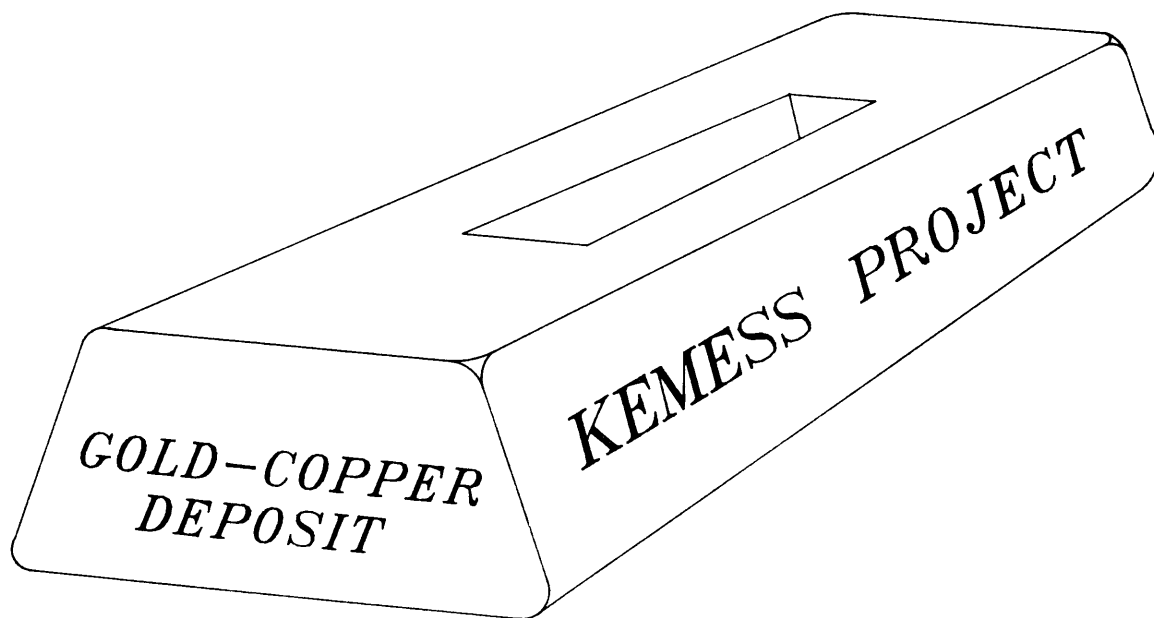


016803

094E 021 - North
025 - West
094 - South

EL CONDOR RESOURCES LTD.



June 30, 1991

KEMESS PROJECT SUMMARY

Introduction

El Condor Resources Ltd. is focused on the development of the Kemess gold-copper project. This project hosts the largest undeveloped gold-copper mineralized system in North America and has the potential to become one of the world's largest open pit mining complexes. Systematic development work is underway and is expected to be continuously on-going during the next one to two years.

Initial exploration work within 67 square kilometres of contiguous mineral claims has identified four centres of mineralization each of which has the potential to contain large-scale, bulk tonnage, gold-copper deposits.

At the Kemess North mineral zone an initial 35 diamond drill holes totalling 5,197 metres have outlined bulk tonnage style, copper-gold mineralization over an area of 850 metres by 300 metres and to a depth of 125 metres. This mineralization has been traced on surface for a further 1,000 metres to the west and remains open in all directions. Geological reserves at Kemess North total approximately 75,000,000 tonnes at an average grade of 0.5% copper equivalent.

At the Kemess South mineral zone 26 diamond drill holes and 11 rotary drill holes totalling 6,100 metres have outlined a geological reserve of 75,000,000 tonnes at an average grade of 0.28% copper and 0.62 grams gold per tonne (0.90% copper equivalent). The Kemess South deposit has an average thickness of 135 metres and is open to extension in all lateral directions.

At the Kemess West mineral zone, preliminary surface sampling has outlined a broad zone of gold-copper mineralization with grades of up to 0.30% copper and 0.67 grams gold per tonne. Further work will determine the extent of this zone.

At the Kemess East mineral zone, prospecting has identified gold-copper mineralization in altered volcanic rocks. Surface sampling returned assays of up to 0.30% copper and 0.30 grams gold per tonne. Further exploration work is planned to assess this zone.

Exploration expenditures on the Kemess Project to date total \$2.4 million. Major delineation diamond drilling programs are planned as the next phase of development work at a cost of approximately \$4 million. This work is expected to dramatically increase gold-copper reserves and the value of the project.

Location and Access

The Kemess Project is located at Latitude 57° 22'N and Longitude 126° 45'W in the Toodoggone Gold Camp, north-central British Columbia. The Cheni Mine Road crosses the southwestern part of the property and provides direct road access to the communities of MacKenzie, Ft. St. James and Prince George. The Cheni Mine Road is a main line industrial road along which goods and supplies are transported to the nearby 450 tonnes per day Cheni Gold Mine. The Sturdee airstrip, 40 road km north of the property, is serviced three times per week by scheduled aircraft originating in Smithers. The B.C. Rail Ltd. railway line terminates 80 kilometres west of the property. A connector road between the railhead and the property is feasible and would facilitate commercial development of the Kemess Project.

History

Over the past 23 years portions of the Kemess Project claims have been explored by a number of different operators who carried out surface work and limited drilling programs.

KEMESS PROJECT WORK HISTORY

<u>Operator</u>	<u>Years</u>	<u>Mineral Zone</u>
Kenneco Explorations Ltd.	1967 - 1971	North Kemess
Cominco Ltd.	1968 - 1977	West Kemess
Getty Mines Ltd.	1975 - 1976	North Kemess
Pacific Ridge Resources Ltd.	1984	South Kemess
St. Philips Resources Inc.	1988	South Kemess

El Condor first explored the Kemess area following signing of a 1986 option agreement with Kenneco Explorations Limited (now Kennecott Canada Inc.) on the Kemess North zone. Its first work program was based on a re-interpretation of existing geologic data which indicated significant potential for large-scale, disseminated gold-copper deposits not unlike the Mt. Milligan gold-copper deposit located to the southeast near Mackenzie. This same concept was later applied to Kemess South and resulted in the signing of an option agreement with St. Philips Resources Inc. in 1990. Additional claims were acquired in 1990 and 1991 in order to cover what by then had been identified as a 4 kilometre wide by 8 kilometre long gold-copper mineralized system.

Geology

The Kemess Project is located in the southern Toodoggone gold-silver district. This district is underlain by a northwest-trending belt of Paleozoic to Tertiary, sedimentary

and volcanic rocks. The Kemess gold-copper mineralized zones are spatially associated with Jurassic stocks which intrude these layered rocks. This geologic setting forms part of the Quesnel Trough which is host to a number of important disseminated gold-copper deposits in British Columbia including Mt. Milligan, Afton, and Copper Mountain.

Kemess North

The Kemess North property consists of 227 mineral claim units covering approximately 4,675 hectares. Between 1967 and 1971 Kennco carried out exploration programs at Kemess North to test for porphyry copper mineralization. This work included surface surveys and six diamond drill holes totalling 232 metres. All of the drill holes intersected significant copper mineralization; however, none of the holes were assayed for gold. Getty Mines Ltd. then optioned the claims from Kennco and completed further exploration surveys and 2,065 metres of drilling in 12 diamond drill holes. These holes returned significant copper mineralization and expanded the limits of the known mineralized zone. Getty returned the property to Kennco in 1976.

In 1986, El Condor optioned the property from Kennco and has since completed a number of work programs including geophysical and geochemical surveys, bulldozer trenching and 2,900 metres of core drilling in 17 drill holes. Mineralization typically occurs as disseminations and fracture-fillings of auriferous chalcopyrite, bornite and pyrite in altered volcanic rocks and ranges in grade from 0.21% copper to 0.41% copper and 0.25 grams gold per tonne to 14.21 grams gold per tonne.

Work to date has outlined a geologic reserve of approximately 75 million tonnes at an average copper equivalent grade of 0.50%. This mineralization is open in all directions and has been traced by surface work over an additional 1,000 metres to the west. Mineralization is contained in intensely altered Takla volcanics which are in turn intruded by apophyses and dykes of dioritic to syenitic composition. Drilling results demonstrate that both gold and copper have excellent vertical and horizontal continuity with little variation other than a slight increase in grade with depth. Management of El Condor is of the view that the next phase of drilling will dramatically increase the size of this mineralized zone.

Since 1986, El Condor has spent approximately \$1.3 million on exploration at Kemess North and at January 1st, 1990 El Condor had earned a 60% interest in the property. The remaining 40% was purchased by the Company from Kennecott Canada on May 23rd, 1991 for \$3.5 million.

Development work at Kemess North will proceed on a number of fronts including detailed geophysical surveys, trenching and geologic mapping. Extensive grid delineation drilling will be the major component of the work program.

Kemess West

Kemess West consists of 59 mineral claim units and covers approximately 1,475 hectares. Claims at Kemess West were first located by Cominco Ltd. in the late

1960's. Cominco completed surface surveys and in 1970 drilled two diamond drill holes, both of which intersected copper mineralization. In 1974, Craigmont Mines Ltd. optioned the property and completed an induced polarization geophysical survey. The property was returned to Cominco who then undertook further geochemical surveys and completed four diamond drill holes. The area was subsequently re-staked by D.L. Cooke and Arcanna Industries Corp. El Condor acquired the Cooke and Arcanna properties in August, 1990 and has since re-evaluated existing data and completed geologic mapping and rock and drill core sampling programs.

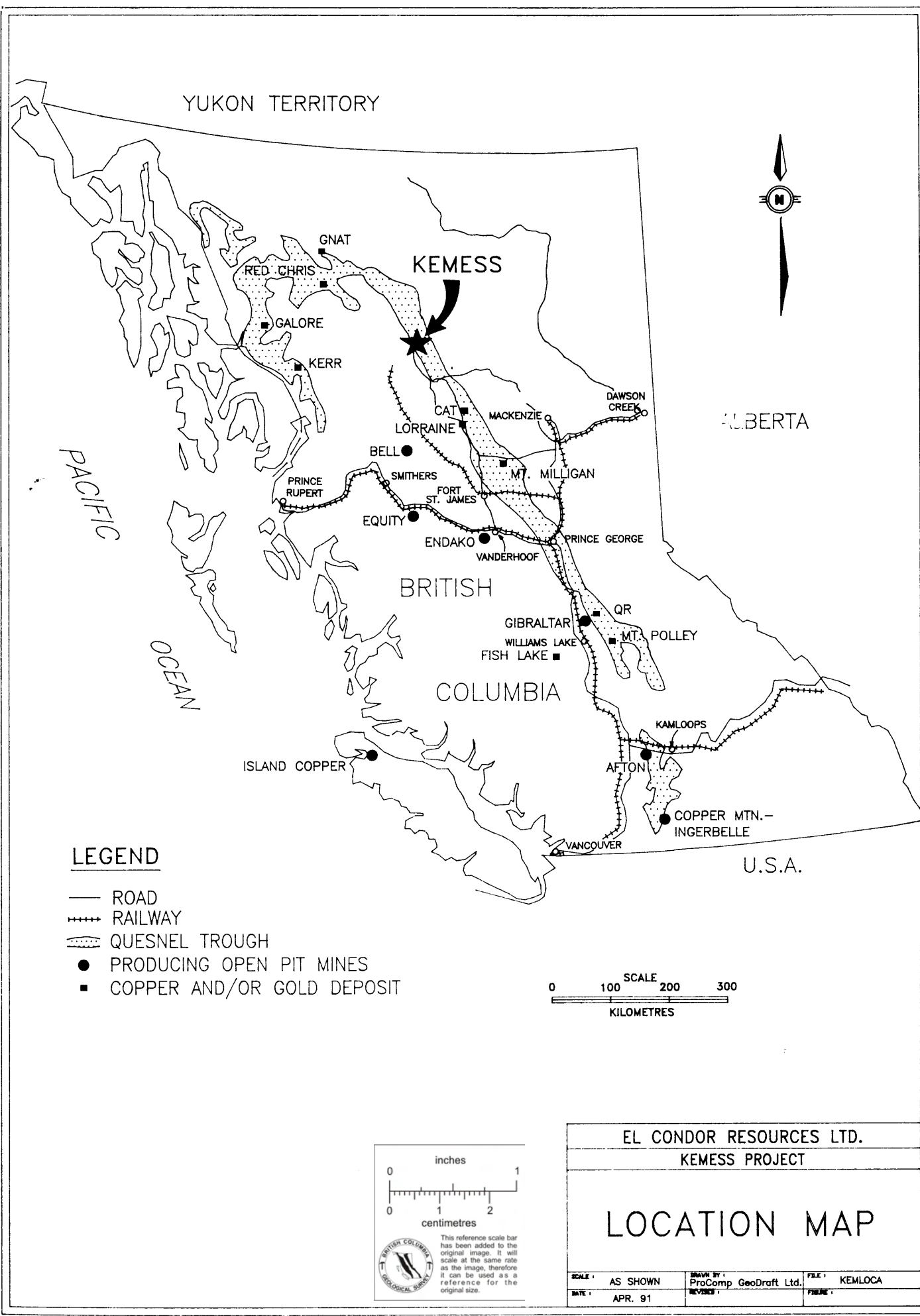
Kemess West is underlain by a series of monzonite dykes and sills that intrude Takla volcanic rocks. Mineralization is present in outcrop over a length of 1,300 metres. In drill core, chalcopyrite and magnetite are seen to occur along hairline fractures; pyrite is present throughout the area as fracture-fillings and disseminations. Analysis of drill core returned copper values of 0.2% to 0.3%. Host rocks display strong potassic alteration as well as silicification. A large soil geochemical anomaly is coincident with an extensive geophysical anomaly; both are aligned with the general trend of mineralization at Kemess South, approximately 2,500 metres away.

Kemess South

Kemess South consists of 56 mineral claim units totalling 1,400 hectares that were optioned from St. Philips Resources Inc. Claims were first located at Kemess South in the early 1980's in response to increasing exploration activity elsewhere in the Toodoggone gold-silver district. Soil geochemical surveys at the property identified a subtle gold and copper anomaly. The anomaly was drill tested by Pacific Ridge Resources Ltd. in 1984 and by St. Philips Resources Inc. in 1988 with 4 diamond drill holes and 11 rotary holes, respectively. El Condor optioned the property from St. Philips in July, 1990 and immediately initiated a 22 hole diamond drill program to test the property. All 22 holes cut significant gold-copper mineralization and outlined a geologic reserve of 75 million tonnes at an average grade of 0.28% copper and 0.62 grams gold per tonne (a 0.90% copper equivalent grade).

El Condor's work at Kemess South has identified a large, near surface, flat-lying monzonite intrusive that is host to gold-copper mineralization. The mineralized zone remains open to extension. The monzonite, as seen in vertical drill holes, has a thickness of 30 to 147 metres and has been traced laterally over an area of 400 metres by 600 metres. Mineralization typically consists of chalcopyrite, bornite, magnetite and pyrite in the monzonite intrusive. Footwall volcanic and sedimentary rocks are less well mineralized than the monzonite intrusive.

El Condor has spent \$1.1 million on the Kemess South property and now holds operatorship and an undivided 60% interest in the property. As the next development phase, El Condor will carry out a work program consisting of extensive grid delineation diamond drilling and detailed induced polarization and magnetometer surveys at an estimated cost of \$2,000,000. Expenditures at Kemess South will be shared by El Condor (60%) and St. Philips (40%) on a joint venture basis.



YUKON TERRITORY



KEMESS

ALBERTA

PACIFIC

OCEAN

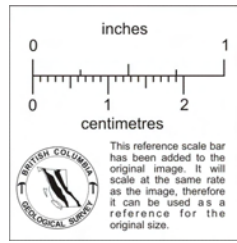
BRITISH

COLUMBIA

U.S.A.

LEGEND

- ROAD
- +—+ RAILWAY
- /—/ QUESNEL TROUGH
- PRODUCING OPEN PIT MINES
- COPPER AND/OR GOLD DEPOSIT



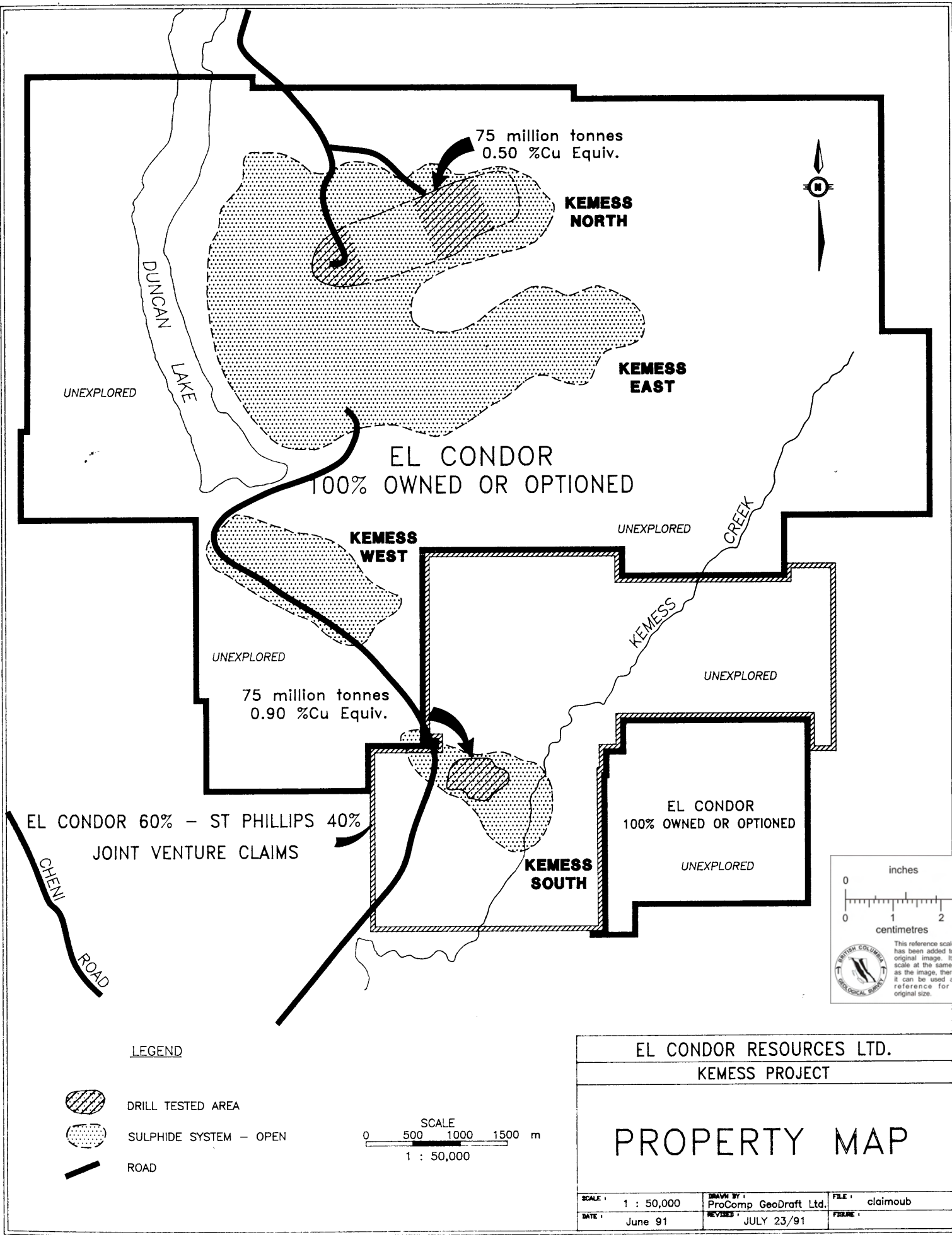
EL CONDOR RESOURCES LTD.		
KEMESS PROJECT		
LOCATION MAP		
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DATE:	APR. 91	FILE: KEMLOCA

MINEABLE RESERVES AT START-UP

	TONS millions	Cu %	Au opt	Cu Equiv.* %	SMELTER RETURN \$/ton*	CASH COSTS \$/ton
BELL	50	0.50	0.010	0.68	9.10	7.50
SIMILKAMEEN	60	0.60	0.005	0.53	8.00	6.00
GIBRALTAR	360	0.37	—	0.37	4.40	4.30
MT. MILLIGAN MODEL	450	0.19	0.013	0.55	6.96	4.00
FISH LAKE MODEL	450	0.21	0.012	0.54	6.86	4.00
KEMESS (AT JUNE 30/91)	75	0.28	0.019	0.90	10.20	5.40

* COPPER U.S. \$1/lb
 GOLD U.S. \$400/oz

EL CONDOR RESOURCES LTD.
B.C. OPEN PIT MINES



75 million tonnes
0.50 %Cu Equiv.

**KEMESS
NORTH**

**KEMESS
EAST**

EL CONDOR
100% OWNED OR OPTIONED

**KEMESS
WEST**

UNEXPLORED

75 million tonnes
0.90 %Cu Equiv.

UNEXPLORED

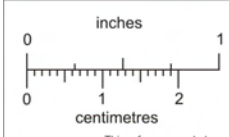
UNEXPLORED

EL CONDOR 60% - ST PHILLIPS 40%
JOINT VENTURE CLAIMS

EL CONDOR
100% OWNED OR OPTIONED




UNEXPLORED

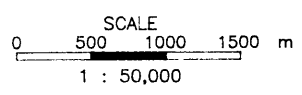
**KEMESS
SOUTH**



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LEGEND

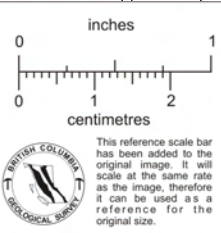
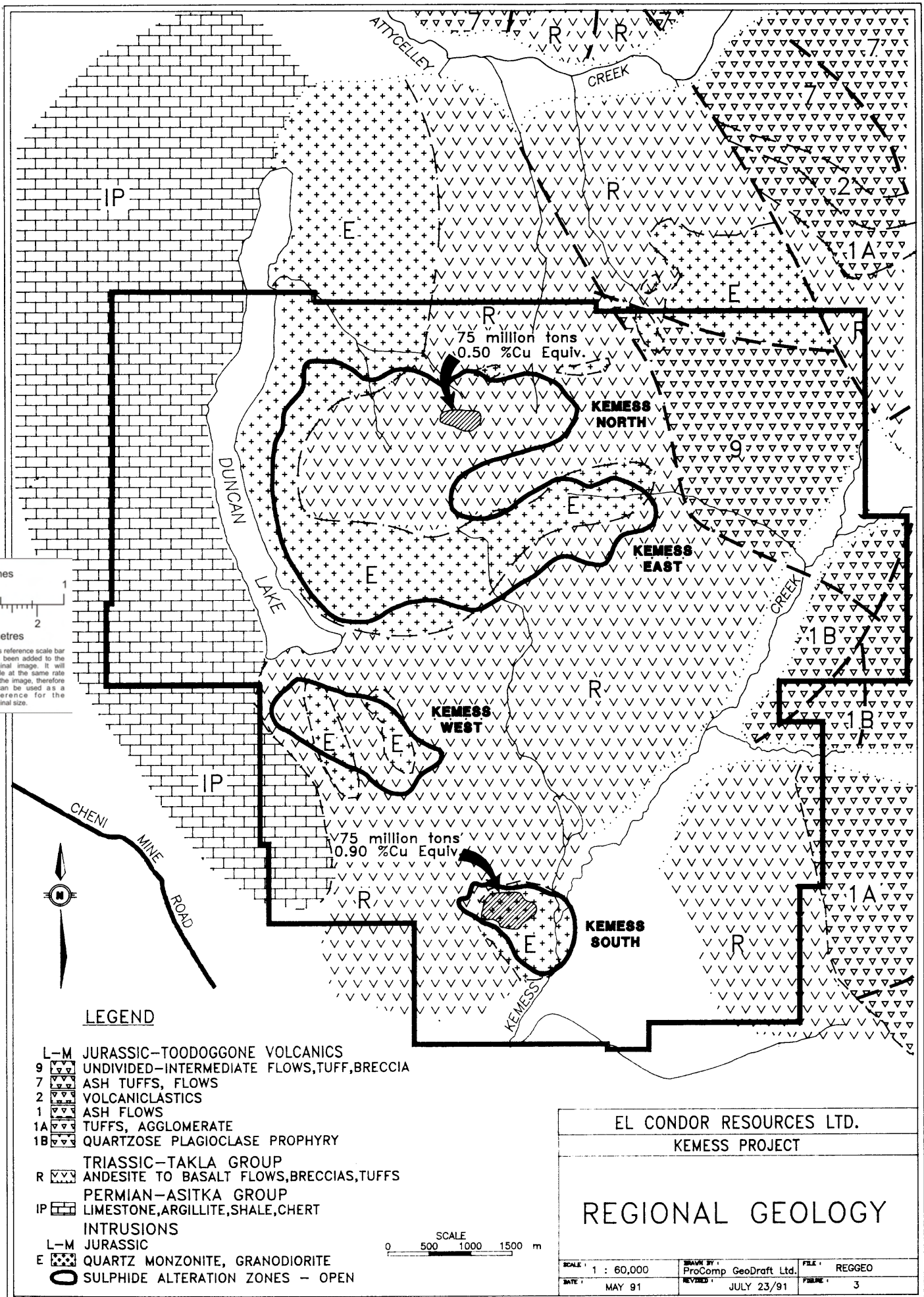
-  DRILL TESTED AREA
-  SULPHIDE SYSTEM - OPEN
-  ROAD



EL CONDOR RESOURCES LTD.
KEMESS PROJECT

PROPERTY MAP

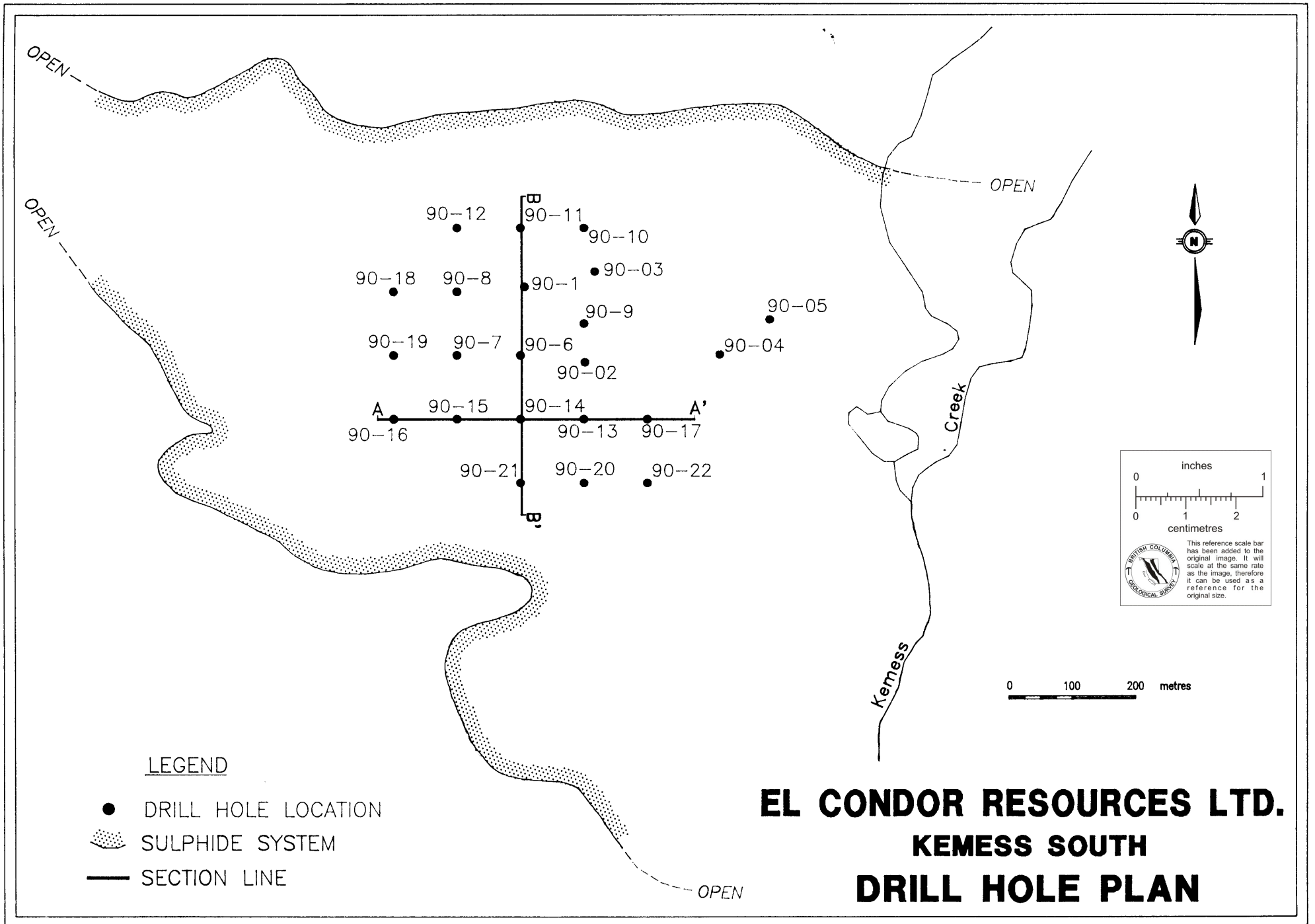
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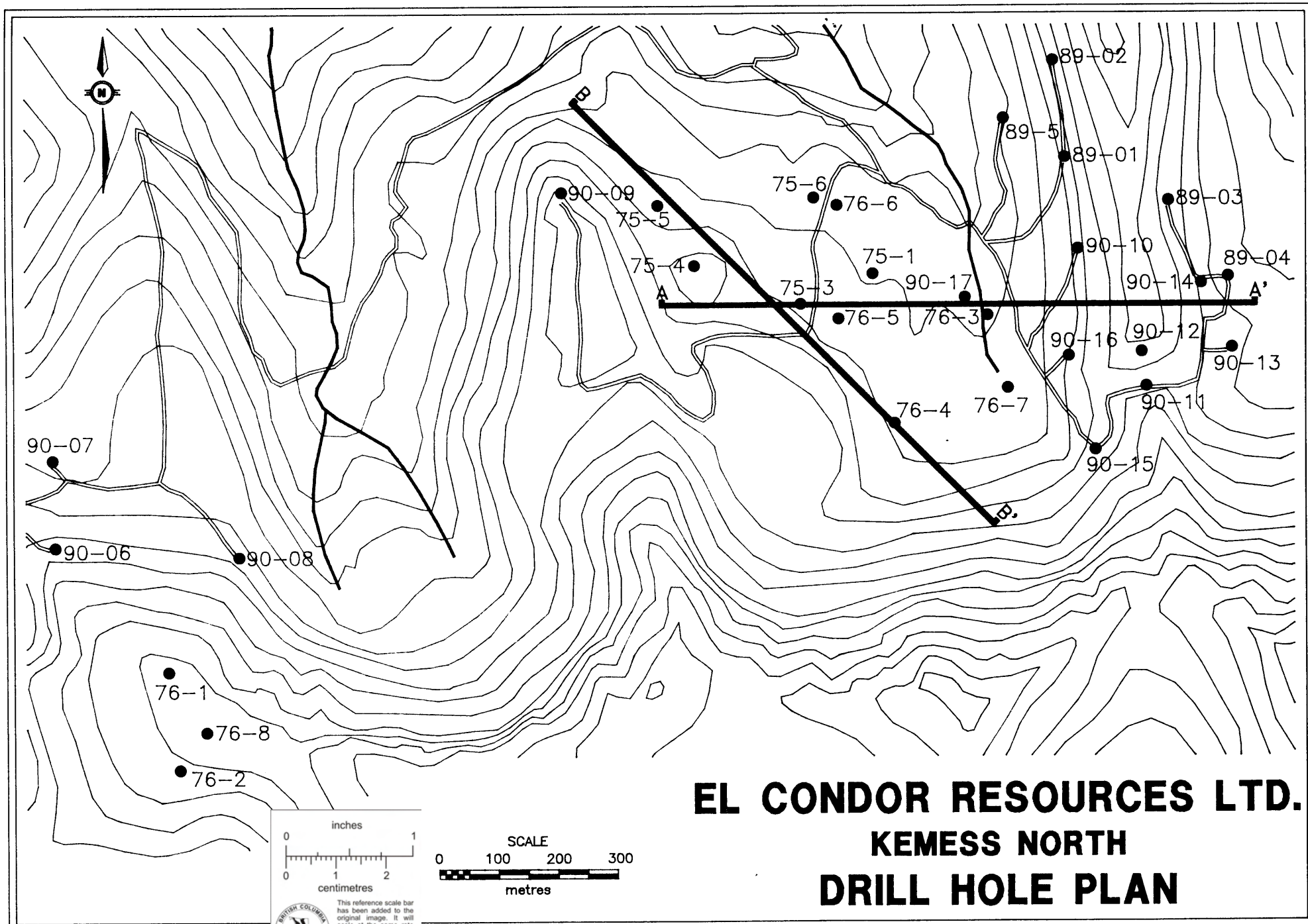


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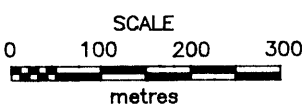
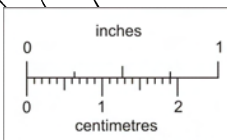
- L-M JURASSIC-TODOGGONE VOLCANICS
- 9 UNDIVIDED-INTERMEDIATE FLOWS, TUFF, BRECCIA
- 7 ASH TUFFS, FLOWS
- 2 VOLCANICLASTICS
- 1 ASH FLOWS
- 1A TUFFS, AGGLOMERATE
- 1B QUARTZOSE PLAGIOCLASE PROPHYRY
- R TRIASSIC-TAKLA GROUP
- IP PERMIAN-ASITKA GROUP
- IP LIMESTONE, ARGILLITE, SHALE, CHERT
- INTRUSIONS
- L-M JURASSIC
- E QUARTZ MONZONITE, GRANODIORITE
- SULPHIDE ALTERATION ZONES - OPEN


EL CONDOR RESOURCES LTD.		
KEMESS PROJECT		
REGIONAL GEOLOGY		
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DATE: MAY 91	REVISED: JULY 23/91	FIGURE: 3

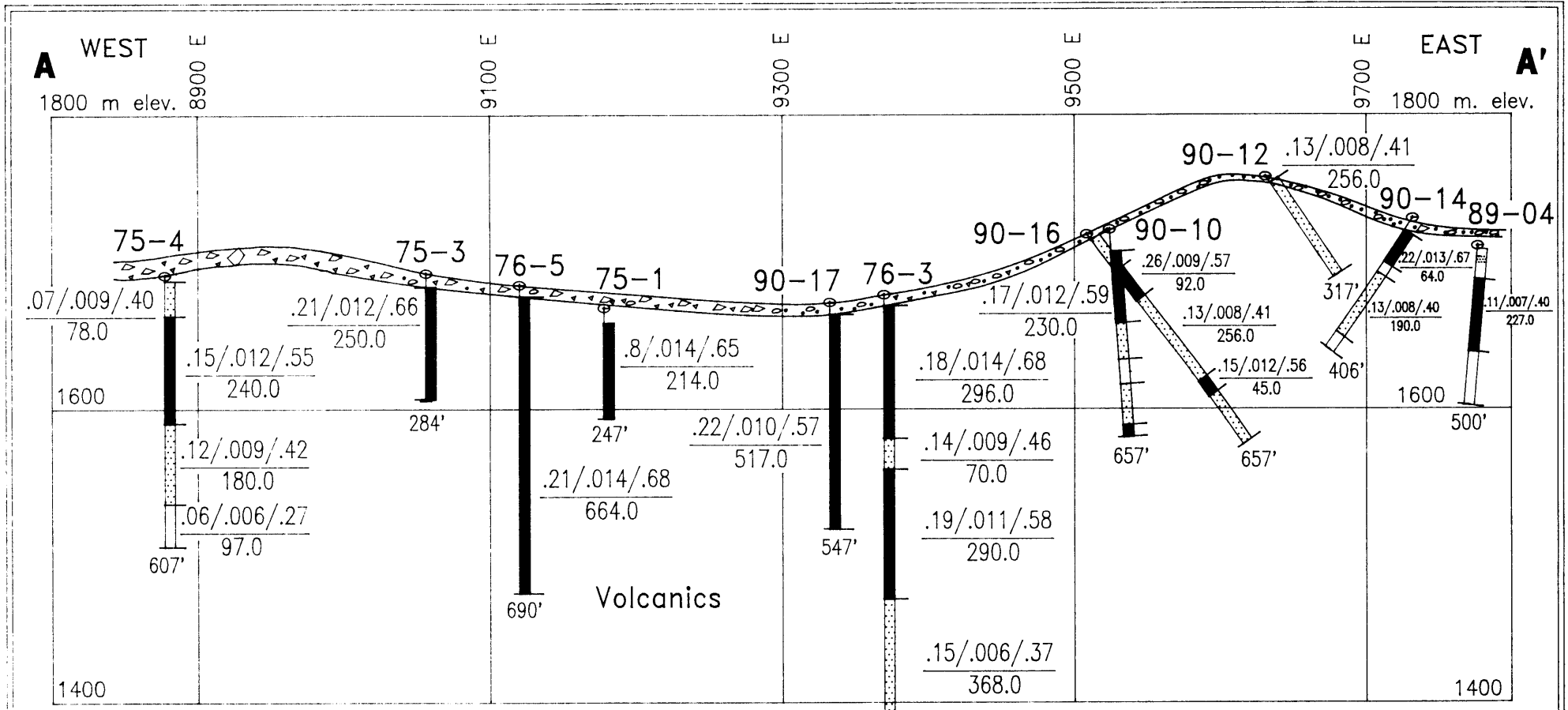




EL CONDOR RESOURCES LTD.
KEMESS NORTH
DRILL HOLE PLAN



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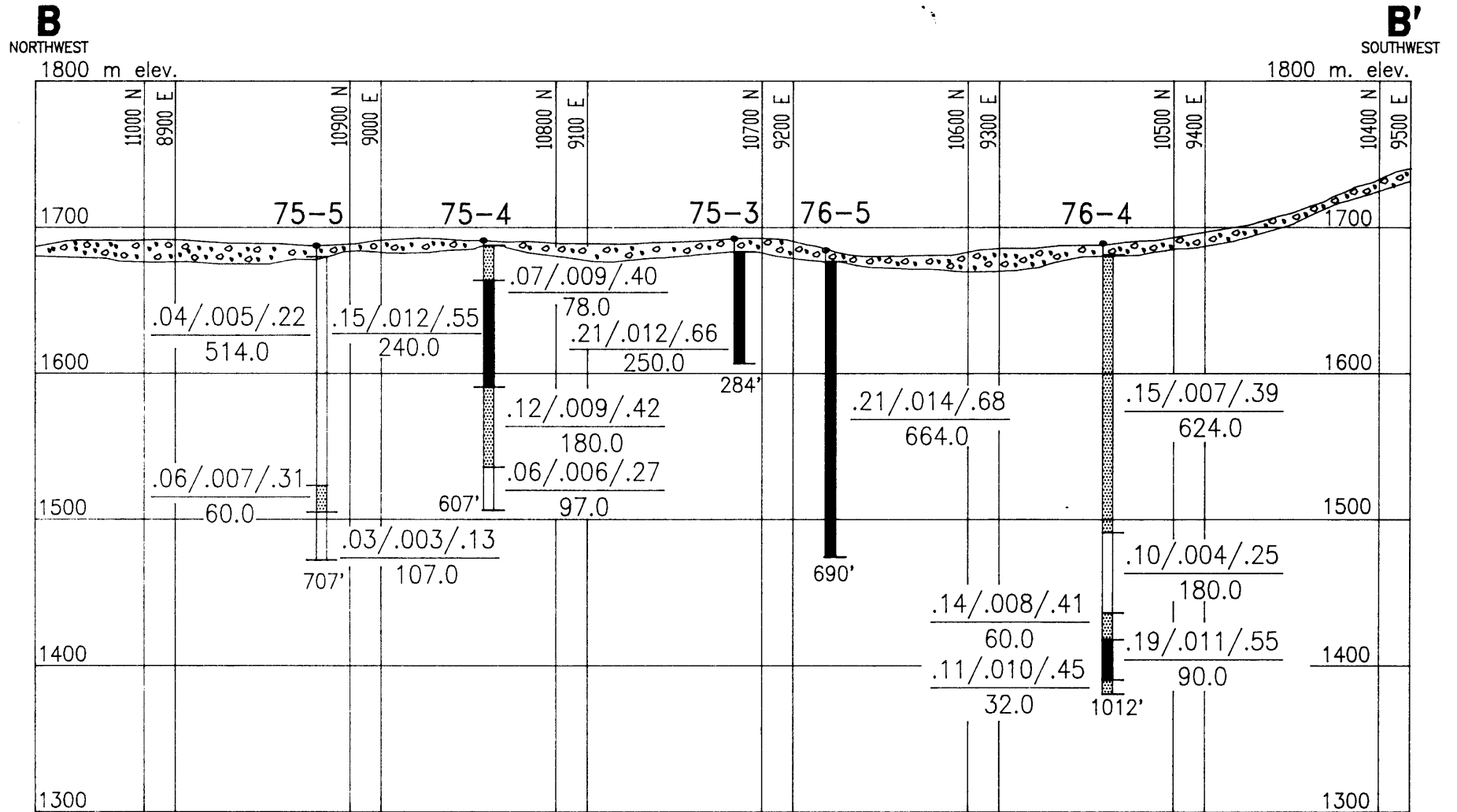


LEGEND

$\frac{.29/.031/1.37}{261.7}$ % Copper / oz/ton Gold / % Copper Equiv.
 Length in feet

> 0.50
 0.30 - 0.50
 < 0.30
 % Copper Equiv.

EL CONDOR RESOURCES LTD.
KEMESS NORTH
CROSS SECTION A - A'



LEGEND

.29/.031/1.37 % Copper / oz/ton Gold / % Copper Equiv.
 261.7 Length in feet

> 0.50
 0.30 - 0.50
 < 0.30 % Copper Equiv.

EL CONDOR RESOURCES LTD.
KEMESS NORTH
CROSS SECTION B - B'