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DIAMOND DRILLING REPORT
on the
KENVILLE MINE PROPERTY

For
Teck Exploration Limited
By
G. R. Thomson P. Geo.
March 20, 1995

Min Inv. No.: 82FSW086
NTS : 82F/6W
Mining Division: Nelson, B.C.
Latitude: 49° 28.3' N
Longitude: 117° 22.7' W

FILMED

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

23,859

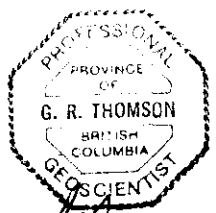


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INTRODUCTION

This report has been written in order to document geology and assay values from the extension of an existing underground diamond drill hole (94-01) on the Kenville Mine Property, Nelson, B.C. The drill hole extension was carried out at the request of Teck Exploration in order to evaluate an area of exploration interest on the Kenville property.

PROPERTY DESCRIPTION and LOCATION

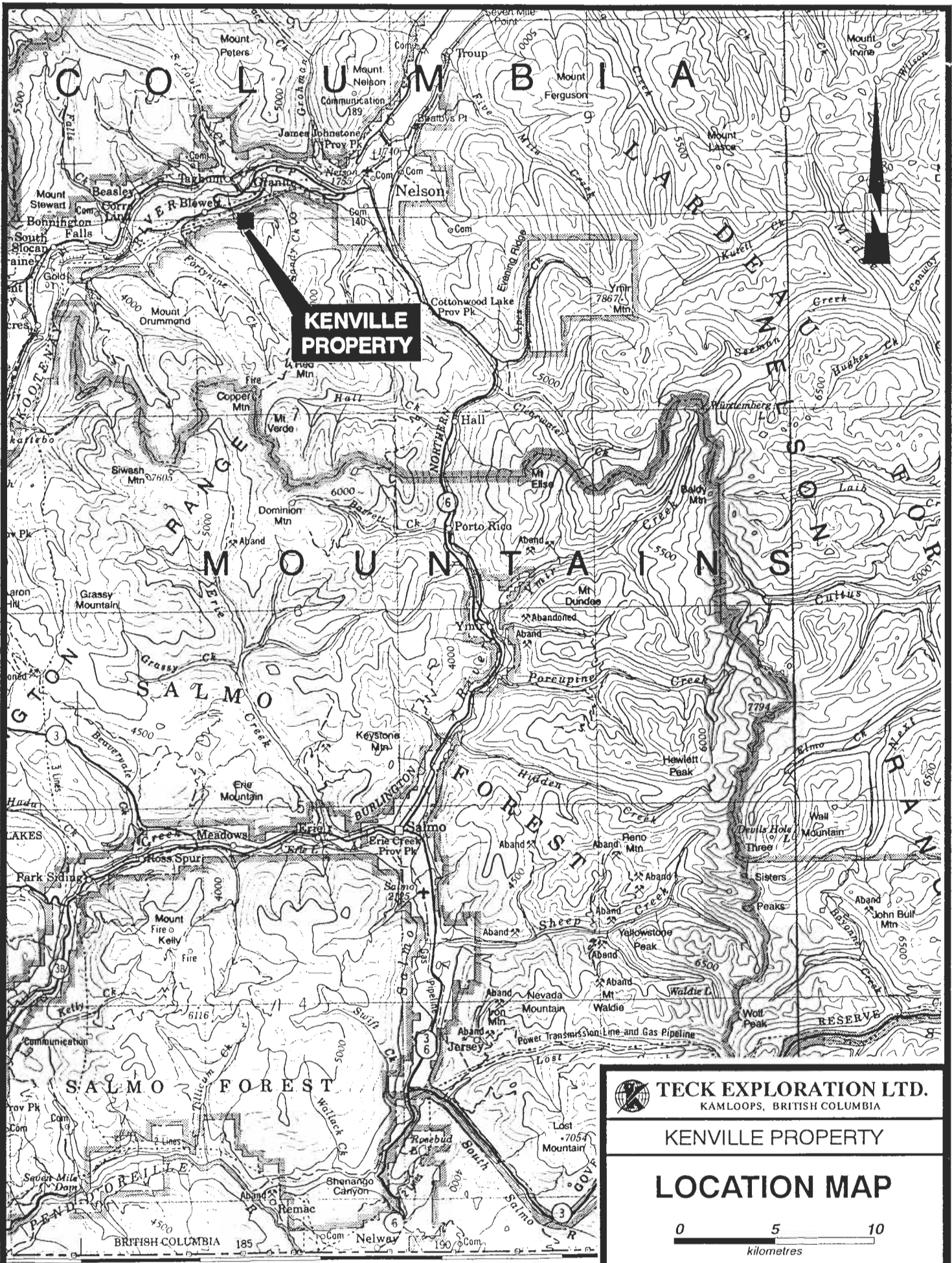
The following table summarizes the current mineral claim holdings that comprise the Kenville property.

Lot	Name	Land District
101	Poorman	Kootenay
102	Hardscrabble	"
2550	Granite	"
2551	Red Rock Fr.	"
2557	Hardup	"
2559	Election	"
3691	Greenhorn Fr.	"
3927	C & K	"
4757	Venango	"
4758	Shenango	"
4787	Greenwood Fr.	"
4788	Greenwood	"
4789	Jack Pot Fr.	"

Claim #	Name	Land District	Assessment Date
235194	Verena	Kootenay	March 9/95
235195	Dianne	"	"
235196	Rob	"	"
235197	Todd	"	"
235198	Shirley	"	"
235199	Josh	"	"
235200	Tyson	"	"
235201	Adam	"	"
305573	Lucky	"	Oct. 19/95
305575	Lucky Tymes	"	Oct. 19/95

As of December 8, 1994 an option agreement has been formulated between the claim owner, namely 409556 B.C. Ltd. (a wholly owned subsidiary of Anglo Swiss Industries Inc.) and Teck Corporation.

The property is located approximately 10 km west of Nelson, B.C. and 1.5 km upstream from Eagle Creek's confluence with the Kootenay River.



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KENVILLE PROPERTY

LOCATION MAP



SCALE: 1 : 250,000

FIGURE No: |

ACCESS, PHYSIOGRAPHY & CLIMATE

The claim area is accessed by way of the Kenville Mine road that connects with Highway 3A at the Taghum Bridge, 3.2 km away. Taghum Bridge spans the Kootenay River approximately 10 km west of Nelson, B.C., 32 km east of Castlegar's airport and 61 km north of Cominco's smelter in Trail, B.C.

The Castlegar airport is serviced with daily flights to Vancouver, Cranbrook and Calgary by both Canadian commercial carriers. Helicopters are available in both Nelson and Castlegar.

The Kenville Mine lies at an elevation between 762 and 1158 m above sea level. It's lowest access adit is at 782 m ASL and 244 m above the Kootenay River. The topography in the project area is moderately steep on a NW facing slope .

Mature second growth larch, douglas fir, hemlock and western red and white cedar covers much of the property. Typically, snow precipitation is expected from about mid-November through to about mid-February and can accumulate to as much as 2 m in the higher elevations.

HISTORY

The Granite-Poorman Mine was discovered in the 1880's . Production from the mine totalled 199,232 short tons averaging 0.32 oz/ton gold and 0.14 oz/ton silver. Although copper, lead, zinc and tungsten were known to be present, no records of significant production of these metals is found. It's total production to date ranks the property as the 26th largest gold producer in B.C.

In 1946, Kenville Gold Mines Ltd., a company controlled by Quebec Gold Mining Corporation and Noranda Mines Ltd., gained control of the property, built a 125 tpd cyanide mill and started the last episode of significant exploration, development and mining.

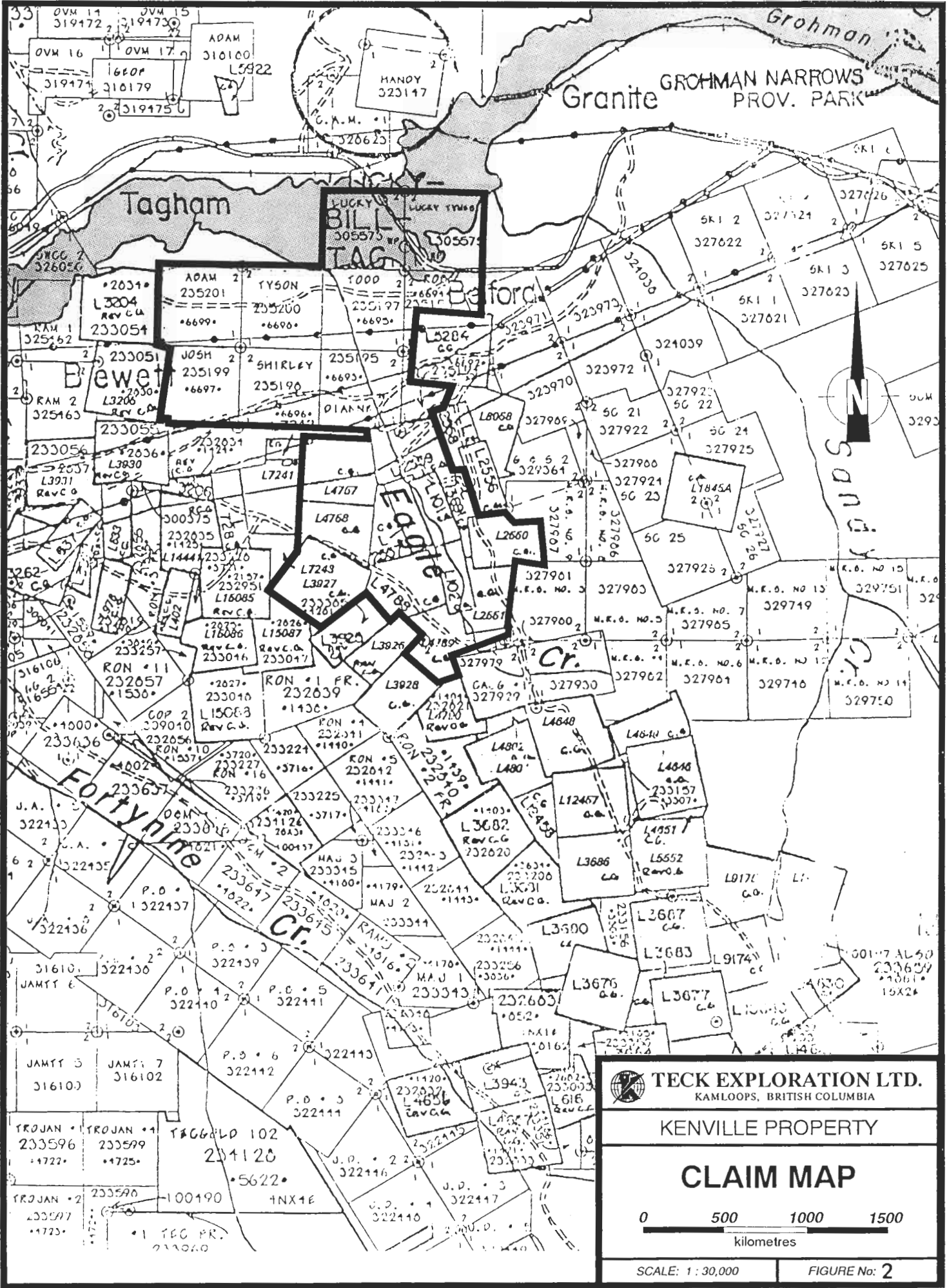
The company stopped operations at the mine in 1949 but continued milling ore produced by individual leassors until 1954. Small amounts of high grade ore were shipped directly to the Trail smelter in 1960 and 1961. Noranda shut the mine down and took out all usable equipment from the mine and mill in 1962.

In 1969, Algoma Industries & Resources Ltd. ("Algoma") acquired the property, re-opened the 257 Level and dewatered the mine. Since taking the property over, Algoma has maintained the mine open, re-built the mill and has attempted to run it. A lack of sufficient working capital and long term planning hindered their operations.

In 1980, a program of 2,932 metres of diamond drilling was carried out on the Venango and Greenwood claims by DeKalb Mining Corp.

In 1987, the principals of Coral Industries Ltd. arrived at an agreement to purchase the Granite - Poorman property from Algoma and exercised its rights to direct control of operations late in 1989. To date Coral has spent approximately \$ 750,000 in care and maintenance charges, re-building parts of a new mill and clearing of title ownership. Production during this period has been dedicated to testing of milling operations. These tests indicate that the mill is not properly designed. Mill tests run by others indicate that the ore is amenable to flotation.

Coral acquired the Venango property in 1989. To our knowledge, this is the first time since 1945 that the Venango and Kenville claim groups are held by a common owner.



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KENVILLE PROPERTY

CLAIM MAP

0 500 1000 1500
kilometres

SCALE: 1 : 30,000 FIGURE No: 2

REGIONAL GEOLOGY

The property is located at the north and west end of an Upper Triassic to Lower Jurassic island arc represented by a sequence of Rossland Group augite porphyry flows, pyroclastics and crystal tuffs of andesitic and shoshonitic composition. This sequence is intruded by coeval (ie Silver King Intrusions), usually stratabound bodies of similar composition, also by a stock referred to by G.S.C. workers as of 'pseudodioritic' composition and by the Nelson batholith. The claim area is underlain by the main pseudodiorite stock showing at least two intrusive phases.

Regionally, shearing, hydrothermal alteration and sulphide mineralization occur within a zone of variable widths (10 to 100 m) which is sub-parallel to bedding and restricted to the first appearance of the pyroclastic sequence. This zone can be identified in several properties covering the known exposure of the Island Arc, for a distance of more than 100.0 km. These shears also cut through the coeval intrusive rocks. The shears trend northwesterly through the Kenville property.

DIAMOND DRILL PROGRAM

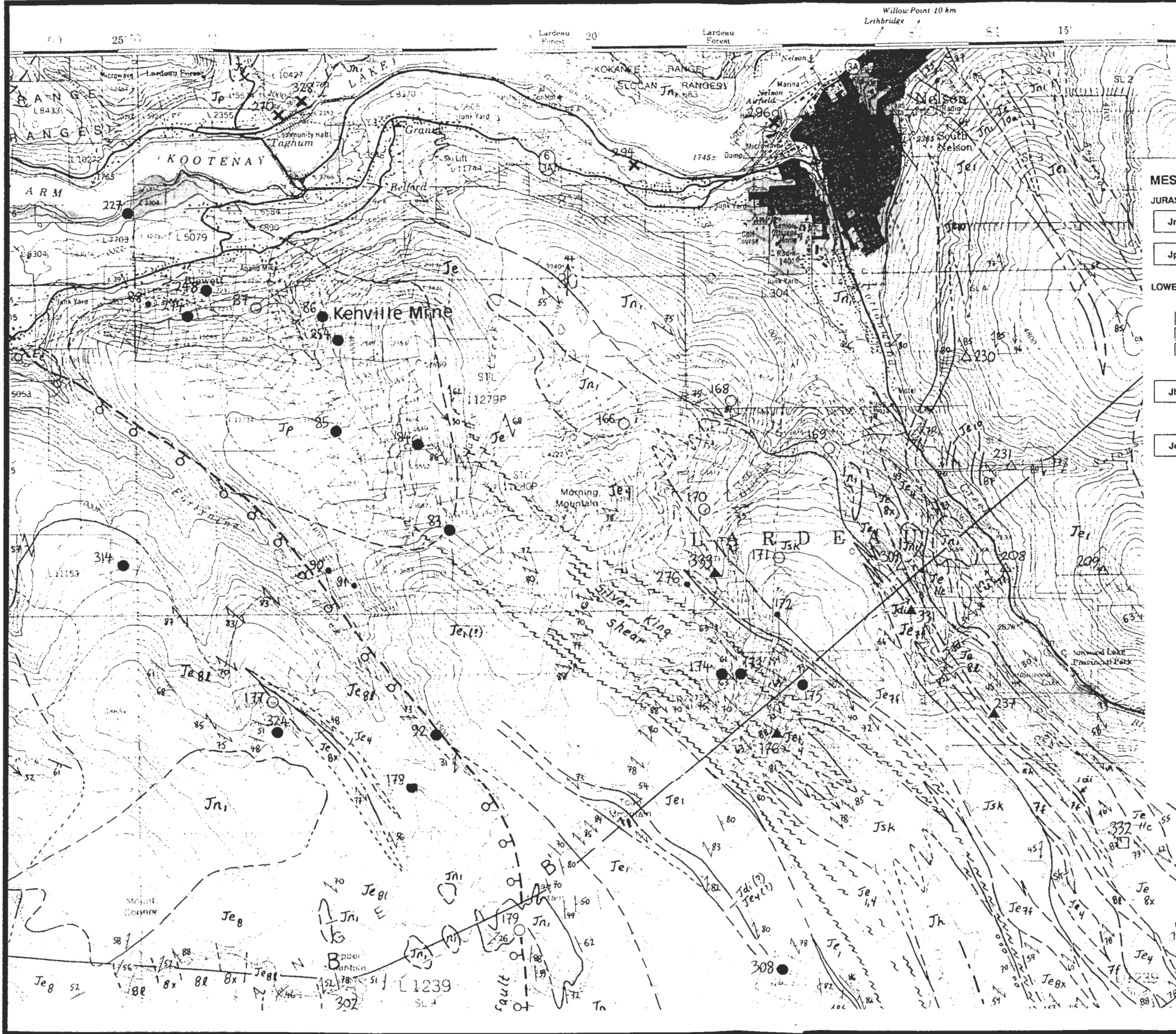
During 1994, geologists from Teck Exploration Ltd. carried out an underground examination of a portion of the Kenville Mine workings. Previous exploration diamond drill records were also examined. Based on their findings, Teck decided to proceed with an option agreement with the present property owners (409556 B.C. Ltd.).

Prior to optioning the property, Teck requested that the underground drill hole 94-01, previously drilled on behalf of 409556 B.C. Ltd, be extended further westward into an area of exploration interest. This drill hole of AQ diameter, was drilled flat (0°dip) on a bearing of 255°

The drill hole had been drilled to 231.0 m prior to Teck's involvement with the Kenville property. In October of 1994, Teck requested that the hole be drilled to reach 275 m. Due to extreme water pressure conditions, the hole was only able to be drilled to 253.9 m

The drill core was carefully examined and consisted of mainly unaltered diorite containing trace amounts of disseminated pyrite and lesser chalcopyrite. In order to assess the gold content of the core and to determine if the gold content was increasing towards the end of the hole, 24 - three meter sections of the hole were assayed from 182.9 to 253.9 m. Assay values for gold were negligible throughout the section tested.

The drill core for drill hole 94-01 is stored within one of the buildings at the Kenville Mine.



MESOZOIC

JURASSIC

Jn NELSON INTRUSIONS: Jn1, GRANODIORITE, QUARTZ MONZONITE; Jn2, DIORITE PORPHYRY; Jn3, BRECCIA

Jp PSEUDODIORITE, PYROXENITE

LOWER AND MIDDLE(?) JURASSIC

INTRUSIVE UNITS

Jsk SILVER KING INTRUSIONS: PLAGIOCLASE PORPHYRY; LOCALLY INTENSELY SHEARED

Jmm MAMMOTH INTRUSIONS: PLAGIOCLASE-ANIGITE PORPHYRYIC DIORITE (?)

Jdl FINE TO COARSE, GRANULAR DIORITE

ROSSLAND GROUP

Jh HALL FORMATION: SILTSTONE, SANDSTONE, CONGLOMERATE, ARGILLITE; MINOR LIMY UNITS

CONGLOMERATE BED

Je ELISE FORMATION: MAFIC TO INTERMEDIATE FLOWS, TUFFS, EPICLASTIC DEPOSITS AND SUBVOLCANIC INTRUSIONS

UPPER ELISE FORMATION

epiclastic units

Je11 TUFFACEOUS CONGLOMERATE: Je11a, PREDOMINANTLY INTERMEDIATE TO FELSIC VOLC. AND INTRUSIVE CLASTS; Je11b, MIXED MAFIC TO FELSIC CLASTS; Je11c, PREDOMINANTLY MAFIC VOLCANIC CLASTS

Je10 TUFFACEOUS SILTSTONE, SANDSTONE: Je10a, ARGILLACEOUS SILTSTONE

pyroclastic units

Je8 ANDESITE TUFF, MINOR BASALTIC TUFF: Je8a, LAPILLI TUFF WITH PLAGIOCLASE +/- AUGITE BEARING VOLCANIC CLASTS; Je8b, PLAGIOCLASE +/- AUGITE CRYSTAL TUFF

Je7 BASALTIC TUFF: Je7a, MAFIC, FINE TUFF

flow units

Je6 QUARTZ-EYE RHYOLITE; DACITE

Je5 PLAGIOCLASE +/- AMPHIBOLE, AUGITE ANDESITE

Je4 AUGITE +/- PLAGIOCLASE BASALT FLOWS, FLOW BRECCIAS

LOWER AND UPPER ELISE FORMATION (MIDDAY PEAK AREA)

pyroclastic units

Je3 BASALTIC TO ANDESITIC LAPILLI, CRYSTAL AND FINE TUFF; REWORKED PYROCLASTIC DEPOSITS; BASE SURGE DEPOSITS (?)

Je2 BASALTIC LAPILLI TUFF WITH AUGITE +/- PLAGIOCLASE BEARING VOLCANIC CLASTS

LOWER ELISE FORMATION

Je1 AUGITE +/- PLAGIOCLASE BASALT FLOWS, FLOW BRECCIAS, SUBVOLCANIC INTRUSIONS

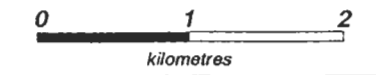


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KENVILLE PROPERTY

REGIONAL GEOLOGY

(After HOY, ANDREW 1989)



SCALE: 1 : 50,000

NTS No: 82F/6

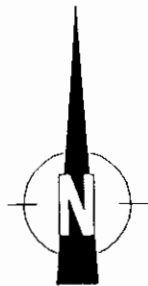
FIGURE No: 3

RECOMMENDED PROGRAM

It is anticipated that Teck will carry out an exploration program on the Kenville property that will concentrate on a disseminated copper - gold target on the west side of Eagle Creek. This exploration will only involve surface work during the initial stages. The mineral potential of the main workings of the Kenville Mine will be held as a secondary target for future exploration.



BLEWETT ROAD Nelson 8 km



House
MILL BLDG.
COMP. HOUSE & SHOP

PORTAL 257 level
RAIL
ELECTION L 2559

GREENHORN L 3691

POORMAN L 101

HARD-UP L 2557

DDH-94-01

833'

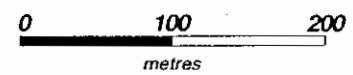
GRANITE L 2550

HARDSCRABBLE L 102

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KENVILLE PROPERTY

SURFACE PLAN



SCALE: 1 : 5,000

FIGURE No: 4

EXPENDITURES

1. Salaries:

Lloyd Penner (Driller), Oct. 17-21/94 (5 days @ \$ 200)	1000
P. Brouassa (Helper), Oct. 17-21/94 (5 days @ \$ 120)	600
H. Rattray (Assayer), Oct. 17-21/94 (5 days @ \$ 120)	600

2. Compressor Repair: Coleman Electric Ltd. 1048

3. Maintain Electric Power to Mine Facility 752

Total \$ 4000

REFERENCES

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* 1945 p. A96 - 99

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Santos, P.J. (1985): Report on the Kenville Mine, Nelson Mining Division, British Columbia, Canada (Prepared for Algoma Industries & Resources Ltd., Vancouver, B.C.)

APPENDIX 1

Statement of Qualifications

I Greg Thomson, of Suite 600, 200 Burrard Street, Vancouver, B.C. V6C 3L9, hereby certify that:

I attended and graduated from the University of British Columbia with a Bachelor of Science Degree in Geology (1970).

I am a registered Professional Geoscientist in the Province of British Columbia.

I have in excess of fifteen years of experience as a mineral exploration geologist, working mainly in British Columbia.

I have been employed as a Project Geologist with Teck Exploration Ltd. since 1989.



Greg Thomson P.Geol.



APPENDIX 2
Assay Procedures

Gold analyses were done by standard fire assay techniques. 0.5 (14.583 g) or 1 (29.166 g) assay ton sub samples are fused in litharge, carbonate and siliceous fluxes. The lead button containing the precious metals is cupelled in a muffle furnace. The combined Ag & Au is weighed on a microbalance, parted, annealed and again weighed as Au. The difference of the two weighings is Ag.

APPENDIX 3

Assay Results

<u>Interval</u>	<u>Width</u>	<u>Gold Assay(oz/ton)</u>
182.9-185.3 m	2.45 m	0.018
185.3-188.4	3.00	0.008
188.4-191.4	3.00	0.006
191.4-194.5	3.00	0.006
194.5-197.5	3.00	0.004
197.5-200.6	3.00	0.004
200.6-203.6	3.00	0.004
203.6-206.65	3.00	0.002
203.65-209.7	3.00	0.008
209.7-212.75	3.00	0.004
212.75-215.8	3.00	0.004
215.8-218.8	3.00	0.004
218.8-221.9	3.00	0.002
221.9-224.9	3.00	0.002
224.9-228.0	3.00	0.004
228.0-231.0	3.00	0.004
231.0-234.1	3.00	0.004
234.1-236.2	2.10	0.004
236.2-238.65	2.10	0.004
238.65-241.7	3.00	0.004
241.7-244.75	3.00	0.002
244.75-247.8	3.00	0.002
247.8-250.85	3.00	0.002
250.85-253.9	3.00*	0.002

* 0.9m core is missing between 252.4 to 253.9 m

H. Rattray (Assayer)
Nelson, B.C.