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VANCOUVER STOCK EXCHANGE

BRITISH COLUMBIA, CANADA

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FILING STATEMENT

(# 98/88 )

CALPINE RESOURCES INCORPORATED (The "Company")

NAME OF COMPANY

Head Office - Suite 910, 1122 - 4th Street, S.W.  
Calgary, Alberta, T2R 1M1

Registered - Suite 1300, 1090 West Georgia Street  
Office Vancouver, British Columbia

HEAD OFFICE ADDRESS AND TELEPHONE NUMBER OF COMPANY

The Canada Trust Company, Four Bentall Centre, P.O. Box 49390, Vancouver,

NAME AND ADDRESS OF COMPANY'S REGISTRAR AND TRANSFER AGENT British Columbia, V7X 1P3

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

The Vancouver Stock Exchange has not in any way passed upon the merits of the securities or the Company. The information contained in this Filing Statement has been supplied to the Exchange by the Company, and the Exchange has relied upon this information in accepting the Filing Statement.

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**FILING STATEMENT**

**A. STATEMENT OF MATERIAL CHANGE IN THE AFFAIRS OF THE COMPANY**

**1. Option Agreement - TOK and KAY Claims, Eskay Creek, Unuk River, British Columbia**

Pursuant to an Option Agreement, made as of May 5, 1988, between Consolidated Stikine Silver Ltd. (N.P.L.) ("Consolidated") and the Company (herein called the "Option Agreement"), the Company was granted an irrevocable option to earn up to a 50% interest in 33 mining claims located in the Skeena Mining Division of British Columbia as more particularly described as follows:

| <u>Name</u> | <u>Record Number</u> | <u>Work File</u> |
|-------------|----------------------|------------------|
| TOK 1-14    | 37248-61, inclusive  | May, 1992        |
| TOK 15-22   | 37421-28, inclusive  | September, 1991  |
| KAY 11-18   | 21077-84, inclusive  | October, 1991    |

The Option Agreement provides that the Company is obligated to expend an annual amount of \$300,000.00 over the next three years to earn a 15% interest in 1988, a 15% interest in 1989 and a 20% interest in 1990 in the above-noted claims. The Company also has an option to acquire a further 15% interest for no further consideration in the following claims, namely, GN1-3 Record number 4802-4, inclusive, in the event Consolidated is successful in acquiring title to these claims.

Each of the foregoing claims are located near the Upper Unuk River, approximately 60 air miles north northwest of Stewart, British Columbia. Reference is made to "Material Natural Resource Properties". To the best of the knowledge of the Company there are no known reserves proven, probable or possible, located on the claims. It is the intention of the Company to fund the initial work commitment through the private placement as hereinafter described. To the best of the knowledge of the Company, no insider or promoter of the Company has held any interest in the aforesaid claims during the past three years. In addition, no finder's fee was paid by the Company in connection with the entering into of the Option Agreement. Upon exercise of all or a portion of the aforesaid option the Company will then enter into a joint venture agreement with Consolidated for the further exploration and development of the properties.

**2. Private Placement of 1,500,000 common shares and warrants to purchase 1,500,000 common shares**

Pursuant to a Subscription Agreement, made as of May 5, 1988 ("Subscription Agreement"), Prime Capital Corporation, 1540 - 609 Granville Street, Vancouver, British Columbia, V7Y 1C6, ("Prime") has agreed to subscribe for 1,500,000

## C. MATERIAL NATURAL RESOURCES PROPERTIES

### 1. Eskay Creek Prospect

In conjunction with the Company entering into the Option Agreement, made as of May 5, 1988, between Consolidated and the Company, the Company has obtained a geological work report, dated July 25, 1988 ("Report") prepared by Charles R. Harris, Professional Engineer ("Harris") relating to the TOK and KAY claims to be acquired by the Company pursuant to the Option Agreement. A summary of the Report including recommendations and a proposed work program is hereinafter set forth. Reference is made to the complete text of the Report, a copy of which has been filed with the Vancouver Stock Exchange.

#### Location and Access

The Eskay Creek property lies at approximately 56° 38' N, 130° 28' W, roughly sixty air miles NNW of Stewart, British Columbia. Reference is made to Schedule "A" attached hereto. The claims lie along Eskay Creek which parallels the upper Unuk River some 1 1/2 miles to the west.

Access to the property is by helicopter from Stewart direct to the claims or by float aircraft to Tom McKay Lake some 3 miles west of the camp. An old road, in poor condition, connects Tom McKay Lake to the camp area. Elevations range from about 3,000 to 4,000 feet. The terrain 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 mid July.

At some future date, road access to the area from the Stewart-Cassiar Road could be obtained either along a creek valley northwest to the Iskut River or to the northeast via the upper Unuk River and Tiegen Creek valleys.

#### Summary of Report

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 1,500

feet wide and at least 5,000 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 Schedule "B" attached hereto.

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 documented from the area. The last, in 1979, was of 9.65 tons assaying 4.208 oz/ton gold and 84.90 oz/ton silver.

Although persistent, 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, about 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 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 zone as well as the satellite Emma and #28 Zones. However, these zones should be considered very important secondary targets for ore development.

The #21 Zone represents the most important target for immediate work as gold-silver-base metal mineralization is known from trenching and drilling to occur over widths of up to 100 feet for a strike length of some 1,200 feet. In addition, recent geochemical surveys indicate that this and parallel zones to the east could extend for a considerable distance to the north.

One old trench on the #21 Zone, the K trench, sampled by Premier Gold Mines showed a sample width of 73 feet assaying 0.06 oz/ton gold and 9.20 oz/ton silver. Nine other trenches showed similar values over somewhat narrower widths. The 1987 re-sampling of 12 trenches confirmed the general tenor with highs to 0.302 oz/ton gold and 30.04 oz/ton silver over 5 foot 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 gave long intersections, up to 123 feet, assaying in the 0.04 oz/ton gold range with several ounces of silver. Individual sections ran as high

as 0.512 oz/ton gold and 88.14 oz/ton silver. Some important intersections include:

|        |                     |                |                   |
|--------|---------------------|----------------|-------------------|
| DDH #1 | 325'-397' (72')     | .046 oz/t gold |                   |
| #2     | 157.6-185' (27.4)   | .046 oz/t gold | 12.13 oz/t silver |
| #2     | 329,8-430' (100.2') | .048 oz/t gold |                   |
| #3     | 169-235' (66')      | .122 oz/t gold | 2.91 oz/t silver  |
| #4     | 139-155' (16')      | .129 oz/t gold | 5.35 oz/t silver  |

Preliminary soil sampling in 1985 and 1987 on grids to the northeast of the #21 Zone showed possible northward extensions of both the #21 and #23 Zones. Closer spaced lines and greater coverage should better define these areas.

The Red Bluff is also considered a primary target as recent rock chip samples along the base and top of the bluffs have shown persistent though low grade gold and silver mineralization over a very large area. This is a highly pyritized siliceous breccia zone which could host higher grade veining or shears. There is also a possibility of a deep seated feeder system which can easily be investigated by diamond drilling.

Harris concludes by stating that the #21 and Red Bluff Zones warrant extensive exploration as both offer the potential for developing a large low to medium grade precious-base metal deposit and that the entire area warrants detailed study as other zones have only been superficially prospected and may also become potential sources of ore.

#### Recommendations of Harris Report

Harris recommends in his Report that an extensive exploration program be initiated on the #21 and Red Bluff Zones. Primarily the program is for diamond drilling to moderate depth with support studies such as surveys, geological mapping, general prospecting and soil geochemistry.

A two phase program is recommended by Harris with Phase I being for wide spaced diamond drilling with detailed geological, geochemical and prospecting support, and Phase II for fill-in or step-out drilling as indicated from the result of Phase I.

Briefly, the work recommended is as follows:

- Phase I - Prepare base topo maps, permits, etc. Pre-project visit.
- Control surveys, drill site selection, site preparation, etc.
  - Extend and tighten geochemical coverage to north and east of #21 zone.
  - Diamond drilling, 2,700 feet. 1,700' on #21 zone, 1,000' on Red Bluff. 4 to 5 sites, helicopter moves. Drill sites and hole attitudes to be determined in field.

This phase is expected to take about 2 months to complete with two shift drill operation.

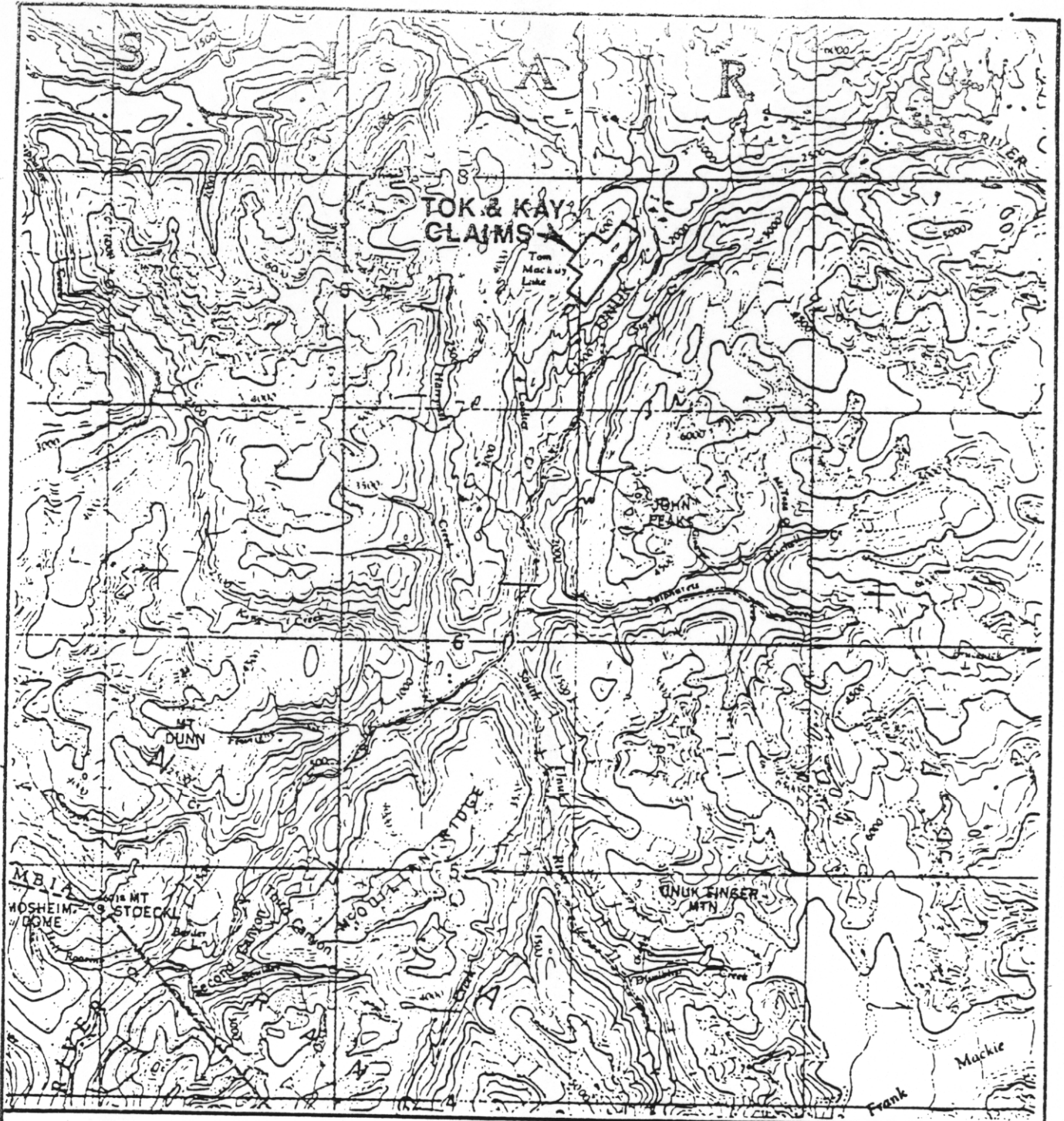
- Phase II- Contingent upon the successful completion of Phase I, additional fill-in or step-out drilling would likely be recommended.
- A firm program cannot be outlined at this time but at least 4,000 feet of diamond drilling with continued support work should be anticipated.

It is therefore proposed that the Company will commence Phase I of the recommended work program during 1988 to complete its initial exploration obligations under the Option Agreement.

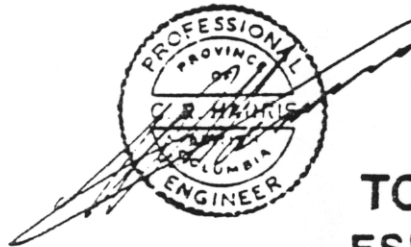
Costs for the program are estimated by Harris as follows:

Phase I

|   |               |
|---|---------------|
| Pre-job engineering, maps, permits, etc | \$ 7,000      |
| Pre-job site visit, recce               | 3,000         |
| Camp gear, tools, communications        | 8,000         |
| Supervision, 3 mo                       | 18,000        |
| Geologist & 2 helpers, 2 mo             | 24,000        |
| Cook & laborer                          | 10,000        |
| Camp costs                              | 6,000         |
| Diamond Drilling, 2,700' @ 40 all incl. | 108,000       |
| Assay, Rock @ soil                      | 30,000        |
| Helicopter Support                      | 50,000        |
| Travel, misc accomm., expediting etc.   | 10,000        |
| Consulting, reports, special studies    | 10,000        |
| Contingency 10%                         | <u>28,000</u> |
| TOTAL Phase I                           | \$312,000     |

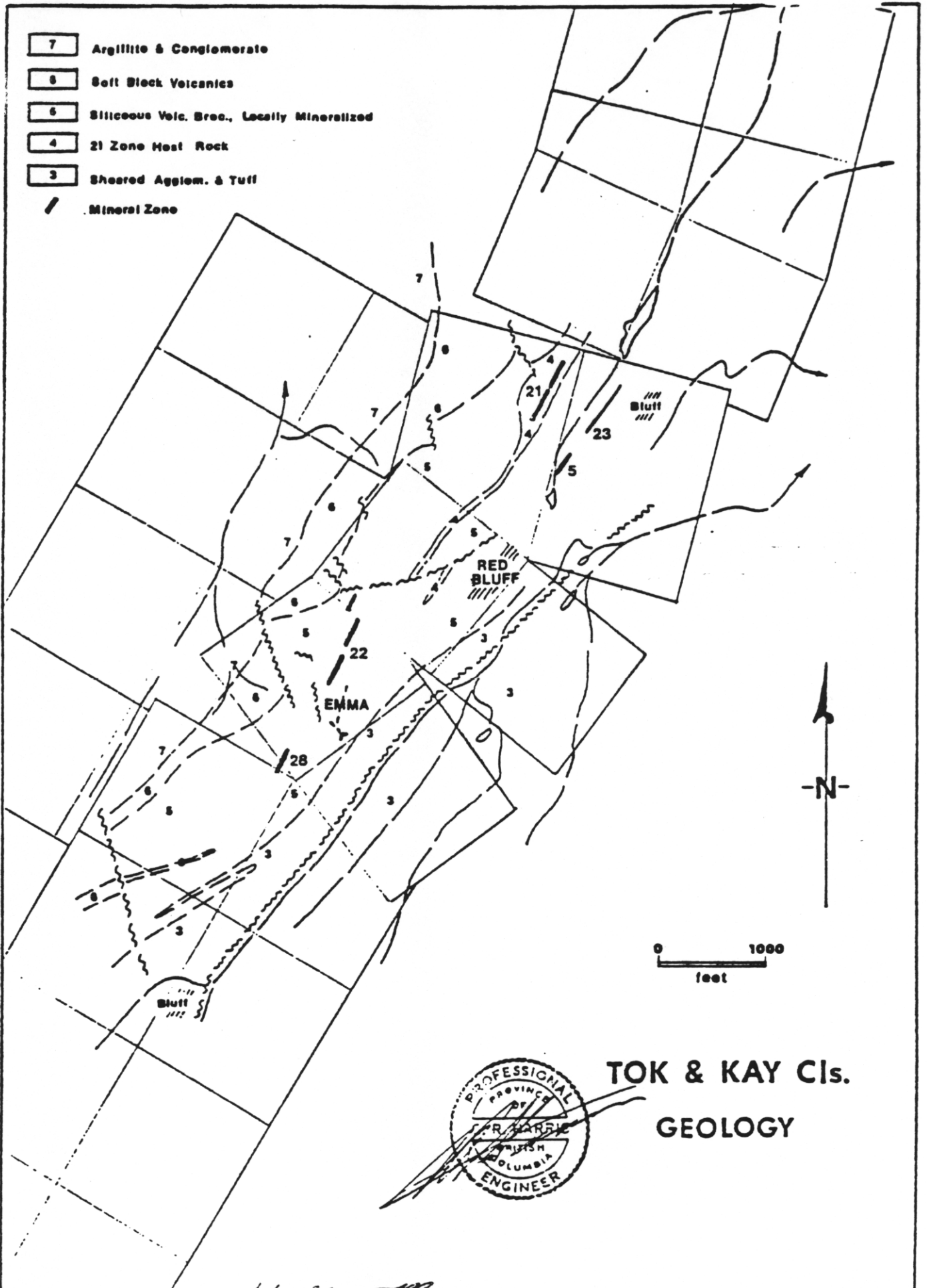


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**LOCATION  
TOK & KAY CLAIMS  
ESKAY CK., UNUK RIVER**

SCHEDULE "B"



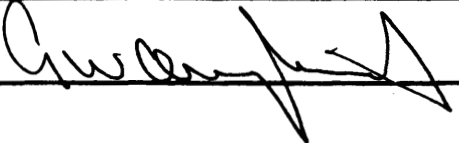


**CERTIFICATE OF THE COMPANY**

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the company's affairs.

This Certificate must be signed by two directors of the company.

NAME George W. Oughtred, Director

SIGNATURE 

NAME Robert B. Fraleigh, Director

SIGNATURE 

DATED at Calgary, Alberta this 29<sup>th</sup> day of July, 1988