



NTS 82 L/4 W,
LAT.- 50 02' N
LONG.- 119 46' W

**GEOLOGICAL, GEOCHEMICAL, AND
TRENCHING REPORT ON THE
FLAPJACK 1-6, FLAP 1,2 CLAIMS
TADPOLE LAKE, WESTBANK, B.C.**

Nicola Mining Division

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Dec. 31, 1996

**GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT**

24,944

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FIG. 1 LOCATION MAP

FIG. 2 CLAIM MAP

FIG. 2B CLAIM GROUP CONTOUR MAP

FIG. 2C CLAIM LOCATION MAP SUPERIMPOSED ON AIR PHOTO

FIG. 3 DOMEROCK MTN. AREA REGIONAL GEOLOGY

FIG. 4A TRENCH & SOIL LOCATION MAP (WEST HALF) } (in pocket)

FIG. 4B TRENCH & SOIL LOCATION MAP (EAST HALF)

FIG. 4C GEOLOGY & MINERALIZATION (WEST HALF)

FIG. 4D GEOLOGY & MINERALIZATION (EAST HALF)

FIG. 4E TRENCH AND SOIL LOCATION MAP

APPENDIX A- GEOCHEMICAL CERTIFICATES

1.0 INTRODUCTION

This report was prepared at the request of Verdstone Gold Corp./Molycor Gold Corp./Veto Resources to describe and evaluate the results of geological mapping, rock & soil sampling, and trenching carried out on the Flap claim group in the Nicola Mining Division, 40 km. NW of Kelowna, B.C.

Field work was undertaken for the purpose of evaluating economic mineral potential of the Flap 1,2 and Flapjack 1-6 claims.

Field work was carried out from Oct. 25 to Nov. 1, 1996 by Andris Kikauka (geologist), Roy Walleen (geotechnician) and Pacific Rim Equipment (trenching contractors) under the supervision of Larry Reaugh and John Fisher.

This report is based on published and unpublished information and maps, reports and field notes.

2.0 LOCATION, ACCESS & PHYSIOGRAPHY

The claims are located 40 km. northwest of Kelowna (Figure 1), and can be accessed via Bear Lake Main and then either Esperon or Whiterocks Main logging roads to Tadpole Lake. The claims are 1.5 km west of Tadpole Lake (Figure 2).

The claims are located on Map Sheet NTS 82 L/4 W at latitude 50 07' N and longitude 119 46' W. The property ranges from 1,450-1,708 m. (4,800-5,600 ft.) elevation. The claims are situated on a high plateau, with mountains of over 1,000 ft. (305 m.) relief (e.g. Whiterocks Mtn.), that separates the watersheds of the Columbia R. and Fraser R. drainage basins. Since the claims are at relatively high elevation, there are heavy snowfall accumulations in winter. The recommended field season for moutaintop areas of the southern Intermontane Region is May-November.

Erosion has exposed silicified "knobs" (topographic positive features) whereby zones of silica depletion form gulleys (topographic negative features).

3.0 PROPERTY STATUS

CLAIM	RECORD NO.	UNITS	RECORD DATE	EXPIRY DATE
Flapjack 1	339910	1	Sept. 4, 95	Sept. 4, 98*
Flapjack 2	339911	1	Sept. 4, 95	Sept. 4, 98*
Flapjack 3	339912	1	Sept. 4, 95	Sept. 4, 98*
Flapjack 4	339913	1	Sept. 4, 95	Sept. 4, 98*
Flapjack 5	339914	1	Sept. 4, 95	Sept. 4, 98*
Flapjack 6	339915	1	Sept. 4, 95	Sept. 4, 98*
Flap 1	341150	1	Oct. 18, 95	Oct. 18, 97*
Flap 2	341151	1	Oct. 18, 95	Oct. 18, 97*

The property consists of 8 claims owned 100% by Verdstone Gold Corp./Molycor Gold Corp.(Fig.2). Veto Resources has optioned the property and can earn 40% by completing a schedule of work programs over several years.

The claims listed above are contiguous and have been grouped together to form the Flap Claim Group. * The expiry date listed for each claim does not include current work applied (i.e. 1996 work program which is the subject of this report).

The total area covered by the claims is 200 hectares (496 acres). The writer is not aware of any regulatory problem that would adversely affect mineral exploration and development on the property.

4.0 AREA HISTORY

The area within 50 kilometers of the Flap claims has numerous gold occurrences. A new discovery located at the dege of the Pennask batholith (south of Pennask Lake) is known as Elk (AKA Siwash North). Fairfield Minerals Ltd. has underground development and small scale production (several truckloads of high grade shipped to Trail, B.C.). The Elk deposit has reserves estimated at 122,500 tonnes @ 54.5 g/t Au and 24.7 g/t Ag. High grade gold ore (up to 5 oz/t Au) was found while prospecting new roadcuts on logging roads (Rowe, J., personal communication 1993).

The Brett claims Bonanza Zone is being developed by Huntington Res. and Liquid Gold. An adit was driven on the main gold bearing shear zone in 1995. A reserve of 2,300 tonnes @ 100 to 200 g/t Au was calculated from recent data.

The Blue Hawk and White Elephant Au-Ag occurrence is located at the headwaters of Shorts Creek situated 10 km. north of the Flap claims. Four km. to the east there are Ag-Bi showings (local skarnification) on the east flank of Whiterocks Mountain.

The Dobbin (AKA Bard) Mo prospect is immediately east of the Flap claims. Molybdenite occurs in K-spar altered, silicified quartz porphyry and with quartz stockwork veining. A percussion hole, drilled for Cominco Ltd. cut 180 ft. (55 m.) of .105% MoS₂. About 1.5 km. to the southeast of the Dobbin Mo is the Dobbin 2 Cu/Pt/Pd prospect. Fe,Mg rich peridotite (and/or related ultramafic) hosts Pt/Pd bearing chalcopyrite-pyrite-magnetite mineralization. Previous work includes drill hole #4 which resulted in 400 ft. of .3% Cu. Values up to 1 g/t Pt were also reported over widths of 10 ft. There are also Cr showings N of Cameo Lake (worked by Pan Ocean Oil Ltd., 1978).

5.0 PROPERTY HISTORY

Gold bearing quartz was reported by prospectors but no recorded work was carried out until Rea Gold Corp. acquired the property in 1988. Over the course of two years, geological mapping, rock and soil sampling, HLEM and IP geophysics and over 10,000 feet of diamond drilling were performed.

Some highlights of previous work on the Flap claims include:

1) Quartz stringers hosted in chloritic greenstone return assay values up to 0.770 oz/t Au (26.4 g/t Au). The quartz stringer zone is developed over a radius of 100 meters (Medford,G., 1988).

2) A 400 X 600 meter area of anomalous Au soil samples coincides with the quartz stringer zone (Medford,G., 1988).

3) The following results were obtained from core drilling:

DDH #	INTERVAL (FT.)	WIDTH (FT.)	oz/t Ag	oz/t Au
88-4	266.5-268.0	1.5		0.098
88-4	281.5-282.0	0.5		0.112
88-6	290.0-295.0	5.0	0.07	0.067
88-6	370.0-372.0	2.0	0.11	0.044
88-6	669.0-669.5	0.5	1.53	0.211
88-6	693.0-696.0	3.0	7.79	1.614
89-13	177.5-178.0	0.5		0.198
89-13	326.0-326.5	0.5		0.199

In 1995, Verdstone/Molycor carried out hand trenching in the 300 X 300 meters area of previous diamond drilling. Eleven trenches were excavated and 40 rock chip samples were taken across widths of 0.25 m. Zones of up to 20% quartz as 0.1 to 1,500.0 cm. wide qtz. stringers & veins were mapped. Significant results from 1995 trenches include:

TRENCH	SAMPLE #'s	WIDTH (m.)	g/t Au	oz/t Au
F-1	66501-08	2.0	0.61	0.018
F-1	66501	.25	2.60	0.076
F-2	66509-14	1.5	0.29	0.008
F-3	66515-16	0.5	0.27	0.008
F-4	66517-18	0.5	2.23	0.065
F-4	66517	.25	3.15	0.092
F-5	66519	.25	0.11	0.003
F-6	66520	.25	1.75	0.051

6.0 REGIONAL GEOLOGY

The area covered by the Flap claim group is underlain by Lower Jurassic and/or Triassic(?) Nicola Group volcanics and sediments (Fig.3). Lithologies of the Nicola Group include rhyolite to basalt tuffs/flows, red and green volcanic breccia, agglomerate, argillite and limestone. The Nicola Group volcanics and sediments form an elongate, NW trending belt which was subsequently deformed by the intrusion of the Cretaceous-Jurassic Okanagan Batholith (portions of which form the Pennask batholith) which consists of granodiorite, quartz diorite, granite, and related felsic (aplitic) & intermediate dykes/sills, and minor feldspar & quartz-feldspar porphyry.

Subsequent Tertiary fault-bounded basins developed along the axis of Okanagan Lake during a period of abrupt slice tectonics, Rocky Mountain thrust faulting, and Intermontane Belt fluvial and lacustrine deposition related to rifting and associated felsic tuffs/flows and Tertiary (Eocene) quartz monzonite, granite, syenite and feldspar porphyry plugs and stocks. Many of these Tertiary geological formations and plugs & stocks are outliers (i.e. erosional remnant features, in the order of several square km. surrounded by older bedrock).

7.0 1996 WORK PROGRAM

7.1 METHODS AND PROCEDURES

Trenching, geological mapping, rock & soil geochemical sampling were carried out on the Flap 2 and Flapjack 1,2 claims (Figure 4A-E).

A total of 845 ft. (257 m.) of backhoe trenching was excavated across a width of 6.6 ft. (2 m.) and depth of 8.3 ft. (2.5 m.). A total of 151 rock samples were assayed for Au at International Metallurgical and Environmental, Kelowna, B.C. (Appendix A). Rock samples were taken with hammers and chisels. Each rock sample weighed 3-4 kilograms and consisted of 1-15 cm. sized clasts. Sample width varied from 1 to 2 meters and the longest of the 4 trenches was 102 meters (334.6 ft.). All trenches were mapped and sampled in detail prior to backfilling.

Geological mapping was carried out over a 0.25 X 0.20 km. area centered at Flapjack 1,2 and Flap 1,2 initial post., at a scale of 1:500 (Fig.4).

A grid was established using the 1988 co-ordinates and using the casing of DDH 88-4, DDH 89-7 as reference points (Fig.4). Seven E-W grid lines were surveyed. The lines ranged from 0.1 to 0.45 km. in length. Using the grid as a reference, a total of 41 soils were taken from a depth of 30 cm. using a grubhoe and placed into marked kraft envelopes. The samples were dried and shipped to International Metallurgical, Kelowna, B.C.(Au assay, see Appendix A).

7.2 PROPERTY GEOLOGY

The Flapjack 1-6, Flap 1,2 claims are underlain by the following lithologies:

TERTIARY AND OLDER PLUTONIC ROCK

- 2 Diorite stock, fine to medium grained
- 2B Granite/qtz.monzonite dyke

NICOLA GROUP JURASSIC/TRIASSIC VOLCANICS-SEDIMENTS

- 1 Volcaniclastics, crystal & lithic tuff/flow, minor arenaceous sediments, chert
- 1B Metamorphosed equivalent of unit 1 (i.e. schist, phyllite)

The gold bearing quartz stringers and stockwork are hosted in green volcanoclastic, crystal and lithic tuff, minor volcanic breccia, which contain traces of talc-serpentine, epidote and chlorite alteration. At the north end of this gold bearing quartz stringer zone, a granite/quartz monzonite dyke (related to the emplacement of the Tertiary Tadpole Lake stock) contains elevated Mo values (Medford, G., 1988). This dyke can be traced along a ENE trend for 600 meters and appears to cut off the gold bearing quartz since only trace Au has been detected in rock and soil samples north of the dyke.

The diorite stock (unit 2), located 100 m. SE of the trenches, is not highly altered but does contain 0.1-0.5% magnetite. The chloritic greenstone (volcanoclastics, tuffs/flows, sediments of unit 1) has been subject to contact metamorphism and hornfels from the close proximity of the diorite stock. In the area of the trenches, the chloritic greenstone is characterized by NNW trending, steeply dipping weak foliation. The formation of lenses and wedges of schist and phyllite within the greenstone indicates deep burial (in the order of several km.). The combination of deep burial with subsequent intrusion of younger stocks and dykes (which cut the Nicola Group), deformed the volcanic-sediment sequence and established a NNW trending fabric. The dominant trend of quartz stringers is perpendicular and, to a lesser degree, parallel to the NNW trend.

All the drill holes from 1988-89 were targeting NNW trending quartz stringers (except for DDH 89-13, which intersected two 6" sections of 0.2 oz/t Au). The trenching program demonstrated that the dominant trend of stringers (070) is parallel to the main drilling direction (also 070). Therefore, further drilling should be preferentially oriented in a 340 trending azimuth, to test the 070 trending, steep-flat south dipping quartz veins and stringers.

7.3 SURFACE ROCK CHIP SAMPLING

A total of 151 rock chip samples taken at 1 and 2 meter (3.3 & 6.6 ft.) intervals were taken to identify gold bearing zones, and yielded the following results:

SAMPLE #	WIDTH (FT.)	WIDTH (M.)	oz/t Au	g/t Au
9412	3'3"	1.0	0.015	0.51
9423-9428	19'8"	6.0	0.031	1.06
9459-9460	13'2"	4.0	0.029	1.00
9462-9463	13'2"	4.0	0.285	9.77
9478	6'6"	2.0	0.077	2.64
9482-9483	13'2"	4.0	0.014	0.48
9495	6'6"	2.0	0.013	0.45
9498	6'6"	2.0	0.019	0.65
9527-9529	19'8"	6.0	0.091	3.12
9535	6'6"	2.0	0.026	0.89

This listing only shows values greater than 0.4 g/t Au. Distribution of all Au values obtained from trenching are shown in plan view at a scale of 1:500, see Figure 4A,B.

7.4 SOIL GEOCHEMISTRY

The soils were taken to verify the extent of the previous anomaly and to trench any unusually high Au values that may lead to "Bonanza Grades". Results show that 21 out of 40 soil samples gave values between 50 and 260 ppb Au (Fig.4A,B). The average value of soils in the higher half of the population is 92 ppb Au, while the lower half has a mean value of 25 ppb Au. A distinct 50/50 split (ironically occurring at 50 ppb Au), forms an above average and below average group, and reflects the widespread distribution of gold in soil. The highest Au value in soil (260 ppb Au) was located 10 m. W of the the best Au value from rock chip samples taken in the trenching program (sample #9462-63, 13'2" or 4 m. @ 0.285 oz/t Au or 9.77 g/t Au).

8.0 DISCUSSION OF RESULTS

The formation of a disseminated gold deposit, as opposed to a vein, depends on the degree and scale which hydrothermal solutions can penetrate the host rock, which in turn depends on the nature of fracturing. The Nicola volcanics-sediments which host the gold bearing quartz stringers of the Flap claims have responded to directed stresses by yield and fracture in perpendicular and parallel directions to regional NNW fabric. Fracturing may be in response to stresses produced by nearby diorite stock and/or granite/ qtz.monzonite dyke emplacement.

The absence of base metals and lack of strong alteration zoning within the 200 X 300 m. trench and drill area of the Flap 1,2 & Flapjack 1,2 suggests that this mineral zone is a transition between moderate to shallow depth of emplacement, and that vein and/or porphyry base and precious metal bearing mineralization may occur at depth or in close proximity to the trench/drill zone (based on models for ore deposits, Panteleyev,A.,1990)

9.0 CONCLUSION

The Flapjack 1-6, Flap 1,2 claims are underlain by favourable structures (e.g. quartz vein and stockwork) and chemistry (close association of gold and pyrite, and very low abundance of Cu-Pb-Zn) which are favourable features of a disseminated Au deposit(s) (Romberger, S.B., 1990).

The information gained from the 1996 work program and interpretation of data from previous work suggests that there is potential for numerous zones of 0.5-10.0 g/t Au to coalesce and form a quartz stringer/stockwork disseminated Au deposit(s).

The trenching program demonstrated that the dominant trend of stringers (070) is parallel to the main drilling direction (also 070). Therefore, further drilling should be carried out in a 340 trending azimuth, to test the 070 trending, steep-flat south dipping quartz veins and stringers.

10.0 RECOMMENDATIONS

The area on the Flapjack 1,2 and Flap 1,2 claims where drilling and trenching has been carried out is considered the primary target for future exploration. Approximately 2,000 feet of core drilling is recommended for the area in the vicinity of DDH 88-6, 88-4 (Fig.4C) and 500 feet in the area of DDH 89-13 (Fig.4D).

Since there were values of 0.5-10.0 g/t Au found in all of the trenches, the determination of increased quartz stringers/stockwork and related fault/fracture zones at depth is recommended. The west zones, which gave the best assay values (Fig.4A,C) in trenching and core drilling, are worthy of further detailed mapping, sampling, and core drilling. Four 500 foot deep drill holes collared about 25 meters SE of DDH 88-6 and 88-4 should be oriented NNW, and inclined -45 and -60 degrees. A fifth 500 foot deep hole should be collared 35 m. SSE of DDH 89-13, oriented NNW and inclined -60 degrees.

PROPOSED BUDGET:

FIELD CREW- Geologist, 2 geotechnicians, 30 days	\$ 16,500.00
FIELD COSTS- Drill contractor 2,500 feet (762.5 m.)	76,250.00
Assays 375 rock samples	7,500.00
Food & Accomodation	11,000.00
Equipment, supplies, communication	3,500.00
Report	750.00
	<hr/>
Total=	115,500.00

REFERENCES

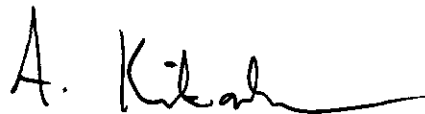
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- Roddick, J.A., 1985, Field Guide to Geology and Mineral Deposits in the Southern Cordillera, G.S.A. Publication, edited by Dirk Tempelman-Kluit, G.S.C.

STATEMENT OF QUALIFICATION

I Andris Kikauka, of 6439 Sooke Rd., Sooke, B.C., hereby certify that:

- 1) I am a graduate of Brock University, St. Catharines, Ontario, with an Honours Bachelor of Science Degree in Geological Sciences, 1980.
- 2) I am a Fellow in good standing with the Geological Association of Canada. Registration # 5,717.
- 3) I am registered in the Province of British Columbia as a Professional Geoscientist Registration # 18,275
- 4) I have practised my profession for fifteen years in precious and base metal exploration in the Cordillera of North, Central and South America, and for three years exploring for uranium within the Canadian Shield.
- 5) The information, opinions and recommendations in this report are based on fieldwork carried out in my presence on the subject properties.
- 6) I have no direct or indirect interest in the holdings of Verdstone Gold Corp., Molycor Gold Corp., Veto Res. and I consent to the use of this report for the purpose of filing a prospectus or statement of material facts.

Andris Kikauka, P. Geo.,

A handwritten signature in black ink that reads "A. Kikauka". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Jan. 3, 1997

ITEMIZED COST STATEMENT- FLAPJACK 1-6,FLAP 1,2, OCT.25-NOV.1, 96

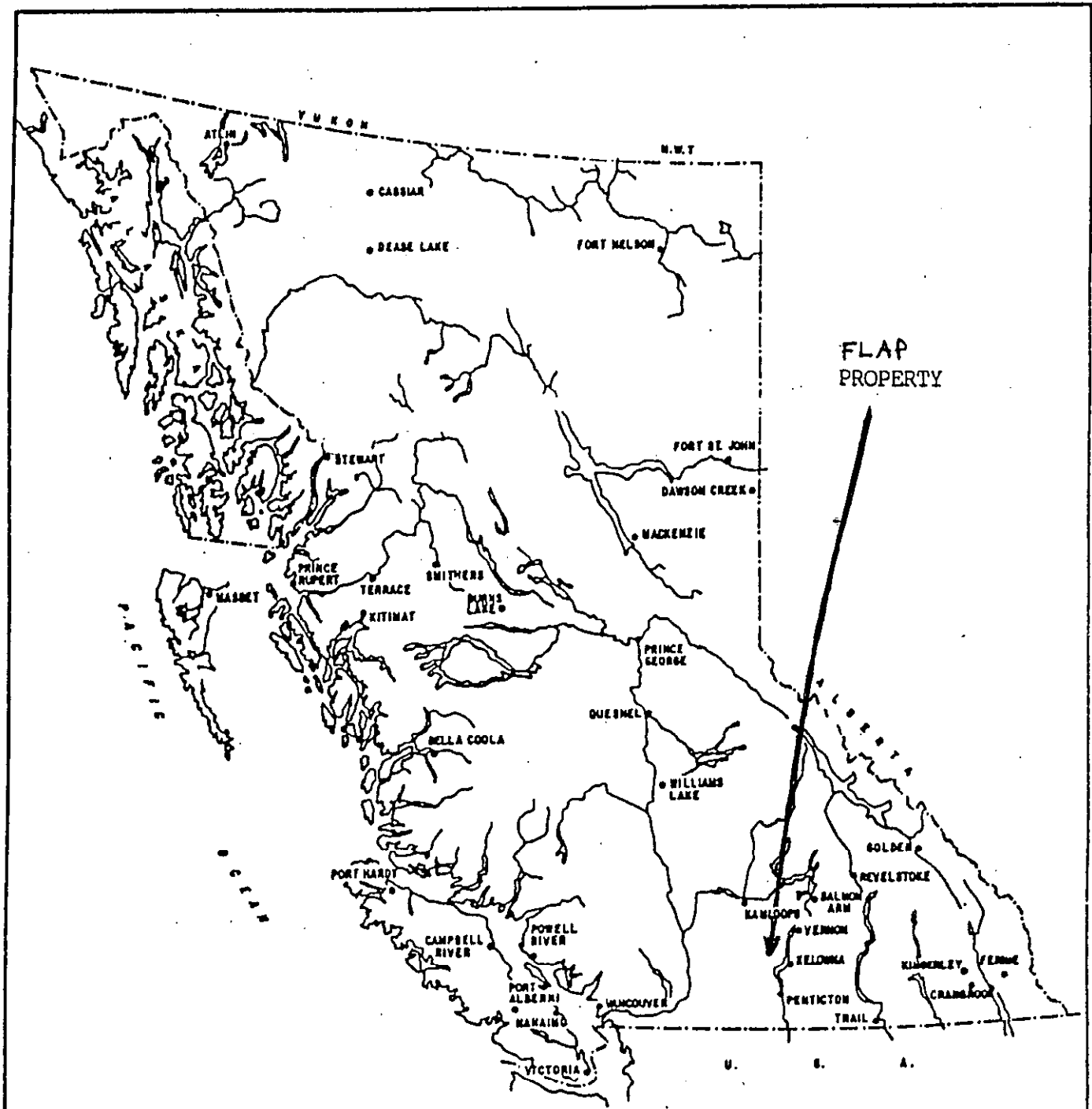
FIELD CREW:

Geologist, A.Kikauka (7days @ \$ 175/day)	\$ 1,225.00
Geotechnician, R.Walleen (7 days @ \$ 150/day)	1,050.00

FIELD COSTS:

D-6 Crawler Dozer & Hitachi Backhoe (1,285 cubic meters trenched and backfilled) 93 hours operating time	13,510.00
Assays 151rock (Au assay)	2,265.00
47 soil	705.00
Report	325.00
Food and Accomodations	650.00

Total = \$ 19,730.00



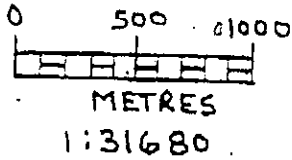
FLAP
PROPERTY

SCALE
0 40 80 120
Kilometres



GENERAL LOCATION MAP
FIG. 1

DOMEROCK MTN.



FLOP
1798 C
(4)
35x35W

FLAP 4
2000(?)
65-3E

LIMINARY

Flapjack 1
Tag
663808M

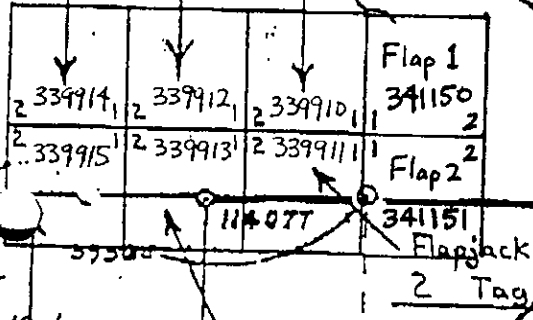
Flapjack 3
Tag 656995M

Flapjack 5
663805M

NICOLA M.D.
VERNON M.D.

TAD 23
259088
950
4N X 4W

ALOCIN 1
3110 (2)
5N X 3E
(122820)



FLAPJACK 1
104 (11)
5x5W
(39365)

Flapjack 4
Tag
656996M

FLY 4
2081(?)
45x5E

ALFY 1
Tag
663806M

WHITE ROCK MTR
122820
ALFY 2
Tag 663807M

Flapjack 6
Tag
662514M

ALFY 3
Tag
662515M

VETO RESOURCES FLAP PROJECT
CLAIM LOCATION MAP

NTS 82 L/4 W

NICOLA MINING DIVISION

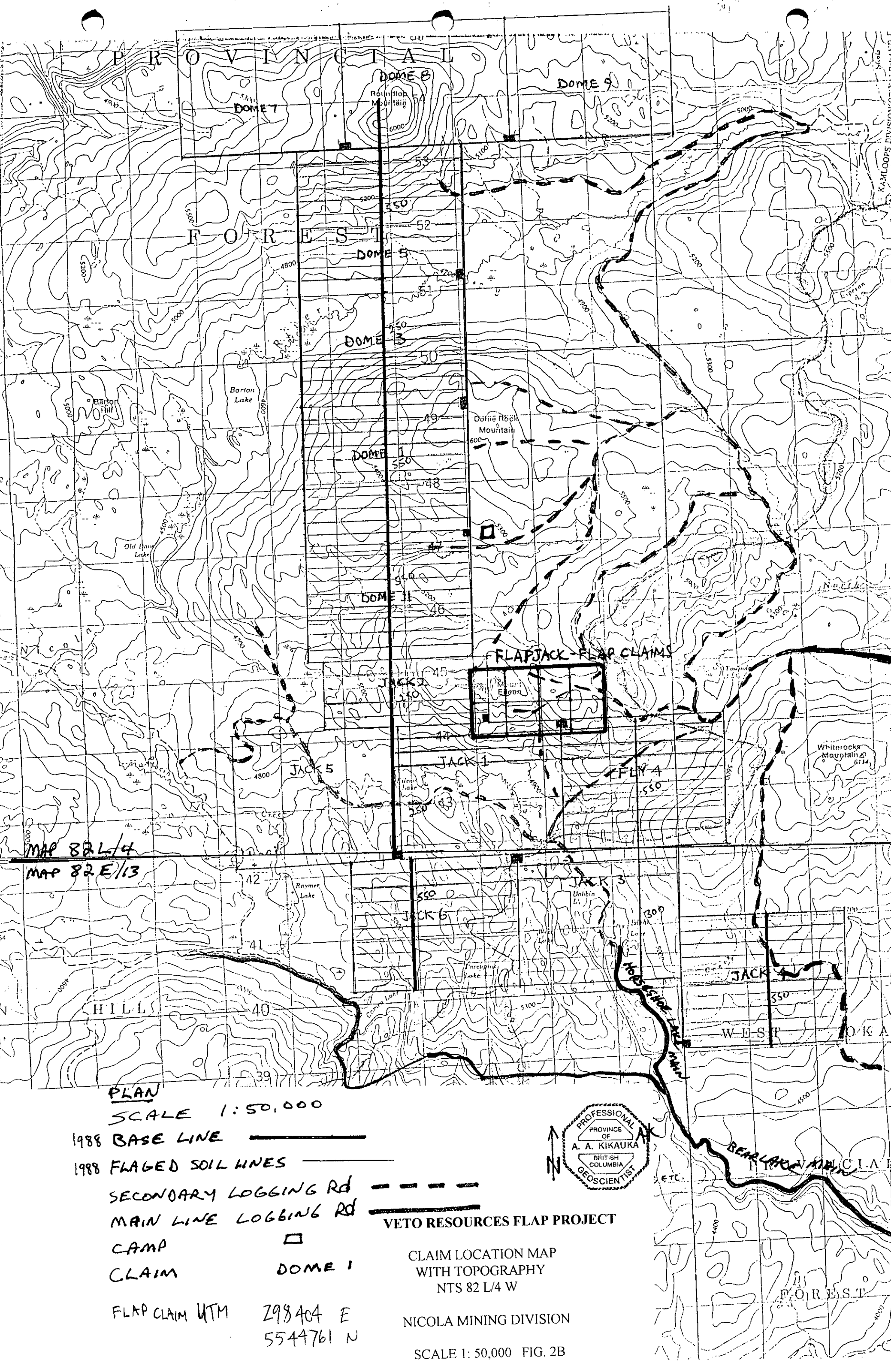
FIG. 2

JACK 3
Dobbin I.
West L. 3051(11)
45x5E
Island
Bite

ALFY 5
Tag
662518M



Scale 1:31,680



MAP 82 L/4
MAP 82 E/13

PLAN
SCALE 1:50,000

1988 BASE LINE

1988 FLAGGED SOIL LINES

SECONDARY LOGGING RD

MAIN LINE LOGGING RD

CAMP

CLAIM DOME 1

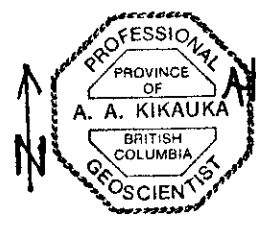
FLAP CLAIM UTM 298404 E
5544761 N

VETO RESOURCES FLAP PROJECT

CLAIM LOCATION MAP
WITH TOPOGRAPHY
NTS 82 L/4 W

NICOLA MINING DIVISION

SCALE 1:50,000 FIG. 2B



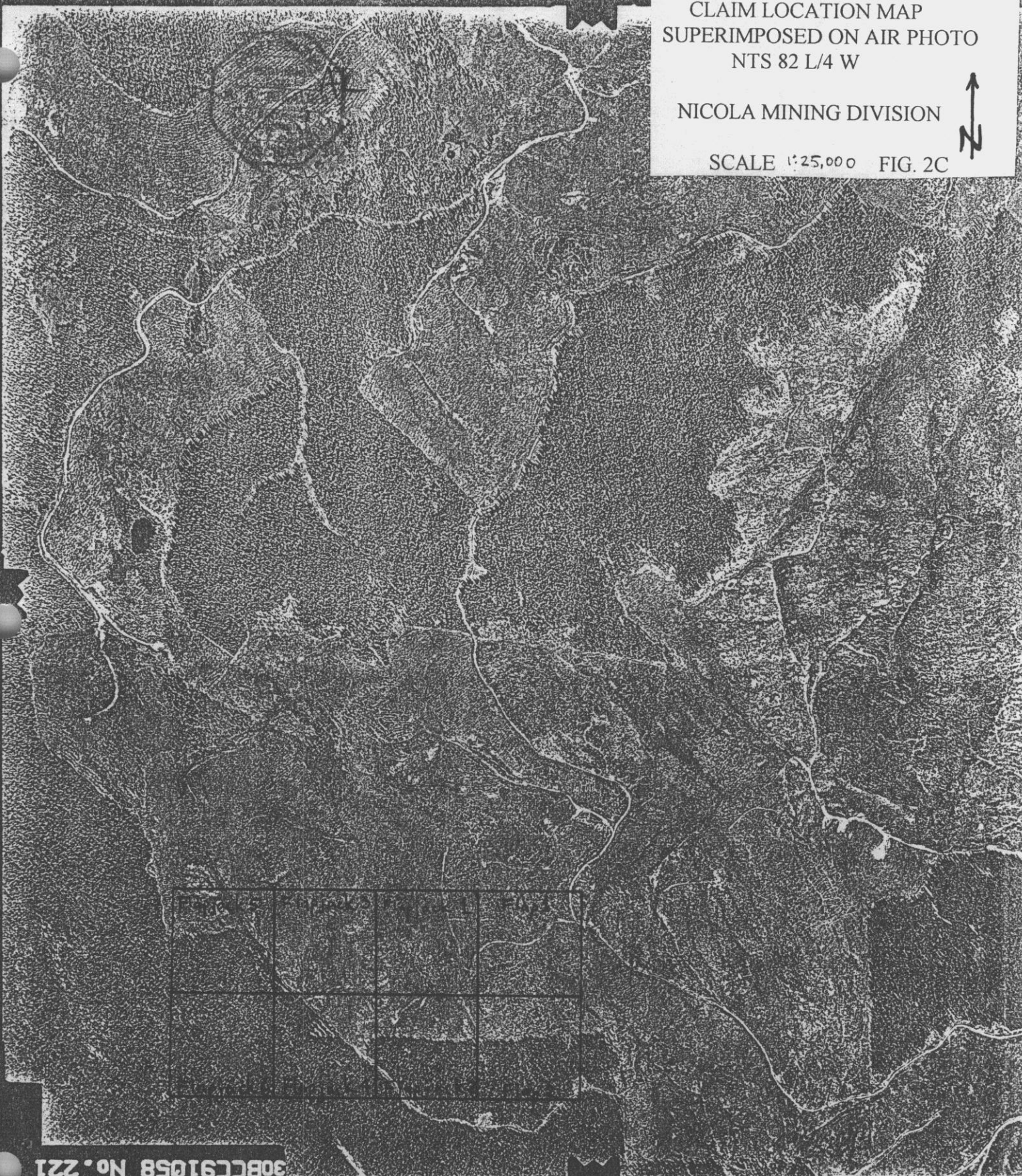
KAMLOOPS DIVISION OF YALE-LAND C

VETO RESOURCES FLAP PROJECT

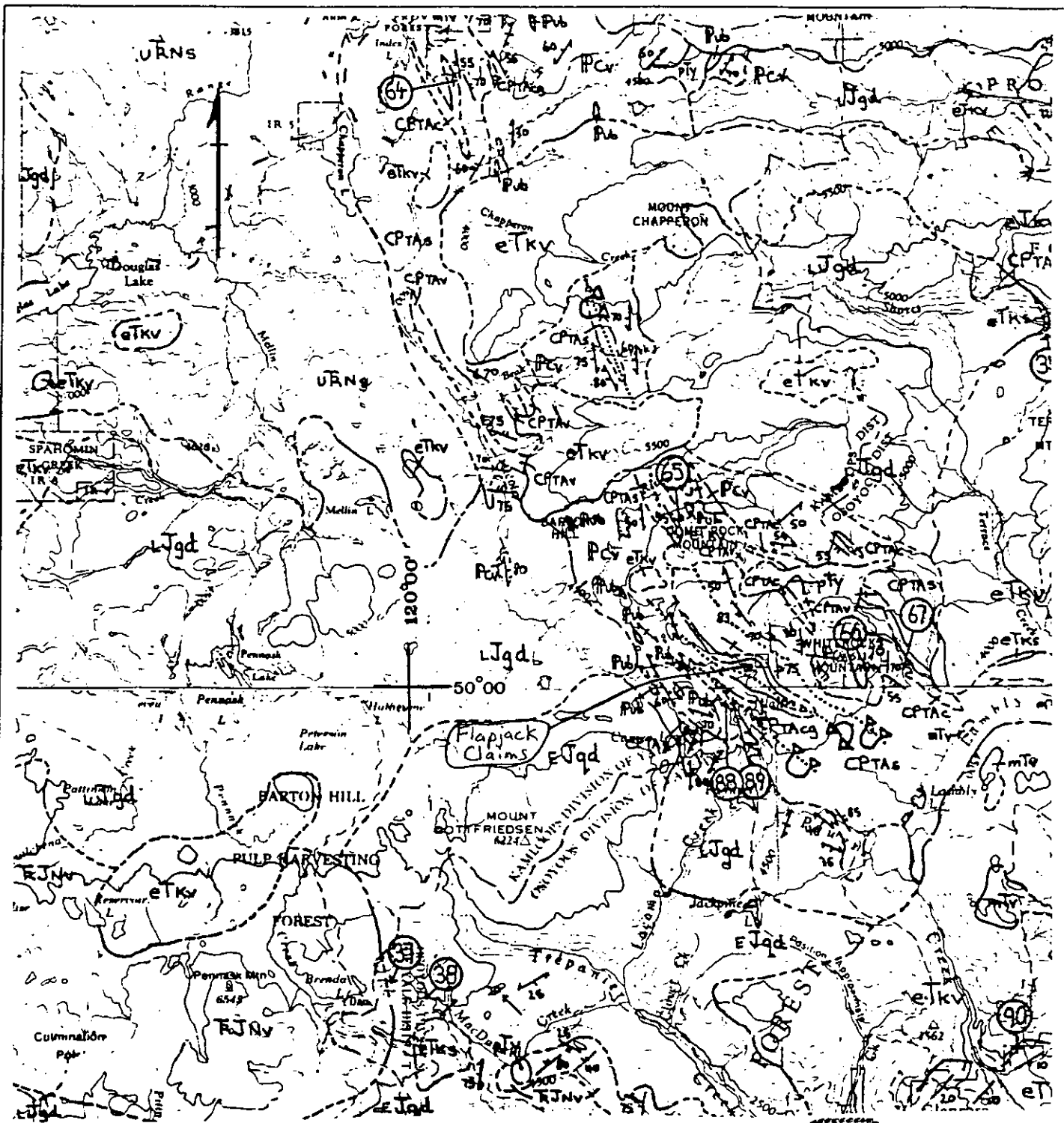
CLAIM LOCATION MAP
SUPERIMPOSED ON AIR PHOTO
NTS 82 L/4 W

NICOLA MINING DIVISION

SCALE 1:25,000 FIG. 2C



30BCC91058 No. 221



AFTER. A.V. OKULITCH G.S.C. OPENFILE 637
 TERTIARY (KAMLOOPS GROUP)

eTKV : andesite, basalt, dacite, trachyte flows, tuff agglomerate
 eTKs : sandstone, conglomerate, tuff, arkose

JURASSIC (OKANAGAN BATWOLITH)

L Jgd : granodiorite, diorite
 E Jgd : quartz diorite, granodiorite, gabbro

LOWER JURASSIC, TRIASSIC (NICOLA)

R Jnv : andesite, basalt flows; breccia, tuff, agglomerate, argillite, limestone

PALEOZOIC (THOMPSON ASSEMBLAGE)

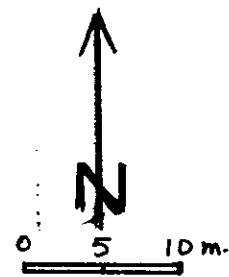
CPTAS: siliceous argillite, volcano clastic sandstone, siltstone, limestone
 CPTAC: Massive limestone, argillaceous limestone, chert, chert pebble congl.
 CPTAcg: Conglomerate with limestone matrix
 CPTAV: greenstone, tuff.



VERDSTONE GOLD CORPORATION

GEOLOGY
 DOMEROCK MIN. AREA
 FLAPJACK CLAIMS

Oct, 96 FIGURE 3



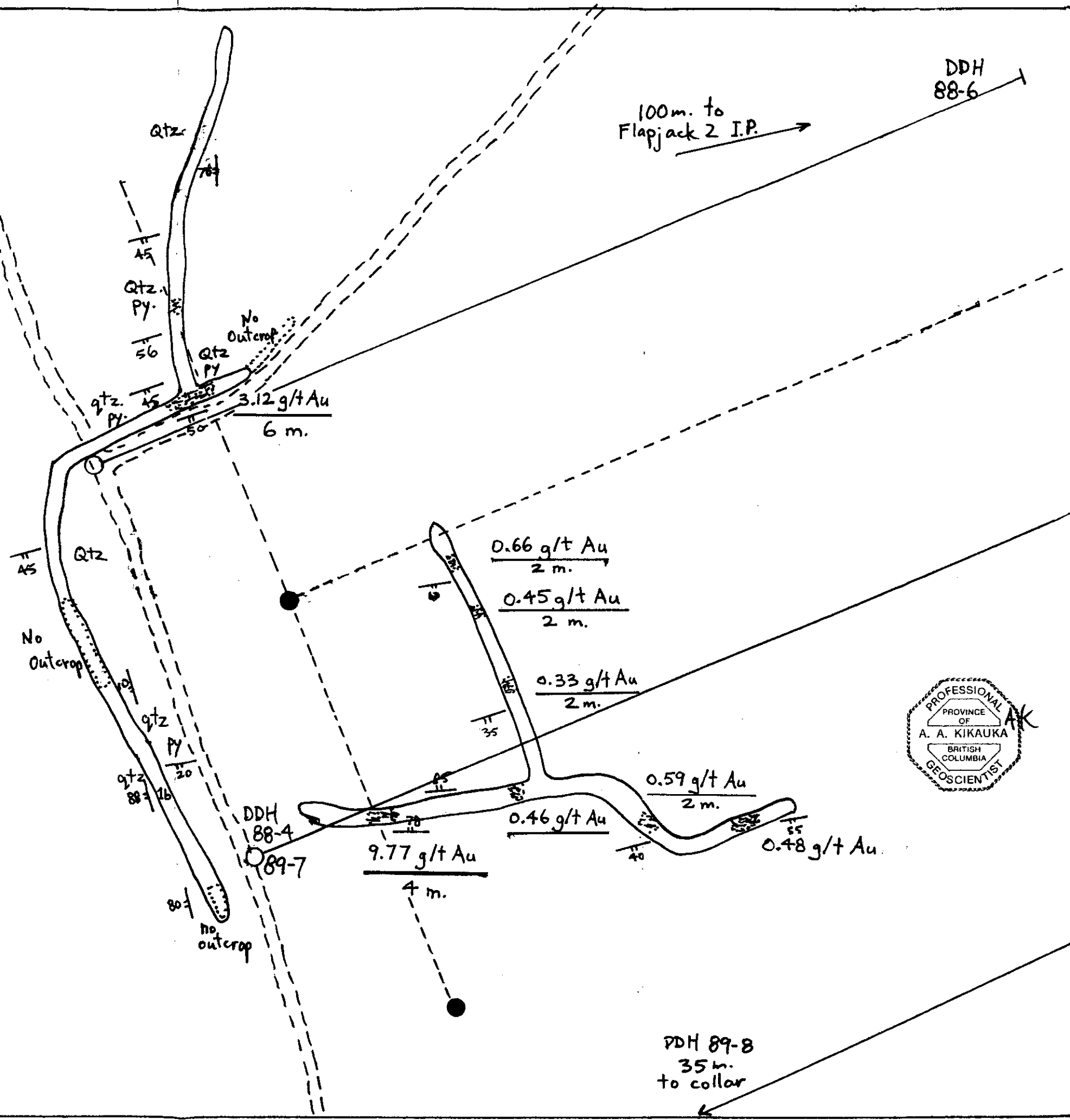
VETO RESOURCES FLAP PROJECT FIG.4C

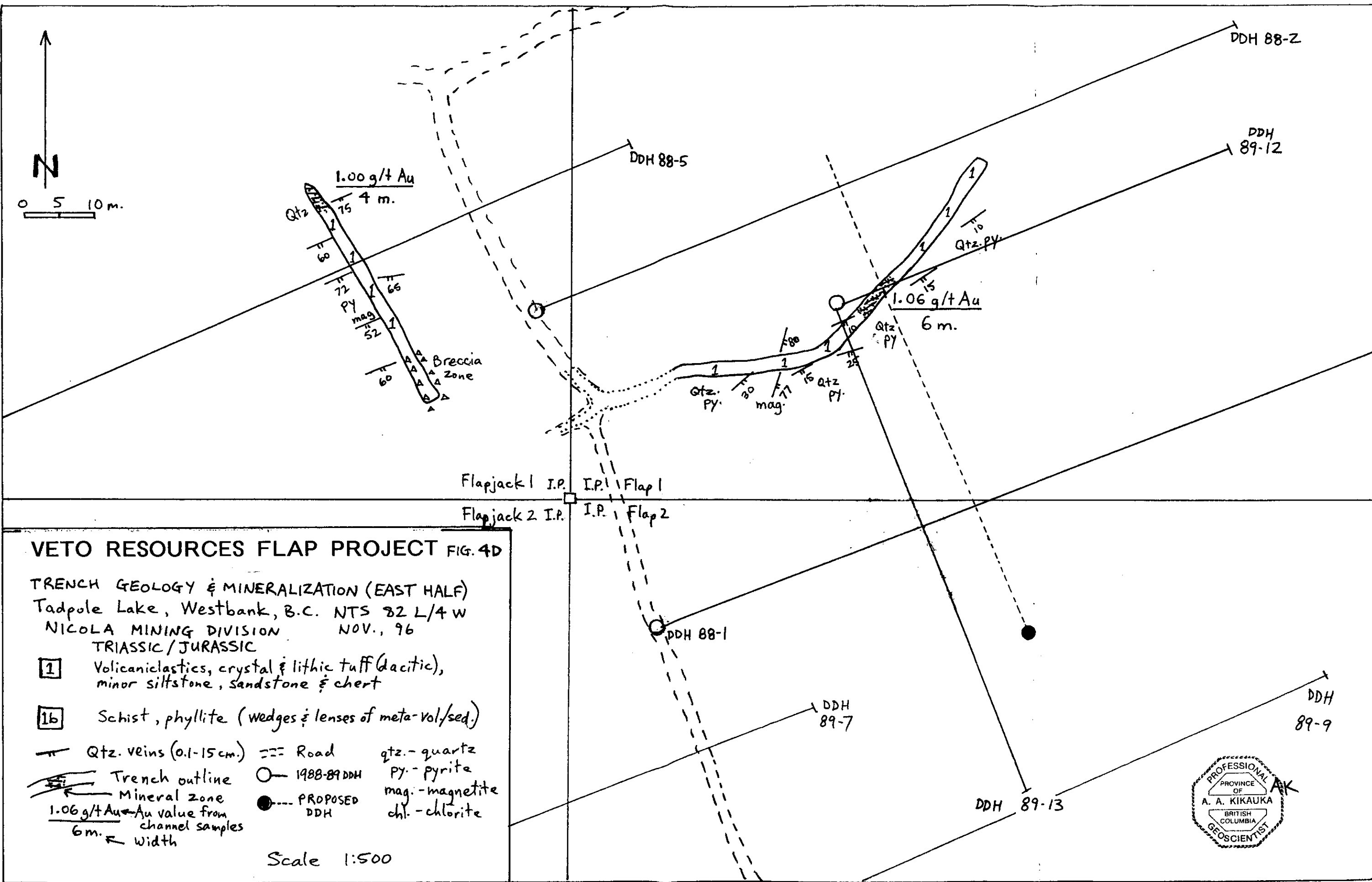
TRENCH GEOLOGY & MINERALIZATION (WEST HALF)
 Tadpole Lake, Westbank B.C. NTS 82 L/4 W
 NICOLA MINING DIVISION NOV., 96

TRIASSIC / JURASSIC

- 1 Volcaniclastics, crystal & lithic tuff (dacitic), minor siltstone, sandstone & chert
- 1b Schist, phyllite (wedges & lenses of meta-vol./sed.)
- Qtz. veins (0.1-100 cm.)
- Trench outline
- Mineral zone
- 9.77 g/t Au ← Au value from channel samples
- 4 m. ← width
- 1988-89 DDH
- PROPOSED DDH
- qtz. - quartz
- py. - pyrite
- mag. - magnetite
- chl. - chlorite

Scale 1:500





VETO RESOURCES FLAP PROJECT FIG. 4D

TRENCH GEOLOGY & MINERALIZATION (EAST HALF)
 Tadpole Lake, Westbank, B.C. NTS 82 L/4 W
 NICOLA MINING DIVISION NOV., 96
 TRIASSIC/JURASSIC

- 1** Volcaniclastics, crystal & lithic tuff (dacitic), minor siltstone, sandstone & chert
- 1b** Schist, phyllite (wedges & lenses of meta-vol/sed.)

— Qtz. veins (0.1-15 cm) ——— Road qtz. - quartz
 ——— Trench outline ○ 1988-89 DDH py. - pyrite
 ——— Mineral zone ● PROPOSED DDH mag. - magnetite
 1.06 g/t Au ← Au value from channel samples
 6m. ← width chl. - chlorite

Scale 1:500



Flapjack 1

Flap 1

5600'

I.P. FLAPJACK 1,2 FLAP 1,2

5600

Flapjack 2

topographic
Contours in ft.
5500'

Flap 2

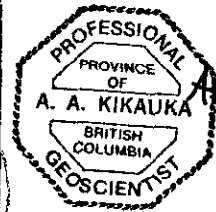
VETO RESOURCES FLAP PROJECT

TRENCH & SOIL GRID LOCATION MAP

NTS 82 L/4 W

NICOLA MINING DIVISION

Scale 1:5,000 FIG. 4E



LEGEND

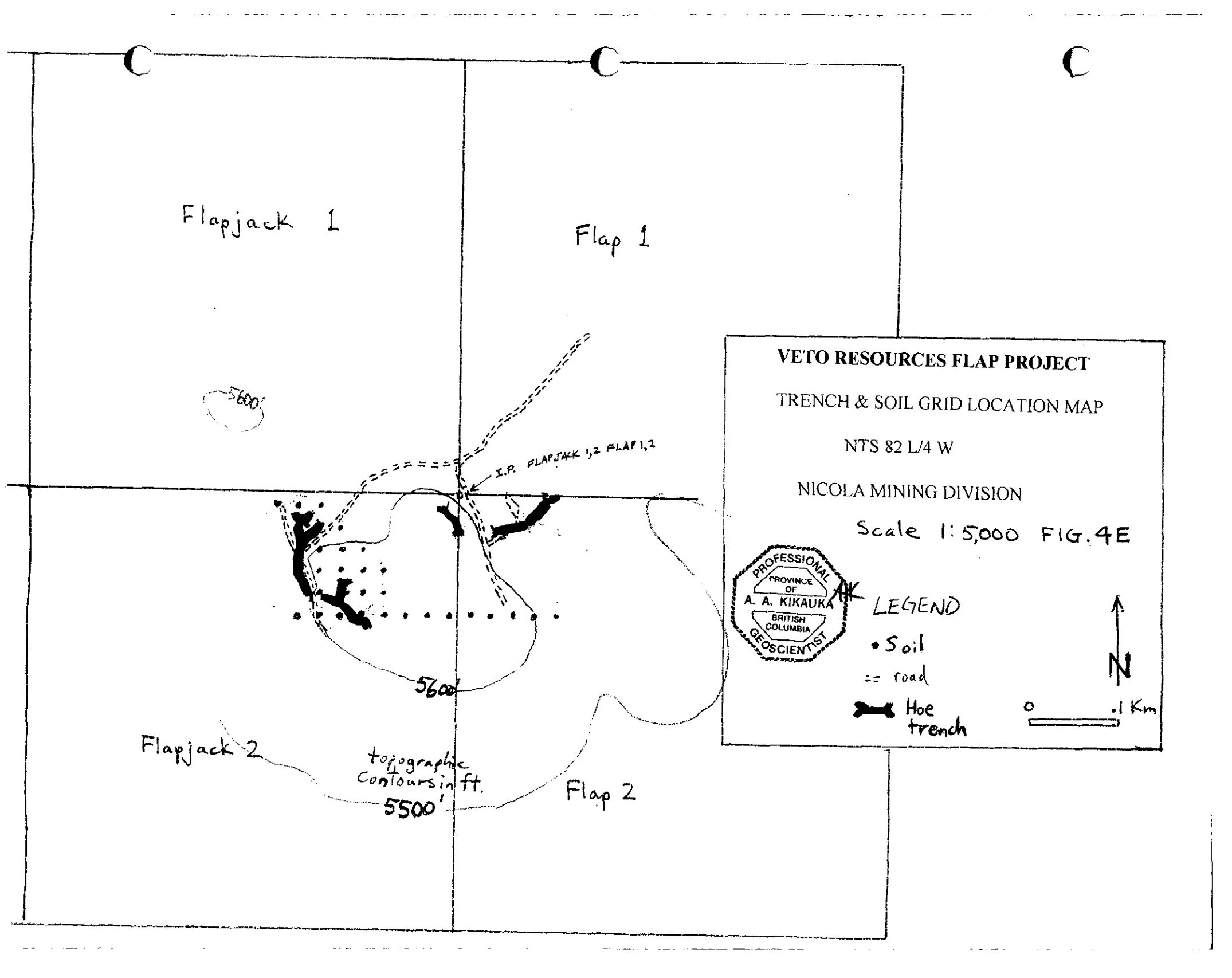
• Soil

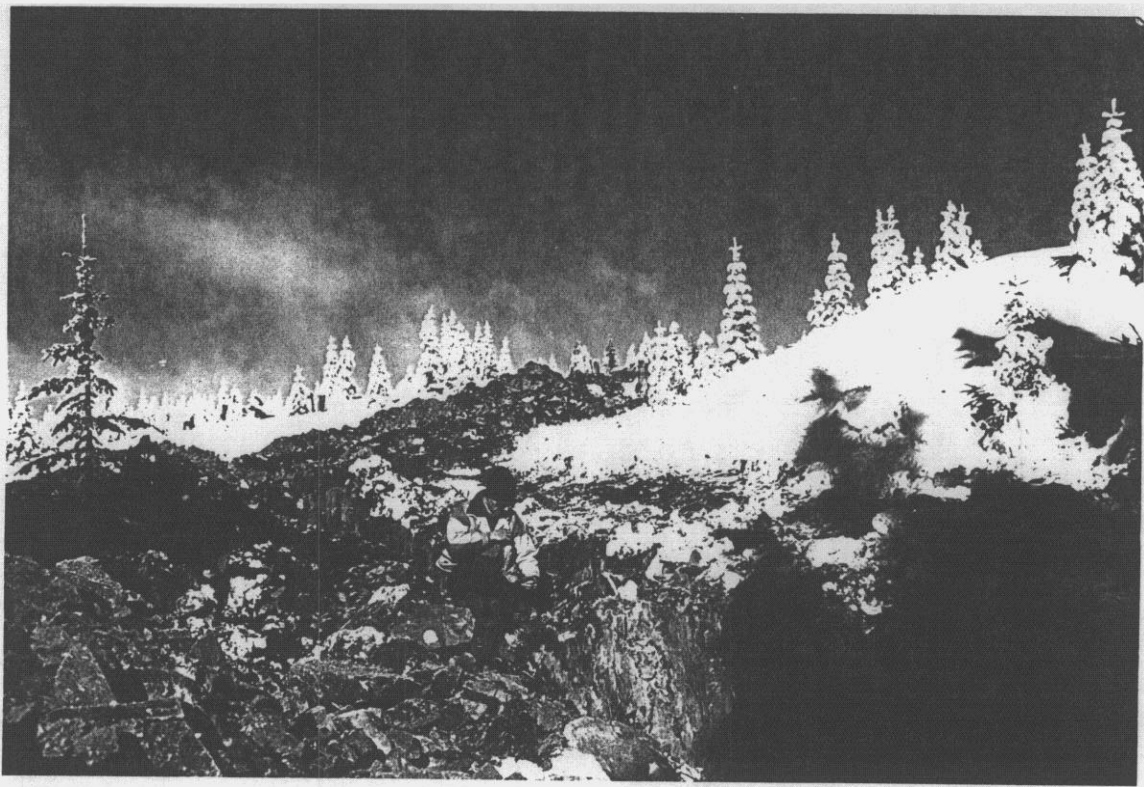
== road

— Hoe
trench

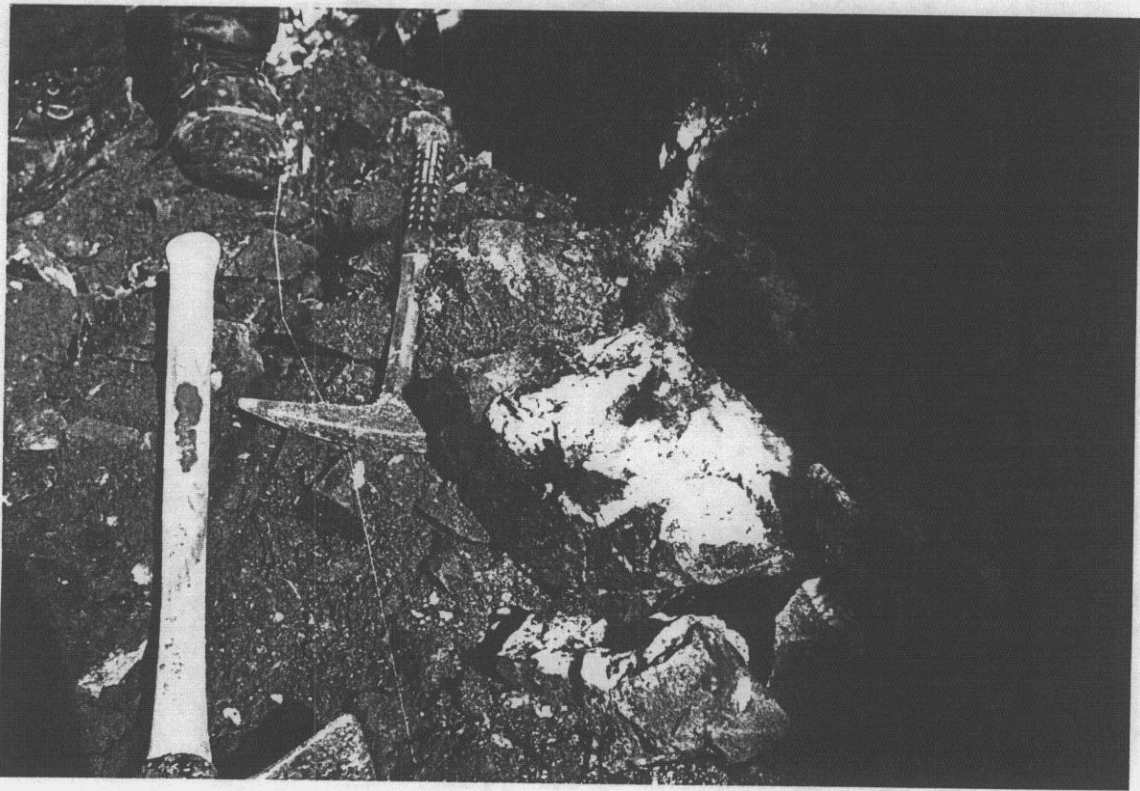


0 ——— .1 Km





This 102 m. long trench cuts a 19'8" (6 m.) wide silicified zone in the background that assays 0.091 oz/t Au (3.12 g/t Au). The foreground is a E-W trending steep S dipping silicified metamorphic wedge of bedrock hosted by chloritic greenstone.



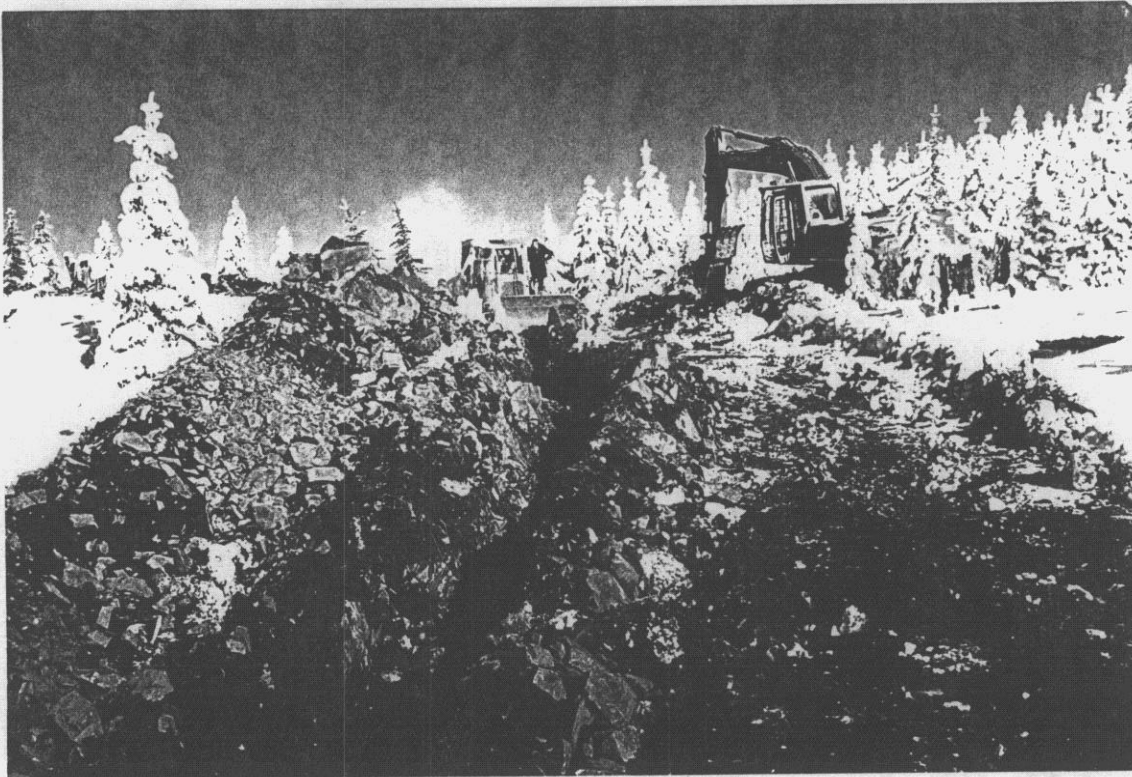
Close up of chloritic greenstone which consists of volcaniclastics, intermediate tuffs and/or flows, minor arenaceous sediments and metamorphic rock (phyllite, schist). .1-10 cm. wide quartz veins cut the green country rock in lower right of photo.



Looking SE at the topographic high in background. A diorite stock-greenstone country rock contact is located in the upper left portion of photo. This photo is taken prior to excavation of 102 m. long trench. DDH 88-4, 89-7 are located in right edge of photo.



Pacific Rim Equipment performed trenching along pre-existing roads to avoid disturbing vegetation, all trenches were backfilled and levelled. Immediately behind backhoe is sample 9,462-63 which returned 13.2 ft.(4 m.) of 0.285 oz/t Au (9.77 g/t Au).



A quartz stringer zone is located in the foreground of this trench line, which is trending NE. The zone consists of # 9,423-29, and assays 0.031 oz/t Au (1.05 g/t Au) over a width of 19'8" (6 m.). Trace to 3% pyrite and magnetite occur throughout chloritic greenstone.



This trench trends NNW and is located 30 m. W of DDH 88-6 which cut 3.0 ft. (0.92 m.) of 1.614 oz/t Au (55.3 g/t Au). Trench sample # 9,495 assayed 0.013 oz/t Au (0.45 g/t Au) across 6.6 ft. (2 m.), #9,495 returned 0.019 oz/t Au (0.66 g/t Au) over 6.6' (2 m.).

International Metallurgical and Environmental Inc.
Analytical Laboratory Report

Project: Veto Resources
Project number: 9621
Purchase order number: 1547
Date: November 14, 1996

Sample	start ft	end ft	Length (ft)	PPB Au
9440				61 ✓
9441				29 ✓
9442				29 ✓
9443				13 ✓
9444				29 ✓
9445				92 ✓
9446				24
9447				13 ✓
9448				8 ✓
9449				3 ✓
9450				18 ✓
9451				8 ✓
9452				3 ✓
9453				8 ✓
9454				5 ✓
9455				5 ✓
9456				8 ✓
9457				92 ✓
9458				3 ✓
9459			4m	{ 936 ✓ }
9460				{ 1039 ✓ }
9461				37 ✓
9462			4m	{ 1525 ✓ }
9463				{ 18 ✓ }
9464				{ 19 ✓ }
9465				58 ✓
9466				48 ✓
9467				63 ✓
9468				5 ✓
9469				8 ✓
9470				459 ✓
9471				26 ✓
9472				32 ✓
9473				5 ✓
9474				13 ✓
9475				21 ✓
9476				21 ✓
9477				11 ✓
9478			2m	{ 585 ✓ }

02/ton

0.029

G/MT

0.285

0.017

International Metallurgical and Environmental Inc.
Analytical Laboratory Report

Project: Veto Resources Inc
Project number: 9621
Purchase order number: 1547
Date: November 14, 1996

Sample	start ft	end ft	Length (ft)	PPB Au
9517				12 ✓
9518				9 ✓
9519				9 ✓
9520				12 ✓
9521				27 ✓
9522				6 ✓
9523				30 ✓
9524				18 ✓
9525				44 ✓
9526				134 ✓
9527			6M	8 ✓
9528				1122 ✓
9529				276 ✓
9530				12 ✓
9531				24 ✓
9532				9 ✓
9533				9 ✓
9534			2M	6 ✓
9535				875 ✓
9536				74 ✓
9537				86 ✓
9538				62 ✓
9539				115 ✓
9540				3 ✓
9541				<1 ✓
9542				3 ✓
9543				24 ✓
9544				12 ✓
9545				6 ✓
9546				6 ✓
9547				3 ✓
9548				6 ✓
9549				3 ✓
9550				3 ✓

(oz/tm)

G/MT

0.091

0.026

International Metallurgical and Environmental Inc.
Analytical Laboratory Report

Project: Veto Resources Inc
Project number: 9621
Purchase order number: 1547
Date: November 14, 1996

Sample	start ft	end ft	Length (ft)	PPB Au
9401				85 ✓
9402				87 ✓
9403				53 ✓
9404				45 ✓
9405				48 ✓
9406				37 ✓
9407				56 ✓
9408				29 ✓
9409				129 ✓
9410				119 ✓
9411				56 ✓
9412			1M	510 ✓
9413				13 ✓
9414				26 ✓
9415				16 ✓
9416				32 ✓
9417				16 ✓
9418				21 ✓
9419				13 ✓
9420				18 ✓
9421				61 ✓
9422				34 ✓
9423				1170 ✓
9424				29 ✓
9425			6m	3187 ✓
9426				730 ✓
9427				1540 ✓
9428				660 ✓
9429				13 ✓
9430				11 ✓
9431				5 ✓
9432				8 ✓
9433				5 ✓
9434				11 ✓
9435				69 ✓
9436				56 ✓
9437				21 ✓
9438				37 ✓
9439				16 ✓

[oz/ton]

0.015

0.036

International Metallurgical and Environmental Inc.
Analytical Laboratory Report

Project: Veto Resources Inc
Project number: 9621
Purchase order number 1547
Date: November 14, 1996

Sample	start ft	end ft	Length (ft)	PPB Au
9479				37 ✓
9480				74 -
9481				21 -
9482				51 ✓
9483			4 M	{ 471 - }
9484				{ 490 - }
9485				27 -
9486				9 ✓
9487				18 -
9488				15 ✓
9489				129 ✓
9490				329 -
9491				18 ✓
9492				12 ✓
9493				15 ✓
9494				15 ✓
9495			2 M	{ 447 - }
9496				15 -
9497				55 ✓
9498			2 M	{ 662 - }
9499				27 ✓
9500				223 ✓
9501				9 -
9502				6 ✓
9503				3 ✓
9504				6 ✓
9505				3 -
9506				6 -
9507				86 -
9508				3 -
9509				9 -
9510				21 -
9511				9 -
9512				9 -
9513				15 ✓
9514				9 ✓
9515				6 -
9516				9 ✓

oz/ton

0.014

0.013

0.019

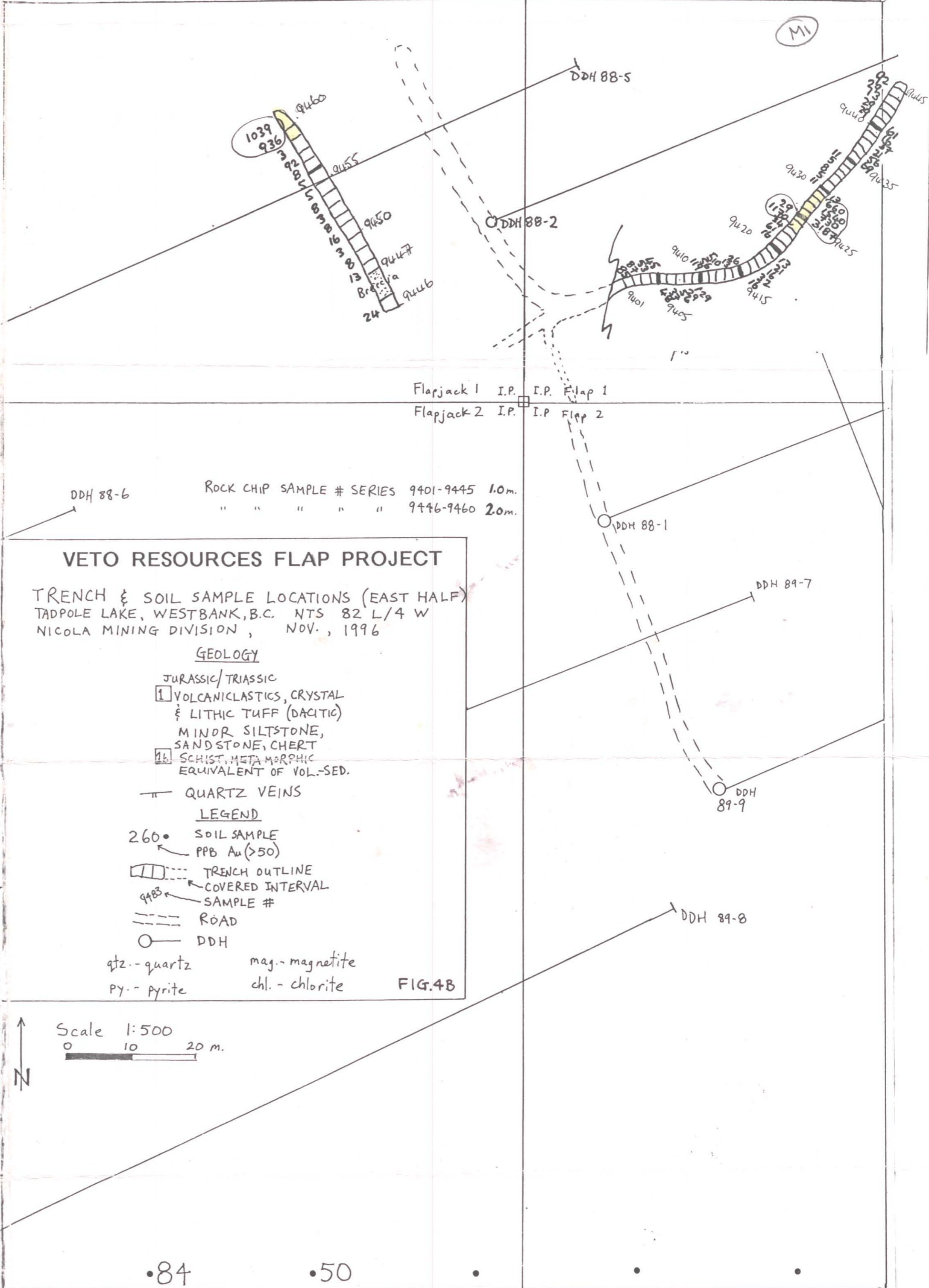
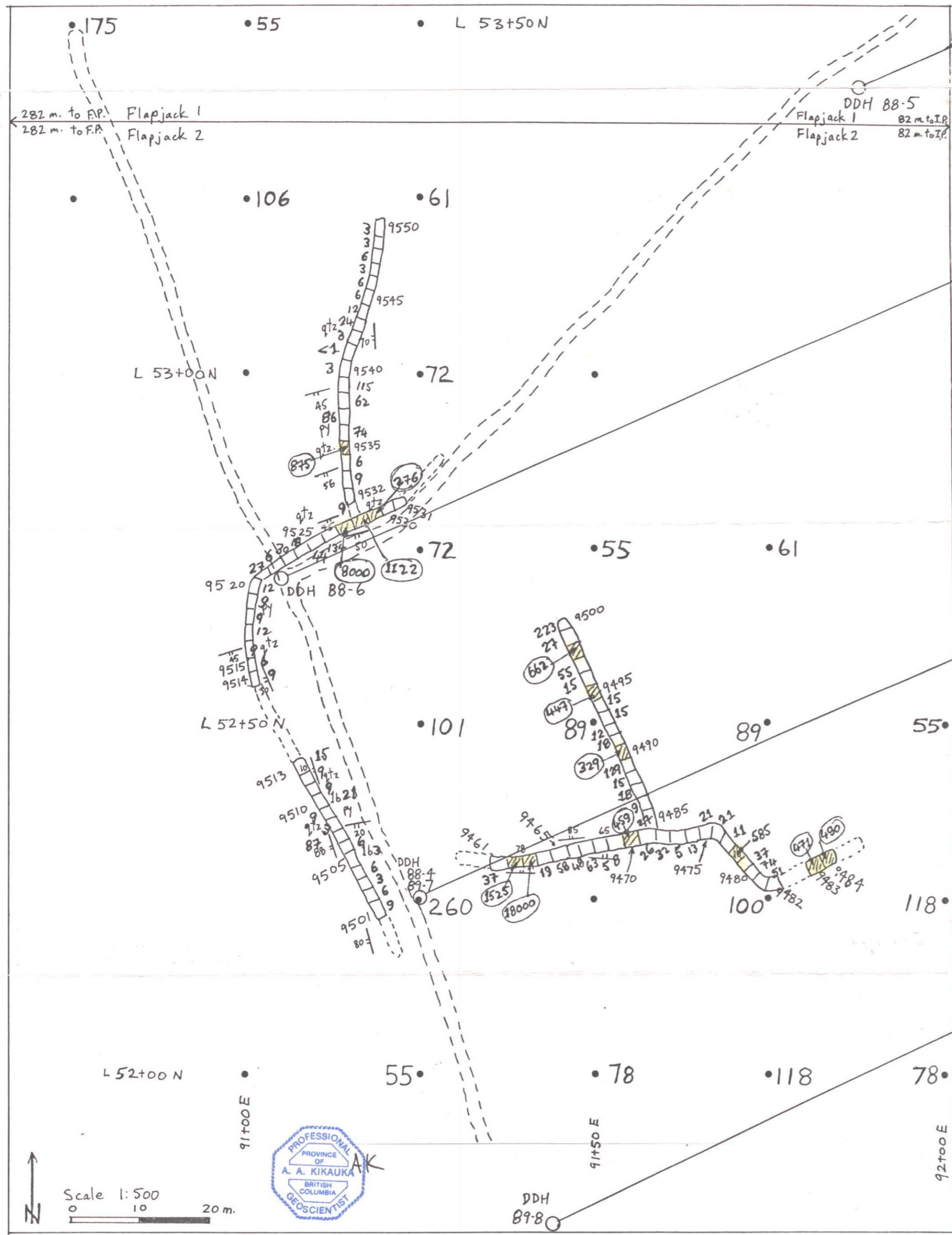
International Metallurgical and Environmental Inc.
Analytical Laboratory Report

Project: Verdstone Gold Corp - FLAP
Project number: 9621
Purchase order number:
Date: October 23, 1996

Sample			PPB Au
L 52+00 N	91+00	E	34
	91+25	E	55
	91+50	E	78
	91+75	E	118
	92+00	E	78
	92+25	E	84
	92+50	E	50
	92+75	E	44
	93+00	E	38
	93+25	E	32
	93+50	E	50
	93+75	E	38
L 52+25 N	91+00	E	260
	91+25	E	44
	91+50	E	101
	91+75	E	118
L 52+50 N	91+25	E	101
	91+50	E	89
	91+75	E	89
	92+00	E	55
L 52+75 N	91+25	E	72
	91+50	E	55
	91+75	E	61
L 53+00 N	91+00	E	44
	91+25	E	72
	91+50	E	44
L 53+25 N	90+75	E	21
	91+00	E	106
	91+25	E	61
L 53+50 N	90+75	E	175
	91+00	E	55
	91+25	E	38
Rock	F 1		50

Mean = $\frac{2370}{32} = 74 \text{ PPB}$

Range = 21 — 260



VETO RESOURCES FLAP PROJECT

TRENCH & SOIL SAMPLE LOCATIONS (EAST HALF)
TADPOLE LAKE, WESTBANK, B.C. NTS 82 L/4 W
NICOLA MINING DIVISION, NOV., 1996

GEOLOGY

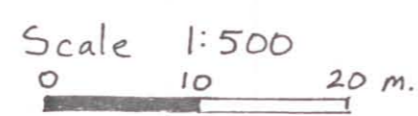
- JURASSIC/TRIASSIC
- 1 VOLCANICLASTICS, CRYSTAL & LITHIC TUFF (DACITIC)
- MINOR SILTSTONE, SANDSTONE, CHERT
- 1b SCHIST, METAMORPHIC EQUIVALENT OF VOL.-SED.

— QUARTZ VEINS

LEGEND

- 260 • SOIL SAMPLE
- ← PPB Au (>50)
- ← PPB Au (Rock chip)
- TRENCH OUTLINE
- COVERED INTERVAL
- ← SAMPLE #
- ROAD
- DDH
- qtz - quartz
- mag - magnetite
- py - pyrite
- chl - chlorite

FIG. 4B



LEGEND

- 260 • SOIL SAMPLE
- ← PPB Au (>50)
- ← PPB Au (Rock chip)
- TRENCH OUTLINE
- COVERED INTERVAL
- ← SAMPLE #
- ROAD
- DDH

GEOLOGY

- JURASSIC/TRIASSIC
- 1 VOLCANICLASTICS, CRYSTAL & LITHIC TUFF (DACITIC)
- MINOR SILTSTONE, SANDSTONE, CHERT
- 1b SCHIST, METAMORPHIC EQUIVALENT OF VOL.-SED.
- QUARTZ VEINS

VETO RESOURCES FLAP PROJECT FIG. 4A,B

TRENCH & SOIL SAMPLE LOCATIONS (WEST HALF)
TADPOLE LAKE, WESTBANK, B.C. NTS 82 L/4 W
NICOLA MINING DIVISION, NOV., 1996

- qtz - quartz
- py - pyrite
- mag - magnetite
- chl - chlorite
- Rock chip sample # series 9461-9550
- ALL ROCK SAMPLES AT 2.0 m. WIDTH

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

24,944