GEOPHYSICAL REPORT

on the

BAYONNE PROPERTY

NELSON MINING DIVISION, BRITISH COLUMBIA

NTS M82F/2W

LAT 49 10 LONG 116 56 W

for

NUGGET MINES LTD.
GOLDRICH RESOURCES INC.

by

S. A. Endersby, P. Eng., (B.C.)

November 10, 1992

White Rock, B. C.

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ILLUSTRATIONS

INTRODUCTION

The Bayonne 2 group of claims consists of 68 units and is situated in the Nelson Mining Division in southeastern British Columbia. It is centered on the Bayonne Mine, which was a significant gold producer with a recorded past production of 85,000 tons of ore averaging 0.47 ounces of gold and 1.12 ounces of silver per ton.

This report summarizes the results of a VLF - electromagnetic survey and a self potential survey in the vicinity of the Bayonne Mine. It was conducted between August 1 and August 15, 1992. The purpose of the survey was to firstly determine possible extensions of the known veins on the Bayonne property and secondly to check the response of the survey methods on these particular veins so as to assist in searching for similar veins on other parts of the property. A total of 3.1 kilometers of VLF-EM surveying and 1.0 kilometres of self potential surveying were completed.

The report also summarizes the history of the camp and the general geology of the Bayonne Mine area.

LOCATION, ACCESS, PHYSIOGRAPHY

The Bayonne property is situated in the Nelson Mining Division in southeastern British Columbia, approximately 50 kilometres southeast of Nelson and 450 kilometres due east of Vancouver. It lies about 15 kilometres north of the U.S. boundary.

Access to the property is via about 6 kilometres of gravel road north up the valley of Bayonne Creek from the southern trans-provincial highway, about 32 kilometres west of Creston and 50 kilometres east of Salmo. The access road leaves the highway at about 1200 metres elevation and rises to about 1890 metres at the lower workings of the Bayonne Mine.

The topography of the property is moderately rugged, with elevations ranging from about 1350 metres to 2225 metres at the peak of John Bull Mountain. The country is heavily timbered where it has not been logged. Climatic conditions are not excessively severe.

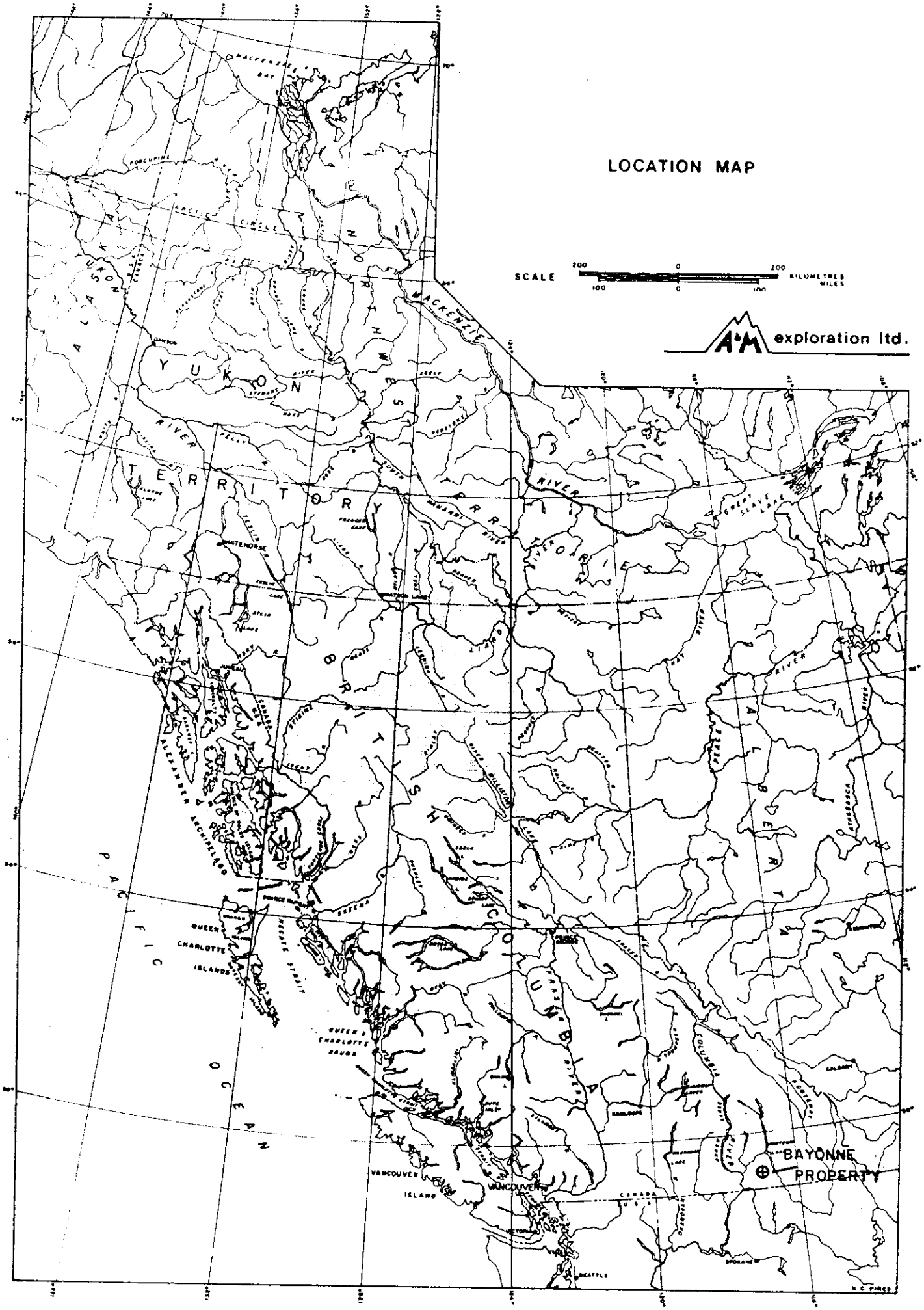
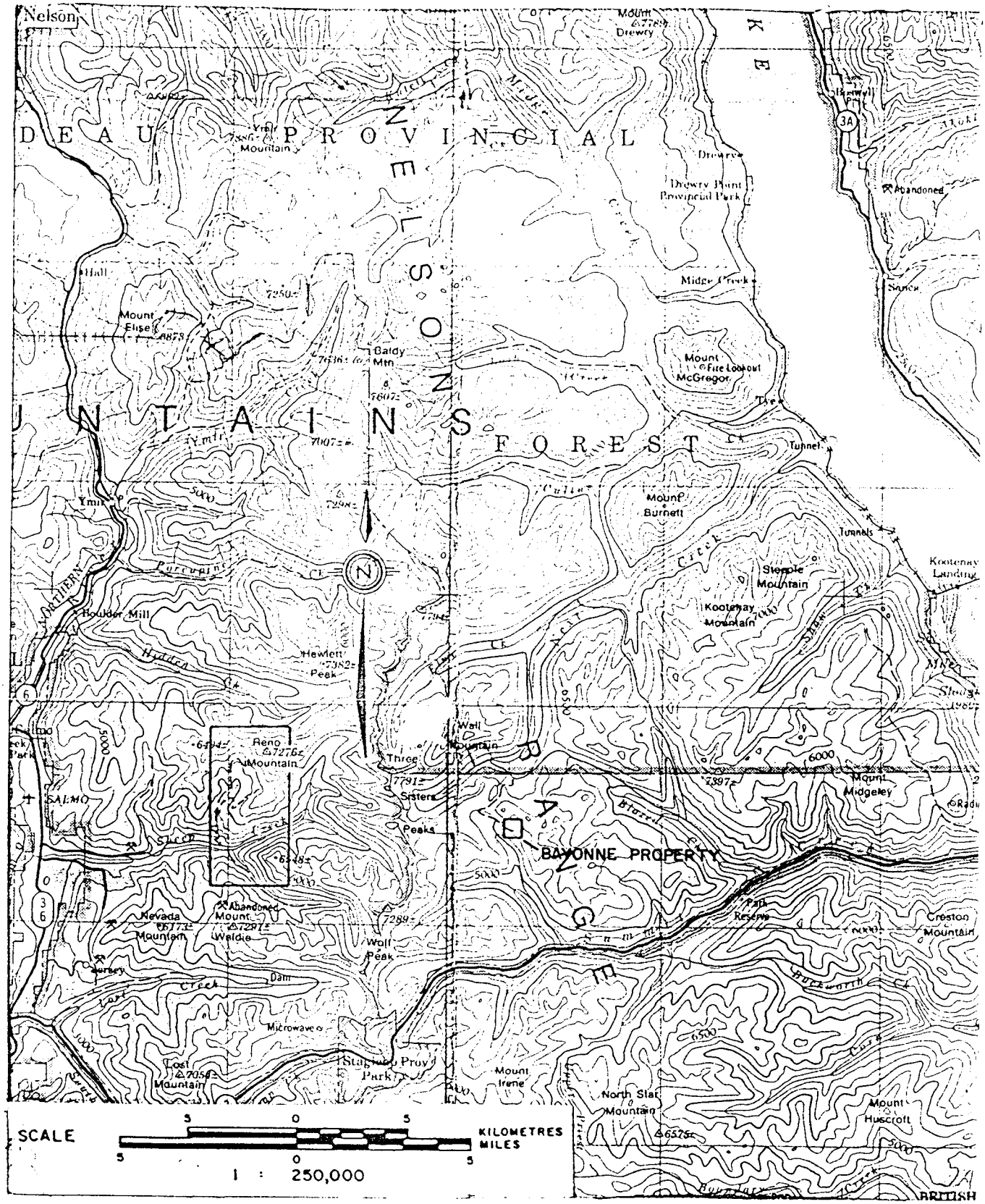

LOCATION MAP
SCALE
200 0 200 KILOMETRES
100 0 100 MILES
A•M exploration ltd.
YUKON TERRITORY
NORTHWEST TERRITORIES
BRITISH COLUMBIA
ALBERTA
PACIFIC OCEAN
MACKENZIE
WHITEHORSE
VANCOUVER
VANCOUVER ISLAND
QUEEN CHARLOTTE ISLANDS
ALEXANDER ARCHIPELAGO
BAYONNE PROPERTY

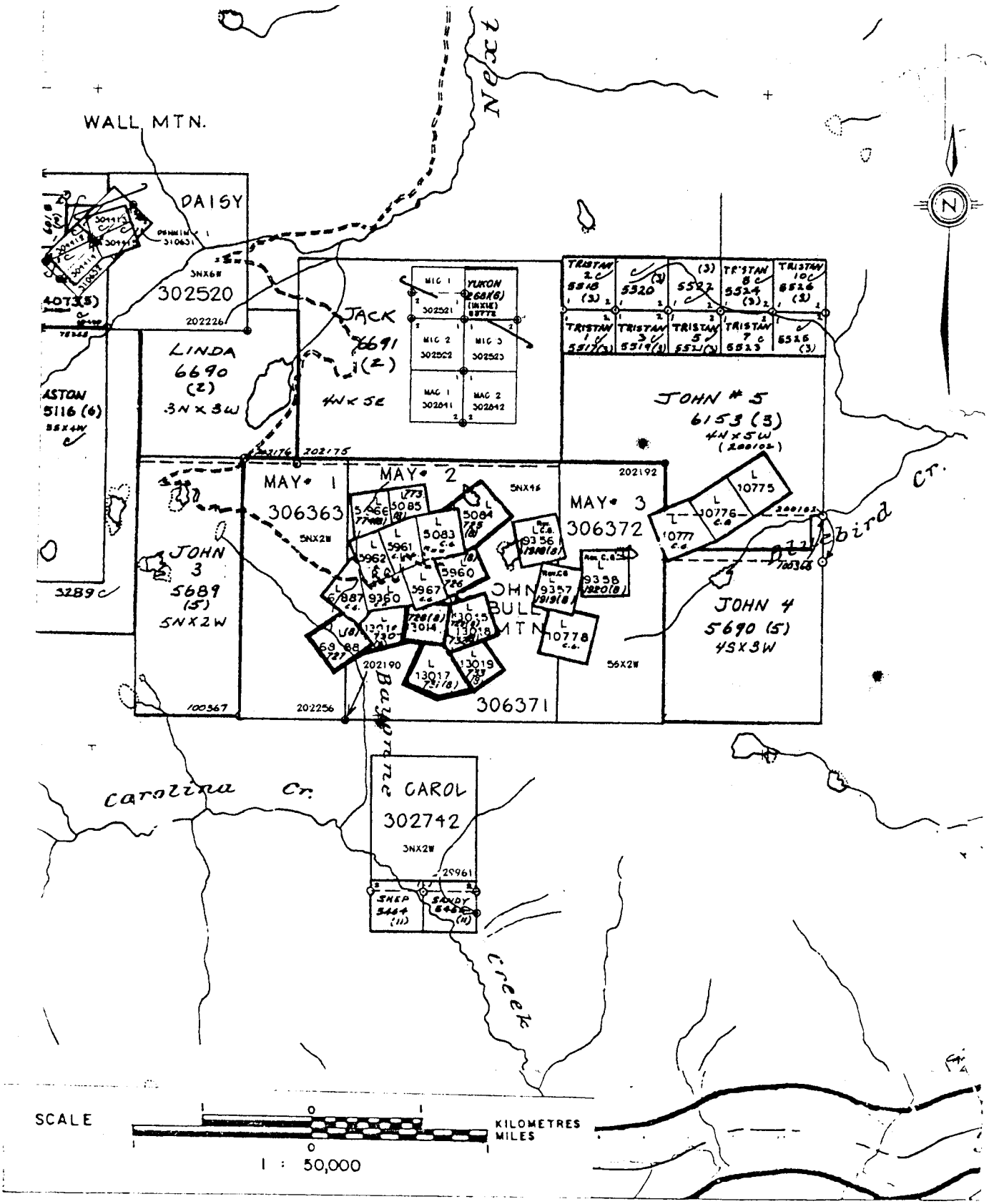
FIGURE – 1



ACCESS MAP

Figure 2

82F/2W



BAYONNE PROPERTY

CLAIM MAP

FIGURE 3

CLAIM DATA

The property has been grouped as the Bayonne 2 group and consists of the following claims. (See Figure 3)

Claim Name	Title No.	No. Units	Anniversary Date
Oxford	232647	1	August 15
Delaware	232648	1	August 15
Illinois	232649	1	August 15
Echo	232650	1	August 15
Echo Fract.	232651	1	August 15
Ontario	232652	1	August 15
Portland	232653	1	August 15
St. Elmo Fract.	232654	1	August 15
Idaho	232655	1	August 15
Maryland	232669	1	August 29
Kentucky	232670	1	August 29
May #1	306363	10	November 18
May #2	306371	20	November 18
May #3	306372	10	November 19
Debbie	311477	1	July 25
Rick	311478	1	July 25
Pattie	311479	1	July 25
Anna	311480	1	July 25
Norman	311943	1	August 9
Elsie	311944	1	August 9
Ray	311945	1	August 9
Bayonne	L.5083(c.g.)	1	
Columbus	L.5961(c.g.)	1	
Ohio	L.5962(c.g.)	1	
New Jersey	L.5967(c.g.)	1	
Virginia	L.6887(c.g.)	1	
Shookum	L.9360(c.g.)	1	
Michigan	L.10775(c.g.)	1	
Maggie Aikens	L.10776(c.g.)	1	
Summit Belle	L.10777(c.g.)	1	
Montana	L.10778(c.g.)	1	
	Total units	68	

HISTORY

The earliest recorded history of the Bayonne property was in 1901 when the Bayonne and Echo claims received some attention. Early work consisted of numerous trenches and three short adits on the 1st, 6th, and 8th levels developing the original vein exposures. Very little work was carried out between 1915 and 1935 when the 17 original crown grants claims including the Bayonne and Echo claims were acquired by Bayonne Consolidated Mines Ltd. Underground development and mining began and a 60 ton cyanide

concentrator was constructed, coming into full production in 1936. Production was slowed down in 1939 in favour of an extensive development program and then continued unabated up to 1942.

The mine was at a standstill due to labour and material shortage until 1945 when it began operations again until 1946. Minor tonnages were produced by lessees between 1947 and 1951.

In 1963 Torwest Resources Ltd. optioned the property and carried out rehabilitation work, diamond drilling and a resampling program under the direction of W G. Hainsworth, P.Eng. This work continued up to October, 1964. Up to 1963 access was by a 37 kilometer gravel road from Tye Siding on the west side of Kootenay Lake but the completion of the Salmo-Creston Highway in that year provided shorter access from the south. Logging roads were constructed from the Highway and extended by Torwest to the mine in 1964. The distance to the Trail smelter is about 96 kilometers.

Torwest Resources Ltd. carried out sufficient work to their satisfaction to justify construction of a new concentrator. Reserves were considered to be 12,450 tons averaging 0.79 oz Au per ton. Site preparation for the new 50 ton per day mill was commenced, two 300 ton ore bins were constructed, the main haulageway (5 level) was retracked when Torwest dropped their interest (and the option) in favour of other exploration properties.

Total production is reported as being 85,000 tons averaging 0.47 oz Au and 1.12 oz. Ag. This includes shipments made be lessees in 1947 - 1951 that totalled 673 tons averaging 0.67 oz. Au, 4.75 oz. Ag, 4.4% Pb and 2.3% Zn.

In June 1968, the property was optioned by Liberty Mines Ltd. but no work was carried out, other than an examination by G. L. Mill, P.Eng.

In early 1980 Goldrich Resources, Inc. acquired the property and began a program of rehabilitation, retimbering, diamond drilling and resampling under the direction of R.A. Wells and F.OGrady. A trial stope on the 8 level was begun and a shipment of 43 tons averaging 0.15 oz. Au, 1.2 oz Ag, 0.4% Pb, 0.2% Zn and 78.3% SiO2 was made to the Cominco Smelter at Trail.

In 1987 Terra Mines Ltd. optioned the Goldrich claims and conducted geochemical, geophysical surveying, trenching and sampling. In July 1990, the Board of Directors of Goldrich Resources, Nugget Mines Ltd., and Gunsteel Resources, subject to shareholder and regulatory approval, agred to amalgamate the three companies to put all the Bayonne property, along with most of the Sheep Creek gold camp about 12 Km. to the west into one ownership to provide sufficient ore for production.

GEOLOGY AND MINERALIZATION

The area in which the Bayonne Property is located is underlain by fine to medium grained granodiorite of Mezozoic age intruding a green argillaceous quartzite, limestone and coarse sediments of the Horsethief Creek series of late Preambrian age. The property is located near the southwest end of an elongate, northeast-trending, 60 km long body of granodiorite known as the Bayonne batholith. It varies in composition from a granite to a calcic granodiorite and contains phases described as course grained, fine grained, porphyritic, non-porphyritic, pink and light to dark grey and is often gneissic in nature. The variety centered on John Bull Mountain and underlying the Bayonne property is referred to as the Mine Stock and H. M. Rice believes this to be a separate and older body rather than a part of the Bayonnne batholith. Mineralization consists of quartz filled fissure veins striking N80E and dipping vertically. The veins vary in width from a few centimeters to 3 meters and average about 0.5 meters in width. Gold and silver are intimately associated with pyrite, galena, sphalerite and chalcopyrite.

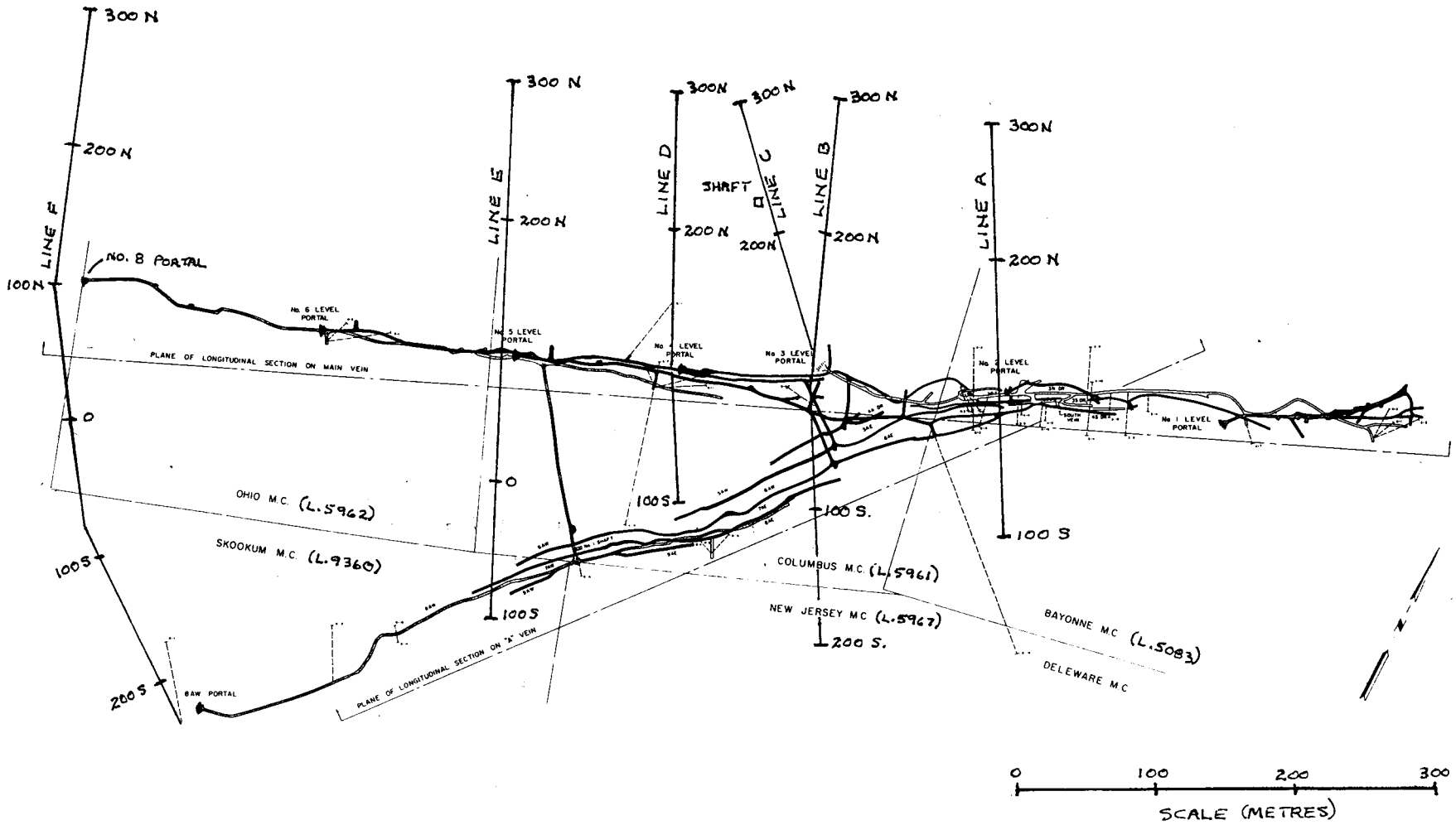
METHOD AND INSTRUMENTATION

1) A Geonics EM-16 VLF-EM instrument manufactured by Geonics Limited was used for the survery. This instrument measures the in-phase and quad-phase of a vertical magnetic field as a percentage of the horizontal primary field. The instrument has a resolution of 1%.

A total of 3.1 kilometres of VLF-EM survey was conducted on the Bayonne 2 Group. Readings were taken at 15 metre intervals on assorted lines. The survey was conducted using Annapolis, Maryland (21.4 kilohertz) as the transmitting station.

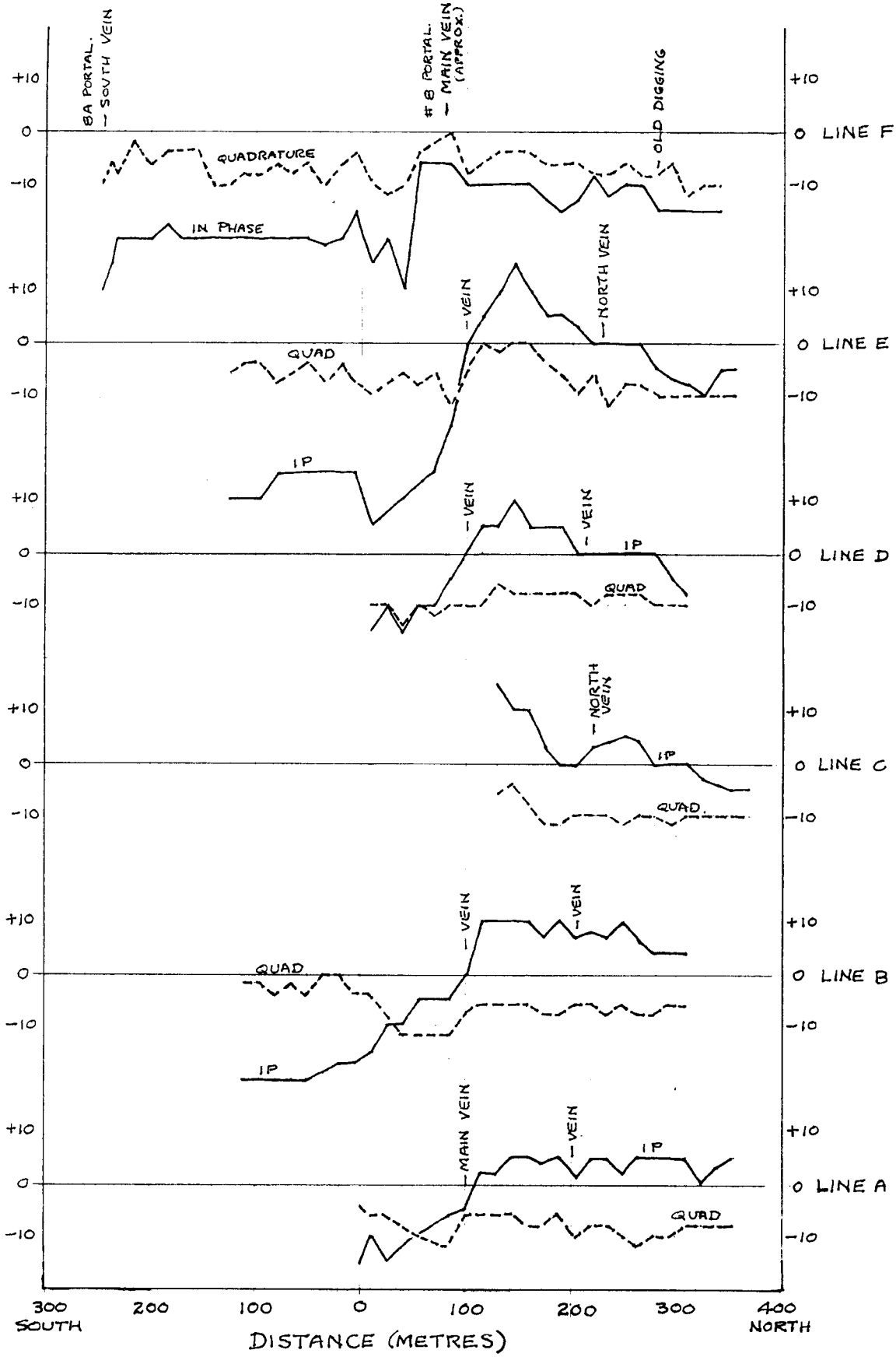
The VLF-EM method utilizes an electromagentic field transmitted from radio stations in the 12 to 24 kilhertz range (long range submarine communication signal). The magnetic field transmitted from the station will be horizontal. Conductive bodies (such as the presence of massive sulphides or fault structures) in the earths crust, will create a secondary magenetic field. By measuring various parameters of the vertical component of the secondary field, conductive zones can be located and to a degree, evaluated.

2) A total of 0.8 kiometres of line were run and surveyed for self potential. Readings were taken at the same interval and on the same stations as the VLF-EM. Copper sulfate electrodes were used with a digital readout millivoltmeter that had a 10 megohm internal resistance. The vein showed a distinct response in most cases where it was crossed.



LAYOUT OF GRID LINES
FOR VLF-EM16 & S.P. SURVEY

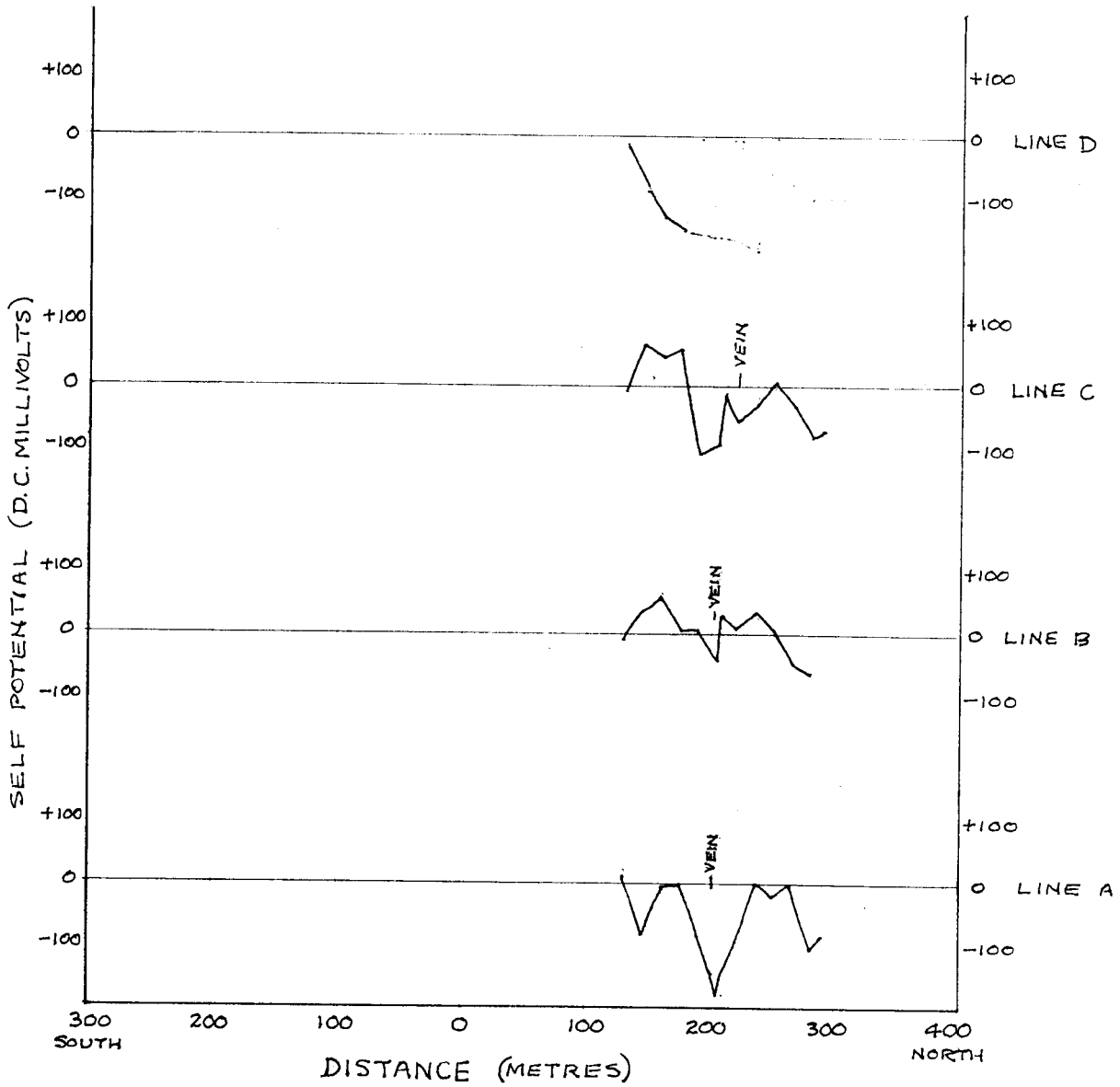
FIGURE 4



VLF-EM 16 PROFILE

BAYONNE PROPERTY

FIGURE 5



SELF POTENTAL PROFILE

BAYONNE PROPERTY

FIGURE 6

RESULTS AND CONCLUSIONS

The purpose of the study was to determine whether a significant response would be obtained by using VLF-EM and/or self potential surveying on the Bayonne vein. This vein has been well defined in the area studied and it should be possible to delineate the extensions of the vein and possibly outline other similar veins in overburden covered areas nearby.

The VLF-EM defined the main vein quite clearly. Further work will be undertaken next Spring to extend and make use of the results.

REFERENCES

Hitchins, A. (1987). Assessment Report on the Bayonne Claim Group. British Columbia Ministry of Mines, Energy and Petroleum Resources. Assessment Report for Goldrich Resources Inc.

Rice, H.M.A. (1941). Nelson Map Area East Half. Geological Survey Canada. Memoir 228.

Phendler, R. G. (1982) Report on the Bayonne Property. Private report for Goldrich Resources Inc.

Wells, R.A. and OGrady, F. (1984). Exploration and Development Proposal Bayonne Mine Property. Private report for Goldrich Ressources Inc.

AFFIDAVIT OF EXPENSES

This will certify that VLF-EM and self potential surveying were carried out between August 1st and August 15th, 1992 on the Bayonne 2 group of claims in the Salmo area of the Nelson Mining Division to the value of the following:

Labour - 4 man days @ $300/day	1200.00
8 man days @ $200/day	1600.00
Pick-up rental 7 days @ $35/day	175.00
Mileage - 1175 km @ 0.20/km	235.00
S.P. rental	60.00
VLF-EM16 rental	200.00
Meals & Lodging	140.00
Materials, flagging, etc.	40.00
Telephone	35.00
Report preparation	1250.00
Total	$4,935.00

November 10, 1992

Stan A. Endersby, P. Eng.

CERTIFICATE

I Stan A. Endersby, certify that:

1.) I am a graduate of the University of British Columbia in Chemical Engineering (BA.Sc. 1954). Also I have an M.Sc. in 1965.

2.) I am a member in good standing of the Association of Professional Engineers of B. C.

3.) This report is based on fieldwork carried out between August 1 and August 15th, 1992 on the Bayonne 2 group of claims. The work was supervised by myself and I was assisted by K. Bonde (Columbia Geophysics), D. Llewellyn, J. Ackert and D. Endersby.

4.) I have an interest in the claims.

S.A. Endersby

November 10, 1992
White Rock, B. C.

Stan A. Endersby, P.Eng. (B.C.)