PROPERTY DESCRIPTION

Name: VIG 6

Property Size: 1 claim, 16 units, Record No. 3531

Geological Targets: (1) Narrow, high grade gold-bearing arsenopyrite-pyrite quartz veins, similar to those found at the Privateer Mine, Zeballos Gold Camp; (2) Skarn deposits located at volcanic-limestone and intrusive-limestone contacts.

Location: NTS 92E/15E. The property is situated along the Tsowwin River which empties into Tahsis Inlet, on the west coast of Vancouver Island.

Access: Improved logging road west from Gold River on route to Tahsis via the Head Bay road and by exiting on the Tsowwin Mainline just after crossing the Sucwoa River. Branch lines provide good road access throughout most of the claim block.

Terrain: The property covers an area of heavily forested, rugged mountain slopes. Outcrop exposures are found along road cuts, stream courses and some of the steeper slopes. The area is currently being logged by CIP.

History: The claims were re-staked in March '88 after they were allowed to lapse by Aberford Resources Ltd. staked the ground in 1980 following the discovery of quartzsulphide veins at the top end of the Tsowwin drainage during prospecting to follow up on encouraging heavy concentrate sample results at the mouth of Santiago creek. The first recorded work on the claim was an inclined shaft sunk in the late 1930's on the gold-bearing quartz-calcite Vivian vein which outcrops in the Tsowwin River. The vein extension was explored to the northwest by a series of open cuts at 25 foot spacings. At at distance of 200 feet northwest of inclined shaft, a 50 foot adit was driven into the hill following the vein. All workings are now inaccessible due to caving and infilling with forest debris and water. workings were abandoned in 1940, likely as a result of the war which forced many mines to close.

A 50 foot and a 130 foot adit test an auriferous quartz-filled fissure on the Mohawk property, adjoining the VIG b claim to the south. East of the VIG b, three crown grants dating from 1909 cover a magnetite skarn deposit adjacent to an unmapped diorite intrusive. Production was carried out in the early 1960's when 62500 tons of ore were milled yielding 25000 tons of magnetite concentrate. A 36.6 m. adit was driven in 1934 to test a gold-quarts vein on the Elaine property which lies several kilometers to the southeast.

Geological Setting and Mineralization: The VIG 6 claim is underlain by rocks of the Vancouver and Bonanza Groups. The former consists of Upper Triassic basaltic volcanics (Karmutsen Formation) overlain by a thick sequence of Upper Triassic limestone and pelitic sediments of the Quatsino and Parson's Bay Formations. The Bonanza Group is comprised of Lower Jurassic pyroclastic volcanics, varying from basaltic to dacitic in composition, with minor intercalated sediments. Intruding the above units are Early Tertiary stocks of the Catface Intrusions. These intrusions are exposed at the junction of the two forks of the Tsowwin River and at Santiago Mtn.

Volcanic-hosted quartz-sulphide veins whose widths vary 5 - 10 cm., occur as single veins or as a number of sheeted veins separated by thin smears of gouge. The veins exhibit cockscomb textures and the open spaces are coated with black sooty material. Sulphides are minor a constituents, consisting of pyrite, arsenopyrite, chalcopyrite. Gold is easily panned from vein material. zones of this type of veining have been located to date:

- (1) Vivian Sampling of adit dump material assayed 0.382 oz/ton Au and 0.71 oz/ton Ag. Aberford sampling of this vein where exposed in the Tsowwin River yielded 0.148 oz/ton Au and 0.215 oz/ton Ag in a 20 cm. shear of sheeted quartz;
- (2) A second zone of veining occurs 300 meters northeast of the Vivian. Veining is exposed in two quarries 300 meters apart. An Aberford sample from the upper quarry averaged 0.205 oz/ton Au and 0.12 oz/ton Ag across 15 cm. In the lower quarry, Aberford sampling returned values of 2.241 oz/ton Au and 1.345 oz/ton Ag.

The geological setting is very similar to the rich Zeballos Gold Camp located 30 km. to the northwest. At Zeballos, high grade veins are hosted within and around the Zeballos pluton near its margin with the Quatsino limestone and Bonanza volcanics. Although the Zeballos veins are rarely more than a foot wide, this camp produced 331,000 ounces of gold from six mines during the period 1933 to 1953.

Recommendations: The first phase of exploration should include increasing the present ground position to the west as strong geochemical values for gold and arsenic are reported to have been found in Santiago Creek by Aberford during their regional work. The source of this anomaly has not been located. Once the claim acquisition is complete, a "grass-root" program of stream geochemistry, contour soil sampling, detailed prospecting and geological mapping should be completed. After priority targets are identified, trenching would define the extent and grade of mineralization.

Terms for Optioning: Option to earn a 100% interest in the property may be exercised at any time after the Optionee has:

- 1. Made annual payments of \$20,000.00 for a total of 5 years (\$100,000.00),
 - 2. Spent a total of \$250,000 on the property.

The vendor will retain a production royalty of 2.5% NSR, granting the optionee the right to buy out this royalty for \$2,500,000.00