GEOPHYSICAL REPORT

on the

BAYONNE PROPERTY

NELSON MINING DIVISION, BRITISH COLUMBIA

NTS 82F/2W

LAT 49 09 LONG 116 57 W

for

Goldrich Resources Inc.
1124 Lee Street,
White Rock, B. C.

by

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

May 15, 1996 White Rock, B. C.

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ILLUSTRATIONS

INTRODUCTION

The Bayonne property consists of 91 claim units and is situated in the Nelson Mining Division in southeastern British Columbia. It is centered on the Bayonne Mine, which was a significant gold producer, with a recorded past production of 85,000 tons of ore averaging 0.47 ounces of gold and 1.12 ounces of silver per ton.

This report summarizes the results of VLF - electromagnetic and self-potential surveying done in the vicinity of the Bayonne Mine. It was conducted between June 5 and October 10, 1995. The survey was done to follow up on work done previously to determine the response of the known veins to the methods, and see whether indications of parallel veins and extensions of the known veins could be picked up.

The report also summarizes the history and the general geology of the property.

LOCATION, ACCESS, PHYSIOGRAPHY

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

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

The topography of the property is moderately rugged, with elevations ranging from about 1350 metres to 2225 metres. The country is heavily timbered where it has not been logged or burned by forest fires. Climatic conditions are not excessively severe.

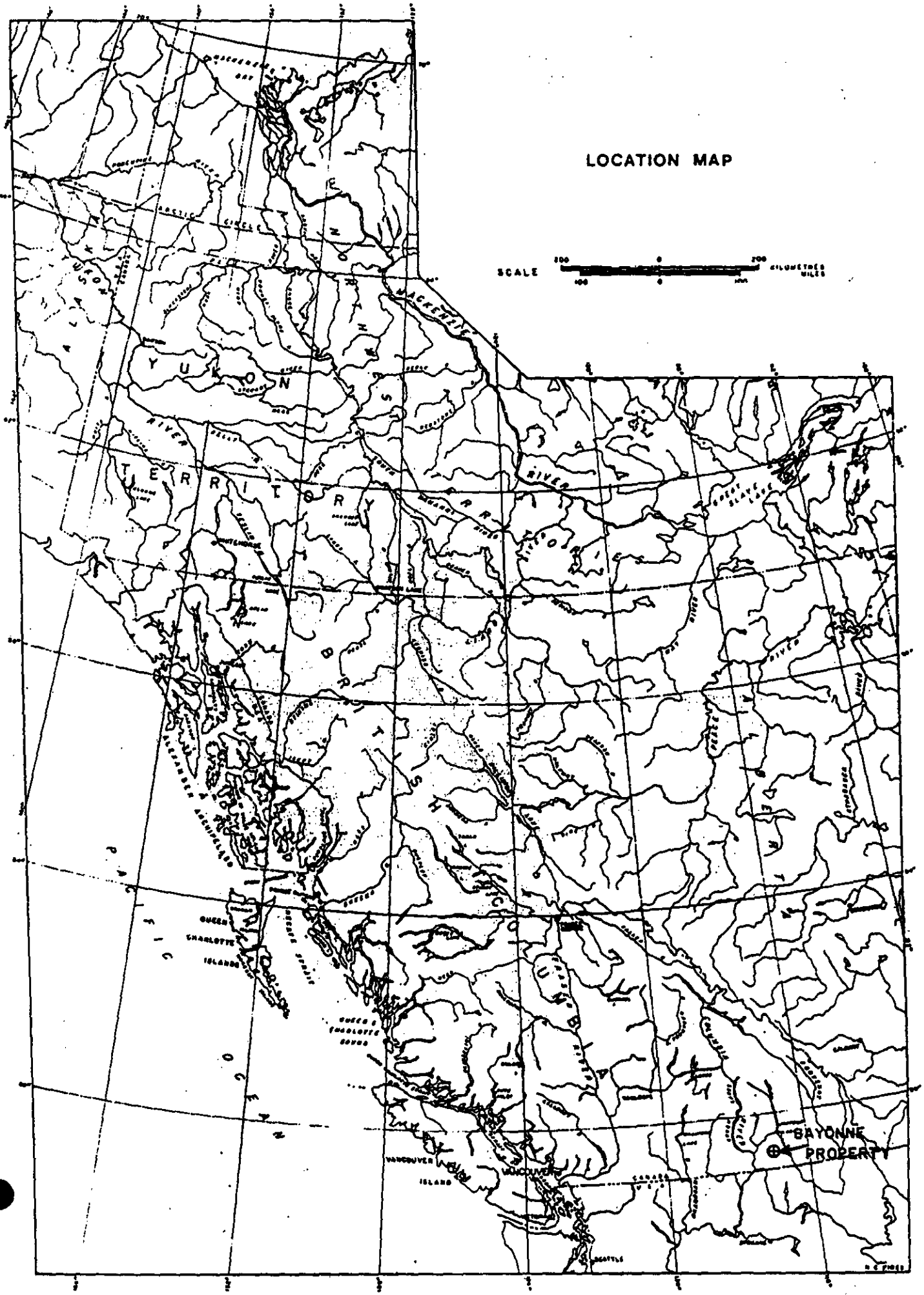
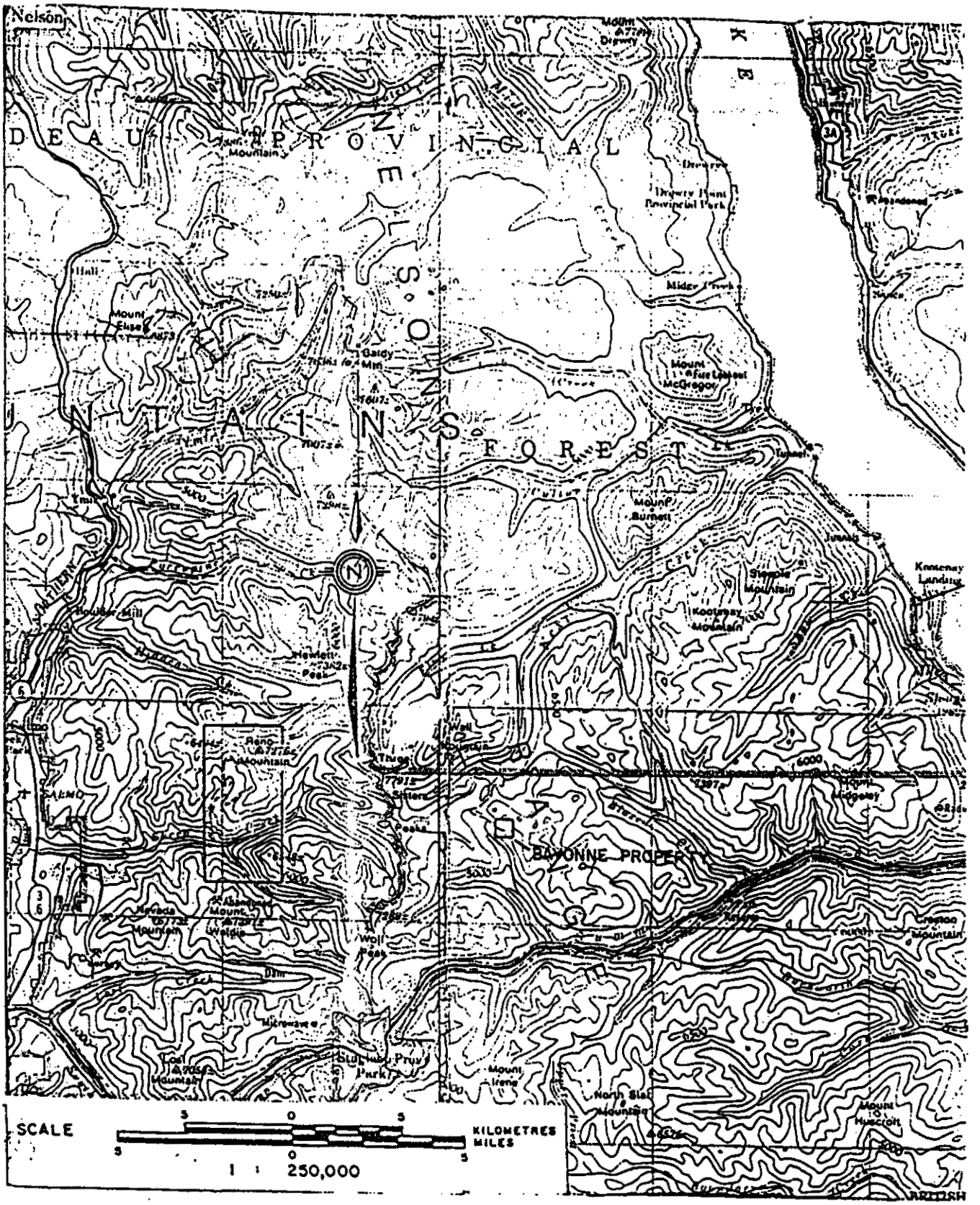

LOCATION MAP
SCALE
200
0
200
KILOMETRES
100
0
100
MILES
YUKON
TERRITORY
BRITISH
COLUMBIA
PACIFIC
OCEAN
QUEEN
CHARLOTTE
ISLANDS
VANCOUVER
ISLAND
BAYONNE
PROPERTY

FIGURE – 1



ACCESS MAP

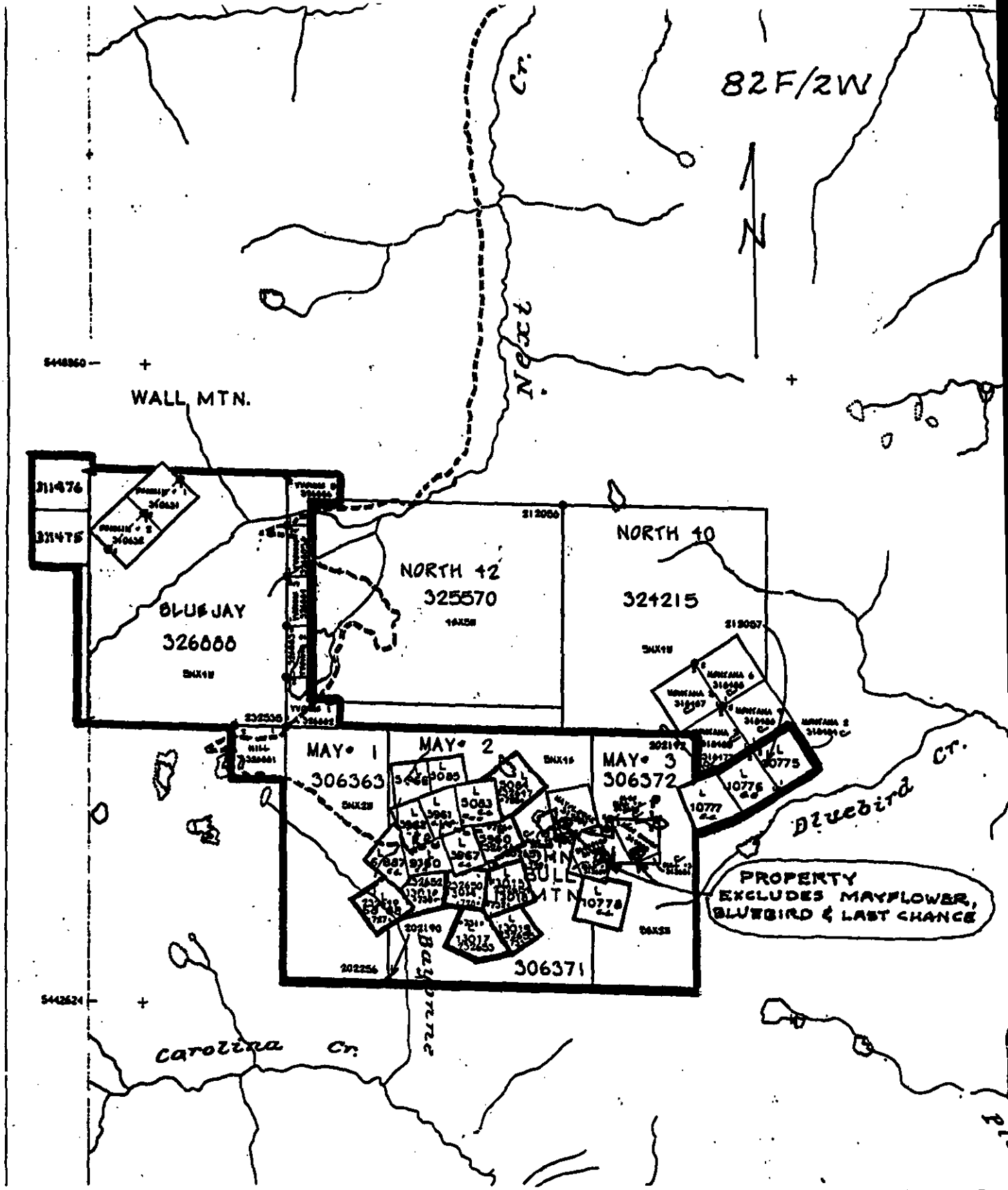
BAYONNE PROPERTY

Figure 2

CLAIM DATA

The Bayonne property consists of the following claims. (See Figure 3)

Claim Name	Title No.	No. Units	Anniversary Date
Oxford	232647	1	August 15
Delaware	232648	1	August 15
Illinois	232649	1	August 15
Echo	232650	1	August 15
Echo Fract.	232651	1	August 15
Ontario	232652	1	August 15
Portland	232653	1	August 15
St. Elmo Fract.	232654	1	August 15
Idaho	232655	1	August 15
May #1	306363	10	November 18
May #2	306371	20	November 18
May #3	306372	10	November 19
Denmin 1	310631	1	June 25
Denmin 2	310632	1	June 25
Silver Wall #3	311475	1	July 25
Silver Wall #4	311476	1	July 25
Hill	326881	1	June 12
Yvonne 1	326882	1	June 12
Yvonne 2	326883	1	June 12
Yvonne 3	326884	1	June 12
Yvonne 4	326885	1	June 12
Yvonne 5	326886	1	June 12
Bluejay	326888	20	June 12
Bruce #1	336574	1	June 12
Bruce #2	336575	1	June 12
Bayonne	L.5083(c.g.)	1	
Columbus	L.5961(c.g.)	1	
Ohio	L.5962(c.g.)	1	
New Jersey	L.5967(c.g.)	1	
Virginia	L.6887(c.g.)	1	
Skookum	L.9360(c.g.)	1	
Michigan	L.10775(c.g.)	1	
Maggie Aikens	L.10776(c.g.)	1	
Summit Belle	L.10777(c.g.)	1	
Montana	L.10778(c.g.)	1	
	Total units	91	



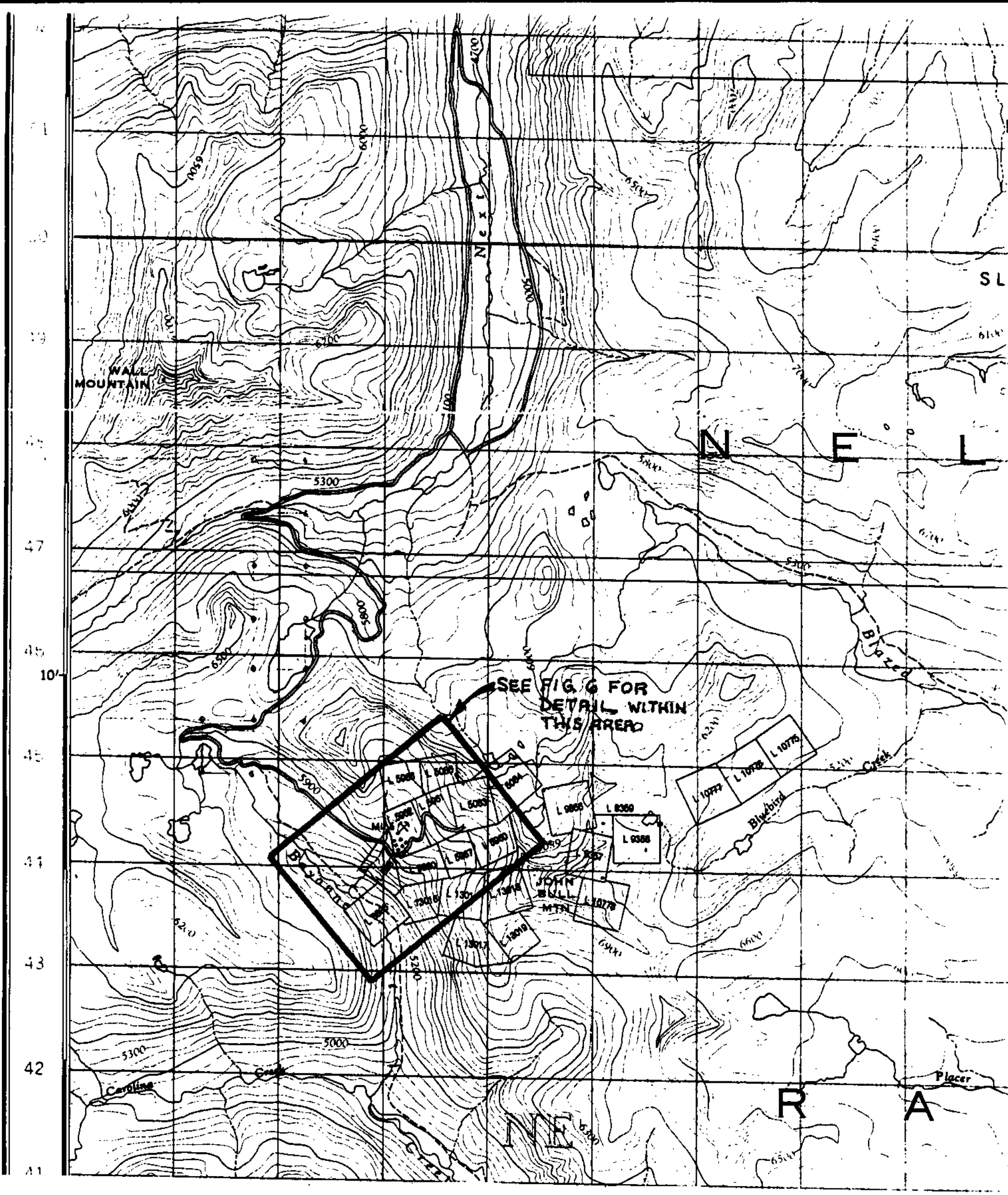
BAYONNE PROPERTY

CLAIM MAP

0 1000 2000 3000 4000

SCALE METERS

Figure 3



BAYONNE PROPERTY

TOPOGRAPHIC AND KEY MAP

0 1000 2000 3000 4000

SCALE METERS

Figure 4

LEGEND

NOTE: Since this map was originally printed, formations that were included in the upper part of the Windermere have proved to be Palaeozoic

MESOZOIC AND (?) CENOZOIC

POST-TRIASSIC

Syenitic intrusives; agglomerate

Chiefly granite, granodiorite and quartz diorite

MESOZOIC

TRIASSIC

SLOCAN SERIES — 16 — *Slate, argillite, quartzite, limestone; schists*

KASLO SERIES — *Lavas, tuffs, breccias; allied intrusives; schists*

PALAEOZOIC AND MESOZOIC

UPPER CARBONIFEROUS AND TRIASSIC (MILFORD GROUP) — *Slate, argillite, chert, limestone; schists; some greenstone*

PALAEOZOIC

CAMBRIAN

LOWER CAMBRIAN

13 — *EAGER FORMATION: olive-green, purple and grey shale*

12 — *CRANBROOK FORMATION: silicious, white, rose, purple and grey quartzite and conglomerate*

PROTEROZOIC (LATE PRECAMBRIAN)

WINDERMERE

LARDEAU SERIES — 11 — *Micaceous and chloritic schists; quartzite and limestone; paragneiss*

10 — *BADSHOT FORMATION: magnesian limestone*

HAMILL SERIES — 9 — *Grey, green and white, silicious quartzite*

HORSETHIEF CREEK SERIES — *Green, argillaceous quartzite; blue-grey limestone, arkose, pebble conglomerate*

IRENE VOLCANIC FORMATION: sheared, andesitic volcanic rocks

TOBY FORMATION: conglomerate

PURCELL

UPPER PURCELL

5 — *MOUNT NELSON FORMATION: laminated argillite, magnesian limestone, quartzite*

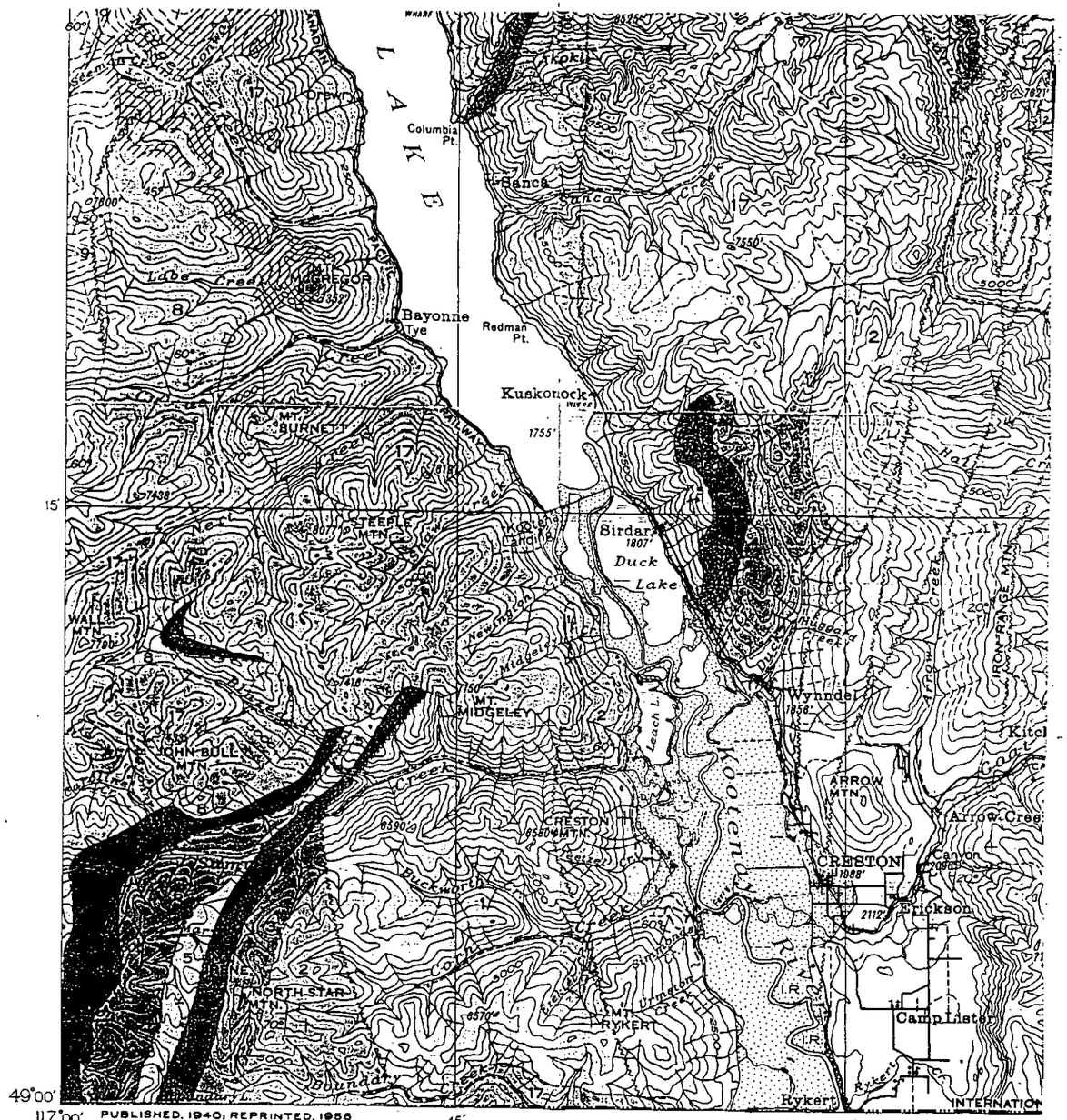
DUTCH CREEK FORMATION: laminated argillite, magnesian limestone, quartzite

LOWER PURCELL

KITCHENER-SIYEH FORMATION: chiefly variegated magnesian limestone and argillite; calcareous quartzite

2 — *CRESTON FORMATION: green, purple and grey, argillaceous quartzite; some argillite*

1 — *ALDRIDGE FORMATION: grey, rusty-weathering, argillaceous quartzite and argillite*



PUBLISHED, 1940; REPRINTED, 1958

MAP 603A

NELSON

(EAST HALF)

KOOTENAY DISTRICT

BRITISH COLUMBIA

Scale. 1/253440 or 1 Inch to 4 Miles

0 4 8 12 Miles

Approximate magnetic declination, 24° East.

Source: Rice, H.M.A., Nelson Map-Area, East Half, British Columbia. GSC Memoir 228.

Figure 5

HISTORY

The earliest recorded history of the Bayonne property was in 1901 when the Bayonne and Echo claims received some attention. Early work consisted of numerous trenches and three short adits on the 1st, 6th, and 8th levels developing the original vein exposures. Very little work was carried out between 1915 and 1935 when the 17 original crown grants claims including the Bayonne and Echo claims were acquired by Bayonne Consolidated Mines Ltd. Underground development and mining began and a 60 ton cyanide concentrator was constructed, coming into full production in 1936. Production was slowed down in 1939 in favour of an extensive development program and then continued unabated up to 1942.

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

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

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

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

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

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

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

GEOLOGY AND MINERALIZATION

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

METHOD AND INSTRUMENTATION

Reconnaisance and 1.8 km of compass and chain surveys were done to locate and tie in several lines and points on the plan.

A total of 1.0 Km. of VLF-EM survey was done for each of two VLF stations, and 3.4 Km. of self-potential survey were then conducted with emphasis on determining this response of known structures as part of ongoing work to much more extensively survey the mostly overburden covered areas.

VLF readings were taken at 15 meter intervals. The survey was conducted using Annapolis, Maryland (21.4 kilohertz) and Seattle, Washington (24.8 kilohertz) as the transmitting stations.

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

The VLF-EM method utilizes an electromagnetic field transmitted from radio stations in the 12 to 24 kilhertz range that are used for long range submarine communications. The magnetic field transmitted from the station will be horizontal. Conductive bodies, such as buried massive sulphides or fault structures will create a secondary magnetic field. By measuring various parameters of the vertical component of the secondary field, conductive zones can be located and to a degree evaluated.

The self-potential readings were taken using non-polarizing copper sulfate electrodes and a digital readout millivoltmeter with 10 megohms of internal resistance. Readings were taken mostly at intervals of 10 meters.

RESULTS AND CONCLUSIONS

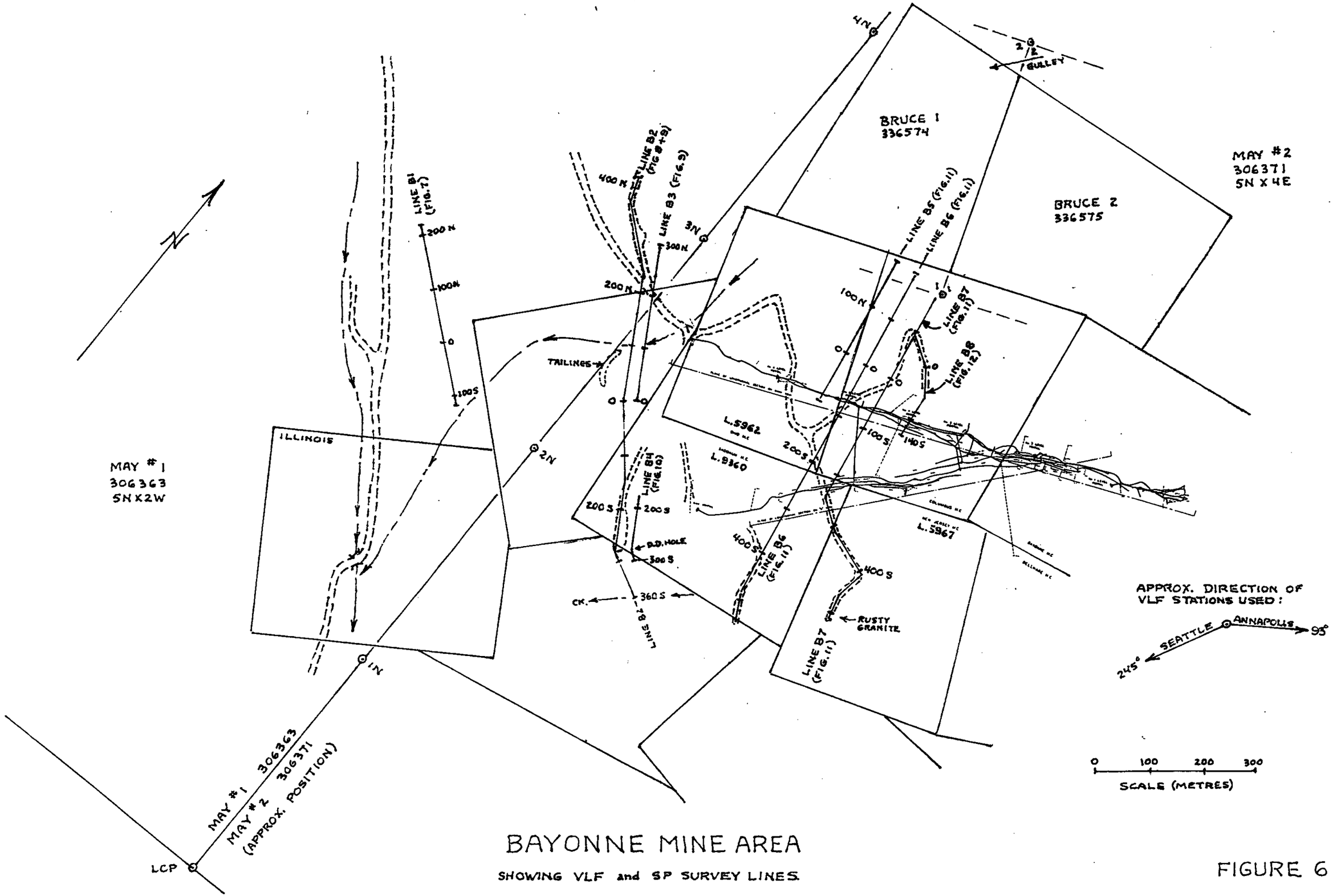
One of the purposes of the work was to determine whether a significant response would be obtained by using VLF-EM or self potential surveying on the Bayonne veins, and if so whether it would be useful in following the unexposed parts of the veins along strike, particularly as the host rock appears to be a fairly uniform granodiorite which would likely give a fairly consistent response in the absence of a vein or fault structure.

The VLF readings along Line B2 (See Fig.8) show a pronounced response at about Distance 0 but this is thought to be from a buried pipe. However if one ignores this there is still a distinct and fairly abrupt change in the separation of the IP and Quad for both the Annapolis and Seattle stations at near the same location on the line which would not be accounted for by a pipe. It may be a topographic or overburden effect.

There also is a small response on the VLF on Line B2 as it crosses the westward projection of the south vein. This is also noted on Line B4 as it crosses the same relative position. Overburden is deep in this location as a 20 foot deep cut did not expose bedrock.

The self potential readings on parallel lines B6 and B7, which are separated by about 50 metres, display very similar profiles as they cross the vein structures. The shorter Line B5 which was parallel and 50 metres west did not display this but was stoped below.

The hillside drops off much more steeply west of Line B2 for several hundred metres down the hill, where overburden should be shallower. Since the veins are near vertical it should be possible to trace them down the hill and possibly expose them.

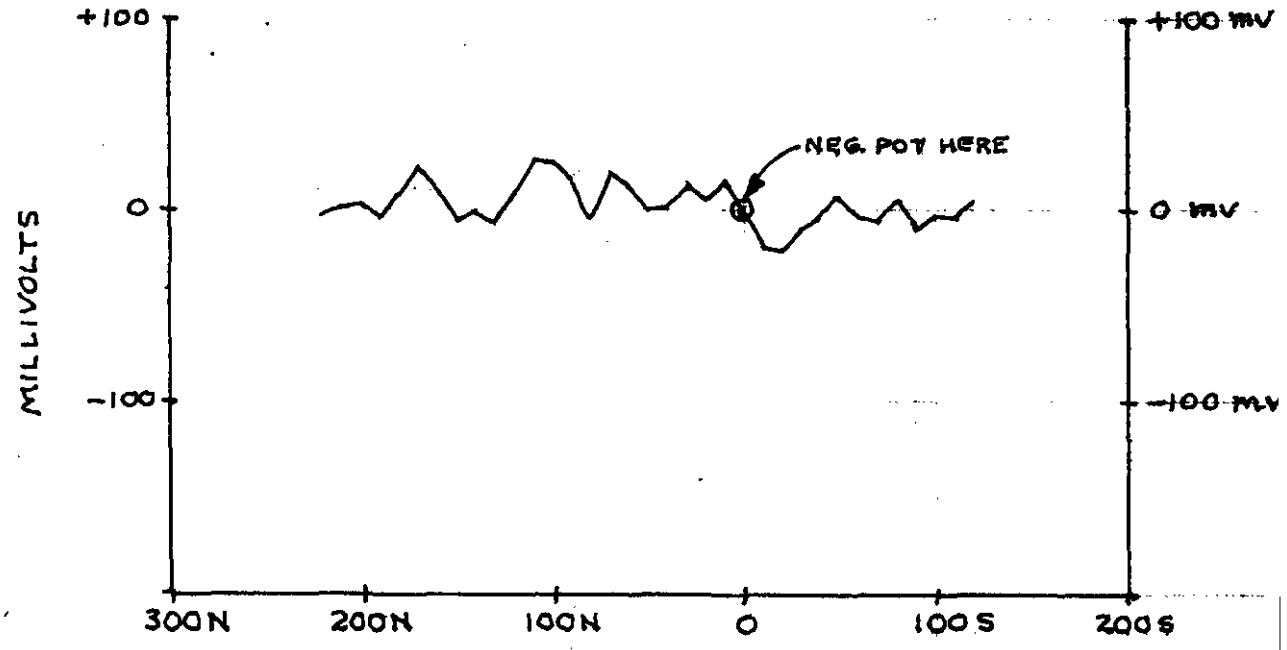


BAYONNE MINE AREA

SHOWING VLF and SP SURVEY LINES.

FIGURE 6

LINE B1 - SEE FIG. 6 FOR LOCATION.

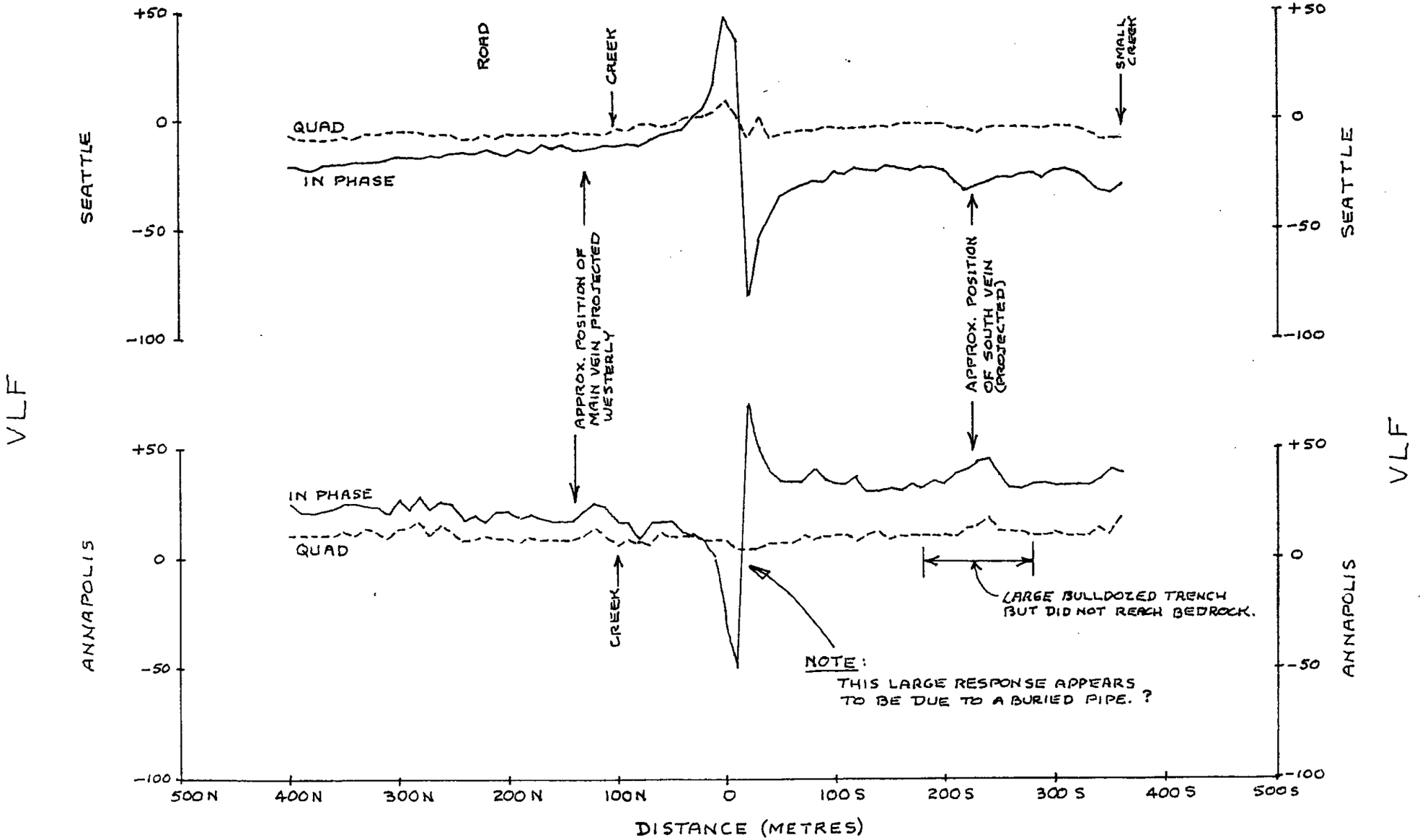


SELF POTENTIAL PROFILE

BAYONNE PROPERTY

FIGURE 7

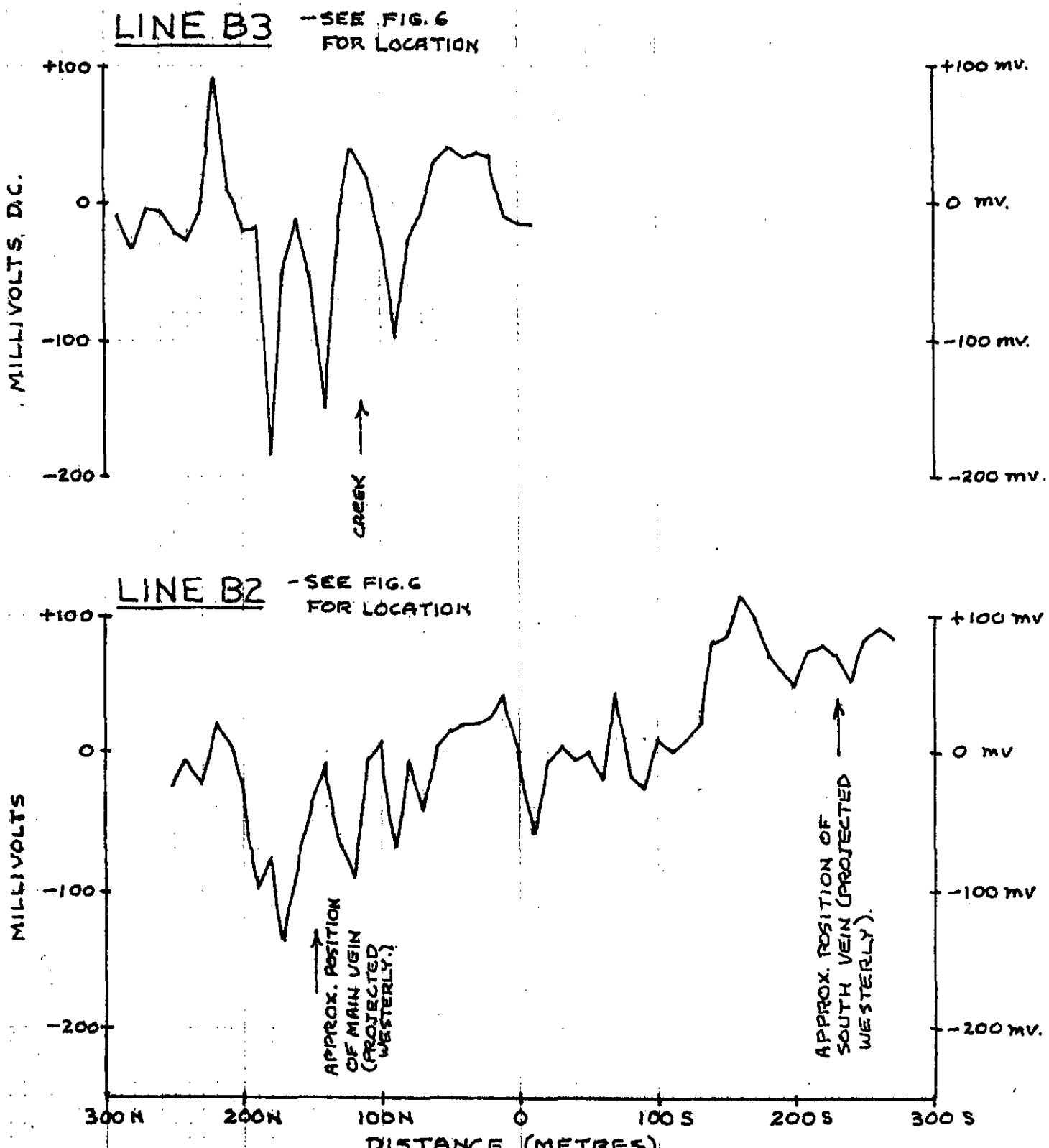
LINE B2 - SEE FIG. 6 FOR LOCATION



VLF-EM PROFILES

BAYONNE PROPERTY

FIGURE 8

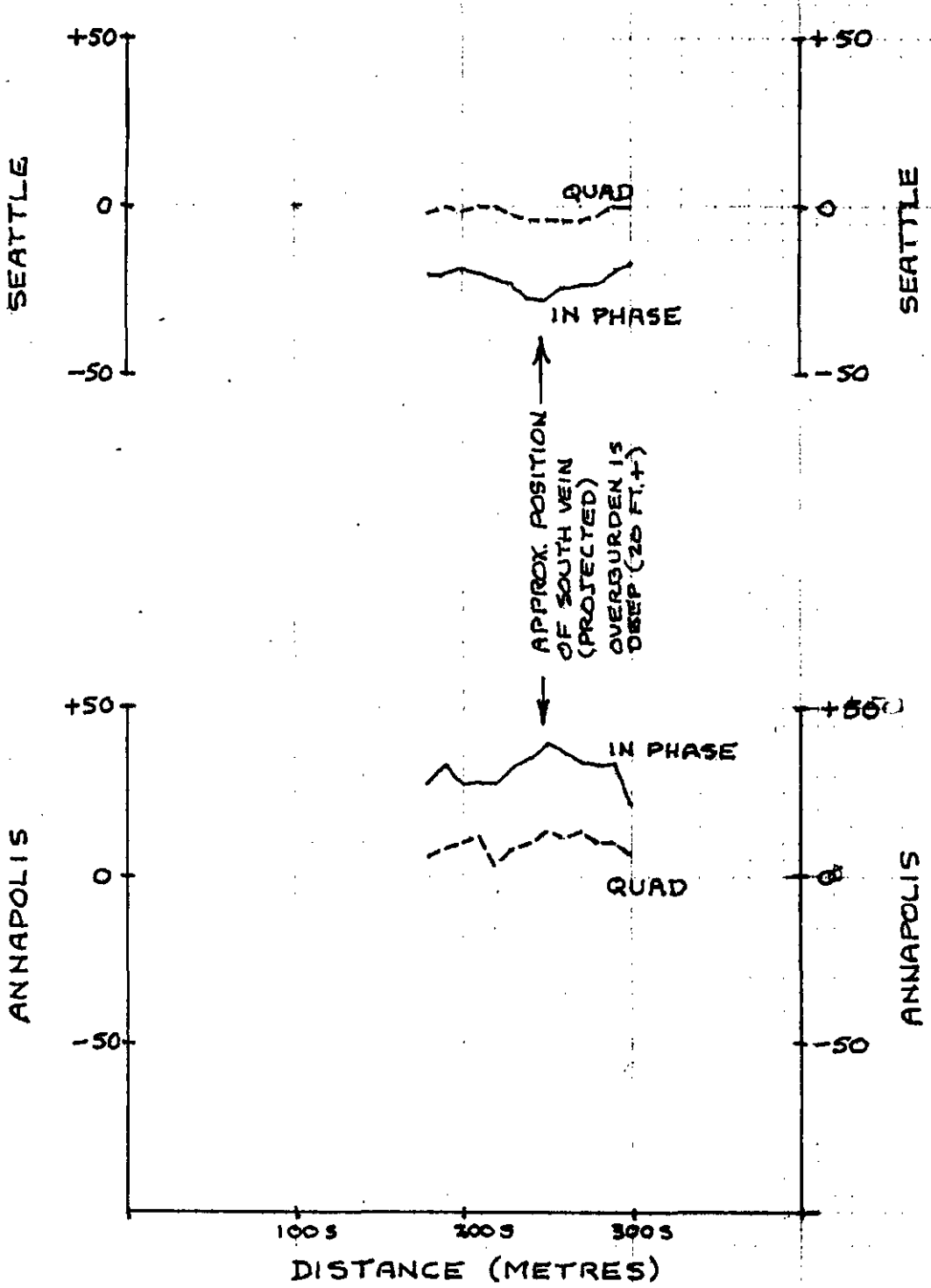


SELF POTENTIAL PROFILES

BAYONNE PROPERTY

FIGURE 9

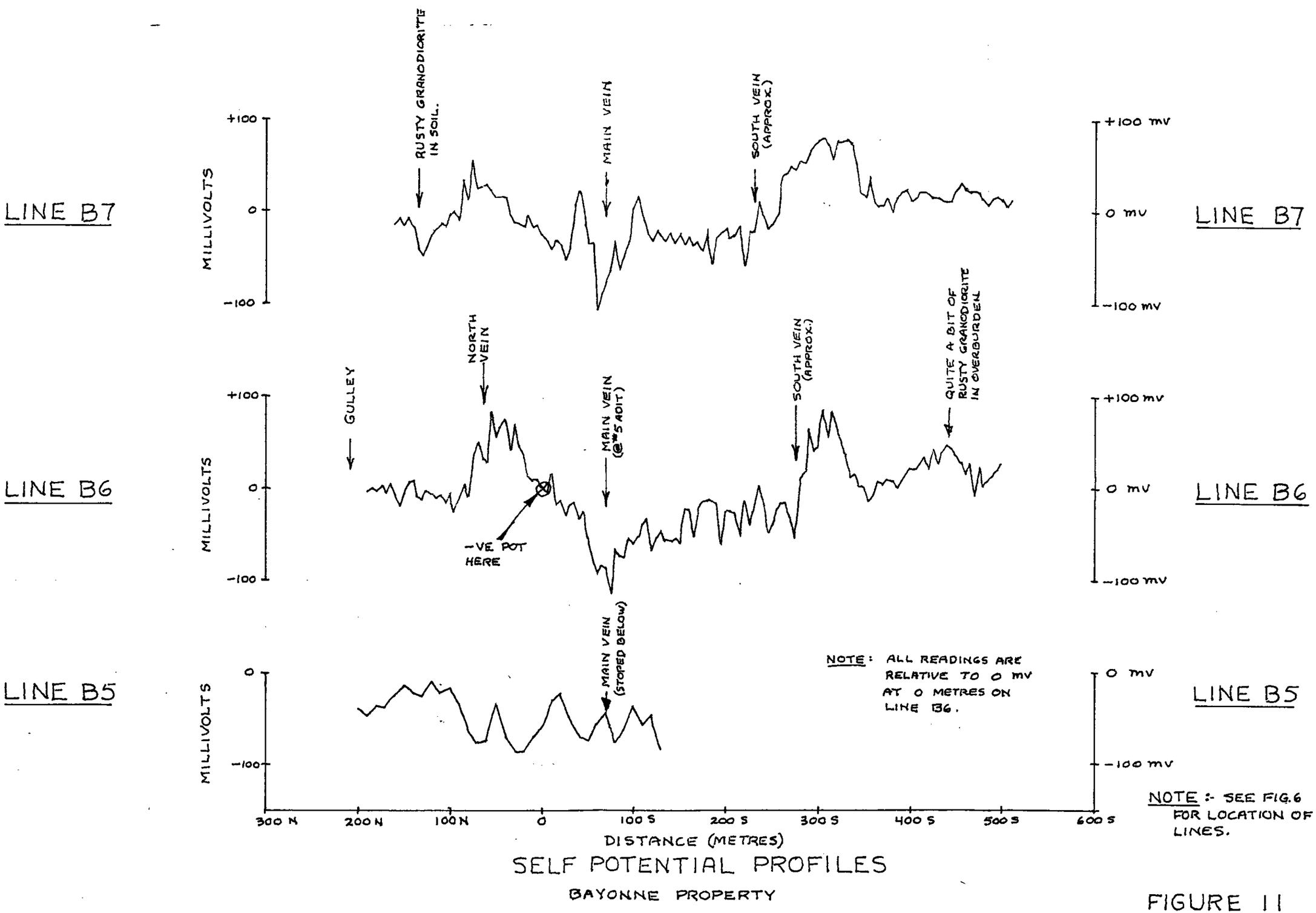
LINE B4 - SEE FIG. 6 FOR LOCATION.



VLF-EM PROFILES

BAYONNE PROPERTY

FIGURE 10



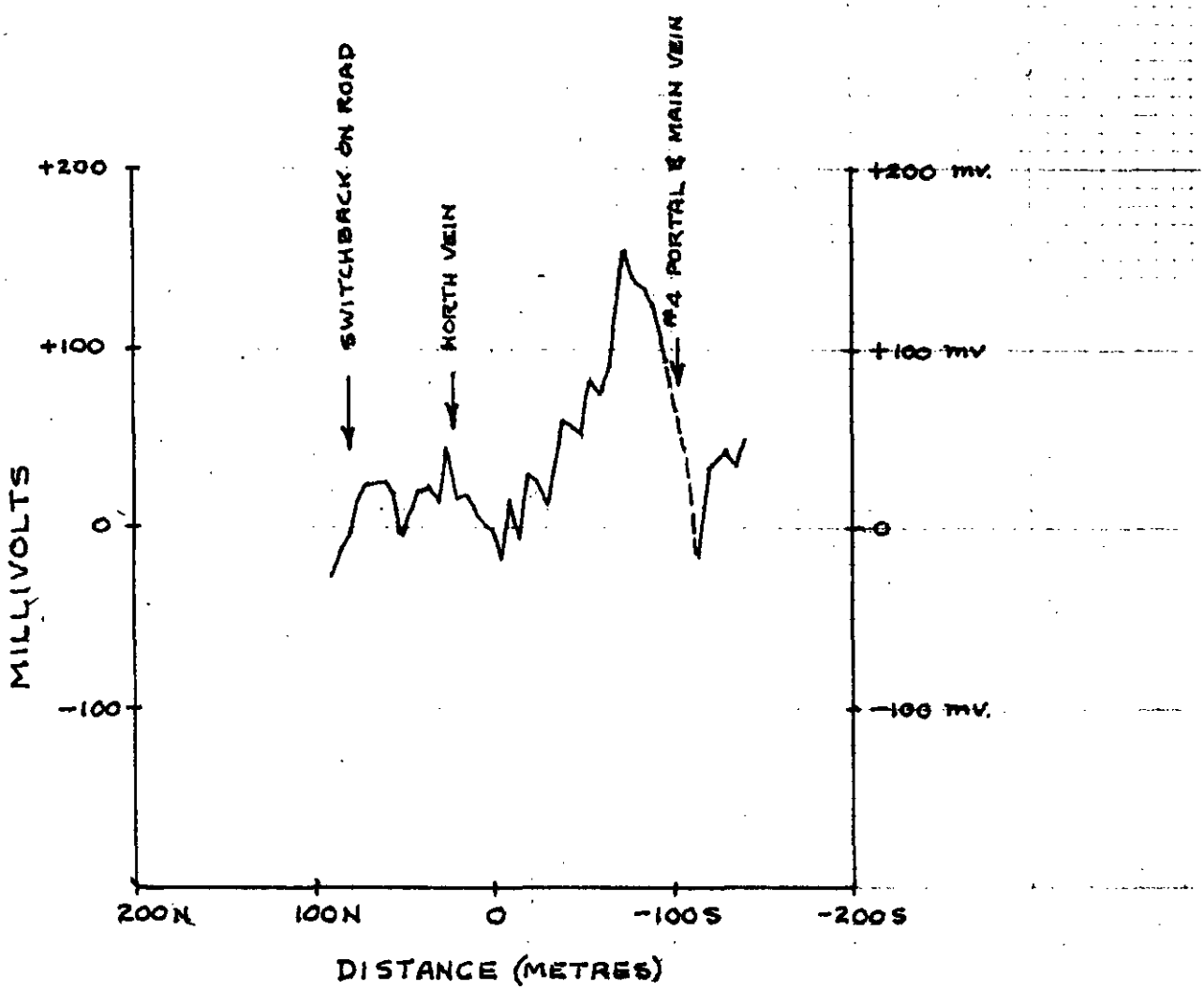
NOTE :- SEE FIG.6 FOR LOCATION OF LINES.

SELF POTENTIAL PROFILES

BAYONNE PROPERTY

FIGURE 11

LINE B8 -SEE FIG. 6 FOR LOCATION



SELF POTENTIAL PROFILE.

BAYONNE PROPERTY

FIGURE 12

REFERENCES

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

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

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

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

B.C. Ministry of Mines Reports.

AFFIDAVIT OF EXPENSES

This will certify that VLF-EM and self-potential surveying was carried out between June 5th and October 10th, 1995 on the Bayonne property in the Salmo area of the Nelson Mining Division to the value of the following:

Labour - 7 man days @ $300/day	$2100.00
9 man days @ $200/day	1800.00
4WD vehicle rental - 7 days @ $55/day	385.00
Mileage - 980 km @ 0.25/km	245.00
VLF-EM16 rental	150.00
SP rental	125.00
Meals & Lodging	450.00
Materials, flagging, etc.	50.00
Telephone	50.00
Seal #8 and #8A portals	450.00
Report preparation	1700.00
Total	$7505.00

May 15, 1996

Stan A. Endersby, P. Eng.

CERTIFICATE

I, Stan A. Endersby, certify that:

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

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

3.) This report is based on fieldwork carried out between June 5 and October 10,1995 on the Bayonne property. The work was supervised by myself and I was assisted by K.Bonde (Columbia Geophysics), D.J.Endersby, R.K.Endersby and C.Adshead.

4.) I have an interest in the claims.

May 15, 1996
White Rock,B. C.

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