

826721
Prime
92H/16W,
9W

REPORT ON THE PRIME PROPERTY
NICOLA & SIMILKAMEEN MINING DIVISIONS
SUMMERS CREEK, BRITISH COLUMBIA

CLAIMS

PRIME (702), PRIME 1 (323), MAN (2802), MAN (2947)

LOCATION

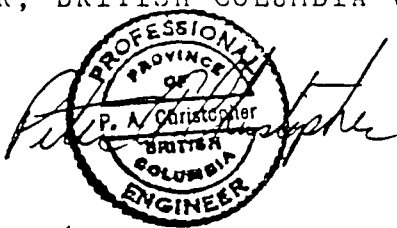
N.T.S.: 92H-16W, 9W
LATITUDE: 49° 45' N.
LONGITUDE: 120° 29' W.

PREPARED FOR

AUSTAR RESOURCES CORP.
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BY

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MAY 15, 1991

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SUMMARY

The Prime Property, consisting of 4 metric claims totaling 54 units is situated in the Nicola and Similkameen Mining Divisions and southeast of Missezula Lake. The property is adjacent to Summers Creek and the Summers Creek road from kilometer 28 to 30 from Highway 5. The original King George claims were staked in 1937 to cover two copper zones in Nicola Volcanics. The government mineral inventory 92H-NE 55 and 92H-NE 56 indicates reported reserves of 23,000,000 ton with a 0.20 copper cut-off for the Primer or King George zones.

Renewed interest in the Prime Property was generated by prospector Ed Mullin in 1978 with the detection of gold values in a new zone near the southern boundary of the Prime claim. Drilling and surface sampling by Newmont Exploration of Canada Ltd., in 1980 and 1981, indicated a copper-gold zone 200 meters long by 15 to 30 meters with a 5 meter section of a trench averaging over 0.25 oz Au/ton.

The property has been actively explored by over a dozen companies and individuals since the initial discovery in 1937. Drilling programs have been completed by Pageant Mines, Rio Tinto, Newmont, International Brican, Belcarra, and Piper Petroleum with the North and Prime/Man zones partially outlined. Early exploration was on the King George North and South zones (presently on adjoining Dill Property) with more recent exploration on a zone which crosses the Prime-Man claim boundary.

The Prime Property contains alkalic porphyry copper-gold zones which have been partially evaluated by geological, geochemical, and geophysical methods as well as drilling and trenching. Previous I.P. results suggests the possibility that the zones could connect and further survey work is required to test the possibility and to select targets for further drilling and trenching.

A staged, success contingent exploration program is outlined for the prime property. A Stage I program of grid construction, Induced Polarization survey, magnetic survey, geochemical survey and trenching, is estimated to cost \$100,000. Contingent on the initial survey results, a Stage II, 1000 meter diamond drill program is estimated to cost \$ 165,000.

INTRODUCTION

The Prime Property, consisting of the 54 units is situated in the Nicola and Similkameen Mining Divisions about 35 kilometers north of Princeton, British Columbia. The property has easy road access along Summers Creek with two and four-wheel-drive access to the showings. Peter Christopher & Associates Inc. was retained by the management of Austar Resources Corp. to prepare a qualifying engineering report on the Prime Property. The writer has examined the property on several occasions since 1970 with the most recent examination conducted on May 2nd and 3rd, 1991.

This report summarizes previous exploration results for the Prime Property and outlines a success contingent, staged program for further testing of the properties mineral potential.

LOCATION AND ACCESS (Figures 1 & 2)

The Prime Property is situated along Summers Creek and southeast of Missezula Lake about 35 kilometers north of Princeton, British Columbia. The Prime claim boundary extends along the Summers Creek Road from 28 to 30 kilometers north of Highway 5. The legal corner post for the Prime claim is on the east side of the Summers Creek Road at a bridge crossing of Summers Creek. The property is situated at the southwest corner of map sheet 92-H 16W and at the northwest corner of map sheet 92-H 9W. The property is centered at about geographic coordinates of $049^{\circ} 45'N$. latitude and $120^{\circ} 29'W$. longitude.

Access is by the Summers Creek Road which branches off Highway 5 about 8 kilometers north of Princeton, British Columbia. Missezula Lake is 30 kilometers by good gravel road from Highway 5A. The Prime Property can be reached by a 3.5-kilometer of two and 4-wheel-drive road that branches to the east from the main road about 1.5 kilometers south of Missezula Lake. Alternate access is via the Dillard Creek logging road which branches off Highway 5A at about 43 kilometers south of Merritt, British Columbia. A branch logging road leaves the Dillard Creek main logging road at kilometer 22 and extends about 3 kilometers to the property.

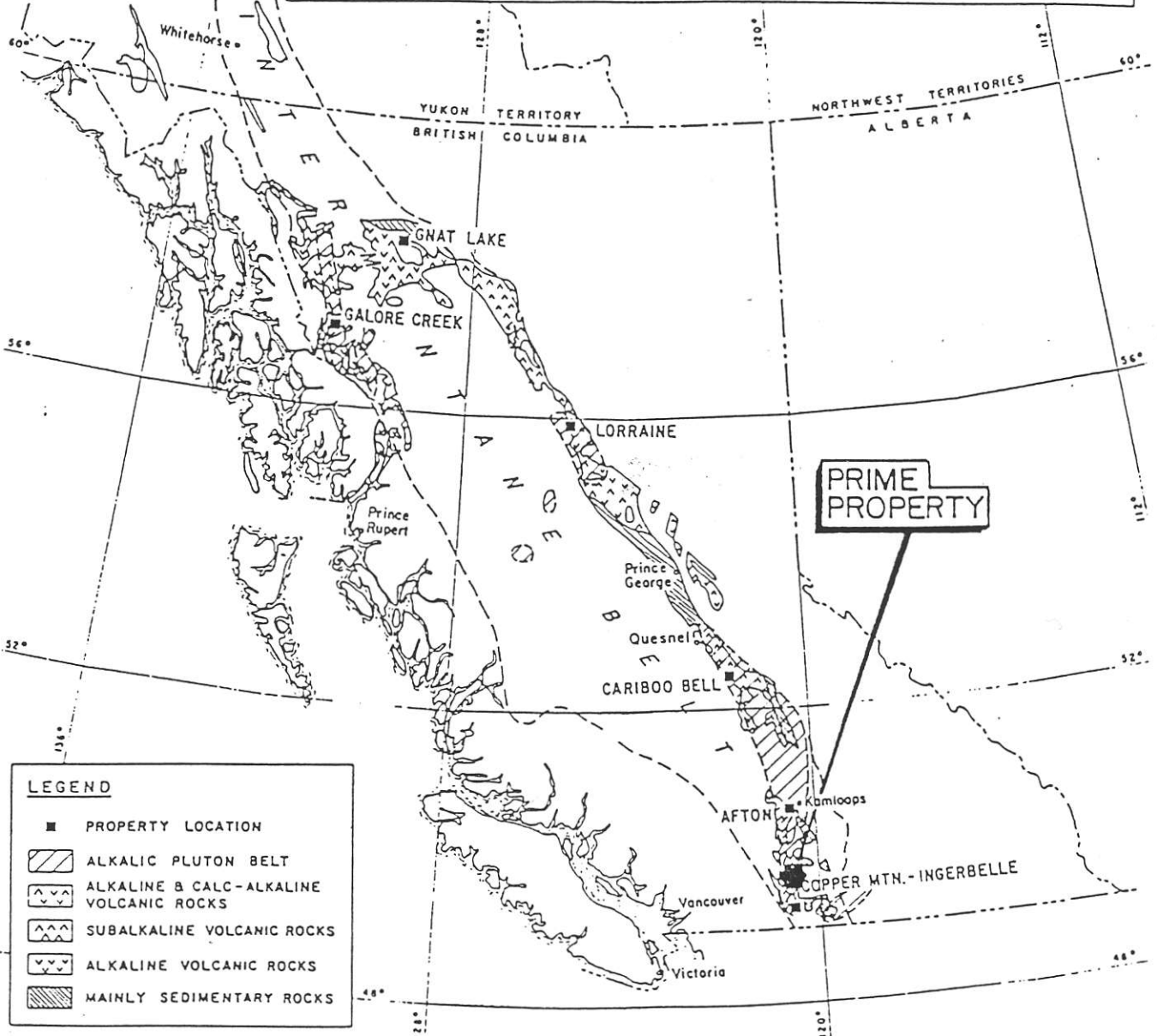
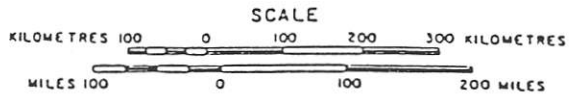
The area is considered part of the Thompson Plateau of south-central British Columbia. Elevations vary from 975 meters (3100 feet) in the valley bottom to 1676 meters (5,500') in the eastern claim area.

Vegetation on the property consists of forest cover of lodgepole pine, fir and spruce. Logging is presently being conducted along the eastern boundary of the property. Meadows occur along the Summers Creek Valley which contains alder swamps, cleared hay fields and a number of small ranches. A small settlement has started along the Summers Creek Valley at the South end of Missezula Lake.

PROPERTY DEFINITION (Figure 2)

The Prime Property, consisting of Prime, Prime 1, Man and Man 2 metric claims containing 54 units, covers about 1350 hectares in the Nicola and Similkameen Mining Divisions, B.C. The claims were staked

UPPER TRIASSIC AND LOWER JURASSIC VOLCANIC ROCKS,
SIGNIFICANT COPPER DEPOSITS, AND ASSOCIATED
ALKALIC PLUTONS IN THE CANADIAN CORDILLERA



LEGEND

- PROPERTY LOCATION
- ▨ ALKALIC PLUTON BELT
- ▤ ALKALINE & CALC-ALKALINE VOLCANIC ROCKS
- ▥ SUBALKALINE VOLCANIC ROCKS
- ▦ ALKALINE VOLCANIC ROCKS
- ▧ MAINLY SEDIMENTARY ROCKS



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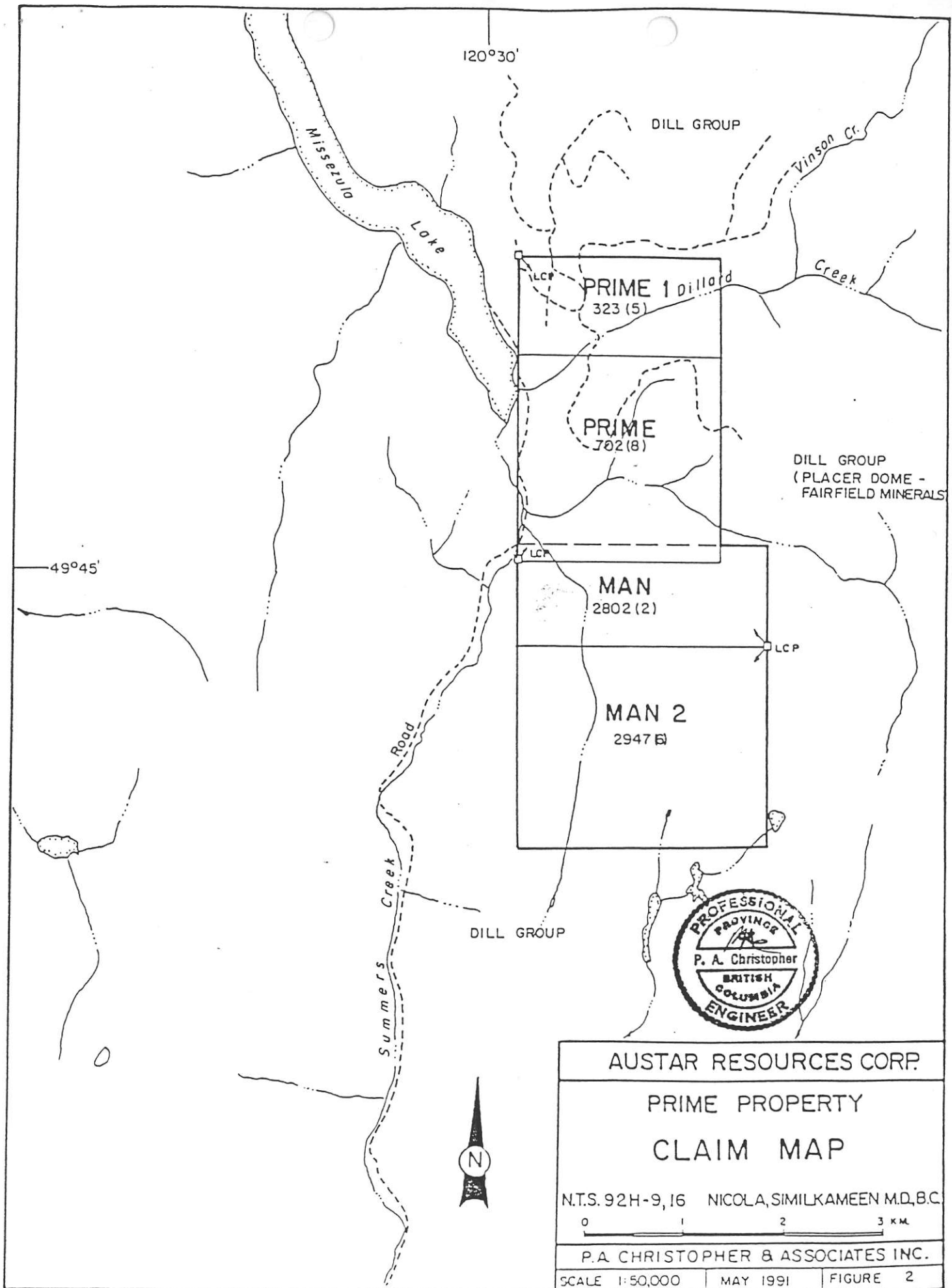
PRIME PROPERTY
LOCATION MAP

N.T.S. 92H-9, 16 NICOLA, SIMILKAMEEN M.D., B.C.

P.A. CHRISTOPHER & ASSOCIATES INC.

SCALE AS SHOWN | MAY 1991 | FIGURE 1

After CIM Special Volume No. 15 p. 360



AUSTAR RESOURCES CORP.		
PRIME PROPERTY		
CLAIM MAP		
N.T.S. 92H-9, 16 NICOLA, SIMILKAMEEN M.D., B.C.		
0 1 2 3 KM.		
P.A. CHRISTOPHER & ASSOCIATES INC.		
SCALE 1:50,000	MAY 1991	FIGURE 2

using the modified grid system with the Prime claim extending four units north and four units east from a common legal corner post situated adjacent to the Summers Creek Road. The Prime 1 claim extending four units east and 2 units south from a legal corner post situated east of Missezula Lake. The Prime 1 claim was staked by Pat Henry on May 14, 1976 and sold to Piper Petroleum Ltd. on January 5, 1977. The Prime claim was staked on July 28, 1979 by Gordon Guttrath as agent for Piper Petroleum Ltd. The Prime claim was a relocation of the abandoned Prime 47(5) claim.

The Man claims are held by an option agreement between Austar Resources Corp. and International Brican Resources Ltd. The Man claim was staked by David Menner on February 14, 1987, and the Man 2 claim was staked for International Brican Resources Ltd. by R. Ruziuk between June 17 and June 18, 1987.

Table 1 summarizes pertinent claim data and Figure 1 and 2 shows the approximate location of the Prime claims. The legal corner post and the 1E, 2E, 3E and 4E posts for the Prime claim have been examined by the writer. Claim locations are shown on Figure 2 and pertinent claim data is summarized in Table 1.

Table I. Pertinent Claim Data For Prime Property.

<u>CLAIM</u>	<u>RECORD #</u>	<u>UNITS/SHAPE</u>	<u>RECORD DATE</u>	<u>EXPIRY</u>	<u>STAKER</u>
PRIME 1	323(5)	8/2SX4E	MAY 20/86	1992	PAT HENRY
PRIME	702(8)	16/4NX4E	AUG. 21/79	1992	GORDON GUTRATH
MAN	2802(2)	10/2NX5W	FEB. 26/87	1999	DAVID MENNER
MAN 2	2947(6)	20/4SX5W	JUNE 30/87	1999	R. RYZIUK

HISTORY OF THE CLAIMS

The King George Group, located by a number of Princeton prospectors, was the original property in the present area of the Prime Property. The original four claims of the group were staked in 1937 with eight additional claims added in 1941 (Rice, 1960). By 1941, the initial showings had been exposed by open-cuts, pits and stripping, but little additional work was done until 1957 when the property was acquired by a junior mining company.

In 1962 electromagnetic, magnetic and geochemical surveys and some surface stripping were done by McIntyre Porcupine Mines, Limited. From 1964 to 1971, Primer Group Minerals Ltd. completed at least 28 diamond drill holes totalling 11,806 feet and 31 percussion holes totalling 4,192 feet as well as considerable stripping, trenching, and geochemical surveys.

In 1972 and 1973, Rio Tinto Canadian Exploration Limited explored the Prime Property with magnetometer and induced polarization surveys and completed 5 diamond drill holes totalling 2,103 feet.

The Prime 1 claim was staked by Pat Henry in May 1976 and the Prime claim was staked in July 1979 by Gordon C. Gutrath as agent for Piper Petroleums Ltd. (now Giant Pacific Petroleum Inc.).

In 1978 a group of local prospectors (Edward Mullin, Gerald Burr and William Stevens) found a copper-gold showing south of the Prime claim and located the MS and HG claims. In August 1979 they optioned the adjoining Prime claim from Piper Petroleums and optioned the combined property to Newmont Explorations of Canada Ltd. Reports by H. Limion (1980), John Nebocat (1980) and Dave Visagie (1981) outline geological, geochemical, geophysical, trenching and diamond drilling programs conducted by Newmont between 1979 and 1981. Twelve diamond drill holes totalling 2,550 meters were completed by Newmont on a copper-gold zone that straddles the Prime-HG claim boundary. Newmont reported a copper zone 200 meters by 10 - 30 meters wide with an average copper content of 0.3 to 0.4%. The highest gold value obtained from the drilling was 3 meters of 0.2 oz Au/ton.

The Prime-HG-MS Property was optioned to Peter A. Christopher in 1984 and 1985 with magnetic, electromagnetic, soil geochemical and geological surveys completed before returning the property to the vendors. In 1986 the Prime claim was returned to Giant Pacific Petroleum Inc.

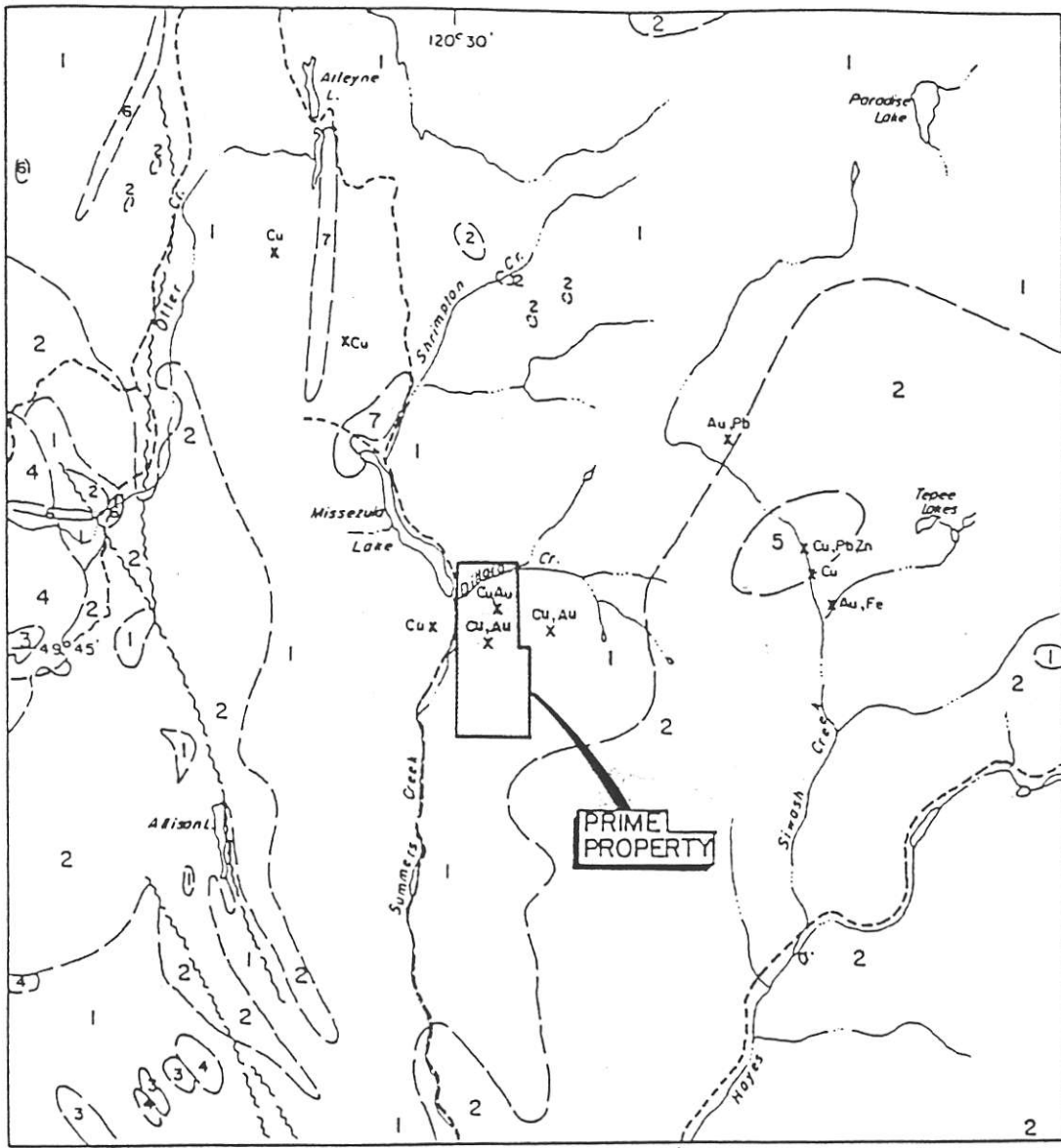
In October of 1987, Peter Christopher & Associates Inc. was retained by the management of Giant Pacific and Consolidated Silver Butte Mines Ltd. to conduct a geological and geochemical assessment of the Prime Property (Christopher, 1987; 1988). A total of 350 grid soil samples were analyzed. The surveys were centered over trenches on the "North Zone" and resulted in a large area of anomalous copper values with some coincident, strong molybdenum and gold values.

In February 1987, the lapsed HG claim area was restaked by David T. Mehner as the Man claim and optioned by International Brican Resources Ltd. In June 1987, the Man 2 claim was staked by R. Rzyziuk for International Brican Resources Ltd. which subsequently carried out detailed IP in the area of the Newmont Induced Polarization survey and diamond drilling totalling 1508.7 meters in 8 holes. The best drill intersections were obtained from DDH 321-1 with 63 meters grading 0.76% copper and 0.003 oz/ton Au, and DDH 321-2 with 51 meters grading 0.24% copper and 0.013 oz/ton Au. The highest grade intersection was 1.0 meter grading 1.52% copper and 0.296 oz/ton Au in DDH 321-1.

In 1991, Austar Resources Corp. consolidated the Prime and Man claims through purchase and option agreements. Peter Christopher & Associates Inc. was retained to evaluate previous data and prepare a qualifying report on the Prime Property. A field examination of the Prime property was conducted on May 2nd and May 3rd, 1991.

REGIONAL GEOLOGY (Figure 3)

The Prime Property is situated in the Intermontane Tectonic Belt of the southern Canadian Cordillera. In southern British Columbia the upper Triassic Nicola Group dominates the belt. The Nicola Group consists mainly of alkalic and calc-alkalic volcanic and



- 7 Valley basalt
- 6 Princeton Gp. - shale sandstone & conglomerate
- 5 Otter Intrusions - granite & granodiorite
- 4 Kingsvale Gp. - andesite & basalt
- 3 Spence Bridge Gp. - andesite & basalt
- 2 Coast Intrusions - granite & granodiorite
- 1 Nicola Gp. - argillite, tuff, limestone; chlorite & sericite schist

- Contact
- ~ Fault
- x Mineral occurrence
- - - Road
- ~ Creek



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PRIME PROPERTY
REGIONAL GEOLOGY

N.T.S. 92H-9,16 NICOLA, SIMILKAMEEN M.D., B.C.

0 5 10 15 KM.

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SCALE 1:253,440 | MAY 1991 | FIGURE 3

After GSC Map 888A by H. M.A. Rice

volcaniclastic rocks that have been divided by Preto (1979) into three north-trending structural belts, bounded by major faults. The Summers Creek fault zone running along the western boundary of the Prime Claim separates rocks of Preto's Central Belt from rocks of the Eastern Belt. Eastern Belt rocks along Summers Creek include both alkalic and calc-alkalic suites derived from comagmatic intrusions and are dominated by extrusive tuffs, lahar deposits, some basaltic flows, and high-level syenitic stocks (Preto, 1979; Christopher, 1973).

The Alleyne-Summers Creek fault system, a major north-south rift system passes through the Prime Property and dominates the tectonic fabric of the property. Local faults generally parallel the northerly trend but N20°W, N45°W and N40-45°E linears are probably also important fault directions.

Nicola rocks are generally only weakly metamorphosed with maximum regional grade reaching greenschist facies. Locally comagmatic intrusions have produced metasomatic and metamorphic effects with deposits like Ingerbelle, Copper Mountain, Afton, Axe and Craigmont resulting.

MINERALIZATION

The Prime Property contains a number of structurally controlled copper bearing zones (B.C. Mineral Inventory 92H-NE, 55, 56, 110) with potential for precious metal enhanced 'syenitic' copper deposits. A zone near the Prime-Man boundary of the property was explored by Newmont Exploration of Canada Ltd. and International Brican Resources Ltd. with a copper zone 200 meters long by 10 to 30 meters wide estimated by Newmont to contain 0.3 to 0.4% copper. The copper mineralization occurs mainly as the secondary minerals malachite, azurite, and neotocite. Chalcopyrite occurs as disseminations in fine alkalic intrusive and as fracture fillings. Pyrite generally occurs with chalcopyrite and minor bornite has been observed in a trench and in core (Nebocat, 1980).

Gold values of up to 3 meters of 0.204 oz Au/ton were intersected in drill hole 80-1 with a 14 meter section in a surface trench averaging 0.104 oz Au/ton. Gold values were reported to occur in fault zones that separated mineralized from fresh, unaltered rock.

Previous exploration on the property occurred in structurally controlled copper zones referred to as the King George (Rice, 1960) resulted in reported reserves of 23,000,000 with a copper cut-off of 0.2% (B.C. Mineral Inventory 92H-NE 56) for the North Zone and South Zone (the South Zone is presently on the adjoining Dill Property). The mineralization is described as occurring in two zones: a zone of silicified Nicola Volcanics with pyrite and chalcopyrite and a zone of minor pyrite and chalcopyrite associated with calcite veinlets and stringers. Little information is available on the precious metal content of the King George copper prospects. Gutrath (1979) suggests that the South Zone has trace to 1% chalcopyrite and malachite associated with chlorite and epidote alteration in andesite and diorite containing 1% to 10% pyrite and 5% to 10% magnetite. Tully (1970) noted that acid buff to grey coloured dykes are associated with the better grade copper at the North Zone and that chalcopyrite to pyrite ratios are higher in the North Zone.

DRILL PROGRAMS

No results are available from the initial drill program in 1965 and for parts of future drill programs on the North Zone. An attempt should be made to obtain location and drill data to complement Table 2 and allow recalculation of reserves.

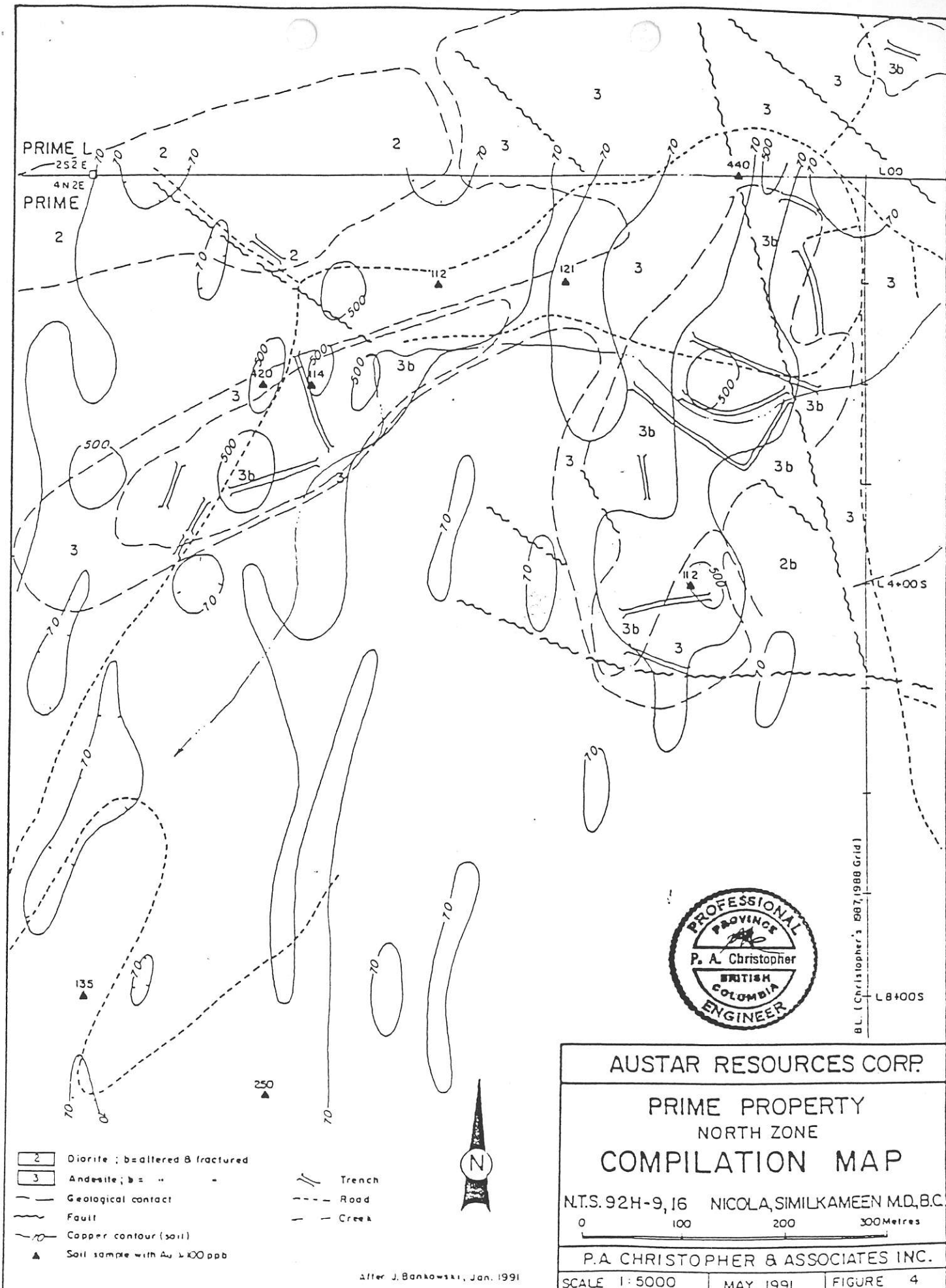
Table 2. Summary of North Zone Drill Results (after Tully, 1970).

Hole #	Depth	Dip	Bearing	From-To	Length	% Cu	Remarks
65-1	-	45°	SE				X-Ray Core
66-3	177'	38°	W	30-130'	100'	0.34	Andesite
66-4	474'	40°	N85E	6-201'	195'	0.29	Hbd. Por.
66-5	110'	45°	W	14-110'	96'	0.15	Andesite
67-7	174.5'	70°	S	8-174.5'	166.5'	0.51	Dacite
68-1	500'	45°	S75W	40-310'	270'	0.06	Feld. Por.
68-2	501'	45°	S76W	40-460'	420'	0.12	Feld. Por.
68-3	133'	45°	SE	18-130'	112'	0.05	Feld. Por.
68-4	1001'	45°	N79E	684-1001'	317'	0.11	Feld. Por.
68-5	247'	55°	SW	48-247'	199'	0.22	Andesite
			inc.	180-200'	20'	0.90	Andesite
68-6	64'	60°	NE	22-64'	42'	0.04	Andesite
68-7	256'	50°	SW	52-256'	204'	0.05	Andesite
68-8	106'	90°		1-106'	105'	0.26	Hbd. Por.
			inc.	80-100'	20'	0.66	
69-8	498'	90'	assays incomplete				Feld. Por.

Drill results for the Prime/Man Zone is summarized in Table 3 with hole locations shown on Figure 5. Drilling by Newmont defined a copper zone, of at least 200 meter length by 10-30 meter width, grading 0.3 to 0.4% copper (Nebocat, 1980; Visagie, 1981). Drill results reported by Brican indicated a moderately higher grade.

Table 2. Summary of Prime/Man Zone Drill Results.
(after Nebocat, 1980; Visagie, 1981; Wayne, 1989)

Hole #	Depth	Dip	Bearing	From-To	Length	% Cu	oz/T Au	Remarks
80-1	152.7m	45°	090°	24.2-43.9	19.7m	0.43		
				120.4-123.4	3m	0.91	0.204	
80-2	199.7m	45°	090°	23.4-87.0	63.6m	0.45		
				144-174	21.0m		0.027	
80-3	173.8m	45°	090°	131.0-173.8	65.8m	0.33		
			inc.	140.0-155.0	15.0m		0.022	
80-4	165.8m	45°	090°	49.0-67.0	18.0m	0.31		
			also	55.0-91.0	36.0m		0.019	
80-5	303.7m	60°	090°	61.0-75.0	14.0m		0.023	
80-6	304.9m	60°	090°	192.1-207.1	15.0m	0.33		
81-1	233.5m	45°	090°	197-203	6.0m	0.32		
				230.4-233.5	3.1m		0.042	
81-2	250.0m	50°	090°	230-239	9.0m	0.14		
				218-221	3.0m		0.034	
81-3	182.9m	50°	045°	62.0-68.0	6.0m	0.35		
			inc.	65.0-68.0	3.0m		0.028	
				125.0-146.0	21.0m	0.40		
			inc.	140.0-143.0	3.0m		0.034	



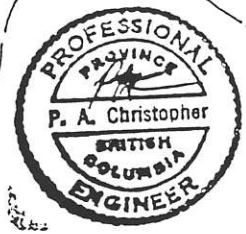
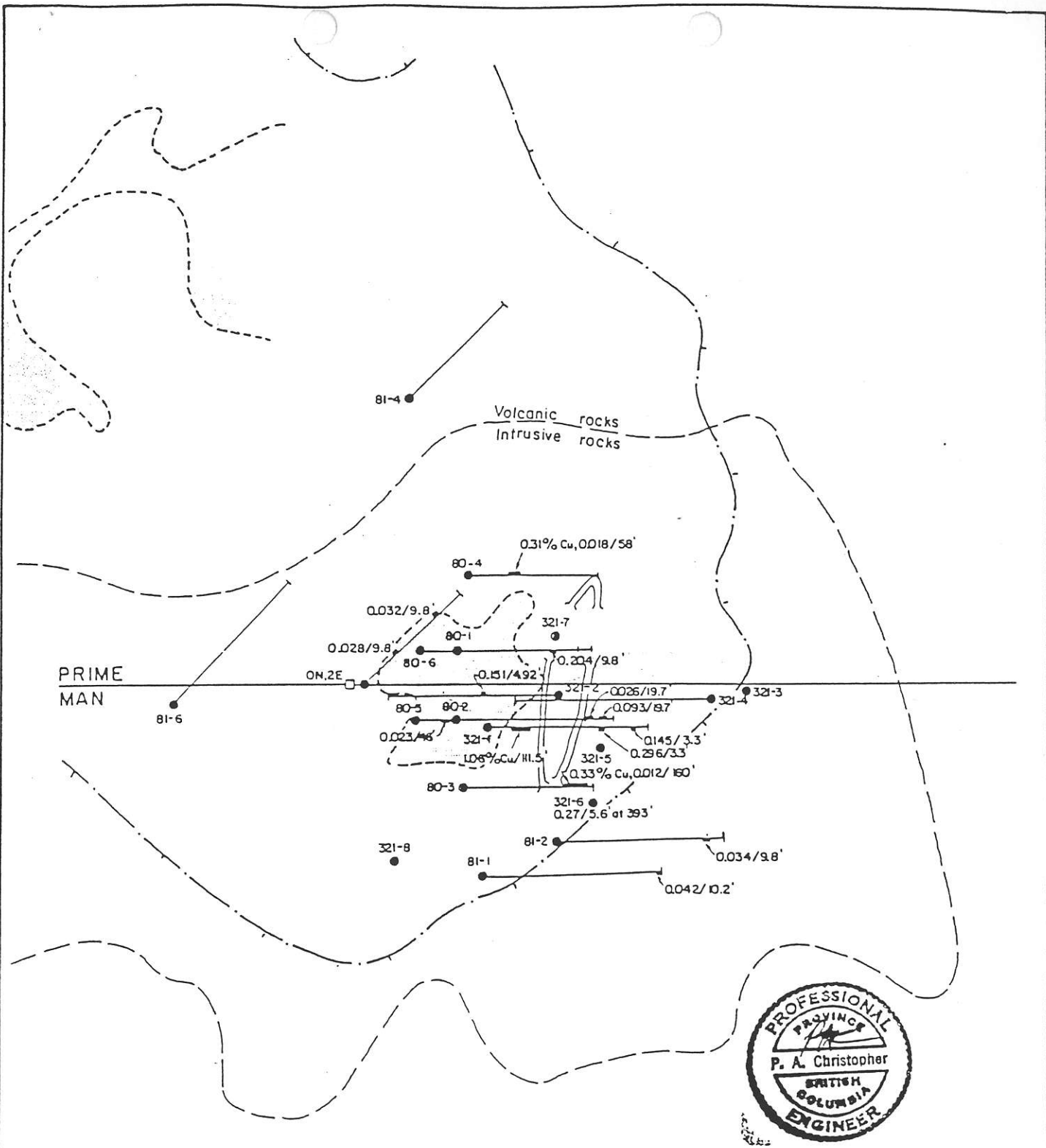
- 2 Diorite ; b=altered & fractured
- 3 Andesite ; b = " "
- Geological contact
- ~ Fault
- Copper contour (soil)
- ▲ Soil sample with Au > 100 ppb
- || Trench
- - - Road
- - - Creek

After J. Bankowski, Jan. 1991



B.L. (Christopher's 1987, 1988 Grid)
L B + 0 0 S

AUSTAR RESOURCES CORP.		
PRIME PROPERTY NORTH ZONE COMPILATION MAP		
N.T.S. 92H-9,16 NICOLA, SIMILKAMEEN M.D., B.C.		
P.A. CHRISTOPHER & ASSOCIATES INC.		
SCALE 1:5000	MAY 1991	FIGURE 4



- Geological contact
- Soil geochem. anomaly ($\geq 100\text{ppm Cu}$)
- I.P. contour 80msec(n=1)-Newmont, 1980
- Trench
- Drill hole
- Assay - oz/ton Au / length of sample in ft.



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**PRIME PROPERTY
PRIME / MAN ZONE
COMPILATION MAP**

N.T.S. 92H-9, 16 NICOLA, SIMILKAMEEN MD., B.C.

0 100 200 300 Metres

P.A. CHRISTOPHER & ASSOCIATES INC.

SCALE 1:5000	MAY 1991	FIGURE 5
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After D.C. Miller, 1988 & J. Bankowski, Jan. 1991

Table 3. cont. (International Brican 1988-89 Drilling).

Hole #	Depth	Dip	Bearing	From-To	Length	% Cu	oz/T Au	Remarks
321-1	209.39m	45°	090°	15.54-209.39	193.85m	0.29	0.008	
321-2	227.06m	45°	270°	45.00-125.75	80.75m	0.18	0.011	
321-3	160.01m	90°		no significant				
321-4	252.06m	45°	270°	201.00-252.06	51.06m	0.19	0.014	
321-5	199.63m	90°		133.00-141.00	8.00m	0.28	0.021	
321-6	154.53m	90°		119.70-121.40	1.70m	1.15	0.270	
321-7	148.44m	90°		11.28-23.00	11.72m	0.43	0.006	
				44.00-65.00	21.00m	0.11	0.019	
321-8	157.58m	90°		89.00-157.58	68.58m	0.18	0.003	

GEOCHEMICAL SURVEYS

Previous geochemical surveys in the area of the Prime Property are summarized on Figure 6 with large zones of >100 ppm copper shown for an area with background of 40ppm copper. Figure 6 summarizes surveys which started in the late 1950's and have continued to the present.

The most recent soil geochemical survey over the North Zone was conducted in 1987 (Christopher, 1987; 1988) with the results summarized on Figure 4. Soil samples were collected over the area of the old King George North Zone workings to test the precious metal potential of the copper bearing zone. A total of 350 soil samples were collected from the B horizon. Soils appear to work well in the northeast part of the North Zone grid area but overburden probably masks bedrock response in the south and southwest part of the grid area. Overburden could mask a geochemical connection between the Prime/Man zone and the North Zone, but the area warrants testing with soil geochemical methods.

Review of 30 element ICP analytical data indicated that anomalous results were mainly restricted to Mo, Cu, and Au.

Copper values (Christopher, 1988) in the North Zone grid ranged from 17 ppm to 1600 ppm with values between 70 and 150 ppm considered weakly anomalous and values over 150 considered anomalous. A total of 97 samples were weakly anomalous or anomalous with 36 of these samples in the anomalous range. About 43% of the samples are at least weakly anomalous in copper with over 16% of the samples anomalous in copper. A strong northeasterly trending zones of anomalous copper values extends to the grid boundaries.

Gold values (Christopher, 1988) in North Zone soils ranged from a lower detection limit of 1ppb to 440ppb at line OS 1+25W with values of 20 ppb considered anomalous (shown on Figure 4) and values over 99ppb considered strongly anomalous. A total of 36 anomalous values were detected with 5 of the strongly anomalous values. Anomalous gold values generally occur with anomalous copper and/or molybdenum values.

Molybdenum values (Christopher, 1988) ranged from a lower detection limit of 1ppm to 58ppm with 16 values of 5ppm or greater considered anomalous. The anomalous values for molybdenum are mainly

20°30'

PRIME I

Dillard Creek

NORTH ZONE

FIG. 4






Christopher 1987 grid
B.L.F. 9S

FIG. 5

PRIME

PRIME/
MAN ZONE

MAN
MAN 2

-  I.P. anomaly
-  Centre Cu & Fe mineralization (trenched)
-  Generalized outline of Cu soil anomaly >100ppm
-  Creek
-  Road

After Piper Petroleum Ltd. & J. Bankowski

SOUTH ZONE

49° 45'



AUSTAR RESOURCES CORP.

PRIME PROPERTY
COMPILATION MAP

N.T.S. 92H-9, 16 NICOLA, SIMILKAMEEN M.D., B.C.

0 500 1000 1500 Metres

P.A. CHRISTOPHER & ASSOCIATES INC.

SCALE 1:25,000

MAY 1991

FIGURE 6

in the northern part of the grid area and occur with anomalous copper and/or gold. The two strongest molybdenum responses of 58ppm and 50ppm occur with the strongest copper responses of 1600ppm and 1392ppm at stations 1S 5+25W and 3S 6+25W.

GEOPHYSICAL SURVEYS

Induced polarization appears to be the most promising geophysical tool employed on the Prime Property. Newmont found that areas with chargeability measurements of ≥ 8 msec. contained sufficient sulfide content to produce porphyry grade copper mineralization. The outline of the >8 msec chargeability response is shown on Figures 5 and 6. The pattern shown on Figure 6 indicates the possibility of a connection between the Prime/Man and North zones with further I.P. surveying required to evaluate the northerly extensions of the trend.

Magnetics was suggested to be a useful tool for selecting exploration targets in the South Zone area of the adjoining Dill Property. At the King George South Zone, Gutrath (1978) estimated that 1% to 3% fine to medium grained disseminated magnetite in andesite and diorite with an increase in magnetite content associated with increased chalcopyrite content. Further magnetic surveying should help define geological trend and mineral zoning in covered areas.

CONCLUSIONS AND RECOMMENDATIONS

The Prime Property contains alkalic porphyry copper-gold zones which have been partially evaluated by geological, geochemical, and geophysical methods as well as drilling and trenching. Previous I.P. results suggests the possibility that the zones could connect and further survey work is required to test along the trends and to select targets for further drilling and trenching.

A staged, success contingent exploration program is outline for the prime property. A Stage I program of grid construction, Induced Polarization survey, magnetic survey, geochemical survey and trenching, is estimated to cost \$100,000. Contingent on the initial survey results, a Stage II, 1000 meter diamond drill program is estimated to cost \$ 165,000.

COST ESTIMATES

Stage I. Geological, Geophysical, Geochemical, Trenching

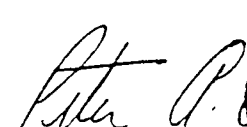
Project Preparation	\$	1000
Reclamation Bond		1000
Grid Construction		6000
Personnel		
Senior Geologist 30 days @ \$400ea.		12000
Assistant 30 days @ \$200ea.		6000
Transportation 4x4 truck 30 days @ \$100 ea.		3000
Room & Board 60 man days at \$ 50 ea.		3000
Geochemical Analyses 400 samples @ \$15 ea.		6000
Trenching & Reclamation		12000
Induced Polarization 18 days @ \$1500 all inclusive		27000
Supplies		1000
Communciation & Shipping		500
Consulting		2000
Report Preparation		4500
Contingency		8000
G.S.T.		<u>7000</u>

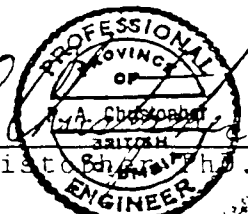
Stage I Total \$ 100000

Stage II. Diamond Drilling (Contingent on Stage I)

Project Preparation	\$	2000
Reclamation		3000
Roads & Site Preparation		4000
Personnel		
Senior Geologist		12000
Project Geologist		9000
Room & Board		3000
Transportation, Shipping & Communication		5000
Diamond Drilling 1000 meters @ \$90/m.		90000
Geochemical Costs		7000
Supplies		2000
Consulting		3000
Reporting		5000
Contingency		10000
G.S.T.		<u>10000</u>

Stage II Total \$ 165000


Peter A. Christopoulos, P.Eng.
May 15, 1991



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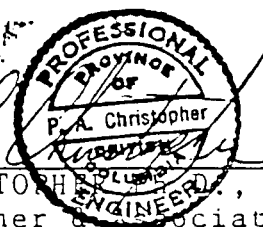
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CERTIFICATE

I, Peter A. Christopher, with business address at 3707 West 34th Avenue, Vancouver, British Columbia, do hereby certify that:

- 1) I am a consulting geological engineer registered with the Association of Professional Engineers of British Columbia since 1976.
- 2) I am a Fellow of the Geological Association of Canada and a member of the Society of Economic Geologists.
- 3) I hold a B.Sc. (1966) from the State University of New York at Fredonia, a M.A. (1968) from Dartmouth College and a Ph.D. (1973) from the University of British Columbia.
- 4) I have been practising my profession as a Geologist for over 25 years.
- 5) I have no interest in the properties or securities of Austar Resources Corp. or associated companies.
- 6) I have based this report on a review of available geological data, on several field examinations of the property with the most recent examination conducted May 3, 1991.
- 7) I consent to the use of this report by Austar Resources Corp. for any Filing Statement, Statement of Material Facts or for obtaining private financing.



PETER A. CHRISTOPHER, P.Eng.
Peter Christopher & Associates Inc.
May 15, 1991

Peter Christopher & Associates Inc.

GEOLOGICAL & EXPLORATION SERVICES
3707 West 34th Ave., Vancouver, B.C. V6N 2K9

Office/Res: 263-6152



May 15, 1991

Austar Resources Corp.
1201 - 900 West Hastings Street
Vancouver, B.C. V6C 1E5

Dear Sirs:

I, Peter A. Christopher, Ph.D., P.Eng., hereby consent to the use of my report dated May 15, 1991 on the Prime Property, Nicola and Similkameen Mining Divisions in any Filing Statement, Statement of Material Facts or Prospectus to be issued by Austar Resources Corp.

DATED at Vancouver, British Columbia, this 15th day of May, 1991.



PETER A. CHRISTOPHER, Ph.D., P.Eng.