#### **REPORT ON**

#### THE LUCKY COON PROPERTY

KAMLOOPS MINING DIVISION

51°04' N.LATITUDE 119°36° W.LONGITUDE

NTS 82 M/4E

FOR

SIRIUS RESOURCE CORPORATION

**FEBRUARY 6, 1989** 

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1257 GEOLOGICAL LTD. 1150-609 WEST HASTINGS ST. VANCOUVER, B.C. V6B 4W4

ERNEST G. OLFERT, P.GEOL., F.G.A.C.

#### SUMMARY

The Lucky Coon property, consisting of six Crown grants and twelve modified gric claims is located on the Adams Plateau in the Kamloops Mining Division. The property is under option to Sirius Resource Corporation from Adams Exploration Ltd. who are the property owners.

Exploration on the property has continued intermittently since massive sulphide mineralization was first discovered in 1927. In 1977, 1360 tons of ore averaging 10 oz/ton Ag. and 15% combined Pb/Zn were mined from two open cuts. The latest phase of exploration began in the early 1980's with the advent of the discovery of massive sulphides by Rea Gold Corporation in 1983, in an area located 8 miles (13 km) N.W. of the Lucky Coon property.

Between 1981 and 1987 exploration including mapping, geochemistry and short-hole diamond-drilling was done by Adam Exploration Ltd. with variable results. The recognition of the Eagle Bay volcanic-stratigraphic package on the property, equivalent to the host rocks at the Rea Gold/Minnova deposits, prompted Sirius to initiate an option agreement in late 1987.

An initial gravity survey and diamond-drill program was conducted by Sirius Resource Corporation in late 1987 and early 1988, during which time a minor massive sulphide zone was intersected in one diamond drill-hole: D.D.H. 88-03 intersected 0.073 oz/ton Au, 1.34 oz/ton, Ag, 1.96% Pb and 2.84% Zn across 6.6 feet (2 m). A second diamond drill program was initiated in November 1988, during which time significant massive sulphide mineralization, associated with an intensely altered rhyolite volcanic was discovered in the Golden Eagle area of the property.

The richest hole, DDH 88-19 contained 7.95 oz/ton Ag, 14.2% Pb, and 8.6% Zn across 5.5 ft (1.7 m) and 33.4 oz/ton Ag, 30.7% Pb and 14.8% Zn across 0.5 ft (.15 m).

A total of 3,698 ft (1127 m) in 18 holes were drilled in three main areas of the property to test the down dip potential of several well defined outcrop horizons containing volcanogenic massive sulphides. The best results were obtained in 8 holes down dip from the Golden Eagle pit where silver-lead-zinc mineralization is associated with a sericite altered rhyolitic volcanic which appears to thicken along trend to the northwest. All 8 holes intersected mineralization associated with the rhyolite, representing a strike length of approximately 650 feet (200 m) and a down dip extension from the pit area of about 800 feet (250 m).

The altered rhyolite ranges between 10 and 20 feet (3-6 m) in thickness in the drilled area above and together with the sulphide mineralization appears to get stronger in the open, down dip trend to the northwest. DDH 88-24, which is furthest down dip, intersected a mineralized width of 17.2 feet (5.2 m) containing 1.61 oz/ton Ag, 2.28% Pb, and 2.51% Zn, including a zone 2.5 ft. (.76 m) wide containing 5.02 oz/ton Ag, 6.08% Pb, and 6.16% Zn.

The thickening of the mineralized rhyolite, well within the Lucky Coon Property, strongly suggests that a felsic volcanic center may be in the proximity. These centers commonly have the potential for hosting economic massive sulphide deposits. The felsic host rock in this area is more analogous to those of the larger tonnage massive sulphide deposits such as Westmin's Buttle Lake deposit on Vancouver Island. This deposit contains upwards of 15 million tons of massive sulphide ore grading about 0.07 oz/ton Au, 1.1 oz/ton Ag, 5.3% Zn, 2.2% Cu, and 0.3% Pb.

Metallurgical testing done on past production (1360 tons in 1977) indicates that the sulphide mineralization on the Lucky Coon property is amenable to conventional milling and concentrating methods. (see Tough 1981)

It is therefore recommended that a further exploration program, including 5000 feet (1500 m) of diamond drilling be conducted to test the N.W., down-dip thickening trend of the mineralized rhyolite, in the Golden Eagle area. A success contingent phase II program consisting of 10,000 feet (3000 m) of definition drilling is recommended. Total cost of the two phase program is in the order of \$1,155,000.00.

Respectfully submitted

Ernest G. Olfert

P.Geol., F.G.A.C.

#### Geological Report

#### Lucky Coon Property

#### **Sirius Resource Corporation**

### Adams Plateau, Kamloops Mining Division

#### 82 M4E

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#### 1.0 INTRODUCTION

This report is written upon the request of J.M. Ashton and A.H. von Kursell, Vice-president and President respectively of Sirius Resource Corporation. It is based primarily on the results of a Diamond Drill program conducted on the property in November and December of 1988 bv Sirius Resource Corporation's contractor, 1257 Geological Ltd. The drilling program was supervised by the author, who has been involved in exploration projects on the Adams Plateau since 1984.

This latest drill program was designed to test a number of different areas on the property including a drill hole intersection from previous drilling conducted by 1257 Geological Ltd. on behalf of Sirius Resource Corporation in January and February of 1988. Hole 88-03 intersected 0.073 oz/ton Au, 1.34 oz/ton Ag, 1.96% Pb, 2.84% Zn across 6.6 feet (2 m).

#### 2.0 LOCATION AND ACCESS

The Lucky Coon property is located just east of Adams Lake, about 40 miles (64 km) northeast of Kamloops, B.C. It is situated on NTS sheet 82 M/4E at a latitude of 51° 04' N. and a longitude of 119° 36' W.

The property is accessible by a 15 mile (24 km) logging road from the south end of Adams Lake and then via a 4.5 mile (7 km) 4x4 trail which leads to the Lucky Coon pit.

The property is located on top of the Adams plateau at an elevation of some 6000 feet (1800 m). Relief on the property is variable because of the steep canyon slopes formed by the

incision of Spillman Creek. Climatic conditions are marked by heavy snow falls in the winter, with accumulations of 15-20 feet (5-6 m.) considered normal. The ground is normally snow free for about four months of the year.

#### 3.0 PROPERTY DEFINITION

The Lucky Coon property comprises six Crown grants and twelve modified-grid claims, covering 3,394.9 Ha or 8,389.0 acres (approx. 142 units). They are located on NTS map sheet 82M/4E in the Kamloops Mining District of British Columbia, Canada.

As of January 31, 1989, all the claims were owned by Adams Exploration Ltd. Other salient information is summarized in Table 1.

NAME	CLAIM #	APPROX UNITS	AREA (Ha)	RECORDED DATE	EXPIRY DATE
ELSIE	5227	1	20.7	TAXES	PAID
BILLIE	5228	1	18.1	TAXES	PAID
WHITE SWAN	5229	1	22.3	TAXES	PAID
GOLDEN EAGLE	5230	1	16.2	TAXES	PAID
LUCKY COON	5231	- 1	22.1	TAXES	PAID
LAST CHANCE	5232	- 1	22.1	TAXES	PAID
L.C. EXT.FR	6647	1	24.2	05/27/86	05/27/97
ADAM 2	3953	4	86.0	02/26/82	02/26/91*
ADAM 3	3954	15	364.5	02/26/82	02/26/91*
ADAM 4	3955	3	51.7	02/26/82	02/26/91*
ADAM 5	3956	18	432.5	02/26/82	02/26/91*
ADAM 6	3957	20	489.6	02/26/82	02/26/91*
ADAM 7	3958	14	340.3	02/26/82	02/26/91*
BEE 2 A	2707	19	457.9	06/27/80	06/27/97
NOVA 1	3719	1	14.1	07/30/81	07/30/91*
NOVA 2	3720	1	12.6	07/30/81	07/30/91*
RSW 1	2663	20	500.0	06/30/80	06/30/91*
RSW 2	2664	20	500.0	07/16/80	07/16/97
TOTAL	/	142	3,394.9	,, <b></b>	,,

TABLE 1: List of claims with ownership, expiry date, and area

<sup>\*</sup>NOTE: Sufficient work has been done to extend the expiry date of these claims.

At present the Lucky Coon property, consisting of the claims listed in Table 1, is under option by Sirius Resource Corporation from Adams Exploration Ltd. Sirius Resource Corporation can earn a 75% undivided interest in the property, 100% owned by Adams Exploration Ltd., by making both the following cash payments and exploration expenditures:

#### a) cash payments:

i: \$15,000 upon execution of the agreement;

ii: \$25,000 on or before December 31, 1988;

iii: \$30,000 on or before December 31, 1989;

iv: \$30,000 on or before December 31, 1990;

#### b) exploration expenditures:

i: \$200,000 on or before December 31, 1988;

ii: an aggregate of \$500,000 on or before December 31, 1989;

iii: a cumulative expenditure of \$1.5 million during the four year term of the agreement.

Sirius Resource Corporation made the option payment of \$25,000 that was due 31 December 1988 and as of this writing has expended more than \$500,000 on the property.

#### 4.0 HISTORY

See report by Juan Caelles, (July, 88) for a more complete historical summary.

The mineralized showings were first discovered by T. Callaghan and H. McGillivray and staked in 1927 as the Lucky Coon claim group. Intermittent exploration has been carried out since that

time by several different companies, but very little drilling was done prior to 1981.

In 1977 Inter Pacific Sales Ltd. of Vernon, B.C. stripped the Lucky Coon and Golden Eagle Zones and mined 1360 tons of ore which reportedly averaged 9.85 oz/ton Ag, 7-8% Pb and 7-8% Zn (See report by Tough 1981).

In 1980 the property was acquired by Adams Silver Resource Corporation (Now Adams Exploration) who conducted a VLF geophysical survey and diamond-drilled 3,650 feet (1113 m) in 19 holes, during 1981. (Tough 1981). Considerable excitement was generated in 1983/84 with the discovery of Rea Gold, 8 miles (13 km) to the Northwest. This prompted Adams Exploration to conduct a further drilling program on the Lucky Coon property in 1984. Sixteen holes were drilled totalling 3,275 feet (1000 m) (see Spencer's Report 1985). Esso minerals conducted a mapping and sampling program in 1986 but, due to commitments elsewhere, were not able to retain their option on the property.

In 1987 Sirius Resource Corporation obtained an option on the property and conducted a gravimetric/magnetic geophysical survey and drilled 2,873 feet (876 m) in 10 holes in January and February 1988. A subsequent drill-program was conducted in November and December 1988, which is the subject of this report.

#### 5.0 REGIONAL GEOLOGY See Plate 3

The Adams Plateau area is underlain by a thick succession of volcanics and sediments of the Eagle Bay Formation ranging in age from Cambrian to Permian (Schiarizza and Preto, 1984). Lithologies are variable, ranging from meta-quartzites to argillites

and limestones, with associated Calc-silicate skarns and meta-volcanic flows and tuffs, ranging from mafic to felsic in composition. Within the Eagle Bay Formation, polymetallic precious and base metal massive sulphide occurrences are hosted within Devono-Mississippian sections of felsic volcanics and in overlying sequences of mafic volcanics and volcanoclastics.

The above stratigraphic sequence has been metamorphosed to the lower/middle greenschist facies. The area has been affected by two and possibly three phases of folding.

As mentioned above, a number of massive sulphide occurrences are associated with volcanic sections of the Eagle Bay Formation. The most prominent include the Homestake Ag, Pb, Zn, Ba prospect and the Rea Gold and Minova Cu, Pb, Zn, Ag, Au deposits. The Lucky Coon prospect is located 6-8 miles (13 km) southeast of the above deposits and is hosted within the same volcanic stratigraphic sequence.

The Homestake prospect is hosted within a large section of sericitic felsic schists and consists of stratiform silver-rich barite lenses. Published reserves are estimated to be 1.1 m tons containing 7 oz/ton Ag, 2.5% Pb, 4% Zn, 0.55% Cu, 28% Ba. A large section of the Adams Plateau just to the south of the Lucky Coon property is underlain by the same felsic volcanics. Exploration in the last several years has identified a number of mineralized horizons, but no significant discoveries have been made to date. (Spencer et al)

The Samatosum (Sam) deposit and the Rea Gold Discovery deposit consist of massive sulphides located near the altered stratigraphic contact of submarine mafic volcanics and argillaceous sediments

subsequently been overturned. The Rea that Discovery deposit consists of two separate lenses with a total reserve of 266,200 tons averaging 0.19 oz/ton Au, 2.14 oz/ton Ag, 2.25 Zn, 2.14% Pb, and 0.57% Cu. The silver-rich Sam deposit is speculated to be the enriched feeder-root zone to the Rea deposit. The Sam deposit is slated for production in mid-1989 with drill-indicated reserves of 660,000 tons containing 35.3 oz/ton Ag, 0.06 oz/ton Au, 3.5% Zn, 1.2% Cu, and 1.7% Pb. Within a kilometer or two along strike from the above deposits, Esso Minerals and Kamad Silver Co. Ltd. have made a more recent massive sulphide discovery. Diamond drill hole number K88040 intersected 37.4 feet (11.4 km) of 2.2 oz/ton Ag, 0.1 oz/ton Au, 6.85% Pb, 8.4% Zn and 0.56% Cu (George Cross Newsletter). Judging by the number of discoveries made to date, the area is rapidly becoming an established mining camp.

#### 6.0 PROPERTY GEOLOGY See Plate 4

A detailed geological description of the Lucky Coon property is reported by Holbek and Thiersch 1987.

The property area is underlain by a sequence of intermixed sedimentary, volcanoclastic to volcanic rocks, stratigraphically equivalent to the host rocks at the Rea Gold Discovery and Samatosum deposits. The sequence strikes S.W./N.E. across the property and has been folded into a large synformal structure. The Lucky Coon property occupies the western overturned limb. (Schiarizza and Preto 1984). Subsequent work done to the south of the Lucky Coon property by Spencer et al suggest some alternative interpretations. (i.e. thrust faulting).

Only a relatively small portion of the Lucky Coon property has

been explored in much detail: namely the Crown granted area original massive sulphide which covers the showings. Structurally, the lowest unit consists of a thick sequence of argillites and minor limestones which strike N.E./S.W. and dip towards the N.W. at 25°-30°. This unit is overlain by a thinner sequence of mixed sediments, felsic and mafic volcanics which host the stratiform sulphide showings on the property. The volcanics tend to pinch out along strike to the northeast. Skarn development is intermittently present towards the southwest end of the Crown-granted area. The uppermost sequence consists of (greenstones) which massive mafic volcanics are in structurally overlain by the Tshinnakin limestone.

#### 7.0 MINERALIZATION See Plate 4

See Holbek and Thiersch (1987) for detailed descriptions.

Mineralization is encountered in trenches, open cuts and shallow drill holes along a 2.5 mile (4 km) strike length on the property. Massive to semi-massive banded sulphides include pyrite, sphalerite, galena and sometimes arsenopyrite. Although carbonate alteration, silica flooding and minor quartz veining are associated with the sulphides, the sericite alteration is thought to be most significant, being indicative of extensive hydro-thermal activity associated with volcanisim.

Three main areas containing outcrop showings have been recognized along the 4 km mineralized strike-length and include the ELSIE, the Lucky Coon-Golden Eagle area, and the King Tut area.

The ELSIE area is located toward the southwestern end of the

Crown grants and contains several mineralized horizons. The first zone, known as the ELSIE horizon, consists of stratiform Py, Pb, and Zn localized at a greenstone/argillite contact. In the past, this zone has been exposed by trenching and a short underground drift along a 500 m strike length. Drill-testing of this zone at depth suggests that the mineralization lacks continuity. A second horizon structurally below the first horizon contains disseminated to banded sulphides at the altered contact of argillaceous sediments and more felsic volcanics (known as the Felsic horizon). Several short intersections (2-3% Pb, Zn, 1 oz/ton Ag over 1-3 feet (.5 m)) were made by previous drilling, but results at depth appear to be less consistent.

The Lucky Coon - Golden Eagle area occupies the middle of the Crown-granted area. The banded sulphides, varying in width up to 5 feet (1.5 m) thick, are best exposed in two pits from which some mining has been done in the past. (1360 tons in 1977). Sulphides are predominantly pyrite, sphalerite and galena with traces of arsenopyrite. The down-dip sections below the pits has previously been tested by shallow diamond-drilling done in 1981 (Tough) and 1984 (Spencer). Α number of mineralized intersections were reported but no continuity was established The two best holes, 81-1 and 81-5, are located between holes. down-dip between the Golden Eagle and Lucky Coon Pits. These holes intersected .02 oz/ton Au, 5.84 oz/ton Ag, 5.72% Pb, 2.42% Zn across 12 feet (3.6 m) and 0.1 oz/ton Au, 9.49 oz/ton Ag, 7.2% Pb, 1.2% Zn, across 5 feet (1.5 m) respectively. Further drilling in this area was conducted in January and February of 1988, during which time a mineralized section was encountered 850 feet (250 m) north of the Lucky Coon pit. D.D.H. 88-03 intersected 6.6 feet (2m) of 0.07 oz/ton Au, 1.34 oz/ton Ag, 1.96% Pb and 2.84% Zn. During the last drill program, which is the subject of this report, a significant sulphide discovery was made approximately 850 feet (250 m) northwest of the Golden Eagle pit. Mineralization is consistently related to an altered rhyolite volcanic. (See discussion of results)

The King Tut pit is located at the northeastern end of the Crown-granted area. Mineralization consists of fine grained banded sulphides in a sequence of predominantly argillites. Two holes were drilled in this vicinity in early 1988 intersecting trace amounts of Pb/Zn sulphides and minor altered volcanic tuffs. Minor production has occurred from this pit, sometime in the past.

#### 8.0 DISCUSSION OF RESULTS See Plates 4,5,6, and Drill-Sections

A total of 3,698 feet (1127 m) of NQ Diamond-drilling in 18 holes was carried out in November and December, 1988. Drilling was conducted in three main areas including: the ELSIE area, an area north of the Lucky Coon pit, and the Golden Eagle area where extensive massive sulphide mineralization associated with an altered rhyolite was discovered. One hole was also drilled mid-way between the Lucky Coon and King Tut pits.

In the ELSIE area, D.D.H. 88-26 and 88-27 were drilled to test the down-dip extension of a mineralized felsic volcanic contact. Sparse sulphides were associated with this contact. A mineralized section near the top of hole 27, equivalent to the ELSIE horizon, intersected 3.1 feet (0.94 m) of 0.092 oz/ton Au, 0.54 oz/ton Ag, 0.9% Pb, 1.74% Zn. Some calc-silicate skarny sections with disseminated pyrite also occur in these holes. The felsic volcanics in this area may be equivalent to the altered rhyolite in

the Golden Eagle area.

In the area just north of the Lucky Coon pit, 7 holes were drilled to establish extensions from a previous drill intersection (D.D.H. The mineralized horizon is believed to be equivalent to the zone in both the Lucky Coon and Golden Eagle pits but, because of the lack of a volcanic component, the mineralization is believed to be more distal, lensey and inconsistent. The best hole (88-12) intersected 0.038 oz/ton Au, 2.1 oz/ton Ag, 3.32% Pb, 1.78% Zn across 2.9 feet (0.88 m). One hole (88-17) did not reach its target depth. Drilling was exceptionally difficult in this area because of strata-parallel dip-slip faulting in graphitic argillites. One hole (88-28) was drilled to test the projected mineralized horizon between the Lucky Coon and King Tut pit. disseminated Pb, Zn sulphides associated with a tuffaceous encountered near the bottom ofThe best intersection contained 0.07% Pb and 0.63% Zn across 3.2 feet (0.97 m).

The main area of interest is in the vicinity of the Golden Eagle pit area where 8 holes were drilled. (D.D.H.'s 88-18 to 88-25). All eight holes intersected silver-lead-zinc sulphides associated with a sericite altered rhyolitic volcanic horizon. The best hole, D.D.H. 88-19 contained 7.95 oz/ton Ag, 14.2% Pb, 8.6% Zn across 5.5 feet (1.67 m), and 33.4 oz/ton Ag, 30.7% Pb, 14.8% Zn across 0.5 feet (.15 m). The newly drilled mineralized area represents a strike length of approximately 650 feet (200 m) and a down dip extension from the pit area of about 800 feet (250 m). The zone occurs just to the west of previous drilling done in 1981 and 1984, where a number of discontinuous sulphide intersections were encountered along the same stratigraphic horizon.

Disseminated Py, Pb and Zn sulphides occur throughout the

altered rhyolite in the above zone with banded high-grade sections occurring at either the upper or lower contacts and sometimes in between. The volcanic horizon ranges from 10-20 feet thick (3 m - 6 m) and, together with the sulphide mineralization, appears to get stronger in the open, down-dip trend to the northwest. D.D.H. 88-24, which is the furthest hole down-dip, intersected a mineralized width of 17.2 feet (5.24 m) containing 1.61 oz/ton Ag, 2.28% Pb and 2.51% Zn, including a zone 2.5 feet (.76 m) of 5.02 oz/ton Ag, 6.08% Pb, and 6.16% Zn. Other significant drill intersections from the Golden Eagle area are contained in Table II.

The high silver and anomalous manganese content of the mineralization in the Golden Eagle area suggest that this area is on the flank zone of a volcanic complex.

The thickening of the mineralized rhyolite in the northwest direction from the Golden Eagle pit strongly suggests that a felsic volcanic center may exist in the proximity further northwest, in the area of Spillman Creek. These felsic centers, analogous to the Buttle Lake Westmin mine, commonly have the potential of hosting large tonnage massive sulphide deposits. The presence of a number of economic deposits in the same stratigraphic package in the Rea Gold area also adds to the potential of locating a deposit in this area and as such, further exploration is warranted.

Drill	Intercept	Width					
Hole #	(feet)	(feet)	Ag oz/ton	Pb (%)	Zn (%)	Au oz/ton	Com- ments
88-18	95.0 - 97.0	2.0	6.01	7.78	2.80	.006	
88-19	71.5 - 72.0 82.0 - 87.5	0.5 5.5	33.40 7.95	30.70 14.20	14.80 8.60	.014 .018	
88-20	90.0 - 101.0	11.0	1.54	2.25	1.14		
	including 90.0 - 91.0	1.0	2.06	3.54	5.38		
	and 96.0 - 101.0	5.0	2.80	4.02	1.01		
8-21	112.6 - 115.1	2.5	1.01	1.80	3.06	.004	
88-22	137.0 - 142.0	5.0	0.15	0.19	0.47	L0.002	(1)
88-23	132.7 - 136.2	3.5	0.07	0.12	0.35	L0.002	(2)
88-24	124.8 - 142.0 or	17.2	1.61	2.28	2.51		
	124.8 - 147.0 including	22.2	1.28	1.81	2.14		
	124.8 - 127.3	2.5	5.02	6.08	6.16	.016	
88-25	92.5 - 93.8 99.0 - 99.8	1.3	0.61 1.43	0.67 2.08	3.64 2.32	.016 .012	
81-1	57.0 - 69.0	12.0	`3.84	5.72	`2.42	.02	(1)
81-3	100.0 - 104.0	4.0	0.10	0.32	0.71	0.005	
81-5	46.0 - 51.0	5.0	9.49	7.20	`1.20	0.1	
81-5	51.0 - 55.0	4.0	0.10	0.09	0.11	L0.002	
81-5	55.0 - 61.0	6.0	0.92	1.27	1.60	0.607	

TABLE II: Drill-Hole Intersections Golden Eagle Area

<sup>(1)</sup> Poor Core Recovery(2) Zone cut by a Dyke

#### 9.0 CONCLUSIONS

- 1. Drilling in the Golden Eagle area has led to the discovery of massive volcanogenic sulphides hosted by an altered rhyolite volcanic. The high silver content, anomalous manganese, and the enclosing sediments suggest that the area is situated on the flank of a volcanic center. This felsic center is thought to occur to the northwest, in the direction in which the volcanics appears to thicken. The degree of sericite alteration is indicative of considerable hydro-thermal activity having taken place at this stratigraphic interval.
- 2. Mineralization encountered in previous drilling in the Golden Eagle and Lucky Coon pit areas probably represents more distal sulphide mineralization along the same stratigraphic horizon e.g.: lensey nature of sulphides and no volcanics present.
- 3. The felsic volcanics in the ELSIE area may be stratigraphically equivalent to the rhyolite in the Golden Eagle area and as such enhances the possibility of a substantial felsic center in the Spillman Creek area.
- 4. Although the bulk of the mineralization on the Lucky Coon property is silver-rich, gold values as high as 0.1 oz/ton have occasionally been encountered, indicative of a genuine polymetallic signature.
- 5. A mineralogical study, carried out in conjunction with the mining done in 1977, suggests that there is a metallurgical balance and that the sulphides are amenable to conventional milling and concentrating methods. (Tough 1981).

- 6. Drill testing of the Golden Eagle area is made expedient because of the parallel nature of the target horizon and the surface slope down to Spillman Creek. However, dip-slip faulting, within the argillites, will create some drilling difficulties.
- 7. Geophysics is not an applicable exploration tool for defining the Golden Eagle mineralized horizon. The overlying graphitic argillites prohibit the use of any electrical methods. A gravity survey done in the past was of little use because of excessive terrain corrections.
- 8. Systematic diamond drilling is required to evaluate the Golden Eagle zone.

#### 10.0 RECOMMENDATIONS

- 1. The Crown-granted area where most of the exploration work has been done to date represents only about 10-15% of the Lucky Coon property. Reconnaissance mapping and geochemical soil and silt sampling is recommended on the rest of the property, in search for similar volcanogenic massive sulphides.
- 2. A phase one drill program of 5,000 feet (1500 m) is recommended in the Golden Eagle area to test the newly found sulphide horizon down-dip towards Spillman Creek, in search of a felsic volcanic center. A success contingent phase II program including 10,000 feet of diamond drilling is subsequently proposed.

A tentative exploration budget is outlined below. (Table III)

#### 11.0 TABLE III: PROPOSED EXPLORATION BUDGET

#### PHASE I

Geological Reconnaissance Mapping and sampling	30,000.00
Follow up on Reconnaissance Targets	45,000.00
Diamond Drilling 5,000' NQ x \$65/ft (all inclusive)	325,000.00
	400,000.00
PHASE II	
10,000' NQ Diamond Drilling at \$65/ft (all inclusive)	650,000.00
TOTAL	1,050,000.00
10% contingency	105,000.00
TOTAL PHASE I AND PHASE II	\$1,155,000.00

Respectfully submitted,

E.G. Olfert, BSc, Hon., F.G.A.C., P.Geol.

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#### CERTIFICATE

- I, Ernest G. Olfert, with business address at 3020 Fraser Street, Vancouver, B.C. do hereby certify that:
- 1. I am a Consulting Geologist registered with the Geological Association of Canada as a Fellow, and I am entitled to use their seal, which has been affixed to this report. I am also registered as a Professional Geologist with the Association of Professional Engineers, Geologists and Geophysicists of Alberta.
- 2. I hold a B.Sc. (Honors) Degree in Geology (1970) from the University of Calgary, Alberta.
- 3. I have practiced my profession as a geologist continuously since 1970, having worked in Canada, Mexico, Greenland, and Europe. I have worked for Cominco from 1970 1983 and for a number of small public companies from 1983 to the present.
- 4. I have based this report mostly on a diamond-drill program supervised by myself in November and December of 1988 and partly on field work conducted previously by myself and others in this area of the Adams Plateau.
- 5. I do not have any direct or indirect interest in the securities of Sirius Resource Corporation .
- 6. I have no interest in the property described in the report and will receive only normal consulting fees for the preparation of this report.
- 7. I consent to the use of this report on the Lucky Coon property by Sirius Resource Corporation for the purposes of a Prospectus Statement of Material facts or for any other corporate purpose.

Ernest G. Olfert, B.Sc.Hons. P.Geol. F.G.A.C.

February 6, 1989

#### LETTER OF RELEASE

3020 Fraser Street Vancouver, B.C. V5T 3W3

SIRIUS RESOURCE CORPORATION Suite 1100 Box 25 609 West Hastings Street Vancouver British Columbia V6B 4W4

#### Gentlemen:

This letter will authorize you to use this report or any part thereof in any Prospectus, Statement of material facts or any other Filing Statement that is necessary for your corporate purposes subject only to the use of excerpts within their proper context.

Dated this 13th day of February 1989.

Respectfully submitted,

Ernest G. Olfert P.Geol., F.G.A.C.

# APPENDIX I ASSAY CERTIFICATES; ICP ANALYSIS

### CDN RESOURCE LABORATORIES LTD

6329 BERESFORD STREET, BURNABY, B.C. V5E 1B3 / PH: 435-8376 / FAX: 435-9746

\*\* ASSAY REPORT \*\*

To: 1257 Geological Ltd.

1150 - 609 West Hastings

Box 26

Vancouver, B.C., V6B 4W4

Attn: Brian Richards

Number: 88640

Date: December 13, 1988

Proj.: Lucky Coon P.O. 0657

	Au oz/ton	Ag oz/ton	Pb ×	Zn %	
59526	0.014	11.6	12.0	12.8	` `
59527	0.002	<0.01	0.02	0.57	}
59528 <sup>`</sup>	0.012	2.06	3.54	5.38	·
59529	0.006	0.18	0.23	0.43	> 0,0,H.88-20
59530	0.012	2.80	4.02	1.01	1
59531	<0.002	<0.01	0.04	0.10	
59532	<0.002	<0.01	0.03	0.16	
59533	<0.002	<0.01	0.03	0.03	\
59534	0.002	0.20	0.30	0.46	2211 00 21
59535	0.004	1.01	1.80	3.06	D.D.H. 88-21
59536	0.004	0.16	0.19	0.45	
59537	<0.002	<0.01	0.01	0.01	DDH 88-22
59538	<0.002	0.15	0.19	0.47	ש,ט,וז, סמ − ב כּ

## CDN RESOURCE LABORATORIES LTD

6329 BERESFORD STREET, BURNABY, B.C. V5E 1B3 / PH: 435-8376 / FAX: 435-9746

#### \* ASSAY REPORT \*\*

To: 1257 Geological Ltd.

1150 - 609 West Hastings

Box 26

Vancouver, B.C., V6B 4W4

Number: 88650

Date: December 16, 1988

Proj.: Lucky Coon

P.O. 0657

Attn: Brian Richards

	Au	Ag	Pb	Zn	
	oz/ton	oz/ton	*	*	
59539	0.002	<0.01	0.05	0.17	
59540	<0.002	0.07	0.12	0.35	5 5 U 00 - 3 3
59541 🦠	<0.002	<0.01	0.03	0.12	D.D.H. 88-23
9542	0.004	0.73	1.22	2.44	
9543	0.016	5.02	6.08	6.16	1
9544	0.002	0.25	0.31	0.39	
9545	0.004	0.89	1.28	2.64	22.21
9546	<0.002	0.16	0.21	0.69	> D. D.H. 88-24
9547	0.008	2.10	3.52	3.04	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \
9548	0.004	0.15	0.20	0.88	`
9549	0.016	0.61	0.67	3.64	
9550	0.012	1.43	2.08	2.32	D. D. H. 88-25
59551	<0.002	0.16	0.18	0.25	<b>.</b>

ASSAY REPORT

To: 1257 Geological Ltd.

1150 - 609 West Hastings

Vancouver, B.C., V6B 4W4

Attn: Brian Richards

Number: 88625

Date: December 7, 1988

Proj.: Lucky Coon

P.O. 0657

	Au oz/ton	Ag oz/ton	РЬ 	Zn ×	Pt Pd oz/ton oz/tor
59505	<0.002	<0.01	0.09	0.24	D.D.H. 88-11
59506	<0.002	<0.01	0.01	0.03	<0.001 <0.001
5950プ	0.038	2.10	3.32	1.78	
59508	<0.002	<0.01	0.01	0.02	D.D.H. 88-12
59509	<0.002	0.01	0.03	0.07	
59510	<0.002	<0.01	<0.01	0.01	200 12
59511	<0.002	<0.01	<0.01	0.02	QDH. 88-13
59512	<0.002	<0.01	0.08	1.57	
59513	<0.002	<0.01	0.03	0.03	D.D.H. 88-14
59514	0.026	2.74	4.05	2.88	
59515	0.018	0.01	0.18	0.52	7000 00 1/5
59516	0.002	0.10	0.39	0.91	J.D.H.88-15
59517	<0.002	<0.01	<0.01	0.02	200 21
59518	<0.002	<0.01	<0.01	0.02	D.D.H. 88 - 16
59519	<0.002	<0.01	<0.01	0.02	DD.H. 88-17
59520	0.002	<0.01	0.09	0.38	
59521	0.006	6.01	7.78	2.80	D.D.H. 88-18
59522	0.004	<0.01	0.05	0.62	
59523	0.014	33.4	30.7	14.8	
59524	0.018	7.95	14.2	8.60	QQH, 88-19.
59525	0.002	0.01	0.17	0.53	

## **CDN** RESOURCE LABORATORIES LTD.

6329 BERESFORD STREET, BURNABY, B.C. V5E 1B3 / PH: 435-8376 / FAX: 435-9746

#### \*\* ASSAY REPORT \*\*

To: 1257 Geological Ltd.

1150 - 609 West Hastings

Box 26

Vancouver, B.C., V6B 4W4

Attn: Brian Richards

Number: 88659

Date: December 29, 1988

Proj.: Lucky Coon

P.O. 0657

	Au	Аq	Pb	Zn	
	oz/ton	oz/ton	*	*	
59552	0.008	0.16	0.03	0.07	
59553	0.002	<0.01	0.03	0.12	3
59554	<0.002	<0.01	•		
59555	<0.002	<0.01			
59556	0.002	0.01			
59557	<0.002	0.03	0.04	0.18	- D.D.H. 88-2C
59558	0.046	1.14	0.79	2.00	D. G. M., 60
59559	0.002	0.23	0.17	0.82	
59560	<0.002	0.01	0.03	0.21	
9561	0.002	1.01	5.18	3.48	
59562	<0.002	<0.01	0.01	0.04	***************************************
59563	<0.002	<0.01			
59564	0.092	0.54	0.90	1.74	\
9565	<0.002	<0.01			
9566	<0.002	<0.01			
9567	<0.002	<0.01			
9568	<0.002	<0.01			
9569	<0.002	<0.01			
9570	<0.002	0.61	1.18	0.88	
9571	0.002	<0.01	0.02	0.02	
9572	<0.002	<0.01			D.D.H. 88-27
9573	<0.002	<0.01			D, D, 11, 00-2 1
59574	, <0.002	<0.01			
9575	<0.002	<0.01			
59576	<0.002	<0.01			•
59577	<0.002	<0.01	1.1111	· · · · · · · · · · · · · · · · · · ·	
59578	0.008	<0.01			
59579 ,	<0.002	<0.01			
59580	<0.002	<0.01	<0.01	0.02	,
59581	<0.002	<0.01	0.01	0.04	DDH-88-28
59582	<0.002	<0.01	0.07	0.63	U.D. IT. 00-20
59583	0.002	<0.01	0.02	0.13	

### CDN RESOURCE LABORATORIES LTD.

6329 BERESFORD STREET, BURNABY, B.C. V5E 1B3 / PH: 435-8376 / FAX: 435-9746

GEOCHEMICAL REPORT

To: 1257 Geological Ltd.

1150 - 609 West Hastings

Box 26

Vancouver. B.C., V6B 4W4

Number: 88659

Date: December 29. 1988

Proj.: Lucky Coon

P.O. 0657

Attn: Brian Richards

	. ω		
	ppm		
59563	< 2	DDH 88-26	
59567	< 2		
59573	< 2	- D.D.H. 88-27	
59576	< 2	υ. υ. η. ο · · · · · · · · · · · · · · · · · ·	
59577	< 2		
59578	< 2		
•			
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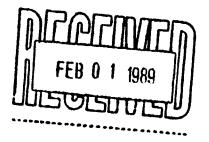
Duncan Sandrean

#### GEOCHEMICAL ANALYSIS CERTIFICATE

ICP - .500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER. THIS LEACH IS PARTIAL FOR NM FE SR CA P LA CR MG BA TI B W AND LIMITED FOR NM K AND AL. AU DETECTION LIMIT BY ICP IS 3 PPM.

				- \$	AMPLE T		•				,	,		,				/	0 /	9											
DATE RE	CEIV	ED:	: JAN	20 198	19 D.	ATE	REPO				v		23 <sub>/</sub>				ED B # 89				D.	.TOYE,	C. LEO	KG, B.(	CHAN, J	r.Wang;	CERTI	IFIED E	B.C. AS	SAYERS	
SAMPLE:	No PPN	Cu PPM	Pb PPM	Zn PPN	Ag PPH	Ni PPN	Co PPM	Mn PPM	Fe }	AS PPM	U PPM	Au PPK	Th PPN	ST PPN	Cd PPN	SD PPN	BÍ PPM	V PPX	Ca	P	La PPN	CT PPN	Ng 1	Ba PPN	Ti 1	B PPM	Al 1	Na Ł	I,	N PPN	
59542 59543 59544 59545 59546	9	446 161 222	8627 25483/ 1872 9212 1481		162.5↓ 6.5 24.1	3 20 12 21 20	2 26 14 14 4 26 12 18 12 12	205 9 176 8 297 10	. 26 . 49	353 2036	5 5 5 5	ND ND ND ND	1 2 1 3 5	256 73 93 91 108	42 160 6 50 13	11 204 2 38 2	2 2 2 2 2	13 3 5	12.04 2.72 3.91 4.03 4.45	.018 .027 .030	2 2 2 2 2	37 107 69 87 92	1.72 .59 .74 .74 .99	8 15 5 8 13	.01 .01 .01 .01	2 2 2 2 3	.69 .79 .32 .32	.01 .01 .01 .01	.05 .13 .09 .12 .17	$\begin{bmatrix} 1\\3\\1\\1\\1 \end{bmatrix}$	D.D.H 88-24
59547 59548	7 9	152 71	25250, 1658	21210 7899	56.0 / 5.5	16 22 74	8 30 11 16	512 7	.16	4623 2822 41	5 5 20	ND ND a	1 3 41	62 152 52	63 19 20	73 19 16	2 2 22	16	2.56 4.82 .50		2 3 40	91 127 58	.54 1.15 .93	9 14 185	.01 .01 .07	2 2 39	.40 .91 1.97	.01 .01 .06	.07 .10 .14	; ; 13	

- ASSAY REQUIRED FOR CORRECT RESULT -



## APPENDIX II DRILL LOGS - GOLDEN EAGLE AREA

Locatio	n: 3+17N,4	4+60E	Property: LUCKY COON		Core Size	e NQ					T				
GOLDEN E	AGLE AREA		N.T.S.		Logged B	E. Olfert		Pag	ge of		H	lole	No.:	88-18	
Latitud	le :		Elevation: 1802 metres app	rox.	Bearing	160°	Co:	Collared: Nov.29/88							
Departu	re:	·	Depth: (242') 73.8 m		Dip: -57°		Cor	Completed: Dec.1/88							
Ft./M.	Rec'y		Descripti		on Core Sampl Angle From				Sample No.		Ag	Cu	Assa Pb	Zn	T
(0-35) 0-10.7	_	OVERBURDEN mixed Arg		-					1						
		Greenstone pe	abbles frequent												<b>†</b>
(35-88) 10.7-26.8	78%	ARGILLITE: graphitic 10% white gua	:. 30% interbanded Lst. rtz banding & veining	1/2% fn.med.ar.d	is Py	50°									
(88-95) 26.8 - 29	B6 <b>\</b>	RHY.TUFF:banded,slig	htly calcareous	Med.Sericite alt	•	75°									
		28-29:1-2% dis.	fn.gr.py.+traces Sphal.+Galena			٠	(92 28.05	95)  28.96	59520	002	L.01		.09	38	
(95-97) 29-29.6	100%	SULPHIDE ZONE; silic	ceous. 4% dis.Py.tr.Po	15 cm Highgrade rest is dis. Pb/		75°	(95 28.96	97) 29.57	9521	006	6.01		7.78	2.8	
		Argillaceous i	in lower section.	(Siliceous)			(103 31.40	107) 32.62	59522	.004	L .01		.05	.62	
(97-107) 29.6-32.6	50%	29.6-31.1:25%	illaceous, Siliceous recovery, 1 chip of H.G. PDZn Py Po streaks + tr.2n	slightly minera	lized	85°						_			
(107 - 132 32.6-40.2	84%		ic, Lt.Silty laminations	+1% coarse Py,t	r.Po	60-75°				<u> </u>		<del> </del>	<del>                                     </del>		-
		tectonic brecc	lated near base												
(132 - 141 40.2-43	40%	MUD+RUBBLE-Faulting	g, Argillite, Lst+Qtz pebbles												
(141-   85.6) 43-56.6		ARGILLITE:graphitic	.Lt gy. silty banding	L 1% coarse py c	ubes	60-80°									
	<u> </u>	tr.Lst., 15%	Qtz/Carb.bands										<u></u>		
(185.5-186 56.6-56.7	100%	BLACK CHERT: GRAPHI	TIC												
				·							L				

Locatio	n:		Property: N.T.S.		Core Size			Page	2 of _2		н	ole	No.:8	8-18	
Latitud			Elevation:		Bearing	<u> </u>					<u> </u>				—
Departu			Depth:		Dip:		·		Collared:						
Ft./M.	Rec'y		Description	on Core Sa Sulphides/Alteration F			Sample Le	roth To	Sample No. Au Ag C				Assa Pb	zs Zn	
-		ARGILLITE; striped,   graphitic	Lt.gy.Silty laminations	tr.py		75°							-/-		
(192.5-198) 58.7-60.4	100%		nded, white calcareous streaks			70-75°									
(198-242) 60.4-73.8	961	ARG:graphitic, Lt.g	y.Silty laminations	coarse cubed py.	L 18	70 <b>-</b> 75°									
		END OF HOLE									1				
		SULPHIDE ZONE is rhyolite zone.	located at the base of the			•									
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Location: 3+17 N. 44+60E	Property: LUCKY COON	Core Size NQ							
Golden Eagle area	N.T.S.	Logged By E. Olfert	Page <u>l</u> of <u>2</u>	Hole No.: 88-1					
Latitude:	Elevation: 1802 metres approx.	Bearing	Collared: Dec.1,	Collared: Dec.1, 1988					
Departure:	Depth: (112') 31.1m.	Dip: Vertical	Completed:Dec.2,	1988					
Ft./M. Rec'y	Description	Core Sample Le		Assavs					

Ft./M.	Rec'y	Description	\ <b>n</b>	Core Angle	Sample		Sample					
	Kec y	Description	Sulphides/Alteration		From	To	No.	Au 23/T	Ag	Cu	Pb %	Zn Ž
l)		OVERBURDEN					:	_				
1-50.7) 1-15.5	69%	ARGILLITE: 20% interbanded Lst.,graphitic	1/2% coarse Py.	60-65°								
		10% Qtz.Carb. veins & bands										
7-52.5) -16	90%	MAFIC DYKE: Slightly magnetic green speckled	tr.magnetite Slightly weathered									
5-57.4) 7.5	91%	ARG./LST.:60/40;interbanded,graphitic		55-60°								
4-58) -17.7	100%	MAFIC DYKE: as above		•								
71.5) -21.8	92%	ARG/LST:60/40;interbanded, graphitic 10%white Qtz/carb. trace of wispy fn.gr.Py. 0.6m above base	1/2% fn-med.dis.Py	70°								
5-72) -22	92%		Galena, Sphal.Py.		(71.5 - 21.80 -	72) 21.95	59523	.014	33.4		30.7	14.8
82) 5	89%	ARG:graphitic, 25% interbanded Lst.	1/2% dis.fn.med.Py.	70-75°								<u> </u>
<u> </u>		20% white Otz/carbonate			(82 -	87.5)						<u> </u>
87.5) 6.7	20%	MASSIVE SULPHIDE - very poor recovery	Galena,Sphal.Py.	ļ <u>-</u>	25.00 -	26.68	59524	.018	7.95		14.2	8.6
		less than 0.3m recovered, pebbley core			26.68 -	27.29	59525	.002	.01	<u> </u>	.17	.53
7.5-94.5) . <u>7 - 28.8</u>	88%	ARGILLITE: graphitic. slightly siliceous	dis.Zn,Py,Po.in	75-80°		ļ						<u> </u>
		dis.traces Zn to 27.3m	26.7-27.3									
					ļ	ļ						<u> </u>
			1 .		1	1	1			1 1		

Location: Property:  N.T.S.  Latitude: Elevation:			Property:		Core Size				_			_				
		N.T.S.	S. Logged 1		у		Pag	Page 2 of 2			Hole No.: 88-19					
		Bearing			Col	Collared:										
Departure: Depth:				Dip:			Com	Completed:								
Ft./M.	Rec'y		Descripti	<del></del>	Core Angle	Sample I	ength To	Sample No.		Ag	Zn Zn					
94.5-112) 28.8-34.1	76%	MAFIC DYKE: fi	ne-grained	Sulphide magnetic	s/Alteration					23/5	Ag	Cu	Pb %	2,1		_
		29.1-29.6% m 30.8-30.9% s	ud-rubble and minor Arg. ulphide pebbles from up-hol ubble, minor argillite	1												_
		NOTE: The High	-grade sulphides in this ho	ile				·								_
			ciated with the rhyolite			·										_
		intersec	ted in 88-18. Poor recover	у												
		and the	mafic Dyke obscure the													
		rhyolite	in this hole.					· · ·								
			•													
					<del></del>											<u>.                                    </u>
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Location: 3+29N,44+62E	Property: LUCKY COON	Core Size NQ		
GOLDEN EAGLE AREA	N.T.S.	Logged By E. OLFERT	Page 1 of 2 Hole No	• :88-20
Latitude:	Elevation: 1802 M APPROX.	Bearing	Collared: DEC.2/88	
Departure:	Depth: (132') 40.2 m	Dip: VERTICAL	Completed: DEC.3/88	

Ft./M.	Rec'y	Descripti	0 D	Core	Sample		Sample				SSA	
EC./M.	Mac 1		Sulphides/Alteration	Angle	From	To	No.	Au	Ag	Cu	Pb	Zn
-22		OVERBURDEN: greenstone and Mafic Dyke		65°								
22-47) .7-14.3	100%	LST./ARG: 60/40;interbanded, graphitic	1-2% charse cubed by									
,		20% white Qtz/Carb.veining and banding										
4/-61) 4.3-18.6	44%	FAULT ZONE:Rubble, mud, graphitic gouge						T				
		15% white Quartz fragments										
(61-76.6) 18.6-23.4	891	ARG/LST:50/50;interbanded, graphitic,	1-2%streaky dis.py fn-med.gr.	65°								
		py. streaks along bedding	ļ									
(76.6-77.8) 23.4-23.7	100%	MASSIVE SULPHIDE: Red Sphal.Galena + py	Zn,Pb,Py,Po	60°	(76.6 23.35	77.8) 23.72	9526	.014	11.6	,	12.0	2.8
		Some banded Po on upper contact. 21 cm of the section is massive ZnPb										
(77.8-86.5) 23.7-26.4	77%	ARG./LST.:60/40:interbanded graphitic	2% med.or.dis.Py	70°								
		Arg. is slightly siliceous + pyritic			(86.5 26.37	90) 27.44	59527	0.002	L 0.01		0.02	0.57
(86.5-100) 26.4-30.5	42%	RHY. TUFF + SILICEOUS SEDS: 65/35;mineralized,	wk mod. sericite		(90 27.44	91) 27.74	59528	0.012	2.06		1.54	5.38
		Semi.Mass. Sulphide zone 27.4-27.7 (Py.Po.Sphal>)	27.4-30.8:	60°	(91 27, 74	96) 29, 27	59529	0.006	0.18		0.23	0.43
		29.3-30.8 stringers of Sphal.(50% recovery)	5% py + Po with ZnPb Sections		(96 29.27	101) 30.79	59530	0.012	2.8		4.02	1.01
					(101 - 30.79	104) 31.71	59531	-0.002	10.01		1.04	0.1
(100-109) 30.5-33.2	58%	SILICEOUS ARG: 4% dis. po.py.,trace Zn.,	Po Py,trace Zn		(104 - 31.71	109) 33,23	59532	0.002	LO.01	c	.03	0.16
		33-33.2:RHYOLITE	•									

			<del></del>								<del></del>				
Locatio	on:		Property:		Core Size	<u> </u>		<b>ᆜ</b> _							1
-			N.T.S.		Logged By	<u> </u>		Page	2 of 2		Н	ole	No.:	38-20 	
Latitud	le:		Elevation:		Bearing		-,	Co11	lared:						
Departu	ıre:		Depth:		Dip:			Comp	leted:						
Ft./M.	Rec'y		Descripti	o n Sulphides	/Alteration	Core Angle	Sample L	ength To	Sample No.	Au 21/5	Ag	Cu	Assa Pb	Zn	
(109 - 132) 33.2-40.2	75%	ARGILLITE:Lt.grey s	silty banding, graphitic	1 1/2% coarse py		70°						-			
		CONTORTED AND	BECCIATED BELOW 37.8 M					-							
															<u> </u>
		Hole intersected t	he mineralized Rhyolitic tuff												
	1	Located in 88-18;	although with more Argillaceous												
		interbedding.				•									
		END OF HOLE													
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Locatio	n: 45+14E,	3+21N	Property: LUCKY COON		Core Size			B.	se 1 of 2			010	No.:	88-23	1
GOLDI	en eagle are	A	N.T.S.		Logged B	V E. Olfert	<del></del>					OTE	NO.:		
Latitud	le:		Elevation: 1797 m. approx		Bearing			Col	lared: D	ec.3/88					
Departu	re:		Depth: (129') 39.3 m		Dip: Verti	cal		Con	pleted: D	ec.4/88					
Ft./M.	Rec'y		Description		/Alteration	Core Angle	Sample From	Length To	Sampl No.		Ag	Cu	Assa Pb	Zn	 T
(0-17) 0 - 5.2		OVERBURDEN													
(17 - 37) 5.2 - 11.3	58%	RUBBLE ARGILLITE;	graphitic, minor Lst.	1-2% coarse oxi py.vugs.	dized	70°									
		15% white Qtz/C	arb.,29-30 Qtz.healed Bx												
(37-46.7) 11.3 - 14.2	100%	LST/ARG:60/40 inte	rbedded, graphitic	tr.coarse py.		80°									
(46.7 -47 14.2 - 14.3	100%	BLACK CHERT: graph	itic							<u> </u>					
(47 - 81) 14.3 - 24.7	74%	<u> </u>	above 15% white Qtz/Carb.streaks	minor fn.gr.py		80° -									
		22.7-24.1:few	laminations of fn.gr. py.							<u> </u>	<u> </u>				
(81-92.5) 24.7-28.2	35%	RUBBLE ZONE: cavit	ies, poor recovery						<u> </u>	<u> </u>	<u> </u>			<u> </u>	_
		white Qtz/heal	ed BX, minor Arg.										1		
(92.5-105.2 28.2-32.1	100%	LST./ARG; 60/40 as	above, interbanded	2% fn. gr. py c locally	oncentrated	75-80°									
		traces fn.gr.	ру.	Tr.sphal. at 29	.6										
05.2-118.7) 32.1-36.2	100%	MINERALIZED RHY.TUE	FF	mod, strong ser	icite	70-75	(105.2 32.07	107.5) 32.77	59533	LO.002	t <sub>0.01</sub>		0.03	0.03	
•		34.3-35.1:Best	Zone; Sphal.stringers + Tr.Pb.	4.5%dis.fngr.Py	-wk.Zn		(107.5 32.77	112.6) 34.33	59534	0.002	0.2		0.3	0.46	
		interbedded U.	contact, sharp L.contact				(112.6 34.33	115.1) 35.09	59535	0.004	1.01		1.8	3.06	
1119-36120.2	100%	SILICEOUS LOWER CON	NTACT: ARGILLITE	Wispy Po.4%		75°	(115.1 35.09	120.2) 36.65	59536	0.004	0.16		0.19	0.45	<u> </u>
														<u> </u>	<u> </u>
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Locatio	on:		Property:		Core Size	<u> </u>									
·			N.T.S.		Logged By		<u> </u>	Page	2 of _2		Ho	ole 1	No. se	8-21	
Latitud	le:		Elevation:		Bearing			Co11	ared:						
Depart	ıre:		Depth:		Dip:			Comp	leted:						
Ft./M.	Rec'y		Descripti	o n		Core Angle	Sample L From	ength To	Sample No.	7	3-1		Assa		_
120, 2-129)	95%	ARG/LST:75/25;inter	bedded; 10% white Qtz/Carb.	Sulphides/ 2% dis.fine.gr.py. Tr.coarse py.		30°	FIGM		NO.	Au 22./~	, <u>2</u> /2	Cu	Pb %	Zn	
		END OF HOLE			· · · · · · · · · · · · · · · · · · ·			<del></del>				-			
	<del> </del>	<del></del>	CKER AND MORE ALTERED,											-+	_
		COMPARED TO HOLES										-		$\dashv$	<u>.</u>
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Location: 2+79N, 45+85E	Property: LUCKY COON	Core SizeNQ 0-38.7 m, BQ 38.7-44.8 m		
GOLDEN EAGLE AREA	N.T.S.	Logged ByE. Olfert	Page 1 of 1	Hole No. 88-2
Latitude:	Elevation: 1804 m. approx	Bearing	Collared: Dec. 5/88	
Departure:	Depth: (147 ') 44.8 m	Dip: Vertical	Completed Pec.7/88	

	D 1	Descripti		Core	Sample	Length	Sample				Assa	
Ft./M.	Rec'y	Descripti	Sulphides/Alteration	Angle	From	To	No.	Au 22/~	Ag	Cu	Pb	Zn
1-22) -6.7		OVERBURDEN: Casing down to 12.2 m		75°							:	
22-41) 7-12.5		GREENSTONE: Chloritic tuff	tr.py. wk.ser./chl.alt.									
41-57) 2.5-17.4	84%	LST./ARG: 65/35; graphitic, 15% white Otz/Carb.	tr.coarse py	800								
57-83) 7.4-25.3	58%	Arg/Lst: 60/40: graphitic, interbanded	+1% coarse Py cubes	80-85°								
		10% white Qtz/Carb banding										
83-111) 5.3 - 33.8 96 <b>%</b>	961	LST/ARG: 60/40; graphitic interbedded	Minor coarse py.Cubes	80° -								
		15-20% white Qtz/Carb. banding	Tr. dis.fine gr. py.					<u> </u>				
111-129) 3.8-39.3	10%	Rubble Zone, Cavities, ARG; white Otz.frags., graphitic material lost,(38.7-39.3 cavity)	No visible Min.			<u> </u>		<u> </u>	<u> </u>			
129-137) 9.3-41.8	64%	Very poor recovery.(37.2-38.7 No core)  RHY.TUFF:poor recovery at contact,	mod.to strong Sericite	75°	129 39.33	137) 41.77	59537	LO.002	LO.01		0.01	0.01
		(Sulphide zone may be lost)	4% dis.py.tr.Po		137 1.77	142) 43.29	59538	LO. <u>C</u> O2	0.15		0.19	0.47
137-147) 1.8-44.8	59%	ARG: black, graphitic		70-80°		<u> </u>						
`		Slightly Siliceous 41.8-43.3, with 5% dis. py+tr.Sphal.										
· · · · · · · · · · · · · · · · · · ·		END OF HOLE										
		HOLE intersected the RHY target; no appreciable										
		sulphides were encountered; however, recovery in the target horizon was very poor.										
					-	1	1					1

Locatio	n:3+86N,45	+47E	Property: LUCKY COON		Core Size				gel_ofl_			010	No.:8	20-22	
GOLDEN EAGLE	AREA	<del> </del>	N.T.S.		Logged B	E.Olfert	·····		46 - Or -		- "		NO. 10	10-23	
Latitud	le:		Elevation: 1776 m. approx		Bearing	174°		Co:	llared: Dec	7/88					
Departu	re:		Depth: (151') 46 m		Dip:	-70°		Cor	mpleted:	Dec.9/8	18				
Ft./M.	Rec'y		Description		/Alteration	Core Angle	Sample From	Length To	Sample No.	Au	Ag	Cu	Assa Pb	zn	
(0-46) 0-14.0		OVERBURDEN: black of	le set-up on Greenstone/ Arg.conta graphitic Argillite	t											
		only fragme	ents of white Qtz+Gnst. recovered												
(46-74) 14.0-22.6	531	ARGILLITE, rubbly r	recovery	minor rusty weat	h.	75-80°									
		15-20% whit	te Quartz , gouge at 17.5												
(74-93.2) 22.6-28.4	91%	LST./ARG.:65/35; th	nin-banded,			85°		<u> </u>		<u> </u>					
		20% white Q	Qtz/Carb.,Qtz.healed Bx at L.conta	dt											
(93.2-106.4) 28.4-32.4	100%	MAFIC DYKE, medco	parse grained,dk.speckled	Magnetic	•										
106.4-109.4 (32.4-33.4)	95%	ARGILLITE: Lt. grey	y calcareous bands	weakly silicous		85°	(107 32.62	109.5) 33.38	59539	0.002	LO.01		0.05	0.17	
		32.4-32.6:gr	raphitic gouge	1-2% fn.gr.dis p	y trace Zn.										
		Lower contact	is at a very low angle.												
109.5-132.7 33.4-40.5	100%	MAFIC DYKE as above	/e	Magnetic	-										
(132.7-136.2) 40.5-41.5	75%	MINERALIZED ZONE; RH	Y.TUFF/ARG,	5% dis.pv.with		80°	(132.7 40.46	136.2) 41.52	59540	LO.CO2	0.07		0.12	0.35	
		Arg.interpedde	ed at top and bottom	traces of sphal.			(136.2 41.52	142) 43.29	59541	! !L0.002	LO.01		0.03	0.12	
				mod.sericite Alt										<u> </u>	L
(136.2-151) 41.5-46	53%	ARG: Rubbly recover	ry. graphitic	1-2% fn.gr.py.		80°								<u> </u>	L
		END OF HOLE: mos	st of the target horizon							<u> </u>		<u> </u>		<u> </u>	
	1	is cut out by	y a Mafic Dyke.	·		<u> </u>	<u> </u>						<u></u>		

Location: 3+75N,44+78E	Property: LUCKY COON	Core Siz	e NQ		]		88-24
GOLDEN EAGLE AREA	N.T.S.	Logged B	y E. Olfert		Page	_ of _	Hole No. 88-24
Latitude:	Elevation: 1797 m. approx.	Bearing			Colla	red: Dec.11/8	8
Departure:	Depth: (150') 45.7 m	Dip:	Vertical		Comp	Leted: Dec.12/8	8
Ft./M. Rec'y	Description	<del></del>	Core	Sample Leng	th	Sample No. A	Assavs u Ag   Cu   Pb   2n

	1	Descripti		Core	Sample	Length	Sample				Assa	<b>75</b>	
Ft./M.	Rec'y	Descripti	Sulphides/Alteration	Angle	From	To	No.		Ag	Cu	P5	Zn	Γ
0-41) -12.5		OVERBURDEN:12.2 m casing, 1 frag.of Gnst.											Ī
41-60.5) 2.5-18.4	921	ARG/LST.:graphitic, interbanded	2% coarse cubed py.	75°									
	1	15% white Quartz/Carbonate	1			İ						1	
60.5-62) 8.4-18.9	80%	BRECCIA:shattered Lt. and DK. gy.Dolomite,	slightly siliceous	1									Γ
		25% White Quartz flooding and veining	dis Py+Po on contacts										
62-97) 8.9-29.6	86%	LST./ARG: 50/50, as above	1% coarse py.	75-80°									
97-107) 9.6-32.6	84%	Lst: 15% Arg. thin banded		75-80°						'			
	77%	ARG/LST: 60/40, graphitic, thin-bedded,	increasing traces of fn.gr.py.	75°									
		10% white Quartz/Carbonate											l
(117.5-118.9) 35.8-36.3	100%	WK.SULPHIDE ZONE; Argillaceous	3-4% dis.Py. 1-2% Sphal.	75°	(117.5 35.82	36.25	59542	0.004	0.73		1.22	2.44	İ
			trace Po, trace Galena										T
(118.9-124 9) 36.3-38.0	96%	ARG./LST.:75/25, thin laminated, graphitic	wispy traces of Po,Py.	80°									Ī
		10% white Quartz/Carbonate		1									
(124.8-127.3) 38 - 38.8	93%	SULPHIDE ZONE: Semi-massive Sphal.,Po, Py.Galena	Zn, Po, Py, Pb		(124.8 38.05	127.3) 38.81	59543	0.016	5.02		6.08	6.16	I
127.3-142) 38.8-43.3	62%	MINERALIZED RHYOLITE		1	(127.3 38.81	132) 40.24	9544	0.002	0.25		.31	0.39	
		38.8-40.2:SILICEOUS, QUARTZ-VEINED, MASSIVE,	+54 fncrs.Po.Py+1&crs.Sphar (MOD.SERICITE)		(132 40.24	135./) 41.37	9545	0.004	0.89		. 28	2.64	
					(135.7 41.37	137) 41.77	59546	LO.002	0.16		2.21	0.69	Ī

			<u></u>					<del> </del>							
Locatio	on:		Property:		Core Size	<u> </u>									
			N.T.S.		Logged By			Pag	$e^2$ of $\frac{2}{2}$		Н	ole	No.8	8-24	
Latitud	le:		Elevation:		Bearing			Col	lared:						
Departi	ıre:		Depth:		Dip:			Com	pleted:						
Ft./M.	Rec'y		Descripti		/ Alteration	Core Angle	Sample From	Length To	Sample No.	Au	Ag	Cu	Assa Pb	75 Zn	
		40.2-41.8 more alter 5-10% fine gr.E	red than above Po+Py,2-3%Sphal.	modstrong serie	cite					73.71.	33.7.		74		
		41.8-43.3 rubble zon	ne, 25% recovery, Argillite traces	s			(137	142)	95.17	0.008	2.10		3 52	3 04	
(142-147) 43.3-44.8	25%	SILICEOUS ARG:rubbl	• •	3-4% coarse Py tr	.Sphalerite		(142 43.29	147) 44.82	59548	0.004	0.15		0.20	0.88	
(147-150) 44.8-45.7	01	NO-CORE: sticking ro	ds.		:						<u> </u>		<u> </u>		<u> </u>
<del></del>		NOTE: RHYOLITE	ZONE remains prominent	<del> </del>		•			<del> </del>	<u> </u>					!
		downdip f are conce	rom hole 88-20. SULPHIDES entrated on upper contact,												
		however, disseminat recovery	the Lower contact had ed sulphides in very poor						<u> </u>						
	<u> </u>	1	•							<u> </u>					
										-	<u> </u>				
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									<u> </u>	<u> </u>	<u> </u>		ļ ——		-
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	i	1		. 1			l	<u> </u>		<u> </u>	┖		<u></u>	لـــــــــــــــــــــــــــــــــــــ	<u></u>

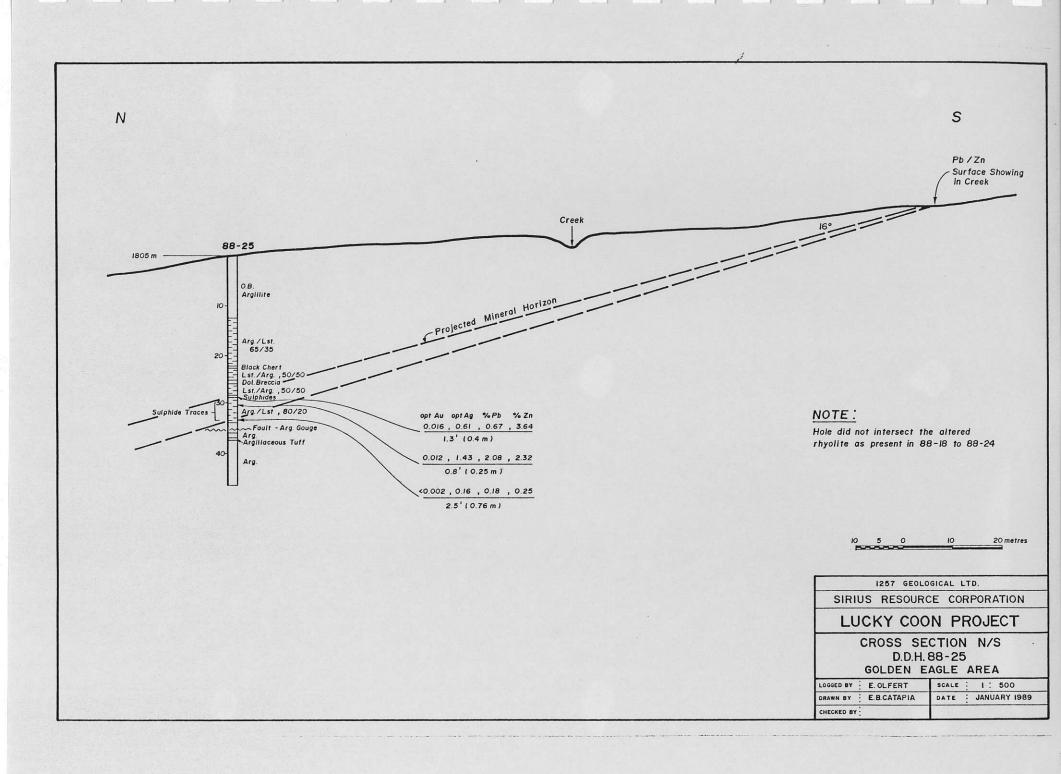
Locatio	n:3+42N,43	+88£	Property: LUCKY COON	Core S	Size NQ								88-25	
			N.T.S.	Logged	By E. OLFERT		Pag	e 1 of 2		Н	ole	No.:		
Latitud	le :		Elevation: 1805 M. APPROX.	Bearin	ng		Col	lared: DEC.	12/88					
Departu	re:		Depth: 152' (46.3 M)	Dip: V	TERTICAL .		Com	pleted:	DEC.13/	/88				
Ft./M.	Rec'y		Description	n Sulphides/Alterati	Core Angle	Sample From	Length To	Sample No.		Ag	Cu	Assa Pb	2n	
(0-41) 0-12.5		OVERBURDEN:12.2 m	CASING, ARGILLITE, Greenstone						- 4					
(41-72.4) 12.5 - ZZ.I	78%	ARG/LST:65/35;more	LST.non pase of section	1% coarse Py.	70°									
,	1	interbedded, gr	aphitic, 10% white Qtz./Carb.			İ	1			İ		1		, 1
		13.7-18.9:rubbl 20.4-20.7 trace	y, broken brecciated s of black chert											
(72.4-73.2) 22.1-22.3	100%	BLACK CHERT, calca	reous matrix, 25% calcite veining											
(73.2-82.4) 22.3-25.1	100%	r.st./ARG: 50/50. g	raphitic interpedded	1%fine or.dis.py below 23.5; trace coarse	70°		<u> </u>	<u> </u>			<u> </u>			
		77-80 micro	fold+fault textures	py elsewhere		<u> </u>						İ		
(82.4-85 25.1-25.9	100%	Dolomite Breccia:	3mm Lt.gy. fragsin dark gy matrix			(92.5 28.20	93.8) 28.60	59549	0.016	0.61		0.67	3.64	
(85-92.5) 25.9-28.2	100%	Lst./Arg:50/50 gra	phitic, interpedded	tr.coarse Py.; (3% fn.gr.Pv.27.2-27.4)	70-75°	99 30,18	99.8) 30.43	59550	0.012	1.43		2.08	2.32	
(92.5-93.8) 28.2-28.6	100%	SULPHIDE ZONE:Argi	llite, semi banded	10%Py,5% Zn ,3% Aspy	70°	(108 32.93	110.5) 33.69	59551	LO.CO2	0.16		0.18	0.25	
		stringers of Spha	1.											
(93.6-110.5 28.6-33.7	951		aphitic, thin banded frequent	minor banded Pv+tr.Zn.										
·	ļ	tr. Spnal.	y, at 29.7-33.7 With					<del> </del>		 				
		<del> </del>												
(110.5-117) 33.7-35.7	100%	FAULT; precciated	graphitic douge	1% coarse Py.	70°									
(117-121) 35.7-36.9	94%	ARGIĻLITE: graphi		1% blotchy Py.										

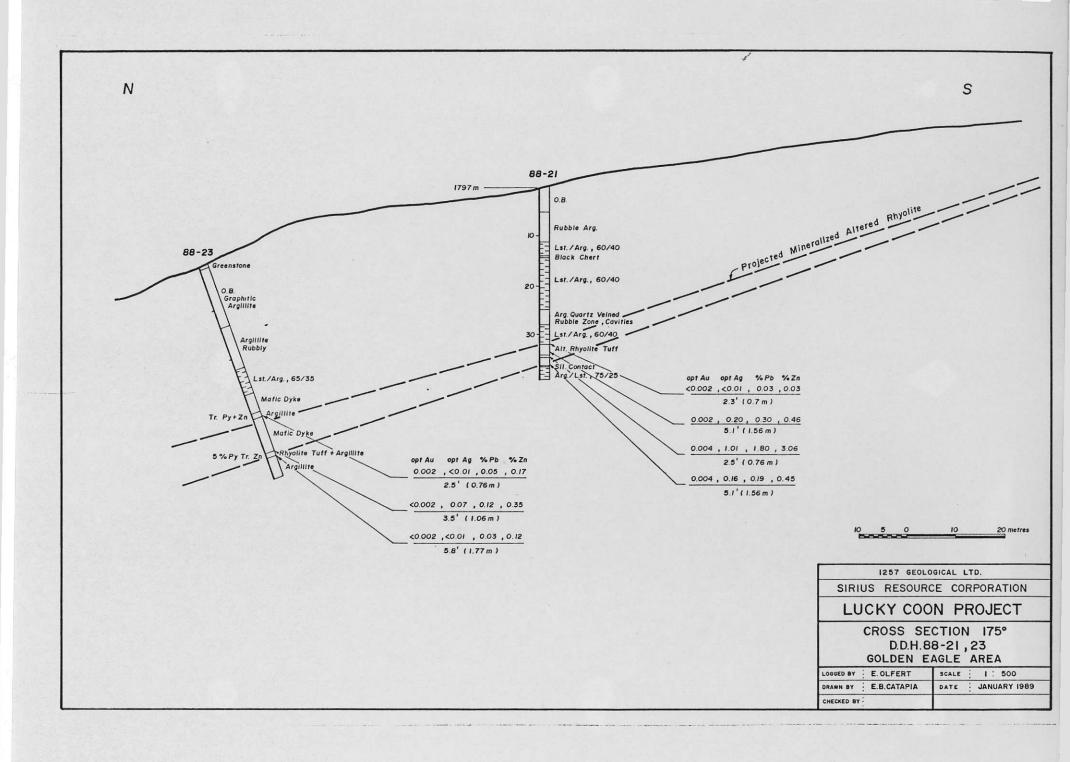
Location:			Property:		Core Size							,				
			N.T.S.		Logged By	<u> </u>		Page	2 of _2		H	ole	No. 38	3-25		
Latitude: Elevation:					Bearing				Collared:							
Departure: Depth:			Dip:			Completed:										
?t./M.	Rec'y		Description			Core Sample Lengard From 1			th Sample No. Au Ag				Assavs Cu Pb Zn			
121-122.5 6.9-37.3	79%	ARGILLACEOUS TUFF; greyish green		1-2% wispy fn.gr.Py.		80°				•						
(122.5-152 17.3-46.3	3 86% ARGILLITE:black, graphitic		graphitic	traces of blotchy, coarse Py.		75°										
		Lt.gy.silty banding			-											
		END OF HOLE														
		Hole did not inte	ersect the target RHYOLITE.												$\top$	
		the Argillaceous hole are probably	tuff and the sulphides in this related to the RHYOLITE which													
		has either pinche fault. Drilling	ed out, or missed because of the was much better than previous													
			ractures and cavities.													

APPENDIX III

DRILL HOLE X-SECTIONS

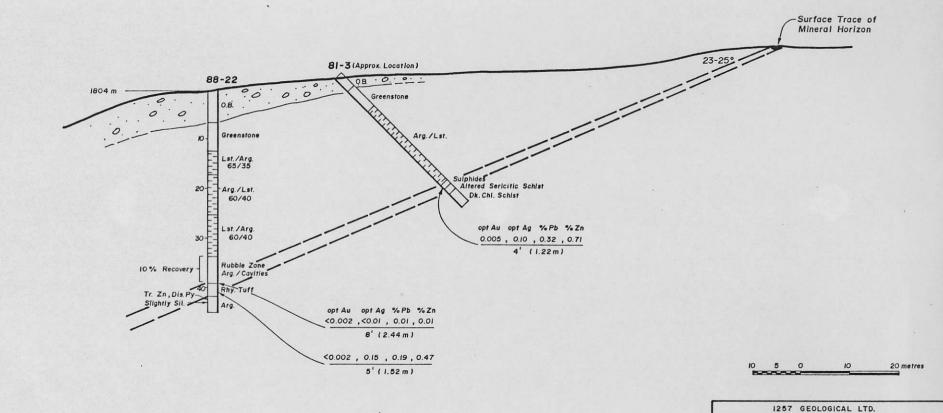
GOLDEN EAGLE AREA









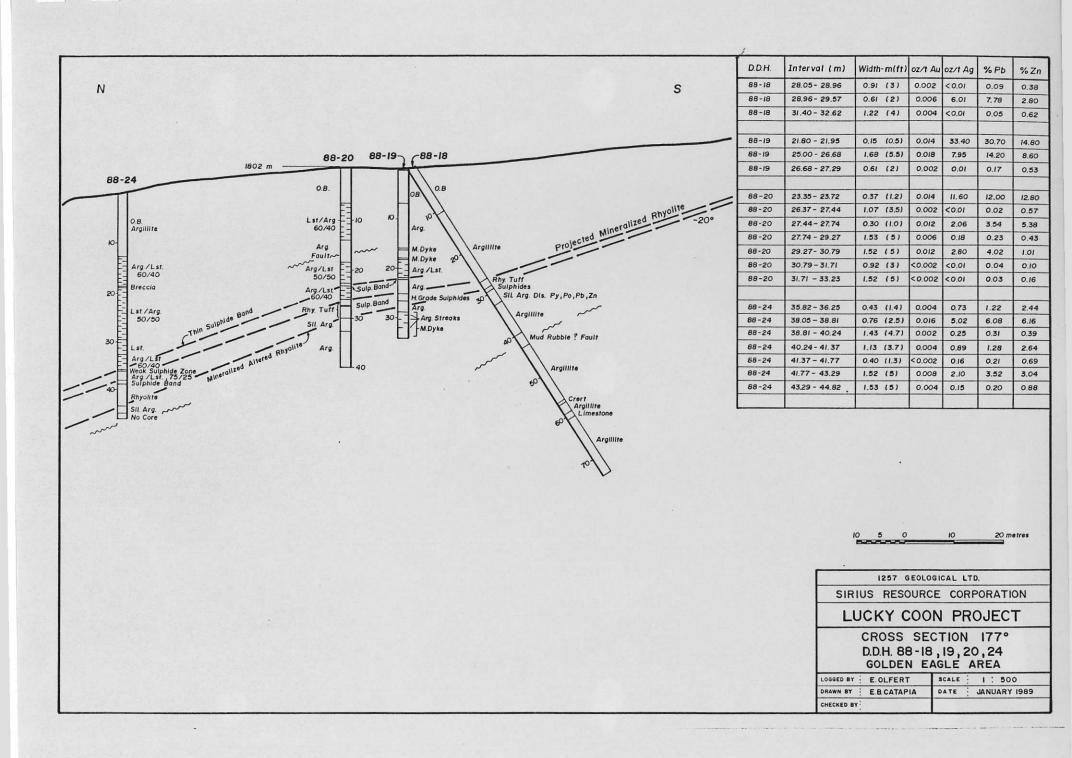


SIRIUS RESOURCE CORPORATION

LUCKY COON PROJECT

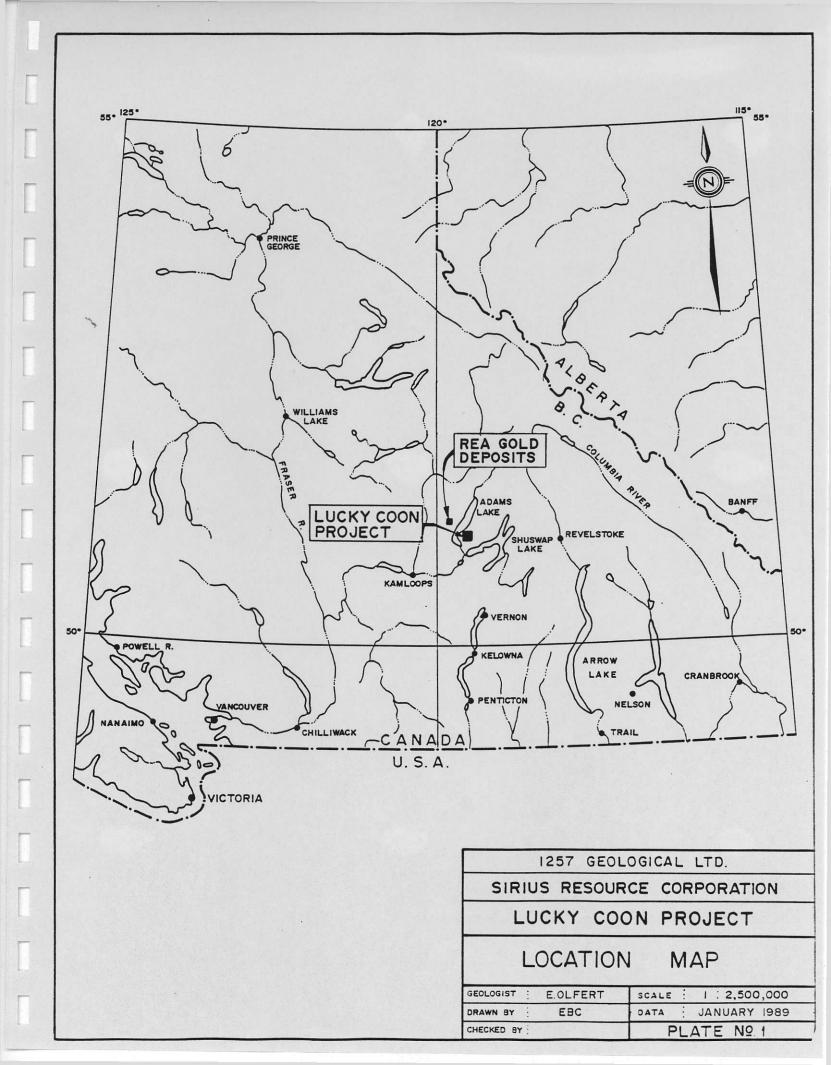
CROSS SECTION 150° D.D.H. 88-22,81-3 GOLDEN EAGLE AREA

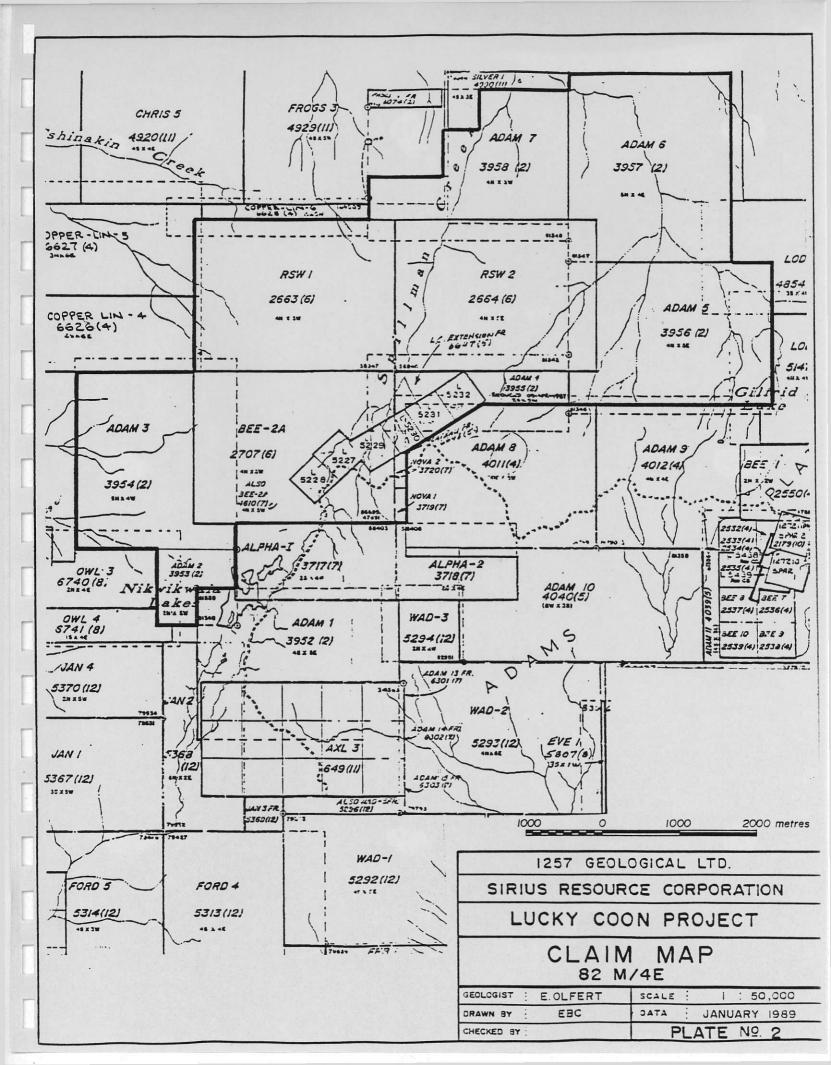
	LOGGED BY	: E.OLFERT	SCALE	: 1: 500
	DRAWN BY	E.B.CATAPIA	DATE	JANUARY 1989
	CHECKED BY			

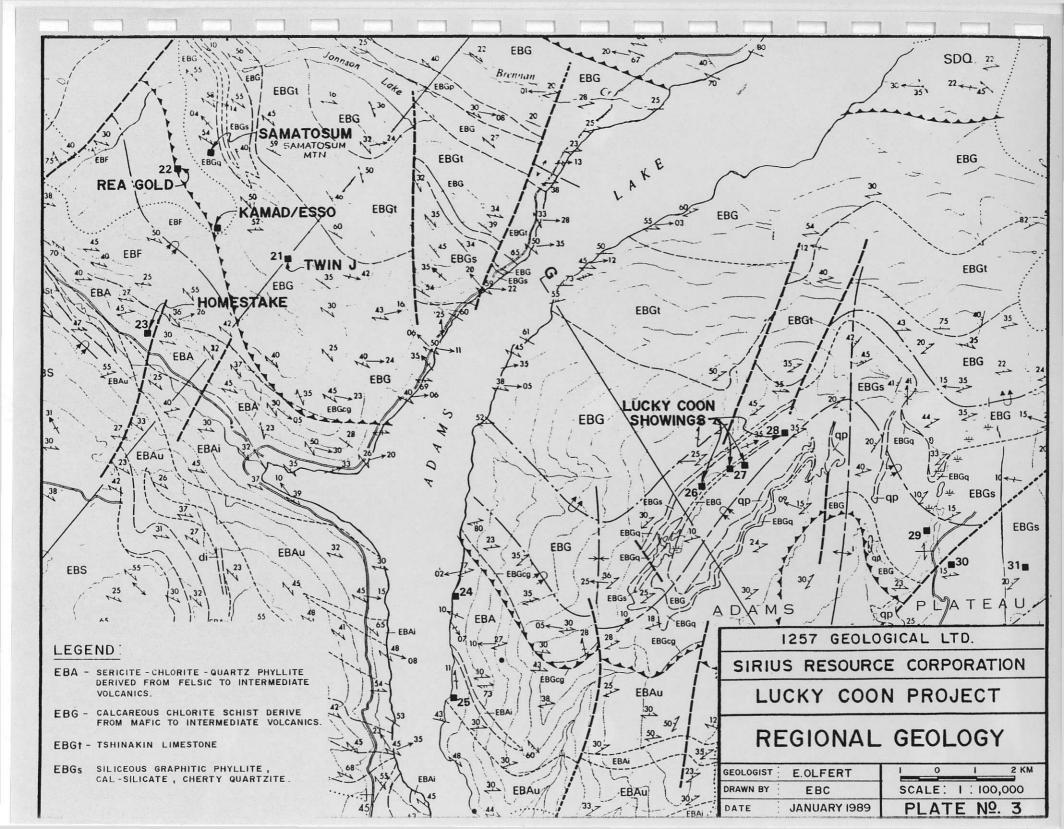


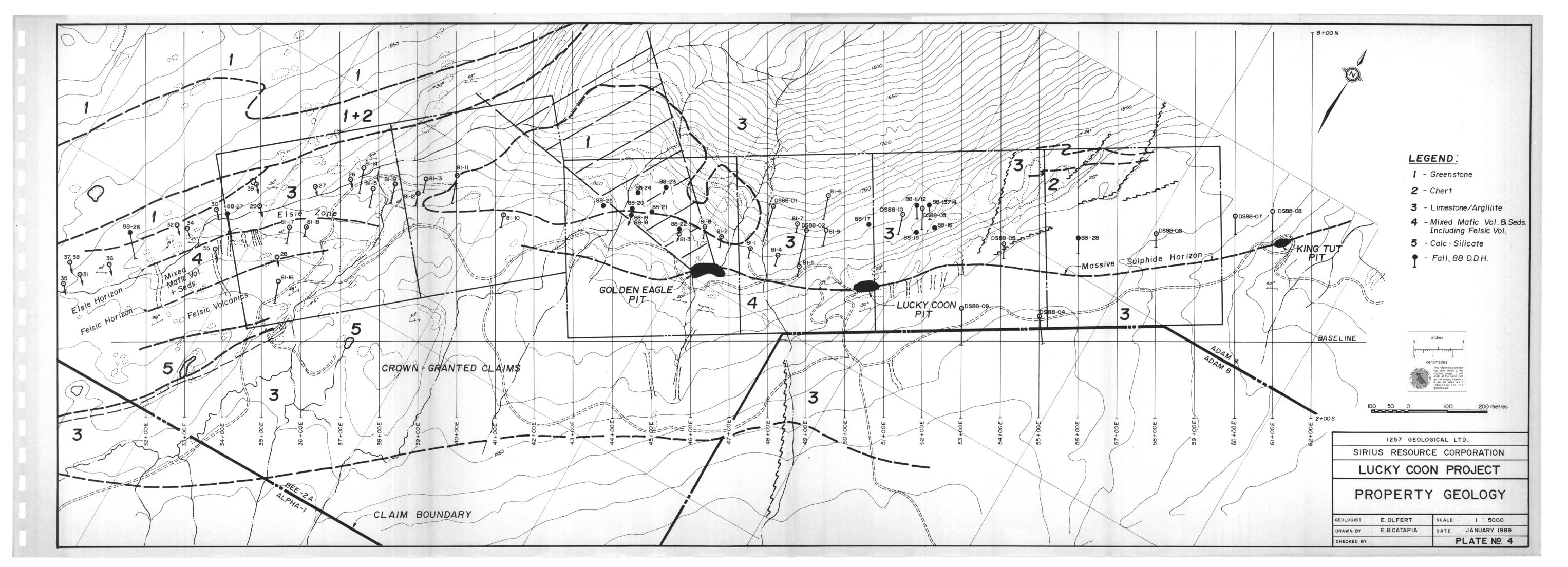
# **PLATES**

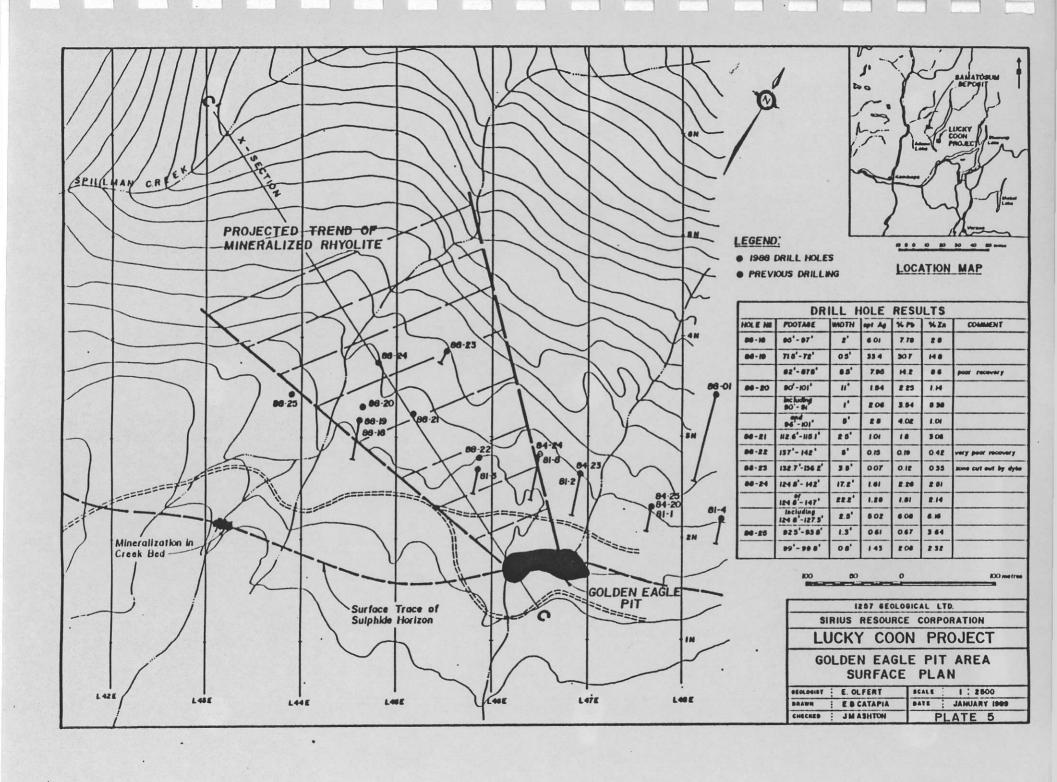
- 1. LOCATION MAP
- 2. CLAIM-MAP
- 3. REGIONAL MAP
- 4. PROPERTY MAP
- 5. SURFACE PLAN GOLDEN EAGLE PIT AREA
- 6. SCHEMATIC X-SECTION GOLDEN EAGLE PIT AREA











GEOLOGIST E.OLFERT
DRAWN E.B.CATAPIA

CHECKED J.M. ASHTON

PLATE 6