

ASSESSMENT REPORT

1995 GEOLOGICAL AND GEOCHEMICAL

REPORT ON THE

LETHO PROPERTY

SKEENA MINING DIVISION

NTS: 104B/10

LATITUDE: 56° 37'

LONGITUDE: 130° 45'

OWNED BY:

**PRIME RESOURCES GROUP INC.
#1000 - 700 West Pender Street
Vancouver, B.C. V6C 1G8**

OPERATED BY:

**PRIME RESOURCES GROUP INC.
#1000 - 700 West Pender Street
Vancouver, B.C. V6C 1G8**

Submitted by:

A.W. Kaip

D. Kuran

December 15, 1995

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**Gold Commissioner's Office
VANCOUVER, B.C.**

**GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORTS**

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**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

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EXECUTIVE SUMMARY

The Letho property is located 85 km northwest of the town of Stewart and 15 km west of the Eskay Creek mine in northwestern British Columbia and encompasses the area south of the Iskut River surrounding the East Lehto Creek drainage.

The Letho property is dominately underlain by a thick package of Paleozoic Stikine Assemblage fine-grained andesitic to basaltic volcanic rocks. Intercalated with the volcanic strata are minor amounts of felsic volcanic rocks, fine-grained siltstones and limestones. These stratified rocks are intruded by the Lehto porphyry (185 Ma) which is broadly zoned from fine-grained diorite along its margins, inward into coarse-grained diorite, monzodiorite and monzonite. Minor phases in the intrusion include orthoclase megacrystic monzonite and syenite. All phases in the intrusion are hornblende bearing and the intrusion is commonly magnetite bearing.

Adjacent to the intrusion the volcanic strata are weakly hornfelsed with fracture controlled hematite and specularite mineralization which locally persists into the intrusion. Zones of skarning consisting of Fe-carbonate, calcite, chlorite, hematitic silicification and minor epidote are developed in limestones adjacent to the Lehto porphyry. Typically these zones of skarning are small (< 100m²).

Several small zones of Fe-carbonate±sericite alteration with disseminated pyrite are located along east-west striking fault zones. These zones are typically small (20x100 m) and are developed over several kilometres of strike length along East Lehto and Ernie Creeks. Quartz-pyrite veins within these zones strike east west and north to northwest.

The 1995 exploration program on the Letho property consisted of 1:10,000 scale geological mapping, rock, stream sediment and heavy mineral concentrate sampling. A total of 68 rock, 36 silt and 20 heavy mineral concentrate samples were collected on the property.

Based on our evaluation the source of gold in stream sediments is attributed to the re-working of moraine deposits. Gold-copper rich mineralized float identified by Prime, and by previous companies is likely derived from the same source. Prospecting along the ridges adjacent to the glacier at the head of East Lehto Creek failed to identify the source.

Skarn and fracture controlled and disseminated specularite and hematite mineralization along the margins of the Lehto porphyry do not carry significant mineralization. Quartz veins in east striking shear zones on the property returned anomalous gold grades, however vein localized within small zones of alteration along these faults do not represent a viable target.

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1. INTRODUCTION

1.1 LOCATION AND ACCESS

The Letho property is located 85 km northwest of the town of Stewart and 15 km west of the Eskay Creek mine in northwestern British Columbia (Figure 1.1). The property is situated south of the Iskut River and encompasses the ground surrounding the East Lehto Creek drainage. The claims lie on NTS map sheet 104B/10, at latitude 56° 37', longitude 130° 45', in the Skeena Mining Division.

Access to the property is by vehicle to the Eskay Creek mine and then by helicopter to the property, 15 km to the west. Alternative access is provided by helicopter from Bob Quinn Lake on Highway 37, 45 km to the southwest.

1.2 LAND STATUS

The Letho property consists of 6 contiguous claims totaling 104 units (Table 1.1, Figure 1.2), owned and operated by Prime Resources Group Inc.

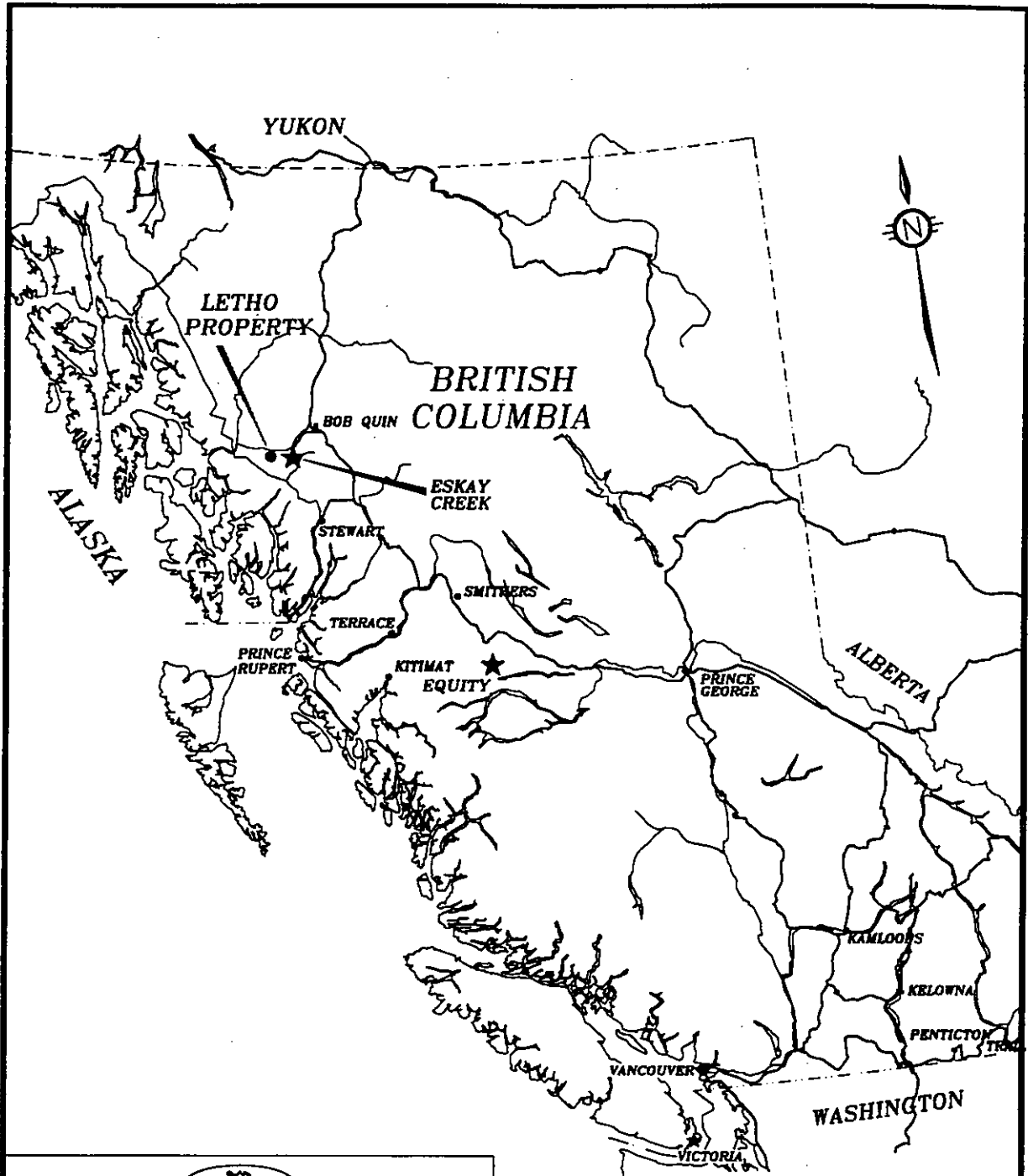
Table 1.1


RECORD NUMBER	CLAIM NAME	UNITS	RECORD DATE	EXPIRY DATE*
331845	LETHO 1	12	1994.10.20	1997.10.20
331846	LETHO 2	20	1994.10.20	1997.10.20
331847	LETHO 3	20	1994.10.20	1997.10.20
331848	LETHO 4	12	1994.10.20	1997.10.20
331849	LETHO 5	20	1994.10.20	1997.10.20
331850	LETHO 6	20	1994.10.20	1997.10.20

*Note: Expiry dates indicated are based on MEMPR approval of 1995 Assessment Report, Event No. 3072699.

1.3 PHYSIOGRAPHY

The Letho property is situated within the Boundary Ranges of the Coast Mountains and primarily occupies the steep forested and alpine slopes along East Lehto Creek. The southern half of the property occupies the mountainous, glacier covered regions at the head waters of the East Lehto Creek. Vegetation on the property consists mature stands of hemlock and spruce below 3000 feet and juniper and spruce in sub-alpine regions. Thick patches of alder and devils club are common on steep slopes and as thick underbrush throughout forested areas. Above tree line vegetation consists of scrub grasses and heather. Elevations range from 800 feet near the confluence of East and West Lehto Creeks up to 6800 feet along the southern margin of the property.



 HOMESTAKE CANADA LTD.			
LETHO PROPERTY			
LOCATION & ACCESS MAP			
DRAWN JDL	DATE Nov. 1995	NTS 104B/10	FIGURE 1.1



Rock exposure is best in the alpine regions and at the head of the East Lehto Creek which occupy the southern half of the claims. In these areas, the rapid retreat of glaciers has uncovered large areas of outcrop. The amount of exposure decreases rapidly in the northern half of the property which is predominately covered by dense forest cover. Here the best rock exposure is located along the East Lehto Creek and Ernie Creek canyons which cut the terrain.

The climate is typical of the Coast Ranges with heavy snowfall in the winter months. Snow cover often persists until late June, and summers are characterized by frequent precipitation.

1.4 EXPLORATION HISTORY

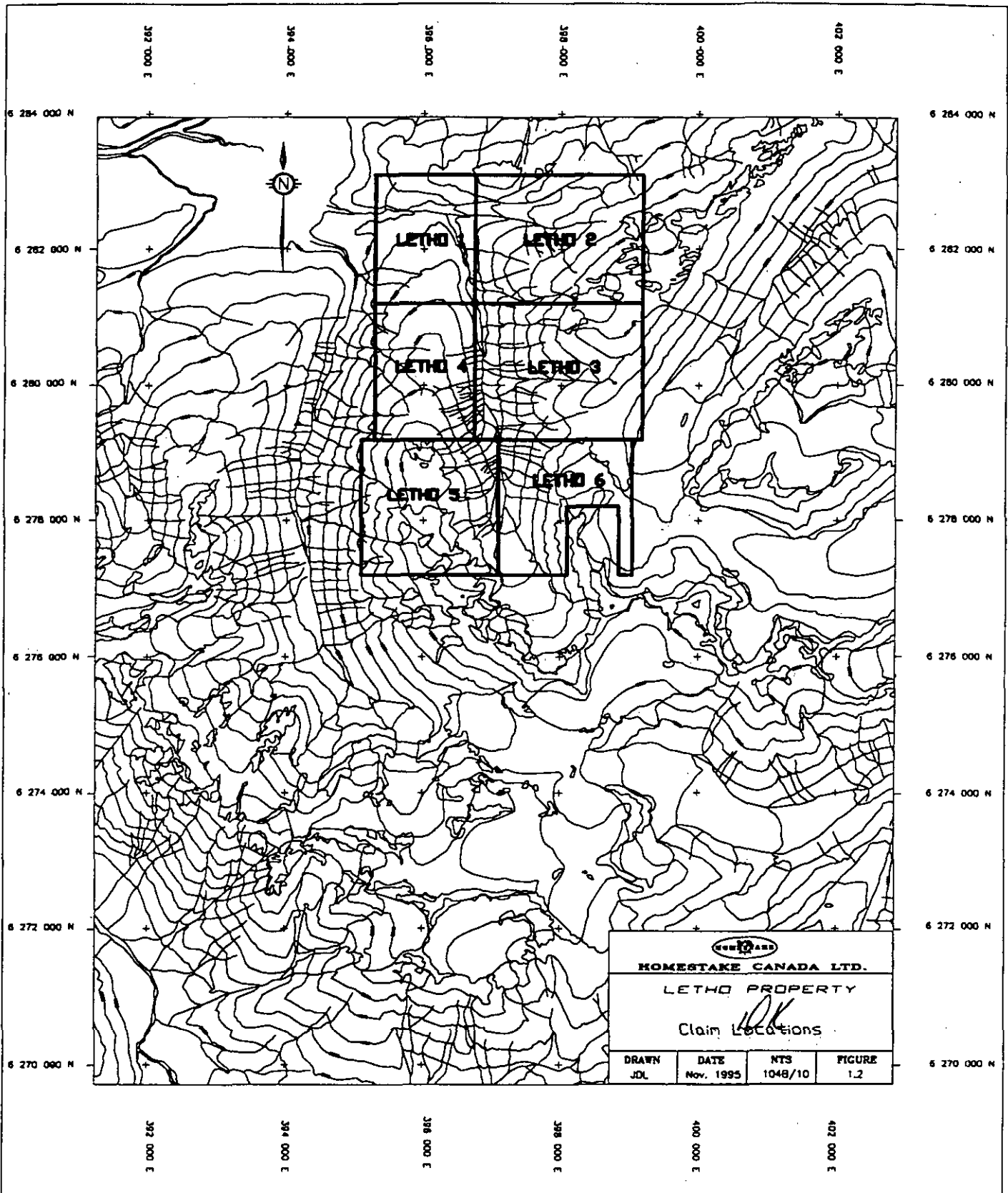
The Letho claims, formerly called the Mystery 1 and 2, and Chance 2 and 4 claims were previously owned by Barytex Resources Ltd. The claims lapsed during the summer of 1994 and were staked as the Letho claims by Prime Resources in October, 1994.

The first work recorded in the public domain was completed in 1987 by Barytex Resources Ltd. and consisted of reconnaissance prospecting and sampling. In 1988 an expanded program including an airborne geophysical survey was completed on the property by Barytex. During this period Barytex's efforts resulted in the discovery of gold bearing quartz-pyrite veins on the Mystery 2 claim and copper-gold mineralized float on the Chance 2 claim (Trodoruk, 1990).

In 1990 Noranda Exploration Company Ltd. optioned the property and completed a program of mapping, prospecting geochemical sampling, magnetometer and HLEM surveys. Exploration identified a structural zone trending 115° which hosted gold bearing quartz-pyrite veins located on the Mystery 2 claims. Quartz veins containing up to 71.6 gpt Au were identified over 900 metres of strike, and adjacent to Ernie Creek. Detailed geological mapping, an IP survey and two diamond drill holes, totaling 213 metres were completed in 1991 (Grill and Savell, 1991).

1.5 1995 EXPLORATION PROGRAM

Prime Resources Group Inc. staked the Letho property in October, 1994. Between June 21st and July 31st Prime conducted a program of 1:10,000 scale geological mapping, rock, stream sediment and heavy mineral concentrate sampling on the Letho 1 to 6 claims. A total of 68 rock, 36 silt and 20 heavy mineral concentrate samples were collected on the property.



The focus of the 1995 exploration program on the Letho property was to; identify the source of gold-copper mineralized float and gold in stream sediment anomaly defined by Barytex Resources Ltd. in East Lehto Creek, and to evaluate the area adjacent the Lehto porphyry for copper-gold skarn and/or intrusive hosted disseminated gold mineralization.

2. GEOLOGY

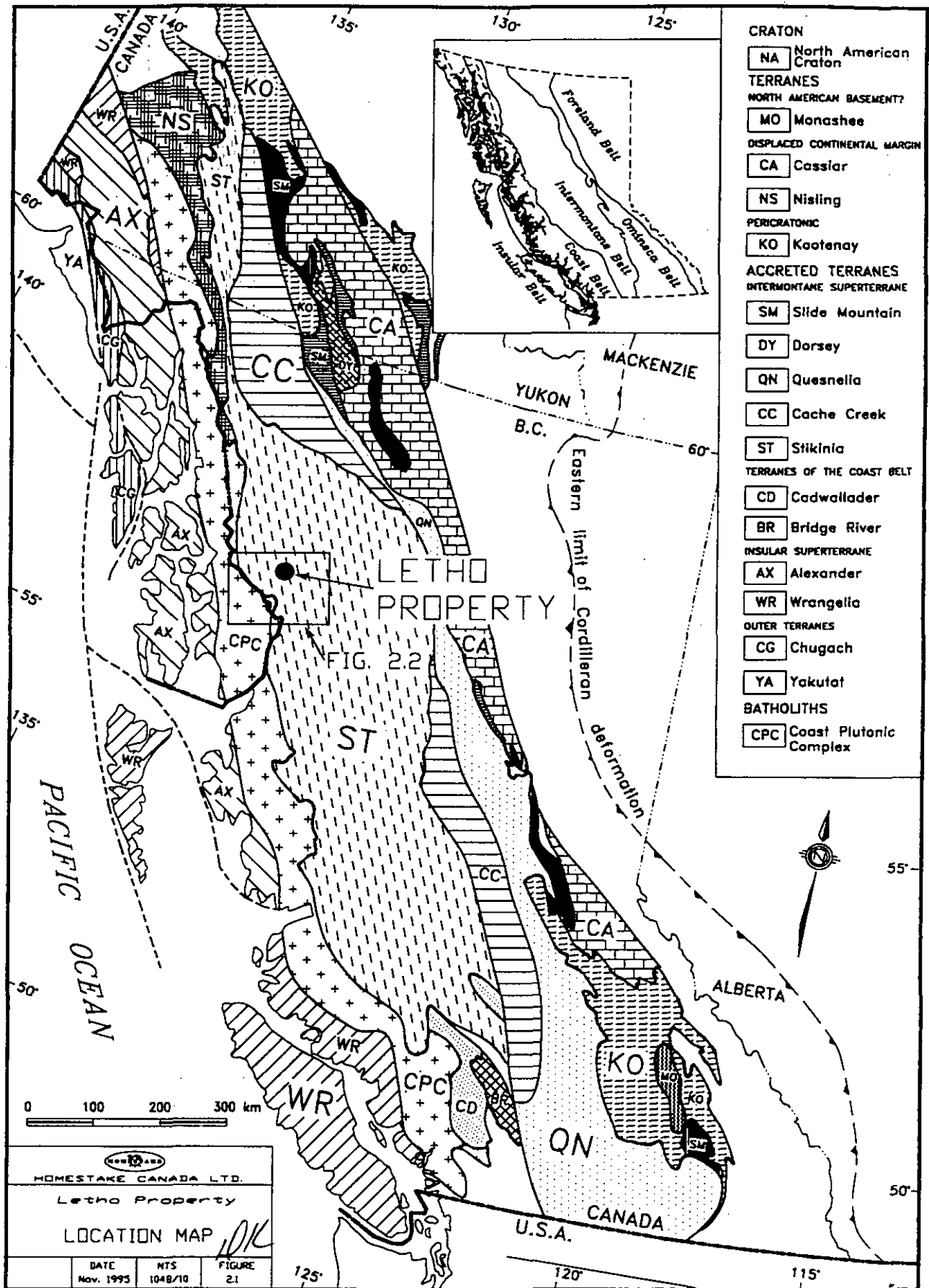
2.1 REGIONAL GEOLOGY

The Lehto property is located in northwestern Stikinia, the largest of the allochthonous terranes which forms the Intermontane Belt of the Canadian Cordillera (Figure 2.1). The northern part of Stikinia is characterized by three unconformity bounded volcano - plutonic and sedimentary sequences and an overlying sedimentary package. From oldest to youngest these include the Paleozoic Stikine, Upper Triassic Stuhini and Lower to Middle Jurassic Hazelton Groups which are overlain by sedimentary rocks of the Middle Jurassic Bowser Lake Group, a successor basin which links Stikinia with Quesnellia to the east. To the west Stikinia is bounded by Cretaceous and Tertiary intrusions of the Coast Plutonic Complex which record the amalgamation of the Intermontane Belt with the Insular Belt to the west during Latest Cretaceous. Tertiary volcanic rocks lie unconformably above the Paleozoic to Jurassic basement strata and form a north - south trending belt from the Iskut region north to Level Mountain, north of the Stikine River. These volcanic rocks are post accretionary and formed during Eocene crustal extension.

The Iskut River map area (104B) contains all the major tectonostratigraphic units which characterize the northern part of Stikinia. The oldest strata in the map area are Devonian to Permian volcano-plutonic and sedimentary rocks of the Paleozoic Stikine assemblage. These rocks are best exposed north of the Iskut River and west of the Snip mine between the Craig and Stikine Rivers. In the Iskut River area the Stikine assemblage is characterized by thick sequences of mafic to felsic volcanics, marine sedimentary rocks and fossiliferous limestones.

The Stikine assemblage is unconformably overlain by Upper Triassic andesitic to basaltic flows, sills and breccias intercalated with thick sequences of fine-grained siltstones and volcanic derived feldspathic wackes. The Stuhini Group is best exposed in the vicinity of the Snip mine where volcanic derived wackes and siltstone predominate, and west of the Unuk River and Harrymel Creek where sedimentary rocks are intercalated with volcanic rocks.

Unconformably overlying the Stuhini Group are sedimentary, volcanic and related plutonic rocks of the Lower to Middle Jurassic Hazelton Group. Recent work by the BCGS (Grove, 1986, Britton and Alldrick 1989) and the GSC



(Anderson, 1990) have divided the Hazelton Group into four volcanic sequences which include the Unuk River, Betty Creek, Mount Dilworth and Salmon River Formations. Stratigraphic investigations by the Mineral Deposit Research Unit - Iskut Project have shown that the Mount Dilworth and Salmon River Formations are age equivalent, representing a bimodal volcanic sequence that marks the secession of volcanic activity in Stikinia prior to the onset of Bowser Lake Group sedimentation. The Unuk River Formation in the Iskut River area comprises a thick sequence of clastic sedimentary rocks with a basal conglomeratic unit informally named the Jack Formation (Henderson et al., 1992). To the south in the Stewart camp the Unuk River Formation is dominated by andesitic volcanic flows, sills and breccias with minor sedimentary rocks. The Betty Creek Formation conformably overlies the Unuk River Formation and consists of maroon to green andesitic breccias, flows, sills and related sedimentary rocks. Coeval with the Betty Creek Formation are orthoclase megacrystic intrusions which form a northwest linear from the Stewart area to the Iskut River in the vicinity of the Snip mine. The age of these intrusions range from 195 to 185 Ma. Separating the Betty Creek and Mount Dilworth/Salmon River Formations is a thin, locally discontinuous sequence of fine-grained, fossiliferous sedimentary rocks which records a hiatus in volcanic activity during the Jurassic. Overlying these sedimentary rocks are heterolithic dacitic tuffs of the Mount Dilworth Formation, and rhyolite flows, basaltic flows, sills and pillow lava and intercalated siltstones of the Salmon River Formation. The top of the Salmon River Formation is characterized by laminated, pyritic ash tuffs and black siltstones which grade upward into siltstones, sandstones and conglomerates of the overlying Bowser Lake Group. The Hazelton Group strata is best exposed between the Sulphurets camp and the Eskay Creek mine.

Fine-grained siltstones, sandstones and pebble conglomerates of the Middle Jurassic to Lower Cretaceous Bowser Lake Group dominate the northeastern portion of the Iskut River map area. The Bowser Lake Group lies conformably above the Hazelton Group and is characterized by mature sediments including chert derived from Cache Creek terrane to the northeast.

The western margin of the Iskut map area is dominated by dioritic to granitic intrusions of the Coast Plutonic Complex which forms a northwest trending linear across the map sheet.

Recent volcanic activity in the map area is observed west of the Unuk River from Cone glacier north to the Iskut valley. Tertiary volcanic activity in the map area consists of mafic to felsic dykes of the King Creek dyke swarm and basaltic cones and flood basalts between cone glacier and the Iskut River valley.



LEGEND

Quaternary

Q_a Basalt flow, scoria

Middle Jurassic to Lower Cretaceous

Bowser Lake Group

U.M.S. Undivided sedimentary rocks

Lower to Middle Jurassic

Hazleton Group

U_v Undivided calcalkaline volcanic and epiclastic rocks

U_{sr} Salmon River Formation sedimentary rocks

U_{sb} Salmon River Formation basalt

U_{sv} Felsic volcanic rocks (Toorcon to Astorian)

Upper Triassic

U_{st} Stuhini Group volcanic and sedimentary rocks

Paleozoic

Silurian Assemblage

DP_v Undivided meta-volcanic and sedimentary rocks

DP_w White limestone and marble

INTRUSIVE ROCKS

Eocene

E_g granite to granodiorite

E_{qm} quartz monzonite

Jurassic or Tertiary

J_g diorite to granite

Jurassic

J_{ap} olivine-pyroxene gabbro

J_{mn} monzonite, diorite, kapor porphyry

Triassic

T_h hornblende diorite to granodiorite

T_u diorite, age unknown

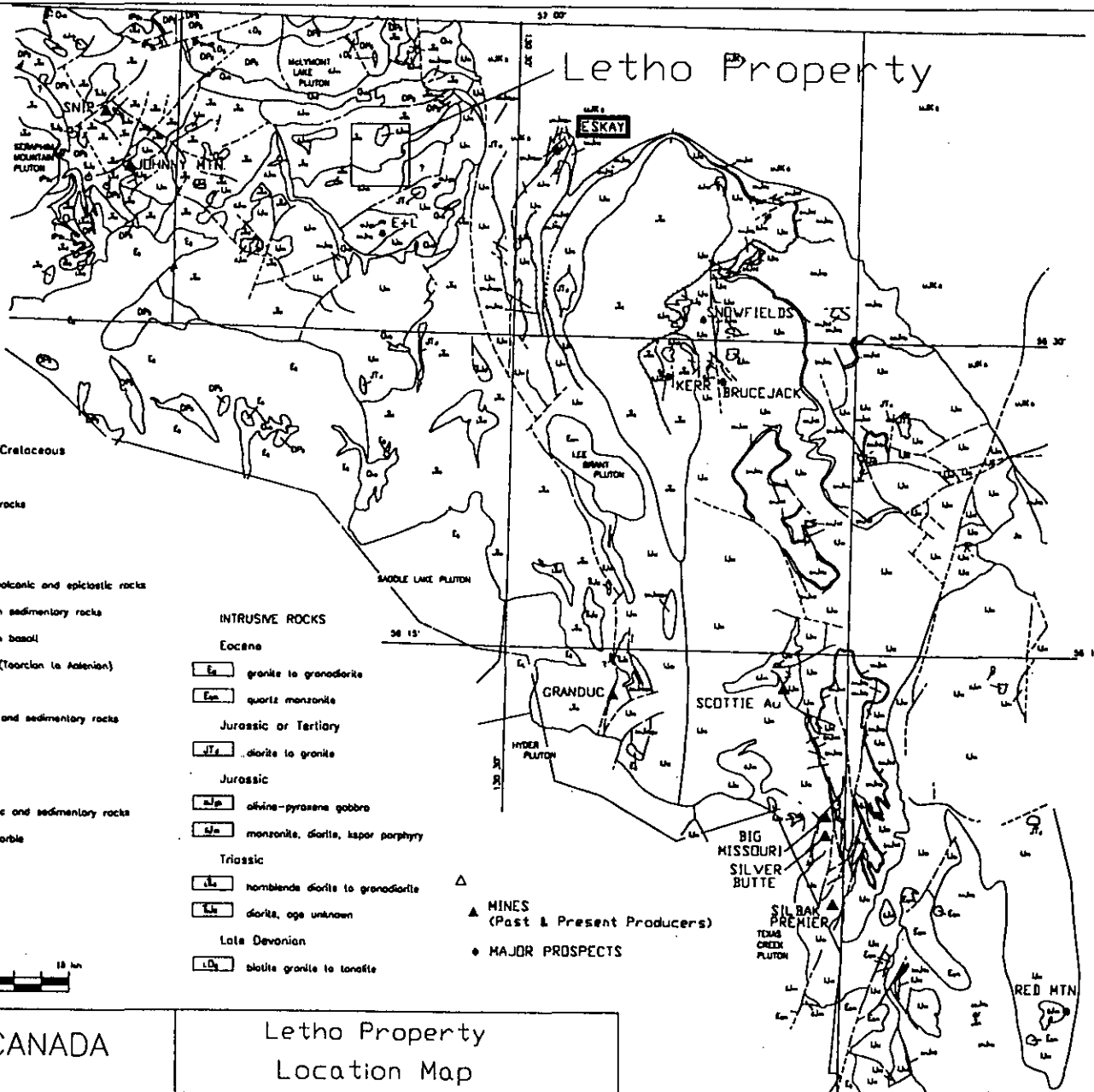
Late Devonian

L_g biotite granite to tonalite



MINES (Past & Present Producers)

MAJOR PROSPECTS



**DOMESTAKE CANADA
INC**

**Letho Property
Location Map**

DATE: Nov. 1995

SCALE: 1:500 000

Fig. 2

2.2 PROPERTY GEOLOGY

2.2.1 STRATIGRAPHY

The property is dominantly underlain by a thick package of Paleozoic Stikine Assemblage fine-grained andesitic to basaltic volcanic rocks. Intercalated with the basaltic strata are minor amounts of felsic volcanic rocks, fine-grained siltstones and limestones. These stratified rocks are intruded by the Lehto porphyry (185 Ma) which is broadly zoned from fine-grained diorite along its margins, inward into coarse-grained diorite, granodiorite and monzonite. Minor phases in the intrusion include orthoclase megacrystic monzonite and syenite. All phases in the intrusion are hornblende bearing and the intrusion commonly is magnetite bearing.

Stratified Rocks

Unit PzSm: Aphanitic to plagioclase-phyric flows/sills and ash to block tuffs of andesitic to basaltic composition are volumetrically the most abundant unit on the property. Within this unit plagioclase-phyric and vesicular block tuffs are only locally observed; the majority of Unit PzSm comprises massive, aphanitic basaltic andesite which is similar in character to the finer grained dioritic phases present along the margins of the Lehto porphyry. Weak hornfelsing the volcanic strata and disseminated magnetite within the intrusion were important criteria used to differentiate the two.

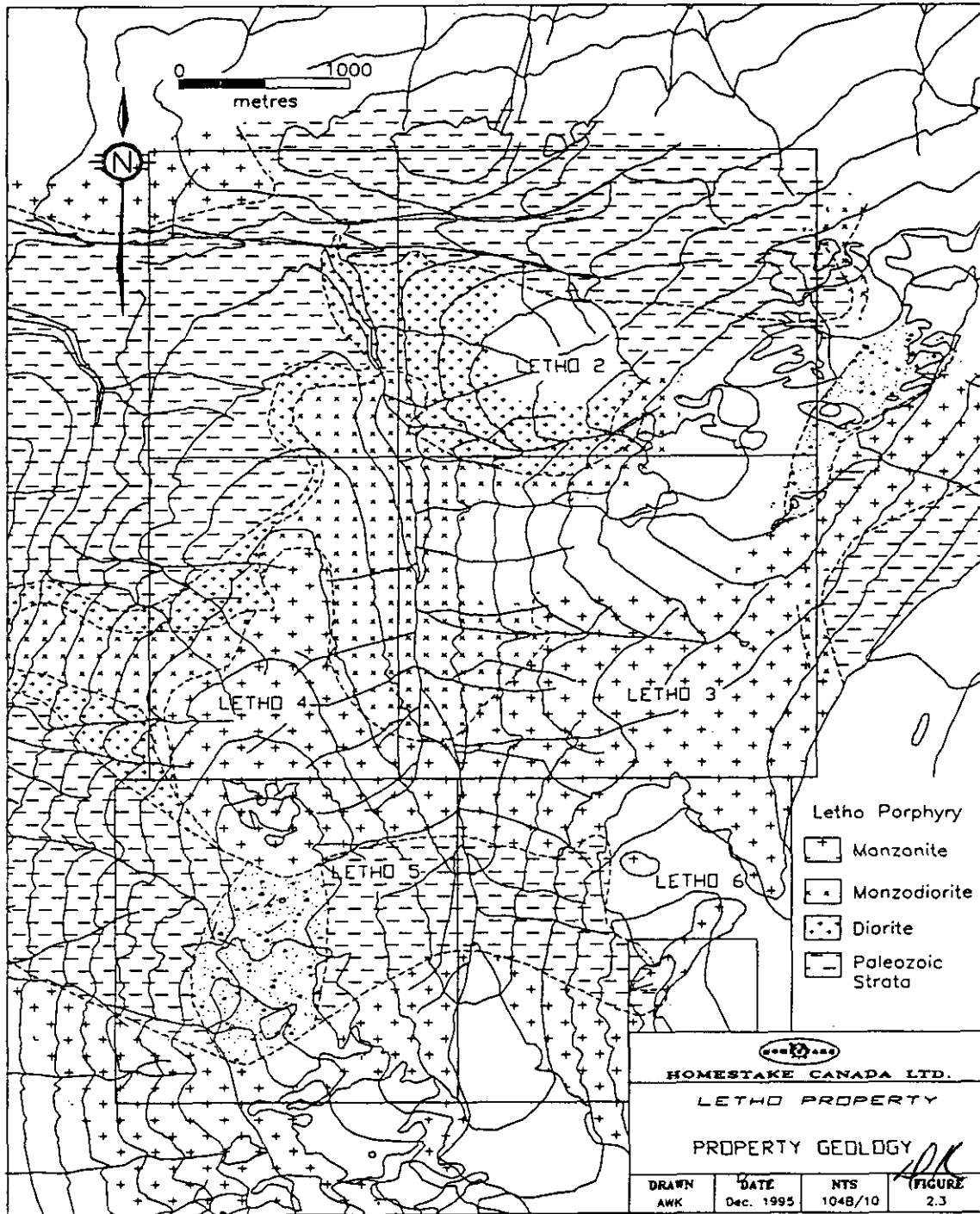
Unit PzSs: Well bedded to massive fine-grained black siltstones and lesser buff coloured fine-grained siltstones are observed throughout the property and appear to be intercalated with volcanic rocks of Unit PzSm. Coarser grained sediments comprise lithic and feldspathic crystals cemented by carbonate.

Unit PzSl: Intercalated with clastic sedimentary rocks of Unit PzSs are fossiliferous (crinoidal) and silty limestones which are best exposed on the west side of East Lehto Creek at 4500' elevation (Figure 2.4). Discontinuous lenses of Unit PzSl are also observed to the east of East Lehto Creek at 5700' elevation. Fossiliferous limestones comprises abundant >1 cm sized crinoid stems within a matrix of coarse, re-crystallized calcite. Silty limestones are finer grained and comprise well laminated limestone and more silty beds.

Unit PzSr: A thin lens of white, rhyolitic tuff is exposed in East Lehto Creek in the northwest portion of the property. The rhyolite unit is intercalated with black siltstones of Unit PzSs and bounded by massive, plagioclase-phyric andesites of Unit PzSm.

Unit PzSft: Pale green dacitic lapilli to feldspar crystal tuffs are exposed on the ridge tops to the east and west of East Lehto Creek. These felsic tuffs appear to

Figure 2.3 Property Geology Map



form the upper most unit in the observed section on the Letho property and consist of pale green to white aphanitic fragments within a ash matrix. Crystal tuffs contain plagioclase laths (<2 mm) within an ash matrix.

Intrusive Rocks

Unit JrLm: Fine- to coarse-grained, hornblende monzonite of the Lehto porphyry is strongly magnetic containing locally up to 5% disseminated magnetite and varies from equigranular to orthoclase porphyritic. Equigranular phases develop in the core of the intrusion and grade vertically into orthoclase porphyritic near the top of the intrusion. Equigranular monzonites contain equant, white plagioclase crystals (2-4 mm) and larger hornblende phenocrysts up to 1 cm long within a matrix of pink alkali feldspar. Orthoclase porphyritic monzonites are characterized by the addition of large (>1 cm), euhedral orthoclase crystals, and locally the presence of quartz in the groundmass. Monzonite is also distinguished from other phases by the presence of disseminated and vein epidote.

Unit JrLd: Hornblende bearing diorites within the Lehto porphyry vary from dark grey, fine-grained and massive to green, coarse-grained and equigranular. The fine-grained phases form along the margins of the intrusion on the western half of the property, and are absent to the east. Fine-grained diorites are strongly magnetic, and contain asicular needles (<1 mm) of hornblende. Coarser grained diorites appear to be localized at lower elevations, within East Lehto Creek and grade into granodiorite to monzonite phases with increasing elevation. Coarse grained diorites are weakly magnetic, and contain anhedral hornblende which is commonly altered to chlorite.

Unit Jrmd: Hornblende monzodiorites form transitional units between diorite and monzonite phases. Monzodiorites contain anhedral to lath shaped plagioclase, subordinate alkali feldspar in the groundmass and asicular hornblende phenocrysts. Disseminated magnetite is also present in monzodiorite phases.

Unit JrLs: Brick red fine to medium grained, hornblende bearing syenite appears to be a late phase in the Lehto porphyry. Syenites are present as dykes which cut earlier dioritic, granodioritic and monzonite phases. They are commonly observed in the center of intrusions and high in the observed section however a large syenite dyke, oriented east-west and up to 500 metres long is exposed in the northeast corner of the property, along the margin of the intrusion. Syenites are classified by their brick red colouring, which may be the result of finely disseminated hematite rather than alkali feldspar.

2.2.2 Structure

The stratigraphy on the property dips moderate to steeply and appears to be folded around tight northwest trending synclines and anticlines. Foliations in the volcanic and sedimentary strata strike predominately northwest, dip steeply and are likely related to folding. Numerous east-west oriented creeks on the property are the locus of shearing and often contain a well developed vertical, west striking shear fabric.

Within the Lehto porphyry a prominent northeast to east striking joint set is developed in the upper portions of the intrusion and foliations in the host rock in these areas are coincident with jointing. Mafic and syenite dykes are oriented parallel to this joint set.

2.2.3 Alteration and Mineralization

Within the volcanic strata, zones of Fe-carbonate+sericite alteration with disseminated pyrite are localized within east-west shear zones in East Lehto and Ernie Creek. Individual zones are typically small (20x100 m) and develop over several kilometres of strike length in the major creeks and as discrete zones in some of the larger tributaries. Associated with these alteration zones are quartz, quartz-pyrite and rare barite veins oriented sub-parallel the shear fabric, however quartz veins are also perpendicular to shearing.

Adjacent to the intrusion the volcanic strata is weakly hornfelsed with the development of fracture controlled hematite and specularite mineralization which locally persists into the intrusion. Where limestones and calcareous siltstones are in contact with the intrusion skarning consisting of Fe-carbonate, calcite, chlorite, hematitic silicification and minor epidote is developed. Typically these zones of skarning are small averaging < 100m² in area.

3. GEOCHEMISTRY

3.1 ROCK GEOCHEMISTRY

3.1.1 Method of Survey

A total of 68 rock samples were collected on the Letho property during the 1995 field season (Figure 3.1). Sampling concentrated on identifying the source of the gold in stream sediment anomaly defined by Barytex Resources Ltd. In East Lehto Creek. Descriptions of each sample are provided in Appendix 3 and assay results are tabulated in Appendix 4.

Rock samples were analyzed at International Plasma Laboratories of Vancouver, B.C. Rock samples were crushed to a -10 mesh, riffle split and a 250 gram sample was sieved to -250 for analysis. Each sample was analyzed for gold by Fire Assay with an AA finish using a 30 gram sample. Samples were also analyzed using Aqua-Regia digestion and ICP scan for the standard 30 element package.

3.1.2 Results

Rock sampling on the property concentrated on identifying the potential for low-grade gold mineralization hosted within the various intrusive phases and from zones of skarning and hornfelsed volcanics along the margins of the intrusion. Structurally controlled zones of alteration hosting auriferous quartz and quartz-sulphide veins, identified by Barytex Resources Ltd., were also evaluated during the program.

Samples collected from the intrusion and hornfelsed volcanics range from <5 to 105 ppb Au. Float of granodiorite with 20% disseminated chalcopyrite was collected from East Lehto Creek and assayed 2.4 gpt Au and 13% Cu. Traverses in the area failed to identify the source. Samples collected from small skarn zones averaged low gold (< 50 ppb).

The best gold result was obtained from a bull quartz vein striking 340 and dipping vertical from a 100x10 metre, east-west striking zone of sericite+pyrite alteration east of East Lehto Creek. A sample collected of this vein assayed 7.8 gpt Au and 2.4 gpt Ag. Adjacent wall rock returned weakly anomalous values up to 28 ppb Au.

3.2 STREAM SEDIMENT GEOCHEMISTRY

3.2.1 Method of Survey

A total of 36 silt samples were collected from East Lehto Creek and all major tributaries on the Letho property during the 1995 field season. Samples were collected along East Lehto Creek at 250 metre intervals from the glacier, northward to where the creek becomes a canyon at 2000 feet elevation. Samples collected from the various tributaries were collected several hundred metres up from main creeks. Each sample was collected from the fine stream sediments in creeks and attention was made to ensure that each sample represented the bed load rather than sediment derived from the erosion of adjacent stream banks.

Samples were collected with a -40 mesh sieve and silt pan, placed in a kraft paper bag and air dried prior to shipment to International Plasma Laboratories of Vancouver, B.C. Samples were sieved to -80 mesh and analyzed for gold by Fire Assay with an AA finish using a 30 gram sample. Samples were also analyzed using Aqua-Regia digestion and ICP scan for Ag, Cu, Pb, Zn, As, Sb and Hg.

3.2.2 Results

Silt sampling failed to reproduce the assays of up to 60,000 ppb Au from stream sediment samples collected by Barytex Resources Corp. Gold values from stream sediment silt samples ranged from below detection level (<5 ppb) to 154 ppb with the majority of samples assayed in the <5 to 20 ppb range. The highest samples were obtained from the two northern most samples collected in East Lehto Creek.

3.3 MORAINE HEAVY MINERAL CONCENTRATE GEOCHEMISTRY

3.3.1 Method

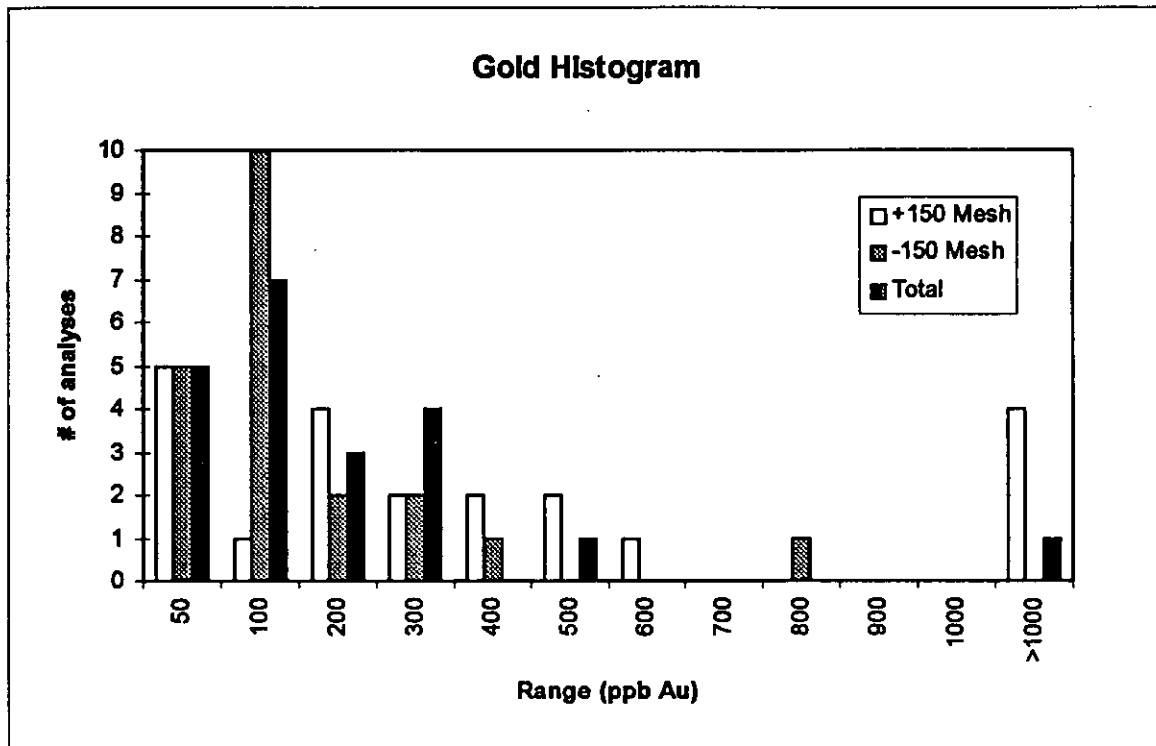
A total of 20 heavy mineral concentrate samples were collected from moraine deposits adjacent to East Lehto Creek from the toe of the glacier down stream to where the creek narrows to a steep walled canyon. Samples were at 250 metres intervals where a sample was taken from both sides of the stream bed.

Samples were collected with a -40 mesh sieve and silt pan, placed in a kraft paper bag and air dried prior to shipment to International Plasma Laboratories of Vancouver, B.C. Each sample was weighed, separated into a -150 and +150 Mesh fraction and weighed again. Each fraction is Fire assayed to determine the gold content and results are reported for each fraction and the total sample (as weighted average).

3.3.2 Results

To determine the source of gold in stream sediments identified by Barytex Resources Corp. Heavy mineral concentrate samples were collected from the lateral moraine deposits which line the slopes of East Lehto Creek down to 1800 feet elevation. Results from this survey ranged from >5 to 9542 ppb Au for the +150 Mesh fraction and 42 to 774 ppb Au for the -150 Mesh fraction. A histogram plot of assay value versus the number of analyses for the two fractions indicates that the +150 sized fraction returned on average higher gold values than the -150 fraction (Figure 4.2).

Figure 4.2 Histogram showing the distribution of samples for the +150 and -150 sized fractions for moraine heavy mineral concentrate samples.



4. DISCUSSION AND CONCLUSIONS

The Letho property is dominantly underlain by a thick package of fine-grained andesitic to basaltic volcanic rocks. Intercalated with this strata are minor amounts of felsic volcanic rocks, fine-grained siltstones and limestones. The stratigraphy is folded about northwest striking synclines and anticlines best documented in the northern part of the claim. These stratified rocks are intruded by the Lehto porphyry (185 Ma). The intrusion is broadly zoned from fine-grained diorite along its margins, inward into coarse-grained diorite, monzodiorite and monzonite. Minor phases in the intrusion include orthoclase megacrystic monzonite and syenite. All phases in the intrusion are hornblende bearing and the intrusion commonly is magnetite bearing.

Adjacent to the intrusion the volcanic strata is weakly hornfelsed with the development of fracture controlled hematite and specularite mineralization which locally persists into the intrusion. Where limestones and calcareous siltstones are in contact with the intrusion skarning consisting of Fe-carbonate, calcite, chlorite, hematitic silicification and minor epidote is developed. Typically these zones of skarning are small, (< 100m²)

Within the country rocks several small zones of Fe-carbonate±sericite alteration with disseminated pyrite have been identified along east-west striking fault zones. These zones are typically small (20x100 m) and form a series of zones over several kilometres of strike length along East Lehto and Ernie Creeks. Quartz, and quartz-pyrite veins within these zones strike parallel to and cross cut shearing.

The 1995 exploration program on the Letho property consisted of 1:10,000 scale geological mapping, rock, stream sediment and heavy mineral concentrate sampling. A total of 68 rock, 36 silt and 20 heavy mineral concentrate samples were collected on the property. The focus of exploration on the property was to identify the source of gold-copper mineralized float and the gold in stream sediment anomaly defined by Barytek Resources Ltd. in East Lehto Creek, and to evaluate the area adjacent the Lehto porphyry for copper-gold skarn and/or intrusive hosted disseminated gold mineralization.

Rock sampling concentrated on identifying disseminated gold mineralization within hornfelsed hosts rocks and zones of skarning adjacent to the Lehto porphyry, however assays were sub anomalous in gold (<5 to 105 ppb Au). The best results were obtained from float of chalcopyrite mineralized granodiorite, 2.4 gpt Au, and from quartz veins near the base of East Lehto Creek, 7.8 gpt Au. The source of the mineralized float was not discovered during prospecting.

Silt sampling returned up to 154 ppb Au and failed to reproduce the high gold in stream sediment anomaly defined by Barytex Resources Corp. To determine the source, heavy mineral concentrates of the lateral moraine deposits along East Lehto Creek were collected and analyzed for gold. Assays assayed up to 9542 ppb Au, with most of the anomalous analyses obtained from the coarse (+150 Mesh) suggesting that coarse, glacially deposited gold is the source of the anomaly.

5. RECOMMENDATIONS

Based on our evaluation the source of gold in stream sediments is attributed to the re-working of moraine deposits. Gold-copper rich mineralized float identified by Prime, and by previous companies supports this. Prospecting along the ridges adjacent to the glacier at the head of East Lehto Creek failed to identify the source.

Sampling of skarning and fracture controlled and disseminated specularite and hematite mineralization along the margins of the Lehto porphyry do not carry significant mineralization. Quartz veins in east striking shear zones on the property returned anomalous gold grades, however veins localized within small zones of alteration along these faults do not represent a viable target.

6. REFERENCES

Anderson, R.G., Thorkelson, D.J. (1990): Mesozoic Stratigraphy and Setting for Some Mineral Deposits in Iskut River Map Area, Northwestern British Columbia; in Current Research, Part E, Geological Survey of Canada, Paper 90-1F, pp. 131-139.

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Grove, E.W. (1986): Geology and Mineral Deposits of the Unuk River - Salmon River - Anyox Area; B.C. Energy Mines and Petroleum Resources, Bulletin 63.

Grill, E. And Savell, M. (1991): Geological, Geochemical, Geophysical and Diamond Drilling Report on the the Mystery 1 & 2 and Chance 2 & 4 Mineral Claims; Energy Mines and Petroleum Resources, Assessment Report.

Henderson, J.R., Kirkham, R.V., Henderson, M.N., Payne, J.G., Wright, T.O. and Wright, R.L., (1992): Stratigraphy and structure of the Sulphurets area, British Columbia; in Current Research, Part A; Geological Survey of Canada, Paper 92-1A, p. 323-332.

Trodoruk, S.L. and Ikona, C.K., (1990): Geological Report on the Mystery 1 & 2 and Chance 2 & 4 Claims; B.C.; Energy Mines and Petroleum Resources, Assessment Report.

APPENDIX 1
STATEMENT OF COSTS

STATEMENT OF COSTS

PRIME RESOURCES GROUP INC.

PROJECT NAME: Letho
 CODE: 90709
 Date of Expenditures: July 1-17, 1995

TOTAL COST 22,300.00

DESCRIPTION	AMOUNT	RATE (\$)	NET(\$)	TOTAL
1.0 SALARIES				
(IN HOUSE)				
Technical				
A. KAIP	15	259.00	3,885.00	
K. PATTERSON	4.5	217.00	976.50	
Seasonal				
C. DOWNIE	5.5	189.00	1,039.50	
J. LEWIS	8	189.00	1,512.00	
M. PHILLIPS	5.5	168.00	924.00	
B. Beck	5.5	168.00	924.00	
			Subtotal	9,261.00
2.0 ANALYSIS				
(ASSAY, METALLURGICAL)				
Rock	68	17.10	1,162.80	
Silt	36	15.25	549.00	
Heavy concentrate	20	28.28	565.60	
			Subtotal	2,277.40
3.0 FIELD/CAMP				
Field Supplies			1,211.92	
Camp Costs			1,327.50	
Camp Construction			1,000.00	
Expediting			0.00	
			Subtotal	3,539.42
4.0 TRAVEL				
Lodging			0.00	
Meals			1,233.53	
Airfare			0.00	
Taxi/Car rental/mileage			0.00	
			Subtotal	1,233.53
5.0 TRANSPORTATION				
Vehicle lease/rental			0.00	
Vehicle operating/maintenance/repair			0.00	
Helicopter			4,707.28	
Fixed wing			0.00	
			Subtotal	4,707.28

STATEMENT OF COSTS

PRIME RESOURCES GROUP INC.

PROJECT NAME: Letho

TOTAL COST 22,300.00

CODE: 90709

Date of Expenditures: July 1-17, 1995

DESCRIPTION	AMOUNT	RATE (\$)	NET(\$)	TOTAL
-------------	--------	-----------	---------	-------

6.0 SUPPORT ACTIVITIES

Communications	300.00
Maps/publications/photo	200.00
Drafting	200.00
Office supplies	40.20
Freight/shipping	541.17

Subtotal

TOTAL



Apportionment of Expenditures

\$20,800 applied as assessment work to the Letho group claims (Event No. 3077809 and 3077811) with the balance of expenditures credited to Prime Resource Group INC. P.A.C. Account No. 121911.

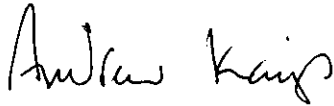
APPENDIX 2
STATEMENT OF QUALIFICATIONS

STATEMENT OF QUALIFICATIONS

I, Andrew W. Kaip, of 901-1050 Harwood Street, Vancouver, British Columbia, do hereby certify that:

1. I am presently employed by Homestake Canada Inc. of 1000-700 West Pender Street, Vancouver, British Columbia as a Project Geologist.
2. I graduated from Carlton University (1992) and hold a B.Sc. (Highest Honours) in geology.
3. I have been employed in my profession as an Exploration Geologist in Canada since graduation.
4. I have no interest in the property described herein, nor in the securities of any company associated with the property, nor do I expect to acquire any such interest.

Signed at Vancouver, British Columbia this 15 day of December, 1995



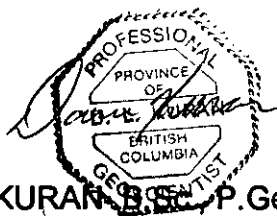
ANDREW W. KAIP B.Sc.

STATEMENT OF QUALIFICATIONS

I, David L. Kuran of 25630 Bosonworth Avenue, in the Municipality of Maple Ridge, British Columbia, do 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 Street, Vancouver, British Columbia as a Senior Project Geologist.
6. I supervised the planning and implementation of the work described in this report, was in communication with the project geologist on site and was involved in the data interpretation and editing of this report on the Letho claims.
7. I consent to the use of this report concerning the 1995 exploration program carried out on the Letho mineral claims in the Skeena Mining Division, NTS 104B/10, for all corporate purposes relating to Prime Resources Group Inc.

Signed at Vancouver, British Columbia this 15 day of December, 1995



DAVID L. KURAN B.Sc. P. Geo.

APPENDIX 3
ROCK SAMPLE DESCRIPTIONS

1995 LETHO ROCK SAMPLE DESCRIPTIONS

SAMPLE #	EASTING	NORTHING	SAMPLE TYPE	DESCRIPTION
21001	394614	6282054	grab	3cm qz+cb+mgt vein
21002	395086	6281641	grab	qz+cb sw veining with 3% py in rx
21003	394931	6281082	float	>20cm qz vein w py+cpy+cb
21004	394921	6281036	float	3m boulder, rhy/dac w fgr diss py
21005	395088	6280827	grab	1-20cm qz v's w chl selvedges
21015	395052	6278715	grab	specular hem+qz+cb veins, 1-5cm
21017	398101	6278092	1m chip	[clay+py+/-hem], zone 20x100m
21018	398175	6277847	grab	small [clay+py+cpy+mgt] zone, 5x10m
21101	395797	6282548	grab	qz vein, 270/90
21102	395781	6282563	1 m chip	s[ser+hem+py] zone, 15m x 75m
21103	396166	6282432	grab	rusty, siliceous andesite
21104	396179	6282473	1m chip	m[ser] andesite block tuff
21105	396350	6282291	grab	granodiorite with up to 5% disseminated py
21106	396503	6281940	grab	hornfelsed andesites adjacent to intrusion
21107	396557	6281865	1m chip	[sil+py] frg diorite with py veinlets
21108	396549	6281784	1m chip	hornfelsed slst with py veinlets
21109	396666	6281583	float	massive hem+qz+mgt skarning
21110	396690	6281279	float	mgt veining in granodiorite
21111	396861	6281252	1m chip	mgt and cc veining in granodiorite
21112	397008	6281050	20cm chip	mgt and specularite adjacent to monzonite dykes
21113	396859	6279987	15cm chip	cb vein with 15% py, mgt and specular hematite
21114	396450	6280019	1m chip	granodiorite with 5% disseminated py
21115	396323	6279958	1m chip	monzonite with 5% disseminated py
21116	395928	6279153	grab	fracture controlled specularite in diorite
21117	397090	6280154	1m chip	fgr diorite with 5% disseminated py
21118	397328	6280104	1m chip	mgt monzodiorite with dis py
21119	397517	6280061	50cm chip	of [chl] intrusive bx with 5% py, specularite
21120	397720	6280111	grab	rusty monzodiorite
21121	397872	6280061	1m chip	fgr diorite with disseminated mgt and py
21122	398136	6280084	1m chip	s[ser+cb+py] zone, 20m x 40m
21123	398792	6280353	20cm chip	cgr barite vein with malachite staining
21124	399452	6281315	1m chip	cgrd monzonite with disseminated epidote
21125	396076	6281856	grab	fracture controlled specularite in volcanics
21126	395844	6278335	1m chip	Fe-cb cemented breccia in diorite
21127	395632	6278138	grab	specularite along diorite dyke margins
21128	395632	6278136	1m chip	specularite along diorite dyke margins
21129	395922	6277435	1m chip	monzonite with dis mgt, ep sw
21130	396207	6277341	1m chip	>5% disseminated mgt in monzonite
21131	396554	6277438	grab	monzonite with disseminated mgt
21132	396567	6278103	1m chip	s[albite] with disseminated pyrite
21133	396515	6278039	1m chip	15% mgt and specularite in syenite
21135	396632	6278466	grab	Qz-py veins in siltstone
21136	396520	6278462	1m chip	s[hem+sil+Fe-cb] skarning in limestones
21137	396522	6278385	1m chip	s[hem+mgt+sil+Fe-cb] skarning in limestones
21138	396614	6278435	1m chip	Black silstone with qz-py veinlets
21139	396554	6278412	1m chip	Fe-cb skarn
21140	396567	6278103	20cm grab	[Fe-cb] with pyrite and specularite
21141	396515	6278039	grab	Calcareous slst with dis py

1995 LETHO ROCK SAMPLE DESCRIPTIONS

SAMPLE #	EASTING	NORTHING	SAMPLE TYPE	DESCRIPTION
21142	396627	6277278	grab	[ser] monzonite with 1x2 m pods of massive py
21143	396544	6276584	1m chip	monzonite with dis specularite
21144	396253	6282641	1m chip	[Fe-cb+ser] volcanics with disseminated py
21145	396578	6282455	grab	20cm white cgr quartz vein, 340/50
21146	396660	6282481	1m chip	s[qz+ser+py] andesitic volcanics in shear zone
21147	397722	6282331	1m chip	[sil] with specularite and hematite filled fractures
21148	397963	6282311	grab	[fe-cb+ser] volcanics
21149	399163	6282289	1m chip	ep+specularite+hematite in [Fe-cb] andesite bx
21203	395197	6280505	grab	silicified mafic volcanic with disseminated py
21204	395801	6279857	grab	monzonite with magnetite and py
21205	395911	6279813	float	vuggy qtz float with massive py
21206	396852	6279983	grab	py stringers in monzodiorite
21207	396882	6279778	chip	15 cm chip sample of mafic dyke carrying py
21208	396927	6281375	grab	between dio and monz, possibly fault gouge
21209	396965	6281397	grab	fgr. mafic intrusion with ~1% py
21210	397411	6281260	chip	1m chip sample of rusty 1m gabbroic dyke
21224	396989	6279618	float	granodiorite with 40% disseminated cpy

**APPENDIX 4
ASSAY CERTIFICATES**

CERTIFICATE OF ANALYSIS
iPL 95G1402

2036 Columbia Street
Vancouver, B.C.
Canada V5Y 3E1
Phone (604) 879-7878
Fax (604) 879-7898

INTERNATIONAL PLASMA LABORATORY LTD

Client: Homestake Mineral Dev (Eskay)
Project: 90709 6 Rock

iPL: 95G1402

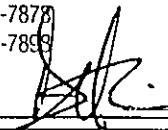
Out: Jul 19, 1995
In: Jul 14, 1995

Page 1 of 1

Section 1 of 1

[046511:05:17:59071995]

Certified BC Assayer: David Chiu



Sample Name	Au ppb	Ag ppm	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	Hg ppm	Mo ppm	Tl ppm	Bi ppm	Cd ppm	Co ppm	Ni ppm	Ba ppm	W ppm	Cr ppm	V ppm	Mn ppm	La ppm	Sr ppm	Zr ppm	Sc ppm	Ti %	Al %	Ca %	Fe %	Mg %	K %	Na %	P %
21144	R <	0.2	7	<	17	<	<	<	3	<	<	0.2	14	5	94	<	18	29	941	2	47	1	5	<	0.51	4.07	3.50	1.31	0.29	0.03	0.07
21145	R 7800	2.3	17	10	12	<	6	<	3	<	<	<	6	12	602	<	297	11	489	<	104	1	1	<	0.15	1.88	1.83	0.35	0.05	0.02	0.01
21146	R 28	0.5	40	7	38	87	<	<	9	<	<	0.4	15	14	60	<	41	15	1045	<	60	1	2	<	0.30	4.62	3.26	1.66	0.20	0.02	0.05
21147	R 4	0.3	2	3	15	<	<	<	2	<	<	<	8	6	104	<	80	53	790	<	19	1	8	<	1.12	2.27	3.22	0.82	0.10	0.06	0.02
21148	R 4	0.3	4	4	7	6	<	<	3	<	<	<	9	4	66	<	23	15	1326	<	20	1	7	<	0.69	3.55	3.56	0.81	0.21	0.03	0.10
21149	R <	0.2	<	<	71	<	<	<	3	<	<	0.7	7	5	758	<	37	13	1732	2	83	1	8	<	0.49	6.94	3.75	1.80	0.09	0.04	0.06

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 International Plasma Lab Ltd. 2036 Columbia St. Vancouver BC V5Y 3E1 Ph:604/879-7878 Fax:604/879-7898

CERTIFICATE OF ANALYSIS

iPL 95G0703

2036 Columbia Street
 Vancouver, B.C.
 Canada V5Y 3E1
 Phone (604) 879-7878
 Fax (604) 879-7898

INTERNATIONAL PLASMA LABORATORY LTD

Client: Homestake Mineral Development Co iPL: 95G0703
 Project: 90700 Shipment 01 32 Rock

Out: Jul 11, 1995 Page 1 of 1 Section 1 of 1
 In: Jul 07, 1995 [044113:46:34:59071195] Certified BC Assayer: David Chiu

Sample Name	Au ppb	Ag ppm	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	Hg ppm	Mo ppm	Tl ppm	Bi ppm	Cd ppm	Co ppm	Ni ppm	Ba ppm	W ppm	Cr ppm	V ppm	Mn ppm	La ppm	Sr ppm	Zr ppm	Sc ppm	Ti %	Al %	Ca %	Fe %	Mg %	K %	Na %	P %		
21001	R 3	<	2	4	25	<	<	<	2	<	<	<	17	3	60	<	25	51	487	3	16	3	9	0.17	1.91	1.38	4.09	1.45	0.05	0.05	0.09		
21002	R 9	<	56	4	62	9	<	<	2	<	<	0.3	26	43	73	<	48	57	1790	7	98	1	14	<	1.43	8.07	5.24	2.72	0.19	0.02	0.26		
21003	R 4	<	101	10	5	7	<	<	<	<	<	<	15	13	6	<	190	2	381	<	17	1	<	<	0.05	1.33	1.58	0.37	0.02	0.02	<		
21004	R 10	<	3	4	1	<	<	<	1	<	<	<	1	3	71	<	94	<	22	7	9	1	1	<	0.13	0.04	1.01	0.02	0.06	0.09	0.01		
21005	R 3	<	4	<	10	<	<	<	1	<	<	<	3	7	305	<	153	9	998	2	02	<	1	<	0.72	4.07	1.23	0.54	0.07	0.02	<		
21006																																	
21007																																	
21008																																	
21009																																	
21010																																	
21011																																	
21012																																	
21013																																	
21014																																	
21015	R 2	<	85	<	17	<	<	<	3	<	<	<	23	11	48	<	22	71	1528	2	119	1	34	0.04	0.66	26%	6.01	0.58	0.02	0.01	0.01		
21019																																	
21020																																	
21021																																	
21022																																	
21023																																	
21024																																	
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21026																																	
21027																																	
21028																																	
21124	R 6	<	18	<	46	<	<	<	1	<	<	<	5	5	30	<	78	5	530	6	5	2	4	0.02	1.07	0.34	4.06	0.54	0.08	0.05	0.04		
21134																																	
21201																																	
21202																																	
21203																																	
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21212																																	

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International Plasma Lab Ltd. 2036 Columbia St. Vancouver BC V5Y 3E1 Ph:604/879-7878 Fax:604/879-7898



CERTIFICATE OF ANALYSIS
iPL 95H0311

2036 Columbia Street
Vancouver, B.C.
Canada V5Y 3E1
Phone (604) 879-7878
Fax (604) 879-7899

INTERNATIONAL PLASMA LABORATORY LTD

Client: Homestake Mineral Development Co
Project: 90700 Shipment=6 13 Rock

iPL: 95H0311

Out: Aug 09, 1995
In: Aug 03, 1995

Page 1 of 1

Section 1 of 2

[056114:14:34:59080995]

Certified BC Assayer: David Chiu

Sample Name	Au ppb	Au g/mt	Ag ppm	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	Hg ppm	Mo ppm	Tl ppm	Bi ppm	Cd ppm	Co ppm	Ni ppm	Ba ppm	W ppm	Cr ppm	V ppm	Mn ppm	La ppm	Sr ppm	Zr ppm	Sc ppm	Ti %	Al %	Ca %	Fe %	Mg %	K %	
21220																															
21221																															
21222																															
21223																															
21224	R 2400	2.90	0.1m	13%	4	2401	90	<	<	10	<	180	23.8	313	102	15	644	115	21	289	<	2	4	2	0.01	0.06	0.22	20%	13	<	
21225																															
21226																															
21227																															
21228																															
21229																															
21230																															
21231																															
21232																															

Min Limit 2 0.07 0.1 1 2 1 5 5 3 1 10 2 0.1 1 1 2 5 1 2 1 2 1 1 1 0.01 0.01 0.01 0.01 0.01 0.01
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 International Plasma Lab Ltd. 2036 Columbia St. Vancouver BC V5Y 3E1 Ph:604/879-7878 Fax:604/879-7898



INTERNATIONAL PLASMA LABORATORY LTD

CERTIFICATE OF ANALYSIS

iPL 95H0311

2036 Columbia Street
Vancouver, B.C.
Canada V5Y 3E1
Phone (604) 879-7878
Fax (604) 879-7898

Client: Homestake Mineral Development Co
Project: 90700 Shipment=6 13 Rock

iPL: 95H0311

Out: Aug 09, 1995
In: Aug 03, 1995

Page 1 of 1
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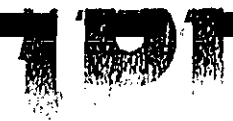
Section 2 of 2
Certified BC Assayer: David Chiu

Sample Name	Na	P
	z	z

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 Max Reported* 5.00 5.00
 Method ICP ICP

---No Test ins=Insufficient Sample S=Soil R=Rock C=Core L=Silt P=Pulp U=Undefined m=Estimate/1000 z=Estimate Z Max=No Estimate
 International Plasma Lab Ltd. 2036 Columbia St. Vancouver BC V5Y 3E1 Ph:604/879-7878 Fax:604/879-7898



CERTIFICATE OF ANALYSIS
iPL 95G1403

2036 Columbia Street
Vancouver, B.C.
Canada V5Y 3E1
Phone (604) 879-7878
Fax (604) 879-7899

INTERNATIONAL PLASMA LABORATORY LTD

Client: Homestake Mineral Dev (Eskay)
Project: 90709 34 Silt

iPL: 95G1403

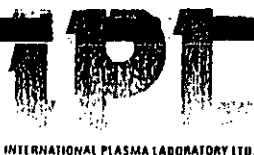
Out: Jul 19, 1995
In: Jul 14, 1995

Page 1 of 1
[046611:07:23:59071995]

Section 1 of 1
Certified BC Assayer: David Chiu

Sample Name	Au	Ag	Cu	Pb	Zn	As	Sb	Hg	Mo	Tl	Bi	Cd	Co	Ni	Ba	W	Cr	V	Mn	La	Sr	Zr	Sc	Ti	Al	Ca	Fe	Mg	K	Na	P
	ppb	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	%	%	%	%	%	%	%
20631	18	0.3	89	12	134	13	<	<	5	<	<	<	24	42	296	<	41	81	1179	0	37	2	7	0.04	2.07	0.55	5.02	1.44	0.08	0.02	0.10
20632	5	0.2	74	8	91	25	<	<	4	<	<	<	25	22	188	<	27	83	1801	5	26	2	10	0.03	2.59	0.68	5.04	1.88	0.08	0.03	0.08

Min Limit 2 0.1 1 2 1 5 5 3 1 10 2 0.1 1 1 2 5 1 2 1 2 1 1 1 0.01 0.01 0.01 0.01 0.01 0.01 0.01 0.01
 Max Reported* 9999 99.9 20000 20000 20000 9999 9999 9999 9999 999 999 99.9 999 999 9999 999 9999 999 9999 9999 9999 9999 999 99 1.00 9.99 9.99 9.99 9.99 9.99 5.00 5.00
 Method FAAA ICP
 ---No Test ins=Insufficient Sample S=Soil R=Rock C=Core L=Silt P=Pulp U=Undefined m=Estimate/1000 %=Estimate % Max=No Estimate
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CERTIFICATE OF ANALYSIS

iPL 95G0702

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Canada V5Y 3E1
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Client: Homestake Mineral Development Co iPL: 95G0702 Date: Jul 11, 1995 Page 1 of 1 Section 1 of 1
Project: 90709 Shipment 01 37 Silt In: Jul 07, 1995 [044013:43:50:59071195] Certified BC Assayer: David Chiu

Sample Name	Au ppb	Ag ppm	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	Hg ppm	Mo ppm	Tl ppm	Bi ppm	Cd ppm	Co ppm	Ni ppm	Ba ppm	W ppm	Cr ppm	V ppm	Mn ppm	La ppm	Sr ppm	Zr ppm	Sc ppm	Ti %	Al %	Ca %	Fe %	Mg %	K %	Na %	P %
20601	154	1.6	36	50	102	7	7	<	2	<	<	0.3	12	9	114	<	26	52	594	6	44	2	4	0.03	1.57	1.75	3.29	1.35	0.07	0.02	0.09
20602	10	<	39	5	132	6	<	<	1	<	<	0.5	14	36	229	<	52	59	705	6	26	3	4	0.05	2.02	0.47	3.77	1.61	0.08	0.02	0.09
20603	126	<	33	3	57	10	<	<	2	<	<	0.1	12	8	130	<	29	39	1006	4	25	1	5	<	1.69	1.82	3.65	1.30	0.11	0.02	0.06
20604	14	<	44	7	47	5	<	<	2	<	<	0.3	13	7	147	<	9	60	553	6	50	3	3	0.05	1.27	2.65	3.06	1.03	0.04	0.02	0.12
20605	14	<	25	6	52	<	<	<	1	<	<	0.2	12	11	113	<	10	46	654	8	24	4	3	0.04	1.17	1.02	3.12	0.86	0.05	0.01	0.09
20606	8	<	9	2	61	<	<	<	2	<	<	<	16	39	344	<	52	52	940	16	28	4	6	0.01	2.17	0.84	4.18	1.78	0.13	0.02	0.06
20607	9	0.2	10	4	39	<	<	<	3	<	<	0.1	12	7	379	<	26	26	1000	16	20	1	4	0.01	1.24	0.30	3.84	0.70	0.12	0.03	0.05
20608	8	0.1	33	7	73	10	<	<	2	<	<	<	16	18	182	<	30	59	1244	12	23	2	5	0.05	2.07	0.38	4.06	1.26	0.11	0.03	0.07
20609	6	<	16	6	48	6	<	<	1	<	<	0.2	11	9	125	<	32	44	923	11	16	1	4	0.03	1.58	0.32	3.44	1.07	0.09	0.03	0.07
20610	3	<	6	3	46	<	<	<	1	<	<	0.1	8	6	104	<	44	27	651	11	22	1	3	0.03	1.38	0.29	2.81	0.86	0.13	0.05	0.05
20611	7	<	26	9	70	7	<	<	4	<	<	0.4	9	6	202	<	33	31	768	9	28	2	3	0.01	1.59	0.57	3.27	1.18	0.15	0.03	0.06
20612	11	0.2	29	6	43	<	<	<	4	<	<	<	11	10	374	<	40	41	666	14	24	2	3	0.03	1.39	0.28	3.33	0.92	0.13	0.03	0.06
20613	7	<	39	2	23	<	<	<	7	<	<	0.2	11	6	329	<	33	24	515	19	14	2	2	0.01	1.08	0.16	2.62	0.62	0.15	0.03	0.06
20615	9	0.1	23	4	51	<	<	<	2	<	<	0.1	12	7	155	<	27	53	887	11	23	2	4	0.03	1.85	0.36	3.88	1.26	0.11	0.04	0.09
20616	4	<	42	4	51	8	<	<	2	<	<	0.1	13	8	177	<	30	59	648	8	38	3	4	0.04	1.85	1.11	3.81	1.42	0.12	0.03	0.09
20617	<	<	6	2	26	<	<	<	1	<	<	0.1	8	6	96	<	30	20	585	9	22	2	3	0.01	1.18	0.80	2.62	n.m.	n.m.	n.m.	n.m.
20653	2	<	28	6	97	<	<	<	1	<	<	<	17	28	367	<	49	72	1044	6	33	4	6	0.07	2.66	0.49	4.36	2.10	0.10	0.03	0.09
20654	<	<	175	4	79	16	<	<	3	<	<	<	24	21	317	<	32	77	1211	4	23	3	6	0.02	2.53	0.39	5.25	1.77	0.13	0.03	0.07
20655	3	<	87	3	70	16	<	<	3	<	<	<	18	17	281	<	33	50	1339	6	33	3	5	0.02	2.48	0.56	4.66	1.65	0.15	0.03	0.07
20656	3	<	42	3	59	15	<	<	2	<	<	<	16	18	258	<	28	59	1136	6	44	1	6	<	2.14	2.53	4.24	1.78	0.16	0.02	0.09

Min Limit 2 0.1 1 2 1 5 5 3 1 10 2 0.1 1 1 2 5 1 2 1 2 1 1 1 0.01 0.01 0.01 0.01 0.01 0.01 0.01 0.01

Max Reported* 9999 99.9 20000 20000 20000 9999 9999 9999 9999 999 999 99.9 999 999 9999 999 9999 999 9999 9999 9999 9999 9999 999 99 1.00 9.99 9.99 9.99 9.99 9.99 9.99 5.00 5.00

Method FAAA ICP

---No Test ins=Insufficient Sample S=Soil R=Rock C=Core L=Silt P=Pulp U=Undefined m=Estimate/1000 %=Estimate X=Max=No Estimate

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NO. 596

08/09/95 IPL 2036 COLUMBIA ST VANCOUVER - 604 684 9831

15:41

08/09/95



CERTIFICATE OF ANALYSIS
iPL 95H0313

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Fax (604) 679-7898

Client: Kamestake Mineral Development Co
Project: 90709 Shipment=7 43 Rock

iPL: 95H0313

Out: Aug 09, 1995
In: Aug 03, 1995

Page 2 of 2
[056314:17:36:59000995]

Section 1 of 2
Certified IC Assayer: David Chiu

Sample Name	Au	Au	Ag	Cu	Pb	Zn	As	Sb	Hg	Mo	Tl	Bi	Cd	Co	Ni	Ba	H	Cr	V	Mn	La	Sr	Zr	Sc	Ti	Al	Ca	Fe	Mg	K	Na
	ppb	ppb	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	%	%	%	%	%	%
21709	--	30	0.2	47	14	41	19	<	<	2	<	<	0.3	13	11	104	<	10	67	503	5	49	3	2	0.04	0.97	3.01	3.08	0.02	0.03	0.02

Min Limit 2 5 0.1 1 2 1 5 5 3 1 10 2 0.1 1 1 2 5 1 2 1 2 1 1 1 0.01 0.01 0.01 0.01 0.01 0.01
 Max Reported* 9999 9999 99.9 20000 20000 20000 9999 9999 9999 9999 999 999 99.9 999 999 9999 999 9999 999 9999 9999 9999 9999 999 99 1.00 9.99 9.99 9.99 9.99 9.99 5.00
 Method FAAM FAAM ICP
 ---No Test ins=Insufficient Sample S=Soil R=Rock C=Core L=Silt P=Pulp U=Undefined m=Estimate/1000 % =Estimate % Max=No Estimate
 International Plasma Lab Ltd. 2036 Columbia St. Vancouver BC V5Y 3E1 Ph:604/679-7878 Fax:604/679-7898

08/09/95 16:42 IPL 2036 COLUMBIA ST VANCOUVER - 604 684 9831 NO. 596



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iPL 95H0313

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Fax (604) 879-7898

Client: InnesLake Mineral Development Co
Project: 90709 Shipment: 7 43 Rock

iPL: 95H0313

Out: Aug 09, 1995
In: Aug 03, 1995

Page 2 of 2
[056314:17:40:59000995]

Section 2 of 2
Certified UC Assayer: David Chiu

Sample Name	P
21709	0.13

Min Limit 0.01
 Max Reported* 5.00
 Method 1C1

*--No Test ins=Insufficient Sample S=Soil R=Rock C=Core L=Silt P=Pulp U=Undefined m=Estimate/1000 Z=Estimate X Max=No Estimate

International Plasma Lab Ltd. 2036 Columbia St. Vancouver BC V5Y 3E1 Ph: 604/879-7878 Fax: 604/879-7898

08/09/95 16:41 IPL 2036 COLUMBIA ST VANCOUVER - 604 584 3931 NO. 598



CERTIFICATE OF ANALYSIS
iPL 95H0313

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Client: HonesLake Mineral Development Co
Project: 90709 Shipments=7 43 Rock

iPL: 95H0313

Out: Aug 09, 1995
In: Aug 03, 1995

Page 1 of 2
[056314:17:32:59000995]

Section 2 of 2
Certified BC Assayer: David Chiu

Sample Name	P	Z
21164	R	0.11
21165	R	0.07
21166	R	0.09
21167	R	0.01
21160	R	0.02
21169	R	0.03
21170	R	0.02
21171	R	0.01
21172	R	0.01
21173	R	0.04
20712	I	0.12
21775	I	0.14
21777	I	0.14
21782	I	0.12
21784	I	0.12
21787	I	0.13

Min Limit 0.01
Max Reported* 5.00
Method ICP

-=No Test ins=Insufficient Sample S=Soil R=Rock C=Core L=Silt P=Pulp U=Undefined n=Estimate/1000 Z=Estimate X Max=No Estimate
International Plasma Lab Ltd. 2036 Columbia St. Vancouver BC V5Y 3E1 Ph:604/879-71170 Fax:604/879-7890



CERTIFICATE OF ANALYSIS
iPL 95G0704

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Fax (604) 879-7898

Client: Homestake Mineral Development Co
Project: 90700 Shipment 01 14 Silt
iPL: 95G0704

Out: Jul 11, 1995
In: Jul 07, 1995
Page 1 of 1
[044213:48:19:59071195]

Section 1 of 1
Certified BC Assayer: David Chiu

Sample Name	Au ppb	Ag ppm	Cu ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	Hg ppm	Mo ppm	Tl ppm	Bi ppm	Cd ppm	Co ppm	Ni ppm	Ba ppm	W ppm	Cr ppm	V ppm	Mn ppm	La ppm	Sr ppm	Zr ppm	Sc ppm	Ti %	Al %	Ca %	Fe %	Mg %	K %	Na %	P %
20652	64	<	30	9	98	<	<	<	2	<	<	0.3	12	9	209	<	24	69	721	9	72	3	3	0.06	1.47	2.56	3.37	1.06	0.09	0.03	0.12

Min Limit 2 0.1 1 2 1 5 5 3 1 10 2 0.1 1 1 2 5 1 2 1 2 1 1 1 0.01 0.01 0.01 0.01 0.01 0.01 0.01 0.01
 Max Reported* 9999 99.9 20000 20000 20000 9999 9999 9999 9999 999 999 99.9 999 999 9999 999 9999 999 9999 9999 9999 9999 999 99 1.00 9.99 9.99 9.99 9.99 9.99 5.00 5.00
 Method FAAM ICP
 ---No Test ins=Insufficient Sample S=Soil R=Rock C=Core L=Silt P=Pulp U=Undefined m=Estimate/1000 X=Estimate % Max=No Estimate
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iPL 95H0314

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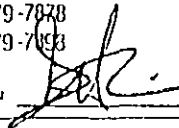
Client: Homestake Mineral Development Co
 Project: 90709 Shipment=07 49 Sand

iPL: 95H0314

Date: Aug 17, 1995
 In: Aug 03, 1995

Page 1 of 2
 [056410:26:26:59081795]

Section 1 of 1
 Certified BC Assayer: David Chiu



Sample Name	Init Smp l g	IMS Conc g	Tt1 Smp l g	+150M Smp l g	-150M Smp l g	+150M ppb	-150M ppb	Tt1 ppb	
20732	\$	1052	71.5	71.36	4.01	67.35	127	42	47
20734	\$	1176	77.2	75.54	1.80	73.74	50	87	86
20735	\$	1125	65.0	63.72	1.10	62.62	191	302	300
20737	\$	1013	69.6	67.67	3.26	64.41	2006	120	211
20739	\$	1071	61.9	59.34	1.56	57.78	135	81	82
20742	\$	1349	74.8	72.96	4.10	68.86	498	99	121
20743	\$	947	59.0	57.37	1.82	55.55	330	38	47
20744	\$	1127	66.6	64.62	3.52	61.10	452	88	108
20745	\$	1254	73.3	71.72	7.04	64.68	1730	269	412
20747	\$	1222	69.7	68.06	4.38	63.68	9452	774	1332
21773	\$	943	68.1	66.82	1.42	65.40	140	53	55

Min Limit 0 0.0 0.01 0.01 0.01 2 2 2
 Max Reported* 99999 99999.0 99999.00 99999.00 99999.00 10000 10000 10000
 Method Spec Spec Spec Spec Spec FA/MS FA/MS FA/MS

---No Test ins=Insufficient Sample S=Soil R=Rock C=Core L=Silt P=Pulp U=Undefined m=Estimate/1000 %=Estimate % Max=No Estimate
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Client: Homestake Mineral Development Co
Project: 90709 Shipment=07 49 Sand

iPL: 95H0314

Out: Aug 17, 1995
In: Aug 03, 1995

Page 2 of 2
[056410:26:32:59081795]

Section 1 of 1
Certified BC Assayer: David Chiu

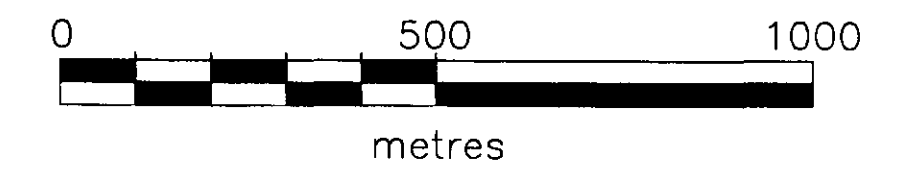
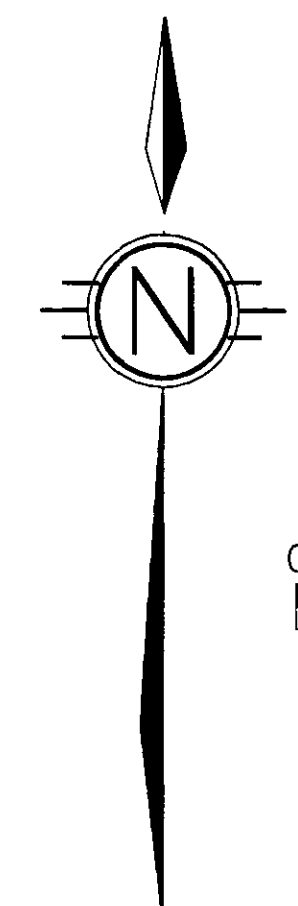
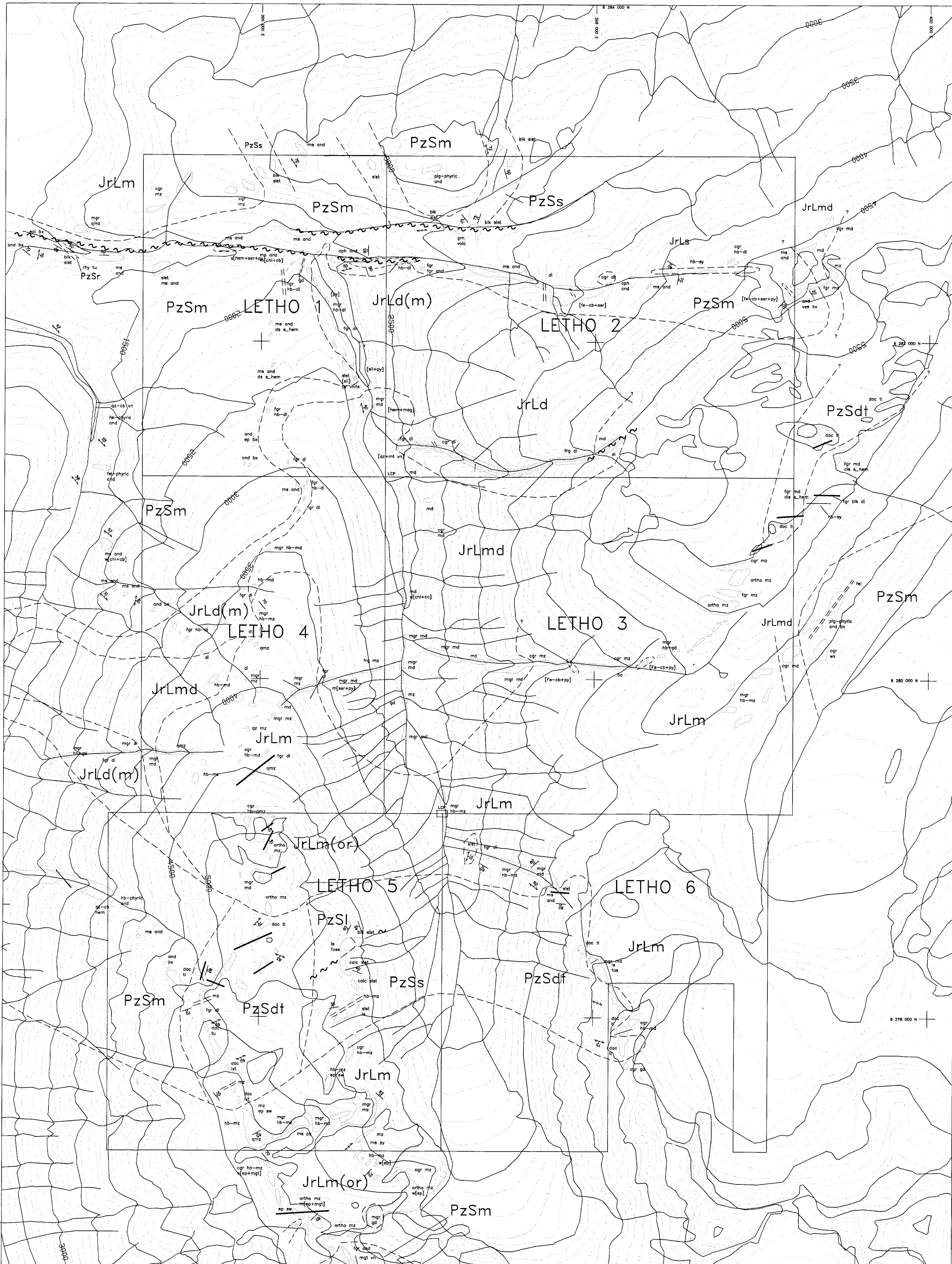
Sample Name	Init Smp1 g	IMS Conc g	Tt1 Smp1 g	+150M Smp1 g	-150M Smp1 g	+150M ppb	-150M ppb	Tt1 ppb	
21774	S	996	76.5	74.93	2.25	72.68	5000	59	207
21776	S	1045	69.2	67.07	1.27	65.80	558	255	261
21778	S	777	70.1	68.11	4.43	63.68	14	49	47
21779	S	874	69.3	67.86	1.47	66.39	286	138	141
21780	S	941	74.5	73.49	2.32	71.17	336	53	62
21781	S	926	62.9	61.98	1.90	60.08	249	18	25
21783	S	955	73.7	72.87	3.53	69.34	<	49	47
21785	S	679	58.0	56.72	2.10	54.62	71	86	85
21786	S	949	70.1	68.38	4.36	64.02	48	62	61
21788	S	1033	73.0	71.80	1.77	70.03	<	54	53

Min Limit 0 0.0 0.01 0.01 0.01 2 2 2

Max Reported* 99999 99999.0 99999.00 99999.00 99999.00 10000 10000 10000

Method Spec Spec Spec Spec Spec FA/MS FA/MS FA/MS

---No Test ins=Insufficient Sample S=Soil R=Rock C=Core L=Silt P=Pulp U=Undefined m=Estimate/1000 %=Estimate % Max=No Estimate



LEGEND

STRATIFIED ROCKS
PALEOZOIC STIKINE ASSEMBLAGE

- PzSdt Dacite lapilli to feldspar crystal tuffs.
- PzSm Aphanitic to plagioclase-phyric flows/sills and ash to block tuffs, minor re-worked breccias of andesitic to basaltic composition.
- PzSs Well bedded siltstones and calcareous fine-grained sandstones.
- PzSl Fossiliferous and silty, well bedded limestones.
- PzSr Rhyolite ash to lapilli tuffs

INTRUSIVE ROCKS

- JrLm Equigranular hornblende monzonite, magnetite bearing, (or) Orthoclase porphyritic phases.
- JrLd Hornblende diorite, (m) fine-grained marginal phase with disseminated magnetite.
- JrLmd Hornblende monzodiorites, locally magnetite bearing.
- JrLs Fine to medium grained hornblende syenite.
- Fine-grained mafic dykes, locally vesicular and orthoclase bearing.

SYMBOLS

- Contact (assumed)
- ~ ~ ~ Fault
- - - - - Alteration contact (s=strong, m=moderate, w=weak refer to the intensity of alteration, mineralogy in brackets)
- /s Vein (dipping, vertical) with mineral assemblage
- / Bedding (dipping, vertical)
- / Foliation (dipping, vertical)
- / Jointing

ABBREVIATIONS

cgr	coarse grained	tl	lapilli tuff
mgr	medium grained	tu	crystal tuff
fr	fine grained	ma	massive
		sw	stockwork
		sil	silicification
rhy	rhyolite	bik	black
and	andesite	grn	green
epi	epiclastic	cb	carbonate
silt	siltstone	Fe-cb	iron carbonate
sk	slake	hem	hematite
ls	limestone	s-hem	spicularite
di	diorite	chl	chlorite
md	monzodiorite	ortho	orthoclase
mz	monzonite	qtz	quartz
qz	quartz	mgt	magnetite
sy	syenite		
aph	aphanitic		
bx	breccia		
epi	epiclastic		
dis	disseminated		
calc	calcareous		
ves	vesicular		
vn	veinlets		

GEOLOGICAL BRANCH
ASSESSMENT REPORT

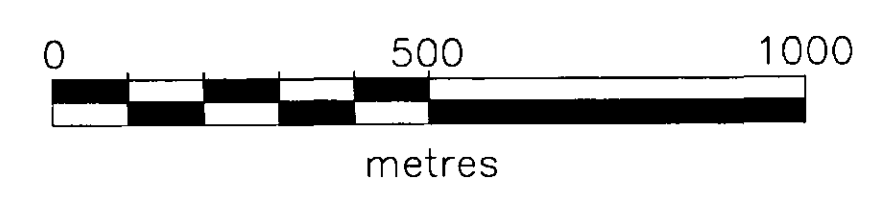
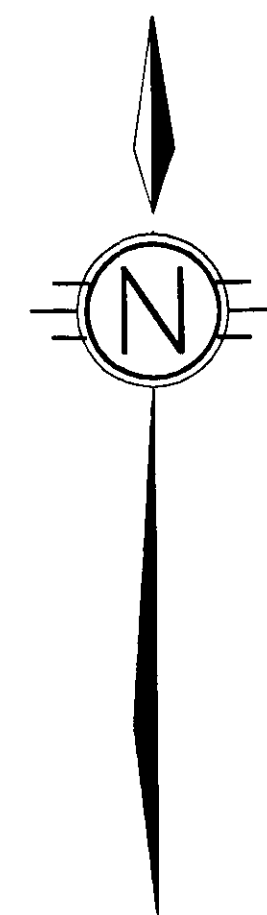
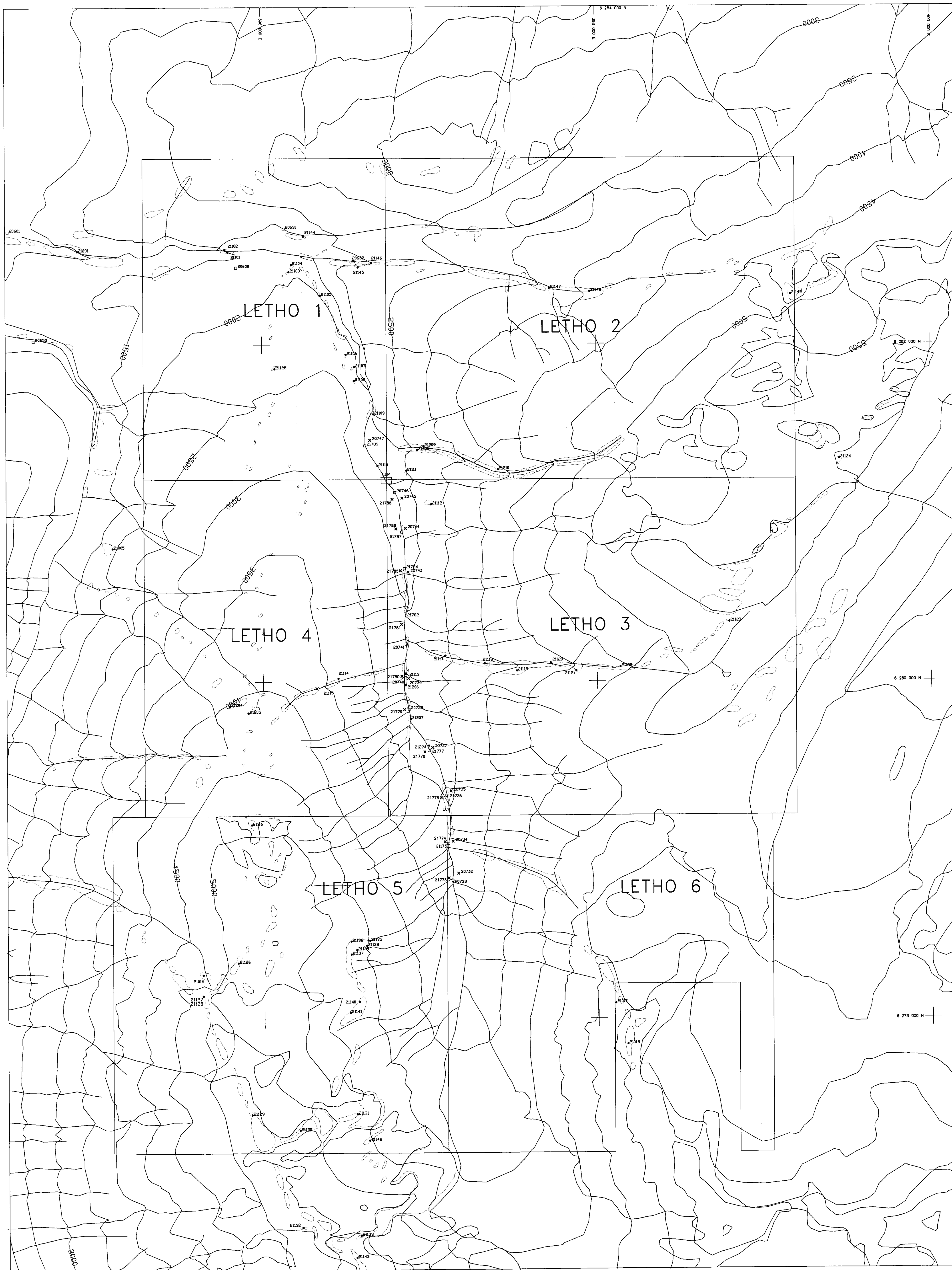
24,192

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LETHO PROPERTY

GEOLOGY MAP

DRAWN AWK	DATE Dec. 1995	NTS 104B/10	FIGURE 2.4
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LEGEND

- 21124 ROCK SAMPLE LOCATION
- 26542 SILT SAMPLE LOCATION
- × 21779 MORaine HEAVY MINERAL CONCENTRATE LOCATION
- OUTCROP

GEOLOGICAL BRANCH
ASSESSMENT REPORT

24,192



HOMESTAKE CANADA INC.

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SAMPLE LOCATION MAP

DRAWN AWK	DATE Dec. 1995	NTS 104B/10	FIGURE 4.1 ^{DK}
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