

PROPERTY DESCRIPTION

Name: Den 1 and Den 2

Property Size: 2 claims, 12 units each, Record Nos. 7463 and 7464

Location: 2 km. due north of McConnel Lake at a point on the Coquihalla Highway 16 km. west of the junction of that highway and the Kamloops-Cache Creek Highway.

Access: Besides the excellent access via the new Coquihalla Highway, the property can be reached by the Kamloops/Knutsford-Lac Le Jeune road, or, also by the Cache Creek-Cherry Creek road. As well, there are numerous new and old logging roads on or near the property.

Terrain: The property covers an area of lightly forested, gently sloping plateau. Vegetation typically consists of lodgepole pine and fir on the ridges, and spruce, hemlock, poplar, birch and willows in the draws. While typical relief is not too dramatic, there is very good exposure on the new and old roads. As well, there are numerous outcrops on the ridges and creek cuts. Much of the property has been logged, either selectively or clear-cut, providing yet more exposure.

History: The claims were staked in January 1988, after sampling was carried out to test the discovery showings in rock cuts on the new highway. Research in the Min-dep files revealed that while the ground has been staked before, no data has been published about it. Although the lack of information on the area is regrettable, its location (12 km. southwest of Ironmask and 10 km. south of Afton), as well as its favourable geology and mineralization more than make up for this.

Of eleven samples taken in 1987 and winter/spring of 1988, the values in silver ranged from a low of 11.3 ppm to a high of 28.8 oz/ton, with a median of 5.78 oz/ton. While gold values were uniformly low, the accompanying base metals were very encouraging. Lead and zinc returned highs of 17.6% and 7.88% respectively.

Geological Setting and Mineralization: The Den claims are underlain by rocks of the Ironmask batholith and Nicola Group volcanics. Mineralization occurs typically in fairly large (20-100 cm.) quartz veins and silicified shear zones close to the contact. In the area of the initial discovery, these appear as vertical or steeply dipping bands almost in echelon.

Mr. D. DeBock, who has spent considerable time and effort on the property suggests that these mineralized veins and shears increase in frequency and quality of mineralization as the contact itself is approached. Sampling has, so far, tended to support this theory. The veins and shears appear reddish with sericite or some other iron alteration. The main visible minerals are galena, sphalerite, chalcocopyrite, and pyrites as well as the oxidation products of these minerals.

Recommendations: A "grass roots" program of stream geo-chemistry, grid soil sampling, detailed prospecting, and geological mapping should be completed. Also, considering the easy nature of the terrain, geophysical surveys

such as proton magnetometer and EM-16 should be carried out. After priority targets are identified, trenching and drilling would help define the extent and grade of the 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 to the Vendor.

2) Spent a total of \$250,000.00 on the property with a minimum of \$50,000.00 to be spent per year.

The Vendor will retain a production royalty of 3% N.S.R., granting the Optionee the right to buy out this royalty for \$2,500,000.00. Additional details to be discussed and agreed upon.