THE SECURITIES OFFERED FOR SALE THROUGH THIS PROSPECTUS MAY ONLY BE LAWFULLY OFFERED FOR SA 014067 THOSE JURISDICTIONS IN WHICH THIS PROSPECTUS HAS BEEN ACCEPTED FOR FILIING AND THEREIN ON 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

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EFFECTIVE DATE: AUGUST 12, 1987

EASTFIELD RESOURCES LTD.

110 – 325 Howe Street Vancouver, British Columbia V6C 1Z7

PUBLIC OFFERING - 450,000 Common Shares

			Net Proceeds to be	
Shares	Price to Public	Commissions	Received by the Company*	
Per Share	\$ 0.55	\$ 0.05	\$ 0.50	
Total	\$247,500.00	\$22,500.00	\$225,000.00	

*Less the cost of the issue estimated to be \$18,000.

THERE IS PRESENTLY NO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD. THE OFFERING PRICE HAS BEEN DETERMINED BY NEGOTIATION BETWEEN THE COMPANY AND THE AGENT. THESE SHARES ARE SPECULATIVE SECURITIES AND SUBJECT TO A DILUTION FACTOR OF \$0.372 PER SHARE (67.6%). REFER TO THE HEADING "RISK FACTORS" ON PAGE 15 HEREIN FOR FURTHER DETAILS.

THIS OFFERING IS SUBJECT TO A MINIMUM SUBSCRIPTION OF 378,000 SHARES BEING RECEIVED BY THE COMPANY WITHIN 180 DAYS OF THE EFFECTIVE DATE. REFER TO THE HEADING "MINIMUM SUBSCRIPTION" ON PAGE 2 HEREIN FOR FURTHER DETAILS.

THE COMPANY HAS MADE APPLICATION TO THE VANCOUVER STOCK EXCHANGE FOR A CONDITIONAL LISTING OF THE SECURITIES BEING OFFERED HEREIN. LISTING IS SUBJECT TO THE COMPANY FULFILLING ALL THE LISTING REQUIREMENTS OF THE EXCHANGE ON OR BEFORE FEBRUARY 8, 1988, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCING REQUIREMENTS.

NO PERSON IS AUTHORIZED BY THE COMPANY TO PROVIDE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS IN CONNECTION WITH THE ISSUE AND SALE OF THE SECURITIES OFFERED BY THE COMPANY.

SUBSCRIPTIONS FOR THE SECURITIES WILL BE RECEIVED SUBJECT TO REJECTION OR ALLOTMENT IN WHOLE OR IN PART AND THE RIGHT IS RESERVED TO CLOSE THE SUBSCRIPTION BOOK WITHOUT NOTICE.

UPON COMPLETION OF THIS OFFERING, THIS ISSUE WILL REPRESENT 28.44% OF THE SHARES THEN OUTSTANDING AS COMPARED TO 62.45% THAT WILL THEN BE OWNED BY THE CONTROLLING PERSONS, PROMOTERS, DIRECTORS AND SENIOR OFFICERS OF THE COMPANY AND ASSOCIATES OF THE AGENT. REFER TO THE HEADING "PRINCIPAL HOLDERS OF SECURITIES" ON PAGE 20 HEREIN FOR DETAILS OF SHARES HELD BY CONTROLLING PERSONS, PROMOTERS, DIRECTORS, SENIOR OFFICERS AND ASSOCIATES OF THE AGENTS.

WE, AS AGENTS, CONDITIONALLY OFFER THESE SECURITIES SUBJECT TO PRIOR SALE, IF, AS AND WHEN ISSUED BY THE COMPANY AND ACCEPTED IN ACCORDANCE WITH THE CONDITIONS CONTAINED IN THE AGENCY AGREEMENT REFERRED TO UNDER "PLAN OF DISTRIBUTION" ON PAGE 1 OF THIS PROSPECTUS.

AGENTS

OSLER INC. 1409 – 1177 West Hastings Street Vancouver, British Columbia

YORKTON SECURITIES IN 1400 – 609 Granville Street Vancouver, British Columbia

T.F. PROPERTY FILE

DATED: July 29, 1987

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EASTFIELD RESOURCES LTD.

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EASTFIELD RESOURCES LTD.

NOTES TO FINANCIAL STATEMENTS

FEBRUARY 28, 1987

7. INCOME TAXES

The company has unclaimed capital cost allowances and Canadian exploration expenditures amounting to \$31,414, which may be applied, subject to certain restrictions, against taxable incomes of future years. The potential tax benefits related to these amounts have not been recognized in these financial statements. As part of the agreement for the sale of 70,000 shares, the company relinquished its right to deductions for tax purposes of \$35,000.

8. COMMITMENTS

The company has entered into an office lease for a two year term commencing on April 1, 1987 with minimum rentals of \$864 per month for the first twelve months and \$905 per month for the last twelve months.

The comp my has granted an option under which the optionee has the right to acquire up to a 30% interest in some of the company's resource properties for 30% of costs incurred, exercisable when the company has expended \$150,000 on any individual property. The optionee will have thirty days to exercise the option upon receiving notice of the expenditures from the company.

9. SUBSEQUENT EVENTS

Subsequent to the year end, the company:

- (a) Granted options to purchase 158,000 common shares to officers, directors and an employee, exercisable at \$0.55 per share and expiring on July 10, 1992.
- (b) Granted an option under which the optionee has the right to acquire a 100% interest in the Senicar claims for \$6,000 and the issuance of 200,000 shares of the optionee.
- (c) Entered into an underwriting agreement dated July 10, 1987 to sell 450,000 common shares for a cash consideration of \$0.55 per share. Net proceeds are estimated to be \$207,000 after deduction of underwriters' fee and estimated expenses of this issue.

EASTFIELD RESOURCES LTD.

Report On The

INDATA PROPERTY

Omineca Mining Division

East Central British Columbia

N.T.S. 93N/6

Latitude 55° 23'N

Longitude 125° 19'W

By

REBAGLIATI GEOLOGICAL CONSULTING LTD.

C.M. Rebagliati, P.Eng.

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SUMMARY

The Indata property is located at Indata Lake, 125 km northwest of Fort St. James in East Central British Columbia. Recently constructed logging roads situated within 4 km of the claims now provide easy access to this formerly remote area. Terrain within the claims is gentle to moderate.

The claims lie along the western side of the 300 km long Pinchi Fault, which divides the upper Paleozoic sedimentary and volcanic strata of the Cache Creek Group to the west from the Mesozoic volcanic strata of the Takla Group. A linear belt of mercury and placer gold occurrences coincides with the trace of the fault. A hot spring, a short distance south of the claims, is still actively depositing mercury.

In 1983, Imperial Metals Corporation staked the property after a regional exploration program discovered epithermal related gold, silver, copper, arsenic antimony and mercury geochemical anomalies in the area. These silt and soil anomalies are aligned along a prominent topographic lineament which may reflect a splay off the main Pinchi Fault. The most intense base metal soil anomaly was a copper zone within a coincident high contrast IP anomaly. Diamond drill testing in 1985 found the cause of the coincident anomalies to be a large low-grade disseminated copper zone with porphyry-type affinities. Two other IP anomalies were drilled and were interpreted to have been caused by surficial effects.

In 1986, Eastfield Resources Ltd. acquired the property from Imperial Metals Corporation and invited Noranda Exploration Company Limited to examine the property. Noranda's principle interest lay in the large unexplored high-contrast A-1 arsenic-antimony soil anomaly situated near the main topographic lineament at the volcanic-limestone contact.

During this examination, the Noranda crew discovered a geobotanical kill zone from which the average grade of two soil samples ran the equivalent of 0.067 oz Au/ton, 18.8 oz Ag/ton, 0.39% Cu and 9.15% As. Soil sampling around the kill zone by Noranda and Eastfield identified a sinuous high-contrast gold-silver-arsenic-copper anomaly within the larger arsenic-antimony anomaly. After a

Rebagliati Geological Engineering Ltd.

reassessment of all the data the writer concluded that: the geochemical anomaly associated with the A-1 precious metals-rich kill zone has migrated approximately 30 m down-slope from its source; DDH 85-4 drilled directly under a narrow portion of this soil anomaly, and which was directed towards a narrow high-contrast IP anomaly, was terminated short of its intended target.

The strength of the mineralization indicated in the geobotanical kill zone and the alignment of other geochemical anomalies along 6 km of the contact or splay offers good potential for the discovery of more mineralization.

A two-phase success-contingent exploration program budgeted at \$120,000 and \$250,000 respectively is proposed. Phase I will involve geological, geochemical and geophysical surveys to identify new anomalies, delineate known anomalies and to drill test the A-1 kill zone and the B-Grid gold anomaly. Phase II will, contigent upon favourable results being obtained from Phase I, comprise detailed delineation of newly-identified anomalies, diamond drill testing of these anomalies and delineation drilling of the A-1 and/or B-Grid gold-silver zones.

INTRODUCTION

In March, 1987, Rebagliati Geological Consulting Ltd. was commissioned by J.W. Morton, President of Eastfield Resources Ltd., to make an appraisal of the Company's Indata property situated at Indata Lake in East Central British Columbia.

Work in the district dates back to the late 1800's with the discovery of placer gold at Manson Creek. The resulting surge of prospecting activity subsequently led to the discovery of placer gold along the northern section of the Pinchi Fault in the Silver and Kwanika Creek areas. At this time, several lode gold and mercury occurrences were also discovered. During the early 1940's, the area was intensely prospected for mercury and the Pinchi Lake and Bralorne Takla mercury mines were brought into production. In the 1980's, the numerous mercury occurrences along the Pinchi Fault led exploration geologists to reexamine the area for mercury-associated epithermal precious metal deposits. The discovery of the A-1 gold-silver zone on the Indata property is directly attributed to this re-assessment.

Exploration of this area has been greatly facilitated by the recent construction of logging roads into this previously-remote and inaccessible region.

This report is based upon the writer's knowledge of the area gained while undertaking regional studies and reconnaissance programs; a study of all available data, including government publications and assessment reports; a field examination of the property on March 11th, 1987; and an examination in Vancouver of the core from Holes 85-1 to 85-4 on March 12, 1987.

Approximately one metre of snow blanketed the property at the time of the field examination, negating the possibility of examining the geology. The property examination was, however, useful in that it allowed the author to observe first-hand the topographic lineaments; the nature of the terrain; and to assess the effectiveness of drill hole 85-4 in testing the key IP anomaly situated just south of the main zone of interest. This was accomplished by carefully tying Hole 85-4 into the grid relative to the position of the geochemical anomaly, the kill zone and the IP anomaly.

LOCATION AND ACCESS

The Indata property is centered at 55° 23' N latitude, 125° 19' W longitude in East Central British Columbia approximately 125 km northwest of Fort St. James and 135 km east-northeast of Smithers (Figure 1). The claims are situated on Limestone Ridge lying between Indata and Albert Lakes. Elevations range from 875 m at the shore of Indata Lake to 1287 m at the top of Limestone Ridge (Figure 2). Terrain is generally moderate except on the east side of the claims where a limestone ridge forms a discontinuous series of easterly facing cliffs. A mature spruce forest covers most of the property.

Good quality logging haulage roads provide road access from Fort St. James to within 4 km of the southern boundary of the property. No significant obstacles are present to inhibit the construction of an access road along the length of the claim group. Access to the British Columbia Railway is achieved via logging roads to the Leo Creek siding situated on Takla Lake approximately 35 road kilometres to the southwest of the property. Float-equipped fixed-wing aircraft and charter helicopters are available from Smithers and Fort St. James.

CLAIMS

The following information for the claims was obtained from government and company records. The writer examined the common Legal Corner Post for the Schnapps #1, Schnapps #3 and Schnapps #5 claims on March 11, 1987. The Legal Corner Post appears to conform to the regulations; however, the writer has not examined the claim lines and can pass no opinion on the manner of staking nor can he verify the position of the claims as depicted on the accompanying plan (Figure 2).

The mineral claims, situated in the Omineca Mining Division, on N.T.S. map sheet 93N/6W, comprise 9 multi-unit mineral claims. Essential claim data is listed as follows:





Claim Name	Record <u>Number</u>	Tag <u>Number</u>	<u>Units</u>	Recording Date	Expiry <u>Date</u>
Schnapps 1	5962	93231	20	14 Nov. 1983	14 Nov. 1990
Schnapps 2	5963	93232	20	14 Nov. 1983	14 Nov. 1990
Schnapps 3	6595	04464	8	20 Aug. 1984	20 Aug. 1991
Schnapps 4	6596	04465	10	20 Aug. 1984	20 Aug. 1991
Schnapps 5	666 <i>5</i>	100972	4	13 Sept. 1984	13 Sept. 1990
Indio	6294	<i>5</i> 7976	20	22 June 1984	22 June 1987
Indio 3	6397	04466	18	17 July 1984	17 July 1990
Indata 1	8135	126812	20	3 Feb. 1987	3 Feb. 1988
Indata 2	8136	126813	_15	3 Feb. 1987	3 Feb. 1988
		Total	135		

EXPLORATION HISTORY

There is no record of exploration having been undertaken on the claims prior to 1983. In that year, Imperial Metals Corporation undertook a regional reconnaissance exploration program directed towards the discovery of precious metal deposits associated with the northern extension of the Pinchi Fault Zone. The Schnapps 1 and 2 Claims were staked in 1983 to cover gold, arsenic, antimony and copper silt anomalies. In 1984, additional claims were staked following the release of the Regional Geochemical Reconnaissance Map for the area which showed an outstanding multi-element silver-arsenic-antimonycopper-mercury anomaly on the claims (Fig. 3). The G.S.C. did not analyse its samples for gold.

In 1984, Imperial Metals established four soil grids to investigate the silt anomalies. Base metal, precious metal and indicator element anomalies, associated with topographic lineaments, were identified. In 1985, a 6.1 km IP survey was conducted over the A Grid. A strong chargeability anomaly, coincident with the high contrast (1000+ ppm) A-2 copper soil anomaly was outlined. Two smaller IP anomalies approximately 600 m to the southeast were also found. The IP Survey did not extend far enough east to cover the high contrast A-1 arsenic-antimony soil anomaly from which scattered low contrast (15-34 ppb) gold values had been obtained.



Two diamond drill holes, 85-1 and 85-2, were sunk by Imperial Metals to test the coincident copper-IP A-2 anomaly. Disseminated and fracture-controlled chalcopyrite and pyrite, hosted by chloritic mafic volcanics, proved to be the cause of the anomalies. Grades were generally in the range of 0.1 to 0.3% copper. Hole 85-3 tested a small IP anomaly which was found to be caused by pyrite. Hole 85-4 was intended to test a partly-defined IP anomaly at 3+75E on line 0+50S (Figure 6). When the hole failed to intersect a significant volume of sulphide, the IP anomaly was considered to have been overburden related (Pesalj 1985).

A 150 m X 50 m moderate contrast (18-590 ppb) gold anomaly, with associated enhanced arsenic and antimony concentrations, straddles the main volcaniclimestone contact on the B-Grid. A grab sample of silicified mafic volcanic rock collected for petrographic study from the west side of the anomaly was geochemically enhanced in silver and antimony.

On the I Grid scattered anomalous gold values, without other associated elements, fail to explain the cause of the strong arsenic-gold silt anomaly.

No information is available for the results from the C-Grid. They are assumed to have been negative.

After the diamond drilling program, no further work was conducted on the claims by Imperial Metals Corporation.

In 1986, J.W. Morton, formerly a geologist with Imperial Metals Corporation, who had conducted the reconnaissance silt program, acquired the property on behalf of Eastfield Resources Ltd. Noranda Exploration Company Limited was invited to evaluate the property for a possible joint venture. Noranda's crew, on their one-day examination, concentrated on the large high contrast A-1 arsenic-antimony soil anomaly. During the course of their investigation, they came across a 10 m X 30 m clearing devoid of vegetation, comprising bare reddishbrown soil. This iron oxide-rich soil persisted to the bottom of a two-foot-deep test pit. No rock fragments were found. (Personal communication, Gordon Maxwell, Noranda geologist). Two soil samples collected by Maxwell from the



clearing each 5 m apart and from a depth of approximately 15 cm, returned extra-ordinarily high gold, silver, arsenic and copper values (Figures 4 and 5).

	Au ppb	Ag ppm	As ppm	Cu ppm
North Sample	2100	690	110,000	3,700
South Sample	2 <i>5</i> 00	600	73,000	4,000

In 1987, Eastfield Resources conducted a magnetometer survey over the large A-1 arsenic-antimony anomaly and collected fill-in samples to delineate the metal rich area associated with the geobotanical anomaly.

The following expenditures were derived from the respective company records.

Total Expenditures on the Indata Property		\$160,000
Imperial Metals Corporation	1983-1986	\$133,400
Eastfield Resources Ltd.	1986-1987	26,600

GEOLOGY

The Indata property is situated near the northern end of the 300 km long Pinchi Fault which separates the upper Paleozoic metavolcanic and sedimentary strata of the Cache Creek Group to the west from the Mesozoic volcanic strata of the Takla Group. The presence of ultramafic bodies along the regional structure infers a zone of deep crustal weakness favourable for the generation of hydrothermal-related precious metal deposits. A linear belt of mercury occurrences, including the Pinchi Lake and Bralorne Takla mines, coincides with the trace of the fault. These mercury occurrences and placer gold streams substantiate that the geological environment along the Pinchi Fault has the potential to host precious metal deposits. A hot spring situated at the north end of Tchentlo Lake, 6 km south of the property, is currently depositing mercuryladen mud, illustrating that geothermal cells are still active along the fault (Figure 3).

Rocks of the Cache Creek Group are described as having undergone two periods





of deformation followed by kink banding and faulting adjacent to the Pinchi Fault (Patterson, 1974). This latter deformation probably influences the local geology on the Indata property.

Between Indata and Albert Lakes a series of parallel lineaments diverge to the north-northwest at a small angle from the Pinchi Fault. These lineaments probably represent splays from the main fault. The most prominent of these roughly coincides with the boundary between the main belt of Cache Creek Group limestone and volcanic starta on Limestone Ridge. A similar but smaller limestone ridge near the eastern shore of Albert Lake indicates that the section has been repeated by faulting and that the limestone-volcanic contacts could be fault contacts rather than depositional contacts.

An elongate granitic pluton, mapped by the G.S.C., lies within the zone of faulting between Albert and Indata Lakes. This pluton may be responsible for the disseminated copper mineralization intersected in diamond drill holes 85-1 and 85-2, sunk to test the A-2 copper soil geochemical anomaly. This fault-controlled pluton is marked by an elongate series of aeromagnetic anomalies trending parallel to the splays of the main Pinchi Fault. Serpentinized float reported by former Imperial Metals personnel (Morton, personal communication) suggest that some of the aeromagnetic highs along the magnetic trend may be attributed to small ultramafic bodies.

MINERALIZATION

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A north-northwesterly trending series of multi-element silt and soil geochemical anomalies closely follows the main splay off the Pinchi Fault (Figure 3). Various combinations of the following elements comprise the anomalies; gold, silver, copper, zinc, nickel, arsenic, antimony and mercury. From the successful but limited soil surveying undertaken to date, it is apparent that by forming a large dispersion zone or halo, arsenic and antimony are the most useful indicator elements for indentifying the more restricted zones which may host anomalous gold and silver. At the A-1 anomaly the sinuous 200 m long gold-silver anomaly lies within an open-ended high-contrast 200 m X 450 m As-Sb anomaly. A marked down-slope migration of metal ions from the potentially ore-grade (0.067 oz Au/t, 18.8 oz Ag/t, 0.39% Cu and 9.15% As) geobotanical anomaly is apparent. This migration may explain the absence of metal in DDH 85-4, which was drilled under a 67 ppb Au, 5.0 ppm Ag, 1500 ppm As and 1400 ppm Cu anomaly (Figures 4 and 5).

Very few outcrops are present within the A-Grid and, as a result, the position of the main limestone-volcanic contact is not well defined. From float and scattered outcrop, the northerly-trending contact is thought to lie approximately 50 m to 150 m east of the geobotanical kill zone.

The strength of the mineralization indicated in the kill zone and the alignment of the other geochemical anomalies along 6 km of the contact and/or splay offers good potential for the discovery of more mineralization.

Copper mineralization intersected in Holes 85-1 and 85-2 has the characteristics of a proximal porphyry deposit where the mineralization is hosted by the volcanic strata enclosing a stock rather than within the stock itself. Mafic quartz diorite to gabbroic dykes cut the volcanics and may be indicative of a nearby stock. While the geochemical anomalies appear to be aligned along a major splay fault, the possibility exists that the gold-silver and arsenic-antimony anomalies may actually ring a series of elongate intrusives.

DISCUSSION

The north-northwesterly trending series of multi-element silt and soil anomalies closely follows a splay off the Pinchi Fault (Figure 3). These anomalies occur in a highly favourable structural and chemical environment conducive to the formation of precious metal deposits: the rocks have been repeatedly faulted; competency contrast between the mafic volcanics and interbedded chert and the limestone may have produced extensive zones of brittle fracturing and dilation; the limestone is chemically reactive to hydrothermal fluids; and a drive mechanism for a geothermal cell is provided by the granitic pluton which has intruded the deep crustal suture.

Two mineral deposits of note occur in a similar geological setting. At the Lustdust property, located 1.5 km west of the Pinchi Fault and 20 km north of the Indata property, a limonite gossan up to 50 m deep overlies a base and a precious metal deposit which extends to a depth of at least 160 m. Sulphide remnants and gold are said to have been panned from the gossanous material (Wilkinson, 1979). Lenses of massive sulphides (pyrrhotite, pyrite, sphalerite, arsenopyrite and chalcopyrite) up to 3 m thick are related to a limestonegreenschist (mafic volcanic) contact in the vicinity of faulting. Felsite, quartz monzonite and feldspar-biotite porphyry dykes intrude the Cache Creek assemblage. In North Western B.C. at the Muddy Lake gold property, the zones of interest are also within upper Paleozoic rocks comprised of pelagic sediments, limestone and mafic volcanics (Schroeter, 1984). A prominent northnorthwesterly-trending fault zone at the limestone-volcanic contact has developed extensive zones of fracturing and brecciation. The faulting controls the development of quartz-carbonate alteration zones in both the volcanics and limestone. Rocks between the faults are relatively unaltered. Mineralization is of the high-level epithermal type which has a direct geochemical correlation between gold, silver, arsenic, antimony and mercury. A feasibility study is in progress on this million ton plus epithermal precious metal deposit.

The potential of the geological environment on the Indata property is substantiated by the soil samples collected from the A-1 geobotanical anomaly which averaged 0.067 oz Au/ton and 18.8 oz Ag/ton.

An on-site examination of the DDH 85-4 drill site, coupled with a close examination of the IP and soil geochemical data, leads the writer to conclude that the soil anomaly at the drill site has migrated approximately 30 m downslope from its source. If this interpretation is correct, the geochemical source would originate from the IP anomaly. The field check of the grid coordinates at the drill site and at the IP anomaly confirms that DDH 85-4 was terminated short of its intended target. As a result, the IP anomaly, which

probably reflects the southern extension of the well-mineralized kill zone, and the kill zone itself, are of obvious and immediate interest.

Reconnaissance geological mapping coupled with prospecting and extensive soil sampling along the full length of the splay and detailed geological, geochemical and geophysical follow-up of presently identified but under-explored anomalies offers good potential for the discovery of new precious metal deposits.

RECOMMENDATIONS

A two-phase success-contingent exploration program is recommended.

Phase I:

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Part A:

- 1. Utilize aerial photographs to indentify and trace the topographic lineaments.
- 2. Conduct reconnaissance geological mapping along the full length of the claim block to define the position of the limestone-volcanic contact(s).
- 3. In conjuction with the geological mapping and initially concentrating on the area between the various anomalies, run geochemical lines across the major lineaments at 200 m intervals utilizing 50 m sample spacings. This sample density should be sufficient to indentify broad zones of metal enhancement requiring detailed follow-up.

Part B:

- 1. Extend the 25 X 50 m spaced soil grid to close off the high-contrast A-1 arsenic-antimony anomaly which encompasses the precious metal and arsenic-rich geobotanical anomaly.
- 2. Extend the A-Grid to define the As-Sb anomaly indicated at 2+00E on line 5+00N.
- 3. Expand the B Grid soil survey to delineate the As-Sb anomaly situated between 2+00W and 3+50W on lines 3+00N and 4+00N, and the gold anomaly at 2+00E lying between 4+25N and 5+25N.
- 4a. Extend the IP survey to cover all of the A-1 As-Sb anomaly ensuring that one line passes directly over the metal-rich kill zone and another passes halfway between the kill zone and the previously identified IP anomaly at 4+00E on line 0+50S.
- 4b. Conduct an IP survey over the B Grid anomaly.

Part C:

Diamond drill, utilizing NQ equipment to assess the:

- A-1 metal-rich geobotanical kill zone
- A-1 IP anomaly located at 4+00E on line 0+50N
- The B Grid soil anomaly

Phase II:

This program is contingent upon favourable results being obtained from Phase I work.

- Part A: Utilize fill-in soil sampling, followed by IP surveys, to delineate soil anomalies identified by the Phase I reconnaissance work.
- Part B: Diamond drill the Phase I anomalies substantiated by the Phase II, Part A surveys.
- Part C: Initiate definition drilling on the A-1 zone.



PROPOSED BUDGET

Phase I

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Aerial photographic structural analyses	\$ 500
Soil geochemistry, labour and analyses	22,600
IP surveys	8,000
Geological mapping	10,000
Room and board 90 man days @ \$60.00/day	5,400
Transportation and communications	4,000
Helicopter 10 hours @ \$550/hour	5,500
Technical Report	 4,000
	\$ 60,000
Diamond drilling - all inclusive 1200 ft @ \$50.00	 60,000

Total

\$ 120,000

Phase II

Geological, geoche	emical and geophysical surv	eys to f	follow-up		
new anomalies identified during Phase I			\$	40,000	
Diamond drilling.	Phase Lanomalies	1200	f+		
Bramona arming.	i hase i anomanes	1200	11		
	Delineation of A-1 Zone	<u>3000</u>	ft		
		4200	ft@\$50.00		210,000
Total				<u>\$</u>	<u>250,000</u>

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CERTIFICATE OF QUALIFICATIONS

I, Clarence Mark Rebagliati, of 3536 West 15th Avenue, Vancouver, B.C., hereby certify that:

- 1. I am a consulting Geological Engineer with offices at 3536 West 15th Avenue, Vancouver, B.C.
- 2. I am a graduate of the Provincial Institute of Mining, Haileybury, Ontario (Mining Technology, 1966).
- 3. I am a graduate of the Michigan Technological University, Houghton, Michigan, U.S.A. (B.Sc., Geological Engineering, 1969).
- 4. I have practiced my profession continuously since graduation.
- 5. I am a member in good standing of the Association of Professional Engineers of British Columbia.
- 6. The foregoing report is based on:
 - a) A study of all available company and government reports.
 - b) My personal knowledge of the general area resulting from regional studies and from an examination of the property made on March 11, 1987.
- 7. I have not directly or indirectly received nor do I expect to receive any interest, direct or indirect, in the property of Eastfield Resources Ltd, or any affiliate, or beneficially own, directly or indirectly, any securities of Eastfield Resources Ltd., or any affiliate.
- 8. I consent to the inclusion of this report in a Statement of Material Facts or a Prospectus.

SINEE

C.M. Rebagliati, P.Eng. March 31, 1987

REPORT ON THE BEEKEEPER PROPERTY CARIBOO MINING DIVISION, BRITISH COLUMBIA

For

EASTFIELD RESOURCES LTD Suite 110 - 325 Howe Street Vancouver, B.C. V6C 127

NTS 93A/6

51° 24' north latitude

121° 20' west longitude

By

R.M. Durfeld

Durfeld Geological Management Ltd. 180 Yorston Street Williams Lake, B.C. V2G 3Z1

March 31, 1987

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A.) SUMMARY

The Beekeeper property is located in the central interior of British Columbia, within a tectonic structure known as the Quesnel Trough. The Quesnel Trough has recently become the focus of renewed exploration because of several recent most noteable of which is the Dome Mines' Ltd owned gold gold discoveries, deposit at the "QR" (Quesnel River) property. The "QR" deposit contains drill of 950,000 tons grading .21 oz qold/ton (Dome indicated reserves 1982). Exploration programs since 1982 on the "QR" Mines' Annual Report property have been ongoing and have significanty increased the tonnage of this deposit.

The gold mineralization at the "QR" deposit is developed in lenses of propylitically altered volcanic and sedimentary rocks peripheral to an alkalic intrusive stock. Regional features recognized at the "QR" deposit are a strong positive aeromagnetic response to the alkalic stock that intruded an alkaline volcanic and clastic sequence of Triassic to Jurassic Age. In September 1980 J.W. Morton recognized the potential of the strongly magnetic alkalic Kwun Lake stock intruding alkalic volcanics in the Beekeeper property area as having potential for hosting a "QR" type porphyry gold deposit and located the Beekeeper mineral claims as agent for the 'Alexis Joint Venture Syndicate', operated by Imperial Metals Corporation of Vancouver.

Since 1980, exploration surveys on the Beekeeper property have consisted of geophysics (ground magnetic, electromagnetic and induced polarization), geochemical (soil and rock sampling) and bulldozer trenching surveys that have been compiled in conjunction with the ongoing geological surveys.

These surveys have outlined a hydrothermally altered (carbonate-quartzsericite and/or epidote) and sheared structure that is developed on the eastwest linear joining the Kwun and Mint Lake intrusive stocks. Visible pyrite and cinnibar were noted on rocks within this zone. Rock chip sampling of this mineralization has outlined strongly anomalous gold (up to 750 ppb) and very strongly anomalous mercury (up to 1,210,000 ppb) values. The geophysical surveys define the extent of this structure as a coincident magnetometer-high, chargeability high and strong resistivity high anomalies with moderate dimensions of 150 metres wide and 300 metres long and open to the east. The chargeability profiles also suggest a marked increase of intensity with depth. A. Panteleyev of the B.C. Department of Mines, describes this and similiar structures in the area as representing, "large low temperatue hydrothermal These indications are compatible with low temperature gold fluid systems. deposits or peripheral zones of mesothermal gold deposits and therefore provide some encouragement for further exploration". The "QR" deposit would, also correspond to this model, with the hydrothermal alteration in part, assemblage at the "QR" deposit consisting of predominantly chlorite-epidotecarbonate as opposed to the predominantly carbonate-quartz-sericite-epidote alteration that occurs at the Beekeeper property. The areas of hydrothermal alteration on the Beekeeper property have not been tested by drilling and no drilling is known to have occurred within the area of the Beekeeper property.

To further evaluate the potential for the Beekeeper property to host economic gold mineralization a first phase program of trenching and diamond drilling is recommended in this report.



B.) INTRODUCTION

In February 1987, Bill Morton, president of Eastfield Resources Ltd., commissioned myself to examine the Beekeeper Property, report my findings and, if warranted, recommend an ongoing exploration program.

On February 9th, 1987 I examined the property in the company of Mr. Morton. At the time of the examination the area was snow covered but access was adequate to determine claim locations and to view several rock outcroppings, particularly in the trenched area, where several sites were resampled.

This report has been prepared on the basis of the compilation of information from this property examination, information made available to the author by Mr. Morton and reports and documents on file with the Ministry of Energy, Mines and Petroleum Resources in Victoria.

After completing my review of the Beekeeper property I have reached the opinion that this property offers significant potential to host either economic lode or disseminated gold mineralization. To further evaluate this potential a two staged exploration program is recommended in this report.

C.) PROPERTY DESCRIPTION

1) Location

The Beekeeper property is located (Figure 1) in the Cariboo Mining Division, British Columbia, 60 kilometres northeast of the city of Williams Lake and 10 kilometres northeast of the community of Horsefly. More precisely, it is located at 51 degrees 24 minutes north latitude and 121 degrees 20 minutes west longitude. (National Topographic System Map 93A/6)

2) Access and Physiography

The Beekeeper property is readily accessible from Williams Lake B.C. via 70 kilometres of paved highway to the community of Horsefly, then 5 kilometres on the Horsefly Lake all-weather gravel road, and then 5 kilometres of seasonal logging trails that bisect the property.

The Beekeeper property lies in the Quesnel Highland physiographic region of the central B.C. interior. This region is characterized by broad valleys and gently rolling hills with elevations on the Beekeeper property ranging from 2650 feet (800 metres) to 3000 feet (900 metres) above sea level. Many of the valley bottoms are characterized by poor drainage and are occupied by small lakes and swamps.

The Beekeeper property occurs in a moist vegetative zone dominated by combinations of coniferous (pine-spruce-fir) and deciduous (birch-poplar) forests with variable undergrowths of alder and devil's club. Some of the Beekeeper property and adjacent lands have been clear-cut logged and converted to improved pasture.

3) Ownership

The Beekeeper property consists of 3 contiguous mineral claims that were located under the British Columbia Modified Grid System. (Figure 2) The current status of these claims is summarized as:

CLAIM NAME	E Nu of	umber Units	Record Number	Anniversary Date	Year of Expiry
BEEKEEPER	1	9	2055(10)	October 1st	1987
BEEKEEPER	2	8	3892(7)	July 27th	1987
BEEKEEPER	3	9	7895(8)	August 21st	1987

All interests in the above described mineral claims are held by Eastfield Resources Ltd.

All of the claim posts and claim lines that were examined by the author during the course of the property examination conformed to the regulations of the British Columbia Mineral Act and would have acquired the mineral tenure as shown on Claim Map.

4) Regional History (Horsefly River-Quesnel River Area)

In 1859 placer gold was discovered at Quesnel Forks on the Quesnel River about 35 kilometres northwest of the Beekeeper property. This discovery sparked the Cariboo gold rush which lasted for five years. Placer gold discoveries made during that rush resulted in an estimated 3 million ounces of placer gold being recovered from the Cariboo (Boyle 1979). The Horsefly River system represents a portion of this value as it was subjected to extensive placer mining during that time. Hardrock prospecting and mining that was conducted in conjunction with the placer operations led to the discovery and production of 840,000 ounces of lode gold from the Cariboo Gold Quartz, Island Mountain and Cariboo-Hudson mines near the historic community of There is no record of lode gold production from the Beekeeper Barkerville. property, but past and recent placer mining activity is evidenced by workings along the Horsefly River just west and south of the property.

The Cariboo Bell porphyry copper-gold deposit which is located 25 kilometres to the northwest of the Beekeeper property was discovered in 1964 during exploration of a prominent aeromagnetic anomaly. Exploration at the Cariboo Bell property has been ongoing since that time.

The discovery of the Cariboo-Bell deposit spurred exploration interest for additional porphyry copper deposits in this area of the Quesnel Trough. Exploration targets were defined by aeromagnetic anomalies associated with alkalic intrusive complexes. In 1973 Dome Mines' Ltd and Newconex Holdings Ltd located the large AL mineral claim group to cover the porphyry copper-gold potential of the alkalic Kwun Lake stock that is located here. This holding was relocated and reduced in 1980 as the Kwun claim group which permitted Mr. Morton, at that time as agent for the 'Alexis Joint Venture Syndicate' operated by Imperial Metals Corporation, to locate the Beekeeper claims that



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cover the extension fo the Kwun Lake stock. Dome Mines Ltd is presently funding ongoing exploration on the adjacent Kwun claim group.

In 1975, during the investigation of a similiar aeromagnetic anomaly, Dome Mines Ltd and Newconex Holdings Ltd discovered the "QR" (Quesnel River) deposit. Exploration by way of diamond drilling has indicated near surface reserves of gold mineralization. The "QR" deposit is located 45 kilometres northwest of the Beekeeper property and is the sight of active exploration drilling programs.

More recent exploration work in the Quesnel Trough has resulted in the discovery of several other significant gold deposits. Most noteable of these are: the "Madre" gold zone on Spanish Mountain (20 kilometres north of the Beekeeper property) and the "Frasergold" gold zone along the MacKay River (45 kilometres east of the Beekeeper property). The "Madre" and "Frasergold" prospects are located in predominantly sedimentary rocks of the Quesnel Trough, whereas the "QR" deposit, and Kwun and Beekeeper properties are located in volcanic and associated intrusive rocks of this tectonic belt.

In 1981 Imperial Metals Corp. conducted soil sampling, ground magnetic and VLF electromagnetic surveys in the area of the Beekeeper 1 mineral claim. In 1983 an additional electromagnetic survey with the Scintrex Genie-EM system was conducted on a small portion of this grid. On compilation of this data a bulldozer trenching program in conjunction with rock chip sampling was completed in 1984 and 1985. In March 1986 Eastfield Resources Ltd acquired all interest in the Beekeeper property and completed additional geological mapping on it. In January and February of 1987 Eastfield Resources Ltd conducted detailed ground magnetic and induced polarization surveys on these claims.

5) Economic Considerations

The Beekeeper property is linked to the city of Williams Lake by eighty kilometres of paved and all-weather gravel road. The infrastructure at Williams Lake would easily support any development in the Beekeeper area. Hydroelectric lines pass within five kilometres of the Beekeeper property and a reliable supply of water is readily available from the Horsefly River. There is adequate area on the Beekeeper property for mine-mill development and waste or tailings disposal.

C.) GEOPHYSICS

1) Aeromagnetic and Ground Magnetic Surveys

The Beekeeper property is located in the west central portion of Aeromagnetic map 5239G, available from the Geological Survey of Canada. From this survey it is evident that the Beekeeper property is located on the eastern edge of a north-northwesterly trending strong magnetic positive feature. This magnetic positive feature corresponds to magnetite rich volcanic and intrusive rocks within a regional geological feature known as the Quesnel Trough. Local magnetic highs within the Quesnel Trough often correspond to magnetic alkalic intrusions that were initially targeted for alkalic porphyry copper deposits and lead to the staking of the Cariboo-Bell, Kwun and "QR" properties. Locally the aeromagnetic response can be used to assist in geological mapping

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in areas where extensive overburden typically makes geological mapping difficult.

In 1981 a ground magnetic survey was conducted in the area of the Beekeeper 1 mineral claim on a 100 by 100 metre north-south grid over a 1.4 kilometre square area. The most significant feature of this total magnetic field survey was a northwesterly trending magnetic high feature in the west central portion of the gridded area. In February 1987 Eastfield Resources Ltd established a new grid with lines 50 metres apart run at 290 degrees (at 70 degrees to the original 1981 grid) and stations at 25 metre intervals. The computer contoured results of the magnetometer survey (Figure 3) conducted on this new grid outlines this mag-high feature in more detail and indicates west-northwesterly trend.

In the northwestern area of the grid this magnetometer-high feature corresponds to an outcrop comprised of equigranular magnetic monzonite of the Kwun Lake Stock, suggesting that additional area of the magnetometer-high feature may be underlain by covered magnetic intrusive lithologies.

2) Electromagnetic Survey

A VLF Electromagnetic survey was conducted in 1981 on the main Beekeeper grid (original grid lines being north-south). A compilation of the crossover peaks suggests several conductors in the property area. Most noteable is a conductor in the west central portion of the grid that correlates to the magnetometer-high anomaly. It was this VLF survey in conjunction with the magnetic and the geochemical soil surveys that defined the area for the trenching programs and the subsequent induced polarization and magnetometer surveys.

3) Induced Polarization Survey

During the period February 8 to 13, 1987 Scott Geophysics Ltd of Vancouver was contracted by Eastfield Resources Ltd to conduct 6.5 kilometres of induced polarization and resistivity surveys over 8 lines on the Beekeeper property.

The results of this survey are summarized as "IPR11 Survey- Chargeability Contour Plan" (Figure 4) and "IPR11 Survey-Resistivity Contour Plan" (Figure 5). The chargeability and resistivity high anomalies that are developed with these surveys again correlate well with the magnetometer-high anomaly. A review of the chargeability profiles demonstrates an increase in intensity with depth. This suggests that if the chargeability measures the amount of sulphide mineralization then the grade of sulphide mineralization associated with this anomaly increases with depth.

In the logistical report accompanying this survey, Alan Scott, as geophysicist, recommends that, "A preliminary examination of the results from the IPR11 survey on the Beekeeper Property indicates the presence of moderate amplitude chargeability highs that merit further investigation".



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D.) GEOCHEMISTRY

1.) Soil Sampling

In 1981 and 1982 geochemical soil sampling was conducted on the 100 metre by 100 metre magnetometer grid over a 1.4 kilometre square area. Soil samples were collected from the B-horizon at sample sites 100 metres apart over the whole gridded area. This survey identified coincident anomalous mercury, copper and gold values in the west central portion of the survey area. Subsequent fill-in sampling on 50 metre intervals has enhanced the resolution of these anomalies. A compilation of the gold values with the contoured mercury values is shown as the Composite Geochemical and Geophysical Map (Figure 6).

GOLD

The anomalous gold values in soils at the Beekeeper property occur as isolated high values. This is graphically demonstrated by highlighting the weakly anomalous (> 9ppb gold) and the anomalous (> 49 ppb gold) sites (Figure 7). The majority of the sample sites returned less than 9ppb gold and are not plotted.

MERCURY

Although mercury values of up to 18,000 ppb were encountered in soil samples, the contoured data (50 ppb and 100ppb) suggests that 100 ppb mercury is anomalous.

COPPER

Sixty parts per million copper was arbitrarily chosen as being anomalous.

The anomalous gold values occur as isolated clusters on a north-south trend in and around the coincident chargeability and magnetometer high anomalies. The copper and mercury anomalies more closely mimic the chargeability anomaly suggesting that the bedrock underlying the chargeability anomaly is responsible for the anomalous gold, copper and mercury values.

2.) Rock Chip Sampling

Rock chip sampling on the Beekeeper property was done in conjunction with the trenching program. The significant results of this of this chip sampling are described in section E.

E.) GEOLOGY

1.) Regional Geology

Geologically, the Beekeeper property is located in a structural feature known as the Quesnel Trough, a 30 kilometre wide, northwest-trending, Early Mesozoic age volcanic-sedimentary belt of regional extent. The Quesnel Trough in the Horsefly area is a fault-bounded region that is flanked to the east by Precambrian to Paleozoic rocks of the Barkerville and Slide Mountain terranes





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and to the west by Paleozoic rocks of the Cache Creek terrane.

Regional mapping of the Quesnel Trough in the Horsefly area (Figure 7) is largely taken from work recently completed by A. Panteleyev of the British Columbia Department of Mines. Panteleyev's mapping shows the Triassic-Jurassic age Takla Group, comprised of submarine volcanic rocks together with their derived sedimentary units, discontinuous carbonate horizons, and marine sediments to be prevalent in the Beekeeper area. In the Beekeeper area the Takla rocks are subdivided into unit 1 - greywacke, units 4 and 6 - dark green to black pyroxene basalt and unit 7 - augite feldspar porphyry basalt. Locally small stocks and dykes of unit 11 - monzodiorite and hornblende feldspar porphyry intrude units 6 and 7, and may in part be coeval with the younger volcanic lithologies. The Kwun Lake and Mint Lake stocks are mapped The hydrothermal alteration recognized by as monzodiorite, unit 11. Panteleyev consists of carbonate, quartz, epidote and/or sulphide and is thought to be related to the emplacement of these intrusions.

Structural Geology

The stratigraphy of the Takla group in the Beekeeper area develops a regional north to northwesterly trend with moderate westerly dips.

Airphoto and aeromagnetic structural interpretation in the Beekeeper area shows a strong northeasterly airphoto linear that is also coincident with offsets in the magnetic data. The other main structural direction is as a westerly to northwesterly airphoto linear. A. Panteleyev, of the B.C. Department of Mines, maps several of these westerly linears as faults offsetting the Takla Group stratigraphy in the Beekeeper area. The Kwun Lake and Mint Lake stocks line up on these westerly linears, suggesting, that these faults represent zones of weakness that at times became loci of magmatism during Upper Triassic-Lower Jurassic time. This would also suggest additional intrusive activity along the linear that joins the Kwun and Mint and passes through and parallels the magnetometer-high and lake stocks, induced polariztion (chargeability high) anomalies. (ie the present grid on the Beekeeper claims may be underlain by additional intrusive litologies)

2.) Beekeeper Detailed Geology

The interpretation of the Beekeeper detailed geology is based on the author's limited mapping in the trenched area and interpretation of available company reports.

The dark grey to black pyroxene basalt and augite feldspar porphyry basalt underlie most of the detailed area. Monzodiorite and hornblende feldspar porphyry intrude these units as dykes and fault bounded intrusions on a west northwesterly trend.

Hydrothermal alteration in the detailed area occurs as clay-carbonate-quartz, carbonate-epidote and fine grained hornfels. These alteration zones are largely fault bounded on a predominantly westerly trend. In Trench E a section demonstrating characteristic quartz was noted. This would suggest a shallow, low temperature depositional origin and that some of the quartz in the Beekeeper area could be related to a younger event than the intrusive dyking.

Mineralization

Pyrite, arsenopyrite and cinnabar were noted with the altered zones in the detailed area. Zones of up to 10% pyrite occur. Rock sampling by the author in the detailed area confirmed the presence of mercury with sample analyses as high as 3,300,000 parts per billion mercury.

Previous rock sampling in the Beekeeper detailed area has resulted in geochemically anomalous gold values (up to 750 ppb) occurring in the sheared and hydrothermally altered lithologies. Although no economic gold grades have yet been encountered on the Beekeeper claims, the hydrothermal alteration zone in the detailed area is anomalous in gold.

3.) Economic Geology (Regional)

Mineral exploration programs conducted in the Quesnel Trough area of B.C. in the mid-1960's to the late-1970's led to the discovery of several porphyry copper, copper-gold and gold deposits.

ALKALIC PORPHYRY COPPER AND /OR GOLD DEPOSITS

Several of the porphyry copper prospects and deposits that occur in association with alkalic (quartz undersaturated) intrusive and volcanic rocks were noted to contain significant gold values. Three of the more important deposits of this type are:

DEPOSIT

RESERVES

Afton Mine 31 million tons 1.1% copper and .58 grams gold/tonne

Cariboo Bell 110 million tons .32% copper and .45 grams gold/tonne

"QR" 0.95 million tons .21 oz gold/ton (7.2 grams gold/tonne)

The copper and gold mineralizaion in all the deposits of this type is largely controlled by structure and hydrothermal alteration.

"QR TYPE" GOLD DEPOSITS

The "QR" deposit was discovered in 1975 by Dome Mines Ltd and Newconex Holdings Ltd as a result of an exploration program conducted for porphyry copper-gold mineralization similiar to the Afton and Cariboo-Bell deposits. Classed by its reserves, the "QR" deposit is a gold porphyry. Little or no copper would be recovered with the gold from this deposit. The gold mineralization in the "QR" deposit is enveloped by propylitic alteration (epidote. chlorite, pyrite-chalcopyrite) affecting the Jurassic basalts, andesites and siltstones adjacent to an alkalic stock. The sulphide mineralization produces associated Induced Polarization anomalies. The alkalic stock at the "QR" deposit produces a well defined magnetic high anomaly.

STRATABOUND GOLD DEPOSITS "FRASERGOLD - MADRE TYPE"

Ongoing gold exploration in the Quesnel Trough has identified stratabound gold

mineralization associated with the iron-carbonate rich member of an Upper Triassic graphitic phyllite at Eureka's "Frasergold" property that is located 45 kilometres east of the Beekeeper property. Gold occurs within the phyllite in remobilized quartz-siderite-gold lenses that can constitute up to 40% of the mineralized zone. At Mt. Calvery's "Madre" property located 20 kilometres north of the Beekeeper property the gold mineralization is in part stratabound within a graphitic argillite and is similiar to the "Frasergold" deposit.

F.) DISCUSSION

The Beekeeper property of Eastfield Resources is located on a geological feature in central British Columbia known as the Quesnel Trough, which hosts significant gold deposits at the "QR", "Madre" and "Frasergold" properties.

The Beekeeper property is underlain by altered volcanic lithologies close to the alkalic Kwun and Mint lake stocks and as such would be more akin to the geological environment at the "QR" deposit than at the "Frasergold-Madre" type occurences.

A compilation of the anomalous gold and mercury values in conjunction with the magnetometer high and induced polarization chargeability high (Figure 6) defines the salient features that correspond to exploration targets at the Mapping in the trenched area recognizes intruded, Beekeeper property. fractured and hydrothermally altered basalt lithologies. Mercury and sporadic gold anomalies are approximately coincident with the hydrothermally altered sections. The induced polarization chargeability high outlined by the 15mv/V contour is developed directly over the alteration zone. The magnetic-high anomalies suggest a west-northwest trend that parallels a fault here and passes through the centre of the geochemical anomalies. This magnetometer high feature in a regional sense joins known intrusions of the Kwun and Mint lake stocks and suggests that this anomaly may correspond to a buried intrusion.

The present targets at the Beekeeper property correspond to an area of alkalic volcanic lithologies that have been faulted, intruded by alkalic intrusions and hydrothermally altered. Sulphide mineralization occurs as pyrite and cinnibar in association with the hydrothermal alteration. Geochemically anomalous gold values are developed in association with the hydrothermal The target for hosting economic gold mineralization in other alteration. areas of the Beekeeper property would probably be related to sheared and altered lithologies similiar to those encountered in the Beekeeper detailed area. Further exploration for this type of target in other areas of the Beekeeper property is warranted and would initially consist of geochemical sampling (detail soil and rock) in conjunction with additional geophysical (magnetic and induced polarization) surveys. The previous geochemical sampling has demonstrated the value of mercury and copper in conjunction with gold as pathfinder elements in covered areas. The geochemical sampling in conjunction with the geophysical surveys may define targets for trenching and/or diamond drilling.

G.) CONCLUSIONS

The Beekeeper property is located within the Early Mesozoic Age regional tectonic structure known as the Quesnel Trough. In the property area greywacke, dark green to black pyroxene basalt and augite porphyry basalt of the Triassic-Jurassic Age, Takla Group are dominant. Locally the Takla Group is intruded by monzodiorites and hornblende feldspar porphries of the Kwun and Mint lake alkalic intrusions.

Exploration programs on the Beekeeper property since September 1980 have outlined a sheared and hydrothermally altered (carbonate-quartz-sericite and/or epidote) zone with visible pyrite, chalcopyrite and cinnibar that develops anomalous gold and strongly anomalous mercury values in rocks and soils. The extent of this zone as defined by the induced polarization survey is 250 metres long and 150 metres wide in a west-northwesterly direction and open to the east. An increase of intensity with depth suggests an increase of sulphide mineraliztion.

A. Panteleyev of the B.C. Department of Mines in his 1987 paper recognizes the potential of this altered zone: "The overall association of broad pervasive propylite alteration with intrusive rocks, iron and mercury sulphide-bearing quartz-carboante alteration with fractured basaltic rocks, and widespread zeolite, imply large low temperature hydrothermal fluid systems. These indications are compatible with low temperature gold deposits or peripheral zones of mesothermal gold deposits and therefore provide some encouragement for further exploration". Dome Mines' Ltd "QR" deposit, located 45 kilometres to the northwest, is developed in a hydrothermal alteration zone in similiar lithologies as those recognized at the Beekeeper property.

To further evaluate the potential of the Beekeeper property hosting economic gold mineralization, a two-phase exploration program is recommended.

H.) SUMMARY OF PREVIOUS EXPLORATION

Septe	mber 1981	
	- soil geochemical survey	\$ 8,800.00
1983	- magnetometer and VLF survey	2,000.00
	 electromagnetic orientation survey 	630.00
1984		
1985	- bulldozer trenching	3,877.00
	- bulldozer trenching	5,800.00
1986		
1987	- geological mapping	1386.00
	 induced polariztion and magnetometer surveys 	12,000.00
	Cost of Completed Programs	\$ 34,493.00

I.) RECOMMENDED EXPLORATION PROGRAM

Phase I

The initial program is designed to test the existing targets and to ascertain the effectiveness of the combined geochemical and geophysical exploration programs and to find additional exploration targets on the Beekeeper property. To this end a program of tightly spaced soil sampling on existing geophysical targets followed by excavator trenching and diamond drilling is proposed. Geological mapping and rock sampling should be conducted in conjunction with this program.

Geochemical Sampling

Geochemical soil samples should be collected at 25 metre intervals on all established grid lines in the Beekeeper detailed area. Rock chip sampling should be conducted in conjunction with the geological mapping. To date the copper and mercury analyses in conjunction with gold in soils have defined areas of hydrothermal alteration. Because of the mobility of mercury and the more widespread distribution of copper they serve well as pathfinder elements in this application.

Trenching

After definition of potential targets, those targets covered by shallow overburden should be evaluated by trenching with a backhoe or excavator.

Drilling

An initial program of 200 metres of diamond drilling is recommended to test the presently defined geophysical targets at depth.

Phase II

Contingent on favourable results from the phase I program a two part phase II program is recommended. For the first part additional grid preparation in conjunction with additional geochemical sampling, geology and geophysical (induced polarization and magnetometer surveys) to identify additional explortion targets on the Beekeeper property. The second part of phase II would consist of detailed drilling of the phase I targets and testing of any targets developed by the phase II program.

Geophysical Surveys

Ground magnetic surveys should be conducted on all gridded areas. These will be particularly helpful in mapping the extent of the magnetic intrusions that are recognized as extensions of the Kwun and Mint lake stocks.

The induced polarization survey conducted on the Beekeeper property showed a strong response to the sulphide mineralization and hydrothermal alteration zone. Induced polarization surveys should therefore be conducted on all the gridded areas. The estimated costs for the above work are set out below. J.) RECOMMENDED EXPLORATION BUDGET

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Phase I
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Geological Supervision \$ 6,000.00 Geochemical Analyses 300 soil and rock samples 4,200.00 Trenching - Excavator rental 20 hrs @ \$100/hr 2,000.00 - Excavator mob and demob 1,000.00 Drilling - NQ wireline diamond drilling - 200 metres @ \$100/metre (all inclusive) 20,000.00 Contingency 2,800.00 Total Phase I \$ 36,000.00 Phase II (contingent) Geological Supervision \$ 20,000.00 Grid Preparation - flagged compass lines 40 km @ \$140/km 5,600.00 Geochemical Surveys soil sample collection 1600 samples @ \$2/sample 3,200.00 - geochemical analyses (rock and soil) 1800 samples @ \$14/sample 25,200.00 Geophysical Surveys - magnetometer 40 km @ \$70/km 2,800.00 20 km @ \$900/km - induced polarization 18,000.00 Drilling - NQ wireline diamond drilling 600 metres @ \$100/metre (all inclusive) 60,000.00 Contingency 10% 13,480.00 Total Phase II \$ 148,280.00

TOTAL RECOMMENDED PROGRAM (Phase I and Phase II) \$ 184,280.00

Respectfully Submitted,

R.M. Durfeld B.Sc. (Fellow Geological Association of Canada)

APPENDIX I:

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REEFERENCES

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Panteleyev A.	1987	Quesnel Gold Belt - Alkalic Volcanic Terrane Between Horsefly and Quesnel Lakes. B.C. Ministry of Energy, Mines and Petroleum Resources, Geological Fieldwork, 1986, Paper 1987–1.
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	1983	Electromagnetic (Scintrex Genie) Orientation Survey on the Beekeeper Mineral Claims.
	1984 &1985	Bulldozer Trenching Program on the Beekeeper Mineral Claims.
Morton J.W. and Eastfield Resources	1986	Geological Mapping of the Beekeeper Mineral Claims.
	1987	Induced Polarization and Magnetometer Surveys on the Beekeeper Claims.

APPENDIX II:

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- a.) Rock Sample Analyses
- b.) Soil Sample Analyses

COMPANY	DURFELD G	EOLOGICAL	MANAGEMEN	T INC.	MIN-EN L	APS ICP	REPORT					(ACT:	GEO27) PAGE 1 OF 1
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ACME ANALYTICAL LABORATORIES LTD.

852 E.HASTINGS ST.VANCOUVER B.C. V6A 1R6 PHONE 253-3158

DATA LINE 251-1011

GEOCHEMICAL ICP ANALYSIS

.500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 HCL-HW03-H20 AT 95 DEG. C FOR ONE HOUR AND IS DILUTED TO 10 HL WITH WATER. THIS LEACH IS PARTIAL FOR MN.FE.CA.P.CR.MG.BA.TI.B.AL.NA.K.W.SI.ZR.CE.SN.Y.NB AND TA. AU DETECTION LIMIT BY ICP IS 3 PPH. - SAMPLE TYPE: SOILS -BOMESH AUSS ANALYSIS BY FA+AA FROM 10 GRAM SAMPLE. H5 ANALYSIS BY FLAMLESS AA.

DATE RECEIVED: FEB 17 1987 DATE REPORT MAILED: Jel 23/8/ ASSAYER																																
EASTFIELD RESOURCES PROJECT - BEEKEEPER FILE # 87-0369 PAGE 1															1																	
SAMPLE	Ho PPH	Cu PPM	Pb PPM	In PPM	Ag PPM	Ni PPM	Co PPM	Nn PPN	Fe I	As PPN	U PPN	Au PPN	Th PPM	Sr PPN	Cd PPM	Sb PPM	Bi PPM	V PPN	Ca I	PI	La PPN	Cr PPH	Ng Z	Ba PPM	Ti X	B PPM	A1 1	Na Z	K I	W PPH	Autt PPB	Hạ PPB
IP 1+505 5+25W	1	39	4	129	.2	29	18	690	3.77	5	5	ND	2	50	1	2	2	85	.70	.208	6	49	.67	153	.17	2	1.98	.02	.15	1	4	60
IP 1+505 4+75W	2	75	4	82	.3	25	24	947	5.85	29	6	ND	1	41	1	2	2	119	. 64	.115	5	44	.61	213	.09	11	1.72	.01	.17	1	1	1500
IP 1+505 4+25W	1	- 44	5	112	.4	32	21	1403	3.82	5	5	ND	1	75	1	2	2	86	. 92	.184	6	50	.82	155	.19	2	2.01	.02	.20	1	1	70
IP 1+505 4+00W	1	111	- 14	123	.3	37	- 33	933	5.26	8	5	ND	1	93	1	2	2	120	1.00	.227	5	55	.99	107	. 19	3	2.55	.01	.22	1	2	100
IP 1+505 3+75W	1	89	. 3	81	.1	39	25	728	4.35	8	5	ND	1	63	1	2	2	118	.78	.098	6	67	1.30	63	. 22	2	2.16	.02	. 21	1	5	130
IP 1+505 3+50W	1	87	- 6	105	.2	40	24	708	4.59	9	5	ND	1	81	1	2	2	126	. 95	.106	ó	62	1.10	79	. 22	2	2.53	.02	. 19	1	7	190
IP 1+505 3+25W	1	65	11	88	.3	42	21	1046	4.21	8	5	ND	2	67	1	2	2	111	.73	.089	7	68	1.25	98	.23	6	2.22	.02	.26	1	10	170
IP 1+505 3+12W	1	75	6	106	.1	78	28	1259	4.24	9	5	ND	1	60	1	2	2	103	.71	.117	6	99	1.42	108	. 22	5	2.53	.02	. 30	1	2	60
IP 1+505 3+00W	1	71	.2	90	.3	34	24	672	4.92	6	5	ND	1	67	1	2	2	127	.58	.070	6	56	1.20	89	. 25	2	2.47	.02	. 29	1	1	140
IP 1+505 2+87W	1	120	4	79	.2	22	26	648	6.14	7	5	ND	1	124	1	2	2	170	.85	.105	5	48	1.77	115	. 30	6	2.31	.03	.41	1	89	150
IP 1+505 2+75#	1	317	7	103	.8	38	53	1807	12.61	1962	8	ND	1	57	1	8	3	251	1.46	.132	9	68	.82	315	.07	10	1.88	.01	.19	1	165	18400
IP 1+505 2+62W	1	39	7	138	.2	41	17	1205	3.31	6	5	ND	1	76	i	2	2	78	.90	.252	6	56	. 88	224	.16	12	2.21	.02	. 20	1	1	60
IP 1+505 2+50W	1	138	2	84	.2	31	34	1156	8.23	26	5	ND	1 -	36	1	2	2	195	.56	.119	6	56	1.05	527	.13	4	1.90	.01	. 59	1	5	7300
IP 1+505 2+37W	1	166	2	77	.4	53	36	909	6.78	32	5	ND	1	34	1	2	2	177	. 61	.097	6	100	2.46	160	.22	5	2.69	.02	. 50	1	18	2200
IP 1+505 2+25W	1	48	8	128	.2	35	27	1086	4.02	5	5	ND	1	62	1	2	2	91	.73	.134	6	58	.79	112	.16	6	2.10	.02	.14	1	3 -	5 0
STD C/AU-S	21	62	39	136	6.8	. 69	.29	1020	3.98	40	. 16	8	34	49	18	16	20	64	. 48	.108	36	59	. 88	182	.08	35	1.72	.07	.14	13	49	1300

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APPENDIX III:

CERTIFICATE

I Rudolf M. Durfeld, do hereby certify:

- That I am a geologist with offices at 180 Yorston Street, Williams Lake, B.C.
- 2.) That I am a graduate of the University of British Columbia, B.Sc. Geology 1972, and have practiced my profession with various mining and/or exploration companies and as an independent geological consultant since graduation.
- 3.) That I am a Fellow of the Geological Association of Canada (Member No: F3025), and am a member of The British Columbia and Yukon Chamber of Mines and the Canadian Institute of Mining and Metallurgy.
- 4.) That this report is based on:
 - my personal knowledge of the property and surrounding area and a field examination of the property on February 9th,1987.
 - a review of all avaiable government maps and assessment reports, and all private company reports describing work in the Beekeeper property area.
- 5.) That I own no interest in the Beekeeper property, nor in the shares of Eastfield Resources Ltd, nor do I expect to receive any such interest.
- 6.) That I consent to the use of this report by Eastfield Resources Ltd in a Prospectus or Statement of Material Facts or any such document as may be required by the Vancouver Stock Exchange or the office of the Superintendant of Brokers.

Dated at Williams Lake, British Columbia

this 3,54 day of March 1988

For Dufiel.

R.M. Durfeld, B.Sc. (Fellow Geological Association of Canada)

DATED: July 29, 1987

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by Part 7 of the <u>Securities Act</u> (British Columbia), by Part 8 of the <u>Securities Act</u> (Alberta) and the respectuve regulations thereunder.

JAMES WILLIAM MORTON Chief Executive Officer and Promoter

GLEN LESLIE GARRATT Chief Financial Officer and Promoter

ON BEHALF OF THE BOARD OF DIRECTORS ALAN RICHARD SCOTT JOHN CHARLES SCOTT Director Director

CERTIFICATES OF THE AGENTS

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 Part 7 the <u>Securities Act</u> (British Columbia), by Part 8 of the <u>Securities Act</u> (Alberta) and the respective regulations thereunder.

DATED: July 29, 1987

YORKTON SECURITIES INC.

OSLER INC.

Per:

Per:

Those persons) holding more than a 5% interest in Yorkton Securities Inc., either directly or indirectly, are: Allen Barry Van Stone, Stewart David Vorberg, Frank Giustra, Donald Risling and Murray Black.

Those persons holding more than a 5% interest in Osler Inc., either directly or indirectly, are: R.L. Carrier, P.H. Chesnutt, P.M. Cohen, V.A. Gaudet and R.F. Rose.