520843
93M/7W

SILVERADO MINES LTD.

FRENCH PEAK SILVER PROPERTY

Omineca Mining Division, B.C.

55°20'N 126°48'W

COMPILATION REPORT - 1981

By: A.M. Homenuke, P.Eng.
December 7, 1981

Tri-con Mining Ltd.

VANCOUVER, B.C. CANADA

CONTENTS

S U M M A R Y

The French Peak Silver Property, located a few miles west of the north end of Babine Lake, was discovered by Rio Tinto Canadian Exploration in 1955 and is presently owned by Silverado Mines Ltd.

Three areas of silver mineralization have been found to date. The Ute Vein System has been exposed and sampled on surface for over 1,500 feet and has been extensively diamond drilled to a depth of 100 feet, with limited testing to 200 feet.

Hand-sorted ore, totalling 52.4 tons, was mined from a high-grade zone in the central part of the vein system. This ore was shipped to the Trail Smelter and yielded over 10,500 ounces of silver, plus copper, lead, zinc and gold. Drilling and sampling in this area have shown a drill-indicated probable reserve of 1,800 tons, averaging 20.5 ounces silver per ton. There are many other mineralized intersections along the vein, but the density is not sufficient for reserve calculations. The western section of the vein is geologically inferred to contain 50,000 tons, grading about 5 ounces silver per ton, plus minor lead, zinc, copper and gold. Although there are few samples, they are quite similar in grade and width, allowing the above inference. The Ute Vein System is open at both ends and at depth.

The Rio Vein System is conformable with the host tuff unit, and the down-dip projection (20°NW) intersects with the down-dip projection of the Ute Vein System (70°N). They should intersect at surface somewhere to the east on the Ute System. The intersection is a prime exploration target. A moderate amount of diamond drilling has outlined significant copper-silver-gold mineralization in the Rio Vein System. It is presently considered to be epigenetic, but the possibility of at least partial syngenetic origin has not been ruled out. This deposit is valuable as a model for further exploration of the property.

The Hematite Zone, so-called due to the occurrence of massive bands of specular hematite in a cat trench, has received limited attention.

Chalcopyrite and silver-bearing tetrahedrite have been noted in a drill hole and a trench sample, respectively.

During the summer of 1981, electromagnetic (VLF-EM) and geochemical surveys were conducted over almost half the property, including the above-described zones. A considerable number of exploration targets were outlined, several showing higher geochemical responses than known mineralization.

Known deposits provide the following models:

1. Small, very high-grade silver veins.
2. Larger, but lower-grade, silver veins.
3. Disseminated silver-base metal mineralization in suitable volcanic host rocks.
4. Strata-controlled copper-silver-gold mineralization.

The geologic setting is favorable for additional models:

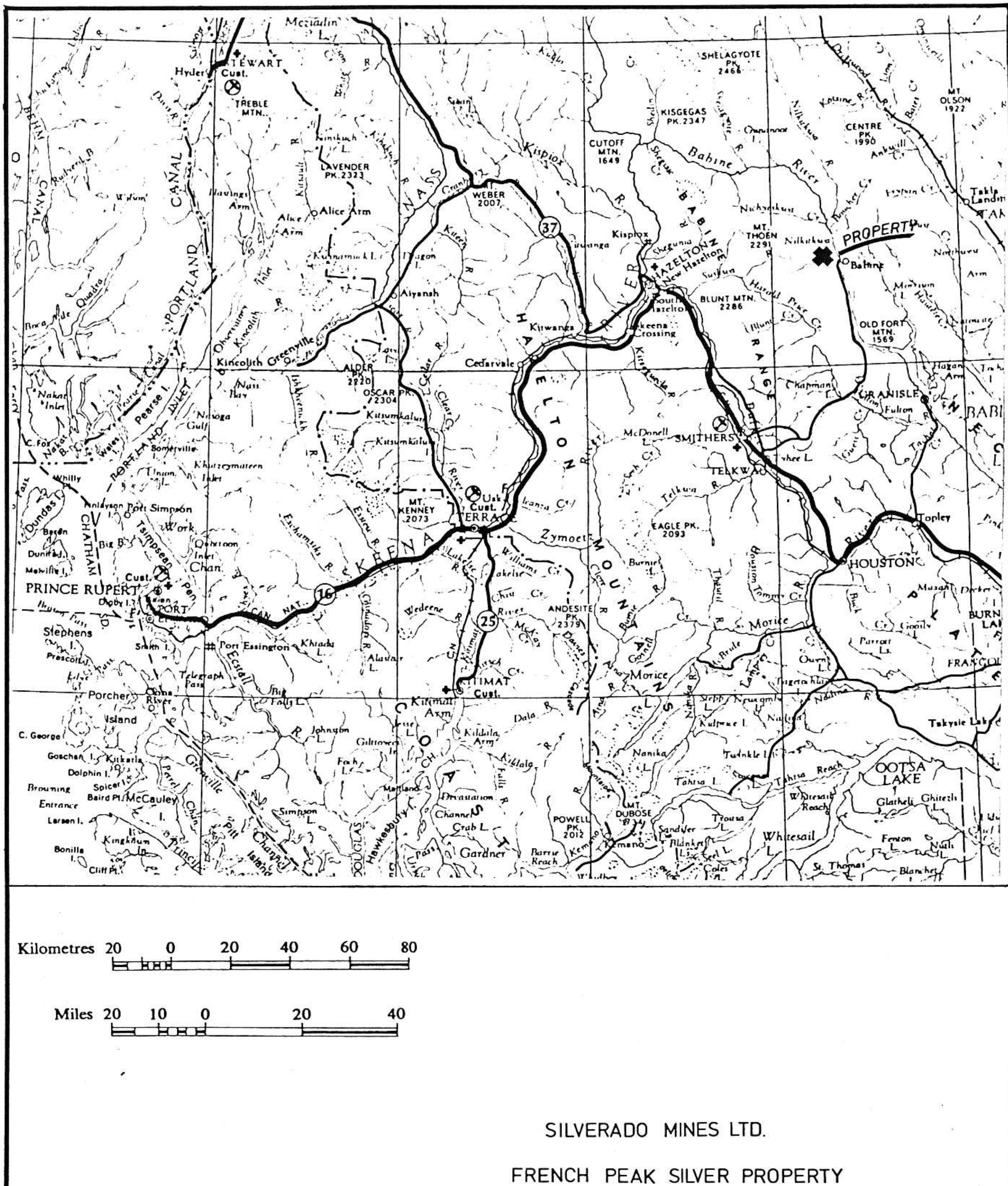
5. Epithermal-type silver (± gold) deposit.
6. Porphyry copper deposit (± silver and gold).
7. Porphyry related mineralization in surrounding structurally prepared and lithologically favorable volcanic rocks.
8. Stock work-breccia base metal-silver (gold) deposit.

In conclusion, the French Peak Silver Property warrants considerable further exploration for both small higher-grade silver deposits and larger lower-grade base metal-silver deposits.

Respectfully submitted,

TRI-CON MINING LTD.

A.M. HOMENUKE, P.Eng.
Vice President
Exploration and Development



SILVERADO MINES LTD.

FRENCH PEAK SILVER PROPERTY

OMINECA MINING DIVISION, B.C.

LOCATION MAP

FIGURE 1

INTRODUCTION

The writer managed exploration activity on the French Peak Silver Property during 1974-76 for Can-Ex Resources Ltd., Renniks Resources Ltd., and Aalenian Resources Ltd. (now Silverado Mines Ltd.). From 1977 to 1980, the property was optioned to Mohawk Oil Company Ltd. During that period, and the most recent program by Silverado in 1981, the writer conducted or directed all work on the property. Information on the work done in 1955-56 was obtained from files of Rio Tinto Canadian Exploration, the discoverors of the property.

PROPERTY AND TITLE

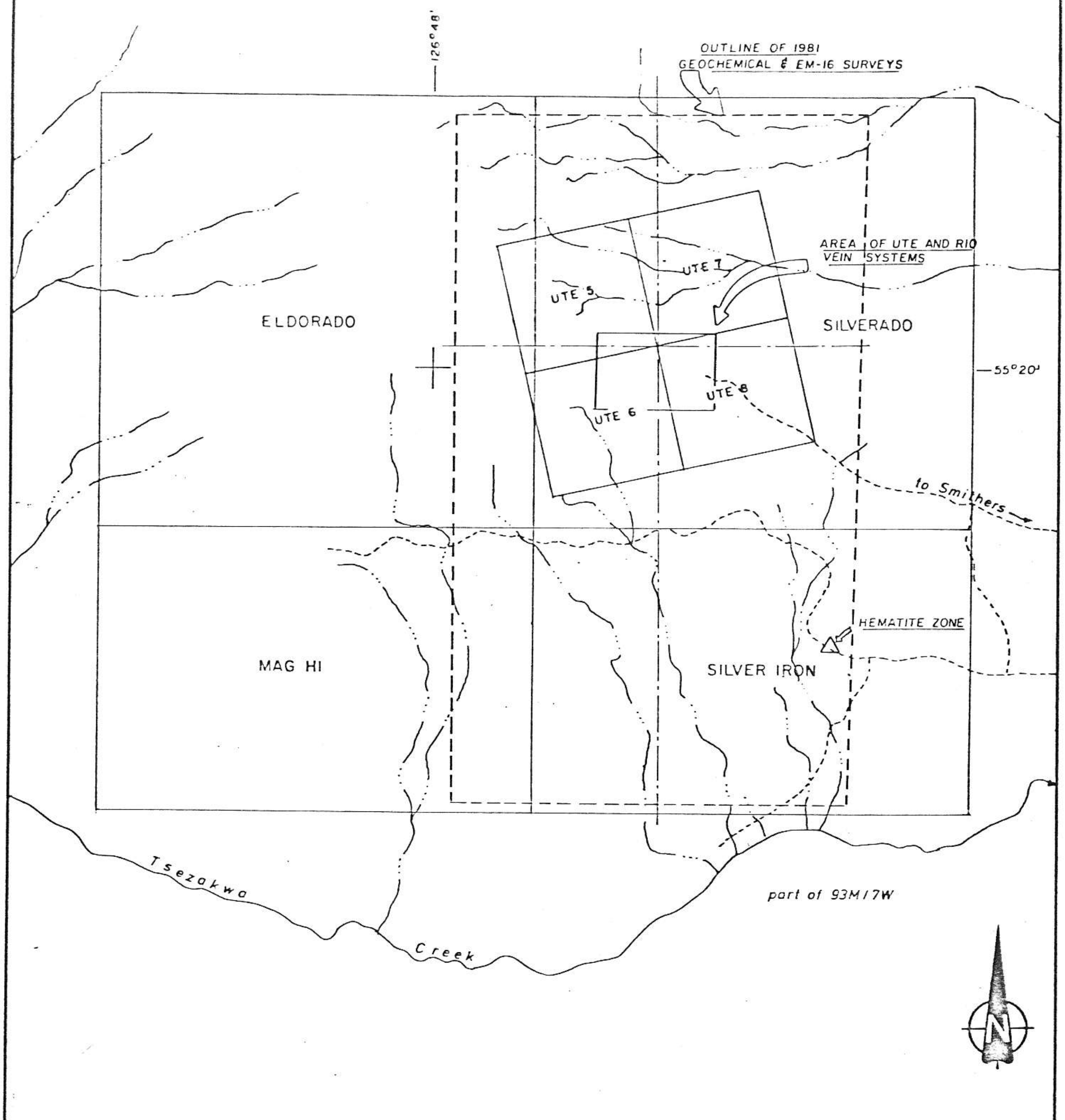
The French Peak Silver Property consists of 4 two-post claims and 4 larger claims, totalling 30 units (Fig. 2). The area covered is 750 hectares (1853 acres). The original 4 claims were optioned from Steve Homenuke and John Sargent in 1974 by Can-Ex Resources Ltd., Aalenian Resources Ltd. (Silverado) later optioned the claims from Can-Ex. The balance of the property was staked for Aalenian by the writer. The following table lists the claim data.

TABLE 1 CLAIMS

NAME	RECORD NO.	UNITS	RECORD DATE	YEAR OF LOCATION	NEXT ASSESS. DUE
Ute 5-8	104288-91	4	Sept. 17	1971	*
Silverado	298	9	May 26	1976	1984
Eldorado	299	9	May 26	1976	1984
Mag Hi	348	6	July 9	1976	1984
Silver Iron	349	6	July 9	1976	1984
	TOTAL:	34			

* Will be allowed to lapse and become part of the Silverado claim, after final property payment in 1982 (re: Mineral Act 17(1)).

Title to the claims is held by Silverado Mines Ltd. Can-Ex Resources holds a 40% interest in net operating profits.



SILVERADO MINES LTD.
FRENCH PEAK SILVER PROPERTY

CLAIM & INDEX MAP

FIGURE 2

LOCATION AND ACCESS

The Silver Group is located on the southeast slope of French Peak, 10 km. (6 mi.) west of the north end of Babine Lake and 65 km. (40 mi.) northeast of Smithers, B.C., in the Omineca Mining Division (Fig. 1).

Access is by gravel road from Smithers along the route to Smithers Landing, the Nilkitkwa Forest Access Road and a mine road constructed in 1976, a total distance of 120 km. (75 mi.).

PHYSICAL FEATURES

Elevation on the property ranges between 1,000 metres and 1,500 metres (3,300-4,800 ft.). Relief is moderate to the north and more abrupt to the south, as Tsezakwa Creek, the major drainage in the area is approached.

Outcrop is generally scarce, with the major exposures being in creek banks and topographic highs. Further exposures have been provided by trenching.

Rainfall is relatively low, but snowfall exceeds 1.5 metres most years and lasts from late October until May.

Vegetation consists mainly of sub-alpine fir, with spruce in flatter areas and poplar and alder to the south. Old burnt areas are presently covered with a dense regrowth. Flat areas tend to be swampy.

HISTORY

The first mineralization was discovered by a Rio Tinto exploration party in 1955. In 1956, they explored the area of the Ute and Rio Vein Systems with trenching, 1,772 feet of diamond drilling in 12 holes, mapping and surface sampling.

Sometime in the 1960's, cat trenching to the south led to discovery of the Hematite Zone.

In 1964 and 1965, S. Homenuke and H. Gilleland leased the property and shipped a total of 24 tons of hand-sorted ore. In 1974, S. Homenuke and J. Sargent, now owners of the property, shipped a further 28.4 tons. The 52.4 tons yielded over 10,500 ounces of silver, plus copper, lead, zinc and gold.

During 1974, Can-Ex Resources Ltd. (a private company), optioned the property from the owners. Renniks Resources Ltd. optioned the property from Can-Ex and carried out a program of mapping, sampling, trenching and electromagnetic surveying (Hogan & Homenuke, 1975). Renniks allowed the option to lapse, due to commitments elsewhere.

In 1976, Aalenian Resources Ltd. (Silverado) optioned the property from Can-Ex and commenced a drilling program recommended by M.K. Lorimer, P.Eng. (1976a). Thirty (30) holes were drilled, totalling 2,646 feet. Lorimer (1976b) reported on the progress of this drilling. Work also included construction of an access road, trenching, detailed mapping and magnetometer surveying and minor reconnaissance. All work to the end of 1976 was summarized by the writer (Homenuke, 1977).

From 1977 to 1980, the property was optioned from Silverado to Mohawk Oil and Gas Ltd. To cover assessment requirements, some line-cutting and a petrographic study (Homenuke, 1979) were done. In 1980, by agreement, Mohawk was required to have the property in production, at least on a limited basis. To this end, metallurgical testing (Dawson, 1980; McElroy, 1980), a preliminary environmental analysis and a preliminary feasibility analysis (Homenuke, 1980) were done. The project had reached the point of initial government permit applications when Mohawk, due to other commitments, returned the property to Silverado.

During the past few months, Silverado, through Tri-Con Mining Ltd., and under the writer's direction, carried out a program of geochemical sampling and geophysical surveying (Homenuke, 1981). In this report, the writer summarizes previous work, with some re-interpretation, including the above recent surveys.

REGIONAL GEOLOGY

Over the past few years, the geology of the French Peak area has been variously interpreted. The most recently published information is on G.S.C. Open File Map No. 720 (Richards, 1980). French Peak is shown to be underlain by Hazelton Volcanics of Jurassic Age on the southeast, by Biran Boru Volcanics of Cretaceous Age on the northeast, by Bowser Group sediments of Upper Jurassic to Lower Cretaceous Age in the northwest, and by Bulkley Intrusions of Late Cretaceous Age in the central part. The Babine Graben, with its prophyry copper deposits, lies a few kilometres to the east.

The primary deformation is by block faulting, oriented northerly, westerly and northwesterly. Four of the five known sulfide mineral occnrrences in the area are along one of the northwesterly trending faults. These include the Ute and Rio Vein Systems and the Hematite Zone of the French Peak Silver Property, and an occurrence of silver-bearing veins in sediments on the northwest slope of French Peak, (Richards, 1965; Baker, 1974). The fifth occurrence is located near the top of French Peak and consists of chalcopyrite, sphalerite, galena and tetrahedrite in a multi-phase porphyry intrusion (G.E.M.*, 1971). Several other porphyry-type occurrences have been noted in the general area (G.E.M., various).

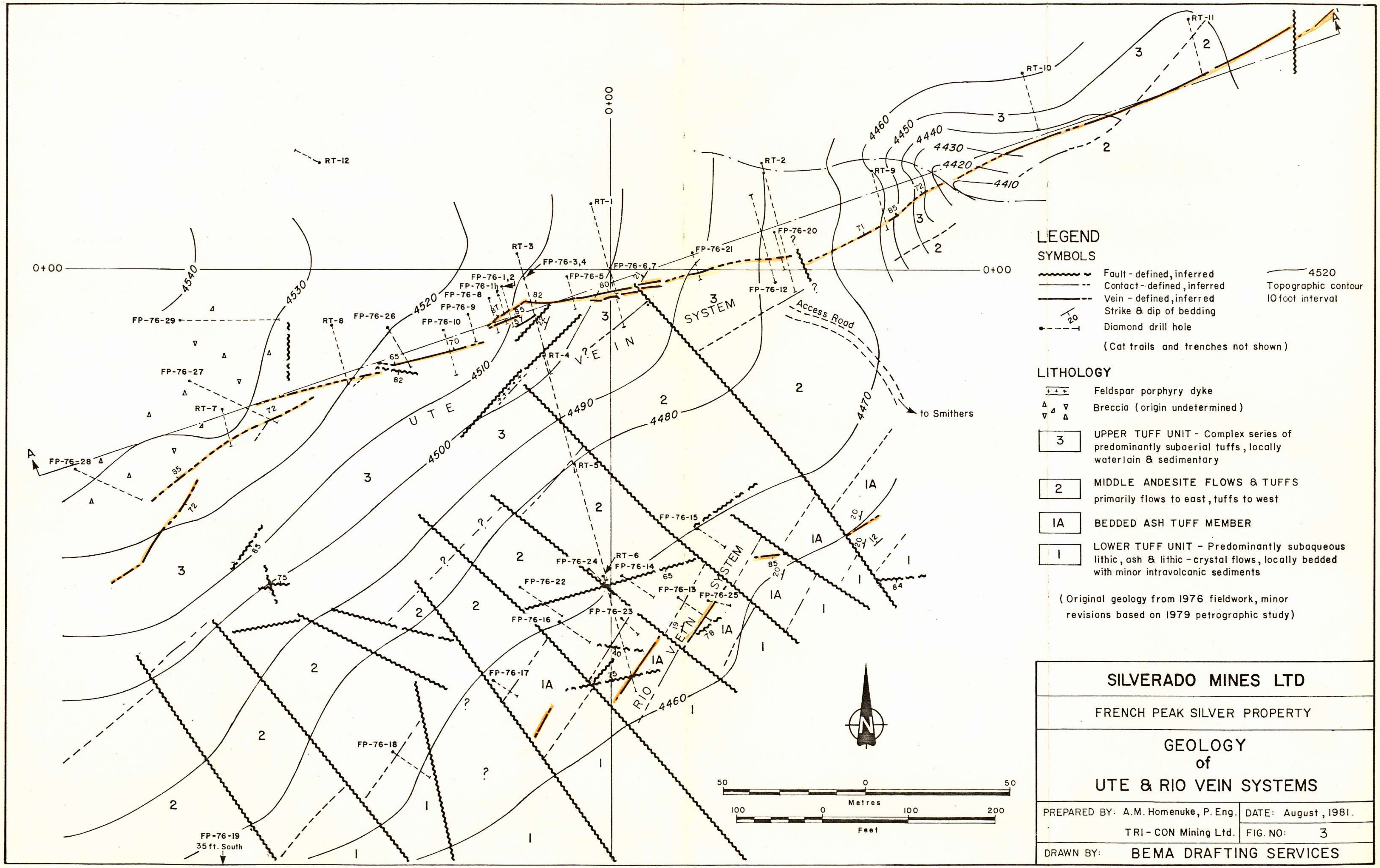
PROPERTY GEOLOGY (Fig. 3)

GENERAL

The above-noted regional geology map indicates that the French Peak Silver Property is underlain by Hazelton Volcanics on the south half and Brian Boru Volcanics on the north half. Two of the major block faults are shown to intersect near the center of the claim block, however, the location of these, on a local scale, has yet to be determined. The main French Peak intrusive occurs 5 km. northwest of the property, while smaller outcroppings of the Bulkley Intrusions occur nearby to the south. A small Babine Intrusive is shown 4 km. northeast.

During the 1976 drill program, the writer mapped the area of the Ute and Rio Vein Systems (Homenuke, 1977). Drill core logs and a detailed magnetometer survey aided interpretation. The area is highly complex, both structurally and lithologically. It was possible to simplify interpretation by broadly grouping the rocks into only a few units. Some further interpretation was possible, following a petro-

*Geology, Exploration and Mining in British Columbia.


LEGEND
SYMBOLS
Fault - defined, inferred
Contact - defined, inferred
Vein - defined, inferred
Strike & dip of bedding
Diamond drill hole
(Cat trails and trenches not shown)
4520
Topographic contour
10 foot interval
LITHOLOGY
Feldspar porphyry dyke
Breccia (origin undetermined)
3 UPPER TUFF UNIT - Complex series of predominantly subaerial tuffs, locally waterlain & sedimentary
2 MIDDLE ANDESITE FLOWS & TUFFS primarily flows to east, tuffs to west
IA BEDDED ASH TUFF MEMBER
1 LOWER TUFF UNIT - Predominantly subaqueous lithic, ash & lithic-crystal flows, locally bedded with minor intravolcanic sediments
(Original geology from 1976 fieldwork, minor revisions based on 1979 petrographic study)
UTE VEIN SYSTEM
RIO VEIN SYSTEM
Access Road
to Smithers
Metres
Feet
SILVERADO MINES LTD
FRENCH PEAK SILVER PROPERTY
GEOLOGY of UTE & RIO VEIN SYSTEMS
PREPARED BY: A.M. Homenuke, P. Eng. TRI-CON Mining Ltd.
DATE: August, 1981.
FIG. NO: 3
DRAWN BY: BEMA DRAFTING SERVICES

graphic study of specimens of drill core (Homenuke, 1979). The following descriptions are limited to the area of the Ute and Rio Vein Systems, as there is only scattered information available on the balance of the property.

LITHOLOGY

The rocks in the area studied consist of a subaqueous to subaerial sequence of dacitic to andesitic flows and tuffs, with minor intravolcanic sediments. Highly altered feldspar porphyry dykes cut by some of the drill holes are the only known intrusions. The formations, in general, strike northeasterly with a moderate northwest dip. Whether they belong to the Hazelton or Brian Boru volcanics has not been positively determined. The following table summarizes the individual rock units.

TABLE II Lithologic Map - Units in the Area of the Ute and Rio Vein Systems

Map Unit	Name	Description
xxx	Feldspar Porphyry Dykes	Highly altered, pale green, intermineral, possibly dacite.
3	Upper Tuffs	Highly varied, pink to purple, ash to lithic tuffs; probably dacitic with minor felsic flows; laterally inconsistent, few centimetres to several metres thick; some sedimentary beds; predominantly subaerial discharge, subaqueous deposition; breccia zone of undetermined origin to the west.
2	Middle Andesite Flows & Tuffs	Light to dark green, purple flow tops; flows to northeast; tuffs to southwest.
1A	Bedded Ash Tuff	A thin-bedded, consistent thickness, waterlain ash tuff unit; a black lapilli tuff marker bed occurs near the top and an iron-rich, conformable to semi-conformable band near the center; this band is increasingly hematitic to the southwest and increasingly pyritic to the northeast. It hosts the mineralization of the Rio Vein System.

TABLE II (Contd.)

Map Unit	Name	Description
1	Lower Tuffs	A complex of ash, lithic and lithic-crystal tuffs; probably dacitic; generally light tan to pale greenish-gray, appears to be subaqueous discharge and deposition. One drill hole intersected a small argillite unit bearing marcasite bands in slump structures.

STRUCTURE

The structure was defined or inferred from mapping, drilling and magnetometer survey. There are numerous normal (block) faults trending north to northwesterly, mineralized shear zones trending east to northeast, more difficult to recognize conformable shearing, and some thrust faults have been inferred in drill hole sections. The petrographic study indicated the presence of growth faulting.

ALTERATION

All of the pyroclastic rocks exhibit a pervasive and probably deuteric alteration, primarily argillic in nature. Adjacent to the mineralization zones, alteration is much more intense, with bleaching, pyritization, sericitization and silicification being most prominent. The alteration envelope ranges from less than a metre wide on the eastern part of the Ute Vein System to several tens of metres on the western part. The bedded ash tuff unit, hosting the Rio Vein System, is also heavily altered. Manganese staining is prominent on weathered surfaces in these areas.

MINERALIZATION

There are three known sulfide occurrences on the French Peak Silver Property. These are the Ute and Rio Vein Systems near the center of the claims, and the Hematite Zone about a kilometre to the southeast.

The Ute and Rio Vein Systems are exposed 100 metres apart and are probably mineralized by the same source. Recent polished section studies showed five stages of mineralization separated by faulting. Stages 1 - 3 include pyrite, siderite and chalcopyrite-tetrahedrite. These are primarily present in northeasterly trending structures in both vein systems. Stages 4 and 5 have a much higher silver grade and include galena, tetrahedrite and quartz. They are present primarily in the easterly trending sections of the Ute Vein System, but also occur in minor amounts in other structural directions.

The Ute Vein System has been exposed on surface over a strike length of 475 metres (1,560 ft.). The system has been divided laterally into three sections, based on structure, lithology, character of mineralization and alteration. Changes in rock type along strike are present due to the relative altitudes of the vein-fault and the bedding; i.e., from east to west along the vein, one moves progressively higher in the lithologic section. A surface assay plan is shown on Fig. A-1, drill hole locations on Fig. 3, and a longitudinal section on Fig. A-2.

The eastern 200-metre section of the vein is characterized by a single fault averaging 0.3 metres (1 ft.), or less in width. Alteration extends only a few centimetres out from the vein. A major portion of this section is within the Middle Andesite Flows and Tuffs Unit which does not appear to be favorable to the formation of ore shoots. Three diamond drill holes (Figs. A-1 and A-2) by Rio Tinto provided little information on continuity of surface mineralization, which shows some narrow, but very high-grade pods of galena and tetrahedrite. The "best" mineralization is represented by 4 samples along 29 metres (95 fts.), ranging from 15 to 46 cm. (6"-18") wide, assaying from 16.7 to 123.2 ounces silver per ton. Further work is required to evaluate this section.

The central 130-metre section of the vein system has received the most attention to date. 52.4 tons of hand-sorted ore from an open cut averaged over 200 ounces silver per ton. Much of the diamond drilling was concentrated in the area of this cut. It appears, from surface mapping and drill sections, that the vein has formed a cymoid loop () with several mineralized fractures in the center. A characteristic of the central system is the presence of a hanging wall and a footwall fault which, on surface, are 0.3 metres apart at the east end and widen to 5 metres apart near the center of the above loop.

The central section shows the most structural complexity, with block faults, a low angle fault and thrust faults complicating interpretation. At least some of these controlled ore mineral deposition. Proximity to the Upper Tuff - Middle Andesite contact also appears to be an ore control feature, as the width of mineralization decreases with depth. Feldspar porphyry dyke material is present in part of the vein structure and was emplaced between the chalcopyrite-tetrahedrite stage and the galena-tetrahedrite stage, i.e., intermineral dyke. The alteration envelope progressively widens from east to west. Further comments on this part of the vein will be made under "Production and Reserves". The drill hole sections are shown on Fig. A-2 to A-8.

The western 145-metre section of the vein system is intermittently exposed on surface, as overburden deepens to the west, and only 5 holes have been drilled to date (Fig. A-8 to A-10). This area is characterized by the presence of several splays or intersecting veins, by breccia zones with more disseminated sulfides and by the presence of widespread dendritic manganese staining. The main vein structure is relatively wide with two drill hole intersections (FP-76-27, FP-76-28), having a true width of 2.5 metres (8.2 ft.) and an average assay of 5.15 ounces silver per ton. This vein has not been tested downwards and the contact of Units 2 and 3 is at a depth of 60 metres (200 ft.) from surface. Silver values are also disseminated into the brecciated wallrock, and although assays are less than one ounce per ton, there are implications for larger tonnages. One of the splays also returned an assay of 0.15 ounces gold per ton across a true width of 0.53 metres (1.75 ft.). This area is worthy of further exploration.

The Ute Vein System remains open at depth and at both ends.

The Rio Vein System is exposed in a cat trench 125 metres (410 ft.) southerly from the open cut on the Ute Vein System. The vein consists mainly of massive bands of pyrite, with chalcopyrite and lesser tetrahedrite, galena, sphalerite and owyheeite (a silver sulfosalt), lying conformably in a bedded ash tuff member of the Lower Tuff Unit. The beds strike northeasterly and dip about 20° to the northwest. The down-dip projection of this vein intersects the down-dip projection of the Ute Vein System near surface beyond the easternmost exposure, and at a depth from surface of about 150 metres (500 ft.) towards the western end.

Surface assays on the Rio Vein System are shown on Figs. B-1 and B-2. The geology and drill hole locations are on Fig. 3. Although the mineralization is conformable and the general appearance indicates a possible syngenetic origin, polished section studies have shown it to be epigenetic. This does not rule out the possibility that the sulfides may have been remobilized. Drill hole sections are shown on Figs. B-3 to B-6. The best assay averages are from the surface trench, FP-76-13 and FP-76-14 and are respectively 13.1, 15.5 and 12.5 ounces silver per ton across 1.3 metres (4.2 ft.), 0.6 metres (2 ft.) and 1.5 metres (5 ft.). These values are aligned in a northwesterly direction and indicate probable control by one of the block faults. Grades appear to diminish to the southwest. Fig. B-7 is a reconstructed plan of the drilling pattern and shows the above features. Information is limited to the northeast. Surface assays indicate the probable presence of a higher grade, steeply-dipping, easterly-striking vein structure. Holes FP-76-18 and 19 (not shown on sections) indicated that the conformable pyritic band becomes hematitic to the southwest. No significant assays were encountered in these holes.

The Hematite Zone has received little attention to date. It is so named due to bands of massive, specular hematite exposed in a cat trench. A grab sample, by the writer, of sulfide-bearing, hematite-rich material from the trench dump returned an assay of 18.58 ounces per ton silver. A drill hole collared near the trench intersected 0.6 metres (2 ft.), which assayed as follows:

Gold	Silver	Copper	Lead	Zinc
0.003 oz./ton	0.32 oz./ton	0.95%	0.01%	0.02%

The mineralization was in a gangue of siderite, quartz, pyrite and hematite. The host rock is an altered tuff brecciated and healed by silica.

PRODUCTION AND RESERVES

The only production has been from an open cut on the Ute Vein System. Shipments of hand-sorted ore were made to the Trail Smelter by S. Homenuke in 1964; S. Homenuke and H. Gilleland in 1965; and S. Homenuke and J. Sargent in 1974. The results from the smelter schedules are summarized below:

TABLE III FRENCH PEAK SILVER PROPERTY - PRODUCTION SUMMARY

Year	Tons	Gold oz./ton	Silver oz./ton	Copper %	Lead %	Zinc %
1964	2	0.08	390.45	?	13.70	1.6
1965	22	0.06	288.40	?	16.70	1.7
1974	28.4	0.07	120.50	4.85	14.10	1.8
Total:	52.4					
Avg. Grade:		0.066	201.3	?	15.1	1.7

A random sample taken from the final hand-cobbed reject pile, estimated to contain 100 tons, assayed 33.3 ounces silver per ton.

The most detailed surface sampling and diamond drilling have been done in the area of this pit. The following table show the averages of surface sampling, before and after mining.

TABLE IV SURFACE SAMPLING BEFORE MINING - UTE VEIN, PIT AREA (RIO TINTO)

Plan No.	Width	Length*	Silver oz./ton	Area (ft.²)	Area x Ounces
15	50"	21'	1.2	87.5	105
16	81"	26'	80.9	175.5	14198
17	48"	21'	150.9	84.0	12676
18	36"	25'	60.5	75.0	4537
19	79"	33'	3.7	217.3	804
20	31"	30'	6.5	77.5	504
21	34"	14'	8.0	39.7	317
Total Length:		170'		756.5 ft.²	33141
Average Width:	4.45'	Average Grade:	43.8 oz./ton		

TABLE V SURFACE SAMPLING AFTER MINING - UTE VEIN, PIT AREA (HOGAN & HOMENUKE)

Plan No.	Width	Length*	Silver oz./ton	Area (ft.^{2})	Area x Ounces
67	36"	6'	0.6	18	10.8
68	36"	20'	1.3	60	78
69	36"	61'	12.7	183	2324.1
70	72"	37'	11.7	222	2597.4
107	4"		280.6		
-	20"		0	zero grade assigned to area between samples	
71	72"		0.2		
	96"	24'	11.8	192	2273.3
108	8"		84.1		
-	20"		0	zero grade assigned to area between samples	
109	8"		64.3		
	36"	22'	33.0	66	2178
Total Length:		170'		741 ft.^{2}	7561.6

Average Width: 4.36' Average Grade: 12.8 oz./ton

* Weighted half the distance to the next sample.

The average of two grades from the tables is 28.5 ounces silver per ton. By cutting the very high grade sample (159 oz./ton) in Table III to the average (43.8 oz./ton), then re-averaging the result is 31.9 oz. per ton. The average from the two tables then becomes 22.5 ounces silver per ton.

By using the total area figures from the table, an average pit depth of 10 feet and a factor of 10 ft.^{3}/ton, one calculates that 748.7 tons were removed during production. "Putting the ore back in the ground" then shows:

Production	52.4	tons	@	201.3 oz./ton
Rejects	100	tons	@	33.3 oz./ton
Balance	596.3	tons	@	0.0 oz./ton

. . . an average grade of 18.5 ounces silver per ton.

The following table shows reserve calculations from the diamond drill holes under the same area as the surface sampling. Hanging wall and footwall zones are averaged separately, assuming that some selectivity would be possible in mining. Drill hole sections are averaged first, then projected half the distance to the next section. True widths of intersections are used as shown on Fig. A-2. The average depth of the ore block is 45 feet.

TABLE VI RESERVE CALCULATIONS FROM DRILL HOLES - UTE VEIN, PIT AREA

(Factor 10 ft.^{3}/ton)

Hanging Wall Zone

Hole No.	Width	Ave.	Silver oz./ton	Ave.	Length	Area Ft.^{2}	Area x Ounces
FP-76-6	16"	14.5"	19.4	29.35	50'	60.4	1773.2
FP-76-7	13"		41.6				
FP-76-5	22"		1.7		46'	84.3	143.4
FP-76-3	27"	21.5"	27.4	20.4	36'	64.5	1315.8
FP-76-4	16"		8.7				
FP-76-1	10"		20.4		15'	12.5	255.0
FP-76-11	14"		15.9		12'	14	222.6
FP-76-8	42"		5.6		8'	28	156.8
				Totals:	167'	263.7 ft.^{2}	3866.8 oz.-ft.^{2}

Averages: 1.58 ft. 14.7 oz./ton
1186.7 tons

TABLE VI (Contd.)

Footwall Zone

Hole No.	Width	Ave.	Silver oz./ton	Ave.	Length	Area Ft.^{2}	Area x Ounces
FP-76-3	52"		20.8				
FP-76-4	4"	28"	86.7	25.5	36'	84	2142
FP-76-1	33"		42.6		18'	49.5	2108.7
FP-76-11	2"		36.8		12'	2	73.6
				Totals:	66'	135.5	4324.3

Averages: 2.05 ft. 31.9 oz./ton
609.8 tons

Combined Hanging Wall and Footwall Zones 1796.5 tons @ 20.5 oz./ton.

This figure compares well with "Putting ore back in the ground" at 18.5 ounces silver per ton and the average of sampling before and after mining at 22.5 ounces silver per ton. The reserves are drill-indicated probable.

POTENTIAL

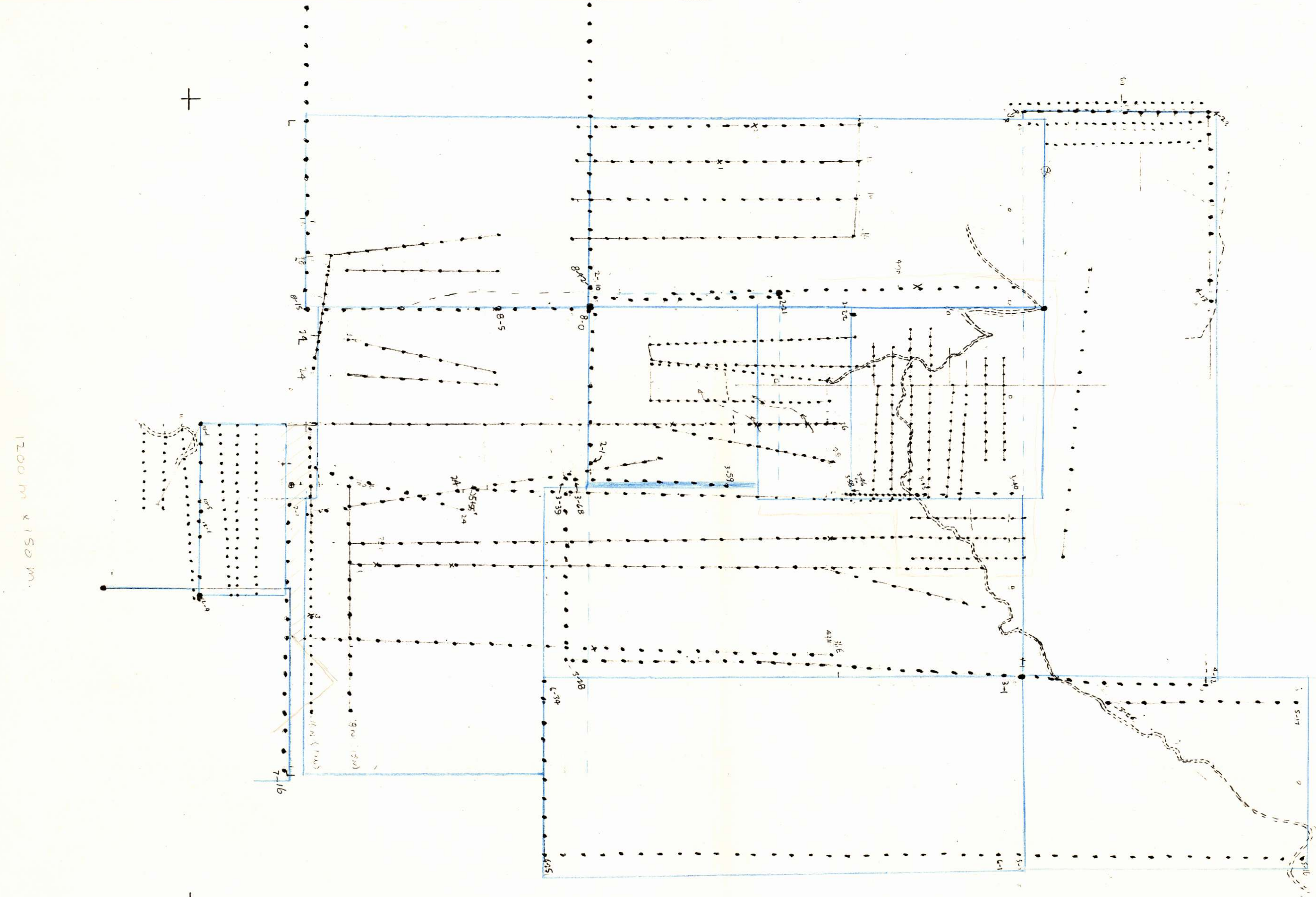
In addition to areas of known mineralization, which have not yet been fully explored, there are numerous exploration targets defined by electromagnetic and geochemical surveys completed in the 1981 field season, (Homenuke, 1981).

The electromagnetic survey consisted of 35 km. of lines run with a VLF "EM-16". The results were filtered by the Fraser Method and contoured. EM trends and disruptions of trends are shown on Fig. 4, along with a preliminary interpretation of the geochemical data.

The geochemical survey consisted of 747 soil samples taken at 50-metre intervals along the same lines as the electromagnetic survey. The samples were run by ICP analysis (induction-coupled plasma) for 26 elements, and maps were prepared by computer for 14 elements. Much of the data will be difficult to completely evaluate until some follow-up work has been done; however, a geochemical interpretation map (Fig. 5) has been

BY............ DATE............ SUBJECT............ SHEET NO............ OF............

CHKD. BY............ DATE............ JOB NO............



prepared which shows high trends in relation to known mineralization. Several target areas shown on the map are summarized in the table below and individually evaluated following that.

TABLE VII Exploration Targets, Based on Geochemical Response - French Peak Silver Property

(x-weak, xx-moderate, xxx-strong, xxxx-strongest)

GEOCHEMICAL RESPONSE

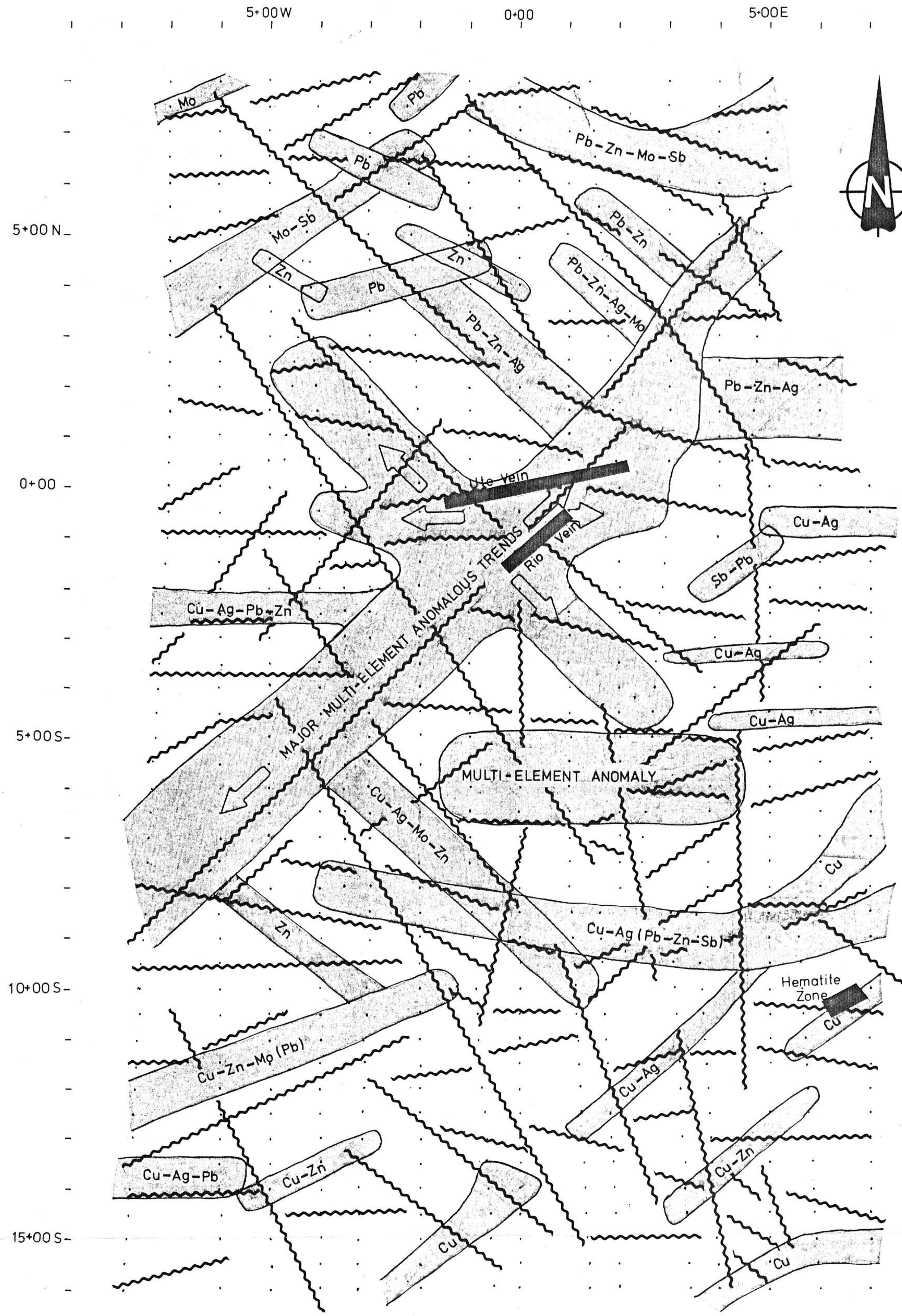
Target Area	Cu	Pb	Zn	Ag	Sb	As	Mo	Fe	Mn	Total x's*
Ute Vein	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	26
Rio Vein	xxx	xxx	xxx	xxx	xx	xxx	xx	xx	xxx	24
Hematite	xxx	x	xx	xx	x	x	x	x	xx	14
1	- - - - - - - - - - This is target at depth - - - - - - - - - - -									
2	xx	xxx	x	xx	xxx	xx	xxx	xxx	xxx	22
3	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxxx	xxx	28
4	xx	xxx	xx	xxx	xx	xx	x	xx	x	18
5	x	x	xx	xxx	x	xx	x	x	x	13
6	x	xxx	xxx	xxx	xx	xx	x	x	xxx	19
7	xxx	xxx	xxx	xxxx	xxxx	xxx	xxxx	xx	xxxx	30
8	xxx	xxx	xxxx	xxx	xx	xx	xxx	xxx	xxx	26
9	xxxx	x	xx	xx	x	x	x	xx	xxx	17
10	xxx	xxxx	xxx	xxx	xxx	xxx	xx	xxx	xxx	27
11	x	xx	x	x	xxx	xxxx	xxx	xx	xx	19
12	xx	xxx	xx	xx	xxx	x	x	x	xxx	18
13	xxx	x	xx	xx	xx	x	x	xx	xxx	17

* Provides a limited measure of rank.

DISCUSSION OF TARGETS

1. Ute Vein System - Targets 1, 2, 4, 5

A reserve calculation has already been made for part of the central section. Drill holes indicate the presence of similar mineraliza-



KNOWN MINERALIZATION

GEOCHEMICAL HIGHS (elements indicated by chemical symbols)

STRUCTURAL OR LITHOLOGIC TRENDS (from EM-16 Survey)

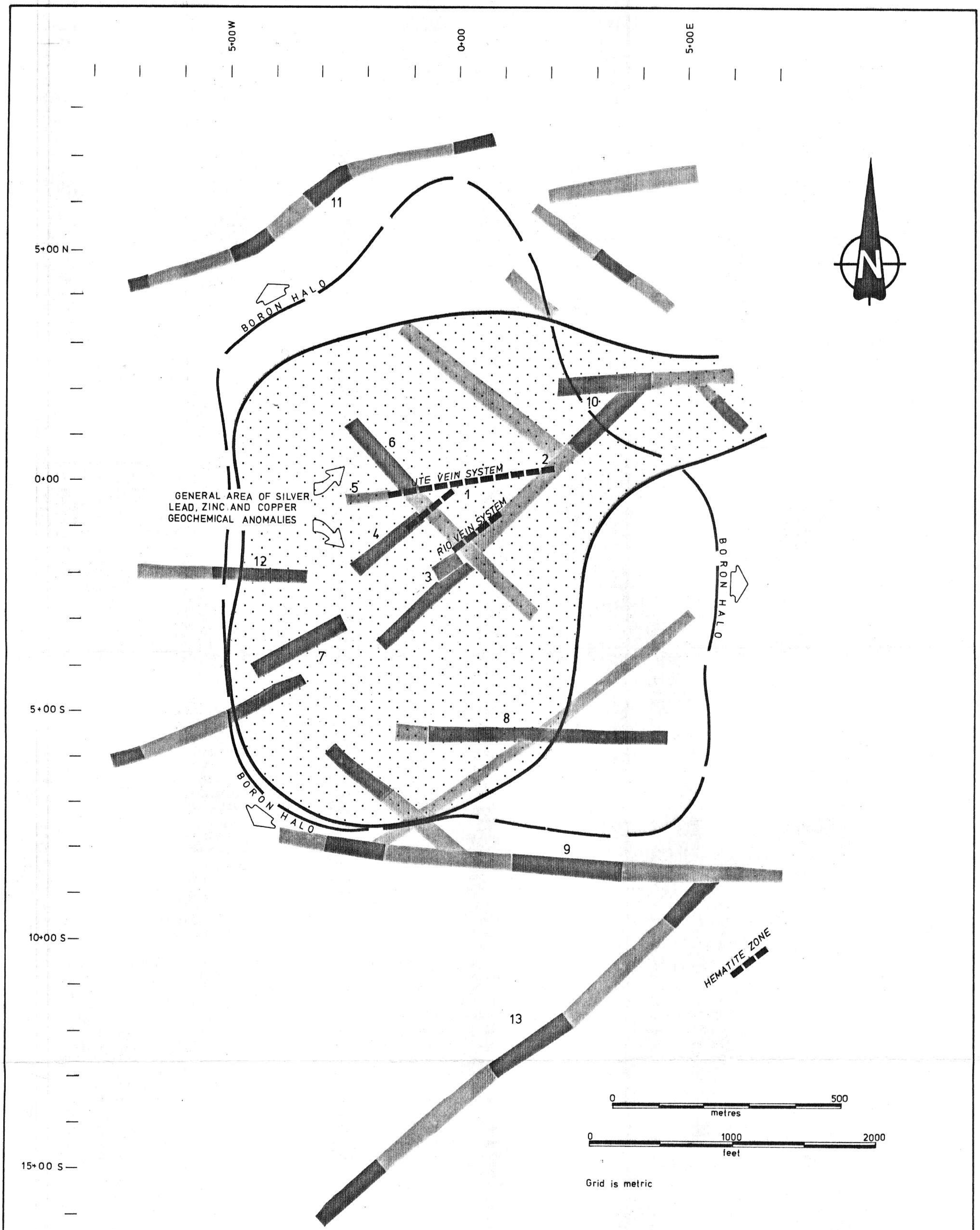
0 100 200 300 400 500
METRES

SILVERADO MINES LTD.
FRENCH PEAK SILVER PROPERTY

COMPILATION MAP

Prepared by A. M. Homenuke, P.Eng.
TRI-CON MINING LTD. Sept. 1981

FIG 4



Known mineralization

Geochemical High Trends (Cu, Pb, Zn, Ag)

moderate

most intense

2 *Target Area (see report)*

SILVERADO MINES LTD.

FRENCH PEAK SILVER PROPERTY

GEOCHEMICAL INTERPRETATION

Prepared by: A. M. Homenuke, P. Eng.
TRI-CON MINING LTD.

Oct. 1981

FIG. 5

tion across narrower widths in the rest of the section. Possible ore reserves are limited downward by the contact with andesite flows at 50 to 100 feet below surface. The andesite is unfavorable to mineralization. However, at a further 100-200 feet down-dip, the Ute Vein should intersect the Lower Tuff Unit and the shallow-dipping Rio Vein. This intersection is a prime target for deeper drilling (Target Area 1).

On the eastern section of the Ute Vein, the andesite surfaces and little room is provided for ore shoots, however, the Lower Tuffs are also closer to surface and the projected intersection of the Ute and Rio Veins, on surface, is shown as Target Area 2 and has a moderate geochemical response.

On the western section of the Ute Vein, there is minimal grade information. Three intersections on the main vein structure (there are several splays) are all over 5 feet wide. This section is 500 feet long and the andesite is down an average of 200 feet. This suggests a minimum of 50,000 tons (5 ft. x 500 ft. x 200 ft. $\div$ 10 $ft.^3$/ton). Although the grade of these intercepts is low (around 5 ounces silver per ton), the relatively large tonnage potential indicates that this area should be tested further. Again, there is depth potential below the andesite and the previously mentioned potential (see "Mineralization") for disseminated ore. Target Area 5 indicates a 300-foot westward extension. The geochemical response is weak, but the overburden is known to be deeper and may have lowered the values. Target Area 4 has a moderate geochemical response and indicates a 500-foot extension of known splays.

2. <u>Rio Vein System - Targets 2, 3, 7, 10</u>

The Rio Vein System is centered in a northeasterly geochemical trend, almost a mile long. Target Areas 3, 7 and 10 represent the strongest geochemical responses from the survey. Target Area 2, discussed above, is also on this trend. These areas follow the projected strike of the Lower Tuff Unit and, as the Rio Vein System is conformable with the Tuffs, implies the possibility of significant strata controlled mineralization.

3. Hematite Zone - Target Area 13

The Hematite Zone has a very weak geochemical response, partly due to deeper overburden. Silt samples from a stream flowing by the zone (Homenuke, 1977) showed a much stronger response. Little work has been done on the area, but it does appear to be a stratabound zone, similar in nature to the Rio Vein System. Target Area 13 is a nearby parallell trend with a moderate geochemical response over a much longer distance.

4. Other Zones Parallel to the Ute Vein System (Westerly Trend)

These include Target Areas 8, 9, part of 10, and 12. Area 8 is the most interesting as it is almost 2,000 feet long and intersects the northwesterly structural trend, which appears to partly control ore mineral deposition in the Ute and Rio Vein Systems.

5. Other Zones Parallel to the Rio Vein System (Lithologic Trend - Northeasterly)

The only numbered zone is Target Area 11. It showed the strongest response for arsenic and should be tested for gold. It is also coincident with an EM-16 conductor trend.

6. Target Area 6

No known mineralization follows this northwesterly trend, however, it appears to be an ore control structure and may be, in part, mineralized. There are several un-numbered trends parallel to this, which intersect with other target areas.

7. General Comment on Geochemical Response

A significant feature of the geochemical survey results (shown on Fig. 5) is the occurrence of a boron halo around the general area of anomalous values in copper, lead, zinc and silver. This area is about 3,000 feet in diameter and occurs over the intersection of two major regional faults (as mapped by Richards, 1980). This is the typical position of weakness at which many porphyry-type mineral deposits occur. Supporting the presence of an intrusive at depth is the occurrence of intermineral dykes in the vein systems.

CONCLUSIONS

1) The Ute Vein System contains a small deposit of high-grade silver mineralization which may be mineable at higher silver prices.

2) Limited drilling and geological mapping have indicated that a considerable greater tonnage of undetermined grade may be present, especially at depth.

3) A geochemical survey indicated that there may be many more mineralized areas on the property, with some, like the Rio Vein System, being probably stratacontrolled. Three of these geochemical targets show a stronger response than any of the known mineralization.

4) Results, to date, indicate that the property merits considerable further exploration.

RECOMMENDATIONS

The following program is designed to test and, if on-going results warrant, bring the French Peak Silver Property to the point of a production decision as a relatively small, high-grade mine.

PHASE I

Follow-up exploration on Targets determined by 1981 Program

Backhoe Trenching	$ 3,000.00
Detailed geochemical sampling and profiling . . .	2,500.00
Detailed EM-16 surveying	2,500.00
Other geophysical (induced polarization, magnetometer) - ALLOW	4,000.00

RECOMMENDATIONS - PHASE I (Contd.)

Geological investigations, surveying, base map preparation	$ 7,500.00
	$ 19,500.00
Diamond Drilling To further test the Ute Vein System, especially at depth 3,000 ft. @ $25./ft.	75,000.00
Preliminary Drilling on new targets 2,000 ft. @ $25./ft.	50,000.00
	$125,000.00
Camp and support costs	25,000.00
SUB TOTAL	169,500.00
Contingency @ 20%	33,900.00
TOTAL:	$203,400.00

PHASE II

If the results of Phase I are encouraging, Phase II would consist of development diamond drilling, metallurgical testing, environmental studies, feasibility study, underground development and a pilot mill.

No budget can be estimated at this time. Also, if so desired, a similar budget could be proposed for testing the possibility of larger tonnage, lower-grade deposits.

Respectfully submitted,

TRI-CON MINING LTD.

A.M. Homenuke, P.Eng.,
Vice President
Exploration & Development

CERTIFICATE OF QUALIFICATION

I, ALEXANDER M. HOMENUKE, DO HEREBY CERTIFY:

1. THAT I am a member in good standing of the Association of Professional Engineers of British Columbia.

2. THAT I received the Degree of Bachelor of Science in Geological Engineering from the Colorado School of Mines in 1974.

3. THAT I received a Diploma of Technology in Mining from the B.C. Institute of Technology in 1969.

4. THAT I have been employed in various aspects of mining exploration for 12 years and am presently employed by Tri-Con Mining Ltd., of #2580 - 1066 West Hastings Street, Vancouver, British Columbia.

5. THAT I presently reside at 29825 Harris Road, Mt. Lehman, British Columbia.

6. THAT this Report is based on work supervised or conducted by myself, and on review of available literature.

7. AND THAT I have an interest in the French Peak Silver Property through ownership of shares of Silverado Mines Ltd. and Can-Ex Resources Ltd.

DATED at Vancouver, British Columbia, this 7th day of December, 1981.

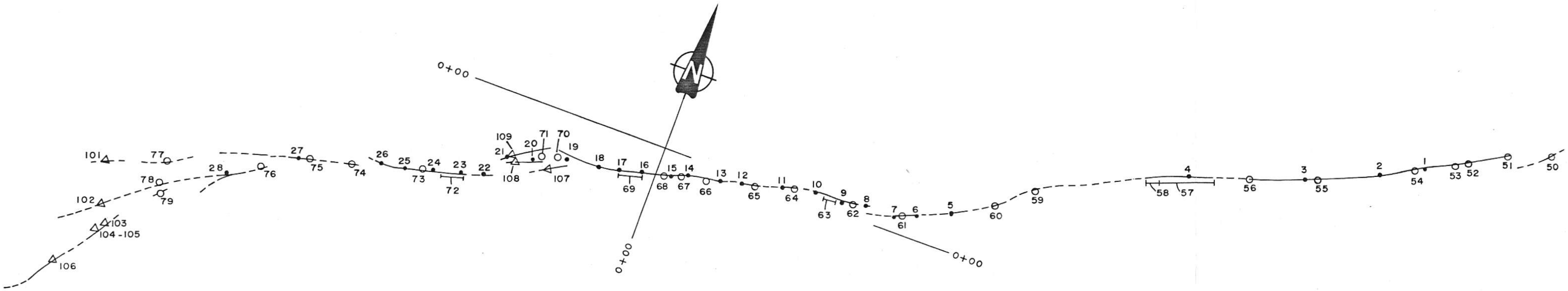
A.M. HOMENUKE, P.Eng.
Geological Engineer

REFERENCES

1.	BAKER, John F., 1974	Geochemical Report on the Sue Group of Mineral Claims, Assmt. Rep. 5188.
2.	DAWSON, H., 1980	Results of laboratory bulk sulfide flotation tests on French Peak silver ore sample (private company letter).
3.	HOGAN, J.W., 1975	Report on the Ute Claims, French Peak area (in part by A.M. Homenuke) for Renniks Resources Ltd.
4.	HOMENUKE, A.M., 1977	French Peak Silver Property, Compilation Report (private report to Aalenian Resources Ltd.).
	1979	French Peak Silver Property, Petrographic Study on core from 1976 drill program (Assmt. Rep.)
	1980	French Peak Silver Project, Proposed operating plan (prepared on behalf of Mohawk Oil Co. Ltd., for submission to the Government of British Columbia).
	1981	Geochemical and electromagnetic survey on the French Peak Silver Property (Assmt. Rep.).
5.	JENKINS, B.W., 1980	(Envirocon Ltd.) Environmental requirements for pilot development of French Peak Silver Property (private company letter).
6.	LORIMER, M.K., 1976a	Report on the Ute Claims for Aalenian Resources Ltd.
7.	McELROY, R.O., 1980	Flotation tests on a sample of French Peak silver ore, B.C. Research Project Report No. 204-499 (private report).
8.	RICHARDS, T.A., 1965	Geology and Mineralogy of the Red Group, unpublished B.Sc. Thesis, Univ. of British Columbia.
9.		Geology, Exploration and Mining in British Columbia (various annual volumes).

APPENDIX "A"

UTE VEIN SYSTEM



Plan number	Width (inches)	ASSAY VALUES Gold oz/ton	Silver oz/ton	Copper %	Lead %	Zinc %	Antimony %	Sample tag number
50	2"	-	4.66	-	-	-	-	14708
51	8"	-	19.58	-	-	-	-	14709
52	6"	-	123.23	-	-	-	0.88	14710
53	6"	-	16.66	-	-	-	-	14711
1	18"	-	26.50	-	4.00	-	-	9101
54	4"	-	0.98	-	-	-	-	14712
2	18"	-	2.90	-	0.80	-	-	9102
55	8"	-	3.64	-	tr	-	-	14713
3	32"	-	1.80	-	tr	-	-	9103
56	24"	-	0.20	-	-	-	-	14714
4	8"	0.07	249.60	3.00	51.50	tr	-	#1(1955)
57	9" x 55'	-	4.08	-	-	-	-	14715
58	6" x 10'	-	13.68	-	-	-	-	14716
59	3"	-	0.31	-	-	-	-	14717
60	15"	-	8.58	-	-	-	-	14718
5	13"	-	74.60	-	3.00	-	-	9104
6	18"	-	24.90	-	7.80	-	-	9105
61	18"	-	0.56	-	-	-	-	14719
7	25"	-	23.80	0.20	6.40	tr	-	9123
8	15"	-	3.00	-	0.30	-	-	9106
62	16"	0.03	24.06	-	3.05	-	-	14720
9	20"	-	114.00	1.60	17.70	0.10	-	9124
63	6" x 12'	0.03	29.80	-	8.30	-	-	14721
10	34"	-	5.20	-	1.70	-	-	9107
64	3"	-	13.09	-	-	-	-	14722
11	45"	-	7.80	-	5.70	-	-	9108
65	6"	0.06	195.88	-	20.00	-	3.64	14723
12	29"	-	35.10	0.90	5.30	0.20	-	9125
13	20"	-	17.50	0.90	5.60	tr	-	2535
66	36"	-	2.10	-	-	-	-	14724
14	14"	-	1.90	0.30	tr	tr	-	2536
67	36"	-	0.56	-	-	-	-	14725
15	50"	-	1.20	0.10	0.70	tr	-	9122
68	36"	-	1.31	-	-	-	-	28001
16	13"	0.015	3.33	0.30	0.93	1.57	-	
	19"	0.065	329.40	9.26	4.21	5.36	-	From
	32"	0.005	3.66	0.30	0.57	1.08		Rio Tinto
	Total 64"	Ave 0.025	101.57	3.00	1.74	2.46	-	work
	17"	0.001	1.88	0.23	0.50	0.15	-	sheet
	Total 81"	Ave 0.020	80.89	2.42	1.48	1.98	-	

Plan number	Width (inches)	ASSAY VALUES Gold oz/ton	Silver oz/ton	Copper %	Lead %	Zinc %	Antimony %	Sample tag
69	3"	0.05	137.30	-	13.60	-	2.58	28002
	33"	-	1.35	-	-	-	-	28003
	Total 36"	-	Ave 12.68	-	-	-	-	
17	12"	-	447.90	4.80	20.90	0.70	-	2537
	36"	-	62.40	0.30	4.50	tr	-	2538
	Total 48"	-	Ave 159.00	1.40	8.60	0.20	-	
18	36"	-	60.50	-	1.70	-	-	9109
19	79"	-	3.70	0.05	0.50	tr	-	9121
107	4"	-	280.60	-	-	-	-	5704
70	72"	0.02	11.66	-	0.79	-	-	28004
71	72"	-	0.16	-	-	-	-	28005
20	31"	-	6.50	0.30	0.40	tr	-	9120
108	8"	-	84.10	-	-	-	-	5702
109	8"	-	64.30	-	-	-	-	5703
21	34"	-	8.00	tr	tr	tr	-	9119
22	57"	-	1.50	tr	tr	tr	-	9118
23	36"	-	1.50	0.15	0.50	tr	-	9117
72	10" x 18'	0.15	95.22	-	-	-	1.95	28006
24	26"	-	51.50	-	12.60	-	-	9110
73	30"	0.01	6.08	-	-	-	0.25	28007
25	41"	-	4.00	0.40	1.60	0.20	-	9116
26	52"	-	12.70	0.50	7.80	0.50	-	9115
74	12"	0.01	24.79	-	-	-	0.40	28008
75	12"	-	0.86	-	-	-	-	28009
27	31"	-	48.50	1.10	4.40	0.30	-	9114
76	39"	-	0.65	-	-	-	-	28010
28	19"	-	23.20	1.10	10.00	0.50	-	9113
77	36"	-	0.48	-	-	-	-	28011
78	4"	-	60.08	-	-	-	-	28012
79	4"	-	7.85	-	-	-	-	28013
101	12"	-	3.06	-	-	-	-	28026
102	4"	-	0.61	-	-	-	-	28032
103	4"	0.022	23.00	7.20	-	-	-	28029
104								
(includes105)	84"	0.005	2.45	-	-	-	-	28030
105	4"	0.022	45.60	-	-	-	-	28031
106	3"	< 0.003	13.20	-	-	-	-	28033

LEGEND

Vein - defined, inferred

SAMPLE LOCATIONS

1-28 • Rio Tinto Canadian Exploration, 1955-56

50-79 ○ J. Hogan, L.J. Manning & Associates, 1974

along strike

101-109 △ A. Homenuke, Tri-Con Mining, 1974-76

50 0 50
Metres

100 0 100 200
Feet

SILVERADO MINES LTD

FRENCH PEAK SILVER PROPERTY
OMINECA MINING DIVISION

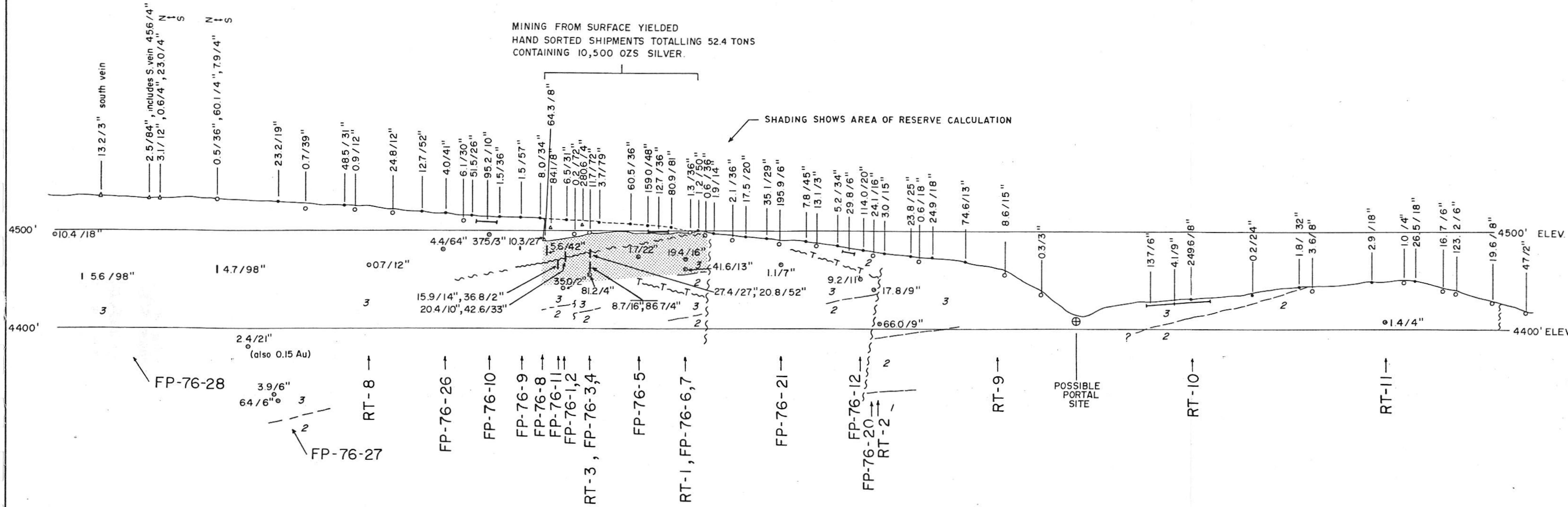
SURFACE ASSAY PLAN
UTE VEIN SYSTEM

PREPARED BY: A.M. Homenuke, P.Eng Tri-Con Mining Ltd.

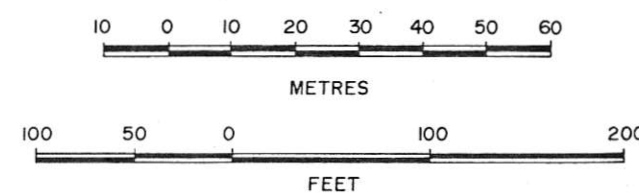
DATE: August 1981

FIG. NO: A-1

DRAWN BY: BEMA DRAFTING SERVICES



SECTION A - A' (Looking North)



LEGEND

3	UPPER TUFFS - IN PART BRECCIA
2	MIDDLE ANDESITE FLOWS & TUFFS
1	LOWER TUFFS

FAULT - DEFINED, INFERRED

T~T~T~ THRUST FAULT

CONTACT - DEFINED, INFERRED

DRILL HOLE INTERSECTIONS

29.8/6" OUNCES SILVER PER TON (Averages) TRUE WIDTH

LOCATION OF CROSS SECTION

SURFACE ASSAYS

- RIO TINTO - 1955, 56
- J. HOGAN - 1974
- A. HOMENUKE - 1974

SILVERADO MINES LTD.

FRENCH PEAK SILVER PROPERTY

UTE VEIN SYSTEM LONGITUDINAL SECTION A-A'

PREPARED BY: A.M. HOMENUKE, P.ENG.
TRI-CON MINING LTD.

SEPT., 1981.

FIG. A-2

LEGEND TO ACCOMPANY DIAMOND DRILL HOLE SECTIONS

DIAMOND DRILL HOLE — RT - RIO TINTO (1956)

VEIN & PROJECTION — FP - 76 - SILVERADO (1976)

CONTACT

FAULT

—T—T— THRUST FAULT

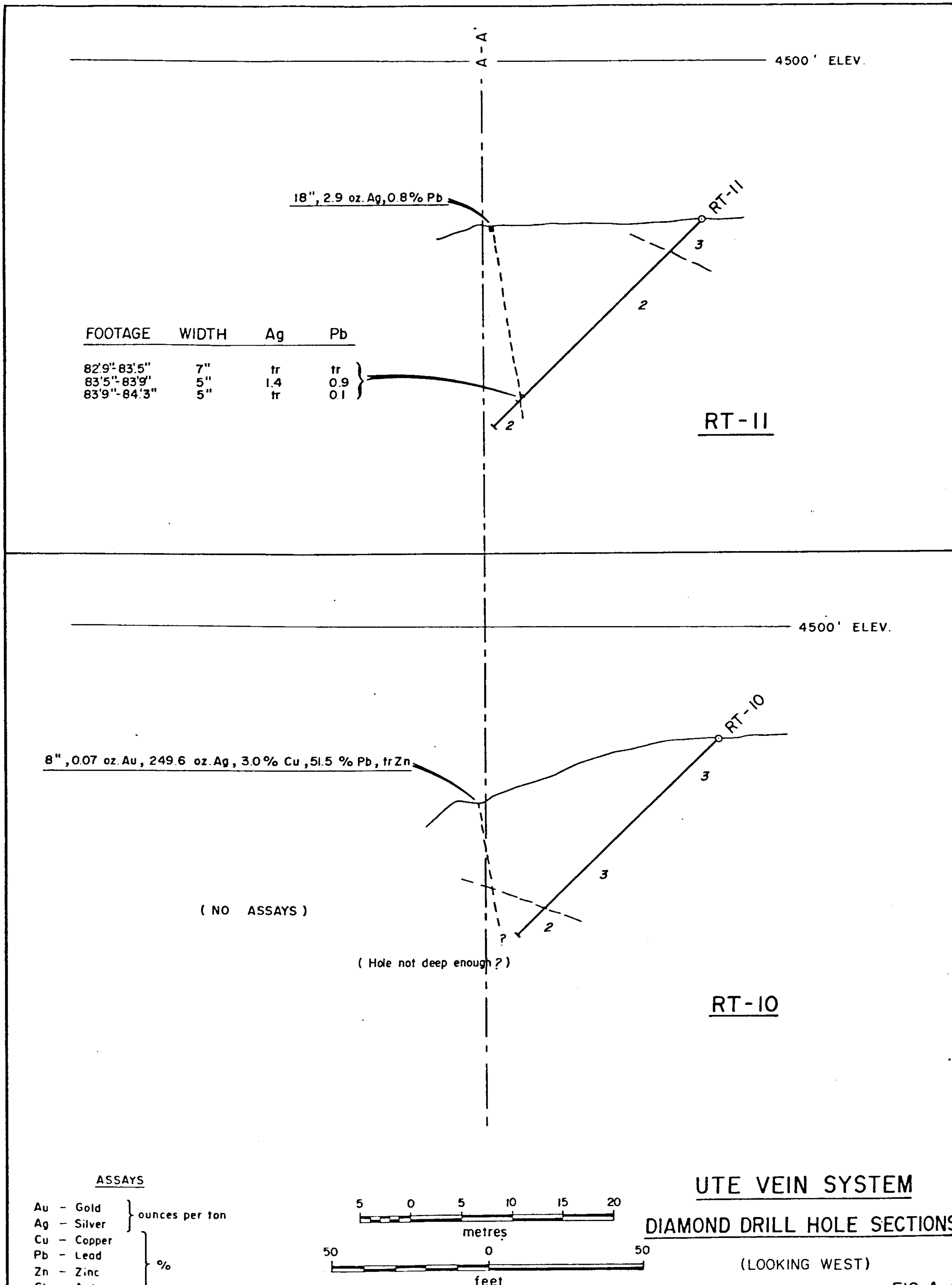
LITHOLOGY

xxxxxxx FELDSTAR PORPHYRY DYKE

BRECCIA

3	UPPER DACITIC TUFFS
2	MIDDLE ANDESITIC FLOWS & TUFFS
1A	WATERLAIN ASH TUFF
1	LOWER DACITIC TUFFS
xxxxx	MARKER BEDS

FIG. A-3

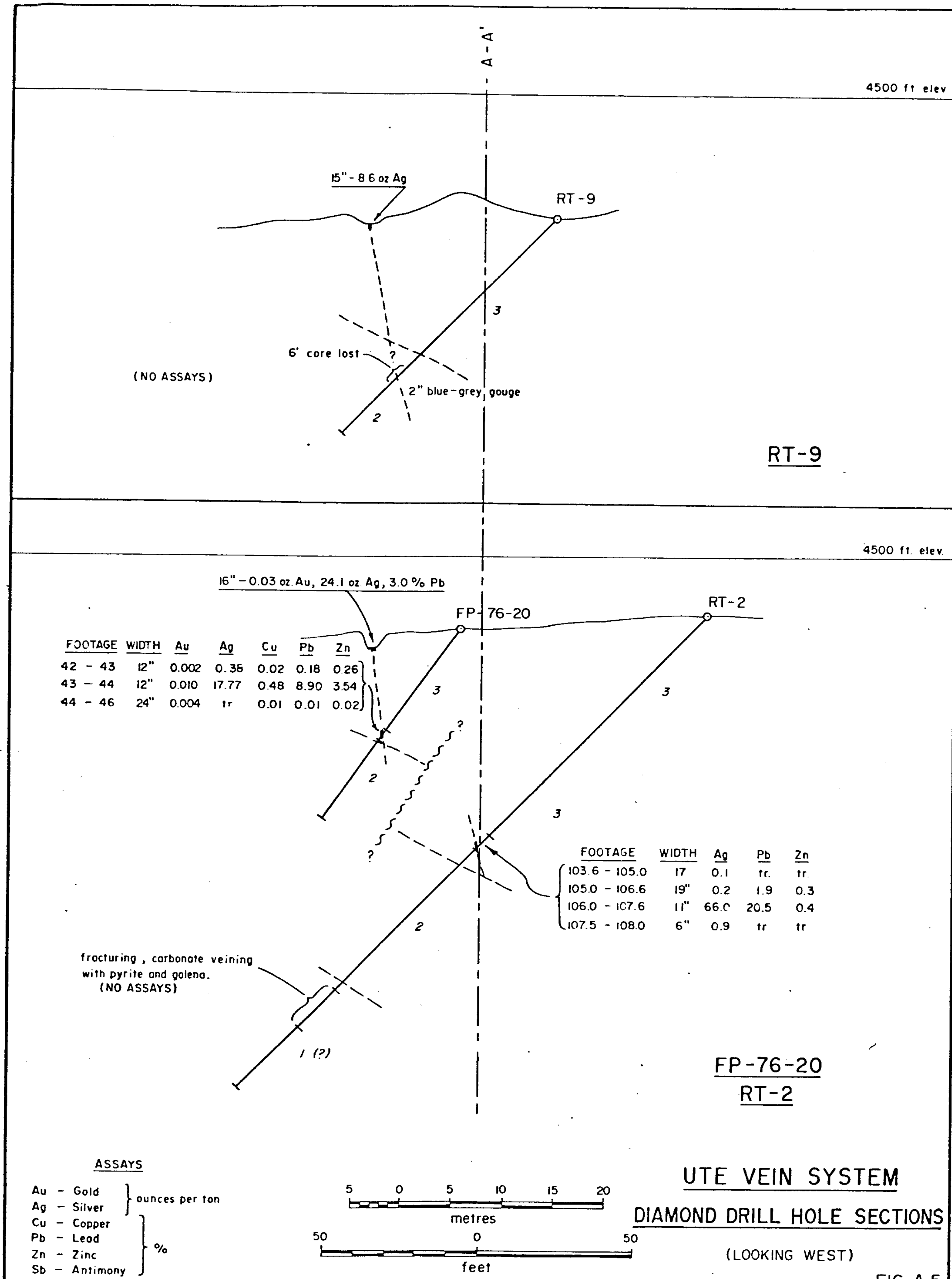


UTE VEIN SYSTEM

DIAMOND DRILL HOLE SECTIONS

(LOOKING WEST)

FIG. A-4

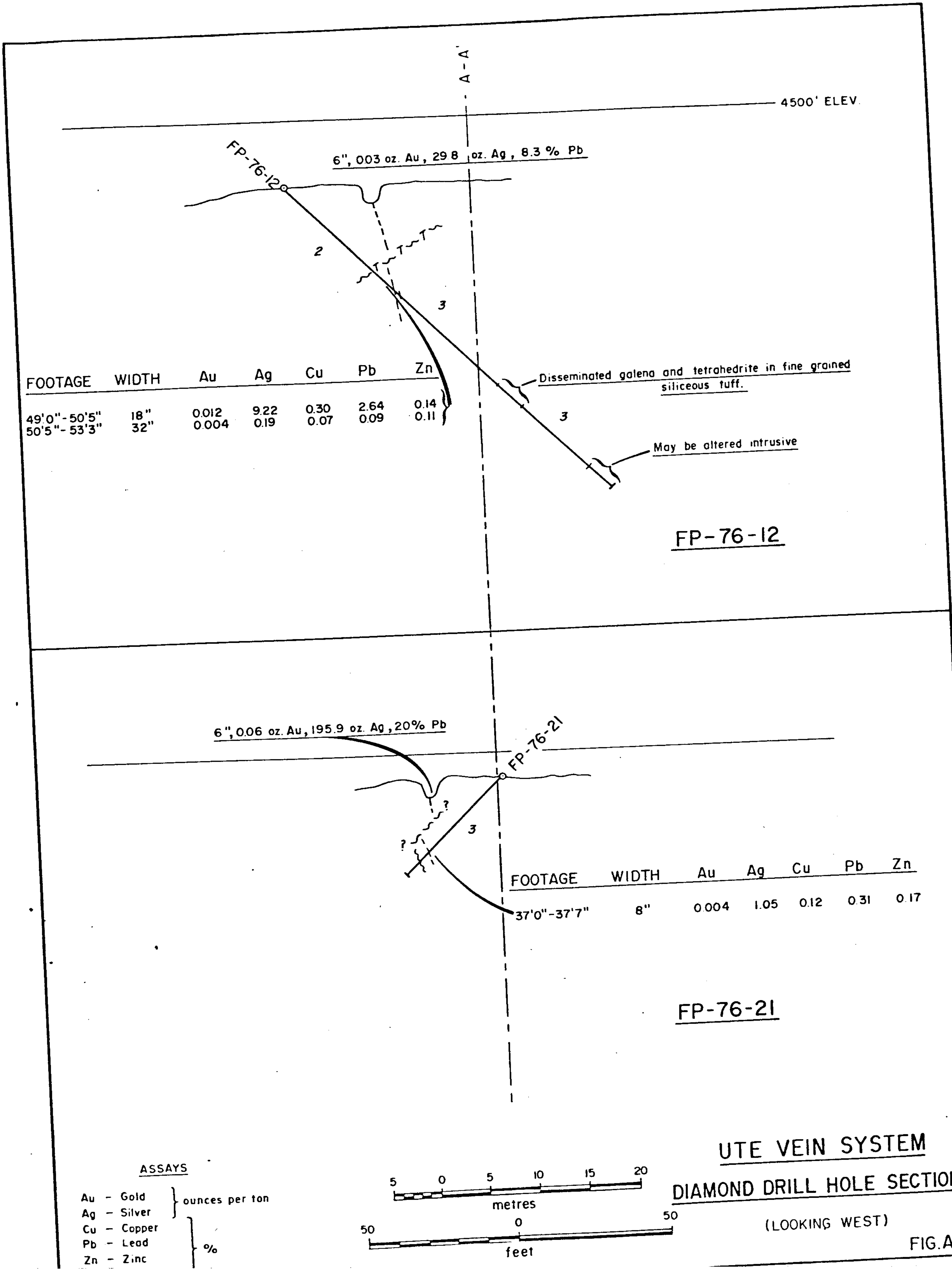


UTE VEIN SYSTEM

DIAMOND DRILL HOLE SECTIONS

(LOOKING WEST)

FIG. A-5



FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
49'0"-50'5"	18"	0.012	9.22	0.30	2.64	0.14
50'5"-53'3"	32"	0.004	0.19	0.07	0.09	0.11

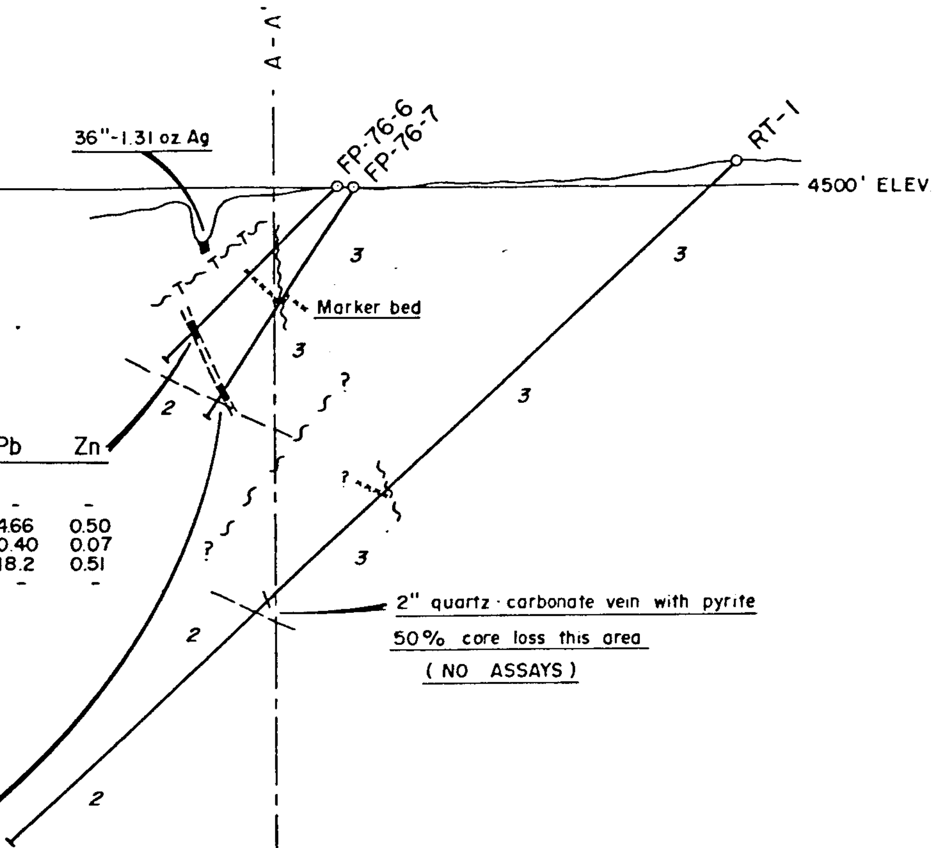
FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
37'0"-37'7"	8"	0.004	1.05	0.12	0.31	0.17

UTE VEIN SYSTEM

DIAMOND DRILL HOLE SECTION

(LOOKING WEST)

FIG.A-



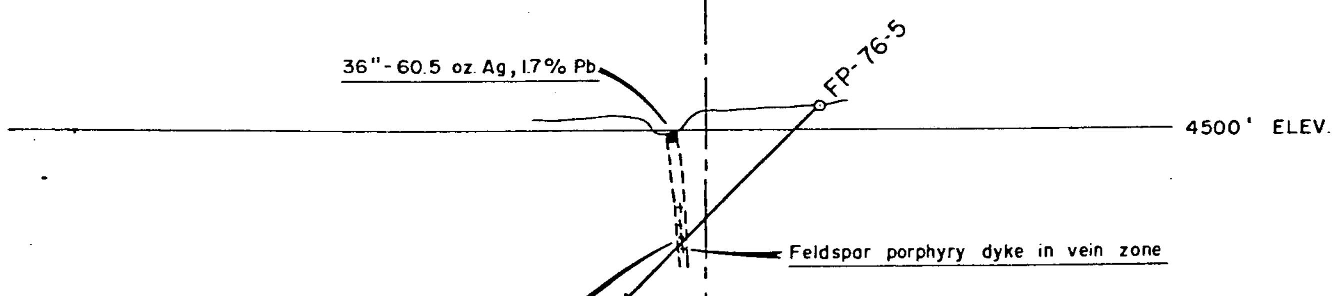
FP-76-6

FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
40'1"-40'7"	7"	-	0.22	-	-	-
40'7"-41'0"	3"	0.045	18.40	1.35	4.66	0.50
41'0"-42'0"	12"	0.005	3.16	0.20	0.40	0.07
42'0"-42'3"	3"	0.020	85.26	2.33	18.2	0.51
42'3"-43'0"	9"	-	0.54	-	-	-

FP-76-7

FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
44'2"-45'8"	19"	-	.04	-	-	-
45'8"-48'4"	32"	-	.05	-	-	-
48'4"-49'3"	11"	0.003	2.06	0.08	0.36	0.09
49'3"-49'8"	5"	0.06	128.52	5.40	8.56	1.62

RT-1 , FP-76-6, FP-76-7



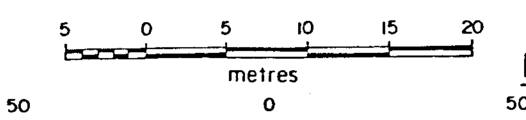
FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
36'7"-37'3"	7"	0.005	4.08	-	-	-
37'3"-37'8"	6"	<0.003	0.34	-	-	-
37'8"-39'0"	15"	<0.003	0.16	-	-	-
39'0"-39'1"	1"	0.016	15.44	0.89	2.82	0.33
39'1"-41'2"	25"	<0.003	0.22	<0.01	0.26	0.09

FP-76-5

ASSAYS

Au - Gold, Ag - Silver } ounces per ton

Cu - Copper, Pb - Lead, Zn - Zinc, Sb - Antimony } %

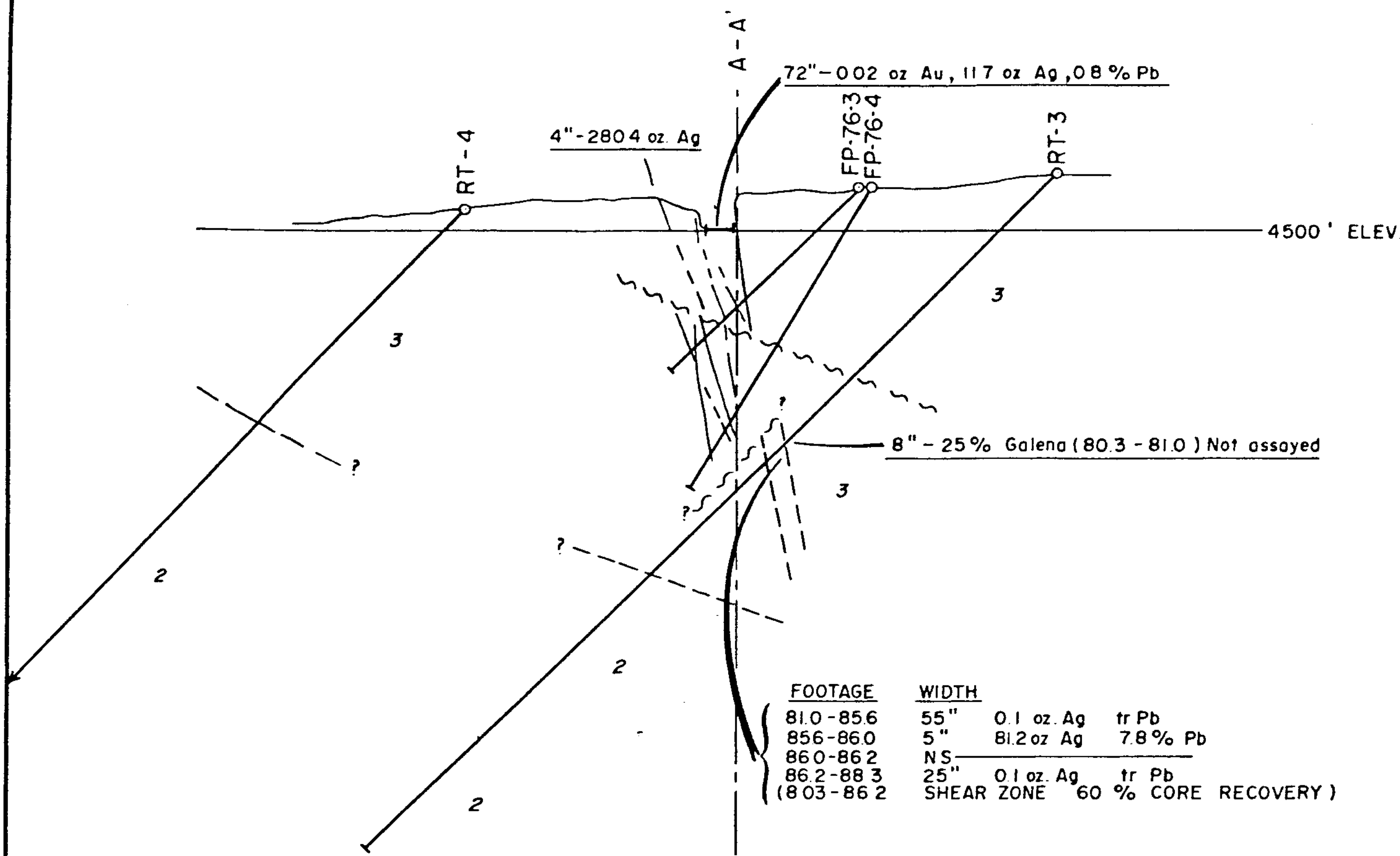


UTE VEIN SYSTEM

DIAMOND DRILL HOLE SECTIONS

(LOOKING WEST)

FIG. A-7



FP-76-3

FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
30'8" - 33'0"	28"	0.003	0.16	–	–	–
33'0" - 34'9"	21"	0.007	4.02	0.20	0.30	0.13
34'9" - 36'6.5"	21.5"	< 0.003	0.24	0.02	0.09	0.13
36'6.5" - 36'10"	3.5"	0.034	102.82	3.48	22.9	0.96
36'10" - 38'1.5"	15.5"	0.038	23.42	1.40	3.08	0.69
38'1.5" - 39'2"	12.5"	0.003	1.05	–	–	–
39'2" - 39'4"	2"	0.030	90.48	3.48	14.2	1.64
39'4" - 40'0"	8"	<0.003	0.58	–	–	–
40'0" - 42'6"	30"	<0.003	0.25	<0.01	0.08	0.08
42'6" - 44'2"	20"	<0.003	0.54	0.03	0.05	0.06
44'2" - 44'6"	4"	0.084	18.42	1.48	0.69	0.42
44'6" - 47'8"	38"	0.003	1.34	0.11	0.05	0.09
47'8" - 47'9.5"	1.5"	0.032	123.21	4.14	16.2	1.15
47'9.5" - 49'0"	14.5"	<0.003	0.21	<0.01	0.05	0.08
49'0" - 49'5.5"	55"	0.304	182.92	6.20	578	1.22

FP-76-4

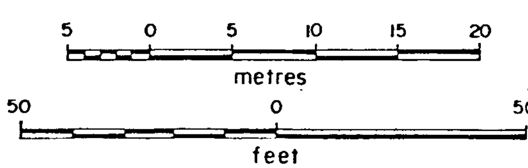
FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
47'0" - 48'8"	20"	<0.003	0.02	–	–	–
48'8" - 53'0"	50"	<0.003	0.12	–	–	–
53'0" - 54'0"	12"	<0.003	0.40	–	–	–
54'0" - 54'5"	5"	0.020	26.78	0.92	6.87	0.52
54'5" - 55'5"	12"	<0.003	0.84	–	–	–
55'5" - 55'11"	6"	0.012	9.2	0.38	4.56	1.84
55'11" - 59'0"	37"	0.008	0.21	0.01	0.07	0.10
59'0" - 59'4"	4"	0.005	2.93	0.19	0.38	0.10
59'4" - 62'0"	32"	<0.003	0.31	0.01	0.03	0.03
62'0" - 65'0"	36"	<0.003	0.12	<0.01	0.02	0.04
65'0" - 65'6"	6"	0.050	86.72	4.50	5.00	0.77

RT-3, RT-4, FP-76-3, FP-76-4

ASSAYS

Au – Gold, Ag – Silver: ounces per ton

Cu – Copper, Pb – Lead, Zn – Zinc, Sb – Antimony: %

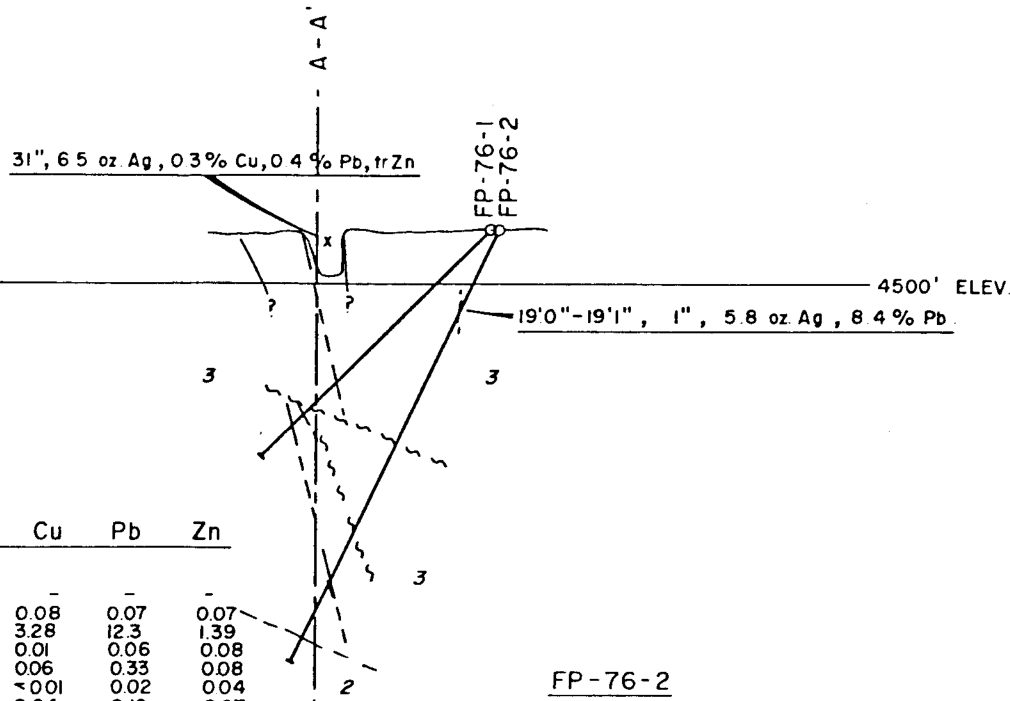


UTE VEIN SYSTEM

DIAMOND DRILL HOLE SECTIONS

(LOOKING WEST)

FIG. A-8



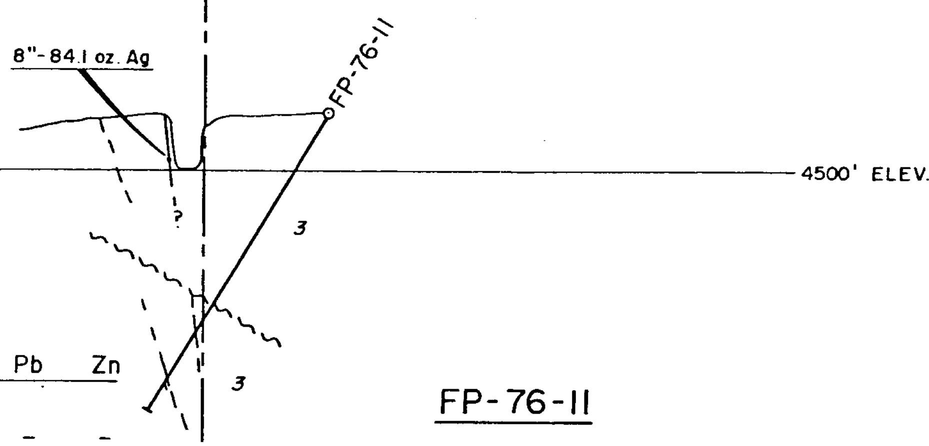
FP - 76 - 1

FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
40'0"-43'0"	36"	< 0.003	0.01	-	-	-
43'0"-43'9"	9"	0.005	2.18	0.08	0.07	0.07
43'9"-44'0"	3"	-	74.96	3.28	12.3	1.39
44'0"-47'0"	36"	< 0.003	0.24	0.01	0.06	0.08
47'0"-48'0"	12"	< 0.003	0.57	0.06	0.33	0.08
48'0"-50'4"	28"	< 0.003	0.06	< 0.01	0.02	0.04
50'4"-52'8"	28"	< 0.003	0.14	0.04	0.10	0.07
52'8"-53'1"	5"	0.022	43.84	2.56	13.3	0.69
53'1"-53'5"	4"	0.126	337.97	10.5	30.8	3.01
53'5"-55'7"	26"	< 0.003	0.70	0.18	0.17	0.05
55'7"-55'10"	3"	0.032	9.96	1.92	4.01	0.34

FP - 76 - 2

FOOTAGE	WIDTH	Au	Ag	Pb
68'6"-69'6"	12"	< 0.003	0.09	-
69'6"-70'1"	7"	"	0.35	-
70'1"-74'0"	47"	"	0.02	-
74'0"-78'0"	48"	"	0.04	-
78'0"-80'0"	24"	"	0.02	-
80'0"-80'7"	7"	"	0.22	-
80'7"-80'10"	3"	-	35.0	8.10
80'10"-82'0"	14"	< 0.003	0.10	-

FP-76-1 , FP-76-2



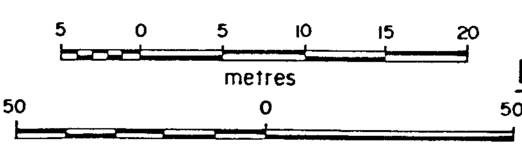
FP-76-11

FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
51'10"-52'7"	9"	< 0.003	0.55	-	-	-
52'7"-53'7"	12"	0.010	24.86	0.96	2.95	0.39
53'7"-53'11"	4"	0.007	10.24	0.50	6.07	0.34
53'11"-54'5"	6"	0.003	1.68	0.07	0.36	0.10
54'5"-59'0"	55"	< 0.003	0.34	-	-	-
59'0"-63'0"	48"	< 0.003	0.06	-	-	-
63'0"-64'6"	18"	< 0.003	0.72	0.05	0.10	0.12
64'6"-64'9"	3"	0.020	36.76	1.28	4.14	0.47

ASSAYS

Au - Gold, Ag - Silver } ounces per ton

Cu - Copper, Pb - Lead, Zn - Zinc, Sb - Antimony } %

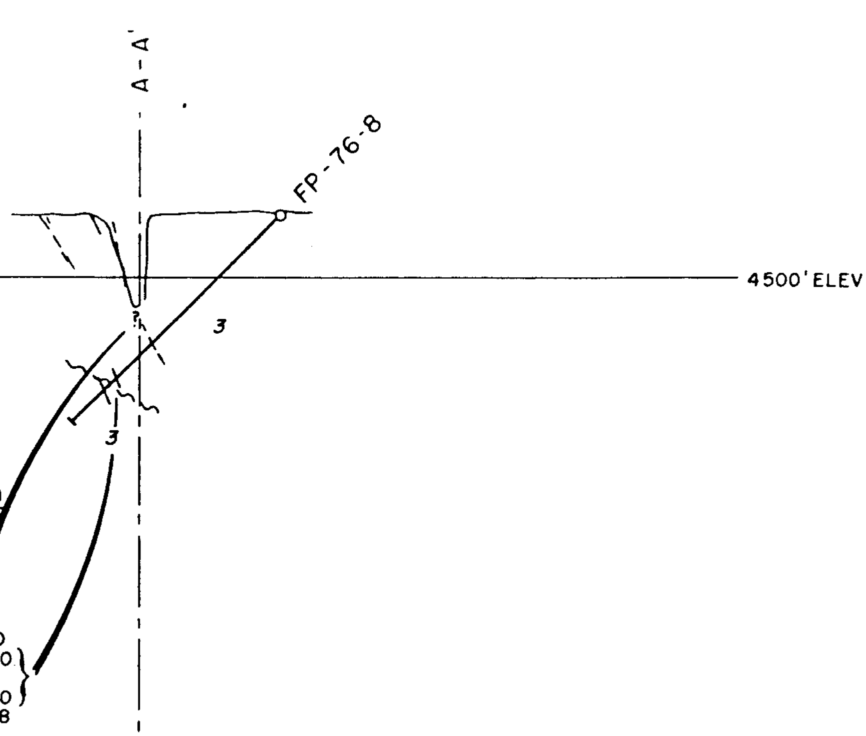


UTE VEIN SYSTEM

DIAMOND DRILL HOLE SECTIONS

(LOOKING WEST)

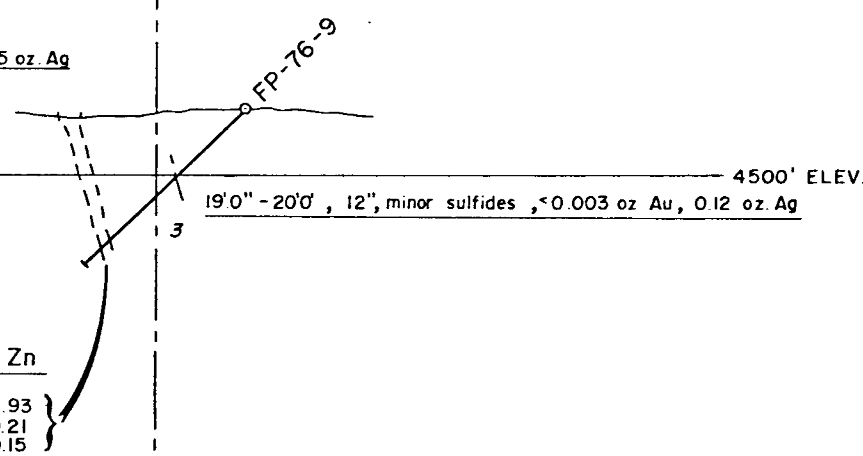
FIG. A-9



FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
36'9"-37'8"	11"	0.005	5.56	-	-	-
37'8"-38'8"	12"	< 0.003	0.82	-	-	-
38'8"-41'0"	26"	< 0.003	0.07	-	-	-
41'0"-43'0"	24"	< 0.003	0.04	-	-	-
43'0"-46'0"	36"	< 0.003	0.04	-	-	-
46'0"-47'6"	18"	0.003	0.18	< 0.01	0.30	0.10
47'6"-47'9"	3"	0.032	34.92	2.44	2.70	0.80
47'9"-50'2"	29"	0.003	2.6	0.25	1.51	0.11
50'2"-50'3"	1"	0.025	52.04	5.17	2.37	0.90
50'3"-51'2"	11"	< 0.003	1.41	0.13	0.22	0.08

FP - 76 - 8

57"- 1.5 oz. Ag



19'0" - 20'0", 12", minor sulfides, < 0.003 oz Au, 0.12 oz. Ag

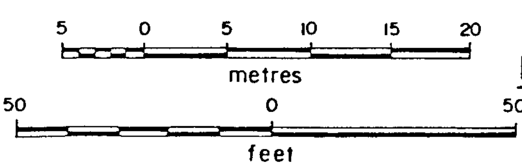
FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
38'6"-39'2"	8"	0.030	22.54	1.76	14.0	0.93
39'2"-41'0"	22"	0.005	5.88	0.22	1.37	0.21
41'0"-45'0"	48"	< 0.003	0.16	0.01	0.11	0.15

FP - 76 - 9

ASSAYS

Au - Gold, Ag - Silver: ounces per ton

Cu - Copper, Pb - Lead, Zn - Zinc, Sb - Antimony: %

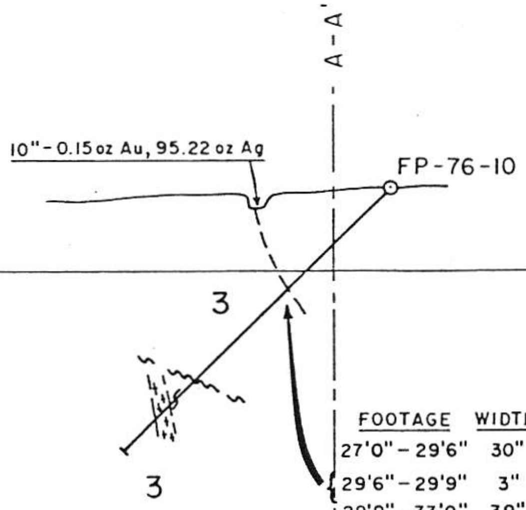


UTE VEIN SYSTEM

DIAMOND DRILL HOLE SECTIONS

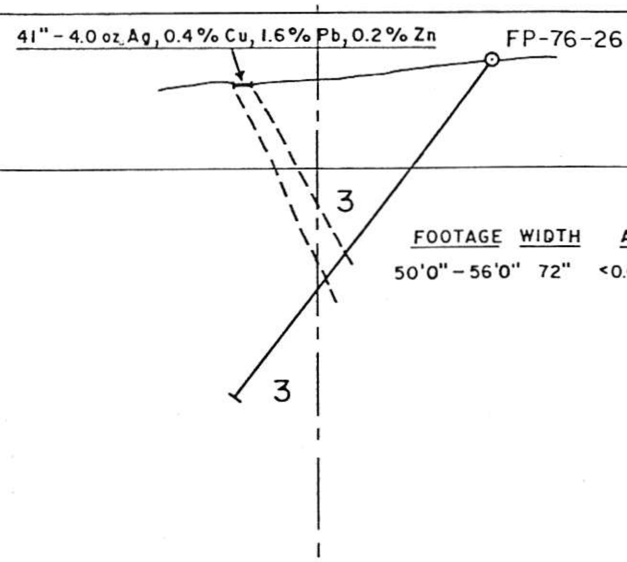
(LOOKING WEST)

FIG. A-10



FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
27'0" – 29'6"	30"	0.003	0.22	<0.01	0.18	0.04
29'6" – 29'9"	3"	0.040	37.46	2.96	2.84	1.37
29'9" – 33'0"	39"	0.003	0.60	0.04	0.06	0.04
33'0" – 38'0"	60"	0.003	0.70	0.03	0.11	0.06
38'0" – 43'0"	60"	<0.003	0.24	<0.01	0.23	0.17
43'0" – 45'9"	33"	<0.003	0.02	<0.01	0.14	0.23
45'9" – 48'9"	36"	<0.003	0.09	<0.01	0.06	0.13
48'9" – 52'9"	48"	<0.003	0.01	<0.01	0.06	0.06
52'9" – 55'3"	30"	<0.003	0.01	<0.01	0.01	0.04
55'3" – 59'0"	45"	<0.003	0.03	<0.01	<0.01	0.02
59'0" – 62'6"	42"	<0.003	0.05	<0.01	0.02	0.04
62'6" – 68'6"	72"	<0.003	0.14	<0.01	0.10	0.24
68'6" – 69'5"	11"	<0.003	0.32	0.04	0.07	0.09

FP-76-10



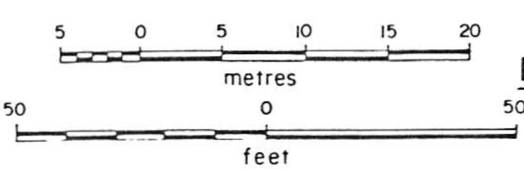
FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
50'0" – 56'0"	72"	<0.003	4.37	0.25	1.08	0.16

FP-76-26

ASSAYS

Au – Gold, Ag – Silver: ounces per ton

Cu – Copper, Pb – Lead, Zn – Zinc, Sb – Antimony: %

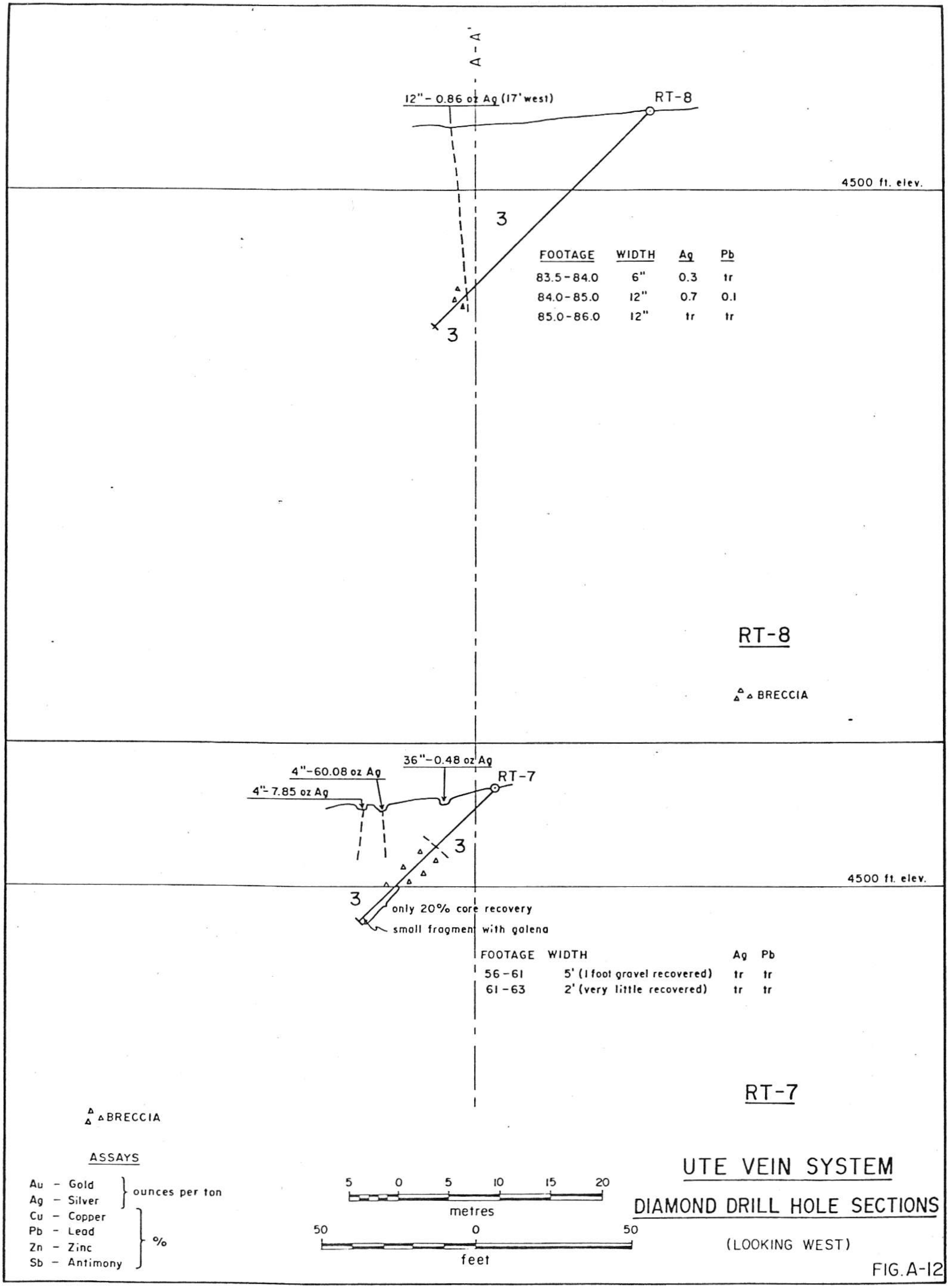


UTE VEIN SYSTEM

DIAMOND DRILL HOLE SECTIONS

(LOOKING WEST)

FIG. A-11



FOOTAGE	WIDTH	Ag	Pb
83.5-84.0	6"	0.3	tr
84.0-85.0	12"	0.7	0.1
85.0-86.0	12"	tr	tr

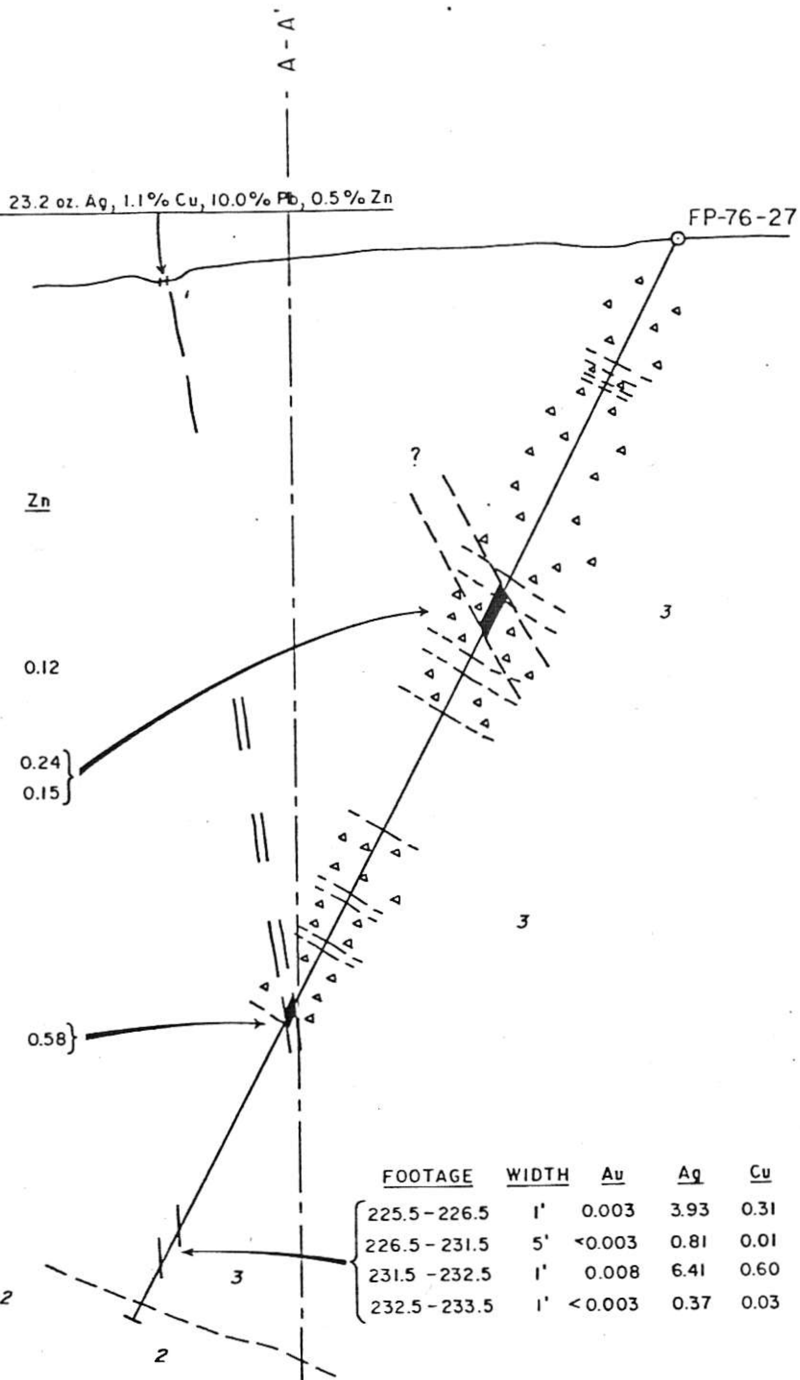
FOOTAGE	WIDTH	Ag	Pb
56-61	5' (1 foot gravel recovered)	tr	tr
61-63	2' (very little recovered)	tr	tr

UTE VEIN SYSTEM

DIAMOND DRILL HOLE SECTIONS

(LOOKING WEST)

FIG. A-12



FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
8 - 20	12'	<0.003	0.36			
20 - 30	10'	<0.003	0.31			
30 - 40	10'	<0.003	0.18			
40 - 50	10'	0.005	0.87			
50 - 60	10'	<0.003	0.52	0.01	0.41	0.12
60 - 70	10'	<0.003	0.20			
70 - 80	10'	<0.003	0.30			
80 - 84	4'	<0.003	5.32	0.21	0.65	0.24
84 - 90	6'	<0.003	3.83	0.15	0.52	0.15
90 - 100	10'	<0.003	0.24			
100 - 110	10'	<0.003	0.11			
110 - 120	10'	<0.003	0.09			
120 - 130	10'	<0.003	0.10			
154 - 160	6'	<0.003	0.09			
165 - 170	5'	<0.003	0.06			
175 - 178	3'	0.152	2.38	0.26	0.61	0.58

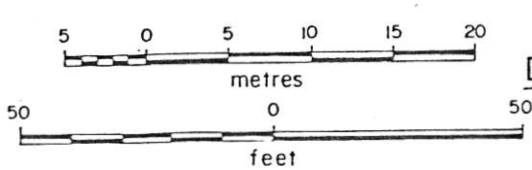
FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
225.5 - 226.5	1'	0.003	3.93	0.31	1.84	0.56
226.5 - 231.5	5'	<0.003	0.81	0.01	0.20	0.09
231.5 - 232.5	1'	0.008	6.41	0.60	2.78	0.74
232.5 - 233.5	1'	<0.003	0.37	0.03	0.11	0.05

FP-76-27

△ BRECCIA

ASSAYS

Au - Gold, Ag - Silver: ounces per ton
Cu - Copper, Pb - Lead, Zn - Zinc, Sb - Antimony: %

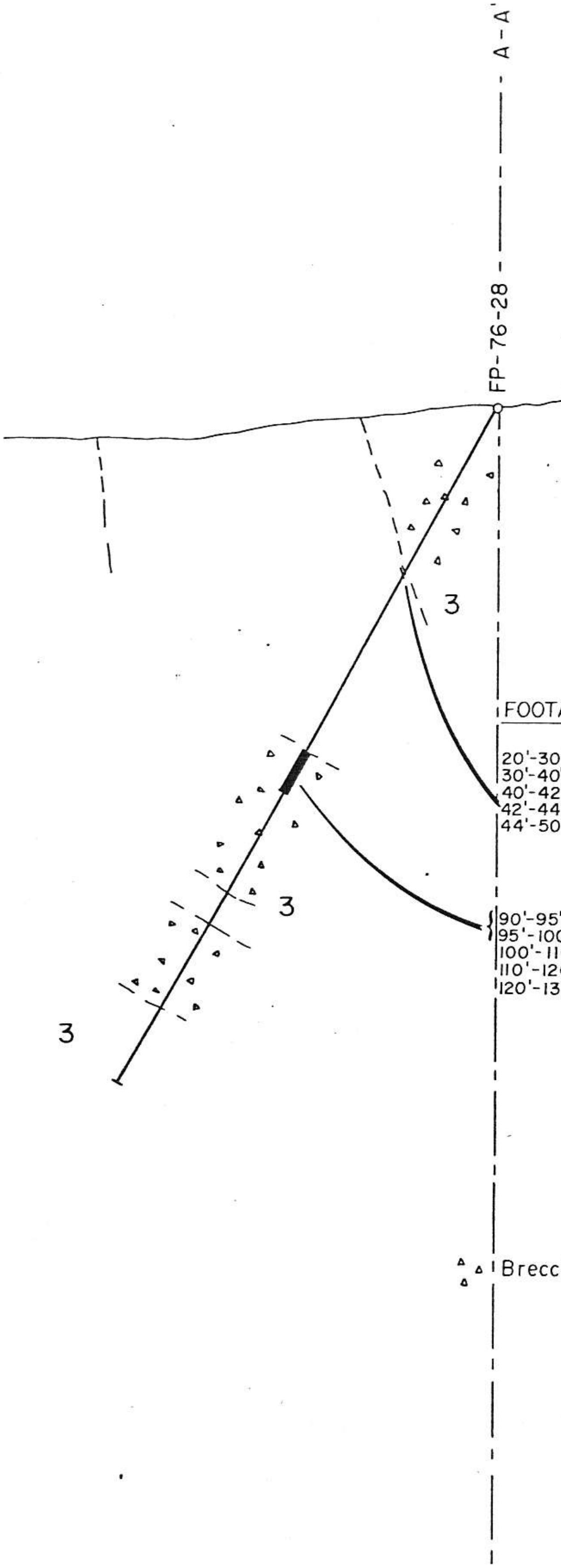


UTE VEIN SYSTEM

DIAMOND DRILL HOLE SECTIONS

(LOOKING WEST)

FIG. A-13



FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
20'-30'	10'	–	0.06	-	-	-
30'-40'	10'	–	0.73	-	-	-
40'-42'	2'	< 0.003	0.58	0.03	0.36	0.13
42'-44'	2'	0.007	10.4	0.53	4.94	1.39
44'-50'	6'	–	0.12	-	-	-
90'-95'	5'	< 0.003	1.50	0.06	0.64	0.13
95'-100'	5'	0.003	9.62	0.48	3.22	1.74
100'-110'	10'	–	0.91	-	-	-
110'-120'	10'	–	0.10	-	-	-
120'-130'	10'	–	0.11	-	-	-

FP-76-28

ASSAYS

Au - Gold, Ag - Silver: ounces per ton
Cu - Copper, Pb - Lead, Zn - Zinc, Sb - Antimony: %

5 0 5 10 15 20
metres
50 0 50
feet

UTE VEIN SYSTEM

DIAMOND DRILL HOLE SECTIONS

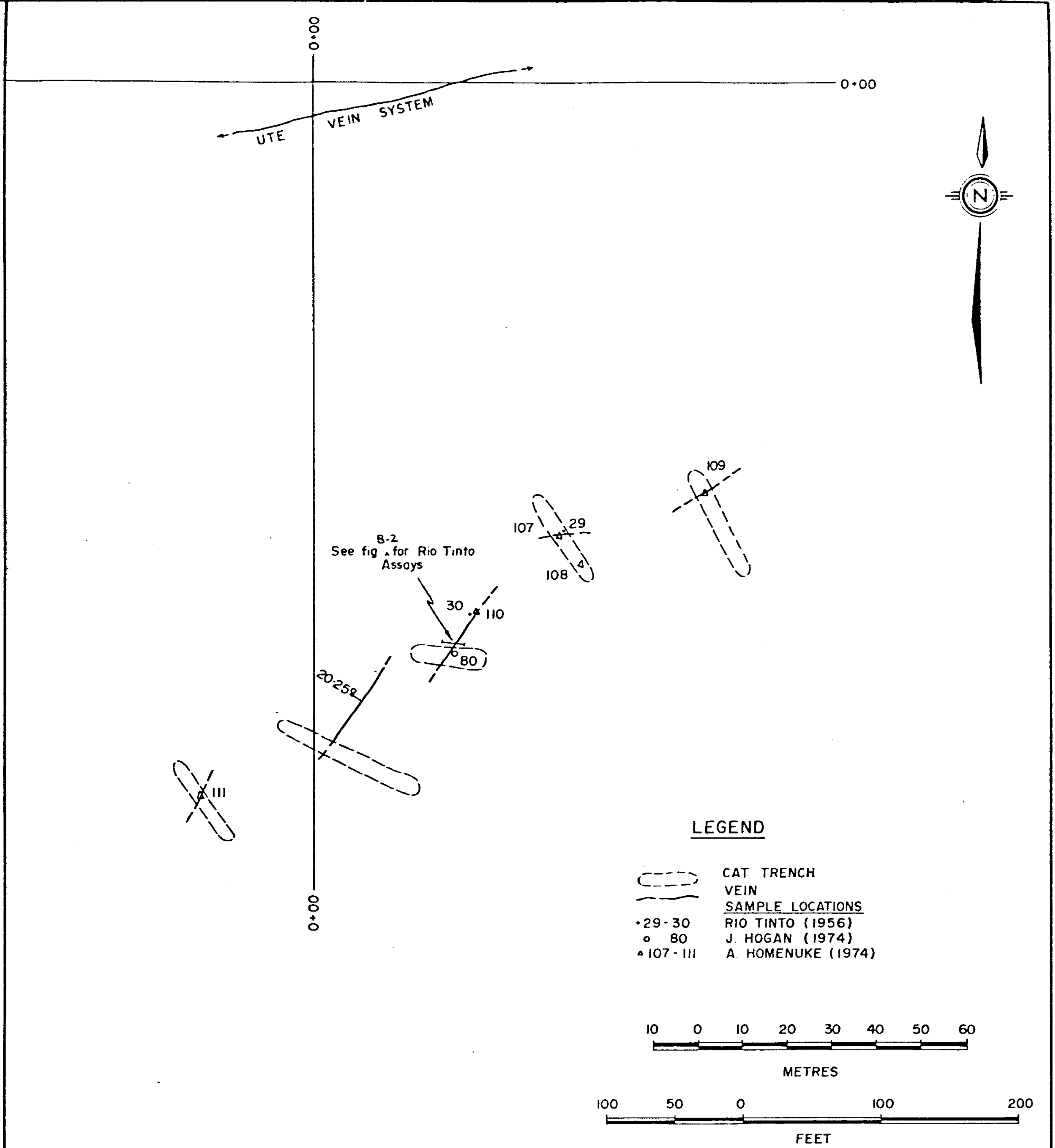
(LOOKING WEST)

FIG. A-14

APPENDIX "B"

RIO VEIN SYSTEM

(legend in Appendix "A")



PLAN NO.	WIDTH (inches)	Au oz/ton	Ag oz/ton	Cu %	Pb %	Zn %	SAMPLE TAG NO.
29	8"	-	87	34	0.9	-	12902
30	grab	-	1170	-	-	-	?
80	28"	0.21	1549	806	0.68	-	28104
107	12"	-	4.37	0.79	-	-	28027
108	36"	-	0.35	028	-	-	28028
109	8"	< 0.003	0.52	-	-	-	28038
110	12"	009	1046	16.6	1.37	1.00	5707
111	120"	< 0003	1.38	054	-	-	28034

SILVERADO MINES LTD.

FRENCH PEAK SILVER PROPERTY

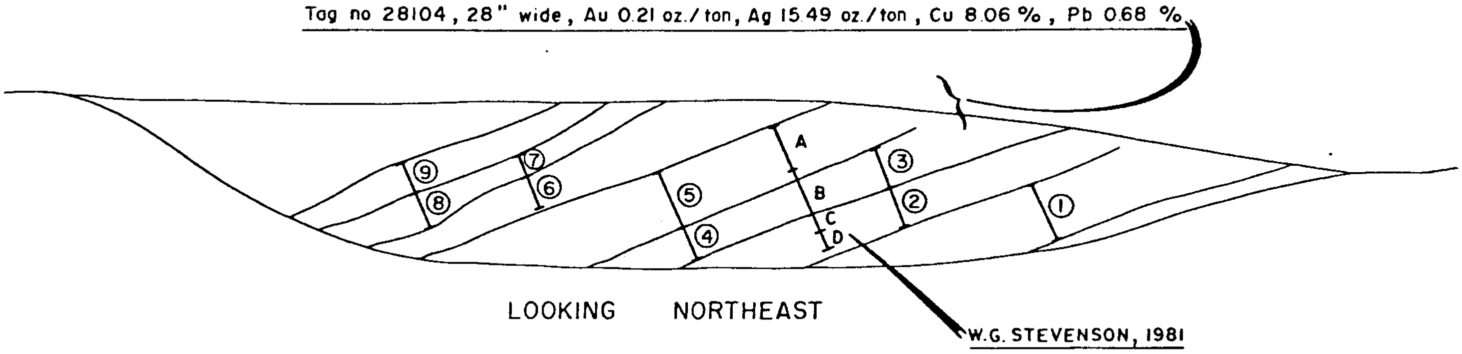
RIO VEIN SYSTEM

SURFACE ASSAY PLAN

PREPARED BY : A.M. HOMENUKE, P. ENG.
TRI-CON MINING LTD.

SEPT., 1981.

FIG : B-1



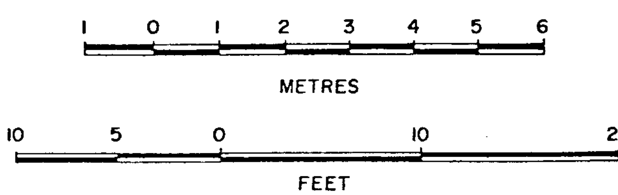
LOOKING NORTHEAST

SAMPLING BY RIO TINTO - 1956

TAG NO.	MAP NO.	WIDTH	Au oz/ton	Ag oz/ton	Cu %	Pb %	Zn %	
9080	①	36"	-	1.0	tr	tr	tr	
9082	②	27"	-	19.4	0.25	tr	tr	Ave - 50" - 13.06 oz. Ag / ton
9081	③	26"	-	1.6	0.90	tr	tr	
9083	④	20"	0.04	10.7	3.3	1.1	tr	
9084	⑤	25"	-	0.7	0.30	tr	tr	
9085	⑥	25"	0.01	0.9	0.15	tr	tr	
9086	⑦	12"	tr	0.4	tr	tr	0.5	
9087	⑧	22"	0.02	1.8	0.10	tr	tr	
9088	⑨	20"	-	0.5	tr	tr	0.2	

W.G. STEVENSON, 1981

929	A	2.5'	0.002	2.10	–
930	B	2.5'	0.034	5.95	–
931	C	1.0'	0.148	8.85	–
932	D	1.0'	0.102	18.75	5.04



SILVERADO MINES LTD.

FRENCH PEAK SILVER PROPERTY

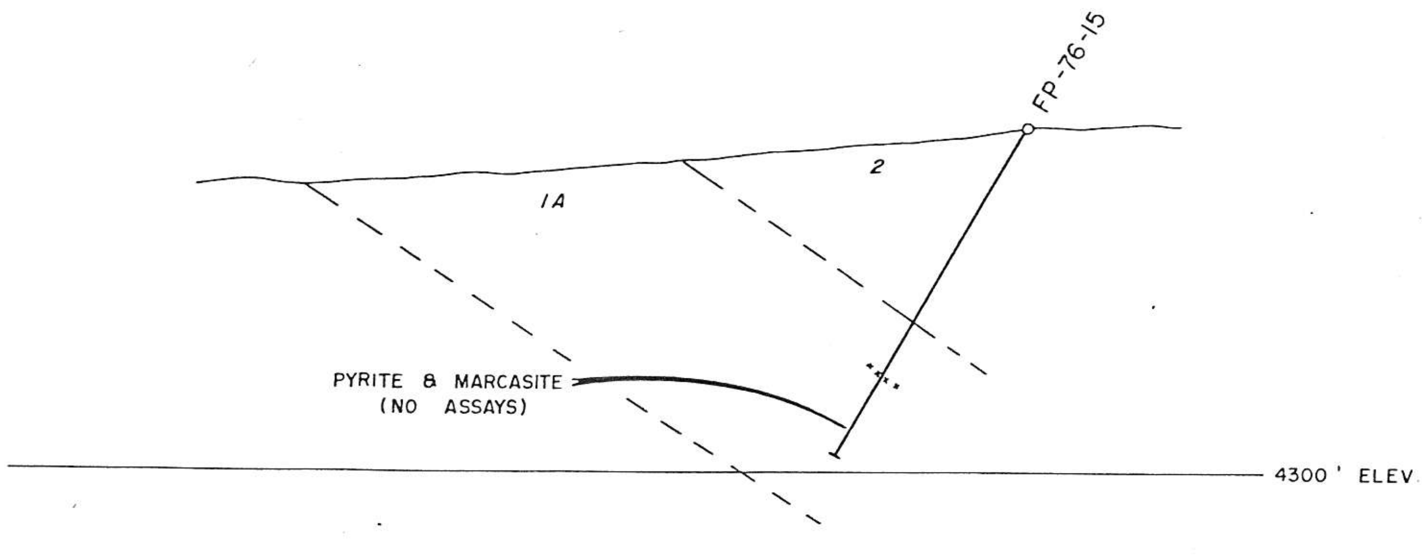
RIO VEIN SYSTEM

SURFACE SAMPLING IN CAT TRENCH

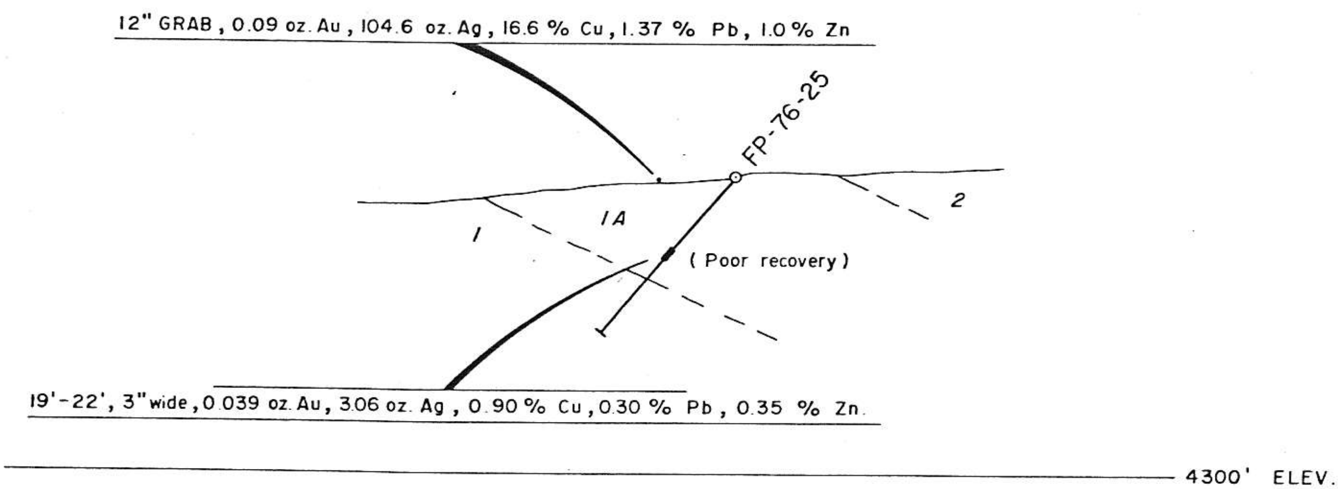
PREPARED BY : A.M. HOMENUKE, P.ENG.
TRI-CON MINING LTD.

SEPT., 1981.

FIG : B-2



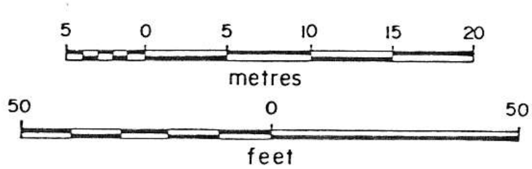
FP-76-15



FP-76-25

ASSAYS

Au - Gold } ounces per ton
Ag - Silver
Cu - Copper } %
Pb - Lead
Zn - Zinc
Sb - Antimony



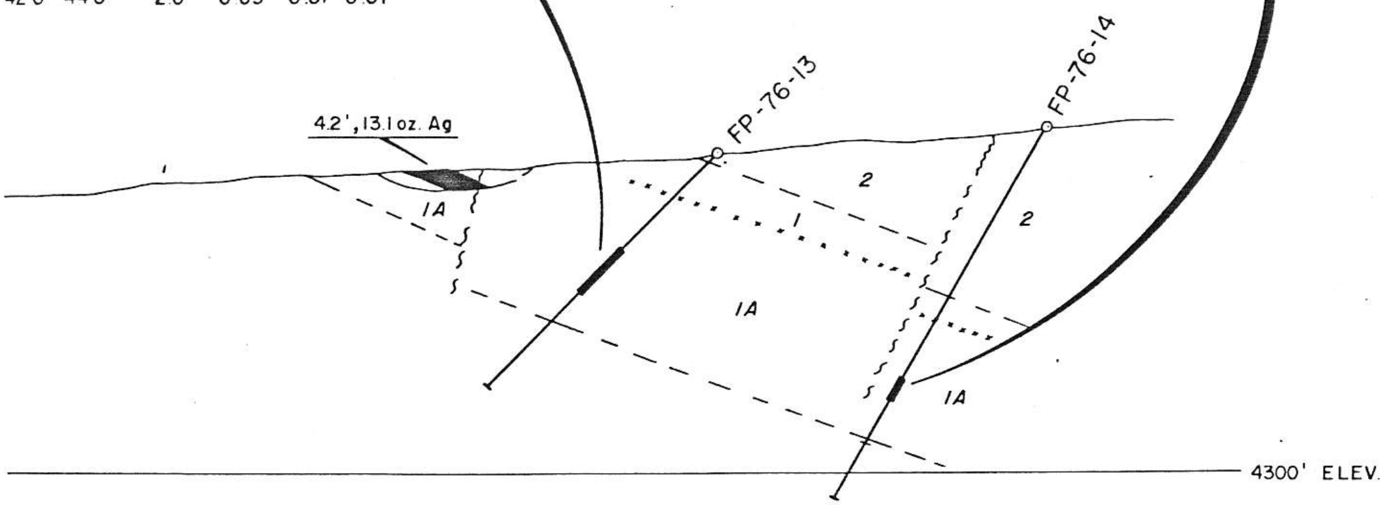
RIO VEIN SYSTEM

DRILL HOLE SECTIONS

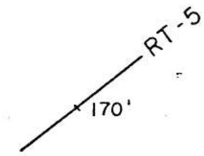
FIG. B-3

FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
250'-275'	2 5'	0 01	0 64	0 11	-	-
275'-29.5'	2.0'	0.012	15.47	0.71	1 59	0.52
295'-36.0'	6.5'	0 024	0.66	0.06	-	-
36.0'-39.0'	3.0'	0 032	3.40	1 03	-	-
39.0'-42.0'	3.0'	0.064	2.92	0.74	-	-
42 0'-44 0'	2.0'	0 05	0.07	0.01	-	-

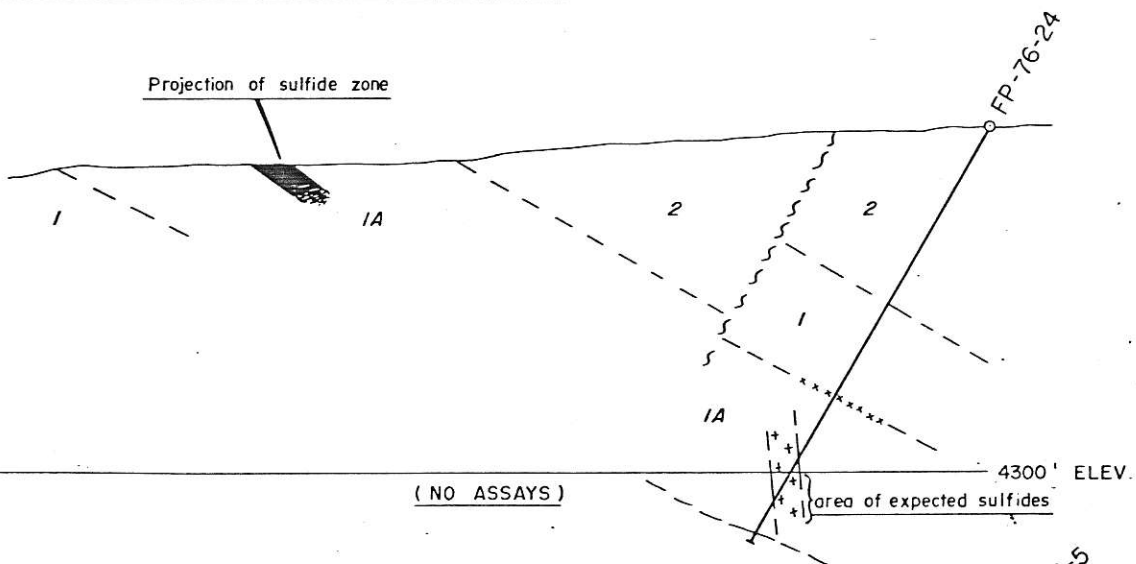
FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
56.3'-58.5'	2.2'	tr	tr	-	-	-
58.5'-63.5'	5.0'	0 066	13.47	0.24	0 54	0.31
check		0.050	11.58			
ave		0.06	12 5			
63 5'-66.5'	3.0'	0.004	0 11	0.01	-	-



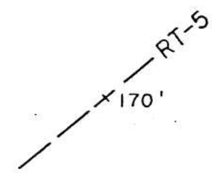
FP-76-13, FP-76-14, RT-5



FOOTAGE	WIDTH	Ag	Pb
167.5'-170.5'	3'	tr	tr
170.5'-173'	2.5'	0.8	tr
173'-175'	2'	0.3	tr



FP-76-24

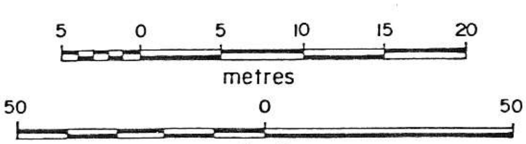


(For assays – see above)

ASSAYS

Au – Gold, Ag – Silver: ounces per ton

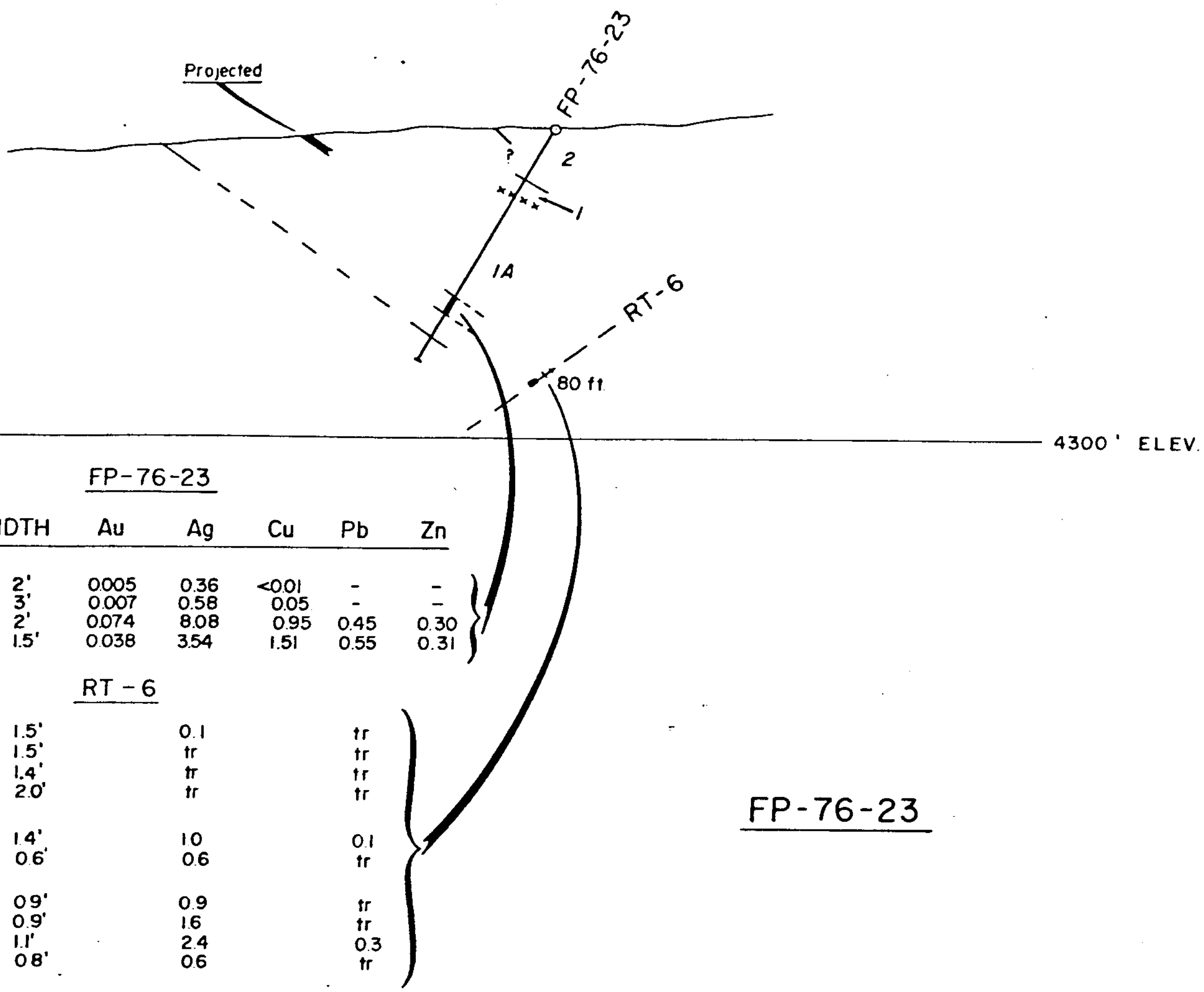
Cu – Copper, Pb – Lead, Zn – Zinc, Sb – Antimony: %



RIO VEIN SYSTEM

DRILL HOLE SECTIONS

FIG. B-4



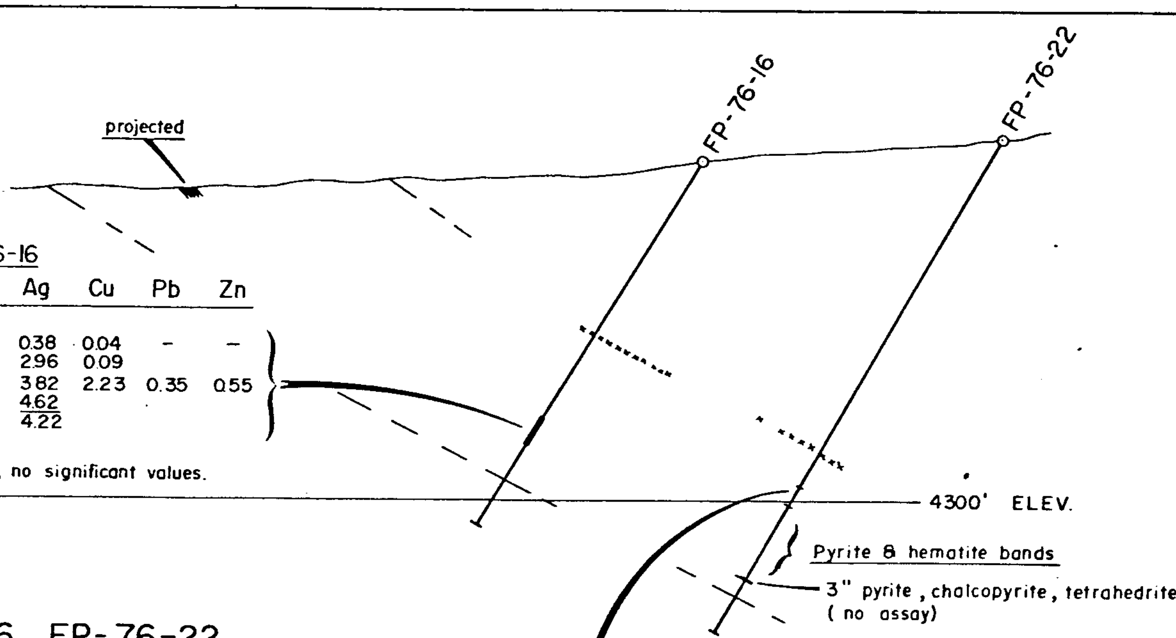
FP-76-23

FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
36'-38'	2'	0.005	0.36	<0.01	-	-
38'-41'	3'	0.007	0.58	0.05	-	-
41'-43'	2'	0.074	8.08	0.95	0.45	0.30
43'-44.5'	1.5'	0.038	3.54	1.51	0.55	0.31

RT - 6

FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
71.0'-72.5	1.5'		0.1		tr	
72.5'-74.0'	1.5'		tr		tr	
74.0'-75.4'	1.4'		tr		tr	
75.4'-76.4'	2.0'		tr		tr	
78.5'-79.9'	1.4'		1.0		0.1	
79.9'-80.5'	0.6'		0.6		tr	
81.6'-82.5'	0.9'		0.9		tr	
82.5'-83.4'	0.9'		1.6		tr	
83.4'-84.5'	1.1'		2.4		0.3	
88.2'-89.0'	0.8'		0.6		tr	

FP-76-23



FP-76-16

FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
57.8'-60.8'	3.0'	0.004	0.38	0.04	-	-
60.8'-63.0'	2.2'	0.014	2.96	0.09		
63.0'-67.0'	4.0'	0.028	3.82	2.23	0.35	0.55
check		0.086	4.62			
ave		0.057	4.22			

11'-57.8', 67'-77' assayed, no significant values.

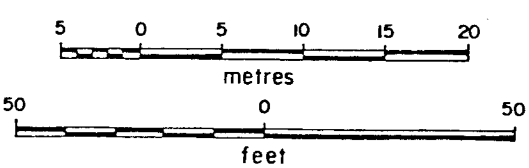
FP-76-16, FP-76-22

FP-76-22

82'-86', 4' wide, 0.008 oz Au, 0.27 oz Ag, 0.01 % Cu
86'-96' assayed, no significant values.

ASSAYS

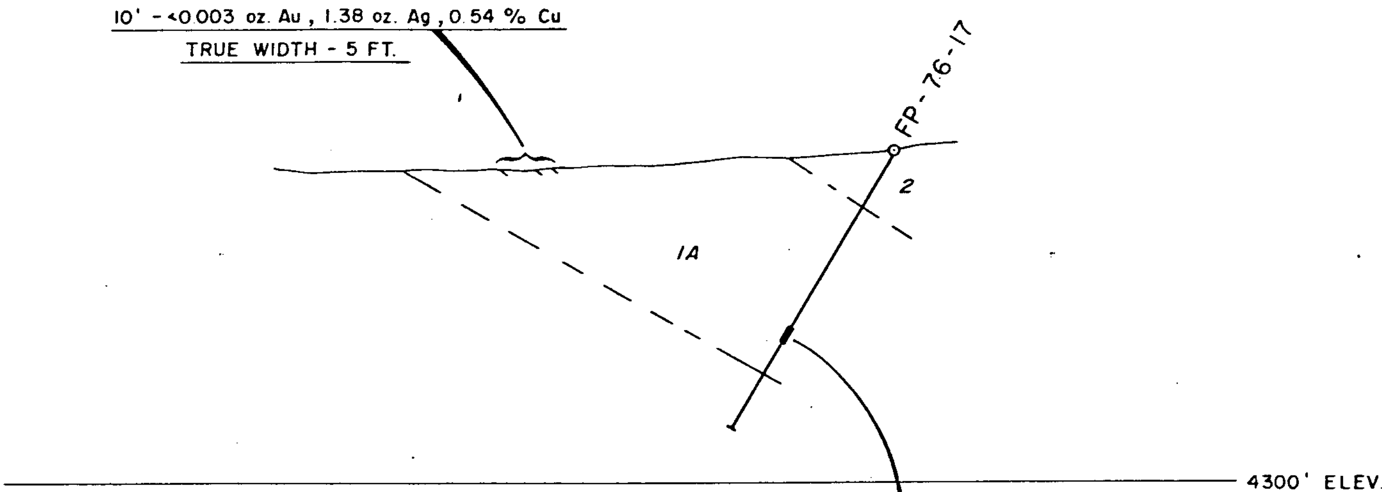
Au - Gold } ounces per ton
Ag - Silver
Cu - Copper } %
Pb - Lead
Zn - Zinc
Sb - Antimony



RIO VEIN SYSTEM

DRILL HOLE SECTIONS

FIG. B-5

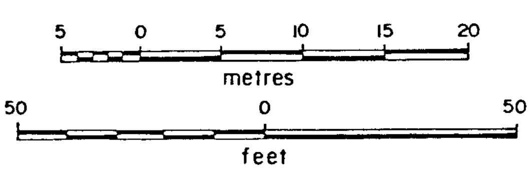


FOOTAGE	WIDTH	Au	Ag	Cu	Pb	Zn
29'-34'	5.0	0.004	tr	0.01	-	-
34'-36.5'	2.5	0.006	0.05	0.02	0.22	0.14
36.5'-39'	2.5	0.002	tr	0.03	0.03	0.05
39'-42'	3.0	0.004	0.13	0.10	0.05	0.19
42'-45'	3.0	0.056	1.27	0.37	0.14	0.29
check		0.012	1.56	-	-	-
ave.		0.034	1.42	-	-	-

FP-76-17

ASSAYS

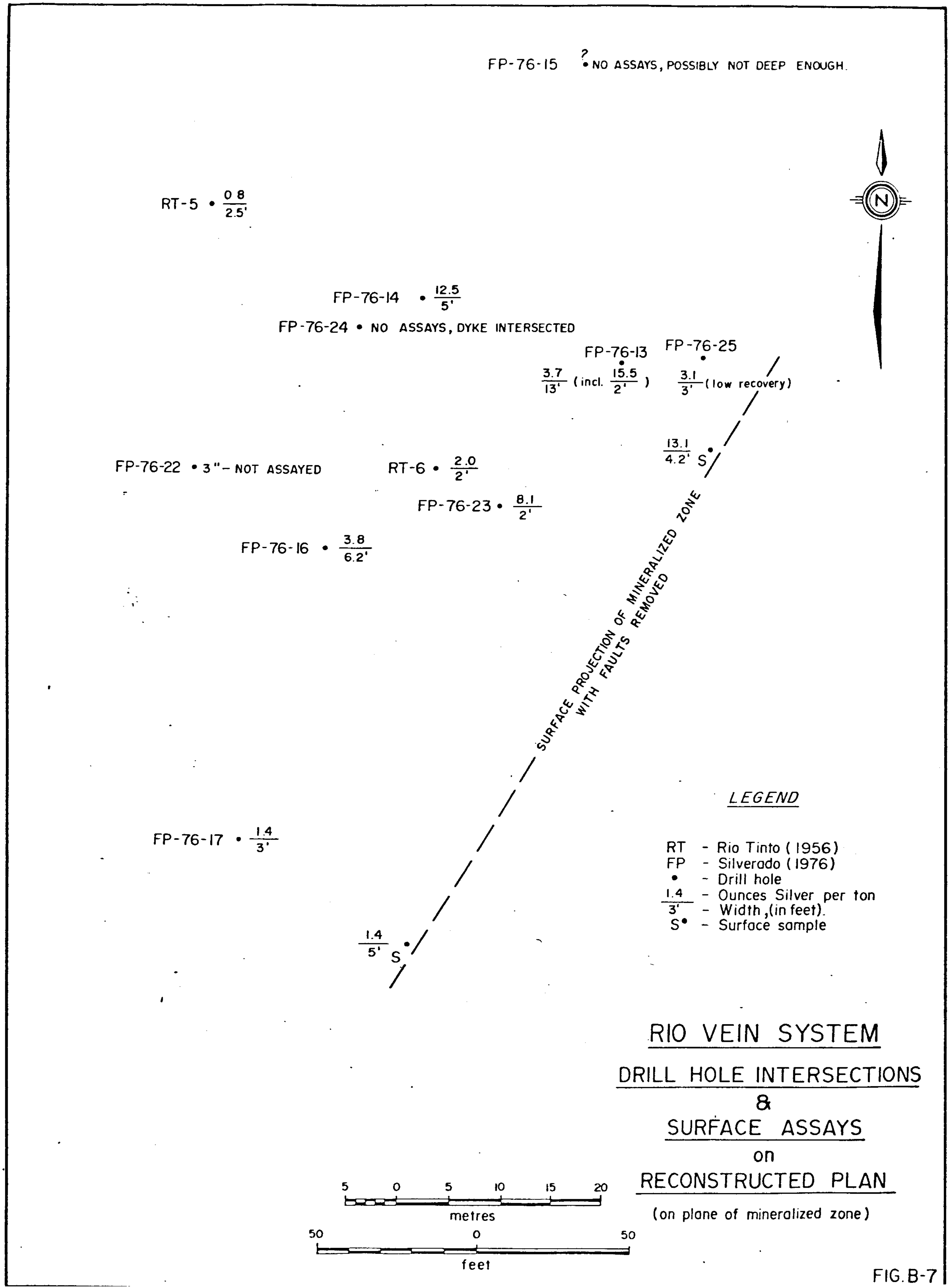
Au - Gold } ounces per ton
Ag - Silver
Cu - Copper } %
Pb - Lead
Zn - Zinc
Sb - Antimony



RIO VEIN SYSTEM

DRILL HOLE SECTIONS

FIG. B-6



RIO VEIN SYSTEM

DRILL HOLE INTERSECTIONS & SURFACE ASSAYS on RECONSTRUCTED PLAN

(on plane of mineralized zone)

FIG. B-7