

DL

019020

✓

Row: Gla claims

→ 104B/15, 104G/2
New?

SUPERINTENDENT OF BROKERS

AND

Rob claims

VANCOUVER STOCK EXCHANGE
(Venture Company)

104B 165,005*

STATEMENT OF MATERIAL FACTS (#92/90)

EFFECTIVE DATE: August 31, 1990

DUNDEE RESOURCES CORP.

1730 - 999 West Hastings Street,
Vancouver, British Columbia, V6C 2W2, 683-6611

NAME OF ISSUER, ADDRESS OF HEAD OFFICE AND TELEPHONE NUMBER

1710 - 1177 West Hastings Street,
Vancouver, British Columbia, V6E 2L3 683-9262

ADDRESS OF REGISTERED AND RECORDS OFFICES OF ISSUER

National Trust Company
900 - 666 Burrard Street
Vancouver, British Columbia, V6C 2Z9, Canada,

NAME AND ADDRESS OF REGISTRAR & TRANSFER AGENT FOR ISSUER'S SECURITIES IN
BRITISH COLUMBIA

OFFERING: 1,400,000 Units*

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

* The Offering may be increased by up to 15% (or 210,000 Units) to meet oversubscriptions. See "Plan of Distribution".

n64

	<u>Estimated Price to Public (1)</u>	<u>Commission</u>	<u>Estimated Net Proceeds to Issuer (2)</u>
Per Unit:	\$ 0.40	\$ 0.03	\$ 0.37
Total for 1,400,000 Units:	560,000	42,000	518,000

(1) To be calculated in accordance with the Rules of the Vancouver Stock Exchange.

(2) Before deduction of estimated costs of issue of \$15,000

Sept, 18/90

ADDITIONAL OFFERING:

The Agents have agreed to purchase (the "Guarantee") any of the Units offered hereby which have not been sold at the conclusion of the Offering (see "Consideration to Agents"). Any Units acquired by the Agents under the Guarantee will be distributed under the Statement of Material Facts through the facilities of the Vancouver Stock Exchange at the market price at the time of sale.

The securities offered hereunder are speculative in nature. Information concerning the risks involved may be obtained by reference to this document; further clarification, if required, may be sought from a broker.

AGENTS:

L.O.M. WESTERN SECURITIES LTD.
2200 - 609 Granville Street
Vancouver, B.C., V7Y 1H2

JONES, GABLE & COMPANY LIMITED
#400 - 700 West Pender Street
Vancouver, B.C., V6C 1C1

HAYWOOD SECURITIES INC.
1100 - 400 Burrard Street
Vancouver, B.C.

Neither the Superintendent of Brokers nor the Vancouver Stock Exchange has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

EXPLORATION REPORT

GLA AND RON CLAIMS

LIARD MINING DIVISION

BRITISH COLUMBIA

NTS 104 G/2; 104 B/15

LAT. 56° 58'N, LONG. 130° 54' W

PREPARED FOR

**KESTREL RESOURCES
1124 - 470 GRANVILLE STREET
VANCOUVER, B.C.
V6C 1V5**

BY

**JOHN BUCHHOLZ
GEOLOGIST**

MARCH 7, 1990

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SUMMARY

The GLA and Ron claims cover approximately 2,400 hectares of steep mountainous country with abundant outcrop and several rusty gossans, 145 km northwest of Stewart, in northwestern B.C. Further reconnaissance prospecting, rock chip sampling and trenching is recommended.

The claims cover generally favourable geology, similar in many respects, to close-by properties where exploration has located mineral deposits of economic or near economic importance. First stage ground examination has located zones of favourable hydrothermal alteration containing large areas of siliceous massive pyrite mineralization, plus small amounts of copper mineral.

Following staking the exploration program in mid-September 1989 included prospecting, geological mapping and collection and analysis of 34 rock samples. The work confirmed the presence of disseminated to massive pyrite, with rare chalcopyrite.

A program of further prospecting, geological mapping and reconnaissance rock and soil geochemistry is recommended to locate favourable target areas for geophysical surveys, trenching and, in a second stage, diamond drilling as warranted.

KESTREL RESOURCES LTD.

GLA & RON CLAIMS
LIARD MINING DIVISION, B.C.

LOCATION MAP

RANGEX SERVICES LTD.

N.T.S. 104 B/15, 104 G/2

SCALE: As Shown

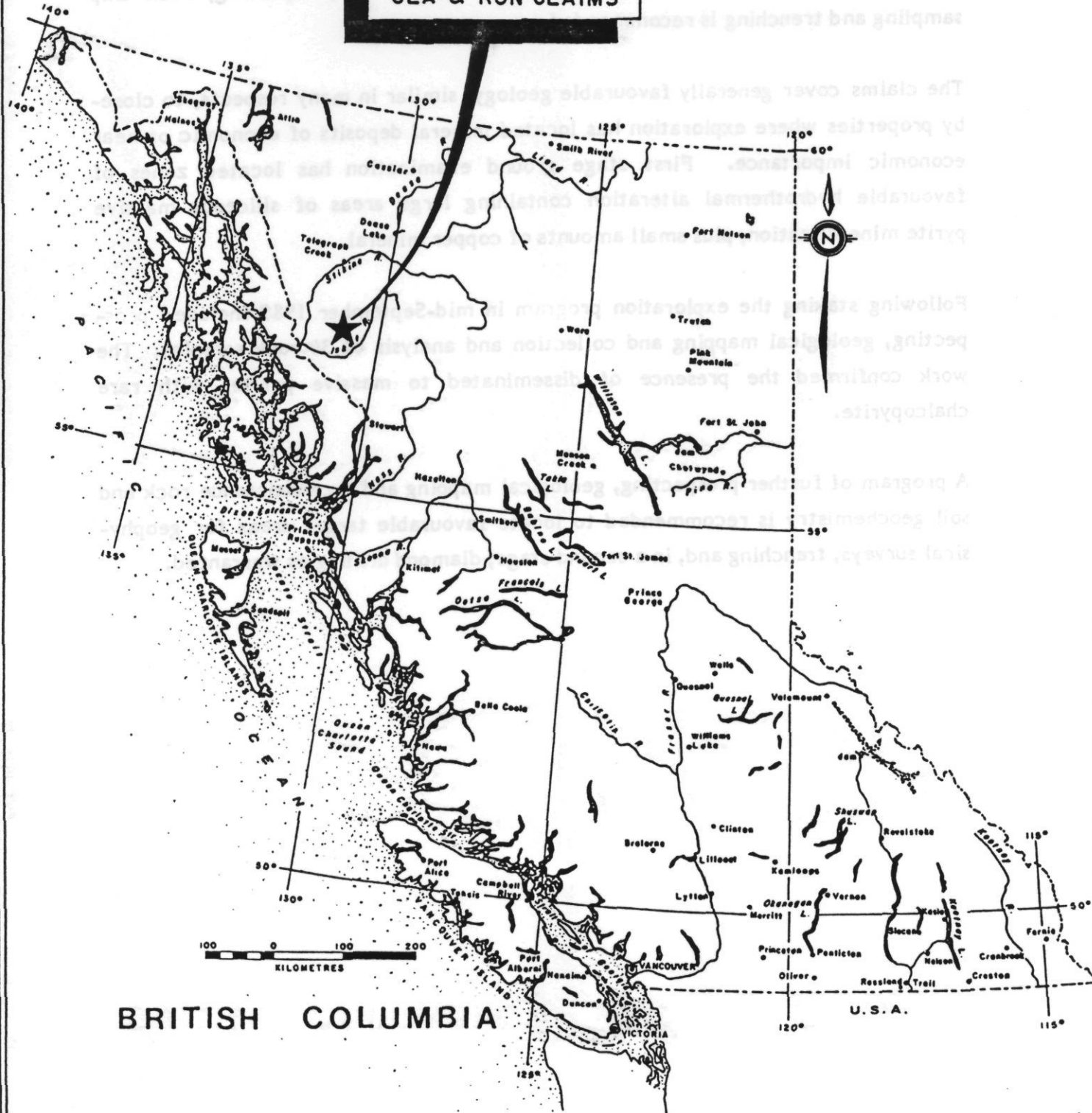
FIG.

DATE: FEB., 1990

DRAWN: J.B./dw

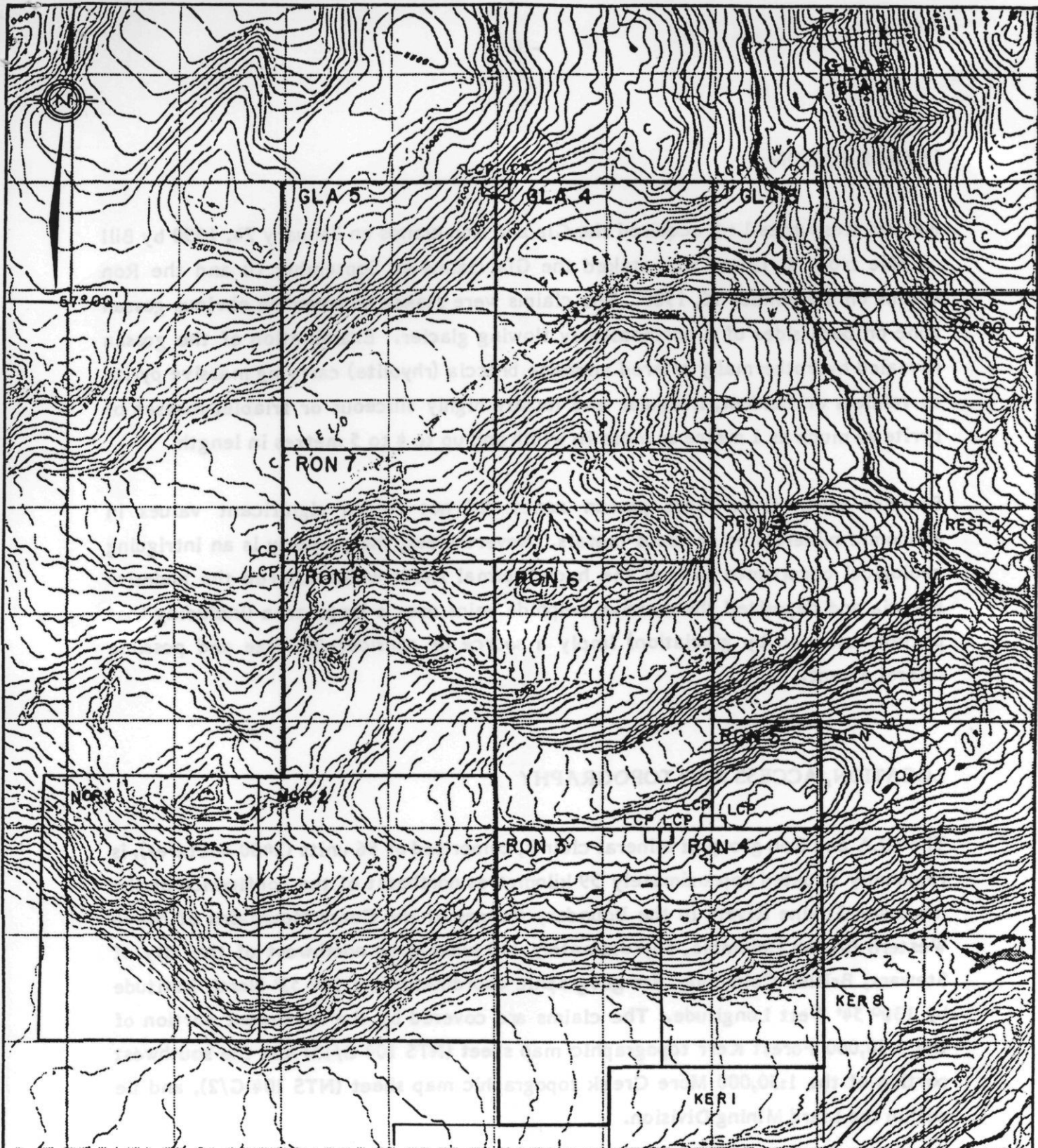
1

GLA & RON CLAIMS



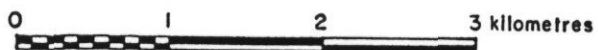
BRITISH COLUMBIA

U. S. A.



130° 55'

KESTREL RESOURCES LTD. GLA & RON CLAIMS LIARD MINING DIVISION, B.C. CLAIM MAP		
RANGEX SERVICES LTD.		
N.T.S. 104 B/15, 104 G/2	SCALE: 1:50,000	FIG.
DATE: FEB., 1990	DRAWN: J.B. /dw	2



INTRODUCTION

Kestrel Resources Ltd. acquired the Gla and Ron claims on January 24, 1990 by Bill of Sale from W. Chase who staked the Gla claims on September 14 and the Ron claims on September 16, 1989. The claims were staked to cover an obvious gossan zone on both sides of a northeasterly flowing glacier. Examination of the gossan revealed hydrothermally altered andesite breccia (rhyolite) carrying massive pyrite as veinlets or random, irregular and locally highly siliceous or friable, masses of pyrite as much as 1 metre or more in width and up to 4 to 5 metres in length.

Samples taken from these gossan zones did not return significant values in economic minerals or precious metals. Nevertheless, the property is an intriguing geological occurrence in that the hydrothermal fluids which altered the andesite breccia and deposited the massive sulphide veins over a large area (including that portion removed by glaciation) imply a source of considerable size and possible lateral extent.

LOCATION, ACCESS AND TOPOGRAPHY

The GLA and Ron group of mineral claims, comprised of 96 units (2400 hectares), is regionally situated approximately 59 kilometres northeast of the confluence of the Iskut and Stikine Rivers in the Boundary Ranges of the Coast Mountains of North Western British Columbia, approximately 145 kilometres northwest of the city of Stewart, British Columbia. Its geographic coordinates are 56° 58' North Latitude by 130° 54' West Longitude. The claims are covered by the northwest portion of the 1:50,000 Forest Kerr topographic map sheet (NTS 104 B/15) and the southwest portion of the 1:50,000 More Creek topographic map sheet (NTS 104 G/2), and lie within the Liard Mining Division.

From Smithers, fixed wing aircraft are available to transport supplies and personnel to the Forest Kerr airstrip, elevation 580 m A.S.L., located at the headwaters of Forest Kerr Creek, approximately 11 kilometres southeast of the

claim block. Helicopters are required for access between Forest Kerr Camp and the claim block.

The property covers glaciated and rugged mountainous terrain with elevations ranging from 1950 m A.S.L. at the east central portion of the GLA 1 claim block to less than 732 m A.S.L. at the confluence of the two major drainages located at the south central portion of the GLA 3 claim block. Below the tree line, approximately 1067 m, spruce and alder dominate while above the tree line alpine vegetation such as white and purple heather are present. The climate is typical of the Boundary Range physiographic region with annual precipitation in excess of 5 m. Temperatures range from +25°C to -40°C.

PROPERTY DESCRIPTION

The GLA and Ron group of mineral claims is comprised of the GLA 3, GLA 4, and GLA 5 group as well as the Ron 6, 7, 8 group of mineral claims totalling 96 units - 5,930 acres or 2400 hectares, located in the Liard Mining Division of British Columbia. The configuration and location of the subject claims are shown in Figure II. Table I presents a summary of all pertinent claim information.

Table I
Claim Information

<u>Claim Name</u>	<u>Record No.</u>	<u>No. of Units</u>	<u>Record Date</u>	<u>Expiry Date</u>	
GLA 1	6394	20	Sept. 12, 1989	Sept. 12, 1990	
	6395	16	Sept. 12, 1989	Sept. 12, 1990	
	6396	4	Sept. 14, 1989	Sept. 14, 1990	
	6397	20	Sept. 14, 1989	Sept. 14, 1990	
	6398	20	Sept. 14, 1989	Sept. 14, 1990	
RON 3	6386	18	Sept. 16, 1989	Sept. 16, 1990	
	6387	15	Sept. 16, 1989	Sept. 16, 1990	
	6388	4	Sept. 16, 1989	Sept. 16, 1990	
	6389	20	Sept. 16, 1989	Sept. 16, 1990	
	6390	16	Sept. 16, 1989	Sept. 16, 1990	
	6391	16	Sept. 16, 1989	Sept. 16, 1990	
	NOR 1	6486	20	Oct. 10, 1989	Oct. 10, 1990
		6487	20	Oct. 10, 1989	Oct. 10, 1990

The ground covered by the claims was staked in September 1989 on behalf of Kestrel Resources Ltd.

To the best of the writer's knowledge, the claims appear to have been correctly recorded.

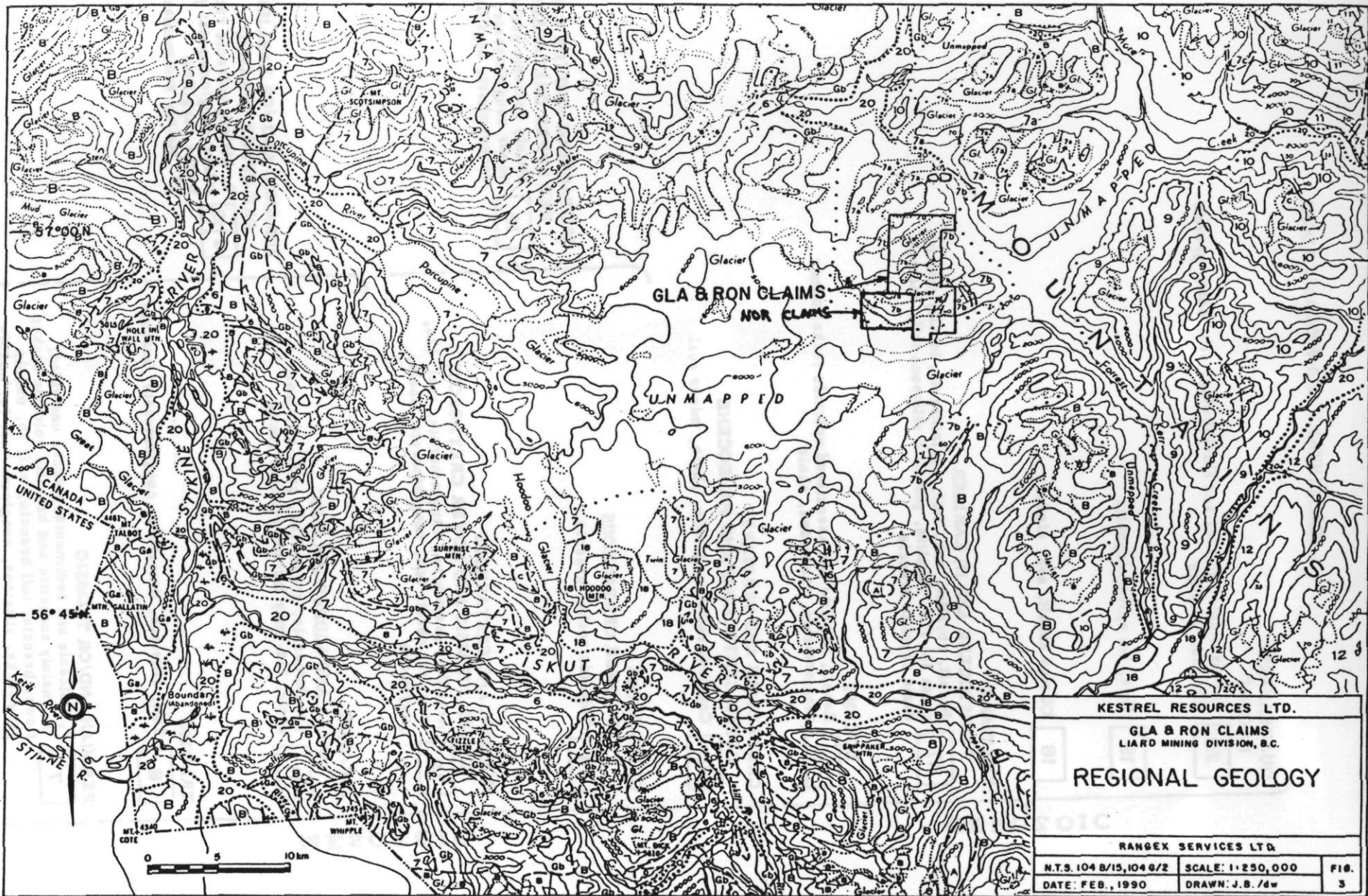
HISTORY

Sporadic exploration efforts have continued intermittently in the Iskut River area since the turn of the century, with early activity concentrated in the area of the Stewart mining camp. As prospecting and exploration continued northward, various placer gold operations were discontinuously active along both the Iskut and Unuk Rivers.

In 1907, a prospecting party from Wrangell, Alaska staked nine mineral claims north of Johnny Mountain, the first recorded work in the area. The claims were subsequently explored and mined by the Iskut Mining Company, who in 1917 shipped a ton of high grade ore which reportedly assayed \$1.20 gold, 44.2 ounces silver and 12.45% copper (B.C.M.M.A.R., 1917).

Little is known about subsequent work until 1954 when Hudson's Bay Mining and Smelting Limited discovered high grade gold-silver-lead-zinc mineralization, known as the "Pickaxe" showing, on the slopes of Johnny Mountain. These claims were eventually allowed to lapse after an initial evaluation.

Several major mining companies initiated reconnaissance exploration programs in the 1960s in the Iskut River Area. Of these, Cominco Ltd. drilled several core holes in search of pyritic mineralization on Johnny Mountain. Interest in the Johnny Mountain area potential to host significant sulphide mineralization increased with Skyline Exploration Ltd.'s discovery of mineralized float on the Bronson Creek glacier in 1969, resulting in that company staking the Inel property. In 1980, the company staked the REG property on Johnny Mountain after the discovery of high grade gold-bearing veins. Exploration on both their Inel and REG properties continued to 1989.



KESTREL RESOURCES LTD.		
GLA & RON CLAIMS LIARD MINING DIVISION, B.C.		
REGIONAL GEOLOGY		
RANGEX SERVICES LTD.		
N.T.S. 104 B/15, 104 G/2	SCALE: 1:250,000	FIG.
DATE: FEB., 1990	DRAWN: J.B./dw	3

SEDIMENTARY AND VOLCANIC ROCKS

CENOZOIC

**QUATERNARY
RECENT**

20 Unconsolidated glacial and fluvial clay, silt, sand, gravel; till; peat, muskeg

19 Tufa, hot spring deposits

18 Olivine basalt, ash, cinders

**TERTIARY
PLEISTOCENE AND (?) EARLIER**

17 Basalt, rhyolite, ash, tuff, agglomerate; locally may include 16; 17a, rhyolite, pisolitic siliceous tuff, chalcidonic rhyolite breccia

EOCENE

16 Basalt, rhyolite and associated volcanic rocks; minor conglomerate, sandstone, shale

**CRETACEOUS AND TERTIARY
UPPER CRETACEOUS AND PALEOCENE**

15 Conglomerate, sandstone, shale, minor coal

**CRETACEOUS
POST LOWER CRETACEOUS**

14 Volcanic rocks, breccia

**CRETACEOUS AND /OR EARLIER
PRE UPPER CRETACEOUS**

13 Mainly volcanic rocks; minor conglomerate, greywacke; chert, argillite

**JURASSIC AND CRETACEOUS
UPPER JURASSIC AND LOWER CRETACEOUS**

12 Argillite, greywacke, conglomerate, coal; 12a, andesite, chert; tuff, conglomerate, shale, greywacke

MESOZOIC

**JURASSIC
LOWER AND MIDDLE JURASSIC**

11 Conglomerate, greywacke, grit, siltstone, shale; 11a, may include younger rocks

**JURASSIC AND /OR EARLIER
PRE UPPER JURASSIC**

9 10 9. Mainly volcanic rocks; minor conglomerate; greywacke, argillite
10. Mainly sedimentary rocks

TRIASSIC

8 Tuff, siltstone, limestone, conglomerate, breccia

PERMIAN AND/OR TRIASSIC

7 7. Volcanic and sedimentary rocks undivided; 7a, mainly andesitic and basaltic volcanic rocks; flows, breccia, tuff breccia, tuff; 7b, mainly greywacke, siltstone, conglomerate; 7c, mainly limestone

PALAEOZOIC

PERMIAN AND (?) EARLIER

- 6** Limestone, greenstone, chert, argillite, phyllitic quartzite, greywacke; meta-andesite and meta-diorite locally abundant near ultramafic bodies. May include younger greenstone; 6a. Carboniferous or Permian, mainly andesitic flows, breccia, tuff; minor sedimentary rocks

**DEVONIAN AND MISSISSIPPIAN
UPPER DEVONIAN AND MISSISSIPPIAN**

- 5** Chert, argillaceous quartzite, argillite, greywacke, greenstone, conglomerate, limestone

**DEVONIAN
MIDDLE DEVONIAN**

- 4** Limestone, dolomite, quartzite

**ORDOVICIAN AND SILURIAN
UPPER ORDOVICIAN AND LOWER SILURIAN**

- 3** Limestone, cherty limestone, quartzite, red and green chert, shale

**CAMBRIAN AND ORDOVICIAN
MIDDLE AND (?) UPPER CAMBRIAN, LOWER AND MIDDLE ORDOVICIAN**

- 2** Shale, phyllite, slate, calcareous slate, limestone

**CAMBRIAN
LOWER CAMBRIAN**

- 1** Limestone, dolomite, quartzite, slate, phyllite

INTRUSIVE ROCKS

- A** Felsite, felsite porphyry
- B** Mainly quartz monzonite, granodiorite, granite
- C** Mainly diorite; minor gabbro
- D** Granite porphyry, granophyre, syenite and related rocks
- E** Serpentinite, peridotite; locally includes meta-andesite and meta-diorite

METAMORPHIC ROCKS

TRIASSIC OR EARLIER

F Phyllite, sericite schist, hornfels, granulite, fine-grained biotite-hornblende gneiss; Fa, may include or be equivalent to 9

PERMIAN AND/OR EARLIER

PRE MIDDLE PERMIAN

G Ga, Gneiss; Gb, phyllite, quartzite, minor crystalline limestone, highly altered and sheared greywacke and volcanic rock

MAINLY CARBONIFEROUS AND PERMIAN

H Biotite-quartz-feldspar gneiss, biotite-muscovite schist, crystalline limestone, greenstone, quartzite, phyllite

MISSISSIPPIAN AND EARLIER

J Gneiss, schist, crystalline limestone, crystalline dolomite, quartzite

Skyline Exploration Ltd. reported in late fall of 1989, geological reserves of their Stonehouse deposit of 740,000 tons grading 0.52 opt gold with significant silver and copper values. Underground work commenced in 1988, and after some initial production difficulties, the mine is currently in production at 350 tons per day.

The joint venture partners of Prime Resources Corporation and Cominco Ltd. are currently in the final stages of a feasibility study of their SNIP property, located immediately north of the REG property on the northern slopes of Johnny Mountain. The latest combined geological reserve for the property is 1,000,000 tons grading 0.80 opt gold.

Other advanced prospects currently undergoing intense exploration efforts in the area include Inel Resources Ltd.'s Inel property, Gulf International Minerals Ltd.'s McLymont property, Placer Dome Ltd.'s Kerr deposit and Calpine's 21 Zone Discovery.

1989 EXPLORATION PROGRAM

The 1989 exploration program was undertaken to assess the exploration potential of the property. The field program was conducted between September 16 and 19, 1989. This report was prepared following the receipt of the field data and analytical results.

Access was via helicopter (provided by Northern Mountain Helicopters) from a base camp at Forrest Kerr Airstrip, some 11 km to the south.

Two employees of Rangex Services and the author (under contract to Rangex Services) were contracted to Kestrel Resources to conduct the fieldwork.

Some 34 samples were collected in the course of the work.

The lithogeochemical samples were properly bagged, described and labelled in the field. Later, they were shipped by air and ground freight to Vangeochem Lab Ltd.

in Vancouver, B.C. for analysis under the supervision of professional assayers. All of the samples were analyzed for gold, using fire assay and atomic absorption procedures, and for a 25-element suite by inductively coupled argon plasma (ICAP) methods, except for Samples 83532 to 83541 which were analyzed for gold only.

At Vangeochem Lab Ltd., each rock sample was ground to -100 mesh and a 0.5 gram pulp was digested with 5 milliliters of 3:2:1 hydrochloric acid to nitric acid to water at 95°C for 90 minutes, and then diluted to 10 milliliters with water. The resulting precipitate was then analyzed by ICAP methods for: silver, aluminum, arsenic, barium, bismuth, calcium, cadmium, cobalt, chromium, copper, iron, potassium, magnesium, manganese, molybdenum, sodium, nickel, phosphorus, lead, antimony, tin, strontium, uranium, tungsten and zinc.

A 20.0 to 30.0 gram pulp was split from each of the ground samples, mixed with flux, fused at 1,900°F to form a button, and subsequently digested in an aqua regia solution. This solution was then analyzed for gold by a Techtron model AA5 Atomic Absorption Spectrophotometer with a gold hollow cathode lamp.

The reconnaissance prospecting traverse and lithogeochemical sample sites are shown on Figure 4 of this report. The lithogeochemical sample descriptions, the analytical results and the analytical procedures accompany this report as Appendices I, II and III, respectively.

A total of seven man days were spent prospecting on the GLA 3-5 claim block. The majority of the work was concentrated in the northern half of the GLA 5 mineral claim.

Prospecting on the GLA 4 mineral claim revealed a large number of narrow, randomly spaced, massive sulphide veinlets cutting a rhyolite breccia, which is overlain by a coarse green andesite. The mineralization covers an area roughly 200x800 metres. The veinlets are typically 10 to 20 cm thick, trending either northwest or northeast, near vertical. The mineralization consists almost entirely of disseminated to massive pyrite, with rare chalcopyrite.

The volcanics (both the rhyolite and the andesite) are cut by several purple andesite porphyry dykes or flows.

Sample 83529, taken 1200 metres east of the above area, is from a metre wide chlorite altered vuggy quartz vein containing disseminated pyrite, trending 332°, dipping 80°W. This vein can be traced on surface for upwards of 300 metres.

Panned concentrate samples taken from the east flowing creek at the toe of the glacier yielded no visible colours. A large gossan on the steep cliff south of the glacier may provide an exploration target.

GEOLOGY

Regional Geology

The Stewart - Iskut - Eskay Creek gold silver area is situated along the western margin of the Intermontaine belt of volcanic and sedimentary rocks where they join the Coast Plutonic Complex of plutonic and metamorphic rocks. The most significant host of gold-silver mineralization in the area is the Triassic to Jurassic volcanic-sedimentary Stewart complex (Hazelton group). Triassic to Tertiary plutonic rocks of the Coast Intrusion are considered to be the source of the mineralization. Jurassic sedimentary rocks of the Bowser Basin are extensively underlain by rocks of the Stewart Complex.

Within the Stewart Complex of volcanics and sedimentary rocks both narrow fractures and wide shear zones carry gold, silver and often, copper and molybdenum values associated with quartz veining. These mineralized areas are frequently close to felsic porphyry sills and dykes. The northern portion of the district appears to contain higher frequency of gold quartz veins grading to increased silver toward the south and increased copper toward the west.

The recently discovered 21 Zone on the Stikine Silver/Calpine claims to the southeast of the Gla claim group, is hosted in the Mount Dilworth formation of the

upper Hazelton group. The Dilworth formation has been traced to the northwest from the 21 Zone.

Property Geology

The property straddles the geographic boundary between Forrest Kerr and More Creek map sheets, and is located within Paleozoic rocks - Permian or older - consisting predominantly of low grade metamorphic rocks (phyllite, argillaceous quartzite, quartz sericite schist, chlorite schist), as well as greenstone, minor chert, schistose tuff and limestone. Intrusive rocks east of the south tributary of More Creek are composed of granodiorite-quartz diorite of Cenozoic age. The stratified rocks and interbedded volcanics are usually nearly flat lying with variable dips to 40° and without significant disruption, although More Creek valley itself, marks the location of a northerly trending, major fault.

Foot traverses completed by the writer show the geology to be similar on both sides of the valley (Fig. 4). Hydrothermally altered andesite breccia (rhyolite) is overlain by a coarse green andesite breccia lacking hydrothermal alteration. Both units are cut by generally steeply dipping purple andesite porphyry dykes. Both units are mineralized with sulphides consisting almost entirely of pyrite, although very minor traces of chalcopyrite and malachite were noted in one or two localities. Hydrothermal alteration consists of kaolinization, sericitization and silicification. The distribution of the hydrothermally altered breccia unit is indicated in Fig. 4.

CONCLUSIONS

The property covers generally favourable flat lying rock units west of the major More Creek fault. Moderately large gossans close to the regional fault carry massive sulphides of pyrite and some copper, often indicative of nearby economic mineralization. The claims are located close to the Forest Kerr camp, 11 km to the south, providing relatively low cost facilities and transportation. Additional work is recommended in and near the gossan zones and pyrite outcrops. In

addition, the balance of the property warrants a careful reconnaissance program since experience in the region has determined many of the significant mineral zones subcrop or are talus covered.

RECOMMENDATIONS

Due to the steepness of the terrain, this prospect will be difficult to explore, nevertheless additional prospecting, sampling and reconnaissance work is required to fully evaluate this showing.

1. It is possible that a zonal pattern for gold or silver may be delineated employing rock geochemistry. Samples should be collected from large enough areas to enable a reasonably meaningful statistical study to be completed. Economic mineralization or precious metal values may be present at some distance from the obvious gossan zone, as is the case at Eskay Creek, therefore adjacent areas or perimeters should not be ignored in evaluating this type of prospect. Similar gossans though larger in area, in the Sulphurets region, carry large tonnage - low grade gold or copper-gold as at the Sulphurets and Kerr properties (B.C.D.M. Snippaker Map Area by J.M. Britton, B.A. Fletcher and J.D. Alldridge, paper 1990-1, p. 124).
2. In addition to "zonal" sampling, the property should also be explored by means of profile sampling on both sides of the glacier. Three or four strategic sample lines should be proposed on each side to provide assay data for the entire stratigraphic section comprising the rhyolite unit. Sample lines should extend well into both foot and hanging wall rocks, and detailed notes of the geological data should be recorded to enable later correlation of geology with mineralizations to be made.

CERTIFICATE

I, JOHN BUCHHOLZ, of 10370 Monte Bella Road, Winfield, British Columbia, do hereby certify that:

- 1) I was employed by Kestrel Resources Ltd. during the period July - December 1989 as Exploration Geologist to conduct geological mapping and supervise exploration programs on their Iskut River mineral claims.
- 2) I am a graduate of the University of British Columbia having obtained a degree in Geology (B.A.) in 1962.
- 3) I have practised my profession during the periods 1962 to 1974 and 1987 to present on various exploration projects ranging from grass roots to underground programs.
- 4) I am familiar with and have personally examined the property described in the body of this report during the period September to October 1989, at which time I acted on behalf of Kestrel Resources Ltd. in conducting their ongoing exploration program on the Iskut River properties.
- 5) I have no interest in the property described herein, nor in securities of Kestrel Resources Ltd., nor do I expect to receive any such interest.
- 6) I hereby authorize Kestrel Resources Ltd. or any company associated with Kestrel Resources Ltd. to present this report or parts thereof, in any statement of material facts in any prospectus or other documentation submitted to fulfill regulatory requirements.

DATED at Vancouver, B.C., this *21* day of *March* 1990.



JOHN BUCHHOLZ
Geologist

ESTIMATE OF EXPENDITURES

Prospecting, Sampling 5 man crew 45 days @ 300 man day	= \$ 68,000.00
Trenching - 40 man days @ 300 man/day	= 12,000.00
Room and Board - 5 men @ 125/man day	= 28,000.00
Helicopter - 1 hr/day @ 800/hour	= 36,000.00
Transportation, supplies, mob-demob, etc.	= 10,000.00
Assaying - 500 samples @ \$20 each	= 10,000.00
Compilation, reports and maps	= 10,000.00
Management Fee - 10%	= <u>18,000.00</u>
	= \$192,000.00
Contingency - 15%	= <u>28,000.00</u>
Total	= <u><u>\$220,000.00</u></u>

APPENDIX I
SAMPLE DESCRIPTIONS

Geochemical Data Sheet - ROCK SAMPLING

NTS 10462 / 104815

Sampler J. BUCHOLZ

Project ISKUT

Location Ref LIARD M.D.

Date SEPT. 30-OCT. 2, 1989

Property GLA & RON

Air Photo No _____

SAMPLE NO.	LOCATION	SAMPLE TYPE	Sample Width		DESCRIPTION			ADDITIONAL OBSERVATIONS	ASSAYS					
			Select	Grab	Rock Type	Alteration	Mineralization							
83608	GLA	Rock Chip	Select	Grab	Pyroclastic Andesite	Hydroth.	Massive Py.	North side glacier						
83609	GLA	" "	"	"	"	"	" "	" " "						
83610	GLA	Hand Specimen			And. Breccia	Unalt.	1% dis. py.	" " "						
83611	GLA	"			" "	Hydroth.	Minor py.	" " "						
83613	GLA	Rock Chip			Andesite	Hydroth.	Minor py.	North side 4050'						
83614	GLA	5m Chip	5m		And. Breccia		Minor Limonite	" " "						
83615	GLA	Rock Chip	Select	Grab	And. Porph.	Unalt.	2% py.	50m east of 83614						
83616	GLA	Float			Limey Sed.		Dis. py.	South side glacier						
83617	GLA	Float			And. Breccia	Hydroth.	Massive dis. py.	" " " 3400'						
83618	GLA	Rock Chip	5m		" "	"	Up to 20%	" " " "						
83619	GLA	" "	Select	Grab	Silic. Volc.	Unalt.	Some py.	100m east of 83618						

Geochemical Data Sheet - ROCK SAMPLING

NTS 104G2/104B15

Sampler B. CHASE
Date SEPT. 17, 1989

Project ISKUT
Property GLA 5

Location Ref LIARD M.D.
Air Photo No _____

SAMPLE NO.	LOCATION	SAMPLE TYPE	Sample Width True Width	DESCRIPTION			ADDITIONAL OBSERVATIONS	ASSAYS			
				Rock Type	Alteration	Mineralization					
83519	GLA 5	Selected Grabs		Quartz veins		Massive py.	Dimension 30 square meters				
83520	GLA 5	"		" "		" "	Selected, over 10 meters				
83521	GLA 5	"		" "		" "	" " 20 meters				
83522	GLA 5	"		" "		" "	" " 15 meters				
83523	GLA 5	"		" "		Mass. dis.					
83524	GLA 5	"		" "		py. " "					
83525	GLA 5			" "		" "	Selected grabs				
83526	GLA 5	Chips	1.5m	Siliceous	Volcs.	Py., Cu					
83527	GLA 5	Selected Grabs		Quartz veins		Massive py.					
83528	GLA 5	"		" "		" "					
83529	GLA 4	Chips	1m 1m	" "	Muggy Chlorite	Dis. py.	Vein at 332°, dip 80°W				
83530	GLA 5	Chips	1m	Volcs.	Siliceous	Dis. veinlets py.					
83531	GLA 5	Grabs		"	"	Mass. dis. py., Cu					
83532	GLA 5	Chips	20cm	Quartz in volcs.	Shear	Massive py.					
83533	GLA 5	Grab		Andesite		Dissen. py.					
83534	GLA 5	Chip	10cm	Quartz vein		Mass. py.					
83535	GLA 5	Grab	10cm	" "		Dis. py.					
83536	GLA 5	Grab		Volc.	Siliceous	" "					
83537	GLA 5	"		"	"	" "					
83538	GLA 5	Chip	8cm	Quartz vein		Massive py.					

Geochemical Data Sheet - ROCK SAMPLING

NTS 104G2/104B15

Sampler B. CHASE

Project ISKUT

Location Ref LIARD M.D.

Date SEPT. 18, 1989

Property GLA

Air Photo No

SAMPLE NO.	LOCATION	SAMPLE TYPE	Sample Width True Width	DESCRIPTION			ADDITIONAL OBSERVATIONS	ASSAYS			
				Rock Type	Alteration	Mineralization					
83539	GLA 5	Grab	/	Andesite		Dis. py.					
83540	GLA 5	Grab	/	Quartz vein		" "					
83541	GLA 5	Grab	/	Quartz veins		Minor py.	Comp. grab, 4 meters				
			/								
			/								
			/								
			/								
			/								
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APPENDIX II
SAMPLE RESULTS

REPORT NUMBER: 890704 AA

JOB NUMBER: 890704

RANGEX SERVICES LTD.

PAGE 1 OF 1

SAMPLE #	Ag oz/st	Au oz/st
83613	.04	<.005
83614	.02	<.005
83615	<.01	<.005
83616	<.01	<.005
83617	.01	<.005
83618	.03	<.005
83619	<.01	<.005

DETECTION LIMIT

1 Troy oz/short ton = 34.28 ppm

.01

1 ppm = 0.00012

.005

ppm = parts per million

< = less than

signed: _____

[Handwritten Signature]

VANGEOCHEM LAB LIMITED

1988 Triumph Street, Vancouver, B.C. V5L 1K5
Ph: (604) 251-5656 Fax: (604) 254-5717

ICAP GEOCHEMICAL ANALYSIS

A .5 gram sample is digested with 5 ml of 3:1:2 HCl to HNO₃ to H₂O at 95 °C for 90 minutes and is diluted to 10 ml with water.
This leach is partial for Al, Ba, Ca, Cr, Fe, K, Mg, Mn, Na, P, Pd, Pt, Sn, Sr and U.

ANALYST: 

REPORT #: 890649 PA

RANGEX SERVICES

Proj: G L A

Date In: 09/09/25

Date Out: 09/10/03

Att: K KAYE

Page 1 of 1

Sample Number	Ag	Al	As	Ba	Bi	Ca	Cd	Co	Cr	Cu	Fe	K	Mg	Mn	Mo	Na	Ni	P	Pb	Sb	Sn	Sr	U	U	Zn
	ppm	I	ppm	ppm	ppm	I	ppm	ppm	ppm	ppm	I	I	I	ppm	ppm	I	ppm	I	ppm	ppm	ppm	ppm	ppm	ppm	ppm
83519	0.7	0.21	24	2	4	0.06	0.3	19	68	124	>10.00	0.38	0.07	52	10	0.01	11	0.01	93	<2	3	10	<5	<3	25
83520	0.4	0.93	30	2	5	0.14	0.2	20	28	14	>10.00	0.37	1.02	310	7	0.01	12	0.03	88	<2	2	14	<5	<3	39
83521	0.3	0.52	13	4	<3	0.07	0.1	9	19	26	6.57	0.20	0.44	92	8	0.01	31	0.02	192	<2	<2	23	<5	<3	69
83522	0.1	0.25	11	4	<3	0.15	0.1	5	31	93	6.98	0.22	0.17	161	9	0.01	24	0.01	304	<2	<2	41	<5	<3	142
83523	0.3	0.43	19	2	5	0.13	0.2	16	56	108	>10.00	0.39	0.35	153	10	0.01	11	0.02	62	<2	3	9	<5	<3	147
83524	0.1	0.60	26	11	<3	0.18	0.2	8	35	54	6.27	0.21	0.56	215	5	0.01	12	0.03	33	<2	<2	4	<5	<3	38
83525	0.1	0.29	12	4	<3	0.05	0.1	4	22	370	5.50	0.16	0.18	69	6	0.01	37	0.01	25	<2	2	17	<5	<3	7
83526	0.1	0.37	16	5	<3	0.77	0.1	9	35	10	5.27	0.27	0.32	281	6	0.01	22	0.01	36	<2	<2	39	<5	<3	16
83527	0.2	0.21	18	6	<3	0.04	0.2	1	58	28	4.21	0.13	0.07	40	14	0.01	7	0.01	49	<2	<2	20	<5	<3	81
83528	0.1	0.23	9	4	<3	0.15	0.3	3	42	322	4.77	0.16	0.11	135	5	0.01	7	0.01	31	<2	<2	25	<5	<3	17
83529	0.2	0.32	5	774	<3	5.46	0.1	13	24	81	2.57	0.90	3.83	752	2	0.01	43	0.02	9	<2	<2	139	<5	<3	47
83530	0.2	2.05	10	21	3	1.56	0.1	20	40	7	7.18	0.45	2.91	1164	5	0.01	37	0.05	51	<2	<2	61	<5	<3	127
83531	0.1	0.83	33	5	5	2.01	0.2	22	29	15	>10.00	0.67	1.13	897	9	0.01	15	0.03	68	<2	2	70	<5	<3	47
Minimum Detection	0.1	0.01	3	1	3	0.01	0.1	1	1	1	0.01	0.01	0.01	1	1	0.01	1	0.01	2	2	2	1	5	3	1
Maximum Detection	50.0	10.00	2000	1000	1000	10.00	1000.0	20000	1000	20000	10.00	10.00	10.00	20000	1000	10.00	20000	10.00	20000	2000	1000	10000	100	1000	20000

(= Less than Minimum I = Insufficient Sample ns = No sample) = Greater than Maximum ANOMALOUS RESULTS = Further Analyses by Alternate Methods Suggested

REPORT NUMBER: 890640 AA

JOB NUMBER: 890640

RANGEX SERVICES LTD.

PAGE 1 OF 1

SAMPLE #	Au oz/st
83519	<.005
83520	<.005
83521	<.005
83522	<.005
83523	<.005
83524	<.005
83525	<.005
83526	<.005
83527	<.005
83528	<.005
83529	<.005
83530	<.005
83531	<.005

DETECTION LIMIT

.005

1 Troy oz/short ton = 31.28 ppm

1 ppm = 0.0001%

ppm = parts per million

< = less than

signed: _____

Raymond Lee

GLA

VGC VANGEOCHEM LAB LIMITED

MAIN OFFICE
1988 TRIUMPH ST.
VANCOUVER, B.C. V5L 1K5
● (604) 251-5656
● FAX (604) 254-5717

BRANCH OFFICES
PASADENA, NFLD.
BATHURST, N.B.
MISSISSAUGA, ONT.
RENO, NEVADA, U.S.A.

REPORT NUMBER: 890598 GA

JOB NUMBER: 890598

ANALYSIS SERVICES LTD.

PAGE 1 OF 1

SAMPLE #	Au
	ppb
83284	nd
83285	nd
83286	nd
83287	nd
83288	nd
83289	130
83290	150
83291	nd
83292	nd
83608	nd
83609	30
83610	nd
83611	nd

GLA

DETECTION LIMIT 5
nd = none detected -- = not analysed is = insufficient sample

REPORT #: 890704 PA

RANGEX SERVICES

Page 1 of 1

Sample Number	Ag ppm	As ppm	Cu ppm	Fe %	Mn ppm	Mo ppm	Ni ppm	Pb ppm	Sb ppm	Zn ppm
83613	0.4	10	36	2.13	329	2	17	37	<2	183
83614	0.3	5	13	2.10	368	2	19	13	<2	21
83615	0.3	3	13	2.32	279	<1	4	14	<2	15
83616	1.6	<3	10	2.12	1417	2	20	51	<2	380
83617	0.9	95	262	2.08	46	2	4	79	<2	335
83618	2.9	129	312	3.91	266	5	26	2523	<2	4356
83619	0.3	65	178	4.47	1680	2	21	104	<2	1170
Minimum Detection	0.1	3	1	0.01	1	1	1	2	2	1
Maximum Detection	50.0	2000	20000	10.00	20000	1000	20000	20000	2000	20000


< = Less than Minimum is = Insufficient Sample ns = No sample > = Greater than Maximum

VANGEOCHEM LAB LIMITED

1908 Triumph Street, Vancouver, B.C. V6L 1K5
Ph: (604) 251-3656 Fax: (604) 251-5717

ICAP GEOCHEMICAL ANALYSIS

A .5 gram sample is digested with 5 ml of 3:1:2 HCl to HNO₃ to H₂O at 95 °C for 90 minutes and is diluted to 10 ml with water.
This leach is partial for Al, Ba, Ca, Cr, Fe, K, Mg, Mn, Na, P, Pd, Pt, Sn, Sr and U.

ANALYST: 

REPORT #: 030598 PA

RANGEI SERVICES

Proj: TIC

Date In: 89/09/15

Date Out: 89/09/21

Att:

Page 1 of 1

Sample Number	Ag	Al	As	Ba	Bi	Ca	Cd	Co	Cr	Cu	Fe	K	Mg	Mn	Mo	Na	Ni	P	Pb	Sb	Sn	Sr	U	V	Zn
	ppm	I	ppm	ppm	ppm	I	ppm	ppm	ppm	ppm	I	I	I	ppm	ppm	I	ppm	I	ppm	ppm	ppm	ppm	ppm	ppm	ppm
83284	0.2	0.80	<3	29	<3	0.27	0.5	16	50	62	1.67	0.09	0.53	268	1	0.01	41	0.02	26	<2	2	19	<5	<3	62
83285	0.1	0.14	11	46	<3	0.24	2.6	4	86	35	1.08	0.07	0.06	398	5	0.01	48	0.02	18	<2	<2	4	<5	<3	16
83286	0.2	1.25	9	23	<3	2.12	0.1	6	140	28	3.22	0.41	2.30	648	2	0.01	46	0.03	21	<2	<2	46	<5	<3	34
83287	0.1	0.21	<3	17	<3	1.04	0.1	2	103	13	0.62	0.30	0.16	382	2	0.02	37	0.02	15	<2	<2	133	<5	<3	11
83288	0.1	0.28	37	36	<3	0.11	0.1	9	137	46	2.56	0.09	0.09	390	3	0.02	23	0.03	19	<2	<2	8	<5	<3	9
83289	0.6	0.54	162	66	<3	1.20	0.1	66	57	13305	3.50	0.28	0.81	1144	3	0.01	39	0.02	19	<2	<2	19	<5	<3	25
83290	0.8	0.24	175	58	<3	0.17	1.1	51	86	8796	2.70	0.10	0.09	253	1	0.01	12	0.02	21	<2	<2	4	<5	<3	15
83291	1.4	3.60	<3	19	<3	3.02	2.6	70	42	492	4.55	0.59	1.62	826	4	0.01	48	0.04	40	<2	<2	84	<5	<3	68
83292	1.1	0.89	9	13	<3	0.34	0.1	111	70	886	4.13	0.17	0.41	162	1	0.01	44	0.01	34	<2	3	30	<5	<3	21
83608	0.5	0.53	33	3	5	0.09	2.1	13	56	42	>10.00	0.01	0.56	146	7	0.01	10	0.01	78	<2	5	17	<5	<3	34
83609	1.2	0.27	69	4	7	0.22	7.3	21	44	44	>10.00	0.38	0.31	229	14	0.01	21	0.01	158	<2	7	12	<5	<3	46
83610	0.2	0.32	6	39	<3	0.32	1.1	4	69	12	3.32	0.14	0.43	197	2	0.02	6	0.01	36	<2	2	8	<5	<3	21
83611	0.8	0.19	<3	187	<3	0.66	0.5	2	84	25	1.05	0.13	0.55	469	1	0.01	5	0.03	290	<2	<2	53	<5	<3	188

Minimum Detection 0.1 0.01 3 1 3 0.01 0.1 1 1 1 0.01 0.01 0.01 1 1 0.01 1 0.01 2 2 2 1 5 3 1
 Maximum Detection 50.0 10.00 2000 1000 1000 10.00 1000.0 20000 1000 20000 10.00 10.00 10.00 20000 1000 10.00 20000 10.00 20000 2000 1000 10000 100 1000 20000
 < = Less than Minimum is = Insufficient Sample ns = No sample > = Greater than Maximum ANOMALOUS RESULTS = Further Analyses by Alternate Methods Suggested

GLA

REPORT NUMBER: 890650 AA

JOB NUMBER: 890650

RANGEX SERVICES LTD.

PAGE 1 OF 1

SAMPLE #	Ag oz/st	Au oz/st
83532	<.01	<.005
83533	.04	.006
83534	<.01	<.005
83535	<.01	<.005
83536	.02	<.005
83537	.03	<.005
83538	.04	<.005
83539	.05	<.005
83540	.01	<.005
83541	.06	<.005

DETECTION LIMIT

1 Troy oz/short ton = 34.28 ppm

.01

1 ppm = 0.00012

.005

ppm = parts per million

< = less than

signed: _____

Raymond Lee

APPENDIX III
ANALYTICAL PROCEDURE

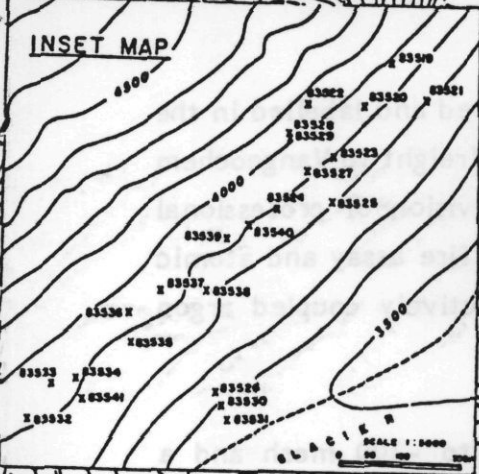
VANGEOCHEM SAMPLE ANALYSIS DESCRIPTION

The lithochemical samples were properly bagged, described and labelled in the field. When packaged, they were shipped by air and ground freight to Vangeochem Lab Ltd. in Vancouver, B.C. for analysis under the supervision of professional assayers. All of the samples were analyzed for gold, using fire assay and atomic absorption procedures, and for a 25-element suite by inductively coupled argon plasma (ICAP) methods.

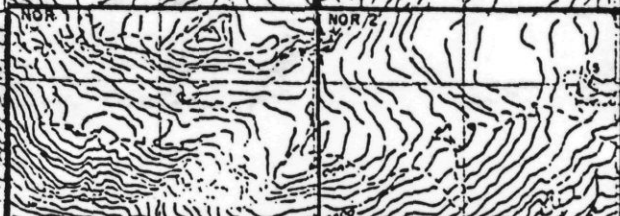
At Vangeochem Lab Ltd., each rock sample was ground to -100 mesh and a 0.5 gram pulp was digested with 5 millilitres of 3:2:1 hydrochloric acid to nitric acid to water at 95°C for 90 minutes, and then diluted to 10 millilitres with water. The resulting precipitate was then analyzed by ICAP methods for: silver, aluminum, arsenic, barium, bismuth, calcium, cadmium, cobalt, chromium, copper, iron, potassium, magnesium, manganese, molybdenum, sodium, nickel, phosphorus, lead, antimony, tin, strontium, uranium, tungsten and zinc.

A 20.0 to 30.0 gram pulp was split from each of the ground samples, mixed with flux, fused at 1,900°F to form a button, and subsequently digested in an aqua regia solution. This solution was then analyzed for gold by a Techtron model AA5 Atomic Absorption Spectrophotometer with a gold, hollow cathode lamp.

INSET MAP



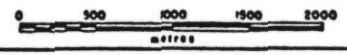
SAMPLE #	As ppb	Ag mg/g	Au mg/g
83608	nd		
84609	nd		
83610	nd		
83611	nd		
83612	<.06	<.005	<.005
83615	<.02	<.005	<.005
83616	<.01	<.005	<.005
83617	<.01	<.005	<.005
83618	<.03	<.005	<.005
83619	<.01	<.005	<.005
83519	<.005	<.005	<.005
83520	<.005	<.005	<.005
83521	<.005	<.005	<.005
83522	<.005	<.005	<.005
83523	<.005	<.005	<.005
83524	<.005	<.005	<.005
83525	<.005	<.005	<.005
83526	<.005	<.005	<.005
83527	<.005	<.005	<.005
83528	<.005	<.005	<.005
83529	<.005	<.005	<.005
83530	<.005	<.005	<.005
83531	<.01	<.005	<.005
83532	<.04	<.005	<.005
83533	<.01	<.005	<.005
83534	<.01	<.005	<.005
83535	<.01	<.005	<.005
83536	.02	<.005	<.005
83537	.03	<.005	<.005
83538	.04	<.005	<.005
83539	.05	<.005	<.005
83540	.01	<.005	<.005
83541	.06	<.005	<.005



LEGEND

- 5 CHERTY SEDIMENTS/TUFF
- 4 RHYOLITE
- 3 FELDSPAR PORPHYRY
- 2 QUARTZ DIORITE
- 1 ANDESITE
- FAULT
- OUTCROP
- BEDDING
- DYKE or FLOW

83510 SAMPLE LOCATION & NO
 TRVERSE



KESTREL RESOURCES LTD.
 GLA & RON CLAIMS
 LIARD MINING DIVISION, S.C.
**PROPERTY TRAVERSE, SAMPLE
 LOCATION & GEOLOGY MAP**

RANGEX SERVICES LTD.

N.T.S. 104 8/15 & 8/2	SCALE: 1:20,000	FIG.
DATE: FEB., 1990	DRAWN: J.B./gw	4

W. JACKSON & ASSOCIATES LTD.

Consulting Engineers

August 16, 1990

Kestrel Resources Ltd.
506 - 675 W. Hastings St.
Vancouver, B.C.
V6B 1N2

Attention: Mr. R. Foreshaw, President

AND

Dundee Resources Corp.
1730 - 999 W. Hastings St.
Vancouver, B.C.
V6C 2W2

Attention Mr. R. McRae, President


Dear Sirs:

As the request of Mr. Foreshaw, I have reviewed the Exploration Report on the GLA and RON claims, prepared by Mr. John Buchholz on March 7, 1990.

I am familiar with Mr. Buchholz's work, and concur with his conclusions and recommendations regarding further exploration on this property.

The Estimate of Expenditures is in line with my experience of costs which will be incurred on exploring a property of this size in the regional terrain.

Yours truly,



W. Jackson, P.Eng.

ENGINEERS CERTIFICATE

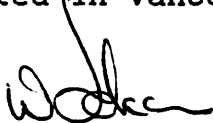
I, William A.C. Jackson of the Municipality of North Vancouver, in the Province of British Columbia, do hereby certify:

That I am a consulting engineer with offices at 500 - 543 Granville Street, Vancouver, British Columbia, V6C 1X8.

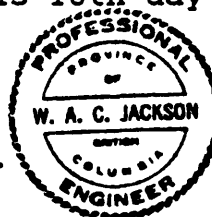
I further certify that:

1. I am a graduate of the University of Alberta and hold a B.Sc. degree in Mineral Engineering (1978) and an M.B.A. (1979).
2. I have been practicing my profession for the past eleven years, and have been employed in the mining industry for the past twenty four years.
3. I am registered with the Association of Professional Engineers of the Province of British Columbia and with the Association of Professional Engineers of the Province of Ontario.
3. I have reviewed in detail the Exploration Report on the GLA and RON claims prepared for Kestrel Resources Ltd. by John Buchholz, Geologist, dated March 7, 1990.
4. I have no direct nor indirect interest whatsoever in the share capital of Kestrel Resources Ltd. or Dundee Resources Corp. and do not expect to receive any interest therein.
5. I hereby consent to the use of this letter by the Companies in connection with a Prospectus or a Statement of Material Facts related to the raising of funds for this project.

Dated in Vancouver, B.C. this 16th day of August, 1990



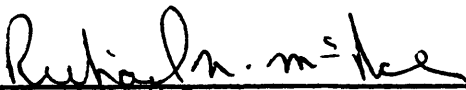
William A.C. Jackson, P.Eng.
Consulting Engineer

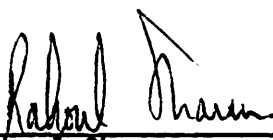


CERTIFICATE OF THE ISSUER.

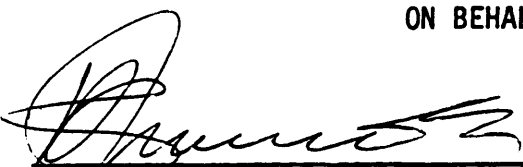
The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts, as required by the Securities Act and its regulations.

DATED this 21st day of August , 1990.


Richard N. McRae
Chief Executive Officer


Rahoul Sharan
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS


Robert E. Swenarchuck
Director

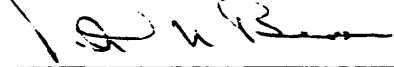

Gregory E. Amor
Director

CERTIFICATE OF THE 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.

DATED this 21st day of August , 1990

L.O.M. WESTERN SECURITIES LTD.

Per: 

JONES, GABLE & COMPANY LIMITED

Per: 

HAYWOOD SECURITIES INC.

Per: 