ASSESSMENT REPORT

GNC PROPERTY

1993 EXPLORATION PROGRAM

NTS 104 B 9W

DIAMOND DRILLING PROGRAM

Property Owners: Canarc Resource Corp.

Stikine Resources Ltd.

Prime Resources Group Inc.

Project Operator: Homestake Canada Inc.

Submitted by:
D.L KURAN P. GEOL.

Sr. Project Geologist
Homestake Canada Inc.

NOV. 1993

Distribution: Canarc Res. Ltd.
Homestake Files
D.L. Kuran

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

LIST OF APPENDICES

EXECUTIVE SUMMARY

The scope of this report is restricted to the drilling and assaying of core from diamond drill hole GNC93-33. This hole was completed to a depth of 399.6m on the GNC 1 mineral claim between July 20 and August 5, 1993.

The objective of this drill hole was to test for Eskay Creek, 21B style mineralization within the Mckay West Target structural block. The target is underlain by Salmon River Formation basalt, sediment and rhyolite of Jurassic age, which is overlain by a thick sequence of Bowser Group marine sedimentary rocks. During 1991 and 1992 drilling, the MCKAY WEST Target was defined by anomalous Au, Zn, Sb and As values intersected in mudstone near the top of the rhyolite. The target is located on the west limb of the Eskay Anticline 1.5km southwest of the 21B deposit.

Bowser Group intercalated sandstone, siltstone, conglomerate and argillite were intersected in the top 320m of the hole. The lower portion of this interval, below 284m is marked by the Argillite Creek Fault Zone where severely broken ground containing numerous zones of gouge were intersected. Below the fault, the hole intersected Upper Salmon River Formation banded mudstone, mafic pillow breccias, "contact mudstone" and footwall rhyolite breccias. The lower contact of the "contact mudstone" is sheared; the lower potion of the unit may be missing. The top of the rhyolite footwall unit is composed of a thin 0.35m section of the mixed mud matrix/sericitized rhyolite fragmental "transition" lithology.

No further drilling is recommended on the MCKAY WEST target at this time.

1.0 INTRODUCTION

1.1 LOCATION AND ACCESS

The mineral claims and mining leases that comprise the ESKAY CREEK PROJECT are located 83km northwest of Stewart, British Columbia in the eastern flanks of the Coast Mountain ranges (Figure 1.1.)

The property is accessible by helicopter from Bob Quinn on the Stewart Cassiar highway (42km) to the north, SNIP MINE (37km) to the west, or from the Eskay staging area at BELL II, 35km to the northeast on Highway 37. Bronson and Bob Quinn have all weather fixed wing air strips although no scheduled flights from Smithers, B.C. operated during the 1993 season. An all weather road has been constructed south from Bob Quinn, along the east side of the Iskut River for a distance of 38km, to the junction of the Iskut River and Volcano Creek.

1.2 PROPERTY TENURE

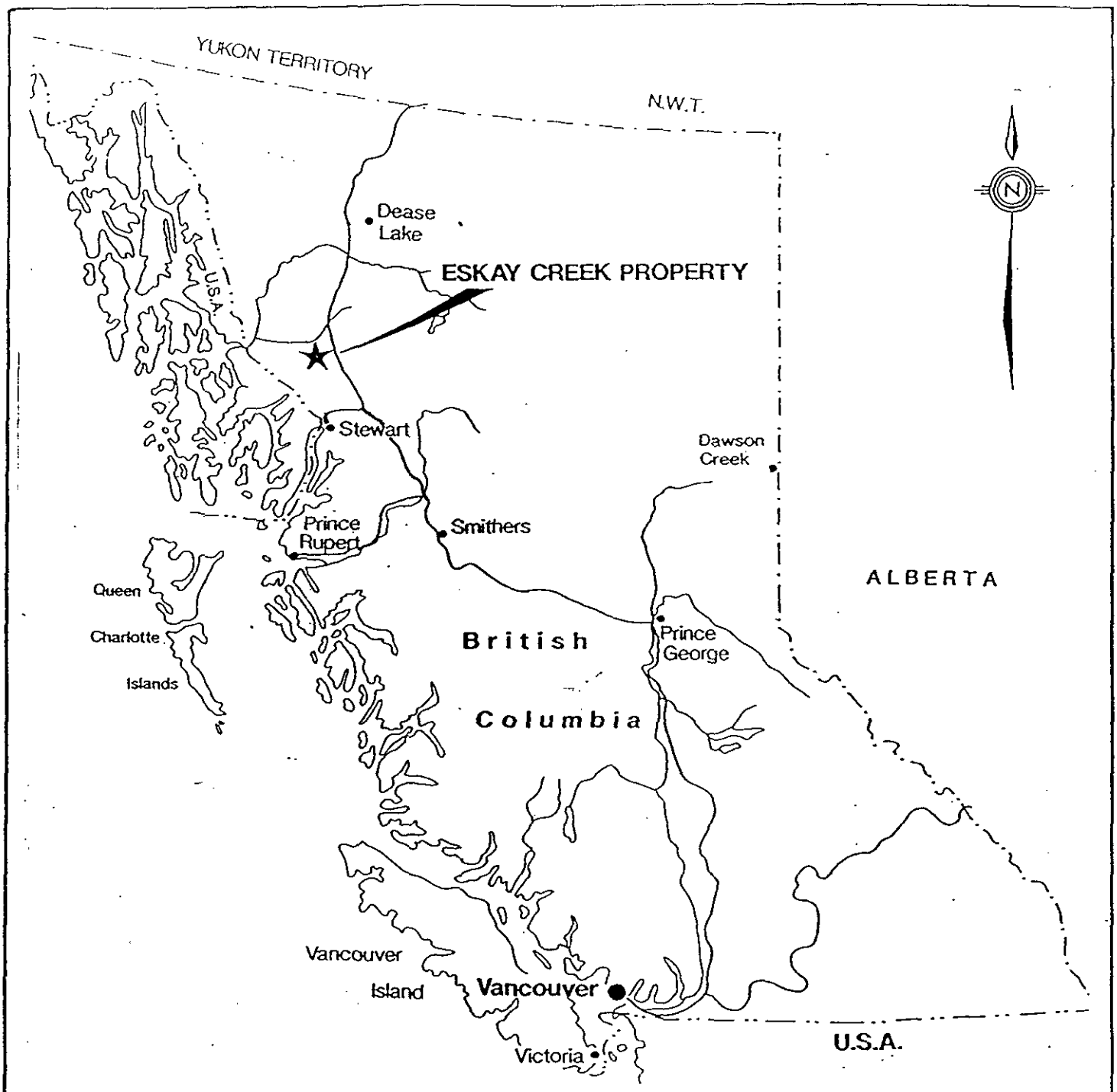
The core of the GNC property is comprised of 3 four post located mineral claims; GNC-1 to GNC-3 recorded in the Skeena Mining Division. The claims are as shown on Figure 1.2 (as listed below).

CLAIM	UNITS	RECORD #	RECORD DATE	EXPIRY DATE
GNC 1	20	251203	APRIL 11/85	APRIL 11/2000
GNC 2	20	251204	APRIL 11/85	APRIL 11/2000
GNC 3	16	251205	APRIL 11/85	APRIL 11/2000

The CAL 4 located mineral claim overlies the GNC 1 claim. Details of the CAL 4 claim is listed below. The Cal claims are held 50:50 by Stikine Resources Ltd. and Prime Resources Group Inc.

CLAIM	UNITS	RECORD #	RECORD DATE	EXPIRY DATE
CAL 4	4	253119	SEPT. 16/89	SEPT.16/93

In addition, a total of ten (10) mineral claims, comprising two groups of claims and fractional claims are located along the east boundary of the GNC 3 (COR 3 to COR 10, ONA #2,4); they are subject to a Section 35 complaint.



HOMESTAKE CANADA LTD.

GNC PROPERTY LOCATION MAP

DRAWN	DATE	NTS	
	NOV.1993		FIG.1.1
Revised			

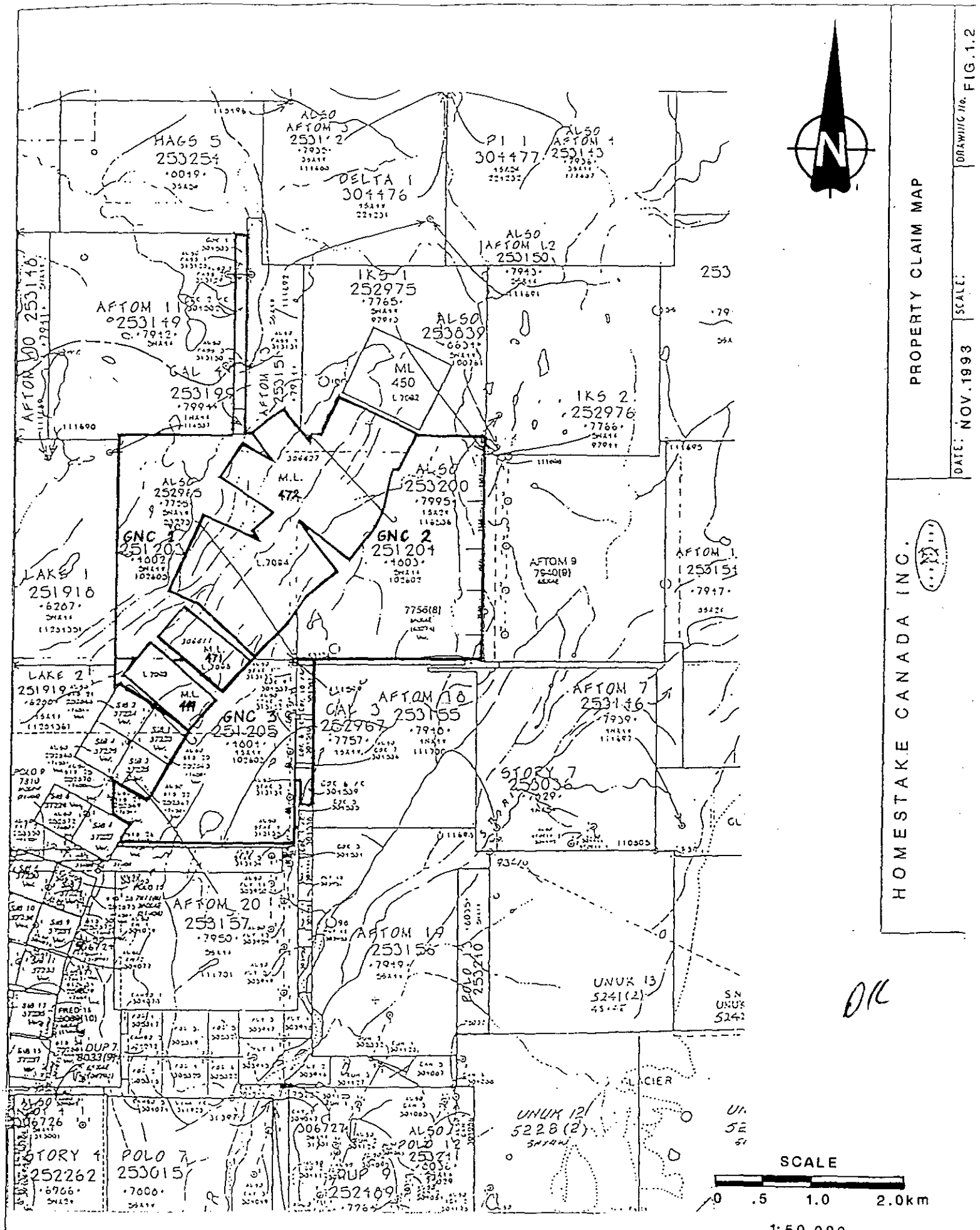
Title to the GNC 1-3, CAL 1-3, COR 3-10 and ONA 2, 4 mineral claims is held equally at one third each by Prime Resources Group Inc., Stikine Resources Ltd. and Canarc Resource Corp. On Sept.9,1993, a Notice to Group was filed with the Gold Commissioner in Vancouver. The new grouping, covered by this assessment report consists of 11 mineral claims and fractional mineral claims and 3 mining leases totalling 74 units. The project operator is Prime Resources Group Inc. The project manager is Homestake Canada Inc. Upon approval of this report, the new expiry dates for the claims are listed in the table below.

1993 ESKAY CREEK J.V. CLAIM GROUPING

CLAIM	UNITS	RECORD #	CURRENT EXPIRY DATE	NEW EXPIRY DATE
GNC 1	20	251203	4/11/2000	ML PENDING
GNC 2	20	251204	4/11/2000	ML PENDING
GNC 3	20	251205	4/11/2000	ML PENDING
M.L. 471	1	306611	06/01/2022	
M.L. 472	1	306627	06/01/2022	
M.L. 449	1	254580	12/17/2020	
CAL 4	4	253199	09/16/93	09/16/2003
COR 1	1	304503	09/09/93	09/09/2003
COR 2 Fr.	1	304502	09/09/93	09/09/2003
COR 6 Fr.	1	304539	09/09/93	09/09/2003
COR 7	1	304536	09/09/93	09/09/2003
COR 8 Fr.	1	304540	09/09/93	09/09/2003
COR 9	1	304537	09/09/93	09/09/2003
COR 10 Fr.	1	304541	09/09/93	09/09/2003

1.3 *PHYSIOGRAPHY, VEGETATION AND CLIMATE*

The physiography of the Eskay Creek area is divided into three distinct NNE trending topographic terrains. The area west and north of Argillite Creek is characterized by a plateau of rolling NNE trending ridges and gullies of minor relief (25m).



PROPERTY CLAIM MAP

DATE: NOV. 1993 SCALE:

DRAWING No. FIG. 1.2

HOMESTAKE CANADA INC.

DIC

Between Argillite Creek and East Ridge, relief is much more extreme (100m) with steep rocky bluffs (30-45m) present on both sides of Eskay Creek. The third region lies east of East Ridge and is dominated by uniformly steep to precipitous slopes over a large vertical distance (200-300m), as the main valley of the Unuk River is approached. Elevations range from 1200m on the SW corner of GNC-3 and plunge northward to 700m in McKay Creek along the northern boundary of GNC-1, 2.

The vegetation is governed by a combination of elevation, water supply and slope. From 950m to 1200m, sub-alpine vegetation consists of stunted balsam, heather and grasses. Below 950m taller, (up to 30m) old growth spruce, fir and hemlock predominate. Steep areas are densely covered by slide alder, devil's club and skunk cabbage.

Annual precipitation at Eskay is heavy and ranges from 2 to 3.5m. Most falls as snow between November and April, resulting in thick 10 to 20 metre accumulations. This snow pack does not fully disappear until early August. Summers are cool and damp.

1.4 HISTORY AND PREVIOUS WORK

The Eskay Creek property has been the focus of many exploration programs which date back to 1932. The following has been summarized from Blackwell (1989).

TABLE 1.4.1 ESKAY PROPERTY EXPLORATION HISTORY

YEAR	COMPANY	WORK
1932-34	Unuk Gold Group	Prospecting, trenching & 11 ddhs (857')
1935-38	Premier Gold Mining	Survey, trenching, & 38 ddhs (5988')
1939	Selukwe Gold Mining (Placer Dome Inc.)	60'adit at #13 OC., 276' Adit at McKay Adit. Enlarged trenches.
1946-	Canadian Expl. (PDI)	McKay Adit extended to 360'.
1947-52	American Standard /Pioneer Gold Mines & New York Alaska Gold Dredging Corp.	Staked 36 claims and property exam.
1953	American Standard	Trenching and ddh prep work.
1954-62	Western Resources Ltd.	Re-staking of the Kay 1-18 and 19-36 claims.
1963	Western Resources Ltd.	480' of drifting on Emma Adit
1964	Canex Aerial (PDI)	Underground mapping, trenching and 6 DDH's (737').
1965	Stikine Silver Ltd.	Emma extended to 586' and 3 DDH's (52').
1967	Mt. Washington Copper	Reconnaissance geophysics (EM-16 ground magnetics).
1971-72	Stikine Silver Ltd.	Bulk sample from #22 Zone sent to Trail.
1973	Kalco Valley Mines Ltd.	7 DDH's totalling 983'.

YEAR	COMPANY	WORK
1975-76	Texas Gulf Canada	Geologic mapping, EM and magnetic survey. 7 DDH's (1225').
1979	May-Ralph Resources	High graded upper trenches of #22 Zone.
1980-82	Ryan Exp (US Borax)	Stream, rock, and soil geochemistry, mapping; 7 DDH's (1484').
1985	Kerrisdale Resources	Rock and soil geochemistry, prospecting 5 DDH's (2041'). One discovery intersection in #21A Zone.
1987	Cons. Stikine Silver	Splitting and assaying all Kerrisdale core. Further stream, soil and rock geochemistry.
1988	Calpine Resources	Diamond drilling, soil sampling, geophysics and mapping. Definition of #21 Zone.

* Inactive periods: 1939-45; 1968-70; 1974; 1977-78; 1983-84; 1986.

1.5.1 REGIONAL GEOLOGY and MINERALIZATION

The Iskut River map area which includes Eskay Creek is comprised of four unconformity bound, tectono-stratigraphic assemblages as described in Table 1.5.1. The Eskay Creek property is underlain by rocks of the Mesozoic *Stikinia* and *Bowser Overlap* assemblages as seen on Figure 1.5.1.

The STIKINIA ASSEMBLAGE comprises an allochthonous lower to middle Jurassic island arc terrane that was accreted to the North American plate margin in the early Cretaceous (130ma) (Wernecke and Klepacki, 1988).

Table 1.5.1 ISKUT RIVER TECTONIC UNITS

ASSEMBLAGE	AGE	ROCK UNITS
Coast Plutonic Complex	Tertiary	post tectonic, felsic plutons
"Bowser Overlap" Assemblage	Middle-Upper Jurassic	deformed siliciclastic sediments
"Stikinia"	Triassic-Jurassic	deformed volcanics, intrusives, and basinal sediments
Stikine Assemblage	Early Devonian to early Permian	highly deformed limestones & volcanics.

(After Anderson, 1989)

Stikinia Assemblage:

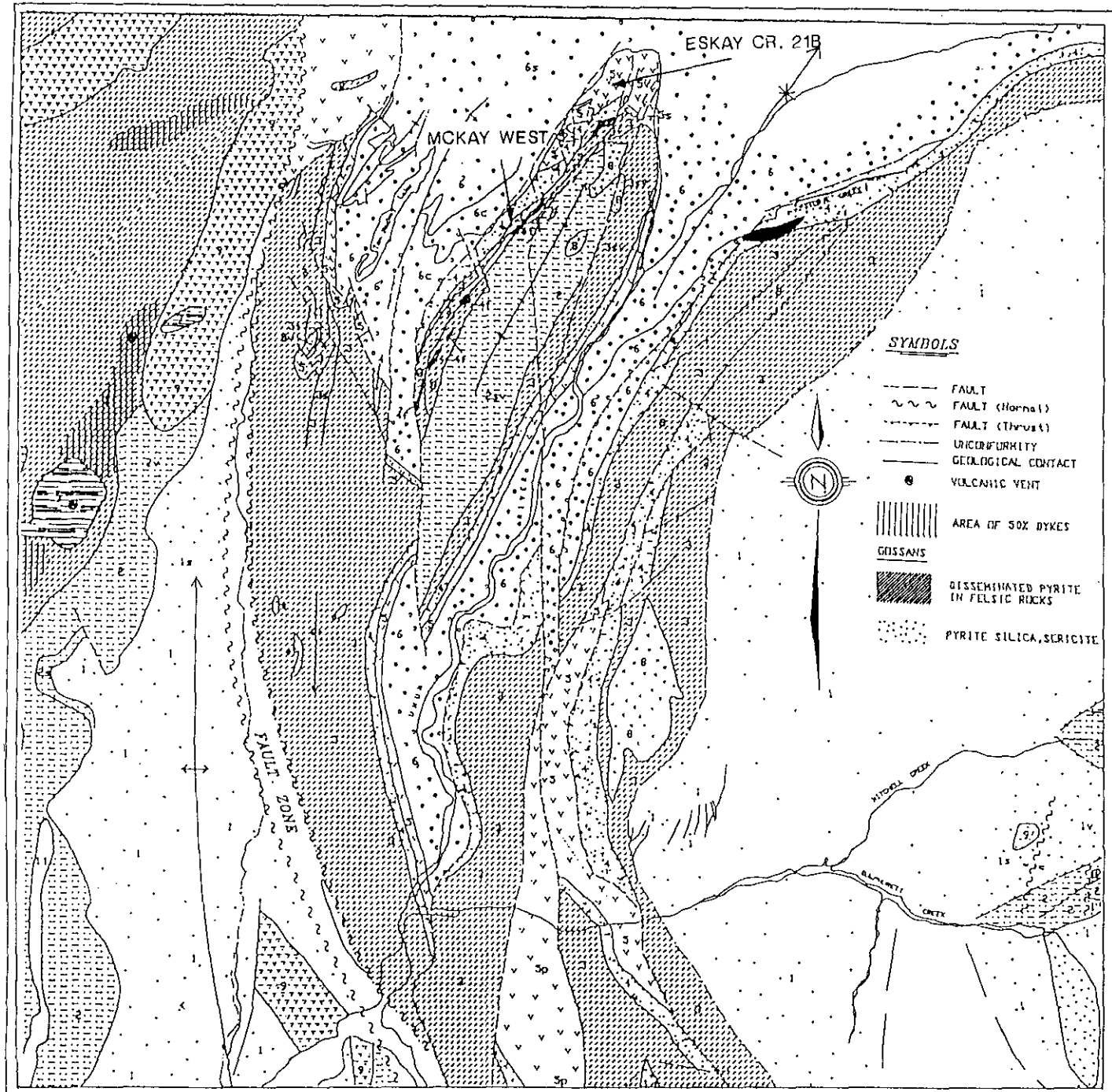
Workers for the British Columbia Geologic Survey and the Geological Survey of Canada have broken the *Stikinia* assemblage into two groups; the *Bowser Lake* and *Hazleton* groups. The *Hazleton Group* has been further divided into four rock formations: *Unuk River* Formation; *Betty Creek* Formation; *Mt. Dilworth* Formation and the *Salmon River* Formation. These rock units are described in Table 1.5.2.

The summary data presented in Table 1.5.2 is based on the work of Anderson and Thorkelson ('90). Stratigraphic nomenclature in the area is in a state of flux and this work recognizes an interleaved succession of rhyolite (thought to be diagnostic of the *Mt. Dilworth* Formation) within the *Salmon River* Formation. This significantly impacts the region's stratigraphic nomenclature and proposed succession.

Recent work by Henderson et. al. (1992) describes an angular unconformity at the base of *Stikinia Assemblage*, and has defined the unconformable rocks as the *Jack Formation*; a new formation name. The *Jack Formation* is probably related, or is a facies equivalent to the *Unuk River Formation* and hence does not impact on the nomenclature employed here. The definition of a new formation name based on type-locality description without reference to the existing framework only serves to confuse the stratigraphic nomenclature for the region. The five formations described in Table 1.5.2 form the stratigraphic basis for this work.

TABLE 1.5.2 STIKINIA ASSEMBLAGE: DESCRIPTION

FORMATION/ (GROUP)	LITHOLOGIES	AGE (Ma)
Ashman Fm. (Bowser Lake Group)	pencil shale, siltstone, greywackes quartz arenites and chert pebble conglomerates	Oxfordian 156-163
Salmon River Fm. (Hazleton Gp.)	(II) black siliceous radiolarian shale + white reworked tuff turbidite; pillow lava (basalts) and limy to siliceous shale - siltstone; andesitic volcaniclastics	Callovian 163-169 Bathonian 169-176 Bajocian 176-183 Aalenian 183-187
	(I) thin belemnoid rich calcareous sandstone and mudstones.	Toarcian 187-193



GEOLOGY

INTRUSIVE ROCKS

TERTIARY – EOCENE

11 POST TECTONIC DYKES

CRETACEOUS

10 COAST PLUTONIC INTRUSIONS; BIOTITE GRANITE, QUARTZ DIORITE

JURASSIC

9 POST VOLCANIC INTRUSIONS; SUB-PORPHYRYTIC HORNBLITE, QUARTZ HORNBLITE

8 SYN-POST VOLCANIC INTRUSIVES PORPHYRITIC HYPABYSAL ROCKS, TEXTURALLY SIMILAR TO EXTRUSIVE EQUIVALENTS

VOLCANIC AND SEDIMENTARY ROCKS

PLEISTOCENE TO RECENT

7 BASALT FLOWS AND TEMBRA

LOWER CRETACEOUS – UPPER JURASSIC (BAJOCIAN – APTIAN)

6 *BOWSER LAKE GROUP:* CHERT PEBBLE CONG., MUDSTONE, SILTSTONE, SANDSTONE, ARGILLITE

MIDDLE JURASSIC (TOARCIAN – BAJOCIAN)

SALMON RIVER FMN: MAFIC EXTRUSIVES, DYKES, INTERCALATED CLASTIC ROCKS

5s SEDIMENTS; ARGILLITE, SILTSTONE, MINOR LIMESTONE

5v MASSIVE OR UNDIFFERENTIATED FLOWS, BRECCIAS

5p PILLOWED FLOWS

LOWER JURASSIC (TOARCIAN)

MT. DILWORTH FMN: MASSIVE AUTOBRECCIATED RHYOLITE

4f FELSIC INTRUSIVE, SILLS, DYKES, SLIGHTLY PORPHYRITIC

LOWER JURASSIC (PLIENSBACHIAN TOARCIAN)

BETTY CREEK FMN: SUBAERIAL – SUBAQUEOUS ANDESITIC VOLCANICS, PROXIMAL FLOWS, BRECCIAS DISTAL EPICLASTICS, SEDIMENTS, MAY BE HEMATITIC

LOWER JURASSIC (HETTANGIAN – PLIENSBACHIAN)

UNUK RIVER FMN: INTERMEDIATE VOLCANIC FLOWS, TUFFS, MINOR SEDIMENTARY SEQUENCES OF SILTSTONE, CONGLOMERATE OR LIMESTONE

UPPER TRIASSIC – LOWER JURASSIC (NORIAN – HETTANGIAN)

STUHINI GROUP: ANDESITIC PYROCLASTICS, IMMATURE WACKES, ARKOSES, POLYMICT CONGLOMERATES

OK

HOMESTAKE CANADA LTD.

REGIONAL GEOLOGY

DATE: NOV. 1993	SCALE:	DRAWING No. 1.5.1

FORMATION/ (GROUP)	LITHOLOGIES	AGE (Ma)
Mount Dilworth Formation (Hazleton Gp.)	white-maroon grey weathering welded to non-welded felsic tuff, tuff breccias + dust tuff. Commonly aphyric and flow banded with eutaxitic, and spherulitic textures. Composition ranges from dacite-rhyolite.	?
Betty Creek Formation (Hazleton Gp.)	Maroon to green volcanic siltstone, greywacke, conglomerate, breccia with common sedimentary structures and anastomosing jasperoid veins.	Pleinsbachian 193-196
Unuk River Fm. (Hazleton Gp.)	Rusty white-orange weathering, thinly bedded siliciclastic calcareous siltstone dominates the unit.	U. Sinemurian 198 (Smith Pers.com.'91)

The structural history of the Iskut region remains poorly understood. Megascopic north trending shallowly plunging synclinal-anticlinal folds dominate the structure of Prout Plateau. Figure 1.5.2 shows the distribution of the major units and fold structures. NNE trending synclinal axes exist to the east of Tom McKay Lake and in the Unuk River valley east of Eskay. The intervening anticlinal axis is located immediately east of Eskay Creek. An axial planar cleavage is associated with these structures.

Several major NNE and N trending faults dissect the Prout Plateau. Faults of regional significance are the Harrymel Structure, Argillite Creek Fault, Pumphouse Creek Fault, Portal Fault and East Break Fault.

Plutonism is the area spans considerable geologic time and is summarized in Table 1.5.4.

Table 1.5.4 PLUTONIC ROCK UNITS

NAME OF SITE	LITHOLOGIES	AGE (Ma)
Coast Plutonic Complex	Biotite minette lamprophyres Gabbro-syenite (Mt. Hoodoo)	18-25
Hyder	Monzogranite, qtz monzonite + granodiorite - Post tectonic.	57-36

NAME OF SITE	LITHOLOGIES	AGE (Ma)
Eskay Creek	Monzodiorite	185 $\pm$ 2 *
Texas Creek	Calc-Alk bi-hbl granodiorite and quartz monzodiorite commonly cut by k feldspar megacrystic andesite dykes. Also bi-syenite plutons at Sulphurets.	189-195
Stikine	Cpx-gabbro + diorite, hbl qtz monzodiorite and bi-ksp-megacrystic qtz monzonite. Co-spatial with Stuhini volcanics.	210

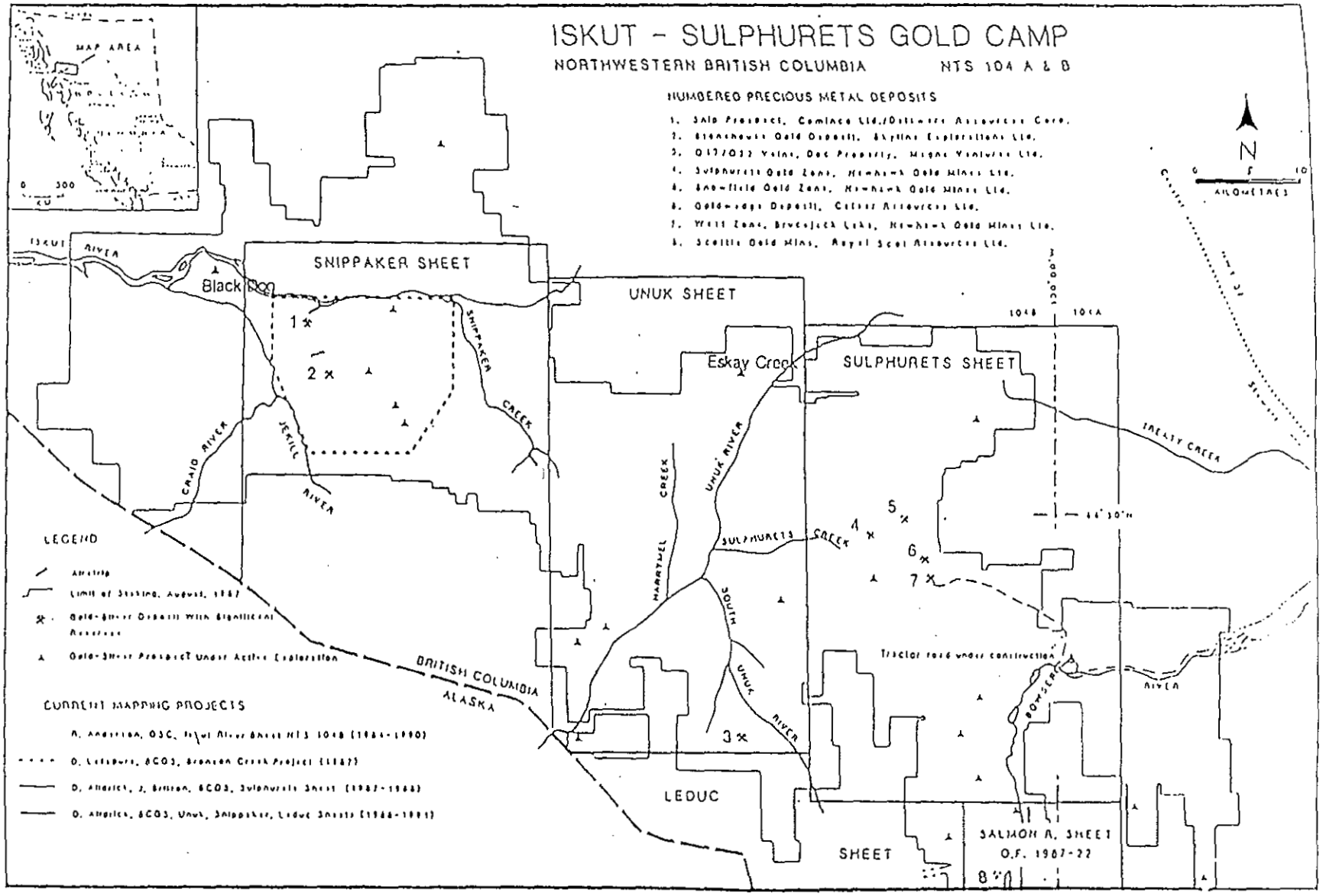
*MacDonald 1991

Mineralization

Mineralization in the Iskut River area is quite varied in terms of age, host rocks and deposit type. Table 1.5.3 lists some of the area's mineral deposits.

TABLE 1.5.3 ISKUT-SULPHURETS DEPOSITS

OCCURRENCE	DEPOSIT TYPE	COMMENTS	AGE
Kerr	Alkaline Porphyry	66x10^{6}T @ 0.84% Cu 0.01 opt Au (resource)*	U. Triassic
Doc	Mesothermal Gold	0.2x10^{6}T @ 0.32 opt Au (resource)*	U. Triassic
Inel	Mesothermal Gold	Prospect	"?
Snip	Mesothermal Gold	2.4x106T @ 0.648 opt Au (resource)*	"?
Johnny Mtn.	Mesothermal Gold	0.3x10^{6}T @ 0.83 opt Au (closed)*	"?



Map courtesy of Cassiar Resources Corporation, used & modified with permission

HOMESTAKE CANADA INC.

Iskut Region Deposits (Britton & Aldrick 1988).

DATE: NOV.1993	SCALE:	DRAWING No. FIG.1.5.2

OCCURRENCE	DEPOSIT TYPE	COMMENTS	AGE
Premier- Silbak	Epithermal Au	$4.6x10^6$T @ 0.386 opt Au (produced)*	L. Jurassic
Sulphurets	Mesothermal Au (Brucejack)	$1.4x10^6$T @ 0.354 opt Au*	L. Jurassic
	Alkaline Porphyry (Snowfields)	$22x10^6$T @ 0.083 opt Au*	"
Eskay Creek	Volcanic Associated Massive Sulph.	2.3 x 10^6 ozs. Au 102 x 10^6 ozs. Ag (proven/probable)	L. Mid Jur.
Black Dog	Volcanic Associated Massive Sulph.	$0.6x\ 10^6$T @ 0.07 opt Au 9.8 opt Ag; 0.79% Pb; 3.08% Zn; 0.64% Cu**	

*Anderson and Thorkelson 1990 and Schroeter et.al. 1989.

**Northern Miner Press 10/28/91.

The location of these deposits is shown in Figure 1.5.2.

1.5.2 PROPERTY GEOLOGY

A geological map of the project is shown on Figure 1.5.3; a more detailed 1:5000 scale geology and drill hole location map is shown on Figure 2.3.

The property is underlain by Unuk River, Betty Creek, Mt. Dilworth and Salmon River Formations of the Hazelton Group of Middle Jurassic Age. These lithologies are exposed in a property scale, northerly plunging, fault-complicated anticline.

The GNC Claims cover a package of Hazelton volcanic and clastic rocks that host stratiform base and precious metal mineralization deposits on the Eskay Creek central mining leases.

The Hazelton rocks are in fault contact and are overlain by the younger Bowser Group clastic sediments along a steep, westerly dipping, normal fault, occurring along the Argillite Creek drainage. The vertical component of this displacement is 750m, based on the results of drill hole GNC92-30.

Between the Argillite Creek fault and the Harrymel fault, located 4km to the west, the Bowser Group forms a northerly plunging syncline (FIG. 1.5.1). Down plunge on the Eskay anticline to the north, the Hazelton rocks are also overlain by the younger Bowser sediments. This tectonized contact between the upper Salmon River argillaceous sediments and the coarser Bowser silty mudstones may be a north verging structural detachment.

BOWSER LAKE GROUP

This thick, well bedded clastic sequence is comprised of medium to light grey weathering interbedded mudstones, siltstones, arkosic arenites and quartz pebble conglomerates. Fauna comprised of ammonites and bivalves suggest a Callovian-Oxfordian (169-156ma) age of deposition (G. Nadaruju 1991 pers. comm.). In the coarser grained units that dominate the ridge west of Argillite Creek, individual beds range from 0.2-0.5m thick. The conglomerates are polymictic, clast supported and comprised of well rounded grains of chert-rhyolite-quartz(90%), limestone(5%) and minor mafic volcanic(5%).

UPPER SALMON RIVER FORMATION

The Upper Salmon River Formation is comprised of thinly bedded, dark black weathering mudstones and argillites which are very similar to the fine grained Bowser units. Weathering variations and a paucity of sandy units in the Salmon River Fm. are the only field discriminant between these two similar sedimentary packages. Fossils present in this unit are typical of a Callovian (163-169ma) fauna including plant debris, ammonites and bivalves characteristic of this age (G.Nadarju 1991 pers.comm.).

The base of the formation is defined informally as the top of the uppermost mafic flow, typical of the underlying volcanic assemblage.

LOWER SALMON RIVER FORMATION

The Salmon River bimodal volcanic sequence at Eskay Creek consists of an upper submarine mafic flow/dyke sequence overlying a variably brecciated and fragmental rhyolite flow/ sill complex.

Mafic Volcanics:
The Lower Salmon River Formation is a highly variable unit comprised of light to dark green pillowed, massive and brecciated mafic volcanic flows and related intrusives of similar basaltic composition. Flow contacts are manifest by flow breccias and interflow sediments.

It is often difficult to distinguish homogenous, massive structureless mafic flows from mafic intrusive sills and dykes in the Salmon River succession.

Interflow Sediments:
Within the mafic volcanics, interflow sedimentary rocks account for 5 - 10% of the rock volume. These rocks are variable and include black and rarely pyritic laminated and concretionary mudstone, grey-black laminated chert, marl and limestone, and vitric tuffs.

The basal mudstone unit ("contact mudstone") appears to rest conformably upon an extensive felsic volcanic foundation. This black, thinly bedded package of mudstone, siltstone and the mixed mudstone/rhyolite fragmental ("transition zone") at the top of the rhyolite sequence, hosts the stratiform mineralization of the 21 Zone deposits at Eskay Creek.

RHYOLITE

Hard, altered, very fine grained rhyolite forms the footwall to the 21A and 21B polymetallic precious and base metal deposits at Eskay Creek. Detail mapping and regional work place this rhyolite in the Salmon River Formation and not in the regionally mapped Mt.Dilworth Formation as suggested by previous workers. This rhyolite varies from 30 to 150m thick, and is typically a brecciated to auto-brecciated flow unit with local intercalations of ash tuffs and fragmentals. Flow banding is common near the centre of the unit.

Alteration of the rhyolite consists of intense silicification with strong sericite and chlorite assemblages in the vicinity of the deposits.

Mt. DILWORTH FORMATION

The Mt. Dilworth Formation consists of felsic pyroclastics and perlitically fractured vesicular and non vesicular flows of dacitic composition; they are also known as the "footwall dacites".

Pyroclastic lithologies include block to lapilli, heterolithic, ash flow and welded and non-welded tuffs which are capped by a black mudstone unit of variable thickness. Pyroclastic rocks are matrix supported with a 65:35 matrix to fragment ratio. The clast population is comprised of ~40% mafic fiamme, 30% fine grained felsic (rhyolite and vesicular dacite) fragments, 10-15% quartz phenocrysts or grains, 5% hematitic fragments and about 2% pumice. The non-welded portions of these fragmentals contain an increased amount(~15%) of mudstone lapilli sized fragments at the expense of the mafic component. These felsic volcanics correlate lithologically and chemically with the regionally mapped Mt.Dilworth Formation, which is a predominantly pyroclastic unit of limited thickness and large areal extent. It serves as a regional stratigraphic marker.

BETTY CREEK FORMATION

The Betty Creek Formation is easily divided into the informally named upper *Eskay Creek Member* and the *East Ridge Member*. The reason for the division was that these members are texturally distinct sequences and reflect different depositional environments and provenance.

Eskay Creek Member:
The Eskay Creek Member is best exposed in Eskay Creek and is comprised of an interbedded and alternating sequences of concretionary and fossiliferous mudstones, chloritic, oligomictic to polymictic conglomerates (andesite derived?), graded and sorted lapilli tuffs, cherts and massively bedded argillites and wackes.

Fauna found in the Eskay Creek member include bivalves, ammonites and plant debris characteristic of the upper Pliensbachian (193 Ma.) (G. Nadaraju 1991 pers.com.). The base of the unit is informally defined as the lowermost argillite in this part of the package.

East Ridge Member:
The East Ridge member is best exposed along the northeast trending bluffy ridges that traverse the property east of Eskay Creek. The top of the unit is comprised of poorly bedded oligomictic conglomerates, massive structureless breccias (debris flows?) with angular, bimodal (mafic and leucocratic) fragment populations, massive structureless wacke and a minor amount of well bedded tuff.

UNUK RIVER FORMATION

The Unuk River Formation is exposed on the eastern portion of the GNC 3 claim and the southwest corner of the GNC 2 claim. The Formation is comprised of an upper sequence of light brown weathering interbedded arenaceous units including massive to cross-bedded and wispy laminated sandstones, pebble conglomerates and siltstones. The lowermost mapped units are fine grained and dominated by recessively weathering, 10 to 15m thick bedded, well cleaved, orange-brown, calcareous siltstones and shales.

Upper sandstone units are well cemented, moderately hornfelsed rocks, and contain quartz(65%), feldspar(30%), lithic clasts(4%) and minor euhedral pyrite 1-2%. These rocks are fossiliferous containing abundant bivalves, plant debris and ammonites. Sedimentary structures such as cross bedding, flaser bedding, convoluted bedding (dewatering?) and localised areas of syn-sedimentary faulting are present.

INTRUSIVES:

At least three types of intrusive rocks are exposed on the property.

Porphyritic Monzodiorite:
A large monzodiorite intrusive occupies the high ground immediately east of the Eskay Creek camp and south of the 'bend' in Eskay Creek. A second similar intrusive is located 900m southwest of the main body. The rock has a porphyritic texture with phenocrysts of plagioclase and chloritized hornblende. Macroscopically, the southern body contains similar proportions of leucocratic minerals, but with ~5% more chlorite (after porphyritic hornblende?). Hand specimen examination shows that the monzodiorite is comprised of ~40% feldspar, 15% quartz, ~20% altered mafics and ~10% leucoxene/sericite.

U-Pb zircon geochronometry conducted by the MDRU on these plutonic rocks yielded ages of 185.5 $\pm$ 1.5 Ma (MacDonald et.al. 1991).

Basaltic Intrusives
Mafic intrusives are present throughout the stratigraphic section from the Eskay Creek Member to the mafic volcanics of the Salmon River Formation. These bodies occur as massive, and rarely columnar jointed sills and dykes. The rocks are fine to medium grained and consist of ~50% plagioclase, 40% chlorite and trace amounts of quartz, sericite, pyroxene, sphene and rutile (Harris, 1990). The rocks are texturally chemically very similar to the mafic pillowed flow units and breccias of the Salmon River Formation.

Felsic Intrusions
Felsic intrusions occur as distinct altered, oxide stained bluffs that trend down the axis of Eskay creek. These rocks clearly cross cut stratigraphy. These plug-like bodies are mainly cryptocrystalline masses of very fine grained silica and feldspar in the north (Eskay Creek Camp) and weakly feldspar porphyritic to the south along trend (Mckay Adit). These felsic intrusives contain fine pyrite and minor amounts of sphalerite and galena.

1.5.3 PROPERTY MINERALIZATION

The main style of mineralization on the ESKAY CREEK PROJECT is stratiform, detrital sulphide-sulphosalt beds hosted by a black carbonaceous mudstone at and slightly above the upper contact of the Salmon River rhyolite. The main zone is the 21B zone which is roughly 900m long, 60 to 200m wide and up to 40m thick. Individual sulphide layers range from 1cm to .50cm thick. These beds are composed of coarse grained sphalerite, tetrahedrite, boulangerite and bournonite, with minor galena and pyrite.

Over 900 surface and underground drill holes have been completed on the property to date. A total of roughly 1850m of underground workings have been developed within the 21B Zone.

2.0 THE 1993 EXPLORATION PROGRAM

2.1 INTRODUCTION

The 1993 Program commenced on June 7, 1993 with the installation of a 6 man exploration crew at the previously established Eskay camp. Crew numbers increased to 17 with the addition of the diamond drill crew and other survey contractors. The last effective day of fieldwork was September 20, 1993. Crews and supplies were transported by helicopter from Bell II on Highway #37.

2.2 SUMMARY

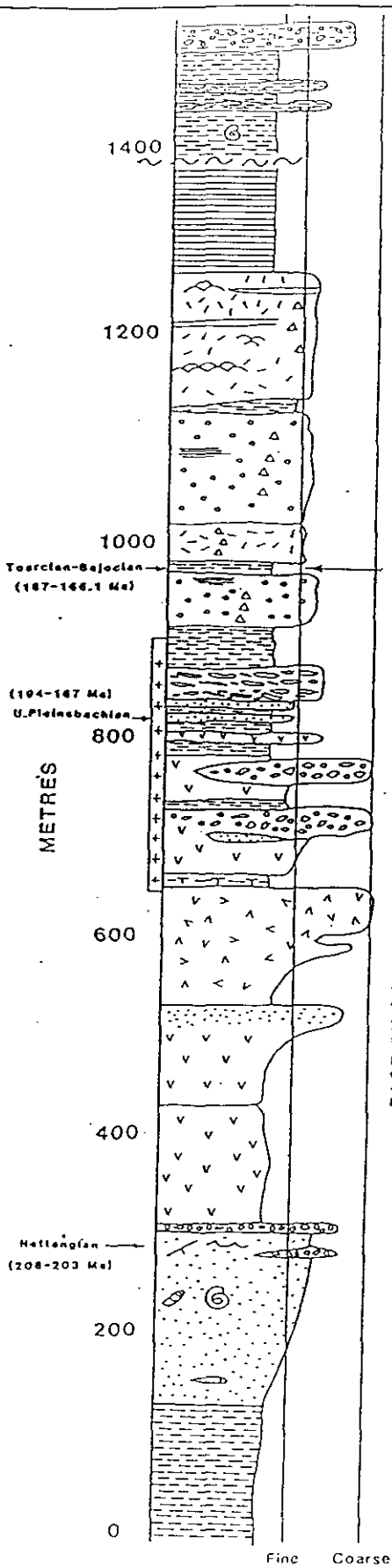
Diamond drilling on the GNC mineral claims commenced on July 7 and continued through to August 12, 1993. During this period, Hole GNC93-33 was completed on the south central portion of the GNC 1 claim to a depth of 399.61m of NQ and BQ size core. The purpose was to tested the lower Salmon River Formation 21B stratigraphy at the north end of the Mckay West structural block, east of the Argillite Creek Fault. The 1992 drilling on this target resulted in anomalous trace element values in finely laminated pyrite and off-hole, bore-hole EM geophysical anomalies.

Hole GNC92-29, in the McKay West Target, intersected stratigraphy which exhibited 21B style lithological textures and anomalous Au, Zn, As, Sb, Hg and Ag values.

1993 DRILLING SUMMARY

HOLE	TARGET	DIP/AZ	DEPTH	SAMPLES
GNC93-33	MCKAY WEST	50/129	399.9m	23071 - 23107

Drilling was completed by FALCON DRILLING of Prince George B.C. utilizing one Longyear Super 38 delivering NQ and BQ size core. Two twelve hour shifts were run per day. Drill moves were completed utilizing a Hughes 500D helicopter. Sperry-Sun bore hole orientation surveys were run at 100m intervals in all holes. Down -hole geophysical surveys could not be completed on hole GNC93-33 due to the large amount of drill steel left in the hole.



Bowser Lake Gr.

Salmon River Fm.

21 ZONE DEPOSITS

Mt.Dilworth Fm.

ESKAY CR. M.

EAST RIDGE M.

Betty Cr. Fm.

Unuk River Fm.

- Potassium Alteration & Silicification (Felsic Intrusive)
- Mudstone/Siltstone
- Sandstone
- Conglomerate
- Andesite Tuff/Wacke
- Andesite Tuff/Wacke & Debris Flow
- Welded Tuff
- Rhyolite
- Breccia,Auto Brecciated
- Flow Banded
- Pillow Basalts
- Massive Basalts
- Cross bedding
- Ripple marks

OK

HOMESTAKE CANADA LTD.

ESKAY CREEK

MINE SEQUENCE

STRATIGRAPHIC COLUMN

DRAWN	DATE	NTS
	NOV.1993	

Revised

ROCK UNITS -- ESKAY CREEK

6a/6b

INTRUSIVES

6a Plag-hbl porphyritic monzo-diorite sill. Pb from Zircons (185~2ma)

6b Feldspar-phyric siliceous, pyritic dykes/sills

4d Unaltered mafic diabase sills/dykes

5

BOWSER LAKE GROUP BATHONIAN to CALLOVIAN (166.1-157.1Ma)

Argillite, Lithic Arenite and Chert Pebble Conglomerate

4b/4a

SALMON RIVER FORMATION TOARCIAN to BAJOCIAN (187-166.1Ma)

4b Pillow basalts, hyaloclastites, debris flows, flow breccia, autobreccia with intercalated sediments, including mudstone, chert and limestone 'HANGING WALL ANDESITE'. Grades upward to a mudstone dominated sequence.

4a Flow banded and autobrecciated to flow brecciated rhyolite with tuff and fragmental units.
'FOOTWALL RHYOLITE'

3

MT. DILWORTH FORMATION

Heterolithic felsic volcanic fragmentals, airfall welded tuffs, vesicular dacitic fragmentals, and massive to perlitic dacite. Zircon Pb date (Anderson '92) 189 $^{+1}_{-4}$ from similar unit @ John Peaks

2b/2a

BETTY CK. FORMATION U.PLEINSBACHIAN (194-187Ma)

2b ESKAY CK. MEMBER- Intermediate coarse epiclastics with minor mudstone, limestone, and andesite derived conglomerates.

2a EAST RIDGE MEMBER- Andesite derived conglomerate, tuffs, lithic wackes and block breccia debris flows.

1

UNUK RIVER FORMATION HETTANGIAN (208-203Ma)

Siliciclastic sediments dominated by wispy laminated sandstones, siltstones with minor calcareous argillite and silty sandstones.

DK

Geologically determined sample intervals were split or sawn. Samples were tagged and sent to BONDAR-CLEGG and ASSOC. in North Vancouver and analyzed for Au, Ag (fire assay), Cu, Pb, Zn (ICP) Sb, As (neutron activation).

Geocoded logs were entered directly into a portable computer enabling further processing by MICROMINE and AUTOCAD databases. Core logs are presented in Appendix 6, assay certificates in Appendix 5.

Figure 2.3., the MCKAY WEST geology map, shows the location of the 1992 and 1991 ddh traces. Figure 2.3.1 is a drill hole cross section showing interpreted geology and selected assay intervals. A simplified cross section of Hole GNC93-33 is also contained within the text as a descriptive aid.

2.3 McKAY WEST TARGET (GNC93-33)

The location of the McKAY West Target is shown on Figure 1.5.3. In this target area, the permissive stratigraphy is in fault contact with a 1000m thick section of overlying Bowser Lake Group marine sediments. These sediments consist of an upper heterolithic conglomerate, underlain by intercalated conglomerate and graded sandstone, conglomerate and a basal unit of laminated black siltstone. East of the Argillite Creek Fault, the Salmon River stratigraphy, which hosts the 21B deposit, is steeply west dipping and facing.

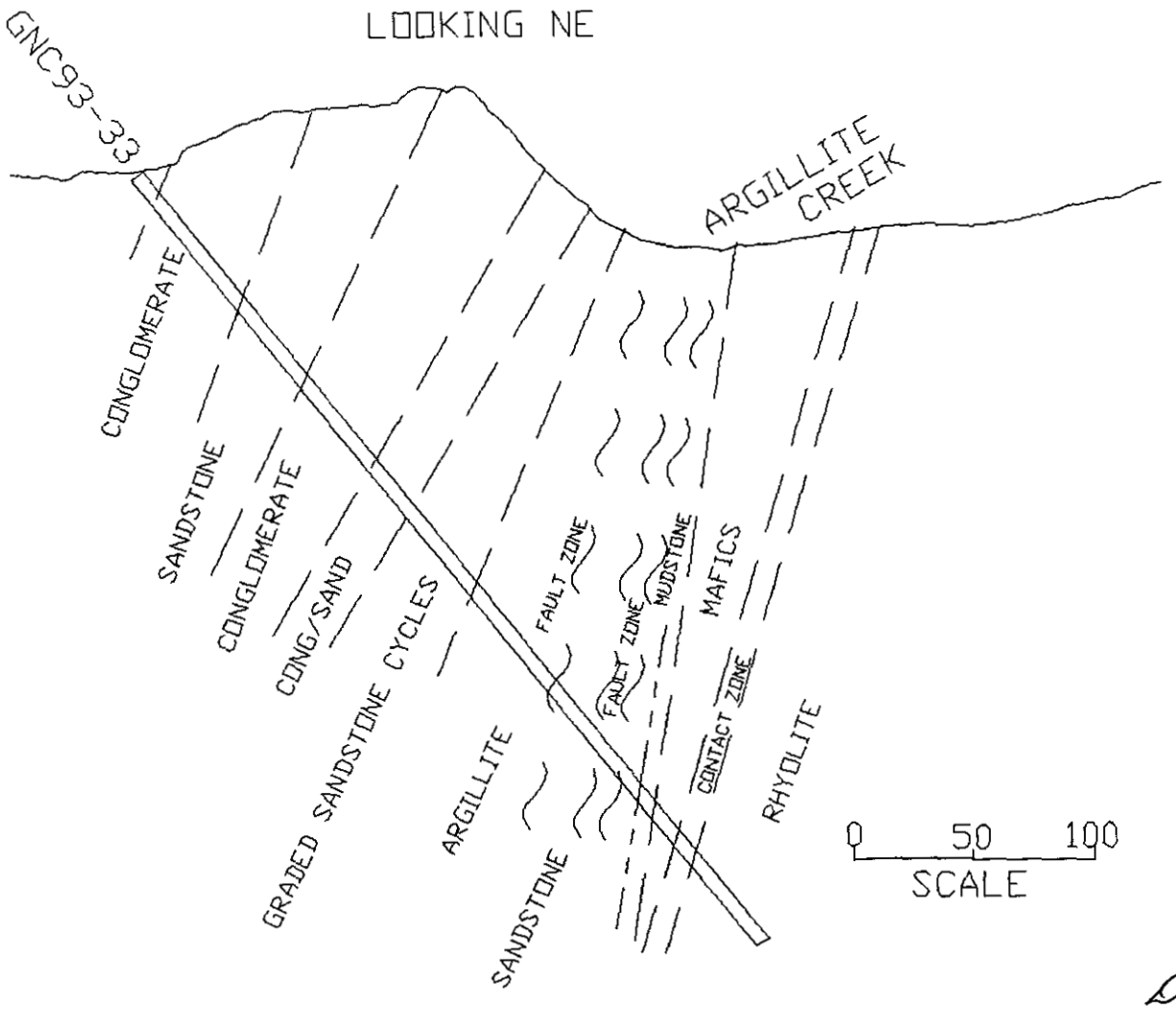
Drilling in 1991 intersected anomalous Au,Ag, Zn, Sb and As in "contact zone" sediments near the collar of hole C91-708. Hole C91-706 also intersected anomalous Au, Ag, Zn and Sb from a laminated black pyritic mudstone 33m above the "contact zone" mudstone which immediately overlies the footwall rhyolite.

The 1992 drilling on this target consists of three drill holes (GNC92-29, 30, 31) totalling 1790m. All three holes were collared west of the Argillite Creek Fault. Holes 92-29 and 92-31 were designed to test the 21B stratigraphy roughly 200m down dip from the 1991 intersections on the east side of the fault.

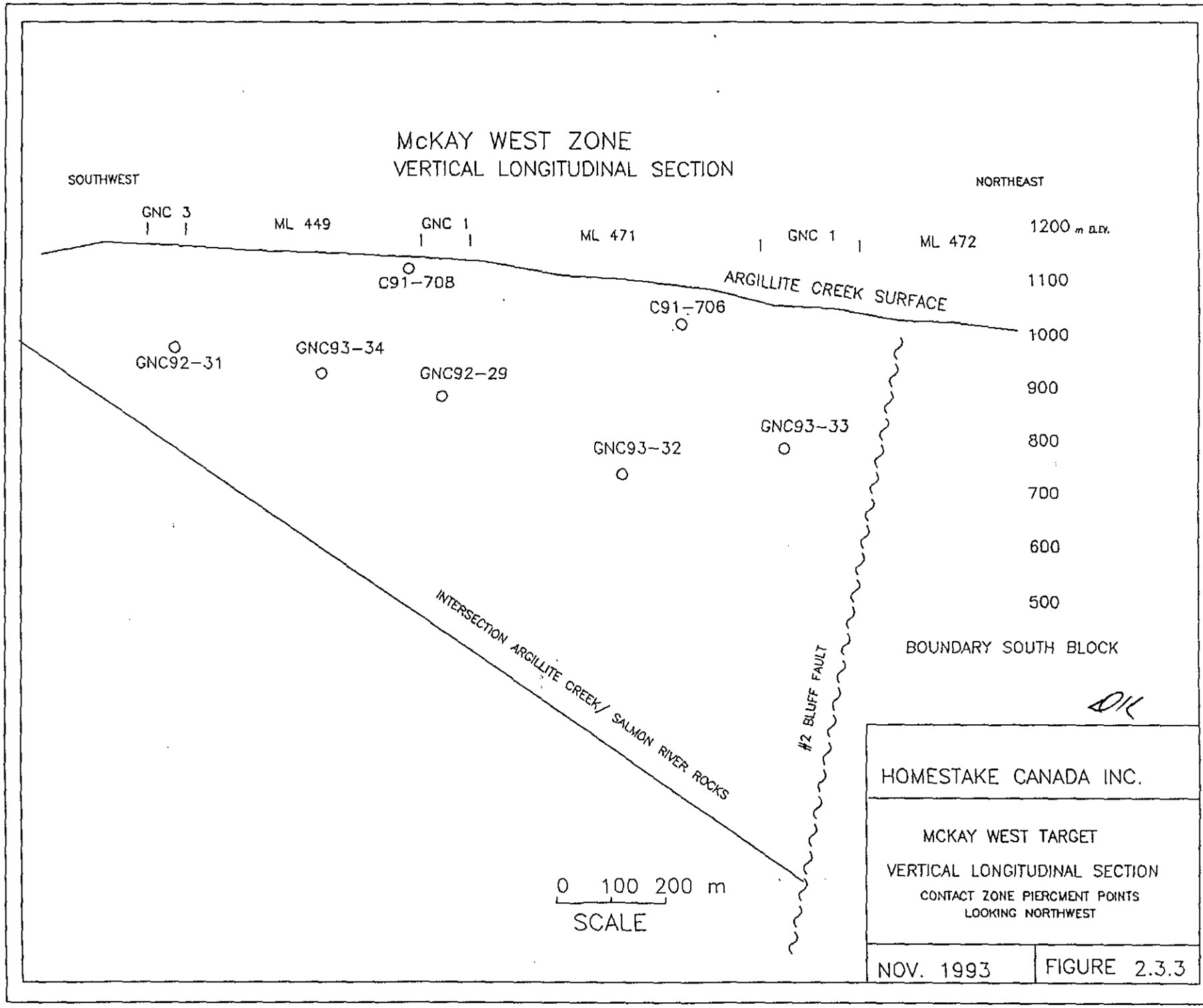
GNC93-33

Hole 93-33 was collared towards the north end of the Mckay West block, testing beneath the widest section of Upper Salmon River stratigraphy. The hole intersected 308.9m of Bowser stratigraphy before the main portion of the Argillite Creek Fault. This major structure broadens northward and effects a larger volume of rock at the Bowser/Salmon River contact.

CROSS SECTION
HOLE GNC93-33
MCKAY WEST
LOOKING NE



DK


McKAY WEST ZONE
VERTICAL LONGITUDINAL SECTION
SOUTHWEST
NORTHEAST
GNC 3
ML 449
GNC 1
ML 471
GNC 1
ML 472
1200 m a.s.l.
1100
1000
900
800
700
600
500
C91-708
C91-706
ARGILLITE CREEK SURFACE
GNC92-31
GNC93-34
GNC92-29
GNC93-32
GNC93-33
INTERSECTION ARGILLITE CREEK/ SALMON RIVER ROCKS
#2 BLUFF FAULT
BOUNDARY SOUTH BLOCK
0 100 200 m
SCALE
HOMESTAKE CANADA INC.
MCKAY WEST TARGET
VERTICAL LONGITUDINAL SECTION
CONTACT ZONE PIERCMENT POINTS
LOOKING NORTHWEST
NOV. 1993
FIGURE 2.3.3

The main portion of the fault was intersected between 308.9 and 320.0m effecting mostly Upper Salmon River mudstones. The hole was reduced to BQ and subsequently continued to termination.

Upper Salmon River laminated argillite and pyritic ash beds were intersected from 320.0 to 332.55. This interval is badly faulted. Interbedded argillite and mafic pillow breccias, breccias and sills were intersected from 332.55 to 360.45m. The lower portion of the contact zone is faulted off. The remainder is in fault contact with a 0.35m section of black matrix rhyolite transition zone breccia containing 7% fine pyrite. Underlying rhyolite breccia is strongly silicified and contains minor pyrite and pyrrhotite.

Figure 2.3.3, shows the location of the contact zone drill hole piercement points on a vertical longitudinal section that is parallel to the strike of the target horizon.

2.3.1. RESULTS

No potentially economic concentrations of base or precious metals were intersected in Hole 93-33. Table 2.3.1 lists weighted average values for the pathfinder elements for selected sections intersected in the hole.

TABLE 2.3.1

DDH	FROM m.	WIDTH	ASSAYS (ppb, ppm)	COMMENTS
GNC93-33	337.1	10.4	14.5 Au 407 Zn 99 As 27 Sb	Upper portion of lowest (contact) mudstone. Contains sections of up to 30% pyrite/15cm.
	360.2	0.25	48 Au 299 Zn 186 As 34 Sb	Lower contact mudstone below mafic dyke.
	360.45	0.30	52 Au 601 Zn 262 As 43 Sb	Upper contact of black matrix rhyolite breccia, 7% fine pyrite.

2.3.2. CONCLUSIONS and RECOMMENDATIONS

As seen on Fig. 2.3.3, the vertical long section, a total of 7 diamond drill holes have tested permissive stratigraphy on the Mckay West block along a 1150m strike length to a vertical depth of 450m. These holes have been collared on the GNC-1, GNC-2 mineral claims or the Mining Lease 429, 471.

None of these holes have intersected significant base or precious metal values. Down hole EM and surface geophysical techniques have failed to detect a large conductive body at depth. Although target stratigraphy was intersected in hole GNC93-33 no significant mineralization or strong indicator element anomalies were discovered. No further work is recommended in the Mckay West Target at this time.

REFERENCES

ALLDRICK,D.J.(1989); Volcanic Centres in the Stewart Complex (104P and 104A,B), B.C. Ministry of Energy, Mines and Petroleum Resources, Geological Fieldwork, 1988. Paper 1989-1.

ANDERSON,R.G.(1989); A Stratigraphic, Plutonic and Structural Framework for the Iskut River Map Area, N.W. British Columbia. In Current Research, Part E, GSC Paper 89-1E.

ANDERSON,R.G., and THORKELSON, P.J.,(1990); Mesozoic Stratigraphy and Setting of Some Mineral Deposits in the Iskut River Map Area, Northwestern British Columbia. In Current Research, Part E, GSC, Paper 90-1F.

BRITTON,J.M., and ALLDRICK,D.J.,(1988); Sulphurets Map Area, B.C. Ministry of Energy, Mines and Petroleum Resources, Geological Fieldwork, 1987, Paper 1988-1.

EDMUNDS,F.C., and KURAN, D.L., (1991); Tok-Kay and GNC , 1991 Exploration Program, Geological and Diamond Drilling Results, Internal Report for International Corona Corp.

GROVE, F.W.,(1986); Geology and Mineral Deposits of the Unuk River-Salmon River-Anyox Area, British Columbia Ministry of Energy, Mines and Petroleum Resources, Bulletin 63.

LEWIS, P.D.,(1991); Structural Geology of the Prout Plateau Region, Iskut River Map Area, British Columbia, MDRU Contribution # 91-001. BCMEMPR, Paper 4 1992-1.

LEWIS, P.D.,(1992); Stratigraphic and Structural setting of the Unuk River Area, Mineral Deposit Research Unit, Annual Technical Report - Year 3.

KURAN,D,L,. EDMUNDS,F.C,. (1992); Eskay Creek Project, 1992 Exploration Program, Geological and Diamond Drilling Results, Internal Report for Homestake Canada Ltd.

APPENDIX 1

STATEMENT OF COSTS

PERIOD: JULY 20 TO AUGUST 5, 1993

STATEMENT OF COSTS

DDH GNC93-33

PERIOD: JULY 20 TO AUG.5, 1993

DIAMOND DRILLING		300m @ 58.00	17,400.	
		99.6m @ 65.00	6,474.	23,874.00
CAMP COSTS	DRILLERS	48 mandays		
	GEOLOGIST	12 mandays		
	ASSISTANT	6 mandays		
		66 @ 80.00	5,280.	5,820.00
HELICOPTER	500 D	12.4 @ 742.00	9,200.	9,200.00
WAGES	GEOLOGIST	12 @ 300.00	3,600.	
	ASSISTANT	6 @ 105.00	360.	4,960.00
ASSAYS		37 @ 15.00	555.	555.00
REPORT and REPRODUCTION			1,500.	1,500.00
			TOTAL	**45,909.00**

APPLIED TO CLAIMS 20,600.00

EXCESS CREDIT TO PAC 25,309.00
(Prime Resources Group Inc.)

APPENDIX 2

GNC CORE ANALYTICAL CERTIFICATE: GNC93-33

BONDAR-CLEGG

Geochemical Lab Report

Inchcape Testing Services

REPORT: V93-00809.0 (COMPLETE) REFERENCE:

CLIENT: HOMESTAKE MINERAL DEVELOPMENT COMPANY SUBMITTED BY: D. KURAN

PROJECT: 90703 DATE PRINTED: 27-AUG-93

ORDER		ELEMENT	NUMBER OF ANALYSES	LOWER DETECTION LIMIT	EXTRACTION	METHOD
1	Au	Gold	37	5 PPB	FIRE ASSAY	FIRE ASSAY @ 30 G
2	Ag	Silver	37	0.2 PPM	HCL:HNO3 (3:1)	INDUC. COUP. PLASMA
3	Cu	Copper	37	1 PPM	HCL:HNO3 (3:1)	INDUC. COUP. PLASMA
4	Pb	Lead	37	2 PPM	HCL:HNO3 (3:1)	INDUC. COUP. PLASMA
5	Zn	Zinc	37	1 PPM	HCL:HNO3 (3:1)	INDUC. COUP. PLASMA
6	Mo	Molybdenum	37	1 PPM	HCL:HNO3 (3:1)	INDUC. COUP. PLASMA
7	As	Arsenic	37	1.0 PPM		NEUTRON ACTIVATION
8	Sb	Antimony	37	0.2 PPM		NEUTRON ACTIVATION

SAMPLE TYPES	NUMBER	SIZE FRACTIONS —	NUMBER	SAMPLE PREPARATIONS	NUMBER
D DRILL CORE	37	2 -150	37	CRUSH/SPLIT & PULV.	37

REPORT COPIES TO: MR. RON BRITTEN

INVOICE TO: MR. RON BRITTEN

Bondar-Clegg & Company Ltd.
130 Pemberton Avenue, North Vancouver, B.C., V7P 2R5, Canada
Tel: (604) 985-0681, Fax: (604) 985-1071

BONDAR-CLEGG

Geochemical Lab Report

Inchcape Testing Services

DATE PRINTED: 27-AUG-93

REPORT: V93-00809.0 (COMPLETE) PROJECT: 90703 PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Au PPB	Ag PPM	Cu PPM	Pb PPM	Zn PPM	Mo PPM	As PPM	Sb PPM
D2 23071		<5	1.0	68	10	343	6	24.0	19.0
D2 23072		16	0.9	71	12	606	9	25.0	27.1
D2 23073		<5	0.5	78	10	281	2	23.0	21.0
D2 23074		<5	<0.2	66	10	244	4	31.0	27.7
D2 23075		<5	0.8	68	11	809	10	36.0	31.8
D2 23076		12	1.3	95	10	628	12	50.0	28.1
D2 23077		18	1.5	74	22	807	11	96.0	27.7
D2 23078		32	1.6	73	13	159	2	71.0	23.9
D2 23079		12	0.6	65	5	606	8	48.0	15.0
D2 23080		26	2.3	68	17	203	4	72.0	27.3
D2 23081		20	2.6	66	22	182	4	56.0	28.1
D2 23082		14	1.3	62	16	170	3	45.0	19.0
D2 23083		10	2.0	87	9	565	17	71.0	18.0
D2 23084		<5	0.5	76	7	678	60	257.0	49.0
D2 23085		<5	<0.2	25	11	115	21	30.0	7.2
D2 23086		48	0.7	89	21	299	39	186.0	34.4
D2 23087		52	0.9	62	36	601	50	262.0	43.2
D2 23088		<5	<0.2	25	12	145	7	13.0	4.4
D2 23089		<5	<0.2	14	22	167	2	5.2	2.4
D2 23090		<5	<0.2	9	19	111	2	13.0	1.7
D2 23091		<5	<0.2	11	22	127	2	25.0	3.6
D2 23092		<5	<0.2	10	14	125	7	21.0	3.7
D2 23093		<5	<0.2	10	13	115	8	55.0	4.6
D2 23094		<5	<0.2	9	21	109	<1	4.7	1.5
D2 23095		<5	<0.2	12	22	102	<1	38.0	2.2
D2 23096		<5	<0.2	11	20	113	<1	45.0	1.9
D2 23097		<5	<0.2	8	20	131	<1	7.8	1.4
D2 23098		<5	<0.2	13	23	124	<1	6.4	1.7
D2 23099		<5	<0.2	11	23	85	2	12.0	1.4
D2 23100		<5	<0.2	5	21	120	3	6.9	1.2
D2 23101		<5	<0.2	6	14	79	2	5.0	1.4
D2 23102		<5	<0.2	5	22	116	4	20.0	1.6
D2 23103		<5	<0.2	5	22	98	<1	23.0	1.9
D2 23104		<5	<0.2	4	18	124	2	23.0	2.6
D2 23105		<5	<0.2	9	14	57	2	36.0	3.0
D2 23106		<5	<0.2	13	17	79	2	11.0	1.9
D2 23107		<5	<0.2	7	35	81	2	5.0	1.7

Bondar-Clegg & Company Ltd.
130 Pemberton Avenue, North Vancouver, B.C., V7P 2R5, Canada
Tel: (604) 985-0681, Fax: (604) 985-1071

APPENDIX 3

GNC CORE LOG: GNC 93-33

HOMESTAKE CANADA **DIAMOND DRILL HOLE LOG** **GNC9333**

PROJECT: GNC	Date Commenced: 07/20/93	Contractor: Falcon Drilling	Logged by: D. Kuran
DRILL HOLE: GNC9333	Date Completed: 08/05/93	Assay Lab: Bondar-Clegg	Date: 08/05/93
CLAIM: GNC 1	Core Diam: NQ		
LENGTH: 399.90	Casing: 12.20	Core stored at: Eskay Creek Camp	

L O C A T I O N

Latitude: 17076.59 Azim: 129.00
Departure: 19766.40 Inclin: 50.00
Elevation: 1110.00

Down Hole Surveys Instrument: SPERRY-SUN

DEPTH	0.00	91.40	183.80	274.30	367.60		
AZIM	129.00	124.50	127.00	128.00	127.00		
	-50.00	-52.00	-52.50	-53.60	-52.50		

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
0.00	12.90	CASING												
12.90	13.10	CONGLOMERATE Massive/broken, light grey, medium to coarse grained, graded, heterolithic. Bedding/layering @ 46° Graded unit, medium grained clean sandstone at top down to closely packed 1cm pebble conglomerate at base. Lower contact faulted, 3cm black gouge at 68 deg.												
13.10	16.50	SILTSTONE Massive/broken, black, fine grained, bedded, laminated. Bedding/layering @ 58° Dominant joints/fractures @ 38° Broken core, finely interbedded black silty argillite and dark grey argillaceous siltstone. Interval contains several 15cm closely packed .3-1cm subrounded to rounded pebble conglomerate beds.												
16.50	31.00	CONGLOMERATE <16.50-27.40> Massive, grey, fine to coarse grained, graded, heterolithic. very weak silica alteration Bedding/layering @ 62° Dominant joints/fractures @ 34° Interbedded fine to medium grained sandstone and pebbley sandstone with well sorted closely packed pebble conglomerate. Conglomerate coarsens downward from .5cm to 1.5 cm rounded and subrounded pebbles. Subangular argillite clasts increase in size and number down. Conglomerate clasts are 60% light grey chert, 10 % felsic volcanic, 25% argillite and 15% silicified, round, fine grained, lithic wacke pebbles. <27.40-29.40> Massive, grey, fine to coarse grained, graded, heterolithic. very weak silica alteration Bedding/layering @ 62° Dominant joints/fractures @ 34°												

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
		Unit coarser grained than above, contains 60% argillite as subangular cobbles in a .1-.5cm sandy pebble matrix.												
<29.40-31.00>		Massive, grey, fine to coarse grained, graded, heterolithic. Bedding/layering @ 68° Dominant joints/fractures @ 41° Interval consists of a medium grained dirty sandstone top and a matrix supported, poorly sorted cobble congomerate base. Matrix is a very limy sand. Conglomerate portion contains 10% 3-5cm limestone cobbles and 1% 1-2mm light grey bleached mafic volcanic chips.												
31.00	31.65	ANDESITE BRECCIA Massive, light grey, fine to coarse grained, massive, monolithic. Bedding/layering @ 68° Dominant joints/fractures @ 41° Unique unit. Totally monolithic, consists of soft, slightly carbonate altered finely vesicular, subangular volcanic clasts, probably mafic. Clasts range in size from 2-15mm, poorly sorted. Unit contains 15% fine dark grey matrix composed of fine mafic chips and fine dark grey sand. Unit probably the result of mafic dyke being phreatically brecciated upon intrusion into wet seds.												
31.65	51.45	CONGLOMERATE Massive/broken, dark grey, fine to coarse grained, massive, heterolithic. weak silica alteration Dominant joints/fractures @ 38° Unit poorly sorted, non-graded, well fractured, healed by quartz and dolomitic stringers. Clasts range in size from .3-6cm, 40% light grey chert 20% light grey perlitically fractured clasts, 5% softer cream colored volcanic clasts and 30% subrounded argillite clasts. Unit is closely packed, clast supported, with minor intergranular limy cement. Areas adjacent to higher concentrations of fractures are moderately to strongly silicified.												

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
51.45	53.00	PEBBLY SANDSTONE Massive-fractured, light grey, fine to coarse grained, massive,. strong silica alteration Unit strongly silicified, quartz veined and flooded. Relic textures barely visible.												
53.00	73.15	SANDSTONE Massive, light grey, fine grained, graded, massive. very weak silica alteration Bedding/layering @ 60° Dominant joints/fractures @ 38° Well sorted mature sandstone, gradually grading from very fine to medium-coarse sand at the base. Unit contains numerous 1-10mm quartz veins in a conjugate set at 30 deg with opposing dips.												
73.15	76.00	CONGLOMERATE Massive/broken, dark grey, fine to coarse grained, heterolithic, massive. Bedding/layering @ 60° Dominant joints/fractures @ 38° Poorly sorted, unit contains argillite fragments to 20cm. Unit is clast to matrix supported with up to 40% fine sand matrix. Unit cut by several narrow shear zones having slick grapite/quartz covered faces with minor slickensides parallel to the core.												
76.00	94.45	SANDSTONE Massive, grey, fine to coarse grained, graded, massive. Bedding/layering @ 63° Dominant joints/fractures @ 40° Unit contains several cycles of graded sandstone members with fine tops and coarse to conglomerate bases containing large argillite rip-ups.												

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
		76.0-78.1 Well sorted medium grained sandstone with 5cm argillite clasts in basal 10cm. 78.1-80.8 Graded coarse grained sandstone to pebbly sandstone. Lower contact sharp at 65 deg. 80.8-87.70 As above. Unit is badly shattered in last metre with rusty oxidixed surfaces. Lower contact between closely packed very coarse sandstone and fine sandstone sharp at 58 deg. 87.7-92.5 Poorly sorted pebbley sandstone with rare 5cm argillite rip-ups. Interval sheared and gouged (FAULT) from 90.0-90.3. 90.3-94.05 Graded fine to fine pebble conglomerate at base. Bedding defined by 5cm pebble layers at 55 deg.												
94.45	98.55	CONGLOMERATE Massive, dark grey, fine to coarse grained, graded, massive. Bedding/layering @ 60° Dominant joints/fractures @ 35° Poorly sorted, fine matrix supported pebble to cobble conglomerate. Unit has a .5m graded sandy top. Unit contains minor belmnite remains.												
98.55	107.80	SANDSTONE Massive, dark grey, fine grained, graded, massive. Bedding/layering @ 68° Dominant joints/fractures @ 42° Well sorted, gradually graded, fairly pure, mature sandstone. Interval consists of two fine to coarse cycles, 98.5-103.6, 103.6-107.8. Basal contact gradational through 50cm pebbly sandstone into underlying conglomerate.												
107.80	109.45	CONGLOMERATE Massive, grey, fine to coarse grained, massive, heterolithic. Fairly well sorted , .5-2cm pebbles, matrx supported. Contains rare belmnite.												

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
109.45	110.60	SANDSTONE Massive, grey, fine to medium grained, massive, bedded. Bedding/layering @ 67° Massive, homogenous, well sorted.												
110.60	120.40	CONGLOMERATE Massive, dark grey, fine to coarse grained, massive, heterolithic. Bedding/layering @ 65° Dominant joints/fractures @ 40° Poorly sorted, variably matrix supported, 10-30% fine sandy calcareous matrix. Unit contains 20% grey micritic limestone clasts, 10% 3-5cm rounded bleached mafic cobbles and 20% perlitically fractured creamy felsic volcanic clasts. Unit slightly coarser at base, clasts to 5cm. 116.8 3cm carbonate vein at 10 deg. 120.4-121.45 Graded, coarse sand to coarse cobble conglomerate unit, limy sand matrix supported.												
120.40	121.65	ANDESITE BRECCIA Massive, grey-green, fine to coarse grained, brecciated, monolithic. Monolithic breccia, consisting of angular to subangular 2-15mm size fragments of light grey-green, strongly carbonate altered, slightly vesicular mafic(?) volcanic. Unit is clast supported with 5% dark sandy matrix. Same as unit at 31.0-31.65. May be the result of phreatic brecciation of an intrusive dyke into wet seds.												
121.65	145.10	CONGLOMERATE Massive, grey, fine to coarse grained, graded, heterolithic. Bedding/layering @ 67° Top.7m is graded sand to pebbley sandstone, gradually increasing in grain size to pebble-cobble heterolithic conglomerate with minor very course sand layers. Unit contains 10%>5cm bleached, carbonate altered mafic volcanic cobbles, 15%> 5cm argillite cobbles, 15% fine												

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
		calcareous sand matrix. Unit also contains rare 3cm round cobbles of rock unit 121.45 to 121.65. 121.65-135.6 Poorly sorted fine to coarse cycle. 135.65-145.1 Poorly sorted fine to coarse cycle.												
145.10	145.55	SANDSTONE Massive, grey, fine grained, graded, massive. Bedding/layering @ 66° Well bedded, graded, homogenous sandstone.												
145.55	152.00	CONGLOMERATE Massive, dark grey, fine to coarse grained, massive, heterolithic. Bedding/layering @ 60° Dominant joints/fractures @ 20° Poorly sorted chaotic pebble to boulder conglomerate. Unit contains several pebbly sandstone and coarse wacke beds to 40cm thick. Interval contains wacke, mafic and pyritized mudstone and black micritic limestone cobbles. 151.4-151.6 Interval contains several 2x3cm totally pyritized cobbles.												
152.00	153.50	SILTSTONE Massive/broken, dark grey, fine grained, bedded, laminated. Bedding/layering @ 62° Dominant joints/fractures @ 20° Dark grey-black, well laminated sandy siltstone. Minor muddy graphitic bedding-parallel slips.												
153.50	157.70	ARGILLITE Massive, black, fine grained, banded, laminated. Bedding/layering @ 55° Dominant joints/fractures @ 40° Interbedded black argillite and dark grey siltstone, minor diagenetic pyrite laminations. Lower contact at 10cm graphitic gouge at 40 deg.												

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
157.70	160.20	SANDSTONE Massive/broken, light grey, fine to medium grained, massive, bedded. moderate silica alteration Bedding/layering @ 60° Dominant joints/fractures @ 40° Poorly graded, faintly banded. Unit contains several 5cm graphitic gouge zones at: 157.95, 158.3, 160.00.												
160.20	161.20	CONGLOMERATE Massive-fractured, dark grey, fine to coarse grained, massive, heterolithic. moderate silica alteration Bedding/layering @ 59° Dominant joints/fractures @ 30° Matrix supported, chaotic, poorly sorted. Argillite rip-ups to 5cm thick slabs.												
161.20	167.30	PEBBLY SANDSTONE Massive-fractured, grey, fine to medium grained, bedded, heterolithic. moderate silica alteration Bedding/layering @ 59° Dominant joints/fractures @ 30° Poorly sorted, chaotic, layers of angular argillite rip-up clasts in a poorly sorted medium to coarse sandstone. Unit contains several shear/fault zones and minor rubble. 163.7-163.8 Graphitic gouge at 30 deg. 166.1-166.7 Rubble, minor gouge												
167.30	176.25	CONGLOMERATE <167.30-172.40> Massive, dark grey, coarse grained, bedded, heterolithic. Bedding/layering @ 59° Dominant joints/fractures @ 30° Poorly sorted, chaotic, pebble to large cobble conglomerate. Unit contains abundant large argillite cobbles, vesicular dacite cobbles in a fine light grey												

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
		sand matrix. Lower contact sharp at 50 deg.												
		<172.40-176.25> Massive, dark grey, fine to coarse grained, bedded, heterolithic. Bedding/layering @ 59° Dominant joints/fractures @ 30° Top 0.6m is a fine to very course graded sandstone sequence grading down into a poorly sorted matrix supported pebble to cobble conglomerate. Lower contact sharp at 50 deg.												
176.25	183.00	PEBBLY SANDSTONE <176.25-178.70> Massive, grey, fine to medium grained, bedded, graded. Bedding/layering @ 56° Unit grades from a very fine dark grey argillaceous sandstone to a very coarse sandstone with 8-10cm irregular argillite slabs. <178.70-181.60> Massive, grey, fine to medium grained, bedded, graded. Bedding/layering @ 56° Same as above. Base of muddy sandstone top is sheared and gouged from 178.4-178.6 at 45 deg. 178.7-178.9 Fault zone, rubble, gouge. <181.60-183.00> Massive, grey, fine to medium grained, bedded, graded. Bedding/layering @ 52° Dominant joints/fractures @ 45° Same as above, graded sandy argillite to coarse sand.												
183.00	219.95	SANDSTONE Massive/sheared, grey, fine to medium grained, bedded, graded. Bedding/layering @ 58° Dominant joints/fractures @ 35° Unit consists of several fine to coarse sandstone cycles with fine sandy tops and coarse sand to fine pebble conglomerate bases. Interval contains numerous sheared and gouged zones indicating proximety to the Argillite Creek												

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
		Fault. 183.3-187.45 Well graded member. Fine-medium grained sand at top, argillite rip-up clast rich base. Lower contact sharp at 38 deg. Fault gouge and rubble at: 184.5-184.9 @ 48 deg, 186.8-178.0 rubble and carb veins. 187.45-192.9 Well graded fine to pebbley sandstone. Member badly broke and faulted at: 189.0-189.8 with trace py in gouge, 190.0-190.6 badly broken, minor white clay gouge. 192.9-198.2 Well sorted, slightly coarser at base, fine grained sandstone. Lower contact sharp at 50 deg. 198.2-205.5 Poorly sorted member consisting of a upper .7m section of dark grey silty argillite and graded interbedded pebbley sandstone to fine pebble conglomerate. Unit locally silicified adjacent to fault. 203.1-204.2 FAULT, intense silicification resulting in a grey-white banded silica vein with abundant soft white clay gouge. Lower contact sharp at 52 deg. 205.5-206.7 Well graded cycle of fine sand to matrix supported fine pebble conglomerate. Lower contact sharp at 54 deg. 206.7-208.3 Pebbley sandstone. 206.4-206.6 rubble. 208.2 8cm black gouge at 75 deg. 208.3-213.25 Well graded, well sorted fine to medium grained sandstone. Unit badly broken, lower contact sharp at 62 deg. 213.25-217.65 As above. 217.65-219.95 Well graded, well sorted, fine to medium grained sandstone. Minor 3mm thick argillite rip-ups near base.													
219.95	258.60	ARGILLITE Moderately sheared, black, fine grained, bedded, laminated. Bedding/layering @ 58°												

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
		Dominant joints/fractures @ 60° tr% Pyrite Thick section of lower Bowser argillite and siltstone. Interval badly broken and sheared. Abundant gouge zones and bedding parallel graphitic slips. 219.95-226.6 Fairly solid core. Well laminated black argillite with interbedded 3-10mm light grey silt layers having scoured bases and contain minor fine pyrite. Bedding varies from 70-80 deg. 226.6-231.4 Badly broken to rubbly core. 20cm gougy shear zones at 229.5 and 231.4. 231.4-233.1 Massive fine grained dark grey sandy siltstone. 233.1-234.0 Black argillite with 155 2-5mm light grey silt beds. Bedding at 55 deg. 234.0-236.3 FAULT ZONE, badly broken core with slightly contorted graphitic slips. Bedding has changed to 20 deg. 236.3-255.3 Interbedded black argillite and light grey sily beds tp 7cm thick. 238.0 bedding at 25 deg. 241.0 beds at 40 deg. 245.5-246.0 FAULT ZONE badly crushed and sheared with minor black gouge. 247.5-249.0 rubble. 253.5 beds at 47 deg. 255.0 10cm gouge. 257.5 beds at 35 deg.												
258.60	261.20	FAULT ZONE Strongly sheared, black, fine grained, broken, gouge. Bedding/layering @ 50° Dominant joints/fractures @ 60° FAULT ZONE, core badly shattered, 60cm zones of soft black pebbley gouge.												
261.20	262.70	ARGILLITE Massive/broken, black, fine grained, broken, laminated. Bedding/layering @ 55° Black interlaminated siltstone and argillaceous siltstone.												

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
262.70	263.50	FAULT ZONE Strongly sheared, black, fine grained, broken, gouge. Bedding/layering @ 55° FAULT, black rubbly gouge with broken white carbonate veins.												
263.50	264.00	SILTSTONE Massive/broken, black, fine grained, broken, bedded. Bedding/layering @ 51° Well bedded dark grey argillaceous siltstone and argillite. Core badly broken.												
264.00	265.00	FAULT ZONE Strongly sheared, black, fine grained, broken, gouge. Bedding/layering @ 51° FAULT, badly crushed and gouged. 10cm section solid core shows bedding at 75 deg.												
265.00	269.70	SILTSTONE Moderately sheared, black, fine grained, broken, laminated. Bedding/layering @ 70° Dominant joints/fractures @ 20° TR% Pyrite Badly broken, well laminated grey silstone and black argillite. Rare 1cm coarser debris flow layers with mudstone rip-ups and minor detrital pyrite. Abundant bedding parallel graphitic shear planes. Minor carbonate veins.												
269.70	276.00	FAULT ZONE Strongly sheared, black, fine grained, broken, gouge. Bedding/layering @ 70° Dominant joints/fractures @ 20° Unit hosting fault is a fairly massive black argillite. Interval badly broken, numerous 40cm black clay gouge zones.												

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
276.00	280.20	SILTSTONE Massive/broken, dark grey, fine grained, bedded, laminated. Bedding/layering @ 60° Dominant joints/fractures @ 45° Well laminated grey siltstone and thinner(2cm) beds of black argillite.												
280.20	294.75	PEBBLY SANDSTONE Massive/broken, grey, fine to coarse grained, bedded,. Bedding/layering @ 64° Dominant joints/fractures @ 30° Interval consists of several graded fine to coarse sandstone to fine pebble conglomerate at the base. Interval locally badly faulted and contains numerous gouge and rubble zones. 282.0-283.0 Fine to coarse cycle grading from fine sand and pebbly sandstone to .5cm closely packed conglomerate. 283.0-283.8 As above. Lower contact scoured and sharp at 75 deg. 283.8-290.0 Well graded cycle from fine bedded sandstone on top down to very coarse sandstone at the base. 290.0-292.3 As above. 291.4-291.7 rubble. 292.3-294.75 Graded medium grained sandstone to coarse sandstone. Interval contains gouge zones(FAULTS) at: 292.7-292.9 and 294.4-294.6.												
294.75	295.65	FAULT ZONE Strongly sheared, light grey, fine to coarse grained, broken, gouge. Dominant joints/fractures @ 30° Badly broken and gouged. Interval is a medium grained pebble conglomerate.												
295.65	299.05	CONGLOMERATE Massive/broken, light grey, fine grained, broken, heterolithic.												

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
		Bedding/layering @ 57° Dominant joints/fractures @ 30° Poorly sorted, clast supported, 10% fine sandy matrix. Clast size ranges from .3-1.0cm. 2% of the 1cm size clasts are replaced by fine pyrite or rimmed by it. There is also 1% fine fracture filling pyrite.												
299.05	300.30	FAULT ZONE Moderately sheared, dark grey, fine to coarse grained, broken, gouge. Dominant joints/fractures @ 75° 1% Pyrite FAULT, 30% white carbonate healing of brecciated sandstone and healing gouge.												
300.30	304.60	SANDSTONE Massive-fractured, dark grey, medium grained, massive, homogeneous. Dominant joints/fractures @ 75° Well sorted massive medium grained sandstone. Unit contains 2% white 1mm feldspathic grains/crystals.												
304.60	306.70	FAULT ZONE Strongly sheared, black & white, fine grained, broken, gouge. Badly shattered, broken quartz and carbonate veins in black gouge.												
306.70	308.90	CONGLOMERATE Massive-fractured, light grey, fine to coarse grained, broken, heterolithic. 2% Pyrite Moderately well sorted pebble conglomerate, contains rare 2cm pyrite replaced clasts. Unit strongly quartz veined. 307.5-308.9 Unit badly broken, contains 20cm gouge zones. Unit is more matrix supported with laminated mudstone clasts to 5cm.												
308.90	320.00	FAULT ZONE Strongly sheared, black, fine grained, broken,	23071	316.10-318.10	2.00	< 5	1.0	68	10	343	24.0			

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
		gouge. FAULT ZONE, unit consists of badly shattered mudstone and black gouge and black sand zones. Gouge zones contain 15% white quartz and carbonate stringers.												
320.00	325.80	ARGILLITE Massive/broken, black, fine grained, bedded, laminated. Bedding/layering @ 60° Dominant joints/fractures @ 45° 1% Pyrite Black carbonaceous mudstone with dark grey 3mm laminations. Rare 2-5mm light grey very fine grained ashy lams carrying minor fine disseminated pyrite. 318.1-318.6 Rubble. 320.5-321.3 Rubble, minor gouge. 324.5 5cm Gouge zone at 40 deg. 325.1-325.8 Badly broken core.	23072 23073 23074 23075	318.10-320.10 320.10-322.10 322.10-324.10 324.10-325.80	2.00 2.00 2.00 1.70	16 < 5 < 5 < 5	0.9 0.5 < 0.2 0.8	71 78 66 68	12 10 10 11	606 281 244 809	25.0 23.0 31.0 36.0	27.1 21.0 27.7 31.8		
325.80	332.00	FAULT ZONE Strongly sheared, black, fine grained, broken, gouge. Bedding/layering @ 60° Dominant joints/fractures @ 45° Strong fault zone, interval consists 85% of black pebbly sand and gouge. Recovery through zone averaged 60%, but as low as 2%. 331.2-332.0 Gouge contains 25% broken white quartz veins.	23076	331.30-332.00	0.70	12	1.3	95	10	628	50.0	28.1		
332.00	332.55	ARGILLITE Massive, black, fine grained, bedded, laminated. Bedding/layering @ 40° 5% Pyrite Well banded black/light grey at 3mm intervals. Alternating between the argillite and ashy layers are fine pyrite layers. Beds offset on mm scale by hairline faults(growth) at 75 deg to bedding. Lower contact at 45 deg.	23077	332.00-332.55	0.55	18	1.5	74	22	807	96.0	27.7		

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
332.55	337.10	ANDESITE BRECCIA Massive/broken, light grey, fine grained, brecciated, hyaloclastic. Dominant joints/fractures @ 45° Light grey, slightly amygdular, weakly carbonate altered Salmon River mafic breccia. Fragments are supported by a matrix of black mud and hyaloclasite shards. Matrix locally composed entirely of emerald green hyaloclastite. Lower contact faulted from 336.7-337.1.												
337.10	337.60	ARGILLITE Massive/broken, black, fine grained, bedded, laminated. Bedding/layering @ 20° Dominant joints/fractures @ 45° 2% Pyrite Badly broken core. Unit consists of well interlaminated black argillite and soft light grey ash lams. Lower contact sheared.	23078	337.10-337.60	0.50	32	1.6	73	13	159	71.0	23.9		
337.60	339.10	FAULT ZONE Moderately sheared, black & white, fine grained, broken, gouge. Bedding/layering @ 20° Dominant joints/fractures @ 45° 1% Pyrite FAULT ZONE. Unit consists of a mixture of black gouge and broken white quartz veins. Recovery 40%.	23079	337.60-339.10	1.50	12	0.6	65	5	606	48.0	15.0		
339.10	347.50	ARGILLITE	23080	339.10-341.10	2.00	26	2.3	68	17	203	72.0	27.3		
<339.10-343.50>		Massive/broken, black, fine grained, bedded, laminated. Bedding/layering @ 40° 3% Pyrite Core broken, bedding ranges from 10 deg at top of interval to 60 deg at base. Unit is well laminated with .5-1.5cm light grey ashy bands containing up to 70% fine pyrite. On the top of these ashy layers is a 1-3mm layer of fine	23081 23082	341.10-342.10 342.10-343.50	1.00 1.40	20 14	2.6 1.3	66 62	22 16	182 170	56.0 45.0	28.1 19.0		

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
		siliceous cherty material. 343.0 1cm clastic layer with 20% .5-1mm white chips, 5% py. NOTE: Rods broke at 312m due to whipping in cave developed at this depth. Failed to retreive drill string from 312.0 to 343.5m. Pulled back to 311.8 and reduced to BQ, and re-drilled the interval in a new, adjacent hole. NQ driven to 317.9 as casing through bad ground. LOG OF RE-DRILLED INTERVAL 311.8-343.5 311.8-324.6 Banded black/dark grey agrillite. Rare light grey pyritic ash band to .5 cm thick. 322.4-322.7 FAULT GOUGE. 324.6-331.9 Badly broken, gubble gouged black argillite. Last 30cm is black, cemented fault breccia containing 30% 1cm angular white vein fragments. 331.9-322.55 Black argillite, slightly contorted. 322.55-327.4 Andesite breccia. 2-10cm angular, vesicular, bleached and variably carbonate altered creamy grey mafic flow breccia in a mud and hyaloclastite matrix. Lower contact has a 5cm carbonate vein. 327.4-343.5 Black laminated argillite containing 1cm light grey pyritic ashy band. Bedding ranges from 10 deg at top of interval to 60 deg at the base, similar to the same interval in the NQ core.												
	<343.50-347.50>	Massive/broken, black, fine grained, banded, laminated. Bedding/layering @ 60° Dominant joints/fractures @ 45° 3% Pyrite Start BQ core, continous from NQ. Unit well banded, locally calcareous, contains 1cm light grey ashy bands with 5% fine pyrite and pyrite bands without ash. Last 15cm has 30% fine laminated and whispy pyrite. Lower contact irregular and contains 5cm qtz breccia vein.	23083 23084	343.50-345.50 345.50-347.50	2.00 2.00	10 < 5	2.0 0.5	87 76	9 7	565 678	71.0 257.0			

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
347.50	357.00	ANDESITE BRECCIA Massive, grey-green, fine grained, hyaloclastic, amygdaloidal. Dominant joints/fractures @ 54° TR% Pyrite Mafic breccia/pillow breccia. Unit consists of 3-50cm blocks of light creamy grey bleached mafic. Unit slightly amygdular with some blocks showing curved vesicular chilled margins. Matrix is hyaloclastite or fine milled mafic.												
357.00	358.45	RHYOLITE BRECCIA Massive, dark grey, fine grained, brecciated, flow banded. strong silica alteration Dominant joints/fractures @ 45° 1% Pyrite Dark matrix rhyolite breccia. Relic flow banding in fragments. Upper contact sheared at 30 deg. Lower contact sheared at 45 deg. May be a fault sliver or might be Upper Rhyolite.	23085	357.00-358.45	1.45	< 5	< 0.2	25	11	115	30.0	7.2		
358.45	360.20	ANDESITE BRECCIA Massive, grey-green, fine grained, brecciated, hyaloclastic. Dominant joints/fractures @ 45° Highly vesiculated light creamy green angular mafic fragments in a darker green hyaloclastic matrix.												
360.20	360.45	ARGILLITE Massive, black, fine grained, brecciated, contorted. weak silica alteration Dominant joints/fractures @ 45° 5% Pyrite CONTACT ZONE, slightly brecciated, contains fragments of both mafic and rhyolite. Pyrite occurs as very fine grained breccia healing and whispy bands. lower contact sheared, possibly rest of zone faulted out.	23086	360.20-360.45	0.25	48	0.7	89	21	299	186.0	34.4		
360.45	399.60	RHYOLITE BRECCIA <360.45-360.75> Massive/broken, dark grey, fine grained, brecciated. moderate silica alteration Dominant joints/fractures @ 60°	23087	360.45-360.75	0.30	52	0.9	62	36	601	262.0	43.2		

FROM	TO	DESCRIPTION	Sample	INTERVAL	WID	Au (ppb)	Ag (ppm)	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	RQD	REC
		7% Pyrite Dark grey breccia, closely packed subangular glassy rhyolite fragments in a black, possibly muddy matrix. Interval sheared.												
	<360.75-399.60>	Massive/broken, light grey, fine grained, brecciated, sheared. strong silica alteration very weak chlorite alteration Bedding/layering @ 60° Dominant joints/fractures @ 30° TR% Pyrite Massive to locally brecciated rhyolite. Interval contains no fragmentals or pyroclastics. Interval usually tectonically shatterd and contains numerous shear and fault zones. Unit is strongly silicified with minor relic flow banding visible. Unit contains minor disseminated pyrite.	23088	360.75-362.75	2.00	< 5	< 0.2	25	12	145	13.0	4.4		
			23089	362.75-364.75	2.00	< 5	< 0.2	14	22	167	5.2	2.4		
			23090	364.75-366.75	2.00	< 5	< 0.2	9	19	111	13.0	1.7		
			23091	366.75-368.75	2.00	< 5	< 0.2	11	22	127	25.0	3.6		
			23092	368.75-370.75	2.00	< 5	< 0.2	10	14	125	21.0	3.7		
			23093	370.75-372.75	2.00	< 5	< 0.2	10	13	115	55.0	4.6		
			23094	372.75-374.75	2.00	< 5	< 0.2	9	21	109	4.7	1.5		
			23095	374.75-376.75	2.00	< 5	< 0.2	12	22	102	38.0	2.2		
			23096	376.75-378.75	2.00	< 5	< 0.2	11	20	113	45.0	1.9		
			23097	378.75-380.75	2.00	< 5	< 0.2	8	20	131	7.8	1.4		
			23098	380.75-382.75	2.00	< 5	< 0.2	13	23	124	6.4	1.7		
			23099	382.75-384.75	2.00	< 5	< 0.2	11	23	85	12.0	1.4		
			23100	384.75-386.75	2.00	< 5	< 0.2	5	21	120	6.9	1.2		
			23101	386.75-388.75	2.00	< 5	< 0.2	6	14	79	5.0	1.4		
			23102	388.75-390.75	2.00	< 5	< 0.2	5	22	116	20.0	1.6		
			23103	390.75-392.75	2.00	< 5	< 0.2	5	22	98	23.0	1.9		
			23104	392.75-394.75	2.00	< 5	< 0.2	4	18	124	23.0	2.6		
			23105	394.75-396.75	2.00	< 5	< 0.2	9	14	57	36.0	3.0		
			23106	396.75-398.10	1.35	< 5	< 0.2	13	17	79	11.0	1.9		
			23107	398.10-399.60	1.50	< 5	< 0.2	7	35	81	5.0	1.7		
		360.75-369.3 Light grey-greem, weak primary brecciaion.												
		369.3-369.6 Fault zone, sandy gouge, rubble.												
		369.6-371.2 Badly broken.												
		376.7 Flow banding at 45 deg.												
		380.75-381.0 Fault zone, rubble.												
		383.7 10cm sandy shear/gouge.												
		391.8-392.5 Moderate dark green chloritic alteration, weak shear fabric at 20 deg.												
		392.5-394.1 Fault zone, sandy gouge, rubble, 50% recov.												
		395.8-396.75 Strong silica flooding, minor carbonate veins, tr pyrrhotite.												
		396.75-398.1 Fault zone, rubble and sandy gouge.												
		398.1-399.6 Shattered, silica flooded and healed over a moderate chloritic alteration.												
		(eoh)												

APPENDIX 4

STATEMENT OF QUALIFICATIONS

STATEMENT OF QUALIFICATIONS

I. DAVID L. KURAN of 25630 Bosonworth Avenue, in the municipality of Maple Ridge, British Columbia, hereby certify that:

1. I am a graduate of the University of Manitoba(1978) and hold a B.Sc. in Geology.

2. I am a fellow of the Geological Association of Canada.

3. I am a Member in good standing of the Association of Professional Engineers and Geoscientists of the Province of British Columbia.

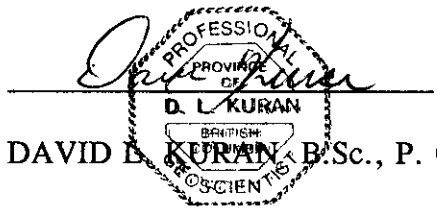
4. I have been employed in my profession as an Exploration Geologist in Canada, U.S.A., and Mexico since graduation.

5. I am presently employed by Homestake Canada Inc. of 1000-700 West Pender St., Vancouver, B.C. as a Senior Project Geologist.

6. The work described in this report was personally supervised by the author in the field.

7. I consent to the use of this report concerning a portion of the 1993 diamond drilling program, carried out on the GNC mineral claims in the Skeena Mining Division for all corporate purposes relating to Prime Resources Group Inc., Homestake Canada Inc., and Canarc Resource Corp.

Signed at Vancouver, British Columbia this 7th day of December, 1993.



DAVID L. KURAN, B.Sc., P. Geol., F.G.A.C.

GNC 1

GNC 2

GNC 3

ANDESITE CREEK FAULT

PUMPHOUSE CREEK FAULT

PORTAL FAULT

ARGILLITE CREEK FAULT

ZONE FAULT

EAST BREAK FAULT

M2 BLUFF FAULT

MCKAY WEST ZONE

21A

21B

Key to Symbols

- Foliation
- Foliation (vertical)
- Bedding
- Bedding (vertical)
- Joint
- Joint (vertical)
- Vein
- Vein (vertical)
- Fault
- Lineation
- Contact
- Exposure
- Major Fault (trace)
- Minor Fault (trace)

LEGEND

6a 6b INTRUSIVES

- 6a Pb from zircons (185–2ma)
  Plag–hbld porphyritic monzo–diorite
- 6b Feldspar–phyric, siliceous, pyritic dykes/sills
- 4d Unaltered mafic siills/dykes

5 BOWSER LAKE GROUP
BATHONIAN to CALLOVIAN (166.1–157.1)
Argillite, Lithic Arenite, Conglomerate

4b 4a SALMON RIVER FMN.
TOARCIAN to BAJOCIAN (187–166.1)

- 4b Pillow basalts, hyaloclastite, debris flows,autobreccia with intercalated seds; mudstone, chert "HANGINGWALL mafic sequence"
- 4a Flow banded, floww brecciated autobrecciated rhyolite with tuff and fragmental units. FOOTWALL RHYOLITE

3 MT. DILWORTH FMN. Zircon Pb 189
Heterolithic felsic fragmentals, tuffs vesicular dacite fragmentals, flows

2b 2a BETTY CREEK FMN.
U.PLEINSBACHIAN(194–187)

- 2b ESKAY CREEK MEMBER–Intermediate coarce epiclastics, mudstone, andesitic derived conglomerate
- 2a EAST RIDGE MEMBER–Andesitic congl. block breccia debris flows.

1 UNUK RIVER FORMATION HETTANGIAN
Siliciclastic sediments, sandstones, siltstones, argillites

GEOLOGICAL BRANCH
ASSESSMENT REPORT

23,193

SCALE
200 100 0 100 200 300 400

PROFESSIONAL ENGINEER PROVINCE OF BRITISH COLUMBIA D. L. KURAN GEOSCIENTIST

#	Revisions	Date
1	GNC–E	NOV.93

ESKAY CREEK PROJECT
Geology
FIGURE 1.5.3
SCALE 1:10,000 NTS: 104 B/9
By: F.C. Edmunds and D.L. Kuran (1991)

GEOLOGICAL BRANCH
ASSESSMENT REPORT

23,193

MCKAY WEST

GNC93-33

GNC93-32

GNC92-29,30

GNC93-34

GNC92-31

C91-706

C91-707

C91-708

C91-709

ARGILLITE CREEK FAULT

PUMPHOUSE CREEK FAULT

PORTAL FAULT

#2 BLUFF FAULT

McKay Adit

North End Workings

#1 Bluff

#2 Bluff

LEGEND

8a/6b INTRUSIVES

- **6a** Pb from zircons (185–2ma) Plag–hbld porphyritic monzo–diorite.
- **6b** Feldspar–phyric, siliceous, pyritic dykes/sills
- **4d** Unaltered mafic siills/dykes

5 BOWSER LAKE GROUP
BATHONIAN to CALLOVIAN (166.1–157.1)
Argillite, Lithic Arenite, Conglomerate

4b/4a SALMON RIVER FMN.
TOARCIAN to BAJOCIAN (187–166.1)

- **4b** Pillow basalts, hyaloclastite, debris flows,autobreccia with intercallated seds; mudstone, chert "HANGINGWALL mafic sequence"
- **4a** Flow banded, floww brecciated autobrecciated rhyolite with tuff and fragmental units. FOOTWALL RHYOLITE

3 MT. DILWORTH FMN. Zircon Pb 189 Heterolithic felsic fragmentals, tuffs vesicular dacite fragmentals, flows

2b/2a BETTY CREEK FMN.
U.PLEINSBACHIAN(194–187)

- **2b** ESKAY CREEK MEMBER–Intermediate coarce epiclastics, mudstone, andesitic derived conglomerate
- **2a** EAST RIDGE MEMBER–Andesitic congl block breccia debris flows

1 UNUK RIVER FORMATION HETTANGIAN
Siliciclastic sediments, sandstones, siltstones, argillites

SCALE 1:5,000

0 500 1000
metres

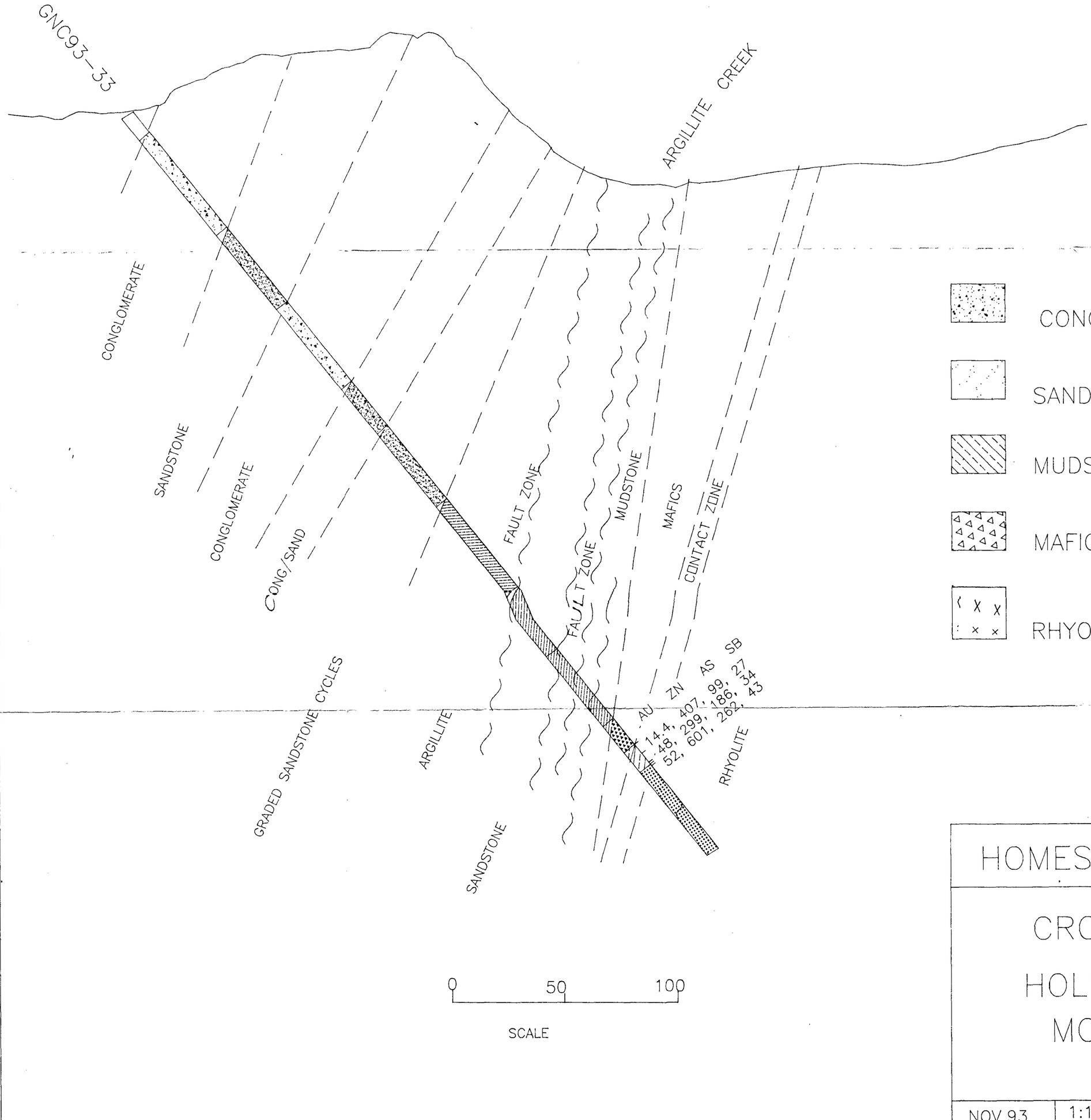
HOMESTAKE CANADA INC.

MCKAY WEST TARGET GEOLOGY and DRILL HOLE LOCATIONS

PROFESSIONAL GEOSCIENTIST PROVINCE OF BRITISH COLUMBIA D. L. KIRK

NOV.1993	D.L.K.		FIGURE 2.3

LOOKING NE



CONGLOMERATE

SANDSTONE

MUDSTONE

MAFIC VOLCANIC

RHYOLITE

HOMESTAKE CANADA INC.

CROSS SECTION
HOLE GNC93-33
MCKAY WEST

NOV.93	1:1000	D.L.K	FIGURE 2.3.1