ARANLEE RESOURCES LTD.
548 Beatty St.
Vancouver, B.C.
V6B 2L3

QUET
826176
92G/16

PROJECT UPDATE

Division: Cordillera District: Southern Cordillera

Project : Quet
Precious, Project 126

Month : October, 1990

==========

During the reporting period, drill holes NQ90-3 to 7 were completed totalling 676.2 m. A total of 443 core samples were submitted for analysis. The 1990 Quet drill program was completed on October 10, 1990. Results of submitted core samples for analysis are now complete. Summary logs with significant results are attached as Appendix A. To the end of the Quet drill program a total of 1251.9 m of NQ coring was completed in seven drill holes. A total of 613 core samples were submitted for analysis with 22 samples resubmitted for fire assay.

Drill holes NQ90-2 to 5 on Sections 308+00E, 309+00E, 311+00E and 314+00E were drilled grid north between -45° to -60° dips. All of these holes intersected a similar stratigraphic sequence of silicified felsic fragmental tuff containing an interbedded nodular lapilli tuff of variable width and an underlying andesite nodular lapilli tuff. Sphalerite-galena mineralization (trace - 2%) is associated with quartz healed fracture and quartz flooded zones hosted by felsic tuffs and in part by interbedded nodular andesite tuff. Gold and silver enrichment is best developed in zones hosting sphalerite and galena mineralization.

Best results were obtained in NQ90-2 (309+00E) with 584 ppb gold over 119 m. A vertical hole (NQ90-7) was designed to intersect this zone at depth and intersected an inferred faulted in block of basal nodular Andesite tuff. No significant mineralization was encountered. Drill hole NQ90-5 intersected sporadic values between 100 to 500 ppb Au over short intervals. NQ90-3 returned a best intersection of 526 ppb Au/41.7 m and NQ90-4 intersected 615 ppb Au/66.0 m.

A report of work detailing the results of the 1990 exploration programme has begun with completion anticipated by year end. A report covering the Stage II field program has been submitted for assessment.

SUMMARY LOGS

HOLE #: NQ90-2

COORD: 309+00E/300+07N ELEV:

AZIMUTH: 360° DIP : -45°

DATE COLLARED : September 12/90

DATE COMPLETED: September 20/90

FROM (m)	TO (m)	DESCRIPTION
0.0	1.2	Casing
1.2	6.7	Andesite dike
6.7	22.9	Siliceous Rhyolite Flow/Fragmental 2% Py
22.9	27.7	Andesite dike 1% Py
27.7	43.9	Siliceous Rhyolite Flow/Fragmental 27.7 - 37.6 2% Py 37.6 - 41.7 4% Py 41.7 - 43.9 2% Py
43.9	55.7	Andesite dike <1% Py
55.7	59.6	Siliceous Rhyolite tuff 2% Py @ 59.3 Tr Zn.
59.6	69.9	Andesite dike
69.9	76.3	Grey siliceous tuff @ 73.6 Tr Pb
76.3	88.4	Silicified Rhyolite Fragmental/Breccia 2-3% Py 80.5 - 82.1 1-2% combined Pb/Zn 87.2 - 88.4 2-3% combined Pb/Zn
76.3	94.9	Silicified Tuff/Fragmental & Qtz stockwork 88.4 - 93.3 5% Py, Tr.-1% sphalerite, Tr. galena
94.9	96.3	Andesite dike
96.3	131.3	Silicified Tuff/Fragmental & Qtz Stockwork 96.3 - 131.3 5% Py, Trace to 2% sphalerite, trace to <1% galena locally.

Hole#:
NQ90-2 (con't)

131.3	132.6	Porphyry dike 1% Py
132.6	136.0	Silicified Tuff/Fragmental & Qtz Stockwork. 5% Py, 0.5% sphalerite.
136.0	137.4	Feldspar Porphyry dike.
137.4	162.9	Silicified Tuff Fragmental & Qtz Stockwork. 5% Py, Trace to 2% sphalerite. 151.9 - 162.9 Blocky and Fault gouge.
162.9	165.1	Andesite dike
65.1	195.3	Fine Grained Crystal Tuff. 165.1 - 167.0 10% Py. 167.0 - 195.3 3% Py.
195.3	196.0	Andesite dike
196.0	199.0	Silicified Tuff/Fragmental 3% Py
199.0	218.2	Andesite dike, blocky with fault gouge.
	218.2	E.O.H.

Significant Results

From (m)	To (m)	Width (m)	Au (ppb)	Ag (ppm)	Zn (ppm)	Pb (ppm)
87.2	88.7	1.5	2620	11.6	50630	1811
93.2	94.9	1.7	1620	8.5	20631	2056
96.3	100.6	4.3	1809	5.97	5642	973
107.6	109.1	1.5	1130	8.9	2429	1108
113.6	115.6	2.0	1450	46.62	4564	10,548
123.3	124.8	1.5	1420	11.4	17248	3426
129.8	131.3	1.5	3600	40.4	32336	9225
137.4	138.9	1.5	1060	8.6	5201	1846
143.4	144.9	1.5	2030	17.7	2686	763
153.9	155.4	1.5	1230	6.9	2741	1360
165.1	166.6	1.5	1150	13.5	2631	678
166.6	168.1	1.5	1030	15.3	2835	496
174.1	175.6	1.5	960	22.8	3295	641
177.1	178.3	1.2	1010	17.1	1515	813

SUMMARY LOGS

HOLE #: NQ90-3

COORD: 311+01E/300+38N ELEV: 882 m

AZIMUTH: 360° DIP : -50°

DATE COLLARED : September 22, 1990

DATE COMPLETED: September 26, 1990

FROM (m)	TO (m)	DESCRIPTION
0.0	9.1	Casing
9.1	9.4	Silicified lapilli tuff 3% Py
9.4	10.0	Andesite dike
10.0	13.4	Silicified lapilli tuff 3% Py
13.4	17.7	Andesite dike <1% Py
17.7	53.4	Silicified lapilli tuff 17.7 - 32.5 2-5% Py, Tr sphalerite, Tr galena 32.5 - 41.7 3-7% Py, 1-2% sphalerite, Tr galena 41.7 - 53.4 3-5% Py, Tr-1% sphalerite, Tr galena
53.4	54.6	Andesite dike 1% Py
54.6	59.4	Silicified lapilli tuff 54.6 - 54.8 4% Py, 1% sphalerite 54.8 - 55.3 2% Py 55.3 - 55.7 4% Py, 1% sphalerite 55.7 - 59.4 2% Py
59.4	62.5	Andesite dike 1% Py
62.5	72.0	Nodular biotite tuff 2% Py
72.0	83.7	Andesite dike 1% Py
83.7	104.8	Nodular biotite tuff 1-3% Py
104.8	105.1	Andesite dike 1% Py
105.1	105.8	Nodular biotite tuff 3% Py, Tr sphalerite
105.8	106.5	Andesite dike 1% Py

HOLE #:
NQ90-3 (con't)

FROM (m)	TO (m)	DESCRIPTION
106.5	107.4	Nodular biotite tuff 3% Py
107.4	108.5	Andesite dike 1% Py
108.5	110.2	Nodular biotite tuff 3% Py, Tr sphalerite
110.2	113.3	Andesite dike 1% Py
113.3	114.2	Nodular biotite tuff 3% Py
114.2	115.5	Andesite dike 1% Py
15.5	129.0	Nodular biotite tuff 115.5 - 123.4 4% Py 123.4 - 123.5 8% Py, 2% sphalerite, 1% galena 123.5 - 129.0 5% Py
129.0	129.9	Andesite dike
129.9	131.4	Nodular biotite tuff
131.4	132.0	Andesite dike
132.0	145.5	Nodular biotite tuff 3-5% Py, Tr-2% sphalerite, Tr-1% galena
145.5	146.2	Fine grained silicified dike
146.2	155.3	Andesite dike
155.3	160.5	Fine grained silicified dike
160.5	162.0	Andesite dike
162.0	163.0	Fine grained silicified dike
163.0	166.1	Andesite dike
166.1	169.2	Silicified fragmental tuff 3% Py, Tr sphalerite
169.2	172.9	Andesite dike
172.9	174.0	Silicified lapilli tuff 1-2% Py, 1% sphalerite

HOLE #:
NQ90-3 (con't)

174.0	196.9	Andesite dike
196.9	224.3	Nodular tuff 5% Py
224.3	235.4	Fine grained mafic dike
235.4	239.4	Nodular tuff 3% Py
239.4	248.0	Fine grained mafic dike
248.0	258.2	Mafic lapilli tuff 5% Py
258.2	276.5	Fine grained mafic dike
	276.5	E.O.H.

Significant Results

From (m)	To (m)	Width (m)	Au (ppb)	Ag (ppm)	Zn (ppm)	Pb (ppm)
35.7	37.2	1.5	614	14.5	13572	2169
37.2	38.7	1.5	549	18.7	14502	2370
38.7	40.2	1.5	2251	46.2	23222	4128
41.7	43.2	1.5	958	20.4	15100	1410
43.2	44.7	1.5	1460	15.9	1838	874
50.2	52.2	2.0	1023	5.7	1237	394
53.4	54.6	1.2	1510	18.9	10967	2309
57.6	59.4	1.8	990	4.8	2243	210

SUMMARY LOGS

HOLE #: NQ90-4

COORD: 314+00E/301+06N ELEV:

AZIMUTH: 360° DIP : -55°

DATE COLLARED : September 27, 1990

DATE COMPLETED: September 29, 1990

FROM (m)	TO (m)	DESCRIPTION
0	3.0	Casing
3.0	44.3	Felsic lapilli tuff 3.0 - 26.0 1% Py, Tr sphalerite 26.0 - 44.3 2% Py, Tr sphalerite 35.8 - 37.5 Andesite dike 40.1 - 41.2 Andesite dike
44.3	66.1	Silicified lapilli tuff & quartz veining 44.3 - 53.9 3% Py, trace sphalerite 53.9 - 54.5 3% Py, 1% sphalerite 54.5 - 66.1 3% Py, trace sphalerite
66.1	71.9	Andesite dike
71.9	96.7	Silicified lapilli tuff & quartz veining 71.9 - 92.8 3% Py, 1% sphalerite 92.8 - 96.7 7% Py, trace sphalerite
96.7	112.7	Andesite dike
112.7	133.2	Nodular lapilli tuff
	133.2	E.O.H.

Significant Results

From (m)	To (m)	Width (m)	Au (ppb)	Ag (ppm)	Zn (ppm)	Pb (ppm)
42.7	44.3	1.5	1074	18.5	822	842
45.8	47.3	1.5	1558	26.9	2063	1179
53.5	55.0	1.5	1036	27.5	3130	1319
64.3	66.1	1.8	1430	9.9	1898	763
89.5	91.0	1.5	1240	40.7	2214	2137
95.5	96.7	1.2	1570	41.9	5541	2537
127.9	128.2	0.3	1490	161.8	26562	4452

SUMMARY LOGS

HOLE #: NQ90-5

COORD: 308+09E/299+71N ELEV: 970 m

AZIMUTH: 360° DIP : -60°

DATE COLLARED : September 30, 1990

DATE COMPLETED: October 5, 1990

FROM (m)	TO (m)	DESCRIPTION
0	2.7	Casing
2.7	55.4	Grey fine grained tuff to crystal tuff
55.4	115.8	Grey fine grained tuff. 3% Py. 71.0 - 74.0 7% Py 79.0 - 90.5 7% Py 90.5 - 91.2 Andesite dike 95.1 - 96.4 Andesite dike
115.8	123.0	Nodular tuff 5% Py 121.4 - 123.0 Andesite dike
123.0	130.7	Siliceous lapilli tuff 3% Py, 1% sphalerite
130.7	157.5	Nodular tuff 5% Py 133.7 - 136.0 Andesite dike
157.5	182.7	Siliceous lapilli tuff 5-7% Py, ≤ 1% sphalerite 175.5 - 177.0 Andesite dike 179.1 - 180.0 Andesite dike 181.0 - 182.7 Andesite dike
182.7	215.2	Purple lapilli tuff 2% Py 187.7 - 192.4 Andesite dike 196.1 - 196.7 Andesite dike 199.8 - 200.6 Andesite dike
	215.2	E.O.H.

SIGNIFICANT RESULTS

No Au > 1 gmt

From (m)	To (m)	Width (m)	Au (ppb)	Ag (ppm)	Zn (ppm)	Pb (ppm)
126.0	127.5	1.5	220	5.9	21261	487
163.5	165.0	1.5	870	22.1	18318	3964
169.5	171.0	1.5	630	8.2	3433	279
196.7	198.2	1.6	210	8.8	13532	8272

SUMMARY LOGS

HOLE #: NQ90-6

COORD: 308+84E/300+10N ELEV: 950 m

AZIMUTH: DIP : -90°

DATE COLLARED : October 5, 1990

DATE COMPLETED: October 7, 1990

FROM (m)	TO (m)	DESCRIPTION
0	0.6	Casing
0.6	18.0	Andesite dike
18.0	53.3	Siliceous rhyolitic tuff <1% Py 25.0 - 35.7 Andesite dike 37.5 - 42.1 Andesite dike 43.0 - 46.6 Andesite dike
	53.3	E.O.H. Abandoned in fault gouge.

NO SIGNIFICANT RESULTS

SUMMARY LOGS

HOLE #: NQ90-7

COORD: 308+88E/300+13N ELEV: 950 m

AZIMUTH: DIP : -90°

DATE COLLARED : October 7, 1990

DATE COMPLETED: October 10, 1990

FROM (m)	TO (m)	DESCRIPTION
0	0.3	Casing
0.3	3.0	Andesite dike
3.0	74.8	Siliceous rhyolitic tuff. ≤ 1% Py 23.5 - 24.1 Andesite dike 32.0 - 35.1 Fault zone 35.1 - 37.2 Andesite dike 39.0 - 47.0 Fault zone 48.5 - 52.0 Andesite dike 58.5 - 67.3 Andesite dike 72.1 - 74.8 Andesite dike
74.8	87.5	Purple lapilli tuff
87.5	104.7	Ash tuff 90.5 - 91.3 Andesite dike 94.9 - 95.4 Andesite dike 96.0 - 98.0 Andesite dike 101.4 - 104.7 Andesite dike
104.7	146.0	Fine grained purple lapilli tuff 109.9 - 110.8 Andesite dike 111.9 - 117.2 Andesite dike 118.6 - 121.4 Andesite dike 128.7 - 134.7 Andesite dike 137.1 - 145.7 Andesite dike
146.0	172.8	Nodular tuff 5% Py 165.5 - 166.3 Andesite dike 167.9 - 169.7 Andesite dike 172.4 - 172.8 Fault zone
172.8	194.2	Purple lapilli tuff 2% Py 176.8 - 178.1 Pale green tuff 178.1 - 192.9 Andesite dike
	194.2	E.O.H.

NO SIGNIFICANT RESULTS