

ARIS SUMMARY SHEET

District Geologist, Smithers

Off Confidential: 92.08.13

ASSESSMENT REPORT 21771

MINING DIVISION: Omineca

PROPERTY: Mt. McKendrick

LOCATION: LAT 54 49 40 LONG 126 44 00
UTM 09 6077766 645608
NTS 093L15E

CLAIM(S): Harold

OPERATOR(S): Habsburg Res.

AUTHOR(S): L'Orsa, A.T.

REPORT YEAR: 1991, 23 Pages

COMMODITIES

SEARCHED FOR: Silver, Gold, Copper, Lead, Zinc

KEYWORDS: Jurassic, Alaskites, Andesites, Pyrite, Chalcopyrite, Tetrahedrite
Galena, Sphalerite, Arsenopyrite

WORK

DONE: Drilling, Geochemical
DIAD 140.8 m 3 hole(s); BQ
SAMP 12 sample(s); ME

RELATED

REPORTS: 13525

MINFILE: 093L 266

| | |
|---------------|-----|
| LOG NO: 91105 | RD. |
| ACTION: | |
| FILE NO: | |

MOUNT MCKENDRICK
DIAMOND DRILLING IN 1991

Omineca Mining Division
British Columbia

ASSESSMENT REPORT

934/15E
54° 49'
126° 44'

PAID
GOVERNMENT AGENT
OCT 30 1991
SMITHERS
TRANS. #.....

Anthony L'Orsa, F.G.A.C.

Smithers, B.C.

28 October 1991

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

21771

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| LOG NO: | RD. |
| ACTION: | |
| FILE NO: | |

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SUMMARY

A northwest-striking vein of white to clear quartz, up to 1.5 m in width, outcrops on the south side of Mt. McKendrick at or near a contact between alaskite and andesitic host rocks of probable Early Jurassic age. Three diamond drill holes, totalling 140.82 m in length, intersected the quartz vein and anomalous amounts of arsenic, copper, gold, lead, silver, zinc and other metals were recovered.

INTRODUCTION

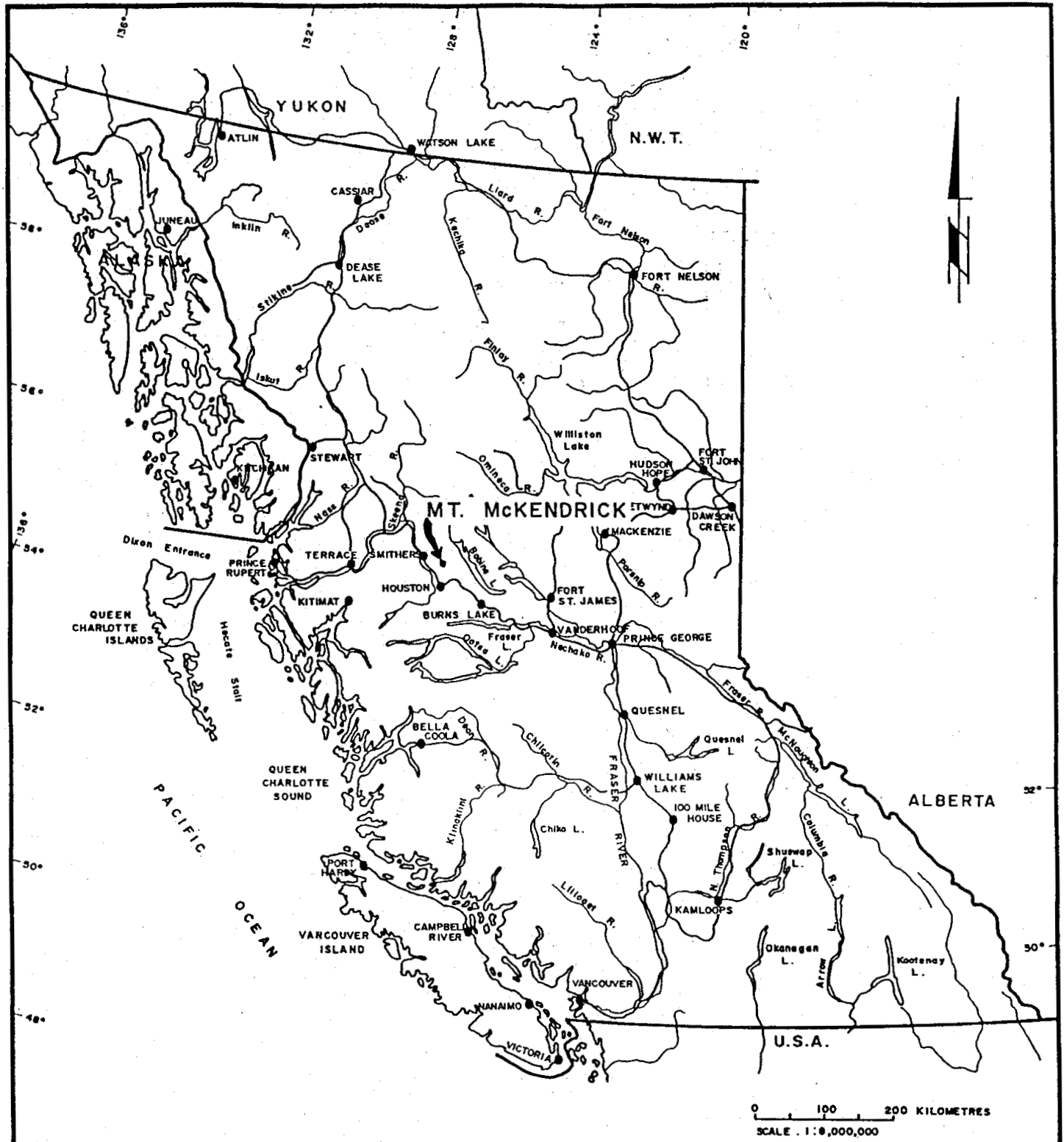
This report accompanies the logs of three diamond drill holes (M91-1, 2 and 3) drilled in August 1991 on the Harold claim, Mt. McKendrick, for a total of 140.82 m (462 ft). The objective of the drilling was to test a substantial gold-bearing quartz vein. The contractor was J.T. Thomas Diamond Drilling Ltd of Smithers, B.C. A JT 600 drill was used, and the core size is BQ. Barely adequate amounts of water for drilling were obtained from a small stream near the lower adit. The core is stored near Smithers by Habsburg Resources Inc. Assays and geochemical analyses were done by Min-En Laboratories of North Vancouver, B.C.

LOCATION AND ACCESS

The drill site is 28.4 km east-northeast of Smithers, at about 54° 49' 40" north latitude and 126° 44' west longitude, map area 93L/15, at an elevation of about 1576 m. The site was reached by helicopter from Smithers. There is no road access, although the Babine Lake road passes 2.5 km northwest of the drill setup, but at an elevation 500 m lower. The area is generally free of snow from late June until October.

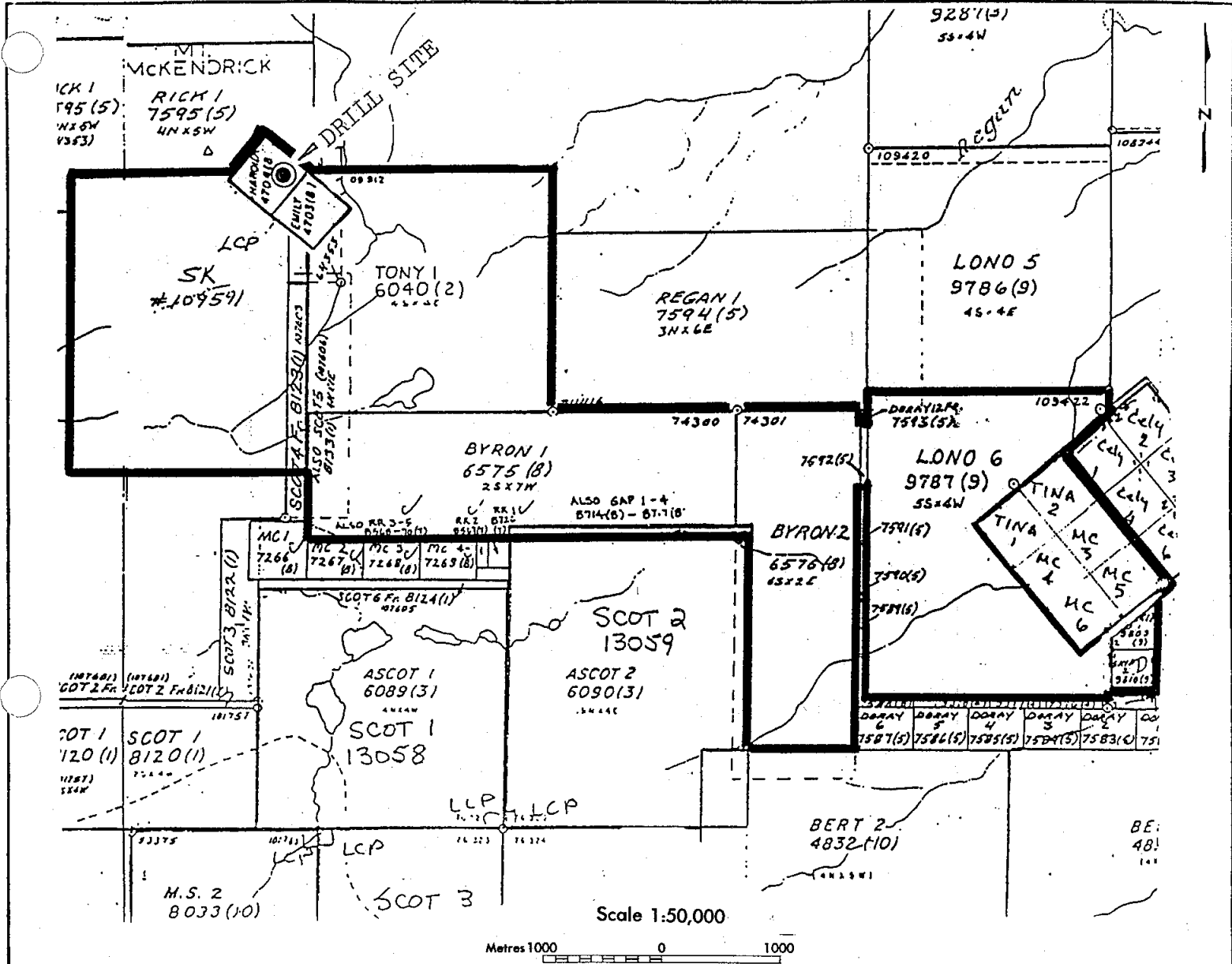
PHYSIOGRAPHY

Mount McKendrick is a glacially rounded summit that reaches an elevation of 1742 m at the northwestern end of a generally wooded upland area that extends southeast to Dome Mountain. The drill site is in a meadow at timberline, surrounded by patches of scrub alpine fir.



| | | |
|------------|-------------------------|--------------------|
| REVISED | Mt. McKendrick | |
| | LOCATION MAP | |
| PROJ.No. | SURVEY BY: _____ | DATE: Oct. 1991 |
| N.T.S. 93L | DRAWN BY: _____ | SCALE: 1:8,000,000 |
| DWG.No. | HABSBURG RESOURCES INC. | |
| Fig. 1 | OFFICE: Smithers, B.C. | |

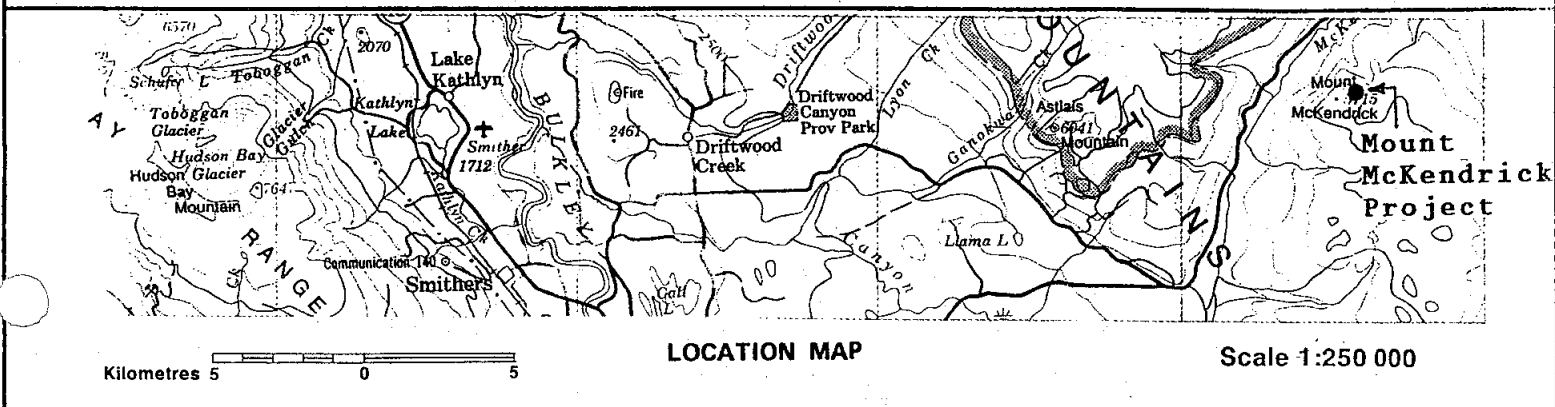
VANCAL 11927



MCKENDRICK GROUP OF MINERAL CLAIMS

93L/15 E and W

Fig. 2



LOCATION MAP

Scale 1:250 000

CLAIMS AND OWNERSHIP

The McKendrick group comprises the following mineral claims:

| <u>Claim</u> | <u>Units</u> | <u>Title No.</u> |
|--------------|--------------|------------------|
| Byron 1 | 14 | 238854 |
| Byron 2 | 12 | 238855 |
| Doray 11 | 1 | 239152 |
| Emily | 1 | 238556 |
| Harold | 1 | 238557 |
| Lono 6 | 20 | 240129 |
| MC 3 | 1 | 301669 |
| MC 4 | 1 | 301670 |
| MC 5 | 1 | 301671 |
| MC 6 | 1 | 301672 |
| SK | 20 | 243392 |
| Skip 1 | 1 | 240138 |
| Skip 2 | 1 | 240139 |
| Tina 1 | 1 | 301658 |
| Tina 2 | 1 | 301656 |
| Tony 1 | 16 | 238747 |

Habsburg Resources Inc. (formerly Teeshin Resources Ltd), 1075 North Service Road W., Unit 16, Oakville, Ontario, L6M 2G2, is the recorded holder of all the claims except MC 3-6 which are owned by L. Warren, Box 662, Smithers, B.C., and Tina 1 and 2 which are owned by A. L'Orsa, RR 2, Smithers, B.C., VOJ 2N0.

PREVIOUS WORK

Mineral exploration work completed on the McKendrick group includes prospecting, soil and silt sampling, trenching, two short adits, and both aerial and ground geophysical surveys (Holland, 1986; Lay, 1935; Leach, 1911; McConnell, 1987; Myers and Bradish, 1985; and Robertson, 1912).

GEOLOGY

The claims lie on the Skeena Arch, near the southern edge of the Bowser Basin. The general area has been mapped by Tipper (1976) and described by Tipper and Richards (1976) who have assigned the rocks to the Lower Jurassic formations of the Hazelton Group, except for Mt. McKendrick itself which was mapped as Skeena Group. Recent work in the area by Myers (Myers and Bradish, 1985) and by me strongly suggests that Mt. McKendrick is a volcanic centre of the Lower Jurassic Telkwa Formation, and the new edition of the geological map (Smithers, 93L) will show that

suggestion (T. Richards, personal communication).

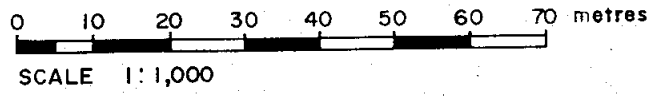
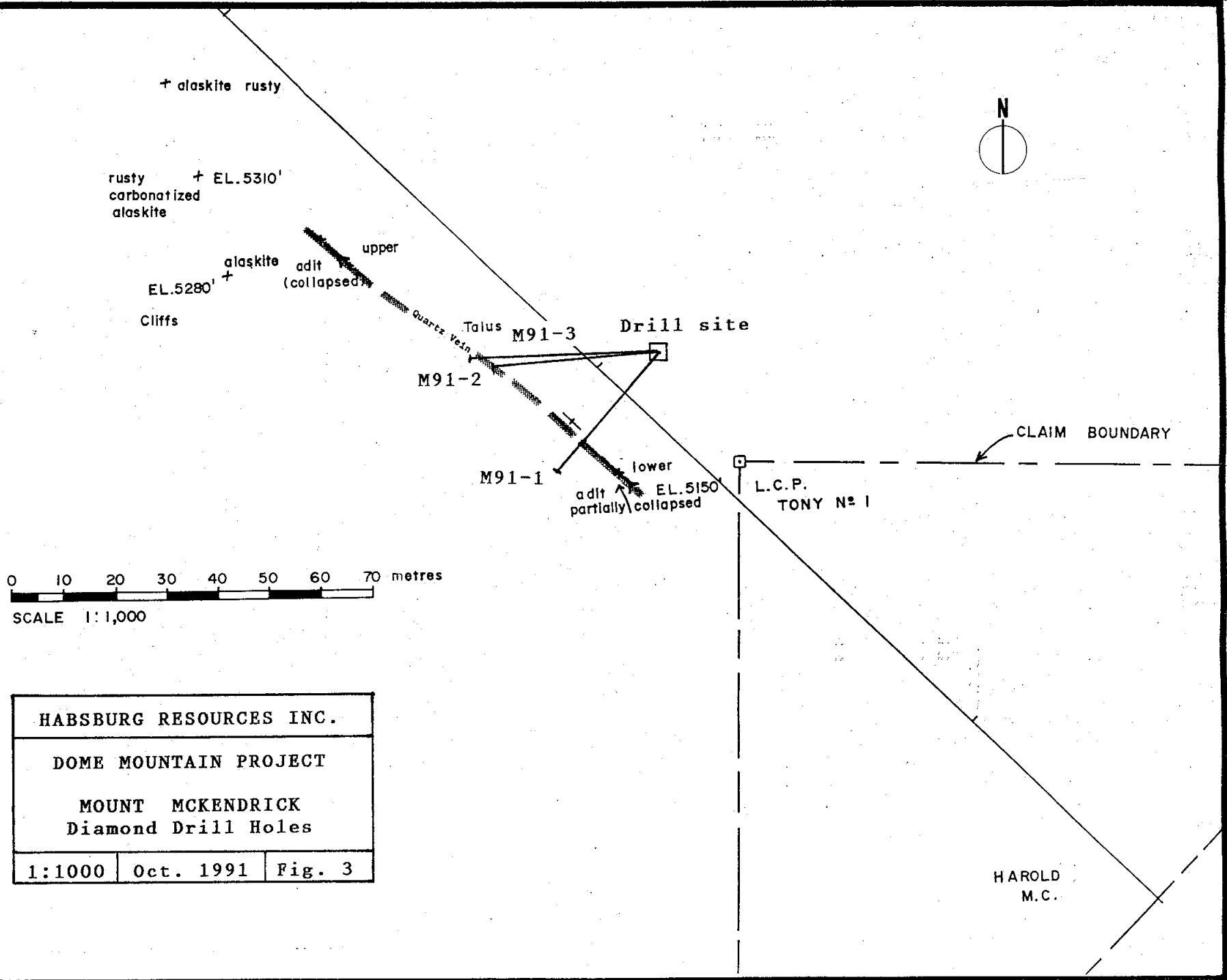
On Mt. McKendrick, greenish to greyish andesitic rocks have been intruded by an extensive (greater than 2 km wide) northeasterly trending(?) swarm of alaskite dykes. Within this complex a northwesterly-striking white quartz vein, containing locally drusy veinlets of clear quartz, cuts both alaskite and andesite, and in places carries pyrite, arsenopyrite, galena, sphalerite, tetrahedrite and chalcopyrite as disseminations and irregular fracture fillings. Minor chlorite and small amounts of green mica are also present in the vein, and an envelope of carbonate alteration surrounds the best exposed mineralization. The vein, up to 1.5 m wide where explored, is discontinuously exposed for 500 m on the Harold and Emily claims, dips steeply to the northeast, and is open along strike to the southeast. Both alaskite and andesite show evidence of general shearing and local faulting, including widespread slickensides.

CONCLUSIONS

A quartz vein associated with an alaskite dyke swarm in Lower Jurassic andesitic rocks on Mt. McKendrick was tested by three diamond drill holes. Analyses of the drill core yielded anomalous amounts of arsenic, silver, gold, copper, lead, zinc and other metals. The prospect has economic potential and exploration work should continue.

REFERENCES

- Holland, R., 1986, Reconnaissance geochemical report on the McKendrick Group: Report for Canadian United Minerals Ltd, 23 p.
- Lay, D., 1935, Pioneer: Annual Report of the Minister of Mines, B.C., 1934, p. C11-C12.
- Leach, W.W., 1911, Skeena River District: Summary Report, Geological Survey Branch, Dept. of Mines, Canada, 1910, p. 97.
- McConnell, T.J., 1987, DIGHEM III survey for Total Erickson Resources Ltd, Dome Mountain Project, British Columbia: Report for Total Erickson Resources Ltd, 58 p.
- Myers, D.E., and Bradish, L., 1985, Geology, geochemistry, and geophysics of the Mount McKendrick property: Report for Noranda Exploration Co., Ltd, and Assessment Report 13525.
- Robertson, W.F., 1912, Ste. Anne and St. Eugene mineral claims: Annual Report of the Minister of Mines, B.C., 1911, p. K109-K110.



| | | |
|---|-----------|--------|
| HABSBERG RESOURCES INC. | | |
| DOME MOUNTAIN PROJECT | | |
| MOUNT MCKENDRICK Diamond Drill Holes | | |
| 1:1000 | Oct. 1991 | Fig. 3 |

Tipper, H.W., 1976, Smithers map area, British Columbia: Geol. Survey of Canada, O.F. 351 (geological map).

Tipper, H.W., and Richards, T.A., 1976, Jurassic stratigraphy and history of north-central British Columbia: Geol. Survey of Canada, Bull. 270, 73 p.

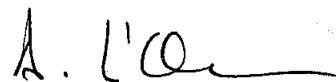
STATEMENT OF COSTS

| | |
|---|-------------|
| DIAMOND DRILLING: 140.82 m (all included).... | \$16,297.17 |
| GEOLOGIST: A. L'Orsa, supervision and report... | 2,086.50 |
| | <hr/> |
| | \$18,383.67 |

STATEMENT OF QUALIFICATIONS

I, Anthony T. L'Orsa of Smithers, British Columbia, hereby certify that:

1. I am a geologist with business address at Adams Road, R.R. 2, Smithers, B.C., VOJ 2N0.
2. I am a graduate of Tulane University, New Orleans, Louisiana, U.S.A., with the degrees of B. Sc. (1961) and M. Sc. (1964) in geology.
3. I have practised my profession in mineral exploration since 1962 in western Canada, Australia and Mexico.
4. I am a fellow in good standing of the Geological Association of Canada, and a member of the Society for Geology Applied to Mineral Deposits.



Anthony L'Orsa

APPENDIX 1

Diamond Drill Logs

DIAMOND DRILL RECORD

NAME OF PROPERTY MCKENDRICK
 HOLE NO. M91-1 LENGTH 43.59 M (143')
 LOCATION 2^{1/2} N. of lower adit
 LATITUDE _____ DEPARTURE _____
 ELEVATION 1576 M AZIMUTH 220° DIP -45°
 STARTED 8 Aug. 1991 FINISHED 9 August 1991

| METRES | DIP | AZIMUTH | METRES | DIP | AZIMUTH |
|--------|-----|---------|--------|-----|---------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

HOLE NO. M91-1 SHEET NO. 1/3

REMARKS _____

LOGGED BY A. L'ORSA

| METRES | | DESCRIPTION | SAMPLE | | | | ASSAYS | | | |
|--------|-------|--|--------|-------------|--------|----|--------|---|--------|--------|
| FROM | TO | | NO. | % SULPHIDES | METRES | | % | % | OZ/TON | OZ/TON |
| | | | | | FROM | TO | | | | |
| 0 | 3.05 | CASING. Pulled. | | | | | | | | |
| 305 | 30.10 | ALASKITE. Very light grey to med. light grey. NOTE: Colors are based upon GSA Rock-Color chart. Coarse-grained (2-3 mm) to fine-grained quartz-feldspar rock with minor chlorite & sericite. #4495 Whole rock analysis in appendix: Sample exhibits some alteration, including a few carbonate veinlets & minor disc. pyrite. Whole rock sample collected at 5.79 m. VEINS. Few white quartz veins @ 90° to sub-parallel to core axis; largest ± 10 cm dia. @ 60° to c.a., carries mi. dia. py pyritohedra, at 18 m. Few drusy quartz veins (e.g. 14m quartz xls) with minor CaCO ₃ & Fe carb., sub-parallel to c.a. Few carb. veinlets + no SiO ₂ ? Late (cut quartz) carb. veinlets form local mini stockworks. | 41 | | | | | | | |

DIAMOND DRILL RECORD

NAME OF PROPERTY McKendrick
 HOLE NO. M91-1 SHEET NO. 2/3

| METRES | | DESCRIPTION | SAMPLE | | | ASSAYS | | | | | |
|--------|-------|---|--------|-----------------|--------|--------|-------|---|---|---------|---------|
| FROM | TO | | NO. | % SULPH IDES | METRES | | | % | % | OZ./TON | OZ. TON |
| | | | | | FROM | TO | TOTAL | | | | |
| 30.05 | 30.10 | ALASKITE (cont.). Red hematite coarsely diss. approx. 21.65-23.45m. Pyrite occurs in small amounts locally, as: Diss. pyritohedra - e.g. ≤ 0.5 mm. Diss. clusters of very fine-grained PY. Fractures with vfg py & chlorite. Very local of weak vfg py frac. fillings. Local slickensides. | | | | | | | | As | As |
| 30.10 | 31.30 | QUARTZ VEINS, white, cut by numerous veinlets of clear quartz, drusy in places. Veinlets gen. < 1 mm dia. & typically 0.2 mm dia. Locally also carry CaCO ₃ . Veinlets form fine stockwork locally - "microstockwork". Top contact @ 90° to core axis - i.e. 90° dip. Minor arsenopyrite at both contacts. Very mi. diss. py. Local mi. rust. #4494 - quartz + very mi. diss. pyrite | 4494 | 21 | 30.05 | 31.05 | 1 | | | 0.017 | 0.01 |
| 31.30 | 34.90 | ALASKITE: light grey. Locally rusty. Diss. SiO ₂ . Mi. chlorite & sericite. Local streaks of red hematite. Mi. fractures containing diss. py as tiny (e.g. 0.2mm) pyritohedra. | | 21 | | | | | | | |
| 34.90 | 35.40 | ANDESITE. Altered. Pale yellowish brown. contacts: Top @ 15° to core axis Base @ 40° — — — di chlorite + CaCO ₃ veinlets. Mi. grey CaCO ₃ vein. mi. diss. py in fine-grained clusters of tiny xls. | | 2 | | | | | | | |

DIAMOND DRILL RECORD

NAME OF PROPERTY H. Kendrick
 HOLE NO. M91-1 SHEET NO. 3/3

| METRES | | DESCRIPTION | SAMPLE | | | ASSAYS | | | | |
|--------|-------------------|---|--------|-------------|--------|--------|---|---|---------|---------|
| FROM | TO | | NO. | % SULPHIDES | METRES | | % | % | OZ./TON | OZ./TON |
| | | | | | FROM | TO | | | | |
| 35.40 | 35.65 | ALASKITE. Medium light grey. Minor diss. pyrite & red hematite. | | < 1 | | | | | | |
| 35.65 | 36.0 | ANDESITE. Altend. Pale yellowish brown. Pyrite in diss. clusters of tiny crystals. | | 2 | | | | | | |
| 36.0 | 37.35 | ALASKITE. Light grey. Very fine. diss. py. | | < 1 | | | | | | |
| 37.35 | 37.45 ? broken | ANDESITE. Greyish olive green. Carbonatized. Minor CaCO ₃ fracture fillings. | | < 1 | | | | | | |
| 37.45 | 43.59 EOH | ALASKITE. Med. to light grey. Di. chlorite & sericite (especially on slickensides). Thin banding subparallel to core axis from ± 40.50 m to EOH. Di. red hematite. Di. CaCO ₃ fracture filling. | | < 1 | | | | | | |

DIAMOND DRILL RECORD

NAME OF PROPERTY MCKendrick
 HOLE NO. M91-2 LENGTH 46.02 m (151 ft)
 LOCATION ± 22 m N. of lower adit.
 LATITUDE _____ DEPARTURE _____
 ELEVATION 1576 m AZIMUTH 265° DIP -45°
 STARTED 9 Aug. 1991 FINISHED 9 Aug. 1991

| METRES | DIP | AZIMUTH | METRES | DIP | AZIMUTH |
|--------|-----|---------|--------|-----|---------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

HOLE NO. M91-2 SHEET NO. 1/3
 REMARKS _____

LOGGED BY A. LORSA

| METRES | | DESCRIPTION | SAMPLE | | | | ASSAYS | | | |
|--------|-------|--|--------|-------------|--------|----|--------|---|--------|--------|
| FROM | TO | | NO. | % SULPHIDES | METRES | | % | % | OZ/TON | OZ/TON |
| | | | | | FROM | TO | | | | |
| 0 | 2.13 | CASING. Pulled. slickensides common throughout. | | | | | | | | |
| 2.13 | 9.50 | ALASKITE. Medium light to very light grey. Diss. clear SiO ₂ - chlorite & carb. veinlets present. Few white SiO ₂ veins ± 1 cm @ ± 45°-90° to C.A. Minor diss. pyrite & chalcopyrite (?). Rust common. | 41 | | | | | | | |
| 9.50 | 10.60 | ANDESITE. Light olive grey to dusky yellow green. Sheared contacts: Top @ 15° to C.A. Rusty Base @ 30° — " " Mi. py in grey carb. veinlets, & as fracture-controlled diss. | 41 | | | | | | | |
| 10.60 | 18.16 | ALASKITE. Med. to very light grey. Coarse to f.g. Few chlorite veinlets. Chlorite on slickensides. Mi. sericite. Local rusty fractures with dendritic Fe oxides. Mi. diss. py. Local ± 1mm dia SiO ₂ - chlorite veinlets. Few white CaCO ₃ veins ± 1cm @ 45°-0° to C.A. Local banding @ 60° to core Axis. | 41 | | | | | | | |

DIAMOND DRILL RECORD

NAME OF PROPERTY MCKendrick
 HOLE NO. 491-2 SHEET NO. 2/3

| METRES | | DESCRIPTION | SAMPLE | | | ASSAYS | | | | |
|--------|-------|---|--------|-------------|--------|--------|---|---|--------|--------|
| FROM | TO | | NO. | % SULPHIDES | METRES | | % | % | OZ/TON | OZ/TON |
| | | | | | FROM | TO | | | | |
| 18.16 | 19.29 | ANDESITE. Med. grey to light olive grey. Carbonatized. Pyrite diss. as pyrohedron & as clusters of crystals. Arsenopyrite xls - e.g. 6um long. Very locally - 10% sulphide. White CaCO ₃ + py veinlets (± 1cm dia) at 90°-45° to core axis cut grey CaCO ₃ veinlets with mi. py, subparallel to c.d. Few SiO ₂ -chlorite veinlets. Lower contact @ 20° to core axis. | ≤ 1 | | | | | | | |
| 19.29 | 26.25 | ALASKITE. Light grey. Local, diffuse, red hematite. Diss. SiO ₂ + 10%. Local slickensides. Mi. CaCO ₃ veinlets. Mi. py as fracture-controlled diss. | < 1 | | | | | | | |
| 26.25 | 26.36 | ANDESITE. Light olive grey. Carb. veinlets. Mi. diss. py & arsenopy. lower contact @ 30° CA. | < 1 | | | | | | | |
| 26.36 | 36.70 | ALASKITE. Light grey. Mi. SiO ₂ -chl. veinlets. Few white SiO ₂ veins ± 1cm @ 30-60° to c.d. Very mi. free-controlled CaCO ₃ & diss. py. Fault 33.0-33.34 ± with local shearing, sericite. SiO ₂ , mi. chlorite & carb. & diss. py-arsenop. | < 1 | | | | | | | |

DIAMOND DRILL RECORD

NAME OF PROPERTY McKendrick

HOLE NO. M91-2

SHEET NO. 3/3

| METRES | | DESCRIPTION | SAMPLE | | | ASSAYS | | | | | |
|--------|-------|---|--------|-------------|--------|--------|------|---|--------|--------|-------|
| FROM | TO | | NO. | % SULPHIDES | METRES | | % | % | OZ/TON | OZ/TON | |
| | | | | | FROM | TO | | | | | TOTAL |
| 36.70 | 36.73 | ANDESITE, yellowish to light olive grey, carbonatized, <i>Di.</i> , <i>py</i> & arsenopy. xls 45°-60° to core axis, | | 5 | | | | | | Au | Ag |
| 36.73 | 39.0 | ALASKITE, light grey, <i>Mi.</i> chlorite, local slickensides & badly broken core, white SiO ₂ vein = 37.40-37.75, cut by drusy clear SiO ₂ veinlets. <i>Py</i> & arsenopy < 1% | | 41 | | | | | | | |
| 39.0 | 42.50 | QUARTZ VEIN. White. Core tube did not lock. Only ± 42 cm of core recovered! ? #4493 character. sample of strongest mineralization recovered, white to clear SiO ₂ with very fine grained galena, tetrahed, chloropy. & <i>py</i> , <i>Mi.</i> green mica in frac. | 4493 | 10% | ? | ? | 0.16 | | | 0.033 | 0.89 |
| 42.50 | 44.10 | ALASKITE, light grey. Numerous white SiO ₂ veins ± 2 cm @ 45° to subparallel to core axis. Lower contact at ± 35° to c.a., & sheared. | | 41 | | | | | | | |
| 44.10 | 46.03 | ANDESITE, dusky green; top 15 cm light olive grey silicified & carbonatized, <i>Mi.</i> chlorite, <i>Mi.</i> epidote, <i>Mi.</i> <i>py.</i> cubic, in frac. cont. <i>Di.</i> , many CaCO ₃ veinlets sub-parallel to 45° to c.a. weakly magnetic. <i>Mi.</i> reddish brown garnet?? | | | | | | | | | |

DIAMOND DRILL RECORD

NAME OF PROPERTY MCKENDRICK
 HOLE NO. M91-3 LENGTH 51.21 m (168 ft)
 LOCATION ± 22 m N. of Lower adit
 LATITUDE _____ DEPARTURE _____
 ELEVATION 1576 m AZIMUTH 268° ± DIP -45°
 STARTED 10 Aug. 1991 FINISHED 10 August 1991

| METRES | DIP | AZIMUTH | METRES | DIP | AZIMUTH |
|--------|-----|---------|--------|-----|---------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

HOLE NO. M91-3 SHEET NO. 1/4

REMARKS _____

LOGGED BY A. LORSA

| METRES | | DESCRIPTION | SAMPLE | | | ASSAYS | | | | | |
|--------|-------|---|--------|-------------|--------|--------|-------|---|--------|--------|--|
| FROM | TO | | NO. | % SULPHIDES | METRES | | % | % | OZ/TON | OZ/TON | |
| | | | | | FROM | TO | TOTAL | | | | |
| 0 | 2.13 | CASING. Pulled. | | | | | | | | | |
| 2.13 | 9.25 | ALASKITE. Very light grey. Local rust with dendritic Fe oxides, Coarse-grained, local slickensides. Mi chlorite diss. & in veinlets with CaCO ₃ . Fe carb. veinlets ± 5mm dia. irregularly distributed, especially numerous at lower contact. Few white SiO ₂ veins with subsidiary carb. ± 1.5cm @ 30°-60° to core axis. Mi. sericite. Minor diss. py., including very fine-grained. | 21 | | | | | | | | |
| 9.25 | 10.29 | ANDESITE (?) Pale yellowish brown, carbonatized. Mi. sericite. Carb. veinlets ± 2cm subparallel to C.A. carry min. py. Mi. diss. py. contacts: ± 30° to C.A. | 21 | | | | | | | | |
| 10.29 | 17.81 | ALASKITE, light grey. Few small andesite (?) veinlets near top contact. Mi. chlorite & sericite. loc. slickens. Mi. diss. CaCO ₃ . Locally fine-grained with banding marked by shades of grey @ 60° to C.A. | | | | | | | | | |

DIAMOND DRILL RECORD

NAME OF PROPERTY MCKendrick

HOLE NO. M41-3

SHEET NO. 2/4

| METRES | | DESCRIPTION | SAMPLE | | | ASSAYS | | | | |
|--------|-------|---|--------|-------------|--------|--------|---|---|--------|--------|
| FROM | TO | | NO. | % SULPHIDES | METRES | | % | % | OZ/TON | OZ/TON |
| | | | | | FROM | TO | | | | |
| 17.81 | 18.57 | ANDESITE. Pale yellowish brown. Orbicular diss. of very fine-grained py ± 5 mm dia, & diss. pyritohedra. Veinlets of grey carb. plus mi. diss. py sub-parallel to C.A., cut by carb-grey SiO_2 veinlets @ $\pm 90^\circ$ to C.A. Lower contact @ 15° to core axis. | | < 1 | | | | | | |
| 18.57 | 26.43 | ALASKITE. Light grey. Hi. chlorite & sericite, locally conspicuous shear SiO_2 diss., gen. ≤ 2 mm. Very min. diss. $CaCO_3$. " " " py, incl. clusters vfg py. | | 21 | | | | | | |
| 26.43 | 26.75 | ANDESITE. Dusky green to mod. yellowish brown. Top contact sheared, chloritic, @ 25° to C.A. Hi. pyrite. | | 21 | | | | | | |
| 26.75 | 36.58 | ALASKITE. Very light to light grey. Very minor chlorite & sericite. Few white SiO_2 veins at $60^\circ-90^\circ$ to core axis - < 1 cm dia. Local weakly diss. py, at least some of which is fracture-controlled. | | 21 | | | | | | |
| 36.58 | 36.85 | ANDESITE. Moderately yellowish brown. Diss. py & arsenopy. xls, & py veinlets. Contacts at $\pm 20^\circ$ to core axis. | | 5 | | | | | | |

DIAMOND DRILL RECORD

NAME OF PROPERTY MCKendrick
 HOLE NO. M91-3 SHEET NO. 3/4

| METRES | | DESCRIPTION | SAMPLE | | | ASSAYS | | | | | |
|--------|-------|--|--------|-----------------|--------|--------|-------|---|---|--------|--------|
| FROM | TO | | NO. | % SULPH IDES | METRES | | | % | % | OZ/TON | OZ/TON |
| | | | | | FROM | TO | TOTAL | | | | |
| 36.85 | 39.92 | ALASKITE. Light grey. Local chlorite-sericite veinlets. White SiO ₂ veinlets at 45°-90° to core axis; frequency \leq 7 veinlets in 10 cm near lower contact. Mi. dis. py., especially associated with few small SiO ₂ veinlets plus mi. calc. Local dis. red hematite. | | 21 | | | | | | AW | Ag |
| 39.92 | 40.20 | ANDESITE. Med. light grey. Sheared; mi. fault gouge, at 35° to C.A. - bottom. Fe carb. Mi. CaCO ₃ . #4484 Sheared, carbonatized + dis. py & arsenopyrite 2mm. only 7 cm of core recovered. | | 7 | | | | | | | |
| | | | | | ? | ? | 0.07 | | | 0.107 | 0.25 |
| 40.20 | 43.41 | QUARTZ VEIN. White. cut by few thin (e.g. 0.5mm) drusy, clear quartz veinlets. Mi. CaCO ₃ , dis. & irregular frac. fillings of tetrahedrite, galena, sphalerite, pyrite (cubic & pyhedral) arsenopy. (esp. NE. side), & mi. chalcopy. Local chlorite. Minor amounts of green mica. SW contact at 45° to core axis. #4485. Few drusy clear SiO ₂ veinlets. Py, dis, cubic. PbS. Asp, Micp. #4486. Samples at 41.10 to R. King & P. Ogrzybo. #4487. white to grey SiO ₂ . Asp xls gen. \leq 1mm long. Py = cubic. ZnS dark mod, brown. #4488. Dark ZnS. White to grey SiO ₂ . Mi. chlorite | | | | | | | | | |
| | | | | 3 | 40.20 | 40.70 | 0.5 | | | 0.301 | 0.79 |
| | | | | 10 | 40.70 | 41.20 | 0.5 | | | 0.414 | 2.30 |
| | | | | 10 | 41.20 | 41.70 | 0.5 | | | 0.650 | 0.65 |
| | | | | 5 | 41.70 | 42.20 | 0.5 | | | 0.199 | 0.90 |

DIAMOND DRILL RECORD

 NAME OF PROPERTY MCKendrick

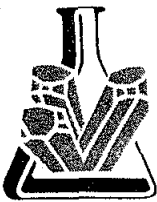
 HOLE NO. M91-3

 SHEET NO. 4/4

| METRES | | DESCRIPTION | SAMPLE | | | ASSAYS | | | | | |
|--------|-------|--|--------|-------------|--------|--------|------|---|---------|---------|-------|
| FROM | TO | | NO. | % SULPHIDES | METRES | | % | % | OZ./TON | OZ./TON | |
| | | | | | FROM | TO | | | | | TOTAL |
| 40.20 | 43.41 | QUARTZ VEIN (cont.) #4489 Mi. drusy SiO ₂ , Mi. CaCO ₃ , ZnS dusky brown. Arsenopy - chlorite veinlets. Py in pyritohedra. #4490. Drusy SiO ₂ veinlets gen. \leq 1 mm dia, Minor Py, cpx, specularite, sericite, chlorite. Some alabaster. #4491. chlorite - green mica frac. fillings, Hi py. | 4489 | 3 | 42.20 | 42.70 | 0.5 | | | Au | Ag |
| | | | 4490 | 1 | 42.70 | 43.20 | 0.5 | | | 0.133 | 0.74 |
| | | | 4491 | <1 | 43.20 | 43.70 | 0.5 | | | 0.025 | 0.32 |
| 43.41 | 45.17 | QUARTZ V. (WHIT) AND ALT. ALASKITE (?). Med. light grey | <1 | | | | | | | | |
| 45.17 | 45.25 | QUARTZ VEIN. White, carbonized at contacts. Py & arsenopy. NE contact 40°. SW cont. 70° to CA. | 4492 | 5 | 45.17 | 45.25 | 0.08 | | | 0.006 | 0.07 |
| 45.25 | 45.60 | ANDESITE. Blackish green. Local carbonatization at both contacts. Generally sheared. Py & arsenopy. Grey CaCO ₃ veinlets \leq 1.5 cm with mi. py. diss. | | 1 | | | | | | 0.034 | 0.04 |
| 45.60 | 51.21 | ALASKITE. Med. to light grey. Hi. diss. clusters of sericite, Hi. chlorite. Small amounts of CaCO ₃ in frac. fill. chlorite - CaCO ₃ - py veinlets. Hi. diss. py. Hi. spec. veinlets. Hi. cp in lensy (52mm) grey CaCO ₃ veinlet at BOH. Includes two dioritic dykes: 48.0 - 48.20. Med. grey to light olive grey. slightly mag. chloritized hornblende (1-2mm), Sericite, 50°-60° to C.A. 49.18 - 49.32. Med. grey. Fresh 1-2mm hornblende. slightly magnetic. 25° to core axis. | | <1 | | | | | | | |
| | EOH | | | | | | | | | | |

APPENDIX 2

Analyses



**MINERAL
• ENVIRONMENTS
LABORATORIES**
(DIVISION OF ASSAYERS CORP.)

SPECIALISTS IN MINERAL ENVIRONMENTS
CHEMISTS • ASSAYERS • ANALYSTS • GEOCHEMISTS

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SMITHERS LAB.:
3176 TATLOW ROAD
SMITHERS, B.C. CANADA V0J 2N0
TELEPHONE (604) 847-3004
FAX (604) 847-3005

Assay Certificate

1S-0466-RA1

Company: **HABSBURG RESOURCES INC.**
Project: **DDME MCKI**
Attn: **STAFF KELLEY/A.L'ORSA**

Date: **AUG-21-91**
Copy 1. **HABSBURG RESOURCES INC, OAKVILLE, ONT.**
2. **A.L'ORSA, SMITHERS, B.C.**
3. **HABSBURG RES. C/O MIN-EN LABS.**

We hereby certify the following Assay of 9 CORE samples
submitted AUG-16-91 by A. L'ORSA.

| Sample Number | *AU-FIRE g/tonne | *AU-FIRE oz/ton | AG g/tonne | AG oz/ton |
|---------------|---------------------|--------------------|---------------|--------------|
| 4484 | 3.68 | .107 | 8.6 | .25 |
| 4485 | 10.32 | .301 | 27.0 | .79 |
| 4486 | 14.21 | .414 | 78.8 | 2.30 |
| 4487 | 22.27 | .650 | 22.3 | .65 |
| 4488 | 6.83 | .199 | 30.8 | .90 |
| 4489 | 4.56 | .133 | 25.5 | .74 |
| 4490 | .86 | .025 | 10.9 | .32 |
| 4491 | .20 | .006 | 2.5 | .07 |
| 4492 | 1.17 | .034 | 1.3 | .04 |
| 4493 | 1.12 | .033 | 30.6 | .89 |
| 4494 | .59 | .017 | .4 | .01 |

*AU - 1 ASSAY TON.

Certified by

MIN-EN LABORATORIES

