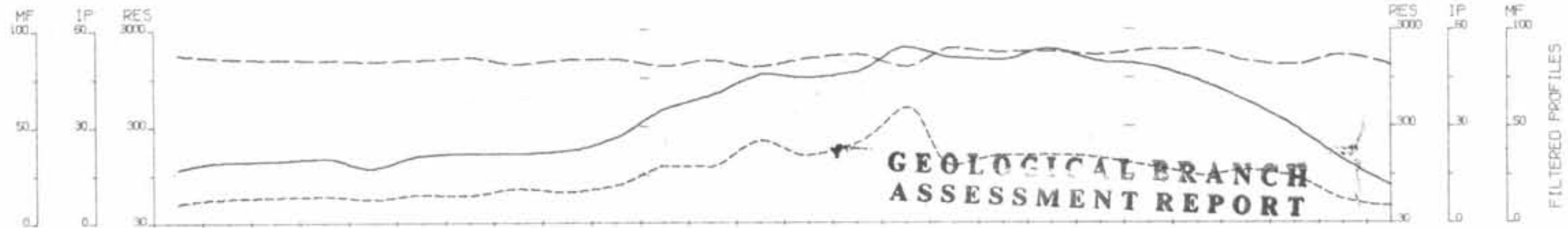
Date: 06/88 N.T.S.: 82 M/12
Interpretation by: P.E.W.
Scale: 1: 2500

PETER.E. WALCOTT & ASSOC. LTD

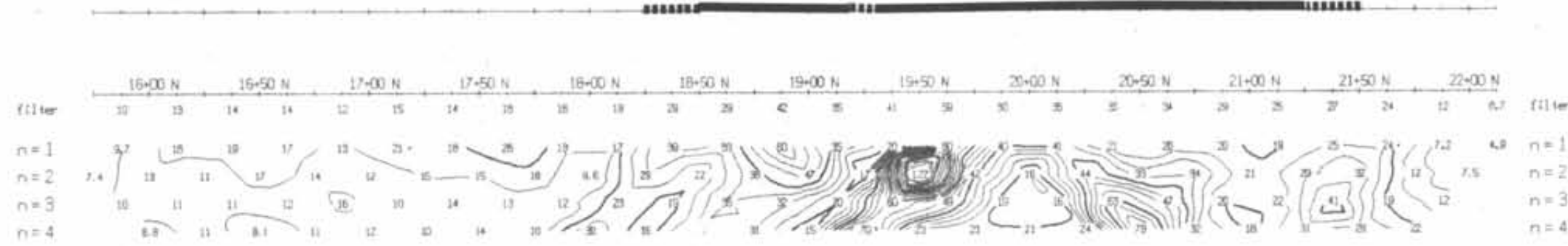
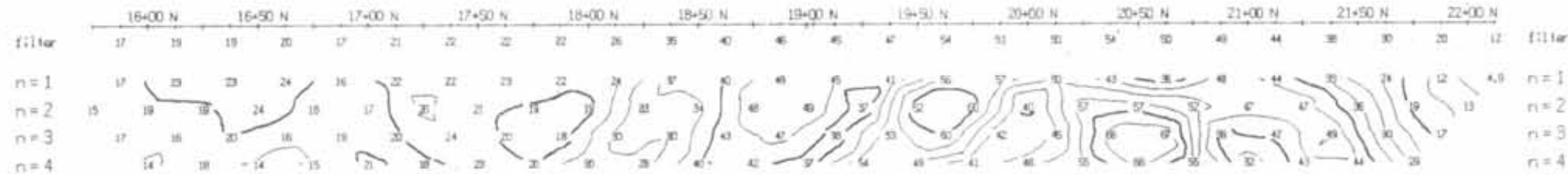
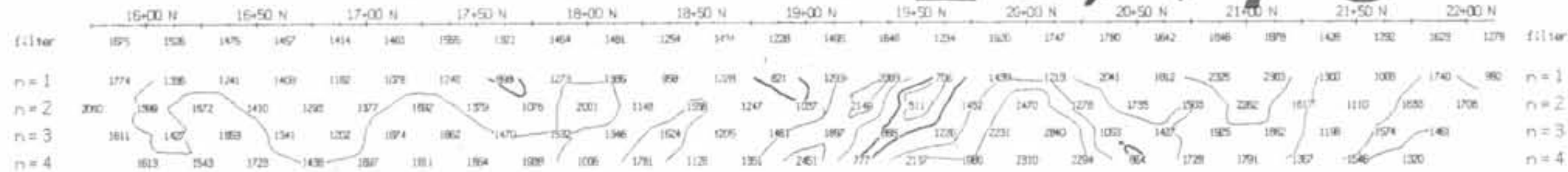
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filter	198	187	218	280	280	242	240	211	197	178	164	150	100	173
n=1	1072	1770	1730	1815	3004	2150	2087	1046	1181	1802	1889	1979	1720	2196
n=2	2225	1781	1828	2785	2812	2482	2467	2570	1484	1386	1772	1820	1588	1182
n=3	2946	1826	2212	2204	2251	2018	1940	1993	1827	1986	1732	1628	1791	1838
n=4	3300	1868	2267	1980	2488	3004	2195	2239	1634	1438	1671	1854	1788	754

	15+50 N	16+00 N	16+50 N	17+00 N	17+50 N	18+00 N	18+50 N	19+00 N	19+50 N	20+00 N	20+50 N	21+00 N	21+50 N	
filter	21	20	18	18	21	25	28	35	38	41	41	45	44	46
n=1	17	15	18	18	22	25	27	35	38	41	41	45	44	46
n=2	19	22	18	18	21	24	25	33	32	40	38	44	43	44
n=3	21	25	18	18	18	24	20	30	24	38	44	47	47	44
n=4	28	24	18	15	18	28	20	35	35	44	48	48	46	46

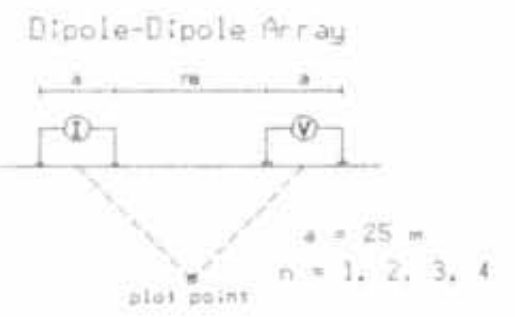
	15+50 N	16+00 N	16+50 N	17+00 N	17+50 N	18+00 N	18+50 N	19+00 N	19+50 N	20+00 N	20+50 N	21+00 N	21+50 N	
filter	15	10	9.7	7.1	6.5	10	12	15	24	29	24	26	28	32
n=1	18	6.8	10	6.5	7.1	12	12	14	30	20	21	22	25	18
n=2	8.6	12	11	6.9	6.4	10	10	13	21	25	22	25	27	23
n=3	7.2	15	6.7	6.3	6	8.1	10	18	19	25	29	25	24	24
n=4	10	15	8.1	7.4	7.6	9.3	15	18	19	30	25	26	28	28



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Line 2 E



TOPOGRAPHY

RESISTIVITY

CHARGEABILITY

INTERPRETATION

METAL FACTOR

Filtered Profiles

Resistivity filter
Polarization filter
Metal Factor filter

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10, ...

Instrument: MKIV, IPT1
Frequency: 0.125 Hz
Operator: P.E.W

INTERPRETATION

- Well defined, strong increase in polarization with or without marked decrease in resistivity.
- Fairly well defined moderate increase in polarization.
- Poorly defined polarization increase.
- Resistivity feature.

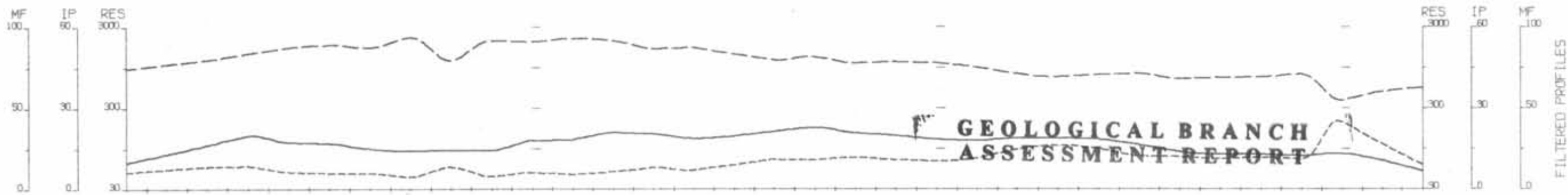
GEMSTAR RESOURCES LTD.

INDUCED POLARIZATION SURVEY

**BIRCH CLAIM
BIRCH ISLAND, B.C.**

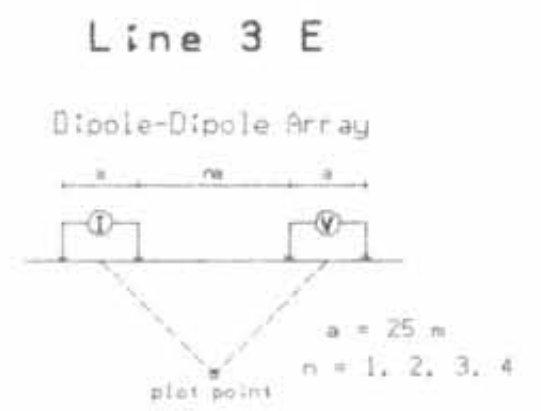
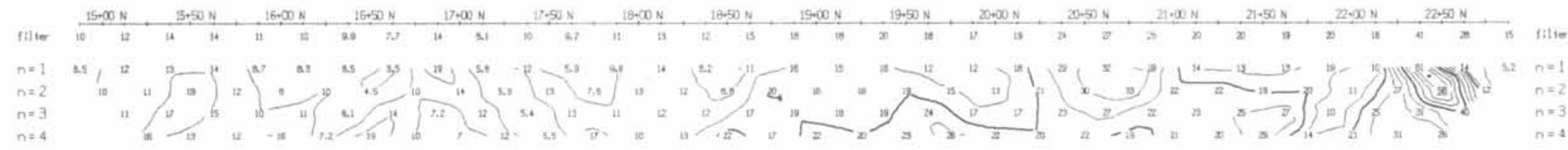
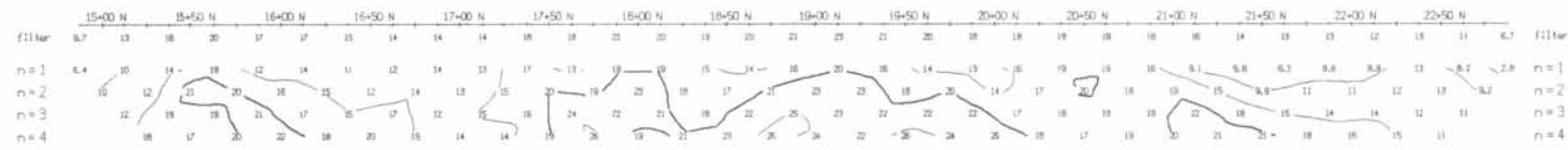
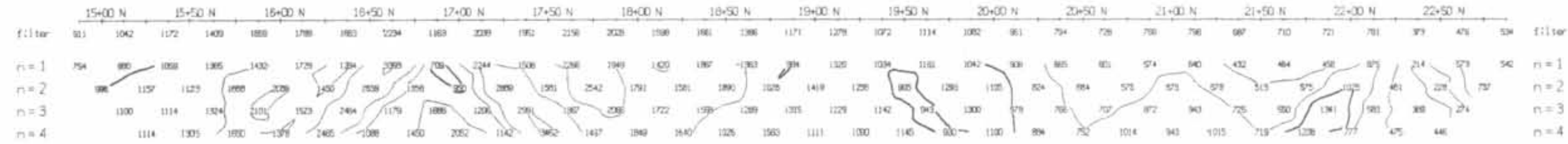
Date: 06/88 N.T.S.: 82 M/12
Interpretation by: P.E.W
Scale: 1 : 2500

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**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

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TOPOGRAPHY

RESISTIVITY
(ohm-m)

CHARGEABILITY
(milli-sec)

METAL FACTOR
(tip/res * 1000)

Filtered Profiles

Resistivity: ————

Polarization: ————

Metal Factor: - - - - -

filter: * * * * *

Logarithmic Contours: 1, 1.5, 2, 3, 5, 7.5, 10, ...

Instrument: MKIV, IPTI
Frequency: 0.125 Hz
Operator: P.E.W

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Poorly defined polarization increase.

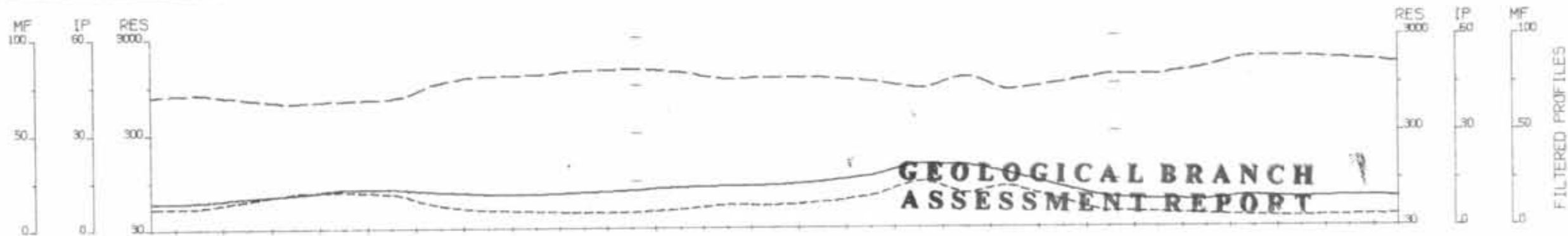
Resistivity feature.

GEMSTAR RESOURCES LTD.

**INDUCED POLARIZATION SURVEY
BIRCH CLAIM
BIRCH ISLAND, B.C.**

Date: 06/88 N.T.S.: 82 M/12
Interpretation by: P.E.W
Scale: 1 : 2500

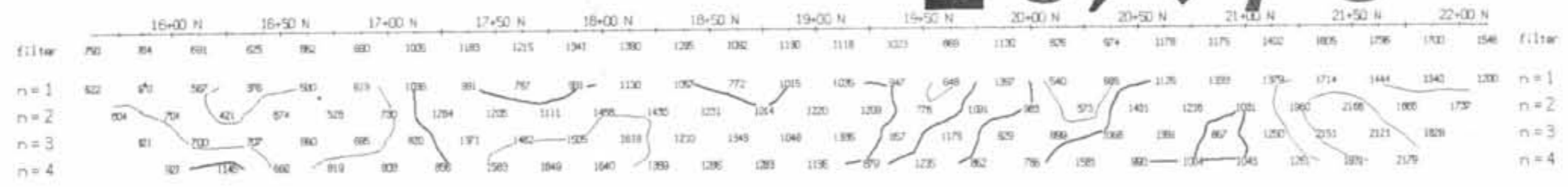
PETER.E. WALCOTT & ASSOC. LTD



**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

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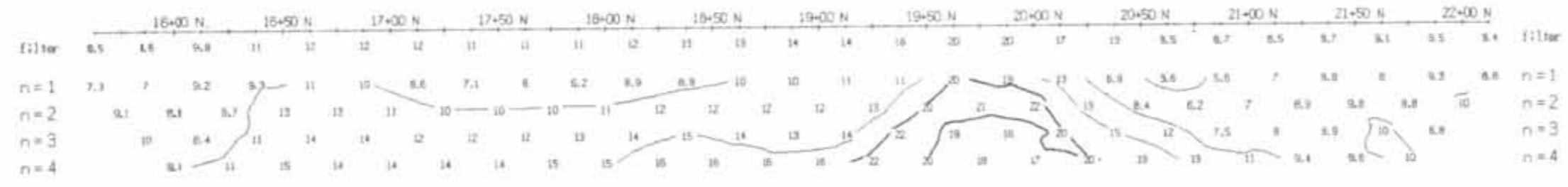
FILTERED PROFILES



TOPOGRAPHY

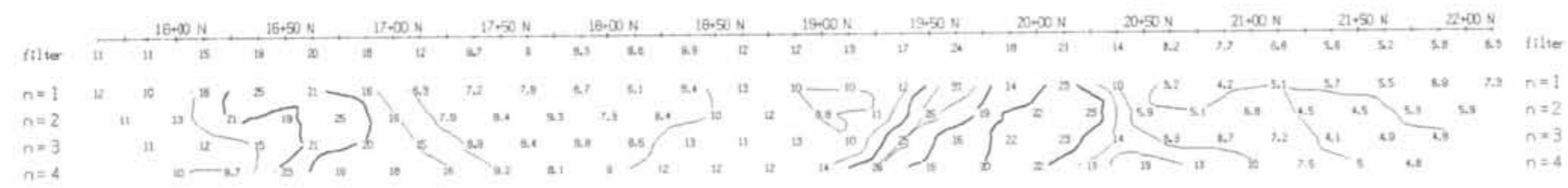
RESISTIVITY

(ohm-m)



CHARGEABILITY

(millisecs)



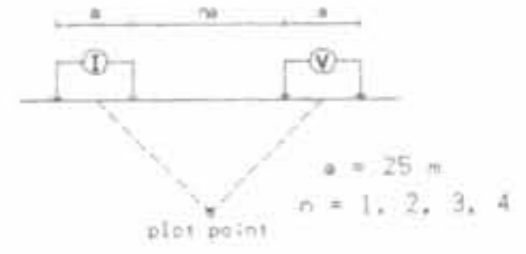
INTERPRETATION

METAL FACTOR

(ip/res * 1000)

Line 4 E

Dipole-Dipole Array



Filtered Profiles

Resistivity
Polarization
Metal Factor

filter
*
* *
* * *
* * * *

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10, ...

Instrument: MKIV, IPT1
Frequency: 0.125 Hz
Operator: P.E.H

INTERPRETATION

Well defined, strong increase in polarization with or without marked decrease in resistivity.

Fairly well defined moderate increase in polarization.

Poorly defined polarization increase.

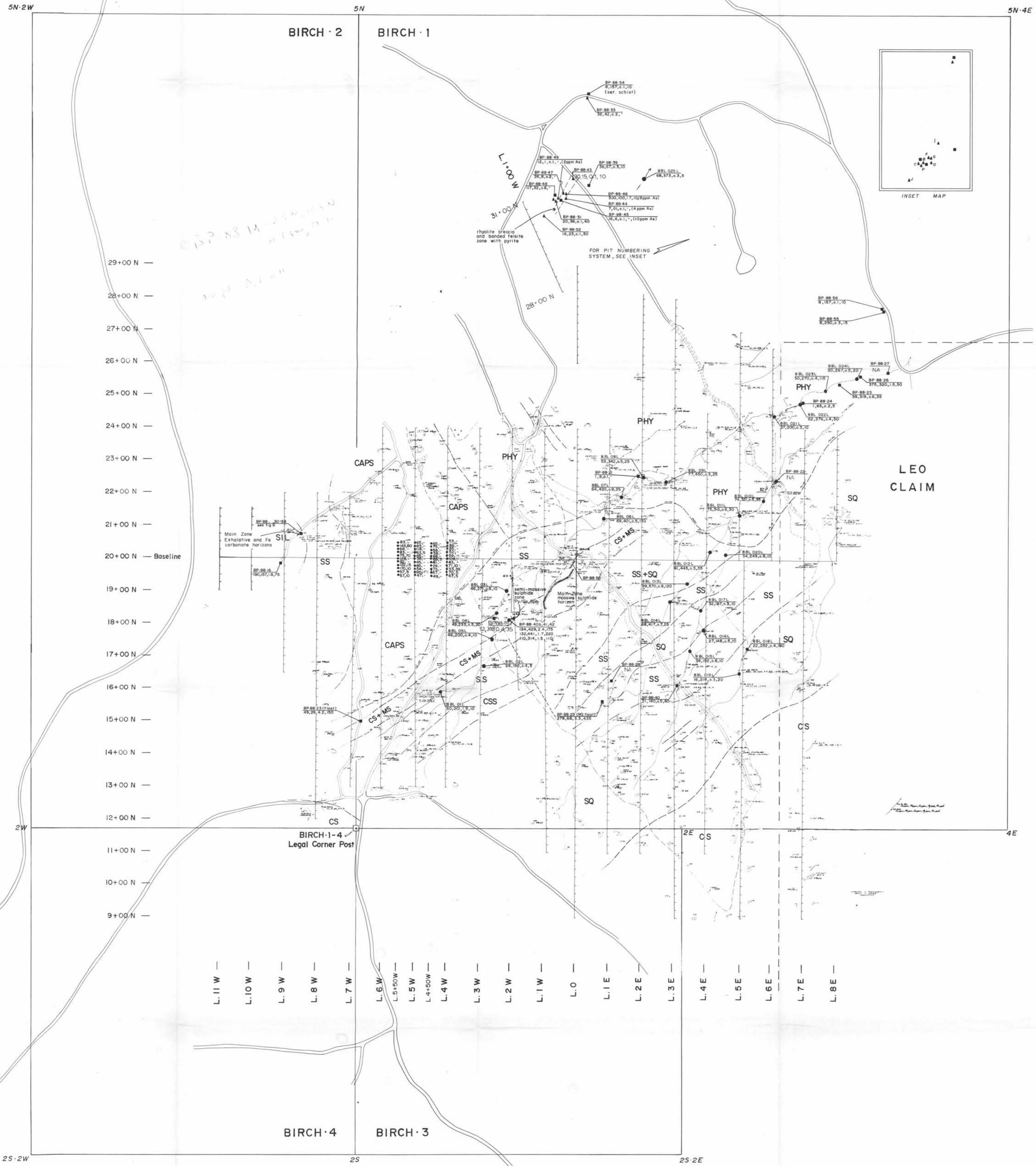
Resistivity feature.

GEMSTAR RESOURCES LTD.

**INDUCED POLARIZATION SURVEY
BIRCH CLAIM
BIRCH ISLAND, B.C.**

Date: 06/88 N.T.S.: 82 M/12
Interpretation by: P.E.H
Scale: 1 : 2500

PETER.E. WALCOTT & ASSOC. LTD



EAGLE BAY FORMATION - MISSISSIPPIAN

PHYLLITE: grey green platy, vitreous glassy sheen, locally contains fine feldspar phenocrysts, possible sediment and intermediate tuff mix.

PHY

CHLORITE ± ANKERITE ± PYRITE SCHIST: basic volcanic flow, banded; gneissic texture with alternating chlorite/feldspar/quartz-quartz/ankerite and pyrite bands.

CAPS

SERICITE SCHIST: metavolcanic rocks of probable felsic composition, yellow-yellow brown, highly schistose, (papery) containing tr quartz eyes and feldspars phenocrysts, (banded) containing alternately sericite/quartz-quartz-quartz/feldspar/pyrite; disseminated chalcopyrite/galenasphalerite bands, (waxy) containing sericite/hematite-chlorite.

SS

SERICITIC QUARTZITE: massive, siliceous sediment (quartz eyes were noted locally and may incorporate felsic flow material), grey-yellow-pink, often contains minor amounts of chlorite.

SIL-SS

QUARTZ SERICITE CHLORITE SCHIST: metavolcanic flows of probable intermediate composition, pale green, highly schistose contains 1-3% fine quartz eyes.

QSCS

CHLORITE SCHIST: metavolcanic rocks of probable basic composition, unit appears to be an andesitic breccia with remnant chloritic fragments noted along cleavage planes, medium-deep green moderately chloritic.

CS

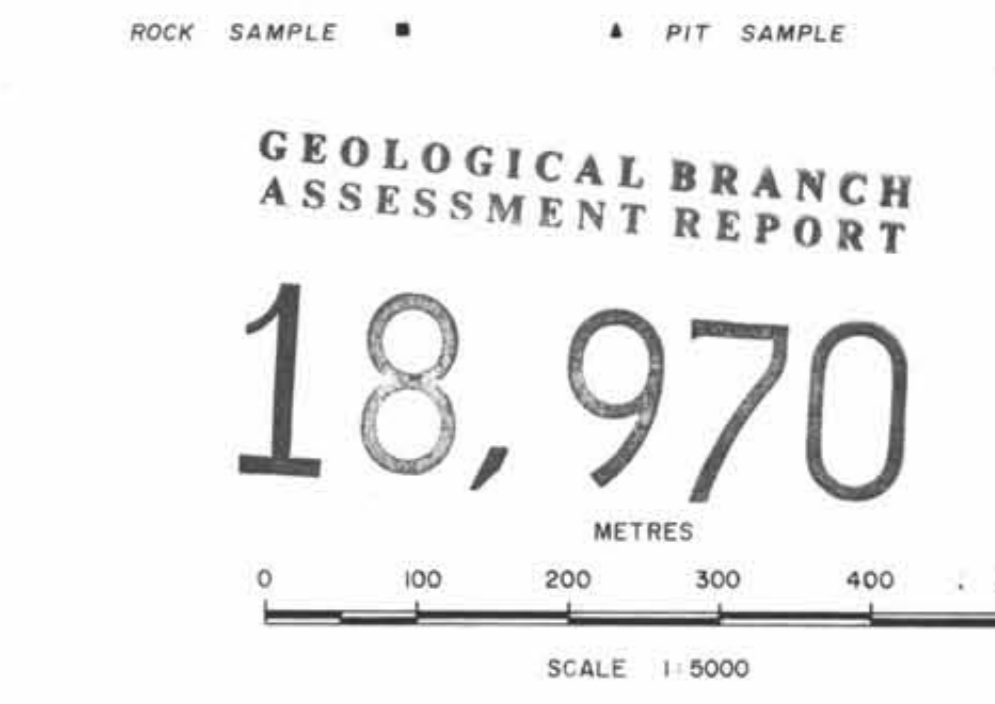
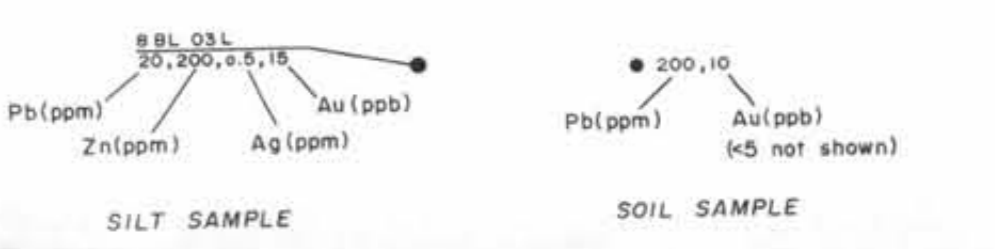
SILICIFIED, CARBONATIZED QUARTZ-CHALCOPYRITE-GALENA-SPHALERITE STOCKWORK ZONE.

SIL

SEMI-MASSIVE SULPHIDE-CHLORITE SCHIST HORIZON: banded chlorite schist with 15-80% pyrite (minor chalcopyrite, sphalerite, and galena), chlorite "may" be a hydrothermal alteration product.

MS-CS

- Shaft
- Trench
- Outcrop
- Float
- Marsh
- Stream
- Road
- Power Line
- Claim Post
- Glacial Debris
- x ICP ICP Sample Location
- x Ts Thin Section Sample Location
- x PS Polished Section Sample Location
- x WR Whole Rock Sample Location
- Geological Boundary:
 - definite
 - probable
 - inferred
- Bedding (inclined, vertical)
- Foliation (inclined, vertical)
- Joining (inclined, vertical)
- Quartz Vein (inclined, vertical)
- Plunge
- Syncline
- Anticline



FOUNDATION RESOURCES LTD.

BIRCH CLAIMS

GEOLOGY AND GEOCHEMICAL SURVEYS

PROJECT: BIRCH
 ENG: W.B.L. NEW GLOBAL RESOURCES LTD.
 DATE: JUNE 15, 1988 NTS: 82M/12W
 FIGURE: 4

022°



SD-4
220, 6.2, 158, 520, 280

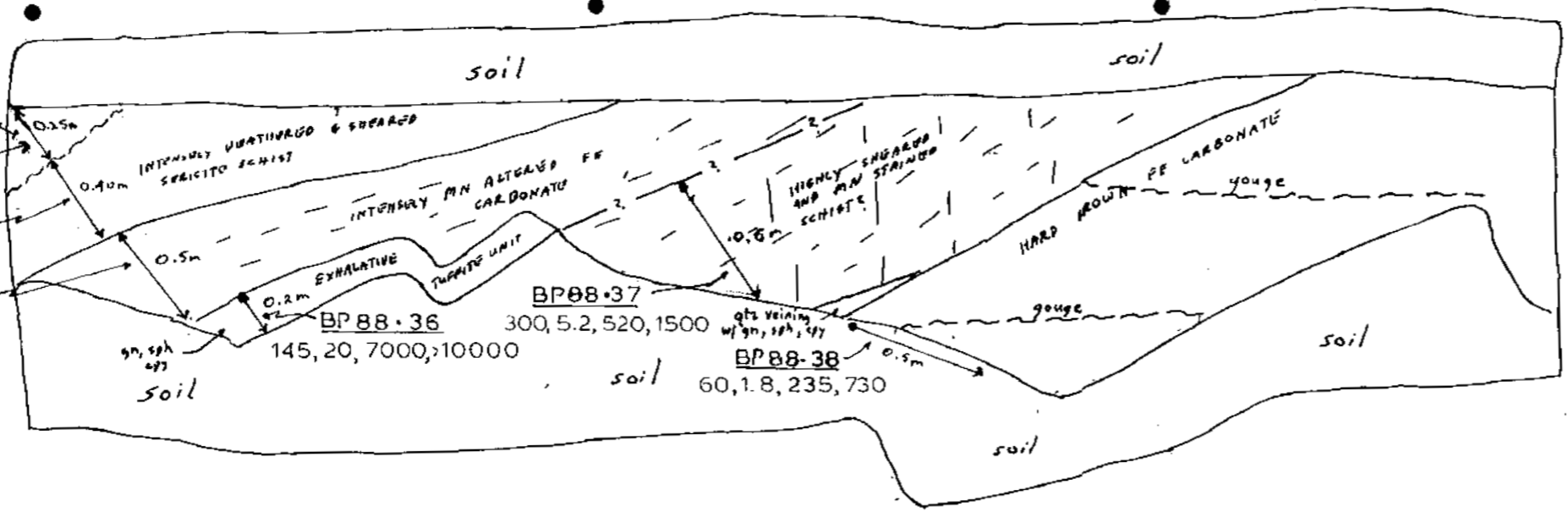
SD-3
240, 12.0, 183, 195, 300

SD-2
720, 14.2, 760, 500, 1000

SD-1
210, 2.0, 422, 340, 650

L 8+50W

Road Cut Bank
BP88-33
70, 3.0, 120, 760
BP88-34
265, 10.5, 3200, 2250
BP88-35
60, 2.3, 850, 2630

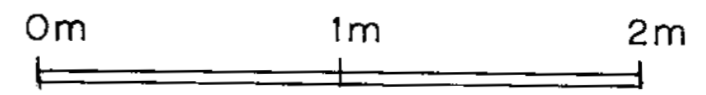


Road Cut Bank

GEOLOGICAL BRANCH ASSESSMENT REPORT

18,970

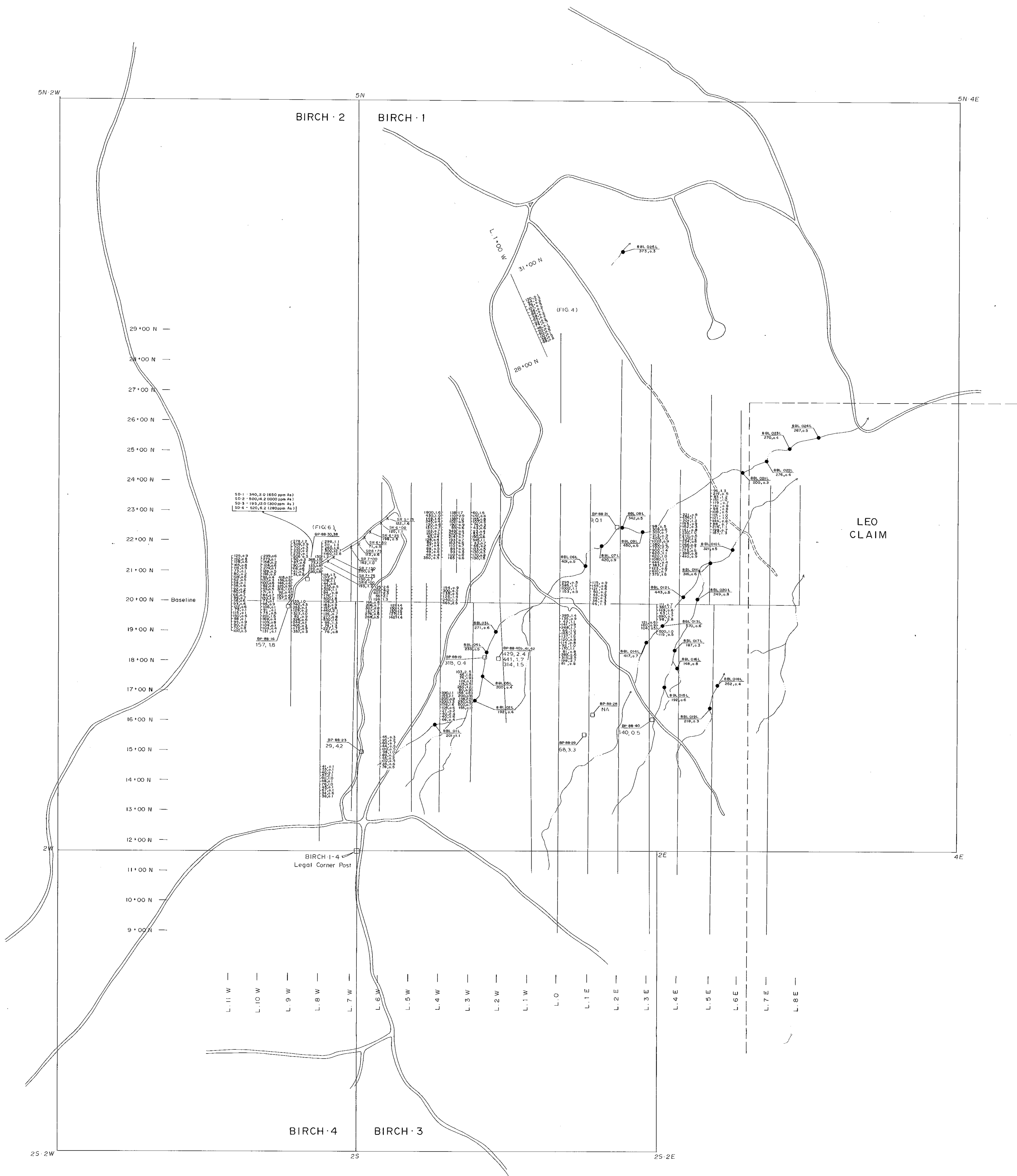
Scale 1-25



LEGEND

- SD-1 Soil samples
210, 2.0, 422, 340, 650
ppb Au, Ag, Pb, Zn, As
ppm ppm ppm ppm
- ← 0.25m → BP88-34 Rock sample over 0.25m
60, 2.3, 850, 2630
ppb Au, ppm Ag, ppm Pb, ppb Zn
- ~~~~~ FAULT ZONE
- CONTACT (defined assumed)

FOUNDATION RESOURCES	
BIRCH CLAIMS	
EXHALATIVE ZONE TRENCH	
PROJECT: BIRCH	
ENG: W.B.L. New Global Resources Ltd.	
DATE: JUNE 20, 1988	N.T.S. 82M-12W
<i>WBL</i>	FIGURE: 6



SD-1 - 350, 2.0 (650 ppm Ag)
 SD-2 - 300, 1.8 (3000 ppm Ag)
 SD-3 - 195, 0.8 (1200 ppm Ag)
 SD-4 - 155, 4.2 (1300 ppm Ag)

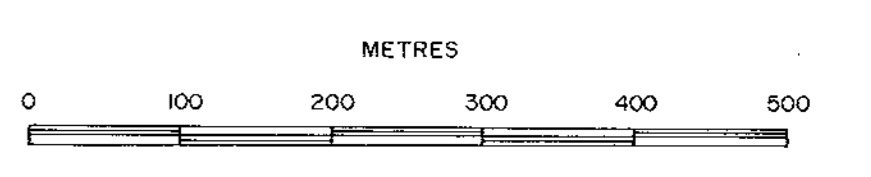
(FIG. 6)

(FIG. 4)

LEGEND

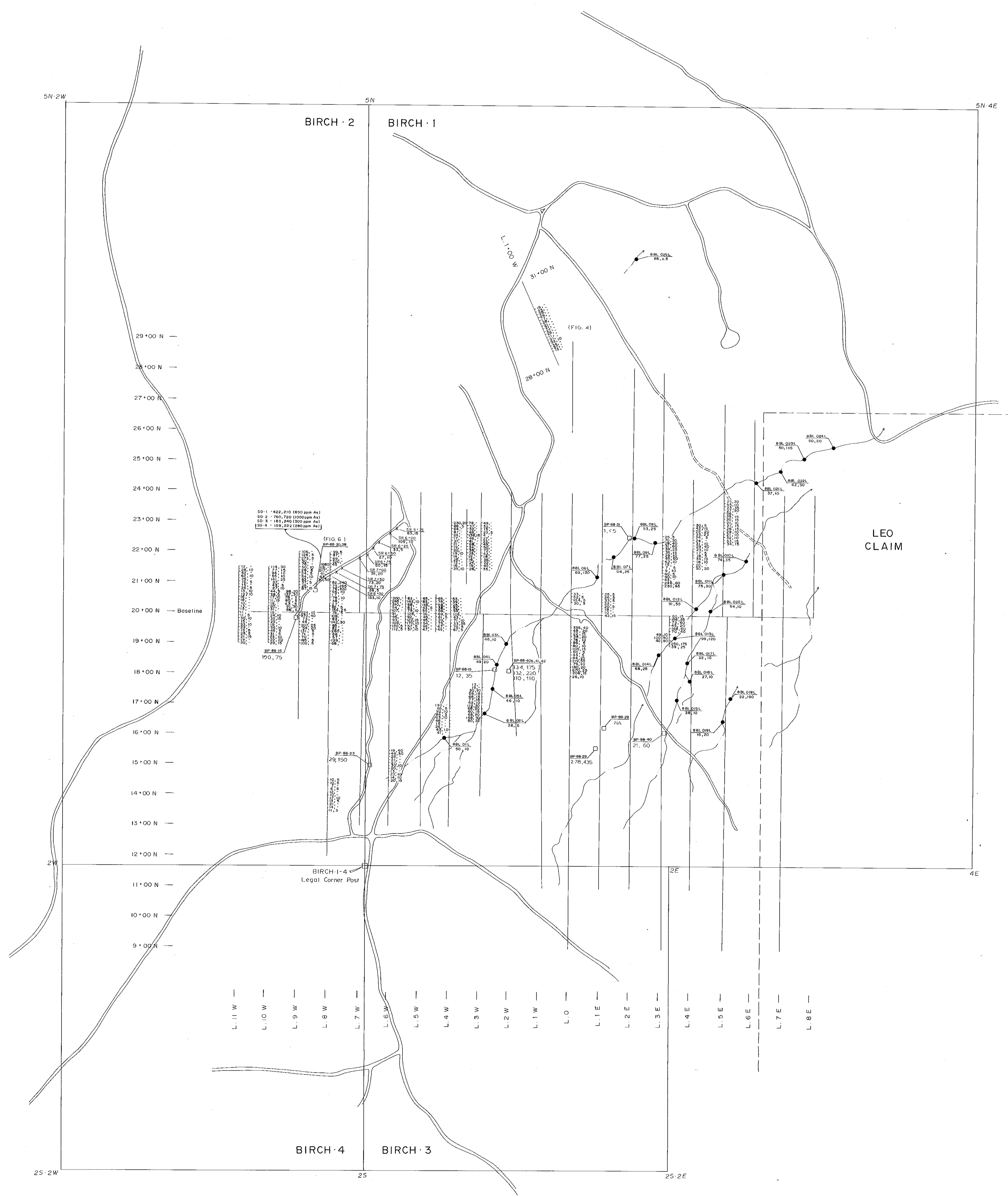
- x, — soil sample
- silt sample
- rock sample

218, 0.3
 Zinc (ppm) Silver (ppm)
 Zinc value always shown first



FOUNDATION RESOURCES LTD.	
BIRCH CLAIMS	
GEOCHEMICAL SOIL, ROCK and SILT SURVEY	
Zinc (ppm) & Silver (ppm)	
PROJECT:	BIRCH
ENG:	W.B.L. NEW GLOBAL RESOURCES LTD.
DATE:	JUNE 15, 1988
N.T.S.:	82 M/12W W.L.
FIGURE 8	

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 ASSESSMENT REPORT
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SD-1 - 422,210 (650 ppm Au)
 SD-2 - 780,720 (1000ppm Au)
 SD-3 - 183,240 (500 ppm Au)
 SD-4 - 100,000 (1000ppm Au)

BIRCH 1-4
 Legal Corner Post

LEO
 CLAIM

LEGEND
 x, — soil sample
 • silt sample
 □ rock sample

Lead (ppm) 69, 10 Gold (ppb)
 Lead value shown first Gold (ppb) are not shown

**GEOCHEMICAL ANALYSIS
 ASSESSMENT REPORT**

18,970
 METERS
 0 100 200 300 400 500

FOUNDATION RESOURCES LTD.	
BIRCH CLAIMS	
GEOCHEMICAL SOIL, ROCK and SILT SURVEY	
Lead (ppm) & Gold (ppb)	
PROJECT:	BIRCH
ENG.:	W.B.L. NEW GLOBAL RESOURCES LTD.
DATE:	JUNE 15, 1988
N.T.S.:	82 M/12W
FIGURE:	7