#### GEOLOGICAL SUMMARY OF THE BEAR PROPERTY

The Bear Property is located in the Kennedy River gold district of Vancouver Island. Economic concentrations of gold are hosted by regional (greater than 1 kilometre in strike length) shear / fault zones likely related to Tertiary tectonic activity. Gold mineralization is localized within quartz veins and stringers hosted by the shear zones.

A Tertiary quartz diorite exhibiting both intrusive and shear faulted contacts with andesitic and basaltic flows and tuffs of the Triassic Karmutsen Formation form the property geology. Two major shear zones have been located, the Mine Fault and the Bear Fault. The Mine Fault, traceable for a strike length in excess of 12 kilometres, has not been adequately prospected due primarily to poor outcrop exposure. The Bear Fault, actually a splay fault of the Mine Fault, has been traced for a strike length of 4 kilometres.

The important gold mineralization is localized within the Bear Fault. Prospecting has been confined to a strike length of 600 metres, due primarily to outcrop exposure. Quartz and mineralization is likely localized within 1000 metres of the projected junction of the Bear Fault with the Mine Fault. This fault junction concept is common within the Tertiary epithermal gold deposits of the southwestern U.S.A. (ie. Creede, Colorado; Comstock Lode and Goldfield, Nevada). Similar fault relationships have also been noted at Blackdome and in the Zeballos and Toodoggone Districts of British Columbia.

Within Bear Creek, the Bear Fault consists of a 50 to 300 centimetre wide zone of alteration and shearing. Quartz veins, ranging in widths from 10 to 150 centimetres are confined to the shear boundaries. The subway adit, driven in the early 1900's, follows the same quartz vein throughout its 60 metre length, with a strong vein still present in the face. Several splay veins have been mapped, both on surface and underground. None of the splays have been developed, so their geometry is presently unknown.

Mineralization consists of sulfides, predominantly pyrite and pyrrhotite. Gold is intimately associated with the sulfides. From the limited sampling done to date, the best gold grades appear to localized in the main quartz vein / splay vein junction areas. The sheared material between the main and splay veins carries gold in proximity to the junction point (within 5 metres).

A zone of quartz veinlets and stringers outcrops approximately 100 metres east of the portal. Economic gold values were obtained from several of the stringers, within the Bear Fault. A massive pyrrhotite vein carrying significant gold values outcrops approximately 200 metres west of the portal. The last outcrop is 100 metres east of the pyrrhotite vein. A similar strike and dip, as well as sheared wall rock, suggest this vein is the strike projection of the adit zone. Further work is required to quantify this observation.

The Bear Shear Zone has the potential to host an economic gold deposit capable of sustaining a 100 to 150 ton a day operation. With this target in mind, the objective of the Bear Exploration Program is to locate 100 to 150 thousand tons of material in the 0.5 ounces per ton gold range. The bulk of the exploration program will be directed at the section of the Shear Zone described above. Pre-prospectus exploration will concentrate on adequately sampling the exposed zone, both on surface and underground. If time constaints are met, results of a soil survey over the entire property will be included.

The plan will be to bring a diamond drill onto the property to drill 1500 to 5000 metres, in an effort to prove up 100 to 150 thousand tons. Initial drilling success will initiate underground exploration, as this is the only way to adequately prove up tonnage in a precious metal vein environment. Total expenditures in the order of 1.5 to 2 million dollars will be required to see this program through.

The ultimate objective of this program is to place a functioning mill on Vancouver Island, fed primarily from the Bear Shear Zone, but also from the numerous small tonnage gold deposits spread throughout Vancouver Island.

R.Tim Henneberry, FGAC Geological Consultant

June 11, 1987

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## APPENDIX - SAMPLING LOCATIONS AND RESULTS

## Teck (August, 1984)

	•	cox (magase, 15	04,		
			3	A	5.7 £ £ \$ \$
	1	_	Au	Au	Width
Location	Number	Type	oz/ton	ppb	metres
Main Showing					
BT09A + 1W	3125	quartz	0.770		1.22
BT10 + 0.4W	3091	quartz	0.677		2.13
BT10 + 2.6W	3092	HW volcanic	0.220		0.61
	3332		0.220		0.01
BT03 + 11.6W	3093	quartz	0.572		1.53
B105 + 11.0W	3093	quar cz	0.312		1.55
T					
Lower Showing					
	3094	granite	0.017		grab
	G	roves (May, 198	5)		
			Au	Au	Width
Location	Number	Type	oz/ton	ppb	metres
		<del>-</del> -			
Main Showing					
BTO9A + 1W	6960	quartz	0.211		2.13
BT10 + 3W	6962	quartz	0.130		0.31
BT10 + 0.4W	6963	quartz	0.802		2.13
BT10 + 2.6W	6964	HW volcanic	0.750		1.22
Lower Showing					
	6954	qtz/granite	0.718		grab
	6965	quartz	0.090		grab
Black Vein (up	per showin	g)			
		quartz	1.230		2.74
		•		•	
	Nora	nda (September,	1985)		
			·		
			Au	Au	Width
Location	Number	Type	oz/ton	ppb	metres
		72		L L	
Main Showing					
BT10 + 5.3W	57451	quartz	0.077*	2400	0.36
		<del>-</del>	0.011		
BT10 + 5.3W	57452	HW volcanic		10	0.45
BT10 + 2.6W	57453	FW volcanic		10	0.60
BT10 + 4W	57454	quartz	0.148*	4600	0.26
BT10 + 4W	57455	HW volcanic	0.010*	300	1.90
BT10 + 0.4W	57456	quartz	1.158*	36000	1.30
BT10 + 0.4W	57457	HW volcanic		60	0.70
BT09A + 1W	57458	quartz	0.064*	2000	0.75
BT10 + 0	9833	HW volcanic	0.263		grab
		/ <b> </b>			3
BT03 + 11.6W	9831	quartz	0.669		1.50
BT04 + 1.4W	9832	quartz	0.836		grab
DIO# 1 1.4M	3032	quartz	0.030		grab

### Noranda (September, 1985)

Location	Number	Туре	Au oz/ton	Au ppb	Width metres
Lower Showing	9837	qtz/granite	0.116		grab
Black Vein (	upper showing	g)			
	9834	quartz	1.236		1.00
	9835	quartz	0.857		1.00
	9836	quartz	0.702		0.90
	We.	ighted Average	0.940		2.90
	57459	quartz	0.035*	1100	0.30
	57460	quartz	0.116*	3600	0.35
	57461	quartz	0.080*	2500	0.60

\* designates calculation from ppb to oz/ton. High sulfide content of vein suggests ppb analysis could be out considerably and all anomalous gold values (+1000 ppb) should be Fire Assayed.

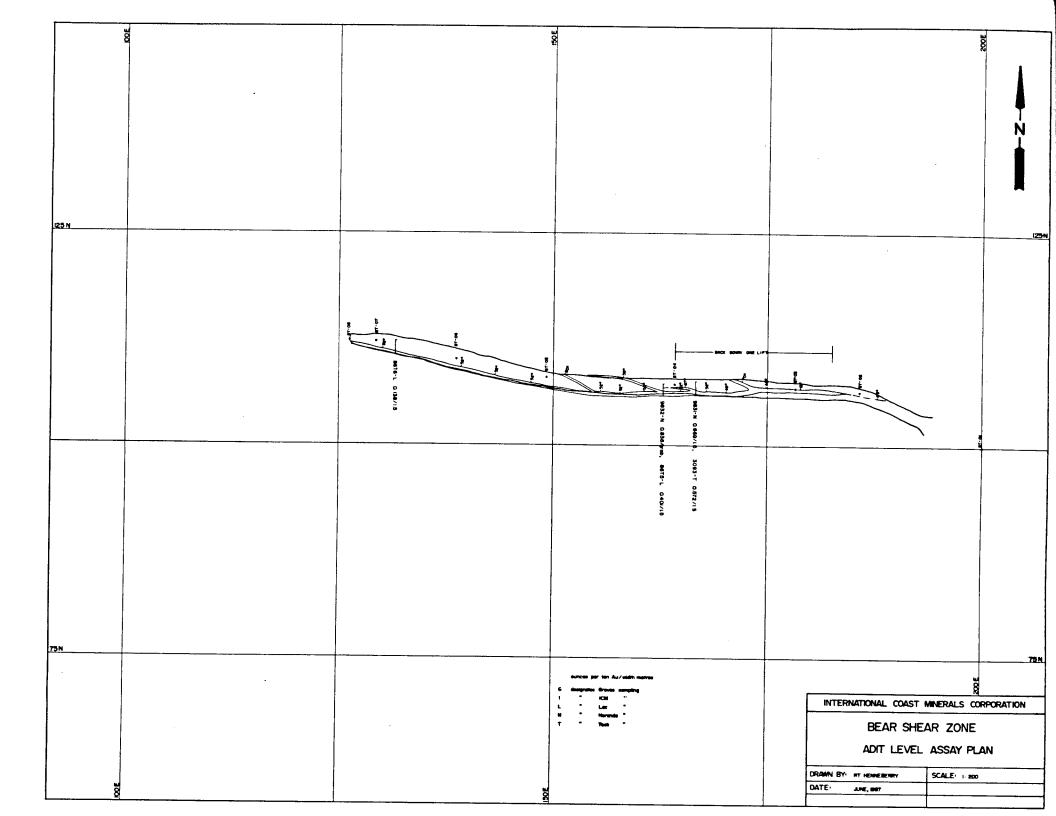
### Lac (January, 1986)

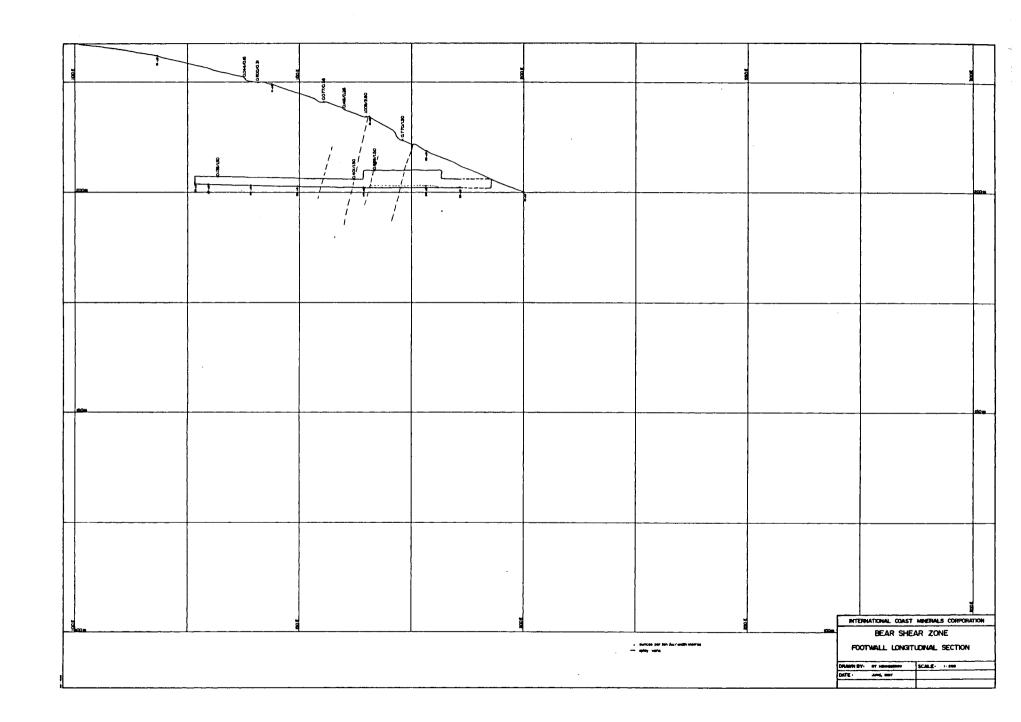
Location	Number	Type	Au oz/ton	Au ppb	Width metres	
Main Showing						
BT10 + 0.4W	86T3	quartz	1.626	5000	1.00	
?	86T3a	quartz	0.270*	8400	0.20	
BT10 + 10.0W	86T3b	quartz	0.061*	1900	0.10	
BT10 + 2.6W	86T3c	HW volcanic	0.100*	3100	0.50	
BTO9A + 1W	86 <b>T4</b>	quartz	0.232*	7200	0.80	
DE04 : 4 453		<b>a</b> .	0 401 1	10000	1 50	
BT04 + 1.4W	86 <b>T</b> 5	quartz	0.401 +		1.50	
BT06 + 7.2W	86 <b>T</b> 6	quartz	0.138*	4300	1.50	
Lower Showing						
	8677	qtz/granite		160	5.00	
	8678	qtz/granite	0.047*	1450	2.00	
Black Vein (upper showing)						
	86T1	quartz	1.173 +	10000	2.50	
	86T1a	quartz	0.507 +	10000	0.47	
	86T1b	quartz	0.745 +	10000	1.20	
	86T2a	quartz	0.161*	5000	0.80	

\* designates calculation from ppb to oz/ton. High sulfide content of vein suggests ppb analysis could be out considerably and all anomalous gold values (+1000 ppb) should be Fire Assayed. An example is 86T3 which yielded 5000 ppb (converted 0.161 ounces per ton), but when fire assayed yielded 1.626 ounces per ton.

# Goldsmith (June, 1986)

Location	Number	Type	Au oz/ton	Au ppb	Width metres
Main Showing BT10 + 0.4W	2V	qtz/HW volc's	1.228		2.10
Black Vein (upper showing) quartz 0.146					
	Hen	neberry (May, 19	87)		
Location	Number	Type	Au oz/ton	Au ppb	Width metres
Main Showing BT11 + 3.0W BT11 + 5.7W	1128 1129	quartz quartz	0.800 0.044		0.31 0.15





125N	309		Z-1
	 # 1	6900-9 027/8 6903-9 0802/8 6962-9 0.1002/8 6962-9 0.1002/8 6962-9 0.1002/8 6962-9 0.1002/8 6962-9 0.1002/8 6962-9 0.1002/8	
75 N		8873-L LEDEVIO 57498-N LIDEVIS 5009-T 08770/8 8873-L LEDEVIS 57498-N LIDEVIS 5009-T 08770/8	INTERNATIONAL COAST MINERALS CORPORATION  BEAR SHEAR ZONE  SURFACE ASSAY PLAN  DRAWN BY: BIT HENGEBERTY SCALE: 1:200  DATE: AME, 8877

## R.TIM HENNEBERRY, FGAC, Consulting Geologist -

4054 Dundas St. Burnaby, B.C. V5C-IAT (604) 291-6085

#### BEAR SAMPLING

The surface sampling on the Main Showing zone was concentrated on filling in the holes, in an effort to keep sampling spacing within 2 to 3 metres if possible. A lot of duplicate samples were taken from locations were surface blasting indicated a significant improvement beneath the weathered cap on the vein. Sampling also concentrated on establishing the strike extension of the zone to the west. Sampling also concentrated on establishing the gold content of the hanging wall splays on surface. Hand - trenching to the north has indicated an increase of vein width. At location BT11 + 4.4 W a sample of 30 centimetres was taken from the footwall portion of the vein, with the remainder under talus. At location BT11 + 6.9 W a sample of 30 centimetres was taken from the hanging wall of the vein, with the footwall under talus. The cross zone distance between the footwall and hanging wall is in the order of 2 metres, over a strike distance of 2.5 metres. The vein is not turning, leading to the observation that the vein is in excess of 2.5 metres at this location.

Undeground sampling was spaced at 2 metre intervals along the zone in an effort to establish an accurate gold concentration of the main vein at this elevation.

Location	Number	Type	Au oz/ton	width metres	
Main Showing					
BT09A - 1.0 W	1130	quartz		0.50	
BT09A + 1.0 W	1131	quartz		1.10	
BT10 + 2.5 W	1134	quartz		0.35	
BT10 + 4.1 W	1135	quartz		0.40	
BT10 + 5.8 W	1136	quartz		0.15	
BT10 + 9.5 W	1137	quartz		0.65	
BT10 + 11.3 W	1100	quartz		0.70	
BT11 + 2.6 W	1139	quartz		0.40	
BT11 + 4.4 W	1140	quartz		0.30	
BT11 + 6.9 W	1141	quartz		0.30	
BT11 + 8.5 W	1143	quartz		0.45	
BT02 + 0.0 W	4151	quartz	.006	0.30	\
BT02 + 2.0 W	4152	quartz	.026	0.40	
BT02 + 4.0 W	4153	quartz	.026	0.60	
BT02 + 6.0 W	4154	quartz	. 132	0.75	
BT03 + 0.0 W	4155	quartz	.070	0.60	1014
BT03 + 2.0 W	4156	quartz	.012	0.70	> Ade A
BT03 + 4.0 W	4157	quartz	.006	1.05 /	5
BT03 + 6.0 W	4158	quartz	.006	0.80	
BT03 + 8.0 W	4159	quartz	.006	0.60	
BT03 + 10.0 W	4160	quartz	.070	0.50	
BT03 + 12.0 W	4161	quartz	.212	1.00	
BT04 + 0.0 W	4162	quartz	.765	0.95	
BT04 + 2.0 W	4163	quartz	.758	1.20	- //
BT04 + 4.0 W	4164	quartz	.118	0.85	

# R.TIM HENNEBERRY, FGAC, Consulting Geologist

4054 Dundas St. Burnaby, B.C. V5C-IA7 (604) 291-6085

				Au	width	
Lo	cation 1	Number	Type	oz/ton	metres	
BEO.4	6.0 W	4165	quartz	.300	1.20	
BT04 + BT04 +	8.0 W	4166	quartz		1.15	
		4167	quartz	1350	1.40	
	10.0 W			.208	1.25	
BT04 +		4168	quartz	:006	- 1.15	
BT04 +		4169	quartz	.002		
BT05 +	0.0 W	4170	quartz	.006	0.90	Adet
BT05 +	2.0 W	4171	quartz	.002	1.15	vicie"
BT05 +	4.0 W	4172	quartz	.002	1.20	
BT05 +	6.0 W	4173	quartz	.002	1.40	
BT05 +	8.0 W	4174	quartz	.070	1.05	
BT06 +	0.0 W	4175	quartz	.108	1.15	
BT06 +	2.0 W	4176	quartz	.030	1.45	
BT06 +	4.0 W	4177	quartz	.040	1.40	
BT06 +	6.0 W	4178	quartz	.090	1.20	
BT06 +	8.0 W	4179	quartz	.034	1.10	
BT06 +		4180	quartz	.008	1.20	
BT06 +	12.0 W	4181	quartz	.066	0.85	
				av -113 c	Z	
	owing HW Sp			a		
BT09A -		1130	quartz		0.50	
BT09A +	1.0 W	1131	quartz		1.10	
BT09A +		1132	quartz		0.35	
BT09A +	5.0 W	1133	quartz		0.25	
						. 322.
BT04 +	5.0 W	4182	quartz		0.20	20 TO 1
BT04 +	7.0 W	4183	quartz		0.25	
BT04 +	9.0 W	4184	quartz		0.30	- 12
						1,51
W-1 C		1 # 0			*	
	owing HW Sp				0.30	
BT10 +	7.0 W	1142	quartz		0.30	
DEC 4	14 5 17	1105	anow+a		0.45	
BT04 +	14.5 W	4185	quartz		0.40	1

Sample Results available June 23/87