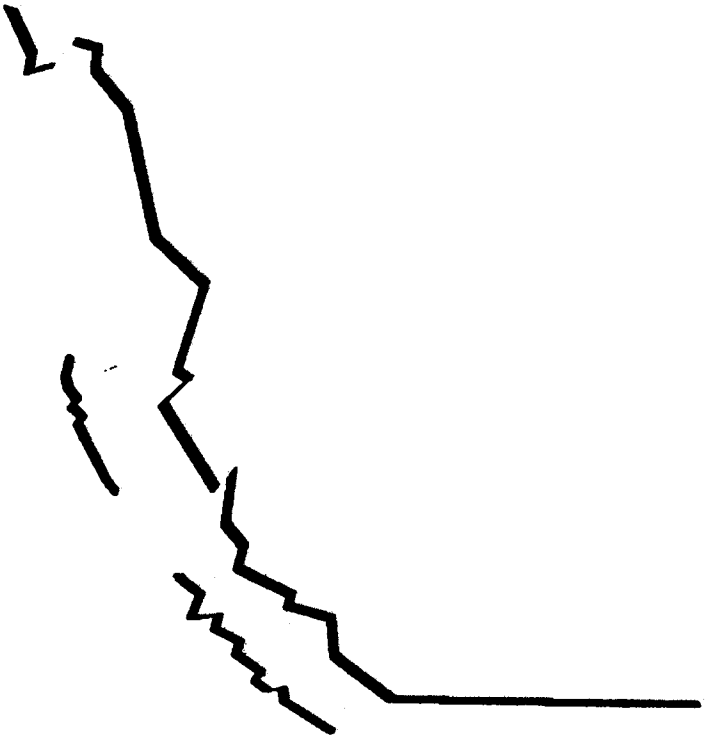
825644

MINNOVA Inc.

1991 ANNUAL REPORT
BRENDA - OKANAGAN JOINT VENTURE



BY: D.R. HEBERLEIN / C.J. CLAYTON

JANUARY 1992

TABLE OF CONTENTS

SUMMARY AND HIGHLIGHTS

I. D. Pirie

A total of 4,089.9 meters of diamond drilling was carried out on three properties in the Brenda - Minnova Joint venture in 1991. The most significant results were on the Rainbow - Tam O'Shanter option where values of up to 1.09 g/t Au over 27.07 m were returned from areas of porphyry and epithermal alteration.

A major effort to introduce a new, relatively advanced stage project into the JV proved a somewhat frustrating experience. While two projects were found to meet our acquisition criteria, deals on both fell through after lengthy negotiations. However, late in the year an excellent porphyry prospect on Vancouver island, the LeMare property, came to our attention and a deal is imminent.

Exploration expenditures under the JV since its' inception now total $2,265,555.79. The expenditure breakdown for 1991 is shown in Figure 1. Figure 2 illustrates the type of work that has been carried out on the JV over its' life. Most significantly, the drilling component has increased to 40% of expenditures in 1991 and is projected to increase again, to 50%, in 1992. The proposed 1992 budget (see separate report) will complete Brenda's earn in.

A summary of work done, results and expenditures is attached for all projects except Last Chance and Other. Expenditures on Last Chance relate to compilation work done leading to the decision not to pursue the project further. "Other" pertains to office work done on the Whipsaw property prior to the vendors reneging on an agreement in principle.

ANALYSIS OF EXPENDITURES
By Work Type

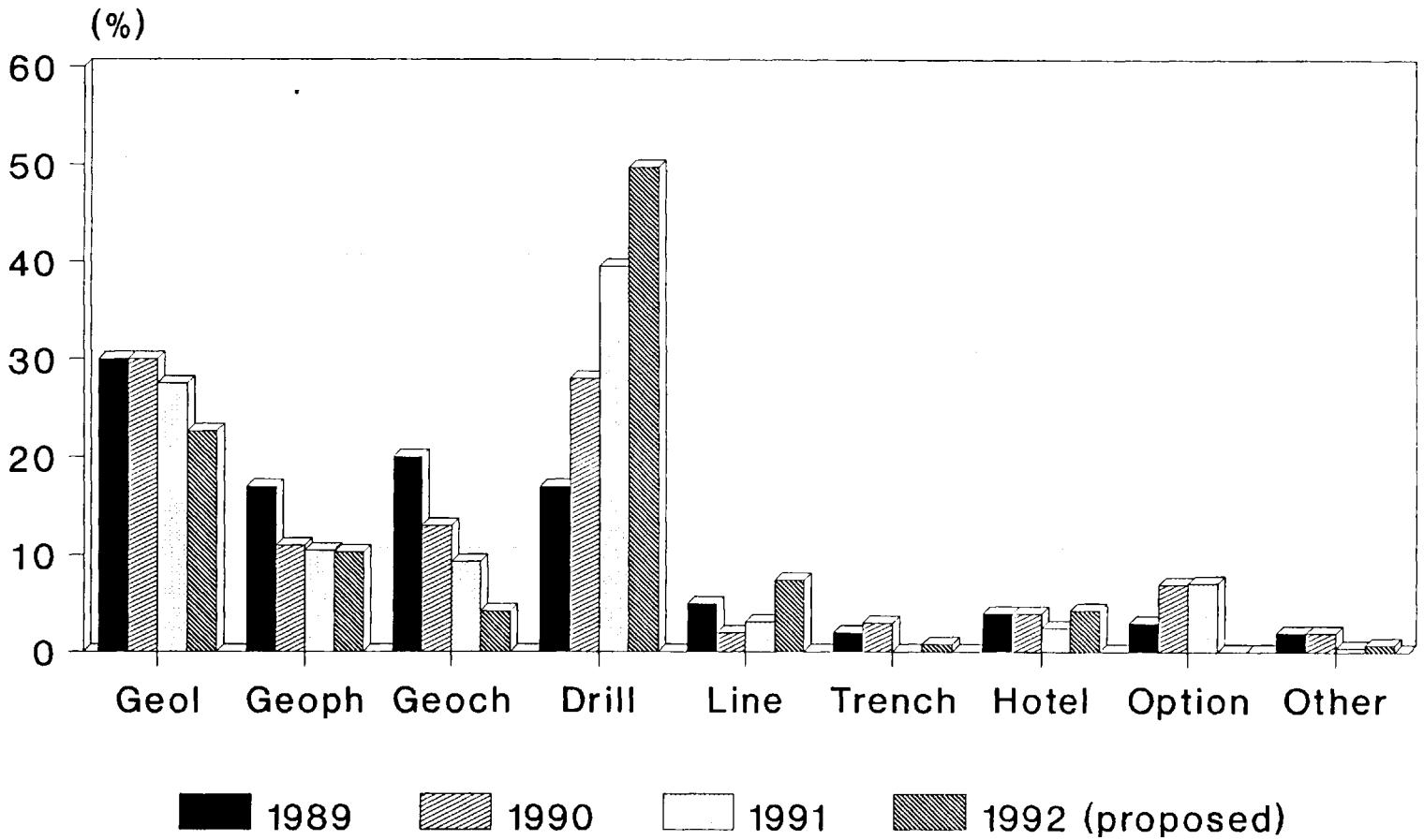


Fig. 2

BRENDA – MINNOVA JV
1991 EXPENDITURES
Summary by Work Type

Project	*Geol*	*Geoph*	*Geoch*	*Drill*	*Line*	*Trench*	*Hotels*	**Options*	*Other*	*Total*	% of Budget
GENERAL	73063	0	1196	0	0	0	2510	0	0	76769	10.4%
RICHTER	4607	0	4939	0	0	0	774	0	0	10320	1.4%
ATH–JACKPOT	7712	0	798	56253	0	0	1416	10132	0	76311	10.3%
RAINBOW TAM	97782	52510	43820	201205	11947	0	11736	20000	1865	440865	59.5%
WILD ROSE	19414	25106	17950	33714	10939	0	2269	22500	795	132687	17.9%
LAST CHANCE	1661	0	972	0	0	0	0	0	0	2633	0.4%
OTHER	1159	0	0	0	0	0	0	0	0	1159	0.2%
TOTALS	205398	77616	69675	291172	22886	0	18705	52632	2660	740744	
% of Budget	27.7%	10.5%	9.4%	39.3%	3.1%	0.0%	2.5%	7.1%	0.4%		

DIRECT EXPENDITURES	=	$740,744
ADMINISTRATION	=	$82,517
TOTAL	=	$823,261

Fig. 1

BRENDA GENERAL

PN 658

D.R. Heberlein

INTRODUCTION

The Brenda General budget is designed to allow reconnaissance work and property examinations within the Brenda JV area.

Properties reviewed in 1991 included epithermal Au, mesothermal Au, porphyry Cu and Cu-Au, skarn, and shear hosted copper targets. The property submittals resulted in the acquisition of one new project, Wild Rose, for the JV. Wild Rose is located in the Greenwood Camp. It adjoins the east boundary of the Rainbow Tam O'Shanter property and cover part of the Tam porphyry Cu-Au occurrence.

Offers were also made on several other properties in the JV area, but for one reason of another deals could not be completed. The most notable are the Whipsaw Creek porphyry Cu prospect and the Prime/Man porphyry Cu-Au property. On Whipsaw an agreement in principle was reached with the vendor, but at the last minute the property was lost to another party. The JV came close to acquiring the Prime and Man properties, however an agreement could not be reached with the vendor and negotiations were terminated. Below is a summary of properties reviewed by the JV:

Property	Vendor	Summary
Sprout	CRC Explorations Ltd. Shoreham Resources Ltd.	Epithermal Au target on shore of Kamloops Lake near Savona. Very grass-roots. Declined.
Randi 1-2	Arctex Engineering Serv. Madrona Resources Inc.	Mesothermal load gold target near Boston Bar. Small vein type target. Declined.

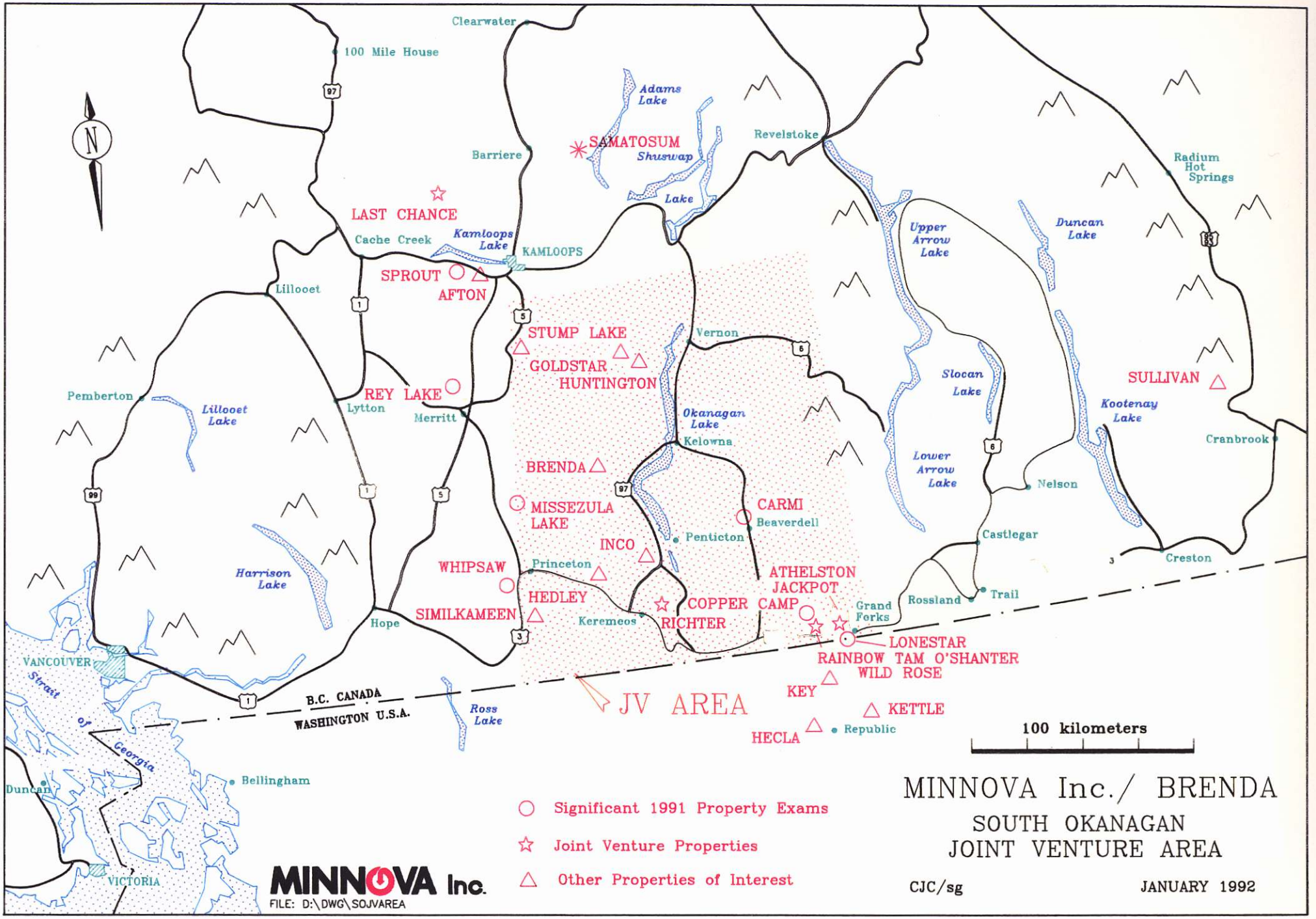
Property	Vendor	Summary
Rey Lake	Brenda	Porphyry Cu-Mo and poly-metallic skarn target in Nicola Volcanics north potential. Declined.
Wild Rose	Randsberg Gold Corp. Sam Bombini K. Schiller	Cu-Au Porphyry and epi-thermal Au target on east border of Tam O'Shanter property. Property optioned.
Carmi	Jim Hinks/John Olinger	Mesothermal Au/Ag target near Beaverdell. Limited size potential. Declined.
Joe Dandy	Leo Reichert	Re-evaluation of meso-thermal Au vein target limited tonnage potential. Declined.
Copper Camp	Jeff Chiachurski	Cu-Au skarn target near Greenwood. Good potential for Crown Jewel type. Examination in 1992.
No. 7	Andy Dupras Barry Sherman	Polymetallic quartz vein occurrence near Greenwood. Small target and poor land position.
Whipsaw Creek	Worldwide Minerals Ltd.	Porphyry Cu-Au prospect in Nicola volcanics, SW of Princeton. Offer made, deal fell through.
Cat	Jim Randa	Cu-Au skarn and shear hosted Cu occurrence. Close to Aspen Grove. Limited exploration potential. Declined.
Nakusp	Hascarl and Brenda	Disseminated Cp and mag-netite in Slocan Gp seds. East of Nakusp. Limited.

Property	Vendor	Summary
Lone Star	Chris Diakowski.	Porphyry Cu-Au deposit on international border south of Greenwood. Prohibitive stripping ratio but good potential. Continuing to monitor.
Missezula	Austar Resources Ltd.	Porphyry Cu-Au play in Nicola Volcanics at south end of Missezula Lake. Offer made but not accepted.
Snowflake	Quilchena Resources Ltd. Snowflake Resources Ltd.	Porphyry Cu-Au target in Nicola volcanics east of Merritt. Interesting property. Offer discussed but nothing formalized. Continuing to monitor.
Le Mare	Stow Resources Ltd.	Exciting new porphyry Cu discovery on the northwest coast of Vancouver Island. Offer made.

PROJECT EXPENDITURE SUMMARY
1991

PROJECT NAME: BRENDA GENERAL PROJECT NO. 658

GEOLOGY				
	Salaries	$51,674		
	Travel Expenses	$2,176		
	Contract Payments	$6,567		
	Field Expenses	$12,646		
	Analyses	$0	$73,063	95.2%
GEOPHYSICS				
	Salaries	$0		
	Travel Expenses	$0		
	Contract Payments	$0		
	Field Expenses	$0	$0	0.0%
GEOCHEMISTRY				
	Salaries	$281		
	Travel Expenses	$0		
	Contract Payments	$0		
	Field Expenses	$90		
	Analyses	$825	$1,196	1.6%
DRILLING				
	Salaries	$0		
	Travel Expenses	$0		
	Contract Payments	$0		
	Field Expenses	$0		
	Analyses	$0	$0	0.0%
Line Cutting			$0	0.0%
Trenching			$0	0.0%
Hotels and Meals			$2,510	3.3%
Option Payments			$0	0.0%
Property Maintenance			$0	0.0%
Other			$0	0.0%
	TOTAL DIRECT EXPENDITURES		$76,769	


Clearwater
100 Mile House
97
Adams Lake
SAMATOSUM
Shuswap Lake
Revelstoke
Barriere
Radium Hot Springs
LAST CHANCE
Cache Creek
Kamloops Lake
KAMLOOPS
Upper Arrow Lake
Duncan Lake
93
SPROUT
AFTON
Lillooet
1
5
STUMP LAKE
GOLDSTAR
HUNTINGTON
Vernon
6
Slocan Lake
SULLIVAN
Kootenay Lake
Pemberton
Lillooet Lake
REY LAKE
Lytton
Merritt
Okanagan Lake
Kelowna
Cranbrook
BRENDA
99
97
Lower Arrow Lake
Nelson
MISSEZULA LAKE
CARMI
Beaverdell
Penticton
Castlegar
INCO
Harrison Lake
WHIPSAW
Princeton
Creston
3
ATHELSTON
JACKPOT
HEDLEY
COPPER CAMP
Grand Forks
Rossland
Trail
SIMILKAMEEN
Keremeos
RICHTER
Hope
LONESTAR
RAINBOW TAM O'SHANTER
WILD ROSE
VANCOUVER
Strait of Georgia
B.C. CANADA
WASHINGTON U.S.A.
JV AREA
KEY
KETTLE
Ross Lake
HECLA
Republic
Bellingham
Duncan
VICTORIA
100 kilometers
Significant 1991 Property Exams
Joint Venture Properties
Other Properties of Interest
MINNOVA Inc.
FILE: D:\DWG\SOJVAREA
MINNOVA Inc./ BRENDA
SOUTH OKANAGAN
JOINT VENTURE AREA
CJC/sg
JANUARY 1992

RICHTER

PN 656

C.J. Clayton

INTRODUCTION

The Richter property, consisting of 212 contiguous claim units, is situated within the Osoyoos Mining Division between Oliver and Keremeos, B.C. Palaeozoic meta-volcanics and meta-sediments intruded by Mesozoic plutons underlie the area. It was staked in 1988 to cover several multi-element heavy mineral anomalies. Work in 1989 resulted in the identification of several potential drill targets within strongly albitized and quartz vein stockwork zones proximal to Mesozoic intrusions.

Gold mineralization appears to be associated with zones of albite alteration. Albite alteration and albitite dykes have been important ore indicators in other regions such as the Bralorne area, and the Abitibi-Lake Chicobi area. Skarn potential must also be considered on the Richter property as satellite intrusions from larger plutonic bodies are found near wide bands of calcareous sediments.

1991 PROGRAM

The 1991 program consisted of:

Geology	-	1:5000 scale reconnaissance mapping along 12.1 km of compassed lines.
Geochemistry	-	12 rock samples analysed for a 31 element ICP package + fire geochem for Au, and major oxides.
		242 soil samples analysed for a 31 element ICP package + fire geochem for Au

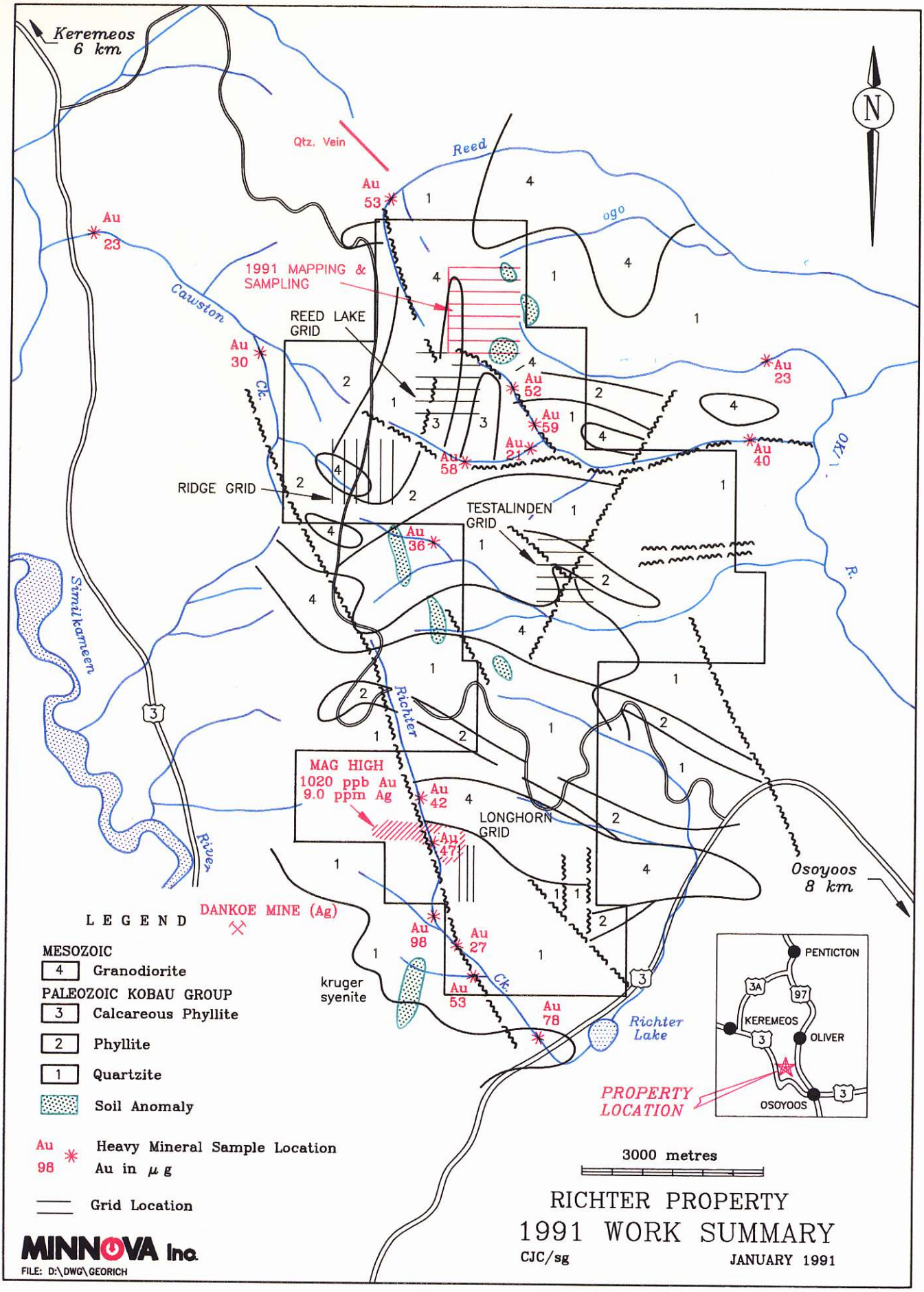
RESULTS

Mapping focused on north and east extensions of the Reed Lake grid in an area underlain by Jurassic/Cretaceous age diorite and calcareous Triassic meta-sediments and meta-volcanics. The margins of the intrusion were outlined fairly well but no significant Au or Cu values were returned from rock samples taken in the area. Results from soil sampling, too, showed only one area to be anomalous in gold with a maximum value of 362 ppb Au.

Contour soil geochemistry and heavy mineral samples taken from streams draining the eastern region between Ridge grid and Reed Lake grid were anomalous (52 and 59 micrograms Au in heavy mineral sample). This area has not been evaluated.

RECOMMENDATIONS

1. After three years of work on the Richter property no high quality target areas have been generated. It is recommended this project be terminated.


Keremeos
6 km
N
Qtz. Vein
Reed
Au
53
Au
23
1991 MAPPING &
SAMPLING
Cawston
REED LAKE
GRID
Au
30
Ck.
Au
52
Au
59
Au
21
Au
58
Au
23
Au
40
RIDGE GRID
TESTALINDEN
GRID
Au
36
Similkameen
River
Richter
MAG HIGH
1020 ppb Au
9.0 ppm Ag
Au
42
LONGHORN
GRID
Au
47
Osoyoos
8 km
DANKOE MINE (Ag)
Au
98
Au
27
Au
53
Au
78
kruger
syenite
Richter
Lake
PENTICTON
3A
97
KEREMEOS
OLIVER
OSOYOOS
PROPERTY
LOCATION
LEGEND
MESOZOIC
4 Granodiorite
PALEOZOIC KOBAU GROUP
3 Calcareous Phyllite
2 Phyllite
1 Quartzite
Soil Anomaly
Au 98 Heavy Mineral Sample Location
Au in μg
Grid Location
3000 metres
RICHTER PROPERTY
1991 WORK SUMMARY
CJC/sg
JANUARY 1991
MINNOVA Inc.
FILE: D:\DWG\GEORICH

PROJECT EXPENDITURE SUMMARY
1991

PROJECT NAME: RICHTER PROJECT NO. 656

GEOLOGY				
	Salaries	$3,238		
	Travel Expenses	$0		
	Contract Payments	$0		
	Field Expenses	$1,369		
	Analyses	$0	$4,607	45%
GEOPHYSICS				
	Salaries	$0		
	Travel Expenses	$0		
	Contract Payments	$0		
	Field Expenses	$0	$0	0%
GEOCHEMISTRY				
geos 12 @ $18.75 *soils 242 @ $13.25*	Salaries	$1,244		
	Travel Expenses	$0		
	Contract Payments	$0		
	Field Expenses	$0		
	Analyses	$3,695	$4,939	48%
DRILLING				
	Salaries	$0		
	Travel Expenses	$0		
	Contract Payments	$0		
	Field Expenses	$0		
	Analyses	$0	$0	0%
	Line Cutting		$0	0%
	Trenching		$0	0%
	Hotels and Meals		$774	8%
	Option Payments		$0	0%
	Property Maintenance		$0	0%
	Other		$0	0%
	TOTAL DIRECT EXPENDITURES		$10,320	

RAINBOW-TAM O'SHANTER

PN 661

C.J. Clayton

INTRODUCTION

The Rainbow Tam O'Shanter property consists of 345 claim units in the Greenwood Mining Division of B.C. The property was optioned in January of 1990 to cover a large part of the eastern margin of the Tertiary Toroda Creek Graben, just west of Greenwood. The potential for skarn, porphyry, and epithermal mineralization on the property is significant.

High Au and Cu values obtained from rock samples of a Cretaceous (?) aged diorite porophyry in the northeastern portion of the property influenced the focus of 1991 exploration. Patterns in Cu/Au soil geochemistry, rock geochemistry, IP and magnetometer geophysics, known deposit locations, and alteration zonations indicated this area had excellent potential for a large tonnage Cu/Au porphyry system.

1991 PROGRAM

Work by Minnova in 1991 focussed on exploring the porphyry system in the northeastern area of the property. The Tam 91 grid was expanded from a pre-existing grid to the north, south, and east to cover the system.

In addition to this area, the Rain 91 grid was established in the Midway area of the property to search for epithermal mineralization along prominant faults within the graben. Geophysics, geological mapping and sampling, and soil sampling were completed over both areas.

Work culminated in a 2594 metre drilling program in October and November on the Tam 91 grid area.

Linecutting	-	56.65 km on Rain 91 and Tam 91 grids
Geology	-	45.05 km @ 1:2500
Geophysics	-	33.5 km IP 45.05 km Mag and VLF
Geochemistry	-	1802 soils 224 rocks for 31 element ICP + Au 100 rocks for 31 element ICP + Au + major oxides
Drilling	-	2594.48 metres in 19 holes - Tam 91 grid 902 core samples from drilling

RESULTS

Surface work on the Rain 91 grid in the Midway area was unsuccessful in locating any anomalous areas that warrant follow-up work. Geological mapping, geochemistry, and geophysics were of limited use in this area due to poor outcrop exposure, poorly developed soil horizons, and thickness of Tertiary cover.

Work on the Tam 91 grid area was successful in delineating and defining a number of anomalous zones indicating a large mineralized porphyry system. This was defined by geology, geochemistry, and geophysics. Subsequent drilling of the porphyry system in the northern portion of the Tam 91 grid failed to identify any zones of economic significance. Three holes in the southern portion of the grid did, however, intersect Au mineralization approaching economic grades. These three holes (TM 91-16, -19, -20A), located on the same line, intersected Au mineralization over a lateral distance of 400 metres. The best intersections are 26.14 m @ 0.754 g/t Au, 145 ppm Cu (incl. 5.51 m @ 2.5 g/t Au, 69 ppm Cu), 53.5 m @ 0.26 g/t Au, 155 ppm Cu (incl. 9.0 m @ 0.51 g/t Au, 171 ppm Cu), and 27.07 m @ 1.09 g/t Au, 0.14% Cu (incl. 3.3 m @ 7.3 g/t Au, 0.83% Cu).

The relationship of mineralization between these holes is not fully understood at this time as it is related to Tertiary structure in one hole, yet related to a Cretaceous (?) diorite intrusion in another.

RECOMMENDATIONS

1. Follow-up drilling around gold mineralization at the south end of the Tam 91 grid.

PROJECT EXPENDITURE SUMMARY
1991

PROJECT NAME: RAINBOW TAM O'SHANTER PROJECT NO. 661

GEOLOGY

Salaries	$50,202		
Travel Expenses	$2,340		
Contract Payments	$0		
Field Expenses	$44,818		
Analyses	$423	$97,782	22.2%

GEOPHYSICS

IP-33.5km @ $1306/km
Mag/VLF-45km @$189/km

Salaries	$183		
Travel Expenses	$0		
Contract Payments	$52,250		
Field Expenses	$77	$52,510	11.9%

GEOCHEMISTRY

soils 1802 $13.75/smple
lithos 100 $25.35/smple
Geos 224 $18.75/smple

Salaries	$6,198		
Travel Expenses	$0		
Contract Payments	$3,595		
Field Expenses	$2,512		
Analyses	$31,514	$43,820	9.9%

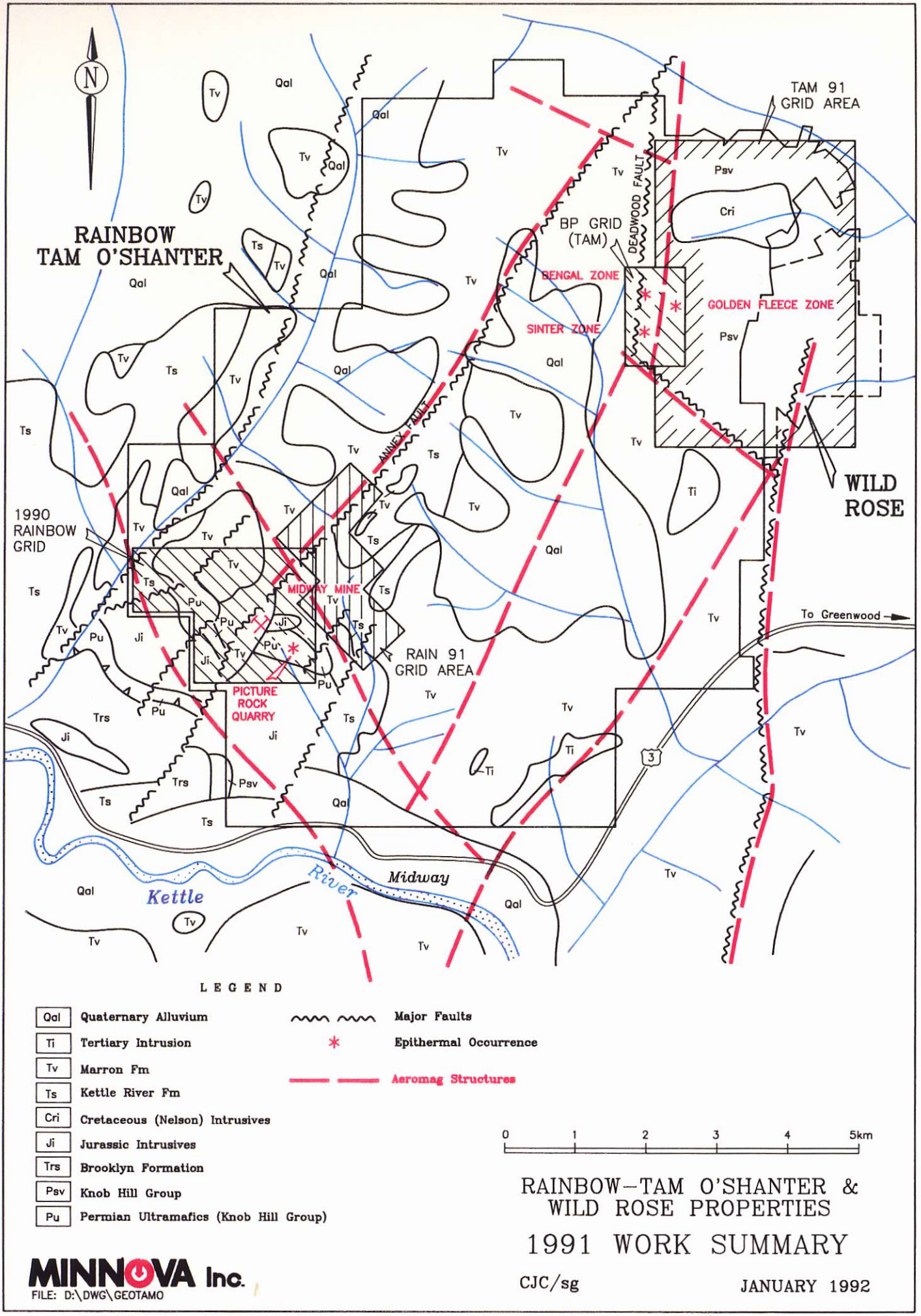
DRILLING

# holes	*19*
metres	*2594m*
cost/m	*$77.05*
contract	*$54.19*
salaries	*$12.05*
field exp	*$4.75*
analyses	*$5.91*

Salaries	$32,562		
Travel Expenses	$382		
Contract Payments	$140,564		
Field Expenses	$12,330		
Analyses	$15,366	$201,205	45.6%

Line Cutting	*56.7km @ $211/km*	$11,947	2.7%
Trenching		$0	0.0%
Hotels and Meals		$11,736	2.7%
Option Payments		$20,000	4.5%
Property Maintenance		$1,865	0.4%
Other		$0	0.0%

TOTAL DIRECT EXPENDITURES $440,866



LEGEND

Qal	Quaternary Alluvium	~~~ ~~~	Major Faults
Ti	Tertiary Intrusion	*	Epithermal Occurrence
Tv	Marron Fm	—— ——	Aeromag Structures
Ts	Kettle River Fm		
Cri	Cretaceous (Nelson) Intrusives		
Ji	Jurassic Intrusives		
Trs	Brooklyn Formation		
Psv	Knob Hill Group		
Pu	Permian Ultramafics (Knob Hill Group)		

0 1 2 3 4 5km

RAINBOW–TAM O'SHANTER & WILD ROSE PROPERTIES

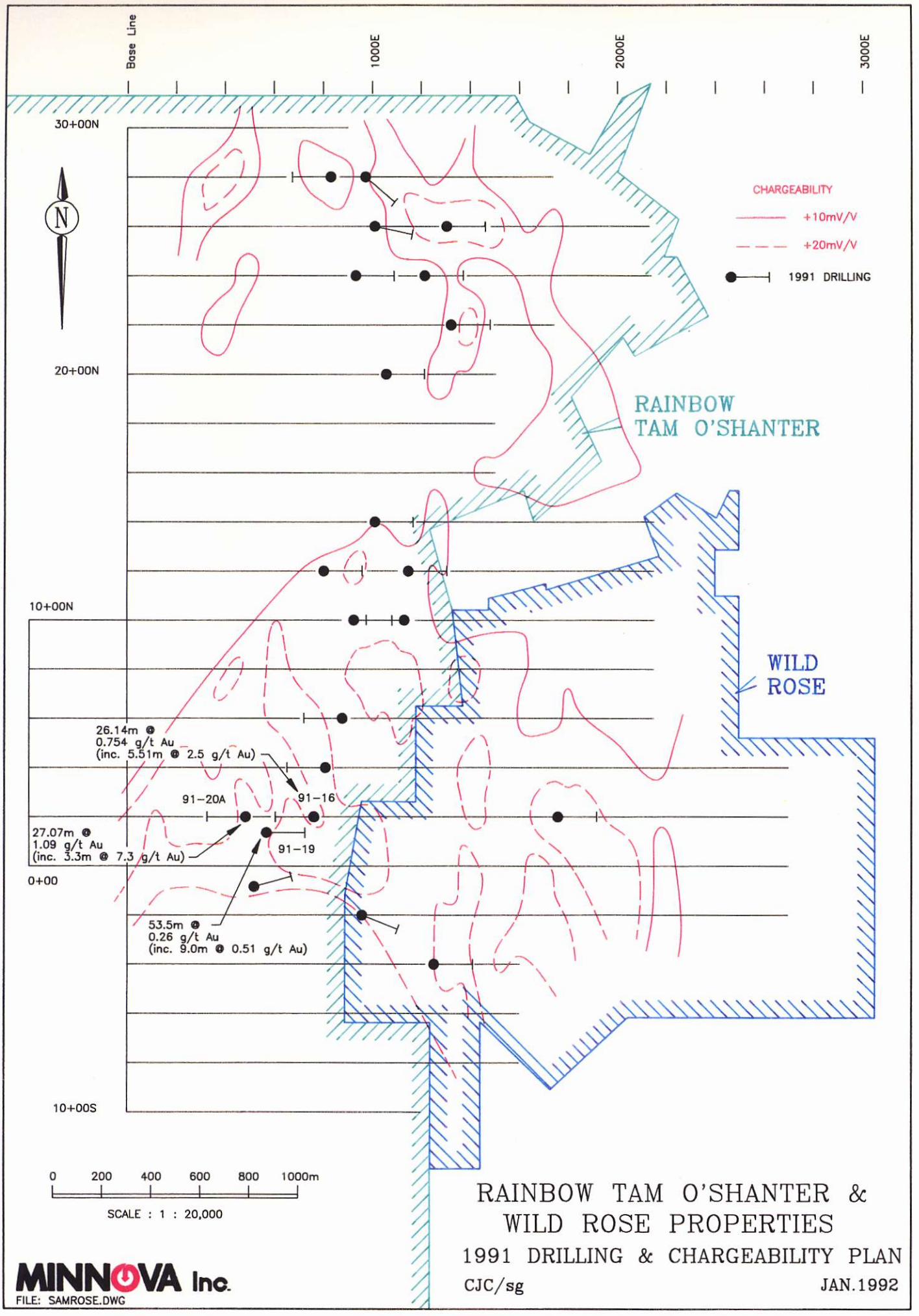
1991 WORK SUMMARY

CJC/sg

JANUARY 1992

MINNOVA Inc.

FILE: D:\DWG\GEOTAMO



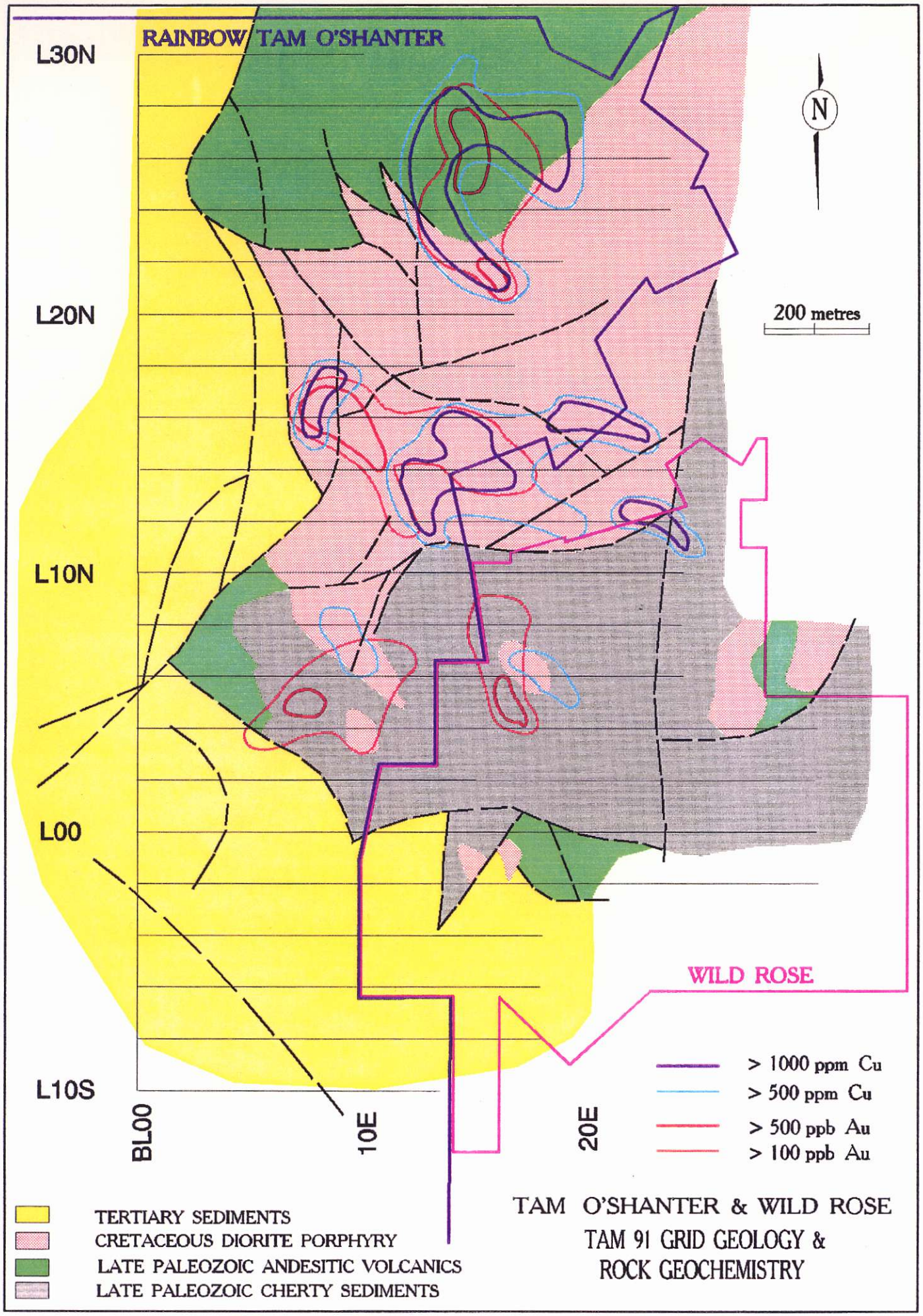
RAINBOW TAM O'SHANTER & WILD ROSE PROPERTIES

1991 DRILLING & CHARGEABILITY PLAN

CJC/sg JAN.1992

MINNOVA Inc.

FILE: SAMROSE.DWG



TAM O'SHANTER & WILD ROSE

TAM 91 GRID GEOLOGY &
ROCK GEOCHEMISTRY

ATHELSTAN-JACKPOT

PN 666

C.J. Clayton

INTRODUCTION

The Athelstan-Jackpot property is situated within the Greenwood Mining Division of south-central British Columbia, approximately 9 km east-southeast of Greenwood, 4 km southeast of the Phoenix mine, and 12 road km northwest of Grand Forks, B.C. The property was acquired in 1990 and covers an area that has been worked intermittently in the past. Gold is associated with massive arsenopyrite and pyrite lenses within carbonate altered serpentinite (listwanite), forming large tabular lodes, as well as smaller vein-like mineralized zones. The base of the serpentinite is defined by the Lind Creek Thrust, an east-northeast trending, shallow north dipping fault. Mineralizing solutions are thought to have moved along the basal thrust and upward along steep northeast trending faults that intersect the thrust.

1991 PROGRAM

Minnova's 1991 program consisted of a re-analysis of mapping completed in 1990 with emphasis on the determination of orientations of controlling structures for mineralization. A limited number of rock samples were collected to augment those taken in 1990. This was followed by a 945.7 metre drill program in early spring.

Geology	-	1:2000 structural mapping of remaining 17 km of grid
Geochemistry	-	30 surface rock samples were taken; three for major oxides, one assayed for Au, Ag, Cu, Pb, and Zn.

	-	225 drill core samples were taken; these were analysed for Ag, As, Ba, Cu, Pb, Sb, Zn, and Au by fire geochem. Twenty-five of these were analysed for major oxides.
Drilling	-	6 holes totalling 945.78 metres
Assays & Geochem-		225 core samples from drilling; 25 of these analysed for major oxides.

RESULTS

Surface mapping resulted in the formation of an exploration model for the mineralization. A six hole diamond drill program was completed to test targets. The best results of surface sampling were from sample BCS15265 (0.24 g Au/tonne, 258 g Ag/tonne, 3.220% Cu, 2.1% Pb, 1.49% Zn) taken of listwanite in an old pit.

No significant economic mineralisation was returned from any of the core samples. Occasional veinlets of pyrite and pyrrhotite, and traces of sphalerite and galena were seen in a number of holes, but Au values were subeconomic throughout, while combined Pb and Zn values were never greater than 0.72% and more commonly less than 0.1%. The most interesting aspect of the drilling program was the intensity of alteration and complexity of structure. Apart from these, drilling failed to provide any reason for continuing with the project. The option has been terminated.

PROJECT EXPENDITURE SUMMARY
1991

PROJECT NAME: ATHELSTAN JACKPOT PROJECT NO. 666

GEOLOGY

Salaries	$5,727		
Travel Expenses	$157		
Contract Payments	$0		
Field Expenses	$1,828		
Analyses	$0	$7,712	10.1%

GEOPHYSICS

Salaries	$0		
Travel Expenses	$0		
Contract Payments	$0		
Field Expenses	$0	$0	0.0%

GEOCHEMISTRY

Geos 35 @ $18.75

Salaries	$0		
Travel Expenses	$0		
Contract Payments	$0		
Field Expenses	$141		
Analyses	$656	$798	1.0%

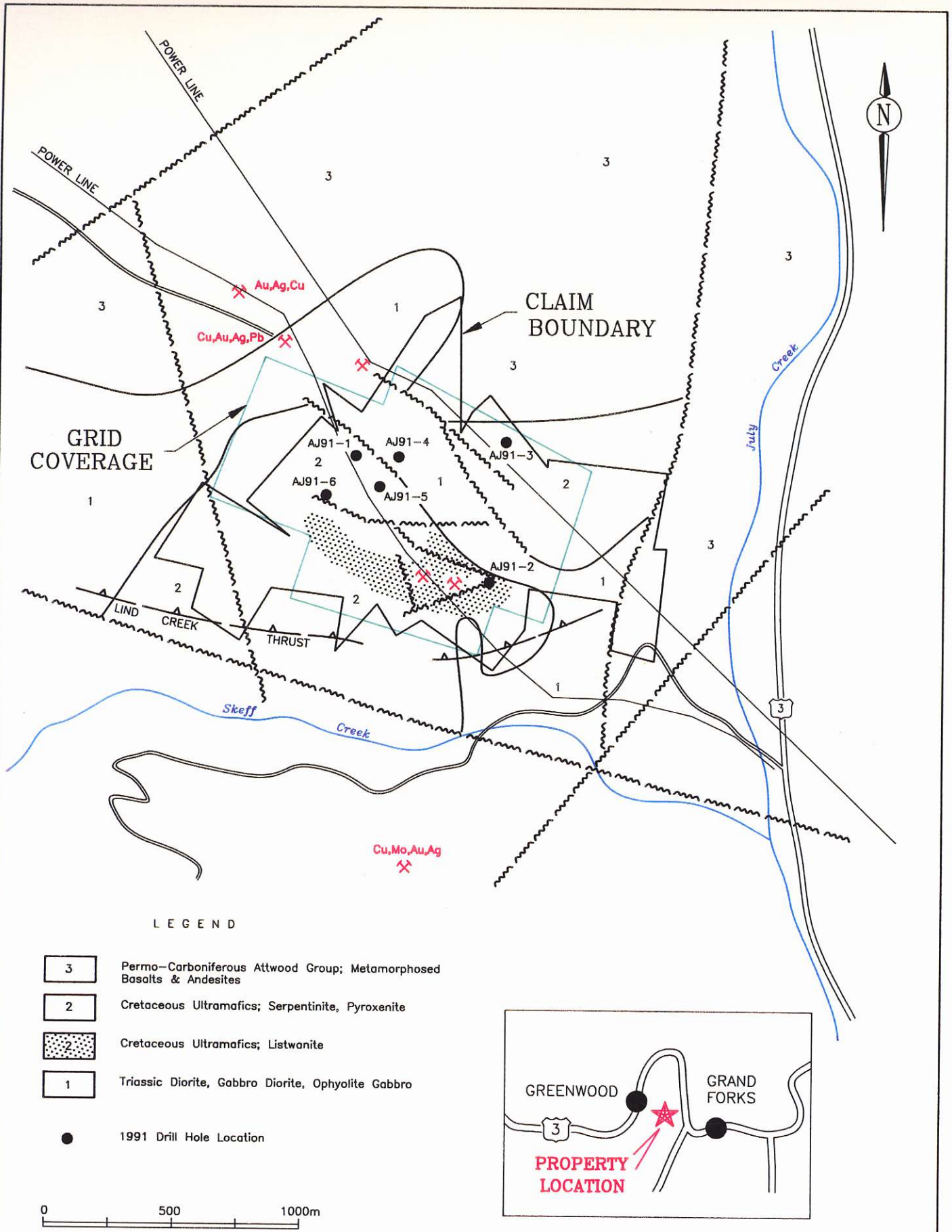
DRILLING

# holes	*6*
metres	*945.7*
cost/m	*$59.49*
contract	*$47.01*
salaries	*$7.18*
field exp	*$1.46*
analyses	*$3.84*

Salaries	$6,791		
Travel Expenses	$0		
Contract Payments	$44,454		
Field Expenses	$1,377		
Analyses	$3,632	$56,253	73.7%

Line Cutting	$0	0.0%
Trenching	$0	0.0%
Hotels and Meals	$1,416	1.9%
Option Payments	$10,132	13.3%
Property Maintenance	$0	0.0%
Other	$0	0.0%

TOTAL DIRECT EXPENDITURES $76,312



ATHELSTAN-JACKPOT PROPERTY
1991 WORK SUMMARY

CJC/sg

JANUARY 1992

MINNOVA Inc.

FILE: ATHEL.DWG

WILD ROSE

PN 672

C.J. Clayton

INTRODUCTION

The Wild Rose property consists of 22 claim units located in the Greenwood Mining Division of B.C. just west of Greenwood. The property was optioned from Randsburg Gold Corporation in 1991 as an eastern extension of the Rainbow-Tam O'Shanter property. Geophysical work and geological mapping on the adjacent Tam 91 grid indicated the presence of a mineralized porphyry system that trends onto the Wild Rose property. Known mineralization on the Wild Rose property consists of structurally controlled massive pyrite, chalcopyrite, magnetite veins.

The claims are underlain by a sequence of Permo-Triassic chert, ash tuff and crystal tuff, Tertiary volcaniclastics, conglomerate, and argillite, and minor Jurassic/Cretaceous diorite. The property lies at the eastern margin of the Toroda Creek Graben and is dissected by a number of extensional faults related to Tertiary graben formation.

1991 PROGRAM

Work in 1991 concentrated on extending the Tam 91 grid lines on the Rainbow-Tam O'Shanter property across the Wild Rose property. These were subsequently mapped and sampled, soil sampled, and surveyed geophysically. Four target areas were drilled.

Linecutting	-	13 km of line extended from Tam 91 grid
Geology	-	13 km @ 1:2500

Geophysics	-	13 km Induced Polarization 13 km Mag and VLF
Geochemistry	-	520 soils 358 rocks
Drilling	-	550.16 m in 4 holes
Assays & Geochem-		147 core samples from drilling

RESULTS

Several strong linear north-south trending zones of high chargeability (>+20 mV/V and up to +52 mV/V locally) with coincident low resistivities (<100 ohm-m) were delineated by the I.P. survey. Soil geochemistry associated with some of these anomalies was anomalous for Cu and Au. Rock geochemistry did not return any significant results except from sulphide veins previously worked. Drilling did not intersect any significant mineralization and many of the geophysical anomalies were explained by pyritic sediments, and argillaceous units.

RECOMMENDATIONS

1. Retain control of the property until the potential of the "gold zone" on the adjacent Rainbow-Tam O'Shanter property has been assessed. There is some indication that the structure that may be controlling the highest grades intersected by drilling on that property may be fault offset and trend on to the Wild Rose property and the property should be retained for protection.

2. If results of 1992 drilling on the Rainbow-Tam O'Shanter "gold zone" are encouraging and a definite structural trend to mineralization can be traced on to the Wild Rose, follow-up drilling should be conducted to test the projected zone on the Wild Rose property.

3. If results from drilling are not encouraging and the Rainbow-Tam O'Shanter project is terminated, this project should be terminated as well. This project does not have sufficient potential to survive as an individual property.

PROJECT EXPENDITURE SUMMARY
1991

PROJECT NAME: WILD ROSE PROJECT NO. 672

GEOLOGY

Salaries	$15,726		
Travel Expenses	$169		
Contract Payments	$0		
Field Expenses	$3,518		
Analyses	$0	$19,414	14.6%

GEOPHYSICS

IP - 12.9km @ $1646/km
Mag/VLF-12.9km @$278/km

Salaries	$276		
Travel Expenses	$0		
Contract Payments	$24,820		
Field Expenses	$10	$25,106	18.9%

GEOCHEMISTRY

soils	*520*	*$13.75/smple*
lithos	*100*	*$25.35/smple*
geos	*258*	*$18.75/smple*

Salaries	$2,852		
Travel Expenses	$0		
Contract Payments	$0		
Field Expenses	$573		
Analyses	$14,526	$17,950	13.5%

DRILLING

Holes	*4*
metres	*550.2*
cost/m	*$61.28*
contract	*$42.75*
salaries	*$9.63*
field exp	*$3.65*
analyses	*$4.55*

Salaries	$5,301		
Travel Expenses	$382		
Contract Payments	$23,522		
Field Expenses	$2,007		
Analyses	$2,501	$33,714	25.4%

Line Cutting	*12.9km @ $848/km*	$10,939	8.2%
Trenching		$0	0.0%
Hotels and Meals		$2,269	1.7%
Option Payments		$22,500	17.0%
Property Maintenance		$595	0.4%
Property Acquisition		$200	0.2%

TOTAL DIRECT EXPENDITURES $132,686