GEOLOGICAL AND GEOCHEMICAL REPORT

ON THE

TARGET PROPERTY

Liard Mining Division, British Columbia
N.T.S. 104G/13W
Latitude: 57°-46' N
Longitude: 131°-54' W

on behalf of

DRYDEN RESOURCE CORPORATION
Vancouver, B.C.

by

Rex Pegg, BASc., P.Eng.
KEEWATIN ENGINEERING INC.
800 - 900 West Hastings Street
Vancouver, B.C.
V6C 1E5

October 25, 1990

Keewatin Engineering Inc.

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INTRODUCTION

The Target property is located within the Telegraph Creek map area where the alkaline porphyry copper-gold Galore Creek deposit and numerous precious metal-bearing, mesothermal shear vein and skarn occurrences are located.

During July of 1990, Keewatin Engineering Inc. was engaged by the Dryden Resource Corporation, the project operator, for the purpose of conducting a small exploration program on the property. The target was economic gold ± silver ± base metal mineralization.

1. Location, Access, Physiography and Climate

The Target property is situated in northwestern British Columbia, approximately 45 kilometres southwest of the town of Telegraph Creek (Figure 1). The property is centred upon 57°-46' North latitude and 131°-54' West longitude. This is within the 104G/13W NTS map sheet.

Access to the property is by helicopter from Telegraph Creek or from Integrated Resources' placer mining camp on the Barrington River, some 5 km away.

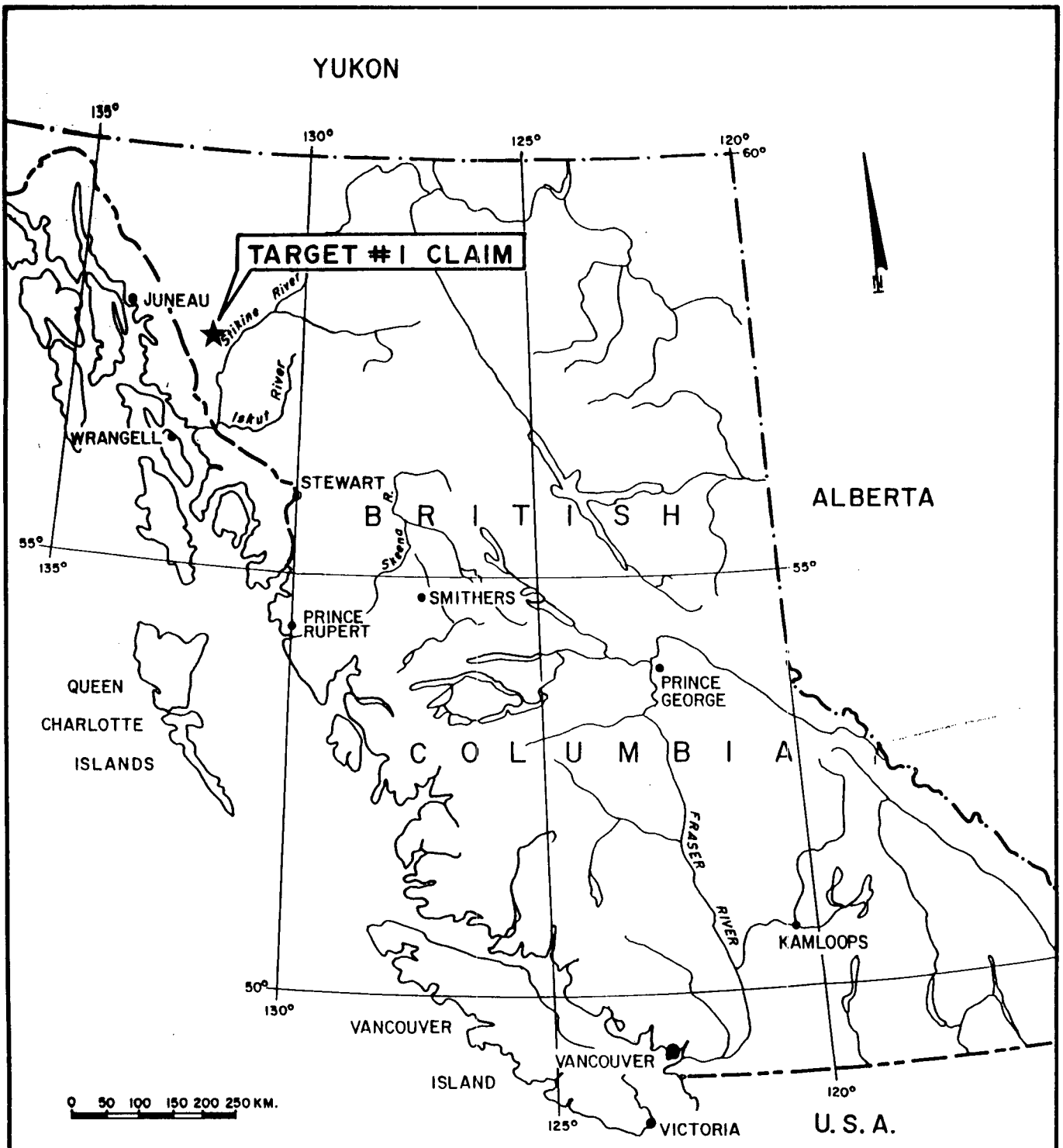
The claim straddles a north trending ridge to the east of Wimpson Creek. Elevations range from 2,700 feet in the southwest corner of the property to 6,500 feet on top of the ridge in the southeast portion. The topographic relief is characterized by the ridge and steep west facing slopes.

The steep slopes below 4,500 feet are covered by a dense growth of slide alder and/or thick coniferous trees. Above this there are scattered grassy slopes and alpine vegetation. Approximately one quarter of the property is overlain by glacial ice.

The climate is typified by cold, snowy winters and cool, wet summers.

2. Property Status and Ownership

The property, see Figure 2, consists of one claim (18 units). The claim is located within the Liard Mining Division and its' status is summarized as follows:



PROPERTY LOCATION MAP

Figure 1

KEEWATIN ENGINEERING INC.

Claim Name	Record No.	Owner	Expiry Date
Target #1	5047	Integrated Resources Ltd.	July 30, 1990

The property is apparently under option to the Dryden Resource Corporation.

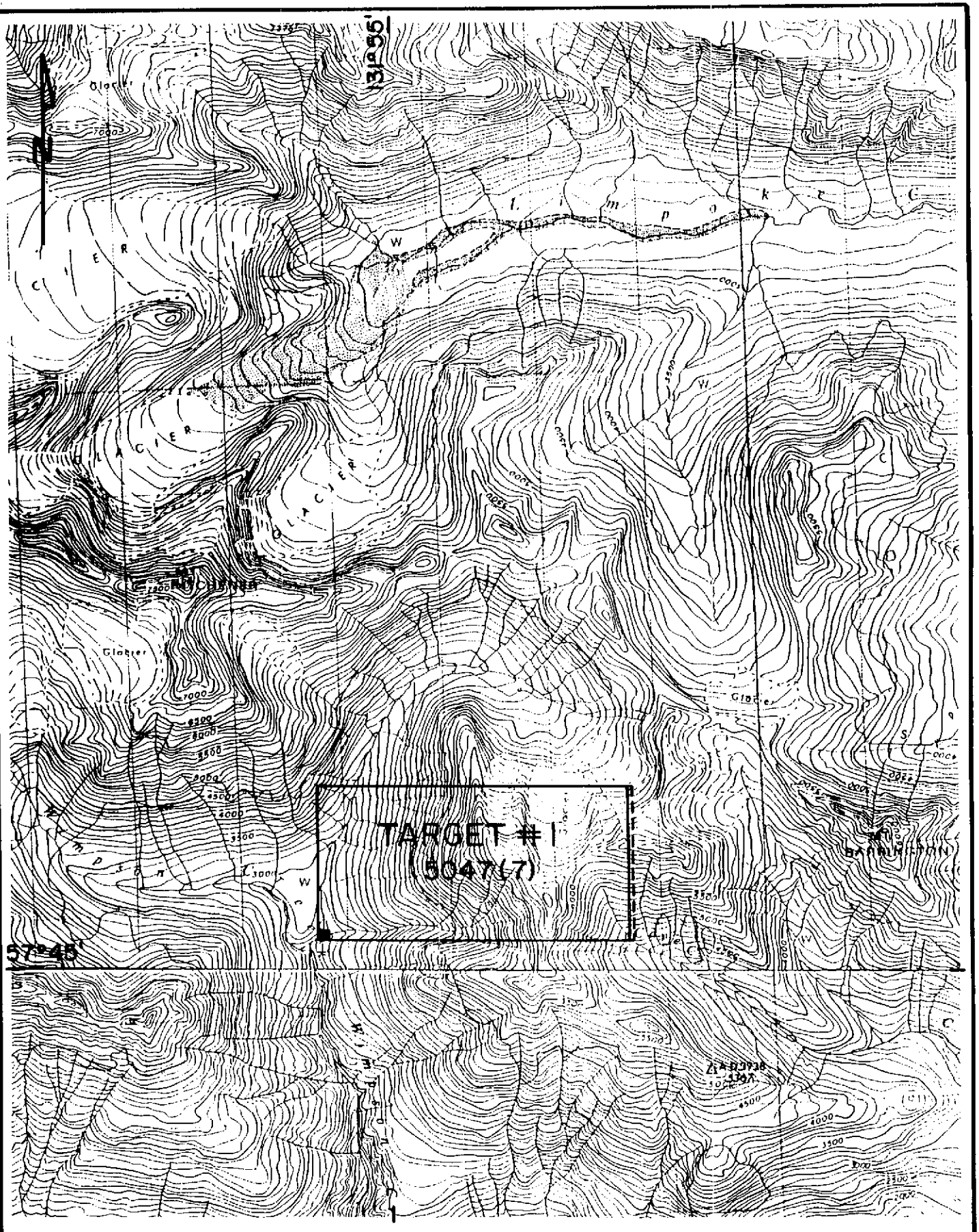
3. History of Exploration

Placer gold was reportedly first discovered in the gravel bars of the Stikine River, between Glenora and Telegraph Creek in 1861. These were worked extensively until the early 1900's. The placer mining on the Barrington River has continued, intermittently, since 1903.

The earliest "hardrock" exploration in the region appears to have been carried out by prospectors during the late 1800's. Only limited work was carried out until the porphyry copper "boom" days (1955-1970) which led to the discoveries of the Galore Creek porphyry copper-gold deposit and the Shaft Creek copper-molybdenum deposit. Numerous small showings and prospects were documented during this period.

Following a dramatic increase in precious metal prices in 1979, several companies carried out exploration programs in the region. Unfortunately, metal prices dropped and exploration was curtailed.

During 1987 the government's regional geochemical survey was carried out in the Telegraph Creek area. Three of the silt samples drain the present Target #1 claim area. These three samples (#871103, #871112 and #871115) returned geochemically elevated to anomalous gold values of 78, 37 and 55 ppb gold, respectively. In July, 1988, Integrated Resources Ltd. staked the Target #1 claim. During 1989, Integrated carried out a prospecting and geochemical sampling program on the property. This included the collection of two silt and 20 rock samples which were analyzed for gold and 32-element ICP. The silt sample results ranged up to 200 ppb gold, 1.8 ppm silver and 320 ppm copper while the rock results were up to 1,790 ppb gold, 8.2 ppm silver and 1,850 ppm copper. Integrated reported finding altered volcano-sedimentary exposures which contain quartz and calcite veining and stockworks and abundant disseminated pyrite, pyrrhotite, bornite, chalcopyrite and/or arsenopyrite mineralization.



NTS : 104G/13W

■ Legal corner post (LCP)

CLAIM MAP

Figure 2

0 1 km

1:50,000

Keewatin Engineering Inc.

4. The 1990 Work Program Summary

During July, a two man crew conducted a small prospecting, mapping and geochemical survey on the property. This work focused on the eastern portion of the claim.

GEOLOGY

1. Regional Geology (see Figure 3)

The Telegraph Creek area lies within the Intermontane tectono-stratigraphic belt - one of five, parallel, northwest/southeast trending belts which comprise the Canadian Cordillera. This belt of Permian to Middle Jurassic volcanic and sedimentary rocks define the Stikinia/Stikine terrane. This is bounded on the west by the Coast Plutonic complex and overlapped on the east by the sediments of the Bowser Basin. The belt has been intruded by at least four episodes of plutonic rocks, from Late Triassic to Oligocene-Miocene.

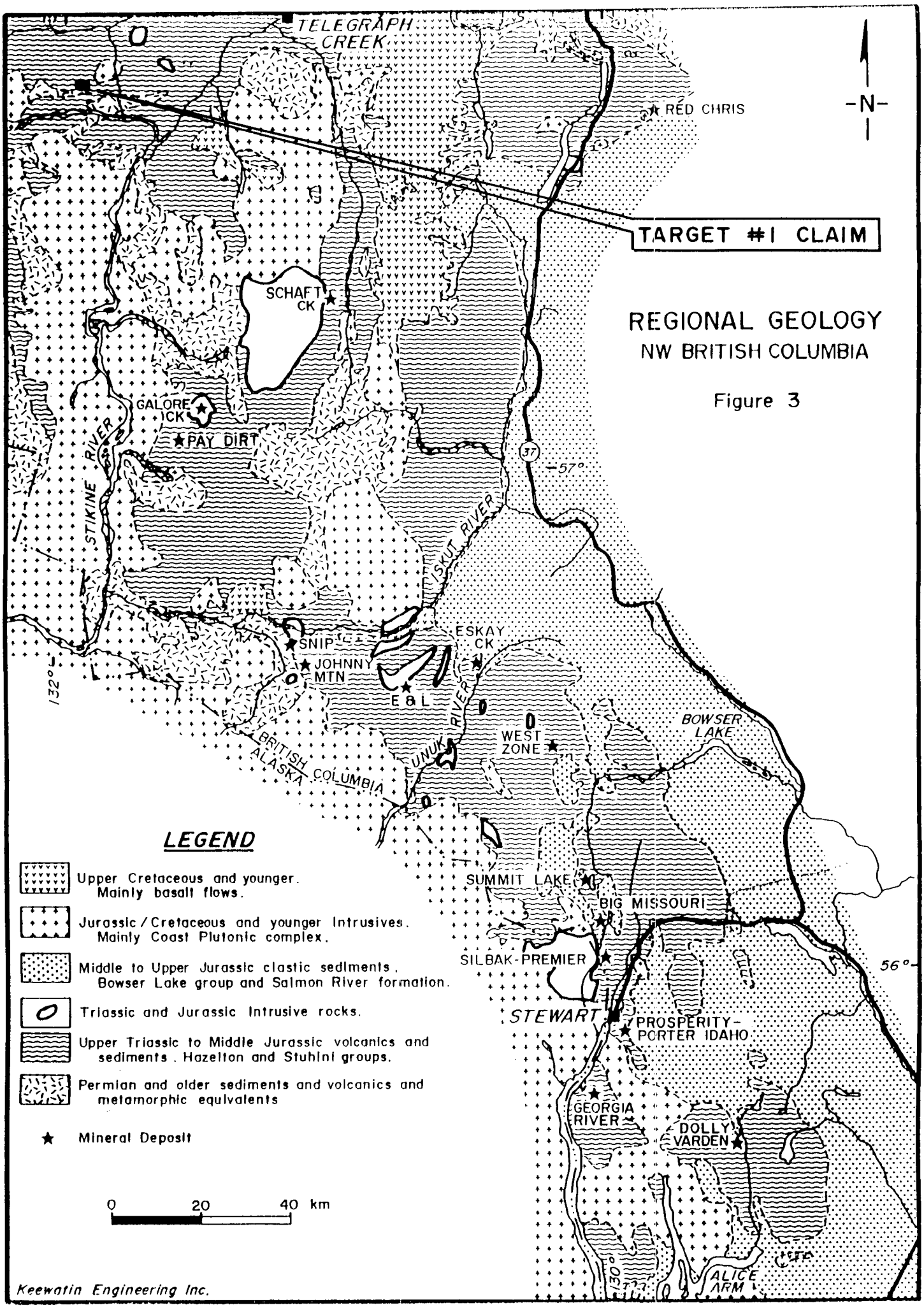
The property appears to be underlain by Upper Triassic to Middle Jurassic volcanics and sediments (Stuhini Group) at or near its' contact with Permian (and older) strata. This is southwest of a prominent stock of Jurassic/Cretaceous age (Souther, 1971).

2. Property Geology

The Stuhini Group underlying the property consists mainly of grey/green, variably fractured, siliceous and gossanous siltstone and grey sandstone to greywacke. Minor limestone and andesitic volcanics were also observed. This package has been cut by several granodiorite dykes, ranging up to 20 metres wide.

Bedding is generally oriented 270° to 290° with dips near vertical. Jointing is relatively well developed along the ridge, trending north-south and dipping 75° to 80° to the west.

Gossanous sediments are exposed along the northeast trending ridge and are a result of a relatively strong iron carbonate alteration. Hornfelsing of the siltstones was observed locally. Propylitic alteration of the andesites is fairly well developed.


TELEGRAPH CREEK
RED CHRIS
-N-
TARGET #1 CLAIM
REGIONAL GEOLOGY
NW BRITISH COLUMBIA
Figure 3
SCHAFT CK
GALORE CK
PAY DIRT
STIKINE RIVER
ISKUT RIVER
57°
SNIP
JOHNNY MTN
E & L
ESKAY CK
132°
BRITISH COLUMBIA
ALASKA
UNUK RIVER
WEST ZONE
BOWSER LAKE
SUMMIT LAKE
BIG MISSOURI
SILBAK-PREMIER
56°
STEWART
PROSPERITY-PORTER IDAHO
GEORGIA RIVER
DOLLY VARDEN
130°
ALICE ARM
LEGEND
Upper Cretaceous and younger. Mainly basalt flows.
Jurassic / Cretaceous and younger Intrusives. Mainly Coast Plutonic complex.
Middle to Upper Jurassic clastic sediments. Bowser Lake group and Salmon River formation.
Triassic and Jurassic Intrusive rocks.
Upper Triassic to Middle Jurassic volcanics and sediments. Hazelton and Stuhini groups.
Permian and older sediments and volcanics and metamorphic equivalents
Mineral Deposit
0 20 40 km
Keewatin Engineering Inc.

3. Mineralization

Pyrite disseminations and/or fracture fillings were observed in most rock types, in abundance ranging from trace to 3%. Pyrrhotite, in amounts up to 3%, was also observed locally. At one locality, irregular, small, discontinuous, semi-massive sulphide pods were discovered. These pods apparently contain up to 30% pyrrhotite, 11-13% pyrite, 1-3% arsenopyrite(?) and a possible trace amount of sphalerite. This mineralization appears to be trending north-south and pods were found up to 1.0 x 4.0 metres in size.

GEOCHEMISTRY

1. Sampling (see Map 2)

During the course of the prospecting and mapping, a total of 11 soil, 2 silt and 6 rock samples were collected. The soil samples represent samples of near-source, talus fines which were collected along the ridge. The two silt samples were taken from the active portions of Cave and Wimpson Creeks which drain the property area. The rocks represent grab samples collected from mineralized and/or well altered exposures.

2. Analysis

The samples were shipped to Min-En Laboratories in Smithers for preparation and then to their lab in North Vancouver for analysis. This analysis consisted of faa Au and an eight element I.C.P. package (Ag, As, Cu, Mo, Pb, Sb, Zn and Hg).

3. Description and Discussion of Results

The two silt samples exhibit anomalous (24 and 30 ppm) arsenic and slightly elevated zinc contents, while the rest of the elements are at background levels.

The soil sample analyses indicate elevated to anomalous gold, silver, copper, zinc and arsenic contents. The other elements are at background levels. The results ranged up to 675 ppb gold, 5.4 ppm silver, 566 ppm copper, 359 ppm zinc and 178 ppm arsenic. The high gold results along with the single point silver anomaly and most of the arsenic anomalies are found along the northeast portion of the ridge. The copper values in this area are slightly elevated.

The rock sample results, with the exception of those for sample 80T185TR-004, are at background levels. This grab sample had analyses of 1280 ppb gold and 882 ppm copper. It is described as a manganese and carbonate altered, gossanous siltstone(?) containing no visible sulphides. The nearby soil sample contained anomalous gold (93 ppb), copper (290 ppm) and arsenic (178 ppm) values. The sample (90T185TR-005) results from the poddy, semi-massive sulphide mineralization to the east are at background levels.

ECONOMIC GEOLOGY

The only sample results of possible, economic significance are those from the gossanous siltstone which had analyses of 1280 ppb gold and 882 ppm copper.

CONCLUSIONS

The gold and copper bearing, gossanous siltstone collected during the 1990 program exhibited no visible sulphide mineralization. Its' possible significance and potential is unknown at this time. The sample results from the semi-massive sulphide pod located to the east are at background levels.

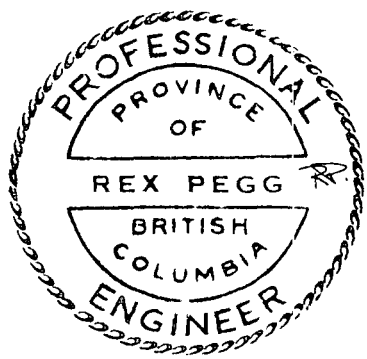
RECOMMENDATIONS

A small exploration program consisting of detailed prospecting, mapping and geochemical sampling is recommended in order to define the significance of the results from sample 90T185TR-004. An attempt should also be made to check the northwest trending extension of this ridge.

Respectfully submitted,

KEEWATIN ENGINEERING INC.

Rex Pegg, BASc., P.Eng.



BIBLIOGRAPHY

Bell, T. (1989): 1989 Prospecting Report on the Target #1 Claim for Integrated Resources Ltd.

G.S.C. Map 9 - 1957

G.S.C. Map 11 - 1971

G.S.C. Paper 71 - 44

APPENDIX 1

Statement of Qualifications

STATEMENT OF QUALIFICATIONS

I, REX STEPHEN PEGG, of #1 - 410 Mahon Avenue in the District of North Vancouver in the Province of British Columbia, do hereby certify that:

1) I am a graduate of the University of Toronto, BA.Sc. (1976) in Geological Engineering (Exploration option) and have practised my profession continuously since graduation.

2) I have over 14 years of experience in exploration for base and precious metals in the Canadian Cordillera.

3) I am a member in good standing of the Association of Professional Engineers of British Columbia.

4) I am an independent consulting geologist with an office at #1-410 Mahon Avenue, North Vancouver, British Columbia.

5) I am presently under contract to Keewatin Engineering Inc. with offices at Suite 800 - 900 West Hastings Street, Vancouver, British Columbia.

6) I am the author of the report entitled "Geological and Geochemical Report on the Target Property, Liard Mining Division, British Columbia", dated October 25, 1990.

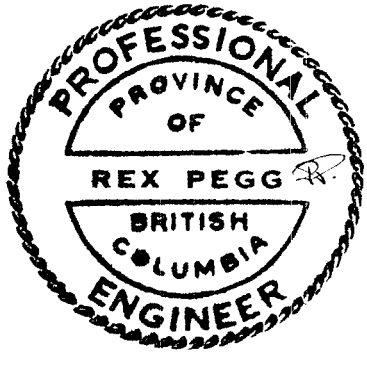
7) I have personally supervised the work referenced in this report and I am familiar with the regional geology and geology of nearby properties.

8) I do not own or expect to receive any interest (direct, indirect or contingent) in the property described herein nor in the securities of Dryden Resource Corporation, in respect of services rendered in the preparation of this report. I do however own 14,000 shares in Dryden Resource Corporation.

9) I consent to and authorize the use of the attached report and my name in the Companies' Statement of Material Facts or other public document.

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

Respectfully submitted,



Rex S. Pegg, ~~BA.Sc.~~, P.Eng.

Keewatin Engineering Inc.

APPENDIX 2

Summary of Field Personnel

SUMMARY OF FIELD PERSONNEL

A. Travis	-	Project Geologist	-	July 19-22, 1990
G. Nagy	-	Field Technician	-	July 19-22, 1990

APPENDIX 3

Statement of Expenditures

STATEMENT OF EXPENDITURES

i)	Pre-field (map preparation, logistics, etc.)				$ 267.25
ii)	Labour				
	A. Travis (Project Geologist)	2.0 days @ $325/day			
	G. Nagy (Field Technician)	2.0 days @ $260/day			
	Total Labour:				1,170.00
iii)	Room and Board	4.0 man days @ $85/man day			340.00
iv)	Helicopter	1.0 hours @ $750/hour			750.00
v)	Field Equipment Rentals	4.0 man days @ $15/man day			60.00
vi)	Hand held radios ($5.00/day/radio)				20.00
vii)	Travel (Bronson Creek to Telegraph Ck, return - split)				600.00
viii)	Consumables (flagging, tyvek tags, sample bags, etc.)				25.00
ix)	Shipping and expediting				40.00
x)	Communications (telephone, courier, etc.)				50.00
xi)	Geochemical Analyses	6 rocks @ $13.75 each	=	$ 82.50	
		11 soils @ $11.30 each	=	124.30	
		2 silts @ $11.30 each	=	22.60	
					229.40
xii)	Report (compilation, writing, drafting, word processing, copying, etc.)				990.00
		TOTAL EXPENDITURES:			**$4,541.65**

APPENDIX 4

Geochemical Sample Descriptions

KEEWATIN ENGINEERING INC.

ROCK SAMPLES

Project: TARGET
Area (Grid):
Collectors: TRAVIS / NAGY

Results Plotted By:
Map: NTS: 104 G/13
Date: JULY 21/90 Surface ✓ Underground

SAMPLE NUMBER	LOCATION NOTES	REP. SAMPLE NUMBER	SAMPLE TYPE (LENGTH) GRAB	CHIP	CHANNEL	CORE	FLOAT	ROCK TYPE	SAMPLE DESCRIPTION	MAP SHEET
	~6050' WESTERN SIDE							CHERTY	FRACTURED, GOSSANOUS, TRACE PYRITE	
90T185T-R-001	OF SADDLE NEAR SOUTHERN CLAIM BOUNDARY		✓					SILTSTONE	IN FRACTURES, grab across 3m, zone trends ~E-W	
	~6120' IN SADDLE							CARB/QTZ	TRACE PYRITE IN GREY/BLACK SILTSTONE	
-R-002	NEAR SOUTHERN CLAIM BOUNDARY		✓					STRINGERS IN S T	WITH ABUNDANT CARBONATE & QTZ STRINGERS, COULD ALMOST BE CALLED A LIMESTONE	
	~6350' ~200m							CHERTY	VERY COARSE TALUS FINES (avg. 0.5 cm)	
R-003	SOUTH OF PEAK AT 6500'+		✓					SILTSTONE	Random grab across ~20m, fractured with pyrite ~1%	
	~100m NW OF							GOSSANOUS	Purplish Brown gossanous colour, couldn't	
R-004	PEAK AT 6500'+ IN SMALL SADDLE (30' below)		✓					SILTSTONE?	get fresh surface, manganese + carbonate alt'n on ridge above, grab across ~1m	
	~150m NE OF							MINERALIZED	SEMI-MASSIVE POD UP TO 1m wide, 4m	
R-005	PEAK AT 6500'+		✓					POD IN	long? (covered partially by snow + talus), seems	
	(PROBABLY CLOSE TO OLD							SILTSTONE	to trend ~N-S, irregular, patchy	
	SAMPLE 446663, although it was not found)								areas of PYRITE, Pyrrhotite noted above, NOT AS MASSIVE OR as large as this one sampled, UP TO 30% Pyrrhotite, 3-5% AsPy?, 1-3% Chalcopyrite, ~10% PYRITE TRACE SPHALERITE, ANOTHER SMALLER POD NOTED ~5m NORTH	
	~40m Downslope from							CARBONATE/	grab across 1m, carbonate alt'd	
R-006	446600 which is in		✓					CHLORITE	ANDESITIC VOLCANICS IN SEDIMENTARY PACKAGE.	
	LOWEST PART OF NE							ALT'D	SAMPLE #446599 appears to be in	
	TRENDING SADDLE/RIDGE							ANDESITE	Saddle covered by Snow, this sample taken below, seems to trend towards it, SOIL 90 NN 185T S-011 TAKEN BELOW WHERE #446599 was inferred to be.	

KEEWATIN ENGINEERING INC.

SOIL SAMPLES

Project: TARGET CLAIM — Results Plotted By: _____

Area (Grid): _____ — Map: _____ N.T.S.: 104G/13

Collectors: GRANT NAGY — Date JULY 22/90

Sample Number 90-NN-185-T	Sample Location: Line	Sample Location: Station	Notes	Topography: Valley Bottom	Topography: Direction of slope	Topography: Hill Top	Topography: Level Ground	Vegetation: Heavily Wooded	Vegetation: Sparsely Wooded	Vegetation: Burnt	Vegetation: Logged	Vegetation: Grassland	Vegetation: Swampy	Soil Data: Horizon Sampled	Soil Data: Depth to Horizon Sample	Soil Data: Horizon Development: Good	Soil Data: Horizon Development: Poor	Soil Data: Parent Material: Drift	Soil Data: Parent Material: Bedrock	Soil Data: Colour
S-001	5970'		Tallis Slide – Skree		W	✓			✓					B	25cm		✓		✓	RB
S-002	5940'		✓ ✓ ✓		✓	✓			✓					B	20cm		✓		✓	RB
S-003	6170'	Ridge Top	40 ang. frag 40 sand 20 silt Tallis finds		NE	✓			✓						15cm		✓		✓	MB
S-004	6310'	Tallis Finds	30 ang frag 20 sand 10 silt 20 gravel		✓	✓			✓						10cm		✓		✓	RB
S-005	6060'	Tallis Finds			✓	✓			✓						15cm		✓		✓	RB
S-006	6040'	Tallis Finds	Approx. 100m btwn. 005-008		✓	✓			✓						15cm		✓		✓	RB
S-007	6040'	✓	roughly 25m spacing!!		✓	✓			✓						15cm		✓		✓	RB
S-008	6040'	✓	(below)		✓	✓			✓						15cm		✓		✓	RB
S-009	6050'	Tallis finds	Approx. 5m from #446660 and 40m from S-008		✓	✓			✓						20cm		✓		✓	RB
S-010	6000'	Tallis Finds	approx. 100 B'low D.C. #446600		✓	✓			✓						15cm		✓		✓	RB
S-011	6000'	✓	approx 5m South of S-010		✓	✓			✓						15cm		✓		✓	RB

KEEWATIN ENGINEERING INC.

STREAM SEDIMENTS

Project: TARGET CLAIM

Area (Grid):

Collectors: GRANT NAGY / ADAM TRAVIS

Results Plotted By:

Map: N.T.S.: 104 G/13

Date: JULY 22/90

Sample Number	NOTES	SEDIMENT DATA					STREAM DATA					SPRING	DRY GULLY				
		Gravel	Sand	Silt	Clay	Organic	Bank	Active	Width	Depth	Velocity						
90·NN·185·T·L·001	very rocky, large boulders, rounded & some angular, steep well developed banks, sparse vegetation elevation 3950'	30	20	40				✓	1.5/2.1	20/50 cm	FAST						
90T185T L-001	2800' ELEVATION IN CREEK, ABUNDANT ARGILLITE FRAGMENTS sand, rock fragments and minor silt	✓						✓	1.5M	10cm	FAST						

APPENDIX 5

Geochemical Results

COMP: KEEWATIN ENGRG.
PROJ: 185 T
ATTN: R.NICHOLS/R.PEGG

MIN-EN LABS — ICP REPORT

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

FILE NO: 0S-0193-RJ1
DATE: 90/07/31
* ROCK * (ACT:F31)

SAMPLE NUMBER	AU PPB	AG PPM	CU PPM	PB PPM	ZN PPM	AS PPM	SB PPM	MO PPM	HG PPB
90T 185T R001	20	.6	29	27	74	26	1	2	85
90T 185T R002	10	2.0	8	4	168	1	1	1	95
90T 185T R003	20	2.0	117	16	145	11	1	15	110
90T 185T R004	1280	1.1	882	7	26	1	1	1	75
90T 185T R005	85	.8	119	4	9	87	1	14	85
90T 185T R006	15	2.0	94	4	47	1	1	1	80

COMP: KEEWATIN ENGRG.
PROJ: 185 T
ATTN: R.NICHOLS/R.PEGG

MIN-EN LABS — ICP REPORT

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

FILE NO: OS-0193-SJ2
DATE: 90/07/31
* SOIL * (ACT:F31)

SAMPLE NUMBER	AU PPB	AG PPM	CU PPM	PB PPM	ZN PPM	AS PPM	SB PPM	MO PPM	HG PPB
90NN 185T S001	2	.7	82	24	324	2	1	2	125
90NN 185T S002	1	1.4	210	44	359	5	1	19	140
90NN 185T S003	16	2.5	566	15	226	1	1	1	225
90NN 185T S004	93	1.2	290	10	79	178	1	1	90
90NN 185T S005	84	2.4	221	9	141	37	1	4	65
90NN 185T S006	139	1.5	296	10	116	55	1	1	85
90NN 185T S007	315	2.0	212	10	137	1	1	2	80
90NN 185T S008	675	2.4	167	9	154	76	1	6	55
90NN 185T S009	392	5.4	159	15	130	5	1	2	80
90NN 185T S010	139	1.2	142	12	109	1	1	1	70
90NN 185T S011	162	1.7	146	12	48	1	1	1	75
90NN 185T L001	2	1.9	102	13	137	24	1	7	80
90T 185T L001	4	2.3	103	23	218	30	1	13	90

131°55'

57°45'

3000

W

Wimpson Creek

Glacier

6000

Cave Creek

90T185TL-001

TARGET #1

90T185TR-006
90NN185TS-010
S-011
S-009
S-008
S-005
R-005
S-004
R-004
R-003
S-003
90NN185TS-001
R-002
S-002
90T185TR-001

90NN185TL-001
(note: location is approximately 400 m downstream at the 3950' elevation level)

N

GEOLOGICAL BRANCH
ASSESSMENT REPORT

20,436

LEGEND

× Rock

○ Soil

□ Silt

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
REX PEGG

0 0.25 0.5 0.75 km

DRYDEN RESOURCE CORP.

TARGET #1 CLAIM

SAMPLE LOCATIONS

DATE: JULY 1990	NTS: 104G/13W
PROJECT: I.R.	BY:
SCALE: 1:10,000	
Keewatin Engineering Inc.	MAP No. 2

131°55'

57°45'

3000

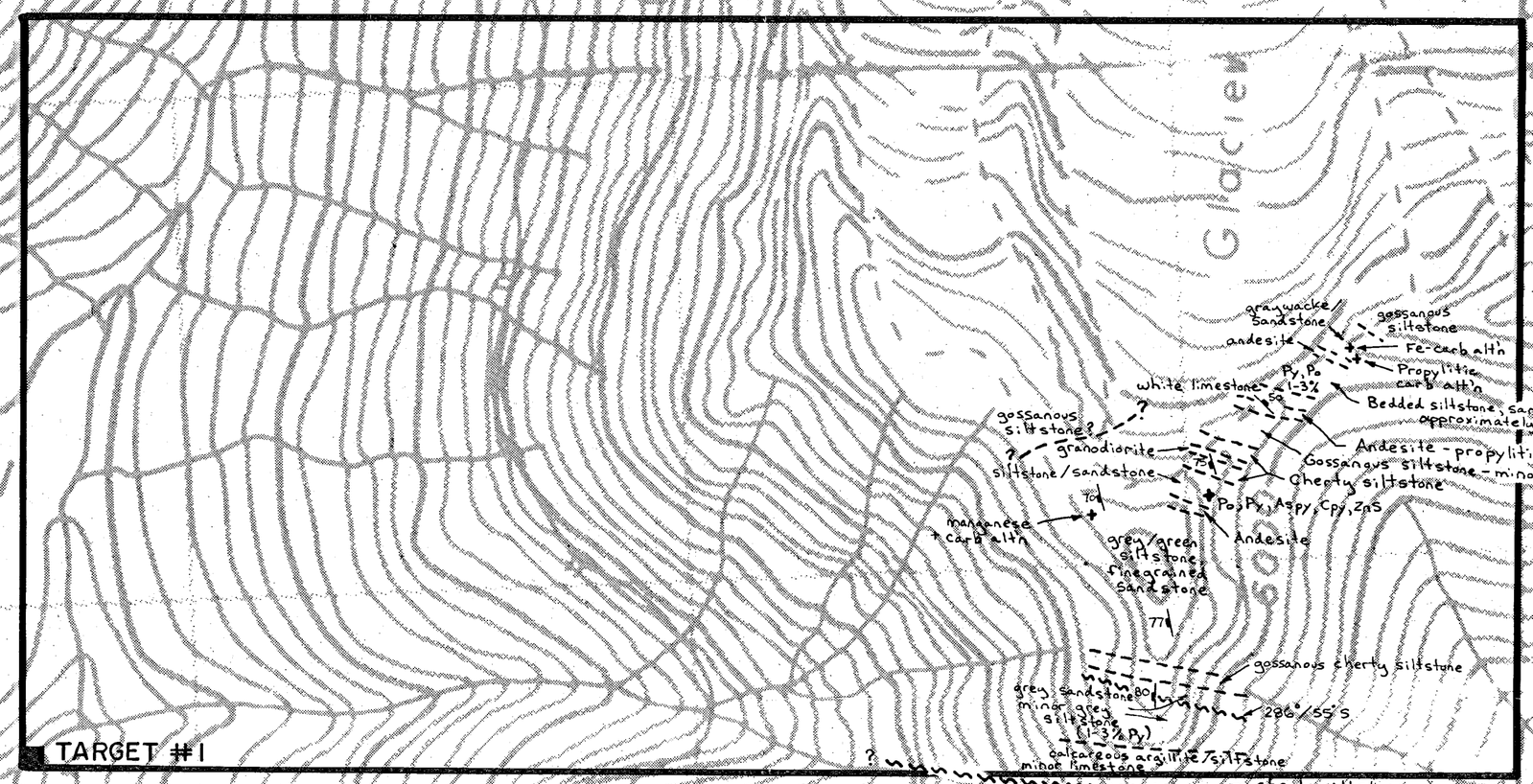
W

Wimpson Creek

Glacier

Cave Creek

TARGET #1



LEGEND

-- Geological contact

Jointing

Fault

GEOLOGICAL BRANCH
ASSESSMENT REPORT

20,436

ABBREVIATIONS

Py	pyrite
Po	pyrrhotite
Cpy	chalcopyrite
Aspy	arsenopyrite
Zns	sphalerite
carb	carbonate
alt'n	alteration
Tr	trace

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
REX PEGG RP

0 0.25 0.5 0.75 km

DRYDEN RESOURCE CORP.

TARGET #1 CLAIM

GEOLOGY

DATE: JULY 1990	NTS: 104G/13W
PROJECT: I.R.	BY: A. Travis
SCALE: 1:10,000	
Keewatin Engineering Inc.	MAP No. 1