

CONSOLIDATED CINOLA MINES LTD
VANCOUVER, B.C.

SPECOGNA PROSPECT
QUEEN CHARLOTTE ISLANDS, B.C.

LOCATION MAP

Date: Aug. 30, 1977.

Scale: 1" = 38 mi.

Drawn by: *A.F.R.*

To Accompany Report by A.F. Roberts, P.Eng. dated August, 30 1977.

825950

Summer cruises along the Pacific Coast are

PROGRESS REPORT

ON THE

SPECOGNA GOLD PROSPECT

QUEEN CHARLOTTE ISLANDS, B. C.

SKEENA MINING DIVISION

Lat. 53° 32'N Long. 132° 13'W

FOR

CONSOLIDATED CINOLA MINES LTD., (N.P.L.)
1600 - 777 Hornby Street
Vancouver, B. C.

BY

A. F. ROBERTS, P.Eng.

August 30, 1977

TABLE OF CONTENTS

	<u>PAGE</u>
SUMMARY	
INTRODUCTION	1
CAMP	1
DIAMOND DRILLING	2
DRILL CORE	2
ASSAYS	3
DRILLED POSSIBLE RESERVES	4
CONCLUSION	5
RECOMMENDATION	5
CERTIFICATE	6

MAPS

Reference No.

- | | | |
|----|---|----------------|
| 1] | Location Map, B. C. Dept. of Highways 1" - 38 mi. | Frontispiece |
| 2] | Claim Map, B. C. Dept. of Mines & Pet. Res. 1/2" = 1mi. | Follows Page 1 |
| 4] | Geology Map, B. C. Dept. of Mines & Pet. Res. 1975
"Babe Gold Prospect, H. S. Brown, F. G. Schroter" | Follows Page 3 |
| 3] | Drill Hole Plan | Back Pocket |
| 5] | Appendix A Logs DDH 4, 5, 6, 7, End of Report | |
| 6] | Appendix B Assay Certificates End of Report | |

REFERENCES

B. C. Dept. of Mines Bulletin 24, Geology of the Queen Charlotte Islands, A. Sutherland Brown, 1968, B. C.

B. C. Dept. of Mines, Babe Gold Prospect, Queen Charlotte Islands, A. Sutherland Brown, T. G. Schroter, 1975

Report on the Specogna Gold Prospect for Consolidated Cinola Mines Ltd., Donald W. Tully, P.Eng May 16, 1977

S U M M A R Y

The results of the diamond drilling to date on the Consolidated Cinola Mines Ltd. property in the Queen Charlotte Islands is considered to be very satisfactory.

Approximately 4% of the area has been drilled in shallow holes, in the thin sections of the formation, with a weighted average grade of 0.0676 ozs. gold per ton, and 0.127 ozs. of silver.

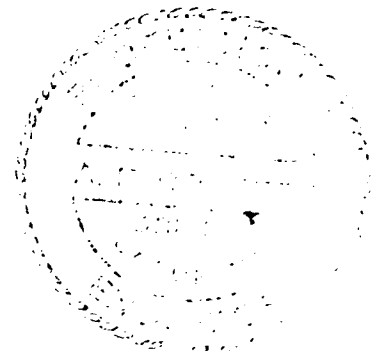
By using the values of DDH72-1, and PQ 75-5, both within the area being drilled, an estimate of drill indicated ore, subject to surveys, is 625,000 tons at a grade of 0.069 ozs. of gold per ton. This is extremely close to that of a previous operator which was 0.07 ozs. for this particular block.

An estimate was made, that there could be 50,000,000 tons at 0.06 ozs. per ton, as quoted in the text, in the claim block.

It is recommended that the drilling be continued to at least finish the minimum contact; and that a transit survey be made to locate exactly the position of the holes, and their elevations.

Respectfully submitted,

A. F. ROBERTS, P.Eng.



PROGRESS REPORT
ON THE
SPECOGNA GOLD PROSPECT
GRAHAN ISLAND
QUEEN CHARLOTTE ISLANDS
SKEENA MINING DIVISION, B. C.
Lat. 53° 32'N Long. 132° 13'W.

for
CONSOLIDATED CINOLA MINES LTD., (N.P.L.)
by
A. F. Roberts, P.Eng. August 30, 1977

INTRODUCTION 1] 2]

The writer was commissioned by the Directors of the Company to log, and split the diamond drill hole core, on the property and send it for assay.

The work was done in the period August 16 - 19, 1977 inclusive.

Part of the assignment was to examine the overall drilling program, and comment on the work, and the cost, and to review the results of previous drilling.

The writer was previously on the property, July 4 - 7, 1977, in connection with the examination of the Ken and Barb claims for the Company this year, and at that time, examined the cores on DDHs 1-77, and 2-77.

CAMP

The present camp consists of three tents on the frames left by a previous operator. One is used as a cook tent, can seat about 10 men. It is outfitted with propane refrigerator (Astral) and five hot plate points, propane heated.

Another is used as a bunkhouse, oil fire heated when required, and sleeps four men comfortably, or six by crowding. The third tent could sleep three-four men comfortably, and is not in active use.

It is a good tent camp, kept very clean by the drill crew.

1] Location Map, B. C. Dept. of Highways 1" = 38 mi.
2] Claim Map, B. C. Dept. of Mines, & Pet Res.

SPECOGNA PROSPECT
QUEEN CHARLOTTE ISLANDS, B.C.

CLAIM MAP

Date: Aug. 30, 1977.

Scale: 1/2" = 1 mi

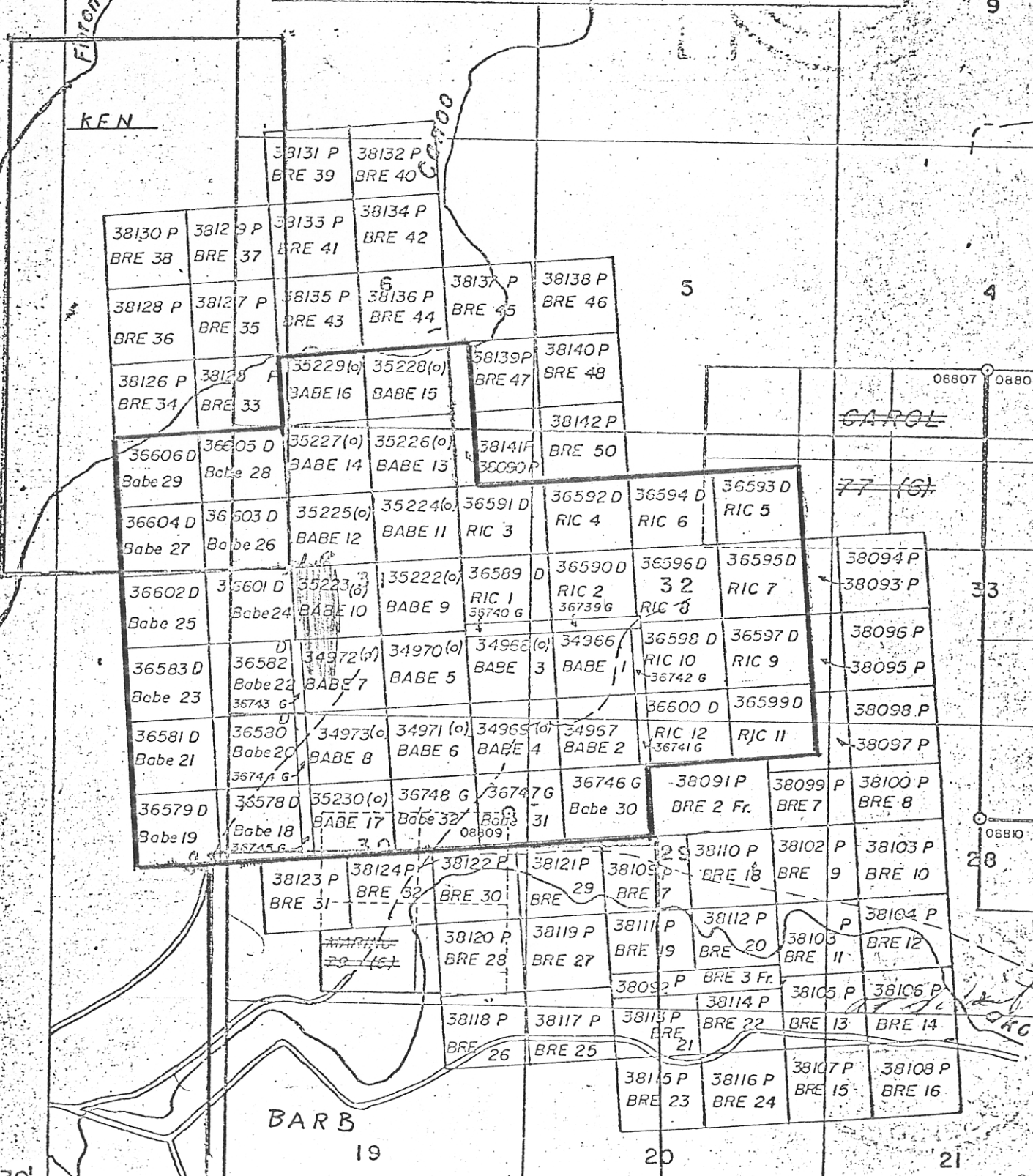
Drawn by: *KTR*

To Accompany Report by A.F. Roberts, P. Eng. dated August, 30, 1977.

M 10

Filonca Cr.

KEN



38130 P BRE 38	38129 P BRE 37	38131 P BRE 39	38132 P BRE 40	38133 P BRE 41	38134 P BRE 42				
38128 P BRE 36	38127 P BRE 35	38135 P BRE 43	38136 P BRE 44	38137 P BRE 45	38138 P BRE 46				
38126 P BRE 34	38125 P BRE 33	35229(o) Babe 16	35228(o) Babe 15	38139 P BRE 47	38140 P BRE 48				
36606 D Babe 29	36605 D Babe 28	35227(o) Babe 14	35226(o) Babe 13	38141 P BRE 49	38142 P BRE 50				
36604 D Babe 27	36603 D Babe 26	35225(o) Babe 12	35224(o) Babe 11	36591 D RIC 3	36592 D RIC 4	36594 D RIC 6	36593 D RIC 5		
36602 D Babe 25	36601 D Babe 24	35223(o) Babe 10	35222(o) Babe 9	36589 D RIC 1 36740 G	36590 D RIC 2 36739 G	36596 D 32 RIC 8	36595 D RIC 7	38094 P 38093 P	
36583 D Babe 23	36582 D Babe 22 36743 G	34972(o) Babe 7	34970(o) Babe 5	34968(o) Babe 3	34966(o) Babe 1	36598 D RIC 10 36742 G	36597 D RIC 9	38096 P 38095 P	
36581 D Babe 21	36580 D Babe 20 36744 G	34973(o) Babe 8	34971(o) Babe 6	34969(o) Babe 4	34967(o) Babe 2	36600 D RIC 12 36741 G	36599 D RIC 11	38098 P 38097 P	
36579 D Babe 19	36578 D Babe 18 36745 G	35230(o) Babe 17	36748 G Babe 32	36747 G Babe 31	36746 G Babe 30	38091 P BRE 2 Fr.	38099 P BRE 7	38100 P BRE 8	
	38123 P BRE 31	38124 P BRE 32	38122 P BRE 30	38121 P BRE 29	38105 P BRE 7	38110 P BRE 18	38102 P BRE 9	38103 P BRE 10	
		38120 P BRE 28	38119 P BRE 27	38118 P BRE 26	38117 P BRE 25	38111 P BRE 19	38112 P BRE 20	38104 P BRE 12	
						38092 P BRE 3 Fr.	38103 P BRE 11	38104 P BRE 12	
						38113 P BRE 21	38114 P BRE 22	38105 P BRE 13	38106 P BRE 14
						38115 P BRE 23	38116 P BRE 24	38107 P BRE 15	38108 P BRE 16

BARB

103 89W

06807 06808

GAROL

77 (G)

33

28

38G

DIAMOND DRILLING 3]

The drilling is being done by Calar Developments Ltd., of Vancouver, B. C.

The machine used is a B.B.S.-1, rigged for wire line, cutting BX core.

The holes are all at -90°, drilled to approximately 200 feet, or into a very soft, muddy rock, which is the "basement" of the ore zone.

The drilling pattern is 100 ft. x 100 ft., based on Cominco hole 72-1 in the northwest corner, and within a block defined by Quintana Minerals as averaging 0.075 ozs., gold per ton.

The core recovery overall is very good, especially in the well mineralized sections. Cherty sections slow the drilling considerably at times.

The dry weather caused some difficulties with the water supply, which was overcome.

Total footage to the date of this report is 1,061 ft. in seven holes, with 56% of this being in the higher mineralized sections.

DRILL CORE 4] 5]

Generally, the cores show a rhyolite, rhyolite ash breccia, with quartz, and chalcedonic quartz. They may be very vuggy and limonite stained with a low pyrite content.

The above may grade into, or change abruptly to massive argillite, with quartz or chalcedonic quartz veining, or be an argillite beccia with inclusions of rhyolite, rhyolite porphyry, rhyolite ash.

3] Drill Hole Plan

Back Pocket

4] Geology Map from 1975 Dept. of Mines & Pet.Res., "Babe Gold Prospect," by A. Sutherland Brown, T.G. Schroter.

Follows Page 3

5] Drill Hole logs Nos. 4, 5, 6, 7.

Appendix A

Sections are often very cherty, and hard drilling. The better pyrite content is in this section.

The argillites are followed by, or grade into a very soft brownish to black muddy material that, at present, is used as a marker bed to stop drilling. It contains minor pyrite.

It should be noted that the drilling is at an elevation of about 700 ft., and that the previous drilling by Quintana was down to elevation 500 ft.

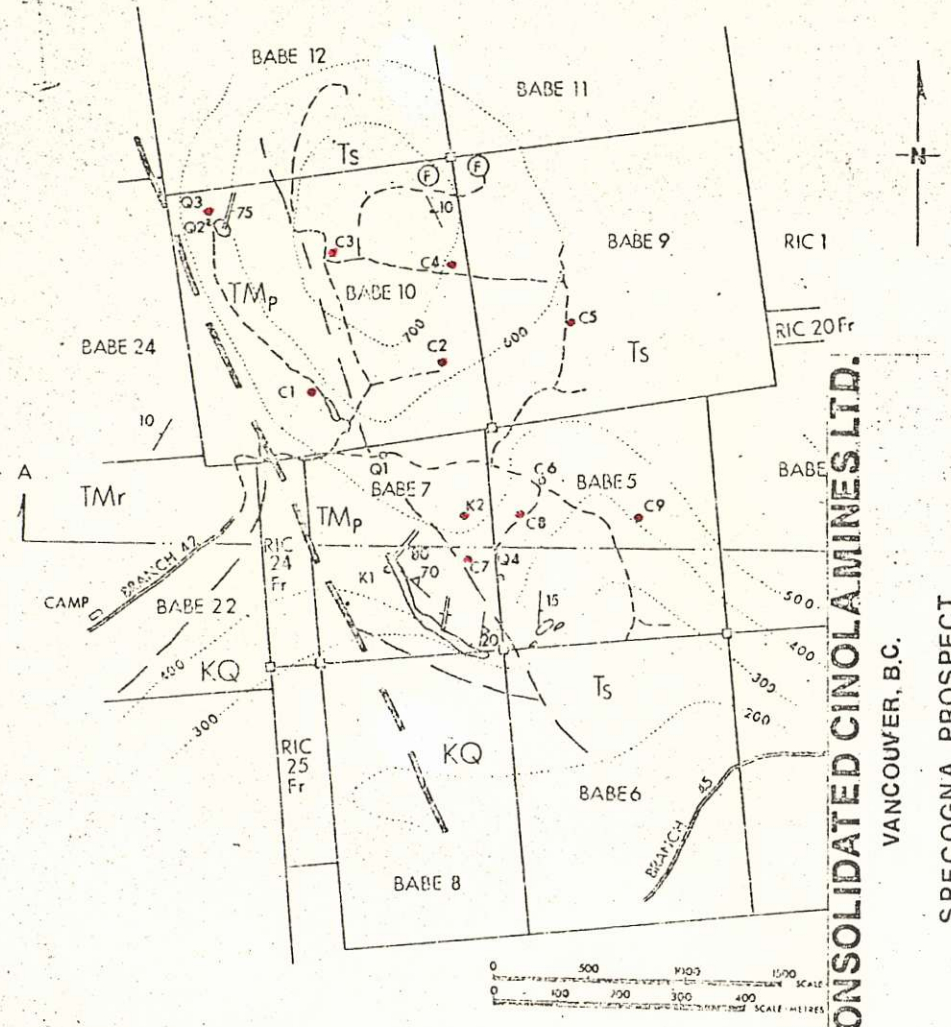
Reference to Quintana shows that the ore zone thickens down dip. That is, the present drilling is at the thin edge of the zone, and later holes should be much longer.

ASSAYS 6]

All core was split in five foot sections, starting at the collar. Footages are marked on the assay sheets.

Composites were made up of the A1 and Bill ^{series} service and assayed for both gold and silver. Gold assays check almost perfectly. The arithmetic average for silver was 0.127 ozs. per ton.

The A1 and Bill series were sent to another lab for check assays. Both labs used fire assays. Generally, Bondar-Clegg assays are slightly higher on the lowest values, and slightly lower on the highest values, than General Testing. The arithmetic average for the sixty-nine samples differ by 0.002 ozs. per ton, which is negligible.



CONSOLIDATED CINOLAMINES LTD.
 VANCOUVER, B.C.

SPECOGNA PROSPECT
 QUEEN CHARLOTTE ISLANDS, B.C.

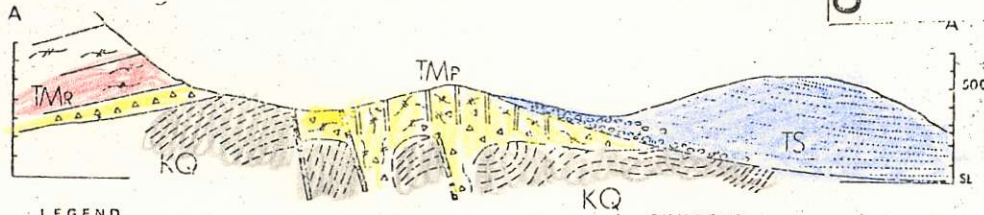
GEOLOGY MAP

Date: Aug. 30, 1977.

Scale: As shown.

Drawn by: *RA*

To Accompany Report by A.F. Roberts, P. Eng. dated



LEGEND

- Ts SKORJUN FORMATION, CONGLOMERATE, SANDSTONE
- Tm_p MASSET FORMATION, PORPHYRITIC RHYOLITE
- Tm_r MASSET FORMATION, RHYOLITE ASH FLOWS
- Kq QUEEN CHARLOTTE GROUP, ARGILLITE

SYMBOLS

- F FOSSILS
- DIAMOND-DRILL HOLE:
K = KENNCO '71
C = COMINCO '72
Q = QUINTANA '74
- FLUXION STRUCTURE
- VEIN ORIENTATIONS
- CONTOURS IN FEET

Figure 12. Geological sketch map and section, Babe gold prospect.



The best sections are:

DDH 77-1	120' - 160'	40' @ 0.086 ozs./ton
or	20' - 160'	140' @ 0.056
including 5 ft. of 0.31		

(Note: This is near 72-1, with 20' @ 0.31 ozs./ton)

DDH 77-2	110' - 135'	25' @ 0.062 ozs./ton
DDH 77-3	65' - 125'	60' @ 0.103 ozs./ton
	180' - 200'	20' @ 0.072 ozs./ton
	or 15' - 200'	185' @ 0.066 ozs./ton
DDH 77-4	5' - 25'	20' @ 0.071 ozs./ton
	100' - 180'	80' @ 0.064 ozs./ton
DDH 77-5	60' - 90'	30' @ 0.1495 ozs./ton
	20' - 105'	85' @ 0.061 ozs./ton
DDH 77-6	0' - 30'	30' @ 0.0505 ozs./ton
	75' - 90'	15' @ 0.048 ozs./ton
DDH 77-7	0' - 30'	30' @ 0.061 ozs./ton

DRILLED POSSIBLE RESERVES

A "guesstimate" using Hole 72-1, drilled by Cominco, which is the northwest corner of the drilling pattern being used, indicates a possible 554,000 tons at 0.0676 ozs. of gold per ton.

By adding in PQ 75-5, a 45° drill hole, and converting to its vertical length. The possible reserves are 624,000 tons at 0.069 ozs. of gold per ton.

A higher grade, and a lower tonnage can be obtained by using shorter lengths and higher grade intersections.

It should be noted that this preliminary grade is very close to that indicated by Quintana for these blocks, with fewer holes.

DRILLING COSTS

The writer was shown a copy of the costs of the drilling to date (Aug. 18, 1977). These were very close to budget, and by the time the drilling is completed, and start up costs are amortized over the rest of the footage, they should be well within the budget.

CONCLUSIONS

In C.I.M. Paper No. 7-3, 1976, Mr. M. B. Wolfhard, who reported on the Quintana drilling in 1975, and calculated the mineral content, stated that there was a possibility of this deposit containing some 50,000,000 tons with a grade of 0.06 ozs. of gold per ton.

The detail drilling being done by Consolidated Cinola Mines Ltd., in the one block, tends to confirm this possibility.

The results of the drilling are very satisfactory, showing values very close to those estimated for this particular block, that is 0.07 ozs. of gold per ton.

The silver values are a welcome addition.

A "guesstimate" indicates that 624,000 tons of ore grading 0.069 ozs. gold and 0.127 silver per ton have been drill indicated in the area now drilled which constitutes only 4% of the possible area, and in the thinner sections of the formation.

RECOMMENDATIONS

That drilling be continued to complete the minimum contract of 2,000 feet.

That it would be advisable to conduct a survey to accurately place the holes and their collar elevations.

Respectfully submitted,


A. F. ROBERT, P.Eng.



C E R T I F I C A T E

I, A. F. Roberts of 812 Fairbrook Crescent, Richmond, B. C., do hereby certify that:

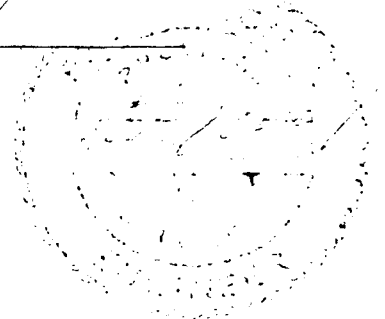
- [1] I am a graduate of the University of British Columbia [B.Ap.Sc.] in Mining Engineering, 1951.
- [2] I am registered as a Professional Engineer of the Province of British Columbia, and am a member of The Canadian Institute of Mining and Metallurgy.
- [3] I have practiced my profession since 1951 with Quatsino Copper Gold Mines Ltd., Giant Mascot Mines Ltd., Cochour Willens Gold Mines Ltd., Mogul Mines Ltd., Kerr Addison Gold Mines Ltd., Atlantic Coast Copper Corporation Ltd., Wasamac Mines Ltd., Brenda Mines Ltd., and T. C. Explorations Ltd. Since January of 1970 I have been independent Consultant.

Previous to, and during University, I worked as a miner underground, and on several exploration-development projects.

- [4] The accompanying report is based entirely on my personal analysis of the reports and other data referred to in the text, and on visits to the property on July 4 - 7 and August 16 - 19, 1977.
- [5] I have not interest, direct or indirect, in the Consolidated Cinola Mines Ltd. property, or adjacent properties, nor have I any interest, direct or indirect, in any companies controlled by Consolidated Cinola Mines Ltd. I have not, nor do I expect to receive any interest in the shares of the Company, in its securities, or in those of any company with which it may become associated.
- [6] I consent to the use of this report, in or in connection with, a prospectus, or a statement of material facts relating to the raising of funds for this project.

DATED at Vancouver, British Columbia, this thirtieth day of August, 1977.

A, F, ROBERTS, P.Eng.



APPENDIX A

Logs of DDH 77-4, 80'-190'
77-5, 6 and 7 to 60'

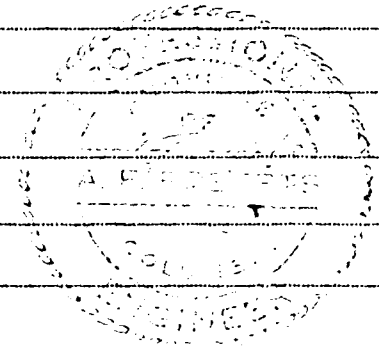
DIAMOND DRILL LOGPROJECT: C.C. Q.C. Property HOLE NO. C.C.DDH 77-5 DATE August 17, 1977

FROM	TO	RECOVERED		DESCRIPTION
		INT	FT. %	
0	5		30	Argillite breccia, limonite in frac. No pyrite.
5	10		90	Rhyolite breccia. Badly broken limonite in frac. Poor pyrite.
10	25		100	Rhyolite, breccia increasing with depth. Also pyrite. Pyrite very good.
25	41		100	Rhyolite breccia. Inclusions of argillite breccia. Oxides in fractures. Pyrite poor, except in 1 ft. of Argillite breccia.
41	47		100	Argillite breccia. 47 ft. - rusty fractures.
47	69		100	Almost massive argillite. Good pyrite. Some inclusions of rhyolite. Oxides in frac. Fair to good pyrite. Increasing brecciation and pyrite with depth.
69	75			Rhyolite breccia. Considerable oxidation. Inclusions of argillite. Pyrite fair to poor.
75	91		80	Badly broken, oxidized, soft, chalky white brecciated. Rhyolite fragments altered.
91	106		95	Argillite, Argillite breccia. Rhyolite inclusions some oxidation in fractures. Fair pyrite.
106	113		100	Grey-brown ash, dense, soft. Some fair pyrite.
				End of Hole
				Samples D1 - D23

DIAMOND DRILL LOG

PROJECT: C.C. Q.C. Property HOLE NO. CC DDH 77/7 DATE August 17, 1977

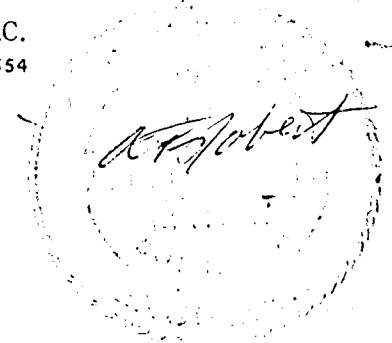
FROM	TO	RECOVERED		%	DESCRIPTION
		INT	FT		
0	2			0	No recovery. All rhyolite breccia, some
2	10			30	inclusions argillite, some sections all rhyolite
10	26			85	ash flow. Mostly greyish. All badly broken and oxidized pitted. No pyrite observed.
26	60			90	More massive rhyolite breccia, ash flow. More argillite inclusions. Strong oxidation and pitting.
					45 - 47 Badly oxidized and broken
					50 - 57 Badly oxidized and broken (60% rec.)
					32 - 35 Cherty siliceous ash flow
					35 - 39 Cherty siliceous ash flow
					39 - 45 Ash flow less silica, but hard
					50 - 55 30% Rec.
					55 - 60 80% Rec
					13 feet of core not logged or split in Box 3.
					Samples F1 - F12



BONDAR-CLEGG & COMPANY LTD.

1500 PEMBERTON AVENUE, NORTH VANCOUVER, B.C.
 PHONE: 988-5315 TELEX: 04-54554

CERTIFICATE OF ASSAY



TO Mr. A. F. Roberts

A27 - 372

8120 Fairbrook Crescent

July 15, 1977

Richmond, B.C.

I hereby certify that the following are the results of assays made by us upon the herein described core samples.

MARKED	Au oz/ton	MARKED	Au oz/ton	MARKED	Au oz/ton
AL 1	0.010	AL 23	0.012	AL 45	0.016
2	0.015	24	0.019	46	0.027
3	0.018	25	0.084	47	0.028
4	0.019	26	0.059	48	0.017
5	0.028	27	0.061	49	0.019
6	0.044	28	0.054	50	0.011
7	0.052	29	0.040	51	0.017
8	0.047	30	0.013	52	0.022
9	0.038	31	0.029	53	0.016
10	0.023	32	0.350	54	0.015
11	0.026	33	0.011	55	0.011
12	0.024	34	0.031	56	0.026
13	0.086	35	0.005	57	0.055
14	0.034	36	0.004	58	0.025
15	0.043	37	0.004	59	0.021
16	0.026	38	0.004	60	0.029
17	0.032	39 190-197	0.003	61	0.022
18	0.055	40	0.026	62	0.096
19	0.058	41	0.011	63	0.022
20	0.063	42	0.024	64	0.065
21	0.066	43	0.026	65	0.067
22	0.038	44	0.024	66	0.040

NOTE:
 Rejects retained two weeks
 Pulps retained three months



BONDAR-CLEGG & COMPANY LTD.

geochemists • assayers • analytical chemists

1500 PEMBERTON AVENUE, NORTH VANCOUVER, B.C.
PHONE: 988-5315 TELEX: 04-54554

CERTIFICATE OF ASSAY



TO Consolidated Cinola Mines Ltd.

A27 - 372

Page 2

I hereby certify that the following are the results of assays made by us upon the herein described core samples.

MARKED	Au oz/Ton	MARKED	Percent	MARKED	Percent
AL 67	0.031				
68	0.021				
69 145-150'	0.026				

NOTE:
Rejects retained two weeks
Pulps retained three months
unless otherwise arranged

BONDAR-CLEGG & COMPANY LTD.

geochemists • assayers • analytical chemists

1500 PEMBERTON AVENUE, NORTH VANCOUVER, B.C.

PHONE: 988-5315

TELEX: 04-54554

CERTIFICATE OF ASSAY

A. F. Roberts

TO Mr. A. F. Roberts

A27 - 500

8120 Fairbrook Crescent

August 9, 1977

Richmond, B.C.

I hereby certify that the following are the results of assays made by us upon the herein described core samples.

MARKED	Au oz/ton	MARKED	Au oz/ton	MARKED	Au oz/ton
BILL 1 <u>156'-155'</u>	0.046	BILL 23	0.093	BILL 45	0.036
2	0.060	24	0.12	46	0.055
3	0.054	25	0.11	47	0.055
4	0.030	26	0.14	48	0.090
5	0.040	27	0.18	49 <u>195'-200'</u>	0.087
6	0.044	28	0.072	50	0.022
7	0.062	29	0.085	51	0.056
8	0.043	30	0.072	52	0.065
9 <u>190'-192'</u>	0.044	31	0.11	53	0.075
10	0.022	32	0.11	54	0.10
11	0.010	33	0.086	55	0.058
12	0.020	34	0.062	56	0.029
13	0.12	35	0.048	57	0.027
14	0.051	36	0.056	58	0.033
15	0.054	37	0.077	59	0.018
16	0.039	38	0.054	60	0.029
17	0.040	39	0.041	61	0.044
18	0.012	40	0.019	62	0.044
19	0.029	41	0.030	63	0.021
20	0.033	42	0.046	64 <u>75'-80'</u>	0.010
21	0.030	43	0.032		
22	0.053	44	0.025		

NOTE:
Rejects retained two weeks
Pulps retained three months
unless otherwise arranged.

R. Roberts