

Harris, 1985

21 ZONE

Thomson 1973 (Old Premier)

	Au. oz/t.	Ag. oz/t.	Pb. %	Zn. %
D	17.0'	.07	4.50	
A	97.0'	.01	.47	
P	25.0'	.02	5.76	
F	28.0'	.04	6.20	
M	11.0'	.08	7.20	
J	37.0'	.06	5.53	
N	22.0'	.06	1.30	
K North	73.0'	.06	9.20	
K	29.0'	.10	2.70	
L	35.0'	.07	1.88	

5 ZONE

Cannon 1951

1	9.0'	.08	.95	1.30	3.50
2	7.0'	.04	11.25	23.50	15.0
3	6.0'	.01	1.05	2.80	7.0

Thomson 1973

	10.0'	.027	.91	.46	.01
	12.0'	.014	.40	.24	.10
	10.0'	.003	.47	.16	.20
	3.0'	.019	8.10	19.50	19.30

Harris 1979

5 C	grab	tr	2.83		
	"	.16	5.36		
5 A	grab	.12	1.86		

Peatfield 1975

	11.0'	.033	3.39	4.69	7.60
--	-------	------	------	------	------

3 BLUFFS

Harris 1979

Talus Fines N. End	.03	9.48		
S. End	.02	2.38		

Canadian Expln Ltd.
Oct 1947

#21 OPEN CUT

830717
Blue Ice
083D/12

Previous Work:

Open cutting and diamond drilling by the Premier crew had outlined a mineralized zone running N 25° E, dipping 55 - 80° NE, and averaging 0.05 oz. Au. - 4.27 oz. Ag. across 37.5 feet. This zone outcrops in the surface cuts 21K to 21P. In cut 21R, 60 feet north-east on the line of strike, and in cuts further north-east on the same line, no comparable values were found. Drillhole 47 intersected 0.10 oz. Au. 39.20 oz. Ag. over 16.5 feet, or 7.5 feet horizontal, 60 feet north-west of the shoot outcrop in 21F O.C.

Development:

J.A. Mackenzie, in charge of development work, thought that a transverse fault could have offset the shoot to the north-west on the north. Such a fault would run from just south of the D.D.H. 47 intersection to just north of 21F or 21P O.C. Accordingly, using the known attitude of the zone, its surface outcrop was projected north-east from D.D.H. 47, and 21R O.C. was extended north-west 32 feet. In July plug shots in the floor of the cut disclosed a narrow seam of sulphides-galena, sphalerite, pyrite and tetrahedrite - a picked specimen of which ran 0.24 oz. Au. 287.12 oz. Ag. Values in 4-ft. samples were disappointingly low, the maximum being 3.18 oz. Ag. In August the cut was extended a further 13 feet and more sulphides were uncovered. Wide channel samples showed a 3-ft. band assaying 0.05 oz. Au. 32.02 oz. Ag. This high grade band, consisting of sulphides disseminated irregularly through soft sheared white volcanic rock, runs N 38° E and dips steeply north-west. Sulphides were found in the hangingwall and footwall, partly as disseminations in highly siliceous rock but mainly as clusters in the softer, sheared seam. Moderate values were expected for 4.5 feet in the footwall and 4 ft. in the hangingwall, but the assays showed little more than 1 oz. Ag. Gold values are low, 0.06 oz. per ton or less.

Correlation of these values with those in D.D.H. 47 outlines a body at least 110 feet long, averaging 0.07 oz. Au. - 35.62 oz. Ag. across just over 6 feet. If this is considered a continuation of the 21K - 21P zone, the total length is about 300 feet. A projection of 50 feet at each end into unprospected ground would increase the expected length of the shoot to 400 feet.

14019 1987

DESCRIPTIONS OF SHOWINGS AND WORK

GENERAL

The locations of the various zones are shown on Figure 4. The main showings occur over a horizontal distance of 5000 feet with open extension to the north and south.

Complete descriptions of all the trenching, sampling, diamond drilling, underground work etc. done over the years would be much too voluminous for this brief report. However, the numerous reports, maps, sample plans, drill logs & sections etc. on which these descriptions are based are on file with Consolidated Stikine Silver Ltd. at their corporate offices.

#5 Zone

This zone appears to be a series of massive sulphide pods with heavy pyrite, galena and sphalerite but lower than usual precious metal content. Only a few old pits were cut along the zone over a distance of about 300 feet. A satellite zone, the #23, lies about 700 feet further along strike to the northeast but no information on this section has been found and the trenches are now sloughed.

Surface samples from the old #5 zone trenches show sample widths to 12 feet with the best assay reported from a 7.0' section of 0.04 oz/ton gold, 11.25 oz/ton silver, 23.5% lead and 15.0% zinc (Cannon, 1951). In 1979, the writer obtained grab samples assaying up to 0.16 oz/ton gold and 5.36 oz/ton silver.

Geophysical surveys in 1975 showed the possibility of massive sulphides at depth below the #5 zone. Six short drill holes put down in 1976, TG 1 -5 & 7, intersected light to medium sulphides to 100' depth but did not find an anticipated widening of the sulphide zone. The best drill intersection was from hole TG 1 which cut 3.0' of sulphides at about 100' below surface assaying 0.041 oz/ton gold, 1.90 oz/ton silver, 8.01% lead and 5.36% zinc. Figure 5 shows the location of trenches and diamond drilling.

This zone should be further prospected along strike by surface trenches and shallow drilling followed by deeper drilling as necessary. However, for the present this work should be given a lower priority than work on the #21 and Red Bluff zones.

KV 6	#22 Zone	N 75° E	- 48°	194'		
	Light mineralization.					
KV 7	#22 Zone	S 60° E	- 70°	145'		
	Light Mineralization.					
	Best Section	5.5' - 22'		.14 oz/t Au,		.04 oz/t Ag.

22

Texasgulf

TG 1	#5 Zone	138°	- 45°	61.2 m		
	Light to fair mineralization throughout. Occasional massive sulphide stringers.					
TG 2	#5 Zone	142°	- 60°	41.45 m		
	Light mineralization, occasional fair galena & sphalerite.					
TG 3	#5 Zone	132°	- 55°	21.6 m		
	Did not reach target.					
TG 4	#5 Zone	120°	- 50°	106.1 m		
	Light mineral throughout. Best Section 60.25-61.35 m .019 oz/t Au, 1.30 oz/t Ag.					
TG 5	#5 Zone	148°	- 60°	14.0 m		
	Hole not completed.					
TG 6	Emma Zone	103°	- 45°	84.7 m		
	Very light mineralization throughout.					
TG 7	#5 Zone	298°	- 45°	42.1 m		
	Light mineralization, occasional fair galena & sphalerite.					

Ryan Exploration (U.S. Borax)

R 5	#22 Zone	328°	- 45°	29.26 m		
	Fair mineral to 18 m. Best Section 12 - 13.5 m .03 oz/t Au, 6.0 oz/t Ag.					
R 6	#22 Zone		- 90°	45.11 m		
	Fair to light mineral to 20.0 m. Best Section 4.5 - 6.0 m .02 oz/t Au, 3.3 oz/t Ag.					
R 7	Emma Zone	241°	- 45°	76.8 m		
	Trace to light mineralization throughout.					

14019 1985

Hamis, 1987

HISTORY

The property has had a long history of exploration by various companies since discovery in 1932 by a party headed by Tom McKay. The exploration has been principally directed to locating high grade precious metal mineralization.

- 1934 Unuk Valley Gold Syndicate - surface trenching
- 1935-38 Premier Gold Mines - 10 drill holes totaling 1727' on #21, #22 & #5 zones. Further trenching.
- 1953 American Standard Mines - surface work
- 1963 Western Resources - Drove Emma crosscut and drift for 360'
- 1964 Canex Aerial Expl. - Six underground drill holes from Emma Adit totaling 735'
- 1965-72 Stikine Silver - Extended Emma Drift 265', Trenching on 22 zone.
- 1973 Kalco Valley Mines - Drilled 7 holes totaling 983' on north end of 22 zone.
- 1975 Texasgulf - Geological, E.M., magnetometer survey.
- 1976 Texasgulf - Drilled 7 holes totaling 1225' on #5 & Emma Creek zones.
- 1979 May Ralph Industries - High-graded trenches on #22 zone. Shipped 9.65 tons picked ore.
- 1980-83 Ryan Exploration - Soil & rock geochemical work, drilled 3 holes totaling 496 m on the Emma and #22 zones.
- 1985 Kerrisdale Resources - Geochemical work to north of #21 zone, 2041' of drilling on #21 & #22 zones.

Only two shipments have been recorded although several small test shipments are thought to have been made during the late 1930s. The two shipments were:

- 1971 Stikine Silver Ltd. shipped 1.68 tons picked ore. yeild 0.3 oz gold, 239 oz silver assay 0.2 oz/ton gold, 142.3 oz/ton silver
- 1979 May Ralph Industries shipped 9.65 tons picked ore. yeild 40.62 oz gold, 819.54 oz silver assay 4.208 oz/ton gold, 84.90 oz/ton silver.

Hamis, 1985
 APPENDIX II
 DRILL HOLE DATA
 App. II 1/2
 22

Premier Mines Drilling

P 40	#5 Zone	S 52° 53' E	- 45°	33'		
P 41	#21 Zone	N 68° 19' W	- 9°	50'		
P 42	#21 Zone	N 71° 31' W	- 23°	219'		
					Light mineralization throughout.	
	Best Section	152' - 172'	.06	oz/t Au,	13.23	oz/t Ag.
		163' - 169'	.08	"	34.12	"
P 43	#21 Zone	N 68° 42' W	- 27°	132'		
					Light mineralization throughout.	
P 44	#21 Zone	N 71° 54' W	- 19°	250'		
					Light mineralization throughout.	
	Best Section	107' - 116'	.02	oz/t Au,	2.05	oz/t Ag.
		218' - 221'	.08	"	5.60	"
P 45	#21 Zone	N 69° 11' W	- 25°	254'		
					Light to weak mineralization to 200'	
P 46	#21 Zone	N 69° 58' W	- 22°	250'		
					Light mineralization throughout.	
	Best Section	13 - 17.7'	.02	oz/t Au,	4.58	oz/t Ag.
		64 - 85'	.02	"	1.11	"
		100 - 125'	.01	"	1.32	"
		217 - 238'	.03	"	1.46	"
P 47	#21 Zone	S 70° 40' E	- 63°	222'		
					Good to light mineralization throughout.	
	Best Section	28' - 52.5'	.08	oz/t Au,	27.08	oz/t Ag.
		40.5' - 52.5'	.13	"	52.18	"
		185' - 204'	.03	"	3.08	"
P 48	#22 Zone	N 19° 30' W	- 46°	176'		
					Light mineralization throughout.	
	Best Section	35' - 40'	.01	oz/t Au,	1.72	oz/t Ag.
P 49	#22 Zone	S 44° 48' E	- 45°	141'		
					Light mineralization to 40'	

Kalco Valley Mines

KV 1	#22 Zone	S 60° E	- 45°	250'		
	Best Section	63.7' - 78.2'	.783	oz/t Au,	.10	oz/t Ag.
KV 2	#22 Zone	S 60° E	- 45°	260'		
					Very light mineralization.	
KV 3	#22 Zone	S 60° E	- 45°	68'		
					Hole not completed.	
KV 4	#22 Zone		- 90°	78'		
					Light mineralization.	
KV 5	#22 Zone	S 60° E	- 50°	50'		
					Light mineralization.	

News 1987

8.

#21 ZONE

Along the #21 zone silicified volcanic rocks have been trenched at irregular intervals for about 1200 feet in a north-northeast direction. Brecciation is rare but the rocks are well fractured, usually quartz filled and often containing appreciable tetrahedrite with galena and sphalerite. Figure 5 shows the arrangement of trenches and location of old diamond drill holes along the zone. Much of the mineralized zone is relatively low grade but as the only known trench sampling was done over wide widths, many narrower high-grade sections undoubtedly exist. A few of these were observed by the writer in 1979 but not sampled due to the poor condition of the trenches. Ten trenches sampled by Premier Gold Mines showed quite reasonable values over good widths with the best assay obtained from Trench K where 73 feet of sample ran 0.05 oz/ton gold and 9.20 oz/ton silver.

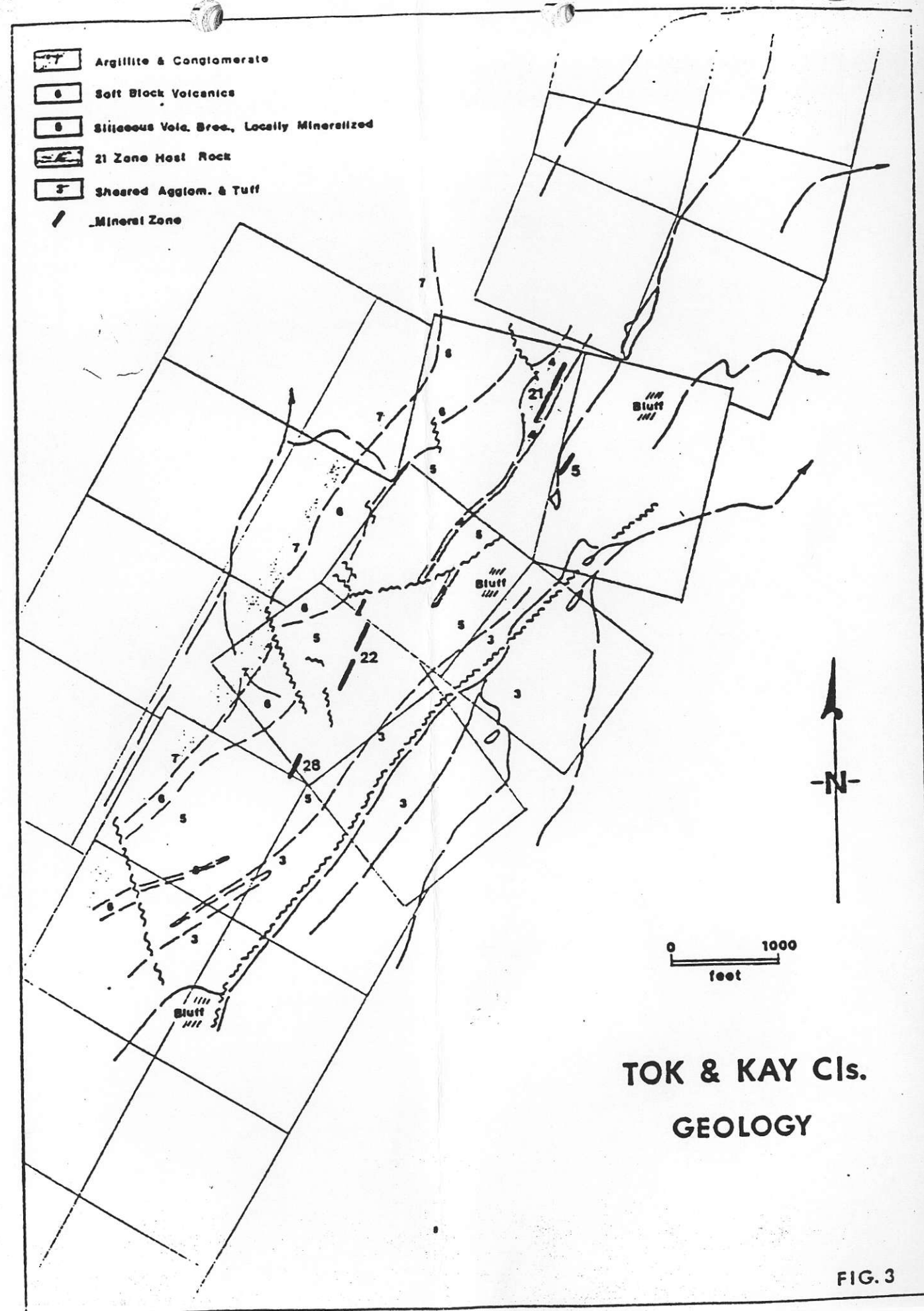
Diamond drilling by Premier Mines showed that mineralization extends to at least 200' depth but only one hole, P 47, reached this depth with the other five holes being much shallower. Also, it is apparent that for the first five holes the dip of mineralization was misjudged and it was only on drilling hole P 47 that the structure was crosscut. The first five holes likely only skirted the footwall of the zone. The dip of mineralization is therefore probably rather flat to the northwest. The best Premier intersections were:

P 42	152' - 172'	0.09 oz/ton gold	12.82 oz/ton silver
P 44	218' - 221'	0.08 " "	5.60 " "
P 47	28' - 52.5'	0.08 " "	27.08 " "

All holes encountered light to medium sulphides throughout.

In 1985, Kerrisdale Resources drilled four holes, K 1 - 4, as shown on figure 5, totaling 1727 feet. These were put down to the north of the old Premier drilling and although no high-grade sections were encountered, the widths and persistence of the lower grade mineralization is quite impressive. Selected drill intervals are shown below:

			oz/ton Ag.	oz/ton Au.
K - 1	-50°	289 - 312.5'	(23.5')	.036
		*	(6.5')	not sampled
		319 - 322	(3.0')	.053
		*	(3.0')	not sampled
		325 - 341	(16.0')	.046
		*	(33.0')	not sampled
		374 - 383.5'	(9.5')	.034
		*	(6.5')	not sampled
		390 - 414'	(24.0')	.035



TOK & KAY CIs.
GEOLOGY

FIG. 3

1/10/87

FIGURE 5

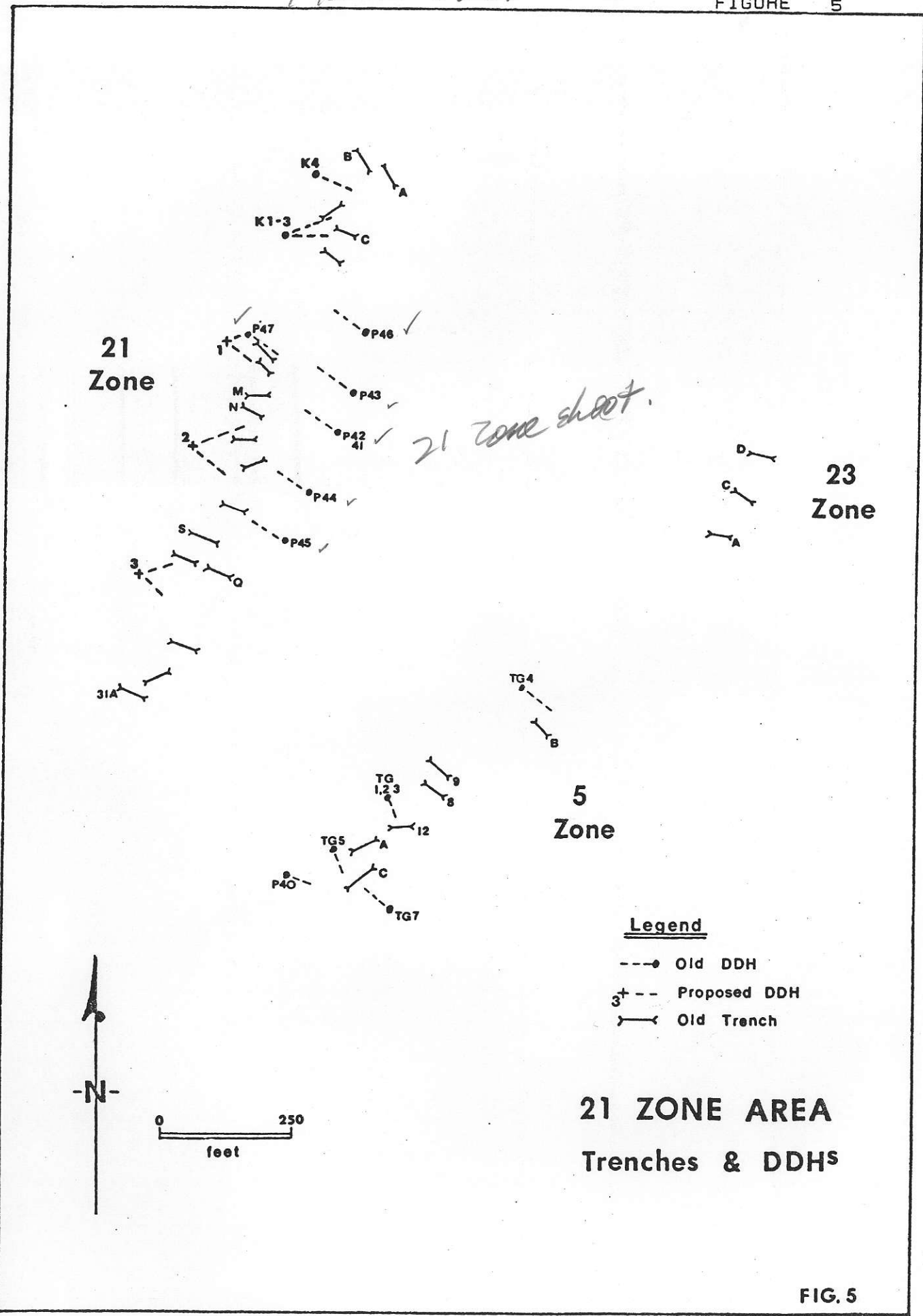


FIG. 5

22

1/10/85

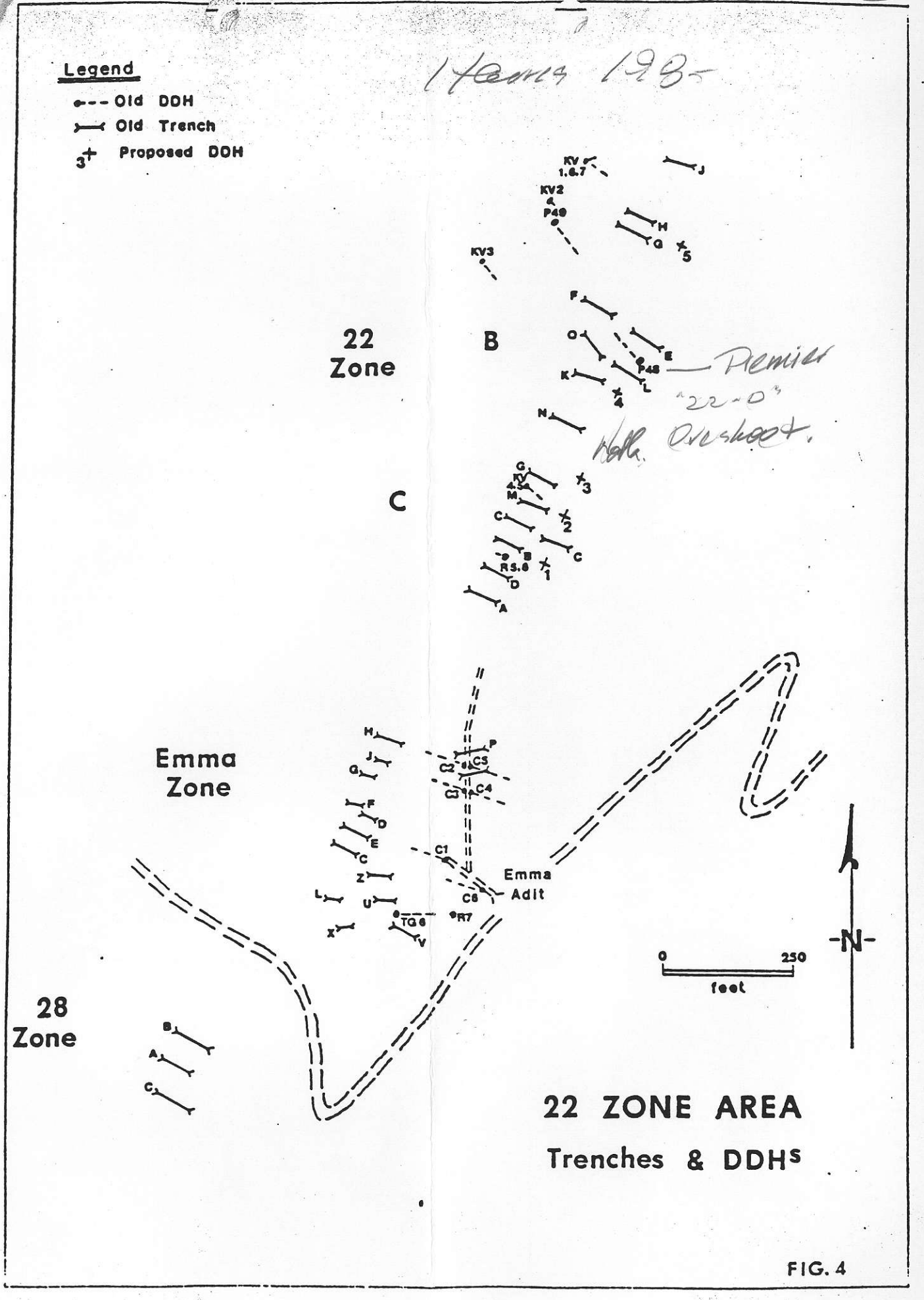


FIG. 4

1/19/87

RED BLUFF ZONE

In 1979, two grab samples of talus fines were taken from high on the talus slope below the Red Bluffs which assayed 9.48 and 2.38 oz/ton silver with low gold values. The Bluffs are a highly pyritized and silicified volcanic tuff cut by numerous shears and fractures. 1985 rock chip sampling, Figure 6, showed only low precious and base metal content but the persistence of values in both the Red Bluff and North Red Bluff areas is highly interesting and diamond drilling is recommended to check these zones at depth for possible feeder systems and structure. Two drill holes totaling 1200 feet should be sufficient to test the potential of these areas. Drill pads for these holes were prepared in 1985.

#22, EMMA & #28 ZONES

These zones consist of sheared rhyolite breccia trending north-northeast possibly associated with volcanic venting in which narrow-vein stockworks of quartz with silver bearing sulphides have been emplaced. A second period of mineralization, probably associated with minor cross faulting, resulted in narrow massive sulphide veining with high gold values. Mineralization is complex in these zones with several sulphides and sulphosalts identified as well as a gold-silver alloy.

To the north the zone terminates at the MacKenzie Fault and has not been found beyond the fault. To the south the #22 Zone probably continues into the Emma and 28 Zones with barren sections and faulting complicating the continuity.

Some 16 trenches have been cut along the #22 Zone along 900 feet of strike. The trenches show widths of up to 40 feet often carrying impressive values in gold and silver over narrow widths. Selected samples have run as high as 11.878 oz/ton gold and 215.74 oz/ton silver while channel sampling has returned up to 3.51 oz/ton gold and 148.8 oz/ton silver over a 3.5' sample width. Similar assays and widths have been reported from the Emma and #28 Zones.

The high-grade shipments made in 1971 and 1979 were mined from the central portion of the #22 Zone in an area of vein stockwork with narrow massive sulphide veinlets.

Despite numerous drill holes by various operators and an exploration adit below the Emma and #22 Zones, the geology and structure of the area is still a puzzle. All of the work to date has been very encouraging, often showing excellent assays, but no clear picture of the structure or controls has emerged and even the dip of mineralization is in question. These zones are therefore considered very important assets but until a thorough study of the geology and structure has been completed, exploration should be confined to detailed mapping with petrographic, alteration and mineralogical studies.

K - 2	-47°	153	- 195'	(42.0')	8.00	.044
		incl. 157.6 - 168'		(10.4')	20.20	.036
		168	- 185'	(17.0')	7.13	.052
		329.8	- 453'	(123.2')		.044
		incl. 365 - 395'		(30.0')		.060
		K - 3	-66°	169	- 174.5'	(5.5')
	*			(1.5')		not sampled
175	- 178.5'			(2.5')	38.4	.124
	*			(31.5')		not sampled
210	- 213.5'			(3.5')	.14	.356
K - 4	-55°	258	- 340'	(82.0')		.03
		139	- 155'	(16.0')	5.35	.13
		incl. 142 - 150.8'		(8.8')	2.23	.20
		145	- 155'	(10.0')	8.24	
		327	- 419.5'	(92.5')		.043

As noted above, some very important sections were not sampled and a review of the drill logs indicates that other important sections may have been missed. Apparently, in many sections mineralization is difficult to recognize therefore the remaining core should be completely split and assayed.

Stream sediment sampling in 1980 indicated that the zone may extend to the northwest past a small lake for perhaps another 2000 feet. Soil sampling by Kerrisdale Resources in 1985 confirmed this possibility a number of anomalous gold, silver, lead and zinc areas. These zones indicate a possible offset to the west of the #21 zone as well as a possible northerly extension of the #5 - #23 structures. Soil sampling should be continued over a greater area and closer spaced sampling done over the more interesting areas.

It is evident therefore that there is considerable potential in this zone for both high-grade sections which might be mined selectively as well as for a large tonnage of lower grade material which might be amenable to open pit mining.

The #21 zone should therefore be further explored by diamond drilling in the area of the old trenches with six holes from three locations more or less as shown on Figure 5. Final drill sites must be determined in the field and a total of 2200 feet of drilling should be budgeted for a First Phase program. Following this First Phase drilling and geochemical surveys a Second Phase of fill-in and step-out drilling may be recommended.