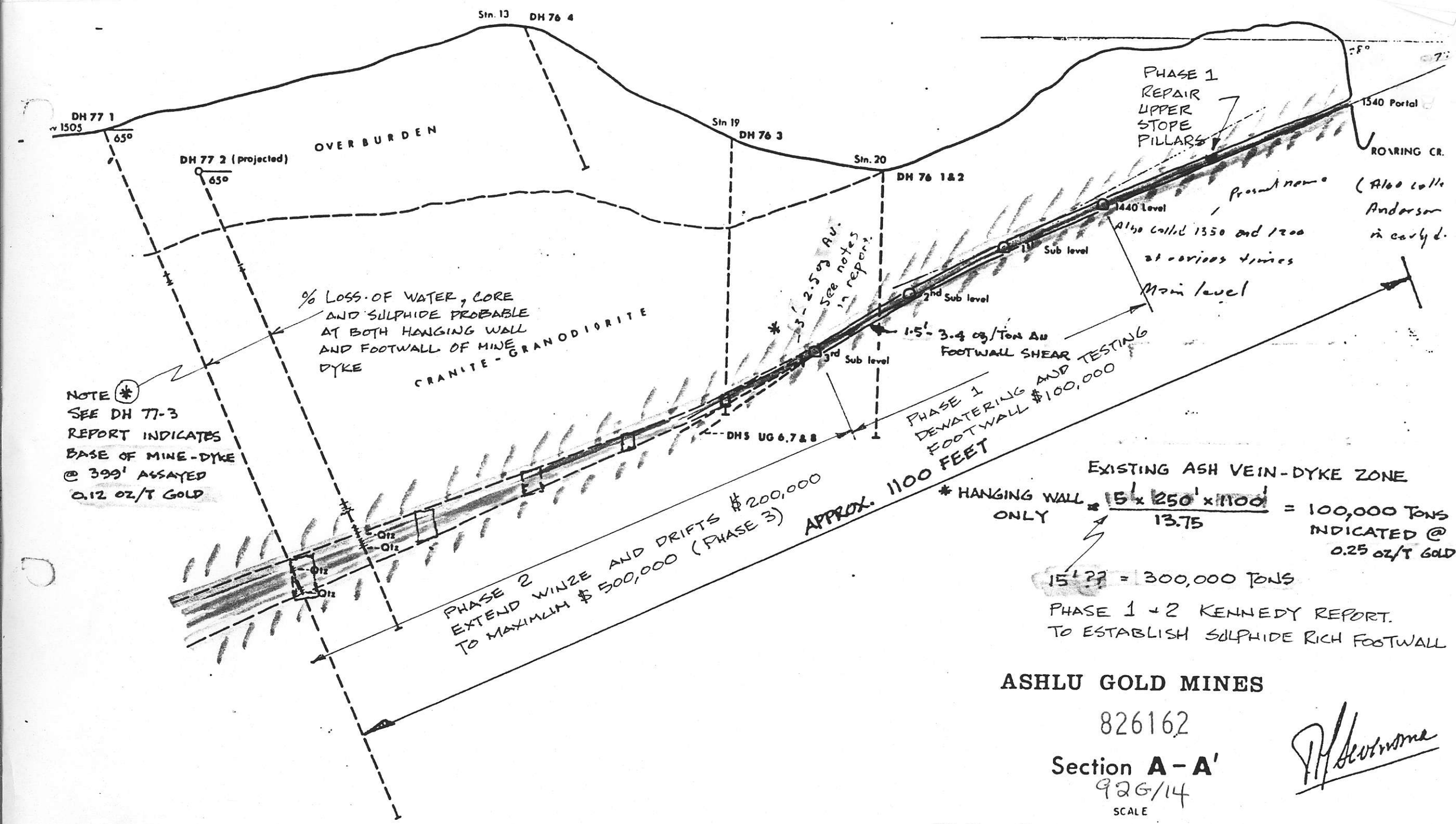


ASHLU GOLD MINES

826162

Section A-A'

926/14

SCALE

FEET 100 50 0 100

A 15 FOOT VEIN-DYKE ZONE WITH A MINERALIZED FOOTWALL HAS BEEN HYPOTHESISED FROM OBSERVATIONS REPORTED IN THE LOWER DRIFTS AND THIS WILL BE VALIDATED BY STAGE 1 & 2 EXPLORATION:

WITHOUT ANY FURTHER DEVELOPMENT DOWN DIP FROM THE EXISTING LOWER LEVEL, OR ANY EXTENSION ALONG STRIKE OF THE PRESENT LEVELS, A PRELIMINARY ESTIMATE FROM CURRENT ASSAY PLANS AND OBSERVATIONS OF READILY MINEABLE ORE AVAILABLE IF THE DRILLING OF SHORT HOLES INTO THE FOOTWALL IS SUCCESSFUL AND ESTABLISHES A 15 FOOT MINING WIDTH, WOULD BE: $\frac{400 \text{ FT} \times 150 \text{ FT} \times 15 \text{ FT}}{15 \text{ CU FT/TON}} = 60{,}000 \text{ TONS}$

MEAN ASSAY VALUE (15'): $\frac{(5 \text{ FT} \times 0.20 \text{ oz/T}) + (8 \text{FT} \times 0.008 \text{ oz/T}) + (2 \text{FT} \times 1.5 \text{ oz/T})}{15 \text{ FEET}}$

$= 0.271 \text{ oz/TON} \times 60{,}000 \text{ TONS} = 16{,}260 \text{ oz gold}$

@ $400 CDN = $7,804,800 CDN.

ALL OTHER METALS, AND ADDITIONAL RESERVES INDICATED BY STAGE 1+2 EXPLORATION ARE BONUS (AG, PT, PD) KNOWN TO EXIST BUT GRADES AND RECOVERABLE VALUES TO BE ESTABLISHED.

TENQUILLE RESOURCES LTD.
980 - 789 WEST PENDER STREET, VANCOUVER, B.C. V6C 1H2
TEL: (604) 681-7361

December 31st, 1985.

NEWS RELEASE

Tenquille Resources Ltd. recently acquired gold/tungsten mine is situated on Ashlu Creek, a twenty mile long tributary of the Squamish River which flows south into Howe Sound. The mine is located approximately 28 miles by main logging road from Squamish, British Columbia.

A recent economic evaluation by E.G. Kennedy, P. Eng., Consulting Geologist, indicates 300,000 tons inferred by the strike length of the visible structure, the apparent mining width in the existing drifts and workings, as well as the depth of ore which is reported stronger and more continuous in the lowest level of the old mine workings, ie: $\frac{1700 \text{ ft.} \times 700 \text{ ft.} \times 5 \text{ ft.} \times (3)}{15 \text{ cu. ft./t} \times (4)}$ (75%)

= approx. 300,000 tons potential ore (*3 IF FOOTWALL ZONE CORRECT)

* programmed estimate of grade 0.25 oz/ton gold; proven ore only

From previous ore shipments, previous examinations and engineering reports as well as his own sampling of the drift on the south side of the river, he gives a preliminary estimate of *(0.35 oz/ton gold,) currently around $147 Cdn. per ton for a total gross value of approx. $43,000,000 Cdn.

* A 1976 Progress Report by P.H. Sevensma, P. Eng., Consulting Geologist and reporting on the dewatering of the lower levels of the mine describes the vein zone as fifteen feet true width, centered on a porphyritic dyke rock. Quartz veins lie along the hanging wall and the footwall of the dyke rock and occasionally within the dyke. From an 18" sample of the footwall on the lower level where it was visibly exposed he assayed 3.445 oz/t gold and 8.48 oz/t silver.

* His observations indicate that the main winze and levels all follow the upper contact marked by a continuous quartz vein of varying width. This suggests that the footwall approx. 15 feet below the upper contact may not have been mined in the upper stopes on the dirt-encrusted and weathered upper workings, where the dyke rock which controls the gold mineralization can no longer be recognized... an exciting possibility that could triple the existing ore reserve and add appreciably to the ore grade.

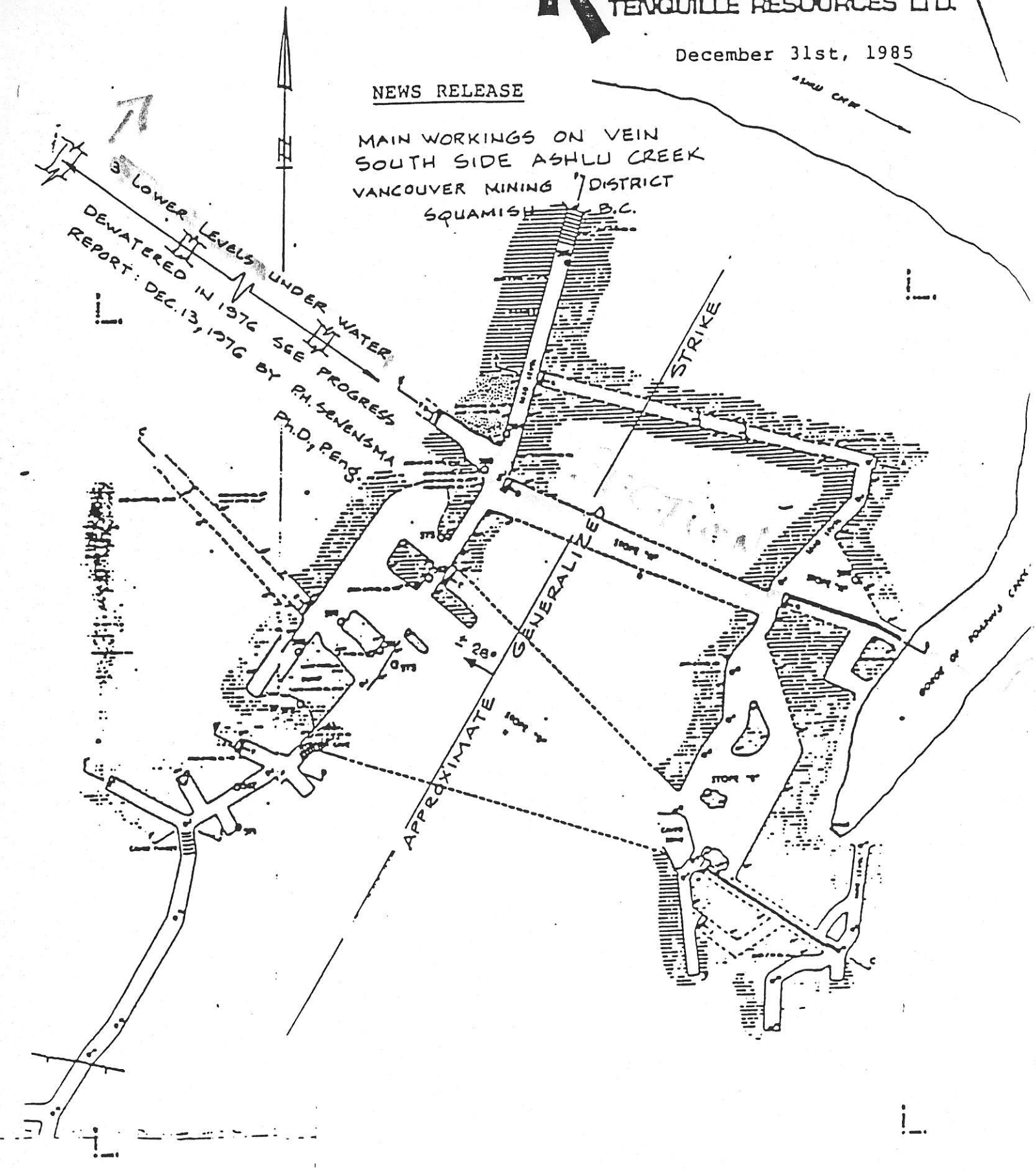
D. A. Chapman
President, Tenquille Resources Ltd.

This Release was prepared by D.A. Chapman, President, Tenquille Resources Ltd., who claims full responsibility for its contents. The Vancouver Stock Exchange has neither approved nor disapproved of the information contained in the Release.

TENQUILLE RESOURCES LTD.

December 31st, 1985

NEWS RELEASE



This release was prepared by D.A.Chapman, President, Tenquille Resources Ltd., who claims full responsibility for its contents. The Vancouver Stock Exchange has neither approved nor disapproved of the information contained in the release.

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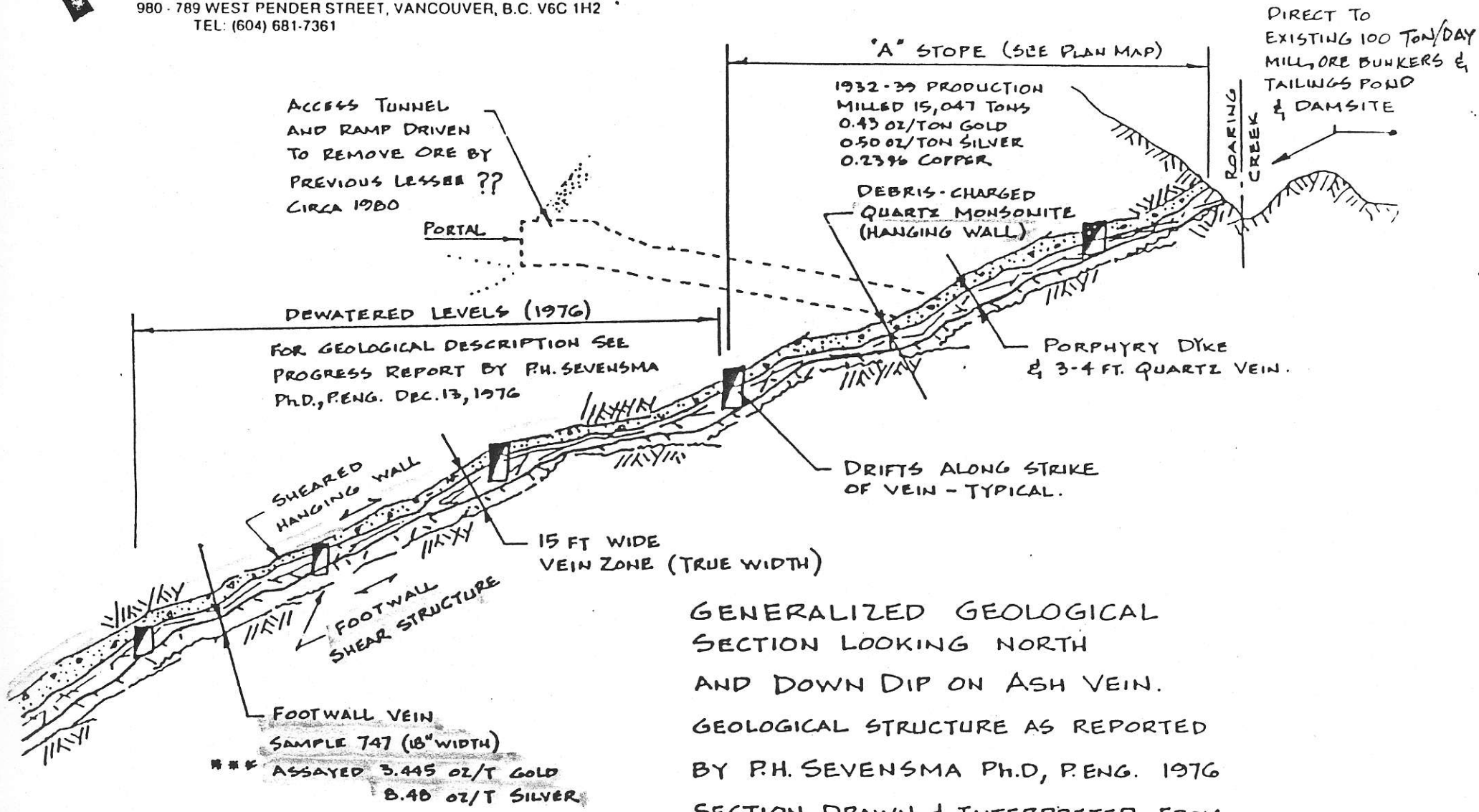


GENERALIZED GEOLOGICAL SECTION LOOKING NORTH AND DOWN DIP ON ASH VEIN.

GEOLOGICAL STRUCTURE AS REPORTED BY P.H. SEVENSMA Ph.D, P.ENG. 1976

SECTION DRAWN & INTERPRETED FROM DESCRIPTION DEWATERED LEVELS - PROGRESS REPORT, DEC. 13, 1976.

BY D. CHAPMAN, PRESIDENT TENQUILLE RESOURCES LTD. DEC. 1985

Bennett Laboratories, Inc.

901 SOUTH NINTH STREET
TACOMA, WA 98405
(206) 272-4507

ANALYZING
ASSAYING
CONSULTING
TESTING

Since 1913

REPORT OF ANALYSIS - December 9, 1980

Our analysis of the sample of Hand Samples

From Walter Babkirk
Samples received 8/29/80

Marked: As Follows:

SAMPLE ID	GOLD*	SILVER*	TUNGSTEN	PLATINUM
#1 Tailings from Mill	0.11	0.20	0.04%	----
#2 Mill Feed (Head)	0.22	0.14	----	0.12%
#3 Discharge-Rod Mill	----	----	0.08%	----
#4 Vein Rocks	2.74	7.16	----	0.12%
#5 Hanging Wall	0.24	0.50	----	0.12% ? SEE NOTE BELOW

SAMPLE AREA.

*OUNCES PER TON OF 2000 LBS.

* NOTE: THIS ASSAY DATA SUPPLIED TO TENGIZIDE BY PROSPECTOR; AS A CHECK FOR THE PRESENCE OF PLATINUM MINERALS A HIGH GRADE SELECTED SAMPLE WAS SENT TO INTERNATIONAL NICKEL LTD. (INCO) BY PRINCETON RESOURCES LTD. THEIR ASSAYS INDICATED THE PRESENCE OF PLATINUM, PALLADIUM, IRIDIUM AND 3.5 oz/TON GOLD IN THE SAMPLE, THE PLATINUM MINERALS WERE ABOUT 0.02% (6.00g/ton) - INCO ASSAY *

To Walter Babkirk
2055 Como Lake Avenue
Colquitlam, B.C. Canada V3J 3R4

BENNETT LABORATORIES, INC.

By Richard D. Regan

CABLE ADDRESS 'WILROS'

TELEPHONE (604) 681-7361

COPY

Williams & Ross

BARRISTERS AND SOLICITORS

ENID WILLIAMS ROSS
HOWARD V. ROSS

980 MONTREAL TRUST BUILDING
789 WEST PENDER STREET
VANCOUVER, B.C. V6C 1H2

September 19, 1986.

Inco Limited,
Process Technology Department
Copper Cliff,
Ontario, T0M 1N0

Attention: Dr. John Bozic

Dear Sir:

Further to our telephone conversation yesterday, I am forwarding to you the attached sample of ore for assay of its gold, silver, platinum and tungsten content. If palladium is present will you please do it also. You may wonder about the cut form of the ore - the reason is I had a block of the ore cut so I could examine it better.

I am not certain if the following information is accurate regarding the sample, but to supply you with possible background that may assist I would advise that I have been informed as follows:

Re the gold: Part of it is free gold in micron form and part apparently is in the form of gold tellurides. It is also suspected that some may be in the form of selenium compounds (?) If you could confirm the presence of telluride or selenium compounds or of sperrylite, and the proportion it or they form of the total gold, it would be helpful.

Re the silver: It may run between .10 - to - 18 oz/t.

Re the platinum: This is the controversial element. Possibly because of the presence of tellurides (and/or of palladium if it is there) B.C. assayers generally have reported platinum as either non-existent or as a trace. On the other hand some foreign assayers apparently have reported very high platinum content. Clarification regarding the platinum and/or palladium content is the most important part of the assay as far as I am concerned.

Re the tungsten: Its presence is erratic and I understand it occurs as scheelite. I have heard, however, that it also comes as wolframite (?). Can you advise on this?

Re the sulphides: If they are present they generally are high in gold and silver and also carry copper.

Re the matrix: The sample is from the footwall of a vein comprised mainly of quartz porphry but frequently contains altered volcanics and sometimes bands of sulphides are present.

I would be very much obliged if you would make an assay of this sample for me and let me have your report. I am sending this to you because of the difficulty in obtaining a reliable assay on platinum and on some of the other points mentioned above in B. C.

Kindly also let me have a memo of your account in the matter which I will pay upon receiving same.

Yours very truly,

H. V. Ross.

(Howard V. Ross)

CASH ACCOUNT

ANALYZED ON 2-10-86
ICP 1/10/86-29
~~RESULTS IN % FOR~~
WILLIAMS & ROSS

	CU	NI	CO	FE	S	SIO2	AG	AL203
C4813 - WILLIAMS & ROSS	.278	.0071	.0086	14.8	9.90	65.6	.0050	1.46
1-C4813 - WILLIAMS & ROSS	.275	.0049	.0086	14.3	9.70	64.8	.0021	1.47

	AS	AU	B	BA	BI	CAO	CR203	IR
C4813 - WILLIAMS & ROSS	<.0052	.0094	<.0020	.0134	<.0051	.449	.0062	<.0187
1-C4813 - WILLIAMS & ROSS	<.0051	.0073	<.0019	.0130	<.0050	.414	.0060	<.0183

	K	LI	MGO	MN	MO	P	PB	PD
C4813 - WILLIAMS & ROSS	.336	<.0004	.117	.0324	<.0011	<.0063	<.0121	<.0083
1-C4813 - WILLIAMS & ROSS	.320	<.0004	.111	.0316	<.0011	<.0062	<.0119	<.0082

	PT	RH	RU	SB	SE	SN	TE	TIO2
C4813 - WILLIAMS & ROSS	<.0180	<.0142	<.0057	<.0173	<.0200	<.0024	<.0233	.0479
1-C4813 - WILLIAMS & ROSS	<.0176	<.0139	<.0056	<.0169	<.0196	<.0023	<.0228	.0471

	V	ZN
C4813 - WILLIAMS & ROSS	<.0010	<.0011
1-C4813 - WILLIAMS & ROSS	<.0010	<.0011

Tungsten <.01

INCO LIMITED Form 77-R · Revised 7-75

Process Technology · Analytical Services

ANALYSIS REPORT · PRECIOUS METALS

charge number | date Oct. 14/86

WILLIAMS & ROSS

troy ounces per short ton

	platinum	palladium	rhodium	ruthenium	iridium	osmium	total platinum metals	gold	silver	
6-4813	<.001	<.001						3.02	1.35	

one troy ounce per short ton = 0.00343 percent

approved

INCO LIMITED
Miscellaneous analyses

Process Technology · Technical Services R8111 Form 78-R

USER
This is your return mailing label
PLEASE PRINT

To Location
Dept
Name J. Bozic

Dept approval | Charge number Cash Account | Date Sept. 25/86

Project description

User leave blank	User's sample no. and/or description	Pt	Pd	Au	Ag	W		ICP	Scan
		Analyses required *(put estimates on sample bags)*							
		☐ Indicate highest priority, if any							
64813	Sample from					<.01			
	Williams and Ross								
	Vancouver, B.C.								

Date received Sept. 26/86 | Date completed Oct. 3/86 | Analyst's initial | Approved

NO CARBON PAPER NEEDED

USER Indicate accuracy required

Accuracy	Element
Better than 1%	
1 to 5%	
5 to 10%	

Note: High accuracy means additional time and cost

- Samples to be Filed ☐ Returned ☐
- Forward top 3 copies with samples to
  COPPER CLIFF
  PROCESS TECHNOLOGY BUILDING
  ANALYTICAL SERVICES LABORATORY
- User keep last copy

B1046/1

Induction Coupled Plasma

The potential values in the sample produced by Slim Babkirk, which he stated came from the footwall of the main vein, if in practice they can be recovered, are as follows :-

				Troy ozs. per short ton
Gold	Au	.0094%	=	3.02
Silver	Ag	.0050%	=	1.35
Iridium	Ir	.0187%	=	± 6.0
Platinum	Pt	.0180%	=	± 6.0
Rhodium	Rh	.0142%	=	± 4.1
Palladium	Pd	.0083%	=	± 2.7
Ruthenium	Ru	.0057%	=	± 1.6
Osmium	Os	—		—

Total Platinum Metals = ± 20.4

TENQUILLE RESOURCES LTD.
980 - 789 WEST PENDER STREET, VANCOUVER, B.C. V6C 1H2
TEL: (604) 681-7361

May 15th, 1986.

NEWS RELEASE

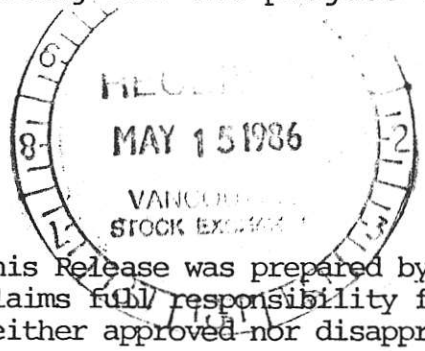
ASHLU MINE & MILL

Enquiries have been received from shareholders with respect to the Company's progress with the acquisition of the Ashlu Creek Gold/Tungsten Property 28 miles north west of Squamish, B.C. The directors and management of Tenquille Resources Ltd. are pleased to announce the Company acquired title to the Hawk Nos. 1 & 2 Mineral Claims of this property, subject to Regulatory Approval, and an option to purchase the Hawk Nos. 3 to 8, both effective November 1st, 1985. Under the terms of the Lease of the Vendor to its former tenant, the tenant was required to remove all its buildings, equipment, machinery and stores from the property by April 30th, 1986. This was not done, and Tenquille Resources Ltd., through its acquisition agreement with the Vendor (the former landlord), has acquired possession and ownership of all the buildings, machinery and equipment left on the property as of May 6, 1986. The former tenant, Osprey Mining & Exploration Ltd. has issued a Writ against the Vendor (the former landlord) in which action Tenquille Resources Ltd. has also been named a Defendant and in which action it is alleged that the Company is holding the property in trust for the former tenant. The opinion of the Company's legal counsel is that the said action will fail. The said action, and a Builder's Lien registered against the Vendor and the property, however, will delay the Company in making application for Regulatory Approval of the acquisition of the Hawk claims. TENQUILLE TO START IMMEDIATE ACTION (WRIT FOR SUMMARY JUDGEMENT) WITH FUNDS PROVIDED

ROSSMORE COLLIERIES

A director of the Company, Mr. Robert Reid, is continuing with various negotiations in connection with the acquisition of anthracite coal properties and interests in the Republic of Ireland in which the Company has a 50/50 anthracite coal joint venture with Amble Resources Ltd.

All news releases pertaining to these negotiations are subject to the approval of the Irish Government and as a result Mr. Robert Reid has exercised extreme caution in publicising these matters on behalf of Amble and Tenquille. However, he has assured Tenquille that the necessary reports and title opinions satisfactory for Regulatory Approval are forthcoming, at which time Tenquille will require a financing for the project as previously stipulated by the joint venture.



D. A.Chapman
President, Tenquille Resources Ltd.

This Release was prepared by D.A.Chapman, President, Tenquille Resources Ltd., who claims full responsibility for its contents. The Vancouver Stock Exchange has neither approved nor disapproved of the information contained in this Release.

TENQUILLE RESOURCES LTD.
980 - 789 WEST PENDER STREET, VANCOUVER, B.C. V6C 1H2
TEL: (604) 681-7361

February 12th, 1987.

STILL AVAILABLE TO TQA

NEWS RELEASE

The Directors of Tenquille Resources Ltd. are pleased to announce that the Company has obtained letters of commitment for the following financing from First Exploration Fund 1987 and Company, Limited Partnership, subject to completion of formal agreements and Regulatory approvals:

(a) $350,000 to purchase 500,000 flow-through shares at $0.70 per share, for exploration work to be performed on the Company's mining properties before February 29th, 1988;

(b) a further $1,000,000 to purchase flow-through shares at 20% above the average trading price, for exploration work to be performed before February 29th, 1988;

(c) a further $1,000,000 to purchase flow-through shares at 20% above the average trading price, for exploration work to be performed before February 29th, 1989.

D. A. Chapman - President
Tenquille Resources Ltd.

This RELEASE was prepared by D. A. Chapman, President, Tenquille Resources Ltd. who claims full responsibility for its contents. The Vancouver Stock Exchange has neither approved nor disapproved of the information contained in the release.

TENQUILLE RESOURCES LTD.
980 - 789 WEST PENDER STREET, VANCOUVER, B.C. V6C 1H2
TEL: (604) 681-7361

DIRECTORS OF TENQUILLE RESOURCES LTD.

Name and Address	Office	Principal Occupation and mining resume
Douglas Alan CHAPMAN #106 - 5979 Wilson Ave. Burnaby, B.C. V5H 2R3	President and Director	Mining Exploration Consultant, President J.C. Explorations Ltd. Formerly President of San Jacinto Explorations Ltd., Gold Pan Resources Inc. and Nomad Mines Ltd. Director of Reward Resources Ltd. Formerly with H.A. Simons Engineering (International) Ltd. in the Site Development Dept.
Peter Glehn CURTIS 1689 - 57A Street Tsawwassen, Delta, B.C. V4L 1X9	Secretary and Director	Professional Geologist. Formerly Field Geologist with Team Mineral Services Inc. and Field Geologist with ASARCO Can.
Willa Enid ROSS 1010 Esquimalt Avenue West Vancouver, B. C. V7T 1J8	Director	B.A., B. Comm. a Practising Barrister & Solicitor. Commencing in WW 2 had 8 years experience with Tulameen Colleries Ltd. then the 3rd largest operating coal mining company in B.C., in positions of Office Manager, Accountant, Director and Secretary.

The Management of Tenquille Resources Ltd. is pleased to announce the appointment of Mr. H. John Wilson as a Director of the Company. Mr. Wilson is a mining executive and a director of a number of listed companies and is bringing his considerable experience in coal mining operations to the Board.

ECONOMIC EVALUATION

OF THE

ASHLU CREEK GOLD-TUNGSTEN PROPERTY

HAWK 1 AND 2 CLAIMS

N.T.S. 92 G / 14 WEST

VANCOUVER MINING DISTRICT, B.C.

FOR

TENQUILLE RESOURCES LTD.
980 - 789 West Pender Street
Vancouver, B.C.
V6C 1H2

Vancouver, B.C.
February 15, 1986

Edward G. Kennedy, P. Eng.
Consulting Geologist
Ted Kennedy Consulting Ltd.

TABLE OF CONTENTS

SUMMARY

In November 1985, Ted Kennedy Consulting was asked to do an economic evaluation of the Ashlu Creek gold-silver-tungsten property for Tenquille Resources Ltd., purchasers of the Hawk 1 and 2 claims.

The property is located 45 km (28 miles) northwest of Squamish, B.C. in southwestern British Columbia (N.T.S. 92G/14 map sheet), in an area of high relief. Access is by a well-maintained logging road which follows along the south side of Ashlu Creek. Recent logging continually exposes geology not previously seen.

The Hawk 1 and 2 claims were originally staked in 1923 as the Gold Coin group, after a gold-quartz vein was found in Roaring Creek, a tributary of Ashlu Creek. Underground development work was done from 1924 to 1935. Between 1935 to 1939, Ashloo Gold Mining Syndicate stoped 15,047 tons of ore grading 0.43 oz/ton gold, 0.48 oz/ton silver and 0.22% copper. NOTE ABSENCE OF SILVER/COPPER SULPHIDE: GOLD TELLURIDE ? HANGING WALL QUARTZ VEIN ONLY ?? INTERSTICED WITH FRACTURE FILLED HIGH GRADE SULPHIDE HOTSPOTS.

The ground was re-staked in 1971 by Walter Babkirk, and optioned to Ashlu Gold Mines Ltd. from 1975 to 1977. It was leased to Osprey Mining and Exploration Ltd. from 1979 to October 31st, 1985. Tenquille Resources Ltd. acquired the claims on November 1, 1985.

The Tenquille property lies within the Coast Crystalline Complex which consists of extensive areas of intermediate intrusives injected into and along the margins of Gambier Group metavolcanics. Faulting associated with the intrusives allowed injection of basic dykes, which were later sheared and in some places mineralized.

The Ash Vein is 0.2 to 2 m (0.5 to 6 ft.) in width and dips west at 25°. It contains quartz-pyrite-pyrrhotite-gold-silver-scheelite - tellurium, has a strike length of 520 m (1700 ft.) and on the plane of the vein is 200 m (700 ft.) deep. Good gold values are found at both ends and at the bottom of the workings. Another structure 1.5 km (1 mile) to the south contains a quartz stockwork 15 m (50 ft.) wide which ran 0.54 oz/ton gold.

The property has proven production of excellent grade. The area in the immediate vicinity of the old workings has a potential of 100,000-300,000 tons, with a preliminary estimate of 0.25 oz/ton gold equivalent, indicated by a computer analysis of recorded sampling along the levels of the old workings, and excluding the value of past ore shipments.

An exploration program is recommended to further assess the property. 'Stage I', costing $100,000, consists of rehabilitating the underground workings, then conducting mapping, sampling and limited drilling. Surface mapping and trenching are also proposed. 'Stage II', contingent on the results of Stage I and costing $200,000, consists of underground development work and surface drilling. 'Stage III', contingent on the results of Stage I and II recommends that $300,000 be available to continue further surface and underground work, if warranted.

INTRODUCTION

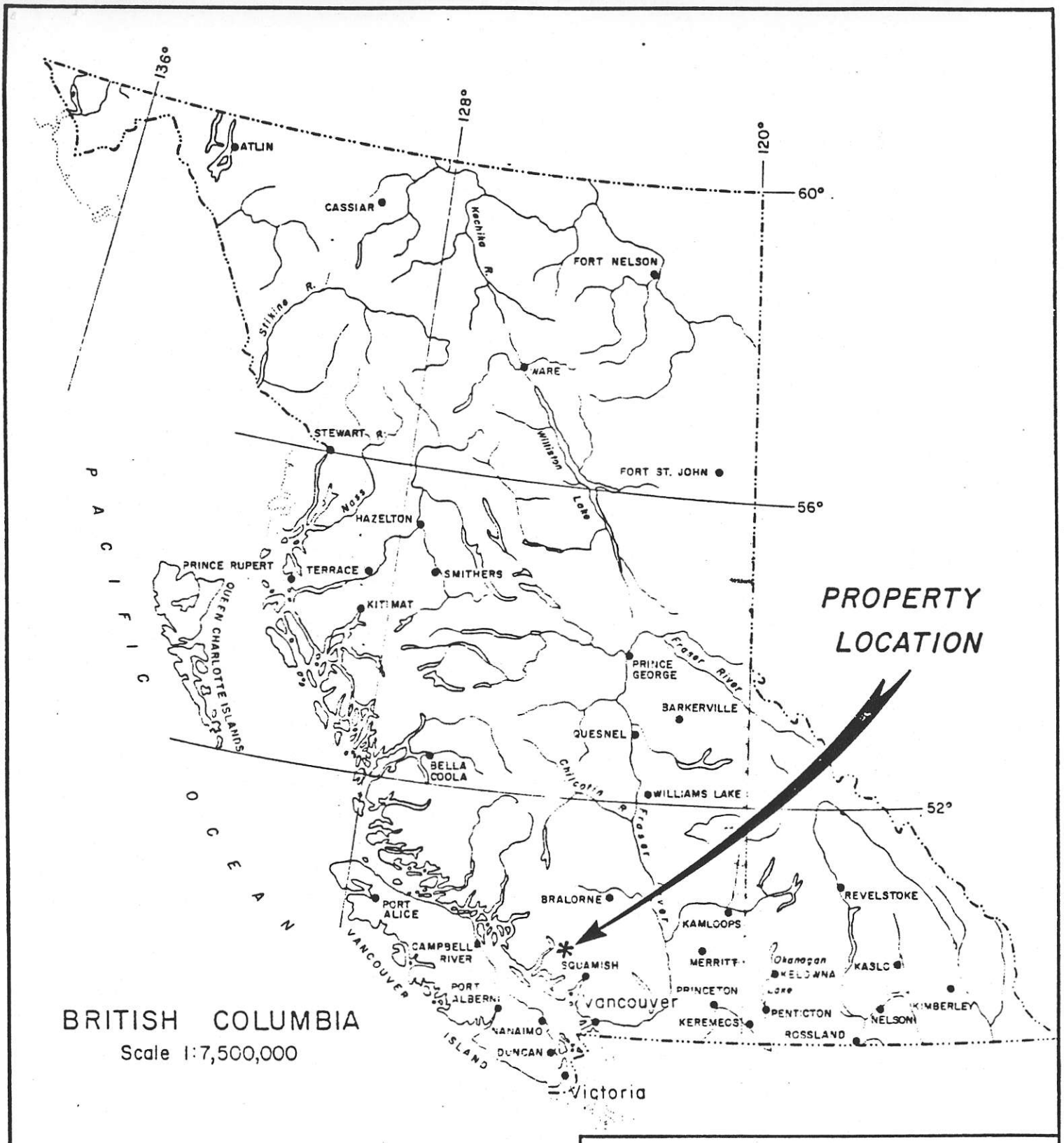
In November, 1985, Ted Kennedy Consulting was asked to evaluate the ore potential of the Ashlu Creek gold-silver-tungsten deposit near Squamish, B.C. This was requested by Tenquille Resources Ltd., owners of the Hawk 1 and 2 claims.

LOCATION AND ACCESS

The Ashlu Creek property is located 45 km (28 miles) northwest of Squamish, in the Vancouver Mining District of southwestern British Columbia (Figure 1). The claims are situated at the confluence of Roaring Creek and Ashlu Creek, the latter being a tributary of the upper Squamish River. The property is at Latitude 49° 57' N., Longitude 123° 26' W. on N.T.S. map sheet 92G/14.

The claims are within the Coast Range Mountains, an area of high relief, steep canyons and dense vegetation. Snowfall can reach up to 4 m in depth.

Access to the area is good. A well-maintained paved and gravel logging road, which exits from Highway 99 a few kilometers north of Squamish and parallels the Squamish River and the south side of Ashlu Creek, passes through the centre of the property. Recent logging on and in the vicinity of the claims exposes geology previously not seen or mapped.



TENQUILLE RESOURCES LTD.			
ASHLU CREEK PROPERTY			
LOCATION MAP			
WORK BY	DRAWN D.J.B.	DATE NOV. 1985	FIGURE 1
Revised		N.T.S. 92 G/14	
SEEKER EARTH SCIENCES			

STATUS OF CLAIMS (Figure 2)

On November 1, 1985, Tenquille Resources Ltd. purchased the Hawk 1 and 2 claim blocks from:

Slim's Exploration and Mining Ltd.
2055 Como Lake Avenue
Coquitlam, B.C.
V3J 3R4

Names of Claims	Approx. No. of Units	Record Numbers	Expiry Dates
Hawk No. 1	6	1542 (8)	August 24, 1988
Hawk No. 2	12	1543 (8)	August 24, 1988

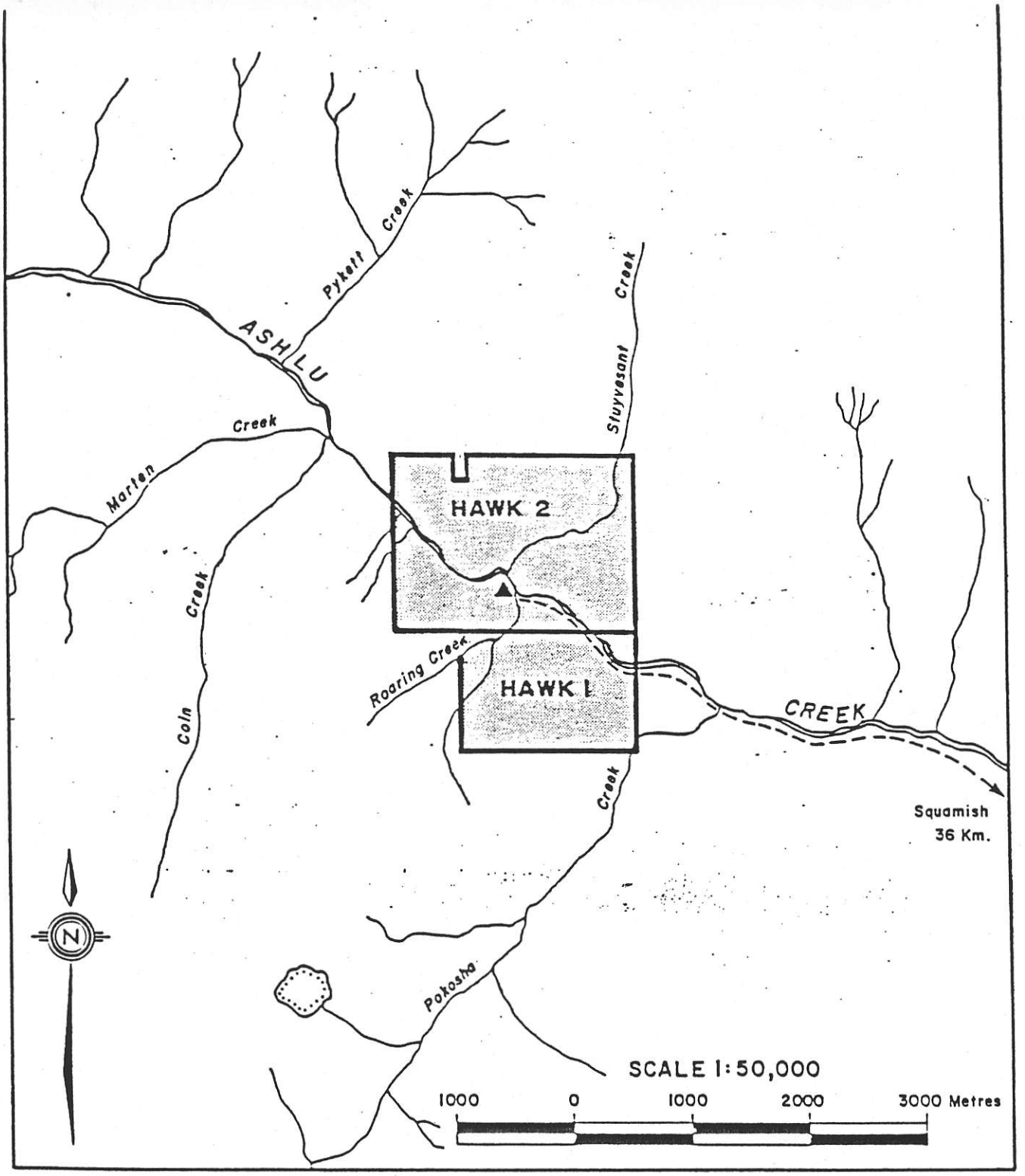
Both are located near the junction of Ashlu and Roaring Creeks, covering an area of 300 hectares (740 acres) in the Vancouver Mining Division, in the Province of British Columbia.

Information made available to the writer indicates that Tenquille Resources Ltd. holds a 100% interest in each of the subject mineral claims. However, any report or opinion of the author pertaining to the title of these claims or the interest held in them is beyond the scope of this report.

WORK HISTORY

The original Gold Coin group of mineral claims (approximate area covered by Hawk 1 to 8) was first staked in 1923 by Fred Pykett and Associates after prospecting in the area for several seasons. They were successful in locating a well-mineralized gold-quartz vein in the canyon of Roaring Creek, a tributary of Ashlu Creek.

By the end of 1925, a 23 m (75 ft.) drift had been driven on the vein south of Ashlu Creek and a 10 m (30 ft.) drift had been driven on the same vein on the north side of the creek. Assays from grab samples collected by Provincial geologists in the same year are found in Table 1.



▲ ··· Ashlu creek gold – tungsten deposit

TENQUILLE RESOURCES LTD.

ASHLU CREEK PROPERTY

CLAIM MAP

WORK BY	DRAWN	DATE	FIGURE
	D.J.B.	NOV. 1985	2
Revised		N.T.S. 92 G/14	

SEEKER EARTH SCIENCES

TABLE 1

(From B.C.D.M. Annual Report, 1925, p. B242)

No. of Sample	Width Sampled (ft)	Gold (oz/t)	Silver (oz/t)	Copper (%)	Location of Sample
1	2.50	0.40	0.30	Trace	From outcrop in creek (**) on south side
2	3.00	3.90	3.40	2.70	of main river.*
3	4.50	0.32	0.40	Trace	SULPHIDE SAMPLE FROM FOOTWALL ZONE ??
4	3.50	0.04	0.10	Trace	From the 30-foot drift on the north
5	1.00	0.16	0.50	Trac	side of the main river,* exclusive
6	4.50	0.29	0.83	0.23	of 16 inches of solid sulphides
7	4.50	0.06	0.30	Trace	which assays high in gold and silver.
8	0.66	2.52	7.90	Trace	SULPHIDE SAMPLE FROM FOOTWALL ZONE ??
9	1.00	0.06	-	-	From outcrop above portal of 30-foot drift.
10	1.50	0.16	0.50	Trace	Outcrop 600 feet up the creek, (**)
11	2.50	0.10	-	Trace	exclusive of sulphides.
12	0.50	1.00	3.90	Trace	SULPHIDE SAMPLE FROM FOOTWALL ZONE ??
13	3.00	0.16	0.10	Trace	Portal o f 75-foot drift.
14	4.50	0.12	0.10	Trace	From 75-foot drift at intervals
15	3.00	0.20	0.50	Trace	along the drift. HANGING WALL
16	4.00	0.08	-	Trace	QUARTZ VEIN USED AS VISIBLE
17	4.00	0.04	0.10	Trace	MINING LEAD BY PRE 1939
18	4.50	0.10	0.30	Trace	MINERS ??
19	3.00	0.06	0.30	Trace	
20	2.50	0.08	-	Trace	
21	0.166	4.60	2.40	22.00	From a streak of solid pyrrhotite in 75-foot drift.
22	0.66	5.44	18.60 FOOTWALL ??	0.83	From solid sulphides in 30-foot drift and assayed by the Henry E. Wood Assaying Co., of Denver, Colorado; sample taken by Fred Pykett. FOOTWALL ZONE ??

* Ashlu Creek
(**) Roaring Creek - MINE SITE

In 1935, ownership was acquired by the Ashloo Gold Mining Syndicate. At this time, development work on that portion of the vein south of Ashlu Creek consisted of a 120 m (400 ft.) drift, several raises, and a 33 m (100 ft.) winze. Between 1932 and 1939, 15,047 tons of ore had been mined, the grade of which averaged 0.43 oz/ton gold, 0.48 oz/ton silver and 0.22% copper. The mine was closed in 1939.

Interest was renewed in the property when it was restaked in 1971 by Walter Babkirk. In 1975 it was optioned to Ashlu Gold Mines Ltd. They drilled 31 AX surface holes totalling 1,728 m (5,670 ft.). Some of this drilling tested the main vein 120 m to 180 m downdip of the lowest mine level. The structure was intersected but the gold values were very low. Holes were also drilled to the north of Ashlu Creek. Alteration zones were intersected but only one intersected the quartz vein.

Ashlu Gold Mines Ltd. also dewatered the mine, then conducted a program of sampling and limited underground drilling. Some of this drilling indicated that gold values are present below the lowest mine level, ie. 0.26 to 0.002 oz/ton Au (one assay provided an intersection of 3.0' of 2.5' oz/ton Au and 3.68 oz/ton Ag).

The underground workings were dewatered and sampled. The option was dropped by Ashlu Gold Mines Ltd. after 1978.

From 1978 to 1979, Walter Babkirk, the owner of the claims, drilled 5 surface holes totalling approximately 337 m (1100 ft.), excavated 8 m (25 ft.) of prospect trench and drove 60 m (200 ft.) of underground development drift. In 1980, a magnetometer survey was conducted over a pyritized quartz vein on Roaring Creek south of the main workings and two holes were drilled reporting gold/silver/tungsten values (Table 2).

From October 18, 1979 to October 31, 1985 the property was leased to Osprey Mining and Exploration, during which time a mine site and tailing pond were constructed and a 100 ton/day mill was erected. Also, minor drilling was done by Osprey until its lease expired October 31, 1985.

Tenquille purchased the Hawk 1 and 2 claims on November 1, 1985.

TABLE 2

Assessment Report 8084, 1980

Drilling across the Ash Vein South of the Underground Workings

Drill Hole #	Interval (m)	Width (m)	Au (oz/ton)	Ag (oz/ton)	Tungsten (%)
OS - 1	0.0 - 0.6	0.6	0.396	0.87	-
	40.9 - 41.1	0.2	1.154	0.19	-
	(ft)	(ft)			
OS - 2	5 - 7	2	0.35	0.29	0.09
	25 - 29	4	0.27	0.21	0.15
	52 - 58	6	0.31	0.30	0.10
	76 - 79	3	0.45	0.30	0.05
	90 - 95	5	0.04	0.01	0.21
	115 - 117	2	0.10	tr	tr
	124 - 127	3	tr	tr	tr
	142 - 148	6	0.21	0.19	tr
	169 - 173	4	0.54	0.49	10.0
	183 - 187	4	-	-	10.0
	209 - 215	6	2.0	-	12.0
	221 - 225	4	2.5	-	15.0

REGIONAL GEOLOGY

The Ashlu Creek property lies within the Coast Crystalline Complex. This consists of extensive areas of leucocratic quartz diorite, granodiorite and diorite bodies of Cretaceous age. These have been injected into and along the margins of Gambier Group greenstone belts and appear to be fault-related. The Gambier unit, also of Cretaceous age, consists of a series of steeply-dipping rocks 10 to 20 km (7 to 14 miles) long and 0.5 to 3 km (0.3 to 2 miles) wide, trending northwest. They are composed of andesite to rhyodacite flows and pyroclastics, greenstone, argillite and minor zones of conglomerate, limestone and schist. In many places these rocks have been metamorphosed up to amphibolite grade (Figure 3).

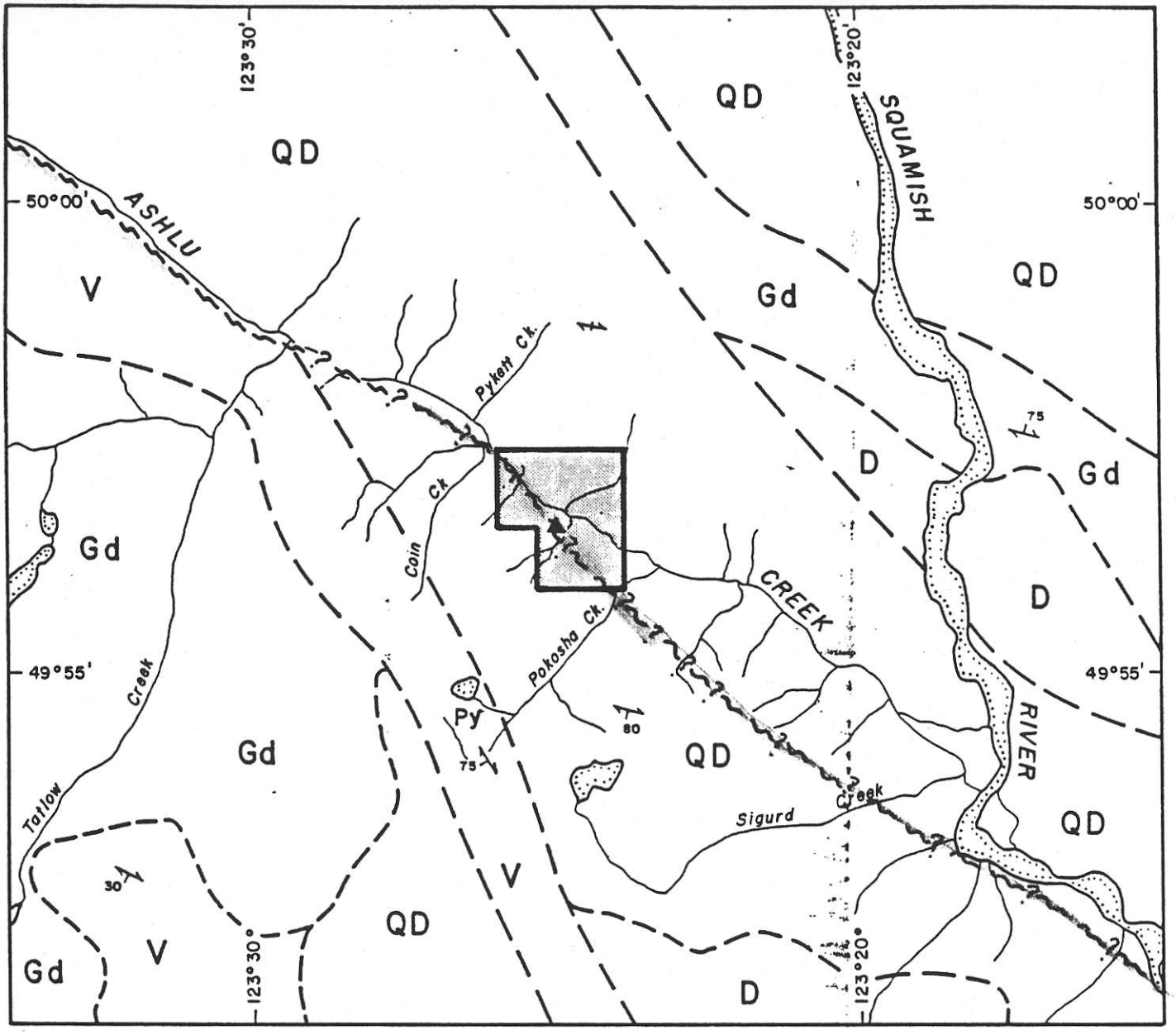
The faulting associated with the intrusives also allowed injection of pegmatite and basic volcanic dykes. They later acted as conduits for mineralizing solutions. The Ashlu Creek itself appears to be fault-related, with abrupt changes in its course suggesting movement along cross-cutting fractures. Some of these displacements are also found along tributary streams such as Pykett, Stuyvesant and Roaring Creek.

PROPERTY GEOLOGY

The Hawk 1 and 2 claims are underlain by granodiorite of two different types. A light to medium colored fairly coarse grained variety resembling granite or quartz diorite is the most common. A darker type of true granodioritic composition, with a higher percentage of mafic minerals as inclusions, is also present.

A mafic volcanic dyke, possibly strongly metamorphosed, was intruded into a fracture in the granodiorite. It is inferred that the dyke is up to 5 m (15 ft.) wide, strikes 010° $\pm$ 10°, and dips west 25° $\pm$ 5°. More exact relationships between it and the intrusives are unknown due to a lack of exposed bedrock in the area.

Along Roaring Creek the Ash Vein is exposed in a narrow shear zone within the mafic dyke. The vein strikes 015° and dips at 22° - 30° to the west. Width of the vein varies from 0.3 m to 3.0 m (1 to 9 ft.) on surface where gold in sulphides was first found. It can be traced intermittently for 520 m (1700 ft.). An old showing, 120 m from



D · · · Diorite, minor gabbro

Gd · · · Granodiorite

QD · · · Quartz diorite

V · · · Gambier Gp. andesite, rhyodacite flows, pyroclastics; greenstone, argillite

— — · · Inferred geologic contact

~~~ · · Inferred fault

⊥ · · Bedding, foliation; strike, dip

Py · · Pyrite showing

▲ Ashlu creek gold – tungsten deposit

SCALE 1:125000

5000 0 5000 Metres

N

TENQUILLE RESOURCES LTD.

ASHLU CREEK PROPERTY

REGIONAL GEOLOGY

WORK BY	DRAWN	DATE	FIGURE
	D. J. B.	NOV. 1985	3
Revised		N.T.S. 92 G / 14	

SEEKER EARTH SCIENCES
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the underground workings, is located on Stuyvesant Creek, a tributary on the north side of Ashlu Creek. It exposes a vein 0.7 m (2.0 ft.) wide, which assayed 0.94 oz/ton gold.

The Pokosha zone is 1.5 km (1 mile) south-southeast of the main Ash workings, on the Hawk claims. It averages 15 m (50 ft.) in width, strikes 340°, and dips 50° ± 10° to the west. A 2 m (6 ft.) wide dacite dyke lies along a 10 cm (6") wide footwall gouge zone. A stockwork of 2 to 30 cm (0.1 - 1.0 ft.) wide quartz veins containing pyrite pods is in the hangingwall. A chip sample from here assayed 0.574 oz/ton gold over the 15 m (50 ft.) width (W. Babkirk, personal communication, 1985). The host rock is a silicified granodiorite in the hanging wall, but in the footwall it is a dark diorite cut by dykelets of quartz monzonite averaging 10 cm (4") wide.

MINE GEOLOGY

All mining was done along the plane of the vein, which dips west at 25° - 30°. The vein ranges in width from 0.2 m to 3 m (0.7 to 6 ft.). It is composed of white-grey quartz containing pods and stringers of pyrite-pyrrhotite. The gold is usually micron-sized, both free and as tellurides within the sulphides. Minor chalcopyrite is present. Scheelite pods can be found within the quartz (grades up to 15% WO_3). There is a definite ratio between the gold and the tungsten, the latter of which could be used as a tracer. There are reports (Walter Babkirk, personal communication, 1985) of other elements being present, including tin, platinum and selenium.

A gold vein was located at several points in the underground workings on the east wall of the dyke. It is not known if this represents a second gold-bearing vein or a local splay from the main vein. Several cross-cutting faults, up to 0.2 m (0.7 ft.) wide and bearing northwest-southeast are exposed in the underground workings. They do not displace the main vein. At the south end of the 1350 level development stopped at one of these faults (Figure 4a, b).

An adit 10 m (30 ft.) long was driven along the vein on the north side of Ashlu Creek in 1925. The structure is up to 1.4 m (4.5 ft.) wide and samples, excluding 0.4 m (16") of solid sulphide, assayed as high as 0.29 oz/ton gold. Selected samples from the solid sulphide were as high as 5.44 oz/ton gold and 18.6 oz/ton silver over 0.20 m (9").

SAMPLING

On a visit to the site on November 13, 1985, the author took 6 chip samples across the vein and in the wallrock on either side at the top of the winze, 1350 level (U1-U6). In the same area a sample was taken of a scheelite-rich zone (U7). Near the collar of the adit, a sample was taken in the main vein (U8)and in one of the cross-cutting shears (U9) (Table 3, Figure 4a, 5).

Assays from the chip samples not only show free gold, but gold in tellurides as well. Tungsten was reported up to several hundred ppm, (a few pounds per ton of ore). It, as well as Te, Ag and a few other elements could be used for outlining precious metal zones underground or in soils.

Preliminary grade and tonnage estimates were made using assays taken in 1977 (Sevensma, 1976) from the 1200, 1250, 1300 and 1350 level drifts. Four blocks have been outlined. Block 'A' has probable reserves of 9,245 tons which grade 0.20 oz/ton gold. Silver, tungsten and copper present in the system would increase this to 0.25 oz/ton gold equivalent. Block 'B' contains an estimated 3,260 tons. Because there is less assay data available here, the grade is estimated as in Block 'A', or a gold equivalent of 0.25 oz/ton. Block 'C' has data similar to that of Block 'B', and uses the same grade estimates for 1,450 tons. Block 'D', based on drift assays and underground drilling in 1977 (UG 77-7), contains 1,520 tons estimated at 0.20 oz/ton. Pillars and small blocks from previously worked areas contain approximately 3,000 tons of similar grade (Table 2). Therefore, present workings contain probable reserves of 18,475 tons which grade 0.20 oz/ton gold or 0.25 oz/ton gold equivalent.

DISCUSSION

Gold mineralization in the main vein (Ash Vein) is known from mine workings to extend over a strike length of 80 m (260 ft.), a dip length of 200 m (700 ft.), and an average width of 1 metre. Drilling in 1977 tested the vein at 320-350 m (1,050-1,150 ft.) down dip with negative results but due to the wide spacing of these holes and the erratic grades in the ore, it is felt that a down-dip extension has not been adequately explored. A footwall vein exists in the lowest level that also requires a more detailed examination.

Surface workings traced the mineralized vein over a strike length of 520 m (1,700 ft.). Drilling to the north of the mine workings in 1977 did not intersect any appreciable gold mineralization. However, old surface workings on the vein in this area returned significant gold assays. It would appear additional exploration is warranted on the vein to the north of the mine workings.

Underground mapping indicates that, to the south, the vein was lost at a northwest-striking fault. There is no indication that any serious exploration was conducted to search for a displaced segment of the vein. This warrants surface exploration.

It is estimated that there are 18,475 tons of reserves grading 0.20 oz/ton gold developed in the old mine workings that are readily available for mining. If mineralization continues to the north of the mine workings, there is a potential for an additional 100,000-300,000 tons of similar grade ore. Tungsten is present in the vein and locally occurs in appreciable amounts. All future sampling should be done for this element, as well as gold and silver.

Drilling of the Pakosha zone did not confirm the surface sampling. The mineralization in this area is reported to occur within a 15 m wide quartz vein stockwork, which represents a significant mining width. This zone warrants additional exploration.

A 100 ton per day mill is on the property. Its power plant has been removed but otherwise is said to be nearly operational. Its ownership is clouded by conflicting claims but in view of its location Tenquille Resources Ltd. is endeavoring to acquire use of the mill.

CONCLUSIONS

The main vein is open at depth, and at one end, with four blocks and miscellaneous remnant pillars of probable ore totalling 18,475 tons at an estimate of 0.25 oz/ton gold equivalent in the vicinity of the present workings. The deposit contains the potential (untested) for 100,000-300,000 tons of similar grade. The Ashlu Creek property has a good chance of containing a gold-silver-tungsten ore body of sufficient grade to consider going into production, but the deposit requires a detailed examination, both underground and on surface, to delineate its true dimensions.

TABLE 3a

Underground Sampling, November 1985

Location		Au (oz/t)	W (ppm)	Te (ppm)
Sample U - 1 -	in footwall altered dyke, 0.5 m width; 0.0 - 0.5 m interval; 80 m in from portal.	0.005	14	0.2
U - 2 -	in footwall altered dyke, in fracture; 0.5 - 0.6 m interval; same place.	0.030	156	1.2
U - 3 -	in footwall altered dyke, 0.5 m width; 0.6 - 1.1 m in contact with vein; same place.	0.015	65	0.7
U - 4 -	in quartz vein, 1.0 m wide, at 1.1 - 2.1 m, footwall half of vein; sulphides present.	0.061	10	1.2
U - 5 -	in quartz vein, 1.0 m wide at 2.1 - 3.1 m, hanging wall half of vein, sulphides rare; same place.	0.480	710	38.5
U - 6 -	in hanging wall, on back of drift, 1.0 m width, from 3.1 - 4.1 m, in altered volcanic dyke; same place.	0.036	22	1.8
U - 7 -	opposite wall, in quartz vein with scheelite, grab sample; in altered volcanics; 76 m in from portal.	0.300	604	27.8
U - 8 -	on main vein at Raise "A"; 1.0 m wide, in quartz vein; 27 m in from portal.	0.026	283	1.7
U - 9 -	in cross-cutting shear zone 0.1 m wide, with quartz, chlorite; 27 m in from portal.	0.140	6	22.9

See Table 3b, "Assay Results, Acme Analytical Laboratories Ltd." for results.

Table 3b- Assay Results, Acme Analytical Laboratories Ltd., 1985

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

ASSAY CERTIFICATE

.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 MN.FE.CA.P.CR.MG.BA.TI.B.AL.NA.K.W.SI.ZR.CE.SN.Y.NB AND TA. AU DETECTION LIMIT BY ICP IS 3 PPM.
- SAMPLE TYPE: ROCK CHIPS AU** BY FIRE ASSAY PT** BY FA + AA SB NH4I FUSION AND ANALYSIS BY AA. TE ANALYSIS HIGH EXTRACTION AND GRAPHITE FURNACE BY AA.

DATE RECEIVED: NOV 14 1985 DATE REPORT MAILED: Nov. 26, 1985 ASSAYER: J. Saundry DEAN TOYE OR TOM SAUNDRY. CERTIFIED B.C. ASSAYER

INTERQUEST CONSULTING FILE # 85-3117 PAGE 1

SAMPLE#	Mo PPM	Cu PPM	Pb PPM	Zn PPM	Ag PPM	Ni PPM	Co PPM	Mn PPM	Fe %	As PPM	U PPM	Au PPM	Th PPM	Sr PPM	Cd PPM	Sb PPM	Bi PPM	V PPM	Ca %	P %	La PPM	Cr PPM	Mg %	Ba PPM	Ti %	B PPM	Al %	Na %	K %	W PPM	Au** OZ/T	Pt** PPB	Sb PPM	Te PPM
																															Low		
1	3	37	4	118	.1	3	13	1272	3.21	2	5	ND	2	18	1	2	2	89	1.46	.05	2	19	1.43	576	.23	6	1.98	.05	1.08	14	.005	2	1	.2	Low
2	17	134	5	119	.7	3	29	1813	3.89	3	5	ND	1	22	1	2	2	59	2.77	.06	2	16	1.45	139	.21	3	1.90	.02	1.10	156	.030	2	1	1.2	
3	26	129	6	102	.4	9	17	824	3.37	2	5	NB	2	25	1	2	2	68	.44	.06	5	17	1.21	269	.21	16	1.76	.06	.86	65	.015	3	1	.7	
4	3	125	2	14	2.2	8	49	219	1.28	4	5	3	1	4	1	2	4	5	.57	.01	2	4	.10	19	.01	4	.16	.01	.05	10	.061	2	1	1.2	
5	1	41	3	2	8.0	3	1	47	.44	8	5	10	1	2	1	2	19	1	.26	.01	2	7	.01	2	.01	4	.01	.01	.01	710	.480	2	1	38.5	
6	1	53	3	78	.9	7	7	686	2.25	2	5	ND	3	233	1	2	2	39	.53	.09	5	17	.82	351	.14	9	1.49	.06	.58	22	.036	2	1	1.8	
7	4	16	2	9	4.0	5	2	103	.75	4	5	9	1	21	1	2	14	3	.10	.01	2	6	.11	13	.01	4	.17	.01	.02	604	.300	2	2	27.8	
8	4	79	2	95	.9	3	36	1077	3.63	4	5	ND	1	21	1	2	3	45	2.17	.14	4	14	.90	99	.15	3	1.38	.01	.79	283	.026	2	1	1.7	
9	6	300	9	98	8.6	2	15	2911	4.76	6	5	4	1	35	1	2	4	37	4.35	.04	3	11	1.62	99	.07	5	1.53	.01	.32	6	.140	2	1	22.9	
STD C	20	61	39	136	7.0	67	27	1212	3.97	38	19	8	33	47	18	14	20	58	.48	.15	37	60	.88	168	.08	38	1.73	.06	.11	14	-	-	-	-	

NOTE CORRELATION GOLD & TELLERIUM

Figure 4a- Mine Development Plan

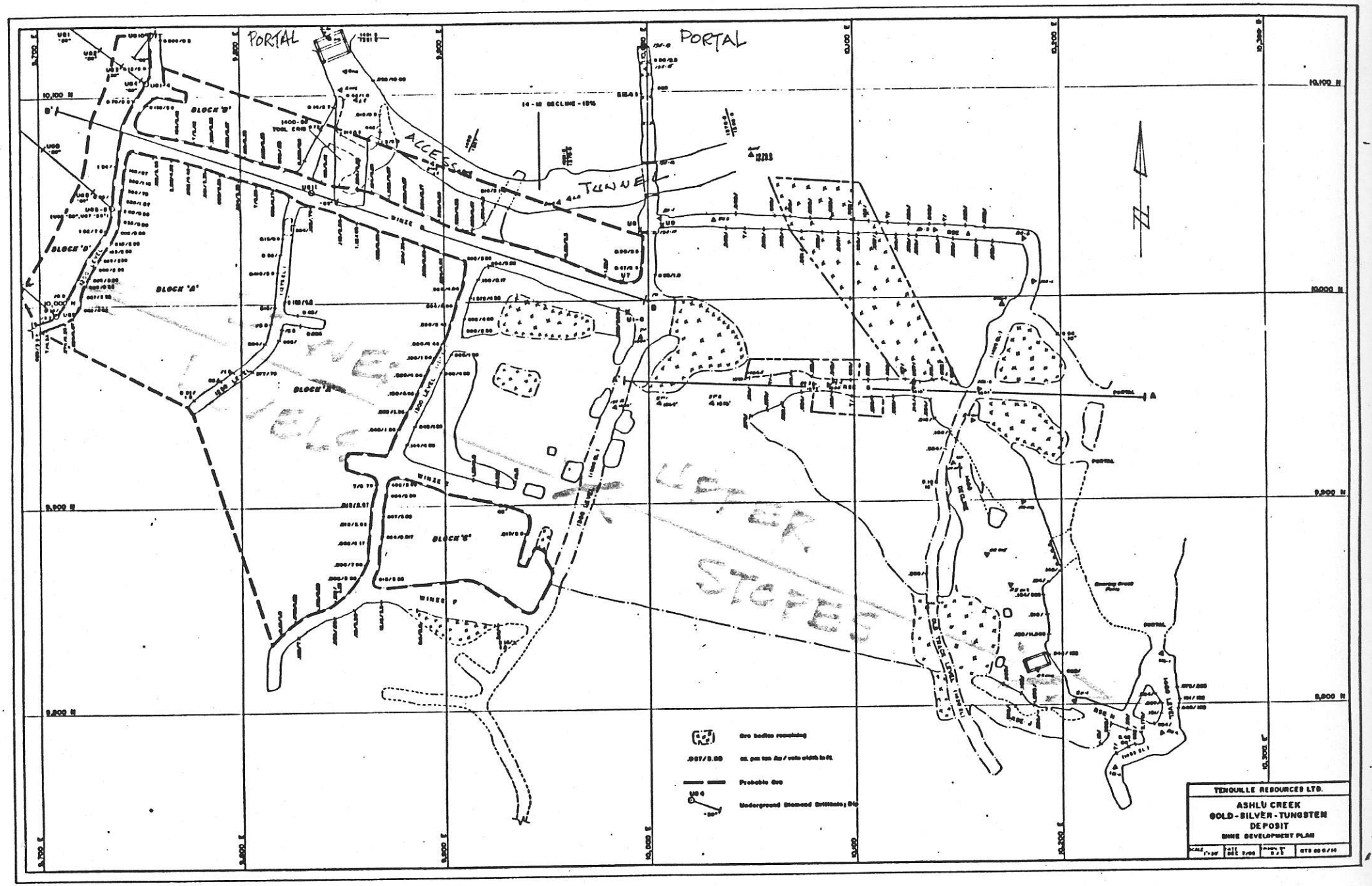
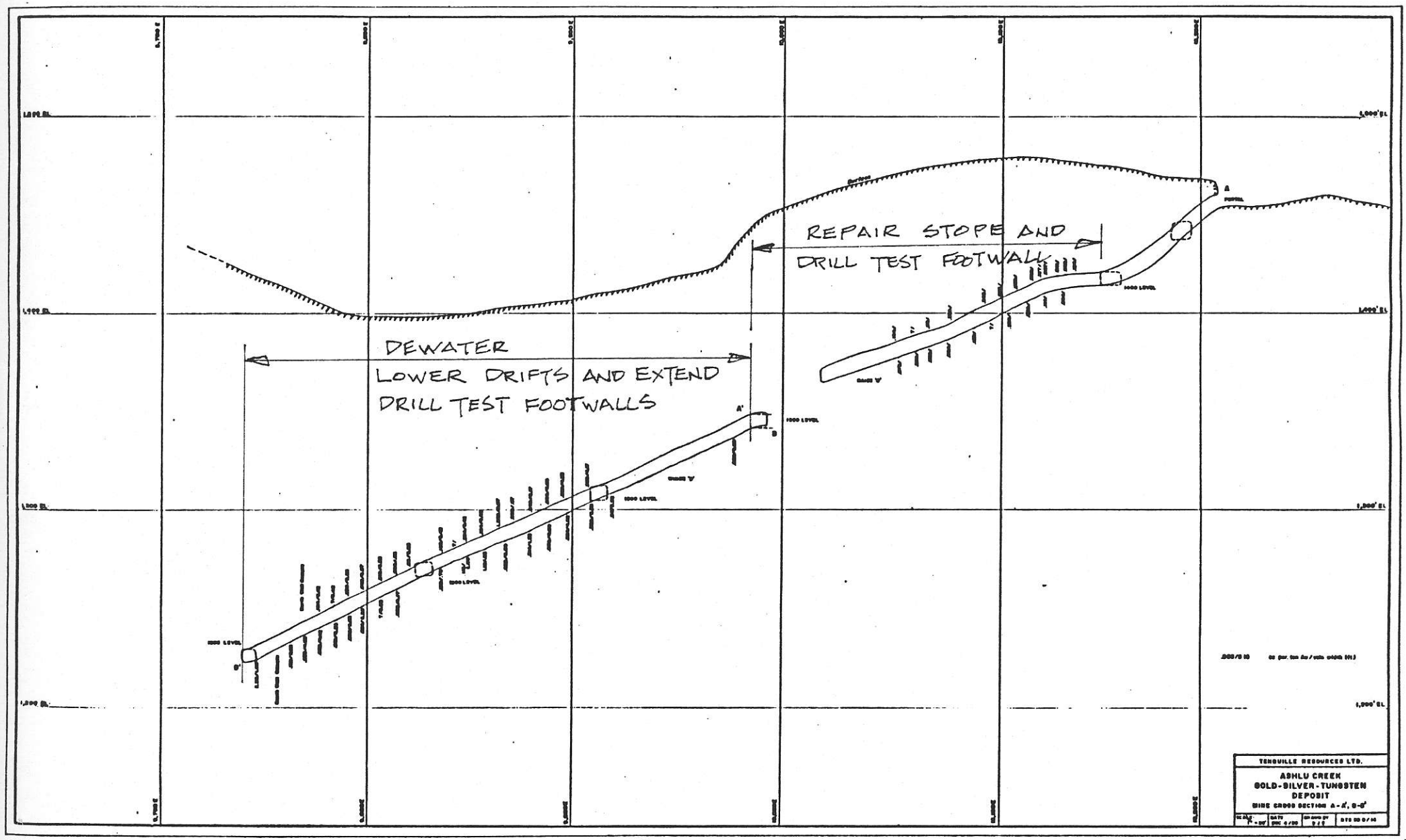


Figure 4b- Mine Cross Section A-A', B-B'



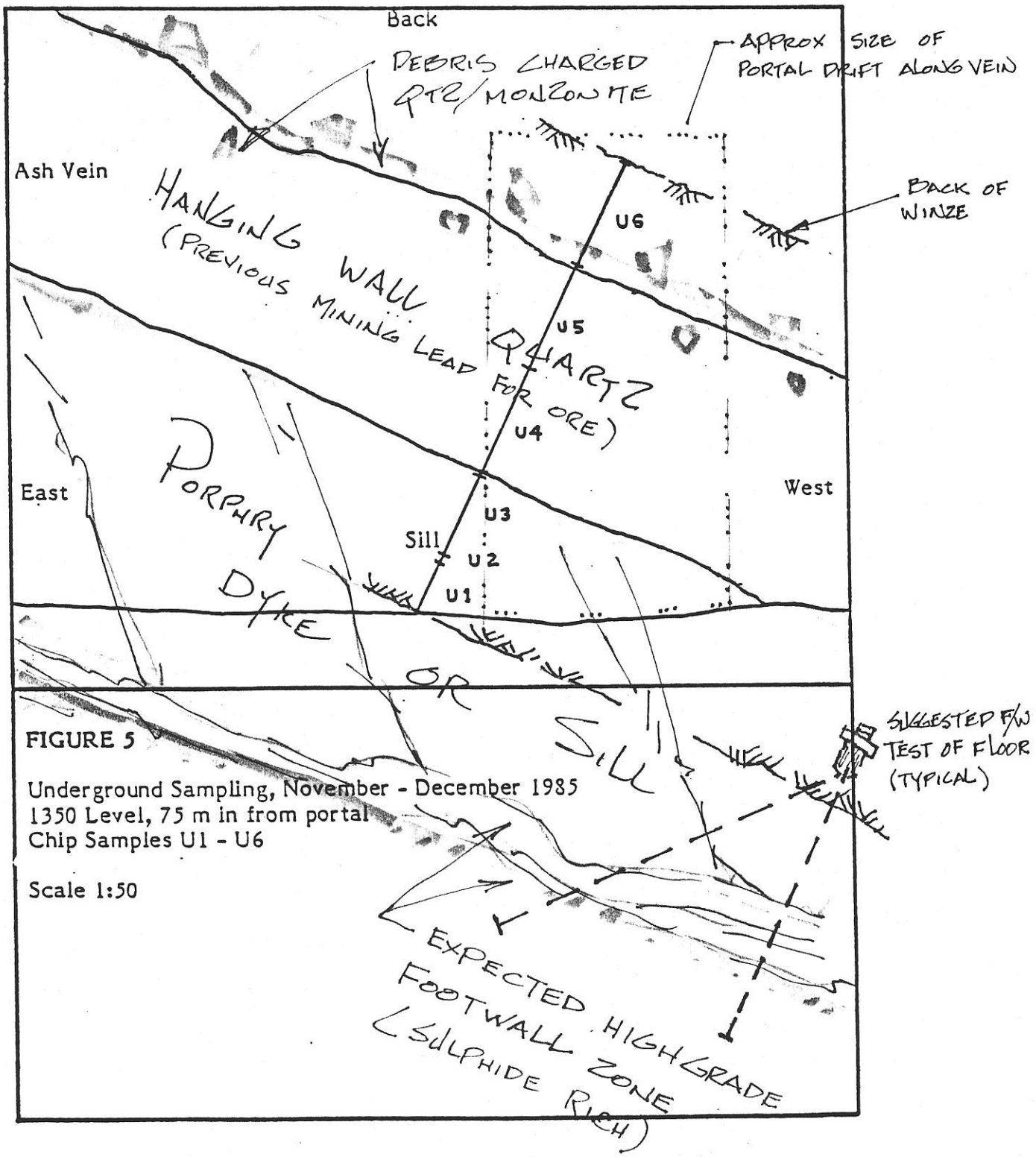


FIGURE 5

Underground Sampling, November - December 1985
1350 Level, 75 m in from portal
Chip Samples U1 - U6

Scale 1:50

Table 4- Grade and Tonnage Estimates, 1986

LEVEL	ROUND	GOLD OZ/TON	WIDTH FT	MINEWIDTH FT	AVGGRADE OZ/TON	LENGTH FT	TONS	TTLLENGTH FT	TTLTONS	TONSGRADE TONS*OZ	TONSGRADE CMT (OZ GOLD)	AVGGRADE OZ/TON
1200	1	.14	.67	4.00	.02	10.00	23.33	10.00	23.33	.55	.55	.02
	2	.35	1.16	4.00	.10	5.00	11.67	15.00	35.00	1.18	1.73	.05
	3	.37	.75	4.00	.07	5.00	11.67	20.00	46.67	.80	2.53	.05
	4	.63	1.67	4.00	.26	5.00	11.67	25.00	58.33	3.07	5.60	.10
	5	2.00	6.50	6.50	2.00	5.00	18.96	30.00	77.29	37.92	43.52	.56
	6	.03	5.00	5.00	.03	5.00	14.58	35.00	91.88	.48	44.00	.48
	7	.00	5.00	5.00	.00	5.00	14.58	40.00	106.46	.03	44.03	.41
	8	.04	3.25	4.00	.03	5.00	11.67	45.00	118.13	.36	44.39	.38
	9	.15	2.83	4.00	.11	5.00	11.67	50.00	129.79	1.26	45.65	.35
	10	.03	.25	4.00	.00	5.00	11.67	55.00	141.46	.02	45.67	.32
	11	.09	2.25	4.00	.05	5.00	11.67	60.00	153.13	.58	46.25	.30
	12	.03	3.33	4.00	.02	5.00	11.67	65.00	164.79	.27	46.52	.28
	13	.03	2.33	4.00	.02	5.00	11.67	70.00	176.46	.18	46.70	.26
	14	.09	3.33	4.00	.07	5.00	11.67	75.00	188.13	.84	47.54	.25
	15	.06	4.42	4.42	.06	5.00	12.39	80.00	201.02	.80	48.34	.24
	16	.02	4.67	4.67	.02	5.00	13.62	85.00	214.64	.33	48.67	.23
	17	.07	4.33	4.33	.07	10.00	25.26	95.00	239.90	1.87	50.54	.21

Table 4 (cont'd)

1250	1	.50	.90	4.00	.11	10.00	23.33	10.00	23.33	2.65	2.65	.11
	2	.13	.90	4.00	.03	10.00	23.33	20.00	46.67	.68	3.33	.07
	3	.52	.90	4.00	.12	10.00	23.33	30.00	70.00	2.73	6.06	.09
	4	.42	2.90	4.00	.30	10.00	23.33	40.00	93.33	7.04	13.10	.14
	5	.13	4.90	4.90	.13	10.00	28.58	50.00	121.92	3.77	16.87	.14
	6	.62	4.90	4.90	.62	5.00	14.29	55.00	136.21	8.79	25.66	.19
	7	.00	2.50	4.00	.00	10.00	23.33	65.00	159.54	.03	25.69	.16
	8	.08	2.50	4.00	.05	10.00	23.33	75.00	182.87	1.23	26.91	.15
	9	.38	.75	4.00	.07	10.00	23.33	85.00	206.21	1.65	28.56	.14
	10	.02	1.50	4.00	.01	10.00	23.33	95.00	229.54	.18	28.74	.13
	11	.21	1.20	4.00	.06	10.00	23.33	105.00	252.87	1.47	30.21	.12

Table 4 (cont'd)

1300	1	.29	3.92	4.00	.29	10.00	23.33	10.00	23.33	6.72	6.72	.29
	2	.16	5.17	5.17	.16	10.00	30.16	20.00	53.49	4.70	11.43	.21
	3	1.57	4.33	4.33	1.57	10.00	25.26	30.00	78.75	39.71	51.13	.65
	4	.69	4.00	4.00	.69	10.00	23.33	40.00	102.08	16.15	67.28	.66
	5	.51	2.50	4.00	.32	10.00	23.33	50.00	125.42	7.38	74.66	.60
	6	.06	1.50	4.00	.02	10.00	23.33	60.00	148.75	.53	75.18	.51
	7	.36	4.58	4.58	.36	10.00	26.72	70.00	175.47	9.62	84.80	.48
	8	.18	4.92	4.92	.18	10.00	28.70	80.00	204.17	5.17	89.97	.44
	9	.86	1.33	4.00	.29	10.00	23.33	90.00	227.50	6.69	96.66	.42
	10	.84	1.33	4.00	.28	10.00	23.33	100.00	250.83	6.52	103.17	.41
	11	.14	4.83	4.83	.14	10.00	28.17	110.00	279.01	4.06	107.23	.38
	12	.48	3.83	4.00	.46	10.00	23.33	120.00	302.34	10.77	118.00	.39
	13	.05	2.50	4.00	.03	10.00	23.33	130.00	325.67	.79	118.79	.36
	14	.06	3.83	4.00	.05	10.00	23.33	140.00	349.01	1.27	120.06	.34
	15	.32	.92	4.00	.07	10.00	23.33	150.00	372.34	1.73	121.79	.33
	16	.06	7.00	7.00	.06	10.00	40.83	160.00	413.17	2.29	124.08	.30
	17	.02	3.58	4.00	.01	10.00	23.33	170.00	436.51	.33	124.41	.29
	18	.40	3.30	4.00	.33	10.00	23.33	180.00	459.84	7.70	132.11	.29
	19	.04	.83	4.00	.01	10.00	23.33	190.00	483.17	.17	132.29	.27
	20	.15	5.50	5.50	.15	10.00	32.08	200.00	515.26	4.88	137.16	.27
	21	.06	1.92	4.00	.03	10.00	23.33	210.00	538.59	.69	137.86	.26

Table 4 (cont'd)

1300	1	.40	3.83	4.00	.38	10.00	23.33	10.00	23.33	8.85	8.85	.38
	2	.53	4.00	4.00	.53	10.00	23.33	20.00	46.67	12.27	21.12	.45
	3	.05	5.00	5.00	.05	10.00	29.17	30.00	75.83	1.58	22.70	.30
	4	.24	2.42	4.00	.14	10.00	23.33	40.00	99.17	3.33	26.03	.25
	5	.02	4.42	4.42	.02	10.00	25.78	50.00	124.95	.52	26.54	.21
	6	.01	1.50	4.00	.00	10.00	23.33	60.00	148.28	.09	26.63	.18
	7	.02	4.50	4.50	.02	10.00	26.25	70.00	174.53	.53	27.16	.16
	8	.18	4.92	4.92	.18	10.00	28.70	80.00	203.23	5.17	32.32	.16
	9	.86	1.33	4.00	.29	10.00	23.33	90.00	226.57	6.69	39.01	.17
	10	.45	1.83	4.00	.20	10.00	23.33	100.00	249.90	4.78	43.79	.18
	11	.14	4.83	4.83	.14	10.00	28.17	110.00	278.07	4.06	47.85	.17
	12	.48	3.83	4.00	.46	10.00	23.33	120.00	301.41	10.77	58.62	.19
	13	.00	2.75	4.00	.00	10.00	23.33	130.00	324.74	.02	58.63	.18
	14	.01	2.67	4.00	.01	10.00	23.33	140.00	348.07	.20	58.84	.17
	15	.61	3.93	4.00	.59	10.00	23.33	150.00	371.41	13.67	72.51	.20
	16	.09	4.17	4.17	.09	10.00	24.33	160.00	395.73	2.24	74.75	.19
	17	.06	7.00	7.00	.06	10.00	40.83	170.00	436.57	2.29	77.03	.18
	18	.06	2.00	4.00	.03	10.00	23.33	180.00	459.90	.70	77.73	.17
	19	.51	3.25	4.00	.42	10.00	23.33	190.00	483.23	9.71	87.44	.18
	20	.15	5.50	5.50	.15	10.00	32.08	200.00	515.32	4.88	92.32	.18
	21	.06	1.92	4.00	.03	10.00	23.33	210.00	538.65	.69	93.01	.17

Table 4 (cont'd)

HEIGHT	7.00
AVGGRADE	.20
AVGWIDTH	4.35

	STRKELNGTH	WIDTH	DIPEXTENT	CUFT/T	TONS	GOLD	GOLDEQUIV
BLOCK A	105.00	4.35	200.00	12.00	9243.75	.20	.25
BLOCK B	30.00	4.35	300.00	12.00	3262.50	.20	.25
BLOCK C	40.00	4.35	100.00	12.00	1450.00	.20	.25
BLOCK D	140.00	4.35	30.00	12.00	1522.50	.20	.25
MISC	?	4.35	?	12.00	3000.00	.20	.25
TOTAL					18478.75	.20	.25

It is concluded that the Ashlu Creek property has an estimated reserve of 18,475 ton grading 0.20 oz/ton gold. It is also concluded that there could be additional reserves of 100,000-300,000 tons of similar grade in the vein structure.

An exploration program is warranted to further explore the main vein structure, its possible extensions and other areas of known mineralization.

RECOMMENDATIONS

It is recommended that a program of underground and surface exploration be conducted on the Ashlu Creek property. Underground workings should be rehabilitated, geologically mapped and check sampled. Short underground diamond drill holes should be drilled to test for mineralization along the footwall of the dyke.

Surface geological mapping is recommended to define the vein to the north, to check for a displaced segment to the south, and to define the stockwork zone in the Pokosha zone. Areas of interest should be trenched, if feasible, sampled, then diamond drilled if warranted.

COST ESTIMATES

Stage I

Rehabilitate underground working, dewatering, add ventilation	$ 30,000
Underground mapping and sampling	10,000
Underground drilling to test footwall zone, 300 m @ $83.30/m all inclusive	25,000
Surface geological mapping	10,000
Trenching	8,000
Vehicle	1,500
Total	84,500
Contingencies	15,500
Total Stage I TQR	$ 100,000

Stage II - contingent on Stage I

Surface diamond drilling 1,000 m @ $100/m	$ 100,000
Extend winze in 15 m stages with 25 m drifts to north and south at each level @ $492/m per level. (allow for 2 levels)	65,000
Assays	3,000
Engineering and Supervision	6,000
Total	174,000
Contingencies	26,000
Total Stage II P/O	$ 200,000

In Stage II, underground development should be closely monitored and adjusted when necessary, i.e. either extend or discontinue workings depending on results obtained. All vein material from this work should be stockpiled for later milling, if warranted.

*Note: If underground results are favourable at the end of Stage II, mining and milling of the developed ore might be feasible at this time.

Stage III - contingent on Stage II P/O

If warranted, continue both underground and on surface, i.e. extend winze, continue drifts, detailed surface drilling, etc.	$ 300,000

Respectfully submitted,

Edward Gunnar Kennedy, P.Eng.

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"Osprey Mining and Exploration Ltd., A Geological Report on the Ashlu Gold Tungsten Property, Ashlu Creek Area, Vancouver Mining District, B.C.", December 1979, T.L. Sadlier-Brown and B.D. Fairbank, P.Eng., Nevin, Sadlier-Brown, Goodbrand Ltd.

CERTIFICATE

I, EDWARD GUNNAR KENNEDY, of Vancouver, in the Province of British Columbia, hereby certify that:

1. I am a member, in good standing, of the Association of Professional Engineers of Saskatchewan with permission to consult and a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta as a Professional Geologist.

2. I have a Bachelor's Degree in Geology from the University of Saskatchewan (1955).

3. I am a Consulting Mining Geologist and reside at Vancouver, British Columbia.

4. Except for three years, I have practiced as an exploration and mining geologist for more than 25 years.

5. This report is based upon a study of all data available, published and unpublished, on the Ashlu Creek area.

6. A property examination was made on November 14, 1985, in the presence of the manager of Slim's Exploration and Mining Ltd., the president of Tenquille Resources Ltd., a mining technician and an independent geologist.

7. I have no interest, direct or indirect, in the property under discussion, nor do I expect to receive any interest in the property nor do I expect to receive any interest, directly or indirectly in the properties or securities of Tenquille Resources Ltd.

Dated at Vancouver, British Columbia this 24 day of Feb, 1986.

Ted Kennedy

E.G. Kennedy, P.Eng.
Geologist

January 20, 1986

To: The Vancouver Stock Exchange
609 Granville Street
P.O. Box 10333
Vancouver, British Columbia
V7Y 1H1

And To: The Superintendent of Brokers
1100 - 865 Hornby Street
Vancouver, British Columbia
V6Z 2H4

Re: Hawk 1 and 2 Claims
Vancouver Mining District, B.C.

Dear Sir:

I, Edward Gunnar Kennedy, Consulting Geologist, of the City of Vancouver, in the Province of British Columbia, hereby consent to the use and inclusion of this report, dated January 20, 1986, prepared by me on the above property in connection with a proposed Filing Statement and/or Statement of Material Facts of Tenquille Resources Ltd.

Respectfully,

Ted Kennedy

E.G. Kennedy, P.Geol.
Consulting Geologist
Seeker Earth Sciences

HAROLD M. JONES, P.ENG.

CONSULTING GEOLOGIST
721 - 602 WEST HASTINGS STREET
VANCOUVER, B.C.
V6B 1P2

TELEPHONE: (604) 689-5533

February 17, 1986

Mr. E.G. Kennedy, P.Geol.
Ted Kennedy Consulting Ltd.
910 - 470 Granville Street
Vancouver, B.C. V6C 1V5

Re: Your report titled "Economic Evaluation of the Ashlu Creek Gold-Tungsten Property", dated February 17, 1986

Dear Mr. Kennedy,

I reviewed some of the more pertinent reports on the Ashlu Creek gold property, which are listed under "References" in your report, as well as the above report. It is apparent that the property has undergone considerable exploration by previous owners. However, it appears that it may have a potential for hosting additional reserves at depth and possibly along strike to the north. This latter area was not adequately tested, probably because of rugged topography (?).

The main vein, which terminates against a fault at the south end of the 1,350 level, may continue beyond the fault as a displaced segment. There is no indication that this area was adequately explored on the surface.

There is a 100 ton per day mill on the property, which if available to the present claim owners, may permit a limited production from the presently known reserves and any additional ones developed by future exploration.

I concur with the conclusions and recommendations as outlined in the above report.

This letter may be appended to the above report and used with it in a Statement of Material Facts or Prospectus.

Yours very truly,

Harold M. Jones, P.Eng.

CERTIFICATE

I, Harold M. Jones, of the City of Vancouver, British Columbia, do hereby certify that:

1. I am a Consulting Geological Engineer with offices at 721 - 602 West Hastings Street, Vancouver, British Columbia.

2. I am a graduate of the University of British Columbia in Geological Engineering, 1956.

3. I have practised my profession as a Geological Engineer for over 25 years.

4. I am a member of the Association of Professional Engineers of British Columbia, Registration No. 4681.

5. I have not examined the Ashlu Creek property - Hawk 1 & 2 claims - but did review the more pertinent reports on the property. I also reviewed the report on the property by G.E. Kennedy, P. Geol., dated February 17, 1986 and concur with his conclusions and recommendations.

6. I have no interest in, nor do I expect to receive any interest, direct or indirect, in the Ashlu Creek property or in the securities of Tenquille Resources Ltd.

7. Tenquille Resources Ltd. is hereby given permission to reproduce this letter for filing with a Prospectus or Statement of Material Facts as required by the regulatory authorities, provided, however, that no portion may be used out of context in such a manner as to convey a meaning differing from that set out in the whole.

DATED AT VANCOUVER, B.C. this 17th day of February, 1986.

Harold M. Jones, P.Eng.