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GEOCHEMICAL REPORT

ON

HORSEMEAT ONE & TWO
(ASHWOOD PROPERTY)

Skeena Mining Division

NTS: 103P/12W
Latitude: 55° 45'N, Longitude: 135° 10'W

Owner/Operator: Tenajon Resources Corp.
860 - 625 Howe St.
Vancouver, B.C.

Work Conducted: October 10 and 11, 1989

Report By: D. Visagie
May 24, 1990

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

20,024

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1. INTRODUCTION

The Ashwood property occurs within the Stewart gold camp being located approximately 25 km southwest of Lac Bond's Red Mountain gold discovery. The claims, underlain by andesitic crystal flows and tuffs, have no known record of any work being completed on them. Two days, October 10 and 11, 1990, were spent evaluating the Horsemeat One and Two claims. Although severe weather conditions hampered exploration, eighteen rock chip samples were taken from selected outcrops for analysis.

2. LOCATION AND ACCESS (Figures 1 and 2)

The Ashwood property which is composed of several claims including the Horsemeat One and Two, is located at the headwaters of Georgie River, south of Bullfrog Creek, approximately 20 km south of Stewart, northwestern B.C. The claims straddle an area from north of Mt. Brown to south of Outram Lake, being centred at latitude $55^{\circ} 45' N$ and longitude $135^{\circ} 10' W$ on NTS sheet 103P/12.

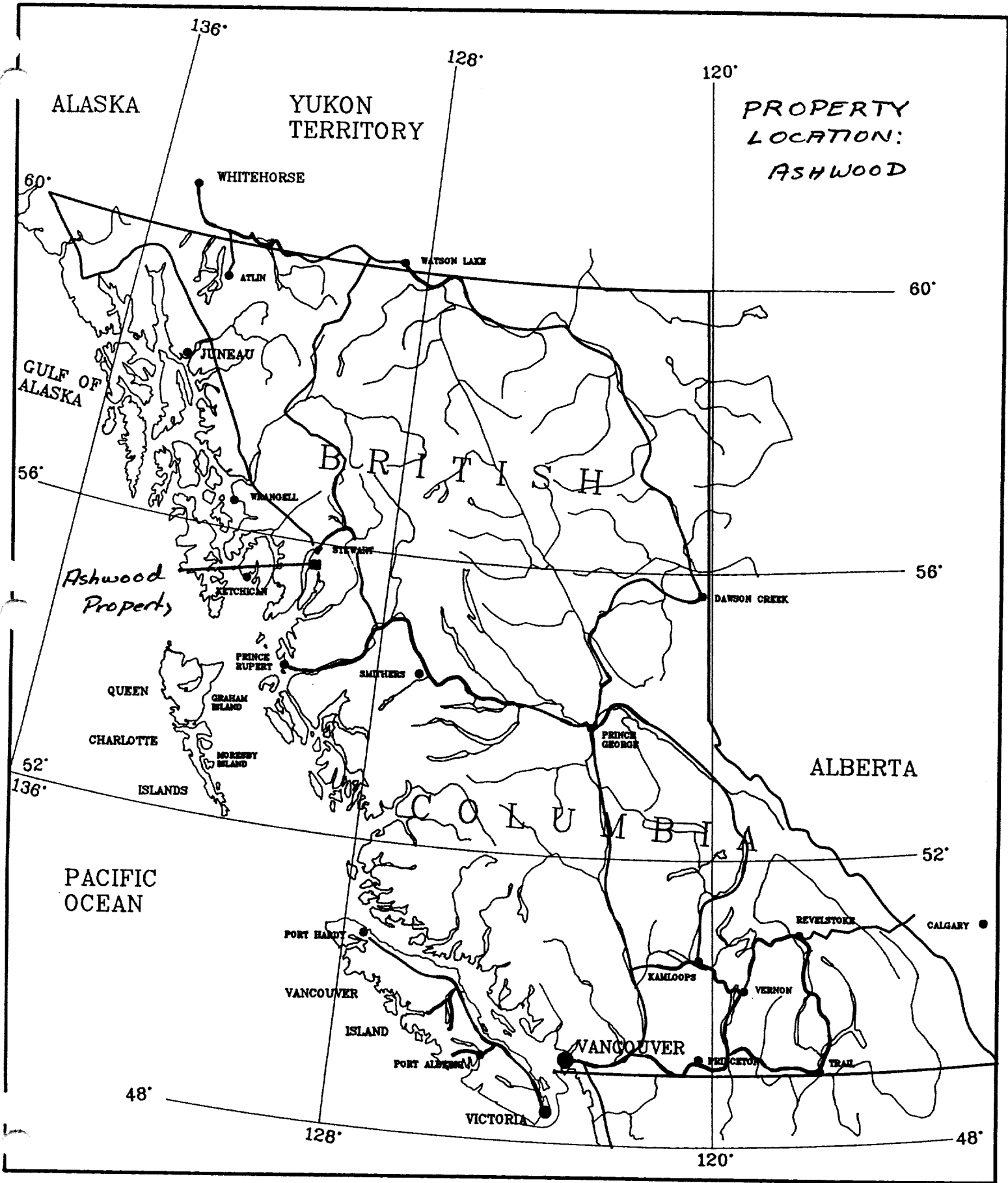
Access to the property is by helicopter from Stewart. During the 1920's a pack-trail was constructed along Bullfrog Creek to the headwaters of Georgie River, but has since fallen into disuse and disrepair.

3. PHYSIOGRAPHY, VEGETATION AND CLIMATE

The topography of the claim is typical of the terrain in the Stewart area, being extremely rugged with elevations ranging from 600 m at the Georgie River valley to over 2,000 m at Mt. Brown. Extensive permanent snowfield and glaciers cover much of the higher ground. The valleys are typically U-shaped with steep precipitous sides that make foot passage difficult.

The lower valley floors are covered by spruce, fir and hemlock while at higher elevations mosses and lichens predominate. The tree line ranges from 4,000 to 4,500 feet.

The weather is typical of the northern Coast Mountain with heavy snowfalls occurring in the winter while the summers tend to be cool and wet.



GALORE CREEK DISTRICT



STIKINE COPPER
(HBMS / B.P. / COMINCO)

ISKUT DISTRICT

SULPHURETS DISTRICT

SNIP PROJECT
(COMINCO / DELAWARE)

COVE/GRANGES

ESKAY CREEK PROJECT
(CALPINE)

SULPHURETS PROPERTY

JOHNNY MOUNTAIN MINE
(SKYLINE)

KERR

SUMMIT LAKE
(ROYAL SCOT)

DOC PROPERTY
(ECHO BAY)

STEWART DISTRICT

PREMIER GOLD PROJECT

S. B. PROPERTY
(TENAJON)

Paved Highway

Hyder

Stewart

PROSPERITY-PORTER IDAHO

ASHWOOD PROPERTY

PORTLAND CANAL

TO TERRACE AND VANCOUVER

TENAJON RESOURCES ASHWOOD PROPERTY LOCATION MAP

0 25 50 Kilometres

0 15 30 Miles

Figure 2.

4. CLAIM STATUS (Figure 3)

The Horsemeat One and Two were optioned by Carmac Resources Ltd. from David and Jason Burnett and Randy Kasum of Stewart, B.C. The claims staked to cover an extensive gossanous zone are as outlined below.

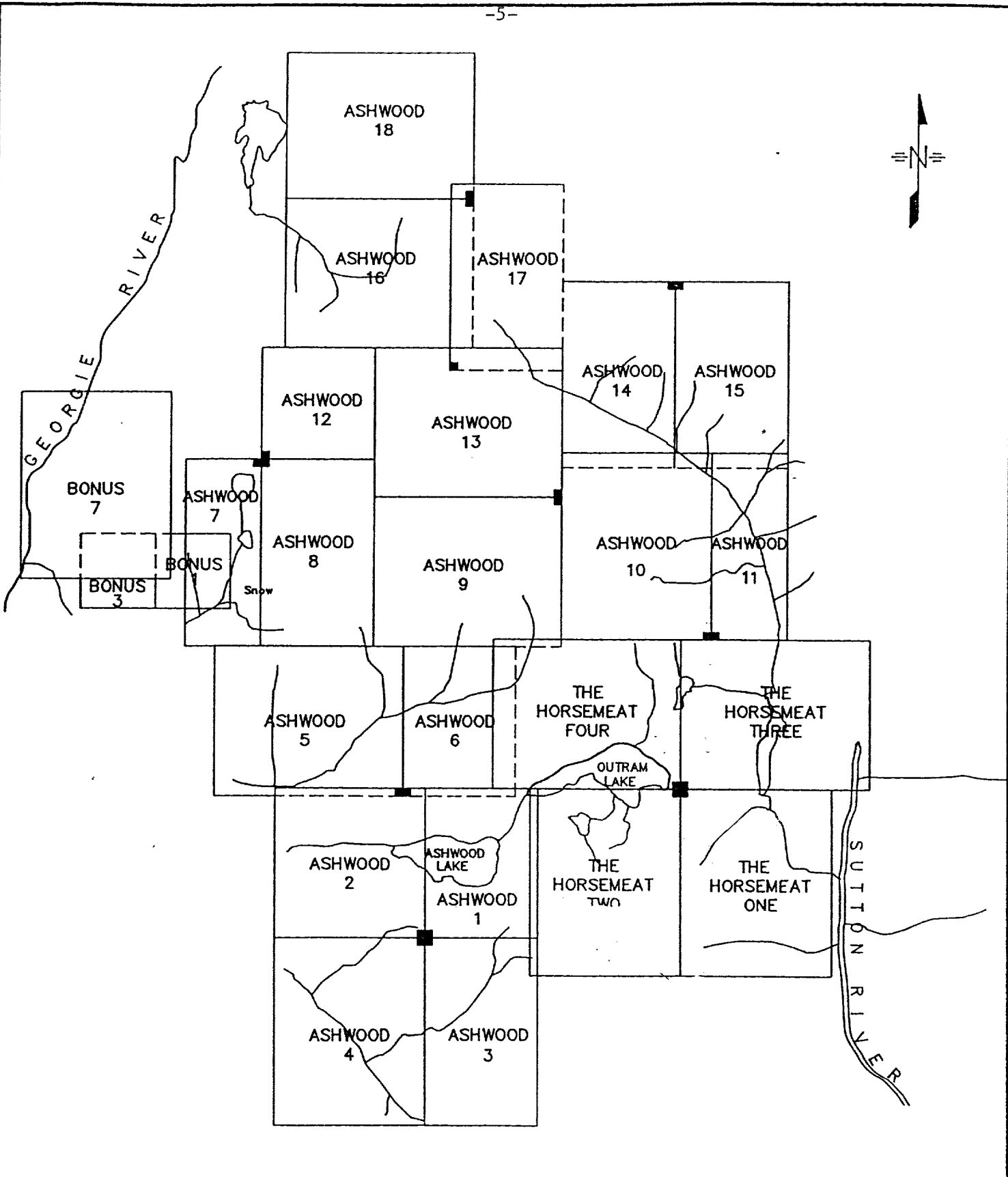
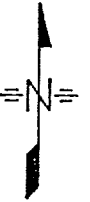
<u>Claim</u>	<u>Units</u>	<u>Record #</u>	<u>Expiry Date</u>
Horsemeat One	20	7718	June 28, 1990
Horsemeat Two	20	7745	July 27, 1990

5. HISTORY AND PREVIOUS WORK

There is no known record of any work being completed on the Horsemeat One or Two claims. Exploration on ground located immediately adjacent to the west of the Ashwood property dates back to the 1920's. Georgie River Mines competed drifting and achieved limited production from narrow quartz veins located on the west side of Georgie River. The property since then has been intermittently explored. At the north end of the Ashwood property, several small adits were driven on narrow quartz veins (Gloria Showing) by North Country Mining Co. in 1927.

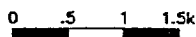
6. REGIONAL GEOLOGY (Figure 4)

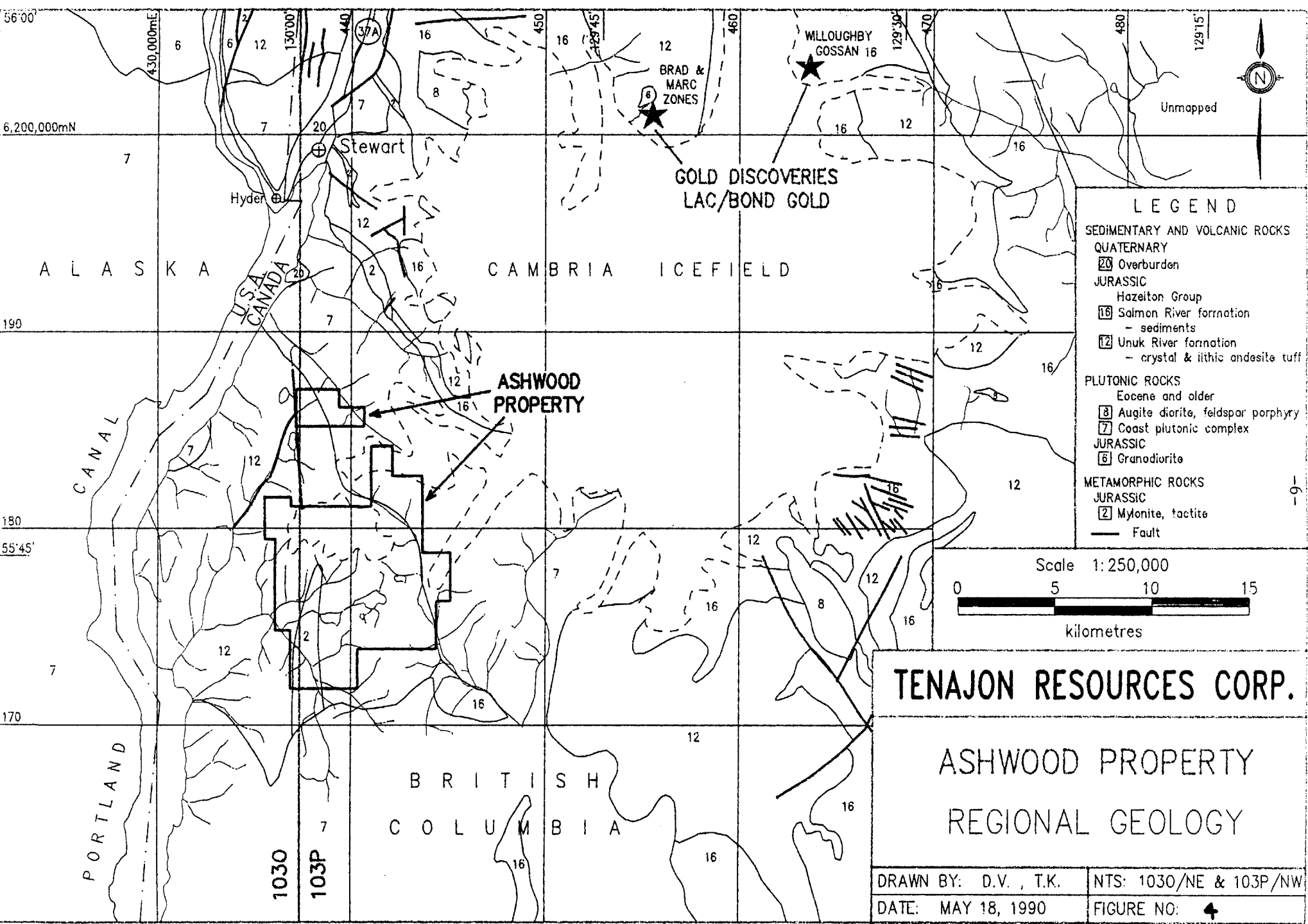
The Ashwood property occurs within what Grove (1986) has termed the Stewart Complex. This complex, situated within the Intermontane Belt on the western edge of Stikinia terrain is immediately adjacent to the eastern margin of the Coast Plutonic to Middle Jurassic Hazelton Group rocks consisting of partially subaerial, differentiated andesitic to dacitic calc-alkaline volcanics, coeval intrusions and interbedded sediments, is thought to represent an island arc sequence that extends from south of Stewart near Anyox, north to the Iskut River, a distance of 150 km. This belt is highly mineralized throughout hosting several past and present producers including the Big Missouri, Silbak Premier, Granduc and Johnny Mountain mines and major ongoing developments at the Sulphurets, Snip and Eskay Creek deposits.



TENAJON RESOURCES

CLAIM MAP

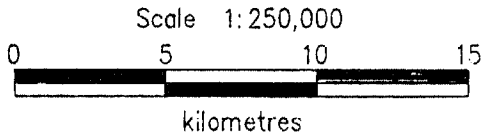




Unmapped

LEGEND

- SEDIMENTARY AND VOLCANIC ROCKS
- QUATERNARY
 - 20 Overburden
- JURASSIC
 - 16 Hazelton Group
 - 16 Salmon River formation - sediments
 - 12 Unuk River formation - crystal & iithic andesite tuff
- PLUTONIC ROCKS
 - Eocene and older
 - 8 Augite diorite, feldspar porphyry
 - 7 Coast plutonic complex
 - JURASSIC
 - 6 Granodiorite
- METAMORPHIC ROCKS
 - JURASSIC
 - 2 Mylonite, tactite
- Fault



TENAJON RESOURCES CORP.

ASHWOOD PROPERTY
REGIONAL GEOLOGY

DRAWN BY: D.V. , T.K.	NTS: 1030/NE & 103P/NW
DATE: MAY 18, 1990	FIGURE NO: 4

Middle to Late Jurassic Bowser Group sediments consisting mainly of chert pebbles. Conglomerate and siltstone unconformably overlie Hazelton Group rocks to the northeast while Upper Triassic to Lower Jurassic Texas Creek granodiorite plutons intrude Hazelton Group rocks to the southwest. Cretaceous-Tertiary granodiorite and quartz monzonite of the Coast Range Plutonic Complex and variable composed dyke swarms intrude all other igneous rocks.

7. PROPERTY GEOLOGY AND MINERALIZATION (Figure 5)

The Ashwood property is predominantly underlain by andesitic crystal flows and tuffs, volcanic breccias, sandstones, conglomerates, siltstones and/or argillites belonging to the Lower Jurassic Unuk River Formation. Granitic dykes are observed to intrude Unuk River Formation rocks. Immediately east of the claim group, west of the Ice Lake and to the north along Bulldog Creek, the Unuk River Formation is in contact with Middle Jurassic to Tertiary Coast Plutonic Complex granodiorite.

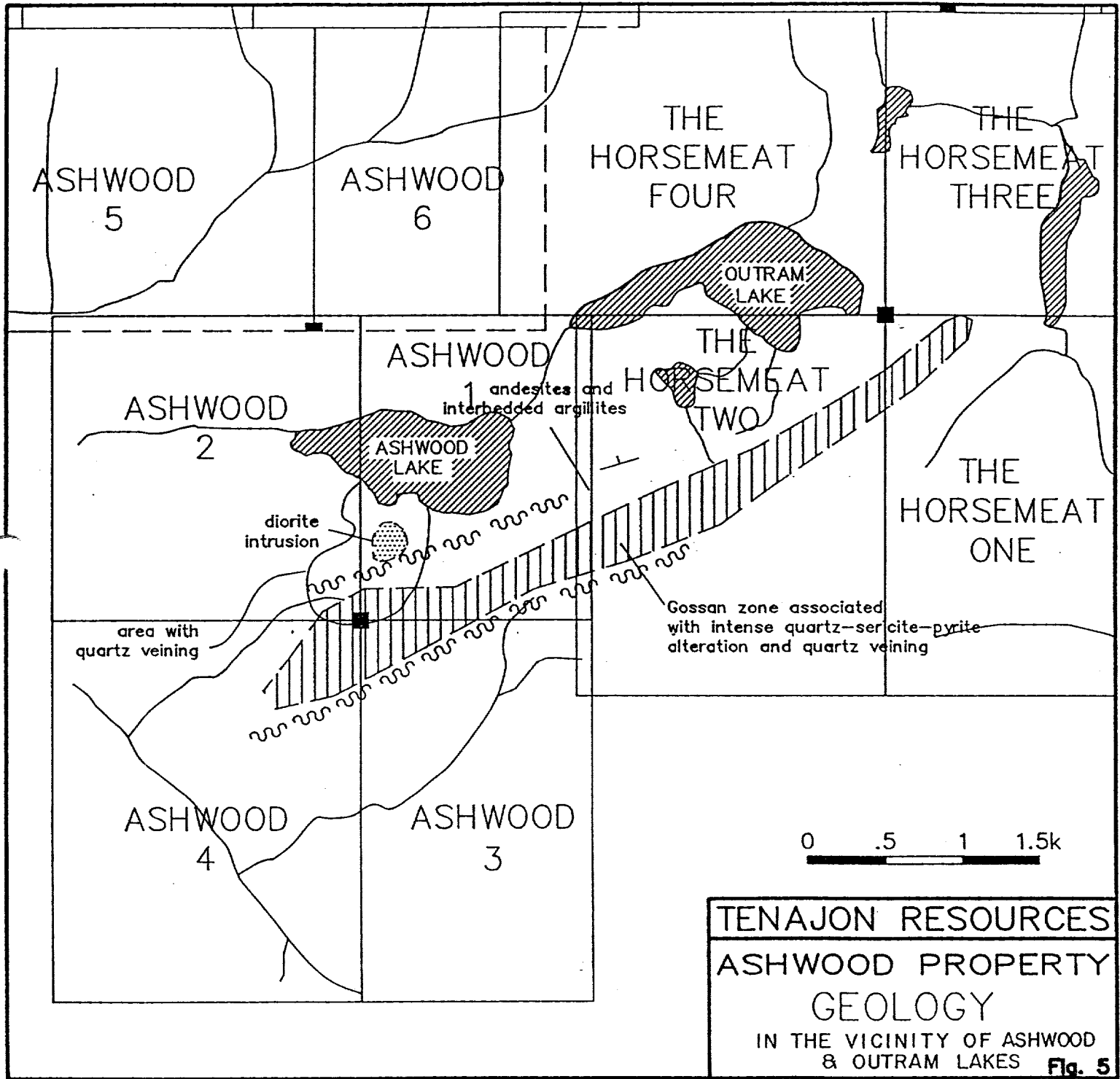
Two dominant faults in the vicinity of the property have been determined by Grove (1986). One trends north-south through Georgie Lake, while the other trends north-northeast along Georgie River. A strong northeast trending fault, exposed in Outram and Ashwood Lakes as evidenced by gossanous gouge and slickensides was located during the property examination.

On the Horsemeat One and Two claims an extensive gossanous zone in association with intense quartz-sericite-pyrite alteration and faulting was observed. Widespread quartz veining with up to 15% pyrite occurs locally. The gossanous zone trends northwesterly, is 10 to 20 m wide and can be traced for a distance in excess of 20 km.

8. GEOCHEMISTRY

A total of eighteen rock chip or grab samples were collected in the course of the evaluation. The samples, up to 5 kg in weight, were taken where possible from outcrop, identified and stored in plastic bags.

- 1) Assay Procedures: All of the samples were sent to Eco-Tech Laboratories in Stewart, B.C. to be analyzed for gold by fire assay. In addition, sixteen of the samples were sent to Eco-Tech Laboratories in Kamloops, B.C., to be analyzed using the 30 element Inductively Coupled Plasma (I.C.P.) method.



The following is an outline of the procedure used for the preparation and analysis of the samples:

Samples dried (if necessary), crushed to pulp size and pulverized to approximately -140 mesh.

For the 30 element I.C.P. analysis, a 10 gram sample is digested with 3 ml of 3:1:3 nitric acid to hydrochloric to water at 90° C for 1 1/2 hours. The sample is then diluted to 20 mls with demineralized water and analyzed. The leach is partial for Al, B, Ba, Ca, Cr, Fe, K, Mg, Ma, Na, Q, Sb, Ti, U, and W.

For gold determination by atomic absorption a 10.0 gram sample that has been ignited overnight at 600° C is digested with hot dilute aqua regia and the clear solution obtained is extracted with Methyl Isobutyl Ketone (MIBK). Gold is determined in the MIBK extract by atomic absorption using a background detection (detection limit 5 ppb).

For fire assay analysis a one assay ton subsample was used.

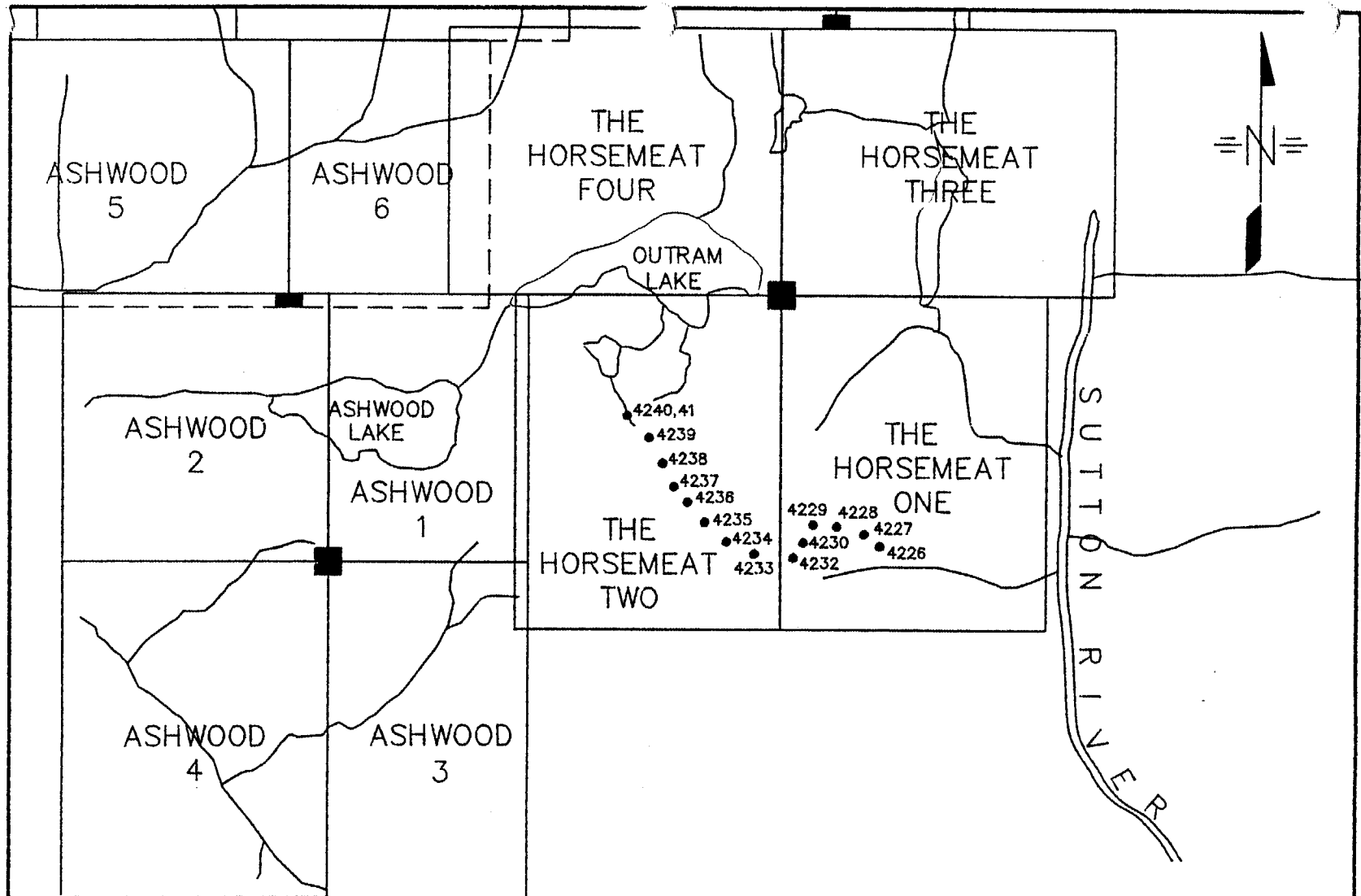
- 2) Results: The results for the samples taken are located in Appendix 1 with the sample locations being plotted on Figure 6. The assays do not outline any significant zones of mineralization. All samples contained less than 5 ppb Au.

9. SUMMARY AND CONCLUSIONS

Two days were spent evaluating the Horsemeat One and Two claims. The property, underlain by Unuk River Formation andesitic crystal tuffs and flows argillites and sandstones contains extensive gossanous zones in which pyrite bearing quartz veins occur. Assay results are negative however, favourable geology and the limited work completed to date require more work to be completed on the property for a proper evaluation.

10 RECOMMENDATIONS

It is recommended that further work consisting of mapping and sampling be completed on the property.



TENAJON RESOURCES

ASHWOOD PROPERTY

SAMPLE LOCATIONS

Fig. 6

11.

CERTIFICATE OF QUALIFICATIONS

I, D. A. Visagie of #860 - 625 Howe Street, Vancouver, B.C., hereby declare:

That I graduated from the University of British Columbia with a Bachelor of Science degree majoring in Geology in 1976.

That I have been steadily employed in the mining industry since then and have been employed by Tenajon Resources Corp. since March 1989 as the Senior Geologist.

That the work undertaken on the Ashwood property was carried out in my presence and under my supervision.

Dated at Vancouver this 25th day of May, 1990.

Dave A. Visagie, Senior Geologist

CERTIFICATE OF QUALIFICATIONS

I, Mohan R. Vulimiri, hereby certify that:

I am a Consulting Geologist, with business address at 822 East 12th St., North Vancouver, B.C. V7L 2L1

I am a graduate of Indian Institute of Technology, Kharagpur, India with a B.Sc., Honours in Geological Sciences.

I received a Masters of Science degree in Economic Geology from the University of Washington, Seattle, U.S.A.

I am a Member of Society of Economic Geologists, Member of Society of Mining Engineers and a Fellow of the Geological Association of Canada.

I have practised my profession as a Geologist since 1970, and in responsible positions since 1974, in British Columbia, Yukon, Saskatchewan, and South Western U.S.A.

The information, conclusions and recommendations in this report are based on a visit to the property, review of all relevant literature on the area, and having personally worked in the Stewart area, on the Silver Butte Property for Tenajon Resources Corp.

I have no interest, direct or indirect, in the property or in the securities of Tenajon Resources Corp.

I consent to the use of this report in a statement of material facts relating to this project.

Dated at Vancouver, British Columbia, this 25th day of May, 1990.

Mohan R. Vulimiri

12. COST STATEMENT

1.	Transportation		
	a) Airfares		
	Vancouver to Terrace, return	M Vulimiri	472.00
	Vancouver to Terrace	D Visagie	236.00
	b) Bus fares		
	Terrace to Vancouver, return	M Vulimiri	40.00
	Terrace to Vancouver	D Visagie	20.00
	c) Helicopter		
	1.6 hrs @ \$658.50/hr		1053.60
2.	Labour		
	a) M. Vulimiri - Consulting Geologist, 2 days @ \$250.00/day		
	b) D. Visagie - Senior Geologist, 1.5 days @ \$209.95/day		
3.	Room & Board		
	a) M Vulimiri 2 Days		143.14
	b) D Visagie 1 Day		75.00
4.	Assaying		
	a) 18 rocks x 3.50 ea - preparation		
	b) 2 rocks x 5.50 ea - fire assay		
	c) 16 rocks x 13.50 ea - 30 element I.C.P. + Au		290.00
5.	Report Preparation		
	a) report writing 1.5 days @ \$209.65/day		
	b) typing, xeroxing, etc. \$150.00		464.93
		Total	<u>3609.60</u>

13. REFERENCES

Alldrick, D.A., (1985): Stratigraphy and Petrology of the Stewart Mining Camp (104B/1), B.C. Ministry of Energy, Mines and Petroleum Resources, Geological Fieldwork, 1984, Paper 1985-1, pages 316-341.

B.C. Minister of Mines Annual Reports for 1922 to 19299. North Country Mining Co. Ltd. and Gloria Mining Co. Reports on Glory (Gloria) Group of Claims.

Downing, B., Leitch, C., (1979): Unpublished report on RHS Claims Groups, 1979. Falconbridge Nickel Mines.

-----, (1983): Unpublished Geological Report on Wilby Claim Group, Newmont Exploration Ltd.

Grove, E., (1986): Geology and Mineral Deposits of the Unuk-Salmon River-Anyox Area, B.C. Ministry of Energy Mines and Petroleum Resources, Bulletin 63.

News Release, (1989): Bond Gold Canada's news release on the Willoughby and Red Mountain deposits. October, 1989.

APPENDIX

ECO-TECH LABORATORIES LTD.

10041 E. Trans Canada Hwy.
Kamloops, B.C.
V2C 2J3
October 27, 1989

TENAJON RESOURCES

P.O. Box 830
Stewart, B.C.
V0T 1W0

ETS 89-9236A

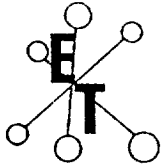
16 Rock Samples, received October 12/89

All values in PPM unless otherwise reported

ETS	DESCRIPTION	Ag	AlI	As	B	Ba	Bi	CaI	Cd	Co	Cr	Cu	FeI	KI	La	MgI	Mn	Mo	NaI	Ni	P	Pb	Sb	Sn	Sr	TiI	U	V	W	Y	Zn
9236.1	4226	<.2	2.48	<5	16	190	10	0.13	1	10	149	58	3.51	1.41	<10	1.75	376	<1	0.02	87	451	53	38	<20	7	0.17	<10	119	17	4	134
9236.2	4227	<.2	1.20	<5	4	78	<5	0.21	1	6	87	25	2.27	0.46	<10	0.57	334	3	0.02	18	552	27	<5	<20	10	0.13	<10	67	14	6	51
9236.3	4228	<.2	0.22	<5	13	12	10	0.03	<1	<1	148	8	0.74	0.05	<10	0.09	83	13	0.01	9	91	10	14	<20	4	0.03	<10	16	12	3	18
9236.4	4229	<.2	0.86	22	11	74	<5	0.11	<1	3	92	14	1.47	0.43	<10	0.38	245	9	0.03	9	316	10	21	<20	8	0.14	<10	103	<10	9	21
9236.5	4230	<.2	1.19	15	11	91	17	0.09	<1	6	64	8	2.21	0.73	<10	0.56	357	<1	0.02	7	355	14	20	<20	4	0.15	<10	61	<10	6	26
9236.6	4231	<.2	0.84	24	16	57	<5	0.21	<1	5	65	26	1.39	0.41	<10	0.42	227	8	0.02	4	569	8	15	<20	7	0.15	<10	35	<10	10	35
9236.7	4232	<.2	3.81	131	4	50	7	2.52	<1	16	37	22	4.15	0.08	12	0.41	672	<1	0.26	4	1149	30	25	<20	159	0.01	<10	29	<10	<1	75
9236.8	4233	<.2	3.75	72	7	8	<5	2.88	<1	4	28	9	0.63	0.10	<10	0.23	101	<1	<0.1	27	164	7	34	<20	173	<0.1	<10	22	<10	<1	76
9236.9	4234	1.8	1.10	<5	3	27	7	0.57	3	13	55	55	4.07	0.20	13	0.73	594	8	0.04	22	1131	10	52	<20	23	0.01	<10	67	<10	6	152
9236.10	4235	0.4	0.95	<5	10	27	11	0.26	2	6	82	41	2.83	0.05	<10	0.46	410	<1	0.03	20	535	12	40	<20	24	0.04	<10	50	<10	<1	91
9236.11	4236	<.2	0.31	40	14	11	<5	0.05	<1	1	137	9	0.81	0.08	<10	0.13	107	15	0.02	7	228	30	15	41	4	0.03	<10	27	<10	3	25
9236.12	4237	0.5	1.63	62	10	44	<5	1.03	1	19	33	28	3.67	0.12	<10	0.51	356	1	0.07	24	891	12	<5	<20	52	0.02	<10	20	<10	<1	121
9236.13	4238	1.3	2.50	69	9	33	<5	1.24	6	9	92	50	2.74	0.06	<10	0.43	644	4	0.14	29	733	13	<5	21	131	0.02	<10	92	<10	<1	304
9236.14	4239	<.2	0.55	29	14	120	<5	1.13	<1	7	114	11	0.91	0.25	<10	0.37	364	2	0.02	36	237	9	35	<20	46	0.05	<10	29	<10	3	32
9236.15	4240	1.0	1.89	67	15	37	<5	1.10	2	5	81	35	2.24	0.07	<10	0.51	466	3	0.14	22	827	12	43	<20	140	0.02	<10	47	<10	2	24
9236.16	4241	<.2	0.18	660	13	8	<5	0.07	2	2	159	11	0.90	0.02	<10	0.08	117	11	0.02	11	277	3	23	<20	6	0.02	<10	23	14	1	75

NOTE: < = less than

[Signature]
ECO-TECH LABORATORIES LTD.
9006 HOWARD
B.C. CERTIFIED ASSAYER



ECO-TECH LABORATORIES LTD.

ASSAYING - ENVIRONMENTAL TESTING
10041 East Trans Canada Hwy., Kamloops, B.C. V2C 2J3 (604) 573-5700 Fax 573-4557

OCTOBER 13, 1989

CERTIFICATE OF ANALYSIS ETS 89-9236
=====

TENAJON RESOURCES CORP.
P.O. BOX 860
STEWART, B.C
VOT 1W0

ATTENTION: DAVID VISAGIE

SAMPLE IDENTIFICATION: 16 ROCK samples received October 12, 1989
----- P.O. #: 5756

ET#	Description	AU (ppb)
9236 - 1	4226	<5
9236 - 2	4227	<5
9236 - 3	4228	<5
9236 - 4	4229	<5
9236 - 5	4230	<5
9236 - 6	4231	<5
9236 - 7	4232	<5
9236 - 8	4233	<5
9236 - 9	4234	<5
9236 - 10	4235	<5
9236 - 11	4236	<5
9236 - 12	4237	<5
9236 - 13	4238	<5
9236 - 14	4239	<5
9236 - 15	4240	<5
9236 - 16	4241	<5

NOTE: < = LESS THAN

Jutta Jealouse

 ECO-TECH LABORATORIES LTD.
 JUTTA JEALOUSE
 B.C. Certified Assayer

FAX
SC89/TENAJON

ET#	Description	AU (oz/t)	AG (oz/t)
9233 - 1	ASHWOOD #1	.002	.105
9233 - 2	ASHWOOD #2	<.001	.082

NOTE: < = LESS THAN