GEOPHYSICAL ASSESSMENT REPORT

on the

MICROGOLD PROPERTY

Kamloops and Nicola Mining Divisions
British Columbia

N.T.S. 92I/08W
Latitude 50° 24' N
Longitude 120° 22' W

for

CANQUEST RESOURCE CORPORATION
830-470 Granville Street
Vancouver, B.C. V6C 1V5

by

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January 31, 1997

TABLE OF CONTENTS

LIST OF FIGURES

APPENDICES

1. SUMMARY

1.1 The Microgold Property consists of 9 four-post and 114 two-post contiguous mineral claims totaling 226 units. Its location is at Stump Lake, B.C, approximately halfway between the towns of Merritt and Kamloops on Highway 5A. Certain areas of the property exhibit gold mineralization in a classic epithermal setting. The exploration targets on the Microgold property are feeder vein systems which represent conduits for the widespread gold values at surface

1.2 Induced polarization and resistivity surveys were conducted over 38.5 kilometres of grid lines within the Kullagh Lake portion of the property by Delta Geoscience Ltd. The field work, including grid preparation, was conducted in two phases: August 12th to September 6th, 1996 and October 11th to 18th, 1996.

1.3 Interpretation of the results by Joseph R. Anzman, consulting geophysicist, resulted in his recommendations for diamond drill holes to test anomalous chargeability conditions at a minimum of four locations.

2. INTRODUCTION

2.1 This report was prepared at the request of Mr. John Bissett, President of CanQuest Resource Corporation.

2.2 The geophysical information for the accompanying report was obtained from the work carried out by myself and my staff members at Delta Geoscience Ltd. Interpretation and recommendations made by Joseph R. Anzman were provided to me by CanQuest Resource Corporation.

2.3 Information in regard to claim ownership was provided by CanQuest Resource Corporation and is believed to be true. No attempt was made to verify this information as it is beyond the scope of this report.

2.4 The majority of the information on the geology and previous work was derived from a report dated June, 1995, prepared for CanQuest by Darrel Johnson, B.Sc., P.Geo., consulting geologist. The report is entitled "A REPORT AND PROPOSAL FOR EXPLORATION ON THE MICROGOLD PROPERTY, KAMLOOPS AND NICOLA MINING DIVISIONS, BRITISH COLUMBIA". Information on work subsequent to June, 1995 was provided by CanQuest.

3. LOCATION, ACCESS AND PHYSIOGRAPHY

3.1 The Microgold property is located at Stump Lake in southwestern British Columbia, approximately 40 kilometres northeast of the town of Merritt and about the same distance south of Kamloops. Paved Provincial Highway 5A cuts through the southern boundary of the property. Dirt or gravel roads provide good access to most parts of the property. The property is covered by rolling semi-arid grasslands. Patches of fir, pine and deciduous trees, with sparse undergrowth, occur mainly in creek beds or gullies. Terrain rises gently from Stump Lake at 756 metres elevation to 1,189 metres near the northern property boundary. The property lies in the interior dry belt of the province. It encompasses numerous small lakes, plus Kullagh Lake which has been dammed. In the springtime water is also available in streams and gullies. Climatic conditions are moderate, with warm, dry summers and cool winters, generally with light snowfalls.

4. CLAIM STATUS

4.1 The property consists of 9 four-post and 114 two-post contiguous mineral claims which in aggregate contain 226 units or 5,650 hectares (57 square kilometres). The property straddles a Mining Division boundary with 45 of the claims in the Nicola Mining Division and the remainder in the Kamloops Mining Division. All of the claims are recorded in the name of CanQuest Resource Corporation and are plotted on B.C. government Mineral Titles Reference Map 921/08W. Latitude is 50° 24' North and longitude 120° 22' West.

Claim information showing expiry dates at the time of the geophysical survey and extensions resulting from the filing of the work for assessment credits are shown below.

Claim Name	Mining Division	Tenure No.	Units	Expiry Date	Year	Extension
Microgold	Nicola	237060	9	Jun 21	1997	1998
Dy	Nicola	237068	16	Nov 01	1996	1998
Cin	Kamloops	217069	20	Oct 07	1996	1998
Epic 1	Nicola	322516	2	Nov 10	1996	1998
Epic 2	Nicola	322517	9	Nov 10	1996	1998
Epic 3	Nicola	322518	12	Nov 10	1996	1998
Epic 4	Nicola	322519	12	Nov 12	1996	1998
Epic 5	Nicola	322520	12	Nov 12	1996	1998
Epic 6	Kamloops	322521	1	Nov 12	1996	1998
Epic 7	Kamloops	322522	1	Nov 12	1996	1998
Epic 8	Kamloops	322523	1	Nov 12	1996	1998
Epic 9	Kamloops	322524	1	Nov 12	1996	1998
Epic 10	Kamloops	322525	1	Nov 12	1996	1998
Epic 11	Kamloops	322526	1	Nov 12	1996	1998
Epic 12	Kamloops	322527	1	Nov 12	1996	1998
Epic 13	Kamloops	322528	1	Nov 12	1996	1998
Epic 14	Kamloops	322529	1	Nov 11	1996	1998
Epic 15	Kamloops	322530	1	Nov 11	1996	1998
Epic 16	Kamloops	322531	1	Nov 11	1996	1998
Epic 17	Kamloops	322532	1	Nov 11	1996	1998
Epic 18	Kamloops	322533	1	Nov 11	1996	1998
Epic 19	Kamloops	322538	1	Nov 11	1996	1998
Epic 20	Kamloops	322539	1	Nov 11	1996	1998
Epic 21	Kamloops	322534	1	Nov 11	1996	1998
Epic 22	Kamloops	322535	1	Nov 11	1996	1998
Epic 23	Kamloops	322537	20	Nov 11	1996	1998
Epic 24	Kamloops	322540	1	Nov 11	1996	1998
Epic 25	Kamloops	322541	1	Nov 11	1996	1998
Epic 26	Kamloops	322542	1	Nov 11	1996	1998
Epic 27	Kamloops	322543	1	Nov 11	1996	1998
Epic 28	Kamloops	322544	1	Nov 11	1996	1998
Epic 29	Kamloops	322545	1	Nov 11	1996	1998
Epic 30	Kamloops	322546	1	Nov 11	1996	1998
Epic 31	Kamloops	322547	1	Nov 11	1996	1998
Epic 32	Kamloops	322548	1	Nov 11	1996	1998
Epic 33	Kamloops	322549	1	Nov 11	1996	1998
Epic 34	Kamloops	322550	1	Nov 11	1996	1998
Epic 35	Kamloops	322551	1	Nov 11	1996	1998
Epic 36	Kamloops	322552	1	Nov 12	1996	1998
Epic 37	Kamloops	322553	1	Nov 12	1996	1998
Epic 38	Kamloops	322554	1	Nov 12	1996	1998
Epic 39	Kamloops	335081	1	16-Apr	1997	1998
Epic 40	Kamloops	335082	1	16-Apr	1997	1998
Epic 41	Kamloops	335105	1	16-Apr	1997	1998

Claim Name	Mining Division	Tenure No	Units	Expiry Date	Year	Extension
Epic 42	Kamloops	335106	1	16-Apr	1997	1998
Epic 43	Kamloops	335107	1	16-Apr	1997	1998
Epic 44	Kamloops	335108	1	16-Apr	1997	1998
Epic 45	Kamloops	335109	1	16-Apr	1997	1998
Epic 46	Kamloops	335110	1	16-Apr	1997	1998
Epic 47	Kamloops	335111	1	16-Apr	1997	1998
Epic 48	Kamloops	335112	1	16-Apr	1997	1998
Epic 49	Kamloops	335113	1	16-Apr	1997	1998
Epic 50	Kamloops	335114	1	16-Apr	1997	1998
Epic 51	Nicola	335083	1	16-Apr	1997	1998
Epic 52	Nicola	335084	1	16-Apr	1997	1998
Epic 53	Nicola	335085	1	16-Apr	1997	1998
Epic 54	Nicola	335086	1	16-Apr	1997	1998
Epic 55	Nicola	335087	1	16-Apr	1997	1998
Epic 56	Nicola	335088	1	16-Apr	1997	1998
Epic 57	Nicola	335089	1	16-Apr	1997	1998
Epic 58	Nicola	335090	1	16-Apr	1997	1998
Epic 59	Kamloops	335115	1	17-Apr	1997	1998
Epic 60	Kamloops	335116	1	17-Apr	1997	1998
Epic 61	Kamloops	335117	1	17-Apr	1997	1998
Epic 62	Kamloops	335118	1	17-Apr	1997	1998
Epic 63	Kamloops	335119	1	17-Apr	1997	1998
Epic 64	Kamloops	335120	1	17-Apr	1997	1998
Epic 65	Kamloops	335121	1	17-Apr	1997	1998
Epic 66	Kamloops	335122	1	17-Apr	1997	1998
Epic 67	Kamloops	335123	1	17-Apr	1997	1998
Epic 68	Kamloops	335124	1	17-Apr	1997	1998
Epic 69	Kamloops	335125	1	17-Apr	1997	1998
Epic 70	Kamloops	335126	1	17-Apr	1997	1998
Epic 71	Kamloops	335127	1	17-Apr	1997	1998
Epic 72	Kamloops	335128	1	17-Apr	1997	1998
Epic 73	Kamloops	335129	1	17-Apr	1997	1998
Epic 74	Kamloops	335130	1	17-Apr	1997	1998
Epic 75	Kamloops	335131	1	17-Apr	1997	1998
Epic 76	Kamloops	335132	1	17-Apr	1997	1998
Epic 77	Kamloops	335133	1	25-Apr	1997	1998
Epic 78	Kamloops	335134	1	25-Apr	1997	1998
Epic 79	Kamloops	335135	1	25-Apr	1997	1998
Epic 80	Kamloops	335136	1	25-Apr	1997	1998
Epic 81	Nicola	335139	1	16-Apr	1997	1998
Epic 82	Nicola	335140	1	16-Apr	1997	1998
Epic 83	Nicola	335141	1	Apr 16	1997	1998
Epic 84	Nicola	335142	1	Apr 16	1997	1998
Epic 85	Nicola	335143	1	Apr 16	1997	1998
Epic 86	Nicola	335144	1	Apr 16	1997	1998
Epic 87	Nicola	335145	1	Apr 16	1997	1998
Epic 88	Nicola	335146	1	Apr 16	1997	1998
Epic 89	Nicola	335147	1	Apr 16	1997	1998
Epic 90	Nicola	335148	1	Apr 16	1997	1998
Epic 91	Nicola	335149	1	Apr 16	1997	1998
Epic 92	Nicola	335150	1	Apr 16	1997	1998
Epic 93	Nicola	335151	1	Apr 16	1997	1998
Epic 94	Nicola	335152	1	Apr 16	1997	1998
Epic 95	Nicola	335153	1	Apr 16	1997	1998
Epic 96	Kamloops	335137	1	Apr 25	1997	1998
Epic 97	Kamloops	335138	1	Apr 25	1997	1998
Epic 98	Nicola	344669	1	Mar 24	1997	1998
Epic 99	Nicola	334670	1	Mar 24	1997	1998
Epic 100	Nicola	334671	1	Mar 24	1997	1998

Claim Name	Mining Division	Tenure No.	Units	Expiry Date	Year	Extension
Epic 101	Nicola	334672	1	Mar 24	1997	1998
Epic 102	Nicola	334673	1	Mar 24	1997	1998
Epic 103	Nicola	334674	1	Mar 24	1997	1998
Epic 104	Nicola	334675	1	Mar 24	1997	1998
Epic 105	Nicola	334676	1	Mar 24	1997	1998
Epic 106	Nicola	334677	1	Mar 24	1997	1998
Epic 107	Nicola	344678	1	Mar 24	1997	1998
Epic 108	Nicola	344679	1	Mar 25	1997	1998
Epic 109	Nicola	344680	1	Mar 25	1997	1998
Epic 110	Nicola	344681	1	Mar 25	1997	1998
Epic 111	Kamloops	344682	1	Mar 25	1997	1998
Epic 112	Kamloops	344683	1	Mar 25	1997	1998
Epic 113	Kamloops	344684	1	Mar 25	1997	1998
Epic 114	Kamloops	344685	1	Mar 25	1997	1998
Epic 115	Nicola	344686	1	Mar 25	1997	1998
Epic 116	Nicola	344687	1	Mar 25	1997	1998
Epic 117	Kamloops	344688	1	Mar 25	1997	1998
F-1	Kamloops	319781	1	Aug 07	1997	1998
F-2	Kamloops	319782	1	Aug 07	1997	1998
Redbird	Kamloops	345378	1	Apr 27	1997	1998

5. REGIONAL GEOLOGY

5.1 The geology of the area surrounding Nicola Lake, including Stump Lake, has been mapped on a regional scale several times since 1896, starting with a classic study by G.M. Dawson of the Geological Survey of Canada (GSC). Mapping at a scale of 1:253440 was completed by Cockfield (GSC) in 1948 followed by more detailed mapping of selected areas by the GSC in the 1960's and 1970's. A new regional map sheet was compiled by Monger and McMillan (GSC) in 1984. Geological mapping in 1988 and 1989, in conjunction with the LITHOPROBE multidiscipiinary earth science project based on seismic surveys, was published by the B.C. government as Open File 1990-29 "Nicola Lake Region Geology and Mineral Deposits" by J.M. Moore et al.

5.2 The area north of Stump Lake is underlain by mafic volcaniclastic rocks of the Late Triassic Nicola Group. These are bordered on the west by the Triassic Nicola Horst complex, unconformably overlain on the east by Eocene clastic and volcanic rocks of the Kamloops group, and obscured on the north by Miocene olivine basalts. Small Tertiary intrusions of mainly intermediate composition have been noted and a small Tertiary sedimentary basin occupies a structural depression at the south end of Kullagh Lake.

5.3 Structurally, the area is dominated by major faults trending north to northeasterly. The Quilchena-Moore Creek fault system, which marks the eastern edge of the Nicola Horst, passes along the western boundary of the Microgold property. This 015° trending system can be traced for at least 50 km and has been tentatively dated as Tertiary. To the east, the contact of the Nicola and Kamloops formations is marked by the 345° trending Stump Lake fault which cuts along the eastern side of the Microgold claim block and appears to coalesce with the Quilchena-Moore Creek fault a few km north of the property. South of Stump Lake, the Stump Lake fault curves westerly, joining the Quilchena fault at the northeast end of Nicola Lake. This fault-bounded, 25 km long eliptical block of mainly Nicola Group rocks is cut by numerous northerly and northeasterly trending faults. The Microgold property covers nearly 10 km of this block.

Some observers have suggested that the polymetallic sulphide assemblages mined at Mineral Hill southwest of Stump Lake are mesothermal equivalents of the epithermal gold-bearing quarts veins north of Stump Lake and postulated the presence of a fault structure coincident with the lake or a syncline bordering and parallel to the north shore of the lake.. Hard evidence to support this hypothesis is not readily apparent.

6. PROPERTY GEOLOGY

6.1 The Kullagh Lake (eastern) portion of the Microgold property is underlain mainly by Triassic Nicola Group intermediate to mafic volcaniclastic rocks. This package consists of augite porphyry, red and green pyroclastics and maroon (hematitic) conglomerates. The most common rock type on the property is an andesitic flow breccia. This typical Nicola package, with an apparent slight increase in sedimentary component, extends to the West zone area where argillite, occasionally graphitic, is found interbedded with tuffs.

6.2 Mudstone, siltstone, sandstone and multilithic conglomerate occur in a small, probably structurally controlled sedimentary basin at the extreme south end of Kullagh Lake. This unit is thought to be the base remnant of a more extensive Lower Eocene basin which covered the area. Minor coal seams reported on the western portion of the property may correlate with this unit.

6.3 Basaltic flows and breccias of the Upper Eocene Kamloops Group outcrop east of the Stump Lake fault, near the eastern property boundary.

6.4 Blocky, angular slabs of granitic float can be found on the claims. Various workers have speculated on the presence of a buried intrusive beneath the Kullagh Lake area which might be the ultimate heat source driving the epithermal system. The only known intrusive body on the Microgold property was mapped in 1985 about 3.5 km southwest of Kullagh Lake.

7. MINERALIZATION

7.1 Work to date in the Kullagh Lake area, primarily by BP and CanQuest, and in the West Zone by Canico and CanQuest, has highlighted extraordinary widespread gold enrichment associated with secondary silicification. The exact mode of gold occurrence is uncertain. No visible gold has been reported on surface or in the cores of shallow drill holes.

8. HISTORY AND PREVIOUS WORK

8.1 Recorded mineral exploration history in the Stump Lake area dates from the 1800's. Narrow quartz veins at Mineral Hill, southwest of Stump Lake, were mined primarily between 1916 and 1941. Total production is reported at 70,395 tonnes averaging 3.74 grams per ton gold, 11.75 grams per ton silver, 0.03% copper, 1.42% lead and 0.24% zinc. A small quantity of scheelite was recovered by re-working the tailings during the Second World War. On the Microgold property, several ancient, shallow pits attest to some early, unrecorded exploration of silicified zones.

8.2 During the 1960's and 1970's, sporadic base metal-oriented exploration targeted areas west and northwest of the Microgold property. Most of this work investigated copper and copper-molybdenum showings along the fault contact between the Nicola Horst and regional volcanic assemblages. No commercial deposits were found.

8.3 The area north of Stump Lake now encompassed by the Microgold property was explored by several companies and individuals during the 1980s and 1990's. This work, in general, has enhanced the apparent mineral potential of the area and has generated an extensive database which is of great value to ongoing work on the property. This work has covered approximately 50% of the present claim group and has outlined two main zones of silicification and associated mineralization. These are the **"Kullagh Lake"** zone and the **'West"** zone.

8.4 **The Kullagh Lake Zone**

The earliest recorded work in the Kullagh Lake area took place in 1981 when a local prospector commissioned a limited soil geochemical survey on what is now the southern half of the Microgold claim. The samples were analyzed for copper, zinc and silver. Results did not warrant recommendation of further work and the claim was allowed to lapse.

Serious gold exploration north of Stump Lake started in 1982 with the identification of gold-bearing epithermal quartz veins and alteration zones and the staking of the 20 unit Microgold claim.

In October 1982, Chevron Canada Resources Ltd. optioned the Microgold claim and expanded the property to 45 units by staking the CIN and DY claims to protect inferred extensions of favourable geology. Chevron carried out a limited program of geological mapping and geochemical soil sampling followed by four diamond drill holes totalling 666 m (2,186'). Three of these were angle holds drilled to less than 100m. The fourth was drilled vertically to a depth of 410 m. Narrow drill intersections in siliceous veins and brecciated volcanics returned gold values as high as 1,125 parts per billion but were not pursued.

In 1985, the three claims were optioned by BP Minerals Canada Ltd. A grid was established with 78 kilometres of picket lines 100m apart and 50m station intervals. BP's three-month program in the summer of 1985 consisted of geological mapping of the three claims, soil geochemistry over most of the southern half of the Microgold, CIN and DY claims and limited magnetometer and electromagnetic surveys over a small portion of the southern half. This work outlined a broad, 'X' shaped, weakly gossanous, bleached alteration envelope with secondary silicification and widespread gold values in rock and soil samples over a 1.5 km square area.

BP followed its surface work with 22 diamond drill holes clustered in two main areas. Seven holes were drilled over a 200 m x 200 m area on the original "discovery" silicified knoll. Fourteen holes probed a 600 m x 600 m area at the south end of Kullagh Lake. BP's objective was to outline a near-surface gold reserve suitable for open pit extraction, with little focus on vein potential. Holes averaged slightly less than 100m each. Some 49% of the drilling was in vertical holes. While appropriate to the bulk tonnage, open pit objective, vertical holes are less than ideal in the search for steeply dipping vein type mineralization. Results were presented as averages over entire drill holes lengths. With one exception, all the holes returned highly anomalous gold values (one hole was drilled in the extreme northwest corner of their property, away from the main silicified area). The highest results were in a hole from the group drilled south of Kullagh Lake, and which averaged 221 ppb gold over 120.76 m. Despite surface evidence of fault structures within the alteration envelope, apparently none of the angle holes were designed to test for "bonanza" gold mineralization in high-angle structurally controlled veins.

Having failed to achieve its primary objective, BP dropped its option on the property.

In 1986 the property was optioned by Asamera Inc. which carried out limited induced potential and electromagnetic work over a small portion of the southern half of the three claims. Three widely-spaced holes totally 917.7 m were drilled. These failed to give Asamera sufficient encouragement to continue.

Between 1989, when it first acquired the three claims, and 1993, CanQuest, because of budgetary considerations, performed only limited surface work programs on the three claims. That work successfully confirmed and extended the geophysical and geochemical anomalies.

In 1993 and 1994 CanQuest staked additional claims surrounding the original three claims.

In January 1994, CanQuest conducted an airborne geophysical survey of the entire property at a cost of $33,443. The helicopter-borne survey involved magnetomer and multi-channel electromagnetic coverage over approximately 381 line kilometers oriented northwest with 150m line spacing. The objective was to (a) highlight previously unrecognized zones of silicification and/or sulphide enrichment; (b) help trace structures under drift cover; (c) probe the relationship between the Kullagh Lake and West Zones, and (d) refine target areas for detailed investigation. The results from the survey led CanQuest in 1995 and 1996 to stake additional claims and purchase three others.

In 1996 a program of mapping and rock sampling further defined the Kullagh Lake zone, enlarging its known surface extent to approximately 3 square kilometres.

8.5 <u>The West Zone</u>

In July 1982, the Canadian Nickel Company Limited ("Canico"), a division of Inco Ltd., staked two 4-post mineral claims, Bag 1 & 2, adjacent to the western boundary of the Microgold claim. CanQuest's Epic 3 and Epic 4 claims now cover this area. Work by Canico in 1983 consisted of prospecting and geological, geochemical and geophysical surveys and outlined two areas of interest. On the southwest part of the property intermittent exposures of parallel quartz-chalcedony veins 6 to 10 cm wide were mapped in and adjacent to a small creek. This zone has an exposed width of 5 m and a strike length of 325 m. The highest analytical results were 35 ppb gold, 0.4 ppm silver and 58 ppm arsenic. In the central part of the two claims a zone of altered volcanics exhibiting brecciation, fracturing, quartz-carbonate veining, silicification and pyritization over widths up to 200 m was traced for 2,200 m to the northern boundary of the property. An arsenic soil anomaly is coincident with the zone. At the north end where the zone is characterized by narrow quartz veins, rock chip analyses returned values up to 880 ppb gold, 3.7 ppm silver. 429 ppm arsenic. 115 ppm molybdenum and 162 ppm copper.

in June of 1984, Goldbrae Developments Ltd. optioned the Bag 1 & 2 claims from Canico and conducted detailed ground magnetometer, electromagnetic and induced potential surveys over the two claims. This work extended to the north into Goldbrea's Anderson 4 claim, an area now covered by the Epic 5 claim. Data from these programs, when correlated with Canico's earlier work delineated several areas within the main north-south zone with coincident alteration and conductive characteristics. These areas were designated by Goldbrae's consultants as high priority diamond drill targets, including one on the Anderson 4 claim. Further work on the southwest showings, which are characterized by poor exposure and spotty geochemical results, were considered a lower priority. Neither Goldbrae nor Canico followed up on the recommendations.

In 1987, the Bag 1 & 2, Anderson 4 and other contiguous Anderson claims to the west and northwest ware optioned by Lectus Developments Ltd. A three-hole diamond drilling program totally 616.15 m was carried out in February 1987 to test the southwest zone geochemical and geophysical anomalies outlined in 1983 and 1984. Drill cores confirmed the presence of what was defined as a fossil geothermal environment but no gold or silver values were found in the portions tested. Two of the holes encountered graphite which appeared to correlate with electro-magnetic conductors. Recommendations were made to focus future work on the 2,200m long central alteration zone, but no further work was performed.

The Bag 1 & 2 and Anderson 4 claims were forfeited in 1991 and re-staked twice by one individual who performed no work The ground was staked by CanQuest in November 1993.

In 1996 a program of reconnaissance-scale mapping and rock sampling was performed.

9. GEOCHEMISTRY

9.1 Epithermal systems are usually marked by a variety of economic and accessory minerals. Previous work on the Microgold property has shown fluorine, arsenic, antimony, molybdenum and mercury to be the commonest and most reliable indicators of, and companions to, gold.

9.2 Regional stream geochemical data published jointly by the B.C. and Federal governments shows several sample sites with highly elevated fluorine-in-water values, located from 1 to 3 km north and west of Kullagh Lake. This suggests that epithermal activity, with possible associated gold mineralization, is much more widespread than previously recognized.

9.3 The West zone was covered by soil geochemical work by Canico in 1983 and Goldbrea in 1984. The zone is defined by a weak but consistent arsenic anomaly, more than 2 km long, with values generally up to 30 parts per million (ppm) and a spot high of 135 ppm. The low level of geochemical response is believed to be due to deep, clay rich, organic soil cover which presents less then ideal conditions for geochemical exploration.

9.4 On the Kullagh Lake zone, closely spaced soil and lithogeochemical samplings undertaken in 1985 by BP defined a major gold anomaly extending 1.5 km northward from the main silicified knoll at the south end of the grid to the west side of Kullagh Lake. The width varies from 200m to 800m. Within the 1.5km anomaly which is defined by a 175 parts per billion (ppb) contour there are several clusters of sample sites exceeding 500 ppb gold. Highly geochemically anomalous values ranging from 1550 ppb to 4100 ppb gold (1.55 to 4.10 grams per tonne) occur intermittently in chalcedonic vein material over one sampled length of 300m. The remaining >500 ppb contoured anomalies range in value from 1500 to 3000 ppb gold. Typical epithermal indicator minerals, most notably arsenic and antimony, partially coincide with the elevated gold values.

9.5 Limited solid sampling by CanQuest in 1991 attempted, with little success, to trace the main gold anomaly to the north of Kullagh Lake. Lack of geochemical response may be due to a substantial increase north of the lake in soil depth and the occurrence of thick glacial till.

10. GEOPHYSICS

10.1 Airborne magnetic coverage of the Stump Lake area was published by the Geological Survey of Canada in 1968 at a scale of 1 mile to the inch (1:63360). The northeast half of the Microgold property shows magnetic response elevated approximately 200 gammas over regional background. A second, egg-shaped, anomaly near the eastern property boundary may represent a buried intrusive emplaced along the Stump Lake fault zone.

10.2 Magnetic, Very Low Frequency Electro-Magnetic (VLF-EM), Pulse Electro-Magnetic and Induced Polarization surveys by Goldbrae have outlined the West zone over a strike length of 2,200 m. Both pulse and Very Low Frequency Electro-Magnetic show a series of subparallel northerly trending conductors. These coincide well with zones of high (700 ohm-metres) resistivity potentially representing sificification.

10.3 On the Kullagh Lake zone, magnetic, electromagnetic and Induced Polarization work conducted by Chevron, BP, Asamera and CanQuest has covered an area 1.5 km x 2 km extending approximately from Hwy 5A to Kullagh Lake. The most notable feature of this work is a 1 km long, northerly trending zone of +500 ohm-metres resistivity, with highs to 1,500 ohm-metres, extending southerly from Kullagh Lake. This coincides well with mapped silicification and partially with strong gold soil and lithogeochemical anomalies.

10.4 Between January 19 and 30, 1994, Dighem a division of CGG Canada Ltd., conducted 381 km of helicopter-borne geophysical surveying for CanQuest, combining magnetometer, very low frequency electromagnetic, multi-channel electomagnetic and resistivity coverage. Flight lines were oriented at azimuth 104°, with 150m spacing, to best explore the two recognized main structural trends (060° & 335° azimuths). In general, the results of the resistivity survey appear to confirm and possibly enlarge the known zones of gold bearing silicification on the property. The results of the magnetic survey appear to outline some faults crosscutting the regional, north-trending fault systems. These potential cross faults may explain the apparent offset of the two main zones of sificification (the Kultagh Lake Zone and the West Zone). The possible presence of these faults reinforces the recommendation that ground geophysics be conducted in the area between the two main zones. Resistivity results also suggest the presence of previously-unknown zones of silicification under cover in the northwest part of the property.

10.5 In June, 1996, CanQuest submitted the Dighem survey results in conjunction with all the historical exploration data for analysis to Joseph R. Anzman, consulting geophysicist, of Denver, Colorado. The geophysical survey which is the subject of this assessment report is based on his recommendations.

11. 1996 GRID PREPARATION

11.1 The requirement was to create surveyed lines whose co-ordinates corresponded to those of BP's 1985 grid.

11.2 Due to interaction with grazing cattle, the 1985 grid pickets have been almost entirely dispersed in the open ground which comprises 95% of the area to be surveyed in 1996.

11.3 AMEX EXPLORATION SERVICES LTD. of Kamloops, B.C. was contracted by CanQuest for the installation of grid lines.

11.4 Employing as a starting point the one surviving surveyed post at 82+00N, 100+00E, a baseline was constructed as a best fit to the original one. The use of a Distamat prismatic surveying instrument plus a metal measuring chain enabled the placement of new posts on the baseline at 100m intervals. The cross lines and tie lines were surveyed in using the Distamat and chain, and one-metre-long, flag-topped wire rods marked the grid at 50 metre intervals. Wooden surveyed hubs were emplaced at turning points.

11.5 The flag-topped wires were removed at the end of the survey to meet the requirements of the ranchers who are freehold owners of the surface rights.

12. 1996 INDUCED POTENTIAL SURVEY

12.1 Personnel:

1st Phase: August 18 - Sept. 2, 1996.

Grant Hendrickson	- Senior Geophysicist/Supervisor.
Max Oudendag	- Technician.
Shane Dench	- Technician.
Ladislav Zabo	- Geographer/Technician.
Kristian von Fersen	- Senior Technician/Crew Chief.

2nd Phase: October 11 - 16, 1996.

Kristian von Fersen	- Senior Technician/Crew Chief.
Ladislav Zabo	- Geographer/Technician.
Shane Dench	- Technician.
Jason Bell	- Helper.
Will Hobbs	- Helper.

12.2 Equipment

1 - IRIS Instruments IP-6 Receiver.
1 - IRIS Instruments V.I.P. 4000 Transmitter.
6 - Motorola Portable VHF Radios.
6 - Km of I.P. wire on four reels.
1 - Hewlett Packard 250C Colour Plotter.
1 - Toshiba 1950CT Field Computer.
2 - 4x4 Trucks.

12.3 Data Representation and Survey Procedures

All of the Induced Polarization/Resistivity data is presented in the industry standard pseudosection format at 1:15000 scale. For the purpose of this report, the data is presented in blackline prints to facilitate reproduction. The data was presented to CanQuest as colour plots and as blackline prints. The metal factor shown on these maps is defined as Chargeability divided by Resistivity times 1000. This factor has no physical basis, however is often an interesting way of presenting the data. The assumption that metallic sulphide mineralization will reduce the resistivity of the host rocks, in conjunction with an increased I.P. response, is the basis for the metal factor calculation. Caution must be used when using the M.F. data, since any low resistivity zones (surface weathering, overburden and/or intercalated metasediments) can also enhance the M.F. product.

A triangular shaped filter was applied to the I.P/Resistivity pseudosection data to obtain an average value for each station. This type of filter helps to overcome the contouring problems created by double peaking, which is very prevalent in dipole-dipole data Double peaking occurs with shallow depth limited bodies. The filter value is calculated as follows:

$$\text{Filter} = \frac{avg(n=1)w1 + avg(n=2)w2 + avg(n=3)w3 + avg(n=4)w4}{N}$$

Where avg(n=1) is the average of the points indicated by the asterisk in the filter diagram (shown on the pseudosections) for each "n" spacing, w1, w2, etc. are the relative weights for each expansion and "N" is the total number of "n" spacings. This type of filter unfortunately results in some loss of horizontal resolution. The calculated filter value for each station is posted in a line just above the relevant pseudosection. These filtered values can be used to produce contoured plans and were used to produce the profile plots seen at the top of each pseudosection.

CanQuest Resource Corporation ensured that grid lines were established prior to the arrival of the Delta Geoscience crew.

Induced Polarization and Resistivity readings were taken at 150 meter intervals using the dipole-dipole array. This array was set up with a dipole spacing of 150 meters, with readings taken at N=1 to 6. The current electrodes were always to the north or to the east of the potential electrode spread. Lines were read from the east to the west, and from the north to the south, depending on line orientation.

The Induced Polarization (chargeability) was expected to respond primarily to disseminated sulphide mineralization and only moderately to lithology.

The Resistivity survey was expected to respond primarily to the lithology, however areas where there was a correlation of higher chargeability with lenticular high resistivity zones could be significant gold exploration targets. Note that disseminated sulphide mineralization generally has to be quite concentrated (>5%) in order to substantially reduce the bulk resistivity of the host rock. Silicification along shear zones often causes narrow high resistivity zones, in conjunction with weak I.P. responses.

12.4 Discussion of the Data

Initially, the moderate resistivities of the survey area, in conjunction with generally difficult current electrode contacts, was causing causing poor signal to noise conditions for the larger N spacings. To overcome this problem, the survey crew set three sets of electrodes at each current electrode location. These electrodes were buried in strong saltwater solutions to maximize current transfer to the ground - a time consuming, but necessary step.

As a result of the above steps, data quality remained very good over the whole survey area, despite the large N spacings being employed.

Porous pot electrodes (filled with copper sulphate solution) were used for all potential measurements. Very few problems were encountered with the potential electrode contacts.

Although Delta Geoscience Ltd conducted the field work, the survey parameters and interpretation were the responsibility of Joseph R. Anzman, CanQuest's geophysical consultant. Please refer to Mr. Anzman's discussion of the data and recommendations, which are appended to this report and dated November 1, 1996. Delta Geoscience has reviewed the interpretation and is in agreement with the recommendations.

13. CONCLUSION AND RECOMMENDATIONS

Please refer to Joseph Anzman's interpretation comments, which are appended to this report.

The filtered chargeability and resistivity data presented in the pseudosections should also be presented as contour plans to help better understand the spatial position of the centers for the weak to moderate Induced Polarization/resistivity anomalies detected.

If a good correlation between sulphide mineralization and significant gold mineralization is established from the diamond drill program, an expanded I.P. survey utilizing the gradient array would lead to a more cost effective geophysical coverage of Canquest's extensive land holdings in this area.

Grant A. Hendrickson, P. Geo.

14. REFERENCES

Bhattacharya, B.C., and Dutta, I., 1982: Depth of Investigation Studies for Gradient Arrays over Homogeneous Isotropic Half-Space: Geophysics, Vol. 47, 1198-1203.

Coggon, J.H., 1973: Comparison of I.P. Electrode Arrays: Geophysics, Vol. 38, 737- 761.

Langore, L., Alikay, P., Gjovreku D., 1989: Achievement in Copper Sulphide Exploration in Albania with I.P. and E.M. Methods: Geophysical Prospecting 37, 975-991.

Malmqvist, L., 1978: Some Applications of I.P. Technique for Different Geophysical Prospecting Purposes: Geophysical Prospecting 26, 97-121.

Ward, Stanley H., 1990: Resistivity and Induced Polarization Methods: Geotechnical and Environmental Geophysics, Vol. 1, Investigations in Geophysics 5, 147-190.

15. STATEMENT OF QUALIFICATIONS

Grant A. Hendrickson.

- B.Science, University of British Columbia, Canada, 1971. Geophysics option.
- For the past 26 years, I have been actively involved in mineral exploration projects throughout Canada, the United States, Europe and Central and South America.
- Registered as a Professional Geoscientist with the Association of Professional Engineers and Geoscientists of the Province of British Columbia, Canada.
- Registered as a Professional Geophysicst with the Association of Professional Engineers, Geologists and Geophysicsts of Alberta, Canada.
- Active member of the Society of Exploration Geophysicists, European Association of Geoscientists and Engineers, and the British Columbia Geophysical Society.

Dated at Delta, British Columbia, Canada, this 31st day of January, 1997.

Grant A. Hendrickson, P. Geo.

APPENDIX I

MICROGOLD PROJECT
STUMP LAKE, B.C.

STATEMENT OF COSTS

PHASE 1 **(August 12 - September 6, 1996).**

Grid Installation:	15 two-man crew days @ $692.93 / crew day	$ 10,393.95
	Rentals, supplies and misc. expenses	1,126.36
Geophysical survey:	16 days @ $1,800/day	$28,800.00
	Statutory holiday pay	987.50
	Data processing and misc. expenses	804.00
	Hotel accommodation	2,845.80
	Board (flat rate)	2,000.00
Geophysical consultant and interpretation:		$8,933.98
Supplies	Maps, prints, flagging, etc.	$ 364.20
		$56,255.79

PHASE 2 **October 11-18, 1996)**

Grid Installation:	61/2 two-man crew days @ $$645.44 / crew day	$ 4,195.36
	Rentals, supplies and misc. expenses	147.53
Geophysical survey:	6 days @ $1,800/day	$10,800.00
	Statutory holiday pay	987.50
	Hotel accommodation	729.00
	Board (flat rate)	750.00
Geophysical consultant and interpretation		$ 4,168.13
		$21,772.52
Report preparation		750.00
PROJECT TOTAL		**$78,778.31**

APPENDIX II

Recommendations – Joseph Anzman

JOSEPH R. ANZMAN
Consulting Geophysicist

P.O. Box 370526 • Denver, Colorado 80237 • XXXXXXXX 303-337-4559
telephone/fax

DATE: November 1, 1996

TO: John Bissett and Ian Semple

SUBJECT: Synopsis Interpretation; Induced Polarization Survey (150-Meter Dipoles); Microgold Project, British Columbia

Previous induced polarization work at the project area was done using a pole-dipole electrode array with a spacing of 25 meters. Depth of investigation would be in the order of 50 meters. The results of this work along with the known geology indicated a relationship between pyrite, gold mineralization and anomalous chargeability data. The new I.P. survey was accomplished using a dipole-dipole electrode array with a 150-meter dipole spacing. Depth of investigation would be in the order of 300 meters. The purpose of this work was to explore at depth to determine if anomalous conditions that could constitute exploration targets were present.

The deeper-penetrating I.P. survey showed anomalous conditions located/centered at:

LINE	LOCATION
7100N	94+00E
7100N	98+50E
7500N	95+50E
7700N	97+00E
8000N	94+00E-95+50E
8150N	95+50E
8300N	95+50E-97+00E
9400E	81+50N-83+00N
9550E	81+50N
9550E	77+00N-78+50N
9700E	80+00N

The possibility exists that these responses are part of a single northerly-trending geologic zone that is essentially parallel to the zone trending south from Kullagh Lake.

With the data that is now available, the anomalies that comprise the best grouping and that may be indicating the same favorable geologic conditions are:

LINE	LOCATION
8000N	94+00E-95+50E
8150N	95+50E
8300N	95+50E-97+00E
9400E	81+50N-83+00N
9550E	81+50N
9700E	80+00N

Drilling to test the anomalous responses could be done at:

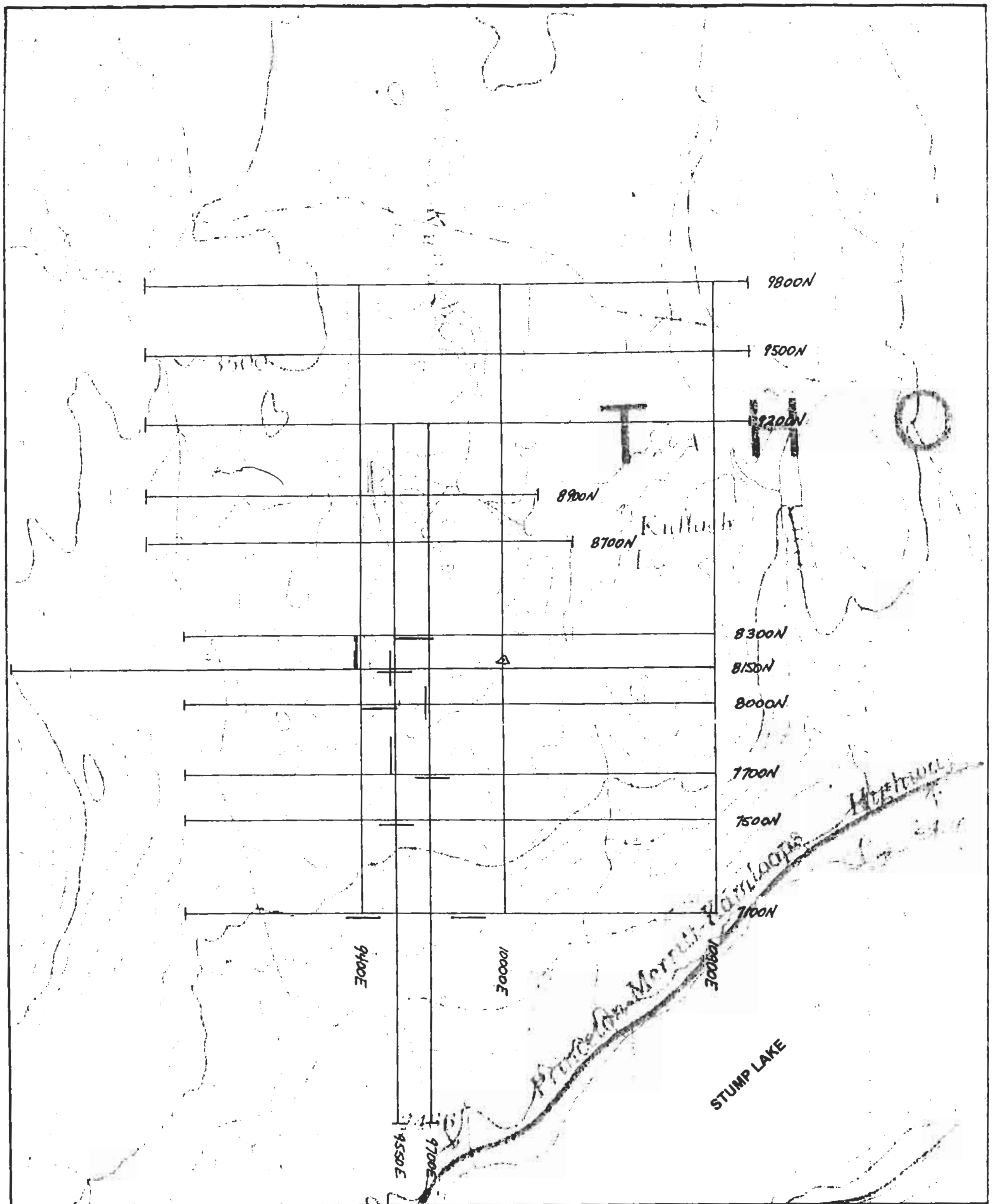
1. the intersection of Line 8150N and Line 9550E; depth 225 meters,

2. Line 8300N at 96+25E; depth 300 meters,

3. Line 9400E at 82+25N; depth 200 meters,

4. Line 9700E at 80+00N; depth 100 meters; anomaly is present on first electrode separation (n=1) and could reflect steep tabular body; angle drilling may be necessary to best test this response.

Joseph R. Anzman



CANQUEST RESOURCE CORPORATION

MICROJECT PROJECT, STUMP LAKE, B.C.

LOCATIONS OF CHARGEABILITY ANOMALIES

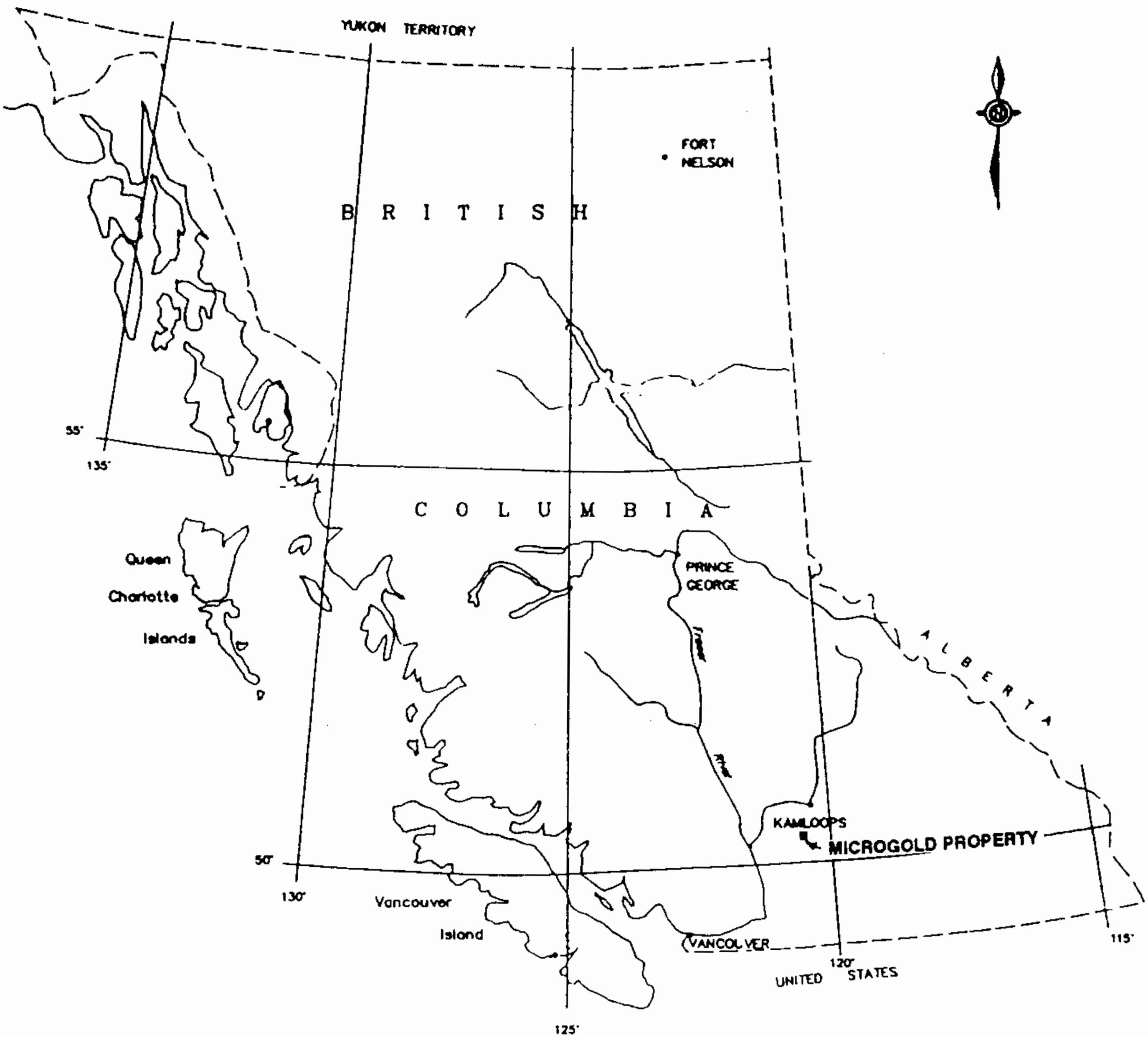
As per Joseph R. Anzman, Consulting Geophysicist

November, 1996

N.T.S. 92I/08W SCALE 1 : 25,000

APPENDIX III

Figures 1 - 5



Scale 1:10,000,000

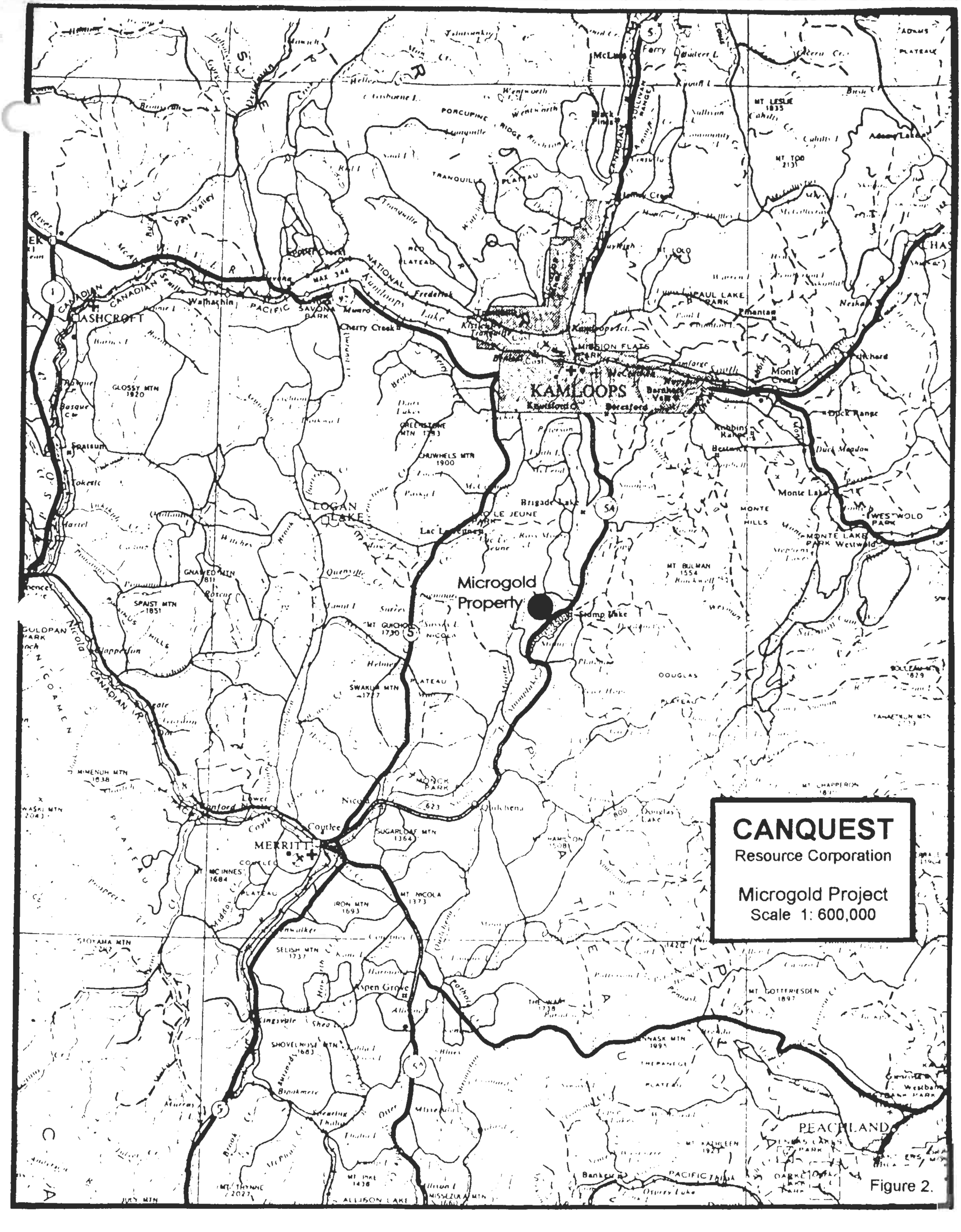
100 0 100 200 300 400 Km

CANQUEST RESOURCE CORP.

MICROGOLD PROPERTY

LOCATION MAP

Figure 1.


CANQUEST
Resource Corporation
Microgold Project
Scale 1: 600,000
Microgold Property
KAMLOOPS
ASHCROFT
MERRITT
LOGAN LAKE
PEACHLAND
Brigade Lake
Stump Lake
Monte Lake
Cherry Creek
Walhachin
Savona
Coutlee
Quilchena
Nicola
Aspen Grove
Kingsvale
GLOSSY MTN 1920
CHUWHELS MTN 1900
GNAWED MTN 1811
SPAIST MTN 1851
SWAKUM MTN 1727
SUGARLOAF MTN 1364
MT McINNES 1684
MT NICOLA 1373
IRON MTN 1693
SELISH MTN 1737
SHOVELNOSE MTN 1683
MT BULMAN 1554
MT LESLIE 1835
MT TOD 2131
MT GOTTFRIESDEN 1897
DOUGLAS PLATEAU
TRANQUILLE PLATEAU
PORCUPINE RIDGE
MONTE HILLS
MONTE LAKE PARK Westwold
MONCK PARK
MISSION FLATS PARK
PAUL LAKE PARK
Duck Range
Douglas Lake
PACIFIC
Figure 2.

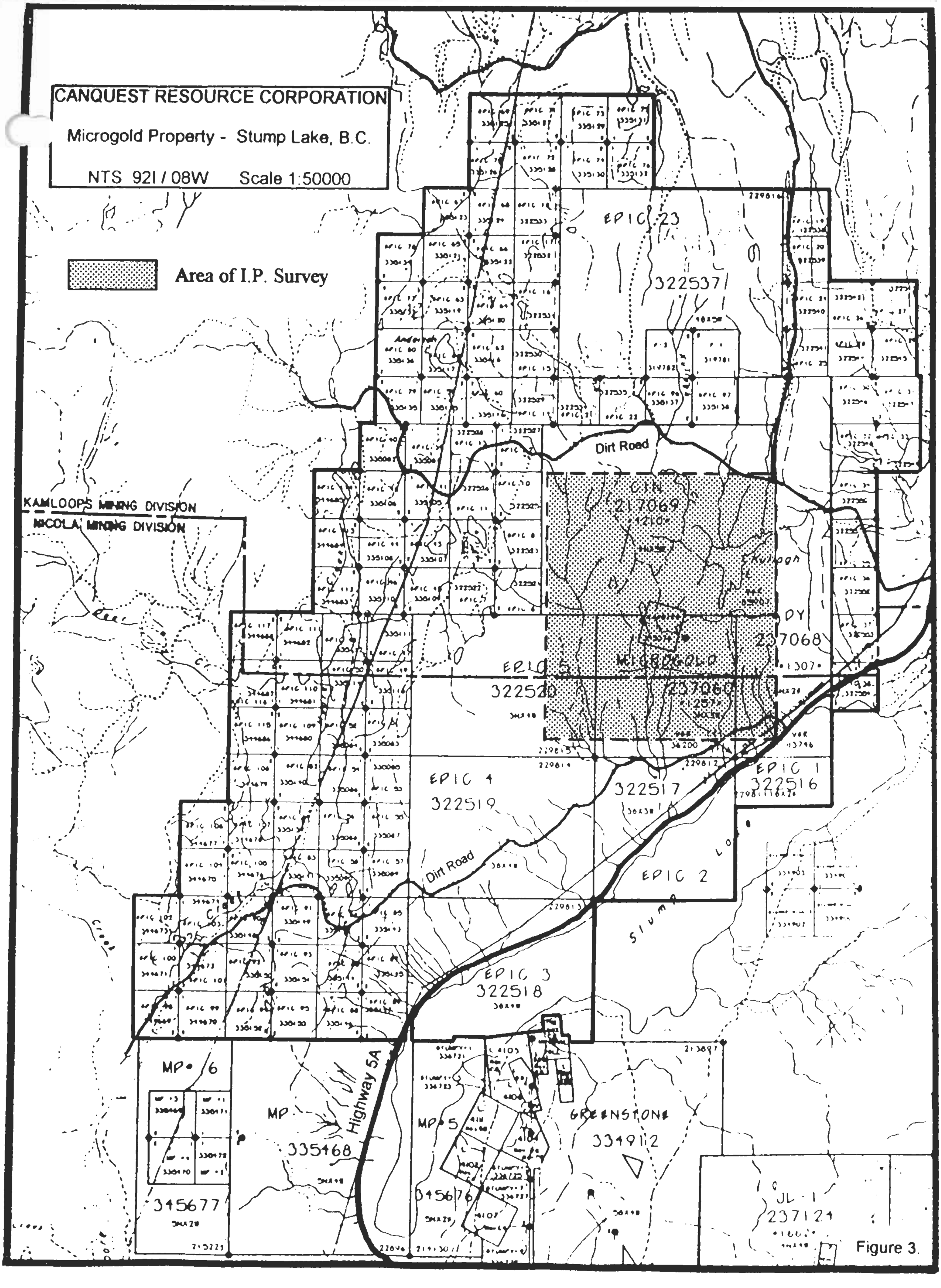
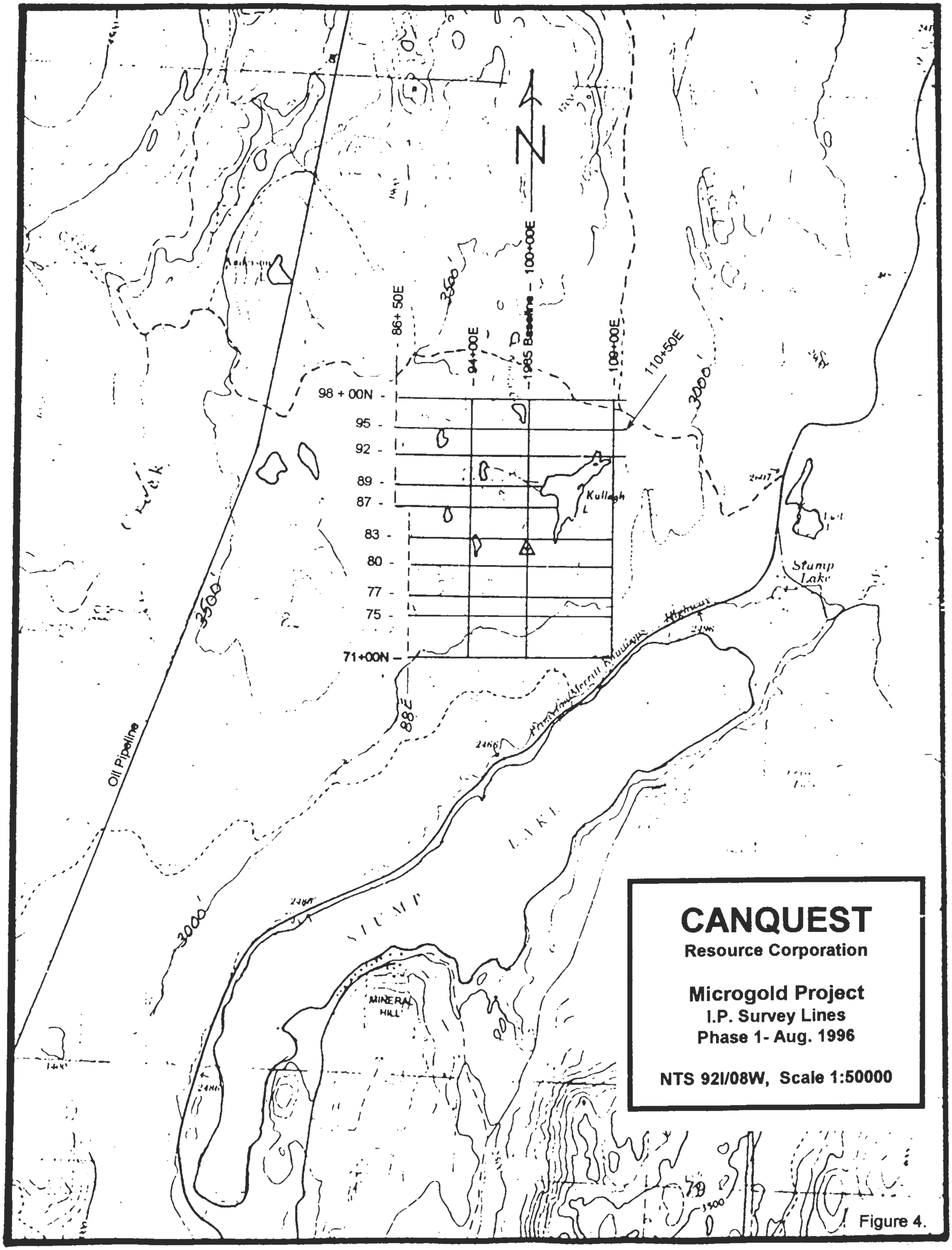

CANQUEST RESOURCE CORPORATION
Microgold Property - Stump Lake, B.C.
NTS 92I / 08W Scale 1:50000
Area of I.P. Survey
KAMLOOPS MINING DIVISION
NICOLA MINING DIVISION
Dirt Road
EPIC 23
322537
CIN
217069
DY
237068
MICROGOLD
237060
EPIC 5
322520
EPIC 4
322519
322517
EPIC 1
322516
EPIC 2
EPIC 3
322518
Highway 5A
MP 6
345677
MP
335468
MP 5
345676
GREENSTONE
334912
JL 1
237124

Figure 3.

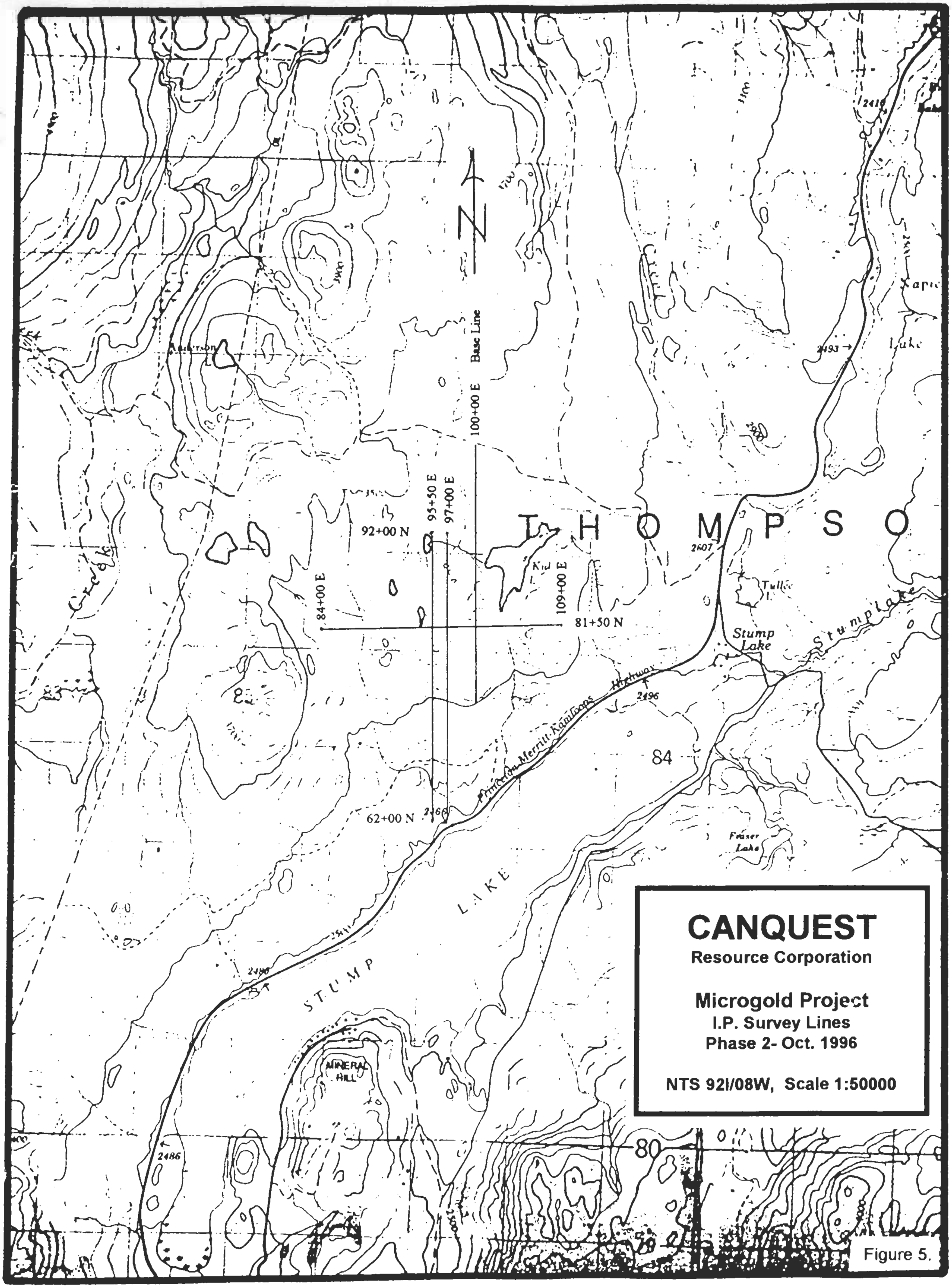


CANQUEST
Resource Corporation

Microgold Project
I.P. Survey Lines
Phase 1- Aug. 1996

NTS 92I/08W, Scale 1:50000

Figure 4.



CANQUEST
Resource Corporation

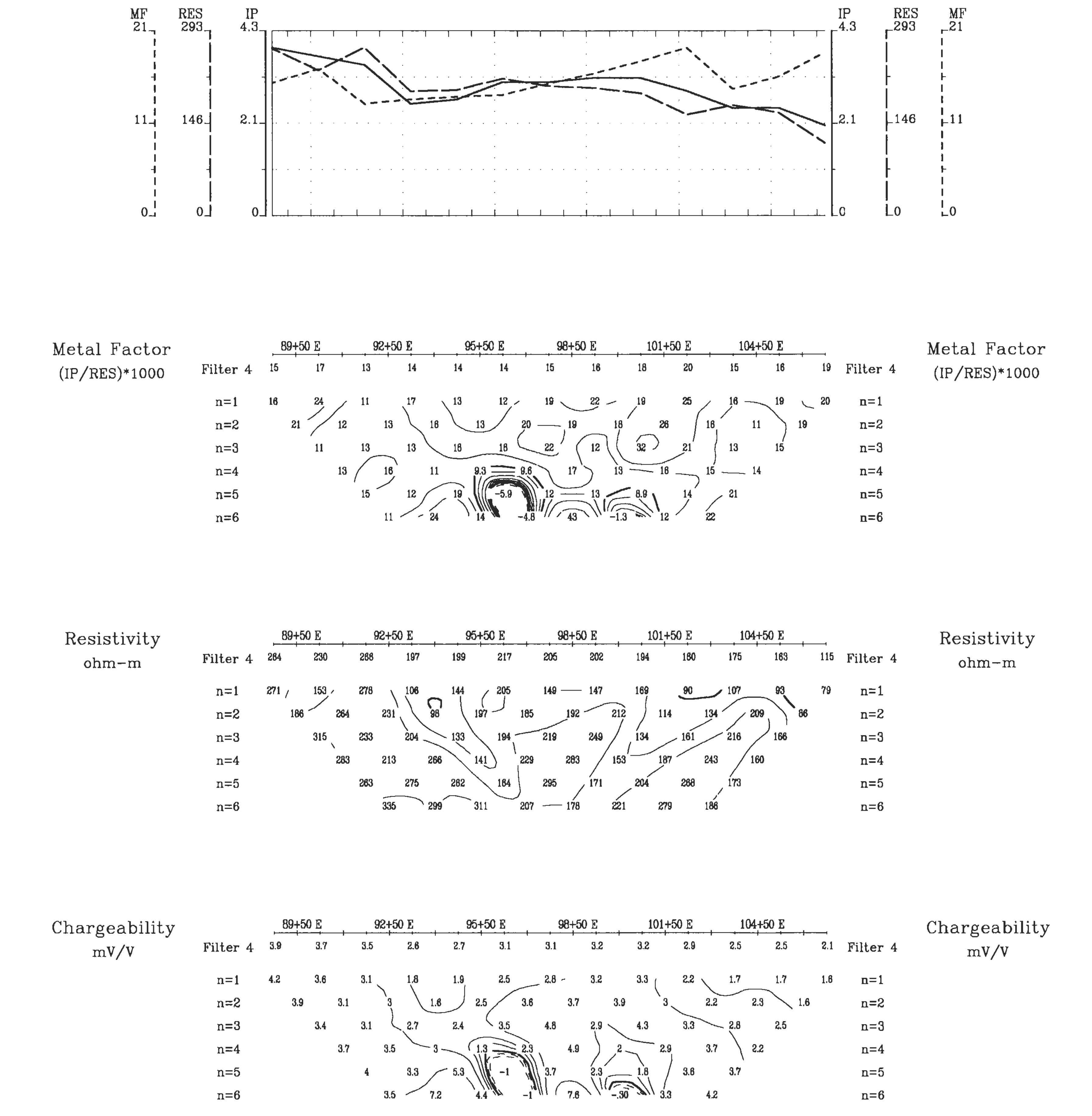
Microgold Project
I.P. Survey Lines
Phase 2- Oct. 1996

NTS 92I/08W, Scale 1:50000

Figure 5.

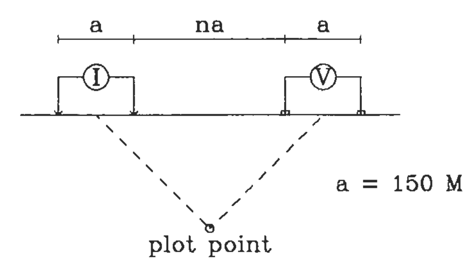
APPENDIX IV

I.P. Pseudosections



Line 7100 N

Dipole-Dipole Array



Filter
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Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

■ Strong increase in polarization accompanied by marked decrease in resistivity.

□ Well defined increase in polarization without marked resistivity decrease.

□ Poorly defined polarization increase with no resistivity signature.

▼ Low resistivity feature.

Scale 1:15000

250 0 250 500 750
(meters)

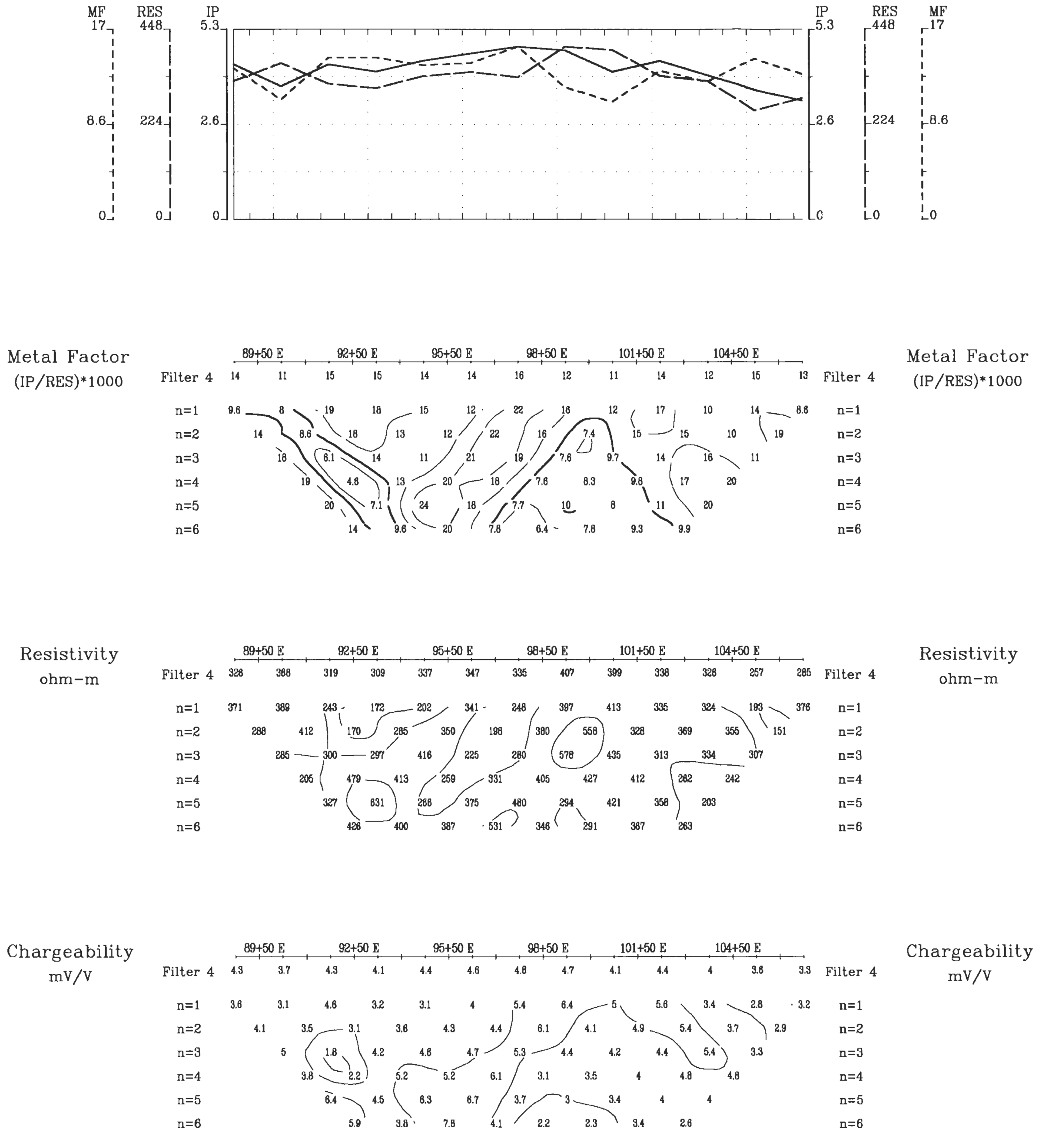
CANQUEST RESOURCE CORPORATION

INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

Date: 96/08/20
Interpretation: DELTA

DELTA GEOSCIENCE LTD

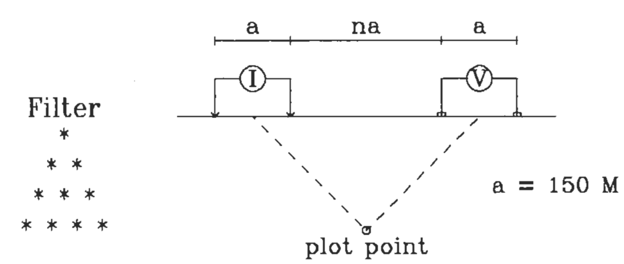
Geosoft Software for the Earth Sciences



Geosoft Software for the Earth Sciences

Line 7500 N

Dipole–Dipole Array

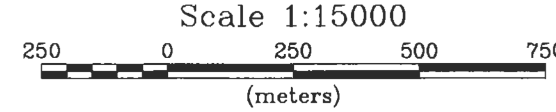


Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

- ■ Strong increase in polarization accompanied by marked decrease in resistivity.
- □ Well defined increase in polarization without marked resistivity decrease.
- □ Poorly defined polarization increase with no resistivity signature.
- ▼ Low resistivity feature.

Scale 1:15000

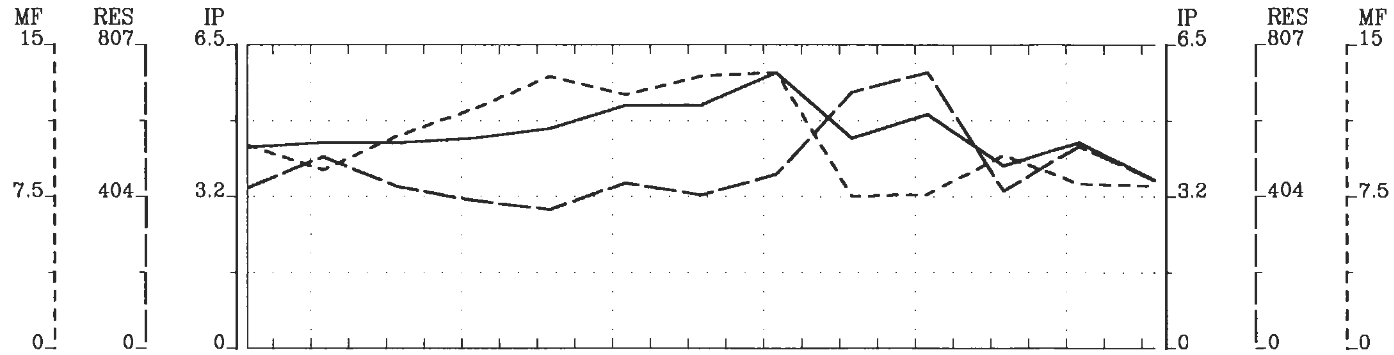


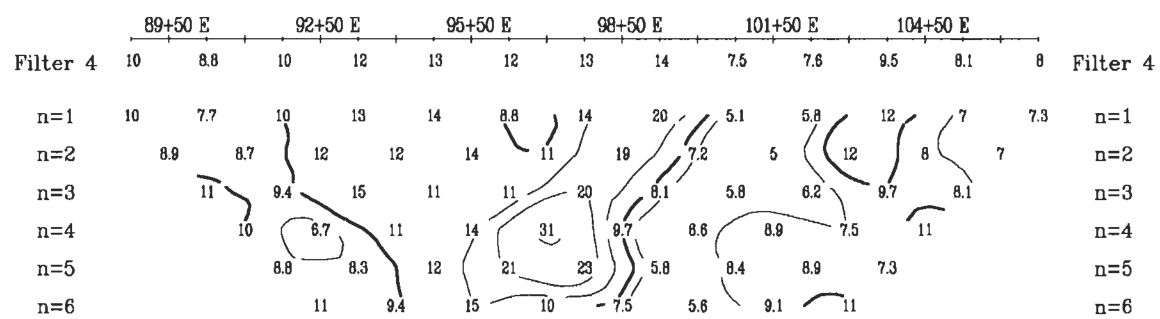
CANQUEST RESOURCE CORPORATION

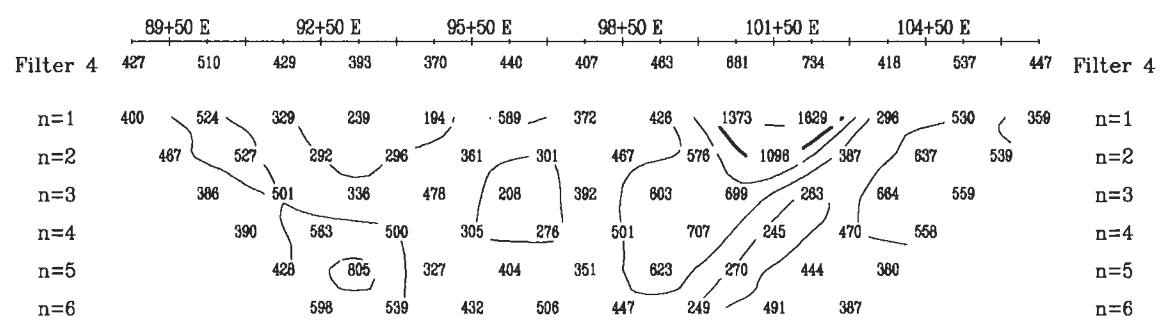
INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

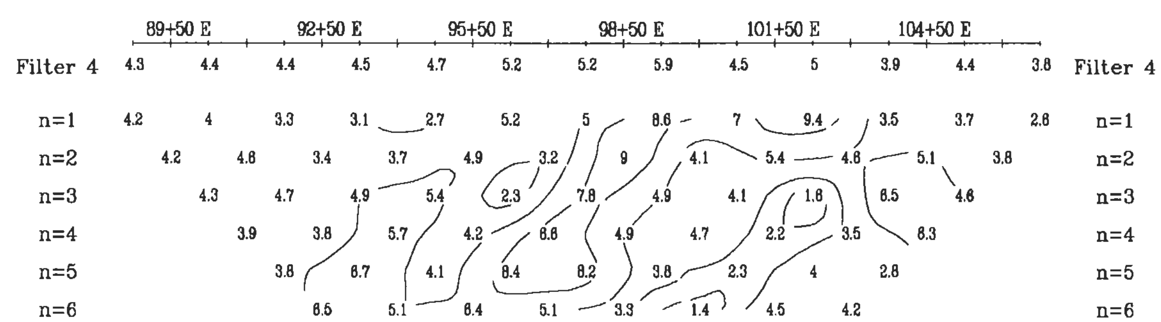
Date: 96/08/21
Interpretation: DELTA

DELTA GEOSCIENCE LTD



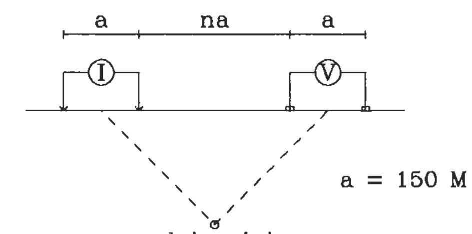






Line 7700 N

Dipole–Dipole Array



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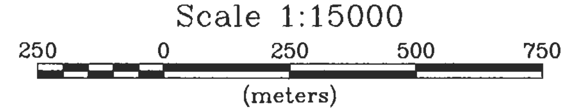
Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

- ■ Strong increase in polarization accompanied by marked decrease in resistivity.
- □ Well defined increase in polarization without marked resistivity decrease.
- □ Poorly defined polarization increase with no resistivity signature.
- ▼ Low resistivity feature.

Scale 1:15000



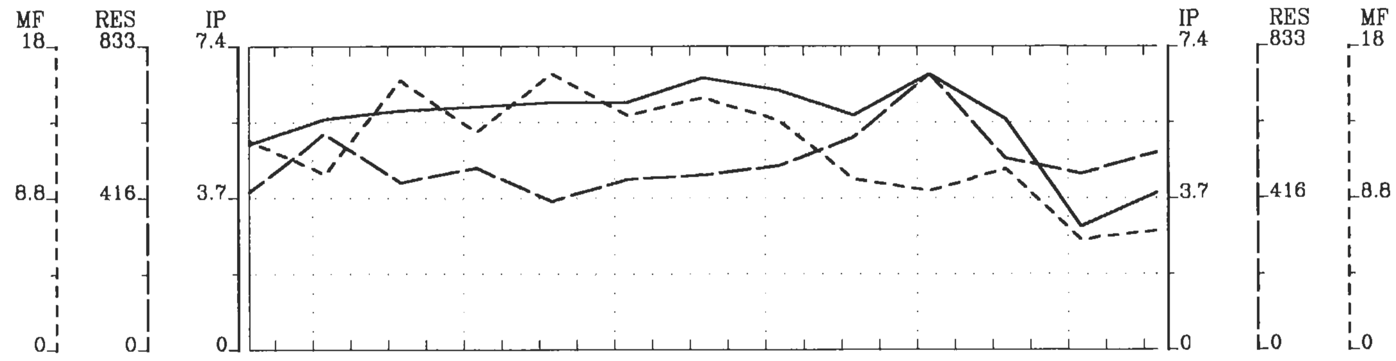
CANQUEST RESOURCE CORPORATION

INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

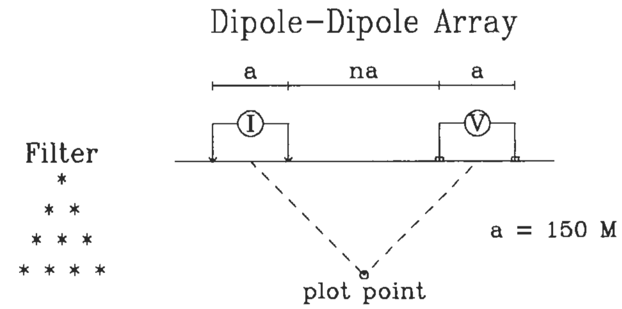
Date: 96/08/22
Interpretation: DELTA

DELTA GEOSCIENCE LTD

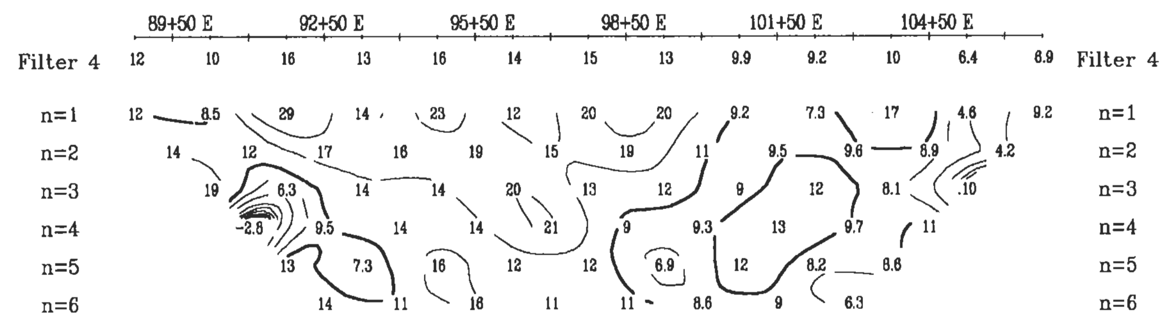
Geosoft Software for the Earth Sciences



Line 8000 N



Metal Factor
(IP/RES)*1000



Metal Factor
(IP/RES)*1000

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

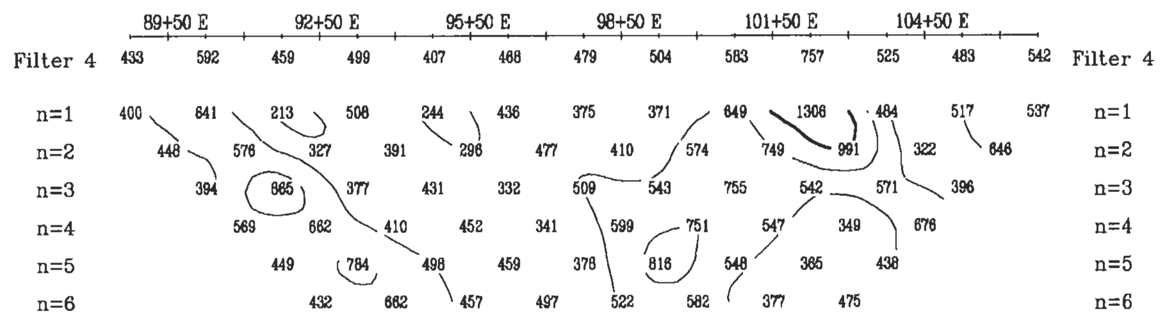
■ Strong increase in polarization accompanied by marked decrease in resistivity.

◘ Well defined increase in polarization without marked resistivity decrease.

□ Poorly defined polarization increase with no resistivity signature.

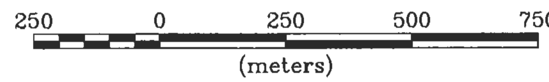
▼ Low resistivity feature.

Resistivity
ohm-m

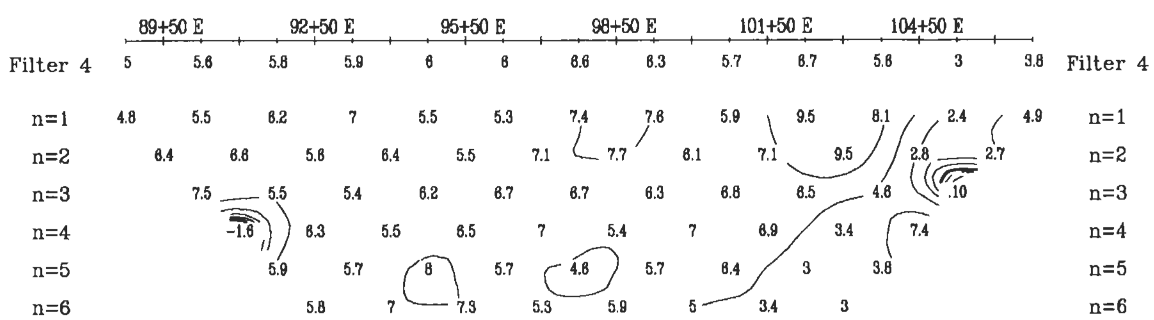


Resistivity
ohm-m

Scale 1:15000



Chargeability
mV/V



Chargeability
mV/V

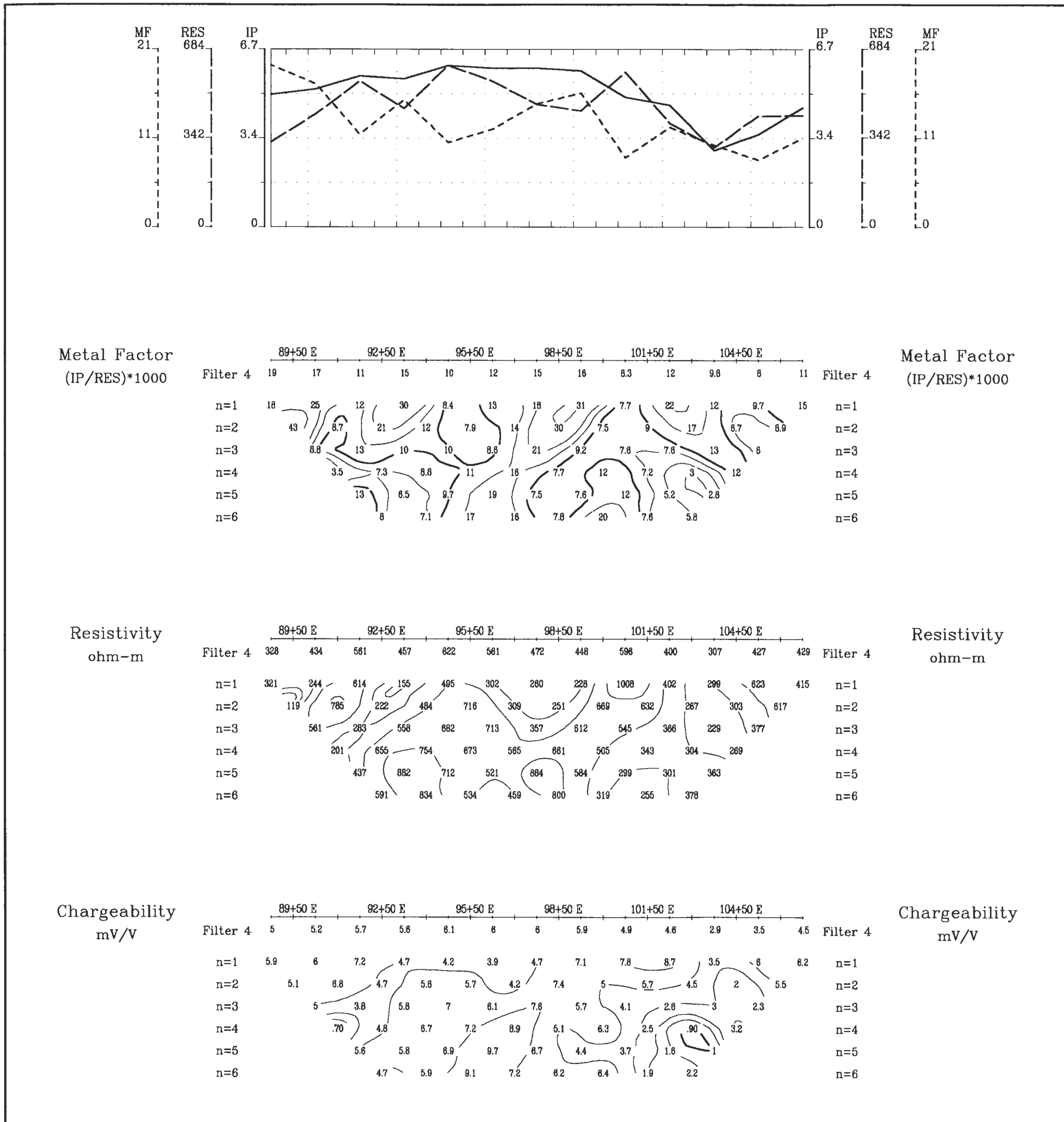
CANQUEST RESOURCE CORPORATION

INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

Date: 96/08/23
Interpretation: DELTA

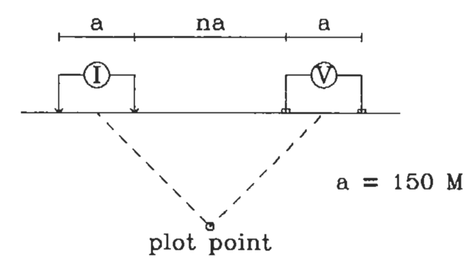
DELTA GEOSCIENCE LTD

Geosoft Software for the Earth Sciences



Line 8300 N

Dipole-Dipole Array



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Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

■ Strong increase in polarization accompanied by marked decrease in resistivity.

□ Well defined increase in polarization without marked resistivity decrease.

□ Poorly defined polarization increase with no resistivity signature.

▼ Low resistivity feature.

Scale 1:15000

250 0 250 500 750

(meters)

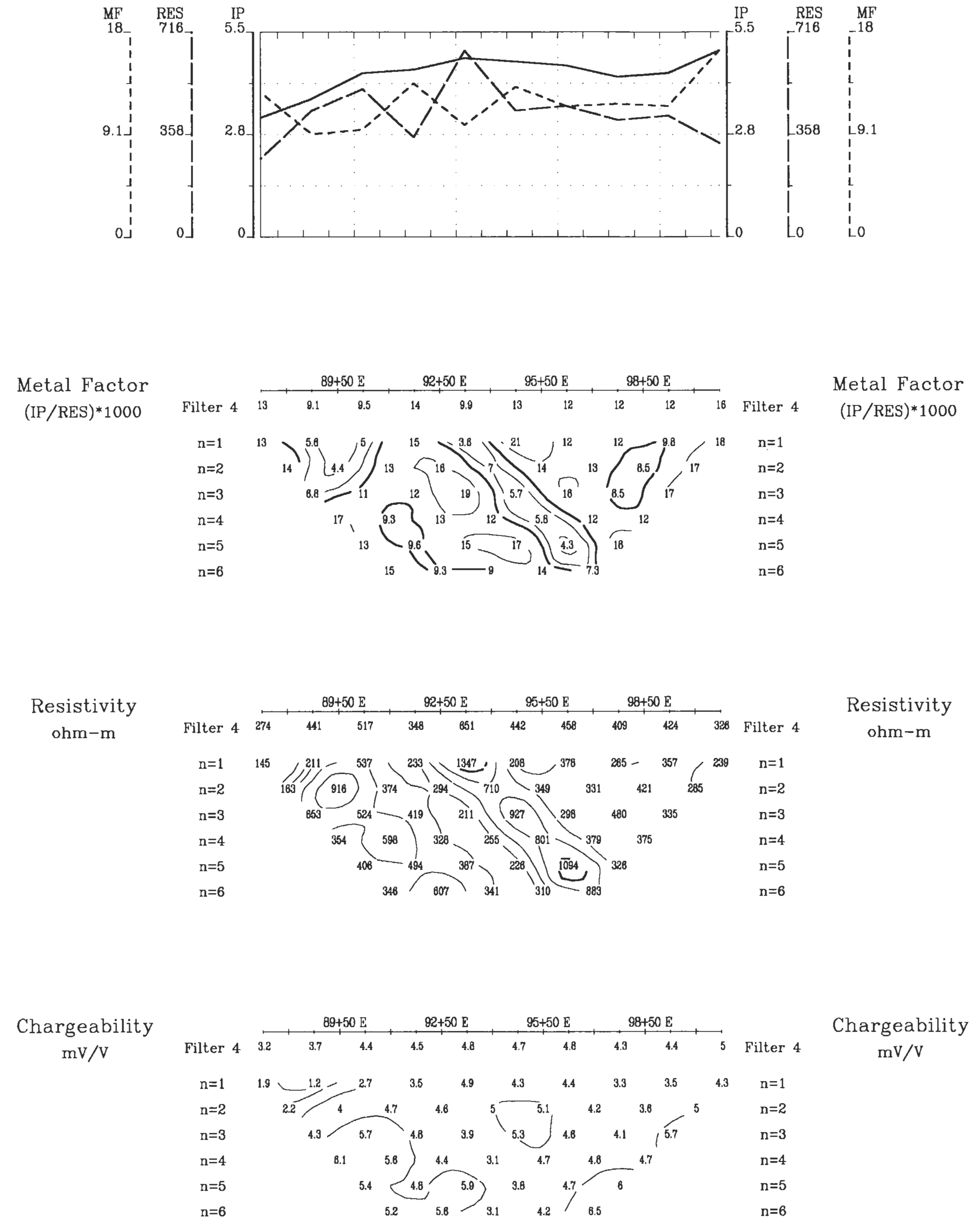
CANQUEST RESOURCE CORPORATION

INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

Date: 96/08/24
Interpretation: DELTA

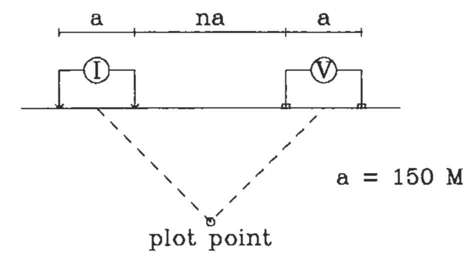
DELTA GEOSCIENCE LTD

Geosoft Software for the Earth Sciences



Line 8700 N

Dipole-Dipole Array



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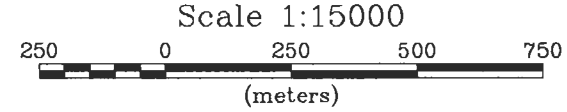
a = 150 M

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

- ■ Strong increase in polarization accompanied by marked decrease in resistivity.
- ◘ Well defined increase in polarization without marked resistivity decrease.
- □ Poorly defined polarization increase with no resistivity signature.
- ▼ Low resistivity feature.

Scale 1:15000



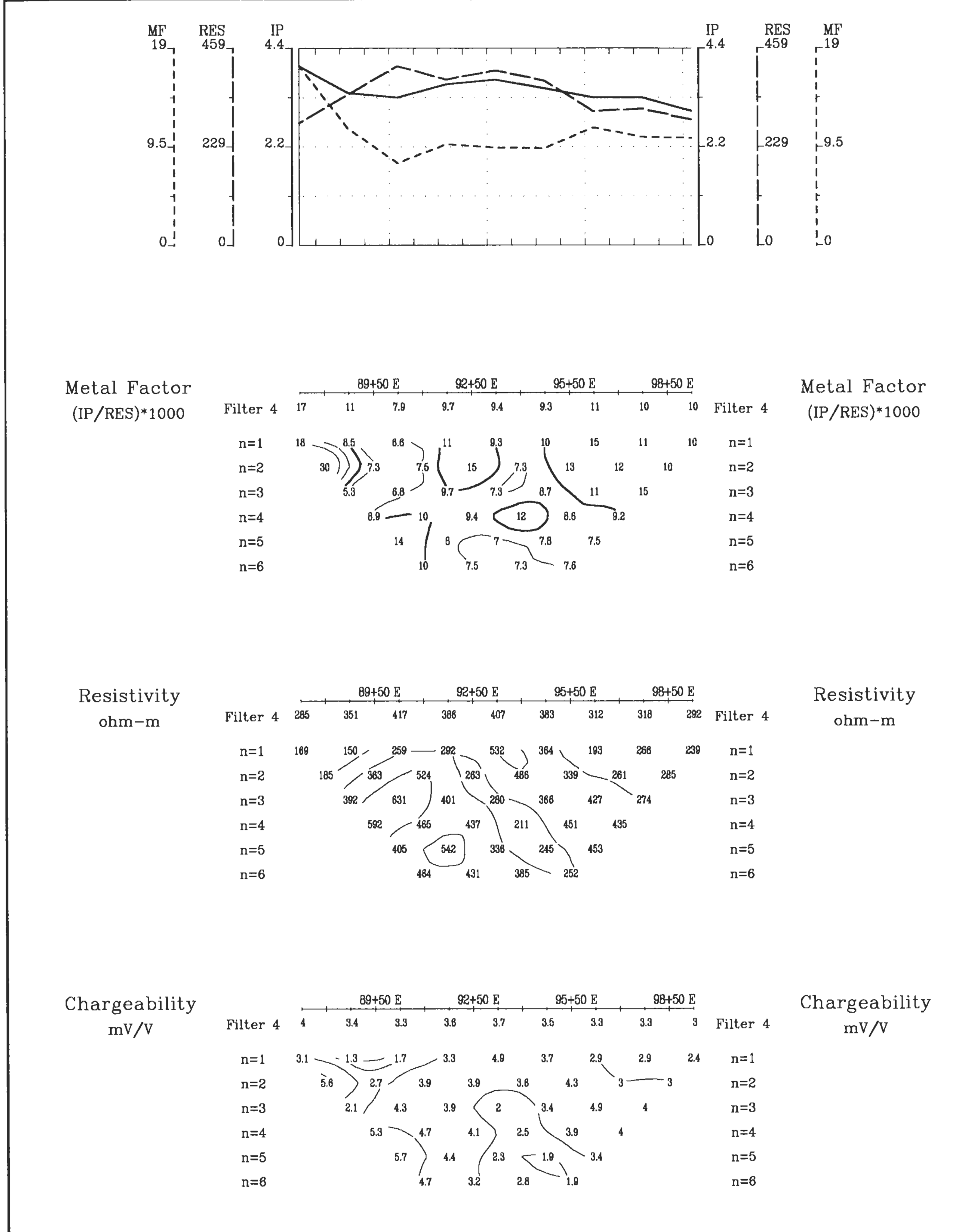
CANQUEST RESOURCE CORPORATION

INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

Date: 96/08/25
Interpretation: DELTA

DELTA GEOSCIENCE LTD

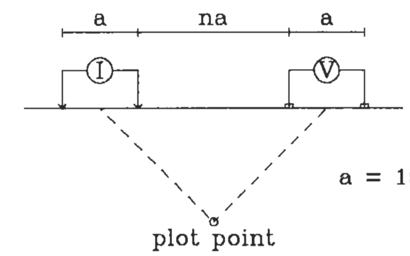
Geosoft Software for the Earth Sciences



Geosoft Software for the Earth Sciences

Line 8900 N

Dipole-Dipole Array



Filter
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a = 150 M

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

■ Strong increase in polarization accompanied by marked decrease in resistivity.

□ Well defined increase in polarization without marked resistivity decrease.

□ Poorly defined polarization increase with no resistivity signature.

▼ Low resistivity feature.

Scale 1:15000

250 0 250 500 750

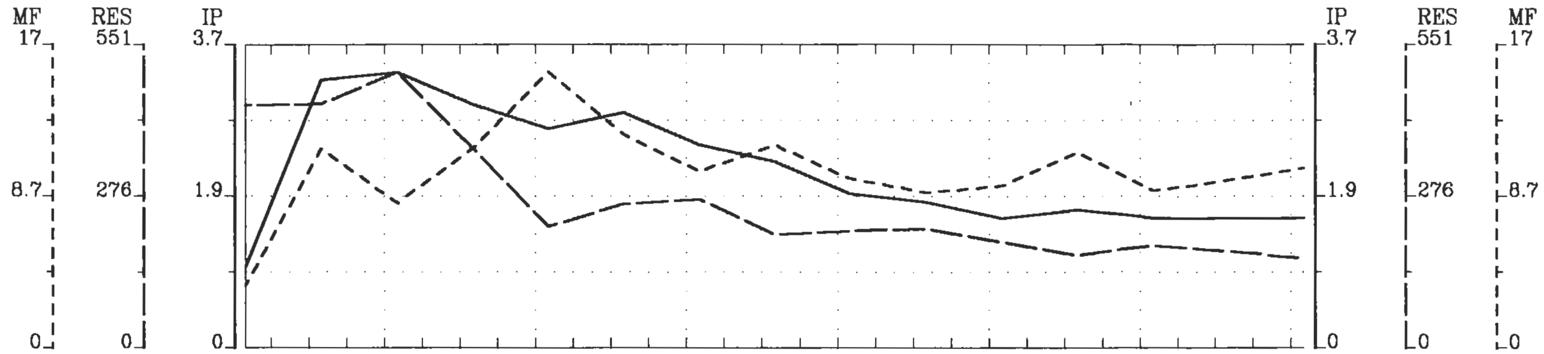
(meters)

CANQUEST RESOURCE CORPORATION

INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

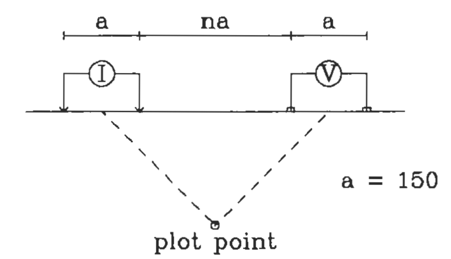
Date: 96/08/26
Interpretation: DELTA

DELTA GEOSCIENCE LTD



Line 9200 N

Dipole–Dipole Array



Filter
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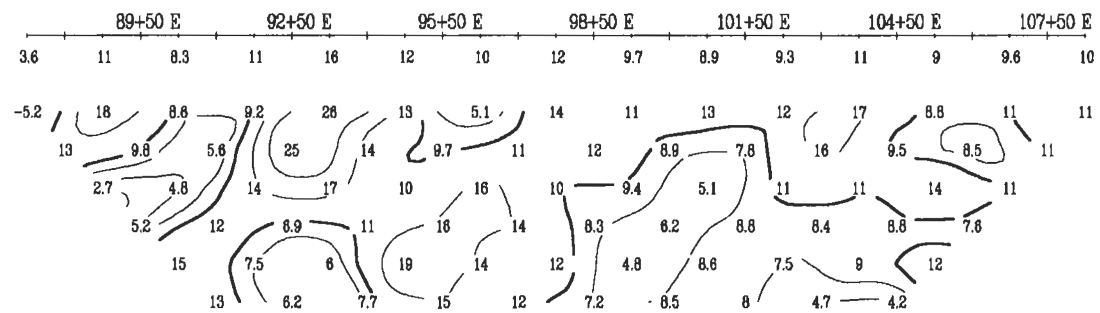
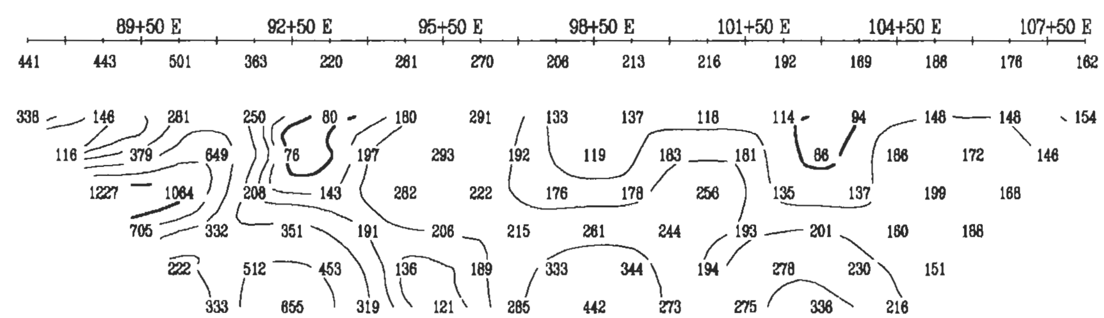
Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

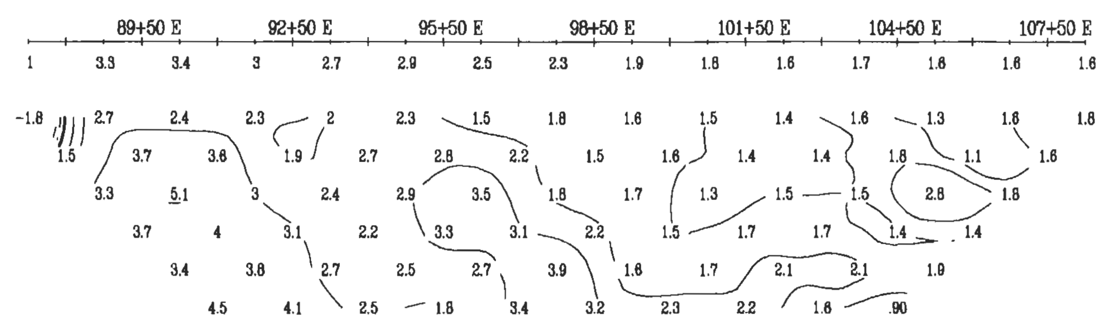
Metal Factor
(IP/RES)*1000



Resistivity
ohm–m



Chargeability
mV/V



INTERPRETATION

- ■ Strong increase in polarization accompanied by marked decrease in resistivity.
- ▣ Well defined increase in polarization without marked resistivity decrease.
- □ Poorly defined polarization increase with no resistivity signature.
- ▼ Low resistivity feature.

Scale 1:15000

250 0 250 500 750

(meters)

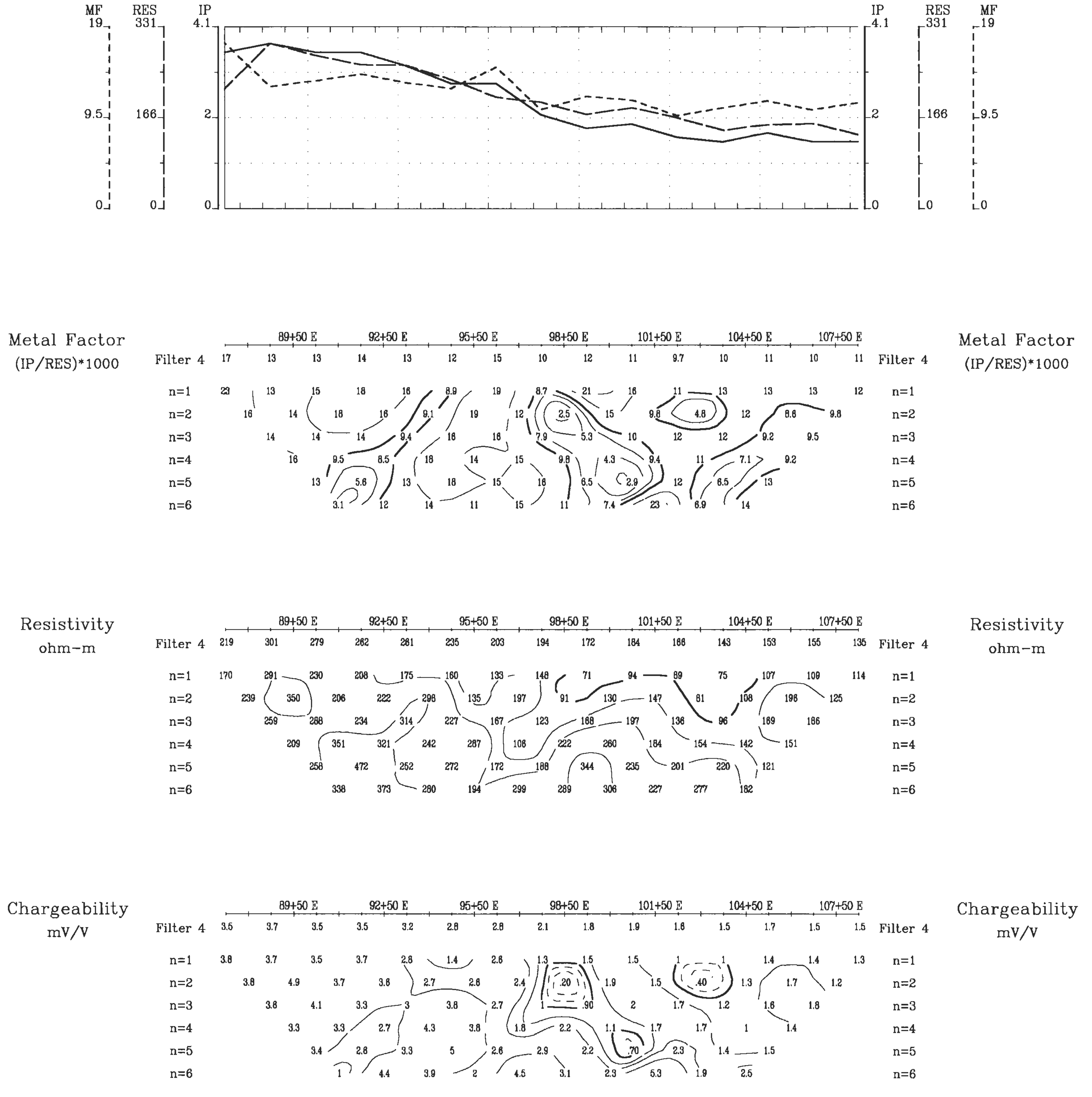
CANQUEST RESOURCE CORPORATION

INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

Date: 96/08/27
Interpretation: DELTA

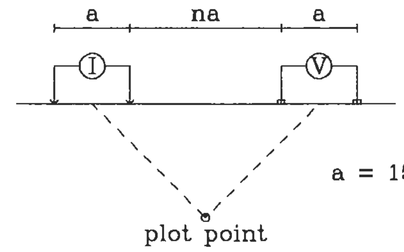
DELTA GEOSCIENCE LTD

Geosoft Software for the Earth Sciences



Line 9500 N

Dipole–Dipole Array



a = 150 M

Filter
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Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

- ■ Strong increase in polarization accompanied by marked decrease in resistivity.
- ▣ Well defined increase in polarization without marked resistivity decrease.
- □ Poorly defined polarization increase with no resistivity signature.
- ▼ Low resistivity feature.

Scale 1:15000

250 0 250 500 750

(meters)

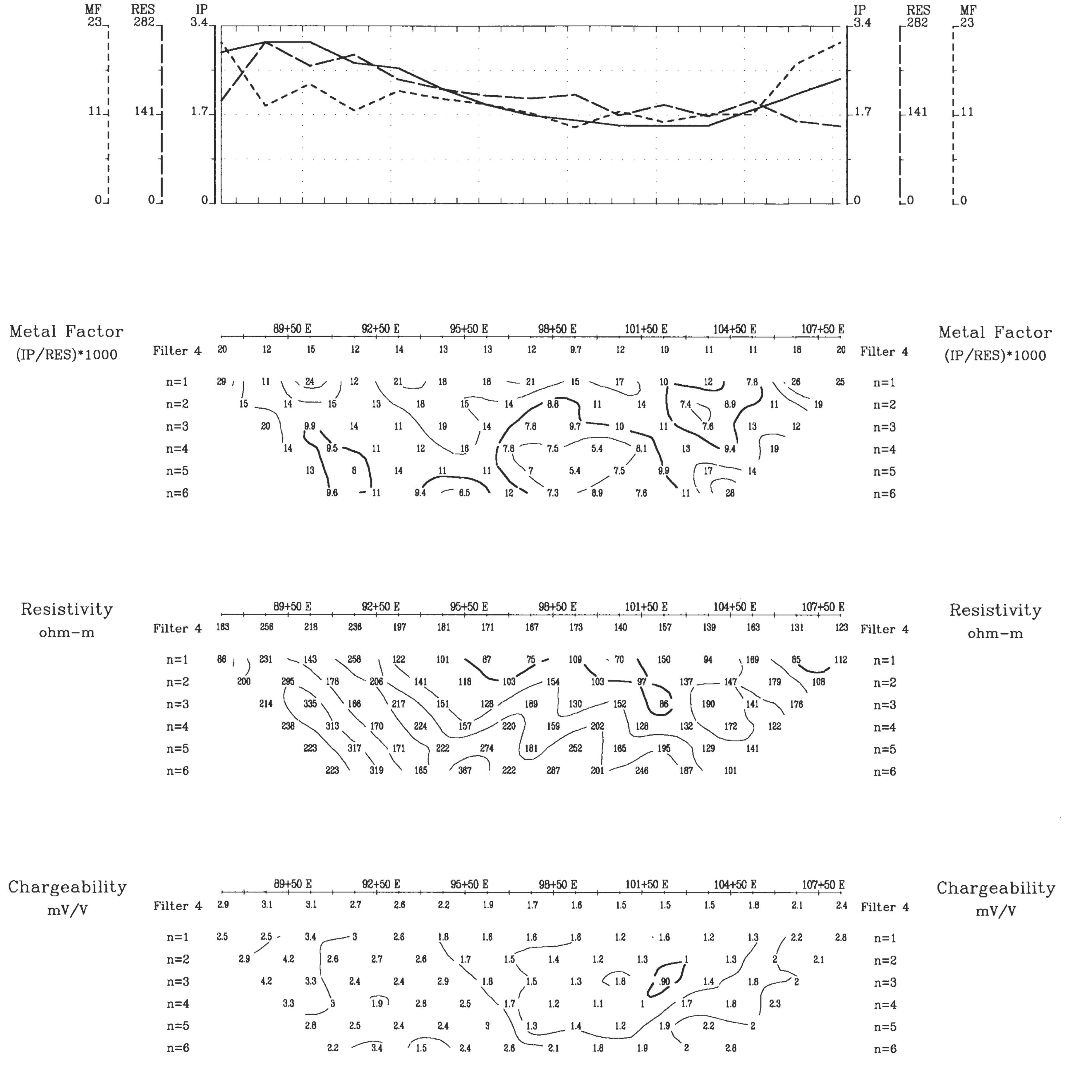
CANQUEST RESOURCE CORPORATION

INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

Date: 96/08/28
Interpretation: DELTA

DELTA GEOSCIENCE LTD

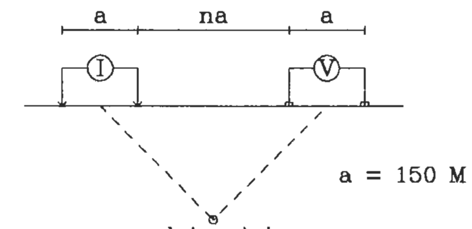
Geosoft Software for the Earth Sciences



Geosoft Software for the Earth Sciences

Line 9800 N

Dipole-Dipole Array



Filter
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Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

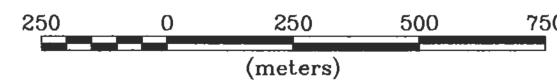
■ Strong increase in polarization accompanied by marked decrease in resistivity.

◘ Well defined increase in polarization without marked resistivity decrease.

□ Poorly defined polarization increase with no resistivity signature.

▼ Low resistivity feature.

Scale 1:15000



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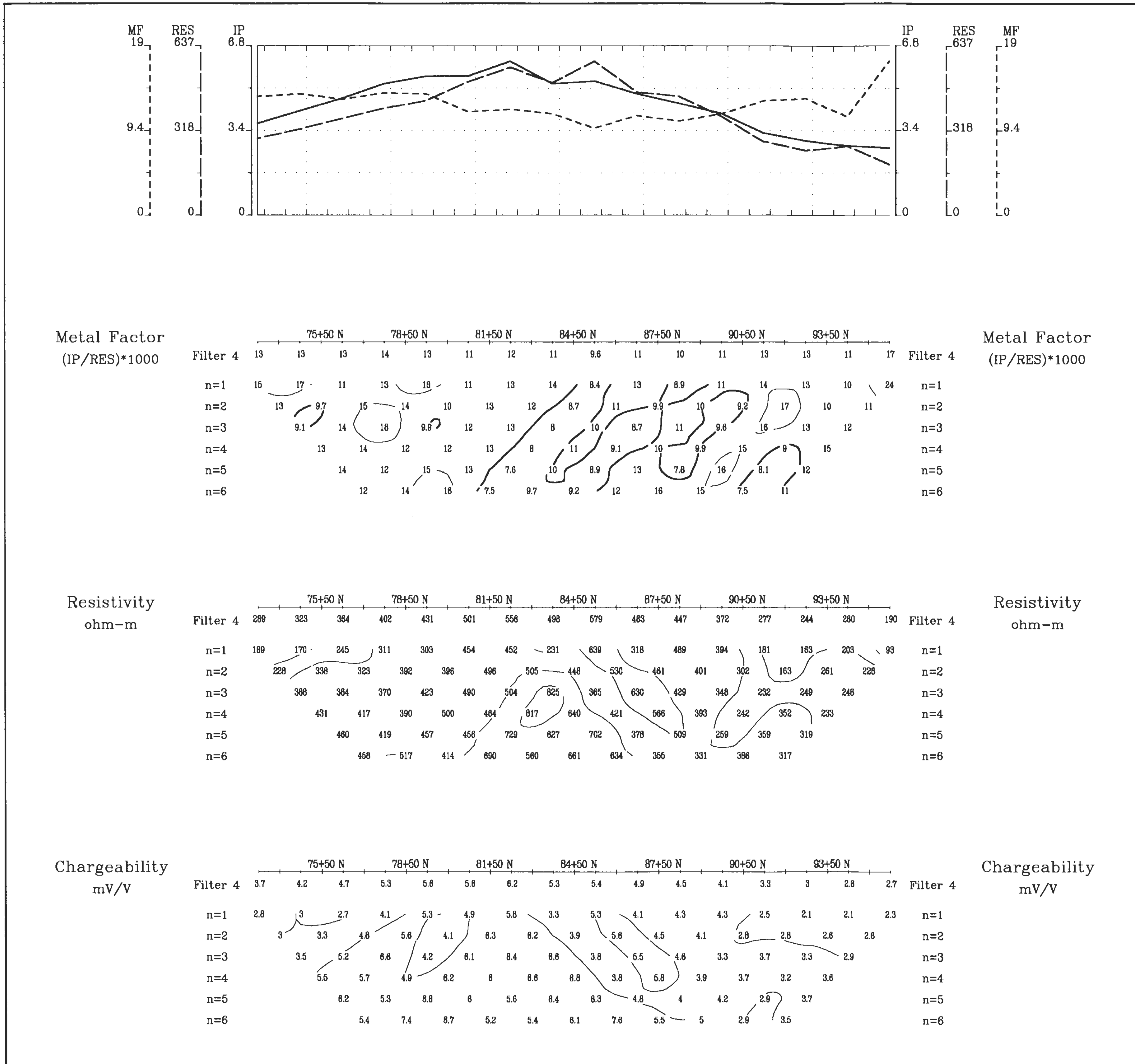
INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

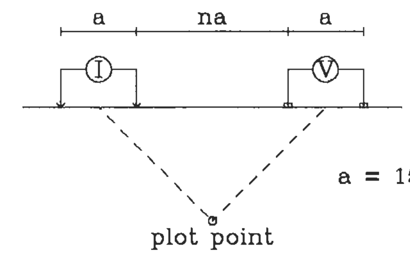
Date: 96/08/29
Interpretation: DELTA

DELTA GEOSCIENCE LTD



Line 9400 E

Dipole-Dipole Array



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Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

■ Strong increase in polarization accompanied by marked decrease in resistivity.

□ Well defined increase in polarization without marked resistivity decrease.

□ Poorly defined polarization increase with no resistivity signature.

▼ Low resistivity feature.

Scale 1:15000

250 0 250 500 750

(meters)

CANQUEST RESOURCE CORPORATION

INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

Date: 96/08/30
Interpretation: DELTA

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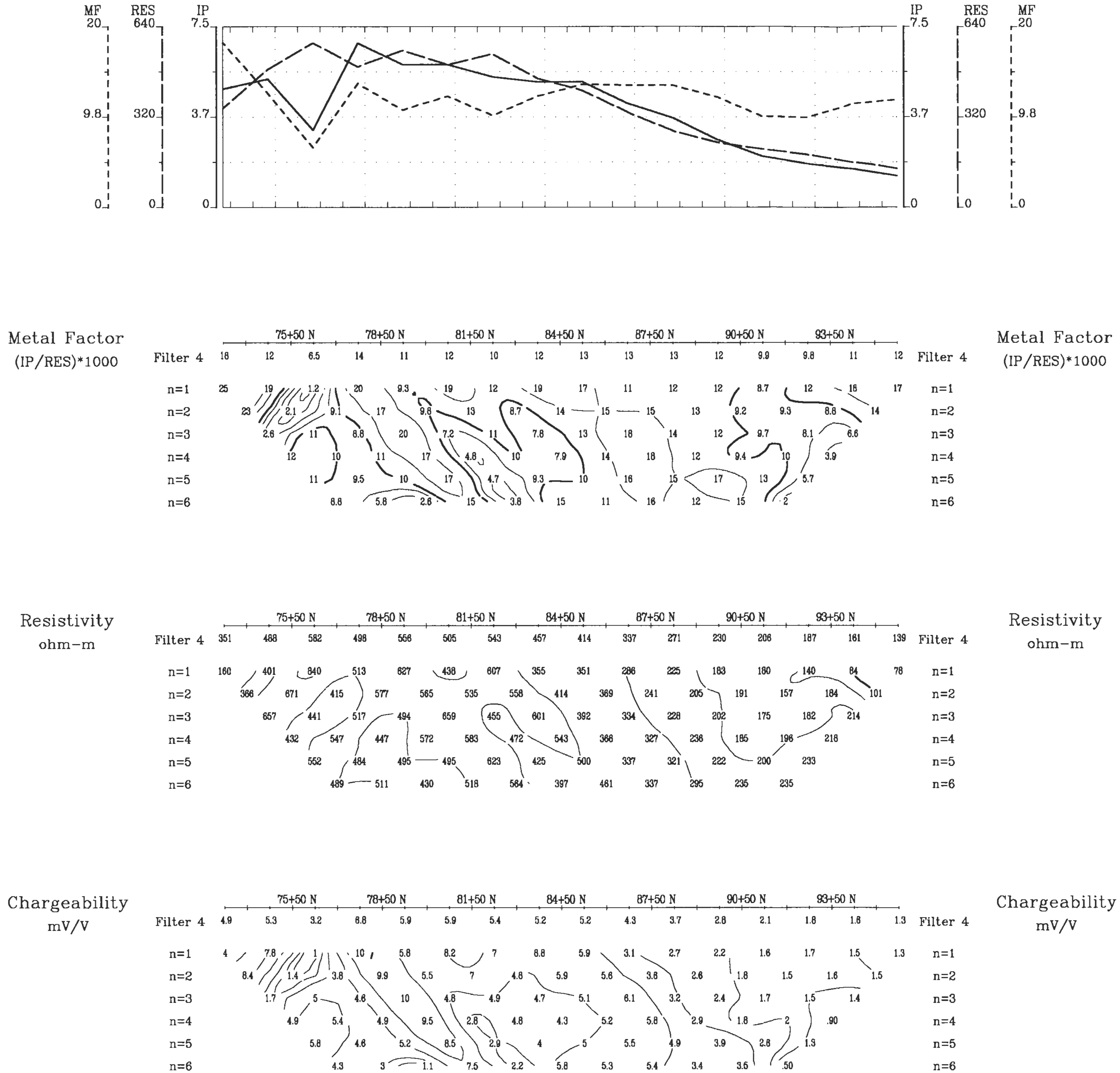
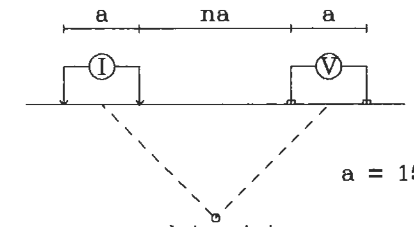


Line 10000 E

Dipole–Dipole Array



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Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

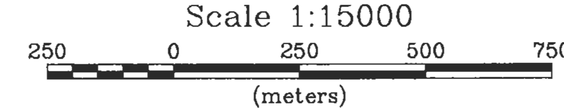
■ Strong increase in polarization accompanied by marked decrease in resistivity.

◘ Well defined increase in polarization without marked resistivity decrease.

□ Poorly defined polarization increase with no resistivity signature.

▼ Low resistivity feature.

Scale 1:15000



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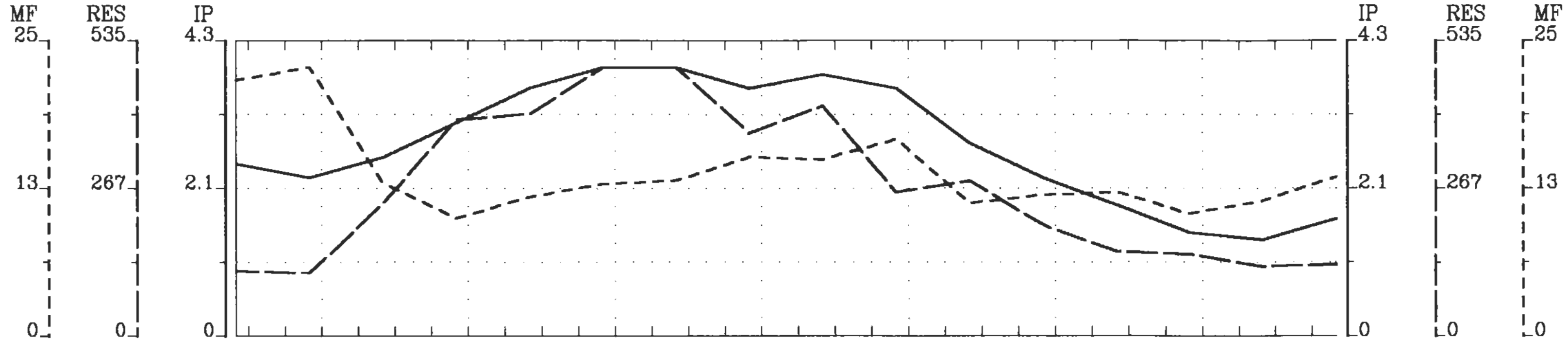
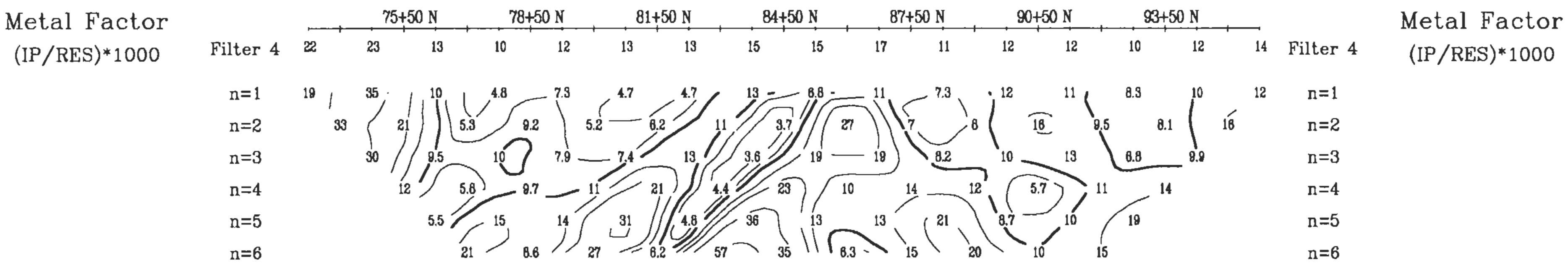
INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

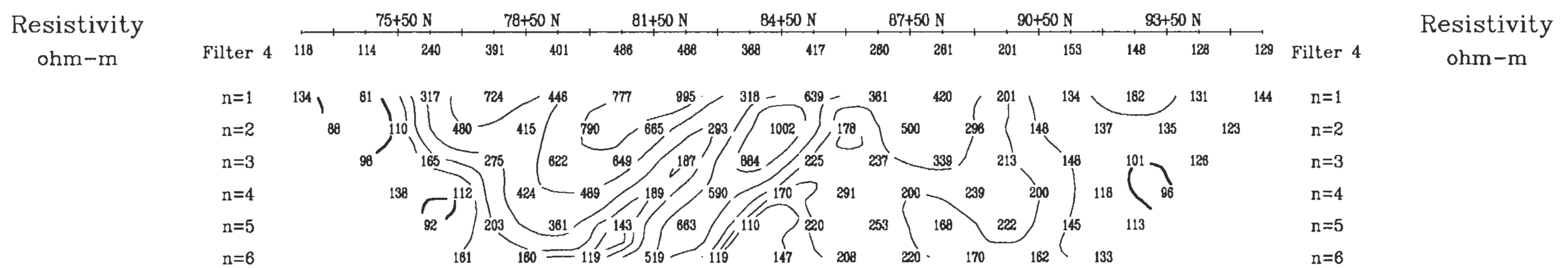
Date: 96/08/31
Interpretation: DELTA

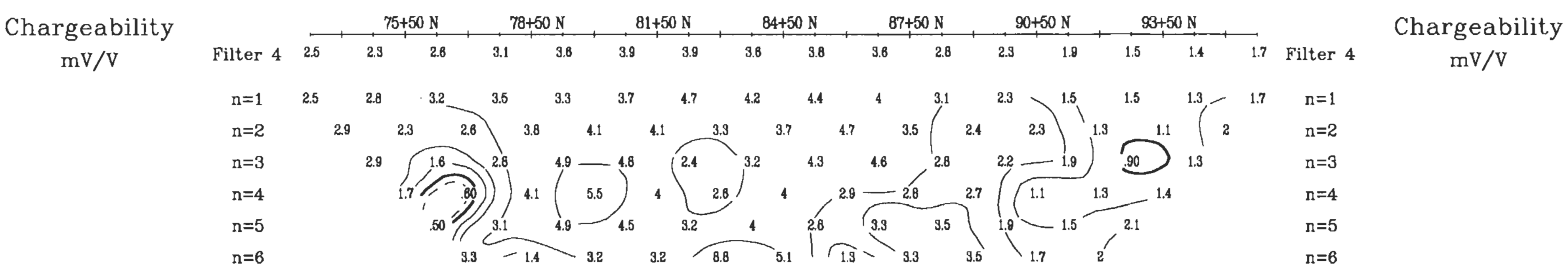
DELTA GEOSCIENCE LTD

Geosoft Software for the Earth Sciences

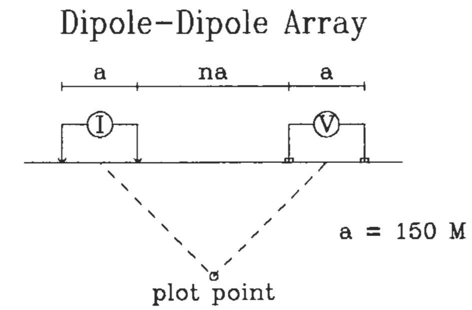








Line 10900 E



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Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

- ■ Strong increase in polarization accompanied by marked decrease in resistivity.
- □ Well defined increase in polarization without marked resistivity decrease.
- □ Poorly defined polarization increase with no resistivity signature.
- ▼ Low resistivity feature.

Scale 1:15000

250 0 250 500 750

(meters)

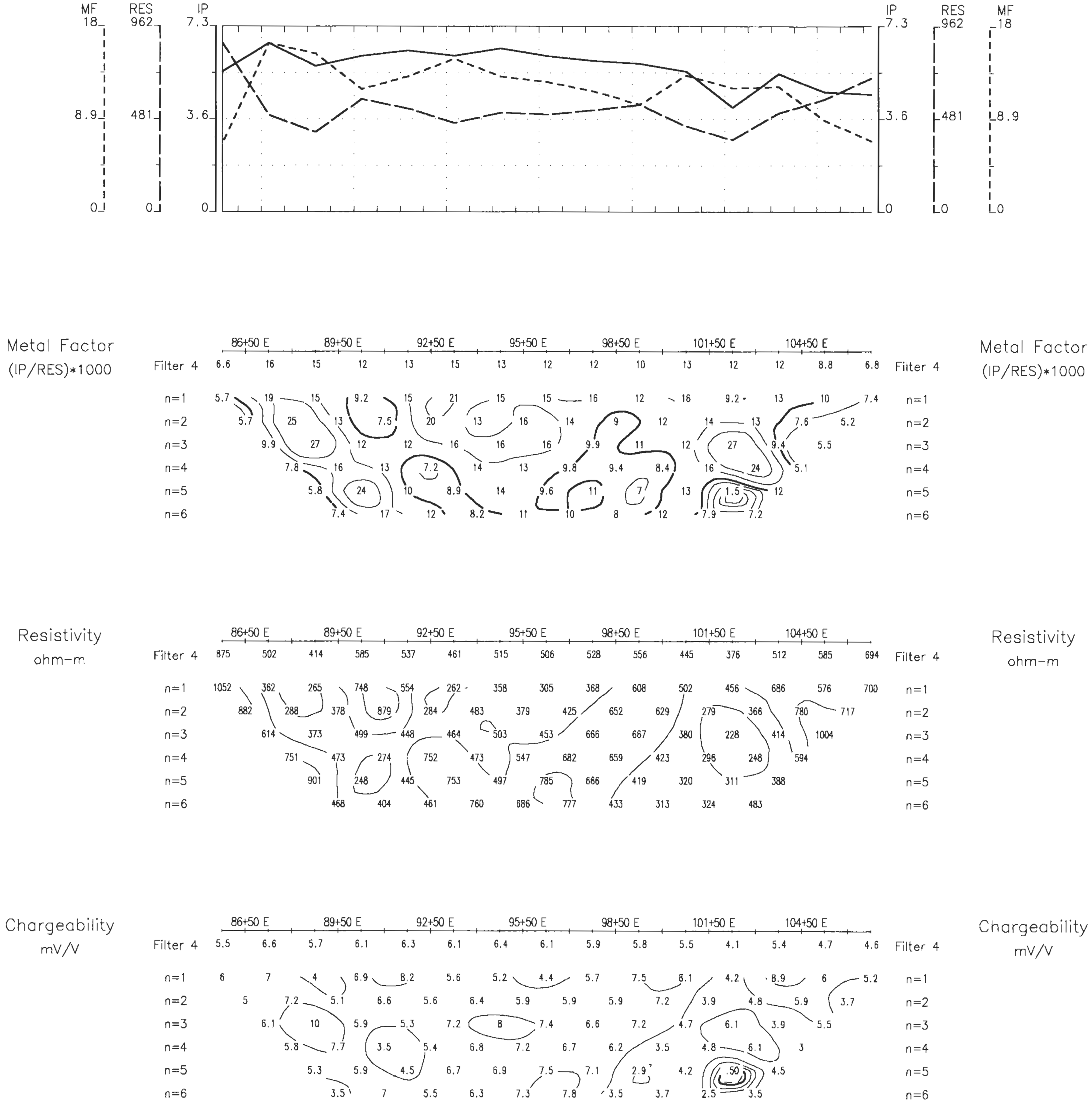
CANQUEST RESOURCE CORPORATION

INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

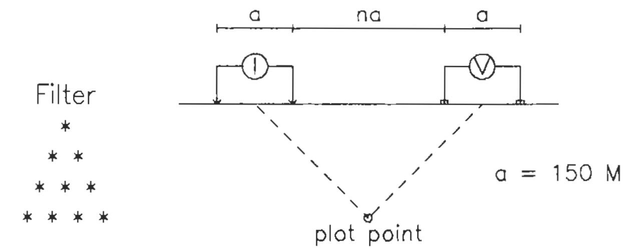
Date: 96/10/10
Interpretation: DELTA

DELTA GEOSCIENCE LTD

Geosoft Software for the Earth Sciences



Line 8150 N

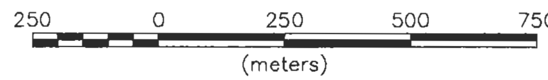


Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10, . .

INTERPRETATION

- ■ Strong increase in polarization accompanied by marked decrease in resistivity.
- □ (bold) Well defined increase in polarization without marked resistivity decrease.
- □ Poorly defined polarization increase with no resistivity signature.
- ▼ Low resistivity feature.

Scale 1:15000



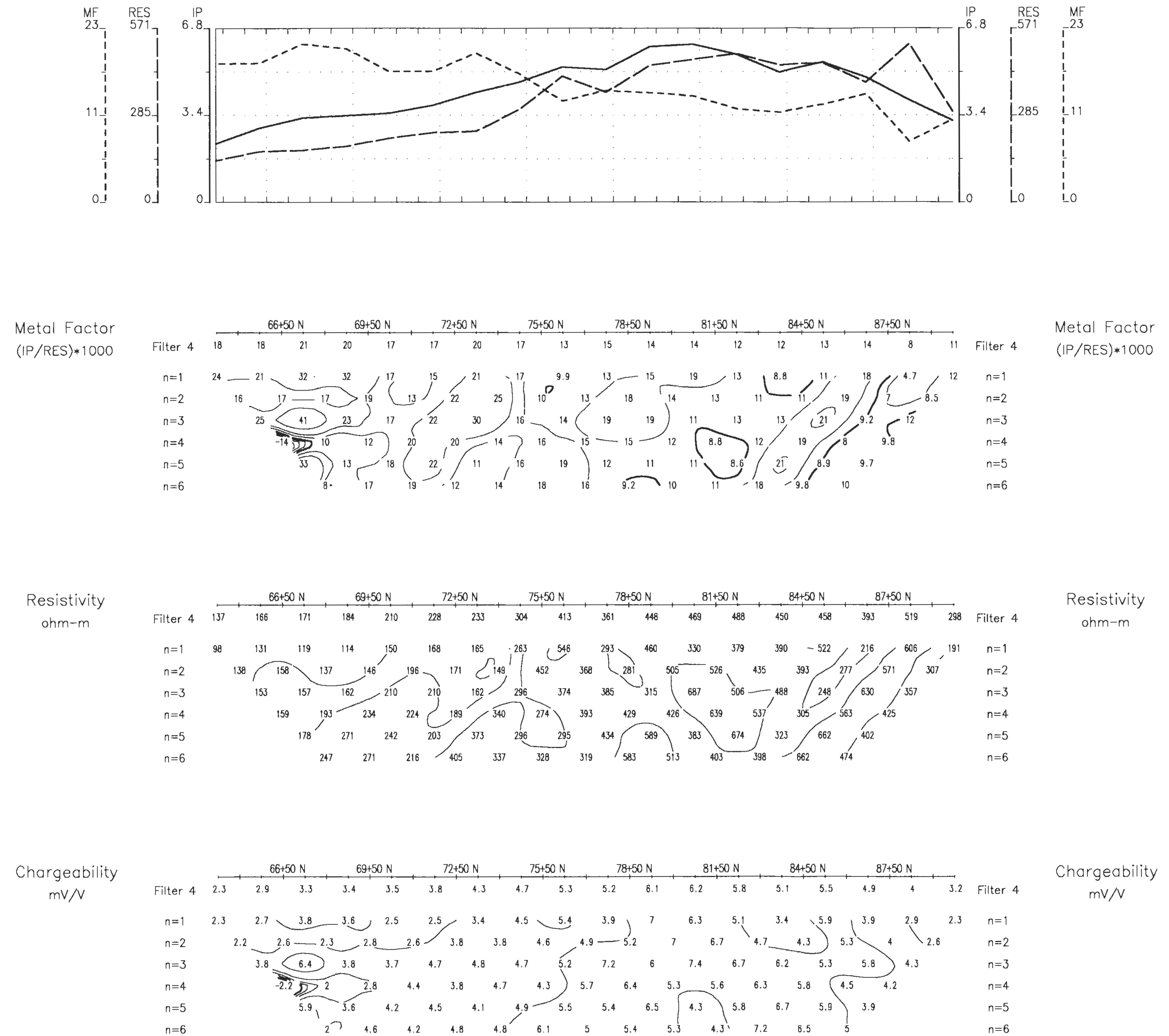
CANQUEST RESOURCE CORPORATION

INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

Date: 96/10/13
Interpretation: DELTA

DELTA GEOSCIENCE LTD

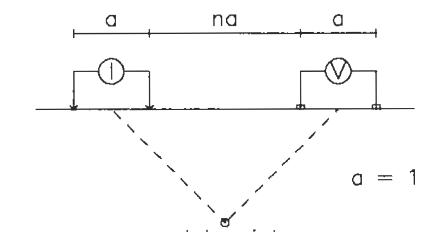
Geosoft Software for the Earth Sciences



Geosoft Software for the Earth Sciences

Line 9700 E

Dipole-Dipole Array



Filter
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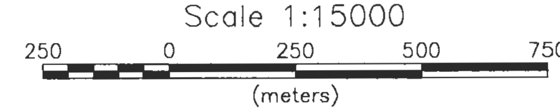
a = 150 M

Logarithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

- ■ Strong increase in polarization accompanied by marked decrease in resistivity.
- ◘ Well defined increase in polarization without marked resistivity decrease.
- □ Poorly defined polarization increase with no resistivity signature.
- ▼ Low resistivity feature.

Scale 1:15000

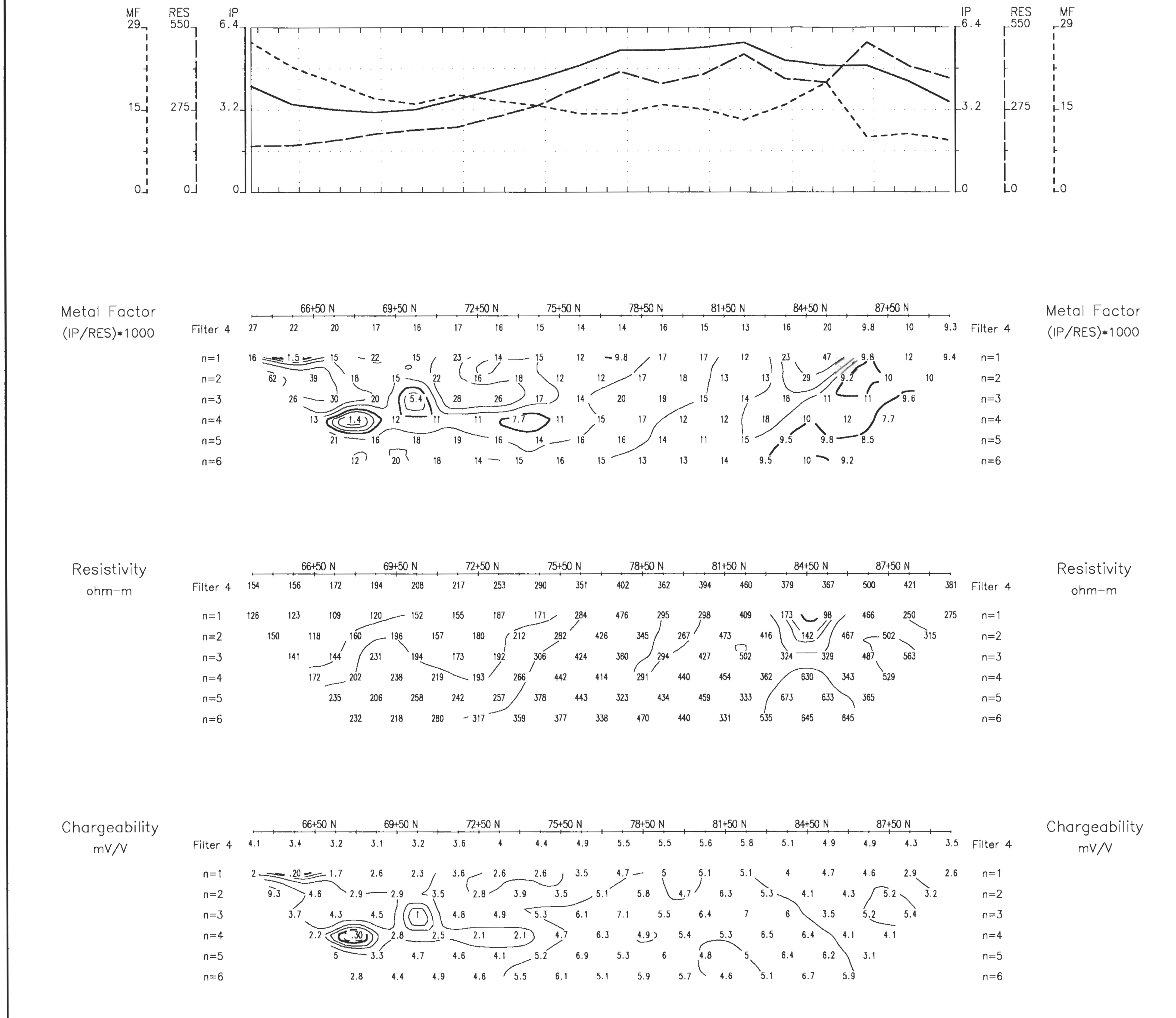


CANQUEST RESOURCE CORPORATION

INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

Date: 96/10/14
Interpretation: DELTA

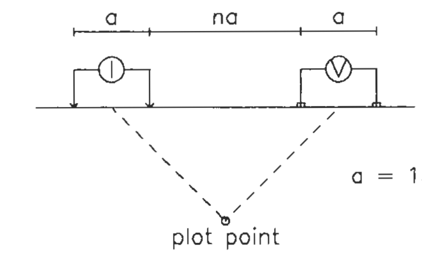
DELTA GEOSCIENCE LTD



Geosoft Software for the Earth Sciences

Line 9550 E

Dipole-Dipole Array



a = 150 M

Filter

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Logorithmic Contours 1, 1.5, 2, 3, 5, 7.5, 10,..

INTERPRETATION

- ■ Strong increase in polarization accompanied by marked decrease in resistivity.
- ▣ Well defined increase in polarization without marked resistivity decrease.
- □ Poorly defined polarization increase with no resistivity signature.
- ▼ Low resistivity feature.

Scale 1:15000

250 0 250 500 750

(meters)

CANQUEST RESOURCE CORPORATION

INDUCED POLARIZATION SURVEY
STUMP LAKE
MICROGOLD PROJECT

Date: 96/10/15
Interpretation: DELTA

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