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ACTION:			

REPORT ON THE | FILE NO:

KER 1-7 MINERAL CLAIMS

1990 LITHOGEOCHEMICAL SAMPLING PROGRAM

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SFP	27	1991	
M.R. # VANCO	UVER		

ISKUT RIVER AREA LIARD MINING DIVISION BRITISH COLUMBIA

56°55' NORTH LATITUDE 130°55' WEST LONGITUDE N.T.S. 104B/15

Work Period:

June 10, 1990 to September 10, 1990

Owner and Operator:

KESTREL RESOURCES LTD. 507 - 675 West Hastings Street Vancouver, B.C. V6B 1N2 (604) 683-9177

By:

S. J. Tennant

September 15, 1991

GEOLOGICAL BRANCH ASSESSMENT REPORT

TABLE OF CONTENTS

INTRODUCTION	1
LOCATION, ACCESS AND TOPOGRAPHY	1
PROPERTY AND LIST OF CLAIMS	2
AREA HISTORY	2
REGIONAL GEOLOGY	3
PROPERTY GEOLOGY	5
1990 EXPLORATION PROGRAM	5
DISCUSSION OF RESULTS	6
RECOMMENDATIONS	7
BIBLIOGRAPHY	8
STATEMENT OF QUALIFICATIONS	9
PROGRAM COSTS	10

List of Figures

Figure 1	Index Map	
Figure 2	Claim Map; Scale 1:50,000	
Figure 3	Regional Geology; Scale 1:250,000	
Figure 4	Property Geology; Scale 1:50,000	
Figure 5	Sample Location Map; Scale 1:10,000	In pocket

List of Appendices

Appendix I	Sample Assay Results
Appendix II	Sample Descriptions

INTRODUCTION

The KER 1-7 mineral claims are located approximately 8 kilometres north of Newmont Lake within the Liard Mining Division of northwestern British Columbia.

The claims are accessible by helicopter from a base camp at the Forrest Kerr airstrip, located 9 kilometres to the east.

The 1990 lithogeochemical program was designed to further evaluate the mineral potential of the KER claims which had previously been prospected in 1988. During the month of August, 75 rock chip samples were collected.

The KER claims cover a limestone unit on their western portion in contact with basalts, volcanic units and andesite flow to the east.

Results of the 1990 program are discussed in the text of this report and the data are plotted on the accompanying maps.

LOCATION, ACCESS AND TOPOGRAPHY

The claims are located approximately 8 kilometres north of Newmont Lake within the Liard Mining Division of Northwestern British Columbia. Access to the property is via fixed wing aircraft from Smithers or Terrace to Bronson, which is located 110 kilometres northwest of Stewart, or the Forrest Kerr airstrip located at the headwaters of the Forrest Kerr River. Access from Bronson or Forrest Kerr is via helicopter and via foot traverse within the claims.

Most of the property is accessible by foot or helicopter. Elevations range from 1065 metres to 1310 metres A.S.L. The claims are surrounded by glaciers on the north, south and west sides.

PROPERTY AND LIST OF CLAIMS

The KER 1-7 mineral claims consist of the following modified grid claims wholly owned by Kestrel Resources Ltd.:

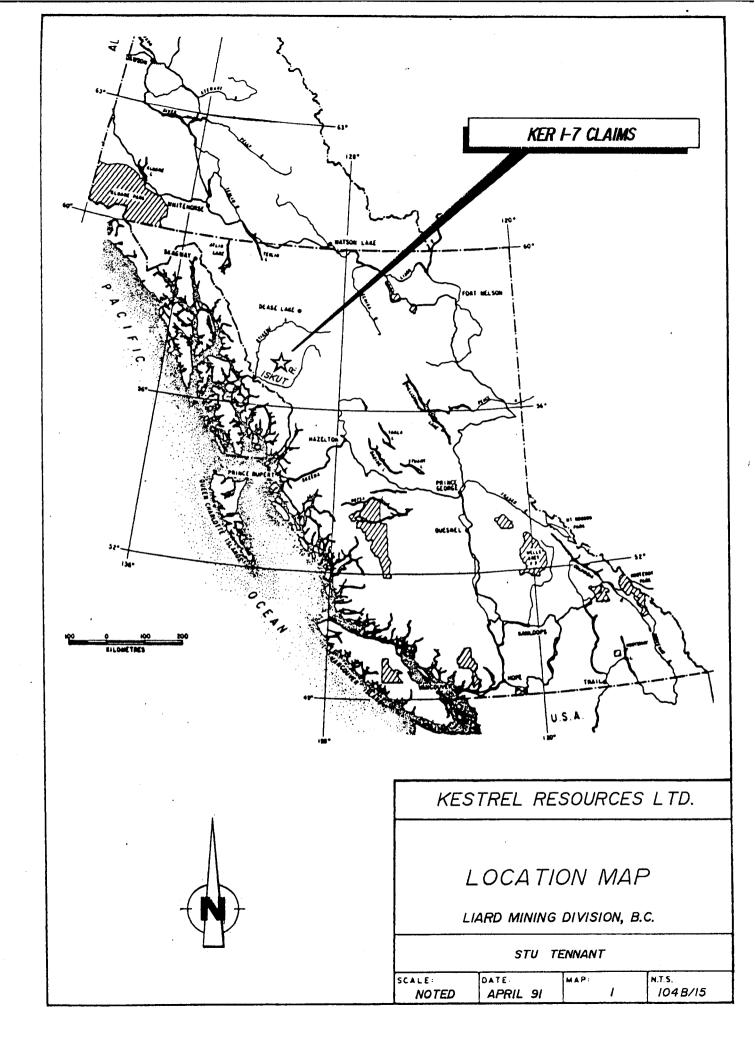
<u>Claim Name</u>	<u>Record No.</u>	No. of Units	Record Date	Expiry Date
KER 1	4744	12	June 28, 1988	June 28, 1992
KER 2	4745	12	June 28, 1988	June 28, 1992
KER 3	4746	8	June 28, 1988	June 28, 1992
KER 4	4747	8	June 28, 1988	June 28, 1992
KER 5	4748	10	June 28, 1988	June 28, 1992
KER 6	4749	4	June 28, 1988	June 28, 1992
KER 7	4750	4	June 28, 1988	June 28, 1992

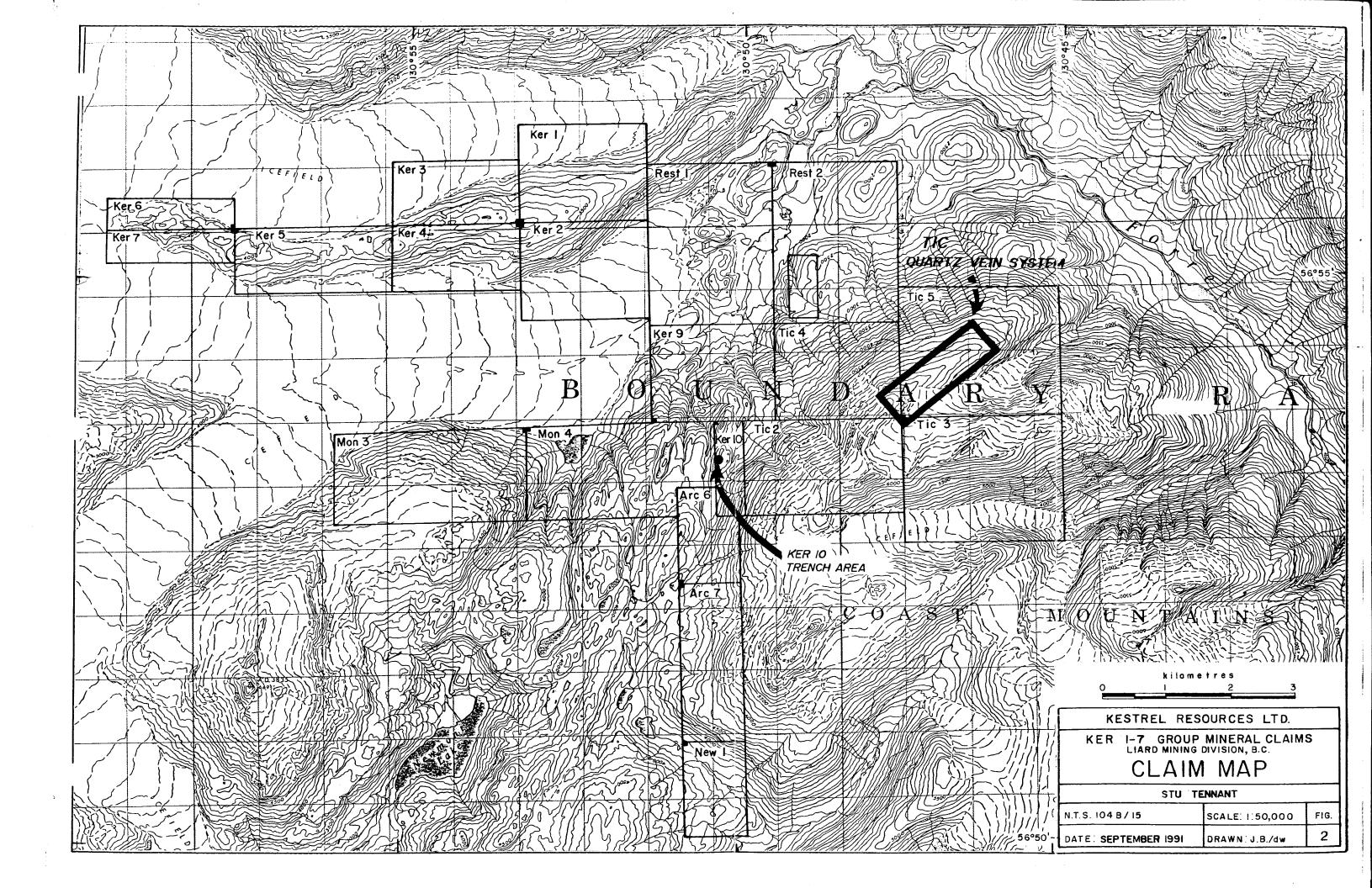
AREA HISTORY

The first recorded work from the Iskut River region was in 1907 when a staking party from Wrangell, Alaska recorded nine mineral claims north of Johnny Mountain. The Iskut Mining Company worked the claims and in 1917 shipped a ton of high grade ore which reportedly assayed \$1.20 gold, 44.2 ounces silver and 12.45% copper (B.C.M.M.A.R., 1917).

In 1954 Hudson Bay Mining and Smelting Limited discovered high grade goldsilver-lead-zinc mineralization, known as the "Pickaxe" showing, on the slopes of Johnny Mountain.

Throughout the 1960's several major mining companies undertook reconnaissance prospecting and exploration programs in search for porphyry copper-molybdenum deposits resulting in the location of several claims on Johnny Mountain and on Sulphurets Creek.





Skyline Exploration Limited staked the Inel property in 1969 following the discovery of massive sulphide in float on the Bronson Creek glacier. In 1980 the company staked the Reg property. During the 1980's, Skyline has developed both these properties discovering high grade veins and polymetallic massive sulphide mineralization on the Inel and Reg properties.

The joint venture partners of Cominco Ltd. and Prime Resources Corporation have developed their Snip property which is located immediately north of the Reg property on the northern slopes of Johnny Mountain. The combined geological reserve for the Snip property is 1,000,000 tons grading 0.80 opt gold.

Other advanced prospects currently undergoing intense exploration efforts in the area include Gulf International Mineral Ltd.'s Inel and Mclymont properties, Placer Dome Ltd.'s Kerr porphyry copper-gold deposit and Calpine's Eskay Creek gold deposit, as well as the redevelopment of the Silback Premier/Big Missouri mines by Westmin.

The discovery of the Eskay Creek gold prospect in November 1988 has done much to stimulate exploration activity in the Iskut region. Drill hole intersections varying from 5 to 10 metres (16 to 33 feet) and grading to 100 grams gold per tonne (2.92 opt) with an average 1,000 grams or more of silver per tonne (29.2 opt), are not uncommon. The Eskay Creek deposit is probably the most significant precious metal deposit discovered in British Columbia.

Recently completed road access studies has resulted in a proposed shared cost road which would commence at the Stewart-Cassiar highway near Bob Quinn Lake and extend into the Iskut Valley.

REGIONAL GEOLOGY

Generally the area consists of a northerly trending succession of Upper Triassic and Jurassic volcanic and sedimentary rocks underlain in part by Paleozoic volcanic and sedimentary units. All of these units have been intruded by Mesozoic and Tertiary intrusive rocks and cut by extensive fault zones. These country rocks form the Stewart Complex bounded on the west by the main Coast Plutonic Complex, and on the east by the Bowser Basin sedimentary assemblage.

Since 1948, Government workers have attempted to clarify relationships and assign ages to various lithological units of the area. Work completed by Kerr, 1948, <u>G.S.C.</u> <u>Memoir 246</u>; G.S.C. maps <u>9-1957</u>, <u>1481-1979-Iskut River</u>, and Grove, E.W., 1986, <u>Bulletin No. 58</u> B.C. Department of Mines, form the basis of earlier government mapping. Recently work completed by the G.S.C. - <u>Open File o. 2094 (1989)</u> and the B.C. Department of Mines <u>Open File 1990-2</u> has greatly enhanced the geological data base.

The oldest known rock of the area are limestone, dolomite and low grade metamorphosed sediments (quartzite, slate, phyllite) of Lower Cambrian age that have been correlated with the Cache Creek Group prevalent in the southern half of the province. The limestone unit contains fossil crinoids and is unconformably overlain by Upper Triassic Hazelton volcanics and sediments.

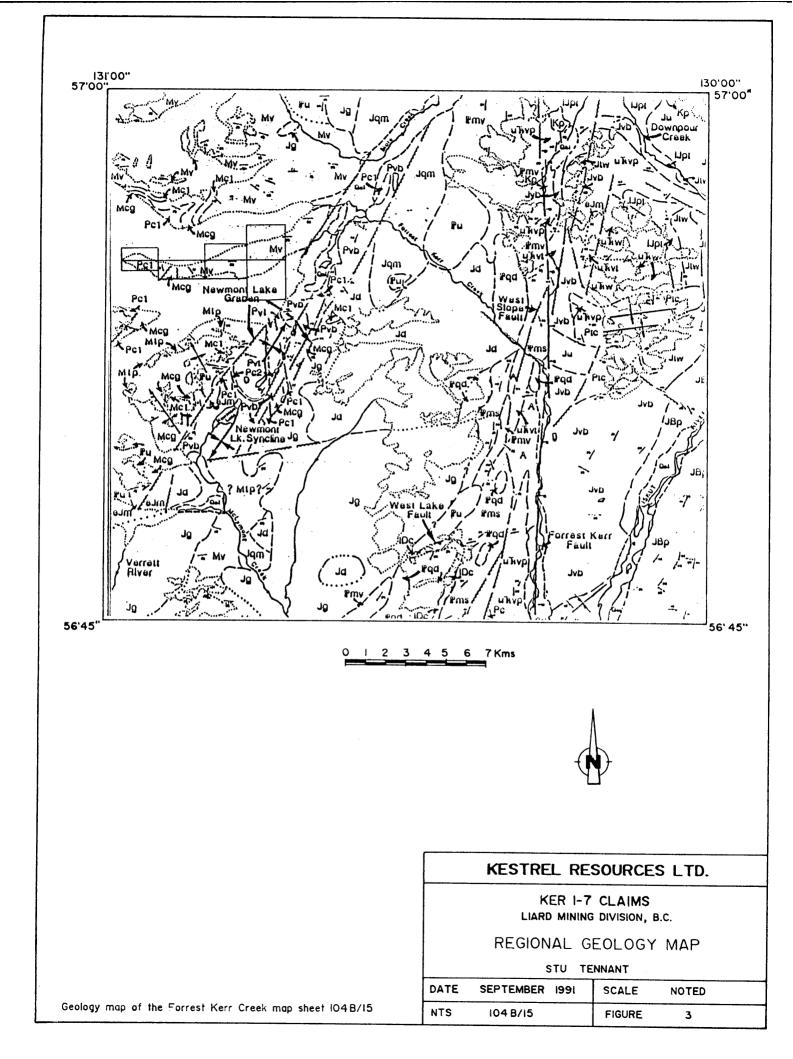
Overlying the Triassic Hazelton volcanic-sedimentary assemblage is a similar group of volcanic-sedimentary rocks of Middle Jurassic age tentatively named the Betty Creek Formation.

Cretaceous to Tertiary Coast Plutonic intrusions of granite, granodiorite and diorite occupy large portions of the map area. In addition, smaller bodies of monzonite or syenite, as well as subvolcanic acidic porphyries, are sparsely distributed.

Tufa, hot spring deposits and pyroclastic material of Pleistocene and Recent age occur at several localities within the area, notably at Hoodoo Mountain.

The foliated rocks, present in the area, are not of great lateral extent and owe their origin to low grade metamorphism, rather than high temperature regional metamorphism.

Structurally, the map area is bisected by a prominent thrust fault along the Iskut River from Forrest Kerr Creek to the Stikine River Junction. The thrust separates unconformably, Mississippian-Pennsylvanian rocks from middle Jurassic strata and is thought to override rock formations to the south. Regionally, a dominant



LEGEND

QUATERNARY

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TILL, ALLONUM

STRATIFIED ROCKS

MIDDLE TO UPPER JURASSIC BOWSER LAKE GROUP

JBp	SILTS IONE,

SILTSTON	e, sanostone	MINOR CO	NOLOMERATE

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(Ju	
Ì	wit	

Jvb

UNDATOED VOLCANICS AND SEDIMENTS SLICEOUS WACKE, TUFF, CONOLOMERATE PALOW BASALT, BREOCH FLOWS, SALCEOUS SEDWIENTS

μρι · SHALE, SANOSTONE, LESSER LIMESTONE, TUFF

UPPER TRIASSIC STUHINI GROUP

URV	MAROON AND GREEN EPICLASTICS, AUGITE AND PLAGAOCLASE-PHYRIC VOLCANIC BRECCIAS
u'hvp	DARK BALLIN PLABIOCLASE-PHYRIC FLOWS
u'hva	OREY-OREEN APHANITIC TURE
WAW	TUFFACTOUS WACKE, ARGE LITE, LIMESTONE, CONOLOMEAATE WITH LIMESTONE CLASTS, PLACIOCLASE FORPHINIEC ANDESTE

MIDDLE TRIASSIC

m'As	CARBONACEOUS CALCAREOUS SILTSTONE

PALEOZOIC STIKINE ASSEMBLAGE

Ru UNDIVIDED METAVOLCANICS AND METASEDIMENTS

WESTERN ASSEMBLAGE

PERMIAN

- PV FELSIC WELDED TUFF, VOLCANIC SANDSTONE AND SILTSTONE, ANNOLITE FLOWS Pc2 THIN LAMINATED, OREY ALOAL LIMESTONE Pvb INTERMEDIATE TUFF AND EPICLASTICS, MARCON LAWAR, BRECCIA FLOWS
- Pc1 MEDIUM-BEDDED BOOLASTIC LINESTONE WITH CHERTY INTERBEDS

MISSISSIPPIAN



SILTSTONE, SANOSTONE, TURBIOITES, LESSER LAPILLI TUFF

POLYMOTIC VOLCANIC CONOLOMERATE

- INTERBEDOED SAJCEOUS SA TSTONE AND LIMESTONE, THICK-BEDDED CRINOIONL
- M٧ PILLOW BASALT, MYALOCLASTITE, ASH FLOW FELSIC TUFF

EASTERN ASSEMBLAGE

PERMIAN

PIC INTERMEDIATE TO MARIC META-TURF, THIN-BEDOED LIMESTONE AND METASEDIMENTS

PC MEDIUM-BEDDED BOCLASTIC LIMESTONE

PERMIAN AND OLDER

- Pms SAUCEOUS TURBIOITES, PHYLLITES, LESSER CHERTY TUFFS
- PMV MARIC TO FELSIC METAVOLCANICS, METASEDIMENTS, LIMESTONE LENSES

LOWER DEVONIAN



IDC LIMESTONE, BLICEOUS TUPP

INTRUSIVE ROCKS

CRETACEOUS AND YOUNGER (7)



PINK HORNBLENDE BOTHE GRANTE





OUNATE MONZONITE



HOAHBLEHDE DIORVIE, HOAHBLEHDE DUARTZ DIORVIE

EARLY JURASSIC



HORHALENDE-PLAGOCLASE-PORPHYRITIC MONZONIE, STEMIE

PALEOZOIC

2qd DEFORMED HORNBLENDE DUNATZ DIORITE

UNKNOWN A

ALTERED DIONITE

northeast trending and a subdominant northwest trending faulting system complicate the local geology, especially where folding of the strata, which is common, has occurred.

PROPERTY GEOLOGY

Open File Report No. 1990-2 - <u>Geology, Geochemistry and Mineral Occurrences of</u> <u>the Forrest Kerr-Iskut River Area, Northwestern British Columbia</u>, prepared by the British Columbia Department of Mines and released in the winter of 1990 describes the geology of the KER claims at a scale of 1:50,000.

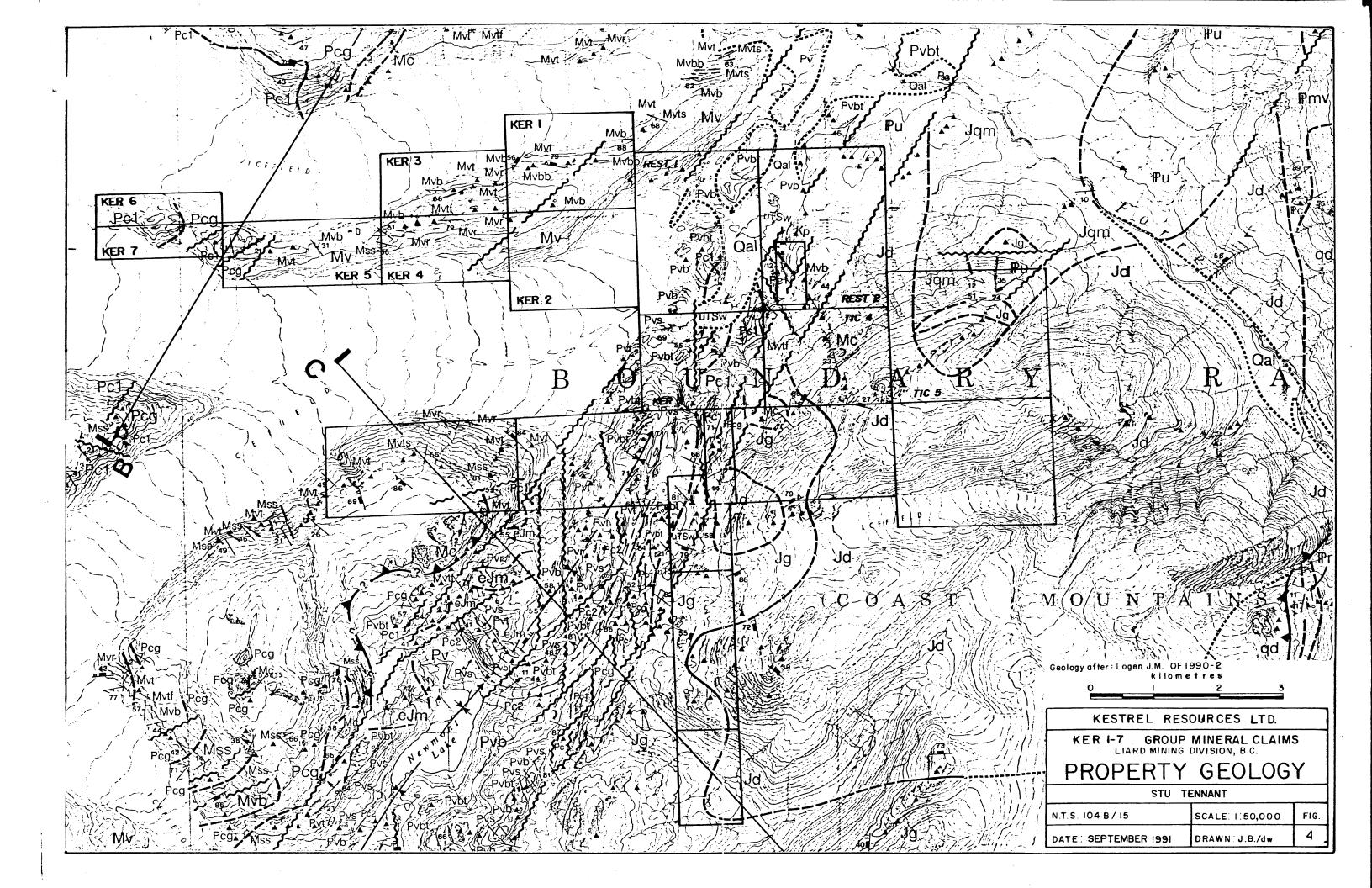
The KER claims cover a limestone unit on their western portion in contact with basalts, volcanic units, andesite flows and pyroclastic rocks to the east. Mineralization consists of minor pyrite, chalcopyrite and tetrahedrite in fine quartz veins within the limestones. The limestone comprises primarily massive to thin-bedded grey bioclastic calcarenite and lesser buff silty dolomitic units.

1990 EXPLORATION PROGRAM

The 1990 lithogeochemical program was designed to further evaluate the mineral potential of the KER claims which had previously been prospected in 1988. The field program was conducted during the month of August.

Access was via helicopter (provided by Northern Mountain Helicopters), from a base camp at the Forrest Kerr airstrip, some 9 kilometres to the east. Field work was conducted by employees of Kestrel Resources Ltd. under the supervision of the author. A total of 75 rock chip samples were collected.

The lithogeochemical samples were properly bagged, described and labelled in the field. Later, they were shipped by air and ground freight to Vangeochem Lab Ltd. in Vancouver, B.C. for analysis under the supervision of professional assayers. All of the samples were analyzed for gold, using fire assay and atomic absorption procedures, and for a 25-element suite by inductively coupled argon plasma (ICAP), methods.



LEGEND

QUATERNARY

÷ч,



RECENT VOLCANICS

TILL, ALLUVIUM

LAYERED ROCKS

MIDDLE TO UPPER JURASSIC BOWSER LAKE GROUP



PLANAR BEDDED SHALE AND LOCALLY CROSSBEDDED SANDSTONE TURBIDITE COUPLETS



CHERT PEBBLE TO GRANULE CONGLOMERATE



UNDIVIDED SEDIMENTS AND VOLCANICS

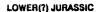


BRECCIATED AND CRACKLE FRACTURED DARK GREEN AND GREY SUICEOUS SUITSTONES AND PYRTIC CHERT, CARBONACEOUS TUFFACEOUS WACKES WITH INTERBEDDED CONCLONERATE CONTINUING CLASTS OF CHERT, BLACK SUITSTONE, AND INTERMEDIATE TO FELSIC VOLCANICS (Jung)

MIDDLE(?) JURASSIC



DENSE MEDIUM GREY TO GREEN PILLOW BASALT, LOCALLY AMYGDALOIDAL, PLAGIOCLASE PHYRIC, PILLOW BREOCIA FLOWS AND FLOW BREOCIAS, HYALOCLASTITE. THINLY BEDDED, ALTERNATING BLACK AND WHITE SILICEOUS TUFFS AND SEDIMENTS





FISSILE, THIN BEDDED, SILTSTONE AND SANDSTONE WITH CARBONACEOUS WOOD FRAMMENTS, GRANILLE CONGLOMERATES CONTAINING INTERMEDIATE VOLCANIC, SEDIMENTARY AND LIMESTONE CLASTS.

BROWNISH GREY LAPILLI AND CRYSTAL TUFF; RHYOLITE CRYSTAL TUFF AND LESSER FLOWS (UM)

UPPER TRIASSIC STUHINI GROUP



•





uTSw

MAROON AND GREEN PLAGIOCLASE AND LESSER AUGITE-PHYRIC LAPILLI TO BLOCK TUFFS AND ASSOCIATED EPICLASTICS



GREY-GREEN APHANITIC TUFF uTSI

UNDMIDED VOLCANICS AND SEDIMENTS

TUFFACEOUS WACKE, ARGILLITE, LIMESTONE; CARBONACEOUS AND CALCAREOUS SUISTONE INTERBEDDED WITH FINE GRAINED SANDSTONE AND MINOR CONSLOMERATE; MAROON VOLCANIC COMMENDER WITH LIMESTONE CLASTSUISTING)

PALEOZOIC STIKINE ASSEMBLAGE

Pu UNDWIDED METAVOLCANICS AND METASEDIA

WESTERN ASSEMBLAGE

PERMIAN

. .

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Pv	UNDIVIDED PERMIAN VOLCANICS AND SEDIMENTS
Pvt	LAPILLI AND PLAGIOCLASE CRYSTAL TUFF, FELSIC WELDED ASH TUFF, THINLY BEDDED SILICEOUS LIMESTONE LENSES: RHYOLITE FLOWS (PM), YOLCANIC SANDSTONE, SILTSTONE AND MARCON SHALLOW(?) WATER CONGLOMERATES (PM)
Pc2	ALGAL LIMESTONE; THUHLAMINATED, DARK GREY TO BLACK, LOCALLY FETID, WEATHERS BUFF, PISOLITE-RICH BEDS AND CUSPATE STACKED CONCAVE ALGAL STRUCTURES COMMICN
Pvb	HORNBLENDE-FLAGIOCLASE PORPHYRITIC ANDESITE BRECCIA FLOWS; LOCALLY AMMODALODAL, CONTANS 10 TO 40 PERCENT EUHEDRAL WHITE FLAGICCLASE AND 15 PERCENT CHLORITIC ACICLIAR HORNBLENDE CHISTALS; MARCON LAHAR AND LAPILLI TUFF (PAD)
Pc1	BIOCLASTIC LIMESTONE WITH CHERTY INTERBEDS; MEDIUM-BEDDED TO MASSIVE GREY BIOCLASTIC CALCARENTE AND LESSER BUFF SILTY DOLOMITIC UNITS., THIN BEDDED SECTIONS CONTAIN BLACK TO YELLOWISH BUFF AMORPHOUS SILICA BEDS UP TO 20 CENTIMETRIS THICK: SOLITARY CORALS, FORAMINFERA, BRYOZOAN, CRUNOIDS AND VARIOUS BRACHOPODS ARE LOCALLY ABUNDANT

Pcg THICK BEDOED, BOULDER TO PEBBLE CONGLOMERATE, CLASTS ARE AUGITE PHYRIC, PLAGIOCLASE PHYRIC, ANDESITE, BASALT, AND LIMESTONE CLASTS.

MISSISSIPPIAN - PENNSYLVANIAN

Mss	SAL TS	TONE-SANDSTONE TURBIDITES AND LESSER CHERTS
Mc	тніск	BEDDED CRINOIDAL CALCARENTE WITH INTERBEDDED SILICEOUS SILTSTONE
Mv	UNDA	IDED VOLCANICS
	MVI	MAFIC TO INTERMEDIATE SCORIACEOUS LAPILLI TUFF; SILICEOUS DUST TUFFS AND EPICLASTICS (MMII); INTERMEDIATE TO FELSIC ASH FLOW AND WELDED TUFFS (MMI)
	Wvr	RHYOLITE, RHYODACITE, PINK AND ORANGE FLOW BANDED BRECCIAS VARYING TO MASSIVE SUBVOLCANIC BODIES, GLOMEROPORPHYRITIC FELDSPAR AND QUARTZ EYES COMMON.
	Avb	MASSIVE-ANYGDAL OIDAL BASALT FLOWS; HYALOCLASTITE DEBRIS FLOWS (MADD); PILLOW BASALT (MADD)

EASTERN ASSEMBLAGE

PERMIAN

PIC DEFORMED CHLORITIC TUFFS AND METAVOLCANICS, INTERBEDDED TUFFACEOUS AND SUCEOUS SUTSTOMES AND NUMEROUS THAN BEDDED RECRYSTALLIZED LIMESTONES. PC LIMESTONE: BIOCLASTIC, MEDIUM-BEDDED, RECRYSTALLIZED, WHITE TO BUFF, SPARSELY CRIMOUDAL CALCARENITE WHICH LOCALLY IS COMPLETELY RECRYSTALLIZED TO COARSE

PERMIAN AND OLDER



METASEDIMENTS AND MINOR LIMESTONE, SILTSTONES ARE GREY TO LIGHT GREEN, PHYLLITIC AND INTERLATERED WITH GRAPHITC ARGULTE AND SULCEOUS PHYLLITE AND THMI LENSES OF DARK BROWN LIMESTONE; GREEN AND WHTE SULCEOUS TURDITE COUPLETS AND CHERTY TUFFS(Pmb) COCLIR HIGH IN THE STRATIGRAPHY.

LIMESTONE; RECRYSTALLIZED, THIN BEDDED TO MORE COMMONLY MASSIVE, WHITE TO BUFF COLOURED.

Pmv MARIC TO FELSIC METAVOLCANICS RARE LIMESTONE LENSES; VARIABLY FOLIATED TO SCHISTOSE, PURPLE TO DARK GREEN PLAGNOCLASE PORPHYRITIC FLOWS AND TUFFS.

LOWER DEVONIAN



DEFORMED CORALLINE LIMESTONES; LESSER INTERBEDDED PEBBLE CONGLOMERATE, SILCEOUS AND CARBONACEOUS SHALES AND BOTH MARC AND FELSIC TUFFS.

INTRUSIVE ROCKS

CRETACEOUS AND YOUNGER (?)

Кр	ך

PLAGIOCLASE QUARTZ PORPHYRY; OCCURS AS SMALL PLUGS AND DYKES INTRUDING NORTH TRENDING FAULTS, PYRITIC AND OXIDIZED TO YELLOW AND RED GOSSANS.

JURASSIC AND YOUNGER(?)



Jg

BIOTITE GRANTE; PWK, COARSE TO MEDIUM GRAMED, EQUIGRANULAR TO 'QUARTZ EVE' PORPHYRITIC, LESS COMMONLY HORMBLENDE IS THE MARC CONSTITUENT, DUARTZ FICEEDS 30 PERCENT, QUARTZ RICH PHASES (50 PER CENT) ARE SPATIALLY RELATED TO FAUL STRUCTURES



HORNBLENDE QUARTZ MONZOWITE TO MONZOWITE; COARSE TO MEDIUM GRAINED, HORNBLENDE AVERAGES 30 PERCENT AS I MALIMETRE CRYSTAL LATHS AND POMULTIC CLOTS, BOLTITE WHERE PRESENT IS FAIL GRAINED AND LESS THAN 5 PERCENT.



HORNBLENDE DIORITE, HORNBLENDE QUARTZ DIORITE; HORNBLENDE IS CHLORITIC AND COMPRISES MORE THAN 40 PERCENT OF THE ROCK.

MIDDLE(?) JURASSIC



DIORITE TO GABBRO, COARSE GRAINED, OCCURS AS STOCKS AND SILLS, PLAGIOCLASE CRISTIALS ARE EUNEDRAL TO SUBHEDRAL ACICULAR CLOTS WHICH MIPART A DISTINCTIVE FELTY INTERLOCIMUS TEXTURE, THESE SUBVOLCANIC INTRUSIONS MAY REPRESENT FEEDERS TO THE PLLOW BASALTS(JM)

EARLY JURASSIC



HORINBLENDE-PLAGIOCLASE-PORPHYRITIC MONZONITE; OCCURS AS DYKES, SILLS AND PLUGS CHARACTERIZED BY A HEMATITIC GROUNDMASS ALTERED WITH PWK SUBHEDRAL TO EUHEDRAL PLAGIOCLASE (UP TO 30 PERCENT) AND HORINBLENDE CRYSTALS, TRACHYTIC TEXTURES ARE COMMON, STROMOLY MAGNETIC.

HORNBLENDE BIOTITE POTASSIUM FELDSPAR MEGACRYSTIC GRANITE.

AGE UNKNOWN



HORNBLENDE QUARTZ DIORITE; MEDIUM GRAINED, LOCALLY FOLIATED AND ALTERED, CONTAINS IRREGULAR MARIC INCLUSIONS (UP TO 100 CENTIMETRES) OF AMPHIBOLITES. ALTERED DIORITE

a) APHYRIC ANDESITE AND BASALT; pp) MAFIC PLAGIOCLASE PHYRIC; IJ LAMPROPHYRE; AJ RHYOLITE/APLITE

MAP SYMBOLS

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Geological contact (defined, approximate, assumed)	
Unconformable contact (defined, assumed)	بمبيعة ووميسية فالمستعدة هتلته والمتبيعة
Bedding (horizontal, inclined, overturned)	× */ *ø
Foliation	n 7
Fault (observed, inferred)	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~
Thrust or high angle reverse fault (defined, assumed)	
Anticline (direction of plunge indicated)	←
Syncline (direction of plunge indicated)	•ŧ
Minor fold axis	*
Joint	*
Dyke	20 Martin
Vein	*
Outcrop visited	

At Vangeochem Lab Ltd., each rock sample was ground to -100 mesh and an 0.5 gram pulp was digested with 5 millilitres of 3:3:1 hydrochloric acids to nitric acid to water at 95°C for 90 minutes, and then diluted to 10 millilitres with water. The resulting precipitate was then analyzed by ICAP methods for: silver, aluminum, arsenic, barium, bismuth, calcium, cadmium, cobalt, chromium, copper, iron, potassium, magnesium, manganese, molybdenum, sodium, nickel, phosphorus, lead, antimony, tin, strontium, uranium, tungsten, and zinc.

A 20.0 to 30.0 gram pulp was split from each of the ground samples, mixed with flux at 1900°F to form a button, and subsequently digested in an aqua regia solution. This solution was then analyzed for gold by a Techtron Model AA5 Atomic Absorption Spectrophotometer with a gold hollow cathode lamp.

Prospecting traverses and all sample locations are shown on Figure 5 of this report. The lithogeochemical sample descriptions and analytical results accompany this report as Appendices I and II respectively.

DISCUSSION OF RESULTS

A total of 9 man days were spent on the geochemical sampling program on the KER claims which was designed to further evaluate the mineral potential of the claims. Samples taken in 1988 along the northern edge of KER 6 claim assayed up to 40 opt in silver and greater than 2% zinc. Samples taken in 1990 in the centre of KER 6 assayed up to 6.0 opt Ag, 16% Zn and >1% Pb. Gold values are generally not significant. Mineralization consists of tetrahedrite, chalcopyrite, sphalerite and galena in barite carbonate veins as well as fine quartz veins in limestones. The limestone is tilted and appears to be folded with the axis trending north-south.

Two 100 metre lines of 3 metre continuous chip sampling was carried out in order to check continuity of mineralization in two different areas. Results of this sampling, although on the low side, indicate that the mineralization is erratic which may be due to widespread narrow shears and veins. The main anomalous Ag-Zn area needs additional work to fully evaluate the potential of the property.

RECOMMENDATIONS

The KER 1-7 mineral claims cover a limestone unit on their western portion in contact with basalts, volcanic units, and andesite flows to the east. Sampling to date has located a large area of anomalous Ag-Zn mineralization on the KER 6 claim.

A program to follow up the Ag-Zn anomaly on the KER 6 mineral claim is necessary to further evaluate the potential of the property. This program should include:

- 1. Establish a grid over the anomalous silver area
- 2. Geological mapping in detail
- 3. Closely spaced sampling program
- 4. Possible geophysical survey
- 5. Trenching program to expose fresh bedrock

BIBLIOGRAPHY

Logan, J.M.; Koyanagi, Victor M.; Drobe, John R. <u>Geology, Geochemistry and</u> <u>Mineral Occurrences of the Forrest Kerr-Iskut River Area, Northwestern</u> <u>British Columbia</u>, Open File 1990-2, Ministry of Energy, Mines and Petroleum Resources, Geological Survey Branch.

GSC Open File No. 2094 (1989).

Kerr, 1984: GSC Memoir 246; GSC Maps 9 - 1957; GSC Maps 1481-1979 "Iskut River".

STATEMENT OF QUALIFICATIONS

I, STUART J. TENNANT, of Kestrel Resources Ltd., do hereby certify that:

- 1. I am a Geologist employed by Kestrel Resources Ltd. during the period October 1989 to present.
- 2. I am a graduate of the University of British Columbia with a B.Sc. in Geology in 1959.
- 3. From 1959 until present, I have been engaged in exploration primarily in Western Canada.
- 4. I personally supervised and participated in the field work and have compiled, reviewed and assessed the data resulting from the work.

Stuart Jennant

Stuart J. Tennant

DATED at Vancouver, British Columbia, this $\frac{7h}{18}$ day of September, 1991.

PROGRAM COSTS

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S. Tennant Geologist	2 days @ \$325/day	\$ 325
C. Buchholz Geologist	1 day @ \$325/day	325
K. Forster Prospector	3 days @ \$200/day	600
W. Grier Prospector	3 days @ \$200/day	600
		<u>2,150</u>
Field Expense		
Room and Board	9 days @ \$125/day	1,125
Helicopter	1.5 hours @ \$800/hour	1,200
Drafting and Maps		50
Assaying (Vangeoche 75 samples @ \$18/s	em Labs) samples	1,350
Report		_325
TOTAL COST		\$ <u>6,200</u>

APPENDIX I

Sample Assay Results

1630 PANDORA STREET VANCOUVER, BC V5L 1L6 (604) 251-5656 **BRANCH OFFICES** MAIN OFFICE PASADENA, NFLD. BATHURST, N.B. -1988 TRIUMPH ST VANGEOCHEM LAB LIMITED VGC VANCOUVER, B.C. V5L-1K5 MISSISSAUGA, ONT. RENO, NEVADA, U.S.A. • (604) 251-5656 • FAX (604) 254-5717 REPORT NUMBER: 900271 GA JOB NUNBER: 900271 SULLIVAN NANAGEMENT/KESTREL RES. PAGE 1 OF 1 SAMPLE # Åg 1u ppb ppn 92384 11.0 nð 92385 50.0 50 92386 19.0 40 92387 33.0 50 92388 6.8 60 92389 30 nð

12.0

> 50.0

30

20

92390

92391

VANGEOCHEM LA 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 HNO₂ to H₂O 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.

REPORT #: 900271 PA	SULLIVAN N	ANAGEMENT	I / KEST	REL RES.		PROJE	ECT: KERR	5		DAT	E IN: AU	6 20 199	O DA	TE OUT: :	SEPT 07	1990	ATTENTIO	l: HR. J	ohn Buchi	10LZ		PAG	E 1 OF	1	
Sample Name	Ag	A1	As	Ba	Bi	Ca	Cd	Co	Cr	Cu	Fe	ĸ	Ħg	Na	Ko	Na	Ni	P	Pb	Sb	Sn	Sr	U	¥	Zn
92384	ppm 11.0	0.11	ppa (3	906 37	ррв {3	>10.00	pp= 297.5	ppe 9	pp# 55	pp e 55	2.57	<0.01	4.11	pp s 5825	ppa 50	۸ 0.01	pp e 43	۲ 0.01	ppe 5324	pp∎ ≺2	рр а 16	ppa 666	рр# <5	pp∎ <3	pps)20000
92385	50.0	0.01	<3	65	(3	5.58	269.0	6	51	117	0.65	<0.01	0.74	1469	43	<0.01	(1	<0.01	11217	24	10	805	<5		>20000
92386 92387	19.0 33.0	0.04	1070 (3	37 29	<3 (3	3.11 >10.00	152.2 826.1	13 13	52 90	2117 292	2.13 5.35	<0.01 <0.01	1.26 7.51	1541 8661	31 88	<0.01 <0.01	7	<0.01 <0.01	648 5203	76 37	13 23	702 482	{5 {5	<3 (3	16162)20000
92388	6.8	0.02	< 3	10	<3		>1000.0	14	133	64	0.81	<0.01	1.02	2108	134	(0.01	<1	(0.01	11353	3	23	132	(5	660	>20000
92389	(0.1	<0.01	36	>1000	<3	2.55	29.1	3	150	9	0.38	<0.01	0.47	480	19	<0.01	(1	<0.01	241	<2	11	63	۲5	<3	3322
92390	12.0	(0.01	<3	50	<3	7.77	434.7	7	54	157	1.38	<0.01	3.76	3897	52	<0.01	<1	(0.01	3332	15	15	655	<5	42	
92391	>50.0	0.03	243	19	<3	5.31	32.8	11	85	8319	3.10	(0.01	0.35	1710	28	(0.01	3	<0.01	275	502	19	194	<5	(3	3158
Minimum Detection	0.1	0.01	3	1	3	0.01	0.1	1	1	1	0.0i	0.01	0.01	1	1	0.01	1	0.01	2	2	2	1	5	3	1
Maximum Detection < - Less Than Minimum	50.0 > - Greater Ti	10.00 han Maxim	2000	1000 is - Insu	1000 fficien	10.00 t Sample	1000.0 ns	20000 - No Samp	1000 ale	20000 Andmalou	10.00 5 RESULT	10.00 5 - Furt	10.00 her Anal	20000 yses By (1000 Alternat	10.00 e Method	20000 s Sugges	10.00 ted.	20000	2000	1000	10000	100	1000	20000

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ANALYST: Kynth

1630 PANDORA STREET VANCOUVER, BC V5L 1L6 (604) 251-5656

GC VANGEOCHEM LAB LIMITED

MAIN OFFICE -1988 TRIUMPH ST. ANCOUVER, 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.

I	REPORT NUMBER: 900271 AA	JOB NUMBER: 900271	SULLIVAN MANAGENENT/KESTERL RES.	PAGE	1	OP	1
2	SAMPLE #	Zn %	Ag oz/st				
ç	92384	3.97					
9	92385	3.87	1.40				
9	92387	7.24					
g	2388	16.40					
9	92390	3.92					
9	2391		6.23				

DETECTION LIMIT 1 Troy oz/short ton = 34.28 ppm 1 ppm = 0.0001%

.01 .01

Ronth

ppm = parts per million < = less than</pre>

signed:

VGC VANGEOCHEM LAB LIMITED

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

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

REPORT NUMBER: 900455 GA	JOB NU	NBBR: 900455	SULLIVAN MANAGEMENT/KESTREL RES.	PAGE	2
SAMPLE I	lg	λu			•
	ppn	ppb			
80738	.2	nd			
80739	nd	nd			
80740	nd	nd			
80741	3.0	nd			
80742	.3	20			
80743	.3	20			
80744	nd	20			
80745	20.6	20			
80746	.3	30	· ·		
80747	.1	nd			
80748	.2	20			
80749	1.5	nd			
80750	.6.	20			
80751	.2	30			
80752	.5	20			
80753	nð	nd			
80754	nd	nd			
80755	nd	nd			
80756	nd	nd			
80757	nd	nd			
80758	nd	nd			
80759	.3	180			
80760	3.5	20			
80761	nd	nd			
80762	ba	ba			
80763	nd	nd			
80764	nd nd	ba			
80765	nd	nd	-		
80766	nd	nd			
80767	nd	nd			
80768	nð	nd			
80769	.5	nd			
80770	.1	ba			
80771	nd	nd			
80772	nd	nd			
80773	nd	nd			
80774	ad	ad			
80775	nd	ng Du			
80776	ba	ba			
DETECTION LIMIT	0.1	5			

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.

RBPORT NUMBER: 900455 GA	JUB NU	IMBBR: 900455	SULLIVAN MANAGENENT/KESTREL RES.	PAGE	1	UF	1
SAMPLE I	٨g	λu					
	ppn	ppb					
80777	.2	nd	· .				
80778	.2	nd					
80779	.1	nd					
80780	nd	nð					
80781	nd	nd					
80782	.3	nd					
80783	.3	nd					
80784	nd	nd					
80785	.2	20					
80786	.1	nd					
80787	nd	nd					
80788	nd	10					
80789	nd	nd					
80790	nd	10					
80791	nd	nd					
80792	.1	20					
80793	.1	10					
80794	ba	nd					
80795	nd	nd					
80796	nd	nd					
80797	.2	10					
80798	.1	10					
80799	.2	nd					
80800	nd	nd					
80801	3.6	nd					
80802	.2	nd	· · ·				

DETECTION LIMIT nd = none detected

0.1 5 -- = not analysed

VANGEUCHEM LAB LIMITED

1630 Pandora Street, Vancouve . V5L 1L6 Ph:(604)251-5656 Fax:(66 -5717

ICAP GEOCHEMICAL ANALYSIS

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A .5 gram sample is digested with 5 ml of 3:1:2 HCl to HNDs to HzO 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: Andh

REPORT #: 900455 PA	SULLIVAN P	IANAGEMEN	T / KEST	REL RES.		PROJI	ECT: KER-6	-7		DATI	E IN: SE	PT 12 19	30 DA	TE OUT:	OCT 09 1	990	ATTENTIO	IN: MR. T	ENNANT &	MR. BUCH	HOL 2	PAG	E 1 OF	2	
Sample Name	Ag ppe	Al X	As ppa	Ba ppe	Bi pps	Ca Z	Cd pp∎	Co pps	Cr ppm	Cú ppm	Fe 1	K X	Mg Z	fin pp≞	Mo pp∉	Na X	Ni ppe	P X	Pb ppa	Sb ppa	Sn ppa	Sr pp∉	U ppe	¥ ppe	Zn ppæ
80738	0.2	0.02	(3	>1000		>10.00	(0.1	<1	6	23	0.32	(0.01	0.84	933	3	0.03	10		38	8	<2	269	<5	(3	23
80739	(0.1	0.02	(3	>1000		>10.00	0.7	(1	20	10	0.26	(0.01	0.51	1002	4	0.04	10		60	7	<2	269	<5	(3	44
80740	(0.1	0.03	<3	>1000		>10.00	0.9	d	6	15	0.29	(0.01	0.43	1229	5	0.03	10		68	8	(2	301	(5	(3	39
80741	3.0	0.04	400	240	(3	>10.00	100.8	2	16	1271	0.68	0.10	0.13	781	3	0.10	7		684	28	(2	727	(5	(3	2655
80742	0.3	0.06	33	>1000		>10.00	5.7	(1	9	145	0.21	<0.01	0.44	1116	4	0.04	10		67	. 12	<2	265	<5	<3	197
80743	0.3	0.03	77	591	(3	>10.00	2.1	2	18	275	0.43	(0.01	0.55	1159	3	. 0.03	6	(0.01	58	13	<2	539	۲5	<3	184
80744	(0.1	0.02	(3	>1000		>10.00	0.7	4	6	17	0.23	<0.01	1.56	977	ĕ	0.03	8	<0.01	45	.0	2	238	(5	(3	29
80745	20.6	0.02	(3	60		>10.00	165.8	2	14	146	0,98	0.03	3.41	3493	7	0,48	5		1665	45	3	627	(5	(3	15527
80746	0.3	0.04	(3	347		>10.00	3.7	ī	7	12	0.58	(0.01	2.24	1943	7	0.04	8	(0.01	80	11	2	234	(5	(3	302
80747	0.1	0.02	<3	>1000		>10.00	2.0	<1	7	22	0.59	(0.01	1.41	2363	5	0.04	7		65	9	3	202	(5	(3	172
B0748	0.2	0.02	20	619	13	>10.00	3.0	2	5	120	0.99	<0.01	2.76	4083	7	0.04	5	(0.01	124	15	3	374	- <5	<3	308
80749	1.5	0.02	36	850		>10.00	1.8	(1	4	261	1.10	0.03	1.57	3125	5	0.03	6		55	15	3	617	<5	(3	131
80750	0.6	0.02	10	799		>10.00	2.3	2	7	72	1.15	(0.01	2.86	5478	9	0.04	7	(0.01	59	15	5	270	<5	(3	112
80751	0.2	0.02	(3	>1000		>10.00	3.0	<1	6	26	0.19	(0.01	0.34	1023	4	0.04	4		54	13	2	242	(5	(3	145
80752	0.5	0.03	(3	>1000		>10.00	4.4	G	3	13	0.14	(0.01	0.28	680	3	0.04	3		47	8	<2	218	(5	(3	338
80753	<0.1	0.03	<3	430	(3	>10.00	0.8	1	4	6	0.12	(0.01	0.70	441	5	0.03	7	<0.01	48	9	<2	154	<5	<3	26
80754	(0.1	<0.01	<3	477		>10.00	<0.1	(1	20	6	0.16	<0.01	0.83	529	4	0.03	6	<0.01	41	7	<2	129	< 5	<3	22
80755	(0.1	0.01	(3	167		>10.00	1.1	<1	29	5	0.23	(0.01	0.81	829	4	0.03	3	<0.01	45	8	(2	161	(5	(3	17
80756	(0.1	0.03	(3	317		>10.00	<0.1		5	5	0.13	(0.01	0.37	723	3	0.03	3	<0.01	52	7	2	148	(5	(3	10
80757	(0.1	0.01	(3	>1000		>10.00	1.0	(1	6	7	0.32	(0.01	1.67	1300	6	0.03	4	(0.01	47	9	3	169	(5	(3	20
80758	<0.1	0.03	<3	197	<3	>10.00	1.4	1	4	7	0.17	<0.01	0.88	717	5	0.03	9	(0.01	57	9	3	167	<5	(3	33
80759	0.3	0.02	48	87	<3	>10.00	104.3	2	7	238	0.48	0.02	3.31	1336	8	0.36	3	(0.01	63	10	4	572	(5	<3	11570
80760	3.5	<0.01	278	10	(3	>10.00	>1000.0	7	34	1116	1.06	(0.01	3.85	3627	25	4.16	12	<0.01	113	17	7	97	(5	(3	>20000
80761	<0.1	0.01	(3	>1000	(3	>10.00	15.1	<1	6	18	0.41	(0.01	5.43	1425	11	0.07	6	<0.01	33	8	5	139	<5	(3	1305
80762	<0.1	0.03	<3	548	<3	>10.00	13.8	<1	4	17	0.38	<0.01	2.52	1014	6	0.07	3	(0.01	52	9	4	144	<5	<3	1159
80763	<0.1	0.02	<3	>1000	(3	>10.00	1.5	(1	3	5	0.33	(0.01	1.89	1261	6	0.03	3	(0.01	46	8	4	247	∢5	<3	80
80764	(0.1	<0.01	<3	210	<3	>10.00	2.8	i	3	4	0.18	(0.01	2.31	918	7	0.04	3	<0.01	50	11	4	143	<5	<3	79
80765	(0.1	<0.01	<3	254	<3	>10.00	1.2	(1	3	3	0.25	(0.01	4.47	1202	11	0.03	٤	<0.01	40	9	4	98	(5	<3	38
80766	(0.1	<0.01	₹3	>1000	<3	>10.00	2.8	<1	3	9	0.24	<0.01	2.94	1256	6	0.04	3	<0.01	39	8	4	133	(5	<3	228
80767	(0.1	0.02	<3	413	<3	>10.00	1.8	< 1	2	2	0.16	<0.01	1.78	724	5	0.03	4	<0.01	45	9	4	132	<5	(3	67
80768	(0.1	<0.01	<3	121	<3	>10.00	1.1	<1	3	2	0.16	(0.01	2.37	870	6	0.03	4	<0.01	45	6	4	116	<5	(3	26
80769	0.5	(0.01	<3	48	٢3	>10. 0 0	1.8	<1	4	2	0.19	<0.01	3.41	795	7	0.03	. 6	(0.01	41	5	4	104	<5	<3	42
80770	0.4	(0.01	₹3	84	<3	>10.00	<0.1	<1	38	4	0.21	0.11	0.67	458	2	0.02	1	<0.01	29	8	<2	44	<5	<3	82
80771	(0.1	(0.01	<3	31	<3	>10.00	<0.1	<1	49	2	0.19	0.02	0.85	775	3	0.03	<:	(0.01	36	10	<2	146	<5	<3	40
80772	(0.1	<0.01	<3	29	<3	>10.00	<0.1	<1	16	1	0.10	<0.01	0.47	720	2	0.02	<1	<0.01	33	9	<2	240	<5	⟨ 3	19
80773	<0.1	(0.01	(3	44	(3	>10.00	<0.1	(1)	33	1	0.10	(0.01	0.23	509	2	0.03	(1	<0.01	42	7	<2	97	⟨5	(3	35
80774	(0.1	<0.01	(3	91		>10.00	(0.1	(1	30	2	0.15	<0.01	0.46	684	2	0.02	(1	<0.01	36	8	<2	105	<5	<3	29
80775	(0.1	(0.01	(3	33		>10.00	1.7	(1	<1	1	(0.01	<0.01	0.17	259	2	0.03		(0.01	47	4	<2	116	(5	<3	22
80776	(0,1	<0.01	<3	67		>10.00	<0.1	(1	15	1	0.21	<0.01	1.26	901	2	0.03	4	<0.01	48	7	4	98	<5	<3	28
Minimum Detection	0.1	0.01	3	1	3	0.01	0.1	1	1	i	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
K - Less Than Minimum	> - Greater T	han Maxim	iun :	is - ins	ufficien	t Sample	ns -	No Samp	le i	ANONALOUS	RESULTS	6 - Furth	er Analy	yses By i	Alternate	e Nethod	ls Sugges	ted.							

VANGEOCHEM LA LIMITED

ICAP GEOCHEMICAL ANALYSIS

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ANALYST: Rymille

A .5 gram sample is digested with 5 ml of 3:1:2 HCl to HNO₅ to H₂O 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.

REPORT #: 900455 PA	SULLIVAN M	ANAGEMENT	r / kest	REL RES.		PROJE	CI: KER-	5-7		DAT	E IN: SE	PT 12 19	90 DA	TE OUT:	OCT 09 11	990	ATTENTIO	N: MR. T	ENNANT &	NR. BUCH	HOLZ	PAG	E 2 OF	2		
Sample Name	Ag	A)	As	Ba	Bi	Ca	Cd	Co	Cr	Cu	fe	ĸ	Ħg	Ma	Ko	Na	Ni	P	Pb	SÞ	Sn	Sr	U	· ¥	Zn	
	ppa	X	ppa	ppa	ppa	ĩ	ppa	ppa	ppe	ppa	X	X	ĩ	ppa	pp#	7.	ppa	ĩ	ppe	pps	ppm	ppa	ppe	ppe	ppa	
80777	0.2	0.01	<3	126	<3		0.2	<1	3	2	0.03	<0.01	0.17	274	5	0.04	10	<0.01	32	6	4	126	<5	<3	21	
8 0778	0.2	0.01	<3	272	<3		0.8	<1	14	3	0.12	<0.01	0.20	731	3	0.03	5	<0.01	37	5	<2	343	<5	<3	42	
80779	0.1	0.02	<3	85	<3	>10.00	<0.1	(1	35	3	0.23	0.09	0.49	676	4	0.02	9	(0.01	26	5	<2	89	<5	<3	37	
80780	<0.1	<0.01	<3	28	(3	>10.00	1.0	<1	13	2	0.06	{0.01	0.19	438	4	0.03	5	<0.01	32	3	3	123	<5	<3	34	
80781	(0.1	0.02	(3	80	<3	>10.00	1.7	<1	41	3	0.30	0.02	0.49	797	2	0.02	5	(0.01	28	2	<2	85	۲5	<3	88	
80782	0.3	<0.01	(3	70	(3	>10.00	(0.1	<1	11	2	0.04	(0.01	0.15	382	4	0.03	2	(0.01	28	7	3	114	<5	<3	36	
80783	0.3	(0.01	<3	403	<3	>10.00	0.8	<1	5	2	<0.01	(0.01	0.16	312	4	0.03	7	(0.01	34	<2	3	140	<5	<3	27	
80784	(0.1	<0.01	(3	176	{3	>10.00	0.7	(1	3	2	(0.01	(0.01	0.19	311	4	0.03	6	<0.01	37	3	<2	150	<5	<3	41	
80785	0.2	0.02	(3	42	(3	>10.00	<0.1	<1	70	2	0.17	0.11	0.14	51B	(1	0.01	3	<0.01	16	3	<2	56	<5	<3	43	
80786	0.1	0.02	(3	25	₹3	>10.00	<0.1	(1	23	2	0.07	0.03	0.10	459	2	0.02	4	<0.01	17	3	<2	87	<5	<3	37	
80787	<0.1	0.01	(3	18	(3	>10.00	0.5	<1	29	1	0.04	(0.01	0.17	445	2	0.03	6	<0.01	33	3	(2	141	<5	<3	27	
80788	(0.1	(0.01	(3	13		>10.00	1.1	(1	18	1	0.02	(0.01	0.12	419	3	0.03	4	<0.01	33	<2	<2	102	<5	<3	21	
80789	(0.1	0.02	<3	23		>10.00	<0.1	(1	48	2	0.07	0.07	0.07	301	(1	0.02	(1	(0.01	14	<2	<2	56	<5	<3	28	
80790	<0.1	(0.01	(3	12		>10.00	1.4	a	4	1	0.04	(0.01	1.00	680	4	0.03	1	0.01	42	2	3	125	<5	<3	18	
80791	(0.1	0.01	(3	8		>10.00	1.0	<1	<1	(1	(0.01	<0.01	0.31	389	3	0.05	<1	<0.01	27	2	5	113	<5	<3	28	
80792	0.1	S.ůi	{3	14	(3	>10.00	1.2	<1	4	a	<0.01	(0.01	0.28	248	3	0.03	(1	(0.01	44	2	<2	109	۲5	(3	24	
80793	0.1	0.01	(3	19		>10.00	1.0	(i	4	< <u>i</u>	<0.01	<0.01	0.14	248	3	0.04	<1	<0.01	30	5	3	107	<5	<3	18	
80794	<0.1	0.01	(3	179		>10.00	1.4	(1	(1	(1	(0.01	<0.01	0.12	923	3	0.04	{1	<0.01	47	3	4	142	(5	(3	36	
80795	<0.1	0.02	(3	17		>10.00	1.3	ä	ä	ä	<0.01	(0.01	0.15	475	2	0.04	(1	(0.01	46	3	3	14B	<5	<3	28	
80796	(0.1	0.02	(3	19		>10.00	1.5	<1	27	(1	0.04	(0.01	0.10	434	2	0.02	(1	0.01	30	2	<2	92	<5	<3	34	
80797	0.2	0.02	∢ 3	30	(3	>10.00	<0.1	<1	56	1	0.10	0.05	0.10	441	(1	0.03	<1	<0.01	36	4	<2	83	<5	<3	33	
80798	0.1	0.02	(3	11		>10.00	(0.1	ä	53	a	0.07	0.11	0.05	185	3	0.02		<0.01	15	<2	(2	51	(5	(3	15	
80799	0.2	0.02	(3	28		>10.00	(0.1	ä	76	ä	0.08	0.13	0.04	349	(1	0.02	ä	(0.01	13	4	(2	42	(5	(3	18	
80800	(0.1	0.01	(3	302		>10.00	1.0	ä	7	(i	(0.01	<0.01	0.13	570	1	0.04	(1	0.01	46	3	3	150	(5	(3	22	
80801	3.6	0.04	<3	>1000	-	>10.00	5.5	à	42	25	0.47	0.02	0.54	1702	2	0.04	(1	<0.01	59	15	3	134	<5	<3	425	
80802	0.2	0.02	(3	67	(3	>10.00	<0.i	(1	48	(1	0.04	0.07	0.08	3 52	(1	0.04	(1	(0. 01	39	7	4	68	<5	<3	34	
Minimum Detection	0.1	0.01	3	1	3	0.01	0.1	1	1	1	0.01	0.01	0.01	i	1	0.01	1	0.01	2	2	2	1	5	3	1	
Maximum Detection	50.0	10.00	2000	1000	1000		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	
C - Less Than Minimum) - Greater Ti			is - Insu				No Samp							Alternate								••••			

VGC VANGEOCHEM LAB LIMITED

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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.

REPORT NUMBER: 900455 AA	JOB BUHBBR: 900455	SULLIVAN MANAGEMENT/KESTREL RES.	PAGE 1 OF 1
SAMPLE #	Zn %		
80760	11.30		

DETECTION LIMIT 1 Troy oz/short ton = 34.28 ppm 1 ppm = 0.0001%

.01

signed: Agm/L

ppm = parts per million < = less than</pre>

APPENDIX II

Sample Descriptions

Geochemical Data neet - ROCK SAMPLING

Sampler <u>K. Forster / W. GRIER</u> Date <u>August</u> 28/90

Project <u>Iskv</u> Property<u>KERR</u> ĥ

Ν	TS 104615
Location	FORREST KERK
M.D.	

0.11/01/5		5447915	Sample		DESCRIPTION	J ·		<u> </u>	ASSAYS				
SAMPLE NO.	LOCATION	SAMPLE TYPE	Width	Rock Type	1	Mineralization	1	An	Ag Apm.	2%	РЬ %		
80735	2170 FT	SELECT GRAD (Rack	30cm	BARITE CARDUNITE SWARM	ACHITE, AZURT	GANENA SPHALDRITE	EAST SIDE NORTH END OF FRULT SIN SQUARE OF	10	1 · · ·]	0.56			
80736	2060 FT	ROCK SELECT GRAS	60 00	BARITE CARBONITE SWARM	MALACHITE	TETRANEWEYE	200 M JOUTH-EAST OF 80735	20	30.0	4.43	0.63		
80737	2210FF	11	20 cm	ANDECTE	LIMONITE	FE. PURITE	150 M SE OF 80736	nd	1.3	0.11			
							·						
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							· · · · · · · · · · · · · · · · · · ·				-+		
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Geochemical Data Sneet - ROCK SAMPLING

								NTS					
ampier	Kent Forst	er thes	Grier	Project	Iskut	<u></u>	Loc	Location					
ate <u>Aug 29/90</u>				Property_k	Kerr 6	<u> </u>		•		·····			
					<u></u>			·	•				
SAMPLE		SAMPLE	Sample	[DESCRIPTION	۱ ·	OBSERVATIONS	Ag		ASSAYS			
NO.	LOCATION	TYPE		Rock Type	Alteration	Mineralization		pom	Au ppb.				
	Chip line 4250At, El.	Select	302	Limestone Sm. Cryniods			dip et 46-42 S.L.	.2	nd				
0738	0m-3m		H	u			F	Ind	nd				
10739_			U))	Silicifide Veins		dip 48° S.W.	Ind	nd				
80740	3m-6m 6m-9m	· ·		Barite 602	Maline 10	Galena Gnako Tetrahedrik	" Birite in Frechurg	3.0	nd				
60140 60741			U					.3	20				
	9m-12m			Limestone	Small, Silicifide			1.3	20				
	12m-15m			16	Shingers	Calena mal Azure	Barte -> 70° 174 to the.	N. nd	20				
	15m-18m			łı –	Darite	- 14c	dip 60° to the 5.10. Malichite Azurite dia 55° tothe 510	20.6					
•	18m-21m			1	Silici Fde	sphalirite	malichite	.3	30				
	alm-24m			Ţ.	Small amoun	Chalco.	Azurite		nd				
	24m-27m			44	of Barite		dip 55° tothe 5.62	- 1-					
60747	27m-30m			Bariter	Malich.	/Tetrihedr	k/3mxSm						
20748	3m-33m			Silic Limesto	1. Azurete	Vchalco	4	12	20				
80749	33m-36m			Carbonated	Bante		2-2.3m KSm	1.5	nd				
80750	36m-39m			Limestorie			>110" 1 52" to the SW	•6	20				
20751	39m-42m			11	trices of			•2	30				
52 50	42m-45m			1. 11	Barite			•5	20				
60153	45m-48m				2L 			nd	nd				
	48m-5/m			f.				nd	nd				
	51m-54m			11				nd	nd				
_	54m-57m		1 June	11			Bank 3m Above	nd	nd				

•••

Geochemical Data Sneet - ROCK SAMPLING

			NTS	
Sampler	Kent Forster + Wes Grier	Project Iskut	Location	
Date	A-929/90	Property Kecc	M.D.	

SAMPLE	1	SAMPLE	Sample Width	DESCRIPTION					ASSAYS		
NO.	LOCATION	TYPE	HIOUT	Rock Type	Alteration	Mineralization	OBSERVATIONS	Ag	Au ppb.		
	Chip Line 4250 A. El.	Select Grab	30								
80757	57m-60m	1		Limestone Sn. Grinoids	Small Amoun	+	dp - 50-52 to the Sw.	nd	nd		
80758	bom-63m						•	nd	nd		
1	63m-66m			Carbonated Limestone			dip 52 to the SW. In Above	•3	180		
4	66m-69m			Limestone Birite	Azurite, Mal.	Schalinite Tetrahedat	c Bonte Wimx2m	3.5	20		
80761	69m-72m			Limestone			dip 52° SW.	nd	nd		
	72m-75m			14			··	nd	nd		
	75m-78m			h			h 16	nd	nd		
1	7Em-Elm			• •//				nd	nd		
1	81m-84m			Grynoids Limestone				nd	nd		
1	84m-87m			<u>, 11</u>			dio 35° SW	nd	nd		
1	97,=90m			11			dip 35° SW	nd	nd.		
1	90m-93m			4				nd	nd		
J	93m-96m			۱ <u>ر</u>			11 11 11	ۍ	ncl		
									·		
			T								2.000

Geochemical Data Sneet - ROCK SAMPLING

			NTS	,
Sampler Date	Kent Forster/Wes Gries Aug 30/90	Project <u>Iskut</u> Property <u>Kerr 6</u>	Location M.D	
Sampler Date	Kent forster/Wes Grier Aug 30/90			_

		SAMPLE	Sample	I	DESCRIPTION				A	ASSAY	3
SAMPLE NO.	LOCATION	TYPE	Witth	Rock Type	Alteration	Mineralization		Ag	Au pob.		
BAChip Li	ne on : esterly fault	Select	300	Limestone Inter Beddes Silicifide			Silicifide Linnestone vein 6000 Wide V 660° to the SW.				
1	om - 3m		THI	b i			60 cm Wide 1 60° to the SW 30 of Silicifade Emestone - Limestone-LOCM of Silicate Of	nd	nd		
80771							same diptstrike	nd			
	6m-9m			//			30cm Silicifide Limestone Vent in middle of 3msta / 56 to Sid	nd	nd		
	9m-12m			11			in midtle of 3m Stal / 56 to SU Docm Silicifide Limestone Vein of end of Section / So to the Su	nd	nd		
	12m-15m			4			the Same / faulted Im to the SW. Cross Bodied Facture USDAW	nd	nd		
1	15m-18m			11			Silicifide Vein 40-250 Wide	nd	nd.		
	18m-21m			Limestone			SE'SW Docm Vein Parallel				
80777	2lm-24n			Inter bedded			Silicifide Vein 60cm wide 148°	•2	nd		`
80778	24m-27m			Lime /Sil.			to the S.W. Cont. into 80779	•2	nd		
80779	27m-30m			" Linestone			-	•1	nd		
80780	30m-33m						Crynoids - 2. Sm Wide	nd	nd		
80781	33m-36m			Silicifide Limestone			V 46° to the Sw.	nd	nd.		
	36m - 39m			Lime store				•3	nd		
80783	39m - 42m			Inter bodda			Van With Crimpids Im Wide	•3	nd		
	42m-45m			Line /Sil.	·····		Ven with Crincids Im Wide V 44° to the SW.	nd	nd		
80785	45m-48m			11 (1			Silicification 45cm wide 442°	.2	20		
80786	48m -51m			Limestone			te Siv. dip to Edge of Sta.		nd		
80787	5lm-54m	·		Iter bodded			Vein 20cm Wide V 500 to SW.	nd	nd		
80788.	54m-57m	V	t	Lime/Sil			Running through middle	nd	10		PRINTED 7

Geochemical Data Jueet - ROCK SAMPLING

Sampler Kent Forster/Wes Grier Date Aug 30/90 Project <u>Iskut</u>

Property Kexr6

NTS _____

M.D.

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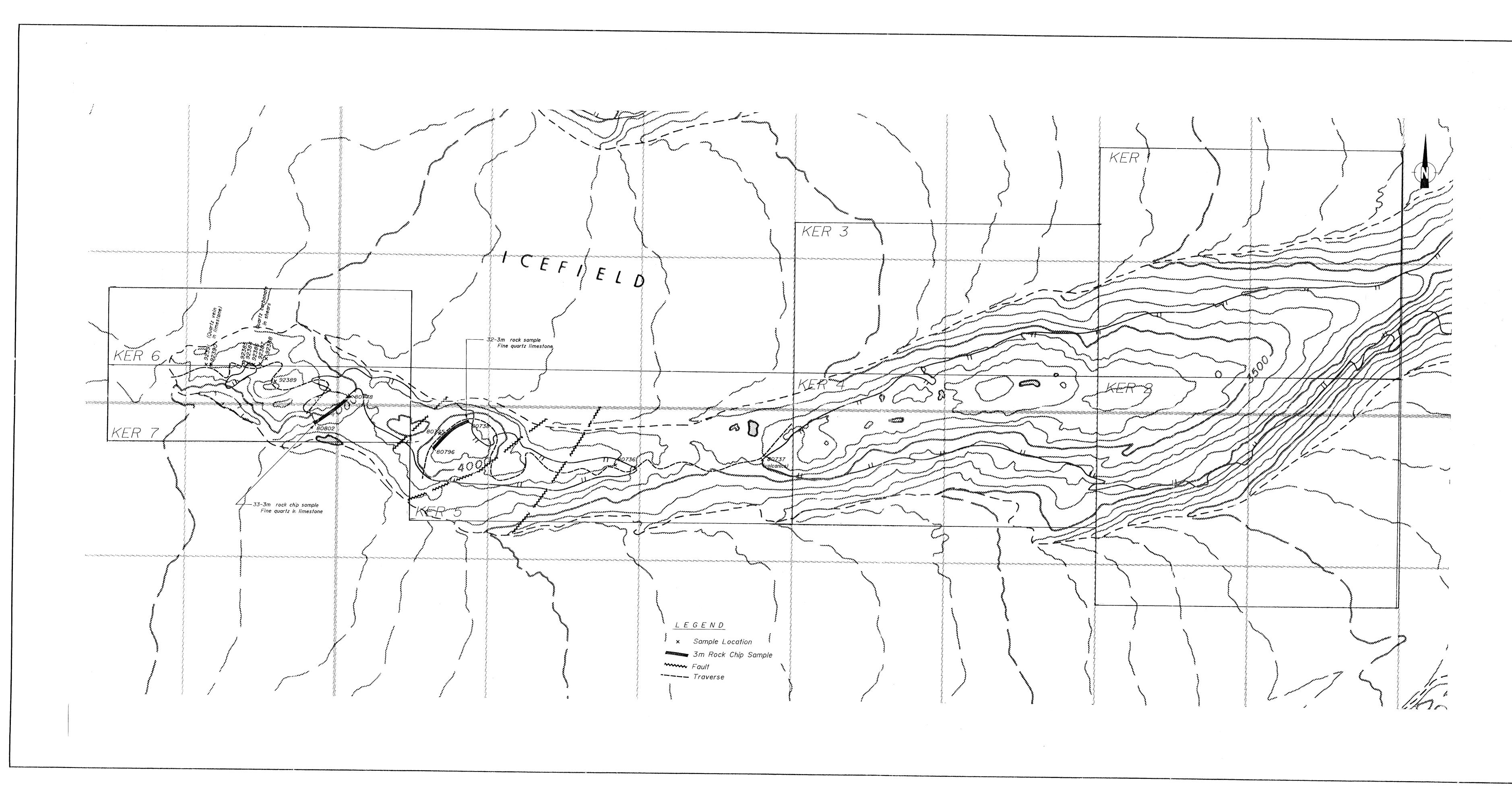
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Sampler 🛓	land Forst	er	_	Project _	SKut						mest-Kerr			
)ate _	Aug 7/9	0	<u>-</u> 1 4	Property_k	Cerra 7			Air Ph	oto N	lo	· · · ·	- 199 - 294 - 199 	in sje v	
· · · · ·	~ /		•							7				
			Sample		DESCRIPTION	l ·				Ca	ASS	AYS		
SAMPLE NO.	LOCATION	SAMPLE TYPE	Width True Width		Alteration	Mineralization			Âg	"/o Gd	Eu	99M 24	99M	7
12384	E1. 4260F4	Sclect Grab Rock	3000	Corbonate Sheer	Limeonite	Selene	20cm X60cm -> 6 E.W. Trending Felil+1	Somition	11.0	10%		20,000		ho
12385	1	11	2000	11		7,	>80° 25cm t Sm		ł	5.5	1.15.5	2.000		52
92386	El.	- 4	2000	11 Mary	malichite	Fe Knte Che Ico Kouolite	10m SW 0F927 $30m \times 10m = 7$ 20m Suth of 92	30°170° 385			2117	11.11.9		40
12387	4250 F4.	Ą	3000	11	Malichite Lineonite Staining Liniconite Staining Schalarite	Galena	20m South of 92 Imx 2m 30m we	stot		710.0		20 000		50
92388	El.	- h	200	11	nagenes	11	2385 on N. Side of 20m South of 92	387	06			2.0000	110	61
	4200F4	11	Im	OHZ	Limeonite		n Fast Side of Fa	50-65 E.		2.5		3322	t,	30
92389	E'4300 F4]1	Ison	Vein Otz. Bante	Staining	Gleng	30m Fat of 92384 Iscm x3m = 260° \$90	۵				20000		
<u>92390</u>	-4280F4. El	1	3000	Vein	Emeonite Mageirs Matichte	chere chereo solution	250m W of G228G	m 92384		7.7			16	20
92391	426074				Matichale	Sobelinte			/30	2.3	8319	3150		20
			\leq										4 <u>7</u> 14	• · ·
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PRINTED IN CANA!



Pb (%)

0.53 1.12 0.06 0.52 1.35 0.02 0.33 0.03

GEOLOGICAL BRANCH ASSESSMENT REPORT

500 750 m

KESTREL RESOURCES LTD. KER I-7 MINERAL CLAIMS SAMPLE LOCATION MAP LIARD MINING DIVISION, B.C. DATE : SEPTEMBER 1991 SCALE : 1 : 10000 DRAWN : S. TENNANT FIGURE : 5