

ASSESSMENT REPORT
MAGNETOMETER & VLF-EM SURVEYS

on the
LUCKY PROPERTY

ALBERNI, Mining Division N.T.S. 92F 3

Prepared for:

ELECTRUM RESOURCE CORP.

Suite 912-510 West Hastings Street
Vancouver, B.C.
V6C 1V5

Survey by:

S. Zastavnikovich

Report by:

Todd A. Ballantyne, P. Geo.

S.J.V. Consultants Ltd.

11762 - 94th Avenue
Delta, British Columbia
Canada V4C 3R7

January 1995

22779

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GEOLOGICAL BRANCH

January 1995 **ASSESSMENT REPORT**

23,779

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INTRODUCTION

A reconnaissance Magnetometer and VLF-EM survey was completed by S. Zastavnikovich on the Lucky Property. The data was presented to S.J.V. Consultants Ltd. by Peter Ronning of New Caledonian Geological Consulting for plotting and interpretation on the behalf of Electrum Resource Corporation. The purpose of the survey was to search for concentrations of sulphides, to aid in the location of shear zones that may have associated mineralization and to aid in the mapping of local geology.

LOCATION & ACCESS

The Property is located on the southwest coast of Vancouver Island, approximately 22 km northeast of Uclulet in British Columbia, see figure 1. It is located in the Alberni mining division on N.T.S. map sheet 92F 3, latitude 49° 04' N longitude 145° 18'W.

The property is located approximately 8 km east of Kennedy Lake along a logging road. A network of logging roads provide access to the western parts of the property. The eastern part of the property are still accessible only by helicopter or by very difficult hiking. New roads continue to be built increasing the exploration access.

The property consists of rugged terrain dissected by heavily timbered valleys and slopes with dense underbrush. Topographic relief is on the order of 1,250 metres. Only in the valley of Toquart River in the northwestern area of the property is the topography more gentle.

The survey was performed in the Triple Creek area of the property along new logging roads.

CLAIMS

Electrum Resource Corporation wholly owns the claims listed in the table to follow. See figure 2 on page 3 for the map of claims comprising the Lucky property.

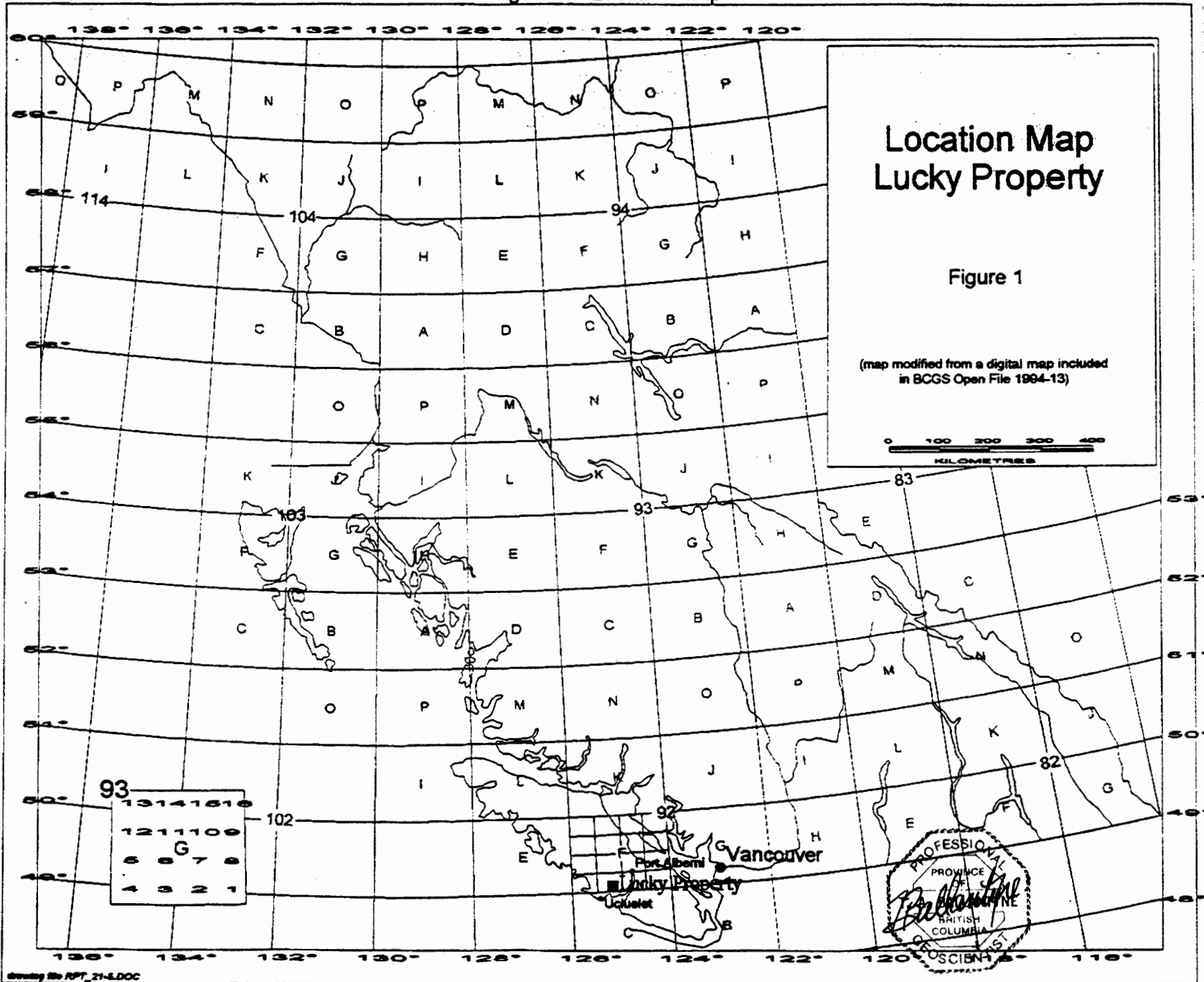
Claim Name	Record Number	Size in Units	* Expiry Date
Lucky 81	200135	1	January 28, 1996
Lucky 82	200136	1	January 28, 1996
Lucky Fraction	200137	1	February 15, 1996
Lucky 2 Fraction	200138	1	February 15, 1996

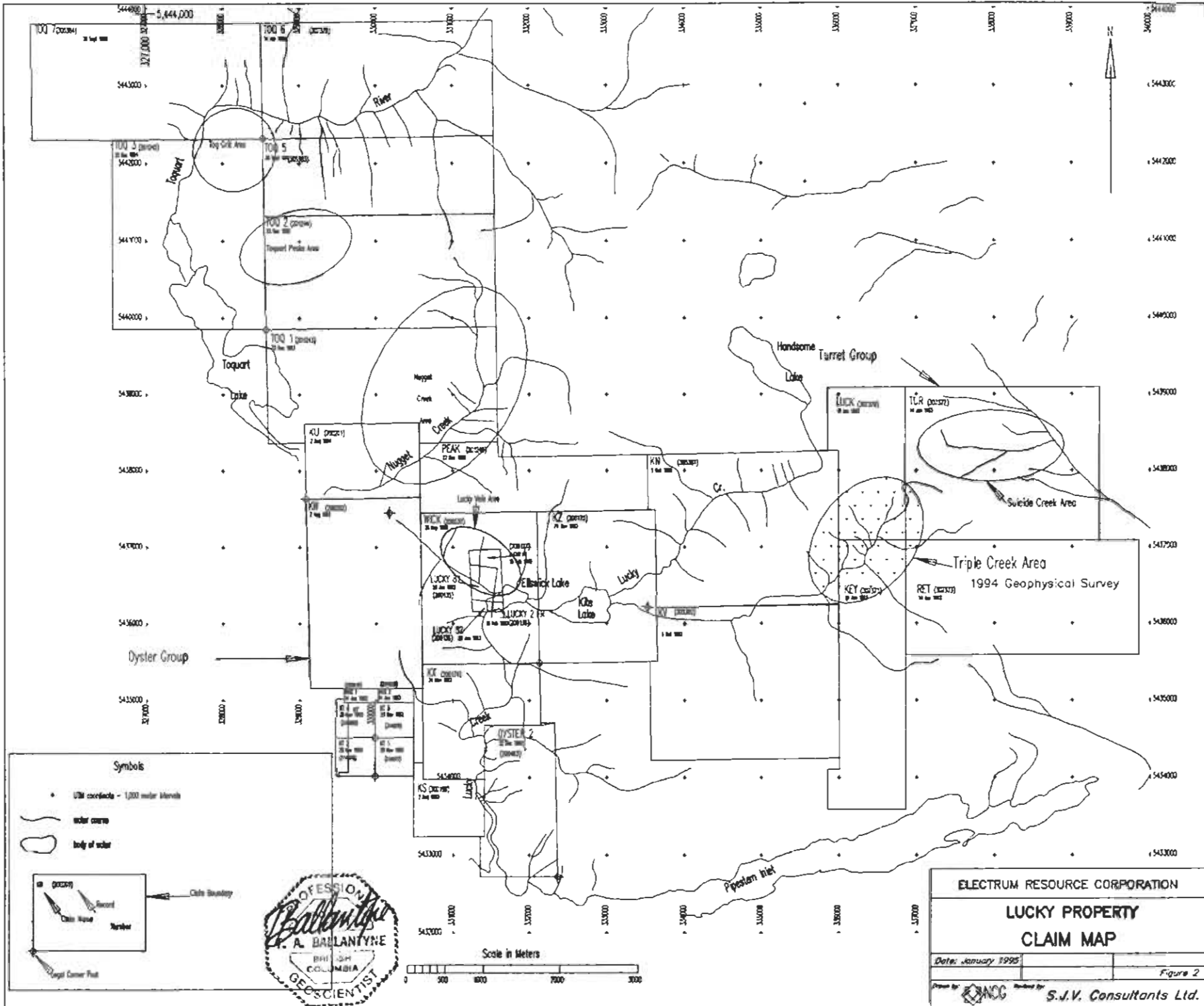
Wick	200537	12	May 29, 1996
Peak	201246	14	December 23, 1995
TOQ 1	201243	18	December 23, 1995
TOQ 2	201244	18	December 23, 1995
TOQ 3	201245	20	December 23, 1995
TOQ 5	305383	12	September 30, 1995
TOQ 6	307379	18	January 14, 1996
TOQ 7	305384	18	September 30, 1995
KN	305381	20	October 5, 1995
KS	200199	4	August 2, 1995
KT 1	314977	1	November 29, 1995
KT 2	314978	1	November 29, 1995
KT 3	314979	1	November 29, 1995
KT 4	314980	1	November 29, 1995
KU	200201	6	August 2, 1995
KV	305382	10	October 5, 1995
KW	200202	15	August 2, 1995
KX	200174	9	November 24, 1995
KZ	200175	12	November 24, 1995
Oyster 2	200463	8	December 22, 1995
Base 1	200619	1	January 14, 1995
Base 2	200620	1	January 14, 1995
Key	307371	14	January 14, 1994
Luck	307370	8	January 14, 1994
Tur	307372	20	January 14, 1994
Ret	307373	18	January 14, 1994
* dates provided by New Caledonian Geological Consulting			

PROPERTY HISTORY & GEOLOGY

The Lucky property is in the southern part of the Kennedy River Camp. Work has been done in this area from as early as 1905 when part of the present property was staked as the Red Rover property. During the early 1900's and in the 1930's numerous vein type

Figure 1 - Location Map



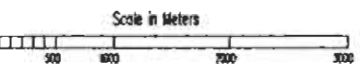


Symbols

- UTM coordinate - 1,000 meter intervals
- ~ water course
- body of water

Claim Boundary
 Claim Number

Legal Corner Post



ELECTRUM RESOURCE CORPORATION

LUCKY PROPERTY CLAIM MAP

Date: January 1995

Figure 2

Prepared by: S.J.V. Consultants Ltd.

gold showings were discovered in the Kennedy River area and a few hundred tons of production resulted. From 1920 to 1938 various operators worked the Lucky property. The Lucky Vein was partially stripped, two adits were driven on it and extensive sampling was carried out. Little work was done on the property until 1983 when J. Barakso acquired it and at present controls the property through Electrum Resource Corporation. The property has been optioned and worked on through joint ventures through the mid 1980's. In 1991 Electrum Resource Corporation did an IP and VLF-EM survey on the TOQ grid. A strong VLF-EM conductor was found coincident with pronounced chargeability and resistivity anomalies. Geological and geochemical work was carried out over much of the property in 1992. This work was continued in 1993 making use of new logging roads and helicopter reconnaissance. In 1994 geological, geochemical sampling and geophysics were completed using new logging roads and helicopter based in Port Alberni. The 1994 geophysics was completed in the Triple Creek Area.

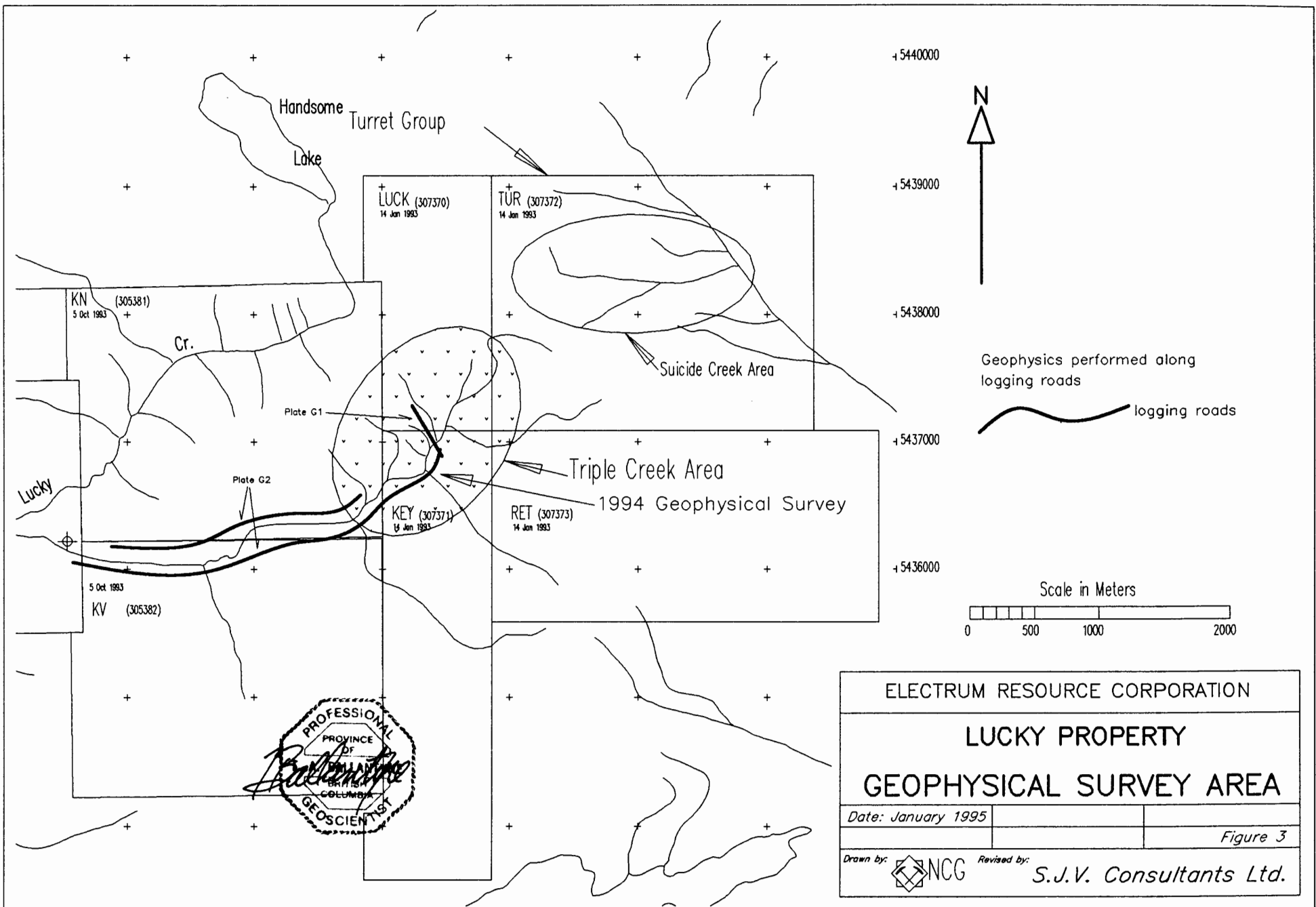
The Lucky is a gold-quartz vein that has been traced by surface trenching, drifting and diamond drilling for about 105 metres of strike. It has been drilled from surface to a depth of nearly 90 metres. Sample widths have been obtained from 20 cm to 4.4 metres. Gold grades range from 0.1 oz Au/ton to almost 2 oz Au/ton (Ronning, 1994).

The Triple Creek target area was discovered by Falconbridge in the mid 1980's. New logging roads in the area have created new rock exposures which have revealed the presence of highly altered quartz feldspar porphyry dikes and an extensive zone of propylitic alteration in the Karmutsen Volcanics. This alteration may suggest the presence of a porphyry copper system.

FIELD WORK AND INSTRUMENTATION

The geophysical field work was performed by S. Zastavnikovich, a Geochemist during the October 1994. Magnetometer surveying consisted of 6.8 kilometres along logging roads. VLF-EM surveying consisted of 650 metres of two frequency VLF. See figure 3 on page 6 for location of the logging roads surveyed.

A Geonics EM-16 and a Geometrics GSM-8 proton precession magnetometer were used for the field instruments. The total field magnetic field measurements were recorded at each station. The data has not been corrected for diurnal magnetic variations. Repeatability checks were made at base stations, but the times for individual measurements were not recorded and hence no corrections were made. The dip angle and quadrature measurements were recorded at each station.



ELECTRUM RESOURCE CORPORATION

LUCKY PROPERTY

GEOPHYSICAL SURVEY AREA

Date: January 1995

Figure 3

Drawn by: NCG

Revised by: S.J.V. Consultants Ltd.

DATA PRESENTATION

The Magnetics data, VLF-EM data, filtered VLF-EM data (using a standard four point Fraser filter) and compilation of the geophysical data are presented on the following plates:

Plate	Magnetometer & VLF-EM Survey Profiles	Appendix
G1	Total Field Magnetics, Dip Angle & Quadrature	III
Plate	Total Field Magnetics Profiles	Appendix
G2	North Side & South Side Roads	III

INTERPRETATION

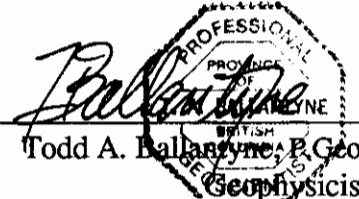
The interpretation is presented on the data profile maps in Appendix II. In general the magnetic results are consistent with the erratic response from volcanics. Presently, it is not known whether the erratic signature is due to a specific lithology or whether several lithologies have been subjected to intrusive features.

Due to the very limited amount of data collected and the approximate location of the data along North and South Side roads an interpretation that correlates data between lines is not likely. Map G2 has been plotted such that the measurement locations on the top of the plate correspond to the North Side and the locations along the bottom correspond to the South Side of the creek. Both lines are plotted parallel at station zero, but this is very likely not the case on the property as the roads are not parallel straight lines. Any notes on the data maps pertaining to lithologies were taken from the field observations of S. Zastavnikovich.

RECOMMENDATIONS

The geophysical data should be compiled with the lithological observations of S. Zastavnikovich in the geophysical field notes to better understand the magnetic and VLF-EM data.

26 January, 1995

A circular professional seal for Todd A. Ballantyne, P. Geo. Geophysicist. The seal contains the text 'PROFESSIONAL GEOPHYSICIST', 'PROVIDE SERVICE', 'TODD A. BALLANTYNE', and 'BRITISH COLUMBIA'. A signature is written across the seal.
Todd A. Ballantyne, P. Geo.
Geophysicist

REFERENCES

Ronning, Peter A. (1994): 1994 Exploration Program on the Lucky Property.


APPENDIX I

STATEMENT OF QUALIFICATIONS


I, Todd A. Ballantyne, of 3538 West Sixteenth Avenue, Vancouver, in the Province of British Columbia, DO HEREBY CERTIFY:

1. THAT I am a graduate of the University of British Columbia with a Bachelor of Science degree in Geophysics.
2. THAT I have been engaged in mining and petroleum exploration since 1987.
3. THAT I am registered as a Professional Geoscientist with the Association of Professional Engineers and Geoscientists of the Province of British Columbia.
4. THAT this report is based on fieldwork carried out by S. Zastavnikovich in 1994.

26 January, 1995



Todd A. Ballantyne, B.Sc., P. Geog.
Geophysicist



APPENDIX II
Statement of Expenditures

Statement of Expenditures

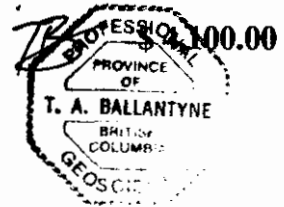
GEOPHYSICAL DATA ACQUISITION:

Sam Zastavnikovich, P.Geo.	\$1,400.00	
4 days @ \$350/day		
Sam Zastavnikovich, P.Geo.	500.00	
2 days @ \$250/day		
Truck Rental & Fuel	600.00	
Accomodation & Food	450.00	\$ 2,950.00

GEOPHYSICAL ASSESSMENT REPORT:

\$ 1,150.00

TOTAL:



STATEMENT

I, Todd A. Ballantyne, Do Hereby Certify:

- 1.) That the expenditure statement above is correct to my personal knowledge of the facts, which were provided by Electrum Resource Corporation.

26 January, 1995

Ballantyne
Todd A. Ballantyne, P.Geo.
Geophysicist

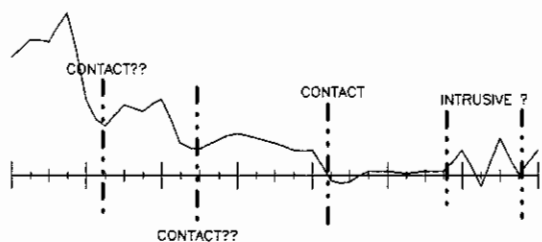
APPENDIX III

Magnetometer & VLF-EM Survey Profiles

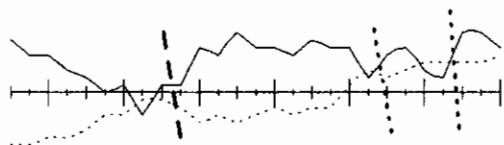
South Side 3600 Rd.



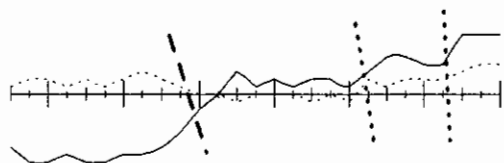
1 0 0 W E E E E E
 1 0 0 1 0 0 2 0 0 3 0 0 4 0 0 5 0 0



Magnetics



VLF-EM 24.8 kHz, Seattle



VLF-EM 21.4 kHz, Annapolis

1 0 0 W E E E E E
 1 0 0 1 0 0 2 0 0 3 0 0 4 0 0 5 0 0

LEGEND

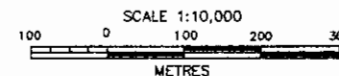
PROFILES ARE POSITIVE LEFT AND UP
 DIP ANGLE
 QUADRATURE
 MAGNETICS
 VLF-EM PROFILES SCALE: 10% / CM
 MAGNETIC PROFILE SCALE: 500 nT/cm
 MAGNETICS BASE VALUE: 55,200 nT
 MAGNETICS MIN/MAX: 54,170/60,230 nT
 MAGNETICS IS NOT CORRECTED FOR DIURNAL VARIATIONS
 VLF-EM SURVEY DIRECTION: WEST

ANOMALY AXIS
 STRONG
 MEDIUM
 WEAK
 MAGNETIC CONTACT

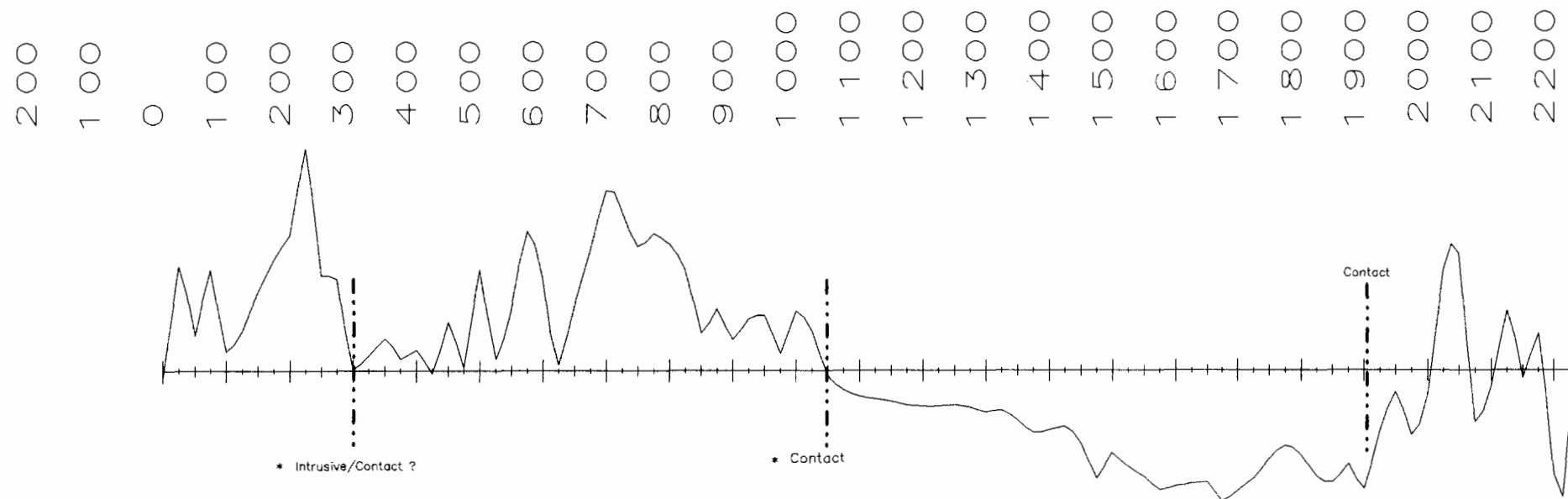
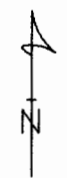
EQUIPMENT:
 GEONICS EM-16
 GEOMETRICS GMS-8 PROTON MAG

ELECTRUM RESOURCE CORP.
 LUCKY PROPERTY
MAGNETICS & VLF-EM PROFILES
 TRIPLE CREEK AREA

ALBERNI, M.D., B.C. N.T.S. 92F 3



REPORT: 23779

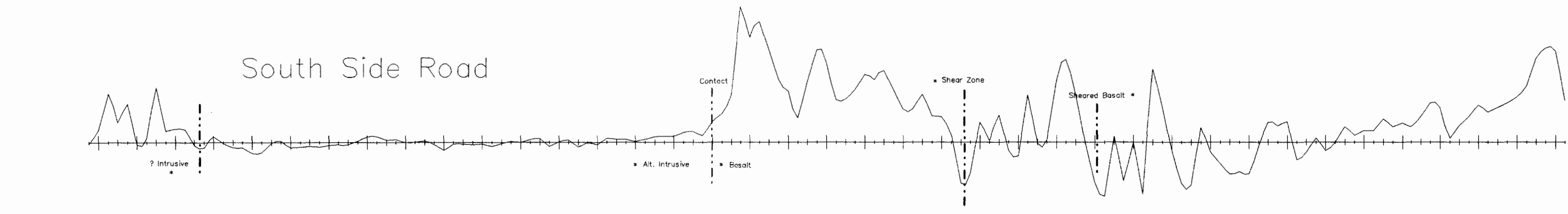


North Side Road

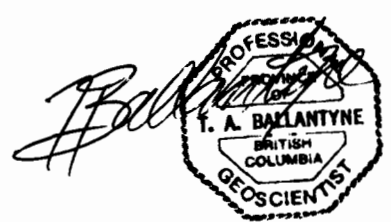
LEGEND

PROFILES ARE POSITIVE LEFT AND UP
 MAGNETIC PROFILE SCALE: 500 nT/cm
 MAGNETICS BASE VALUE: 55,200 nT
 MAGNETICS MIN/MAX: 54,170/60,230 nT
 MAGNETICS IS NOT CORRECTED FOR
 DIURNAL VARIATIONS

EQUIPMENT:
 GEOMETRICS GMS-8 PROTON MAG
 * Taken from field observations



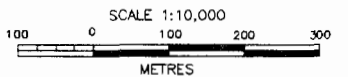
South Side Road



ELECTRUM RESOURCE CORP.
LUCKY PROPERTY
TOTAL FIELD MAGNETIC PROFILES

TRIPLE CREEK AREA

ALBERNI, M.D., B.C. - N.T.S. 92F 3



OCTOBER 1994

PLATE G2