

520423

ESPERANZA EXPLORATION LTD.

PROPERTY EXAMINATION REPORT

ON THE

LITTLE TIM PROSPECT

N.T.S. 82F/14 W-1/2

SLOCAN MINING DIVISION

Latitude 49°47'30"N

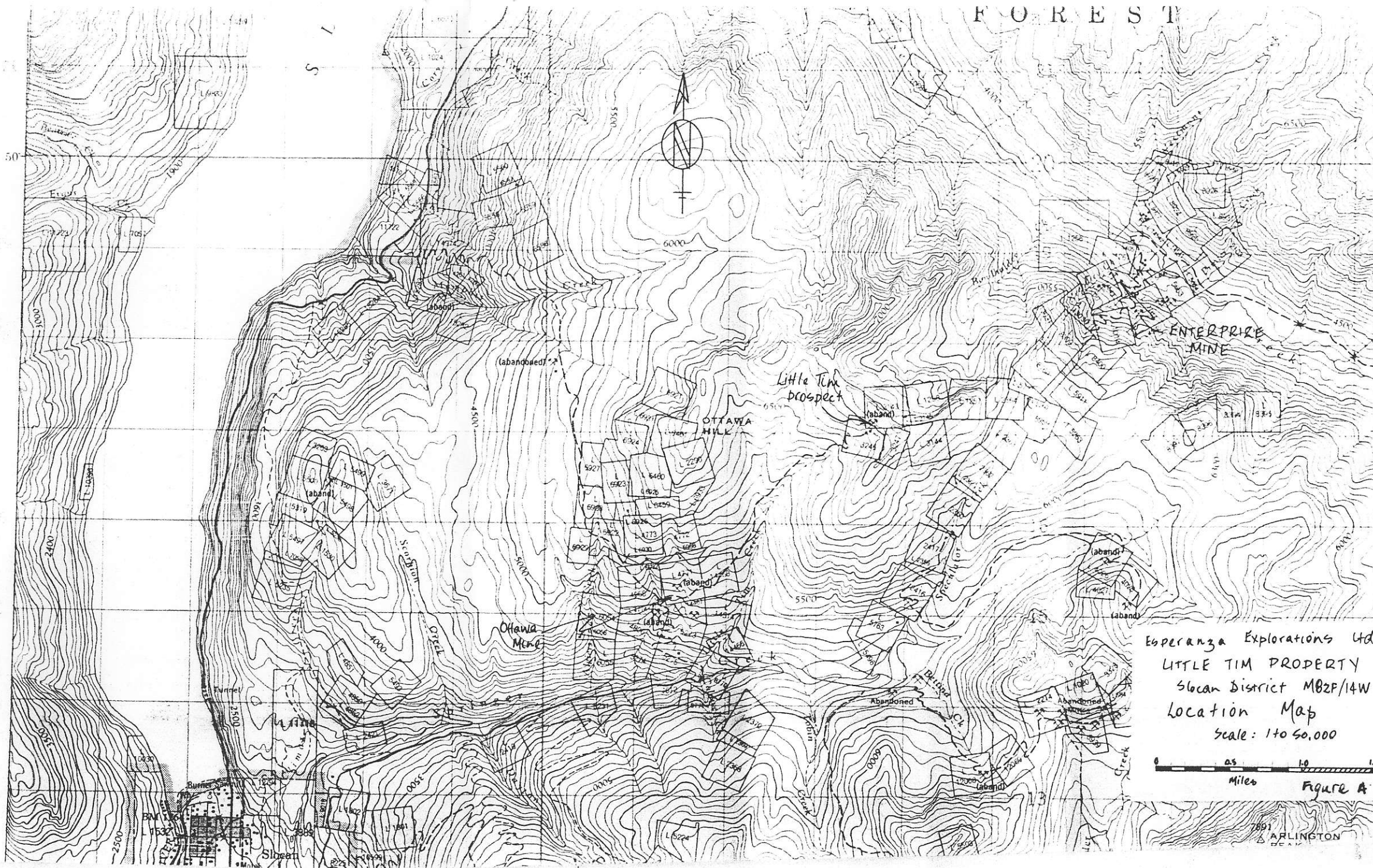
Longitude 117°22'W

OWNER: Dmytro Nabor

February, 1980

John Jenks

FOREST



Esperanza Explorations Ltd.
 LITTLE TIM PROPERTY
 Sloan District MB2P/14W
 Location Map
 Scale: 1 to 50,000

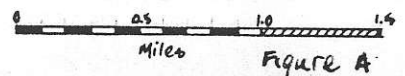


Figure A

INTRODUCTION

The following is a property examination description of the Little Tim property, Slocan District, B.C. The prospect was examined on October 18, 1979, under 8 inches of new snow in the company of the owner, Mr. Mat Nabor.

Three north-easterly trending quartz veins occur within a porphyritic granite of the Nelson Batholith. Silver grades range from 2 to over 700 ounces per ton but are thought to average close to 100 ounces. Reserve possibilities appear limited to 10,000 tons, however the prevailing silver grades offer a situation of some economic interest.

LOCATION, TOPOGRAPHY AND ACCESS

The Little Tim prospect is situated approximately six miles northeast of Slocan, B.C. Access to the property may be gained from Slocan via the Springer Creek road, a rough dirt road requiring 4-wheel drive vehicle over the final mile.

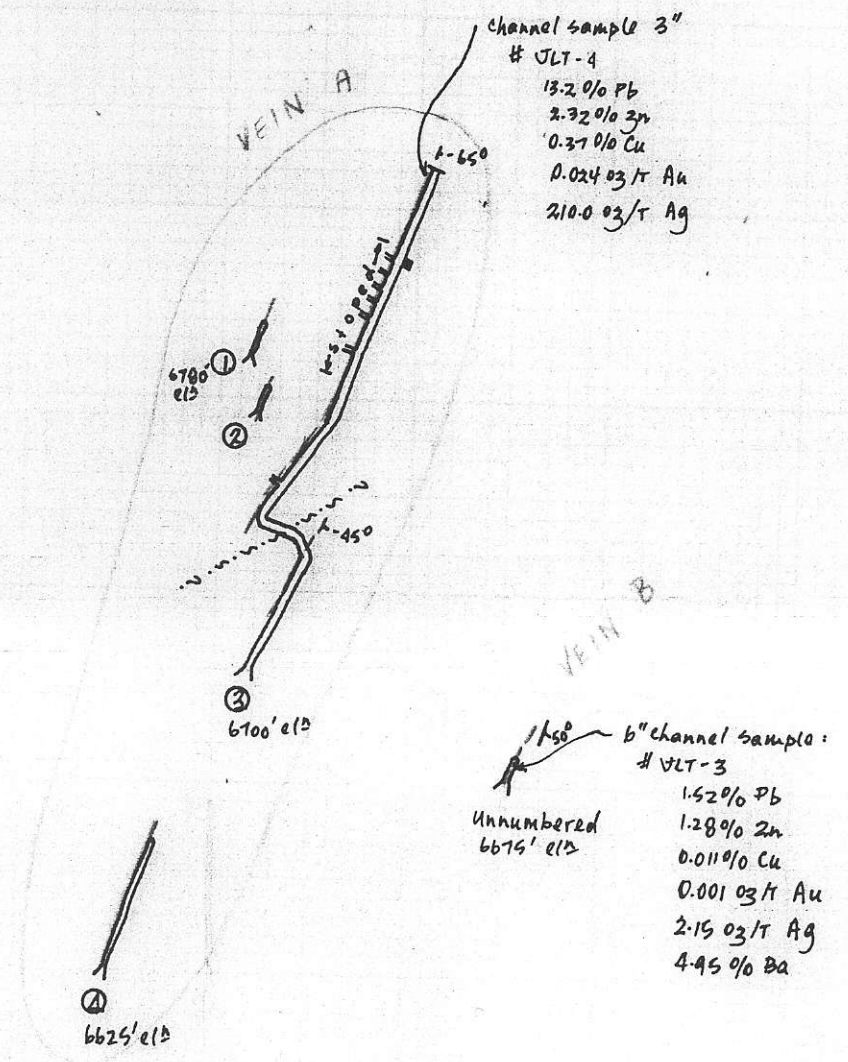
Relief is fairly severe as the property lies on a southeasterly-facing slope of Ottawa Hill. Elevation ranges from 6500 to over 7000 feet.

The area in which the adits are located is mainly alpine meadow and is lightly timbered. Immediately below the 6500-foot elevation a heavy growth of fir, jackpine, spruce and cedar predominates.

Water is not readily available on the property and would be drawn or pumped from creek headwaters up to one-half mile away.

HISTORY AND OWNERSHIP

The property was owned initially by D.H. O'Neil of Slocan City, who worked it



channel sample 3"
JLT-4
13.2% Pb
2.32% Zn
0.37% Cu
0.024 oz/T Au
210.0 oz/T Ag

1/50" 6" channel sample:
JLT-3
1.52% Pb
1.28% Zn
0.011% Cu
0.001 oz/T Au
2.15 oz/T Ag
4.45% Ba

Ore dump grab sample # JLT-1
12.5% Pb
6.45% Zn
2.6% Cu
0.014 oz/T Au
580 oz/T Ag

Muck sample
JLT-2
1.74
3.92
0.18
0.02
82.0

6500' el

Esperanza Expls Lt
LITTLE TIM PROP
Slocan Distr.
SURFACE PLAN
Scale: 1" = 100'
Figure

intermittently for over 30 years. It was optioned during the early '50's by the Paddy Harrison interests. Total production amounted to 136 tons yielding 22,838 ounces silver, 31,838 pounds lead and 7,432 pounds of zinc.

More recently the ground was held by Messrs. R.B. Savage and K.G. Marshall, whose interests were reportedly purchased by Mat Nabor of Slocan City for \$20,000 during the '70's. During the past decade the following shipments from the prospect were sent to the Cominco smelter at Trail (see smelter return sheets):

Date	Shipper	Tons Shipped	Metal Content/Ton					Gross Value
			Au(oz)	Ag(oz)	Cu. %	Pb %	Zn %	
July 9/75	Marshall & Savage	6.2435	0.0160	80.65	0.9	15.3	6.9	\$ 5,105.59
Sept. 19/75	Marshall & Mave	10.2990	0.0070	70.20	0.22	6.1	6.1	3,300.52
Oct. 8/75 *	Mat Nabor	6.0345	0.0140	17.60	0.05	4.8	3.5	552.48
Dec. 19/78	Mat Nabor	2.4050	0.0410	731.2	2.55	29.6	17.7	11,619.73

* Note: the Oct. 8/75 shipment was taken from the unnamed tunnel, the remaining from #3 tunnel.

The Little Tim property consists of four 2-post claims: Tiny Tim 1 and 3 (formerly held by Marshall) and Tiny Tim 2 and 4 (formerly held by Savage). Nabor apparently has purchased the four claims, however the purchase does not seem to have been recorded in the Mining Recorder's office at Vancouver. At the time of examination Nabor felt inclined to sell the property but had no definite price in mind.

GEOLOGY AND MINERALIZATION

The Little Tim Mine lies within the central position of a northeasterly trending discontinuous vein system extending from the Ottawa Mine to the Enterprise Mine, a strike length of approximately five miles. Within this system over 2,000,000 ounces of silver and appreciable quantities of lead and zinc have been mined.

Host rock is an extremely coarse grained porphyritic granite of the Nelson Batholith. On the Little Tim property three distinct veins are present, designated the A, B, and C veins (see surface plan).

Vein A has been exposed by four different tunnels over a strike length of 500 feet and an elevation difference of 155 feet. At present, only the longest, the number 3 tunnel is open. The A vein is primarily quartz with minor calcite and barite. Metallic minerals include galena, sphalerite, tetrahedrite and occasional chalcopyrite and native silver. Strike ranges from 060° to 070° dipping from -45° to -65° to the southeast. Vein widths vary from 2 inches to 14 inches with an average of 3 to 4 inches. Pinching and swelling are common. The thicker ore shoots seem to persist for a strike length in the order of 10 to 50 feet.

Vein B has been exposed by a short adit extending for a few feet into the hillside. Within this interval vein thickness varies from 6 to 14 inches, strike is 060° , the dip -50° to the southeast. A vuggy textured vein with a quartz-barite gangue, Vein B contains patches and disseminations of sphalerite, galena and minor tetrahedrite.

Adit #5 follows Vein C for a distance of 150 feet. Within this distance the vein ranges in width from 3 to 6 inches, lenses out at the 60-foot mark and splits into a 4 inch sub-parallel vein to the tunnel's end. Vein strike is 042° , dipping from -45° to -65° southeast. Gangue mineral is mainly quartz with some included altered wall rock. Metallic minerals occur in patches and include iron-rich sphalerite, galena and minor malachite.

CONCLUSIONS AND RECOMMENDATIONS

Geologically, the Little Tim property is favourably situated along the line of strike halfway between two past silver producers, both of which were small

though high grade properties of the 10,000 ton/100 oz. silver per ton category.

Former exploratory and mining activity on the Little Tim property has revealed the presence of three sub-parallel silver-bearing quartz veins along the same northeasterly trend. Vein A though averaging 3 to 4 inches in thickness likely would average 100 ounces silver/T on an overall basis with handpicked portions grading in excess of 700 ounces silver/T.

Vein B is considered low grade, probably averaging 2 ounces silver/T though a 6-ton mill shipment averaged 17 ounces silver/T. Thickness ranges from 6 to 14 inches but would likely average 6 to 8 inches.

Vein C averages 5 inches in thickness. A muck sample ran 82 ounces silver/T. In addition to silver, all the veins contain significant quantities of lead, zinc, and a bit of gold.

As is the case with the Slocan area deposits, the chances of amassing large tonnage reserves would be remote. Assuming sufficient ground could be acquired a reasonable target reserve figure for the Little Tim would be 10,000 tons at 100 ounces silver/T, similar to the Enterprize and the Ottawa. At prevailing silver prices such reserves could be highly significant economically. A certain amount of diamond drilling would be required to assess depth and strike continuity of the veins, probably in conjunction with airphoto analysis.

As a gopher hole proposition, 40 feet of exposed high grade vein material is present in Adit #3; Vein B though lower grade, has a reasonable thickness of exposed material and has had very little work done on it. Vein C similarly warrants further attention.

A former miner, Nabor, the current owner has the capability of working the prospect on a small tonnage basis. Furthermore he seems honest, hard working and would likely favourably consider the idea of a partner.

With the current upsurge of small scale and to a lesser degree major company activity in the Slocan district, this could perhaps be a means by which Esperanza could establish a definite, and possibly profitable, presence in the area for a modest expenditure.

BIBLIOGRAPHY

Cairnes, C.E.

1934: Slocan Mining Camp, British Columbia; G.S.C. Memoir 173

1935: Descriptions of Properties, Slocan Mining Camp, British Columbia; G.S.C. Memoir 184

Hedley, M.S.

1952: Geology and Ore Deposits of the Sandon Area; B.C. Dept. of Mines, Bull. 29

Little, H.W.

1960: Nelson Map Area, West Half, British Columbia, 82F/W 1/2, G.S.C. Memoir 308

APPENDIX I
LITTLE TIM PROPERTY
SAMPLES TAKEN

LITTLE TIM PROPERTY

SAMPLES TAKEN

<u>SAMPLE NO.</u>	<u>LOCATION</u>	<u>DESCRIPTION</u>	<u>ASSAY</u>
JLT-1	Little Tim (Slocan)	- grab from ore pile at custom Mill. Quartz vein with galena, tetrahedrite, native silver, sphalerite. Vuggy, often colloidal texture with more than one episode of quartz injection.	Pb 22.5% Zn 6.45% Cu 2.6% Au 0.014 oz./T Ag 580.0 oz./T
JLT-2	Little Tim - #5 tunnel;	grab from pile of blasted much. Rusty vein quartz (with some altered wall rock mixed in) containing dark sphalerite and galena, minor malachite	Pb 1.74% Zn 3.92% Cu 0.183% Au 0.02 oz./T Ag 82.0 oz./T
JLT-3	Little Tim - unnamed tunnel	- channel of vein over 6 inch width. Quartz vein with patches of sphalerite, disseminations of galena, minor tetrahedrite. Barite (?) associated with the quartz. Limonite common. Vuggy textured.	Pb 1.52% Zn 1.28% Cu 0.011% Au 0.001 oz./T Ag 2.15 oz./T Ba 4.95%
JLT-4	Little Tim - #3 tunnel.	Channel sample at end of drift over 2-3 inch average thickness. High grade quartz vein containing massive galena, minor sphalerite, tetrahedrite and a trace of native silver. Altered porphyry wall rock mixed in contains abundant chloritic alteration and disseminated galena and sphalerite.	Pb 13.2% Zn 2.32% Cu 0.37% Au 0.024 oz./T Ag 210.0 oz./T

APPENDIX II

COPIES OF SMELTER RETURN SHEETS

LEAD SETTLEMENT-(FINAL)
OUR SERIAL NO. 5781-C

COMINCO LTD
TRAIL B.C.

IN ACCOUNT WITH-W TURLEY
BOX 672
KASLO B C

07/09/75

FOR ORE - OPEN750 - LOT 27 / CAR NO. RECEIVED
1 TRUCK 05/09/75 -
WEIGHT OF SHIPMENT - LBS. 0.70% MOISTURE

NET WET WT NET DRY WT DRY TONS
12575- 12487 / 6.2435

*Where steel hanging
#3 tunnel*

ASSAYS

GOLD	SILVER	COPPER	LEAD	ZINC	SULPHUR	SILICA
0.0160	180.6500	0.9000	15.3000	6.9000	7.9000	51.5000
0Z / DRY TON	%	%	%	%	%	%
ALUMINA	IRON	LIME	ANTIMONY	ARSENIC	BISMUTH	
4.9000	3.3000	2.2000	0.1000	0.7000	0.0100	
%	%	%	%	%	%	

QUOTATIONS QUOT DATE 06/AV/75 US EXCHANGE 2.63600%

SILVER	4.44425 US \$/OZ.	LESS 0.07\$/OZ	NET 4.49140 \$/OZ CAN
LEAD	18.60300 US C/LB.	LESS 4.65C/LB	NET 14.44340 C/LB CAN
ZINC	37.23700 US C/LB.	LESS 12.50C/LB	NET 25.71860 C/LB CAN
COPPER	51.41200 US C/LB.	LESS 15.00C/LB	NET 37.76720 C/LB CAN

CONTENTS AND VALUE

METAL	CONTENT	DEDUCTIONS	NET	VALUE
SILVER	1127.89 OZS	78.95	1048.94 OZS \$	4711.21
LEAD	1911 LBS	190	1721 LBS \$	248.57
ZINC	862 LBS	345	517 LBS \$	132.97
COPPER	112 LBS	78	34 LBS \$	12.84

TOTAL GROSS VALUE \$ 5105.59

LESS: MIN TREAT CHARGE 350.00 \$

LESS: TREATMENT RATE @ -7.69 \$/T -48.01 \$ 301.90

TOTAL NET VALUE \$ 4803.60

LESS: 12.0% ROYALTY ON \$ 4678.60 561.43

BALANCE \$ 4242.17

TO- K.G. MARCHALL & R B SAVAGE

BOX 40

NAKUSP B C

ADVANCED \$ 3340.00
BALANCE \$ 902.17

TREATMENT RATE
IRON PENALTY 0.0000 AT \$ 0.700 \$ 0.00
ARSENIC PENALTY 0.6000 AT \$ 1.000 \$ 0.60
ALUMINA PENALTY 4.4000 AT \$ 0.250 \$ 1.10
SILICA CREDIT 51.5000 AT c-18.025 \$ -9.28
LIME CREDIT 2.2000 AT \$ -0.050 \$ -0.11
\$ -7.69

LEAD SETTLEMENT-(PRELIMINARY)
OUR SERIAL NO. 6059-C

COMINCO LTD
TRAIL B.C.

IN ACCOUNT WITH-DYMETOR NEBOR
SLOCAN B.C.

10/16/75

FOR ORE - OPEN750 - LOT 28 / CAR NO. RECEIVED
1 TRUCK 09/19/75 /
WEIGHT OF SHIPMENT - LBS. 0.30% MOISTURE /

NET WET WT NET DRY WT DRY TONS
20660- 20598- 10.2990

#3 in grade.

ASSAYS

GOLD	SILVER	COPPER	LEAD	ZINC	SULPHUR	SILICA
0.0070	70.2000	0.2200	6.1000	6.1000	5.0000	65.0000
OZ / DRY TON		%	%	%	%	%
ALUMINA	IRON	LIME	ANTIMONY	ARSENIC	BISMUTH	
4.4000	2.2000	2.5000	0.1000	0.1000	0.0100	
%	%	%	%	%	%	

QUOTATIONS	QUOT DATE	10/03/75	US EXCHANGE	2.48000%
SILVER	4.40055-US \$/OZ.	LESS 0.07\$/OZ	NET	4.43968 \$/OZ CAN
LEAD	18.74300-US C/LB.	LESS 4.68C/LB	NET	14.52780 C/LB CAN
ZINC	33.27100-US C/LB.	LESS 12.50C/LB	NET	21.59610 C/LB CAN

CONTENTS AND VALUE

METAL	CONTENT	DEDUCTIONS	NET	VALUE
SILVER	722.99 OZS	50.61	672.38 OZS \$	2985.15
LEAD	1256 LBS	206	1050 LBS \$	152.54
ZINC	1256 LBS	502	754 LBS \$	162.83
			TOTAL GROSS VALUE \$	3300.52
LESS: MIN TREAT CHARGE			350.00 \$	
LESS: TREATMENT RATE @ -9.84 \$/T			-101.34 \$	248.66
			TOTAL NET VALUE \$	3051.86
LESS: 12.0% ROYALTY ON \$ 3051.86				366.22
			BALANCE \$	2685.64

TO- K B MARSHALL & R B SAVAGE

BOX 40

NAKUSP B C

ADVANCED (75%) \$ 2010.00

TREATMENT RATE				
LABOUR RATE ADJ	41.0000	AT \$ 0.100	\$	4.10
IRON PENALTY	0.0000	AT \$ 0.700	\$	0.00
ARSENIC PENALTY	0.0000	AT \$ 1.000	\$	0.00
ALUMINA PENALTY	3.9000	AT \$ 0.250	\$	0.98
SILICA CREDIT	65.0000	AT \$ -22.750	\$	-14.79
LIME CREDIT	2.5000	AT \$ -0.050	\$	-0.13
TOTAL TREATMENT RATE			\$	-9.84
ADDITIONAL ARSENIC PENALTY INDICATED				

?

LEAD SETTLEMENT-(PRELIMINARY)
OUR SERIAL NO. 6106-C

COMINCO LTD
TRAIL B.C.

IN ACCOUNT WITH-DYMETOR NEBOR
SLOCAN B C

10/30/75

FOR ORE - OPEN750 - LQT 29 / CAR NO. RECEIVED
1 TRUCK 10/08/75
WEIGHT OF SHIPMENT - LBS. 1.40% MOISTURE

NET WET WT NET DRY WT DRY TONS
12240 12069 6.0345

ASSAYS

GOLD	SILVER	COPPER	LEAD	ZINC	SULPHUR	SILICA	
0.0140	17.6000	0.0500	4.8000	3.5000	4.2000	66.3000	no name tunnel
OZ / DRY TON		%	%	%	%	%	
ALUMINA	IRON	LIME	ANTIMONY	ARSENIC	BISMUTH		
2.6000	2.0000	1.8000	0.1000	0.1000	0.0100		
%	%	%	%	%	%		

QUOTATIONS QUOT DATE 10/10/75 US EXCHANGE 2.54000%

SILVER	4.28175	US \$/OZ.	LESS 0.07\$/OZ	NET 4.32051	\$/OZ CAN
LEAD	18.72600	US C/LB.	LESS 4.68C/LB	NET 14.52160	C/LB CAN
ZINC	35.00600	US C/LB.	LESS 12.50C/LB	NET 23.39520	C/LB CAN

CONTENTS AND VALUE

METAL	CONTENT	DEDUCTIONS	NET	VALUE
SILVER	106.21 OZS	7.43	98.78 OZS \$	426.78
LEAD	579 LBS	121	458 LBS \$	66.51
ZINC	422 LBS	169	253 LBS \$	59.19

TOTAL GROSS VALUE	\$	552.48
LESS: MIN TREAT CHARGE	\$	350.00
LESS: TREATMENT RATE @ -10.75 \$/T	\$	-64.87
TOTAL NET VALUE	\$	267.35
ADVANCED (75%)	\$	200.00

TREATMENT RATE

LABOUR RATE ADJ	41.0000	AT \$	0.100	\$	4.10
IRON PENALTY	0.0000	AT \$	0.700	\$	0.00
ARSENIC PENALTY	0.0000	AT \$	1.000	\$	0.00
ALUMINA PENALTY	2.1000	AT \$	0.250	\$	0.53
SILICA CREDIT	66.3000	AT \$	-23.205	\$	-15.38
LIME CREDIT	0.0000	AT \$	-0.050	\$	0.00
TOTAL TREATMENT RATE				\$	-10.75

ADDITIONAL ARSENIC PENALTY INDICATED
?

90 SETTLEMENT - (PRELIMINARY)
 SERIAL NO. 2693

COMINCO LTD
 TRAIL B.C.

TO ACCOUNT WITH D. DEBUR
 BOX 6
 SLOCAN, B.C.

12 19 78

FOR LEAD CONC - OPEN77C - LOT # 1 CAR NO. RECEIVED
 2 TRUCKS 11 27 78

WEIGHT OF SHIPMENT - LBS. 8.20% MOISTURE

NET WET WT NET DRY WT DRY TONS
 5240 4810 2.4050

ASSAYS

GOLD	SILVER	COPPER	LEAD	ZINC	SULPHUR	SILICA
0.0410	731.2000	2.5500	29.6000	17.7000	22.0000	11.8000
OZ / DRY TON		%	%	%	%	%
ALUMINA	IRON	LIME	ANTIMONY	ARSENIC	BISMUTH	
1.0000	7.6000	0.6000	1.4000	1.0000	0.0100	
%	%	%	%	%	%	

4-3 high grade

QUOTATIONS QUOT DATE - 12 08 78 US EXCHANGE 17.52000%

GOLD	202.00000	US \$/OZ.	LESS 5.00\$/OZ	NET 232.39040	\$/OZ CAN
SILVER	5.92615	US \$/OZ.	LESS 0.085\$/OZ	NET 6.76189	\$/OZ CAN
LEAD	36.89600	US C/LB.	LESS 9.940/LB	NET 33.52020	C/LB CAN
ZINC	32.65900	US C/LB.	LESS 16.500/LB	NET 21.88090	C/LB CAN
COPPER	65.64300	US C/LB.	LESS 20.000/LB	NET 57.14370	C/LB CAN

CONTENTS AND VALUE

METAL	CONTENT	DEDUCTIONS	NET	VALUE
GOLD	0.099 OZS	0.072	0.027 OZS \$	6.27
SILVER	1758.54 OZS	123.10	1635.44 OZS \$	11058.67
LEAD	1424 LBS	186	1238 LBS \$	414.98
ZINC	851 LBS	340	511 LBS \$	111.81
COPPER	123 LBS	74	49 LBS \$	28.00

TOTAL GROSS VALUE \$ 11619.73

LESS: MIN TREAT CHARGE

359.00 \$

LESS: TREATMENT RATE @ 11.82 \$/T

28.43 \$

TOTAL NET VALUE \$ 11241.30

ADVANCED (75%) \$ 8430.98

TREATMENT RATE

LABOUR RATE ADJ	118.0000	AT \$ 0.060	\$ 7.08
TRUCK CHARGE			\$ 4.00
ARSENIC PENALTY	0.9000	AT \$ 1.000	\$ 0.90
ALUMINA PENALTY	0.5000	AT \$ 0.350	\$ 0.18
MOISTURE PENALTY	0.2000		0.08
SILICA CREDIT	11.8000	AT \$ -3.540	\$ -0.42
LIME CREDIT	0.0000	AT \$ -0.050	\$ 0.00
TOTAL TREATMENT RATE			\$ 11.32

ADDITIONAL ARSENIC PENALTY INDICATED

?

APPENDIX III

CLAIM MAP