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GEOLOGICAL, GEOCHEMICAL and GEOPHYSICAL REPORT on the ALLCO SILVER PROPERTY

Revelstoke Mining Division - British Columbia

Lat. 51° 13' N. Long. 117° 59' W.

N.T.S. 82 N/4

for

JERO RESOURCES LTD.

by

Donald G. Allen
P. Eng. (B. C.)

February 11, 1985 Vancouver, B. C.

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SUMMARY

Jero Resources Ltd. holds an option on the Allco Silver Property near Revelstoke, British Columbia. The property consists of 76 claim units. They lie at the head waters of Elm, Carnes and Woolsey Creeks between elevations 1300 and 2500 metres.

Silver-lead-zinc mineralization on the Allco property was discovered about 1919 and is developed by 5 adits and numerous open cuts and trenches. In 1936 and 1937, shipments of ore, totalling 213 tons containing 11,211 ounces of silver, 173,159 pounds of lead, and 11 ounces of gold, were made to a smelter. The property has remained idle since the 1930's.

The Allco Silver property is situated in the northern end of the Kootenay Arc, an arcuate belt of folded sedimentary rocks of Late Proterozoic to Early Mesozoic Age. The property is underlain by intensely deformed Lower Cambrian limestone of the Badshot formation and argillite of the Lardeau Group.

These rocks host a number of important deposits and mines in the area. Noranda's Goldstream Mine, 57 kilometres to the northwest, the Montgomery, Keystone, Standard and J and L deposits are stratabound massive sulfide deposits. The Mastodon and Albert Canyon (Regal-Snowflake) are significant vein-type deposits.

At least 13 showings of galena and sphalerite with

tetrahedrite and pyrite occur over an area of 2000 metres by 50 metres on the Allco property. These showings consist of pods, discontinuous lenses, quartz veins and breccia zones along a limestone-argillite contact. Some of these features are characteristic of Mississippi Valley lead-zinc deposits as well as other important lead-zinc deposits of the Kootenay Arc. However, silver values (up to 104 ounces per ton) and gold values (up to 0.1 ounce per ton) on the Allco property are unusually high for such deposits. A prominent quartz vein up to two metres wide also contains silver-lead-zinc mineralization.

Preliminary soil geochemical sampling has revealed widespread anomalous zinc and lead values in the soil in overburden-covered parts of the claim group. Two lines of VLF-electromagnetic surveys have indicated the presence of at least two conductors. A program of detailed geological mapping, geophysical surveys, and a follow-up program of diamond drilling are proposed.

CONCLUSION

The Allco Silver property lies in a belt of Lower Cambrian sedimentary rocks in the Kootenay Arc which host numerous important deposits and mines through southwestern B. C. Mineralization on the property has characteristics of Mississippi Valley type deposits as well as other

important carbonate-hosted lead-zinc deposits in the belt. All such deposits are stratabound and disconformable and occur within intensely deformed Lower Cambrian limestone or marble. Dolomitization and brecciation of the limestone are common features. However, no attempt has been made to look for and map these features on the Allco property.

The high silver and gold values suggest a comparison with the Midway property of Regional Resources in northern B. C. Mineralization at Midway is of two types: (1) stratabound exhalative cherty-sulphide ± barite horizons in shale and (2) replacement in brecciated limestone immediately below its contact with shale (McIntyre,1983). The limestone and the adjacent argillites on the Allco property should be mapped in detail, keeping the geological setting of the Midway and the Goldstream (also a sedimentary exhalative deposit) deposits in mind.

Except for brief examinations, no significant work has been carried out on the property since the 1930's.

Results of preliminary geophysical and geochemical work by Jero Resources Ltd. are positive. A program of geological mapping is warranted to evaluate the property.

RECOMMENDATION

A two-phase program of geological mapping and geophysical surveys followed by diamond drilling of targets generated is

proposed. Phase I will consist of detailed geological mapping, geochemical sampling and electromagnetic surveys. Purpose of this work is to examine and evaluate the known showings and to investigate the potential for stratabound or Mississippi Valley type deposits. Electromagnetic surveys should be carried out over favourable rock units, especially in areas covered by talus or glacial till. Should results of Phase I be favourable, then a second phase of diamond drilling is recommended. Estimated costs of Phases I and II including property payments are $159,000.

Donald G. Allen

ESTIMATED COSTS OF RECOMMENDATIONS

PHASE I Geological mapping and geochemical sampling.

Salaries		
1 geologist	1.5 mo. @ $6,000/mo.	$ 9,000
1 assistant	1.5 mo. @ $3,000/mo.	4,500
Geophysical Surveys		
Electromagnetic surveys	1 crew - 10 days @ $500/day all incl.	5,000
Geochemical analysis and assay		5,000
Metallurgical testing		2,000
Helicopter access and supply	15 hrs. @ $500/hr.	7,500
Camp supplies and equipment rental		2,000
Room and board	90 man days @ $30/day	2,700
Travel, vehicle rental		2,000
Report and draughting		2,500
Consulting fees		7,000
		$ 49,200
	Contingencies	5,800
	Total Phase I	$ 55,000

PHASE II Provision for diamond drilling.

Drilling	1,500 ft. @ $35/ft. (all incl.)	$ 52,500
Helicopter access	50 hrs. @ $500/hr.	25,000
Camp, supervision, assays, engineering		7,500
		$ 85,000
	Contingencies	9,000
	Total Phase II	$ 94,000
	Total Phases I and II	$149,000
Option payments to Midas Resources Ltd. for 1985		10,000
	GRAND TOTAL	$159,000

INTRODUCTION

Jero Resources Ltd. holds an option on the Allco property, a silver-lead-zinc prospect near Revelstoke, British Columbia. The property lies in a large lead-zinc metallogenic province which extends from Noranda's Goldstream deposit to the north, and to the Bluebell, Remac and Jersey Mines to the south. The Allco property consists of 76 claim units which cover numerous showings over a distance of more than two kilometres. The property was formerly known as the Iron Cap, Limestone Dyke, and Allco Silver property. For the purpose of this report, it is referred to as the latter. Most of the previous exploration work was conducted in the period 1931 to 1936. This work included stripping, trenching and 492 feet of underground development in five adits and a shaft. In 1936 and 1937, shipments of 213 tonnes were made, containing 11 ounces gold, 11,211 ounces silver and 173,159 pounds lead.

This report summarizes results of a property examination and sampling carried out by the writer on October 2, 1983 and September 28, 1984. G. Allen, J. Cuvelier, S. Endersby, B. Endersby and A. Endersby assisted by carrying out reconnaissance soil sampling and VLF-electromagnetic surveys. Also incorporated in this report are results of sampling by Cominco Ltd. and Amax Exploration Ltd. (Canamax Resources Ltd.). A topographic base map and orthophotograph was prepared from air photos by Triathlon Mapping Corporation.

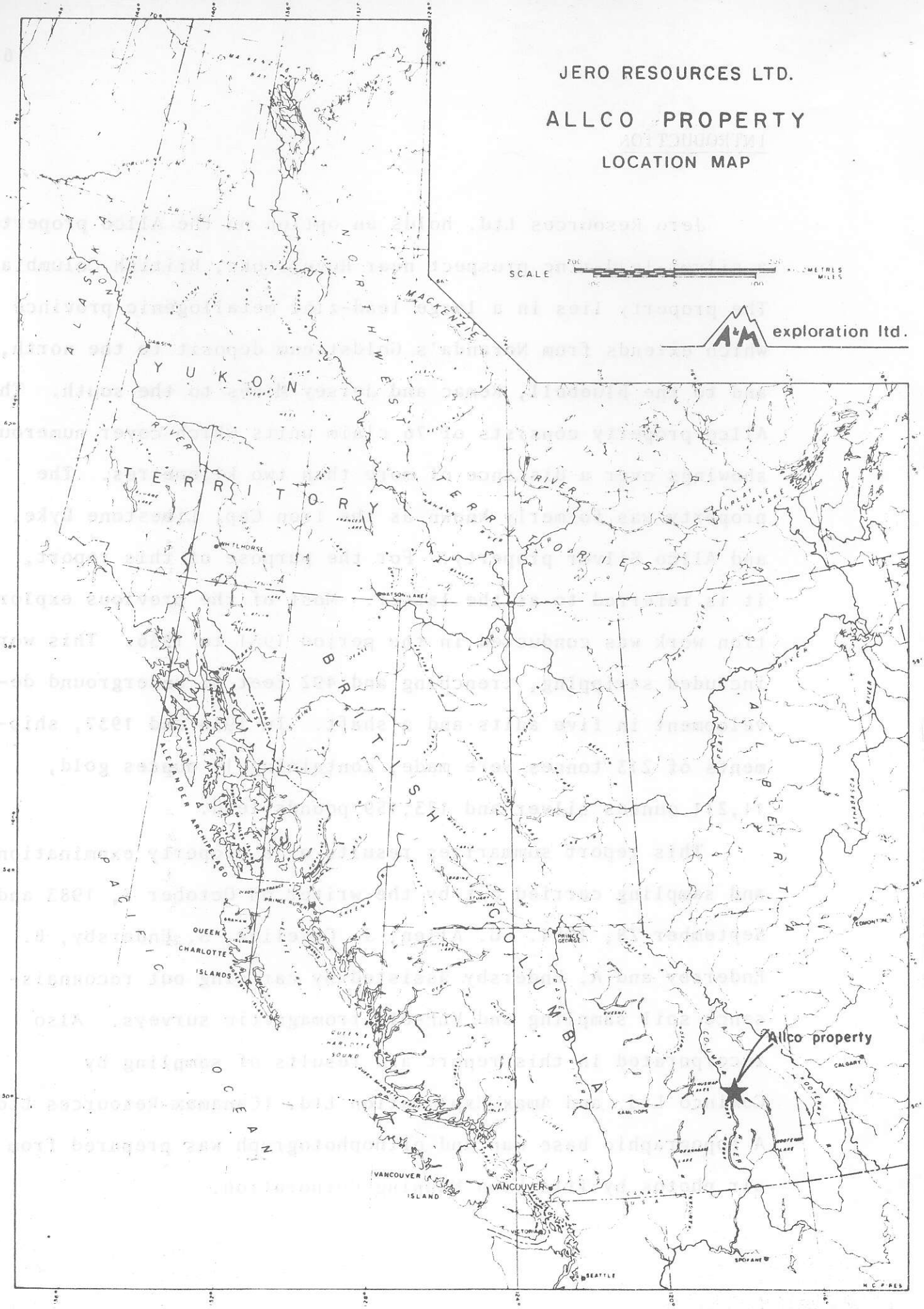
JERO RESOURCES LTD.
ALLCO PROPERTY
LOCATION MAP
SCALE
KILOMETRES
MILES
A&M exploration ltd.
YUKON TERRITORY
NORTHWEST TERRITORIES
BRITISH COLUMBIA
ALBERTA
ALASKA
MACKENZIE RIVER
YUKON RIVER
WHITEHORSE
WATSON LAKE
JUNEAU
ALEXANDER ARCHIPELAGO
QUEEN CHARLOTTE ISLANDS
QUEEN CHARLOTTE SOUND
PRINCE RUPERT
PRINCE GEORGE
EDMONTON
CALGARY
KAMLOOPS
VANCOUVER ISLAND
VANCOUVER
VICTORIA
SEATTLE
SPOKANE
CANADA
USA
PACIFIC OCEAN
Allco property

FIGURE – 1

LOCATION, ACCESS, PHYSIOGRAPHY

The Allco Silver property is situated 29 kilometres northeast of Revelstoke (Figures 1 and 2) at the head of Woolsey Creek. The claims lie on the east flank of Mount LaForme between elevations 1300 and 2500 metres. Topography in the area is rugged although most of the known mineral showings lie in a broad cirque basin, the floor of which is at an elevation of 1900 metres.

Road access is available to within five kilometres of the property boundary. From there the claims are accessible by foot. Alternatively, helicopter service is available in Revelstoke.

82 M,N

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ACCESS MAP

ALLCO PROPERTY

Revelstoke Mining Division - British Columbia

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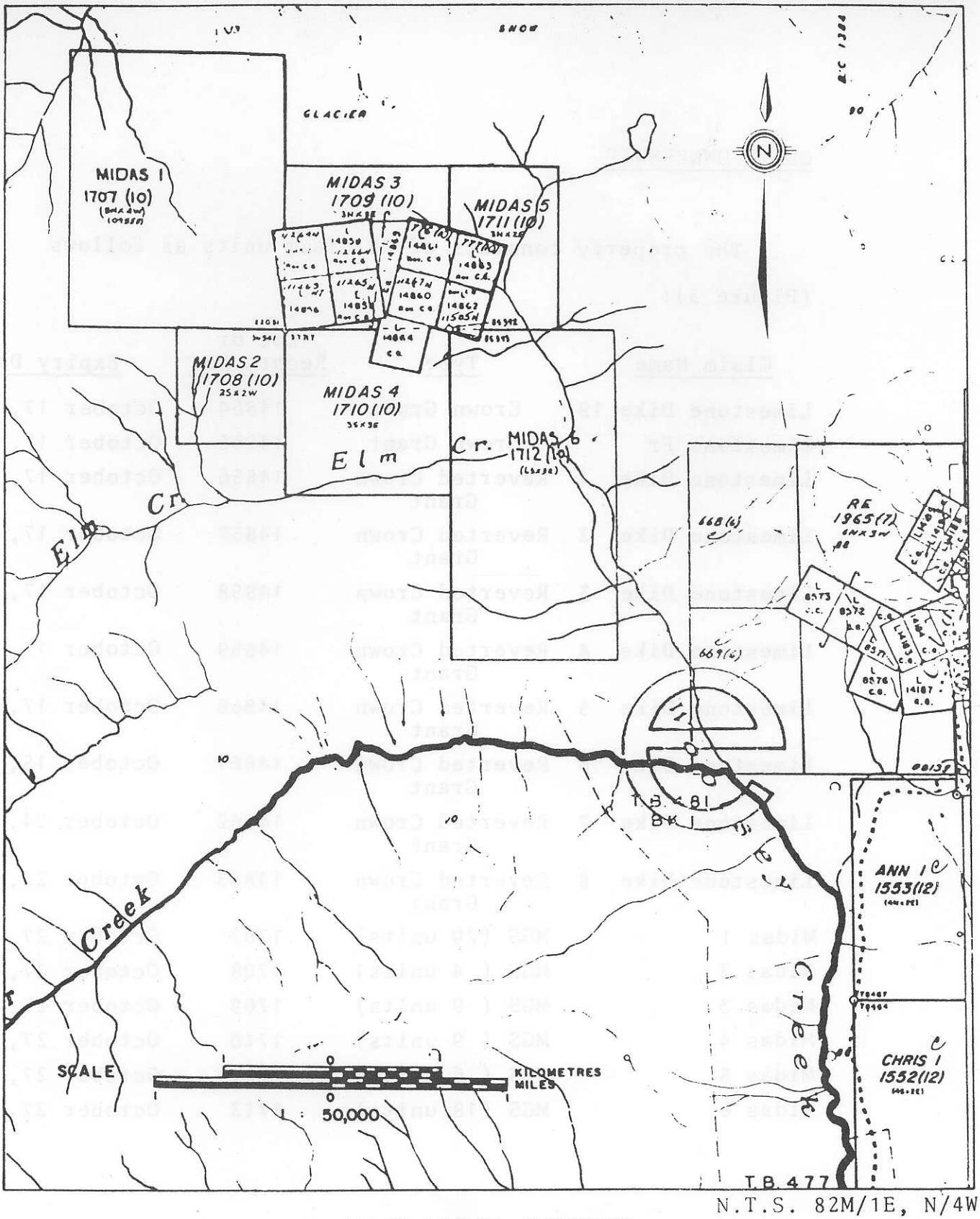
Figure 2

CLAIM OWNERSHIP

The property consists of 76 claim units as follows (Figure 3):

Claim Name	Type	Lot or Record No.	Expiry Date
Limestone Dike 19	Crown Grant	14864	October 17, 1985
Limestone Fr	Crown Grant	14865	October 17, 1985
Limestone Dike 1	Reverted Crown Grant	14856	October 17, 1985
Limestone Dike 2	Reverted Crown Grant	14857	October 17, 1985
Limestone Dike 3	Reverted Crown Grant	14858	October 17, 1985
Limestone Dike 4	Reverted Crown Grant	14859	October 17, 1985
Limestone Dike 5	Reverted Crown Grant	14860	October 17, 1985
Limestone Dike 6	Reverted Crown Grant	14861	October 15, 1985
Limestone Dike 7	Reverted Crown Grant	14862	October 24, 1985
Limestone Dike 8	Reverted Crown Grant	14863	October 25, 1985
Midas 1	MGS (20 units)	1707	October 27, 1985
Midas 2	MGS (4 units)	1708	October 27, 1985
Midas 3	MGS (9 units)	1709	October 27, 1985
Midas 4	MGS (9 units)	1710	October 27, 1985
Midas 5	MGS (6 units)	1711	October 27, 1985
Midas 6	MGS (18 units)	1712	October 27, 1985



N.T.S. 82M/1E, N/4W

ALLCO SILVER PROPERTY

CLAIM MAP

JERO RESOURCES LTD.

Revelstoke Mining Division - British Columbia

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Figure 3

REGIONAL GEOLOGY

The Allco property is along the boundary of the Rogers Pass and Big Bend map sheets of Wheeler (1963, 1965). Generalized geology of the area is presented on Figure 4. The stratigraphy as summarized by Wheeler is as follows:

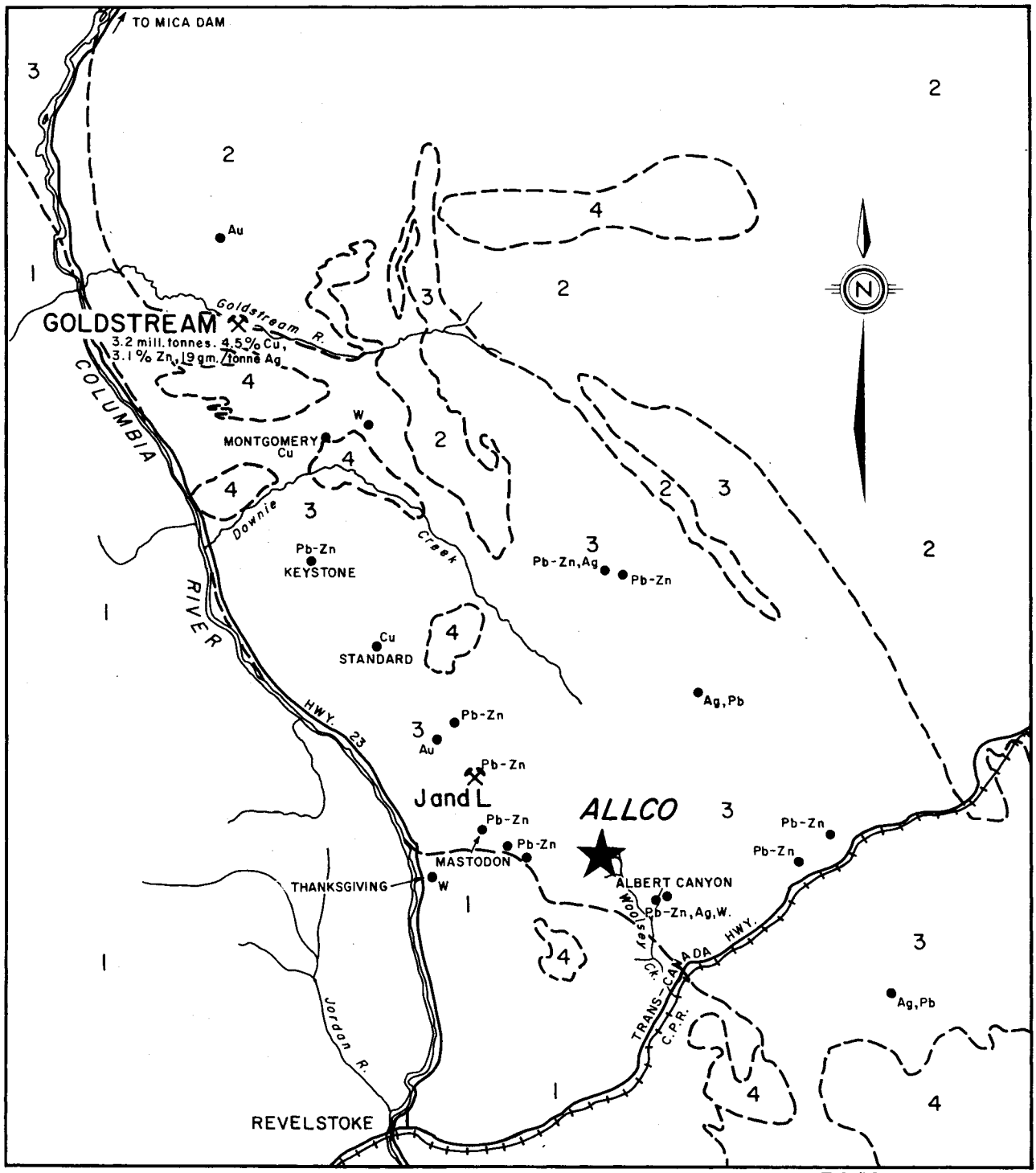
Post Lower Cambrian:	Granitic Intrusions
Lower Cambrian and Later:	Lardeau Group: Slates, phyllites, quartzites and schists.
Cambrian - Lower Cambrian:	Badshot Formation: Limestones, dolomites, phyllites, quartzite.
	Hamill Group: Quartzite, phyllite, limestone, schists & greenstone.
Windermere:	Horsethief Creek Group: Slates, phyllites, and schists.

The complex structural geology of this area has been recently documented by Read and Brown (1979, 1981) and Brown et al (1983). The property lies in the Goldstream slice of the Selkirk Allochthon in the northern part of the Kootenay Arc. The Selkirk Allochthon sits above the Monashee Decollement and consists of complexly deformed and inverted strata of early Paleozoic age. Two phases of tight to isoclinal folding and subsequent faulting have been documented by Read and Brown.

MINERAL DEPOSITS IN THE DISTRICT

Lower Paleozoic rocks in the Kootenay Arc of southwestern

ALLCO SILVER PROPERTY



LEGEND

4	MESOZOIC GRANITIC ROCKS
3	PALEOZOIC LARDEAU & HAMILL GROUPS
2	PROTEROZOIC HORSETHIEF CK. GROUP
1	SHUSWAP METAMORPHIC COMPLEX
•	MINERAL DEPOSITS

Geology after Wheeler, 1962 and 1965.

SCALE

0 10 20 30 KM.

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ALLCO SILVER PROPERTY

REVELSTOKE MINING DIVISION - BRITISH COLUMBIA

REGIONAL GEOLOGY

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Figure 4

B. C. host a number of important stratabound and discordant lead-zinc deposits. The Duncan deposit, the Jersey, Remac and Bluebell Mines occur in Lower Cambrian limestone. The Goldstream Mine of Noranda (3.17 million tonnes grading 4.49% copper, 3.12% zinc and 19 grams (0.68 ounces) per tonne silver and the Standard, Montgomery and Keystone deposits (Hoy, 1979) are stratabound copper-zinc deposits in Lower Cambrian phyllite, chert, limestone and metavolcanics. The nearby J and L deposit is currently being explored by Selco Inc. It is described as a copper-lead-zinc-gold deposit which occurs in three parallel stratabound sulfide zones - the West, Main and Copper zones. Reserves on the Main zone have been reported (Pan American Energy Corp., February 15, 1983, news release) as 200,000 tons averaging 0.23 oz/ton gold, 3.26 oz/ton silver, 4.31% lead and 5.86% zinc.

Important vein type deposits include the Mastodon Mine eight kilometres to the west (past production - 15,300 tens grading 0.2 oz/ton silver, 0.5% lead and 9.5% zinc); and the Albert Canyon (also known as Stannex or Regal-Snowflake) seven kilometres to the southeast which has reported reserves of 651,200 tons grading 2.09 oz/ton silver, 2.66% lead, 1.26% zinc, 1.10% copper, 0.13% tin, 0.02% tungsten trioxide, (Chisholm, 1982) in five veins.

PROPERTY GEOLOGY

According to Wheeler (1962) the Allco property is underlain by deformed strata of the Lower Cambrian Badshot formation and Lower Cambrian and Younger Lardeau Group. Mapping by Read and Brown in the Carnes Peak area has confirmed the presence of these strata.

The property has not been mapped in detail. Brief examinations have been made by government geologists (Langley, 1919; O'Grady and Richmond, 1931; and Sargent, 1935) and by Olfert (1971) and Hodgson (1982). The geology presented on Figure 5 summarizes results of this work along with data added by S. Endersby.

Five recognizable stratigraphic units have been mapped by C. J. Hodgson as follows:

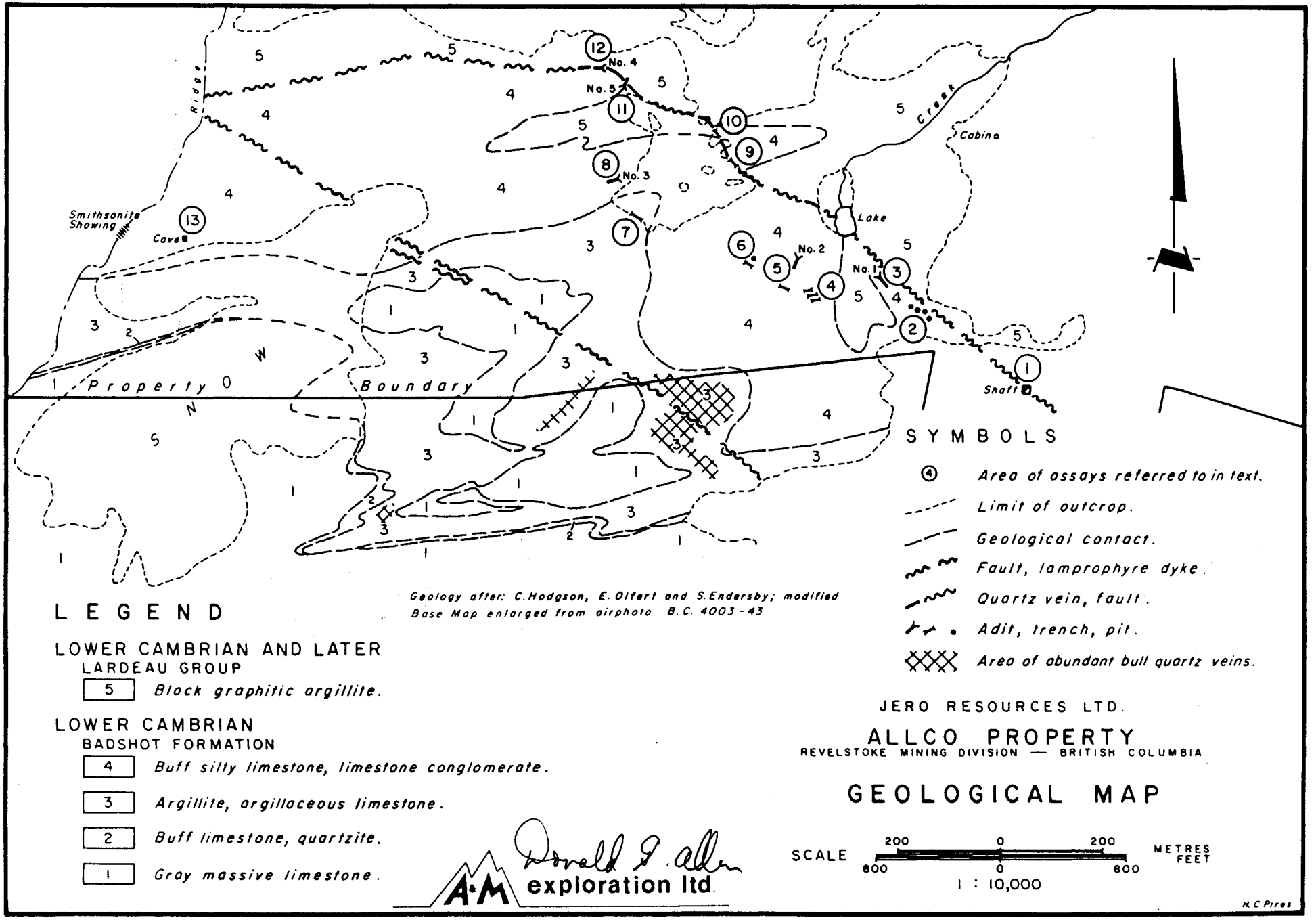
"1) Massive grey limestone - a cliff-former.

2) A 30 foot thick marker unit consisting of buff siliceous limestone at the base, grading upward into black orthoquartzite.

3) Dark grey thinly bedded argillite and argillaceous limestone. This unit is about 100 feet thick.

4) Distinctive buff silty limestone and limestone conglomerate (grey limestone clasts in a buff limestone groundmass). Thinly bedded. Maximum 200 feet thick.

5) Black slaty graphitic argillite of unknown but considerable thickness."


Ridge
Creek
Cabins
Lake
Smithsonite Showing
Cave
Shaft
No. 1
No. 2
No. 3
No. 4
No. 5
Property Boundary
N
W
Geology after: C. Hodgson, E. Olfert and S. Endersby; modified
Base Map enlarged from airphoto B.C. 4003-43
LEGEND
LOWER CAMBRIAN AND LATER
LARDEAU GROUP
5 Black graphitic argillite.
LOWER CAMBRIAN
BADSHOT FORMATION
4 Buff silty limestone, limestone conglomerate.
3 Argillite, argillaceous limestone.
2 Buff limestone, quartzite.
1 Gray massive limestone.
SYMBOLS
④ Area of assays referred to in text.
Limit of outcrop.
Geological contact.
Fault, lamprophyre dyke.
Quartz vein, fault.
Adit, trench, pit.
Area of abundant bull quartz veins.
JERO RESOURCES LTD.
ALLCO PROPERTY
REVELSTOKE MINING DIVISION — BRITISH COLUMBIA
GEOLOGICAL MAP
SCALE
200 0 200
600 0 600
METRES
FEET
1 : 10,000
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H.C. Pires

Figure 5

MINERAL OCCURRENCES

Numerous showings of galena, with pyrite, sphalerite, and tetrahedrite occur over an area of 2000 metres by 50 metres. These occurrences are pods, discontinuous lenses, quartz veins and breccia zones, all occurring within the buff silty limestone (unit 4). Hodgson describes three main types of mineralization:

1) replacement zones in limestone at the shaft, in pits southeast of adits 1 and at adits 4 and 5;
2) veins and pods along joints and joint intersections as in trenches and pits around adits 2 and 3; and
3) a 1-2 metre wide quartz vein which is traceable for about 300 metres southeast from adit 4 (areas 12, 11, 10, 9) on Figure 5.

A prominent 0.5 to 2 metre vein outcrops on the Midas 1 claim. This vein lies along, and may be the extension of, the above-mentioned vein.

Types 1 and 2, according to Hodgson, appear to be of the Mississippi Valley type; however, the silver and gold values are unusually high for this type of deposit. The quartz vein (type 3) occurs in a prominent fault structure and is irregularly mineralized with galena and sphalerite. Hodgson reports on an area of abundant bull quartz veins (Figure 5) and Endersby reports the presence of silicified and quartz-veined limestone west of area 12 but their significance has

not been determined.

A prominent quartz vein was encountered in the cirque basin in the northwest part of the VIEW CLAIM (Figure 6 - sample sites 198A4, 198A6). The vein appears to be barren except for rusty staining, although high lead values obtained from geochemical analysis indicate the presence of such minerals as cerussite or anglesite.

Because showings are numerous, all cannot be fully documented at this stage. Results of samples taken by Hodgson and Olfert are tabulated in Table 1. Areas referred to in the table are plotted on Figure 4. Samples taken by the writer are described in Table 2 and plotted on Figure 6. They are presented to illustrate the character of mineralization. Additional assay data can be obtained from O'Grady and Richmond (1931).

GEOCHEMICAL RESULTS

Reconnaissance soil, rock and silt geochemical sampling was carried out on the Allco group of claims in 1983 and 1984. Sample results for 1984 are presented in Appendix I and sample sites (including 1983 samples) along with lead, zinc, and anomalous silver values are shown on Figure 6. Samples were analyzed by Rossbacher Laboratory Ltd. for six elements including molybdenum, copper, silver, zinc, lead and gold (by standard atomic absorption techniques).

TABLE I ASSAY DATA

	Sample No.	Width	Au oz/ton	Ag oz/ton	Pb%	Zn%	Sn ppm	Comment
Area 1								
	19	Grab	0.024	64.29	64.04	4.02		
	80 LGT 105	Grab	80 ppb	8.4	13.5	6.30	300	From dump.
Area 2								
	20	Grab	Tr.	2.31	1.32	6.23		
	21	4'	0.12	15.07	12.28	9.30		
	22	4'	Tr.	7.46	0.44	17.69		
	23	Grab	Tr.	90.18	76.56	1.60		
	80 LGT 113	Grab	140 ppb	16.7	17.5	0.38	50	
Area 3								
	No number	Grab	0.02	0.10	8.01	0.24		Quartz laced argillite from dump.
	80 LGT 106	Grab	10 ppb	6.6 ppm	0.12	0.60		Argillite from dump.
Area 4								
	80 LGT 107	Grab	Tr.	Tr.	Tr.	Tr.		
	80 LGT 108	Grab	Tr.	Tr.	Tr.	Tr.		
	80 LGT 109	Grab	Tr.	Tr.	Tr.	Tr.		
Area 5	(No. 2 adit)							
	80 LGT 91	Grab	600 ppb	12.8	13.0	20.7	500	Representative of gossanous vein material.
	80 LGT 104	Grab	420 ppb	17.0	12.9	12.2	500	Grabs from dump.
	3	Grab	0.11	27.8	16.28	32.56		
	5	4'	0.03	11.36	7.21	18.72		
	12	1'	0.07	11.19	3.49	37.34		
	6	1'	0.018	6.01	6.30	11.92		
	1	+3'	0.04	61.4	41.10	10.00		
	2	Grab	0.09	62.8	36.10	15.79		
	4	+3'	0.07	49.08	32.05	16.02		
Area 6								
	80 LGT 111		2100 ppb	76.0	42.4	6.80	500	Gossanous vein material.
	80 LGT 112		160 ppb	12.4 ppm				Gossanous pod.
Area 7								
	No number	Grab	0.36	0.11	0.05			
	80 LGT 102	Grab	Tr.	Tr.	Tr.			
Area 8	(No. 3 adit)							
	41		0.020	2.6	0.22	0.74		
	26		0.106	1.93	0.11	0.12		
	25		0.014	2.03	0.18	11.33		
	42		0.008	1.40	0.07	0.27		
	11		0.021	1.50	0.61	0.55		
	80 LGT 101		10 ppb	16.4 ppm				Dump material.
Area 9								
	49		Tr.	0.48	0.33	1.74		
	48		Tr.	1.6	1.55	0.50		
	50		Tr.	5.0	0.25	0.30		
	7	Narrow	Tr.	0.49	0.13	0.22		
		Narrow	0.02	1.17	3.10	0.40		
	80 LGT 90			1.90				
Area 10								
	80 LGT 103			15.4 ppm				
Area 11	(No 5 adit)							
	36	34"	Tr.	7.5	0.40	0.62		
	35	30"	Tr.	6.4	0.44	0.34		
	34	18"	0.008	9.7	0.40	24.75		
	33	24"	Tr.	1.8	0.13	0.16		
	32	Grab	0.004	2.0	0.35	3.75		
	31	60"	0.003	1.3	0.55	0.78		
	30	19"	0.005	6.5	0.56	1.44		
	16	Grab	0.012	45.42	37.54	14.91		From dump.
	27	Grab	Tr.	4.29	0.57	7.99		Across dump.
	No number							
	80 LGT 100	Grab		23.5	1.28	2.30		
Area 12	(No. 4 adit)							
	37	1'	0.02	20.3	15.25	14.55		
	29	Grab	0.014	33.97	32.76	16.08		
	28	Grab	0.005	2.93	0.47	33.29		
Area 13								
	18	1'	0.005	87.72	63.10	1.38		
	24	Float	Tr.	2.66	1.67	3.41		
	80 LGT 110			42 ppm	0.24	22.0		Gossanous scree.

TABLE 2

ROCK SAMPLE DESCRIPTIONS

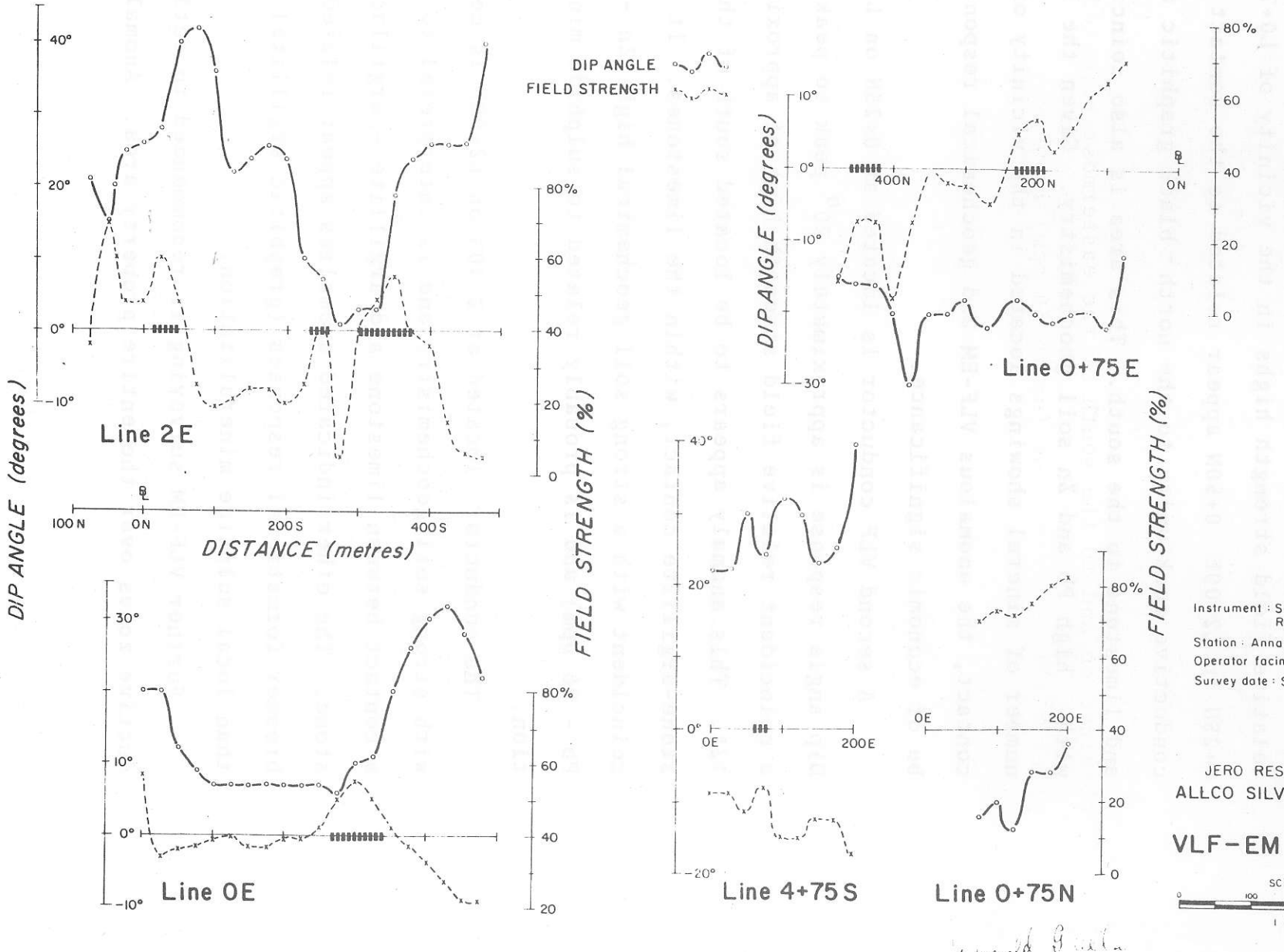
Sample No.	Description
198 AT 2	Quartz vein up to 40 cm wide.
4	Quartz vein 1 to 2 m wide - bull quartz - rusty weathering along margins.
6	Quartz vein up to 1 m wide - minor disseminated pyrite.
7	Quartzite float containing abundant disseminated pyrite.
8	Rusty quartzite and quartz (vein?)
9	Limonite.
14	Limestone - brecciated and cemented with calcite and dolomite.
15	Limonite boxwork in argillaceous limestone.
16	Massive galena from small pod.
17	Fractured limestone containing quartz, galena and pyrite veinlets taken across 5 metres.
18	As above - taken across adjacent 4 metres.

A flagged grid was established mainly to the east and south of the known showings in the area where forest and soil cover is extensive. Soil sampling was conducted at intervals of 25 metres along the grid. Samples were taken at depths of 20 to 30 centimetres in the B Horizon. Material sampled was mainly glacial till. A number of geochemical anomalies were obtained on and to the south of the eastermost reverted crown grant claims. Molybdenum (up to 30 ppm) is weakly anomalous throughout the area.

Unusually high lead and zinc values (30 to 1600 ppm and 30 to 2180 ppm, respectively) occur over much of the area sampled. Silver values are locally anomalous and peak at 3.2 ppm. Because sample lines are widespread, no detailed interpretations can be made at this time. Molybdenum values range up to 30 ppm and distribution of higher values may be useful in outlining the argillite units.

VLF-ELECTROMAGNETIC RESULTS

A total of five test lines totalling 1.85 line/km of VLF-EM surveying were completed on the property using a VLF-EM receiver manufactured by Sabre Electronic Instruments of Burnaby, B. C. The Model 27 receiver was tuned to Annapolis, Maryland. Measurements of relative field strength and dip angle were recorded at 25 metre intervals along the lines. The data is presented in profile form, on Figure 7.



INTERPRETATION

Conductor

Instrument : Sabre Model 27 VLF-EM Receiver.
Station : Annapolis, Md.
Operator facing east.
Survey date : Sept. 28, 1984

JERO RESOURCES LTD.
ALLCO SILVER PROPERTY

VLF-EM PROFILES

SCALE
0 100 200 300 METRES
1 5,000

Jan. 16, 1985

Figure 7

Several VLF electromagnetic conductors were detected by the survey. The steep dip angle gradients with coincident relative field strength highs in the vicinity of L0+75E 1+25N to L2+00E 0+50N appear related to the contact between conductive rock units to the north - black graphitic argillite and limestone to the south. This area is also coincident with high Pb and Zn soil geochemistry. Given the large number of mineral showings located in the vicinity of this contact, the anomalous VLF-EM and geochemical responses may be of economic significance.

A second VLF conductor is located at 0+25N on L2+00E. Dip angle response is approximately 20^{o} peak to peak with a coincident relative field strength high of approximately 12%. This anomaly appears to be located south of the limestone-argillite contact, within the limestones. It is also coincident with a strong soil geochemical high (Zn - 520 ppm, Pb - 96 ppm) and is probably related to sulphide mineralization.

The conductor located at 2+40S on L2+00E is coincident with strong soil geochemistry and is interpreted to lie near a contact between limestone and argillite - argillaceous limestone. The other indicated anomalies appear related to broader formational responses (graphitic argillite) rather than local sulphide mineralization.

Further VLF-EM surveying is recommended to outline conductive zones over the entire property area. Anomalous areas

where mineralization is detected or where deeper overburden conditions exist should then be detail surveyed with a horizontal loop electromagnetic system such as the Scintrex SE-88.

EXPLORATION POTENTIAL

The Allco Silver property is considered to have good exploration potential for the following reasons:

1) The silver-lead-zinc mineralization occurs in Lower Cambrian Badshot limestone - this unit and age equivalent units are important hosts for mineralization throughout the Kootenay Arc.
2) High gold, silver and tin contents and proximity of mineralization to a limestone-argillite contact suggest a comparison with the Midway Property of Regional Resources Ltd. in north central British Columbia.
3) Mineralization is widespread and is covered by overburden along strike both to the west and east.
4) The pelitic sedimentary rocks (argillite, quartzites) are possible hosts for sedimentary exhalative mineralization as suggested by (a) widespread geochemical anomalies (high background lead, zinc, silver and barium in rock and soil); and (b) presence of graphitic argillite.

Additional detailed sampling and mapping is required to fully outline areas of interest.

Donald G. Allen

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CERTIFICATE

I, Donald G. Allen, certify that:

1. I am a Consulting Geological Engineer, of A & M Exploration Ltd., with offices at #214 - 850 West Hastings Street, Vancouver, British Columbia.

2. I am a graduate of the University of British Columbia with degrees in Geological Engineering (B.A.Sc., 1964; M.A.Sc., 1966).

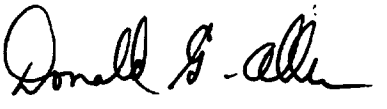
3. I have practised my profession of exploration geologist since 1964 to present in British Columbia, the Yukon, Alaska and various parts of the Western United States.

4. I am a member in good standing of the Association of Professional Engineers of British Columbia.

5. This report is based on work carried out by the writer on October 2, 1983 and September 28, 1984; on fieldwork carried out by G. Allen, J. Cuvelier, S. Endersby, B. Endersby and A. Endersby; on references listed in the text of this report; and on mapping by, and personal communication with, C. J. Hodgson, P. Eng., geologist for Canamax Resources Ltd.

6. I am a director of Jero Resources Ltd. and as such I have an interest in the Allco property.

7. I consent to the use of this report in a Statement of Material Facts or in a Prospectus in connection with the raising of funds for the project covered by this report.



January 30, 1985
Vancouver, B. C.

Donald G. Allen,
P. Eng. (B.C.)

APPENDIX I

ANALYTICAL RESULTS

OSSBACHER LABORATORY LTD.
2225 S. SPRINGER AVENUE
BURNABY. B.C. V5B 3N1
TEL : (604) 299 - 6910

CERTIFICATE OF ANALYSIS

TO : A&M EXPLORATION LTD.
214-850 W.HASTINGS ST.
VANCOUVER.B.C.
PROJECT: 246

CERTIFICATE#: 84439 - 1
INVOICE#: 5031
DATE ENTERED: OCT.5.1984
FILE NAME: A&M439

PRE FIX	SAMPLE NAME		PPM Mo	PPM Cu	PPM Ag	PPM Zn	PPM Pb	PPB Au
S	L0E	0S	2	46	1.0	124	14	10
S		25S	1	16	0.4	58	20	10
S		50S	1	16	0.2	106	44	10
S		75S	1	32	0.2	90	46	10
S		100S	1	14	0.2	116	94	10
S		125S	1	14	0.2	118	40	10
S		150S	1	12	0.2	166	26	10
S		175S	1	10	0.2	144	52	10
S		200S	1	10	0.4	820	412	10
S		225S	1	4	0.2	154	78	10
S	L0E	250S	2	22	0.6	1480	494	10
S		275S	2	18	0.4	580	246	10
S		300S	1	16	0.2	398	310	10
S		325S	1	8	0.2	120	42	10
		350S	4	12	0.2	196	132	10
S		375S	1	10	0.2	138	80	10
S		400S	3	8	0.2	134	42	10
S		425S	1	8	0.2	192	96	10
S		450S	1	14	0.2	348	116	10
S		475S	1	14	0.2	222	56	10
S	BL	15+25E	30	36	0.2	284	12	10
S		15+75E	12	40	0.4	216	84	10
S		16+25E	17	30	0.2	144	6	10
S		16+75E	5	10	0.2	46	4	10
S		17+25E	30	62	0.2	342	42	10
S		18+50E	9	16	0.6	84	4	10
S		19+00E	7	32	0.6	150	138	10
S		19+50E	8	24	0.6	112	18	10
S		20+00E	3	14	0.2	56	4	10
S		20+25E	4	28	0.2	104	38	10
S	BL	20+50E	6	62	1.4	380	108	10
S		20+75E	8	26	1.4	126	54	10
S		21+00E	7	22	0.2	96	48	10
S		21+25E	6	52	0.2	452	160	10
S		21+50E	5	64	0.6	298	98	10
S	L19E	0+25S	7	26	0.6	114	14	10
S		0+50S	14	38	0.8	194	12	10
S		0+75S	5	36	0.2	412	120	10
S		1+00S	5	36	0.2	130	74	10
		1+25S	3	26	0.2	230	200	10

CERTIFIED BY : P. Ossbach

OSSBACHER LABORATORY LTD.
2225 S. SPRINGER AVENUE
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TEL : (604) 299 - 6910

CERTIFICATE OF ANALYSIS

TO : A&M EXPLORATION LTD.
214-850 W.HASTINGS ST.
VANCOUVER.B.C.
PROJECT: 246

CERTIFICATE#: 84439 - 2
INVOICE#: 5031
DATE ENTERED: OCT.5.1984
FILE NAME: A&M439

PRE FIX	SAMPLE NAME		PPM Mo	PPM Cu	PPM Ag	PPM Zn	PPM Pb	PPB Au
S	L19E	1+50S	3	26	0.2	260	326	10
S		1+75S	6	18	0.2	164	48	10
S		2+00S	4	22	0.4	590	910	10
S		2+25S	6	30	1.6	1450	1060	10
S		2+50S	3	14	0.4	680	380	10
S		2+75S	5	34	0.8	352	250	10
S		3+00S	3	28	0.2	132	70	10
S		3+25S	2	38	0.2	170	66	10
S		3+50S	2	24	1.2	450	196	10
S		3+70S	1	16	0.2	174	104	10
S	L19E	4+00S	1	12	0.2	252	184	10
S	L19E+25	0+25N	17	38	0.2	206	18	10
S		0+50N	7	62	1.6	230	78	10
S		0+75N	14	48	1.0	214	42	10
		1+00N	7	40	0.2	118	20	10
S		1+30N	8	42	0.2	144	64	10
S		1+55N	1	8	0.4	26	8	10
S		1+85N	11	34	1.4	478	76	10
S		2+05N	10	48	0.8	1030	116	10
S		2+30N	22	40	0.2	108	42	10
S	L19E+25	2+55N	6	36	0.2	86	32	10
S		3+05N	5	50	0.2	430	30	10
S		5+60N	1	66	0.2	136	52	10
S	L200E	0N	3	54	1.0	520	96	10
S		25N	1	54	0.4	144	40	10
S		50N	1	68	1.0	84	26	10
S		75N	1	14	0.8	28	14	10
S		25S	1	20	0.2	70	28	10
S		50S	1	16	0.6	72	22	10
S		75S	2	22	0.2	130	30	10
S		100S	1	22	0.6	138	46	10
S		125S	1	20	0.2	138	50	10
S		150S	2	18	0.4	122	46	10
S		175S	1	16	0.2	218	56	10
S		200S	1	12	0.2	100	46	10
S		225S	1	12	0.2	106	46	10
S		250S	1	10	0.2	228	182	10
S		275S	1	14	0.2	374	226	10
S		300S	1	14	0.4	288	164	10
		325S	1	10	0.2	106	74	10

CERTIFIED BY : P. Ossbach

OSSBACHER LABORATORY LTD.

2225 S. SPRINGER AVENUE
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CERTIFICATE OF ANALYSIS

TO : A&M EXPLORATION LTD.
214-850 W.HASTINGS ST.
VANCOUVER,B.C.
PROJECT: 246

CERTIFICATE#: 84439 - 3
INVOICE#: 5031
DATE ENTERED: OCT.5.1984
FILE NAME: A&M439

PRE FIX	SAMPLE NAME		PPM Mo	PPM Cu	PPM Ag	PPM Zn	PPM Pb	PPB Au
S	L200E	350S	1	14	0.8	256	64	10
S		375S	1	36	0.2	144	22	10
S		400S	1	22	0.8	320	104	10
S		425S	3	12	0.2	240	130	10
S		450S	1	14	0.2	256	58	10
S		475S	1	8	0.2	74	44	10
S	75N	100E	1	18	0.4	860	158	10
S		125E	5	24	0.8	960	760	10
S		150E	1	36	0.2	74	20	10
S		175E	1	10	0.6	24	16	10
S	75EL	75N	3	26	1.4	840	112	10
S		100N	1	38	3.2	860	268	10
S		125N	2	38	0.8	610	72	10
S		150N	8	24	0.6	138	26	10
S		175N	1	24	0.6	50	14	10
S		200N	1	14	0.6	22	14	10
S		225N	2	24	0.8	42	22	10
S		262N	1	12	0.8	28	18	10
S		300N	1	18	0.6	38	12	10
S		325N	1	4	0.2	18	6	10
S	75EL	350N	1	12	0.6	22	18	10
S		375N	1	74	0.2	88	32	10
S		400N	1	44	1.0	156	48	10
S		425N	1	48	1.8	80	28	10
S		450N	1	12	0.4	42	8	10
S		475N	1	8	0.2	18	12	10
S		500N	1	18	0.4	44	12	10
S		525N	1	26	1.0	92	30	10
S		550N	1	32	1.8	90	24	10
S		575N	21	12	0.4	76	16	10
S	75EL	600N	3	94	0.2	130	20	10
S		625N	2	38	0.2	92	24	10
S	475SL	25E	1	16	0.6	1030	880	10
S		100E	1	14	0.4	338	50	10
S		125E	1	10	0.2	154	42	10
S		150E	1	10	0.2	142	42	10
S		175E	1	10	0.2	132	54	10
S	625N	25E	3	74	0.6	128	22	10
S		(A) 50E	1	56	0.4	78	12	10
		(B) 50E	3	40	0.4	124	24	10

CERTIFIED BY : P. Ossbach

OSSBACHER LABORATORY LTD.

2225 S. SPRINGER AVENUE
BURNABY, B.C. V5B 3N1
TEL : (604) 299 - 6910

CERTIFICATE OF ANALYSIS

TO : A&M EXPLORATION LTD.
214-850 W.HASTINGS ST.
VANCOUVER.B.C.
PROJECT: 246

CERTIFICATE#: 84439 - 4
INVOICE#: 5031
DATE ENTERED: OCT.5.1984
FILE NAME: A&M439

PRE FIX	SAMPLE NAME	PPM Mo	PPM Cu	PPM Ag	PPM Zn	PPM Pb	PPB Au
S	AL 171	1	46	0.4	102	16	10
S	AL 172	1	42	0.2	78	12	10
A	JOCKPAN	1	22	0.2	86	8	10

CERTIFIED BY : P. Ossbach

Kossbacher Laboratory Ltd.

GEOCHEMICAL ANALYSTS & ASSAYERS

BURNABY, B. C.
CANADA
TELEPHONE: 299-6910

CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 83500
INVOICE NO.
DATE ANALYSED 83/10/14
PROJECT 198

TO: A & M EXPLORATION LTD.

No.	Sample	pH	Mo	Cu	Ni	Co	Mn	% Fe	Ag	Zn	Pb	PPB Au		No.
01	198 AL 1		3	64	40	16	280	3.0	0.2	94	12	10		01
02	198 AT 2		1	14	6	2	20	0.6	0.2	86	120	10		02
03	198 AL 3		5	16	12	2	220	1.1	0.2	186	24	10		03
04	198 AT 4		1	18	6	2	170	0.5	13.0	274	15,000	10		04
05	198 AL 5		1	18	24	6	460	2.1	0.2	108	74	10		05
06	198 AT 6		1	4	8	2	60	0.4	0.2	244	66	10		06
07	198 AT 7		1	6	6	2	20	0.9	3.4	292	720	10		07
08	198 AS 13		1	106	52	18	380	3.6	0.4	172	32	10		08
09	198 AT 14		15	10	8	2	340	0.4	0.4	154	110	10		09
10	198 AT 15		17	388	10	2	150	>10.0	3.0	10,000	12,000	10		10
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VALUES IN PPM, UNLESS NOTED OTHERWISE.

Certified by J. Kossbacher

Kossbacher Laboratory Ltd.

GEOCHEMICAL ANALYSTS & ASSAYERS

BURNABY, B. C.
CANADA
TELEPHONE: 299-6910

CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 83514-1
INVOICE NO. 4034
DATE ANALYSED 83/10/31
PROJECT 83-198

TO: A & M EXPLORATION LTD.

No.	Sample	pH	Mo	Cu	Ni	Co	Mn	% Fe	Ag	Zn	Pb	Ba		No.
01	198 ES 1		3	54	22	8	560	2.8	0.6	84	28	2420		01
02	2		2	32	12	6	280	2.9	0.8	70	26	1120		02
03	3		1	36	20	6	260	3.1	1.0	86	22	1780		03
04	4		3	62	30	12	460	4.5	0.4	84	18	1880		04
05	5		1	12	10	2	140	1.3	0.2	38	10	1720		05
06	6		5	22	24	8	1020	2.2	1.8	906	170	2080		06
07	7		8	46	34	8	780	4.0	1.0	194	68	1240		07
08	8		7	18	12	2	140	2.8	2.6	64	48	1180		08
09	9		5	16	14	2	80	1.3	0.4	64	20	1280		09
10	198 ES 10		7	32	30	8	380	2.2	1.2	236	210	1320		10
11	11		9	34	24	2	180	2.7	1.0	112	54	1360		11
12	12		21	44	44	10	530	2.5	1.0	370	74	2220		12
13	13		49	52	76	6	200	2.2	1.0	430	44	1700		13
14	14		3	24	30	4	2500	2.4	0.6	2180	1600	1540		14
15	15		4	30	32	6	520	1.8	0.4	236	130	8400		15
16	16		4	14	18	6	320	1.6	0.2	176	56	1840		16
17	17		5	26	20	2	160	2.8	1.6	84	56	1640		17
18	18		7	124	64	30	1180	5.2	1.0	220	46	2360		18
19	19		5	28	52	14	1120	4.0	0.6	214	54	2560		19
20	20		4	44	20	10	280	2.3	0.6	86	28	1340		20
21	198 ES 21		3	26	14	4	140	2.5	0.2	60	24	1400		21
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VALUES IN PPM, UNLESS NOTED OTHERWISE.

Certified by J. Kossbacher

Kossbacher Laboratory Ltd.

GEOCHEMICAL ANALYSTS & ASSAYERS

BURNABY, B. C.
CANADA
TELEPHONE: 299-6910

CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 83514-2
INVOICE NO. 4034
DATE ANALYSED 83/10/31
PROJECT 8.198

TO: A & M EXPLORATION LTD.

No.	Sample	pH	Mo	Cu	Ni	Co	Mn	%Fe	Ag	Zn	Pb	Ba		No.
01	198 AT 8		.8	14	18	10	520	2.0	0.2	466	192	—		01
02	9		10	26	34	6	60	>10.0	7.0	3000	120	—		02
03	AS 10		5	82	74	30	1600	7.6	0.6	304	112	4000		03
04	11		2	410	26	16	400	4.4	0.2	88	40	1480		04
05	12		5	18	14	6	320	1.1	0.2	58	94	8340		05
06	AT 18		51	60	12	2	440	0.6	>7.0	9200	5200	580		06
07	STD B		26	148	12	4	160	1.0	1.0	138	96	1460		07
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VALUES IN PPM, UNLESS NOTED OTHERWISE.

Certified by C. Kossbacher

Rossbacher Laboratory Ltd.

GEOCHEMICAL ANALYSTS & ASSAYERS

2225 E. SPRINGER AVE.,
BURNABY, B. C.
CANADA
TELEPHONE: 299-6910
AREA CODE: 604

CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 83500
INVOICE NO. 4034
DATE RECEIVED
DATE ANALYSED Oct 19,1983

TO: A & M EXPLORATION LTD.
214-850 W. Hastings St.
Vancouver, B.C.

ATTN: 83-198

SAMPLE NO.:	oz/t Au	oz/t Ag	% Pb	% Zn
83-198-AT16	0.004	104.	79.2	1.45
AT17	0.001	0.58	0.30	0.80
AT18	0.001	0.10	0.08	0.06
83-198-AT19	0.004	16.9	20.6	4.52

Certified by C. Rossbacher

K.E. NORTHCOTE AND ASSOCIATES LTD.

– Geological, Mineral Exploration and Mineral Land Use Consultants –

2346 ASHTON ROAD, R.R. 1, AGASSIZ, B.C. V0M 1A0 TELEPHONE (604) 796-2068

K.E. NORTHCOTE, Ph.D., P.ENG.

April 29, 1985

D.G. Allen P.Eng
Suite 214-850 West Hastings
Vancouver, B.C.
V6C 1E1

Re: Geological Geochemical and Geophysical Report on the Allco Silver Property, February 11, 1985, Revelstoke M.D. NTS 82N/4

D.G. Allen P.Eng, contracted K.E.Northcote, Ph.D.,P.Eng., to make an independent assessment of the subject report. This assessment is made without benefit of a field examination but the subject report and earlier reports provide sufficient documentation to permit comment. There is no reason to believe that geological, geophysical and geochemical data are other than as stated in D.G. Allen's report.

Allen's report summarizes earlier geologic data available, including assays, and documents geological, geochemical and geophysical data collected by himself or under his supervision. A two stage program is recommended by Allen to test the potential of the Allco Silver property.

The recommended first stage program at an estimated cost of $55,000 requiring detailed geologic mapping, extension of geochemical and ground geophysical surveys is a logical program to delineate diamond drill targets on this property and, in my opinion, is consistent with good geological engineering practice. It is noted that 492 feet of underground development previously explored part of the property and resulted in shipment of 213 tons of probably hand sorted ore. Depending upon accessibility and safety considerations it is probable that detailed mapping of these adits and existing surface trenches could provide valuable insight into size, shape, orientation, tenor and general geologic nature of ore zones and thereby assist in assessment of potential of the property. Consideration might also be given to sampling existing dumps.

If public funding supports the recommended program an independent engineer's appraisal of stage 1 should be required prior to initiating diamond drilling in stage 2. Depending upon anticipated depth of overburden, hand trenching by Copco drilling and blasting might be effective in conjunction with diamond drilling in stage 2.

Provision should be made for reclamation of drill sites, trenches etc. if not already included in over all costs.

I endorse the report on the Allco property by D.G. Allen, P.Eng, dated February 11,1985.

K.E. Northcote Ph.D., P.Eng.

PROFESSIONAL ENGINEER
K.E. NORTHCOTE
BRITISH COLUMBIA

CERTIFICATE

I, Kenneth E. Northcote of 2346 Ashton Road, R.R. #1, Agassiz, B.C. do hereby certify that:

1] I have been practising as a professional geologist for a period of approximately 25 years for petroleum exploration companies, mining exploration and consulting companies, federal and provincial agencies.

2] I obtained a Ph.D. in geology from U.B.C. in 1968 and qualified for registration with the Association of Professional Engineers of B.C. in 1967.

3] This assessment of the Allen report on the Allco property dated February 11, 1985 is made without benefit of a field examination. However, data in subject report are well documented and permit comment.

4] I have no interest either directly or indirectly in the Allco property nor in other properties or securities of Jero Resources Ltd. nor do I expect to receive any.

I endorse the D.G. Allen P.Eng. report on the Allco property dated February 11, 1985.

Dated at Agassiz this 29th day of April 1985.

K.E. Northcote Ph.D., P.Eng.