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REPORT ON THE
FRISKEN CREEK PROPERTY
NICOLA - KAMLOOPS MINING DIVISION
QUILCHENA, B. C.

FOR

SUNTEC VENTURES LTD.
2000 - 609 GRANVILLE STREET
VANCOUVER, B. C.
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BY

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SUMMARY AND CONCLUSIONS

Suntec Ventures Ltd. has been testing a large block of claims some 50 kilometers north of Merritt since acquisition of the original claims in February 1983.

The 48 claim units and 4 two-post claims have been examined by a Vector Pulse Electromagnetic Survey, an EM-16 survey and a magnetometer survey over various portions of the claim block.

Old trenches testify to past examinations of the ground principally for copper mineralization. No precious metal values have as yet been identified on the property in commercial amounts off grades.

The writer recognizes the insufficiency of the present anomaly data and advances recommendations to lend credence or substantiality to the existing anomalies. The Phase I is split to allow surface and, if necessary, subsurface identification to be made. The Phase II is a success contingent approach elaborating on the previous drill program. The full Phase I program is cost estimated at \$54,000 (\$20,500 plus \$33,500).

COST ESTIMATESPhase I - "A" - Surface Examination (3 weeks)

Magnetometer survey - 19.95 kilometers	\$ 3,000
EM-16 Survey over selected areas - 11.50 kilometers	1,700
Soil sampling of anomalies - 11.70 kilometers	2,100
Assaying of soils - 468 samples	4,700
Crew accommodation -	4,100
Travel	1,000
Report Compilation re assessment	500
Supervision	<u>1,500</u>
	\$ 18,600
Contingencies 10%	<u>1,900</u>
	\$ 20,500

"B" - Subsurface Identification (2 weeks)

1000 feet BQ diamond drilling @ \$27/ft	\$ 27,000
Supervision, travel, assaying	<u>3,500</u>
	\$ 30,500
Contingencies 10%	<u>3,000</u>
	\$ 33,500

Note: No allowance made for running a grid
if the old grid is unrecognizable.

Phase II - Intensive Subsurface Identification (3 months)

5000 feet BQ diamond drilling @ \$27/ft.	\$ 135,000
Sampling, shipping	2,500
Supervision, travel	<u>3,500</u>
	141,000
Contingencies 10%	<u>14,000</u>
	\$ 155,000

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INTRODUCTION

The writer has been requested by Mr. George Grauer, director of Suntec Ventures Ltd., to study data made available concerning the company's claims in the Nicola-Kamloops Mining Division and to recommend a program directed towards the proving of an economical mineral deposit. Because of its dual location, the holdings has been referred to as the Frisken Creek property.

The claim group consists of three contiguous grid style claim blocks containing a total of 48 claim units and four two-past claims buried within one of the grid claims. All claims are presently in good assessment standing with the earliest opening date being July 5, 1986 for one of the blocks.

Suntec Ventures Ltd. has a partner, Black Diamond Resources Ltd., involved in a portion of the claims, the SPC-100 claim block.

The claims have seen previous work by the present owners in the form of various geophysical surveys.

LOCATION AND ACCESS

The claim group is located midway between Kamloops and Merritt on Highway 5, in south central British Columbia. Merritt is 31 miles (50 kilometers) south while Kamloops is 35 miles (57 kilometers) north. The claims lie immediately east of the northeast end of Stump Lake. See figure 1.

Access to the claims from the highway is by a set of numerous secondary ranch roads which cross the property through the open grazing lands.

The Suntec Ventures claim group lies astride the Nicola-Kamloops Mining Division boundary line with the claims centering on latitude 50° 23' north and longitude 120° 17' west. Its National Topographic System identification is 92I/8W.

PROPERTY

The claim block straddles the Nicola-Kamloops Mining Division boundary and consists of 3 grid style claims with 4 two-post claims being enclosed. See figure 2.

The claims form a somewhat rectangular block enclosing a total of 48 units plus 4 claims extending east-west for 2 1/2 miles (4 km.) and north-south for 1 1/2 miles (2.5 km) in the western half and 2.2 miles (3.5 km) in the eastern portion. In total the group occupies approximately 1200 hectares (2965 acres) of area.

The claim group consists of:

<u>Claim Name</u>	<u>Record Number</u>	<u>Units</u>	<u>Division</u>	<u>Due Date</u>
SPC-100	1342	20	Nicola	Feb. 2, 1987
SPC-200	4544	20	Kamloops	Jul. 5, 1986
SPC-300	4545	8	Kamloops	Jul. 5, 1987
Snake 1&2	908 & 909	2	Nicola	Jul. 4, 1987
Bornite 3&4	976 & 977	2	Nicola	Oct.31, 1987

GEOLOGY

Formations in the Stump Lake vicinity consist of greenstones of the Nicola group forming fine-grained, chloritized, volcanic rocks, locally porphyritic together with tuffs, breccias and minor amounts of sedimentaries as limestones, conglomerates and quartzites. The flows of the Nicolas overlie the earlier Cache Creek group of sedimentary and igneous designation. On the Surinam property government mapping classifies the Cache Creek strata as being of a dark intermediate to basic flow with interbeds of well banded tuff and extending in an east-west manner across the lower portion of the claims. The Nicola volcanics of the Upper Triassic era occupy the bulk of the ground while the plateau flow rocks of the Kamloops Miocene group spread into the northwest corner of the claim group.

W.E. Cockfield of the G.S.C. credits the structure as being a syncline with the axis trending and plunging north. A fault zone is assumed to lie along Frisken creek in the southern claims of the block.

A large body of granitic intrusion lies several miles to the east.

HISTORY

The general area has long been known for and prospected for copper with the precious metals being of secondary importance. The mineral deposits explored to date consist of both vein and shear zones, the former occurring in fracture zones in which the quartz content varies while the altered, bleached greenstone carrying pyrite makes up the balance of the lode.

The Stump Lake mine deposit at the northeast end of the lake was staked in 1882 with several small shafts being sunk in the ensuing decade. From 1916 until 1937 sporadic but unsuccessful efforts were made to mine the deposit. In 1937 following re-organization, a mill was built and operations continued until 1942, at which time it was suspended due to the war effort.

There have been several attempts to revive the mine but other than for dewatering and sampling no serious effort has been maintained.

Production data shows the Stump Lake mine to have milled 77,605 tons with a recovery grade of 0.109 ounces gold per ton (8,494 ounces), 3.26 ounces silver per ton (252,939 ounces) 0.026% copper (40,800 pounds), 1.43% lead (2.2 million pounds) and 0.237% zinc (367,900 pounds).

PREVIOUS WORK

There has been occasional work on the claims testified by the number of trenches cut into bedrock. Mr. A. Allen, P.Eng. in his 1983 report refers to 12 trenches obviously put down in the great copper search of the '60s.

Suntec acquired the first group of claims, the Snake and Bornite claims in early 1983 and then staked a grid group of 20 units (SPC-100) over the 2 post claims. The company had a 50% partner, Black Diamond Resources Ltd., in this enterprise.

In June 1983, Glen E. White Geophysical Consulting and Services Ltd. ran a Vector Pulse Electromagnetic Survey over portions of the claim group.

In view of the results obtained from this survey, Suntec Ventures, on its own, had the adjoining easterly ground staked - SPC-200 (20 units) and SPC-300 (8 units). Glen E. White Ltd. then proceed in June 1984 to run a VLF-EM and magnetometer survey over selected areas of the new stakings.

There has been no further work carried out on the claims since the above geophysical surveys.

COMMENTS

The sampled trenches of A. Allen in March of 1983 showed scatterings of copper values in the exposed quartz-calcite veins. The precious metal content was low.

The vector pulse electromagnetic survey of June 1983 detected ten discreet conductors on the SPC-100 ground. The authors of the geophysical report state that a possibility exists that the lengthy conductors could be associated with graphitic schist horizons. These formations, in turn, often have sulphide mineralization present. This raises the question of separating the possible mineralized graphitic schists from the barren variety. Drilling is an expensive procedure and best left until definitive targets are outlined.

In 1984, the geophysical crew ran a VLF EM-16 survey and magnetic survey over selected areas of the SPC-200 and SPC-300 claim units. In some instances these surveys were not coincidental. Anomalies have been reported by each survey system.

It appears that anomalous conditions reported on the 3 blocks of claims have not had any support from other types of surveys. The writer is of the belief that the anomalies of all three systems should be verified or discredited by additional surveys over the questionable areas.

RECOMMENDATIONS

It is recommended that a certain amount of fine-tuning be applied to the anomalous conditions shown to exist by the 3 surveys date. Confirmation of the conductors or anomalies is required via another geophysical approach. On their own the present anomalies lack credibility.

It is recommended that Phase I of the present program be sub-divided into an "A" and "B" portion. The "A" portion would hone the anomalies into a targetable situation by substantiating their existence and moving them into a drill category, or eliminating them from further investigation. The "B" portion would be a light drill test of the more outstanding targets. Phase II would be an intensive diamond drill approach.

It is recommended that a magnetometer survey be run over SPC-100 covering all anomalies of the earlier survey in order to delineate graphitic schists from heavy sulphides. (19.95 km.)

In addition, an EM-16 survey should be applied to that portion of SPC-200 and 300 which were not covered in the 1984 survey. This will cover some of the magnetic responses. (11.5 km.)

It is recommended that soil sampling be carried out over all known anomalies as an additional testing of the unknown conductor. Assaying should be for copper, gold, silver and arsenic.

It is recommended that several test lines of EM-16 be run over anomalous conditions on SPC-100 to see if this method is responsive.

Geological mapping including rock geochemistry is recommended although the amount of rock exposure is limited. In addition all the above surveys should be carried out over the same grid if this is still recognizable. If not, as close an approach to the old grid as possible is recommended.

The "B" portion of this Phase I would entail a 1000 foot diamond drill test on several of its more outstanding conductors.

Phase II would gear for an intensive target testing with a recommended drill footage of some 5000 feet of BQ size.

Respectfully submitted,

W.G. Hainsworth, P.Eng.

REFERENCES

1. G.S.C. Memoir 249 - Geology and Mineral Deposits of the Nicola Map Area - W. E. Cockfield, 1948
2. Report on the Frisken Creek Property - A.A. Allen March 1983
3. Progress Report on the Frisken Creek Property - A.A. Allen November 1983
4. Vector Pulse Electromagnetic Survey, Frisken Creek Property - Glen E. White Geophysical Ltd. June 1983.
5. VLF-EM and Magnetometer Survey, Claims SPC-200 and SPC-300 - Glen E. White Geophysical Ltd. July 1984.

CERTIFICATE

I, W.G. Hainsworth, P.Eng., of Vancouver, B. C. do hereby certify:

- (1) That I am a Consulting Geologist residing at 836 West 13th Avenue, Vancouver, B. C.
- (2) That I am a graduate of the University of Western Ontario, London, Ontario, Bachelor of Science Degree, Honours Geology.
- (3) That I have practiced my profession for some 30 years.
- (4) That I have been a continuous member of the Association of Professional Engineers of British Columbia since 1965 and am a Professional Geologist registered with the Association of Professional Engineers, Geologists, and Geophysicists of Alberta since 1979.
- (5) That I have no financial interest, direct or indirect, in Suntec Ventures Ltd., and do not expect to obtain any such interest.
- (6) That the information contained in this report is based on perusal of all pertinent information made available to the writer by the company.
- (7) That consent is herewith given to Suntec Ventures Ltd., to use any or all material from this report in information circulars, offerings or shareholders' brochures provided no attempt is made to misrepresent the stated facts of the report.

W. G. Hainsworth, P. Eng. (B.C.)
P. Geol. (Alta)

To accompany:

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