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DIAMOND DRILL HOLE
 REPORT FOR ASSESSMENT WORK
 ON THE
 LONE SILVER PROPERTY
 (aka Lone Star)

**SUB-RECORDER
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NELSON MINING DISTRICT
 BRITISH COLUMBIA

NTS 82 F/3

Latitude 49°03'N
 Longitude 117°16'E

June, 1992
 Doyle F. Albers

Orvana Resources
 Coeur d' Alene, Idaho
**GEOLOGICAL BRANCH
 ASSESSMENT REPORT**

22,395

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Summary

The Lone Silver Property (aka Lone Star), located 14km south of Salmo, B.C. at Rosebud Lake was optioned as a joint venture project between Corona and Orvana Resources in 1991. The property is considered to be a potential host for large scale structurally controlled Au-Ag mineralization.

Corona completed a soil sampling grid over part of the structure in 1988, but failed to delineate any large anomalous areas of mineralization. Very little subsurface data exists for this property; therefore, Orvana decided to test the structure by drilling an angle hole to intersect the plane of the fault at depth.

A diamond drill hole on an azimuth of 310 degrees and an inclination of -60 degrees to a depth of 160m was completed in March 1992. The geochemical results of samples from this hole are still pending, but only minor areas of mineralization were encountered (<1% of core with 0.5% tetrahedrite 1-2% galena, 2-3% sphalerite, 3-5% pyrite). This hole showed an increasing frequency of dykes (sub parallel to bedding) at depth, but failed to penetrate the entire fault zone.

Location and Access

Orvana's Lone Silver (aka Lone Star) property is located in southeastern British Columbia approximately 60km east of Grand Forks (Fig.1) off Highway #3, 14km south of Salmo, at Rosebud Lake. The claim blocks are 2km south of the confluence of the Salmo and South Salmo Rivers in the Nelson Mining District (Fig.2). Access to the claims is by all weather gravel road.

Physiography

The claims are situated in an area of moderate relief around Rosebud Lake with extensive pine, spruce, larch and balsam forest. Some swamps and intermittent creeks are also present.

Claim Status

The Lone Silver Property consists of three consolidated groups of claims (see Fig.2) as described below:

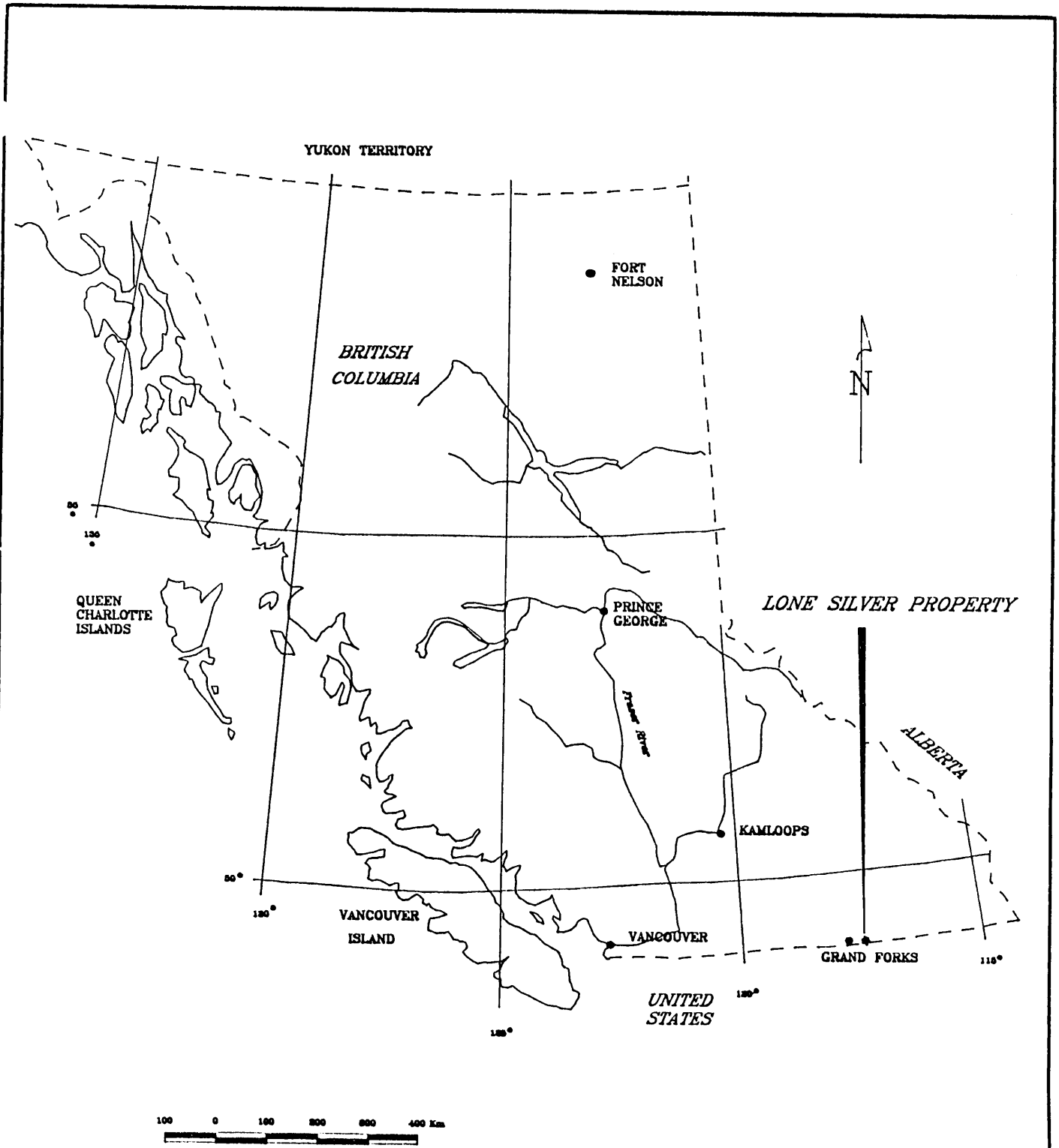
<u>Name</u>	<u>Record #</u>	<u># Units</u>	<u>Expiry Date</u>
Lone Silver 1	55	1	09/06/93
Lone Silver 2	1331	1	07/11/93
Lone Silver 3	1332	1	07/11/93
Zip 1	4595	20	02/04/93
Zip 2	4596	15	02/04/93
Cat	4890	9	16/11/93

Regional Geology

The geology of the Salmo area consists of early Paleozoic Pend Oreille sedimentary sequence containing dolomite, limestone, phyllite, argillite and slate. The Middle Cambrian Nelway Formation (limestones and dolomites) is overlain by the Middle Ordovician Active Formation (argillite, slate, and argillaceous limestone) (Fyles et al, 1959; Little, O.F 1195). Primary bedding features are present in these rocks, but they are folded, contorted and metamorphosed.

These rocks have been intruded by granites, granodiorites, and syenites of the Jurassic Nelson intrusions, and by quartz monzonites of the Tertiary Coryell intrusions. Minor sills and dykes of felsite, apilite and lamprophyre are also present.

Structurally, the area has undergone complex deformation including primary overturned and isoclinal folds which have undergone secondary deformation to open and isoclinal folds. Bedding and thrust faults are also common.




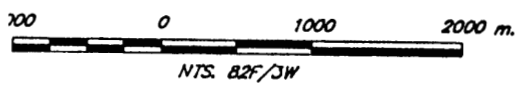
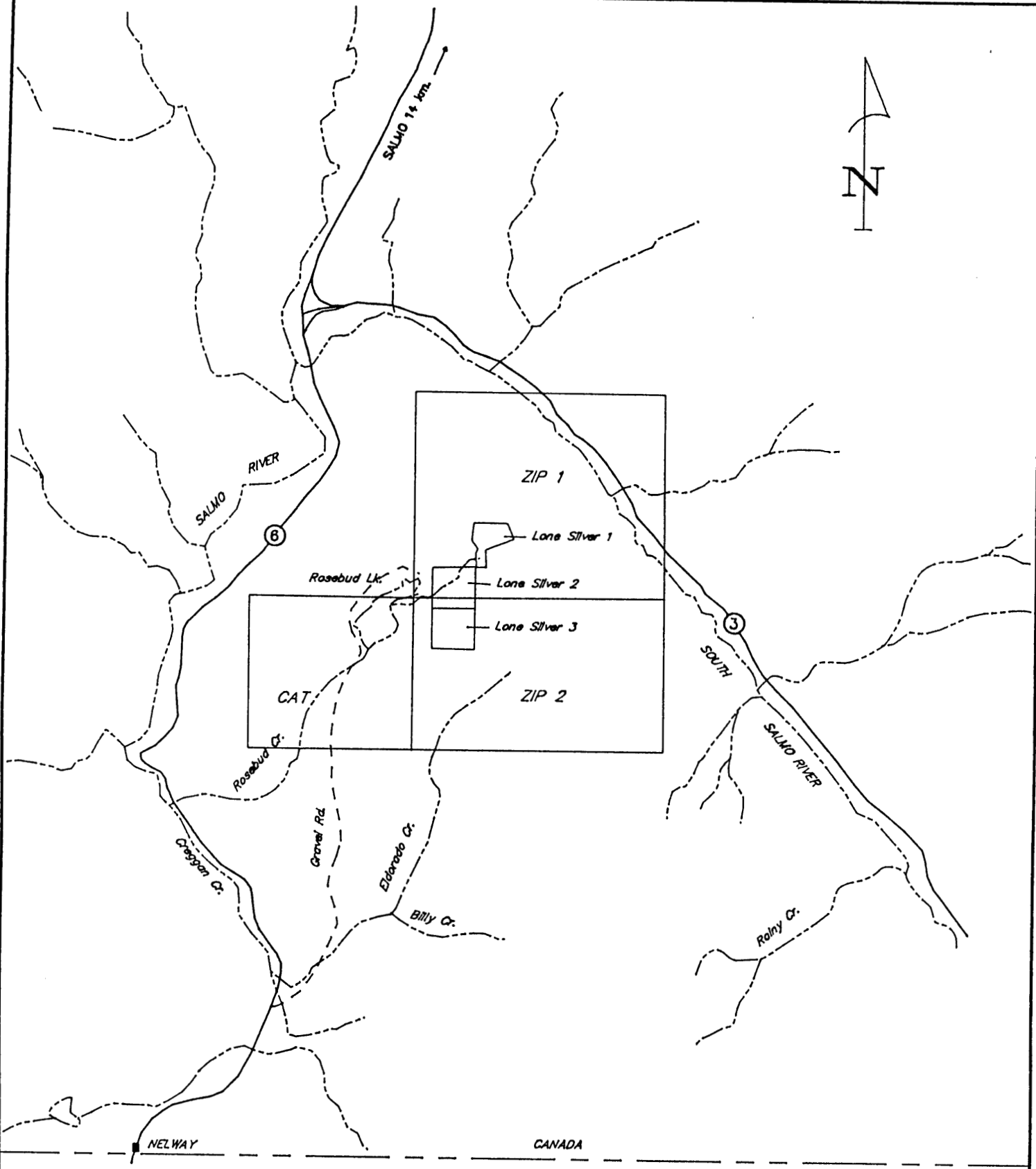

orvana
 RESOURCES

Fig. 1
LOCATION MAP
 OK SYNDICATE
 Northeastern Washington and
 southern British Columbia



LONE SILVER PROJECT
Land Status

Fig. 2
OK SYNDICATE
British Columbia, Canada

Property Geology

The Black Bluff Fault (strike 066 degrees, dip SE) cuts the property on the south side of Rosebud Lake. The fault brings dolomites of the Nelway Formation to the south into contact with argillites of the Active Formation to the north.

At the Lone Silver workings, the Black Bluff Fault is represented by a broad zone of faulting with a wide variety of attitudes. The fault is marked by brecciated zones in the dolomite and by graphitic schist in the argillite. The Black Bluff Fault is slightly offset by the Styx Creek Fault (striking 350 degrees).

Mineralization occurs in dolomite both along fractures in breccia zones, and associated with quartz veining and quartz lenses. Quartz veins containing fine grained galena, sphalerite, pyrite, tetrahedrite, azurite, and malachite often pinch and swell irregularly with a maximum width of 10cm.

History

The original property known as the Hope, shipped Ag-Au ore from 1909 to 1915. The claims lapsed and the property lay idle until 1935 when it was staked by John and Robert Sapples of Salmo. Ore shipments were made from 1936 to 1941. During this same period (1936), Godfrey Birtsch of Nelson first staked the Lucky Strike and the Davne properties. Ore shipments from these two properties were made from 1936 to 1938, and shipments continued from the Lucky Strike until 1940. The claims eventually lapsed and were restaked by Lou DeKock of Nelson who made additional ore shipments from 1961 to 1963. DeKock later transferred his interest in these claims to O.G.G. Resources in a 1979 B/S agreement. The present Zip claims (including the old workings) were staked in 1986 and are owned by Dolly Johnson of Stewart, B.C. Corona (Lacana Mining) optioned the claims in 1987. Corona also purchased the Cat claim from Knox, Kaufman Inc. of Spokane, WA in 1987. Corona and Orvana Resources entered a joint venture agreement in 1991.

Ore Shipments

<u>Showing</u>	<u>Year</u>	<u>Tons</u>	<u>Au (OPT)</u>	<u>Ag (OPT)</u>
Hope	1909-15	86	0.256	156.5
Hope	1936-41	106	0.603	83.5
Davne	1938	4	2.75	42.5
Lucky Strike	1938-40	51	1.3	38.2
Lucky Strike	1961-63	9	1.3	13.6

1988 Soil Programme

A soil grid was placed over the trace of the Black Bluff fault to try and locate anomalous Au-Ag zones not exposed in outcrop. Thirty-three kilometers of grid lines were surveyed and 1555 "B" horizon soil samples were collected. Lines were established perpendicular to the fault trace with spacings of 100m and station intervals of 25m. All samples were analyzed for 30 elements by ICP and Au values were determined by Atomic Absorption.

Results failed to define a geochemical signature over the fault, but several samples with anomalous metal values were encountered. The highest Au value found was 1103 ppb; the highest Ag value was 6.1 ppm; and the highest Zn value was 1739 ppm. These and other anomalous values were followed up with sampling on 12.5m intervals, but most anomalies were found to be very localized.

The only linear structure defined by the soil survey is a 50m wide zone of anomalous Au, Ag, Zn values trending 024 degrees from L10+00E to L14+00E, and in line with a linear swamp trending 024 degrees from L5+00E to L10+00E. Most of the other anomalous areas are randomly dispersed, and fairly localized. Often, base metal anomalies were low in precious metal values.

Geologic Mapping

Geologic mapping and rock sampling was limited by lack of outcrop on the claim blocks; however, Corona collected 135 rock samples, 4 stream sediment samples and 1 pan concentrate sample. The old adits and trenches were located and sampled, but no effort was made to enter any of the underground workings.

Anomalous results from rock samples collected around the old adits and waste dumps of the Hope, Davne, and Lucky Strike workings are in Table 1. No anomalous results were found in the stream sediment samples or the pan concentrate sample.

TABLE 1

<u>Sample #</u>	<u>Au (ppb)</u>	<u>Ag (ppm)</u>	<u>Zn (ppm)</u>	<u>Location</u>	<u>Comment</u>
1113	290	542.6		Hope	Dol bx
7089	250	27.0		Hope	Qtz
1142	215	2.7	606	Davne	QV
1109	1260	72.6	12691	Lucky Strike	Qtz-gal
1100	3920	182.3	74581	Lucky Strike	Phyllite
1221	43600	175.4	3550	Lucky Strike	HG qtz
1222	3510	189.3	39084	Lucky Strike	QV
20933	5510	216.2	84643	Lucky Strike	QV
20934	5890	9.2	6712	Lucky Strike	QV

1992 Core Drilling

Based on the above information and the lack of subsurface data, a decision was made to test the Black Bluff Fault by drilling an angle hole cross-cutting the plane of the fault at depth. A JKS Boyles 37 core drill was used to drill an NQ2 size hole at an azimuth of 310 degrees and an inclination of -60 degrees to a depth of 160m. A map showing the location of the drill site relative to the claim boundaries can be seen in Figure 3. Work on this property began January 15, 1992 and the drilling was completed on March 25, 1992.

Generally, the geology of the core is a thinly bedded phyllitic limestone/dolomite, locally carbonaceous with numerous calcite and quartz veinlets both parallel and cross-cutting bedding; commonly 1-3% disseminated pyrite, with some zones containing 5-7% pyrite both disseminated and along fractures. Some quartz-rich zones (the largest being <0.5m) show minor silicification with 2-3% sphalerite, 1-2% galena, and 0.5% tetrahedrite; however, these account for <1% of the total core. At depth, (below 85m) numerous fine grained greenish brown to grey intermediate dikes appear. These dykes have a distinct schistosity or foliation which is parallel or sub-parallel to bedding. These dykes account for 50% or more of the core below 150m. They are generally less mineralized than the phyllitic limestone/dolomite, but they are commonly slightly more pyritic along their margins. Some minor lamprophyre dykes are also present. A complete copy of the diamond drill hole log can be found in the Appendix.

Geochemical analyses of samples taken from this drill hole are still pending at the time of this writing.

Conclusions and Recommendations

The angle hole drilled into the Black Bluff Fault failed to intercept significant mineralization over the 160m of depth; however, the entire fault zone was not penetrated with this single drill hole. It is difficult to determine the total thickness of this structural zone, but an estimate would be that this hole was still in the hanging wall since most of the sedimentary rocks were phyllitic limestones/dolomites (ie Nelway Fm.).

Past efforts of soil sampling have not delineated good potential targets for further exploration, but that may be due to the veneer of till covering bedrock. Drilling may be the best way to test the potential of this structural feature. Past production records indicate that this area has produced some high grade ore; although, relatively low tonnages (~250 tons). A single drill hole is not a sufficient test to discount such an area for potential high tonnage mineralization.

Geochemical results of samples collected from the core may show broader zones of low-grade gold mineralization than visual estimates indicate. Firm conclusions and recommendations cannot be made without such data; however, such a target should be evaluated with more subsurface data.

References

- Fyles, James T. and Hewlett, C. G.: Stratigraphy and Structure of the Salmo Lead-Zinc Area, Bulletin No. 41; BCDM, 1959.
- Little, H. W.; Preliminary Geologic Notes and Map of Nelson (N.T.S. 82F West Half) Map Area, B.C. Geological Survey of Canada, O.F. 1195.
- Minister of Mines, B.C. Annual Report, 1938, pp. E17-E21.
- Weymark, William J.; Preliminary Report on the Lone Silver Mining Property, Nelson Mining Division, B.C. March 28, 1969.

Statement of Costs

Saleries

7 man days at \$ 170/day \$ 1190.00

Accommodations

4 days at \$ 50/day \$ 200.00

Transportation (2 Trucks)

883 miles at \$ 0.35/mi. \$ 309.00

Site Preparation

4 hours at \$90/hr \$ 360.00

Drilling Costs

506 feet at \$ 18/foot \$ 9108.00

Total \$ 11167.00

Dyke Allen

Statement of Qualifications

I, Doyle F. Albers, of Sagle, Idaho 83814 U.S.A. do hereby certify that:

1. I am a graduate of the University of Idaho with a Master of Science in Geology, 1981.
2. I am presently employed as a geologist with Orvana Resources of Coeur d'Alene, Idaho.
3. I have been working as a geologist in the U.S. and Canada since 1976.

Doyle Albers

Appendix I



DIAMOND DRILL HOLE LOG

Company Orvana Resources Corp

LEGEND	
Bedding	<input checked="" type="checkbox"/>
Qtz pods or vns	<input type="checkbox"/>
Dissem py	<input type="checkbox"/>
calcite vns	<input checked="" type="checkbox"/>

SURVEY		
Footage	Bearing	Inclination
_____	_____	_____
_____	_____	_____
_____	_____	_____

Property <u>Lone Silver</u>	Hole No. <u>Zip 92-1</u>
Location <u>1500 meters on az 084°</u>	Bearing at Collar <u>310° az</u>
From <u>N end of Rosebud Lk, @</u>	Inclination at Collar <u>-60°</u>
Coord. - Collar N <u>north end of swamp.</u>	E _____
Elev. - Collar _____	Length <u>506 feet</u>
Date started <u>March 29, 1992</u>	Core Size <u>NQ2 (2 inch)</u>
Completed <u>March 31, 1992</u>	Logged by <u>R. Fredericks</u>

LITHOLOGY, ALTERATION, MISC.	FT.	GRAPHIC LOG	MINERALIZATION	RECOVERY				ANALYTICAL				BOX
				Run	Run length	Core	%	Sample	Interval			
0-50.0 Limestone: Medium grey, thinly bedded, phyllitic, fissile. Bedding 0.1-4.0 cm thick. Well developed micaceous cleavage appears parallel bedding. Some bedding planes/cleavage planes coated with muscovite. Minor folds common; occur singularly or as intensely deformed bedding over sections 0.1-1.3 m thick. Folds are tight. Some minor sericite along bedding planes	0 10 20 30 40 50		0- veins minor quartz, disseminated pyrite. Calcite veins are 0.1-10cm thick (mostly in 0.1-1.0cm range). Some contain minor pale grey quartz (up to 30% of vein). Veins mostly parallel bedding, but a few at other angles. Pyrite occurs as euhedral to subhedral disseminated crystals 0.2-10mm diameter. Larger pyrite crystals and aggregates occur in calcite veins. Smaller crystals are disseminated in limestone, mostly along bedding/cleavage discontinuities. 24.5-37.4 sulfide veins parallel to bedding with ~1.5cm of ore 28.0-34.5 bedding is more contorted with slightly more veining, both parallel + X-cutting bedding. Some quartz rich pods 0.1-0.5cm 44.6- Several thin py veins parallel to bedding for 1.5cm of core 46.5-49.0 Abundant calcite veining, both parallel and X-cutting bedding 47.6-48.0 massive white calcite vein ~ parallel to bedding.	16.0' 11.6' 72 16.0' 10.0 100 100 26 10.0 10.0 100 36 10.0 10.0 100 46 10.0 10.0 100	19951 10.0 10.0 19952 5.0 15.0 19953 5.0 20.0 19954 5.0 25.0 19955 3.0 27.0 19956 3.0 31.0 19957 3.5 34.5 19958 3.5 38.0 19959 5.0 43.0 19960 3.5 46.5 19961 2.5 49.0	1 23.0 2 41.5 3 50.0						

LITHOLOGY, ALTERATION, MISC.	FT.	GRAPHIC LOG	MINERALIZATION	RECOVERY				ANALYTICAL				BOX		
				Run	Run length	Core	%	Sample	Interval					
120-170 Generally med. gr. thin bedded ls similar to above, but somewhat less fissile. Continued micaceous interbeds in foliation parallel to bedding, generally dip (q. 0.3cm) Overall 0.5-1.0% euhedral subhedral dissem py grains up to 0.5 cm in size. Locally some more enriched zones	120		120-124 + 130-136 Minor shearing; numerous discontinuous calcite vns X-cut bedding (70-90°). 0.5-1.0% py mostly as euhedral-subhedral xls up to 0.5 cm throughout.	126	10.0	10.0	100							
130.5-132 Small shear set parallel to core axis (15°20°) shown as kinked bedding	130		130-136 minor gtz pods within some of the thicker calcite vns (generally 1-3 cm)	136	10.0	10.0	100	19974	132.0 4.0 136.0					7
136.5-139 Some minor folding + shearing with calc. vns X-cutting beds.	140		141-150 Intermittent gtz + calc. vns both parallel + X-cut bedding. X-cutting vns most intense. 143-149? Generally 1-2% py both dissem + as brok vns.	146	10.0	10.0	100	19975	143.0 4.0 147.0					
150.7-152.7 Broken core probable zone of lower recovery (~55%); some calc. vns 0.5-1.0% euhedral py (dissem.)	150		147.8-149.7 Abundant py and gtz vns with 2-3% py and up to 0.5% tetrahed. silico 2-3% sph. 1-2% gal.	156	10.0	9.1	91	19976	147.0 3.0 150.0					8
156.0-161 Several gtz + calc vns @ 15° to core axis with increased py content (1-3%)	160		157.5-159 3-5% py in open frac. 0.2cm wide @ 15° to core axis. Py is eu-subhedral + generally < 0.1cm in size.	166	10.0	10.0	100	19977	156.0 5.0 161.0					1560
166.9-167.2 Lt green fine grained, interbedded dike-like rock X-cuts core at irreg. angles. Some bleaching (1" wide) in ls along margins. Qtz-rich vein X-cuts dike rx.	170		159-160.5 0.5cm wide gtz vn @ 5° to core axis. 0.2% py in and along vn.	166	10.0	10.0	100	19978	166.0 2.0 168.0					9
	180		166.9-167.2 Dike rx w 3-4% f.s. dissem py. 167.0-167.8 0.4cm wide gtz vn @ 20° to core axis. This vn contains 0.1-0.3% sph	176	10.0	10.0	100							1742
	180		175-185 Occasional thick 1.0-2.0 cm calc + gtz veins sub parallel to bedding.	186	10.0	10.0	100	19979	182.0 4.0 186.0					
182-190 Some brecciation, mostly angular slightly deformed, unrotated ls frags with white xline calcite fill.	190			186				19980	4.8					

LITHOLOGY, ALTERATION, MISC.	FT.	GRAPHIC LOG	MINERALIZATION	RECOVERY				ANALYTICAL				BO)		
				Run	Run length	Core	%	Sample	Interval					
260-261.3 med gray thin bedded Ls 261.3-265.9 Olive green bleached Ls w some gtz vns nearly parallel to relict bedding. 2-3% py both dissem + as brkn vnls.	260		260-279.3 Generally 2-3% py both dissem and as broken vnls, nearly parallel to bedding. up to 5-6% py along some vnls and fractures. Some of the sulfides along these frs is lightly colored + maybe arsenopy (4%)											
265.9-279.3 ^{several small} Greenish brown fine grained intermediate dikes approx 60% plag 30-35% bio, partly all to chl (5-10%) and 2-3% dissem py. These dikes have a distinct foliation parallel to bedding. They x-cut the thinly bedded Ls along beddings and at sharp angles to bedding. Contacts are fairly sharp and the Ls is often bleached near the margins. These dikes are cut by gtz + calc. vns 0.1-0.5 cm wide (20-30° to core axis)	270			10.0	10.0	100	19988	5.0					14	
				266.0				265.0					266.5	
				10.0	10.0	100	19989	5.5						
				276.0			19990	5.5						
				276.0				276.0						
				10.0	10.0	100	19991	3.3					15	
				286.0			19992	5.7						
				10.0	10.0	100		285.0					285.4	
				296.0			19993	5.0						
				10.0	10.0	100	19994	5.0						
				296.0				295.0					16	
				10.0	10.0	100	19995	5.0						
				306.0			19996	6.0					303.5	
				10.0	10.0	100		306.0						
				306.0			19997	6.0						
				10.0	10.0	100		312.0					17	
				316.0			19998	5.0						
				326.0				312.0						
				10.0	10.0	100								
				326.0										
				330			19999	321.0					18	

260-261.3 med gray thin bedded Ls
261.3-265.9 Olive green bleached Ls w some gtz vns nearly parallel to relict bedding. 2-3% py both dissem + as brkn vnls.

265.9-279.3 ^{several small} Greenish brown fine grained intermediate dikes approx 60% plag 30-35% bio, partly all to chl (5-10%) and 2-3% dissem py. These dikes have a distinct foliation parallel to bedding. They x-cut the thinly bedded Ls along beddings and at sharp angles to bedding. Contacts are fairly sharp and the Ls is often bleached near the margins. These dikes are cut by gtz + calc. vns 0.1-0.5 cm wide (20-30° to core axis)

279.3-298.7 Dominantl. med. gray thin bedded Ls with interlayered graphitic clays (0.1-0.3 cm). Numerous calcite vnls x-cut bedding (20-30° to core axis) (3-5 inch of core) and several calcite vnls parallel to bedding, similar in size (0.02-6.2 cm) but less frequent (1-3/inch of core)

298.7-306.0 Med gray thin bedded Ls x-cut by greenish gray fine grained intermediate dikes. These dikes have a distinct foliation which closely parallels bedding. These dikes are mostly gangue with a 5% plag up to 0.2 cm and 2-5% py. These dikes are x-cut by gtz + calc. vnls both parallel to bedding and x-cutting bedding (20° to core axis). Some of the gtz vns contain minor amt of galena and tetrahed. The Ls shows some bleaching along the contacts with the dikes (1-3" wide).

306-330 Generally med. gray thin bedded Ls with minor x-cutting greenish gray intermediate dikes. These dikes contain 25-30% bio partly all to chl (10%), 60% plag; 2-3% py and tr sph.

279.3-298 Abundant calcite vning, but generally 0.5-1.0% dissem py.

298-311 Considerably higher levels of dissem py assoc w intermediate dikes and gtz vning. Generally 3-5% dissem py; locally 5-7% py both within the dikes and along assoc gtz vns py both dissem and in broken vnls parallel to bedding.

308-310 Qtz-rich vn w 3-5% py, ~1% sph + tr gal. nearly parallels core axis. Ls shows enriched py along bedding near contact w vn (3-5%)

312-330 Minor calcite vning, generally parallel to bedding, little to no gtz vns. 0.5-1.0% py w 2-3% py and tr sph in intermediate dikes.

