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1988 ASSESSMENT REPORT

MOLY GOLD GROUP 88

record 2936

SKEENA MINING DISTRICT, B.C.

103P/5W

GEOLOGICAL PROSPECTING

Exploration Program Conducted Between:

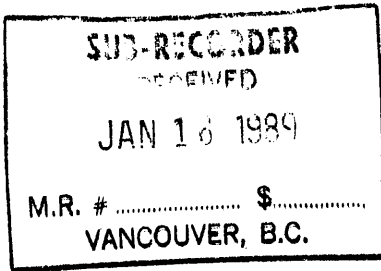
June 01 and July 20, 1988

For

PROSPECTORS AIRWAYS CO. LTD.

429 - 470 Granville St.,

Vancouver, B.C.



Report by:

A. Abdel-Rahman, Ph.D., J.S. Fox, Ph.D., P.Eng., A. Burton, P.Eng.

MINERAL EXPLORATION RESEARCH INSTITUTE

Montreal, Quebec

<u>Name of Claim</u>	<u>Record #</u>	<u># Units</u>	<u>Date recorded</u>	<u>Ownership</u>
Moly May	2936 (4)	10	April 10, 1985	Prospectors Airways Co. Ltd
Moly May 2	3135 (7)	8	July 2, 1985	Prospectors Airways Co. Ltd
Moly May 3	3136 (7)	20	July 2, 1985	Prospectors Airways Co. Ltd
Moly May Fr. 1	2938 (4)	1	April 10, 1986	Prospectors Airways Co. Ltd
MC #1	6478 (10)	20	October 20, 1987	Lucky Tim Resources Ltd.
MC #2	6457 (10)	2	October 20, 1987	Lucky Tim Resources Ltd.

Ownership is 100% to each respective company.

## SUMMARY

Prospectors Airways Co. Ltd. has acquired an option to earn a 40% interest in a 36 square kilometre property held by Cominco Ltd., which is centred on the old mining camp at Anyox, B.C. To date, Prospectors Airways has spent \$730,000 of the \$3,000,000 in expenditures required by December 1990 by the option agreement.

At least a dozen volcanogenic massive sulphide bodies are known on the property, all of which are located on or near the contact between Jurassic Hazelton Group basalt and sediments. Seven of these produced 24.7 million tons of Cu (-Zn-Ag-Au) ore between 1914 and 1935. It has been estimated that 2.2 M tons of 1.9% Cu remain in the vicinity of the old Hidden Creek mine; 2.2 M tons grading 1.3 % Cu and 1.9 % Zn are present at the undeveloped Double Ed deposit.

Since the closure of the Anyox mining complex in 1935, exploration has been focussed largely around areas of previously known mineralization. Drilling by a Cominco-Mitsui joint venture in the vicinity of the Hidden Creek mine in 1982 resulted in the identification of a large, low grade Cu resource containing 33.1 M tonnes grading 0.75 % Cu, which might be amenable to open pit mining. The Cominco-Prospectors Airways joint venture drilled 1517 metres in the same vicinity in late 1987.

Over 25 kilometres of favourable basalt-sediment contact are exposed on the property. Since much of this has not been subject to systematic, modern exploration, considerable potential is thought to exist for additional moderate grade copper mineralization of the type mined before 1935.

The Anyox property is comparable in terms of geology, metallogeny and age to the Windy Craggy area 500 kilometres to the north. Values of up to 9.5 g/t Au over 45 metres have been obtained at Windy Craggy in chert-ankerite rock overlying the massive sulphides present. In view of the geological similarities, potential for similar mineralization must also exist at Anyox. This potential is underlined by evidence from the old mine level plans of zones of gold enrichment (up to 59' of 0.045 oz/ton Au) near the hanging wall of some of the Hidden Creek ore.

The Anyox property adjoins the a large block of claims covering Granby Peninsula, which is held by Prospectors Airways. Gold-bearing auriferous silica flux was mined from a number of localities on the peninsula until the closure of the Anyox smelter. Potential exists on the Anyox property for similar auriferous quartz veins.

An exploration program oriented towards the discovery of additional massive sulphide ore and of Windy Craggy- and Granby Peninsula-type gold mineralization is strongly recommended for the property. A program of line cutting, geophysical surveying, geological analysis and diamond drilling (25,000') is proposed, which is budgeted at \$2,160,878.

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## INTRODUCTION

Prospectors Airways Co. Ltd. has acquired an option to earn a 40% interest in a 36 square kilometre property held by Cominco Ltd., covering the former Anyox mining camp in northwestern British Columbia. Under the terms of the August 1987 Prospectors Airways - Cominco joint venture agreement, Prospectors Airways has agreed to expend \$3,000,000 on exploration on the property by December 31, 1990. To date, Prospectors Airways has spent \$730,000.

A large tonnage low grade copper resource, which should be amenable to open pit mining, remains in the pillars and walls of the old Hidden Creek mine on the joint venture property. It is our view that potential also exists for undiscovered, moderate grade Cu-Ag-Au massive sulphide mineralization of the type exploited during the life of this, and the other deposits on the property. Significant potential is also thought to exist for gold mineralization similar to that found at the Windy Craggy deposit in northern B.C., and to that found on the adjoining Granby Peninsula ground.

This report describes the mineralization on the Anyox property, and outlines an exploration program that is designed to test its economic potential. It is based on visits to the property made by the authors at various times in 1987 and 1988, and on the experience of one of us (J.S.F) at Windy Craggy and with other similar deposits in Norway, the Labrador Trough and Japan.

## PROPERTY DESCRIPTION, LOCATION AND ACCESS

The Prospectors Airways - Cominco Anyox joint venture property is located between latitudes 55° 20'N and 55° 25'N, and longitudes 129° 50' to 129° 57' W, in NTS area 103 P5. It consists of 65 crown grants and 67 located claims, as described in Appendix A. The Anyox property adjoins two other large claim groups to the east which are held by Prospectors Airways and the Prospectors Group (Maps 1, 2 and 3).

The Anyox property is located on tidewater, approximately 130 kilometres north of Prince Rupert. The nearest road is located at Alice Arm 25 kilometres to the east, and leads to the provincial highway system through Terrace. The nearest power substation is located at the former Kitsault mine, on the outskirts of Alice Arm.

The topography of the Anyox property is moderate, as is the weather. The property is characterized by relatively good rock exposure, and only sparse vegetation.

## PREVIOUS WORK

### a) Mining history

At least a dozen bodies of massive sulphide mineralization are known on and around the joint venture property. Eight of these are found in the vicinity of the former Hidden Creek mine alone. The following lists some of the Cu deposits uncovered so far:

<u>deposit</u>	<u>production</u>	<u>reserves</u>	<u>Cu %</u>	<u>Zn %</u>	<u>Ag oz/t</u>	<u>Au oz/t</u>
Hidden Creek (zones 1-6)	24 M tons		1.5	<0.5	0.27	0.005

Bonanza	0.7 M tons	2.2	1.0	0.39	0.030
Double Ed	2.2 M tons	1.3	1.0		
Eden	0.2 M tons	1.3	1.9		
Redwing *	0.2 M tons	2.0	2.7	2.5	0.035

It should be noted that zones 7 and 8 at the Hidden Creek deposit were only discovered during the last years of production at Anyox, and were not developed or mined (B.C. Dept. Mines, 1934). No information on the size or grade of these bodies is available to us. It should also be noted that the joint venture property is characterized by a number of other base metal showings, including the Emma (Homestake ?), Knob Hill and Deadwood Cu showings north of the Hidden Creek mine (e.g., Alldrick, 1986; Grove, 1986).

Production at Anyox was achieved from only the Hidden Creek ore bodies and from the Bonanza mine, and totalled approximately 24.7 million tons with an overall grade of 1.5% Cu, 0.28 oz/ton Ag and 0.005 oz/ton Au. An average of 5200 tons per day was milled; up to 300 men were employed.

Selenium was produced at the Anyox smelter as a byproduct of the treatment of the copper ore (Grove, 1973). An unknown but significant volume of gold was recovered from the smelter flux mined from the nearby Granby Peninsula and Larcom Island silica mines. The mining and smelting of these ores was carried out from 1914 to 1935 by Granby Consolidated Mining Smelting and Power Co. Ltd. Cominco Ltd. acquired much of the joint venture ground after the closure of the mining complex, in 1936.

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\* not in the joint venture area of agreement

b) Exploration prior to 1987

Exploration has been carried out by a variety of companies and at various localities on and around the property since the 1935 mine closure. However, modern exploration has been limited to only a few of these localities.

Shortly after Cominco's purchase of the Anyox property, diamond drilling adjacent to the old Hidden Creek mine west of the # 3 zone uncovered significant additional mineralization, with indicated reserves of 3.75 M tons of 1.1% Cu. This mineralization was explored by drifting from the Hidden Creek workings in 1938 (B.C. Dept. Mines, 1938; Rhodes and Jackish, 1988).

The Double Ed and Eden deposits were discovered by Cominco in the early 1950's. By 1960, an adit 2874' long had been driven and over 31,000' of drilling had been done at the Double Ed occurrence (B.C. Dept. Mines, 1953, 1960). The Double Ed deposit is open at depth (Osatenko and Rhodes, 1988)

The Redwing deposit was explored by Anaconda American Brass and by Hogan Mines Ltd. in the mid and late 1960's. Government reports indicate the presence of at least 20 drill holes, and an adit at least 5600' long at this locality. According to Rhodes and Jackish (1988) exploration in the vicinity of this promising deposit has been hindered by the small size of the ore shoots intersected so far, and by the precipitous topography.

Arcadia Explorations Ltd. carried out geophysical surveys, trenching and diamond drilling north and west of the Hidden Creek deposits



between 1967 and 1970. From government reports "... several mineralized areas were discovered, only one of which (the Deadwood showing) was previously known " (B.C. Dept. Mines, 1967). No information is available to us at this time relating to the nature and location of these occurrences.

A joint venture exploration program was carried out by Cominco Ltd. and Mitsui & Co. (Canada) Ltd. in 1982 in the vicinity of the Hidden Creek mine. Sixteen holes were drilled, which revealed the presence of large volumes of low grade copper mineralization below and peripheral to the ores mined out by Granby Consolidated.

#### c) Recent exploration

An exploration program, directed principally towards the area around the Hidden Creek mine, was initiated by Cominco in 1987. Seventy kilometres of line were cut and surveyed by student geologists. Approximately 31 kilometres of UTEM and 26 kilometres of magnetic surveying was carried out on this grid to the north and west of the Hidden Creek mine.

A total of 1517 metres in six holes was drilled in late 1987. DDH 87-1 tested a strong conductor, corresponding to Granby Consolidated's undeveloped #8 zone, south of the #6 deposit. Only hanging wall lithologies were intersected. DDH's 87-2 to 87-6 tested the UTEM conductor north from the Hidden Creek mine, in the area where previous Cominco - Mitsui drilling (DDH 82-9) had intersected 20' of 2.5 % Cu, 0.5 % Zn, 0.05 oz/ton Au and 2.9 oz/ton Ag. Hole 87-2 intersected minor sulphides; the remaining 1987 drill holes were stopped in sedimentary hanging wall rocks.

An Aerodat helicopter-borne AEM survey was carried out over the joint venture property in early 1988, using 200 metre line spacing. Only the area around the Hidden Creek mine was found to be geophysically "active", a fact that may be attributable to the wide line spacing used.

#### EXISTING BASE METAL RESOURCES

Medium grade ore remaining and recoverable by underground mining, excluding non-recoverable pillars, was estimated in 1937 as 2,204,180 tons of 1.9% Cu (M.Telfer, as mentioned in Rhodes and Jackish, 1988). As indicated above, an additional 2,200,000 tons of 1.3 % Cu are indicated at the Double Ed deposit.

From its compilation of widely spaced old level plans, the Cominco - Mitsui 1982 joint venture inferred the presence of "potential" low grade ore totalling 33.1 M tonnes grading 0.75 % Cu equivalent, or 77.5 M tonnes grading 0.55 % Cu equivalent, to be present in the vicinity of the Hidden Creek mine workings. Wright Engineers Ltd. was commissioned in 1983 to design a conceptual open pit and financial analysis around this potential resource.

The subsequent report was based on a 3000 tpd operation, with a 3:1 strip ratio. It concluded that, if the grade could be increased to 1 % Cu equivalent through selective mining or an increase in precious metals price, a positive NPV would be attained over 15 years at a 10% discount rate and at (U.S.) \$1.60/lb Cu. An operating profit would be achieved at (U.S.) \$1.00 - \$1.20/lb Cu. A more recent Cominco analysis, quoted in Rhodes and Jackish (1988), corroborates these

findings.

## GEOLOGY AND MINERALIZATION

### a) Lithologies and structure

The Anyox property is underlain by Middle Jurassic Hazelton Group pillow lavas and thin-bedded marine argillites and siltstones. These supracrustal rocks form part of a large inlier in the Tertiary Hyder pluton, which forms the eastern margin of the Coast Plutonic complex in the region. The volcanic footwall rocks are composed of pillowed basaltic flows and basaltic pillow breccia. A relation between the build up of basaltic pyroclastic rocks and mineralization was noted at the Double Ed and Bonanza deposits by Sharp (1980). Basalt alteration, represented by the appearance of acicular amphibole, chlorite, sericite and biotite, is also noted in the vicinity of the sulphide deposits (e.g., Rhodes and Jackish, 1988).

In the vicinity of the Hidden Creek mine, the contact between the footwall basalts and the overlying siltstones is transitional through intercalated carbonate, chert, basalt and siltstone. However, away from ore, the contact appears to be sharp. The hanging wall sediments consist of well bedded grey to black siliceous and calcareous siltstone and argillite.

North-south-trending isoclinal folds are the main structural element in the Anyox region. These have been deformed by a later open east-west-trending fold set. Even more complex folding was noted by Rhodes and Jackish (1988) in the hanging wall sediments near the Hidden Creek deposit.

#### b) Massive sulphide mineralization

All of the known massive sulphide deposits on the Anyox property occur on, or within 100 metres of the contact between the main basaltic and sedimentary units. At the Hidden Creek mine, the contact is marked by up to 100 metres of sulphidic chert, "cherty" actinolite rock and sericite-chlorite schist. Elsewhere, these chemical sediments are considerably thinner.

Economic mineralization at Hidden Creek appears to be confined to pods within the thick sulphidic chert unit. A 1950's block diagram of the mine suggests that these pods are confined to tight, irregularly-plunging fold hinges.

The massive sulphide deposits on the property are semi-massive to massive pyrite-pyrrhotite-chalcopyrite bodies, with subordinate or accessory sphalerite, arsenopyrite and magnetite. A wide variation in gold and in total base metal content is evident between the various deposits.

#### c) Quartz veining

The Anyox property adjoins Prospectors Airways Granby Peninsula ground, on which potentially economic, sediment-hosted, sulphide-bearing auriferous quartz veins occur. Approximately 135,000 tons of silica flux, grading 0.065 oz/ton Au and 2.5 oz/ton Ag were recovered from quartz veins at the north end of Granby Peninsula (the Granby Point and Reserve mines) prior to the closure of the Anyox smelter in 1935 (Fox and Burton, 1988).

Quartz veins similar to those found on Granby Peninsula are also

moderately abundant on the Anyox joint venture ground, but have not been subject to recent evaluation. Gold is reported to have been associated with the Rambler silica mine 1 kilometre southwest of the former Anyox townsite (Grove, 1986). Swarms of sulphide-bearing quartz veins have been mapped by Rhodes and Jackish (1988) in the Redlight anomaly locality near the Rambler mine, and north of the Hidden Creek workings. Abundant quartz veining has been noted by one of us (J.S.F.) in old unsplit drill core from the property, stored north of the Anyox townsite.

#### GOLD POTENTIAL OF THE ANYOX MASSIVE SULPHIDE DEPOSITS

The Windy Craggy deposit, 500 kilometres north of Anyox, is the world's largest known massive sulphide deposit. Like Anyox, Windy Craggy is a "Besshi-type" deposit of Mesozoic age, and is also confined to the contact between basalt and argillaceous sediments.

Gold values of up to 9.5 g/tonne over 45 metres are known at Windy Craggy, and are currently the object of intense exploration. This precious metal mineralization is hosted by hanging wall argillite and siltstone, occurs in association with interbedded chert-ankerite rock, and is therefore mineralogically and stratigraphically distinct from the massive sulphide ores present. The occurrence of gold enrichment in the hanging wall at Windy Craggy conforms with the presence of gold associated with late stage sulphosalts and silicates in recent basalt-hosted mineralization found on the northeastern Pacific ocean floor (Hannington et al., 1986).

By analogy with Windy Craggy, any gold enrichment present in the Anyox

sulphide ores should occur in the vicinity of the sedimentary hanging wall rocks, and in association with sedimentary carbonate. In this regard, it is encouraging to note that elevated gold values were obtained by Granby Consolidated in the Hidden Creek # 1 and 5 zones at or near the hanging wall contact. Values of 41.5' of 0.04 oz/ton Au (DDH 1), 63' of 0.03 oz/ton Au (DDH 6), 59' of 0.045 oz/ton Au (DDH 375) and 129' of 0.02 oz/ton Au (DDH 10) were reported on the 0' and 530' levels (e.g., Rhodes and Jackish, 1988; Maps 4 and 5). It is assumed that shorter but higher grade intersections were also encountered. Sharp (1980) notes that the carbonate content of the Hidden Creek ores increases towards the hanging wall.

#### CONCLUSIONS

The Anyox property has a long history of base metal massive sulphide production. However, modern exploration on this large property has been limited only to areas of previously known mineralization.

Moderate volumes of medium grade Cu (Zn-Ag-Au) sulphide mineralization remain of the the property. Documentation also exists for a large tonnage low grade Cu resource in the vicinity of the Hidden Creek workings. Any new discoveries of medium to high grade base metal mineralization, or of precious metal enrichment, might lead to economic production for either resource.

Besshi-type deposits, like those present at Anyox, are characterized by the geographic persistence of favourable ore horizons, and by the disproportionate concentration of economic mineralization around these horizons (e.g., Fox, 1984, 1986). In this regard, and in view of the

limited areal extent of recent exploration, potential must remain at Anyox for undiscovered economic mineralization along the contact between the basaltic and sedimentary units.

The Anyox property is geologically, metallogenically and temporally comparable with the Windy Craggy area. Because of these similarities, we consider the Anyox ground to have excellent potential for stratiform gold mineralization of the type currently being explored at Windy Craggy. This potential is underlined by the presence of gold enrichment towards the hanging walls of the # 1 and # 5 zones at Hidden Creek, at a stratigraphic location that conforms with the Windy Craggy model, and with recent observations on the northeast Pacific ocean floor. Excellent potential also exists on the property for auriferous quartz veins of the type found on the adjoining Granby Peninsula property.

A systematic, property-wide exploration program is strongly recommended at Anyox to further evaluate this potential.

#### PROPOSED 1988 - 1989 EXPLORATION PROGRAM

Cominco has outlined a 1988-89 exploration program for the property which is composed of the following elements (Rhodes and Jackish, 1988):

a) further drilling north of the Hidden Creek deposit, in the vicinity of drill hole 82-9. Drilling is also recommended to test the old # 7 zone, and to extend some of the 1987 drill holes that were stopped in sediment.

b) further drilling between the Hidden Creek # 1 and # 6 zones, at the southern extent of the Hidden Creek mineralization. Cominco-Mitsui

drilling in 1982 (DDH 82-1 and 82-16) encountered encouraging cherty and chloritic sediments and subeconomic sulphides at this locality. Two holes are proposed for the down-dip continuation of these sulphides.

c) one drill hole to transect the Redlight zone of silicification and disseminated sulphide mineralization.

d) a single hole to test the northern extent of the Bonanza deposit.

We concur with the thrust of this program. However, we also recommend that this program be expanded to include the following:

e) An in depth review of all old data relating to exploration on the property. Furthermore, all of the old core remaining on the property should be collected, re-logged and selectively re-analyzed for gold.

g) Extension of the 1987 grid to cover the basalt-sediment contact over the entire property. The existing ground EM and mag. coverage should be extended to cover this grid. It should be noted in this respect that the Bonanza, Double Ed, Eden and Redwing deposits did not respond to the recent Aerodat AEM survey, which suggests that this method of geophysical surveying of the property is inappropriate.

h) Second derivative, enhanced shadow and other calculations should be carried out on the ground magnetic data to aid the geological mapping. Detailed geological mapping of the basalt-sediment contact should also be done, with emphasis being placed on the relationship between mineralization, alteration geochemistry and the distribution of mafic pyroclastic rocks. The poorly explored basalt-sediment contact north of



Cominco-Mitsui DDH 82-9 merits particular attention in this regard. All of the geological data should be integrated, and possibly supplemented with isotopic analysis, to place these deposits in their metallogenic context. The rest of the property should be prospected, particularly for auriferous quartz veins.

i) Cominco's proposed exploration at Hidden Creek and Bonanza should be extended to include the Double Ed deposit, which is reportedly open to depth. Since economic mineralization on the property is known to be structurally complex and possibly confined to the hinges of tight folds, exploration in the vicinity of these three deposits should be accompanied by detailed structural analysis.

j) Priority should be given to the search for Windy Craggy,- type gold mineralization, which may be found in association with carbonate ore horizon lithologies. An initial drill target should be the contact between the # 1 and # 5 zones and the hanging wall sediments at Hidden Creek.

#### PERSONNEL

It is recommended that the Cominco program relating to the detailed examination of the Hidden Creek deposit, the Redlight anomaly and the Bonanza deposit be followed as outlined by Rhodes and Jackish (1988). This will include all line cutting, geophysical surveying, camp preparation, diamond drilling and all support services related to the Cominco program. We understand that Pacific Geo-Roc Explorations Ltd. may provide some sub-contract work, including the diamond drilling

recommended by Cominco.

It is also proposed that the geological mapping and structural analysis, geophysical data enhancement, lithochemical and metallogenic studies proposed in this report be carried out by the Mineral Exploration Research Institute (MERI). For the purposes of the field and laboratory work recommended for the extended program, MERI will provide the project with a professional structural geologist and an economic geologist, as well as junior geological assistants, technicians, draughtsmen and secretarial personnel. MERI will also provide specific expertise where required. Along with Burton Consulting Inc., it will contribute to the geological quality control of the entire program.

It is proposed that Pacific Geo-Roc Explorations Ltd. provide all camp facilities, line cutting, support services, diamond drilling and geophysical surveying relating to the extended program described in this report.

PROPOSED 1988-1989 EXPLORATION BUDGET

a) Cominco program (supervision of detailed drilling in the vicinity of the Hidden Creek deposit, drill testing of the Bonanza deposit and the Redlight anomaly)

Mobilization	\$ 28000
Senior geologist (150 days @ \$300/day)	45000
Graduate geologist (180 days @ \$140/day)	25200
Undergrad. geologist (90 days @ \$100/day)	9000
Geophysics	32000
Helicopter support (120 hrs @ \$600/hr)	72000
Analysis, report writing	45000
Camp costs	75000
Vehicle and sundry	36000
Cook ( 2 mo. @ \$3500/mo.)	7000
Camp helper (60 days @ \$80/day)	5000
Line cutting (30 km @ \$600/km)	18000
Expediting	2500
Road repair, bridge constr.	50000
Diamond drilling (14100' @ \$33.55/ft.)	473000
Administration costs	100000
Subtotal	1022700
Contingency	104800
Total, COMINCO	\$ 1127500

b) MERI program ( structural and lithological mapping, prospecting, litho-geochemistry, metallogenic study, geophysical enhancement, reports)

Mapping and prospecting (1:10,000), compilation, structural analysis, interpretation, maps and reports. (150 days @ \$300/day)	\$ 45000
Detailed mapping and structural analysis of Hidden Creek, Double Ed, Bonanza deposits; detailed alteration and geochem. studies. (150 days @ \$300/day)	45000
Geological assistants (2 X 150 days @ \$150/day)	45000
Laboratory technician/draughtsman (150 days @ \$150/day)	22500
Secretarial support (33.3 days @ \$120/day)	4000
Assays (trace elements, 1000 samples @ \$20/sample)	20000
Analyses (whole rock, 500 @ \$40/sample)	20000
Thin sections, isotopic analyses etc.	10000
Geophysical data processing	15000
Travel (Montreal-Vancouver-Prince Rupert X 12)	24000
Misc. supplies	5000
Supervision (30 days @ \$400/day)	12000
Subtotal	267500
Contingencies (10%)	26750
Total, MERI	\$ 294250

c) Pacific Geo - Roc program (line cutting, geophysical surveys, field support services, drilling)

Additional room (1120 days @ \$45/day)	\$ 50400
Additional board (1120 days @ \$36/day)	40320
Additional sundry support (2 mo. @ \$25000/mo.)	50000
Additional line cutting (170 line km @ \$450/km)	76500
Additional diamond drilling (11000' @ \$28/ft.)	308000
Additional ground mag. (150 days @ \$150/day)	22500
Additional drill site geologist (150 days @ \$300/day)	45000
Additional geol., geotech. consulting	50000
Subtotal	642720
Contingency (15%)	96408
Total GEO-ROC	\$ 739128
 GRAND TOTAL, COMINCO, MERI & PACIFIC GEO - ROC	 \$ 2160878



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C E R T I F I C A T E

I, Joseph Fox, do hereby certify that I am the managing director of the Mineral Exploration Research Institute, located at Ecole Polytechnique, 2550 Chemin de Polytechnique, Montreal, Que., H3C 3A7.

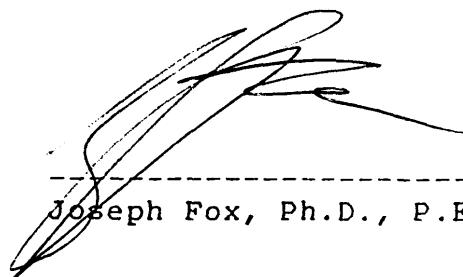
1) I am a geology graduate of McGill University, Montreal and of Cambridge University, England. I am a member of the Association of Professional Engineers of Ontario.

2) I have practiced my profession for many years in my capacity as managing director of the Mineral Exploration Research Institute, as an independent consultant, and in managerial capacities for major mining companies in Canada.

3) I have examined the Granby Peninsula property and the available data relating to the property in Spring, 1988.

4) I am not a director, officer, or employee of Prospectors Airways Co. Ltd., or of Cominco Ltd., nor do I own shares or expect to receive some or any other beneficial interest. I consent to the use of this report by Prospectors Airways Co. Ltd. in any prospectus or statement of material facts, but accept no responsibility for the actions of any regulatory authority.

dated May 19th, 1988.



-----  
Joseph Fox, Ph.D., P.Eng.

C E R T I F I C A T E

I, Alex Burton, do hereby certify that I am an independent consulting geologist with offices at 810 - 626 West Pender Street, Vancouver, B.C., V6B 1V9.

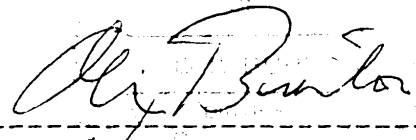
1) I am a geology graduate of the University of British Columbia and am a registered professional engineer in B.C. with certificate No. 6262, a fellow of the Geological Association of Canada, and a member of the Association of Exploration Geochemists.

2) I have practiced my profession for many years both as an independent consultant and in senior managerial capacities for major mining companies in Canada and other countries.

3) I examined the Anyox property in 1987.

4) I am not a director, officer, or employee of Prospectors Airways Co. Ltd., or of Cominco Ltd., nor do I own shares or expect to receive some or any other beneficial interest. I consent to the use of this report by prospectors Airways Co. Ltd. in any prospectus or statement of material facts, but accept no responsibility for the actions of any regulatory authority.

dated, May 19th, 1988.



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Alex Burton, P.Eng.



APPENDIX A

List of crown grants and located claims  
Cominco Ltd.-Prospectors Airways Co. Ltd. Anyox joint venture

CROWN GRANTS (ANYOX - HIDDEN CREEK) -65

<u>NAME</u>	<u>LOT NOS.</u>	<u>AREA (HA)</u>	<u>1986 MINERAL LAND TAXES</u>
Alpha	486	20.87	\$ 20.66
Amur Fr.	3350	7.69	7.61
Aria	1986	14.38	14.24
Balsam	768	10.92	10.81
Balsam	2221	17.37	17.20
Blue Bird	3342	20.90	20.69
Blue Jay	3874	16.85	16.68
Bonanza	1667	19.66	19.46
Bonanza Fr.	3348	9.50	9.41
Boulder	2338	14.63	14.48
Brenau Fr.	1674	3.10	3.07
Buffalo	2230	5.52	5.47
Bunker	2222	18.39	18.21
Cayuse	2229	20.41	20.21
Cedar	764	20.90	20.69
Clark	3869	19.28	19.09
Commodore	3588	19.38	19.19
Crystal	1972-A	20.90	20.69
Cypress	765	17.30	17.13
Dolly Fr.	1513	0.54	0.53
Donald	483	20.90	20.69
Drum Lummon Fr.	3879	20.25	20.05
Emma	1669	17.52	17.35
Emma Fr.	1673	3.25	3.22
Emerald	1672	16.94	16.77
Gamma	480	20.75	20.54
Hemlock Fr.	1511	1.08	1.07
Homestake No. 1	1529	20.90	20.69
Hooter	2224	19.45	19.26
Iron Bug	3875	18.38	18.20
Jimm Fr.	3870	10.88	10.77
John Bull	3876	20.90	20.69
John Bull No. 1	3877	20.70	20.49
John Bull No. 3	3878	18.42	18.24
Kafen	2226	19.80	19.60
Kafen Fr.	2231	4.67	4.62
Kenneth	488	20.70	20.50
Lakanian Fr.	1512	17.26	17.09
Long Shot	3352	14.42	14.28
Manson	485	20.85	20.64
Maple Leaf	2223	15.80	15.64
May Day	1677	20.88	20.67
May Flower Fr.	2219	15.64	15.48
Maypole	1676	18.57	18.38
McKinley	484	20.87	20.66
Missing Link	1138	17.77	17.59
Moana	1670	20.90	20.69
Monarch	1526	20.05	19.85

Nabob Fr.	3589	17.03	16.86
Nephtin Fr.	3872	15.71	15.55
North Star	1668	17.90	17.72
Ottawa	1509	17.26	17.09
Princess Louise	1671	16.55	16.39
Quince	1984	17.73	17.55
Regina	1985	17.83	17.65
Revenge	482	20.90	20.69
Rex	1983	17.98	17.80
Rob Roy	3871	12.62	12.49
Rudge	481	20.90	20.69
Rupert	2227	11.57	11.45
Spruce	767	20.90	20.69
St. Denis	3349	20.90	20.69
Starlight	1528	20.90	20.69
Sunset	2228	19.34	19.15
Vadso Fr.	3351	8.30	8.30
		<u>1,071.39</u>	<u>\$1,060.69</u>

LOCATED CLAIMS (67 - 498 units)

<u>CLAIMS</u>	<u>RECORD NOS.</u>	<u>RECORDED</u>	<u>ASSESSMENT WORK DUE</u>
<u>DOR</u> Nos: 1 to 6, 7 (Fr.) (1 unit ea.)	9986 to 19992	Sept. 13, 1961	Sept. 13, 1998
<u>AHW</u> Nos. 1 to 6, 13 to 20, 22(Fr), 34(Fr), 36(Fr) 39162-167, 39174-181, 39182, 39191, 39193		Dec. 16, 1974	Dec. 16, 1998
ANYOX SHELTER (2 units)	5763	Jan. 26, 1987	Jan. 26, 1998
ANYOX HILL (10 units)	5764	" "	" "
ANYOX TOWN (15 units)	5765	" "	" "
ANN 1 (20 units)	6243	June 25, 1987	June 25, 1998
ANN 2 (8 units)	6244	" "	" "

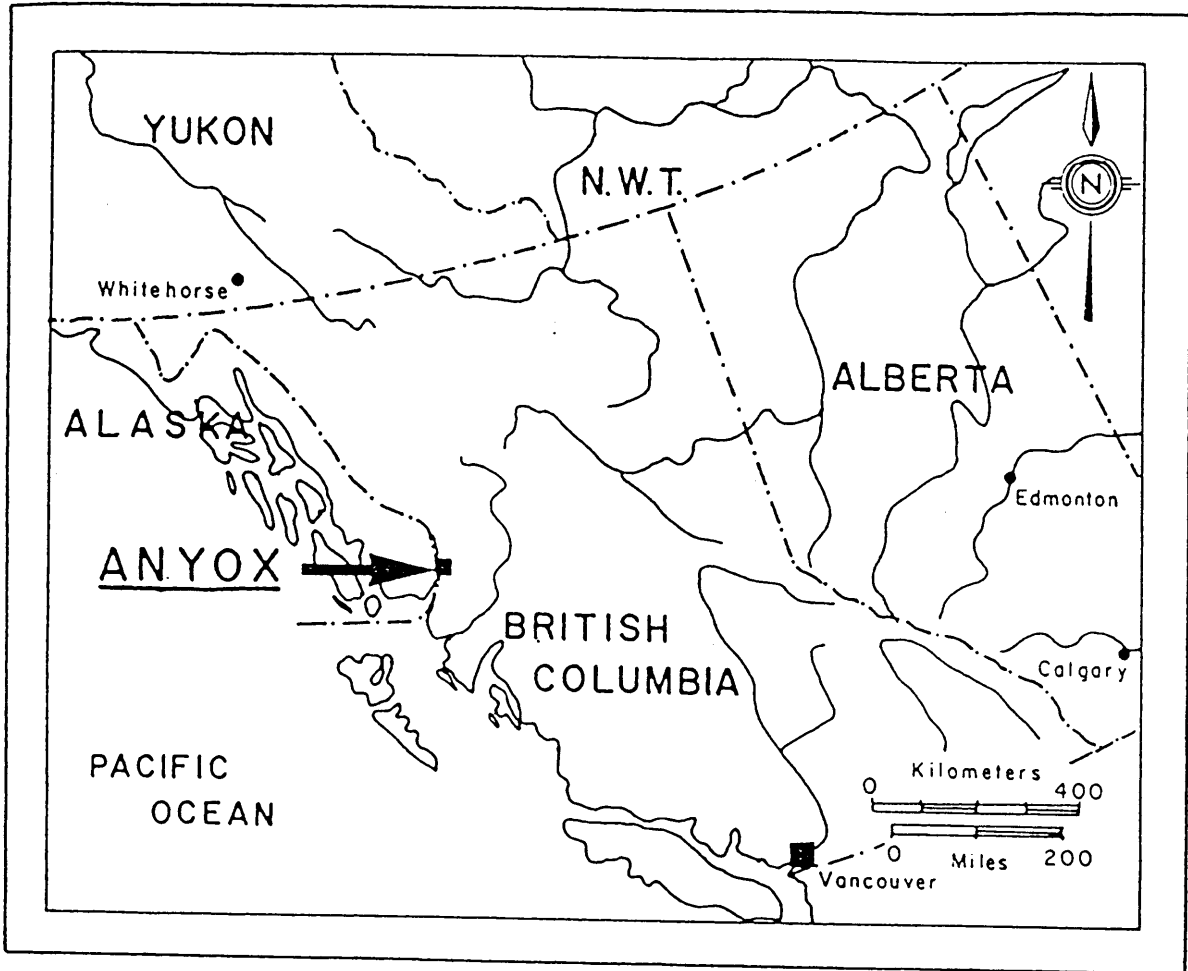
ANN 3  
(12 units)

6245

" "

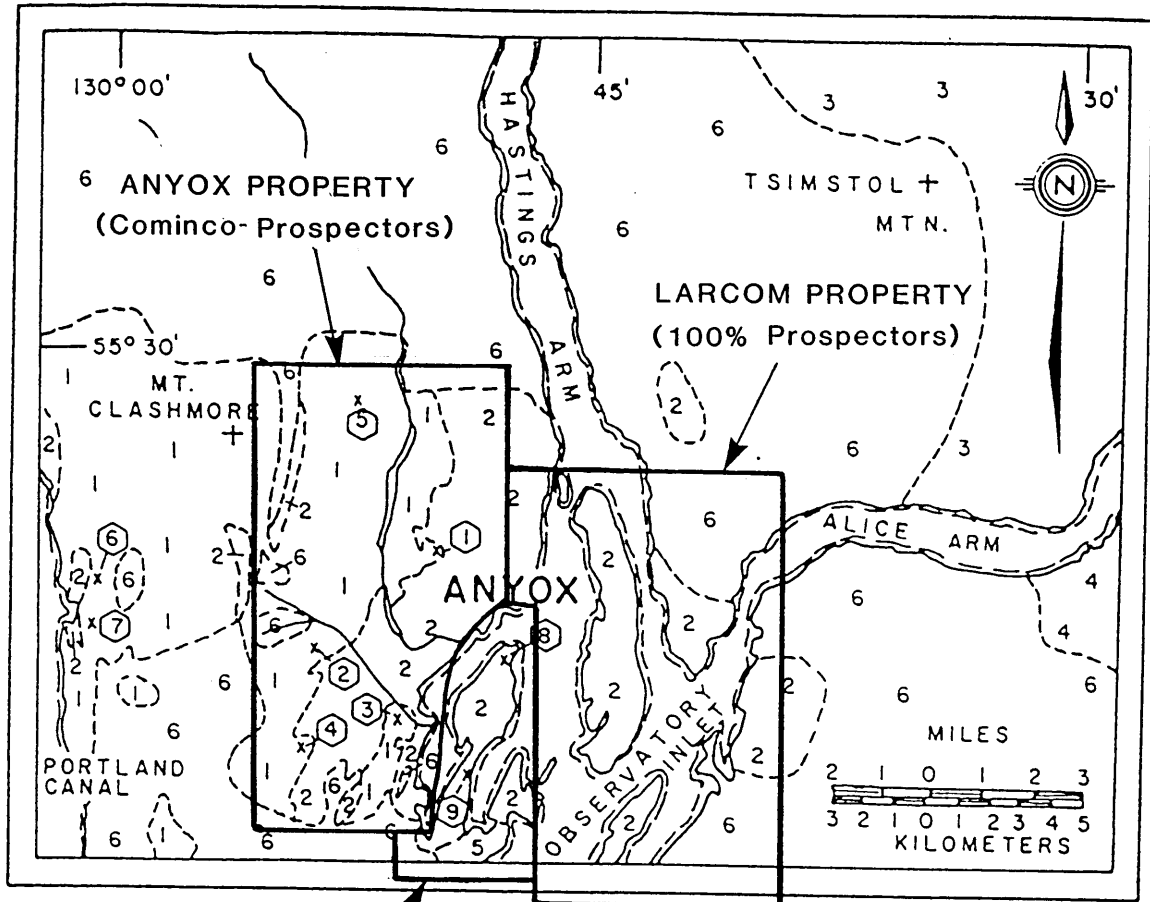
" "

Car	1	6485	18	Oct. 20/87	Oct.20/98
Car	2	6486	12	"	"
Car	3	6487	15	"	"
Car	4	6488	12	"	" /91
Bon	1	6489	20	"	Oct.20/89
Bon	2	6490	20	"	" /89
Bon	3	6491	20	"	" /89
Bon	4	6492	20	"	" /89
Bon	5	6493	20	"	" /89
Bon	6	6494	20	"	" /89
Tauw	1	6495	20	"	" /89
Tauw	2	6496	16	"	" /89
Tauw	3	6497	15	"	" /89
Tauw	4	6498	4	"	Oct.20/98
Tauw	5	6499	16	"	Oct.20/89
Anza	1	6500	16	"	" /89
Anza	2	6501	12	"	" /89
Anza	3	6502	16	"	Oct.20/91
Anza	4	6503	2	"	Oct.20/98
Anza	5	6504	12	"	Oct.20/91
Any	1	6505	18	"	Oct.20/89
Any	2	6506	18	"	" /89
Any	3	6507	12	"	Oct.20/98
Any	4	6508	12	"	" /98
Any	5	6509	10	"	" /98
Cannon	1	6407	20	Oct. 8/87	Oct.8 /91
Tiger/Lady - Isaac Fr.		5066	1	Jan. 3/86	Jan. 3/90
Beaver		5067	1	" /86	" /90
Lost Rocker		5068	1	" /86	" /90
No.	1	5836	1	Feb. 25/87	Feb. 25/89
No.	3	5837	1	" /87	" /89
No.	4	5838	1	" /87	" /89
No.	5	5839	1	" /87	" /89
Sundog Fr./ Ruby Fr.		6363	1	Sept.28/87	Sept.28/89
Sunrise		6364	1	" /87	" /89
No.	2	6365	1	" /87	" /89
No.	2 Fr.	6560	1	Dec. 10/87	Dec. 10/89



MAP 1-LOCATION MAP, ANYOX AREA, B.C.





**GRANBY PROPERTY**  
**(100% Prospectors)**

**MAP 2-GEOLOGY, ANYOX AREA, B.C.**  
 (after Carter and Grove, 1972)

