

RECEIVED

680105

ESPERANZA EXPLORATIONS LTD.  
1027 - 470 Granville Street  
Vancouver, B.C. V6C 1V5  
Telephone: (604) 687-1658

AUG 29 1983

LA TEKO RESOURCES LTD.  
303 - 535 Howe Street  
Vancouver, B.C. V6C 2C2  
Telephone: (604) 682-2704

August 23, 1983

Handwritten initials and a large '9'.

TILlicUM MOUNTAIN - PROGRESS REPORT NO. 83-3

Good gold values have resulted in the approval of a \$1,000,000 budget for the 1983 exploration and development program on the Esperanza Exploration and La Teko Resources high grade property on Tillicum Mountain, 25 miles south of Nakusp, B.C. The budget was doubled from \$500,000 set in the spring to \$1,000,000, which will be used in continued diamond drilling, bulldozer trenching, geochemical surveys and prospecting. The expanded aggressive program will include:

- 5,000 feet of further diamond drilling on the Heino-Money zone
- 5,000 feet of further diamond drilling in three other zones:
  - East Ridge Zone, 950 Zone and the 1250 Zone
- trenching of the newly discovered East Tillicum geochemical anomalies
- continued geochemical surveys over the Silver Queen Zone and the southern portion of the Tillicum property.

The objective of the program is to complete preliminary evaluation of 50% of the ground during the current season. Approximately 20% of the claims have been examined to date.

HEINO-MONEY

Strata-bound gold mineralization has been encountered in 14 of the 18 holes drilled this season in the Heino-Money pit. This is a very high success ratio since a number of the holes were designed to provide geological data. A drill plan, cross section and table of assays are appended to this report to aid in explaining the continuity and geological complexity of these encouraging results.

Drilling conducted during 1982 and 1983 outlined a drill-indicated reserve of 40,000 tons grading 0.6 ounces per ton gold (grade cut to 2 ounces) within an area of inferred potential of 100,000 tons. One drill rig will continue to delineate additional reserves within the southeasterly dipping Heino-Money Zone.

Cost estimates are presently being obtained for underground development and bulk sampling; which program would then be scheduled as soon as feasible.

EAST RIDGE

Prospecting, trenching and soil sampling have successfully outlined a 1,000 foot long, northerly striking extension of the East Ridge Zone, which now increases the potential strike length to over 2,000 feet. The East Ridge Zone is comprised of a number of horizons that have consistently assayed from 0.1 to 0.2 ounces per ton gold over widths of up to 7 feet. The East Ridge Zone will be the initial target area for the second drilling rig.

1250 and 950

Drilling is also proposed for the 1250 and 950 Zones which have assayed as high as 0.26 ounces per ton gold over 8.5 feet.

SILVER QUEEN

Prospecting of the Silver Queen area shows that zone to be of larger dimensions than originally considered, with mineralization being found over a 3,000-foot strike length, and preliminary assays returning values of up to 22 ounces per ton silver, with gold assays in the 0.03 ounces per ton range.

EAST TILlicUM

Recent soil sampling completed over eastern portions of the Tillicum property has outlined two parallel, northeast-trending, semi-continuous gold anomalies, each with strike lengths in excess of 2,000 feet. Anomalous gold content in soils ranges from 100 to 2,900 parts per billion. Trenching and sampling of these anomalies, as well as the nearby Grizzly Zone, is now in progress.

In summary, 12 separate gold zones are emerging at Tillicum, the presence of which clearly indicates excellent potential for development of extensive reserves.

ESPERANZA EXPLORATIONS LTD.

*John S. Brock*

John S. Brock  
President

LA TEKO RESOURCES LTD.

*J.R. Billingsley*

J.R. Billingsley  
Vice-President

This progress report has been prepared by the company officers signed above, who accept responsibility for its content. The Vancouver Stock Exchange has neither approved nor disapproved of this report.

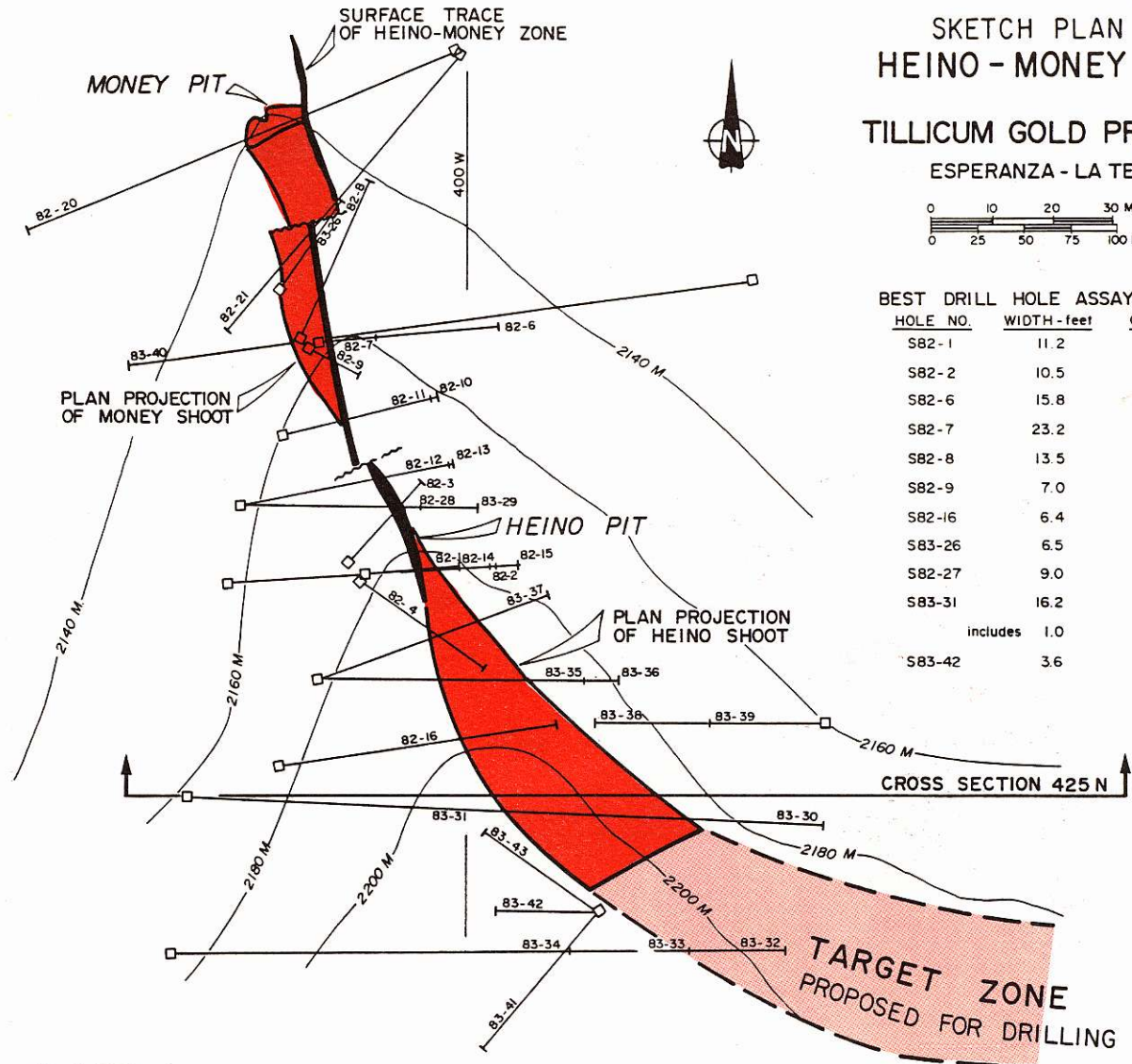
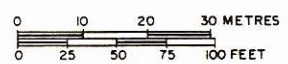
ASSAY RESULTS FROM HEINO-MONEY ZONE DIAMOND DRILLING  
FOR THE PERIOD TO JULY 31, 1983

---

HOLE NO.	FOOTAGE		WIDTH Feet	GOLD oz/ton	
	From	To			
S82-1	26.8	38.0	11.2	1.10	
S82-2	48.8	59.3	10.5	0.63	
S82-3	40.4	43.7	3.3	0.09	
S82-4	80.3	89.0	8.7	0.07	
S82-6	7.0	22.8	15.8	1.18	
S82-7	14.4	37.6	23.2	0.25	
S82-8	27.5	41.0	13.5	0.28	
S82-9	10.0	17.0	7.0	0.24	
S82-10	30.0	36.4	6.4	0.08	
S82-11	51.8	60.0	8.2	0.12	
S82-12	48.0	50.0	2.0	0.11	
S82-13	77.0	83.0	6.0	0.12	
S82-14	116.5	125.0	8.5	No significant assay	
S82-15	166.0	173.5	7.5	0.04	
S82-16	104.8	111.2	6.4	1.02	
S82-21	144.0	147.5	3.5	0.11	
83-26	75.0	81.5	6.5	0.26	
83-27	55.0	64.0	9.0	0.21	
83-28	122.0	130.5	8.5	No significant assay	
83-29	200.0	209.0	9.0	0.14	
83-31	190.5	209.8	16.2	0.20	
	includes	190.5	191.5	1.0	1.36
	"	207.0	209.8	2.8	0.33
83-35	74.0	80.5	6.5	No significant assay	
		140.0	142.1	2.1	0.14
83-36	96.0	100.0	4.0	0.08	
		127.8	132.0	4.2	0.06
83-37	13.0	19.0	6.0	0.06	
83-38	124.8	130.0	5.2	No significant assay	
83-39	170.0	176.4	6.4	0.06	
83-40	33.8	36.7	2.9	0.10	
83-41	54.8	62.0	7.2	0.07	
		72.1	73.0	0.9	0.18
83-42	62.9	66.5	3.6	0.21	
83-43	62.0	64.5	2.5	0.10	

# SKETCH PLAN OF HEINO-MONEY ZONE

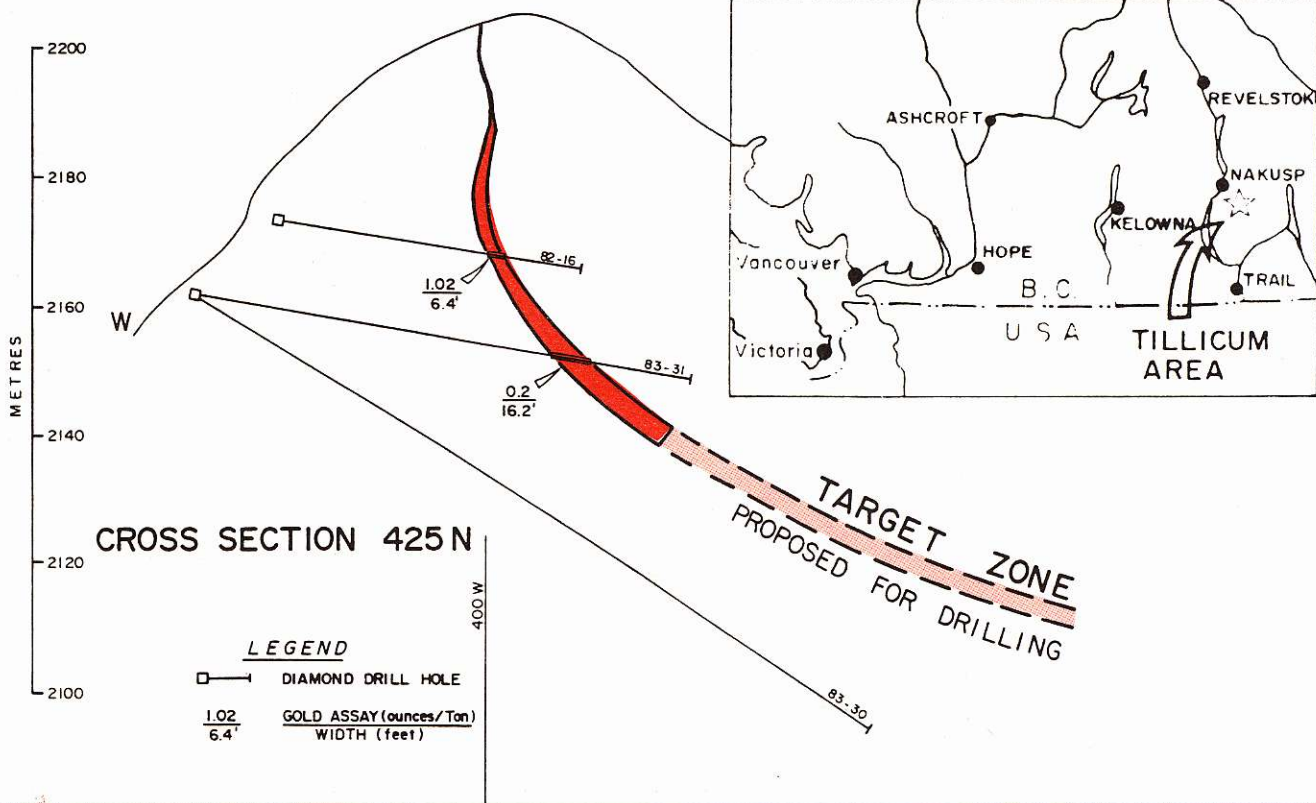
## TILLICUM GOLD PROPERTY ESPERANZA - LA TEKO



### BEST DRILL HOLE ASSAYS TO DATE:

HOLE NO.	WIDTH - feet	GOLD - oz./ton
S82-1	11.2	1.10
S82-2	10.5	0.63
S82-6	15.8	1.18
S82-7	23.2	0.25
S82-8	13.5	0.28
S82-9	7.0	0.24
S82-16	6.4	1.02
S83-26	6.5	0.26
S82-27	9.0	0.21
S83-31	16.2	0.20
includes	1.0	1.36
S83-42	3.6	0.21

JULY 31, 1983



### CROSS SECTION 425 N





**LEGEND**

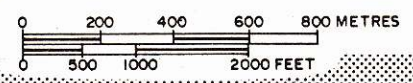
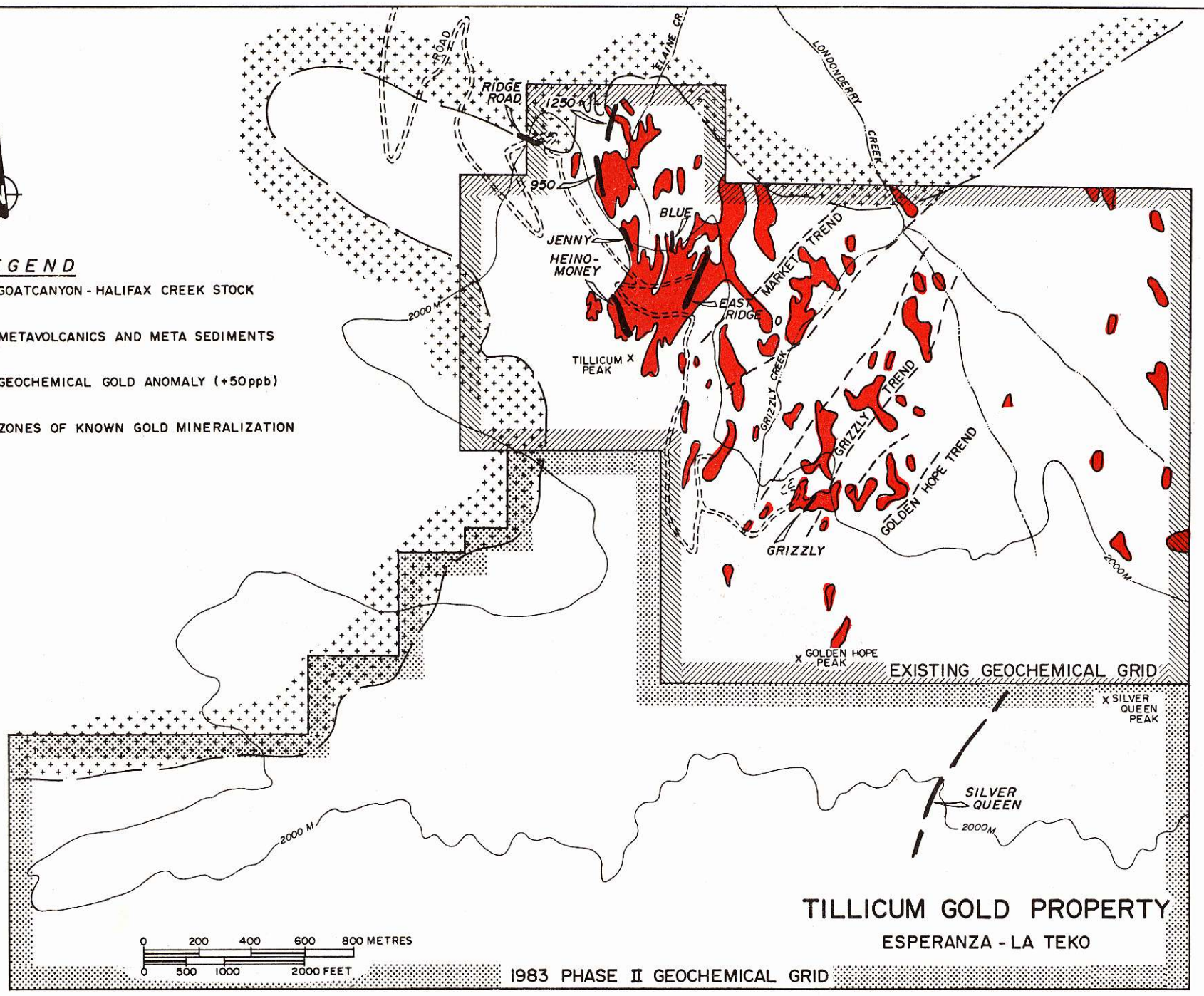
	DIAMOND DRILL HOLE
$\frac{1.02}{6.4'}$	GOLD ASSAY (ounces/Ton) WIDTH (feet)





**LEGEND**

-  GOATCANYON - HALIFAX CREEK STOCK
-  METAVOLCANICS AND META SEDIMENTS
-  GEOCHEMICAL GOLD ANOMALY (+50ppb)
-  ZONES OF KNOWN GOLD MINERALIZATION



1983 PHASE II GEOCHEMICAL GRID

**TILlicum GOLD PROPERTY**  
ESPERANZA - LA TEKO