COST BREAKDOWN

LIQUID SUNSHINE ASSESSMENT, OCT/NOV, 1989

Consulting - Field	
David Coffin Geological mapping and sampling	
3 days @ $325.00	$ 975.00
Eric Coffin Geological mapping, assistant	
3 days @ $225.00	675.00
Subtotal	$ 1,650.00
Expenses*	
Assays and analyses	$ 399.97
Field Gear	62.23
Groceries, Meals, Accommodations	167.20
Maps, Mylars, Reproductions, copying	177.69
Truck and Chainsaw rentals	393.70
Fuel, Ferries	66.11
Subtotal, Expenses	$ 1,266.90
TOTAL COSTS	**$ 2,916.90**

* This program was performed at the same time as assessment work on the Gold Nugget property, which adjoins the Liquid Sunshine property to the north. All expenses (with the exception of assay costs) were totalled and then pro rated to each project, 2/3 as to Gold Nugget, 1/3 as to Liquid Sunshine

ASSESSMENT REPORT

ON

THE LIQUID SUNSHINE PROPERTY

for

NITRO RESOURCES INC.

LOG NO: 1227 RD.
ACTION:

FILE NO:

GEOLOGICAL BRANCH
ASSESSMENT REPORT

19,484

SUB-RECORDER
RECEIVED
DEC 31 1989
M.R. # ..... $.....
VANCOUVER, B.C.

November 25, 1989

ALBERNI MINING DIVISION

NTS 92C/15W

North Latitude 48° 58'
West Longitude 124° 58'

By

David Coffin

Vanguard Consulting Ltd.

Tel.: (604) 681-3234

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1.0 INTRODUCTION

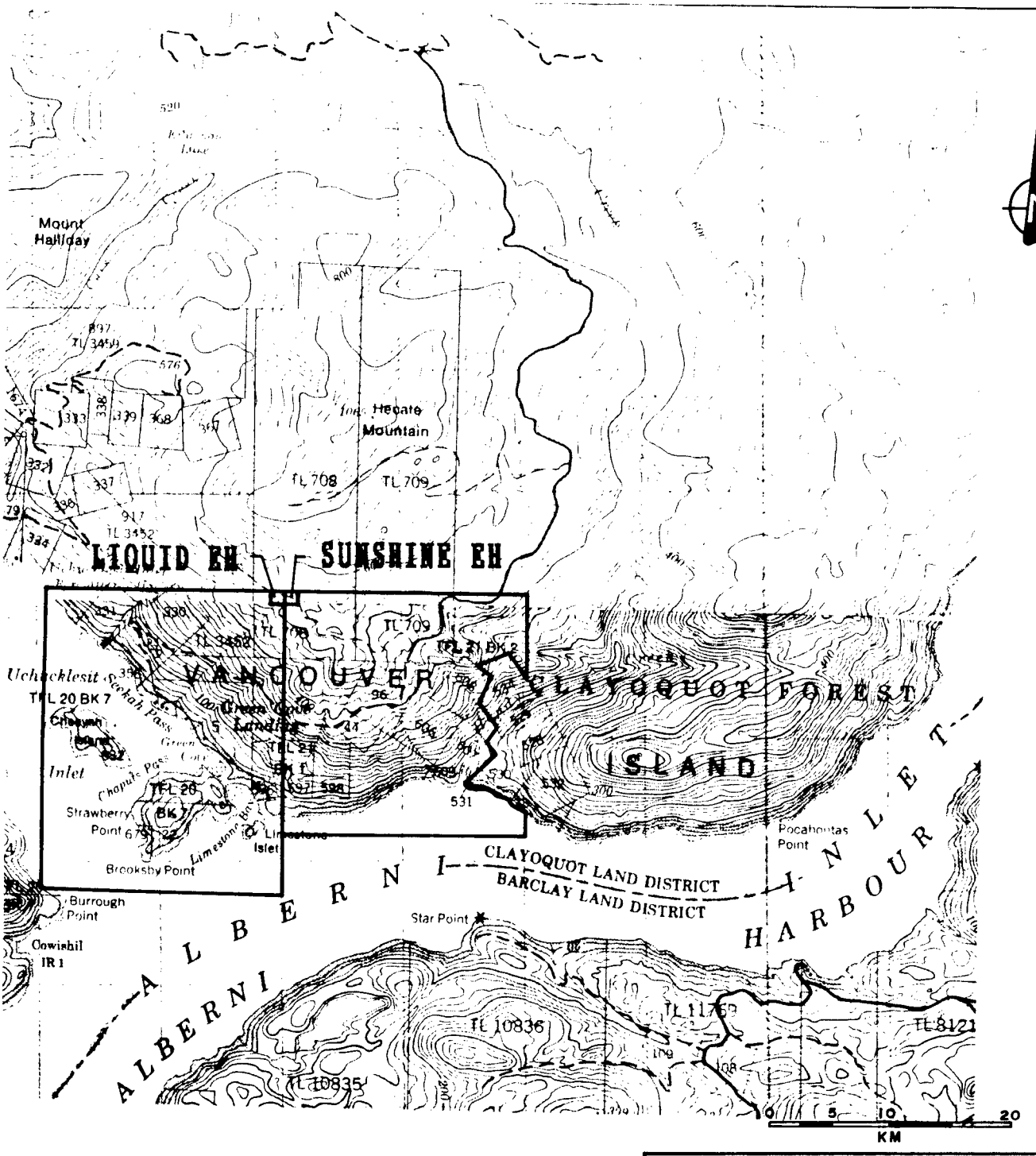
At the request of Nitro Resources Inc., a brief program of resampling and reexamination of several geological features was undertaken on the Liquid Sunshine property between October 31 and Nov. 4, 1989. This report is based on those examinations, previous reports on the property and region, and on the author's considerable experience in the area.

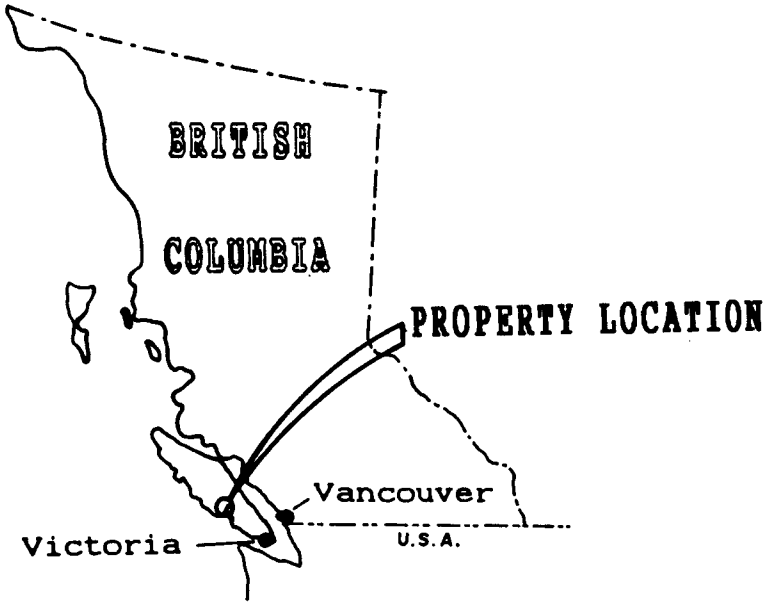
2.0 PROPERTY STATUS

The Liquid Sunshine Property consists of two Modified Grid System and 9 Reverted Crown-Granted mineral claims located on title map 92C/15W in the Alberni Mining Division. Particulars are as follows:

Claim Name	Units	Record Number	Expiry Date
Happy John	1	2810	11 Dec./90*
Happy John #1 & #3 Fr.	1	2811	11 Dec./90*
Happy John #2	1	2835	8 Jan./91*
Happy John #4	1	2792	27 Nov./90*
Green Mountain	1	2793	27 Nov./90*
Silver King	1	2807	11 Dec./90*
Copper Queen	1	2808	11 Dec./90*
St. George	1	2809	11 Dec./90*
Dora & Constance Fr.	1	2700	2 Oct./90
Liquid, Eh	20	3962	1 Nov./90
Sunshine, Eh	16	3961	31 Oct./90

The Liquid Eh and Sunshine Eh claims were staked during the program and represent a relocation of the Liquid and Sunshine claims as they where originally staked in May of 1986.





NITRO RESOURCES INC.

LIQUID SUNSHINE PROJECT

ALBERNI M.D. UTS:92C/15W

CLAIM MAP

FIG.1

COMPILED BY:EPC	DRAWN BY:P.H.
SCALE-1:50,000	DATE:Nov.,1989
REVISED:	

Vanguard Consulting Ltd.

3.0 LOCATION, ACCESS AND TOPOGRAPHY

The claims are located at the junction of Alberni and Uchucklesit Inlets, occupying the lower headland and islands for 4 kilometers to the west of Handy Creek, which drains to the south into Alberni Inlet. The closest settlement is Kildonan, a post office and collection of float houses located west of the property along the northeastern shore of Uchucklesit Inlet.

Access to the property can be gained via the Lady Rose ferry from Port Alberni, 45 km distant to the northeast which can dock on the property at Green Cove, or west of the property at Snug Harbour. Float planes or barges can also be taken to either location. Numerous logging roads, mostly in good repair, access the bulk of the property.

Elevations on the property range from sea level to 540 m at the north-central portion of the property. Topographic relief, except for the islands, is steep, averaging 350 m elevation gain per km including many sections of overgrown, sub-vertical cliff faces.

Most of the property has been logged, with ground cover ranging from fresh slash to stands of alder, clinging vines, and immature spruce and ceder, depending on the age of the new growth. Underbrush in most areas is extremely dense.

Climate in the property area is generally mild, with snow cover on the upper elevations during mid-winter months. Precipitation in the area is very heavy, averaging 200 rainfall days a year.

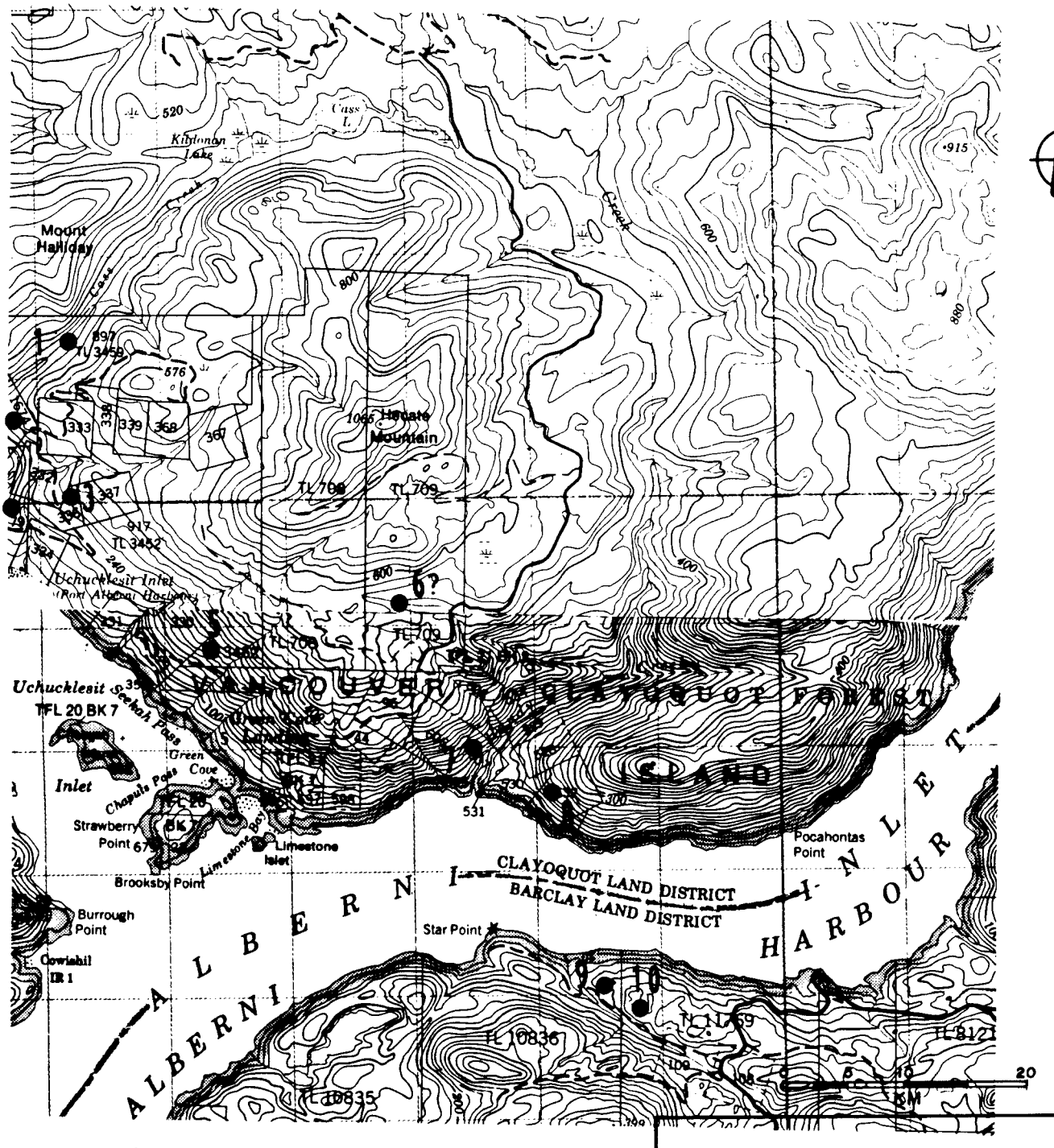
4.0 REGIONAL HISTORY

The Alberni area has been noted for it's unusually high density of mineral occurrences, nearly four times the average of the British Columbia Cordillera as a whole (Sutherland-Brown, 1988). Most of the old workings date back to the turn of the century when the area was heavily prospected for copper.

Several historic occurrences are found within the property's boundary. Most of these, such as the Southern Cross, Happy John and Monitor are skarn related mineralization with attendant copper, silver and gold values. These occurrences are more fully documented in the report by Di Spirito, Hulme dated August 18, 1987.

The Cascade property, located 1 km northwest of Liquid Sunshine, was prospected at the turn of the century following the discovery of patches of high grade chalcopyrite in limestone replacement bodies. 124 tons was mined in 1904 and 1905, yielding 104 oz of silver and 32,251 lbs copper. Mining ceased after 1905 due to a property dispute with a local fishery (MMAR 1916). The matrix for the mineralization is not described but is probably skarn related.

East of the Cascade on the Sunshine property (lots 332,336-37) copper was found in chalcopyrite/magnetite bands and lenses in epidote-garnet skarn following a limestone/diorite contact. In 1916, 5 tons mined from the property in 1905 yielded 7 oz of silver and 1915 pounds of copper. The Saucy Lass prospect (lots 1673-77) to the northwest of the Sunshine is of similar description (MMAR1916).



MINERAL OCCURANCES (Commodity)

1	Black Prince (Fe)	6	Defiance (Fe, Cu, Ag)
2	Saucy Lass (Cu, Ag)	7	Happy John (Cu, Au)
3	Sunshine (Cu, Ag, Au) *	8	Monitor (Cu, Au) *
4	Cascade (Cu, Ag) *	9	Gladys (Cu, Au, Ag)
5	Southern Cross (Cu, Ag) *	10	Edith (Cu, Ag)

* Former producer

? Location uncertain

Source: Minfile & Minister of Mines Annual Reports.

LOCAL MINERAL OCCURANCES AND PAST PRODUCERS

NTS: 92F/2W

ALBERNI M.D. 92C/15W

COMPILED BY: EPC	DRAWN BY: P.H.
SCALE-1:50,000	DATE: Nov., 1989
REVISED:	

Vanguard Consulting Ltd.

FIG. 2

The location of the Defiance group is not precisely known though the 1916 Minister of Mines Annual report describes the property as being "at the headwaters of a tributary of Handy Creek about 4000 feet from shore". Apparently there were fairly extensive workings. A sample taken from the dump material in 1916 yielded 1.2 oz silver, 3.3% copper and 52.6% iron (MMAR 1916). The showing was described as magnetite skarn scattered through diorite adjacent to a limestone contact. Careful prospecting during the next program may be able to locate this occurrence.

Locations for MINFILE occurrences local to the claims, including those described above can be found on figure number 2.

4.1 PROPERTY HISTORY

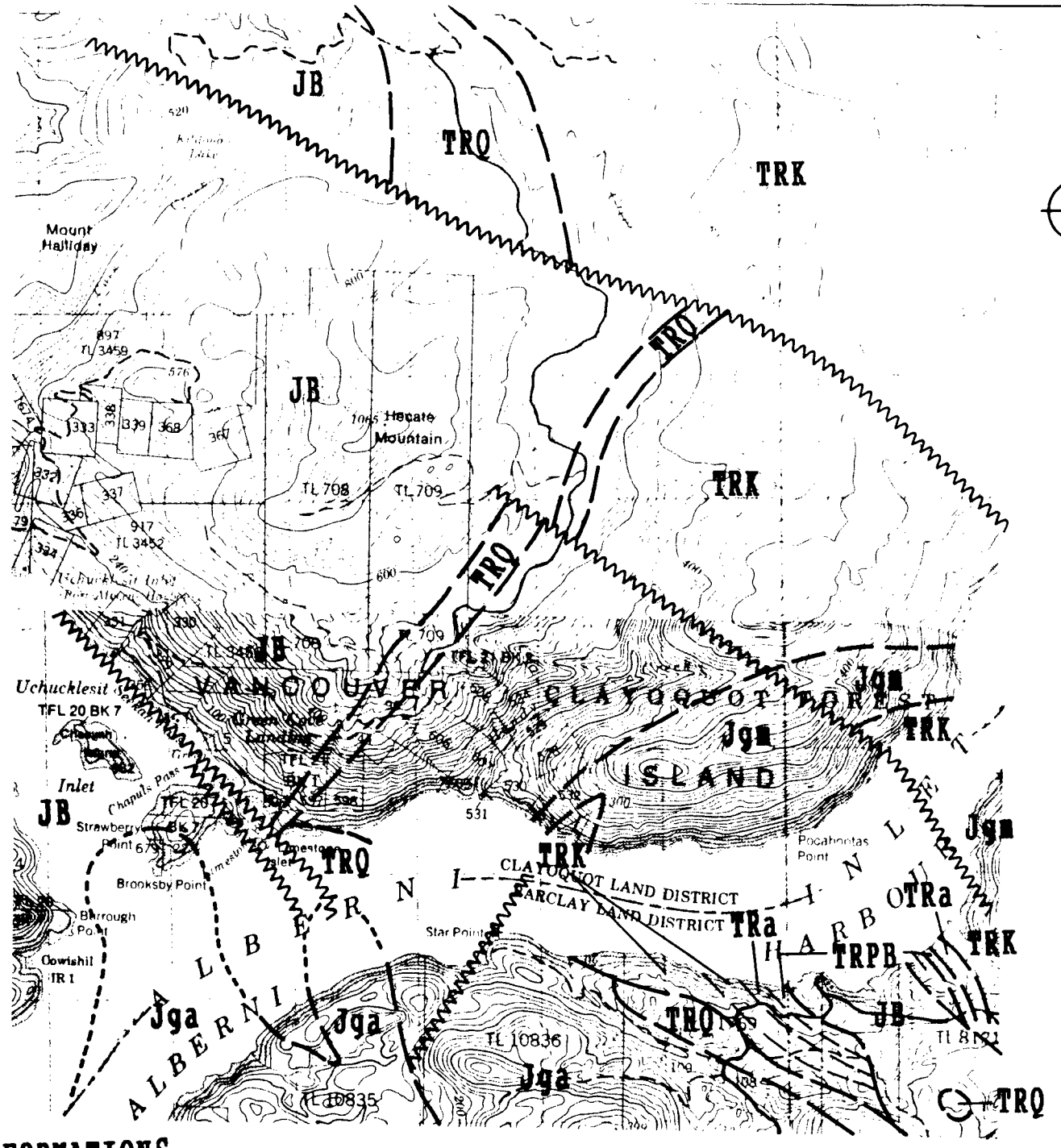
In 1986 Chelan Resources Incorporated conducted a reconnaissance program consisting of geological mapping, sampling the old workings, soil sampling, magnetometer and VLF-EM surveys. The program produced a number of areas containing copper mineralization, several including economic gold values, and and a number of anomalous zones form the surveys.

In 1987 Chelan targeted two of the gold bearing showings for detail study and conducted Induced Polarization and magnetometer surveys, detail geological mapping and a short diamond drill program. No significant gold values were returned although drill results included one intersection of about 3.5% arsenic over 6.1 m and several of elevated copper.

5.0 REGIONAL GEOLOGY (fig. 3)

Vancouver Island lies within the western most major tectonic sub-division of the Canadian Cordillera, the Insular Belt. According to Sutherland-Brown and Yorath (1987) "the area is dominated by three thick, discreet volcanic piles separated by thinner platformal sequences and penetrated by a major group of plutons that are consanguineous and coeval with the youngest pile. The tectonic settings of the three superimposed volcanic sequences evolved from a primitive marine arc to a marine rift, and then to a mature emergent arc".

The region is underlain by the Triassic Karmutsen formation, a thick pile composed of a lower pillow lava member, an intermediate pillow breccia and an upper massive amygdaloidal member all containing diabase and microdiorite sills. This is overlain by massive grey limestone of the late Triassic Quatsino formation. Two thin upper Triassic units, the Parson Bay formation composed of flaggy argillite, greywacke and sandy and shaley limestone, and the Sutton group of limestones overlie the Quatsino formation. Overlying these formations is the early Jurassic Bonanza group, a thick sequence consisting of a lower fine grained felsic tuff, an intermediate Redbed massive dacitic tuff and upper pyroclastic andesites which grades to rhyolitic tuffs at the top of the formation. All of the above are intruded by batholiths and stocks of the Island Intrusions, largely composed of quartz diorite to granitic rocks believed to be of Jurassic age. (Muller, 1977)



FORMATIONS

SEDIMENTARY ROCKS

JB — Argillite, Greywacke Basalt to Rhyolitic Lavas.

TRPB — Parsons Bay Formation: Calcareous Siltstone, Greywacke, silty Limestone.

TRQ — Quatsino Formation: Massive Limestone.

TRK — Karmutsen Formation: Basaltic Lava, pillow Lava, Breccia Tuff.

INTRUSIVE ROCKS

Jga — Island Intrusions: Granodiorite, Quartz Diorite.

Jgm — Island Intrusions: Granite, Quartz Monzonite

Regional Geology after: Muller (1977), Sutherland - Brown, et al (1987)

REGIONAL GEOLOGY

FIG. 3

COMPILED BY: EPC	DRAWN BY: P.H.
SCALE - 1 : 50,000	DATE: Nov., 1989
REVISED:	

Vanguard Consulting Ltd.

5.1 PROPERTY GEOLOGY

Layered rock on the property is composed of massive, gray Quatsino limestone, a thin member of Parsons Bay argillite seen in the central property area, and sections of andesitic Bonanza volcanics. An area of fine grained felsic intrusive in the northeastern area of the property which had been classified as sub-volcanic member of the Bonanza sequences was reexamined during this program and reclassified as plug of hornblende granodiorite related to the Island intrusions.

The area has undergone several episodes of structural deformation and precise relationships are difficult to recognize in detail. Evidence that the Bonanza volcanics were emplaced into a karst topography further complicates structural interpretation. Detailed study of the Parsons Bay clastic lithologies would greatly aid future structural interpretation. Refurbishing of the "Powderhouse Main" road which runs through north central portion of the property has opened new exposures of the clastic units which should be remapped during subsequent programs.

5.2 SAMPLING PROGRAM

Four samples (LSC 201 to 204) weighing 7.5 kilograms each where collected from the area of the 1987 detail grids in order to check erratic gold results form previous programs. The samples where first analyzed by ICP for a thirty element suit and by conventional fire assay for gold and silver, and then re-assayed for gold using a Total Metallic preparation which involves grinding of the entire sample, segregation by particle size and fire assay of component material separately. This method is designed to reduce error caused by coarse gold. A detailed description of the method is contained in Appendix B.

Sample 201 was taken from partially banded pyrrotite-marcasite-garnet skarn found above the portal of the Happy John 4 adit. Previous sampling of his showing had indicated it is barren of gold. Sample 202 was taken 85 metres northwest of 201 from a pale green, siliceous skarn containing 15% crystalline yellow grossularite filling narrow fractures and discrete patches up to 1 cm across. Previous sampling of this rock had returned varied gold results ranging between background levels and .133 oz/ton.

Sample 201 returned .12 g/t gold by conventional preparation and .05 g/t gold net of the metallic preparation. Sample 202 returned .01 g/t gold from the conventional preparation and .04 g/t gold net of the metallic gold preparation. In both samples there was a much higher proportion of gold in the +120 mesh fraction than the -120 mesh fraction.

Samples LSC 203 and 204 where collected 5 metres apart form an outcrop of massive pyrrotite-silica-chlorite in andesite, from which one sample collected in 1986 ran .128 oz/ton gold while three others contained background levels. Drilling at this location in 1987 returned the high arsenopyrite intersection noted in the history with 205 ppb gold.

Sample LSC 203 returned .01 g/t gold by conventional preparation and .05 g/t gold net by metallic preparation. Sample LSC 204 returned .05 g/t gold by both conventional and metallic preparation. As with the first two samples by far the greatest proportion of gold was contained in the +120 mesh fraction rather then the -120 mesh fraction.

6.0 CONCLUSIONS AND RECOMMENDATIONS

The four large samples collected indicate that a high background of level of gold, in the 50 to 100 ppb range, is contained within the mineralized areas as coarse particles. The level of gold content indicates that previous high assays, at the locations reexamined, are the result of nugget affect and are not representative of the bodies as a whole.

Further work on the property should be conducted with emphasis on copper potential, and targets selected on this basis should undergo metallic preparation of large samples for gold assay in order to reduce the affects coarse partial size.

David Coffin
25/11/89

REFERENCES

Borovic, I. (1988) "Report on the Mineral Exploration of the Gold Nugget Property" Private report for Barona Resources Ltd.

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Di Spirito, F., Hulme, N. (Aug. 1987) "Summary Report on the Liquid Sunshine Group of Mineral Claims" Report for Nitro Resources Inc.

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Muller, J.E. and Carson, D.J.T., 1969; "Geology and Mineral Deposits of the Alberni Map Area, Vancouver Island and Gulf Islands", Geological Survey of Canada Paper 69-25

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Sutherland Brown, A. 1988; "Mineral Inventory of the Alberni Region Vancouver Island, British Columbia"; British Columbia Mineral Resources Division; OPen File 1988-24

Sutherland Brown, A., Yorath, C.J., Anderson, R.G., and Dom, K. , 1986; "Geological Maps of Southern Vancouver Island, LITHOPROBE 1" ; Geological Survey of Canada, Open File 1272

APPENDIX A

CERTIFICATE

CERTIFICATE

I, David Coffin, of the City of Vancouver in the Province of British Columbia, do hereby certify that:

I) I am a consultant with the firm of Vanguard Consulting Ltd. at 510 - 1185 West Georgia St., Vancouver, B.C., V6E 4E6.

II) I attended the Haileybury School of Mines, Ontario, in the department of Mining Technology, from 1975 to 1977.

III) Since 1974 I have worked at a variety of jobs in the Canadian mineral exploration field, including regional and detailed prospecting, detailed geological mapping, core logging, property and project management, property valuation and program development.

IV) This report is based on fieldwork undertaken by myself during October and November, 1989, on information supplied by Nitro Resources Inc., and from public sources where available.

v) I hold no direct or indirect interest in the properties described herein, or in any securities of Nitor Resources Inc. or any associated companies, nor do I expect to receive any.

vi) This report may be utilized by Nitro Resources Inc., for inclusion in a Prospectus or a Statement of Material Facts.

Submitted at Vancouver, B.C.

David Coffin
November 25, 1989

APPENDIX B

ANALYTICAL PROCEDURE AND RESULTS

MIN-EN LABORATORIES

SPECIALISTS IN MINERAL ENVIRONMENTS

705 WEST 15TH STREET
NORTH VANCOUVER, B.C. CANADA V7M 1T2
TELEPHONE (604) 980-5814 OR (604) 988-4524
TELEX: VIA U.S.A. 7601067 • FAX (604) 980-9621

TIMMINS OFFICE:
33 EAST IROQUOIS ROAD
P.O. BOX 867
TIMMINS, ONTARIO CANADA P4N 7G7
TELEPHONE: (705) 264-9996

Assay Certificate

9V-1480-RA1

Company: VANGUARD CONSULTANTS
Project: LS
Attn: D.COFFIN

Date: NOV-09-89
Copy 1. VANGUARD CONSULTANTS, VANCOUVER, B.C.

He hereby certify the following Assay of 4 ROCK samples submitted NOV-07-89 by D.COFFIN.

Sample Number	*AU G/TONNE	*AU OZ/TON	AG G/TONNE	AG OZ/TON	WT. KG.
LSC 201	.12	.004	6.5	.19	7.8
LSC 202	.01	.001	4.3	.13	7.4
LSC 203	.01	.001	2.9	.08	8.1
LSC 204	.05	.001	3.8	.11	7.4

*AU - 1 ASSAY TON.

Certified by _____

MIN-EN LABORATORIES

MIN-EN LABORATORIES

SPECIALISTS IN MINERAL ENVIRONMENTS
CHEMISTS • ASSAYERS • ANALYSTS • TECHNICIANS

705 WEST 15TH STREET
NORTH VANCOUVER, B.C. CANADA V7M 1T2
TELEPHONE (604) 980-5814 OR (604) 988-4524
TELEX: VIA U.S.A. 7601067 • FAX (604) 980-9621

TIMMINS OFFICE:
33 EAST IROQUOIS ROAD
P.O. BOX 867
TIMMINS, ONTARIO CANADA P4N 7G7
TELEPHONE: (705) 264-9996

Metallic Assay Certificate

9V-1480-RM1

Company: VANGUARD CONSULTANTS
Project: LS
Attn: D.COFFIN

Date: NOV-21-89
Copy 1. VANGUARD CONSULTANTS, VANCOUVER, B.C.

We hereby certify the following Metallic Assay of 4 METALLIC samples submitted NOV-07-89 by D.COFFIN.

Sample Number	Total Wt (G)	+120 M Wt (G)	Assay Value AU +120(GM/T)	Assay Value AU -120(GM/T)	Total Weight AU +120(MG)	Total Weight AU -120(MG)	Metallic AU (OZ/T)	Metallic AU (GM/T)	Net AU (OZ/T)	Net AU (GM/T)
LSC 201	7302.70	36.70	1.11	.04	0.041	0.291	0.000	0.01	0.001	0.05
LSC 202	7321.90	41.90	.98	.03	0.041	0.218	0.000	0.01	0.001	0.04
LSC 203	7650.10	15.10	2.75	.04	0.042	0.305	0.000	0.01	0.001	0.05
LSC 204	6958.59	14.59	2.43	.04	0.035	0.278	0.000	0.01	0.001	0.05

Certified by _____

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TELEX: VIA U.S.A. 7601067 • FAX (604) 980-9621

TIMMINS OFFICE:
33 EAST IROQUOIS ROAD
P.O. BOX 867
TIMMINS, ONTARIO CANADA P4N 7G7
TELEPHONE: (705) 264-9996

Geochemical Analysis Certificate

9V-1480-RG1

Company: VANGUARD CONSULTANTS
Project: LS
Attn: D.COFFIN

Date: NOV-21-89
Copy 1. VANGUARD CONSULTANTS, VANCOUVER, B.C.

We hereby certify the following Geochemical Analysis of 4 ROCK samples submitted NOV-07-89 by D.COFFIN.

Sample Number	AS PPM
LSC 201	22
LSC 202	650
LSC 203	46
LSC 204	33

Certified by _____

MIN-EN LABORATORIES

COMP: VANGUARD CONSULTANTS
PROJ: LS
ATTN: D.COFFIN

MIN-EN LABS — ICP REPORT

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

FILE NO: 9V-1480-RJ1
DATE: NOV-09-89
• TYPE ROCK GEOCHEM • (ACT:F31)

SAMPLE NUMBER	AG PPM	AL PPM	AS PPM	B PPM	BA PPM	BE PPM	BI PPM	CA PPM	CD PPM	CO PPM	CU PPM	FE PPM	K PPM	LI PPM	MG PPM	MN PPM	MO PPM	NA PPM	NI PPM	P PPM	PB PPM	SB PPM	SR PPM	TH PPM	U PPM	V PPM	ZN PPM	GA PPM	SN PPM	W PPM	CR PPM
LSC 201	3.9	3170	11	1	52	.8	1	58770	1.4	27	892	77890	150	1	3110	3296	3	30	4	150	21	2	1	1	1	14.1	195	1	1	1	19
LSC 202	2.5	1410	564	12	17	.9	1	60310	.7	41	2649	209100	40	1	1200	3141	2	10	1	260	18	3	1	1	1	6.1	196	2	2	1	2
LSC 203	2.3	6920	42	5	40	.8	1	42060	.1	128	1303	180010	220	1	5820	1224	1	10	1	290	8	1	1	1	1	31.0	67	2	3	1	17
LSC 204	2.7	7970	39	2	8	.5	1	38130	.1	117	1311	142860	40	1	6390	891	3	10	6	340	29	2	1	1	1	30.7	61	2	2	2	36

PHONE 980-5814

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

ANALYTICAL PROCEDURE REPORTS FOR ASSESSMENT WORK

PROCEDURE FOR GOLD GEOCHEMICAL ANALYSIS.

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

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

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

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

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

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

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

MINERAL
• ENVIRONMENTS
LABORATORIES

ANALYTICAL PROCEDURE REPORT FOR ASSESSMENT WORK:

PROCEDURE FOR GOLD ASSAY:

Samples are received, catalogued and dried at 105°C if necessary.

Whole sample is passed through a primary crusher which reduces sample to -½ inch.

Whole sample is further passed through a secondary crusher which further reduces the sample to -10 mesh.

The whole sample is riffled through a ½ inch riffle to obtain a subsample of approx 300-400 grams. The remaining reject is bagged and stored.

The above 300-400 gram split is then pulverized to obtain the -150 mesh using ring 3 dimenthional action mill pulverizer.

Sample pulp is now rolled and analysed.

The sample pulp is assayed for gold using a 1 assay ton fire assay preconcentration and atomic absorption finishing techniques.

The remaining sample pulp is retained and stored.

OFFICE AND LABORATORIES:
705 WEST FIFTEENTH STREET, NORTH VANCOUVER, B.C.
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TELEX: VIA USA 7601067
FAX: (604) 980-9621

RECOMMENDED PROCEDURE FOR FIRE ASSAY GOLD AND SILVER

Samples are dried at 120°F and after being crushed on a primary crusher to ¼ inch size they are crushed on a secondary crusher to minus 10 mesh before being split on Jone's riffle. (In accordance with Gy's statistical rules).

At the splitting a 500 gram subsample is obtained which is pulverized to minus 100 mesh. After that the sample is mixed, rolled and quartered.

The assay is carried out on a one half assay ton sample, fire assayed at 1750°C with appropriate fluxes.

The lead bottom is than cupeled. (The silver bid can be weighed and the amount calculated, but it's accuracy is questionable.) Than the small bid is dissolved in aqua regia and analysed on the atomic absorption instrument for gold.

Results can be reported either in oz/ton 0.001 sensitivity or gram per metric ton upon request.

In every batch of 20 samples we have one in house natural standard.

For silver a completely separate assay is preferred on a 5.000 gram of subsample, where the sample is dissolved in aqua regia with a chemical separation and filtering. The amount of silver is determined by Atomic Absorption instrumentation.

MINERAL
• ENVIRONMENTS
LABORATORIES

ANALYTICAL PROCEDURE REPORT FOR ASSESSMENT WORK:

PROCEDURE FOR 31 ELEMENT TRACE ICP:

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

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

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

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

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

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METALLIC GOLD ASSAYS

A sub-sample assay pulp is sieved to -120 mesh. The +120 fraction is then assayed totally and the -120 fraction assayed twice. From these assay values one makes a metallics calculation as follows:

Total pulp weight (gm)	426.1 gm
+120 mesh weight (gm)	14.2 gm

Assay value of -120 mesh pulp: 2.18 and 2.20 gm/tonne

Assay value of +120 mesh pulp: 6.12 gm/tonne

CALCULATIONS:

+120 Mesh Au (mg)

6.12	x	.0142	=	.087 mg Au
Assay value		+120 wt. in kg.		Au weight in mg.

-120 Mesh Au (mg)

$$\frac{2.18 + 2.20}{2} \times \frac{426.1 - 14.2}{1000}$$

Average assay value		-120 mesh wt. in kg.		
2.19	x	.4119	=	0.902 mg Au

APPENDIX C

COST BREAKDOWN