SUMMARY REPORT

ON THE

GOOSLY LAKE PROPERTY

Omineca Mining Division British Columbia

FOR

NORMINE RESOURCES LTD.

and

AMIR MINES LTD.

BY

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SUMMARY

Geophysical and geochemical surveys were carried out recently on the Goosly Lake property by Normine Resources Ltd. and Amir Mines Ltd. This work has defined three chargeability anomalies with values up to 10 msec. One of these is coincident with anomalous mercury values in soils.

Mesozoic volcanic rocks, similar to those hosting the nearby Equity Silver deposit, are exposed in several areas of the property. These rocks have anomalous concentrations of mercury and arsenic over a broad area in the central claims and values are similar to those found adjacent to the Equity deposit.

Similar rocks were noted in percussion drill holes on an adjacent claim. Cuttings exhibit variable quartz-sericite alteration and up to 30% iron sulfides over significant hole lengths. Strongly anomalous silver and zinc values are associated with zones of higher sulfide content; best values to date include a 3 metre section grading 1.5% zinc and 1.6 oz/ton silver. The zone as defined by drilling to date appears to trend into the Goosly Lake property.

Results of recent work are considered encouraging and a program of percussion and diamond drilling is warranted.

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INTRODUCTION

Normine Resources Ltd. holds an option on 142 mineral claim units in the Goosly Lake area of west-central British Columbia. A first phase exploratory program of soil geochemistry and VLF-EM, magnetometer and Induced Polarization surveys was carried out in June and July of 1985 by way of a joint venture with Amir Mines Ltd.

This report is based on a review of survey results and on reports to the two companies by Alan J. Wynne, consulting geophysicist, and John J. Barakso, consulting geochemist.

LOCATION AND ACCESS

The Goosly Lake property is situated 95 km southeast of Smithers in west-central British Columbia (Figure 1). Access to the property is by 38 km of good gravel road between Houston and Equity mine. Old logging roads provide access to the north and east parts of the property.

MINERAL PROPERTY

The Goosly Lake property consists of 8 modified grid and 4 2-post mineral claims comprising the equivalent of 142 units in the Omineca Mining Division (Figure 2).

PREVIOUS WORK

The present claims are located over previously held ground which was subjected to only cursory examination following the

N.C. CARTER, Ph.D., P.Eng. CONSULTING GEOLOGIST discovery of the Sam Goosly (Equity) deposit in the late 1960's.

Most recent work in the immediate area was a 40 hole percussion drilling program carried out on the adjacent Sam mineral claim by Faraway Gold Mines Ltd. in late 1984 - early 1985.

1985 PROGRAM

Two grids were constructed with northeast baselines and northwest-southeast cross lines at 200 metre intervals. Survey stations were at 25 metre intervals along the cross lines.

The west grid was designed to further test a broad zone of coincident anomalous arsenic and mercury values indicated by rock geochemistry carried out by the Provincial Ministry of Mines. The east grid was located to explore for a southeast extension of the zone defined by Faraway Gold's percussion drilling program on the adjacent Sam claim.

Time domain IP, resistivity and magnetometer surveys were conducted by Peter Walcott and Associates Ltd., and VLF-EM surveys were carried out by Bema Industries Ltd. All geophysical work was under the supervision of Alan J. Wynne.

Soil geochemistry was carried out over 4 lines on the east grid only. Some 120 samples collected from the B horizon were analysed for arsenic, silver, lead and zinc and roughly twice that number, from the A horizon, were analysed for mercury.

Min-En Laboratories Ltd. performed the analyses and John J.

Barakso did the interpretation of the results.

GEOCHEMICAL RESULTS

Values for silver, lead and zinc are generally low, probably reflecting significant depths of overburden (average depth of 12 metres in percussion drill holes on the Sam claim) and the presence of clay horizons. Two arsenic anomalies (10 - 24 ppm) in the southwest part of the east grid have a pronounced northeast trend. The westernmost of these is roughly coincident with several linear, northeast-trending mercury highs (150 - 250 ppb).

Several parallel mercury anomalies are situated along the boundary of the Sam claim (Figure 3) and may be reflecting a southwest extension of the quartz-sericite-sulfide alteration zone identified on this claim by percussion drilling.

Anomalous fluorine values in rocks envelop the Equity deposit with values of up to 500 ppm. It may be significant that several samples from the east part of the Goosly Lake claims carry similar values.

GEOPHYSICAL RESULTS

A chargeability anomaly of twice background on the west grid, 1000 metres long by 300 metres wide and trending northeast, contains two lobes of higher values (Figure 3). The zone has an apparent steep dip to the east.

Resistivity lows do not correspond to the chargeability highs or weak VLF-EM conductors, suggesting a possible disseminated sulfide source. Magnetics do not show any discernible pattern

on the west grid.

A strong chargeability anomaly, 200 by 400 metres, situated in the southwest part of the east grid (Figure 3), is coincident with an area of lower resistivity. A northwest-trending zone of higher magnetic response lies along the northern edge of the chargeability high and may be reflecting a marked change in lithology, possibly an intrusive. VLF-EM surveys did not detect any obvious conductive zones.

The chargeability high on the east grid is coincident with a zone of northeast-trending mercury anomalies.

The three chargeability anomalies on the two grids are believed by Wynne to have sources at shallow depths of between 30 and 50 metres.

CONCLUSIONS

Four target areas have been defined by geophysical and geochemical surveys to date. These include the two chargeability anomalies on the west grid and the chargeability high and the zones of enhanced mercury values in soils on the east grid.

Geological and geochemical similarities to the nearby Equity Silver deposit are evident and recent percussion drilling on the adjacent Sam claim has defined a hydrothermal system with significant silver and zinc values.

A program of percussion and diamond drilling to further test the target areas defined to date is warranted.

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