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SUPERINTENDENT OF BROKERS AND VANCOUVER STOCK EXCHANGE

STATEMENT OF MATERIAL FACTS (#104/87) EFFECTIVE DATE: AUGUST 14, 1987

CONSOLIDATED STIKINE SILVER LTD. (N.P.L.) 900 - 837 West Hastings Street, Vancouver, B.C. V6C 1B6, 687-7053 Name of Issuer, Address of Head Office and Telephone Number

<u>1700 - 1075 West Georgia Street, Vancouver, B.C. V6E 3G2</u> Address of Registered and Records Offices of Issuer

NATIONAL TRUST COMPANY, 666 Burrard Street, Vancouver, B.C. V6E 929 Name and Address of Registrar and Transfer Agent for Issuer's Securities in British Columbia

The Issuer is, under the rules of the Vancouver Stock Exchange, a "Development Company".

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.

OFFERING: 500,000 COMMON SHARES WITHOUT PAR VALUE

Shares	Estimated Price to Public	Estimated Commission	Net Proceeds to be Received by the Issuer
Per Share	\$0.75	\$0.05625	\$0.69375
Total	\$375,000	\$28,125	\$346,875

The actual price to the public will be the fair market price at the time of the Offering, subject to a minimum sales price of 75¢.

ADDITIONAL OFFERING: 250,000 COMMON SHARES WITHOUT PAR VALUE

The Agents will receive Agent's Warrants entitling them to purchase a total of 250,000 additional common shares in return for guaranteeing the sale of the 500,000 shares offered hereby. These additional shares are hereby qualified for sale. See "Plan of Distribution" for further information concerning the sale of these additional shares.

AGENT:

CONTINENTAL CARLISLE DOUGLAS, 1055 Dunsmuir 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.

1. PLAN OF DISTRIBUTION

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Offering

The Issuer, by its Agent, hereby offers (the "Offering") to the public through the facilities of the Vancouver Stock Exchange (the "Exchange"), 500,000 common shares (the "Shares"). The Shares will be sold at a price (the "Fixed Price") to be agreed upon by the Issuer and the Agents provided that such Fixed Price shall not be fixed at a discount of more than 10% below the average market price determined by the Exchange in accordance with its rules and in any event not less than \$0.75 per share.

The Offering shall be made on a day (the "Offering Day") within the period of 30 business days following the Effective Date of the Statement (the Effective Date being the date of acceptance of the Statement by the Exchange and the Superintendent of Brokers as noted on the cover page on the Statement) at the Fixed Price.

The price of the Shares (the "Offering Price") will be the market price of the Issuer's shares prevailing from time to time on the Exchange but in any event will not be less than \$0.75 per share.

The purchaser of any Shares will be required to pay regular commission rates as specified in the rules and by-laws of the Exchange.

Greenshoe Option

The Agent shall also be entitled to over-allot the common shares of the Issuer in connection with this Offering. In such case the Agent may, by notice given to the Issuer within thirty (30) trading days of the Offering Day, require the Issuer to allot and issue to the Agent's order, at the Offering Price, such number of common shares of the Issuer which is equal to the lesser of either 15% of the Offering or the actual number of shares over-subscribed for during the Offering. Entitlement of the Agent to over-allot is known as a "Greenshoe Option". The number of shares subject to the Greenshoe Option shall be determined at the conclusion of the Offering Day.

Appointment of Agents

The Issuer, by an agreement dated as of June 1st, 1987 (the "Agency Agreement") appointed Continental Carlisle Douglas as its agent (the "Agent") to offer the Shares to the public.

The Issuer will pay the Agent, in consideration for the services performed by it, a commission on the sale of the Shares, including Shares sold on over-allotment calculated at the maximum commission rate prevailing under the rules and by-laws of the Exchange.

The Agent reserves the right to offer selling group participation in the normal course of the brokerage business to selling REPORT ON TOK & KAY CLAIMS

ESKAY CREEK, UNUK RIVER, B. C.

SKEENA M.D. 1C4 8/9W

for

CONSOLIDATED STIKINE SILVER LTD.

C. R. Harris, P.Eng.

February 9, 1987

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INTROCUCTION

This report has been prepared at the request of Consolidated Stikine Silver Ltd. and is a brief summary of numerous reports and data of other investigators as well as personal knowlege of the property gained during 5 days on the property in 1979 while directing high-grading operations.

SUMMARY

The Eskay Creek property covers a number of elongate mineralized zones containing sulphides with appreciable precious metal content. These zones lie within a NNE trending silicified zone of sheared volcanics up to 1500 feet wide and at least 5000 feet long with indications of possible north and south extension. The most important zones are the #5, #21, #22, #28, #32, Emma and Red Bluff Zones, as shown on Figure 4.

The claim area has been prospected sporadically for the past 50 years but only recently have efforts been directed to locating more than local high-grade gold and silver mineralization. Old trenches, particularly in the #22 zone, have returned excellent gold and silver assays over widths of up to 20 feet with up to 11.878 oz/ton gold and 215.74 oz/ton silver from selected samples. Two high grade shipments have been made from this area. The last, in 1979, was of 9.65 tons assaying 4.208 oz/ton gold and 84.90 oz/ton silver.

Although persistant, the #22 Zone is irregular along strike and exploration is incomplete. Several diamond drill holes have been put down over the years but with only limited success. An attempt to explore from underground, the Emma Adit, some 200 feet below the #22 Zone, was also unsuccessful as the work stopped about 200 feet short of the minimum objective. The geology and structure is obviously complex and until better understood, the zone is not recommended for drilling. A thorough re-mapping and analysis of all data should be completed before work resumes in this area as well as in the possibly satellite S along-strike southern zones, the Emma Creek and #28. These zones should however be considered very important secondary targets as sources of high-grade though possibly limited tonnages of ore.

The #21 Zone represents the most important target for immediate work as gold-silver-base metal mineralization is known from old trenching and drilling to occur over widths of up to 100 feet for a strike length of some 1200 feet. In addition, recent geochemical surveys indicate that the zone, and possibly parallel zones, could extend for a further 2000 feet to the north. One old trench on the #21 Zone, the #21 K, sampled by Premier Gold Mines showed a sample width of 73 feet assaying C.06 oz/ton gold and 9.20 oz/ton silver. Nine other trenches showed similar assays over somewhat narrower widths. The early Premier drilling was only partly successful due to a misinterpretation of the dip. However, the final hole, P 47, intersected a 24.5 foot section assaying 0.08 oz/ton gold and 27.08 oz/ton silver. Recent drilling by Kerrisdale Resources in 1985 showed wide intersections, up to 123 feet, assaying in the 0.04 oz/ton gold range with appreciable silver. Shorter intersections showed grades up to 0.356 oz/ton gold and 38.4 oz/ton silver but unfortunately many sections of core, some adjacent or between higher grade sections, were not assayed therefore the results are incomplete. г.

The Red Bluff Zone is also considered a primary target at this time as recent rock chip sampling along the base and top of the bluffs has shown persistant though very low grade gold and silver values over a very large area. This is a highly pyritized and silicified breccia zone which could host higher grade veining or shears. There is also a possibility of a deeper feeder system which should be investigated by exploratory diamond drilling.

In summary, the #21 and Red Bluff Zones definitely warrant extensive exploration as both offer the potential for developing a large low to medium grade gold-silver-base metal deposit.

RECOMMENDATIONS

It is recommended that an extensive exploration program be initiated during 1987 on the #21 and Red Bluff Zones. Primarily this program is for diamond drilling to moderate depth with support work such as surveying, mapping, general prospecting and geochemical sampling.

A two phase program is recommended with Phase I being the major program of wide-spaced diamond drilling and Phase II for fill-in or step-out drilling as indicated from the results of Phase I.

Briefly, the work recommended is as follows:

- Phase I
- I Prepare base maps, permits etc. Make pre-project visit to check camp etc.
 - Aun control surveys, make site selections, prepare sites etc.
 - Extend geochemical coverage to north of #21 zone and tighten grid over anomalous zones.
 - Re-sample 1985 drill core.
 - Drill 4000 feet of BQ core from 5 sites. 2500' from 3 sites on #21 zone, 1500' from 2 sites on Red Bluff zone.
 Drill sites and hole attitudes to be determined in field. Drill contractor to supply camp.

This phase is expected to take 2 months to complete with a crew of supervisor and three prospector-helpers and a two shift drill operation.

- Phase II Contingent upon the successful completion of Phase I, additional fill-in or step-out drilling would likely be recommended.
 - A firm program cannot be outlined at this time but it is estimated that an additional 2000 feet of drilling could be completed before a winter camp becomes necessary.

Costs for the program are estimated as follows:

Phase I

Pre-job engineering, permits etc	\$ 5,000
Pre-job site visit	з,000
Tools, equipment, communications	10,000
Diamond Drilling - contract, including	
#21 Zone, 2200' @ 40.00 all incl.	88.000
Red Bluff, 1200' @ 40.00 all incl.	48,000
Supervision, 3 mo @ 6000	18,000
Labor, 3 men, 2 mo @ 3000	18,000
Assay, rock & core, 800 @ 30	24,000
soils, 1000 @ 15	15,000
Helicopter Support,	35,000
Crew Travel & accomm	5,000
Stewart expediting & freight	5,000
	274,000
Contingency	26,000
TOTAL Phase I	\$ 300.000
Phase II	
Diamond Drilling - contract.	
2000' @ 40.00 all incl	80,000

2000'@ 40.00 all incl	80,000
Supervision, 1 mo @ 6000	6,000
Labor, 2 men 1 mo @ 3000	6,000
Assays, rock 300 @ 30	9,000
Helicopter support	20,000
Misc costs & expenses	10,000
	\$ 131,000
Contingency	26,000
TOTAL Phase II	\$ 157,000

LOCATION & ACCESS

The property lies at approximately 56° 38' N, 130° 28' W, roughly sixty air miles NNW of Stewart, B. C. (Figure 1). The claims lie along Eskay Creek which parallels the upper Unuk River some $1\frac{1}{2}$ miles to the west. The area is on map sheet NTS 104 B/9W in the Skeena Mining Division of B. C.

4.

Access to the property is by helicopter from Stewart direct to the claims or by float aircraft to Tom McKay Lake some three miles west of the claims. An old cat road, in poor condition, connects Tom McKay Lake to the camp area and old workings. For the movement of equipment and supplies it is advisable to truck north from Stewart to the 2nd Bell Irving Crossing or Bob Quinn Lake then helicopter to the property. These routes are considerably shorter than from Stewart and avoid the high elevations of the glacier passes between Stewart and Unuk River.

Elevations on the property range from about 3000 to 4000 feet. The terraine is rugged with abrupt topographic changes although local relief seldom exceeds 500 feet. Dense sub-alpine scrub often makes foot travel difficult. Water for camp and drilling is generally in good supply but can become scarce at higher elevations during dry periods. Timber for mining purposes is available at lower elevations.

Precipitation is heavy, exceeding 50 inches per year, with mild summers but wet fall and spring periods and heavy accumulations of snow during winter. It is seldom possible to begin surface exploration before July and difficult to continue past mid-September unless fully winterized.

At some future time, road access from the Stewart-Cassian Highway could be obtained either along a creek valley northwest to the Iskut River or via the upper Unuk River and Tiegen Creek northeast of the property.

PROPERTY

The Eskay Creek Property consists of the following thirty 2-Post mineral claims located and arranged as shown on Figures 1 & 2.

 TOK 1 - 6
 Rec.# 37248 - 53, Located May 25, 1972

 Work recorded to 1992

 TOK 7 - 14
 Rec.# 37254 - 61, Located May 26, 1972

 Work recorded to 1992

 TOK 15- 22
 Rec.# 37421 - 28, Located Aug 16, 1972

 Work recorded to 1991

 KAY 11- 18
 Rec.# 21077 - 84, Located Oct. 2, 1962

 Work recorded to 1991

The above claims are owned by Consolidated Stikine Silver Ltd. and are in good standing to the dates shown.





TOK & KAY CLAIMS ESKAY CK., UNUK RIVER NTS 104 B/9 W

HISTORY

The property has had a long history of exploration by various companies since discovery in 1932 by a party headed by Tom McKay. The exploration has been principally directed to locating high grade precious metal mineralization.

- 1934 Unuk Valley Gold Syndicate surface trenching
- 1935-38 Premier Gold Mines 10 drill holes totaling 1727' on #21, #22 & #5 zones. Further trenching.
- 1953 American Standard Mines surface work
- 1963 Western Resources Drove Emma crosscut and drift for 360'
- 1964 Canex Aerial Expl. Six underground drill holes from Emma Adit totaling 735'
- 1965-72 Stikine Silver Extended Emma Drift 265', Trenching on 22 zone.
- 1973 Kalco Valley Mines Drilled 7 holes totaling 283' on north end of 22 zone.
- 1975 Texasgulf Geological, E.M., magnetometer survey.
- 1976 Texasgulf Drilled 7 holes totaling 1225' on #5 & Emma Creek zones.
- 1979 May Ralph Industries High-graded trenches on #22 zone. Shipped 9.65 tons picked ore.
- 1980-83 Ryan Exploration Soil & rock geochemical work, drilled 3 holes totaling 496 m on the Emma and #22 zones.
- 1985 Kerrisdale Resources Geochemical work to north of #21 zone, 2041' of drilling on #21 & #22 zones.

Only two shipments have been recorded although several small test shipments are thought to have been made during the late 1930s. The two shipments were:

- 1971 Stikine Silver Ltd. shipped 1.68 tons picked ore. yeild C.3 oz gold, 239 oz silver assay 0.2 oz/ton gold, 142.3 oz/ton silver
- 1979 May Ralph Industries shipped 9.65 tons picked ore. yeild 40.62 oz gold, 819.54 oz silver assay 4.208 oz/ton gold, 84.90 oz/ton silver.

GEOLOGY

The area north and west of Unuk River is underlain by a moderately folded sequence of volcanic and sedimentary rocks of marine origin deposited in a near shore, island arc environment. The rocks underlaying Eskay Creek are considered to be of the Hazelton group with Bowser group rocks bordering to the north and east. Intrusive rocks are only rarely seen in the vicinity as the Coast Crystaline belt is well to the west. The project area is underlain by a succession of Jurassic volcanic and sedimentary rocks trending to the north northeast cutting the regional northwest trend and dipping to the northwest.

The eastern edge of the property is underlain by greenish tuffs, agglomerates and minor sandy sediments. Shearing is common and in many areas results in a northeasterly schistosity with a steep southeasterly dip. These rocks are intruded by a small stock of feldspar porphry on the ridge between Eskay Creek and Unuk River. The western edge of the property is made up of folded argillite, sandstone and conglomerate.

Between the sediments on the west and the sheared tuffs on the east is a zone about 1500 feet wide that is interpreted as a shear zone. This zone is marked by high orange-red bluffs of silicified rocks with abundant pyrite which first attracted prospectors to the area. Widespread silicification is the dominant characteristic of the shear zone and the altered rock is often brecciated. Within the silicified shear zone are located all the known mineralized zones on the property. Figure 3 shows the regional geology and Figure 4 a general property geology with major showings marked.

The mineralization occurs in silicified rhyolite breccia cut by stockworks of sulphide veins of pyrite with tetrahedrite, galena and sphalerite often containing high precious metal values. Arsenopyrite and jamesonite have also been recognized and other sulphosalts are suspected. The stockwork areas form long zones parallel to the enclosing rocks. Another period of mineralization is indicated for the #22 zone where cross fracturing has localized massive sulphide veining with very high gold values. Additional periods of mineralization could be postulated for mineralized faults in the #21 area and for the massive sulphide zones of the #5 area.

Geochemical surveys in 1980 and 1985 indicate that additional mineralized zones may exist to the north and northeast of the #21 zone. Also, preliminary work to the south of the #28 zone shows possible hidden mineralization.

DESCRIPTIONS OF SHOWINGS AND WORK

GENERAL

The locations of the various zones are shown on Figure 4. The main showings occur over a horizontal distance of 5000 feet with open extension to the north and south.

Complete descriptions of all the trenching, sampling, diamond drilling, underground work etc. done over the years would be much too voluminous for this brief report. However, the numerous reports, maps, sample plans, drill logs & sections etc. on which these descriptions are based are on file with Consolidated Stikine Silver Ltd. at their corporate offices.

#5 Zone

This zone appears to be a series of massive sulphide pods with heavy pyrite, galena and sphalerite but lower than usual precious metal content. Only a few old pits were cut along the zone over a distance of about 300 feet. A satelite zone, the #23, lies about 700 feet further along strike to the northeast but no information on this section has been found and the trenches are now sloughed.

Surface samples from the old #5 zone trenches show sample widths to 12 feet with the best assay reported from a 7.0' section of C.O4 oz/ton gold, 11.25 oz/ton silver, 23.5% lead and 15.0% zinc (Cannon, 1951). In 1979, the writer obtained grab samples assaying up to 0.16 oz/ton gold and 5.26 oz/ton silver.

Geophysical surveys in 1975 showed the possibility of massive sulphides at depth below the #5 zone. Six short drill holes put down in 1976, TG 1 -5 & 7, intersected light to medium sulphides to 100' depth but did not find an anticipated widening of the sulphide zone. The best drill intersection was from hole TG 1 which cut 3.C' of sulphides at about 100' below surface assaying 0.041 oz/ton gold, 1.90 oz/ton silver. 8.01% lead and 5.36% zinc. Figure 5 shows the location of trenches and diamond drilling.

This zone should be further prospected along strike by surface trenches and shallow drilling followed by deeper drilling as necessary. However, for the present this work should be given a lower priority than work on the #21 and Red Bluff zones.





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#21 ZONE

Along the #21 zone silicified volcanic rocks have been trenched at irregular intervals for about 1200 feet in a northnortheast direction. Brecciation is rare but the rocks are well fractured, usually quartz filled and often containing appreciable tetrahedrite with galena and sphalerite. Figure 5 shows the arrangement of trenches and location of old diamond drill holes along the zone. Much of the mineralized zone is relatively low grade but as the only known trench sampling was done over wide widths, many narrower high-grade sections undoubtedly exist. A few of these were observed by the writer in 1979 but not sampled due to the poor condition of the trenches. Ten trenches sampled by Premier Gold Mines showed quite reasonable values over good widths with the best assay obtained from Trench K where 73 feet of sample ran 0.05 oz/ton gold and 5.20 oz/ton silver.

Diamond drilling by Premier Mines showed that mineralization extends to at least 200' depth but only one hole, P 47, reached this depth with the other five holes being much shallower. Also, it is apparent that for the first five holes the dip of mineralization was misjudged and it was only on drilling hole P 47 that the structure was crosscut. The first five holes likely only skirted the footwall of the zone. The dip of mineralization is therefore probably rather flat to the northwest. The best Premier intersections were:

Р	42	152'	-	172'	0.09	oz/ton	gold	12.82	oz/ton	silver
Р	44	218'	-	2 21'	0.08	**	**	5.60	**	**
Р	47	28'	-	52.5'	0.08	**	**	27.08	**	**

All holes encountered light to medium sulphides throughout.

In 1985, Kerrisdale Resources drilled four holes, K 1 - 4, as shown on figure 5, totaling 1727 feet. These were put down to the north of the old Premier drilling and although no highgrade sections were encountered, the widths and persistance of the lower grade mineralization is quite impressive. Selected drill intervals are shown below:

-	_					
.036		(23.5')	- 312.5'	289	-50°	К – 1
t sampled	not	(6.5')	*			
.053		(2.0')	- 355	319		
t sampled	not	(3.0')	*			
.046		(15.0')	- 341	325		
t sampled	not	(33.01)	*			
.034		(9.5')	- 383.5'	374		
t sampled	not	(6.5')	*			
.035		(24.0')	- 414'	390		

oz/ton Ag. oz/ton Au.



К	-	S	-47°	153	-	195'	(42.0')	8.00	.044
			incl.	157.6	-	168'	(10.4')	20.50	.036
				168	-	185'	(17.0')	7.13	.052
				329.8	-	453'	(123.2')		.044
			incl.	365	-	395'	(30.0')		.060
κ	-	3	-66 ⁰	169	-	174.5'	(5.5')	6.1	.40
					*		(1.5')	not samp	led
				175	-	178.5'	(2.5')	38.4	.124
					*		(31.5')	not samp	led
				210	-	213.5'	(3.5')	.14	.356
				258	-	340'	(82.0')		.03
к	-	4	-55°	139	-	155'	(16.0')	5.35	.13
			incl.	142	-	150.8'	(8.8')	2.23	.20
				145	-	155'	(10.0')	8.24	
				327	-	419.5'	(92.5')		.043

As noted above, some very important sections were not sampled and a review of the drill logs indicates that other important sections may have been missed. Apparently, in many sections mineralization is difficult to recognize therefore the remaining core should be completely split and assayed.

Stream sediment sampling in 1980 indicated that the zone may extend to the northwest past a small lake for perhaps another 2000 feet. Soil sampling by Kerrisdale Resources in 1985 confirmed this possibility a number of anomalous gold, silver, lead and zinc areas. These zones indicate a possible offset to the west of the #21 zone as well as a possible northerly extension of the #5 - #23 structures. Soil sampling should be continued over a greater area and closer spaced sampling done over the more interesting areas.

It is evident therefore that there is considerable potential in this zone for both high-grade sections which might be mined selectively as well as for a large tonnage of lower grade material which might be amenable to open pit mining.

The #21 zone should therefore be further explored by diamond drilling in the area of the old trenches with six holes from three locations more or less as shown on Figure 5. Final drill sites must be determined in the field and a total of 2200 feet of drilling should be budgeted for a First Phase program. Following this First Phase drilling and geochemical surveys a Second Phase of fill-in and step-out drilling may be recommmended.

. RED BLUFF ZONE

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In 1979, two grab samples of talus fines were taken from high on the talus slope below the Red Bluffs which assayed 9.48 and 2.38 oz/ton silver with low gold values. The Bluffs are a highly pyritized and silicified volcanic tuff cut by numerous shears and fractures. 1985 rock chip sampling. Figure 6, showed only low precious and base metal content but the persistance of values in both the Red Bluff and North Red Bluff areas is highly interesting and diamond drilling is recommended to check these zones at depth for possible feeder systems and structure. Two drill holes totaling 1200 feet should be sufficient to test the potential of these areas. Crill pads for these holes were prepared in 1985.

#22, EMMA & #28 ZONES

These zones consist of sheared rhyolite breccia trending north-northeast possibly associated with volcanic venting in which narrow-vein stockworks of quartz with silver bearing sulphides have been emplaced. A second period of mineralization, probably associated with minor cross faulting, resulted in narrow massive sulphide veining with high gold values. Mineralization is complex in these zones with several sulphides and sulphosalts identified as well as a gold-silver alloy.

To the north the zone terminates at the MacKenzie Fault and has not been found beyond the fault. To the south the #22 Zone probably continues into the Emma and 28 Zones with barren sections and faulting complicating the continuity.

Some 16 trenches have been cut along the #22 Zone along 900 feet of strike. The trenches show widths of up to 40 feet often carrying impressive values in gold and silver over narrow widths. Selected samples have run as high as 11.878 oz/ton gold and 215.74 oz/ton silver while channel sampling has returned up to 3.51 oz/ton gold and 148.8 oz/ton silver over a 3.5' sample width. Similar assays and widths have been reported from the Emma and #28 Zones.

The high-grade shipments made in 1971 and 1979 were mined from the central portion of the #22 Zone in an area of vein stockwork with narrow massive sulphide veinlets.

Despite numerous drill holes by various operators and an exploration adit below the Emma ans #22 Zones, the geology and structure of the area is still a puzzle. All of the work to date has been very encouraging, often showing excellent assays, but no clear picture of the structure or controls has emerged and even the dip of mineralization is in question. These zones are therefore considered very important assets but until a thorough study of the geology and structure has been completed, exploration should be confined to detailed mapping with petrographic, alteration and mineralogical studies.



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OTHER ZONES

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Several other pyritized, silicified bluffs are known on the property but have not been investigated to any extent. The persistance of low grade mineralization in the Red Bluff Zone points out the importance of prospecting and systematic sampling of these bluff areas.

Other areas to the south of the #28 Zone are known to be lightly mineralized but have not been prospected since the 1930s. Some time should be budgeted for reconnaissance in these areas.

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C.R. Harris, P.Eng., 2709 Wembley Drive North Vancouver, B.C. V7J 3B7

February 9, 1987

CERTIFICATION

I, Charles R. Harris, of 2709 Wembley Drive, North Vancouver, do hereby certify that:

- I am a graduate of the University of British Columbia with a degree of Bachelor of Applied Science in Mining Engineering.
- I am a registered member, in good standing, of the Association of Professional Engineers of British Columbia, and have practiced my profession continuously for the past twenty-two years.
- 3. I have no interest, direct or indirect, in the properties or securities of Consolidated Stikine Silver Ltd, nor do I expect to receive any.
- 4. This report is based upon a study of the old maps and reports and on a personal knowlege of the property gained during field visits and examinations during 1979.
- 5. This report may be used in a Prospectus or Statement of Material Fact if so desired.

HARRI R C. R. Harris, P.Eng.

February 9, 1987

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

July 29, 1987. Márguer/1/e J. Mackay

President & Director

HY. Alex Briden

Director

Donald M. Gillies Secretary & Director

Andrew Robertson Director



CERTIFICATE OF UNDERWRITERS

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.

CONTINENTAL CARLISLE DOUGLAS

Per: 30 TH 1987 Dated:

THEO/COR/CON4108-2