

93F-14.

680666

REPORT
ON A
PROGRAM OF DIAMOND DRILLING
CABIN LAKE PROPERTY
MINERAL CLAIMS 51292, 51293
OMENICA MINING DIVISION
FRANCOIS LAKE AREA
BRITISH COLUMBIA.

W. Long. $125^{\circ} 02'$

N. Lat. $53^{\circ} 53'$

for

NITHEX EXPLORATION LTD. [NPL]
404 - 470 Granville Street
Vancouver, British Columbia

by

DONALD W. TULLY, P. ENG.

May 5, 1978

West Vancouver, B.C.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION.....	1
SUMMARY AND CONCLUSIONS.....	1
PROPERTY - LOCATION, ACCESS, PHYSIOGRAPHY.....	2
CLAIMS.....	3
HISTORY - PREVIOUS DEVELOPMENT.....	4
REFERENCES.....	6
REGIONAL AND LOCAL GEOLOGY.....	7
RESULTS OF 1978 DIAMOND DRILLING - MINERALIZATION.....	8
RECOMMENDATIONS.....	9
ESTIMATED COST OF THE PROPOSED WORK PROGRAM.....	10
TIME - COST DISTRIBUTION.....	11
CERTIFICATE.....	12

MAPS

FIGURE 1 - LOCATION MAP.....	[Frontispiece]
FIGURE 2 - TOPOGRAPHIC PLAN.....	[Following page 1]
FIGURE 3 - CLAIM PLAN.....	[Following page 2]
FIGURE 4 - PLAN OF REGIONAL GEOLOGY.....	[Following page 6]
FIGURE 5 - PLAN OF DRILL HOLES AND PROPOSED TRENCHING [Scale 1 cm = 25 m].....	[Following page 7]
FIGURE 6 - SECTION OF 1978 DRILL HOLES [Scale 1 cm = 2 m].....	[Following page 8]

APPENDIX

LOGS OF DIAMOND DRILL HOLES 78-1, 2, 3, 4, 5, 6, 7
ASSAY CERTIFICATES

INTRODUCTION

This report was prepared at the request of Mr. Marvin Sherman, President, Nithex Exploration Ltd. [NPL], 404-470 Granville Street, Vancouver, British Columbia.

The purpose of this report is to summarize and evaluate the exploration work done to date on the CABIN LAKE PROPERTY, located some 25 miles by road south of Fraser Lake, British Columbia, as well as examine the results of the diamond drill program completed in March-April of this year.

The property was examined on April 26, 1978 in company with Messrs. M. SHERMAN, M. BIBBY and D. VIGOURET.

SUMMARY AND CONCLUSIONS

Since 1964, twenty diamond drill holes totalling 1,147 metres [3,763 feet] and six percussion drill holes totalling 564 metres [1,851 feet] have been completed on the property. In addition, a limited amount of surface bulldozer stripping and trenching and chip sampling has been done. Much of the work has been done on and around the area of claim Shack #8.

The results of the exploration work done to date on the property show intersections of silver varying up to 79 ounces across narrow widths mostly in the two-foot range. The ratio of silver to lead and silver to zinc is not constant and leads to the conclusion that native silver may be present.

Examination of the mineral showings suggests the lead-zinc-manganese mineralization occupies a north-northwest-trending fracture pattern in most of the mineral showings with some variation in strike. Correlation of the surface exposures and sub-surface drill-hole intersections is somewhat obscure. In order to better determine the geological aspect of the mineral occurrences it is proposed to bulldozer trench and strip the known mineral showings that have already been drilled and do detailed geological surface mapping and chip sampling.

The estimated cost of this recommended program of exploration is \$23,575.00.

PROPERTY - LOCATION, ACCESS, PHYSIOGRAPHY

The Nithex property comprises fifty-six full and two fractional mineral claims ^{AND UNITS} located about six miles due south of the east end of Francois Lake near Cabin Lake, in the Omenica Mining Division, British Columbia, [Figures 2 and 3].

Access is best by 4-wheel drive vehicle over logging roads leading south from Fraser Lake, a road-distance of about twenty-five miles [Figure 3].

The claim group is situated about a mile north and west of Cabin Lake between elevations 3,500 - 4,500 feet above sea-level.

Most of the claim group is covered with second-growth pine, fir, spruce and brush undergrowth.

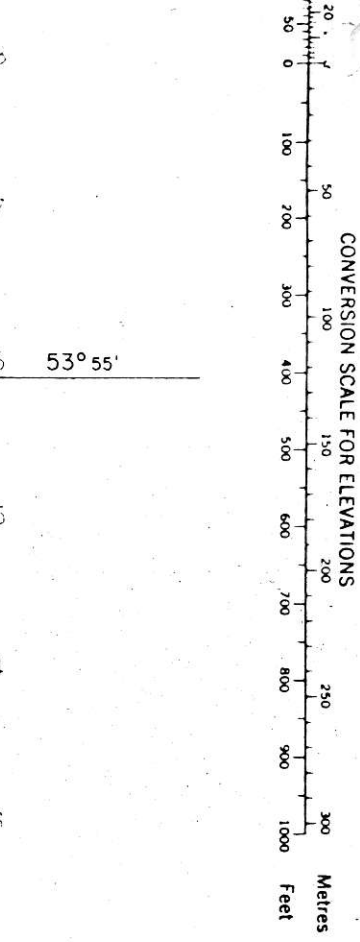
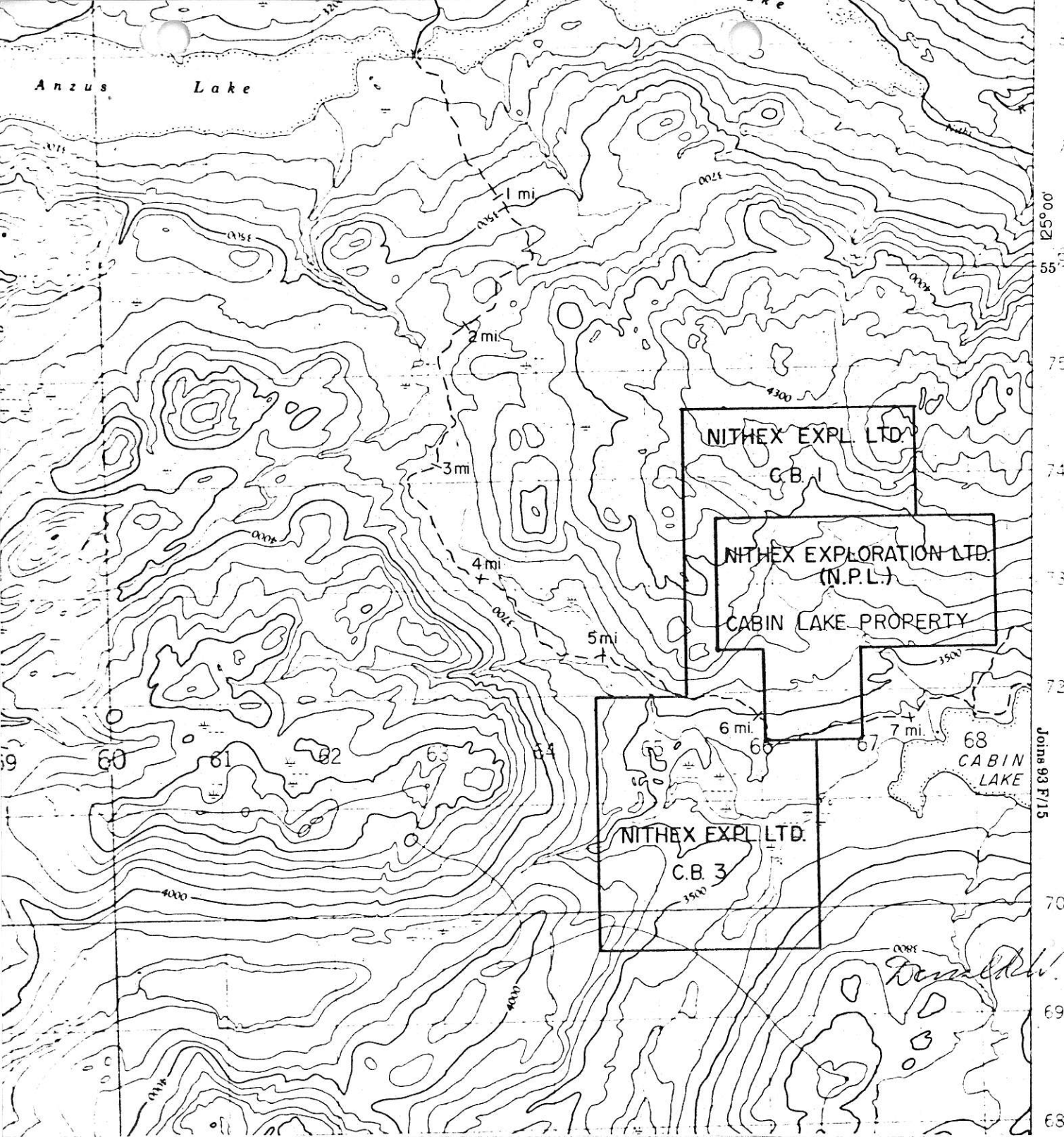
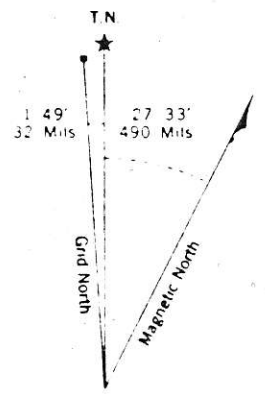
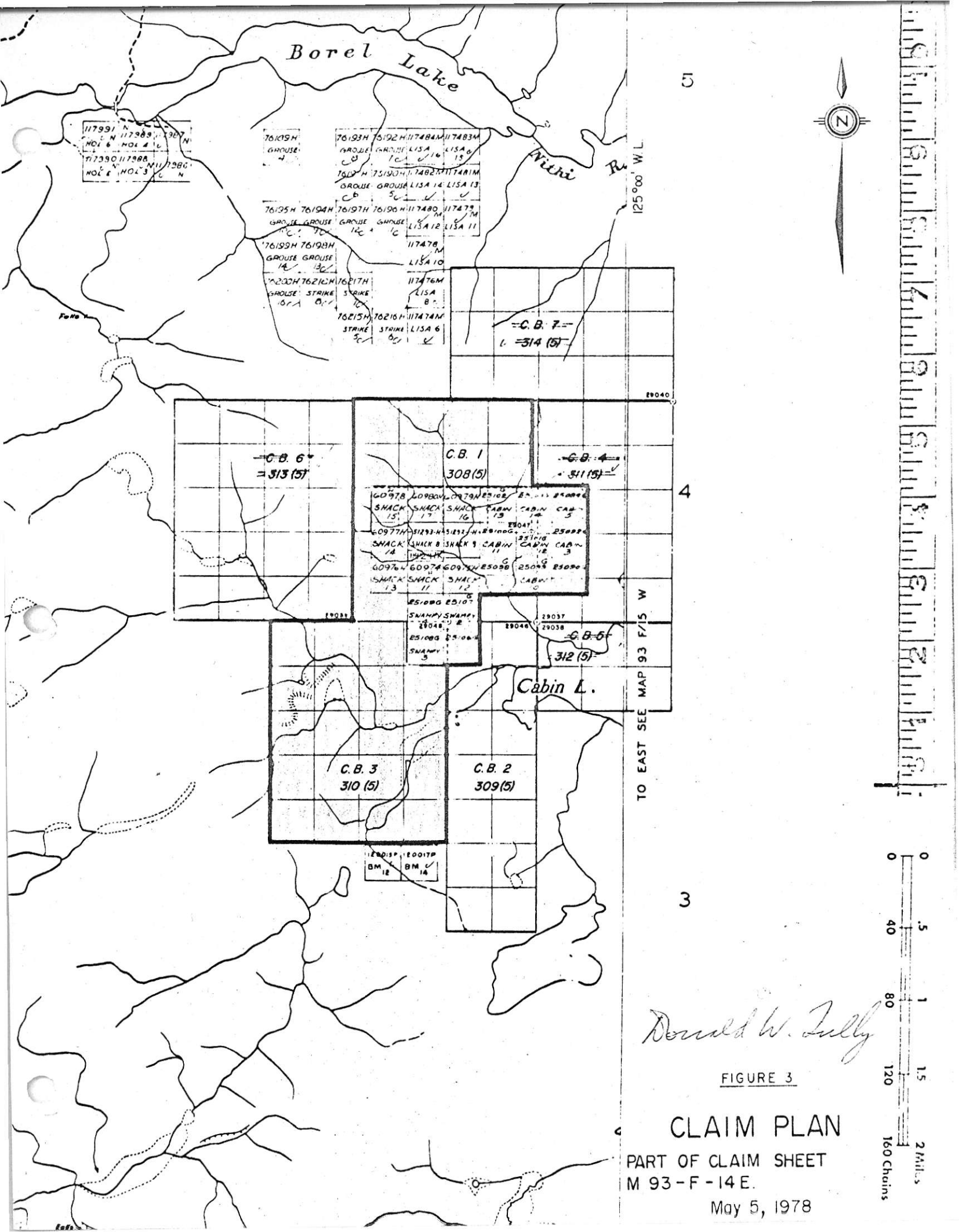


FIGURE 2
SCALE 1: 50,000
MAY 5, 1978



Use diagram only to obtain numerical values
APPROXIMATE MEAN DECLINATION 1968
FOR CENTRE OF MAP
Annual change decreasing 3.6'

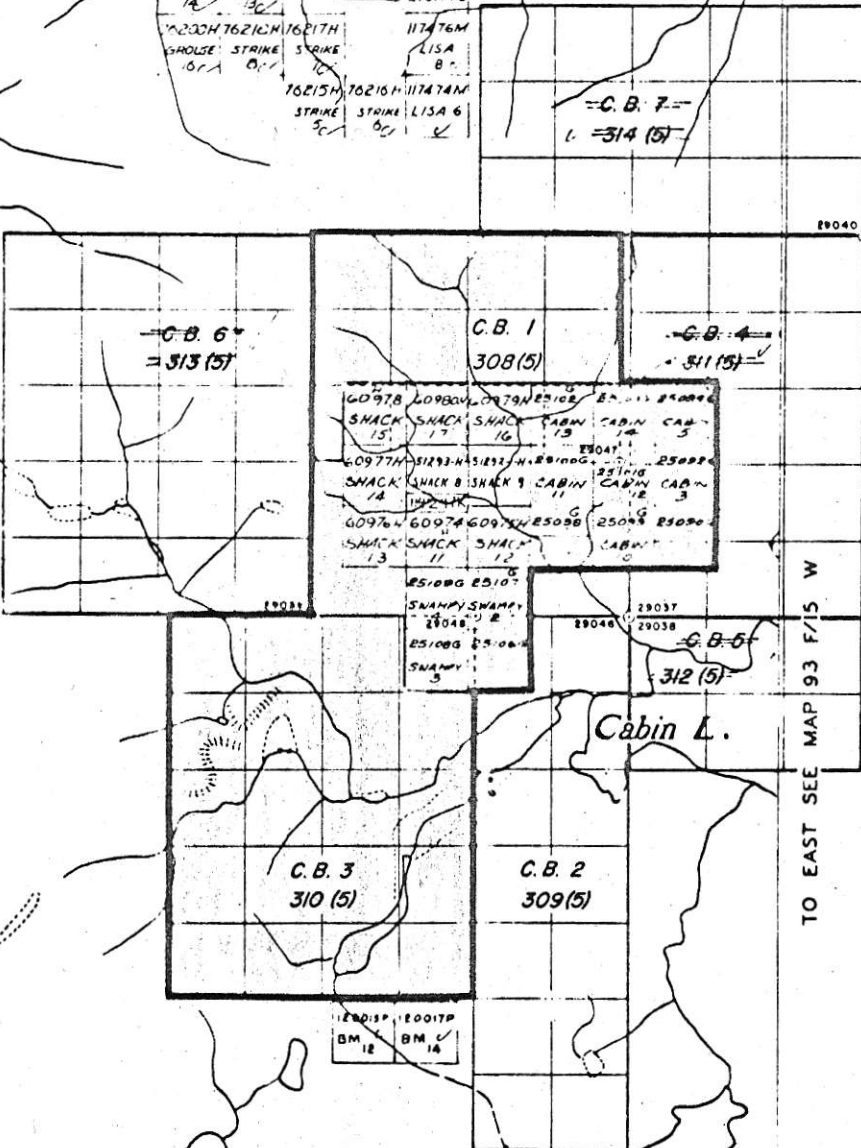
Donald W. Zully



Borel Lake

117991 N
MOL 6
117989 N
MOL 4
117990 N
MOL 6
117988 N
MOL 3
117986 N

76195H GROUSE 4
76193H GROUSE 10
76192H GROUSE 16
76191H GROUSE 15
76190H GROUSE 14
76189H GROUSE 13
76188H GROUSE 12
76187H GROUSE 11
76186H GROUSE 10
76185H GROUSE 9
76184H GROUSE 8
76183H GROUSE 7
76182H GROUSE 6
76181H GROUSE 5
76180H GROUSE 4
76179H GROUSE 3
76178H GROUSE 2
76177H GROUSE 1
76176H GROUSE 0



TO EAST SEE MAP 93 F/15 W

Donald W. Tully

FIGURE 3

CLAIM PLAN
PART OF CLAIM SHEET
M 93-F-14 E.
May 5, 1978

CLAIMS

Nithex Exploration Ltd. [NPL] controls fifty-
 six full and two fractional mineral claims^{AND UNITS} at Cabin
 Lake as follows:

Under agreement dated as of April 20, 1976, the
 company holds an option to purchase the following mineral
 claims in the Cabin Lake area, Omenica Mining Division,
 Province of British Columbia.

<u>Claim Name</u>	<u>Record Numbers</u>	<u>Expiry Dates</u>
Cabin 1	25090	June 29, 1979
Cabin 3	25092	June 29, 1979
Cabin 5	25094	June 29, 1979
Cabin 9	29098	June 29, 1979
Cabin 10	25099	June 29, 1979
Cabin 11	25100	June 29, 1979
Cabin 12	25101	June 29, 1979
Cabin 13	25102	June 29, 1979
Cabin 14	25103	June 29, 1979
Shack 8	51292	July 12, 1979
Shack 9	51293	July 12, 1979
Shack 11 - 17	60974-60980	July 9, 1979
Swampy 1 - 4	25106-25109	June 29, 1979
AM No. 1 Fr.	111767	June 20, 1979
AM No. 2 Fr.	114247	Aug. 7, 1979

The following mineral claims were acquired by
 the company by staking and recording, and are held sub-
 ject to the terms of the said agreement:

<u>Claim Name</u>	<u>Record Numbers</u>	<u>Expiry Dates</u>
CB 1	308	May 27, 1979
CB 3	310	May 27, 1979

HISTORY - PREVIOUS DEVELOPMENT

In 1964, a company called R & P Metals Ltd. is reported to have drilled 2,198 feet of core in six drill holes. Five of these holes were on the East Showing and one was reported located some 500 feet west of the West Showing [Figure 5]. Location of these drill sites is not available to the writer. These holes are reported to have been in granodiorite and apparently did not intersect any mineralization of importance. The whereabouts of the core from this drill program is not known.

Surface work including chip sampling was reported done in July 1967 on this ground.

David Minerals Ltd. subsequently came into possession of the property and prepared the ground for a program of diamond drilling in 1971. In 1972 some 363.7 metres [1,193 feet] of diamond drilling was done in seven holes by David Minerals. Five of these holes were IEX [2.54 cm] core and the last two were BQ [3.30 cm] core size.

Prior to and during 1976, bulldozer trenching and stripping was done on the property. Nithex Exploration Ltd. [NPL] acquired an option on the claims in April 1976 and carried out a program of percussion drilling [5 cm] size hole totalling 564.4 metres [1,851 ft.]. Nithex also did line-cutting, geological mapping, electromagnetic and geochemical work during this field season.

The latest program of diamond drilling was done in the period March 27, 1978 through April 11, 1978. Marvin Sherman of Nithex Exploration did the drilling using a Winkie GF 15 diamond drill. A total of 113.5 metres [372.5 ft.] of IEX core was drilled in seven holes.

Drill hole assay results from previous work programs are summarized below showing only those assays in silver over one ounce with accompanying values in zinc and lead as follows: [See Figure 6]

1972 DIAMOND DRILL PROGRAM BY DAVID MINERALS LTD.

Hole #	Core	Direction	Dip	Depth (ft.)	Width (ft.)	Oz Ag	% Zn	% Pb	
DDH 1	IEX	North							
2	"	East	67°						
3	"	S60°E	54°						
4	"	S60°E	65°						
5	"	East	55°	18-20	2.0	79.20	8.60	5.02	443.32
				29-31	2.0	4.80	8.80	4.42	108.12
				46-48	2.0	4.42	5.30	1.88	65.18
				72-78.5	6.5	14.30	0.67	0.34	77.46
6	BQ	East	55°	92-94	2.0	3.94	2.08	3.92	55.70
				233-234.5	1.5	3.14	2.88	1.48	41.86
				315-315.5	0.5	12.44	0.35	0.76	68.56
				354-354.5	0.5	2.08	0.14	0.04	13.32
				388-393	5.0	1.06	2.32	1.15	26.12
7	BQ	East	55°	152.5-157	4.5	3.18	4.60	6.25	81.00
				205-206	1.0	2.78	1.09	0.43	23.02
				225-225.5	0.5	2.08	0.98	1.00	
				284-285	1.0	1.42	2.40	0.89	

1976 PERCUSSION DRILL HOLE PROGRAM BY NITHEX EXPLORATION

PH #1-76	2"	East	45°	80-90	10.0	2.82	2.65	- 30.00
#2-76	2"	East	43°					
#3-76	2"	East	45°					
#4-76	2"	East	60°					
#5-76	2"	East	48°					
#6-76	2"	East	50°	120-190	70.0	1.61		8.05 + Zn

REFERENCES

The following is a list of available references pertinent to this report:

1. August 25, 1971 - Report on the CABIN LAKE PROSPECT for David Minerals Ltd. by A.F. ROBERTS, P.ENG.
2. October 22, 1972 - Report on DIAMOND DRILL PROGRAM on the DBS, DBA claim groups for David Minerals Ltd. by A.F. ROBERTS, P.ENG.
3. Geological Survey of Canada - Memoir 324 and Map 1131A.
4. Geological Survey of Canada Geophysics Maps 1589g and 5296g.
5. NTS Topographic Map 93-14-E, scale 1 - 50,000.
6. April 23, 1976 - Report on the CABIN LAKE PROSPECT for NITHEX EXPLORATION AND DEVELOPMENT LTD. by A. F. ROBERTS, P.ENG.
7. August 27, 1976 - Report on the CABIN LAKE PROPERTY for NITHEX EXPLORATION LTD. - Geological Report by W. MEYER, P.ENG. - Magnetometer, Geochem and EM-16 Report by A.F. ROBERTS, P.ENG.
8. November 16, 1976 - Report on a TRENCHING PROGRAM - CABIN LAKE PROPERTY for NITHEX EXPLORATION LTD. by A.F. ROBERTS, P.ENG.
9. December 15, 1976 - Report on a PERCUSSION DRILLING PROGRAM and Partial EM-16 Survey of the CABIN LAKE PROPERTY for NITHEX EXPLORATION LTD. by A.F. ROBERTS, P.ENG.

LEGEND

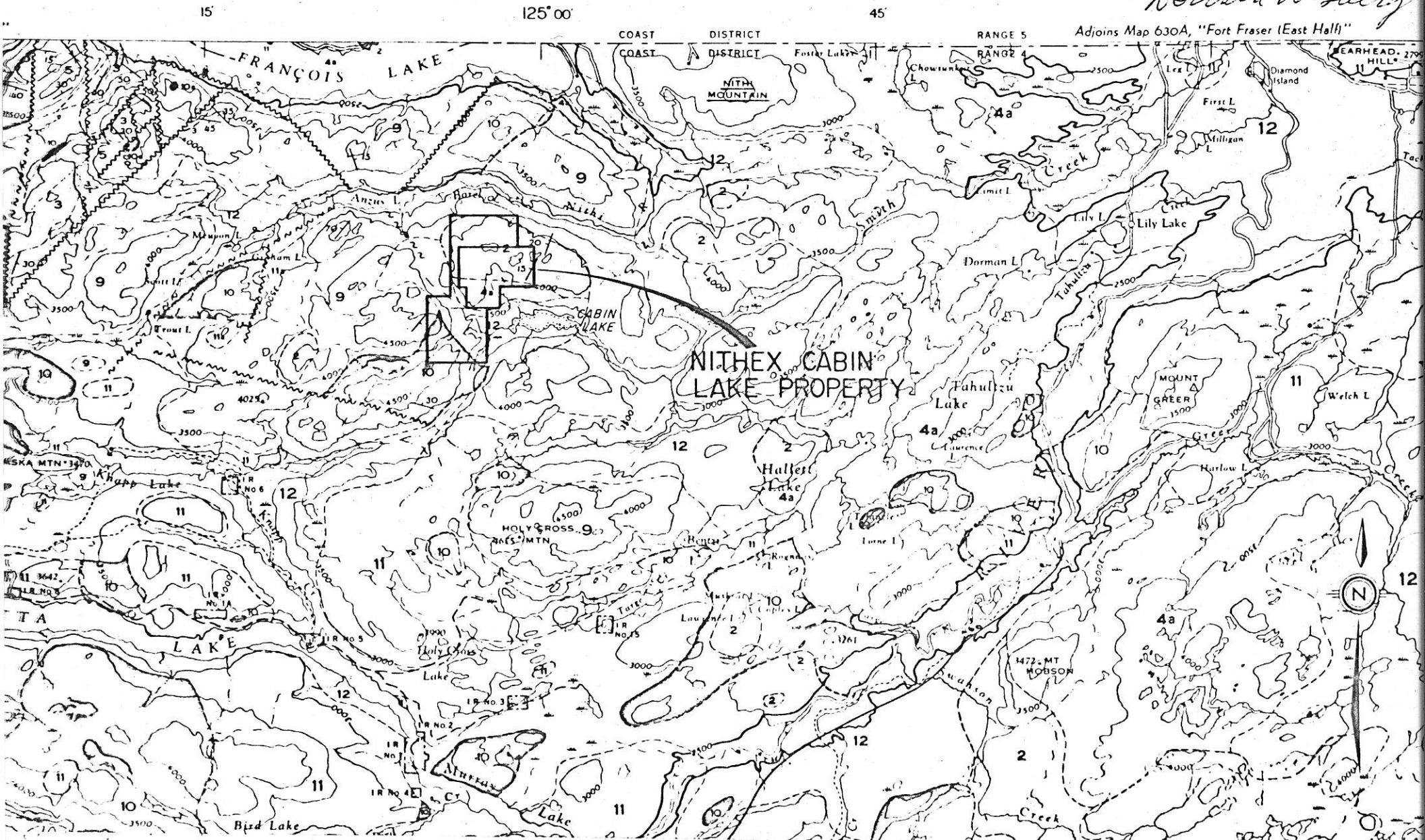
- 2 - VOLCANICS
- 4a GRANODIORITE
- 12 ALLUVIUM

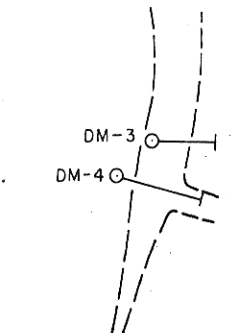


GEOLOGICAL SURVEY OF CANADA - MAP 1131 A (Scale 1" = 4 miles)
DEPARTMENT OF MINES AND TECHNICAL SURVEYS

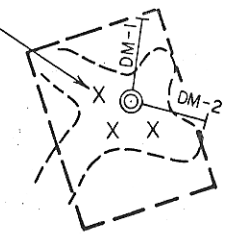
FIGURE 4
MAY 5, 1978

Revised W. Lilly

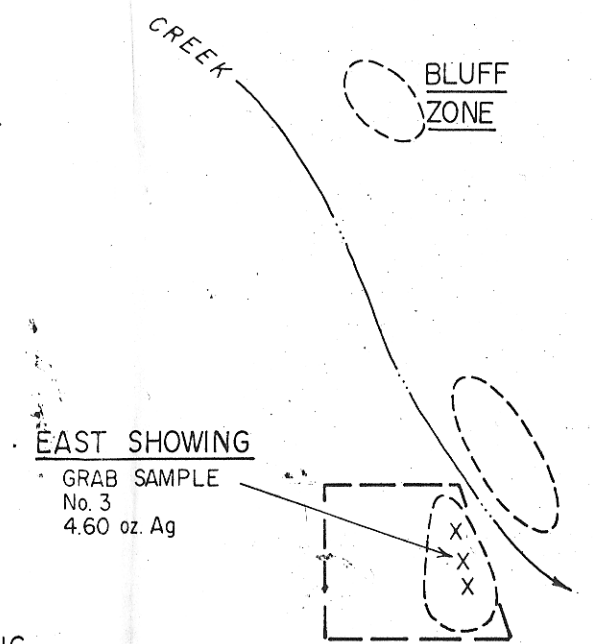
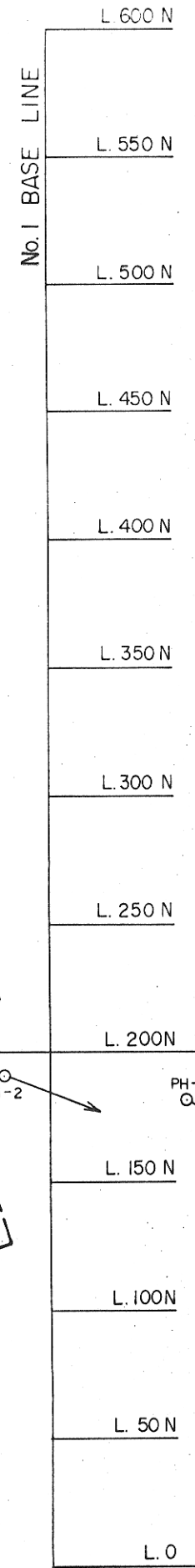
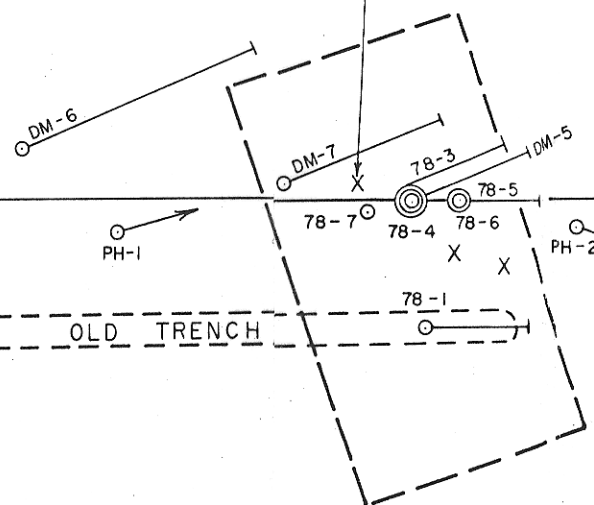




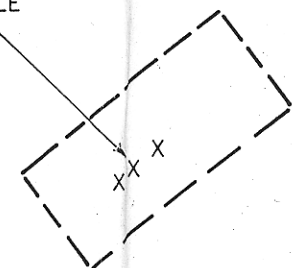
GRAB SAMPLE
No. 5
15.34 oz. Ag.



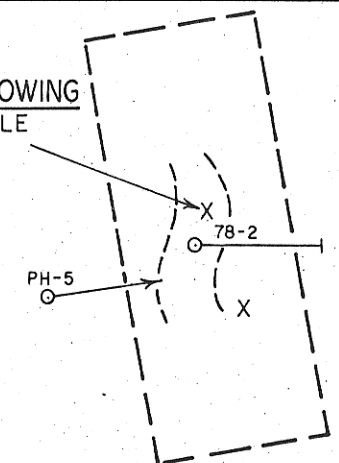
WEST SHOWING
GRAB SAMPLE
No. 1
9.81 oz. Ag.



NEW SHOWING
GRAB SAMPLE
No. 4
4.96 oz. Ag.

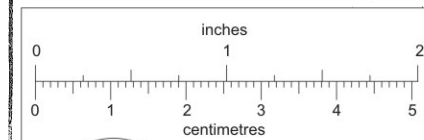


CENTRAL SHOWING
GRAB SAMPLE
No. 2
4.26 oz. Ag.



LEGEND

- Proposed zone to be Trenched
- Previously stripped or Trenched area
- DM-1 David Minerals D.D.Hole (1972)
- PH-1 NITHEX Percussion D.Hole (1976)
- 78-1 NITHEX D.D.Hole (1978)
- X X X Surface grab sample location



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

FIGURE 5

NITHEX EXPLORATION LTD.(N.P.L.)

PLAN OF DRILL HOLES & PROPOSED TRENCHING

CABIN LAKE PROPERTY
FRANCOIS LAKE AREA

OMENICA M. D., B.C.
SCALE 1cm. = 25 m. May 5, 1978

Donald W. Tully

To accompany a report by Donald W. Tully,
P. Eng., dated May 5, 1978

REGIONAL AND LOCAL GEOLOGY

The Cabin Lake property is situated on the west flank of the Topley Intrusions of Lower Jurassic age. Takla Group volcanics of Upper Triassic age have been recognized on the northeast part of the claim group [A.F. Roberts and W. Meyer, 1976].

The major rock unit on the claim group in the mineralized areas is an altered diorite phase of the granodiorite. Rhyolite porphyry dykes carrying magnetite cut the altered diorite phase.

A tentative table of formations and events is as follows:

<u>Formation</u>	<u>Event</u>	<u>Age</u>
Mineralization		?
	Shearing & alteration	?
Rhyolite porphyry		Jurassic
	Shearing	
Diorite-granodiorite		Lower Jurassic
	Tectonic activity	
Takla Group Volcanics		Upper Triassic

Structurally, two systems of fractures were seen trending through the mineralized Showings. One east-west trending set of fractures appears to intersect an earlier northwest striking system.

Mineralization consists in order of abundance of pyrite, galena, sphalerite and minor chalcopyrite. Manganese is evident on the weathered surface in the mineralized

areas. The mineralization occurs both as disseminations and as fine seams frequently accompanied with fine quartz veinlets.

RESULTS OF 1978 DIAMOND DRILL PROGRAM - MINERALIZATION

Most of the exploratory drilling and trenching has been done in the area of claims SHACK 8 and 9.

All the drill core from the 1978 diamond drill program was split and assayed for lead, zinc, silver and gold. Complete log and assay results are shown in the APPENDIX to this report. The work period was March 27 - April 11, 1978.

Significant assay results in lead, zinc and silver [over one ounce] are summarized below as follows:

<u>Hole #</u>	<u>Direction</u>	<u>Total Depth(m)</u>	<u>Dip</u>	<u>Inter-section (feet)</u>	<u>Width (feet)</u>	<u>Oz Ag</u>	<u>% Zn</u>	<u>% Pb</u>	
78-1	East	12.19	45°	10-16	6.0	1.05	0.64	0.30	10.39
78-2	East	18.59	55°			-	-	-	
78-3	East	23.62	50°	26-28	2.0	1.15	2.58	0.57	24.65
				35.5-37.5	2.0	6.52	0.25	0.05	33.80
				37.5-40.0	2.5	1.13	1.15	0.49	15.49
78-4	-	19.51	90°	32-34	2.0	17.20	0.02	3.48	106.88
				34-35.8	1.8	3.96	3.12	2.35	52.64
				59-62	3.0	6.52	3.18	4.95	80.38
				62-64	2.0	2.21	2.78	1.34	35.77
78-5	East	14.02	50°			-	-	-	
78-6	-	14.02	90°	25-28	3.0	4.38	.72	.08	26.22
				34-39.5	5.5	2.22	.53	2.02	26.40
78-7	-	11.58	90°			-	-	-	
		<u>113.53</u>		(372.5 ft.)					

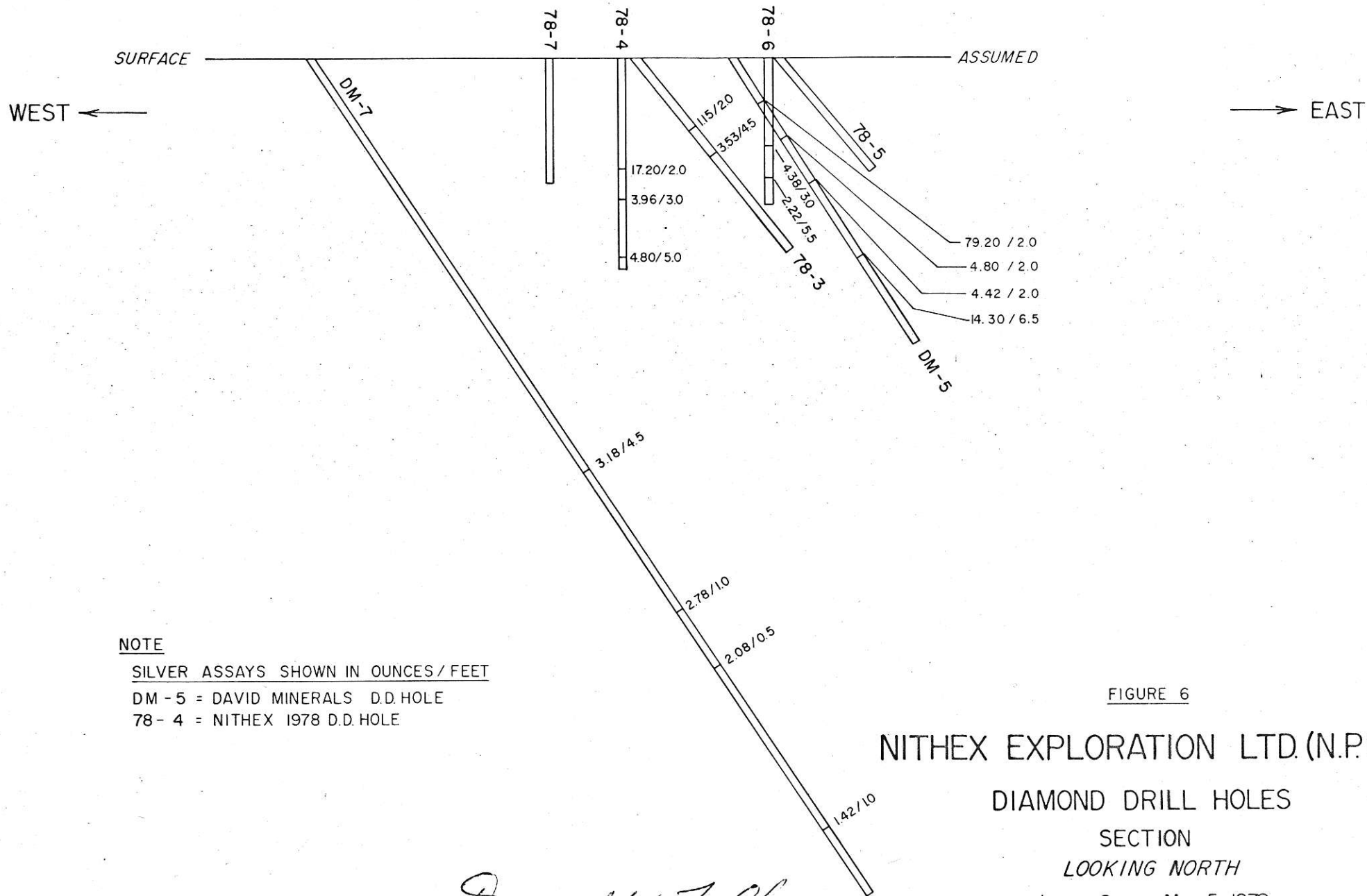


FIGURE 6

NITHEX EXPLORATION LTD.(N.P.L.)

DIAMOND DRILL HOLES

SECTION

LOOKING NORTH

Donald W. Zilly

No consistent relationship exists in the Lead-Silver or the Zinc-Silver ratio. Galena, sphalerite, pyrite and chalcopyrite was noted in the core sections. Native silver has been reported. Low values in gold were found in all the samples. Manganite, the hydroxide of manganese is common in surface outcrops.

Five grab samples of surface outcrop mineralized with pyrite and galena were taken by the writer on April 27, 1978, one from each of the several Showing areas [Figure 5]. The assay results were as follows:

West Showing	[Grab #1]	-	9.81	oz	Silver
Central	" [" #2]	-	4.26	"	"
East	" [" #3]	-	4.60	"	"
New	" [" #4]	-	4.96	"	"
	[" #5]	-	15.34	"	"

RECOMMENDATIONS

The mineralization occurs as a fracture-filling and replacement in a fracture zone. In order to determine the nature and character of the several mineral occurrences over the property it is proposed that a program of bulldozer trenching and stripping be carried out in those areas where sub-surface drill hole information is available and relate the surface outcrop to the drill hole results.

It is recommended that the program be initiated in the area of the West Showing where the majority of the drill-hole information is available. This approach should be expanded to the Central Showing, East Showing and New

Showing areas [Figure 5].

The proposed work program would involve surface geological mapping in close detail and channel sampling of the rock surface in the trenched and stripped areas. In this way it may be possible to relate the surface and sub-surface geology and mineralization in order to develop new parameters for further exploration of this property.

ESTIMATED COST OF THE PROPOSED WORK PROGRAM

Using the equivalent of a #7E bulldozer to perform the proposed program of trenching and stripping the cost of the recommended work program is estimated as follows:

Mobilization and demobilization from the Vancouver area.....	\$ 2,000.00
200 machine hours to trench and strip 200 x \$65.00/hour.....	13,000.00
Camp costs for 3 men @ \$20.00 each per day x say 25 days.....	1,500.00
Surface geological mapping and rock sampling..	2,000.00
Assaying costs [say 100 samples @ \$12.50 ea.]	1,250.00
Engineering evaluation of the work program....	750.00
Contingency at 15% of above costs	<u>3,075.00</u>
Estimated total cost.....	<u><u>\$23,575.00</u></u>

Respectfully submitted,

Donald W. Tully
Donald W. Tully, P.Eng.

May 5, 1978

TIME - COST DISTRIBUTION

The following cost distribution figures were received from the Nithex auditors, Guardian Estates, 404 - 470 Granville Street, Vancouver, British Columbia:

Supplies:

Diamond drill rental - one month	\$ 750.00
Parts and repairs	337.52
Truck rental - $\frac{3}{4}$ ton 4x4 [18 days @ \$45.00 per day]	810.00
Truck rental - 1 ton 4x4 [18 days @ \$50.00 per day]	900.00

Wages:

Driller - 167 hours @ \$9.00/hour	1,503.00
Helper - 167 hours @ \$8.00/hour	1,336.00
Camp supplies and groceries	353.69
Freight and transportation	900.18
Diamond bits, shells and accessories	1,213.73
Assaying	1,561.50
Fuel	153.18
Miscellaneous	16.00
Engineering, including core-logging, core-splitting, drill hole location examination and report	1,825.50
Total	<u><u>11,660.30</u></u>

CERTIFICATE

I, DONALD WILLIAM TULLY, of the City of West Vancouver, Province of British Columbia, hereby certify as follows:

1. I am a Consulting Geologist with an office at Suite 102, 2222 Bellevue Avenue, West Vancouver, B. C.
2. I am a registered Professional Engineer of the Provinces of British Columbia and Ontario.
3. I graduated with a degree of Bachelor of Science from McGill University in 1943.
4. I have practiced my profession for thirty-two years.
5. I have no direct, indirect or contingent interest in the claims held by Nithex Exploration Ltd. [NPL] nor do I intend to have any interest.
6. This report, dated May 5, 1978, is based on a personal field examination made on April 27, 1978, from information gathered from available maps and reports and from logging and splitting the core drilled in 1978.

DATED at West Vancouver, Province of British Columbia this 5th day of May, 1978.



Donald W. Tully, P.Eng.
Consulting Geologist

APPENDIX

DON TULLY ENGINEERING LTD.
SUITE 102 - 2222 BELLEVUE AVENUE
WEST VANCOUVER, BRITISH COLUMBIA
V7V 1C7

HOLE LOCATION - 160 N , 75 W
 ELEVATION - 3570 ±

Nithex Exploration and Development Ltd (npl)

SECTION Surface
 LEVEL Cabin Lake
 PROPERTY

DIAMOND DRILL CORE LOG - SAMPLE RECORD
 CORE SIZE - IEX (1" or 2.54 cm) DIRECTION - East

DIP 45 :
 D. D. HOLE No. 78-1 PAGE No. 1

LENGTH IN METRES		DESCRIPTION	MINERALIZATION	SAMPLE No.	ASSAYS						
FROM	TO				From	To	Length	AU	AG	ZN	Pb
0	3.35	Casing (11 ft)									
3.35	4.88	Diorite - grey altered	sparse pbs, zns and pyrite	B1381	14.5	16	1 1/2 ft	.019	1.05	.64	.30
4.88	6.40	Ditto	ditto	2				.002	.98	.07	.14
6.40	7.62	Ditto	ditto	3				.001	.26	.02	.08
7.62	8.84	Ditto	dissem pyrite	4				.001	.01	.17	.01
8.84	10.36	Ditto	ditto	5				.001	.01	.11	.02
10.36	12.19	(40 ft) Ditto as above	ditto	B1386				.001	.01	.12	.01
		End									
		% recovery - 84									

MIN. 8293 7-3-64

CORE Logged by: D. W. Tully
 Core split by: D. W. Tully
 HOLE STARTED: March 27, 1978
 HOLE FINISHED: March 31, "

HOLE LOCATION - 125N, 535 E
 ELEVATION - 3500 ±

Nithex Exploration and Development Ltd (npl)

SECTION Surface
 LEVEL Cabin Lake
 PROPERTY

DIAMOND DRILL CORE LOG - SAMPLE RECORD
 CORE SIZE - IEX DIRECTION - East

DIP 55°
 D. D. HOLE No. 78-2 PAGE No. 1

LENGTH IN METRES		DESCRIPTION	MINERALISATION	SAMPLE No.	ASSAYS							
FROM	TO				From	To	Length	AU	AG	ZN	Pb	
0	2.13	Casing (7ft)										
2.13	3.05	Diorite - grey altered	sparse dissem. py.	31387				.001	.02	.01	.01	
3.05	4.27	ditto as above	ditto	8				.001	.04	.01	.01	
4.27	5.49	" " "	Imm py seams	9				.001	.01	.01	.01	
5.49	6.71	" with shearing @ 60°	dissem py	31390				.001	.01	.01	.01	
6.71	7.62	" " " "	" "	1				.001	.02	.02	.01	
7.62	8.84	Rhyolite porphyry - magnetic	" "	2				.001	.01	.01	.01	
8.84	11.28	" "	" "	3				.001	.01	.01	.01	
11.28	12.50	" "	" "	31396				.001	.02	.01	.01	
12.50	13.41	" "	" "	7				.001	.01	.01	.01	
13.41	14.63	" "	" "	8				.001	.01	.01	.01	
14.63	15.24	" "	" "	9				.001	.01	.01	.01	
15.24	17.07	" " Bleached	" "	313400				.001	.01	.01	.01	
17.07	18.59 (61ft)	" " "	" "	1				.001	.01	.01	.01	
		END										
		% recovery - 96										

728 2000 17-0-01

CORE Logged by: D. W. Tully
 Core split by: D. W. Tully
 HOLE STARTED: March 31, 1978
 HOLE FINISHED: April 2, 1978

HOLE LOCATION - L 200 N, 75 W
 ELEVATION - 3575 ±

Nithex Exploration and Development Ltd (npl)

SECTION LEVEL Surface
 PROPERTY Cabin Lake

DIAMOND DRILL CORE LOG - SAMPLE RECORD
 CORE SIZE - IEX DIRECTION - East

DIP 50°
 D.D. HOLE No. 78-3 PAGE No. 1

LENGTH IN METERS		DESCRIPTION	MINERALIZATION	SAMPLE No.	ASSAYS							
FROM	TO				From	To	Length	AU	AG	EN	Pb	
0	1.52	(5ft) Casing										
1.52	1.83	no core										
1.83	2.44	Diorite, rusty, fractured	dissem pyrite	31402				.007	.12	.01	.01	
2.44	3.05	" " "	" "	3				.001	.07	.02	.01	
3.05	3.87	" grey altered	" "	4				.001	.12	.02	.02	
3.87	4.72	" " "	" "	5				.001	.13	.06	.11	
4.72	5.97	" " "	" "	6				.001	.03	.05	.03	
5.97	6.71	" " "	" "	7				.001	.11	.07	.03	
6.71	7.92	" " " fine seams	pbs, pyrite	8				.031	.73	1.60	1.18	
7.92	8.53	" fine quartz veinlets	withpbs,zns,py.	9	26-28	2ft		.006	1.15	2.58	.57	
8.53	9.30	" grey altered	dissem. py.	31410				.002	.11	.15	.04	
9.30	10.06	" " "	" "	1				.001	.03	.13	.03	
10.06	10.82	" " "	" "	2				.001	.07	.15	.02	
10.82	11.43	" " " fine quartz,	pbs,zns,py.	3	35.5-37.5	2ft		.016	6.52	.25	.05	} 3.53 4.5
11.43	12.19	Cherty vein zone,	" " "	4	37.5-40	2.5ft		.006	1.13	1.15	.49	
12.19	12.80	Diorite- grey altered, blocky	dissem py.	5				.001	.07	.12	.02	
12.80	13.41	" " " "	" "	6				.003	.02	.10	.02	
13.41	14.02	" " " "	" "	7				.002	.01	.13	.01	
14.02	14.78	" " " "	" "	31418				.003	.06	.21	.04	

FE3. 8041 17-4-81

CORE Logged by: D. W. Tully
 Core split by: D. W. Tully
 HOLE STARTED: April 2, 1978
 HOLE FINISHED: " 5, 1978

HOLE LOCATION -
ELEVATION -

SECTION
LEVEL
PROPERTY

DIAMOND DRILL CORE LOG - SAMPLE RECORD

CORE SIZE -

DIRECTION -

DIP

D. D. HOLE No. 78-3

PAGE No. 2

LENGTH IN METERS		DESCRIPTION	MINERALIZATION	SAMPLE No.	ASSAYS									
FROM	TO				From	To	Length	AU	AG	EN	Pb			
14.78	15.54	Diorite-grey altered	Dissem. pyrite	31419							.004	.14	.15	.04
15.54	16.31	" " "		31420							.001	.02	.07	.01
16.31	16.76	" " "		1							.001	.01	.05	.01
16.76	17.37	" " "		2							.001	.02	.16	.02
17.37	17.98	" " "		3							.001	.04	.12	.02
17.98	18.59	" " "		31424							.002	.22	.14	.05
18.59	19.20	" " "		926							.004	.13	.06	.02
19.20	19.81	" " "		7							.006	.12	.14	.06
19.81	20.42	" " "		8							.012	.21	.19	.06
20.42	21.03	Rhyolite porphyry-magnetic		9							.004	.01	.05	.01
21.03	22.25	" " "		930							.001	.01	.02	.01
22.25	23.62	(77.5ft) " " "		1							.001	.01	.02	.01
		END												
		% recovery - 92												
Sludges		footage 26-36		26231							.006	.27	.28	.15
		" 36-46		26233							.009	.82	.63	.27
		" 46-56		4							.008	.27	.28	.12
		" 56-66		5							.007	.37	.38	.15
		" 66-76		26236							.003	.28	.23	.09

FORM 8000 11-4-64

CORE Logged by: D. W. Tully

Core split by: D. W. Tully

HOLE STARTED: _____

HOLE FINISHED: _____

HOLE LOCATION - L 200 N, 75 W

ELEVATION - 3575 ±

Nithex Exploration and Development Ltd (npl)

SECTION Surface

LEVEL Cabin Lake

DIAMOND DRILL CORE LOG - SAMPLE RECORD

CORE SIZE - IEX

DIRECTION -

DIP 90°

78-4

D. D. HOLE No. PAGE No. 1

LENGTH IN METRES		DESCRIPTION	MINERALIZATION	SAMPLE No.	ASSAYS							
FROM	TO				From	To	Length	AU	AG	EM	Pb	
0	2.74	(9ft) Casing										
2.74	4.27	Rhyolite porphyry - magnetic		932					.001	.03	.05	.01
4.27	5.79	" " "		933					.001	.01	.05	.01
5.79	7.32	" " "		934					.001	.01	.10	.01
7.32	7.92	" " "		935					.001	.01	.09	.02
7.92	8.53	Diorite - grey altered		936					.003	.88	.53	.24
8.53	9.75	" " "		937					.002	.54	.13	.02
9.75	10.36	" " " seams pbs, zns, pyrite		938	32-34	2 ft			.013	17.20	3.02	3.48
10.36	10.91	" " " fine quartz, pbs, pyrite		939					.002	.45	.17	.08
11.58	12.50	" " " dissem. pyrite		941					.001	.11	.24	.03
12.50	13.11	" " " seams pbs, zns, dissem py		942	41-43	3 ft			.023	3.96	3.12	2.35
13.11	13.72	" " " , blocky, cave-dissem py		943					.001	.07	.12	.04
13.72	14.72	" " " " dissem. pyrite		944					.001	.10	.15	.04
14.72	15.39	" " " " " " "		945					.002	.21	.20	.13
15.39	16.06	" " " " " " "		946					.011	.38	.29	.16
16.06	17.07	" " " " " " "		947					.008	.10	.08	.03
17.07	17.93	" " " " " " "		948					.004	.12	.12	.04
17.98	18.90	" " " fine seams pbs, zns, pyrite		949	59-62	3 ft			.045	6.52	3.18	4.95
18.90	19.51	" " " " " " "		950	62-64	2 ft			.018	2.21	2.78	1.34
		END										

Sludges : Footages see page 2

% recovery - 93

CORE Logged by: D. W. Tully
 Core split by : D. W. Tully
 HOLE STARTED : April 5, 1978
 HOLE FINISHED : April 7, 1978

HOLE LOCATION - L 200 N, 60 W
 ELEVATION - 3575 ±

Nithex Exploration and Development Ltd (npl)

SECTION Surface
 LEVEL Cabin Lake
 PROPERTY

DIAMOND DRILL CORE LOG - SAMPLE RECORD

CORE SIZE - IEX

DIRECTION - East

DIP 50°
 D. D. HOLE No. 78-5 PAGE No. 1

LENGTH IN METRES		DESCRIPTION	MINERALIZATION	SAMPLE No.	ASSAYS						
FROM	TO				From	To	Length	AU	AG	EX	Pb
0	4.27	(14ft) Casing									
4.27	5.03	Rusty, fractured, grey altered diorite		26246				.001	.04	.05	.02
5.03	6.10	Rhyolite porphyry-magnetic		7				.001	.01	.16	.01
6.10	6.71	" " "		8				.001	.02	.05	.01
6.71	7.62	Diorite, rusty, fractured		9				.001	.04	.13	.02
7.62	9.14	Rhyolite porphyry		26250				.001	.01	.06	.01
9.14	9.75	ground core		--							
9.75	10.97	Rhyolite porphyry		301				.001	.01	.06	.01
10.97	11.58	ground core		--							
11.58	12.65	Diorite-grey altered, blocky	sparse fine pbs zns, pyrite	302				.002	.22	.37	.06
12.65	14.02	" " " "		303				.001	.03	.11	.02
		END									
		% recovery - 83									
Sludges		footage 25-35		26240				.005	.02	.08	.02
		" 35-46		1				.002	.02	.12	.02

FEB. 2004 17-4-04

CORE Logged by: D. W. Tully
 Core split by : D. W. Tully
 HOLE STARTED : April 7, 1978
 HOLE FINISHED : " 9, 1978

HOLE LOCATION - L 200 N, 60 W
 ELEVATION - - 3575 ±

Nithex Exploration and Development Ltd (npl)

SECTION
 LEVEL Surface
 PROPERTY Cabin Lake

DIAMOND DRILL CORE LOG - SAMPLE RECORD

CORE SIZE - IEX

DIRECTION -

DIP 90°

D. D. HOLE No. 78-6 PAGE No. 1

LENGTH IN METRES		DESCRIPTION	MINERALIZATION	SAMPLE No.	ASSAYS						
FROM	TO				From	To	Length	AU	AG	EN	PD
0	1.52	(5ft) Casing									
1.52	2.59	Rhyolite porphyry - magnetic rusty, fractured		304				.001	.07	.04	.06
2.59	3.81	as above		305				.001	.04	.03	.01
3.81	4.88	Diorite, grey altered, blocky		306				.002	.25	.12	.01
4.88	5.49	" " " "		307				.001	.27	.13	.05
5.49	6.40	" " " "		308				.001	.12	.14	.01
6.40	7.62	" " " "		309				.003	.10	.19	.02
7.62	8.53	" " " "		310	25-28	3 ft		.006	4.38	.72	.08
8.53	9.30	" " " "		311				.001	.64	1.32	.08
9.30	10.52	" " " "		312				.001	.10	.11	.01
10.52	11.89	" " " "		313	34-39.5	5.5 ft		.010	2.22	.53	2.02
11.89	12.50	Rhyolite porphyry		314				.001	.12	.07	.02
12.50	13.26	Bluish-grey quartz zone		315				.001	.07	.10	.03
13.26	14.02	(46ft) Rhyolite porphyry		316				.001	.02	.04	.01
		End									
Sludges		footage 28-38		26242				.003	2.04	1.25	.85
		" 38-46		3				.002	.27	.21	.09

FEB. 2001 17-4-81

% recovery - 92

CORE Logged by: D. W. Tully
 Core split by : D. W. Tully
 HOLE STARTED : April 10, 1978
 HOLE FINISHED : " 10, 1978

HOLE LOCATION - L 200 N, 90 W

ELEVATION - 3575 ±

Nithex Exploration and Development Ltd (npl)

SECTION Surface

DIAMOND DRILL CORE LOG - SAMPLE RECORD

LEVEL Cabin Lake

CORE SIZE - IEX

DIRECTION -

DIP 90 °

D. D. HOLE No. 78-7 PAGE No. 1

LENGTH IN METRES		DESCRIPTION	MINERALIZATION	SAMPLE No.	ASSAYS						
FROM	TO				From	To	Length	AU	AG	ZN	Pb
0	2.74	(9ft) Casing									
2.74	3.96	Oxidized, fractured rhy. por		317				.001	.03	.02	.01
3.96	5.03	Rhyolite Porphyry - magnetic rusty, fractured		318				.001	.13	.25	.05
5.03	6.10	as above		319				.001	.01	.03	.01
6.10	7.32	" "		320				.001	.02	.06	.01
7.32	7.62	" "		321				.001	.01	.04	.01
7.62	8.53	" "		322				no results reported			
8.53	9.14	" "		323				.001	.02	.03	.02
9.14	9.91	" "		324				.001	.02	.05	.02
9.91	10.97	" "		325				.001	.03	.06	.01
10.97	11.58 (38ft)	" "		31425				.001	.02	.03	.01
		END									
		Sludges footage 15 - 25		26244				.004	.11	.18	.05
		" 25 - 38		5				.003	.92	.36	.04

% recovery - 96

CORE Logged by: D. W. Tully
 Core split by: D. W. Tully
 HOLE STARTED: April 11, 1978
 HOLE FINISHED: April 11, 1978

ACME ANALYTICAL LABORATORIES LTD.

Assaying & Trace Analysis

Telephone: 299-5242

To

Nithex Exploration Ltd.

6455 Laurel Street * Burnaby, B.C. V5B 3B4

404-470 Granville St.

File No. 8124

Vancouver, B.C.

Type of Samples Cores

V6C 1V5

ASSAY CERTIFICATE

Disposition _____

No.	Sample	Pb%	Zn%	Ag oz/ton	Au oz/ton			No.
1	31381	.30	.64	1.05	.019			1
2	31382	.14	.07	.98	.002			2
3	31383	.08	.02	.26	.001			3
4	31384	.01	.17	.01	.001			4
5	31385	.02	.11	.01	.001			5
6	31386	.01	.12	.01	.001			6
7	31387	.01	.01	.02	.001			7
8	31388	.01	.01	.04	.001			8
9	31389	.01	.01	.01	.001			9
10	31390	.01	.01	.01	.001			10
11	31391	.01	.02	.02	.001			11
12	31392	.01	.01	.01	.001			12
13	31393	.01	.01	.01	.001			13
14						78-2		14
15	31396	.01	.01	.02	.001			15
16	31397	.01	.01	.01	.001			16
17	31398	.01	.01	.01	.001			17
18	31399	.01	.01	.01	.001			18
19	31400	.01	.01	.01	.001			19
20								20

All reports are the confidential property of clients.

DATE SAMPLES RECEIVED 17 April, 1978

DATE REPORTS MAILED 20 April, 1978

ASSAYER

B. Toye

DEAN TOYE, B.Sc.
CHIEF CHEMIST
CERTIFIED B.C. ASSAYER

ACME ANALYTICAL LABORATORIES LTD.

Assaying & Trace Analysis

Telephone: 299-5242

6455 Laurel Street * Burnaby, B.C. V5B 3B4

To

Nithex Exploration Ltd.

File No. 8124

Type of Samples Cores

Disposition _____

ASSAY CERTIFICATE

2

No.	Sample	Pb%	Zn%	Ag oz/ton	Au oz/ton		No.
1	31401	.01	.01	.01	.001		1
2	31402	.01	.01	.12	.007		2
3	31403	.01	.02	.07	.001		3
4	31404	.02	.02	.12	.001		4
5	31405	.11	.06	.13	.001		5
6	31406	.03	.05	.03	.001		6
7	31407	.03	.07	.11	.001		7
8	31408	1.18	1.60	.78	.031		8
9	31409	.57	2.58	1.15	.006		9
10	31410	.04	.15	.11	.002		10
11	31411	.03	.13	.03	.001	78-3	11
12	31412	.02	.15	.07	.001		12
13	31413	.05	.25	6.52	.016	31355-375	13
14	31414	.49	1.15	1.13	.006		14
15	31415	.02	.12	.07	.001		15
16	31416	.02	.10	.02	.003		16
17	31417	.01	.13	.01	.002		17
18	31418	.04	.21	.06	.003		18
19	31419	.04	.15	.14	.004		19
20	31420	.01	.07	.02	.001		20

All reports are the confidential property of clients.

DATE SAMPLES RECEIVED 17 April, 1978

DATE REPORTS MAILED 20 April, 1978

ASSAYER

per Dean Toye

DEAN TOYE, B.Sc.
CHIEF CHEMIST
CERTIFIED B.C. ASSAYER

ACME ANALYTICAL LABORATORIES LTD.

Assaying & Trace Analysis

Telephone: 299-5242

6455 Laurel Street * Burnaby, B.C. V5B 3B4

To

Nitex Exploration Ltd.

File No. 8124

Type of Samples Cores

Disposition _____

ASSAY CERTIFICATE

3

No.	Sample	Pb%	Zn%	Ag oz/ton	Au oz/ton			No.
1	31421	.01	.05	.01	.001			1
2	31422	.02	.16	.02	.001			2
3	31423	.02	.12	.04	.001			3
4	31424	.05	.14	.22	.002			4
5								5
6	926	.02	.06	.13	.004			6
7	927	.06	.14	.12	.006	7-1-3		7
8	928	.06	.19	.21	.012			8
9	929	.01	.05	.01	.004			9
10	930	.01	.02	.01	.001			10
11	931	.01	.02	.01	.001			11
12	932	.01	.05	.03	.001			12
13	933	.01	.05	.01	.001			13
14	934	.01	.10	.01	.001			14
15	935	.02	.09	.01	.001			15
16	936	.24	.53	.88	.003	7-1-4		16
17	937	.02	.13	.54	.002			17
18	938	3.48	3.02	17.20	.013			18
19	939	.08	.17	.45	.002			19
20	940	.01	.13	.11	.001			20

All reports are the confidential property of clients.

DATE SAMPLES RECEIVED 17 April, 1978

DATE REPORTS MAILED 20 April, 1978

ASSAYER

B. Toye

DEAN TOYE, B.Sc.
CHIEF CHEMIST
CERTIFIED B.C. ASSAYER

ACME ANALYTICAL LABORATORIES LTD.

Assaying & Trace Analysis

Telephone: 299-5242

To

6455 Laurel Street * Burnaby, B.C. V5B 3B4

Nithex Exploration Ltd.

8124

File No. _____

Type of Samples Core & Rock

Disposition _____

ASSAY CERTIFICATE

4

No.	Sample	Pb%	Zn%	Ag oz/ton	Au oz/ton	Total MoS ₂ %		No.
1	941	.03	.24	.11	.001			1
2	942	2.35	3.12	3.96	.023			2
3	943	.04	.12	.07	.001			3
4	944	.04	.15	.10	.001			4
5	945	.13	.20	.21	.002			5
6	946	.16	.29	.38	.011			6
7	947	.03	.08	.10	.008			7
8	948	.04	.12	.12	.004			8
9	949	4.95	3.18	6.52	.045			9
10	950	1.34	2.78	2.21	.018			10
11								11
12	78-1 R	3.62	.45	1.56	.016			12
13	Nithex R		(Nithex R Sample)		.001	.124		13
14								14
15								15
16								16
17								17
18								18
19								19
20								20

All reports are the confidential property of clients.

DATE SAMPLES RECEIVED 17 April, 1978

DATE REPORTS MAILED 20 April, 1978

ASSAYER

B. Toye
p.s.
DEAN TOYE, B.Sc.
CHIEF CHEMIST
CERTIFIED B.C. ASSAYER

ACME ANALYTICAL LABORATORIES LTD.

Assaying & Trace Analysis

Telephone: 299-5242

6455 Laurel Street * Burnaby, B.C. V5B 3B4

Nithex Exploration Ltd.

File No. 8124
 Type of Samples Sludge
 Disposition _____

ASSAY CERTIFICATE

No.	Sample	Pb%	Zn%	Ag oz/ton	Au oz/ton			No.
1	26231	.15	.28	.27	.006	78-3	sludge	1
2	26232	.40	.80	2.62	.005	29-34	10' (12.00) 78.4	2
3	26233	.27	.63	.82	.009	78-3	sludges	3
4	26234	.12	.28	.27	.008			4
5	26235	.15	.38	.37	.007			5
6	26236	.09	.23	.28	.003	78-4	sludges	6
7	26237	.58	1.04	1.32	.004	78-4 39-49	10 ft 12.00	7
8	26238	.93	1.40	2.50	.013	78 " 49-59	10 ft 22.90	8
9	26239	1.02	1.67	2.82	.014	39-64 78-4	5' end of hole (26.00)	9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20

All reports are the confidential property of clients.

DATE SAMPLES RECEIVED 17 April, 1978

DATE REPORTS MAILED 20 April, 1978

ASSAYER

B. Toye
 DEAN TOYE, B.Sc.
 CHIEF CHEMIST
 CERTIFIED B.C. ASSAYER

ACME ANALYTICAL LABORATORIES LTD.

Assaying & Trace Analysis

Telephone: 299-5242

To
Nithex Exploration Ltd.
5316 Fleming St.,
Vancouver, B. C.

6455 Laurel Street * Burnaby, B.C. V5B 3B4

File No. 8131

Type of Samples CORE

Disposition _____

ASSAY CERTIFICATE

1

No.	Sample	Pb %	Zn %	Silver oz/ton	Gold oz/ton			No.
1	301	.01	.06	.01	.001			1
2	302	.06	.37	.22	.002	split core 78-5		2
3	303	.02	.11	.03	.001			3
4	304	.06	.04	.07	.001			4
5	305	.01	.03	.04	.001			5
6	306	.01	.12	.25	.002			6
7	307	.05	.13	.27	.001			7
8	308	.01	.14	.12	.001			8
9	309	.02	.19	.10	.003			9
10	310	.08	.72	4.38	.006	split core 78-6		10
11	311	.08	1.32	.64	.001			11
12	312	.01	.11	.10	.001			12
13	313	2.02	.53	2.22	.010			13
14	314	.02	.07	.12	.001			14
15	315	.03	.10	.07	.001			15
16	316	.01	.04	.02	.001			16
17	317	.01	.02	.03	.001			17
18	318	.05	.25	.13	.001			18
19	319	.01	.03	.01	.001			19
20	320	.01	.06	.02	.001			20

All reports are the confidential property of clients.

DATE SAMPLES RECEIVED April 20, 1978

DATE REPORTS MAILED April 25, 1978

ASSAYER _____

DEAN TOYE, B.Sc.
CHIEF CHEMIST
CERTIFIED B.C. ASSAYER

ACME ANALYTICAL LABORATORIES LTD.

Assaying & Trace Analysis

Telephone: 299-5242

To
Nithex Exploration Ltd.

6455 Laurel Street * Burnaby, B.C. V5B 3B4

File No. 8131

Type of Samples Core

Disposition _____

ASSAY CERTIFICATE

2

No.	Sample	Pb %	Zn %	Silver oz/ton	Gold oz/ton		No.
1	321	.01	.04	.01	.001	781	1
2	322						2
3	323	.02	.03	.02	.001		3
4	324	.02	.05	.02	.001		4
5	325	.01	.06	.03	.001		5
6							6
7	26246	.02	.05	.04	.001		7
8	26247	.01	.16	.01	.001	785	8
9	26248	.01	.05	.02	.001	785	9
10	26249	.02	.13	.04	.001		10
11	26250	.01	.06	.01	.001		11
12							12
13	31425	.01	.03	.02	.001		13
14							14
15							15
16							16
17							17
18							18
19							19
20							20

All reports are the confidential property of clients.

DATE SAMPLES RECEIVED April 20, 1978

DATE REPORTS MAILED April 25, 1978

ASSAYER

Dean Toye
 DEAN TOYE, B.Sc.
 CHIEF CHEMIST
 CERTIFIED B.C. ASSAYER

ACME ANALYTICAL LABORATORIES LTD.

Assaying & Trace Analysis

Telephone: 299-5242

To
Nithex Exploration Ltd.

6455 Laurel Street * Burnaby, B.C. V5B 3B4

File No. 8131

Type of Samples Sludge

Disposition _____

ASSAY CERTIFICATE

3

No.	Sample	Pb %	Zn %	Silver oz/ton	Gold oz/ton			No.	
1	26240	.02	.08	.02	.005	} 78.5		1	
2	26241	.02	.12	.02	.002			2	
3	26242	.35	1.25	2.04	.008		✓ 78.6	1990	3
4	26243	.09	.21	.27	.002			2.61	4
5	26244	.05	.18	.11	.004		} 78.7		5
6	26245	.04	.36	.92	.003				
7								7	
8								8	
9								9	
10								10	
11								11	
12								12	
13								13	
14								14	
15								15	
16								16	
17								17	
18								18	
19								19	
20								20	

All reports are the confidential property of clients.

DATE SAMPLES RECEIVED April 20, 1978

DATE REPORTS MAILED April 25, 1978

ASSAYER Dean Toye

DEAN TOYE, B.Sc.
CHIEF CHEMIST
CERTIFIED B.C. ASSAYER



GENERAL TESTING LABORATORIES

DIVISION SUPERVISOR COMPANY (CANADA) LTD.
 100 EAST BENDER ST. VANCOUVER B.C. CANADA V7A 1W2
 PHONE: 404-2611 ext. 1414 FAX: 404-2611 ext. 1415 CABLE SUPERVISE

TO: **DOE FULLY ENGINEERING LTD.**
 102 - 2227 Bellevue Avenue
 West Vancouver, B.C.
 V7V 1T7

CERTIFICATE OF ASSAY

No: **7804-2854** DATE: **April 28/78**

We hereby certify that the following are the results of assays on **ORE**

MARKED	SILVER oz/ct	XXX	XXX	XXX	XXX	XXX	XXX
GRAB #1	9.81	79.05					
# 2	4.26	21.30					
# 3	4.60	23.00					
# 4	4.96	24.80					
# 5	15.34	76.70					

NOTE: REJECTS RETAINED ONE MONTH PULPS RETAINED THREE MONTHS. ON REQUEST PULPS AND REJECTS WILL BE STORED FOR A MAXIMUM OF ONE YEAR.

REPORTS ARE THE CONFIDENTIAL PROPERTY OF CLIENTS. PUBLICATION OF STATEMENTS, CONCLUSIONS OR EXTRACTS FROM OR REGARDING OUR REPORTS IS NOT PERMITTED WITHOUT OUR WRITTEN APPROVAL. ANY LIABILITY ATTACHED THERETO IS LIMITED TO THE FEE CHARGED.

L. Wong
 PROVINCIAL ASSAYER

COPY

Analytical and Consulting Chemists, Bulk Cargo Specialists, Surveyors, Inspectors, Samplers, Weighers

MEMBER: American Society of Testing Materials, American Society of Civil Engineers, American Society of Mining Engineers, American Society of Professional Engineers, American Society of Mechanical Engineers, American Society of Petroleum Engineers, American Society of Quality Control, American Society of Surveyors, Board of Trade

DON TULLY ENGINEERING LTD.
SUITE 102 - 2222 BELLEVUE AVENUE
WEST VANCOUVER, BRITISH COLUMBIA
V7V 1C7

November 6, 1978

Nithex Exploration Ltd. (NPL)
404-470 Granville Street
Vancouver, B.C.

Attention - Mr. Marvin Sherman

Dear Sirs:

Re: Cabin Lake Silver Property
Francois Lake Area
(Claim Sheet 93-F-14e)
Fraser Lake, B.C.

The Cabin Lake Property was examined on October 23-24, 1978. New bulldozer trenching was mapped and new silver-lead-zinc-gold mineralization was sampled.

A strong silver zone assaying substantial amounts of silver appears to be developing on the west side of the WEST ZONE area. A new zone called the BLUFF ZONE has responded to development and shows interesting values in gold as well as silver. This BLUFF ZONE shows a probable strike correlation with the EAST and CENTRAL ZONES and suggests important strike length for this mineralized area. The work is shown on the map accompanying this letter report and a brief description is as follows:

A spot trench in overburden at the southwest side of the presently known WEST ZONE exposed galena-sphalerite carrying substantial silver. A grab sample assayed 26.99 ozs. silver with a combined zinc-lead content of 7.94%. The relationship of silver to higher zinc content is probable. The silver result is compatible with a higher silver assay obtained earlier in April, 1978 some 150 metres (500 feet) on strike to the northwest at the location of previous drill holes DM-1 and DM-2.

Grab samples were also taken on newly trenched galena mineralization in the area of previous drill holes 78-1 and 78-3. These results checked earlier sampling. This work also showed northeast and northwest striking fractures intersecting where galena mineralization was found.

The nature of the silver mineral is not clear. Native silver is suspected and argentite may be present.

Earth trenching to the east in the area of previous percussion drill hole PH-6 did not uncover bedrock.

Nithex Exploration Ltd. (NPL)
Re: Cabin Lake Silver Property

November 6, 1978

New Zone

Disseminated galena occurs along northwest striking veined fractures in altered diorite-granodiorite. This zone was found last April from a grab sample of manganite-stained diorite which assayed 4.96 oz silver. One new trench which has extended the width of this zone substantially showed galena in fine fractures. A grab sample assayed 6.13 oz silver.

Central Zone

This zone lies in the southeast side of the map area and strikes northwesterly in to the east side of the New Zone where a crumbly, leached diorite-like host rock is exposed in new trenchings. Manganite is quite common in fracture surfaces. One grab sample of heavily-stained manganite fracture filled material assayed 2.09 oz silver.

The CENTRAL Zone appears to bifurcate northward and trend in to the EAST AND BLUFF Zones.

Bluff Zone and East Zone

At the present time the EAST and BLUFF zones might be considered as part of a major mineralized shear zone. Strong northerly trending schistosity occurs in diorite adjacent to the EAST Zone on the east side of a creek. The BLUFF Zone has been opened up by trenching on strike to the north where a wide zone of fractured and veined diorite-granodiorite dips east at varying flat angles. Three grab samples from the exposed mineralization showed 1.20 oz, 3.13 oz and 12.76 oz silver. Gold is present in this BLUFF Zone and ranges from .046 oz to .104 oz/T in the grab samples.

Conclusions

The Cabin Lake property silver zone has been exposed by trenching for an apparent width of 1 km (over 3,000 feet). It appears to be open on both sides. The strike length is not known because of overburden.

Chip-sampling across the exposed zones is not feasible at the present time. In the event chip-sampling is desired it will be necessary to use a rock drill to expose the full width of the mineralization. Diamond drill testing is recommended to sample the mineralized zones and examine the structures of

Nithex Exploration Ltd. (NPL)
Re: Cabin Lake Silver Property

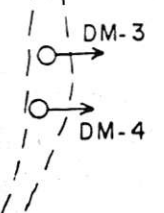
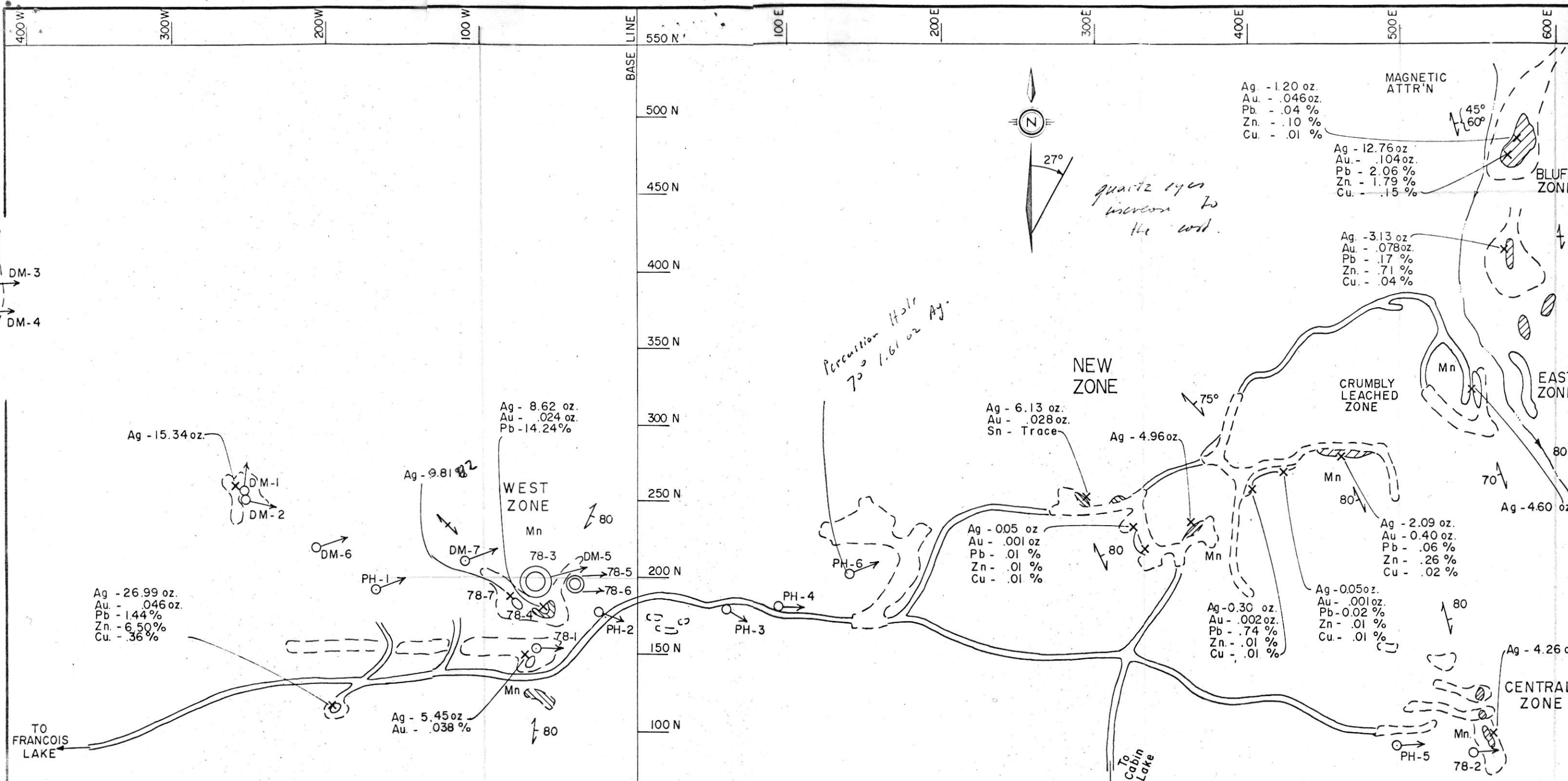
November 6, 1978

veining and shearing that apparently control the loci of mineralization. Diamond drilling is also proposed to test the mineralized zones along strike.

Respectfully submitted,

DWT/LA

Donald W. Tully
Donald W. Tully, P.Eng.



Ag - 15.34 oz.
 Au - .046 oz.
 Pb - .04 %
 Zn - .10 %
 Cu - .01 %

Ag - 8.62 oz.
 Au - .024 oz.
 Pb - 14.24 %

Ag - 9.81 oz.

Ag - 6.13 oz.
 Au - .028 oz.
 Sn - Trace

Ag - 4.96 oz.

Ag - 0.05 oz.
 Au - .001 oz.
 Pb - .01 %
 Zn - .01 %
 Cu - .01 %

Ag - 0.30 oz.
 Au - .002 oz.
 Pb - .74 %
 Zn - .01 %
 Cu - .01 %

Ag - 0.05 oz.
 Au - .001 oz.
 Pb - 0.02 %
 Zn - .01 %
 Cu - .01 %

Ag - 2.09 oz.
 Au - 0.40 oz.
 Pb - .06 %
 Zn - .26 %
 Cu - .02 %

Ag - 4.60 oz.

Ag - 26.99 oz.
 Au - .046 oz.
 Pb - 1.44 %
 Zn - 6.50 %
 Cu - .36 %

Ag - 5.45 oz.
 Au - .038 %

Ag - 4.26 oz.

LEGEND

- Creek
- Rock Exposure
- Bulldozer Trench
- Strike and Dip Shearing
- Drill Hole (Percussion)
- Dia. Drill Hole (David Minerals)
- Dia. Drill Hole (Nithex - 1978)
- Grab sample location
- Manganese Oxide

- Felsite Dykes
- Mafic Dykes
- Granite, Granodiorite
- Diorite

NOTE: All locations are by pace and compass

NITHEX EXPLORATION LTD. (NPL)	
CABIN LAKE PROPERTY	
FRASER LAKE AREA, B.C.	
SHACK 8-9 (93-F-14 E)	
PLAN OF BULLDOZER TRENCHING ROCK GRAB SAMPLING AND DRILL HOLES	
Scale 1 : 2500	November 6, 1978
Donald W. Tully, P. Eng.	