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MINISTRY OF ENERGY, MINES  
and PETROLEUM RESOURCES  
Rec'd MAR 1 1991  
SMITHERS, B.C.

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SUPERINTENDENT OF BROKERS  
(BRITISH COLUMBIA)  
VANCOUVER STOCK EXCHANGE  
(Resource Company)

Lakewater Prop.  
104B/9w (New)  
New Ice claims  
Rob Claims (New)  
VR property (104Bas?)  
(New)

STATEMENT OF MATERIAL FACTS #13/91  
EFFECTIVE DATE: FEBRUARY 14, 1991

TYMAR RESOURCES INC.  
11th Floor, 808 West Hastings Street, Vancouver, B.C., V6C 2X4 Telephone: 687-7463  
NAME OF ISSUER, ADDRESS OF HEAD OFFICE AND TELEPHONE NUMBER

#100 - 200 Granville Street, Vancouver, B.C., V6C 1S4  
ADDRESS OF REGISTERED AND RECORDS OFFICES OF ISSUER

Central Guaranty Trust Company, 800 West Pender Street, Vancouver, B.C., V6C 2V7  
NAME AND ADDRESS OF REGISTRAR & TRANSFER AGENT FOR ISSUER'S SECURITIES IN BRITISH COLUMBIA

The securities offered hereunder are speculative in nature (see "Risk Factors" under Item 3). Information concerning the risks involved may be obtained by reference to this document; further clarification, if required, may be sought from a broker.

**O F F E R I N G : 1,000,000 UNITS**

The Offering may be increased by up to 150,000 Units (15% of Offering) to meet over-subscriptions. See "Plan of Distribution".

Each Unit consists of One Common Share and Two Series "A" Warrants, two such Warrants entitling the holder thereof who exercises such warrants to purchase one additional common share of the Issuer at the Offering Price, at any time up to the close of business within one year following the Offering Day.

	Offering Price (estimated)*	Commission (estimated)	Estimated Net Pro- ceeds to be Received by the Issuer
Per Unit	\$1.00	\$0.085	\$0.915
Total (1,000,000 Units)	\$1,000,000.00	\$85,000.00	\$915,000.00

\* To be calculated in accordance with the Rules of the Vancouver Stock Exchange.

This Offering is subject to a minimum subscription of all 1,000,000 Units. Please see Item 1 "Plan of Distribution".

**A G E N T S**

L.O.M. WESTERN SECURITIES LIMITED  
Box 10337, 2200-609 Granville St.  
Vancouver, B.C., V7Y 1H2

McDERMID ST. LAWRENCE LTD.  
1000 - 601 W. Hastings St.  
Vancouver, B.C., V6B 5E2

Neither the Superintendent of Brokers nor the Vancouver or Toronto Stock Exchanges has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence. This Offering is made in British Columbia only.

Mar. 4/91

1. PLAN OF DISTRIBUTION

A. THE OFFERING

By Agreement dated for reference January 14, 1991 (the "Agency Agreement"), Tymar Resources Inc. (the "Issuer") appointed the following as its agents (the "Agents") to offer in British Columbia through the facilities of the Vancouver Stock Exchange (the "Exchange") 1,000,000 Units (the "Units") of the Issuer at a fixed price in the amounts set opposite their respective names (the "Offering"):

<u>Agents</u>	<u>No. of Units</u>
L.O.M. Western Securities Limited	800,000
McDermid St. Lawrence Ltd.	200,000

The Units are not being offered for sale through the facilities of the Toronto Stock Exchange.

The Offering will take place on the "Offering Day", determined by the Issuer and the Agents with the consent of the Exchange, which will be not more than one hundred eighty (180) calendar days after the date this Statement of Material Facts is accepted for filing by the Exchange and the Superintendent of Brokers for British Columbia (the "Effective Date").

The offering price of the Units (the "Offering Price") will be determined in accordance with the rules of the Exchange, at a premium over the average trading price of the Issuer's shares as determined by the Exchange but in any event not less than 10%, subject to the agreement of the Issuer and the Agents. The Offering Price shall not be less than the closing price of the Issuer's shares as determined by the rules of the Toronto Stock Exchange on the day before the Offering Day, and shall not be less than \$0.40.

The Agents may over allot Units of the Issuer to cover over-subscriptions up to an amount equal to the lesser of the number oversubscribed or 15% of the Offering and, in such case, have an option for 60 days from the Offering Day to acquire Units from the Issuer at the Offering Price less commission to cover such over allotment (the "Greenshoe Option"). Alternatively, the Agents may cover such over allotment by making purchases of shares of the Issuer and Series "A" Warrants in the market through the facilities of the Exchange. The number of Units subject to the Greenshoe Option will be determined on the Offering Day. The Issuer has the right to terminate the Greenshoe Option at any time prior to 12:00 noon on the day prior to the Offering Day.

The Agents reserve the right to offer selling group participation in the normal course of the brokerage business to selling groups

REPORT ON THE  
1990 PHASE I AND II EXPLORATION PROGRAMS

ON THE

LAKEWATER PROJECT

TYMAR RESOURCES INC., AKIKO-LORI GOLD RESOURCES LTD.  
AND VARITECH RESOURCES LTD.

SKEENA MINING DIVISION  
BRITISH COLUMBIA

NTS 104B/9W

LATITUDE 56°37'N

LONGITUDE 130°30'W

Dave Laudrum, B.Sc.  
Gerry McArthur, B.Sc.  
David Mallo, B.Sc.  
Doug Turnbull, H.B.Sc.

November, 1990

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**SUMMARY**

The 1990 Phase I and II exploration programs on the Lakewater Property were carried out between July and October 1990. The Phase I exploration program consisted of reconnaissance geological mapping and prospecting, legal surveying, geochemical sampling and geophysics. The Phase II program consisted of additional geophysics and diamond drilling. The work was undertaken by Prime Explorations - a division of Prime Equities Inc., on behalf of, Tymar Resources Inc., the Project Operator of the Lakewater Joint Venture. The Lakewater Joint Venture is an equal partnership between Tymar Resources Inc., Varitech Resources Ltd. and Akiko-Lori Gold Resources Ltd.

The exploration programs were in part a follow-up to the preliminary evaluation of the Lakewater Property conducted during the summer of 1989. In addition, a more detailed exploration over the southeast corner of the LAKE 2 Mineral Claim was undertaken. Exploration focussed on favourable stratigraphy and previously outlined airborne geophysical targets on trend with the hosting stratigraphy of the Eskay Creek 21 Zone Deposits. As well, reconnaissance mapping, soil sampling and prospecting were conducted over the majority of the TOM 1, TOM 2 and LAKE 1 Mineral Claims.

A geophysical control grid totalling 29.0 kilometers was cut and surveyed over much of the southeastern portion of the Lakewater Property. A 2.8-kilometre surveyed base line (034°) and 28, 100-metre cross lines were established with 25-metre picket spacing.

Soil sampling was conducted in two areas: along reconnaissance lines over the western part of the TOM 1 and 2 Mineral Claims; and on the surveyed Lakewater grid. A total of 1,283 soil samples was collected.

Mark McGladrey and Associates was contracted to survey the LAKE 2 Mineral Claim which partially overlies the SIB Mineral Claims. The survey indicated two sizeable gaps in the SIB claim staking, designated the North SIB Claim Gap and the South SIB Claim Gap. These Claim Gaps are within the Lakewater Property and covered by the LAKE 2 Mineral Claim.

Detailed mapping of the Northern SIB Claim Gap was completed at 1:2500. No detailed mapping was undertaken on the Southern SIB Claim Gap due to the onset of winter conditions in mid-October. Approximately 150 rock samples were taken as part of the mapping and reconnaissance prospecting program.

Geophysical surveying, including 26 kilometres of VLF-EM and Magnetometer; 13.8 kilometres of IP and 9.2 kilometres of UTEM, were completed over selected portions of the Lakewater grid. Several coincident VLF, IP and UTEM anomalies occur on the North and South SIB Claim Gaps (L13-16S and L21-24S respectively) and other portions of the LAKE 2 Mineral Claim.

During August to October 1990, diamond drilling was conducted on the Northern SIB Claim Gap (L13-L16S) to test coincident geochemical, geophysical anomalies in an area of moderate alteration and sulfide mineralization. Nine drill holes have been completed to date. Favourable results obtained from the drilling, in conjunction with results from the ground exploration completed to-date, indicate that further work is warranted on the Lakewater Property.

## CONCLUSIONS AND DISCUSSIONS

The objectives of the 1990 Phase I and II exploration programs were (i) to establish if the extension of the Eskay Creek 21B Zone hosting stratigraphy occurs on the Lakewater Property, (ii) to define the stratigraphic relationships between the Eskay Creek and Lakewater Properties and, (iii) to define/evaluate additional exploration targets.

To date less than 25% of the Lakewater Property has been fully explored due to time constrictions on the summer field season and the sedimentary cover overlying a considerable amount of favourable stratigraphy. Based on results from the Phase I and Phase II exploration programs, follow-up work is required to better understand the distribution of gold, silver and base metal mineralization with respect to major structures and the hosting stratigraphy.

The most prospective areas thus far defined are the North and South SIB Claim Gaps. Drilling, geological mapping and geophysical data collected from the Northern SIB Claim Gap within the LAKE 2 Mineral Claim indicates that the Eskay Creek 21 Zone hosting stratigraphy does extend onto the Lakewater Property. The stratigraphy underlying the Northern SIB Claim Gap appears to be the stratigraphic equivalent of the footwall sequence to the 21B Deposit which lies predominantly within the Eskay Creek Property of Prime Resources Group Inc. and Stikine Resources Ltd. The along strike equivalent of this stratigraphy also appears to cross the Southern SIB Claim Gap.

The mineralized argillite intersected in Drill Hole LW90-02 (1.197 ounces per ton gold over 3.0 metres) indicates that high grade gold mineralization is present locally within a similar geologic environment to that at the Eskay Creek Property. The cross-cutting style of mineralization observed in Drill Hole LW90-02 indicates a



structural control on gold mineralization within interbedded argillites of the volcanic package underlying the North SIB Claim Gap.

Coincident geophysical conductors and geochemical anomalies are very important in locating the topographically-recessive interbedded graphitic argillite horizons. Similar evaluation of geophysical and geochemical data supports the identification of significant cross-cutting structures defined from air photo interpretation utilizing both colour and false colour infrared photography.

The principle areas recommended for continued evaluation are the stratigraphic and structural targets at the drill-ready stage on the LAKE 2 Mineral Claim. The first target area is within the highly altered felsic tuffs and carbonaceous wacke stratigraphy crossing the North SIB Claim Gap. Coincident geophysical (IP, UTEM) and geochemical anomalies occur on Lines 14S, 15S and 16S within the North SIB Claim Gap. The most favourable of these commonly reflect carbonaceous argillite and/or wacke within the underlying geology. These units appear as favourable hosts to precious and base metal mineralization, as evidenced by drill hole LW90-02 which returned an average of 1.197 ounces per ton gold and 1.70 ounces per ton silver over a core length of 3 metres.

The second drill target area is the extension of this favourable stratigraphy within the South SIB Claim Gap. Similarly, coincident geophysical-geochemical anomalies generally associated with favourable geological units are present. Drill targets on Lines 21S, 22S, 23S and 24S are quite similar to those some 400 metres to the north within the North SIB Claim Gap.

The third area of immediate interest is a series of IP anomalies underlain by carbonaceous siltstone and argillite on Lines 19S and 20S. The surficial geology in this area is thought to belong

either to the Upper Salmon River or Basal Bowser, with the target stratigraphy lying some depth below. On a regional scale, it is felt that the potential along strike stratigraphic equivalent to the hosting lithology of the Eskay Creek Deposits would occur in a similar setting, beneath this younger cover of siltstone, sandstone and conglomerate. A number of linear Airborne Magnetic trends have been utilized to extrapolate the southward extension to the Eskay Creek 21 Zone hosting stratigraphy through the LAKE 1 and 2 Mineral Claims. Diamond drilling near Line 19S will assist greatly in understanding these stratigraphic relationships.

A fourth area of interest is the northeastern portion of the LAKE 1 Mineral Claim where a series of linear Airborne Magnetic trends have been identified. Exploration of this area will assist in a further understanding of the stratigraphic correlation between the Lakewater Property and the precious and base metal mineralization identified on the Eskay Creek Property to the northeast.

Other areas on the property are also worthy of follow-up exploration, however, have been the focus of a less intensive evaluation to-date. Included within these areas are: the western-northwestern portions of the TOM 1 and 2 Mineral Claims where andesitic volcanics display substantial alteration related to dioritic intrusives, and the southern portions of the TOM 2 Mineral Claim, where similar stratigraphy to that of the eastern portion of the LAKE 2 Mineral Claim is postulated to occur. These two areas require further exploration during the summer field season of 1991, to include geologic mapping, prospecting, geochemistry and geophysics.

**RECOMMENDATIONS**

It is recommended that the Lakewater Joint Venture undertake a success-contingent, two-part diamond drilling exploration program. The Phase IIIa portion of the program should consist of 15-20 diamond drill holes totalling some 3,000 metres. Drilling during this phase of exploration should test the most favourable targets in the North SIB Claim Gap, the South SIB Claim Gap and the 19S-20S geophysical anomaly. The primary focus of the program will be to identify areas of potential economic precious and base metal mineralization while obtaining a geologic understanding of the stratigraphic and structural relationships on the Lakewater Property.

If successful in identifying areas of economic potential, then a Phase IIIb program of delineation drilling should be undertaken. This program will concentrate on the area(s) of most potential and will similarly consist of 15-20 holes totalling approximately 3,000 metres.

It is anticipated that each of the Phase IIIa and Phase IIIb programs will cost \$500,000, making the entire recommended exploration budget \$1,000,000 for this phase of evaluation.

It is recommended that the success-contingent, two-part exploration program be undertaken during the winter season of 1990-1991. Regional experience by Prime Explorations - a division of Prime Equities Inc., indicates that if properly prepared and outfitted, drilling oriented exploration can be completed both successfully and cost effectively during the winter months in this region.

Additional field exploration is also recommended for portions of the Lakewater Property during the 1991 summer field season. Further ground work on the LAKE 2 Mineral Claim should be undertaken to better understand the inter-relationships of

stratigraphy and structure in this complex geologic environment. In addition, the western-northwestern portions of the TOM 1 and 2 Mineral Claims and the southern portions of the TOM 2 Mineral Claim require further exploration and evaluation during the summer field season of 1991, to include geologic mapping, prospecting, geochemistry and geophysics. It is estimated that this summer exploration program would cost approximately \$100,000.

**INTRODUCTION**

Prime Explorations - a division of Prime Equities Inc. was commissioned by Tymar Resources Inc. to prepare a summary report of the 1990 Phase I and II exploration programs on the Lakewater Property. The report is based on the materials listed in the bibliography and data collected during the progress of the field exploration programs, including geological, geochemical and geophysical information. The successful progress of the Lakewater Project has also benefited from the experience of the Prime Explorations staff gained from their involvement in the discovery, exploration and preliminary development of the Eskay Creek 21B Deposit and the ongoing exploration of numerous surrounding properties.

The report covers all work carried out on the Lakewater Project from July to October, 1990 when the first diamond drilling was completed. The following report assesses the data collected thus far and makes recommendations for further exploration of the Lakewater Property.

## LOCATION AND ACCESS

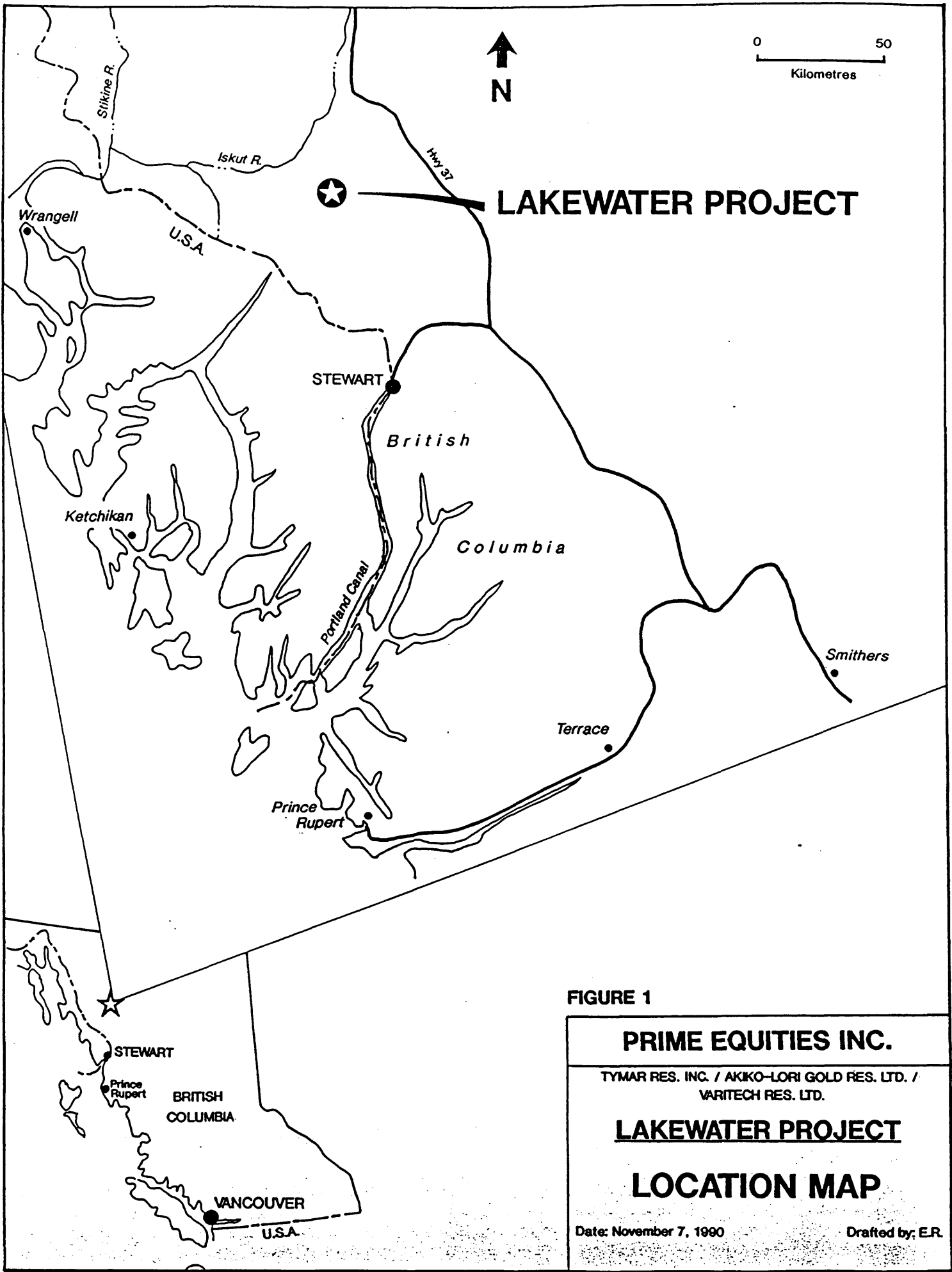
The Lakewater Property is situated approximately 100 kilometres northwest of Stewart, British Columbia, as shown in Figure 1. The claim group occurs within the NTS map sheet 104B/10E and is centered about 56°37' N, 130°3' W.

The property is directly southwest of the Eskay Creek Property owned by Stikine Resources Ltd. and Prime Resources Group Inc., and the property is bounded to the east by American Fibre Corporation's SIB claim group.

Access to the property is by helicopter, or by float or ski-equipped aircraft on Tom McKay Lake. There is a year round accessible airstrip located at Bronson Creek approximately forty kilometers west of the property. The Bronson airstrip is serviced regularly from Terrace and Smithers. Bell-Irving Crossing is located twenty-five kilometers east of the property on the Stewart Cassiar highway and along with Bronson Creek serves as a helicopter base.

Field crews conducting work on the Lakewater Property have been based out of the Prime Resources Group Inc. Eskay Creek camp. Transportation during the summer months to the Property has been by foot or helicopter. During the winter and given sufficient snow cover, access to the Property from the Eskay Creek camp is possible by snowmobile.

Construction of a road connecting the Eskay Creek 21B deposit with the Stewart-Cassiar highway is expected to be completed in 1991.



**LAKEWATER PROJECT**

**FIGURE 1**

<b>PRIME EQUITIES INC.</b>	
TYMAR RES. INC. / AKIKO-LORI GOLD RES. LTD. / VARITECH RES. LTD.	
<b><u>LAKEWATER PROJECT</u></b>	
<b>LOCATION MAP</b>	
Date: November 7, 1990	Drafted by: E.R.

**CLAIM STATUS AND OWNERSHIP**

The Lakewater Property is comprised of four mineral claims consisting of 72 units within the Skeena Mining Division as shown in Figure 2. Table 1 lists the claim names and pertinent staking information.

<b>CLAIM NAME</b>	<b>RECORD NUMBER</b>	<b>UNITS</b>	<b>RECORDING DATE</b>	<b>EXPIRY DATE</b>
LAKE 1	6287	20	July 20, 1987	July 20, 1992
LAKE 2	6288	16	July 20, 1987	July 20, 1992
TOM 1	7779	20	Aug. 15, 1989	Aug. 1, 1991
TOM 2	7780	16	Aug. 15, 1989	Aug. 1, 1991

The LAKE 1 and 2 Mineral Claims were recorded by F. Schomig and are the subject of an agreement with Varitech Resources Ltd. The TOM 1 and TOM 2 Mineral Claims were recorded by B. Aelicks and replace the former WATER 1 and WATER 2 Mineral Claims which were disputed and cancelled under Section 35 of the Minerals Tenure Act (B.C.).

An option agreement has allowed Tymar Resources Inc. and Akiko-Lori Gold Resources Ltd. to earn a position as equal partners with Varitech Resources Ltd. Presently, the Lakewater Property operates as an equal Joint Venture with each of the three partners holding a 33 1/3% working interest.

American Fibre Corporation and Consolidated Silver Butte's SIB Property borders the Lakewater Property to the south and southeast. The Eskay Creek Property jointly owned by Prime Resources Group Inc. and Stikine Resources Ltd. along with the GNC property jointly owned by Prime Resources Group Inc., Stikine Resources Ltd. and Canarc Resource Group bounds the property to the east. Eurus Resource Corp. owns the Albino Lake Property directly to the north of the Lakewater Property while the western side is bounded by the Bonsai Claims of Brightwork Resources Inc., Casandra Resources and Teuton Resources Corporation.



EURUS



PRIME/STIKINE  
ESKAY CK  
PROJECT

TOK 15

TOK 12

TOK 14

TOK 13

SIB 2

SIB 1

SIB 4

SIB 3

SIB 6

SIB 5

SIB 8

SIB 7

TOM 1

LAKE 1

TOM 2

LAKE 2

LCP

Little Tom Mackay Lake

Mackay Lake

Tom

TEUTON / BRIGHTWORK / CASANDRA

PRIME / STIKINE / CANARC

AMERICAN FIBRE / SILVER BUTTE

FIGURE 2

**PRIME EQUITIES INC.**

TYMAR RES. INC. / AKIKO-LORI GOLD RES. LTD. /  
VARITECH RES. LTD.

**LAKEWATER PROJECT  
CLAIM MAP**

Date: November 7, 1990

Drafted by: E.R.

0 .5 1Km

Scale 1:25,000



## CLIMATE AND PHYSIOGRAPHY

The Lakewater Property is situated on the Prout Plateau in the Coast Range Physiographic division. The terrain is largely glacially eroded with moderate relief except for the western edge of the property where the topography is very steep adjacent to Harrymel Creek and the Melville Glacier. The alignment of glacially sculpted ridges and valleys indicates that the dominant ice direction was northeast-southwest.

The property is above treeline with elevations ranging from 1000 metres at Tom McKay Lake to 1,500 metres in the northwest corner of the property. Tom McKay Lake is one of two substantial lakes on the property, the other being Little Tom McKay Lake. A number of small streams cross-cut the property, which along with the lakes provide a sufficient source of water for drilling and ancillary purposes.

In general, the vegetation is sparse and is best described as an alpine meadow. Some larger conifers occur along the bottom of stream valleys.

The property is somewhat influenced by a coastal climate and precipitation is in excess of 100 centimeters per year. The summer field season generally runs from the beginning of July to the end of September. The spring and fall are very wet and fog is often a problem affecting transportation by air. During the winter snowfall can often be in excess of 4 to 5 metres.

**EXPLORATION HISTORY**

The area east of Coulter Creek covered by the SIB Claim Group and the LAKE 1 and 2 Mineral Claims has had a long history of exploration, having been worked intermittently by various Companies since the original mineral discoveries (in 1932) by T.S. McKay, A.H. Melville and W.A. Prout (BCDM 1932, Panteleyev 1983, Blackwell 1989).

Early work by Premier Gold Mining Co. (1935-38, G. Diron) discovered numerous mineral occurrences which were systematically trenched and sampled. These include the South Bluff, Paradise Valley, #1 and #4 OC, Battleship Knoll, #13 and #10 OC, #38, #39 and #20 OC, North Bluff and North End showings (F.B. Whiting, 1946). Early workers identified three main types of base and precious metal mineralization:

- Type 1 includes veins and disseminations of sphalerite and pyrite with less galena and arsenopyrite (#19 OC, #1 OC, #40 OC) usually with erratic high gold and silver
- Type 2 includes veins, shears and disseminations of pyrite, sphalerite, galena, chalcopyrite with lesser arsenopyrite (#4 OC, #13 OC, #35 OC) usually with erratic high silver and gold.
- Type 3 includes veins, disseminations and masses of pyrite (marcosite), sphalerite, galena and lesser chalcopyrite often associated with graphitic material with erratic precious metals (#20 OC, #39 OC).

Most exploration was aimed at delineating precious metal mineralization which occurs in zones of intense silicification, pyritization, sericitization and brecciation which weather to form visually striking gossans. These alteration zones are hosted by

rocks correlated to the Betty Creek Formation especially the tuffaceous portions. The alteration zones are coincident with the Eskay Creek structural zone, a steeply dipping anastomosing ductile shear zone striking  $30^{\circ}$  to  $50^{\circ}$ , subparallel to the strike of the bedding. Cross faulting occurs at N80E and N20W.

## REGIONAL GEOLOGY

The Lakewater Property lies within the Intermontane Tectono-stratigraphic belt, one of five northwest-southeast trending belts which make up the Canadian Cordillera.

Regionally the property is situated in the Stikine Terrane bounded to the west by the Coast Plutonic Complex, to the north by the Stikine Arch, to the east by the Quesnel Terrane and to the south by the Skeena Arch (Wheeler et al, 1988). The Stikine Terrane is comprised of late Triassic and early Jurassic volcanic rocks. An extensive area of this package is overlain by the Bowser Group of sediments often referred to as the Bowser Basin Sediments.

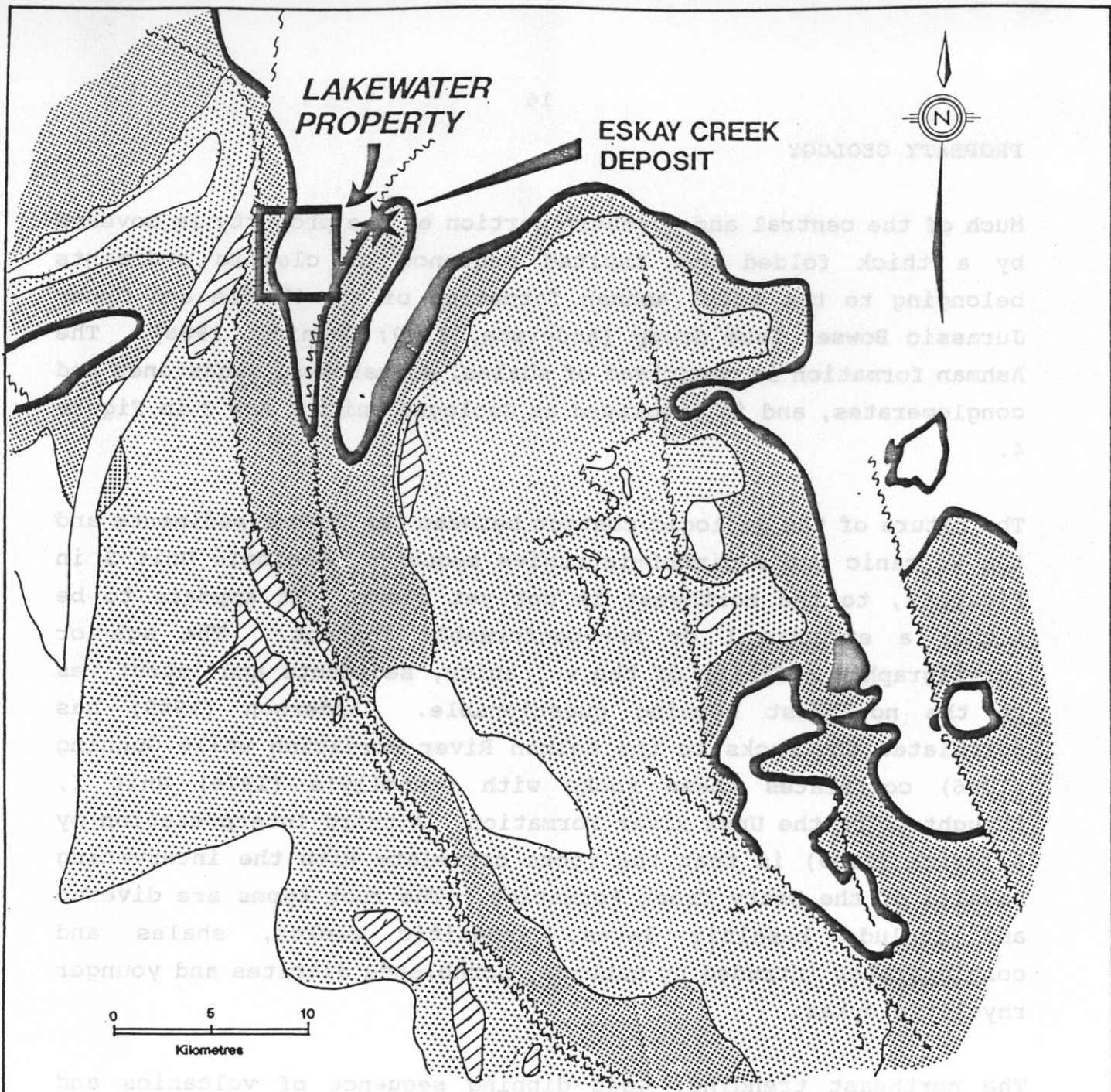
The lobe of the Stikine Terrane along the western edge of the Bowser Basin is referred to as the Stewart Complex. The Stewart Complex is well known as the setting for the Iskut, Sulphurets, Stewart and Kitsault Mining Camps (Alldrick, 1989). The Complex is comprised of Upper Triassic epiclastic volcanics, marbles, sandstones and siltstones of the Stuhini Group (Hardy and Chapman, 1989). This package is overlain by the Hazelton Group of sedimentary and volcanic rocks. Alldrick (1989) has broken the Hazelton down into three distinct formations, the oldest of which is the Unuk River Formation. Overlying this is the Betty Creek Formation which underlies the Mount Dilworth Formation (Alldrick, 1989). It is the Mount Dilworth and Betty Creek Formations which host footwall mineralization at the Eskay Creek 21B Deposit, and the Lakewater Property.

Overlying the Stewart Complex, or more directly the Hazelton Group, is the Salmon River Formation, considered to be part of the Spatzizi Group (Alldrick, 1989). Capping the Salmon River Formation is a thick folded sequence of clastic sediments belonging to the Ashman Formation. The Ashman Formation is considered to be

the basal portion of the Bowser Lake Group (Alldrick, 1989), derived primarily from the erosion of the uplifted Skeena and Stikine Arches (Gunning, 1986).

A major bounding fault has been mapped along the South Unuk River and Harrymel Creek. This northwest trending, northeast dipping zone of shearing and faulting is interpreted as a major northeast side down normal fault which juxtaposes Triassic strata to the west against strata to the east. (Alldrick et al 1989, Britton et al 1989).

Splays off the Unuk-Harrymel fault strike northward along Coulter Creek and across the Prout Plateau. These structures appear to juxtapose various ages or facies of Hazelton Group perhaps prior to the onlap of Bowser sedimentation. It is proximal to one such structure that the Eskay Creek 21 Zone Deposits are associated, as indicated by the Regional Geology map in Figure 3.



Regional Geology from Aldrick, Orequest, 1989

FIGURE 3

PERIOD	FORMATION	GROUP
M Jur	Ashman	BOWSER LAKE
	Salmon River	SPATSIZI
190 Ms	Mount Dilworth	HAZELTON
L Jur	Betty Creek	HAZELTON
	Unuk River	STUWANI
210 Ms		
U Tri		

6 Km

**PRIME EQUITIES INC.**

TYMAR RES. INC. / AKKO-LORI GOLD RES. LTD. /  
WARTech RES LTD.

**LAKEWATER PROJECT**

BRITISH COLUMBIA

**REGIONAL GEOLOGY**

Date: November 9, 1990

Drafted by: E.R.

NTS 1048/9W,10E



**PROPERTY GEOLOGY**

Much of the central and northern portion of the property is covered by a thick folded and faulted sequence of clastic sediments belonging to the basal Ashman formation of the Middle and Upper Jurassic Bowser Lake Group (Anderson, 1989; Gunning, 1986). The Ashman formation is comprised of shales, siltstones, sandstones and conglomerates, and is displayed as Geologic Units 1 and 2 in Figure 4.

The nature of the geologic contact between the Bowser sediments and the volcanic and sediment-intrusive sequence, Geologic Unit 3 in Figure 4, to the northwest is not yet clear. It appears to be either a structural or non-conformable contact. The age or stratigraphic affinity of the volcanics, sediments and intrusives to the northwest remains questionable. Anderson (1989) has correlated the rocks to the Salmon River Formation while Gunning (1986) correlates these rocks with Donnelly's (1976) Unit I, thought to be the Unuk River Formation. A third interpretation by Alldrick (1989) is that the rocks correlate with the intervening basalts of the Betty Creek Formation. The rock types are diverse and include basaltic lavas, andesitic wackes, shales and conglomerates intruded by gabbros, hornblende diorites and younger rhyolitic dykes.

The northeast trending, west dipping sequence of volcanics and sediments in the southeast corner of the Lakewater Property, are Lower Jurassic Hazelton Group rocks. The eastern contact of the Bowser sediments with these Hazelton Group volcanics and sediments appears to be a fault displayed along Argillite and Coulter Creeks.

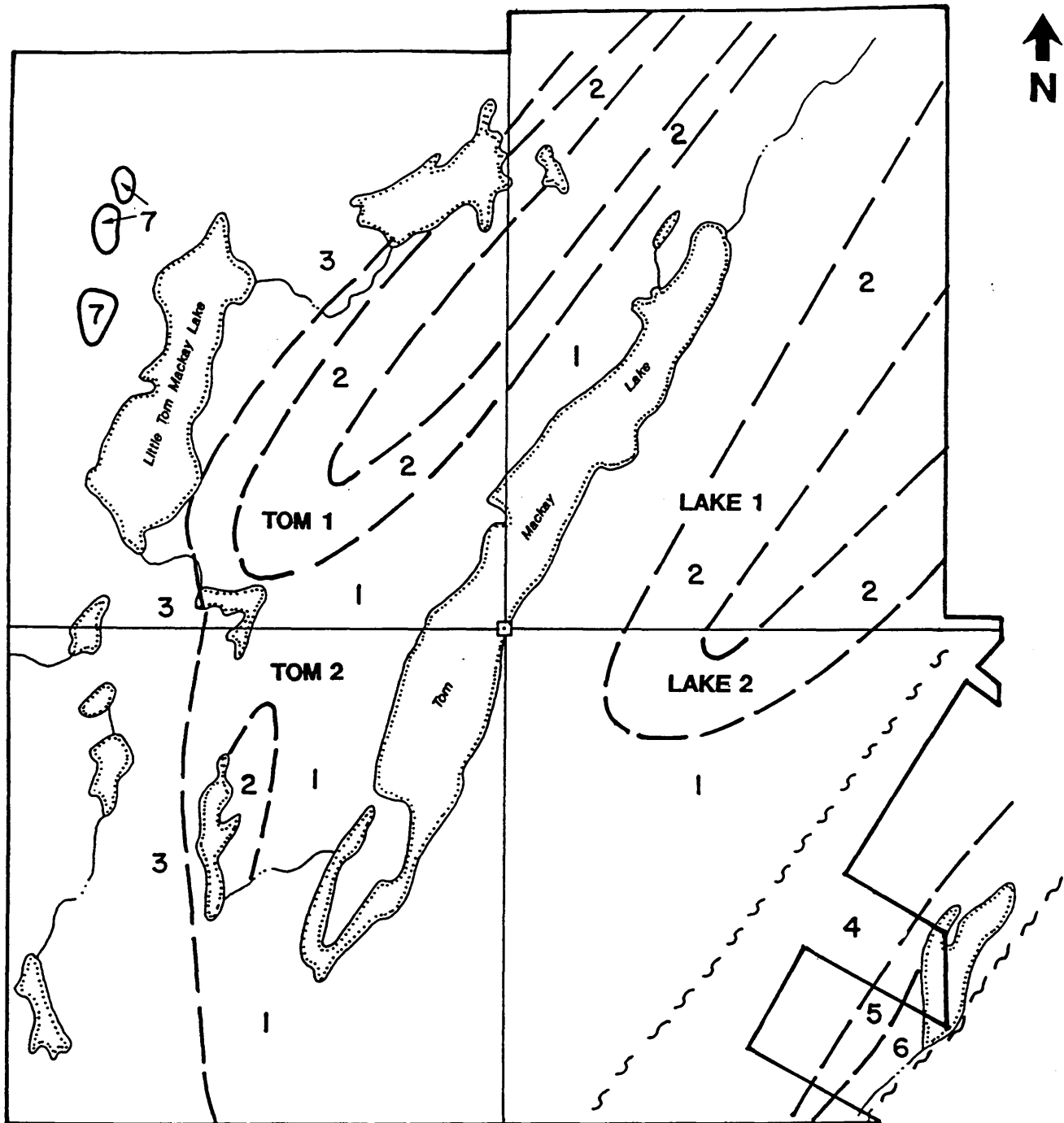
The oldest rocks exposed occur on the North and South SIB Claim Gaps and include dacitic tuffs, breccias and epiclastics represented by Geologic Unit 6 in Figure 4. The dacites often host numerous rusty-weathering, pyritic and siliceous gossans which



contain precious and base metal mineralization such as that found on the adjacent SIB Property and Eskay Creek Property. Interbedded with and conformably overlying the dacites are carbonaceous and calcareous wacke and lesser andesitic tuffs designated as Geologic Unit 5 in Figure 4. Together with the dacitic volcanics, these rocks are believed to be the Betty Creek Formation and may unconformably overlie the andesitic pyroclastics of the Unuk River Formation to the east of the property.

The Betty Creek sequence is conformably overlain by resistant, whitish weathering, siliceous, rhyolitic-dacitic flows, tuffs and breccias shown as Geologic Unit 4 in Figure 4. These rocks have been correlated to the Mount Dilworth Formation (Alldrick, 1987). The rhyolite is locally intruded by rusty-weathering, rubbly, andesite dykes, thought to be feeders of the overlying Salmon River volcanics.

Numerous sub-parallel and conjugate faults cross cut the Hazelton volcanics in this portion of the property. Correlation of units in drilling is at times difficult due to the "fault-block" effect commonly observed in the Eskay Creek 21B Deposit. Whether mineralization in this portion of the property is spatially associated or structurally disrupted by these structures is still unclear.



**LEGEND**

- 1 Argillites / sandstones
- 2 Conglomerates / sandstones
- 3 Andesitic volcanics
- 4 Rhyolitic volcanics
- 5 Andesitic wackes / interbedded argillite
- 6 Dacitic volcanics
- 7 Felsic intrusives

- ~~~~~ Fault
- Geological Contact

**FIGURE 4**

**PRIME EQUITIES INC.**

TYMAR RES. INC. / AKIKO-LORI GOLD RES. LTD. /  
VARITECH RES. LTD.

**LAKEWATER PROJECT**  
BRITISH COLUMBIA

**GEOLOGY MAP**

Date: November 8, 1990 Drafted by: E.R.

0                      .5                      1Km

Scale 1 : 25,000



**GEOCHEMISTRY**

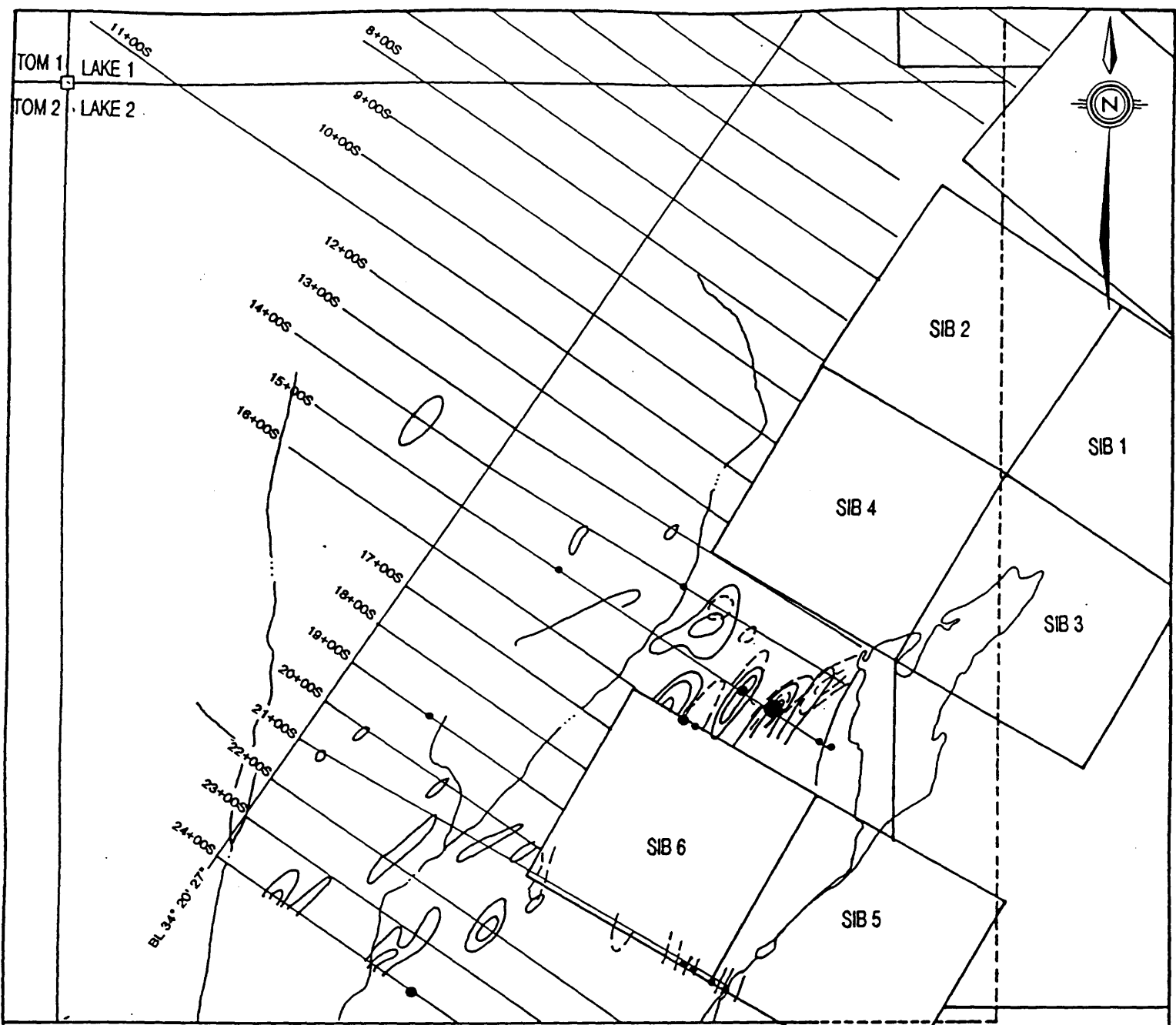
A total of 1,283 soil samples was collected from the entirety of the Lakewater grid covering the southeastern portion of the LAKE 2 claim. Soil samples were analyzed for 31 elements and contoured plots of Au, Ag, As, Sb, Cu, Pb, Zn, Ba, Mn and Ni were produced. These ten elements were chosen for detailed evaluations because of correlations defined between their soil geochemical signatures and associated mineralization on the nearby Eskay Creek Property.

A number of contourable anomalies were discovered. Anomalies generally coincided with favourable stratigraphic horizons, major cross cutting structures, or coincident VLF, UTEM and IP anomalies. Of apparent primary importance are multi-element soil anomalies with Au, Ag, As and Sb as the elements of most significance. A plot of the anomalous Au, Ag and As values is shown in Figure 5.




A number of the linear, contourable multi-element soil anomalies are considered excellent prospecting and diamond drilling targets. Coincident geophysical conductors with geochemical association will be proposed as diamond drilling targets.

The areas recommended for follow-up based on their geochemical signatures include:

- i) L15S - 7+00 to 7+50E: Au-Ag-As
- ii) L15S - 8+00 to 8+50E: Au-Ag-As
- iii) L16S - 6+00 to 7+00E: Au-Ag-As
- iv) L21S - 9+00 to 10+50E: Au-Ag-As
- v) L24S - 4+00 to 5+00E: Au-Ag




**LEGEND**

-  Silver - 0.8, 1.6, 3.2 ppm
-  Gold - 20 → 100 → 400 → 800 →
-  Arsenic - >50 ppm

**FIGURE 5**

**PRIME EQUITIES INC.**  
 TYMAR RES. INC. / ANIKO-LORI GOLD RES. LTD. /  
 VANTECH RES. LTD.  
**LAKEWATER PROJECT**  
 BRITISH COLUMBIA  
**ANOMALOUS GOLD, SILVER, ARSENIC  
 CONCENTRATIONS IN SOIL**

Date: November 9, 1990 Drafted by: E.P.

0 200m  
  
 Scale 1 : 12,500

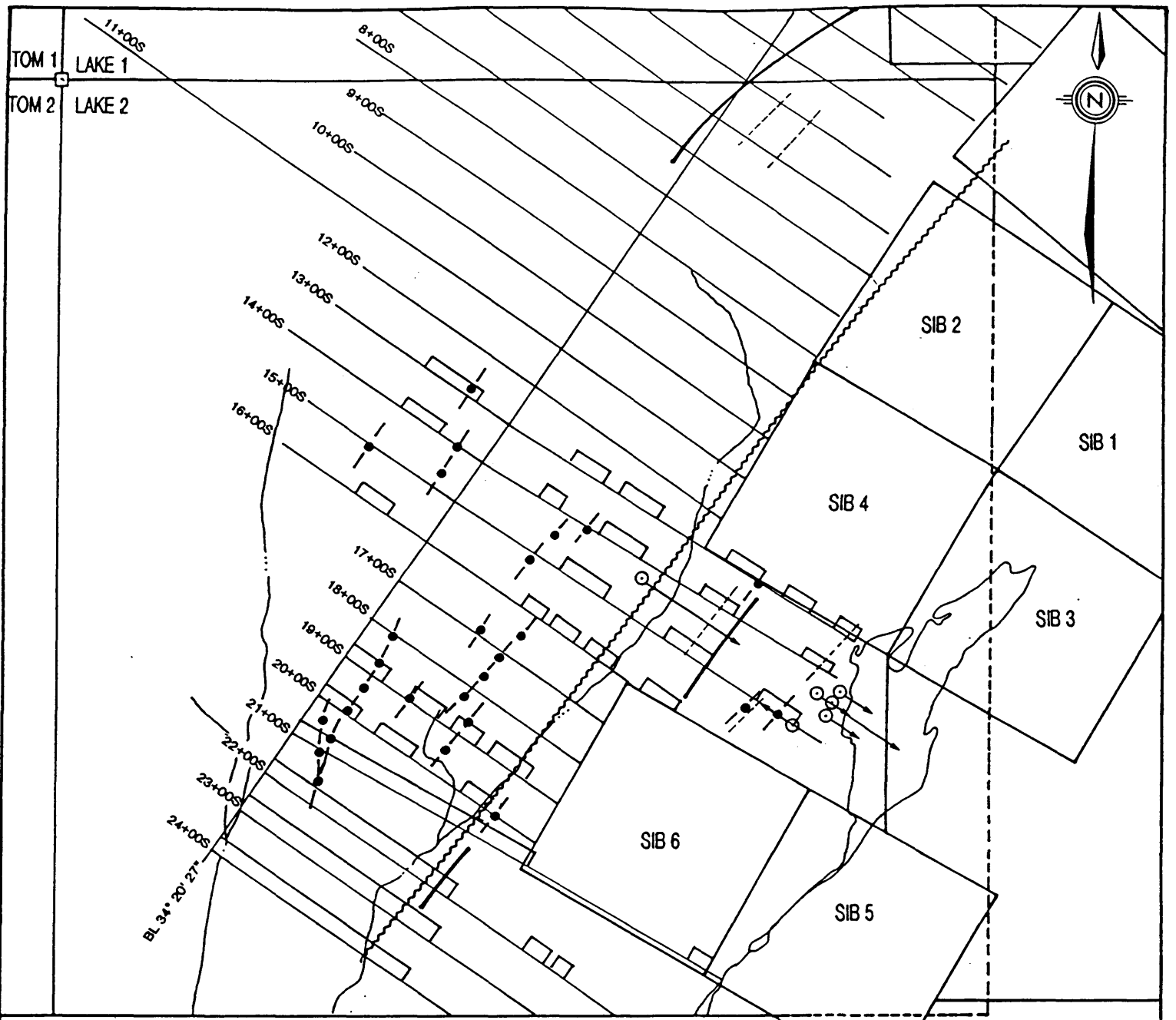
## GEOPHYSICS

All geophysical surveys were conducted utilizing the Lakewater grid in the southeast corner of the property. A total of 21 kilometres of ground VLF and Magnetometer was completed over the majority of the Lakewater grid with the exception of lines 21S to 24S which were cut very late in the season. The ground Magnetometer survey confirmed a number of magnetic trends observed in the airborne survey flown during 1989 (Dvorak, 1989). Many of the magnetic anomalies lie on trend with the magnetic signature associated with the hosting stratigraphy of the Eskay Creek 21B Deposit. Several VLF anomalies were located on the Lake 2 claim within the North and South SIB Claim Gaps and adjacent to the Salmon River-Hazelton contact between lines 12S to 21S. VLF has proven to be an important tool in locating graphitic argillite horizons which are often associated with gold mineralization throughout the area.






Test surveys of IP and UTEM were conducted over selected areas of the Lakewater grid. Successful IP results warranted a follow-up IP survey over much of the southern portion of the Lakewater grid. A total of 8.5 kilometres of UTEM and 12 kilometres of IP were completed. Much of the IP and UTEM response coincided with the VLF data, however, the IP data appeared more consistent and reliable than either the UTEM or VLF. The IP survey outlined several linear chargeability anomalies. While some of these anomalies coincided with graphitic argillite horizons within the rhyolite and dacite in the North and South SIB Claim Gaps, large scale structures were also reflected by the IP in newly discovered areas of interest.

A compilation of geophysical data is shown in Figure 6. Some of the geophysical targets recommended for follow-up include:

- i) L14S - 8+00 to 8+50E: IP, UTEM
- ii) L15S - 7+75 to 8+75E: IP, UTEM, VLF
- iii) L19S - 1+50 to 2+50E: IP, UTEM
- iv) L21S - 9+75 to 10+25E: IP
- v) L22S - 6+50 to 7+50E: IP



**LEGEND**

-  I.P. Chargeability Anomaly
-  U.T.E.M. Anomaly
-  V.L.F. Anomaly
-  Magnetic Trend
-  Diamond Drill Hole

**FIGURE 6**

**PRIME EQUITIES INC.**  
 TYMAR RES. INC. / AIKIO-LORI GOLD RES. LTD. /  
 VARITECH RES. LTD.

**LAKEWATER PROJECT**  
 BRITISH COLUMBIA

**GEOPHYSICS**

Date: November 9, 1990  
 Drafted by: E.R.

0 200m  
 Scale 1 : 12,500

## DRILLING

Drilling to date has been focused on the North SIB Claim Gap. Between August 23 and October 11, 1990, a total of 1,645.1 meters of BGM core was drilled in nine holes. Figure 7 shows the collar locations and drilling orientation for these holes.

Significant gold and silver mineralization encountered in drilling was associated with a silver-white sulfide tentatively identified as arsenopyrite ± minor tetrahedrite. An interval displaying this mineralization in drill hole LW90-02 returned 1.197 ounces per ton gold and 1.70 ounces per ton silver over three metres.

Mineralization appears to have both structural and lithological controls. Arsenopyrite occurs as fracture controlled stringers and semi-massive patches within a massive to weakly laminated mudstone/wacke. Pyrite, galena, sphalerite ± chalcopyrite also occur as fracture controlled stringers and minor disseminations. The total base metal sulfide content ranges from 0.5 to 5.0%.

The mudstone unit intersected in drilling which hosts the gold and silver mineralization appears to be stratigraphically and lithologically equivalent to the "Middle Argillite" on the Eskay Creek Property to the northeast.

Understanding the orientation of the various structures and mineralization in drilling has been complicated by movement of fault bounded blocks. Displacement and shuffling of these structure-bound blocks in the North and South SIB Claim Gaps is evident from work completed thus far, however, additional drilling is required to complete a full stratigraphic picture as well as to effectively determine the relationship between stratigraphic units and mineralization.

In particular, diamond drilling on Sections 14S, 15S, 16S, 19S,

21S, 22S, 23S and 24S is recommended to: 1) follow-up on the best drill results to date; 2) test the most favourable coincident geophysical/geochemical/geological targets; 3) clarify the understanding of the orientation of mineralization as it relates to structure and stratigraphy.



LAKEWATER PROJECT

SUMMARY OF SIGNIFICANT DRILL RESULTS

Hole	From	To	Interval (feet)	Au (oz/t)	Ag (oz/t)	Pb (%)	Zn (%)	Cu (%)
LW90-1	NSR							
LW90-2	301.76	311.60	9.84	1.197	1.70	0.73	.72	0.04
	511.68	518.24	6.56	0.024	0.38	0.57	1.52	0.10
LW90-3	246.00	249.28	3.28	0.115	0.05	0.01	0.01	0.01
	308.32	314.88	6.56	0.020	1.24	1.04	1.28	0.20
LW90-4	NSR							
LW90-5	223.04	226.32	3.28	0.055	0.57	0.27	0.52	0.30
	246.00	249.28	3.28	0.017	0.79	0.62	0.97	0.05
	285.36	288.64	3.28	0.007	1.67	0.15	2.52	0.28
LW90-6	203.36	206.64	3.28	0.012	2.76	1.2	1.78	0.55
	213.20	223.04	9.84	0.057	0.23	0.02	0.02	0.01
LW90-7	NSR							
LW90-8	331.28	350.96	19.68	0.015	1.96	1.51	3.18	0.36
LW90-9	NSR							



0-01  
○  
↘

L 13S

AMERICAN FIBRE  
LAKEWATER

LAKEWATER  
AMERICAN FIBRE

LW90-08, 09  
LW90-02, 05 ○  
LW90-03 ○  
LW90-08, 07 ○  
LW90-04 ○

LAKEWATER  
GNC

**PRIME EQUITIES INC.**  
TYMAR RES. INC. / AKKO-LORI GOLD RES. LTD. /  
VARTECH RES. LTD.

**LAKEWATER JV PROJECT**  
**NORTH SIB CLAIM GAP**  
**DRILLING PLAN**

Date: November 8, 1990  
Drafted by

0 50 100m  
SCALE 1:2500

STATEMENT OF QUALIFICATIONS

I, Gerry McArthur, of 11135 Monroe Drive, Delta, British Columbia hereby certify:

1. I am a graduate of University of British Columbia (1973) and hold a B.Sc. degree in geology.
2. I am presently a independent consultant with an office at the above address.
3. I have been employed in my profession by various mining companies since graduation.
4. I am a Professional Geologist registered with the Association of Professional Engineers, Geologists and Geophysicists of Alberta.
5. I am a Fellow of Geological Association of Canada (No. 0333).
6. The information contained in this report was obtained from a review of data listed in the bibliography, and a direct participation in most parts of the program as well as supervising the 1990 field program.
7. I have no interest, direct or indirect or in the securities of Tymar Resources Inc., Akiko-Lori Gold Resources Ltd. or in Varitech Resources Ltd.
8. I have not received nor do I expect to receive any direct or indirect interest in the Lakewater Property or any other property of Tymar Resources Inc. or its associates or affiliates.
9. I consent to and authorize the use of the attached report and my name in the Company's Prospectus, Statement of Material Facts or other public documents.

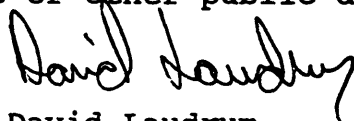
  
Gerry McArthur  
Consulting Geologist, F.G.A.C.

DATED at Vancouver, British Columbia the 21<sup>ST</sup> day of DECEMBER, 1990.

STATEMENT OF QUALIFICATIONS

I, David Laudrum, of 319 St. Vincent Street, Thunder Bay, Ontario, P7A 3X8 hereby certify:

1. I am a graduate of Lakehead University Thunder Bay, Ontario (1987) and hold a B.Sc. degree in geology.
2. I am presently as a consulting geologist with OreQuest consultants Ltd. of #306 - 595 Howe Street, Vancouver, B.C. V6C 2T5
3. I have been employed in my profession by various mining companies since graduation.
4. I am a member of the Prospectors and Developers Association of Canada, The Canadian Institute of Mining and Metallurgy, and an Associate Member of the Geological Association of Canada.
5. The information contained in this report was obtained from a review of data listed in the bibliography, and a direct participation in the property program and knowledge of the area.
6. I have no interest, nor do I beneficially own directly or indirectly any securities of Tymar Resources Inc., Akiko-Lori Gold Resources Ltd. or in Varitech Resources Ltd.
7. I have not received nor do I expect to receive any direct or indirect interest in the Lakewater Property or any other property of Tymar Resources Inc. or its associates or affiliates.
8. I consent to and authorize the use of the attached report and my name in the Company's Prospectus, Statement of Material Facts or other public documents.



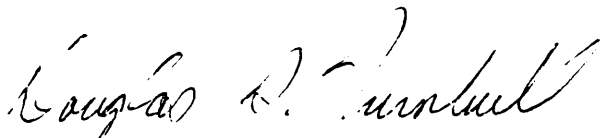
David Laudrum  
Consulting Geologist, B.Sc.

DATED at Vancouver, British Columbia the 21<sup>st</sup> day of December, 1990.

STATEMENT OF QUALIFICATIONS

I, Douglas S. Turnbull, of 21 - 1350 West 6th Street, Vancouver, British Columbia hereby certify:

1. I am a graduate of Lakehead University Thunder Bay, Ontario, (1988) and hold a H.B.Sc. degree in geology.
2. I am presently self employed as a consulting geologist with Lakehead Geological Services Inc. of 21 - 1350 West 6th Street, Vancouver, B.C. V6H 1A7.
3. I have been employed in my profession by various mining companies since graduation.
4. I am a member of the Canadian Institute of Mining and the Prospectors and Developers Association of Canada.
5. The information contained in this report was obtained from a review of data listed in the bibliography, a property examination in September and October 1990, and knowledge of the area.
6. I have no interest, direct or indirect or in the securities of Tymar Resources Inc., Akiko-Lori Gold Resources Ltd. or in Varitech Resources Ltd.
7. I have not received nor do I expect to receive any direct or indirect interest in the Lakwater Propety or any other property of Tymar Resources Inc. or its associates or affiliates.
8. I consent to and authorize the use of the attached report and my name in the Company's Prospectus, Statement of Material Facts or other public documents.

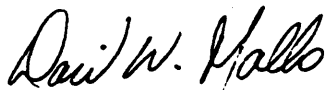
  
Douglas S. Turnbull  
Consulting Geologist, H.B.Sc.

DATED at Vancouver, British Columbia the 21st day of December, 1990.

STATEMENT OF QUALIFICATIONS

I, David Mallo, of 26357 Trethewey Crescent, Maple Ridge, British Columbia hereby certify:

1. I am a graduate of Brandon University, Brandon, Manitoba, (1988) and hold a B.Sc (Spec.) degree in geology.
2. I have practiced my profession in mineral exploration since graduation with various mining companies.
3. I am presently employed by Prime Explorations - a division of Prime Equities Inc. as Project Manager for the Lakewater Property and various other Eskay Creek regional properties.
4. I am a member of the Prospectors and Developers Association.
5. The materials contained within this report have been produced through reference to the materials cited in the bibliography and from personal evaluation of the recently acquired exploration information.
6. As an employee of Prime Equities Inc., I have an indirect interest in Akiko-Lori Gold Resources Ltd. and Tymar Resources Inc., as Prime Equities Inc. holds large share positions in both companies and manages the affairs of both companies.
7. I consent to and authorize the use of the attached report and my name in the Company's Prospectus, Statement of Material Facts or other public documents.



David W. Mallo, B.Sc. (Spec.)  
Project Manager

Dated at Vancouver, British Columbia, this \_\_\_\_\_ day of December, 1990.

21<sup>st</sup>

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**CERTIFICATES**

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts as required by the Securities Act and its regulations.

January 25 , 1991.


**ISSUER**

  
\_\_\_\_\_  
CHET IDZISZEK  
President  
(Chief Executive Officer)

  
\_\_\_\_\_  
D. WILLIAM CAMPBELL  
Secretary

**ON BEHALF OF THE BOARD OF DIRECTORS**

  
\_\_\_\_\_  
NAREN MAJITHIA  
Director

  
\_\_\_\_\_  
RALPH BROWN  
Director

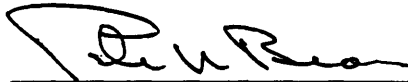
**AGENTS**

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts as required by the Securities Act and its regulations.

January 25, 1991.

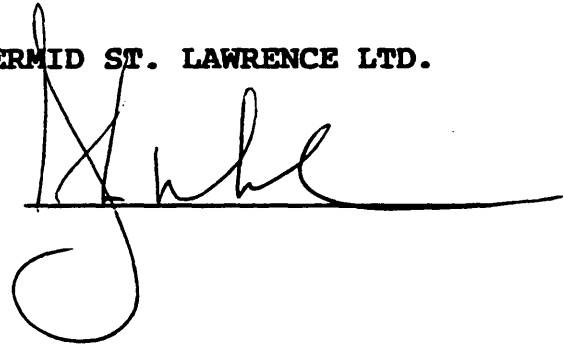
**L.O.M. WESTERN SECURITIES  
LIMITED**

Per:



**MCDERMID ST. LAWRENCE LTD.**

Per:



JLH3922-00