

826540

HEATHER PROJECT

PROPOSED 1986 WORK PROGRAM AND BUDGET

The 1986 program will consist of three phases of exploration which will define, detail and drill test high priority targets on the Heather property. The three phases total \$152,152 and will be completed by October 1986.

Phase 1 consists of a one-month program of initial prospecting, linecutting, geophysical surveys and detail mapping and rock and soil geochemistry designed to define, trace and detail the intense shear zone that hosts the gold mineralization at the Main Showing. CFC sampling of the Showing returned 0.6 oz/ton Au in a grab sample.

Phase 2 is also a one-month program and is centred on the northern part of the Property and the Shaw Creek area. It is designed to explore the intense carbonate alteration zone associated with the McDougall Showing (0.7 oz/ton) and to explore the nature and the mineral hosting potential of the Nitinat - Myra Fm. contact both on the main part of the Property and in the Shaw Creek area.

Phase 3 consists of a minimum of 400 metres of diamond drilling to test the best geophysical (LP., VLF, MAG) and rock and soil geochemical anomalies defined by the Phase 1 work along the Main Showing shear zone.

It is our belief that this program of detailed exploration will produce significant results in 1986. A detailed cost summary is attached.

PROPOSED 1986 BUDGET

Phase 1 Trace the Showing Lithology from the Main Showing westwards by using IP, detail geology and rock and soil sampling.

Linecutting	30km @ \$400/km	\$12,000	- MARTINSON May 26. 25m pickets line @ 100m. XLWES
VLF/Mag Survey	30km @ \$200/km	\$ 6,000	- MP4 / Al Scot / Al Wynne
L.P. Survey	25 days @ \$1500/day	\$22,500	- HPH
Mapping and Sampling - 2 men for 1 month		\$10,000	- incl. sals R+B, equip.
Soil Sample Analysis - 1200 @ \$10/sample		\$12,000	Do rock chip litho across shear zones along cut lines at 100m spacing
Rock Sample Analysis - 100 @ 15/sample		\$ 1,500	Do soils if no outcrop
Supervision	5 days @ \$400/day	\$ 2,000	
Administrative Services (12%)		<u>\$7,920</u>	
TOTAL		\$73,920	

Phase 2 Trace by detail prospecting, mapping, sampling and geophysics the Specogna massive sulphides, the McDougall Showing and the Nitinat - Myra Fm. contact.

Linecutting	20km @ \$400/km	\$ 8,000	Need to lay out grid either on McDougall carbonate alt or pass along part of Nit. Myra contact. Decide where in June
Mapping and Sampling - 2 men for 1 month		\$12,000	- Sept?
Sample Analysis	400 samples @ \$15/sample	\$ 6,000	
VLF/Mag Survey	20 kms @ \$250/km	\$ 5,000	
Rock Sample Analysis - 50 samples @ \$25/sample		\$ 1,250	
Supervision	4 days @ \$400/day	\$ 1,600	
Administrative Services (12%)		<u>\$ 4,062</u>	
TOTAL		\$37,912	

Phase 3 Drill test priority targets along the Showing Lithology.

Diamond Drilling	400m @ \$90/m	\$ 36,000
Administrative Services (12%)		<u>\$ 4,320</u>
TOTAL		\$ 40,320

SUMMARY

Phase 1	\$ 73,920
Phase 2	\$ 37,912
Phase 3	<u>\$ 40,320</u>
TOTAL	\$152,152

ESTIMATED QUARTERLY EXPENDITURES

June 1 - September 30, 1986

Phase 1	\$ 73,920
Phase 2	<u>\$ 37,912</u>
TOTAL	\$111,832

September 30 - December 31, 1986

Phase 3	\$ 40,320
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