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ASSESSMENT REPORT ON THE 1991 TAILINGS POND SAMPLING PROGRAM

(Kenville Mine Project)

NELSON MINING DIVISION Blewett, British Columbia

SUB-RECORDER RECEIVED

JUL 2 7 1992

M.R. # _____\$...

VANCOUVER, B.C.

Location:

NTS: 82 F/6W

Latitude: 49°29'N

Longitude: 117°23'30"W

Claims:

JASPER GROUP (Verena, Dianne, Rob, Todd, Shirley,

Josh, Tyson, Adam, Lucky, Lucky Tymes)

Owned By:

Coral Industries Lted.

1603 - 40th Avenue

Vernon, BC

V1T 7S5

Work Managed By: 49

A. Ismay Associates, Inc.

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US

538 - 999 Canada Place

Vancouver, BC

V6C 3E1

Prepared By:

Chris Baldys, P.Eng.

March, 1992

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1.0 INTRODUCTION

An initial test pit sampling program was carried out on December 20, 1991 for the purpose of determining the metallic and trace element grades of the past producing Kenville Mine tailings disposal site. The two shallow, approximately 1.0 m deep, test pits were dug within the boundary of the Lucky claim.

The test pits were located, dug and sampled under the direction of the author.

2.0 LOCATION AND ACCESS

The Jasper Claim Group is located on the south bank of the Kootenay River approximately 1.5 km north of the Kenville Mine Site in the Nelson Mining Division, British Columbia on geographical coordinates 49° 29'N latitude and 117° 23'30"W longitude (Figure 1) on NTS map sheet 82 F/6W.

Access to the claims is excellent by way of paved highway directly south of the Taghum bridge located 10 km west of Nelson and 32 km east of Castlegar. Access to the site by air is excellent with daily scheduled Canadian and Air Canada Flights to Castlegar.

3.0 TOPOGRAPHY, VEGETATION AND CLIMATE

The terrain in the claim group area is Flat near the Kootenay River, to moderately steep away from the river to the southern extent of the claim group, ranging in elevation from 605 m to 750 m above sea level.

Mature second growth larch, douglas fir, hemlock and western red and white cedar cover much of the claim group. Typically snow precipitation is expected from mid-November through to mid-February and can accumulate to as much as 2.0 m.

4.0 CLAIM STATUS

The Jasper claim group consists of 10 contiguous mineral claims within the Nelson Mining Division approximately 10 km west of Nelson (Figure 2) on NTS sheet 82F/6W. The claim group is 100% owned by Coral Industries Ltd. of 1603 - 40th Ave, Vernon, B.C. V1T 7S5.

Pertinent claim data is summarized as follows:

Claim Name	<u>Units</u>	Record No.	Expiry Dates
Verena	1	235194	09/03/92
Dianne	1	235195	09/03/92
Rob	1	235196	09/03/92
Todd	1	235197	09/03/92
Shirley	1	235198	09/03/92
Josh	1	235199	09/03/92
Tyson	1	235200	09/03/92
Adam	1	235201	09/03/92
Lucky	1	305573	19/09/92
Lucky Tymes	1	305575	19/09/92

Assessment Credit is applied for under this report

5.0 HISTORY

The mine tailings on the Lucky and Todd claim of the Jasper claim group were deposited during the active mining year of the Kenville Gold Mine.

The Kenville Mine, originally the Granite - Poorman Mine, was discovered in the 1880's. Since its discovery a total of 199,232 Short tons averaging 0.327 opt gold and 0.14 opt silver have been produced. Copper, lead, zinc and tungsten are also present in the mine but have never been produced at significant levels.

The property has a long history dating from the late 1880's and was operated by various companies and leases. In 1946 Kenville Gold Mines Ltd, a company controlled by Quebec Gold Mining Corporation and Noranda Mines Ltd, took over the property. This company conducted extensive exploration and development work and constructed a 125 tpd cyanide mill. The company ceased operating the mine after the development work but continued mining and milling until 1954 under various leasing agreements. Small tonnages of ore were shipped directly to the Trail Smelter in 1960, 1961 and again in 1991.

The property was shut down in 1962 and Noranda and Mines removed all mobile equipment and materials from the mine and mill.

In 1969, Algoma Industries and Resources Ltd acquired the property, re-opened the 257 Mine Level and dewatered the mine. Various attempts were made to run a rebuilt mill with little success.

In 1987, Coral Industries purchased the Kenville Mine and initiated additional milling testwork, bulk sampling and sampling of the waste dump and tailings pond in 1991.

6.0 WORK PROGRAM

Two shallow, approximately 1.0 m deep, test pits were located, dug by hand and sampled under the direction of the author on the Lucky claim within the past Kenville Mine Tailings disposal site.

A total of 8 samples were collected, described and sent for assay to Chemex Labs Ltd, 212 Brooksbank Ave, North Vancouver, B.C. V7J 2C1.

7.0 GEOLOGY

7.1 Regional Geology

The area southwest of Nelson, British Columbia (Figure 3) is underlain by rock formations belonging to the Rossland Group of Triassic to Cretaceous in age intruded by Cretaceous intrusives belonging to the Nelson Plutonic Rocks.

The Rossland Group consists of andesite-basalt flows, breccias, agglomerates and greenstones of the Elise Formation overlain by siltstones and argillites of the Hall Formation which in turn is overlain by another sequence of andesite-basalt flows, breccias, agglomerates, and greenstones of the Beaver Mountain Formation.

The Nelson Intrusions have phases that range from a granite to granodiorite and diorite. In places these intrusives are altered to gneissic or schistose rocks which are referred to as pseudo-diorite (Mulligan, GSC, 1979). Included within this formation are lamprophyre dikes and small intrusive ultra-basic rocks and referred to as pyroxene-hornblende-biotite rocks.

The dominant regional structures in the area are northwest trending lineaments formed by faulting, jointing and formational contacts. Pre-mineral faults are often occupied by quartz veins while post-mineral faults and joints are manifested by the north-westerly directions of surface features such as creeks and ridges.

7.2 Local Geology and Structure

The Kenville Mine is underlain by intrusives of the Nelson Plutonic rocks that range from a granodiorite to diorite. R. Mulligan of the Geological Survey of Canada has called these intrusives pseudo-diorite. The intrusive at close proximity to the quartz veins is altered and gneissic.

Quartz veins cut the diorite along a northwest trend and dip around 45° to the northeast. These veins are occupying gravity fault planes that are prevalent in the area. Flat-lying quartz veins also occur in the area which occupy tension fractures produced by movements along the northwest trending inclined faults. Feeder veins radiate both from the inclined veins and the flat veins.

Post-mineral faults cut through the area and movement along these faults varies from a few feet to 50 feet. Thin lamprophyre dikes occupy some of the post-mineral faults.

In view of the fact that some of the main quartz veins occupy fault planes that are regional in nature, these quartz veins have exceptional continuity along strike and down dip. The Hardscrabble, Yule, and Poorman veins have been drifted on by past operations for 1,000 feet and are still open to the south and down dip. The veins vary in thickness from six inches (15.24 cm) to eight feet (24.58 m) at an average of three feet (91.44 cm).

8.0 SAMPLING PROGRAM AND RESULTS

Two test pits, pit #1 and pit #2 were located, dug and sampled by this author on the Lucky claim of the Jasper claim group (Figure 4). Both were dug to a depth of approximately 1.0 m and described in detail.

A total of 8 samples were selected, 5 from pit #1 and 3 from pit #2. The samples consisted of vertical channel samples across an interval length determined by the contacts or boundaries between different soil or tailings type. Different tailings types were based on colour and particle grain size (see Figure 5). Sample weights averaged approximately 3.5 kg.

All the samples were shipped to Chemex Labs Ltd, 212 Brooksbank Ave, North Vancouver, B.C. V7J 2C1 and assayed for gold (fire assay) and 32 element ICP. The assay certificates and methods of analyses have been included in Appendix I.

The values in pit #1 range from 0.010 to 0.016 opt Au, 6.8 to 23.6 ppm Ag, 481 to 1370 ppm Cu, 770 to 4360 ppm Pb, and 1655 to 10000 ppm Zn. The average weight values for pit #1 across the total width sampled are 0.013 opt Au, 14.8 ppm Ag, 954 ppm Cu, 2090 ppm Pb and 5460 ppm Zn.

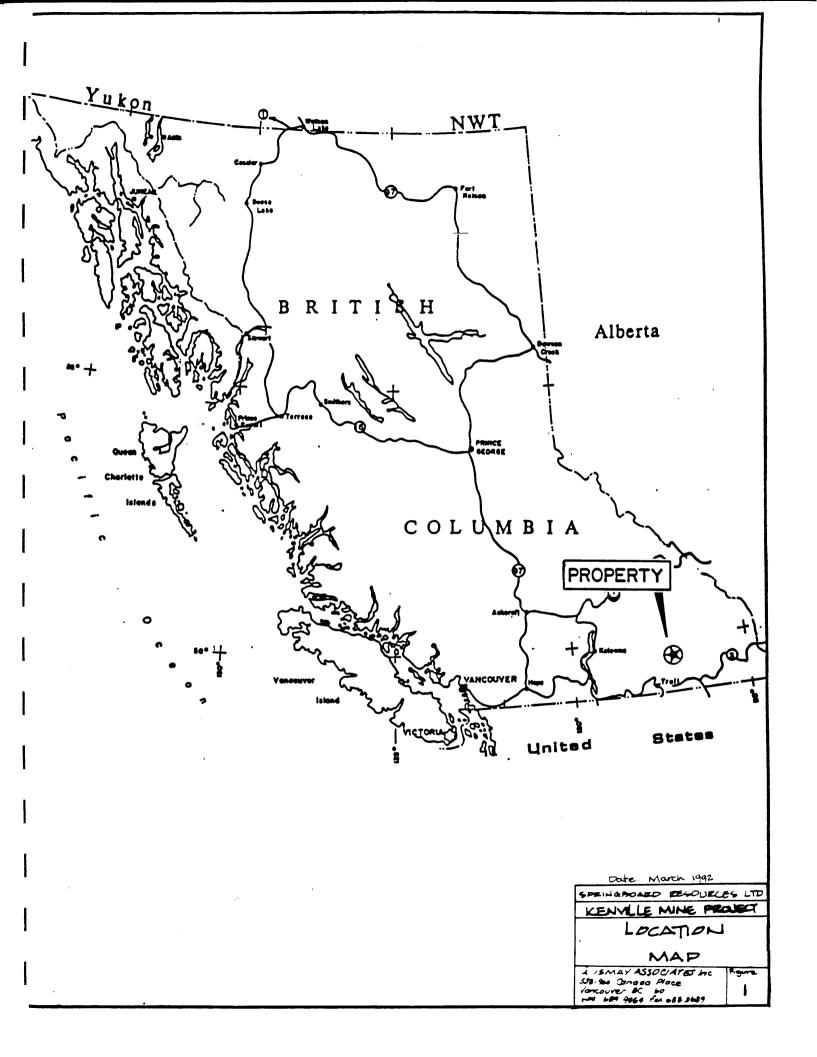
The values in pit #2 range from 0.014 to 0.024 0 z/T Au, 5.2 to 72.8 ppm Ag, 727 to 1330 ppm Cu, 560 to 7470 ppm Pb, and 1055 to 10000 ppm Zn. The average weighted value for pit #2 across the total width sampled are 0.019 oz/T Au, 34.4 ppm Ag, 943 ppm Cu, 4160 ppm Pb and 10000 ppm Zn.

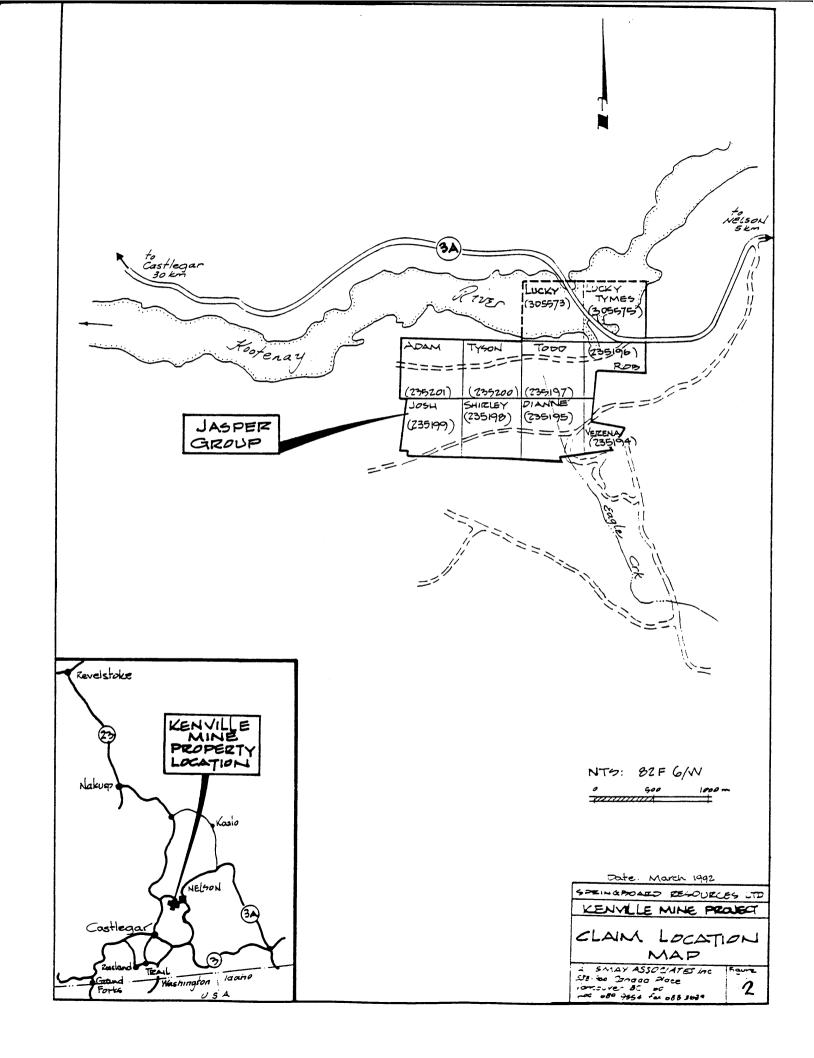
9.0 CONCLUSIONS AND RECOMMENDATIONS

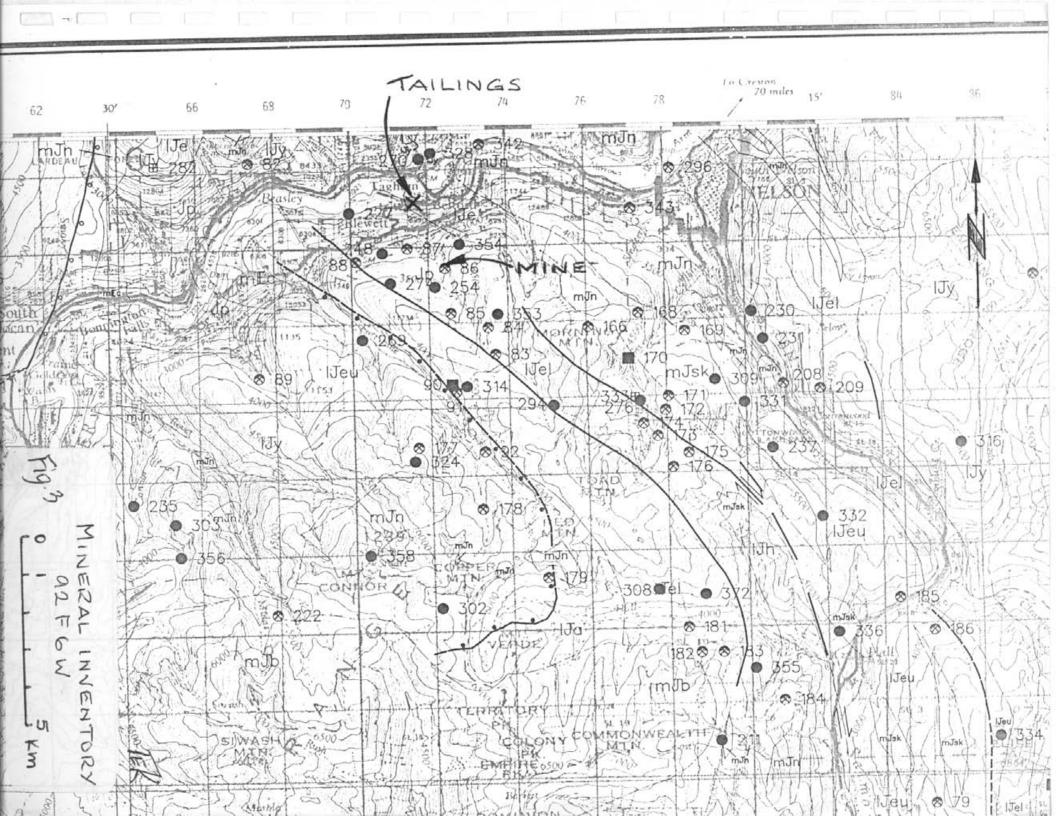
The two shallow pits averaged 0.016 oz/T Au, 24.6 ppm Ag, 949 ppm Cu, 3125 Pb and approximately 7730 ppm Zn (approximated since pit #2 assayed 10 000 ppm Zn).

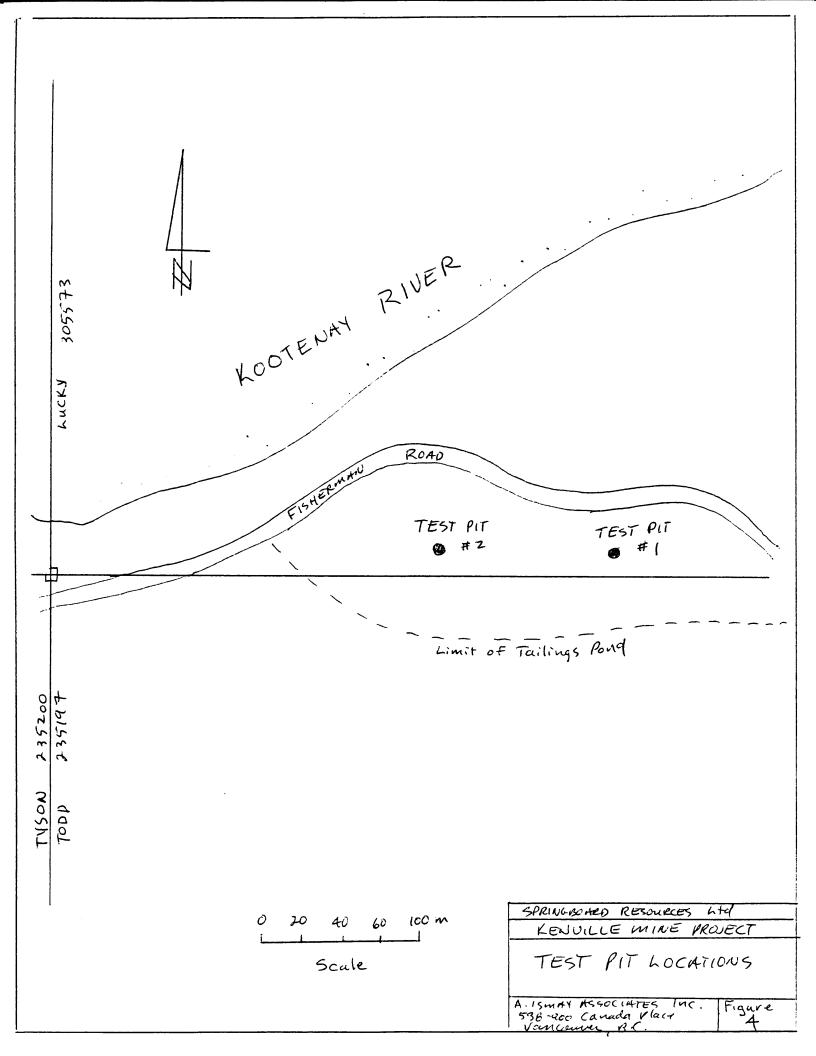
The established content of precious and base metals in the old tailings pond of Kenville Mine can be used as an indicator of recoveries obtained throughout last years of production.

There is no economic significance of the tailings due to low tonnage estimated from past production records to be less than 250000 tons.











	GROUND Surface	
	10 cm ly No Szinple - Organics	
0, 2	Sample 491112 - Grey-Brown Sand	
PIT N	50cm Sample 491113 - Grey-Blue sand/silt	
	Sample 491114 - Yellow Brown Sand	

,		444	
KENUILLE	MINE	PROJEC	<u> </u>
TEST PIT	SAMPLE	DESCR	PHON

APPENDIX I Assay Certificates and Procedures



Analytical Chemists * Geochemists * Registered Assayers 212 Brooksbank Ave., North Vancouver British Columbia, Canada V7J 2C1 PHONE: 604-984-0221 538 - 999 CANADA PLACE VANCOUVER, BC V6C 3E1

To: ISMAY, A. ASSOCIATES INC.

JAN 1 4 1992

A9126140

Comments: ATTN: NEIL FROC

CERTIFICATE

A9126140

ISMAY, A. ASSOCIATES INC.

Project: P.O. #: **KENVILLE MINE**

Samples submitted to our lab in Vancouver, BC. This report was printed on 7-JAN-92.

SAMPLE PREPARATION											
CHEMEX CODE	NUMBER SAMPLES	DESCRIPTION									
207 294 298	24 24 24	Assay pulv, screen -150, roll Crush and split (0-10 pounds) ICP - AQ Digestion charge									
* NOTE	1:										

The 32 element ICP package is suitable for trace metals in soil and rock samples. Elements for which the nitric-aqua regia digestion is possibly incomplete are: Al, Ba, Be, Ca, Cr, Ga, K, La, Mg, Na, Sr, Ti, Tl, W.

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396 922 921 923 924	24 24 24	Au oz/T: 1/2 assay ton			
921 923 924			FA-GRAVIMETRIC	0.003	20.000
923 924	24	Ag ppm: 32 element, soil & rock	ICP-AES	0.2	200
924		Al %: 32 element, soil & rock	ICP-AES	0.01	15.00
	24	As ppm: 32 element, soil & rock	ICP-AES	5	10000
	24	Ba ppm: 32 element, soil & rock	ICP-AES	10	10000
925 926	24 24	Be ppm: 32 element, soil & rock Bi ppm: 32 element, soil & rock	ICP-AES ICP-AES	0.5 2	100.0 10000
927	24	Ca %: 32 element, soil & rock	ICP-AES	0.01	15.00
928	24	Cd ppm: 32 element, soil & rock	ICP-AES	0.5	100.0
929	24	Co ppm: 32 element, soil & rock	ICP-AES	1	10000
930	24	Cr ppm: 32 element, soil & rock	ICP-AES	ī	10000
931	24	Cu ppm: 32 element, soil & rock	ICP-AES	1	10000
932	24	Fe %: 32 element, soil & rock	ICP-AES	0.01	15.00
933	24	Ga ppm: 32 element, soil & rock	ICP-AES	10	10000
951	24	Hg ppm: 32 element, soil & rock	ICP-AES	1	10000
934	24	K %: 32 element, soil & rock	ICP-AES	0.01	10.00
935	24	La ppm: 32 element, soil & rock	ICP-AES	10	10000
936	24	Mg %: 32 element, soil & rock	ICP-AES	0.01	15.00
937	24	Mn ppm: 32 element, soil & rock	ICP-AES	5	10000
938	24	Mo ppm: 32 element, soil & rock	ICP-AES	1	10000
939	24	Na %: 32 element, soil & rock	ICP-AES	0.01	5.00 10000
940	24	Ni ppm: 32 element, soil & rock	ICP-AES ICP-AES	1 10	10000
941 942	24 24	P ppm: 32 element, soil & rock Pb ppm: 32 element, soil & rock	ICP-AES	2	10000
943	24	Sb ppm: 32 element, soil & rock	ICP-AES	5	10000
958	24	Sa ppm: 32 elements, soil & rock	ICP-AES	1	10000
944	24	Sr ppm: 32 element, soil & rock	ICP-AES	i	10000
945	24	Ti %: 32 element, soil & rock	ICP-AES	0.01	5.00
946	24	T1 ppm: 32 element, soil & rock	ICP-AES	10	10000
947	24	U ppm: 32 element, soil & rock	ICP-AES	10	10000
948	24	V ppm: 32 element, soil & rock	ICP-AES	ī	10000
949	24	W ppm: 32 element, soil & rock	ICP-AES	10	10000
950	24	Zn ppm: 32 element, soil & rock	ICP-AES	2	10000
1449	24	Weight in pounds	Balance	0.01	N/A



Analytical Chemists * Geochemists * Registered Assayers 212 Brooksbank Ave., North Vancouver British Columbia, Canada V7J 2C1 PHONE: 604-984-0221

To: ISMAY, A. ASSOCIATES INC.

538 - 999 CANADA PLACE VANCOUVER, BC V6C 3E1

Page Number :1-A Total Pages :1 Certificate Date: 07-JAN-92 Invoice No. :19126140 P.O. Number :

Account :JJZ

Project: KENVILLE MINE ATTN: NEIL FROC

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SAMPLE	PRI CO		Au FA oz/T	Ag ppm	Al %	As ppm	Ba ppm	ppm Be	Bi ppm	Ca %	ppm Cq	Co ppm	Cr ppm	Cu ppm	Fe %	Ga ppm	ppm Hg	K %	Ia ppm	Mg %	Mn ppm
																					-
491107	207	294	0.012	6.8	0.72	80	40	< 0.5	< 2	7.83	13.0	9	34	1000	5.77	< 10	< 1	0.09	10	0.33	3510
491108 491109 491110 491111 491112	207 207 207	294 294 294 294 294 294	0.012 0.014 0.016 0.010 0.024	10.6 23.6 21.4 14.0 25.2	0.84 0.46 0.44 0.82 0.63	110 615 310 85 500	160 160	< 0.5 < 0.5 < 0.5 < 0.5 < 0.5	< 2 < 2 < 2 < 2 < 2	5.66 1.64 2.51 2.82 1.66	32.0 >100.0 83.5 54.0 >100.0	11 16 8 12 11	35 36 27 32 31	1370 1155 481 864 727	5.00 4.72 3.22 3.18 5.03	< 10 < 10 < 10 < 10 < 10	2 < 1 < 1 < 1 < 1	0.18 0.19 0.13 0.28 0.21	10 < 10 10 10	0.62 0.65 0.77 0.81 0.62	3570 9440 3890 1600 4600
491113 491114 491468 491500	207 207	294 294 294 294	0.014 0.016 0.040 0.008	72.8 5.2 2.2 0.2	1.08 0.49 0.48 0.97	190 < 5 < 5 < 5	20 60	< 0.5 < 0.5 < 0.5 < 0.5	< 2 < 2 < 2 < 2	2.59 1.98 4.05 3.42	>100.0 33.0 14.5 0.5	10 17 14 14	47 21 10 9	978 1330 494 188	3.26 4.19 2.81 3.05	< 10 < 10 < 10 < 10	1 1 < 1 < 1	0.25 0.18 0.31 0.59	10 10 10 10	0.91 0.50 0.73 0.98	1730 690 1240 1105
																					_

CERTIFICATION:



SAMPLE

PREP

CODE

Mo

ppm

Chemex Labs Ltd.

Analytical Chemists * Geochemists * Registered Assayers 212 Brooksbank Ave., North Vancouver British Columbia, Canada V7J 2C1 PHONE: 604-984-0221

Ni

ppm

Na

₽

P

ppm

Pb

ppm

Sb

ppm

To: ISMAY, A. ASSOCIATES INC.

538 - 999 CANADA PLACE VANCOUVER, BC

V6C 3E1

KENVILLE MINE Project: Comments: ATTN: NEIL FROC Page Number :1-B

Total Pages :1
Certificate Date: 07-JAN-92
Invoice No. :19126140
P.O. Number :

Account :JJZ

A9126140 **CERTIFICATE OF ANALYSIS** In Weight Sc Sr Ti Tl U V ppm pounds € ppm ppm ppmppmppm ppm

491107	207	294	9	0.01	11	640	778	< 5	1	151 0.01	< 10	< 10	49	70 1655	10.94	
491108	207	294	9	0.01	13	770	1620	< 5	1	120 0.02	< 10	< 10	48	70 3070	12.23	
491109	207	294	22	0.01	14	490	4360	< 5	2	78 < 0.01	. < 10	< 10	20	80 >10000	12.40	
491110	207	294	12	0.01	16	810	2560	5	2	170 < 0.01	. < 10	< 10	17	80 8790	6.25	
491111		294		0.01	9	1030	1480	< 5	2	213 0.02	< 10	< 10	32	190 4640	5.26	
491112	207		10	0.01	14	790	3890	< 5	2	107 0.01	< 10	< 10	29	130 >10000	8.52	
491113	207	294	10	0.01	23	750	7470	30	3	155 0.01	< 10	< 10	29	100 >10000	8.01	
491114	207	294	8	0.01	7	1590	560	5	1	147 0.02	< 10	< 10	25	270 1055	5.40	
491468	9 1	294		0.01	5	1370	50	< 5	1	470 < 0.01	< 10	< 10	16	20 238	4.87	
491500	207		2	0.03	5	1640	14	< 5	2	354 0.05	< 10	< 10	63	10 64	8.30	
	1 1															

CERTIFICATION:



Geochemists

North Vancouver, B.C.

Canada **V7J 2C1**

Phone: (604) 984-0221

Telex 04-352597 Fax: (604) 984-0218

Gold

Registered Assayers

Fire Assay - Gravimetric Finish

Chemex Code(s): 396 (oz/T), 397 (g/tonne)

Analytical Chemists

Gold analyses are done by standard fire assay techniques. A prepared sample (1/2 assay ton (14.583 grams)) is fused in litharge, carbonate and silicious fluxes. The lead button containing the precious metals is cupelled in a muffle furnace. The Ag and Au bead is parted in dilute nitric acid, annealed and weighed as Au.

Detection Limit 0.003 oz/T 0.1 g/tonne Upper Limit 20 oz/T 500 g/tonne



Analytical Chemists

Geochemists Registered Assayers 212 Brooksbank Ave. North Vancouver, B.C. Canada V7J 2C1

(604) 984-0221 Telex 04-352597 Fax: (604) 984-0218

Phone:

32-Element Geochemistry Package (32-ICP) Inductively-Coupled Plasma-Atomic Emission Spectroscopy (ICP-AES)

A prepared sample (0.5g) is digested with concentrated nitric and aqua regia acids at medium heat for two hours. The acid solution is diluted to 25ml with demineralized water, mixed and analyzed using a Jarrell Ash 1100 plasma spectrometer after calibration with proper standards. The analytical results are corrected for spectral inter-element interferences.

Codes	Chemex.	Element	Detection	Upper
2118 Silver 0.2 ppm 0.02 % 2120 Arsenic 2 ppm 1 % 2121 * Barium 10 ppm 1 % 2122 * Beryllium 0.5 ppm 0.01 % 2123 Bismuth 2 ppm 1 % 2124 * Calcium 0.01 % 15 % 2125 Cadmium 0.5 ppm 0.05 % 2126 Cobalt 1 ppm 1 % 2127 * Chromium 1 ppm 1 % 2128 Copper 1 ppm 1 % 2130 * Gallium 10 ppm 1 % 2130 * Gallium 10 ppm 1 % 2131 * Potassium 0.01 % 10 % 2132 * Potassium 0.01 % 10 % 2134 * Magnesium 0.01 % 15 % 2134 * Magnesium 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 %	Codes -		Limit	Limit
2118 Silver 0.2 ppm 0.02 % 2120 Arsenic 2 ppm 1 % 2121 * Barium 10 ppm 1 % 2122 * Beryllium 0.5 ppm 0.01 % 2123 Bismuth 2 ppm 1 % 2124 * Calcium 0.01 % 15 % 2125 Cadmium 0.5 ppm 0.05 % 2126 Cobalt 1 ppm 1 % 2127 * Chromium 1 ppm 1 % 2128 Copper 1 ppm 1 % 2130 * Gallium 10 ppm 1 % 2130 * Gallium 10 ppm 1 % 2131 * Potassium 0.01 % 10 % 2132 * Potassium 0.01 % 10 % 2134 * Magnesium 0.01 % 15 % 2134 * Magnesium 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 %				
2120 Arsenic 2 ppm 1% 2121 * Barium 10 ppm 1% 2122 * Beryllium 0.5 ppm 0.01 % 2123 Bismuth 2 ppm 1% 2124 * Calcium 0.01 % 15 % 2125 Cadmium 0.5 ppm 0.05 % 2125 Cadmium 0.5 ppm 0.05 % 2125 Cadmium 0.5 ppm 0.05 % 2126 Cobalt 1 ppm 1 % 2127 * Chromium 1 ppm 1 % 2128 Copper 1 ppm 1 % 2129 * Chromium 10 ppm 1 % 2130 * Gallium 10 ppm 1 % 2131 * Lanthanum 10 ppm 1 %	2119	* Aluminum	0.01 %	15 %
2120 Arsenic 2 ppm 1 % 2121 * Barium 10 ppm 1 % 2122 * Beryllium 0.5 ppm 0.01 % 2123 Bismuth 2 ppm 1 % 2124 * Calcium 0.01 % 15 % 2125 Cadmium 0.5 ppm 0.05 % 2126 Cobalt 1 ppm 1 % 2127 * Chromium 1 ppm 1 % 2128 Copper 1 ppm 1 % 2130 * Fon 0.01 % 15 % 2130 * Gallium 10 ppm 1 % 2131 * Lanthanum 10 ppm 1 % 2132 * Potassium 0.01 % 10 % 2131 * Lanthanum 10 ppm 1 % 2132 * Magnesium 0.01 % 15 % 2133 * Manganese 5 ppm 1 % 2134 * Molybdenum 1 ppm 1 % 2138 Nickel 1 ppm 1 %	2118	Silver	0.2 ppm	0.02 %
Barium 10 ppm 1%	2120	Arsenic		1%
2123 Bismuth 2 ppm 1-% 2124 * Calcium 0.01 % 15 % 2125 Cadmium 0.5 ppm 0.05 % 2126 Cobalt 1 ppm 1 % 2127 * Chromium 1 ppm 1 % 2128 Copper 1 ppm 1 % 2130 * Callium 10 ppm 1 % 2130 * Gallium 10 ppm 1 % 2131 * Potassium 0.01 % 10 % 2131 * Lanthanum 10 ppm 1 % 2134 * Magnesium 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 % 2137 * Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2	2121	* Barium		1%
2123 Bismuth 2 ppm 1-% 2124 * Calcium 0.01 % 15 % 2125 Cadmium 0.5 ppm 0.05 % 2126 Cobalt 1 ppm 1 % 2127 * Chromium 1 ppm 1 % 2128 Copper 1 ppm 1 % 2130 * Callium 10 ppm 1 % 2130 * Gallium 10 ppm 1 % 2131 * Potassium 0.01 % 10 % 2131 * Lanthanum 10 ppm 1 % 2134 * Magnesium 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 % 2137 * Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2	2122	* Beryllium	- 0.5 ppm	0.01 %
2124 *Calcium 0.01 % 15 % 2125 Cadmium 0.5 ppm 0.05 % 2126 Cobalt 1 ppm 1 % 2127 *Chromium 1 ppm 1 % 2128 Copper 1 ppm 1 % 2150 Iron 0.01 % 15 % 2130 *Gallium 10 ppm 1 % 2131 *Potassium 0.01 % 10 % 2131 *Lanthanum 10 ppm 1 % 2134 *Magnesium 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 % 2137 *Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144	2123	Bismuth	2 ppm	1%
2126 Cobalt 1 ppm 1 % 2127 *Chromium 1 ppm 1 % 2128 Copper 1 ppm 1 % 2150 Iron 0.01 % 15 % 2130 *Gallium 10 ppm 1 % 2132 *Potassium 0.01 % 10 % 2131 *Lanthanum 10 ppm 1 % 2134 *Magnesium 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 % 2137 *Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146	2124	* Calcium	0.01 %	15 %
2126 Cobalt 1 ppm 1 % 2127 *Chromium 1 ppm 1 % 2128 Copper 1 ppm 1 % 2150 Iron 0.01 % 15 % 2130 *Gallium 10 ppm 1 % 2132 *Potassium 0.01 % 10 % 2131 *Lanthanum 10 ppm 1 % 2134 *Magnesium 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 % 2137 *Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146	2125	Cadmin	0.5 ppm	0.05 %
2127 *Chromium 1 ppm 1 % 2128 Copper 1 ppm 1 % 2150 Iron 0.01 % 15 % 2130 *Gallium 10 ppm 1 % 2132 *Potassium 0.01 % 10 % 2131 *Lanthanum 10 ppm 1 % 2134 *Magnesium 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 % 2137 *Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead -2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 <td>2126</td> <td>Cobalt</td> <td>1 ppm</td> <td>1.%</td>	2126	Cobalt	1 ppm	1.%
2128 Copper 1 ppm 1 % 2150 Iron 0.01 % 15 % 2130 *Gallium 10 ppm 1 % 2132 *Potassium 0.01 % 10 % 2151 *Lanthanum 10 ppm 1 % 2134 *Magnesium 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 % 2137 *Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 Vanadium 1 ppm 1 % 2148	2127	*Chromium		1 %
2150 Iron 0.01 % 15 % 2130 *Gallium 10 ppm 1 % 2132 *Potassium 0.01 % 10 % 2151 *Lanthanum 10 ppm 1 % 2134 *Magnesium 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 % 2137 *Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 Vanadium 1 ppm 1 % 2148 *Tungsten 10 ppm 1 % 2149 Zinc 2 ppm 1 %	2128	Copper		1 %
2132 * Potassium 0.01 % 10 % 2151 * Lanthanum 10 ppm 1 % 2134 * Magnesium - 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 % 2137 * Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead -2 ppm 1 % 2141 Antimony 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 * Strontium 1 ppm 1 % 2144 * Titanium 0.01 % 10 % 2145 * Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 Vanadium 1 ppm 1 % 2148 * Tungsten 10 ppm 1 % 2149 Zinc 2 ppm 1 %	2150	Iron		15 %
2134 * Lanthanum 10 ppm 1 % 2134 * Magnesium 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 % 2137 * Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 * Strontium 1 ppm 1 % 2144 * Titanium 0.01 % 10 % 2145 * Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 Vanadium 1 ppm 1 % 2148 * Tungsten 10 ppm 1 % 2149 Zinc 2 ppm 1 %	2130	*Gallium	10 ppm	1 %
2134 *Magnesium 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 % 2137 *Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 Vanadium 1 ppm 1 % 2148 *Tungsten 10 ppm 1 % 2149 Zinc 2 ppm 1 %	2132	* Potassium	0.01 %	10 %
2134 *Magnesium 0.01 % 15 % 2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 % 2137 *Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 Vanadium 1 ppm 1 % 2148 *Tungsten 10 ppm 1 % 2149 Zmc 2 ppm 1 %	2151	* Lanthanum	10 ppm	1%
2135 Manganese 5 ppm 1 % 2136 Molybdenum 1 ppm 1 % 2137 *Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 Vanadīum 1 ppm 1 % 2148 *Tungsten 10 ppm 1 % 2149 Zīnc 2 ppm 1 %	2134	* Magnesium		15 %
2136 Molybdenum 1 ppm 1 % 2137 *Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 Vanadium 1 ppm 1 % 2148 *Tungsten 10 ppm 1 % 2149 Zinc 2 ppm 1 %	2135		5 ppm	1 %
2137 *Sodium 0.01 % 10 % 2138 Nickel 1 ppm 1 % 2139 Phosphorus 10 ppm 1 % 2140 Lead -2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 Vanadīum 1 ppm 1 % 2148 *Tungsten 10 ppm 1 % 2149 Zīnc 2 ppm 1 %	2136	Molybdenum		1%
2139 Phosphorus 10 ppm 1 % 2140 Lead 2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 Vanadium 1 ppm 1 % 2148 *Tungsten 10 ppm 1 % 2149 Zinc 2 ppm 1 %	2137	*Sodium -	0.01 %	10-%
2140 Lead -2 ppm 1.% 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 Vanadium 1 ppm 1 % 2148 *Tungsten 10 ppm 1 % 2149 Zinc 2 ppm 1 %	. 2138	Nickel	1 ppm	1%
2140 Lead -2 ppm 1 % 2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 Vanadīum 1 ppm 1 % 2148 *Tungsten 10 ppm 1 % 2149 Zīnc 2 ppm 1 %	2139	Phosphorus	10 ppm	1%
2141 Antimony 2 ppm 1 % 2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 Vanadium 1 ppm 1 % 2148 *Tungsten 10 ppm 1 % 2149 Zinc 2 ppm 1 %		Lead	-2 ppm	1.%
2143 *Strontium 1 ppm 1 % 2144 *Titanium 0.01 % 10 % 2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 - Vanadium 1 ppm 1 % 2148 *Tungsten 10 ppm 1 % 2149 Zinc 2 ppm 1 %	2141			1 %
2145 *Thallium 10 ppm 1 % 2146 Uranium 10 ppm 1 % 2147 - Vanadīum 1 ppm 1 % 2148 *Tungsten 10 ppm 1 % 2149 Zīnc 2 ppm 1 %	2143	*Strontium	1 ppm	1 %
2146 Uranium 10 ppm 1 % 2147 Vanadium 1 ppm 1 % 2148 * Tungsten 10 ppm 1 % 2149 Zinc 2 ppm 1 %	2144	* Titanium	0.01 %	10 %
2146 Uranium 10 ppm 1 % 2147 - Vanadium 1 ppm 1 % 2148 *Tungsten 10 ppm 1 % 2149 Zinc 2 ppm 1 %	2145	* Thallium	10 ppm	1%
2147 - Vanadrum 1 ppm 1 % 2148 * Tungsten 10 ppm 1 % 2149 Zinc 2 ppm 1 %	2146	Uranium	10 ppm	1%
2148 *Tungsten 10 ppm 1 % 2149 Zinc 2 ppm 1 %	2147	Vanadium		1%
2149 Zinc 2 ppm 1 %	2148	* Tungsten		1 %
	2149	Zinc		1 %
	2131	Mercury _		1 %

Elements for which the digestion is possibly incomplete.

APPENDIX II Statement of Qualifications

STATEMENT OF QUALIFICATIONS

- I, Christopher Baldys, P. Eng., of 20699 120 B Avenue #13, Maple Ridge, BC, certifies that:
- (i) I am a graduate of Academy of Mining and Metallurgy in Cracow, with a Magister Degree in Engineering in Mining Geology, 1980.
- (ii) I am a member of Geological Association of Canada and the Association of Professional Engineers and Geoscientists of British Columbia.
- (iii) I have worked for 3 years in mining geology in Poland and for 9 years in exploration and mining in North American Cordillera.
- (iv) I have no direct or indirect interest in Coral Industries Limited.
- (v) This report is based on field work carried out by myself on December 20, 1991 for assessment purposes.

March, 1992

Çhristopher Baldys, P. Eng.

APPENDIX III Statement of Costs

STATEMENT OF COSTS

SALARIES

C. Baldys, P. Eng. - 4 days at 400/day 1600.00

ASSAYS

Chemex (A9126140) 207.58

ROOM AND BOARD

2 days at 60\$/day 120.00

TRANSPORTATION

Air Fare 411.42
Truck Pontal 161.00

Truck Rental 161.00

REPORT PREPARATION

TOTAL \$3000.00