

PROPERTY FILE

~~92C 148~~

92C 148

924/15 E

006215

Silver Plate Claims  
NEW?

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NEW ISSUE

INITIAL PUBLIC OFFERING

**GRACEY RESOURCES INC.**

#804 - 750 West Pender Street,  
Vancouver, British Columbia  
V6C 2T8

(the "Issuer")

Dorthe

- thanks

- no significant assays or  
mineral showings

- "geology all wrong" (N. Massouy)

- advise against Minfile entry.

\$287,000

1/3 OF 700,000 COMMON SHARES

E: \$0.41 per COMMON SHARE

Paul W.

Agent's  
Commission(2)

Net Proceeds to be  
received by the Issuer(3)

\$ 0.05  
\$35,000

\$ 0.36  
\$252,000

- (1) The price to the public has been 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 \$20,000, which will be paid by the Issuer.

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~~92C 148~~

Recd Oct-20/89

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WE, AS AGENT, CONDITIONALLY OFFER TO THE PUBLIC AND THROUGH THE FACILITIES OF THE VANCOUVER STOCK EXCHANGE AND SUBJECT TO PRIOR SALE, **700,000** COMMON SHARES, IF, AS AND WHEN ISSUED BY THE ISSUER AND ACCEPTED BY US IN ACCORDANCE WITH THE CONDITIONS CONTAINED IN THE AGENCY AGREEMENT REFERRED TO IN THE SECTION CAPTIONED "PLAN OF DISTRIBUTION" HEREIN.

GRACEY RESOURCES INC.

SCHEDULE 2

EXPLORATION COSTS

JUNE 30, 1988

Linecutting	\$ 12,500
Data correlation, drafting, report	12,000
Engineering, supervision, management	10,000
Geological mapping, rock sampling	9,700
VLF EM survey	9,500
Magnetic survey	3,500
Assays	8,350
Equipment rental	7,800
Geochemical soil sampling	<u>6,696</u>
	<u>\$ 85,046</u>

See accompanying notes to the unaudited financial statements.

May 1988

# **GRACEY RESOURCES INC.**

## **SILVER PLATE CLAIM GROUP**

### **Engineering Report**

by D.Cukor, geologist, V.Cukor, P.Eng, NVC ENGINEERING Ltd. VANCOUVER, B.C.

## TABLE OF CONTENTS

	<u>Page</u>
1. INTRODUCTION	1
2. REVIEW	2
2.1 SUMMARY, CONCLUSIONS	2
2.2 RECOMMENDATIONS	2
2.3 COST ESTIMATE	3
3. PROPERTY	4
3.1 LOCATION	4
3.2 ACCESS	4
3.3 CLAIMS	4
3.3 TOPOGRAPHY AND CLIMATE	5
4. GEOLOGY	6
4.1 REGIONAL GEOLOGY	6
4.2 ECONOMIC GEOLOGY	6
4.3 LOCAL GEOLOGY	7
4.4 MINERALIZATION	8
5. GEOCHEMICAL SURVEY	12
5.1 GENERAL DESCRIPTION OF SURVEY	12
5.2 DISCUSSION OF RESULTS	12
6. GEOPHYSICAL SURVEYS	15
6.1 GENERAL DESCRIPTION	15
6.2 GROUND MAGNETIC SURVEY	15
6.3 VLF-EM SURVEY	16

**BIBLIOGRAPHY**

**APPENDIX 1 - DESCRIPTION OF ROCK SAMPLES**

**APPENDIX 2 - ASSAY CERTIFICATES**



## ILLUSTRATIONS

### After Page

Fig. 1	Location Map	4
Fig. 2	Claims and Topography	4
Fig. 3	Claim Map	4
Fig. 4	Regional Geology	6
Fig. 5	Local Geology	7
Fig. 6	Geochemical Survey Plan - Gold Plot - Grid 1	12
Fig. 7	Geochemical Survey Plan - Gold Plot - Grid 2	12
Fig. 8	Geochemical Survey Plan - Silver Plot - Grid 1	13
Fig. 9	Geochemical Survey Plan - Silver Plot - Grid 2	13
Fig. 10	Geochemical Survey Plan - Copper Plot - Grid 1	14
Fig. 11	Geochemical Survey Plan - Copper Plot - Grid 2	14
Fig. 12	Magnetic Survey - Grid 1	15
Fig. 13	Magnetic Survey - Grid 2	15
Fig. 14	VLF Survey - Seattle Plot - Grid 1	16
Fig. 15	VLF Survey - Hawaii Plot - Grid 1	16
Fig. 16	VLF Survey - Seattle Plot - Grid 2	16
Fig. 17	VLF Survey - Hawaii Plot - Grid 2	16

**GRACEY RESOURCES INC.**  
**ST. ANTHONY, SILVER PLATE AND MONTE CASINO CLAIMS**  
**VANCOUVER ISLAND, B.C.**

1. INTRODUCTION

Gracey Resources Inc. contracted NVC Engineering Ltd. to carry out an exploration program on its Vancouver Island property. Although the general area has been explored to some detail, no previous work has been recorded on the claims and the work performed at this time was a grass root exploration attempt to locate any mineralization within the claim area.

The work carried out consisted of geological mapping, a geochemical soil survey, geophysical surveys and rock sampling. D. Cukor, geologist, was in charge of field programs under the overall supervision of V. Cukor, P.Eng. Line cutting and geochemical surveys were completed by November 1988 when extensive snow cover precluded further work. The remainder of the program was completed in April 1988.

All assays on geochemical and rock samples were conducted by General Testing Laboratories of Vancouver.

A total budget of about \$80,000 was spent on this part of the program.



## 2. REVIEW

### 2.1 SUMMARY AND CONCLUSIONS

The Silver Plate Property is underlain in part by the Sicker Volcanic rocks which, elsewhere on Vancouver Island, host economically important precious metals and base metal deposits. Two grids, soil sampled, revealed small and scattered silver and copper geochemical anomalies. Very strong and extensive geochemical gold anomalies overlie the Sicker strata and their contacts with the Island Intrusives. On grid 1, the anomaly is also associated with a magnetic high anomaly and conductive EM zones.

Several rock samples collected within geochemical soil anomalies, returned significantly anomalous (although not economical) gold assays. Most of these samples also fall in the areas of poor rock exposures and proper evaluation, mapping and sampling of these showings has yet to be done. It should also be accompanied by power trenching.

### 2.2 RECOMMENDATIONS

The next stage of exploration should expand geological prospecting and sampling of the Sicker Group - Island Intrusive Contact Zone in the northern part of the St. Anthony Claim, snowbound during the described program. Very detailed mapping of the total area of geochemical gold anomalies, accompanied by extensive sampling should also be carried out. All areas with anomalous gold values in rock samples should be power trenched (using a backhoe or a bulldozer), mapped and sampled.

Fill in lines for better defining EM conductors are also necessary to better understand structure of the property.

If the next stage produces positive results, the showings should be diamond drill tested in the following stage of exploration.

### 2.3 COST ESTIMATE

1.	<u>Geological mapping of NW part of claims, with sampling</u>	
	- Geologist and Assistant - 21 days	\$10,000
2.	<u>Bulldozer trenching 200 hours @ \$120</u>	24,000
	- Mobilization, demobilization, road building	7,500
	- Geological supervision, mapping, sampling	5,000
3.	<u>Fill in geophysical survey</u>	
	- Line establishment	3,000
	- Surveys	5,000
	Assays compilation	8,000
	Data compilation, report	<u>7,500</u>
		\$70,000
	Engineering and management fee	8,000
	Contingencies	<u>7,500</u>
	TOTAL BUDGET	\$85,500

If encouraging results are encountered during this outlined stage, it is estimated that a budget of about \$125,000 will be necessary for a diamond drill program in the following stage.

### 3. PROPERTY

#### 3.1 LOCATION

Gracey Resources' property is located in the southern part of Vancouver Island, about 25 kilometres southeast of Port Alberni and 50 kilometres west of Duncan, B.C. The claims are on the NTS 92C 15/E. The property is centred at about north latitude  $48^{\circ} 58'51''$  and west longitude  $124^{\circ} 35'10''$ .

The eastern part of the property lies along the Nitinat River, it is within the MacMillan Bloedel Tree Licence and the company is required to obtain necessary permits for exploration activities.

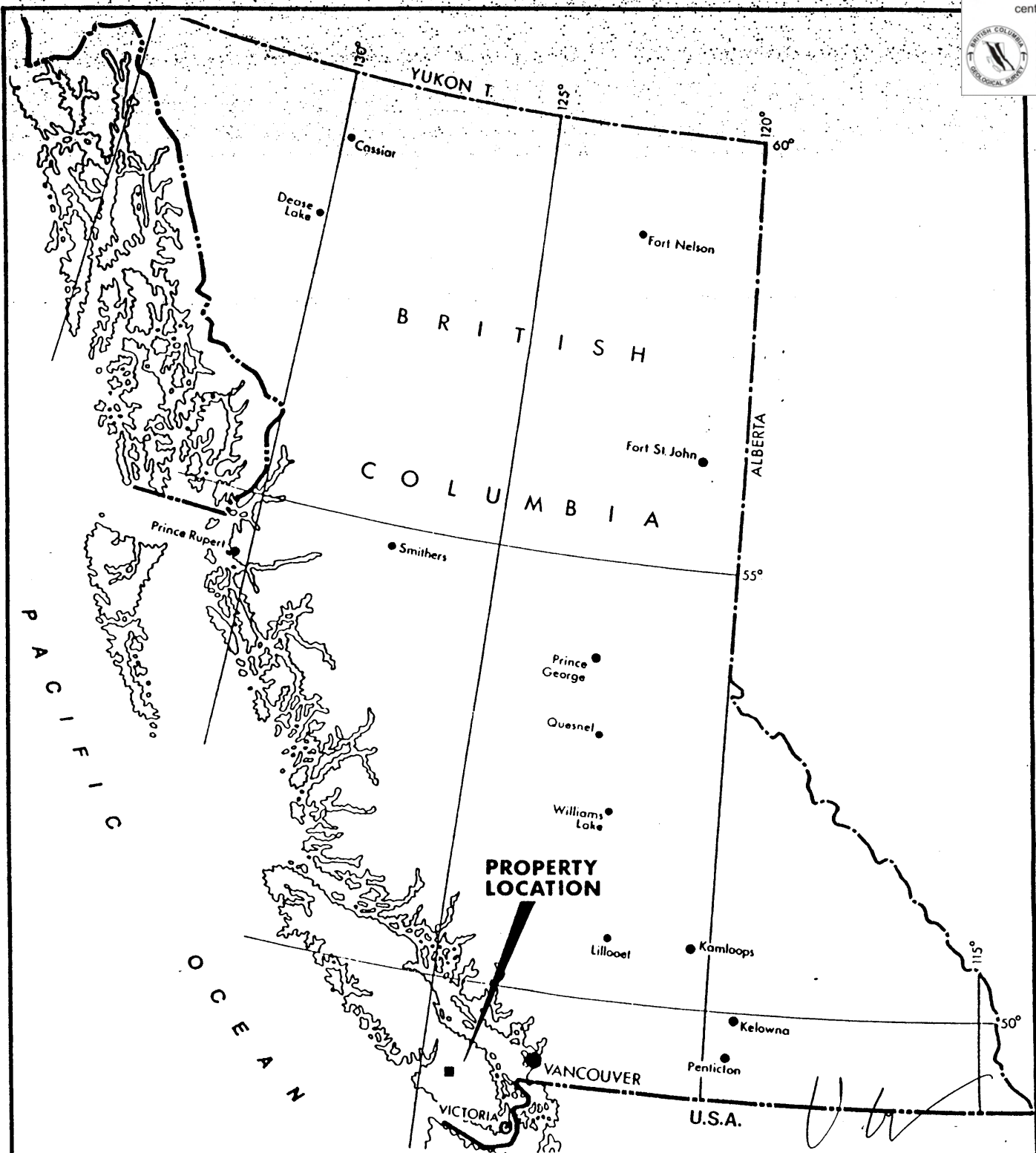
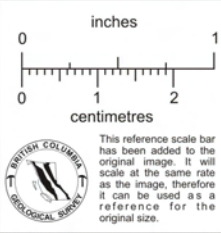
#### 3.2 ACCESS

The property is readily accessible by the existing roads. The access to the property area is provided by a good quality, all weather gravel road from the lumber camp on Nitinat Lake and then following the Nitinat River Valley. From that road, various parts of the claims can be reached by a network of unused logging roads.

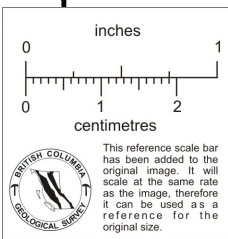
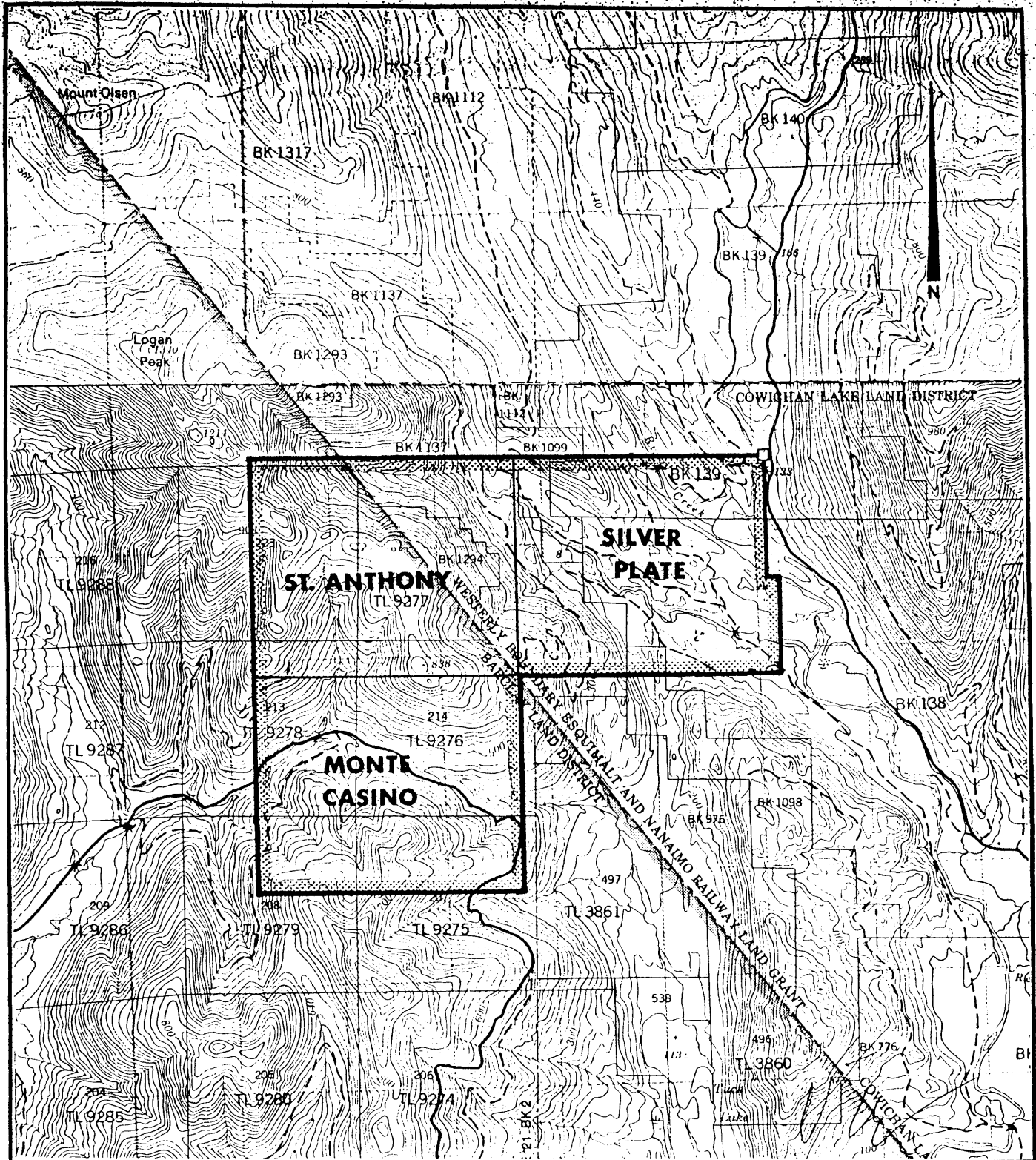
#### 3.3 CLAIMS

Three contiguous mineral claims comprise the Silver Plate property. The claim names and corresponding record data are as follows:

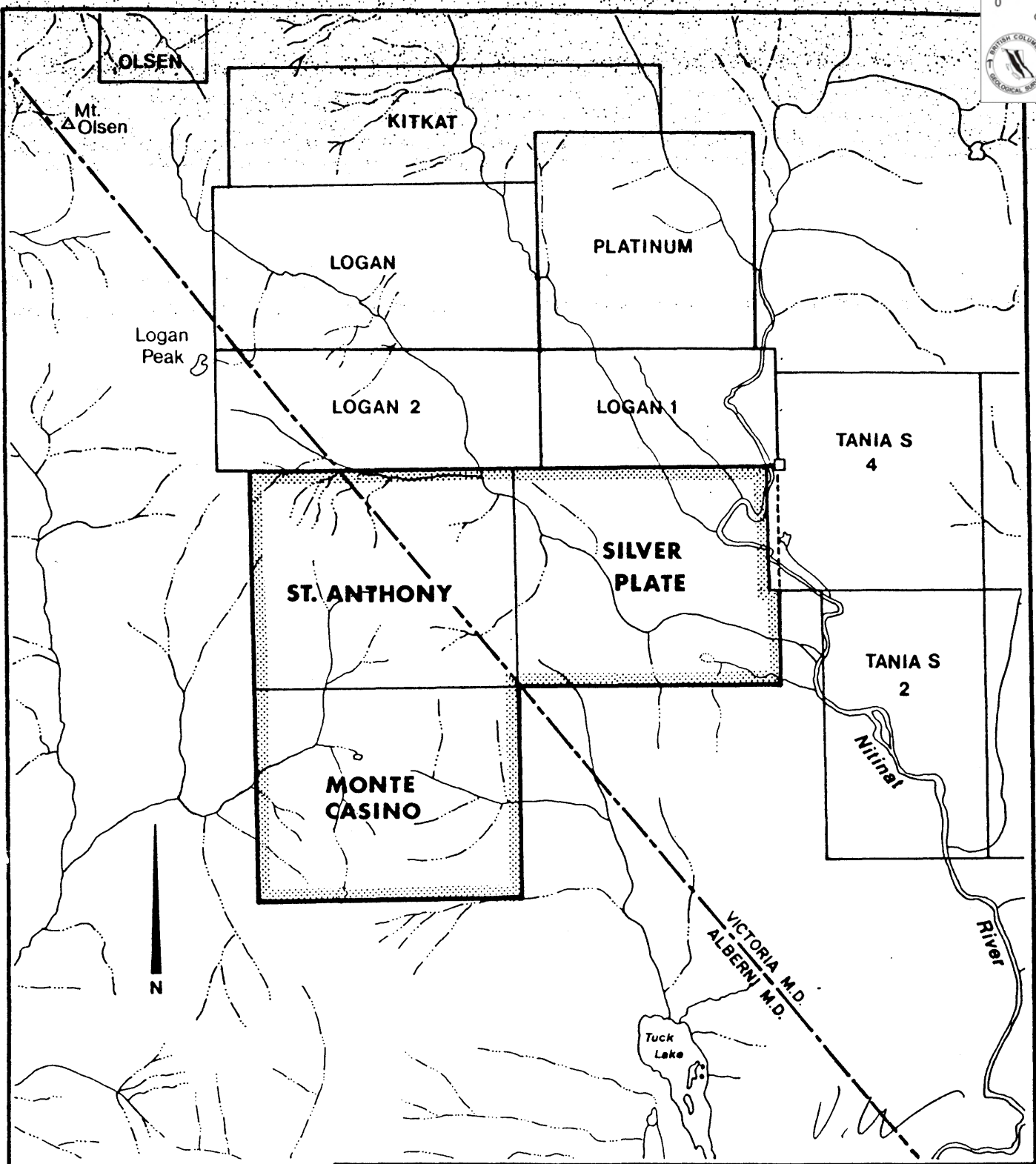
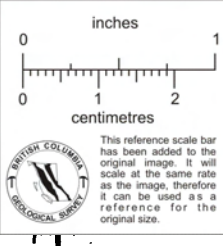
<u>Claim Name</u>	<u>No. Units</u>	<u>Record No.</u>	<u>Recording Date</u>
St. Anthony	20	2000	August 5, 1987
Silver Plate	20	2001	August 21, 1987
Monte Casino	20	2002	August 24, 1987



<b>Gracey Resources Inc.</b>		
<b>SILVER PLATE GROUP</b>		
<b>LOCATION MAP</b>		
VICTORIA and ALBERNI M.D., B.C.		NTS 92C/15E
<b>V. CUKOR, P. Eng. - NVC ENGINEERING Ltd. - VANCOUVER, B.C.</b>		
DATE: <b>May 1988</b>	SCALE:  100 km	FIG. <b>1</b>



<b>Gracey Resources Inc.</b>	
<b>SILVER PLATE GROUP</b>	
<b>CLAIMS AND TOPOGRAPHY</b>	
VICTORIA and ALBERNI M.D., B.C.	NTS 92C/15E
<b>V. CUKOR, P. Eng. - NVC ENGINEERING Ltd. - VANCOUVER, B.C.</b>	
DATE: <b>May 1988</b>	SCALE:  0 500 1000 meters
FIG. <b>2</b>	



<b>Gracey Resources Inc.</b>		
SILVER PLATE GROUP		
CLAIM MAP		
VICTORIA and ALBERNI M.D., B.C.		NTS 92C/15E
V. CUKOR, P. Eng. - NVC ENGINEERING Ltd. - VANCOUVER, B.C.		
DATE:	May 1988	SCALE: 0 500 1000 meters
		FIG. 3

Claims were located on the modified grid system by G. W. Batycki. Gracey Resources obtained, subsequently, 100% interest in all the claims.

The claims straddle the Victoria-Alberni Mining Division boundary, although all legal corner posts lie within the Victoria Mining Division.

### 3.4 TOPOGRAPHY AND CLIMATE

The St. Anthony property is located within the Insular Mountain Belt of Vancouver Island. It is between elevations of 100 to 1,140 metres above sea level. Total topographical relief is 1,040 metres. The Nitinat River valley on the east side of the claims forms the low part from where the terrain rises steeply in the easterly direction. The slopes are mostly steep to rugged, with the top fairly level. Streams form steep sided and deep canyons.

The climate of the area is typical for the west coast region with an abundance of atmospheric precipitation. Lower parts of the claims have mild winters, while the top parts are snow bound from October to late April.

The high humidity of the area enhances the rapid growth of the forest, which is generally intergrown with thick underbrush. This often hampers surface examinations and imposes extensive and costly line cutting.

## 4. GEOLOGY

### 4.1 REGIONAL GEOLOGY

General geological features of the area are shown on the GSC open file 821 map by J. E. Muller, 1973-1981, scale 1:125,000. The map produced by Fyles (1955) covers only the northeast corner of the claim area.

According to the published data available, the general area is underlain by Jurassic to Paleozoic strata, mainly of volcanic origin, which are intruded by Island Intrusions composed of granodiorite and quartz diorite (see fig. 4).

The geological formations show a general northwest alignment and the main structural trends follow the same direction. Regional deformation has obviously caused shallow folding along northwesterly axes, and is regularly associated with northwest trending faults and shear zones. These latest mostly form interformational contacts.

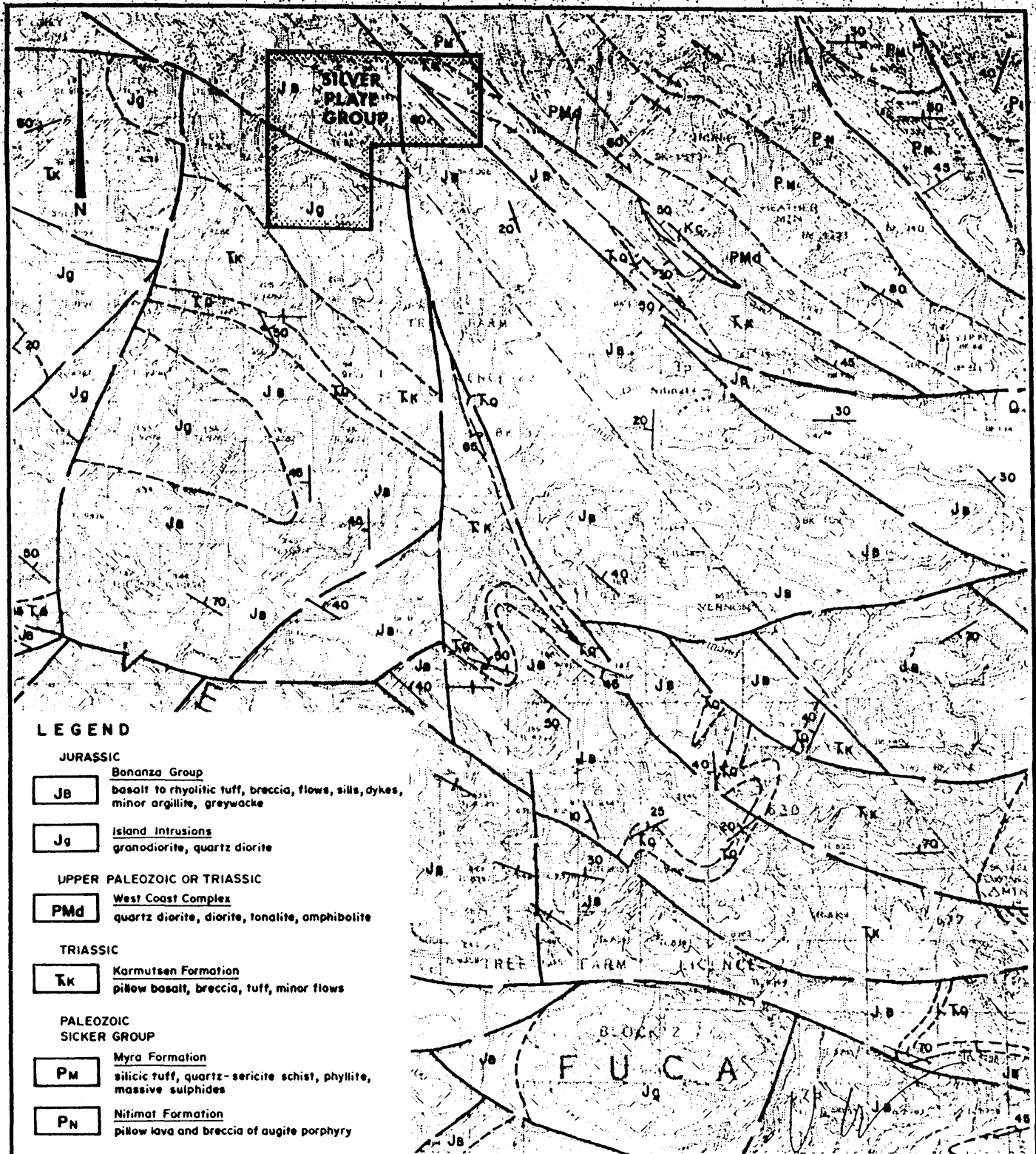
The most important feature is the presence of the Sicker group strata in the property area, since these units have an economical significance elsewhere in the area.

### 4.2 ECONOMIC GEOLOGY

The Sicker Volcanic Belt is host to several gold-silver and base metal deposits. The best known are Lara, Lynx-Myra (the announced 1979 reserves were: 15 million tons of 5.3% Zn, 2.2% Cu, 0.3% Pb, 1.1 oz/t Ag and 0.07 oz/t Au), Twin J. Mine (produced 300,000 tons averaging 6.12% Zn, 1.32% Cu, 0.6% Pb, 2.05 oz/t Ag and 0.075 oz/t Au).

The closest to the Silver Plate group are the gold showings on the Olsen Claims where extensive drilling and trenching





**LEGEND**

**JURASSIC**

- JB** Bonanza Group  
basalt to rhyolitic tuff, breccia, flows, sills, dykes,  
minor argillite, greywacke
- Jg** Island Intrusions  
granodiorite, quartz diorite

**UPPER PALEOZOIC OR TRIASSIC**

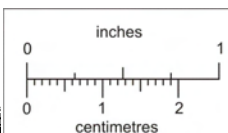
- PMd** West Coast Complex  
quartz diorite, diorite, tonalite, amphibolite

**TRIASSIC**

- TK** Karmutsen Formation  
pillow basalt, breccia, tuff, minor flows

**PALEOZOIC  
SICKER GROUP**

- PM** Myra Formation  
silicic tuff, quartz-sericite schist, phyllite,  
massive sulphides
- PN** Nitimat Formation  
pillow lava and breccia of augite porphyry



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Geology by J.E.Muller, 1973-1981

**Gracey Resources Inc.**

**SILVER PLATE GROUP**

**REGIONAL GEOLOGY**

VICTORIA and ALBERNI M.D., B.C.

NTS 92C/15E

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

DATE:

May 1988

SCALE:

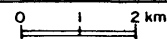


FIG.

4

reportedly returned gold values and assays up to 3 oz/t gold from the Canon Vein.

On the Kitkat and Platinum group claims (north of the Silver Plate group), grab samples assayed gold-silver-platinum values and samples from the Logan Claims (adjoining the Silver Plate to the north) also returned significant gold values.

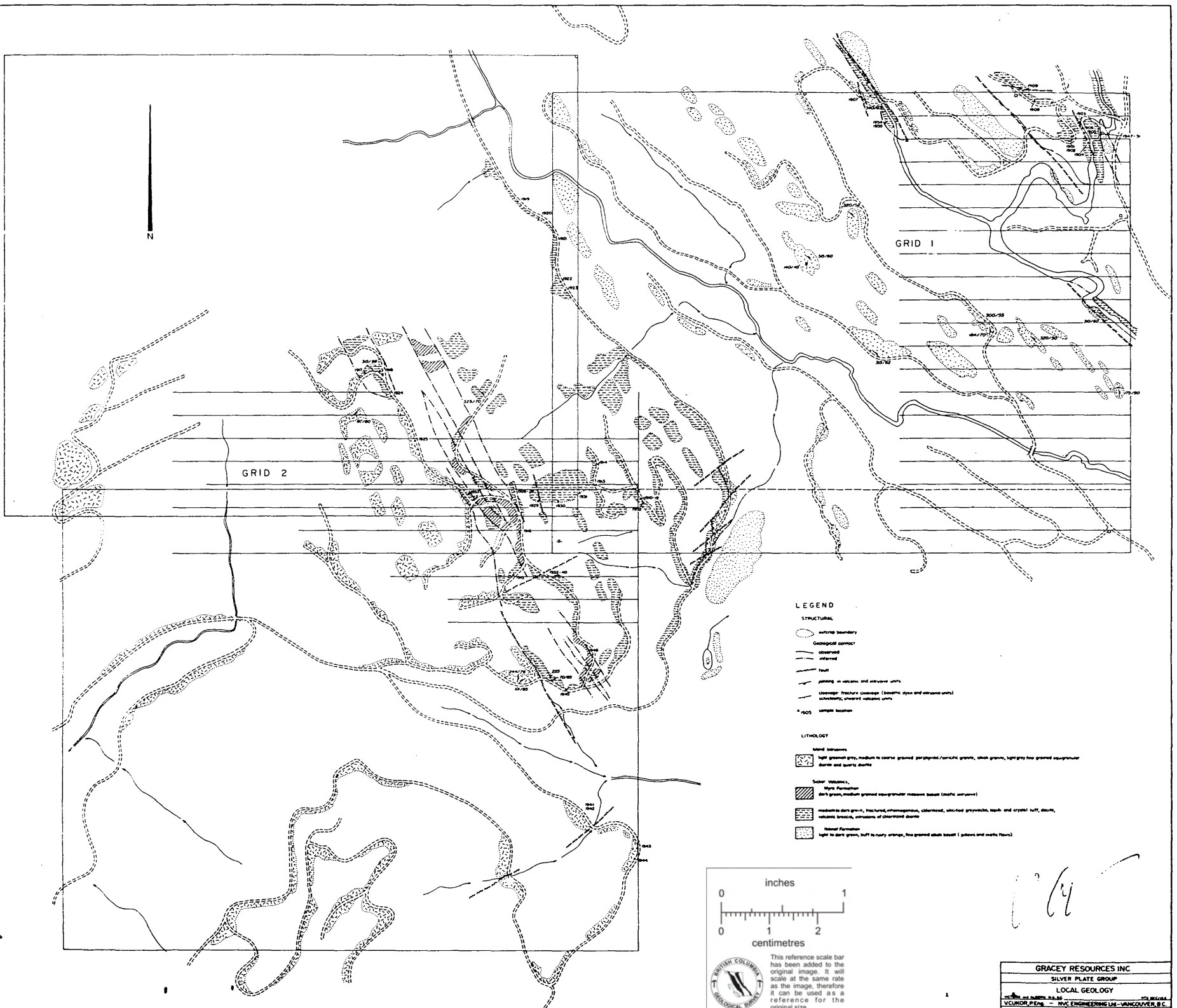
The Carol and Heather Claims (east of the Silver Plate) were investigated to determine the economic significance of occurrences of massive sulfides accompanied by anomalous values in gold, silver and zinc. Mineralization of the same type as found on the Logan and Carol-Heather Claims is also found on the Silver Plate Claims.

#### 4.3 LOCAL GEOLOGY

Detailed geological mapping of the outcrop on the Silver Plate group of claims revealed the presence of rocks of three main formations. To the east, on the Silver Plate Claim, rock outcrops mainly consist of alkali basalts and mafic flows of the Nitinat Formation. Part of these can possibly belong to the flows of the Jurassic Bonanza Group.

To the west, on the St. Anthony Claim, rock outcrops mostly consist of greywacke, argillite, felsic tuffs and mafic intrusives of the Myra Formation. Both the Nitinat and Myra formations are parts of the Paleozoic Sicker group.

On the western side, the strata of the Myra Formation are intruded by Island Intrusives consisting of light, greenish grey, medium to coarse alkali granite and fine equigranular diorite. These rocks cover the west part of the St. Anthony Claim and extend south, where they are exposed in road cuts over most of the Monte Casino Claim.



GRID 2

GRID 1

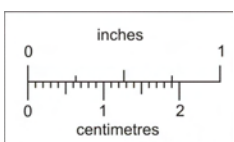
**LEGEND**

**STRUCTURAL**

- surface boundary
- Geological contact
- observed
- inferred
- fault
- jointing in volcanic and intrusive units
- cleavage: fracture cleavage (basaltic dyke and intrusive units)
- schistosity, sheared volcanic units
- spot location

**LITHOLOGY**

- Island Intrusions**
- light greenish grey, medium to coarse grained perthitic/tactitic granite, dike granite, light grey fine grained equigranular horn and quartz diorite
- Sedimentary**
- High Permeability  
well sorted, medium grained equigranular massive basalt (highly fractured)
  - medium to dark green, fractured, homogeneous, chloritized, silicified greywacke, sand and crystal tuff, siltstone, volcanic breccia, extrusions of chloritized diorite
  - basal breccia  
light to dark green, buff to rusty orange, fine grained alkali basalt (pillars and necks flows)



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*Handwritten signature or initials.*

<b>GRACEY RESOURCES INC.</b>	
SILVER PLATE GROUP	
LOCAL GEOLOGY	
Vancouver, P.E.N.G. - N.V.C. ENGINEERING LTD. - VANCOUVER, B.C.	475 B.C. 6044
DATE: May, 1980	SCALE: 1" = 1/2 MI. 1:50,000

The contact between the Myra Formation rocks and intrusives is mainly abrupt - a fault zone. This is most likely part of the block faulting and shearing caused by the regional stress produced by the regional deformations.

The main types of alterations are silicification and chloritization, mainly related to shear zones and intrusive contacts.

#### 4.4 MINERALIZATION

During the exploration of the Tania and Heather Claims, two interesting northwest trending structures were encountered, containing ankerite and grey quartz mineralized with pyrite and minor chalcopyrite. In one of these structures, dioritic rocks associated with the Jurassic intrusive invade sheared andesite. Abundant inclusions of Myra volcanics occur in the intrusive along the contact margins and are locally recrystallized to form hybrid intrusive phases similar to the dark green dioritic rocks that extend southward from the Logan Claims into the northeast part of the Silver Plate Claim.

There are several types of contact and shear related mineralization found on the Silver Plate group of claims that may be roughly subdivided as to mode of occurrence into the following:

1. Fine to medium grained disseminated sulphite (euhedral pyrite) in the fine siliceous matrix material of graphitic quartz veins containing subangular to rounded chloritized fragments of granitic intrusive.
2. Coarse irregular euhedral pyrite associated with shears in slightly retrograde chloritized granite.

3. Sheared quartz veins/stringers containing blebs and irregular dissemination of anhedral pyrite being replaced by variable amounts of bornite, chalcopyrite with occasional wispy stringers of tetrahedrite.
4. Massive sulphide in stringers (up to 20 cm width) consisting of coarse euhedral to subhedral pyrite with small amounts of gangue, small stringers of quartz with epidote.
5. Scarn type mineralization - magnetite with small irregular stringers of pyrite and chalcopyrite. Gangue consists of small irregular stringers of quartz and epidote.
6. Fine to medium massive euhedral pyrite and tetrahedrite in large (up to 0.5 metres thick) quartz veins, exposed every several metres, associated with the sheared contact between chloritized marginal dioritic intrusive and basaltic flows.
7. Fine to medium (some coarser fractions) disseminated euhedral pyrite associated with heavily chloritized gossanous shears in retrograded volcanic units and associated radiating silicified fractures.

The first two types of mineralization are considered low temperature and found in intrusive units, related to fractures and shears along the contact between Island Intrusives and mixed volcanics of the Myra Formation.

The next three types of occurrence (designated 3, 4 and 5) are higher temperature and similar in mineralogy. These types occur in the randomly oriented stringers associated with block faulting closely related to mafic intrusives in Myra volcanic and sedimentary units.

The last two types are also considered too low in temperature to be of major significance and associated with heavily retrograded volcanics in large post intrusive faults and shears.

One large fault on the St. Anthony claim is of some interest and consists of a zone approximately 20 metres in width that contains crushed gouge consisting of retrogressively altered volcanics, small silicified stringers and a crushed gouge consisting of clay kaolinite and oxidized gossanous sulphide (samples 1932-1940, however, did not produce positive results).

Although geochemical samples produced excellent values on both grids, rock samples so far returned only several significant precious metal values. These samples are:

<u>Sample No.</u>	<u>oz/t Au</u>	<u>oz/t Ag</u>
1904	0.055	0.16
1923	0.011	0.05
1924	0.025	0.06
1944	0.011	0.05
1945	0.012	0.05
1953	0.051	0.20

In addition, sample 1910 returned 0.007 oz/t Au and 0.2 oz/t Ag. These samples, although they did not produce economic values, are very significant since they occur within the structure which is overlain by a strong and extensive geochemical gold anomaly. In addition, the outcrop is fairly scarce in both areas and full extent of the mineralized outcrop remains, for now, unknown.

The gold bearing area present in the northeast corner of the Silver Plate claim is most likely the southeast extension of the gold structure discovered on the Logan claims.

Further work to evaluate the strength and size of the gold bearing area is warranted and should include more detailed geological mapping, sampling and bulldozer trenching.

The above listed samples representing only a small portion of the total number are just the ones with anomalous gold values. The total list of samples with the descriptions is at the end of the report in Appendix A; assay results are shown in Appendix B. All rock sample locations are shown on the Local Geology Map, fig. 5.

## 5. GEOCHEMICAL SURVEY

### 5.1 GENERAL DESCRIPTION OF SURVEY

In preparation for the surveys, two grids were cut. One, the lower and eastern most grid, grid 1, in the area where the mineralized zone from the Logan Claims is expected to extend, and the second, grid 2, at the high altitude, cut from the middle of the claim group westward.

During the field work, a total of 558 samples were collected along the grid lines, mostly at 50 metre intervals. Soil samples were taken, preferably from the "B" horizon and, on locations where not developed, any fine material was sampled. In the swampy areas with organic material, no samples were taken.

All samples were packaged in standard soil sample envelopes, dried in the field and shipped to General Testing's lab in Vancouver to be assayed for gold, silver and copper.

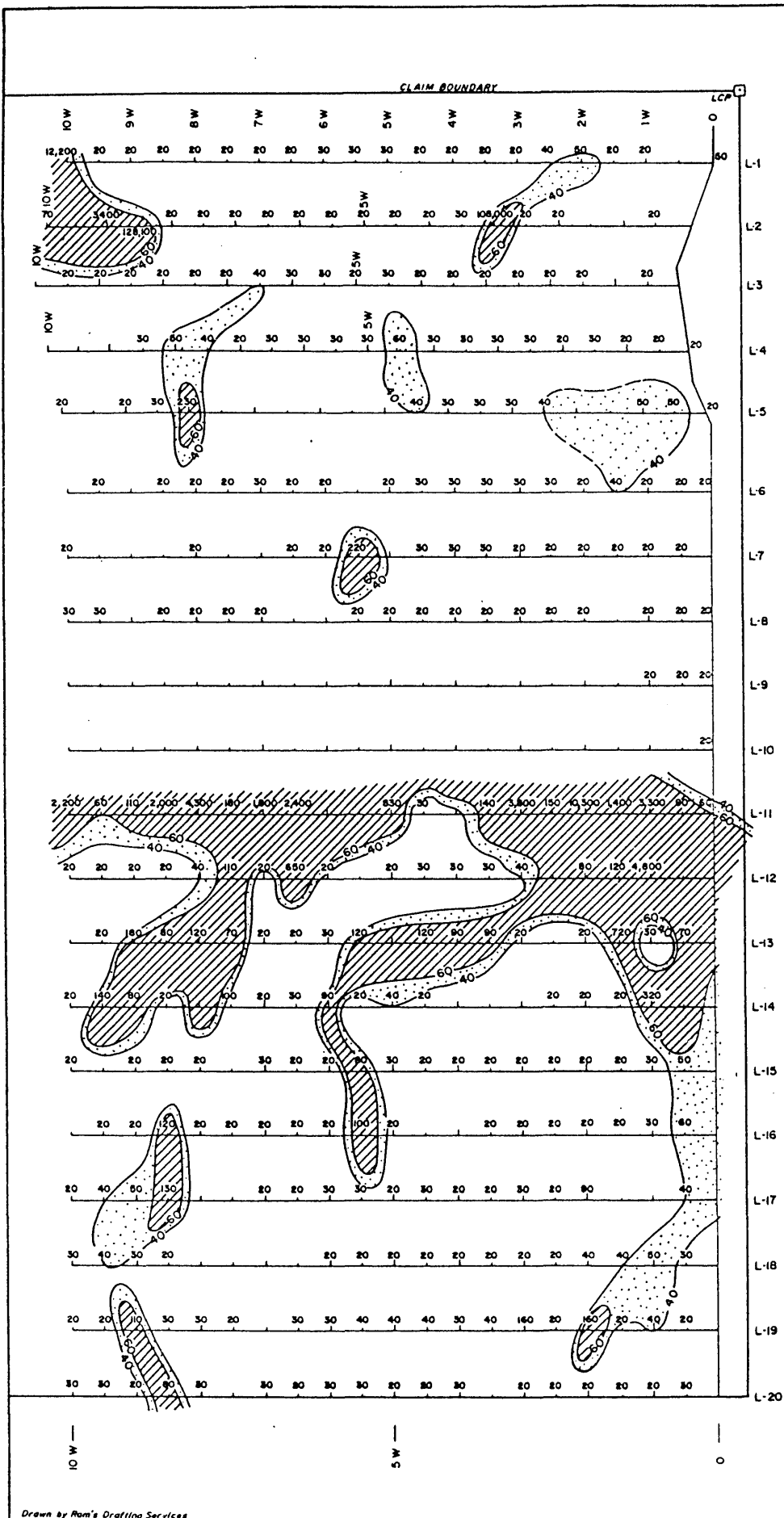
Separate procedures were used for gold-silver assay and copper assays. After oven drying samples, they were screened to -50 mesh. A 10 gram sample from the -50 mesh fraction was then fire assayed. The metallic bead produced was crushed, dissolved and processed for gold and silver by Atomic Absorption. A 1 gram sample was separated from the -50 mesh fraction and dissolved in hot aqua regia, and processed for copper by Atomic Absorption. Six geochemical plans were constructed to show an outline of anomalous areas.

### 5.2 DISCUSSION OF RESULTS

#### a. Gold

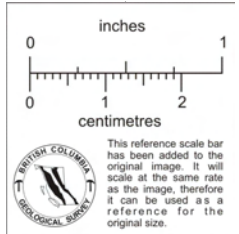
A statistical evaluation of the samples taken in the larger area (including surrounding properties) shows that the





**LEGEND**

- < 40 ppb ..... Background
- 40-60 ppb.... Anomalous
- > 60 ppb ..... Significantly Anomalous



**GRACEY RESOURCES INC.**

**SILVER PLATE GROUP**

**GEOCHEMICAL SURVEY PLAN**

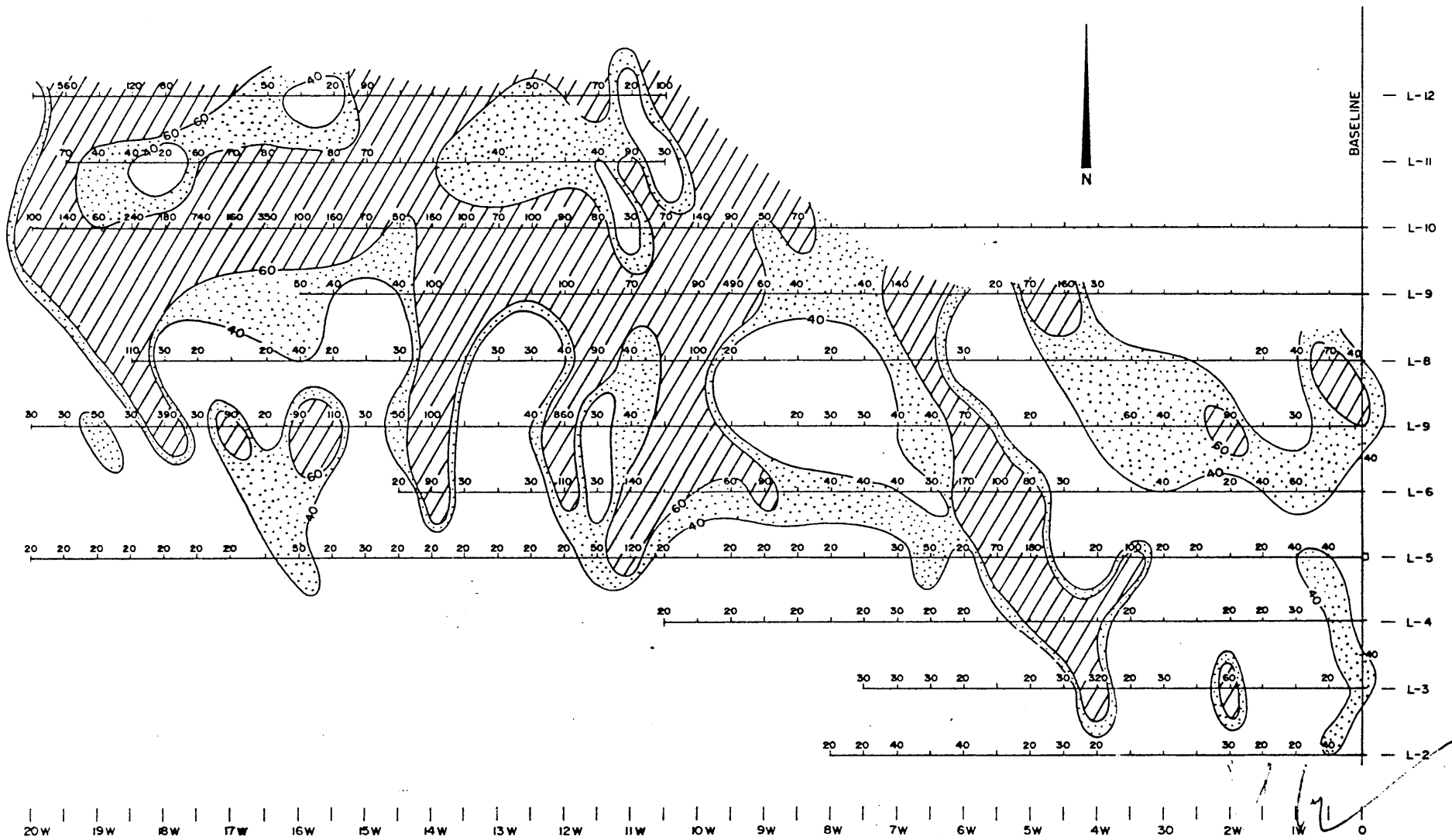
**GOLD PLOT**




VICTORIA MD, B.C. GRID 1 NTS : 82

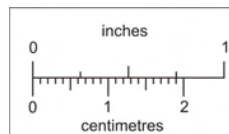
V. CUKOR, P. Eng. - MVC ENGINEERING LTD., VANCOUVER, B.C.

Date: May, 1988 Scale: 0 50 100 METRES Fig. 6

Drawn by Pam's Drafting Services



-  > 60 ppb Au : Significantly Anomalous
-  40-60 ppb Au : Anomalous
-  < 40 ppb Au : Background



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

<b>GRACEY RESOURCES INC.</b>		
<b>SILVER PLATE GROUP</b>		
<b>GEOCHEMICAL SURVEY PLAN</b>		
<b>GOLD PLOT — GRID 2</b>		
VICTORIA and ALBERNI M.D., B.C.		NTS 92C/15E
V. CUKOR, P. Eng. — NVC ENGINEERING Ltd. - VANCOUVER, B.C.		
DATE: May, 1988	SCALE: 0 50 100 meters	FIG. 7

anomalous threshold is about 40 ppb Au and significantly anomalous values are over 60 ppb gold. On grid 1 (see fig. 6) a number of samples assayed extremely high values (13 samples run over 1,000 ppb gold), indicating a possible presence of free gold in the soil. On the northern part of the grid, high values tend to be spotty. On the lines 11, 12 and 13, however, such values are formed within a large zone and this area should be further investigated.

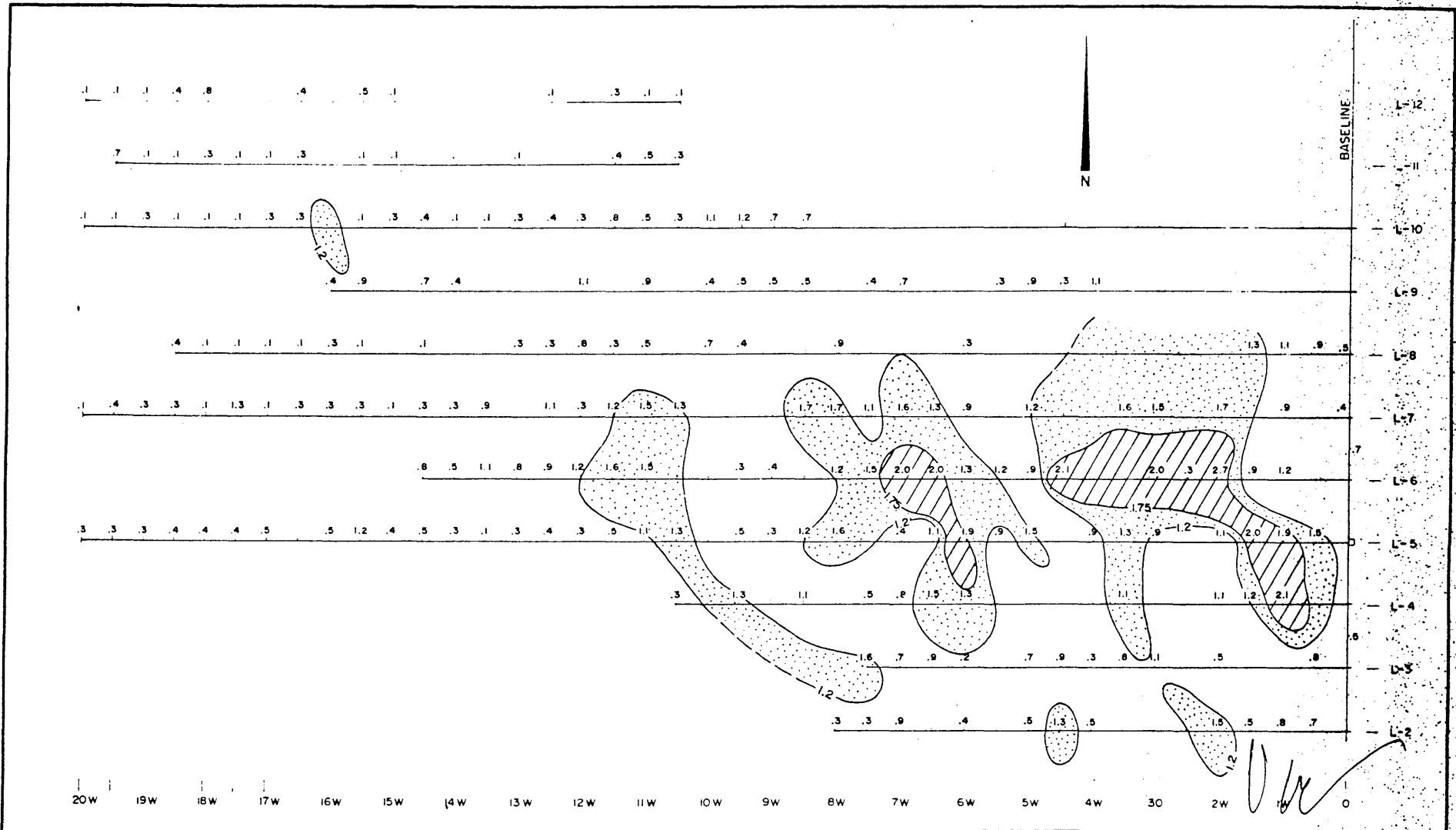
On the upper grid (grid 2 - see fig. 7), several areas of significantly anomalous gold values are outlined; the highest value is 740 ppb gold. The alignment of anomalous zones clearly prefers the northwest-southeast trend, which is also the strike of the major fault zone in the area. The upper grid definitely deserves to be enlarged and further explored in greater detail.




b. Silver

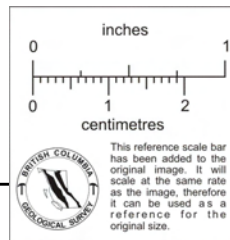
The statistical evaluation of the silver assay results indicated a fairly high anomalous threshold of 1.20 ppb Ag and significantly anomalous should be considered all values higher than 1.75 ppm Ag.

On grid 1 (see fig. 8), only several values reached the significantly anomalous level and these are scattered over the grid area. No significant coincidence between the gold anomalies and anomalous silver values is encountered.

On grid 2 (see fig. 9), anomalous zones also indicate the northwest trends, similar to the gold anomalies. Three parallel northwest-southeast trending anomalies are outlined, generally coinciding with the gold anomalies.



-  > 1.75 ppm Ag : Significantly Anomalous
-  1.20-1.75 ppm Ag : Anomalous
-  < 1.20 ppm Ag : Background



<b>GRACEY RESOURCES INC</b>		
SILVER PLATE GROUP GEOCHEMICAL SURVEY PLAN <b>SILVER PLOT-GRID 2</b>		
VICTORIA and ALBERNI MD, BC		
V. CUKOR, P Eng - NVC ENGINEERING Ltd - VANCOUVER, B.C.		
DATE	May, 1988	SCALE
		FIG 9

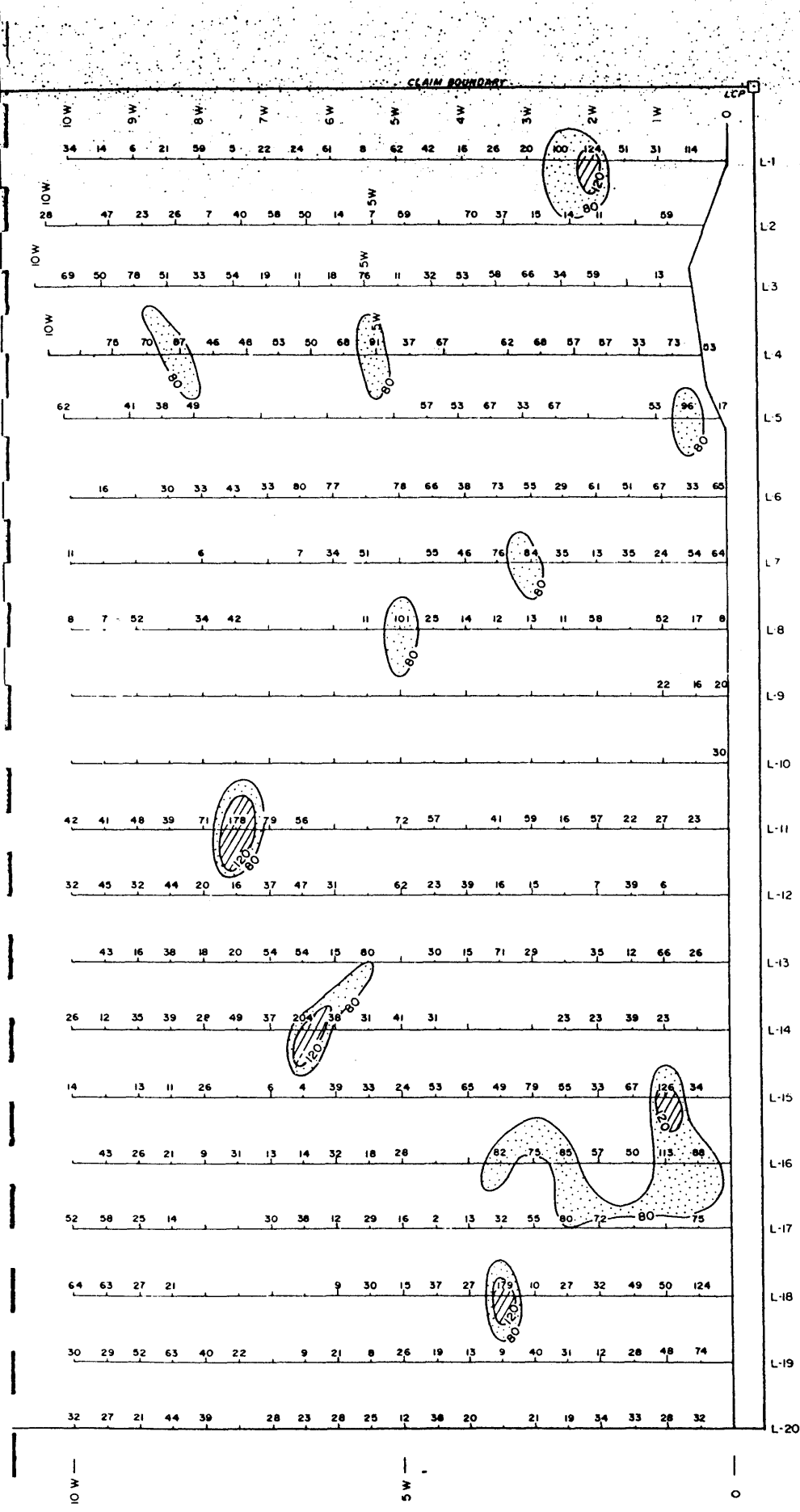
Drafting : R.N Gopal & N Cukor

c. Copper




The statistical evaluation indicates an anomalous threshold of 80 ppm Cu; values over 120 ppb are significantly anomalous.

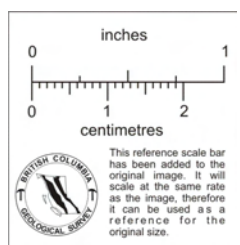
On grid 1, there are very few anomalies, mostly consisting of single samples (see fig. 10). Although these are scattered over the grid, all of the copper anomalies, except those on L7, L8 and L18, are related to gold anomalies. However, the copper anomalies are much more restricted in areal extent than the gold anomalies.

On grid 2 (see fig. 11), the anomalies are restricted to the southeast corner of the grid occurring much in the same area as the silver anomalies. Indeed the correlation between the copper anomalies and gold and silver anomalies is fairly good - all copper anomalies, wholly or partially, overlap gold and/or silver anomalies, though the shapes and sizes of anomalies do not correspond well.



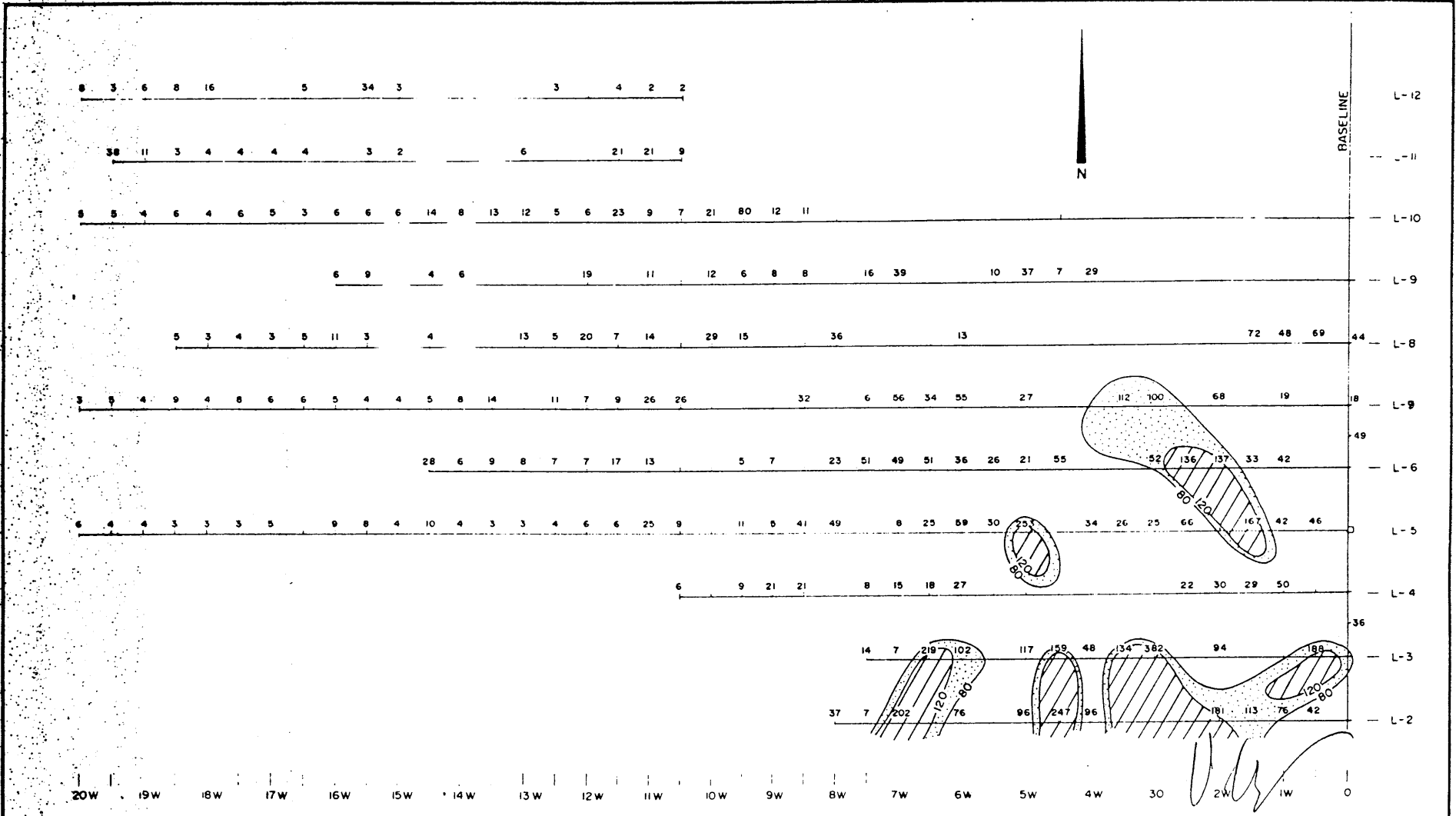
LEGEND




-  > 120 ppm Cu : Significantly Anomalous
-  80 - 120 ppm Cu : Anomalous
-  < 80 ppm Cu : Background

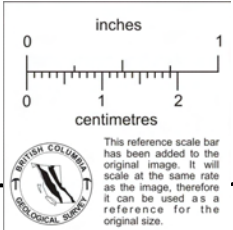


*[Handwritten signature]*

<b>GRACEY RESOURCES INC.</b>		
<b>SILVER PLATE GROUP</b>		
<b>GEOCHEMICAL SURVEY PLAN</b>		
<b>COPPER PLOT</b>		
VICTORIA M.O., B.C.	GRID 1	NTS - 92
V. CUKOR, P. Eng. - MVC ENGINEERING LTD., VANCOUVER, B.C.		
Date: MAY, 1988	Scale: 0 50 100 METRES	Fig. 10



-  > 120 ppm Cu : Significantly Anomalous
-  80-120 ppm Cu : Anomalous
-  < 80 ppm Cu : Background



<b>GRACEY RESOURCES INC</b>	
SILVER PLATE GROUP	
GEOCHEMICAL SURVEY PLAN	
<b>COPPER PLOT - GRID 2</b>	
VICTORIA and ALBERNI M.D., B.C. <span style="float: right;">MTS 92 C/15 E</span>	
V. CUKOR, P. Eng. - NVC ENGINEERING Ltd. - VANCOUVER, B.C.	
DATE	May, 1988
SCALE	1:50,000
FIG	11

V.C.U.K.O.R. INC.

## 6. GEOPHYSICAL SURVEYS

### 6.1 GENERAL DESCRIPTION

The geophysical surveys consisted of Ground Magnetic and VLF-EM. The Magnetic and VLF surveys were run simultaneously, both utilizing the Scintrex IGS-II system.

The part of the system dedicated to magnetics utilizes two console units, one set up as the base station, the other as the portable unit, and two similar proton precession sensors measuring total magnetic field. The base station and field unit are time synchronized so that the background field, diurnal variations and micro pulsations can be filtered from the data. The base station was programmed to measure the field and record the readings at five second intervals.

The VLF unit was set up to receive signals from two stations: NKL Seattle, Washington, 24.8 kHz and NPM, Lualualei, Hawaii, 23.4 kHz measuring the horizontal field strength and the in-phase or quadrature and out-of-phase components of the vertical field. The instrument uses a three coil system, one horizontal and two vertical coils, all at 90° angles to each other. The system is set to automatically adjust for topographical shadowing of signals.

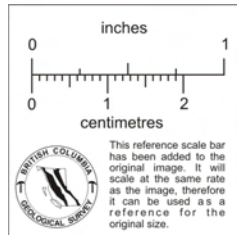
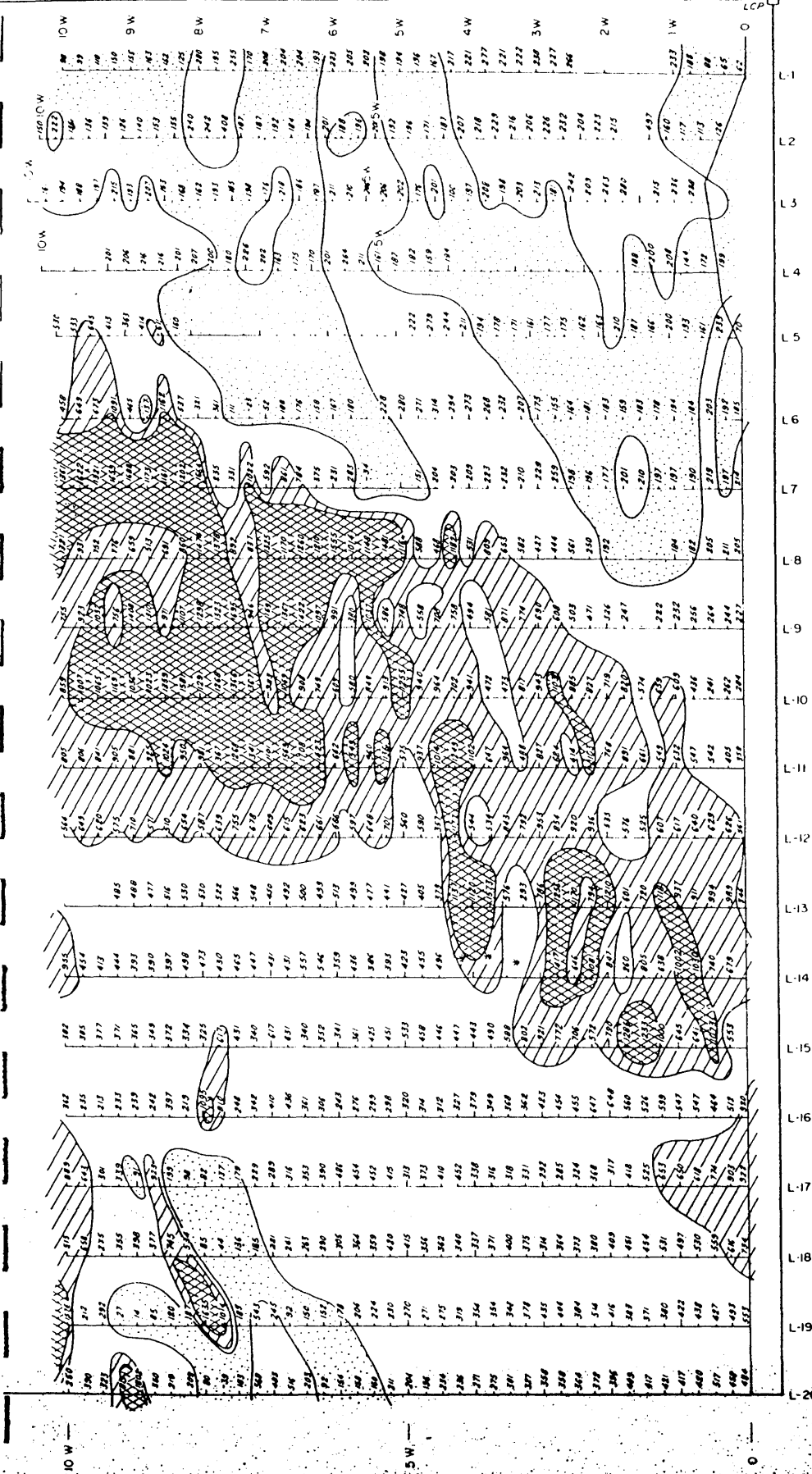
### 6.2 GROUND MAGNETIC SURVEY

The ground magnetic survey was performed on both grids utilizing the IGS system. The base station was set up on two separate locations, one for each grid because of access reasons. Thus the two sets of data have separate magnetic bases.




Grid 1 gives a total magnetic relief of 1,836 gammas, a low of -34 gammas and a high of 1,802 gammas. The map, fig. 12, displays a strong signature - a high running SE-NW with a strong



CLAIM BOUNDARY



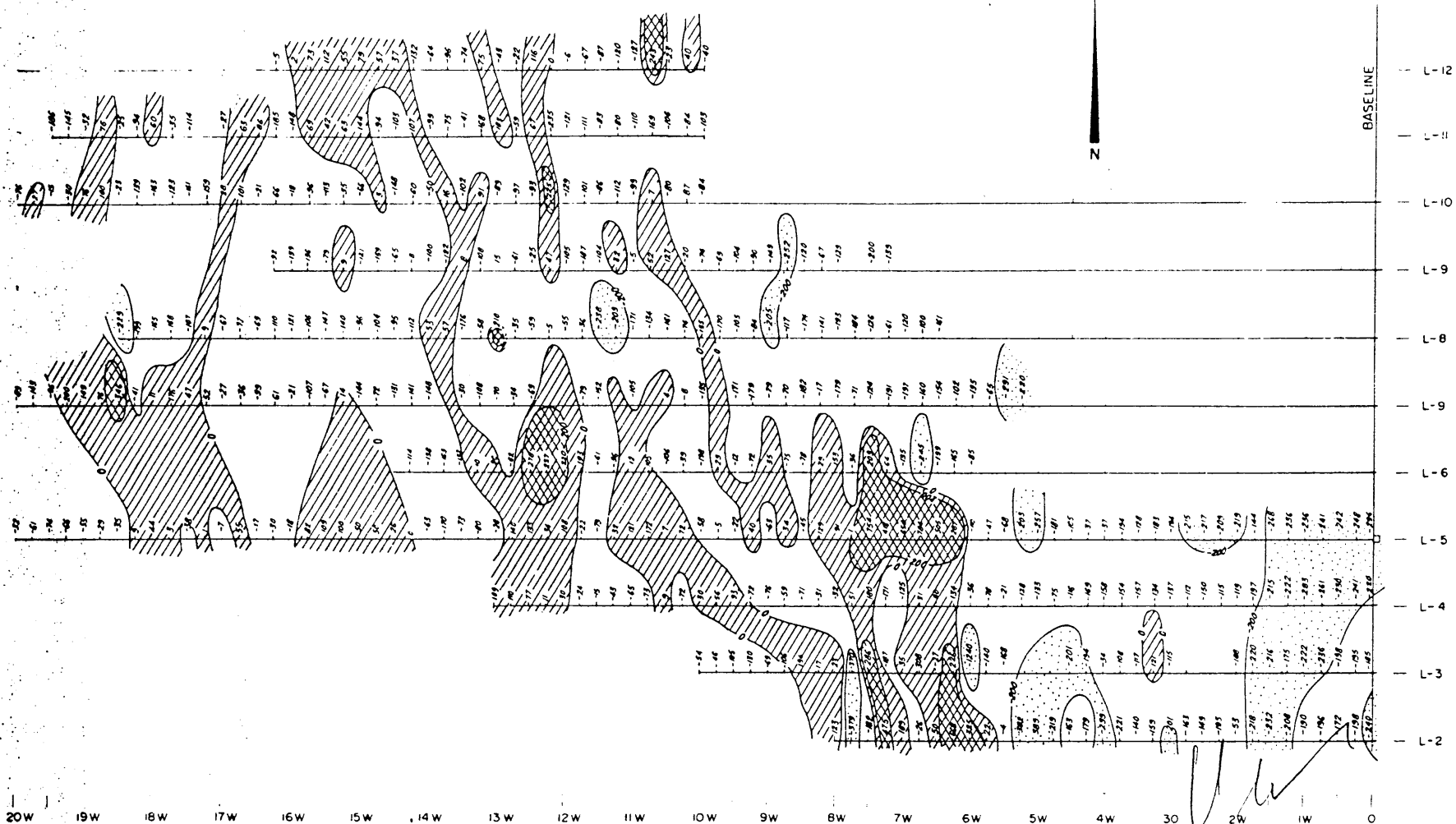
Base Field 55600 gammas

-  200 gammas
-  600-1000 gammas
-  1000 gammas

*V.W.*






<b>GRACEY RESOURCES INC.</b>	
<b>SILVER PLATE GROUP</b>	
<b>MAGNETIC SURVEY-GRID 1</b>	
VICTORIA, B.C.	NTS 99
V. CUKOR, P. ENG. - NVC ENGINEERING LTD., VANCOUVER, B.C.	
Date: May, 1988	Scale: $\frac{1}{25000}$ 50 100 METRES Fig. 12

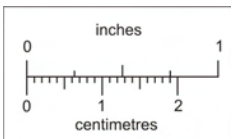


20W 19W 18W 17W 16W 15W 14W 13W 12W 11W 10W 9W 8W 7W 6W 5W 4W 3W 2W 1W 0

BASELINE  
L-12  
L-11  
L-10  
L-9  
L-8  
L-9  
L-6  
L-5  
L-4  
L-3  
L-2

**LEGEND**  
Values in gammas

-  200 gammas
-  0 - 200 gammas
-  -200 gammas



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

Apex Drafting Services

<b>GRACEY RESOURCES INC.</b>	
SILVER PLATE GROUP	
GEOCHEMICAL SURVEY PLAN	
<b>MAGNETIC SURVEY - GRID 2</b>	
VICTORIA and ALBERNI, M.D., B.C. <span style="float: right;">NTS 92C/15E</span>	
V. CUKOR, P. Eng. - NVC ENGINEERING Ltd. - VANCOUVER, B.C.	
DATE	May, 1988
SCALE	1" = 1000'
FIG	13

low to the north of it. The high corresponds closely with the outcrop pattern of the alkali basalts of the Sicker group (see fig. 5), and with the trend of the geological units in general.

Grid 2 shows a much weaker pattern. The general trends are NNW-SSE. The highs are generally linear and narrow. The highest and lowest values are part of a strong dipole. The dipole high, registering 785 gammas, is at L5, 675W and the low, -1,240 gammas is at L3, 600W.

### 6.3 VLF-EM SURVEY

The VLF-EM Survey displays several interesting anomalies on grid 1, see figs. 14 and 15. The Seattle survey shows several strong anomalies. Anomaly A is the strongest, running more than 1,000 metres in length. This parallels the magnetic signature. Anomaly B is in part coincident with anomalies 3 and 4 on the Hawaii plot. Anomaly C gives a very strong signature on lines L10, L11 and L13. Anomaly D is running at a small angle to the grid and is difficult to interpret, closer spaced lines are necessary. If indeed it runs as interpreted, it stretches nearly 1,500 metres.

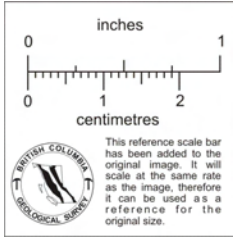
On the Hawaii plot, the strongest anomaly is the one labeled 1. It occurs roughly in the area of Seattle, Anomaly A. Anomaly 2 has a corresponding anomaly on Seattle (unlabeled). Anomalies 3 and 4 have been mentioned earlier.

There are several other shorter, unlabeled anomalies in the area of Anomalies 2 and 3. These occur on both stations and in the area of high magnetics. On the north side, these anomalies are truncated by the Rift Creek Fault (see fig. 5).

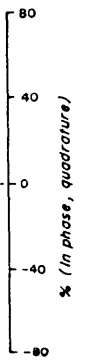
CLAIM BOUNDARY

10W 9W 8W 7W 6W 5W 4W 3W 2W 1W 0

L-1  
L-2  
L-3  
L-4  
L-5  
L-6  
L-7  
L-8  
L-9  
L-10  
L-11  
L-12  
L-13  
L-14  
L-15  
L-16  
L-17  
L-18  
L-19  
L-20



PROFILE SCALE



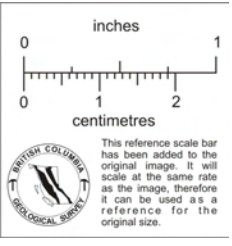
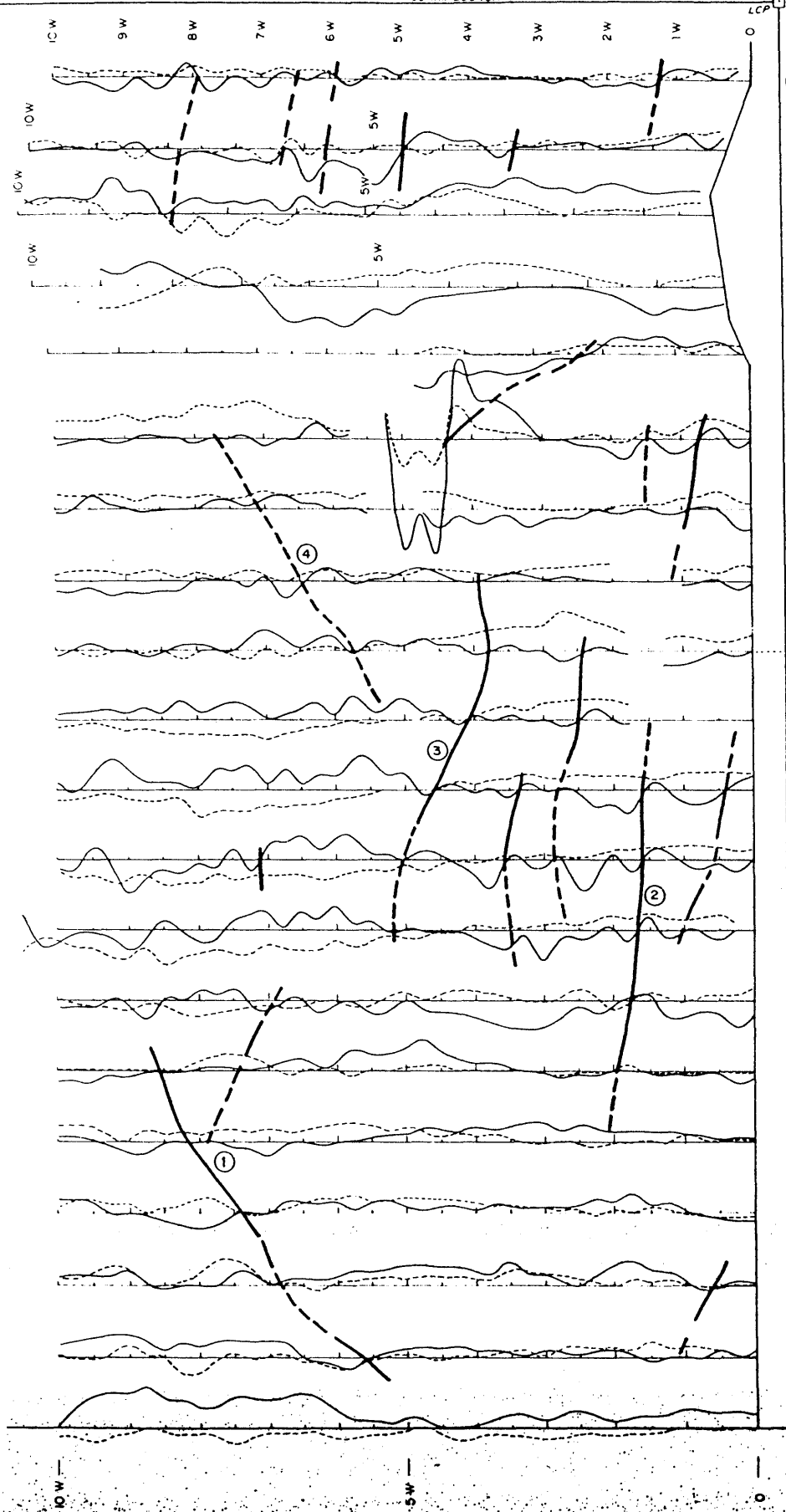
LEGEND

- In phase
- Quadrature
- Conductors
- Interpreted
- Assumed

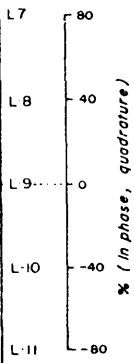


GRACEY RESOURCES INC.	
SILVER PLATE GROUP	
VLF SURVEY: SEATTLE PLOT-GRID 1	
VICTORIA, B.C.	NTS: 92
V. CUKOR; P.E.G. - NVC ENGINEERING LTD., VANCOUVER, B.C.	
Date: MAY, 1988	Scale: 0 50 100 METRES Fig. 14

CLAIM BOUNDARY

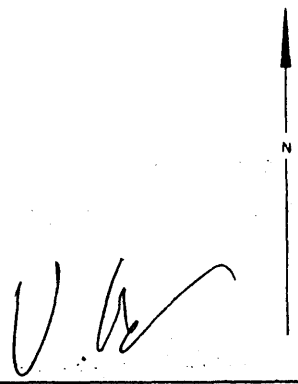


PROFILE SCALE

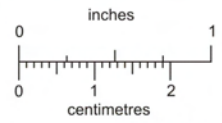


LEGEND

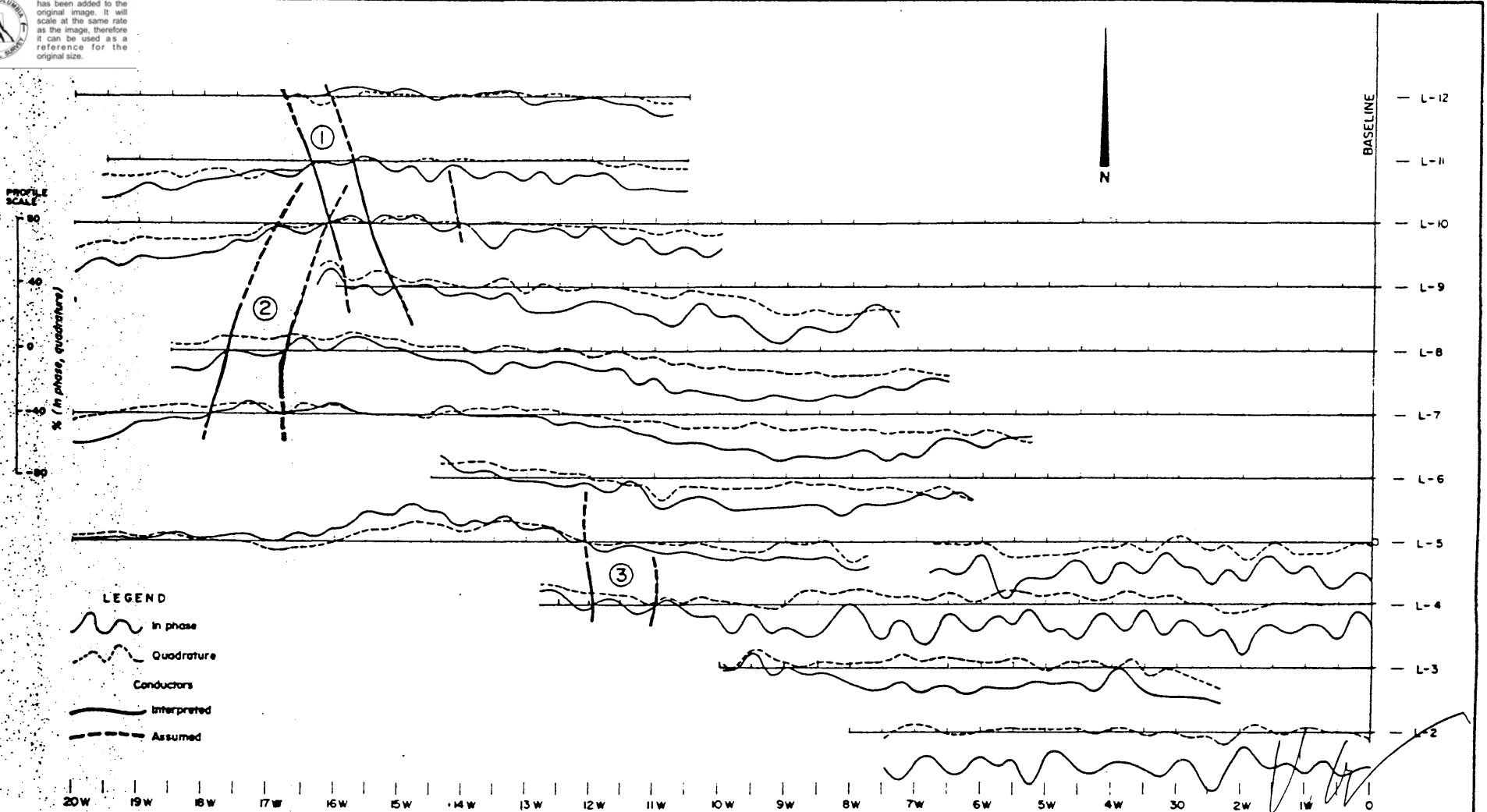
- In phase
- Quadrature
- Conductors
- Interpreted
- Assumed



**GRACEY RESOURCES INC.**  
**SILVER PLATE GROUP**  
**VLF SURVEY: HAWAII PLOT-GRID 1**  
 VICTORIA, B.C. HTS 92  
 V. KUKOR, P. Eng. - NVG ENGINEERING LTD., VANCOUVER, B.C.  
 Date: MAY, 1989. Scale: 1" = 50' 100 METRES Fig. 15

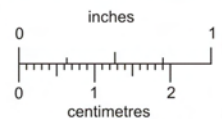


This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

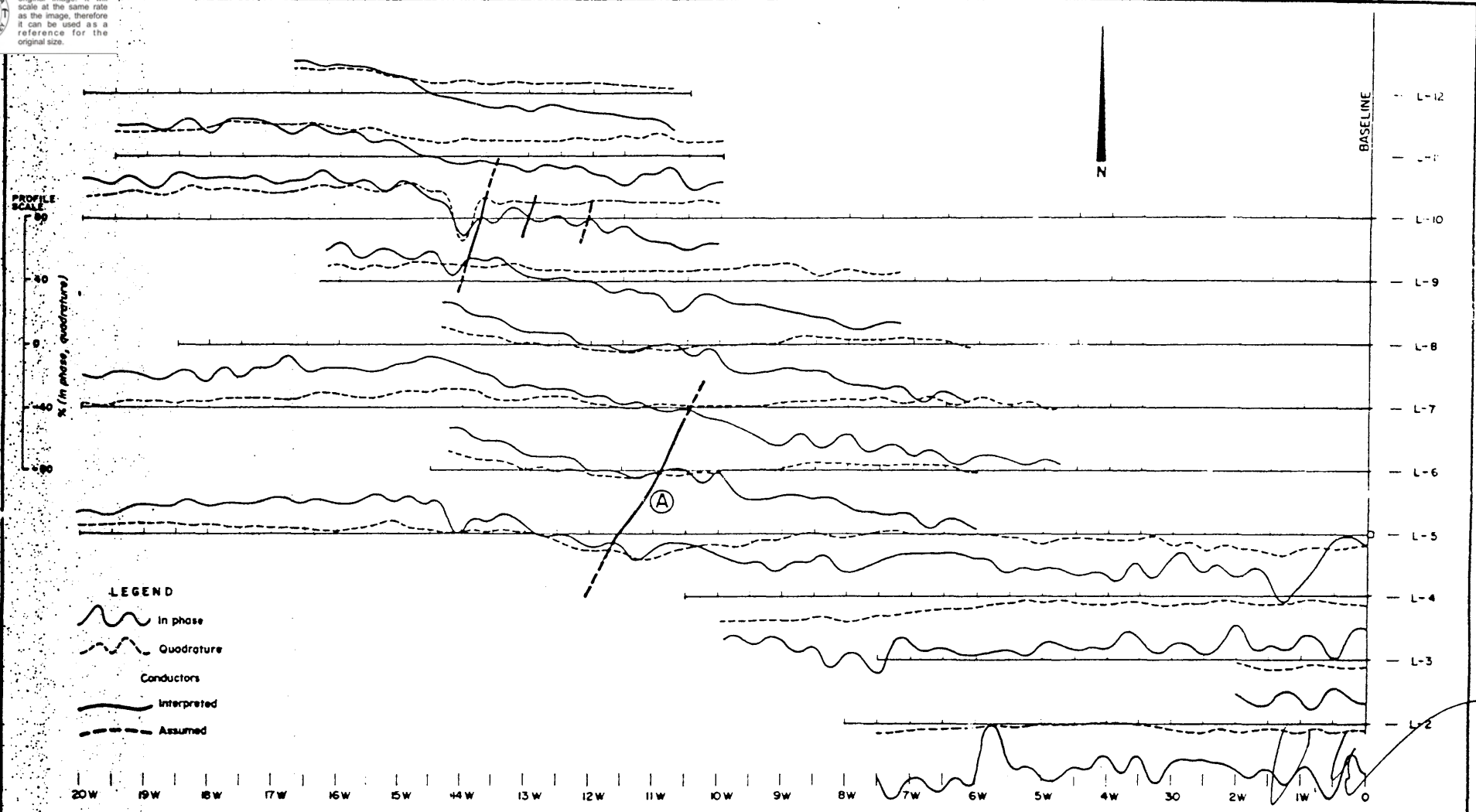


GRACEY RESOURCES INC.		
SILVER PLATE GROUP		
VLF SURVEY - HAWAII PLOT - GRID 2		
VICTORIA and ALBERNI, B.C.	NTS B2C/15E	
V. CUKOR, P. Eng. - NVC ENGINEERING Ltd. - VANCOUVER, B.C.		
DATE	May, 1988	SCALE $\frac{1}{25000}$
		FIG 16





This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.



PROFILE SCALE  
99  
40  
0  
40  
99  
% (in phase, quadrature)

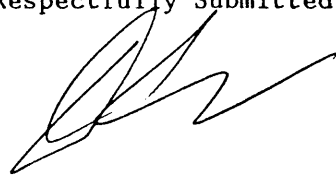
**LEGEND**  
 ~~~~~ In phase  
 - - - - - Quadrature  
 Conductors  
 ————— Interpreted  
 - - - - - Assumed

20W 19W 18W 17W 16W 15W 14W 13W 12W 11W 10W 9W 8W 7W 6W 5W 4W 3W 2W 1W 0

|                                                            |           |                       |
|------------------------------------------------------------|-----------|-----------------------|
| GRACEY RESOURCES INC.                                      |           |                       |
| SILVER PLATE GROUP                                         |           |                       |
| VLF SURVEY - SEATTLE PLOT - GRID 2                         |           |                       |
| VICTORIA and ALBERNI M.D., B.C.                            |           | WTS 92C/15E           |
| V. CUKOR, P. Eng. - NVC ENGINEERING Ltd. - VANCOUVER, B.C. |           |                       |
| DATE                                                       | May, 1988 | SCALE 0 50 100 meters |
|                                                            |           | FIG 17                |

Grid 2 contains comparably fewer anomalies. Anomaly A on Seattle stretches over a length of approximately 250 metres. Anomaly 1 on Hawaii, consisting of two parallel conductors separated by 75 metres, is over 300 metres in length and Anomaly B, also consisting of two parallel conductors, may be over 350 metres in length. Anomaly 2 may actually splay off Anomaly 1.

Respectfully Submitted



D. Cukor, Geologist



V. Cukor, P.Eng.

NVC ENGINEERING LTD.

May 1988



CERTIFICATE

I. VLADIMIR CUKOR, of 304 - 1720 Barclay Street in the City of Vancouver, Province of British Columbia, DO HEREBY CERTIFY that:

1. I am a Consulting Geological Engineer with NVC Engineering Ltd., with business address as above;
2. I graduated from the University of Zagreb, Yugoslavia in 1963 as a Graduated Geological Engineer;
3. I am a Registered Professional Engineer in the Geological Section of the Association of Professional engineers in the Province of British Columbia, Registration No. 7444;
4. I have practiced my profession as a Geological Engineer for the past 24 years in Europe, North America and South America in engineering geology, hydrogeology and exploration for base metals and precious metals;
5. I have supervised the work program on the St. Anthony, Silver Plate and Monte Casino claims;
6. I have no interest, direct or indirect, in the properties of Gracey Resources Inc;
7. I hereby consent to the use of this Report for the purpose of public financing.

May 1988

  
V. Cukor, P.Eng.  
NVC ENGINEERING LTD.

CERTIFICATE

I, DAMIR CUKOR, of 6108 McKee Street, Burnaby, British Columbia, DO HEREBY CERTIFY that:

1. I graduated from the University of British Columbia in 1984 as a Bachelor of Science in Geology;
2. Since 1983, I have been employed as a geologist with NVC ENGINEERING LTD.;
3. I have worked in the field of exploration geology and geophysics for 12 seasons and have held positions of responsibility since 1982;
4. I performed and/or executed work as documented in this Report;
5. I have no interest, direct or indirect, in the properties of Gracey Resources Inc.;
6. I hereby consent to the use of this Report for the purpose of public financing.



D. Cukor  
NVC ENGINEERING LTD.

May 1988

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- FYLES, J. T., 1955                      Geology of the Cowichan Lake Area, Vancouver Island, B.C., BCDM Bull. 37.
- GIBSON, H. L., 1987                      Geophysical Report; 1652 Combined VLF Magnetometer and Induced Polarization Surveys on the Heather Option of Canarim Resources. Assessment Report 15206.
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- WAHL, H., 1987                          Evaluation Report on the Logan Mineral claims for Ruza Resources. (Private File.)
- BCDM Mineral Inventory Maps 92C, 92F and Minfile.
- Open File 1987-2:                      Geology of the Cowichan Lake Area, Vancouver Island, B.C. Department of Mines.

APPENDIX 1

DESCRIPTION OF ROCK SAMPLES

## DESCRIPTIONS OF ROCK SAMPLES

| <u>Sample No.</u> | <u>Description</u>                                                                                                                                             |
|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1901              | - Irregular calc-silicate stringers in green silicified basalt with fine, euhedral disseminated pyrite.<br>- Rock chip sample.                                 |
| 1902              | - Irregular calc-silicate stringers in basalt with fine disseminated pyrite (5-10%).<br>- Rock chip sample.                                                    |
| 1903              | - Silicified basalt with fine euhedral disseminated pyrite (10%).<br>- Rock chip sample.                                                                       |
| 1904              | - Silicified shear with quartz vein and occasional hematite in medium grained gabbro.<br>- Rock chip sample.                                                   |
| 1905              | - Similar to previous sample.                                                                                                                                  |
| 1906              | - Same as sample 1904.                                                                                                                                         |
| 1907              | - Silicified shear zone in chlorite-amphibolite schist - no apparent mineralization.<br>- Character rock chip sample.                                          |
| 1908              | - Minor disseminated pyrite in fine grained basalt.                                                                                                            |
| 1909              | - Calc silicate vein 20-30 cm thick with fine disseminated pyrite-chalcopyrite (stained by malachite) in fine to medium grained basalt.<br>- Rock chip sample. |

Sample No.Description

- 1910 - Sheared quartz vein with rolled sulphide stringers containing pyrite, chalcopyrite malachite and bornite, in light green, brecciated basalt.  
- Chip sample of vein (10 cm).
- 1911 - The same as 1910.  
- Chip sample of silicified hangingwall material (1.0 metres).
- 1912 - The same as 1910.  
- Chip sample of silicified hangingwall material (1.0 metres).
- 1913 - White quartz vein material with solution cavities containing druzy crystalline quartz.  
- Coarse euhedral pyrite replaced by chalcopyrite.  
- Grab sample of localized float.
- 1914 - Fine euhedral disseminated pyrite in light greenish grey fine to medium grained siliceous diorite.  
- Rock chip sample.
- 1915 - Gossanous massive sulphide stringer (10-12 cm wide) in dark green fine chloritized volcanics.  
- Rock chip sample.
- 1916 - Fine fracture controlled pyrite parallel to retrograded shear in well fractured, dark green chloritized volcanics.  
- Rock chip sample.

Sample No.Description

- 1917 - Fine fracture controlled pyrite parallel to retrograded shear in well fractured, dark green chloritized volcanics.  
- Rock chip sample.
- 1918 - Fine fracture controlled pyrite parallel to retrograded shear in well fractured, dark green chloritized volcanics.  
- Rock chip sample.
- 1919 - White quartz vein material with stringers of chlorite and epidote.  
- Grab sample of float.
- 1920 - Well fractured dark green chloritized volcanics.  
- Rock chip sample.
- 1921 - Well fractured dark green chloritized volcanics with fine disseminated pyrite.  
- Rock chip sample.
- 1922 - Well fractured dark green chloritized volcanics, oxidized with fine disseminated pyrite.  
- Rock chip sample.
- 1923 - Light green fine silicified crystal tuff or marginal phase of intrusive diorite, well oxidized (gossanous) chloritized shear.  
- Hematite after pyrite.  
- Rock chip sample.

Sample No.Description

- 1924 - Graphitic quartz stringer (approx. 20 cm thick) containing subangular fragments of altered granite in granite.
- Medium to fine disseminated pyrite.
- Rock chip sample.
- 1925 - Irregular silicified stringer containing epidote in light green chloritized basalt with fine to medium irregular fracture controlled pyrite, chalcopyrite with secondary bornite at fracture intersections.
- Rock chip sample.
- 1926 - Similar to 1925 (fine to medium irregular fracture controlled pyrite, chalcopyrite with secondary bornite at fracture intersections).
- Rock chip sample.
- 1927 - Similar to 1925, silicified stringer (fine to medium irregular fracture controlled pyrite, chalcopyrite with secondary bornite at fracture intersections).
- Rock chip sample.
- 1928 - Small (3 cm) quartz vein and associated stringer containing coarse euhedral pyrite in dark green chloritized basalt.
- Rock chip sample.
- 1919 - Malachite epidote in fractured chloritized basalt.
- Rock chip sample.
- 1930 - Malachite epidote in dark green fine chloritized basalt.
- Rock chip sample.



| <u>Sample No.</u> | <u>Description</u>                                                                                                                                                                                                                    |
|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1931-1939         | - Coarse sulphide silicified stringers, gossanous abundant fractures in large shear zone.<br>- Grab samples of gouge material.                                                                                                        |
| 1940-43           | - Irregular masses of coarse euhedral pyrite along sheared fractures in alkali granite.<br>- Rock chip sample.                                                                                                                        |
| 1944              | - Massive sulphide, fine tetrahedrite with wispy stringers and irregular blebs of anhedral pyrite.<br>- Grab sample of float exposed in road bed.                                                                                     |
| 1945              | - Light green medium to fine chloritized basalt, pyritized.<br>- Rock chip sample.                                                                                                                                                    |
| 1946-1950         | - Large quartz vein approximately 50 cm wide, exposed for 10 metres in creek bed with fine disseminated pyrite and massive sulphide pyrite, tetrahedrite and chalcopyrite in chloritized diorite.<br>- Rock chip samples along veins. |
| 1952              | - Sample from the silver showing.                                                                                                                                                                                                     |
| 1953              | - SP1 quartz vein containing pyrite.                                                                                                                                                                                                  |
| 1954              | - SP sample with abundant pyrite.                                                                                                                                                                                                     |
| 1955              | - St. Anthony 002 silicified oxydized rock.                                                                                                                                                                                           |

ASSAY CERTIFICATES

**CERTIFICATE OF ASSAY**

Date: May 3, 1988

File: 8804-2954



**SGS SUPERVISION SERVICES INC.**  
General Testing Laboratories Division

1001 East Pender Street,  
Vancouver, B.C., Canada. V6A 1W2  
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Telex: 04-507514

TO: N.V.C. ENGINEERING LTD.  
Ste. 304 - 1720 Barclay Street  
Vancouver, B.C.  
V6G 2Y1

We hereby certify that the following are the results of assays on: **Ore**

| MARKED | GOLD  | SILVER | XXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX |
|--------|-------|--------|--------|------------|------------|------------|------------|------------|
|        | oz/st | oz/st  |        |            |            |            |            |            |
| 1901   | 0.002 | 0.08   |        |            |            |            |            |            |
| 1902   | 0.002 | 0.05   |        |            |            |            |            |            |
| 1903   | 0.002 | 0.03   |        |            |            |            |            |            |
| 1904   | 0.055 | 0.16   |        |            |            |            |            |            |
| 1905   | 0.002 | 0.05   |        |            |            |            |            |            |
| 1906   | 0.003 | 0.03   |        |            |            |            |            |            |
| 1907   | 0.003 | 0.05   |        |            |            |            |            |            |
| 1908   | 0.005 | 0.03   |        |            |            |            |            |            |
| 1909   | 0.002 | 0.08   |        |            |            |            |            |            |

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*L. Wong*

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**Analytical and Consulting Chemists, Bulk Cargo Specialists, Surveyors, Inspectors, Samplers, Weighers**

MEMBER: American Society For Testing Materials • The American Oil Chemists Society • Canadian Testing Association  
REFEREE AND OR OFFICIAL CHEMISTS FOR: National Institute of Oilseed Products • The American Oil Chemists Society  
OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade

**CERTIFICATE OF ASSAY**

Date: May 16, 1988

File: 8805-1050



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Ste. 304 - 1720 Barclay Street  
Vancouver, B.C.  
V6G 2Y1

We hereby certify that the following are the results of assays on: Ore

| MARKED | GOLD  | SILVER | XXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX |
|--------|-------|--------|----------|------------|------------|------------|------------|------------|
|        | oz/st | oz/st  |          |            |            |            |            |            |
| 1910   | 0.006 | 0.20   |          |            |            |            |            |            |
| 1911   | 0.002 | 0.12   |          |            |            |            |            |            |
| 1912   | 0.002 | 0.03   |          |            |            |            |            |            |
| 1913   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1914   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1915   | 0.004 | 0.08   |          |            |            |            |            |            |
| 1916   | 0.002 | 0.05   |          |            |            |            |            |            |
| 1917   | 0.005 | 0.05   |          |            |            |            |            |            |
| 1918   | 0.002 | 0.03   |          |            |            |            |            |            |
| 1919   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1920   | 0.005 | 0.09   |          |            |            |            |            |            |
| 1921   | 0.006 | 0.08   |          |            |            |            |            |            |
| 1922   | 0.004 | 0.02   |          |            |            |            |            |            |
| 1923   | 0.010 | 0.05   |          |            |            |            |            |            |
| 1924   | 0.016 | 0.06   |          |            |            |            |            |            |
| 1925   | 0.004 | 0.08   |          |            |            |            |            |            |
| 1926   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1927   | 0.004 | 0.05   |          |            |            |            |            |            |
| 1928   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1929   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1930   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1931   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1932   | 0.005 | 0.05   |          |            |            |            |            |            |
| 1933   | 0.002 | 0.06   |          |            |            |            |            |            |
| 1934   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1935   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1936   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1937   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1938   | 0.004 | 0.02   |          |            |            |            |            |            |
| 1939   | 0.002 | 0.05   |          |            |            |            |            |            |
| 1940   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1941   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1942   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1943   | 0.002 | 0.02   |          |            |            |            |            |            |
| 1944   | 0.006 | 0.05   |          |            |            |            |            |            |
| 1945   | 0.010 | 0.05   |          |            |            |            |            |            |

note: all gold run as recoveries

continued on page 2 .....

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L. Wong  
PROVINCIAL ASSAYER

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OFFICIAL WEIGHMASTERS FOR: Vancouver Board of Trade

**CERTIFICATE OF ASSAY**

Date: May 16, 1988

File: 8805-1050



**SGS SUPERVISION SERVICES INC.**

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Telephone: (604) 254-1647  
Telex: 04-507514

TO: N.V.C. ENGINEERING LTD.

( page 2 )

We hereby certify that the following are the results of assays on: Ore

| MARKED | GOLD  | SILVER | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX |
|--------|-------|--------|------------|------------|------------|------------|------------|------------|
|        | oz/st | oz/st  |            |            |            |            |            |            |
| 1946   | 0.006 | 0.10   |            |            |            |            |            |            |
| 1947   | 0.002 | 0.02   |            |            |            |            |            |            |
| 1948   | 0.002 | 0.02   |            |            |            |            |            |            |
| 1949   | 0.002 | 0.02   |            |            |            |            |            |            |
| 1950   | 0.002 | 0.02   |            |            |            |            |            |            |
| 1951   | 0.002 | 0.02   |            |            |            |            |            |            |

note: all gold run as rechecks

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OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade

**CERTIFICATE OF ASSAY**

Date: May 12, 1988

File: 8805-1050



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Vancouver, B.C.  
V6G 2Y1

We hereby certify that the following are the results of assays on: **Ore**

| MARKED        | GOLD  |  | SILVER |  | XXXXXXXX | XXXXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXXXX | XXXXXXXXXXXX | XXXXXXXXXXXX |
|---------------|-------|--|--------|--|----------|--------------|------------|--------------|--------------|--------------|
|               | oz/st |  |        |  |          |              |            |              |              |              |
| JWSA 001 1910 | 0.007 |  |        |  |          |              |            |              |              |              |
| 002 1911      | 0.002 |  |        |  |          |              |            |              |              |              |
| 003 1912      | 0.002 |  |        |  |          |              |            |              |              |              |
| 004 1913      | 0.002 |  |        |  |          |              |            |              |              |              |
| 005 1914      | 0.002 |  |        |  |          |              |            |              |              |              |
| 006 1915      | 0.004 |  |        |  |          |              |            |              |              |              |
| 007 1916      | 0.002 |  |        |  |          |              |            |              |              |              |
| 008 1917      | 0.005 |  |        |  |          |              |            |              |              |              |
| 009 1918      | 0.002 |  |        |  |          |              |            |              |              |              |
| 010 1919      | 0.002 |  |        |  |          |              |            |              |              |              |
| 011 1920      | 0.002 |  |        |  |          |              |            |              |              |              |
| 012 1921      | 0.006 |  |        |  |          |              |            |              |              |              |
| 013 1922      | 0.004 |  |        |  |          |              |            |              |              |              |
| 014 1923      | 0.011 |  |        |  |          |              |            |              |              |              |
| 015 1924      | 0.025 |  |        |  |          |              |            |              |              |              |
| 016 1925      | 0.005 |  |        |  |          |              |            |              |              |              |
| 017 1926      | 0.002 |  |        |  |          |              |            |              |              |              |
| 018 1927      | 0.005 |  |        |  |          |              |            |              |              |              |
| 019 1928      | 0.002 |  |        |  |          |              |            |              |              |              |
| 020 1929      | 0.002 |  |        |  |          |              |            |              |              |              |
| 021 1930      | 0.002 |  |        |  |          |              |            |              |              |              |
| 023 1932      | 0.005 |  |        |  |          |              |            |              |              |              |
| 024 1933      | 0.004 |  |        |  |          |              |            |              |              |              |
| 025 1934      | 0.002 |  |        |  |          |              |            |              |              |              |
| 026 1935      | 0.002 |  |        |  |          |              |            |              |              |              |
| 027 1936      | 0.002 |  |        |  |          |              |            |              |              |              |
| 028 1927      | 0.002 |  |        |  |          |              |            |              |              |              |
| 029 1938      | 0.002 |  |        |  |          |              |            |              |              |              |
| 030 1939      | 0.004 |  |        |  |          |              |            |              |              |              |
| 031 1940      | 0.002 |  |        |  |          |              |            |              |              |              |
| 032 1941      | 0.002 |  |        |  |          |              |            |              |              |              |
| 033 1942      | 0.002 |  |        |  |          |              |            |              |              |              |
| 034 1943      | 0.002 |  |        |  |          |              |            |              |              |              |
| 035 1944      | 0.011 |  |        |  |          |              |            |              |              |              |
| 036 1945      | 0.012 |  |        |  |          |              |            |              |              |              |
| 037 1946      | 0.006 |  |        |  |          |              |            |              |              |              |
| 022 1931      | 0.002 |  |        |  |          |              |            |              |              |              |

/ continued on page 2 ...

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**L. Wong**  
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OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade

**CERTIFICATE OF ASSAY**

Date: May 12, 1988

File: 8805-1050



**SGS SUPERVISION SERVICES INC.**

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TO: N.V.C. ENGINEERING LTD.

( page 2 )

We hereby certify that the following are the results of assays on: **Ore**

| MARKED        | GOLD  | SILVER | XXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX |
|---------------|-------|--------|----------|------------|------------|------------|------------|------------|
|               | oz/st |        |          |            |            |            |            |            |
| JWSA 038 1947 | 0.002 |        |          |            |            |            |            |            |
| 039 1948      | 0.002 |        |          |            |            |            |            |            |
| 040 1949      | 0.002 |        |          |            |            |            |            |            |
| 041 1950      | 0.002 |        |          |            |            |            |            |            |
| 042 1951      | 0.002 |        |          |            |            |            |            |            |

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**CERTIFICATE OF ASSAY**

Date: December 23, 1987

File: 8711-2553



**SGS SUPERVISION SERVICES INC.**

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TO: N.V.C. ENGINEERING LTD.  
304 - 1720 Barclay Street  
Vancouver, B.C.  
V6G 2Y1

We hereby certify that the following are the results of assays on: soil samples

| MARKED         | GOLD     |         | SILVER  | Copper   |  |  |  |  |
|----------------|----------|---------|---------|----------|--|--|--|--|
|                | Au (ppm) | Ag(ppm) | Ag(ppm) | Cu (ppm) |  |  |  |  |
| G1-L#1 8+50 W  | 0.02     | 0.5     |         | 21       |  |  |  |  |
| 9+00           | 0.02     | 0.2     |         | 6        |  |  |  |  |
| 9+50           | 0.02     | 0.3     |         | 14       |  |  |  |  |
| 10+00          | 12.2     | 0.5     |         | 34       |  |  |  |  |
| G1-L#2 3+00 W  | 108.0    | 1.0     |         | 37       |  |  |  |  |
| 8+50           | 128.1    | 1.7     |         | 23       |  |  |  |  |
| 9+00           | 3.4      | 1.0     |         | 47       |  |  |  |  |
| 10+00          | 0.07     | 0.3     |         | 28       |  |  |  |  |
| G1-L#11 0+50 W | 0.09     | 0.3     |         | 23       |  |  |  |  |
| 1+00           | 3.3      | 0.5     |         | 27       |  |  |  |  |
| 1+50           | 1.4      | 0.3     |         | 22       |  |  |  |  |
| 2+00           | 10.3     | 1.0     |         | 57       |  |  |  |  |
| 2+50           | 0.15     | 0.5     |         | 16       |  |  |  |  |
| 3+00           | 3.8      | 0.7     |         | 59       |  |  |  |  |
| 3+50           | 0.14     | 0.3     |         | 41       |  |  |  |  |
| 4+50           | 0.03     | 0.5     |         | 57       |  |  |  |  |
| 5+00           | 0.83     | 0.5     |         | 72       |  |  |  |  |
| 6+50           | 2.4      | 0.5     |         | 56       |  |  |  |  |
| 7+00           | 1.8      | 0.7     |         | 79       |  |  |  |  |
| 7+50           | 0.18     | 1.0     |         | 178      |  |  |  |  |
| 8+00           | 4.3      | 1.0     |         | 71       |  |  |  |  |
| 8+50           | 2.0      | 0.8     |         | 39       |  |  |  |  |
| 9+00           | 0.11     | 0.5     |         | 48       |  |  |  |  |
| 9+50           | 0.06     | 0.5     |         | 41       |  |  |  |  |
| 10+00          | 2.2      | 1.0     |         | 42       |  |  |  |  |
| G1-L#12 1+00 W | 4.8      | 0.2     |         | 6        |  |  |  |  |
| 1+50           | 0.12     | 0.7     |         | 39       |  |  |  |  |
| 2+00           | 0.8      | 0.2     |         | 7        |  |  |  |  |
| 3+00           | 0.04     | 0.2     |         | 15       |  |  |  |  |
| 3+50           | 0.03     | 0.2     |         | 16       |  |  |  |  |
| 4+00           | 0.03     | 0.8     |         | 39       |  |  |  |  |
| 4+50           | 0.03     | 0.7     |         | 23       |  |  |  |  |
| 5+00           | 0.02     | 1.0     |         | 62       |  |  |  |  |
| 6+00           | 0.02     | 0.5     |         | 31       |  |  |  |  |
| 6+50           | 0.65     | 0.7     |         | 47       |  |  |  |  |

/ continued on page 2 .....

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**CERTIFICATE OF ASSAY**

Date: December 23, 1987



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Telex: 04-507514

File: 8711-2553

TO: N.V.C. ENGINEERING

( page 2 )

We hereby certify that the following are the results of assays on: soil samples

| MARKED  |        | GOLD    | SILVER  | Copper   |  |  |  |  |
|---------|--------|---------|---------|----------|--|--|--|--|
|         |        | Au(ppm) | Ag(ppm) | Cu (ppm) |  |  |  |  |
| G1-L#12 | 7+00 W | 0.02    | 0.5     | 37       |  |  |  |  |
|         | 7+50   | 0.11    | 0.3     | 16       |  |  |  |  |
|         | 8+00   | 0.04    | 0.5     | 20       |  |  |  |  |
|         | 8+50   | 0.02    | 0.8     | 44       |  |  |  |  |
|         | 9+00   | 0.02    | 0.7     | 32       |  |  |  |  |
|         | 9+50   | 0.02    | 1.0     | 45       |  |  |  |  |
|         | 10+00  | 0.02    | 0.7     | 32       |  |  |  |  |
| G1-L#13 | 0+50 W | 0.07    | 0.7     | 26       |  |  |  |  |
|         | 1+00   | 0.03    | 0.3     | 66       |  |  |  |  |
|         | 1+50   | 0.72    | 0.2     | 12       |  |  |  |  |
|         | 2+00   | 0.02    | 0.5     | 35       |  |  |  |  |
|         | 3+00   | 0.02    | 0.3     | 29       |  |  |  |  |
|         | 3+50   | 0.09    | 0.7     | 71       |  |  |  |  |
|         | 4+00   | 0.09    | 0.2     | 15       |  |  |  |  |
|         | 4+50   | 0.12    | 0.3     | 30       |  |  |  |  |
|         | 5+50   | 0.12    | 0.5     | 80       |  |  |  |  |
|         | 6+00   | 0.03    | 0.3     | 15       |  |  |  |  |
|         | 6+50   | 0.02    | 0.7     | 54       |  |  |  |  |
|         | 7+00   | 0.02    | 0.5     | 54       |  |  |  |  |
|         | 7+50   | 0.07    | 0.3     | 20       |  |  |  |  |
|         | 8+00   | 0.12    | 0.3     | 18       |  |  |  |  |
| 8+50    | 0.08   | 6.3     | 38      |          |  |  |  |  |
| 9+00    | 0.18   | 0.8     | 16      |          |  |  |  |  |
| 9+25    | 0.02   | 1.5     | 43      |          |  |  |  |  |
| G1-L#14 | 1+00 W | 0.32    | 0.8     | 23       |  |  |  |  |
|         | 1+50   | 0.02    | 0.3     | 39       |  |  |  |  |
|         | 2+00   | 0.02    | 1.0     | 23       |  |  |  |  |
|         | 2+50   | 0.02    | 0.5     | 23       |  |  |  |  |
|         | 4+50   | 0.02    | 1.3     | 31       |  |  |  |  |
|         | 5+00   | 0.04    | 0.8     | 41       |  |  |  |  |
|         | 5+50   | 0.02    | 1.0     | 31       |  |  |  |  |
|         | 6+00   | 0.09    | 1.0     | 38       |  |  |  |  |
|         | 6+50   | 0.03    | 1.8     | 204      |  |  |  |  |
|         | 7+00   | 0.02    | 1.7     | 37       |  |  |  |  |
| 7+50    | 0.02   | 0.8     | 49      |          |  |  |  |  |

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NOTE: REJECTS RETAINED ONE MONTH PULPS RETAINED THREE MONTHS ON REQUEST PULPS AND REJECTS WILL BE STORE FOR A MAXIMUM OF ONE YEAR

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L Wong  
PROVINCIAL ASSAYER

**Analytical and Consulting Chemists, Bulk Cargo Specialists, Surveyors, Inspectors, Samplers, Weighers**

MEMBER: American Society For Testing Materials • The American Oil Chemists Society • Canadian Testing Association  
REFEREE AND/OR OFFICIAL CHEMISTS FOR: National Institute of Oilseed Products • The American Oil Chemists Society  
OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade

**CERTIFICATE OF ASSAY**

Date: December 23, 1987

File: 8711-2553



**SGS SUPERVISION SERVICES INC.**

General Testing Laboratories Division

1001 East Pender Street,  
Vancouver, B.C., Canada. V6A 1W2  
Telephone: (604) 254-1647  
Telex: 04-507514

TO: N.V.C. ENGINEERING LTD.  
Ste. 304 - 1720 Barclay Street  
Vancouver, B.C.

( page 3 )

We hereby certify that the following are the results of assays on: soil samples

| MARKED  | GOLD     |          | SILVER | Copper   | xxxxxx | xxxxxxxxxx | xxxxxxxxxx | xxxxxxxxxx | xxxxxx |
|---------|----------|----------|--------|----------|--------|------------|------------|------------|--------|
|         | Au (ppm) | Ag (ppm) |        | Cu (ppm) |        |            |            |            |        |
| G1-L#14 | 8+00 W   | 0.10     | 1.2    | 28       |        |            |            |            |        |
|         | 8+50     | 0.02     | 1.0    | 39       |        |            |            |            |        |
|         | 9+00     | 0.08     | 1.2    | 35       |        |            |            |            |        |
|         | 9+50     | 0.14     | 0.7    | 12       |        |            |            |            |        |
|         | 10+00    | 0.02     | 1.0    | 26       |        |            |            |            |        |
| G1-L#15 | 0+50 W   | 0.05     | 1.2    | 34       |        |            |            |            |        |
|         | 1+00     | 0.03     | 0.7    | 126      |        |            |            |            |        |
|         | 1+50     | 0.02     | 1.0    | 67       |        |            |            |            |        |
|         | 2+00     | 0.02     | 1.0    | 33       |        |            |            |            |        |
|         | 2+50     | 0.02     | 1.7    | 55       |        |            |            |            |        |
|         | 3+00     | 0.02     | 1.2    | 79       |        |            |            |            |        |
|         | 3+50     | 0.02     | 1.3    | 49       |        |            |            |            |        |
|         | 4+00     | 0.02     | 1.0    | 65       |        |            |            |            |        |
|         | 4+50     | 0.02     | 1.0    | 53       |        |            |            |            |        |
|         | 5+00     | 0.03     | 0.7    | 24       |        |            |            |            |        |
|         | 5+50     | 0.08     | 1.2    | 33       |        |            |            |            |        |
|         | 6+00     | 0.02     | 1.0    | 39       |        |            |            |            |        |
|         | 6+50     | 0.02     | 0.3    | 4        |        |            |            |            |        |
|         | 7+00     | 0.03     | 0.3    | 6        |        |            |            |            |        |
|         | 8+00     | 0.02     | 0.8    | 26       |        |            |            |            |        |
|         | 8+50     | 0.02     | 1.2    | 11       |        |            |            |            |        |
|         | 9+00     | 0.02     | 0.5    | 13       |        |            |            |            |        |
|         | 10+00    | 0.02     | 1.0    | 14       |        |            |            |            |        |
| G1-L#16 | 0+50 W   | 0.06     | 1.7    | 88       |        |            |            |            |        |
|         | 1+00     | 0.03     | 1.5    | 113      |        |            |            |            |        |
|         | 1+50     | 0.02     | 2.3    | 50       |        |            |            |            |        |
|         | 2+00     | 0.02     | 2.0    | 57       |        |            |            |            |        |
|         | 2+50     | 0.02     | 2.5    | 85       |        |            |            |            |        |
|         | 3+00     | 0.02     | 1.3    | 75       |        |            |            |            |        |
|         | 3+50     | 0.02     | 1.2    | 82       |        |            |            |            |        |
|         | 5+00     | 0.02     | 0.9    | 28       |        |            |            |            |        |
|         | 5+50     | 0.10     | 0.8    | 18       |        |            |            |            |        |
|         | 6+00     | 0.02     | 1.0    | 32       |        |            |            |            |        |
|         | 6+50     | 0.02     | 0.6    | 14       |        |            |            |            |        |
|         | 7+00     | 0.02     | 0.6    | 13       |        |            |            |            |        |
|         | 7+50     | 0.02     | 0.7    | 31       |        |            |            |            |        |

/ continued on page 4 .....

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OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade

# CERTIFICATE OF ASSAY

Date: December 23, 1987

File: 8711-2553



**SGS SUPERVISION SERVICES INC.**

General Testing Laboratories Division

1001 East Pender Street,  
Vancouver, B.C., Canada. V6A 1W2  
Telephone: (604) 254-1647  
Telex: 04-507514

TO: N.V.C. ENGINEERING LTD.

( page 4 )

We hereby certify that the following are the results of assays on: soil samples

| MARKED  |        | GOLD     | SILVER   | Copper   | xxxxxxx | xxxxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx |
|---------|--------|----------|----------|----------|---------|-----------|-------------|-------------|
|         |        | Au (ppm) | Ag (ppm) | Cu (ppm) |         |           |             |             |
| G1-L#16 | 8+00 W | 0.02     | 0.1      | 9        |         |           |             |             |
|         | 8+50   | 0.12     | 0.4      | 21       |         |           |             |             |
|         | 9+00   | 0.02     | 0.2      | 26       |         |           |             |             |
|         | 9+50   | 0.02     | 0.8      | 43       |         |           |             |             |
| G1-L#17 | 0+50 W | 0.04     | 0.6      | 75       |         |           |             |             |
|         | 2+00   | 0.09     | 1.1      | 72       |         |           |             |             |
|         | 2+50   | 0.02     | 0.7      | 80       |         |           |             |             |
|         | 3+00   | 0.03     | 0.6      | 55       |         |           |             |             |
|         | 3+50   | 0.02     | 0.7      | 32       |         |           |             |             |
|         | 4+00   | 0.02     | 0.2      | 13       |         |           |             |             |
|         | 4+50   | 0.03     | 0.1      | 2        |         |           |             |             |
|         | 5+00   | 0.02     | 0.6      | 16       |         |           |             |             |
|         | 5+50   | 0.03     | 0.7      | 29       |         |           |             |             |
|         | 6+00   | 0.03     | 0.4      | 12       |         |           |             |             |
|         | 6+50   | 0.02     | 0.6      | 38       |         |           |             |             |
|         | 7+00   | 0.02     | 0.7      | 30       |         |           |             |             |
|         | 8+50   | 0.13     | 0.6      | 14       |         |           |             |             |
| 9+00    | 0.05   | 0.9      | 25       |          |         |           |             |             |
| 9+50    | 0.04   | 0.8      | 58       |          |         |           |             |             |
| 10+00   | 0.02   | 1.0      | 52       |          |         |           |             |             |
| G1-L#18 | 0+50 W | 0.03     | 0.9      | 124      |         |           |             |             |
|         | 1+00   | 0.05     | 0.9      | 50       |         |           |             |             |
|         | 1+50   | 0.04     | 0.6      | 49       |         |           |             |             |
|         | 2+00   | 0.04     | 0.7      | 32       |         |           |             |             |
|         | 2+50   | 0.02     | 0.7      | 27       |         |           |             |             |
|         | 3+00   | 0.02     | 0.8      | 10       |         |           |             |             |
|         | 3+50   | 0.02     | 1.0      | 179      |         |           |             |             |
|         | 4+00   | 0.02     | 0.8      | 25       |         |           |             |             |
|         | 4+50   | 0.02     | 0.2      | 37       |         |           |             |             |
|         | 5+00   | 0.02     | 0.4      | 15       |         |           |             |             |
|         | 5+50   | 0.02     | 1.1      | 30       |         |           |             |             |
|         | 6+00   | 0.02     | 0.7      | 9        |         |           |             |             |
|         | 8+50   | 0.02     | 0.6      | 21       |         |           |             |             |
| 9+00    | 0.03   | 0.7      | 27       |          |         |           |             |             |
| 9+50    | 0.04   | 0.3      | 43       |          |         |           |             |             |
| 10+00   | 0.03   | 0.7      | 64       |          |         |           |             |             |

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OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade

**CERTIFICATE OF ASSAY**

Date: December 23, 1987

File: 8711-2553



**SGS SUPERVISION SERVICES INC.**  
General Testing Laboratories Division

1001 East Pender Street,  
Vancouver, B.C., Canada. V6A 1W2  
Telephone: (604) 254-1647  
Telex: 04-507514

TO: N.V.C. ENGINEERING LTD.

( page 5 )

We hereby certify that the following are the results of assays on: soil samples

| MARKED  | GOLD     |          | SILVER | Copper   | xxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx |
|---------|----------|----------|--------|----------|---------|-------------|-------------|-------------|
|         | Au (ppm) | Ag (ppm) |        | Cu (ppm) |         |             |             |             |
| G1-L#19 | 0+50 W   | 0.02     | 0.9    | 74       |         |             |             |             |
|         | 1+00     | 0.04     | 1.2    | 48       |         |             |             |             |
|         | 1+50     | 0.02     | 0.4    | 28       |         |             |             |             |
|         | 2+00     | 0.16     | 0.3    | 12       |         |             |             |             |
|         | 2+50     | 0.02     | 0.3    | 31       |         |             |             |             |
|         | 3+00     | 0.16     | 0.6    | 40       |         |             |             |             |
|         | 3+50     | 0.04     | 0.1    | 9        |         |             |             |             |
|         | 4+00     | 0.03     | 1.0    | 13       |         |             |             |             |
|         | 4+50     | 0.04     | 1.5    | 19       |         |             |             |             |
|         | 5+00     | 0.04     | 1.2    | 26       |         |             |             |             |
|         | 5+50     | 0.04     | 0.3    | 8        |         |             |             |             |
|         | 6+00     | 0.03     | 1.0    | 21       |         |             |             |             |
|         | 6+50     | 0.03     | 0.7    | 9        |         |             |             |             |
|         | 7+50     | 0.02     | 1.3    | 22       |         |             |             |             |
|         | 8+00     | 0.03     | 1.5    | 40       |         |             |             |             |
|         | 8+50     | 0.03     | 1.8    | 63       |         |             |             |             |
|         | 9+00     | 0.11     | 1.2    | 52       |         |             |             |             |
|         | 9+50     | 0.02     | 0.9    | 29       |         |             |             |             |
|         | 10+00    | 0.02     | 1.1    | 30       |         |             |             |             |
| G1-L#20 | 0+50 W   | 0.03     | 0.9    | 32       |         |             |             |             |
|         | 1+00     | 0.02     | 1.2    | 28       |         |             |             |             |
|         | 1+50     | 0.02     | 1.3    | 33       |         |             |             |             |
|         | 2+00     | 0.02     | 1.5    | 34       |         |             |             |             |
|         | 2+50     | 0.02     | 1.2    | 19       |         |             |             |             |
|         | 3+00     | 0.02     | 1.3    | 21       |         |             |             |             |
|         | 4+00     | 0.03     | 1.1    | 20       |         |             |             |             |
|         | 4+50     | 0.02     | 0.8    | 38       |         |             |             |             |
|         | 5+00     | 0.02     | 1.1    | 12       |         |             |             |             |
|         | 5+50     | 0.03     | 1.1    | 25       |         |             |             |             |
|         | 6+00     | 0.03     | 1.5    | 28       |         |             |             |             |
|         | 6+50     | 0.02     | 0.7    | 23       |         |             |             |             |
|         | 7+00     | 0.03     | 0.9    | 28       |         |             |             |             |
|         | 8+00     | 0.03     | 0.9    | 39       |         |             |             |             |
|         | 8+50     | 0.08     | 1.1    | 44       |         |             |             |             |
|         | 9+00     | 0.02     | 0.7    | 21       |         |             |             |             |
|         | 9+50     | 0.03     | 0.7    | 27       |         |             |             |             |
|         | 10+00 W  | 0.03     | 0.9    | 32       |         |             |             |             |

/ continued page 6 .....

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L. Wong  
PROVINCIAL ASSAYER

**CERTIFICATE OF ASSAY**

Date: December 23, 1987

File: 8711-2553



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General Testing Laboratories Division

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Vancouver, B.C., Canada. V6A 1W2  
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Telex: 04-507514

TO: N.V.C. ENGINEERING LTD.

( page 6 )

We hereby certify that the following are the results of assays on: soil samples

| MARKED |        | GOLD     | SILVER  | Copper   | xxxxxxx | xxxxxxxxxxx | xxxxxxxxxxxx | xxxxxxxxxxxxx |
|--------|--------|----------|---------|----------|---------|-------------|--------------|---------------|
|        |        | Au (ppm) | Ag(ppm) | Cu (ppm) |         |             |              |               |
| G2-L#2 | 0+50 W | 0.04     | 0.7     | 42       |         |             |              |               |
|        | 1+00   | 0.02     | 0.8     | 76       |         |             |              |               |
|        | 1+50   | 0.02     | 0.5     | 113      |         |             |              |               |
|        | 2+00   | 0.03     | 1.5     | 181      |         |             |              |               |
|        | 4+00   | 0.02     | 0.5     | 96       |         |             |              |               |
|        | 4+50   | 0.03     | 1.3     | 247      |         |             |              |               |
|        | 5+00   | 0.02     | 0.5     | 96       |         |             |              |               |
|        | 6+00   | 0.04     | 0.4     | 76       |         |             |              |               |
|        | 7+00   | 0.04     | 0.9     | 202      |         |             |              |               |
|        | 7+50   | 0.02     | 0.3     | 71       |         |             |              |               |
| 8+00   | 0.02   | 0.3      | 37      |          |         |             |              |               |
| G2-L#3 | 0+50 W | 0.02     | 0.8     | 188      |         |             |              |               |
|        | 2+00   | 0.06     | 0.5     | 94       |         |             |              |               |
|        | 3+00   | 0.03     | 1.1     | 382      |         |             |              |               |
|        | 3+50   | 0.02     | 0.8     | 134      |         |             |              |               |
|        | 4+00   | 0.32     | 0.3     | 48       |         |             |              |               |
|        | 4+50   | 0.03     | 0.9     | 159      |         |             |              |               |
|        | 5+00   | 0.02     | 0.7     | 117      |         |             |              |               |
|        | 6+00   | 0.02     | 0.8     | 102      |         |             |              |               |
|        | 6+50   | 0.03     | 0.9     | 219      |         |             |              |               |
|        | 7+00   | 0.03     | 0.7     | 7        |         |             |              |               |
| 7+50   | 0.03   | 1.6      | 14      |          |         |             |              |               |
| G2-L#4 | 1+00 W | 0.03     | 2.1     | 50       |         |             |              |               |
|        | 1+50   | 0.02     | 1.2     | 29       |         |             |              |               |
|        | 2+00   | 0.02     | 1.1     | 30       |         |             |              |               |
|        | 3+50   | 0.02     | 1.7     | 22       |         |             |              |               |
|        | 6+00   | 0.02     | 1.3     | 27       |         |             |              |               |
|        | 6+50   | 0.02     | 1.5     | 18       |         |             |              |               |
|        | 7+00   | 0.03     | 0.8     | 15       |         |             |              |               |
|        | 7+50   | 0.02     | 0.5     | 8        |         |             |              |               |
|        | 8+50   | 0.02     | 1.1     | 21       |         |             |              |               |
|        | 9+50   | 0.02     | 1.3     | 9        |         |             |              |               |
| 10+50  | 0.02   | 0.3      | 6       |          |         |             |              |               |

/ continued on page 7 .....

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TO: N.V.C. ENGINEERING LTD.

( page 7 )

We hereby certify that the following are the results of assays on: soil samples

| MARKED | GOLD    |         | SILVER | Copper   | xxxxxxx | xxxxxxxxx | xxxxxxxxx | xxxxxxxxx | xxxxxxx |
|--------|---------|---------|--------|----------|---------|-----------|-----------|-----------|---------|
|        | Au(ppm) | Ag(ppm) |        | Cu (ppm) |         |           |           |           |         |
| G2-L#5 | 0+50 W  | 0.04    | 1.5    | 46       |         |           |           |           |         |
|        | 1+00    | 0.04    | 1.9    | 42       |         |           |           |           |         |
|        | 1+50    | 0.02    | 2.0    | 167      |         |           |           |           |         |
|        | 2+50    | 0.02    | 1.1    | 66       |         |           |           |           |         |
|        | 3+00    | 0.02    | 0.9    | 25       |         |           |           |           |         |
|        | 3+50    | 0.10    | 1.3    | 26       |         |           |           |           |         |
|        | 4+00    | 0.02    | 0.9    | 34       |         |           |           |           |         |
|        | 5+00    | 0.18    | 1.5    | 253      |         |           |           |           |         |
|        | 5+50    | 0.07    | 0.9    | 30       |         |           |           |           |         |
|        | 6+00    | 0.03    | 1.9    | 59       |         |           |           |           |         |
|        | 6+50    | 0.05    | 1.1    | 25       |         |           |           |           |         |
|        | 7+00    | 0.03    | 0.4    | 8        |         |           |           |           |         |
|        | 8+00    | 0.02    | 1.6    | 49       |         |           |           |           |         |
|        | 8+50    | 0.02    | 1.2    | 41       |         |           |           |           |         |
|        | 9+00    | 0.02    | 0.3    | 5        |         |           |           |           |         |
|        | 9+50    | 0.02    | 0.5    | 11       |         |           |           |           |         |
|        | 10+50   | 0.02    | 1.3    | 9        |         |           |           |           |         |
|        | 11+00   | 0.12    | 1.1    | 25       |         |           |           |           |         |
|        | 11+50   | 0.05    | 0.5    | 6        |         |           |           |           |         |
|        | 12+00   | 0.02    | 0.3    | 6        |         |           |           |           |         |
|        | 12+50   | 0.02    | 0.4    | 4        |         |           |           |           |         |
|        | 13+00   | 0.02    | 0.3    | 3        |         |           |           |           |         |
|        | 13+50   | 0.02    | 0.1    | 3        |         |           |           |           |         |
|        | 14+00   | 0.02    | 0.3    | 4        |         |           |           |           |         |
|        | 14+50   | 0.02    | 0.5    | 10       |         |           |           |           |         |
|        | 15+00   | 0.03    | 0.4    | 4        |         |           |           |           |         |
|        | 15+50   | 0.02    | 1.2    | 8        |         |           |           |           |         |
|        | 16+00   | 0.05    | 0.5    | 9        |         |           |           |           |         |
|        | 17+00   | 0.02    | 0.5    | 5        |         |           |           |           |         |
|        | 17+50   | 0.02    | 0.4    | 3        |         |           |           |           |         |
|        | 18+00   | 0.02    | 0.4    | 3        |         |           |           |           |         |
|        | 18+50   | 0.02    | 0.4    | 3        |         |           |           |           |         |
|        | 19+00   | 0.02    | 0.3    | 4        |         |           |           |           |         |
|        | 19+50   | 0.02    | 0.3    | 4        |         |           |           |           |         |
|        | 20+00   | 0.02    | 0.3    | 6        |         |           |           |           |         |
| G2 L#6 | 1+00 W  | 0.06    | 1.2    | 42       |         |           |           |           |         |
|        | 1+50    | 0.04    | 0.9    | 33       |         |           |           |           |         |

continued on page 8 .....

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J. Wong  
 PROVINCIAL ASSAYER

**Analytical and Consulting Chemists, Bulk Cargo Specialists, Surveyors, Inspectors, Samplers, Weighers**

MEMBER: American Society For Testing Materials • The American Oil Chemists' Society • Canadian Testing Association  
 REFEREE AND OR OFFICIAL CHEMISTS FOR: National Institute of Oilseed Products • The American Oil Chemists' Society  
 OFFICIAL WEIGHMASTERS FOR: Vancouver Board of Trade

**CERTIFICATE OF ASSAY**

Date: December 23, 1987

File: 8711-2553



**SGS SUPERVISION SERVICES INC.**  
General Testing Laboratories Division

1001 East Pender Street,  
Vancouver, B.C., Canada. V6A 1W2  
Telephone: (604) 254-1647  
Telex: 04-507514

TO: N.V.C. ENGINEERING LTD.

( page 8 )

We hereby certify that the following are the results of assays on: soil samples

| MARKED |        | GOLD     | SILVER  | Copper   | xxxxxx | xxxxxxxxxx | xxxxxxxxxx | xxxxxxxxxx | xxxxxx |
|--------|--------|----------|---------|----------|--------|------------|------------|------------|--------|
|        |        | Au (ppm) | Ag(ppm) | Cu (ppm) |        |            |            |            |        |
| G2-L#6 | 2+00 W | 0.02     | 2.7     | 127      |        |            |            |            |        |
|        | 2+50   | 0.02     | 2.3     | 136      |        |            |            |            |        |
|        | 3+00   | 0.04     | 2.0     | 52       |        |            |            |            |        |
|        | 4+50   | 0.03     | 2.1     | 55       |        |            |            |            |        |
|        | 5+00   | 0.08     | 0.9     | 21       |        |            |            |            |        |
|        | 5+50   | 0.10     | 1.2     | 26       |        |            |            |            |        |
|        | 6+00   | 0.17     | 1.3     | 36       |        |            |            |            |        |
|        | 6+50   | 0.03     | 2.0     | 51       |        |            |            |            |        |
|        | 7+00   | 0.04     | 2.0     | 49       |        |            |            |            |        |
|        | 7+50   | 0.04     | 1.5     | 51       |        |            |            |            |        |
|        | 8+00   | 0.04     | 1.2     | 23       |        |            |            |            |        |
|        | 9+00   | 0.09     | 0.4     | 7        |        |            |            |            |        |
|        | 9+50   | 0.06     | 0.3     | 5        |        |            |            |            |        |
|        | 11+00  | 0.14     | 1.5     | 13       |        |            |            |            |        |
|        | 11+50  | 0.03     | 1.6     | 17       |        |            |            |            |        |
|        | G2 L#7 | 1+00 W   | 0.03    | 0.9      | 19     |            |            |            |        |
| 2+00   |        | 0.09     | 1.7     | 68       |        |            |            |            |        |
| 3+00   |        | 0.04     | 1.5     | 100      |        |            |            |            |        |
| 3+50   |        | 0.06     | 1.6     | 112      |        |            |            |            |        |
| 5+00   |        | 0.02     | 1.2     | 27       |        |            |            |            |        |
| 6+00   |        | 0.07     | 0.9     | 55       |        |            |            |            |        |
| 6+50   |        | 0.04     | 1.3     | 34       |        |            |            |            |        |
| 7+00   |        | 0.04     | 1.6     | 56       |        |            |            |            |        |
| 7+50   |        | 0.03     | 1.1     | 16       |        |            |            |            |        |
| 8+00   |        | 0.03     | 1.7     | 6        |        |            |            |            |        |
| 8+50   |        | 0.02     | 1.7     | 32       |        |            |            |            |        |
| 10+50  |        | 0.03     | 1.3     | 26       |        |            |            |            |        |
| 11+00  | 0.04   | 1.5      | 26      |          |        |            |            |            |        |
| 11+50  | 0.03   | 1.2      | 9       |          |        |            |            |            |        |
| 12+00  | 0.86   | 0.3      | 7       |          |        |            |            |            |        |

/ continued on page 9 .....

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**CERTIFICATE OF ASSAY**

Date: December 23, 1987

File: 8711-2553



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Telephone: (604) 254-1647  
Telex: 04-507514

TO: N.V.C. ENGINEERING LTD.

( page 9 )

We hereby certify that the following are the results of assays on: **soil samples**

| MARKED | GOLD    |         | SILVER  | Copper   | xxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxxxx |
|--------|---------|---------|---------|----------|---------|-------------|-------------|-------------|---------|
|        | Au(ppm) | Ag(ppm) | Ag(ppm) | Cu (ppm) |         |             |             |             |         |
| G2 L#7 | 12+50 W | 0.04    | 1.1     | 11       |         |             |             |             |         |
|        | 13+50   | 0.03    | 0.9     | 14       |         |             |             |             |         |
|        | 14+00   | 0.10    | 0.3     | 8        |         |             |             |             |         |
|        | 14+50   | 0.05    | 0.3     | 5        |         |             |             |             |         |
|        | 15+00   | 0.03    | 0.1     | 4        |         |             |             |             |         |
|        | 15+50   | 0.11    | 0.3     | 4        |         |             |             |             |         |
|        | 16+00   | 0.09    | 0.3     | 5        |         |             |             |             |         |
|        | 16+50   | 0.02    | 0.3     | 6        |         |             |             |             |         |
|        | 17+00   | 0.09    | 0.1     | 6        |         |             |             |             |         |
|        | 17+50   | 0.03    | 1.3     | 8        |         |             |             |             |         |
|        | 18+00   | 0.39    | 0.1     | 4        |         |             |             |             |         |
|        | 18+50   | 0.03    | 0.3     | 9        |         |             |             |             |         |
|        | 19+00   | 0.05    | 0.3     | 4        |         |             |             |             |         |
|        | 19+50   | 0.03    | 0.4     | 5        |         |             |             |             |         |
|        | 20+00   | 0.03    | 0.1     | 3        |         |             |             |             |         |
| G2 L#8 | 0+50 W  | 0.07    | 0.9     | 69       |         |             |             |             |         |
|        | 1+00    | 0.04    | 1.1     | 48       |         |             |             |             |         |
|        | 1+50    | 0.02    | 1.3     | 72       |         |             |             |             |         |
|        | 6+00    | 0.03    | 0.3     | 13       |         |             |             |             |         |
|        | 8+00    | 0.02    | 0.9     | 36       |         |             |             |             |         |
|        | 9+50    | 0.02    | 0.4     | 15       |         |             |             |             |         |
|        | 10+00   | 0.10    | 0.7     | 29       |         |             |             |             |         |
|        | 11+00   | 0.04    | 0.5     | 14       |         |             |             |             |         |
|        | 11+50   | 0.09    | 0.3     | 7        |         |             |             |             |         |
|        | 12+00   | 0.04    | 0.8     | 20       |         |             |             |             |         |
|        | 12+50   | 0.03    | 0.3     | 5        |         |             |             |             |         |
|        | 13+00   | 0.03    | 0.3     | 13       |         |             |             |             |         |
|        | 14+50   | 0.03    | 0.1     | 4        |         |             |             |             |         |
|        | 15+50   | 0.02    | 0.1     | 3        |         |             |             |             |         |
|        | 16+00   | 0.04    | 0.3     | 11       |         |             |             |             |         |
|        | 16+50   | 0.02    | 0.1     | 5        |         |             |             |             |         |
|        | 17+00   | 0.02    | 0.1     | 3        |         |             |             |             |         |
|        | 17+50   | 0.02    | 0.1     | 4        |         |             |             |             |         |
|        | 18+00   | 0.03    | 0.1     | 3        |         |             |             |             |         |
|        | 18+30   | 0.11    | 0.4     | 5        |         |             |             |             |         |

/ continued on page 10 .....

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**CERTIFICATE OF ASSAY**

Date: December 23, 1987

File: 8711-2553



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Telex: 04-507514

TO: N.V.C. ENGINEERING LTD.

( page 10)

We hereby certify that the following are the results of assays on: soil samples

| MARKED        | GOLD     | SILVER  | Copper   | XXXXXXXXXX | XXXXXXXXXX | XXXXXXXXXX |  |  |
|---------------|----------|---------|----------|------------|------------|------------|--|--|
|               | Au (ppm) | Ag(ppm) | Cu (ppm) |            |            |            |  |  |
| G2 L#9 4+00 W | 0.03     | 1.1     | 29       |            |            |            |  |  |
| 4+50          | 0.16     | 0.3     | 7        |            |            |            |  |  |
| 5+00          | 0.07     | 0.9     | 37       |            |            |            |  |  |
| 5+50          | 0.20     | 0.3     | 10       |            |            |            |  |  |
| 7+00 (A)      | 0.10     | 0.7     | 39       |            |            |            |  |  |
| 7+00 (B)      | 0.03     | 1.1     | 41       |            |            |            |  |  |
| 7+50          | 0.04     | 0.4     | 16       |            |            |            |  |  |
| 8+50          | 0.04     | 0.5     | 8        |            |            |            |  |  |
| 9+00          | 0.06     | 0.5     | 8        |            |            |            |  |  |
| 9+50          | 0.49     | 0.5     | 6        |            |            |            |  |  |
| 10+00         | 0.09     | 0.4     | 12       |            |            |            |  |  |
| 11+00         | 0.07     | 0.9     | 11       |            |            |            |  |  |
| 12+00         | 0.10     | 1.1     | 19       |            |            |            |  |  |
| 14+00         | 0.10     | 0.4     | 6        |            |            |            |  |  |
| 14+50         | 0.04     | 0.7     | 4        |            |            |            |  |  |
| 15+50         | 0.04     | 0.9     | 9        |            |            |            |  |  |
| 16+00         | 0.05     | 0.4     | 6        |            |            |            |  |  |
| G2 L#10 8+50  | 0.07     | 0.7     | 11       |            |            |            |  |  |
| 9+00          | 0.05     | 0.7     | 12       |            |            |            |  |  |
| 9+50          | 0.09     | 1.2     | 80       |            |            |            |  |  |
| 10+00         | 0.14     | 1.1     | 21       |            |            |            |  |  |
| 10+50         | 0.07     | 0.3     | 7        |            |            |            |  |  |
| 11+00         | 0.03     | 0.5     | 9        |            |            |            |  |  |
| 11+50         | 0.08     | 0.8     | 23       |            |            |            |  |  |
| 12+00         | 0.09     | 0.3     | 6        |            |            |            |  |  |
| 12+50         | 0.10     | 0.4     | 5        |            |            |            |  |  |
| 13+00         | 0.07     | 0.3     | 12       |            |            |            |  |  |
| 13+50         | 0.10     | 0.1     | 13       |            |            |            |  |  |
| 14+00         | 0.16     | 0.1     | 8        |            |            |            |  |  |
| 14+50         | 0.05     | 0.4     | 14       |            |            |            |  |  |
| 15+00         | 0.07     | 0.3     | 6        |            |            |            |  |  |
| 15+50         | 0.16     | 0.1     | 6        |            |            |            |  |  |
| 16+00         | 0.10     | 1.5     | 6        |            |            |            |  |  |
| 16+50         | 0.35     | 0.3     | 3        |            |            |            |  |  |
| 17+00         | 0.16     | 0.3     | 5        |            |            |            |  |  |
| 17+50         | 0.79     | 0.1     | 6        |            |            |            |  |  |
| 18+00         | 0.18     | 0.1     | 4        |            |            |            |  |  |

/ continued on page 11 .....

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*[Signature]*  
Wong

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TO: N.V.C. ENGINEERING LTD.

( page 11 )

We hereby certify that the following are the results of assays on: soil samples

| MARKED  |         | GOLD     |          | SILVER   | Copper   | xxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx |
|---------|---------|----------|----------|----------|----------|---------|-------------|-------------|-------------|-------------|
|         |         | Au (ppm) | Ag (ppm) | Ag (ppm) | Cu (ppm) |         |             |             |             |             |
| G2 L#10 | 18+50 W | 0.24     | 0.1      |          | 6        |         |             |             |             |             |
|         | 19+00   | 0.06     | 0.3      |          | 4        |         |             |             |             |             |
|         | 19+50   | 0.14     | 0.1      |          | 5        |         |             |             |             |             |
|         | 20+00   | 0.10     | 0.1      |          | 5        |         |             |             |             |             |
| G2 L#11 | 10+50 W | 0.03     | 0.3      |          | 9        |         |             |             |             |             |
|         | 11+00   | 0.09     | 0.5      |          | 21       |         |             |             |             |             |
|         | 11+50   | 0.04     | 0.4      |          | 21       |         |             |             |             |             |
|         | 13+00   | 0.04     | 0.1      |          | 6        |         |             |             |             |             |
|         | 15+00   | 0.07     | 0.1      |          | 2        |         |             |             |             |             |
|         | 15+50   | 0.08     | 0.1      |          | 3        |         |             |             |             |             |
|         | 16+50   | 0.08     | 0.3      |          | 4        |         |             |             |             |             |
|         | 17+00   | 0.07     | 0.1      |          | 4        |         |             |             |             |             |
|         | 17+50   | 0.06     | 0.1      |          | 4        |         |             |             |             |             |
|         | 18+00   | 0.02     | 0.3      |          | 4        |         |             |             |             |             |
|         | 18+50   | 0.04     | 0.1      |          | 3        |         |             |             |             |             |
|         | 19+00   | 0.04     | 0.1      |          | 11       |         |             |             |             |             |
|         | 19+50   | 0.07     | 0.7      |          | 38       |         |             |             |             |             |
| G2 L#12 | 10+50   | 0.10     | 0.1      |          | 2        |         |             |             |             |             |
|         | 11+00   | 0.02     | 0.1      |          | 2        |         |             |             |             |             |
|         | 11+50   | 0.07     | 0.3      |          | 4        |         |             |             |             |             |
|         | 12+50   | 0.05     | 0.1      |          | 3        |         |             |             |             |             |
|         | 15+00   | 0.09     | 0.1      |          | 3        |         |             |             |             |             |
|         | 15+50   | 0.02     | 0.5      |          | 34       |         |             |             |             |             |
|         | 16+50   | 0.05     | 0.4      |          | 5        |         |             |             |             |             |
|         | 18+00   | 0.08     | 0.8      |          | 16       |         |             |             |             |             |
|         | 18+50   | 0.12     | 0.4      |          | 8        |         |             |             |             |             |
|         | 19+00   | 0.02     | 0.1      |          | 6        |         |             |             |             |             |
|         | 19+50   | 0.56     | 0.1      |          | 3        |         |             |             |             |             |
| 20+00   | 0.03    | 0.1      |          | 8        |          |         |             |             |             |             |
| BL G2   | 3+50 N  | 0.06     | 0.5      |          | 36       |         |             |             |             |             |
|         | 6+50    | 0.04     | 0.7      |          | 49       |         |             |             |             |             |
|         | 7+00    | 0.06     | 0.4      |          | 18       |         |             |             |             |             |
|         | 8+00    | 0.04     | 0.5      |          | 44       |         |             |             |             |             |

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TO: N.V.C. ENGINEERING LTD.

( page 12)

We hereby certify that the following are the results of assays on: soil samples

| MARKED      | GOLD    | SILVER  | Copper   | xxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxx |
|-------------|---------|---------|----------|---------|-------------|-------------|-------------|------|
|             | Au(ppm) | Ag(ppm) | Cu (ppm) |         |             |             |             |      |
| R.S. N-7 01 | 0.02    | 0.4     | 8        |         |             |             |             |      |
| 02          | 0.02    | 0.3     | 7        |         |             |             |             |      |
| 03          | 0.03    | 0.4     | 7        |         |             |             |             |      |
| 04          | 0.04    | 0.5     | 12       |         |             |             |             |      |
| 05          | 0.03    | 0.7     | 11       |         |             |             |             |      |
| 06          | 0.02    | 0.5     | 15       |         |             |             |             |      |
| 07          | 0.02    | 0.5     | 10       |         |             |             |             |      |
| 08          | 0.02    | 0.1     | 6        |         |             |             |             |      |
| 09          | 0.07    | 0.1     | 6        |         |             |             |             |      |
| 10          | 0.04    | 0.8     | 39       |         |             |             |             |      |
| 11          | 0.04    | 0.9     | 32       |         |             |             |             |      |
| 12          | 0.03    | 0.5     | 30       |         |             |             |             |      |
| 13          | 0.03    | 0.7     | 51       |         |             |             |             |      |
| 14          | 0.04    | 1.5     | 84       |         |             |             |             |      |
| 15          | 0.04    | 0.5     | 11       |         |             |             |             |      |
| 16          | 0.04    | 0.8     | 35       |         |             |             |             |      |
| 30          | 0.04    | 0.9     | 15       |         |             |             |             |      |
| 31          | 0.03    | 0.5     | 7        |         |             |             |             |      |
| 32          | 0.04    | 0.4     | 7        |         |             |             |             |      |
| 33          | 0.04    | 0.5     | 5        |         |             |             |             |      |
| 34          | 0.04    | 0.4     | 6        |         |             |             |             |      |
| 35          | 0.04    | 0.5     | 7        |         |             |             |             |      |
| 38          | 0.03    | 0.7     | 12       |         |             |             |             |      |
| 39 L.F.     | 0.04    | 0.7     | 10       |         |             |             |             |      |
| 40 L.F.     | 0.03    | 0.5     | 9        |         |             |             |             |      |
| 39 R.F.     | 0.03    | 0.7     | 10       |         |             |             |             |      |
| 40 R.F.     | 0.02    | 0.4     | 5        |         |             |             |             |      |
| 41 R.F.     | 0.02    | 0.3     | 3        |         |             |             |             |      |
| 42 R.F.     | 0.03    | 0.5     | 5        |         |             |             |             |      |

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*L. Wong*

PROVINCIAL ASSAYER

*Analytical and Consulting Chemists, Bulk Cargo Specialists, Surveyors, Inspectors, Samplers, Weighers*

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REFeree AND/OR OFFICIAL CHEMISTS FOR: National Institute of Oilseed Products • The American Oil Chemists Society  
OFFICIAL WEIGHMASTERS FOR: Vancouver Board Of Trade

**CERTIFICATE OF ASSAY**

Date: January 14, 1988

File: 8711-3051



**SGS SUPERVISION SERVICES INC.**  
General Testing Laboratories Division

1001 East Pender Street,  
Vancouver, B.C., Canada. V6A 1W2  
Telephone: (604) 254-1647  
Telex: 04-507514

TO: N.V.C. ENGINEERING LTD.  
Ste. 304 - 1720 Barclay Street  
Vancouver, B.C.  
V6G 2Y1

We hereby certify that the following are the results of assays on: soil samples

| MARKED | GOLD     |          | SILVER   | Copper   | xxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx |
|--------|----------|----------|----------|----------|---------|-------------|-------------|-------------|-------------|
|        | Au (ppm) | Ag (ppm) | Ag (ppm) | Cu (ppm) |         |             |             |             |             |
| BL G2  | 1+50 S   | 0.06     | 0.7      | 135      |         |             |             |             |             |
|        | 2+00     | 0.03     | 1.0      | 58       |         |             |             |             |             |
|        | 2+50     | 0.05     | 1.2      | 112      |         |             |             |             |             |
|        | 3+00     | 0.02     | 1.1      | 66       |         |             |             |             |             |
|        | 3+50     | 0.02     | 1.3      | 49       |         |             |             |             |             |
|        | 4+50     | 0.02     | 1.1      | 50       |         |             |             |             |             |
|        | 5+50     | 0.02     | 0.7      | 76       |         |             |             |             |             |
|        | 6+50     | 0.05     | 0.9      | 43       |         |             |             |             |             |
|        | 7+50     | 0.02     | 0.6      | 20       |         |             |             |             |             |
|        | 8+50     | 0.03     | 0.6      | 14       |         |             |             |             |             |
|        | 9+50     | 0.05     | 0.8      | 120      |         |             |             |             |             |
| G1 L#1 | 00+00 W  | 0.05     | 0.8      | 114      |         |             |             |             |             |
|        | 1+00     | 0.02     | 1.0      | 31       |         |             |             |             |             |
|        | 1+50     | 0.02     | 1.2      | 51       |         |             |             |             |             |
|        | 2+00     | 0.05     | 1.0      | 124      |         |             |             |             |             |
|        | 2+50     | 0.04     | 1.1      | 100      |         |             |             |             |             |
|        | 3+00     | 0.02     | 0.7      | 20       |         |             |             |             |             |
|        | 3+50     | 0.02     | 0.6      | 26       |         |             |             |             |             |
|        | 4+00     | 0.02     | 0.8      | 16       |         |             |             |             |             |
|        | 4+50     | 0.02     | 0.9      | 42       |         |             |             |             |             |
|        | 5+00     | 0.03     | 1.1      | 62       |         |             |             |             |             |
|        | 5+50     | 0.03     | 0.2      | 8        |         |             |             |             |             |
|        | 6+00     | 0.03     | 0.8      | 61       |         |             |             |             |             |
|        | 6+50     | 0.02     | 0.7      | 24       |         |             |             |             |             |
|        | 7+00     | 0.02     | 0.4      | 22       |         |             |             |             |             |
|        | 7+50     | 0.02     | 0.2      | 5        |         |             |             |             |             |
|        | 8+00     | 0.02     | 1.0      | 59       |         |             |             |             |             |
| G1 L#2 | 0+50 W   | 0.02     | 0.4      | 59       |         |             |             |             |             |
|        | 2+00     | 0.02     | 0.6      | 14       |         |             |             |             |             |
|        | 2+50     | 0.02     | 0.6      | 15       |         |             |             |             |             |
|        | 3+50     | 0.03     | 0.9      | 70       |         |             |             |             |             |
|        | 4+50     | 0.02     | 0.3      | 59       |         |             |             |             |             |
|        | 5+00     | 0.02     | 0.4      | 7        |         |             |             |             |             |
|        | 5+50     | 0.02     | 0.8      | 14       |         |             |             |             |             |
|        | 6+00     | 0.02     | 0.4      | 50       |         |             |             |             |             |

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Telex: 04-507514

TO: N.V.C. ENGINEERING LTD.

We hereby certify that the following are the results of assays on: soil samples

| MARKED | GOLD     |          | SILVER | Copper   | xxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxx |
|--------|----------|----------|--------|----------|---------|-------------|-------------|-------------|-------|
|        | Au (ppm) | Ag (ppm) |        | Cu (ppm) |         |             |             |             |       |
| G1 L#2 | 6+50 W   | 0.02     | 0.8    | 58       |         |             |             |             |       |
|        | 7+00     | 0.02     | 0.3    | 40       |         |             |             |             |       |
|        | 7+50     | 0.02     | 1.3    | 7        |         |             |             |             |       |
|        | 8+00     | 0.02     | 0.8    | 26       |         |             |             |             |       |
| G1 L#3 | 0+50 W   | 0.02     | 0.7    | 13       |         |             |             |             |       |
|        | 1+50     | 0.02     | 0.8    | 59       |         |             |             |             |       |
|        | 2+00     | 0.02     | 0.7    | 34       |         |             |             |             |       |
|        | 2+50     | 0.02     | 0.9    | 66       |         |             |             |             |       |
|        | 3+00     | 0.02     | 0.8    | 58       |         |             |             |             |       |
|        | 3+50     | 0.02     | 0.8    | 53       |         |             |             |             |       |
|        | 4+00     | 0.02     | 0.7    | 32       |         |             |             |             |       |
|        | 4+50     | 0.03     | 0.7    | 11       |         |             |             |             |       |
|        | 5+00     | 0.02     | 0.6    | 76       |         |             |             |             |       |
|        | 5+50     | 0.03     | 0.9    | 18       |         |             |             |             |       |
|        | 6+00     | 0.03     | 0.7    | 11       |         |             |             |             |       |
|        | 6+50     | 0.04     | 0.7    | 19       |         |             |             |             |       |
|        | 7+00     | 0.02     | 0.9    | 54       |         |             |             |             |       |
|        | 7+50     | 0.02     | 0.8    | 33       |         |             |             |             |       |
|        | 8+00     | 0.02     | 1.0    | 51       |         |             |             |             |       |
|        | 8+50     | 0.02     | 0.9    | 78       |         |             |             |             |       |
| 9+00   | 0.02     | 0.7      | 50     |          |         |             |             |             |       |
| 9+50   | 0.02     | 1.1      | 69     |          |         |             |             |             |       |
| G1 L#4 | 0+00 W   | 0.02     | 1.2    | 53       |         |             |             |             |       |
|        | 0+50     | 0.02     | 0.4    | 73       |         |             |             |             |       |
|        | 1+00     | 0.02     | 0.6    | 33       |         |             |             |             |       |
|        | 1+50     | 0.03     | 0.7    | 57       |         |             |             |             |       |
|        | 2+00     | 0.02     | 1.1    | 57       |         |             |             |             |       |
|        | 2+50     | 0.03     | 0.8    | 68       |         |             |             |             |       |
|        | 3+00     | 0.03     | 0.9    | 62       |         |             |             |             |       |
|        | 4+00     | 0.03     | 0.9    | 67       |         |             |             |             |       |
|        | 4+50     | 0.03     | 1.3    | 37       |         |             |             |             |       |
|        | 5+00     | 0.06     | 1.2    | 91       |         |             |             |             |       |
|        | 5+50     | 0.03     | 1.0    | 68       |         |             |             |             |       |
|        | 6+00     | 0.03     | 1.2    | 50       |         |             |             |             |       |
|        | 6+50     | 0.03     | 0.9    | 53       |         |             |             |             |       |
| 7+00   | 0.03     | 1.3      | 48     |          |         |             |             |             |       |

/ continued on page 3 .....

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**CERTIFICATE OF ASSAY**

Date: January 14, 1988

File: 8711-3051



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( page 3 )

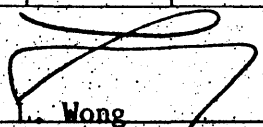
We hereby certify that the following are the results of assays on: soil samples

| MARKED | GOLD     |         | SILVER  | Copper   | xxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx |
|--------|----------|---------|---------|----------|---------|-------------|-------------|-------------|-------------|
|        | Au (ppm) | Ag(ppm) | Ag(ppm) | Cu (ppm) |         |             |             |             |             |
| G1 L#4 | 7+50 W   | 0.02    | 0.9     | 46       |         |             |             |             |             |
|        | 8+00     | 0.04    | 0.9     | 87       |         |             |             |             |             |
|        | 8+50     | 0.05    | 0.8     | 70       |         |             |             |             |             |
|        | 9+00     | 0.03    | 1.0     | 75       |         |             |             |             |             |
| G1 L#5 | 0+50 W   | 0.05    | 0.9     | 96       |         |             |             |             |             |
|        | 1+00     | 0.05    | 0.6     | 53       |         |             |             |             |             |
|        | 2+50     | 0.04    | 1.1     | 67       |         |             |             |             |             |
|        | 3+00     | 0.03    | 0.8     | 33       |         |             |             |             |             |
|        | 3+50     | 0.03    | 1.3     | 67       |         |             |             |             |             |
|        | 4+00     | 0.03    | 0.8     | 53       |         |             |             |             |             |
|        | 4+50     | 0.04    | 0.6     | 57       |         |             |             |             |             |
|        | 8+00     | 0.23    | 0.4     | 49       |         |             |             |             |             |
|        | 8+50     | 0.03    | 0.8     | 38       |         |             |             |             |             |
|        | 9+00     | 0.02    | 0.7     | 41       |         |             |             |             |             |
| 10+00  | 0.02     | 0.7     | 62      |          |         |             |             |             |             |
| G1 L#6 | 0+50 W   | 0.02    | 0.6     | 33       |         |             |             |             |             |
|        | 1+00     | 0.02    | 0.4     | 67       |         |             |             |             |             |
|        | 1+50     | 0.04    | 0.7     | 51       |         |             |             |             |             |
|        | 2+00     | 0.02    | 0.7     | 61       |         |             |             |             |             |
|        | 2+50     | 0.03    | 0.6     | 29       |         |             |             |             |             |
|        | 3+00     | 0.03    | 0.8     | 55       |         |             |             |             |             |
|        | 3+50     | 0.03    | 0.6     | 73       |         |             |             |             |             |
|        | 4+00     | 0.03    | 0.3     | 38       |         |             |             |             |             |
|        | 4+50     | 0.03    | 0.8     | 66       |         |             |             |             |             |
|        | 5+00     | 0.02    | 0.6     | 78       |         |             |             |             |             |
|        | 6+00     | 0.02    | 0.3     | 77       |         |             |             |             |             |
|        | 6+50     | 0.02    | 0.4     | 80       |         |             |             |             |             |
|        | 7+00     | 0.03    | 0.4     | 33       |         |             |             |             |             |
|        | 7+50     | 0.02    | 0.7     | 43       |         |             |             |             |             |
| 8+00   | 0.02     | 0.2     | 33      |          |         |             |             |             |             |
| 8+50   | 0.02     | 0.2     | 30      |          |         |             |             |             |             |
| 9+50   | 0.02     | 0.2     | 16      |          |         |             |             |             |             |
| G1 L#7 | 0+50     | 0.02    | 0.4     | 54       |         |             |             |             |             |
|        | 1+00     | 0.02    | 0.3     | 24       |         |             |             |             |             |

/ continued on page 4 .....

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 L. Wong  
 PROVINCIAL ASSAYER

**CERTIFICATE OF ASSAY**

Date: January 14, 1988

File: 8711-3051



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TO: N.V.C. ENGINEERING LTD.

( page 4 )

We hereby certify that the following are the results of assays on: soil samples

| MARKED      | GOLD     |         | SILVER  | Copper   | xxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxxxxxxxx | xxxxxxxxx |
|-------------|----------|---------|---------|----------|---------|-------------|-------------|-------------|-----------|
|             | Au (ppm) | Ag(ppm) | Ag(ppm) | Cu (ppm) |         |             |             |             |           |
| G1L#7       | 1+50 W   | 0.02    | 0.4     | 35       |         |             |             |             |           |
|             | 2+00     | 0.02    | 0.1     | 13       |         |             |             |             |           |
|             | 2+50     | 0.02    | 0.3     | 35       |         |             |             |             |           |
|             | 3+00     | 0.02    | 0.7     | 84       |         |             |             |             |           |
|             | 3+50     | 0.03    | 0.6     | 76       |         |             |             |             |           |
|             | 4+00     | 0.03    | 0.2     | 46       |         |             |             |             |           |
|             | 4+50     | 0.03    | 0.3     | 55       |         |             |             |             |           |
|             | 5+50     | 0.22    | 0.2     | 51       |         |             |             |             |           |
|             | 6+00     | 0.02    | 0.2     | 34       |         |             |             |             |           |
|             | 6+50     | 0.02    | 0.2     | 7        |         |             |             |             |           |
|             | 8+00     | 0.02    | 0.4     | 6        |         |             |             |             |           |
|             | 10+00    | 0.02    | 0.3     | 11       |         |             |             |             |           |
| G1 L#8      | 0+50     | 0.02    | 0.4     | 17       |         |             |             |             |           |
|             | 1+00     | 0.02    | 0.5     | 52       |         |             |             |             |           |
|             | 2+00     | 0.02    | 0.2     | 58       |         |             |             |             |           |
|             | 2+50     | 0.02    | 0.2     | 11       |         |             |             |             |           |
|             | 3+00     | 0.02    | 0.1     | 13       |         |             |             |             |           |
|             | 3+50     | 0.02    | 0.1     | 12       |         |             |             |             |           |
|             | 4+00     | 0.02    | 0.1     | 14       |         |             |             |             |           |
|             | 4+50     | 0.02    | 0.3     | 25       |         |             |             |             |           |
|             | 5+00     | 0.02    | 0.4     | 101      |         |             |             |             |           |
|             | 5+50     | 0.02    | 0.1     | 11       |         |             |             |             |           |
|             | 7+50     | 0.02    | 0.8     | 42       |         |             |             |             |           |
|             | 8+00     | 0.02    | 0.6     | 34       |         |             |             |             |           |
|             | 9+00     | 0.02    | 0.7     | 52       |         |             |             |             |           |
|             | 9+50     | 0.03    | 0.3     | 7        |         |             |             |             |           |
|             | 10+00    | 0.03    | 0.4     | 8        |         |             |             |             |           |
| G1 L#9      | 0+50 W   | 0.02    | 0.7     | 16       |         |             |             |             |           |
|             | 1+00     | 0.02    | 0.2     | 22       |         |             |             |             |           |
| G1 L#5 B.L. | 0+00W    | 0.02    | 0.2     | 17       |         |             |             |             |           |
| G1 L#9 B.L. | 9+00S    |         |         |          |         |             |             |             |           |
|             | - 0+00 W | 0.02    | 0.5     | 20       |         |             |             |             |           |

/ continued on page 5 .....

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TO: N.V.C. ENGINEERING LTD.

( page 5 )

We hereby certify that the following are the results of assays on: soil samples

| MARKED                       | GOLD     | SILVER   | Copper   | xxxxxx | xxxxxxxxxx | xxxxxxxxxx | xxxxxxxxxx | xxxx |
|------------------------------|----------|----------|----------|--------|------------|------------|------------|------|
|                              | Au (ppm) | Ag (ppm) | Cu (ppm) |        |            |            |            |      |
| G1 L#8 BL 8+00S<br>0+00 W    | 0.02     | 0.9      | 8        |        |            |            |            |      |
| G1 L#6 B.L.<br>0+00 W        | 0.02     | 0.5      | 65       |        |            |            |            |      |
| G1 L10 B.L. 10+00S<br>0+00 W | 0.02     | 0.3      | 30       |        |            |            |            |      |

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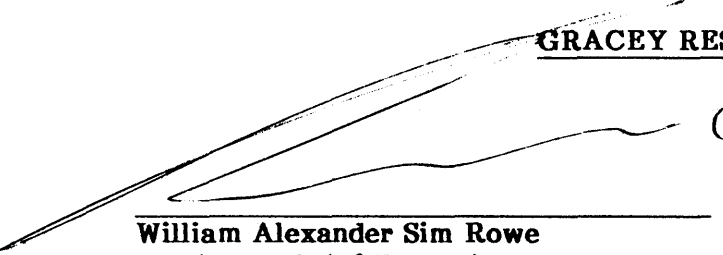
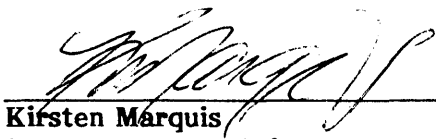
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**CERTIFICATE OF THE ISSUER**


Dated: May 15, 1989.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the Securities Act (British Columbia) and its Regulations.

**GRACEY RESOURCES INC.**

  
\_\_\_\_\_  
**William Alexander Sim Rowe**  
President, Chief Executive  
Officer and a Director  
\_\_\_\_\_  
**Kirsten Marquis**  
Secretary and Chief  
Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS**

  
\_\_\_\_\_  
**John Scott Brettoner**  
\_\_\_\_\_  
**Evita Macapinlac Mallonga**

**PROMOTERS**

  
\_\_\_\_\_  
**William Alexander Sim Rowe**  
\_\_\_\_\_  
**John Scott Brettoner**