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MEIPS

(cf: Rpt
Ass 9184)

The President and Directors,
PRIDE RESOURCES LTD.
153 - 890 West Pender Street,
Vancouver, B.C. V6C 1J9

Dear Sirs:

April 1, 1980

REPORT
on
MOUNTAIN BOY
Silver Property
Stewart, B.C..
104 A 4 W

PROPERTY FILE

SUMMARY

THIS REPORT DESCRIBES THE 26 REVERTED CROWN GRANT MOUNTAIN BOY SILVER PROPERTY IN THE AMERICAN CREEK AREA, STEWART, BRITISH COLUMBIA.

IT DESCRIBES THE SILVER-ORE MAKING POSSIBILITIES OF THE MANN AND HIGH GRADE VEINS AND STRESSES THE EXPLORATION POTENTIAL OF THE REMAINDER OF THE CLAIMS.

IT RECOMMENDS A PHASE I EXPLORATION PROGRAM CONSISTING OF REHABILITATION OF ACCESS AND UNDERGROUND WORKINGS, AS WELL AS SURVEYS, BULK SAMPLING, AND DIAMOND DRILLING TO COST AN ESTIMATED: \$80,000.

IT SUGGESTS THAT A PHASE II PROGRAM OF ABOUT \$70,000. OF FURTHER UNDERGROUND DEVELOPMENT, DIAMOND DRILLING, AND METALLURGY, AND STUDIES MAY NOW BE BUDGETED FOR.

INTRODUCTION

The writer was commissioned by W. D. Evans to prepare this report which summarizes the recorded work done on this silver property to-date, and to suggest what further exploration and development of known silver occurrences on the one hand, and reported mineral showings, on the other, could still be effected.

LOCATION and ACCESS

NTS: 104 A 4 W

56°09'N : 129°55'W

The MOUNTAIN BOY silver property lies on the west side of American Creek, a tributary of Bear River which flows into the northern extremity of Portland Canal at Stewart, British Columbia.

The claims are about 22 kilometers north of Stewart, a short trip by helicopter. At present the property can be reached on foot by following the Stewart-Cassiar highway, a distance of about 20 kilometers to the confluence of Bear River and American Creek. (Fig. An old wagon road, originally built as a trail in 1910, extends 6 kilometers up the west side of the valley.

TOPOGRAPHY - VEGETATION - CLIMATE

The claimed area covers the eastern aspect of Bear River Ridge, as it slopes steeply easterly into the valley of American Creek. The heights of this ridge are capped by snow fields.

Relief on the property is between 300 and 1500 m. above sea level; a rise of about 1200 meters.

Timber and water resources appear to be adequate for mining purposes for the developments at the lower levels. Higher up the hills, timber-line is soon reached.

Steep cliffy terrain, combined with yearly deep snow accumulation cause the field season to be short, and the pace of surface exploration to be arduous, even when supplemented by helicopter support.

MINERAL CLAIM RECORDED OWNERSHIP

These Lots are Crown Grants which reverted to the Crown in 1974. They are located in the Cassiar Land District, Skeena Mining Division. This information is on record at the P. Rupert, B.C. office of the Gold Commissioner.

<u>CLAIM NAME</u>	<u>LOT NO.</u>	<u>RECORD NO.</u>	<u>ANNIVERSARY</u>	<u>RECORDED OWNER</u>
AMERICAN GIRL	444	973	April 4	Pride Resources Ltd.
MOUNTAIN BOY	445	972	April 4	Pride Resources Ltd.
NORTHERN BELLE	446	971	April 4	Pride Resources Ltd.
HARD MONEY	447	970	April 4	Pride Resources Ltd.
SIGRID	4959	1202	April 4	Pride Resources Ltd.
SIGRID NO 1	4960	1202	April 4	Pride Resources Ltd.
MT. BOY EXTNSN	4961	1203 X	April 4	Pride Resources Ltd.
MT. BOY EXTNSN #1	4962	1204 X	April 4	Pride Resources Ltd.
FOX	4963	1205 X	April 4	Pride Resources Ltd.
COTTON TOP	4964	1203 X	April 4	Pride Resources Ltd.
CHRIS	4965	1199 X	April 4	Pride Resources Ltd.
SILVER MASK	4966	1200 X	April 4	Pride Resources Ltd.
BELLE FRACTION	5390	1201	March 30	Pride Resources Ltd.
LUCKY JIM #1	5718	1195	March 30	Pride Resources Ltd.
LUCKY JIM #2	5719	1196	March 30	Pride Resources Ltd.
LUCKY JIM #3	5720	1196	March 30	Pride Resources Ltd.
LUCKY JIM #4	5721	1197	March 30	Pride Resources Ltd.
LUCKY JIM #5	5722	1197	March 30	Pride Resources Ltd.
LUCKY JIM #6	5723	1198	March 30	Pride Resources Ltd.
LAST CHANCE #1	5724	1206	April 4	Pride Resources Ltd.
LAST CHANCE #2	5725	1207	April 4	Pride Resources Ltd.
LAST CHANCE #3	5726	1207	April 4	Pride Resources Ltd.
EAGLE	6085	226	March 27	G.A. Lauder PRIDE RESOURCES LTD
CANARY #2	6086	1208	April 4	Pride Resources Ltd.
CANARY #3	6087	1209	April 4	Pride Resources Ltd.
CANARY #4	6088	1210	April 4	Pride Resources Ltd.

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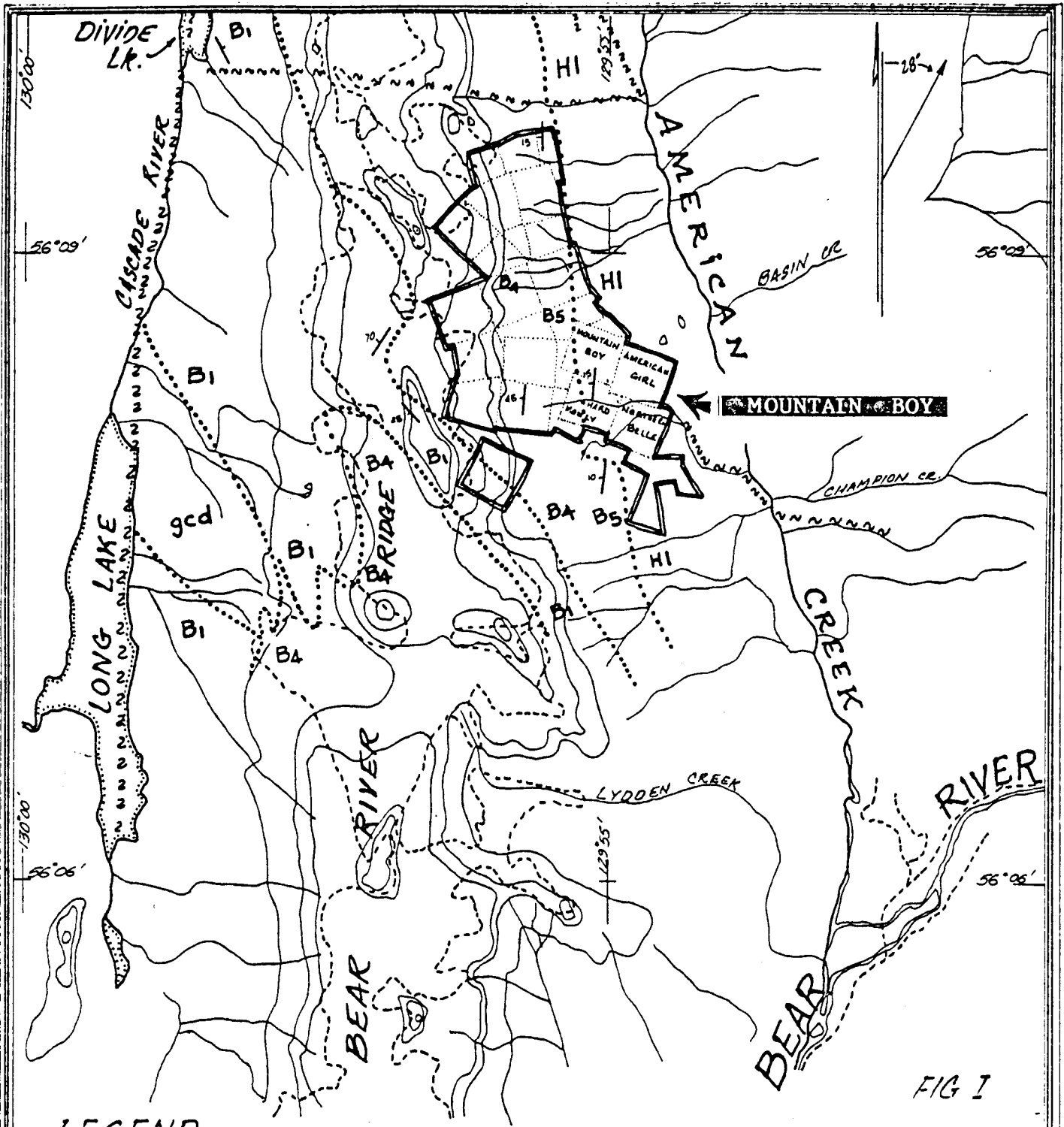


FIG 1

LEGEND

BOWSER ASSEMBLAGE

Siltstones, Greenwacke, Argillite, Chert, Arkhila Col. Limestones
 Green, red & buff Volcanic Sandstones, Conglomer. Breccia
 Red, green & black volcanic breccia

MU JUC
 B1
 B4
 B5

HAZELTON ASSEMBLAGE

Red & green volcanic Conglomerates & Sandstones

LM JUC
 HI

COAST CRYSTALLINE BELT: PLUTONIC

Glacier Creek Augite Diorite

Tertiary
 gcd

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MOUNTAIN BOY

SILVER PROPERTY

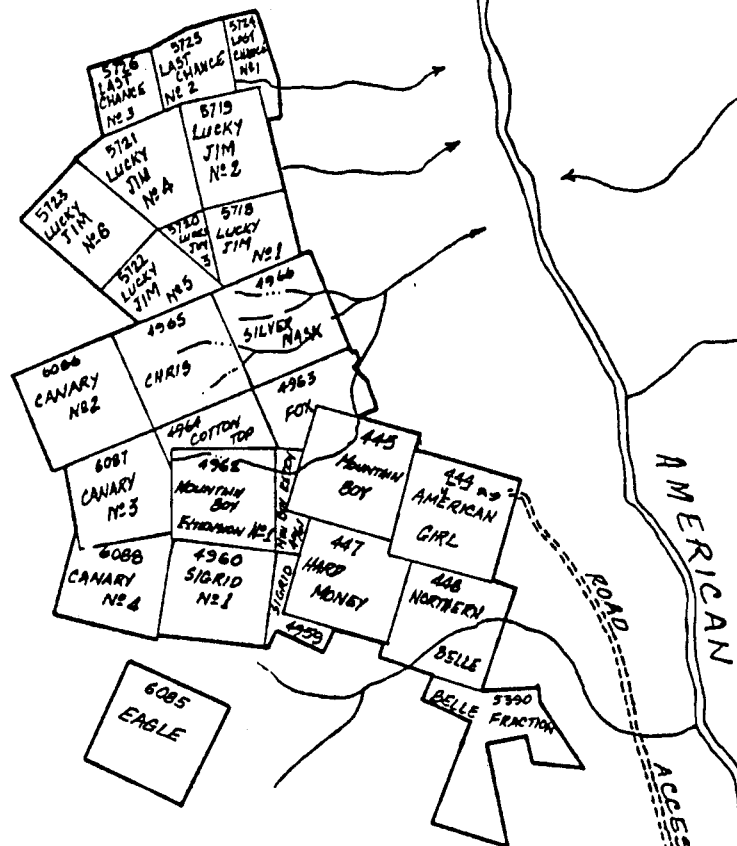
Stewart, B.C.

LOCATION & GEOLOGY

GEAREX ENGINEERING
 MISSION, B.C.

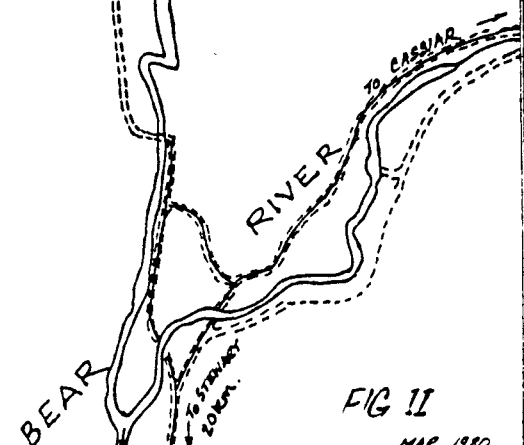


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AMERICAN CREEK

BEAR RIVER



28°

PRIDE RESOURCES LTD.

MOUNTAIN BOY

SILVER PROPERTY

Stewart, B.C.
104 A 4 W

**CLAIMS
ACCESS**

GEAREX ENGINEERING
Mission, B.C.



FIG II

MAR 1980

PROPERTY HISTORY

- 1902 - first staking of the property.
- 1907 - abandonment of claims.
- 1909 - restaking by Stewart, etal., and optioning to Sir Donald Mann, whose exploration resulted in the location of the 'Mann Vein', 'North Vein', and one 'large boulder of rich silver ore'.
 - driving of original adit on the Mann vein by Pacific Coast Exploration Co.
- 1910 - bonding by The Mountain Boy Company of 'Hard Nut', 'Mountain Boy', 'Northern Belle', and others to Pacific Coast Exploration Company who prospected each of these claims but concentrated their work on the 'Mountain Boy' claim on which the upper adit was in 150 feet, with a crosscut of 25 feet, and a 10 foot winze. Later in the year it was reported that the lower tunnel had been driven to, and past, the point vertically under the upper workings, and that at about this point copper 'ore', somewhat similar to that in the upper workings was found in the adit. It was reported that this lower showing of 'ore' was being developed and an up-raise made.
 - on the Hard Nut an adit had been driven about 70 feet on a zone of mineralization about 11½ feet wide.
 - on the Northern Belle in No.1 adit the mineralized body of quartz with galena was reported to be 18 feet wide, and the adit and drifts measure about 32 feet.

- the No.2 showing on the property was only faced up, and was reported as a zone of mineralization and silicification about 35 feet wide.
- 1914 - commencement of war the property reverts to the owners, Stewart, etal.
- 1910 - crown-granting of the property as 'Mountain Boy' 'American Girl', 'Northern Belle', 'Hard Money', owned by John Conway, etal.
- Mountain Boy adit at 2000'asl. Vein is well defined on surface, 16' to 18' wide. Adit is 151' long, crosscut is 28' and 10'. Winze is 30 feet down.
- Hard Money adit reported 70' long and mineralization about 12 feet wide.
- Northern Belle No.1 adit remains at 32 feet long.
- 1927 - optioning of property by William Tolan, and Pat Daly Mining Company was later organized to carry out development of the property.
- finding of 'High Grade' vein, as the source of the high-grade silver boulder found in 1909.
- discovery of other veins farther up the hill.
- 1928 - preliminary report - September 28, by William Tretheway, E.M., Consulting Mining Engineer, Toronto, Ontario.
- * - report - October 24, by W.D. Cooper, Montreal.
- 1929 - Mountain Boy Mining Co., Ltd.
- development of Mann adit workings to about 200', with two crosscuts of about 35' at intervals from footwall to hanging wall.
- development of High Grade vein by crosscut adit and drift along vein for about 30 feet from point

of intersection by crosscut. At that point the vein was assumed to be faulted and crosscutting to east and west failed to pick up extension at time of examination.

- plans for exploration from the Mann adit for for the underground intersection of the Highgrade vein with the Mann vein.
- plans to continue operations during the winter from a crosscut adit starting a short distance north of the bunkhouse at about altitude 2400'asl. At the intersection of the adit with the Mann vein, a raise was planned to be started to connect with the Mann adit.
- Report - November 30, by Leonard Germaine, B.A., A.R.C.S. (England), Member of Corp. of Prof. Engineers, Quebec and Member of C.I.M.M. and A.I.M.E. , 634 Querbes Avenue, Montreal.
- Report - December 10, by Harry Townsend, 606 Pioneer Building, Seattle.
- 1928 * Daly adit driven to test the Highgrade vein at depth.
- 1929 - Fagan adit driven to test the Highgrade vein
1930 -) at depth.
- Tolin adit driven to explore the Mann vein was the main operation in the winter of 1929 - 1930. The intention was to continue it on below the Highgrade vein.
- ~~Report on 'Lucky Jim' - January 12, by Leonard Germaine (see above).~~
- 1931 - Report and mine surveys - January 30, by J.M. McDonald (address unknown).

- 1937 - ore mined from outcrop of Highgrade ore-shoot.
- 1939 - Mountain Boy Mining Co. Ltd. did some mining to extract shipping-grade ore, of which about 3 tons were shipped to the sampling plant at Prince Rupert, B.C.
- 1942 - Report for the Mountain Boy Mining Co. Ltd. by W. Mathew.
- record of "a copper lead crossing the Lucky Jim No.3, the Silver Mask, the Fox, and the Mountain Boy Fraction"
 - record of " a lead-zinc lead near the boundary of Lucky Jim No.2 and Last Chance No.1"
 - record of "a lead and zinc lead crossing the Black Horse, Belle Fraction, and Northern Belle."
 - record of " a new ore shoot on the High Grade vein, several hundred feet south of the original discovery."
- 1976 - Robert Schumacher, prospector, utilizing maps accompanying these quoted reports, located his underground sampling program in the Mann adit.
- surveying of the Bear Creek - Mountain Boy wagon road for possible rebuilding of one bridge and about four miles of road.
- 1978 - Report - January 12, by R. W. Phendler, P. Eng. for Northern Lights Resources Ltd (NPL); which recommended:
- 1) adits to be rehabilitated, geologically mapped and sampled.
 - 2) surface geological mapping and prospecting to be carried out to relocate veins and assimilate information for study.

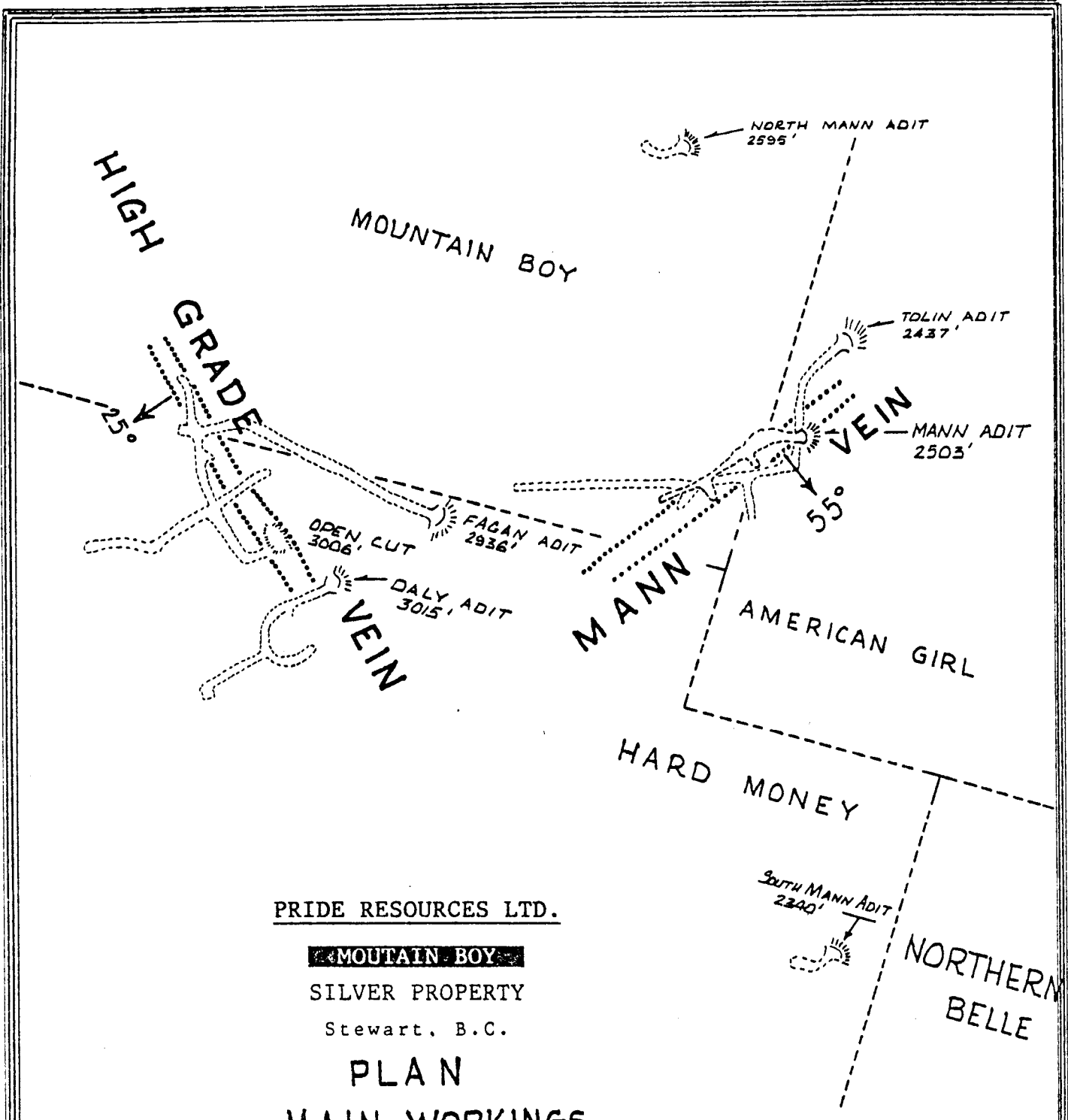
- 3) underground drilling to be carried out to re-locate vein extensions both along strike and depth.
- Northern Lights Resources Ltd. (NPL) under the guidance of R.W. Phendler, P.Eng., performed a helicopter-supported surface diamond drill program planned to consist of a fan of holes, but finally comprising of one hole directed to intersect the Mann vein at depth.
 - snow conditions were such that none of the High Grade vein surface exposures were re-located, neither were the Fagan or Daly portals found.
 - it has been reported that the winze in the Mann adit has been re-habilitated and deepened since the last historic mention of about 35 feet deep.

GEOLOGY

The northerly-trending contact between westerly dipping beds of Hazelton assemblage volcanic sediments, overlain to the west by westerly dipping Bowser assemblage volcanic sediments, passes through the key claims of this property. These beds dip flatly west at 10 to 45 degrees. Their age is about Lower to Middle Jurassic.

Tertiary intrusion into the younger portions of the Bowser assemblage occurs to the west at Long Lake. It has been named Glacier Creek augite diorite.

Some major faults have been mapped by E.W. Grove. [BCDOM Bulletin 58, 1971] (see Figure I Location and Geology)



PRIDE RESOURCES LTD.

MOUNTAIN BOY

SILVER PROPERTY

Stewart, B.C.

PLAN MAIN WORKINGS

GEAREX ENGINEERING
Mission, B. C.

FROM: R.W. SWANLOR, P. ENG., Figure 3: REPORT: JANUARY 12, 1978



FIG 335

DESCRIPTION of SHOWINGS and WORKINGS

Showings exist on the property at levels ranging from about 700 m. to 900+ m. above sea level, (2300 feet to 3000+ feet). Two zones of vein mineralization have received the major exploration attention to-date. These are called the MANN VEIN and the HIGH GRADE VEIN.

As these various workings are specifically described in Mathew's (1942) report, they are here quoted:

" GEOLOGY

The rocks exposed on the property consist of fine grained to porphyritic red to green andesite and occasionally tuffs, of the Bear River volcanics. These have been broken and sheared, and the shears and fractures replaced and filled with vein material. MacDonald reports 'Apparently much of the shearing and fracturing was attended with very little, if any movement. There is some evidence that where movement has occurred, the relative displacement is largely horizontal with a small vertical component. The whole area gives the impression of having been subjected to a tangential or lateral stress, applied so as to produce a twisting strain or movement, as suggested by several conchoidal or spherical-like fault surfaces. The idea is also suggested by the nature of the fractures produced by the faults. A wide, badly-crushed fault will die out as a tight seam in a very short distance, or will dissipate itself into several other fractures at entirely different angles of strike. . . .'

'Filling of the zones consist mainly of an intergrowth of quartz and jasper, barite and calcite, carrying varying amounts of silver, lead, zinc, and copper minerals along certain zones in the andesite that were favourable to replacement... At the present stage of our information, several theories suggest themselves, the most probable of which seem to be:

1. That mineralization followed certain structural features such as fracturing...
2. That mineralization followed interformational beds or areas that were favorable to replacement.' "

" Judging from the mapping done by Townsend, post-ore faults are abundant, occurring very two or three feet, but that in most cases the vein is not appreciably displaced. Instead it is cut into a number of blocks, in which the vein-width shows remarkable variation. In one case, however, on the north side of the Tolin adit, is a rather important fault that has apparently completely cut off the Mann vein at depth.

VEINS

The High Grade vein strikes north and south in its northern part but curves to the southeast at its southern end, and dips at angles from 20 to 25 degrees to the west at the surface but apparently steepens somewhat at depth. Its outcrop ranges in elevation between 3000 feet and 3150 feet above sea level, and has been traced more or less continuously for as much as 1200 feet. It is cut off at its southern end by a fault, and has apparently been displaced at two points between the Daly and Fagan adits by faults, where, in both cases, the northern side of the fault has been shifted eastward. The vein has been intersected at two points in the Daly adit, at points 60 feet west of and 40 to 60 feet below the outcrop. In the northern Fagan adit, the vein is exposed at only one point, some 340 feet from the portal and about 170 feet west of and 120 feet below its surface outcrop. Elsewhere in this adit, the vein has evidently been cut off by faults.

Germaine reports (p. 8) 'The mineralization consists of a variety of silver minerals such as argentite, native silver, stromeyerite, pyrargyrite or ruby silver, etc., with chalcopyrite, chalcocite, and galena in a gangue

of quartz and jasper.'

The vein was first discovered in a small gulch where about 45 tons of ore carrying high silver values has been recovered. There according to Tretheway, an average value of silver at 210.5 oz. per ton over 13.5 feet could be obtained, and hand sorted ore running as high as silver 2000oz. per ton has been shipped. Elsewhere in the vein, however, assays are less encouraging, the silver values ranging from 0.5 oz. per ton over 2 feet to 100 oz. per ton over 10 feet. The few assays given suggest that the widest part of the vein is richest in silver. Gold values are very low; a trace to 0.02 oz. per ton, lead assays vary between nil and 3.6%, averaging 0.65%, zinc ranges between nil and 4.2%, averaging 0.46%, and copper ranges between nil and 6.3%, averaging 1.21%.

The MANN VEIN is situated about 500 feet east of and below the High Grade Vein. In the vicinity of the main workings it strikes northeast and dips at an angle of from 45 to 65 degrees to the southeast, but 200 feet to the southwest what has been regarded as the same vein is indicated as striking north 20 degrees east and dipping steeply to the northwest. Beyond the latter point are two or more branching veins, one of which has been followed for 400 feet to the South Mann Adit. The main workings on the Mann vein consist of the Mann Adit at 2500 foot elevation, which is a drift following the vein for 150 feet, and the Tolin adit some 80 feet lower which evidently succeeded in exposing the vein at only one point, at the foot of an inclined raise between it and the upper adit. MacDonald concluded that the vein was cut off by a fault striking north 75 degrees east and dipping 70 to 80 degrees to the northwest, exposed along the north wall of the Tolin adit, and suggested that the downward continuation of the vein might be found repeated some distance to the southeast. So far as can be determined, exploration has not been continued in this direction.

Germaine reports (p. 7) that '...The vein is 35 feet wide, strikes S60°W, dips at an angle of 55 degrees to the southeast and consists mainly of white quartz mineralized with ribbons of almost solid galena and sphalerite. The surface is inaccessible except at the entrance to the Mann Adit...'

'The vein, as exposed in the Mann Adit, is between 35 and 40 feet in width and consists of quartz, barite and calcite. The tunnel was started in the footwall of the vein where the best values have been obtained, in lead, zinc, and silver. The galena and sphalerite occur as nests and bands in the quartz.'

Assay plans show mineralization over considerable widths, 25 to 35 feet in places, but the values are not outstanding. The assays for gold vary from nil to 0.01 oz. per ton; for silver from 0.6 oz to a maximum of 53 oz. per ton and for the most part fall between 1 and 5 oz. per ton. For zinc the values range between nil and 16% and average 4 to 5 percent in the Mann Adit but decline to 1% at the Tolin Adit, and to $\frac{1}{2}$ % at the surface; for lead the values range between nil and 10% and average 1% or less. Copper values are very low.

Two short drifts, the North Mann Adit 500 feet north of the main workings and the South Mann Adit 600 feet south, make up the balance of the underground workings. The relation of the veins in the former to the other veins of the property has not been determined. This vein varies in width from one foot to 15 feet and carries low values in silver, some lead and zinc, and virtually no gold or copper. In the latter the mineralization is about 10 feet in width and carries low values in silver.

On the Chris Claim is a vein 12 feet wide carrying values in gold and copper. On the Sigrid Claim is an iron capping carrying low values in silver and some lead and zinc. On the Lucky Jim Claims according to Germaine are no less than 5 veins varying in width from 12 to 30 feet. They are mineralized with chalcopryrite, chalcocite, and tetrahedrite and carry values in gold and silver. The lowest vein, at an elevation of 3000' assayed over 5': Au nil; Ag 93.25oz; Zn 0.97%; Pb 0.31%; Cu 2.14%; and over 6': Au tr.; Ag 28.25oz.; Zn 0.15%; Pb 0.27%; Cu 2.32%. "

SELECTED ASSAYS

Assay plans exist for the various workings.
They are not all included in the following:

MANN VEIN

<u>LOCATION</u>	<u>WIDTH</u> feet	<u>SILVER</u> oz/ton	<u>LEAD</u> %	<u>ZINC</u> %	<u>SOURCE</u>
portal	5.0	10.0	2.0	11.0	Min.Min.'29
2ndXC	15.0	8.0	tr	12.0	Min.Min.'29
2ndXC	13.0	1.0	nil	nil	Min.Min.'29
2ndXC	-	1.2	1.3	22.0	Min.Min.'29
portal	6.0	17.70	tr	2.63	L. Germaine
adjoins prev.	6.0	3.21	tr	0.47	L. Germaine
adjoins prev.	6.0	3.35	0.23	3.28	L. Germaine
adjoins prev.	6.3	14.42	0.16	9.36	L. Germaine
adjoins prev.	7.0	53.90	0.58	1.83	L. Germaine
adjoins prev.	7.0	10.48	0.18	tr	L. Germaine
1stXC	10.0	7.6	---	---	H. Townsend
1stXC	15.0	5.9	---	---	H. Townsend
2ndXC	6.3	5.37	---	---	L. Germaine
2ndXC	25.7	2.33	---	1.82	L. Germaine
portal	30.0	8.44	0.26	12.6	R.Schumacher
portal	6.0	2.35	0.10	0.8	R.Schumacher
portal	6.0	3.08	0.67	1.7	R.Schumacher
portal	6.0	16.66	1.92	9.88	R.Schumacher
raise	8.0	75.21	4.56	7.80	R.Schumacher
XC40'W	30.0	2.19	0.20	1.49	R.Schumacher
XC100'W	30.0	2.73	0.17	1.57	R.Schumacher

HIGH GRADE VEIN

hand picked	4tons	1100			Min.Min.'29
11 sfce.avg.	2.8'	107.8 uncut			H. Townsend
selected	select	529	16.0	8.0	Min.Min.'29
sacked sample	select	1700	2.0	---	Min.Min.'28
1929-1938**	60tons	32,810ounces/ (546 oz/t)	3,773 bs		M.M.Bull158'71

**recorded mine production for period 1929-1938

-Grove
Bull 58
Figs not
referenced
in Guide.

CONCLUSIONS

1. The Mountain Boy silver property is well located, covering about 914 acres of surveyed reverted Crown-Grants in the vicinity of Stewart, British Columbia, an area which historically has been a productive mining camp.
2. The documented explorations, performed on the key claims have resulted in the development of two major silver-bearing vein systems, the Mann vein and the High Grade vein, and several other veins and showings in the manner of surface cuts and adits on various levels of steep and rugged terrain.
3. Road access has been surveyed, and requires re-building of an existing bridge, as well as re-working of the old wagon trail up the west side of American creek from the Stewart-Cassiar highway.
4. Helicopter support for most operations is advisable in view of the rugged terrain, and the short field season.

RECOMMENDATIONS

PHASE I

1. To facilitate exploration and development of the various mineral showings on the property, it may be advisable to re-build the existing wagon trail from the highway to a suitable camp site at the property, and from there up the hill side were necessary and feasible.
2. It may also be prudent to establish base camp at the bottom of the hill, to serve as shelter, storage, etc.
3. Regional mapping and prospecting of the claims' area, using expanded topographic maps and air photos, can be performed to re-locate the recorded exposures, starting at lower levels, and using helicopter support to follow the snow-melt to higher elevations.
4. Existing information regarding recent explorations on these claims may be available, and if so, should be acquired, and incorporated with the historic findings.
5. Engineering survey tying the various showings and workings to a mine-grid, both horizontally and vertically, both on surface and underground is imperative.
6. Existing underground workings should be re-habilitated mapped, and sampled. The winze in the Mann Adit reportedly has been deepened without mention in the literature available to the writer. This should be mapped and sampled.
7. Highly mineralized surface and/or underground occurrences may be bulk-sampled.
8. New discoveries and the re-establishment of existing surface exposures should be trenched, mapped and assayed.
9. The necessity of some surface, or underground diamond drilling should be anticipated.
10. Proper geological-mining engineering summary of the acquired data should be planned, the results of which may warrant expenditure of further work to be recommended by the consulting engineer in charge during the field project.
11. PHASE II explorations would likely enter more heavily into underground work and diamond drilling, as well as further surface developments recommended by the acting engineer.

ESTIMATED COSTS of RECOMMENDED PROGRAM

PHASE I

A. Acquire results of previous work	- allow - \$ 1,000.
B. Re-build road and bridge	- allow - \$20,000.
C. Establish camp	- allow - \$10,000.
D. Geology, prospecting & supervision	- allow - \$12,000.
E. Engineering survey	- allow - \$ 5,000.
F. Rehabilitate underground workings	- allow - \$ 5,000.
G. Bulk sampling	- allow - \$ 3,000.
H. Trenching and assaying	- allow - \$ 2,000.
I. Diamond drilling	- allow - \$10,000.
J. Ground transportation	- allow - \$ 3,000.
K. Helicopter	- allow - \$ 3,000.
L. Engineering Summary	- allow - \$ 6,000.

TOTAL PHASE I \$80,000.

The results outlined in the Engineering Summary of Phase One above, will influence the adviseability and choice of a Phase Two program, to be recommended by the consulting engineer in charge, to include possibly a program having the following cost allowance:

PHASE II

M. Camp	- allow - \$ 5,000.
N. Transportation	- allow - \$ 5,000.
O. Geology and supervision	- allow - \$ 9,000.
P. Surface exploration	- allow - \$ 5,000.
Q. Underground development	- allow - \$12,000.
R. Diamond drilling	- allow - \$20,000.
S. Metallurgy	- allow - \$ 4,000.
T. Engineering Summary	- allow - \$10,000.

TOTAL PHASE II \$70,000.



CERTIFICATE

I, Gerhard E.A. von Rosen, certify that:

I am a graduate with degrees of B.Sc. and M.Sc. in Honours Geology from the University of British Columbia.

I am a registered member, in good standing of the Association of Professional Engineers of British Columbia.

I carry on practice at 33176 Richards Avenue Mission, British Columbia.

I have practiced my profession continuously since 1963, and have had broad experience in exploration and geology.

I have compiled this present report on the Mountain Boy silver property from references cited in R.W. Phendler's report, January 12th, 1978, and from Bulletin 58 of the B.C. Department of Mines, 1971.

I am expecting to receive the professional fee I am charging for services and costs, and this is the sole remuneration, as I have no interest, nor do I expect to receive any, in the company nor its shares.

G.E.A. von Rosen, P.Eng.

Figure I: LOCATION and GEOLOGY
 Figure II: CLAIMS and ACCESS
 Figure III: PLAN: MAIN WORKINGS

