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Engineer's
Report

114-P-10

on the

HUM BIRD CLAIM GROUP
1968

Ace R. Parker, P. Eng.

ENGINEER'S REPORT

on the

HUM BIRD GROUP

Atlin Mining District, B.C.

(B.C. Claim Sheet #76)

by

Ace R. Parker & Associates

Mineral Industry Consultants & Contractors

Whitehorse, Yukon.

Dated

August 15, 1968.

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INTRODUCTION

This report discusses a silver-lead-zinc mineral deposit situated near the Haines Road in northwestern British Columbia in an area which has been subject to only limited exploration in the past even though it is mineralogically favorable and conveniently accessible to tidewater.

SUMMARY

Ronex Exploration Ltd. controls forty (40) mineral claims situated 19 airmiles southwest of Milepost 87 on the Haines Road and 63 airmiles from the Pacific Ocean at Haines, Alaska.

These claims cover a potential replacement deposit of silver-lead-zinc mineralization contained in sedimentary rocks of the Mush Lake Group above timberline along an eastern tributary of Shini Creek.

Mineralization consists primarily of disseminated argentiferous galena and sphalerite contained in silicified and carbonated limestone above timberline and exposed by erosion across a width of 80 feet at the point of discovery.

Character samples of this mineralization assay as follows:

Gold - 0.005 oz/ton
Silver - 16.0 oz/ton
Lead - 17.6 per cent
Zinc - 13.1 per cent

Float samples of similar mineralization may be found along a strike length of 2,000 feet.

A reconnaissance geochemical and geophysical survey conducted over the immediate area of the showing during examination of the property for the report produced extremely anomalous results

SUMMARY (continued)

coincident with the known showing. Although all anomalies are "open" along strike, results of the work completed to date allow projection of the known showing.

The property presents a very good exploration bet for base and precious metals when considering the known geological, geochemical and geophysical evidence applicable to the property and a systematic exploration program is recommended at this time to assess its economic potential. The initial stage of this program should be activated as soon as possible and should consist primarily of geological, geochemical and geophysical surveys in conjunction with bulldozer trenching and diamond drilling. This program is estimated to cost \$120,000.00 and its success is prerequisite in justification of additional exploration and development of the property.

PROPERTY - OWNERSHIP - OPTIONS

Current company property consists of forty (40) contiguous and granted mineral claims as shown on the attached PROPERTY LOCATION MAP and recorded in the Office of the Mining Recorder at Atlin, B.C. as follows:

<u>CLAIM NAME</u>	<u>GRANT NUMBERS</u>	<u>EXPIRY DATE</u>	<u>REGISTERED OWNERS</u>
Hum Bird 1 to 4 incl.	528294 to 528297 incl.	5 Aug. 1969	D. Craft
Hum Bird 5	580545	5 Aug. 1969	T. Worbetts
Hum Bird 6	528298	5 Aug. 1969	T. Worbetts
Hum Bird 7 to 11 incl.	805949 to 805953 incl.	14 Aug. 1969	T. Worbetts
Hum Bird 12	762726	14 Aug. 1969	T. Worbetts
Hum Bird 13	493611	14 Aug. 1969	T. Worbetts
Hum Bird 14	493610	14 Aug. 1969	T. Worbetts
Hum Bird 15 & 16	453282 & 453283	14 Aug. 1969	T. Worbetts
Hum Bird 17	453281	14 Aug. 1969	T. Worbetts
Hum Bird 18	493614	14 Aug. 1969	T. Worbetts
Hum Bird 19 & 20	493612 & 493613	14 Aug. 1969	T. Worbetts

PROPERTY - OWNERSHIP - OPTIONS (continued)

<u>CLAIM NAME</u>	<u>GRANT NUMBERS</u>	<u>EXPIRY DATE</u>	<u>REGISTERED OWNERS</u>
Hum Bird 21	493609	14 Aug. 1969	T. Worbetts
Hum Bird 22 & 23	493607 & 493608	14 Aug. 1969	T. Worbetts
Hum Bird 24 & 25	671763 & 671764	14 Aug. 1969	T. Worbetts
Hum Bird 26 & 27	671762 & 671761 incl.	14 Aug. 1969	T. Worbetts
Hum Bird 28 & 29	580546 & 580547	14 Aug. 1969	T. Worbetts
Hum Bird 30 & 31	505615 & 505616	14 Aug. 1969	T. Worbetts
Hum Bird 33	505618	14 Aug. 1969	T. Worbetts
Hum Bird 34 & 35	528299 & 528300	14 Aug. 1969	T. Worbetts
Hum Bird 36	328297	14 Aug. 1969	T. Worbetts
Hum Bird 37	328293	14 Aug. 1969	T. Worbetts
Hum Bird 38 & 39 incl.	552278 & 552277 incl.	14 Aug. 1969	T. Worbetts
Hum Bird 40 & 41 incl.	552280 & 552279 incl.	14 Aug. 1969	T. Worbetts

The claims noted above are under option to Ronex Exploration Ltd. but this report does not include the details of the said option.

No mining or milling plant exists on the property and to the best of my knowledge and belief no liens are registered against the property.

LOCATION & ACCESS

The property lies at Latitude $59^{\circ}43'$ N and Longitude $136^{\circ}58'$ between elevations of 3000 feet and 5000 feet on the northwestern flank of a 6,500 foot mountain along an eastern tributary of Shini Creek, a tributary of the Tatshenshini River.

These claims are situated 13 airmiles due west of the Haines Road at Mile 70 and 63 airmiles northwest of the deep-sea port of Haines, Alaska.

Road construction in the area is completely feasible and a 19 mile long road "link" with the Haines Road at Mile Post 87 would provide a 106 mile road connection between the property and tidewater at Haines, Alaska.

The property is also 97 airmiles southwest of Whitehorse, Yukon Territory, which is serviced by bus lines, charter helicopter and scheduled airline flights.

HISTORY & DEVELOPMENT

Mr. John Frazer, an Indian prospector associated with Klondike packer Jack Dalton first found the mineralized zone covered by this report in the early 1900's, but the property had little if any economic value in those days.

Later in the 1940's a well known prospector by the name of Fredrickson prospected the area, staked the property, and dug a pit on the showing. Mr. Fredrickson held claims on the property until his death in the early 1960's.

Yukon prospectors T. Worbetts and D. Craft staked the property during July 1968 and are responsible for activation of the first "serious" exploration of the property.

During July 1968, Ace R. Parker & Associates was engaged to conduct a geologic reconnaissance of the area and provide a preliminary assessment of the economic potential of the Hum Bird Claim Group. This report presents the known facts relative to the property and includes the results of a preliminary geochemical and geophysical survey conducted in the immediate area of the discovery showing. The results of the reconnaissance geochemical and geophysical surveys have been plotted in composite and are shown on the attached map and are briefly described as follows:

Geophysical Survey:

A Sharpe SE 300 reconnaissance electromagnetic survey was conducted over the discovery showing on Hum Bird Claims

HISTORY AND DEVELOPMENT (continued)Geophysical Survey (continued):

No. 1, 2, 3, and 4, utilizing grid lines of various spacings with readings being taken at 50 foot intervals while employing a "broadside" technique. The survey indicated two conductive zones coincident with visible silver-lead-zinc mineralization.

Geochemical Survey:

Thirty-eight soil samples were collected at 50 foot intervals along the same lines as those used for the electromagnetic survey. Soil samples consisted of residual soil taken from holes dug 10 inches deep with a mattock. All samples were analyzed for lead and copper utilizing hot acid extraction and atomic absorption techniques.

The survey produced extremely anomalous results which are shown on the attached map.

PHYSIOGRAPHY & GENERAL GEOLOGY

The Hum Bird Claim Group lies between elevations of 3000 and 5000 feet and covers a sector of glaciated topography along the gentle slopes of a small valley from which flows an eastern tributary of Shini Creek.

The claims lie above treeline and vegetation varies from a sparse covering of moss at higher elevations to a dense growth of buck and alder brush at lower elevations, all which cling to a relatively thin mantle of glacial soil

PHYSIOGRAPHY & GENERAL GEOLOGY (continued)

and talus which conceals bedrock on most of the property.

The claims cover a section of sedimentary limestones and shales and andesitic volcanic rocks of probable Triassic age and of the Mush Lake group.

These rocks have been folded, faulted, and sheared as exemplified by the resulting drainage pattern. The resulting structure trends northwest-southeast and is very favorable for the formation of mineral deposits.

An intrusive body of diorite is present near the western boundary of the property and probably is responsible for the formation of mineral deposits in areas of favorable chemical and structural environment such as that covered by the present claim block.

ECONOMIC GEOLOGY & GEOPHYSICS

Silver-lead-zinc mineralization occurs in place at several locations on the property and the discovery showing coincides with anomalous results produced by reconnaissance geochemical and geophysical surveys conducted during examination of the property for this report.

The discovery showing is covered by Hum Bird No. 3 Claim and consists of a zone of disseminated grains and clots of galena, sphalerite and chalcopyrite all contained in carbonated, silicified, and slightly brecciated gray-weathering limestone.

ECONOMIC GEOLOGY & GEOPHYSICS (continued)

Replacement-type mineralization is present in limestone across an eighty-foot wide zone which strikes 330°, dips 40° southwest, and is exposed for approximately 200 feet along strike before it becomes concealed beneath overburden.

Due to the nature of the showing it is impossible to obtain a representative sample of the mineralization without the aid of a diamond drill. Nevertheless character samples of the mineralization assay as follows:

Sample No.	Au oz/T	Ag oz/T	Pb %	Zn %	Cu %	Cd %	Remarks
4041	0.005	15.3	18.3	24.1	0.05	--	"hanging wall"
4042	Tr.	12.5	14.3	4.8	0.02	--	"foot wall"
4043	0.01	21.3	20.4	10.5	0.14	0.09	"typical mineral"

This zone may be traced by float and intermittent outcrops protruding through overburden for a distance of 2000 feet across the property.

EXPLORATION AND MINING CONSIDERATIONS

Field work indicates that integrated geochemical and geophysical surveys followed by bulldozer trenching and diamond drilling will provide a rapid and reliable method of exploring the property.

There is a reasonable chance that a considerable portion of any ore deposits developed on the property can be mined by employing open pit mining methods and thus gaining an economic benefit from the relatively low unit costs associated with this type of mining.

CONCLUSIONS AND RECOMMENDATIONS

Ronex Explorations' Hum Bird Claim Group presents an excellent exploration possibility for base and precious metals when considering all known economic, geological, geochemical, and geophysical evidence applicable to the property.

The property's close proximity to tidewater and the possibility of developing an open pit silver mine is of particular significance.

Consequently a systematic exploration program is recommended at this time to assess the economic potential of the property. The following program is justified at this time and is estimated to cost \$120,000 if conducted during 1968 and 1969:

OPERATIONS BUDGET

<u>Item</u>	<u>Cost</u>
1. Geologic Prospecting, Mapping, and Sampling	\$ 5,000
2. Linecutting and Picketing 15 line mi. @ \$100/line mi.	1,500
3. Ground Magnetometer Survey 15 line mi. @ \$100/line mi.	1,500
4. Ground Electromagnetic Survey 15 line mi. @ \$150/line mi.	2,250
5. Geochemical Survey 15 line mi. @ \$200/line mi.	3,000
6. Earthwork: Trenching, Tote Trails, Drillsite Preparation	20,000
CARRIED FORWARD	<u>\$ 33,250</u>

CONCLUSIONS AND RECOMMENDATIONS (continued)OPERATIONS BUDGET (continued)

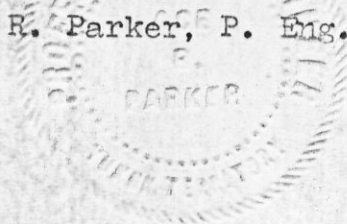
<u>Item</u>	<u>Cost</u>
BROUGHT FORWARD	\$ 33,250
7. Diamond Drilling: 4000 feet of AQ Wireline	48,000
8. General Assaying	3,000
9. Engineering, Supervision, & Reports	5,000
10. Camp and Subsistence	8,000
11. Miscellaneous Wages & Services	4,000
12. Transportation & Communication	7,000
13. General Administration	3,500
14. Reserve for additional staking and filing assessment work	3,000
15. Contingencies	<u>5,250</u>
TOTAL COST	<u><u>\$120,000</u></u>

A decision can be made regarding the future of the property after the program has been completed.

Respectfully submitted,



Ace R. Parker, P. Eng.

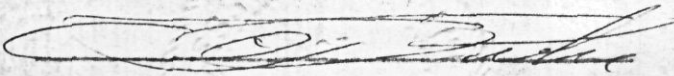


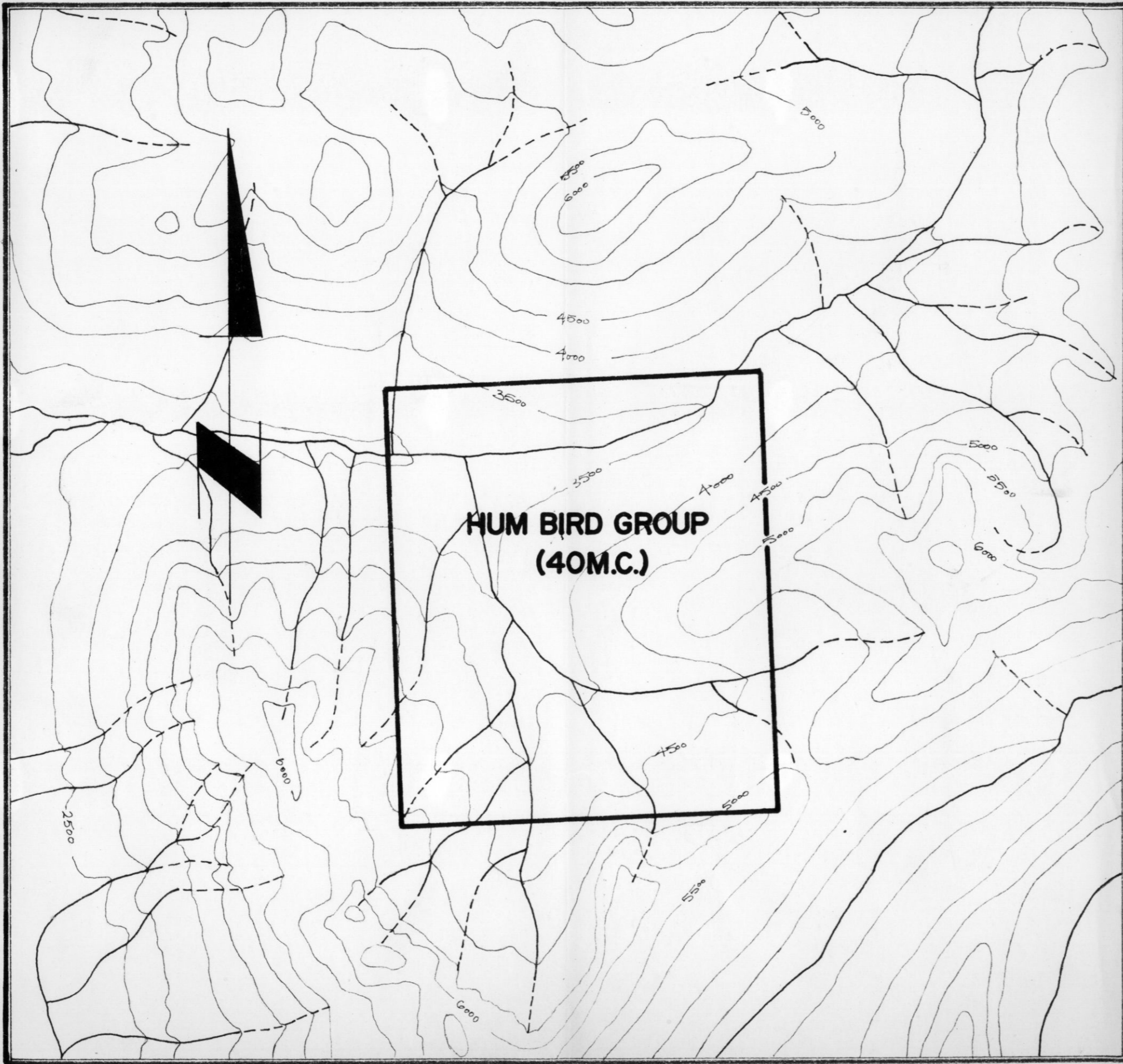
C E R T I F I C A T E

I, Ace R. Parker, of the City of Whitehorse, Yukon Territory, do certify that:

1. I am a Consulting Engineer practicing under the name and style of ACE R. PARKER & ASSOCIATES with office at 3rd & Elliott Street, Whitehorse, Yukon.
2. I am a Bachelor of Science in Mining Engineering from the College of Earth Science and Mineral Industry, University of Alaska, College, Alaska - 1962. I hold a Diploma in Mineralogy from the Mineral Science Institute, Chicago, Illinois - 1959.
3. I am a member in good standing of the Association of Professional Engineers of Yukon, the Association of Professional Engineers of British Columbia and the Association of Professional Engineers of Alberta. I have been a member in good standing of the American Institute of Mining, Metallurgical, and Petroleum Engineers since 1954.
4. I have formally practiced my profession for the past six years after working in the Mineral Industry since 1953.
5. I have no direct or indirect interest in the "HUM BIRD GROUP" described in the accompanying report or in any securities relating to the said property.
6. This Certificate is part of the attached Engineer's Report on the "HUM BIRD GROUP" of mineral claims dated August 15, 1968. The attached property map shows the location of the "HUM BIRD GROUP" of mineral claims which have been located in compliance with the British Columbia Mineral Act.
7. This report is based on a comprehensive personal study of documents, maps, and reports relating to the property described herein, including reports of the Geological Survey of Canada and in conjunction with several personal examinations of the property by myself during 1968. All work outlined in the report was conducted under my direct supervision.

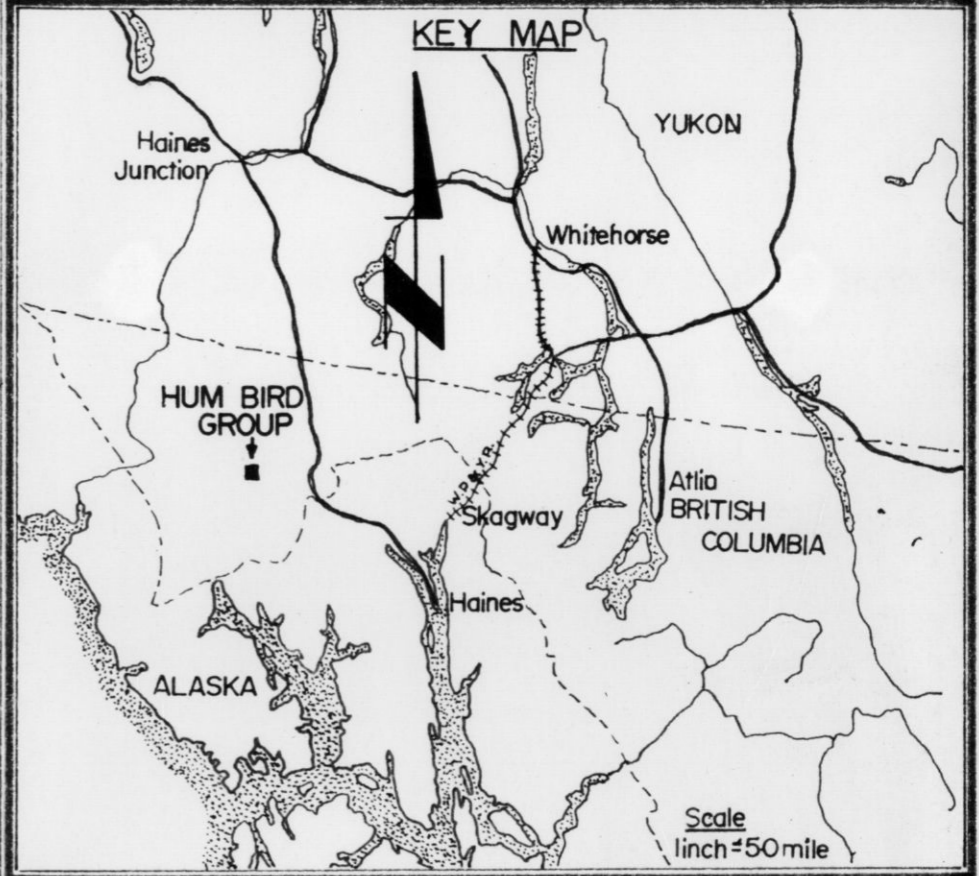
Whitehorse, Yukon Territory
August 15, 1968.


Ace R. Parker, P. Eng.



PROPERTY LOCATION MAP
RONEX EXPLORATION

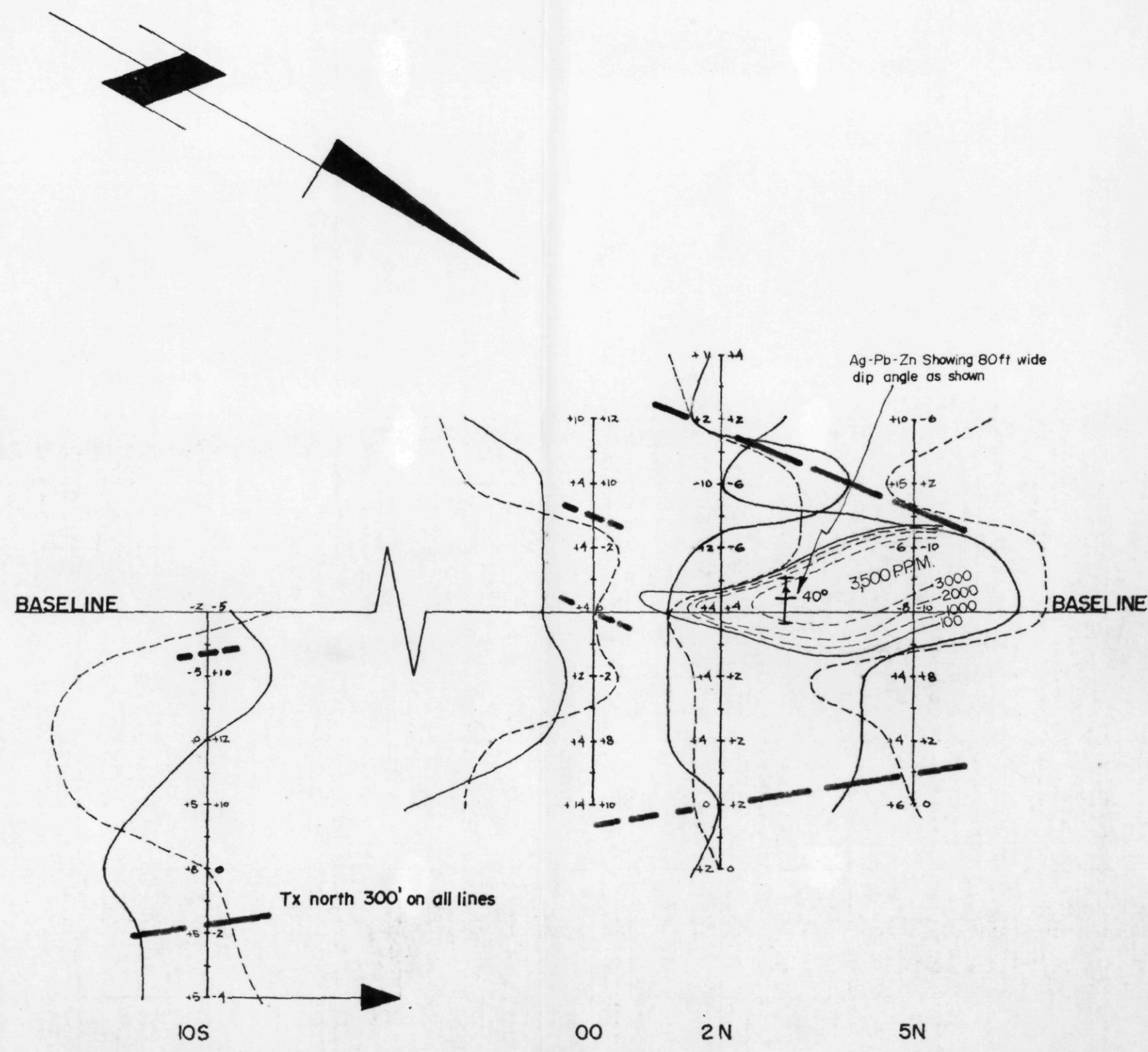
HUM BIRD GROUP
 TATSHENSHINI RIVER AREA
 ATLIN MINING DISTRICT



ACE R. PARKER & ASSOCIATES
 Mineral Industry Consultants & Contractors

Claims location approximate.

DATE :	Aug. 15, 1968	SEAL
SCALE:	1/2 mile = 1 inch	
DRAWN BY :	<i>Raufer</i>	
DWG. No. :		



LEGEND

GEOCHEMICAL SURVEY

- GEOCHEMICAL LEAD ANOMALY SHOWING CONTOURED LEAD VALUES IN PARTS PER MILLION WITH PEAK VALUES OF LEAD IN PPM.
- SURVEY CONTOURED ON A BACK GROUND OF 100 PPM. —
- HIGH LEAD VALUES CONTOURED AT 1000 PPM. INTERVALS —
- 10" AVERAGE SAMPLE DEPTH AND ANALYSIS BY HOT ACID EXTRACTION AND ATOMIC ABSORPTION TECHNIQUE.

GEOPHYSICAL SURVEY

- INSTRUMENT - SHARPE SE-300
 - LOW FREQUENCY (reading left of line) —
 - HIGH FREQUENCY (reading right of line) - - - -
 - INDICATED CONDUCTOR AXIS —
 - INFERRED CONDUCTOR AXIS - - - -
 - RESULTS PLOTTED ON SCALE
1" = 10'
- SURVEY ORIENTATION
AS SHOWN

RONEX EXPLORATIONS LTD.
COMPOSITE
GEOCHEMICAL & GEOPHYSICAL
SURVEY
OF THE HUM BIRD GROUP
TATSHENSHINI RIVER AREA, B.C.

ACE R. PARKER & ASSOCIATES
Mineral Industry Consultants and Contractors

DATE:	AUG. 15, 1968	
SCALE:	1" = 200'	
DRAWN BY:	<i>Barry Peterson</i>	
DWG No:		