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**JD GOLD PROPERTY
TOODOGGONE RIVER AREA, B.C.**

AGC AMERICAS GOLD CORP.

**SUMMARY OF 1994 EXPLORATION RESULTS
and RECOMMENDATIONS FOR ADDITIONAL WORK**

Introduction

The JD property includes a number of epithermal gold-silver zones of which two were explored by diamond drilling in 1994.

Seventeen inclined holes drilled on one of these, the Finn zone, partially outlined a tabular, shallowly-dipping body with a possible resource of 163,000 tons grading 0.128 oz/ton gold over an average width of 45 feet. Markedly higher gold grades are present in both the hangingwall and footwall of the zone which is open along strike and to depth. ←

The Finn zone is near the southeastern limits of a 3 km long, west-northwest trending belt containing anomalous gold values in soils. Bedrock samples from several lesser explored zones within and marginal to this belt have yielded encouraging gold values.

Location and Access

The JD property is situated in the Toodoggone River area of north-central British Columbia some 180 air miles north of Smithers (Figure 1).

The property covers a 30 square mile area north of Toodoggone River and is several miles north of the past producing Cheni Gold Mines Inc. mine (Figure 2) which is 250 miles by road from the south end of Williston Lake. A tote road off a spur road north from Cheni mine (Figure 2) was used to transport heavy equipment into the central and eastern parts of the JD property in 1994. *20 km²* *400 km.*

The property covers an open, alpine area within which elevations range from 4,500 to 6,500 feet above sea level.

1370 1980 m.

Mineral Property

The JD property consists of 22 full and fractional mineral claims (242 mineral claim units) situated in the Omineca Mining Division of British Columbia and owned by AGC Americas Gold Corp. The configuration of the mineral claims is illustrated on Figure and details are as follows:

<u>Claim Name</u>	<u>Record Number</u>	<u>Units</u>	<u>Expiry Date</u>
JM	238126	20	June 12, 1999
JD	238127	20	June 12, 1998
JR	239925	6	July 18, 1995
McClair 1	238316	4	September 3, 1995
JK Fraction	238326	1	September 3, 1998
JC Fraction	238327	1	" "
JU Fraction	238328	1	" "
JS	238322	6	September 3, 1996
JB	238333	20	" "
Antoine Louis	238474	10	August 13, 1996
Furlong	238514	6	September 8, 1996
Tour	238515	18	" "
Sturdee	238516	18	" "
Big Bird	238517	6	" "
Grover Fraction	238674	1	" "
Gas 1	238675	20	" "
Was 1	239025	8	August 29, 1996
Was 2	239026	8	" "
New Moose 2A	303799	1	August 23, 1996
New Moose 2B	303800	1	" "
New Moose 2C	303801	1	" "
New Moose 2D	303802	1	" "
New Moose 4	303823	15	" "
New Moose 5	303824	9	" "
KAD I	325956	20	May 26, 1997
KAD II	325957	20	" "

Previous Work

Past exploratory work within the boundaries of the present JD property, carried out between 1971-1974 and 1978-1988, included geological mapping, geochemical and geophysical surveys, hand and excavator trenching and 16 diamond drill holes totalling 6,600 feet. *2,010 m.*

Work by AGC Americas Gold Corp. in 1994 consisted of detailed geological mapping, bedrock and soil geochemistry, 5 line-miles of Induced Polarization survey and 30 diamond drill holes totalling 6,800 feet.

2,070 m.

Regional Geological Setting 80x30

The JD property is situated in the central part of a northwest-trending, 50 x 20 mile belt of early Jurassic volcanic rocks known as the Toodoggone formation.

The Toodoggone volcanic assemblage is host to a number of epithermal gold-silver deposits which occur as fissure veins, quartz stockworks, breccia zones and areas of silicification. Principal ore minerals include argentite, electrum, native gold and silver and lesser chalcopryrite, galena and sphalerite.

Four of the known deposits in the Toodoggone River area have been exploited in the recent past. Foremost of these were Baker mine which yielded 37,606 ounces gold and 742,117 ounces of silver from 77,000 tons milled and Cheni mine which had reserves prior to mining of 1 million tons grading 0.20 oz/ton gold and 4.35 oz/ton silver (Figure 2).

Property Geology and Mineralization

The JD property is underlain by a north to northwest-striking, shallow to moderately northeast-dipping sequence of Toodoggone formation volcanic rocks. Two principal lithologic units are separated by a northwest-trending low angle fault with a known extent of 2 miles (Figure 4). Mafic and felsic dykes cut the older volcanic rocks.

Past work has identified a number of mineralized zones in the central property area. Most of these are within or proximal to the low angle fault structure (LAF) and are characterized by the presence of galena, sphalerite, chalcopryrite and variable native gold and silver. Several styles of mineralization include steeply-dipping quartz-carbonate-sulphide veins (Gasp, MVT, Eos zones), zones of silicification and clay mineral alteration within and adjacent to the LAF (Gumbo, JC, JD West zones), breccia zones developed at intersections between high-angle faults and the LAF (Schmitt, Ag-Carbonate, Woof zones) and structurally controlled silicified zones (Finn zone).

AGC's 1994 surface program was directed to the examination of potential extensions to the low angle fault and to the assessment of lesser explored mineralized zones. This work included sampling of the Woof zone (Figure 4) where previous grab samples had returned values of up to 2.297 oz/ton gold. Two 1994 grab samples assayed 0.771 and 2.794

oz/ton. The Woof zone is 1,600 ft. west of the Schmitt zone where selected samples from a float train assayed up to 9.454 oz/ton gold and 178 oz/ton silver.

Several new zones were discovered during the 1994 geological mapping/prospecting program including the Tarn, Crown, Belle and Vent zones in the southeastern property area (Figure 4). A 1.6 ft. chip sample from the Tarn zone yielded 0.363 oz/ton gold and 2.51 oz/ton silver.

Soil geochemistry has identified five zones with anomalous gold (+140 ppb) values. Four of these are arrayed in a west-northwest linear pattern over a distance of 2 miles (Figure 5). The three easternmost of these represent downslope dispersion of, and possible extensions to, several known mineralized zones notably the Schmitt, Ag-Carbonate, JD West, Gumbo, Gasp and Finn zones. Limited Induced Polarization surveys indicate that these anomalous zones are also reflected by partially coincident resistivity and chargeability highs. The westernmost anomalous area, which includes the Woof and Creek zones, may also be reflecting as yet undiscovered mineralization along the northwestern extension of the low angle fault. A fifth, linear gold in soils anomaly in the northeast part of the area sampled trends northeasterly and may represent a high-angle structure oblique to the west-northwest trending low angle fault.

Previous work on the Gumbo zone (Figure 4), which included trenching and limited diamond drilling, indicated gold values of up to 1.30 oz/ton over widths of 15.5 ft. Seven of fourteen holes drilled in 1994 intersected narrow (>6.5 ft.) sections with grades of between 0.047 and 0.274 oz/ton gold.

A two-phase, 17 hole (3,285 ft.) program on the Finn zone returned extremely encouraging results. This program tested the zone over a strike length of 600 ft. and a down-dip interval of between 100 and 130 ft. Fifteen of the seventeen holes, drilled from six sites at 50 ft. centres within the western two-thirds of the tested strike length (Figure 6), included "discovery hole" JD-94-18 which returned 0.385 oz/ton gold over a 29 ft. interval.

Finn zone drilling results (summarized in Appendix I) partially defined a moderately north-dipping, 45 ft. thick zone over a strike length of 375 ft. with a weighted average grade of 0.128 oz/ton gold. Better gold grades are contained within the upper (hangingwall) and lower (footwall) parts of

the overall zone.

Weighted average grades (including values of +0.10 oz/ton) are 0.193 oz/ton over an average width of 12.5 ft. for the upper sub-zone and 0.245 oz/ton over an average width of 10.2 ft. for the lower sub-zone. The intervening area or central part of the overall zone, which contains lower gold grades ranging from 0.014 to 0.052 oz/ton, has a weighted average grade of 0.029 oz/ton over an average 22.7 ft. width.

Potential of Finn Zone

Drilling to date indicates a possible resource which is summarized on the following table. These initial estimates have been calculated by section using uncut gold grades and an assumed tonnage factor of 12.

<u>Sub-Zone</u>	<u>Strike(ft)</u>	<u>Width(ft)</u>	<u>Down-Dip(ft)</u>	<u>Tons</u>	<u>Au(oz/ton)</u>
Upper	375	12.5	95	40,458	0.193
Central	375	22.7	112	78,292	0.029
Lower	<u>375</u>	<u>10.2</u>	<u>127</u>	<u>44,271</u>	<u>0.245</u>
	375	45.4	111.3(ave)	163,021	0.128

The Finn zone is open along strike and to depth. One of two holes drilled some 220 ft. to the east intersected 4 ft. grading 0.281 oz/ton and it is significant that some of the better gold grades encountered were from the two westernmost holes drilled. Further evidence that only part of the zone has been tested to date is the fact that it is situated at the northern margin of a 1600 x 800 ft. gold in soils anomaly (Figure 5) which contains values averaging several hundred ppb gold and ranging up to 3850 ppb.

The relatively shallow dip of the zone and the nature of the surrounding terrain suggest that should sufficient tonnages of good grade material be proven up, they may be amenable to open pit mining methods. A mill facility remains in place at nearby Cheni mine. Road distance from the Finn zone via the most practical route would be in the order of 20 miles and would require about 14 miles of new road construction.

AGC Americas Gold Corp. is in compliance with environmental and reclamation permitting and bonding as currently required for mineral exploration programs by British Columbia government agencies.

Conclusions and Recommendations

Results obtained from work to date on the JD property are considered to be encouraging and a major exploratory program is warranted for 1995. It is recommended that the major thrust of an initial phase of work be directed to detailed diamond drilling of the Finn zone to thoroughly assess the distribution of gold grades and the geometry and overall size of the zone. Other known gold-bearing zones along the overall west-northwest trend are worthy of follow-up work by way of detailed geochemistry, geophysical surveys, excavator trenching and preliminary diamond drilling. A second phase of diamond drilling would be contingent on results obtained from first phase work.

Cost Estimate

Phase I

Diamond Drilling - 28,000 ft. @ \$25/ft.	\$700,000.00
Excavator Trenching - \$1600/day x 45 days	\$72,000.00
Rock, Soil Geochemistry - Analytical costs	\$110,000.00
Geophysical surveys - Induced Polarization	\$50,000.00
Field Crew Wages - 90 days	\$229,950.00
Camp Costs	\$135,000.00
Reclamation Costs	\$50,000.00
Permitting and Reclamation Bonding	\$100,000.00
Helicopter Support - 270 hours @ \$850/hour	\$229,500.00
Contingencies	<u>\$233,050.00</u>

Total, Phase I \$1,909,500.00

Phase II (Contingent on results of Phase I)

Additional Drilling (all-inclusive)	\$1,090,500.00
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Total, Phases I and II \$3,000,000.00

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CERTIFICATE

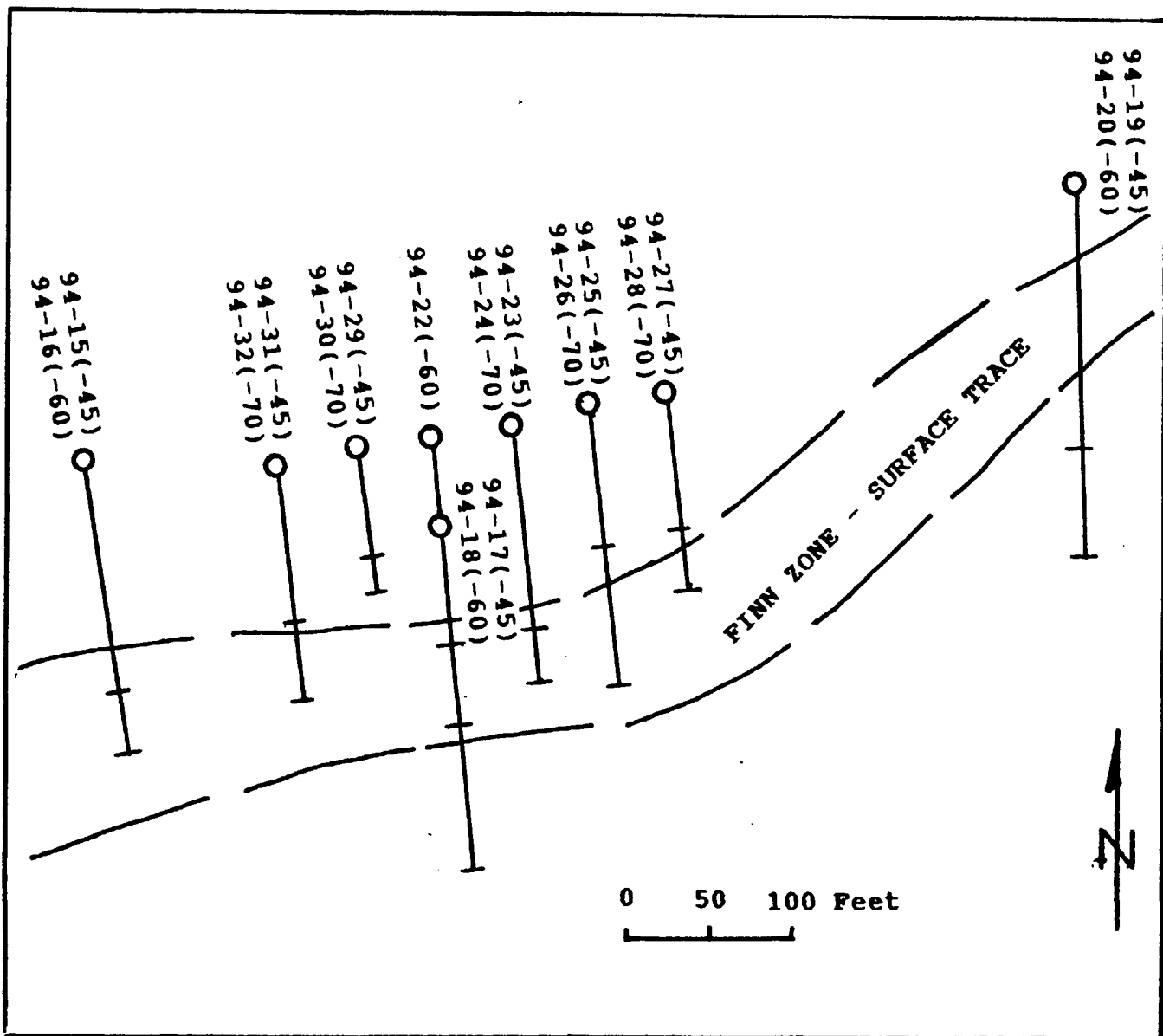
I, NICHOLAS C. CARTER, with residence and business address at 1410 Wende Road, Victoria, British Columbia, do hereby certify that:

1. I am a Consulting Geologist and have been registered with the Association of Professional Engineers and Geoscientists of British Columbia since 1966.
2. I am a graduate of the University of New Brunswick with B.Sc.(1960), Michigan Technological University with M.S.(1962) and the University of British Columbia with Ph.D.(1974).
3. I have practised my profession in eastern and western Canada and in parts of the United States for more than 25 years.
4. I am the author of the foregoing Report on the JD Gold Property, Omineca Mining Division, British Columbia, which is based on my personal knowledge of the property and the general Toadogone River area and on the results of 1994 exploration programs conducted by AGC Americas Gold Corp. which are detailed in a December, 1994 report by R.G. Krause, B.Sc.
5. I do not currently own, directly or indirectly, any interest in the mineral claims comprising the JD property or in the securities of AGC Americas Gold Corp. nor do I expect to receive any such interest.
6. Permission is hereby granted to AGC Americas Gold Corp. to use the foregoing report on the JD gold property in support of any documentation required for filing with various securities or other agencies.

Dated at Victoria, British Columbia, this 17th day of February, 1995:

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CONSULTING GEOLOGIST



AGC AMERICAS GOLD CORP.

DRILL HOLE LOCATIONS - FINN ZONE

JD PROPERTY - TOODOGGONE AREA, B.C.

FIGURE 6