

#1 - Quartz vein under 1 oz silver, low gold, widths 1" to 6" with mineralization on both sides. Length exposed on surface approximately 1000'.

#2 - Quartz vein strikes north to south for 200', then swings abruptly east to west for 200' due to an extreme fault or could be the dome of a massive quartz structure assays at 20% lead, 17% zinc, 20 oz silver.

#3 - Quartz vein assayed 24 oz silver, low gold, the vein structure is exposed for approximately 350', with a 2' diabase dyke on the hanging wall. The vein varies from 1' to 9' as indicated by hanging and foot wall contracts. The dyke is broken in three locations resulting in enrichments. The vein structure dips 70° to the east. The host rock surrounding all 3 vein structures is phylletic shale, and is streaked with 100's - hundreds of 1/16" to 1/4" pyrite seams with .10 gold values in some. This could very well be an open pit situation, no overburden.

#4 vein is a massive sulphide zone containing lead, zinc, gold, silver, copper, in very low amounts, but is indicating possibilities. Also, there seems to be scheelite present. The vein structure runs north and south for 1500' and starts off approximately 50' wide and gradually tapers to 10' wide and then arcs to the east to a width of 1'. All of the oxidized material has been scraped away by glacial action of the past.

A surface drill program would be very expensive since all holes would have to cut through 500 to 700' of waste rock to cut the vein structure. A better exploration program would require a road to be blasted out to the southern end of the vein structure at a cost of approximately \$50,000.00. Then a portal cut and a flat drift on track driven in on vein structure and 12 Diam drill stations cut for underground diam drilling. Drill holes to be drilled down into the lense and up the holes as well. This would cost approximately \$650,000.00 the diam. Drilling would be a separate cost.

There is a possibility that the #3 vein could be closely associated with the massive sulphide lense because there is a distinct vein structure on the hanging wall side of the sulphide lense (vein) entire length and an extension of #3 vein.

There is one large quartz vein showing the presence of scheelite and it strikes east into west on the hanging wall side of the massive lense (vein) structure. The #4 vein would be a total underground mining situation.

#5 vein is a massive sulphide zone completely barren of overburden. Chip sampling in on location gave low gold and silver. The area is approximately 100' wide by 400' long requires a large surface sampling by rock saw or drill and blast trenching.

#6 vein is a large quartz vein with no visible mineralization with the host rock a volcanic greenstone. No sampling has been done.

Also, after three years of part time construction, I have built a shaft house for the purpose of sinking a decline which was in progress until October 10, 1989. The shaft is collared, on track 24" gauge, -18" size 6' x 7'. A copco tugger is being used to hoist the 1-ton end dump muck car. When the shaft is completed a station and car lay by must be excavated before the x cut commences. A large hoist will be installed in a separate hoist room in front of the head frame when a train is to be hoisted to dumping position. (Note head frame picture).

The purpose of the shaft is to give depth to approximately 1500' x cut which will cross all vein structures especially #3 vein at enriched areas. The x cut must be driven at least $\pm 2^{\circ}$, so water will flow west to the breakthrough on Summit Lake side.

I anticipate severe water problems due to what appears to be surfacing from the ground directly above the x cut. Two shallow ponds which are full year round with a small run off these are on surface above x cut. The shaft cost would be around \$90,000.00. The x cut on track would cost under \$500.00 per foot.

The Hi-Ho #2 is 12 units and Hi-Ho #3 is 6 units. Immediate neighbours south and east are Westmin Resources, Big Missouri, Pits Dago, S-1, Provincial and Marth Allan. Also, Tenejohn Resources, all six miles south. To the north the former Scottie Gold. My claim is located on the west side of Mt. Dillworth.

Access is via the former Granduc Road which passes through south and east side of claim. Future power needs would be supplied by B.C. Hydro which is approximately 10 miles away at Westminsite.

A tailing pond site is available at a size approximately 2000' by 1000' wide with one minor creek diversion.

Hi-Ho #2 has an expiry date of August 1995, and Hi-Ho #3 has just been staked on September 1989 to protect the south end of the sulphide vein.

I also own 4 commercial lots in Downtown Stewart with a small warehouse.

The Hi-Ho #2 and #3 have been grouped and the new name is Korri-Hill claim. We would require helicopter service for emergency purposes only.

A \$1,000.00 reclamation permit is in place for the shaft program only. I have my own contracting company which is Korri-Hill Mining Ltd.

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I am the sole owner of the property. The property has never been core drilled to the best of my knowledge. I am looking for financial partners.

Yours sincerely,



Jack B. Hill