ASSESSMENT REPORT

ON GEOLOGICAL MAPPING, PROSPECTING AND STREAM SILT SAMPLING OF THE AXE CLAIMS SOUTH BLOCK, LIARD MINING DIVISION, B.C.

NTS 104G/9W
Latitude 57° 36' N
Longitude 130° 12' W

for

ASCOT RESOURCES LTD.
Vancouver, B.C.

By:

David T. Mehner, M.Sc., FGAC
KEEWATIN ENGINEERING INC.
#800 - 900 West Hastings Street
Vancouver, B.C.
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December 20, 1989

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SUMMARY

The Axe claims are located in the Stikine area of northwestern British Columbia. Underlying stratigraphy and known mineralized showings in the area indicate the property covers geology favourable to hosting Cu-Au porphyry mineralization or auriferous, sulphide rich veins which often occur peripheral to these deposits. The south block of the Axe claims were acquired in 1989 by Ascot Resources Ltd. as a Cu-Au porphyry deposit target.

During the period August to October 1989, stream silt, soil and rock geochemistry sampling were combined with prospecting and geological mapping to evaluate the Axe claims. The results of this work indicate two areas warranting follow-up contour soil sampling and prospecting. Target one is associated with a Triassic diorite plug and has produced anomalous Cu-Zn-Ag and Au values while Target two is of uncertain origin but has yielded anomalous Zn, Ag and Au values.

INTRODUCTION

The Axe claims are located in the Stikine area of northwestern British Columbia. They were originally staked to cover favourable Cu-Au porphyry style mineralization and associated gold rich peripheral veins on the Klastline Plateau. Numbering over 1270 units the claims were divided into two separate groups in 1989 with one group of claims being operated by Ascot Resources Ltd. and the other group by Dryden Resources Corporation. Exploration work was contracted to Keewatin Engineering Inc. of Vancouver, B.C. who carried out a large systematic stream silt geochemistry program along with prospecting, rock sampling and minor soil sampling over both parcels of land simultaneously. The work was carried out from a camp established on the Klastline Plateau. Camp servicing and daily moves to various parts of the property were provided by a Hughes 500 helicopter which was permanently stationed in camp.

The report covers the work carried out for Ascot Resources Ltd. over the south block of Axe claims. During the course of this property work, 46 stream silt, 5 soil and 5 rock samples were collected and fire assayed for Au and Ag and geochemically analyzed for Cu-Pb and Zn. The claims were also partially mapped and prospected.

Field work was carried out by Mike Brown and Colin Adams (samplers) and Adam Travis and Marty Bobyn (geologists).

Location and Access

The Axe claims are located in the Stikine region of northwestern British Columbia approximately 180 km north of Stewart, B.C. (Figure 1). They are centred 10 km east of Kinaskan Lake and 30 km south of Iskut Village at about 57° 36' North latitude and 130° 12' West longitude on NTS map sheet 104G/9W.

Access is via helicopter from Iskut Village or Tatogga Lake Lodge about 16 km to the south. Both locations are on the Stewart - Cassiar Highway. The proposed B.C. Rail extension to Dease Lake is about 32 km east of Kinaskan Lake.

Topography

The axe claims are situated on the south edge of the Klastline Plateau and are characterized by steep, south facing slopes. Elevations vary from 3,400 feet above sea level on the southeast corner of the claims to 5,400 feet above sea level along the Plateau (Plate 2).

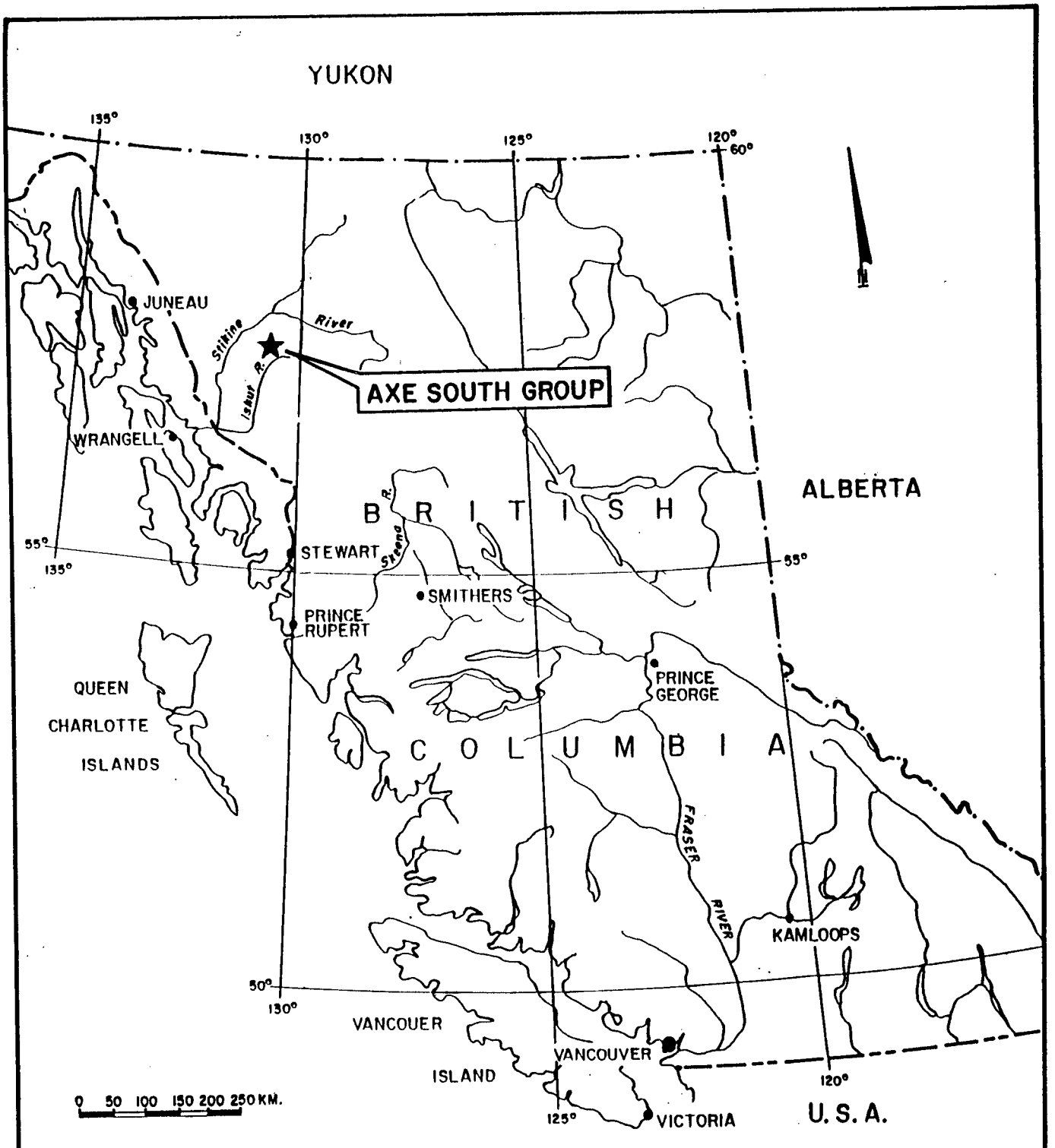
Vegetation consists of swamp grass in the low areas with spruce and pine common elsewhere. Sub-alpine scrub meanders through the property at about the 4,300 foot level. The tree line is about 4,500 feet above sea level.

Precipitation is moderate, averaging 100 cm per year. Thick accumulations of snow are common during winter. It is seldom possible to begin surface geological work before July and difficult to continue past September.

Property and Ownership

The Axe claims are located in the Liard Mining Division (Figure 2) and consist of the following:

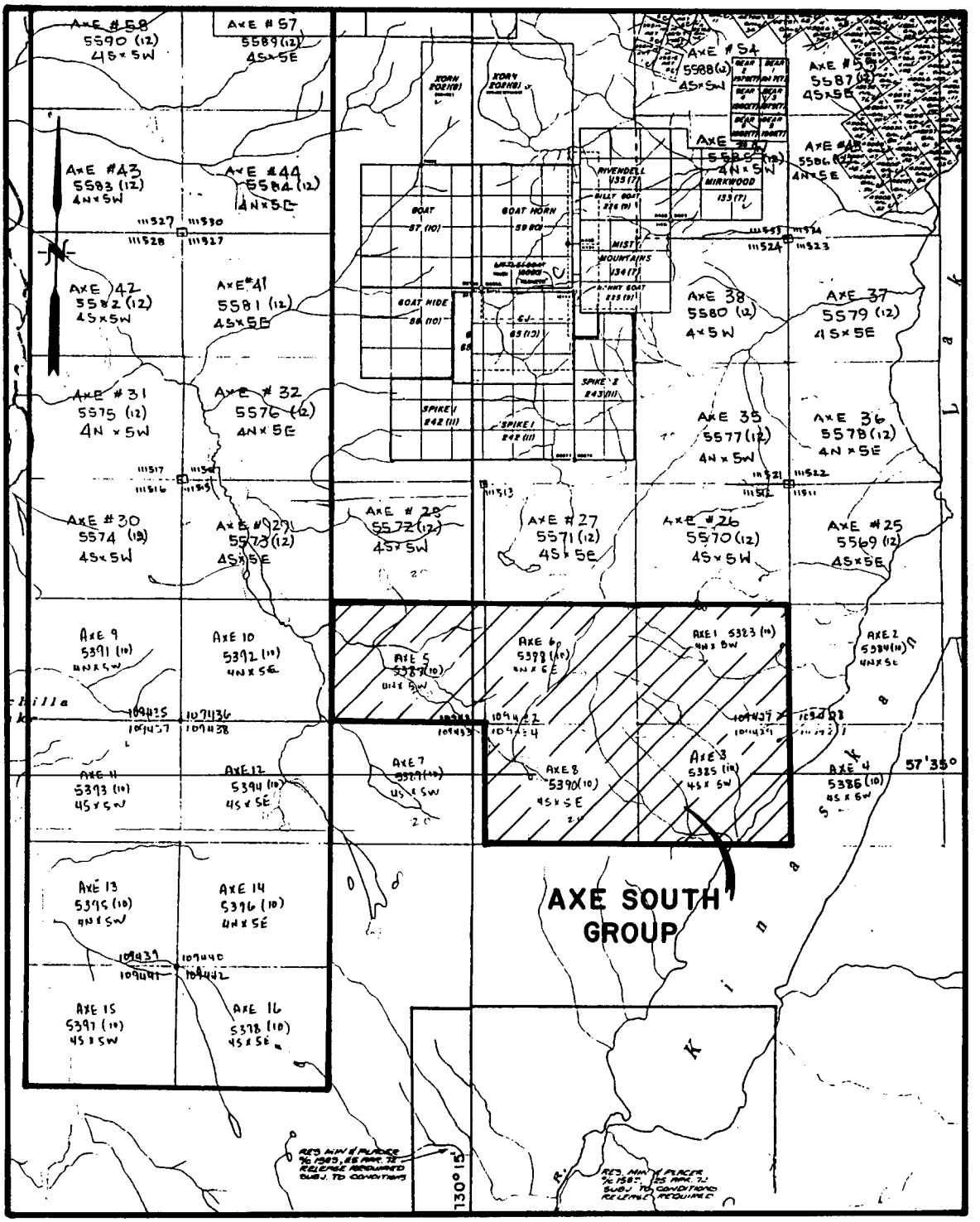
Claim	Record No.	No. of Units	Date Recorded	Due Date
Axe 1	5383	20	Sept. 26, 1988	Sept. 26, 1989
Axe 3	5385	20	Sept. 26, 1988	Sept. 26, 1989
Axe 5	5387	20	Sept. 26, 1988	Sept. 26, 1989
Axe 6	5388	20	Sept. 26, 1988	Sept. 26, 1989
Axe 8	5390	20	Sept. 26, 1988	Sept. 26, 1989



PROPERTY LOCATION MAP

Figure 1

KEEWATIN ENGINEERING INC.



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CLAIM MAP

Figure 2

The claims are owned 100% by Ascot Resources Ltd. with offices at 800 - 900 West Hastings Street, Vancouver, B.C. V6C 1E5.

Previous Work

No mineral showings are known to exist on the claims discussed in this report nor is there any record of exploration work having taken place on them.

The GJ, Cu-Au porphyry deposit is located on the Klastline Plateau, about 5.5 km north of the Ascot claims. Although insufficient drilling has taken place to put firm numbers on grade or tonnage, there are strong indications that the deposit contains in excess of 30 million tons grading 0.30% Cu equivalent or better with mineralization open in all directions. This deposit was initially discovered by Conwest Exploration in 1964. Since then, Amoco, Norcen Energy and Canorex Minerals have all worked on the property. The ground which is now owned by International Curator Resources Ltd. of Vancouver is under option to Ascot Resources Ltd. but is discussed in a separate report. The property has been idle since 1981.

Immediately west of the GJ deposit is Falconbridge Ltd.'s Groat Creek porphyry copper prospect. Work on this property was carried on between 1976 and 1977.

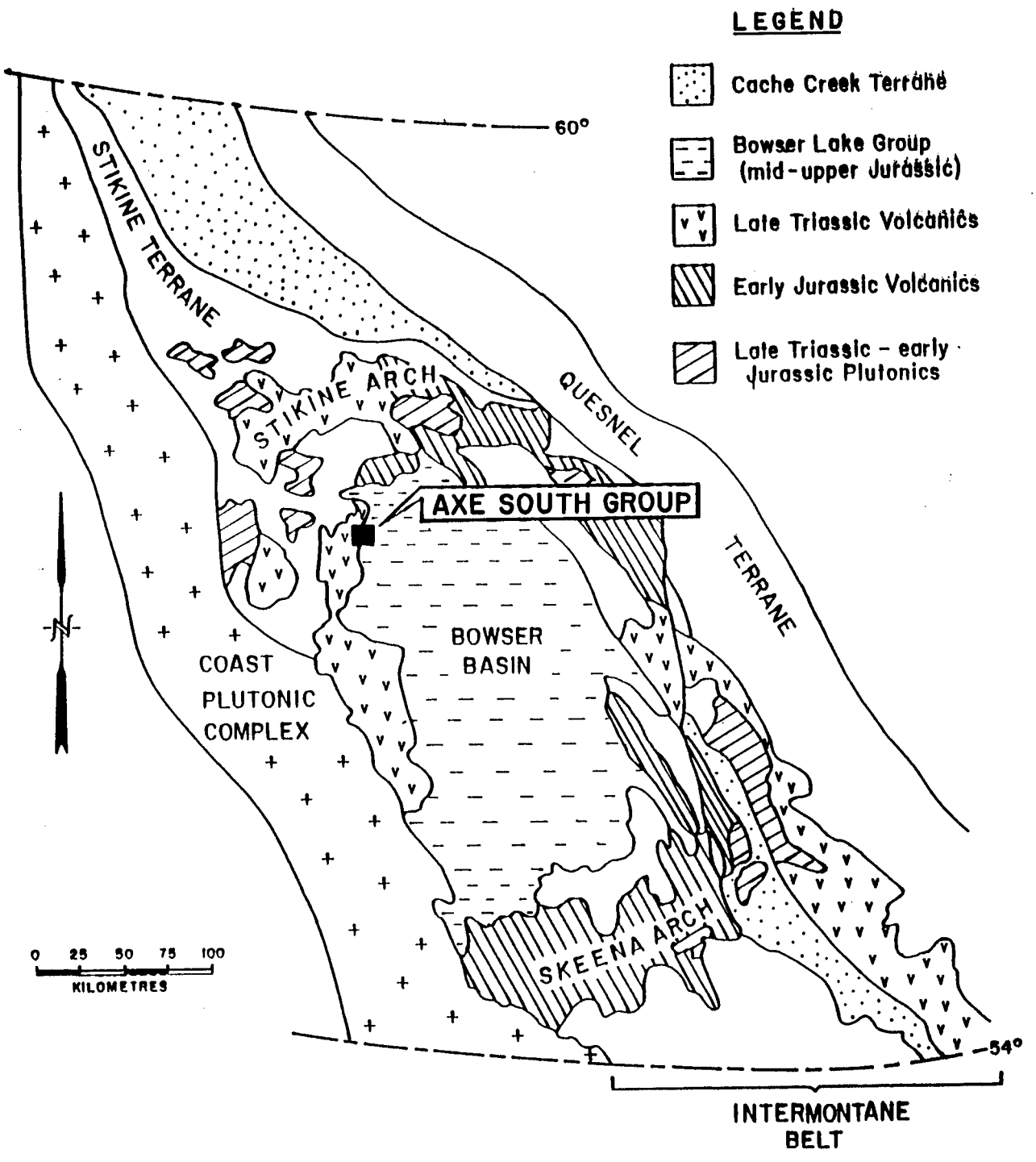
In 1988, the Klastline Plateau and area including the Axe south block of claims was covered by a regional stream silt sampling program (National Geochemical Reconnaissance, 1988).

GEOLOGY

Regional Geology

The Axe property is located on the southwest portion of the Klastline Plateau within the Intermontane-Tectono-Stratigraphic Belt of the Canadian Cordillera (Figure 3). The claims lie within the northeast half of the Stikine Arch near the contact with the unmetamorphosed sediments of the Bowser Basin.

The northern half of the Klastline Plateau has been mapped (Figure 4) as Upper Triassic augite-andesite flows, pyroclastics and derived volcaniclastics ranging from conglomerates down to siltstones (Souther, 1971). Minor limestone and chert occur



REGIONAL GEOLOGY
BOWSER BASIN
NW BRITISH COLUMBIA

(Outline of terrane boundaries and major rock groups of the Jurassic and Triassic – modified from Thomson, 1985).

Figure 3

KEEWATIN ENGINEERING INC.

LEGEND

CENOZOIC

QUATERNARY
PLEISTOCENE AND RECENT

29 Fluviatile gravel; sand, silt; glacial outwash, till, alpine moraine and colluvium

28 Hot-spring deposit, tufa , aragonite

27 Olivine basalt, related pyroclastic rocks and loose tephra; younger than some of 28

TERTIARY AND QUATERNARY
UPPER TERTIARY AND PLEISTOCENE

26 Rhyolite and dacite flows, lava domes, pyroclastic rocks and related subvolcanic intrusions; minor basalt

25 Basalt, olivine basalt, dacite, related pyroclastic rocks and subvolcanic intrusions; minor rhyolite; in part younger than some 26

CRETACEOUS AND TERTIARY
UPPER CRETACEOUS AND LOWER TERTIARY
SLOKO GROUP

24 Light green, purple and white rhyolite, trachyte and dacite flows, pyroclastic rocks and derived sediments

22 23 22. Biotite leucogranite, subvolcanic stocks, dykes and sills
23. Porphyritic biotite andesite, lava domes, flows and (?) sills

SUSTUT GROUP

21 Chert-pebble conglomerate, granite-boulder conglomerate, quartzose sandstone, arkose, siltstone, carbonaceous shale and minor coal

20 Felsite, quartz-feldspar porphyry, pyritiferous felsite, orbicular rhyolite; in part equivalent to 22

19 Medium- to coarse-grained, pink biotite-hornblende quartz monzonite

JURASSIC AND/OR CRETACEOUS
POST-UPPER TRIASSIC PRE-TERTIARY

18 Hornblende diorite

17 Granodiorite, quartz diorite; minor diorite, leucogranite and migmatite

JURASSIC
MIDDLE (?) AND UPPER JURASSIC
BOWSER GROUP

16 Chert-pebble conglomerate, grit, greywacke, subgreywacke, siltstone and shale; may include some 13

MIDDLE JURASSIC

15 Basalt, pillow lava, tuff-breccia, derived volcaniclastic rocks and related subvolcanic intrusions

LOWER AND MIDDLE JURASSIC

14 Shale, minor siltstone, siliceous and calcareous siltstone, greywacke and ironstone

LOWER JURASSIC

13 Conglomerate, polymictic conglomerate; granite-boulder conglomerate, grit, greywacke, siltstone; basaltic and andesitic volcanic rocks, peperites, pillow-breccia and derived volcaniclastic rocks

MESOZOIC

TRIASSIC AND JURASSIC
POST-UPPER TRIASSIC PRE-LOWER JURASSIC

12 Syenite, orthoclase porphyry, monzonite, pyroxenite

HICKMAN BATHOLITH

10 11 10. Hornblende granodiorite, minor hornblende-quartz diorite 11. Hornblende, quartz diorite, hornblende-pyroxene diorite, amphibolite and pyroxene-bearing amphibolite

TRIASSIC
UPPER TRIASSIC

9 Undifferentiated volcanic and sedimentary rocks (units 5 to 8 inclusive)

8 Augite-andesite flows, pyroclastic rocks, derived volcaniclastic rocks and related subvolcanic intrusions; minor greywacke, siltstone and polymictic conglomerate

7 Siltstone, thin-bedded siliceous siltstone, ribbon chert, calcareous and dolomitic siltstone, greywacke, volcanic conglomerate, and minor limestone

6 Limestone, faild argillaceous limestone, calcareous shale and reefoid limestone; may be in part younger than some 7 and 8

5 Greywacke, siltstone, shale; minor conglomerate, tuff and volcanic sandstone

MIDDLE TRIASSIC

4 Shale, concretionary black shale; minor calcareous shale and siltstone

PALEOZOIC

PERMIAN
MIDDLE AND UPPER PERMIAN

3 Limestone, thick-bedded mainly bioclastic limestone; minor siltstone, chert and tuff

PERMIAN AND OLDER

2 Phyllite, argillaceous quartzite, quartz-sericite schist, chlorite schist, greenstone, minor chert, schistose tuff and limestone

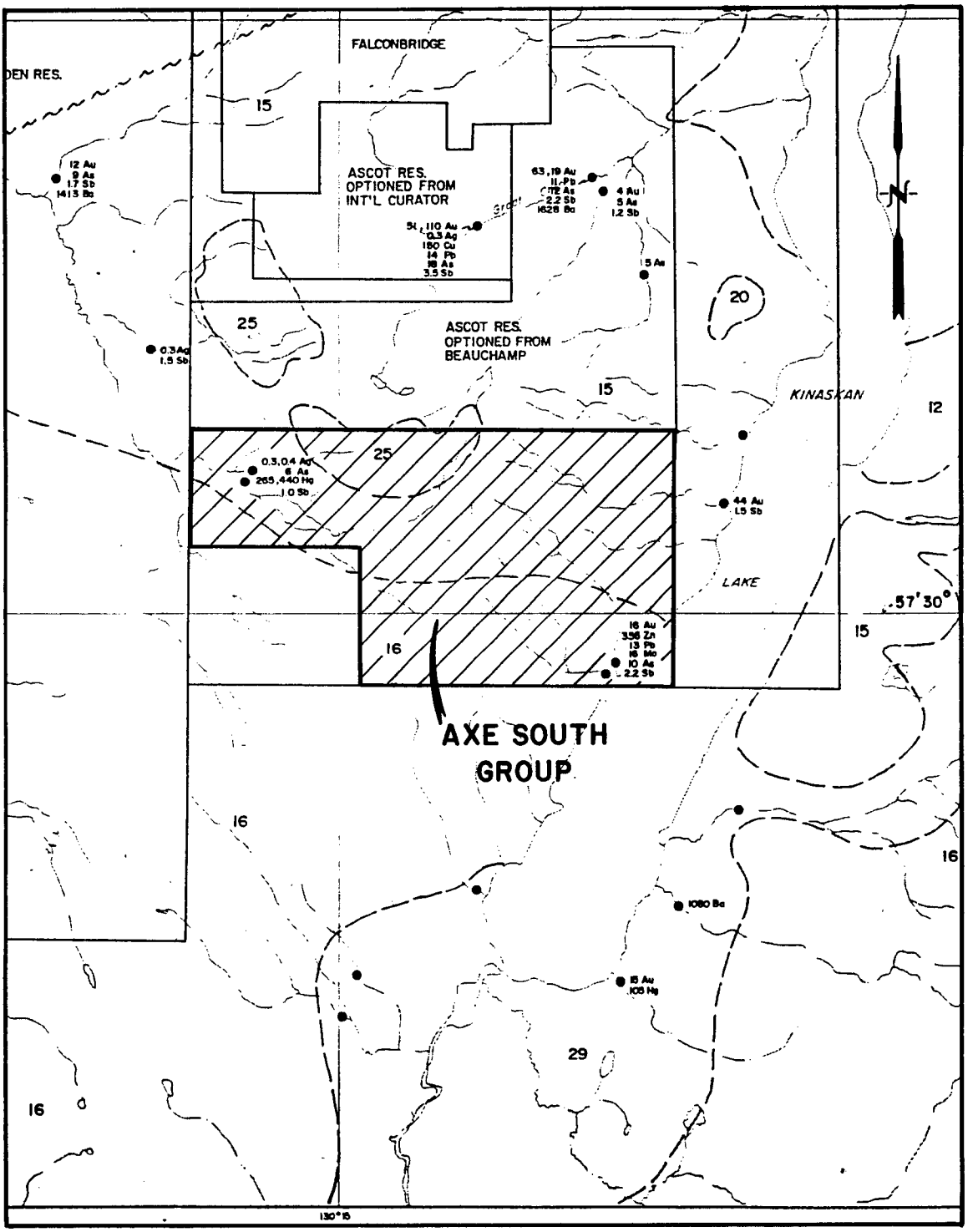
MISSISSIPPIAN

1 Limestone, crinoidal limestone, ferruginous limestone; maroon tuff, chert and phyllite

B Amphibolite, amphibolite gneiss; age unknown probably pre-Upper Jurassic

A Ultramafic rocks; peridotite, dunite, serpentinite; age unknown, probably pre-Lower Jurassic

From G.S.C. Paper 71-44 by J.G. Souther.



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REGIONAL GEOLOGY

Figure 4

within the stratigraphy. Related coeval intrusives cut all rock types. A regional fault trending northeasterly passes through the centre of Kakiddi Lake and intersects the Iskut Valley fault zone at the north end of Kinaskan Lake. To the south of the fault the G.S.C. mapped the rocks as a downthrown sequence of Middle Jurassic basalt pillow lavas, fragmentals and proximal volcaniclastic rocks intruded by coeval plutons. Subsequent K-Ar and Rb-Sr age dating (Schmitt, 1977) has yielded intrusive ages of 185 to 195 million years for the intrusive rocks south of the fault, suggesting the volcanic rocks are similar in age to the Upper Triassic stratigraphy north of the fault.

South of the volcanic units are chert pebble conglomerate, grit, greywacke and siltstone of the Middle and Upper Jurassic Bowser Group.

Capping Upper Triassic stratigraphy on the southern portion of the Plateau are Upper Tertiary basalt and olivine basalt flows. These often exhibit excellent columnar jointing.

Property Geology

The Axe south claim block was subjected to minimal prospecting and geological mapping during the course of work throughout the Klastline Plateau. This work was hampered by the limited amount of outcrop due to glacial overburden, rock talus and forest cover. However, rock exposures along creek gullies and above the 5,100 foot level allowed for some geological mapping and interpretation as shown on Plate 1.

The Axe claims are underlain by Upper Triassic basalt flows interlayered with siltstone, polymictic conglomerate and minor greywacke. A small plug of diorite to quartz diorite of probable Upper Triassic age, intrudes the volcaniclastics. The southern half of the claims are underlain by shale, siltstone and greywacke of the Jurassic, Bowser Group. Unconformably capping the stratigraphy and outcropping above the 5,100 foot level are Upper Tertiary basalt and olivine basalt flows often exhibiting excellent columnar jointing.

Bedding strikes vary from northwest-southeast to east-west. Dips are variable although measurements are predominantly to the south.

Mineralization is minimal consisting of trace pyrite and weak iron oxide development next to the intrusive contact.

GEOCHEMISTRY

During August to October, 1989, systematic stream silt sampling was carried out over 360 sq. km of the Klastline Plateau and surrounding region. This program which covered the Axe, Tat, Spike and GJ claims (1370 units) resulted in the collection and analysis of 689 silt samples. In conjunction with this sampling soil and rock samples were collected from selected sites throughout the property.

All silt, soil and rock samples were sent to Terramin Research Labs LTd. in Calgary, Alberta and fire assayed for gold and silver and geochemically analyzed for Cu, Pb and Zn. A selected number of rock samples were also analyzed for Hg.

Analytical procedures include:

Sample Preparation

1) Gold and silver values are determined by fusing approximately one assay ton of prepared sample with a litharge flux charge to obtain a lead button. The button is cupelled down to a precious metal prill which is then dissolved in aqua regia. The resulting solution is analyzed by atomic absorption spectrophotometry to determine Au and Ag amounts.

2) Copper, lead and zinc are determined by digesting a portion of prepared sample in hot nitric/perchloric acid mixture or hot aqua regia (nitric/hydrochloric acids). Element amounts are determined by atomic absorption spectrophotometry.

3) Mercury is determined by digesting the sample at low temperature in a sulphuric/permangate acid mix. Mercury is determined by the cold vapour/AA method.

Stream Silt Sampling

Silt sampling over the Axe south claim block yielded 46 samples. The results are listed in Appendix B and plotted on Plates 2 to 6.

To facilitate evaluation of stream silt results and help identify anomalous drainages for follow-up work, statistical analysis of all 689 silt samples was carried out and histograms prepared (Plate 7). Results for the Axe claims discussed in this report are then compared with results for the entire Klastline Plateau to provide a more meaningful interpretation.

The statistical results from the 689 silt samples are as follows:

Copper: 115 ppm $\geq$ 85% of samples
140 ppm $\geq$ 90% of samples
240 ppm $\geq$ 95% of samples

Lead: 20 ppm $\geq$ 85% of samples
30 ppm $\geq$ 90% of samples
45 ppm $\geq$ 95% of samples

Zinc: 225 ppm $\geq$ 85% of samples
275 ppm $\geq$ 90% of samples
380 ppm $\geq$ 95% of samples

Silver: 0.50 ppm $\geq$ 85% of samples
0.75 ppm $\geq$ 90% of samples
0.95 ppm $\geq$ 95% of samples

Gold: 20 ppb $\geq$ 85% of samples
60 ppb $\geq$ 90% of samples
120 ppb $\geq$ 95% of samples

A comparison and description of a silt anomalies on Ascot Resources Axe south claim block follows:

Copper: Range - 24 to 144 ppm; only one sample, AA-03 (144 ppm Cu) is anomalous. It is a solitary sample on a creek which drains the area mapped as an Upper Triassic diorite plug.

Lead: Range - 4 to 12 ppm; all results are well below the 90 percentile of 30 ppm Pb.

Zinc: Range - 108 to 680 ppm; there are 15 samples having more than 275 ppm Zn with 13 of the samples all coming from one creek which drains the area of the diorite plug. The remaining 2 anomalous samples occur in creeks to the west that could be draining stratigraphy cut by the same plug.

Silver: Range - 0.06 to 0.38 ppm; all results are well below the 90 percentile of 0.75 ppm Ag.

Gold: Range - 2 to 666 ppb; there are two anomalous samples, AM-01 (666 ppb) and AM-18 (88 ppb) plus a number of weakly anomalous samples. The 666 ppb comes from the diorite contact area while the 88 ppb comes from a drainage further west and is probably unrelated.

It is fairly evident that elevated zinc values along with one copper and one gold value are related to a diorite plug intruding Upper Triassic volcaniclastics. Sufficient encouragement exists to warrant follow-up contour soil sampling in this area.

Soil Sampling

During the course of working the Axe claims, 5 soil samples all taken from the B soil horizon with the aid of a mattock were collected. The results are listed in Appendix C and values are plotted on Plates 2 to 6.

Samples AM-01 taken from a stream bank is anomalous in gold. This is downstream of silt samples AM-17 and AM-18 which are anomalous in zinc and gold respectively.

Samples AM-02 has elevated zinc, silver and gold values. This sample is adjacent to AM-01. Follow-up contour soil sampling is warranted in this area.

Samples Am-03 and AM-04 are both taken next to the diorite plug contact and both have elevated zinc values while AM-03 also has elevated silver and gold values. Considering the silt values already obtained from this area, follow-up systematic soil sampling is warranted in this area.

Rock Sampling

Along with prospecting and mapping, 5 rock samples were collected. The results are listed in Appendix D and values are plotted on Plate 1. Only sample AM-65 which was taken from float near the diorite contact yielded significant values. These included 8.0 ppm Ag and 178 ppb Au.

CONCLUSIONS

Silt, soil and rock sampling carried out over the Axe claims, south block of Ascot Resources Ltd. has identified two targets for follow-up prospecting and more detailed soil sampling. Target 1 is an area around the diorite plug where silt, soil and rock samples yielded anomalous values for Cu, Zn, Ag and Au. Target 2 is a drainage 2 km to the west where silt and soil sampling has yielded elevated Zn, Ag and Au values.

Respectfully submitted,

David T. Mehner, M.Sc., FGAC

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APPENDIX A

Statement of Expenditures

STATEMENT OF EXPENDITURES

For work on the Axe 1, 3, 5, 6 and 8 (south block) Claims
of Ascot Resource Ltd.

1) Axe Claims, East Block Expenses

Salaries (Field work performed August 29, September 5, 6, 7, 1989)

Mike Brown (sampler)	1.0 day @ $225/day	$ 225.00	
Marty Bobyn (geologist)	2.0 day @ $275/day	550.00	
Adam Travis (geologist)	2.5 day @ $275/day	687.50	
Anne Serra (cook)	2.0 days@ $250/day	500.00	
David Mehner (geologist)	1.5 day @ $350/day	525.00	
			$ 2,487.50

Accommodation and Food - 7.5 man days @ $ 75/man-day 562.50

Transportation

Hughes 500 Helicopter	1.0 hrs @ $600/hour	$ 600.00	
Fuel	@ $ 85/hour	85.00	
			685.00

Miscellaneous - Shipping, flagging, sample bags, phone, maps 100.00

Geochemistry

46 silt samples analyzed for Cu-Pb-Zn-Ag-Au @ $12.40 ea. (sample prep = $1.00; Cu-Pb-Zn geochem = $3.60 ea; Au + Ag fire assay = $7.80 ea)	$ 570.40	
5 soil samples analyzed for Cu-Pb-Zn-Ag-Au @ $12.40 ea. (sample prep = $1.00; Cu-Pb-Zn geochem = $3.60 ea; Au + Ag fire assay = $7.80 ea)	62.00	
5 rock samples analyzed for Cu-Pb-Zn-Ag-Au @ $14.90 ea.	74.50	
		$ 706.90

Camp Construction Costs

Pro-rated (see accompanying cost breakdown at end of Appendix A)

Ascot Resources Ltd., Axe Claims portion of total costs
are 25% or $17,778.59

Total number of Axe claims worked by Ascot Resources Ltd. = 580 units

Construction cost per unit = $17,778.59/580 = $30.65 per unit

Pro-rated costs for claims discussed in this report are
100 units x $30.65/unit costs $ 3,065.00

TOTAL EXPENSES: **$ 8,177.30**

KLASTLINE PLATEAU

CAMP CONSTRUCTION COSTS - 1989

Salaries

Includes camp construction, site clearing and preparation, laying waterline; mobilization and demobilization to area; down time for increment weather.

Mike Waskett-Myers	10.0 days @ $350/day	$ 3,500.00	
Frank Ferguson	7.5 days @ $300/day	2,250.00	
Grant Nagy	11.5 days @ $250/day	2,875.00	
Martin Whist	5.0 days @ $225/day	1,125.00	
Tim Termuende	9.5 days @ $325/day	3,087.50	
Bob Charles	3.0 days @ $275/day	825.00	
Jim Roberts	3.0 days @ $250/day	750.00	
Colin Adams	3.0 days @ $225/day	675.00	
			$15,087.50

HELICOPTER

Includes moving all aviation, diesel, propane, and kerosene fuel up to camp along with wood, stoves, applicances, etc.

Hughes 500	30.9 hrs @ $600/hour	$18,540.00	
(Aug. 14 = 3.6 hrs; 15 = 2.8 hrs; 16 = 4.4 hrs; 17 = 2.1 hrs; 18 = 4.5 hrs; 19 = 4.7 hrs; 20 = 0.6 hrs; 21 = 3.6 hrs; 22 = 1.8 hrs; 23 = 2.8 hrs)			
Fuel	30.9 hrs @ $ 82/hour	2,533.80	
			$21,073.80*

FOOD AND ACCOMMODATION 49.5 days @ $75.00/man-day $ 3,712.50
(1 man, 3 days lived at home in Iskut Village)

TRUCK COSTS

3 pick-up trucks were used to move equipment and fuel to Tatogga Lake; kept 1 truck in town for duration of job	$3,948.74	
Fuel	527.23	
		$ 4,475.97*

CAMP SUPPLIES AND EQUIPMENT

Includes wood, heaters, electrical supplies, plumbing supplies, etc. $19,636.38*

GENERATOR RENTAL

Includes rental and shipping costs of generator and four Jutland tents $ 2,372.34*

Sub-Total:	**$66,358.49**
*10% handling fee on 3rd party invoices of $47,558.49	4,755.85
TOTAL:	**$71,114.34**

Keewatin Engineering Inc.

Cost distribution based on amount of work done on each project:

GJ property, Ascot Resources Ltd.	=	50%
Axe claims, Ascot Resources Ltd.	=	25%
Axe claims, Dryden Resource Corp.	=	25%

APPENDIX B

1989 Stream Silt Geochemistry Results for the Axe Claims, South Block

APPENDIX B

1989 STREAM SILT GEOCHEM RESULTS FOR THE AXE CLAIMS, SOUTH BLOCK, ASCOT RESOURCES LTD.

Sample	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Au ppb
AA-01	33	10	189	0.24	4
AA-02	35	5	135	0.15	6
AA-03	144	5	122	0.28	48
AA-04	25	6	168	0.11	6
AA-32	35	7	122	0.17	2
AA-33	25	11	108	0.06	2
AA-34	42	9	260	0.23	6
AA-35	40	8	260	0.22	2
AA-36	45	10	540	0.31	2
AA-40	35	8	199	0.15	16
AC-32	47	10	470	0.19	2
AC-33	45	10	460	0.17	2
AC-34	45	8	480	0.21	2
AC-35	43	8	470	0.20	4
AC-36	44	11	480	0.19	4
AC-37	39	7	390	0.16	2
AC-38	34	8	340	0.11	4
AC-39	35	8	360	0.16	6
AK-26	33	6	145	0.12	16
AK-27	39	6	134	0.17	18
AK-28	33	4	122	0.14	18
AK-29	32	6	141	0.15	16
AK-30	34	5	170	0.34	6
AK-31	31	6	162	0.35	6
AK-32	32	5	168	0.35	4
AK-33	44	7	250	0.31	22
AK-34	35	6	230	0.30	10
AK-35	33	6	240	0.33	10
AK-36	32	6	230	0.35	12
AK-37	29	5	192	0.29	8
AK-38	28	6	195	0.25	6
AK-39	26	5	171	0.24	24
AK-40	35	5	220	0.36	12
AK-75	26	7	164	0.20	8
AK-76	25	5	150	0.12	2
AK-77	24	7	151	0.08	8
AK-78	22	6	150	0.07	2
AK-79	26	4	161	0.10	4
AK-80	32	7	380	0.32	6
AK-81	54	12	680	0.38	4
AK-82	44	7	230	0.10	2
AK-83	46	10	480	0.23	2
AK-84	45	9	450	0.21	6
AM-01	55	9	510	0.38	666
AM-17	24	5	360	0.17	20
AM-18	30	6	250	0.24	88

APPENDIX C

Soil Geochemistry Results for Axe Claims, South Block

APPENDIX C

SOIL GEOCHEMISTRY RESULTS FOR THE AXE CLAIMS, SOUTH BLOCK, ASCOT RESOURCES LTD.

Sample	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Au ppb
AA-01	30	5	126	0.12	12
AM-01	57	8	165	0.20	240
AM-02	42	19	260	0.68	72
AM-03	48	14	520	0.45	148
AM-04	28	7	420	0.10	36

APPENDIX D

Rock Geochemistry Results for Axe Claims, South Block

APPENDIX D

ROCK GEOCHEMISTRY RESULTS FOR THE AXE CLAIMS, SOUTH BLOCK, ASCOT RESOURCES LTD.

Sample	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Au ppb	Hg ppb
AA-12	2	26	43	0.11	4	
AA-13	20	10	16	0.95	24	
AM-01	12	5	70	0.07	2	85
AM-18	10	1	98	0.04	8	
AM-65	8	6	24	8.60	178	

APPENDIX E

Statement of Qualifications

CERTIFICATE OF QUALIFICATIONS

I, DAVID T. MEHNER, of #104, 2000 - 31st Street in the City of Vernon, in the Province of British Columbia, do hereby certify that:

1. I am a Consulting Geologist with Keewatin Engineering Inc., with offices at 800 - 900 West Hastings Street, Vancouver, B.C. V6C 1E5.

2. I am a graduate of the University of Manitoba, B.Sc. Honours, 1976, M.Sc. Geology, 1982.

3. I have practised my profession continuously since 1979.

4. I am a Fellow of the Geological Association of Canada.

5. During the period of August - October, 1989, I managed and carried out the exploration program on the Axe claims near Kinaskan Lake on behalf of Ascot Resources Ltd.

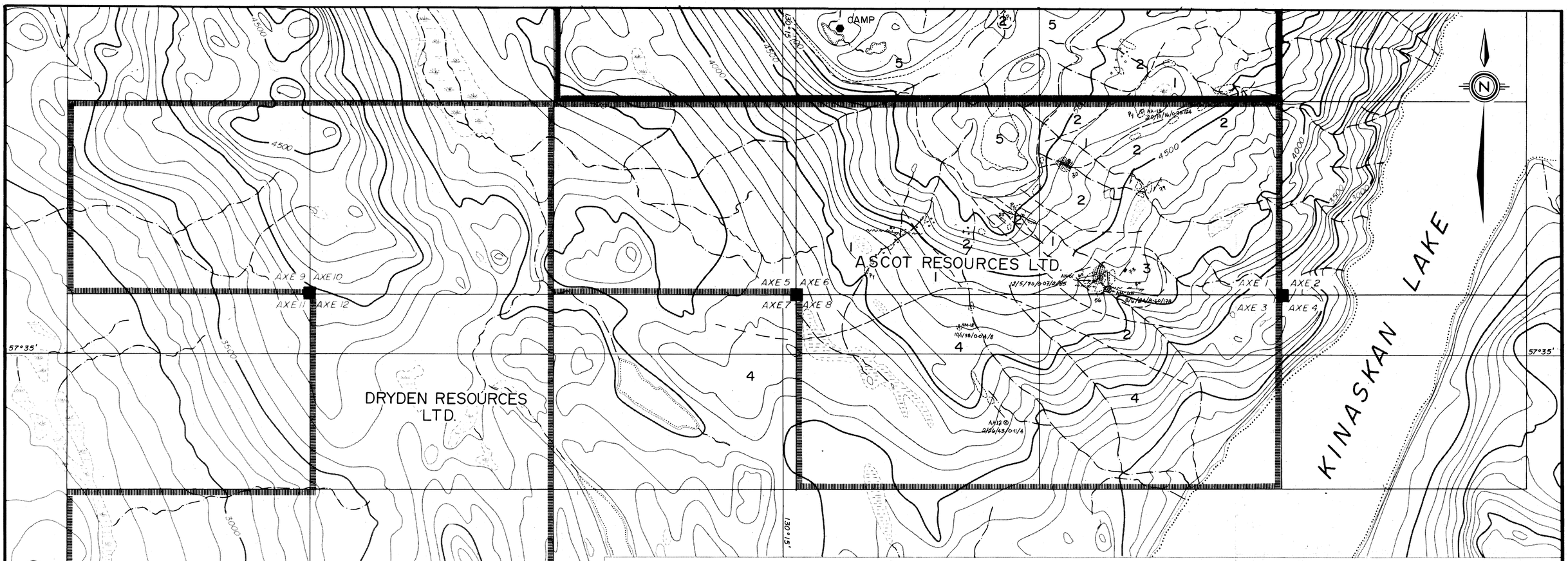
6. I do not own or expect to receive any interest (direct, indirect or contingent) in the properties described herein, nor in the securities of Ascot Resources Ltd. in respect of services rendered in the preparation of this report.

Dated at Vancouver, British Columbia, this 20th day of December, A.D. 1989.

Respectfully submitted,

David Mehner

David T. Mehner, M.Sc., FGAC



ASCOT SOUTH

LEGEND

GEOLOGY

UPPER TERTIARY AND PLEISTOCENE
- [5] BASALT & OLIVINE BASALT FLOWS; COLUMNAR JOINTING COMMON

MIDDLE AND UPPER JURASSIC
BOWSER GROUP
- [4] SHALE, SILTSTONE, GRIT, GREYWACKE

UPPER TRIASSIC
- [3] DIORITE TO QUARTZ DIORITE; OFTEN BIOTITE RICH
- [2] AUGITE PORPHYRY AND PLAGIOCLASE PORPHYRY ANDESITE FLOWS; PILLOWED
- [1] ANDESITE TUFFS, LAPILLI-TUFF AND TUFF BRECCIA; REWORED EQUIVALENTS

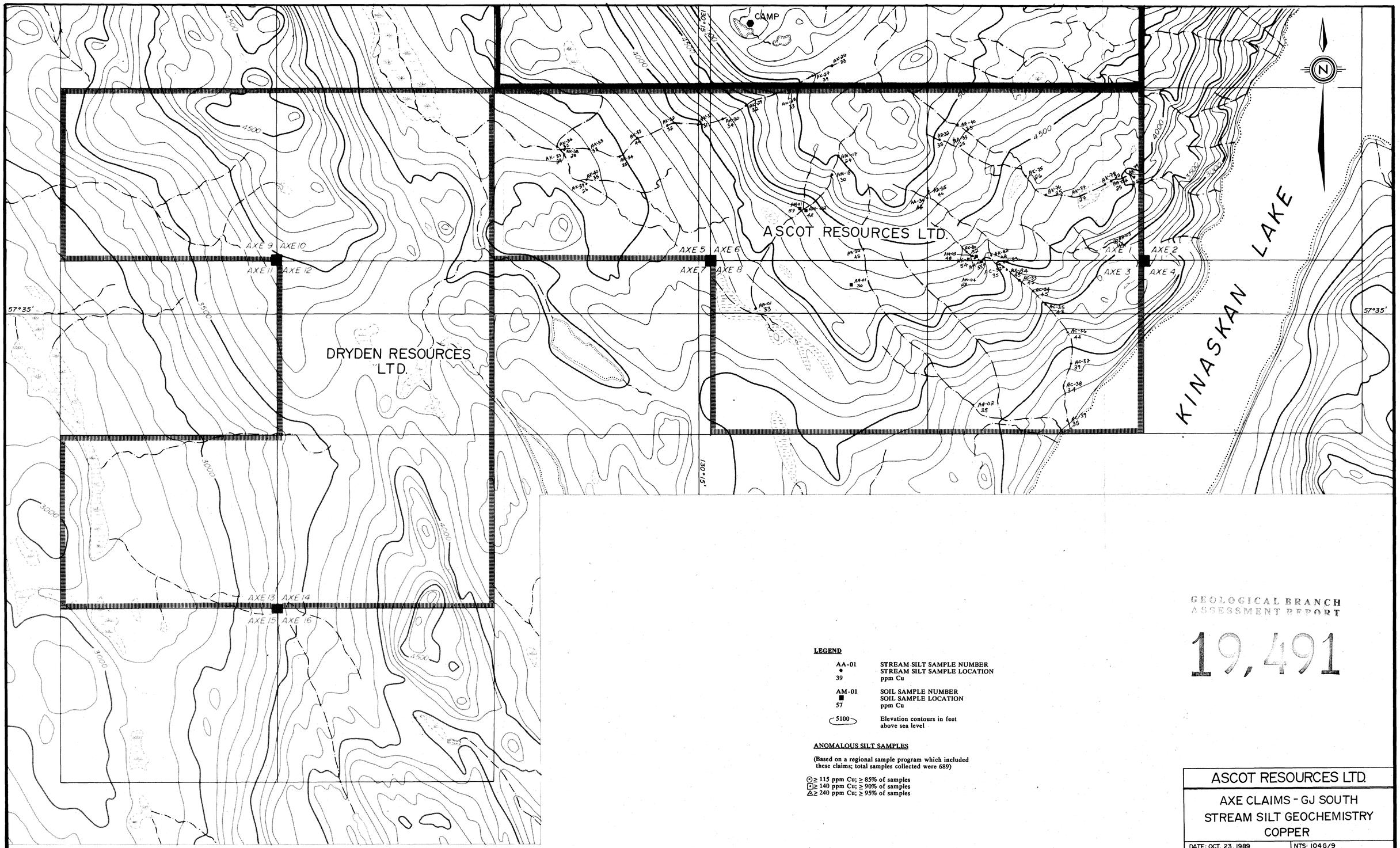
SYMBOLS

- AM-18 X 10/1/98/004/8 — Rock Sample with ppm Cu/ppm Pb/ppm Zn/ppm Ag/ppb Au/ppb Hg
- AA-12 ⊗ — Float Rock Sample; similar geochemistry as above
- outcrop
- geological contact
- 39 — bedding
- 39 — foliation
- fault (assumed)
- strike + dip of fault
- Py — pyrite
- gossan

ASCOT RESOURCES LTD.

AXE CLAIMS - GJ SOUTH
GEOLOGY AND ROCK GEOCHEMISTRY

DATE: OCT. 23, 1989	NTS: 104G/9
PROJECT: GJ	DRAWN BY: D. MEHNER
SCALE: 1:20,000 (0 200 400 600 800 1000 METRES)	
KEEWATIN ENGINEERING INC.	MAP No. 1



LEGEND

AA-01	STREAM SILT SAMPLE NUMBER
•	STREAM SILT SAMPLE LOCATION
39	ppm Cu
AM-01	SOIL SAMPLE NUMBER
■	SOIL SAMPLE LOCATION
57	ppm Cu
5100	Elevation contours in feet above sea level

ANOMALOUS SILT SAMPLES

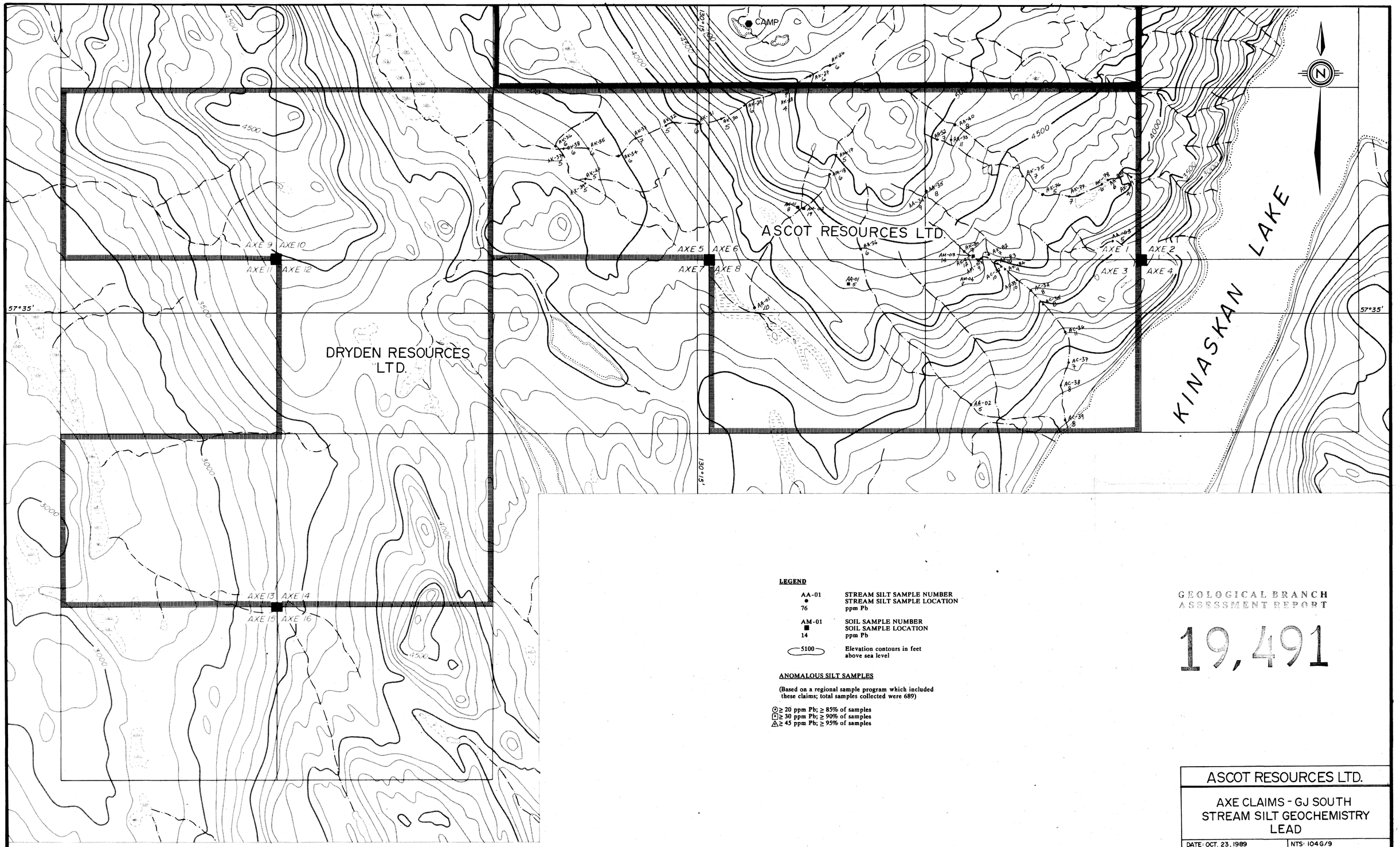
(Based on a regional sample program which included these claims; total samples collected were 689)

⊙ ≥ 115 ppm Cu; ≥ 85% of samples
□ ≥ 140 ppm Cu; ≥ 90% of samples
△ ≥ 240 ppm Cu; ≥ 95% of samples

ASCOT RESOURCES LTD.

AXE CLAIMS - GJ SOUTH
STREAM SILT GEOCHEMISTRY
COPPER

DATE: OCT. 23, 1989	NTS: 104G/9
PROJECT: GJ	DRAWN BY: D. MEHNER
SCALE: 1:20,000	0 200 400 600 800 1000 METRES
KEEWATIN ENGINEERING INC.	MAP No. 2



LEGEND

AA-01	STREAM SILT SAMPLE NUMBER
●	STREAM SILT SAMPLE LOCATION
76	ppm Pb
AM-01	SOIL SAMPLE NUMBER
■	SOIL SAMPLE LOCATION
14	ppm Pb
5100	Elevation contours in feet above sea level

ANOMALOUS SILT SAMPLES

(Based on a regional sample program which included these claims; total samples collected were 689)

⊙ ≥ 20 ppm Pb; ≥ 85% of samples
⊡ ≥ 30 ppm Pb; ≥ 90% of samples
△ ≥ 45 ppm Pb; ≥ 95% of samples

ASCOT RESOURCES LTD.

AXE CLAIMS - GJ SOUTH
STREAM SILT GEOCHEMISTRY
LEAD

DATE: OCT. 23, 1989	NTS: 104G/9
PROJECT: GJ	DRAWN BY: D. MEHNER
SCALE: 1:20,000	0 200 400 600 800 1000 METRES
KEEWATIN ENGINEERING INC.	MAP No. 3

LEGEND

AA-01	STREAM SILT SAMPLE NUMBER
•	STREAM SILT SAMPLE LOCATION
176	ppm Zn
AM-01	SOIL SAMPLE NUMBER
■	SOIL SAMPLE LOCATION
165	ppm Zn
5100	Elevation contours in feet above sea level

ANOMALOUS SILT SAMPLES

(Based on a regional sample program which included these claims; total samples collected were 689)

⊙ ≥ 225 ppm Zn; ≥ 85% of samples
⊡ ≥ 275 ppm Zn; ≥ 90% of samples
△ ≥ 380 ppm Zn; ≥ 95% of samples

GEOLOGICAL BRANCH
ASSESSMENT REPORT

19,491

ASCOT RESOURCES LTD.

AXE CLAIMS - GJ SOUTH
STREAM SILT GEOCHEMISTRY
ZINC

DATE: OCT. 23, 1989	NTS: 104G/9
PROJECT: GJ	DRAWN BY: D. MEHNER
SCALE: 1:20,000 (0 200 400 600 800 1000 METRES)	
KEEWATIN ENGINEERING INC.	MAP No. 4

CAMP

ASCOT RESOURCES LTD.

DRYDEN RESOURCES LTD.

KINASKAN LAKE

AXE 1 AXE 2 AXE 3 AXE 4 AXE 5 AXE 6 AXE 7 AXE 8 AXE 9 AXE 10 AXE 11 AXE 12 AXE 13 AXE 14 AXE 15 AXE 16

130°15'

57°35'

LEGEND

AK-33	STREAM SILT SAMPLE NUMBER
•	STREAM SILT SAMPLE LOCATION
0.60	ppm Ag
AM-01	SOIL SAMPLE NUMBER
■	SOIL SAMPLE LOCATION
0.13	ppm Ag
5100	Elevation contours in feet above sea level

ANOMALOUS SILT SAMPLES

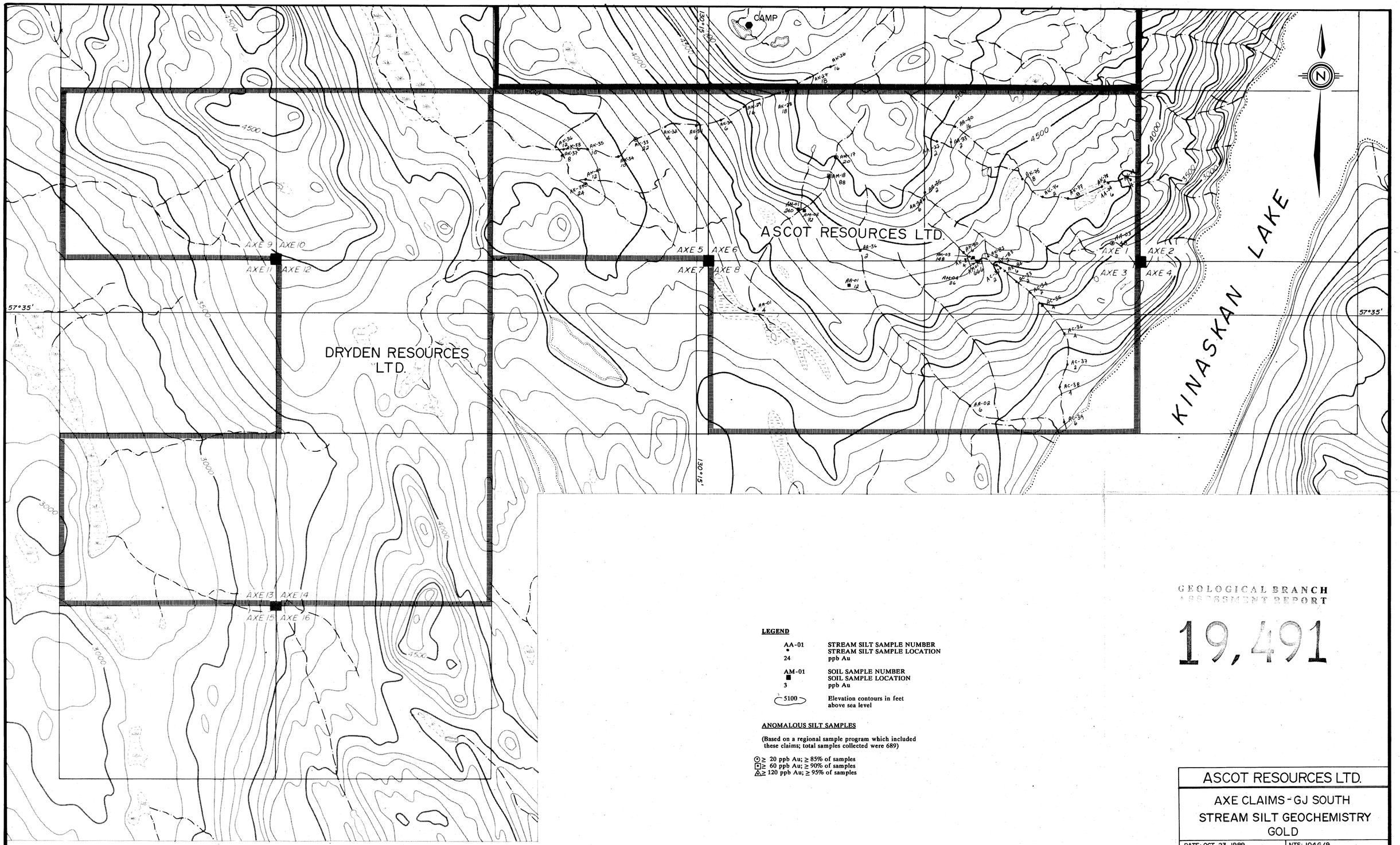
(Based on a regional sample program which included these claims; total samples collected were 689)

⊙ ≥ 0.50 ppm Ag; ≥ 85% of samples
⊡ ≥ 0.75 ppm Ag; ≥ 90% of samples
△ ≥ 0.95 ppm Ag; ≥ 95% of samples

ASCOT RESOURCES LTD.

AXE CLAIMS - GJ SOUTH
STREAM SILT GEOCHEMISTRY
SILVER

DATE: OCT. 23, 1989	NTS: 104G/9
PROJECT: GJ	DRAWN BY: D. MEHNER
SCALE: 1:20,000	0 200 400 600 800 1000 METRES
KEEWATIN ENGINEERING INC.	MAP No. 5



LEGEND

AA-01	STREAM SILT SAMPLE NUMBER
•	STREAM SILT SAMPLE LOCATION
24	ppb Au
AM-01	SOIL SAMPLE NUMBER
■	SOIL SAMPLE LOCATION
3	ppb Au
5100	Elevation contours in feet above sea level

ANOMALOUS SILT SAMPLES

(Based on a regional sample program which included these claims; total samples collected were 689)

⊙ ≥ 20 ppb Au; ≥ 85% of samples
⊡ ≥ 60 ppb Au; ≥ 90% of samples
△ ≥ 120 ppb Au; ≥ 95% of samples

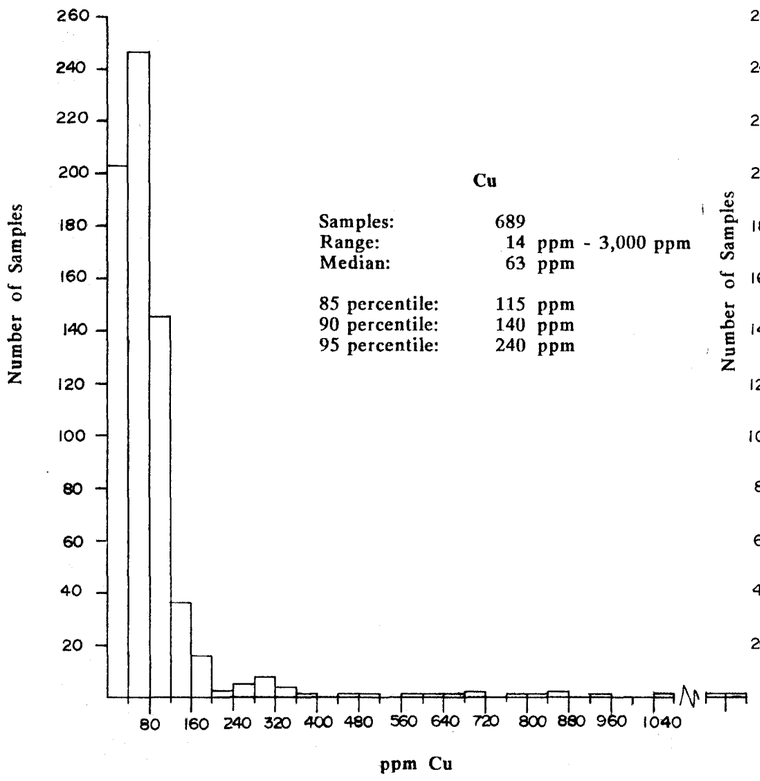
GEOLOGICAL BRANCH
ASSESSMENT REPORT

19,491

ASCOT RESOURCES LTD.

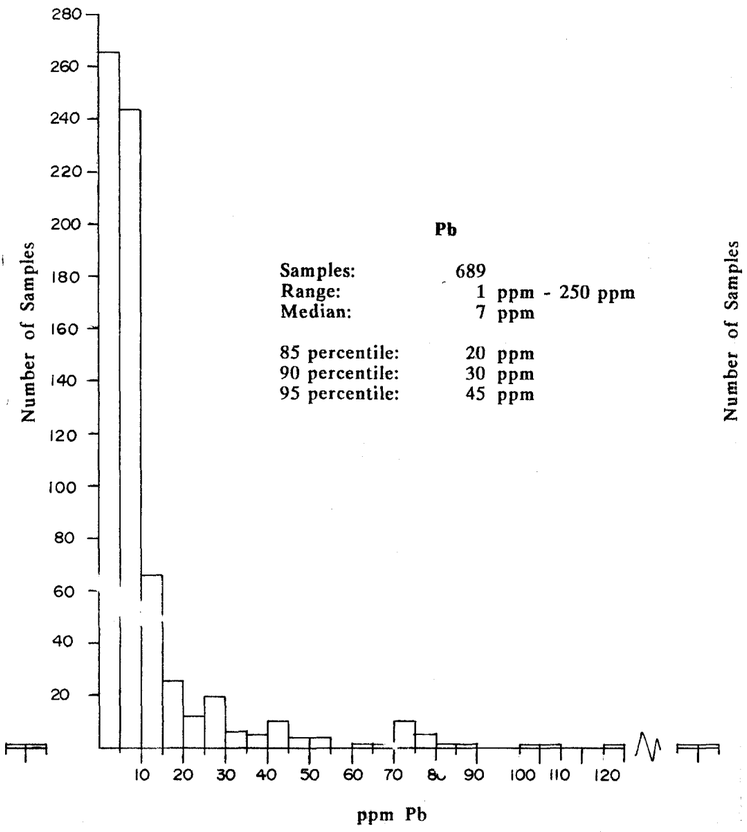
AXE CLAIMS - GJ SOUTH
STREAM SILT GEOCHEMISTRY
GOLD

DATE: OCT. 23, 1989	NTS: 104G/9
PROJECT: GJ	DRAWN BY: D. MEHNER
SCALE: 1:20,000	0 200 400 600 800 1000 METRES
KEEWATIN ENGINEERING INC.	MAP No. 6



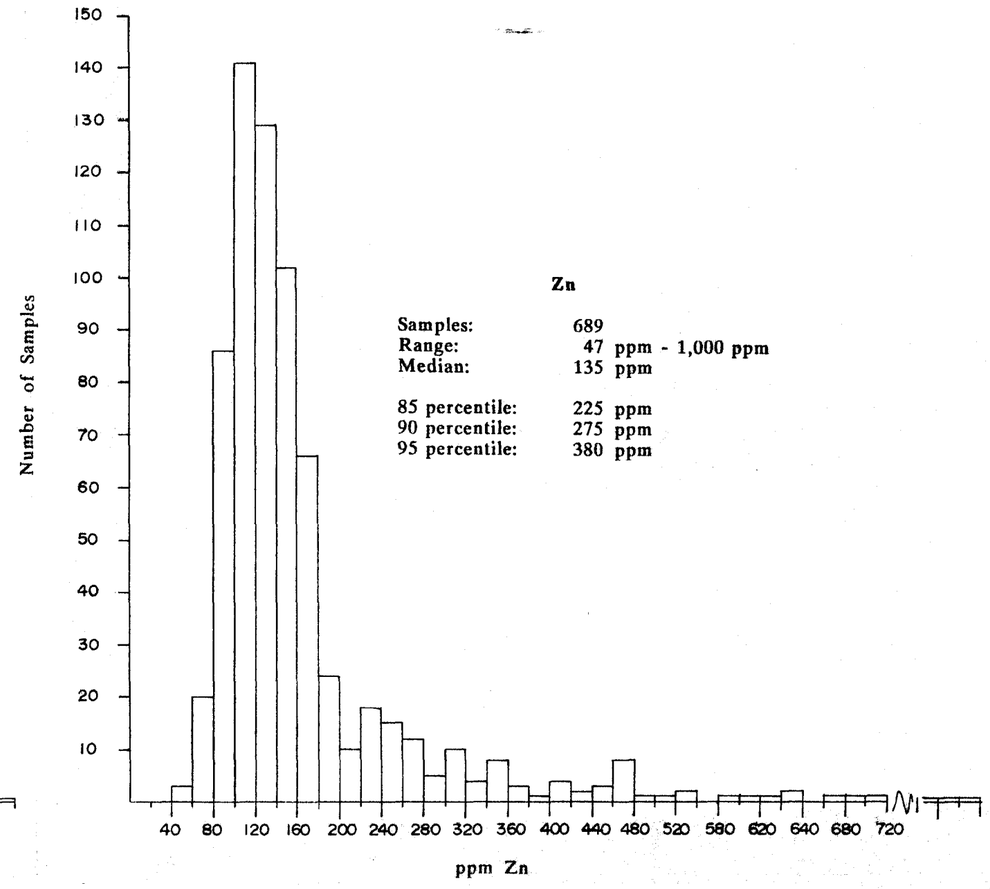
Cu

Samples:	689
Range:	14 ppm - 3,000 ppm
Median:	63 ppm
85 percentile:	115 ppm
90 percentile:	140 ppm
95 percentile:	240 ppm



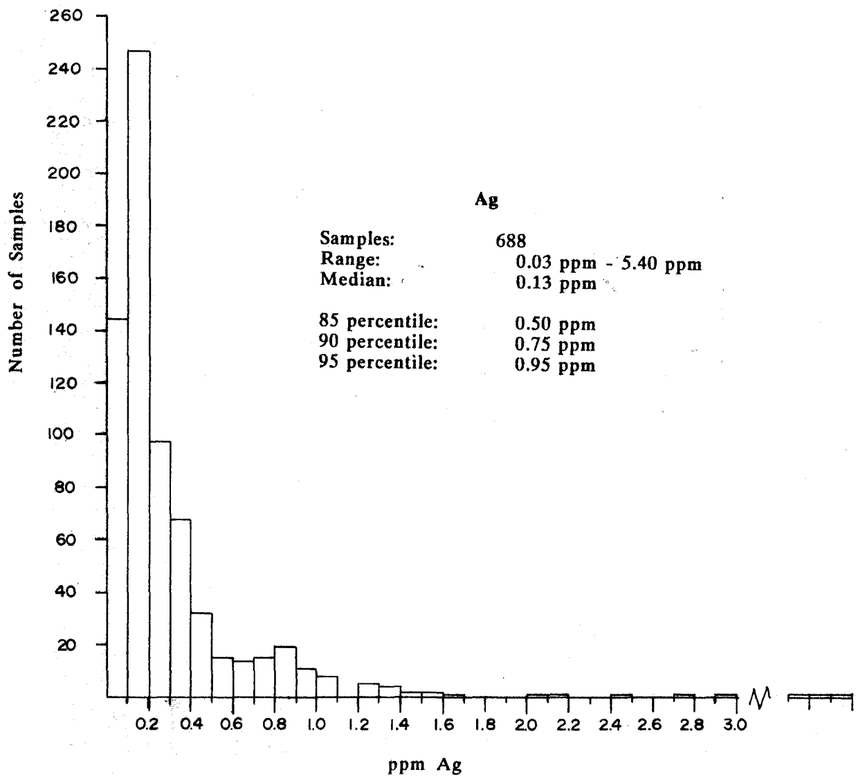
Pb

Samples:	689
Range:	1 ppm - 250 ppm
Median:	7 ppm
85 percentile:	20 ppm
90 percentile:	30 ppm
95 percentile:	45 ppm



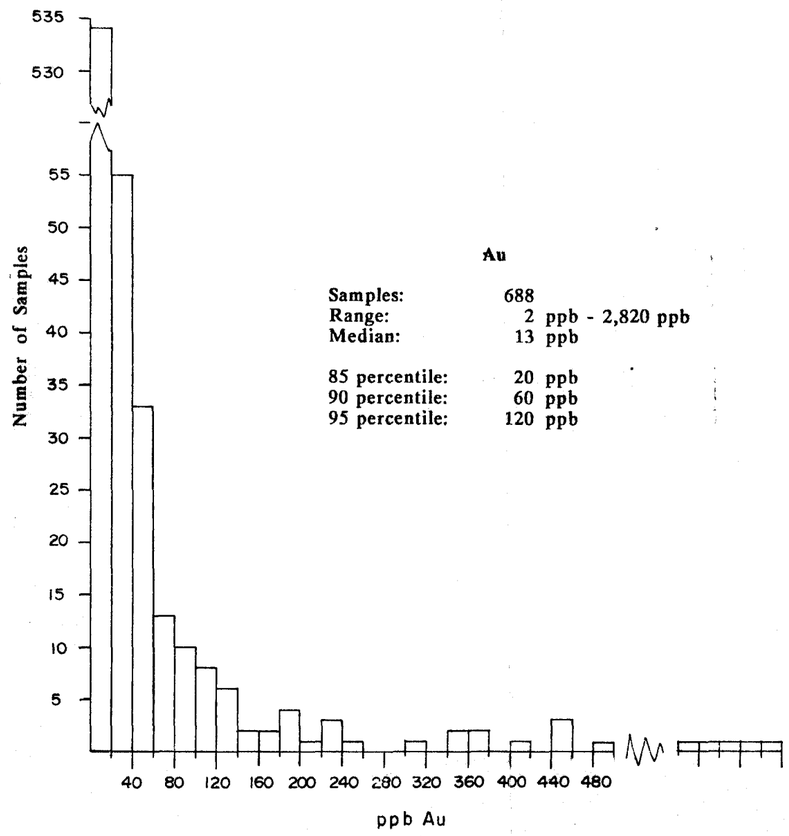
Zn

Samples:	689
Range:	47 ppm - 1,000 ppm
Median:	135 ppm
85 percentile:	225 ppm
90 percentile:	275 ppm
95 percentile:	380 ppm



Ag

Samples:	688
Range:	0.03 ppm - 5.40 ppm
Median:	0.13 ppm
85 percentile:	0.50 ppm
90 percentile:	0.75 ppm
95 percentile:	0.95 ppm



Au

Samples:	688
Range:	2 ppb - 2,820 ppb
Median:	13 ppb
85 percentile:	20 ppb
90 percentile:	60 ppb
95 percentile:	120 ppb

ASCOT RESOURCES LTD.

AXE CLAIMS

KINASKAN LAKE

HISTOGRAMS OF SILT GEOCHEM DATA FROM PROPERTIES

DATE: NOV. 8, 1989	NTS: 104G/9
PROJECT: GJ	DRAWN BY: DAVID MEHNER
SCALE:	
KEEWATIN ENGINEERING INC.	MAP No. 7