

N.C. CARTER, Ph.D., P.Eng.

Consulting Geologist

1410 Wende Road
Victoria, B.C. V8P 3T5
(604) 477-0419

April 9, 1990

The Directors
Wind River Resources Ltd.
807 - 475 Howe Street
Vancouver, B.C. V6C 2B3

Dear Sirs:

Re: Silver Ghost Mineral Claim
Skeena Mining Division
Terrace Area, British Columbia

Summary and Conclusions

Wind River Resources Ltd. has entered into an agreement with Equity Silver Mines Limited for the purpose of earning a 50% interest in the 20 unit Silver Ghost mineral claim situated north of Terrace, British Columbia.

Previous work within the area covered by the present claim has partially defined a quartz-breccia-sulphide zone containing silver, copper, lead and zinc values over widths of up to 7.5 metres.

An exploratory program, consisting of geological mapping and sampling, geophysical surveys and 1000 metres of diamond drilling, is recommended to further assess the potential of the Silver Ghost mineral claim at an estimated cost of \$108,750.00.

Introduction

The writer examined and sampled the principal showing on the Silver Ghost mineral claim October 17, 1989. A more detailed investigation of the property was undertaken on behalf of the British Columbia Department of Mines and Petroleum Resources in 1969 (Carter, 1970).

Location and Access

The Silver Ghost mineral claim is situated 50 km north-northwest of Terrace, British Columbia at latitude 54°57' North and longitude 128°53' West in NTS map-area 103I/15W (Figure 1).

Access is by 62 km of road from Terrace by way of the main Nass River road along the east side of Kitsumkalum Lake (initial 50 km paved) and logging roads extending north and east from the main road (Figure 2).

The Alice Arm - Stewart power line, which follows the Nass River road, is within 2 km of the property.

Elevations within the claim area range from 235 metres in the Kitsumkalum Valley to 450 metres along the northern claim boundary. The principal mineralized showings are on a bench at 350 metres elevation in the central part of the claim (Figure 3).

Mineral Property

The Silver Ghost mineral claim, registered in the name of John Wesley Moll and subject to an option agreement with Equity Silver Mines Limited, consists of one Modified Grid mineral claim of 20 units in the Skeena Mining Division (Figure 3). Details of the claim are as follows:

<u>Claim Name</u>	<u>Record Number</u>	<u>Units</u>	<u>Expiry Date</u>
Silver Ghost	8040	20	October 3, 1990

One identification post (1S, 0E) was noted by the writer during the property examination and the claim is believed to have been located in accordance with procedures as specified by the Mineral Tenure Act Regulations for the Province of British Columbia.

Previous Work

Mineral showings contained within the present Silver Ghost claim were originally staked in 1913 and the property has been variously known as the Iona, Silver Dollar, Silver Coin, Silver Plate, Silver Cup and Hope Silver. Work in the 1920's included pitting, a 6 metre shaft and a 15 metre adit. High grade ore was reportedly shipped in 1926.

5.4 tonnes grading 40.3 oz/ton silver, 2.8% copper and 5.4% lead were shipped in 1966. The property was acquired in 1969 by Kleanza Mines Ltd. (later Kendal Mining and Exploration Ltd.) and work over the next four years included bulldozer trenching, geophysics and five short diamond drill holes totalling 52.7 metres.

Geological Setting

The Silver Ghost property is underlain by late Jurassic Bowser Assemblage sedimentary rocks which flank the eastern margin of the Coast Plutonic Complex.

This geological setting, between Terrace and Alice Arm, is noted for a number of porphyry molybdenum deposits associated with small granitic stocks which intrude Bowser sediments and for numerous polymetallic vein deposits with values in silver, some gold and base metals.

Property Geology and Mineralization

Bowser Assemblage siltstones and greywackes underlying much of the Silver Ghost claim strike northeast with moderate dips to the northwest. A small stock of Coast granitic rocks intrudes the sediments 600 metres west of the main mineralized zone.

The sedimentary rocks are transected by two parallel, west-northwest striking, steeply south dipping shear zones. Quartz-sulphide veins, 0.3 to 0.6 metre wide, are developed along the shear zones and the area between them at the principal showings is occupied by quartz-breccia-sulphide zones which contain medium to coarse grained sphalerite, galena, chalcopyrite and tetrahedrite.

The exposed width of the quartz-breccia-sulphide zone in a small creek 18 metres northwest of the old adit portal is 7.5 metres. Two samples collected by the writer across the exposed width returned the following results:

<u>Sample Number</u>	<u>Width(m)</u>	<u>Ag(oz/ton)</u>	<u>Cu%</u>	<u>Pb%</u>	<u>Zn%</u>	<u>Au(ppb)</u>
20769	7.5	8.11	0.65	0.77	0.36	31
20770	7.5	7.76	1.33	3.27	0.27	239

Silver results were determined by assaying; copper, lead and zinc by geochemical methods and values reported have been converted from parts per million values. Gold was determined by fire geochemistry.

A 4.6 metres wide zone of quartz-breccia-sulphides in the area of the old shaft 18 metres west of the creek showing is now sloughed; a sample across this zone, collected by the writer in 1969, assayed gold, trace; silver, 12.6 oz/ton; copper, 0.76%; lead, 1.90%; zinc, 6.7%.

Quartz veining and some quartz-breccia-sulphide zones are known to occur in sloughed pits and trenches over a 90 metre interval to the southwest of the principal showings and silver values have been reported from pits and bulldozer trenches 275 metres to the northwest.

Reported gold values from the property range from trace to 0.02 oz/ton. It is not known how much assaying for gold has been done in the past. Similar quartz-sulphide and quartz-breccia-sulphide zones, studied by the writer in the Alice Arm area, are known to have gold values in the 0.03 to 0.56 oz/ton range.

Conclusions and Recommendations

The Silver Ghost claim includes an attractive prospect which features ease of access and proximity to existing infrastructure. Good grades of silver and base metal mineralization are known to occur over significant widths in the area of the principal showings. Areas along strike and to depth are mainly untested.

The property merits additional exploration work including VLF-EM and magnetometer surveys to better define potential strike extensions of the parallel shear zones. This work will involve establishment of approximately 25 km of grid with the baseline oriented parallel to the west-northwest structural trend and cross-lines at 100 metre intervals.

The grid will also provide control for geological mapping and sampling of exposed mineralized zones.

It is recommended that the foregoing surface work be followed by 1000 metres of diamond drilling designed to test the known mineralized zones and potential extensions along strike and to depth.

Some 13 km of original access road, presently overgrown in part, could easily be opened up prior to drilling.

Cost Estimate

Grid Construction - 25 km @ \$200/km	\$5,000.00
Geophysics - VLF-EM and magnetometer surveys- 25 km @ \$150/km	\$3,750.00
Geological mapping, sampling	\$5,000.00
Diamond Drilling - 1000 metres @ \$80/metre (all-inclusive)	\$80,000.00
Contingencies	<u>\$15,000.00</u>
Total	\$108,750.00

N.C. Carter, Ph.D. P.Eng.

References:

- Carter, N.C. (1970): Hope Silver in Geology Exploration and Mining in British Columbia 1969; B.C. Dept. of Mines and Petroleum Resources, pp.70-71
- Duffell, S. and Souther, J.G. (1964): Geology of the Terrace Map-Area, British Columbia (103I E1/2), Geological Survey of Canada Memoir 329, p. 70
- Kindle, E.D. (1937): Mineral Resources of the Terrace Area, Coast District, British Columbia, Geological Survey of Canada Memoir 205, pp.11-13

CERTIFICATE

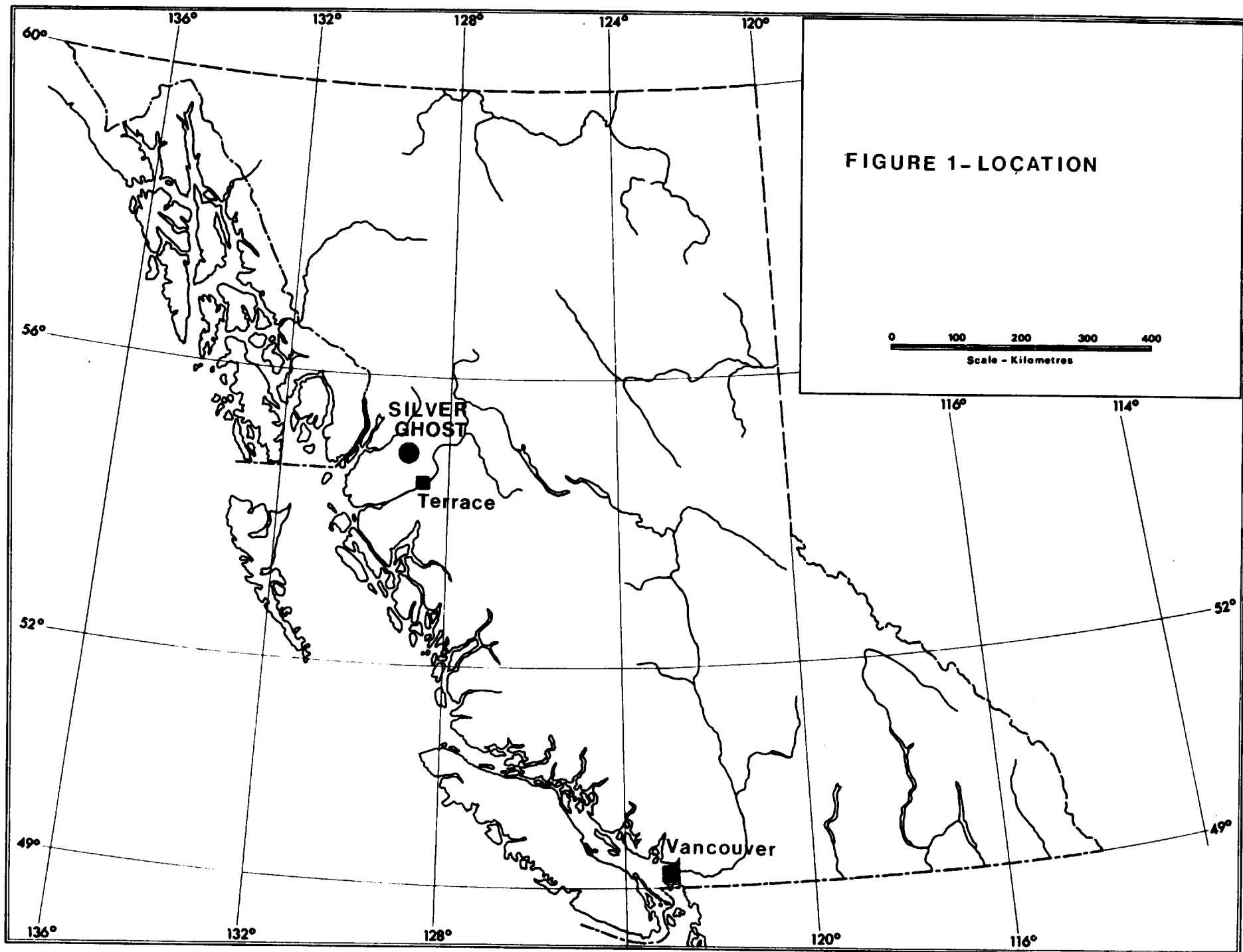
I, NICHOLAS C. CARTER, of 1410 Wende Road, Victoria, British Columbia, do hereby certify that:

1. I am a Consulting Geologist registered with the Association of Professional Engineers 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. The foregoing letter report on the Silver Ghost mineral claim, Skeena Mining Division, British Columbia, is based on a personal examination of the property October 17, 1989, on published information pertaining to the property and its regional geological setting and on my background knowledge of the general area.
5. I hold no interest, directly or indirectly, in the Silver Ghost mineral claim or in the securities of Wind River Resources Ltd.
6. The foregoing letter report may not be used, in whole or in part, for any purpose without the express written consent of the undersigned.

N.C. Carter, Ph.D. P.Eng.

Victoria, B.C.
April 9, 1990

N.C. CARTER, Ph.D., P.Eng.
CONSULTING GEOLOGIST



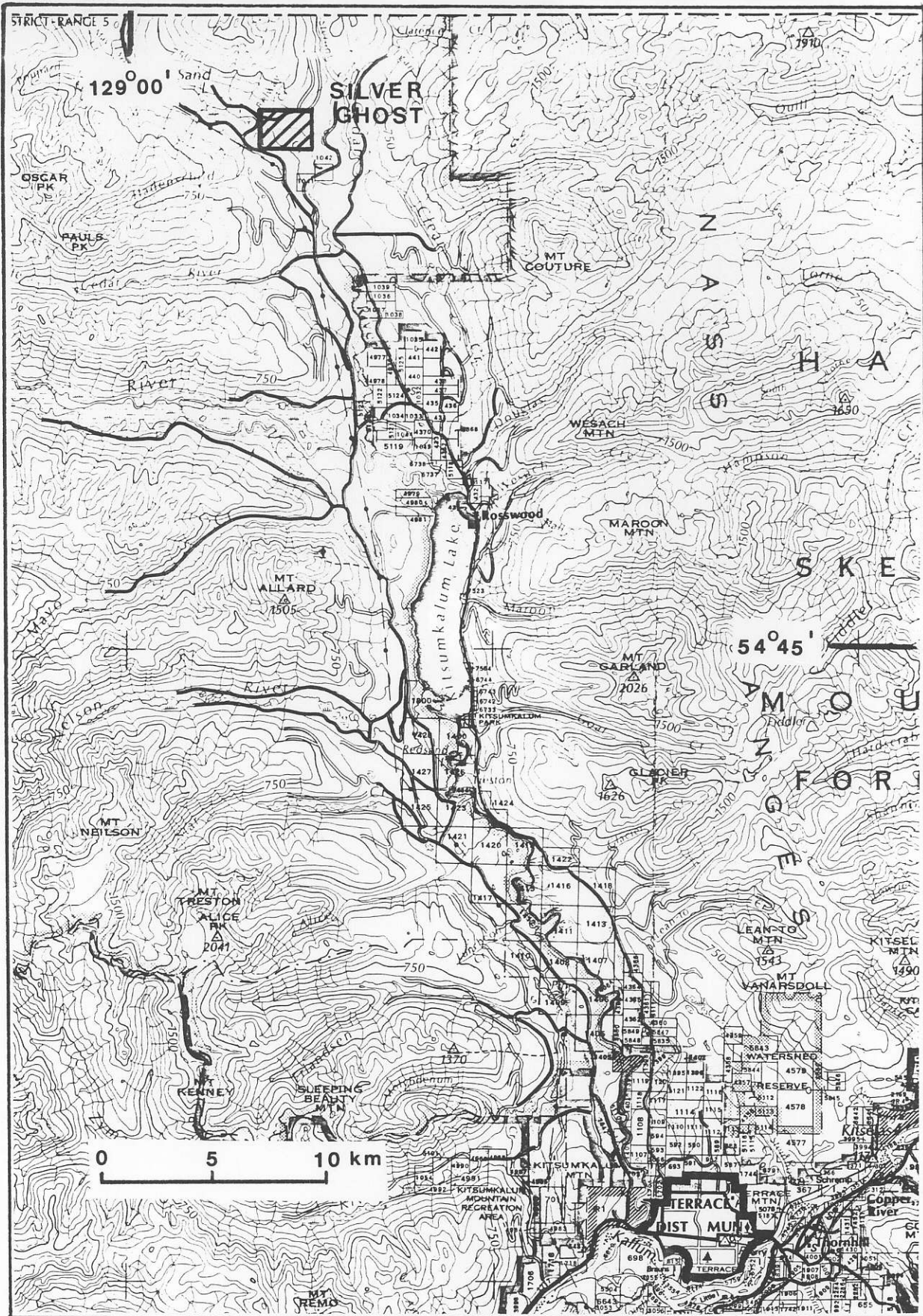


FIGURE 2- LOCATION-SILVER GHOST CLAIM

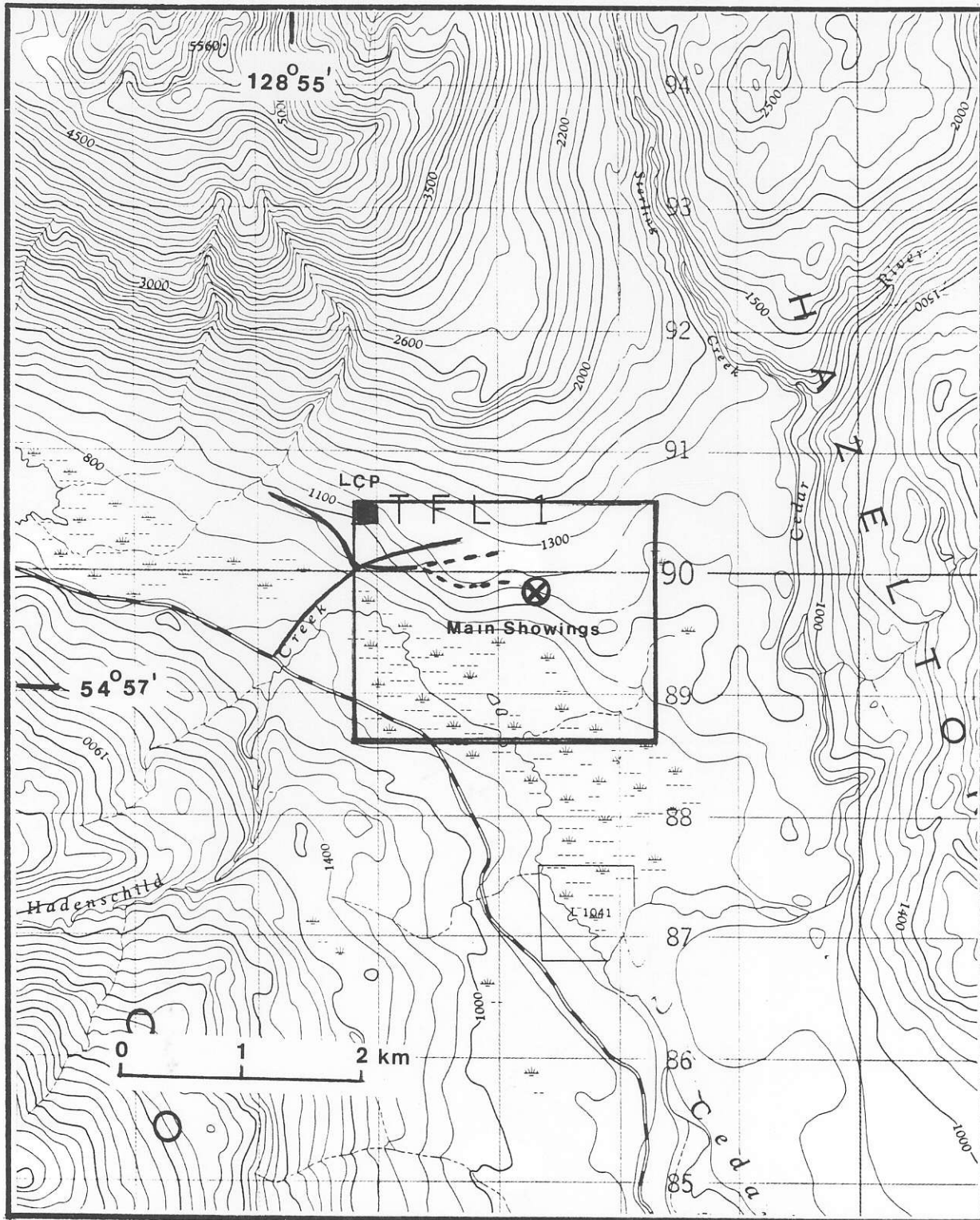


FIGURE 3 - SILVER GHOST CLAIM