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EXPLORATION AND MINING
7360 DECOURCY CRES., RICHMOND, B.C. V7C 4E9 (604) 271-2588

August 22, 1983

Mr. K. Newton
Southern Lights Resources Ltd.
6017 Larch St.
Vancouver, B.C.

Re: SAMPLING PROGRAM - YALAKOM PROPERTY, B.C.

Between August 15 - 18, 1983, the No. 9 adit of the Yalakom property was systematically sampled under the writer's supervision with the following results:

1) From 105' to 265' in from the portal the chip samples taken from the back (roof) of the adit averaged 2.019 oz Au (uncut) or 0.547 oz Au (cut) across an average width of 0.9'. Seven of the 27 samples taken from the continuous quartz vein assayed higher than 1.0 oz Au per ton with six assaying between 0.30 and 0.99 oz per ton. The highest sample assayed 46.70 oz Au per ton across a width of 0.7'. This zone probably corresponds to the original Bralorne zone which led to the de-icing and rehabilitation of the adit.

2) A second zone of interesting mineralization exists between 365 and 415 feet in from the portal with this 50 foot length averaging 0.983 oz Au (uncut) or 0.557 oz Au per ton (cut) across an average width of 1.53 feet. Three of the ten samples assayed over 1.0 oz per ton (1.250, 1.92, and 4.624 oz Au per ton).

3) A third newly discovered zone from 600' to 635' in (south) of the portal averaged 0.926 oz Au (uncut) or 0.460 oz Au per

ton (cut) across an average width of 0.93 feet. Three of the seven samples assayed in excess of 1.8 oz Au per ton.

* * *

The gold bearing quartz vein is continuous throughout the approximately 800 foot length of the adit. The face of the adit contains a 1.10 foot wide vein which assays 0.045 oz Au per ton. Of greater significance is the fact that samples taken 15 and 30 feet back (north) of the face assayed 0.482/1.10' and 0.672/1.0' (oz Au per ton).

CONCLUSIONS - The results of this work justifies the program of rehabilitation carried out by Southern Lights Resources Ltd., validating the earlier (1948) sampling carried out by Bralorne Mines, Ltd.

The property warrants a significant amount of exploration which should consist of raises within the mineral zones outlined above and additional horizontal development to the south. Immediately available (above the level) are approximately 3,000 tons of material that could be mined at this time.

Method used should be resuing, where just the vein material is removed and the stopes then widened to mining width. This type of cut and fill stoping is successfully used in many places for recovery of narrow veins. The writer has worked as operating mine geologist in these operations (2 years at Dickenson Mines, Red Lake, Ontario and three years at the mines of Cerro de Pasco, Peru as well as five years at Britannia Beach, B.C.) In all these mines the writer was closely involved in the exploration, planning, lay-

out and quality control of selective mining operations and recommends that a person equally familiar be in charge (on the site) at the Yalakom property when this phase is started.

R.W. PHENDLER, P. Eng.

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DATE RECEIVED AUG 18 1983
DATE REPORTS MAILED Aug 22/83

ASSAY CERTIFICATE

SAMPLE TYPE : ROCK - CRUSHED AND PRULVERIZED TO -100 MESH.

ASSAYER _____ DEAN TOYE, CERTIFIED B.C. ASSAYER

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SAMPLE	AU OZ/TON
15601	.005
15602	2.095
15603	1.196
15604	.014
15605	.502
15606	.007
15607	.036
15608	.016
15609	.486
15610	.225
15611	.011
15612	.008
15613	.492
15614	.042
15615	.034
15616	.014
15617	.856
15618	.321
15619	.009
15620	.059
15621	.009
15622	4.752
15623	.040
15624	.037
15625	.309
15626	.034
15627	2.122
15628	3.144
15629	.226
15630	46.700
15631	2.055
15632	.154
15633	.023
15634	.054
15635	.005
15636	.566
15637	.092
15638	.016

SAMPLE	AU OZ/TON
15639	.063
15640	.029
15641	.012
15642	.029
15643	.068
15644	.046
15645	.704
15646	.067
15647	.151
15648	.048
15649	.026
15650	.012
15651	.081
15652	1.250
15653	.020
15654	.024
15655	.112
15656	.015
15657	1.921
15658	.031
15659	.069
15660	.288
15661	.018
15662	4.624
15663	.037
15664	.021
15665	.026
15666	.019
15667	.042
15668	.010
15669	.008
15670	.034
15671	.014
15672	.011
15673	.010
15674	.008
15675	.014
15676	.011

SAMPLE	AU OZ/TON
15677	.047
15678	.013
15679	.012
15680	.046
15681	.075
15682	.036
15683	.015
15684	.074
15685	.015
15686	.005
15687	.006
15688	.069
15689	.041
15690	.176
15691	.013
15692	.004
15693	.001
15694	.013
15695	.004
15696	.268
15697	1.801
15698	.014
15699	2.328
15700	.105
15701	.050
15702	.034
15703	.068
15704	1.944
15705	.014
15706	.450
15707	.074
15708	.045
15709	.159
15710	.023
15711	.022
15712	.089
15713	.794
15714	.047

SAMPLE	AU OZ/TON
15715	.030
15716	.015
15717	.023
15718	.015
15719	.004
15720	.001
15721	.015
15722	.010
15723	.016
15724	.015
15725	.004
15726	.003
15727	.010
15728	.007
15729	.031
15730	.672
15731	.028
15732	.034
15733	.482
15734	.118
15735	.023
15736	.045