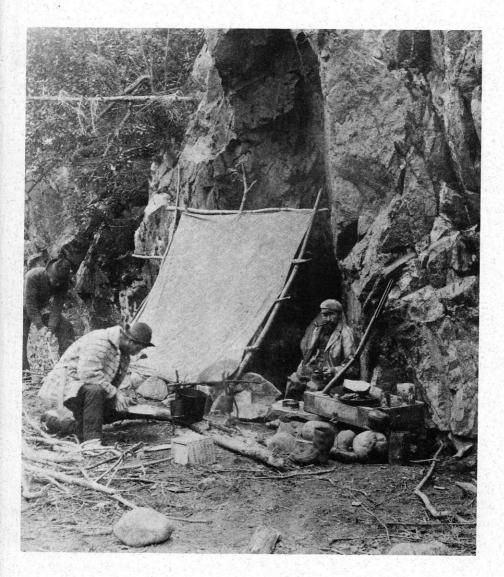
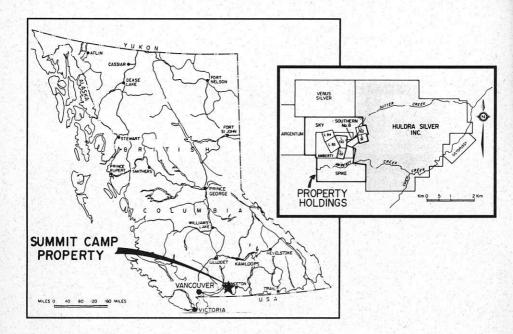
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SUMMIT CAMP STORY





Harrisburg-Dayton Resource Corp. and Schellex Gold Corp. are concentrating their exploration talents on the Treasure Mountain, or Summit Camp Property, this season. And for good reason.

Sample assays from their 1987 exploration program showed <u>88 oz. of silver and .059</u> of gold per ton. Exploration on the Southern No. 8 claim in 1987 indicated a mineralized structure with a minimum 170-meter strike length.

Favourable geological reports such as these are nothing new to this area. In fact, many respected mining engineers have recommended development of the area for over 100 years now. As early as 1887 J. Jensen, mining recorder, in a letter to gold commissioner, George Tustall, stated: "With your permission, I will add these remarks: The country is almost untrodden, and has vast mineral resources, both in quartz and gravel, that awaits only time to discover, pluck and energy to develop."

Today, we know most of the important mines of British Columbia occur within a few miles of the eastern contact of the Coast Range batholiths which stretches the entire length of the province in a general northwesterly direction. In a 1925 report for the Mary E. Mining Company, mining engineer W. G. Norrie noted: "This contact between the

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intrusive rocks and the sedimentaries (of the Coast Range) has long been recognized as being exceptionally favourable to the occurrence of economic minerals, particularily lead, zinc, and silver, and whenever it has been posssible to prospect this belt, ores of economic value have been found." Treasure Mountain lies within this eastern contact approximately 30 miles east of Hope. This is why Harrisburg-Dayton, in joint venture with Schellex Gold Corp., will be spending a minimum of \$350,000 on its property this season.

Now it is possible to prospect this belt properly. Advanced technologies, roads, efficient transportation and rising metal prices facilitate exploration, making the minerals easier to find and extract.

But 100 years ago, success depended more on a strong back, a gold pan, and a good horse. In his 1913 report, Charles Camsell, noted engineer, recalled the event of the year which sparked the goldrush in the Tulameen: "In August, 1885, some cowboys, who were driving a band of horses down the Tulameen Valley, camped at the mouth of Granite Creek. One of the horses strayed from the rest, and in searching for it, John Chance, one of the cowboys, rode up the bed of Granite Creek. This stream flows on solid bedrock, through a steep-walled gorge; and in stooping down to drink, Chance saw a nugget of coarse gold glistening on the bedrock."

Hundreds of miners poured in. Of the 53 mineral claims staked during the next year, four were staked by an Indiana company. They explored further up the streams until they found large bodies of silver ore at the headwaters of the Tulameen River. They staked the Sutter, Skyline, Lulu, and Vigo mineral claims on Treasure Mountain, presently held by Harrisburg-Dayton and Schellex Gold Corp. The Minister of Mines report for 1899 showed assav results of those claims to be 200 oz. of silver per ton.

Other companies were actively prospecting the mountain as well. At the turn of the century the Treasure Mountain Mining Company, headed by A. Dornberg, staked the Silver Chief. Black Bear, Silver Cup, and Annex No.1 claims. In 1913, mining recorder Hugh Hunter stated: "The **Treasure Mountain Mining** Company drove a crosscut tunnel 570 feet long and struck the main vein, which is said to be over four feet in width, and carries 10 to 12 inches of solid galena, assaying \$150 to the ton in silver and lead." The equivalent in today's prices is approximately \$2,000.



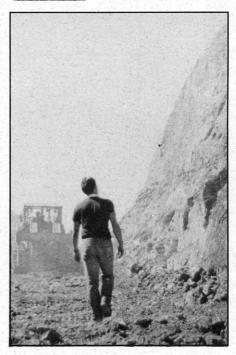
Eight miners gathered around a sluice box in the Tulameen area at the turn of the century holding shovels and gold pans, the 1800's-style tools for success.

Despite such consistently favourable assays, the inaccessibility of Summit Camp hindered the efforts of many people for decades. All the claims lay at an elevation between <u>3,500</u> and <u>6,000 feet above sea level</u>, necessitating early annual closures as the snow set in. In the spring when the snow melted, pack trails along mountainsides became hazardous or were washed out altogether by mudslides. In the valley bottoms streams swelled and rivers were impassable. In 1908, the report of the Minister of Mines recommended "a wagon road, or even a good trail, carried through from Tulameen City to Hope will render the camp immediately productive, the ore being high grade and consequently capable of standing heavy transportation charges."

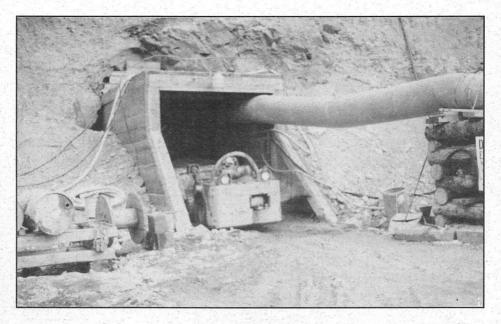
Road access from Tulameen was established in 1925, which prompted a second wave of renewed interest in Treasure Mountain, However, new difficulties arose. In 1930, the Silver King Mining Company built a small mill, operated by a 50horse-power engine. The grinding machine's facings proved not durable enough to withstand continuous grinding. Modifications were tried to no avail. Despite the good assay results from the first shipment of concentrates (40 percent lead and 80 oz. of silver per ton) production was postponed until 1932. By then metal prices had fallen too low as the Depression continued.

Silver Hill Mines acquired the property in 1949 and rehabilitated the roads, buildings and underground workings. Then, in October, 1954, the compressor house and machine shop of the mine were completely destroyed by fire. Two years later a 50-ton mill was completed and put into production, employing between 10 and 30 men. The first carload of zinc concentrate was shipped from the mill on December 29th, 1956. Then early in 1957, all activity ceased. The 50-ton mill was dismantled. Apparently the company did not have sufficient funds, and the following year was in bankruptcy.

The third wave of renewed interest came in 1979 when Huldra Silver Inc. (listed on the VSE) and Unicorn Resources conducted exploration programs. The results were impressive. Last summer a 400-ton surface sample from Huldra Silver's high grade "C" vein averaged 100 oz. of silver per ton. Huldra's Treasure Mountain Property has indicated reserves to date of 118,000 metric tonnes averaging 32.03 oz. of silver per ton, 8.39 % lead and 3.51 % zinc with "a strong



Schellex president Gary Schellenberg at the sight of Huldra's 400-ton bulk sample.



The trackless mining system in operation at Huldra Silver.

potential for additional tonnages along strike and depth", according to an April news release by Huldra president Magnus Bratlien.

In 1987, Harrisburg-Dayton acquired the small, irregularshaped claim called the Southerm No. 8 from Arthur Thomas of Princeton. His father staked the claim 70 years previously, which has long been a showpiece for mining promoters in the area. The claim holds one of the original and most visually spectacular veins found to date (barring the recent "C" vein discovery) in the Silver Camp and is known as the "Falls vein".

Harrisburg-Dayton's diligent exploration work on this small

piece of ground led to the discovery of <u>four additional veins</u> in close proximity to the "Falls vein". The excitement of their discovery and the success of the neighbouring Huldra Silver claim prompted Harrisburg-Dayton to enter into a joint venture agreement with Schellex Gold Corp. to explore and develop the claims held under option from Unicorn Resources Ltd.

In 1988, the Summit Camp and Treasure Mountain areas will see over \$2,000,000 in exploration take place.

A minimum of \$350,000 will be spent by Harrisburg-Dayton and Schellex Gold Corp on additional surface work and diamond drilling to further identify the magnitude of their deposit. It is anticipated the summer exploration activities will lead to further underground development this fall. Exploration will concentrate on the old Indiana and Queen Bess adits and the new veins discovered adjacent to the "Falls vein".



Harrisburg-Dayton president Jerry M. Bella inspecting an old audit near the "Falls Vein".