Prospecting Report on the AY 1, 2 Mineral Claims, Iskut River Area, British Columbia

Skeena Mining Division

N.T.S.: 104 B/10E

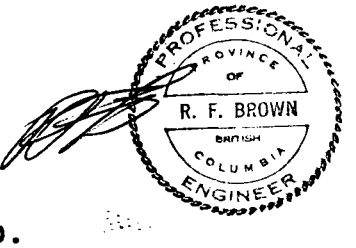
W. Longitude 130°42′ N. Latitude 56°40′

For

Kinghorn Energy Corporation
430 - 580 Hornby Street
Vancouver, B.C. V6C 3B6

By

Paul Daigle, B.Sc.
Robert F. Brown, P. Eng.



HI-TEC RESOURCE MANAGMENT LTD.
1500 - 609 Granville Street
Vancouver, B.C.
V7Y 1G5

November 5, 1990

1.0 SUMMARY

Kinghorn Energy Corporation of Vancouver, B.C. has requested this evaluation and prospecting report on the AY property.

The AY property consists of the AY 1 and AY 2 claims totalling 24 units, located in the Liard Mining Division on map sheet 104B/10E.

Two days were spent prospecting the property. Geologically, Betty Creek Formation outcrops on the north half while the Lehto porphyry of presumed Jurassic age outcrops on the south half of the AY property.

The Betty Creek Formation andesites should be further prospected, shears containing quartz veins assayed up to 1.89 oz/ton Au over a 15 cm width.

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2.0 INTRODUCTION

This evaluation of the AY 1, 2 mineral claims (AY property) has been completed at the request of the directors of Kinghorn Energy Corporation of Vancouver, B.C. who have optioned the AY property from the owner Brazos Petroleum Corp. of Calgary, Alberta.

This report outlines the prospecting done on the property to evaluate the precious metal and or base metal potential. Personnel of Hi-Tec Resource Management Ltd. conducted the prospecting and rock sampling which amounted to $ 7,691.20.

2.1 Location and Access

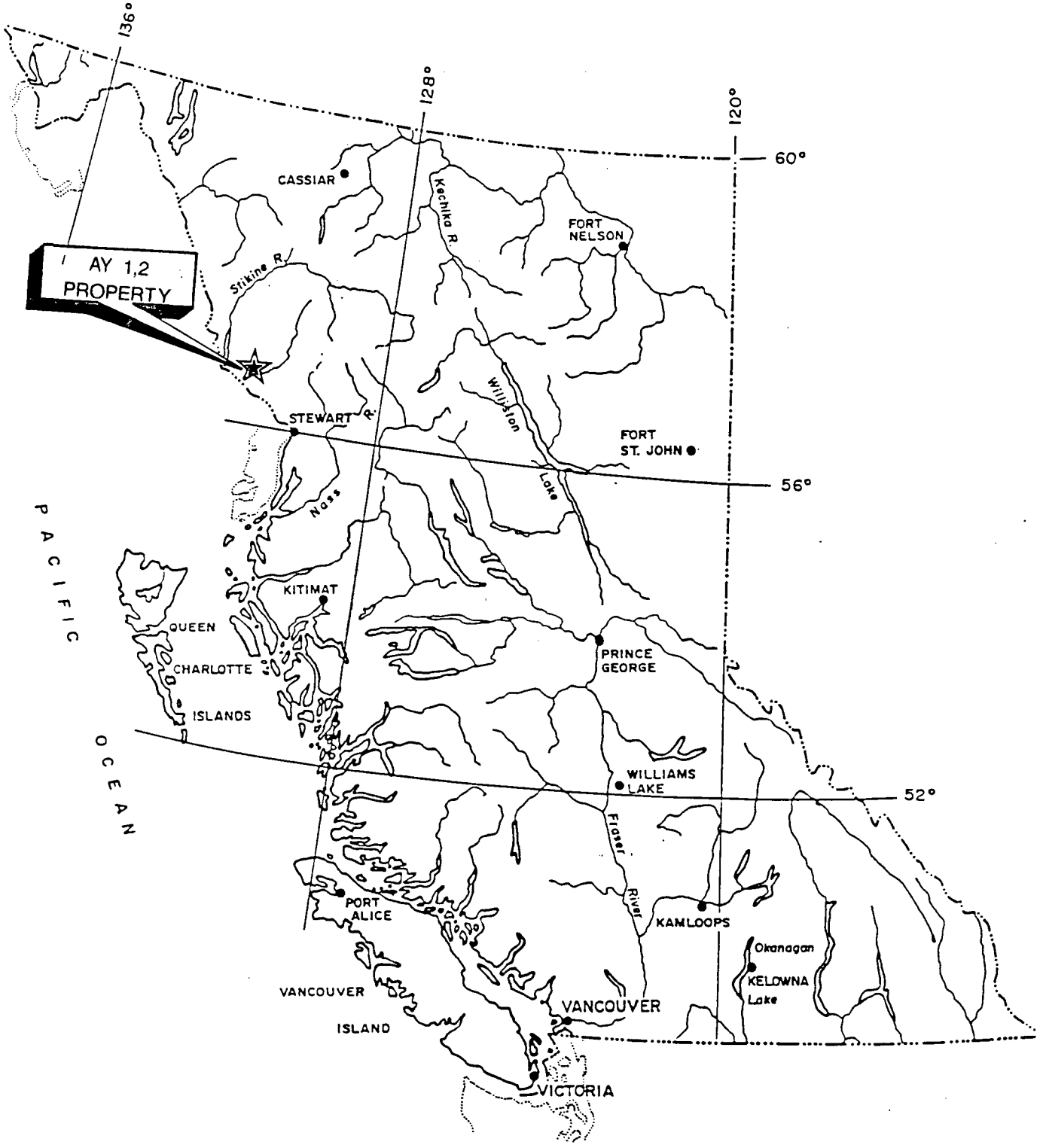
The AY property is located within the eastern boundary of the Coast Range Mountains (Figures 1, 2) on NTS Map 104B/10, immediately south of the Iskut River.

Access is by fixed wing aircraft from Wrangell, Alaska, 105 km to the west, or Smithers, British Columbia, 300 km southeast to either the Bronson airstrip, 15 km to the west or the Snippaker airstrip, 5 km to the southwest and then by helicopter to the claims.

Alternately one can drive to either Bob Quinn or Bell II on Highway 37, 40 km to east, then charter a helicopter to the claims.

2.2 Physiography

The AY property is located on the steep mountainous west slope of a unnamed mountain. Relief ranges from



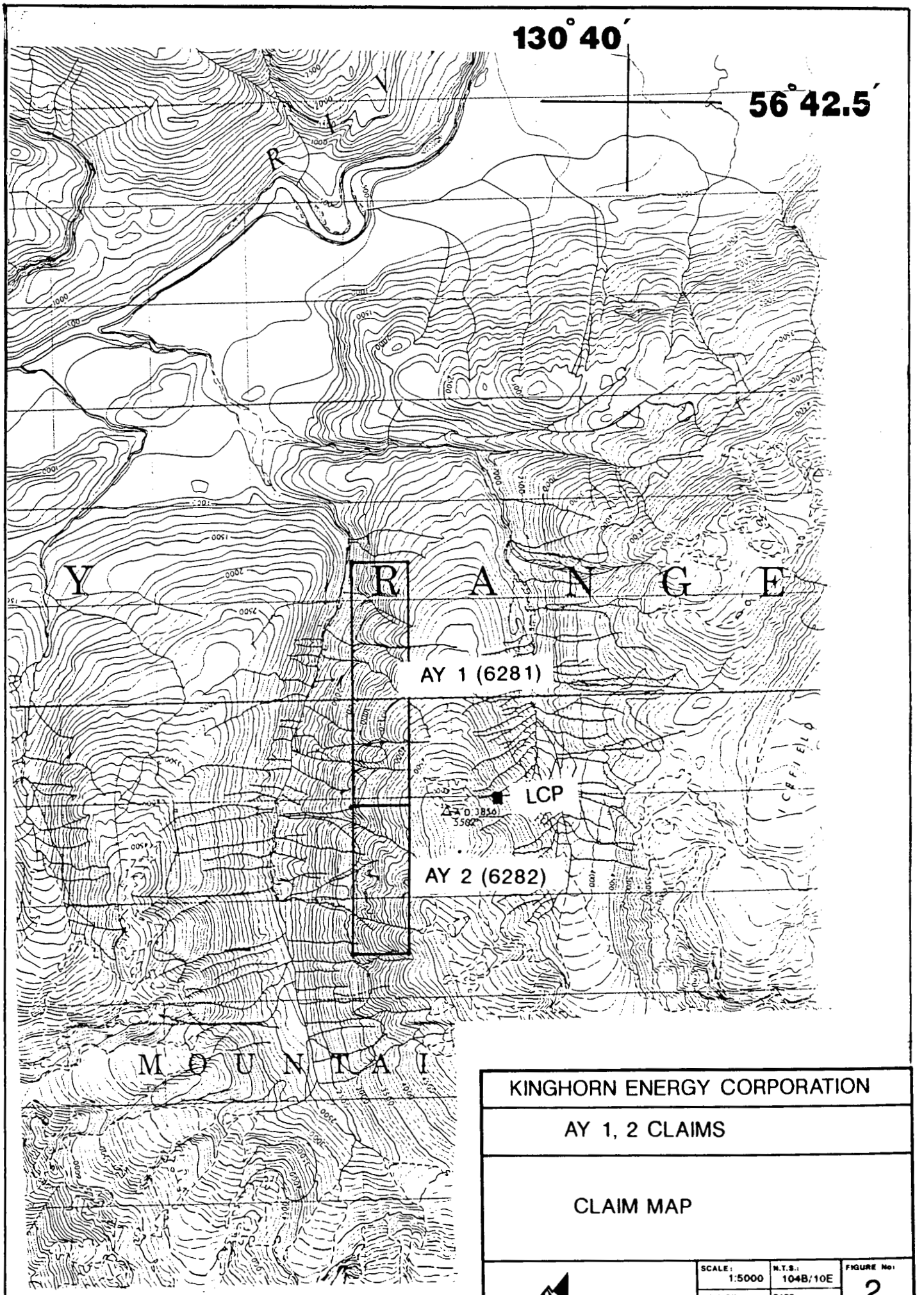
KINGHORN ENERGY CORPORATION

AY 1, 2 CLAIMS

GENERAL LOCATION MAP

SCALE: 1:5000	N T S 104B/10E		FIGURE No: 1
DWN. BY:	DATE: NOV.1/90		
CHKD. BY:	PROJECT No: 90BC041		FILE No:

M-TEC RESOURCE MANAGEMENT LTD.



KINGHORN ENERGY CORPORATION			
AY 1, 2 CLAIMS			
CLAIM MAP			
HI-TEC RESOURCE MANAGEMENT LTD.	SCALE: 1:5000	N.T.S.: 104B/10E	FIGURE No: 2
	DWN. BY:	DATE: NOV 1/90	
	CHKD. BY:	PROJECT No: 90BC041	FILE No:

300 - 1750 m A.S.L. in spectacular but extremely rugged terrain. Slopes which are not cliffs are covered in slide alder, stinging nettles and devil's club. There are several talus filled ravines incising the mountain side, allowing partial access onto the property.

2.3 Property Status

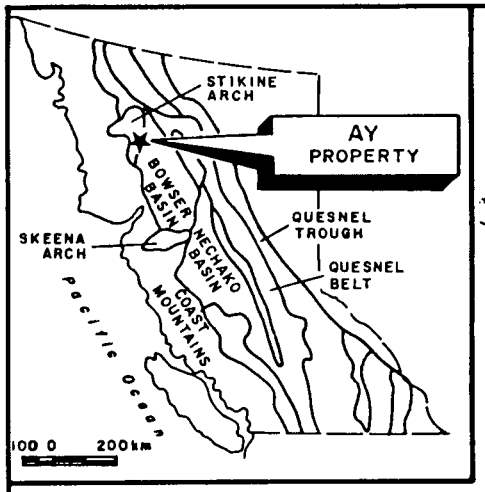
The AY 1, 2 mineral claims consists of 24 units, held in the name of Brazos Petroleum Corp. Paul Daigle worked on the property during August 1990 and examined the common legal claim post located 80 m east southeast of survey point AD 3856 near the above unnamed mountain's peak. The claims are in the Liard Mining Division and are recorded at the British Columbia Ministry of Energy, Mines and Petroleum Resources as follows:

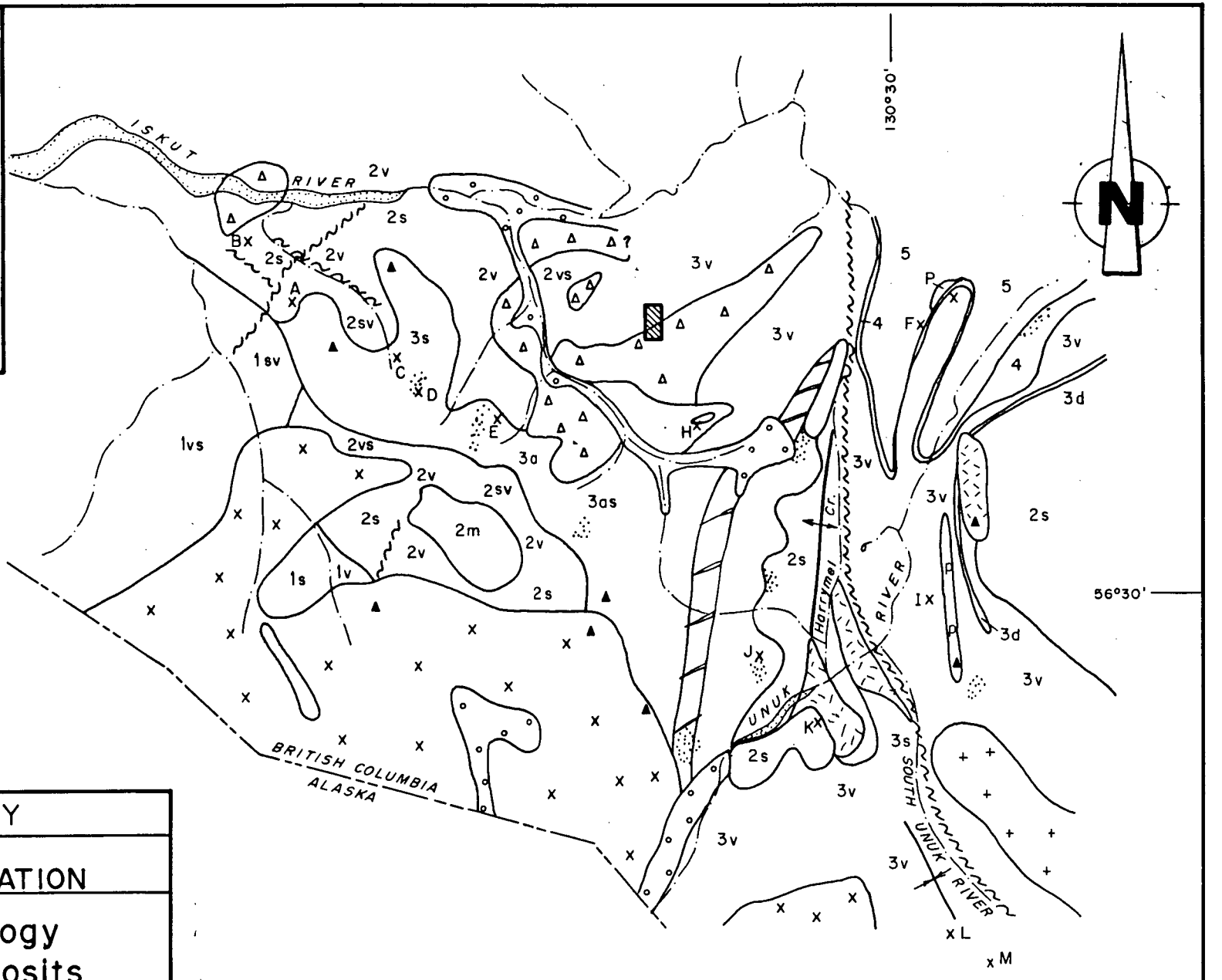
CLAIM	UNITS	RECORD NO.	RECORD DATE	EXPIRY DATE *
AY1	15	6281	Sept. 10, 1989	Sept. 10, 1990
AY2	9	6282	Sept. 10, 1989	Sept. 10, 1990

* prior to filing of this report.

3.0 HISTORY AND PREVIOUS WORK

Hardrock prospecting started at the turn of the 20th century in the Iskut River and Unuk River area. Since then a number of major mineral occurrences have been delineated. These include the former Johnny Mountain Au, Ag, Cu mine and the Snip Au deposit soon to be mined, both 15 km to the west and the Eskay Creek Au, Ag, Pb, Zn deposit 12 km to the east. The E & L Ni, Cu deposit is 5 km to the south. (Figure 3, Table 1,2,3).





AY PROPERTY

KINGHORN ENERGY CORPORATION

Regional Geology & Mineral Deposits

HI-TEC RESOURCE MANAGEMENT LTD.	SCALE: as shown	N.T.S.:	FIGURE No: 3
	DWN. BY:	DATE: NOV./90	
	CHKD. BY:	PROJECT No: 90BC041	FILE No:

TABLE # 1

SUMMARY OF MAJOR SHOWINGS IN THE ISKUT RIVER - UNUK RIVER AREA

	SHOWING/DEPOSIT	LOCATION	OWNER	WORK HISTORY*	RESERVERS OR COMMODITIES PRESENT	DEPOSIT TYPE
1)	Sulpurets: Bruce Jack Lake Zones	104B/8	Granduc/Corona	E,D,1	720,000 tonnes @ 28.4g/t Au Equiv.	veins
2)	Sulphurets Snowfield	104B/9	Granduc/Corona	E,2	7,000,000 tonnes @ 2.86 g/t Au	disseminated
3)	E & L	104B/10	Silver Standard Sumitomo	E,D,2	2,800,000 tonnes @ 0.7% Ni, 0.6% Cu tonnes	intrusive contact
4)	Johnny Mtn.	104B/11	Skyline Expl.	E,D,M (1987-89),1	Au, Cu	veins
5)	Snip	104B/11	Cominco/Delaware	E,D,M (1990-?),1	1,100,000 tonnes @ 24.0 g/t Au	veins
6)	Doc	104B/8	Silver Princess	E,D,1	426,000 tonnes @ 9.26g/t Au 4.91g/t Ag (Pb, Zu, Cu)	veins
7)	Eskay	104B/9	Prime/Stikine	E,D,1	5,025,000 tonnes @ 15.6 g/t Au, 441g/t Ag (Pb, Zu, Cu, Sb, As, Hg)	stratabound
8)	Gossan	104B/10	Lonestar/Western Canadian	E,1	Au	disseminated, vein
9)	Inel	104B/10	Inel Resources	E,D,1	Au, Zu	stockwork, veins
10)	VV	104B/10	Crest/ Corpteck	E,2	Cu, Mo (Au, Ag)	porphyry type disseminated and stockwork
11)	Max	104B/7		E,2	9,900,000 tonnes 45% Fe	skarn

* E surface exploration and drilling
D underground development
M Mine - Mill complex
1 current expl. (development)
2 dormant

TABLE # 2 (See Figure 4)

REGIONAL GEOLOGY

Legend
(from Britton 1988, 1989)

INTRUSIVE ROCKS

TERTIARY	////	King Creek dyke swarm
	x x x	Coast Plutonic Complex
	+ + +	Lee Brant stock
JURASSIC	Δ Δ Δ	Lehto porphyry and Iskut River Plutons
LATE TRIASSIC	⌐⌐	Diorite and Gabbro

STRATIFIED ROCKS

TERTIARY		o o o	Basalt flows and Tephra
MIDDLE JURASSIC		5	Marine Basin Turbidites
		4	Felsic Pyroclastics
LOWER JURASSIC		D	Dacite Marker
	3	V	Andesite Volcanics
	2	S	(with <40% sediments)
UPPER TRIASSIC		V	Intermed.-Ands Volcanics
	2	S	Sediments
		M	Basalt
PALEOZOIC		1	Metamorphosed sediment(s) and Tuffs(v)

TABLE #3 (See Figure 4)

REGIONAL GEOLOGY SYMBOLS

CONTACT

AIRSTRIP

CREEK, RIVER

GOSSAN

MINE, PROSPECT x A

PILLOW LAVAS P

ANTICLINE, SYNCLINE

MOUNTAIN PEAK

PROSPECTS AND MINES

A	JOHNNY MOUNTAIN	Au, Cu, Ag
B	SNIP	Au, Cu, Ag, Pg, Zn
C	INEL	Au, Ag, Cu, Zn, Pb
D	KHYBER PASS (GOSSAN)	Au, Cu, Zn
E	PINS	Au, Ag, Cu, Zn, Pb
F	MACKAY	Au, Ag, Pb, Zn, Cu
G	COPPER KING	Cu, Fe
H	E & L NICKEL	Ni, Cu
I	CUMBERLAND / DALY	Au, Ag
J	VV	Cu, Mo, Au, Ag
K	MAX	Fe, Cu
L	DOC	Au, Ag, Pb, Cu
M	GLOBE	Au, Ag, Pb, Cu

Previous work immediate to the property includes three stream sediment samples taken as part of the NTS 104B sheet regional stream sediment and water data survey (G.S.C. Open File 1645). Samples 871166, 871168, 871169 ran respectively 53 ppb, 31 ppb and 102 ppb Au (Figure 4).

No previous work has been filed as assessment work with the B.C. government nor are there any Min file showings on the AY property. Work by Barytex Resources Corp. on the east bordering Chance 2,3 and Mystery 1,2 claims uncovered quartz - sulfide vein float with 0.118 oz/ton Au. No bedrock source was found according to E.A. Scroggins (1987). Further work was conducted during 1990. H.P. Salat (1989) mapping and sampling on the Au 1, 2 claims to the west found quartz - sulfide veining with trace values of Cu, Au.

4.0 REGIONAL GEOLOGY

The most recent geological mapping was by Alldrick (1989) in his Unuk Map area work. It follows up former mapping by Grove (1986, 1971) and Kerr (1948). The map area (Figure 3) is in the Intermontane Tectonic Belt near the Intermontane's western boundary with the Coast Plutonic Complex.

The four main tectonostratigraphic assemblages (Anderson, 1989) bounded by unconformities are:

1) Tertiary Coast Plutonic Complex
2) Middle and Upper Jurassic Bowser overlap assemblage
3) Triassic - Jurassic, volcanic - plutonic arc complexes
4) Paleozoic Stikine assemblage

Most of the area is underlain by a thick succession (more than 5 km) of sedimentary and volcanic rocks of Upper Triassic to Lower Jurassic age, intruded by Upper Triassic diorites, Jurassic alkali feldspar porphyry, the Cretaceous - Tertiary Coast Plutonic Complex and Tertiary felsic dykes.

Particular to the AY property are Lower Jurassic Betty Creek Formation andesites and andesite lapilli tuffs (Alldrick, 1989). These are intruded by the newly discovered (Britton, 1989) Lehto porphyry batholith, a potash feldspar, plagioclase, hornblende porphyritic granodiorite to syenite (Figure 3).

5.0 PROSPECTING

The first day of prospecting, August 13, 1990 was spent near the top of the unnamed mountain searching for a possible traverse route into a gully then down to the north drainage on the valley bottom. No route was found down the mountain. Outcrop between the Chance claims LCP and sample 90APR001 was Lehto porphyry. At sample site 90APR001 the outcrop was light grey to beige aphanitic dacite with < 1% pyrite. This seems to be an isolated block in the intrusive. Walking eastward off the AY property toward the mountain peak outcrop was of hornblende, potash feldspar porphyritic Lehto porphyry, at sample 90APR002 containing 1% pyrite and magnetite (Figure 4).

On August 14, 1990 a traverse was made up one of the side gulchs draining the AY claims. The lower 200 m of the gulch has exposure of glacial fluvial tills. Above this the gulch banks are predominantly outcrop of andesite. The first sample 90APR003 was float from the

gulch of a 4 cm quartz carbonate vein with 2% pyrite containing inclusions of the sheared volcanic host rock. Sample 90APR004 was a sample from the gulch cliff wall of sheared dark grey andesite with 2% pyrite and minor quartz and carbonate veinlets to 4 cm width. Twenty meters up the gulch the andesites host a 40 cm wide limonite altered vein with 15% pyrite (90APR005). Sample 90APR006 was taken as a representative sample of the host dark grey andesite, in this case there was some silicification and shearing. The traverse continued west with a 25 cm wide sheared quartz vein with limonite being sampled at 90APR007. Host rock is grey green andesite with slickensides, carbonate veinlets, and < 1% pyrite. At samples 90APR009, 010 a 15 cm wide quartz vein was sampled with 20% pyrite, it is limonitic and hosted by sheared andesite. Shearing is generally parallel to the gulch being easterly trending. The traverse ended 10 m further up gulch at a cliff of massive andesite.

All the quartz veins found are lenses with maximum 5 - 10 m strike lengths.

5.1 Rock Sampling

Ten samples were submitted to Vangeochem Lab Limited for analysis, analytical procedures are in Appendix II, Au and 25 element ICP results are tabulated in Appendix III, and descriptions in Appendix IV. Sample locations are plotted on Figure 4.

Sample 90APR001 yielded > 1000 ppm Ba with 20 ppb Au. Sample 90APR005 a 40 cm wide quartz vein yielded 180 ppb Au with no anomalous ICP results.

By far the best results were from the upper quartz vein in samples 90APR009, 010 which were re-analyzed and yielded respectively 3800 ppb Au, 960 ppb Au and 6600 ppb Au, >10,000 ppb Au (assayed 1.890 oz/ton Au). Sample 90APR010 also recorded 6335 ppm Cu, 21 ppm Mo and 2.4 ppm Ag. Unfortunately this vein is of limited strike length in sheared andesites.

6.0 CONCLUSIONS

Two days of traversing revealed one quartz vein with high grade gold values in sheared andesites at sample sites 90APR009, 010. Unfortunately this vein is of limited extent in very steep terrain. The southern part of the property, as witnessed from the mountain top traverse, consists of the Letho porphyry batholith. The extent of the Lehto porphyry was not observed, but by Alldrick's (1989) mapping it extends south, east and west off the AY property.

Minor pyrite and magnetite was observed in the Lehto porphyry at sample site 90APR002.

Possibly, further high grade quartz veins may be found in the east west sheared andesites.

Respectivly submitted,
HI-TEC RESOURCE MANAGEMENT LTD.

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
R. F. BROWN

Paul Daigle, B.Sc.

Robert F. Brown, P. Eng.

November 5, 1990

7.0 REFERENCES

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Salat, H.P. (1989): Au 1 and 2 claims, B.C. report prepared for Brazos Petroleum Corp. and filed for assessment.

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APPENDIX I

Statement of Qualifications

Statement of Qualifications

I, Robert F.Brown, of the City of Vancouver, Province of British Columbia, hereby certify :

1. THAT I am a geologist residing at 1450 West 64th Avenue, Vancouver, British Columbia, Canada, V6P2N4.

2. THAT I obtained a Bachelor of Science (Engineering) degree in Geology from Queens University at Kingston, Ontario, Canada in 1975.

3. THAT I have been practising my profession as a geologist since 1975.

4. THAT I am a registered Professional Engineer, in good standing, with the Association of Professional Engineers of British Columbia.

5. THAT this report is based upon the results of a field program of geological mapping and sampling supervised by the author in August, 1990. All published maps and reports on the AY property and the surrounding area have been thoroughly reviewed.

6. THAT I have no interest in the AY property, nor the securities of Kinghorn Energy Corporation or Brazos Petroleum Corp. or any company associated with the property, nor do I expect to recieve any such interest.

7. THAT I consent to the use of this report in a Prospectus or Statement of Material Facts for the purpose private or public financing.

Dated in Vancouver, British Columbia, this 5th day of November, 1990.

Robert F. Brown P.ENG

Statement of Qualifications

I, Paul Daigle, now residing in the City of Montreal, Province of Quebec, hereby certify:

1. THAT I am a geologist employed by Hi-Tec Resource Management at 1500-609 Granville, Vancouver, British Columbia, Canada, V7Y 1G5.

2. THAT I obtained a Bachelor of Science degree in Geology, Specialization from Concordia University, Montreal in 1988.

3. THAT I have been practising my profession as a geologist in Quebec, Ontario and British Columbia since 1988.

4. THAT this report is based upon a thorough review of published and printed reports and maps ont he subject property and the surrounding area. I have worked on the property personally and I have directed exploration programs on properties in the Iskut River area.

5. THAT I have no interest in the Ay 1, 2 claims described herein, nor in securitites of Kinghorn Energy Corp. or any company associated with the property, or in any property within a 10 km radius of the claims, nor do I expect to receive any such interest.

6. THAT I consent to the use of this report in a Prospectus or Statement of Material Facts for the purpose private or public financing.

Dated in Vancouver, British Columbia, this 5th day of November, 1990.

Paul Daigle, B.Sc.

APPENDIX II

Sample Preparation and Analytical Methods

VGC VANGEOCHEM LAB LIMITED

MAIN OFFICE
1630 PANDORA STREET
VANCOUVER, B.C.
V5L 1L6
TEL (604) 251-5656
FAX (604) 254-5717

BRANCH OFFICES
BATHURST, N.B.
RENO, NEVADA, U.S.A.

October 10, 1990

TO: Mr. Robert Brown
HI-TEC RESOURCE MANAGEMENT LTD.
1500 - 609 Granville Street
Vancouver, BC V7Y 1G5

FROM: VANGEOCHEM LAB LIMITED
1630 Pandora Street
Vancouver, BC V5L 1L6

SUBJECT: Analytical procedure used to determine gold by fire assay method and detect by atomic absorption spectrophotometry in geological samples.

1. Method of Sample Preparation

(a) Geochemical soil, silt or rock samples were received at the laboratory in high wet-strength, 4" x 6", Kraft paper bags. Rock samples would be received in poly ore bags.

(b) Dried soil and silt samples were sifted by hand using an 8" diameter, 80-mesh, stainless steel sieve. The plus 80-mesh fraction was rejected. The minus 80-mesh fraction was transferred into a new bag for subsequent analyses.

(c) Dried rock samples were crushed using a jaw crusher and pulverized to 100-mesh or finer by using a disc mill. The pulverized samples were then put in a new bag for subsequent analyses.

2. Method of Extraction

(a) 20.0 to 30.0 grams of the pulp samples were used. Samples were weighed out using a top-loading balance and deposited into individual fusion pots.

(b) A flux of litharge, soda ash, silica, borax, and, either flour or potassium nitrite is added. The samples are then fused at 1900 degrees Farenhiet to form a lead "button".

VGC VANGEOCHEM LAB LIMITED

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BRANCH OFFICES
BATHURST, N.B.
RENO, NEVADA, U.S.A.

(c) The gold is extracted by cupellation and parted with diluted nitric acid.

(d) The gold beads are retained for subsequent measurement.

3. Method of Detection

(a) The gold beads are dissolved by boiling with concentrated aqua regia solution in hot water bath.

(b) The detection of gold was performed with a Techtron model AA5 Atomic Absorption Spectrophotometer with a gold hollow cathode lamp. The results were read out on a strip chart recorder. The gold values, in parts per billion, were calculated by comparing them with a set of known gold standards.

4. Analysts

The analyses were supervised or determined by Mr. Raymond Chan or Mr. Conway Chun and his laboratory staff.

Raymond Chan
VANGEOCHEM LAB LIMITED

APPENDIX III

Analytical Data for Rock Samples

(604) 251-5656

VGC VANGEOCHEM LAB LIMITED

MAIN OFFICE
~~1988 TRIUMPH ST.~~
~~VANCOUVER, B.C. V5L 1K5~~
● (604) 251-5656
● FAX (604) 254-5717

BRANCH OFFICES
PASADENA, NFLD.
BATHURST, N.B.
MISSISSAUGA, ONT.
RENO, NEVADA, U.S.A.

REPORT NUMBER: 900495 GA JOB NUMBER: 900495 HI-TEC RESOURCE MANAGEMENT LTD.

SAMPLE #	Au ppb
APR009	960
APR010	> 10000
APR031	1540
APR032	70
APR033	170
APR034	60
APR035	nd
APR036	nd
APR037	nd
APR038	nd
APR039	nd
APR040	nd
APR041	nd
APR042	nd
APR043	nd
APR044	nd
90AGR001	nd
90AGR002	nd
90AGR003	240
90AGR004	nd
90AGR005	nd
90AGR006	nd
90AGR007	nd
90AGR008	nd
90AGR009	nd
90AGR010	nd
90AGR011	nd
90AGR012	nd
90AGR013	nd
90AGR014	nd
90AGR015	nd
90AGR016	20
90AGR017	nd
90AGR018	nd
90AGR019	nd
90AGR020	nd
90AGR021	nd
90AGR022	nd
90AGR023	nd
DETECTION LIMIT	5

AY PROPERTY

nd = none detected -- = not analysed is = insufficient sample

VANGEOCHEM LAB LIMITED
1630 Pandora Street, Vancouver, B.C. V5L 1L6
Ph:(604)251-5656 Fax:(604)254-5717

ICAP GEOCHEMICAL ANALYSIS

A .5 gram sample is digested with 5 ml of 3:1:2 HCl to HNO_3 to H_2O at 95 °C for 90 minutes and is diluted to 10 ml with water.
This leach is partial for Al, Ba, Ca, Cr, Fe, K, Mg, Mn, Na, P, Sn, Sr and W.

ANALYST:

REPORT #: 900495 PA | HI-TEC RESOURCE MANAGEMENT LTD. | PROJECT: 90BC041 | DATE IN: SEPT 17 1990 | DATE OUT: OCT 16 1990 | ATTENTION: MR. DENNIS COLLINS | PAGE 1 OF 2

AY PROPERTY

Sample Name	Ag ppm	Al %	As ppm	Ba ppm	Bi ppm	Ca %	Cd ppm	Co ppm	Cr ppm	Cu ppm	Fe %	K %	Mg %	Mn ppm	Mo ppm	Na %	Ni ppm	P %	Pb ppm	Sb ppm	Sn ppm	Sr ppm	U ppm	W ppm	Zn ppm
APR009	1.1	0.31	<3	48	21	5.10	2.3	11	76	108	7.54	0.39	1.86	1981	13	0.02	16	<0.01	<2	15	7	42	<5	<3	25
APR010	4.4	0.96	<3	47	168	0.16	1.4	7	119	46	5.98	0.13	0.47	266	11	0.01	70	0.02	<2	<2	4	4	<5	<3	23
APR031	0.8	3.37	<3	111	<3	0.76	2.2	37	84	295	5.73	0.21	1.70	686	16	0.07	17	0.05	<2	<2	13	49	<5	<3	55
APR032	0.2	3.45	<3	75	<3	2.79	1.7	26	34	99	5.04	0.28	1.78	1292	14	0.06	9	0.08	<2	<2	13	114	<5	<3	106
APR033	0.1	2.18	<3	39	23	3.38	1.3	24	62	25	2.64	0.24	1.90	507	12	0.03	13	0.04	<2	<2	7	64	<5	<3	51
APR034	0.2	1.41	<3	58	25	7.19	1.0	38	42	191	1.97	0.29	1.22	998	14	0.03	14	0.15	<2	<2	5	134	<5	<3	51
APR035	0.2	2.40	<3	69	27	7.97	7.1	19	57	92	2.91	0.32	1.71	1435	12	0.05	60	0.04	4	<2	7	247	<5	<3	482
APR036	10.5	1.54	<3	26	6	4.21	5.6	30	46	1903	3.50	0.27	1.06	1048	54	0.04	17	0.02	126	<2	9	131	<5	<3	236
APR037	0.6	2.01	<3	76	20	1.55	1.5	23	84	460	3.03	0.18	0.94	273	9	0.06	19	0.06	<2	<2	13	44	<5	<3	38
APR038	0.1	0.60	<3	18	46	0.37	1.0	11	47	123	2.16	0.08	0.25	143	6	0.04	6	0.03	<2	<2	8	17	<5	<3	16
APR039	0.1	3.68	<3	128	20	0.79	0.4	17	58	86	4.04	0.17	1.82	266	44	0.09	61	0.04	<2	<2	14	77	<5	<3	35
APR040	0.1	1.83	<3	10	27	0.17	1.7	12	76	47	2.52	0.07	1.38	272	11	0.02	15	0.02	<2	<2	7	4	<5	<3	44
APR041	0.2	2.72	<3	66	8	0.39	0.5	16	71	155	3.92	0.14	1.49	202	35	0.04	21	0.07	<2	<2	11	19	<5	<3	40
APR042	0.1	0.43	<3	12	38	>10.00	1.0	22	12	17	1.13	0.29	0.44	1610	14	0.03	16	<0.01	31	4	5	384	<5	<3	21
APR043	0.1	0.41	<3	32	36	>10.00	1.2	16	9	9	0.64	0.27	0.35	2047	7	0.04	22	<0.01	32	3	5	448	<5	<3	18
APR044	0.1	0.90	<3	40	22	0.92	1.3	11	45	140	2.45	0.12	0.48	424	5	0.04	6	0.03	<2	<2	11	34	<5	<3	30
90AGR001	<0.1	1.33	<3	145	30	2.61	<0.1	8	53	10	2.55	0.21	0.67	882	6	0.03	8	0.08	<2	<2	6	46	<5	<3	42
90AGR002	<0.1	0.72	<3	25	35	1.44	<0.1	3	52	4	1.02	0.12	0.44	286	3	0.03	10	0.02	<2	<2	4	29	<5	<3	9
90AGR003	<0.1	0.14	<3	21	32	1.54	0.8	56	186	8	3.87	0.17	0.07	337	3	0.01	17	<0.01	4	7	3	29	<5	<3	6
90AGR004	<0.1	1.05	<3	39	26	1.11	<0.1	15	34	113	1.94	0.13	0.30	167	12	0.04	11	0.12	<2	<2	12	56	<5	<3	13
90AGR005	<0.1	0.79	<3	107	30	>10.00	0.2	41	30	115	1.54	0.33	0.51	1086	6	0.04	41	0.01	<2	3	5	204	<5	<3	12
90AGR006	<0.1	1.29	<3	179	35	2.40	0.4	11	43	12	3.28	0.21	0.95	433	7	0.03	20	0.08	<2	<2	6	66	<5	<3	27
90AGR007	0.1	1.96	<3	25	21	>10.00	0.9	12	38	37	2.56	0.34	1.44	961	8	0.03	20	0.03	<2	<2	9	150	<5	<3	36
90AGR008	<0.1	0.80	<3	18	19	>10.00	1.3	43	34	66	5.25	0.42	2.22	5709	17	0.03	22	0.02	4	6	8	260	<5	<3	25
90AGR009	0.1	1.12	<3	12	15	1.06	0.8	25	85	141	2.89	0.13	0.56	336	9	0.03	114	0.04	<2	<2	12	26	<5	<3	18
90AGR010	1.1	1.76	<3	42	<3	0.60	1.5	46	55	289	5.76	0.16	0.92	410	13	0.04	25	0.03	<2	<2	14	26	<5	<3	33
90AGR011	0.1	1.12	<3	>1000	38	0.70	0.5	9	56	10	1.90	0.10	0.59	732	9	0.04	19	0.05	<2	<2	8	116	<5	<3	33
90AGR012	0.1	0.87	<3	665	26	0.28	<0.1	7	65	9	1.71	0.05	0.49	644	5	0.02	112	0.04	28	<2	7	37	<5	<3	34
90AGR013	0.1	0.36	<3	>1000	42	0.13	<0.1	1	106	15	0.61	0.02	0.17	207	1	0.01	14	0.02	73	<2	5	102	<5	<3	15
90AGR014	0.1	0.97	<3	511	27	0.40	0.6	5	45	5	1.56	0.06	0.58	704	4	0.03	17	0.04	<2	<2	7	43	<5	<3	39
90AGR015	0.1	0.90	<3	201	28	0.57	<0.1	6	46	5	1.50	0.07	0.52	642	5	0.02	20	0.04	<2	<2	7	36	<5	<3	33
90AGR016	0.3	0.09	<3	394	46	0.01	<0.1	4	190	103	0.52	<0.01	0.02	137	13	<0.01	278	<0.01	1020	3	5	9	<5	<3	2
90AGR017	0.1	1.01	<3	413	28	1.86	0.6	4	49	7	1.52	0.16	0.52	525	4	0.03	20	0.05	<2	<2	6	75	<5	<3	23
90AGR018	0.1	1.07	<3	451	22	2.26	0.4	2	39	4	1.59	0.18	0.56	870	3	0.02	18	0.05	<2	<2	3	59	<5	<3	14
90AGR019	0.3	0.24	<3	94	36	0.56	<0.1	2	283	113	1.20	0.06	0.13	552	11	<0.01	348	<0.01	9	<2	6	14	<5	<3	5
90AGR020	<0.1	0.97	<3	395	25	2.07	<0.1	3	36	5	1.51	0.16	0.47	815	5	0.02	19	0.06	<2	<2	7	63	<5	<3	19
90AGR021	<0.1	1.11	<3	229	33	1.45	0.3	7	55	6	1.69	0.13	0.61	441	4	0.03	19	0.06	<2	<2	9	122	<5	<3	22
90AGR022	0.9	0.18	<3	123	41	0.26	<0.1	<1	127	80	0.69	0.03	0.03	264	1	<0.01	17	<0.01	13	3	5	10	<5	<3	<1
90AGR023	0.1	0.70	<3	396	23	0.82	0.6	6	74	17	1.55	0.10	0.23	481	5	0.01	115	0.05	<2	<2	5	32	<5	<3	13
Minimum Detection	0.1	0.01	3	1	3	0.01	0.1	1	1	1	0.01	0.01	0.01	1	1	0.01	1	0.01	2	2	2	1	5	3	1
Maximum Detection	50.0	10.00	2000	1000	1000	10.00	1000.0	20000	1000	20000	10.00	10.00	10.00	20000	1000	10.00	20000	10.00	20000	2000	1000	10000	100	1000	20000

Insufficient Sample -- No Sample ANOMALOUS RESULTS Further Analyses By Alternate Methods Suggested.

VGC VANGEOCHEM LAB LIMITED

MAIN OFFICE
1630 PANDORA STREET
VANCOUVER, B.C.
V5L 1L6
TEL (604) 251-5656
FAX (604) 254-6717

BRANCH OFFICES
BATHURST, N.B.
RENO, NEVADA, U.S.A.

REPORT NUMBER: 900495 AA JOB NUMBER: 900495 HI-TEC RESOURCE MANAGEMENT LTD. PAGE 1 OF 1

SAMPLE #	Au oz/st	
APR010	1.890	← AY PROPERTY
90APR052	.248	

DETECTION LIMIT .005

1 troy oz/short ton = 34.28 ppm 1 ppm = 0.0001% ppm = parts per million < = less than

signed: _____

VGC VANGEOCHEM LAB LIMITED

MAIN OFFICE
1988 TRIUMPH ST.
VANCOUVER, B.C. V5L 1K5
● (604) 251-5656
● FAX (604) 254-5717

BRANCH OFFICES
PASADENA, NFLD.
BATHURST, N.B.
MISSISSAUGA, ONT.
RENO, NEVADA, U.S.A.

SAMPLE #	Au ppb
90ACR007	20
90ACR008	20
90ACR009	30
90ACR010	30
90ADR001	20
90ADR002	40
90ADR003	50
90ADR004	40
90AJR001	40
90AJR002	20
90APR001	20
90APR002	30
90APR003	20
90APR004	nd
90APR005	180
90APR006	10
90APR007	nd
90APR008	20
90APR009	3800
90APR010	6600
90ASR001	40
90ASR002	60
90ASR003	60
90ATR009	20
90ATR010	20
90ATR011	10
90ATR012	20
90ATR013	30
90ATR014	300
90ATR015	20
90ATR016	20
90ATR017	60
90ATR018	30

AY PROPERTY

DETECTION LIMIT 5
nd = none detected -- = not analysed is = insufficient sample

[redacted] VANGEOCHEMLAB LIMITED

1630 Pandora Street, Vancouver, B.C. V5L 1L6
Ph:(604)251-5656 Fax:(604)254-5717

ICAP GEOCHEMICAL ANALYSIS

A .5 gram sample is digested with 5 ml of 3:1:2 HCl to HNO_3 to H_2O at 95 °C for 90 minutes and is diluted to 10 ml with water.
This leach is partial for Al, Ba, Ca, Cr, Fe, K, Mg, Mn, Na, P, Sn, Sr and W.

ANALYST: [signature]

REPORT #: 900336 PA | HI-TEC RESOURCE MANAGEMENT LTD. | PROJECT: 90BC041 | DATE IN: AUG 29 1990 | DATE OUT: SEPT 15 1990 | ATTENTION: V. KURIN | PAGE 2 OF 2

Sample Name	Ag	Al	As	Ba	Bi	Ca	Cd	Co	Cr	Cu	Fe	K	Mg	Mn	Mo	Na	Ni	P	Pb	Sb	Sn	Sr	U	W	Zn
	ppm	%	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	%	%	%	ppm	ppm	%	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm
90ACR007	0.1	0.84	<3	68	<3	0.70	0.3	6	81	17	1.58	0.10	0.37	495	4	<0.01	12	0.05	21	<2	7	157	<5	<3	30
90ACR008	<0.1	3.31	<3	32	<3	2.21	0.5	33	77	57	5.23	0.33	2.36	1065	9	<0.01	48	0.18	32	22	19	143	<5	<3	114
90ACR009	<0.1	1.54	<3	72	<3	1.08	0.7	14	71	26	4.52	0.21	0.98	331	7	<0.01	12	0.15	26	6	11	115	<5	<3	31
90ACR010	<0.1	1.37	<3	208	<3	1.15	0.2	10	61	19	2.55	0.18	0.73	405	3	<0.01	8	0.10	15	<2	9	120	<5	<3	30
90ADR001	0.3	1.19	37	40	<3	2.22	<0.1	22	47	785	1.54	0.32	0.55	381	5	<0.01	9	0.05	10	<2	3	53	<5	<3	8
90ADR002	0.1	1.21	17	45	<3	0.99	<0.1	60	57	42	2.53	0.17	0.87	332	7	<0.01	13	0.08	12	<2	5	24	<5	<3	19
90ADR003	0.3	0.84	<3	42	<3	9.11	<0.1	20	49	56	2.66	0.80	2.49	2688	6	<0.01	16	0.06	16	<2	5	229	<5	<3	43
90ADR004	<0.1	0.84	<3	104	<3	>10.00	<0.1	78	15	12	2.58	0.95	0.53	1343	13	<0.01	14	0.01	11	<2	3	223	<5	<3	8
90AJR001	<0.1	0.38	4	56	<3	0.37	<0.1	38	199	6	3.43	0.06	0.12	163	4	<0.01	14	0.02	10	<2	4	11	<5	<3	8
90AJR002	0.1	0.33	3	123	<3	0.84	0.3	4	214	1815	1.15	0.12	0.10	782	3	<0.01	29	0.02	6	<2	2	16	<5	<3	6
90APR001	<0.1	0.43	4	>1000	<3	0.66	<0.1	3	133	20	1.58	0.10	0.12	455	1	<0.01	8	0.03	3	<2	<2	67	<5	<3	15
90APR002	<0.1	1.00	<3	967	<3	2.29	0.1	6	45	9	2.49	0.34	0.56	993	2	<0.01	11	0.11	11	<2	4	165	<5	<3	51
90APR003	<0.1	0.83	<3	110	<3	1.24	<0.1	6	117	4	1.94	0.18	0.42	920	2	<0.01	11	0.02	10	<2	4	41	<5	<3	23
90APR004	<0.1	6.32	<3	58	<3	3.00	0.7	35	224	35	7.19	0.44	5.78	1110	12	<0.01	94	0.11	38	43	24	60	<5	<3	86
90APR005	<0.1	0.56	<3	26	<3	0.24	1.4	52	251	26	7.67	0.11	0.17	144	6	<0.01	35	0.02	19	2	8	10	<5	<3	7
90APR006	<0.1	1.72	<3	246	<3	2.86	<0.1	7	38	3	2.48	0.38	0.92	828	4	<0.01	10	0.11	7	<2	6	100	<5	<3	21
90APR007	<0.1	0.28	11	35	<3	0.09	<0.1	<1	199	67	2.69	0.03	0.05	131	3	<0.01	14	0.02	8	<2	2	4	<5	<3	5
90APR008	<0.1	2.03	<3	64	<3	0.91	<0.1	4	100	10	2.47	0.15	1.38	342	4	<0.01	10	0.04	16	<2	8	20	<5	<3	47
90APR009	0.4	0.43	<3	7	<3	0.56	3.6	27	145	49	>10.00	0.43	0.28	479	15	<0.01	35	0.02	44	57	18	9	<5	<3	10
90APR010	2.4	0.30	<3	8	103	0.90	6.6	22	156	6335	>10.00	0.59	0.32	511	21	0.01	39	0.01	54	78	22	8	<5	<3	15
90ASR001	0.1	0.32	<3	31	<3	>10.00	<0.1	32	11	26	0.97	0.94	0.29	1679	7	<0.01	14	0.01	7	<2	<2	284	<5	<3	13
90ASR002	1.2	1.19	119	21	16	4.21	<0.1	190	46	1724	3.58	0.53	0.80	963	6	<0.01	22	0.05	15	<2	5	123	<5	<3	18
90ASR003	0.1	0.21	<3	37	<3	>10.00	<0.1	8	13	107	0.62	0.94	0.14	1378	<1	<0.01	9	<0.01	5	<2	<2	293	<5	<3	9
90ATR009	<0.1	0.58	12	952	<3	0.47	<0.1	5	102	21	0.91	0.06	0.27	237	<1	<0.01	11	0.04	72	<2	<2	100	<5	<3	33
90ATR010	<0.1	0.69	9	369	<3	1.00	<0.1	2	110	12	1.06	0.15	0.30	662	1	<0.01	13	0.04	8	<2	<2	27	<5	<3	12
90ATR011	<0.1	0.74	7	149	<3	0.73	<0.1	11	74	15	1.97	0.12	0.31	311	<1	<0.01	18	0.06	13	<2	4	102	<5	<3	18
90ATR012	0.5	0.55	<3	245	<3	0.25	<0.1	6	71	3	2.33	0.04	0.19	229	2	<0.01	13	0.03	10	<2	<2	32	<5	<3	13
90ATR013	0.1	0.42	<3	61	<3	0.70	<0.1	4	135	4	3.49	0.16	0.07	586	3	<0.01	18	0.03	12	<2	3	16	<5	<3	14
90ATR014	0.1	1.46	<3	74	<3	2.32	<0.1	13	91	25	5.59	0.39	1.21	831	5	<0.01	25	0.07	20	3	8	52	<5	<3	40
90ATR015	0.2	1.03	<3	19	<3	2.31	0.5	10	68	5	5.02	0.40	0.54	1702	5	<0.01	18	0.10	21	<2	7	72	<5	<3	29
90ATR016	0.1	0.44	<3	192	<3	1.84	<0.1	8	47	4	1.81	0.29	0.15	1011	1	<0.01	14	0.08	11	<2	<2	58	<5	<3	40
90ATR017	4.0	0.35	4	63	<3	1.60	3.4	3	91	5	1.30	0.22	0.03	979	<1	<0.01	13	0.04	250	<2	<2	62	<5	<3	312
90ATR018	0.2	0.36	8	43	<3	1.48	<0.1	4	62	1	1.90	0.20	0.04	545	<1	<0.01	15	0.05	23	<2	<2	58	<5	<3	24
Minimum Detection	0.1	0.01	3	1	3	0.01	0.1	1	1	1	0.01	0.01	0.01	1	1	0.01	1	0.01	2	2	2	1	5	3	1
Maximum Detection	50.0	10.00	2000	1000	1000	10.00	1000.0	20000	1000	20000	10.00	10.00	10.00	20000	1000	10.00	20000	10.00	20000	2000	1000	10000	100	1000	20000

AY PROPERTY

< - Less Than Minimum > - Greater Than Maximum is - Insufficient Sample ns - No Sample ANOMALOUS RESULTS - Further Analyses By Alternate Methods Suggested.

APPENDIX IV

Rock Sample Descriptions

90ABR025	ALT. DIORITE	ROCK GRAB	<1%PY	8m
90ABR026	ALT. DIORITE; SILT; RHDK	ROCK GRAB	<1%PY	13m
90ABR027	SILT,SIF; DIORITE; RHDK	ROCK GRAB	<1%PY	15m
90ABR028	RHDK?,SIF; SHEAR	ROCK GRAB	1-2%PY	3m
90ABR029	RHDK	ROCK GRAB	<1%PY	44m
90ABR030	DIORITE, SILT; QV's	ROCK GRAB		5m
90ABR031	DIORITE,weak SIF	ROCK GRAB	<1%PY	
90ABR032	DIORITE, FE-CB ALT.	ROCK GRAB	1%PY	30m
90ABR033	DIORITE, FE-CB ALT.	ROCK GRAB	<1%PY	50m
90ABR034	DIORITE, FE-CB ALT.	ROCK GRAB	<1%PY	32m
90ABR035	DIORITE weak FE-CB ALT.	ROCK GRAB	<1%PY	
90ABR036	SILT.,SHEARED, FE-CB ALT.,5% QV	ROCK GRAB	<1%PY	18m
90ABR037	DIORITE DYKE, CV	ROCK GRAB	<1%PY,<0.1%CP	7m
90ABR038	SILT, MUDSTONE; SIF TO CHERTY	ROCK GRAB	<1%PY;<0.1%CP	24m
90ABR039	SILT.,MUDSTONE; FE-CB ALT.	ROCK GRAB	LI	48m
90APR001	L gry/beige aph dac slightly calc	Rock grab	2% unknown, <1% py	qtz-vnlts
90APR002	Grn/gry/blk fsp porphyry slightly calc	Rock grab	1% aag & py	
90APR003	Qtz/cb vn 4cm w volc incl	Rock grab	2% py	
90APR004	D gry and siknsds calc qtz & cb-vnlts	Rock grab	2% py 1% diss aag	qtz/cb vn4cm
90APR005	Altrd qtz-vn 40cm hosted in and Fe-rust	Rock grab	15% py	
90APR006	D gry sil and qtz vnlts siknsds/shear	Rock grab	<1% py	
90APR007	Qtz vn 25cm Fe-rusted sheared	Rock grab	0	
90APR008	Gry/grn sil anc siknsds cb-vnlts(rhodo?)	Rock grab	trace py	
90APR009	Qtz vn 15cm highly altrd Fe/Mn-stain	Rock grab	20% py	
90APR010	Qtz vn 2cm extreme altrtn and rust	Rock grab	30% py	
90ACH001		Bulk stream		
90ACH002		Bulk stream		
90ACH003		Bulk stream		
90ACH004		Bulk stream		
90ACH005		Bulk stream		
90ACH006		Bulk stream		
90ACH007		Bulk stream		
90ACR001	Qtz. vein Mal.stain	Rock grab	2% py, cpy	vein
90ACR002	Granodior chl-stain	Rock grab	<5% euh py	
90ACR003	Cherty sh	Rock grab	<1% py	bedding
90ACR004	Granodiorite chl-stain	Rock grab	<1% py	
90ACR005	Granodiorite chl-stain shearing	Rock grab	<1% py	
90ACR006	Shear intrusive 1 meter wide	Rock grab	0	shear
90ACS001		Soil		
90ACS002		Soil		
90ACS003		Soil		
90ACS004		Soil		
90ACS005		Soil		
90ACS006		Soil		
90ACS007		Soil		
90ACS008		Soil		
90ACS009		Soil		
90ACS010		Soil		
90ACS011		Soil		
90ACS012		Soil		
90ACS013		Soil		
90ACS014		Soil		
90ACS015		Soil		
90ACS016		Soil		

AY PROPERTY.

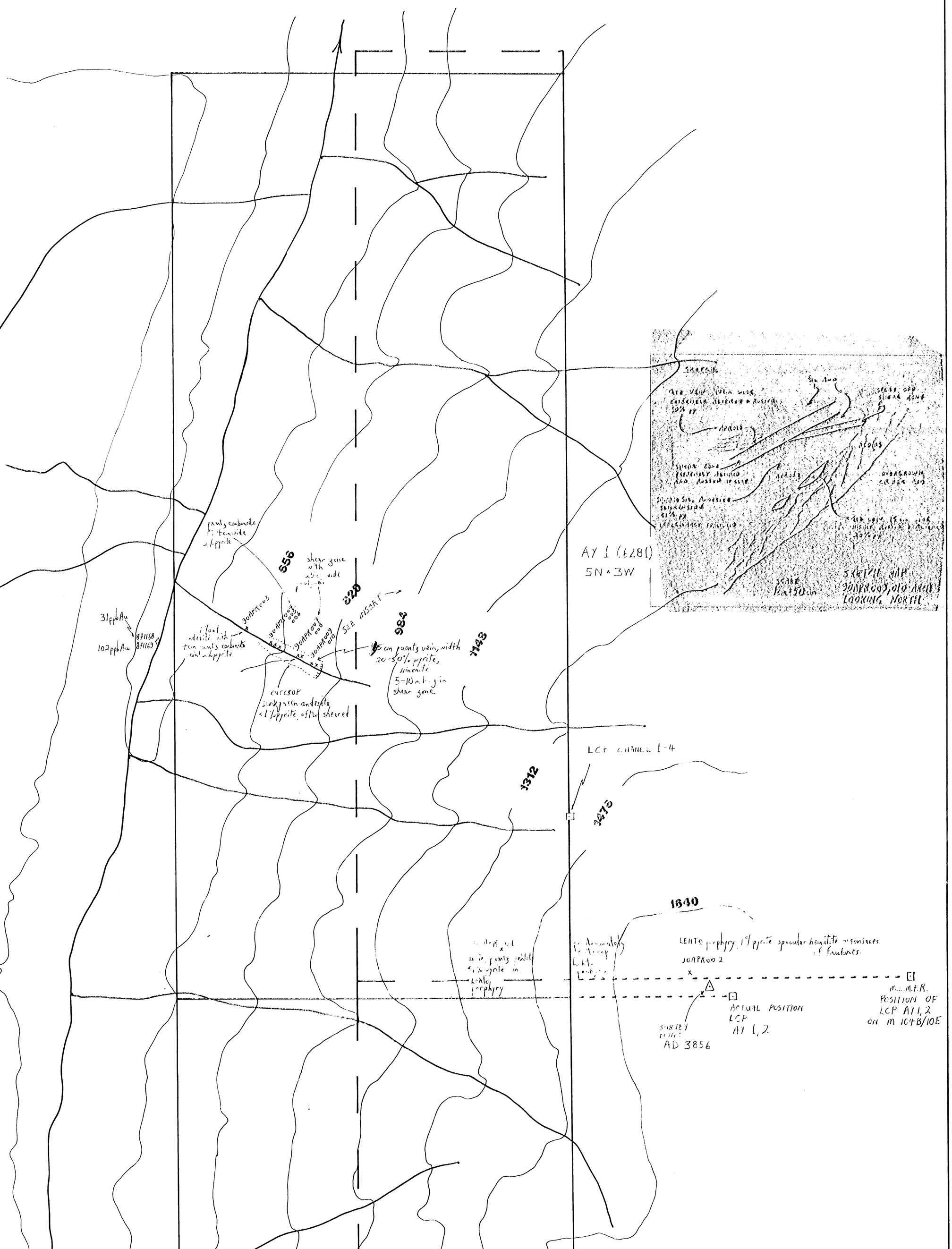
APPENDIX V

Statement of Costs

Statement of Costs

Project Preparation	$ 500
Map	60
Mobilization, Demobilization	1,300
Salaries	
Paul Daigle, geologist 2 days @ $300/day	600
Justin Himmelright, technician 2 days @ $225/day	500
Cook 1 day @ $225/day	225
Domicile 4 man days @ $150/day	575
Geochemistry 10 @ $17.5	175
Freight	50
Chopper 2 hrs @ $661.5	1,323
Fixed Wing	300
Radio Rental/Walkie Talkie Rental	60
Field Supplies	30
Equipment Rental 4 days @ $25/day	100
Generator Fuel/Propane	70
Computer Rental 1 day @ $20/day	20
Expediting	100
ACC/COMM	100
Report	600
Project Management 0.15%	1,003.20
TOTAL:	**$ 7,691.20**

No. of Years covered 3


556
320
984
1143
1312
1475
1640
SEE INSERT
AY 1 (6281)
5N × 3W
AY 2 (6289)
3S × 3W1
LCP CHAINAGE 1-4
AD 3856
ACTUAL POSITION LCP AY 1, 2
M.M.P.R. POSITION OF LCP AY 1, 2 ON M 104B/10E
LEGEND
LEGAL CORNER POST
ROCK SAMPLE SITE
CLAIM OUTLINE USING M.E.M.P.R. LCP LOCATION.
CLAIM OUTLINE USING ACTUAL LCP LOCATION.
GEOLOGICAL BRANCH
ASSESSMENT REPORT
20,503
KINGHORN ENERGY CORPORATION
AY 1,2 PROPERTY
GEOLOGY AND SAMPLE LOCATION MAP
HI-TEC RESOURCE MANAGEMENT LTD
SCALE: 1:5000
N.T.S.: 104B/10E
DWN. BY:
DATE: NOV. 1/90
CHKD. BY:
PROJECT No.: 90BC041
FILE No: