Copy 1

MineQuest Report # 232
MineQuest Ref. #RM-1001

TRUE BLUE PROPERTY

DIAMOND DRILLING

JUNE 1990

Southeast British Columbia
Slocan Mining Division

NTS 82F/15W

Latitude 49° 53' N
Longitude 116° 58' W

UTM 503000 m. E. 5525000 m. N.

for
DPX Minerals Inc.

by
A.W. Gourlay

of
MineQuest Exploration Associates Ltd.

Claim Name	Record Number	Units	Date Recorded
COPPER QUEEN (RCG)	645	1	June 5, 1978
TRUE BLUE (RCG)	646	1	June 5, 1978
TRUE	776	15	July 28, 1978
BLUE	777	20	July 28, 1978
KAS 2	3003	4	Sept. 2, 1982
LO 5	3050	20	Sept.13, 1982
KAS 6	3051	15	Sept.13, 1982
TRUE BLUE FR.	5486	1	Oct. 2, 1987
BJ 1	5718	12	June 30, 1988
BJ 2	5719	4	June 30, 1988
BUCHANAN 1	5511	15	Oct. 23, 1987
BUCHANAN 2	5512	20	Oct. 23, 1987
BUCHANAN 3	5513	20	Oct. 23, 1987
KASLO	5514	20	Oct. 23, 1987

August 1990

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August 1990

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1.0 INTRODUCTION

1.1 Location, Access, and Terrain

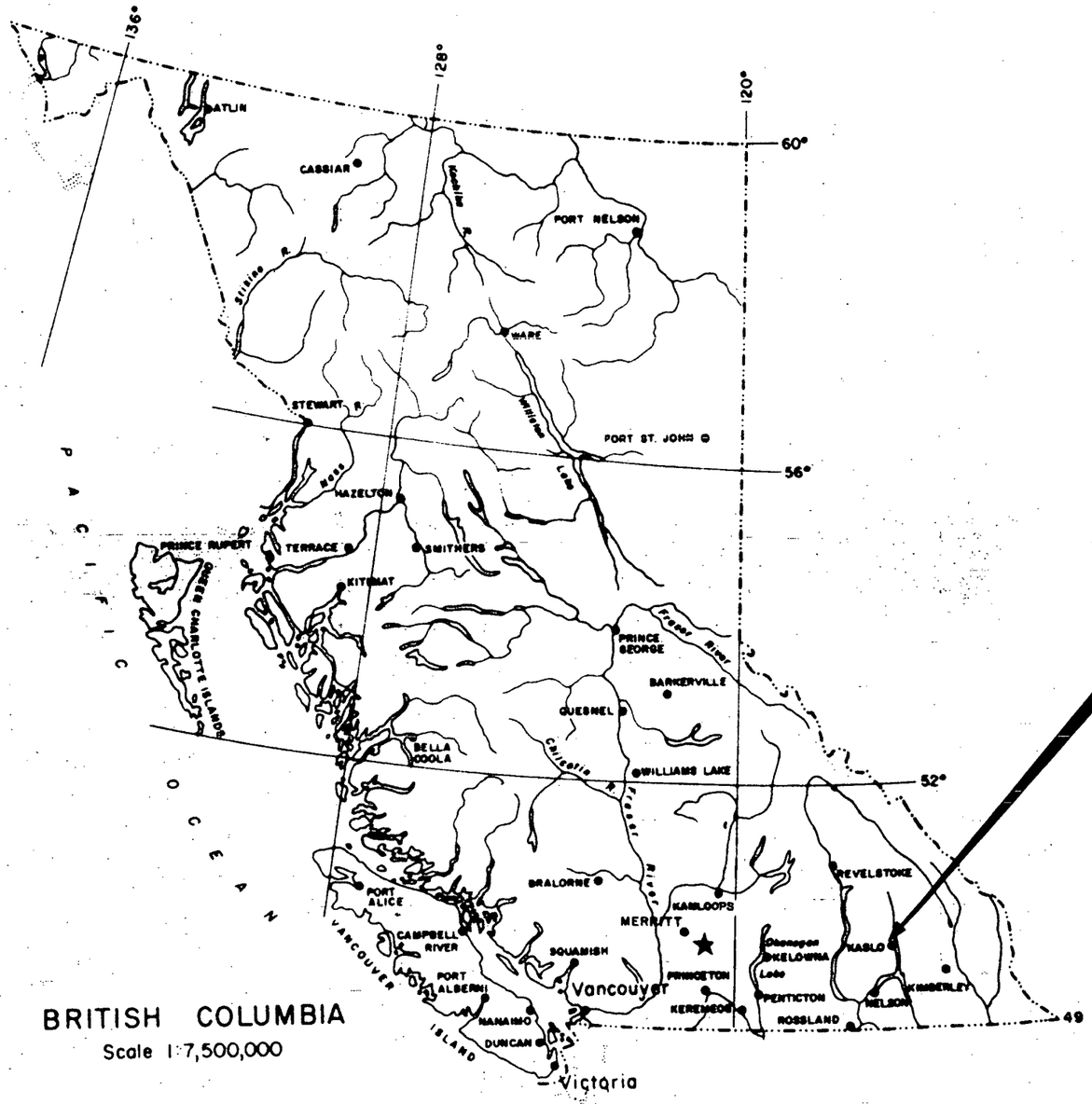
The True Blue Property is located on the east slope of True Blue Mountain, five kilometres southwest of Kaslo, B.C. The claims are situated within National Topographic System area 82F/15W and are centred at approximately 49°53'N latitude and 116°58'W longitude.

Access to Kaslo is via Route 31 from Nelson or by a road east from New Denver in the Slocan Valley. From Kaslo, numerous old logging roads access most of the claims. The True Blue showing can only be reached via one kilometre of steep mountain trail or by helicopter.

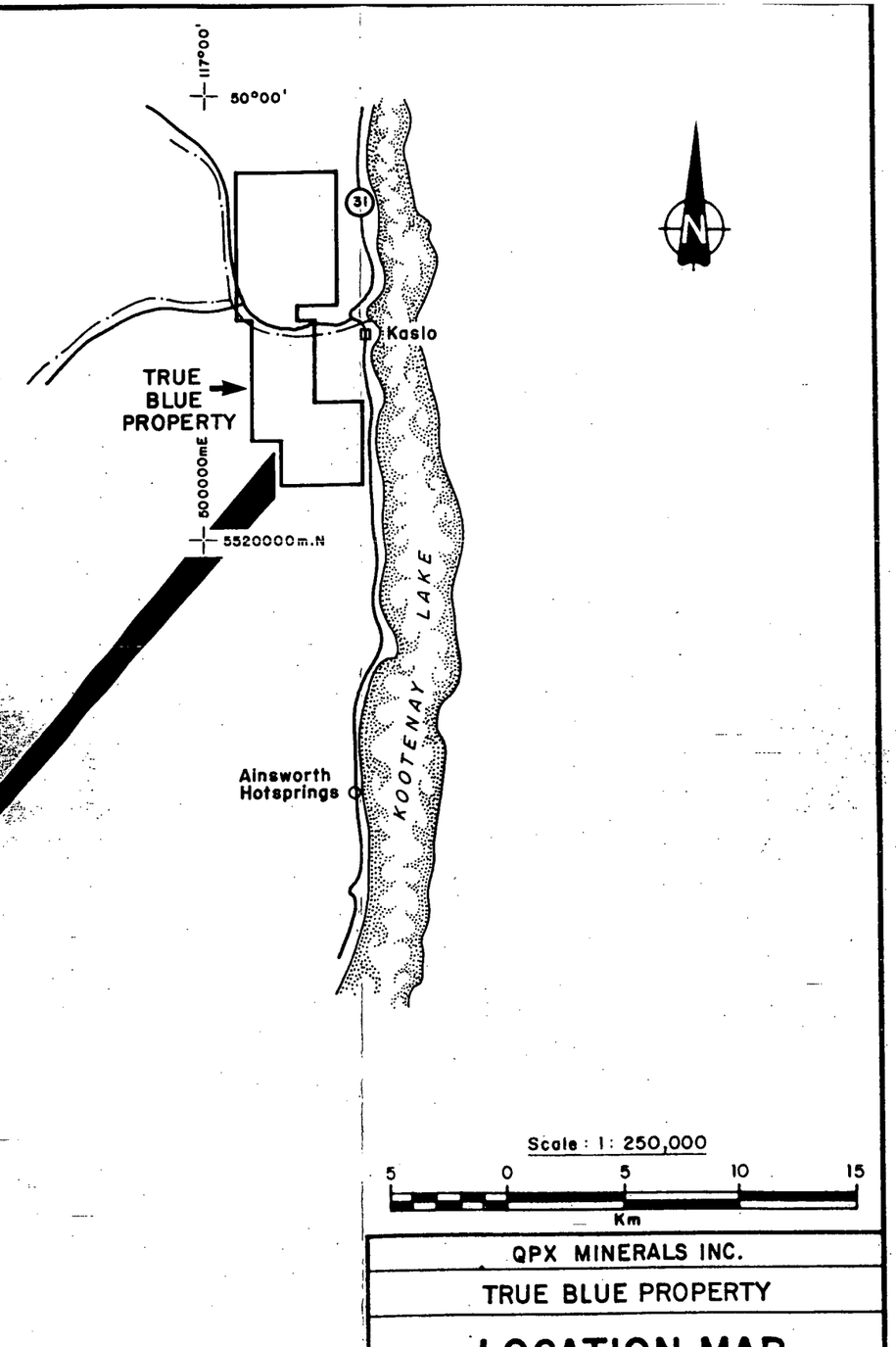
The mountain slope in the area of the principal showing is very steep and covered with dense forest. To the north and south, topography is more subdued. Elevation ranges from 625 metres in the Kaslo River valley to 2135 metres at the top of True Blue Mountain. Outcrop is abundant on the steep mountain slopes, less so on the areas of more subdued relief, and virtually non-existent in the areas of Quaternary sediments.

1.2 Property Definition and History

The True Blue Property has been owned by Otto and Otakar Janout since 1978, when they acquired two reverted Crown Grants (the True Blue and Copper Queen) and staked two mineral claims totalling 35 units. S.M.D. Mining Co. Ltd. (S.M.D.C.) staked several claims adjacent to this ground during 1982, and subsequently transferred some of these claims to the Janouts. The property was optioned to QPX Minerals Inc. in 1987 and additional ground was staked to the north and south to cover extensions of the favourable stratigraphy.



BRITISH COLUMBIA
Scale 1:7,500,000



Scale : 1: 250,000

5 0 5 10 15
Km

QPX MINERALS INC.

TRUE BLUE PROPERTY

LOCATION MAP

PLAN NO.	DRAWN C.D.	DATE Aug.'90	Fig. 1
Revised ——— ———		N.T.S. 82 F/15W	

MINEQUEST EXPLORATION ASSOCIATES LTD.

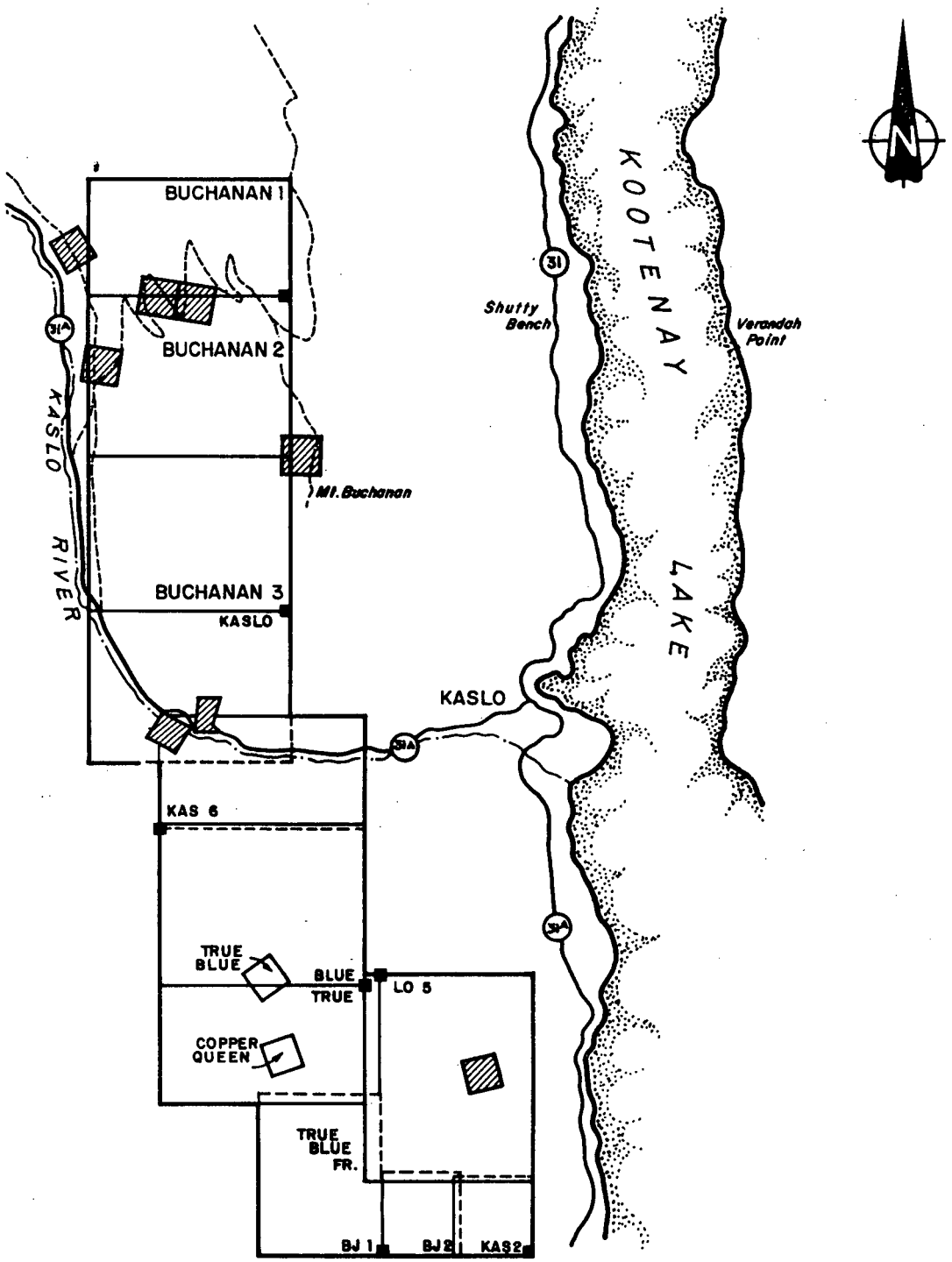
The property covers several mineral occurrences, the most important of which is the True Blue showing itself. Limited production from the turn of the century returned 8.9% Cu, 58.6 g/tonne Ag, and 1.3 g/tonne Au from 96 tonnes (MinFile Number 82FNE002). The property lay dormant until 1979, when Esso Minerals Canada performed ground geophysics and geological mapping before dropping the option. S.M.D.C. acquired the ground in 1981 and carried out ground and airborne geophysics, geological mapping, and rock and soil geochemistry before relinquishing the claims. During 1986, MineQuest Exploration Associates Ltd. performed preliminary geological mapping and limited rock and soil sampling. The property was optioned to OPX Minerals Inc. in 1987 and work since then has consisted of further ground geophysics, soil sampling, and detailed geological mapping.

Reviews of previous work may be found in Lee (1988) and Longe (1989).

1.3 Claim Status

The True Blue Property consists of eleven mineral claims, one fractional mineral claim, and two reverted Crown Grants as listed below and shown in Figure 2. All claims are held by OPX Minerals Inc. under an option agreement with Otto and Otakar Janout.

CLAIM NAME	RECORD NUMBER	UNITS	DUE DATE BEFORE SUBMISSION OF THIS REPORT
COPPER QUEEN(RCG)	645	1	June 5, 1998
TRUE BLUE(RCG)	646	1	June 5, 1998
TRUE	776	15	July 28, 1998
BLUE	777	20	July 28, 1998
KAS 2	3003	4	Sept. 2, 1998
LO 5	3050	20	Sept.13, 1996
KAS 6	3051	15	Sept.13, 1996
TRUE BLUE FR.	5486	1	Oct. 2, 1997
BJ 1	5718	12	June.30, 1994
BJ 2	5719	4	June 30, 1994
BUCHANAN 1	5511	15	Oct. 23, 1991
BUCHANAN 2	5512	20	Oct. 23, 1991
BUCHANAN 3	5513	20	Oct. 23, 1991
KASLO	5514	20	Oct, 23, 1991



1 0 1 2 3 km.

SCALE : 1:30.000

Note :

Shaded areas are ground not owned by QPX.

QPX MINERALS INC.

TRUE BLUE PROJECT, SLOCAN M.D., B.C.

CLAIM MAP

Originator L.J.L.	Drawn C.D.	Plan No.	FIG. 2
Revised	Date Sept.'88	NTS 82 F/15	

MINEQUEST EXPLORATION ASSOCIATES LTD.

1.4 Summary of Work - Current Program

Work carried out in this exploration program, which took place from October 13th to October 31st, 1989 and from May 29th to June 28th, 1990, consisted of drill pad and helicopter pad construction, and 135 metres of diamond drilling in one hole. The drill hole was probed with down - hole geophysics.

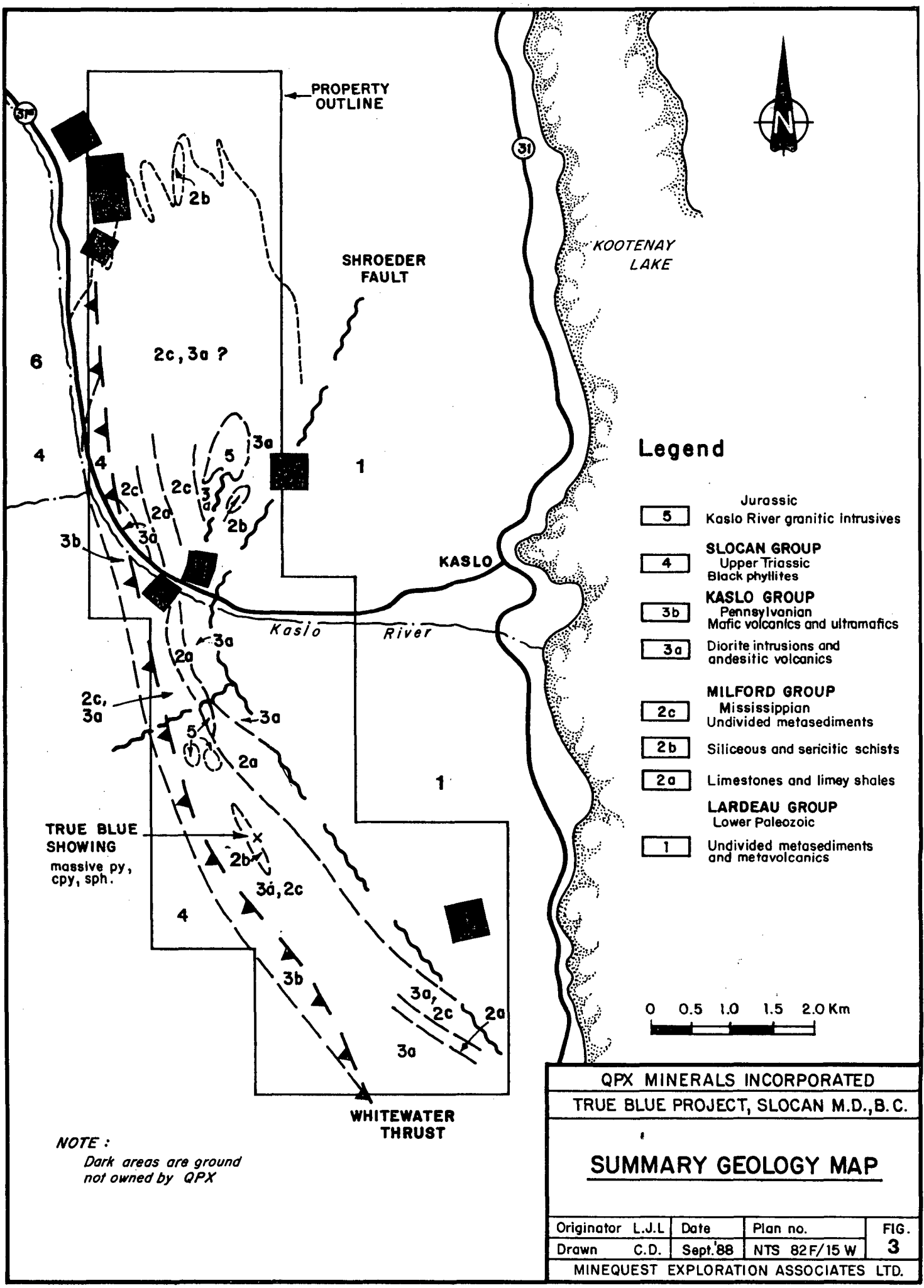
Drill pad construction was performed by C. Bilquist, S. Handley, C. Monroe, C. O'Neill, T. Starbuck, and J. Walker under the supervision of G. W. Vernon. The down-hole geophysical survey was conducted by Delta Geoscience Ltd. Drill core was logged by A.W. Gourlay, who directed the program.

2.0 GEOLOGY

2.1 Regional Geology

The regional setting is summarized by Leitch (1988) as follows:

> " The property lies within complex geology of the Kootenay Arc..... In broad outline (Klepacki, 1983), lower Palaeozoic grit and schist of the Lardeau are overlain with angular unconformity by upper Palaeozoic sediments and subordinate volcanics of the Milford group. These, and the overlying volcanic Kaslo group, host the massive sulphide mineralization. The Kaslo group, of somewhat uncertain late Palaeozoic - early Mesozoic age, comprised andesitic pyroxene - plagioclase porphyritic volcanics and volcaniclastics before greenschist facies metamorphism. These volcanics contain local interbeds of cherty tuff and siliceous argillite similar to that of the Milford group, implying a gradational transition between the two. Ultramafic rocks in the Kaslo Group are probably slices of mantle material that mark the locus of thrust faults. Overlying the Kaslo group are Mesozoic phyllites and limestone of the Slocan Group".


PROPERTY OUTLINE
SHROEDER FAULT
KOOTENAY LAKE
KASLO
Kaslo River
TRUE BLUE SHOWING
massive py, cpy, sph.
WHITEWATER THRUST
2c, 3a ?
2c, 3a
3a, 2c
3a, 2c 2a
3a
3b
2b
2a
5
4
6
1
31
NOTE :
Dark areas are ground not owned by QPX
Legend
Jurassic
5 Kaslo River granitic intrusives
SLOCAN GROUP
Upper Triassic
4 Black phyllites
KASLO GROUP
Pennsylvanian
3b Mafic volcanics and ultramafics
3a Diorite intrusions and andesitic volcanics
MILFORD GROUP
Mississippian
2c Undivided metasediments
2b Siliceous and sericitic schists
2a Limestones and limey shales
LARDEAU GROUP
Lower Paleozoic
1 Undivided metasediments and metavolcanics
0 0.5 1.0 1.5 2.0 Km
QPX MINERALS INCORPORATED
TRUE BLUE PROJECT, SLOCAN M.D., B.C.
SUMMARY GEOLOGY MAP
Originator L.J.L
Date
Plan no.
FIG. 3
Drawn C.D.
Sept.'88
NTS 82F/15 W
MINEQUEST EXPLORATION ASSOCIATES LTD.

2.2 Property Geology

Longe (1989) summarized the Property Geology and Mineralization and Alteration as follows:

> "The property is staked to cover the west-dipping succession of Mississippian and Pennsylvanian rocks: the Milford Group and the closely related, probably overlying, Kaslo Group. These two groups, which consist predominantly of sediments and volcanic rocks, contain the massive sulphide occurrence at the True Blue and the manganese occurrences. The Kaslo - Milford succession is bounded to the west by a thrust fault over which lies the Upper Triassic Slocan Group together with parts of the Kaslo which were faulted into the lower plate. Beneath the Milford group is Lower Palaeozoic Lardeau Group, a sequence of regionally metamorphosed metasediments and volcanics which provides the eastern boundary to the Milford-Kaslo succession.
>
> Detailed geological mapping by Leitch in 1988 explored the complexity of the Milford and Kaslo in the vicinity of the True Blue showing. Not only are some units of the Milford lithologically similar to some of the Kaslo units but it is also tentatively inferred (by Leitch) that some of the variations between the two groups may be due to facies change. These observations suggest an even closer relationship between the Milford and Kaslo than the conformable sequence previously assumed."

2.3 Mineralization and Alteration

2.3.1 Mineralization

"The essential feature of mineralization on the True Blue property consists of an occurrence of pyrite, pyrrhotite, and chalcopyrite (with minor galena and sphalerite), typical of the class "Volcanic Massive Sulphides". The sulphide body, which can be seen in one of the old workings to be up to 1.2 metres thick, lies within a sericitic schist unit. It is this sulphide body that was mined at the beginning of the century and remains the focus of attention today.

Detailed mapping by Leitch in 1988 identified probable stratigraphic extensions, not of the massive sulphide band itself, but of the enclosing sericitic schist. Significantly, sericitic schist containing manganese (often found associated with volcanogenic massive sulphides) outcrops 800 metres north of the True Blue, and is very likely a continuation of the sericite schist unit exposed in the old workings.

2.3.2 Alteration

Within the quartz sericite schist which encompasses massive sulphide at the showing, the minerals quartz, sericite, garnet and either dolomite or ankerite form the principle alteration assemblage."

3.0 DIAMOND DRILLING

3.1 Drilling and Sampling Procedures

One BQ (3.6 cm diameter) diamond drill hole was drilled to a depth of 134.72 metres, using a JKS Boyles BBS-1 drill owned and operated by Core Enterprises Ltd. of Clinton, B.C. Drilling was done on a twelve hour, one shift per day basis. The drill location is shown on Figure 4. Specifications for the drill hole are as follows:

DDH Hole	Dip	Azimuth	Depth (m)
90-01	-67°	060	134.72

All core was logged manually and eleven type samples were collected. All core boxes were labelled with aluminum tape and are stored on the property at the drill site.

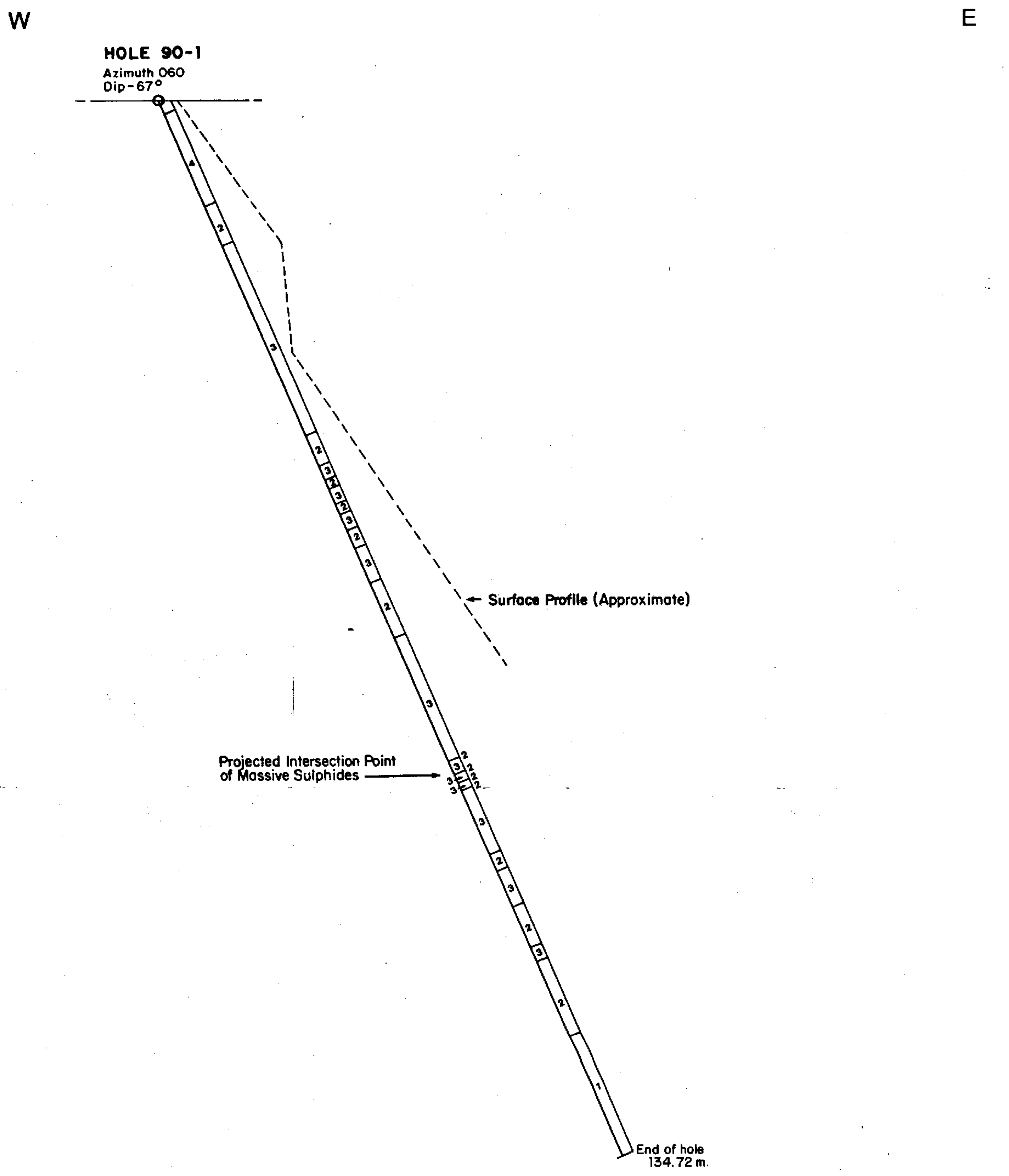
3.2 Drill Results

The drill hole was designed to test the down dip extension of the massive sulphide body at the True Blue showing, as indicated by the 1988 mise a la masse survey (Lee 1989). The drill hole cut a sequence of unaltered to weakly altered volcanic and sedimentary rocks but did not intersect any sulphides.

3.3 Lithology and Textures

The volcanic and sedimentary rocks observed in core have been divided into four units;

Unit 1: (121.80 - 132.72 m)
Interbedded sediments and volcanic tuffs, green to grey colour, fine grained (<1mm), individual beds up to 32 cm but most are less than 1 cm thick.



LEGEND

4	Andesite flows ; massive, green, fine to medium grained
3	Andesite tuffs ; massive to finely bedded, green, fine grained
2	Sediments , finely bedded, grey, very fine to fine grained
1	Interbedded sediments and Andesite tuffs; finely banded, green to grey, fine grained

0 5 10 20 m.

Scale: 1:500

QPX MINERALS INC.			
TRUE BLUE PROPERTY			
DRILL SECTION HOLE 90-1			
PLAN NO.	DRAWN C.D.	DATE June '90	FIGURE 5
Revised		N.T.S. 82 F/15W	
MINEQUEST EXPLORATION ASSOCIATES LTD.			

Units 2 and 3: (13.74 - 121.80 m)

Alternating andesite tuffs and sedimentary beds. Andesite tuffs reach thicknesses of 24 m and the sediments up to 10 m. Contacts between the tuffs and sediments are commonly found in broken core and appear to be abrupt transitions over 10 to 15 cm.

Unit 2: Sedimentary rocks, black colour, fine to very fine grained (<< 1mm), finely bedded (<1mm), locally siliceous over sections to 3 m width, very rare disseminated pyrite and traces of iron staining, commonly associated with the noses of minor folds.

Unit 3: Andesite Tuffs; green colour, massive to finely bedded (0.5 - 2 mm), bedding generally poorly defined, fine grained (< 1 mm), rare medium grained (2 mm size) interbeds (fragmental equivalents?) up to 0.8 m thick, rare irregular calcite blebs up to 2mm size associated with folds in bedded tuffs.

Unit 4: Andesite Flow (1.75 - 13.74 m)
Dark green colour, massive, fine to medium grained (1 - 3 mm size), weak to moderate chlorite alteration.

4.0 GEOPHYSICS

The drill hole was probed using a frequency domain EM system to test for any conductive targets around the drill hole. The procedures and instrumentation of the EM system, and the results in the form of profiles, are found in Appendix I.

The EM probe did not detect any significant conductors in the vicinity of the drill hole, nor did it detect any response for the True Blue showing itself. Three small in-hole responses were detected at 70 m, 85 m and 115 m. The responses at 70 and 115 m depths correlate with sections of sedimentary rock, at 85 m there are several thin interbeds of sediment within volcanic rocks. The responses may be due to small amounts of sulphide present in the sediments, and the anomaly outlined by the mise a la masse survey may also be attributed to these small conductive zones (Hendrickson, G.A. pers. comm., 1990).

5.0 CONCLUSIONS

The True Blue Property covers:

1. An occurrence of volcanogenic massive sulphides.

2. The occurrence is hosted by Mississippian age rocks of the Milford Group.

3. The down dip extension of the mineralization, suggested by mise a la masse and tested by a single diamond drill hole, is not present.

4. There is no significant conductor within 100 m of the drill hole.

5. The small in-hole geophysical responses correlate with sedimentary units.

6. The single drill hole has tested one, very limited area of the property.

6.0 RECOMMENDATIONS

While the immediate target of the down dip extension of the True Blue showing is not present in the area tested by the diamond drill hole, the Milford Group remains prospective for volcanogenic massive sulphide deposits. Recommendations are as follows:

1. That detailed mapping be extended to cover the occurrence reported on the Copper Queen claim.

2. That the immediate area between the old workings and the drill hole be further examined to determine if faulting could have offset the mineralization at the True Blue showing.

Further exploration of the True Blue Property will require a substantial commitment in both time and money.

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APPENDIX I

Geophysics: Procedures and Instrumentation

by
G.A. Hendrickson, P. Geol.
of
Delta Geoscience Ltd.

The Remi-Melis system is a hole to surface frequency domain EM method that aims at detecting conductive targets located around a drill hole. Basically, the system consists of transmitting an alternating current into a loop positioned on the surface of the ground and encircling the borehole, and in measuring the component of the magnetic field along the borehole axis.

Secondary currents induced by the primary field of the loop into any nearby conductive bodies will produce secondary magnetic fields which, in addition to the primary field, are measured by the down hole Remi probe. The in-phase and out of phase components of the total axial (borehole) field with respect to the primary field, are with reference to a magnetic sensor coil located on the surface adjacent to the drill hole.

EQUIPMENT

1 - BRGM Melis Receiver: two channel frequency EM receiver (frequency range 0.12hz to 8000hz), connected to the downhole and surface sensors.
1 - BRGM TX1000 Transmitter: frequency EM transmitter, 0.11hz to 7500hz, powered by a 220 volt, 60hz, 3.5kva Honda Motor Generator.
1 - Surface Loop: 2400m #10 wire with a resistance of 6 ohms/km.
1 - Remi Borehole Probe: downhole CMS magnetic sensor, frequency range is 2khz to 8khz, with a sensitivity of 50mV/γ.
1 - Godek Winch Downhole System, with a 4 conductor armoured shield cable (610m).
2 - Sheave wheel assembly for depth in hole measurement, attaches to hole collar.
2 - Motorola VHF Radios.
1 - Toshiba 3100 Field Computer.
1 - Toshiba Printer.

DATA PRESENTATION

Data is presented as EM profiles of the borehole. Four profiles per frequency are presented, as follows:

a) in-phase/reference.
b) out of phase/reference.
c) amplitude/reference.
NOTE: AMPLITUDE/R = $\sqrt{\left(\frac{I.P}{R}\right)^2 + \left(\frac{Q}{R}\right)^2}$
d) phase angle.
NOTE: Phase Angle = arctan (Q/I.P) is in degrees.

Scales are presented on the profiles as the normalized electromagnetic response, versus depth in meters. The computer selects the scale automatically to suit the dynamic range of the data.

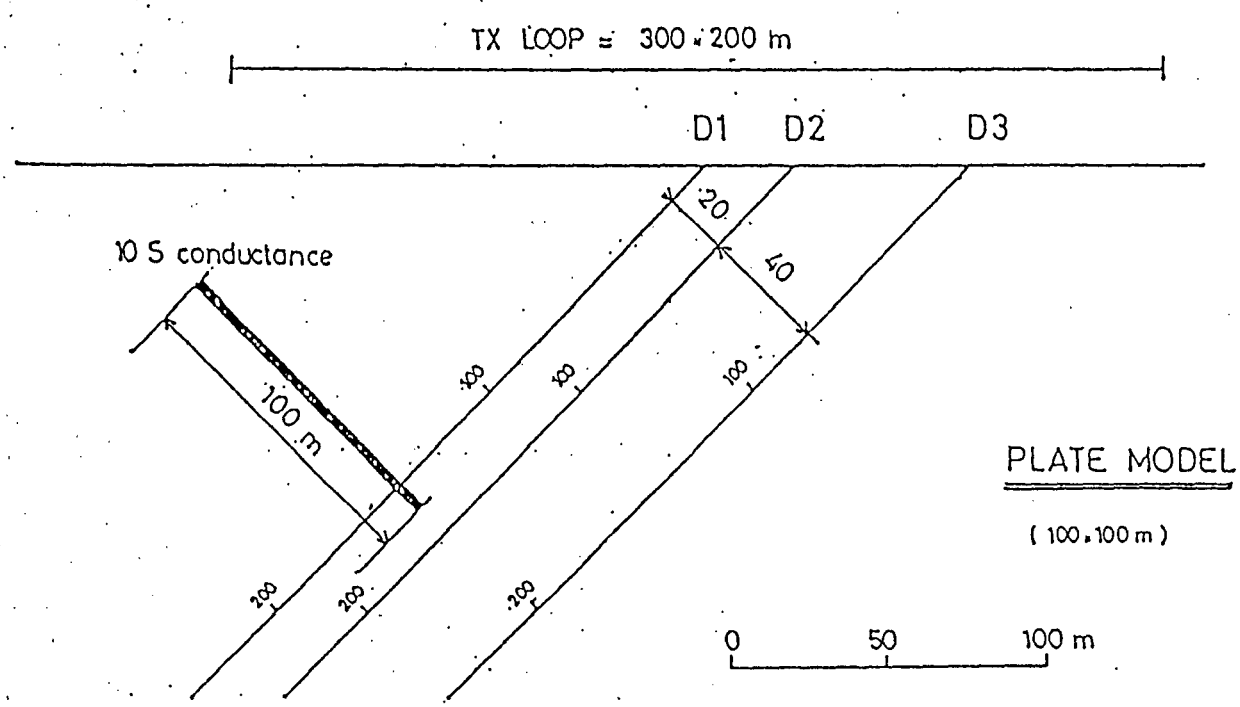
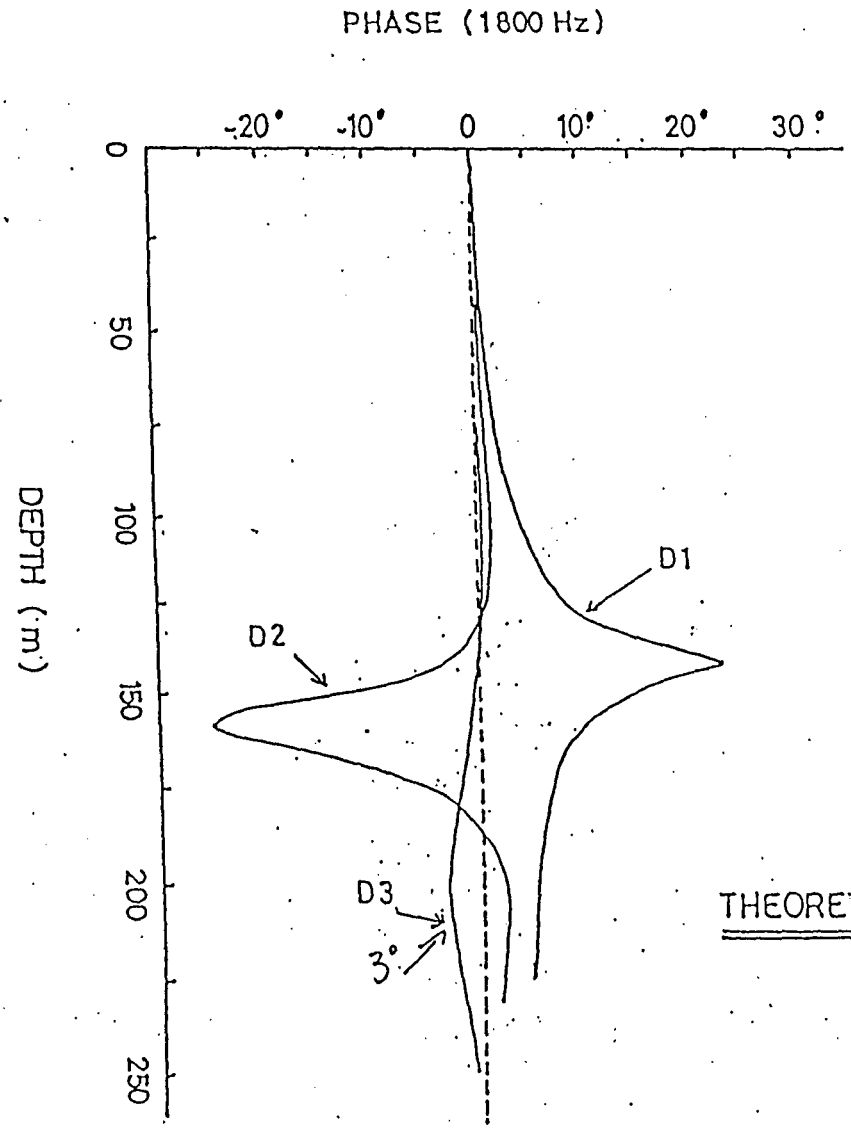
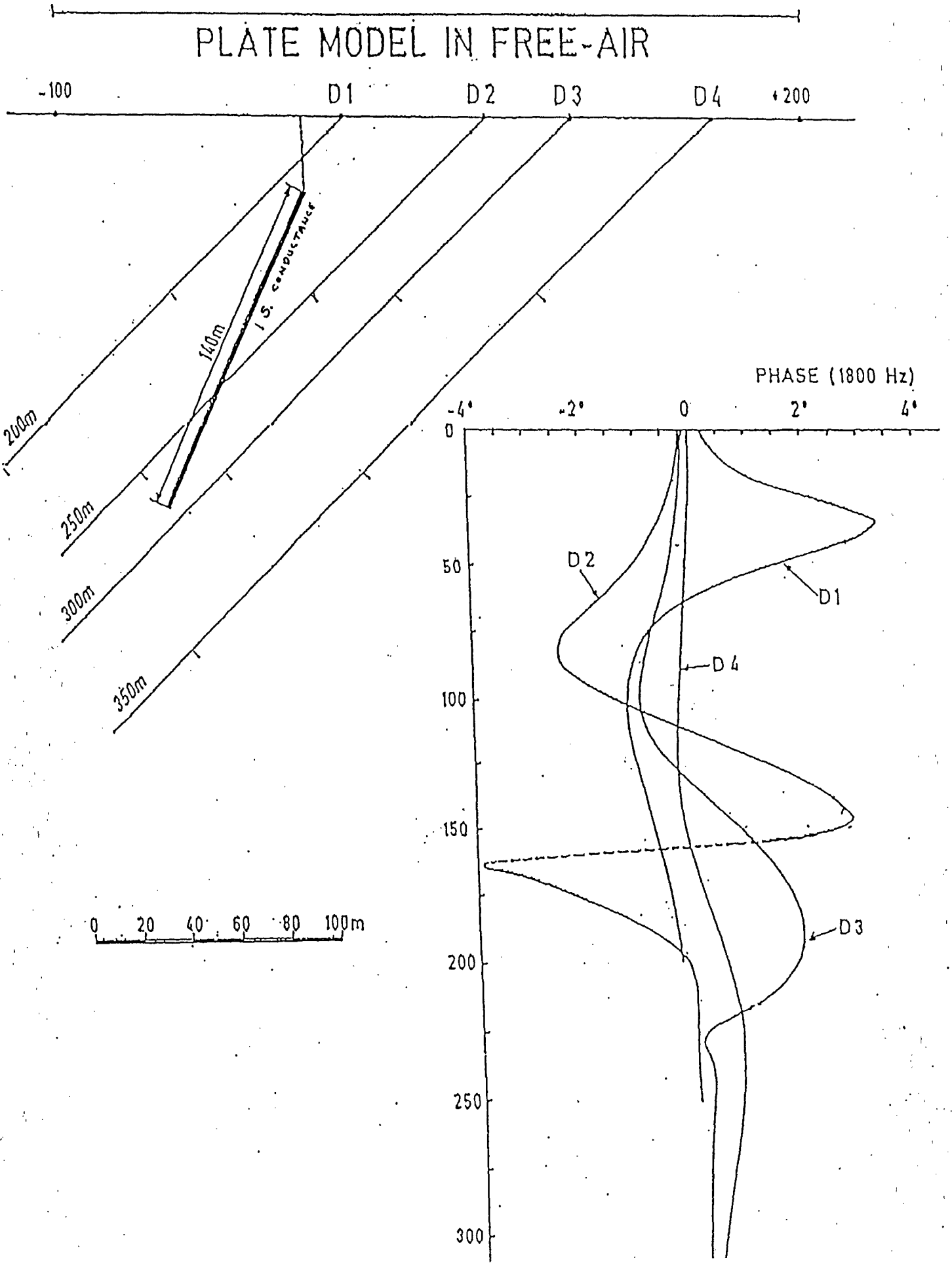


PLATE MODEL

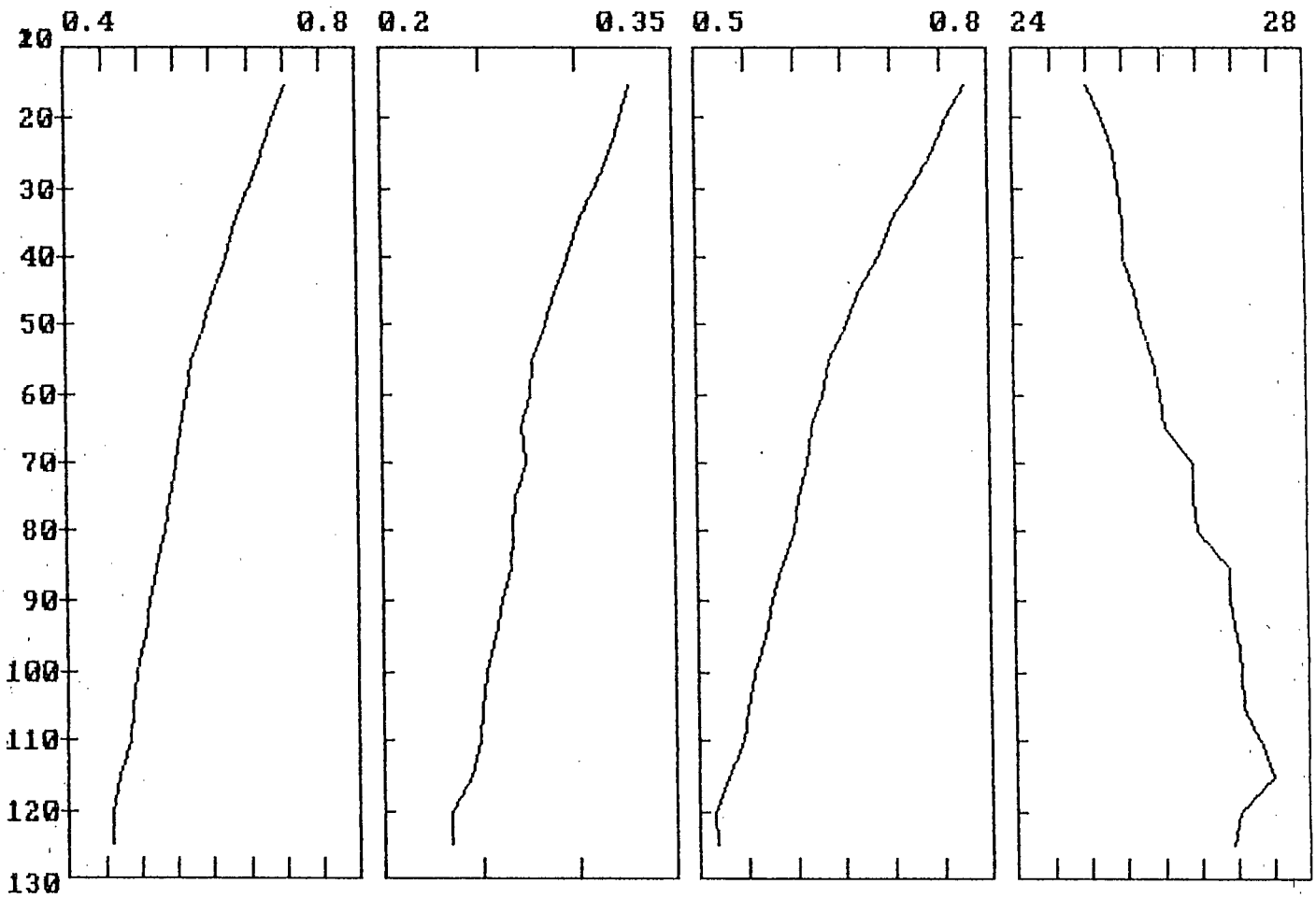
(100 x 100 m)



THEORETICAL RESPONSE

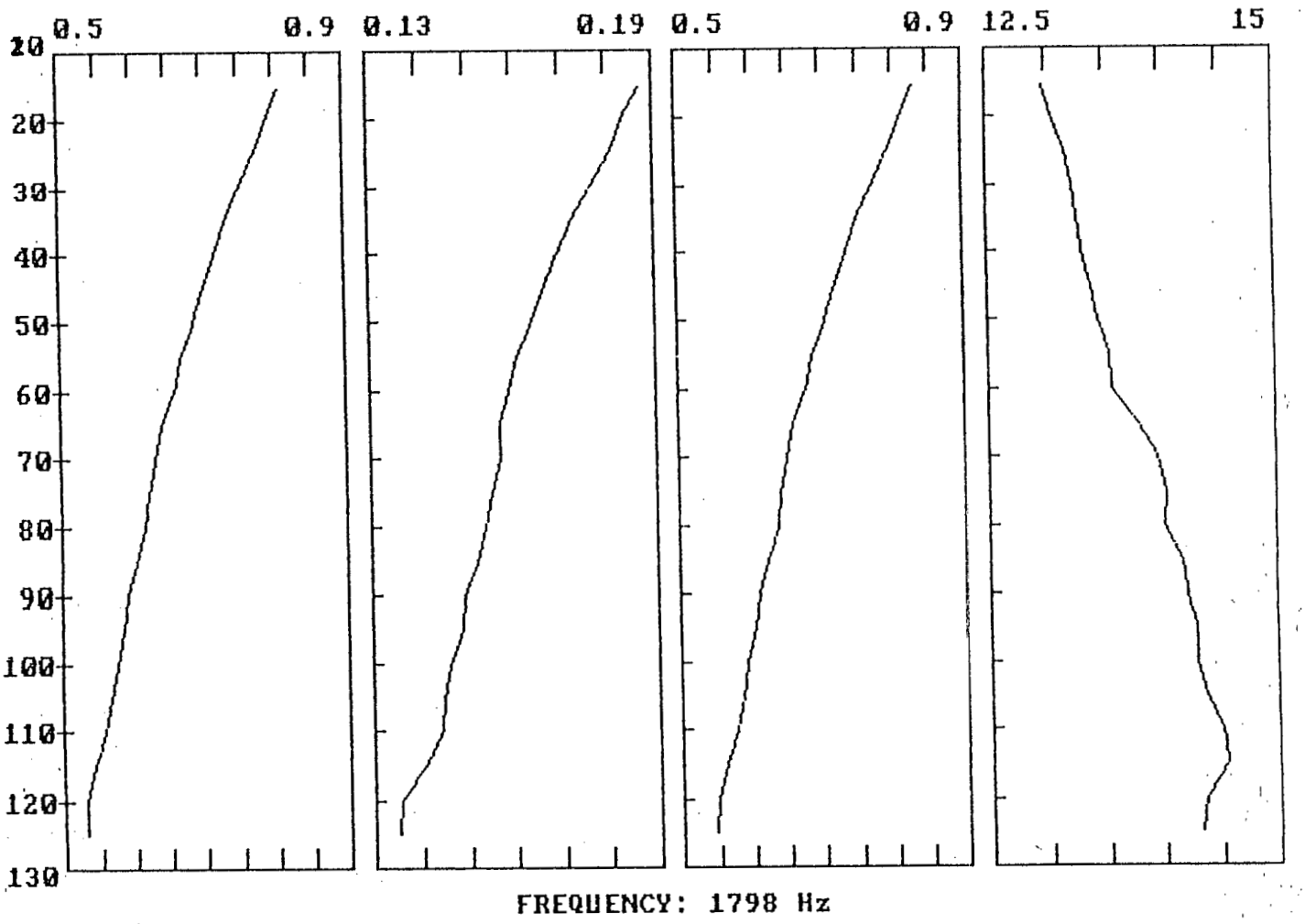

TX LOOP = 300 x 300
PLATE MODEL IN FREE-AIR
-100
D1
D2
D3
D4
+200
140m
15. CONDUCTANCE
200m
250m
300m
350m
0 20 40 60 80 100m
PHASE (1800 Hz)
-4°
-2°
0
2°
4°
0
50
100
150
200
250
300
D2
D1
D4
D3

TRUE BLUE DDH # 1



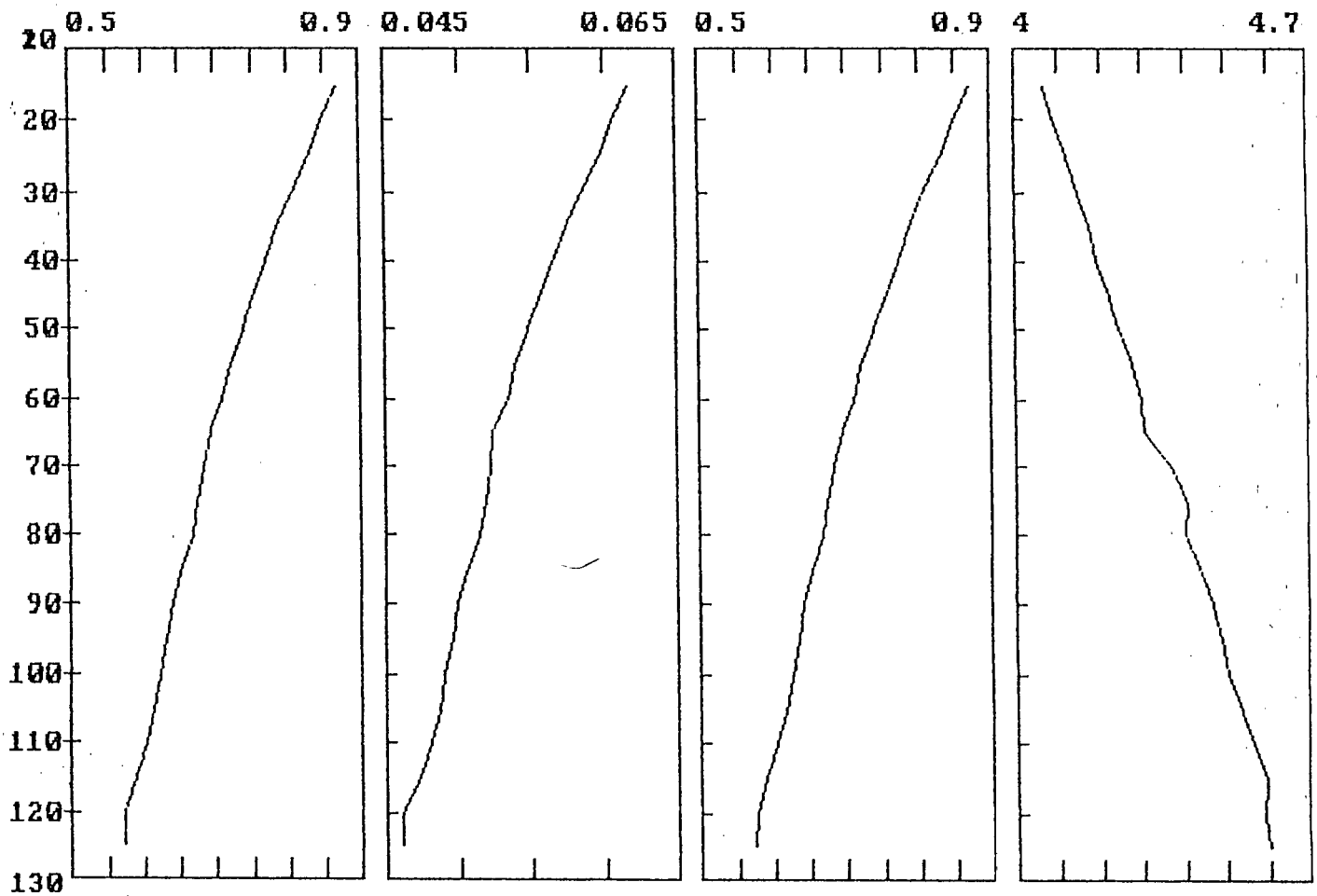
FREQUENCY: 3623 Hz

TRUE BLUE DDH # 1



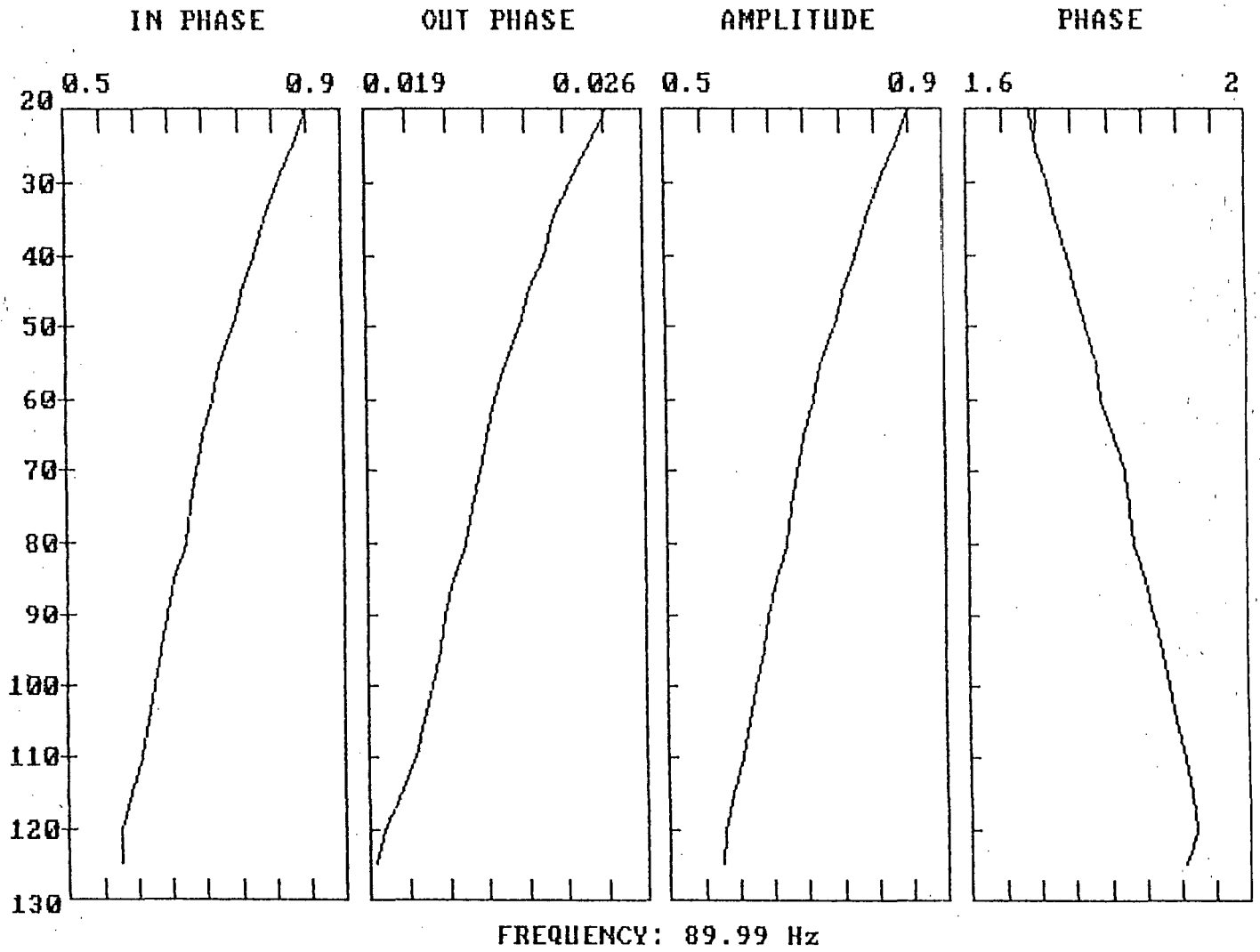
FREQUENCY: 1798 Hz

TRUE BLUE DDH # 1



FREQUENCY: 449.6 Hz

TRUE BLUE DDH # 1



FREQUENCY: 89.99 Hz

APPENDIX II

Geophysics: Listed Data

FREQUENCY: 1.798E+003

DEPTH	IN PHASE	OUT PHASE	AMPLITUDE	PHASE
15	8.113E-001	1.870E-001	8.326E-001	1.298E+001
20	7.908E-001	1.836E-001	8.118E-001	1.307E+001
25	7.727E-001	1.809E-001	7.936E-001	1.318E+001
30	7.515E-001	1.767E-001	7.720E-001	1.323E+001
35	7.317E-001	1.727E-001	7.518E-001	1.328E+001
40	7.166E-001	1.696E-001	7.364E-001	1.332E+001
45	6.980E-001	1.662E-001	7.175E-001	1.339E+001
50	6.856E-001	1.639E-001	7.050E-001	1.345E+001
55	6.664E-001	1.606E-001	6.855E-001	1.355E+001
60	6.578E-001	1.588E-001	6.767E-001	1.357E+001
65	6.405E-001	1.571E-001	6.595E-001	1.378E+001
70	6.307E-001	1.568E-001	6.499E-001	1.396E+001
75	6.208E-001	1.551E-001	6.399E-001	1.403E+001
80	6.160E-001	1.537E-001	6.349E-001	1.401E+001
85	6.021E-001	1.520E-001	6.210E-001	1.417E+001
90	5.897E-001	1.493E-001	6.083E-001	1.421E+001
95	5.832E-001	1.485E-001	6.018E-001	1.428E+001
100	5.730E-001	1.459E-001	5.913E-001	1.429E+001
105	5.644E-001	1.445E-001	5.826E-001	1.436E+001
110	5.561E-001	1.438E-001	5.744E-001	1.450E+001
115	5.417E-001	1.404E-001	5.596E-001	1.453E+001
120	5.282E-001	1.350E-001	5.452E-001	1.434E+001
125	5.272E-001	1.345E-001	5.440E-001	1.431E+001

/

FREQUENCY: 3.623E+003

DEPTH	IN PHASE	OUT PHASE	AMPLITUDE	PHASE
15	7.032E-001	3.277E-001	7.759E-001	2.499E+001
20	6.858E-001	3.227E-001	7.579E-001	2.520E+001
25	6.699E-001	3.175E-001	7.414E-001	2.535E+001
30	6.509E-001	3.096E-001	7.207E-001	2.544E+001
35	6.322E-001	3.012E-001	7.002E-001	2.548E+001
40	6.196E-001	2.953E-001	6.864E-001	2.548E+001
45	6.007E-001	2.882E-001	6.662E-001	2.563E+001
50	5.894E-001	2.841E-001	6.543E-001	2.574E+001
55	5.714E-001	2.773E-001	6.351E-001	2.589E+001
60	5.651E-001	2.752E-001	6.286E-001	2.597E+001
65	5.546E-001	2.711E-001	6.173E-001	2.605E+001
70	5.486E-001	2.727E-001	6.127E-001	2.643E+001
75	5.383E-001	2.676E-001	6.012E-001	2.643E+001
80	5.345E-001	2.663E-001	5.971E-001	2.649E+001
85	5.211E-001	2.646E-001	5.845E-001	2.692E+001
90	5.130E-001	2.604E-001	5.754E-001	2.691E+001
95	5.052E-001	2.574E-001	5.670E-001	2.700E+001
100	4.942E-001	2.524E-001	5.549E-001	2.706E+001
105	4.879E-001	2.495E-001	5.480E-001	2.709E+001
110	4.830E-001	2.494E-001	5.436E-001	2.731E+001
115	4.687E-001	2.439E-001	5.284E-001	2.749E+001
120	4.588E-001	2.341E-001	5.151E-001	2.703E+001
125	4.595E-001	2.337E-001	5.155E-001	2.696E+001

FREQUENCY: 4.496E+002

DEPTH	IN PHASE	OUT PHASE	AMPLITUDE	PHASE
15	8.693E-001	6.176E-002	8.715E-001	4.064E+000
20	8.475E-001	6.059E-002	8.497E-001	4.089E+000
25	8.285E-001	5.967E-002	8.307E-001	4.119E+000
30	8.063E-001	5.848E-002	8.084E-001	4.148E+000
35	7.860E-001	5.735E-002	7.881E-001	4.173E+000
40	7.703E-001	5.641E-002	7.723E-001	4.188E+000
45	7.519E-001	5.547E-002	7.539E-001	4.220E+000
50	7.382E-001	5.475E-002	7.402E-001	4.242E+000
55	7.188E-001	5.378E-002	7.208E-001	4.279E+000
60	7.088E-001	5.331E-002	7.108E-001	4.301E+000
65	6.937E-001	5.222E-002	6.957E-001	4.305E+000
70	6.821E-001	5.214E-002	6.841E-001	4.371E+000
75	6.724E-001	5.180E-002	6.744E-001	4.405E+000
80	6.664E-001	5.133E-002	6.684E-001	4.404E+000
85	6.502E-001	5.049E-002	6.521E-001	4.440E+000
90	6.382E-001	4.988E-002	6.401E-001	4.469E+000
95	6.314E-001	4.956E-002	6.333E-001	4.488E+000
100	6.210E-001	4.894E-002	6.229E-001	4.507E+000
105	6.121E-001	4.855E-002	6.140E-001	4.535E+000
110	6.017E-001	4.801E-002	6.036E-001	4.562E+000
115	5.864E-001	4.713E-002	5.883E-001	4.595E+000
120	5.718E-001	4.592E-002	5.736E-001	4.592E+000
125	5.705E-001	4.591E-002	5.723E-001	4.601E+000

/

FREQUENCY: 8.999E+001

DEPTH	IN PHASE	OUT PHASE	AMPLITUDE	PHASE
20	8.488E-001	2.504E-002	8.492E-001	1.690E+000
15	8.705E-001	2.555E-002	8.709E-001	1.681E+000
25	8.299E-001	2.461E-002	8.302E-001	1.699E+000
30	8.077E-001	2.416E-002	8.081E-001	1.714E+000
35	7.877E-001	2.374E-002	7.881E-001	1.726E+000
40	7.721E-001	2.349E-002	7.725E-001	1.742E+000
45	7.538E-001	2.309E-002	7.541E-001	1.754E+000
50	7.405E-001	2.284E-002	7.408E-001	1.767E+000
55	7.213E-001	2.245E-002	7.216E-001	1.783E+000
60	7.113E-001	2.220E-002	7.117E-001	1.788E+000
65	6.964E-001	2.199E-002	6.968E-001	1.808E+000
70	6.851E-001	2.182E-002	6.854E-001	1.824E+000
75	6.753E-001	2.159E-002	6.756E-001	1.831E+000
80	6.693E-001	2.144E-002	6.696E-001	1.835E+000
85	6.532E-001	2.111E-002	6.535E-001	1.852E+000
90	6.412E-001	2.088E-002	6.415E-001	1.865E+000
95	6.346E-001	2.079E-002	6.350E-001	1.876E+000
100	6.247E-001	2.056E-002	6.251E-001	1.885E+000
105	6.157E-001	2.037E-002	6.160E-001	1.894E+000
110	6.053E-001	2.014E-002	6.056E-001	1.906E+000
115	5.903E-001	1.974E-002	5.907E-001	1.915E+000
120	5.757E-001	1.934E-002	5.760E-001	1.924E+000
125	5.747E-001	1.913E-002	5.750E-001	1.907E+000

APPENDIX III

Drill Logs

MINEQUEST EXPLORATION ASSOCIATES LTD.

HOLE No. 90-1

PROPERTY: TRUE BLUE

DRILL LOG – CORE

CLAIM BLOCK CODE: TBJ
NTS: 82F/15W. UTM:
CLAIM NAME: TRUE BLUE.
LOCATION – GRID NAME:
GRID N: GRID E:
SECTION: ELEV:
AZIM: 060 LENGTH: 134.72m.
DIP: -69° CASING LEFT?: YES
CORE SIZE: BQ
CORE STORAGE: ON PROPERTY

SURVEY

DEPTH	AZIM.	DIP	DEPTH	AZIM.	DIP
134m.		-65°			

DRILLING CO.: CORE ENTERPRISES Ltd.
STARTED: 14 June 1990
COMPLETED: 21 June 1990
PURPOSE: Test plunge extension of True Blue showing
CORE RECOVERY:
LOGGED BY: A.W. Gourley
DATE LOGGED: 15-21 June 1990
ASSAYED BY:
LAB REPORT NOS.:

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL.	DESCRIPTION	INTERVAL(m) FROM	INTERVAL(m) TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
0								
		0.0m to 1.75m Overburden.						
1								
2		Box 1: 1.75m - 8.90m						
		Broken, blocky core			40%			
		Good recovery						
3								
	C	1.75m to 13.74m.						
	C				100%			
		Green, chloritic volcanic						
4		- variable grain size 1-3mm ϕ.						
		- weak incipient shearing 60° CA, highlighted by						
		v. fine calcite stringers; irregular, discontinuous.			100%			
		- grain size decreases with depth.						
5								
		- in hand lense core has distinct, sheared texture: QZ						
		rounded to subrounded.			95%			
		- all feldspars and micas chloritized.						
6								

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG – CORE | HOLE No. 90-1 | PAGE No. 2

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL.	DESCRIPTION	INTERVAL(m) FROM	INTERVAL(m) TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
6								
					95%			
7								
					95%			
8								
	C							
	A				95%			
	S							
9	I	Box 2: 8.90 - 16.14 m.						
		Green volcanic to 13.74 m.			70%			
		- faint bleaching of green colour from ~ 12.3 m,						
10		increases to 13.0 m, then constant bleached weakly to 13.74 m.						
					95%			
11		Good core to 13.74 m, then broken						
		Good recovery			75%			
12								
					95%			
13								
					95%			
	V	at 13.74 m sharp contact with						
14		siliceous, grey sediment.						
		13.74 to 18.38 m			95%			
		Siliceous Sediments.						
15								

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG – CORE

HOLE No. 90-1

PAGE No. 3

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL.	DESCRIPTION	INTERVAL(m) FROM	TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
15								
		- finely laminated ≤ 1mm thickness						
bedding 45°CA. Main bedding	/	- highly contorted, complete 'S' folds in width of core.			95%			
bedding 60°CA	/	- generally all bedding 60-65° CA.						
16	C							
'S' folds	3 Z	Box 3: 16.14 – 22.16m.						
	H i				100%			
	–I	- moderate iron staining to 16.14m.						
bedding 80°CA 17	—	- rare PY on iron stained beds 60-70° CA.						
	N	- upper 2.5m (to ~16m) more bleached or felsic than lower			100%			
		portion of sediments						
18		- darker grey colour with depth.						
		- minor tuffaceous interbeds, grain size ≤ 1mm ϕ						
	*	- tuffaceous content increases with depth, markedly from			90%			
		18.10 to 18.38m.						
19		- broken core increases with depth.						
		18.38 to 42.90m.						
bedding 70°CA	/	- finely banded green andesite tuffs.			90%			
		- beds 0.5 to 2.0mm thick.						
20		- rare blebs of calcite, irregular, 1-2mm ϕ grain size						
		(cores of folds?)						
					65%			
		Broken core, esp 17.0 to 19.5m.						
bedding 65°CA 21	/ C	Fair recovery.						
	Z							
	H i				65%			
	–I							
22								
	4	Box 4: 22.16 – 29.82m.			65%			
		Finely banded green andesite tuff.						
bedding 60°CA 23	/	sas from 18.38m.						
		- moderate pervasive chlorite alteration of entire groundmass			95%			
		- grain size ≤ 1mm ϕ						
24								

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG – CORE | HOLE No. 90-1 | PAGE No. 4

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL.	DESCRIPTION	INTERVAL(m) FROM	INTERVAL(m) TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
24		- increasingly massive with depth.						
bedding 65°CA		- rare weakly iron stained beds, and very rare iron stained fractures (variable angle)			90%			
25		- grain size increases with depth, by 30.0m all 1mm ϕ.						
bedding 66°CA					95%			
		- rare irregular blebs of calcite (cores of folds?), bedding appears to wrap around some of the calcite blebs						
26								
					100%			
		Broken core.						
27		Good recovery						
	C							
	R				100%			
	H							
28		28.0-29.0 broken and mixed core, lost circulation.						
		v. poor recovery.						
Fault zone.					30%			
29								
					100%			
30		Box 5: 29.82-37.18m.						
		Massive, fine grained, green andesite			100%			
31		- weak foliation apparent in hand len, roughly 60 to 65°CA.						
		- less than 40% of core bedded						
		- rare irregular calcite blebs, as before.			100%			
32								
					100%			
bedding 60°CA								
33								

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG – CORE | HOLE No. 90-1 | PAGE No. 5

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL.	DESCRIPTION	INTERVAL (m) FROM	INTERVAL (m) TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
33								
					90%			
		Broken core						
34		Good recovery						
					75%			
35								
					90%			
36								
					90%			
37								
		Box 6: 37.18 – 46.45m						
					90%			
		Green, fine grained andesite continues to 43.07m.						
38		- massive						
		- poorly developed shearing or relic bedding ≈ 80° CA			45%			
39								
					80%			
40		From 40.0m increasing sediment content; weakly calcareous						
					75%			
41								
bedding 70° CA					85%			
42								

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG – CORE | HOLE No. 90-1 | PAGE No. 6

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL	DESCRIPTION	INTERVAL(m) FROM	INTERVAL(m) TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
42		Broken Core Fair Recovery			95%			
43		From 43.07m interbedded v. f.g. sediments and andesite: - Sediments finely laminated. - V. weakly calcareous			95%			
44								
					75%			
45		From 44.0 to 46.10 badly broken core - lost circulation. - V. poor recovery						
Bedding 55° CA					50%			
46		43.07 to 46.63, dk grey, slightly calcareous sediments						
		Box 7: 46.45 – 54.86m.			65%			
47		46.63 to ~ 48.50m Green, fine grained, massive to poorly bedded andesite						
					85%			
48								
		48.50 – 49.34m, sediments, as above			80%			
Bedding 85° CA 49								
		49.34 – 51.71m, andesite, as above:			95%			
50		Broken to Good Core Good Recovery.			100%			
51								

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG – CORE | HOLE No. 90-1 | PAGE No. 7

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL.	DESCRIPTION	INTERVAL(m) FROM	INTERVAL(m) TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
51								
		51.71 to 53.02 M Sediments, as above. non-calcareous			60%			
52								
bedding 70° CA					65%			
		53.02 M abrupt gradation to andesite.						
53								
bedding 75° CA		53.02 - 54.97 M. Green, fine grained, massive to poorly						
4x2-4mm Cc		bedded andesite, calcareous, chloritic (moderate).			95%			
Vnlts, 70° CA.		rare 1 to 4mm, irregular calcite veinlets						
54								
wkly Fe stained bed. 35° CA								
					90%			
55		Box 8: 54.86 - 62.12 M						
bedding 60° CA.		51.97 - 57.14 M. Grey, weak to moderately siliceous, fine-						
		grained sediments.			75%			
		- banded on 1 to 10 mm scale						
bedding 25° CA. 56		- variable CA						
Cc Vnlts 60° CA.		54.10 - turned core						
bedding 0-10° CA.					90%			
bedding 30° CA. 57								
		57.14 - 61.88 M.						
		Green, massive to poorly bedded, fine grained andesite			100%			
6mm Cc Vnlts, 35° CA.		- upper contact masked by broken core						
58		- weakly chloritic						
		- locally weakly calcareous						
		- rare, v. narrow siliceous zones, + wk iron staining			90%			
Qz vnlt, var. CA		58.70 - turned core						
30°-90° 59								
		58.80 - 58.90 M. 4x irregular Qz vnlts, irregular, 4-15mm,						
		weakly iron stained (siderite?) v. rare tr Py.			95%			
Irreg Cc Vnlt. 20°-90°								
60								

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG - CORE

HOLE No. 90-1 PAGE No. 8

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL.	DESCRIPTION	INTERVAL(m) FROM	TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
60								
2cm siliceous zone		Broken to good core						
wk Fe stain CA 85°		Good recovery.			100%			
TR CaVnlt, CA 80° 61		at 61.88m. abrupt transition over 15cm to						
		finely bedded (≤ 1mm) grey, very fine grained						
		sediment. from 61.88 to 66.88m.			100%			
		- noncalcareous						
62		- weak to non siliceous.						
bedding 85° CA		Box 9: 62.12 - 69.70m.						
		- locally very well developed chevron folds, axis of			100%			
		folds 80° to 90° CA						
63		- consistent bedding to CA at 85°						
		- increasing andesite tuff content with depth.						
		- increasingly massive with depth			100%			
64								
		Good core			90%			
		Good recovery						
65								
					95%			
66								
		66.20 - 66.88m. dsm PY. ≤1% (?).						
		tr CP, Tr Asp. irregular blebs < 0.5mm Φ			100%			
67		66.88m, sharp contact with massive, green, fine grained						
		andesite.						
		66.88 - 96.46m			95%			
		Andesite tuffs, massive to poorly bedded						
68								
		68.10m - turned and ground core.						
					75%			
69								

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG – CORE | HOLE No. 90-1 | PAGE No. 9

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL.	DESCRIPTION	INTERVAL(m) FROM	INTERVAL(m) TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
69		69.01 - 69.22M, interbed of thinly bedded, siliceous grey sediment			100%			
		Box 10: 69.70 - 76.62M.						
70								
fnx, Fe stn, 70° CA		70.41 - turned core.			100%			
71		Andesite Tuff - grey - green color. - generally massive, ≤ 25% of core displays poorly developed			100%			
wk Fe stain, var CA		bedding (or weak to moderately developed foliation						
72	C	- non calcareous.						
	C	- locally weakly siliceous. (72.29 - 73.74M)						
	Ti	- rare, irregular, discontinuous calcite veinlets upto 5mm			100%			
Ca Vnlts, 60 CA°		thick, 60° CA.						
73		- local dark green blobs or irregular fragments(?) upto						
	Cu	2mm ϕ, not chloritic (saussuritized?) eg 71.0 - 71.5, 75.4-76.2			100%			
		- v. weak iron stain on rare fractures, often with						
74		slickensides						
Ca Vnlts, 60° CA.								
					100%			
fnx, Fe stain, 70° CA 75								
					100%			
		Good core						
3mm QV, CA 70° 76		Excellent Recovery.						
					100%			
		Box 11: 76.62 - 83.75						
2mm Qtz Ca Vnlt; 77								
70° CA		Andesite Tuff, as above.						
1cm Ca Vein, 45° CA					100%			
8mm QV, ? CA		76.60 to 77.20, irregular calcite blebs upto 2.5cm size						
78								

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG – CORE | HOLE No. 90-1 | PAGE No. 10

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL	DESCRIPTION	INTERVAL(m) FROM	INTERVAL(m) TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
78	K							
1cm fault gouge.		78.33 - 80.69m mottled texture, relict fragments? not chloritic;			100%			
2-3mm Cc vnlts CA 75°		sausseritized?						
bedding: 80° CA 79								
(foliation:		- tuffs are calcareous.						
		- distinct compositional layering or foliation.			100%			
		- very rare, irregular, discontinuous calcite stringers						
80		parallel to layering.						
		- trace disseminated PY throughout.			100%			
81								
	C	81.10 - 81.25, sheared, soft core.						
	N				90%			
	T							
82	I							
		82.30 - 82.65m Mottled texture (fragmental?), blebs up						
	W	to 6mm ϕ, rounded.			100%			
bedding 70° CA 83								
					100%			
84		Box 12: 83.75 - 91.10m.						
bedding 65° CA		Andesite Tuffs, as above.			100%			
		- increasing sediment component, gives well bedded						
85		core.						
		- locally, sedimentary interbeds ≤ 30cm thick						
		- black to grey			100%			
		- well bedded, up to 5mm thick						
86		- non calcareous						
bedding 71° CA		- weakly siliceous						
		sedimentary interbeds: 84.54 - 84.61m.			100%			
		86.11 - 86.19m.						
87	V	87.07 - 87.13m						

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG – CORE | HOLE No. 90-1 | PAGE No. ii

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL.	DESCRIPTION	INTERVAL(m) FROM	INTERVAL(m) TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
87								
bedding 70° CA		88.41 - 88.80M.						
3mm QV, 75° CA					100%			
		- very rare, irregular QV ≤ 3mm thick						
88								
		Good core			100%			
bedding 70° CA.		Excellent Recovery						
89								
bedding 70° CA					100%			
90								
bedding 70° CA								
		mottled, 'fragmental' texture from 90.62 - 93.23m.			100%			
91								
layering 70° CA		Box 13: 91.10 - 98.59m						
					95%			
irregular 1cm QV, 75° CA		Green Andesite Tuffs.						
PY in margins 92		- distinct layer (foliation?) as before, consistent angle to CA						
		- rare, irregular QV, traces of PY in margins			100%			
		- tuffs are weakly calcareous.						
93								
					100%			
3mm QV, 70° CA, trPY. 94		Good core						
		Good Recovery			95%			
1.9cm QV, 70° CA, trPY 95								
					95%			
96								

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG - CORE | HOLE No. 90-1 | PAGE No. 12

TEXTURE, ALTER'N, MINERALIZATION, ETC. 96	GRAPH GEOL.	DESCRIPTION	INTERVAL(m) FROM	TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS					
Contact 70° CA.	/	sharp contact at 96.46 with sediments			95%								
		96.46 - 98.46											
97		Sediments.											
		- very fine grained.											
		- well bedded, ≤ 1mm thick.			90%								
		- uppermost 7cm moderately siliceous											
bedding 75° CA. 98	/	- consistent core angle (~70°)											
		- generally broken core.											
					95%								
		Box 14: 98.59 - 106.51m.											
99													
		- locally slightly calcareous.											
					100%								
		98.46 - 103.02 m.											
100		Massive, green fragmental (?) Andesite											
		- fine to medium grained											
		- groundmass supported, 30% subrounded dark green			100%								
		clasts (fragments?) in light green groundmass											
101		- good core.											
		- groundmass very weakly calcareous.											
					90%								
102													
					100%								
103													
		103.02 - 108.35m.											
bedding 60° CA.	/	sediments.			95%								
		- sharp contact marked by broken core.											
104		- description as above.											
		- finely bedded, 1mm thick.											
		- locally very weak iron staining			100%								
		- rare 10cm zones of highly contorted beds											
bedding 65° CA. 105	/												

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG – CORE HOLE No. 90-1 PAGE No. 13

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL.	DESCRIPTION	INTERVAL(m) FROM	TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
105								
1mm Cc Vnlt, PY 45°CA	/	-non siliceous						
bedding 70°CA	/	-non calcareous			60%			
106		Good core 106.0-106.60, badly						
		Fair to good recovery broken core						
					60%			
		Box 15: 106.51 - 114.16 m.						
107								
		Broken Core						
		Good Recovery			95%			
108		107.51 - 107.77 Andesite, laced contact 9mm irregular QZ, 80°CA						
		108.35 - 108.45 Gradational contact with Andesite			95%			
		108.45 - 109.90 m.						
109		- Massive, Green Andesite						
		- As Above.						
		- Fragmental Texture.			95%			
110		109.90 - 119.48m.						
bedding 71° CA	/	Sediments.						
		- As Above.			95%			
		- very fine grained						
111		- thinly bedded, ≤ 1mm beds.						
		110.52 - 111.49m. tuffaceous sediments						
bedding 70° CA	/	- generally massive.			95%			
112								
bedding 63° CA	/							
		Sediments display rare folding on <2cm amplitude,			95%			
		as seen elsewhere in core.						
bedding 69° CA 113	/	- rare (≤ 1%) fine grained PY follows bedding near						
		and around folds.						
		- PY not found elsewhere in regularly bedded sediments			100%			
		- rare, very weak iron staining parallel to and following						
bedding 71° CA 114	/	bedding						

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG – CORE | HOLE No. 90-1 | PAGE No. 14

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL	DESCRIPTION	INTERVAL(m) FROM	INTERVAL(m) TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
114		Box 16: 114.14 – 122.59m			85%			
		Sediments:						
bedding 71° CA 115		- lt Grey						
		- very fine grained			85%			
bedding 70° CA		115.20 – 119.48 m:						
116		- moderately siliceous						
		- bedding is vague.			75%			
bedding 70° CA.								
bedding 69° CA.								
117								
					95%			
bedding 63° CA. 118								
					95%			
bedding 69° CA.								
119								
		119.48 – v 121.0 m. lower contact in badly broken core.			95%			
		- altered massive Andesite						
120		- increasingly sheared with depth.						
		- Pyllitic Sheen parallel to relic bedding(?).						
		120.31 – 120.62 fault zone			95%			
		gouge.						
121								
					60%			
		121.0 – 121.80m badly broken core.						
122								
		From 121.80 – 137.72						
		Interbedded to mixed sediments and Volcani.			75%			
		BOX 17: 122.59 – 129.84 m.						
123								

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG – CORE | HOLE No. 90-1 | PAGE No. 15

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL.	DESCRIPTION	INTERVAL(m) FROM	INTERVAL(m) TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
123								
	↑	Broken core and fault gouge appear to mark contact.						
bedding 72° CA					95%			
		Interbeds up to 32cm width, most ≤10cm wide.						
124		- contacts sharp to sharp gradations over ≤2cm.						
2cm irregular QV 68°CA		- sediments [illegible]						
		- weak to moderately siliceous			90%			
		- locally well developed chevron folds. (127.33-127.60)						
125								
		Andesite			100%			
		- Massive to poorly banded.						
126	C							
	Z							
3-4mm QV, muscovite, 70°CA	Hi	Many fine interbeds < 1cm thick			100%			
127								
		Good Core			100%			
		Good Recovery.						
irregular 4-11mm QV 72°CA. 128								
					100%			
bedding 73°CA.								
129								
					100%			
130		Box 18: 129.84 - 134.72m.						
20cm QV.		Interbedded Andesite and Sediments			100%			
irreg. cts, ~80° CA		As Above.						
131								
		130.90 8cm zone of irregular, discontinuous weathering			85%			
		of discontinuous calcite veinlets						
132								

MINEQUEST EXPLORATION ASSOCIATES LTD. DRILL LOG – CORE | HOLE No. 90-1 | PAGE No. 16

TEXTURE, ALTER'N, MINERALIZATION, ETC.	GRAPH GEOL.	DESCRIPTION	INTERVAL(m) FROM	INTERVAL(m) TO	REC'Y	EST. GRADE	SAM. No.	ASSAYS
132								
bedding 74° CA		—			90%			
		CORE						
133								
					100%			
134								
bedding 70° CA								
		134.72 END OF HOLE.						
135								
136								
137								
138								
139								
140								
141								

APPENDIX IV

Statement of Qualifications

APPENDIX IV

Statement of Qualifications

I, Andrew W. Gourlay, hereby certify that:

1. I am presently employed by MineQuest Exploration Associates Ltd. as Senior Geologist.

2. I am a graduate of the University of British Columbia (B.Sc. Hons., 1977, in geology)

3. I am a Professional Geologist in good standing with the Association of Professional Engineers, Geologists, and Geophysicists of Alberta, and a Fellow of the Geological Association of Canada.

4. I have practised my profession as geologist for more than 13 years.

5. The information used in this report is based on personal familiarity with the project area and reports, maps, and data lists on file at Minequest Exploration Associates Ltd.

PROFESSIONAL GEOLOGIST ANDREW W. GOURLAY ALBERTA 9888

Signed _____
A.W Gourlay

Dated at Vancouver, B.C.
this 15th day of September
1990

APPENDIX V

Cost Statement

APPENDIX V

Cost Statement - TRUE BLUE PROJECT
October 1, 1989 to July 31, 1990

FEES:			
R.V. Longe	48.00 hrs. @ $ 69.00	$ 3,312.00	
R.V. Longe	1.00 days @ $410.00	410.00	
A.W. Gourlay	133.75 hrs. @ $ 64.00	8,560.00	
A.W. Gourlay	16.50 days @ $385.00	6,352.50	
G. Vernon	18.75 hrs. @ $ 32.00	600.00	
G. Vernon	19.50 days @ $235.00	4,582.50	
			$23,817.00
TEMPORARY STAFF			
G. Vernon	18.25 hrs. @ $ 32.00	584.00	
G. Vernon	19.00 days @ $235.00	4,465.00	
C. Monroe	8.00 days @ $185.00	1,480.00	
T. Starbuck	4.00 days @ $165.00	660.00	
C. O'Neill	6.00 days @ $185.00	1,110.00	
S. Handley	19.50 days @ $185.00	3,607.50	
S. Handley	0.20 days @ $150.00	30.00	
S. Handley	20.00 days @ $200.00	4,000.00	
S. Handley	1.00 days @ $187.00	187.00	
C. Donders	9.75 hrs. @ $ 32.00	312.00	
N. Vaughan	0.25 hrs. @ $ 32.00	8.00	
C. Bilquist	19.00 days @ $185.00	3,515.00	
J. Walker	0.50 days @ $140.00	70.00	
J. Walker	15.00 days @ $165.00	2,475.00	
J. Walker	3.50 hrs. @ $ 10.50	36.75	
			22,540.25
Casual Wages			1,545.00
EXTERNAL CONSULTANTS			
C.H. Leitch		94.50	
Delta Geoscience		157.50	252.00

.../2

APPENDIX V - COST STATEMENT (Continued)

DISBURSEMENTS

Airfares	1,278.40	
Fuels & lubricants	2,487.16	
Charter helicopter	49,342.05	
Taxis, bus fares, parking	168.70	
Surveying	1,545.00	
Freight	129.57	
Geophysics	6,708.40	
Equipment rental	3,603.92	
Groceries	171.90	
Food & accommodation	6,688.58	
General supplies	3,477.89	
Telecommunications	624.01	
Courier, postage	270.42	
Reprographics	174.27	
Maps, reports & publications	76.90	
Vehicle rental	5,245.83	
Vehicle repairs	15.99	
Drafting	950.00	
Drilling	12,688.00	
Program management	4,782.35	
		100,429.34
		$148,583.59

MineQuest
Exploration Associates Ltd.

5th Floor
164 Water Street
Vancouver, B.C.
V6B 1B5
(604) 669-2251

February 1, 1991

Ministry of Energy, Mines, and Petroleum Resources
Geological Survey Branch
736 Fort Street
Victoria, B.C.
V8V 1X4

Attention: Mr. T.E. Kalnins

Dear Sir:

File No. 24500-03-AME

We are in receipt of your letter dated December 13, 1990, and are pleased to provide the following details;

1. Labour
The 149.2 man days itemized were required to build drill sites and helicopter pads on a steep mountain side. The work area was on a slope of approximately 60°, covered with dense undergrowth, and subject to frequent precipitation. Drill site construction was started during the late fall of 1989 and was terminated by heavy snow at the end of October. When we returned to the field in the early spring of 1990, we found that snow slides had damaged one completed drill site and destroyed the second, as well as damaging the access trail from the helicopter pad. A significant amount of additional time was necessary to repair the damaged drill site and access trail, and to attempt to rebuild the second drill site, which proved impossible to complete safely. A second helicopter pad was built at this time as an alternate landing spot for safety. Poor weather prevented the

.../2

crew from reaching the work area numerous times during the fall and spring. A total of 30 man days, or 20% of the total, were lost due to weather conditions.

When drilling did take place, water shortages resulted in several days of curtailed drilling. The drill program was terminated after one hole when no mineralization, alteration, nor an encouraging response from the down-hole probe, were encountered.

Office time entailed managing the project and rescheduling subcontractors. The over-winter delay obligated us to repeat the drill tender process when the original contractor was unavailable for the spring work.

2. Transportation
Although the True Blue Property is only five kilometres from Kaslo the only practical access to the property, especially for diamond drilling, is by helicopter. This requires ferry flights from the base at Nelson in addition to the daily mobilization and demobilization of crew. Due to the steep slopes, restricted landing pads, and poor weather conditions only two passengers were allowed on many of the flights. This significantly increased the number of helicopter hours.

Of the $148,583.59 total exploration expenditure, we have claimed $67,600 as assessment credits. If you are unable to accept the total exploration costs itemized we would be prepared to reduce the amount applied to QPX Minerals Inc.'s PAC account.

A copy of your letter is attached.

If you have any question pleases do not hesitate to call.

Your truly,

A.W. Gourlay

AWG/se
Encls.
AWG-B:TBJORX

APPENDIX VI

Statements of Work

Province of British Columbia
Ministry of Energy, Mines and Petroleum Resources
MINERAL RESOURCES DIVISION — TITLES BRANCH

DOCUMENT No. _____
OFFICE USE ONLY

SUB-RECORDER
RECEIVED
AUG 31 1990
M.R. # 42 350.00
VANCOUVER, B.C.
RECORDING STAMP

Mineral Tenure Act
Sections 25, 26 & 27

STATEMENT OF WORK — CASH PAYMENT

Indicate type of title Mineral
(Mineral or Placer)

Mining Division Slocan

I, Andrew W. Gourlay
(Name)
500-164 Water Street
(Address)
Vancouver, B.C.
669-2251 (Telephone) V6B 1B5 (Postal Code)
Valid subsisting FMC No. 290821
FMC Code Gouraw

Agent for QPX Minerals Inc.
(Name)(s)
500-164 Water Street
(Address)
Vancouver, B.C.
669-2252 (Telephone) V6B 1B5 (Postal Code)
Valid subsisting FMC No. 290819
FMC Code QPXMII

STATE THAT: **(NOTE: If only paying cash in lieu, turn to reverse and complete columns G to J and Q to T.)**

1. I have done, or caused to be done, work on the True Blue Claim(s)

Record No(s). 646

Work was done from 1 May, 1990, to 31 August, 1990;

and was done in compliance with Section 50 of the Mineral Tenure Act and

Section 19(3) of the Regulation YES [x] NO [ ]

I hereby request that the claims listed in Column G on this Statement of Work be Grouped and I confirm that all claims listed are contiguous YES [ ] NO [ ]

FEE — $10.00

TYPE OF WORK

PHYSICAL: Work such as trenches, open cuts, adits, pits, shafts, reclamation, and construction of roads and trails. Details as required under section 13 of the Regulations, including the map and cost statement, must be given on this statement.

PROSPECTING: Details as required under section 9 of the Regulations must be submitted in a technical report. Prospecting work can only be claimed once by the same owner of the ground, and only during the first three years of ownership.

GEOLOGICAL, GEOPHYSICAL, GEOCHEMICAL, DRILLING: Details must be submitted in a technical report conforming to sections 5 through 8 (as appropriate) of the Regulations.

PORTABLE ASSESSMENT CREDIT (PAC) WITHDRAWAL: A maximum of 30% of the approved value of geological, geophysical, geochemical and/or drilling work on this statement may be withdrawn from the owner's or operator's PAC account and added to the work value on this statement.

TYPE OF WORK	VALUE OF WORK			
(Specify Physical (include details), Prospecting, Geological, etc.)	Physical	*Prospecting	*Geological etc.	
Geological			100,000	
Report to follow				
TOTALS	A +	B +	C 100,000 =	D 100,000
PAC WITHDRAWAL — Maximum 30% of Value in Box C Only			E →	E
from account(s) of _____			TOTAL	F 100,000

* Who was the operator (provided the financing)? Name _____
Address _____
_____ Phone: _____

Transfer amount in Box F to reverse side of form and complete as required.

F 100,000 I WISH TO APPLY $ 47,600 OF THE TOTAL VALUE FROM BOX F AS FOLLOWS:

Columns G through P inclusive MUST BE COMPLETED before work credits can be granted to claims. Columns G through J and Q through T inclusive MUST BE COMPLETED before a cash payment or rental payment can be credited. Columns not applicable need not be completed.

Cash Payment

CLAIM IDENTIFICATION				APPLICATION OF WORK CREDIT						CASH IN LIEU OF WORK OR LEASE RENTAL			
G	H	I	J	K	L	M	N	O	P	Q	R	S	T
CLAIM NAME (one claim/lease per line)	RECORD No.	No. OF UNITS*	CURRENT EXPIRY DATE	WORK TO BE APPLIED VALUE	WORK TO BE APPLIED YEARS	Recording Fees	PRIOR EXCESS CREDIT BEING USED	NEW EXPIRY DATE	EXCESS CREDIT REMAINING	C/L	RECORDING FEE	LEASE RENTAL	NEW EXPIRY DATE
1 Copper Queen	645	1	98/06/05	400	2	20		20/06/05					
2 True Blue	646	1	98/06/05	400	2	20		20/06/05					
3 True	776	15	90/07/28	6,000	2	300		20/07/28					
4 Blue	777	20	90/07/28	8,000	2	400		20/07/28					
5 Kas 2	3003	4	98/09/02	1,600	2	80		20/09/02					
6 Lo 5	3050	20	96/09/13	12,000	3	600		99/09/13					
7 Kas 6	3051	15	96/09/13	9,000	3	450		99/09/13					
8 True Blue Fr.	5486	1	97/10/02	600	3	30		20/10/02					
9 BJ 1	5718	12	94/06/30	7,200	3	360		97/06/30					
10 BJ 2	5719	4	94/06/30	2,400	3	120		97/06/30					
11													
12													
13													
14													
15													
16													
17													
18													
				47,600 TOTAL OF K		2,380 TOTAL OF M				TOTAL OF Q	TOTAL OF R	TOTAL OF S	

*2 POST, FRACTION, REV. CROWN GRANT AND PLACER CLAIM ARE 1 UNIT EACH

NOTICE TO GROUP No. _____ RECORDED _____

Value of work to be credited to portable assessment credit (PAC) account(s).
(May only be credited from the approved value of Box C not applied to claims.)

Name of owner/operator	Name	Amount
	1. QPX Minerals Inc.	52,400
	2.	
	3.	

I, the undersigned Free Miner, hereby acknowledge and understand that it is an offence to knowingly make a false statement or provide false information under the Mineral Tenure Act. I further acknowledge and understand that if the statements made, or information given, in this Statement of Work — Cash Payment are found to be false and the exploration and development has not been performed, as alleged in this Statement of Work — Cash Payment, then the work reported on this statement will be cancelled and the subject mineral claim(s) may as a result, forfeit to and vest back to the Province.

A.W. Bradley

Signature of Applicant

Province of British Columbia
Ministry of Energy, Mines and Petroleum Resources
MINERAL RESOURCES DIVISION — TITLES BRANCH

DOCUMENT No. _____
OFFICE USE ONLY

SUB-RECORDER
RECEIVED
AUG 31 1990
M.R. # 42 3500.00
VANCOUVER, B.C.
RECORDING STAMP

Mineral Tenure Act
Sections 25, 26 & 27

STATEMENT OF WORK — CASH PAYMENT

Indicate type of title ..... Mineral ..... (Mineral or Placer)

Mining Division ..... Slocan .....

I, Andrew W. Gourlay (Name)
500-164 Water Street (Address)
Vancouver, B.C.
669-2251 (Telephone) V6B 1B5 (Postal Code)
Valid subsisting FMC No. 290821
FMC Code Gouraw

Agent for QPX Minerals Inc. (Name(s))
500-164 Water Street (Address)
Vancouver, B.C.
669-2252 (Telephone) V6B 1B5 (Postal Code)
Valid subsisting FMC No. 290819
FMC Code QPXMII

STATE THAT: **(NOTE: If only paying cash in lieu, turn to reverse and complete columns G to J and Q to T.)**

1. I have done, or caused to be done, work on the True Blue Claim(s)

Record No(s). 646

Work was done from 1 May, 1990, to 31 August, 1990;

and was done in compliance with Section 50 of the Mineral Tenure Act and

Section 19(3) of the Regulation YES [X] NO [ ]

I hereby request that the claims listed in Column G on this Statement of Work be Grouped and I confirm that all claims listed are contiguous YES [ ] NO [ ]

FEE — $10.00

TYPE OF WORK

PHYSICAL: Work such as trenches, open cuts, adits, pits, shafts, reclamation, and construction of roads and trails. Details as required under section 13 of the Regulations, including the map and cost statement, must be given on this statement.

PROSPECTING: Details as required under section 9 of the Regulations must be submitted in a technical report. Prospecting work can only be claimed once by the same owner of the ground, and only during the first three years of ownership.

GEOLOGICAL, GEOPHYSICAL, GEOCHEMICAL, DRILLING: Details must be submitted in a technical report conforming to sections 5 through 8 (as appropriate) of the Regulations.

PORTABLE ASSESSMENT CREDIT (PAC) WITHDRAWAL: A maximum of 30% of the approved value of geological, geophysical, geochemical and/or drilling work on this statement may be withdrawn from the owner's or operator's PAC account and added to the work value on this statement.

TYPE OF WORK	VALUE OF WORK			
(Specify Physical (include details), Prospecting, Geological, etc.)	Physical	*Prospecting	*Geological etc.	
Geological				
Report to follow			20,000	
TOTALS	A +	B +	C 20,000 =	D 20,000
PAC WITHDRAWAL — Maximum 30% of Value in Box C Only			E →	E
from account(s) of _____			TOTAL	F 20,000

* Who was the operator (provided the financing)?
Name _____
Address _____
_____ Phone: _____

Transfer amount in Box F to reverse side of form and complete as required.

Cash Payment

F 20,000 I WISH TO APPLY $ 20,000 OF THE TOTAL VALUE FROM BOX F AS FOLLOWS:

Columns G through P inclusive MUST BE COMPLETED before work credits can be granted to claims. Columns G through J and Q through T inclusive MUST BE COMPLETED before a cash payment or rental payment can be credited. Columns not applicable need not be completed.

CLAIM IDENTIFICATION

	G CLAIM NAME (one claim/lease per line)	H RECORD No.	I No. OF UNITS*	J CURRENT EXPIRY DATE
1	Buchanan 2	5512	20	91/10/23
2	Buchanan 3	5513	20	91/10/23
3	Kaslo	5514	20	91/10/23
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				

APPLICATION OF WORK CREDIT

	K WORK TO BE APPLIED VALUE	L WORK TO BE APPLIED YEARS	M Recording Fees	N PRIOR EXCESS CREDIT BEING USED	O NEW EXPIRY DATE	P EXCESS CREDIT REMAINING
1	4,000	1	~~40~~ 200	NIL	92/10/23	
2	4,000	1	~~40~~ 200	NIL	92/10/23	
3	12,000	3	600		94/10/23	
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
	20,000 TOTAL OF K		~~680.00~~ 1000 TOTAL OF M			

CASH IN LIEU OF WORK OR LEASE RENTAL

	Q C/L	R RECORDING FEE	S LEASE RENTAL	T NEW EXPIRY DATE
	TOTAL OF Q	TOTAL OF R	TOTAL OF S	

NOTICE TO GROUP No. _____ RECORDED _____

*2 POST, FRACTION, REV. CROWN GRANT AND PLACER CLAIM ARE 1 UNIT EACH

Value of work to be credited to portable assessment credit (PAC) account(s).
[May only be credited from the approved value of Box C not applied to claims.]

Name of owner/operator

Name	Amount
1.	
2.	
3.	

I, the undersigned Free Miner, hereby acknowledge and understand that it is an offence to knowingly make a false statement or provide false information under the Mineral Tenure Act. I further acknowledge and understand that if the statements made, or information given, in this Statement of Work — Cash Payment are found to be false and the exploration and development has not been performed, as alleged in this Statement of Work — Cash Payment, then the work reported on this statement will be cancelled and the *subject mineral claim(s)* may as a result, forfeit to and vest back to the Province.

Signature of Applicant

GEOLOGICAL BRANCH
ASSESSMENT REPORT

20,394

LEGEND

Quaternary	Qal	GLACIAL OVERBURDEN
		NELSON - KASLO INTRUSIVES
Jurassic	5	GRANITIC, PRE-DEFORMATION
		SLOCAN GROUP
Upper Triassic	4	BLACK PHYLLITES
		KASLO GROUP (Upper plate)
Pennsylvanian Permian	3b	DARK GREEN ANDESITIC VOLCANICS and ULTRAMAFICS
		(Lower plate)
	3a	GREEN FINE GRAINED PORPHYRITIC ANDESITIC VOLCANICS and DACITIC INTRUSIONS, OFTEN STRONGLY SHEARED and ALTERED TO CHLORITE
		MILFORD GROUP (Sediments)
Mississippian	2d	CREAM OR WHITE HIGHLY SILICIFIED ?CHERTS OR EXHALITES, WITH MANGANESE, SOME PYRITE
	2c	BLACK CHERTY TO SHALY SILICEOUS ARGILLITE and METASEDIMENTS.
	2b	CREAM TO BUFF, RUSTY WEATHERING, PYRITIC, FELSIC METAVOLCANICS
	2a	GREY WELL-BEDDED LIMESTONE, ALTERED TO MARBLE and/or SILICIFIED AT THE BASE
		LARDEAU GROUP
Lower Paleozoic	1	UNDIVIDED METASEDIMENTS and METAVOLCANICS

SYMBOLS

- HIGHWAY
- GRAVEL ROAD
- TRAIL
- CLAIM BOUNDARY
- LEGAL CORNER POST
- BUILDING
- CREEK
- FAULT - ASSUMED
- THRUST FAULT - ASSUMED
- GEOLOGICAL CONTACT
- OUTCROP BOUNDARY
- x FLOAT
- x LL-88-051 ROCK SAMPLE LOCATION
- ADIT OR TRENCH
- STRIKE/DIP OF BEDDING
- STRIKE/DIP OF SCHISTOSITY
- STRIKE/DIP OF VEIN
- DIAMOND DRILL HOLE

Scale 1 : 10,000

200 100 0 200 400 600 800
metres

Geology after L.LEE (1988)

QPX MINERALS INC.
TRUE BLUE PROPERTY

PROPERTY GEOLOGY and DRILL HOLE LOCATION

	Originator	Drawn	Date	PLAN NO.	FIG.
Originator	L.J.L.	C.D.	Sept.1988	1573	4
Revision	A.W.G.	C.D.	Sept.1990	N.T.S. 82F/15W	
Revision					

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