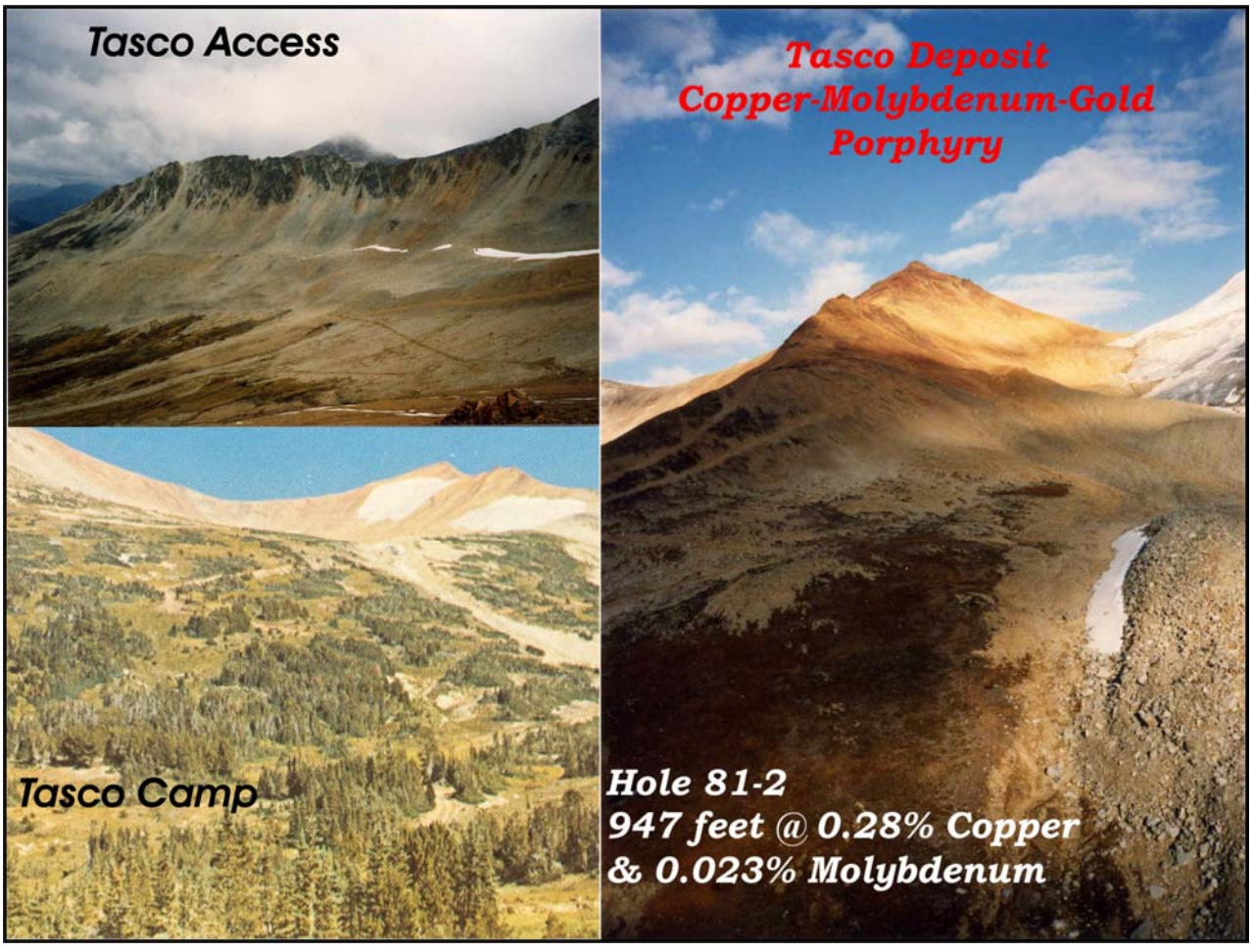
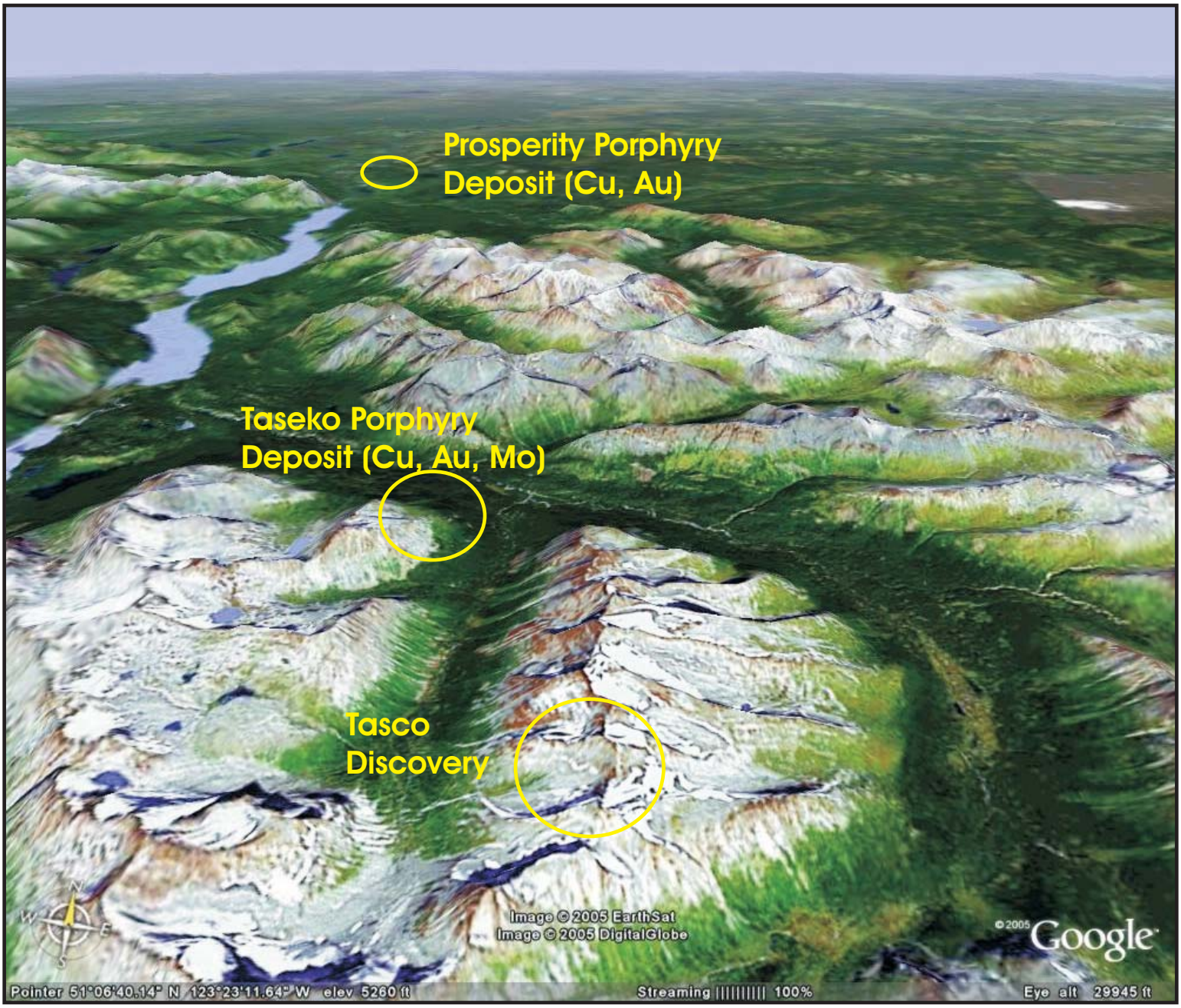
700121

Tasco Copper-Molybdenum-Gold Property
Taseko Lakes Area
British Columbia, Canada

Pre 1983 Technical Reports




Prosperity Porphyry
Deposit (Cu, Au)
Taseko Porphyry
Deposit (Cu, Au, Mo)
Tasco
Discovery
Image © 2005 EarthSat
Image © 2005 DigitalGlobe
©2005 Google
Pointer 51°06'40.14" N 123°23'11.64" W elev 5260 ft
Streaming 100%
Eye alt 29945 ft

R. W. PHENDLER, P.Eng., GEOLOGICAL CONSULTANT,
EXPLORATION AND MINING
7360 DECOURCY CRES., RICHMOND, B.C. V7C 4E9 (604) 271-2588

R E P O R T on

ASSESSMENT WORK (DIAMOND DRILLING)

on the

COPPER ZONE CLAIM (9 UNITS), TAY 4 CLAIM (20 UNITS),

TAY 5 CLAIM (20 UNITS) and GRANITE CLAIM (18 UNITS),

TASEKO LAKE AREA, CLINTON MINING DIVISION,

BRITISH COLUMBIA

NTS MAP 920/3W, 51°3'N, 123°25'W

for

UNITED GUNN RESOURCES (OWNER OF COPPER ZONE CLAIM & OPERATOR OF PROGRAM)

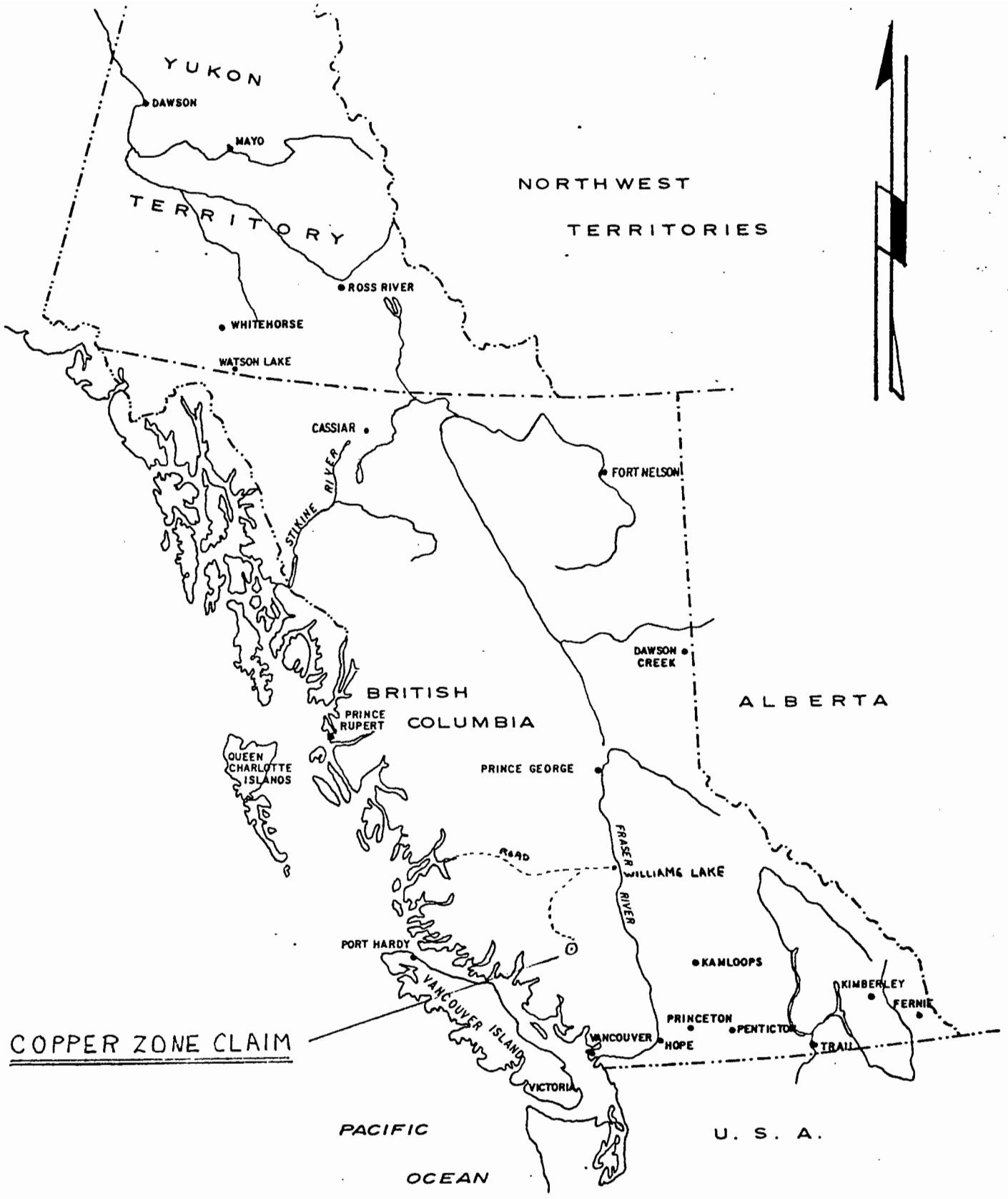
and

REM RAY HOLDINGS INC. (OWNER OF TAY 4 and 5 and GRANITE CLAIMS)

by

R.W. PHENDLER, P. ENG. (CONSULTANT and AUTHOR)

Vancouver, B.C. May 31, 1982



LOCATION MAP
VANCOUVER BRITISH COLUMBIA

UNITED GUNN RESOURCES LTD.

COPPER ZONE CLAIM. CLINTON M. D.

SCALE 1:12,672,000

0 200 Km

NTS.	DATE MAY. 1982	FIG. No. 1

1" = 200 MILES

TABLE OF CONTENTS

ADDENDUM

ILLUSTRATIONS

INTRODUCTION

The Copper Zone property is located at an elevation of 1800 meters about 100 kilometers northwest of Pemberton in southwestern British Columbia. Access is by helicopter from Pemberton or by four wheel drive vehicle from Williams Lake westward via route 20 to Hanceville, thence southerly to the Taseko Lakes (east side) and up Taseko River and Granite Creek to the property. Distance is about 270 kilometers.

The area of drilling is located within an open cirque on the east side of Granite Creek.

All sampling was done under the supervision of the writer and samples were assayed at Acme Analytical Laboratories, Vancouver. All drill core is stored at the warehouse of Buccaneer Diamond Drilling Ltd. in Williams Lake.

PROPERTY (as follows)

Claim	Units	Record No.	Record Date	Expiry Date
Copper Zone	9	48 (8)	Aug. 30, 1976	Aug. 30, 1982
Tay 4 & 5	40	1057,1058 (7)	July 6, 1981	July 6, 1984
Granite	18	1083 (7)	July 23, 1981	July 23, 1981

GEOLOGY AND MINERALIZATION

The area in which the Copper Zone claim is located lies on the east flank of the Coast Range Crystalline Belt - a complex series of granitic intrusives of post lower Cretaceous age which are intruded by later more acidic stocks and dyke swarms. Four miles northeast of the Copper Zone showings lies the northeast limit of the granitic rocks in contact with volcanic rocks of Cretaceous age.

The principal rock type on the Copper Zone claim is hornblende quartz diorite intruded by numerous feldspar porphyry and quartz feldspar porphyry dykes, all generally striking either north 20^{o} west or east - west.

An oval - shaped stock of quartz feldspar porphyry measuring 300 meters (EW) by 600 meters (NS) appears to be the locii of the more intense sulphide mineralization, which consists of chalcopyrite, molybdenite and heavy pyrite. This mineralization occurs as fracture fillings and disseminations in both the quartz diorite and the feldspar porphyry. Total sulphides of up to 10% (estimated) decrease away from the central porphyry stock.

The area of heavy total sulphides and more prominent gossan is an L-shaped zone centering on the porphyry stock. The stock and other later porphyry dykes are relatively massive, showing less leaching than the surrounding fractured quartz diorite. This leaching reaches a depth of about 15 meters but there is no apparent enriched zone immediately below the leached zone. Minor secondary chalcocite was observed in D.D.H. A-1 but no significant increase in copper values was noted.

No significant gold values were present (all trace) and only minor silver assays were returned (0.1 oz per ton). It is believed that tungsten assays would be desireable for selected high quartz samples as this metal has been observed in this geological environment in the past.

HISTORY

The east limit of the Coast Range granitic intrusive complex has received considerable attention and has long been known to contain numerous zones of widespread copper mineralization. During the 1960's and early 1970's numerous regional studies were made in the search for large low grade copper deposits throughout British Columbia and the area around the Taseko Lakes received a great deal of interest with moderate success. Programs were carried out by Cominco, Canex Placer, Phelps Dodge Corporation, Bethlehem Copper Corporation, Scurry Rainbow (Home Oil Ltd.) and Quintana.

The Copper Zone claims cover the old Rowbottom Creek prospect which was explored by Phelps Dodge Corporation in 1964. It is reported that one 57 meter diamond drill hole was put down about 500 meters from the gossan zone and intersected mineralization averaging 0.12% Cu over its length.

Between 1969 and 1972 the property was known as the NW & Bill prospect and was held by Victor Mining Corporation. During this time four diamond drill holes and four percussion holes were drilled, some by Victor and others by a syndicate involving Victor Mining Corporation, Granite Mountain Mines Ltd. and Galveston Mines Ltd. During this period the work was conducted by Western Geological Services Ltd. under the supervision of Mr. W. Meyers, P. Eng., presently employed by Teck Corporation, Vancouver.

In 1972 Mr. J. Bucholz supervised the drilling of drill holes 72-1 and 72-2 while he carried out geological mapping.

In 1975 the claims covering the widespread gossan zone lapsed and were staked as the Copper Zone mineral claim for United Gunn Resources Ltd.

Between August 13 and August 19th, 1980, two open cut trenches were drilled and blasted in outcrops where abundant malachite staining was observed. This work fulfilled assessment work requirements.

WORK CARRIED OUT (1981)

Between Aug.10 and Sept. 16th, 1981 five diamond drill holes totalling 3,205 feet were completed as follows:

D.H. No.	Bearing	Angle	Length	Recovery
81 - 1	due east	-45^{o}	700'	93.8%
81 - 2	-	vertical	997'	98.0%
81 - 3	-	vertical	506'	97.6%
81 - 4	-	vertical	500'	98.7%
81 - 5	-	vertical	502'	96.7%

These holes were drilled in the area where seven holes had been drilled in the past and where interesting results existed.

The assay results of all holes drilled to date are as follows:

D.H. No.	Intersection	Depth	% Cu	% Mo
81 - 1	80' to 680'	600'	0.16	0.003
81 - 2	50' to 997'	947'	0.28	0.020
81 - 3	158' to 488'	330'	0.15	0.004
81 - 4	226' to 256'	30'	0.15	0.005
81 - 5	251' to 461'	210'	0.07	0.002
A - 1	50' to 380'	330'	0.23	0.007
A - 2	40' to 400'	360'	0.12	0.004
72 - 1	250' to 400'	150'	0.22	0.005
72 - 2	180' to 300'	120'	0.284 (Equivalent)	
PH - 1	50' to 400'	340'	0.21	0.007
PH - 2	40' to 220'	180'	0.19	0.005
PH - 3	10' to 200'	190'	0.12	0.005
PH - 4	30' to 300'	270'	0.10	0.007

With the limited amount of information available to date it appears that there is a north northwesterly trending zone of mineralized granodiorite that may average 0.28% Cu and 0.012% Mo. This is bounded on either side by material that may run in the 0.10 - 0.15% Cu and 0.005% Mo.

The quartz porphyry on the east side of the area is considered to be unfavourable.

CONCLUSIONS

The depth of the mineralization intersected in D.H. 81-2 is impressive, as the complete hole from top of bedrock at 50' to the bottom of the hole (997') averaged 0.276% Cu and 0.023% Mo. Significant zones within this depth are as follows:

Interval	Length	% Cu	% Mo
208' - 288'	80'	0.353	0.006
588' - 888'	300'	0.393	0.029
888' - 997'	109'	0.168	0.079

It is interesting to note that the Mo content increased significantly at the bottom of the hole. The next nearest holes are 500' to the south, west and northeast and 900' to the north. The mineral zone is untested to the northwest and warrants a significant amount of drilling in this area.

COSTS INCURRED

All costs relating to drilling, site preparation, road repairs (bulldozer rental), mobilization, demobilization, core transport, core splitting, crew accommodation and upkeep, pumping of water for drilling, truck servicing, etc., were borne by Buccaneer Drilling Ltd. and invoiced to United Gunn Resources Ltd. The drill crew lived in a rented outfitters' camp at the confluence of Granite Creek and Taseko River where a serviceable airstrip exists.

Costs incurred directly by United Gunn Resources Ltd. included helicopter costs, engineering costs (including most of the assaying costs) and a direct invoice from Acme Analytical Laboratories, Ltd.

As the anniversary date of the Copper Zone claim is August 30th only the drilling carried out after August 30, 1981 can be considered as assessment work in this report. This only includes D.H. 81-3 and D.H. 81-4 totalling 1006' (305 meters).

Costs pertaining to this portion of the drilling program are as follows:

Details	Amount
Acme Analytical Labs Ltd.	$752.95
Buccaneer Drilling Ltd.	37,732.84
" " "	12,298.00
Phendler Engineering Ltd. (logging)	1,390.90
Total (after August 30, 1981) -	$53,422.47

Total cost of the entire program (971 meters) was $170,302.05.

C E R T I F I C A T I O N

I, R.W. PHENDLER, of 7360 Decourcy Crescent, in the municipality of Richmond, in the Province of British Columbia, hereby certify as follows:

1) THAT I am a registered member of the Association of Professional Engineers of British Columbia - No. 4421.

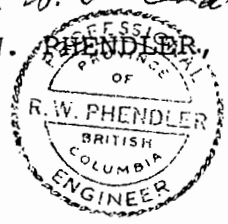
2) THAT I am a graduate of McGill University, Montreal, with a Bachelor of Science degree in Geology.

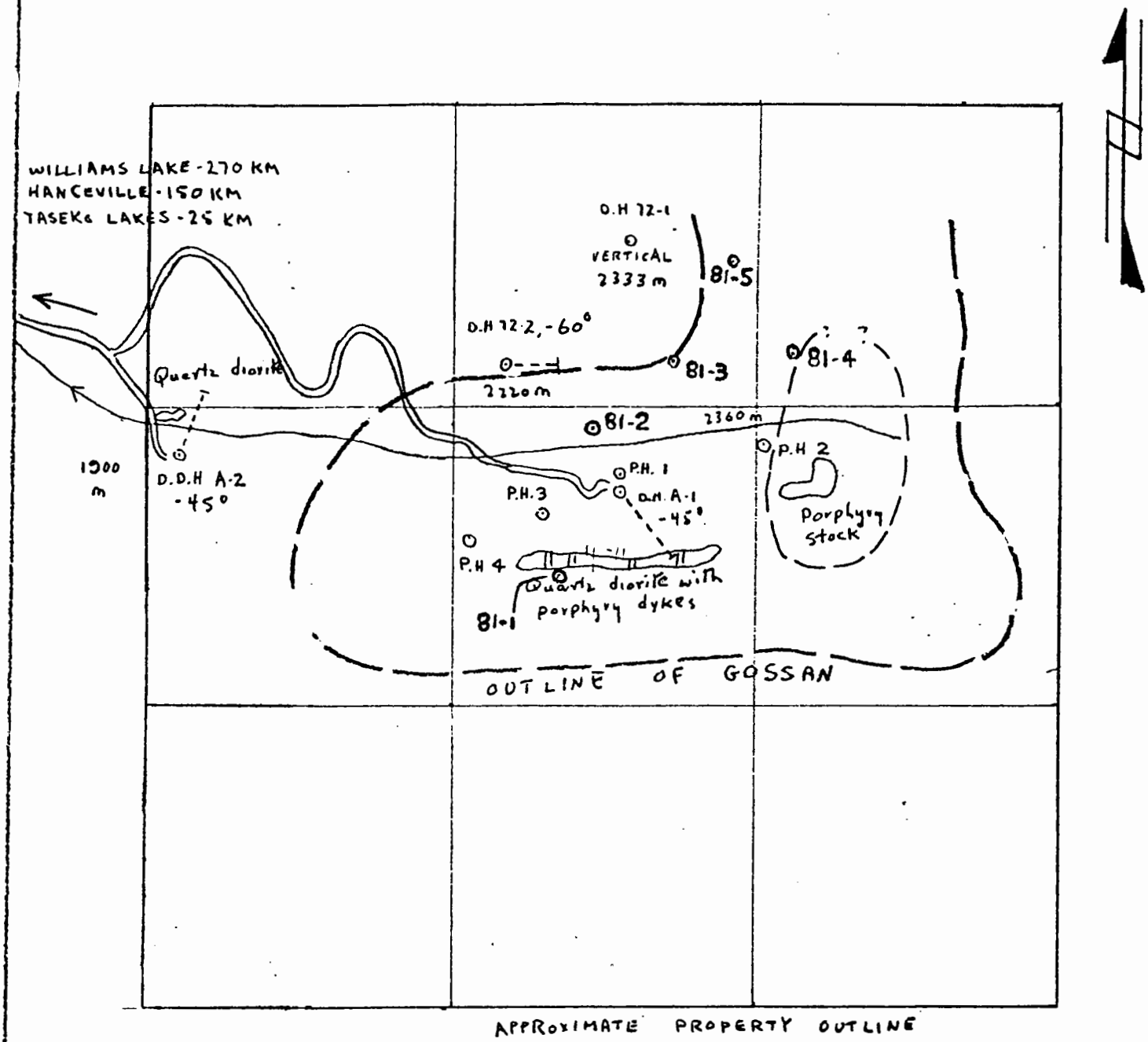
3) THAT I have practiced my profession continually as mine (11 years), exploration (6 years) and consultant (11 years) geologist for the past 28 years in all parts of Canada, the U.S.A., Mexico, Peru, Colombia and Chile.

4) THAT I have no interest in the Copper Zone property nor do I own, directly or indirectly, any shares of United Gunn Resources Ltd. or Rem Ray Holdings, Inc., nor do I expect to.

5) THAT the information contained in this report was compiled as a result of my examination of the Copper Zone property on August 13 - 16th, 1980, April 9 - 11th, July 9 and August 14, 1981.

R.W. PHENDLER, P. ENG.





⊙ PH - PERCUSSION HOLES

⊙---| D.H - DIAMOND DRILL HOLES

PROFESSIONAL ENGINEER OF BRITISH COLUMBIA
R.W. PHENDLER
BRITISH COLUMBIA
ENGINEER

UNITED GUNN RESOURCES LTD.

COPPER ZONE CLAIM (9 UNITS)
TASEKO LAKE AREA. CLINTON MINING DIVISION,
BRITISH COLUMBIA.

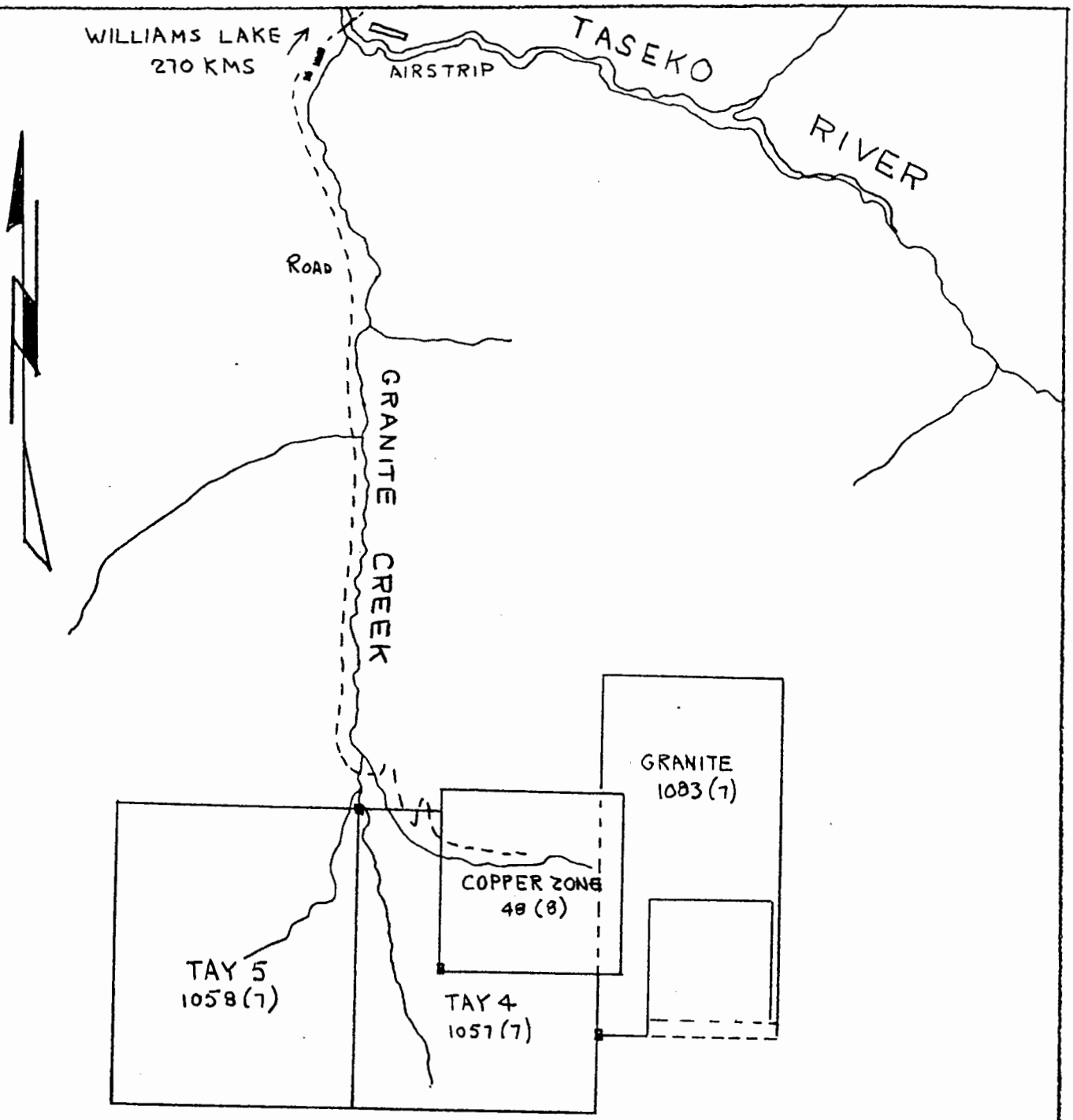
SCALE 1:10000

0 500 mtrs

R.W. PHENDLER P. ENG

MAY, 1982

Fig 2



UNITED GUNN RESOURCES
&
REM RAY HOLDINGS INC

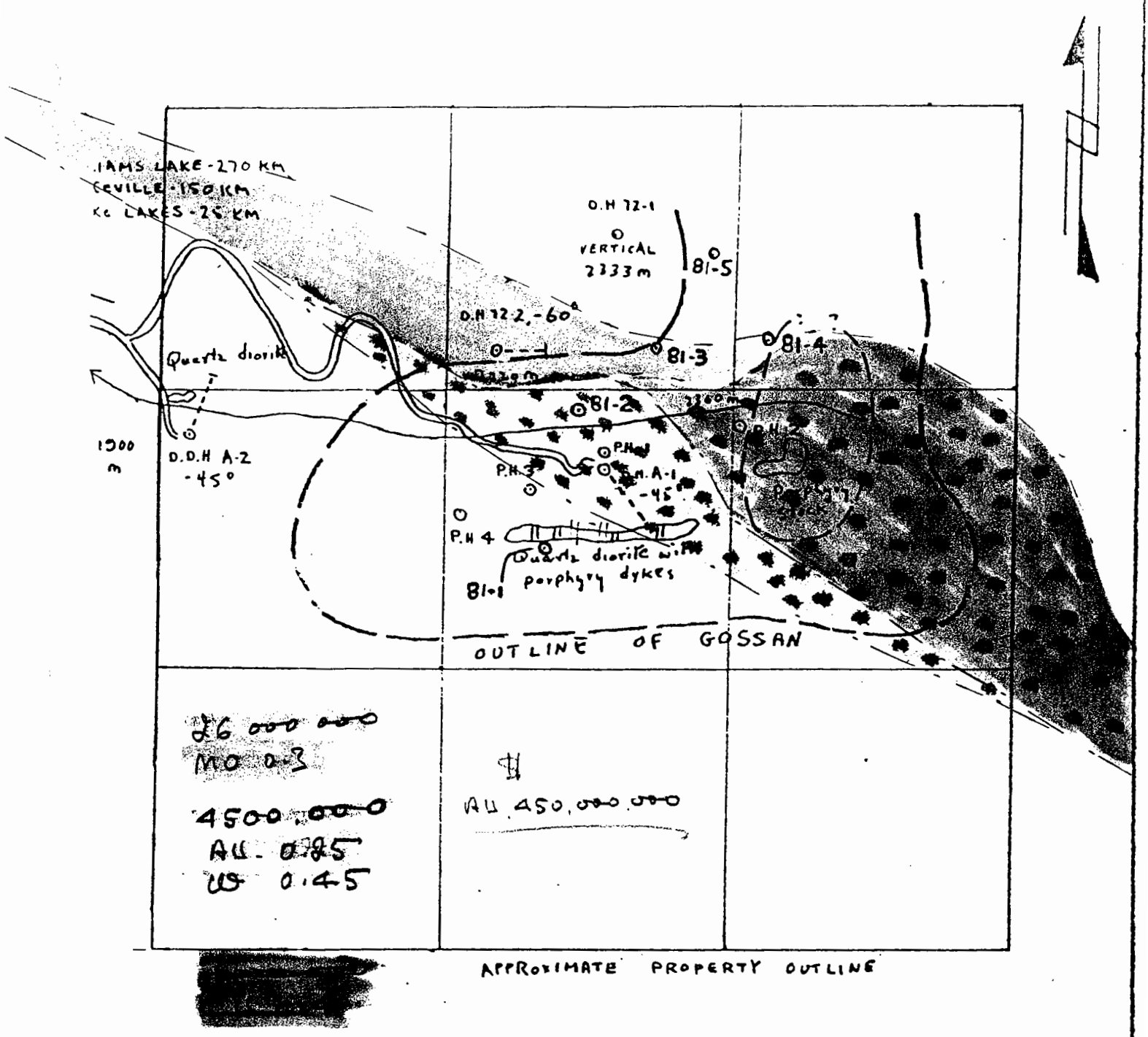
LOCATION MAP
of
COPPER ZONE. TAY 4 & 5 & GRANITE
CLAIMS
SCALE 1:50,000

0 1 2 KM

R.W. PHENDLER, P.ENG MAY. 1982

Fig 4

PROFESSIONAL ENGINEER
R.W. PHENDLER
BRITISH COLUMBIA
ENGINEER



P.H - PERCUSSION HOLES

D.H - DIAMOND DRILL HOLES

UNITED GUNN RESOURCES LTD.

COPPER ZONE CLAIM (9 UNITS)
TASEKO LAKE AREA. CLINTON MINING DIVISION,
BRITISH COLUMBIA.

SCALE 1:10000

0 500 metres

R W PHENDLER P. ENG

FEB, 1983

Fig 2

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone Section No. HOLE No. 81-1

Started Aug 24. 1981	Bearing Due East	Lat.	Collar El. 7720'	Logged by R. Phendler Date 9/30/81
Completed Aug 30, 1981	Angle from Horizon -45°	Dep.	Bottom. El.	Remarks 93.8% Recovery
Driller Buccaneer Drilling	Length 700'	Location	Level	

Feet From	Feet To	Interval	RECOVERY	RECOVERY %	DESCRIPTION		Sample No.	From-To	Interval	ASSAY % Cu	ASSAY % Mo
0.0	20.0				OVERBURDEN		20237	20-30	10	.08	.001
20	43.0				QUARTZ PORPHYRY - FINE TO		238	30-40	10	.05	.002
					MEDIUM - GRAINED, GLASSY.	MALACHITE	239	40-50	10	.07	.001
					DISSEMINATED PYRITE, LIMONITE	60', 65, 72'	240	50-60	10	.04	.002
					STAINING	73, 74, 94'	241	60-70	10	.12	.001
43	113				QUARTZ HORNBLENDE DIORITE - COARSE		242	70-80	10	.12	.002
					GRAINED - OXIDIZED TO 65. SOME		243	80-90	10	.37	.001
					MALACHITE STAINING. LEACHED		244	90-100	10	.41	.011
					AFTER 65.0 DISSEMINATED PYRITE, PARTIAL		245	100-110	10	.33	.001
					OXIDATION SOME KAOLINIZATION		246	110-120	10	.24	.003
					FRESH AFTER 96!		247	120-130	10	.25	.003
113	128				DACITE DYKE, CHERTY, AMORPHOUS WITH		248	130-140	10	.29	.007
					GHOSTY PHENOCRYSTS; PYRITE STRINGERS TO 1/4"		249	140-150	10	.14	.006
					60° CONTACT		250	150-160	10	.24	.001
128	329				QUARTZ HORNBLENDE DIORITE - MEDIUM		251	160-170	10	.25	.012
					TO COARSE GRAINED GRANULAR DISSEM-		252	170-180	10	.19	.001
					INATED PYRITE 10% LOCAL OXIDATION	CPIN SILICEOUS	253	180-190	10	.15	.001
					PYRITE STRINGERS WITH SILICEOUS ALTERED BANDS)	DYKES - 1" ±	254	190-200	10	.21	.002
					LOCALLY BLEACHED, SLIGHTLY FINER	MO AT 194	255	200-210	10	.17	.001
					GRAINED BY 175!	230	256	210-220	10	.13	.001

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone Section No. HOLE No. 81-1

Started	Bearing	Lat.	Collar El.	Logged by R. Phendler Date 9/30/81
Completed	Angle from Horizon	Dep.	Bottom. El.	Remarks 93.8% Recovery
Driller	Length	Location	Level	

From	To	Interval	RECOVERY	%	DESCRIPTION	Sample No.	From-To	Interval	ASSAY %Cu	ASSAY %Mo
					SULPHIDES DECREASING BY 250' THEN	257	220-230	10	.10	.001
					OCCASIONAL PYRITE STRINGER IN	258	230-240	10	.19	.001
					MASSIVE EQUIGRANULAR, FINE TO MEDIUM	259	240-250	10	.11	.002
					GRAINED DIORITE	260	250-260	10	.14	.005
					5% PYRITE 280'-316'	261	260-270	10	.07	.001
329	332				QUARTZ PORPHYRY DYKE - 80° CONTACTS	262	270-280	10	.10	.001
					FINE GR'D MATRIX - DK. GREY PYRITE ON	263	280-290	10	.05	.001
					SLIP FACES	264	290-300	10	.22	.001
332	348				QUARTZ HORNBLENDE DIORITE - MEDIUM	265	300-310	10	.12	.003
					GRAINED, GREY-WHITE	266	310-320	10	.05	.001
348	355				QTZ. PORPHYRY DYKE - DISSEM. PYRITE;	267	320-330	10	.10	.002
355	486				QTZ. HORNBLENDE DIORITE - MEDIUM	268	330-340	10	.11	.001
					GRAINED - 10% PYRITE THROUGHOUT	269	340-350	10	.11	.002
					FAULT ZONE 376 - 378 HEAVY	270	350-360	10	.14	.001
					PYRITE ON SLIP FACES	271	360-370	10	.06	.001
					SILICIFIED FAULT ZONE 468' - 469'	272	370-380	10	.09	.009
486	499				QUARTZ PORPHYRY DYKE - FINE GRAINED	273	380-390	10	.06	.001
					GHOSTY PHENOCRYSTS, PYRITE STRINGERS	274	390-400	10	.11	.003
					45° CONTACTS	275	400-410	10	.08	.001
499	507				QTZ. HORNBLENDE DIORITE - MED. GRAINED	276	410-420	10	.08	.002

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone Section No. HOLE No. 81-1

Started	Bearing	Lat.	Collar El.	Logged by R. Phendler Date 9/30/81
Completed	Angle from Horizon	Dep.	Bottom. El.	Remarks
Driller	Length	Location	Level	

From	To	Interval	RECOVERY	%	DESCRIPTION		Sample No.	From-To	Interval	ASSAY %Cu	ASSAY %Mo
507	510				QTZ. PORPHYRY DYKE		277	420-430		.11	.001
510	521				QTZ. HORNBLENDE DIORITE		278	430-440		.11	.002
					SPECKLED PYRITE		279	440-450		.08	.001
					1' PORPHYRY AT 515'-516'		280	450-460		.10	.001
521	528				QTZ. PORPHYRY DYKE - LIGHT MED. GREY		281	460-470		.06	.001
					FAULT ZONE 527-528		282	470-480		.14	.001
528	620				HORNBLENDE DIORITE - WEAK		283	480-490		.13	.006
					SPECKLED PYRITE TO 540' THEN 5%		284	490-500		.26	.001
					AFTER 530' FRACTURED, GOUGY ZONES,		285	500-510		.19	.001
					KAOLINIZED. PORPHYRY DYKE 568'-573'		286	510-520		.10	.003
					FAULT 575-576' GOUGE		287	520-530		.08	.025
					FRACTURED TO 590', THEN MASSIVE		288	530-540		.07	.001
					WITH 5% PYRITE, CHALCOPYRITE SPECKS		289	540-550		.07	.001
620	678				QTZ. HORNBLENDE DIORITE - COARSE	CP-526'	290	550-560		.08	.001
					GRAINED - 10% PYRITE, SOME 291?)	528		560-570		.17	.004
					CHALCOPYRITE		292	570-580		.19	.002
678	700				QUARTZ EYE PORPHYRY - FINE GRAINED		293	580-590		.17	.002
					GLASSY, 5% DISSEMINATED PYRITE		294	590-600		.15	.002
700		END OF HOLE					295	600-610		.12	.021
							296	610-620		.22	.001

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone. Section No. HOLE No. 81-1

Started	Bearing	Lat.	Collar El.	Logged by R. Phendler Date 9/30/81
Completed	Angle from Horizon	Dep.	Bottom. El.	Remarks
Driller	Length	Location	Level	

From	To	Interval	RECOVERY	%	DESCRIPTION	Sample No.	From-To	Interval	ASSAY % Cu	ASSAY % Mo
					FROM TO LENGTH % Cu. % Mo	297	620-630	10	.30	.018
						298	630-640	10	.20	.006
					20' 80' 60' 0.08 .002	299	640-650	10	.17	.002
					80 210 130 0.25 .004	300	650-660	10	.29	.012
					210 490 280 0.11 .002	31601	660-670	10	.27	.004
					490 610 120 0.14 .005	602	670-680	10	.22	.007
					610 680 70 0.24 .007	603	680-690	10	.17	.004
					680 700 20 0.14 .003	604	690-700	10	.11	.001
					80 680 600 0.16 .003					

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone Section No. HOLE No. 81-2

Started July 20 1981	Bearing VERTICAL	Lat.	Collar El. 7475'	Logged by R. Phendler	Date 8/14/81
Completed July 28. 1981	Angle from Horizon	Dep.	Bottom. El.	Remarks	
Driller BUCCANEER D. DRILLING	Length 997'	Location	Level	98% Recovery.	

Feet From	Feet To	Interval	RECOVERY	RECOVERY %	DESCRIPTION	MINERALIZATION	Sample No.	FEET From-To	Interval	ASSAY % Cu	ASSAY % Mo
0.0	51.0				CASING		02001	50 - 57	7'	0.20	.015
51.0	213				QUARTZ HORNBLENDE DIORITE - MED. GRAINED		2	57 - 67	10	0.35	.012
					PALE-MED. GREY-WHITE; CP THROUGHOUT.	210' - 217' CP	3	67 - 77	10	0.22	.006
213	216				DACITE DYKE - FINE GR'D, GREY-GREEN, PYRITE	2%	4	77 - 83	6	0.25	.007
216	227				QUARTZ HORNBLENDE DIORITE - MED. GRAINED		5	83 - 93	10	0.22	.002
227	237				DACITE DYKE	5% Py/Cp	6	93 - 103	10	0.14	.029
237	246				HORNBLENDE DIORITE - 5% PYRITE 237-247'	blebs on fractures	7	103 - 113	10	0.20	.014
246	248				DIORITE DYKE	and slip faces	8	113 - 124	11	0.16	.005
248	452				HORNBLENDE DIORITE - 5% PYRITE DISSEM CP.	C PAT 258'	9	124 - 136	12	0.18	.002
					LOCAL CHLORITIZATION, SOME EPIDOTE	261 - 269'	10	136 - 143	7	0.22	.001
					6" DIORITE DYKE AT 276'	272, 281, 295	11	143 - 152	9	0.17	.004
					GENERALLY MASSIVE	298, 306, 313	12	152 - 161	9	0.18	.003
					LOCALLY FINER GRAINED 366 - 368'	316, 321, 363	13	161 - 171	10	0.16	.056
452	503				QUARTZ PORPHYRY - LIGHT GREY, FINE TO MED GR'D	408 - 414 - 442	14	171 - 177	6	0.25	.003
					5% DISSEM PYRITE 1/4" PYRITE AT 463'	503 - 507	15	177 - 187	10	0.36	.011
					PEGMATIC ZONE 494' - 497'	515, 517	16	187 - 192	5	0.11	.001
503	563				QUARTZ HORNBLENDE DIORITE - MED GR'D.	535 - 536	17	192 - 202	10	0.13	.006
					FELDSPAR 20% 517 - 522'	542 - 554	18	202 - 208	6	0.17	.002
563	577				DIORITE DYKE	578, 584, 596	19	208 - 218	10	0.88	.017
577	651				HORNBLENDE DIORITE	600, 615	20	218 - 228	10	0.18	.001

Drill Hole Log

COMPANY United Gunn Resources Ltd. PROPERTY Copper Zone Section No. HOLE No. 81-2

Started	Bearing	Lat.	Collar El.	Logged by R. Phendler Date 8/14/81
Completed	Angle from Horizon	Dep.	Bottom. El.	Remarks
Driller	Length	Location	Level	

From	To	Interval	RECOVERY	%	DESCRIPTION		Sample No.	From-To	Interval	ASSAY % Cu	% Mo	gm. Au	
					PEGMATITE 623-628'	CPAT 658'	21	228-238	10'	0.02	.001		
					5-10% PYRITE, DISSEM.	698'	22	238-248	10	0.30	.010		
657	697				GRAN. ODIORITE - FINE GRND	MO AT	23	248-258	10	0.22	.003		
					PEGMATITE 664-665'	664-672'	24	258-268	10	0.28	.006		
697	705				HORNBLENDE DIORITE - CSE GRD	680, 722-5	25	268-278	10	0.19	.007		
705	710				DIORITE DYKE - FINE GRND	723, 723-5	26	278-288	10	0.75	.005		
710	722				HORNBLENDE DIORITE - CSE GRND	860' 910'	27	288-298	10	0.27	.006		
722	725				DIABASE DYKE - LIGHT GREY, FINE GRND	895-892.929	28	298-308	10	0.32	.005		
					CONTACT AT 20° TO CORE	CP-745	29	308-318	10	0.13	.003		
725	856				HORNBLENDE DIORITE - CSE GRND	762, 770, 772	30	318-328	10	0.19	.002		
					MASSIVE - 5% PY.	782, 790, 800'	31	328-338	10	0.21	.002		
856	861				DACITE DYKE - FINE GRND, MO. IN QTZ	817, 825, 837	32	338-348	10	0.24	.005		
					STRGS WITH CP.	842, 848, 857	33	348-358	10	0.29	.004		
861	890				HORNBLENDE DIORITE - CSE GRND	865-878-880	34	358-368	10	0.40	.013		
890	968				GRANODIORITE - MED.-FINE GRND	885-897	35	368-378	10	0.29	.012		
					DACITE (40°) DYKE 891-896 MASSIVE 1/4"	913, 917, 929	36	378-388	10	0.18	.002		
					MO VEIN - 70° AT 892'	948	37	358-398	10	0.20	.006		
					CP SPKS THROUGHOUT	MO. 942'	38	398-408	10	0.25	.008		
968	978				DIORITE DYKE - MED. GREY, FINE GRND	946, 956, 962'	39	408-418	10	0.21	.008	.01	
					80° CONTACT	993, 994	40	418-428	10	0.20	.003	.01	

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone. Section No. HOLE No. 81-2

Started	Bearing	Lat.	Collar El.	Logged by R. Phendler Date 9/30/81
Completed	Angle from Horizon	Dep.	Bottom. El.	Remarks
Driller	Length	Location	Level	

From	To	Interval	RECOVERY	%	DESCRIPTION
978	997				GRANODIORITE FINE GRND - MED. GRAINED
					DISSEM PYRITE, CP SPKS
					Mo IN QTZ STRGS 893, 894
997				END	OF HOLE

INTERVAL	LENGTH	% Cu.	% Mo
50 - 208'	158'	0.204	0.016
208 - 288'	80'	0.353	0.006
288 - 448'	160'	0.250	0.006
448 - 588'	140'	0.169	0.009
588 - 888'	300'	0.393	0.029
888 - 997'	109'	0.168	0.079
50 - 888'	838'	0.290	0.017
888 - 997'	109'	0.168	0.079
50 - 997'	947'	0.276	0.023

Sample No.	From-To	Interval	ASSAY % Cu	% Mo	gm Au
41	428-438	10'	0.38	.011	.01
42	438-448	10	0.24	.002	.01
43	448, 458	10	0.16	.008	.01
44	458-468	10	0.13	.001	.01
45	468-478	10	0.10	.001	.01
46	478-488	10	0.07	.004	.01
47	488-498	10	0.03	.001	.01
48	498-508	10	0.19	.004	.01
49	508-518	10	0.35	.041	.01
50	518-528	10	0.22	.004	.01
51	528-538	10	0.29	.014	.01
52	538-548	10	0.22	.008	.01
53	548-558	10	0.20	.016	.01
54	558-568	10	0.13	.021	.02
55	568-578	10	0.05	.001	.01
56	578-588	10	0.23	.007	.02
57	588-598	10	0.32	.034	.01
58	598-608	10	0.49	.016	.01
59	608-618	10	0.27	.023	.01
60	618-628	10	0.21	.021	.01

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone Section No. HOLE No. 81-2

Started	Bearing	Lat.	Collar El.	Logged by R. Phendler Date
Completed	Angle from Horizon	Dep.	Bottom. El.	Remarks
Driller	Length	Location	Level	

From	To	Interval	RECOVERY	%	DESCRIPTION	Sample No.	FEET From-To	Interval	ASSAY %Cu	%Mo	gm Au
						61	628-638		0.24	.028	.01
						62	638-648		0.39	.022	.01
						63	648-658		0.40	.028	.01
						64	658-668		0.14	.007	.01
						65	668-678		0.18	.028	.01
						66	678-688		0.16	.019	.01
						67	688-698		0.36	.016	.01
						68	698-708		0.49	.010	.01
						69	708-718		0.28	.025	.01
						70	718-728		0.22	.024	.01
						71	728-738		0.36	.011	.01
						72	738-740		0.53	.016	.03
						73	748-758		0.28	.037	.01
						74	758-768		0.27	.008	.03
						75	768-778		0.26	.018	.01
						76	778-788		0.32	.024	.01
						77	788-798		0.29	.032	.01
						79	798-808		0.21	.031	.01
						80	808-818		0.22	.032	.03

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone. Section No. HOLE No. 81-2

Started	Bearing	Lat.	Collar El.	Logged by R. Phendler Date
Completed	Angle from Horizon	Dep.	Bottom. El.	Remarks
Driller	Length	Location	Level	

From	To	Interval	RECOVERY	%	DESCRIPTION	Sample No.	From-To	Interval	ASSAY % Cu	% Mo	gm. Au.
						81	818-828	10'	0.34	.014	.01
						82	828-838	10	0.34	.026	.03
						83	838-848	10	0.35	.039	.01
						84	848-858	10	0.44	.012	.04
						85	858-868	10	0.40	.023	.02
						86	868-878	10	0.39	.021	.03
						87	878-888	10	0.32	.226	.01
						88	888-898	10	0.21	.338	.01
						89	898-908	10	0.17	.017	
						90	908-918	10	0.20	.062	
						91	918-928	10	0.15	.031	
						92	928-938	10	0.17	.078	
						93	938-948	10	0.18	.107	.01
						94	948-958	10	0.17	.048	.01
						95	958-968	10	0.19	.078	.01
						96	968-978	10	0.13	.001	.01
						97	978-988	10	0.14	.035	.01
						20098	988-997	10	0.14	.076	.01
					997 - END.						

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone Section No. HOLE No. 81-3

Started Aug 2, 1981	Bearing	Lat.	Collar El. 7560'	Logged by R. Phendler	Date 9/30/81
Completed Aug 7, 1981	Angle from Horizon 90°	Dep.	Bottom. El.	Remarks 97.6 % Recovery.	
Driller Buccaneer Drilling	Length 506'	Location	Level		

Feet From	Feet To	Interval	RECOVERY	RECOVERY %	DESCRIPTION	Sample No.	From-To	Interval	ASSAY % Cu	ASSAY % Mo	
0.0	28				OVERBURDEN	20146	28-38	10	.07	.001	
28	142				QUARTZ HORNBLENDE DIORITE	147	38-48	10	.06	.003	
					MEDIUM GRAINED TO COARSE GRAINED	148	48-58	10	.08	.010	
					5% DISSEM. PYRITE. LIMONITE	149	58-68	10	.18	.002	
					STAINED - POSSIBLE LEACHING	150	68-78	10	.14	.002	
					90-100' 10% PYRITE - SPECKLED	151	78-88	10	.07	.001	✓
					CARB ZONE 85-87'	152	88-98	10	.08	.002	
					HEAVY PYRITE ON SLIP FACES	153	98-108	10	.09	.001	
142	161				QUARTZ PORPHYRY - ALASKITE (2)	154	108-118	10	.08	.001	
					PALE GREY, AMORPHOUS, FINE	155	118-128	10	.06	.001	
					SPECKLED PYRITE. 80° CONTACT	156	128-138	10	.08	.001	
161	178				HORNBLENDE DIORITE - COARSE GRAINED	157	138-148	10	.07	.001	
					5% PYRITE, DIABASE DYKE 171-173'	158	148-158	10	.10	.002	
178	209				QUARTZ EYE PORPHYRY - GHOSTY	159	158-168	10	.24	.008	
					PHENOCRYSTS, MEDIUM GREY, FINE	160	168-178	10	.21	.007	
					GRAINED 10% PYRITE, SOME CO.	161	178-188	10	.20	.012	
					60° CONTACT (2ND)	162	188-198	10	.30	.010	
209	227				QUARTZ HORNBLENDE DIORITE	163	198-208	10	.15	.011	
					10% PYRITE. COARSE GRAINED	164	208-218	10	.24	.001	
					SOME OXIDATION	165	218-228	10	.15	.010	

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone Section No. HOLE No. 81-3

Started	Bearing	Lat.	Collar El.	Logged by R. Prendler Date 9/30/81
Completed	Angle from Horizon	Dep.	Bottom. El.	Remarks
Driller	Length	Location	Level	

From	To	Interval	RECOVERY	%	DESCRIPTION	Mineralization	Sample No.	From-To	Interval	ASSAY % Cu	ASSAY % Mo		
227	271				QUARTZ PORPHYRY - MEDIUM GREY		166	228-238	10	.04	.001		
					FINE GRAINED	WEAK Py	167	238-248	10	.04	.001		
					10" HORNBLENDE DIORITE 266-267		168	248-258	10	.01	.001		
271	312				QUARTZ HORNBLENDE DIORITE		169	258-268	10	.05	.001		
					MEDIUM TO COARSE GRAINED, LIGHT		170	268-278	10	.12	.003	←	
					GREY-WHITE GRANULAR, MASSIVE		171	278-288	10	.09	.001		
						5% Py	172	288-298	10	.19	.001		
					296-307' 15% PYRITE		173	298-308	10	.18	.005		
312	349				QUARTZ PORPHYRY (GHOSTY)		174	308-318	10	.09	.001		
					PHENOCRYSTS AMORPHOUS	SPK'D Py	175	318-328	10	.01	.001		
					MEDIUM-GREY, MASSIVE		176	328-338	10	.05	.001		
					LAST TWO FEET BLEACHED & SHEARED		177	338-348	10	.01	.001		
349	506				QUARTZ HORNBLENDE DIORITE		178	348-358	10	.08	.001		
					COARSE GRAINED, MASSIVE. FEW	10% PYRITE	179	358-368	10	.20	.006		
					LONGITUDINAL JOINTS AND CROSS	TO 360, THEN	180	368-378	10	.09	.003		
					QUARTZ VEINS TO 1/4"	5% AS VEINS	181	378-388	10	.22	.005		
506		END	OF HOLE				182	388-398	10	.15	.001		
							183	398-408	10	.12	.002		
							184	408-418	10	.24	.001		
							185	418-428	10	.09	.001		

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone Section No. HOLE No. 81-3

Started	Bearing	Lat.	Collar El.	Logged by R. Phendler Date 9/30/81
Completed	Angle from Horizon	Dep.	Bottom. El.	Remarks
Driller	Length	Location	Level	

From	To	Interval	RECOVERY	%	DESCRIPTION
					FROM TO LENGTH %Cu %Mo
					28' 158' 130' 0.09 .002
					158 228 70 0.21 .008
					228 378 150 0.08 .002
					378 488 110 0.20 .003
					488 506 18 0.10 .001
					158' 488' 330 0.15 0.004

Sample No.	From-To	Interval	ASSAY %Cu	ASSAY %Mo
186	428-438	10	.11	.001
187	438-448	10	.14	.001
188	448-458	10	.32	.001
189	458-468	10	.20	.001
190	468-478	10	.27	.002
191	478-488	10	.35	.001
192	488-498	10	.08	.001
193	498-506	8	.12	.001

Drill Hole Log

COMPANY United Gunn Resources Ltd. PROPERTY Copper Zone Section No. HOLE No. 81-4

Started Aug 9, 1981	Bearing	Lat.	Collar El. 7930'	Logged by R. Phendler	Date 8/14/81
Completed Aug 14, 1981	Angle from Horizon VERT	Dep.	Bottom. El.	Remarks 98.1 % Recovery	
Driller Buccaneer Drilling	Length 500'	Location	Level		

Feet From	Feet To	Interval	RECOVERY	RECOVERY %	DESCRIPTION		Sample No.	From-To	Interval	ASSAY % Cu.	ASSAY % Mo.
0	36				CASING		20099	36-46	10'	0.05	.003
36	85				QUARTZ PORPHYRY - FINE TO MED. GRID	Cp Spks	100	46-56	10	0.07	.002
					MASSIVE - LIMONITE - STAINED	42' 213	101	56-66	10	0.03	.005
85	91				DIORITE DYKE 30° CONTACT	231, 309	102	66-76	10	0.06	.002
91	127.5				QUARTZ PORPHYRY - LIGHT GREY		103	76-86	10	0.07	.001
					MED - FINE GRND LIMONITE STAINED		104	86-96	10	0.03	.002
127.5	130				LAMPROPHYRE DYKE - DK. GREY TO BLACK		105	96-106	10	0.04	.008
					APHANITIC		106	106-116	10	0.06	.002
130	261				QUARTZ PORPHYRY - FINE GRND MINOR		107	116-126	10	0.03	.004
					DISSEM PYRITE, LIMONITE STAINED		108	126-136	10	0.11	.001
					TO 148' QTZ EYES THROUGHOUT	MO-235	109	136-146	10	0.06	.002
					FIRM. MASSIVE PARTLY		110	146-156	10	0.03	.001
					OXIDIZED 225-235'		111	156-166	10	0.01	.001
					MALACHITE 230'-235', 240-251'		112	166-176	10	0.01	.001
261	265				DACITE DYKE - PALE GREY, FINE GRAINED		113	176-186	10	0.01	.001
265	359				QUARTZ PORPHYRY - FINE GRAINED, PALE GREY-WHITE.		114	186-196	10	0.01	.001
					279-281 - LAMPROPHYRE DYKE		115	196-206	10	0.06	.001
					WEAK DISSEM PYRITE, OXIDIZED 337'-350'		116	206-216	10	0.08	.004
					ROUNDED QUARTZ PHENOCRYSTS		117	216-226	10	0.06	.001
359	364				DIORITE DYKE, DARK GREY, FINE GRAINED		118	226-236	10	0.14	.005

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone Section No. HOLE No. 81-4

Started	Bearing	Lat.	Collar El.	Logged by R. Phendler Date 8/14/81
Completed	Angle from Horizon VERT	Dep.	Bottom. El.	Remarks
Driller	Length 500'	Location	Level	

From	To	Interval	RECOVERY	%	DESCRIPTION	Sample No.	FEET From-To	Interval	ASSAY % Cu.	% Mo.
364	485.5				QUARTZ EYE PORPHYRY	20119	236-246	10'	0.16	.006
					BUFF WHITE, FINE TO MEDIUM GRAINED	120	246-256	10	0.15	.005
485.5	487				DIORITE DYKE - DARK GREY, FINE GRAINED	121	256-266	10	0.01	.002
487	500				QUARTZ EYE PORPHYRY	122	266-276	10	0.02	.001
					BARREN	123	276-286	10	0.01	.001
500	END OF HOLE					124	286-296	10	0.01	.001
						125	296-306	10	0.01	.001
						126	306-316	10	0.01	.001
					FROM TO LENGTH %Cu %Mo	127	316-326	10	0.01	.001
					36' 146' 110' .06 .003	128	326-336	10	0.01	.001
					146 196 50 .01 .001	129	336-346	10	0.01	.002
					196 226 30 .07 .002	130	346-356	10	0.02	.001
					226 256 30 .15 .005	131	356-366	10	0.03	.001
					256 466 210 .01 .002	132	366-376	10	0.01	.001
					466 500 34 .08 .007	133	376-386	10	0.01	.003
						134	386-396	10	0.01	.003
						135	396-406	10	0.01	.001
						136	406-416	10	0.01	.002
						137	416-426	10	0.02	.001
						138	426-436	10	0.01	.001

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone Section No. HOLE No. 81-4

Started	Bearing	Lat.	Collar El.	Logged by R. Phendler Date 8/14/81
Completed	Angle from Horizon	Dep.	Bottom. El.	Remarks
Driller	Length	Location	Level	

From	To	Interval	RECOVERY	%	DESCRIPTION	Sample No.	FEET From-To	Interval	ASSAY % Cu	% Mo
						139	436-446	10'	0.01	.002
						140	446-456	10	0.01	.002
						141	456-466	10	0.01	.002
						142	466-476	10	0.08	.006
						143	476-486	10	0.07	.005
						144	486-496	10	0.11	.011
						145	496-500	4	0.06	.001

Drill Hole Log

COMPANY United Gunn Resources Ltd PROPERTY Copper Zone Section No. HOLE No. 81-5

Started Aug. 16. 1981	Bearing	Lat.	Collar El. 7770'	Logged by R. PHENDLER Date 9/30/81
Completed Aug. 20. 1981	Angle from Horizon 90°	Dep.	Bottom. El.	Remarks 96.7% RECOVERY
Driller BUCCANEER DRILLING	Length 502'	Location	Level	

Feet From	Feet To	Interval	RECOVERY	RECOVERY %	DESCRIPTION	Sample No.	From-To	Interval	ASSAY % Cu	ASSAY %Mo
00	71.0				OVERBURDEN	20194	71-81	10	.01	.001
71.0	114.0				QUARTZ HORNBLENDE DIORITE MEDIUM GRAINED. CHALCOPIRITE	195	81-91	10	.02	.001
					LIMONITE STAINING. SOME PYRITE STRINGERS AT 269', 290'	196	91-101	10	.01	.001
					FRESH MASSIVE, LIGHT GREY 319	197	101-111	10	.06	.001
114	193				QTZ. PORPHYRY, FINE GRAINED, MEDIUM GREY	198	111-121	10	.03	.001
					LOW IN FERROSILICATES, ROUNDED QUARTZ EYES	199	121-131	10	.01	.001
					PORPHYRYTIC, FRESH CALCITE STRINGER AT 160'	200	131-141	10	.01	.001
					PARALLEL TO CORE	201	141-151	10	.01	.001
193	196				QUARTZ HORNBLENDE DIORITE - MED. GRAINED	202	151-161	10	.02	.001
					DISSEMINATED PYRITE	203	161-171	10	.01	.001
196	204				DIORITE DYKE DARK GREY, FINE GRAINED	204	171-181	10	.01	.001
204	227				QUARTZ EYE PORPHYRY - BARREN	205	181-191	10	.01	.001
227	250				QUARTZ HORNBLENDE DIORITE MEDIUM TO	206	191-201	10	.01	.001
					COARSE GRAINED. DISSEMINATED PYRITE. FRESH.	207	201-211	10	.01	.001
					KADLINIZED 238 - 240'	208	211-221	10	.01	.001
250	253				DIORITE DYKE. DARK GREY, FINE GRAINED	209	221-231	10	.01	.001
253	340				QUARTZ HORNBLENDE DIORITE, COARSE	210	231-241	10	.02	.001
					GRAINED, MED-LIGHT GREY, KAOLINIZED	211	241-251	10	.03	.001
					265-267. DISSEMINATED PYRITE & CHALCO-	212	251-261	10	.07	.001
					PYRITE	213	261-271	10	.10	.001

Drill Hole Log

COMPANY United Gunn Resources Ltd. PROPERTY Copper Zone Section No. HOLE No. 81-5

Started	Bearing	Lat.	Collar El.	Logged by	Date
Completed	Angle from Horizon	Dep.	Bottom. El.	Remarks	
Driller	Length	Location	Level		

From	To	Interval	RECOVERY	%	DESCRIPTION	Sample No.	From-To	Interval	ASSAY % Cu	ASSAY % Mo
340	343				LAMPROPHYRE DYKE, FINE-GRAINED, DARK	214	271-281	10	.05	.001
					GREY, 1ST CONTACT PARALLEL TO CORE,	215	281-291	10	.13	.001
					2ND CONTACT AT 80°	216	291-301	10	.08	.001
343	373				QUARTZ HORNBLENDE DIORITE, LIGHT GREY	217	301-311	10	.05	.001
					MEDIUM TO COARSE GRAINED 10%	218	311-321	10	.09	.003
					DISSEMINATED PYRITE, SOME CHALCOPYRITE	219	321-331	10	.08	.002
373	376				DIORITE DYKE, FINE GRAINED, MEDIUM GREY	220	331-341	10	.04	.001
376	468				QUARTZ HORNBLENDE DIORITE, DISSEMINATED (10%)	221	341-351	10	.08	.003
					PYRITE. FEW QUARTZ STRINGERS	222	351-361	10	.06	.002
					LOCAL FINER GRAINED ZONES GRADUAL	223	361-371	10	.04	.001
					CHANGES. FEW PYRITE THREAD VEINS	224	371-381	10	.02	.001
468	473				DIORITE DYKE, DARK-MED. GREY, PORPHYRY-	225	381-391	10	.05	.001
					TIC, MASSIVE	226	391-401	10	.03	.001
473	502				FINE GRAINED ALASKITE - PALE GREY	227	401-411	10	.10	.002
					EXTREMELY COMPETENT FRESH, SILICEOUS	228	411-421	10	.09	.010
					< 5% MAFICS, BARREN (QTZ PORPHYRY?)	229	421-431	10	.11	.005
502	END OF HOLE					230	431-441	10	.04	.001
						231	441-451	10	.10	.002
						232	451-461	10	.06	.001
						233	461-471	10	.04	.001

Drill Hole Log

COMPANY United Gunn Resources Ltd. PROPERTY Copper Zone Section No. HOLE No. 81-5.

Started	Bearing	Lat.	Collar El.	Logged by R. Phendler Date 9/30/81
Completed	Angle from Horizon	Dep.	Bottom. El.	Remarks
Driller	Length	Location	Level	

From	To	Interval	RECOVERY	%	DESCRIPTION	Sample No.	From-To	Interval	ASSAY % Cu.	ASSAY % Mo.
						234	471 - 481	10	.01	.001
						235	481 - 491	10	.01	.001
					FROM TO LENGTH % Cu. % Mo.	236	491 - 502	11	.01	.001
					71' 251' 180' .02 .001					
					251' 331' 80' .08 .001					
					331' 461' 130 .06 .002					
					461' 502' 41 .02 .001					
					251 461 210 .07 .002					

R. W. PHENDLER, P.Eng., GEOLOGICAL CONSULTANT,
EXPLORATION AND MINING
360 DECOURCY CRES., RICHMOND, B.C. V7C 4E9 (604) 271-2588

November 2, 1981

United Gunn Resources Ltd.
1015 - 470 Granville St.
Vancouver, B.C.

Attention: Mr. R. Nosalek

Re: Summary of Results of 1981 Diamond Drill Program - Copper Zone Property, British Columbia.

Dear Mr. Nosalek:

Between July 20 and August 30, 1981 five diamond drill holes totalling 3,205 feet were completed as follows:

D.H. No.	Bearing	Angle	Length	Recovery
81 - 1	due east	-45°	700'	93.8%
81 - 2	-	vertical	997'	98.0%
81 - 3	-	vertical	506'	97.6%
81 - 4	-	vertical	500'	98.7%
81 - 5	-	vertical	502'	96.7%

These holes were drilled in the area where seven holes had been drilled in the past and where interesting results existed.

The assay results of all holes drilled to date are as follows:

D.H. No.	Intersection	Depth	% Cu	% Mo
81 - 1	80' to 680'	600'	0.16	0.003
81 - 2	50' to 997'	947'	0.28	0.020
81 - 3	158' to 488'	330'	0.15	0.004
81 - 4	226' to 256'	30'	0.15	0.005
81 - 5	251' to 461'	210'	0.07	0.002
A - 1	50' to 380'	330'	0.23	0.007
A - 2	40' to 400'	360'	0.12	0.004
72 - 1	250' to 400'	150'	0.22	0.005
72 - 2	180' to 300'	120'	0.284 (Equivalent)	-

D.H. No.	Intersection	Depth	% Cu	% Mo
PH - 1	50' to 400'	340'	0.21	0.007
PH - 2	40' to 220'	180'	0.19	0.005
PH - 3	10' to 200'	190'	0.12	0.005
PH - 4	30' to 300'	270'	0.10	0.007

With the limited amount of information available to date it appears that there is a north northwesterly trending zone of mineralized granodiorite that may average 0.28% Cu and 0.012% Mo. This is bounded on either side by material that may run in the 0.10 - 0.15% Cu and 0.005% Mo.

The quartz porphyry on the east side of the area is considered to be unfavourable.

An attempt was made to calculate reserves only including information from drill holes that have intersections that average greater than 0.20% Cu. Projections from drill holes are a maximum of 200 feet. A summary of these reserves are as follows:

D.H. NO.	Tons	% Cu	% Mo
81 - 1	1,300,000	0.25	.004
PH - 1	2,800,000	0.21	.007
A - 1	2,200,000	0.23	.007
81 - 2	11,100,000	0.29	.017
72 - 2	1,300,000	0.284	-
72 - 1	2,000,000	0.22	.005
	20,700,000	0.28	0.012

These blocks are shown on the accompanying plan and vertical sections.

It is interesting to note that the deepest hole (81 - 2) has the best grade material throughout with the best intersection from 588' to 888' averaging 0.393% Cu and 0.029% Mo.

COMMENT

Additional drilling is warranted along strike from the northerly striking higher grade zone. It is suggested that holes should be a minimum depth of 1,000 feet.

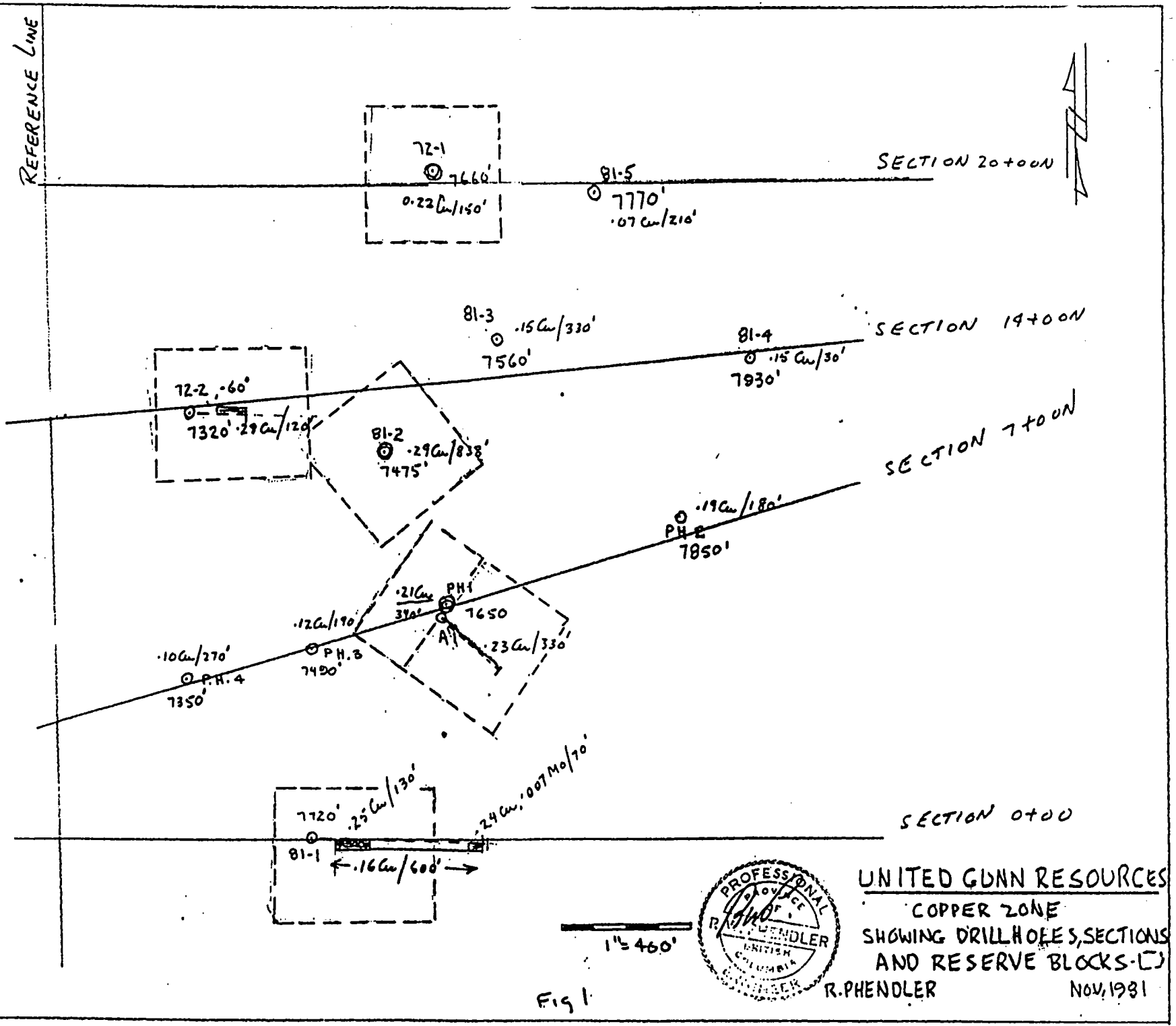
Yours truly,

R.W. Phendler, P. Eng.

PROFESSIONAL ENGINEER PROVINCE OF BRITISH COLUMBIA R.W. PHENDLER

ILLUSTRATIONS

Fig. 1 - Plan of drill holes	1" =	400'
Fig. 2 - Section 0 + 00	"	"
Fig. 3 - Section 7 + 00 N	"	"
Fig. 4 - Section 14+ 00 N	"	"
Fig. 5 - Section 20+ 00 N	"	"



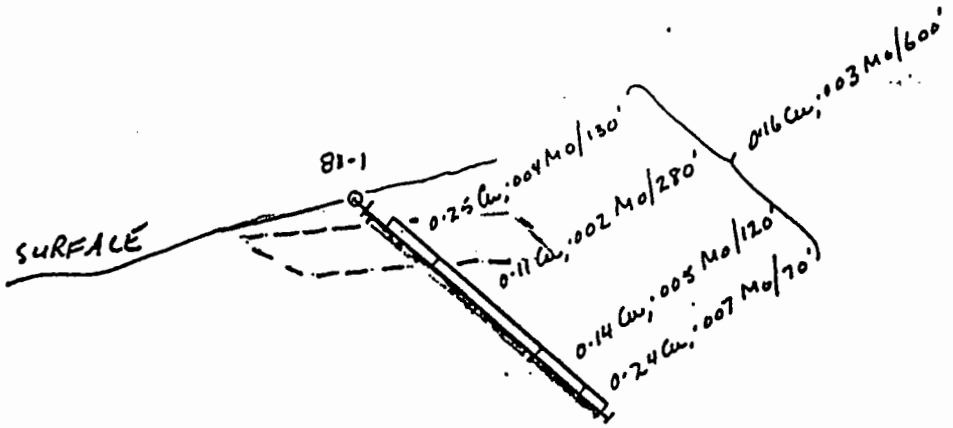
UNITED GUNN RESOURCES

COPPER ZONE

SHOWING DRILLHOLES, SECTIONS AND RESERVE BLOCKS-(J)

R. PHENDLER Nov, 1981

Fig 1



7000'

REFERENCE LINE

Fig 2

SECTION 0+00

LOOKING NORTH

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
R. W. PHENDLER

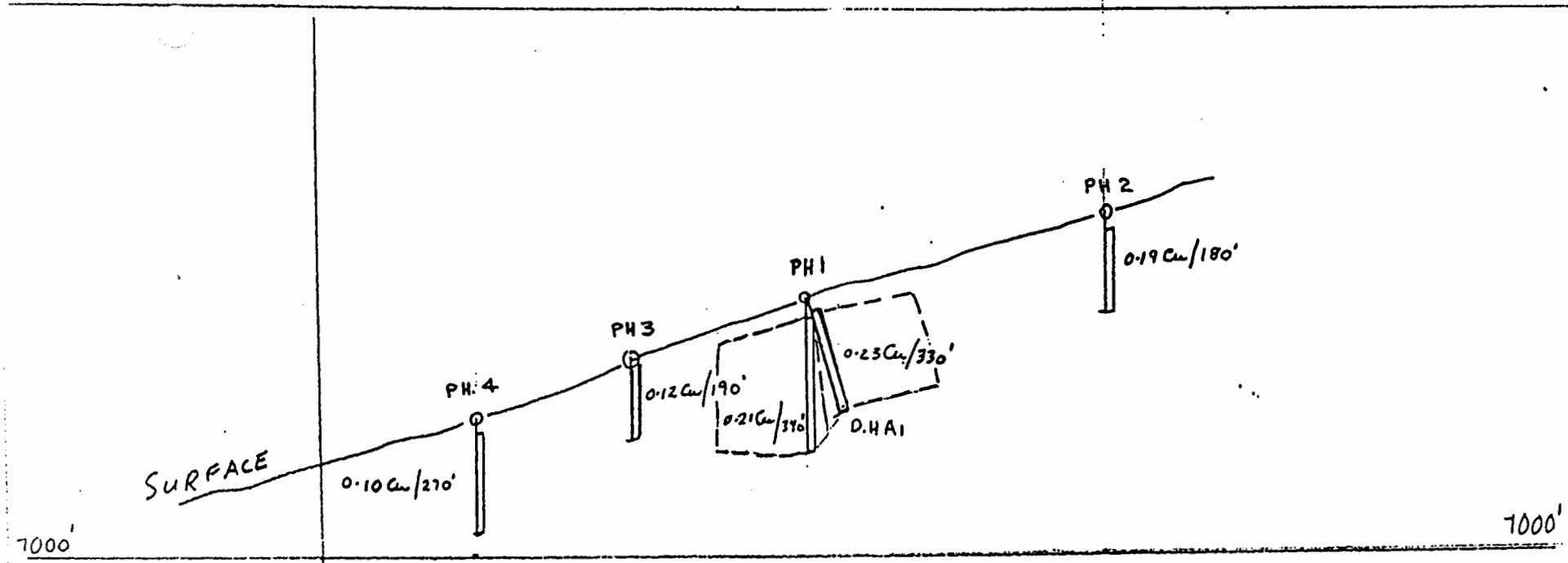
UNITED GUNN RESOURCES

COPPER ZONE

SCALE 1"=400'

R. PHENDLER

NOV, 1981



REFERENCE LINE

SECTION 7+00N

LOOKING NORTH

Fig 3

UNITED GUNN RESOURCES

COPPER ZONE

SCALE 1" = 40'

PROFESSIONAL ENGINEER PROVINCE OF BRITISH COLUMBIA R. PHENDLER

R. PHENDLER

Nov, 1981

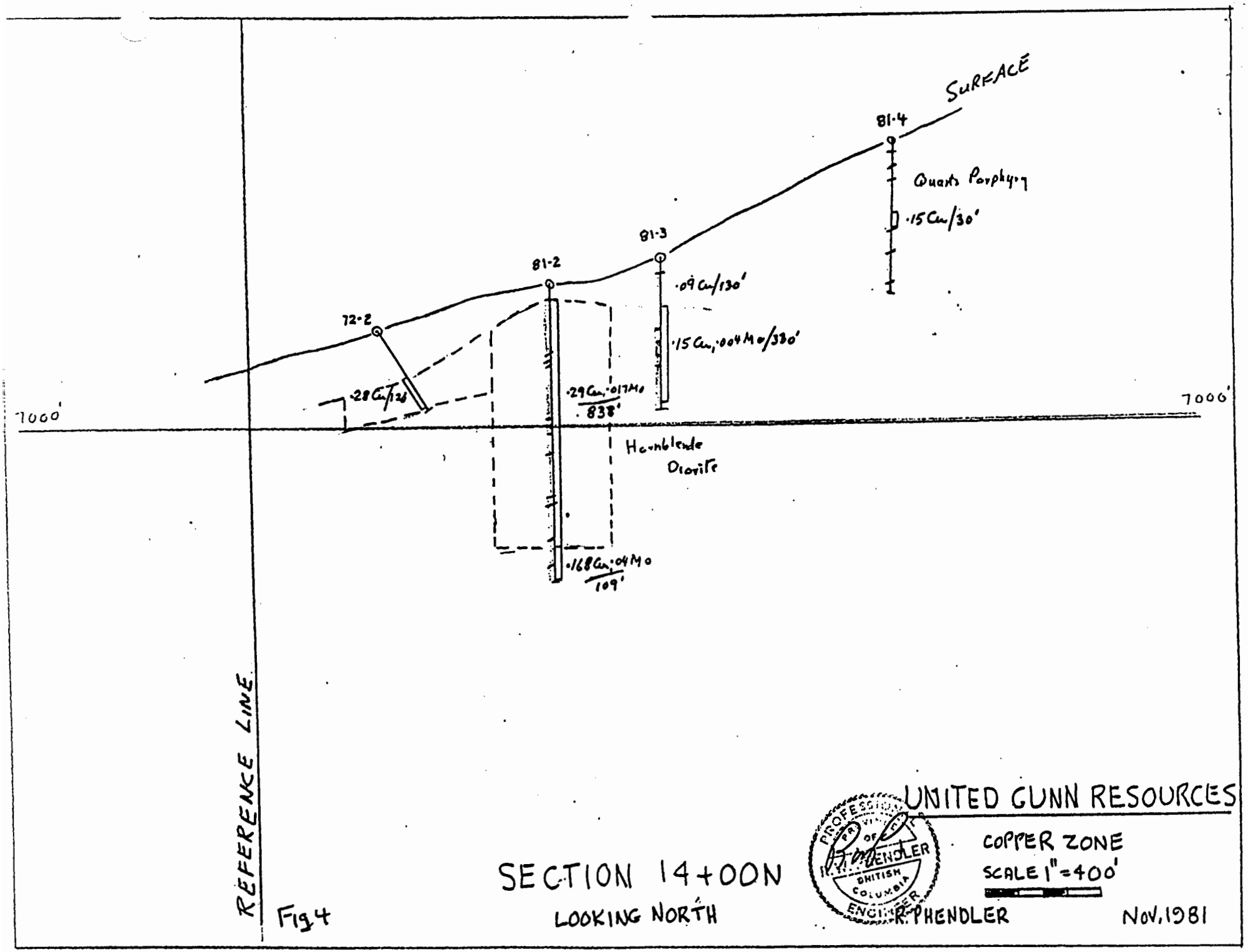


Fig 4

SECTION 14+00N

LOOKING NORTH

UNITED GUNN RESOURCES

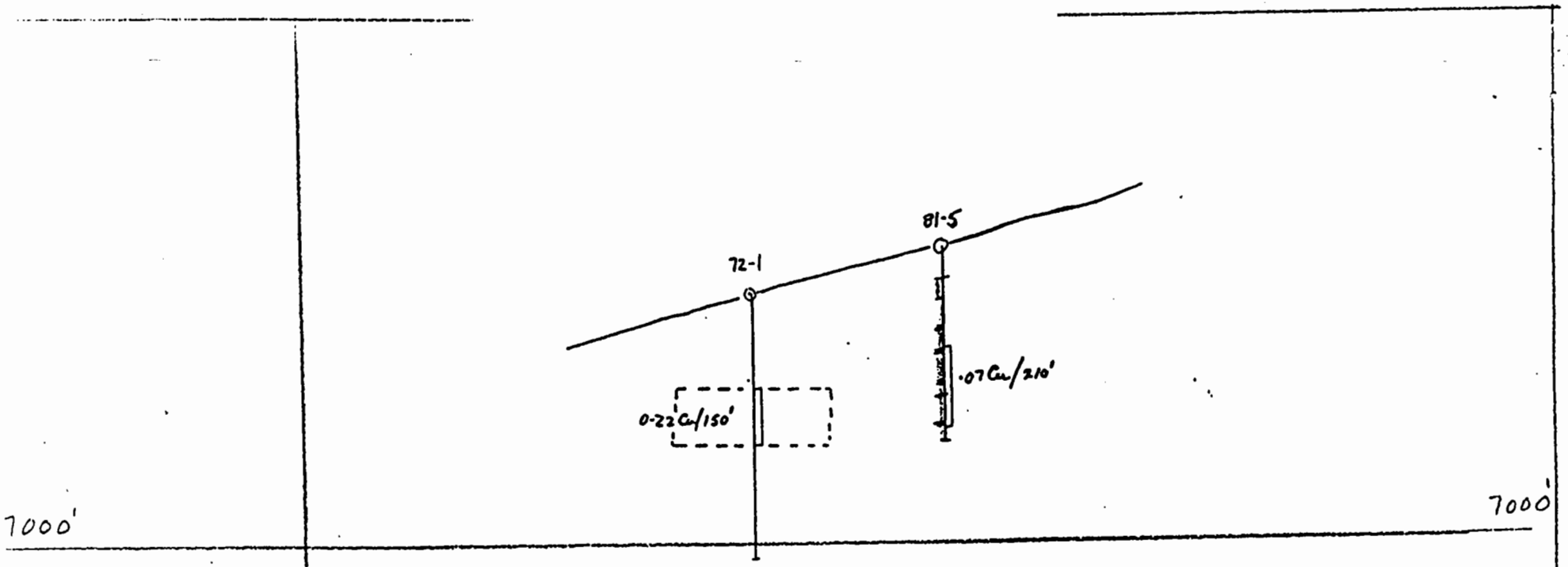
COPPER ZONE

SCALE 1" = 400'

PROFESSIONAL ENGINEER OF BRITISH COLUMBIA R. PHENDLER

R. PHENDLER

NOV, 1981



UNITED GUNN RESOURCES

COPPER ZONE

SCALE 1" = 400'

SECTION 20+00 N

LOOKING NORTH

Fig 5

R. PHENDLER

NOV, 1981

R. W. PHENDLER, P.Eng., GEOLOGICAL CONSULTANT,
EXPLORATION AND MINING
360 DECOURCY CRES., RICHMOND, B.C. V7C 4E9 (604) 271-2588

R E P O R T

on the

COPPER ZONE CLAIM (9 units)

TASEKO LAKE AREA

CLINTON MINING DIVISION, BRITISH COLUMBIA

for

UNITED GUNN RESOURCES LTD.

by

R.W. PHENDLER, P. ENG.

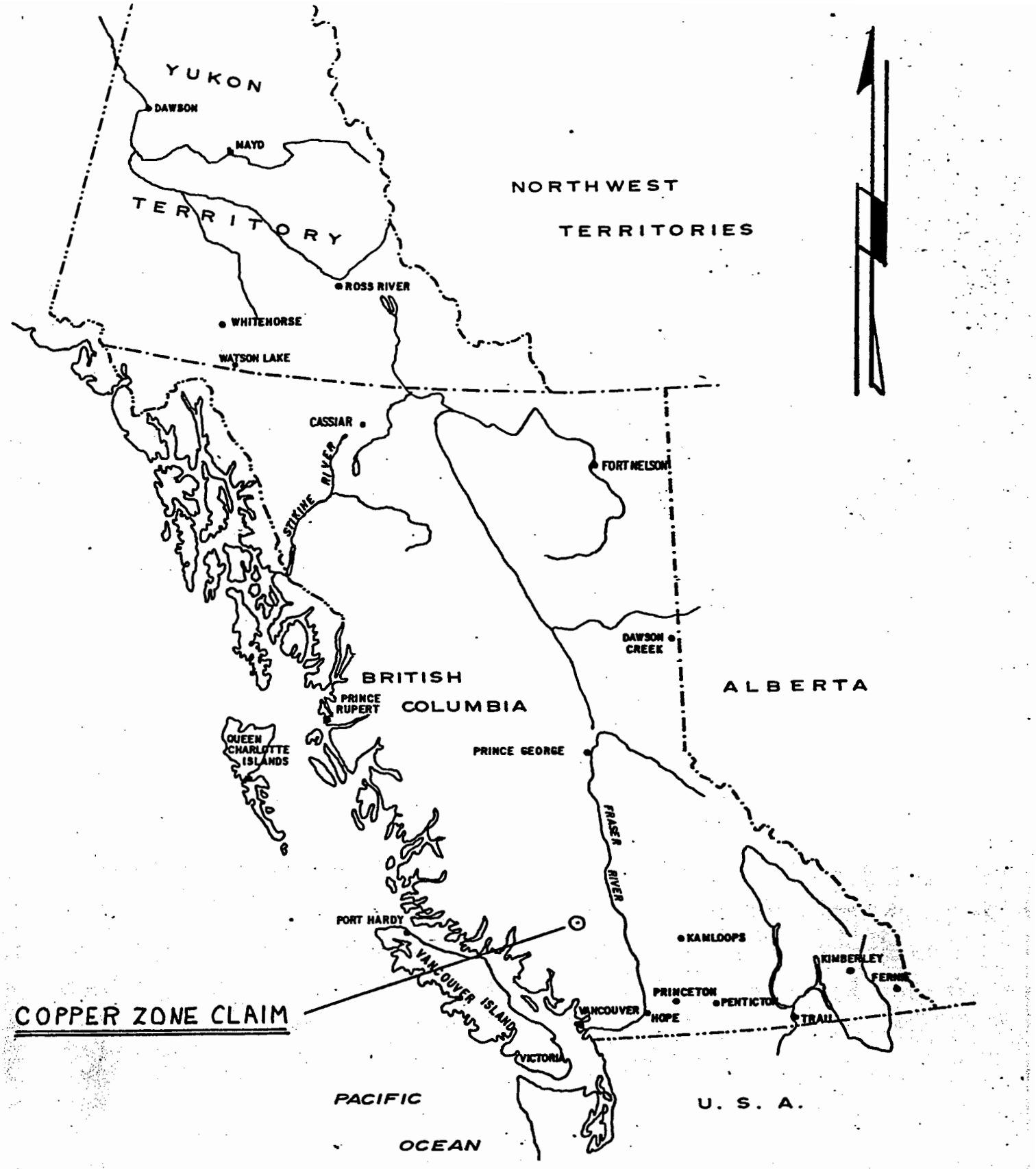
Vancouver, Canada

August 19, 1980

CONTENTS

ILLUSTRATIONS

(Figures 3 to 7 were compiled by Western Geological Services.)



LOCATION MAP
VANCOUVER BRITISH COLUMBIA

UNITED GUNN RESOURCES LTD.

COPPER ZONE CLAIM. CLINTON M.D.

SCALE 1:12,672,000

0 200 Km

NTS.	DATE	FIG. No. 1

1" = 200 MILES

PART "A"

SUMMARY AND CONCLUSIONS

Lying near the east limit of the Coastal Granitic Intrusive Complex in southwestern British Columbia, the Copper Zone prospect is one of many prominent copper - bearing gossan zones in the area.

Mineralization consists of disseminated and fracture - fillings of chalcopyrite and molybdenite within quartz diorite. A later stock of feldspar porphyry that measures 300 meters by 600 meters appears to be the centre of the strongest concentration of sulphides. The L-shaped mineral zone is 1200 meters by 500 meters and within this area are two sets of prominent fractures, one generally north - south and one east - west.

The four diamond drill holes and four percussion holes drilled to date suggest that large tonnages of mineralized material may be present that averages 0.20% Cu and 0.10% Mo S_2.

RECOMMENDATIONS

It is recommended that:

1) The 25 kilometers of road from the property to the Taseko Lakes be upgraded and drill access roads be constructed on the property.
2) A series of vertical percussion holes be drilled to a depth of 400 feet (121 meters) on 250 meter centres over the gossan zone.
3) An induced polarization survey and a magnetometer survey be conducted over the gossan zone.
4) A competent field engineer be made available to supervise the program.

COST ESTIMATE

Phase I

1) Road rehabilitation & construction	-	$20,000
2) Induced polarization & EM survey	-	10,000
3) Percussion Drilling - 2800' @ $10/foot	-	28,000
4) Engineering & Geology	-	5,000
5) Assaying of samples	-	2,200
Total	-	$65,200
15% Contingencies	-	9,780
Total - Phase I	-	$74,980

Phase II - depending on favourable results from Phase I

1) Percussion Drilling - 8,000' @ $10/foot	-	80,000
2) Assaying of samples	-	5,000
3) Engineering & Geology	-	10,000
Total	-	$95,000
15% Contingencies	-	14,250
Total - Phase II	-	$109,250

The sum of $75,000 should be made available to carry out Phase I of the above program.

Respectfully submitted,

PROFESSIONAL ENGINEER PROVINCE OF BRITISH COLUMBIA R.W. RHENDLER

R.W. Rhendler, P. Eng.

PART "B"

INTRODUCTION

At the request of Mr. R. Kosalek of United Gunn Resources Ltd., the writer has compiled the following report on the Copper Zone claims. All pertinent data was provided the writer who also had lengthy discussions with Mr. W. Meyer, P. Eng., who supervised much of the work carried out on the claims. The writer examined the claims on August 13, 1980.

Previous work on the claims included prospecting, trenching, percussion and diamond drilling and geological mapping.

LOCATION AND ACCESS

The property is located at an elevation of 1800 to 2400 meters about 225 kilometers due north of Vancouver in southwestern British Columbia. The easiest access is by helicopter from Pemberton (about one hour) but the property is also accessible by four wheel drive vehicle from Williams Lake westerly on the Bella Coola road to Hanceville. Thence southwesterly for 150 kilometers past the Taseko Lakes and up the Taseko and Granite Rivers to the property. Road distance from Williams Lake is 270 kilometers and time required is seven hours.

The area in the vicinity of the showings is above the tree line and consequently is barren and often very windy. Ample water is available locally to supply a mining operation.

PROPERTY AND OWNERSHIP

The property consists of the Copper Zone mineral claim of 9 units. Record no. is 48(8) and the claim is believed to be in the name of United Gunn Resources Ltd.

HISTORY

The east limit of the Coast Range granitic intrusive complex has received considerable attention and has long been known to contain numerous zones of widespread copper mineralization. During the 1960's and early 1970's numerous regional studies were made in the search for large low grade copper deposits throughout British Columbia and the area around the Taseko Lakes received a great deal of interest with moderate success. Programs were carried out by Cominco, Canex Placer, Phelps Dodge Corporation, Bethlehem Copper Corporation, Scurry Rainbow (Home Oil Ltd.) and Quintana.

The Copper Zone claims cover the old Rowbottom Creek prospect which was explored by Phelps Dodge Corporation in 1964. It is reported that one 57 meter diamond drill hole was put down about 500 meters from the gossan zone and intersected mineralization averaging 0.12% Cu over its length.

Between 1969 and 1972 the property was known as the NW & Bill prospect and was held by Victor Mining Corporation. During this time four diamond drill holes and four percussion holes were drilled, some by Victor and others by a syndicate involving Victor Mining Corporation, Granite Mountain Mines Ltd. and Galveston Mines Ltd. During this period the work was conducted by Western Geological Services Ltd. under the supervision of Mr. W. Meyers, P. Eng. presently employed by Teck Corporation, Vancouver.

In 1972 Mr. J. Buchholz supervised the drilling of drill holes 72-1 and 72-2 while he carried out geological mapping.

In 1975 the claims covering the widespread gossan zone lapsed and were staked as the Copper Zone mineral claim for United Gunn Resources Ltd.

GEOLOGY AND MINERALIZATION

The area in which the Copper Zone claim is located lies on the east flank of the Coast Range Crystalline Belt - a complex series of granitic intrusives of post lower Cretaceous age which are intruded by later more acidic stocks and dyke swarms. Four miles northeast of the Copper Zone showings lies the northeast limit of the granitic rocks in contact with volcanic rocks of Cretaceous age.

The principal rock type on the Copper Zone claim is hornblende quartz diorite intruded by numerous feldspar porphyry and quartz feldspar porphyry dykes, all generally striking either north 20° west or east - west.

An oval - shaped stock of quartz feldspar porphyry measuring 300 meters (EW) by 600 meters (NS) appears to be the locii of the more intense sulphide mineralization, which consists of chalcopyrite, molybdenite and heavy pyrite. This mineralization occurs as fracture fillings and disseminations in both the quartz diorite and the feldspar porphyry. Total sulphides of up to 10% (estimated) decrease away from the central porphyry stock.

The area of heavy total sulphides and more prominent gossan is an L-shaped zone centering on the porphyry stock. The stock and other later porphyry dykes are relatively massive, showing less leaching than the surrounding fractured quartz diorite. This leaching reaches a depth of about 15 meters but there is no apparent enriched zone immediately below the leached zone. Minor secondary chalcocite was observed in D.D.H. A-1 but no significant increase in copper values was noted.

No significant gold values were present (all trace) and only minor silver assays were returned (0.1 oz per ton). It is believed that tungsten assays would be desireable for selected high quartz samples as this metal has been observed in this geological environment in the past.

DRILLING RESULTS

Diamond and percussion drilling was carried out between 1969 and 1972 under the direction of Mr. W. Meyer, P. Eng. Although sample by sample assay certificates are not available at present the results are believed to be reliable. The most significant observation is the increase in values (copper) in the percussion holes as distance towards the central porphyry stock decreases. Percussion hole PH4 averaged 0.10% Cu while PH1 and 2 near the stock average 0.21% Cu and 0.19% Cu respectively. However, D.D.H. 72-1 whichis reported to be located outside the gossan - high sulphide area averaged 0.22% Cu over a vertical distance of 150' (45.5 meters).

Complete results are as follows:

Hole No.	Depth	Interval	Length	% Cu	% MoS_2
D.H. A-1	121.2 mtrs	15.2- 115.2 mtrs	100 mtrs	0.23	0.11
D.H. A-2	125.8 "	12.1- 121.2 "	109.1 "	0.12	0.007
D.H. 72-1	211.5 "	75.8- 121.2 "	45.5 "	0.22	0.008
D.H. 72-2	92.1 "	54.5- 92.1 "	37.6 "	0.284% Cu equivalent	
P.H. 1	121.2 "	18.2- 121.2 "	103.0 "	0.21	0.011
P.H. 2	72.7 "	12.1- 66.7 "	54.5 "	0.19	0.008
P.H. 3	60.6 "	3.0- 60.6 "	18.4 "	0.12	0.009
P.H. 4	90.9 "	9.1- 90.9 "	81.8 "	0.10	0.011

COMMENT

No average grades or tonnages can be calculated at this time but it is evident that the possibility exists for the presence of significant tonnages of mineralized material that may average 0.20% Cu and 0.10% MoS_2.

It is felt that better grade material may exist in selected areas and a systematic drilling program is recommended.

The copper equivalent grade shown for D.H. 72-2 was probably calculated on a 4 Mo to 1 Cu ratio, as was the practice in 1972. A ratio of 9 : 1 would be more in order at 1980 metal prices.

It was reported by J. Buchholz in his 1972 summary report that short intervals in drill core assayed as high as 0.45% Cu and 0.110% MoS_2 and that molybdenite values appear to increase with lower copper values, with the converse also being true. Pyrite appears to decrease with depth while copper content increases.

The holes that have been drilled are too few to permit a sensible interpretation of zoning, control of mineralization, etc. but sufficient encouragement has been received to warrant additional work.

Respectfully submitted,

R. W. Phendler, P. Eng.

PROFESSIONAL ENGINEER PROVINCE OF BRITISH COLUMBIA R.W. PHENDLER

C E R T I F I C A T I O N

I, R.W. Phendler, of 7360 Decourcy Crescent, Richmond, B.C. hereby certify as follows:

1) THAT I am a registered member of the Association of Professional Engineers of British Columbia - No. 4421 - 1963.

2) THAT I am a graduate of McGill University, Montreal, with a Bachelor of Science degree in geology.

3) THAT I have practiced my profession continually as mine, exploration and consultant geologist for the past 27 years in all parts of Canada, the U.S.A., Mexico, Peru, Colombia and Chile.

4) THAT I have no interest directly or indirectly in the Copper Zone claim nor do I own directly or indirectly, any shares of United Gunn Resources Ltd., nor do I expect to.

5) THAT the information contained in this report was compiled as a result of my examination of all available data, covering work carried out on the Copper Zone property and my examination of the claims on August 13, 1980

6) THAT I hereby consent to the publication of my report entitled "Report on the Copper Zone claim, Clinton Mining Division, British Columbia", dated March 19, 1980 in a prospectus or a statement of material facts.

R.W. Phendler, P. Eng.

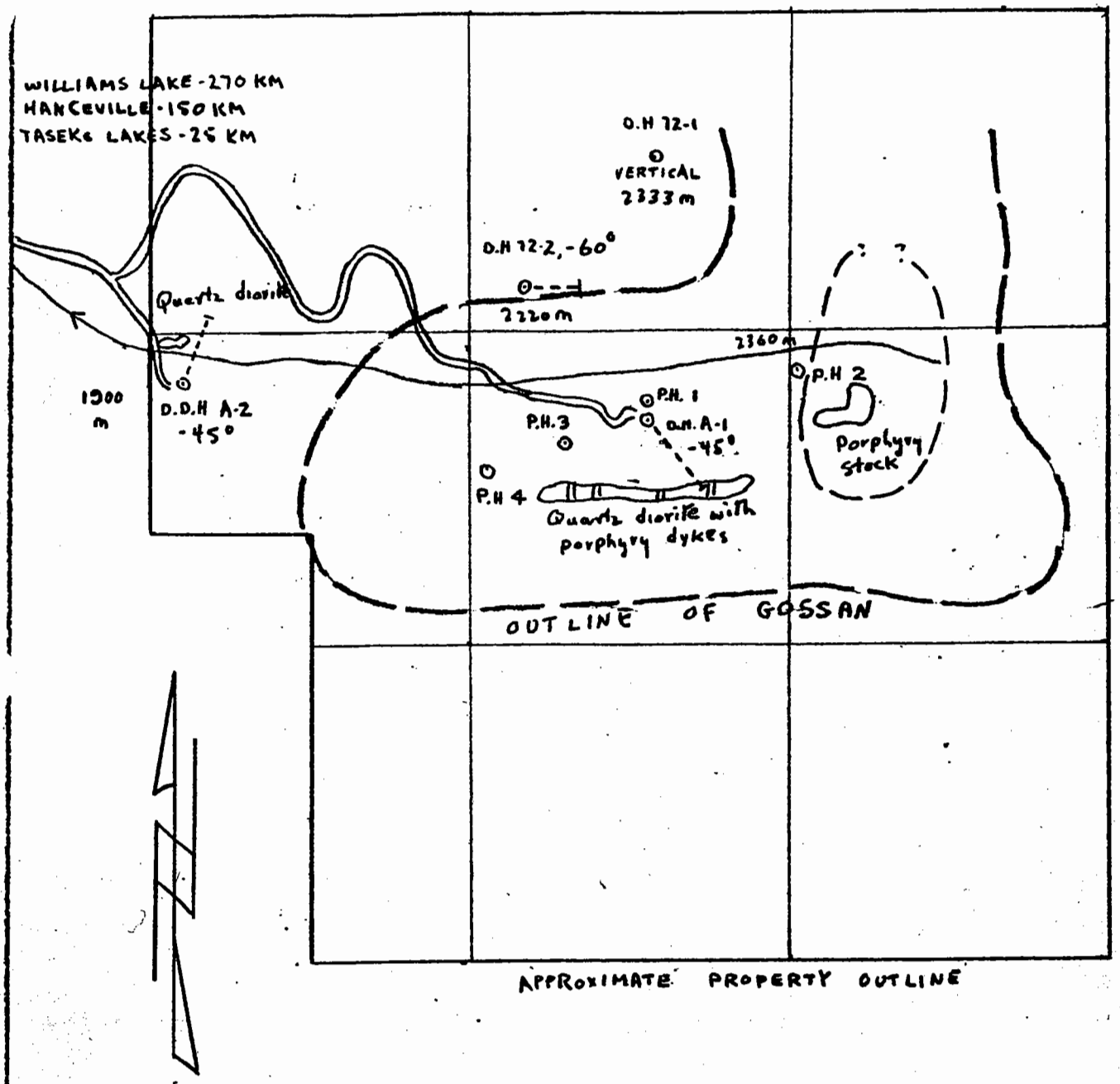
PROFESSIONAL ENGINEER PROVINCE OF BRITISH COLUMBIA R.W. PHENDLER

BIBLIOGRAPHY

1) MEYER, W. - "Report on the Bill and NW claims, Taseko Lake area, B.C." - November 29, 1971.

2) BUCHHOLZ, J - "Summary Report - NW - Bill Mineral Claims" - November 27, 1972.

3) MEYER, W. - "Report on the Copper Zone claim, Taseko Lake area, B.C." - February 21, 1977.



⊙ PH - PERCUSSION HOLES

⊙--- D.H - DIAMOND DRILL HOLES

PROFESSIONAL ENGINEER PROVINCE OF BRITISH COLUMBIA R.W. PHENDLER

UNITED GUNN RESOURCES LTD.

COPPER ZONE CLAIM (9 UNITS)
TASEKO LAKE AREA. CLINTON MINING DIVISION, BRITISH COLUMBIA.

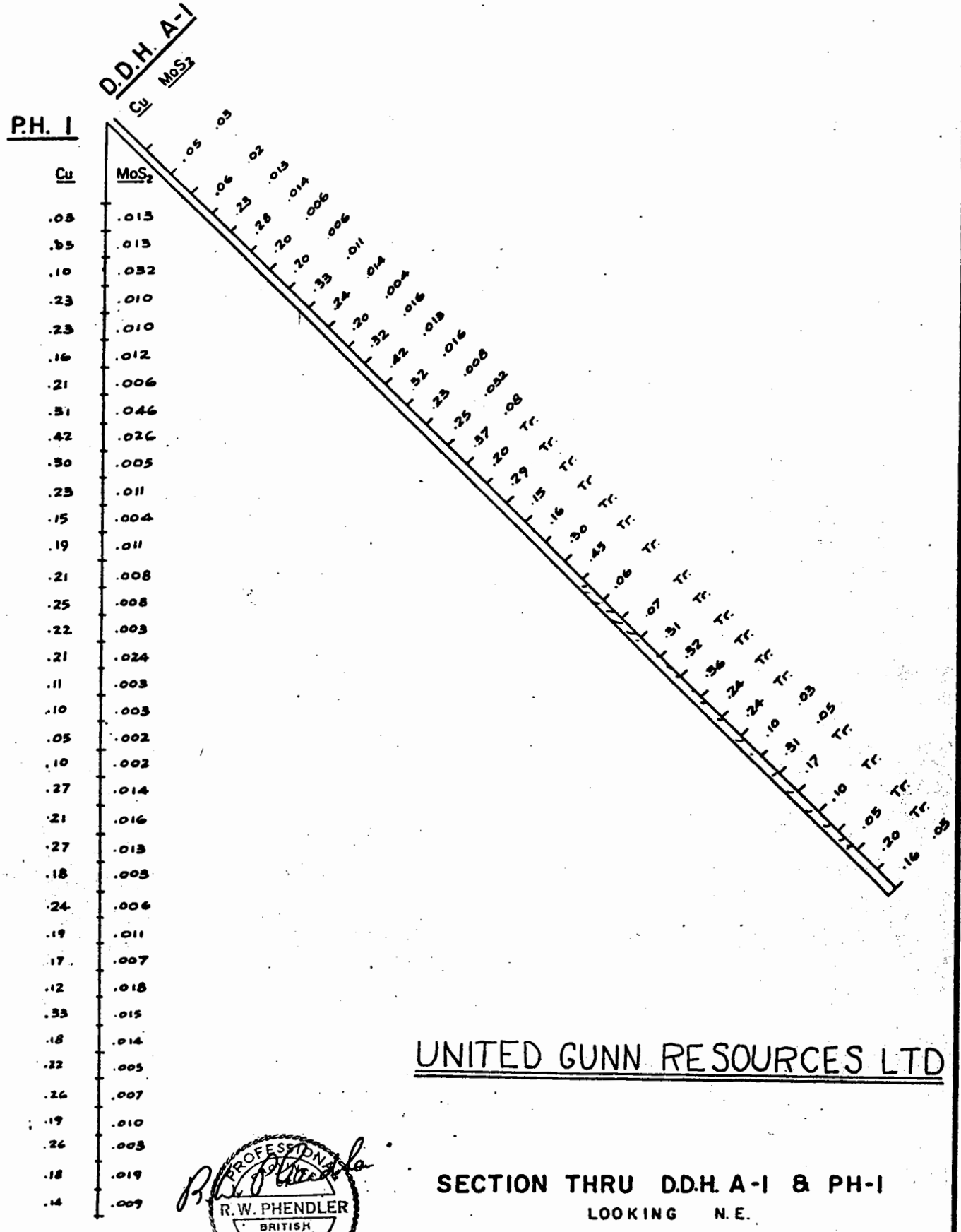
SCALE 1:10000

0 500 mtrs

R.W. PHENDLER P. ENG

MARCH. 1980

Fig 2



UNITED GUNN RESOURCES LTD

PROFESSIONAL ENGINEER
R. W. PHENDLER
BRITISH COLUMBIA

SECTION THRU D.D.H. A-1 & PH-1

LOOKING N. E.

SCALE: 1" = 50'

NOVEMBER, 1971

W. G. S.

P. H. 2

Cu.	MoS_2
.02	.005
.07	.014
.06	.006
.25	.010
.20	.007
.10	.004
.13	.007
.12	.010
.17	.007
.13	.010
.23	.012
.19	.017
.18	006
.18	.019
.23	.006
.16	.004
.24	.006
.29	.005
.12	.005
.24	.009
.25	.005
.06	.006
.04	.002

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PROVINCE OF BRITISH COLUMBIA
R. W. PHENDLER

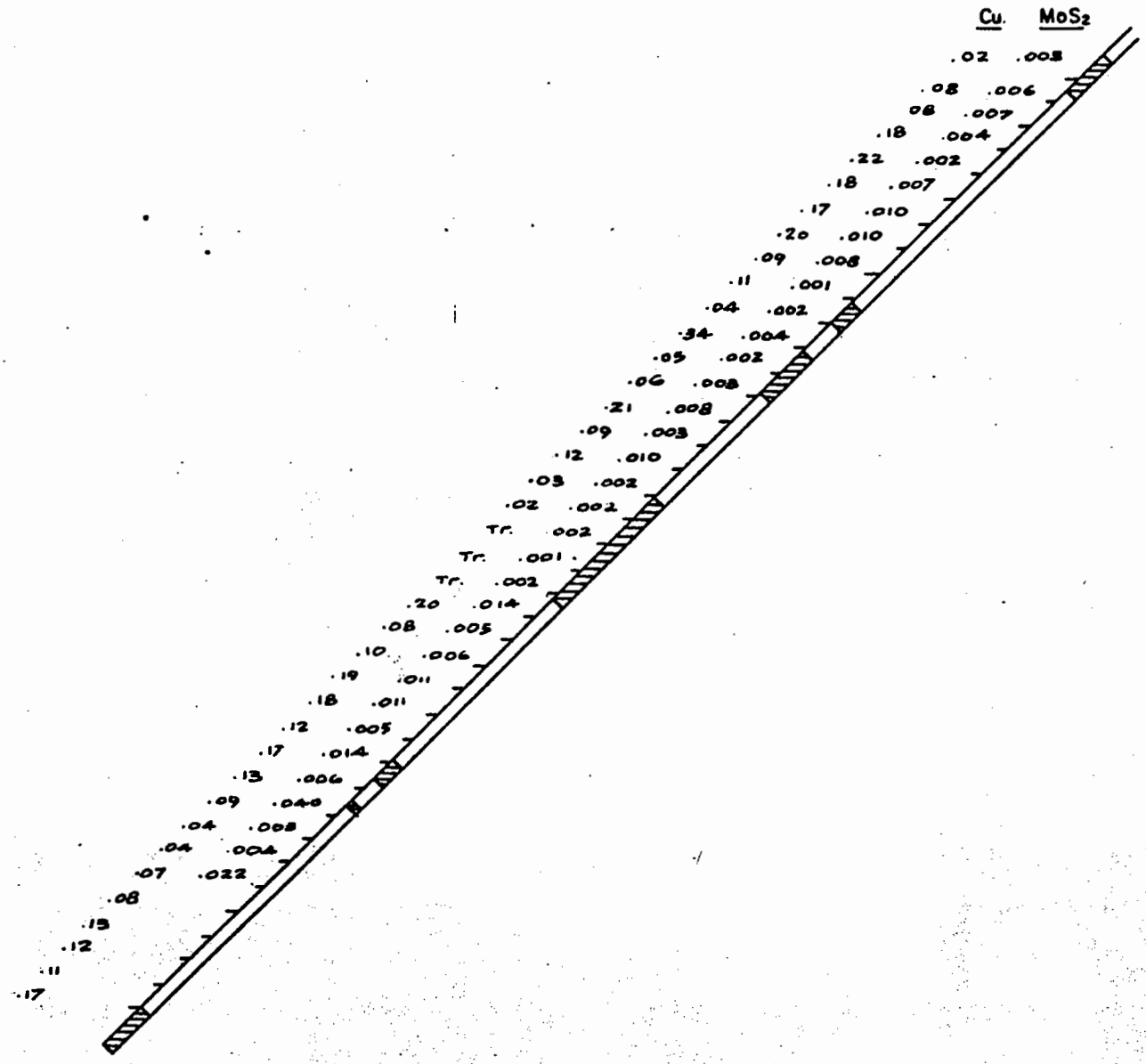
SECTION THRU P.H. 2

SCALE: 1" = 50'

NOVEMBER, 1971

W. G. S.

D.D.H. A-2
-45° a.N. 30°E



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R.W. Phendler

PROFESSIONAL ENGINEER
PROVINCE OF
R.W. PHENDLER
BRITISH COLUMBIA

SECTION THRU D.D.H. A-2

LOOKING S.E.

SCALE: 1" = 50'

NOVEMBER, 1971

W. G. S.

P. H. 3

Cu.	MoS_2
.07	.004
.06	.024
.09	.010
.22	.011
.37	.018
.24	.021
.09	.011
.07	.010
.08	.007
.16	.012
.16	.013
.09	.006
.10	.007
.08	.005
.04	.002
.09	.004
.10	.004
.08	.004
.09	.004
.09	.004

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PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
R. W. PHENDLER

SECTION THRU P.H. 3

SCALE: 1" = 50'

NOVEMBER, 1971

W. G. S.

P. H. 4

Cu.	MoS_2
03	.002
.10	.004
.09	.005
.10	.004
.16	.005
.10	.007
.13	.006
.15	.004
.09	.013
.13	.009
.09	.007
.21	.014
.09	.028
.10	.011
.10	.013
.09	.022
.12	.028
.09	.011
.08	.010
.07	.009
.13	.012
.07	.009
.08	.009
.09	.007
.08	.016
.06	.011
.05	.018
.09	.017

UNITED GUNN RESOURCES LTD.

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
R. W. PHENDLER

SECTION THRU P.H. 4

SCALE 1" = 50

NOVEMBER, 1971

W. G. S.

R. W. PHENDLER, P.Eng., GEOLOGICAL CONSULTANT,
EXPLORATION AND MINING
7360 DECOURCY CRES., RICHMOND, B.C. V7C 4E9 (604) 271-2588

R E P O R T

on the

COPPER ZONE CLAIM (9 units)

TASEKO LAKE AREA

CLINTON MINING DIVISION, BRITISH COLUMBIA

for

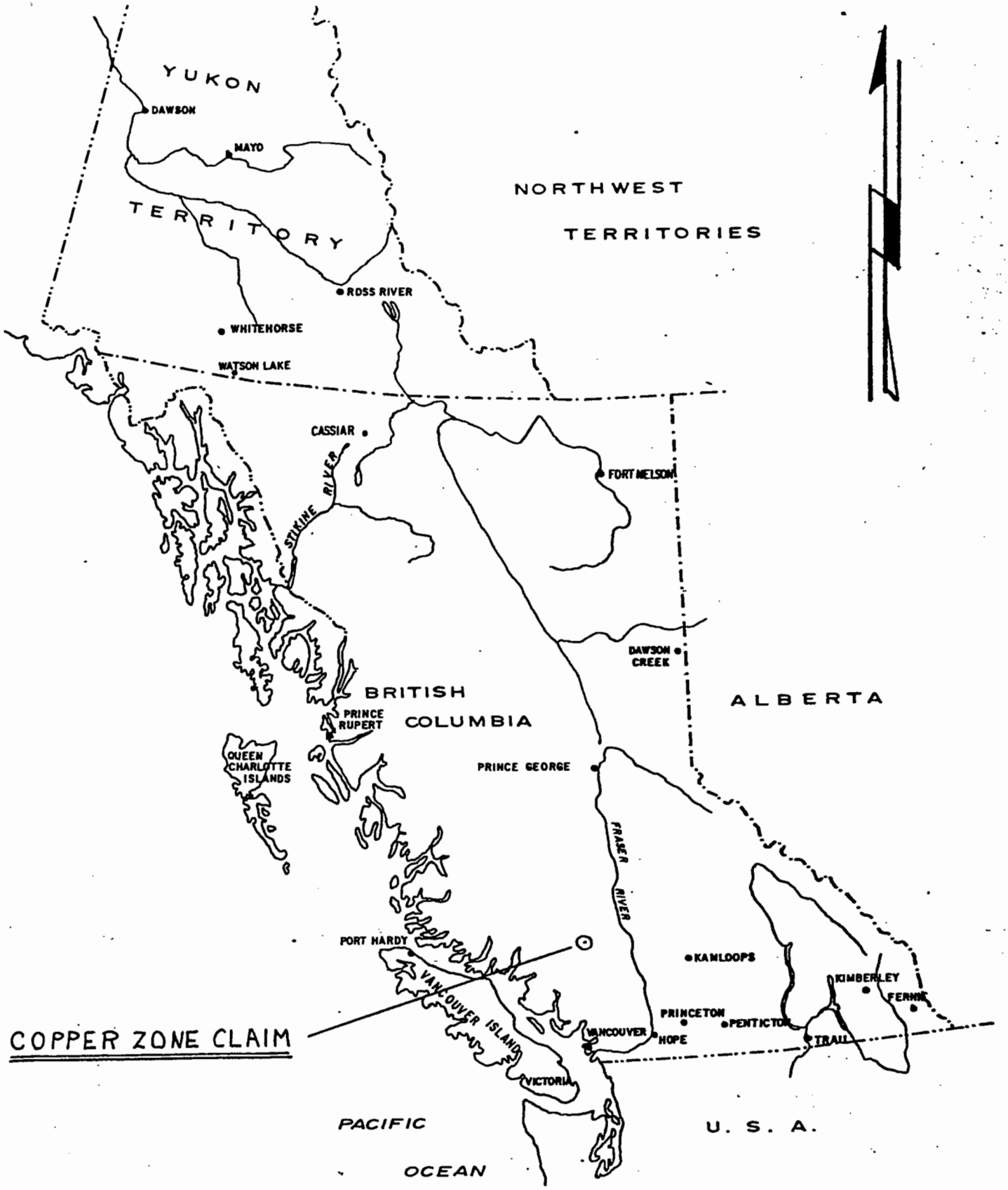
UNITED GUNN RESOURCES LTD.

by

R.W. PHENDLER, P. ENG.

Vancouver, Canada

March 19, 1980



LOCATION MAP

VANCOUVER BRITISH COLUMBIA

UNITED GUNN RESOURCES LTD.

COPPER ZONE CLAIM. CLINTON M.D.

SCALE 1:12,672,000

0 200 Km

NTS.	DATE	FIG. No. 1

1" = 204 MILES

CONTENTS

ILLUSTRATIONS

(Figures 3 to 7 were compiled by Western Geological Services.)

PART "A"

SUMMARY AND CONCLUSIONS

Lying near the east limit of the Coastal Granitic Intrusive Complex in southwestern British Columbia, the Copper Zone prospect is one of many prominent copper - bearing gossan zones in the area.

Mineralization consists of disseminated and fracture - fillings of chalcopyrite and molybdenite within quartz diorite. A later stock of feldspar porphyry that measures 300 meters by 600 meters appears to be the centre of the strongest concentration of sulphides. The L-shaped mineral zone is 1200 meters by 500 meters and within this area are two sets of prominent fractures, one generally north - south and one east - west.

The four diamond drill holes and four percussion holes drilled to date suggest that large tonnages of mineralized material may be present that averages 0.20% Cu and 0.10% Mo S_2.

RECOMMENDATIONS

It is recommended that:

1) The 25 kilometers of road from the property to the Taseko Lakes be upgraded and drill access roads be constructed on the property.
2) A series of vertical percussion holes be drilled to a depth of 400 feet (121 meters) on 250 meter centres over the gossan zone.
3) An induced polarization survey and a magnetometer survey be conducted over the gossan zone.
4) A competent field engineer be made available to supervise the program.

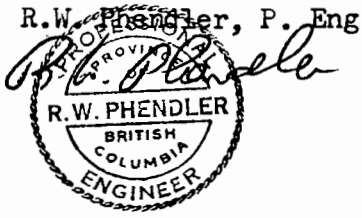
COST ESTIMATE

1)	Road rehabilitation and construction	$25,000
2)	Percussion drilling - 12,000' (3636 mtrs. @ $10/ft.	120,000
3)	Induced polarization and magnetometer survey	5,000
4)	Assaying	5,000
5)	Travel and Accommodations	15,000
6)	Engineering and geology	10,000
	Total -	$180,000
	10% Contingencies -	18,000
	Grand Total -	$198,000

The sum of $200,000 should be made available to carry out the above program.

Respectfully submitted,

R.W. Phendler, P. Eng.



PART "B"

INTRODUCTION

At the request of Mr. R. Nosalek of United Gunn Resources Ltd., the writer has compiled the following report on the Copper Zone claims. All pertinent data was provided the writer who also had lengthy discussions with Mr. W. Meyer, P. Eng., who supervised much of the work carried out on the claims.

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LOCATION AND ACCESS

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The area in the vicinity of the showings is above the tree line and consequently is barren and often very windy. Ample water is available locally to supply a mining operation.

PROPERTY AND OWNERSHIP

The property consists of the Copper Zone mineral claim of 9 units. Record no. is 48(8) and the claim is believed to be in the name of United Gunn Resources Ltd.

HISTORY

The east limit of the Coast Range granitic intrusive complex has received considerable attention and has long been known to contain numerous zones of widespread copper mineralization. During the 1960's and early 1970's numerous regional studies were made in the search for large low grade copper deposits throughout British Columbia and the area around the Taseko Lakes received a great deal of interest with moderate success. Programs were carried out by Cominco, Canex Placer, Phelps Dodge Corporation, Bethlehem Copper Corporation, Scurry Rainbow (Home Oil Ltd.) and Quintana.

The Copper Zone claims cover the old Rowbottom Creek prospect which was explored by Phelps Dodge Corporation in 1964. It is reported that one 57 meter diamond drill hole was put down about 500 meters from the gossan zone and intersected mineralization averaging 0.12% Cu over its length.

Between 1969 and 1972 the property was known as the NW & Bill prospect and was held by Victor Mining Corporation. During this time four diamond drill holes and four percussion holes were drilled, some by Victor and others by a syndicate involving Victor Mining Corporation, Granite Mountain Mines Ltd. and Galveston Mines Ltd. During this period the work was conducted by Western Geological Services Ltd. under the supervision of Mr. W. Meyers, P. Eng. presently employed by Teck Corporation, Vancouver.

In 1972 Mr. J. Buchholz supervised the drilling of drill holes 72-1 and 72-2 while he carried out geological mapping.

In 1975 the claims covering the widespread gossan zone lapsed and were staked as the Copper Zone mineral claim for United Gunn Resources Ltd.

GEOLOGY AND MINERALIZATION

The area in which the Copper Zone claim is located lies on the east flank of the Coast Range Crystalline Belt - a complex series of granitic intrusives of post lower Cretaceous age which are intruded by later more acidic stocks and dyke swarms. Four miles northeast of the Copper Zone showings lies the northeast limit of the granitic rocks in contact with volcanic rocks of Cretaceous age.

The principal rock type on the Copper Zone claim is hornblende quartz diorite intruded by numerous feldspar porphyry and quartz feldspar porphyry dykes, all generally striking either north 20° west or east - west.

An oval - shaped stock of quartz feldspar porphyry measuring 300 meters (EW) by 600 meters (NS) appears to be the locii of the more intense sulphide mineralization, which consists of chalcopyrite, molybdenite and heavy pyrite. This mineralization occurs as fracture fillings and disseminations in both the quartz diorite and the feldspar porphyry. Total sulphides of up to 10% (estimated) decrease away from the central porphyry stock.

The area of heavy total sulphides and more prominent gossan is an L-shaped zone centering on the porphyry stock. The stock and other later porphyry dykes are relatively massive, showing less leaching than the surrounding fractured quartz diorite. This leaching reaches a depth of about 15 meters but there is no apparent enriched zone immediately below the leached zone. Minor secondary chalcocite was observed in D.D.H. A-1 but no significant increase in copper values was noted.

No significant gold values were present (all trace) and only minor silver assays were returned (0.1 oz per ton). It is believed that tungsten assays would be desireable for selected high quartz samples as this metal has been observed in this geological environment in the past.

DRILLING RESULTS

Diamond and percussion drilling was carried out between 1969 and 1972 under the direction of Mr. W. Meyer, P. Eng. Although sample by sample assay certificates are not available at present the results are believed to be reliable. The most significant observation is the increase in values (copper) in the percussion holes as distance towards the central porphyry stock decreases. Percussion hole PH4 averaged 0.10% Cu while PH1 and 2 near the stock average 0.21% Cu and 0.19% Cu respectively. However, D.D.H. 72-1 whichis reported to be located outside the gossan - high sulphide area averaged 0.22% Cu over a vertical distance of 150' (45.5 meters).

Complete results are as follows:

Hole No.	Depth	Interval	Length	% Cu	% MoS_2
D.H. A-1	121.2 mtrs	15.2- 115.2 mtrs	100 mtrs	0.23	0.11
D.H. A-2	125.8 "	12.1- 121.2 "	109.1 "	0.12	0.007
D.H. 72-1	211.5 "	75.8- 121.2 "	45.5 "	0.22	0.008
D.H. 72-2	92.1 "	54.5- 92.1 "	37.6 "	0.284% Cu equivalent	
P.H. 1	121.2 "	18.2- 121.2 "	103.0 "	0.21	0.011
P.H. 2	72.7 "	12.1- 66.7 "	54.5 "	0.19	0.008
P.H. 3	60.6 "	3.0- 60.6 "	18.4 "	0.12	0.009
P.H. 4	90.9 "	9.1- 90.9 "	81.8 "	0.10	0.011
	896.0		Total 549.9		

COMMENT

No average grades or tonnages can be calculated at this time but it is evident that the possibility exists for the presence of significant tonnages of mineralized material that may average 0.20% Cu and 0.10% MoS_2.

It is felt that better grade material may exist in selected areas and a systematic drilling program is recommended.

The copper equivalent grade shown for D.H. 72-2 was probably calculated on a 4 Mo to 1 Cu ratio, as was the practice in 1972. A ratio of 9 : 1 would be more in order at 1980 metal prices.

It was reported by J. Buchholz in his 1972 summary report that short intervals in drill core assayed as high as 0.45% Cu and 0.110% MoS_2 and that molybdenite values appear to increase with lower copper values, with the converse also being true. Pyrite appears to decrease with depth while copper content increases.

The holes that have been drilled are too few to permit a sensible interpretation of zoning, control of mineralization, etc. but sufficient encouragement has been received to warrant additional work.

Respectfully submitted,

R.W. Phendler, P. Eng.

C E R T I F I C A T I O N

I, R.W. Phendler, of 7360 Decourcy Crescent, Richmond, B.C. hereby certify as follows:

1) THAT I am a registered member of the Association of Professional Engineers of British Columbia - No. 4421 - 1963.

2) THAT I am a graduate of McGill University, Montreal, with a Bachelor of Science degree in geology.

3) THAT I have practiced my profession continually as mine, exploration and consultant geologist for the past 27 years in all parts of Canada, the U.S.A., Mexico, Peru, Colombia and Chile.

4) THAT I have no interest directly or indirectly in the Copper Zone claim nor do I own directly or indirectly, any shares of United Gunn Resources Ltd., nor do I expect to.

5) THAT the information contained in this report was compiled as a result of my examination of all available data, covering work carried out on the Copper Zone property.

6) THAT I hereby consent to the publication of my report entitled "Report on the Copper Zone claim, Clinton Mining Division, British Columbia", dated March 19, 1980 in a prospectus or a statement of material facts.

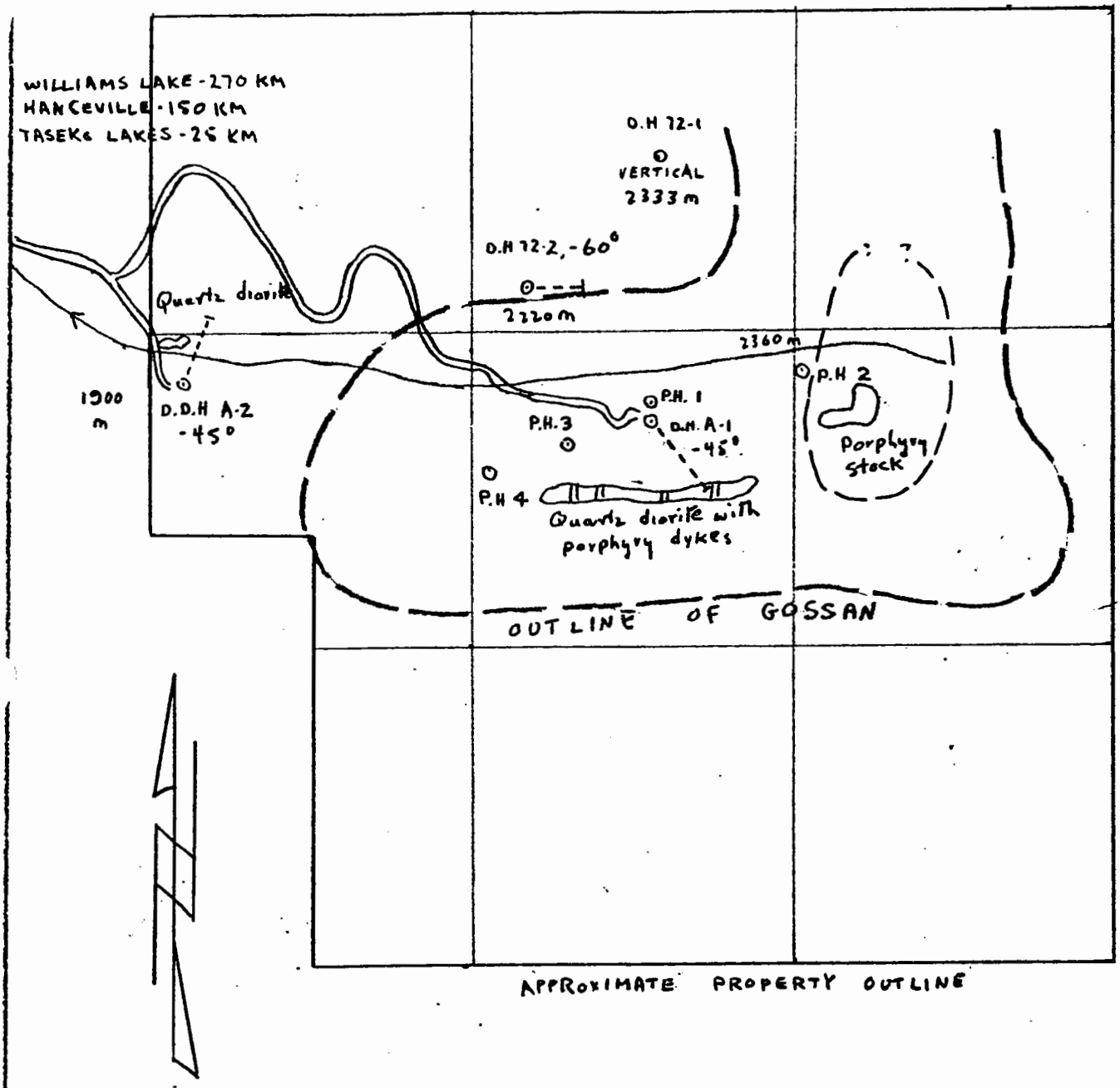
R.W. Phendler, P. Eng.

BIBLIOGRAPHY

1) MEYER, W. - "Report on the Bill and NW claims, Taseko Lake area, B.C." - November 29, 1971.

2) BUCHHOLZ, J - "Summary Report - NW - Bill Mineral Claims" - November 27, 1972.

3) MEYER, W. - "Report on the Copper Zone claim, Taseko Lake area, B.C." - February 21, 1977.



⊙ PH - PERCUSSION HOLES

⊙--- D.H - DIAMOND DRILL HOLES

PROFESSIONAL ENGINEER
R.W. PHENDLER
BRITISH COLUMBIA

UNITED GUNN RESOURCES LTD.

COPPER ZONE CLAIM (9 UNITS)
TASEKO LAKE AREA. CLINTON MINING DIVISION, BRITISH COLUMBIA.

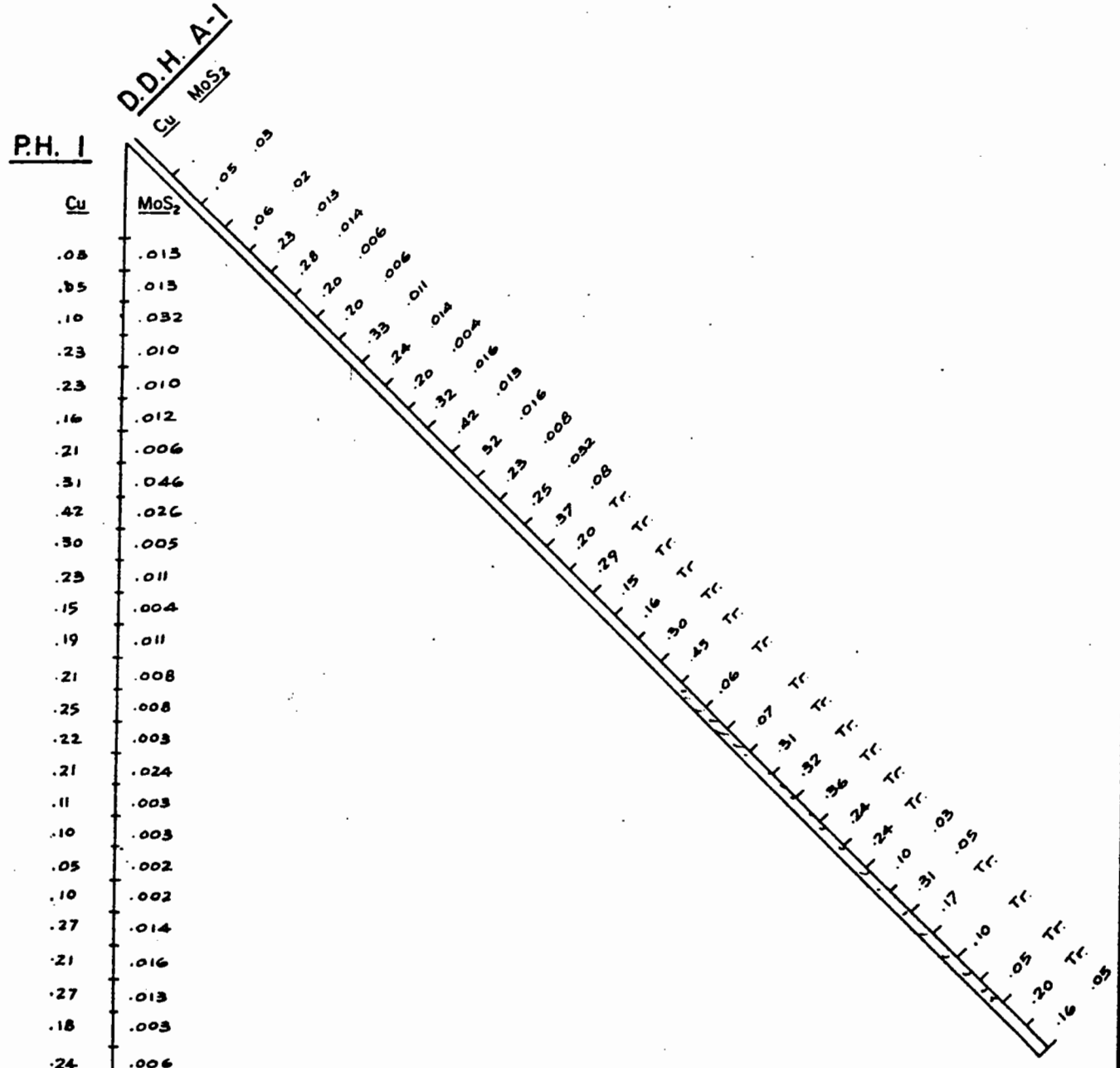
SCALE 1:10000

0 500 mtrs

R.W. PHENDLER P. ENG

MARCH. 1980

Fig 2



P.H. 1

Cu	MoS_2
.08	.013
.85	.013
.10	.032
.23	.010
.23	.010
.16	.012
.21	.006
.31	.046
.42	.026
.30	.005
.25	.011
.15	.004
.19	.011
.21	.008
.25	.008
.22	.003
.21	.024
.11	.003
.10	.003
.05	.002
.10	.002
.27	.014
.21	.016
.27	.013
.18	.005
.24	.006
.19	.011
.17	.007
.12	.018
.33	.015
.18	.014
.22	.005
.26	.007
.19	.010
.26	.003
.18	.019
.14	.009

UNITED GUNN RESOURCES LTD

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
R.W. PHENDLER

SECTION THRU D.D.H. A-1 & PH-1

LOOKING N.E.

SCALE: 1" = 50'

NOVEMBER, 1971

W. G. S.

P. H. 2

Cu.	MoS2
.02	.005
.07	.014
.06	.006
.25	.010
.20	.007
.10	.004
.13	.007
.12	.010
.17	.007
.13	.010
.23	.012
.19	.017
.18	.006
.18	.019
.23	.006
.16	.004
.24	.006
.29	.005
.12	.005
.24	.009
.25	.005
.06	.006
.04	.002

UNITED GUNN RESOURCES LTD.

SECTION THRU P.H. 2

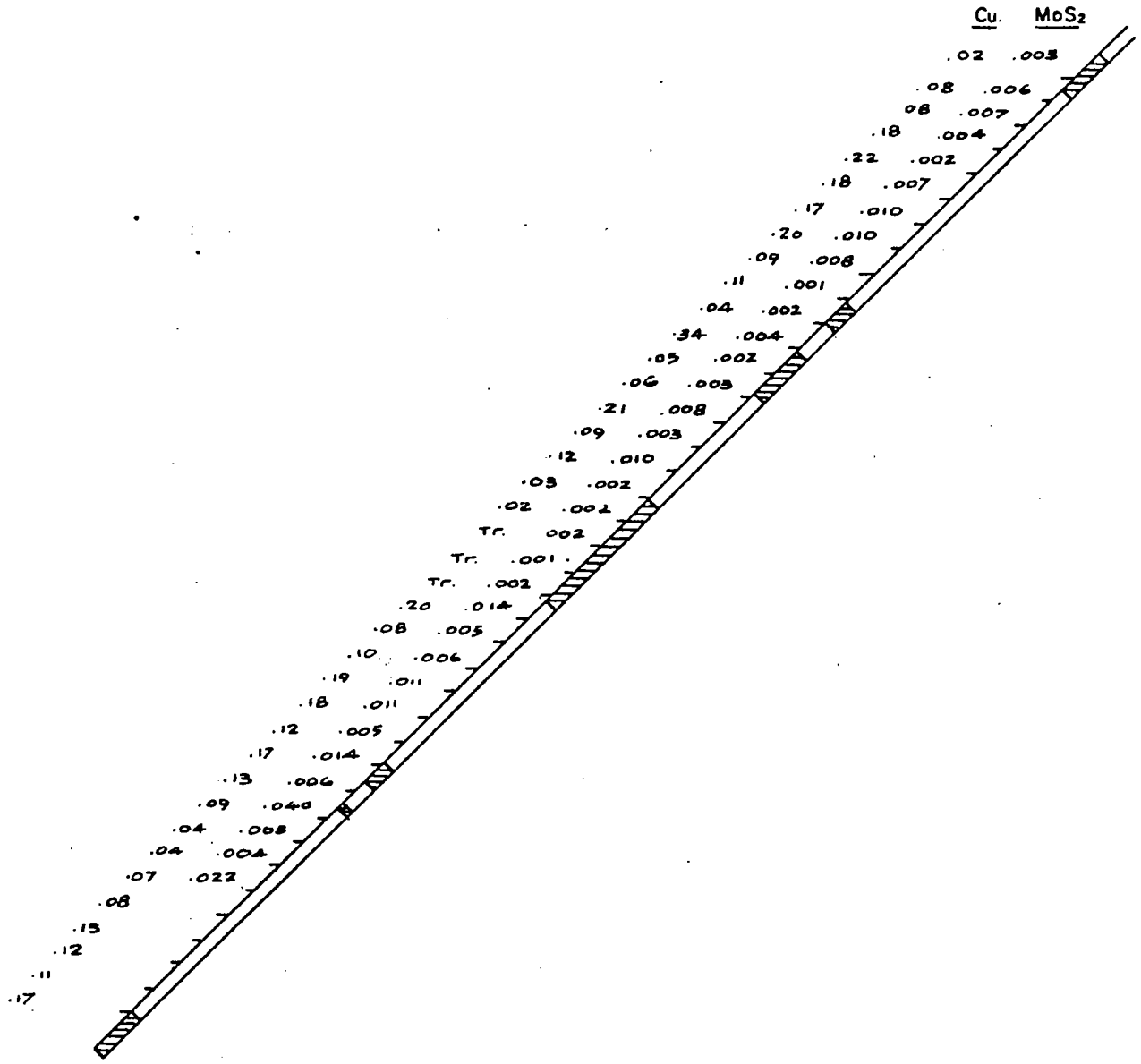
SCALE: 1" = 50'

NOVEMBER, 1971

W. G. S.
MARCH 1980

Fig 4

D.D.H. A-2
-45° a.N. 30°E



UNITED GUNN RESOURCES LTD.

PROFESSIONAL ENGINEER
R. W. PHENDLER
BRITISH COLUMBIA
ENGINEER

SECTION THRU D.D.H. A-2

LOOKING S.E.

SCALE: 1" = 50' NOVEMBER, 1971

W. G. S.

Fig 5

P. H. 3

Cu	MoS_2
.07	.004
.06	.024
.09	.010
.22	.011
.37	.018
.24	.021
.09	.011
07	.010
08	.007
.16	.012
.16	.013
.09	.006
.10	.007
.08	.005
.04	.002
.09	.004
.10	.004
.08	.004
.09	.004
.09	.004

UNITED GUNN RESOURCES LTD

PROFESSIONAL ENGINEER
PROVINCE OF
R. W. PRENDLER
BRITISH
COLUMBIA
ENGINEER

SECTION THRU P.H. 3

SCALE: 1" = 50'

NOVEMBER, 1971

W. G. S.

P. H. 4

Cu.	MoS_2
03	.002
.10	.004
.09	.005
.10	.004
.16	.005
.10	.007
.13	.006
.15	.004
.09	.013
.13	.009
.09	.007
.21	.014
.09	.028
.10	.011
.10	.013
.09	.022
.12	.028
.09	.011
.08	.010
.07	.009
.13	.012
.07	.009
.08	.009
.09	.007
.08	.016
.06	.011
.05	.018
.09	.017

UNITED GUNN RESOURCES LTD.

SECTION THRU P.H. 4

SCALE 1" = 50 NOVEMBER, 1971

W. G. S.

REPORT ON

THE COPPER ZONE CLAIM

TASEKO LAKES AREA

Prepared for

UNITED GUNN RESOURCES LTD.

By

W. MEYER, P. ENG.

February 21, 1977 Vancouver, B.C.

TABLE OF CONTENTS

CONCLUSIONS & RECOMMENDATIONS

The Copper Zone claim covers an extensive area of low grade copper-molybdenite mineralization with some evidence that higher grade zones may occur. Sampling of these zones on surface is not possible due to deep weathering. Limited drilling in the 1970 and 1971 field seasons indicates that potentially significant amounts of copper-molybdenum mineralization occurs with heavy pyrite mineralization in quartz-diorite rocks of the Coast Crystalline Belt where they are intruded by a porphyry dyke swarm. The potential area of mineralization is expressed on surface in the form of a large "L" shaped gossan measuring 1,000 feet by 2,000 feet in the small dimension and 2,000 feet by 4,000 feet in the large dimension. Intermittent copper mineralization is exposed in a creek bottom for a distance of approximately 2,000 feet to the west of the gossan.

Emphasis in further exploration of the property should be on sampling the potential area initially by percussion drilling on an 800 foot grid to outline the higher grade areas. The proposed holes for the initial drilling are shown on the accompanying plan map. [Fig. 3]

The percussion programme should be followed up by diamond drilling on a closer spaced grid [400 feet] in selected areas. Provision is made for two deep holes and two holes drilled along percussion holes to determine the accuracy of this sampling.

The estimated cost for this programme is shown below:

Stage 1

20 percussion holes to 400' on 800' grid

Direct drilling costs	$3.50/ft.	
Assaying	.80/ft.	
Bulldozer	2.00/ft.	
Camp, cookery, vehicles, etc.	1.00/ft.	
Supervision	.50/ft.	
	$7.80 x 8,000 ft. =	$62,400
Consulting		3,000
Engineering, drafting, report preparation		2,500
Fixed wing support - 2 trips/week @ $300/trip		3,000
Mob. - demob.		5,000
		$75,900
Contingency @ 10%		7,590
		$83,490
Say		$85,000

Stage 2

Diamond drilling @ $25/ft. [direct & indirect]

8 holes [fill in to 500 ft.]	4,000 ft.	
2 1,000 ft. holes	2,000 ft.	
2 check holes along percussion holes	1,000 ft.	
	7,000 ft.	$175,000

Total Stages 1 & 2	$260,000

Respectfully submitted,

W. Meyers, P. Eng.

INTRODUCTION

The following report is prepared at the request of United Gunn Resources Ltd. The Copper Zone claims comprise 9 units located at the headwaters of Granite Creek, a tributary of the Taseko River located in the Clinton Mining Division. Widespread, consistent low grade copper-molybdenite mineralization occurs over a large area on the central claims.

Previous work on the claims includes prospecting, trenching, percussion, and diamond drilling starting in 1964 by Phelps Dodge Corporation of Canada, Victor Mining Corporation & Granite Mountain-Galveston Joint Venture. Approximately $125,000.00 has been spent on the claims in the past.

The writer has been familiar with the property since 1964 and personally carried out or supervised much of the previous work on the claim area.

A two-stage programme of technical and physical work is recommended for the property. This program is estimated to cost $260,000.00.

LOCATION & ACCESS

The claims are situated on Granite Creek, a tributary of the Taseko River, 140 miles north of Vancouver, B.C. [See Fig. 1]

Road access by four-wheel drive is via Williams Lake, Hanceville [on the Williams Lake-Bella Coola road] and the Taseko Lakes, a distance of approximately 170 miles [7 hours driving] from Williams Lake to the property camp-site.

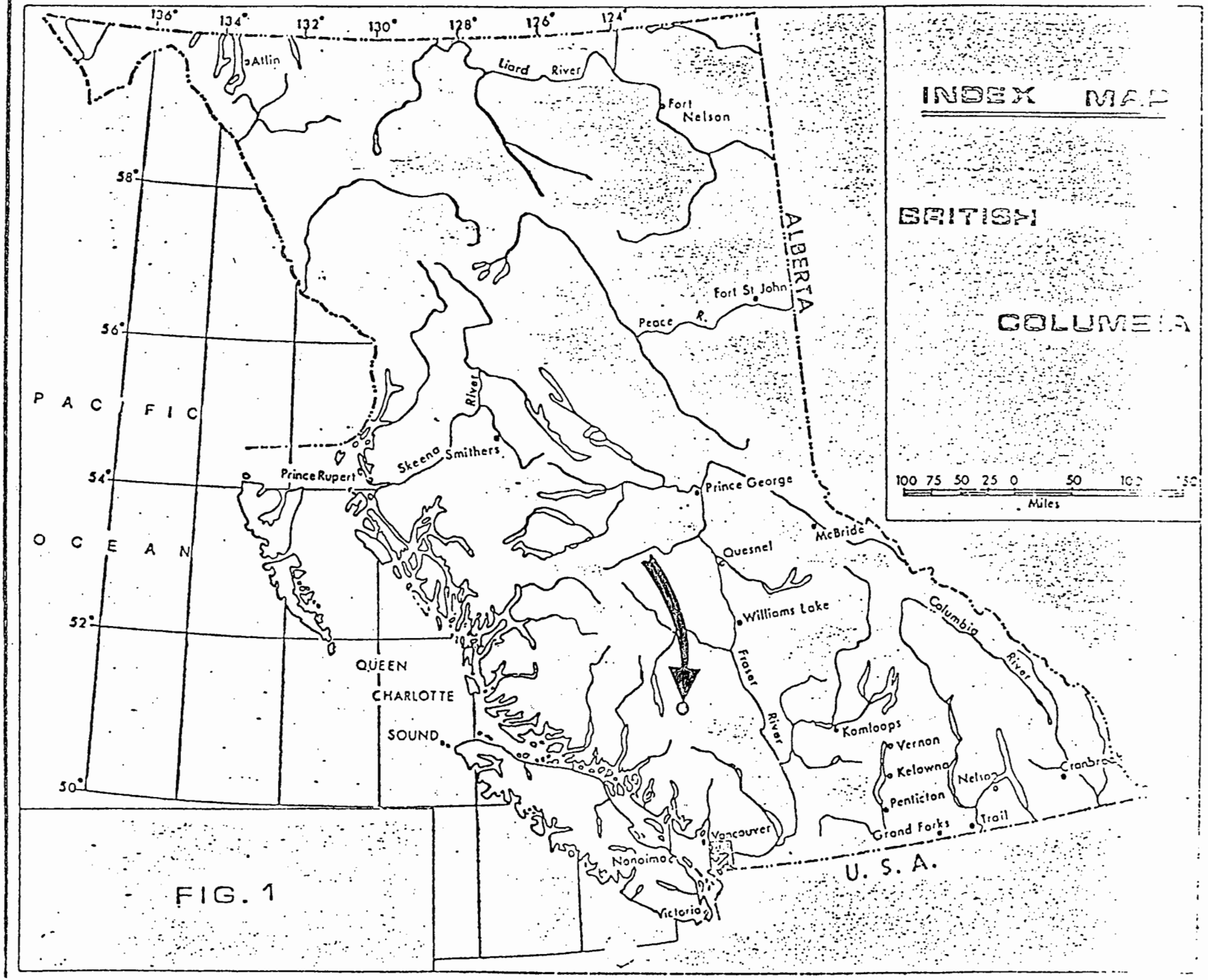

INDEX MAP
BRITISH
COLUMBIA
100 75 50 25 0 50 100 150
Miles
136° 134° 132° 130° 128° 126° 124°
58°
56°
54°
52°
50°
Atlin
Liard River
Fort Nelson
ALBERTA
Fort St John
Peace R.
PACIFIC
OCEAN
Skeena River
Prince Rupert
Smithers
Prince George
McBride
Quesnel
Williams Lake
Fraser River
Columbia River
QUEEN CHARLOTTE SOUND
Kamloops
Vernon
Kelowna
Penticton
Nelson
Cranbrook
Grand Forks
Trail
Vancouver
Nanaimo
Victoria
U. S. A.

FIG. 1

The main showings lie in a large cirque shaped basin on the eastern side of Granite Creek near its headwaters.

The more pertinent points on the geography of the area may be summarized as follows:

Physiographic Region	-	Coast Range
Altitude [campsite]	-	6,000 feet
Relief	-	2,500 feet
Climate	-	Coal, moderate precipitation
Snow-free period	-	4 - 5 months

CLAIMS

The Copper Zone claim consists of 9 units located in the Clinton Mining Division.

The claims relative to the local drainage are shown on Fig. 2 and the pertinent data is summarized below:

Claim	Units	Tag No.	Record No.	Expiry Date
Copper Zone	9	-	48[8]	August 30, 1977

HISTORY

Copper mineralization in the intrusive rocks in the Taseko Lakes area has been known since the turn of the century and has been the centre for numerous regional and local exploration projects. The most intense and wide ranging programmes were in the 1960's and early 1970's when there was much interest in large bodies of low grade copper mineralization.

Significant programmes in the general area included prospecting and underground development work on lower Granite Creek by Cominco in the 1930's. Regional exploration by Canex Placer in the 1950's included diamond drilling of the "Spokane" and "Empress" showings on lower Granite Creek. Phelps Dodge Corporation of Canada during the 1960's acquired many of the prospects in the area and "grass-roots" prospecting located others. Properties advanced to the drilling stage by Phelps Dodge included "Fish Lake" [later acquired by Taseko Mines and explored by various optionors], "Limonite Mountain" near Chita Creek [later acquired and explored by Bethlehem Copper], the "Spokane", "Syndicate Mountain", "Empress" and "Buzzer" [later acquired by Scurry Rainbow and explored by Sumatoma, Quintana and others] and "Rowbottom Creek", the showing presently covered by the Copper Zone claim.

Many of the showings were either relatively high grade copper-molybdenite ± gold, silver occurrences in breccia zones of limited extent [e.g. "Syndicate Mountain"] or 10's of millions of tons of relatively low grade mineralization [e.g. Buzzer, Fish Lake].

The headwaters of Granite Creek and a small tributary, Rowbottom Creek, was staked by Phelps Dodge in 1964 following the discovery of widespread copper and/or molybdenite mineralization associated with a large prominent gossan in that area.

One 190 foot hole was drilled the same year approximately ¼ mile from the gossan zone, encountering uniform low grade copper mineralization averaging 0.12% Cu over its length.

Victor Mining Corporation Ltd. [NPL] acquired the property in 1969 and to 1972 completed four diamond drill holes and four rotary percussion holes on its own behalf or through joint ventures with Granite Mountain Mines Ltd. and Galveston Mines Ltd.

The claims lapsed in 1975 and were re-staked as the present "Copper Zone" claim.

GEOLOGY

Regional Reference: Dolmage, V., Gunn Creek Map Area, GSC Summary Report 1928 - Part A.

Jeletzky, J.A., Tipper, H.W., Upper Jurassic and Cretaceous Rocks of the Taseko Lakes Map Area. GSC Paper 67-54, 1967

The property lies on the east flank of the Coast Crystalline Belt, characterized by massive batholithic granitic intrusions of post lower Cretaceous age which are in turn intruded by post upper Cretaceous acid stocks and dykes. A major contact with upper Cretaceous volcanics lies four miles NE of the showings. The property is mainly underlain by hornblende quartz diorite intruded by a swarm of feldspar porphyry and quartz feldspar porphyry dykes parallel to the major fracture systems [N 20°W and E-W]. There is some field evidence to indicate that the dyke swarm may be peripheral to a small porphyry stock near the area of the better grade mineralization [see attached plan].

Outcrop in the 'key' area is sparse, occurring primarily on the ridge tops and creek bottoms. Scree, varying from a few feet to 30 or more feet in thickness, covers the high slopes and cirques while a thin mantle of soil and timber line scrub brush cover the lower slope.

The geology of the area was mapped in 1972 by J. Buchholz briefly described in a November 27, 1972 report. His map is reproduced here as Figure 3 with some minor additional data.

MINERALIZATION

Chalcopyrite and molybdenite associated with heavy pyrite mineralization occur as fracture fillings and fine disseminations replacing mafics in both the quartz diorite and porphyry dykes. Total sulphides of up to 10% decrease away from the central area and porphyry stock to approximately 2% at DDH A-2, some 3,700 feet to the west.

The area of heavier total sulphides is expressed on the surface as a large prominent "L" shaped gossan whose long dimensions are 4,000 feet x 2,000 feet. Leaching of sulphides in the gossan zone varies from complete leaching of sulphides to a depth of 50 feet in the quartz diorite to 50% leaching of the sulphides in the porphyry dykes. The reason for the variation in the extent of leachings is that the intruded quartz diorite is intensely fractured and sheared throughout the gossan area whereas the later dyke material is more massive and less porous. Similarly, most of the large fragments in the scree slopes consist of dyke material, with the quartz diorite decomposing to sand and pebble sized fragments.

Limited drill hole data indicates that copper mineralization is related to the total density of sulphides and weak chlorite and biotite alteration in the quartz diorite. The alteration, however, has not been a useful guide in surface prospecting or mapping due to the weathering of surface rocks. Copper minerals for the most part are com-

pletely leached out of the surface rocks. Minor secondary chalcocite after pyrite was noted in DDH A-1 and some of the cuttings in the percussion holes, but appears to make only a minor contribution to the values in the area tested.

Past programmes included 1,817 feet of diamond drilling in four holes and 1,140 feet of percussion drilling in four holes. The hole locations are shown on Fig. 3 and the assay data summarized below:

Hole	Depth	From	To	Intersection	% Cu	% MoS_2
DDH A-1	400'	50'	380'	330'	0.23	0.011
DDH A-2	415	40	400	360	0.12	0.007
DDH 72-1	698	250	400	150	0.22	0.008
DDH 72-2	304	180	300	120		
PH-1	400	60	400	340	0.21	0.011
PH-2	240	40	220	180	0.19	0.008
PH-3	200	10	200	190	0.12	0.009
PH-4	300	30	300	270	0.10	0.011

The previous programmes on the property were plagued with many problems including difficult access, equipment breakdowns, weather problems late in the season and inadequately equipped contractors and as a result much of the drilling was carried out in areas peripheral to the main zone of interest.

Respectfully submitted,

W. Meyer, P.Eng.
February 21, 1977

APPENDIX

C E R T I F I C A T E

1. I am a geologist with residence at 911 Jarvis Street, Coquitlam, B.C.

2. I am a graduate of the University of British Columbia, [B.Sc., 1962].

3. I am a registered member of the Association of Professional Engineers of the Province of British Columbia.

4. I have worked as an exploration geologist for fourteen years for the following companies: Phelps Dodge Corporation of Canada Ltd.; Gibraltar Mines; Associated Geological Services Ltd.; Western Geological Services Ltd. [senior partner].

   I am presently a senior partner in W. Meyer & Associates Ltd.

5. I have no interest, direct or indirect, nor do I anticipate receiving any, in the properties or securities of United Gunn Resources Ltd.

W. Meyer, P. Eng

February 21, 1977
Vancouver, B.C.