

PROPERTY FILE

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Rock and Roll claims
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SUPERINTENDENT OF BROKERS
AND
VANCOUVER STOCK EXCHANGE
(Development Company)

STATEMENT OF MATERIAL FACTS #24/89
EFFECTIVE DATE: JUNE 13, 1989

CONSOLIDATED POWERGEM RESOURCE CORPORATION

11th Floor, 808 West Hastings Street, Vancouver, B.C. V6C 2X6 Telephone: (604) 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

Montreal Trust Company, 510 Burrard Street, Vancouver, B.C. V6C 3B9
NAME AND ADDRESS OF REGISTRAR & TRANSFER AGENT FOR ISSUER'S SECURITIES IN BRITISH COLUMBIA

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 : 1,500,000 UNITS

Each Unit consists of One Common Share and Two Series "A" Share Purchase Warrants, two such Warrants entitling 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.

	Offering Price (estimated)*	Commission	Estimated Net Pro- ceeds to be Received by the Issuer
Per Unit	\$0.40	\$0.03	\$0.37
Total	\$600,000	\$45,000	\$555,000

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

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 this Statement of Material Facts through the facilities of the Vancouver Stock Exchange at the market price at the time of sale.

AGENTS

Canarim Investment Corporation Ltd.
2200 - 609 Granville Street
Vancouver, B.C. V7Y 1H2

Continental Securities
10th Floor, 1055 Dunsmuir St.
Vancouver, B.C. V7X 1L4

McDermid St. Lawrence Limited
1000 - 675 W. Hastings Street
Vancouver, B.C. V6B 1N6

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.

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19089

1. PLAN OF DISTRIBUTION

A. The Offering

By Agreement dated for reference May 25, 1989 (the "Agency Agreement"), Consolidated Powergem Resource Corporation (the "Issuer") appointed the following as its agents (the "Agents") to offer through the facilities of the Vancouver Stock Exchange (the "Exchange") 1,500,000 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>
Canarim Investment Corporation Ltd.	1,000,000
Continental Securities	400,000
McDermid St. Lawrence Limited	100,000

The Offering will take place on the "Offering Day" which will be not more than one hundred and eighty (180) calendar days after the date this Statement of Material Facts is accepted for filing by the Exchange and the Superintendent of Brokers (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, subject to the agreement of the Issuer and the Agents. The purchasers of any Units under the Offering will be required to pay regular commission rates as specified by the by-laws and rules of the Exchange.

The Agents reserve the right to offer selling group participation in the normal course of the brokerage business to selling groups of other licenced dealers, brokers and investment dealers who may or may not be offered part of the commissions derived from the Offering.

The obligations of the Agents under the Agency Agreement may be terminated prior to opening of the market on the Offering Day at their discretion on the basis of their assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events.

The Issuer has agreed to notify the Agents of any further public equity financing that it may require or propose to obtain during the twelve month period following the Effective Date and the Agents shall have the right of first refusal to provide such financing.

Except as set out in this Statement of Material Facts, there are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or other person

**GEOLOGICAL REPORT
ON THE
ROCK AND ROLL MINERAL CLAIMS**

**Located in the Iskut River Area
Liard Mining Division
NTS 104B/11E
56°43' North Latitude
132°14' West Longitude**

- Prepared for -

THIOS RESOURCES INC.

- Prepared by -

**A. MONTGOMERY, Geologist
C.K. IKONA, P.Eng.**

February, 1989

POWERGEM RESOURCE CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

February 28, 1989

8. NATURE OF OPERATIONS AND CONTINUED OPERATIONS

The company is in the process of acquiring and exploring certain mineral interests, and has not yet determined whether these properties contain ore reserves that are economically recoverable. The continued operations of the company and the recoverability of the amounts shown for mineral interests and related exploration and development expenses are dependent upon the existence of economically recoverable reserves, the ability of the company to obtain necessary financing, and upon future production (see Note 4).

9. SUBSEQUENT EVENTS

- a) The company is proposing to consolidate its share capital on a 3.5 old for 1 new share basis subject to the consent of regulatory authorities.
- b) Subsequent to the period end, the option agreement for the Rock and Roll mineral claims described in Note 3 was accepted for filing by regulatory authorities and 50,000 shares at a deemed value of 5¢ per share were issued pursuant to the terms of that option agreement.
- c) The company is proposing to offer 1.5 million units at a minimum price of 40¢ per unit under an Agency offering agreement subject to the consent of regulatory authorities. Each unit is to consist of one share of the company and two warrants entitling the holder to purchase one additional share of the company. The warrants will be exercisable for a period of one year at a price to be determined in accordance with the rules of the Vancouver Stock Exchange.
- d) Subsequent to the year end, directors and employee stock options for 90,000 shares expiring in 1990 lapsed upon the resignation of the directors and employees and options for 126,200 shares expiring in 1989 were cancelled.

10. RELATED PARTY TRANSACTION

Management fees of \$2,000 were paid to a company controlled by a director.

11. CASH RESOURCES (DEFICIENCY)

	February 28 <u>1989</u>	October 31 <u>1988</u>
Cash	\$ 199	\$ 379
Marketable securities	-	2,971
Bank loan	<u>(104,632)</u>	<u>(115,720)</u>
	<u>\$ (104,433)</u>	<u>\$ (112,370)</u>

Pannell
Kerr
MacGillivray

GEOLOGICAL REPORT on the ROCK and ROLL MINERAL CLAIMS

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1.0 INTRODUCTION

The Rock and Roll claims were staked in October 1988 to cover favourable ground located in the Iskut River gold camp in northwestern British Columbia. The claims are located 10 km northwest of Cominco/Delaware's Snip deposit and 15 km northwest of neighbouring Skyline's Stonehouse Gold deposit. Skyline reports reserves of 686,000 tons grading 0.570 oz/ton Au while recently reported reserves on the Snip deposit in all categories total 2,446,000 tons grading 0.648 oz/ton Au.

Late in 1988 a gold/silver/copper/lead vein was discovered 2 km southeast of the Thios property on Crest Resources/Magenta Developments ground. This significant discovery is hosted within volcanic and sedimentary rocks similar to those hosting the Skyline and Cominco/Delaware deposits and several other prospects in the Iskut River area. These units also underlie the Rock and Roll claims.

To date six man days of sampling on the Thios property has located rock chip and soil anomalies.

The following report is intended to summarize information available and work carried out on the property and recommends a follow-up work program for the 1989 season.

2.0 LIST OF CLAIMS

Records of the British Columbia Ministry of Energy, Mines and Petroleum Resources indicate that the following claims are owned by Prime Capital Corporation. Separate documents indicate that the claims are under option to Thios Resources Inc.

<u>Claim Name</u>	<u>Record Number</u>	<u>No. of Units</u>	<u>Record Date</u>	<u>Expiry Date</u>
Rock	5439	20	November 8, 1988	November 8, 1989
Roll	5440	20	November 8, 1988	November 8, 1989

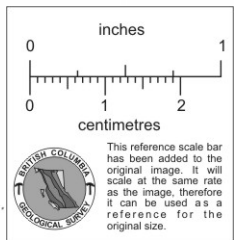
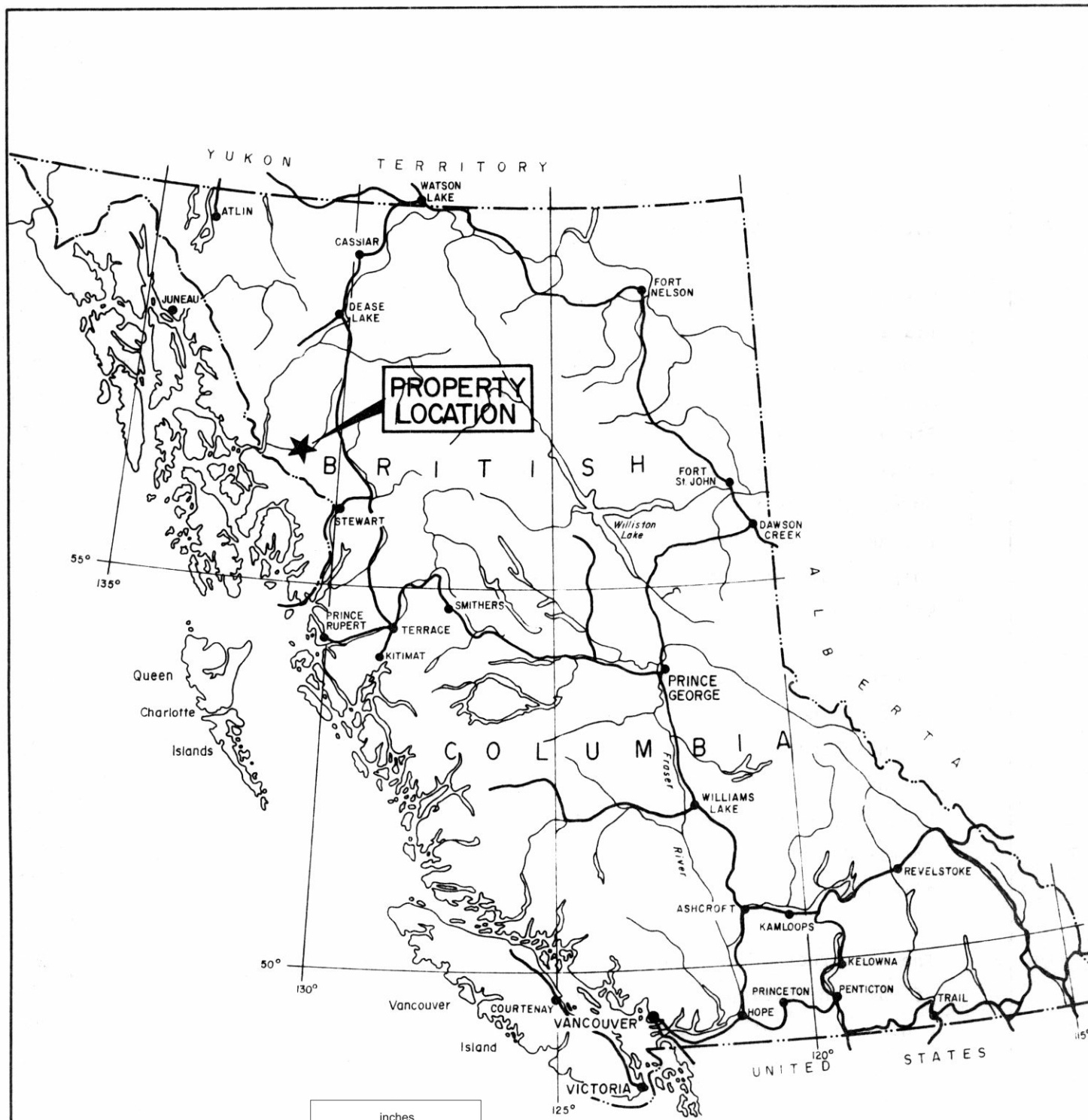
3.0 LOCATION, ACCESS AND GEOGRAPHY

The Rock and Roll claims are located along the Iskut River in northwestern British Columbia (Figures 1 and 2), forming part of a developing region of mineral occurrences centred along the Iskut. The claims are situated about 65 kilometres northeast of Wrangell, Alaska and 125 kilometres northwest of Stewart, British Columbia centered at 56°43' north latitude and 132°14' west longitude falling under the jurisdiction of the Liard Mining Division. Bob Quinn Lake on the Stewart-Cassiar Highway is situated 65 kilometres to the northeast while Bronson Creek gravel airstrip (servicing Cominco/Delaware's Snip deposit and Skyline Exploration's Stonehouse Gold deposit) is located 8 kilometres to the east-southeast.

Access to the property is via helicopter from the Bronson Creek gravel airstrip, Bob Quinn Lake or the Forrest Kerr airstrip located 36 kilometres to the northeast at the headwaters of the Forrest Kerr River. Daily scheduled flights to the Bronson Creek strip from Smithers, B.C., Terrace, B.C. and Wrangell, Alaska have been available during the field season using a variety of fixed wing aircraft (Bronson strip was recently upgraded to handle Hercules aircraft).

The construction of a road 65 kilometres long has been proposed by C.K. Ikona of Pamicon Developments Ltd. on behalf of Skyline Explorations Ltd. The road would be situated on the south side of the Iskut Valley to connect the Stewart-Cassiar Highway with the Cominco/Delaware-Skyline gold mines at Bronson Creek.

Geographically, the property lies within the Iskut River valley covering an area of gentle topography. Maximum elevations of 450 metres asl occur at the base of Hoodoo Mountain in the northwest corner of the claim area with elevations dipping to about 60 metres along the Iskut River which flows east-west across the claims as a series of river channels and gravel bars. Lost Lake along the southeast claim boundary drains into tributaries of the Craig River along the property's south boundary. Vegetation includes a well



THIOS RESOURCES INC.

ROCK and ROLL CLAIM GROUP

PROPERTY LOCATION MAP


0 100 200 MILES
0 100 200 300 KILOMETRES

PAMICON DEVELOPMENTS LTD.

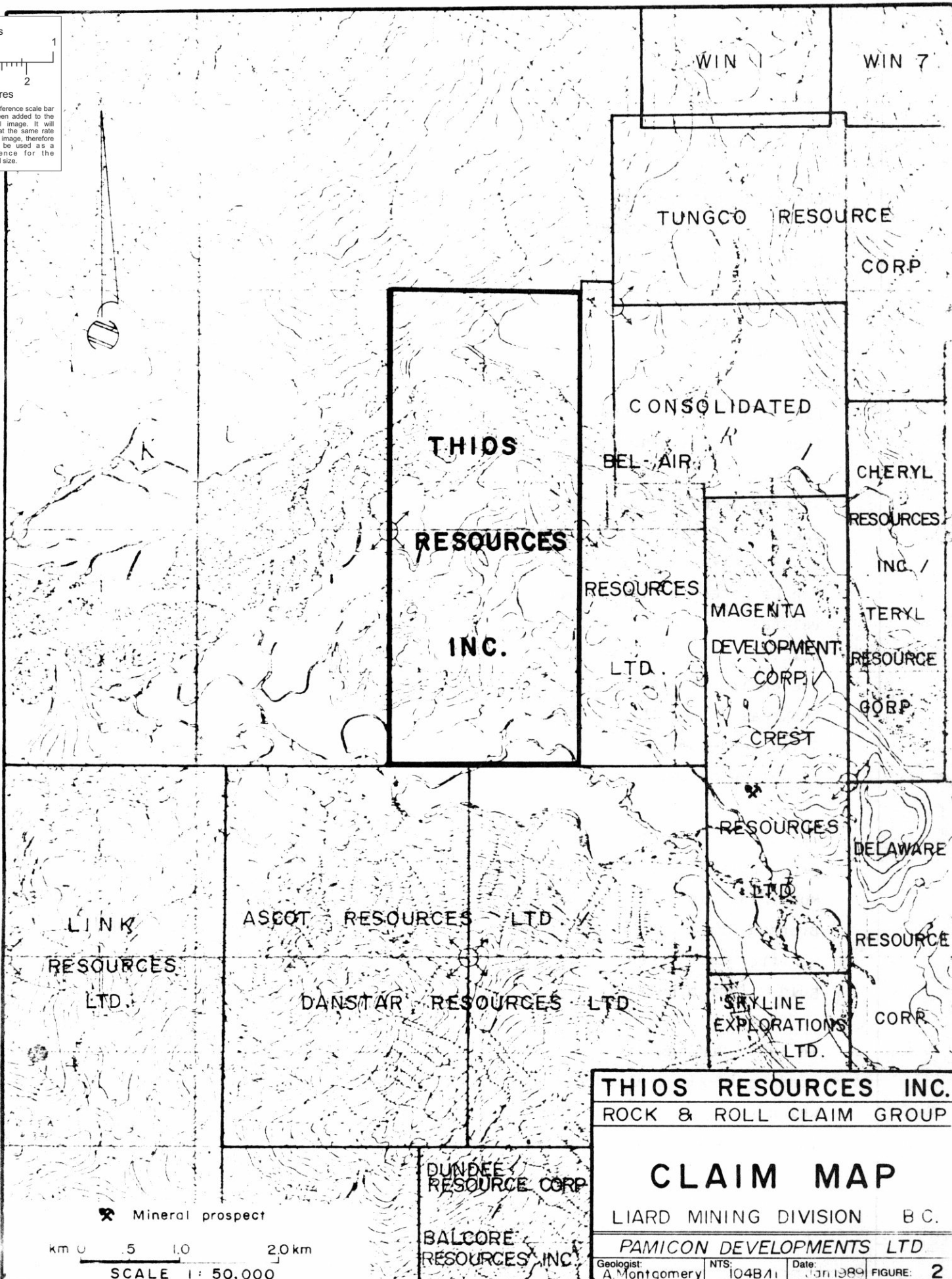
DRAWN J. W.	NTS 104B/11E	DATE Jan. 1989	FIG. 1
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0 1
inches

0 1 2
centimetres



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.



THIOS RESOURCES INC.
ROCK & ROLL CLAIM GROUP

CLAIM MAP

LIARD MINING DIVISION B.C.

PAMICON DEVELOPMENTS LTD

Geologist: A Montgomery NTS: 104B/1 Date: Jan 1989

FIGURE: 2

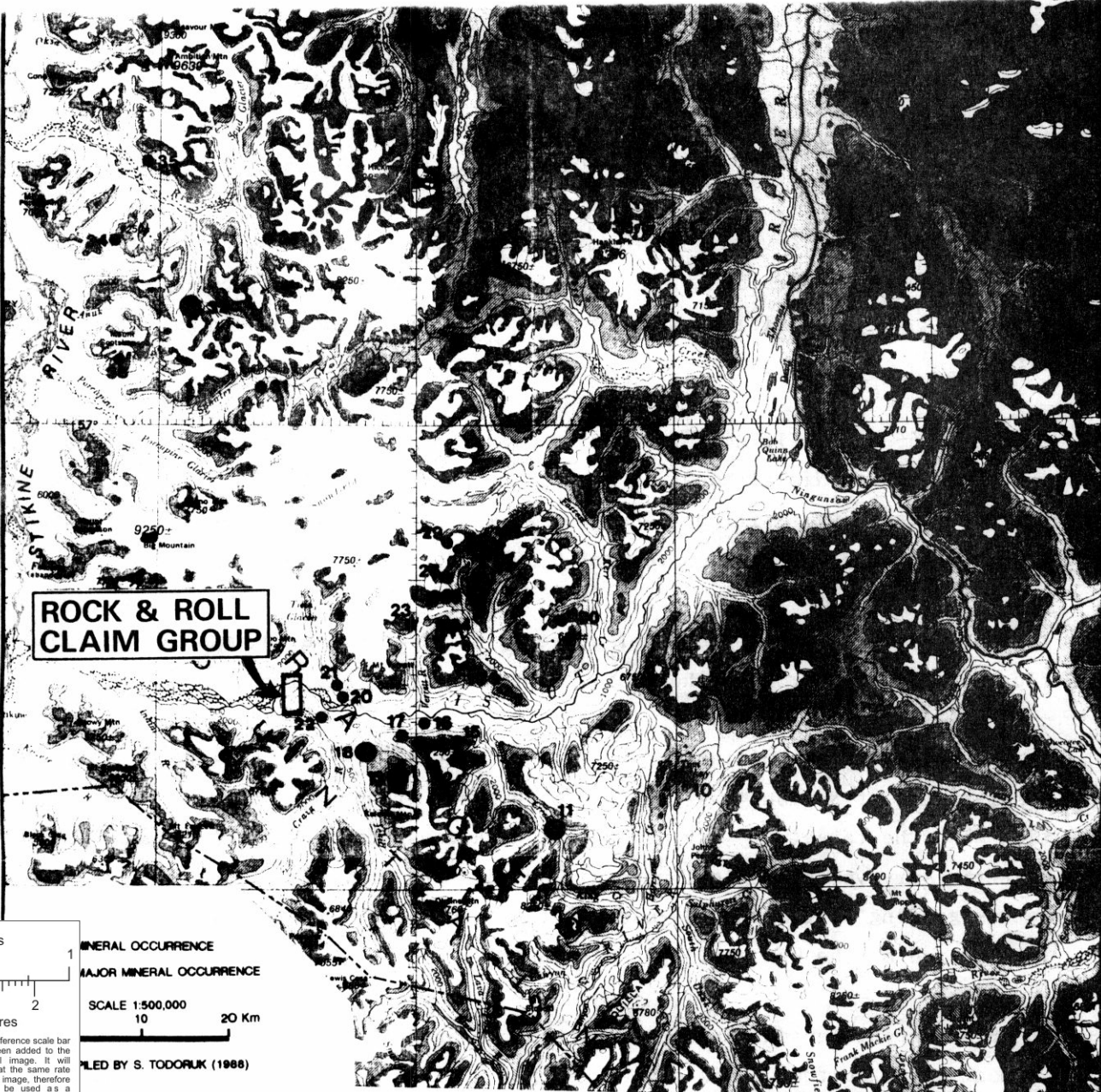
developed mature forest cover of spruce, hemlock and fir with an undergrowth of devils club, alder and berries. Low elevations allow access to the property from April through December.

4.0 AREA HISTORY

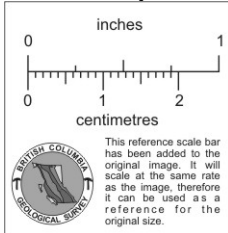
Figure 3 of this report presents a 1:500,000 scale area of northwestern B.C. from Stewart in the south to near Telegraph Creek in the north. This represents some 225 km. Within this area, which has been referred to as the Stikine Arch, mining activity goes back to the turn of the century. Due to the size of the region it historically has been referred to in more specific areas ranging from the Stewart area to Sulphurets, Iskut and Galore Creek. As can be noted in Figure 3, however, all of these individual camps appear to be related to the Stikine Arch as a whole. Recent discoveries appear to be filling in areas between these known mineralized camps. It is probable that the entire area be considered as one large mineralized province with attendant subareas. As the Rock and Roll claims are located near the Iskut and Sulphurets-Tom MacKay areas a more detailed history of these areas is presented below.

The first recorded work done in the Iskut region occurred in 1907 when a prospecting party from Wrangell, Alaska staked nine claims north of Johnny Mountain. Iskut Mining Company subsequently worked crown granted claims along Bronson Creek and on the north slope of Johnny Mountain. Up to 1920, a 9 metre adit revealed a number of veins and stringers hosting galena and gold-silver mineralization.

In 1954, Hudsons Bay Mining & Smelting located the Pick Axe showing and high grade gold-silver-lead-zinc float on the open upper slopes of Johnny Mountain, which today is part of Skyline Explorations Ltd.'s Stonehouse Gold deposit. The claims were worked and subsequently allowed to lapse.



ROCK & ROLL CLAIM GROUP



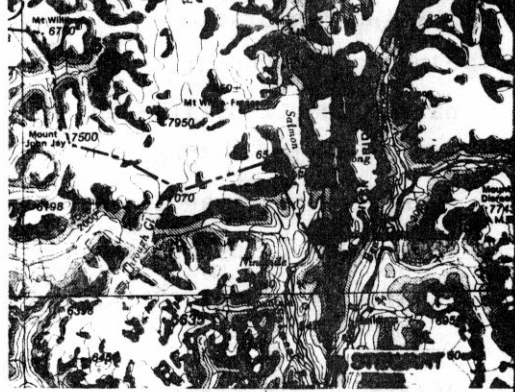
MINERAL OCCURRENCE
MAJOR MINERAL OCCURRENCE
 SCALE 1:500,000 20 Km
 FILED BY S. TODORUK (1988)

PROPERTY OWNER

1. Bestain Resources Ltd./Silbak Premier Mines
2. Bestain Resources Ltd./Thornagan Mining Explorations Ltd.
3. Noranda (Todd Creek Project)
4. Scottie Gold Mine
5. Granduc
6. Echo Bay Mines/Nagan Ventures/Silver Princess Resources (Doc Project)
7. Western Canadian Mining (Kerr Project)
8. Cataract Resources Ltd.
9. Newbould/Lacana/Granduc (Sulphureta Project)
10. Calypso/Consolidated Stikine Silver Ltd. (Bakay Creek Project)
11. Consolidated Silver Standard Mines Ltd. (E & L Deposit)
12. Inel Resources Ltd.
13. Skyline Explorations Ltd. (Stonehouse Gold Deposit)
14. Kentrol Resources Ltd.
15. Dector Resources Inc. (Golden Spray Vein)
16. Thungco Resources Corp.
17. Wimlow
18. Conasco/Delamare Resource Corp. (Shelp Deposit)
19. Pezzold Resource Corp.
20. Meridor Resources Ltd.
21. Delaware Resource Corp./American Ore Ltd./Golden Band
22. Magenta Development Corp./Crest Resources Ltd.
23. Trecker Type Resources Ltd. (King Vein)
24. Pezzold Resource Corp.
25. Consolidated Sea-Gold Corp.
26. Gulf International Minerals Ltd. (Northwest Zone)
27. Kerr Claims
28. Pezzold Resource Corp. (Coba Zone)
29. Pezzold Resource Corp. (Ken Zone)
30. Forrest Project
31. Pass Lake Resources Ltd. (Trek Project)
32. Galore Creek
33. Continental Gold Corp.
34. Arles Resources Ltd./Sarabat Resources Ltd. (Jack Wilson Project)
35. Pass Lake Resources Ltd. (JD Project)
36. Lac Minerals (Rankin Peak Project)
37. Schaft Creek
38. Paydirt

MINERAL RESERVES AND/OR ELEMENTS

- 5,900,000 tonnes 0.063 oz/ton Au, 2.3 oz/ton Ag
- 1,600,000 tonnes 0.110 oz/ton Au, 0.86 oz/ton Ag
- Au
- 10,830,000 tons 1.75% Cu
- 470,000 tons 0.27 oz/ton Au, 1.31 oz/ton Ag
- Cu, Au
- 291,916 tons 0.835 oz/ton Au, 2.44 oz/ton Ag
- 2,000,000 tons 0.462 oz/ton Au, 31.78 oz/ton Ag
- Au, Cu, Ag
- 3,200,000 tons 0.00121, 0.605 Cu
- Au, Ag, Cu, Pb, Zn
- 1,100,000 tonnes 0.700 oz/ton Au, 1.0 oz/ton Ag, 1% Cu
- Au, Ag, Cu, Pb, Zn
- Au, Ag
- Au, Ag, Cu, Pb, Zn
- Au, Ag, Cu, Pb, Zn
- 1,200,000 tons 0.700 oz/ton Au
- Au, Au
- Au
- Au, Ag, Cu, Pb
- Au
- Au
- 125,000,000 tonnes 1.062 Cu, 0.397 g/t Au, 7.94 g/t Ag
- Au, Ag, Cu
- Au, Cu
- Au, Cu
- 510,000,000 tonnes 0.305 Cu, 0.8205 Au, 0.113 g/t Au, 0.992 g/t Ag
- 200,000 tons 0.120 oz/ton Au



THIOS RESOURCES INC.

ROCK & ROLL CLAIMS

Regional Mineral Occurrence Map

Liard Mining Division BC

PAMICON DEVELOPMENTS LIMITED
 8711-876 West Hastings St., Vancouver, B.C. V6B 1N4 (604) 684-8801

Geologist: A Montgomery NTS: 103, 104 Date: JAN. 1988 FIGURE: 3

During the 1960s, several major mining companies conducted helicopter borne reconnaissance exploration programs in a search for porphyry-copper-molybdenum deposits. Several claims were staked on Johnny Mountain and on Sulphurets Creek.

Between 1965 and 1971, Silver Standard Mines, and later Sumitomo, worked the E + L prospect on Nickel Mountain at the headwaters of Snippaker Creek. Work included trenching, drilling and 460 metres of underground development work. Reserves include 3.2 million tons of 0.80% nickel and 0.60% copper.

In 1969 Skyline staked the Inel property after discovering massive sulphide float originating from the head of the Bronson Creek glacier.

During 1972, Newmont Mining Corporation of Canada Limited carried out a field program west of Newmont Lake on the Dirk claim group. Skarn-type mineralization was the target of exploration. Work consisted of airborne and ground magnetic surveys, geological mapping and diamond drilling. One and one-half metres grading 0.220 ounces gold per ton and 15.2 metres of 1.5% copper was intersected on the Ken showing.

In 1980 Dupont Canada Explorations Ltd. staked the Warrior claims south of Newmont Lake on the basis of a regional stream sediment survey. In 1983, Skyline Explorations Ltd. and Placer Developments Ltd. optioned the Warrior claims from Dupont. Efforts were directed at sampling and extending several narrow quartz-pyrite-chalcopyrite veins with values ranging from 0.1 to 3.0 oz/ton gold. Geophysics and coincident geochemical values indicated a significant strike length to the mineralized structure. The Warrior claims were allowed to lapse in 1986, at which time, Gulf International Minerals Ltd. acquired the McLymont claims covering much the same area.

Assays of interest from recent Gulf drilling are listed below (Gulf International Minerals Ltd., Annual Report, 1987 and news releases):

<u>Drill Hole</u>	<u>Interval</u> (feet)	<u>Length</u> (feet)	<u>Copper</u> (%)	<u>Silver</u> (oz/ton)	<u>Gold</u> (oz/ton)
87-25	343.0-373.0	30.0	0.23	0.11	0.404
	409.3-412.0	2.7	0.55	0.35	0.250
	470.2-473.8	3.6	0.42	0.19	1.520
87-29	167.0-170.0	3.0	0.001	0.01	0.140
	205.0-241.5	36.5	0.97	39.73	1.605
88-28	213.9-229.0	15.1			0.810
	260.5-276.6	16.1			0.645
	354.0-363.2	9.2			0.319

(average grade = 149.0 feet of 0.207 oz/ton gold)

After restaking the Reg property in 1980, Skyline carried out trenching and drilling for veined high-grade gold and polymetallic massive sulphide mineralization on the Reg and Inel deposits between 1981 and 1985.

In 1986, drilling and 460 metres of underground cross-cutting and drifting on the Stonehouse Gold Zone confirmed the presence of high grade gold mineralization with additional values in silver and copper over mineable widths with good lateral and depth continuity. With production commencing in August, 1988 a total of 196,927 lbs. copper, 19,329 oz silver and 9,894 oz gold were produced up to the end of 1988. Remaining reserves reported to date in all categories are 686,000 tons grading 0.570 oz/ton gold.

On the Cominco/Delaware Snip claims immediately north of the Stonehouse Gold deposit, approximately 20,000 metres of diamond drilling has been carried out defining the Twin Zone gold deposit. Three thousand metres of underground development work has also been completed as the project readies for production. As of January, 1989, reserves on the Twin Zone were reported as:

	<u>Au</u> (oz)	<u>Tons</u>
Total Inferred	0.648	2,446,000

During 1987, Inel Resources Ltd. commenced an underground drifting and diamond drilling program along the main cross-cut intent on intersecting the Discovery Zone which hosts gold-bearing polymetallic massive sulphide mineralization. Underground drilling on the centre section of workings has returned in U88-3 a grade of 0.769 oz/ton gold for 4.1 metres (September, 1988). As of November, 1988, 730 metres of underground development has been completed in the area of the Discovery zone.

Western Canadian Mining Corp. in 1987 drilled tested to Khyber Pass massive sulphide showing on their Gossan claims in the Iskut area while in 1988 drilling was carried out on their Kerr project copper-gold porphyry deposit in the Sulphurets camp to the southeast.

Tungco Resources Corporation has drill tested four main gold/copper quartz vein targets; the Bluff, No. 7, Swamp and Gold Bug Zones. The Bluff Zone has been delineated 70 metres along strike and 60 metres downdip with better intersections grading up to 0.243 oz/ton gold across 2.45 metres. The No. 7 Vein returned 1.12 metres of 0.651 oz/ton gold. Drill testing was also carried out near the western edge of the claims on the Boot Zone lead/zinc/copper/silver/gold prospect.

During 1988 Pezgold Resource Corp./International Prism Exploration drill tested the old Newmont Ken Zone magnetite/chalcopyrite/gold skarn zone north of Gulf International Minerals' Northwest Gold Zone. High grade silver-lead-zinc was also found on the eastern side of the property.

In late 1988, Calpine Resources Incorporated/Consolidated Stikine Silver announced several exciting drill holes on their Eskay Creek Project at Tom

McKay Lake. Drill hole CA88-6 reported values of 0.730 oz/ton gold across 96.5 feet.

South of Calpine's Eskay Creek Project and in the Sulphurets Gold Camp several properties are quickly moving into production phases as listed below:

<u>Project</u>	<u>Mineral Reserves</u>
Newhawk/Granduc/Lacana Mine	2,000,000 of 0.462 oz/ton Au, 21.78 oz/ton Ag
Catear Resources Ltd. Mine	291,916 of 0.835 oz/ton Au, 2.44 oz/ton Ag
Echo Bay Mines/Magna/ Silver Princess Project	470,000 of 0.270 oz/ton Au, 1.31 oz/ton Ag

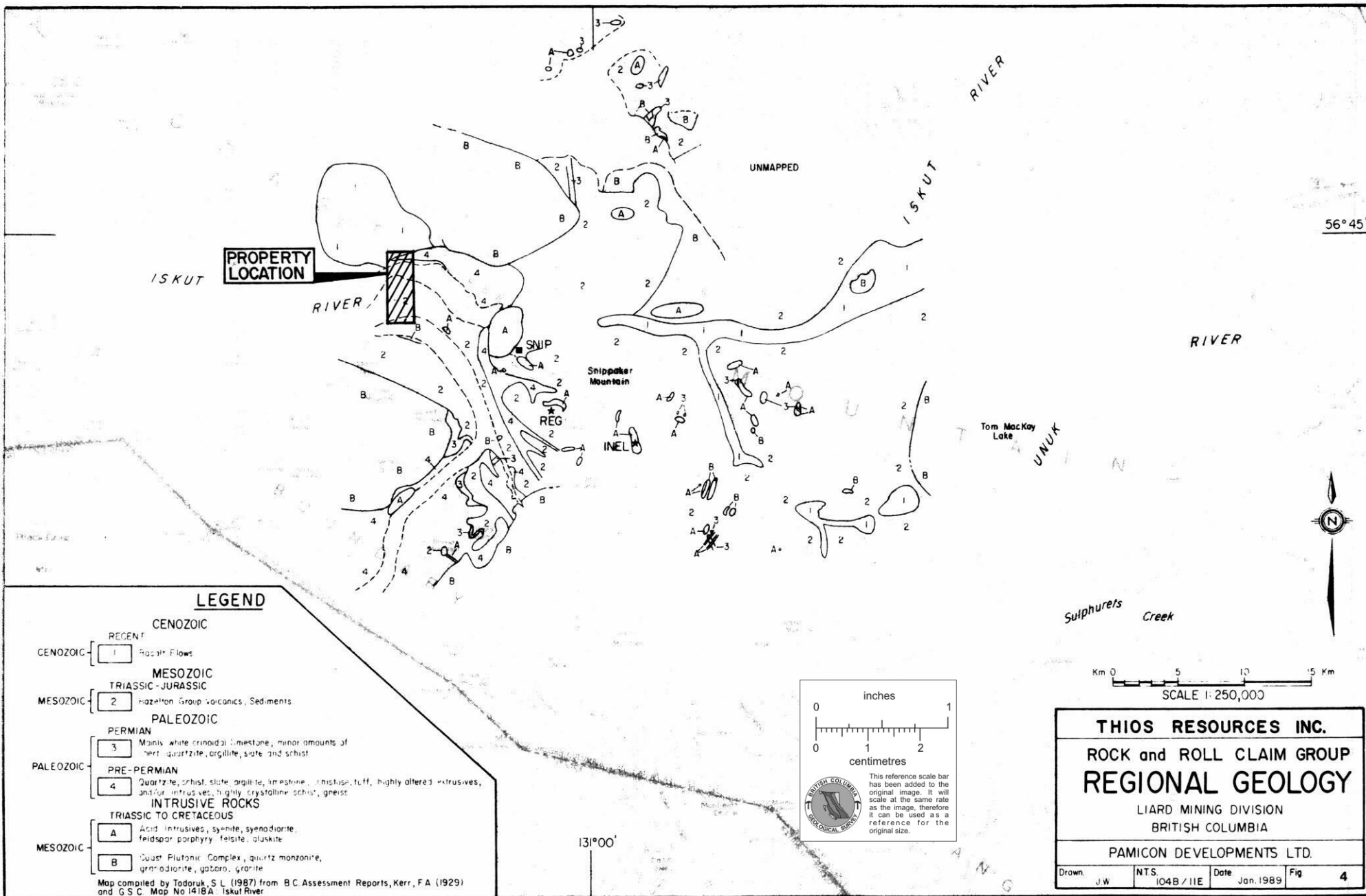
Crest Resources Ltd./Magenta Development Corp. also discovered an exciting gold/silver/copper/lead quartz vein in 1988 on the Rob claims approximately 2.0 km south of Thios' Rock and Roll property with values in trenches up to 2.567 oz/ton Au across 9.8 feet including 7.394 oz/ton Au across 3.3 feet.

East of the Crest/Magenta property, an American Ore Ltd./Golden Band Resources/Delaware joint venture has discovered a gold zone near the north-western corner of the Meridor Resource Corp. Iskut 1 and 2 mineral claims which Meridor has also intersected.

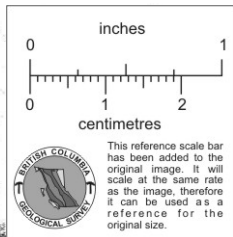
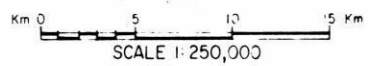
5.0 REGIONAL GEOLOGY

Regional geology is represented in Figure 4.

The following regional geological interpretation is taken from B.C. Geological Survey Branch publication, in press, Exploration in British Columbia 1987 by D.V. Lafebure and M.H. Gunning.



56°45'



131°00'

A northwest-trending belt of Permian to Lower Jurassic volcanic and sedimentary rocks and their metamorphic equivalents trends northward from Alice Arm to Telegraph Creek and forms part of Stikinia. It is bounded to the west by the Coast Complex and is overlapped to the east by the clastic sediments of the Bowser Basin.

The dominant lithologies in the Bronson Creek area are clastic sediments and volcanics with minor carbonate lenses which are intruded by a diverse suite of intrusive rocks, most commonly granitic and syenitic. The sedimentary rocks are sandstones (typically greywackes), siltstones, shales, argillites, conglomerates and minor limestones. Volcanic rocks vary in composition from mafic to felsic and display a wide variety of igneous, pyroclastic and volcanoclastic textures.

Quaternary and Tertiary volcanics occur at Hoodoo Mountain, along the Iskut River near Forrest Kerr Creek, and in several localities along Snippaker Creek.

Kerr (1948) correlated most of the rocks along Bronson Creek with Triassic volcanics that he had seen farther to the north and northwest. These volcanics consist of intensely folded and sheared tuffs, agglomerates, lavas, rare pillow lavas and bedded sediments. He believed that the volcanics are overlain by Triassic argillites with lenses of limestone. The lower northern and western slopes of Johnny Mountain are underlain by pre-Permian metamorphosed shale, sandstone and limestone.

Exploration geologists have defined stratigraphic columns for specific properties (Birkeland and Gifford, 1972; Sevensma, 1981) and for the area as a whole (Parsons, 1965; Bending, 1983). Bending defined a stratigraphic column with black argillite conformably overlain by banded siltstone which underlies a green volcanic unit composed principally of intermediate to felsic rocks. The green volcanic unit has an irregular upper contact with the "Upper Tuffaceous Sedimentary Unit," a sequence of limestones, tuffaceous sandstones, argillites and siltstones with lenses of conglomerate near the upper contact.

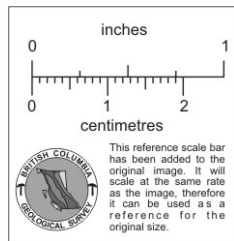
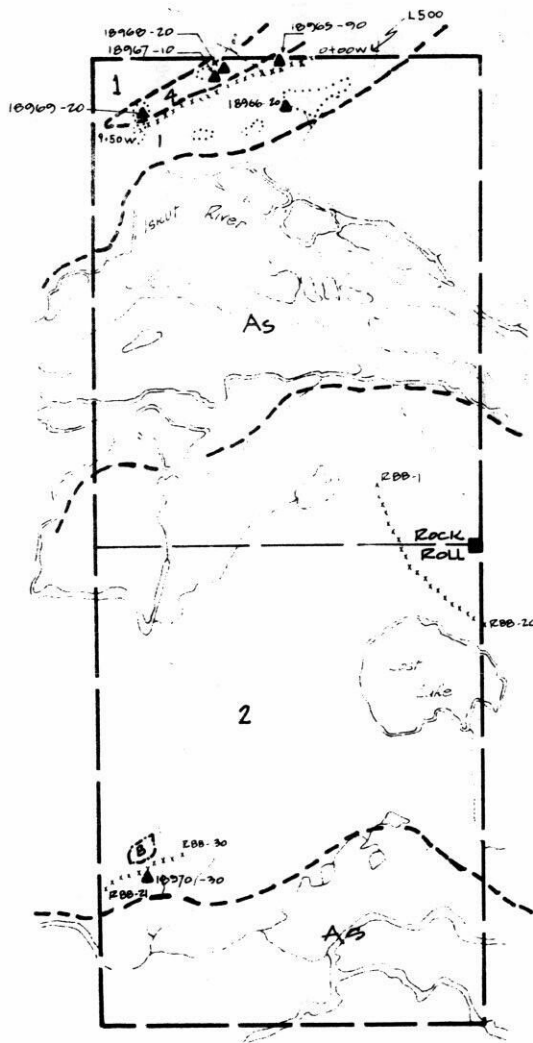
At the top of Bending's sequence is hornblende-biotite andesite tuff and subordinate breccia. Based on descriptions by Kerr (1930, 1948), Bending correlated the basal argillite and siltstone with the upper Paleozoic, the green volcanic unit with the Triassic and the upper tuffaceous sediments with the lower Jurassic. Fossils collected from 350 metres southwest of Snippaker Peak have been determined as Lower Jurassic, probably Toarcian age, by H.W. Tipper of the Geological Survey of Canada (Graf, 1985).

Grove (1986b) subdivided the sedimentary and volcanic rocks on the top of Mount Johnny into the Unuk River and Betty Creek formations of the Hazelton Group, based on correlations with his work to the east.

6.0 PROPERTY GEOLOGY

The Rock and Roll claims are underlain by Mesozoic volcanics and sediments, altered intrusives, pre-Permian metasediments and Recent basalt flows.

Regional mapping suggests that most of the property is underlain by Mesozoic Hazelton Group volcanics and sediments including volcanoclastics and pyroclastics, greywacke, siltstones, shales, argillites, conglomerates and minor limestone (Figure 5). Intrusive rocks outcrop in the southwest corner of the property. Weakly pyritic chlorite, sericite, epidote altered sheared diorite (?) of probable Mesozoic age appears to intrude Hazelton Group rocks near the west boundary of the claims. In the northwest corner of the property Recent Hoodoo basalt flows overlay pre-Permian argillite and quartzite. This area represents the perimeter of a circular basalt flow emitted from Hoodoo Mountain to the northwest. Lavas are coarsely porphyritic with subparallel aligned clear feldspar phenocrysts to 1 cm in length set in a very fine grained dark brown to black matrix. Kerr (1948) describes these lavas as pahoehoe type with large sanidine phenocrysts. Locally flows are reworked forming a poorly consolidated very porous earthy conglomerate. Underlying finely laminated dark grey silicious argillite and interbedded light grey



LEGEND ~

SYMBOLS

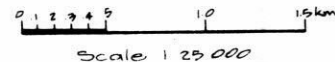
- x - Contour line soil sample
- ▲ - Rock chip sample / ppb Au
- - - Geological contact, approx, assumed
- - Outcrop
- ↘ - Bedding, dip

TABLE of GEOLOGY

- QUATERNARY**
 - [As] Alluvial river and creek gravels and mud
- CENOZOIC - RECENT**
 - [1] - Lava flows, porphyritic basalt
- MESOZOIC - TRIASSIC - JURASSIC**
 - [2] - Hazelton Group volcanics; Sediments
- PALEOZOIC - PRE-PERMIAN**
 - [4] - Quartzite, schist, slate, argillite, limestone, schistose tuff, highly altered extrusives and/or intrusives, highly crystalline schist, gneiss
- INTRUSIVES - TRIASSIC TO CRETACEOUS**
 - [B] - Diorite, sheared, chlorite, sericite altered

SOIL SAMPLE RESULTS

Sample Number	Au (ppb)	Ag (ppm)	Cu (ppm)	Sample Number	Au (ppb)	Ag (ppm)	Cu (ppm)
10960-20	10	11	117	20B-27	10	4	18
10967-10	5	11	52	28	25	5	192
10965-90	10	3	18	29	ND	6	47
10966-20	5	11	29	30	15	11	26
10969-20	10	4	19	0150W	5	5	29
10970-20	10	3	12	L500	10	4	18
10971-20	10	1	22	0150W	10	4	17
10972-20	10	11	27	1150W	15	2	11
10973-20	10	6	18	1150W	5	5	15
10974-20	20	12	30	2100W	15	1	11
10975-20	15	11	22	2150W	15	1	5
10976-20	10	11	21	3100W	5	1	6
10977-20	10	6	29	3150W	15	6	15
10978-20	ND	5	17	4100W	10	1	10
10979-20	15	11	26	4150W	5	5	21
10980-20	10	5	22	5100W	10	5	21
10981-20	5	11	23	5150W	ND	2	11
10982-20	15	6	17	6100W	10	2	10
10983-20	5	8	19	6150W	10	2	11
10984-20	5	2	3	7100W	5	1	21
10985-20	5	11	32	7150W	5	2	12
10986-20	15	6	39	8100W	5	1	11
10987-20	10	11	40	8150W	ND	2	19
10988-20	10	6	255	9100W	ND	1	19
10989-20	NS			9150W	10	4	10
10990-20	5	6	80				



THIOS RESOURCES INC.
 ROCK and ROLL CLAIMS
 PROPERTY GEOLOGY
 ROCK CHIP and SOIL SAMPLE
 LOCATIONS and RESULTS
 LIARD MINING DIVISION BC
 PANICON DEVELOPMENTS LTD.

Geologist: A. MONTGOMERY NTS: 1048/11 Date: Jun 1984 FIGURE: 5

weakly limonite altered quartzite is exposed along cliffs where lava flows have been eroded.

A geological contact between pre-Permian metasediments to the north and Hazelton Group rocks to the south likely lies along the Iskut River, proposed by Grove (1986) to represent a regional east-west trending thrust pushing up and over to the south.

7.0 MINERALIZATION

The Rock and Roll property lies within close proximity to several significant gold prospects including Skyline's Stonehouse Gold deposit (now in production) and Cominco/Delaware's Snip deposit which is nearing production. Initial prospecting efforts on the Rock and Roll property have located anomalous copper and gold and favourable host rock.

Thios' Rock and Roll claims are situated approximately 10 km northwest of Cominco/Delaware's Snip deposit and 15 km northwest of Skyline's Stonehouse Gold mine. Both deposits are hosted within Jurassic Hazelton Group volcanics and sediments which apparently extend westward over much of the Thios property. Seven kilometres east of the Rock and Roll claims Meridor Resources Inc. and an American Ore/Golden Band/Delaware joint venture are drill testing a promising sulphide rich gold-bearing structure also thought to occur within Jurassic volcanics and sediments. Late in 1988 a gold/silver/copper/lead quartz vein was discovered 2 km southeast of the Rock and Roll claims on Crest Resources Ltd./Magenta Development Corp.'s joint venture property (Figure 3). Chip sampling across surface trenches recovered assays to 2.567 oz/ton Au across 9.8 feet including 7.394 oz/ton Au across 3.3 feet. This vein is hosted within a package of cataclastically deformed volcanic and sedimentary rocks with associated quartz monzonite and diorite of probable Jurassic age. Deformation is assumed to have resulted from thrust faulting along the Iskut River.

Limited contour soil sampling and rock chip sampling on the Rock and Roll claims has located anomalous copper in the southwest corner of the property and anomalous gold along the north boundary of the property (Figure 5). Soil samples collected from the southwest corner of the property assayed to 255 ppm Cu. An assay of 1,572 ppm Cu was recovered from rock chip sampling of light grey silicious sediments (?) containing up to 10% fine to medium grained pyrite. Along the north property boundary rock chip sampling of Hoodoo basalt assayed 90 ppb Au.

8.0 DISCUSSION AND CONCLUSIONS

Thios' Rock and Roll claims are situated immediately to the northwest of Skyline's Stonehouse Gold mine and Cominco/Delaware's Snip deposit covering ground with a good potential for similar type mineralization. The Thios property is part of a large area of staking that has occurred in response to Skyline and Cominco/Delaware's impressive high grade gold discoveries. A promising gold-bearing quartz vein was recently discovered 2 km to the southeast of Thios' property hosted within this volcanic/sedimentary package on Crest/Magenta joint venture ground. This latest discovery holds promise for the nearby Rock and Roll claims.

Initial exploration efforts have located favourable lithologies and soil and rock chip anomalies. In the southwest claim area rock chip sampling recovered an assay of 1,572 ppm Cu from pyrite-bearing silicious sediments. Weakly pyritic, altered and sheared intrusives also outcrop in the area. Contour soil samples assayed to 255 ppm Cu. These initial finds provide some encouragement and a starting point for additional work on the Rock and Roll claims. To the north, along the north boundary of the claims an isolated rock chip assayed 90 ppb Au. This sample was collected from Hoodoo Mountain lava flows overlying pre-Permian metasediments. Further sampling should be carried out to determine the significance of this anomaly.

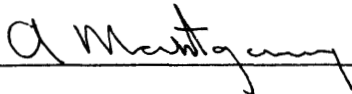
9.0 RECOMMENDATIONS

The Thios property warrants a thorough follow-up exploration program. It is recommended that a \$125,000 Phase I program include:

- establishment of a grid with cut lines (400 m line spacings)
- soil sampling (25 m spacing) over the established grid
- prospecting, rock chip sampling and reconnaissance geological mapping

Contingent upon the results of this work a Phase II program of trenching may be warranted. Contingent upon the results of this Phase II program possible Phase III and Phase IV programs of diamond drilling may be warranted. A breakdown of costs is enclosed in Appendix IV.

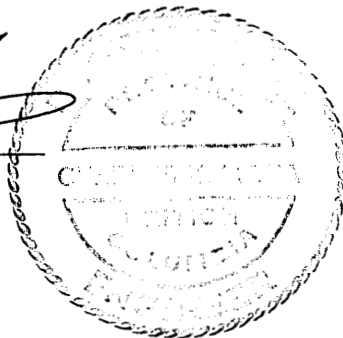
Respectfully submitted,



Allan T. Montgomery, Geologist



Charles K. Ikona, P.Eng.



APPENDIX I

BIBLIOGRAPHY

BIBLIOGRAPHY

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Western Canadian Mining Corp.: News release dated November 12, 1987.

APPENDIX II

GEOCHEMICAL DATA SHEETS

Sampler D. JOHNSON / A. MONTGOMERY
Date DEC 06/88

Project Phos
Property Road & Rail

NTS
Location Ref _____
Air Photo No _____

SAMPLE NO.	LOCATION	Depth CM	Horiz	DESCRIPTION			SLOPE (°)	VEG	ADDITIONAL OBSERVATIONS / REMARKS	ASSAYS				
				Colour	Texture	Drainage								
L500	0100W	35	B	Dark br			F	spring/brake in area, devils club						
"	0150W	30	B	light br			10							
"	1100W	35	B	Red br			S							
"	1150W	40	B	"			S							
"	2100W	40	B	light br			10							
"	2150W	45	B	grey			F							
"	3100W	35	B	dark br			S							
"	3150W	30	B	light br			10							
"	4100W	35	B	Red br			F							
"	4150W	20	C	"			15							
"	5100W	40	B	light br			10							
"	5150W	45	B?	dark br			F							
"	6100W	40	B	light br			F							
"	6150W	35	B	"			10							
"	7100W	30	B	"			10							
"	7150W	30	B	"			10							
"	8100W	25	B	light grey br			S							
"	8150W	40	B	light br			F							
"	9100W	30	B	dark br			S							
"	9150W	35	B	light br			S							

* Samples 0100 → 7100 along line bearing 290°, then continue west at 7100W

APPENDIX III

ASSAY CERTIFICATES

GEOCHEMICAL ANALYTICAL REPORT

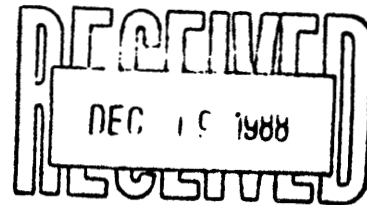
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ADDRESS: 711 - 675 W. Hastings St.
: Vancouver, B.C.
: V6B 1N4

DATE: Dec 13 1988
REPORT#: 881869 GA
JOB#: 881869

PROJECT#: THEOS
SAMPLES ARRIVED: Dec 9 1988
REPORT COMPLETED: Dec 13 1988
ANALYSED FOR: Au (FA/AAS) ICP

INVOICE#: 881869 NA
TOTAL SAMPLES: 6
SAMPLE TYPE: SOILS
REJECTS: DISCARDED

SAMPLES FROM: BRONSON CAMP
COPY SENT TO: PAMICON DEVELOPMENT LTD.



PREPARED FOR: MR. STEVE TODORUK.....

ANALYSED BY: VGC Staff

SIGNED: _____

A handwritten signature in black ink, appearing to be "ATK", written over a dashed horizontal line.

GENERAL REMARK: None

REPORT NUMBER: 881869 GA

JOB NUMBER: 881869

PAMICON DEVELOPMENT LTD.

PAGE 1 OF 1

SAMPLE #	Au ppb
18965	90
18966	20
18967	10
18968	20
18969	20
18970	30

DETECTION LIMIT

5

nd = none detected

-- = not analysed

is = insufficient sample

VANGEOCHEM LAB LIMITED

MAIN OFFICE: 1988 TRIUMPH STREET, VANCOUVER B.C. V5L 1K5 PH: (604)251-5656 TELEX: 04-352578
 BRANCH OFFICE: 1630 PANDORA STREET, VANCOUVER B.C. V5L 1L6 PH: (604)251-7282 FAX: (604)254-5717

ICAP GEOCHEMICAL ANALYSIS

A .5 GRAM SAMPLE IS DIGESTED WITH 5 ML OF 3:1:3 HCL TO HNO3 TO H2O AT 95 DEG. C FOR 90 MINUTES AND IS DILUTED TO 10 ML WITH WATER.
 THIS LEACH IS PARTIAL FOR SN,MN,FE,CA,P,CR,MG,BA,PD,AL,NA,K,U,PT AND SR. AU AND PD DETECTION IS 3 PPM.
 IS= INSUFFICIENT SAMPLE, ND= NOT DETECTED, -= NOT ANALYZED

COMPANY: PAMICON DEVE
 ATTENTION:
 PROJECT:

REPORT#: 881869 PA
 JOB#: 881869
 INVOICE#: 881869 NA

DATE RECEIVED: 88/12/09
 DATE COMPLETED: 88/12/16
 COPY SENT TO:

ANALYST Ray

PAGE 1 OF 1

SAMPLE NAME	AG PPH	AL %	AS PPH	AU PPH	BA PPH	BI PPH	CA %	CD PPH	CO PPH	CR PPH	CU PPH	FE %	K %	MG %	MN PPH	MO PPH	NA %	NI PPH	P %	PB PPH	PD PPH	PT PPH	SB PPH	SN PPH	SR PPH	U PPH	W PPH	ZN PPH
18965	.3	1.54	9	ND	10	ND	.14	.8	4	14	16	2.44	.10	.06	706	4	.45	21	.01	32	ND	ND	ND	5	6	ND	ND	223
18966	.6	2.34	13	ND	21	ND	.23	1.2	5	20	20	3.95	.17	.17	983	7	.85	32	.02	40	ND	ND	ND	10	4	ND	ND	248
18967	.1	1.34	16	ND	81	ND	.38	.5	8	34	25	2.10	.12	.54	640	3	.10	64	.06	19	ND	ND	ND	4	22	ND	ND	97
18968	.1	.32	51	ND	34	ND	.07	.1	2	21	23	1.02	.04	.06	354	1	.09	12	.01	8	ND	ND	ND	1	14	ND	ND	25
18969	.5	.94	15	ND	52	ND	.54	.2	6	53	39	1.69	.13	.69	627	2	.05	20	.04	12	ND	ND	ND	2	17	ND	ND	61
18970	1.1	.79	9	ND	20	3	.49	1.4	60	40	1572	6.34	.31	.38	130	2	.03	60	.05	19	ND	ND	ND	6	55	ND	ND	16
DETECTION LIMIT	.1	.01	3	3	1	3	.01	.1	1	1	1	.01	.01	.01	1	1	.01	1	.01	2	3	5	2	2	1	5	3	1

RECEIVED
 DEC 15 1988

GEOCHEMICAL ANALYTICAL REPORT

CLIENT: PAMICON DEVELOPMENT LTD.
ADDRESS: 711 - 675 W. Hastings St.
: Vancouver, B.C.
: V6B 1N4

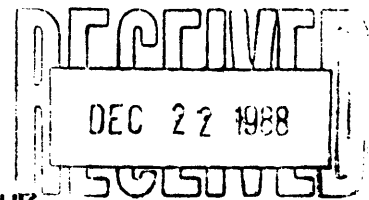
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REPORT#: 881870 GA
JOB#: 881870

PROJECT#: THEOS
SAMPLES ARRIVED: Dec 9 1988
REPORT COMPLETED: Dec 16 1988
ANALYSED FOR: Au ICP

INVOICE#: 881870 NA
TOTAL SAMPLES: 50
SAMPLE TYPE: 50 SOIL
REJECTS: DISCARDED

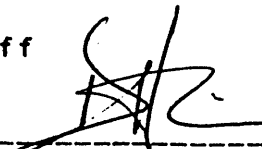
SAMPLES FROM: BRONSON CAMP
COPY SENT TO: PAMICON DEVELOPMENT LTD.



PREPARED FOR: MR. STEVE TODORUK

ANALYSED BY: VGC Staff

SIGNED:

_____ 

GENERAL REMARK: None

REPORT NUMBER: 881870 GA

JOB NUMBER: 881870

PAMICON DEVELOPMENT LTD.

PAGE 1 OF 2

SAMPLE #	Au ppb
R-88-1	10
R-88-2	5
R-88-3	10
R-88-4	5
R-88-5	10
R-88-6	10
R-88-7	10
R-88-8	10
R-88-9	10
R-88-10	20
R-88-11	15
R-88-12	10
R-88-13	10
R-88-14	nd
R-88-15	15
R-88-16	10
R-88-17	5
R-88-18	15
R-88-19	5
R-88-20	20
R-88-21	5
R-88-22	15
R-88-23	10
R-88-24	10
R-88-26	5
R-88-27	10
R-88-28	25
R-88-29	nd
R-88-30	15
BHOR RB 250 30 CM ROCKY	5
L 500 0+00W	10
L 500 0+50W	10
L 500 1+00W	15
L 500 1+50W	5
L 500 2+00W	15
L 500 2+50W	15
L 500 3+00W	5
L 500 3+50W	15
L 500 4+00W	10

DETECTION LIMIT 5

nd = none detected -- = not analysed is = insufficient sample

REPORT NUMBER: 881870 GA

JOB NUMBER: 881870

PANICON DEVELOPMENT LTD.

PAGE 2 OF 2

SAMPLE #	Au ppb
L 500 4+50W	5
L 500 5+00W	10
L 500 5+50W	nd
L 500 6+00W	10
L 500 6+50W	10
L 500 7+00W	5
L 500 7+50W	5
L 500 8+00W	5
L 500 8+50W	nd
L 500 9+00W	nd
L 500 9+50W	10

DETECTION LIMIT

5

nd = none detected

-- = not analysed

is = insufficient sample

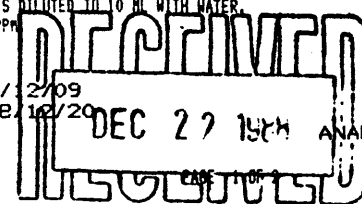
ICAP GEOCHEMICAL ANALYSIS

A .5 GRAM SAMPLE IS DIGESTED WITH 5 ML OF 3:1:3 HCL TO HNO3 TO H2O AT 95 DEG. C FOR 90 MINUTES AND IS DILUTED TO 10 ML WITH WATER.
 THIS LEACH IS PARTIAL FOR SM, MN, FE, CA, P, CR, NG, BA, PD, AL, NA, K, W, PT AND SR. AU AND PD DETECTION IS 3 PPM
 IS= INSUFFICIENT SAMPLE, ND= NOT DETECTED, -= NOT ANALYZED

COMPANY: PAMICON DEVE
 ATTENTION: S TODORUK
 PROJECT: THEOS

REPORT#: 881870 PA
 JOB#: 881870
 INVOICE#: 881870 NA

DATE RECEIVED: 88/12/09
 DATE COMPLETED: 88/12/20
 COPY SENT TO:



SAMPLE NAME	AG PPM	AL %	AS PPM	AU PPM	BA PPM	BI PPM	CA %	CD PPM	CO PPM	CR PPM	CU PPM	FE %	K %	MG %	MN PPM	MO PPM	NA %	NI PPM	P %	PB PPM	PD PPM	PT PPM	SB PPM	SN PPM	SR PPM	U PPM	W PPM	ZN PPM
R-88-1	1.1	4.83	13	ND	82	ND	.08	2.1	19	45	117	5.05	.17	.38	366	7	.01	60	.02	53	ND	ND	ND	4	6	ND	ND	334
R-88-2	1.1	6.01	5	ND	44	ND	.15	1.2	7	32	52	4.41	.16	.20	239	4	.01	28	.05	61	ND	ND	ND	4	7	ND	ND	232
R-88-3	.3	1.12	12	ND	55	ND	.16	.6	4	16	18	2.15	.10	.10	378	2	.01	12	.02	28	ND	ND	ND	3	11	ND	ND	106
R-88-4	1.1	5.65	ND	ND	50	ND	.07	1.2	4	19	29	3.98	.14	.10	159	4	.02	14	.03	60	ND	ND	ND	3	7	ND	ND	141
R-88-5	.4	1.89	11	ND	47	ND	.08	.5	3	17	19	3.12	.10	.11	190	3	.01	10	.03	40	ND	ND	ND	4	9	ND	ND	94
R-88-6	.3	.87	11	ND	32	ND	.02	.1	2	9	12	1.37	.05	.05	83	2	.01	5	.01	28	ND	ND	ND	5	7	ND	ND	31
R-88-7	.1	2.78	10	ND	38	ND	.05	.6	2	20	22	3.79	.13	.05	171	3	.01	7	.02	52	ND	ND	ND	6	9	ND	ND	68
R-88-8	1.1	9.80	ND	ND	48	ND	.01	1.3	6	22	27	4.99	.16	.11	310	2	.01	11	.05	68	ND	ND	ND	ND	3	ND	ND	202
R-88-9	.6	3.41	10	ND	54	ND	.05	.5	3	15	18	2.83	.10	.08	150	3	.01	6	.02	48	ND	ND	ND	3	7	ND	ND	98
R-88-10	1.2	7.71	ND	ND	62	ND	.01	1.1	6	19	30	4.64	.15	.10	214	4	.01	13	.03	74	ND	ND	ND	2	3	ND	ND	238
R-88-11	1.1	6.97	ND	ND	51	ND	.02	1.2	10	9	22	5.00	.17	.10	838	6	.01	8	.03	83	ND	ND	ND	4	2	ND	ND	208
R-88-12	1.1	3.91	8	ND	68	ND	.03	.5	4	18	21	3.69	.13	.10	310	3	.01	9	.03	54	ND	ND	ND	4	6	ND	ND	116
R-88-13	.6	4.50	3	ND	53	ND	.05	.8	4	20	29	3.83	.13	.10	218	4	.01	6	.05	60	ND	ND	ND	5	6	ND	ND	101
R-88-14	.5	2.08	10	ND	49	ND	.05	.2	2	18	17	3.04	.10	.08	165	3	.01	3	.01	41	ND	ND	ND	4	8	ND	ND	55
R-88-15	1.1	4.67	5	ND	66	ND	.03	.3	4	19	26	3.38	.10	.08	260	3	.01	7	.05	58	ND	ND	ND	3	8	ND	ND	81
R-88-16	.5	2.87	11	ND	60	ND	.05	.5	3	21	22	3.29	.10	.10	239	3	.01	5	.03	49	ND	ND	ND	4	9	ND	ND	64
R-88-17	1.1	3.92	14	ND	52	ND	.02	1.1	3	20	23	4.42	.15	.10	137	5	.01	6	.01	65	ND	ND	ND	5	5	ND	ND	87
R-88-18	.6	1.52	17	ND	50	ND	.07	.6	2	17	17	3.87	.14	.05	86	4	.01	2	.01	53	ND	ND	ND	7	7	ND	ND	45
R-88-19	.8	2.65	20	ND	52	ND	.02	.6	3	15	19	3.45	.10	.10	151	4	.01	6	.03	60	ND	ND	ND	6	4	ND	ND	80
R-88-20	.8	5.56	11	ND	47	ND	.01	1.2	9	11	30	4.73	.15	.19	899	7	.01	12	.03	81	ND	ND	ND	8	2	ND	ND	254
R-88-21	1.1	6.08	3	ND	101	ND	.25	1.2	10	20	32	4.67	.20	.15	464	5	.01	49	.15	83	ND	ND	ND	5	10	ND	ND	167
R-88-22	.6	1.70	18	ND	37	3	.20	1.1	11	24	39	4.16	.16	.57	277	3	.01	23	.19	50	ND	ND	ND	9	44	ND	ND	89
R-88-23	1.1	1.04	20	ND	18	ND	.15	.3	7	9	40	2.00	.08	.66	164	2	.01	15	.07	35	ND	ND	ND	5	16	ND	ND	49
R-88-24	.6	2.03	20	ND	28	3	.31	1.1	22	15	255	3.50	.15	1.66	206	2	.01	18	.08	37	ND	ND	ND	7	27	ND	ND	57
R-88-26	.6	1.97	19	ND	19	3	.21	1.5	10	9	80	4.31	.17	1.62	193	4	.01	14	.07	33	ND	ND	ND	6	28	ND	ND	60
R-88-27	.4	.88	16	ND	19	ND	.10	.2	5	8	18	1.93	.07	.51	95	1	.01	8	.10	24	ND	ND	ND	3	12	ND	ND	39
R-88-28	.5	1.89	20	ND	19	3	.17	2.1	23	5	192	4.16	.15	1.62	291	4	.01	12	.17	52	ND	ND	ND	3	9	ND	ND	245
R-88-29	.6	1.29	19	ND	26	ND	.11	.2	6	9	47	2.24	.08	.38	113	1	.01	5	.07	30	ND	ND	ND	5	20	ND	ND	50
R-88-30	1.1	.56	16	ND	18	ND	.10	.1	3	3	26	1.24	.05	.10	101	1	.01	2	.05	21	ND	ND	ND	3	9	ND	ND	25
BH0PR825030CHRD	.5	2.00	10	ND	13	ND	.10	.8	5	5	29	4.09	.15	.36	77	3	.01	2	.10	38	ND	ND	ND	4	25	ND	ND	79
L 500 0+00W	.4	2.59	10	ND	62	ND	.01	.1	1	10	18	2.95	.10	.05	160	2	.01	2	.02	43	ND	ND	ND	3	4	ND	ND	65
L 500 0+50W	.4	1.91	10	ND	66	ND	.07	.1	2	3	17	1.97	.07	.05	271	1	.01	5	.01	37	ND	ND	ND	3	19	ND	ND	112
L 500 1+00W	.2	.46	14	ND	24	ND	.01	.1	1	3	11	2.24	.07	.01	182	1	.01	1	.01	26	ND	ND	ND	4	3	ND	ND	59
L 500 1+50W	.5	1.72	10	ND	101	ND	.01	.2	1	8	15	3.48	.11	.02	237	2	.01	1	.01	44	ND	ND	ND	5	2	ND	ND	83
L 500 2+00W	.1	.62	15	ND	27	ND	.02	.1	1	5	11	2.36	.07	.02	166	2	.01	ND	.01	27	ND	ND	ND	4	5	ND	ND	66
L 500 2+50W	.1	.31	10	ND	11	ND	.01	.1	ND	2	5	.81	.01	.01	56	ND	.01	ND	.01	9	ND	ND	ND	3	5	ND	ND	25
L 500 3+00W	.1	.36	11	ND	16	ND	.05	.1	ND	3	6	.62	.01	.03	63	ND	.01	ND	.02	5	ND	ND	ND	1	6	ND	ND	42
L 500 3+50W	.6	2.88	7	ND	74	ND	.01	.3	2	2	15	2.92	.10	.01	321	2	.01	1	.01	47	ND	ND	ND	4	8	ND	ND	128
L 500 4+00W	.1	.76	10	ND	25	ND	.02	.1	ND	6	10	2.23	.07	.01	134	1	.01	ND	.01	23	ND	ND	ND	3	5	ND	ND	43
DETECTION LIMIT	.1	.01	3	3	1	3	.01	.1	1	1	1	.01	.01	.01	1	1	.01	1	.01	2	3	5	2	2	1	5	3	:

SAMPLE NAME	AG PPH	AL I	AS PPH	AU PPH	BA PPH	BI PPH	CA I	CD PPH	CO PPH	CR PPH	CU PPH	FE I	K I	MG I	MN PPH	MO PPH	NA I	NI PPH	P I	PB PPH	PD PPH	PT PPH	SB PPH	SN PPH	SR PPH	U PPH	W PPH	ZN PPH
L 500 4+50W	.5	2.27	6	ND	48	ND	.05	.5	4	14	21	3.81	.13	.04	172	5	.02	17	.02	47	ND	ND	ND	7	6	ND	ND	71
L 500 5+00W	.5	3.12	4	ND	79	ND	.03	.5	3	12	21	3.95	.14	.02	242	3	.04	10	.02	50	ND	ND	ND	5	3	ND	ND	80
L 500 5+50W	.2	.65	10	ND	23	ND	.09	.1	2	9	11	.92	.04	.06	66	1	.02	9	.03	10	ND	ND	ND	3	9	ND	ND	38
L 500 6+00W	.2	.76	8	ND	40	ND	.04	.1	4	8	16	2.01	.07	.05	110	4	.02	7	.01	25	ND	ND	ND	7	8	ND	ND	43
L 500 6+50W	.1	.81	7	ND	42	ND	.03	.1	2	8	11	1.04	.04	.04	51	1	.02	7	.02	18	ND	ND	ND	4	7	ND	ND	21
L 500 7+00W	.2	2.10	11	ND	51	ND	.08	.1	4	19	21	2.57	.10	.15	219	3	.01	9	.05	33	ND	ND	ND	5	10	ND	ND	63
L 500 7+50W	.2	1.02	8	ND	51	ND	.11	.1	3	12	12	1.49	.06	.10	74	1	.01	6	.02	19	ND	ND	ND	4	11	ND	ND	33
L 500 8+00W	.1	.80	5	ND	52	ND	.14	.1	2	12	11	1.16	.06	.11	153	1	.01	8	.04	9	ND	ND	ND	2	12	ND	ND	35
L 500 8+50W	.2	1.64	6	ND	52	ND	.07	.1	3	13	19	2.48	.09	.07	206	2	.01	6	.04	25	ND	ND	ND	4	8	ND	ND	74
L 500 9+00W	.1	.96	11	ND	101	ND	.12	.1	12	16	19	2.30	.10	.23	935	2	.01	9	.08	21	ND	ND	ND	2	16	ND	ND	69
L 500 9+50W	.4	1.10	15	ND	72	ND	.13	.1	10	21	16	2.47	.10	.34	871	3	.02	10	.06	26	ND	ND	ND	4	17	ND	ND	62
DETECTION LIMIT	.1	.01	3	3	1	3	.01	.1	1	1	1	.01	.01	.01	1	1	.01	1	.01	2	3	5	2	2	1	5	3	1

APPENDIX IV

RECOMMENDED BUDGETS

RECOMMENDED BUDGETS

PHASE I BUDGET

Wages

Senior Geologist - 4 days @ \$400	\$ 1,600
Field Geologist - 10 days @ \$300	3,000
Prospector - 6 days @ \$265	1,590
Samplers - 2 x 10 days @ \$225	<u>4,500</u>

\$10,690

Project Supervision

6,015

\$ 16,705

Line Cutting - 18 line km @ \$1,200

21,600

Man Day Camp Cost

14,375

Expenses

Fixed Wing	\$ 3,000
Freight	2,000
Communications	1,000
Travel and Accommodation	4,000
Equipment and Supplies	4,000

Assays

18 km x 40 - 720 soils @ \$17.50	\$12,600
75 rocks @ \$20	<u>1,500</u>

14,100

28,100

Helicopter - 30 hours @ \$600

18,000

98,780

Contingency - 10%

9,878

108,658

Management Fee - 15%

16,298

Total Estimated Budget - Phase I

\$124,956

PHASE II BUDGET - Trenching and Sampling

\$125,000

PHASE III BUDGET - Diamond Drilling

\$250,000

PHASE IV BUDGET - Diamond Drilling

\$500,000

APPENDIX V

STATEMENT OF QUALIFICATIONS

STATEMENT OF QUALIFICATIONS

I, ALLAN T. MONTGOMERY, of 4764 Moss Street, Vancouver, in the Province of British Columbia, DO HEREBY CERTIFY:

1. THAT I am a Geologist in the employment of Pamicon Developments Limited, with offices at Suite 711, 675 West Hastings Street, Vancouver, British Columbia.
2. THAT I am a graduate of the University of British Columbia with a Bachelor of Science Degree in Geology (Honours).
3. THAT my primary employment since 1985 has been in the field of mineral exploration.
4. THAT my experience has encompassed a wide range of geologic environments and has allowed considerable familiarization with prospecting, geophysical, geochemical and exploration drilling techniques.
5. THAT this report is based on data generated by myself, under the direction of Steve L. Todoruk, Geologist and Charles K. Ikona, Professional Engineer.
6. THAT I have no interest in the property described herein, nor in securities of any company associated with the property, nor do I expect to receive any such interest.
7. THAT I hereby grant permission to Thios Resources Inc. for the use of this report in any prospectus or other documentation required by any regulatory authority.

DATED at Vancouver, B.C., this 1st day of February, 1989.

A. Montgomery
Allan Montgomery, Geologist

APPENDIX VI

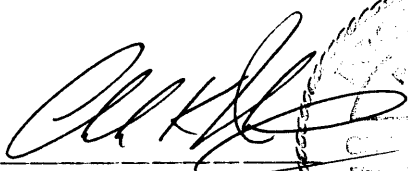
ENGINEER'S CERTIFICATE

ENGINEER'S CERTIFICATE

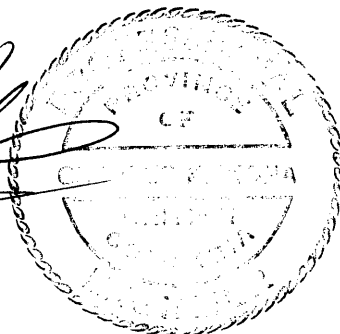
I, CHARLES K. IKONA, of 5 Cowley Court, Port Moody, in the Province of British Columbia, DO HEREBY CERTIFY:

1. THAT I am a Consulting Mining Engineer with offices at Suite 711, 675 West Hastings Street, Vancouver, British Columbia.
2. THAT I am a graduate of the University of British Columbia with a degree in Mining Engineering.
3. THAT I am a member in good standing of the Association of Professional Engineers of the Province of British Columbia.
4. THAT this report is based on work conducted under my direction in 1988 and on extensive knowledge of the immediate area.
5. THAT I have no interest in the property described herein, nor in securities of any company associated with the property, nor do I expect to acquire any such interest.
6. THAT I consent to the use by Thios Resources Inc. of this report in a Prospectus or Statement of Material Facts or any other such document as may be required by the Vancouver Stock Exchange or the Office of the Superintendent of Brokers.

DATED at Vancouver, B.C., this 1 day of Feb, 1989.



Charles K. Ikona, P.Eng.




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.


DATED: May 31, 1989

ISSUER



JOHN IVANY, President and
Chief Executive Officer

ON BEHALF OF THE BOARD OF DIRECTORS




MURRAY PEZIM
Director



LAWRENCE PAGE
Director

PROMOTER



RICHARD WARKE