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Texas, J

001290

PROPERTY FILE -05
A.L.

J 82E/2W (SE)

PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE OFFERED FOR SALE AND THEREIN ONLY BY PERSONS AUTHORIZED TO SELL SUCH SECURITIES. NO SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE VALIDITY OF THE SECURITIES OFFERED HEREUNDER AND ANY VIOLATION TO THE CONTRARY IS AN OFFENSE.

NEW ISSUE PROSPECTUS

KYBER RESOURCES INC.

#1407 - 750 West Pender Street
Vancouver, British Columbia
V6C 2T7
(the "Issuer")

**OFFERING OF COMMON SHARES
OFFERING OF 500,000 COMMON SHARES - \$175,000**

THE ISSUER BY THIS PROSPECTUS IS OFFERING TO THE PUBLIC THE RIGHT TO SUBSCRIBE FOR 500,000 COMMON SHARES OF THE ISSUER, AT A PRICE OF \$0.35 PER SHARE.

THERE IS NO MARKET THROUGH WHICH THE SHARES OF THE ISSUER MAY BE SOLD AND A PURCHASE OF THE SHARES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED A SPECULATION. REFERENCE IS MADE TO THE SECTION CAPTIONED "RISK FACTORS" HEREIN.

PRICE: \$0.35 per SHARE

	Number of Shares	Price to Public(1)	Agent's Commission(2)	Net Proceeds to be Received by the Issuer (3)
Per Share	1	\$0.35	\$0.05	\$0.30
Total	500,000	\$175,000	\$25,000	\$150,000

- (1) The price to the public was established pursuant to negotiations between the Issuer and the Agent.
- (2) In addition, the Agent will be granted Agent's Warrants as described in the section captioned "Plan of Distribution" herein.
- (3) Before deducting offering expenses estimated to be \$10,000, which will be paid by the Issuer.

- (f) Each Participant will have the right of first refusal to purchase the Interest of the other Participant in the J Claims; and
- (g) The Joint Venture will continue so long as more than one Participant holds a Participating Interest in the J Claims.

A copy of the Option and Joint Venture Agreement will be available for inspection during the Offering Period at the offices of Devlin Jensen Harvey, Barristers & Solicitors, Suite 2550 - 555 West Hastings Street, Vancouver, British Columbia, during normal business hours.

The Issuer has expended a total of \$12,378 on the J Claims as at the date of this Prospectus.

Description of the J Claims

Location and Access

The J Claims are located on Ingram Creek, approximately 1.5 miles northwest of the community of Midway, British Columbia and immediately north of the Kettle River. The J Claims are located in the Greenwood Mining Division on the N.T.S. 82.E/2W., and the centre of the J Claims is at approximately 49 02' north latitude and 118 50' longitude.

The southwest corner of the J Claims crosses Provincial Highway No. 3, from where several good quality dirt roads lead to various parts of the J Claims. The distance to Greenwood, British Columbia is only about 10 miles by road, and the distance to Trail, British Columbia is about 120 miles.

Exploration History of the J Claims

The following historical information is extracted from an engineering report dated March 18, 1987 (the "J Claims Report"), prepared for the Issuer by Vladamir Cukor, P.Eng, of NVC Engineering Ltd., Vancouver, British Columbia, a copy of which is attached hereto and forms part of this Prospectus.

Exploration on the J Claims has been carried out over a fairly extended period of time and has consisted of geochemical, geophysical and geological surveys, and some initial diamond drilling. The earliest work was geared toward exploration for copper, however, the latest attention was turned towards gold.

Two locations on the J Claims show evidence of past mining activity. According to various documentation, E.S. Graham explored a number of crown granted claims on Ingram Creek, and the area was later referred to as the "Graham Camp". The crown granted claim "Granada", now enveloped by the J Claims, was among these claims. These mineral showings were explored by open cuts, small shafts and short adits. The other area was the old "Lois Zone" from which it is evident that small scale production was carried out. However, no records showing tonnages or grades of ore shipped were located by Mr. Cukor.

After this early operation ceased, there is no record of mining activity until recently, when Utah Construction Ltd. performed a geophysical survey and some diamond drilling. In 1968, the Texas Gulf Company located the G - TO group of claims and performed detailed geological mapping and geochemical surveys on the Texas - Granada crown granted claims area. In 1972, Bonus Resources extended the geological mapping and geochemical surveys over a wide area and carried out an I.P. survey. However, the slump in metal prices on the world market again brought a halt to all exploration activities in the J Claims area.

In 1975, Maymac Petroleum Corporation (then Maymac Exploration Ltd.) ("Maymac") acquired the J Claims and started exploration which led to diamond drilling in the winter and spring of 1980 to 1981, and again in 1983. A total of 15 holes were drilled on geochemical and geophysical anomalies, and also in order to explain the geological structure of the area. Having spent approximately \$300,000 on exploration of the J Claims over a period of eight (8) years, two distinct areas of interest were outlined by Maymac; the East Zone and the West Zone. Unfortunately, at that time, Maymac was heavily committed to oil ventures and the J Claims were not developed further.

Current Exploration of the J Claims

In March of 1987, Vladamir Cukor, P.Eng., of NVC Engineering Ltd., Vancouver, British Columbia, conducted an extensive review of the available published literature on the J Claims. In conjunction with his personal experience and involvement in most of the exploration work carried out on the J Claims by Maymac during 1975 to 1983, as well as with his involvement on numerous other properties in the area, Mr. Cukor, on behalf of the Issuer, and at a cost of \$1,857.50, summarized the results of his experience and investigations in the aforementioned J Claims Report (the "Report").

Mineralization:

The Report reveals that widespread sulphide mineralization is found on the J Claims. It consists of two types of mineral occurrences. The first type consists of lenses of solid sulphides (Phoenix type mineralization) accompanying bodies of skarned limestone. It carries good grades of copper accompanied by gold and silver. The second kind, widespread throughout the Brooklin sediments, appears as disseminations, vug filling and as a stockwork of sulphide filled hairline fractures. This type of mineralization is of lower grade. The origin for both types of mineralization is most likely the dioritic intrusive although, lately, some mineralization in the area is being attributed to volcanogenic activities. In some occasions, thus, lower grade mineralization is found in the same locality as the skarn lenses, apparently forming the large low grade halos around the high grade showings.

The sulphides found in the showings of the J Claims are pyrrhotite, pyrite, marcasite, chalcopyrite and bornite. They are often accompanied by magnetite, specularite and earthy hematite. Of gangue minerals, the most common are silica, chlorite and minor gypsum.

Maymac Exploration:

The Report reveals that in the beginning Maymac concentrated its exploration efforts towards finding a "Phoenix type" copper ore body in the eastern portion of the J Claims. Samples taken from various locations gave between .002 and .067 oz/ton gold, between .15 and 1.23 oz/ton silver and between .67 and 3.59 percent copper. A large geochemical copper anomaly was outlined with numerous associated gold anomalous values. The zone was named the East Zone and it was subsequently further explored by various geophysical methods, and between 1980 and 1983 it was diamond drilled.

A total of fifteen holes were completed and, allegedly, at least eight returned significant gold values; at least three holes appearing to stop too short. Upon rechecking the original assays, the Report reveals that the results obtained could not be repeated. A correlation of drill results was very difficult since a number of drill holes were drilled with large stepouts, and a number of drill holes were drilled in entirely different structural bodies. A closer study revealed, however, that at least ten sections assayed better than 1 ppm gold, and that there is a correlation between gold values and the lithology, indicating that rock types favorable to carrying gold are skarn and greywacke.

The Report further reveals that the "West Zone" of the J Claims has only been scarcely explored, although the rock types and mineral showings present resemble those of the "East Zone". The only work done by Maymac in this area was grid location surveyed by ground magnetometer, and soil sampling. Initially, soil samples taken were assayed for copper only and revealed a strong and extensive copper anomaly. Subsequently, some of the locations with the highest copper assays were resampled and reassayed, not only confirming the high copper values, but also revealing the presence of significant gold values in the soil. For copper, samples assayed between 94 and 1000 ppm, and for gold, samples assayed between .04 and .19 ppm.

Conclusions and Recommendations

The Report concludes, at page 2, as follows:

"The J Claims are underlain by the Triassic Brooklin sediments - the unit favourable to carrying the "Phoenix" type copper - silver - gold mineralization. Surface surveys and diamond drilling indicate the presence of significant mineralization - both skarn type and disseminated. Extensive geochemical soil surveys outlined two large zones with anomalous metal values associated with mineral showings. Although only small bodies of skarn type massive sulphides were found so far, the rock types, alteration and mineralization resemble the ones found at the Phoenix deposits, and areas outlined by geochemical anomalies are large enough to contain large, low grade, disseminated mineralized bodies. Further exploration of the (J Claims) is definitely warranted in both the East and the West Zones..."

The Report then recommends, as follows, on pages 2 and 3, that:

"Two stages of further exploration are recommended for the J (Claims). The first stage, redrilling of holes 81-5, 81-8, 83-2 and 83-5 should be carried out. A total of 1,500 feet of B.Q. diamond drilling should be planned to complete this stage. Dependent upon positive results from the first stage, an additional 2,500 feet should be planned for the second stage. All this work is to be performed in the East Zone. In the West Zone (as part of the first stage) a grid should be rehabilitated and geochemical soil sampling performed over the entire area; all samples should be assayed for silver and gold. In addition, (a) VLF electromagnetic survey should be performed in this area as well as detailed geological mapping and sampling of areas of alteration and mineral showings. This work could be executed during the first phase drilling of the East Zone.

For completion of the recommended program it is estimated that the following budget should be secured:

Stage 1 - East Zone

Diamond Drilling 1,500 feet @ \$20.	\$ 30,000.00
Bulldozer support 30 hrs @ \$80.	2,400.00
Supervision, core logging, sampling	5,000.00
Accommodation and food (5 men, 20 days)	2,600.00
Assays	<u>2,600.00</u>
	\$ 45,000.00

Stage 1 - West Zone

Grid rehabilitation	\$ 3,000.00
Soil Sampling (500 samples)	1,500.00
Assays (500 samples @ \$8.)	4,000.00
Geological mapping 10 days @ \$250.	2,500.00
VLF & magnetic surveys	4,000.00
Data Compilation and report (both zones)	<u>5,000.00</u>
	\$ 20,000.00

STAGE 1	SUBTOTAL	\$ 65,000.00
	Contingencies	<u>5,000.00</u>
STAGE 1	TOTAL	\$ 70,000.00
		=====

Stage 2

Diamond drilling 2,500 feet @ \$20.	\$ 50,000.00
Bulldozer 100 hrs @ \$80.	8,000.00
Geological supervision 30 days @ \$250.	7,500.00
Accommodation and food (5 men, forty days)	7,500.00
Assays	<u>5,000.00</u>
	\$ 78,000.00

Data compilation and final reports	6,000.00
Contingencies	6,000.00

STAGE 2	TOTAL	\$ 90,000.00"
		=====

There are no known reserves of commercial ore located on the J Claims, and the Issuer is conducting an exploratory search for ore only.

There are no known material underground workings, plant or equipment located on the J Claims, except as disclosed herein.

The La Ronge Claims

Acquisition of the La Ronge Claims

Acquisition Agreement

By an agreement dated October 3, 1986 (the "Acquisition Agreement") entered into between the Issuer and Jaroslav Ruza ("Ruza"), of Suite 503 - 145 West Keith Road, North Vancouver, British Columbia, the Issuer acquired 100% of Ruza's right, title and interest in and to Two (2) distinct mineral claims located in the La Ronge Mining District of Saskatchewan and more particularly described as follows:

<u>Claim Name</u>	<u>Number of Acres</u>	<u>Mineral Claim Map Number</u>	<u>Expiry Date</u>
CBS 8057	1,480	73-P-7-SW & NW	Feb. 6, 1988
CBS 8058	1,840	73-P-10-NE	Feb. 6, 1988

(the "La Ronge Claims").

The Acquisition Agreement provides that in order for the Issuer to acquire 100% of Ruza's interest in and to the La Ronge Claims, the Issuer will pay Ruza \$15,000 upon execution of the Acquisition Agreement.

The Issuer has made the payment of \$15,000 to Ruza as set out above.

The Issuer has expended a total of \$111,912 on the La Ronge Claims as at the date of this Prospectus.

Description of the La Ronge Claims

Location and Access

The La Ronge Claims are located approximately 45 kilometers northeast of the Township of La Ronge in Northern Saskatchewan.

The CBS 8057 claim block is presently inaccessible by road. However, snowmobile access is possible during the winter months from the Stanley Mission Road (Hwy. 915), 7.5 kilometers to the southwest, and via the Contact Lake -

March 1987

KYBER RESOURCES INC.

J CLAIMS - Midway B.C.

Engineering Report

By V.CUKOR, P.ENG. ■ NVC ENGINEERING LTD. ■ VANCOUVER, B.C.

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1

KYBER RESOURCES INC.

J MINERAL CLAIMS

Midway, B.C.

1. INTRODUCTION

Exploration on the J Claims has been carried out over a fairly extended period of time and has consisted of geochemical, geophysical and geological surveys and some initial diamond drilling. The earliest work was geared toward exploration for copper, however the latest attention was turned towards gold.

The author has been involved in most of the exploration on the property, carried out by Maymac Petroleum Corp., and involved as well on numerous other properties in the area. This report, requested by Kyber Resources Inc., is based on that personal experience, as well as on a study of the available published literature.

Maymac Petroleum Corp., has, over the period of 8 years, spent about \$300,000. on exploration of the J claims. Two distinct areas of interest were outlined in due course; the East Zone and the West Zone. Although both zones have a potential to contain significant mineralized bodies, almost all of the exploration effort has so far been concentrated on the East Zone. In the future, efforts should be allotted more equally between the two zones.

2. REVIEW

2.1 Summary and Conclusions

The J Claims are underlain by the Triassic Brooklin sediments - the unit favourable to carrying the "Phoenix" type copper - silver - gold mineralization. Surface surveys and diamond drilling indicate the presence of significant mineralization - both skarn type and disseminated. Extensive geochemical soil surveys outlined two large zones with anomalous metal values associated with mineral showings. Although only small bodies of skarn type massive sulphides were found so far, the rock types, alteration and mineralization resemble the ones found at the Phoenix deposits, and areas outlined by geochemical anomalies are large enough to contain large, low grade, disseminated mineralized bodies. Further exploration of the property is definitely warranted in both the East and the West Zones, and is recommended to be carried out as outlined in the following chapters.

2.2 Recommendations

Two stages of further exploration are recommended for the J property. The first stage, redrilling of holes 81-5, 81-8, 83-2 and 83-5 should be carried out. A total of 1,500 feet of B.Q. diamond drilling should be planned to complete this stage. Dependent upon positive results from the first stage, an additional 2,500 feet should be planned for the second stage. All this work is to be performed in the East Zone. In the West Zone (as part of the first stage) a grid should be rehabilitated and geochemical soil sampling performed over the entire area; all samples should be assayed for silver and gold. In addition, the VLF electromagnetic survey should be performed in this area as well as detailed geological mapping and sampling of areas of alteration and mineral showings. This work could be executed during the first phase drilling of the East Zone.

2.3 Cost Estimate

For completion of the recommended program it is estimated that the following budget should be secured.

Stage 1 - East Zone

Diamond Drilling 1,500 feet @ \$20.	\$ 30,000.00
Bulldozer support 30 hrs. @ \$80.	2,400.00
Supervision, core logging, sampling	5,000.00
Accomodation and food (5 men 20 days)	5,000.00
Assays	<u>2,600.00</u>
	\$ 45,000.00

Stage 1 - West Zone

Grid rehabilitation	\$ 3,000.00
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Data compilation and report (both zones)	<u>5,000.00</u>
	\$ 20,000.00

STAGE 1	SUBTOTAL	\$ 65,000.00
	Contingencies	<u>5,000.00</u>
STAGE 1	TOTAL	<u>\$ 70,000.00</u>

Stage 2

Diamond drilling 2,500 feet @ \$20.	\$ 50,000.00
Bulldozer 100 hrs. @ \$80.	8,000.00
Geological supervision 30 days @ \$250.	7,500.00
Accomodation and food (5 men 40 days)	7,500.00
Assays	<u>5,000.00</u>
	\$ 78,000.00

Data compilation and final reports	6,000.00
Contingencies	<u>6,000.00</u>

STAGE 2	TOTAL	\$ 90,000.00
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3. PROPERTY

3.1 Location and Access

The property is located on Ingram Creek, approximately 1.5 miles north-west of the community of Midway, B.C. and immediately north of the Kettle River. It is in the Greenwood Mining Division, on the N.T.S. 82.E/2W. The centre of the claims is at approximately 49 02' north latitude and 118 50' west longitude. (for general location see fig. 1)

The southwest corner of the claims crosses Provincial Highway No. 3, from where several good quality dirt roads lead to various parts of the property. The distance to Greenwood, B.C. is only about 10 miles by road and about 120 miles to Trail, B.C.

3.2 Claims

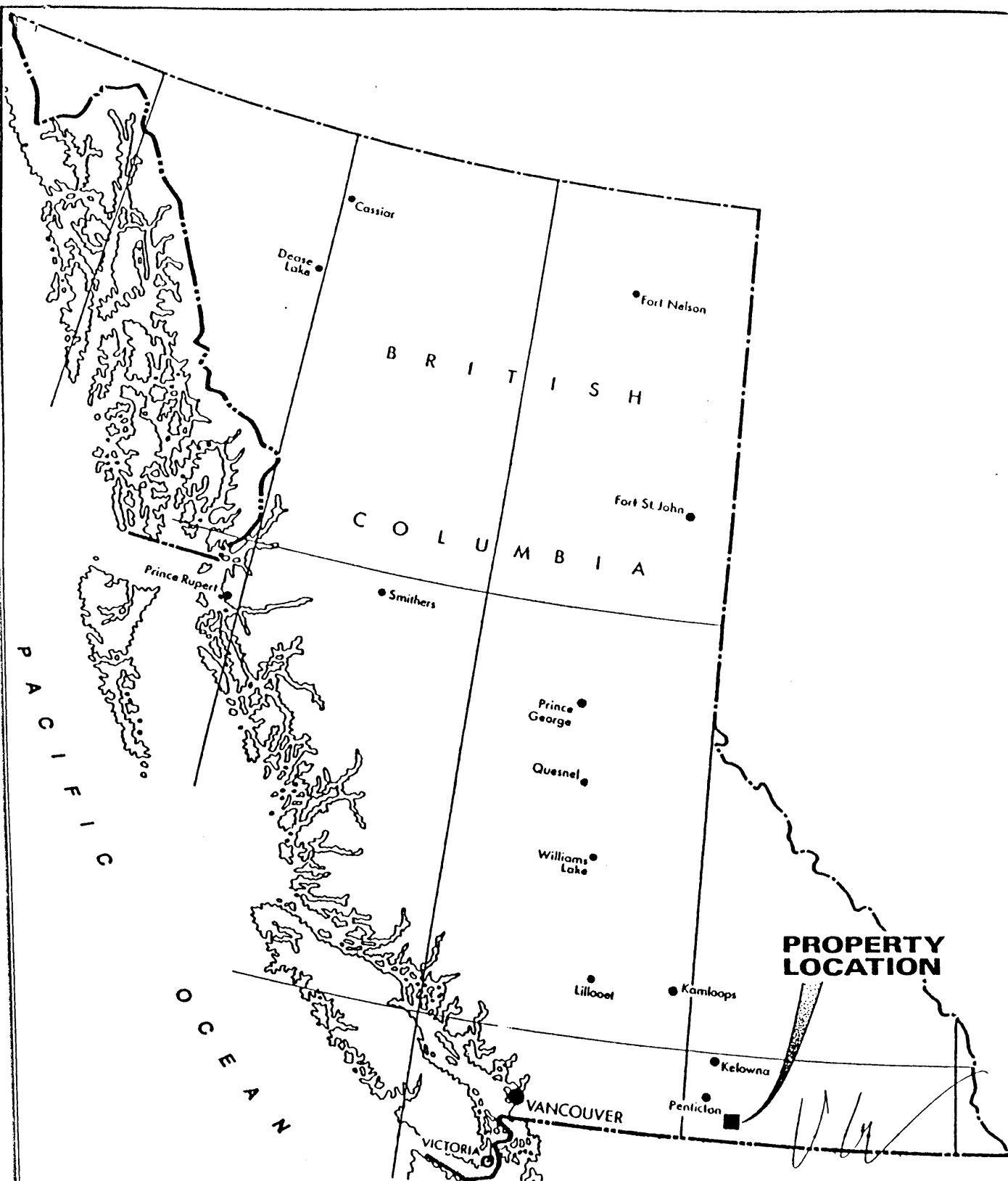
Three contiguous mineral claims comprise the property. Claim names, and corresponding data are as follows:

<u>Claim</u>	<u>No.</u>	<u>Record No.</u>	<u>Expiry Date</u>
J-1	9	1223 (7)	July 27, 1992
J-2	4	1224 (7)	July 27, 1992
J-3	10	1225 (7)	July 27, 1992
	—		
Total	23 Units		

Also included in the property are two single crown granted claims.

<u>Crown Grants</u>	<u>Record No.</u>	<u>Expiry Date</u>
Texas	1626	Jan. 15, 1991
Granada	1627	Jan. 15, 1991

All claims are 100% owned by Maymac Petroleum Corp., and Kyber Resources Inc., is entering with Maymac into a joint venture agreement. (Claims and their locations are shown on fig. 2)



KYBER RESOURCES INC.

**J - GROUP
LOCATION MAP**

GREENWOOD M.D., B.C.

NTS 82 E/2W

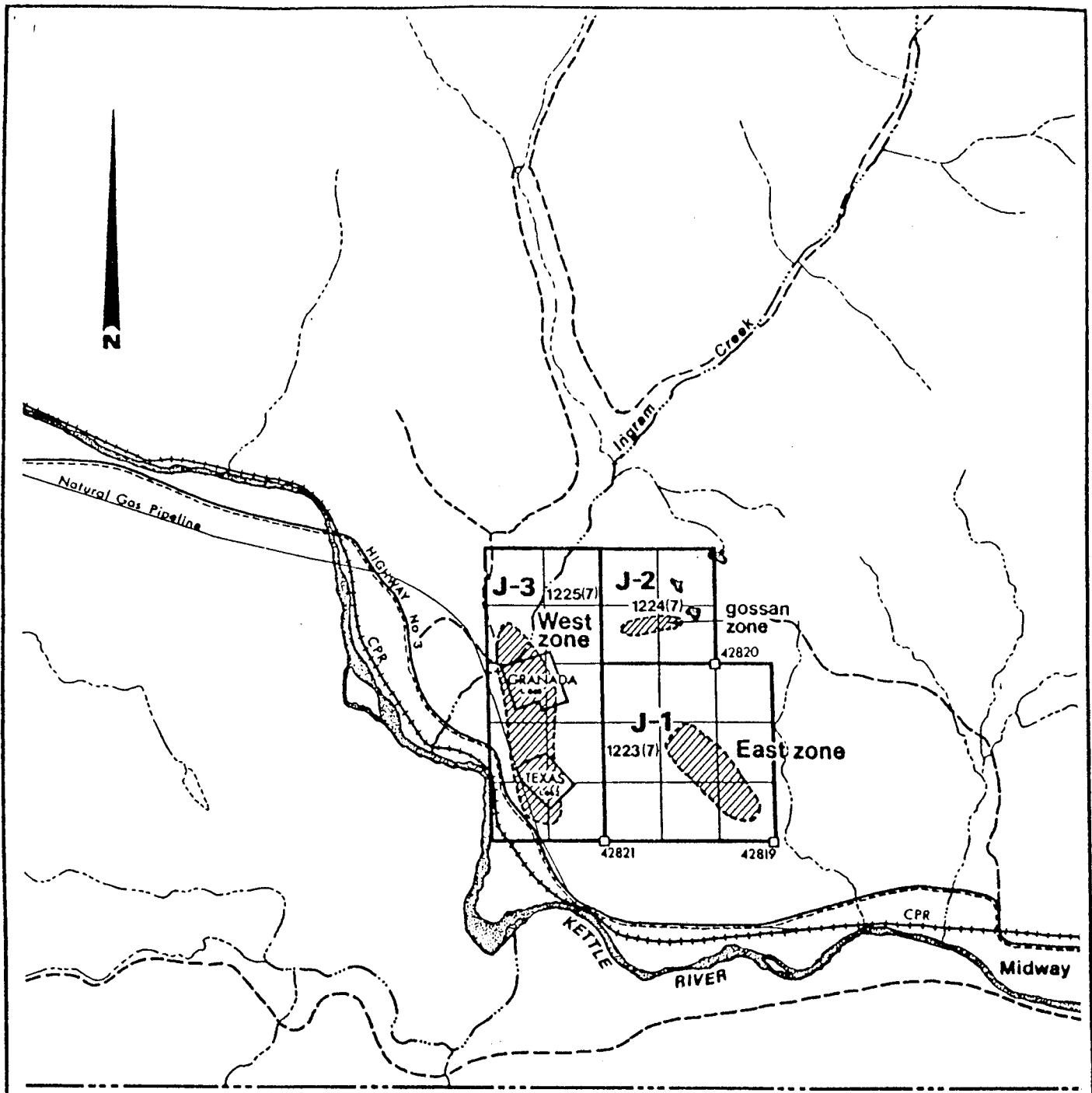
V. CUKOR, P.Eng. - NVC ENGINEERING Ltd. - VANCOUVER, B.C.

DATE: March 1987

SCALE: 0 100 200km

FIG.

1



U. S. A.

V. Cukor

KYBER RESOURCES INC.

**J - GROUP
CLAIM MAP**

GREENWOOD M.D., B.C.

NTS 82 E/2W

V. CUKOR, P. Eng. - NVC ENGINEERING Ltd. - VANCOUVER, B.C.

DATE: March 1987

SCALE: 0 500 1000 meters

FIG.

2

3.3 Topography and Climate

The property covers the south facing slope; elevations are between 2,200 and 2,700 feet, for a total relief of about 500 feet. The topography in general consists of rolling, grassy hills with occasional clumps of ponderosa pine, jack pine and fir, and with willows and poplars in creek valleys and around ponds. Ingram Creek flows through a steep valley, deeply carved in the mostly gentle topography.

The area has a continental climate, characterized by hot summers and cold winters. It is within the B.C. dry belt, and atmospheric precipitation is low in both the summer and winter seasons. The property is generally free of snow from early April to late November.

Kettle River at the southwestern corner of the claims could provide plentiful water for mining purposes. For drill programs, sufficient water is usually to be found accumulated in numerous ponds scattered all over the property.

For exploration and development purposes a plentiful supply of good quality timber is readily available within the boundary of the claims.

4. HISTORY

The Greenwood, B.C., area is well known for its extensive mining activity in the past, exploration starting around 1891, after the discovery of the Phoenix Copper deposits. By 1900 a small smelter had been constructed in Greenwood and a number of small high grade gold and silver prospects were being developed. Better known among these were Providence, Skylark-Denver, Last Chance and Gold Finch. Peak production of 1,250,000 tons of ore was reached in the district in 1913 and from that time a steady decline started. A labour strike at the Crowsnest Coal Fields in 1919 halted the coke supply to the smelter and this resulted in a closure of all mines in the area.

A new phase of mining activity began again in 1933 as a result of the rise of the gold price. Limited gold and silver exploration was carried out and a number of small gold and silver mines were reopened, for a limited time.

The area experienced another round of intensive exploration again in the late 1950's when Granby Consolidated Mining & Smelting reopened the Phoenix works in 1955. By 1958 the mine reached full production of 1,500 tons per day.

In the recent past, after the G.S.C. regional lithochemical survey encountered uranium in Tertiary alkaline volcanic rocks, a new staking rush was triggered and extensive exploration was revived throughout the region. This was even more expanded after increases in the gold price and the discovery of new gold showings in the area.

Two locations on the J-Claims show evidence of past mining activity. According to documents, E.S. Graham explored a number of crown granted claims on Ingram Creek, and the area was later referred to as the "Graham Camp". The crown granted claim "Granada", now enveloped by the J-Claims, was among these claims. Mineral showings were explored by open cuts, small shafts and short adits. The other area was the old

"Lois Zone" from which it is evident that small scale production was carried out. However, no records showing tonnages or grades of ore shipped are known to the author.

After this early operation ceased, there is no record of any mining activity until recently, when Utah Construction Ltd., performed a geophysical survey and some diamond drilling. In 1968 Texas Gulf located the G-T0 group of claims, and performed detailed geological mapping and geochemical surveys on the Texas-Granada crown granted claims area. In 1972 Bonus Resources extended the geological mapping and geochemical surveys over a wide area and carried out an I.P. survey; the slump in metal prices on the world market again brought a halt to all exploration activities in the property area.

In 1975, Maymac Petroleum Corp., (then Maymac Exploration Ltd.) acquired the claims and started exploration which lead to drilling in the winter and spring of 1980-81 and again in 1983. A total of 15 holes were drilled on geochemical and geophysical anomalies and also in order to explain the geological structure. At that time, however, the Company was heavily committed to oil ventures and the property was not developed further.

5. GEOLOGY

5.1 Regional Geology

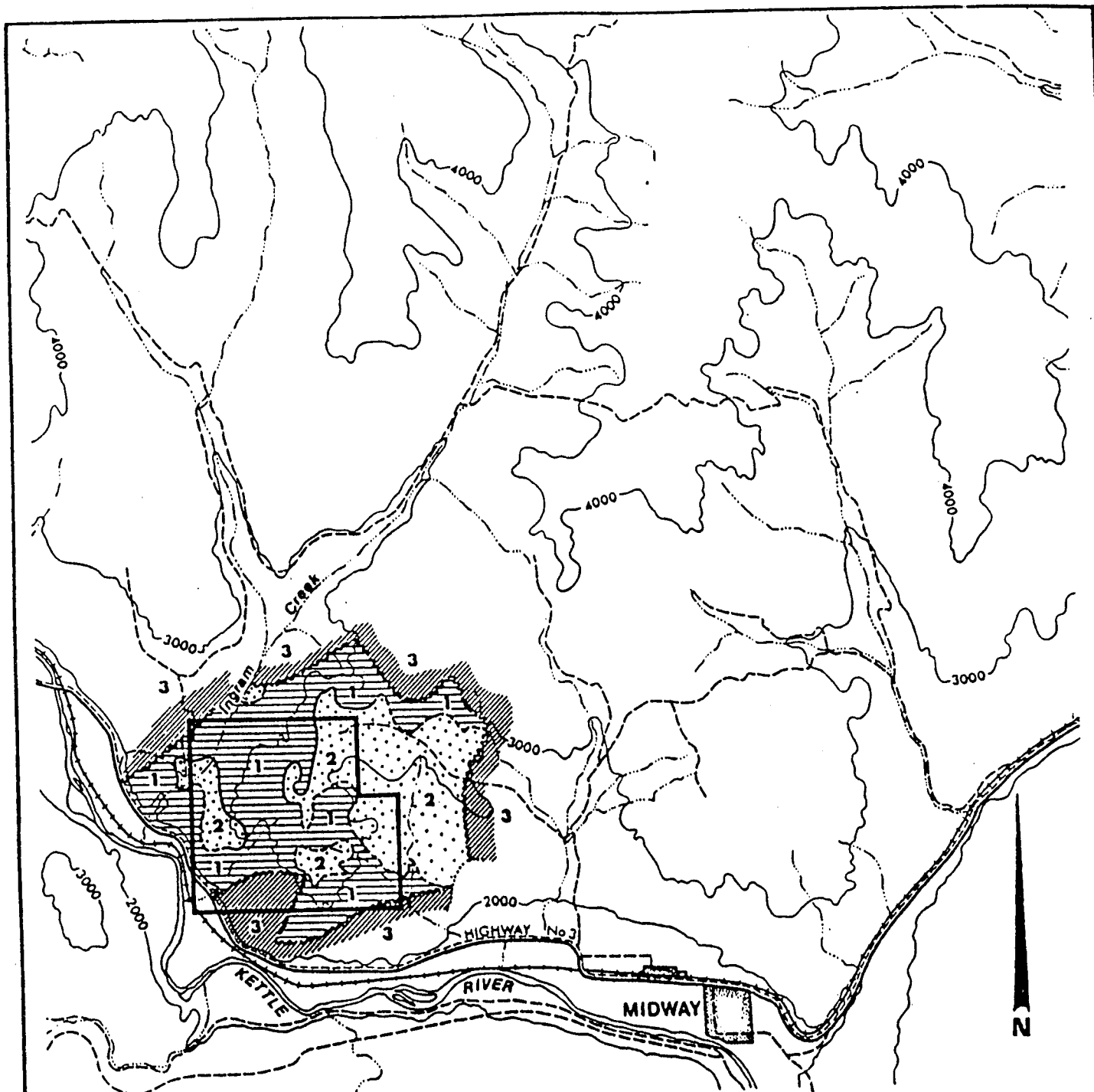
The general geological assemblage of Midway-Greenwood area is shown on the GSC Map 1500A, Greenwood, scale 1:50,000 appended to GSC paper 79-29. This map shows the area to be underlain by an assemblage of sedimentary and volcanic rocks ranging from Proterozoic to Quaternary. These rocks were intruded by Jurassic to Cretaceous magmatics then, subsequently by younger Cenozoic magmatics.

Numerous faults and at least one thrust fault are identified on the map sheet. It also shows some folding of major dimensions.


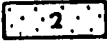

5.2 Local Geology

The claims cover the "window" of Paleozoic Knob Hill group and Triassic Brooklyn sediments intruded by Jurassic ultrabasic rocks and Cretaceous or Tertiary diorite. These rocks are surrounded by Tertiary clastic sediments and volcanics of Kettle River Formation and mostly volcanics and pyroclastics of Marron Formation. Figure 3 shows the generalized distribution of units on the claim area, and Figure 4 shows the graphic interpretation of the stratigraphic order.

The Brooklin Formation, host of skarn mineralization at the Phoenix Mine, consists of two conformable parts, with limestone being the major unit at the top and sharpstone conglomerate forming the bottom part. Relatively narrow beds of greywacke, siltstone and quartz pebble conglomerate as well as some sharpstone conglomerate appear occasionally in the lower part of the limestone unit. The same clastic units and some limestone appear as a minor constituent interbedded within the sharpstone conglomerate, especially in its top part. Close to the diorite contact, these rocks were subjected to intensive hydrothermal alteration. This is more obvious in the limestone, which is often recrystallized into marble or is intensively silicified. Although only rarely were the typical skarn minerals (such as garnet, wollastonite, diopside, etc) developed, the entire zone of silicified limestone was mapped as "skarn". During the last phase of the hydrothermal cycle,



LEGEND

-  TERTIARY - Kettle River Formation
-  UPPER MESOZOIC - Granitic Intrusives
-  MESOZOIC and Older Sediments

V. Cukor

KYBER RESOURCES INC.

**J - GROUP
GENERAL GEOLOGY**

GREENWOOD M.D., B.C.

NTS 82 E / 2W

V. CUKOR, P.Eng. - NVC ENGINEERING Ltd. - VANCOUVER, B.C.

DATE: March 1987

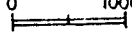
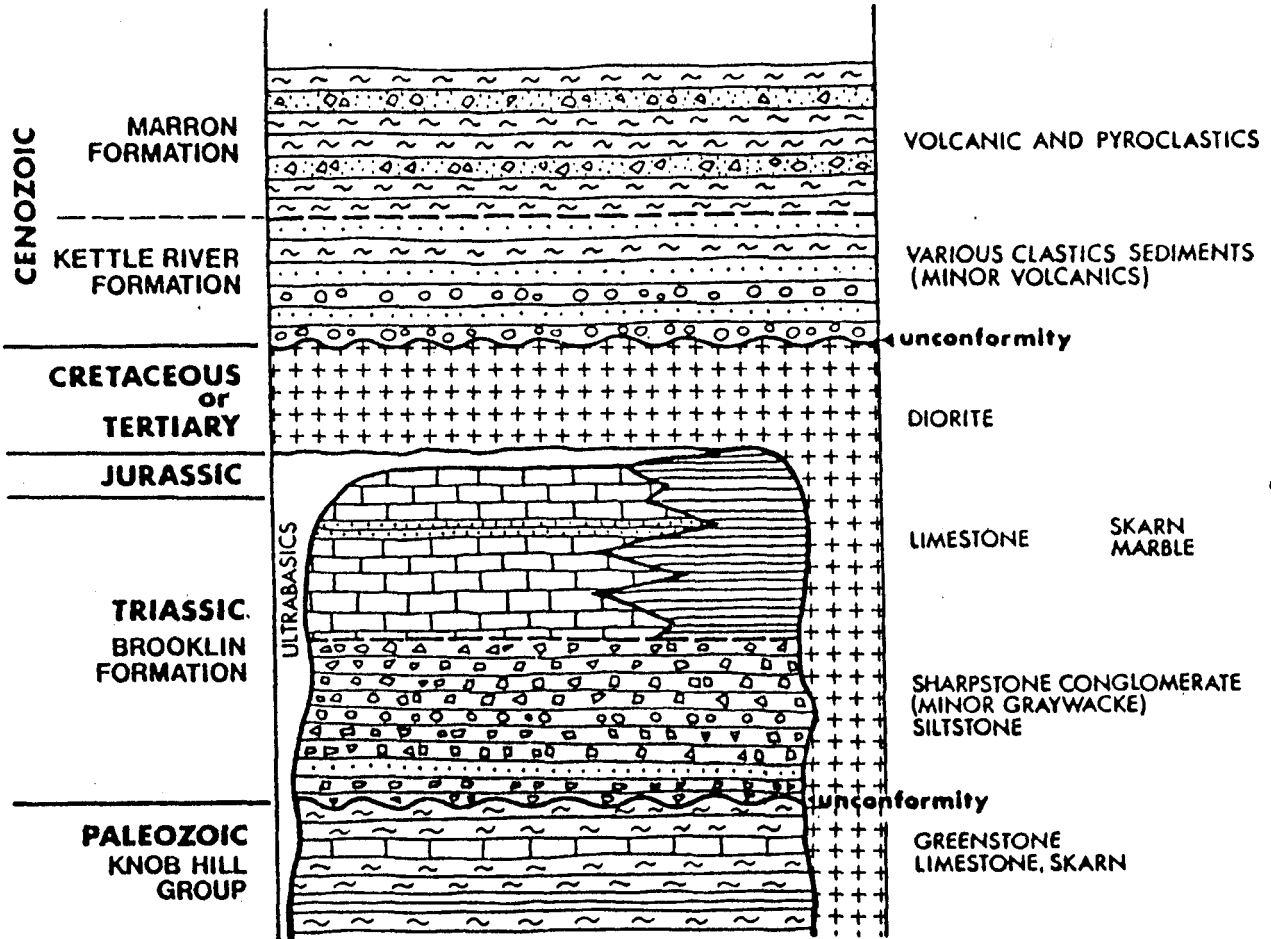
SCALE:  1000 meters

FIG. 3



Vh

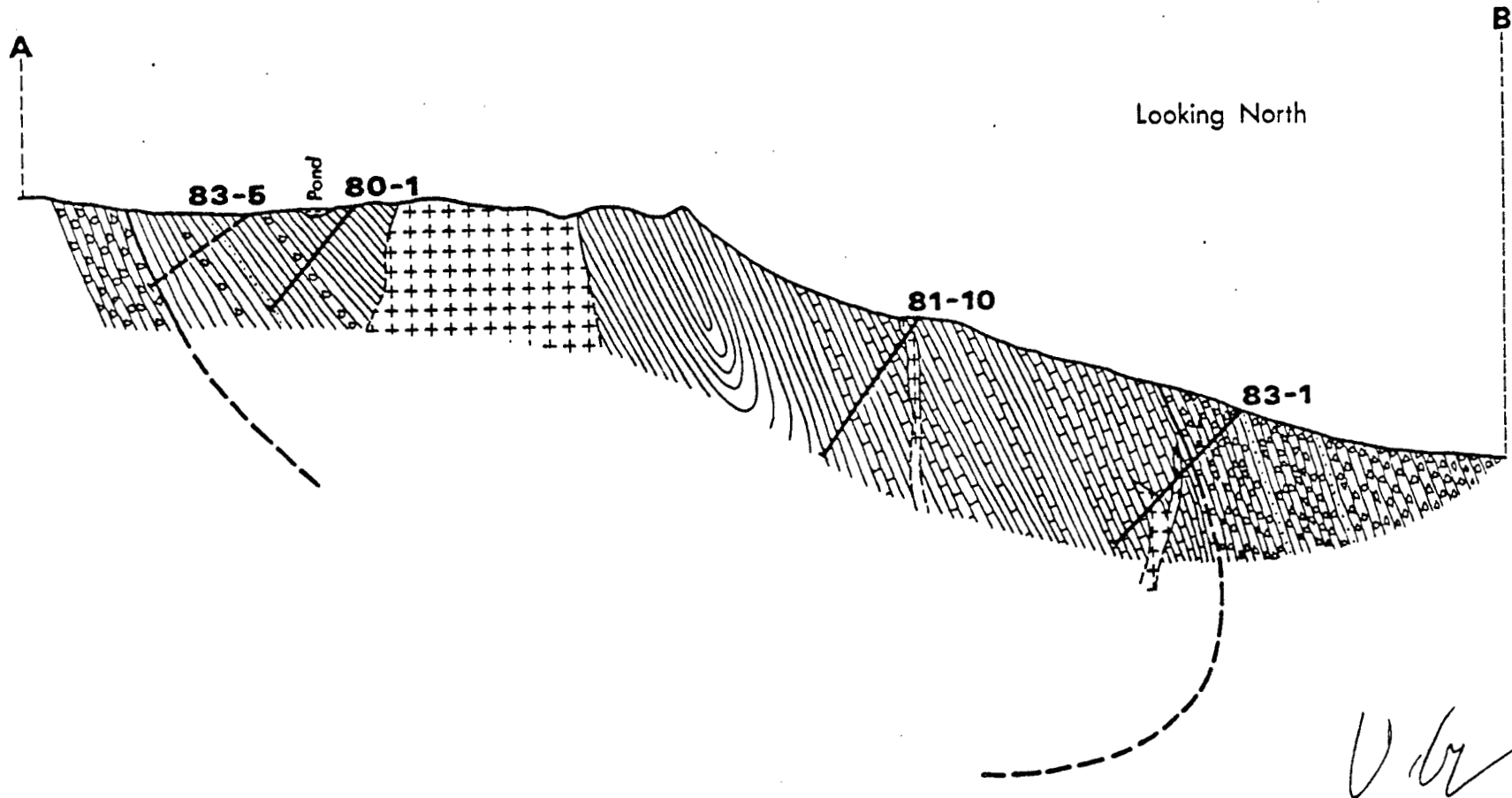
KYBER RESOURCES INC.		
J - GROUP		
Generalized Stratigraphic Section		
GREENWOOD M.D., B.C.		NTS 82 E/2W
V. CUKOR, P.Eng. - NVC ENGINEERING Ltd. - VANCOUVER, B.C.		
DATE: March 1987	SCALE:	FIG. 4

calcite gangue was deposited in hairline fractures but it also forms veins of up to several inches wide. This open space filling appears both in the limestone and throughout the clastic members of the Brooklin Formation. Some of this calcite originated from the hydrothermal solutions, but some came from the secondary enrichment, through hydrothermal alteration of some of the minerals within the intrusive body and even larger quantities were remobilized from the limestone. Some of the calcite also invaded the intrusive where replacement of feldspar crystals by calcite was noted (the same type of feldspar alterations was also reported in the diorite at the Phoenix area).

Through geological mapping and interpretation of diamond drill data, it was concluded that two main forms of structural deformations are responsible for the recent geological picture on the property. Block faulting was responsible for a relative uplift of the Triassic strata and subsequent erosional processes removed the cover of younger deposits. The second deformation is intensive folding, as is obvious on the enclosed cross section (Figure 5) constructed on the basis of diamond drill data. It shows the Brooklin Formation sediments forming an isoclinal syncline with the axis trending roughly North South.

5.3 Mineralization

Widespread sulphide mineralization is found on the J claims. It consists of two types of mineral occurrences; most likely both were genetically related to the same source. The first type consists of lenses of solid sulphides (Phoenix type mineralization) accompanying bodies of skarned limestone. It carries good grades of copper accompanied by gold and silver. This type seems to form only small, economically unimportant bodies on the property. The second kind, widespread throughout the Brooklin sediments, appears as disseminations, vug filling and as a stockwork of sulphide filled hairline fractures. This type of mineralization is of lower grade; the content of sulphides is usually 4-10%. The origin for both types of mineralization is most likely the dioritic intrusive although, lately, some mineralization in the area is attributed to the volcanogenic activities. In some



KYBER RESOURCES INC.

J - GROUP

CROSS SECTION A - B

GREENWOOD M.D., B.C.

NTS 82 E/2W

V. CUKOR, P. Eng. - NVC ENGINEERING Ltd. - VANCOUVER, B.C.

DATE: March 1987

SCALE: 0 50 100 meters

FIG.

5

occasions, thus, lower grade mineralization is found in the same locality as the skarn lenses, apparently forming, the large low grade halos around the high grade showings.

The sulphides found in the showings of the claims are: pyrrhotite, pyrite, marcasite, calcopyrite and bornite. They are often accompanied by magnetite, specularite and earthy hematite. Of gangue minerals, the most common are silica, calcite, chlorite and minor gypsum.

Work programs so far outlined two areas of interest: the East Zone and the West Zone. Although both zones show similarities in geological structure and mineral showings, most of the work has so far been conducted over the East Zone.

6. EXPLORATION OF THE J CLAIMS

At the start, Maymac concentrated the exploration efforts toward finding a "Phoenix type" copper ore body. The exploration started around the copper showing in the east part of the property. The samples taken from various locations run between .002 and .067 oz./t Au, .15 and 1.23 oz./t Ag, and .67 - 3.59% Cu. A large geochemical copper anomaly was outlined with numerous associated gold anomalous values. The zone was named the East Zone and was subsequently further explored by various geophysical methods and in 1980 - 1983 it was diamond drilled. A total of 15 holes was completed and allegedly, at least 8 returned significant gold values; at least three holes appear to be stopped too short. (Graphical logs and assay results of the best holes are shown on figs. 6 through 9) When rechecking the original assays some of the results could not be repeated. Since no core is left in the controversial sections, it is recommended to redrill holes 81-5, 81-8, and 83-5 and to deepen hole 83-2.

Correlation of drill results is very difficult since a number of holes were drilled with large stepouts and some were drilled in entirely different structural blocks.

A closer study shows, however, that at least 10 sections assayed better than 1 ppm gold. It also shows the correlation between gold values and the lithology, indicating that rock types favourable to carrying gold are skarn and greywacke.

The "West Zone" has been only scarcely explored, although the rock types and mineral showings present resemble the ones in the "East Zone". The only work done by Maymac was grid location; the grid was surveyed by ground magnetometer and was soil sampled. Samples were, however, assayed for copper only, revealing a strong and extensive copper anomaly. Subsequently, some of the locations with the highest copper assays were resampled and reassayed, not only confirming the high copper values but also revealing the presence of significant gold values in the soil. For copper, these 6 samples ranged between 94 and 1000 ppm and for gold between .04 and .19 ppm.

DRILL SECTION - HOLE 81-5

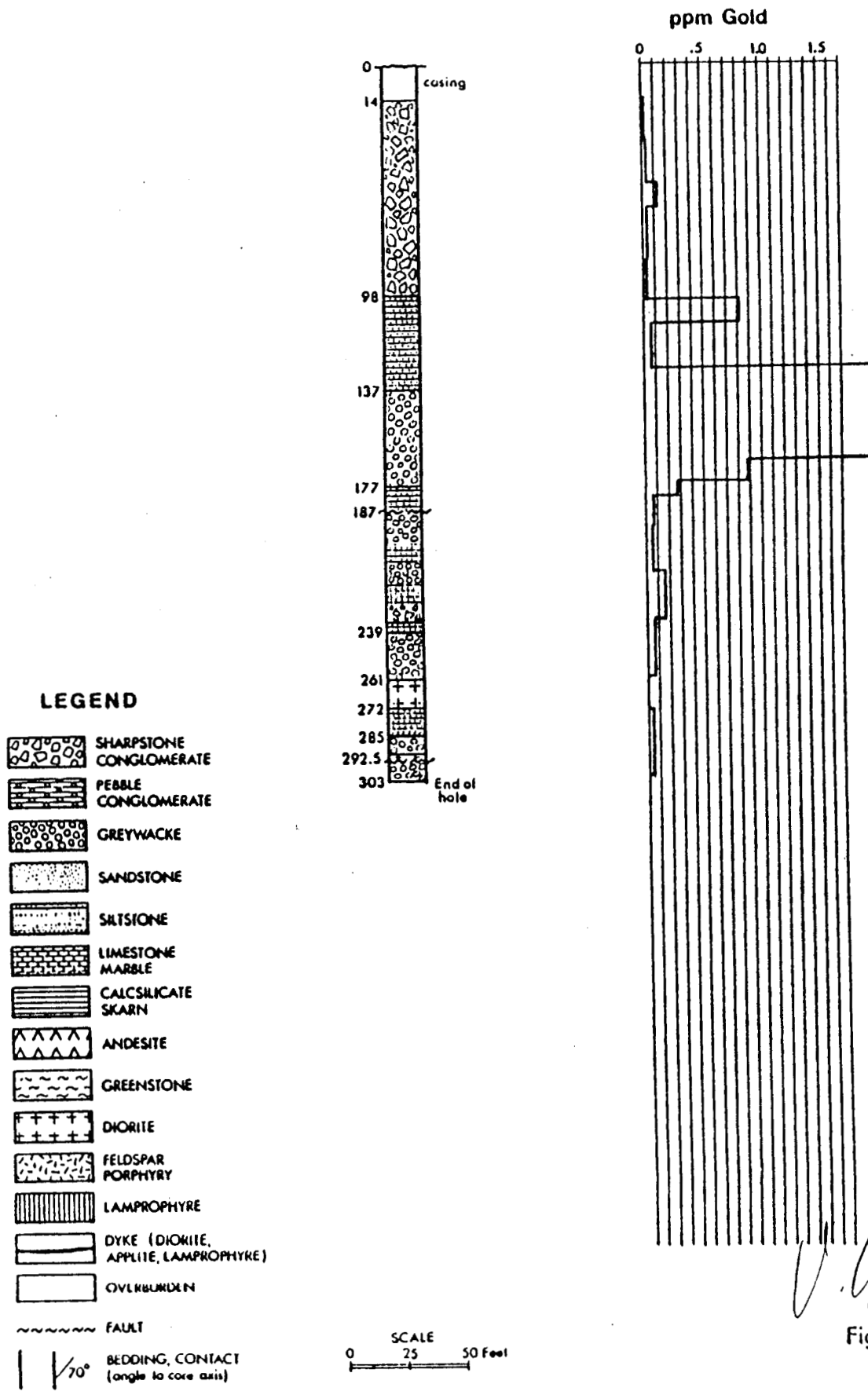


Figure 6

DRILL SECTION - HOLE 81-8

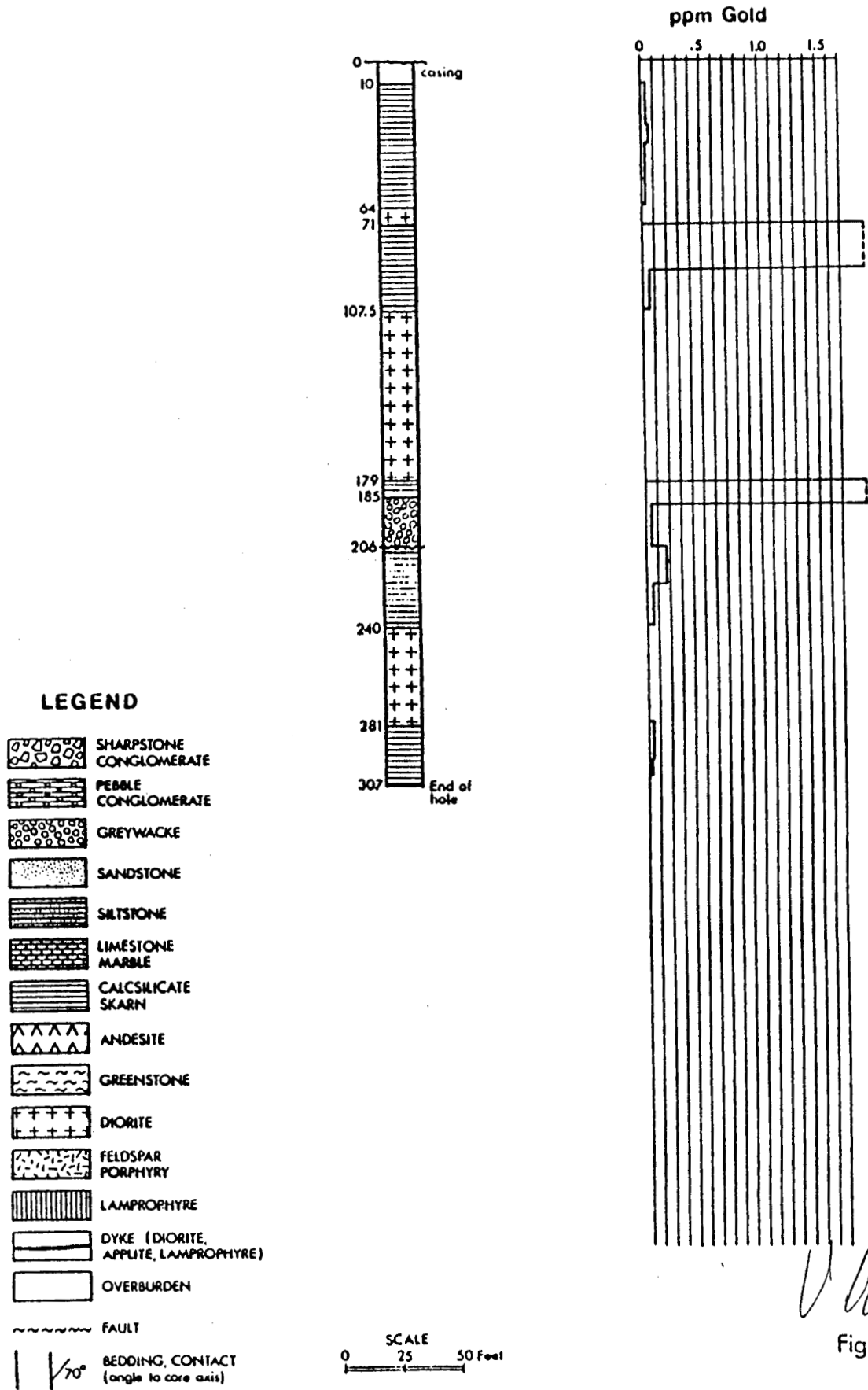
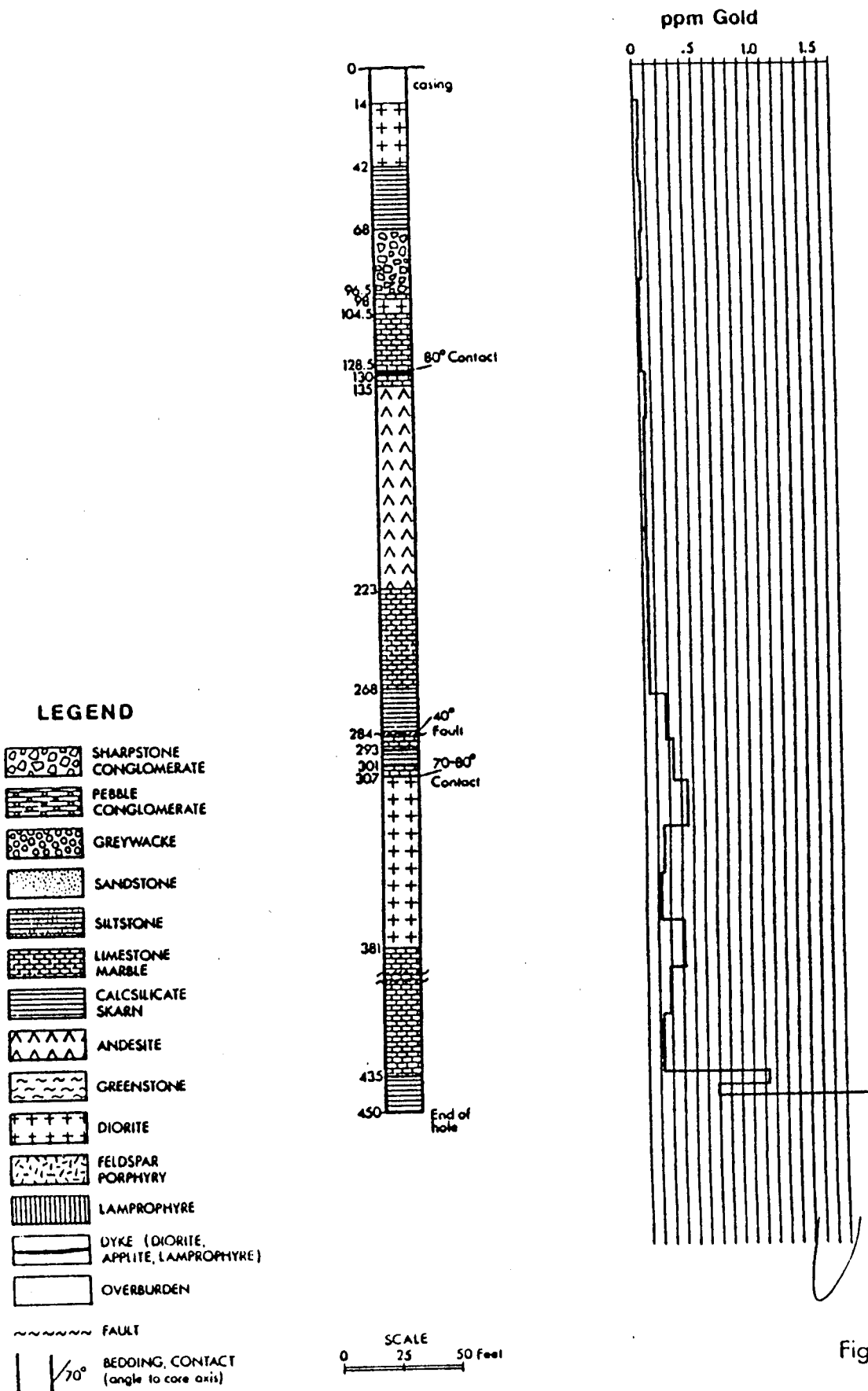
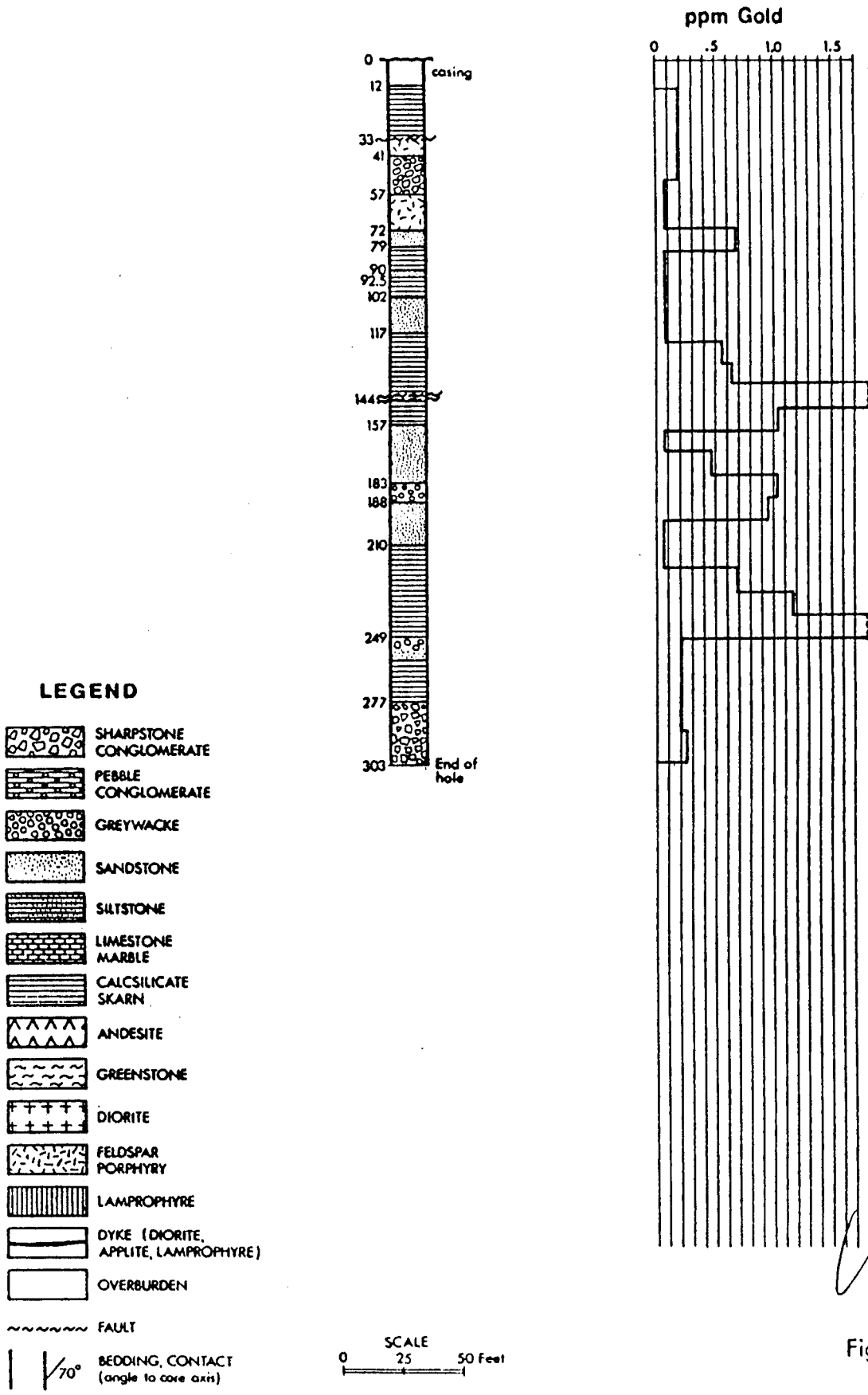


Figure 7

DRILL SECTION - HOLE 83-2

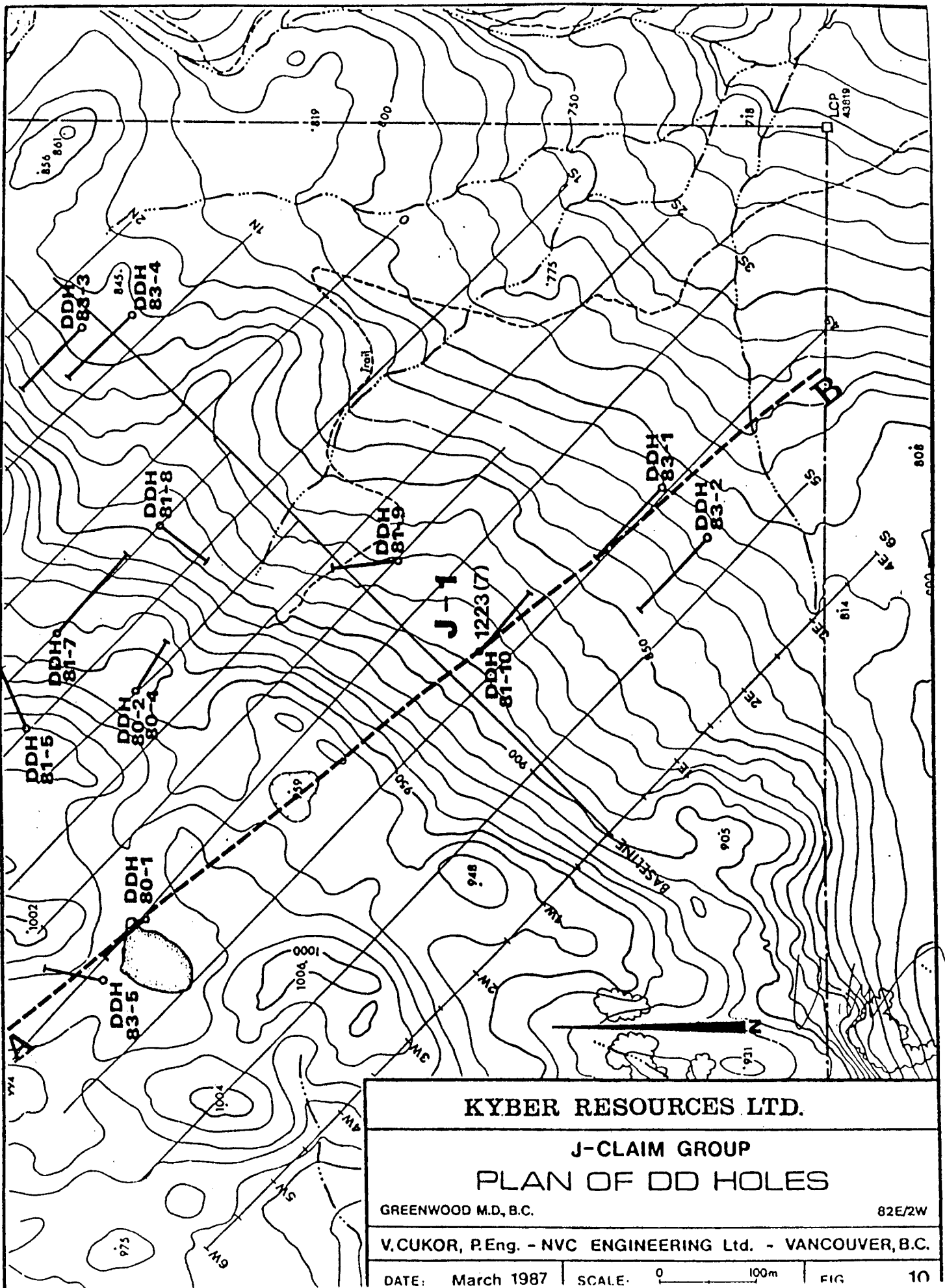


DRILL SECTION - HOLE 83-5



[Handwritten signature]

Figure 9



Part of the study included an evaluation of similarities between the J claim mineralization and that of the Phoenix Mine. Producing a total of 556 million pounds of copper, 1.1 million ounces of gold and 6.5 million ounces of silver, the Phoenix ranks as one of the top ten producers in the Province in each of these categories. Maymac's J Claims lie approximately 20 kilometers west from the Phoenix.

Stratigraphic sequence is the same at both locations. The mineralization in both cases appears in the Brooklin Formation, and in both locations there appear intrusions of dioritic rocks, which induced extensive alteration changes in the original rock formation.

In the Phoenix, the majority of the ore bodies appear as lenses of massive sulphides in the skarned limestone along the contact with the Knob Hill group sediments. Only small bodies of relatively high grade sulphides were so far found at the J claims, but no favorable horizon (contact of skarn and Knob Hill) is exposed at the surface. Significant gold values at the J claims are indicated from the stockwork type and/or disseminated low grade zones.

The mineral content, high calcite content and grain size of disseminated mineralization is similar at both locations.

Based on the similarities between the J claims and the Phoenix deposit, the presence of mineral showings and associated extensive geochemical soil anomalies over geologically favorable environment on the J claims, it is easily concluded that further work in both the East and the West Zones is definitely warranted. The exploration should be directed toward seeking a large low-grade ore body.

Respectfully submitted,


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March 18th, 1987

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