

BC Geological Survey
Assessment Report
30726b

KENRICH-ESKAY MINING CORPORATION

(Operator)

St. ANDREWS GOLDFIELDS LTD.

(Owner)

GEOLOGICAL ASSESSMENT REPORT

(Event Number 4251315)

on

TENURE 404668

Skeena Mining Division
NTS 104B.048

Centre of Work
5590150N, 678800E

AUTHOR & CONSULTANT

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SUMMARY

Tenure 404668 of the Kenrich-Eskay Corey property (“Property”) covers an area of 500 hectares and a portion of the Unuk River some 80 kilometres northwest of Stewart, British Columbia. Access to the property is by fixed-wing aircraft from Terrace, Stewart, or Smithers to various airstrips in the area and then via helicopter to the property.

The Property is underlain centrally by a Late Triassic plutonic suite of rocks in a northwesterly fault contact to the southwest with a Triassic to Jurassic stock of dacitic to gabbroic rocks, and to the northeast with andesitic volcanic rocks of the Lower Jurassic Unuk River Formation which is the basal of three Formations of the Hazelton Group. The uppermost Formation of the Hazelton Group, the Salmon River Formation, host to the Eskay Creek massive sulphide mineral deposits 20 kilometres to the north, is indicated in the northeast corner, underlying the Unuk River valley.

The area has an exploration history dating back to the turn of the century when prospectors passed through the region on their way to the interior. In the 1970's, the porphyry copper boom again brought prospectors and companies into the area.

The Eskay Creek prospect was discovered and staked in 1932 and after a significant amount of exploration, the first shipment of cobbled ore was made in 1979 when 8.75 tonnes of hand-cobbled ore was mined and produced from trenches. In 1999 mineral reserves at Eskay Creek were reported as 1,355,965 tonnes grading 57.7 grams per tonne gold and 2492.57 grams per tonne silver. Additional mineralized material was 453,600 tonnes grading 15.36 grams per tonne gold and 401.14 grams per tonne silver.

Mining was initiated by Barrick Resources in 2003 and was completed in March, 2008. Since start-up in 1995 Eskay Creek has produced more than 100 tonnes of gold and 5000 tonnes of silver

Limited exploration in the area of Tenure 404668 (“Property”) by Newmont Mines Ltd. in 1959-1962 led to the discovery of two showings west of the Property; the Iliad #4 zinc showing and the North Fork copper showing. The Iliad#4 zinc showing is a gossanous zone hosting disseminations and fracture fillings of sphalerite, specular hematite, pyrite, and about 10% magnetite occurs along a north trending fault which parallels Harrymel Creek. The area of the North Fork copper showing is underlain by a medium-grained diorite which is partly epidotized and hosts minor disseminated magnetite. Malachite staining and minor chalcopyrite occur within the diorite.

There is no reported mineralization on Tenure 404688.

The 2008 Lineament Array Analysis on the Property indicated two primary northwesterly trending structures through the central portion of the Property. One of the major structures appears as a fault contact between the Lower Jurassic Hazelton Group andesitic volcanic rocks and dioritic to gabbroic intrusive rocks. Splay, en echelon, paralleling and conjugate second order structures occur associated with the two primary structures with some localized area of fault intersections. The three intersecting structural locations delineated would be prime exploration sites for the location of potential polymetallic veins zones associated with the intrusives or hosted by the Hazelton Group as at the Kenrich C10 Corey mineral showing five kilometres to the east.

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Tenure 404668: Event No. 425135



Figure 1. LOCATION MAP

INTRODUCTION

In October, 2008 a Lineament Array Analysis was completed on Tenure 404668 (“Property”). The purpose of the program was to delineate potential structures which may be integral in geological controls to potentially economic mineral zones that may occur on the Property.

Information for this report was obtained from sources as cited under Selected References. The author has not performed a personal examination of the Property.

PROPERTY DESCRIPTION & LOCATION

The property consists of one 20 unit claim covering an area of 500 hectares. Particulars are as follows:

| <u>Tenure Number</u> | <u>Type</u> | <u>Claim Name</u> | <u>Good Until</u> | <u>Area (ha)</u> |
|-------------------------------|-------------|-------------------|-------------------|------------------|
| <u>404668</u> | Mineral | SUL 1 | 20140131 | 500 |

*Upon the approval of this assessment report.

Tenure 404668 (Sul 1 mineral claim) is registered in the name of St. Andrews Goldfields Ltd., and is optioned to Kenrich-Eskay Mining Corporation, the “operator”.

LOCATION AND ACCESS

The Property is located within BCGS. map-sheet 104B.048 in northwestern British Columbia, approximately 80 km north-northwest of Stewart and 20 kilometres south of the formerly productive Eskay Creek deposits.

Access to the Property is either by helicopter from Stewart or by fixed-wing aircraft from Terrace, Stewart, or Smithers to various airstrips in the area and then via helicopter.

PHYSIOGRAPHY AND CLIMATE

The Property is situated within the Physiographic Division designated as the Coast Range and is characterized by northern rain forests and sub-alpine plateaux. The north trending Unuk River valley bisects the eastern portion of the Property. Elevations range from 275 metres in the Unuk River valley to 850 metres in the northwest corner.

Water for all phases of the exploration program should be available from the Unuk River, or from numerous creeks within the confines of the Property. Water would be scarce to nonexistent from the creeks during the long winter season. Precipitation commonly exceeds 200 cm per annum, with short mild summers and very wet spring and fall periods. Thick accumulations of snow are common during the winter. Surface exploration would be restricted to four months.

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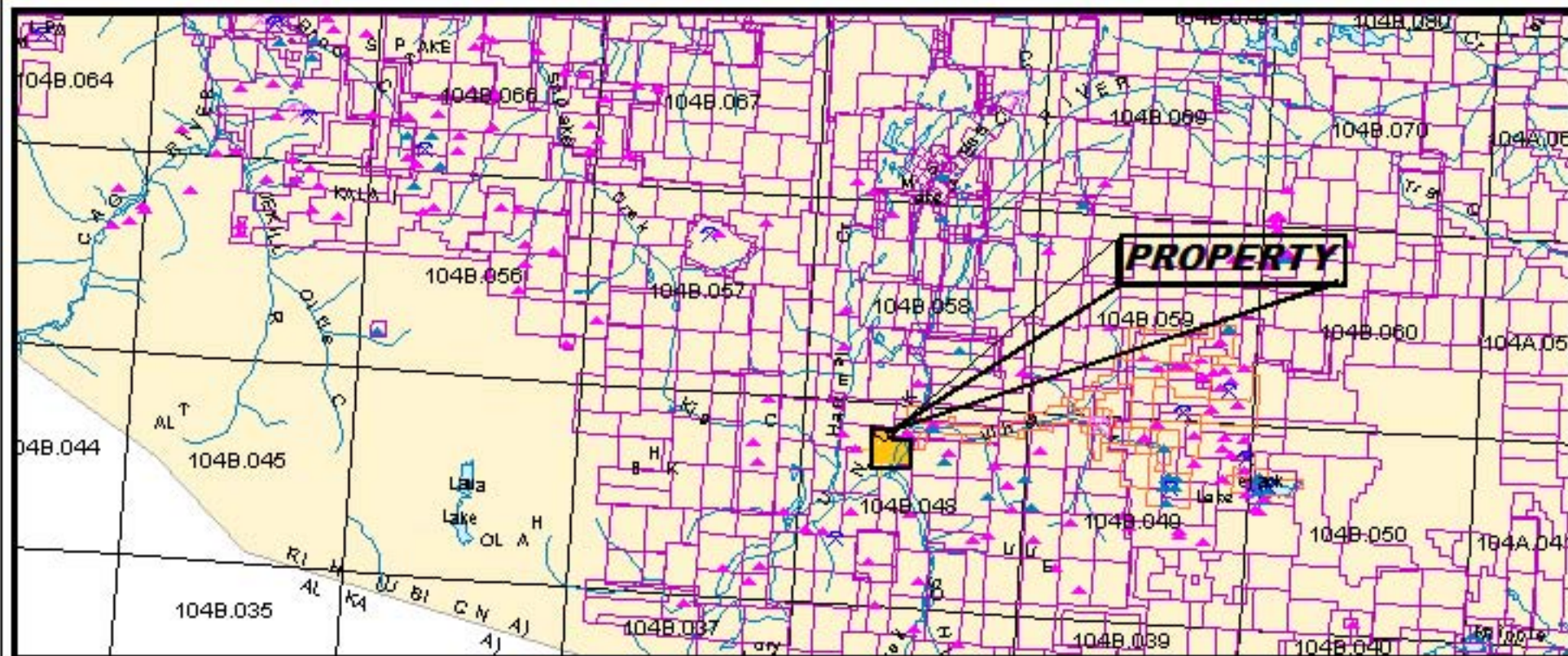


Figure 2. CLAIM LOCATION

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Tenure 404668: Event Number 4251315

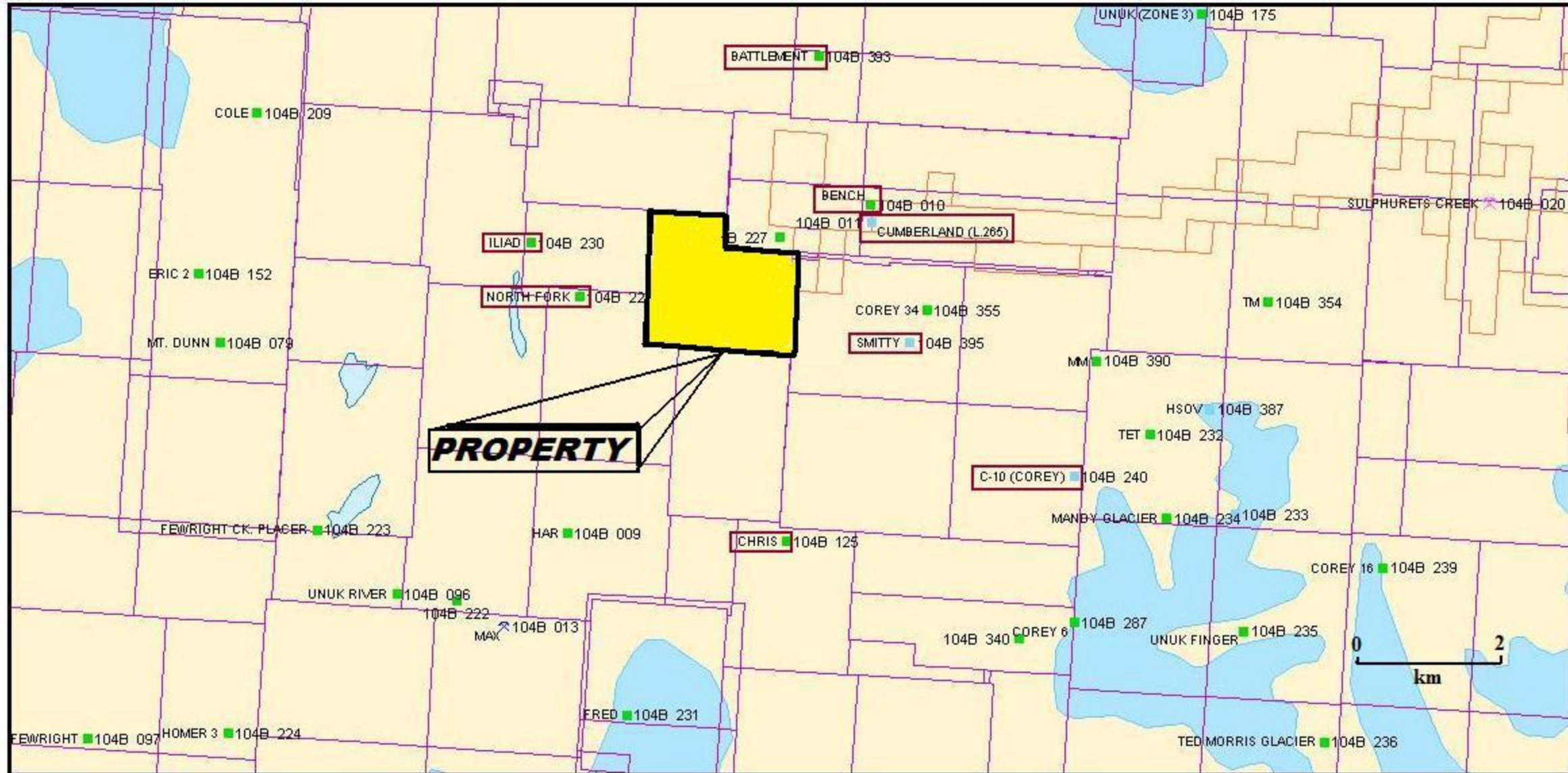


Figure 2a. CLAIM LOCATION & MINFILE

HISTORY: REGIONAL

The most significant mineral deposit in the region is the Eskay Creek located 20 kilometres north of the Property. The history of Eskay Creek as reported by MINFILE is as follows:

The Eskay Creek property has a long history of intermittent exploration since its discovery and staking in 1932 by T.S. Mackay. Early work identified more than 30 distinct mineralized zones in upper Coulter and Eskay creeks along a line of gossanous bluffs that extends more than 7 kilometres. Earliest exploration focused on the southern part of this area where the Mackay adit was driven for 110 metres. The Mackay adit lies 9 kilometres southwest of the 21 zone. In the northern part, underground development at the Emma adit totalled 180 metres of drifting and crosscuts. The Emma adit lies 3 kilometres southwest of the 21 zone. Surface work included several thousand metres of diamond drilling, numerous trenches, pits and opencuts. In 1971, a 1.5-tonne sample of high-grade ore was extracted from trenches on the 22 zone, which lies 2 kilometres southwest of the 21 zone. In 1979, these trenches were mined to produce 8.75 tonnes of hand-cobbed ore (Exploration in British Columbia 1989). In 1996, surface and underground exploration diamond drilling totaled 36,576 metres.

In 1999, Eskay Creek was 100 per cent owned and operated by Homestake Canada Inc. following an amalgamation between Homestake and Prime Resources Group Inc. Reserves on January 1, 1999 were 1,355,965 tonnes grading 57.7 grams per tonne gold and 2492.57 grams per tonne silver. Additional mineralized material were 453,600 tonnes grading 15.36 grams per tonne gold and 401.14 grams per tonne silver (Exploration in BC 1998, page 23 and www.homestake.com).

Drill targets in 1998 included 21C, a rod-shaped pyritic zone within footwall rhyolite. It reaches the surface at the original 21 zone trenches excavated in the 1930s (near the 21A deposit) and plunges gently northward for 900 metres, passing below and 200 metres down dip of the 21B deposit to its truncation by the Argillite Creek fault. Based on 1998 drilling the 21C zone is estimated to contain 303,000 tonnes of milling ore at a grade of 16.4 grams per tonne gold and 72 grams per tonne silver, with very low levels of deleterious elements (Exploration in BC 1998, page 23). Barrick Gold Corporation acquired 100 per cent interest in the mine through the December 2001 merger with Homestake.

For the year ended December 31, 2002 the proven and probable reserve was 1,229,995 tonnes ore grading 34.22 grams per tonne gold and the resource was 435,448 tonnes ore grading 15.15 grams per tonne gold (WWW <http://www.barrick.com/>, December 29, 2003). In 2003, Barrick continued to develop new ore zones at the mine. A spiral ramp system was advanced to access ore at the deepest levels in the NEX trend, which plunges north at about 55 degrees.

Production began late in the year from a new stope in the 44 zone, some 300 metres below surface. Fill-in drilling of the Water Tower zone, a footwall zone similar to 21C, found erratic gold grades and assessment of the zone continues. Exploration at Eskay Creek made use of 35,500 metres of surface and underground diamond drilling.

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Tenure 404668: Event No. 425135

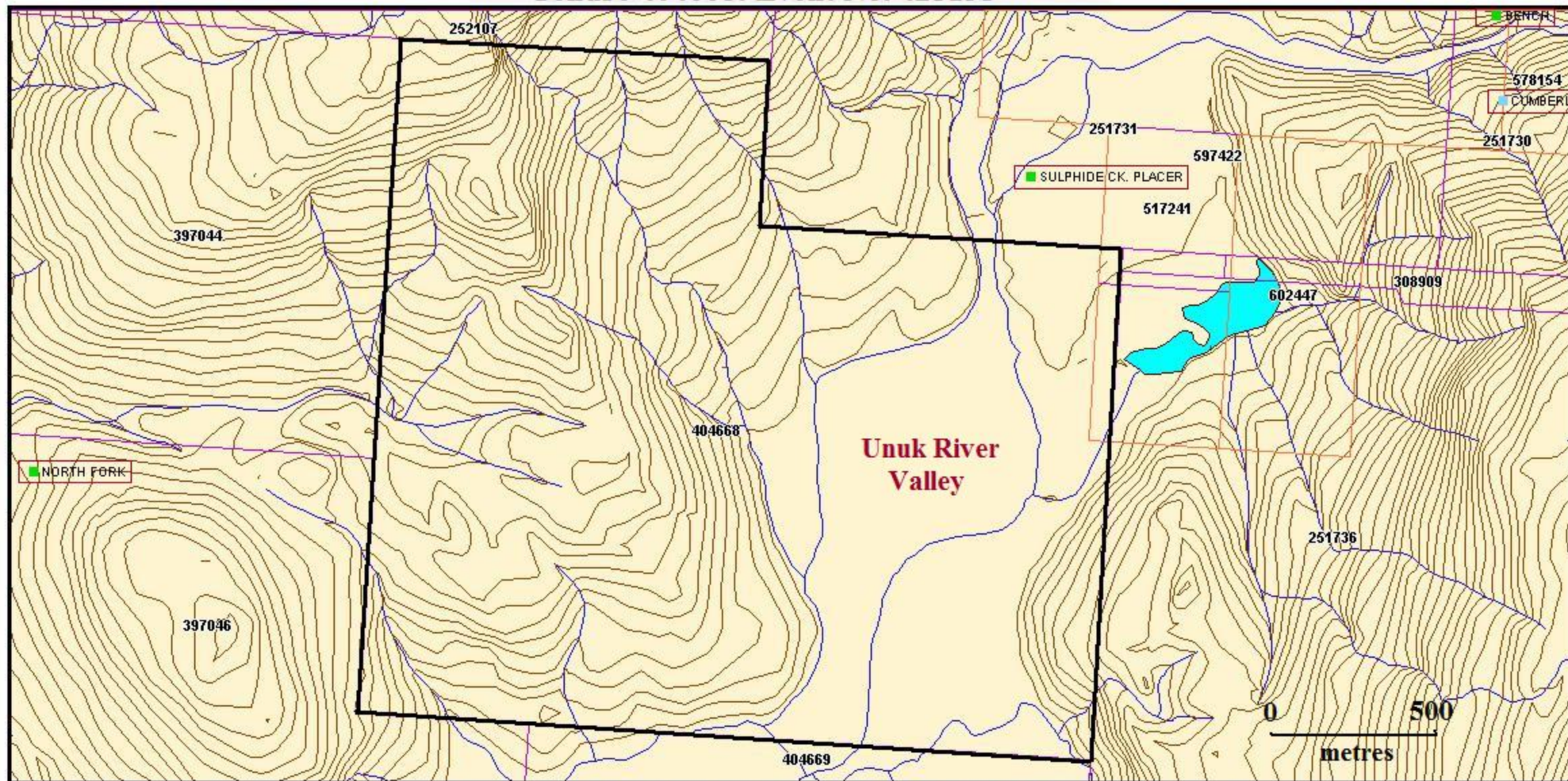


Figure 3. CLAIM & TOPOGRAPHY MAP

HISTORY: REGIONAL (cont'd)

The main focus of the 71-hole surface program was the 22 zone, situated 2 km south of the mine site. Drilling also expanded known resources in the 21C, 21A and 21E zones. At the northern end of the deposit, deeper holes tested the area down plunge from the NEX and Hangingwall zones.

In 2004, Barrick Gold Corporation completed 18,055 meters of drilling in 54 holes in exploration around the mine. Exploration was carried out mainly on the Deep Adrian and 22 zone areas, to the north and south of the existing mine workings, respectively. Before the end of 2005, the mine was forecast to produce 5,500 kilograms of gold and 290,000 kilograms of silver for the year. Since start-up in 1995 ore grade has diminished and at the beginning of 2005 the average reserve grade was 36 grams per tonne gold and 1600 grams per tonne silver (Exploration and Mining in BC 2005, page 22). In 2005, a comprehensive geologic review identified targets that were tested by approximately 16,000 metres of drilling from mine workings.

Mining was completed at Eskay Creek in March 2008, with processing of stockpiled ore expected to continue for a short time, at which point the mine will be closed and reclaimed. Since start-up in 1995 Eskay Creek has produced more than 100 tonnes of gold and 5000 tonnes of silver.

HISTORY: COREY PROPERTY

The history of the Corey property is described in a 1994 assessment report by Van Damme & Mosher (AR 23,805) as follows:

The earliest work conducted on what is now the Corey Property the staking and excavation of two adits on the Cumberland group of claims between 1898 and 1903. A shipment of hand-cobbled ore is reported to have been made during the 1930's.

Only limited exploration was carried out within the area until 1960's when a regional survey was conducted by Newmont during which time the Ox and Fox Claim Groups were staked, surrounding the earlier Cumberland crown grants. Up to 1983, the area south of Sulphurets Ck. saw a series of small exploration programs conducted by E and B Explorations, Nor-Con Explorations and Dupont Canada. In 1986 Catear Resources Ltd. staked the Corey 1-8 claims and conducted a program of rock and silt geochemistry and prospecting. At the same time Skelly Resources Ltd. staked Sul-2 and Unuk 20 claims.

Bighorn Development Corp. optioned the Corey property in 1987 and subsequently staked an additional 516 claim units, Corey 10-45. A property wide program of silt, soil and rock geochemistry, prospecting and detailed evaluation was completed. Detailed work consisted of geological mapping, 49 meters of trenching and 590 meters of diamond drilling in six holes at the Cumberland prospect. During this period Bel Pac Industries Ltd. acquired the Sul 1-2 and Unuk 20 claims.

HISTORY: COREY PROPERTY (cont'd)

In 1988 Bighorn carried out a follow up program and completed 647 meters of diamond drilling in six holes on the C-10 prospect. At this time Kenrich Mining Corp., formerly Farquest Energy Corp., optioned the Sul 1-2 and Unuk 20 claims. Also Ambergate Explorations Inc., formerly Nica Ventures Inc., acquired the Nica 1 claim.

1989 saw Kenrich and Ambergate conduct geological and geophysical surveys on the combined claims.

During 1990 Ambergate drilled two holes totalling 86 meters on the Nica 1 and Kenrich drilled seven diamond drill holes totalling 486.4 meters on the Unuk 20 claim. The latter part of '90 saw Kenrich-Ambergate augment their property holdings with the acquisition of the Corey 1-8 and Corey 10-45 claims.

In 1991 Placer Dome optioned the Sul 1-2, Nica 1 and Unuk 20 claims from Kenrich-Ambergate. An exploration program of geological mapping, geochemical sampling and ground geophysics was completed. Placer also evaluated the Cumberland and C-10 prospects at this time.

In 1992 Placer Dome carried out an extended program of geochemical, geophysical, and diamond drilling on the option. The rest of the property underwent varying degrees of exploration or review by Kennecott Canada Inc., Inco Exploration and Technical Services Inc., and Homestake Canada Ltd. This work consisted primarily of reconnaissance geochemical and geological surveys.

In 1993, with the completion of an extensive geological, geochemical, and limited geophysical and trenching program Kenrich and Ambergate further expanded the property's limits by purchasing the Dwayne 1, Carl, and Jo Jo Claims. (AR 23,805).

Kenrich continued exploration on the Corey property from 1994 to, and including 2008.

HISTORY: TENURE 404668 AREA

The history on some of the more significant mineral showings on the Corey Property and peripheral to Tenure 404668 (Figure 2a) are reported in the MINFILE records as follows

Battlement (Massive Sulphide Cu-Pb-Zn)

(MINFILE 104B.383)

Five kilometres north.

The first description of the Battlement zone is documented from work carried out for Kenrich Mining Corp. in 1993. Exploration work on the Battlement zone in 1993 included establishment of a grid with lines spaced 200 metres apart, mapping, soil geochemistry and excavation of two small hand-dug trenches. Additional soil sampling was carried out in 1995. A total of 368 samples have been collected on the Battlement grid. In 1997, Homestake added 16 kilometres of grid lines at 500 metres spacing to the west of the 1993 and 1995 grid and collected 139 whole rock samples over the entire grid.

HISTORY: TENURE 404668 AREA (cont'd)

Bench Zone (Massive Sulphide Cu-Pb-Zn)

(MINFILE 104B.010)

Two kilometres northeast.

The first recorded work on the Bench zone was a stream sediment sampling program carried out by Placer Dome in 1991. Follow up work was carried out by Kenrich and Ambergate in 1993 when 10,575m of rough-flagged grid was established in the general area. The grid was mapped at 1:5,000 and soil samples were collected at 25 metre intervals, with some infill at 12.5m intervals where anomalies were encountered. Five hand-dug and blasted trenches were excavated and a limited VLF-EM and ground magnetic survey was carried out. In 1994, Kenrich established an additional 1,200 metres of grid for an IP, VLF-EM and ground magnetic survey. Work on the Bench zone in 1995 consisted of collecting 376 soil samples at 25 metre intervals on lines spaced 100 metres apart, in addition to reconnaissance geologic mapping. In 1996, Kenrich Mining Corp. carried out detailed mapping, collected 105 rock samples, and drilled nine diamond drill holes totaling 1,384 metres

During 1997, Homestake carried out check mapping of surface exposures and reclogging of drill core for the Bench zone. Analytical work was carried out on 54 rock samples from the Bench zone as well as 20 samples from existing drill core. Homestake also drilled one diamond drill hole to a depth of 780.18m.

C10 Corey (Polymetallic Veins)

(MINFILE 104B 240)

Five kilometres east.

The first recorded work done on the C-10 showing was carried out by Bighorn Development in 1987, when six rock samples and one silt sample were collected from the area. Further work by Bighorn in 1988 consisted of construction of a grid and collection of 40 additional rock samples. Limited silt sampling was also carried out at this time. Later in the 1988 field season, Bighorn drilled six short diamond drill holes at the C-10 prospect. In 1986, Kenrich Mining Corporation along with Ambergate Explorations Ltd. acquired the Sul and Nica Claims and by 1990, acquired much of the Corey package of claims that they presently hold. In 1994, Kenrich and Ambergate amalgamated under the one company, Kenrich Mining Corp. In 1989 and 1990, Kenrich and Ambergate performed basic assessment work consisting of geological mapping, surface geochemistry and geophysics and diamond drilling of geophysical Minor additional rock sampling was carried out by Kenrich in 1994.

Smitty Prospect (Massive Sulphide Cu-Pb-Zn)

(MINFILE 104B 395)

Two kilometres east.

The Smitty prospect was discovered by Kenrich-Eskay Mining Corporation on their Corey property in 2004. A total of 11 drill holes were drilled at the Smitty zone during the 2005 program (CR05-1 to CR05-9, CR05-24 and CR05-25). The intervals of Eskay-equivalent mudstones that host the surface showing at Smitty are clearly intruded and disrupted by mafic sills of a closely similar age to the mudstones.

HISTORY: TENURE 404668 AREA (cont'd)

Cumberland (Massive Sulphide Cu-Pb-Zn)

(MINFILE 104B.011)

Two kilometres northeast.

The Cumberland showing (104B 011) is located on the south bank of Sulphurets Creek, 1500 metres upstream from the confluence with the Unuk River. It is also immediately south of the Bench zone (104B 010). Two adits were excavated on the Cumberland during the 1890's and a very small shipment of hand-sorted ore was reported. The prospect appears to have volcanogenic massive sulphide attributes, and has been frequently examined and partially explored by diamond drilling (Catear and Bighorn, 1988, six holes) and geological mapping and geophysics (Placer Dome, 1991). During the 1993 field program, a limited amount of time was spent re-examining the Placer Dome geological map. As well, several contour soil geochemical lines were completed up hill, south of the showing area. In 1995, preliminary mapping around the showing recognized Salmon River stratigraphy. In 1996, the property was mapped in detail with the discovery of bedded barite mineralization. The showings were trenched and drilled. Drilling demonstrated that these showings are not structurally controlled but are probably stratiform in nature. Two holes were drilled under the main Cumberland Showing demonstrating that the mineralization is continuous and is not cut off by faulting.

GEOLOGY: TENURE 404668 AREA

A capsule geology of the **Eskay Creek** area as reported by MINFILE is as follows:

The Eskay Creek deposits lie in the centre of the Iskut-Sulphurets gold camp in the Unuk River valley. Bedrock in the Unuk map area consists of a thick (more than 5000 metres) succession of Upper Triassic to Middle Jurassic volcano-sedimentary arc-complex lithologies (Stuhini and Hazelton groups) underlain by Permian and older arc and shelf sequences (Stikine Assemblage) and overlain by Middle and Upper Jurassic marine-basin sediments (Bowser Lake Group). Rocks have been folded, faulted and weakly metamorphosed, mainly during Cretaceous time. Dioritic to granitic rocks that crop out east and west of the Prout Plateau represent at least four intrusive episodes spanning Triassic to Tertiary time. Remnants of Pleistocene to Recent basaltic eruptions are preserved locally (Exploration in British Columbia 1989).

The Eskay Creek deposits area is underlain by a northwest-facing sequence of interbedded volcanoclastic rocks, flows and sediments of the Lower-Middle Jurassic Hazelton Group. Strata strike north- northeasterly and dip moderately to the northwest. The presence of fossils, pillow lavas and hyaloclastites suggests that many of the rocks were deposited in a subaqueous environment.

An 1100-metre section straddling Eskay Creek is divided into 6 lithostratigraphic sequences, from oldest to youngest: (1) lower volcano-sedimentary unit: inferred basement to the footwall dacite unit including the oldest rocks on the property; (2) footwall dacite unit: dacite lapilli, crystal and lithic tuffs interbedded with black mudstone and water laid tuff (includes the "datum dacite" member; (3) rhyolite unit: rhyolite breccia and tuff; minor mudstone;

GEOLOGY: TENURE 404668 AREA (cont'd)

(4) contact unit: basal rhyolite-mudstone breccia ("transition zone") grading upwards into carbonaceous mudstone; (5) hanging wall andesite unit: pillowed andesite flows and breccias with thin carbonaceous mudstone interbeds; and (6) upper sedimentary unit: thin-bedded siltstone and fine sandstone with minor arenite-conglomerate beds.

The lower volcano-sedimentary unit is of unknown thickness and consists of mixed andesitic to dacitic volcanoclastic rocks and immature fine to medium grained sedimentary rocks. This unit is correlated with the Lower Jurassic Betty Creek Formation (Hazelton Group)

The footwall dacite unit comprises in excess of 100 metres of drab grey to white dacite tuff, tuffaceous wacke and mudstone. Dacitic volcanics are predominantly tuff and ash-flow tuff, with lesser volumes of lithic tuff and breccia. An important marker, the datum dacite member, comprises pink to green, fine grained, feldspar phyric tuff and lapilli breccia; it occurs near the top of the unit. The footwall dacite unit was assigned to the Lower Jurassic Mount Dilworth Formation (Hazelton Group) but recent interpretations suggest that it is a member of the Lower Jurassic Betty Creek Formation (Hazelton Group).

The rhyolite unit ranges from 30 to 110 metres thick and consists of grey to white aphyric breccia, tuff breccia, lapilli tuff, tuff and subordinate massive rhyolite. Thin intercalations of mudstone and water laid tuff occur locally and provide markers. This unit is correlated with the Lower Jurassic Mount Dilworth Formation (Hazelton Group). The contact unit consists of an areally restricted basal member of rhyolite-mudstone breccia (the "transition zone") that grades into a widespread upper member of carbonaceous mudstone. The entire contact unit ranges from less than 1 to more than 60 metres thick. The upper member is carbonaceous, pyritic and locally tuffaceous, laminated black mudstone. The contact unit can be correlated with the unnamed lower member of the Lower-Middle Jurassic Salmon River Formation (Hazelton Group). It is the host to most of the mineralization in the 21 zone (21A and 21B deposits) (Exploration in British Columbia 1989).

The hangingwall andesite unit is a flow and sill complex in excess of 150 metres thick. It consists of rusty brown weathering, light grey to dark green pillow breccias with subordinate massive flows, dikes or sills, and hyaloclastite horizons. Thin mudstone units occur as interflow sediments. The upper sedimentary unit consists of a thick sequence of thin-bedded (turbiditic) siltstone, shale and fine sandstone. It includes strata of the lithologically similar Salmon River Formation (Hazelton Group) and Middle-Upper Jurassic Ashman Formation (Bowser Lake Group). The Salmon River Formation sediments are distinguished by the presence of volcanic material.

The major structure on the property is interpreted to be an asymmetric anticline which plunges gently to the northeast. The anticline is broken by a series of high-angle faults. Major faults strike north-northeast; minor ones north-northwest. Several northerly to northeasterly trending lineaments also traverse the property.

The geology of some of the more significant mineral showings within the immediate area of Tenure 404668 as reported by MINFILE is as follows. These mineral showings are all within the confines of the Kenrich-Eskay Corey property.

GEOLOGY: TENURE 404668 AREA (cont'd)

Battlement (Massive Sulphide Cu-Pb-Zn)

(MINFILE 104B.383)

Five kilometres north.

The Battlement zone is underlain by Hazelton Group mafic and intermediate volcanic and sedimentary rocks of Early to Middle Jurassic age, including rhyolite in the eastern portion of the grid. The stratigraphy consists of a homoclinal sequence of steeply-east dipping Salmon River Formation mudstone, rhyolite breccias and tuffs, and basalt. Mapping at 1:5,000 over the area shows a band of Middle Jurassic Mount Dilworth Formation felsic rocks (the Bruce Glacier member of the Salmon River Formation). All units show only weak alteration.

Bench Zone (Massive Sulphide Cu-Pb-Zn)

(MINFILE 104B.010)

Two kilometres northeast.

A north-plunging syncline was mapped through the center of the Bench zone. Mafic pillow lavas of the Early to Middle Jurassic Salmon River Formation (Hazelton Group) are exposed in the core of the syncline, followed outward by a band of undivided Salmon River Formation rocks, a band of Middle Jurassic Mount Dilworth Formation (Hazelton Group) rocks and ultimately a broad exposure of undivided Salmon River Formation rocks. Units observed include rhyolite flows, breccias, and tuffs in contact with argillites.

C10 Corey (Polymetallic Veins)

(MINFILE 104B 240)

Five kilometres east.

Alteration of a tuffaceous volcanic to sericite schist contain up to 30 per cent quartz veinlets and lenses. This zone was reported to contain up to 10 per cent pyrite with minor fine-grained sphalerite. The C-10 area is thought to be part of a northwest-trending pyrite-sericite schist alteration zone extending as much as 6.5 kilometres and 0.8 to 1.6 kilometres in width. Silicification in this zone increases with depth, as well as towards the east. Silicification in the C-10 zone comprises quartz veinlets and stockworks. A sulfide stringer zone up to 800m in width occurs along the east margin of the pyrite-sericite schist band, consisting of numerous sub-horizontal stringers, pods and lenses containing siderite, chalcopyrite, pyrite, sphalerite, galena and arsenopyrite. The zone has been described as a large argillic alteration and shear zone in rocks of intermediate composition feldspar-phyric volcanic rocks cut by numerous monzonite dikes. Rock chip samples were collected from rocks described as ankeritic quartz-rich lenses containing tetrahedrite, pyrite, pyrrhotite and scorodite, as well as from phyllitic andesitic tuff.

Property-scale mapping shows the east flank of Mt. Madge, including the area of the C-10 showing, as either undivided Unuk River Formation or an andesite breccia and tuff unit of the Salmon River Formation.

Drilling in 2005 by Kenrich has confirmed the presence of a large gold-copper-zinc hydrothermal feeder system at the C-10 Zone.

GEOLOGY: TENURE 404668 AREA (cont'd)

Cumberland (Massive Sulphide Cu-Pb-Zn)

(MINFILE 104B.011)

Two kilometres northeast.

The area near the junction of Sulphurets Creek and the Unuk River is underlain by a series of north to northwest trending Hazelton Group intermediate (dacite/andesite) composition volcanic flows, pyroclastics and pillow lavas recently interpreted by company geologist as being part of the Middle Jurassic Salmon River Formation. Locally, they consist of red, green and purple volcanic breccia, conglomerate, sandstone, argillaceous siltstone with intercalated crystal and lithic tuffs. The stratigraphic and structural relationships are not well defined but the regional strike is to the northeast with an east dip.

Locally, andesite, tuff-volcanic breccia, argillite and conglomerate are the most common rock types. The eastern part of the claim is underlain by pillowed andesite, dark grey to green in color, and forms a massive cliff 30 to 40 metres in height. The tuff is grey to green in color with poorly sorted angular fragments with some flow banding. The volcanic breccia is similar to the tuff with larger unsorted angular fragments. Sediments in contact with the volcanics include a dark green-grey, massive chert and argillic conglomerate, which is characterized by a sandy matrix with rounded cobbles to boulders.

Minor mineralization consisting of disseminated pyrite is ubiquitous throughout the volcanics and argillite. Two mineral deposits were reported to have been developed by constructing two short adits close to the contact between the sediments and volcanics in 1935.

At an elevation of about 370 metres, a sheared and brecciated zone in the volcanics, striking northwest and dipping steeply northeast, contains small, irregular lenses and stringers of quartz, barite and calcite. In an adit driven along the north side of a dyke that cuts the shear zone, is a vein of quartz, calcite and barite which hosts pyrite, galena, sphalerite, tetrahedrite, stibnite and some argentite. In 1935, a grab sample taken from an old dump of these workings assayed 0.69 grams per tonne gold, 3586.2 grams per tonne silver, 0.5 per cent copper, 8.0 per cent lead and 4.0 per cent zinc. A reported 18 tonnes of similar material was mined but never located (Minister of Mines, Annual Report 1935, page B12).

To the northeast of this adit, at an elevation of about 412 metres, is a quartz replacement zone that is reported to consist of veinlets and lenses of quartz with stringers and blebs of chalcopryite, pyrrhotite, pyrite, sphalerite and galena. The zone strikes about 345 degrees and dips 70 degrees east. Apparently 14 tonnes of this material was mined and left at the portal to the adit. In 1935, a representative sample from this dump assayed 8.9 grams per tonne gold, 82.28 grams per tonne silver, 0.3 per cent copper, 3.0 per cent lead and 10.0 per cent zinc (Minister of Mines, Annual Report 1935, page B12).

In 1987, a 0.5 to 0.75 metre zone was mapped at the Cumberland adit entrance. The host rock in the vicinity of the showing consists of highly fractured andesite with thin quartz-pyrite fracture fillings. Other sulphides include chalcopryite, sphalerite and traces of galena.

GEOLOGY: TENURE 404668 AREA (cont'd)

Cumberland (Polymetallic Veins) (cont'd)

The heavily mineralized zone strikes between 140 to 150 degrees and dips 85 degrees northeast. A grab sample from this massive sulphide zone assayed 4.32 grams per tonne gold and 169.37 grams per tonne silver (Assessment Report 16318).

A 5-centimetre chip sample taken along Silver Creek (from Ougma, Lot 269) assayed 3502.2 grams per tonne silver (Assessment Report 16318). The sample was from a silicified carbonate rich shear zone which was reported to host possible ruby silver (pyrargyrite).

Smitty Prospect (Massive Sulphide Cu-Pb-Zn)

(MINFILE 104B 395)

Two kilometres east.

The prospect contains volcanogenic massive sulphides (VMS) within Eskay-type mudstones and occurs near the contact with Eskay-type tholeiitic basalts.

GEOLOGY: PROPERTY

MapPlace internet downloads on the geology of the Property show that the Property is generally underlain by dioritic to gabbroic rocks the Late Triassic Stikine, or McQuillan, or Katete Mountain, Plutonic Suites of (TrSMk) in a northeasterly trending fault contact with andesitic volcanic rocks of the Jurassic Hazelton Group (IJHva) to the east.

The Hazelton Group is divided into the Lower Jurassic Unuk River Formation of non marine volcanic rocks, the Middle Jurassic Betty Creek Formation of volcanic rocks, and the Middle to Upper Jurassic Salmon River Formation of non marine and marine sediments

The Hazelton Group volcanics (IJHva) appear to be the same as the rocks that Britton (1989) designated as the Upper Triassic to Lower Jurassic Unuk River Formation which is reported as:

...green and grey intermediate to mafic volcanoclastics and flows with locally thick interbeds of fine-grained immature sediments. The volcanics are reported to be dominantly massive to poorly bedded plagioclase (& hornblende) porphyritic andesite. The sediments are predominantly grey, brown, and green thinly bedded tuffaceous siltstone and fine-grained wacke. These Norian to Sinemurian age rocks of the Unuk River Formation constitute the lowermost unit of the Hazelton Group. The basal contact with Triassic strata appears to lie near the top of a thick sequence of clastic sedimentary rocks. Neither an angular unconformity nor a widespread conglomerate marks the lower contact.

The Hazelton Group sediments of Middle Jurassic to Upper Jurassic age that encroach the Property along the northeast corner as shown on Figure 4, are assumed to be the undivided sedimentary rocks of the \middle to Upper Jurassic Salmon River Formation. This Formation contains the most favorable stratigraphic horizons for the location of economic zones of mineralization as evident from the Eskay Creek gold-silver deposit some 20 kilometres to the north.

GEOLOGY: PROPERTY (cont'd)

The Salmon River Formation is a late to post volcanic episode comprised of banded, predominately dark coloured, siltstone, greywacke, sandstone, intercalated calcarenite, minor limestone, argillite, conglomerate, littoral deposits, volcanic sediments and minor flows.

Structure

Britton et al (1989) mapped two major northwesterly trending faults on ground covered by the Property. These faults extend northwestward from the Unuk River valley and are indicated as an extension, with a minimal displacement, from the southeast extension which is the valley of the South Unuk River.

MINERALIZATION: REGIONAL

The mineralization at **Eskay Creek** located 10 kilometres north of Tenure 404668 is reported by MINFILE (104B 008) as:

Many zones of mineralization have been recognized at Eskay Creek. These include the 5, 6, 10, 22, 23, 28 and Porphyry zones; Mackay and Emma adit areas; and the #1 to #5 bluffs. The 21 zone has undergone extensive exploration and underground development and represents a major portion of reserves at Eskay Creek. Two new zones, NEX and Hangingwall, were discovered in 1995.

The bulk of mineralization in the 21 zone occurs as a stratabound sheet within carbonaceous mudstones of the contact unit and underlying rhyolite breccia, beneath mostly barren andesite flows. In the north, sulphide layers also occur in the hangingwall andesite unit. As traced by diamond drilling the entire zone extends 1400 metres along strike, 250 metres downdip and is from 5 to 45 metres thick. It is open to the northeast and downdip. Mineralization displays both lateral and vertical zoning.

Antimony, arsenic and mercury-rich mineral assemblages in the south change to zinc, lead and copper-rich assemblages in the north.

Vertical zoning is expressed as a systematic increase in gold, silver and base metal content up-section.

Based on mineral associations and continuity of grade, the 21 zone has been divided into two deposits: the 21A (formerly called the South zone) and the 21B (which includes the former Central and North zones, now linked by drilling). The deposits are separated by 140 metres of weak mineralization. Two new mineral zones, the 21C and Pumphouse, have recently been discovered. The 21C is centred about 450 metres due north of the 21A deposit. It is a discrete mineral zone 100 metres downdip from the 21B deposit and subparallel to it. The Pumphouse zone is located immediately northeast of Pumphouse Lake, east of the southern end of the 21B deposit.

Drilling in the 21A deposit area has outlined a mineralized zone approximately 280 metres long and up to 100 metres wide. Thickness is variable, averaging about 10 metres. The deposit is contained within the contact unit and underlying rhyolite unit.

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Tenure 404668: Event No. 425135

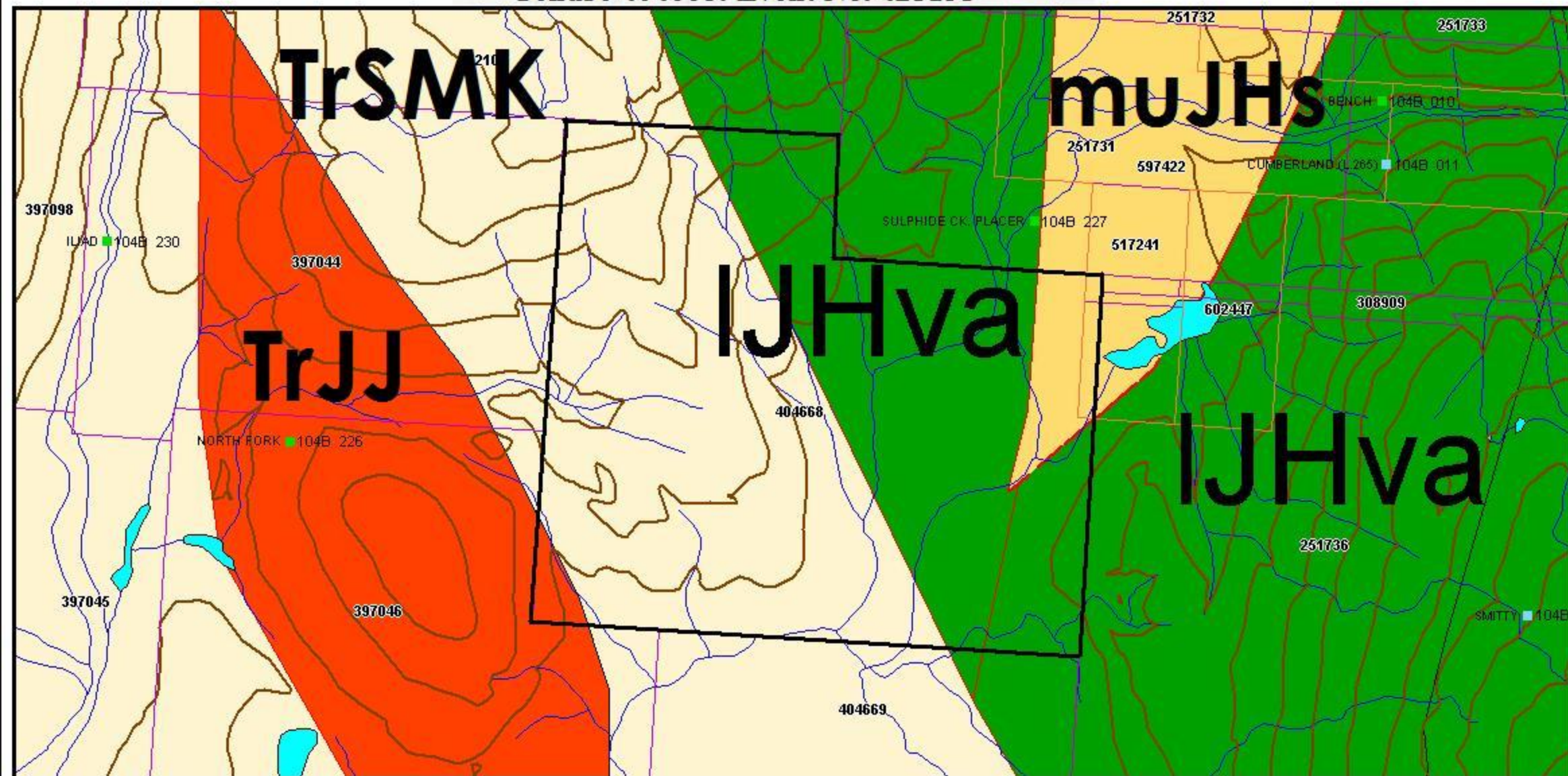


Figure 4. GEOLOGY

MINERALIZATION: REGIONAL Eskay Creek (cont'd)

The deposit can be subdivided into an upper, stratabound zone of disseminated to near-massive stibnite and realgar within the contact unit, and a lower, stockwork zone of disseminated sphalerite, tetrahedrite and pyrite within the rhyolite unit. High-grade (> 15 grams per tonne) gold and silver mineralization occurs in variably sheared, carbonaceous mudstone and mudstone-rhyolite breccia. A diverse suite of metallic minerals has been identified.

Zones of nearly massive stibnite, realgar and orpiment pass along strike and down-dip into disseminated domains where sulphides occur in veinlets, as feathery masses, or as heavy impregnations along shears or in the mudstone matrix. The breccia matrix is variably pyritic. Both breccia matrix and clasts contain needles of stibnite and arsenopyrite. Gold occurs as native gold, amalgam and possibly in mercurian wurtzite. Silver occurs as native silver, amalgam, tetrahedrite and unnamed silver-lead-arsenic-sulphur minerals. Mineralization is associated with areas of intense alteration. Both members of the contact unit are overprinted with varying amounts of magnesian chlorite, muscovite, chalcedonic silica, calcite and dolomite; pyrobitumen is ubiquitous.

Disseminated to microfracture-filling mineralization in the rhyolite unit is characterized by low to moderate tenor gold (1-15 grams per tonne) and locally high silver, associated with base metal sulphides and minor to trace antimony, arsenic and mercury minerals. Tetrahedrite, pyrite, sphalerite and galena predominate, with minor aktashite and chalcopyrite. Realgar and orpiment are rare to nonexistent. Carbon and graphite are absent.

Beneath stratabound mineralization of the contact unit, the rhyolite unit is highly fractured and intensely altered. Fracturing, alteration intensity and metal tenor appear to increase toward the upper contact. Within 3 to 4 metres of the upper contact, rhyolite-hosted mineralization is characterized either by massive chlorite-gypsum-barite rock or by quartz-muscovite-sulphide breccia. Mineralization in the footwall dacite unit commonly occurs in the datum dacite member. It consists of semi massive to disseminated, crystalline pyrite, sphalerite, tetrahedrite, galena and chalcopyrite.

The 21B deposit is approximately 900 metres long, from 60 to 200 metres wide and locally in excess of 40 metres thick. It is displaced on the east by the northeast trending Pumphouse Creek fault and related north trending splays. The deposit is open to the northeast along strike, to the immediate east on fault-offset segments, and is partially open to the west at depth. It displays varied styles of mineralization and alteration. The southernmost 600 metres of the 21B deposit (the former Central zone) is characterized by stratabound and stratiform high-grade gold and silver-bearing base metal sulphide layers. Banded sulphide mineralization occurs in carbonaceous and tuffaceous mudstones of the contact unit. Sulphides form disseminated, semi massive and massive laminae and bands, up to 12 metres thick, that appear to parallel bedding in the mudstones. In approximate order of abundance sulphide minerals include amber sphalerite, tetrahedrite, boulangerite and bournonite with minor pyrite and galena.

MINERALIZATION: REGIONAL Eskay Creek (cont'd)

Gold and silver occur as 5 to 80-micron grains of electrum within fractured sphalerite, commonly in contact with galena. Realgar and stibnite are absent. Gangue minerals include magnesian chlorite, muscovite and quartz with lesser amounts of dolomite and calcite.

Peripheral to and beneath banded sulphide mineralization are areas of micro fracture veinlets and disseminations of tetrahedrite, pyrite and minor boulangerite. Gangue minerals include magnesian chlorite, muscovite, potassium feldspar and calcite. Footwall, rhyolite-hosted stockwork mineralization is volumetrically insignificant in comparison with either the 21A deposit or the northern 21B deposit.

In contrast, the northern 300 metres of the 21B deposit (the former North zone) exhibits considerable geological and structural complexity. Although host rock stratigraphy is similar to that found to the south, mineralization occurs at several different stratigraphic levels. Gold, silver and base metal-rich lenses occur in hangingwall unit interflow mudstones as well as in the contact unit mudstone and underlying rhyolite unit breccias. Very high grade mineralization occurs deeper in the rhyolite unit in association with crosscutting zones of fracture-related alteration. The mineralized zone is thick and cut by zones of strong shearing. Hangingwall mineralization is hosted by two mudstone beds near the base of the hangingwall andesite unit and is associated with pervasive chlorite alteration and locally heavy barite.

Near-massive dark sphalerite, galena and tetrahedrite with lesser amounts of pyrite and chalcopyrite occur as two partially stacked lenses.

Mineralization in the contact unit is dominantly comprised of sphalerite, tetrahedrite and possibly boulangerite with varying amounts of galena and chalcopyrite. Alteration minerals are again chlorite, muscovite, quartz and calcite. Mineralized textures vary from crudely banded massive sulphides to thick and thin sulphide bands intercalated with mudstone.

Crosscutting mineralization in the contact and rhyolite units occurs as siliceous (quartz-healed) and carbonate-rich breccias with anastomosing, crustiform veinlets and disseminations of coarse-grained iron-rich sphalerite, fine-grained pyrite, with minor galena, chalcopyrite and tetrahedrite group minerals. Gold occurs as spectacular films, wires or blebs associated with fractured sphalerite.

Lead isotope analyses of galena samples collected from Eskay Creek veins and massive sulphide lenses coincide with early Jurassic lead ratios from the Kitsault, Stewart, Sulphurets and Iskut mining camps. Isotopic data are taken to indicate a widespread, early Jurassic mineralizing event. The Eskay Creek deposits are also products of this event (Exploration in British Columbia 1989).

The 21 zone mineralization is unusual. There is a close spatial and apparently temporal relationship between what conventional models describe as low-temperature epithermal and volcanogenic massive sulphide deposit types.

MINERALIZATION: REGIONAL Eskay Creek (cont'd)

Epithermal mineralization, characterized by gold, silver, arsenic, antimony and mercury mineral suites, forms massive and stratabound lodes as well as more usual crosscutting veins and disseminations. Massive sulphide mineralization show typical "syngenetic" ore textures but atypical mineralogy and precious metal enrichment. 1995 and 1996, drilling and underground exploration on the 21B zone have outlined proven and probable reserves of 1,090,000 tonnes grading 65.14 grams per tonne gold, 2949.0 grams per tonne silver, 5.6 per cent zinc and 0.77 per cent copper (Information Circular 1996-1, page 5). During 1994 the access road to the mine area was completed and construction of minesite facilities was completed by fall. The first shipment of ore started January 1995, two years after application to the provincial government for a Mine Development Certificate. The direct shipping ore was crushed and blended at the mine and then moved by rail from Kitwanga to Noranda's Horne smelter in Quebec, and by sea from Stewart to Dowa Mining's smelter in Japan. At a daily mining rate of 245 tonnes, annual production is estimated at 6220 kilograms of gold and 83,000 kilograms of silver, together with copper and zinc. The operating cost is forecast to be US\$187 per ounce gold equivalent. Eskay Creek will become the fourth largest silver producer in the world. Zinc will be recovered using the solvent extraction - electrowinning method (Information Circular 1995-1, pages 9-10).

In 1996, reserves were 1.08 million tonnes at 65.5 grams per tonne gold, 2930 grams per tonne silver, 0.77 per cent copper and 5.6 per cent zinc (Exploration in BC 1996, page B5).

As of January 1, 1997, proven and probable reserves at Eskay Creek were estimated at 1,267,340 tonnes grading 59.38 grams per tonne gold and 2718.86 grams per tonne silver. Geological resources at January 1, 1997 were 252,200 tonnes grading 18.55 grams per tonne gold and 1083.43 grams per tonne silver (George Cross News Letter No. 25 (February 5), 1997). As of January 1, 1998, proven and probable reserves were 1,356,240 tonnes grading 58.05 grams per tonne gold and 2684.57 grams per tonne silver. Geological resources (mineralized material) were 336,565 tonnes grading 20.13 grams per tonne gold and 411.43 grams per tonne silver (Prime Resources Group Inc., Press Release, January 22, 1998).

MINERALIZATION: TENURE 404668 & AREA

There is no reported mineralization on the Property (Tenure 404668) from exploration work completed by Yellowstrike Resources in 1989 on the western portion of the Property (AR 19,662) however, in a report on the results of the exploration work; two mineral showings were described as occurring within four kilometres west of the Property. These showings were reported, by Aussant (1969) as:

The **Iliad #4** zinc showing (MINFILE 230) occurs along the west bank of Harrymel Creek about 3 km north of its junction with the Unuk River. The area is underlain by Upper Triassic Stuhini Group sediments. On the east side of Harrymel Creek, Stuhini Group rocks are intruded by a quartz diorite stock.

MINERALIZATION: TENURE 404668 & AREA (cont'd)

Iliad #4 zinc showing (MINFILE 230) (cont'd)

A north-trending fault parallels Harrymel Creek and separates the altered volcanoclastics from silicified and banded dioritic schists which marks the contact between the diorite intrusions and Stuhini Group rocks. A gossanous zone occurs along the fault and hosts disseminations and fracture fillings of sphalerite, specular hematite, pyrite, and about 10% magnetite.

The **North Fork** copper showing (MINFILE 226) is located on the east side of Harrymel Creek, near the centre of the property. The area of the showing is underlain by a medium-grained diorite which is partly epidotized and hosts minor disseminated magnetite. Malachite staining and minor chalcopyrite occur within the diorite. Semi-massive to massive magnetite and pyrrhotite with chalcopyrite occur in one to three limestone horizons. Magnetite occurs as layers in the relatively pure limestone units whereas the sulfides occur in thin beds of green chloritic limestone that have been almost completely replaced.

Placer gold showings within one kilometer north of the northeast corner of the Property (**Sulphide Creek Placer** MINFILE 104B.227) are reported as:

The area around the junction of Sulphurets (formerly Sulphide) Creek and the Unuk River is underlain by Lower Jurassic Hazelton Group volcanics and volcanoclastics of the Unuk River Formation. The rocks are comprised of altered tuffs and lithic tuffs with minor chert, andesite and chloritic schists.

In 1929, free gold was reported in river gravels at the junction of Sulphurets (Sulphide) Creek and Unuk River. The gold is described as flaky and considerably worn and fine colours were seen in every pan of material tested. Local irregularities were noted in the bedrock near the placer gravels.

In 1935, a composite sample, taken from sand bars at the mouth of Sulphurets Creek, which contained abundant alluvial pyrite assayed 1.03 grams per tonne gold, trace silver, trace copper (Annual Report 1935, page B10

Other significant mineral mineralization in close proximity to the Property are the prime mineral zones that are included in the Kenrich Corey property and are described in the MINFILE records as follows.

Battlement (Massive Sulphide Cu-Pb-Zn)
(MINFILE 104B.383)
Five kilometres north.

Neither of the two small trenches excavated in 1993 contained anomalous precious metals although 0.1 per cent zinc was obtained from one sample (Assessment Report 27511).

MINERALIZATION: TENURE 404668 & AREA (cont'd)

Bench (Massive Sulphide Cu-Pb-Zn)

(MINFILE 104B.010)

Two kilometres northeast.

Little outcrop mineralization has been encountered at the Bench zone. Disseminated sphalerite, galena and pyrite was found in one location in sediments of the Troy Ridge member. Elsewhere, discontinuous disseminated to semi-massive lenses of pyrite and pyrrhotite have been locally observed along contacts between sediments (Troy Ridge member) and mafic volcanics (John Peaks member) in the eastern portion of the Bench zone. Up to 10 per cent disseminated pyrite and pyrrhotite are locally encountered within tuffaceous sediments throughout the area.

C10 Corey (Polymetallic Veins)

(MINFILE 104B 240)

Five kilometres east.

A sample of the pyritic sericite schist contained 1.30 grams per tonne gold. A pyrrhotite-chalcopyrite float sample contained 9.53 grams per tonne gold and 115.89 grams per tonne silver (Assessment Report 16364). Another sample taken from a location 600 metres to the west-northwest contained 2.06 grams per tonne gold. A float sample found about 1 kilometre north of this assayed 55.54 grams per tonne silver (Assessment Report 17404).

Cumberland (Massive Sulphide Cu-Pb-Zn)

(MINFILE 104B.011)

Two kilometres northeast.

Mineralization at the Cumberland occurs in mafic volcanic units, possibly pillow basalt and breccia and thin mudstone horizons. Mineralization is composed of lenses 0.5 to 3.0 metres wide of massive sphalerite, barite, galena and pyrite. Sampling of this material has returned assay values as high as 9.4 grams per tonne gold, 93 grams per tonne silver, 0.45 per cent copper, 2.70 per cent lead and 9.80 per cent zinc. The zone of mineralization is highly sheared and disrupted and both the mineralization and host rocks have a pronounced mylonitic fabric and a steep plunge. A re-examination of rocks mapped by Placer as conglomerate and mudstone revealed rhyolite breccia and tuffaceous mudstone. The rhyolite is aphyric, cream to white coloured, with flow-banded to massive fragments in a dark gray, siliceous matrix. These rhyolite units possibly lie in the structural footwall of the Cumberland showing. Prospecting and soil geochemical traverses 1000 metres south of the showing (at 800 metres elevation) identified two possible extensions of the rhyolite horizons. In 1997, three outcrops of massive barite mineralization containing galena, sphalerite and associated silver mineralization were discovered and sampled returning assays up to 12,171 grams per tonne silver in grab samples and 4046 grams per tonne silver in a one-metre channel sample.

KENRICH-ESKAY MINING CORP.

Tenure 404668: Event No. 425135

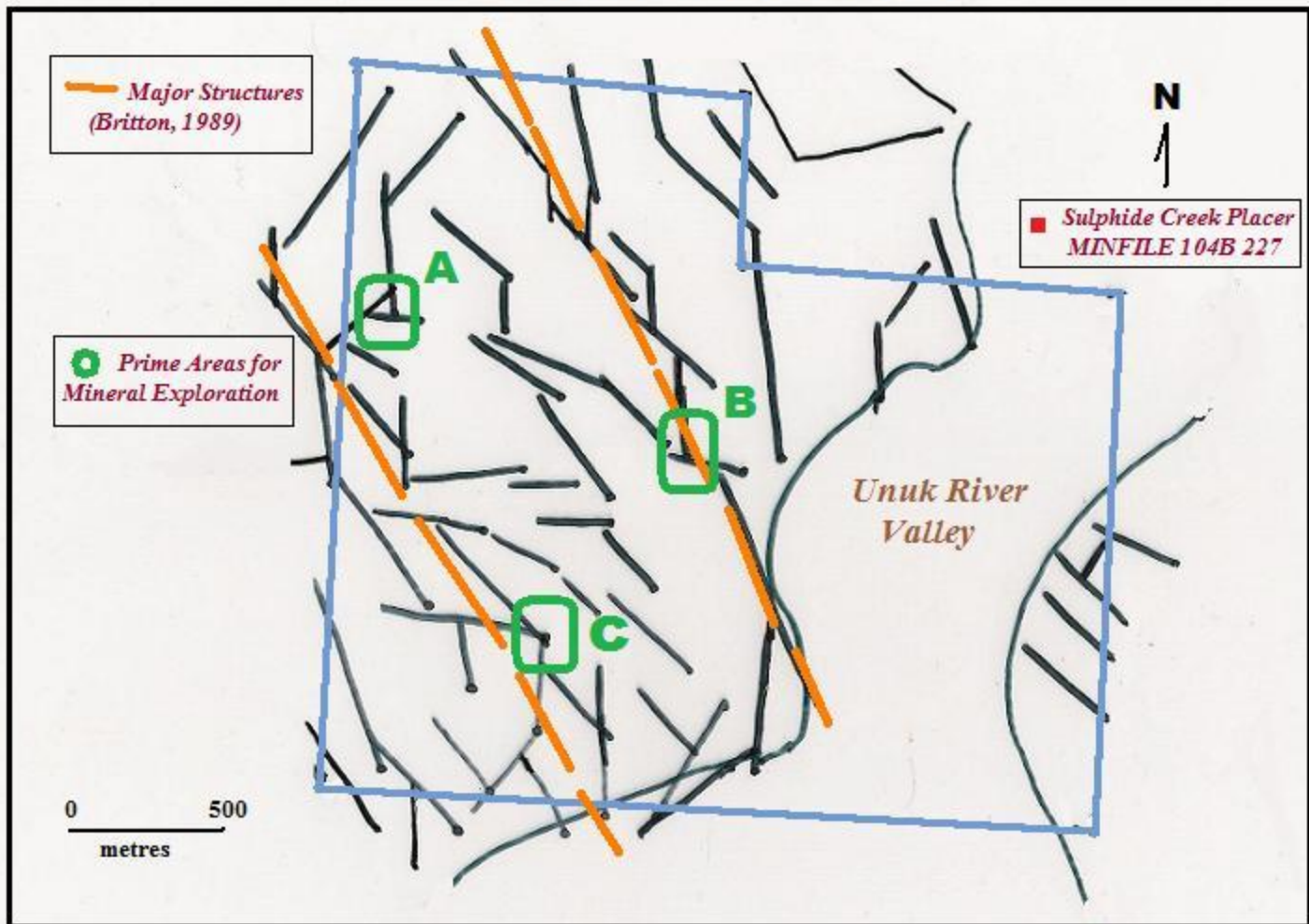


Figure 5. LINEAMENTS

MINERALIZATION: TENURE 404668 & AREA (cont'd)

Smitty Prospect (Massive Sulphide Cu-Pb-Zn)

(MINFILE 104B 395)

Two kilometres east.

The VMS mineralization comprises bedded massive pyrite, chalcopyrite, sphalerite, galena and tetrahedrite within mudstone of the Middle Jurassic Salmon River Formation, Hazelton Group. The massive sulphide portion of the discovery is up to 0.9 metres thick in outcrop. The massive sulphide and mudstone are within a wider band of rhyolite, intermediate volcanics and volcanoclastic sediments close to the contact with overlying basalt correlative with the Eskay rift volcanic-sedimentary succession. A chip sample across 0.9 metres yielded 0.62 per cent copper, 0.14 per cent lead, 4.32 per cent zinc and 159 grams per tonne silver.

2008 LINEAMENT ARRAY ANALYSIS

A lineament array analysis was completed on Tenure 404668 to determine potential controlling structures to volcanogenic massive sulphide copper/lead/zinc mineralization hosted by the Hazelton Group of volcanics and sediments, or gold/silver mineralization hosted by intrusives. Both of these mineral deposit types occur in the area with the massive sulphide type

Hill shade maps obtained from MaPlace were utilized as the base map for the lineament array analysis. The analysis was accomplished using a stereographic projection viewing of the maps and marking the lineaments on an overlay. A total of 64 lineaments were marked as indicated on Figure 5, compiled into a 10 degree class interval, and plotted on a rose diagram as indicated on Figure 6.

INTERPRETATION

The results of the lineament array analysis indicate two primary northwesterly trending structures through the central portion of the Property. In correlating the lineaments (Figure 5) with the Tenure 404668 geology (Figure 4), one of the major structures appears as a fault contact between the Lower Jurassic Hazelton Group andesitic volcanic rocks (IJHva) to the northeast (Unuk River Formation) and the Late Triassic dioritic to gabbroic intrusive rocks (TrSMK) to the southwest.

Splay, en echelon, paralleling and conjugate second order structures occur associated with the two primary structures with some localized area of intersection.

The intersecting structural locations, A, B, & C as shown on Figure 5, would be prime exploration sites for the location of potential zones. All three locations would be favourable exploratory sites for polymetallic veins associated with the intrusive; whereas location A would be a favorable exploration site for polymetallic veins associated with the intrusive or hosted by the Hazelton Group as at the Kenrich C10 Corey mineral showing five kilometres east.

The most favourable host for massive sulphide Cu-Pb-Zn mineralization in the region is the Salmon Creek Formation which is indicated to occur encroaching into the Property at the northeast corner (Figure 4). However, it appears that these rocks do not outcrop as the Formation is indicated as covered by debris within the Unuk River valley.

KENRICH-ESKAY MINING CORP.
Tenure 404668; Event Number 425315

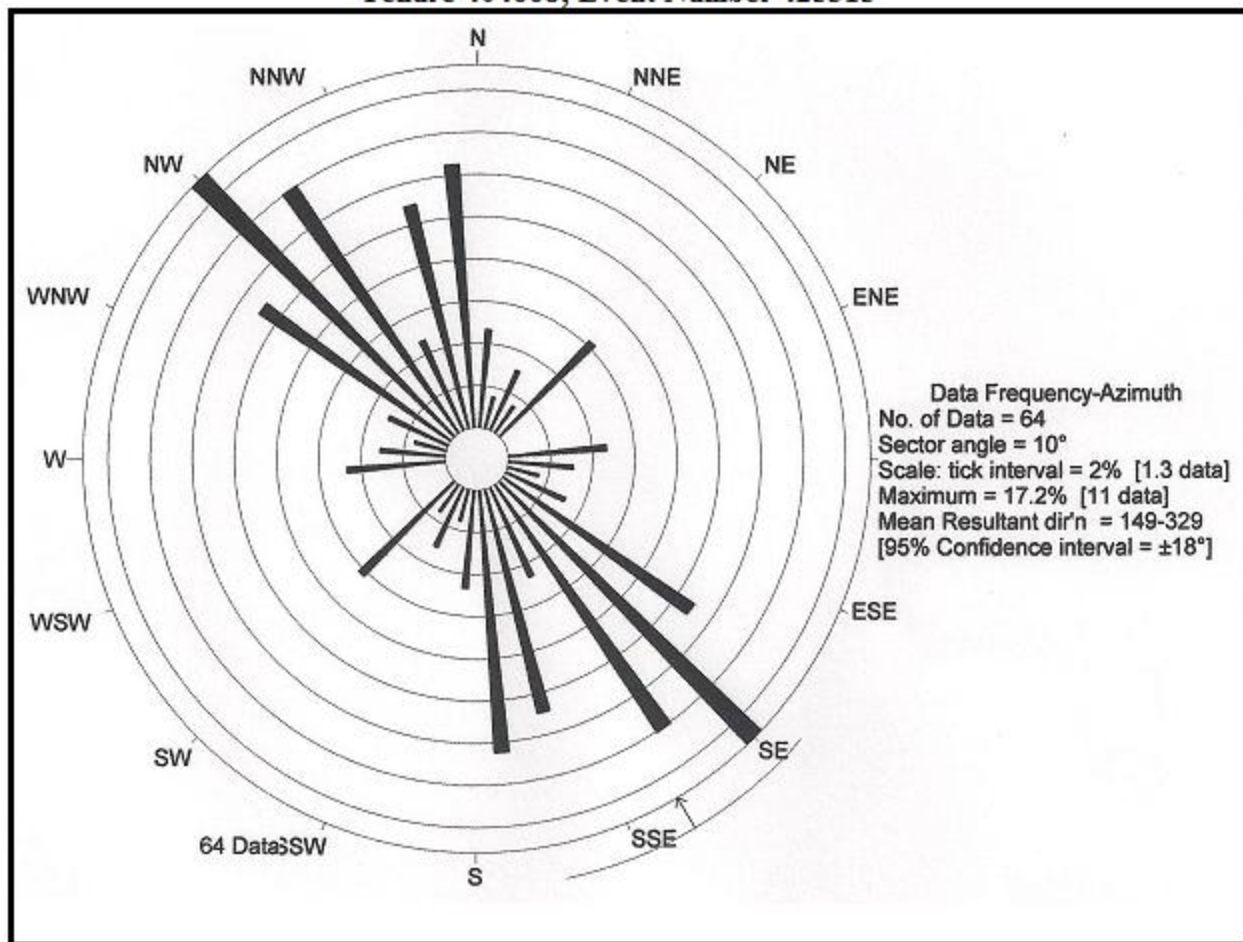


Figure 6. ROSE DIAGRAM

Respectfully submitted
Sookochoff Consultants Inc.



Laurence Sookochoff, PEng.

STATEMENT OF COSTS

Lineament Array Analysis

| | |
|--------------------------------------|-----------------|
| Research 1.0 days @ \$1,000.00 ----- | 1,000.00 |
| Maps ----- | 1,000.00 |
| Report 2.0 days @ \$1,000.00 ----- | <u>2,000.00</u> |
| | \$4,000.00 |
| | ===== |

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- MINFILE:**
- | | |
|-------------|-----------|
| Corey 10; | 104B 240. |
| Bench | 104B 010 |
| Cumberland | 104B 011 |
| E & L; | 104B 006. |
| Eskay; | 104B 008. |
| Iliad; | 104b 230. |
| Kerr; | 104B 191. |
| North Fork; | 104B 226. |
| Smitty; | 104B 395 |
- Van Damme, V., Mosher, G. (1994):** 1994 Corey Property Exploration Report for Kenrich Mining and Abergate Explorations Inc. June 1994. AR 23,805.

CERTIFICATE

I, Laurence Sookochoff, of the City of Vancouver, in the Province of British Columbia, do hereby certify:

That I am a Consulting Geologist and principal of Sookochoff Consultants Inc. and state that:

- 1) I am a graduate of the University of British Columbia (1966) and hold a B.Sc. degree in Geology.
- 2) I have been practicing my profession for the past forty-two years.
- 3) I am registered and in good standing with the Association of Professional Engineers and Geoscientists of British Columbia.
- 4) This report is based on information as itemized in the Selected Reference section of this report and from the Lineament Array Analysis completed by the author.



Laurence Sookochoff, P. Eng.

Vancouver, BC