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SUMMARY REPORT

ERICKSEN-ASHBY PROSPECT

TULSEQUAH DISTRICT

ATLIN M.D.

for

ANGLO-CANADIAN MINING CORP.

713-744 W. Hastings St.
Vancouver, B.C.

by

R.H. Seraphim, Ph.D., P.Eng.

January 31, 1980

TABLE OF CONTENTS

	<u>p a g e</u>
SUMMARY AND CONCLUSIONS	1
COSTS	3
INTRODUCTION.	4
LOCATION AND ACCESS	6
HISTORY	6
CLAIMS.	8
GEOLOGY	8
MINERALIZATION.	8
SURFACE SAMPLING.	9
UNDERGROUND DEVELOPMENT	10
DISCUSSION REGARDING POTENTIAL.	10
METALLURGY.	11

FIGURES

LOCATION	1: 633,600	5
CLAIMS	1: 50,000	7
GEOLOGY	1: 2,400	Pocket

SUMMARY AND CONCLUSIONS

Ericksen-Ashby prospect appears to have a potential in the range of one to several million tons grading approximately 6 to 6.5 ounces silver, 2 to 2.5% lead and 3.5 to 4% zinc. The several larger and numerous smaller lodes should be explored, where and when topography, access, and weather permits, by short diamond drill holes initially. Similar lodes in similar geological environment commonly have a plunge that in some places is shallow, i.e. manto-like, regardless of steep dips in host strata. The drill holes should be laid out initially to determine plunge at Ericksen-Ashby because unexpectedly continuous plunge lengths also are characteristic in some districts. An initial test might be in determining, for instance, if Zone 3 plunges into the adit.

The Tulsequah district is difficult in access and expedition because the Taku River is turbulent, silt-laden and floods frequently, and because of customs and immigration regulations. Consequently the prospect would be best explored on a schedule that might conform to that of exploration at the several dormant mines in the district. Mineral reserves are believed to remain in one or more of these.

Provision for investigating the location of such reserves via negotiation and for prospecting in the district is included in the costs.

COSTSON SITE

-	3,000 to 4,000 feet of diamond drilling - depending on variability of weather and terrain - \$30 per foot	\$ 120,000
-	Geologist, assistant, surveyor, cook two to five months each.	40,000
-	Helicopter and fixed wing.	55,000
-	Camp supplies and equipment rental . .	10,000
-	Expedition, compilation, assaying, office overhead.	<u>25,000</u>
		<u>\$ 250,000</u>

RESEARCH AND REGIONAL STUDY

-	Geologist and assistant - 6 months . .	\$ 45,000
-	Mobilization and expedition.	10,000
-	Helicopter and fixed wing.	60,000
-	Assays, compilation, office overhead .	25,000
-	Extra camp supplies and equipment. . .	<u>10,000</u>
		<u>\$ 150,000</u>

INTRODUCTION

This report is written at the request of R.B. Stokes, P.Eng. of Anglo Canadian Mining Corporation to summarize data provided in the following reports:

Kemeny, R.L. - "Ericksen-Ashby Silver-Lead-Zinc Mining Property, Atlin Mining Division, British Columbia, Preliminary Economic Assessment"- June, 1979.

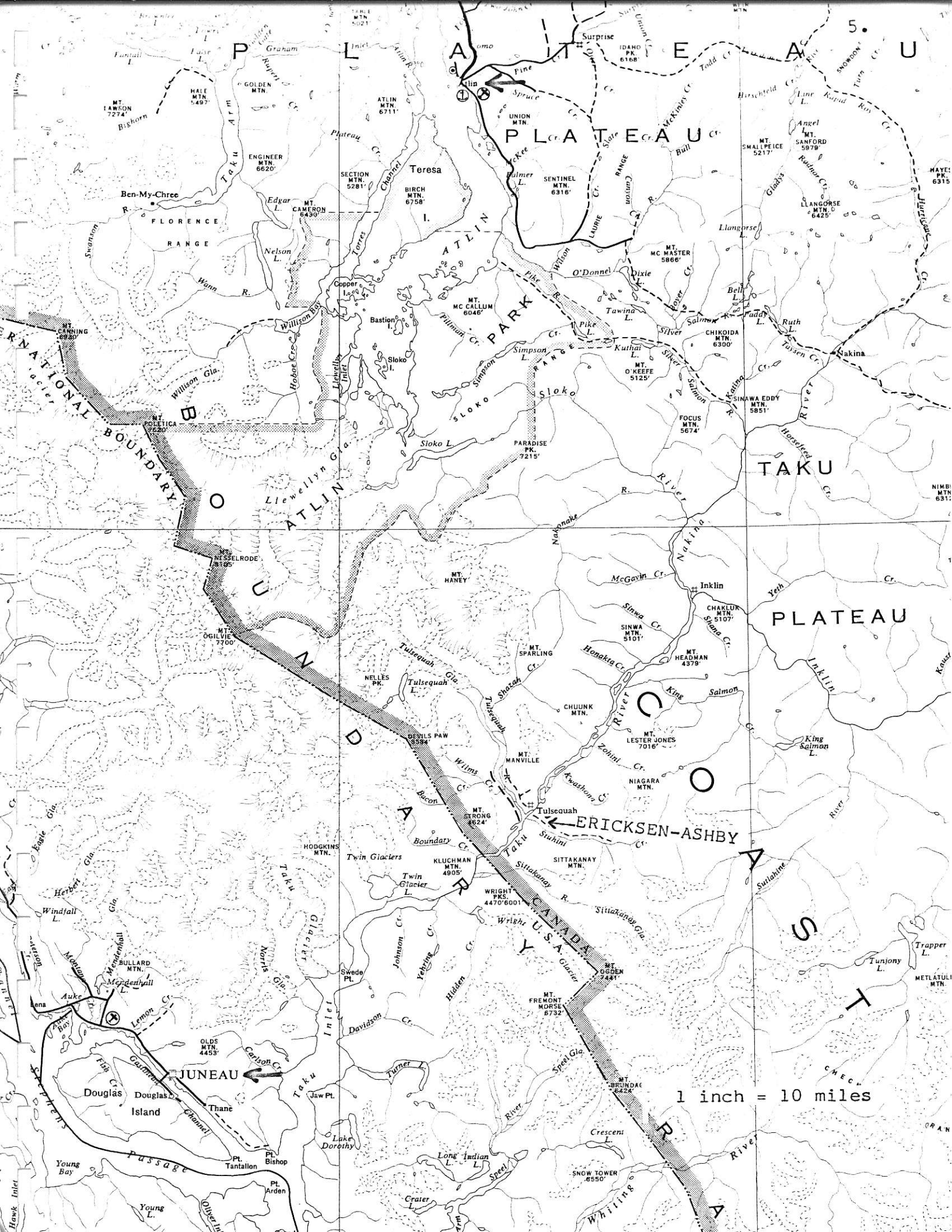
which includes

Gower, J.L. - "Ericksen-Ashby Property, Atlin Mining Division, British Columbia" March 8, 1979
and
Vreugde, M.J.- "A Microscopic Investigation of Polished Thin Sections."

Payne, J.G. - "Geology Report, Ericksen-Ashby Claims Taku River Area, Atlin Mining Division" - September 1979.

Payne, J.G. - "Exploration Proposal for Massive Volcanogenic Sulphide and Related Deposits in the Stuhini Group Volcanic Rocks, Taku River Area, B.C." - October 2, 1979.

The writer has not examined the prospect but did work in the vicinity and did use Tulsequah as a base for expedition a couple of decades ago. The information presented herein is as reported and believed to be substantially correct.



INTERNATIONAL BOUNDARY

ERICKSEN-ASHBY

JUNEAU

1 inch = 10 miles

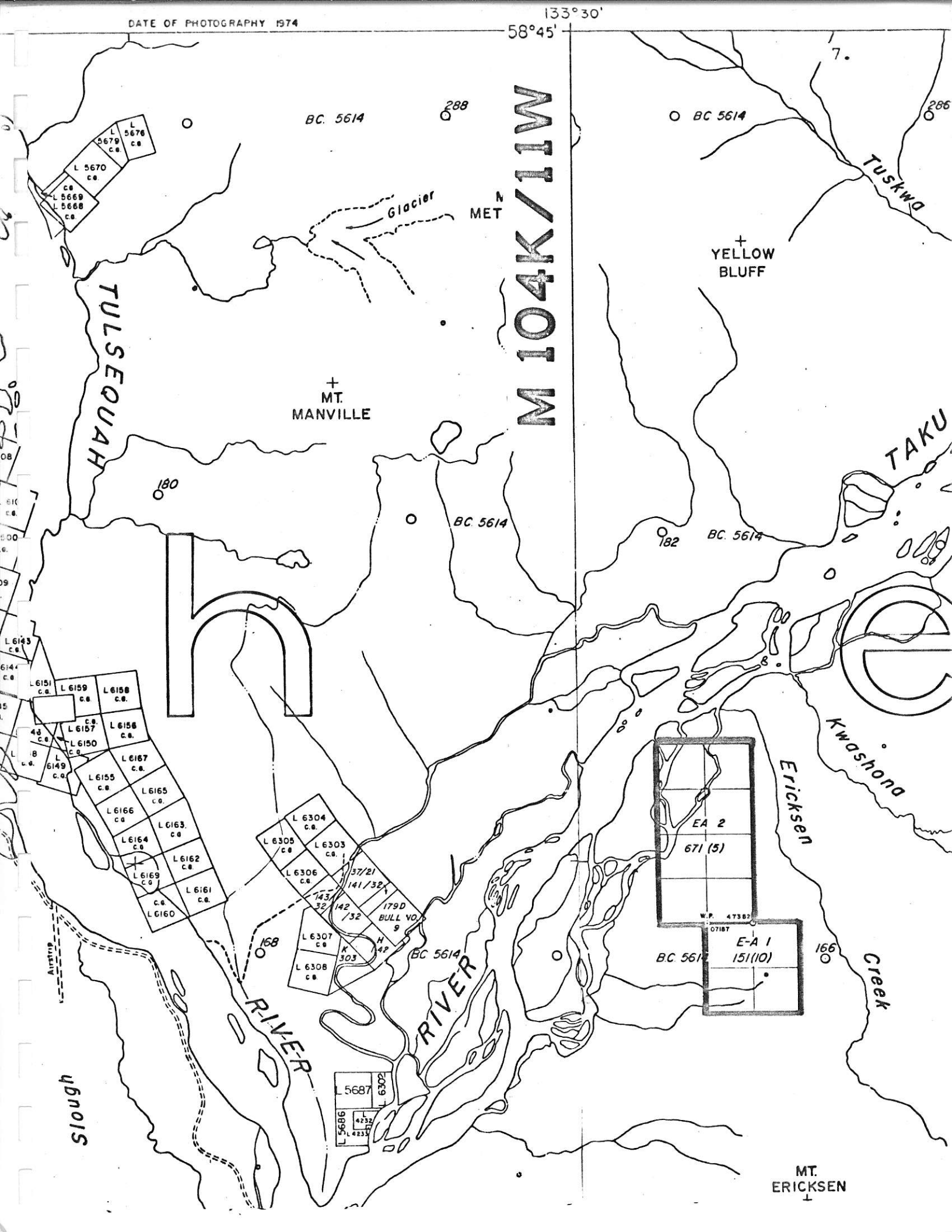
LOCATION AND ACCESS

The Ericksen-Ashby property is on the north slope of Ericksen Mountain south of the Taku-Tulsequah river valley at N58°36', W133°30', and at an elevation range from 550 to 1400 meters. It is accessible from Atlin, 130 km to the north, by helicopter or by fixed wing to a gravel airstrip on the Tulsequah River and from there to the property by helicopter.

HISTORY

The original discovery was made in 1929 by Ericksen and Ashby, and held by them until 1950. The Big-Bull and Tulsequah Chief mines, located five and ten miles distant and north of the Taku River, were operated by Cominco from 1951 to 1957, producing a million tons grading 0.08 oz/T gold, 3.3 oz/T silver, 1.32% copper, and 1.45% lead. The Polaris Taku gold mine, also in the vicinity, was in operation previously.

Cominco optioned the Ericksen-Ashby in 1950, completed surface exploration, and abandoned a drill program prematurely. Ericksen-Ashby Mining Co. explored the prospect from 1963 to 1965 by surface trenching, minor drilling, driving an adit 140 meters long, and drilling nine holes from a station at the end of the adit. G.H. Rayner staked the prospect in 1976. Semco acquired control in 1979, and completed geological investigations.



M 104K/11W

TULSEQUAH

Tuskwa

TAKU

Kwashona

Erickson

Creek

MT. MANVILLE

YELLOW BLUFF

MT. ERICKSON

Glacier

Slough

BC. 5614

BC 5614

288

286

160

BC 5614

182

BC. 5614

166

L 6143 c.e.
 L 6144 c.e.
 L 6151 c.e.
 L 6159 c.e.
 L 6158 c.e.
 L 6157 c.e.
 L 6156 c.e.
 L 6150 c.e.
 L 6167 c.e.
 L 6155 c.e.
 L 6165 c.e.
 L 6166 c.e.
 L 6163 c.e.
 L 6164 c.e.
 L 6162 c.e.
 L 6169 c.e.
 L 6161 c.e.
 L 6160 c.e.

L 6304 c.e.
 L 6305 c.e.
 L 6303 c.e.
 L 6306 c.e.
 L 6307 c.e.
 L 6308 c.e.
 37/21
 141/32
 143/32
 142/32
 179D BULL. NO. 9
 303

EA 2
 671 (5)
 W.P. 47382
 07187
 E-A 1
 151 (10)
 BC. 5614

L 5687
 6302
 L 5686
 4232
 4233

RIVER

RIVER

N MET

BC 5614

BC. 5614

CLAIMS

Claims EA1 and EA2 are shown, in the records at Vancouver recording office, to be held by G.H. Rayner and Associates of 626 Duchess Ave., West Vancouver, B.C.

GEOLOGY

"The claim group is underlain by a pile of andesitic and rhyolitic flows and pyroclastics cut by a large tabular body of fine grained quartz monzonite. Massive sulphide mineralization is confined to a north/south trending stratiform, 400 ft. thick unit of interbedded flows and breccias. Mineralization occurs in at least twelve discrete zones over a horizontal distance of approximately 5,000 ft. and a vertical (change in) elevation difference of about 1,500 ft."

MINERALIZATION

"Massive sulphides consisting of pyrrhotite, sphalerite, galena, wurtzite, tetrahedrite, argentite and pyrite form lenticular zones up to 1,000 ft. in length and 40 ft. in width. Dondip extension is not known, however, from topographical relief it is reasonable to expect that the zones extend dondip at least 50% of their strike length. Mining of similar zones at the Polaris-Taku and the Tulsequah Chief indicates the zones may extend dondip for 100% of the strike length."

SURFACE SAMPLING

<u>AREA</u>	<u>SAMPLE LENGTH</u>	<u>Aq. oz./ton</u>	<u>Pb.%</u>	<u>Zn.%</u>
Glory Hole	30.0'	2.58	1.68	2.0
	46.0'	9.4	1.90	2.0
	120.0'	11.3	1.90	1.7
	125.0'	6.0	1.0	0.6
Zone 1	35.0'	11.6	4.88	17.6
	34.0'	7.8	4.3	16.2
	10.0'	7.79	0.65	0.57
	8.0'	7.7	5.5	0.6
	8.0'	61.6	23.2	3.6
Zone 2	17.3'	3.6	2.8	5.7
	8.0'	3.4	2.9	8.6
Zone 3	15.0'	35.1	20.24	23.23
	19.0'	4.76	1.86	1.08
Zone 4	NOT SAMPLED			
Zone 5	5.0'	4.18	1.01	1.42
	11.5'	3.2	1.10	2.3
	20.0'	2.74	2.83	1.95
	13.5'	1.2	0.1	0.5
Zone 6	5.0'	24.2	11.8	1.6
Zone 7	NOT SAMPLED			
Zone 8	22.5'	6.1	2.67	5.92
Zone 8A	10.0'	19.7	2.1	1.35
	18.0'	12.0	4.76	2.6
Zone 10	22.0'	1.98	1.29	2.3
Zone 11	8.0'	2.62	1.49	1.6
Zone 12	64.0'	0.38	0.24	0.87

UNDERGROUND DEVELOPMENT

"In 1964 Ericksen-Ashby Mines drove an adit designed to test the downward extension of the upper showings. The tunnel, over a distance of 500 ft. encountered two areas of mineralization, one in the tunnel itself and the other in the hanging wall near the end of the adit.

At 120 ft. from the portal the tunnel crossed a fault and for 127 ft. was in mineralized breccia. Muck samples from cars and chip face samples indicate an average grade for the shoot of 10.3 oz/ton Ag., 3.43% Pb. and 7.84% Zn.

A diamond drill station was slashed out at the end of the adit. Drilling to the footwall below the surface outcrop of the north-west end of the upper showing (Zone 1) failed to cut sulfides, presumably due to faulting. Subsequent drilling to the south-east cut the same mineral zone as encountered in the drifting which had turned into the right wall on a small fault at 247 ft. from the portal.

The adit was examined in 1978 and reported to be dry and stable. All mining machinery has been removed from the property, however, the underground tracks are still in place."

DISCUSSION REGARDING POTENTIAL

"Insufficient data have been generated about the property to calculate mining reserves. An estimation of possible geological reserves can be made based on surface sampling, drilling and underground drilling. Based on information to date, reserves can be inferred in the areas of the Glory Hole, Zone 1 and the adit.

An estimated average grade in the Glory Hole Zone is 6.0 oz./ton Ag., 2.0% Pb. and 3.5% Zn. The zone on surface may have a mineralized extent at this grade of 1,000' x 20'. Previous mining of similar zones in the Tulsequah camp has indicated that the down dip extension is seldom less than 50% of the surface expression. Therefore, if the zone is tabular, it may have dimensions of 1,000' x 500' x 20'.

The adit zone appears to have an average grade of 6.9 oz./ton Ag., 3.5% Pb. and 5.0% Zn. The zone on surface may have dimensions of 6.0' x 600' x 300' if the 50% downdip assumption is true."

"Additional possible reserves may be present in Zone 1. The average grade in this zone is estimated to be 16.1 oz./ton Ag., 6.69% Pb. and 11.7% Zn. Dimensions of the zone appear to be at least 150' x 75' x 17'.

If the above assumptions are correct the three zones could contain 1,000,000 tons of material grading 6.27 oz./ton Ag., 2.23% Pb. and 3.79% Zn.

Reserves may also be present in the other zones on surface or in zones which do not outcrop but are contained in the breccia horizon. It is possible based on the geologic situation that mining reserves of up to four million tons could be present on the property. The conclusion drawn from estimates of tonnage and grade to date is that the property is favorable to host a viable deposit of massive sulphides mineable at a profit."

METALLURGY

"The metallurgical work completed indicates that conventional flotation methods should recover the valuable minerals."



R.H. Seraphim, Ph.D., P.Eng.

January 31, 1980.

R. H. SERAPHIM ENGINEERING LIMITED
GEOLOGICAL ENGINEERING


316 - 470 GRANVILLE STREET
VANCOUVER, B.C. V6C1V5

CERTIFICATION

I, Dr. R.H. Seraphim, of the City of Vancouver, Province of British Columbia, hereby certify as follows:

1. I am a Geological Engineer residing at 4636 West 3rd Avenue, Vancouver, B.C., and with office at #316, 470 Granville Street, Vancouver, B.C.
2. I am a registered Professional Engineer of British Columbia. I graduated with a Master of Applied Science from the University of British Columbia in 1948, and with a Doctor of Philosophy in geology from the Massachusetts Institute of Technology in 1951.
3. I have practiced my profession continually since graduation.
4. I have no interest, direct or indirect, in the EA1 or EA2 claims, or in Anglo-Canadian Mining Corporation, or its associated or affiliated companies, and I do not expect to receive any.
5. The attached report is based on a study of maps and reports provided.
6. I consent to the use of this report in or in connection with the prospectus or in a statement of material facts relating to the raising of funds for this project.

DATED at Vancouver, British Columbia, this 31st day of January, 1980.


R.H. Seraphim, Ph.D., P.Eng.