

006703

PROPERTY FILE

RP ✓ Lucky 92F/3
92F034

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY OFFERED FOR SALE AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES.

NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

PROSPECTUS

JUNE 4, 1992

CANORA MINING CORPORATION
501 - 905 West Pender Street
Vancouver, B.C. V6C 1L6

JUN 18 1992

(604) 684-6718

Geological Survey Branch
MEMPR

1,000,000 Common Shares*

JUL 21 1992

Gen'l Branch	Price to Public	Agents' Commission	Proceeds to Issuer (1)(2)
Per Share	\$0.35	\$0.05	\$0.30
Total	\$350,000.00	\$50,000.00	\$300,000.00

(1) Before deduction of the costs of the issue estimated to be \$30,000.

(2) The Agent has been granted a warrant to purchase up to an additional 250,000 common shares of the Issuer, which, if exercised in full, a total of \$87,500 will be added to the working capital of the Issuer.

* The offering may be increased by up to 15% (or 150,000 shares) to meet over-subscriptions. See "Plan of Distribution".

THE PRICE OF THE SECURITIES OFFERED HEREBY WAS DETERMINED BY NEGOTIATION BETWEEN THE ISSUER AND THE AGENT. A PURCHASE OF THE SECURITIES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED AS SPECULATIVE. THERE IS NO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD.

In consideration for the Agent agreeing to purchase any shares offered which are not sold at the conclusion of the offering the Agent has been granted non-transferable share purchase warrants ("Agent's Warrants"), entitling it to purchase up to 250,000 shares of the Issuer at any time up to two years from listing, posting and calling for trading of the Issuer's shares on the Vancouver Stock Exchange. (See "Plan of Distribution" herein.)

THE PURCHASE PRICE OF EACH COMMON SHARE OFFERED HEREBY EXCEEDS THE NET TANGIBLE BOOK VALUE THEREOF AT DECEMBER 31st, 1991 BY \$0.1929 OR 55.11% AFTER GIVING EFFECT TO THIS ISSUE ON A FULLY DILUTED BASIS PRIOR TO THE ISSUANCE OF ALL SHARES SUBJECT TO DIRECTORS AND EMPLOYEES OPTIONS AND THE AGENT'S WARRANT.

The Vancouver Stock Exchange has conditionally listed the securities being offered pursuant to this Prospectus. Listing is subject to the Issuer fulfilling all the listing requirements of the Vancouver Stock Exchange on or before June 28, 1992, including prescribed distribution and financial requirements.

LUCKY PROPERTY

Location and Access

The Lucky property is situated on the southwest coast of Vancouver Island, approximately 22 kilometers northeast of Ucluelet, B.C. and 30 kilometers southwest of Port Alberni, B.C. The property is about 8 kilometers east of Kennedy Lake. Access is provided by Highway 4 between Port Alberni and Ucluelet to Kennedy Lake, from which area logging roads extend across the southern part of the property to Toquart Bay.

The principal showing on the property, the Lucky Vein, is accessible by a newly-built logging road, as is the Ridge showing and Toq 3 area eastern parts of the property must at present be accessed by Helicopter.

Acquisition

The claims, totalling 216 units, lie within the Alberni Mining Division, and are wholly owned by Electrum Resource Corporation, ("Electrum") a private B.C. corporation controlled by John Barakso, who has optioned the right to acquire interest in the claims to Canora Mining Corporation under an agreement dated December 20, 1991 and amended May 13th, 1992. The agreement is at arm's length. Continuance of the agreement is subject to a payment of \$50,000.00 by January 1, 1993, and provision for funding of at least \$75,000.00 in assessment work by July 3rd, 1992. The Issuer must also carry out additional exploration of at least \$150,000 in aggregate expenditures on the Property (which figure includes the \$75,000 first phase expenditure) by March 30, 1993 in order to keep the option in good standing. In addition the Issuer must also have carried out an additional expenditure of \$150,000 by September 30th, 1993 in order to keep the option in good standing. The programs will be supervised by Electrum. The agreement also requires payment of 50,000 common shares by December 31, 1991 (paid) and a further 150,000 shares in equal installments of 50,000 shares each due January 1, 1993, March 30, 1993 and September 30, 1993.

The issuance of additional shares to be issued will be subject to recommendations of a qualified professional engineer or geologist to carry out further expenditures on the Property in a report filed with and acceptable to the Vancouver Stock Exchange.

Upon the Issuer earning its interest in the Property, a joint venture will be formed and Electrum will be the manager. The manager will be subject to direction from a management committee comprising one representative from each of Electrum and the Issuer, plus one mutually acceptable outside member. The manager will be entitled to a 15% fee on all expenditures including capital costs. The non-manager has no right to submit an independent program if the management committee defers work on the Property. If a party fails to contribute its portion of expenditure, the interest of such party in the Property will be diluted. If the Issuer's interest in the Property falls below 10%, it will have no further interest in the Property. If Electrum's interest in the Property falls below 10%, Electrum's interest will be converted to a 3% Net Smelter Return (NSR) for a total NSR of 6% if the Issuer acquires a 100% interest in the Property.

Electrum is a holder of mineral claims throughout British Columbia and they employ qualified personnel to carry out the necessary assessment and exploration work as required.

In addition, Electrum retains a 3% Net Smelter Return, in the Property. Electrum is entitled to receive the greater of the 3% net smelter return or \$75,000 which is payable on each September 30th during the term of the agreement commencing in 1993. This payment is payable before the deduction of any costs incurred by the joint venture. In the event that there is no production Canora would be responsible for the minimum payment of \$75,000 per year.

Completion of the cash payments, share allocations and work requirements by September 30, 1993 will effect the commencement of a Joint Venture agreement under which Canora will have 30% ownership of the property.

The Issuer had previously entered into an option agreement in conjunction with two other companies on the Lucky Property however that agreement was terminated when the other two companies were unable to meet their commitments and the Issuer entered into a new agreement to conduct exploration on the Property.

LIST OF CLAIMS

Claim Name	Rec. No.	Units	Expiry	Owner
Lucky 81	200135	1	Jan 28/93	Electrum
Lucky 82	200136	1	Jan 28/93	Electrum
Lucky Fraction	200137	1	Feb 15/93	Electrum
Lucky 2 Fraction	200138	1	Feb 15/93	Electrum
Wick	200537	12	May 29/93	Electrum
KX	200174	9	Nov 24/92	Electrum
KZ	200175	12	Nov 24/92	Electrum
TOQ 1	201243	18	Dec 23/93	Electrum
TOQ 2	201244	18	Dec 23/93	Electrum
TOQ 3	201245	20	Dec 23/93	Electrum
Peak	201246	14	Dec 23/93	Electrum
KV	305382	20	Oct 5/92	Electrum
KS	200199	4	Aug 2/93	Electrum
KU	200201	6	Aug 2/93	Electrum
KT	200200	4	Aug 2/92	Electrum
KW	200202	15	Aug 2/93	Electrum
Oyster 2	200463	8	Dec 22/93	Electrum
KN	305381	20	Oct 5/92	Electrum
TOQ 5	305383	12	Sept 30/92	Electrum
TOQ 7	305384	18	Sept 30/92	Electrum
Base 1	200619	1	Jan 14/93	Electrum
Base 2	200620	1	Jan 14/93	Electrum
Total		216		

Regional Geology

The Karmutsen Group is overlain by limestone, argillite and tuffaceous argillite of the late Triassic Quatsino Formation.

Granodiorite and quartz diorite of the "Island Intrusions" of Jurassic age have intruded the Karmutsen volcanics and Quatsino Formation limestones, and numerous dykes and sills of feldspar porphyry occur. These intrusions are associated with a number of small, high grade gold quartz veins that have been explored from 1890's to the present.

The property lies within a strongly mineralized belt covering the west side of Vancouver Island.

History

In the early 1900's considerable prospecting was done in the Kennedy River area, where numerous vein type gold showings were found.

1905 the property was originally staked as the Red Rover property. Prior to 1933 the vein had been stripped at intervals over a slope distance of 375 feet and near the south end, a short adit had been driven for 30 feet on part of the vein.

In 1935 an additional adit about 220 feet long was driven and later extended to 247 feet.

In 1983 the property was acquired by J. Barakso of Electrum. At that time additional claims were staked and silt, soil and rock sampling programs were carried out. The property was optioned to Victoria Resource Corp. in 1984.

In 1985 Falconbridge Ltd. optioned the claims and did follow-up geochemical sampling, airborne and surface geophysical work, reconnaissance prospecting and geological mapping of selected areas. The underground workings were surveyed and sampled, and 332 meters of diamond drilling in 7 holes were carried out. The options were terminated late in 1985 and the claims were returned to Electrum.

In 1987 additional claims were staked by Electrum, who optioned the property to Freemont Gold Corp. ("Freemont"), who, with Alcove Gold Corporation ("Alcove"), completed VLF-EM and Magnetometer surveys, soil and rock geochemistry, geological mapping and prospecting.

In 1988 the Issuer joined Freemont and Alcove and the joint venture completed 2087 meters of drilling in 20 holes on the Lucky vein system and 6 holes on the Ridge zone. 15.7 km of gridlines were cut over 3 areas on the northern and eastern claims, and VLF-EM and magnetometer surveys and some rock geochemistry were done on the grids.

In 1991 the Issuer and Electrum entered into a new contract for exploration of the property.

The total expenditures on the property from 1987 to 1989 by the Issuer and joint venture partners are the Issuer (\$116,138), Alcove (\$61,310) and Freemont (\$727,976).

Previous expenditures on the property by Electrum and its optionees are estimated at \$400,000, bringing the total expended on the property in the past 20 years to an estimated \$1,300,000.

The Lucky vein, or more properly, vein system, is a fault-controlled northerly trending structure with one or more splays.

The main rock unit in the adit area is massive, amygdaloidal and breccia-textured varieties of the Karmutsen Formation volcanics. Quartz monzonite is noted in a number of drill-holes, particularly the more northerly drill-holes 1985-1 and 2.

The gold values are contained in one or more quartz and/or quartz-carbonate veins occupying faults, as seen in drill-core. Chalcopyrite in minor amounts was noted, in addition to small amounts of pyrite. Native gold has been noted in veins.

The veins dip steeply eastward based on drill data but in places below the adits dip vertically.

The Lucky vein was drilled in 1985 by Falconbridge Ltd. with seven angle holes totalling 332 meters (930 feet), that tested 100 meters strike length of the northtrending strike to a depth of 1 to 50 meters below surface.

Hole 1 intersected .14 meters of calcite vein assaying 0.019 oz/ton gold. Hole 2, the deeper hole intersected a quartz vein which assayed 0.068 opt gold over .38 meters. This would be 13 meters below the adit level. Both intersections appear to be in a minor vein splay and the Lucky vein was not reached.

Three holes (DDH 3, 4 and 5) tested below the central section of the adit, and each intersected more than one quartz vein, albeit with one narrow intersection in hole 3 - 0.38 meters averaging 0.832 opt gold and other low values in holes 4 and 5 ranging from 0.005 opt to 0.054 opt over narrow core lengths.

The best values in the 1985 round of drilling were from DDH 6 and 7 from a point 4 meters south and 15 meters east of the Main adit. Hole 6 intersected two parallel quartz-carbonate veins over a core-length of 1.2 meters with a weighted average of 0.152 opt gold. Hole 7, drilled deeper intersected .75 meters of quartz vein with visible gold assaying 1.680 opt gold. The wallrock carried weak gold values of 0.012-0.016 opt gold here and the intersection was 2.58 meters averaging 0.498 opt gold.

Freemont drilled 20 angle holes from 2 set-ups in 1988 using a lightweight "Gopher" diamond drill. The holes ranged from 30 to 93.5 meters in length and total 1112.2 meters (3,648 feet).

Significant drill intercepts were calculated by Barry J. Price as follows:

Ten of these holes intercepted core widths having gold values with the most significant values as follows:

L-88-2	0.290 opt Au over	1.13 meters
L-88-3	0.376 opt Au over	0.91 meters
L-88-4	0.651 opt Au over	4.38 meters
L-88-5	0.302 opt Au over	3.35 meters
L-88-10	0.920 opt Au over	2.59 meters
L-88-11	0.384 opt Au over	1.74 meters

In 1988, VLF-EM and Ground Magnetic surveys were carried out over the Lucky vein and Ridge zones by R.F. Sheldrake and Associates.

the Lucky grid, the magnetic readings show a number of magnetic lows, one of which is correlated with a major fault zone crossing Ellswick Lake. No discernible response, either positive or negative was noted over the Lucky Vein.

The Ridge zone was discovered in 1987 at the end of a new logging road near the top of a ridge in the southern portion of the KW claim approximately 2 kilometers southwest of the Lucky Vein. The zone has been traced for about 1.2 km and is up to 500 meters wide, paralleling the Ellswick fault, and may be a similar regional fault.

Gold bearing vein material was found in outcrop accompanied by strong mercury barium, strontium and potassium soil geochemical anomalies.

In 1989, 6 drill holes were completed to test the mineralized and altered Ridge Zone.

Scattered sections in the holes have weakly to moderately anomalous values for Copper, Silver, Molybdenum, Barium, and Mercury, but no real encouragement exists from this drill program and no further work on this zone is recommended.

Geophysical surveys were run in 1990 and 1991 along a reconnaissance style 1.925 line-kilometer grid covering part of the Toq 3 claim, adjacent to an area on which gold and base-metal mineralization had previously been discovered. The costs of these surveys were borne by Electrum.

survey outlined an intriguing VLF-EM, and I.P. (Chargeability and resistivity) anomaly. The anomaly is traced over 400 meters northwesterly on lines 6N to 10N and may continue to the south. The I.P. effects are very marked, with a strong resistivity anomaly flanked by a moderate chargeability anomaly.

Rockel and Bzdel (1991) state: "The magnitude of the chargeability response suggest the previous conclusion of a massive sulphide core as the source. The envelope of moderate chargeability values is indicative of disseminated sulphides. Directly correlating with these high chargeability values are low resistivity values. This is a signature typical of significant amounts of sulphide mineralization".

Several grab-samples taken by Barry J. Price have weakly anomalous gold, (maximum 63 ppb), weakly anomalous mercury (max. 355 ppb), anomalous Fluorine, (max 1290 ppm) and anomalous total barium, (max 1483 ppm). A number of linear gullies in the vicinity of the VLF-EM anomaly suggest strong faults. One or more of these are parallel to a marked topographic feature cutting through the mountain mass to the southeast. The likely source of the geochemically anomalous gold, mercury, fluorine and barium is a mineralized shear or massive sulphide lens situated under till and vegetation cover along one or more linear gullies. It is possible that the features noted could be sulphide-rich gold-bearing veins, similar to those at Kennedy River, a few kilometers to the northwest.

At present, the Lucky vein is the only prospect in the claim block with significant gold values. The veins are, for the most part, narrow, and dilution to even a narrow mining width of 5 feet causes severe grade reduction. However, numerous analyses show that wallrock does carry scattered low gold values and in places two veins may be bulked together to give good widths and grades.

There are no unusual environmental constraints upon exploration in the area. Environmental bonds will likely have to be posted prior to any trenching or diamond drilling, and these have been allowed for in budget estimations.

Recommendations

An initial phase of surface exploration is budgeted at \$75,000 from proceeds of this offering in accordance with the report of Barry J. Price dated February 12th, 1992.

The recommended program consists of preparation of base maps for Lucky vein area and Toq 3 showings areas, surface trenching, prospecting, compilation of geochemical data, continuation of geological mapping, preparation of a detailed geological map, geophysical survey, survey of drill sites and geology and economic evaluation of the Lucky vein and assessment of geologic reserves prior to proposed drilling in the second phase.

SALES OTHERWISE THAN FOR CASH

No shares have been issued for other than cash other than the issuance of 50,000 shares (at a deemed price of \$0.25 per share) to the owner of the Lucky Property as part consideration for the option on the Lucky Property.

LUCKY PROPERTY

Alberni Mining Division
Vancouver Island, B.C.
NTS Mapsheet 92F-3

PROPERTY FILE

for:

592F 034

CANORA MINING CORPORATION

501 - 905 West Pender Street
Vancouver, B.C.
V6C 1L6

Tel: 604-684-6718

by:

BARRY JAMES PRICE, M.Sc., FGAC.
Consulting Geologist

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February 12, 1992

LUCKY PROPERTY

Alberni Mining Division
Vancouver Island, B.C..
NTS Mapsheet 92F-3

SUMMARY

The writer has prepared this summary of geology, exploration history and potential of the Lucky gold prospect and adjacent prospects based on a property inspection on January 12, 1992 and a review of earlier reports by N.C. Carter, Ph.D., P.Eng., Louise Eccles, Ken Northcote, and others.

The Lucky property is situated in NTS Mapsheet 92F-3 on the southwest coast of Vancouver Island, approximately 22 kilometers northeast of Ucluelet, B.C. and 30 kilometers southwest of Port Alberni, B.C. The property is about 8 kilometers east of Kennedy Lake. Access is provided by Highway 4 between Port Alberni and Ucluelet to Kennedy Lake, from which area logging roads extend across the southern part of the property to Toquart Bay. The principal showing on the property, the Lucky Vein, is accessible by a newly-built logging road, as are the Ridge and Toq 3 showings. Most supplies and services are available at Port Alberni or at Ucluelet. The property may be reached in 4 hours driving time from Vancouver, (including the ferry crossing to Nanaimo).

The claims, totalling 216 units, lie within the Alberni Mining Division, and are owned by Electrum Resource Corporation, a private B.C. corporation controlled by John Barakso., who has optioned the right to acquire 30% interest in the claims to Canora Mining Corporation under an agreement dated December 20, 1991.

Although older "West Coast Complex" and Sicker Group rocks occur elsewhere in the area, most of the map area is underlain by Karmutsen Formation mafic volcanics, of the Vancouver Group, of Late Triassic age. This unit includes dark greyish green massive to amygdaloidal and porphyritic volcanic rocks occasionally with pillow structures, breccia zones, and occasionally volcanic sandstone. The volcanics are basaltic and have chlorite, actinolite, and epidote alteration and veinlets of quartz and carbonate.

The Karmutsen Group is overlain by limestone, argillite and tuffaceous argillite of the late Triassic Quatsino Formation. The contact with the Karmutsen Volcanics is interpreted by Eastwood as conformable. In small areas in the eastern part of the map area, the Bonanza Group volcanics of early Jurassic age are occasionally seen. These rocks are andesitic to rhyolitic volcanics.

The above rocks are intruded by "Island" intrusions, of granodiorite to quartz diorite composition, which are believed to be co-magmatic with the Bonanza Group volcanics. Tertiary intrusions - small stocks, dykes and sills are common in a belt extending from Tofino and Kennedy Lake southeastward through the project area, and a number of intrusive outcrops on Snowden and Hillier islands in Toquart Bay are thought to be of Tertiary age.

The area is a highly mineralized belt; polymetallic massive sulphide deposits such as the Myra, Lynx, and HW deposits at Buttle Lake, north of Kennedy Lake, are large tonnage "Kuroko" type deposits associated with rhyolitic centers in Paleozoic Sicker Group rocks. These deposits have reserves of more than 12 million tonnes averaging 2.34 % copper, 5.19 % zinc, 34.46 g/tonne silver and 2.3 g/tonne gold.

The Karmutsen Group rocks host a large number of gold-silver veins in the Port Alberni, Kennedy Lake and Tofino areas. These are relatively high grade but lousy veins, and a number of these have geologic reserves developed. These vein deposits are often associated with Tertiary intrusive suites. Disseminated and vein-hosted copper deposits in Karmutsen volcanics occur, for example the Macktush deposit near Port Alberni.

The Island Intrusions and related Bonanza volcanics are host to porphyry copper deposits such as the Catface Copper deposit with 181 million tonnes grading 0.45 % copper.

The Quatano Limestones and related rocks are host to important skarn deposits such as the Brynnor mine, which produced about 4.4 million tons of magnetite iron-ore from 1962 - 1966. Substantial geologic reserves remain but are sub-economic at present. Skarns with significant copper-gold values are present elsewhere on Vancouver Island. Tertiary intrusions seem to have played an important part in genesis of some of the skarn deposits and most of the vein-hosted deposits.

The property was first staked in 1905 as the Red Rover property, and prior to 1933, the vein had been stripped at intervals over a slope distance of 375 feet and near the south end, a short adit had been driven for 30 feet at 20 degrees on part of the vein. By 1938, the "Upper Adit" had been driven part of its ultimate length, and surface and underground sampling had been done by P.Hemsworth, P.Eng. Shortly afterward, the adit was extended to about 247 feet, after which little or no work was done again until 1972, when the Lucky 1-4 claims were staked by John McAndrew, who kept the ground in good standing and had several property inspections done (ie. by R.Phendler, P.Eng.), until the property lapsed again in 1981, and was re-staked by Wilking Girindra.

In 1983, the property was acquired by J.Barakso for Electrum Resource Corporation, a private company. Victoria Resource Corporation optioned the property, staked additional claims and completed silt, soil and rock sampling programs through 1984, and in 1985, Falconbridge Ltd. optioned the claims from Victoria Resource Corp and did follow-up geochemical sampling, airborne and surface geophysical work, reconnaissance prospecting and geological mapping of selected areas. The underground workings were surveyed and sampled, and 332 meters of diamond-drilling was done in 7 holes. The Falconbridge and Victoria Resource Corp. options were both terminated late in 1985 and the claims were returned to Electrum Resources Ltd.

From 1987 to the present, considerable work has been done by Freemont Gold Corp. and partners Alcové Gold Corporation and Canora Mining Corporation. Work completed includes VLF-EM and Magnetometer surveys, soil and rock geochemistry, geological mapping and prospecting and 2087 meters of drilling in 20 holes on the Lucky vein system and 976 meters of drilling in 6 holes on the Ridge zone.

Total expenditures on the property from 1987 to 1989 by Canora and joint-venture partners has been calculated as \$905,424.00. Previous expenditures on the property by Electrum, Victoria Resources Ltd. and Falconbridge Ltd. are estimated at \$400,000.00, bringing the total expended on the property in the past 20 years to an estimated \$1.3 million or more.

The most important showing on the property is the Lucky vein system, a fault-controlled northerly-trending structure that has been traced for about 350 feet on surface as mapped by Hemsworth, Eccles, and others. The basic geology of the Lucky vein has been well-described by Northcote, (1983), Eccles (1984), Carter, (1987-89) and others.

The gold values are contained in one or more quartz and/or quartz-carbonate veins occupying faults cutting massive, amygdaloidal and breccia-textured varieties of the Karmutsen Formation volcanics and associated porphyry dykes, as seen in drill-core. Rebic and Lehtinen describe the veins as "composed mainly of quartz, often drusy type, and locally, calcite pods." Brecciated wall-rock is often included in the veins. Chalcopyrite in minor amounts was seen by the writer, in addition to small amounts of pyrite. Native gold has been seen in veins. Wallrock alteration indicated by bleaching includes clays, epidote, chlorite and carbonate. Some gold values occur in the altered wallrock but no gold occurs in unaltered rock.

On surface, the veins dip steeply eastward, but in drill-sections, dip may be nearly vertical at depth.

The Lucky vein system was trenched at surface prior to 1938; the most systematic surface sampling was done by Hemsworth in 1938. His sampling included 86 samples, of which approximately 35 samples spaced at 5 ft intervals along the main vein averaged: 1.04 ounces per ton gold over 164 ft (50 meters) length and 1.0 ft (0.30 m) width. Shorter sections within this length assayed 1.27 opt gold over 72 ft length and 1 ft width, and 1.77 opt gold over 40 ft length and 1.5 ft width. A further section between the two adits assayed 0.66 opt gold over 40 ft length and 1.64 ft. width. These values are uncut and undiluted, and were checked by Northcote (1984) with "fair agreement".

The lower adit, at creek level, a short distance north of the new access road, extends for only 15 meters, and has the main vein exposed at the portal, assaying 0.210 opt gold over 1 meter (Eccles, 1984). Much of the lower adit, therefore, does not follow the main vein, but does intersect a narrow vein in the hangingwall.

The main adit at elevation 129 meters extends about 80 meters northward, and the main vein is best exposed over the first 47 meters, after which only lenses and splays are seen. The adit has been chip-sampled a number of times from 1938 to the present. A comparison of sampling in the adit is as follows: (All uncut)

YEAR	SAMPLER	LENGTH	WIDTH	WIDTH	ASSAY GOLD
1938	Hemsworth	23 m	0.41 m	1.34 ft	0.260 opt
1973	Phendler	53 m	0.28 m	0.92 ft	0.494 opt
1984	Falconbridge	28 m	0.23 m	0.75 ft	1.936 opt
1985	Eccles	65.54 m	1.90 m	6.23 ft	0.179 opt
	or: part A	19.21 m	1.41 m	4.62 ft	0.081 opt
	part B	10.98 m	2.58 m	8.46 ft	0.562 opt
	part C	35.37 m	1.95 m	6.40 ft	0.060 opt
1990	Westmin	15 m	0.20 m	0.66 ft	1.180 opt

Hanging-wall samples average 0.013 opt gold and footwall samples average 0.011 opt gold (mathematical averages).

Significant gold-bearing intersections from the 1985 (Falconbridge) drill-holes are as follows:

DDH	PROM	TO	WIDTH	WIDTH.	AU	AU
L-1	41.76M	41.90M	0.14M	0.46ft	0.65g/t	0.019 OPT
L-2	57.30	57.68	0.38	1.25	2.33	0.068
L-3	27.93	28.39	0.46	1.51	1.85	0.054
L-3	31.97	32.36	0.39	1.28	28.52	0.832
L-4	37.44	37.65	0.21	0.69	0.51	0.015
L-5	27.05	27.25	0.20	0.66	0.17	0.005
L-5	29.59	29.87	0.28	0.92	0.41	0.012
L-6	12.80	14.00	1.20.	3.94	4.11	0.120
L-7	17.15	19.73	2.58	8.46	17.07	0.498

Significant drill intercepts from the 1988 (Freemont) drilling were calculated by the writer as follows:

DDH	FROM	TO	WIDTH	WIDTH	Au	Au
L88-1	15.0	17.68	2.68m	8.79ft	0.55 g/t	0.016 opt
L88-2	26.30	27.43	1.13	3.70	9.94	0.290
L88-3	18.29	19.20	0.91	2.98	12.89	0.376
L-88-4	23.90	28.68	4.38	14.30	22.31	0.651
L-88-5	13.41	16.76	3.35	10.9	10.35	0.302
L-88-6	24.54	25.85	1.31.	4.29.	1.03	0.031
L-88-7	21.79	22.71	0.92	3.01	3.22	0.094
L88-10	59.74	62.33	2.59	8.49	31.54	0.920
L88-11	41.24	42.98	1.74	5.70	13.17	0.384
L88-15	44.04	45.75	1.71	5.60	2.71	0.079
L88-16	52.15	52.52	0.37	1.21	1.85	0.054
L88-17	63.40	64.10	.70	2.30	1.71	0.050

The Toq zone:

Geophysical surveys were run in 1990 and 1991 along a reconnaissance style 1.925 line-kilometer grid covering part of the Toq 3 claim, adjacent to an area on which gold and base-metal mineralization had previously been discovered.

The survey outlined an intriguing VLF-EM, and I.P (Chargeability and Resistivity) anomaly. The anomaly is traced over 400 meters northwesterly on lines 6N to 10N, and may continue to the south. The I.P. effects are very marked, with a strong resistivity anomaly flanked by a moderate chargeability anomaly.

Rockel and Bzdel (1991) state: "The magnitude of the chargeability response suggest the previous conclusion of a massive sulphide core as the source. The envelope of moderate chargeability values is indicative of disseminated sulphides. Directly correlating with these high chargeability values are low resistivity values. This is a signature typical of significant amounts of sulphide mineralization".

Several grab-samples taken by the writer have weakly anomalous gold, (maximum 63 ppb), weakly anomalous mercury (max. 355 ppb.), anomalous Fluorine, (max 1290 ppm) and anomalous total barium, (max 1483 ppm). A number of linear gullies in the vicinity of the VLF-EM anomaly suggest strong faults. One or more of these are parallel to a marked topographic feature cutting through the mountain mass to the southeast. The likely source of the geochemically anomalous gold, mercury, fluorine and barium is a mineralized shear or massive sulphide lens situated under till and vegetation cover along one or more linear gullies. It is possible that the features noted could be sulphide-rich gold-bearing veins, similar to those at Kennedy River, a few kilometers to the northwest.

The Ridge zone, initially thought to be an epithermal target, has been evaluated with negative results and does not need further exploration.

Several other targets have been derived from past geochemical sampling programs. These are described briefly and the writer suggests that these localities be evaluated by surface trenching and sampling.

Conclusions and Recommendations:

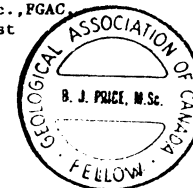
The Lucky property has one main gold prospect developed by surface trenching, two adits and a total of 27 drillholes. Geological reserves have not yet been formally calculated for the deposit, although drilling gave several significant intersections. Potential remains in this zone to extend the known mineralization along strike to the north by surface trenching and down dip by further diamond drilling. This zone is currently being logged; until logging is completed, exploration will be disrupted, and after this, may be simpler with better access and less environmental risk. Accordingly, further exploration on the Lucky vein should be deferred until logging is complete.

In the interim, exploration should concentrate on the Toq 3 area, in which geophysical surveys have outlined an intriguing VLF-EM and I.P anomaly that may represent a massive sulphide zone: this target is worthy of immediate exploration efforts by Canora Mining Corporation.

The program recommended includes base map preparation, surface trenching and extended geophysical surveys on the Toq zone with the goal of discovering massive sulphide or sulphide-rich gold bearing veins comparable to the Kennedy River veins. The initial phase is budgeted at \$75,000 to be followed by diamond drilling on the Toq and/or on the Lucky vein zone with an estimated Phase II budget, dependant on favorable results in phase I, of \$126,000.

respectfully submitted

Barry J. Price
Barry J. Price, M.Sc., FGAC,
Consulting Geologist
February 12, 1992



LUCKY PROPERTY

Alberni Mining Division
Vancouver Island, B.C..
NTS Mapsheet 92P-3

TABLE OF CONTENTS

INTRODUCTION	1	OTHER ZONES OF INTEREST	23
LOCATION AND ACCESS	1	Lucky Creek Area	23
TOPOGRAPHY AND VEGETATION	2	Upper Nugget Creek	23
CLAIM OWNERSHIP	2	Toquart Bay Area	23
REGIONAL GEOLOGY	4	ECONOMICS	24
MINERAL DEPOSITS IN THE AREA	5	ENVIRONMENTAL	25
GENERAL MINING HISTORY	5	CONCLUSIONS	25
HISTORY OF EXPLORATION	6	RECOMMENDATIONS	26
EXPLORATION EXPENDITURES	7	SUGGESTED EXPLORATION BUDGET	28
GEOLOGY OF THE PROPERTY	8	Phase I	28
LUCKY VEIN MINERALIZATION	9	Phase II	29
Surface Trenches	10	BIBLIOGRAPHY	30
Underground workings	11	CERTIFICATE	32
Lower Adit	11	LETTER OF RELEASE	33
Main Adit	11	APPENDIX I - ASSAY RESULTS. 1985 DRILL PROGRAM	
1985 Drilling	12	APPENDIX II - 1988 FREEMONT DRILL PROGRAM	
1988 Drilling	14	APPENDIX III - ROCK SAMPLE ANALYSES - TOQ ZONE	
GEOPHYSICAL SURVEYS	18		
Lucky Grid	18		
RIDGE ZONE	19		
Ridge Grid	19		
Ridge Area Drilling	20		
THE TOQ ZONE	20		
1991 Geophysical Program	21		

LIST OF FIGURES

FIGURE 1:	Location Map, B.C.
FIGURE 2:	Topography, Toquart Bay Area.
FIGURE 3:	Claim map
FIGURE 4:	Regional Geology, Vancouver Island
FIGURE 4A:	Mineral Deposits, Kennedy Lake Area.
FIGURE 5:	Stratigraphic column.
FIGURE 6A:	Plan of Lucky vein Trench, Lower Adit Area
FIGURE 6B:	Plan of Lucky vein Trench, Upper Adit Area
FIGURE 7:	Drill Plan 1985, 1988 Drillholes
FIGURE 8:	Longitudinal Drill Section
FIGURE 9:	Drill Section 0+29 North
FIGURE 10:	Drill Section 0+33.7 North
FIGURE 11:	Drill Section 0+45 North
FIGURE 12:	Drill Section 0+54 North
FIGURE 13:	Drill Section 0+71.2 North
FIGURE 14:	Drill Section 1+36.5 North
FIGURE 15:	Lucky Grid, Gold Geochemistry
FIGURE 16:	Lucky Grid, Magnetometer Survey
FIGURE 17:	Toq Area, Grid and Anomalous areas
FIGURE 18:	Toq Area, Gold anomaly - 1983
FIGURE 19:	Toq Grid, VLF-EM Anomaly
FIGURE 20:	Toq Grid, Magnetic Anomaly.
FIGURE 21:	Toq Grid, IP Anomaly
FIGURE 22:	Toq Grid, IP Line 800S

GEOLOGICAL REPORT

LUCKY PROPERTY

Alberni Mining Division
 Vancouver Island, B.C..
 NTS Mapsheet 92F-3

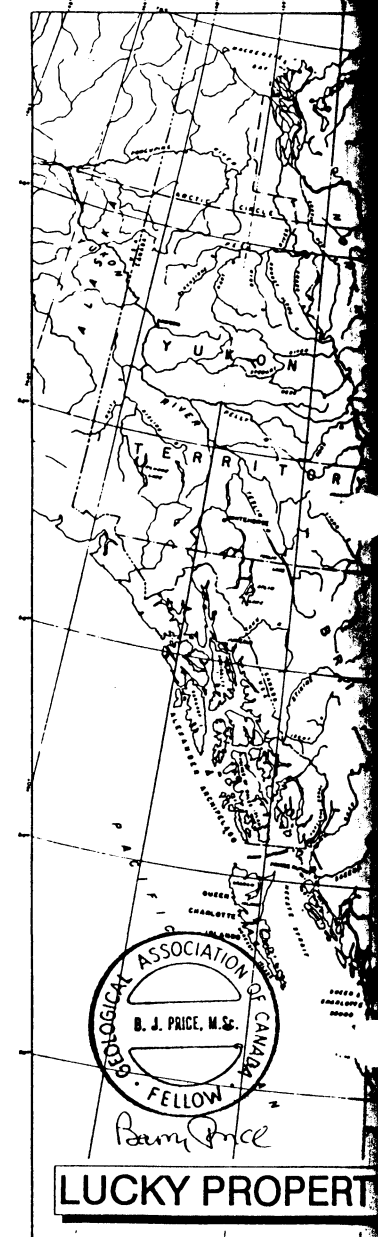
INTRODUCTION:

The writer has prepared this summary of geology, exploration history and potential of the Lucky gold prospect and adjacent prospects at the request of Bernard Ouelllette, director of Canora Mining Corporation. The writer has reviewed earlier reports by N.C.Carter, Ph.D., P.Eng., and others and has made use of their figures; these are acknowledged on the newly drafted figures where appropriate. Mr. J.Barakso and Mr.Zastavnikovich have kindly provided copies of all relevant assessment reports. The writer spent one day examining the property on January 12, 1992 in the company of Mr.S.Zastavnikovich, B.Ed., who has been associated with the property for many years.

LOCATION AND ACCESS:

The Lucky property is situated in NTS Mapsheet 92F-3 on the southwest coast of Vancouver Island, approximately 22 kilometers northeast of Ucluelet, B.C and 30 kilometers southwest of Port Alberni, B.C. The property is about 8 kilometers east of Kennedy Lake. Access is provided by Highway 4 between Port Alberni and Ucluelet to Kennedy Lake, from which area logging roads extend to Toquart Bay, near the southern part of the property. Newly-built logging roads give access to the western parts of the property.

The principal showing on the property, the Lucky Vein, is accessible by a newly-built logging road, as is the Ridge showing, but northern and eastern parts of the property must at present be accessed by Helicopter.

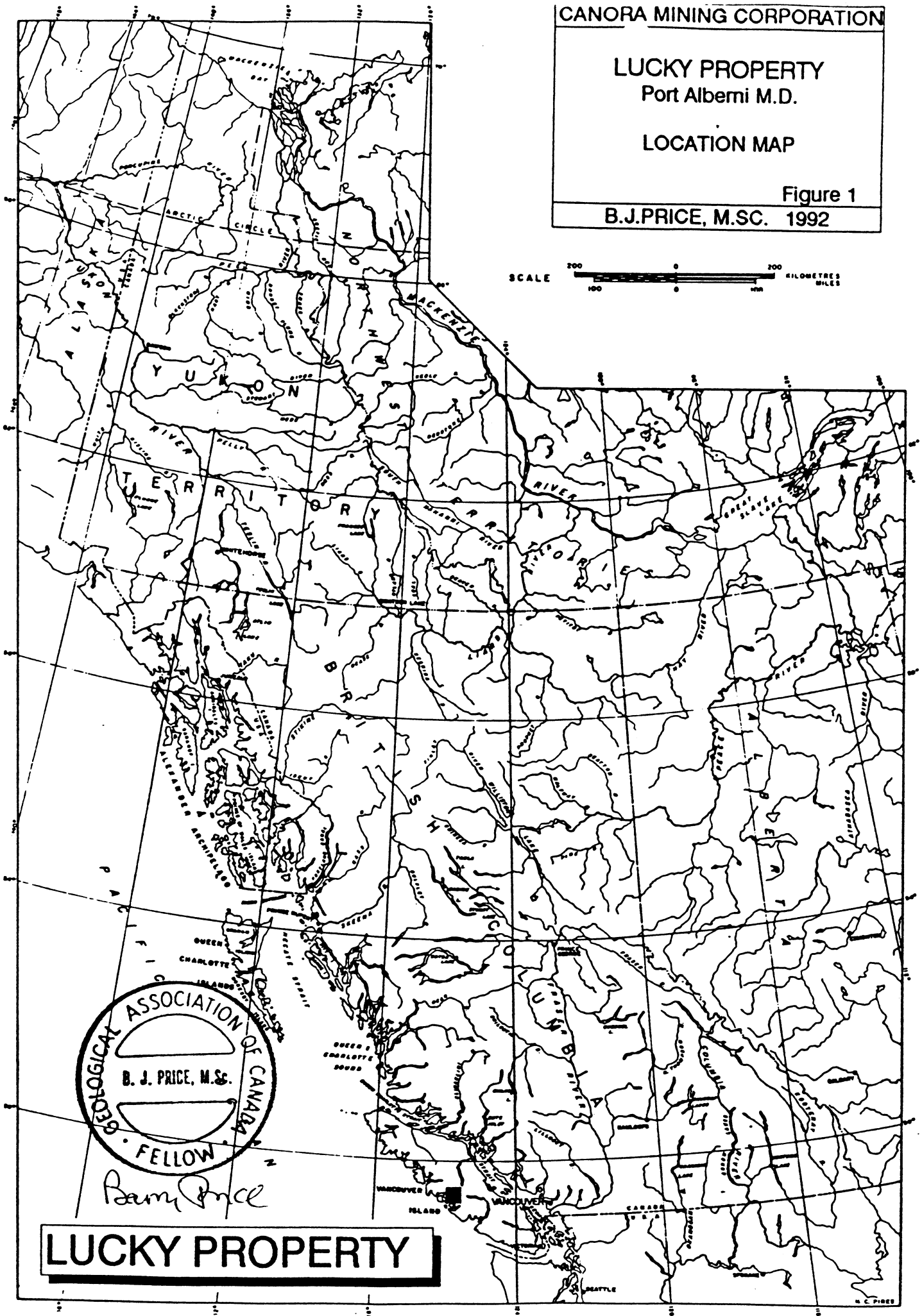
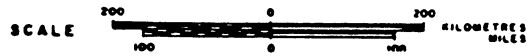


CANORA MINING CORPORATION

LUCKY PROPERTY
Port Alberni M.D.
LOCATION MAP

Figure 1

B.J.PRICE, M.SC. 1992

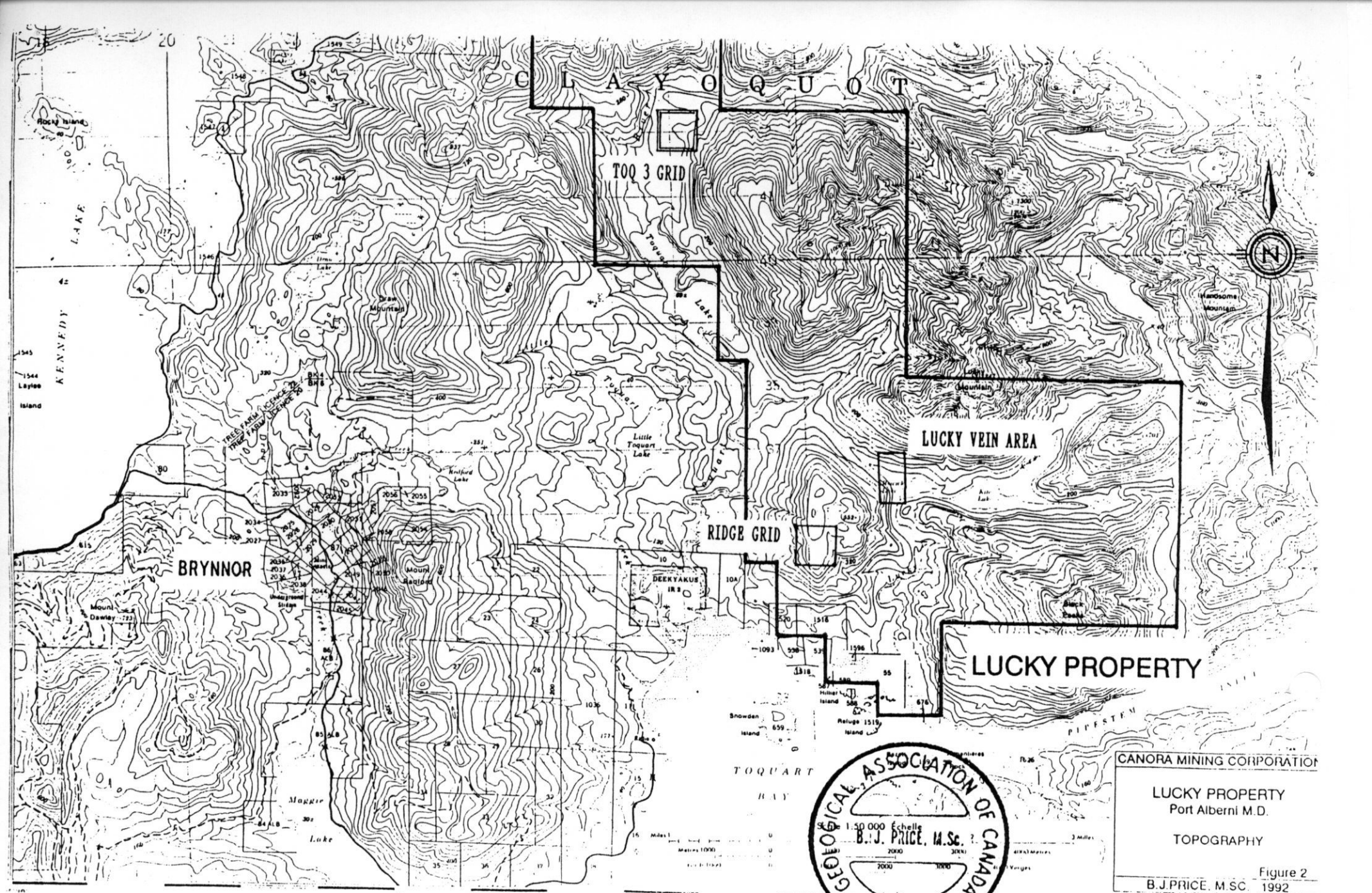


GEOLOGICAL ASSOCIATION OF CANADA
B. J. PRICE, M.Sc.
FELLOW

Bram Price

LUCKY PROPERTY

B. J. PRICE



CANORA MINING CORPORATION
 LUCKY PROPERTY
 Port Alberni M.D.
 TOPOGRAPHY
 Figure 2
 B.J.PRICE, M.Sc. 1992



Barry Price

Most supplies and services are available at Port Alberni or at Ucluelet. The property may be reached in 4 hours driving time from Vancouver, (including the ferry crossing to Nanaimo).

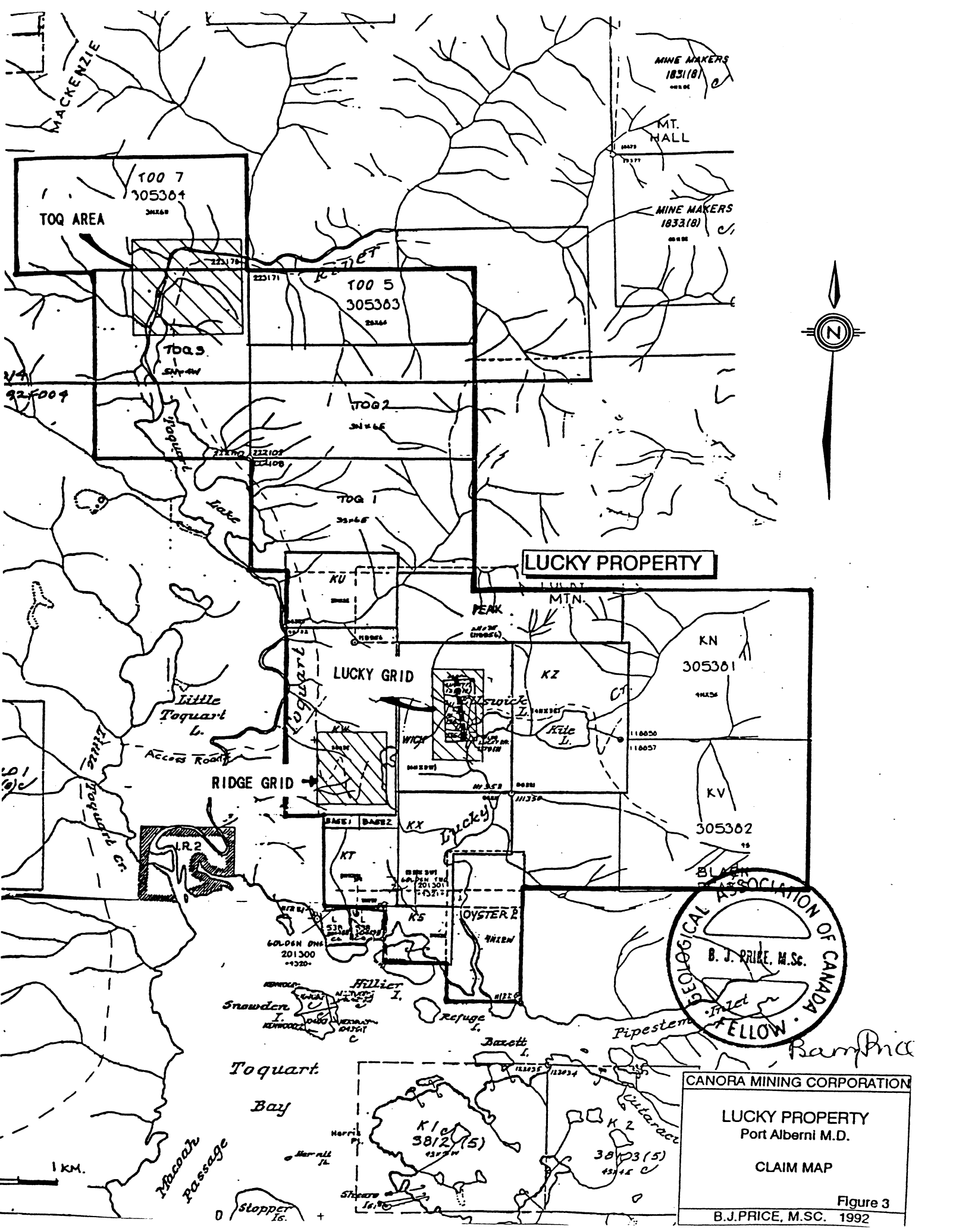
TOPOGRAPHY AND VEGETATION:

Apart from recently-logged areas the property is heavily forested with heavy underbrush and deadfalls and locally rugged topography which may make access difficult. Elevations range from sea-level to 1100 meters ASL. The Lucky vein is in the drainage of Lucky Creek, immediately west of a small lake known as Ellswick Lake.

CLAIM OWNERSHIP:

The claims, totalling 216 units, lie within the Alberni Mining Division, and are owned by Electrum Resource Corporation, a private B.C. corporation controlled by John Barakso., who has optioned the right to acquire 30% interest in the claims to Canora Mining Corporation under an agreement dated December 20, 1991. Continuance of the agreement is subject to a series of payments totalling \$75,000.00 by January 1, 1993, funding of at least \$75,000.00 in assessment work by June 1, 1992 and an aggregate of \$300,000.00 by September 30, 1993, and payment of an aggregate of 200,000 shares in increments before September 30, 1993. In addition, Electrum retains a 3% Net Smelter Return, with a minimum royalty of \$25,000 payable each anniversary during the term of the agreement.

Completion of the cash payments, share allocations and work requirements by September 30, 1993 will effect the commencement of a Joint Venture agreement under which Canora will have 30% ownership of the property.



MINE MAKERS
1831(8)

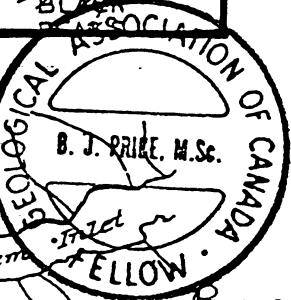
MT.
HALL

MINE MAKERS
1833(18)

LUCKY PROPERTY

LUCKY GRID

RIDGE GRID



CANORA MINING CORPORATION

LUCKY PROPERTY
Port Alberni M.D.

CLAIM MAP

Figure 3

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TABLE I
List of Claims

LUCKY PROPERTY, TOQUART BAY, B.C.

CLAIM NAME	REC. NO.	UNITS	EXPIRY	OWNER
LUCKY 81	200135	1	JAN 28.93	ELECTRUM
LUCKY 82	200136	1	JAN 28/93	ELECTRUM
LUCKY FRACTION	200137	1	FEB 15/93	ELECTRUM
LUCKY FRACTION	200138	1	FEB 15/93	ELECTRUM
WICK	200537	12	MAY 29/93	ELECTRUM
KX	200174	9	NOV 24/92	ELECTRUM
KZ	200175	12	NOV 24/92	ELECTRUM
TOQ 1	201243	18	DEC 23/92	ELECTRUM
TOQ 2	201244	18	DEC 23/92	ELECTRUM
TOQ 3	201245	20	DEC 23/92	ELECTRUM
PEAK	201246	14	DEC 23/92	ELECTRUM
KV	305382	20	OCT 5/92	ELECTRUM
KS	200199	4	AUG 2/93	ELECTRUM
KU	200201	6	AUG 2/92	ELECTRUM
KT	200200	4	AUG 2/93	ELECTRUM
KW	200202	15	AUG 2/93	ELECTRUM
OYSTER 2	200463	8	DEC 22/93	ELECTRUM
KN	305381	20	OCT 5/92	ELECTRUM
TOQ 5	305383	12	SEPT 30/92	ELECTRUM
TOQ 7	305384	18	SEPT 30/92	ELECTRUM
BASE 1	200619	1	JAN 14/93	ELECTRUM
BASE 2	200620	1	JAN 14/93	ELECTRUM
=====				
TOTAL		216	units.	

NOTE: The earliest record date is August 2, 1992, at which time assessment work must be filed or cash in lieu of assessment work must be paid. The claims are currently grouped but may be regrouped at any time for filing of further work.

REGIONAL GEOLOGY: (Figures 4,5)Stratigraphy

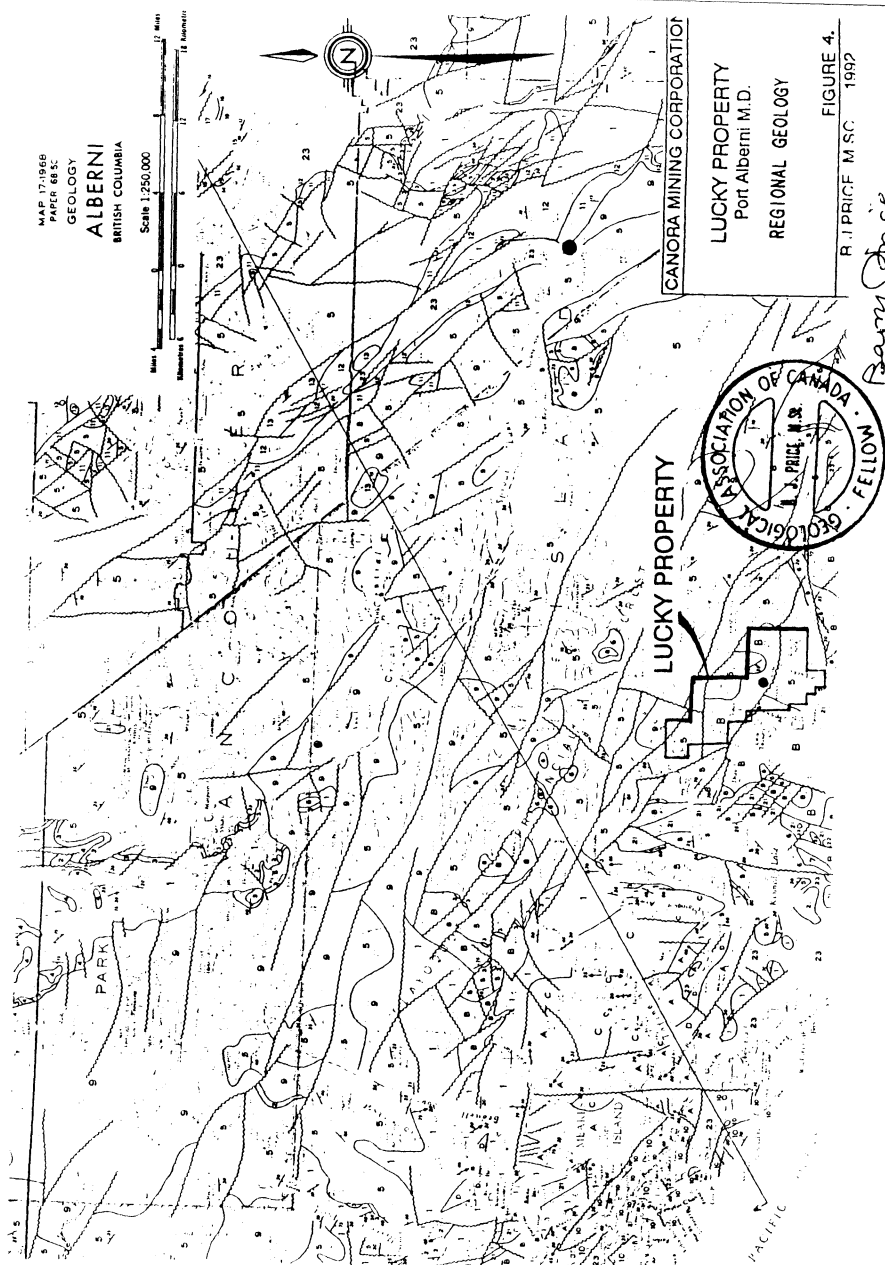
The oldest unit in the project area is the West Coast complex, of possible Paleozoic age, exposed only in small slivers in the western part of the map area. To the north and east, regional uplifts expose rocks of the Buttle Lake and Sicker Groups, of Permian to Devonian age.

Most of the map area is underlain by Karmutsen Formation mafic volcanics in the Vancouver Group, of Late Triassic age. In the Kennedy Lake - Toquart area this unit includes dark greyish green massive to amygdaloidal and porphyritic volcanic rocks occasionally with pillow structures, breccia zones, and occasionally volcanic sandstone. (Eastwood 1968). The volcanics are basaltic and have chlorite, actinolite, and epidote alteration and veinlets of quartz and carbonate.

The Karmutsen Group is overlain by limestone, argillite and tuffaceous argillite of the late Triassic Quatsino Formation. In the Kennedy Lake area to the northwest of the Toquart region the unit has lower and upper limestone members separated by a middle unit of banded argillite. The limestone units are relatively pure, but recrystallized and are white and grey with no bedding. The middle unit is hard, siliceous and banded. The Quatsino Formation overlies the Karmutsen abruptly and was interpreted by Eastwood as conformable.

In small areas in the eastern part of the map area, the Bonanza Group volcanics of early Jurassic age are occasionally seen. These rocks are andesitic to rhyolitic volcanics.

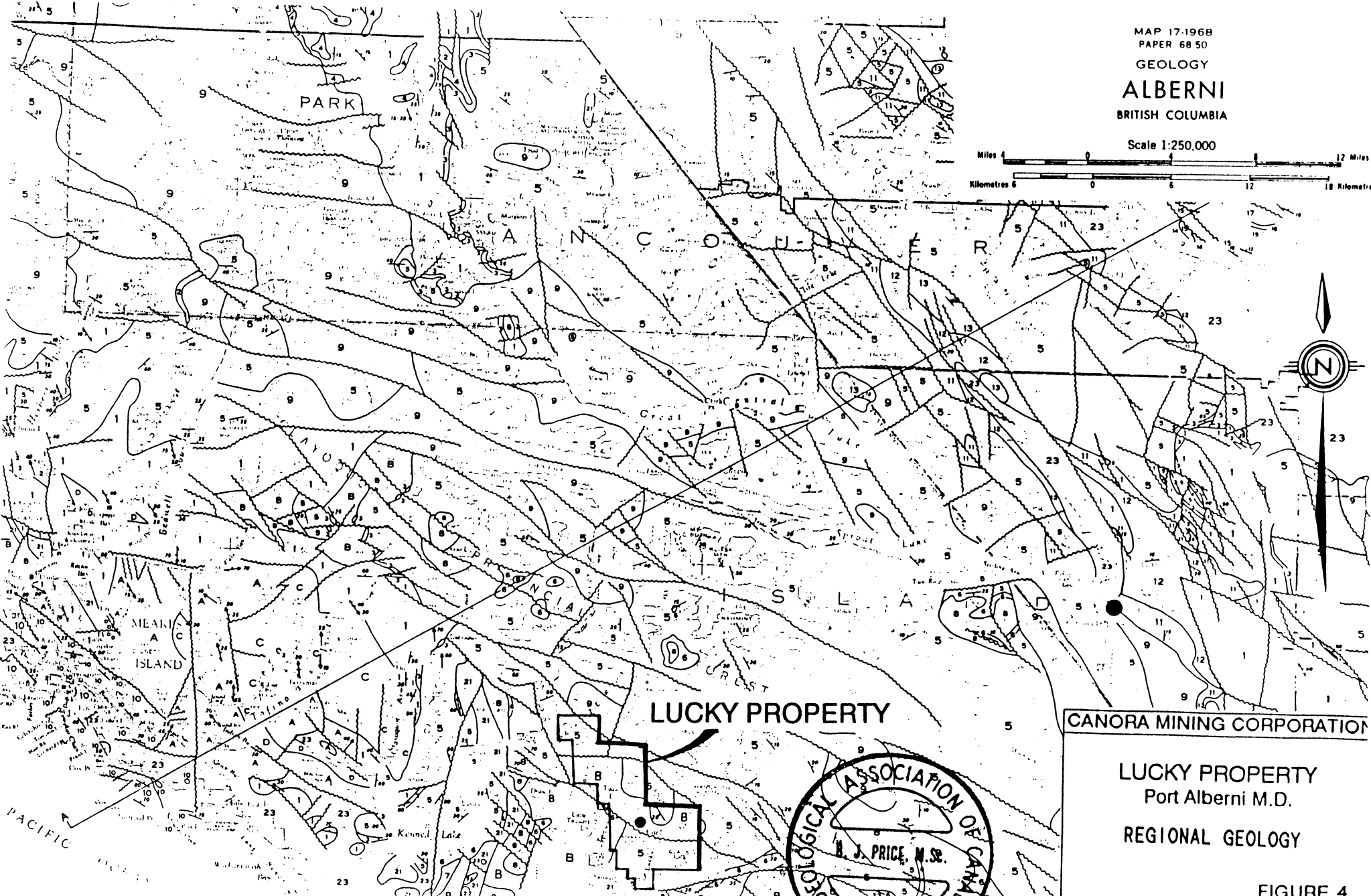
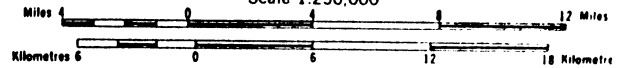
The above rocks are intruded by "Island" intrusions, of granodiorite to quartz diorite composition, which are believed to be co-magmatic with the Bonanza Group volcanics. Tertiary intrusions - small stocks, dykes and sills are common in a belt extending from Tofino and Kennedy Lake southeastward through the project area, and a number of intrusive outcrops on Snowden and Hillier islands in Toquart Bay are thought to be of Tertiary age.



MAP 17-1968
PAPER 68 50

GEOLOGY
ALBERNI
BRITISH COLUMBIA

Scale 1:250,000



LUCKY PROPERTY

CANORA MINING CORPORATION

LUCKY PROPERTY
Port Alberni M.D.
REGIONAL GEOLOGY



FIGURE 4.

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PALEOZOIC		MESOZOIC		CENOZOIC	
7	UPPER TRIASSIC AND LOWER JURASSIC SEDIMENTARY DIVISION: limestone and argillite, thin bedded, silty calcareous	9	MIDDLE TO UPPER JURASSIC ISLAND INTRUSIONS: biotite-hornblende granodiorite, quartz diorite	23	PLEISTOCENE AND RECENT Glacial and alluvial deposits
6	UPPER TRIASSIC Quartzite formation: limestone, mainly massive to thick bedded, minor thin bedded limestone	10	JURASSIC AND/OR LOWER CRETACEOUS "Tofino Area Greywacke Unit" Greywacke, argillite, conglomerate	22	TERTIARY Rhyolitic, to dacitic tuff, breccia, ignimbrite
5	UPPER TRIASSIC AND OLDER KARLUTSEN FORMATION: pillow-basalt and pillow-breccia, massive basalt flows; minor tuff volcanic breccia. Jasperoid tuff, breccia and conglomerate at base	11	UPPER JURASSIC AND/OR LOWER CRETACEOUS CONGX FORMATION: sandstone, conglomerate, shale, coal; 11s is BENSON MEMBER: mainly coarse conglomerate	21	Hornblende quartz diorite, leucogranite monzonite, porphyritic diorite, breccia
4	TRIASSIC OR PERMIAN Gabbro, peridotite, diorite	12	JURASSIC HASLAM FORMATION: shale, siltstone, fine sandstone	20	CRETACEOUS OR TERTIARY Sandstone, conglomerate
3	PENNSYLVANIAN, PERMIAN AND OLDER LOW PERMIAN SICKER GROUP (1-3) BUTTLE LAKE FORMATION: limestone, chert	13	EXTENSION-PROTECTION FORMATION: sandstone, conglomerate, shale, coal	19	CRETACEOUS AND (?) TERTIARY UPPER CRETACEOUS AND (?) TERTIARY MANKING GROUP (11-19) GABRIOLA FORMATION: sandstone, conglomerate, shale
2	MIDDLE PENNSYLVANIAN Argillite, greywacke, conglomerate, minor limestone, tuff	14	CEDAR DISTRICT FORMATION: shale, siltstone, fine sandstone	18	UPPER CRETACEOUS SPRAY FORMATION: siltstone, shale, fine sandstone
1	PENNSYLVANIAN AND OLDER Volcanic breccia, tuff, argillite, gneiss, greenstone, greenschist, dykes and sills of andesite-porphry	15	DE QUINCY FORMATION: conglomerate, sandstone	17	GEOFFREY FORMATION: conglomerate, sandstone
D	"WESTCOAST CRYSTALLINE COMPLEX" (A-D) "BASIC ROCKS" Gabbro, peridotite	16	NORTHUMBERLAND FORMATION: siltstone, shale, fine sandstone	16	NORTHUMBERLAND FORMATION: siltstone, shale, fine sandstone
C	"TOFINO INLET PLUTON" Hornblende-biotite quartz diorite, granodiorite	17	GEOFFREY FORMATION: conglomerate, sandstone	15	DE QUINCY FORMATION: conglomerate, sandstone
B	"WESTCOAST DIORITES" Hybrid hornblende diorite, quartz diorite, agmatite; includes masses of horitic volcanic rocks	18	UPPER CRETACEOUS SPRAY FORMATION: siltstone, shale, fine sandstone	14	CEDAR DISTRICT FORMATION: shale, siltstone, fine sandstone
A	"WESTCOAST GNEISS COMPLEX" Hornblende-plagioclase gneiss, amphibolite, hornfels	19	CRETACEOUS AND (?) TERTIARY UPPER CRETACEOUS AND (?) TERTIARY MANKING GROUP (11-19) GABRIOLA FORMATION: sandstone, conglomerate, shale	13	EXTENSION-PROTECTION FORMATION: sandstone, conglomerate, shale, coal

B. J. PRICE



LEGEND FOR REGIONAL GEOLOGY (MAP 17-1968).

MINERAL DEPOSITS IN THE AREA: (Figure 4A)

The area is a highly mineralized belt; polymetallic massive sulphide deposits such as the Myra, Lynx, and HW deposits at Buttle Lake, north of Kennedy Lake, are large tonnage "Kuroko" type deposits associated with rhyolitic centers in Paleozoic Sicker Group rocks. These deposits have reserves of more than 12 million tonnes averaging 2.34 % copper, 5.19 % zinc, 34.46 g/tonne silver and 2.3 g/tonne gold.

The Karlutsen Group rocks host a large number of gold-silver veins in the Port Alberni, Kennedy Lake and Tofino areas. These are relatively high grade but lousy veins, and a number of these have geologic reserves developed. These vein deposits are often associated with Tertiary intrusive suites. A number of the deposits with geologic reserves are listed elsewhere in the report. Disseminated and vein-hosted copper deposits in Karlutsen volcanics occur, for example the Macktush deposit near Port Alberni.

The Island Intrusions and related Bonanza volcanics are host to porphyry copper deposits such as the Catface Copper deposit with 181 million tonnes grading 0.45 % copper.

The Quatsino Limestones and related rocks are host to important skarn deposits such as the Brynnor mine, which produced about 4.4 million tons of magnetite iron-ore from 1962 - 1966. Substantial geologic reserves remain but are sub-economic at present. Skarns with significant copper-gold values are present elsewhere on Vancouver Island. Tertiary intrusions seem to have played an important part in some of the skarn deposits.

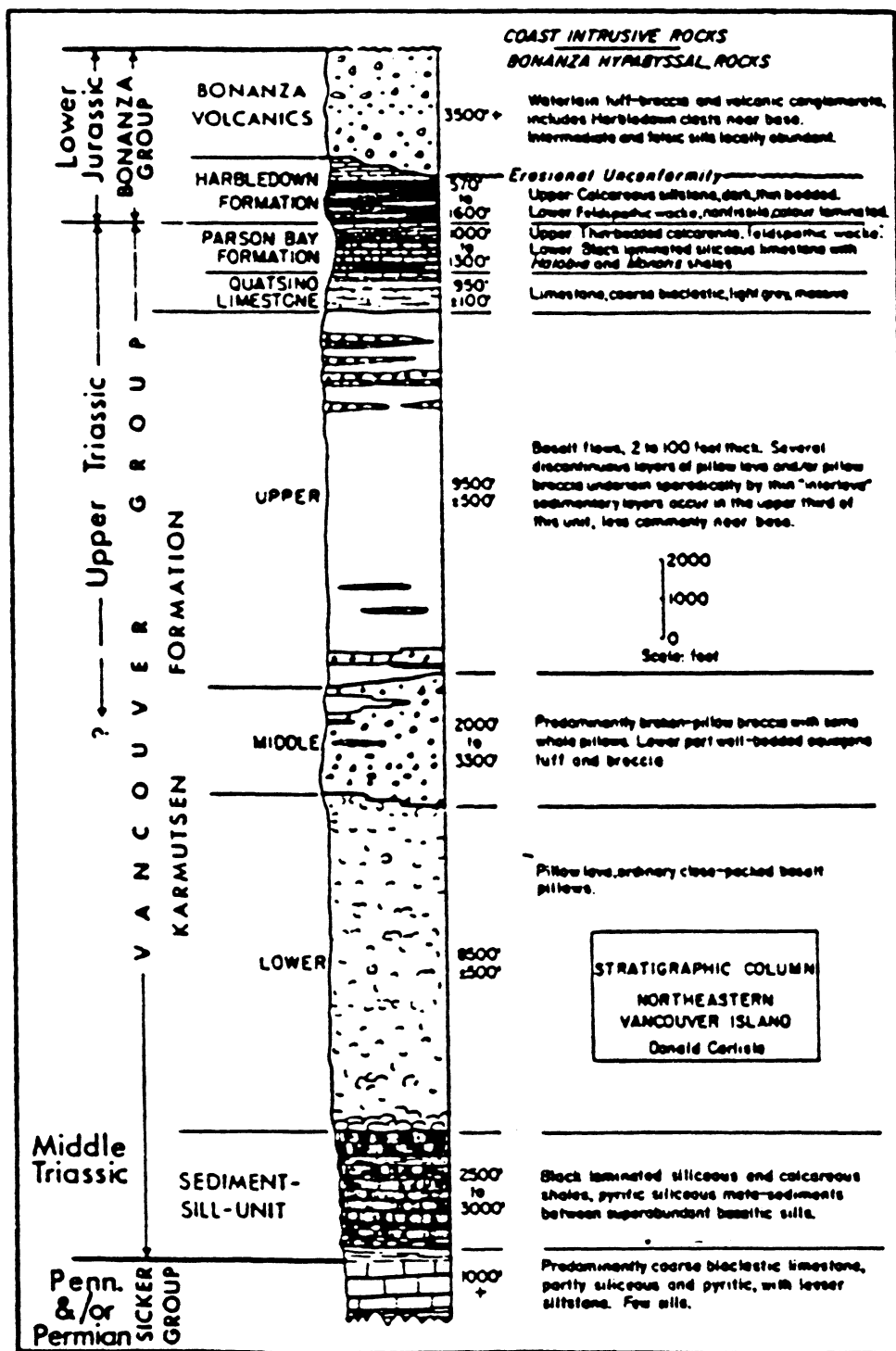
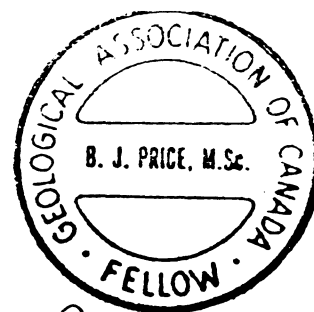
Locations of mineral deposits in the area are plotted on the accompanying map copied from Mindep (Mineral Deposits Inventory, map 092F).

GENERAL MINING HISTORY

In the early 1900's considerable prospecting was done in the Kennedy River area, where numerous vein type gold showings were found. Among these, the Rose Marie and Leora properties had limited

Figure 5.

STRATIGRAPHIC COLUMN
Vancouver Island, B.C.



production, (400 tons) between 1899 and 1915, and many other veins were discovered in the area in the 1930's.

The Brynnor open pit magnetite mine was in operation from 1962 to 1966. The mine, situated on Draw Creek, about 10 km west of the Lucky property, produced about 4.4 million tons of magnetite iron-ore, from skarn lenses in tuffaceous argillite and andesite. The magnetic anomaly had been identified as early as 1902, but the deposit was not outlined until 1960. A deeper magnetite lens of unknown dimensions has been identified by drilling and underground exploration, but a number of factors led to the closing of the mine, including depletion of the open-pit reserve, a strike, and heavy underground water flows.

The Kennedy River area was the focus of a large exploration program in 1989 by Kerr Addison Mines, International Coast Minerals and others, who drilled the Black Bear and other veins.

HISTORY OF EXPLORATION OF THE LUCKY PROSPECT:

- 1905 The property was staked as the Red Rover property.
- 1920? Prior to 1933 the vein had been stripped at intervals over a slope distance of 375 feet and near the south end, a short adit had been driven for 30 feet at 20 degrees on part of the vein.
- 1933 Property was restaked as the Toquart 1-4 claims by T.Tugwell and the Hillier brothers of Ucluelet.
- 1935 An additional adit about 220 feet long was driven.
- 1938 Surface sampling done by P.Hemsworth, P.Eng.
- 1972 The Lucky 1-4 claims were staked by John Mc'Andrew.
- 1973 Property examined by Roy Phendler, (Cannon-Hicks Associates Ltd., for Kalco Valley Mines Ltd. who held the claims under option from John Mc'Andrew, prospector. Phendler took 8 chip samples from the Lucky adit. Access at this time was by a float-equipped helicopter based in Nanaimo.
- 1978 Property re-examined by R.Phendler
- 1981 The claims forfeited when assessment work was not accepted by the Mining Recorder and the ground was staked by Wilking Girindra.

- 1982 Assessment done by V.Ryback-Hardy., for owner Wilkin Girindra.
- 1983 The property was acquired by J.Barakso. Victoria Resource Corporation optioned the property, staked additional claims and completed silt, soil and rock sampling programs through 1984.
- 1985 Falconbridge Ltd. optioned the claims from Victoria Resource Corp and did follow-up geochemical sampling, airborne and surface geophysical work, reconnaissance prospecting and geological mapping of selected areas. The underground workings were surveyed and sampled, and 332 meters of diamond drilling in 7 holes. The Falconbridge and Victoria Resource Corp. options were both terminated late in 1985 and the claims were returned to Electrum Resources Ltd.
- 1987 Additional claims were staked by Electrum, who optioned the property to Freemont Gold Corp., who, with Alcove Gold Corporation, completed VLP-EM and Magnetometer surveys, soil and rock geochemistry, geological mapping and prospecting.
- 1988 Canora Mining Corporation joined Freemont and Alcove and the JV completed 2087 meters of drilling in 20 holes on the Lucky vein system and 6 holes on the Ridge zone. 15.7 km of grid were cut over 3 areas on the northern and eastern claims, and VLP-EM and magnetometer surveys and some rock geochemistry were done on the grids.
- 1990 Westmin Resources Ltd. examined the property with a view to purchasing ore for their Premier mill.
- 1991 Canora arranged a new option agreement with Electrum.

EXPLORATION EXPENDITURES:

Total expenditures on the property from 1987 to 1989 by Canora and joint-venture partners are as follows:

CANORA	\$116,138.00
ALCOVE	\$61,310.00
FREEMONT	\$727,976.00
	=====
TOTAL	\$905,424.00

Previous expenditures on the property by Electrum, Victoria Resources Ltd. and Falconbridge Ltd. are estimated at \$400,000.00, bringing the total expended on the property in the past 20 years to an estimated \$1.3 million or more.

GEOLOGY OF THE PROPERTY:

Geology of the entire property has not been mapped in detail, because of difficulty of access in the past, but the general geology of selected parts of the property was mapped by Rebic and Lehtinen, (1985) for Falconbridge Ltd., and their description is summarized as follows:

"The oldest rocks exposed on the property are basaltic to andesitic metavolcanics of the Karmutsen Formation, which forms the basal part of the Vancouver Group. The rocks are dark green on fresh surfaces but commonly weather buff. They consist of porphyritic amygdaloidal flows, fine-grained flows, and brecciated flows. Flow banding and pillow structure were noted occasionally. The phenocrysts in the flows are plagioclase, often epidotized, and augite, often altered to chlorite. Epidote and chlorite are ubiquitous in the formation, often filling vesicles. Disseminated pyrite, up to 2 per-cent, is very common. Magnetite occurs in some flows. Hematite imparts a red colour to the rocks locally. The sequence appears fairly monotonous and attitudes are not noticeable in outcrops.

"The upper part of the Karmutsen Formation occasionally includes narrow tuff and limestone beds. Most of the Karmutsen Formation resulted from submarine volcanism; the uppermost portion was probably deposited in shallow water.

The Quatsino Formation overlies the Karmutsen Formation. It is exposed along logging road T26 on the east side of Triple Creek at about 400 m. elevation and on the west side of Handsome Lake. The Quatsino Formation is comprised of light to dark grey, commonly massive or thick-bedded limestone. The limestone appears nearly flat to gently-dipping. No fossils were noted in it. The limestone is brecciated and frequently re-crystallized at contacts with granitic intrusions. Small fault-bounded blocks of limestone, completely re-crystallized to marble, were noted rarely. The limestone lacks sulphide mineralization except in spotty skarns at the contacts."

"Overlying the Quatsino Formation is a package of thin-bedded calcareous sedimentary rocks comprised of mudstone, argillite, siltstone and sandstone, that outcrops on the east side of the Triple Creek area and on the KW mineral claim. These sedimentary rocks may be equivalent to the Parson Bay Formation or the basal portion of the Bonanza Formation."

"Stratigraphically above the sedimentary package is a sequence of light green pyroclastic rocks and minor flows of the Bonanza Formation. Up-section, the flows appear to dominate. The fragments in the flows consist of bombs and blocks, although conspicuous on weathered surfaces, they are less obvious on fresh surfaces because they appear to be of the same composition as the matrix. Hematitic staining is common. Compositionally, the rocks of the Bonanza Formation are andesitic to dacitic."

On the southwest side of Handsome lake, a siliceous grey intermediate to possibly felsic rock (unit) occurs as sills and flows within and stratigraphically above the Quatsino Limestone. Flow-banding is noted rarely. The rocks frequently contain feldspar phenocrysts, mafic minerals and, occasionally, epidote-filled amygdules. Disseminated pyrite comprises less than one percent. Hematite staining is occasionally present. Some flows often exhibit crude columnal jointing. These siliceous volcanic rocks may be part of the Bonanza Formation or related to Jurassic intrusions which post-date the Bonanza Formation."

"Intrusive rocks consist of granite, quartz monzonite, quartz diorite and gabbro dykes, sills, plugs and stocks. Most commonly, the rocks are massive, medium to coarse-grained and equigranular, although a porphyritic phase of granodiorite was noted. In addition, quartz feldspar porphyry and feldspar porphyry dykes and sills were also noted. Mafic minerals consist of hornblende, biotite and chlorite. Most rocks contain some disseminated pyrite."

Granite and quartz monzonite mapped by Muller on Snowden and Hillier Islands are thought to be Tertiary intrusions. They are fresher looking than the Island Intrusions, which are thought to be of Jurassic age. The writer observed quartz dioritic dikes in a number of locations east of Ellswick Lake and north east of Toquart Lake. In addition a larger intrusion of quartz diorite forms a ridge between Toquart River and Ellswick Lake and is well-exposed in road cuts on the access road to Ellswick Lake. The writer did not examine other parts of the property, but Canora has access to copies of the property geology as mapped by Rebic and Lehtinen. The only copy of the map currently available is a coloured version, which does not reproduce well. The new road access will simplify re-mapping the property, and this should be done at the first opportunity.

LUCKY VEIN MINERALIZATION

The Lucky vein, or more properly, vein system, is a narrow fault-controlled northerly trending structure with one or more splays. The vein has been mapped from limited trench and surface outcrop by Hemsworth, Eccles, and others. The writer did not examine the Lucky vein in detail, as the surface trenches have largely filled with debris and the main adit has too much water flowing through it from winter runoff to make mapping practical; however, the basic geology

has been well-described by Northcote, (1983), Eccles (1984) and others.

The main rock unit in the adit area is massive, amygdaloidal and breccia-textured varieties of the Karmutsen Formation volcanics. All textures are well displayed in the core, stored near the main adit. Also seen were sections of massive to porphyritic green-grey dyke material which may represent a chilled phase of the Island Intrusions. Quartz feldspar porphyry is noted in a number of drill-holes, particularly the more northerly drillholes 1985-1 and 2.

The gold values are contained in one or more quartz and/or quartz-carbonate veins and splays occupying faults, as seen in drill-core. Rebic and Lehtinen describe the veins as "composed mainly of quartz, often drusy type, and locally, calcite pods." Brecciated wall-rock is often included in the veins. Chalcopyrite in minor amounts was seen by the writer, in addition to small amounts of pyrite. Native gold has been seen in veins.

The latest movement on the vein-fault is said to be indicated by shallow slickensides dipping 9 to 15 degrees southward. Gouge is noted in core-logs. Wallrock alteration indicated by bleaching includes clays, epidote, chlorite and carbonate. Some gold values occur in the altered wallrock but no gold occurs in unaltered rock, judging from the detailed 1985 core-sampling.

On surface, the veins dip steeply eastward, but in drill-sections, vertical dip occurs at depth, as shown in accompanying drill-sections.

Surface Trenches:

The Lucky vein system was trenched at surface prior to 1938; the most systematic surface sampling was done by Hemsworth in 1938. His sampling included 86 samples, of which approximately 35 samples spaced at 5 ft intervals along the main vein averaged: 1.04 ounces per ton gold over 164 ft (50 meters) length and 1.0 ft (0.30 m). Shorter sections within this length assayed 1.27 opt gold over 72 ft length and 1 ft width, and 1.77 opt gold over 40 ft length and 1.5 ft width. A further section between the two adits assayed 0.66 opt gold over 40

CANORA MINING CORPORATION
LUCKY PROPERTY
 Port Alberni M.D.
SURFACE SAMPLING
LOWER ADIT
 Figure 6A
 B.J.PRICE, M.Sc. 1992

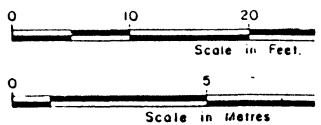
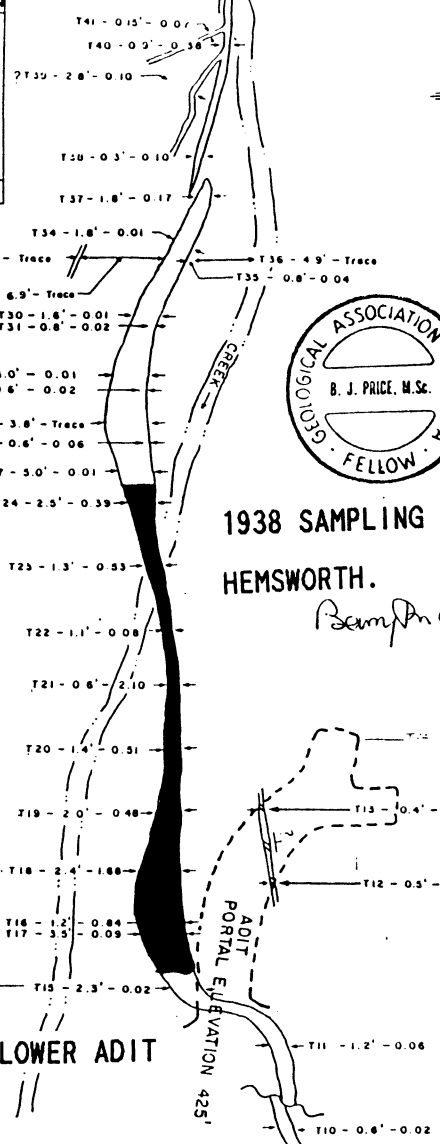
UPPER ADIT



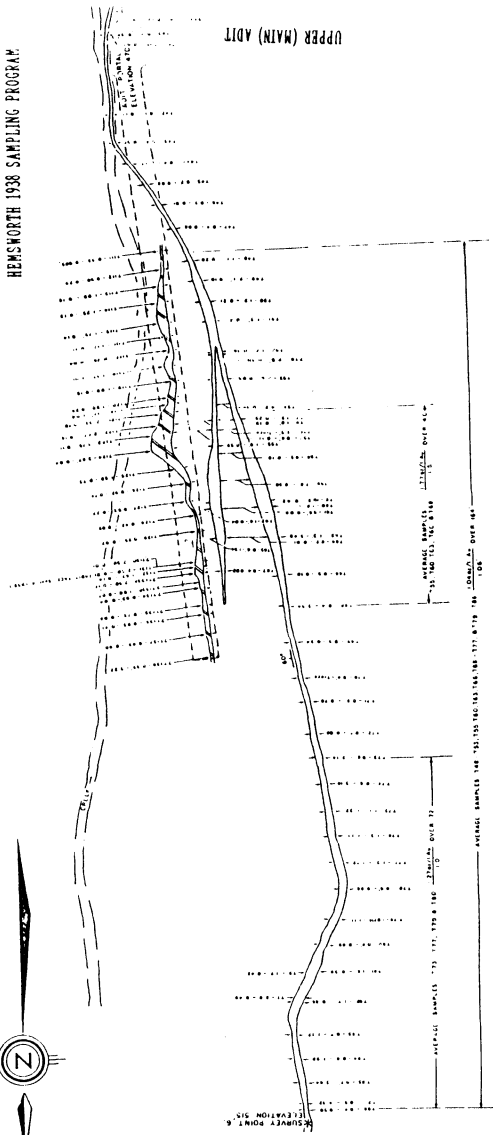
1938 SAMPLING
 HEMSWORTH.
B. J. Price

LOWER ADIT

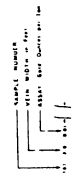
ADIT PORTAL ELEVATION 425'



HEMSWORTH 1938 SAMPLING PROGRAM



CANORA MINING CORPORATION
 LUCKY PROPERTY
 Port Alberni M.D.
SURFACE SAMPLING
UPPER ADIT
 Figure 6B
 B.J.PRICE, M.Sc. 1992



AFTER NORTHCOOTE, 1983



B. J. Price

ft length and 1.64 ft. width. These values are uncut and undiluted, and were checked by Northcote (1984) with "fair agreement".

Since Hemsworth's sampling the trenches have sloughed and extensive re-trenching would have to be done before the surface vein could be re-mapped or re-sampled. Following the logging which is currently under way in the Lucky vein area, this may be practical.

Hemsworth's samples are shown on Northcote's copy of the original sample plan, reproduced as Figures 6A and 6B.

Underground workings:

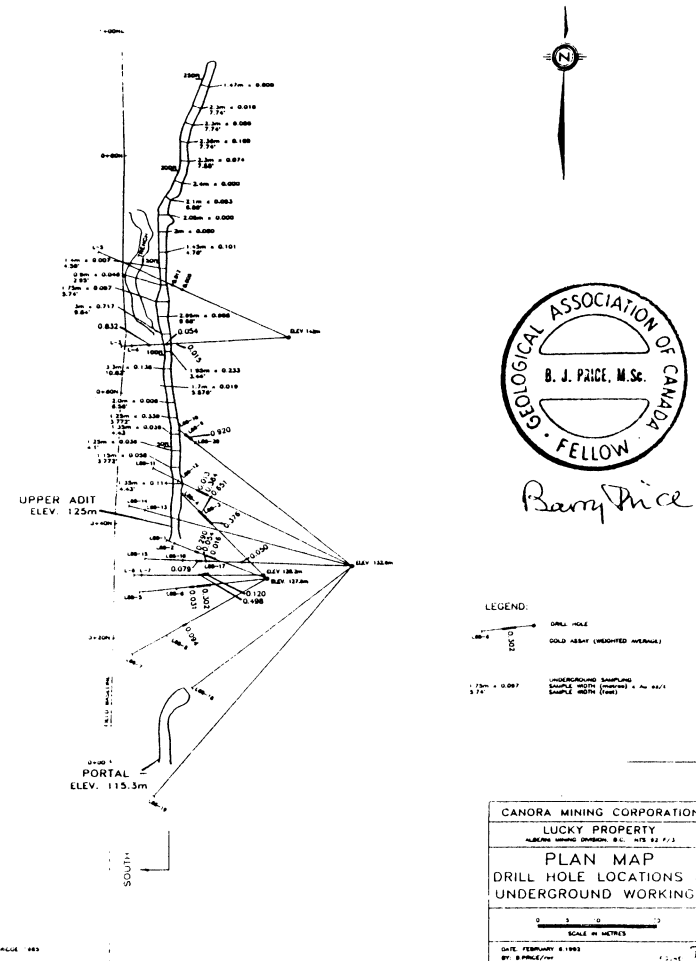
Lower Adit: (Figure 6a)

The lower adit, at creek level, a short distance north of the new access road, extends for only 15 meters, and has the main vein exposed at the portal, assaying 0.210 opt gold over 1 meter (Eccles, 1984). Much of the lower adit, therefore, does not follow the main vein, but a narrow vein in the hangingwall was sampled by Eccles, (1984) as follows:

NO.	TYPE	WIDTH	ASSAY GOLD
L1	wallrock	1.0 m	.008 opt
L2	qtz. vein	0.3 m	.088 opt
L3	wallrock	1.0 m	.006 opt
L4	wallrock	1.2 m	.006 opt
L5	vein, wall	0.3 m	.008 opt
L6	wallrock	0.5 m	.008 opt

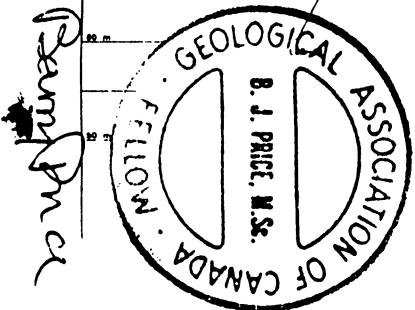
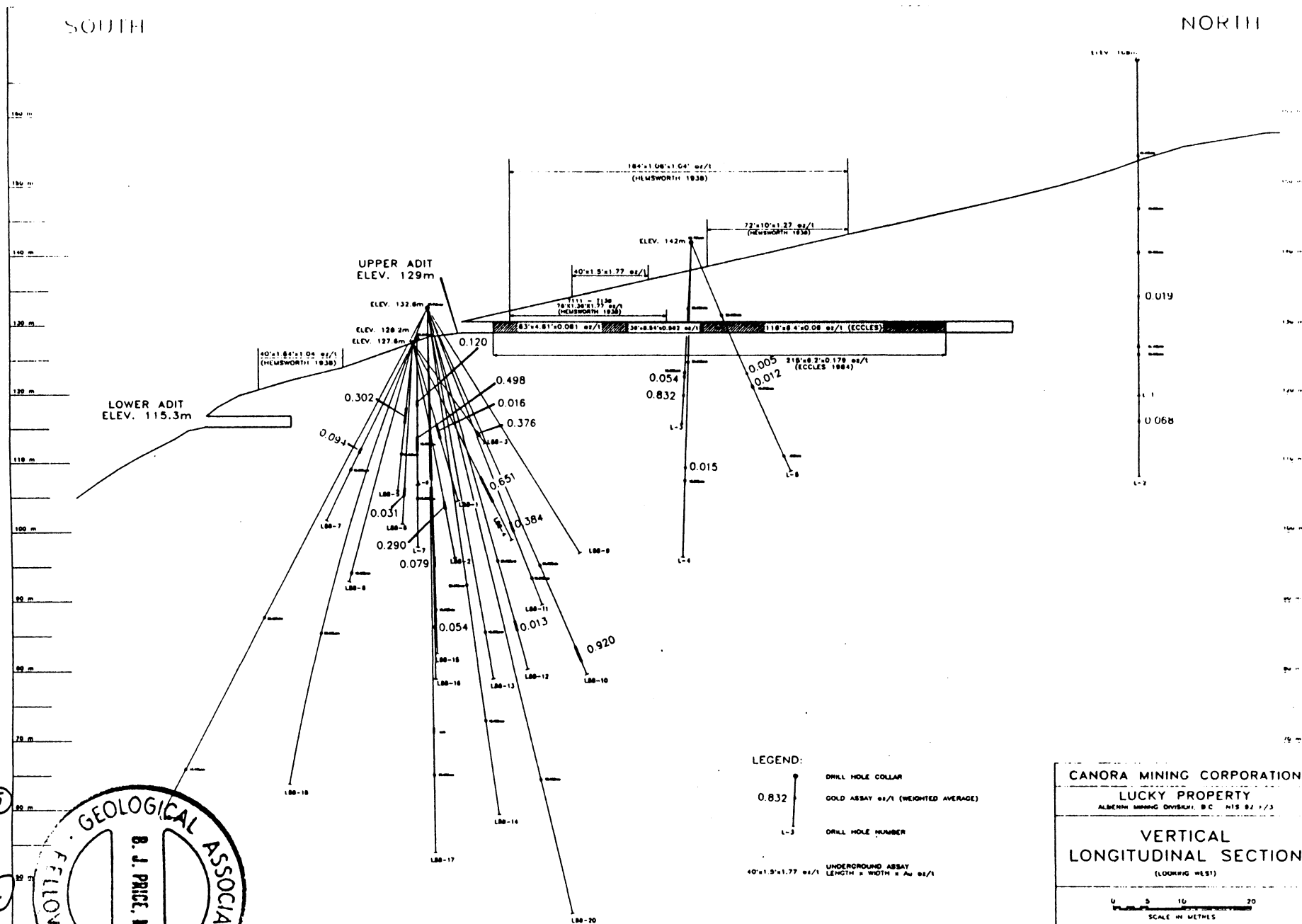
Main Adit: (Figure 6B)

The main adit at elevation 129 meters extends about 80 meters northward, and the main vein is best exposed over the first 47 meters, after which only lenses and splays are intermittent. Work by Walker during his investigation for Westmin Resources in 1990 suggests that beyond a point roughly 55 meters from the portal, where a dyke crosses the adit, the adit follows only a splay from the main vein, which is represented along the west wall by a gougy zone displaying prominent slickensides dipping 15 degrees southward. Nevertheless, sampling beyond this point indicates values in the "splay".



SOUTH

NORTH



LEGEND:

0.832 DRILL HOLE COLLAR

L-3 GOLD ASSAY @ 1/1 (WEIGHTED AVERAGE)

L-3 DRILL HOLE NUMBER

40' x 1.5' x 1.77' @ 1/1 UNDERGROUND ASSAY LENGTH x WIDTH x Au @ 1/1

CANORA MINING CORPORATION
 LUCKY PROPERTY
 ALBERTA MINING DIVISION, B.C. NIS 82 1/3

VERTICAL
 LONGITUDINAL SECTION
 (LOOKING WEST)

0 5 10 20
 SCALE IN METERS

DATE FEBRUARY 8, 1957
 BY B. J. PRICE

The adit has been chip-sampled a number of times from 1938 to the present. Detailed sampling was done by Hemsworth in 1938; his sampling gave an average of 0.26 opt gold over 23 m (76 ft). The adit was apparently extended to its present length at a later date.

A comparison of sampling in the adit is as follows: (All uncut)

YEAR	SAMPLER	LENGTH	WIDTH	ASSAY GOLD
1938	Hemsworth	23 m	0.41 m	0.260 opt
1973	Phendler	53 m	0.28 m	0.494 opt
1984	Falconbridge	28 m	0.23 m	1.936 opt
1985	Eccles	65.54 m	1.90 m	0.179 opt
	or: part A	19.21 m	1.41 m	0.081 opt
	part B	10.98 m	2.58 m	0.562 opt
	part C	35.37 m	1.95 m	0.060 opt
1990	Westmin	15 m	0.20 m	1.180 opt

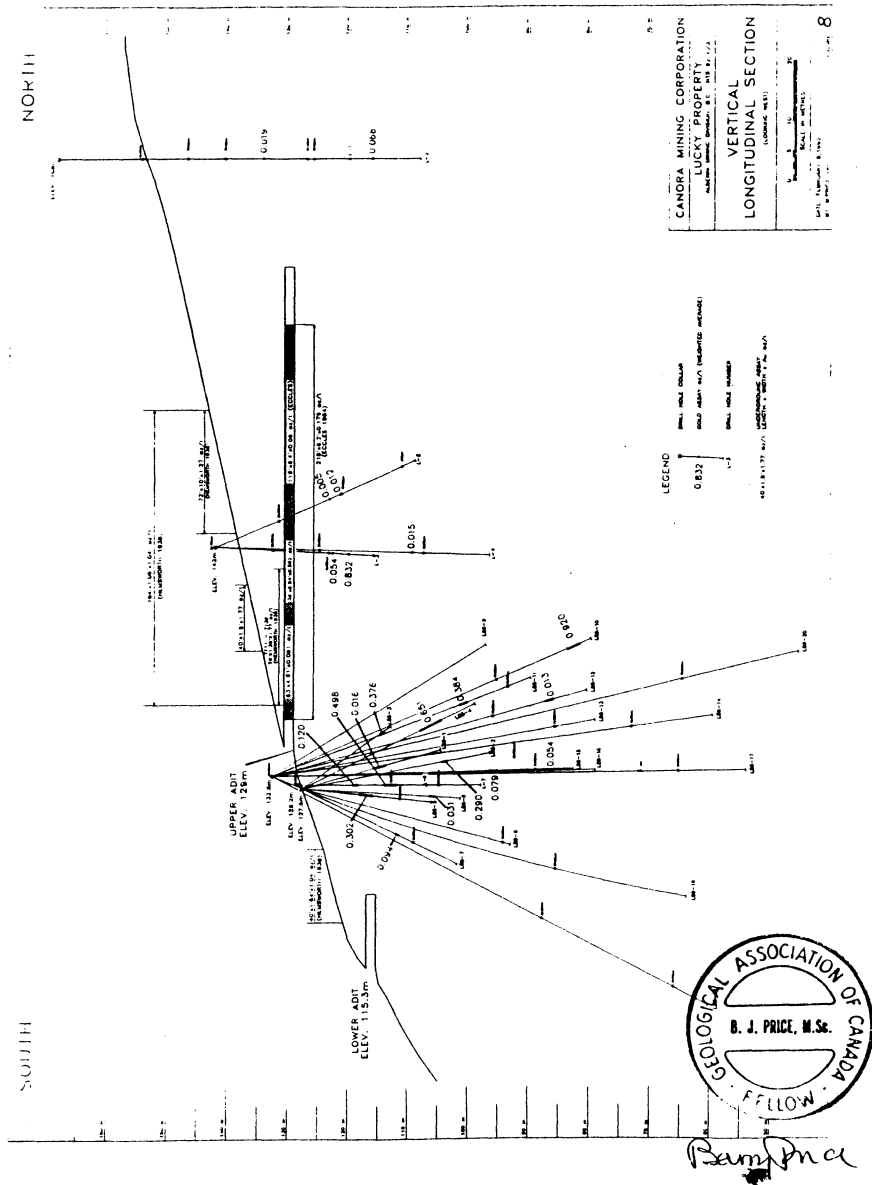
A perusal of Eccles systematic sampling in the adit shows that significant gold values do occur in the wallrock adjacent to the main vein. Hanging-wall samples average 0.013 opt gold and footwall samples average 0.011 opt gold (mathematical averages). A complete list of Eccles samples is provided in the appendix

1985 Drilling: (Figures 7,8)

The Lucky vein was drilled in 1985 by Falconbridge Ltd with seven angle holes from 3 set-ups totalling 332 meters (930 feet), that tested 100 meters strike length of the north-trending strike to a depth of 1- to 50 meters below surface. The 1985 drill-holes are tabulated as follows:

DDH	GRID	ELEV	AZ.	INCL.	DEPTH
L-1	135N/50E	168 M	270	54	59.74 M
L-2	135N/50E	168 M	270	65	66.45 M
L-3	70.7N/29.7E	142 M	267	45	38.40 M
L-4	70.7N/29.7E	142 M	267	61	52.60 M
L-5	70.7N/29.7E	142 M	294	45	48.16 M
L-6	33.1N/25.6E	128.2 M	270	45	30.48 M
L-7	33.1N/25.6E	128.2 M	270	57	36.58 M

TOTAL 332.41M



The seven drill-holes by Falconbridge were done from 3 set-ups along a strike-length of about 110 meters. Drillholes 1 and 2 were drilled from one set-up positioned 20 meters north and 35 meters east of the face of the main (Upper) adit. Hole 1 intersected .14 meters of calcite vein assaying 0.019 oz/ton gold. Hole 2, the deeper hole intersected a quartz vein probably representing the Lucky vein, which assayed 0.068 opt gold over .38 meters. This would be 13 meters below the adit level, (Carter, 1987).

Three holes (DDH 3,4, and 5) tested below the central section of the adit, and each intersected more than one quartz vein, albeit with one narrow intersection in hole 3 - 0.38 meters averaging 0.832 opt gold and other low values in holes 4 and 5 ranging from 0.005 opt to 0.054 opt over narrow core lengths.

The best values in the 1985 round of drilling were from DDH 6 and 7 from a point 4 meters south and 15 meters east of the Main adit. Hole 6 intersected two parallel quart-carbonate veins over a core-length of 1.2 meters with a weighted average of 0.152 opt gold. Hole 7, drilled deeper intersected .75 meters of quartz vein with visible gold assaying 1.680 opt gold. The wallrock carried weak gold values of 0.012-0.016 opt gold here and the total resultant intersection was 2.58 meters (core-length) averaging 0.498 opt gold. (Carter, 1987).

Falconbridge prospecting uncovered a parallel quartz vein 45 meters west of the Lucky vein, traced for about 20 meters on surface, with, unfortunately no anomalous gold. The significant drill-intersections are listed below:

TABLE III

List of 1985 drill-intersections and Assays

DDH	FROM	TO	WIDTH	AU
L-1	41.76M	41.90M	.14M	0.019 OPT
L-2	57.30	57.68	.38	0.068
L-3	27.93	28.39	.46	0.054
L-3	31.97	32.36	.39	0.832
L-4	37.44	37.65	.21	0.015

TABLE III (continued)

DDH	FROM	TO	WIDTH	AU
L-5	27.05	27.25	.20	0.005
L-5	29.59	29.87	.28	0.012
L-6	12.80	12.90	.10	0.918
	12.90	13.80	.90	0.010
	13.80	14.00	.20	0.257
WT AVG			1.20	0.120
L-7	17.15	17.98	.83	0.012
	17.98	18.73	.75	1.680
	18.73	19.73	1.00	0.016
WT AVG			2.58	0.498

1988 Drilling: (Figure 7,8)

Freemont Gold Corporation drilled 20 angle holes from 2 set-ups in 1988 using a lightweight "Gopher" diamond drill with ADBGM (Thinwall A) core. The holes ranged from 30 to 93.5 meters in length and total 1112.2 meters (3,648 feet). The drill holes are summarized below:

DDH	GRID	ELEV.	AZ.	INCLIN.	DEPTH m	DEPTH Ft
L88-1	30.5N/26.2E	127.6	291	-52	29.26	96
L88-2	30.5N/26.2E	127.6	291	-62	35.36	116
L88-3	30.5N/26.2E	127.6	315	-45	20.73	68
L88-4	30.5N/26.2E	127.6	315	-55	35.03	115
L88-5	30.5N/26.2E	127.6	264	-45	30.48	100
L88-6	30.5N/26.2E	127.6	264	-60	30.48	100
L88-7	30.5N/26.2E	127.6	241	-45	36.58	120
L88-8	30.5N/26.2E	127.6	241	-61	39.62	130
L88-9	32.6N/40.6E	132.6	308	-45	50.29	165
L88-10	32.6N/40.6E	132.6	308	-55	64.62	212
L88-11	32.6N/40.6E	132.6	296	-49	57.00	187
L88-12	32.6N/40.6E	132.6	296	-58	61.57	202
L88-13	32.6N/40.6E	132.6	285	-56	64.62	212
L88-14	32.6N/40.6E	132.6	285	-62	82.91	272
L88-15	32.6N/40.6E	132.6	272	-55	60.96	200
L88-16	32.6N/40.6E	132.6	272	-62	67.67	222
L88-17	32.6N/40.6E	132.6	272	-73	82.26	270
L88-18	32.6N/40.6E	132.6	233	-55	76.81	252
L88-19	32.6N/40.6E	132.6	221	-55	88.39	290
L88-20	32.6N/40.6E	132.6	308	-69	93.57	307

1112.23M 3648 FT.

Drill-core is stored at a site near the drill collars for hole 88-1.

Significant drill intercepts were calculated by the writer as follows:

TABLE V

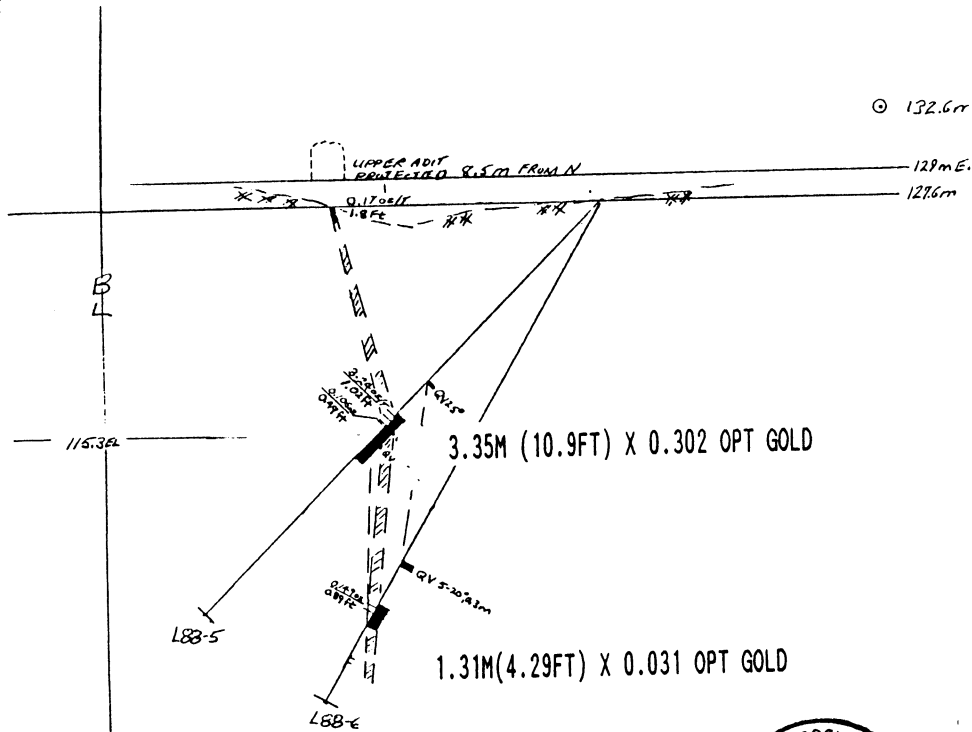
List of 1988 Drill Intersections and assays

DDH	FROM	TO	m	ft	Au	Au
L88-1	15.0	15.18	.18	.59	3.60 g/t	.105 opt
	15.18	17.13	1.95	6.39	NA	NA
	17.13	17.31	.18	.59	.89	.026
	17.31	17.68	.37	1.21	1.80	.053
WT AVG			2.68	8.79	.55 g/t	.016 opt
L-88-2	26.30	26.73	.43	1.41	.08	.002
	26.73	27.37	.64	2.09	17.50	.510
	27.37	27.43	.06	.19	.21	.006
WT AVG			1.13	3.70	9.94 g/t	.290 opt
L-88-3	18.29	18.62	.33	1.08	2.20	.064 opt
	18.62	18.90	.28	.91	39.05	1.139
	18.90	19.20	.30	.98	.28	.008
WT AVG			.91	2.98	12.89	.376
L-88-4	23.90	24.20	.30	.98	.17	.005 opt
	24.20	24.51	.31	1.01	220.66	6.436
	24.51	24.81	.30	.98	1.72	.050
	24.81	26.21	1.40	4.59	na	na
	26.21	26.52	.31	1.01	51.07	1.490
	26.52	27.07	.55	1.80	na	na
	27.07	27.68	.61	2.00	13.80	.403
	27.68	28.28	.60	1.96	7.45	.217
WT AVG			4.38	14.30	22.31	.651 opt
L-88-5	13.41	13.56	.15	.49	.02	.001 opt
	13.56	15.94	2.38	7.80	na	na
	15.94	16.25	.31	1.01	110.00	3.208
	16.25	16.61	.36	1.18	na	na
	16.61	16.76	.15	.49	3.61	.105
WT AVG			3.35	10.9	10.35	.302 opt

NOTE: n.a. means section not assayed.

TABLE V (continued)

DDH	FROM	TO	m	ft	Au	Au
L-88-6	24.54	24.84	.30	.98	.01	.000 opt
	24.84	25.11	.27	.88	5.06	.148
	25.11	25.85	.74	2.42	.02	.001
WT AVG			1.31	4.29	1.03	.031 opt
L-88-7	21.79	22.40	.61	2.00	1.19	.035 opt
	22.40	22.71	.31	1.01	7.27	.212
WT AVG			.92	3.01	3.22	0.094 opt
L88-10	59.74	59.95	.21	.68	79.60	2.322 opt
	59.95	60.35	.40	1.31	83.70	2.441
	60.35	60.59	.24	.78	65.25	1.903
	60.59	61.20	.61	2.00	24.60	.718
	61.20	62.03	.83	2.72	na	na
	62.03	62.33	.30	.98	2.73	.08
WT AVG			2.59	8.49	31.54	.920 opt
L88-11	41.24	41.54	.30	.98	47.50	1.385 opt
	41.54	42.06	.52	1.70	na	na
	42.06	42.37	.31	1.01	27.45	.801
	42.37	42.76	.39	1.27	na	na
	42.76	42.98	.22	.72	.67	.02
WT AVG			1.74	5.70	13.165	.384 opt
L88-12	53.49	54.25	.76		.56	0.016 opt
	54.25	55.08	.83		.33	0.009 opt
WT AVG			1.59		0.44	0.013 opt
L88-15	44.04	45.05	1.01	3.31	3.88	.113 opt
	45.05	45.45	.40	1.31	.36	.011
	45.45	45.75	.30	.98	1.92	.056
WT AVG			1.71	5.60	2.71	.079 opt
L88-16	52.15	52.52	0.37	1.21	1.85	0.054 opt
L88-17	63.40	64.10	.70	2.30	1.71	0.050 opt



B. J. Price



CANORA MINING CORPORATION

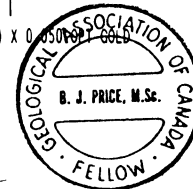
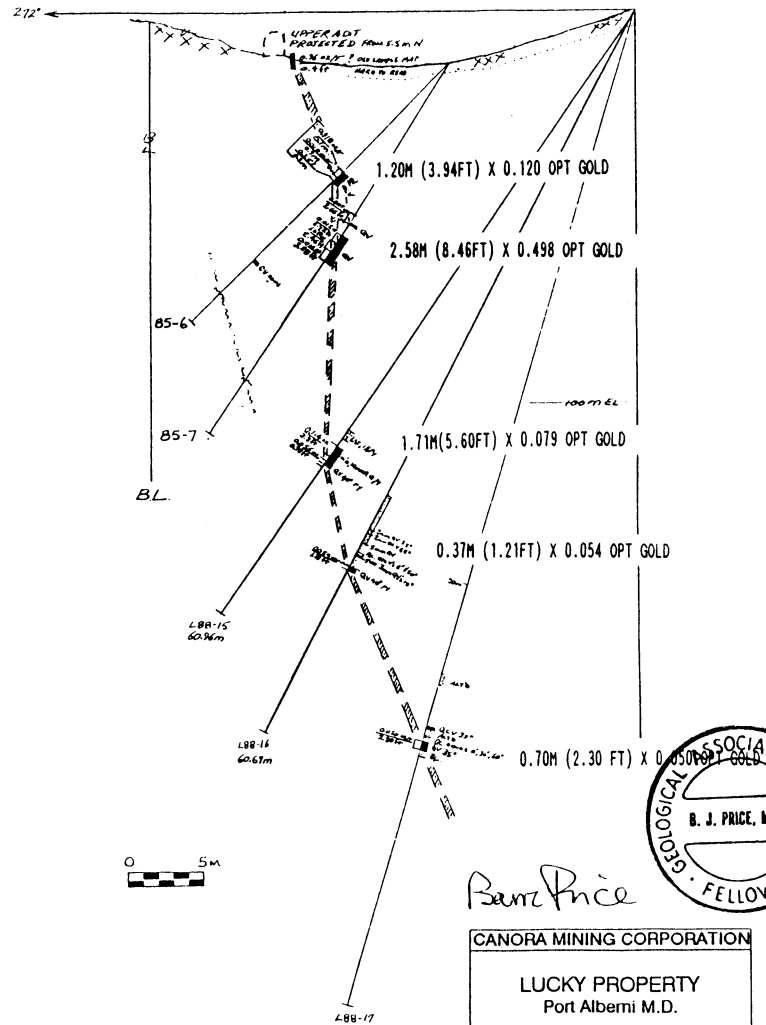
LUCKY PROPERTY
Port Alberni M.D.

DRILLSECTION 0+29N

FIGURE 9

B.J.PRICE, M.S.C. 1992

AFTER WALKER 1991



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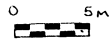
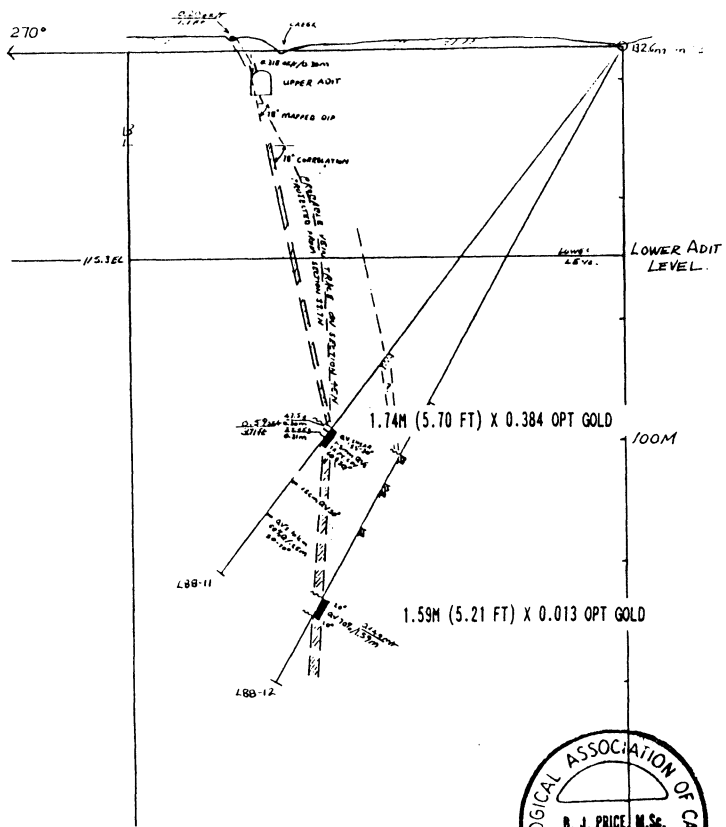
LUCKY PROPERTY
Port Alberni M.D.

DRILL-SECTION 0+33.7N

FIGURE 10

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AFTER WALKER 1991



AFTER WALKER 1991



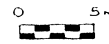
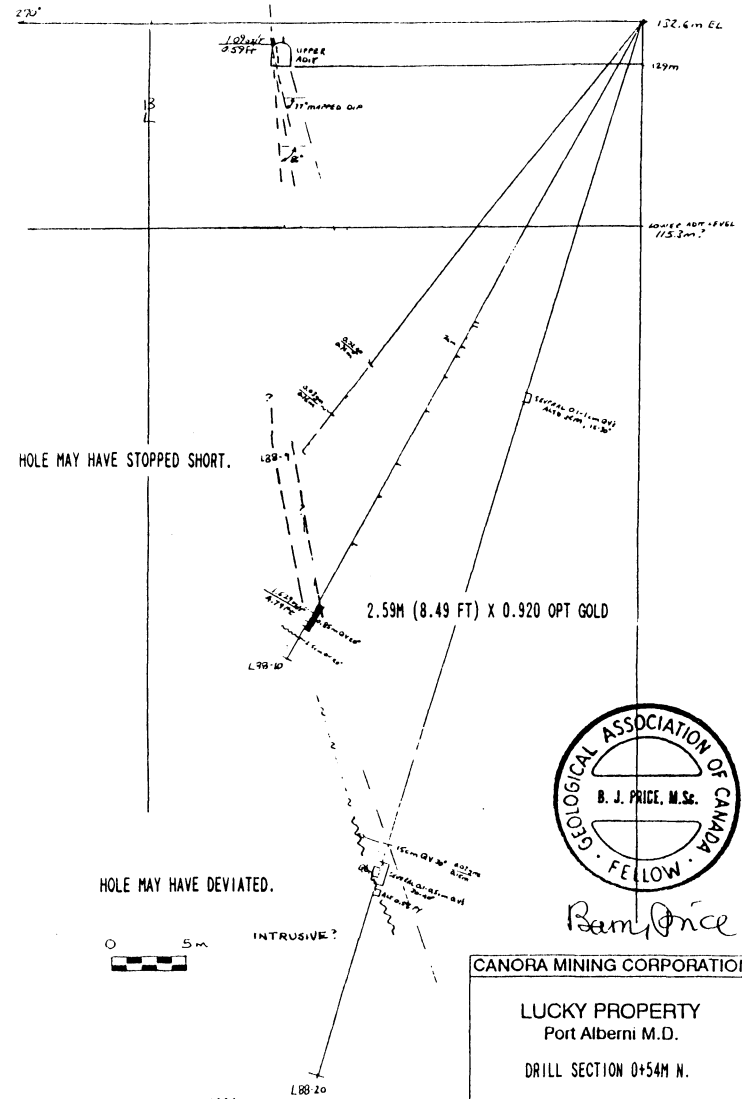
B. J. Price

CANORA MINING CORPORATION

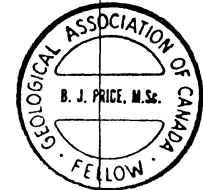
LUCKY PROPERTY
Port Alberni M.D.
DRILL SECTION 0+45M N.

FIGURE 11

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AFTER WALKER 1991



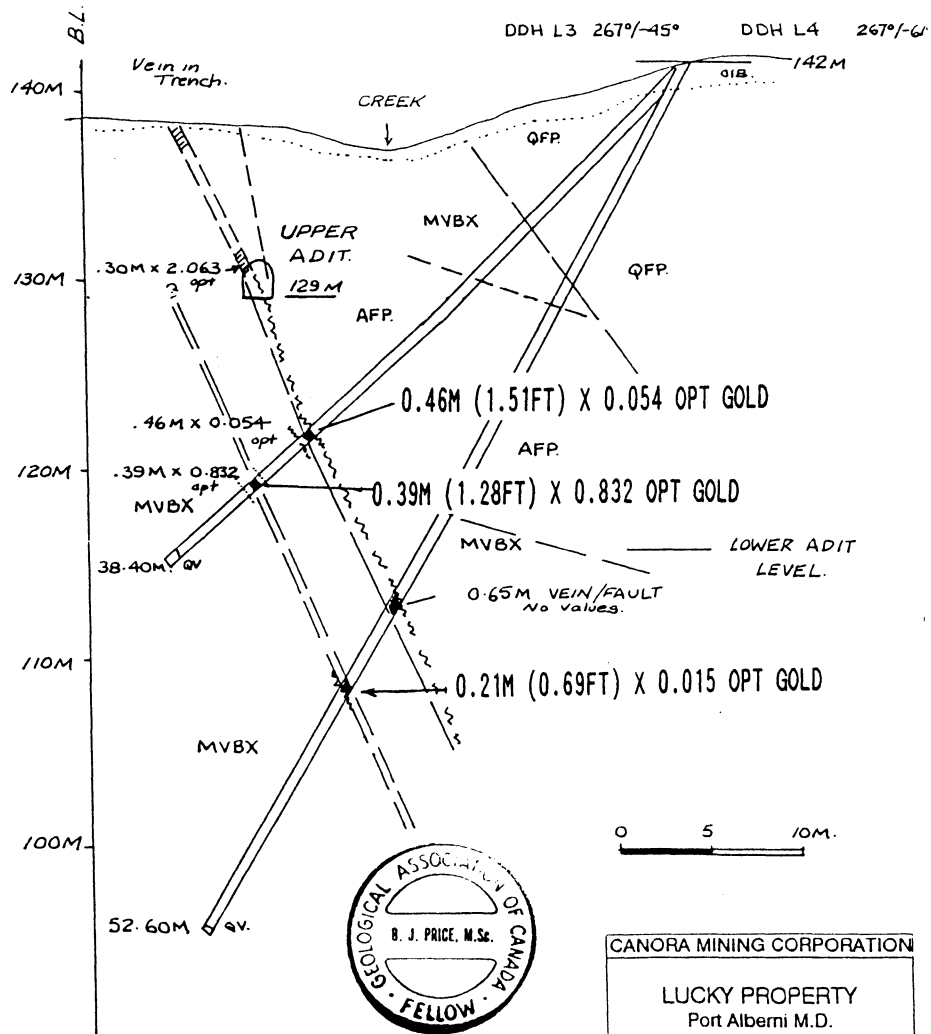
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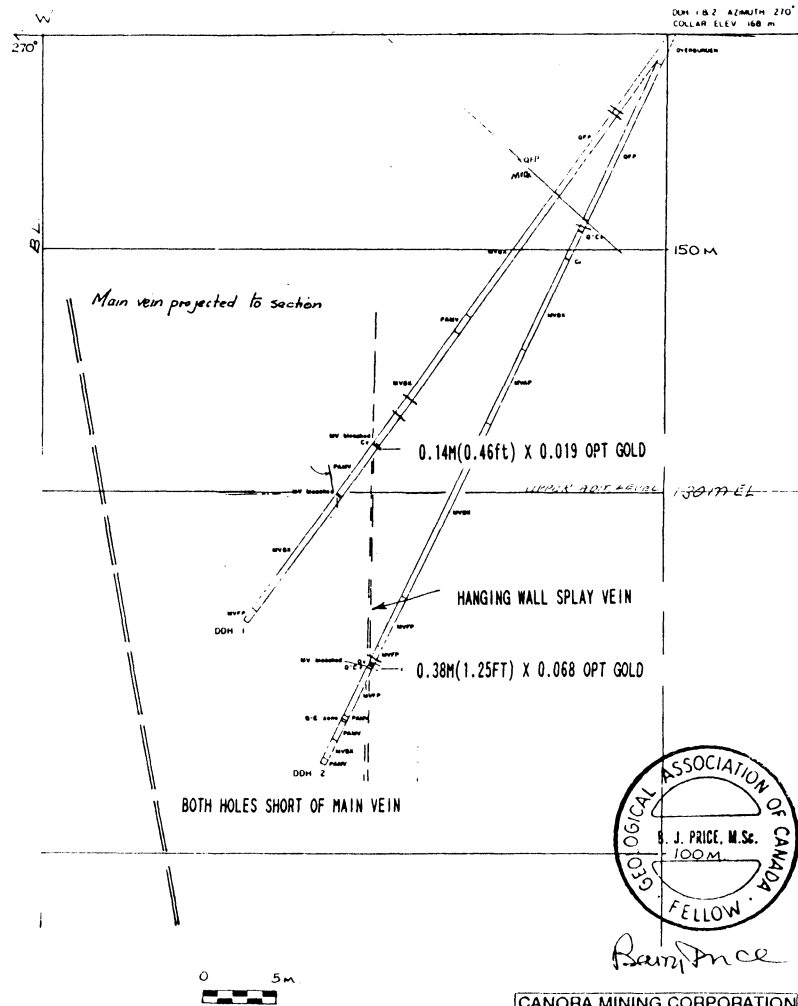
LUCKY PROPERTY
Port Alberni M.D.
DRILL SECTION 0+54M N.

FIGURE 12

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CANORA MINING CORPORATION
 LUCKY PROPERTY
 Port Alberni M.D.
 DRILL SECTION 0+71.2M N.
 Figure 13.
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CANORA MINING CORPORATION
 LUCKY PROPERTY
 Port Alberni M.D.
 DRILL SECTION 1+36.5M N.
 FIGURE 14
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AFTER WALKER 1991

Discussion of Drill Results:

In the above drill intersections it should be noted that these are core lengths, and the true thickness of each intersection will be somewhat less than the core intersection. Dip tests were not run in 1988 drilling, and several of the deeper holes may have deviated seriously, leading to difficulty in correlation between holes.

A number of the weighted averages have included sections of core which were not assayed. These, in the calculations, have been assigned a grade of 0.00 opt gold. In reality, surface assays suggest that wall rock near the veins will average 0.01 oz/ton gold. The missing sections of core should, if the core is still available, be assayed and the relevant calculations re-done at the next convenient opportunity.

Drillholes 1985-1 and 2 north of the face of the adit are interpreted by Walker, (1991) to have intersected only a splay which appears to have an almost vertical dip. The projected position of the main vein may be as much as 15 meters beyond the end of DDH 85-1 and 25 meters beyond the end of DDH 85-2. In spite of this, the splay may have potential above or below the drillholes.

Drillholes 85-3 and 4 clearly show two separate veins or perhaps a splay as suggested by mapping in the upper adit. Best values are clearly in the footwall vein.

In drill-section 88-9-10-20, Walker notes that Hole 88-9 may have stooped short of the main structure, although a number of very narrow veins with geochemically anomalous values were noted between 39 and 49.6 meters. A good intersection was obtained in hole 88-10; a weighted average of 31.54 g/t gold or 0.92 opt was obtained over 2.59 meters (8.5 feet). Visible gold was seen in the core, and strong values continue into the hangingwall and the hole stopped in mineralized wallrock and gouge. Drillhole 88-20 the deepest hole, did not intersect any significant values, although broken core, rock chips and slickensides from 71.78 m to 73.27m indicate a fault zone with minor quartz veining adjacent to the contact with fine grained intermediate to basic intrusive (dyke?).

Drill-section 88-11/12: intersected over 1 meter of vein in each hole, but only the upper hole had interesting grade: 13.17 g/t over 1.74 m, (0.384 opt over 5.70 ft). This intersection includes two sections which were not assayed for some reason. Conceivably, therefore, the true grade of this intersection could be upgraded.

Drill-section 85-6/7-88-15-16-17: shows good continuity along the plane of the vein for 60 meters, or approximately 55 meters (180 ft) below the level of the upper adit, which is nearly on section. The widest part of the vein is in a region where the dip of the vein is vertical, or perhaps slightly west dipping, and this flexure may indicate one "control" for mineralization.

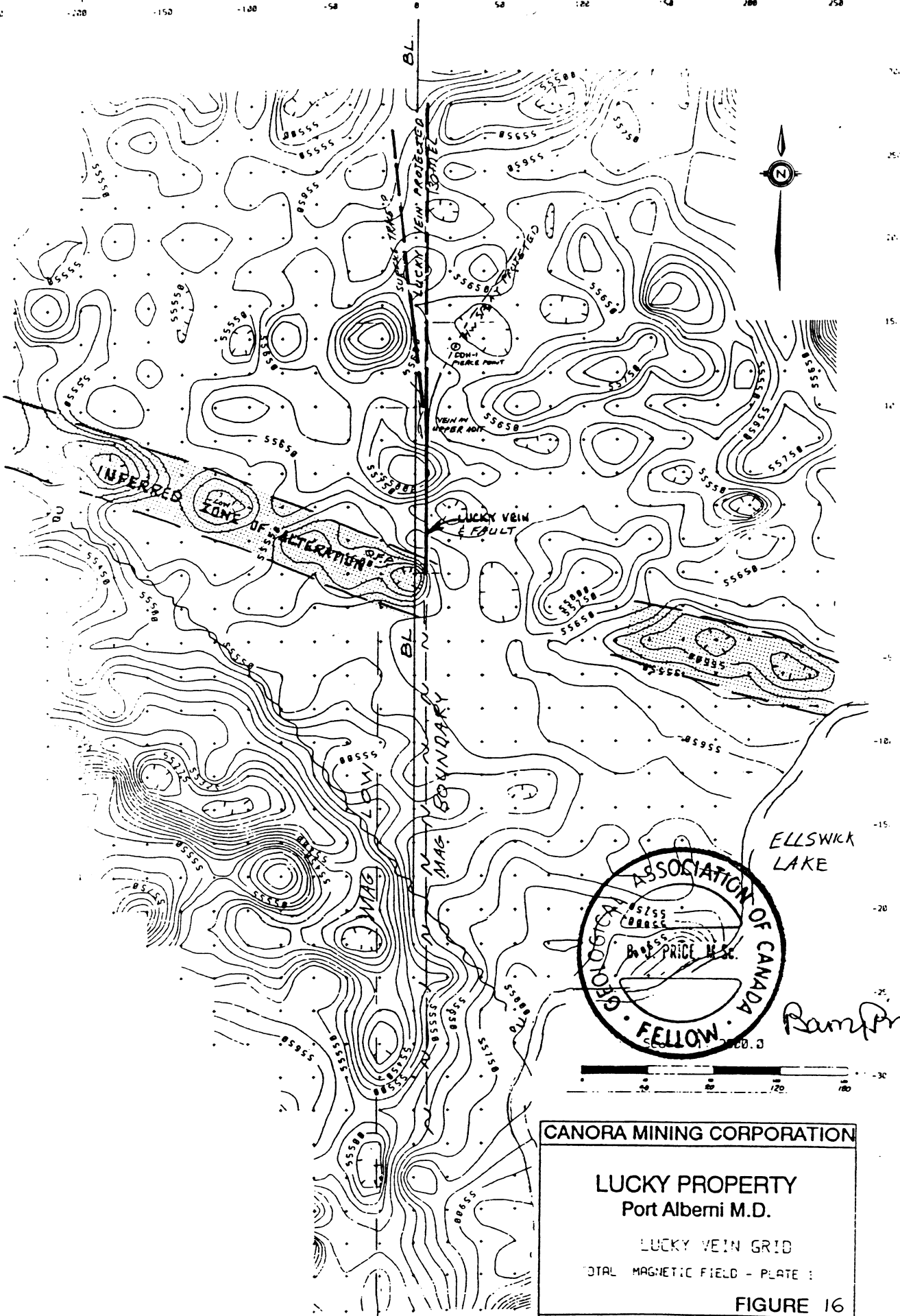
A number of the drill holes did not go deep enough to intersect the main vein structure, and the deeper southern holes may have crossed the Ellswick fault.

GEOPHYSICAL SURVEYS:Lucky Grid: (Figures 15,16)

In 1988, VLF-EM and Ground Magnetic surveys were carried out by R.Sheldrake, Geophysicist, over the Lucky vein. A total of 450 readings were taken at 20 meter intervals on lines 20 meters apart; the grid totals 9 line-kilometers.

The magnetic readings (total field) shows a number of magnetic lows, one of which is correlated with a major fault zone crossing Ellswick Lake. No discernible response, either positive or negative is seen by the writer over the Lucky Vein, although magnetic boundaries to the south could be interpreted as a continuation of the vein-fault system (see figure 16).

VLF-EM data are presented as contours of dip angles and quadrature using Seattle transmitter illustrate a distinct structural response along the interpreted Ellswick Fault. The vein itself does not respond to this transmitter, although the transmitter orientation is certainly not optimum.



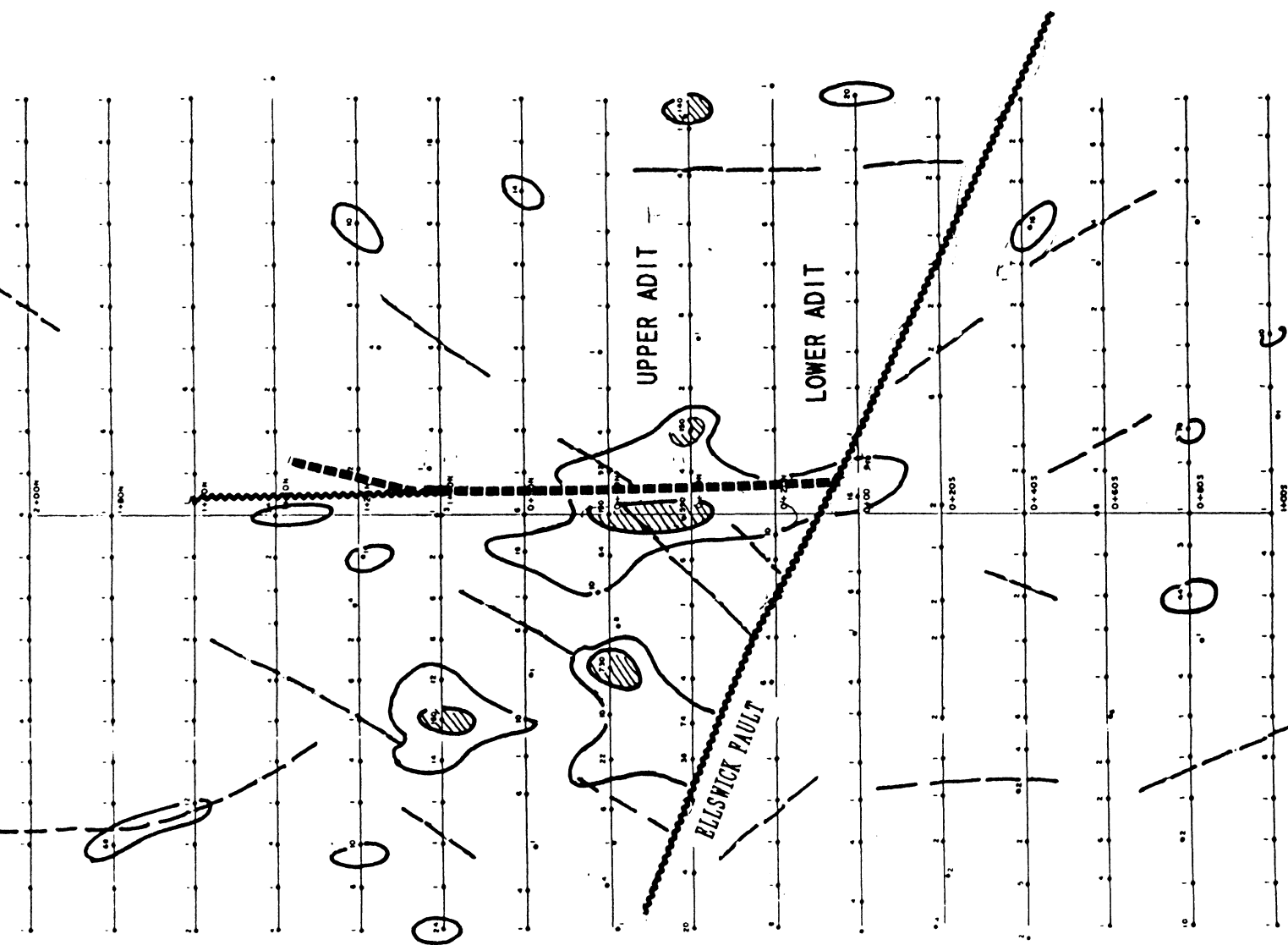
Ramp Price





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LUCKY PROPERTY
Port Alberni M.D.

LUCKY VEIN GRID
TOTAL MAGNETIC FIELD - PLATE 1

FIGURE 16
B.J. PRICE, M.Sc. 1992



-  Au \geq 10 ppb.
-  Au \geq 100 ppb.
-  VLF EM conductor
-  Fault.



Bam Price

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LUCKY PROPERTY
Port Alberni M.D.

LUCKY GRID

GOLD AND VLF ANOMALIES

FIGURE 15

B.J.PRICE, M.S.C. 1992

... and Zastaynikovich.

Geochemical soil-sampling done on the Lucky grid gave only a limited response, likely a result of poorly developed soils in this heavily timbered area. However, gold in soils identified the Lucky vein and suggests that a parallel vein may exist west of the Adits.

RIDGE ZONE:

The Ridge zone was discovered by geologist J. Wilson in 1987 at the end of a new logging road near the top of a ridge in the southern portion of the KW claim approximately 2 kilometers southwest of the Lucky Vein. The zone has been traced for about 1.2 km and is up to 500 meters wide, paralleling the Ellswick fault, and may be a similar regional fault.

Along the zone, the typical Karmutsen Group volcanics are strongly veined, sheared and altered, with disseminated pyrite, quartz, calcite, pyrite, epidote, hematite and jasper. A very porous breccia zone occurs at the top of the ridge, and in this zone, breccia fragments are altered and bleached with up to 20% pyrite. (Wilson, 1988). Gold bearing vein material was found in outcrop accompanied by strong mercury barium, strontium and potassium soil geochemical anomalies.

Wilson interpreted the feature as an epithermal system. Geochemical surveys in the area indicated most metal values are depleted near the strongly altered and bleached breccia structure, but topographically below this, in rock, values of up to 1450 ppb gold, and 17625 ppb mercury were detected. The elevated gold value was confirmed by assay, (1.82 grams/tonne).

Ridge Grid:

North south geophysical traverses spaced 25 and 50 meters apart totalling 8.3 km were done by Al Scott, Geophysicist and his personnel. Interpretation of the magnetic data by Sheldrake indicates a pronounced southeast trending lineament which correlates with the alteration zone on the Ridge showing. The VLF-EM surveys corroborated this lineament.

Ridge Area Drilling:

In 1989, 6 ADBGM size drill holes were completed to test the mineralized and altered Ridge Zone. Drill-hole data is tabulated below:

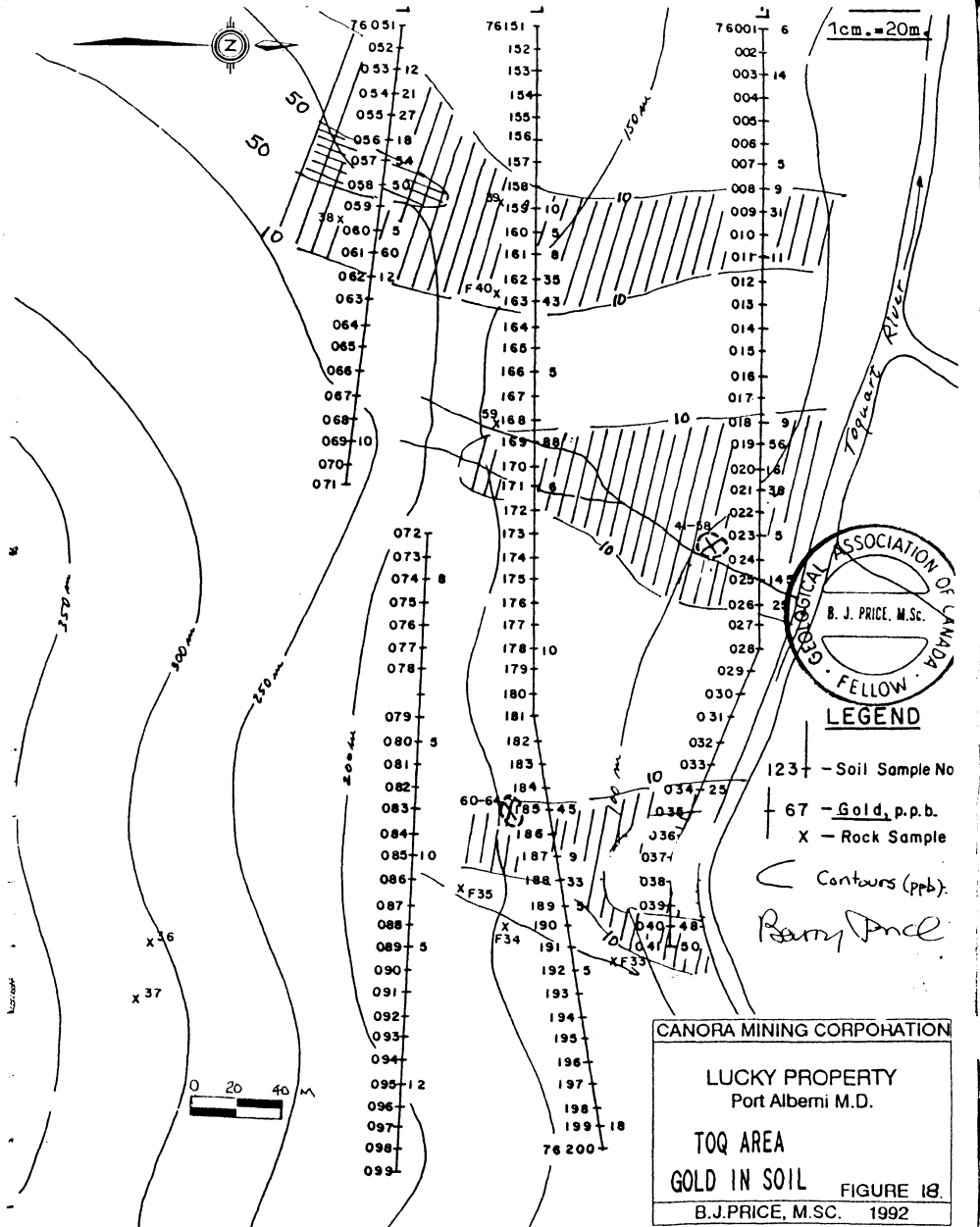
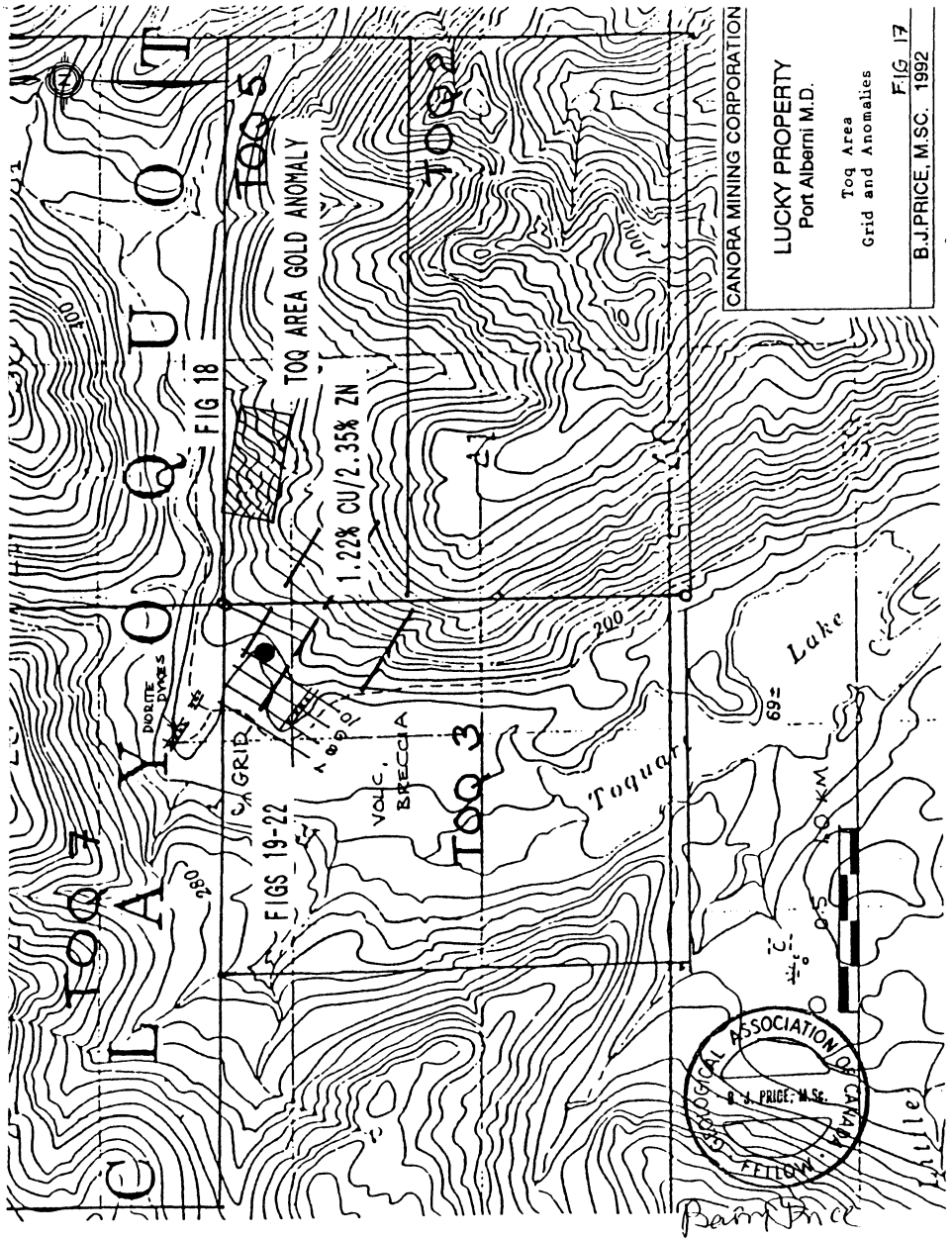
TABLE VI
Ridge Area Drill Data

DDH	GRID	ELEV. AZ.	INCLIN	DEPTH m	DEPTH (PT)
R88-21	na	415 m 020	-75	167.64	550
R89-02	na	420 m 150	-82	167.64	550
R89-13	na	315 m 020	-70	167.64	550
R89-24	na	295 m 025	-72	137.46	450
R89-25	na	245 m 168	-82	167.64	550
R89-26	na	220 m 010	-82	167.64	550
TOTAL				975.66 m.	3,200 ft.

Results of the drill-program were described by Wilson and Zastavnikovich, (1989). The drill-holes were spotted to test areas in which rock sampling in 1988 had given encouragement for epithermal style mineralization in a broad alteration and shear zone, (the Ridge Zone). Karmutsen volcanics cut by quartz-epidote and hematitic veinlets and narrow gouge-filled faults, and cut by quartz diorite intrusive dykes and/or sills was intersected in the holes, but no economically interesting mineralization was seen. The best intersection, in Drillhole R89-23 was 200 ppb gold in sample R23-03 and 95 ppb gold in the adjacent section R23-04. Scattered sections in the holes have weakly to moderately anomalous values for Copper, Silver, Molybdenum, Barium, and Mercury, but no consistent multi-element anomalies provide any real encouragement, and the writer concludes that the 6-hole drill-program adequately tested the target.

The Toq Zone: (Figures 17,18)

From work done in 1983 on the Stacy claim, which was at that time owned by J. Dupuis, stream sediment gold anomalies were known to occur in several areas near Toquart River, north of the lake, with values



up to 950 ppb. (McDougall and Zastavnikovich, 1983). These anomalies drain a prominent low ridge forming an abutment which causes a 90 degree turn in Toquart River, two kilometers north of Toquart Lake. The area is now made much more accessible by new logging roads extending across the area, and the claims are now part of the Canora option.

Sulphide veins containing sphalerite, chalcopyrite and bornite, which assayed up to 1.22% Copper, 2.35 % zinc 0.002 oz/ton gold and 0.23 oz/ton silver in selected samples, were found by McDougall and Zastavnikovich in "the middle of the ridge" south of Toquart River. The vein is in a silicified shear along one wall of a (Tertiary?) intrusive dyke cutting Karmutsen volcanic breccias. The writer has not seen the mineralized outcrop, the location of which is shown in the accompanying sketch. McDougall also found a 1 ft wide quartz vein on the north side of Toquart River which contained 82 ppb gold.

A soil reconnaissance grid of 140 samples in 1984 over the area of the stream sediment anomaly gave a number of weakly anomalous gold values, (5-145 ppb) and two outcrops with narrow quartz stringers or stockworks, a selected sample from one narrow stringer assayed 938 ppb gold, and a second similar veinlet contained 412 ppb gold. (Zastavnikovich and Wilson, 1984).

Additional sampling by Zastavnikovich in 1988 indicated anomalous golds (30-50 ppb) in soil between two low ENE-trending ridges, southwest of the above mineralized area. (see accompanying sketch).

It should be noted that the above prospecting discoveries were made prior to road or trail access, and the new road exposures, which have yet to be mapped, may elucidate the origin of the mineralization.

1991 Geophysical program: (Figures 19-22)

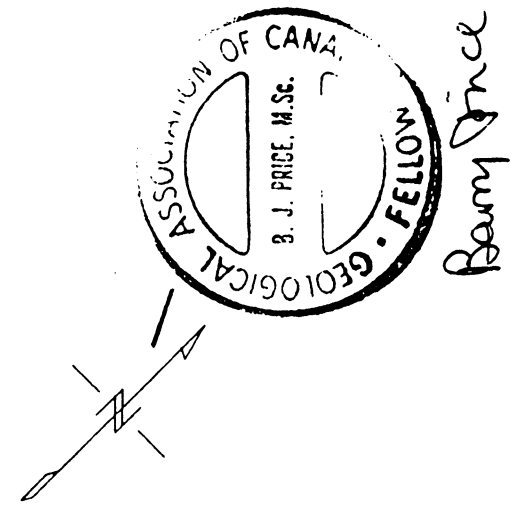
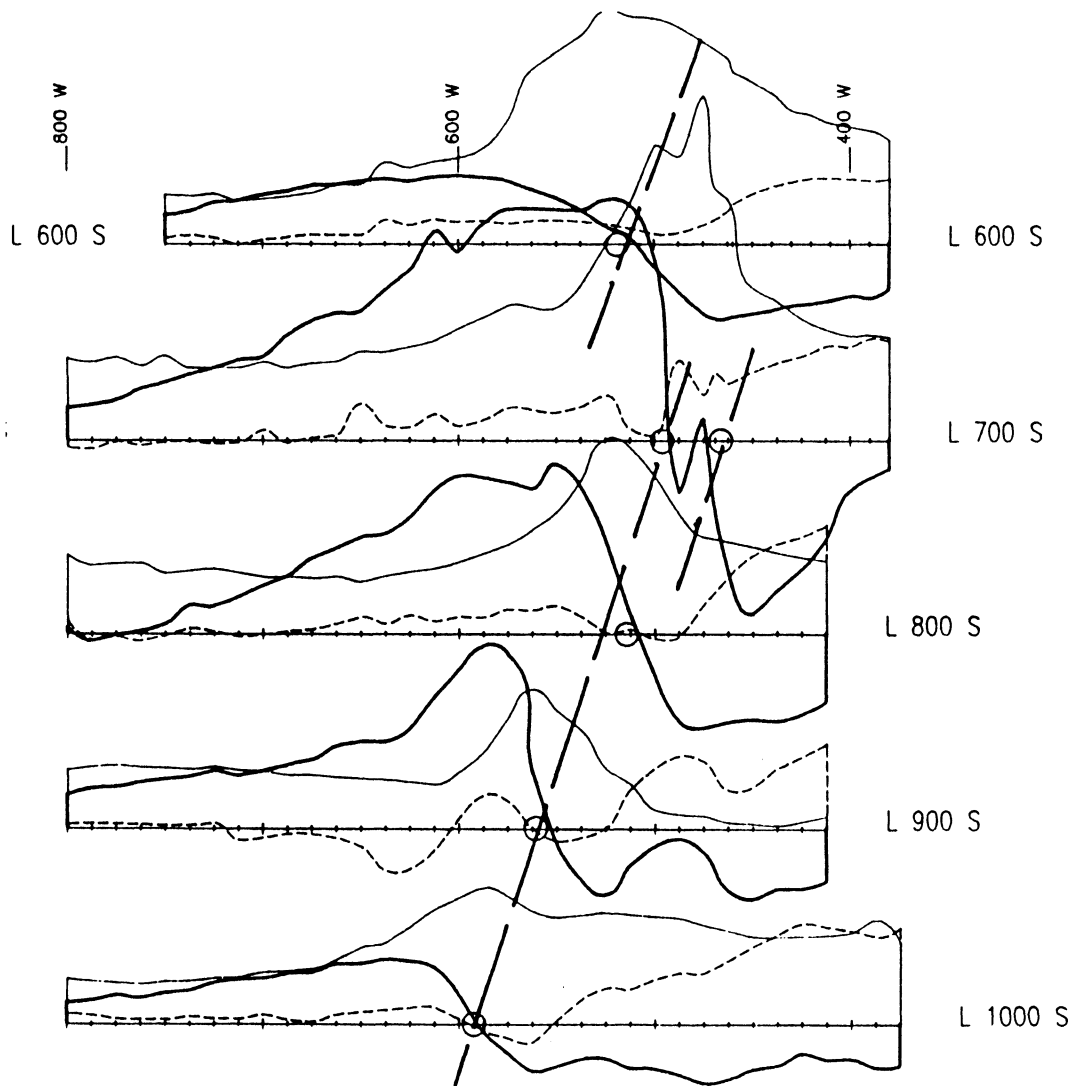
Geophysical surveys were run by Interpretex Resources Ltd, (E.R.Rockel, B.Sc., Consulting Geophysicist), in 1990 and 1991 along a reconnaissance style 1.925 line-kilometer grid covering the two

previously-mentioned, relatively small northwesterly-trending ridges on the Toq 3 claim.

The survey outlined an intriguing VLF-EM, and I.P (Chargeability and Resistivity) anomaly. The anomaly is traced over 400 meters northwesterly on lines 6S to 10S. The strong VLF-EM anomaly is probably enhanced by topography, as the lines cross a low ridge with occasional cliff sections. However, the I.P.effects are very marked, with a strong resistivity anomaly flanked by a moderate chargeability anomaly. Magnetic effects are minimal except for a small peak on the top of the chargeability high. The effects suggest a broad pyritized zone along a fault structure accompanied by clay alteration in the fault and silicification on one side.

Rockel and Bzdel (1991) state: "The magnitude of the chargeability response suggest the previous conclusion of a massive sulphide core as the source. The envelope of moderate chargeability values is indicative of disseminated sulphides. Directly correlating with these high chargeability values are low resistivity values. This is a signature typical of significant amounts of sulphide mineralization".

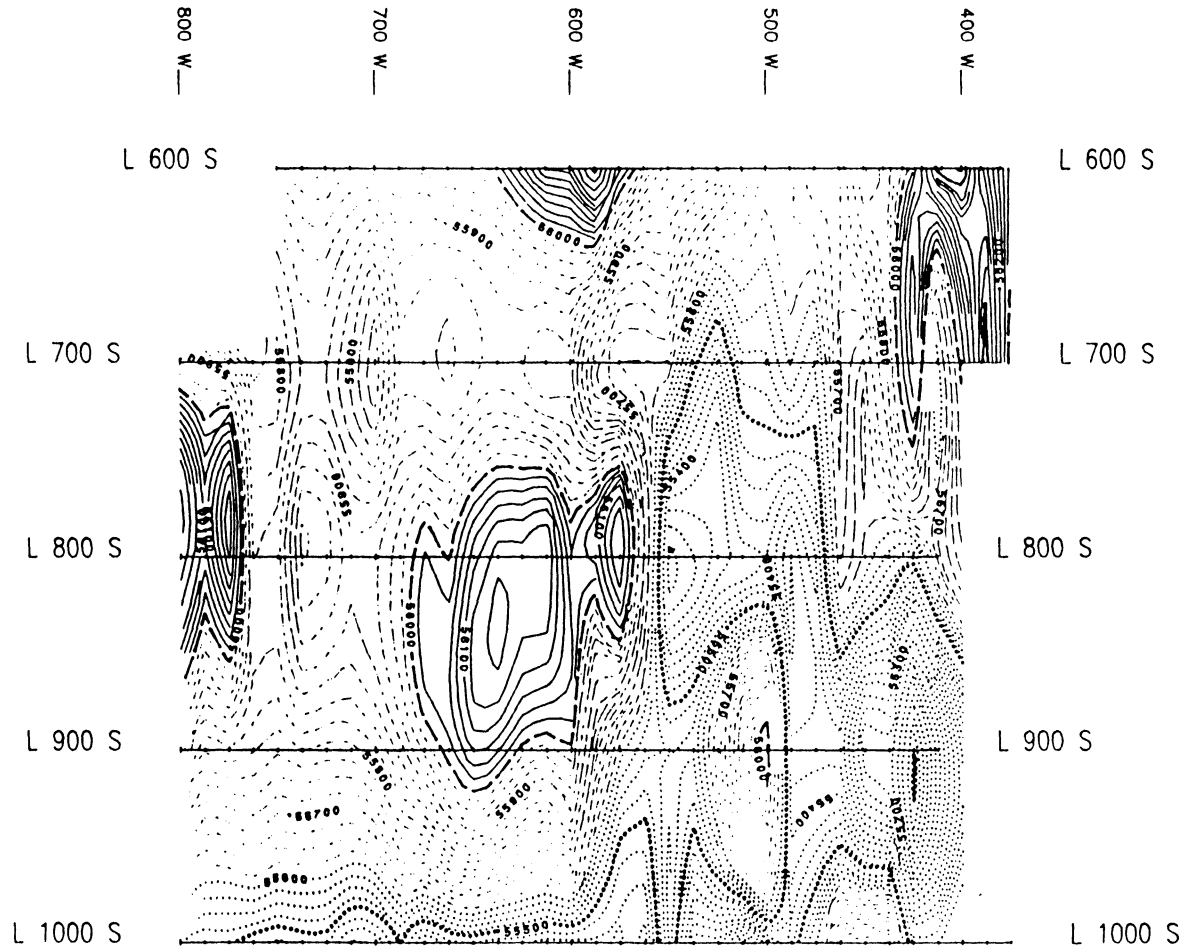
Geological examination of the area confirms broad pyritized areas and silicified zones within the Karmutsen basic volcanic breccias. Several samples numbered BP3 - BP9 were taken and submitted for analysis. No sulphides other than pyrite were seen in the specimens. Results shown in the Appendices have weakly anomalous gold, (maximum 63 ppb), weakly anomalous mercury (max. 355 ppb.), anomalous Fluorine, (max 1290 ppm) and anomalous total barium, (max 1483 ppm). A number of linear gullies in the vicinity of the VLF-EM anomaly suggest strong faults. One or more of these are parallel to a strong feature cutting through the mountain mass to the southeast. The likely source of the geochemically anomalous gold, mercury, fluorine and barium is a mineralized shear or massive sulphide lens situated under till and vegetation cover along one or more linear gullies. It is possible that the features noted could be sulphide-rich gold-bearing veins, similar to those at Kennedy River, a few kilometers to the northwest. This hypothesis should be tested by line cutting, additional geophysical studies on grid extensions, and blast trenching over the



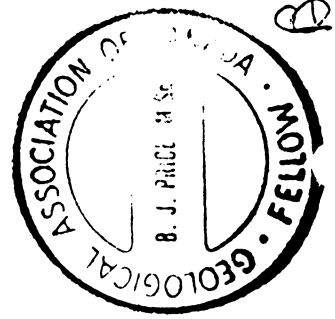
LEGEND
NLK, Seattle, WA

- Anomalous Inflection (In-Phase)
 - In-Phase
 - Quadrature
 - Field Strength
- } 1 cm. = 10 %
1 cm. = 50 units

CANORA MINING CORPORATION.
VLF-EM PROFILES
Toq Claim Group
N.T.C.: 92F/3W Alberni Mining Division, B.C. Figure No.:2 November, 1991
Interpretex Resources Ltd. FIGURE 12



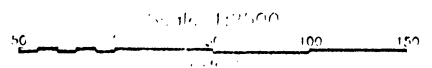
Barry Ince



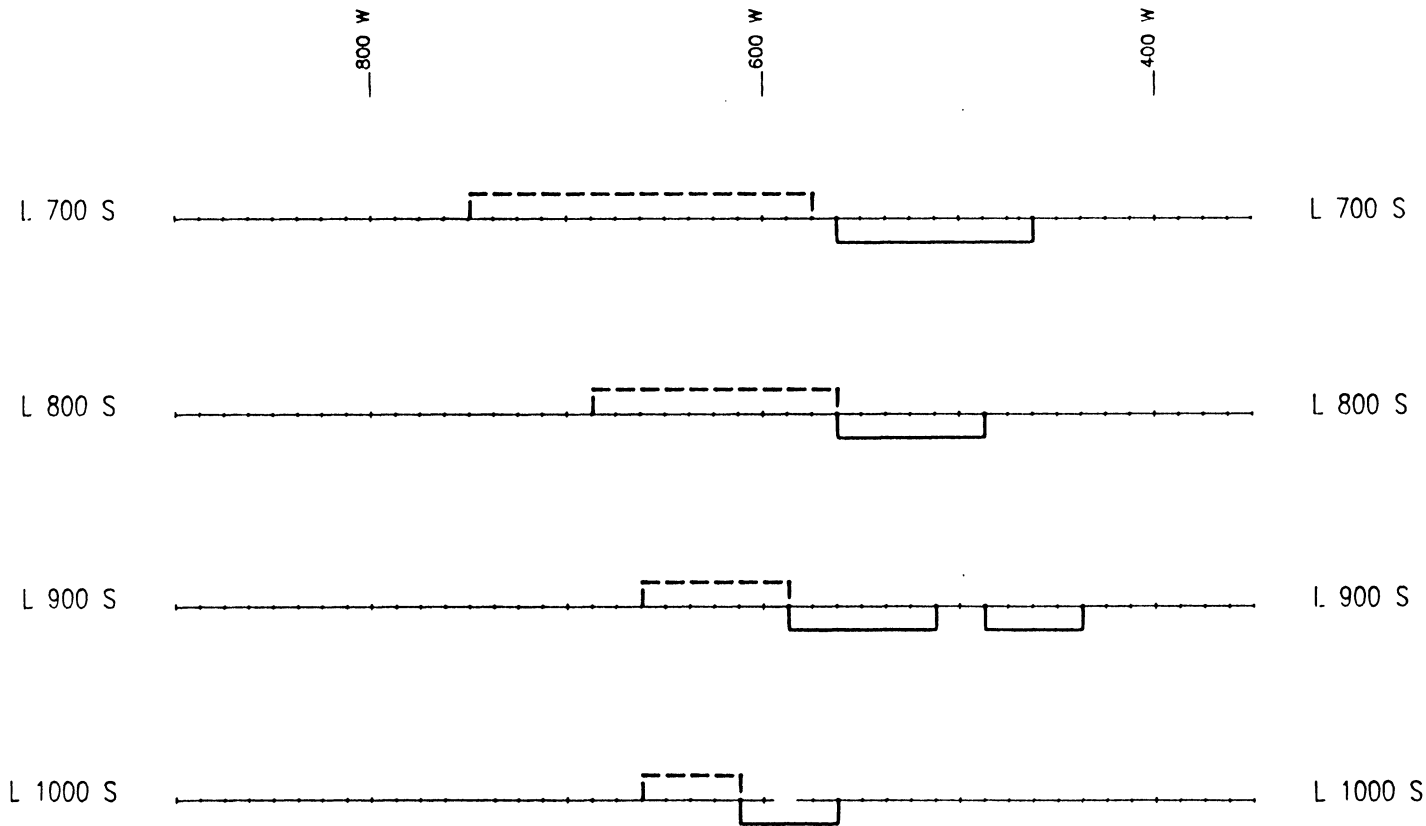
LEGEND

Contour Intervals

< 55600 nT	55600 to 56000 nT	> 56000 nT
.....
.....
		25 nT
		100 nT

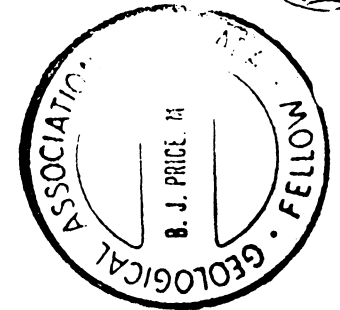
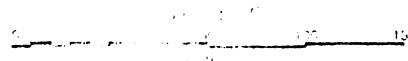


CANORA MINING CORPORATION.
TOTAL FIELD MAGNETIC CONTOURS
Toq Claim Group
NIC: 92F/3W Alberni Mining Division, B.C.
Figure No.:1 November, 1991
Interpex Resources Ltd. 11/91

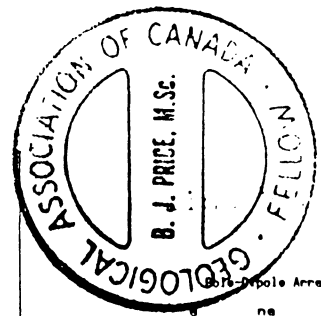
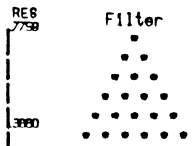
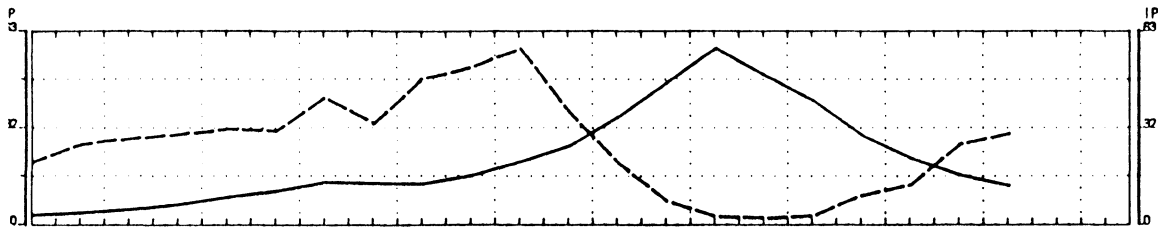


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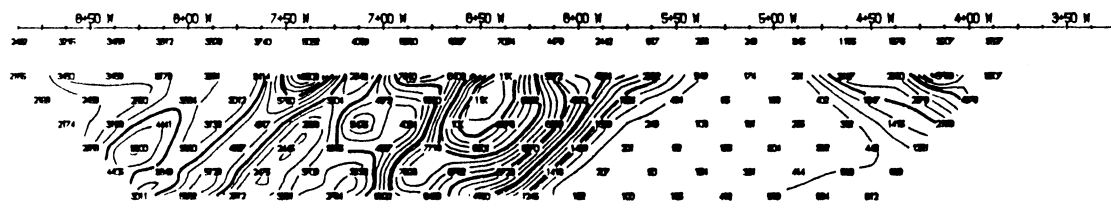
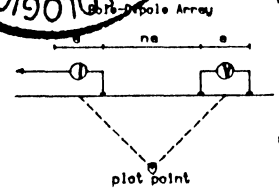
L 700 S Resistivity High
 Chargeability High



BARIL DEVELOPMENTS LTD.	
GEOPHYSICAL COMPILATION MAP	
Toq Claim Group	
N.T.S: 92F/3W	Alberni Mining Division, B.C.
Figure No.:5	November, 1991
Interpreted: Barry Price, Ltd.	FIGURE 21



Samence

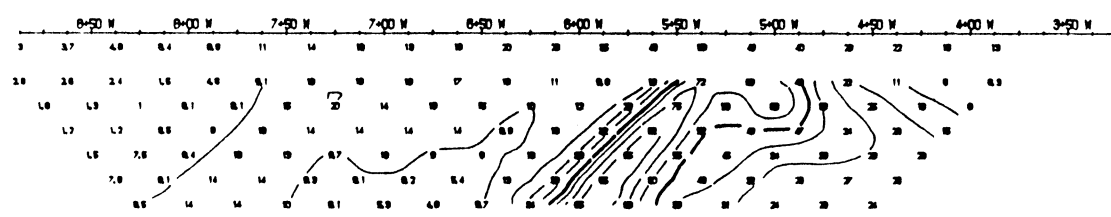


Resistivity
ohm-meters

filter
n=1
n=2
n=3
n=4
n=5
n=6

Resistivity Contour Interval = 500 ohm-meters
Chargeability Contour Interval = 10 msec

Instruments: TDR-6 Receiver
MK-11 2.5 kW Transmitter
Time Delay: 80 msec



Chargeability
msec

filter
n=1
n=2
n=3
n=4
n=5
n=6

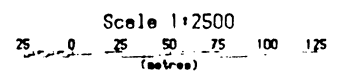


FIGURE 22

Toq Clein Group
NTS: 92F/3M Alberni Mining Division, B.C.

INDUCED POLARIZATION SURVEY
Date: 9/10/79 Figure No. IPS-2

Interpretex Resources Ltd.

anomalous trend, accompanied by detailed geological mapping of the trenches, followed by diamond drilling in Stage II, if warranted.

OTHER ZONES OF INTEREST:

Lucky Creek Area:

Prospecting south of Ellswick Lake along Lucky Creek on Line 800 South located a chalcopyrite vein about 2 centimeters wide in Karmutsen volcanics, assaying (in selected sample): 12.6 % copper, 68 ppm silver, .17 % bismuth and 7500 ppb mercury (Carter 1989). Silt and rock samples taken along the creek are reported to have returned anomalous base metal, gold and silver values. As logging proceeds southward from Ellswick Lake, road access and rock cuts may allow evaluation of this area.

Upper Nugget Creek:

This creek flows southwestward to Toquart Lake through the KU and Toq 1 claims. Several heavy mineral samples have elevated silver values and one sample has 500 ppb gold and 1050 ppb mercury. This area deserves further prospecting and mapping.

Toquart Bay Area:

Several rock samples taken on Hillier Island in 1982 proved to be anomalous in gold, (up to 285 ppb) and silver, (up to 1.9 ppm.) Hillier island is adjacent to the "Pride of the West" gold vein on Crown Grant No's 538 and 539. Zastavnikovich indicates that soil samples are anomalously high in lithium, and anomalous in gold, and suggests that this may be caused by proximity to Tertiary intrusive rocks.

In addition, two rock samples from quartz-carbonate veins on the coast at the southwest corner of the KT claim, northwest of the "Pride of the West" vein had gold values of 470 and 1390 ppb gold and 2.8 and 10.6 ppm silver. These samples should be followed up by hand trenching.

ECONOMICS:

At present, the Lucky vein is the only prospect in the claim block with significant gold values. The veins are, for the most part, narrow, and dilution to even a narrow mining width of 5 feet would cause severe grade reduction. However, numerous analyses show that wallrock does carry scattered low gold values, averaging about 0.01 ounces per ton gold, and areas with two veins may be bulked together to give an acceptable mining width and gold grade.

Other gold deposits on Vancouver Island that have been explored but not yet proven feasible for mining, help to determine some minimum economic parameters of tonnage and grade necessary before mining could be considered.

The Debbie gold vein east of Port Alberni has been explored and sampled by underground developments. Exploration on three zones, the 900 zone, Linda zone and Mineral creek zone have combined "Probable" reserves of 152,500 tonnes averaging 0.202 oz/ton, and "Possible" reserves of 366,000 tonnes of similar grade. (Westmin Ann.Rept 1990).

Other deposits on Vancouver Island with sub-economic reserves are tabulated below:

TABLE VII

Gold deposits on Vancouver Island with Unmined Reserves.

DEPOSIT	TONS	GRADE GOLD
MAKTUSH	152,000	0.54 opt Au (+2.29 opt Ag, .75% Cu)
SHERWOOD	30,500	0.535 opt Au (+1.15 opt Ag).
VALENTINE	33,795	0.429 opt Au
PRIVATEER	470,848	0.360 opt Au
SPUD VALLEY	247,078	0.41 opt Au
PRIVATEER	148,770	0.30 opt Au
CENT.ZEBALLOS	75,000	0.35 opt Au
MERRY WIDOW	300,000	0.10 opt Au
PANDORA	200,000	0.27 opt Au
MT WASHINGTON	472,000	0.257 opt Au
VILLALTA	48,304	0.134 opt Au
KENNEDY R.	176,320	0.500 opt Au.

Source: MEMPR Open File 1991-19

As a general rule, the minimum target for an underground gold-quartz vein should be in the order of 500,000 tons averaging at least 0.40 oz gold or gold-equivalent per ton, although other factors may make smaller deposits workable under some circumstances.

ENVIRONMENTAL

At present there are no unusual environmental constraints upon exploration in the area. The Lucky vein contains very low amounts of sulphide and considerable carbonate, with no deleterious elements such as Arsenic or Mercury. The claim area is being logged by Coulson Logging Ltd. of Port Alberni. Currently, the area above Ellswick Lake and immediately east of the claims is being cut. Conceivably, an arrangement could be made with the company to clear the showings area, which would make surface exploration much easier. Environmental bonds will likely have to be posted prior to any trenching or diamond drilling, and these have been allowed for in budget estimations.

CONCLUSIONS:

The Lucky property has one main gold prospect developed by surface trenching, two adits and a total of 27 drillholes. On surface, trenching indicates average grades of 1.04 ounces per ton gold over 164 ft (50 meters) length and 1.0 ft (0.30 m) width. The most up to date detailed sampling of the Upper exploration adit indicates weighted average dimensions and grades of 65.54 m (215 feet) X 1.90 m (6.2 feet) grading 0.179 opt (Eccles 1985). The best drill-hole intersection was DDH L88-10, which averaged .920 opt oz/ton gold over 2.59 meters (8.49 feet).

Geological reserves have not yet been formally calculated for the deposit, although drilling gave several significant intersections, and potential remains in this zone to extend the known mineralization along strike to the north by surface trenching and down dip by further diamond drilling.

This zone is currently being logged; until logging is completed, exploration will be disrupted, and after this, may be simpler with better access and less environmental risk. Accordingly, further

exploration on the Lucky vein should be deferred until logging is complete.

In the interim, exploration should concentrate on the Toq 3 area, in which geophysical surveys have outlined an intriguing VLF-EM and I.P anomaly that may represent a massive sulphide zone: this target is worthy of immediate exploration efforts by Canora Mining Corporation.

RECOMMENDATIONS:

1. Prepare orthophotos or detailed topographic base maps for Lucky and Toq zones.
2. Continue local and regional mapping on newly constructed logging access roads, and obtain an uncolored version of Falconbridge's geology map or redraft it so that all new data can be compiled on one base-map.
3. While exploration is proceeding on the Toq zone, determine whether logging is complete on the Lucky zone, and if so, do a precise survey of all drill-sites, portals and surface trenches, and prepare detailed plans and sections incorporating the new survey data and including a re-compilation of 1985 and 1988 drill data and previous surface sampling data.
4. Extend the logging access roads in the Lucky area westward to and across the Lucky vein. Use a backhoe to trench the Lucky vein northward from the uppermost exposures. New exposures of the vein should be sampled in detail with the aid of a "Cut-Quik" diamond saw and/or plugger with chisel sampling point.

The goal of the sampling program will be to obtain large (bulk) samples, channel or panel type samples which will alleviate the severe nugget effect shown by previous sampling programs. Samples should be assayed using one or two assay ton splits, and these should be checked for metallics and fire assayed appropriately.

5. If trenching on the Toq anomaly uncovers a zone suitable for diamond drilling, test the zone with a minimum of three drillholes drilled to cross the structure at an inclination of 45 to 50 degrees. Each hole should be a minimum of 100 meters in length, and coring should be NQ size.
6. If no significant mineralization is uncovered by surface trenching on the Toq zone, drill exploration holes west of Drillholes 85-1 and 2 to explore for the main vein structure which was not intersected in the 1985 holes.
7. Continue to drill down the plunge suggested by 1988 drilling below the main adit, offsetting the best intersections by 10 meters or less with the goal of building up tonnage of the best grades intersected to date. Pences of shallow drillholes should test the

RECOMMENDATIONS: (continued)

area between the two adit levels, down plunge and adjacent to the well-mineralized previous holes, to build up geologic reserves of good grade material.

Drilling on this target would best be done with HQ size core to give a larger sample. If possible, drill-spacing should be regular and drillholes should as closely as possible be perpendicular to the vein to make interpretation easier.

At present, all drill data has been computerized, and new data should be added to this database.

8. Other areas of interest on the property should be re-examined and mapped in detail. Old geochemical data should be re-compiled and re-plotted on topographic base-maps.

respectfully submitted

Barry J. Price
Barry J. Price, M.Sc., PGAC.
Consulting Geologist
February 12, 1992.



LUCKY PROPERTY, B.C.

PHASE 1

PERSONNEL	DAYS	RATE	NO	AMOUNT
Geologist	15	350	1	\$5,250.00
Helper	15	200	1	\$3,000.00
Blaster/trencher	15	250	1	\$3,750.00
Geophysicist	10	250	3	\$7,500.00
Line Cutters	10	150	2	\$3,000.00

VEHICLE RENTAL	DAYS	RATE	NO	AMOUNT
4-wd vehicles	15	50	3	\$2,250.00

ACCOMMODATION	DAYS	RATE	NO	AMOUNT
Motel - Ucluelet	15	40	3	\$1,800.00

MEALS	DAYS	RATE	NO	AMOUNT
Ucluelet	15	20	8	\$2,400.00

FIELD EXPENSES	AMOUNT
Field supplies	\$1,000.00
Blasting supplies	\$500.00
Radio/telephone	\$200.00
Adit rehab	\$1,000.00
Bulldozing	\$4,500.00
Plugging rental	\$300.00
Oil and gas	\$350.00

ASSAY EXPENSES	NO	RATE	AMOUNT
Trench samples	200	16	\$3,200.00
Prospecting	100	16	\$1,600.00

OFFICE EXPENSES	AMOUNT
Enviro. bond	\$3,000.00
Project Management	\$10,000.00
Geological report	\$4,500.00
Orthophoto	\$4,000.00
Base Map preparation	\$1,000.00

CONTINGENCY		0.10 %	TOTAL	\$64,100.00
G.S.T	RATE	0.07 %		\$6,410.00
				\$4,490.00
PHASE 1 TOTAL				\$75,000.00

PHASE II

PERSONNEL	DAYS	RATE	NO	AMOUNT
Geologist	20	350	1	\$7,000.00
Helper	20	200	1	\$4,000.00
=====				
VEHICLE RENTAL	DAYS	RATE	NO	AMOUNT
4-wd vehicles	20	50	2	\$2,000.00
=====				
ACCOMMODATION	DAYS	RATE	NO	AMOUNT
Motel - Ucluelet	20	40	3	\$2,400.00
=====				
MEALS	DAYS	RATE	NO	AMOUNT
Ucluelet	20	20	8	\$3,200.00
=====				
FIELD EXPENSES				AMOUNT
Field supplies				\$1,000.00
Radio/telephone				\$500.00
Bulldozing/backhoe				\$4,500.00
Oil and gas				\$500.00
=====				
DIAMOND DRILLING	METERS	RATE	AMOUNT	
NQ Coring	700	100	\$70,000.00	
=====				
ASSAY EXPENNSSES	NO	RATE	AMOUNT	
Drill core	200	16	\$3,200.00	
=====				
OFFICE EXPENSES				AMOUNT
Enviro. bond				\$5,000.00
Geological report				\$4,500.00
=====				
total				\$107,800.00
CONTINGENCY		0.10 %	\$10,780.00	
G.S.T	RATE	0.07 %	\$7,546.00	
=====				
PHASE II TOTAL				\$126,126.00

respectfully submitted

Barry J. Price
Barry J. Price, M.Sc.
Consulting Geologist.
Feb 1992



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CERTIFICATE

I, Barry James Price, Consulting Geologist, with my office at 2505 West 1st Avenue, Vancouver, B.C., V6K 1G8, hereby certify that:

I graduated from High School at Smithers B.C. in 1962, received my first degree B.Sc., Honours in Geology at U.B.C. in 1965 and received a Masters Degree in Geology from U.B.C. in 1972, specializing in Economic Geology.

I have practised my profession as a Consulting Geologist since 1965 and have worked for 25 years in my profession for small and large companies in Canada, United States of America, Mexico and The Republic of the Phillipines.

I am a Fellow of the Geological Association of Canada, and I am authorized to use their seal, which has been affixed to this report.

I am also a member of the Society of Exploration Geologists and the Society of Mining Engineers.

I visited the subject property on January 12, 1992.

I do not have any equity in the subject property of this report, nor in any claim within 50 kilometers.

I do not hold, directly or indirectly, any shares in Canora Mining Corporation or Electrum Resource Corporation, nor in any related or affiliated company.

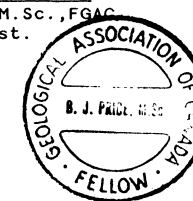
I will receive only normal consulting fees for the preparation of this report.

Dated this 12th day of February, 1992

respectfully submitted

Barry Price


Barry James Price, M.Sc., F.G.A.C.
Consulting Geologist.

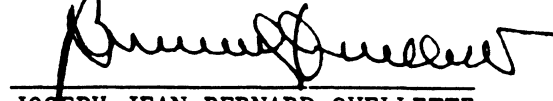


CERTIFICATE OF THE DIRECTORS AND PROMOTERS

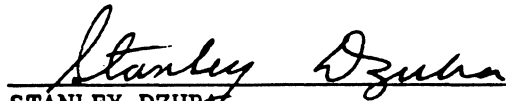
Dated: June 4, 1992

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 and the Regulations thereunder.


FRANK WILLIAM CERNEY
Chief Executive Officer,
President and Director



JOSEPH JEAN BERNARD OUELLETTE
Chief Financial Officer,
Secretary and Director

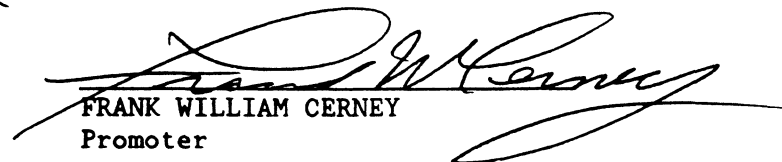
ON BEHALF OF THE BOARD OF DIRECTORS


STANLEY DZUBA
Director


TONY TSUNE TAMAYOSE
Director

PROMOTERS


JOSEPH JEAN BERNARD OUELLETTE
Promoter


FRANK WILLIAM CERNEY
Promoter

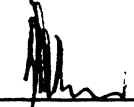
CERTIFICATE OF THE AGENT

Dated: June 4, 1992

To the best of our knowledge, information and belief 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 and the Regulations thereunder.

GEORGIA PACIFIC SECURITIES CORPORATION

Per: 
R. Brian Ashton

Per: 
K.C. Kam