

REPORT

800476

ON THE

MINNIE-HA-HA, TEASER, ALMA, PANDRE

REVERTED CROWN GRANT MINERAL CLAIMS

(RECORD NOS. 1620(6), 1625(6), 1740(9), 1741(9))

CAMP MCKINNEY - BRIDESVILLE AREA

GREENWOOD MINING DIVISION

SIMILKAMEEN LAND DISTRICT

BRITISH COLUMBIA

N. Lat. $49^{\circ}06'$

W. Long. $119^{\circ}11'$

for

JAN RESOURCES LTD.
Suite 811, 543 Granville Street
Vancouver, British Columbia

by

DONALD W. TULLY, P. ENG.

WITH ADDENDUM DATED APRIL 12, 1982

April 23, 1981

West Vancouver, B.C.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION.....	1
SUMMARY AND CONCLUSIONS.....	1
PROPERTY - LOCATION, ACCESS, PHYSIOGRAPHY.....	2
CLAIMS.....	4
HISTORY - PREVIOUS DEVELOPMENT.....	4
REFERENCES.....	7
REGIONAL AND LOCAL GEOLOGICAL SETTING.....	8
MINERALIZATION.....	9
RECOMMENDATIONS.....	10
ESTIMATED COST OF THE PROPOSED WORK PROGRAM.....	11
CERTIFICATE.....	12

MAPS

Figure 1 - Location Map.....	(Frontispiece)
Figure 2 - Topographic Plan (82-E-3).....	(Follows page 1)
Figure 3 - Claim Plan (82-E-3E).....	(Follows page 3)
Figure 4 - General Geology (after GSC Map 316A).....	(Follows page 7)
Figure 5 - Plan of Trenchings on the MINNIE-HA-HA claim.....	(Follows page 8)
Figure 6 - Plan of Trenchings on the ALMA and PANDRE claims.....	(Follows page 9)
Figure 7 - Plan of Trenchings on the TEASER claim.....	(Follows page 10)

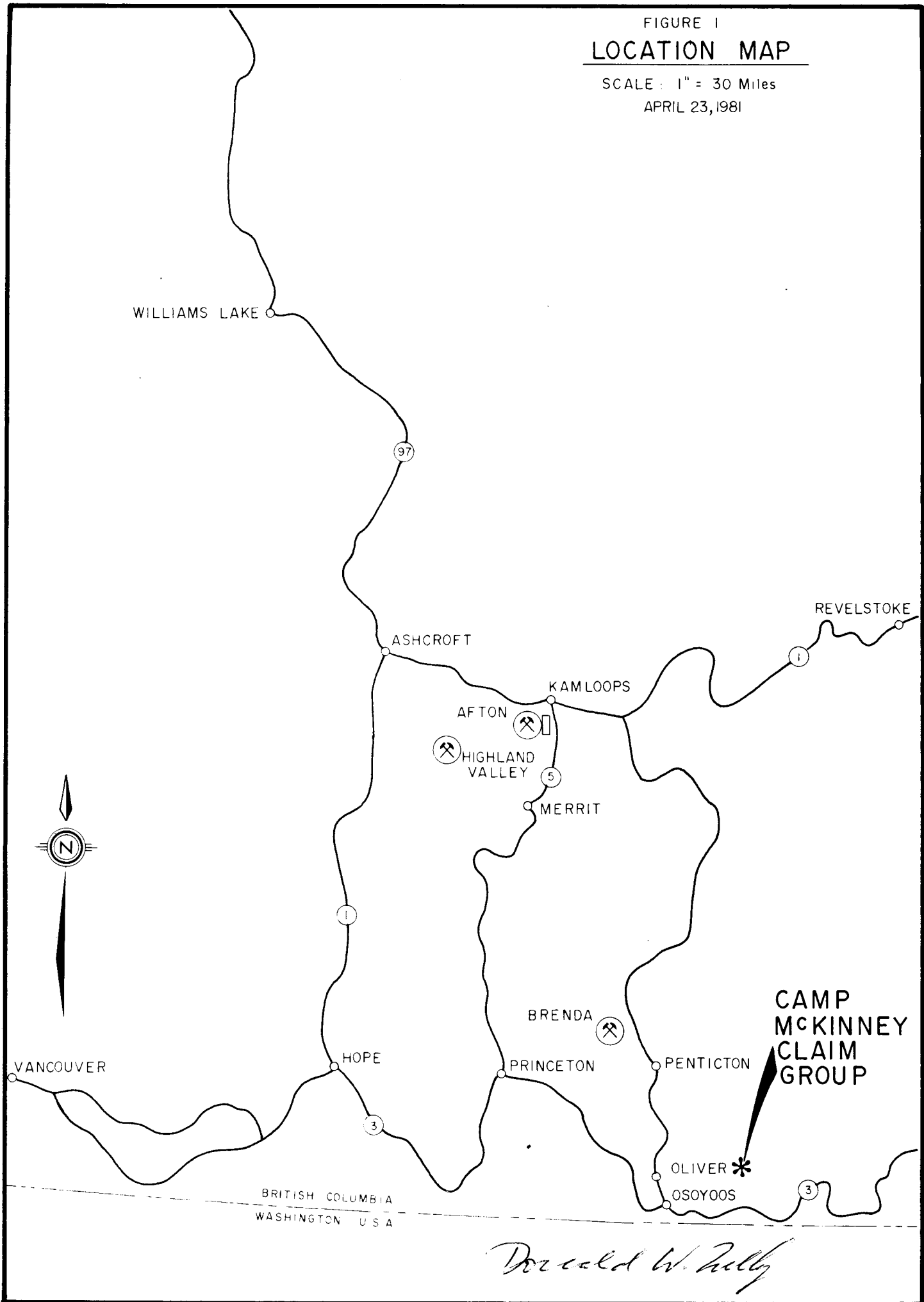
APPENDIX

WITH ADDENDUM DATED APRIL 12, 1982

FIGURE 1
LOCATION MAP

SCALE: 1" = 30 Miles

APRIL 23, 1981



**CAMP
MCKINNEY
CLAIM
GROUP**

Donald W. Kelly

INTRODUCTION

This report was prepared at the request of the Directors of JAN RESOURCES LTD., Suite 811, 543 Granville Street, Vancouver, British Columbia.

The purpose of this report is to assess the mineral potential of the Teaser, Minnie-Ha-Ha, Alma and Pandre reverted crown-grant mineral claims.

The area of the property was examined in the field on July 7, 1979 and the bulldozer trenchings were mapped on November 16, 1979.

SUMMARY AND CONCLUSIONS

Four reverted crown-grant mineral claims comprise the property, which is located in the former Camp McKinney some six miles (10 km) north of Bridesville on Highway No. 3, British Columbia.

The Minnie-Ha-Ha claim was part of the former Cariboo-Amelia mine property which produced over one million dollars in value of gold bullion at the price of gold in the period 1894 - 1950.

The Camp McKinney claim group is an excellent exploration bet for finding an ore zone. It is located in a favourable geological environment of highly metamorphosed metasediments and intrusive apophyses of the Nelson batholith. The trend of the auriferous ore structures in Camp McKinney is northwest with a steep north dip.

CLAIMS

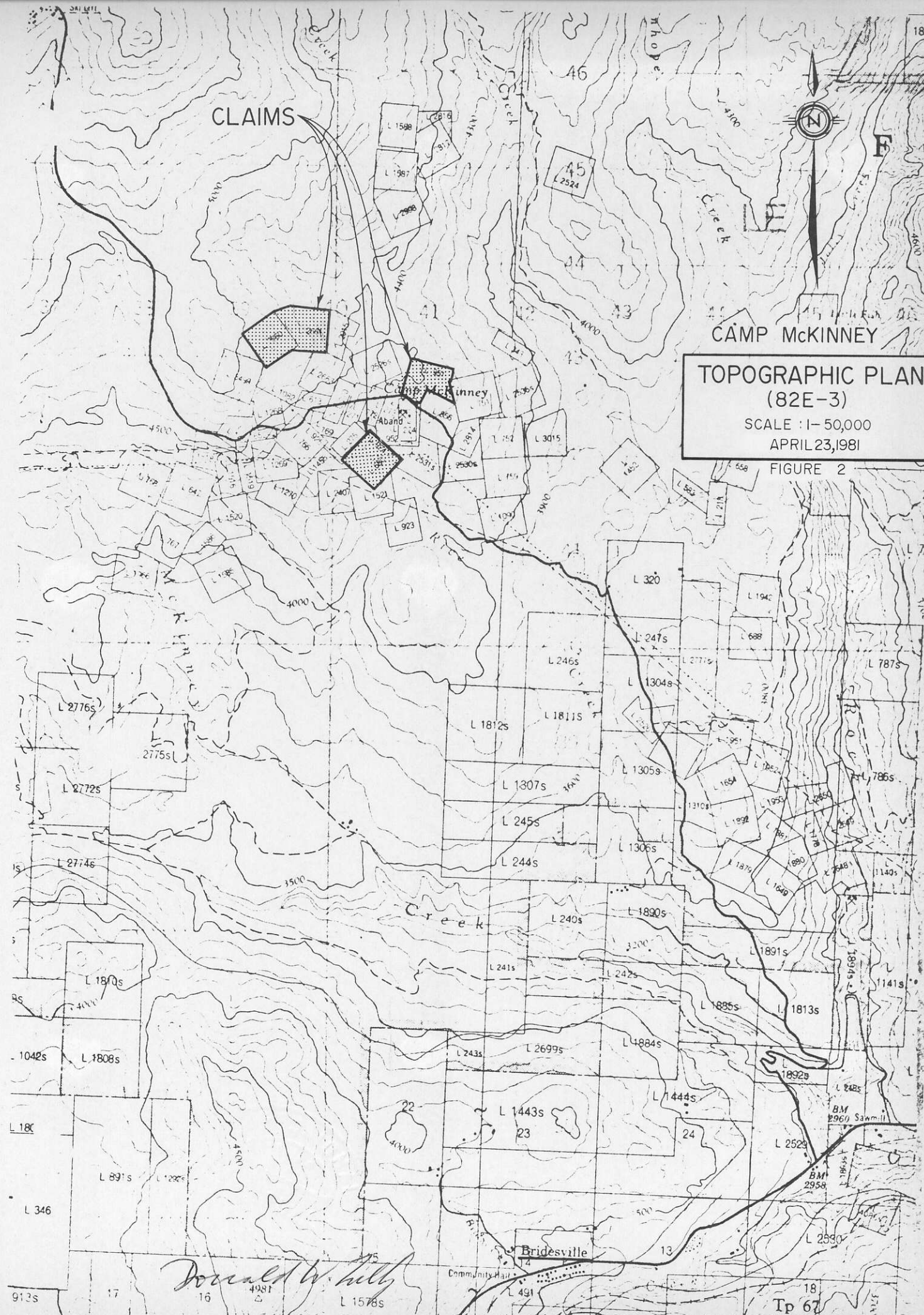


CAMP MCKINNEY

TOPOGRAPHIC PLAN
(82E-3)

SCALE : 1-50,000
APRIL 23, 1981

FIGURE 2



Donald W. Hill

18
Tp 67

Bulldozer trenching was done on the claims in the period October 25 through November 1, 1979.

A two-phase program of exploration is recommended. A preliminary program of geological mapping and claim location with geochemical soil sampling and geophysical surveying is proposed over the four claims to outline any mineral target zones.

A second phase of diamond drill testing is recommended.

The total estimated cost of the recommended work program is \$31,000.

PROPERTY - LOCATION, ACCESS, PHYSIOGRAPHY

The property comprises four reverted crown-grant mineral claims located about six miles (10 km) north of Bridesville on Highway 3, British Columbia. The claims are situated about nine miles (15 km) north of the International Boundary. Two claims are contiguous and the remaining two are separate. A hydro-electric power line extends east-west across the claim area. (Figure 2)

Ready access is available from Highway No. 3 by motor car along the road to Mt. Baldy. The following is a fairly complete description of the area from page 11 by W.E. Cockfield of the Geological Survey of Canada in Memoir 179 (1935) as follows:

" The area consists of a series of ridges which extend in a general southeasterly direction from

" Baldy Mountain, the highest point in the district, with an elevation of 7,558 feet above sea-level. These ridges are separated from one another by the various branches of Rock Creek. The lowest elevation reached by Rock Creek in the area under discussion is about 2,600 feet, so that the maximum relief is in excess of 4,950 feet. The average relief is, however, much lower as very little of the area stands at elevations below 3,000 feet and a very considerable percentage of it lies above 3,500 feet. The ridges are generally well rounded, with long, somewhat gentle slopes, but in the vicinity of the main creeks the slopes become steep. The main creeks occupy deep, narrow valleys and nearly all have one or more stretches of rock canyon joining stretches where the creeks flow over glacial deposits.

A very destructive forest fire has swept through most of the area examined. This killed or burned off much of the timber and also destroyed mine buildings, headframes, and in some instances burned out the upper timbering of mine shafts, allowing these to cave and become so choked with debris that little could be seen of the vein-outcrops. "

Elevations over the claim group, vary between 4,100 and 4,300 feet above sea-level. The slope is eastward into the valley of Rice Creek which flows across the east boundary of the Minnie-Ha-Ha claim and thence into Rock Creek.

PROPOSED SKI RESORT
MINERAL RESERVE
O/C 3419 68-11-01
SUBJECT TO CONDITIONS

PROPOSED NIC

STORM HILL

MINERAL RESERVE
O/C 2698, 76-0
RELEASE REQU

CLAIMS

TARA
1888(11)

TAM 2
1890
TAM 1
1889(10)
TAM 4
1892(11)
TAM 6
1894(7) 1893(10)
TAM 8 TAM 7
1896(11) 1895(11)

LUKE
1887(11)c

Little Fish
Lake
BM
590(10)

CH
1349(10)

DB
591(10)

AH
1350(10)

ALEX I
2107(3)

DUB
2106(3)

EM 1 C
1352(10)
MA 5 MA 6
1361(10) 1362(10)
MA 1 MA 2
1356(10) 1357(10)
MA 3 MA 4
1358(10) 1359(10)

MELBA
79(6)

REMYTON
1439
(3)

FIGURE 3

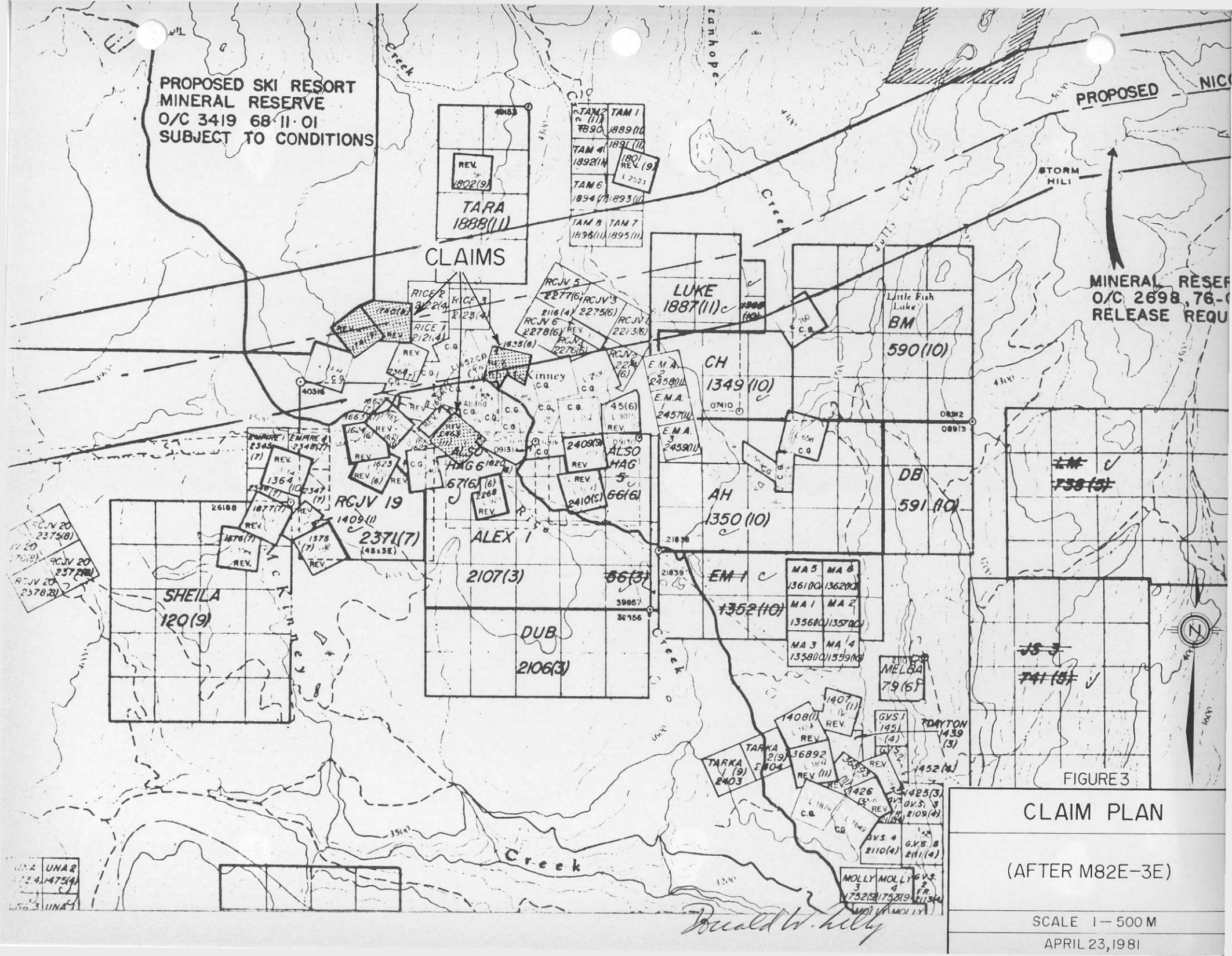
CLAIM PLAN

(AFTER M82E-3E)

SCALE 1 - 500 M

APRIL 23, 1981

Donald W. Kelly



CLAIMS

Four reverted crown grant mineral claims comprise the property. Two of these claims, the ALMA and PANDRE claims are contiguous. The MINNIE-HA-HA and TEASER are separate. The mineral claims are located in the Greenwood Mining Division, Similkameen-Yale Land District. Information on file with the Gold Commissioner at Grand Forks and the Government Agent at Penticton on October 16, 1979 was as follows:

<u>Claim Name</u>	<u>Record Number</u>	<u>Lot #</u>	<u>Area (Hectares)</u>	<u>Expiry Date</u>	<u>Recorded Holder Mineral Rights</u>	<u>Recorded Holder Surface Rights</u>
Alma	1741(9)	2660	18.79	Sept. 6, 1990)	Bill of Sale	Crown
Pandre	1740(9)	2661	19.69	Sept. 6, 1990)	to	Crown
Teaser	1625(6)	951	16.75	June 27, 1990)	Jan Resources	Teddy Kelly, Rock Creek, B.C.
Minnie-Ha-Ha	1620(6)	680	20.52	June 27, 1989)	Ltd.	Crown

The claims are shown on British Columbia Ministry of Mines, Energy and Petroleum Resources mineral claim map M82E/3E (Figure 3). Copies of the survey plats of the original crown grants are shown in the APPENDIX to this report.

HISTORY - PREVIOUS DEVELOPMENT

Camp McKinney was one of the early lode gold camps in British Columbia. Between 1894 and 1950 this camp produced over one million dollars worth of gold bullion. The Minnie-Ha-Ha claim was part of the former Cariboo-Amelia property. The following is quoted from page 17 of Geological Survey of Canada Memoir 179 (1935) as follows:

" On the MINNIE-HA-HA the vein apparently strikes east and west and dips about vertical. This is a quartz vein from 1 to 2 feet wide. According to old reports of the British Columbia Minister of Mines a shaft was sunk 200 feet with some 600 feet of drifting on the 100-foot level and 150 feet on the 200-foot level. This property was equipped with a mill, which it is stated ran for three weeks in March, 1900. "

In 1934, higher prices for gold caused a revival of activity at Camp McKinney and some diamond drilling was reported done. The location of most of this work is obscured because of the second growth of timber and thick underbrush over the claim group.

Some activity was reported in the period 1938 to 1950 when the former Cariboo-Amelia was operated by leasers and also optioned to Highland-Bell Mines.

The history and geology of Camp McKinney is well described for the period leading up to the year 1940 by M.S. Hedley in British Columbia Department of Mines Bulletin No. 6 including the Teaser and Minnie-Ha-Ha claims held by Jan Resources Ltd.

Much of the ground at Camp McKinney was controlled by W.E. McArthur of Greenwood during the period following the early 1950's. McArthur did some diamond drilling and located the faulted continuation of some of the gold-bearing veins left in the underground workings from previous mining operations on the former Cariboo-Amelia vein structure. The Teaser claim adjoins the former Cariboo-Amelia on the north and east. McArthur optioned the Cariboo-Amelia to the H & W Mining Company in 1959, then McKinney Gold Mines

took over the development program in 1960 and shipped gold-silver ore to the smelter at Trail as smelter flux until late 1962 when operations ceased.

Production from the gold-bearing vein structure on the Cariboo-Amelia property, adjoining the Teaser claim of Jan Resources, is recorded in the Minister of Mines Report as follows:

<u>Period</u>	<u>Tonnage</u>	<u>Gold</u>	<u>Silver</u>
1894 - 1904	123,848	67,864 ozs.	Not given
1907 - 1946	2,044	1,738 ozs.	Not given
1960 - 1962	11,292	12,001 ozs.	14,261 ozs.

Bulldozer trenching was done on the Minnie-Ha-Ha, Teaser, Alma and Pandre Mineral Claims as shown on the attached sketch plans of the claim areas.

The purpose of the bulldozer trenchings was to expose bedrock and search for mineralized zones because of previous mining developments on nearby claims.

The trenchings were mapped for bedrock, mineral exposures and dimensions (Figures 5, 6 and 7). The work was done in the period October 25 through November 1, 1979.

Bedrock was found in each of the trenches on the respective claims. The bedrock was biotite granite as exposed in the trench on the Minnie-Ha-Ha, Alma and on the Pandre. Quartz float was noted in the trench on the Alma as well. The bedrock exposed in the trench on the Teaser is a sheared siliceous zone carrying quartzitic bands similar to the rock on the dumps of the former Cariboo-Amelia mineshaft area.

The dimensions of the trenchings are shown on the trenching plans of the respective claims. The total amount of earth removed on the Minnie-Ha-Ha - 102.6 cubic metres, Teaser - 153.5 cubic metres, Alma - 158.1 cubic metres and the Pandre - 82.1 cubic metres, for a grand total of 496.3 cubic metres.

REFERENCES

Publications containing information pertinent to the claims that are subject to this report are as follows:

B.C. Minister of Mines Annual Report for the years:

- 1894 - Map;
- 1897 - pp. 604, 606;
- 1898 - pp. 1117, 1196;
- 1899 - pp. 603, 772, 774;
- 1900 - pp. 880;
- 1901 - p. 1151;
- 1903 - p. 103;
- 1920 - p. 157;
- 1928 - p. 257;
- 1932 - Bulletin I, p. 85;
- 1933 - p. 157;
- 1934 - p. D9, D17;
- 1938 - p. D33,
- 1939 - pp. 76; 111;
- 1940 - pp. 62; 97;
- 1940 - Bulletin 6, p. 20;
- 1940 - Bulletin 9 - p. 81;
- 1941 - p. 61;
- 1942 - p. 59;
- 1943 - p. 63;
- 1944 - p. 59;
- 1945 - p. 94;
- 1945 - Bulletin 20, Pt. III, p. 14;
- 1946 - p. 132;
- 1950 - p. 116;
- 1959 - p. 56;
- 1960 - p. 62;
- 1961 - p. 63;
- 1962 - p. 66, 67

Geological Survey of Canada Memoirs 38 and 179

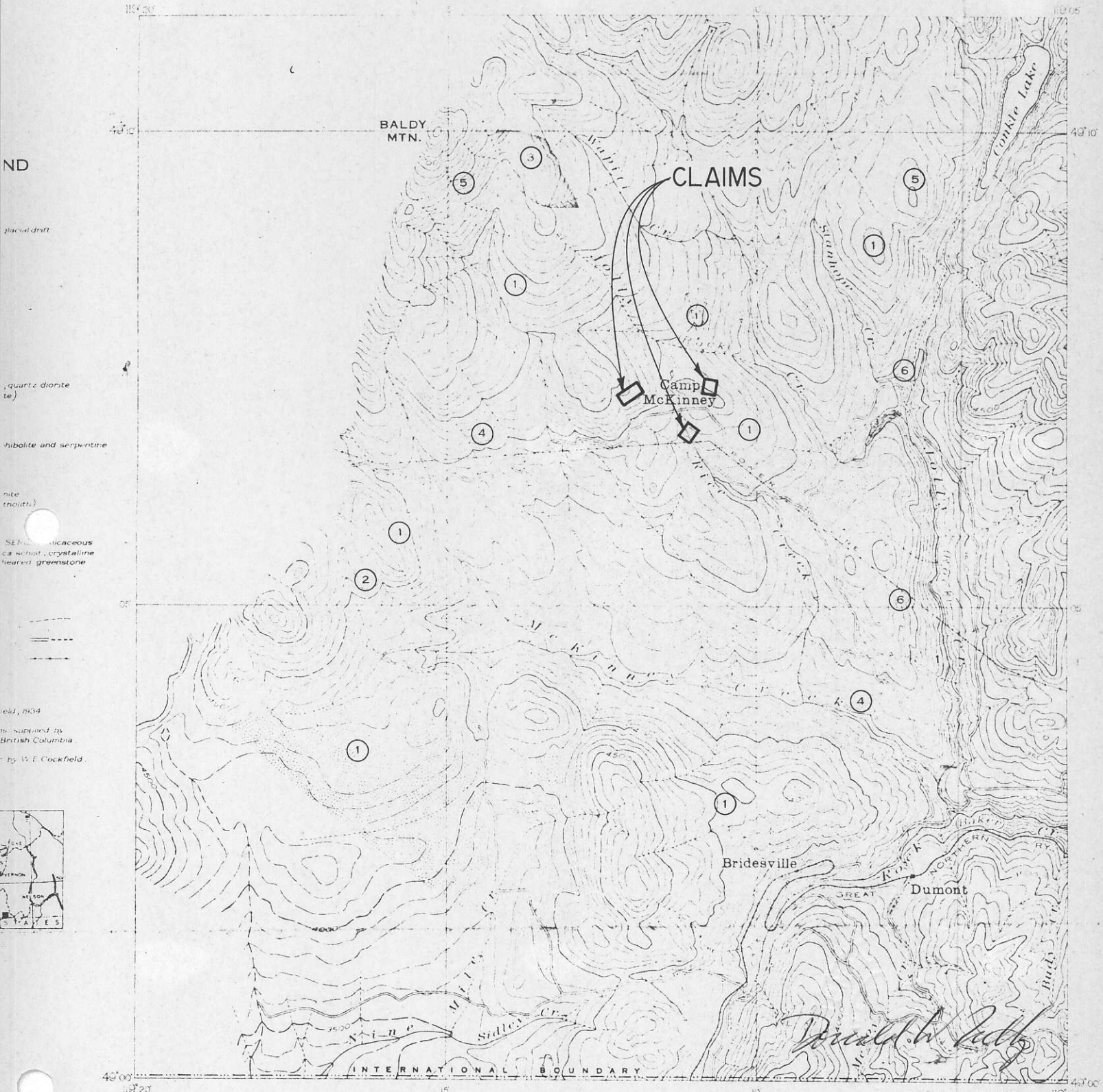
Geological Survey of Canada Maps 316A, 539A and 8505G

National Topographic Series Map 82E/3, Scale 1:50,000

Canada
Department of Mines

BUREAU OF ECONOMIC GEOLOGY,
GEOLOGICAL SURVEY

Issued 1935



- ① Anarchist Series
- ② Gneissic Granite
- ③ Amphibolite Serpentine
- ④ Grandiorite (Oliver)

MAP 316A
CAMP MCKINNEY
SIMILKAMEEN DISTRICT
BRITISH COLUMBIA
Scale: 63360 or 1 inch to 1 Mile

FIGURE 4
GENERAL GEOLOGY
(AFTER G.S.C. 316A)
APRIL 23, 1981

ND

glacial drift

(quartz diorite)

Amphibolite and serpentine

gneiss (thoritic)

SE (micaceous schist, crystalline leucocratic greenstone)

field, 1934

as supplied by British Columbia

by W. E. Cockfield



Publication No 2376

British Columbia Ministry of Energy, Mines and Petroleum
Resources mineral claim map M82E/3E

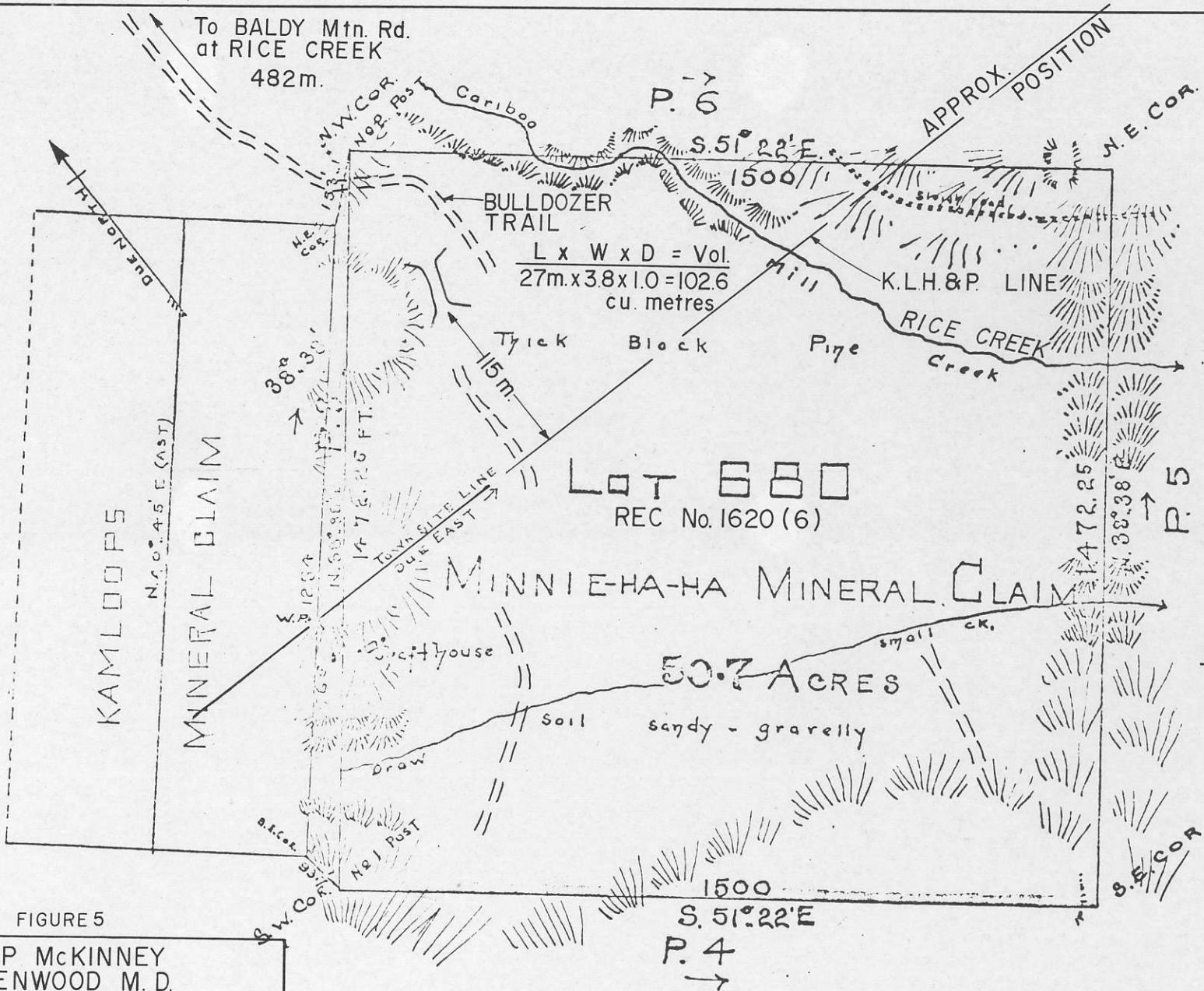
Report on the Minnie-Ha-Ha, Teaser, Alma and Pandre Re-
verted Crown Grant mineral claims for Jan Resources
Ltd. by Donald W. Tully, P.Eng., and dated October
25, 1979

Addendum to Report of October 25, 1979 by Donald W. Tully,
P.Eng., and dated November 6, 1979

GEOLOGY

The property is underlain by micaceous meta-sedi-
ments and volcanics of the Anarchist series of late Paleo-
zoic rocks. Dykes and small masses of intrusive probably
belong to a phase of the Nelson batholith. A tentative
table of formations is as follows: (Figure 4)

<u>Formation</u>	<u>Description</u>	<u>Age</u>
Sand, gravel and loam	Unconsolidated Erosional unconformity	Recent and Pleis- tocene
Mineralization Quartz veining	Gold, silver, Galena, sphalerite, pyrite and plati- num	Tertiary (?)
Hydrothermal alteration Dykes and small intrusive masses	Tectonic activity associated with swarms of felsitic dykes and small basic intrusive masses	Jura-Cretaceous (?)
Anarchist series	Micaceous schists, quartzite, marble- ized limestone and volcanics, mostly chloritized green- stone	Late Paleozoic

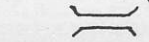
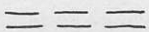


441
9/10

NOTE
- CLAIM BOUNDARIES
HAVE NOT BEEN
ESTABLISHED RECENTLY
- ALL LOCATIONS
ARE APPROXIMATE
ONLY.

FIGURE 5

CAMP MCKINNEY
GREENWOOD M. D.
PLAN OF
BULLDOZER TRENCHING
DONALD W. TULLY, P. ENG. APRIL 23, 1981

Scale 300ft = 1 inch
 TRENCH (OCT. 25, 1979) (APPROX. POSITION)
 PROPOSED BULLDOZER TRENCH AREA

Surveyed by FORBES M. KERBY P
Donald W. Tully

Most of the structural elements trend northwest-erly. The gold-bearing vein structures strike northwest and dip steeply to the northeast.

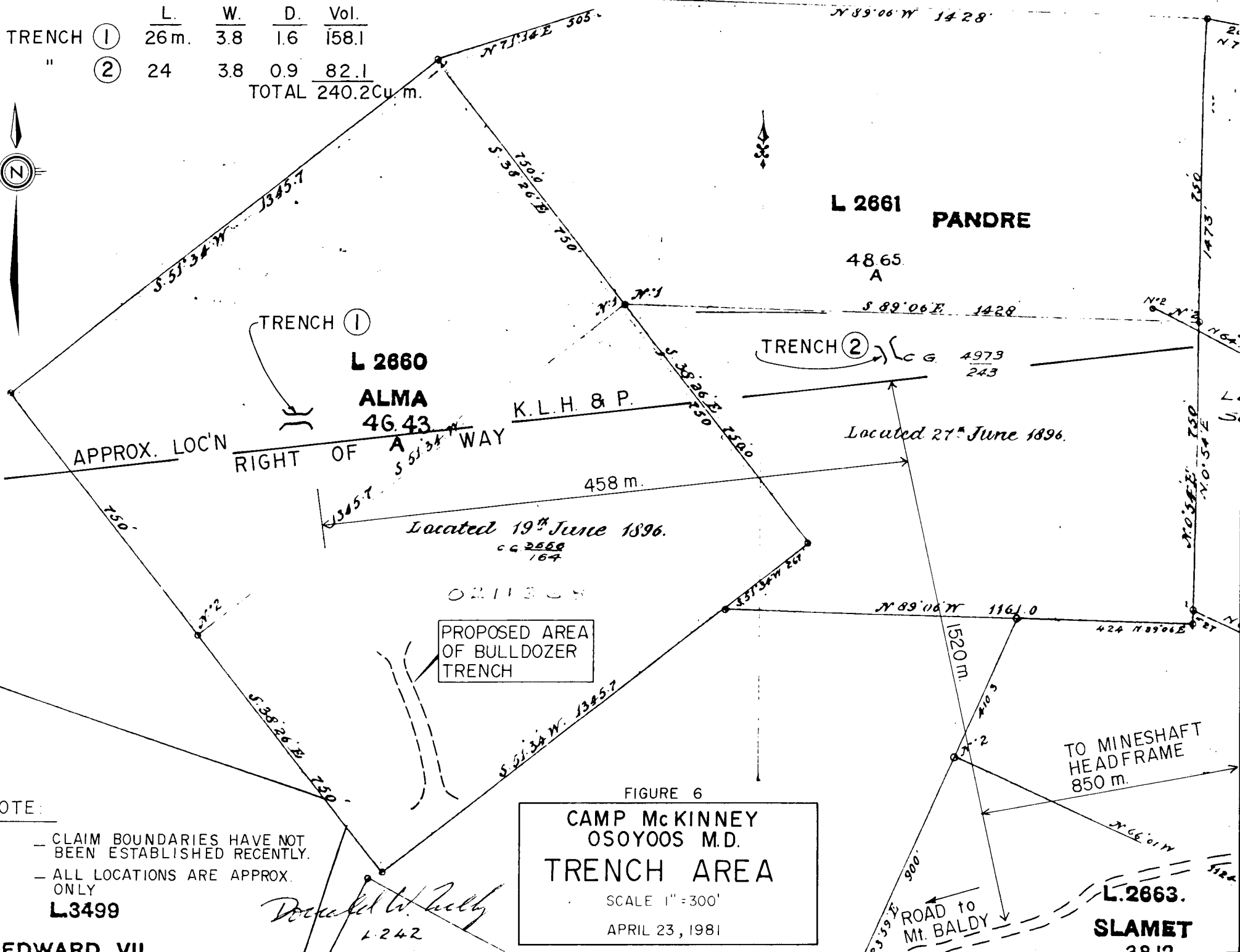
Faulting in the vein zones is common in the under-ground workings according to personal communications.

MINERALIZATION

The following description of the gold mineralization in Camp McKinney is quoted from page 16 of Geological Survey of Canada, Memoir 179 as follows:

" The chief type of deposits consists of quartz veins occurring in the schists of the Anarchist series and in general paralleling the strike and dip of the schistosity. The general trend in Camp McKinney proper is east-west but elsewhere veins running in many different directions were noted. These quartz veins are mineralized with pyrite accompanied by galena and zinc blende and carry in places good values in gold. Somewhat unsatisfactory evidence indicates that the gold values accompany the galena and zinc blende, but instances of heavy galena and zinc blende mineralization were noted where only low values in gold were reported. Where pyrite occurs alone in the veins the values are apt to be low. The amount of silification varies greatly from place to place along the strike of individual veins; in some cases bodies of quartz 5 or 6 feet wide narrow within a few feet to one or more stringers along the same strike. Although no definite evidence on this point was obtained, it appears

TRENCH	L.	W.	D.	Vol.
①	26 m.	3.8	1.6	158.1
②	24	3.8	0.9	82.1
TOTAL				240.2 Cu. m.



NOTE:

- CLAIM BOUNDARIES HAVE NOT BEEN ESTABLISHED RECENTLY.
- ALL LOCATIONS ARE APPROX. ONLY

L.3499

EDWARD VII

Edward W. Kelly
1242

FIGURE 6
CAMP MCKINNEY
OSOYOOS M.D.
TRENCH AREA
SCALE 1" = 300'
APRIL 23, 1981

TO MINESHAF
HEADFRAME
850 m.

L.2663.

SLAMET

" probable that the ore occurs in shoots. The deposits present somewhat striking resemblances to the veins of Fairview camp.

Gold - latest event in the mineral sequence
 Silver
 Galena
 Sphalerite
 Pyrite - earliest event "

According to the aeromagnetic map (Figure 5) Camp McKinney is located on a north-south magnetic lineament.

RECOMMENDATIONS

The potential for developing an economic body of gold ore on the Camp McKinney claim group appears to be favourable. The fact that significant quantities of gold have been produced from this camp suggests that in view of the present price of gold another test of the gold-bearing structures in this area is warranted. Although some diamond drilling was reported done in the past, it may well be that the core recovery was not satisfactory as is often the case when drilling gold-bearing structures.

A two-stage program of mineral exploration is proposed.

It is recommended the location of the claims be established, the claim area be geologically mapped, geochemically soil sampled and geophysically surveyed. Should the results of this preliminary program of exploration prove rewarding, then it is proposed that second phase of testing be a program of large diameter core drilling.

TRENCH	L	W	D	Vol.
①	28 m.	3.8	1.0	106.4
②	31	3.8	0.4	47.1
TOTAL				153.5 Cu M.

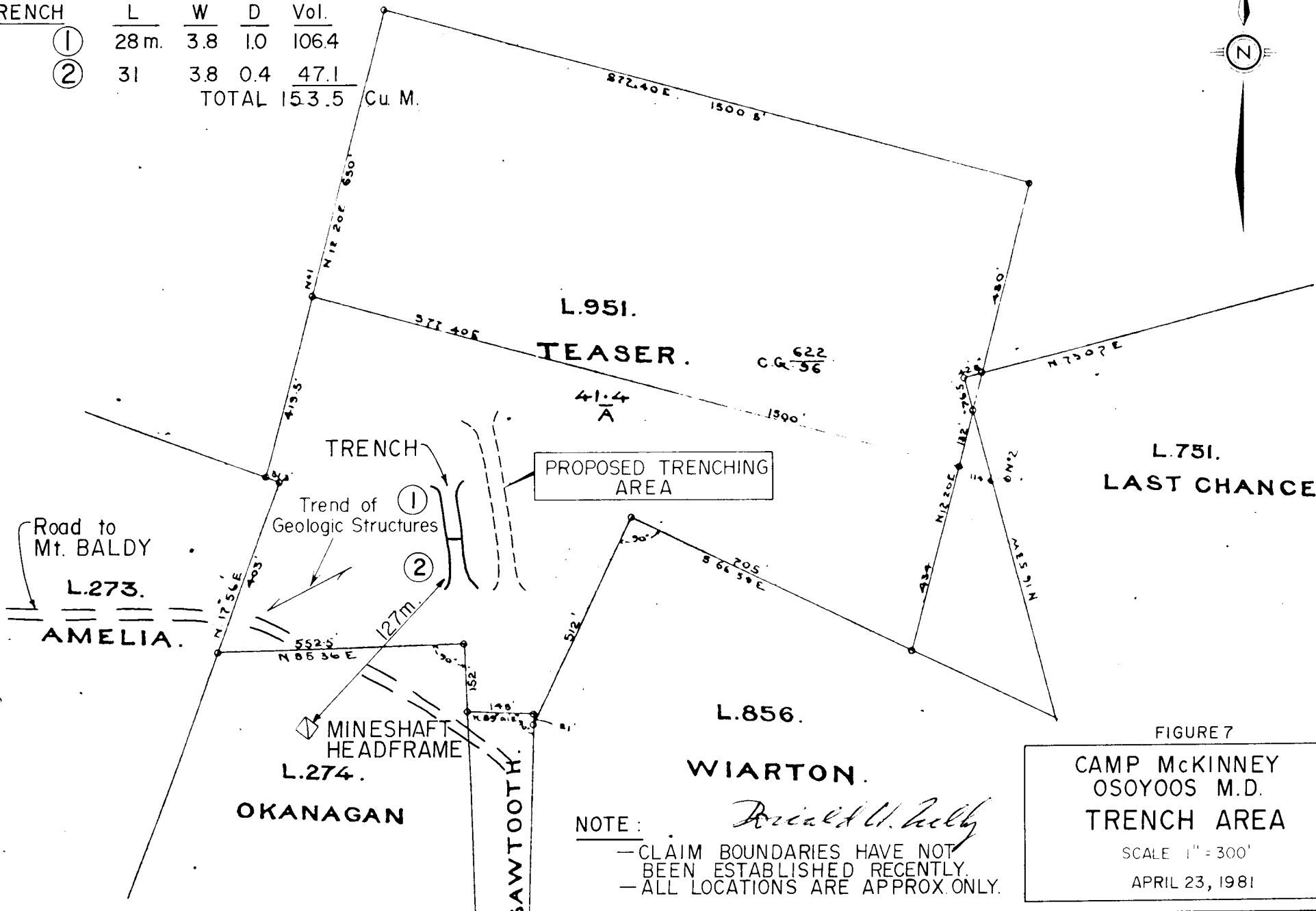


FIGURE 7
 CAMP MCKINNEY
 OSOYOS M.D.
 TRENCH AREA
 SCALE 1" = 300'
 APRIL 23, 1981

NOTE: *Donald W. Kelly*
 - CLAIM BOUNDARIES HAVE NOT BEEN ESTABLISHED RECENTLY.
 - ALL LOCATIONS ARE APPROX. ONLY.

ESTIMATED COST OF THE PROPOSED WORK PROGRAM

Phase 1:

Establish the boundary of the four claims using chain and compass	\$ 500.00	
Based on line-spacings at 100 metres and geochemical soil samples taken every 50 metres along each line. additional costs are summarized as follows:		
<u>Geochemical Soil Survey</u>		
Mobilization and demobilization from Vancouver (2 days)		700.00
12 km of line - 240 samples and assaying for Au, Cu, Pb and Mo @ \$10/sample including sample collection costs		2,400.00
It is proposed to test any anomalies with geophysical surveys using a Ronka EM-16 and a magnetometer		<u>2,400.00</u>
Total Estimated Cost - Phase 1		\$ 6,000.00

Phase 2:

Should the results of Phase 1 show encouragement as to mineral potential, it is proposed to drill at least two NQ size diamond drill holes each to three hundred feet in depth.		
(2 holes x 300 ft. = 600 x \$30/ft.)	\$18,000.00	
Administration, core-handling, assaying, travel, engineering report and contingency		<u>7,000.00</u>
Total Estimated Cost - Phase 2		25,000.00
Total Estimated Cost - Phases 1 and 2		<u><u>\$31,000.00</u></u>

Respectfully submitted,



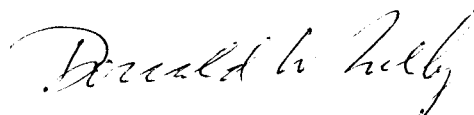
Donald W. Tully, P. Eng.,
Consulting Geologist

CERTIFICATE

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

- 1) I am a Consulting Geologist with an office at Suite 102, 2222 Bellevue Avenue, West Vancouver, B.C.
- 2) I am a registered Professional Engineer of the Provinces of British Columbia and Ontario.
- 3) I graduated with a degree of Bachelor of Science, Honours Geology, from McGill University in 1943.
- 4) I have practiced my profession for thirty-four years.
- 5) I have no direct, indirect or contingent interest in the shares of Jan Resources Ltd., or the Alma, Pandre, Teaser and Minnie-Ha-Ha mineral claims, subject of this report, nor do I intend to have any interest.
- 6) This report dated April 23, 1981, is based on a personal field examination I made on October 24, 1979, and again on November 16, 1979, and from information gathered from available maps and reports.
- 7) Written permission from the author is required to publish this report dated April 23, 1981 in any Prospectus or Statement of Material Facts.

DATED at West Vancouver, Province of British Columbia, this 24th day of April, 1981.



Donald W. Tully, P. Eng.,
Consulting Geologist

APPENDIX

A D D E N D U M

This addendum accompanies a copy of a report prepared for Jan Resources Ltd., Suite 811, 543 Granville St., Vancouver British Columbia and dated April 23, 1981.

The purpose of this addendum is to review and summarize the available information on the BIG BUG, GOLDEN CROWN FRACTION, ALICE FRACTION and NIGHT RAMBLER reverted crown grant mineral claims and the SNEEZER claim containing twenty units.

The five mineral claims are located in the former Camp McKinney situated some ten kilometres (6 miles) north of Bridesville on Highway No. 3, British Columbia.

This report is based on field examinations made in the claim area on July 7, 1979, October 7, 1979, and November 16, 1979.

The mineral claims are recorded in the Greenwood Mining Division, British Columbia. Information from the Gold Commissioner at Grand Forks on April 8, 1982 was as follows:

<u>Claim Name</u>	<u>Lot No.</u>	<u>Record No.</u>	<u>Expiry Date</u>	<u>Recorded Owner</u>
SNEEZER	4x5 = 20 units	2772 (7)	July 2, 1982	Jan Resources Ltd.
BIG BUG	923	2796 (6)	June 15, 1982	Keith George
GOLDEN CROWN FRACTION	924	2950 (12)	Dec. 3, 1982	Keith George
ALICE FRACTION	1651	2998 (12)	Dec. 18, 1982	Keith George
NIGHT RAMBLER	3015	2794 (6)	June 15, 1982	Keith George

The claims are shown on British Columbia Mineral Titles Map M82-E-3e accompanying this addendum.

Work has been recorded on the SNEEZER.

Camp McKinney was one of the early lode gold camps in British Columbia. The discovery of gold in this camp was recorded as early as 1888. Most of the active properties ceased development and production about 1904. By 1934, the increased price of gold caused a revival of this camp and some diamond drilling was reported done. By 1938, the former Cariboo-Amelia Mine property was re-opened and operated by leasers until about 1950. W.E. McArthur of Greenwood subsequently controlled much of the property in this camp. During the period between 1938 and 1950, some of the ground held by the former Cariboo-Amelia property was optioned to Highland-Bell Mines.

The British Columbia Annual Report of the Minister of Mines for the year 1897 describes the ALICE Fraction and the BIG BUG claim on page 606 as follows:

- " These claims, Crown grants, Jas. B. McAuley, Spokane, lie immediately west of the "Cariboo," and on one of which is a 63-foot shaft (flooded) down on the vein 7 to $1\frac{1}{2}$ feet wide, of which quartz with a little iron and copper pyrites and blende, which ore is stated to have given fair assay values in gold. The course of the vein is shown by two other openings, but the ground here lies flat and is covered with small timber. No work has been done for several years, or since 1888. "
- " BIG BUG, 1,500 x 1,500, lying about 1,500 feet south of the "Minnie-ha-ha," owned by A. McGraw and W.H. Norris, Midway, has a small vein running east and west, but no work done. "

In the year 1900, the ALICE FRACTION was held by the Sailor Consolidated Mining and Milling Company of Camp McKinney Ltd.

Subsequently the ALICE FRACTION became part of the property owned by the Cariboo McKinney Mining and Milling Company and controlled by Toronto interests.

The GOLDEN CROWN FRACTION was held in 1897 by the Minnie-Ha-Ha Gold Mining and Milling Company of Toronto. The claim was part of the Minnie-Ha-Ha group of claims on which property a working shaft 190 feet deep was reported with levels at the 90-foot and 190-foot horizons. A total of 450 feet of drifting, crosscutting and upraises were said to have been developed on this ground. By 1901, the Sailor Consolidated Mining and Milling Company of Toronto acquired control of the group of twelve claims which included the ALICE FRACTION and the GOLDEN CROWN FRACTION.

The writer did not find any record of development on the NIGHT RAMBLER crown grant claim.

The SNEEZER claim contains twenty units and embraces the area around the NIGHT RAMBLER (Lot 3015) and BIG BUG (Lot 923) claims as well as the MINNIE-HA-HA (Lot 680).

The individual claims are underlain by meta-sediments and volcanics belonging to the Anarchist Series. These rocks have been invaded by felsite and porphyry dykes with associated basic dyke types.

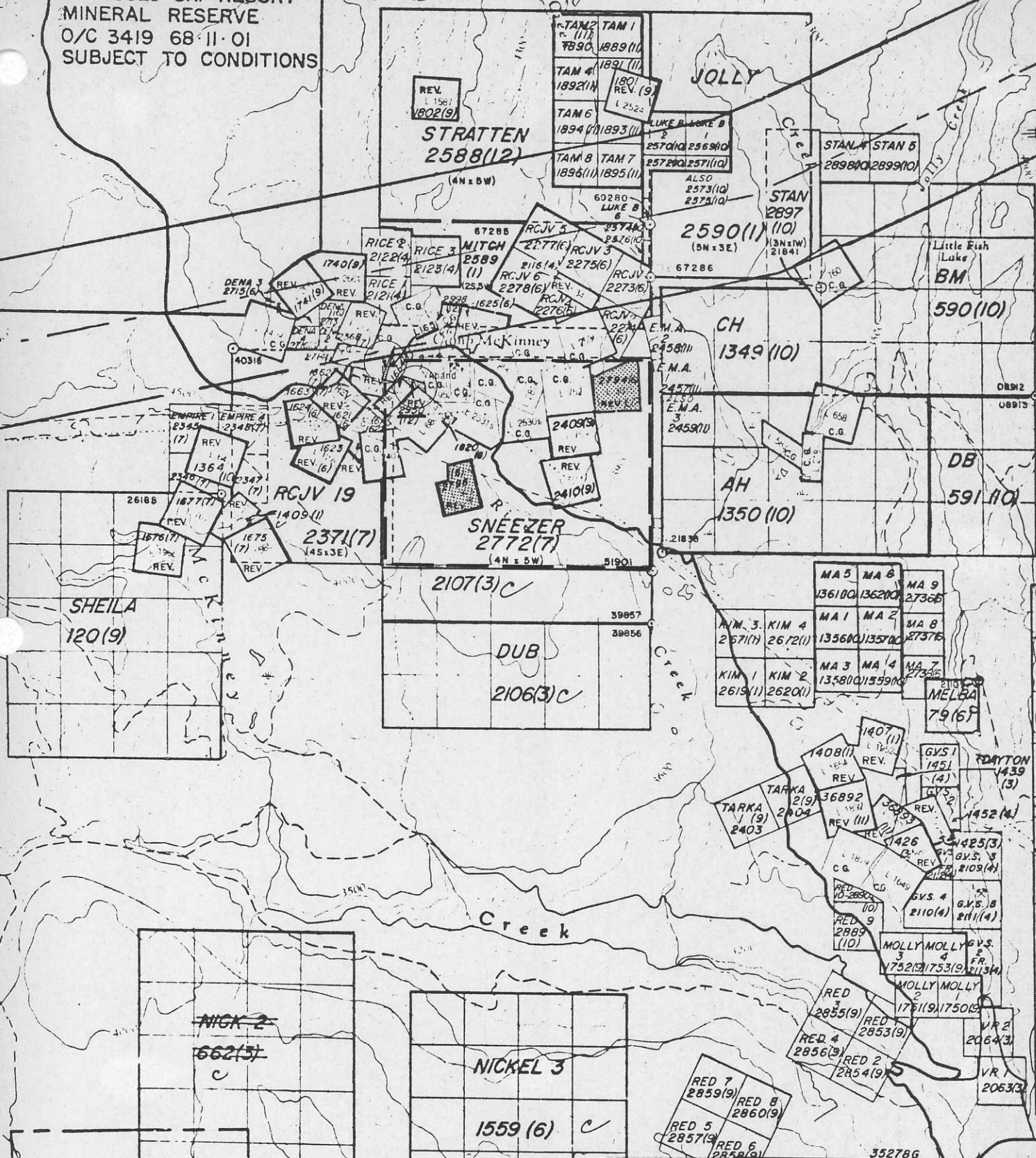
The acquisition of the SNEEZER, BIG BUG, GOLDEN CROWN FRACTION, ALICE FRACTION and NIGHT RAMBLER claims is

recommended. These claims are considered to be in a favourable geological environment for finding a gold deposit of merit. According to the historical evidence, gold values are believed to occur in the vicinity of these claims. Furthermore, the acquisition of this ground tends to improve the contiguity of the claim area and provide a larger base for mineral exploration, thereby increasing the opportunity for mineral target definition.

References include the British Columbia Minister of Mines Annual Reports for the years 1897, p. 606; 1898, p. 1117; 1899, pp. 773, 845; 1900, p. 989; 1901, pp. 1151, 1229; Bulletin 6, (1940) p. 22.

Donald W. Tully

PROPOSED SKI RESORT
MINERAL RESERVE
O/C 3419 68 11 01
SUBJECT TO CONDITIONS



CLAIM PLAN
 (AFTER M82-E-3E)
 SCALE 1:50,000
 APRIL 14, 1982

Donald W. Kelly
 Bridesville

JIM
 211(3)

NICK 2
 662(5)

NICKEL 3
 1559 (6)

NICKEL 5
 1646(7)

1645(7)

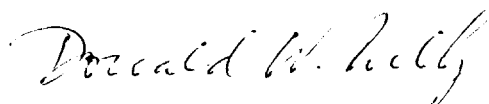
(4)

CERTIFICATE

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

- 1) I am a Consulting Geologist with an office at Suite 102, 2222 Bellevue Avenue, West Vancouver, B.C.
- 2) I am a registered Professional Engineer of the Provinces of British Columbia and Ontario.
- 3) I graduated with a degree of Bachelor of Science, Honours Geology, from McGill University in 1943.
- 4) I have practiced my profession for thirty-six years.
- 5) I have no direct, indirect or contingent interest in the securities of JAN RESOURCES LTD., or the SNEEZER, BIG BUG, GOLDEN CROWN FR., ALICE FR. AND NIGHT RAMBLER mineral claims, subject of this report, nor do I intend to have any interest.
- 6) This Addendum dated April 12, 1982 is based on personal field examinations I made in the claim area on July 7, 1979, October 24, 1979 and November 16, 1979, and from information gathered from available maps, reports and personal communications.
- 7) I have examined the MINNIE-HA-HA, TEASER, ALMA, PANDRE, STRATTEN, TAM, PICTOU and NORTH STAR mineral claims during the past five years, that are located within ten kilometres of the subject mineral claims.
- 8) Written permission is required from the author to publish this report dated April 12, 1982 in any Prospectus or Statement of Material Facts.

DATED at West Vancouver, Province of British Columbia, this 14th day of April, 1982.



DONALD W. TULLY, P. ENG.,
Consulting Geologist