

LOG NO:	711131	RD.
ACTION:	<i>1000 ft diamond</i>	
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ASSESSMENT REPORT

on

DIAMOND DRILLING

PAUL AND MIKE CLAIMS

LEWIS CREEK AREA, WASA, B.C.

NTS 82 G/12 AND G/13

FORT STEELE MINING DIVISION

Latitude 49° 46' N Longitude 115° 41' W

for

DIA MET MINERALS LTD.

KELOWNA, B.C.

by

PETER KLEWCHUK

Geologist

March 25, 1992

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

22,258

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APPENDIX 1. Drill Logs

1.00 INTRODUCTION

1.10 Location and Access

The Paul - Mike claim group is located 23 kilometers northeast of Kimberley, B.C., on the eastern margin of the Rocky Mountain Trench. The property is centered approximately at Latitude $49^{\circ} 46'$ N and Longitude $115^{\circ} 41'W$ on NTS map sheets 82 G/12 and G/13 (Figs. 1 and 2).

Access to the claims is provided by Highway 93/95, the Lazy Lake road and numerous logging roads and bush tracks.

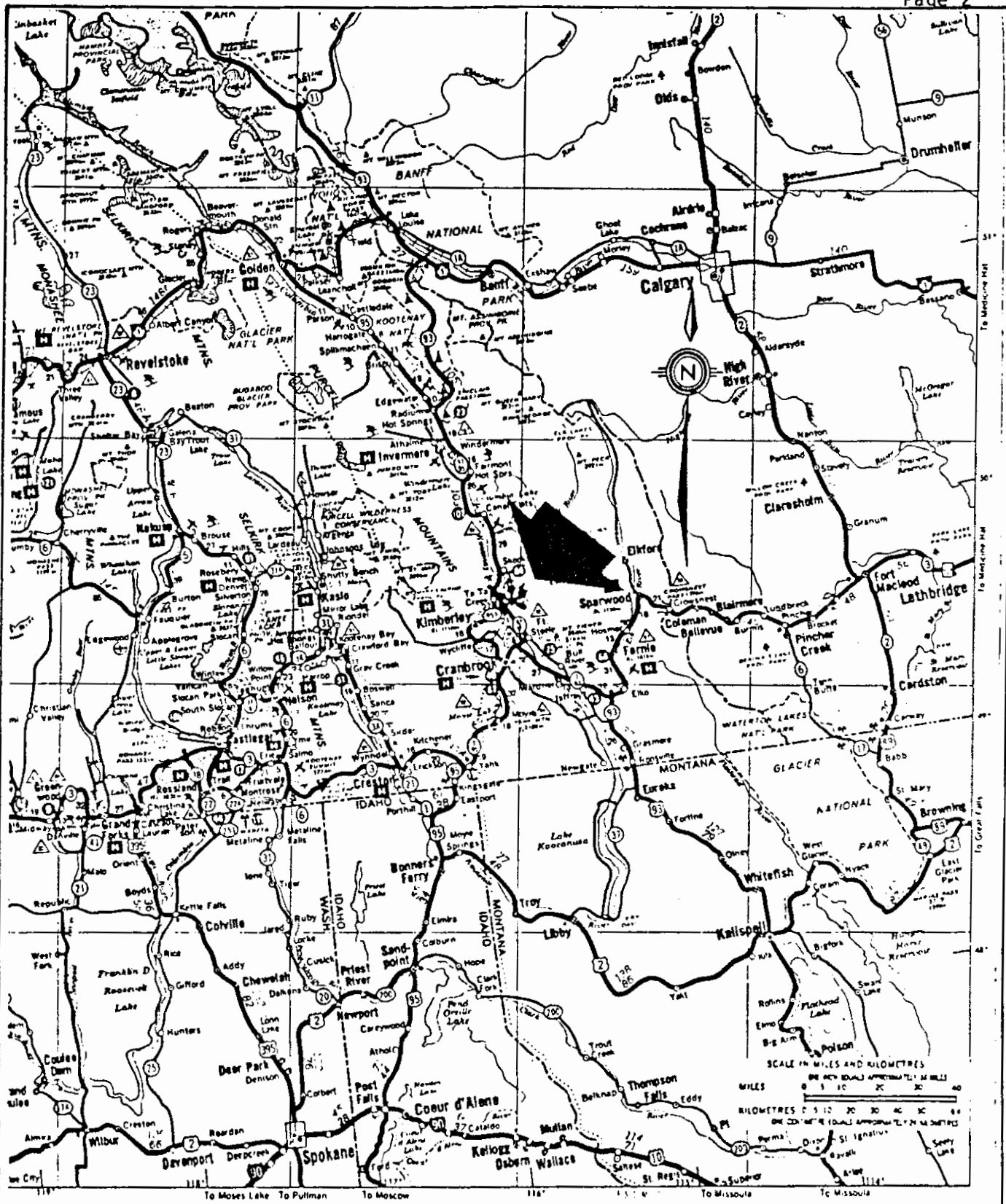
1.20 Physiography

The Paul - Mike claim group is situated in the Rocky Mountain Trench, at the foot of the west-facing slope of the Hughes Range. The property is immediately east and south of Wasa Lake. Topography is moderate to steep with elevations ranging from 800 to 1100 meters. Most of the claim block is covered by forests of fir, larch and pine. Small parts of the claim block are open grasslands and hayfields.

1.30 Property

The Paul - Mike claim group consists of 66 claim units in 5 claims and one fractional claim (Fig. 2). The claims are wholly owned by Dia Met Minerals Ltd. of Kelowna, B.C.

CLAIM	RECORD NO.	TITLE NO.	UNITS	DATE OF RECORD	DATE DUE
Paul 1	1349	209863	18	Feb. 17, 1981	1996
Paul 2	1350	209864	18	Feb. 17, 1981	1996
Paul 3	1351	209865	18	Feb. 17, 1981	1996
Mike 3	1648	209914	3	Aug. 9, 1982	1996
Mike 4	1649	209915	6	Aug. 9, 1982	1996
Mike 7	2222	210056	2	Aug. 22, 1984	1996
Mikey No.1 Fr					
	1772	209946	1	April 26, 1983	1996



**DIA MET MINERALS LTD
INDEX MAP
PAUL AND MIKE CLAIMS**

FIGURE 1

82G/12E & 82G/13E

49° 46' N 115° 41.5' W

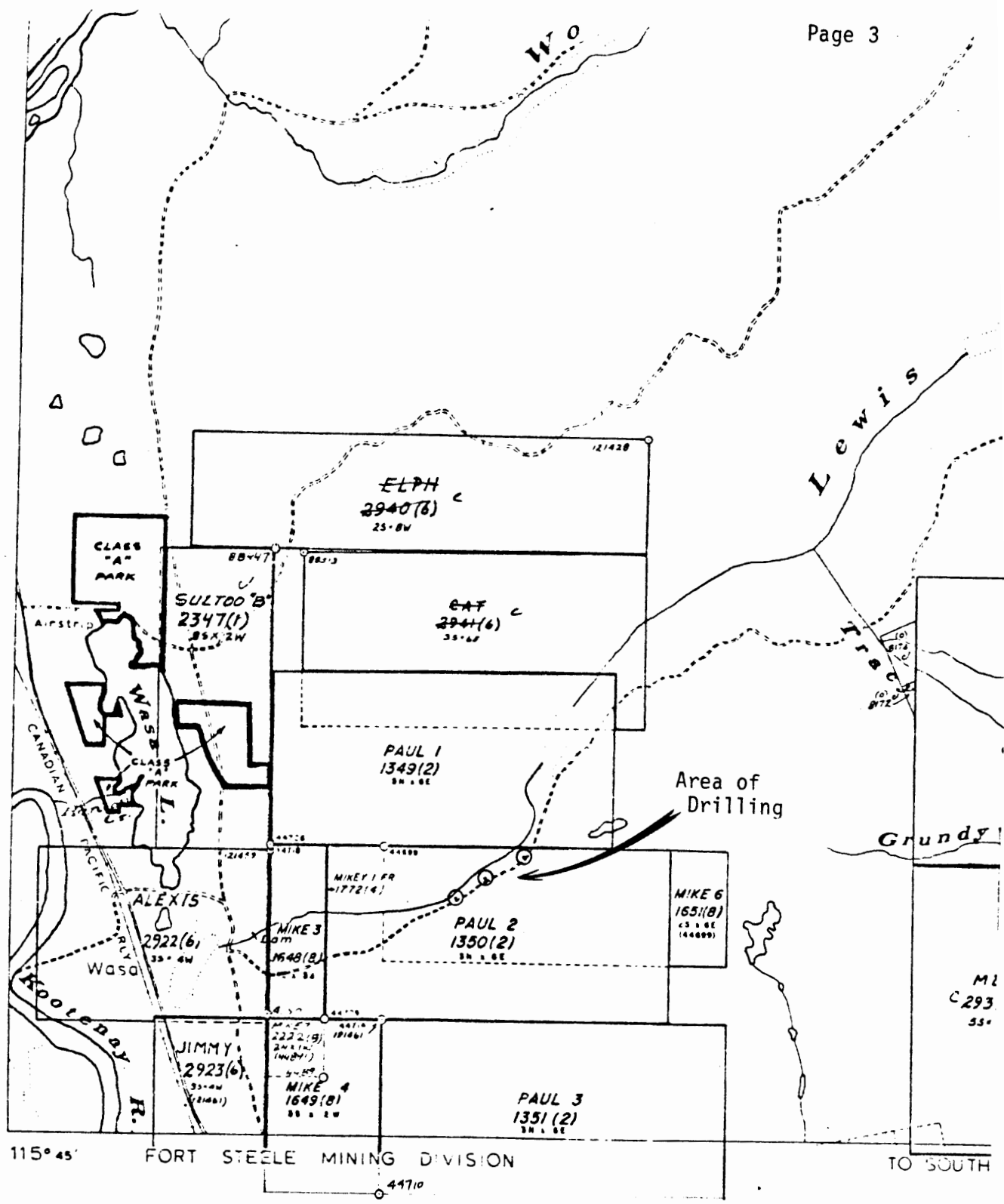
GOWER, THOMPSON & ASSOCIATES
Drawn J. F. B.

K. E. NORTHCOTE AND ASSOCIATES LTD
April 30 1983

2

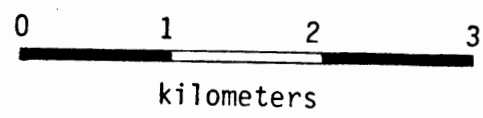
1

49° 45'



For up-to-date information

DEPARTMENT OF MINES



Scale 1: 50,000

Figure 2. Paul - Mike Claim Group Showing Location of Drilling

1.40 History of Previous Exploration

There is no recorded work in the area of the Paul - Mike claim group prior to the staking of these claims beginning in 1981.

Staking of the claims was based on a geological model which postulated that Sullivan style lead-zinc-silver mineralization could exist at depth in the area. The Sullivan orebody at Kimberley is a world class deposit originally containing about 160 million tons of lead-zinc-silver ore. The presence of the Kootenay King and Estella lead-zinc-silver mines a short distance southeast of the claims supported the hypothesis of base metal mineralization on the Paul - Mike claim group.

In 1982 an airborne electromagnetic survey was completed over the claim block and a resistivity anomaly was detected on the eastern edge of the claims. A weak electromagnetic conductor was identified in the southeast part of the claims.

In 1985 Induced Polarization surveys were conducted over the claims and two anomalous areas were delineated that coincided with soil geochemical anomalies for lead, zinc and copper. Bearcat Exploration Ltd. of Calgary, Alberta optioned the property from Dia Met Minerals Ltd. and drilled three rotary holes totalling 546 meters. Heavy mineral concentrates prepared from some of the samples (taken over 10 foot / 3 meter intervals) returned high lead and silver values as well as local high zinc values.

In 1987 and 1988 Dia Met Minerals Ltd. drilled three deep holes through overburden to reach bedrock in preparation for diamond core drilling. Two of these holes were successfully cased to bedrock while a third was drilled to bedrock but subsequently lost due to technical problems. During this phase of the work on the property, one of the earlier rotary holes was deepened but technical difficulties prevented getting to bedrock.

1.50 Purpose of Work

In late 1991, Dia Met Minerals Ltd. re-entered the two holes which were previously cased to bedrock, and successfully cored bedrock from both holes. This work was done to identify the bedrock lithologies and see if any evidence of economic mineralization was present.

2.00 GEOLOGY

2.10 Regional Geology

Recent work by Leech (1960), Hoy (1979, 1984) and McMechan (1981) has provided a good understanding of the geology in the region of the Paul - Mike claims.

The area is underlain by clastic rocks of the Helikian age Purcell Supergroup which includes the following units:

Formation	Description
Creston	Green and purple argillite and siltstone, white and green quartzite; minor dark argillite
Aldridge	
Upper	Dark gray finely laminated argillite; minor siltstone
Middle	Siltstone and impure quartzite; interlayered with dark laminated argillite
Lower	Finely laminated argillite, siltstone; minor dolomitic siltstone and quartzite
Fort Steele	White cross-bedded quartzite, mud-cracked siltstone, argillite.

Descriptions from Hoy (1979) with minor modifications.

The Fort Steele Formation is stratigraphically equivalent to the Lower and lower Middle Aldridge Formation and the Aldridge Formation is transitionally overlain by the Creston Formation. A diagrammatic cross section from the Sullivan deposit across the Rocky Mountain Trench to the Paul - Mike claims area is provided as Figure 3.

Voluminous intrusions of diorite and gabbro composition sills and dikes occur within this stratigraphy, concentrated in the Lower Aldridge Formation and diminishing upward.

All the known lead-zinc-silver deposits in the region are hosted by the Aldridge Formation. The large Sullivan deposit occurs at the transition from Lower to Middle Aldridge, and, although stratiform deposits are known from other stratigraphy in the Aldridge, this 'Lower - Middle Aldridge contact' remains the favoured stratigraphy for exploration.

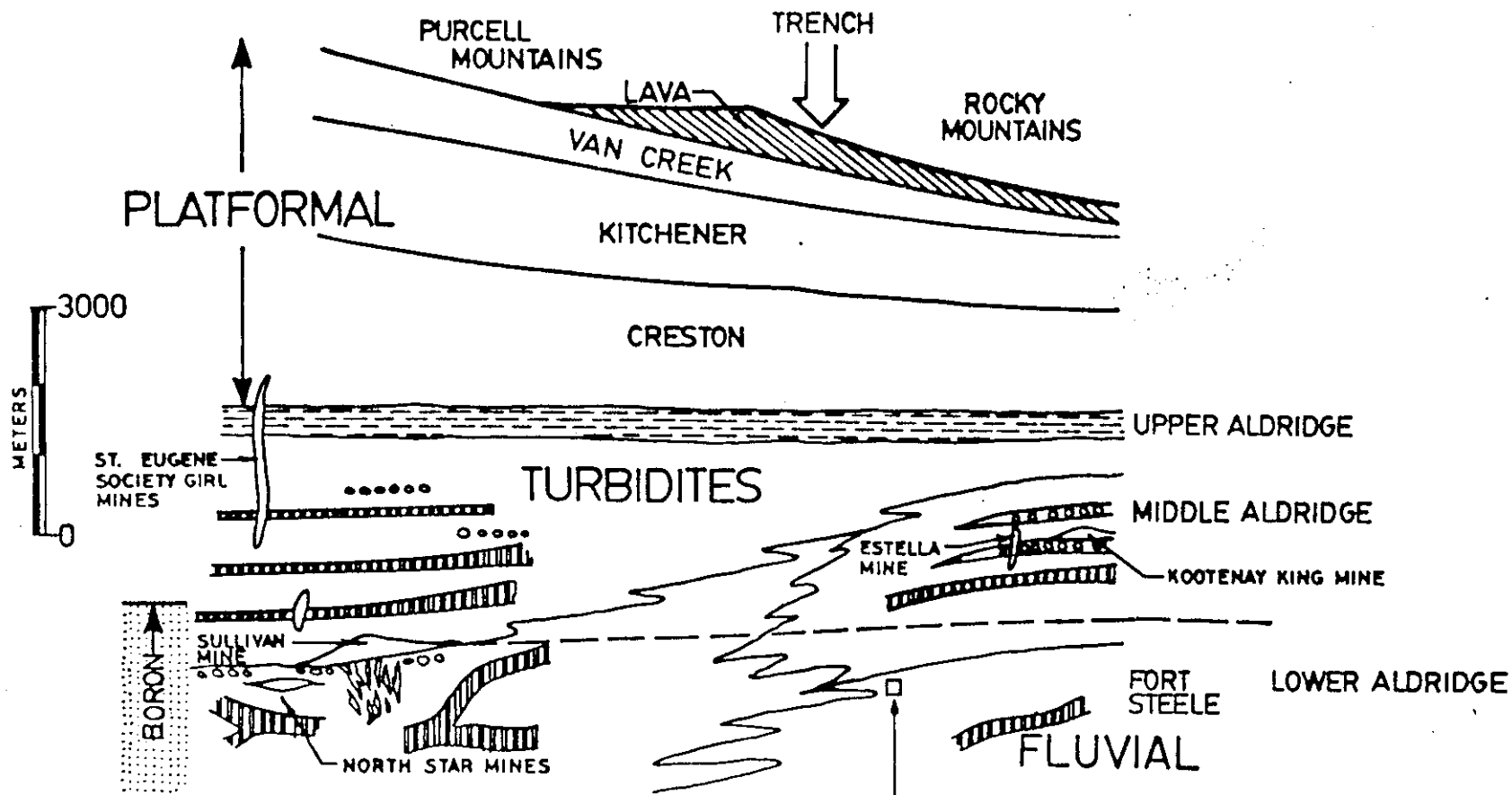
DIAGRAMMATIC SECTION

PURCELL SUPERGROUP

Figure 3

WEST

EAST



Approximate position of east edge of Paul and Mike Claims. Remainder of the claims are covered by overburden with the possible displacement of formations by extension of the Kootenay River Fault.

Figure 3

From T. Hoy, 1978 & unpublished data

Mapping by Hoy (1984) inferred a regional Rocky Mountain Trench Fault on the east side of the Rocky Mountain Trench. This fault could bring the favourable 'Lower - Middle Aldridge contact' close to surface in the region of the Paul - Mike claims, as earlier postulated.

2.20 Property Geology

The Paul - Mike claim group is largely underlain by unconsolidated material which covers the position of the Rocky Mountain Trench Fault.

The Fort Steele Formation crops out on the east edge of the claims area and has moderate westerly dip toward the center of the claims. Here, the Fort Steele Formation represents the upper limb of a recumbent fold whose axial plane strikes north-north westerly and dips westerly (Hoy, 1979).

If the projection of the Rocky Mountain Trench Fault passes through the claims area it would transect and displace the upper limb of the recumbent fold. Because the direction and magnitude of movement on the fault is unknown, it is impossible to predict what formation underlies the overburden on the west half of the Paul - Mike claims.

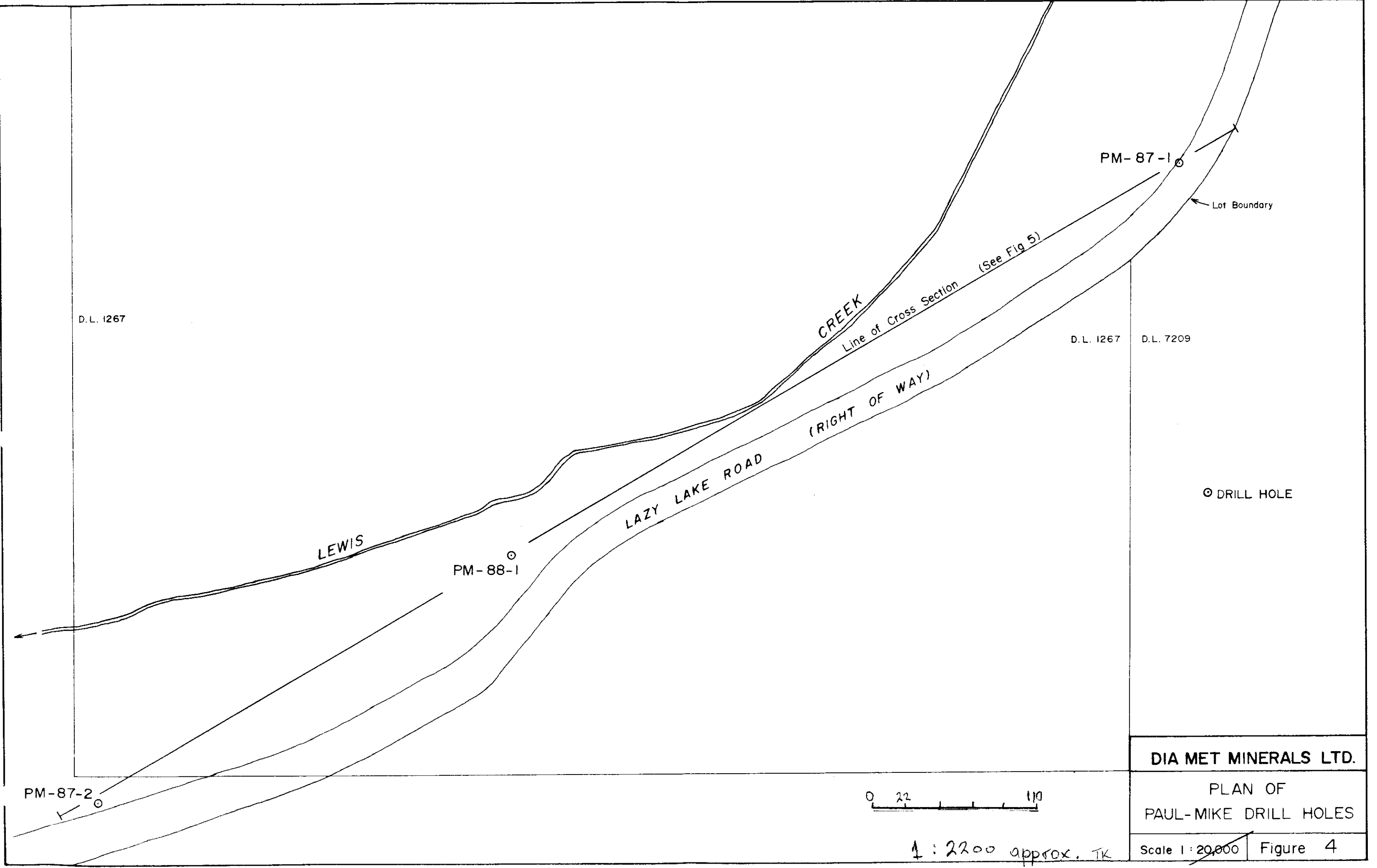
3.00 DIAMOND DRILLING

Between November 20 and December 18, 1991, diamond drilling of bedrock was undertaken in two holes previously drilled and cased through overburden to bedrock. Both holes had been cased with 4 1/2 inch (11.43 cm) inside diameter steel casing. Both holes are vertical at the collar and were drilled in bedrock with HQ tools, producing a hole of 9.6 cm in diameter.

Connors Drilling Ltd. of Kamloops, B.C. was the drilling contractor and they used a Longyear 56A machine for the job.

Hole PM-87-01 was deepened from 285.3 meters to 317.3 meters, a total of 32 meters. Hole PM-88-01 was deepened from 573.6 meters to 596.5 meters, a total of 22.9 meters. Total cored length for both holes is 54.9 meters.

Drill hole location is shown on Figure 3; Figure 4 is a more detailed plan of the holes and Figure 5 is a SW-NE cross section through the drill holes.



DIA MET MINERALS LTD.
 PLAN OF
 PAUL-MIKE DRILL HOLES
 Scale 1:20,000 Figure 4

1:2200 approx. TK

PM-87-2

PM-88-1

PM-87-1

200m

200m

200m

Base of overburden 278.9
 Quartzite & minor Siltstone
 317.3m

Average Bedrock Slope

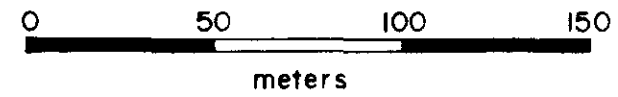
For location of holes see Figure 4

591.8m Possible base of overburden

569.5m Base of overburden
 Quartzite & Siltstone

596.5m

607.0m



DIA MET MINERALS LTD.

SW-NE CROSS SECTION
 THROUGH
 PAUL-MIKE DRILL HOLES

Scale 1:20,000

Figure 5

Both holes encountered quartzites and siltstones similar to the Fort Steele Formation but with some intervals similar to Aldridge Formation. Chloritic alteration, minor pyrite and very minor chalcopyrite alteration were noted in the core. Drill logs are provided in Appendix 1.

The core was logged on site by geologist Peter Klewchuk and is stored at the Dia Met Minerals Ltd. facility at 1675 Powick Road in Kelowna, B.C.

No sampling of the core for analyses was undertaken.

4.00 CONCLUSIONS

Core recovered from two holes deepened on the Paul - Mike claim group in late 1991 is interpreted to be of the Aldridge Formation or the Fort Steele Formation.

Chloritic alteration and pyrite and chalcopyrite mineralization present in the core are compatible with a mineralizing process.

5.00 REFERENCES

- Hoy, Trygve, 1979 Geology of the Estella-Kootenay King Area, Hughes Range, Southeastern British Columbia. MEMPR Preliminary Map 36
- Hoy, Trygve, 1984 Geology of the Cranbrook Sheet and Sullivan Mine Area. MEMPR Preliminary Map 54
- Leech, G.B., 1960 Geology Fernie (West Half), Kootenay District British Columbia, Geological Survey of Canada, Map 11-1960
- McMechan, M.E., 1981 The Middle Proterozoic Purcell Supergroup in the Southwestern Rocky and Southeastern Purcell Mountains, British Columbia, and the Initiation of the Cordilleran Miogeosyncline, Southern Canada and Adjacent United States. Bull. Can. Petroleum Geology, Vol. 29, No. 4, p 583-621

6.00 STATEMENT OF EXPENDITURES

1. Conners Drilling		\$32,002.91
2. Drilling Support		
1. Bulldozer and Loader		4,156.22
2. Sump and drill mud disposal		1,399.02
3. Welding casing caps		80.00
4. Geologist and Supervision		4,008.67
5. Transport of Core to Kelowna		934.50
6. Freight		118.59
	Sub total	41,199.91
3. Clean up of drill sites, repair fences		1,500.00
Office support, insurance bond on reclamation		700.00
Telephone calls and courier		500.00
	TOTAL EXPENDITURE	\$43,899.91
		=====

Note explaining high costs

This program experienced higher costs than normal for a diamond drilling program for the following reasons:

1. The two holes drilled had been previously triconed and cored to bedrock through considerable overburden (285.3 meters and 567.3 meters). Re-entering the holes for the purpose of coring bedrock required first cleaning out the old holes with an HQ rod string and coring bit, then pulling the rods, putting down H casing, then putting down an NQ rod string and drilling bedrock. This involved procedure required a number of crew shifts, adding considerably to the costs.
2. Hole PM-88-01 provided an additional costly problem. A five foot steel drill rod and a 6 inch diameter tungsten carbide button tricone bit had been left at the bottom of the hole in 1988 when the overburden was first drilled. The drilling company which left the rod and bit in the hole did not inform their client, Dia Met Minerals Ltd. of this problem.

Subsequently, when the HQ rod string was first put down to clean out the hole, this steel rod at the base of the hole was encountered. A number of drilling shifts were required to drill out the steel rod and the tricone bit.

As a result of these factors, the costs of the drill program are extraordinarily high.

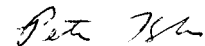
Peter Klewchuk

7.00 AUTHOR'S QUALIFICATIONS

As author of this report I, Peter Klewchuk, certify that:

1. I am an independent consulting geologist with offices at 246 Moyie Street, Kimberley, British Columbia.
2. I am a graduate geologist with a BSc degree (1969) from the University of British Columbia and an MSc degree (1972) from the University of Calgary.
3. I am a Fellow in good standing of the Geological Association of Canada.
4. I have been actively involved in mining and exploration geology, primarily in the province of British Columbia, for the past 18 years.
5. I have been employed by major mining companies and provincial government geological departments.

Dated at Kimberley, British Columbia, this 25th day of March, 1992.



Peter Klewchuk

Appendix 1.

DIAMOND DRILL LOG

Hole PM-87-01 -90 degrees HQ core

meters

Description

0 - 82.3	Overburden, cased with 8 inch water well casing. Drilled by Owen's Drilling Ltd. in 1987.
82.3-278.9	Overburden, mainly clay. Drilled by Hi-Rate Drilling Ltd. in 1988.
278.9-285.3	Triconed in bedrock by Hi-Rate Drilling Ltd. in 1988. Hole cased to 285.3m with 4 inch casing in 1988.
285.3-306.6	Quartzite, minor Siltstone Mainly medium and fine grained. Color varies from light and medium gray to pale gray-green. Generally thick and very thick bedded (30 to 110cm) with narrow zones of irregularly-laminated quartzite, siltstone and argillite. These appear to be relatively shallow water current features. Bedding planes tend to be indistinct; they are vague, and commonly internal wispy laminations of darker gray argillite are present in the massive quartzites. The larger rounded and subrounded grains of the quartzites are aggregates of finer grains of quartz which may be due to metamorphic recrystallization. Locally the quartzite matrix is a lacey network of light tan material, possibly argillite and sericite. Quartzite locally has a mottled, metamorphic texture with blotchy patches of chloritic alteration. Fine pyrite and chalcopyrite occur in the mottled quartzite. Quartzites are typically micaceous with est. 2-3% sericite. Rare disseminated fine grained pyrite occurs with chlorite on some fracture surfaces. Pyrite is also disseminated through some of the quartzites, typically in concentrations up to 1/2% but locally as high as 1 1/2% over very narrow core lengths. Minor chalcopyrite occurs locally; e.g. at 308.15m one narrow band of tan colored matrix material carries a number of fine grains of chalcopyrite. Chalcopyrite can also be seen disseminated in some quartzites. At 300.2m, coarse grained chalcopyrite exists on a fracture surface. 305.6m to 306.6m is broken core, in light gray quartzite. Minor fracturing at 306.6m is at 10 to 25 degrees to c/a.

meters	Description
	Bedding planes are typically at about 70 degrees to the core axis but they range from 55 to 80 degrees Bedding angles: 290.15m - 70, 293.8m - 70, 301.15m - 55, 302.4m - 70, 308.2m - 65, 308.8m - 70, 310.9m - 70.
306.6-310.3	Quartzite with minor Siltstone Thin to thick bedded, medium gray colored. Numerous irregular, wispy lenses of darker, more argillaceous material are present. Bedding is typically at 70 degrees to c/a.
310.3-310.9	Broken Core. Pale gray-green Quartzite Reddish-brown limonitic oxidation on numerous fracture surfaces, probably related to surface weathering. More intensely fractured core at 310.9m may be a minor fault zone. Fracturing is at 20 to 30 degrees to c/a.
310.9-313.9	Quartzite, minor Siltstone Medium and thick bedded with some narrow argillaceous bed tops. Some beds of quartzite are irregularly / vaguely banded with a mottled chloritic alteration.
313.9-317.3	Siltstone and Quartzite Medium to dark gray, fine and medium grained, thin and medium bedded. Bedding is fairly consistent at 70-75 degrees to c/a.
317.3	End of Hole

Paul Kerr

DIAMOND DRILL LOG

Hole	PM-88-01	-90 degrees	HQ core
meters	Description		
0 - 52.4	Overburden, cased with 8 inch water well casing, Drilled by Owen's Drilling Ltd. in 1988.		
52.4 - 569.5	Overburden. Mainly clay in the upper portion with gravel in the lower portion. Drilled by Hi-Rate Drilling Ltd. in 1988.		
569.5-573.6	Triconed in bedrock by Hi-Rate Drilling Ltd. in 1988. Hole cased to 573.6m with 4 inch casing in 1988.		
573.6-577.0	<p>Quartzite and silty chloritic Quartzite</p> <p>Pale gray-green to medium gray, generally vaguely mottled by variably developed chloritic alteration. Portions of the core are spotted with porphyroblasts(?) of a very pale yellowish-gray mineral which may be quartz. These are more evident in the darker chloritic zones. Very minor fine grained pyrite is present as scattered disseminations. Bedding planes are typically indistinct; a few are distinct and there is local lensey bedding. Bedding is quite consistent at 60-70 degrees to core axis (c/a).</p>		
577.0-583.1	<p>Siltstone and Silty Quartzite</p> <p>Thin and medium bedded, light gray to chloritic, greenish-gray. Some bedding planes are fairly distinct, others quite vague, and a general lensey bedding persists. Bedding attitude is fairly consistent at 60-65 degrees to c/a. 577.4 to 580.5 Scattered thin veinlets of quartz - carbonate (pale yellow iron dolomite?) are typically at about 80 degrees to c/a but quite irregular in character. Pyrite is generally more abundant in this 3m interval, est 1.5%</p>		

meters	Description
583.1-596.5	<p>Quartzite, minor Silty Quartzite and Siltstone</p> <p>Most of the interval is of medium gray-green colored quartzites, mixed with narrower zones of light gray, coarser grained / cleaner quartzites.</p> <p>Very pale yellow-gray porphyroblasts are common in the chloritic-altered sections. These get up to about 3mm diam.</p> <p>Very minor fine grained pyrite is disseminated through much of the interval.</p> <p>A few quartz veins are present; one at 589.3m is of quartz and pale yellow dolomite - about 1.5cm wide and about 80 degrees to c/a; one at 592.4 to 592.7 is about 6cm wide and 10 degrees to c/a.</p> <p>Bedding is typically vague, at 60-70 degrees to c/a.</p>
596.5	End of Hole.

Pete K