

From Ted Franklin Prince George

016213

*→ LUSTDUST Property File
093N 009*

ALPHA GOLD

C O R P O R A T I O N



I N F O R M A T I O N R E P O R T

098N 009

In the late summer and fall of 1991, Alpha Gold Corp. completed a diamond drilling program of 2,975 feet of drilling on the Lustrust Property located approximately 130 miles northwest of Prince George, B.C.

Of the ten holes drilled to completion in this program, nine holes intersected the zone of oxidized ore known as Zone 3. The weighted average of the grades of the intersections are summarized below:

DDH No.	ORIENTATION	FROM (FT)	TO (FT)	GRADES:		
				AU (OPT)	AG (OPT)	ZN (%)
91-1	ACROSS STRIKE	119.5	202.0	<0.002	0.21	9.86
91-2	ACROSS STRIKE	189.5	202.0	<0.002	0.16	3.15
		202.0	261.0	0.174	0.93	2.06
91-3	ACROSS STRIKE	131.0	157.0	<0.002	0.34	3.34
91-4	ACROSS STRIKE	122.5	192.5	0.095	0.68	2.26
91-5	VERTICAL	221.5	226.5	0.007	0.97	3.73
		282.3	294.5	0.013	0.56	9.01
		342.0	357.5	<0.007	0.15	3.56
		18.0	60.5	0.120	1.08	1.30
91-6	DOWN-DIP	60.5	172.0	0.014	0.26	4.64
		172.0	187.5	0.062	0.56	1.76
		187.5	201.0	0.132	0.23	0.26
		201.0	214.5	0.035	0.43	8.99
91-7	ACROSS STRIKE	74.5	195.0	0.050	0.06	2.12
	INCLUDES	106.0	160.0	0.095	1.03	1.91
91-8	VERTICAL	130.0	149.5	0.002	0.57	5.93
		180.5	212.0	0.001	0.20	1.69
91-10	DOWN-DIP	73.0	85.5	<0.002	0.16	10.58
	ALONG FOOTWALL	113.0	115.0	NOT ASSAYED CORE LOST		
		115.0	129.5	<0.002	0.33	17.28
		143.3	148.0	<0.002	0.32	7.45

These results confirm the existence of significant gold, silver and zinc mineralization in the Zone 3 oxides. In combination with surface traces of the zone over a total strike length of 500 metres, the results of the drilling point to a possible resource in the order of 1,000,000 to 1,500,000 million tons with a grade at a tenor

of 0.10 to 0.15 ounces per ton gold equivalent.

In Zone 1, previous work has indicated 22,000 tons at a grade of 0.13 oz. gold per ton, 23.4 oz. silver per ton, 2% lead and, in addition, Zone 2 is estimated to contain approximately 5,000 tons at a grade of 3 to 20 oz. silver per ton, 3 to 12% lead and 1 to 3% zinc.

Dream Cr.



HOGEM
10503 (5)
3N x 4W
(ALPHA GOLD)

L
814 (10)
6N x 2W
(ALPHA GOLD)

Oxides

MV 2
132410M
(ALPHA GOLD)

Skam

Zone 3
North

Zone 4b

MV 1
132400M
(ALPHA GOLD)

MV 2
132410M

Zone 3
(1991 Drilling)

WOW 1 (ALPHA GOLD)

1992
Drilling

WOW 1

Zone 2

Zone 3 South

TAKLA

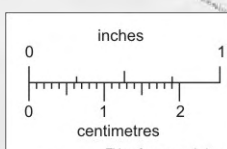
Zone 1

INK
2169 (10)
8S x 2W
(ALPHA GOLD)

M
815 (10)
6N x 4W
(ALPHA GOLD)

P
2167 (10)
5S x 2W
(ALPHA GOLD)

AIR
1482 (10)
2S x 2W
(ALPHA GOLD)



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

ALPHA GOLD CORPORATION
LUSTLUST PROPERTY

TF

93N009

Custody
Property
93N/11W

SUPERINTENDENT OF BROKERS
AND
VANCOUVER STOCK EXCHANGE

STATEMENT OF MATERIAL FACTS (#99/91)
EFFECTIVE DATE: September 19th, 1991

OCT 8 1991

Geological Survey Branch
MEMPR

THIS IS A VENTURE COMPANY

ALPHA GOLD CORP.

6018 Marquette Street, Vancouver, British Columbia, V6M 3L1 (604) 264-1091
NAME OF ISSUER, ADDRESS OF HEAD OFFICE AND TELEPHONE NUMBER

1600 - 609 Granville Street, Vancouver, British Columbia, V7Y 1C3
ADDRESS OF REGISTERED AND RECORDS OFFICE OF ISSUER

PACIFIC CORPORATE TRUST COMPANY

4830 - 625 Howe Street, Vancouver, British Columbia, V6C 3B8
NAME AND ADDRESS OF REGISTRAR & TRANSFER AGENT FOR ISSUER'S SECURITIES IN
BRITISH COLUMBIA

OFFERING: 800,000 Units

EACH UNIT CONSISTS OF ONE (1) COMMON SHARE AND TWO (2) TWO YEAR NON-TRANSFERABLE SERIES "A" SHARE PURCHASE WARRANTS. TWO (2) WARRANTS WILL ENTITLE THE HOLDER TO PURCHASE ONE (1) ADDITIONAL COMMON SHARE AT THE OFFERING PRICE DURING THE FIRST YEAR FROM THE OFFERING DAY AND AT THE MINIMUM PRICE PER SHARE APPROVED BY THE EXCHANGE DURING THE SECOND YEAR FROM THE OFFERING DAY.

	Estimated Price to Public	Agents' Commission **	Net Proceeds to Issuer
Per Unit	\$ 0.60 *	\$ 0.048	\$ 0.552
Total:	\$ 480,000	\$ 38,400	\$ 441,600 ***

* The estimated price to the public has been determined by the Issuer and the Agents in accordance with the rules of the Vancouver Stock Exchange.

** The Agents have been granted Agents' Warrants which entitle them to purchase an aggregate of up to 400,000 common shares of the Issuer for a period of one (1) year after the Offering Day at the Offering Price.

*** Before deduction of the cost of this Offering estimated to be \$12,000. The Agents have been granted a Greenshoe Option pursuant to which they may sell up to a maximum of an additional 120,000 Units of the Issuer on the Offering Day and require the Issuer to issue up to 120,000 Units in respect thereof for a period of sixty (60) days at the Offering Price.

In 1945 McKee Group and Leta Explorations Ltd. trenched (350' drifting) the Wow #1 mineral claim and during 1952 to 1954 Bralorne Mines Ltd. ("Bralorne") trenched 17,410' and drilled 4,688' on the Property and the adjacent M mineral claim. In the same area in 1960 Bralorne made 7 rock cuts, 34 test pits, cut trenched 4,950' and hand trenched 650'. In 1963 Bralorne took samples on the WOW1 mineral claim. On the same mineral claim in 1964 Takla Silver Mines Ltd. ("Takla") conducted 750' drifting. In 1966, 750' of underground drilling and 7,500' of surface drilling was conducted by Takla on the WOW1, MV1 and the adjacent M mineral claims. In 1968 Takla surface drilled 4,387' on the WOW1 mineral claim. During the same year Anchor Mines Ltd. conducted 1,881' underground drilling and 300 lb bulk sample metallurgical testing on the same mineral claim. In 1978 Granby Mining Corp. ("Granby") performed line cutting, a soil geochemical survey, geological mapping and geophysics (Shoofack E.M., Magnetometer) in the MV1, MV2, and the adjacent K, L, and M claims. In 1986 Walcome North Mines Ltd. took various samples from the Wow1, MV1 and the adjacent M mineral claims. During the same year Pioness Metals performed a geological survey on the same mineral claims.

Geology and Mineralization

The Property is located in the Omineca Tectonic Belt of the Canadian Cordillera approximately 1.4 km west of the Pinchi Fault, a major regional structure that trends northwesterly through the Omineca Mining District. On the west side of the fault is a fault block of Permian rocks of the Cache Creek group consisting of chert, phyllite, argillite, greywacke, carbonate rocks and metavolcanics (chloritic schist). Structurally, this group has undergone two periods of penetrative deformation followed by linking and faulting adjacent to the Pinchi Fault. These formations are tightly drag folded, sheared and cross-faulted, strike to the north-northwest, subparallel to the Pinchi Fault, and dip steeply to the west.

Outcrop is sparse on the Property. Bedrock is covered by glacial outwash and oxidized soil and rock detritus up to 15' in depth. The bedrock geology consists primarily of a conformable sequence of interbedded limestone, chloritic schist and phyllite, chert and argillite and volcanic tuff which are tightly folded and isrotationally sheared, dipping steeply to the west and overturned to the east. Although no major intrusive bodies crop out on the Property dikes and irregular plugs consisting of aphanitic quartz feldspar porphyry and medium crystalline granitic intrusives of monzonitic to dioritic composition are common. The porphyry dikes occur in irregular branching swarms commonly occupying north-north west trending faults and shear zones and are extensively and intensively sheared, fractured hydrothermally altered and locally mineralized.

The three most common lithologies of the property are limestone, chert-argillite and chloritic schist of which the limestone and chert-argillite predominate. The limestone is typical of the Cache Creek Group. It is mottled dark grey to black, soft, fine grained to finely crystalline marble that is generally massive within beds ranging from 100 to hundreds of feet thick. The chert is hard, grey, ribbon banded and intercalated with more massive, locally fissile to schistose quartzite and black argillite. The schistose zones are finely foliated, soft, dark green and locally pyritic to phyllitic. The chloritic schist occurs in discontinuous belts and locally disconformable lenses, suggesting that it consists of metamorphosed lensy volcanic tuffs and/or flows.

The mineralization at the Property occurs as replacement and fracture-filling in and along a series of steeply-dipping north-trending shear zones which strike parallel to, or at a very low angle to, the formational trends. In this environment there are two types of mineralization on the Property, lead-zinc-antimony replacement veins with relatively high values in silver which occur in Zones 1 and 2, and iron-zinc massive elongate replacement bodies with low but consistent values in silver which occur in Zones 3 and 4. There is some indication of gradation between the two types of mineralization in Zone 3. Essentially all of the exposures of the mineralized structures are in trenches, some of which are widely spaced and most of which are not well or deeply cleaned out, therefore there is necessarily considerable extrapolation involved in projecting the

mineralized structures for applicable distances. From the exposures that are available both on surface and underground, the authors of the Report have the impression that the shear structures which are the hosts to the mineralization are persistent for at least thousands of feet on strike but that the mineralized zones are separate lenses along these structures.

From the existing drawings, it appears that Zone 1 mineralization crops out at surface almost entirely within the boundaries of the WOW1 mineral claim. This zone, investigated by surface trenching, an underground adit and surface and underground diamond drilling, is a lead-zinc-antimony replacement vein with high values in silver. The vein is irregular in width and grade containing pyrite, sphalerite, galena, jamesonite, stibnite, arsenopyrite and freibergite. Surface sampling of this zone revealed a wide range of values across the zone, from 10 oz. Ag/ton to 120 oz. Ag/ton with a general average of about 30 oz. Ag/ton. The mineralized zone also contains up to 0.40 oz Au/ton and 1% to 7% Zn, 1% to 5% Pb and 2% to 10% Sb.

Five samples taken from Zone 2 over a strike length of 200' across widths of 2' to 6' by way of bulldozer trenches returned assays of 20 oz. Ag/ton to 20 oz. Ag/ton, 1% to 12% Pb and 1% to 3% Zn.

The main showing of Zone 3 is an ovoid shaped area of gossan measuring approximately 400' by 100' which lies at the contact of limestone with chlorite schist along the footwall. Southeast of the schist an apparent extension of Zone 3 is exposed in trenches where sampling returned an average grade of 0.06 oz. Au/ton, 2.10 oz. Ag/ton, 1.7% Pb and 5.2% Zn over an average width of 15 feet. The main gossan lens of No. 3 Zone has been explored by 10 diamond drill holes however drill logs and assay results are not available. Earlier reports state that 4 of the holes were all collared within the gossanous zone and indicated that the gossanous zone is at least 100' in depth and dips at 60° to the west. Core recovery was poor but assays of sludge samples returned values of 0.10 to 0.20 oz Au/ton and 1.0 to 5.0 oz Ag/ton. Some other holes collared in the zone and fanned down-dip encountered gossan to a depth of 175' before intersecting primary sulphides. Assay results from sludge samples of one of these holes which was drilled down-dip and appeared to have bottomed in the sulphide zone were 0.12 oz Au/ton, 1.40 oz Ag/ton and 1.20% Zn over 160' of oxidized material and 0.24 oz Au/ton, 1.33 oz Ag/ton and 2.00% Zn over 30' of sulphides. The other three holes yielded values of up to 0.40 oz Au/ton and 4% Zn. The remaining two holes were drilled steeply from the west side of the zone and did not reach the mineralized zone.

Recommendations

Zone 3 has good potential for the development of significant reserves of lower grade oxidized ore amenable to open pit mining and heap leaching. It has been estimated that this oxidized, gossanous zone could contain 600,000 tons to 1 million tons at a trace of up to 0.12 ounces of gold and up to 29 ounces of silver per ton of ore. In addition the sulphide zone below the oxidized zone contains values of gold and silver, which, when adequately developed, may provide reserves adequate to justify a conventional mill. Although Zones 1 and 2 contain high values in gold and silver they do not appear to contain adequate potential for development. However, if sufficient ore is defined in Zone 3 to justify the development of a mine, these two zones could provide in the order of 40,000 tons of mill feed.

The Report recommends that an exploration program consisting primarily of diamond drilling, with associated trenching and geological mapping, be completed in and around Zone 3, within the MV1 claim. This program should be completed in two stages, with a brief hiatus between stages to assess the results obtained from the Stage 1 program. The Stage 1 program should be focused primarily on the main gossanous showing of Zone 3 to accurately determine the size, shape and grade of this zone. In addition this program should attempt to

locate and sample the extensions to this zone. The Stage 2 program should further delineate the extensions of the known zone, block out a mineral resource in the order of 600,000 to 1,000,000 tons of oxidized mineralization, and provide information on the grade and continuity of the sulphide mineralization.

The estimated cost of the Stage 1 program is \$150,000. If encouraging results are obtained from this program a second stage of drilling at an estimated cost of \$450,000 should be completed for a total estimated cost of \$600,000. A summary of the breakdown of the estimated Stage 1 costs is as follows:

1.	Planning and organization (project manager - 4 days @ \$400/day and site geologist - 3 days @ \$400/day)	\$ 2,800
2.	Project management (project manager - 5 days @ \$400/day)	2,000
3.	Drilling (all inclusive incl. mob and demob) \$60/m for 1,375 m	82,500
4.	Site Preparation, Road Access (excavator - 5 days @ \$1,200/day)	6,000
5.	Analysis (Assays for gold, copper, silver, lead and zinc and 400 samples at 1 m intervals @ \$32/sample)	12,800
6.	Site supervision (1,110 m of drilling, site geologist @ \$400/day and geological helper @ \$200/day)	15,000
7.	Room and Board (50 man days @ \$50/day)	3,000
8.	Travel expenses (site staff - 1 round trip each @ \$600, project manager - 2 round trips @ \$600, vehicle rental - 2 x \$150)	2,700
9.	Field Transportation - 1 4x4, 3/4 ton truck for 1 month (rental, mileage of 1,900 km @ \$0.20/km and insurance)	1,500
10.	Report Preparation (project manager - 10 days @ \$400/day, site geologist - 5 days @ \$400/day, draughting - 40 hours @ \$25/hour, xeroxing, etc.)	7,200
	Subtotal	\$ 136,500
	Contingency (10%)	13,500
	TOTAL	\$ 150,000

notified of changes in the affairs of the Issuer in accordance with the requirements of the appropriate regulatory authorities.

3. MATERIAL NATURAL RESOURCE PROPERTIES

Summary of Material Mining Properties

- Group I Properties for which regulatory approval has been obtained under this Statement of Material Facts;
- Group II Presently held properties which are currently producing or being explored, or upon which exploration is planned within the next year;
- Group III Other presently held properties upon which the Issuer's acquisition and exploration costs to date exceed \$100,000.

<u>Group</u>	<u>Property Name</u>	<u>Issuer's Acquisition & Exploration Costs to Date (in \$)</u>	<u>Shares Issued to Date</u>	<u>Planned Expenditure from Funds Available upon Completion of the Offering</u>
I	Nil	Nil	Nil	Nil
II	Lustdust Property	\$ 152,440	Nil	\$ 150,000
III	Nil	Nil	Nil	Nil

Group I
Nil

Group II

Lustdust Property, Columbia Mining Division, British Columbia

Pursuant to an Agreement made April 30th, 1989 (the "Option Agreement") between the Issuer and The Estate of S. James O. McClay, c/o Wayne McClay, Executor, Suite 1090, 285 West Georgia Street, Vancouver, British Columbia, and John I. Burke, Suite 212, 3193 Bayview Road, Nanaimo, British Columbia, (collectively the "Optionors"), the Optionors granted an option (the "Option") to the Issuer to purchase an undivided 50% interest from each of the Optionors in the Lustdust Property (the "Property") (described below).

In order to exercise the Option, the Issuer is required to make the following Option payments at the times described:

- (a) pay the sum of \$30,000.00 (Cdn.) to the Optionors (each as to 50%) on execution of the Option Agreement (paid);
- (b) pay the sum of \$40,000.00 (Cdn.) to the Optionors (each as to 50%) on the first anniversary of the date of execution of the Option Agreement (paid);
- (c) pay the sum of \$50,000.00 (Cdn.) to the Optionors (each as to 50%) on the second anniversary of the date of execution of the Option Agreement (paid);
- (d) pay the sum of \$50,000.00 (Cdn.) to the Optionors (each as to 50%) on the third anniversary of the execution of the Option Agreement.

The Issuer received Vancouver Stock Exchange acceptance of the filing of the Option Agreement July 7th, 1989.

Property

The Landed Property is located in the Quinze Mining Division, Province of British Columbia and is described as follows:

<u>Claim Name</u>	<u>Claim Number</u>	<u>No. of Years</u>	<u>Record Date</u>	<u>Expiry Date</u>
MV1	132409	1	20/09/74	20/09/91
MV2	132410	1	20/09/74	20/09/91
WOW1	1514	1	20/10/78	20/10/91

The following information on the Property is summarized from a compilation report (the "Report") on the Property, dated May 31st, 1991 prepared by the issuer's independent engineering consultant, Dolmage Campbell Ltd. A copy of the Report is attached to and forms part of this Statement of Material Facts.

Location and Access

The Property is located in the Quinze Mining Division of north-central British Columbia. It is situated approximately 210 km northwest of Prince George and 36 km northwest of Tekla Landing to the north and west of the confluence of West Kwanika and Silver Creeks. Road access to the Property is by good gravelled secondary roads from Fort St. James, through Marner Creek and west along Gernanson Lake and Kwanika Creek for a total of approximately 185 road km. Alternative access can be gained by float plane to Tsayta Lake and thereafter 30 km of good gravelled road.

History

The Property and the immediately surrounding area was first staked in 1944 at which time the No. 1 Zone was discovered and the WOW 1 mineral claim was staked. Subsequent investigations have resulted in the identification of four mineralized Zones in the area, three of which lie wholly or partially on the Property. Zone 1 is located on the southeasterly edge of the WOW1 mineral claim and extends to the south of that claim. Zone 2 lies wholly within the boundaries of the WOW1 and MV1 claims. Zone 3 is located primarily within the MV1 claim but extends past the northwesterly boundary of the claim.

**ALPHA GOLD CORPORATION
CORPORATE DATA**

DIRECTORS AND OFFICERS

Richard George Whatley, P.ENG.
president

Peter Anthony Chapman
director

Richard Addison, P.ENG.
director

Edward Blanchard, P.ENG.
director

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BROKER CONTACT

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TRADING SYMBOL

V.S.E. ALQ

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