Malcolm Full.

## SONGBIRD PROPERTY

67-2862

## NANAIMO M D, BRITISH COLUMBIA

The Songbird Property is comprised of 4 claims (48 units), and is situated >10 km south of Nanoose Bay. Good road access exists to all portions of the claims.

Surface Au/Ag mineralization has been revealed by four trenches over a strike of 100 meters, with widths ranging 8-12 meters. Surface sampling indicates an average grade 0.10-0.15 oz/TAu, and .8-1.0 oz/TAg.

The mineralization is associated with quartz veins and intense silification in a NNW trending structure dipping 60-65°W. The structure is very graphitic and carbonaceous, and therefore has been very positively traced over a length of 2000 meters by VLF-EM methods. A second subparallel structure exists 250-300 west of the main structure.

Soil sampling has confirmed the presence of gold/silver occurring sporadically over the entire surveyed strike length of both structures, therefore several untested targets exist on the property.

Eureka has recently completed a preliminary drilling programme in the area of the known showing and consisting of eight holes (457 meters). The initial four holes were drilled immediately beneath the surface showing, holes #5 & 6 to the north and #7 & 8 to the south. All holes encountered the structure, in hole #3 indicating a true width of 37 meters. Assayable contents of gold are summarized below:

							Au oz/T	Ag oz/	
Hole	#1		18.0 19.0		19.0m 19.75m	71 ye.	.024	.07	
Hole	# 4		24.2	-	25.9m	1. 1	.008	.08	
Hole	#6	includes			33.5m 33.5m	10,000	.001	1.10	(sludge only)
Hole	#7			_	8.2m 24.1m 24.4m		.031	.24 .28 .25	(sludge only)
Hole	#8	includes		-	18.9m 30.3m 30.5m 21.3m		.085 .034 .012 .024	.55 .25 .10	(sludge only)

Although the widths are narrower, and grades lower than reported on surface, the better holes (#7 & 8) demonstrate continuation (with possible rake or plunge) to the south, and the mineralization is open in this direction.

There is a possibility that drilling has created washing of gold and/or silver values from core, as the sludge samples in general reflect a higher grade content than the core. The unusual content of silver only in the sludge of hole #6 is unexplained. Contamination being a suspect, the following was completed:

- reassaying pulps at another lab
- reassaying rejects
- contamination from drill additives
- contamination from sample handling

The unusuality still remains unresolved as all reassays have been verified and no contamination is suspected.

Eureka remains optimistic about the property for the following reasons:

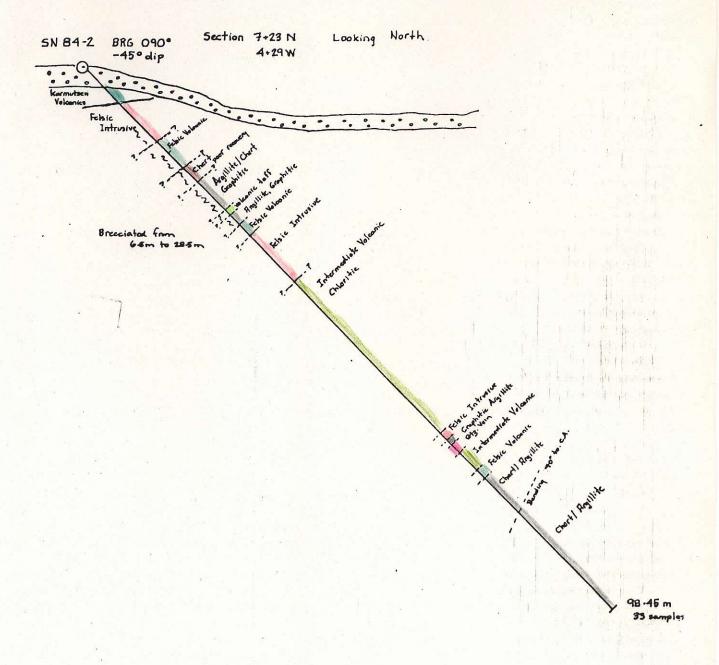
- grades of economic significance are encountered on surface within a major structural system
- this mineralized zone appears to continue to the south, and is open
- other viable targets exist on the property expressed by geochemistry and geophysics.

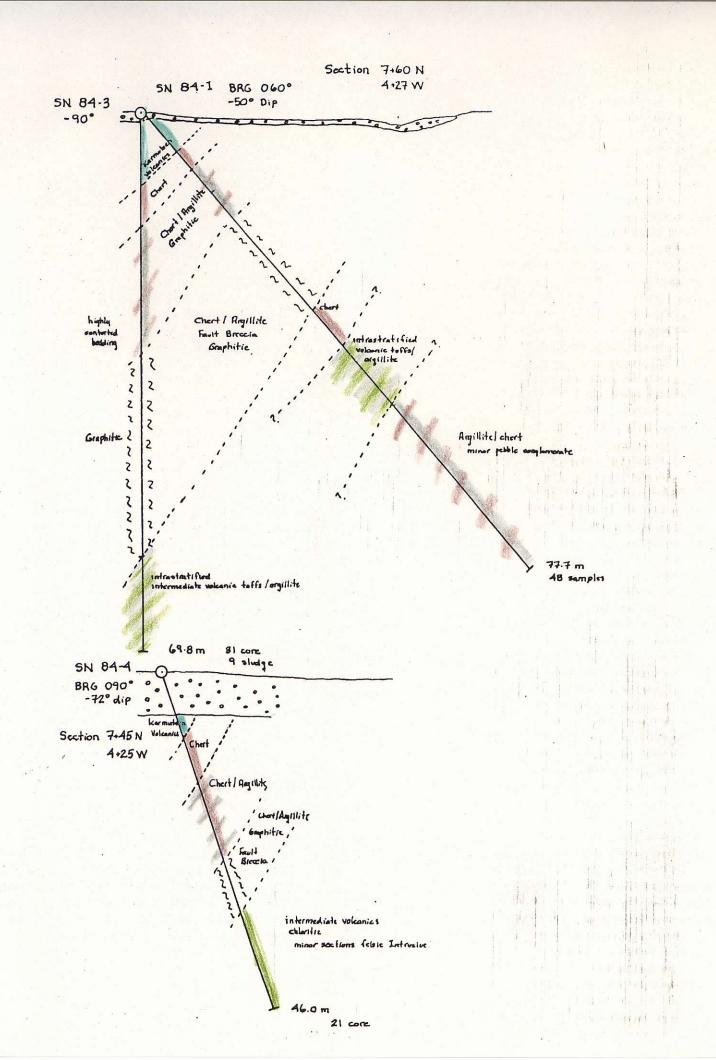
Respectfully submitted by

EUREKA RESOURCES INC.

John R. Kerr, P. Eng. Vice-President

JRK/da





Section 8.34 N
4.59 W

-50° dip

Landing

Landing

Section 8.34 N
4.59 W

-50° dip

Landing

Landing

Section 8.34 N
4.59 W

-50° dip

