GEOLOGICAL SUMMARY

810640

RED BIRD EXPLORATION PROJECT - SALMO, B.C.

LAT: 49 01'N./ LONG: 117 23'W., MAPSHEET 82 F 3W.

(Nelson Mining Division)

for:

GOLDEN EYE MINERALS LTD.

411 - 850 W. HASTINGS ST.

VANCOUVER, B.C.

669-2449

by:

Barry Price, M.Sc., F.G.A.C.

Consulting Geologist

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3447 W.7th Ave., Vancouver, B.C.

V6R 1W2 733-6902

Feb 20, 1987

Barry Price.

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REDBIRD PROJECT

SALMO MINING CAMP - NELSON M.D.

INTRODUCTION:

A significant stratiform Zinc-Lead-Silver-Cadmium-Germanium discovery has been made by Golden Eye Minerals Ltd. The prospect is adjacent to the abandoned Reeves Macdonald Mine, from which 7.2 million tons of ore containing approximately 540 million pounds of Zinc, 140 million pounds of Lead, 1.5 million ounces of Silver, and 3.0 million pounds of Cadmium were produced from 1949 tO 1975.

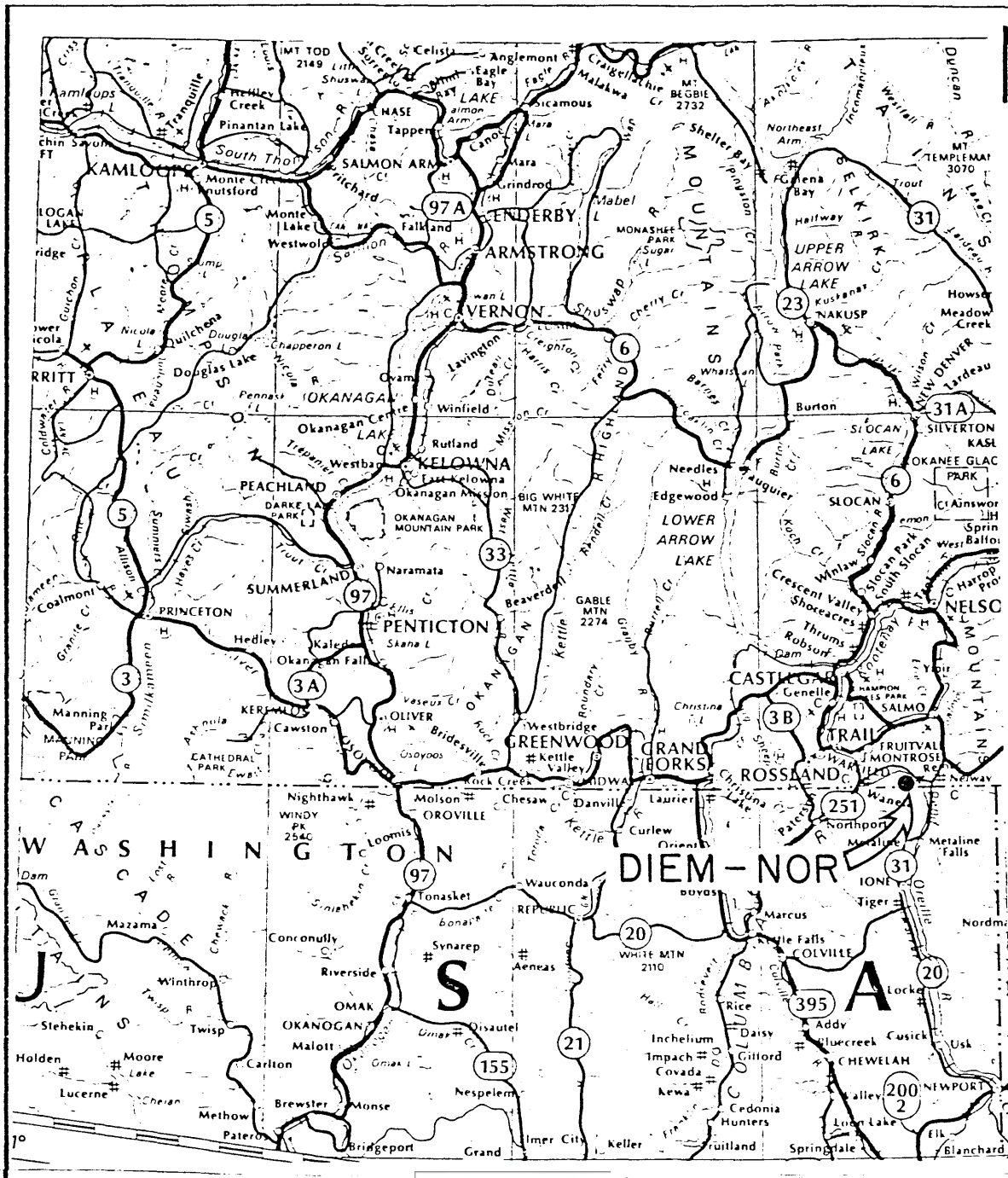
Geological data indicate that ore zones mined at the Reeves MacDonald Mine project onto the ground now held by Golden Eye Minerals Ltd. This includes the high grade deposits of the Red Bird and Annex zones.

This report summarizes the geological data and mining potential; recommendations for continued exploration of this significant discovery are included.

The report relies heavily on work done by Gerald Klein, P.Eng., who was employed as mine geologist at the Reeves Macdonald Mine from 1970 until 1973. Information gathered from Hecla Mining Company, Reeves Macdonald Mines Ltd., Cominco Ltd., Diem Mines Ltd., and government publications has been used in this report.

LOCATION AND ACCESS

The properties are situated 30 kilometres south-southwest of Salmo B.C. and 35 kilometers southeast of Trail, B.C. The claims cover an area roughly 4 km by 8 km, west and east of the Nelway border crossing



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SCALE
0 32 64 98 128 160 Miles

GOLDEN EYE MINERALS LTD.

RED BIRD PROPERTY.
DIEM-NOR CLAIMS

LOCATION MAP

MAY 1985 FIG. 1

to the U.S.A., and are bounded to the south by the International Border.

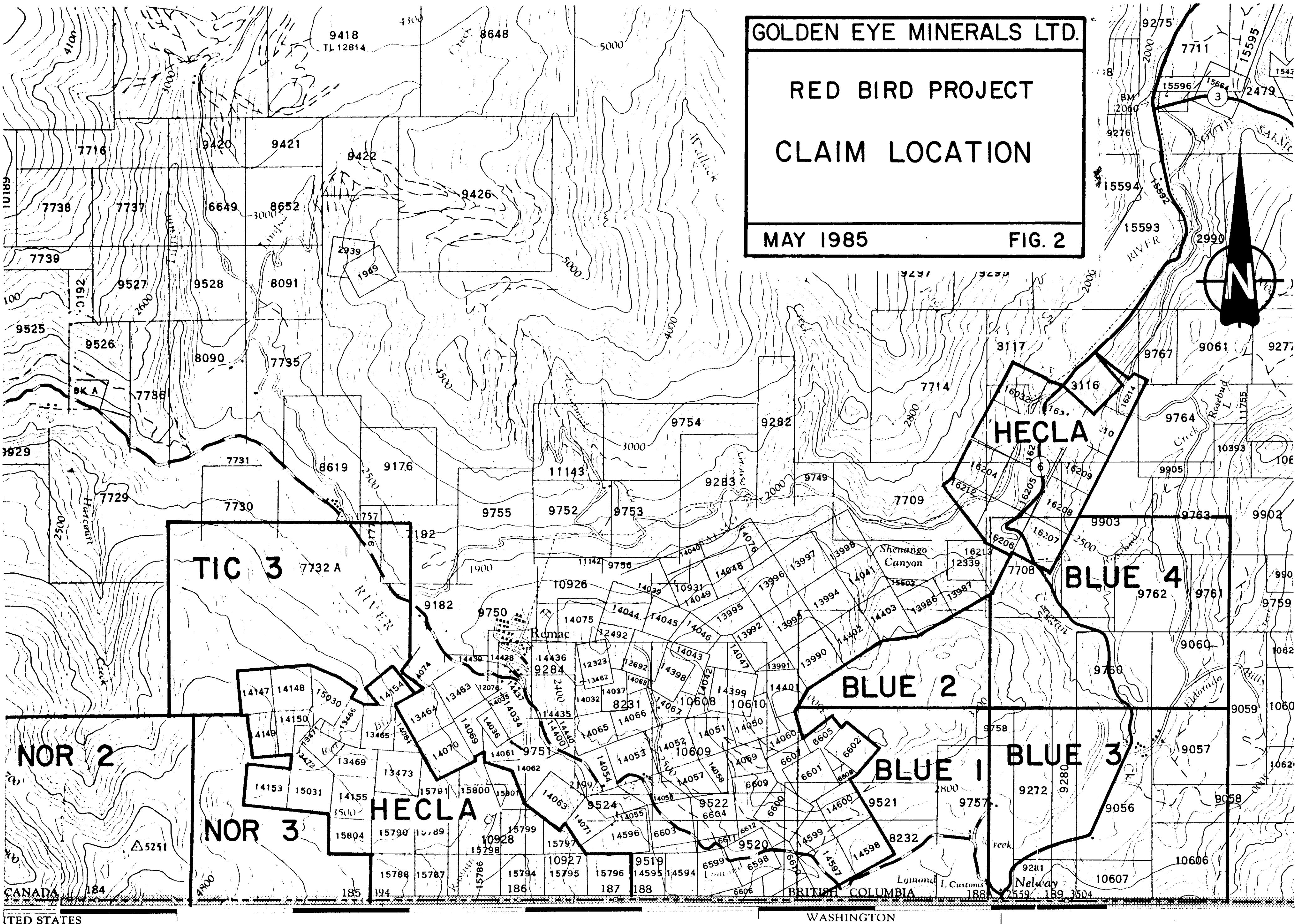
The western portion of the property can be reached by crossing B.C. Hydro's Seven Mile Dam at Church Creek, and then by good logging road. The northern part of the property is accessible by a bridge crossing the Pend d'Oreille River on the Reeves Macdonald property.

All supplies and services are available in Salmo or Trail; daily air service from Calgary and Vancouver is available at the Castlegar Airport, 45 km from the property. Power lines cross the Reeves Macdonald property nearby; water is available for drilling purposes from a number of creeks or the Pend D'Oreille River. A significant pool of experienced underground miners is available in Salmo, which has been a mining center for a long time. A partially filled tailings pond is situated on the Reeves Macdonald property. Idle mills are situated at the H.B. Mine site 12 miles to the north and at the Pend D'Oreille mine site at Metaline Falls in the U.S.A., 15 miles to the south.

PROPERTY DEFINITION:

The property comprises several groups of claims acquired by staking, option to purchase and lease-purchase agreements.

The Red Bird, Caviar and Grouse groups of Crown-granted mineral claims were acquired by Golden Eye Minerals Ltd from Diem Mines Ltd., of Nelson, B.C., a Canadian subsidiary wholly owned by Hecla Mining Company of Wallace, Idaho. Golden Eye Minerals can, through a series of cash payments and work committments, earn 100% interest in the property subject to a 20% Net Profits Interest payable to Diem Mines Ltd.


GOLDEN EYE MINERALS LTD.
RED BIRD PROJECT
CLAIM LOCATION
MAY 1985
FIG. 2
TIC 3
NOR 2
NOR 3
HECLA
HECLA
BLUE 1
BLUE 2
BLUE 3
BLUE 4
Remac
Shenango Canyon
RIVER
Nelway
Lomond L. Customs
CANADA
BRITISH COLUMBIA
ITED STATES
WASHINGTON
N

The Nor 2 and 3 claims were acquired from Gerald Klein under an option agreement in 1985. These claims, which adjoin the Redbird property on the west, were partially evaluated by the 1985-86 drilling program and have now been returned to the vendor.

The Blue and Tic claims were staked by Golden Eye Minerals and are owned outright. Claim data are listed in Appendix I. The spatial arrangement of claims is displayed in Figure 3.

HISTORY OF THE RED BIRD PROPERTY:

The Redbird property was originally owned by S.Coulter and A.J.Campbell of Ymir. In 1925 an option was acquired by Conrad Wolfe and associates of Spokane and in 1926 the property was held by the Red Bird Mining Company of Spokane. By 1927, 1000 feet of tunneling had been done on the property, which included 17 claims. In 1928, the adit was advanced to 1,200 feet and some diamond drilling was done. In 1929, the property was acquired by Boundary Basin Mines Ltd., who did further drilling (Walker, 1934).

Little work was done on the property between 1929 and 1944, although a sampling plan exists dated 1942. In 1944, the property was purchased by Hecla Mining Company of Wallace, Idaho. Geological mapping and surface work was done by Hecla in 1947. In 1955, Fyles and Hewlett mapped the area (see accompanying figure), but the adits were caved at this time.

In 1961, the property was leased to Consolidated Mining and Smelting Co., who advanced the Redbird heading in the oxide zone about 800 feet, and completed 4,126 feet of diamond drilling. The drilling showed "strong and apparently continuous oxidized zinc-lead mineralization of ore grade", but no sulfides were encountered and the lease was relinquished.

In 1973, under an agreement with Hecla, Reeves MacDonald Mines advanced the heading of their 800 level in the Annex mine an additional 700 feet into the Red Bird property. From this heading, 15 diamond drill holes totalling 6200 feet were completed. From the face, 4 diamond drill holes encountered four separate bands of zinc-lead mineralization each 20 feet wide, averaging 4.18 % Zinc, 0.12 % Lead, 0.56 oz/ton silver and 0.04 % Cadmium, similar grade to ore being mined by Reeves MacDonald. The Reeves MacDonald Mine closed in 1975, and nothing further was accomplished on the Redbird property.

The 16 crown-granted mineral claims comprising the Red Bird property are now owned by Diem Mines Ltd., of Nelson, B.C., a subsidiary of Hecla Mining Company, of Coeur d'Alene, Idaho.

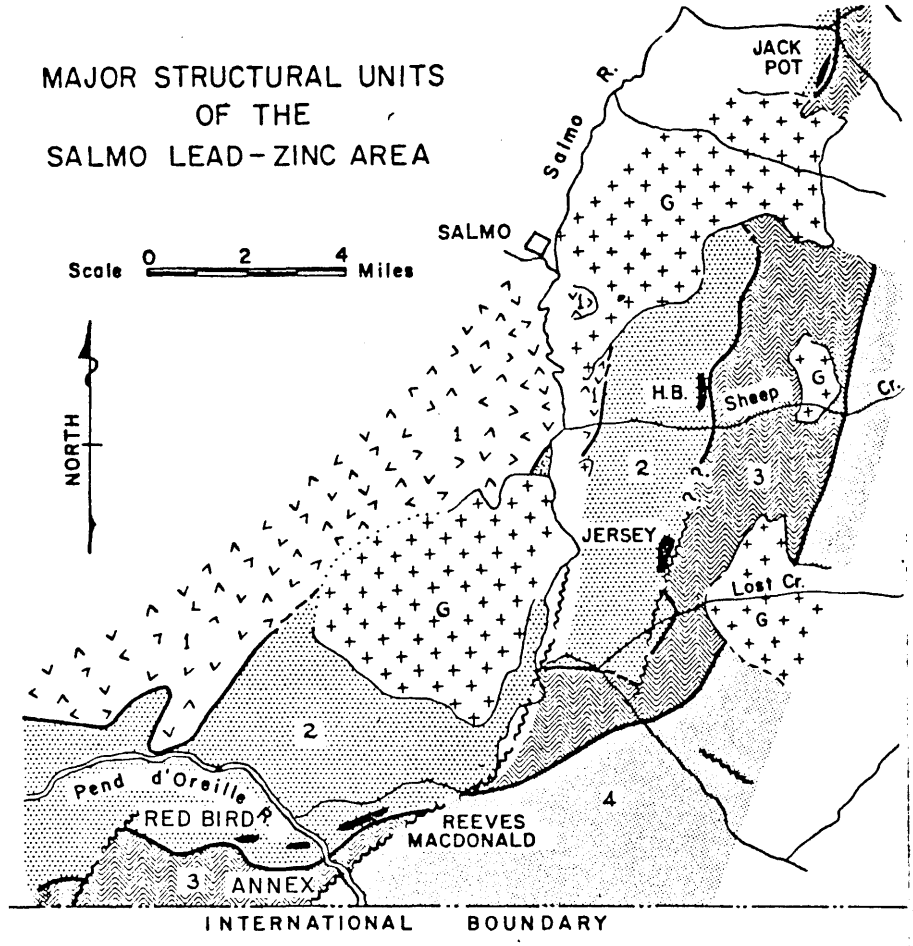
The Nor claims were staked in 1981 by Gerry Klein, P.Eng., who had been mine geologist at Remac, and who recognized the potential for sulphide ore at depth on the Red Bird property.

In 1985, Golden Eye Minerals secured a lease on the Red Bird, Grouse and Caviar properties property from Diem Mines Ltd., and an option on the Nor Claims from Klein.

REGIONAL GEOLOGY:

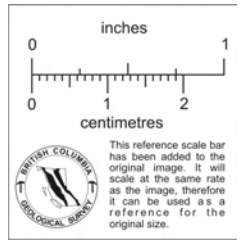
The Red Bird property is situated near the south end of the "Kootenay Arc", described by Fyles and Hewlett (1959) as a curving belt of limy sedimentary rocks of early Paleozoic (mainly Cambrian) age folded around the Cretaceous Nelson and Kuskanax Batholiths. The Kootenay arc is characterized by significant Zinc-lead-silver deposits in Cambrian "Reeves" or "Badshot" carbonates extending from the Lead Point area, near Northport, Washington to the numerous deposits north

MAJOR STRUCTURAL UNITS OF THE SALMO LEAD-ZINC AREA



LEGEND

- Mesozoic volcanic rocks
- Cambrian sedimentary rocks, (Quartzite Range and Reno formations, Laib group)
- Ordovician (?) black argillite (Active (?) formation)
- Cambrian sedimentary rocks, (Quartzite Range, Reno and Nelway formations, and Laib group)
- Granitic rocks
- Major thrust faults
- Transverse faults
- Lead-Zinc orebodies



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SALMO AREA

REGIONAL GEOLOGY

Aug 1985 FIG. 3

Formation	Member	Sheep Creek Anticline, South Side of South Salmo River: Approximate Thickness (Feet)	Sheep Creek Anticline, South Side of South Salmo River: Lithology	Truman Hill-Emerald Mine Area, Composite Section: Approximate Thickness (Feet)	Truman Hill-Emerald Mine Area, Composite Section: Lithology	Reeves MacDonald Mine Area, Composite Section: Approximate Thickness (Feet)	Reeves MacDonald Mine Area, Composite Section: Lithology
Nelway.		Top not exposed.	Grey dolomite containing distinctive black masses with small white spots.				
		500 (?)	Dark blue-grey fine-grained limestone with thin argillaceous beds.				
		Gradational contact.					
Laib.	Upper Laib.	3,000	Grey calcareous phyllite, grey brown and green phyllite; thin calcareous lenses.	Top not exposed.	Grey and brown micaceous quartzite; minor green phyllite, black argillite, and limestone.	Top not exposed.	Green and grey phyllite, grey and brown micaceous quartzite, minor limestone lenses.
	Emerald.		Brown-weathering grey siliceous argillite.	200–300	Black calcareous argillite.	500	Black, crenulated calcareous phyllite.
	Reeves.	450	Grey, poorly banded limestone.	350	Interbanded white grey and black crystalline limestone.	130	Banded grey and white limestone.
	Truman.	350	Green phyllite.	100	Brown skarny calcareous argillite.	60	Green and brown phyllite, white limestone.
			Grey-green and brown phyllite, with calcareous lenses most common near the base.		Brown micaceous argillite.		
					Brown argillite with thin calcareous beds.		
					10–20 feet of white crystalline argillaceous limestone.		
		Conformable contact.					
Reno.	Upper Reno.	60	Blocky grey quartzite, of which the upper 30 feet contains coarse calcareous quartzite; cross-bedded.	40–50	Blocky grey quartzite with lenses of calcareous quartzite, micaceous quartzite, and minor limestone.	5–10	Blocky grey quartzite.
	Lower Reno.	560	Grey micaceous quartzite and dark-grey to black phyllite.	500	Grey-brown to grey micaceous quartzite with grey blocky beds near the base	230	Dark-grey micaceous quartzite interbedded with dark-grey to black phyllite.
		Conformable contact.					
Quartzite Range.	Upper Navada.	250	White quartzite beds as much as 2 feet thick.	135	White quartzite, beds less than 1 foot thick.	35	Thin-bedded white quartzite.
	Lower Navada.	400	Thin-bedded greyish-white quartzite and dark grey-brown micaceous quartzite, some greenish-grey phyllite.	100	Brown micaceous quartzite with greyish-white beds.	100	White grey and brown quartzite interbedded with grey and green phyllite.
						65	Greenish phyllite and grey-brown quartzite.
						20	Interbedded grey and white limestone and greyish-brown phyllite.
						100	Greyish-brown phyllite and quartzite.
	Nugget.	Base not exposed.	Massive white quartzite.	Base not exposed.	Nugget (?) massive white quartzite.	Base not exposed.	Massive white quartzite.

Figure Columnar sections of Cambrian rocks, Salmo area (from Fyles and Hewlett, 1959).

GEOLOGICAL MAP
OF THE
SALMO LEAD-ZINC AREA

WEST KOOTENAY DISTRICT
BRITISH COLUMBIA

Scale 1000 0 1000 2000 3000 4000 5000 Feet

Contour interval 200 feet

Geology by J.T. Fyles and C.G. Hewlett 1952-1955

LAIB FORMATION

7 UPPER LAIB UNDIVIDED: phyllite, schist, micaceous quartzite, and minor limestone

6 EMERALD MEMBER: black phyllite and argillite

5 REEVES MEMBER: grey limestone, minor dolomite

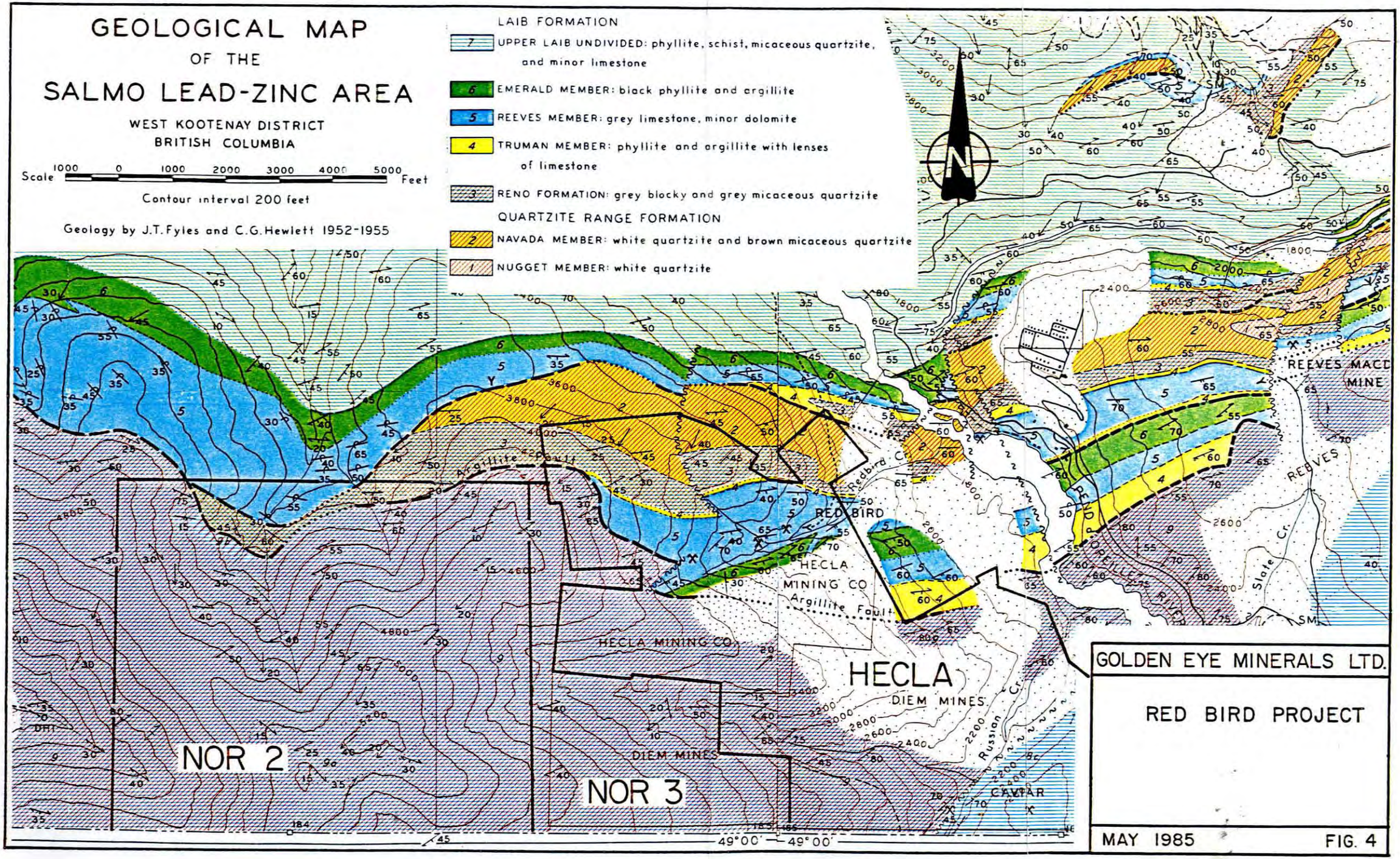
4 TRUMAN MEMBER: phyllite and argillite with lenses of limestone

3 RENO FORMATION: grey blocky and grey micaceous quartzite

QUARTZITE RANGE FORMATION

2 NAVADA MEMBER: white quartzite and brown micaceous quartzite

1 NUGGET MEMBER: white quartzite



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RED BIRD PROJECT

MAY 1985 FIG. 4

of Revelstoke. Metamorphic grade in the zone varies from chlorite assemblages to sillimanite zones. Deposits occur at several stratigraphic levels within the belt and vary from replacement deposits to metamorphosed sedimentary exhalative deposits; these are well described by Muraro, (1966) and the major deposits are shown on the accompanying Figures.

GEOLOGY OF THE RED BIRD PROPERTY:

The Red Bird deposit occurs at the southwest end of "The Mine Belt", a broad zone of Proterozoic to Ordovician rocks bearing stratiform zinc-lead-silver deposits that have been folded and cut by transverse, normal and thrust faults.

Stratigraphy in the Red Bird area, as shown in the accompanying stratigraphic column, includes the lower Cambrian Quartzite Range Formation, and the Reno and Laib Formations, in ascending order. To the south and west, the Ordovician Active Argillite is thrust over the Cambrian rocks.

The Laib Formation is subdivided into the Emerald schist, Truman Argillite, Prospect Dolomite, Reeves Limestone, and Upper Laib Member. Dolomitized portions of one band of the Reeves Limestone are the main hosts for the zinc-lead mineralization, although less important deposits are also known in the Prospect Dolomite and Nelway Formations. Deposits in the area, mined from this band of the Reeves Member include the Emerald and Jersey mines,(Placer Development Ltd.), the H.B. Mine (Cominco), the Reeves Macdonald Mine and the Red Bird Deposit, as shown on the accompanying generalized geological map.

The mineralized zones in the Reeves Member are stratabound massive

sulphides surrounded by dolomite. Origin of the sulphide zones is uncertain; some sections have characteristics of sedimentary exhalatives, but textures and alteration patterns indicative of replacement may also be present. The Reeves Ore Zone had a total mined and explored length of 6500 feet, with further plunge extensions likely. Other mineralized zones thought to have the same plunge are the Annex, Annex West, and Redbird Zones, all of which are thought to correlate with oxidized mineralized horizons present on the Reeves MacDonald claims (see Long Section).

The mineralized zones occur in one particular band of the Reeves Member on the south limb of a regional anticline, the Salmo River anticline, mapped by Fyles and Hewlett. At least three other carbonate bands are correlated with the Reeves member, but only the Prospect Dolomite has significant mineralization. The bands are thought to represent repetitions by folding and faulting.

Dominant structural features east of the Red Bird property are transverse normal faults, which have the effect of displacing the orebodies to a higher elevation, providing better conditions for mining than if the orebodies had continued unbroken. A transverse fault originally postulated to occur within the Redbird property has been disproven by Drillholes 86-2 and 3, and there is now a strong probability that all four mineralized zones, the Reeves, Annex, Annex West and Red Bird zones continue unbroken along the plunge extending throughout the property. At least two additional zones, the Beer Bottle zone and an un-named zone to the west, are thought to be faulted sections of the Red Bird zone. The relationship of these zones is shown in plan and section in the accompanying figures.

The entire Cambrian sequence is capped by the thick graphitic phyllite unit known as the Active argillite (Ordovician), separated from the older units by a low-angle thrust fault.

1985-86 EXPLORATION PROGRAM:

In 1985, Golden Eye Minerals extended a logging road from Church Creek valley toward the Redbird property, and this road was extended to the Red Bird showing late in 1985 and early in 1986 by Teck Explorations Ltd. prior to their drilling program. Funds expended on road building and reclamation in 1985 and 1986 were $ 43,985.26.

Core drilling at the property began Jan 6, 1986 and finished March 18, 1986. Six holes were drilled, but only three of these were completed to depth, (three were abandoned because of drilling problems). Drilling Data are as follows:

1985-86 DRILL PROGRAM

DRILLHOLE	ELEVATION	LOCATION	AZIMUTH	INCL.	DEPTH
GE 86-1	3343.31	971.52N/ 983.25E	340	-60	384 FT
GE 86-1A	3368.59	991.11N 1017.15E	340	-73.5	569 FT
GE 86-2	3570.02	1361.84N 1057.14E	332	-80	2464 FT
GE 86-3	3570+/-	1361.8N 1057.1E	332	-67.5	2203 FT
GE 86-4	3520.27	1647.98N 2711.92	340	-80	755 FT.
GE 86-5	3494.65	1909.12N 2572.96E	340	-81	2454 FT
6 HOLES				TOTAL	8829 FT

Drillholes 1 and 1A, on Nor 3 claim near West Russian Creek were drilled to intersect the down-dip projection of the Redbird oxide zone; both holes encountered bad ground and excessive water and had to be abandoned prematurely. (Betmanis, 1986).

Drillholes 2 and 3 were drilled from the same location above the previous two holes. Weak zinc mineralization was intersected in the Prospect dolomite. Three separate bands of mineralization from 3.5 to 5 feet thick assayed from 1.24 to 4.20% zinc. in DDH GE 86-3. (see core logs in appendix). No mineralization was encountered in the Reeves member, but a strong strike-slip fault is postulated to have displaced the Red Bird zone easterly.

Drillhole 4, about 500 meters to the east was drilled to test the revised interpretation but was abandoned when drilling problems were encountered in the Argillite Fault.

Drillhole 5, collared about 100 meters north (see drill Section), at a steeper angle, sucessfully passed the fault, and encountered a thick section of Reeves member, near the base of which an oxidized zone of mineralization from 2264 to 2312.8 feet (54.8 feet) assayed up to 7.20 % Lead and 8.95 % zinc,with up to 0.83 oz/ton silver, indicating oxidized massive sulphides. The 5 assay samples of oxidized mud with dolomite and sulphide fragments average about 10 % combined lead-zinc, but can not be considered representative, considering poor core recovery. The 5 foot section of dolomite with sulphides directly below the oxidized material assayed 5.64 % zinc, 0.38 % lead, 0.31 oz./ton silver and 0.06 % cadmium.

The material is considered to be the oxidized Red Bird zone, perhaps faulted as well, representing a technical drilling success.

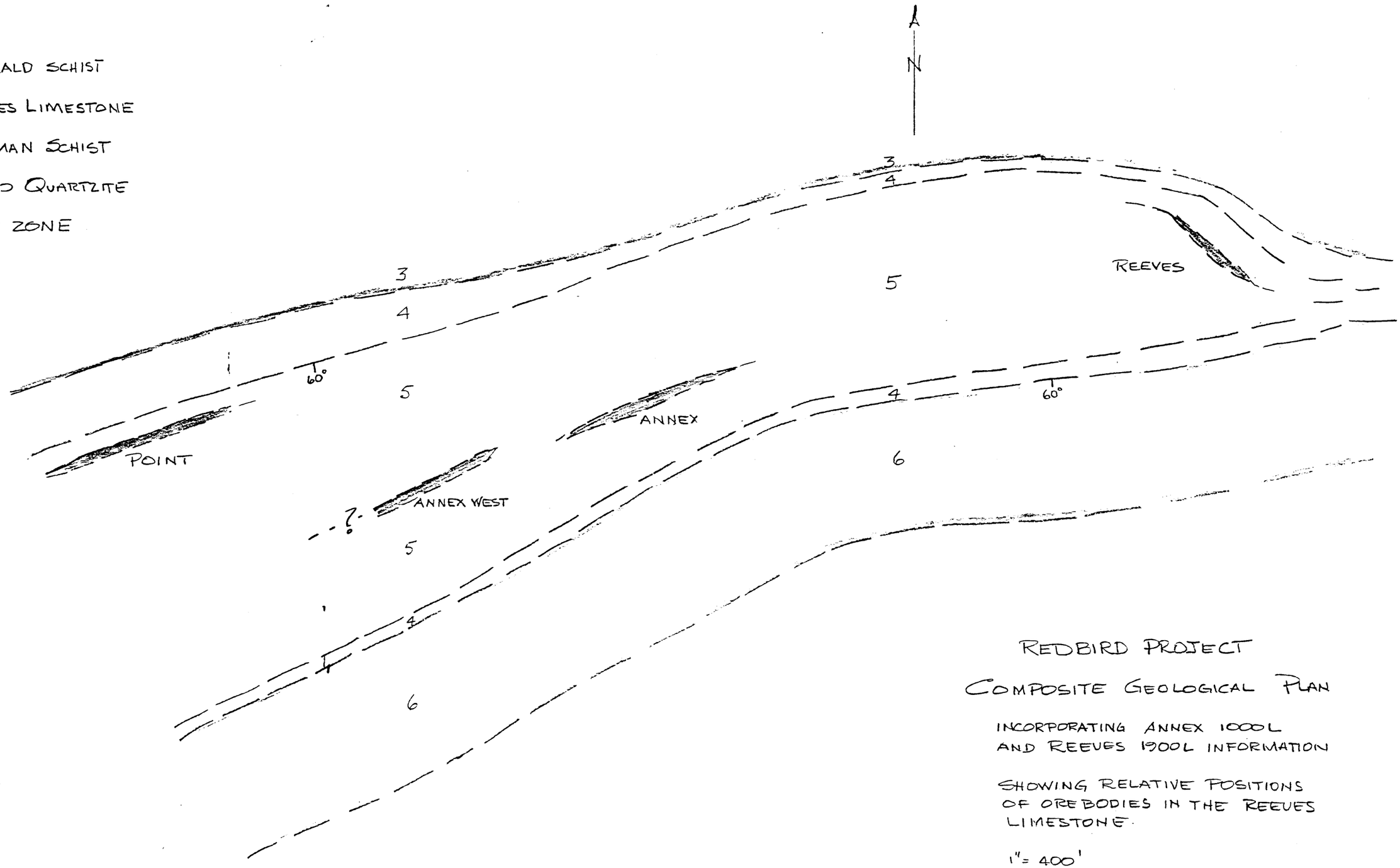
6 EMERALD SCHIST

5 REEVES LIMESTONE

4 TRUMAN SCHIST

3 REND QUARTZITE

ORE ZONE



REDBIRD PROJECT

COMPOSITE GEOLOGICAL PLAN

INCORPORATING ANNEX 1000L
AND REEVES 1900L INFORMATION

SHOWING RELATIVE POSITIONS
OF OREBODIES IN THE REEVES
LIMESTONE.

1"= 400'

FEB 18/86 G.K.

FIGURE 5

LEGEND

- Diamond Drill Hole - vertical projection
- Underground Workings.
- Surface Workings.
- Claim Corner (I.P.) - tied by survey to 1986 work and Red Bird portal.
- Claim Corner (I.P.) - plotted from claim surveys and maps.
- Claim Boundary
- Dirt Road - surveyed by chain and transit.
- Dirt Road - location estimated
- Drill Hole Section

N° 1 CUT
N° 2 ADIT
RED BIRD ADIT
LEAD CUP
L 13466
N° 3 ADIT
DDH "1, "2
DDH "4
BEER BOTTLE CUT
LEAD POT
L 13465
GERTRUDE FR.
L 14081
N° 4 ZONE
N° 4 ADIT
DDH R8-2
N° 2
L 14143
EDNA
L 13471
B
NOR 3
MC 2397
ANNIE
L 13472
DDH "5
ROYAL
L 13469
Lower Ore Bin
Upper Ore Bin
BM 2199
McGEE
L 13473
A
86-3
86-2
RUTH
L 14153
ROYAL FR.
L 14156
To Seven Mile Dam
15½ km.
DDH GE 86-5
CAVIAR 4 FR.
L 15792
DDH GE 86-4
TOUGH NUT FR.
L 15031
This road section approx.
U.S. - Red Bird Access Road
DDH's GE 86-2,3
Core Storage Racks
B'
DDH GE 87-1
To U.S. Border
DDH 86-1
DDH GE 87-2
DDH GE 86-6
CAVIAR 5
L 15790
NOR 3
MC 2397
DDH 86-1A
A'
LARCH 3 FR.
L 15804

inches
0 1
0 1 2
centimetres

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FIG 5A

GOLDEN EYE MINERALS LTD.

RED BIRD PROJECT

DRILL HOLE LOCATIONS

PEND D'OREILLE RIVER NELSON M.D., B.C.

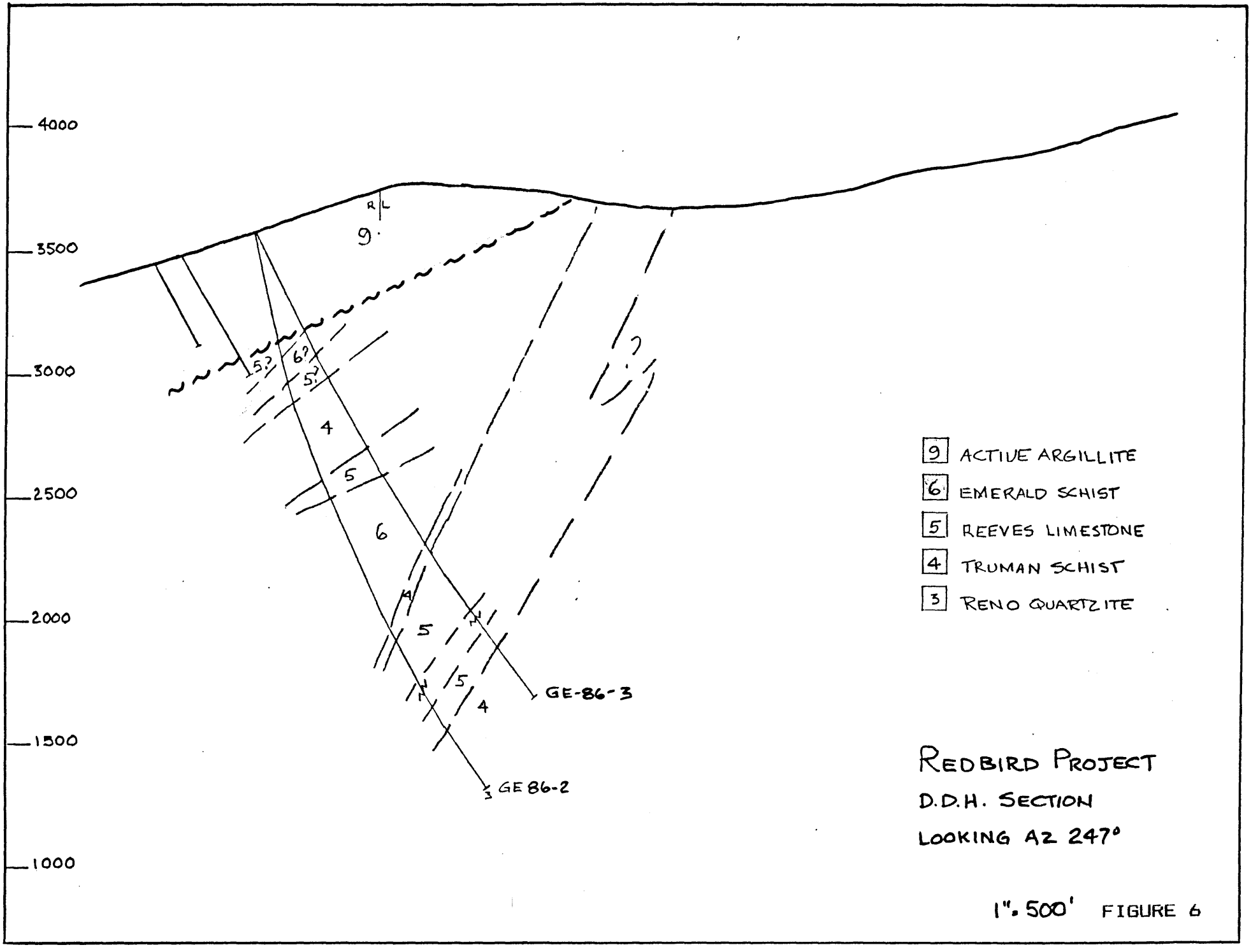
0 100 200 300 Metres
0 500 1000 Feet

SCALE 1:4800

DRAWN BY : G. K.

CHONG

FEB 10 1987


4000
3500
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5?
6?
5?
4
5
6
5
5
4
GE-86-3
GE 86-2
9 ACTIVE ARGILLITE
6 EMERALD SCHIST
5 REEVES LIMESTONE
4 TRUMAN SCHIST
3 RENO QUARTZITE
REDBIRD PROJECT
D.D.H. SECTION
LOOKING AZ 247°
1" = 500'
FIGURE 6

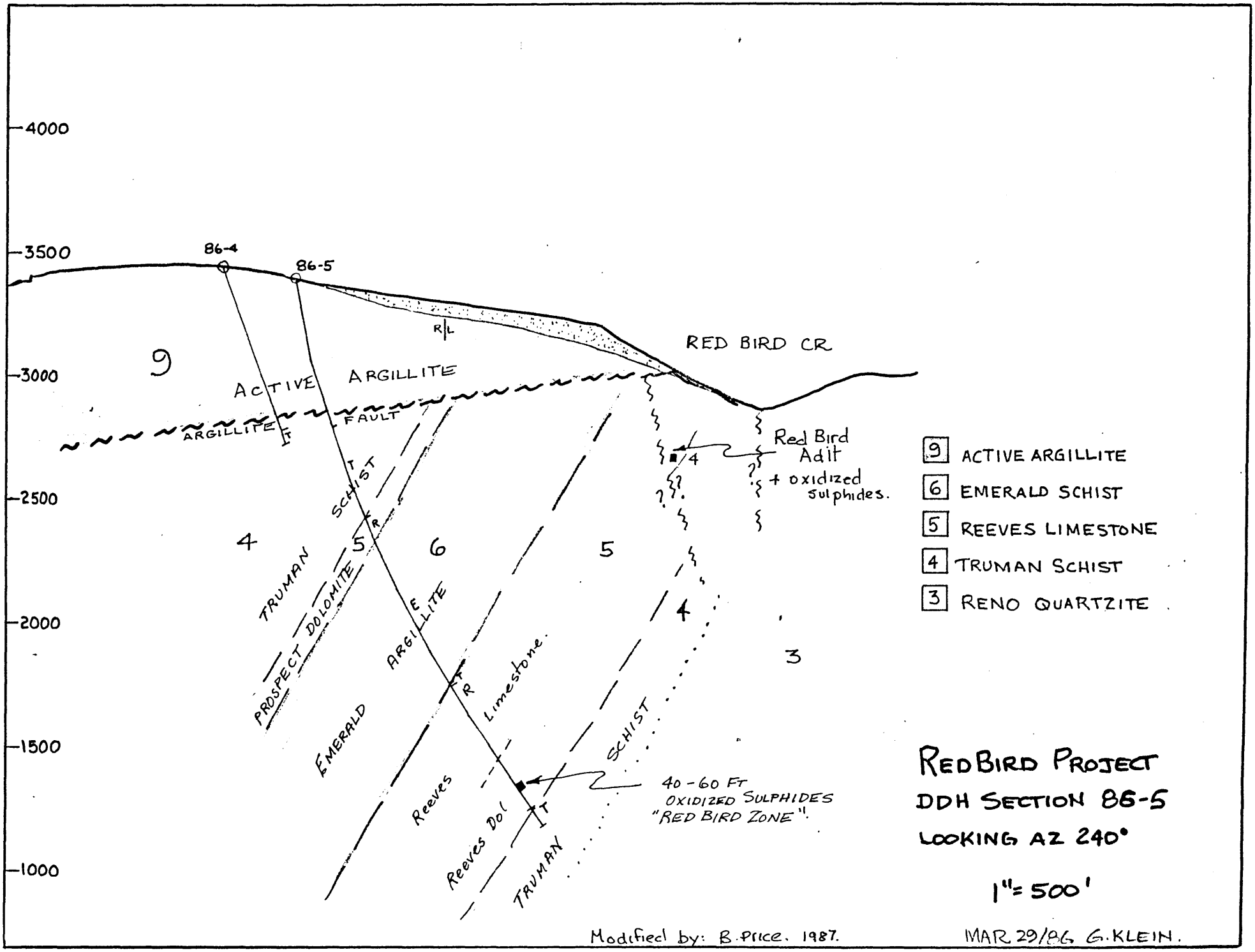

4000
3500
3000
2500
2000
1500
1000
86-4
86-5
R/L
RED BIRD CR
9
ACTIVE ARGILLITE
FAULT
ARGILLITE
T
SCHIST
R
4
5
6
5
4
3
TRUMAN
PROSPECT DOLOMITE
EMERALD
ARGILLITE
Limestone.
Reeves
Reeves Dol
TRUMAN
SCHIST
Red Bird Adit
+ oxidized sulphides.
40 - 60 FT OXIDIZED SULPHIDES "RED BIRD ZONE".
9 ACTIVE ARGILLITE
6 EMERALD SCHIST
5 REEVES LIMESTONE
4 TRUMAN SCHIST
3 RENO QUARTZITE
RED BIRD PROJECT
DDH SECTION 86-5
LOOKING AZ 240°
1"= 500'
Modified by: B. Price. 1987.
MAR 29/86 G. KLEIN.

FIGURE 7

Overall cost of the initial drill program was in the order of $400,000 (funded by Teck Explorations Ltd.), of which $343,919.65 was filed for assessment purposes in 1986.

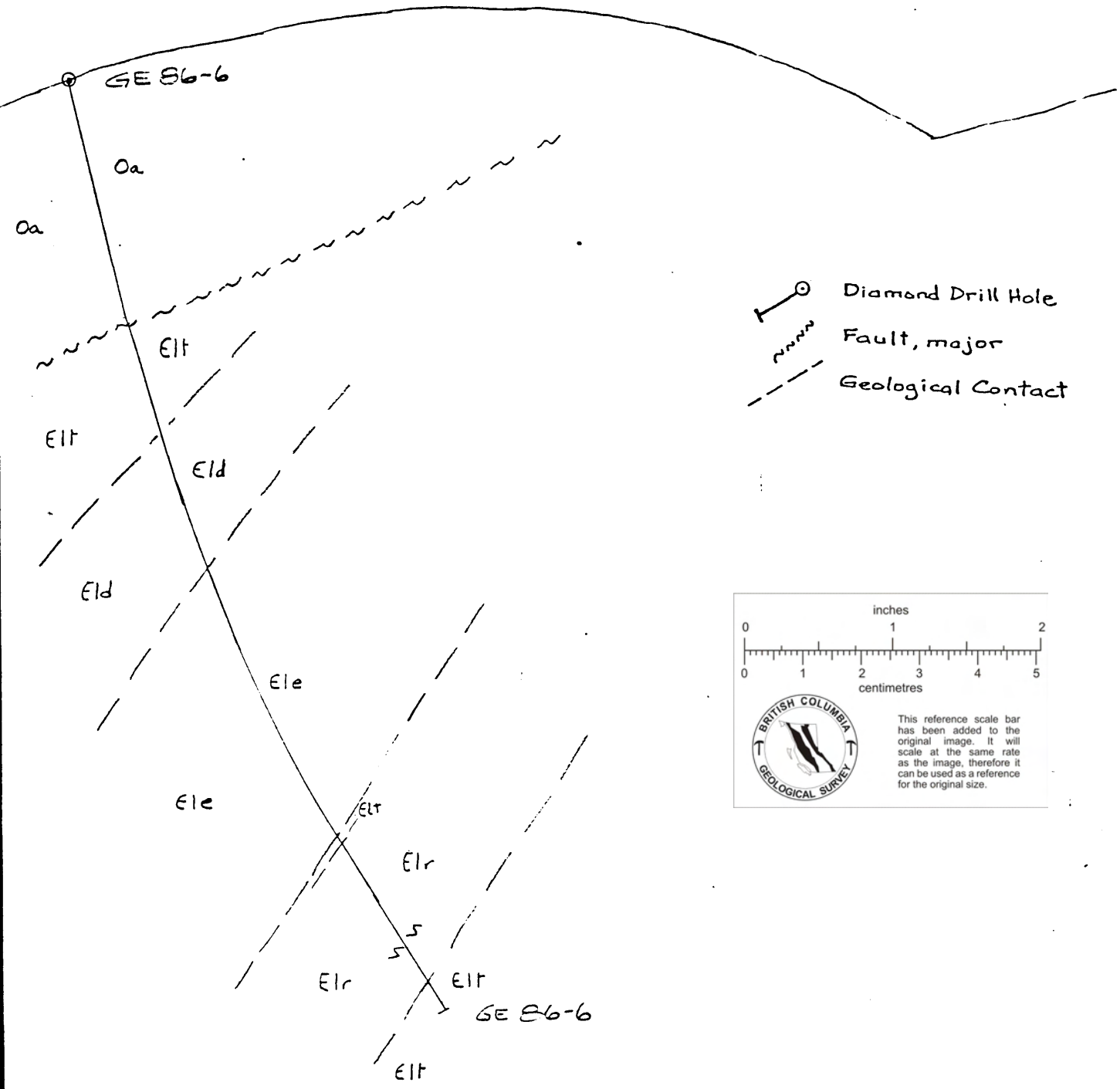
1986-1987 EXPLORATION PROGRAM:

With funding provided by Knights Mineral Partnership Ltd. and a Provincial Government "FAME" grant, a drill program of two holes commenced November 15, 1986 and was completed February 12, 1987.

Drillhole 86-6 was spotted at 3300 feet elevation, 260 feet west of the southeast corner of the Royal Fraction Claim (Lot 14155). The hole was started at azimuth 330 degrees and inclination -80 degreees; at total depth 3313, Sperry Sun instrument readings indicate azimuth 337 degrees and inclination -57 degrees.

The drillhole cored the expected sequence; Active Argillite to 899 feet, an unnamed Limestone unit 899 feet to 921 feet, a major fault from 921-929 feet, Emerald schist from 929-951 feet, Truman Limestone and schist from 951-1186, Prospect Dolomite from 1186 to 1684 feet, Faults and argillite from 1684 to 1765, The "Argillite Fault", Emerald Schist from 1765 to 2667, argillite from 2667-2677, Truman Limestone from 2677-2687, Reeves Member (Limestone and Dolomite) from 2687-3204, and Truman Limestone and Schist from 3204 to the end of the hole at 3313.

Drillhole 86-6, intended to test the Redbird mineralized zone below the oxidized intercept in DDH 86-5 evidently was steeper than anticipated, and passed below the plunge of the mineralization by a distance estimated by Klein to be 400 to 600 feet. Scattered mineralization was present in the Prospect Dolomite, and a narrow section of up to 20% pyrite with minor sphalerite and galena from 3187



Ordovician

Oa Active Argillite

Cambrian (Laib Formation)

Eld Prospect Dolomite

Eleu Upper Emerald Cherty Phyllite

Ele Emerald Phyllite, Argillite

Elt Truman Limy Argillite, Limestone

Elr Reeves Limestone & dolomite

GOLDEN EYE MINERALS LTD

RED BIRD PROJECT

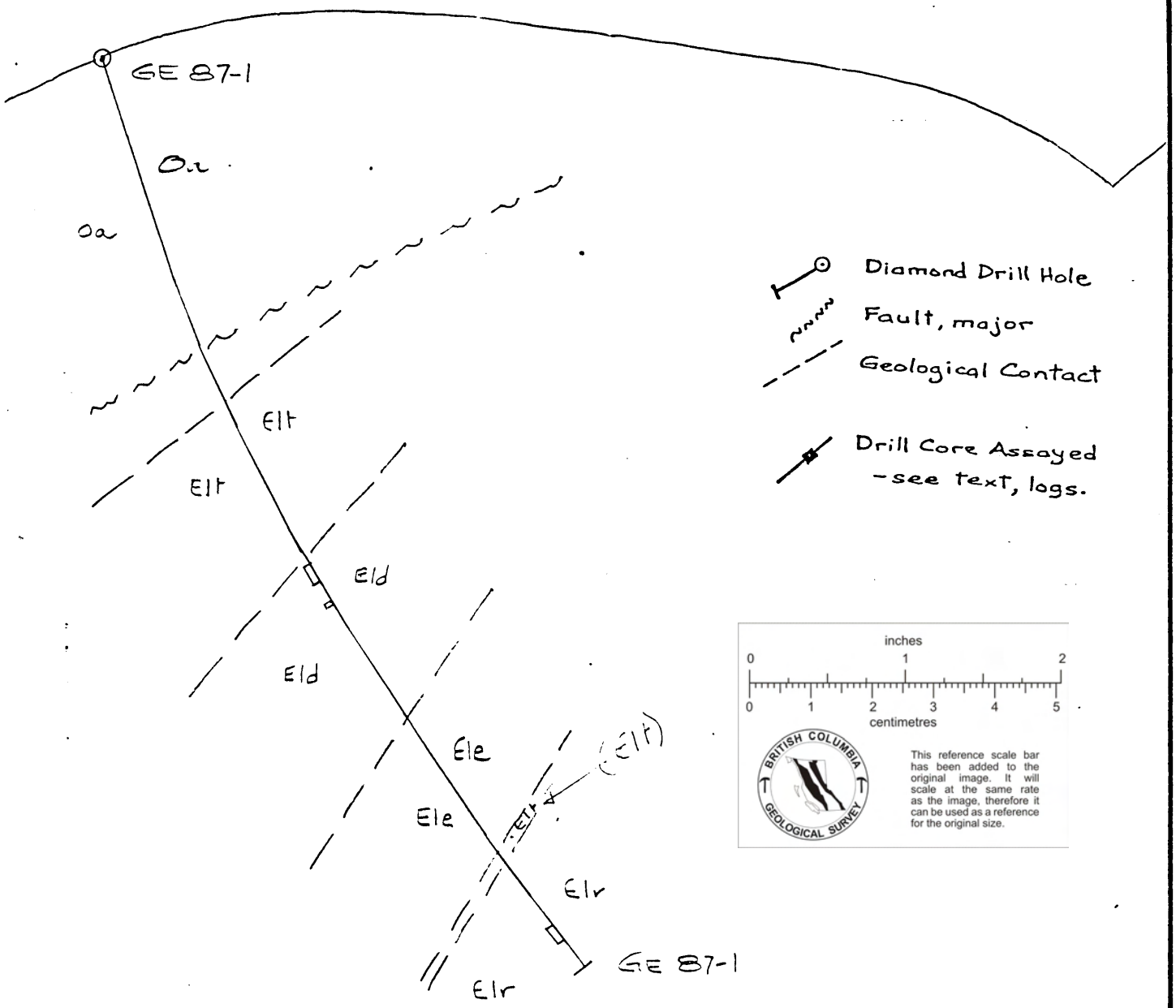
D.D.H 86-6

LOOKING AZ 240

1" = 500'

FEB 10/87 G KLEIN P.ENG.

FIGURE 8



	Ordovician
Oa	Active Argillite
	Cambrian (Laib Formation)
Eld	Prospect Dolomite
Eleu	Upper Emerald Cherty Phyllite
Ele	Emerald Phyllite, Argillite
Elt	Truman Limy Argillite, Limestone
Elr	Reeves Limestone & dolomite

GOLDEN EYE MINERALS LTD

RED BIRD PROJECT

DDH 87-1

LOOKING AZ 240°

(NEAR SCALE) 1" = 500'

FEB 10/87 G. KLEIN P.Eng.

FIGURE 9

to 3191.7 returned sub-economic values. This narrow zone may represent the Redbird mineralization beyond the ore-shoot.

Drillhole 87-1: was collared Jan 15, 1987 and completed Feb 4, 1987 at a total depth of 3250 feet. This hole, roughly 1600 feet east of hole 86-6 was selected to intercept the "Annex" mineralized zone about 500 feet down plunge from known mineralization in the most westerly heading of the Reeves Macdonald "Annex" mine. Azimuth at the collar was 330 degrees and inclination -73 degrees. At depth 3030 feet the final Sperry-Sun test indicated azimuth 338 degrees and inclination.

The section cored was comparable in stratigraphy with the previous hole; with the following sequence:

Active Argillite;	0-1077
Limestone, dolomite, schist	1077-1153
Emerald schist	1153-1205
Truman Limestone and schist	1205-1731.5
Prospect Dolomite	1731.5-2205
Argillite	2205-2278
Emerald phyllite	2278-2843
Reeves Member	2843-3250

The hole encountered significant zinc mineralization in the Prospect Dolomite, with the following mineralized intervals:

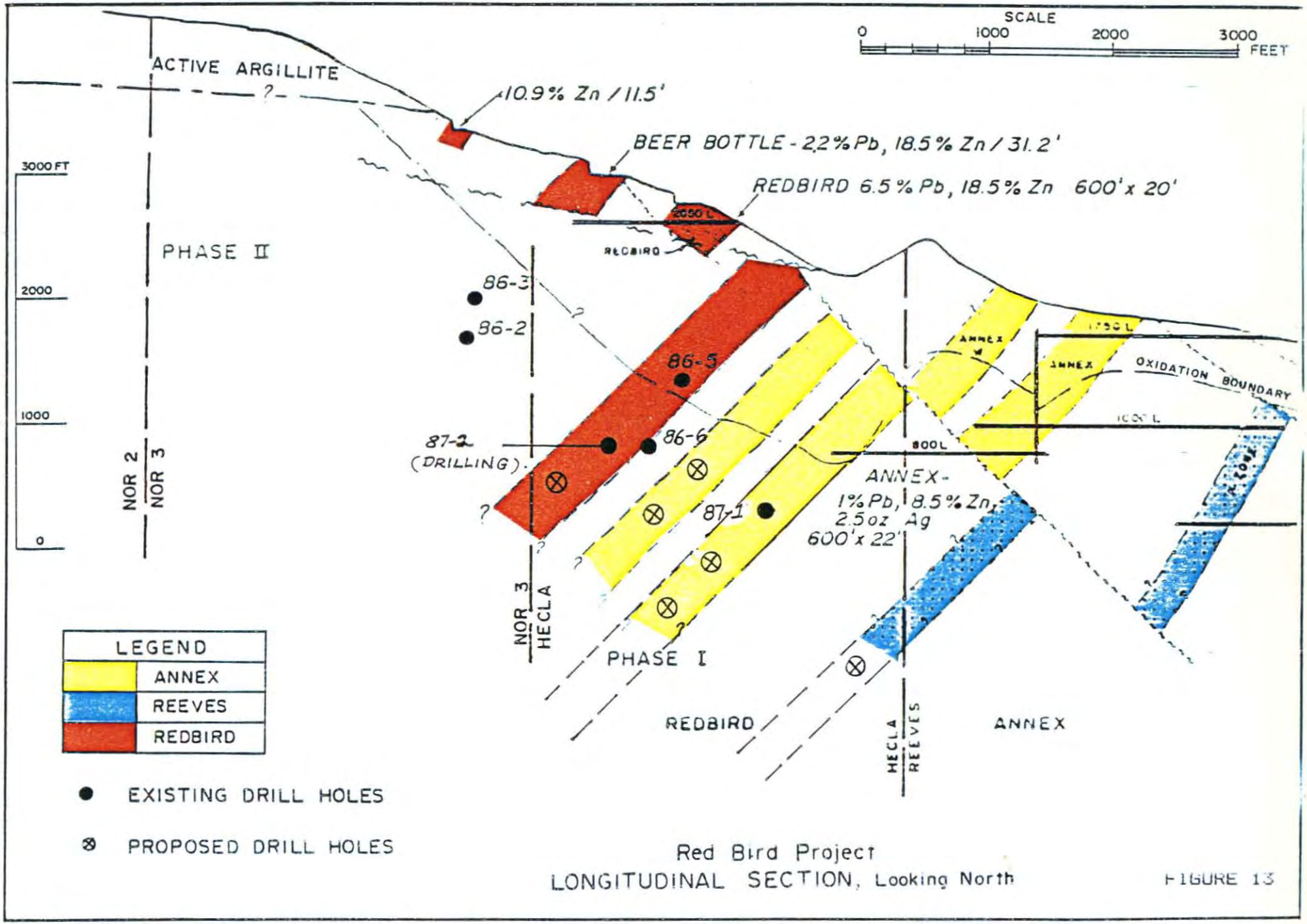
Intercept	Pb %	Zn %	Ag (oz/t)	Cd %	Ge ppm
1733.3-1766.8 (33.5 ft)	0.03	2.26	0.02	N.A.	15.5
1767-1789 (22 ft)	0.03	1.73	0.03	N.A.	19.0
1827.5-1828.5	0.05	1.95	0.07	N.A.	10
1852-5-1857.5	0.11	11.21	0.07	N.A.	15
1862.4-1863.6	0.08	3.60	0.06	N.A.	4
1893.4-1901	0.02	2.07	0.02	N.A.	8.3
1915-1916.5	0.02	1.88	0.06	N.A.	7
2098-2102.2	0.15	4.26	0.09	N.A.	2
2125.5-2128.9	0.04	2.06	0.01	N.A.	1
2154-2157.5	0.09	1.58	0.03	N.A.	2
2169-2171	0.06	2.12	0.01	N.A.	1
2173-2176.6	0.02	0.69	0.01	N.A.	1

The Prospect Dolomite: intersected at 1731.5 feet extends to 2205 feet (Total thickness 473.5 feet). The unit consists of light to dark grey dolomite with a thick cherty layer in the middle. Minor solution cavities are present and a "Tweedy' texture is common. Bands of massive sphalerite and pyrite are present and a total of 86.2 feet of the Formation is mineralized in many separate bands.

The wide section at the top of the unit, from 1733.3 to 1789 feet (54.5 feet thick) averages 2.06 percent zinc, with very minor lead, silver and germanium values. The best section, a 5 foot zone from 1852.5 to 1857.5 feet averages 11.21 % zinc. This is the only section that appears to be of ore-grade, but persistence of the mineralization suggests proximity to an important economic zone which must be further tested, perhaps by wedging from existing drillholes.

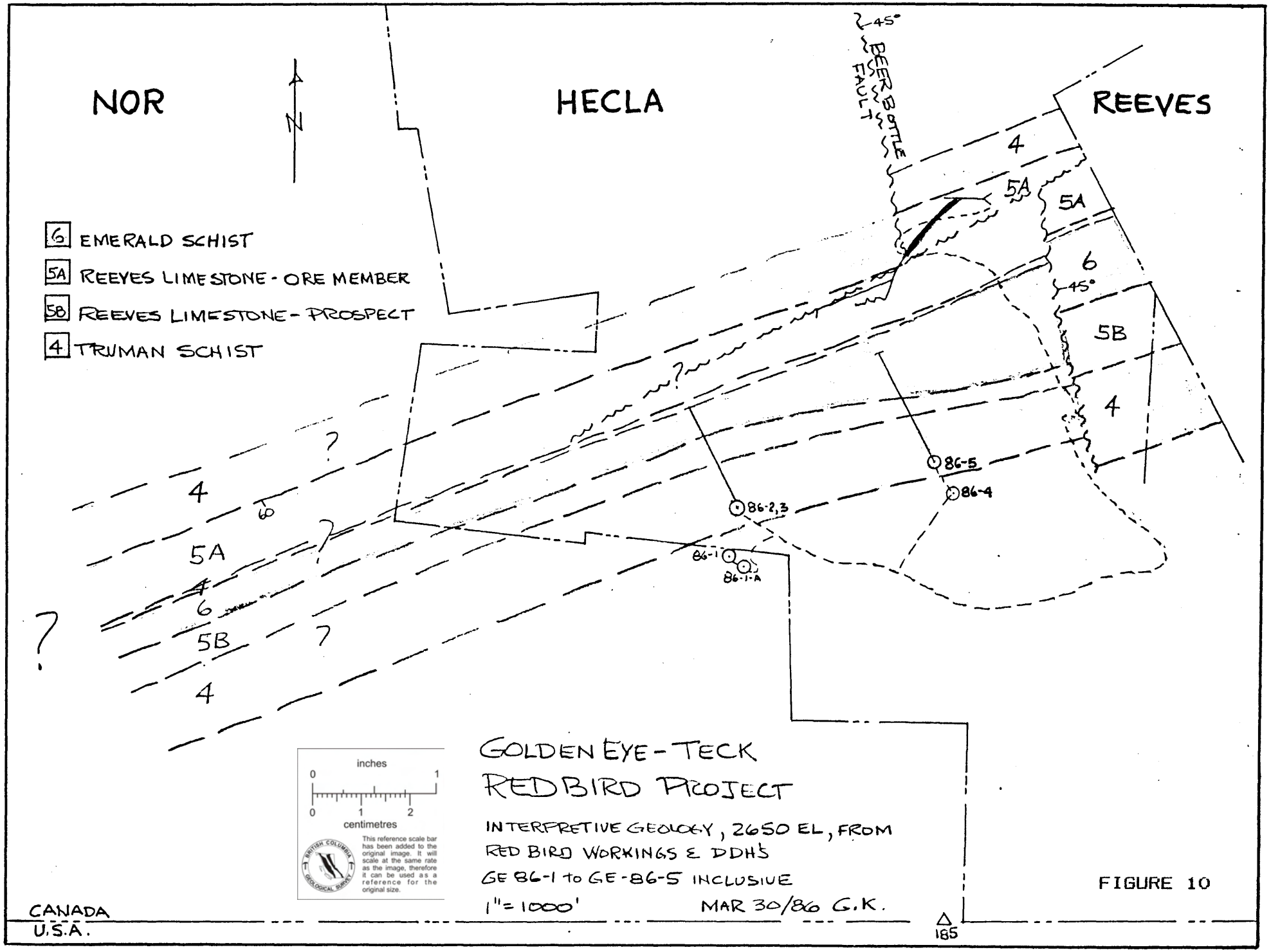
The Reeves Member: intersected at 2857 feet and extending to the foot of the hole at 3250 feet (>393 feet thick) has an upper section (21.5 feet) of limestone, and the balance is massive to blocky dolomite with "Tweedy" texture, host to an important, thick mineralized zone. The zone, from 3080.9 feet to 3134.7 feet (53.8 feet) assays as follows:

Intercept	Pb %	Zn %	Ag (oz/t)	Cd %	Ge ppm
3080.9-3134.7 (53.8 ft)	0.87	7.97	1.64	0.085	22.7
including:					
3099-3125 (26 ft)	1.64	10.0	2.21	.10	29.25



Red Bird Project
LONGITUDINAL SECTION, Looking North

FIGURE 13


NOR
HECLA
REEVES
N
6 EMERALD SCHIST
5A REEVES LIMESTONE - ORE MEMBER
5B REEVES LIMESTONE - PROSPECT
4 TRUMAN SCHIST
BEER BOTTLE FAULT
45°
86-5
86-4
86-2,3
86-1
86-1-A
inches
centimetres
This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.
GOLDEN EYE - TECK
REDBIRD PROJECT
INTERPRETIVE GEOLOGY, 2650 EL, FROM
RED BIRD WORKINGS & DDH'S
GE 86-1 to GE-86-5 INCLUSIVE
1"=1000'
MAR 30/86 G.K.
FIGURE 10
CANADA
U.S.A.
185

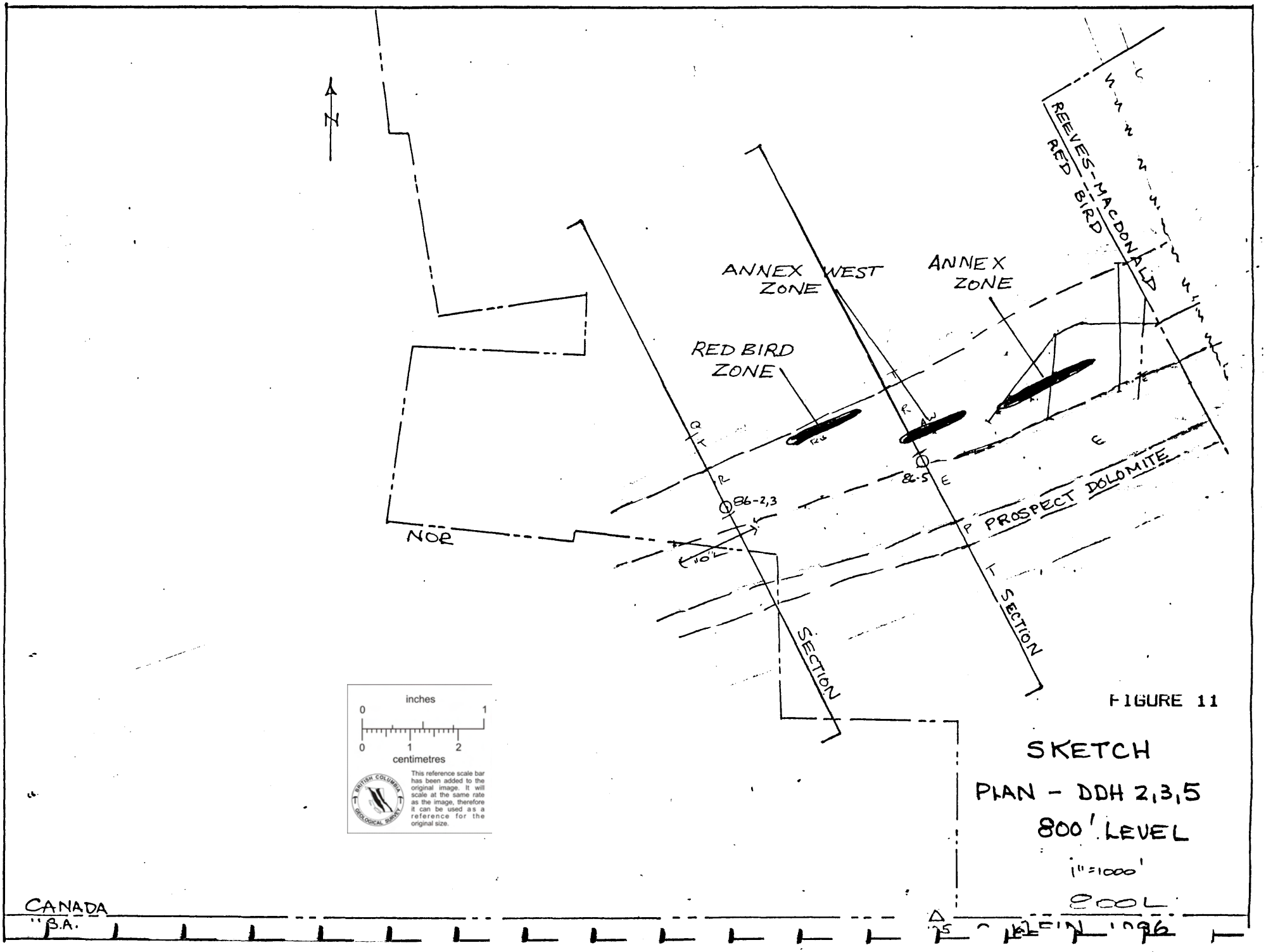


FIGURE 11

SKETCH

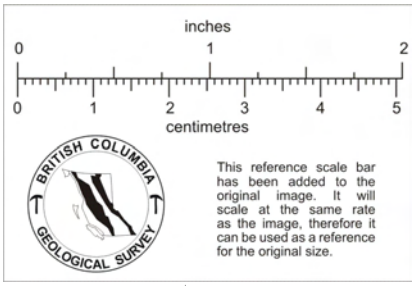
PLAN - DDH 2,3,5

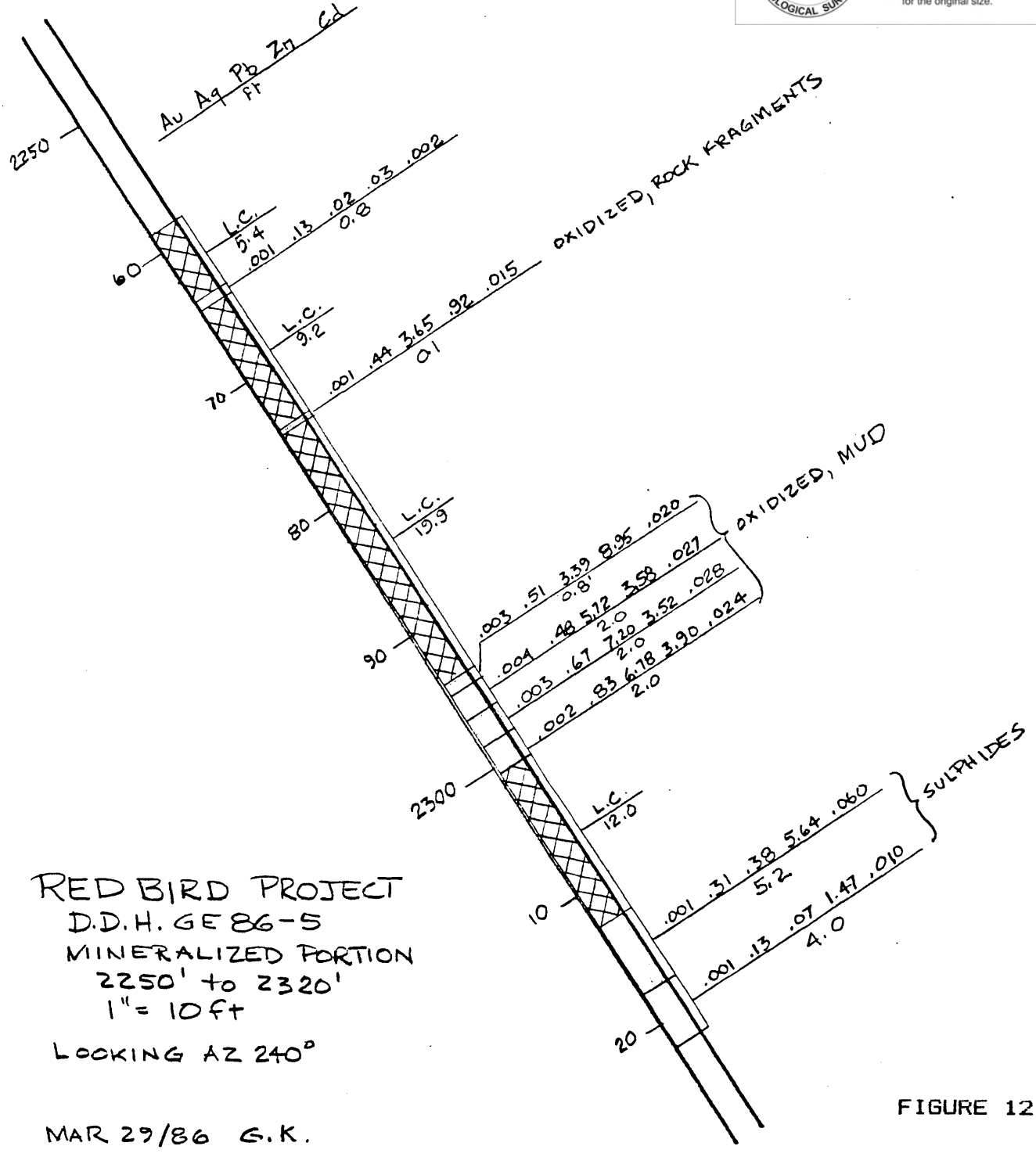
800' LEVEL

1"=1000'

CANADA

B.A.





RED BIRD PROJECT
D.D.H. GE 86-5
MINERALIZED PORTION
2250' to 2320'
1" = 10 ft

LOOKING AZ 240°

MAR 29/86 G.K.

FIGURE 12

EXPLORATION POTENTIAL:

Combination of previous exploration data and information from recent diamond drilling by Golden Eye Minerals Ltd. enables projection of at least four potentially productive mineralized zones on to the Red Bird claims. Arbitrarily a 2000 foot plunge dimension (rake) is chosen for calculating potential. Tonnage potential and Gross Metal Value for each of the four zones is shown on the following table, with the following metal prices assumed: Lead-$0.345 /lb; Zinc - $0.505/lb/; Cadmium - $1.25/lb.; Silver - $7.35/oz. Germanium - $1060 U.S./kg.

MINERALIZED ZONES - RED BIRD/NOR CLAIMS

	RED BIRD	ANNEX	ANNEX WEST	K-ZONE
GRADE LEAD	6.5	1.0	3.5	1.5
GRADE ZINC	18.5	8.0	3.5	4.5
GRADE CADMIUM	.10?	0.09	0.02	0.02
GRADE SILVER	2.0?	2.5	1.0	0.30
GRADE GER-MANIUM	50	22	?	?
WIDTH	20	45	20	20
TONS/VERT.FT	1,200	2,700?	700	900
TOTAL TONS	2.4 M	2.7 M	1.4 M	1.8 M
G.M.V $/TON	$235	$109	$67	$68
GROSS VALUE	$560 M	$294M	$94 M	$122 M

TOTAL GROSS METAL VALUES ALL ZONES: 1,070,000,000.in 8.3 Million Tons.

PROSPECT ZONE:

Some potential for mineable ore exists in the Prospect Dolomite, since the discovery in DDH GE 87-1 of wide sections of near ore grade material.

CAVIAR PROPERTY:

The 16 crown-granted claims comprising the Caviar prospect are owned by Diem Mines Ltd., wholly-owned (since 1981) Canadian subsidiary of Hecla Mining Company., and are included in the lease to Golden Eye Minerals Ltd.

Surface zinc mineralization is exposed for a length of 150 feet and widths up to 20 feet. Four holes were drilled, the best intersection being 20 feet assaying 6.5% zinc. This zone is open to the west and down plunge.

Little is known of this zone, or its relationship to the other mineralization in the area. Exploration is warranted.

MINING CONDITIONS:

The orebodies at the Reeves Macdonald mine lent themselves, because of their steep dip, good width, and favorable ground conditions, to low cost sub-level benching and blast-hole mining methods. Direct operating costs, inclusive of mining, milling, development etc. in June 1973, were $10.62 per ton on a throughput of approximately 18,000 tons. The orebodies were capable of being mined at the rate of one vertical foot per day and milling averaged 1200 tons per day.

Present mining costs have not been calculated, but modern bulk mining methods could be used. A tailings pond area is present on the adjacent property.

CONCLUSIONS AND RECOMMENDATIONS:

The writer concludes that the Redbird property presents an exceptional opportunity to develop economically mineable reserves in an area where logistics are favorable and mining conditions are excellent. The property may contain the nearest zinc-rich reserves to the zinc smelter at Trail.

It is recommended that at least six more deep drillholes be completed to test plunge extensions of all four mineralized zones. If these drillholes are successful, calculation of probable reserves and a mini-feasibility study could indicate that underground development and exploration and environmental studies should begin, with a view to economic production of zinc-lead-silver-cadmium-germanium from an underground mine. The possibility that near surface oxide material may be treated should not be completely ruled out, as large reserves of oxide material are certainly present.

It is likely that an early start on environmental work would be worthwhile. Additional geological mapping should be done during the next summer season, and initial metallurigical testing of mineralized material would be useful.

It is recommended that orthophoto basemaps be prepared and additional surveys be done to tie in roads, drillholes and claim posts with as much accuracy as possible and to aid in surface geological mapping and preparation of reserve estimates.

SUGGESTED EXPLORATION BUDGET:

The preferred targets for exploration are the massive sulphide zones of the Red Bird and Annex areas. Proposed exploration is by surface diamond drilling, construction of an exploration/haulage heading, and underground diamond drilling. Initially, at least 5 surface diamond drill-holes are necessary to determine continuity of all of the mineralized zones. Estimated costs of the next two stages of exploration are as follows.

STAGE I		
Road Building		$ 30,000
Geological work		15,000
Diamond Drilling 18,000 ft @ $35		630,000
Assaying, Metallurgical		10,000
Misc. Costs		25,000
Consulting and Supervision		45,000
		755,000
Contingency 20%		145,000
	TOTAL	$900,000
STAGE II:		
Combined exploration/haulage drift (6000 feet @ $300/ft.)		$1,800,000
Diamond drilling 25,000 ft @$20		500,000
Associated costs Hydro, overhead, Camp and equipment.		1,000,000
	TOTAL	$3,300,000
STAGE III:		
Feasibility Study		1,000,000
Permits, Bonds, Environmntal etc.		
STAGE IV:		
Mill Construction etc.		Costs not estimated

Respectfully submitted:

Barry J. Price M.Sc., FGAC.
Consulting Geologist.
Feb 25 1987.

GEOLOGICAL ASSOCIATION OF CANADA · B. J. PRICE, M.Sc. · FELLOW ·

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ACME ANALYTICAL LABORATORIES LTD.
852 E.HASTINGS ST.VANCOUVER B.C. V6A 1R6
PHONE 253-3158 DATA LINE: 251-1011

DATE RECEIVED: FEB 11 1987

DATE REPORT MAILED: Feb.17/87

ASSAY CERTIFICATE

SAMPLE TYPE: CORES

ASSAYER: D. Toye .DEAN TOYE. CERTIFIED B.C. ASSAYER.

GOLDEN EYE MINERALS FILE # 87-0306

SAMPLE#	Pb %	Zn %	Ag OZ/T	Cd %	Ge PPM
GE 1025	.04	2.06	.01	.010	1
GE 1026	.09	1.58	.03	.010	2
GE 1027	.06	2.12	.01	.010	1
GE 1028	.02	.69	.01	.010	1
GE 1029	.19	4.98	.32	.030	1
GE 1030	.25	4.62	.45	.030	1
GE 1031	.01	.09	.01	.010	1
GE 1032	.02	1.09	.04	.010	1
GE 1033	.01	.54	.01	.010	2
GE 1034	.01	.44	.01	.010	1
GE 1036	.09	10.03	1.35	.110	40
GE 1037	.18	9.67	.77	.110	17
GE 1038	.31	1.06	.09	.010	16
GE 1039	4.87	9.01	2.00	.100	22
GE 1040	1.80	11.35	2.50	.110	30
GE 1041	.29	10.71	2.39	.100	23
GE 1042	.07	9.56	1.30	.110	39
GE 1043	.07	9.67	3.01	.110	35
GE 1044	.06	4.79	.47	.050	20
GE 1045	.10	6.00	3.41	.070	16
GE 1046	.02	.52	.11	.010	9

ACME ANALYTICAL LABORATORIES LTD.
852 E.HASTINGS ST.VANCOUVER B.C. V6A 1R6
PHONE 253-3158 DATA LINE: 251-1011

DATE RECEIVED: JAN 29 1987

DATE REPORT MAILED: Feb 4/87.

ASSAY CERTIFICATE

SAMPLE TYPE: CORES AU* 10 GRAM REGULAR ASSAY

ASSAYER: D. Toye .DEAN TOYE. CERTIFIED B.C. ASSAYER.

GOLDEN EYE MINERALS FILE # 87-0190

SAMPLE#	Pb %	Zn %	Ag OZ/T	Ge PPM	Au* PPB
GE 1005	.01	.52	.03	13	-
GE 1006	.08	3.04	.03	7	2
GE 1007	.01	.23	.01	15	-
GE 1008	.05	2.78	.06	16	-
GE 1009	.03	2.84	.01	19	1
GE 1010	.01	.67	.01	15	-
GE 1011	.02	2.26	.02	17	-
GE 1012	.01	3.32	.02	20	-
GE 1013	.02	1.88	.02	24	-
GE 1014	.02	1.44	.03	16	-
GE 1015	.01	1.56	.04	21	-
GE 1016	.08	1.61	.04	15	-
GE 1017	.03	2.87	.04	17	-
GE 1018	.05	1.95	.07	10	-
GE 1019	.11	11.21	.11	15	11
GE 1020	.08	3.60	.06	4	-
GE 1021	.01	1.06	.01	6	-
GE 1022	.08	6.31	.10	18	-
GE 1023	.02	1.88	.06	7	-
GE 1024	.15	4.26	.09	2	2

GOLDEN EYE MINERALS LTD

PROJECT RED BIRD
PROPERTY NTS 82F/3W
STARTED NOV 15 1986
COMPLETED DEC 9 1986
LOGGED BY G KLEIN.

BEARING AZ 330°
INCLINATION −80°
SPERRY SUN TESTS LAST PAGE.
HQ core to 972, then NQ.
DEPTH

HOLE NO. GE 86-6
COORDINATES 260 feet @ Az 281° from SE Corner pin ROYAL FRL 4155
ELEVATION ASSUMED 3300 feet ASL

DEPTH	DESCRIPTION	SAMPLE NO.	LENGTH
0-13	Casing in Active Argillite, tricored, Hcore		
13-55	ACTIVE ARGILLITE, med gy, graphitic, py partings, occ bleb & lens py to ½". loc contort, occ cherty sect L's to core axis gen 80°		
55-90	As above, blocky sect 55-65, nodular cherty sects to 2', L's 70° c.a.		
90-132	as above, minor folds & contorts in core L's gen 70° c.a.		
132-147	as above, occ cherty sect to few inches, gen 70° c.a.		
147-189	Actwe, med-dk gy, graphitic, wavy banding to sects, occ minor py band & 2% dissem py. L's gen 80° c.a. occ minor broken zone, minor fault 30° c.a. @ 173		
189-228	as above, sheared & contort sects, blocky 202-228		
228-233.5	FAULT ZONE, much graphite, many slip surfaces gen 45° c.a., 2' sect rotten lamp dyke, minor qtz carb veining.		

NO. 86-6 P.C

293.5-305	ACTIVE ARGILLITE, med gy, occ limy parting, Ls gen 80° c.a. 1' fault zones @ 279, 282, 292 & num minor shear zones gen 30° c.a.
305-332	As above, gouge zone 4' @ 322, flt appears 40°-60° c.a.
332-455	ACTIVE, competent, graphitic, crenulated sects occ bleb qtz & occ py str. 3% py throughout. Ls gen 65°, c.a. but vary. 3" qtz vein @ 80° @ 429.5.
455-510	As above, some minor folds. Ls gen 70° c.a. Silic sects to a few inches 486-506
510-542	as above, qtz ankerite(?) veining to 2" Ls gen 75°-80° c.a. 3-5% py. siliceous sects 517-542
542-546.	Lamp dyke, cts @ 45° c.a.
546-569	Active, cherty sects, loc contort, Ls gen 70°, to 40° c.a. @ end. qtz veining along argillite @ 561
569-585	FAULT - 2 gouge zones - 20°-30° c.a. Some qtz veining, 4" healed bx zone.
585-637.5	ACTIVE, contort, gen 65° c.a. occ qtz vein to 1"
637.5-682.	as above, occ qtz vein to 3". cherty sects, minor py Ls gen 60° c.a.
682-688	FAULT minor lamp dyke & qtz veins, broken argillite.
688-695.3	Lamp dyke, green tinge.
695.3-755	ACTIVE, dk gy to black, silic sects, upper ct broken for 1' & gouge. Ls gen 70°, blocky zone 717-719.

DEPTH	DESCRIPTION	NQ LENGTH					PC1	P2			
755-772	ACTIVE, black, less silic than above. occ qtz vein. 2" gouge @ 764, blocky zone 763-772, ∠s vary but gen 75° c.a.										
772-819	ACTIVE, dk gy, silic. occ qtz vein, ∠s gen 75° c.a. very silic 787-802, occ blocky sect.										
819-824	FAULT - sects gouge & very broken arg, 2' L.C. this sect. FAULT @ 20° c.a.										
824-869.5	MAJOR FAULT - in arg, silic. qtz veins @ 30° c.a. & ⊥ to bedding, broken sects, healed bx zones, crushed zone @ 862, 1" gouge @ 866, FAULT appears to be 40° c.a.										
869.5-887	ACTIVE, irreg banding, rel competent.										
887-894	ACTIVE argillite, dk gy, 3% py, bedding more regular @ 65° c.a.										
894-899	Lamp dyke, med green-gy, loc weathered, sects lt my argillite @ 894.5. 60° c.a.										
899-909	LIMESTONE, thin banded, mostly dk gy, occ thin white band, 60° c.a. upper ct distorted & leached, thin sects dyke.										
909-921	limestone, med gy, many graphitic partings, 60° c.a.										
921-929	FAULT ZONE sects dyke (lamp), gouge, schist, bxd limestone & 1" coarse calcite @ 929. 4' L.C. @ 925.										
929-951	EMERALD ??? crenulated calcareous phyllite-schist 60° c.a., loc lower to 20° ca										
951-988.5	TRUMAN limestone, med blue-gy, 45°-60° c.a.										
972	REDUCE FROM HQ TO NQ CORE.										

DEPTH	DESCRIPTION	LENGTH
988.5-1018.5	TRUMAN lt grn-gy sericite schist, 3" gouge @ start, 60° c.a. uniform. 3' limestone sect @ 1012 1.5' sect highly weathered soft zone @ 1017	
1018.5-1065	TRUMAN limestone, lt gy, upper ct minor leaching on fracts. occ sect sericite schist 60° c.a. well banded last 10' 1' sect fg dark lamp dyke @ 1061.	
1065-1105	TRUMAN sericite schist, med gy-grn, 2" gouge sects @ 1073 & 1074. Ls gen 60° c.a. minor sects l.s. .5' qtz @ 1096.	
1105-1137	TRUMAN limestone, med gy-blue, well banded, occ minor sect greenish schist, 55° c.a., 2' lamp dyke @ 1122	
1137-1183	darker gy-blue l.s., more schistose partings, 50°-45°	
1183-1186	Bx'd zone, completely healed with calcite, Low Ls.	
1186-1255.	PROSPECT DOLOMITE, translucent gy, blocky, calcite healed fractures. minor leaching. 45° c.a. few grains ZnS @ 1224, & py strs. 1' sect 20% py @ 1231, minor ZnS. Str ZnS @ 1237.5.	
1255-1450	PROSPECT dolomite, lt gy, loc "tweedy", occ irreg str py, minor grains ZnS & PbS I From 1290-1293. loc blocky core. Ls gen 45° c.a. 10% py & 2% ZnS @ 1301-1302. occ minor leached spot. Bx'd & healed zone 1331.0-1338.5 →	

DEPTH	DESCRIPTION	LENGTH
1255-1450	cont - 1' gouge @ 1394, gy lamp dyke 1418-1423. few grains ZnS last foot.	
1450-1460	conformable med gy silic dol, py bands, 50° c.a. occ minor leached spot.	
1460-1572	Chert - or other vfg silic sed, 20-30% qtz carb veinlets or (augen?). Very hard. occ leached spot Ls gen 40° c.a. lamp dyke 1465 - 1467 30% py 1562 - 1563	
1572-1684	DOLOMITE, very siliceous, dk gy, qtz carb veining, occ py band to 1/4". Splashes ZnS in qtz carb veinlets @ 1601. occ minor leached spot Ls gen 40°. Brittle core. 2' L.C. @ 1622 3'. L.C. @ 1656-1682.	
1684-1736	FAULT ZONE in silic dolomite, argillite & limestone. Many shiny graphitic slips 40°-20° c.a. 4/10' lamp dyke @ 1718.	
1736-1757	argillite, black, some very shiny black graphitic slips, occ spot qtz carb. 50° c.a.	
1757-1765	FAULT ZONE, broken core & gouge, 2 sects 1" py. 1762-1765 - green lamp dyke.	
1765-1886	EMERALD phyllite, black, loc silic, calcareous partings, py spots Ls gen 40°-45°	
1886-2054	EMERALD, silvery gy schist, carb partings, loc drag folds. occ py spot, wavy banding Ls gen 55° conform lamp dyke 2014-2018	

DEPTH	DESCRIPTION	SAMPLE No.	LENGTH			06-61.6				
2054-2110	EMERALD, As above 80°-30° c.a., gen 55° conform qtz carb veins & dyke 2106-2107.5									
2110-2175	EMERALD, as above, L's vary, av 45° c.a. lamp dyke 2122-2130, qtz carb veining 2136-2148, qtz veining & lamp dyke 2168-2175.									
2175-2205	FOLD AXIS ? apparent reversal in L's in core. crest @ 2182-2200. Ls - 30°-0°-0°-0°-30°, core fitted. wavy banding.									
2205-2257	EMERALD, several qtz veins to .7' 2212-2232. Ls - 30-45-60-90-70-60- no apparent dip reversal.									
2257-2390	EMERALD, many contortions, 55°-60° c.a., minor qtz strs. occ minor ls band 2319-2324.									
2390-2395.5	Lamp dyke, conform.									
2395.5-2536	EM schist, occ minor ls band. Graphite slips 2407-2437 // bedding & @ 2507-2515. L's gen 60° c.a - 65° c.a.									
2536-2667	EMERALD schist, 60°-65° c.a., occ minor conform qtz vein conform lamp dyke 2578-2581.5 1.3 conform lamp dyke @ 2648									
2667-2677	Siliceous argillite, occ py strk 60-65° c.a. mud in box 164 is result of changing bit- fallen in sludge & gel.									
2677-2687	TRUMAN limestone, few wisps schist- brownish.									

	DESCRIPTION	NO.		
2687-2936	REEVES limestone, sugary, thin banded, upper ct broken for 1' Cs gen 60°. conform lamp dyke @ 2694.8-2695.6. Xcutting ltcolored lamp dyke @ 2728-2729.7. Sects sugary white l.s. 2713-2738, 2771-2797, 2807-2812. dk gy L.s. 2841-2846 Xcutting lamp dyke 2859-2861.3			
2936.5-2940	Dolomite, limy sects 60° c.a.			
2940-2955	REEVES l.s., minor dol sects 55° c.a.			
2955-3037	as above, thin banded, 60° c.a.			
3037-3040.7 3061	Lamp dyke, conformable.			
3040.7-3061	REEVES l.s., sects siliceous, 60°, conformable with			
3061-3084.5	Argillite, highly silic sects, graphitic; strong fault zone 3063-3084, slips @ 25-60° to core axis. approx 4' L.C. this sect.			
3084.5-3085.7	Lamp dyke, conform.			
3085.7-3092.5	REEVES L.S., med gy, silic sects.			
3092.5-3184.	REEVES l.s., thin banded, 60° c.a. minor sects dol. 1.8' dark lamp dyke @ 3139. Dissem py 10% - 3128.8-3129.8 1" 10% py @ 3126. .4' conform lamp dyke @ 3168.3			
3184-3204	REEVES dolomite, sects "tweedy"			
	3187.0-3188.0-20% py, minor PbS & ZnS.	GE1001	1.0	
	3190.9-3191.7-25% py, minor PbS & ZnS.	GE1002	0.8.	
3204-3255	TRUMAN ≠ schist, granular l.s. bands, sects green & brown phyllite. 65° c.a. →			

DEPTH	DESCRIPTION
3204-3255	cont 1' mylonite? @ 3204 .4' qtz, qy @ 3206, dk conform lamp dyke 3222.3-3224.5
3255-3278	TRUMAN limestone, phyllitic partings, but mainly white xalline l.s. 60° c.a.
3278-3313	TRUMAN - bands whitish l.s. in greenish phyllite, 65° c.a. 3282-3287 conform lamp dyke.
3313	FOOT OF HOLE.
	NOTE: DRILLERS REPORT LOSS OF WATER IN A NUMBER OF PLACES IN HOLE.
	G. Klein.

SPERRY SUN TESTS.

DEPTH	AZ	DIP
297'	323	-79.8°
500	308	-79.5°
700	303	-78°
902	299	-75°
1102	195	-73.4
1312	313	-72.5
1494	313	-71
1694	319	-70
1894	323	-68
2104	330	-64
2307	330	-62
2544	331	-59
2710	334	-58
2915	336	-58
3202	337	-57

NOTE: DIRECTION SUSPECT DID NOT HAVE ENOUGH ALUMINUM RODS PAST BI TO 1894'

DRILL HOLE LOG

GOLDEN EYE MINERALS LTD

PROJECT RED BIRD
PROPERTY NTS 82F/3W
STARTED JAN 15 1987
COMPLETED FEB 04 1987
LOGGED BY G KLEIN

BEARING AZ 330°
INCLINATION -73°
SPERRY SUN TESTS LAST PAGE
DEPTH 3250'

HOLE NO. GE 87-1
COORDINATES
1370' @ Az 83° from SE corner pin ROYAL FR L14155
ELEVATION ASSUMED 3100' ASL

DEPTH	DESCRIPTION	SAMPLE NO.	LENGTH
0-10	CASING IN ARGILLITE. HCASING H CORE.		
10-78	ACTIVE ARGILLITE, broken & iron stained top 10', graphitic, contorted, py dissems ℄s gen 40-45° To core axis (c.a.) occ leached sect, occ minor qtz vein.		
78-99	ARGILLITE, as above, partially healed fracture down core, occ very broken sect 1/2" gouge @ 97 ℄s gen 45°/c.a.		
99-107	Greenish lamprophire dyke		
107-156	Argillite, as above, 55°-65°-50°-45°c.a. loc broken sects, irreg py stks & blebs.		
156-247	Argillite, as above, gen more competent, occ minor schistose sect near minor faults, occ minor silic sect. contort sects, Lamp dyke 188-192, ℄s gen 45° but from 30°-90°c.a.		
247-382	as above, ℄s steepen to 50-55°c.a. silic sects, sects minor qtz veins →		

DEPTH	DESCRIPTION	CORE NO.	LENGTH	-7-	-2
247-382	-cont- .4' gouge @ 264, .3' gouge @ 277, broken zones 296-307, 318-324, .3' conform lamp dyke @ 326, broken zone occ sect .05' gouge from 347-355, white qtz 355.5 - 356.5				
382-489	Argillite, competent, schistose & contort sects, calcareous partings, graphitic, 50°-30°-60°-70° c.a. Shear zone low ∠'s 463-477				
489-561	Argillite, graphitic, more silic sects, 1' healed shear zone @ 508 ∠'s gen 70° c.a.				
561-600	Argillite, ∠'s contort from faulting .3' gouge @ 564, several shiny graphitic slips @ ± 10-15° c.a. core loc broken & partially rehealed with $CaCO_3$				
600-635	Argillite, occ low ∠ graphitic slip, 60° c.a.				
635-641	Shear zone, 30° c.a. num graphitic slips, blocky core.				
641-672	as above, slips 40° c.a.				
672-721	Argillite, occ py band to 1/4", several slips 40° c.a. ∠'s 40-80° c.a. not reliable due to shearing.				
721-762	Argillite, rel competent, 60°-65° c.a. 743-748 - fault zone 45° c.a. 2' gouge @ 744 num minor slips.				
762-834	Argillite, more competent, .4' gouge @ 774 ∠'s gen 45° c.a. where rel undisturbed.				

DEPTH	DESCRIPTION	NO.	LENGTH		87	73			
834-860	FAULT zone, core very broken in argillite, Ls gen 15-30° c.a.→, graphitic slips								
860-907	Argillite, mod blocky, graphitic slips // bedding, 45°-40° c.a.								
907-944	FAULT zone, in arg, graphitic slips 10-30° c.a. occ carbonate healed sect.								
944-1031	Argillite, graphitic, pyritic, much more competent than above, 60° c.a., occ qtz rich sect, occ graphitic slip. 999-1001 - weathered lamp dike 1007-1009 - L.C. & gouge. occ schistose sect.								
1031	NOTE: REDUCE TO N CORE US146 H RODS AS CASING. DRILLERS REPORT MANY POINTS OF WATER LOSS TO HERE. ARGILLITE TO THIS POINT EXTREMELY BROKEN & FAULTED.								
1031-1077	Argillite, contort sects, schistose sects, qtz rich sects // bedding. 1.3' conform lamp dyke @ 1035, Ls 65° c.a.								
1077-1115	Argillaceous limestone, silic, thin banded, loc contort gen 70° c.a.								
1115-1127	Lamp dyke, sects silic schist, broken, occ sect gouge.								
1127-1145	Silic & schisty dolomite(?) 50° c.a. core blocky, qtz veining, 1' gouge @ 1143								
1145-1153	contort silic dol, .4' sect lamp dyke								
1153-1205	schist, med gy, 55° c.a., silvery parts, looks like EMERALD								

1205-1287	Limestone, conform with above, blue gy, thin banded, argillaceous partings, 70° c.a., conform lamp dyke 1238-1245, 1' xcutting lamp dyke @ 1247.5, 1248.5, 1252
1287-1346.5	TRUMAN, bands greenish sericite schist & occ band l.s., 65°-55° c.a.
1346.5-1349.5	Lamp dyke, conform, dark gy.
1349.5-1437	TRUMAN limestone, blue gy, occ schisty sect, 70°-70°-60-65-65° c.a. irreg bands py @ 1362. .7' conform lamp dyke @ 1405. excellent core 1150→
1437-1457	Greenish sericite schist, spots speckled ankerite(?) 65° c.a. irreg ¼" bands pyrrhotite @ 1447 & 1448; 1456
1457-1500	Sericite schist, green-brown, limestone bands, occ irreg band py, 60° c.a.
1500-1558	Limestone, blue-gy, wisps schist 60°-75° c.a. 1' dark lamp xcutting dyke @ 1502, 1.5' conform green lamp dyke 1553
1558-1641	still TRUMAN - green & brown sericite schist, bands blue gy l.s. 70°-75° c.a. lamp dyke - conform 1601-1604
1641-1681	Limestone, bands gy schist, 60°-50° c.a.
1681-1722	Green-gy schist, calcareous, 60° c.a.
1722-1731.5	Limestone, thin banded, mylonitic, gy, 60°, conformable. END OF TRUMAN.
1731.5-1748.3	PROSPECT dolomite bands to .1' ZnS & FeS_2, massive in dol. .3' dyke 1748

DEPTH	DESCRIPTION	SAMPLE No.	~~LENGTH~~ FROM	TO	FT	Pb%	Zn%	Ag oz	* NA = NOT ASSAYED PPM Ge	PPB Au
1748.3-1789.0	Dark Prospect dolomite, bands massive ZnS, minor py, to". several minor solution cavities, none in ZnS.	GE 1005	1731.3	1733.3	2.0	.01	0.52	.03	13	NA*
	1' conform lamp dyke @ 1766.8	1006	1733.3	1739.0	5.7	.08	3.04	.03	7	2
1789.0-1817.0	Dolomite, dk to med gy, very blocky	1007	1739.0	1742.4	3.4	.01	.23	.01	15	NA
	core 3 sects .3' gouge 1790-1797.	1008	1742.4	1746.0	3.6	.05	2.78	.06	16	NA
	Solution (minor) cavities 50% ca. occ	1009	1746.0	1752.0	6.0	.03	2.84	.01	19	1
	.1" str py	1010	1752.0	1757.0	5.0	.01	.67	.01	15	NA
1817.0-1865.5	Dol, med gy, 45° c.a., occ splash	1011	1757.0	1762.0	5.0	.02	2.26	.02	17	NA
	ZnS & py, occ blocky sect.	1012	1762.0	1766.8	4.8	.01	3.32	.02	20	NA
	1827.5-1828.5 .3' massive ZnS & py.									
	1852-1857.5 bands massive ZnS & py,	1013	1767.8	1772.0	4.2	.02	1.88	.02	24	NA
	irregular, inclusions dol.	1014	1772.0	1777.0	5.0	.02	1.44	.03	16	NA
	1862.5-1863.6 .3' massive py, ZnS	1015	1777.0	1782.0	5.0	.01	1.56	.04	21	NA
1865.5-1874.3	Lamp dyke, non conform.	1016	1782.0	1787.0	5.0	.08	1.61	.04	15	NA
1874.3-2013	Dolomite, lt gy, several bands py to .1'	1017	1787.0	1789.0	2.0	.03	2.87	.04	17	NA.
	occ splash ZnS @ start, brittle core.									
	1893.1-1898.2 - dissem ZnS & py	1018	1827.5	1829.5	1.0	.05	1.95	.07	10	NA
	1898.2-1899.5 - bands massive py-ZnS,									
	& dissems in dol	1019	1852.5	1857.5	5.0	.11	11.21	.11	15	11
	shatter zones &, minor solution cavities									
	1904-1914, bands dissem ZnS & py 1915-1916.5.	1020	1862.4	1863.6	1.2	.08	3.60	.06	4	NA
2013-2043	Dolomite, "tweedy", lt to dk gy, 60° c.a.,									
	more silic to end. bands py @ 2013.2,	1021	1893.4	1899.7	5.4	.01	1.06	.01	6	NA
	2028.3, bx'd & healed zone 2031.5-2033.0,	1022	1899.7	1901.0	1.3	.08	6.31	.10	18	NA
	minor solution cavities 2034									
	splashes ZnS @ 2031.5, py & ZnS @ 2033.2	1023	1915.0	1916.5	1.5	.02	1.88	.06	7	NA
2043-2088	chert or very silic dk gy dol, brittle									
	core. L's contort, gen 55°, bands &									
	stks py to .3"									

DESCRIPTION	NO	From	To	FT	Pb%	Zn%	oz Ag	PPM Ge	PPb Au	do Cc
2088-2098.0 chert, or very silic dol, Ls // core, occ band dissem ZnS.										
2098.0-2102.7 Mineralized cherty dolomite, bands dissem ZnS	GE1024	2098.0	2102.2	4.2	0.15	4.26	0.09	2	2	n.c
2102.7-2122 Interbanded lt & dk gy cherty dol, occ str ZnS., Ls gen 45° c.a.	1025	2125.5	2128.9	3.4	0.04	2.06	0.01	1	n.a	0.0
2122-2176.6 Dolomite, siliceous, "Tweedy" sects, sects white qtz, Ls gen 60° c.a. sects dissem py & minor ZnS. minor solution cavities 2122 & 2154	1026	2154.0	2157.5	3.5	0.09	1.58	0.03	2	n.a	0.0
	1027	2169.0	2171.7	2.7	0.06	2.12	0.01	1	n.a	0.0
2176.6-2205 Dolomite, silic, med-dk gy, "tweedy" sects 65° c.a.	1028	2173.3	2176.6	3.3	0.02	0.69	0.01	1	n.a	0.0
2205-2278 Argillite, black, silic, white qtz strks. occ spot & strk py, graphitic partings, 60° c.a., more schistose to end. lamp dyke 2232-2242, 2273-2276.5										
2278-2453 EMERALD phyllite & schist, wavy banding, calcareous partings, 50°-70°-75° ca. 2391.5-2407.0 - Lamp dyke 2388.5-2391.5 - silic band.										
2453-2622 EMERALD, as above, 70°-65° c.a., occ spot py rare spot pyrrhotite (po) 1' conform lamp dyke @ 2478 & @ 2508-2512 graphitic slips @ 2550 gouge & broken zone 2602-2610.5										
2622-2827 As above, some chlorite 70° c.a., rare strk po & py conform lamp dykes @ 2769-71, 2774-78, 2803-2803.5 1' limy sect @ 2785										

DEPTH	DESCRIPTION	NO	From	To	FT	Pb%	Zn%	Cd%	Ag oz	Ge PPM
							Q7-11 P 7			
2827-2843	FAULT ZONE IN EMERALD schist,	GE								
	contort, mod broken, minor gouge	1029	2958.6	2961.0	2.4	0.19	4.98	0.03	0.32	1
	2830-2832.5 } dark mottled lamp dyke									
	2841-2842' }	1030	3039.0	3041.4	2.4	0.25	4.62	0.03	0.45	1
2843-2857	TRUMAN limestone, thin banded,	1031	3041.4	3046.0	4.6	0.01	0.09	0.01	0.01	1
	sects green & brown sericite schist, 65° c.a.	1032	3046.0	3052.9	6.8	0.02	1.09	0.01	0.04	1
2857-2878.5	REEVES limestone, blue gy, occ									
	spot py 55°-65°-65° c.a.	1033	3072.0	3077.0	5.0	0.01	0.54	0.01	0.01	2
2878.5-2996	REEVES dolomite, lt gy, sects "tweedy" 60°	1034	3077.0	3080.9	3.9	0.01	0.44	0.01	0.01	1
	occ blocky sect, occ sect darker.	1036	3080.9	3086.0	5.1	0.09	10.03	0.11	1.35	40
3039-3136.5	REEVES dol, "tweedy", mineralized sects 20°	1037	3086.0	3092.0	6.0	0.18	9.67	0.11	0.77	17
		1038	3092.0	3099.0	7.0	0.31	1.06	0.01	0.09	16
	3039.0-3041.4 - bands massive py minor ZnS	1039	3099.0	3105.5	6.5	4.87	9.01	0.10	2.00	22
	3041.4-3046.0 minor spots ZnS	1040	3105.5	3110.5	5.0	1.80	11.35	0.11	2.50	30
	3046.0-3052.8 strks ZnS & .3' massive py	1041	3110.5	3115.5	5.0	0.29	10.71	0.10	2.39	23
	3072.0-3077.0 strks ZnS minor py	1042	3115.5	3120.5	5.0	0.07	9.56	0.11	1.30	39
	3077.0-3080.9 " " " "	1043	3120.5	3125.0	4.5	0.07	9.67	0.11	3.01	35
	3080.9-3086.0 bands massive ZnS & bands	1044	3125.0	3130.0	5.0	0.06	4.79	0.05	0.47	20
	massive py in dol	1045	3130.0	3134.7	4.7	0.10	6.00	0.07	3.41	16
	3086.0-3092.0 - as above	1046	3134.7	3136.5	1.8	0.02	0.52	0.01	0.11	9
	3092.0-3099.0 strks ZnS in dol									
	3099.0-3114. massive py bands to 2',									
	* Pbs, some ZnS									
	3114-3130 - Bands massive ZnS in dol 75°									
	3130-3136.5 Bands & strs ZnS in dol									
	Wt. Avg. 3080.9-3134.7				53.8'	0.87	7.97	0.085%	1.64	22.7 ppm.
						Comb.	8.84			
	3080.9-3125				44.1	1.04	8.64	0.091	1.58	23.7
	and 3125-3134.7				9.7	0.08	5.37	0.059	1.89	18.1

DEPTH	DESCRIPTION
3136.4-	
3230.0	REEVES dolomite, gen med gy, "tweedy" sects, 75°-50°-60° c.a. blocky sects, rare strk py & minor ZnS
	1.2' lamp x cutting dyke @ 3195
	Low ∠ fracture zone 3196-3201
3230-3238.5	Lamp dyke, bx'd dol & gouge @ ct.
3238.5-3250	Dol, med gy, 60°
3250	FOOT OF HOLE
	G. Klein.

LENGTH 37 — 3

SPERRY SUN TESTS

DEPTH	AZIMUTH	DIP.
172'	328	-74
400	324	-73
600	322°	-70.5
790	320	-68
1000	321	-66
1200	321	-64.5
1400	320	-63
1600	322	-62
1800	323	-60
2000	329	-59.5
2210	327	-58.5
2413	332	-56.5
2600	333	-56°
2800	337	-54°
3030	338	-52.5

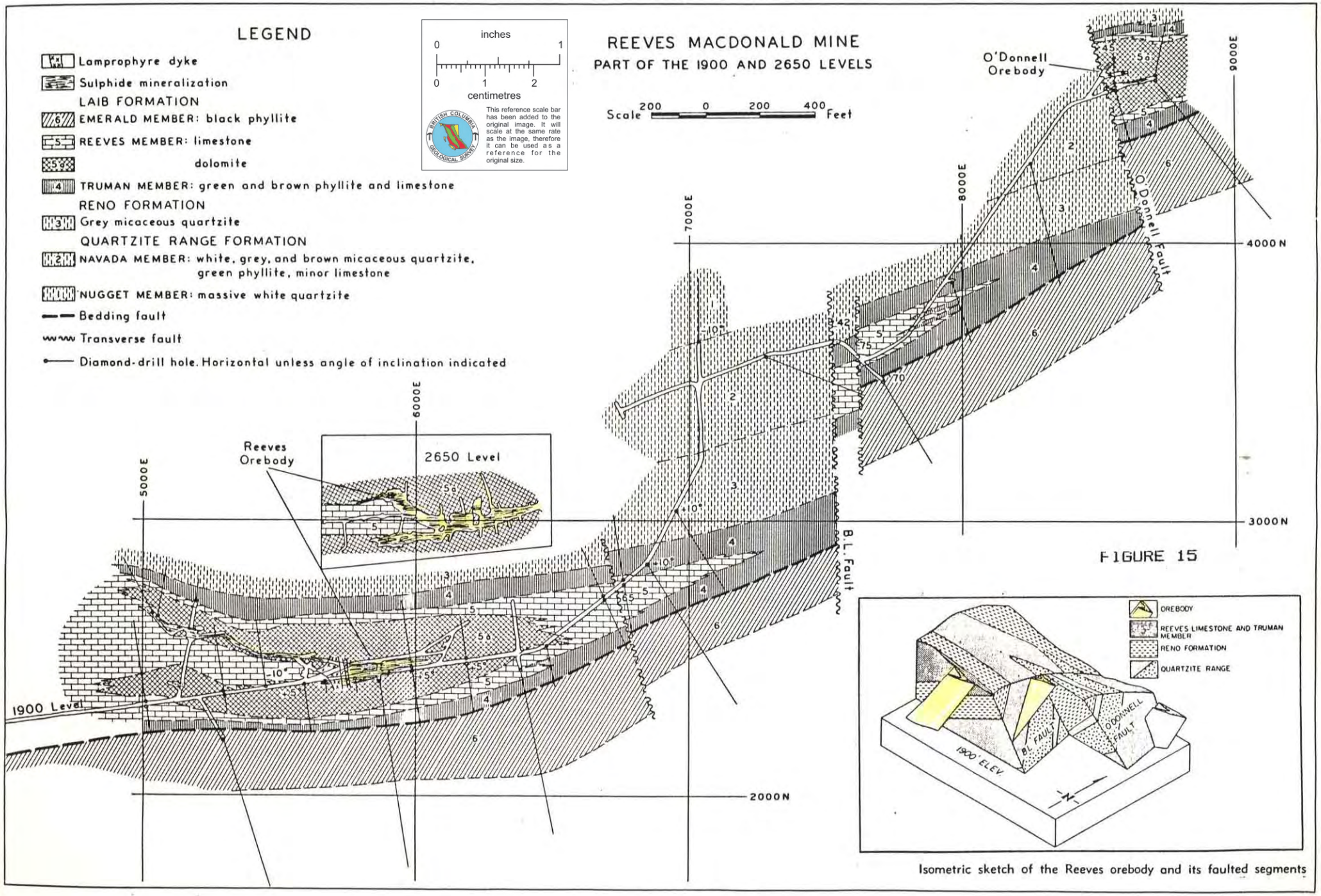

FIGURE 15

Isometric sketch of the Reeves orebody and its faulted segments

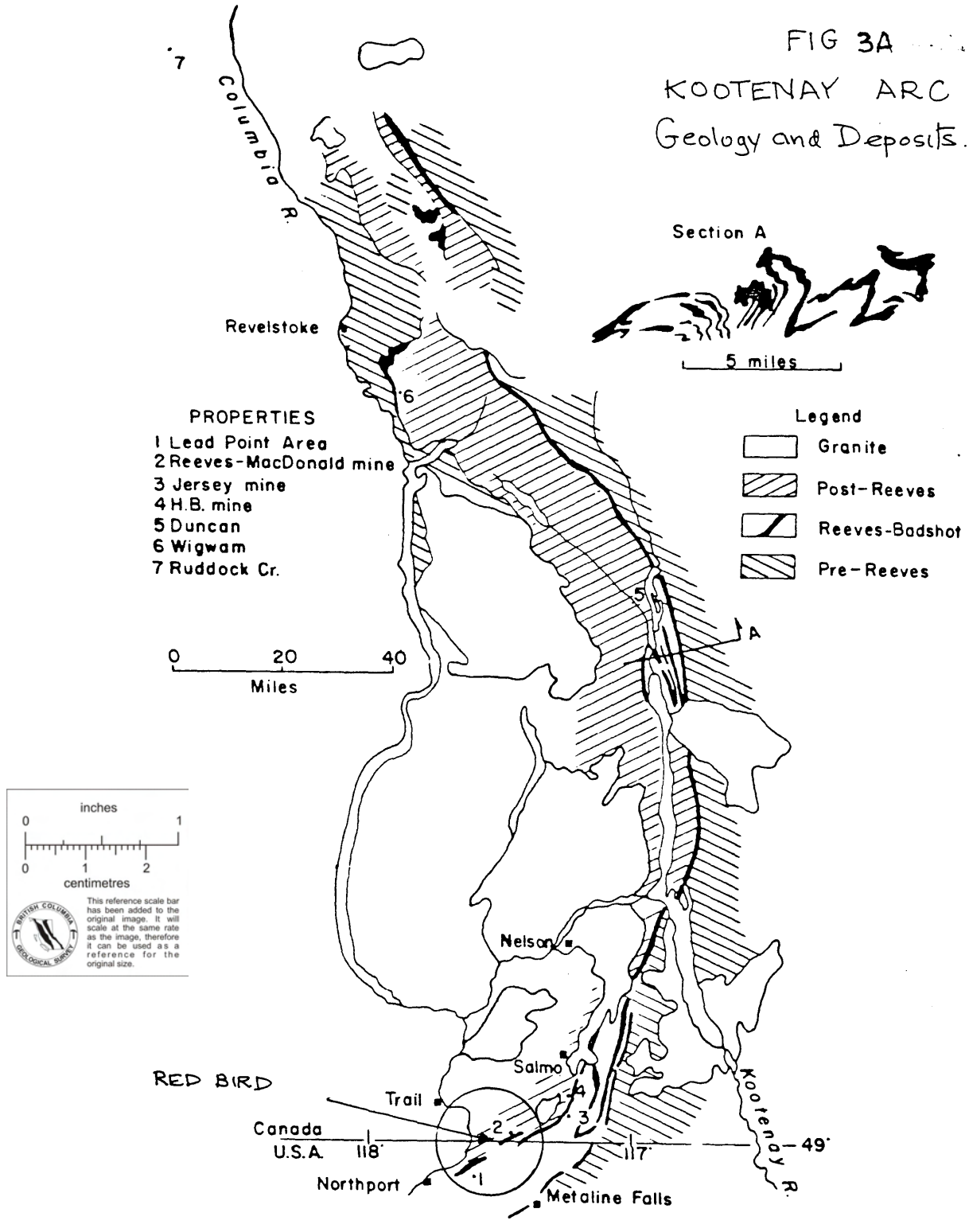

Figure 15-1

Map of the Kootenay Arc showing approximate distribution of the Lower Cambrian Badshot-Reeves limestone, pre-Reeves and post-Reeves metasediments and principal granitic masses. Inset reveals style of folding near Duncan Lake. Numbers locate deposits treated in text. Modified after Fyles, 1964.

Murao 1966.

APPENDIX III

GERMANIUM
SOURCES, RECOVERY METHODS AND USES

U.S STATISTICS

	1982	1983	1984 (E)
REFINERY PRODUCTION	26,000 KG	20,000 KG	20,000 KG
IMPORTS	6,000	6,500	6,000
REPORTED CONSUMPTION	42,000	35,000	35,000
PRICE; U.S $ PER KG	$1,060	$1,060	$1,060

Source: Mining Annual Review, 1985.

Germanium is considerably rarer than gallium, and makes up only 0.0004% of the earths crust. Up until the present, it has been produced only as a by-product of smelting of copper and zinc. From zinc ore, germanium is volatilized during the refining process, and is collected electrostatically. In copper smelting it is collected magnetically in flue dust. These are leached with Hydrochloric acid to form germanium tetrachloride which is hydrolyzed and reduced to metal with hydrogen.

The metal is produced in the U.S. by Eagle-Picher and a subsidiary of Union Miniere; elsewhere in the world it is produced by Union Miniere, and such well-known metals producers as Pennarroya, and Preussag, and others. About 5% of production is used in electronics, most is used in infra-red optics (important in military and civil).

New uses are in gamma radiation detectors, germanium-silicon thermoelectric devices, and in fibre optics. It is also used as a catalyst in petroleum and polyester fibre industries and a high growth usage is in polyethylene terephthalate, the plastic used in soft-drink bottles.

Recent data acquired by Golden Eye Minerals Ltd. suggests that the usage of germanium for semi-conductor technology may increase relative to gallium in the near future, and consequently, forecasts for germanium prices are optimistic.

APPENDIX IV

ADJACENT MINERAL DEPOSITS IN THE MINE BELT

REEVES MACDONALD MINES LTD.

The presence of zinc-lead gossan zones on the Reeves-Macdonald and Red Bird properties led to surface and underground exploration on both properties in the 1920's; the mining of near-surface sulphide mineralization in the Reeves resulted in the production of 7,252,000 tons of ore yielding 110,000 tons of lead concentrate, 499,000 tons of zinc concentrate, 500,000 ounces of silver and 3,000,000 pounds of cadmium prior to its closure in 1975. In today's values, this represents over $340,000,000 in production.

Four distinct zones were mined by Reeves Macdonald Mines Ltd. Orebodies averaged 600 feet in length, were 20 to 30 feet in width, had a steep plunge to the south-west, were mineralogically distinguishable from each other and had distinctive metal ratios. None of these zones were traced to mineralogical termination at depth.

The most westerly portion of the Reeves mine, known as the Annex Zone contained more than double the grade of ore previously mined, having a grade of 1% lead, 8.0% zinc, 2.5 ounces per ton silver, and 0.09% cadmium.

Plans and sections accompany this brief summary.

THE JERSEY MINE:

The Jersey Mine, situated 50 kilometers northeast of the Red Bird prospect, comprises 56 crown granted claims and is owned by Placer Development Ltd. Between 1949 and 1970, the mine operated suceessfully, starting at 300 tons per day production and increasing to 2500 tons per day in 1969. It was the first major mine in Canada to adopt trackless mining methods. During 1969 and 1970 production increased from pillar recovery as the orebody was depleted. Production ceased in 1970, and milling machinery was moved to the adjacent Invincible tungsten orebody, which had been discovered in 1968, and production in 1970 amounting to 430 tons per day came from the rehabilitated Dodger orebody, as the production shaft had not yet reached the Invincible ore.

The concentrator was located on the highway south of Salmo but the mine offices, plant buildings, 60 company residences, and a school were located at the 4000 ft elevation on Iron Mountain.

The zinc-lead-silver-cadmium ore occurs at the base of the Reeves Limestone member of the Laib Formation, concentrated in the western limbs of two fold structures, which are overturned to the west. The "A" zone (the more westerly), has an axis striking about due north, and consists of several ore bands up to several feet thick, with an overall thickness of 80 feet. The eastern structue, the "Dodger Trough", has an axis striking North 15 degrees east, and is more complex. The ore occurs as a variety of band lenses and mantos which dip from flat to 30 degrees easterly.

Mining was by open stope methods. Lead concentrates were shipped to the Bunker Hill Smelter at Kellog, Idaho, and zinc concentrates were shipped to the Anaconda Smelter at Black Eagle, Montana. In 1967 there were 225 men employed, 94 of whom worked underground.

THE H.B. MINE

The H.B.Mine, operated from 1955 to 1978 by Cominco (originally Consolidated Mining and Smelting Company Ltd.), is situated on the west side of Aspen Creek, on the north side of Sheep Creek, 7 miles by road from Salmo.

The ore occurs as a sphalerite-galena -pyrite replacement of dolomite in the Reeves member of the Laib Formation. Several types of ore zones are present; the No 1 zone - the main productive zone was a steeply dipping lens with a long axis plunging gently to the south. Several flat-lying tabular zones occur, and the Garnet zone outcrops at surface, where it was mined by open pit; the same zone was mined undergound by long hole methods. Ore production began in 1955 at a level of 1000 tons per day. Although ore reserves were not exhausted, the mine was closed down November 1, 1966, because of low metal prices. Production resumed in 1973 and continued to August 17, 1978, when the mine was permanently closed.

From 100 to 130 people were employed, about 28 of whom were on Staff payroll. Concentrates were shipped to the Trail Smelter. Small amounts of gold were recovered in 1975 and 1976.

SALMO AREA MINE PRODUCTION

MINE / YEARS	TONS PRODUCTION	ZINC LB. GRADE %	LEAD LB. GRADE %	SILVER OZ GRADE OZ/T	CADMIUM LB. GRADE %	GROSS VALUE $
REEVES MAC	7,232,000	541,850,405	142,625,454	1,572,173	3,000,000	$322,872,863.
(TO 1975)		3.74%	0.98%	0.21 OZ/T	0.02%	
H.B.	7,282,997	648,186,804	135,463,744	875,376*	1,954,868 *	$367,456,960.
(TO 1978)		4.45%	0.93%	0.12 *	0.013% *	
JERSEY	6,256,000	490,000,000	231,000,000	600,000	3,730,000	$312,845,000.
(TO 1966)		7.19%	1.85%	0.09%	0.030%	
RED BIRD (1974)	1,702	?	?	?	?	

SOURCE: ANN REPTS MINMINES, CAN MINES HANDBOOK

METALINE AREA MINE PRODUCTION

MINE YEARS	TONS PRODUCTION	ZINC GRADE %	LEAD GRADE %	SILVER GRADE OZ/T	* COPPER * GRADE %	GROSS VALUE $
PEND D,OREILLE	5,451,328.	281,290,369	145,362,573	257,226	201,648	$179,056,176.
(1924-1956)		2.58%	1.33%	0.047	0.002%	
GRANDVIEW	2,347,974	139,344,708	64,394,015	76,261	152,983	$86,449,903.
		2.96%	1.37%	0.032	0.003	
METALINE	431,480	36,944,947	10,346,736	9,710	202	$21,132,123.
		4.28%	1.20%	0.022	0.00005	

SOURCE: USGS PAPER 489

NOTE: METAL PRICES ASSUMED; ZINC - $0.50/LB, LEAD-$0.25/LB, SILVER $7.50/OZ, CADMIUM -$1.50/LB

CALCULATED IN CANADIAN DOLLARS

GEOLOGICAL SUMMARY

RED BIRD EXPLORATION PROJECT

SALMO MINING CAMP - NELSON M.D.

SUMMARY

This report details exploration results from the "Red Bird" stratabound sulphide zinc exploration project on claims adjacent to the Reeves Macdonald Mine, a long term producer of zinc, lead and silver located 25 miles east of the Cominco Trail Smelter in the prolific mine-making southern portion of the Kootenay Arc.

Golden Eye Minerals Ltd. can earn an 80% interest in Hecla Mining Company's Red Bird property which contains the high grade Red Bird Deposit and adjacent Beerbottle, Annex, Prospect, and suspected Annex West and Reeves zones that are plunge continuation of zones mined at the Reeves McDonald Mines. Additional ground has been staked by the company adjacent to these prospects.

The mineralized zones are massive to disseminated base-metal sulphides in stratiform tabular bodies striking southwest, dipping steeply southeast and plunging southwesterly within dolomitized "Reeves Member" limestone of the Cambrian Laib Formation.

From November 22, 1985 to March 23, 1986, a total of 6 diamond drill holes totalling 8924 feet were completed under an exploration agreement with Teck Corporation, at a total cost of approximately $400,000.00

From November 1986 to February 10, 1987, an additional two deep drill-holes were completed by Golden Eye Minerals Ltd., with financing provided by Knights Mineral Partnership, and a FAME grant from the Provincial Government ($80,000). A ninth hole, funded by a private placement, is currently drilling.

The project has been successful in locating zones which may provide substantial tonnages of excellent grade zinc with associated lead, silver, cadmium and germanium values.

Recommendations are made for at least 6 additional deep drill holes to be followed, if results warrant, by underground development and exploration.

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Feb 20, 1987