

680252

REPORT ON THE BRETT PROPERTY

FOR

BEATON-VICORE GROUP

BY

LIVGARD CONSULTANTS

Vancouver, B.C.

January 9, 1992



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INTRODUCTION

The writer was asked by Al Beaton, Mining Engineer of the Beaton-Vicore Group, to examine information from the Brett Property located west of Vernon, B.C. and report on the property. The writer received the information as listed in the references from Geoquest Consulting Ltd., Werner Gruenwald. This information and numerous conversations with Werner Gruenwald, conversations with Pat Mooney, Northspan Explorations (Driller of Hole RC 88-11), Dr. Bacon of Bacon Donaldson & Associates Ltd. Metallurgists, Dr. Al Sinclair, Geology Department U.B.C. and Dr. Neil Church, B.C.D.M., are the basis of this report.

The writer is very grateful for the able, knowledgeable, extensive and willing assistance rendered by geologists of Geoquest Consulting Ltd.

Responsibility for the opinions expressed and reserves calculated in this report are the writer's own.



SUMMARY

(from Geoquest Consultants, January 3, 1989)

The Brett property is located 25 kilometres west of the City of Vernon in south-central British Columbia. The property consists of four contiguous claims totalling 51 units or 1,275 hectares (3,150 acres). A major logging road and property road system provide easy access to the claims.

The district first received attention at the turn of the century with the discovery of placer gold in Whiteman and Bouleau Creeks. In 1939, two small gold bearing quartz veins were discovered in the claim area.

Exploration since 1983 has resulted in the discovery of several precious metal bearing zones. Work to date includes extensive geochemical surveys, an 11.5 kilometre road system, trenching and 9,429 metres (30,935 ft.) of drilling.

The property is underlain by Mesozoic granitic rocks (Okanagan Batholith) which are overlain in part by a thick, undeformed assemblage of basalt, andesite and tuffaceous rocks of probable Eocene (Tertiary) age. Intruding these rocks in the extreme southern portion of the property is a small granitic intrusion of Tertiary age. Numerous dykes thought to be related to this intrusion cut the Tertiary volcanic rocks. A major north-northwesterly trending fault zone is inferred to project through the western portion of the property. The trend of this fault parallels the recently discovered mineralized structures.

Precious metal mineralization on the property is found as "mesothermal type" quartz veins in granitic rocks of the Okanagan Batholith, and "epithermal type" structurally controlled shear, vein and silicified zones cutting the Tertiary volcanic sequence. The latter have been the focus of the most recent exploration. To date, several such zones have been identified and are referred to as the Main Shear, New Discovery, East and Gossan zones. Each zone was examined during the 1988 exploration season with the primary emphasis on the Main Shear zone.



The Main Shear zone, located in the southwestern portion of the Brett 1 claim, is a north-northwesterly trending, steeply west-dipping shear that cuts the Tertiary volcanic rocks. This zone is represented by intense clay alteration (gouge) containing silicified rock and sporadic quartz vein fragments. A feldspar porphyry dyke is often found to intrude this zone. Based on exploration work to date, the Main Shear zone is interpreted to have a strike length in the order of 1.5 kilometres. The zone varies from less than one metre, to 3 metres or more in width and is open to depth.

Gold and silver mineralization is found within the shear, but more commonly in the host volcanic rocks. When found in the shear, precious metal mineralization is generally associated with fragmented, quartz-rich sections. In many instances a "halo" of mineralization, often accompanied by distinct alteration may extend 20 metres and more laterally into the host rocks. A strong footwall association of the mineralization is often evident. Favourable host rocks include andesite and tuffs, the latter consisting of permeable horizons up to 40 metres in thickness.

Precious metal mineralogy is relatively simple, consisting of native gold, electrum and argentite. Gold ranges in size from coarse, visible particles, to very fine disseminations. Pyrite is the only notable sulphide present, generally ranging from 1% to 3%.

Exploration in 1988 was concentrated along a 200 metre portion of the Main Shear zone. Drilling revealed numerous gold intercepts covering a 140 metre vertical range. One of the most significant intersections occurred in RC 88-11 where 71.65 metres averaged 2.03 oz/t Au and contained abundant coarse, visible gold. On the basis of the geological setting, style of mineralization and dimensions, the Main Shear zone is considered to have excellent potential for the development of sizable reserves.

Recent drilling by Brican Resources Inc., near the claim boundary, intersected a large shear at a considerable depth. This hole, located over 600 metres



northerly of the current exploration area greatly expands the potential of the Main Shear zone.

The New Discovery (1987) zone is situated along the eastern flank of Brett Creek, approximately 400 metres east of the Main Shear zone. Lithologies in this area are similar to those in the Main Shear zone, however, no such structure is apparent. The gold found in Brett Creek is thought to emanate from the New Discovery zone. Drilling revealed that the majority of the intersections occur below the level of the surface exposure and Brett Creek. One of the more significant intercepts returned 1.65 metres grading .107 oz/ton gold and 1.64 oz/ton silver.

The East zone was discovered in 1988 approximately 200 metres east of the New Discovery zone. Drilling tested a gently west-dipping zone of altered and mineralized volcanics, which returned generally low values at depth. As with the New Discovery zone, drilling below the target depth revealed several gold/silver intersections. The largest of these intervals was 6.15 metres averaging .052 oz/ton gold.

The elevational levels at which the intersections occur in both the New Discovery and East zones, along with the absence of any identifiable controlling structure(s), suggest the possibility of some stratigraphic control of mineralization. The underlying Tertiary intrusive may also be a possible factor in this area of mineralization.

The Gossan zone is a large northerly trending, strongly silicified zone up to 50 metres wide and at least 500 metres long, situated near the contact of the Mesozoic granitic and Tertiary volcanic rocks. This westerly dipping zone has been drill tested over a vertical range of 220 metres and is still considered to be open at depth and along strike. Although only sporadic, weakly anomalous gold and silver values have been obtained to date, geological and geochemical evidence suggests that this zone may be situated at the upper levels of an epithermal system.



A cyanidation study of drill core and chips from several areas of the property, revealed that for the most part, gold is readily extractable and likely found in its free state. Overall, the samples used in this study displayed an average increase in grade of 18%.

CONCLUSIONS

- 1) The writer has no knowledge regarding property, ownership or any details of agreements made regarding the property by the Beaton-Vicore Group.
- 2) The Beaton-Vicore Group of mining contractors intend to develop the property and ship to the mill at Robert Mines in Greenwood.
- 3) The writer believes that the property will sustain such a program for some time and return a profit on pre-production expenditures.
- 4) The calculation of reserves in vein type deposits of gold (and silver) is at the best of times difficult and hazardous to engineers.
- 5) Reserve calculations are particularly difficult at the Brett property for four reasons:
 - a) There has been no underground exploration.
 - b) There is a discrepancy between diamond drill hole and rotary hole results. Not considering Rotary Hole 88-11, there is better grade shown in rotary holes than in diamond drill holes. Corona Corporation has assumed that diamond drilling is more reliable than rotary drilling. The writer believes this is true only in specific cases.
 - c) Cyaniding tests on 57 samples using 20 assay tonnes has given highly variable, but on the average 20% better grade, than the fire assaying using one assay tonne. To assume as Corona Corp. does



that "this can be explained in part by larger samples including more vein material, hence more gold" does not answer the question. The conclusion must be that the sample used for cyaniding being much larger is more reliable and that grades therefore are on the average 20% higher than that shown by the fire assaying.

- d) Rotary Hole 88-11 intersected two very high grade zones and there has undoubtedly been "auto-salting", that is high grade material from these zones has caved and made its way down the hole gradually and relatively evenly. The writer has therefore used the values from the two high grade intersections only and ignored the values in the rest of the hole. This is not entirely correct but carefully conservative. The chip geology and assays show clearly that whenever the hole intersects geology which by experience contains gold the assay values go up.
- 6) The width of the high grade intersections have been reduced from 4.6 m to 1.5 m and 1.0 m to reflect as closely as possible a true shear width.
- 7) The value in the high grade intersections has not been cut as the writer believes this represents more than just two small high grade pockets. The intersections are 15 metres apart both are on the same curving shear (as shown by diamond drilling) and they show very similar geology, grade and wall rock. It is probable that this is a high grade zone of some extent.
- 8) The soil survey suggests that another zone may intersect the shear at this point. This is weak evidence but a possible explanation.
- 9) The writer believes that there is frequently, as is in this case, an over reliance on diamond drilling. In vein type gold and silver deposits diamond drilling frequently fails to do justice to the deposit. The companies exploring such deposits should move to underground exploration earlier in the exploration sequence.



- 10) The writer concludes that there is a deposit here which contains 11,972 tonnes which grade 1.141 ounces of gold per tonne.
- 11) The writer concludes that the recommended exploration-development program is fully justified.



RECOMMENDATIONS

First Stage

- 1) The required permitting must be acquired.
- 2) In order to examine the nature of the shear (its width and competence or lack thereof) and the nature and extent of the mineralization, it is recommended that an excavator be brought in and some trenching carried out. The trenching should commence about at Section 8+38N at elevation 12+80 m. The objective of this trenching is to expose a probable intersection of the upper footwall dyke and the shear. This intersection has been cut by diamond drill and rotary holes 50 to 80 metres to the northwest and given encouraging gold values. If the results of this trenching are encouraging, this should be the site of adit number two.
- 3) Moving down the hill to Trench #21 (2.05 oz. Au/2.4 m) on Section 7+70N and at EL 1267 m, trenching some distance northwest and southeast to Trench #22 (0.103 oz. Au/5.0 m) along the shear should be carried out. A total distance of about 40-50 metres of trench is recommended. The objective of this trenching is primarily to outline the mineralization in the shear and to ascertain the nature of the shear in order to guide the underground development.
- 3) The #1 Portal site must be prepared.
- 4) The road from Whitman Creek to the recommended development work needs to be improved primarily by lowering the grade. About 900 to 950 metres of road should be built.
- 5) A portal should be collared at elevation 1,225 m at Section 6+50N and a drift should be driven on the shear to the high grade intersections at Section 8+50N and some distance past this point. About 175 metres of drift (575 feet) should be driven.



Depending on the mineralization and the nature of the shear the drift should be driven (a) in the shear; (b) in the footwall dyke with the shear exposed on the left wall; or (c) in the footwall rock with occasional short cross-cuts through the shear.

- 6) A raise must be driven on the shear from near the end of the drift to surface (at 55 degrees). This is a distance of about 50 metres (165 feet).
- 7) The trenches, the drift and the raise should be mapped geologically and sampled every day.
- 8) Any good grade (over .25 oz?) material encountered in the developed should be stockpiled until near the end of the development when it should be trucked to a mill and concentrated (Robert Mines, Greenwood) in order to determine gold recovery (and incidentally to produce some gold).
- 9) A camp should be established on the site to accommodate miners, supervision, mechanic, geologist and cook - a total of 10 personnel.
- 10) When this recommended work has been completed, a production feasibility study should be done: including ore reserves, mining costs, milling costs and recoveries.

It should be kept in mind that a maximum of 10,000 tonnes can be produced before an environmental permit is required.

Second Stage

If the feasibility is favourable production mining should start.



FUTURE DEVELOPMENT

- 1) If the trenching at Section 8+38N exposes good mineralization, an adit should be started here and extended 88 m (290 feet) to develop reserve block #H.
- 2) If trenching between Trenches 21 and 22 is favourable, a second raise should be driven from adit level #1 to the surface.
- 3) If mineralization in the drift on adit level #1 warrants, a decline from 1,225 m elevation on the contour west of the adit should be started. About 132 m (433 feet) at -10 degrees would give access to below reserve Block G.



ESTIMATED COSTS OF
RECOMMENDATIONS HAVE BEEN
DISCUSSED WITH
MR. AL BEATON, MINING ENGINEERING
AND WILL BE OUTLINED BY HIM



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RESERVE CALCULATIONS

A) INTERSECTIONS AND GRADE

Block A

<u>Intersection</u>	<u>Grade Ounces Au</u>	<u>Width (m)</u>	<u>True Width (m)</u>	<u>Average Grade/Width (m)</u>
D.D.H. 87-29	.735	5.25	3.6	$\frac{0.535}{3.4}$
RC 88-32	0.311	4.60	3.2	

Block B

RC 88-11	8.32 2.85	3.05 1.50	1.5	$\frac{3.269}{1.5}$
D.D.H. 88-57	0.03	2.65	1.0	

Block C

RC 88-17	0.400	3.05	3.05	$\frac{0.499}{2.63}$
D.D.H. 88-51	0.540	2.20	2.20	

Block D - Surface

Trench 21	2.052	2.4		$\frac{2.052}{2.4}$
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Block G

RC 88-11	7.460	4.6	1.0	$\frac{2.781}{1.5}$
D.D.H. 87-47	0.882	1.0	1.0	

Block H

RC 88-7	.503	4.60	4.60	
D.D.H. 86-9	.290	1.53	1.50	$\frac{0.411}{2.35}$
D.D.H. 86-15	.284	1.84	1.50	



B) TONNAGE AND GRADE

Block A

<u>Length (m)</u>	<u>Height (m)</u>	<u>Thickness (m)</u>	<u>Specific (Gravity)</u>	<u>Tonnage and Grade</u>
33	13	3.4	2.6	3,792 tonnes @ 0.535 oz. Au/t

Block B

17	12	1.5	2.6	796 tonnes @ 3.269 oz. Au/t
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Block C

14	16	2.63	2.6	1,627 tonnes @ 0.499 oz. Au/t
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Block D (Surface)

13	5	2.40	2.6	406 tonnes @ 2.052 oz. Au/t
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Block G

17	18.5	1.5	2.6	1,227 tonnes @ 2.781 oz. Au/t
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Block H

45 x 15 x 2.35			2.6	4,124 tonnes @ 0.411 oz. Au/t
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Total reserves between Section 7+70N to 9+25N:

13,197 tons 0.951 oz/ton
11,972 tonnes grading 0.951 oz. Au/tonne
 0.863

Probable true grade increase (cyanide test)

0.951 + (20%) 0.19 cy = 1.141 oz. Au/tonne



C) CALCULATION PARAMETERS

Reserve calculations by Livgard Consultants used the following parameters:

- 1) Reserve blocks had to average 0.4 ounces per tonne or better over a true width of 1.5 metres or greater.
- 2) Block dimensions were measured using longitudinal and cross-sections.
- 3) Blocks were extended 10 metres along strike and up and down-dip or halfway to next waste intersection (if smaller) - most extensions were 6 to 8 feet.
- 4) One surface trench was used - Block D.
- 5) Both diamond drill and rotary intersections were used.
- 6) The high grade Hole RC 88-11 was used as to two high grade intersections. The rest of the intersections were assumed to be salted by the high grade. The high grades were not cut.
- 7) Waste grade intersections within a block were included in the averages.



ROTARY HOLE RC 88-11

Reverse circulation rotary hole #88-11 was drilled May 21st to 24th, 1988 by Northspan Explorations, Kelowna. The drill chips were sampled and logged by W. Gruenwald, Geologist, with Geoquest Consulting Ltd., Vernon. The chips were assayed by Kamloops Research, Kamloops. The owner and operator, Huntington Resources Inc., decided to drill the hole in order to further examine an area where diamond drilling had previously given encouraging results.

The hole cut 44.2 metres grading 2.95 oz. Au/tonne from 39.6 m to 83.8 m and 27.45 m grading 0.548 oz. Au/tonne from 83.8 m to 111.25 m.

The writer has carefully examined the geological description of the hole (log) and has compared this to the corresponding assay values. He has also had discussions with the geologist on site, Werner Gruenwald and the Driller, Patric Mooney, regarding the hole. The writer has reached the following conclusions:

- 1) The first values in the hole were encountered from 41.15 to 42.65 metres. This section ran 2.85 ounces Au per tonne. It was logged as highly bleached and silicified wall rock. It is concluded that the gold value here is reliable.
- 2) From 42.65 m to 44.95 metres the hole encountered very highly bleached and silicified andesite and up to 80% quartz fragments with visible gold and argentite in the quartz. Fragments of gold up to several millimetres across were noted. Water was encountered and the ground was caving. This is the main shear zone.

From 44.95 to 45.7 metres abundant black siliceous material was encountered. Experience from surface suggests that material like this will give high values in gold (W. Gruenwald).

This interval of 3.05 m assayed 8.32 ounces Au per tonne (5.66 oz. over 1.55 m and 11.06 oz. over 1.5 m).



The coarse free gold and caving may have "salted" the lower quarter of this section (0.75 m) although this kind of black siliceous material found here runs high in surface samples.

It seems doubtful that the caving area will "salt" itself, but it probably "salted" samples further down the hole.

- 3) The wall rock immediately following the main shear (above) is bleached, silicified and shows micro-veining. The section assayed 3.65 oz. per tonne. There has probably been "salting" and although the chip log describes geology which normally gives gold values, the writer will assume nil values for the section.
- 4) The next 7.60 metres cut more or less altered andesite and minor quartz. The values averaged 1.78 oz. Au per ton. This will be assumed to be due to "salting".
- 5) From 54.85 metres to 57.90 metres the chip log describes increasing andesite bleaching, silicification, micro-veining and quartz. This is interpreted as being wall rock near the shear. The section assayed 2.429 oz. Au per tonne. If the 100% "salting" of values assumed for the above is applied here the values from the section itself would be 0.691 oz. Au per tonne, but nil values will be assumed.
- 6) From 57.90 m to 62.5 m the hole cut the main shear again. The shear is curving. This is consistent with information from previous diamond drilling. The chip log describes strong bleaching, silicification, and 5-20% quartz fragments with visible gold. The section of 4.60 m gave an average value of 7.46 oz. Au per tonne. If any contamination of this section took place by material from above it would tend to dilute the values rather than "salt" them.



The high degree of similarity both in the geology and the values of the two shear zone intersections substantially strengthens the reliability of the values and also strengthens the possibility of a connection between them of similar material.

- 7) The wall rock below the shear cut altered andesite and pervasive silicification and variable quartz content from 62.5 m to 65.55 m. Two pieces of visible gold were noted. The section averaged 3.595 oz. Au per tonne. Although the geology suggests that some gold values may be present in the wall rock, none will be assumed due to undoubted "salting".
- 8) From 65.55 m to 71.65 m the hole cut altered andesite with intense bleaching and silicification. Quartz content is 5-10%. The average value is 2.962 oz. Au per tonne. Nil values will be assumed for the section.
- 9) From 71.65 m to 73.15 m the hole cut first intensely bleached and silicified andesite and then cut into feldspar porphyry dyke. The assay value was 3.02 oz. Au per tonne. The values drop off quickly following this section and it appears that some shearing and mineralization may have taken place next to and partly in the dyke. Such shearing and mineralization has been noted on the surface (W. Gruenwald). Some value is probably present but nil will be assumed.
- 10) The remainder of the unmineralized dyke gave an average grade of 0.543 ounces per tonne. This may perhaps be taken as a reliable(?) value for the "salting" taking place at this depth.
- 11) The Tuff Horizon and the footwall side of the dyke gave 27.45 m grading 0.543 ounces. If the dyke value of 0.543 ounces, which is considered due to salting, is subtracted from each sample in the Tuff Horizon, the remaining values average 0.151 ounces Au per tonne over 27.45 metres.



CYANIDE GESTS

A total of 57 samples from intersection on the Main zone were cyanide leach tested.

20 "assay tons" were taken from each sample and given a 22 hour weak cyanide leach test.

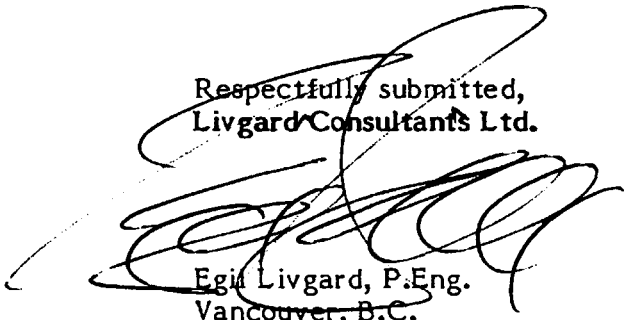
The results show a leach recovery of 88.7% of contained gold.

More importantly the leaching shows that the grade may be 20% higher than the fire assays indicate.

The results are highly variable from +200% to -50%.

This large discrepancy is of course serious. Conversations with Dr. Bacon of Bacon, Donaldson Metallurgists suggest that cyanidation using a larger sample should be more reliable.

Respectfully submitted,
Livgard Consultants Ltd.



Egid Livgard, P.Eng.
Vancouver, B.C.
January 9, 1992



APPENDIX



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PROPERTY: BRETT

HOLE NO: RC 88-11

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DIP AND AZIMUTH TESTSDEPTH ANGLE AZMTH

CORE SIZE: Rev. Circ.

TOTAL DEPTH: 111.25m

DATE BEGUN: May 21, 1988

ANGLE OF HOLE: -83**

RECOVERY(%): 100

DATE FINISHED: May 24, 1988

CLAIM: Brett 1

ELEV. COLLAR: 1276.0m

LOGGED BY: W. Gruenwald

SECTION: 8+05N

LATITUDE: 8+04.5N

ANALYSIS BY: Kamloops Research

BEARING: 245°

DEPARTURE: 0+03.5W

CORE STORED AT: Property

(*started @ -84°)

DEPTH (METRES)	CORE LOST	DESCRIPTION	SAMPLE NO.	SAMPLE INTERVAL	Au (oz/t)	Ag (ppm)
0.00- 6.10		OVERBURDEN				
6.10- 10.65		LIMONITIC AND BLEACHED ANDESITE (HANGING WALL?) - bleaching of volcanic is intense. - minor pyrite, low clay.	51661 51662 51663	6.10- 7.60 7.60- 9.15 9.15- 10.65	.008 .008 .003	0.7 0.5 0.8
10.65- 13.70		MAIN SHEAR ZONE - characterised by high clay content (red-brown due to pyrite oxidation). - several pieces of quartz up to 2-3cm. - rock fragments appear to be very bleached andesite.	51664 51665	10.65- 12.20 12.20- 13.70	.007 .005	1.2 1.3
13.70- 18.30		DRAB GREEN ANDESITE, AND BLUISH-GREEN PYRITIC ANDESITE/TUFF - low to moderate clay. - suspect this is immediately adjacent (footwall) to Main Shear Zone. - minor quartz. (1-2%). - last 1.5m is finely pyritic, bleached andesite and/or tuff.	51666 51667 51668	13.70- 15.25 15.25- 16.75 16.75- 18.30	.007 *.066 *.017	0.8 1.3 1.9
18.30- 24.40		PALE GREY-GREEN, FINE GRAINED, VARIABLY BLEACHED AND ALTERED ANDESITE - fine grained pyrite (2-3%, locally 5%). - rock shows silicification and fine veinlets - quartz content ~5%.	51669 51670 51671 51672	18.30- 19.80 19.80- 21.35 21.35- 22.85 22.85- 24.40	.002 .002 .005 .011	1.0 6.2 1.4 0.6

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HOLE NO: RC 88-11

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DEPTH (METRES)	CORE LOST	DESCRIPTION	SAMPLE NO.	SAMPLE INTERVAL	Au (oz/t)	Ag (ppm)	
24.40- 38.10		GREEN-GRY, WEAKLY ALTERED ANDESITE/AMYGDALOIDAL ANDESITE	51673	24.40- 25.90	.002	0.4	
		- clay content minor (probably further into footwall).	51674	25.90- 27.45	*.011	0.8	
		- minor basalt noted as purplish grey chips, occasional jasper.	51675	27.45- 28.95	.013	0.8	
		- pyrite content variable 1-3%.	51676	28.95- 30.50	.009	0.6	
		- some fragments of bleached andesite.	51677	30.50- 32.00	*.022	0.7	
		- quartz content appears low ~1-2%.	51678	32.00- 33.55	.046	1.5	6.05m @ .039 oz/t Au
		- @ 30-35m, intersected area of DDH 87-29 that assayed .737 oz/ton Au across 5.25m.	51679	33.55- 35.05	*.042	1.0	
		- as in the DDH 87-29 intersection, the rock does not appear unusual.	51680	35.05- 36.55	.045	0.4	
			51681	36.55- 38.10	*.008	1.0	
38.10-44.95		HIGHLY BLEACHED AND SILICIFIED FOOTWALL ANDESITE SHEAR-VEIN ZONE (VISIBLE GOLD!)	51682	38.10- 39.60	.027	1.2	
		- this may represent area along edge of or very near MAIN SHEAR ZONE.	51683	39.60- 41.15	*.130	1.8	
		- clay content increasing to moderate to locally high.	51684	41.15- 42.65	*2.85	>20.0	Ag - 0.72 oz/t
		- 38.10 to 42.65m consists of pale green-grey, bleached and increasingly silicified andesite with minor quartz (<5%) and generally low clay content.	51685	42.65- 44.20A	*5.66	>20.0	Ag - 2.99 oz/t
		- 42.65 to 44.95 is comprised of a zone of extremely high quartz content (locally 80%).	51686	42.65- 44.20B			
		- quartz ranges from milky white to dark grey.	51687	44.20- 45.70	*11.07	>20.0	Ag - 3.00 oz/t
		- clay content is moderate to high.					
		- pyrite content is high in both clay gouge and quartz/silicified fragments (5%).					
		- bright green mineral(?) that is typically associated with shear zones on the Brett property is locally evident.					

PROPERTY: BRETT

HOLE NO: RC 88-11

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DEPTH (METRES)	CORE LOST	DESCRIPTION	SAMPLE NO.	SAMPLE INTERVAL	Au (oz/t)	Ag (ppm)
38.10- 44.95 (cont'd)		<ul style="list-style-type: none"> - hole is caving badly and water is coming in at a considerable rate (~10 gallons/minute). - caved material has produced larger reject samples thus the (A) and (B) - <u>COARSE VISIBLE GOLD ± ARGENTITE NOTED IN QUARTZ in intervals 41.15m to 42.65m and 42.65 to 44.20m</u> - fragments of gold up to several mm across. 				
44.95- 55.50		<p>PREDOMINANTLY ANDESITIC VOLCANICS - VARIABLY ALTERED AND SILICIFIED - <u>VISIBLE GOLD</u></p> <ul style="list-style-type: none"> - 44.95 to 45.70m - abundant black siliceous material, possibly quartz (?) - suspect argentite in quartz. - 45.70 to 47.25m - 70% mafic porphyritic andesite, 25% basalt, 5% quartz, 51688 - 47.25 to 48.75m - andesite as above, 10%+ basalt, 5-10% quartz and silicified fragments, minor clay, 51689 - <u>3 pieces of coarse gold noted.</u> - 48.75 to 50.30m - paler green andesite, <5% basalt, 10-15% bleached and silicified fragments and 10% milky white and grey quartz (argentiferous?), 51690 - minor clay, pyrite 3%+. - limonitic volcanic fragments becoming notable ~2%. - 50.30 to 51.80m - pale green, grey and brown finely amygdaloidal and silicified andesite, quartz 5% minor clay, 51691 				
				45.70- 47.25	*3.65	>20.0 Ag - 1.20 oz/t
				47.25- 48.75	*1.87	>20.0 Ag - 1.08 oz/t
				48.75- 50.30	*2.47	>20.0 Ag - 1.53 oz/t
				50.30- 51.80	*1.35	>20.0 Ag - 0.95 oz/t

PROPERTY: BRETT

HOLE NO: RC 88-11

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DEPTH (METRES)	CORE LOST	DESCRIPTION	SAMPLE NO.	SAMPLE INTERVAL	Au (oz/t)	Ag (ppm)	
44.95- 55.50 (cont'd)	- 51.80 to 53.35m	- as above, some <u>argentite</u> in quartz. - pyrite 3-5%, <u>suspect Au</u> .	51692	51.80- 53.35	*1.56	>20.0	Ag - 1.36 oz/t
	- 53.35 to 54.85m	- as above, 3% limonitic fragments, grey and white quartz 3-5%, minor clay.	51693	53.35- 54.85	*1.44	>20.0	Ag - 0.86 oz/t
	- 54.85 to 55.50m	- increasingly bleached and silicified volcanics likely due to proximity of shear zone.					
55.50- 57.90		PALE GREY TO GREEN, BLEACHED AND SILICIFIED ANDESITE	51694	54.85- 56.40	*3.55	>20.0	Ag - 1.18 oz/t
		- fine veinlets (microveining) commonly observed in fragments of amygdaloidal and/or porphyritic andesite.	51695	56.40- 57.90	*1.27	>20.0	Ag - 0.79 oz/t
		- pyrite common throughout @ 3-4%.					
		- clay content slightly increased.					
		- 55.50 to 56.40m - quartz content to 20-25%, noted <u>visible gold</u> and argentite in quartz (one piece).					
57.90- 62.50		MAIN SHEAR ZONE					
		- clay content moderate to high.					
		- rock fragments very bleached and generally silicified.					
		- limonitic fragments up to 5% (oxidation of pyrite due to abundance of water in shear).					
		- 57.90 to 59.45m - 10-20% quartz; <u>3 pieces visible gold in quartz.</u>	51696	57.90- 59.45	*9.02	>20.0	Ag - 2.15 oz/t
		- 59.45 to 60.95m - 5-10% quartz; <u>2 pieces visible gold and argentite in quartz.</u>	51697	59.45- 60.95	*7.52	>20.0	Ag - 1.99 oz/t
		- 60.95 to 62.50m - 10% quartz; <u>6 pieces visible gold and argentite.</u>	51698	60.95- 62.50	*5.83	>20.0	Ag - 2.13 oz/t
		- gold appears as distinct grains up to 1mm or more across!					

PROPERTY: BRETT

HOLE NO: RC 88-11

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DEPTH (METRES)	CORE LOST	DESCRIPTION	SAMPLE NO.	SAMPLE INTERVAL	Au (oz/t)	Ag (ppm)	
62.50- 64.00		GREEN AND PURPLISH ANDESITIC VOLCANIC (AGGLOMERITIC?) - shows definite fragmental texture. - moderate clay content. - alteration and silicification are pervasive, as is pyrite. - quartz 2-3%; <u>2 pieces visible gold.</u>	51699	62.50- 64.00	*2.06	>20.0	Ag - 0.92 oz/t *INTERVAL FROM 39.60 TO 87.80M (44.20M) AVERAGED 2.95 OZ/T Au.
64.00- 65.55		QUARTZ RICH ZONE IN SILICIFIED ANDESITE - 30 to 40% milky and grey quartz, rock very different from above. - pyrite 3%, low to moderate clay, <u>one piece of visible gold.</u>	51700	64.00- 65.55	*5.08	>20.0	Ag - 1.98 oz/t
65.66- 72.25		PURPLISH GREY TO GREEN-GREY, SILICIFIED ANDESITE (FOOTWALL) - rock appears to have originally been a mafic porphyritic andesite. - silicification and bleaching are generally intense. - pyrite is ubiquitous @ 3 to 5%, decreasing locally to 2%. - clay content is low, locally higher. - 65.55 to 71.65m noted <u>9 pieces of visible gold: argentite.</u> - quartz content ranges from 5 to 10%.	51701 51702 51703 51704	65.55- 67.05 67.05- 68.60 68.60- 70.10 70.10- 71.65	*2.67 *4.25 *2.37 *2.53	>20.0 >20.0 12.0 >20.0	Ag - 0.83 oz/t Ag - 0.93 oz/t Ag - 0.78 oz/b
72.25- 83.80		FELDSPAR PORPHYRY DYKE - minor quartz noted. - few limonitic fragments suggest altered and fractured dyke. - few % volcanic fragments may be from xenoliths. - pyrite 1-2%. - usual minor amethyst noted. - clay content generally low.	51705 51706 51707 51708 51709 51710 51711 51712	71.65- 73.15 73.15- 74.65 74.65- 76.20 76.20- 77.70 77.70- 79.25 79.25- 80.75 80.75- 82.30 82.30- 83.80	*3.02 *1.01 *.580 *.347 .395 *.986 *.474 *.480	13.0 11.9 9.0 9.5 8.7 10.6 5.5 7.3	

PROPERTY: BRETT

HOLE NO: RC 88-11

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DEPTH (METRES)	CORE LOST	DESCRIPTION	SAMPLE NO.	SAMPLE INTERVAL	Au (oz/t)	Ag (ppm)	
83.80- 94.50		MEDIUM TO PALE GREEN ANDESITE AND FINE GRAINED TUFFS - contact with dyke is sharp (not sheared). - 83.80 to 85.35m - green and minor purplish andesite, weakly silicified.	51713	83.80- 85.35	*.496	8.0	-----
		- 85.35 to 86.85m - pale green-grey, well silicified, 3% pyrite. - quartz 3%, microveining locally abundant suggesting silica flooding.	51714	85.35- 86.85	*.123	5.6	
		- 86.85 to 88.40m - similar to above except 10% quartz, low clay.	51715	86.85- 88.40	*.152	6.4	
		- 88.40 to 89.90m - 60% weak to moderately silicified tuff and 40% silicified andesite, quartz. to 2-3%. - limonitic chips still present.	51716	88.40- 89.90	*.436	12.0	*INTERVAL FROM 83.80 TO 111.25M (27.45M) AVERAGED .548 OZ/T Au.
		- 89.90 to 91.45m - as above, minor white and grey quartz veining.	51717	89.90- 91.45	.191	7.8	
		- 91.45 to 92.95m - similar to above. - still suspect silicified tuff.	51718	91.45- 92.95	*.863	4.0	
		- 92.95 to 94.50m - varicolored silicified tuff, considerable bleaching. - quartz 3-5%, epidote increasing, suspect argentite.	51719	92.95- 94.50	1.81	15.1	
94.50-106.35		PALE TO DARK GREEN, COARSE TUFF - 94.50 to 96.00m - very silica flooded, micro-veined, quartz 1-2%. - limonitic fractures still present.	51720	94.50- 96.00	*.189	3.9	
		- 96.00 to 97.55m - notably higher quartz (15%), suspect argentite in quartz. - pyrite ~2%.	51721	96.00- 97.55	*1.08	>20.0	Ag - 0.61 oz/t

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HOLE NO: RC 88-11

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DEPTH (METRES)	CORE LOST	DESCRIPTION	SAMPLE NO.	SAMPLE INTERVAL	Au (oz/t)	Ag (ppm)
94.50-106.35	- 97.55 to 99.05m	- well silicified, moderately epidotized.	51722	97.55- 99.05	*.817	16.2
	- 99.05 to 100.60m	- quartz decreased to 5-10%. - epidotized weakly silicified, quartz 2-3%. - pyrite ~2%, minor limonite fracturing.	51723	99.05-100.60	*.384	8.5
	- 100.60 to 102.10m	- decreasing silicification, quartz 5%. - some quartz may contain argentite.	51724	100.60-102.10	*.614	14.1
	- 102.10 to 103.65m	- quartz decreased to 2%, moderate epidote.	51725	102.10-103.65	*.385	9.1
	- 103.65 to 105.15m	- quartz and silicified fragments ~5%. - minor limonitic fractures, suspect argentite?	51726	103.65-105.15	*.497	10.2
	- 105.15 to 106.70m	- similar to above except with 15% epidotized amygdaloidal andesite, quartz 2-3%.	51727	105.15-106.70	*.266	5.7
106.35-111.25		PALE GREEN-GREY, SILICIFIED AND EPIDOTIZED ANDESITE				
	- rock is massive to amygdaloidal.		51728	106.70-108.20	*.249	7.2
	- quartz ranges from 1-3%.		51729	108.20-109.75	*.703	10.5
	- low pyrite (~1%), locally higher		51730	109.75-111.25	*.609	15.1

END OF HOLE

*Sample has been screened and found to contain coarse gold.

TABLE NO. 2

SUMMARY OF CYANIDATION RESULTS

<u>DESCRIPTION</u>	<u>NO. OF SAMPLES</u>	<u>AVERAGE RECOVERY %</u>	<u>AVERAGE CHANGE %</u>	<u>AVG % CHNG FOR VALUES ≥ 0.07 oz/t</u>
MAIN SHEAR ZONE:				
a) Hanging wall - andesite ± tuff	10	85.6	+41.1	+45.1
b) Shear	2	91.7	-11.8	-16.3
c) Footwall				
- Total	39	88.6	+14.0	+11.7
- Andesite	16	84.7	-10.5	-3.1
- Tuff	23	91.4	+31.1	+27.9
d) RW Vein	1	96.8	-29.5	-----
NEW DISCOVERY ZONE	3	91.4	+33.0	+33.0
EAST ZONE	2	95.7	+20.7	+48.8
Samples containing coarse gold (from assay certificates)	24	85.1	+9.3	+23.8
OVERALL RESULTS (ALL ZONES)	57	88.7	+18.3	+19.8

REFERENCES

The following are all private company reports and maps:

- 1) Report on the Brett Property Exploration Program - 1988 for Huntington Resources Ltd. and Corona Corp. by W. Gruenwald, B.Sc. and L. Walters, B.Sc. of Geoquest Consulting Ltd.
- 2) Drill hole record of Hole RC 88-11 (chip log and assays).
- 3) 1989 Program Recommendations and 1988 Reserve Calculations, Brett Property, Vernon M.D. for Huntington Resources and Corona Corp., prepared by R.C. Wells, Corona Corp. Reserve Calculations by Geoquest Consulting Ltd. with Tables #1, 2A, 2B, 3 (reserve calculations) and #2 Summary of Cyanide Leach Study Results.
- 4) 3 pages of cyanide leach study details.
- 5)
 - a) Two longitudinal sections hangingwall and footwall of the main shear (1:500) by Corona Corp.
 - b) Two topographic surface maps (with) geology (1:20,000, 1:2,500).
 - c) Twelve cross-sections: 7+30N, 7+38N, 7+41N, 7+61N, 7+70N, 7+88N, 8+05N, 8+20N, 8+33N, 8+66N, 8+95N and 9+24N (1:500).



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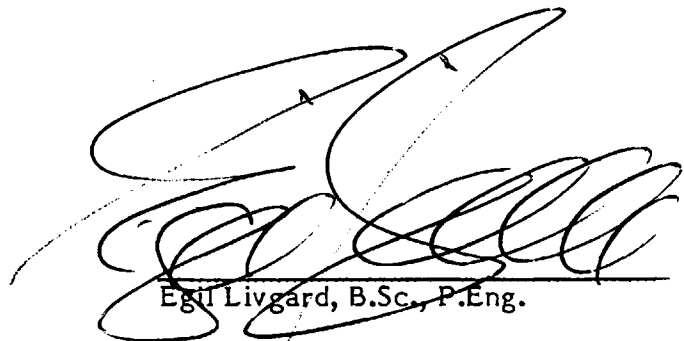
230 - 470 Granville St., Vancouver, B.C. V6C 1V5 Ph. 669-2426

CERTIFICATE

I, EGIL LIVGARD, of 1990 King Albert Avenue, Coquitlam, B.C., DO HEREBY CERTIFY:

1. I am a Consulting Geological Engineer, practicing from #436 - 470 Granville Street, Street, Vancouver, B.C.
2. I am a graduate of the University of British Columbia, with a B.Sc., 1960 in Geological Sciences.
3. I am a registered member in good standing of the Association of Professional Engineers of the Province of British Columbia, Reg. No. 07236.
4. I have practised my profession for over 30 years.
5. This report dated January 9, 1992 is based on the references as listed in the Appendix.
6. The writer has no interest, direct or indirect, in the Beaton-Vicore Group, in any associated company or in any of the properties and does not expect to receive any such interest.

DATED AT VANCOUVER, BRITISH COLUMBIA THIS 9TH DAY OF JANUARY, 1992.

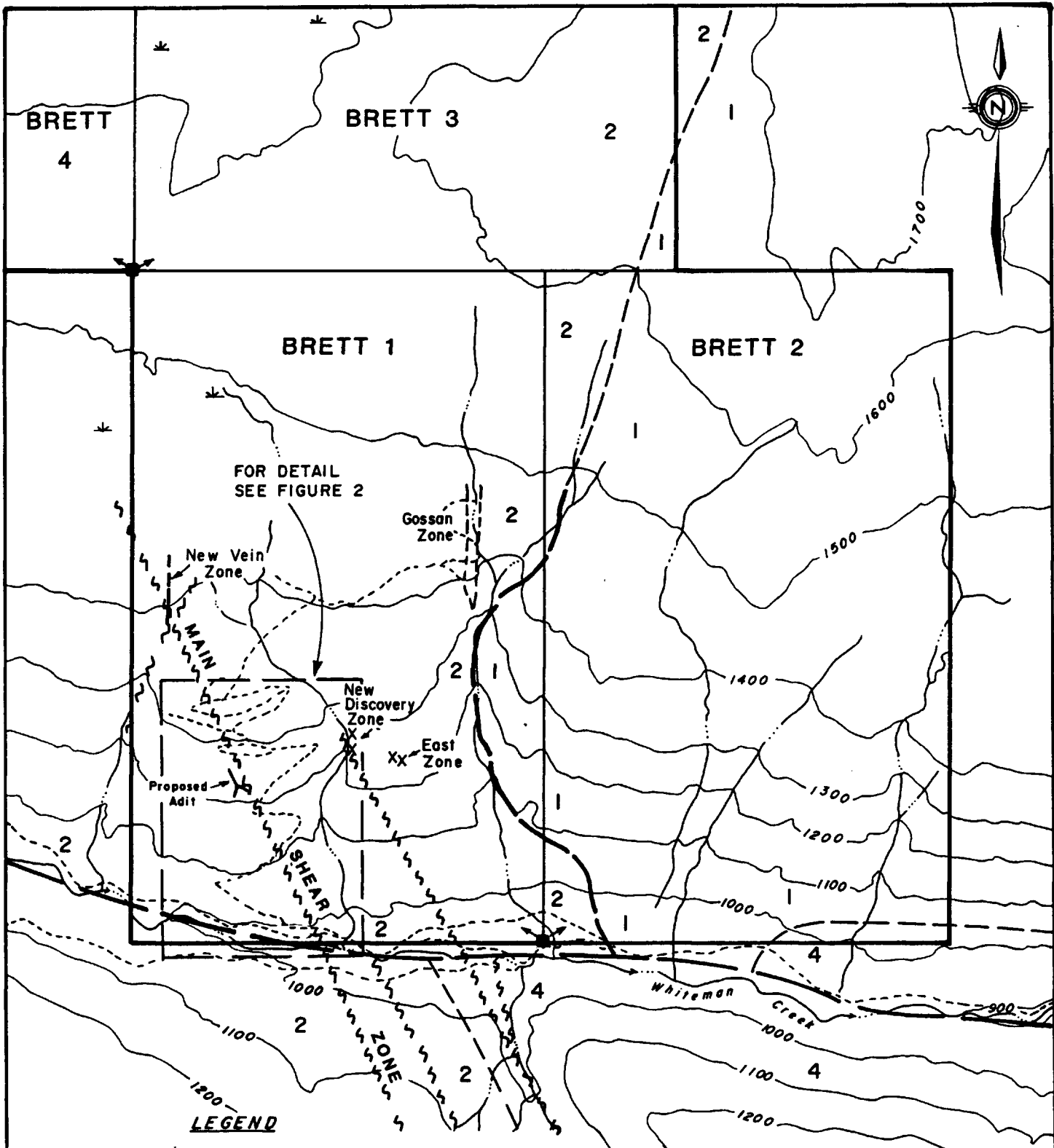


Egil Livgard, B.Sc., P.Eng.



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LEGEND

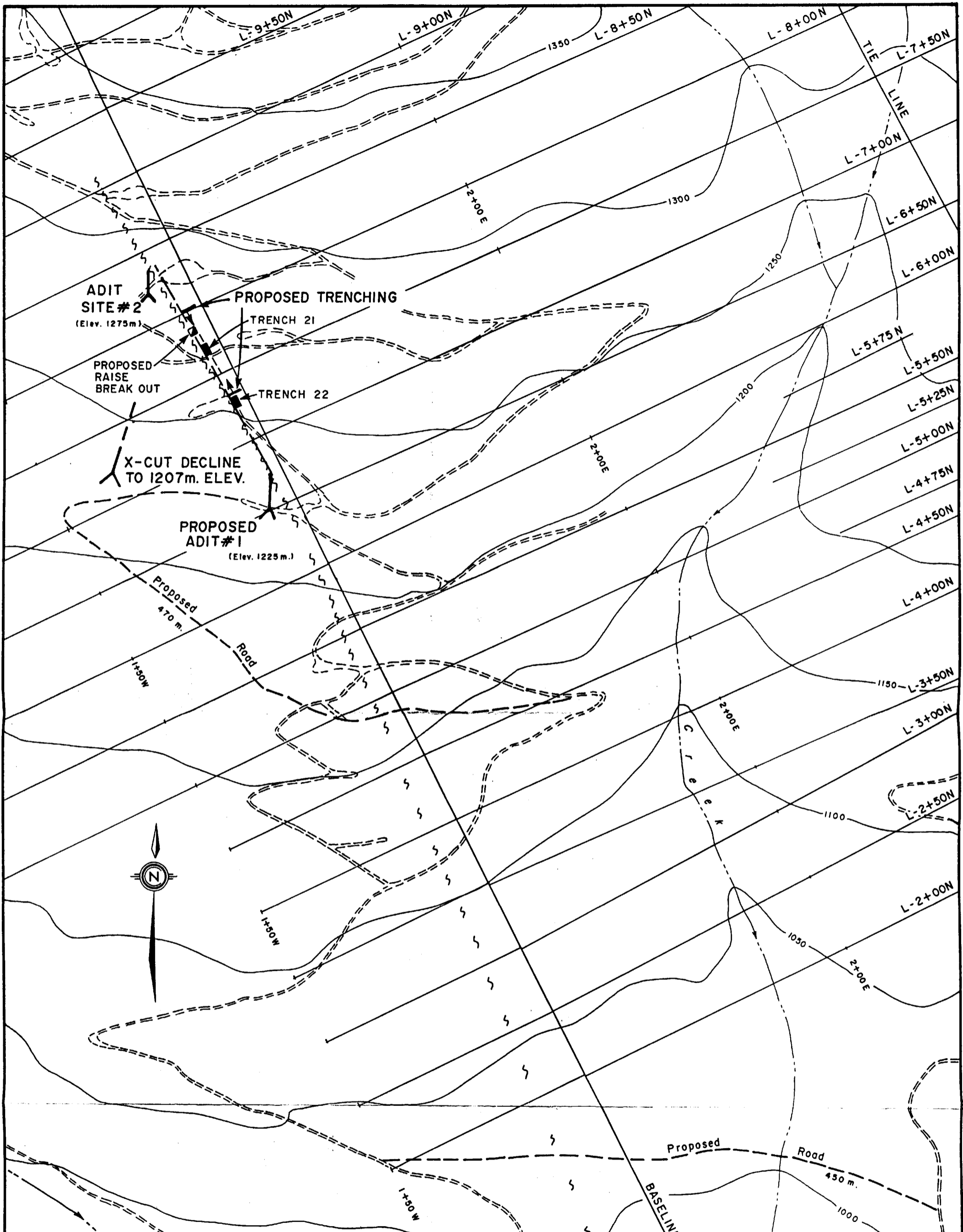
- 4** Porphyritic granite, latite porphyry syenite (Eocene)
- 2** Andesite, lesser basalt and dacite; minor mafic tuff and feldspar porphyritic andesite. (Eocene)
- 1** Granodiorite, porphyritic granodiorite. (Jurassic/Cretaceous)

— — — Geological Boundary
 — ~ ~ ~ Faults (major, minor)

After Bricon, Chevron & Corona, August, 1988



BEATON - VICORE MINING		
BRETT PROPERTY		
VERNON MINING DIVISION, B.C.		
CLAIM AND GEOLOGY		
MAP		
LIVGARD CONSULTANTS LTD.		
DATE JANUARY, 1992	SCALE 1: 20,000	FIGURE No. 1



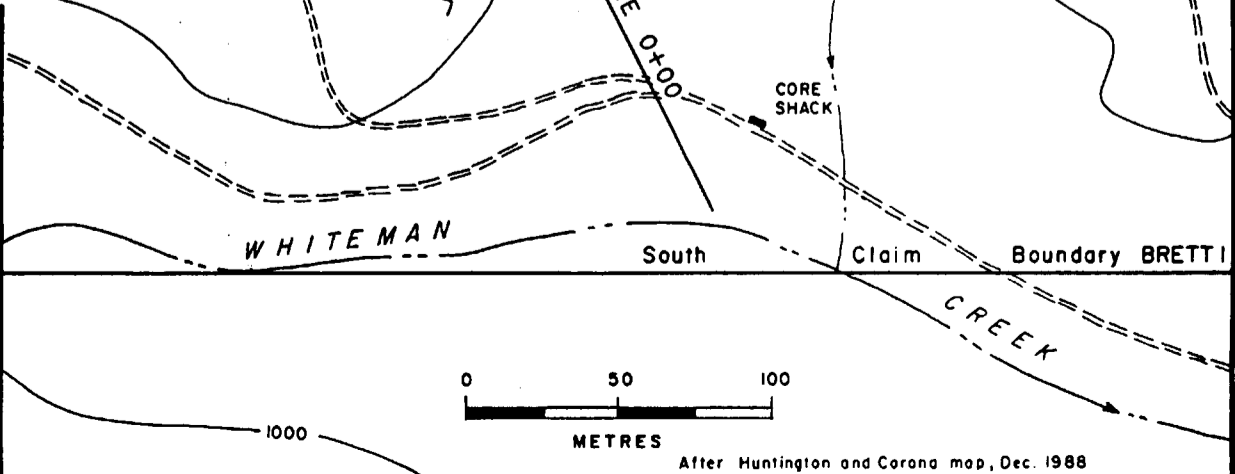
BEATON - VICORE MINING

BRETT PROPERTY
VERNON MINING DIVISION, B.C.

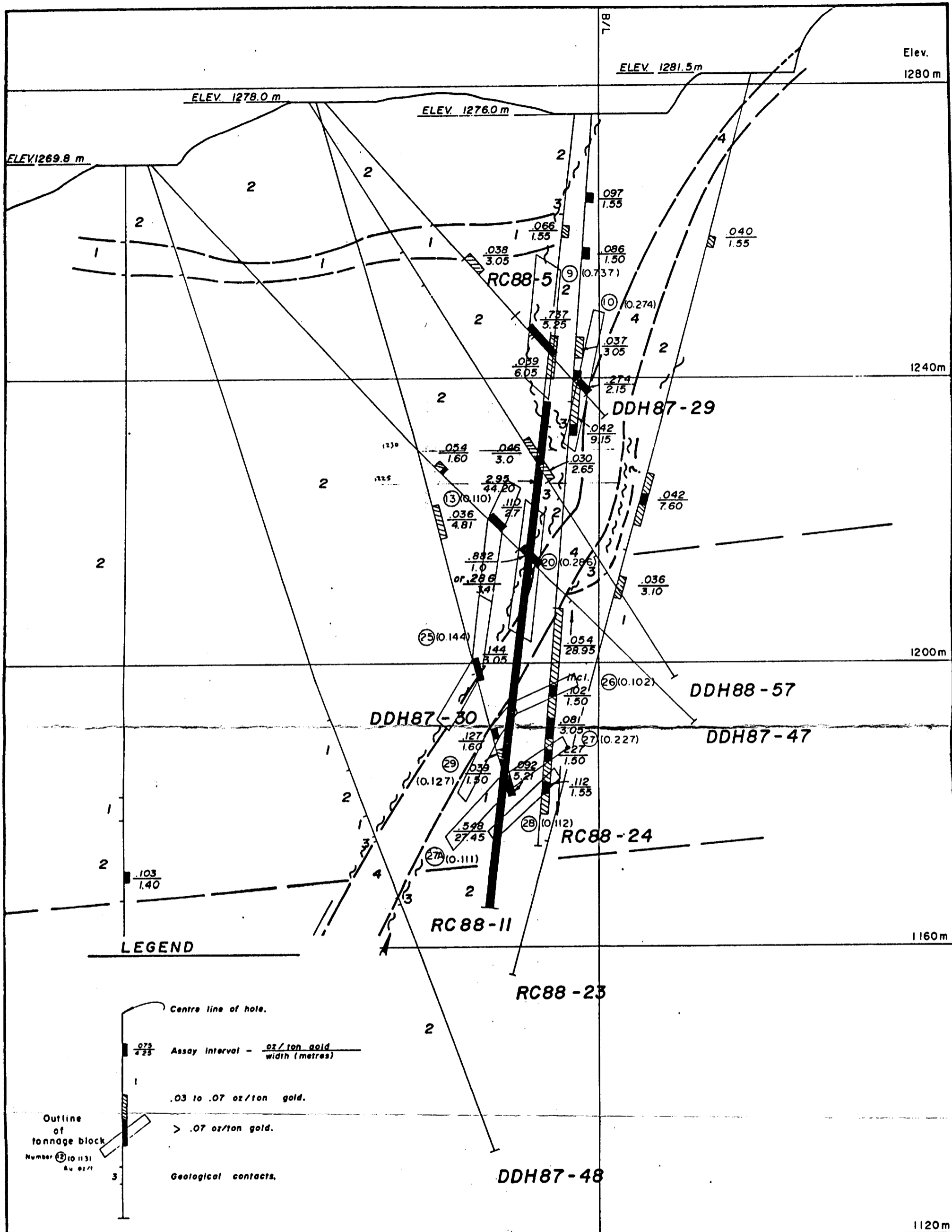
SURFACE MAP
SHOWING LOCATION OF
RECOMMENDED DEVELOPMENT

LIVGARD CONSULTANTS LTD.

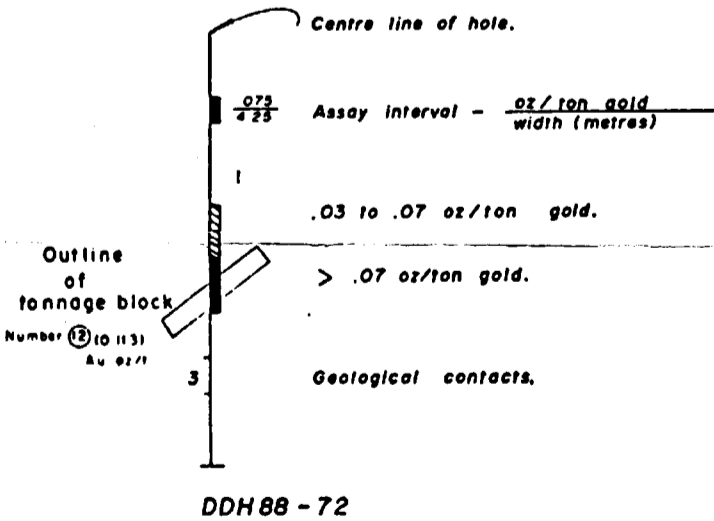
DATE: JANUARY, 1992 SCALE: 1 : 2500 FIGURE: 2



After Huntington and Corona map, Dec. 1988



LEGEND



LITHOLOGY

- 4 FELDSPAR PORPHYRY DIKE
- 3 SHEAR ZONE
- 2 ANDESITE FLOWS, MINOR BASALT
- TUFF, FINE (LOCALLY BEDDED) TO COARSE GRAINED
- SHEAR / FRACTURE

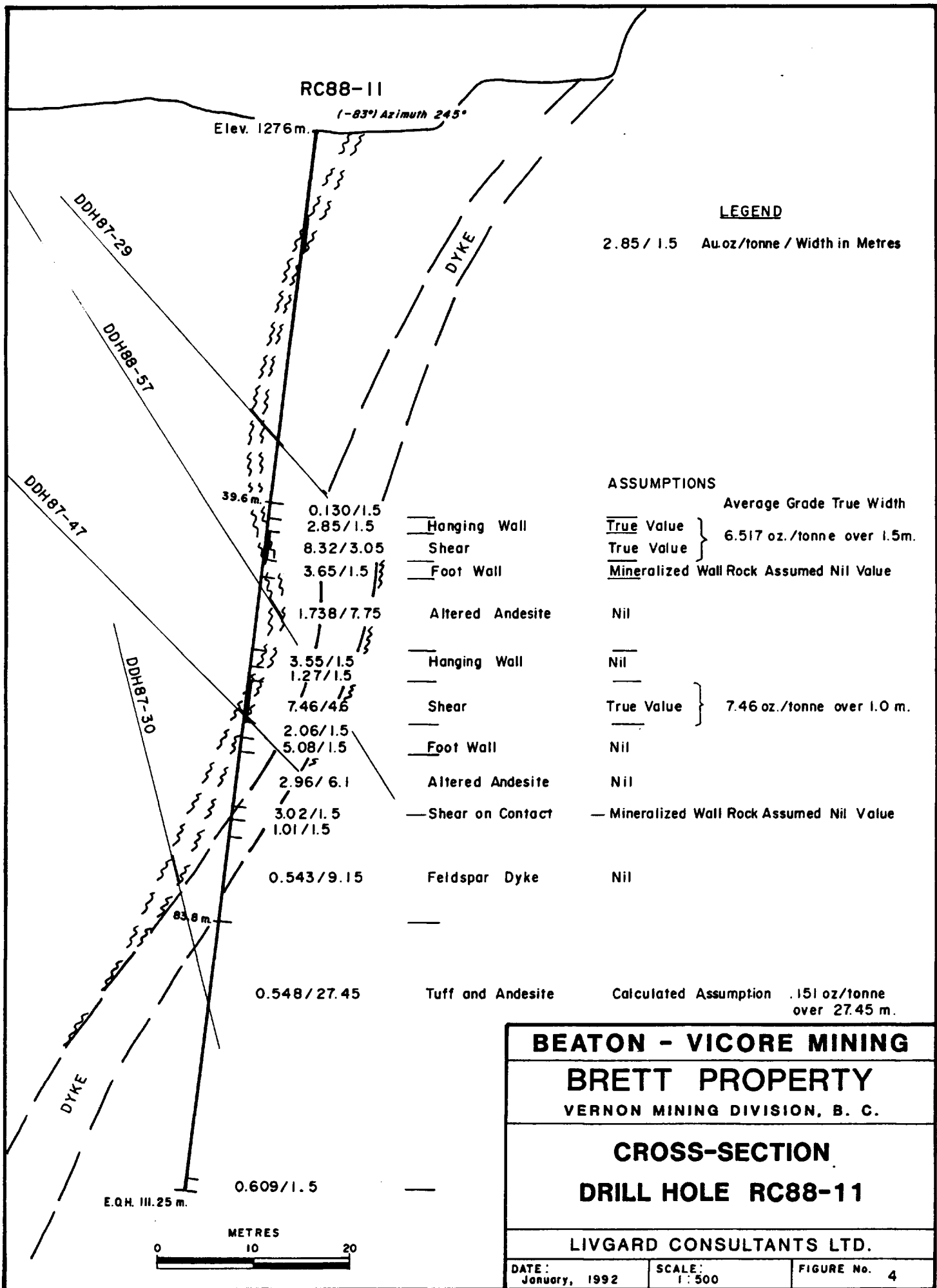


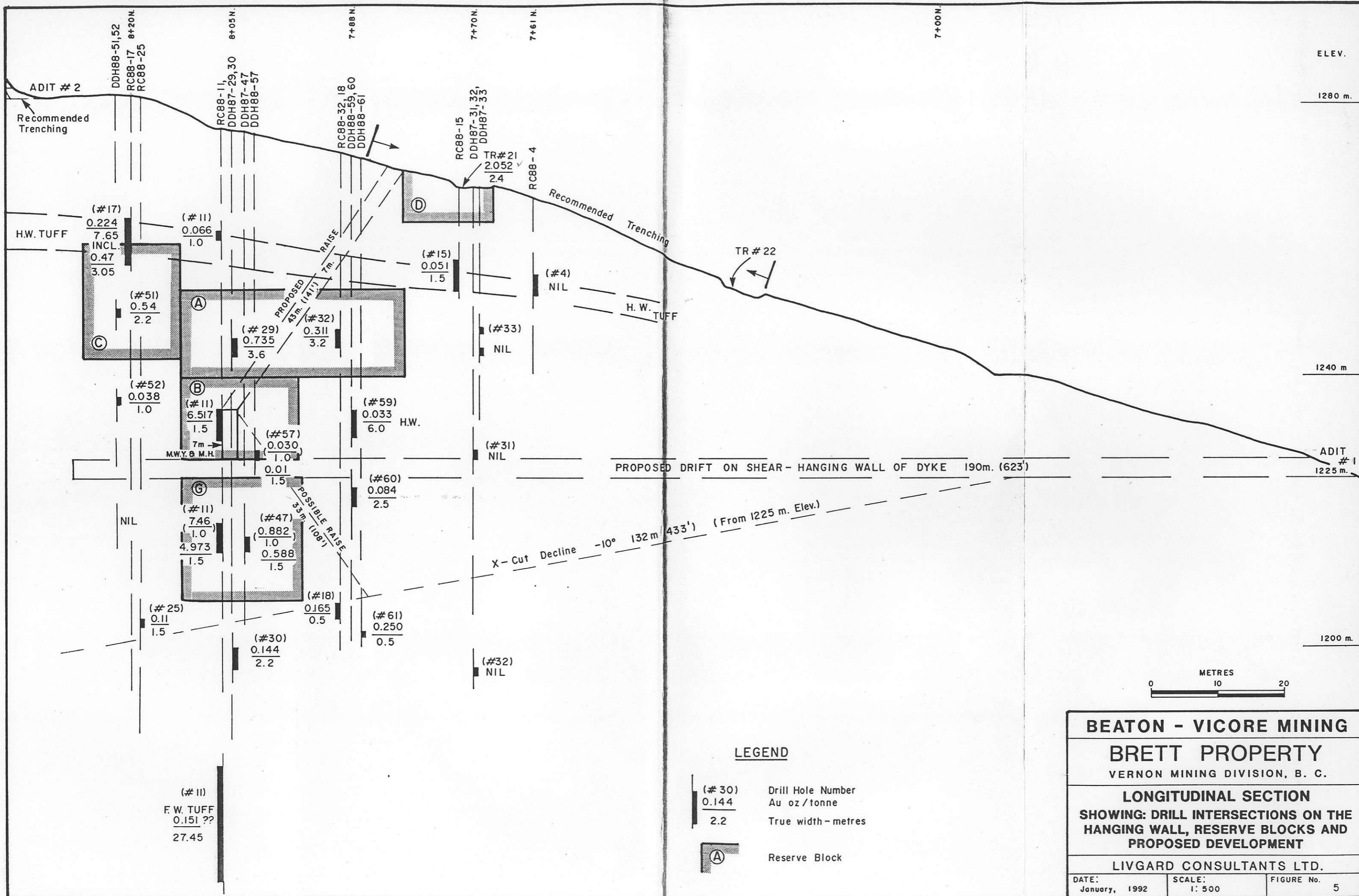
HUNTINGTON RESOURCES INC. / CORONA CORP.

BRETT CLAIMS SECTION 8+05^N

VERNON MINING DIVISION, BRITISH COLUMBIA

TECHNICAL WORK BY: GEOQUEST CONSULTING LTD.	SCALE 1: 500
DRAWN BY: DBM TECHNICAL SERVICES	DATE: DEC., 1988
REVISION:	FIG NO: 3





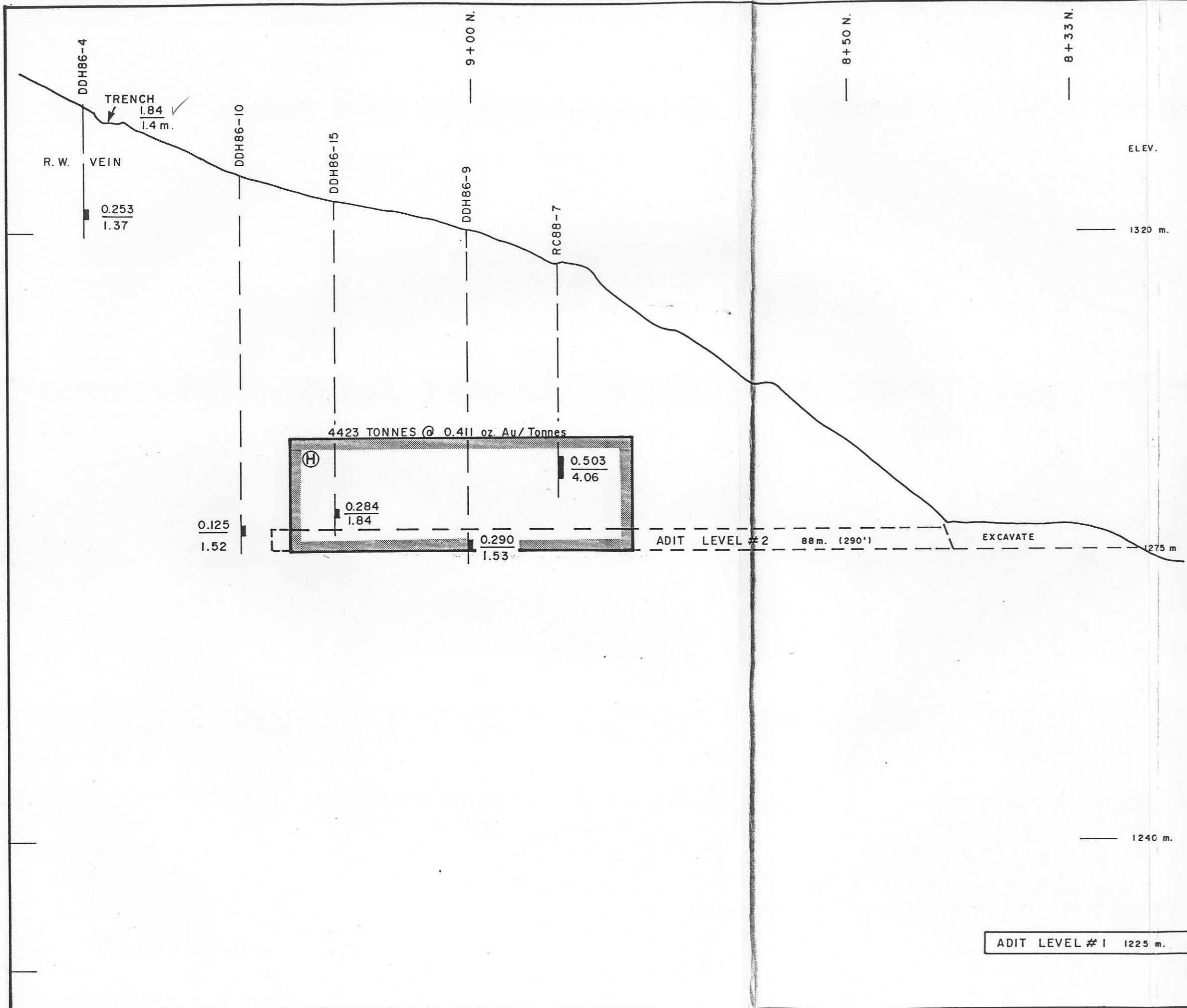
- LEGEND**
- (# 30) Drill Hole Number
 - 0.144 Au oz/tonne
 - 2.2 True width - metres
 - (A) Reserve Block

BEATON - VICORE MINING
BRETT PROPERTY
 VERNON MINING DIVISION, B. C.

LONGITUDINAL SECTION
 SHOWING: DRILL INTERSECTIONS ON THE
 HANGING WALL, RESERVE BLOCKS AND
 PROPOSED DEVELOPMENT

LIVGARD CONSULTANTS LTD.

DATE: January, 1992	SCALE: 1: 500	FIGURE No. 5
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LEGEND

- 0.503 Au oz/tonne
- 4.06 True width - metres
- (H) Reserve Block



BEATON - VICORE MINING
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 VERNON MINING DIVISION, B. C.
LONGITUDINAL SECTION
 SHOWING: DRILL INTERSECTIONS, RESERVE
 BLOCKS AND PROPOSED DEVELOPMENT
 LIVGARD CONSULTANTS LTD.
 DATE: January, 1992 SCALE: 1: 500 FIGURE No. 6

ELEV.
1320 m.

Collar at 1390 m. Elev.
DDH89-88
DDH89-89

13+50N.

Collar at 1380 m. Elev.
DDH89-91
DDH89-92

13+00N.

1240 m.

0.28
1.95

0.125
0.32

1.59
1.14

0.726
2.55



BEATON - VICORE MINING
BRETT PROPERTY
 VERNON MINING DIVISION, B. C.

LONGITUDINAL SECTION
DRILLING AT NEW VEIN ZONE

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DATE:
January, 1992

SCALE:
1:500

FIGURE No. 7