

**EXPLORATION
REVIEW 1990**

Elk Property (Gold, Silver)

523 B.C. Claim Units—50 square miles

The Elk property located 35 miles west of Kelowna in southern British Columbia hosts a high grade gold vein deposit. The site is two miles south of the Elkhart exit on the new Okanagan Connector highway, providing excellent access to services, supplies, electrical power and experienced workforce.

The 1990 program focused on the Siwash North vein system with backhoe trenching of 1,800 feet and diamond drilling of 16,960 feet in 58 holes. To date 19,430 feet in 70 holes

BRITISH COLUMBIA •

ELK ■

have been drilled. Trenching of 2,000 feet in the Lake Zone one half mile to the south of Siwash North revealed a mineralized structure which was drilled with four preliminary test holes totalling 850 feet. In addition, detailed soil sampling and geophysical surveys were undertaken on another favourable target area to the south.

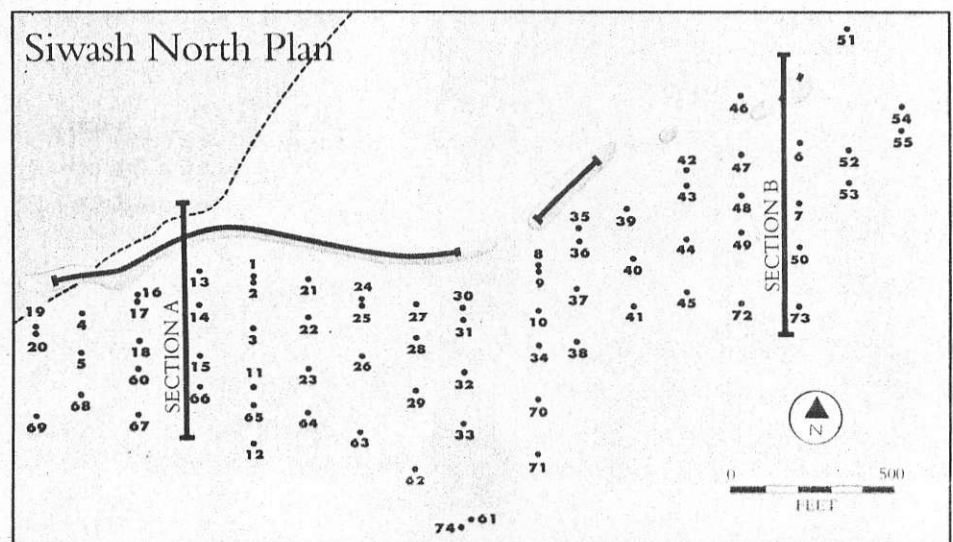
The program was an outstanding success, delineating a geological

resource of 148,000 ounces of gold and similar quantity of silver in the Siwash North zone. This reserve is contained within five distinct shoots represented by 17 drill intercepts above cutoff grade of 0.30 ounces gold per ton over 6.6 feet true width (see plane of vein section). Polygon calculations indicate a total of 234,000 tons averaging 0.633 ounces gold per ton. The shoots remain open to expansion both down dip and along strike.

High grade native gold is concentrated in one main vein in the western part of the Siwash North system and in two, or more, parallel structures on the east side (see drill sections). The west half of the vein steepens abruptly at depth and it may do the same to the east. Gold is hosted by quartz veins and silicified granite

**Siwash North Gold Deposit
Summary of Significant Drill Results**

Hole No.	oz./T Gold	True Width (ft)
89-1	0.773	6.6
89-2	0.287	6.6
89-7	0.452	6.6
89-8	0.306	6.6
90-13	0.273	6.6
90-14	1.327	6.6
90-20	0.230	6.6
90-27	0.371	6.6
90-29	0.486	6.6
90-33	1.290	6.6
90-37	0.361	6.6
90-44	0.304	6.6
90-47	0.227	6.6
90-49	0.928	6.6
90-50	0.418	6.6
90-61	0.280	6.6
90-65	0.431	6.6
90-66	1.096	6.6
90-69	0.531	6.6
90-72	0.347	6.6
90-73	0.257	6.6



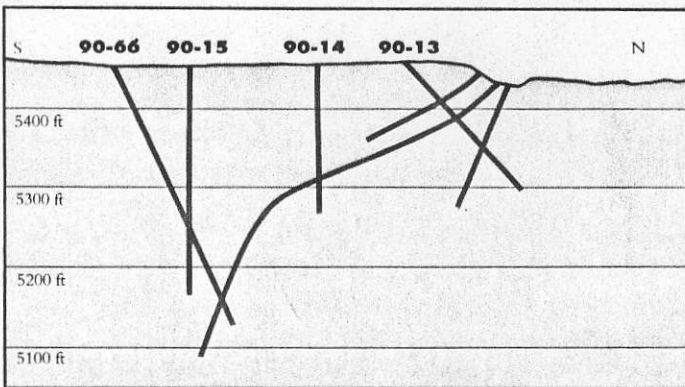
containing several percent pyrite with minor chalcopyrite and galena. Granite wallrocks are fresh and competent outside a narrow alteration envelope surrounding the vein.

Stripping of the Siwash North zone along 2,200 feet of strike extent has provided an excellent opportunity to examine and sample the vein in detail. A 1,280 foot length cut by 73 panel samples at 17 foot intervals averaged 0.507 ounces gold per ton over 6.6 feet true width. Centred

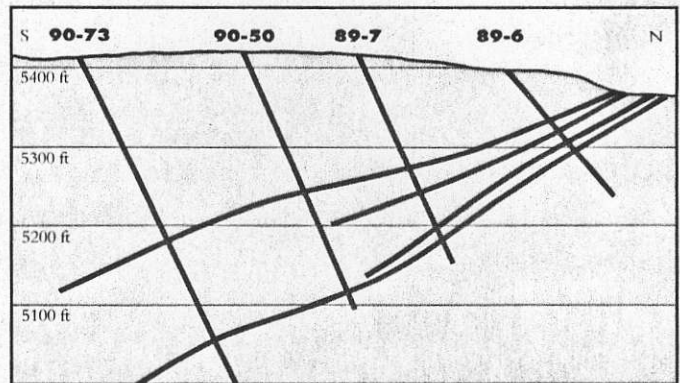
within this section is a very consistent high grade interval averaging 1.012 ounces gold per ton over a 380 foot length by 6.6 foot width. Drilling to depth has intersected high grade gold down dip to 840 feet and the zone remains open.

Four other target areas dispersed over 2.5 miles to the south of Siwash North have excellent potential to provide additional gold reserves. Preliminary drilling of the Lake Zone structure indicated strong continuity

to a depth of 250 feet. Geochemical and geophysical results suggest a possible strike extent of 2,000 feet. Trenching of the North and South showings revealed major structures with lengths in excess of 1,500 feet hosting local high grade gold veins. The Agur Option area contains coincident strong gold geochemical and geophysical anomalies comparable to those seen in the other target areas. All four warrant additional evaluation.



Siwash North Diamond Drill Section A



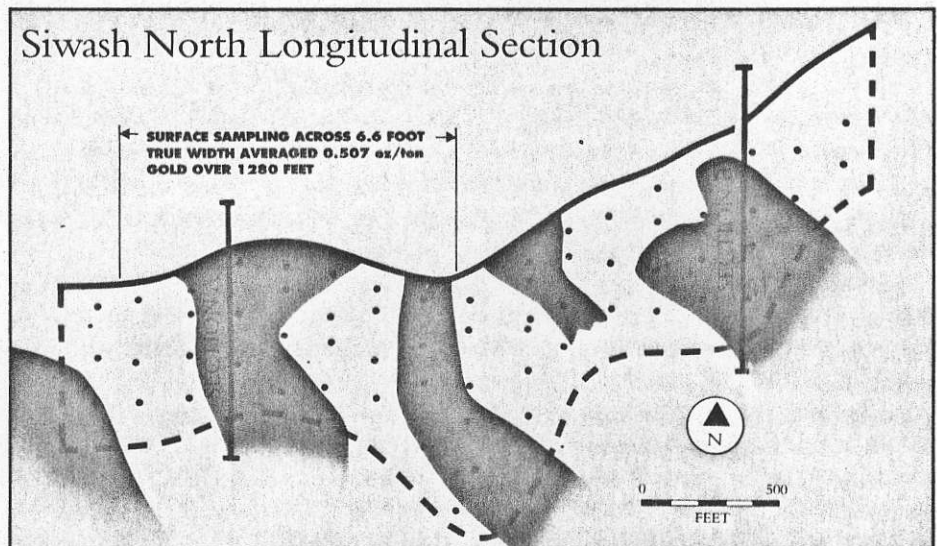
Siwash North Diamond Drill Section B

Siwash North Gold Deposit Longitudinal Section in Plane of the Vein (right)

- Diamond drill hole—vein pierce point
- Gold-rich shoots currently defined by drilling remain open to expansion at depth and along strike.

Plan Map (opposite page)

- Diamond drill hole collar
- Volcanic
- Intrusive
- Stripped area
- Vein exposure



**EXPLORATION
REVIEW 1990**

Dill Property (Copper/Gold)

289 B.C. Claim Units—28 square miles

The Dill property, south of Elk, straddles the contact of a granitic batholith and Nicola Group mafic volcanic rocks—a very similar setting to the Similco copper mine located 30 miles to the south.

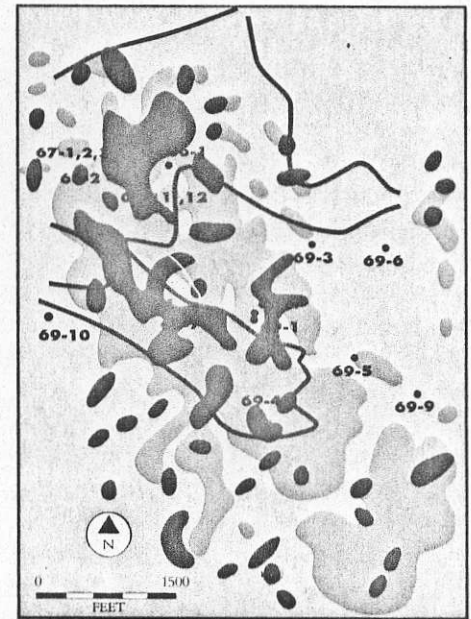
The 1990 program of claim acquisition, extensive soil sampling and geophysical surveys outlined a large coincident copper/gold

geochemical and I.P. chargeability anomaly near the western property boundary.

Drilling conducted within this area in the 1960's revealed widespread copper mineralization occurring as disseminations and fracture-fillings in andesitic volcanics and diorite. Several of the holes were located within the 1990 anomaly but tested only a small portion of its extent (see Dill West Area Compilation). All intersected copper mineralization, many from top to bottom. One hole averaged 0.17% copper over 971 feet and another 0.26% copper over 679 feet, including 130 feet of 0.40%. Some of the core samples were assayed for gold returning several

values of 0.01 to 0.02 ounces per ton. Overburden depths range from one to eighty feet (see Dill West Area Diamond Drill Hole Summary).

Elsewhere on the property, linear gold geochemical anomalies in areas of granitic rocks may represent gold-bearing vein structures.



Dill West Area Compilation

- Diamond drill hole (drilled 1966-69)
- IP chargeability high
- Gold geochemical anomaly
- Copper geochemical anomaly

Dill West Area

Diamond Drill Hole Summary (1966-1969)

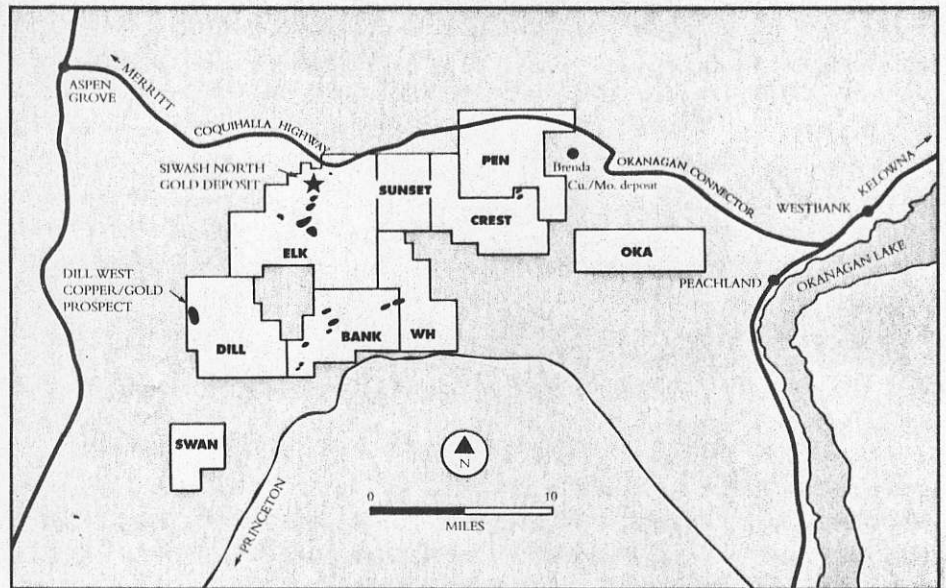
Hole No.	Dip	Length (ft)	Overburden (ft)	% Copper	Mineralized Length (ft)
66-1	45	418	30	.22	388
66-2	38	410	19	.15	265
67-4	90	620	16	.24	394
67-5	45	309	6	.23	301
68-11	90	52	1	.24	51
68-12	90	128	4	.33	124
69-1	45	813	132	.26	679
69-2	90	403	84	.14	316
69-3	54	246	165	.05	81
69-4	54	343	43	.02	300
69-5	70	813	83	.07	729
69-6	90	598	55	.05	543
69-7	54	1,001	30	.17	971
69-10	45	573	41	.05	532

Other Okanagan Properties

Bank, WH, Swan, Sunset, Crest, Pen, Oka (Gold, Silver) 1,388 B.C. Claim Units—134 square miles

Near the Elk and Dill properties, within similar geological environments, are seven additional claim blocks owned by Fairfield.

During 1990 more than 16,000 soil samples were collected from these claims. A number of significant gold geochemical anomalies were defined, some comparable to the one overlying the Siwash North deposit. Most of these targets remain to be tested. On the WH property two trenches totalling 880 feet were excavated. Fractured, altered granite with minor quartz veining was exposed but gold values were low. Prospecting at Oka confirmed the potential for vein-type



as well as skarn-hosted gold mineralization.

The Pen claims were staked during 1990 to cover favourable geology and known gold showings. This large property has yet to be evaluated by grid soil sampling.

Property Location Map Southern B.C.

- Priority Gold or Copper/Gold exploration targets

Northern Properties

Logan, Goz Creek, Meister, Tim, Ram (Zinc, Lead, Silver, Gold) 1,238 Yukon Claims—100 square miles

The Logan deposit located in southern Yukon contains a drill indicated geological inventory of 13.6 million tons grading 6.17% zinc and 0.77 ounces silver per ton, with a higher grade core of 5 million tons at 10.2% zinc and 1.12 ounces silver per ton. A large portion of this deposit is amenable to open-pit mining methods.

The Goz Creek deposit in central Yukon has a near-surface reserve of 2.75 million tons averaging 11% zinc. The potential to expand this inventory is very good.

The Meister and Tim prospects have received preliminary exploration and hold considerable promise to define zinc, lead and silver deposits.

On the Ram property gold mineralization in quartz-pyrrhotite vein systems and skarns has been indicated by wide-spaced diamond drilling.

