521531 WR

EXECUTIVE SUMMARY

RELAY CREEK

NTS: 92O/2
MARCH/90
RMB

District: Clinton Mining Division, B.C.

Location: 40 km north of Goldbridge, Southwestern B.C. (Fig 1); road accessible

Land Position: 6 claims totalling 98 units (2,450 ha) (Figs 2 & 3).

Agreements/Title: HMCL can earn a 50% interest by spending $1,225K by 1993 and delivering a positive feasibility study by December 31, 1995. On delivery of this positive study, HMCL will be vested with an additional 10%. If Minven Gold Corp. (an amalgamation of MFC Mining Finance Corp. and Brohm Mining Inc.) elect not to participate within 180 days after delivery of a Positive Feasibility Study, then HMCL will be vested with a further 40% interest, subject to a 2% NSR to Minven.

Commodity/Model: Au-Zn-Cu porphyry stockwork target.

Expenditures: To date $400K.

Competitor Activity: Relay Creek Resources, Chevron, Bond Gold.

Past History: See Table 1.

Geology: The property lies within the Tyaughton Trough which consists of Middle Jurassic to Lower Cretaceous Relay Mountain, mid-Cretaceous Taylor Creek and Jackass Mountain Group marine sediments (Fig 2). These are overlain by polymictic conglomerates, andesitic volcanic breccias and lapilli tuffs of the Battlement Ridge Group. All units are cut by plugs, sills and dykes of Eocene hornblende feldspar porphyry. Much of the mineralization and alteration in the area is associated with these porphyries (Fig 4).

Several major, steeply-dipping, northwest-trending, dextral faults transect the area. The property covers splays between two of these major structures, the Yalakom and Relay Creek Faults (Fig 2).

Carbonate alteration is widespread within both the intrusive and country rocks (Figs 4 to 8); it is locally accompanied by chlorite-epidote alteration. Disseminated pyrite or pyrrhotite are common within and adjacent to the porphyries, and are locally accompanied by minor amounts of chalcopyrite, molybdenite, arsenopyrite and sphalerite. Intense pyritization is common in silicified zones.

Most of the known gold mineralization occurs in narrow quartz-carbonate and chalcedony veins and veinlets. Assays returned from such veins are typically in the 1 to 3 gpt Au range over an average width of 1.5 meters (Tables 2 & 3). Intersections of up to 10.8 gpt Au over 1.5 m have been reported from some of the veins in the northern part of the property. The veins and stockworks seem to be confined to discontinuous vertical to

steeply east-dipping zones. These zones are typically up to 50 meters wide and average 50 to 300 ppb Au across their width.

Most past exploration has been confined to four zones which range from 300 to 800 meters and average 540 meters in length (Fig 4 to 8).

Geological Potential: The property encompasses a widespread alteration system, a large, 1000 m by 300m strong Au-Zn-As-Cu soil geochemical anomaly (Fig 3) and local ore-grade drill intercepts. The alteration and mineralization is related to the early Tertiary intrusive activity and associated structural disruption along the edge of the Tyaughton Trough. The area east, of the 1988 drill targets which surrounds weak to moderate Cu soil anomalies (Fig 3) has the potential to host porphyry Au $\pm$ Cu mineralization.

Proposed Programs 1990: The existing data should be compiled in detail in order to prioritize the remaining targets for follow-up and geophysics and drilling. The widespread zones of carbonatization and more local pyritization and silicification located peripheral to the Cu soil anomalies may be amenable to deeper penetration geophysical surveys which would help target further drilling.

Proposed Budget 1990: $300K

Proposed Terms: $800K expenditure to earn 50% of Homestake's interest.

PAST WORK SUMMARY

PROJECT	MAPPING & PROSPECTING	LINECUTTING	VLF/EM	MAGNETIC	OTHER	GEOCHEM.	TRENCHING STRIPPING	DDH	COMMENT
RELAY CREEK									
Homestake Oil 1970	+							+	No data
Clear Mines 1979									No data
Barrier Reef Resources 1980-1982	+	+				+		+	4 DDH (671 m) 0.30 oz/t/1.5 m
1986						+ soil L	+		
EMC 1987	*				IP	*		*	13 RC (650 m) 2.9 g/t/7.5 m Including 10.1 g/t/1.5 m 10.8 g/t/1.5 m
1988								*	8 DDH (1,079 m)

* Work by EMC (Esso)/HMD (Homestake).
+ Previous workers.

Ø Orientation.
L Lithogeochem.

Table 2

COMPLETE RELAY CREEK REVERSE CIRCULATION PERCUSSION DRILLING RESULTS - 1987

Zone	Hole No.	From (m)	To (m)	Interval (m)	Grade (g/t)
Road	RCH-6	10.5	15.0	4.5	0.4
75m Shear	RCH-8	3.0	10.5	7.5	0.2
		45.0	59.5	13.5	0.7
	(including	45.0	46.5	1.5	1.0
	(and	56.5	58.0	1.5	3.3
65m Shear	RCH-10	7.5	18.0	10.5	0.3
65m Shear	RCH-11	9.0	28.5	19.5	0.7
	(including	15.0	25.5	10.5	1.1
		43.5	60.0	no sample	
Spine	RCH-13	10.5	18.0	7.5	2.9
	(including	10.5	18.0	1.5	10.1
		28.0	37.0	9.0	2.0
	(including	32.5	34.0	1.5	10.8

TABLE 3

RELAY CREEK

DIAMOND DRILL RESULTS SUMMARY

Zone	Hole No.	From (m)	To (m)	Interval (m)	Grade (g/T Au)
Spine	RYC001	103.9	109.5	(5.6)	1.46
Spine	RYC001	115.5	120.0	(4.5)	0.917
Spine	RYC001	141.5	142.5	(1.0)	1.12
Spine	RYC002	57.0	58.0	(1.0)	2.78
Spine	RYC002	149.6	150.7	(1.1)	1.69
I.P. Target	RYC003	-	-	-	-
65 M	RYC004	-	-	-	-
65 M	RYC005	-	-	-	-
75 M	RYC006	30.75	31.5	(0.75)	2.79
75 M	RYC006	31.5	36.0	(4.5)	0.4
75 M	RYC006	36.0	40.46	(4.46)	0.6
75 M	RYC006	40.46	42.52	(2.06)	1.45
75 M	RYC006	87.35	90.0	(2.65)	1.66
75 M	RYC006	146.5	149.23	(2.73)	2.24
75 M	RYC008	26.7	28.0	(1.3)	2.5
75 M	RYC008	32.85	34.0	(1.15)	1.3
75 M	RYC008	69.2	70.9	(4.77)	1.95
75 M	RYC008	83.0	84.0	(1.0)	1.78
75 M	RYC008	111.7	113.0	(1.3)	5.9
75 M	RYC008	119.75	120.75	(1.0)	1.12
75 M	RYC008	145.4	146.9	(1.5)	2.5
Road	RYC007	-	-	-	-

* Complete 30 element I.C.P. results are found in Appendix I.

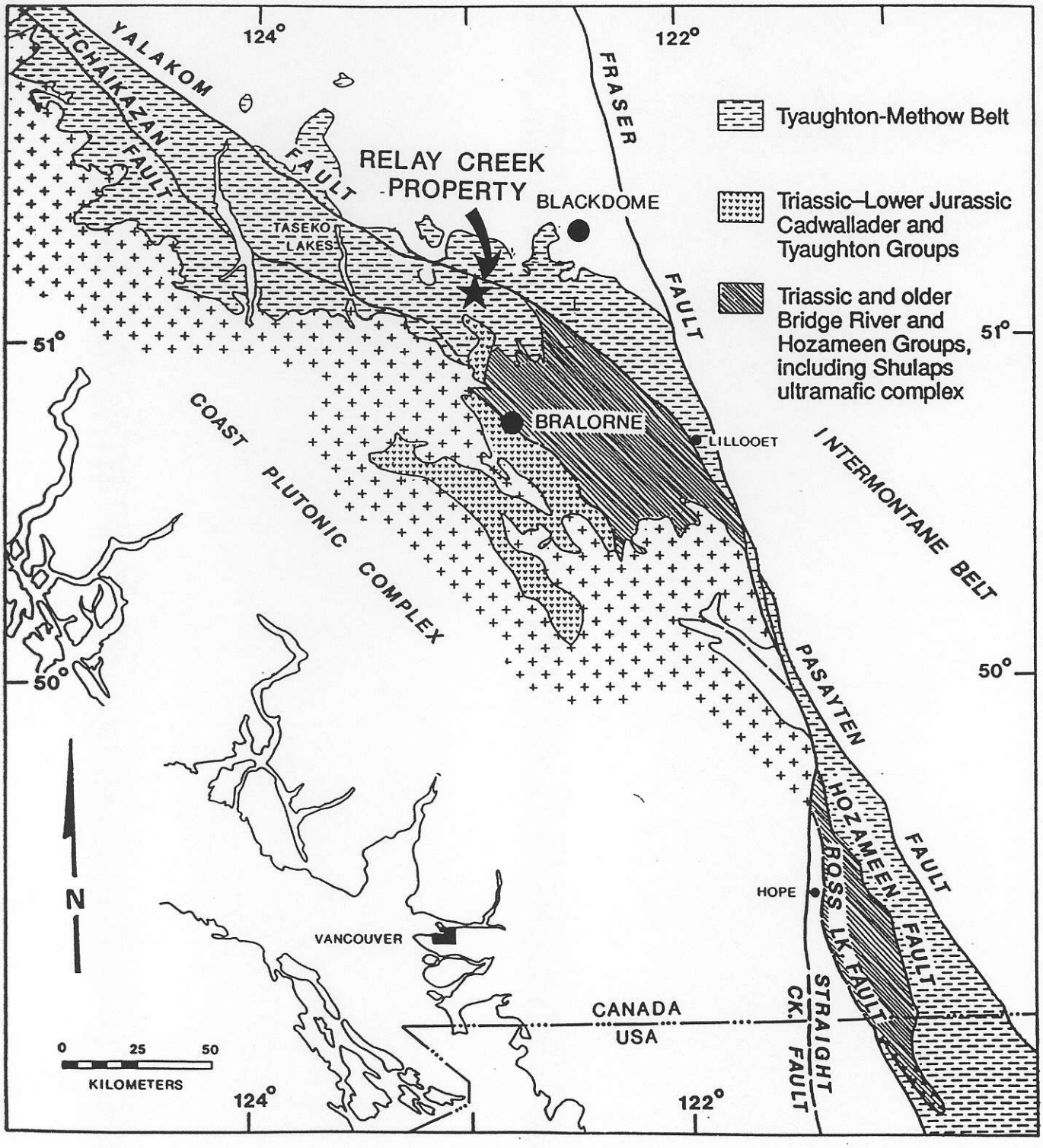
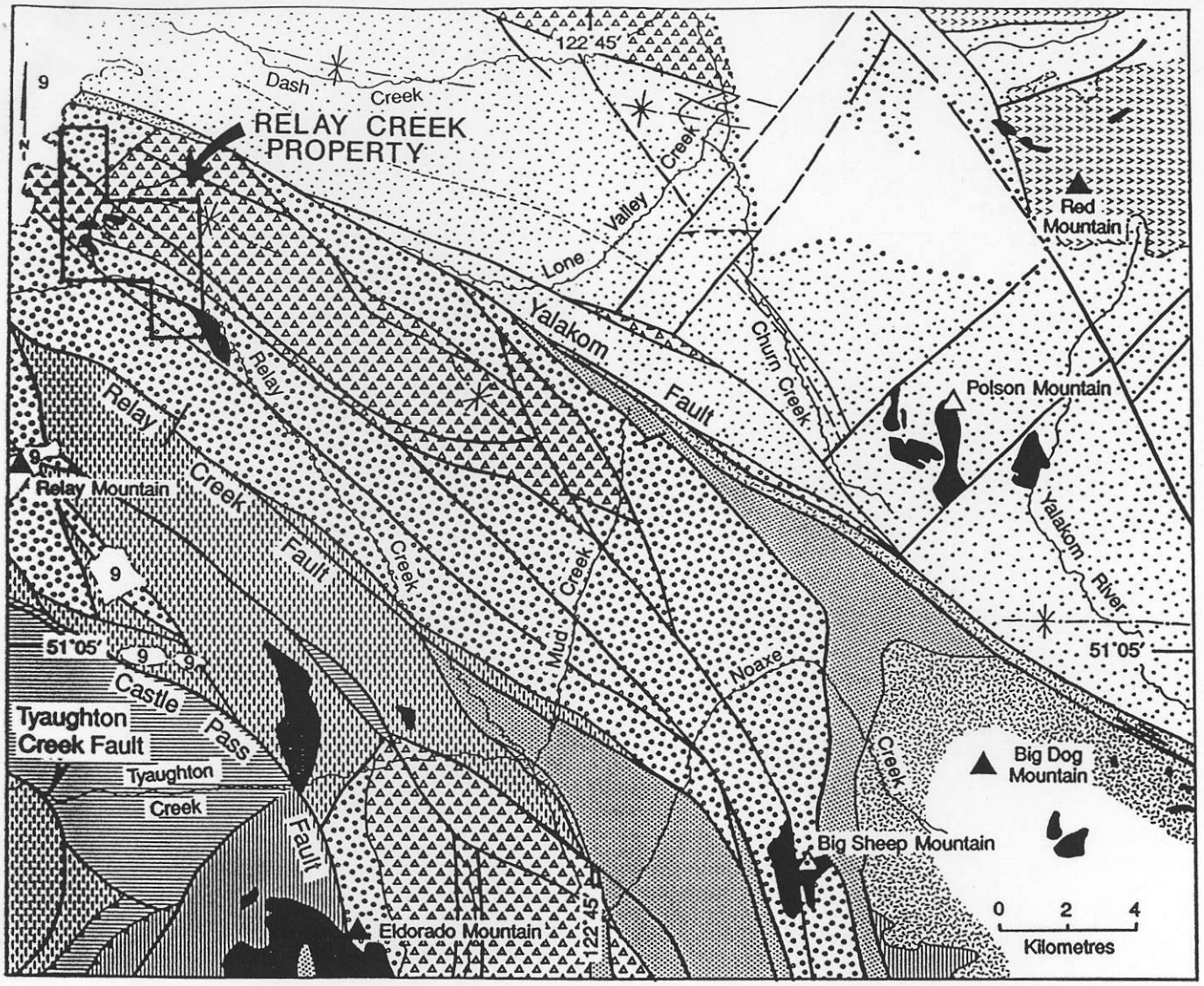


Figure 1: Location of the Relay Creek Property and the Regional Geological Setting. (Modified after Glover et al. 1987)



LEGEND

MIOCENE/PLIOCENE

9 *Plateau lava, basalt flows*

EOCENE (Unit 8)

>>> *Aphyric to porphyritic andesitic to dacitic flows; rhyolite flows and flow breccias; minor volcanic sandstone and siltstone*

UPPER CRETACEOUS

BATTLEMENT RIDGE GROUP (Units 6 and 7)

Polymict conglomerate, sandstone; epiclastics; andesitic flows, volcanic breccia and lapilli tuff

LOWER CRETACEOUS

TAYLOR CREEK GROUP (Units 4 and 5)

Shale, siltstone and sandstone; volcanic conglomerate; chert-pebble conglomerate; micaceous sandstone

JACKASS MOUNTAIN GROUP (Unit 3)

Lithic sandstone and wacke; arkosic sandstone; polymict conglomerate and conglomeratic sandstone; siltstone and shale

MIDDLE JURASSIC TO LOWER CRETACEOUS

RELAY MOUNTAIN GROUP (Unit 2)

Interbedded dark grey shale, grey-brown siltstone, green-grey greywacke and lithic sandstone; grit and conglomerate

UPPER TRIASSIC TO LOWER JURASSIC

TYAUGHTON GROUP (Unit 1)

Massive limestone; red conglomerate; grit and conglomerate interbedded with green sandstone and shale; dark grey to black shale and argillite

UPPER TRIASSIC

CADWALLADER GROUP (Unit UTc)

Mafic volcanics and volcaniclastics; conglomerate; limestone and grey to black argillite

MIDDLE TRIASSIC TO LOWER JURASSIC (Unit BRc)

BRIDGE RIVER COMPLEX

Ribbon and massive cherts; greenstone; argillaceous mélange, argillite and limestone; minor altered gabbro to diorite

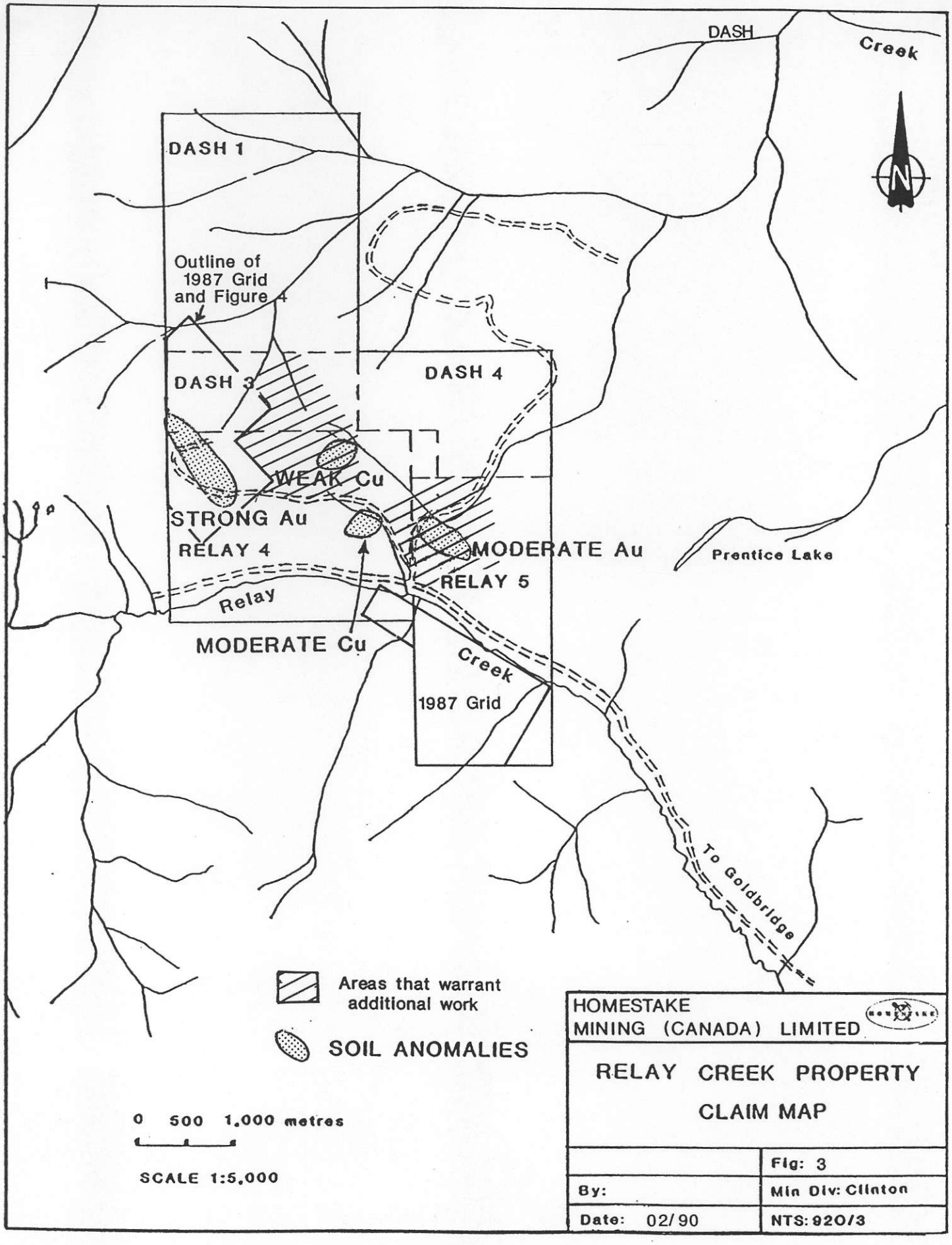
PLUTONIC ROCKS

EOCENE AND OLDER

Equigranular to porphyritic quartz diorite to quartz monzonite

Peridotite, harzburgite, dunite, serpentinized peridotite

Figure 2: District Geology of the Relay Creek Property. (after Glover et al. 1987)


DASH
Creek
DASH 1
N
Outline of
1987 Grid
and Figure 4
DASH 3
DASH 4
WEAK Cu
STRONG Au
RELAY 4
MODERATE Au
RELAY 5
Prentice Lake
Relay
MODERATE Cu
Creek
1987 Grid
To Goldbridge
Areas that warrant
additional work
SOIL ANOMALIES
0 500 1,000 metres
SCALE 1:5,000
HOMESTAKE
MINING (CANADA) LIMITED
RELAY CREEK PROPERTY
CLAIM MAP
Fig: 3
By:
Min Div: Clinton
Date: 02/90
NTS: 92O/3

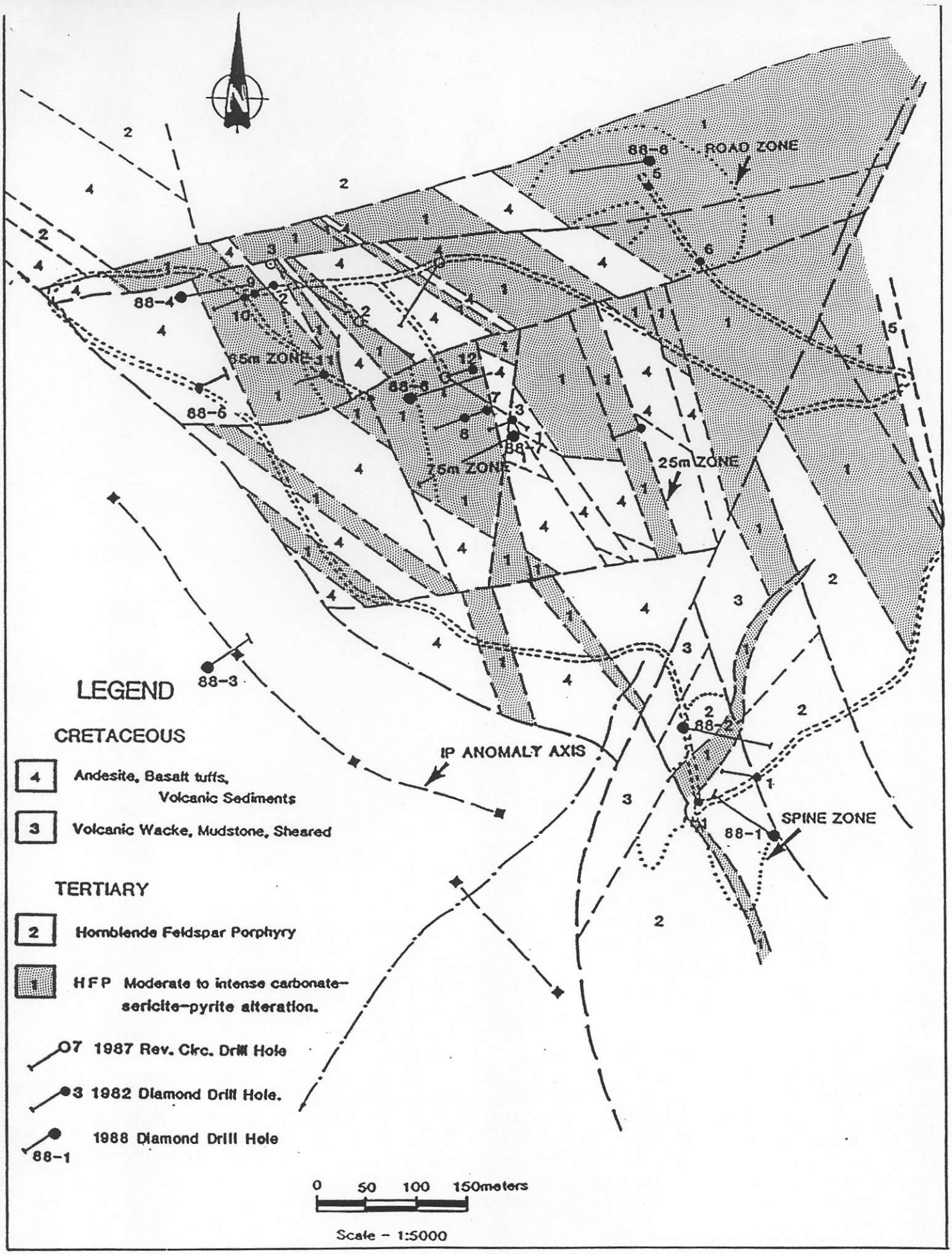


Figure 4: Geology and Drill Site locations in the Spine, 65m, 75m and Road Zones.

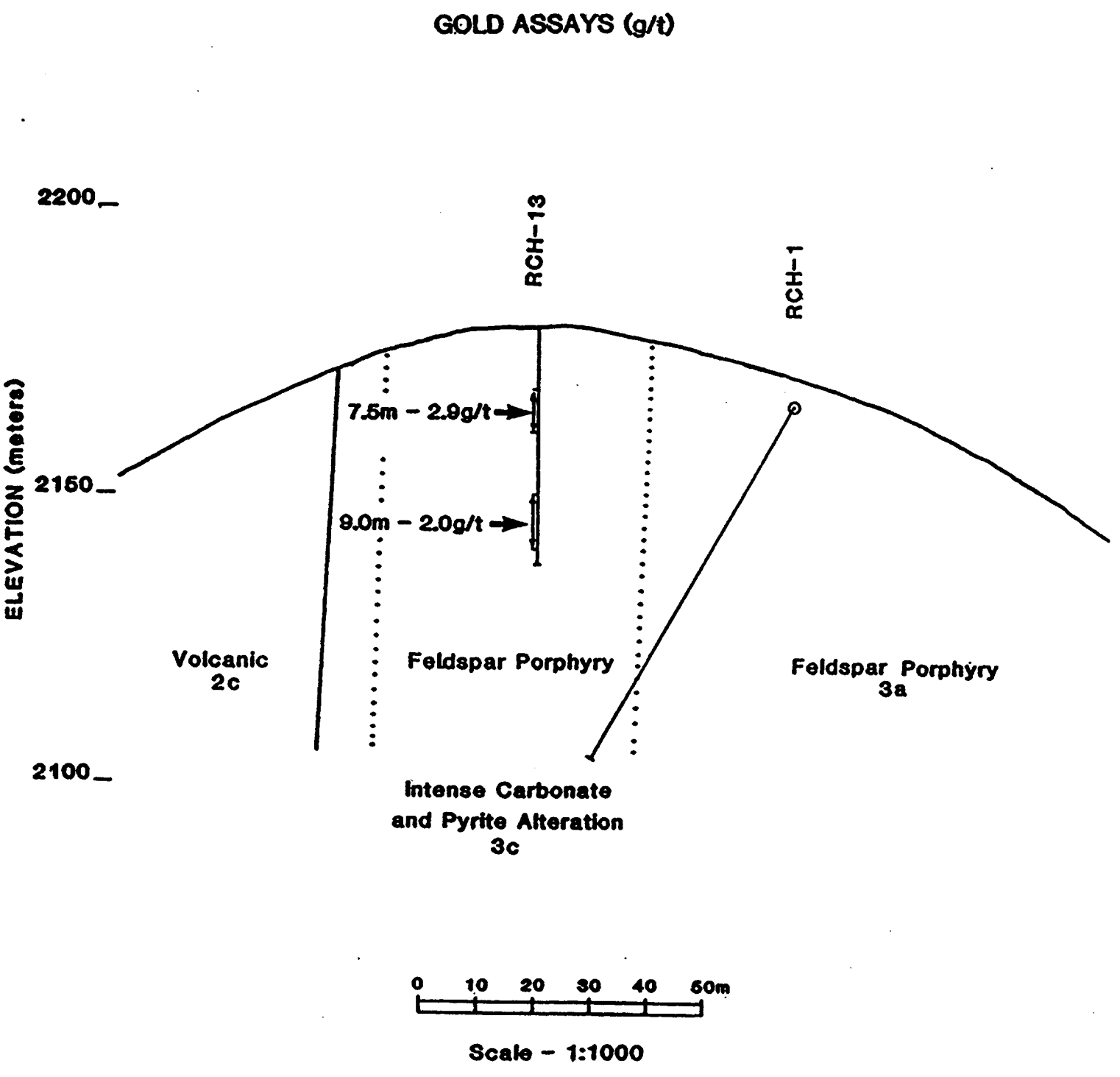
Figure 5:

Spine Zone

N

S

(Looking northeast)



W

Figure 6:
65m Zone
(Looking northwest)

E

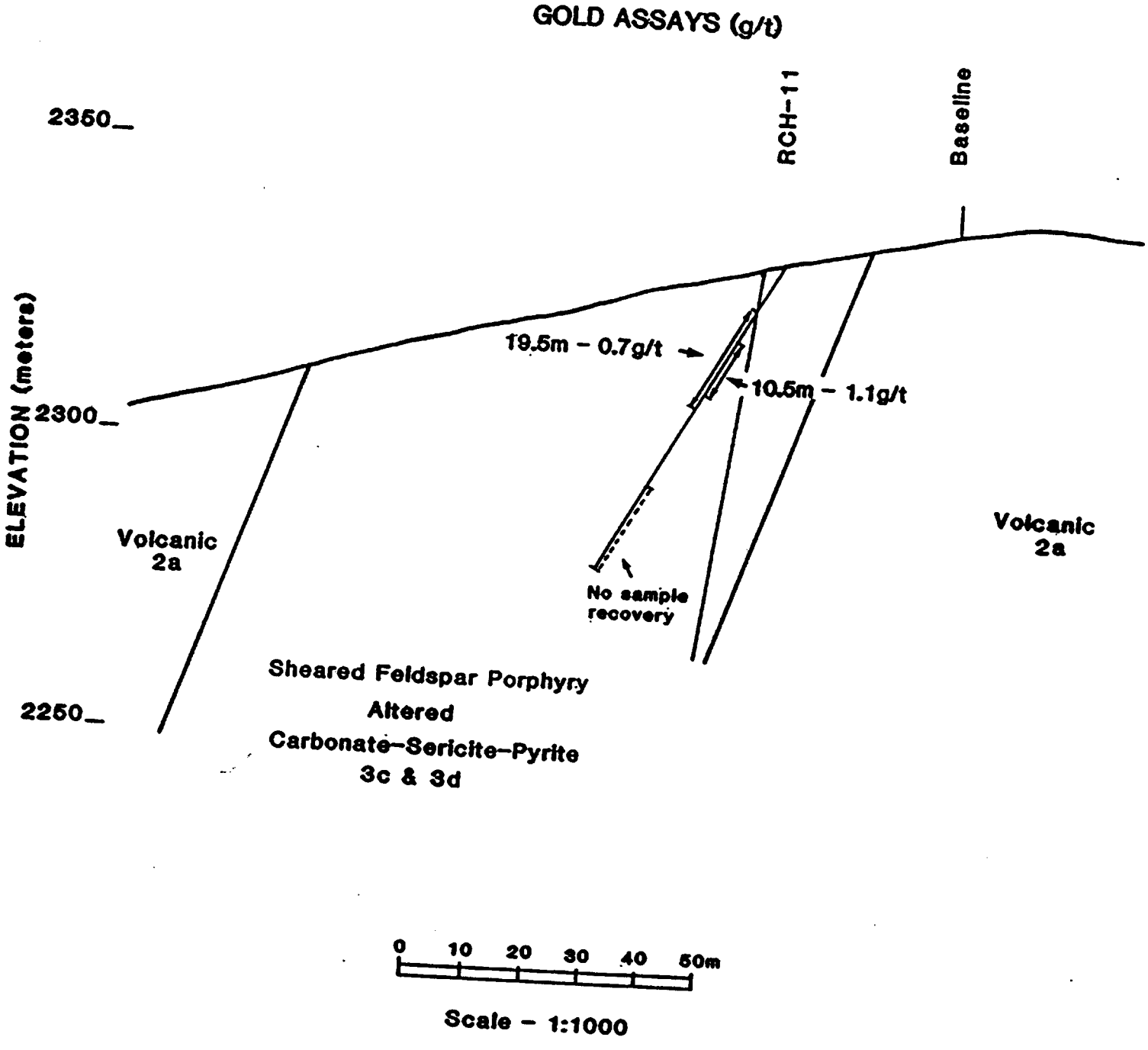
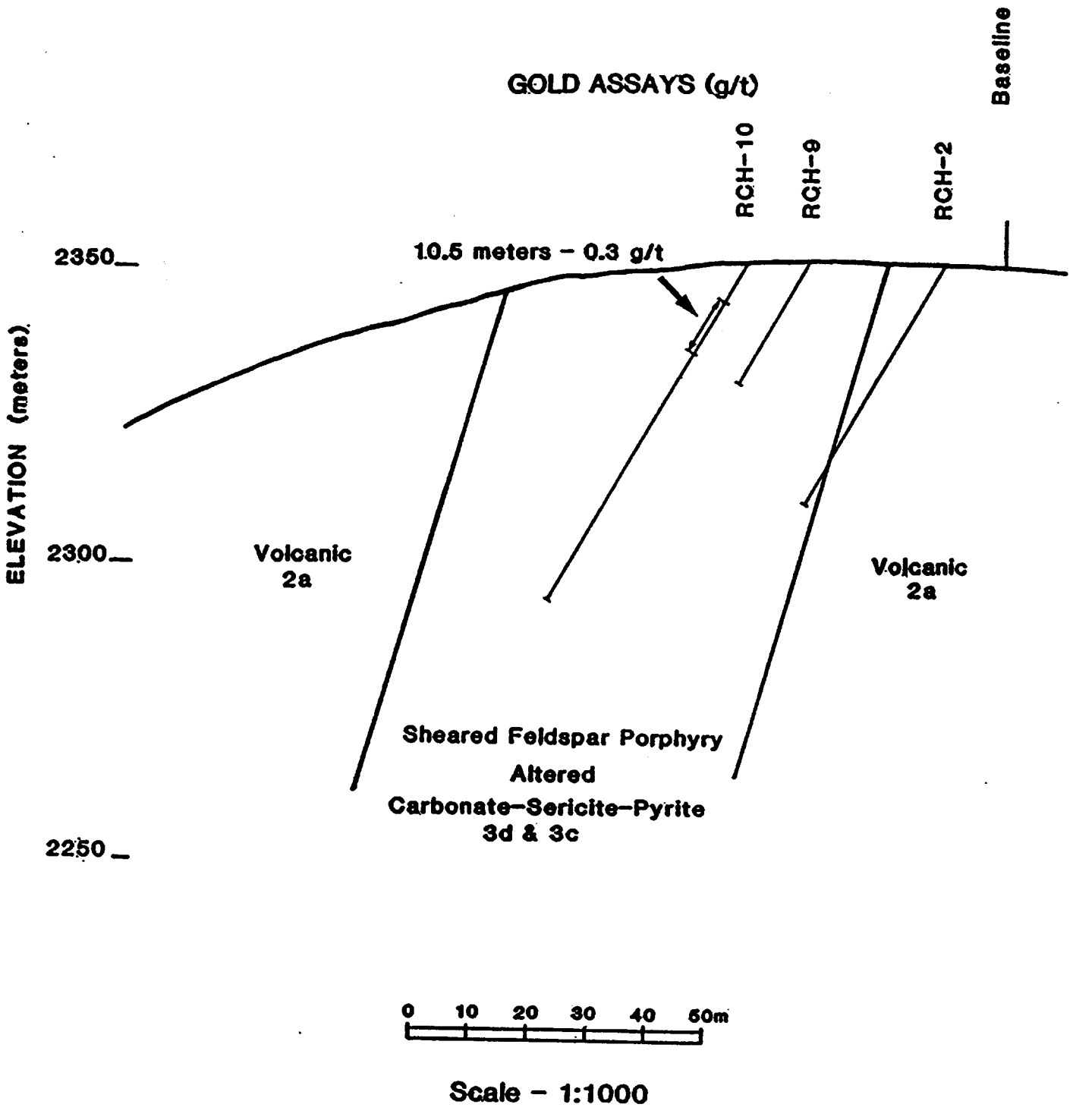


Figure 7:

65m Zone

(Looking northwest)



Scale - 1:1000

Figure 8:

75m Zone

(Looking northwest)

W

E