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DOME MOUNTAIN GOLD
-SMITHERS, BRITISH COLUMBIA

Teeshin Resources Ltd.
and
Canadian-United Minerals, Inc.

An
Overview

June 1986

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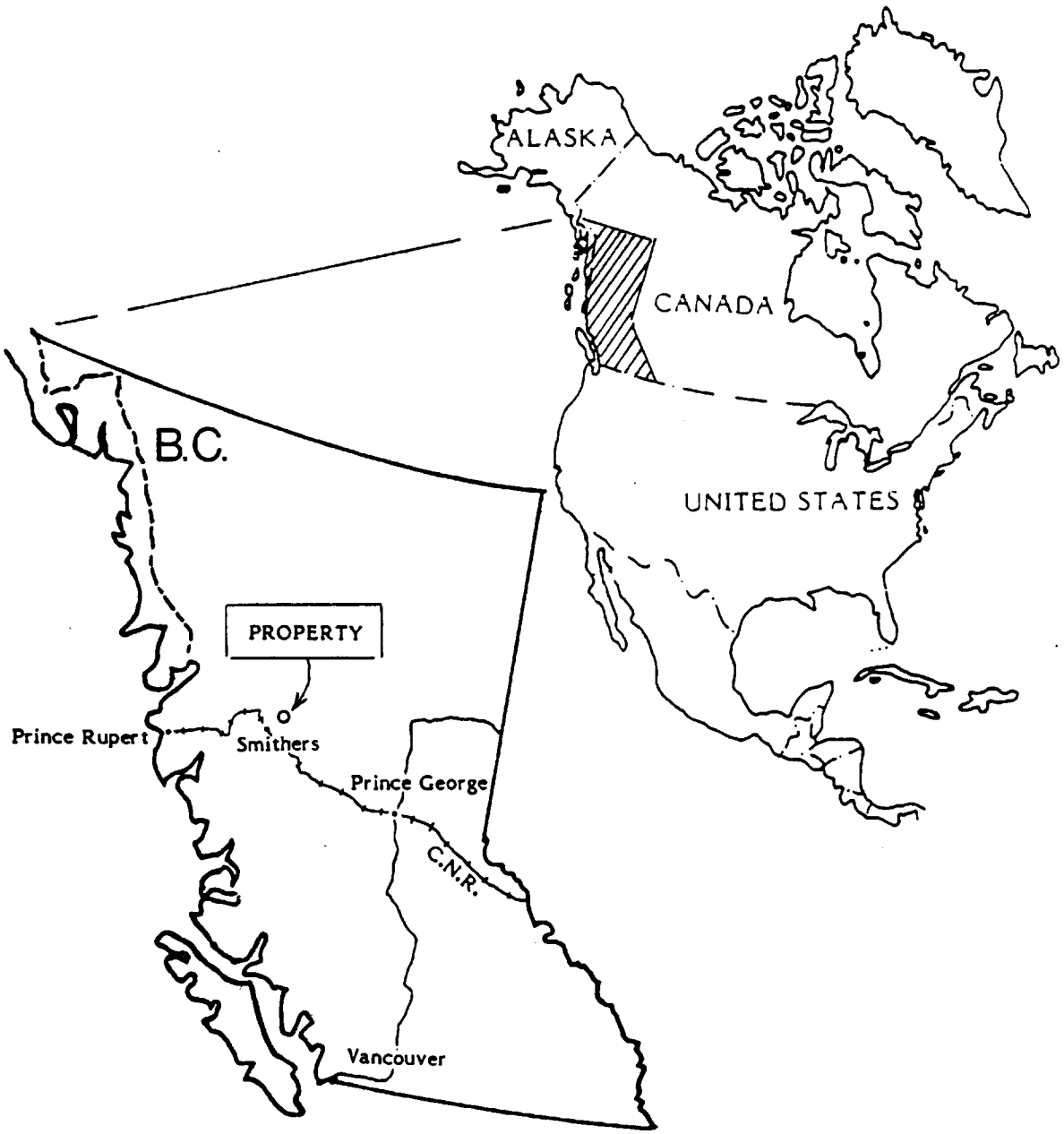
MineStart
Management Inc.

DOME MOUNTAIN GOLD



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MineStart Management Inc.

27 June, 1986

Canadian-United Minerals, Inc.
1108 - 1190 Hornby Street
Vancouver, B.C.
V6Z 2K5

Attention: Mr. L.O. Ostensoe, President

Dear Mr. Ostensoe:

Dome Mountain Gold, Smithers, B.C.

We are pleased to present an overview of your Dome Mountain Gold project.

Our review findings are positive. Your initial drilling programme has so far delineated a gold mineralization zone at Boulder Creek, of some 1400 ft. of vein strike length with dip extension to at least 350 ft. The structure remains open on strike and dip. Within this large resource we have identified a conceptual open pit area of a nominal 100,000 tonnes at 24.0 g/tonne.

This overview presents a preliminary description of some of the various exploration targets and showings on the property; mining possibilities are discussed and the development programme is outlined.

We are now preparing the conceptual plans and these will be issued shortly.

Yours very truly,
MineStart Management Inc.

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
B. A. SLIM

Bryan A. Slim, P. Eng.
Consulting Mining Engineer
President

SUMMARY

The Dome Mountain Gold Project site is located in central British Columbia some 35 km east of the town of Smithers with road access direct onto the property. Canadian-United Minerals, Inc. controls directly or under option 68 contiguous staked claims of 277 units covering some 32,000 hectares of land and includes 33 Crown Grants.

Numerous outcrops and showings have, since the 1920's, attracted investigations from time to time and several old mine workings, shafts and adits attest to values found. In 1985 Canadian-United's follow up of zinc geochemical soil anomalies lead to the discovery of the Boulder Creek deposit. Here a 1986, 51-hole initial drilling programme has already indicated a possible medium dipping brecciated vein structure continuous on strike for an explored length of 400 metres and extending some 100 metres on dip. An initial review of the drilling results indicates a continuous area with a true thickenss of better than 2 m containing an estimated 150,000 tonnes of ore at a gold grade of 17.7 g/t. The vein remains open on strike and dip.

With the vein subcropping within a few metres of surface a conceptual open pit area is estimated to contain some 100,000 tonnes at a gold grade of 24.0 g/t.

A preliminary mineralogical examination has shown the gold occurring on sulphide grain boundaries. The gold is reported as coarse and good liberation could be expected with a reasonable grind.

The 1986 summer programme has already started. An extensive geochem programme is underway and mapping of the first area to show free gold has commenced. Trenching and drill programmes will be starting up very shortly.

DOME MOUNTAIN GOLD

Smithers, British Columbia

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INTRODUCTION

PART 1 - INTRODUCTION

1.1 BACKGROUND

Dome Mountain Gold is a 13,000 acre property covered by contiguous mining claims with gold as the major metal of interest in numerous showings, old workings and several areas showing promise as major structures.

Early in 1985 Canadian-United Minerals, Inc. optioned Dome Mountain from Noranda Exploration Co., Ltd. Such option was founded on Canadian-United's evaluation of a follow-up to zinc anomalies from Noranda's 1984 geochem programme. Some other parcels of land have since been added by Canadian-United.

Additional geochemical surveys by Canadian-United in 1985 led to a 12,000 ft./51 hole drilling programme in early 1986. Canadian-United now holds the Dome Mountain property under joint venture with Teeshin Resources Ltd. The terms of the joint venture appoint Canadian-United as operators.

1.2 PROPERTY

121 CLAIMS

The property comprises 68 staked mineral claims of 277 units including 33 Crown granted mineral claims - see Plate 2.1 for the boundaries.

The claims are either owned by or under option to Canadian-United Minerals, Inc.

122 LOCATION

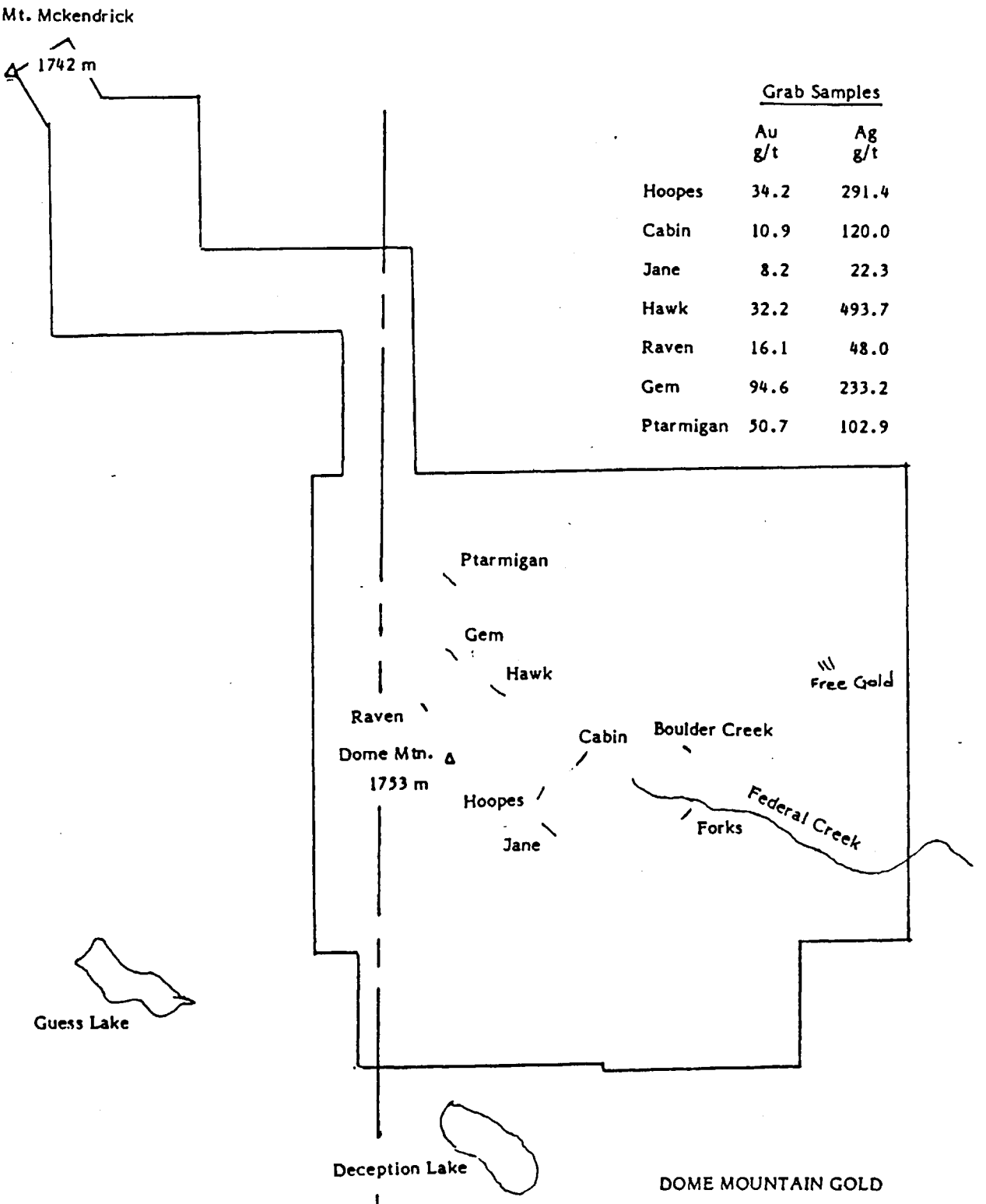
The property centres on Dome Mountain, a distinctive topographic feature in the Babine Range of the Skeena Mountains, roughly 35 km east of Smithers in central British Columbia. The NTS references covering the area are 93 L/10 and 15. NTS co-ordinates are 54° 44' N latitude and 126° 37' W longitude.

123 ACCESS

Access to the Dome Mountain property is by 2-wheel drive vehicle from Smithers over approximately 62 km of roads. From Highway #16 south of Smithers, travel 37 km NE on the Smithers Landing Road then 18 km south on the Chapman Lake Forest Road. A 2 km long gravel road can be followed west to the Freegold showing and up the flanks of Dome Mountain.

124 TOPOGRAPHY

The claim area consists of gentle, rounded, wooded slopes which culminate in the broad, dome-shaped summit of Dome Mountain. Much of the timber is mature, non-commercial forest up to the treeline of 5,000 ft. Elevations on the property range from about 3,500 ft. to 5,753 ft. Some logging has been done in the broad surrounding lowlands. Drainage from the property is towards the Babine Lake, Babine River system to the NE.



Grab Samples

	Au g/t	Ag g/t
Hoopes	34.2	291.4
Cabin	10.9	120.0
Jane	8.2	22.3
Hawk	32.2	493.7
Raven	16.1	48.0
Gem	94.6	233.2
Ptarmigan	50.7	102.9

TO ACCOMPANY REPORT
BY B.A. SLIM P. ENG.
DATED JUN 30 1986

DOME MOUNTAIN GOLD

Teeshin Resources Ltd.
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Canadian - United Minerals, Inc.

CLAIMS and EXPLORATION TARGETS

Province: B.C. Date: June, 1986

Mining Div.: Omineca Plate 2.1

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PROJECT

PART 2 - PROJECT

2.1 GEOLOGY

211 SETTING

The Dome Mountain area is underlain by sub areal and submarine volcanics and sedimentary rocks of the Hazelton Group. These rocks represent a eugeosynclinal island arc assemblage that accumulated in the Hazelton Trough from early to middle Jurassic time.

The group has been divided into three formations, two of which are found on the Dome Mountain property, the oldest Telkwa Formation, is represented as a fragmental volcanic unit consisting of coarse-grained agglomerate, tuff breccia and lapilli tuff. Unconformably overlying this formation is the Nilkitkwa Formation which consists of red volcaniclastic rocks and green to mauve amygdaloidal flows.

These lithologies appear to be folded into a large SE plunging anticlinal structure cut by high angle faults. Rare medium to mafic rich intrusions occur on the property and may represent apophyses of a larger intrusive body which is the cause of an areomagnetic anomally centred on Dome Mountain.

212 MINERALIZATION

The target of the programme is to delineate and develop high grade auriferous quartz veins associated with gold-rich foliated tuffs. Most veins trend N-W or E-W and dip steeply NE and NW. The veins occur in foliated and altered tuffs near the Telkwa/Nilkitkwa Formation contact and vary in width from a few centimetres up to 5 metres. Structurally the veins are either lenticular with local folding and brecciation or are tabular with good continuity and slight variation in orientation, with little deformation.

The vein mineralogy consists of a quartz carbonate and chloritic wallrock gangue which hosts a number of sulphide assemblages. The most significant of these is pyrite, sphalerite, galena, chalcopyrite as it appears to carry the highest gold values. Alteration of the vein and wallrock includes sericite, carbonate-fuchsite silicic and propylitic. Intensity of the alteration does not appear to be proportional to the width of the vein.

213 DEPOSITS

.1 General

Numerous outcrops and showings have, over the last 60 years, been the subject of various small scale mining activities as well as various investigations and samplings. In addition, recent geochemical programmes have highlighted various anomalies.

Results of the preliminary follow up have identified the Boulder Creek deposit as a mining target and the 9800, Freegold and Forks as high priorities for detailed investigations. Plate 2.1 shows the locations of these and other targets. In addition, numerous old reports and documents are currently being reviewed to provide an enlarged data base.

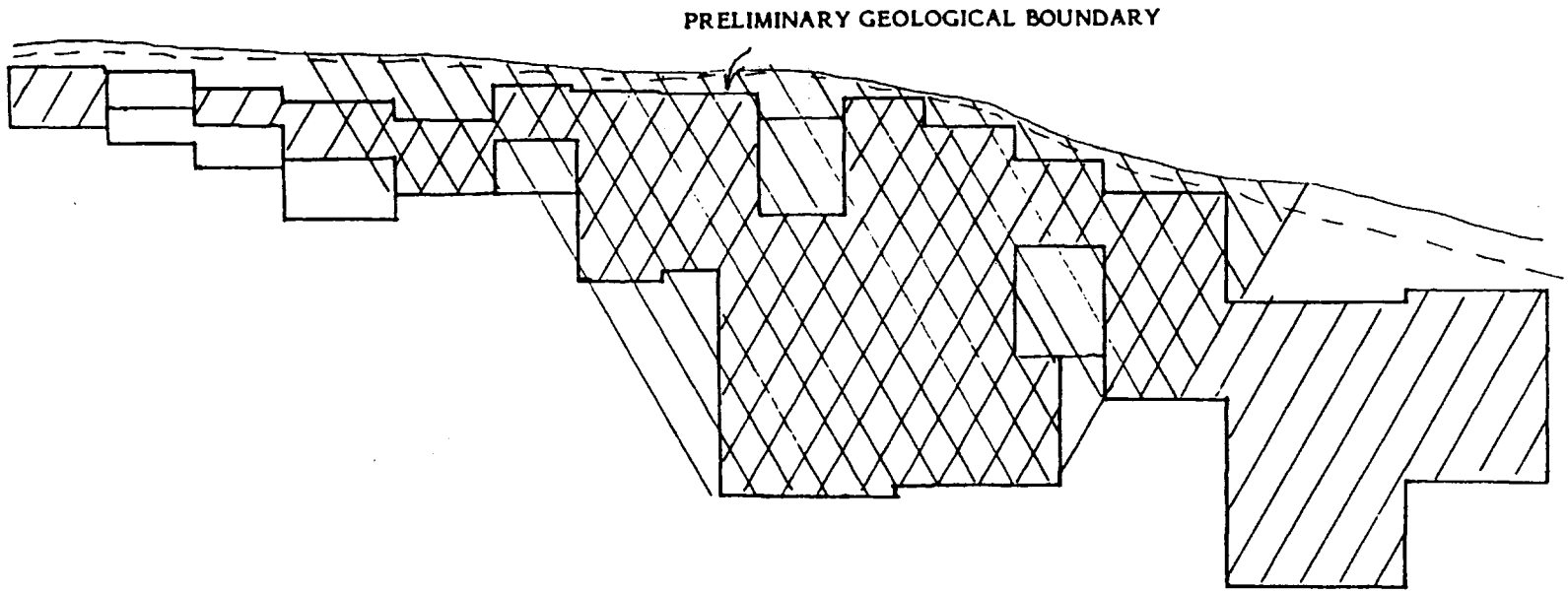
.2 Boulder Creek

The Boulder Creek zone is a new discovery that targetted by a zinc geochem anomaly. Drilling in January 1986 by Canadian-United Minerals identified a significant and continuous gold bearing structure. Gold mineralization occurs in a vein-like structure that strikes roughly east/west and dips 45° to 60° south. The zone has proven to be continuous along a strike length of up to 1,400 ft., with a down-dip extension of approximately 350 ft. and true thicknesses varying from 3 to 20 ft. Drilling has demonstrated that the structure has excellent continuity and it is still open along strike and at depth.

The best gold values occur in sulphide assemblages of pyrite, sphalerite, galena and chalcopyrite within a quartz gangue. The andesitic wallrock consists of an alteration envelope which is typically sericite, carbonate, fuchsite and altered foliated tuff.

.3 Forks

Gold was exploited in underground workings at the Forks showing - a mineralized quartz vein which was exposed in Federal Creek just below the confluence of two small creeks. The vein structure strikes NW and dips gently (15° to 30°) NE and has a true thickness of up to 30 feet. Gold, zinc, lead and silver occur in a quartz vein within a foliated tuff horizon. Galena and arsenopyrite are massive in places. The Forks zone is roughly 1,200 ft. SE of the Boulder Creek zone.



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LONGITUDINAL PROJECTION
- Boulder Creek

Province: B.C. Date: June, 1986

Mining Div.: Omineca Figure 2.1

Mineable

Conceptual Open Pit

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DATED JUN 27 1986

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.4 9800

The 9800 showing is a 1984 discovery targetted from another zinc geochem anomaly. Preliminary trenching was done in 1985 by Noranda. Considerable more exploration is necessary.

The banding of sulphides in this zone exhibits an almost massive sulphide texture. Sphalerite occurs as a reddish-brown colour with fine grained galena pyrite and chalcopyrite in a small percentage of quartz gangue. This zone is 200 m SE of the Forks and it may represent a fault-offset or folded continuation of the Forks zone.

.5 Freegold Area

The Freegold showing is roughly 5,000 ft. NW of the Boulder Creek zone. This is the first showing with native gold on Dome Mountain. Past mining activity included underground drilling and two shafts.

Mineralization occurs in quartz veins within andesite tuffs. Alteration is very weak in the wallrock. Nearby is a small intrusive body of intermediate composition which is believed to be the cause for localizing the quartz and sulphide rich solutions.

214 RESERVES

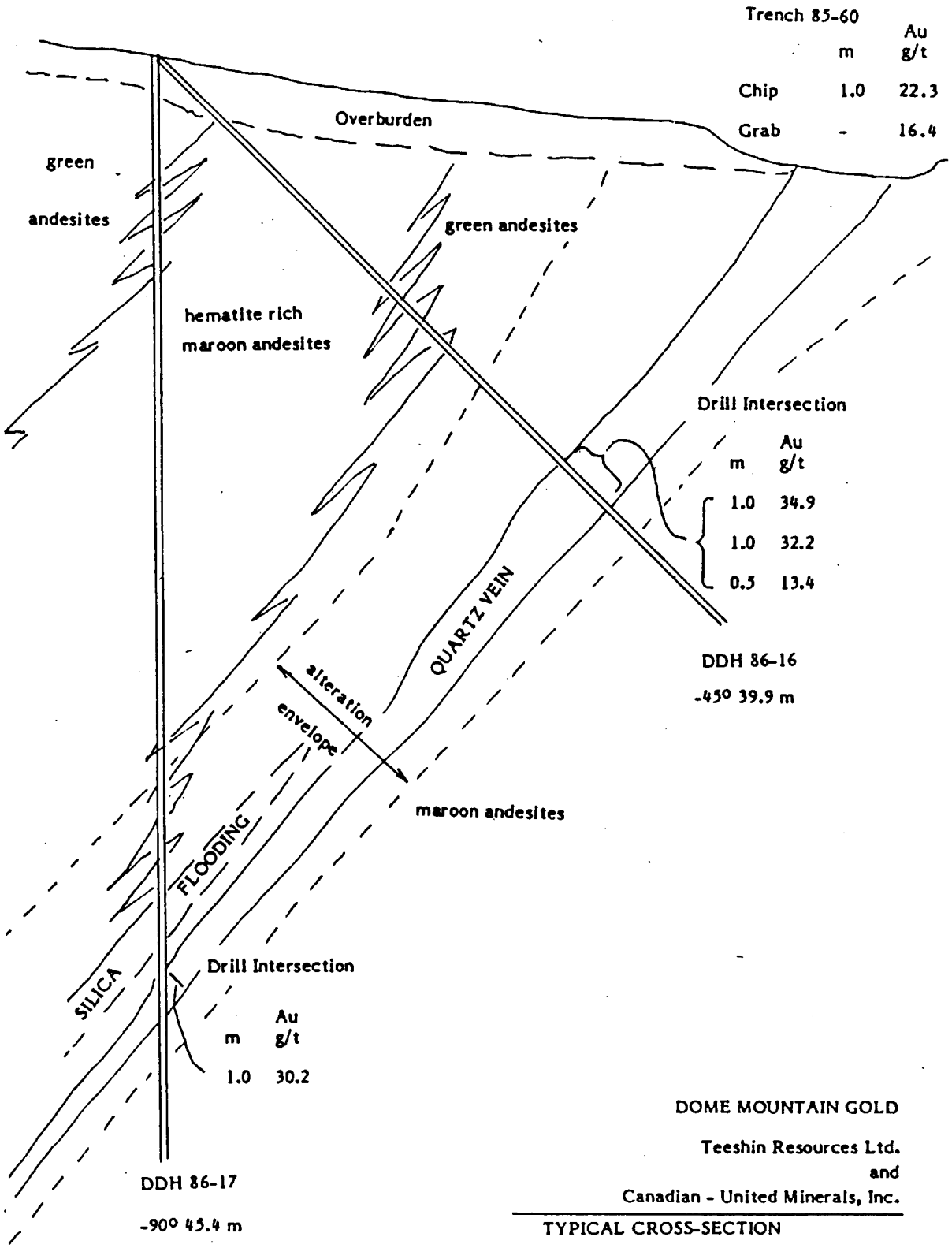
.1 General

Exploration work to date has been sufficient to indicate preliminary reserves in both the Boulder Creek and Forks deposits. Drilling indicates both deposits remain open on strike and at depth.

.2 Boulder Creek

An initial review of the drill results from Boulder Creek has provided two blocked out reserve areas:

- a mineable area, and
- a conceptual open pit



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TYPICAL CROSS-SECTION
- Boulder Creek

Province: B.C. Date: June, 1986

Mining Div.: Omineca Figure 2.2

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- Figure 2.1 illustrates these areas on a longitudinal projection. The estimated nominal reserves for these conceptual areas are:

  - Mineable

    148,000 tonnes at a gold grade of 17.7 g/t

  - Conceptual Open Pit

    100,000 tonnes at a gold grade of 24.0 g/t.

These areas are also illustrated in Figure 2.2 - a horizontal projection of the vein.

.3 Forks

Interpretation and a review of this vein is due shortly.

2.2 THE MINING OPPORTUNITY

221 THE MINE

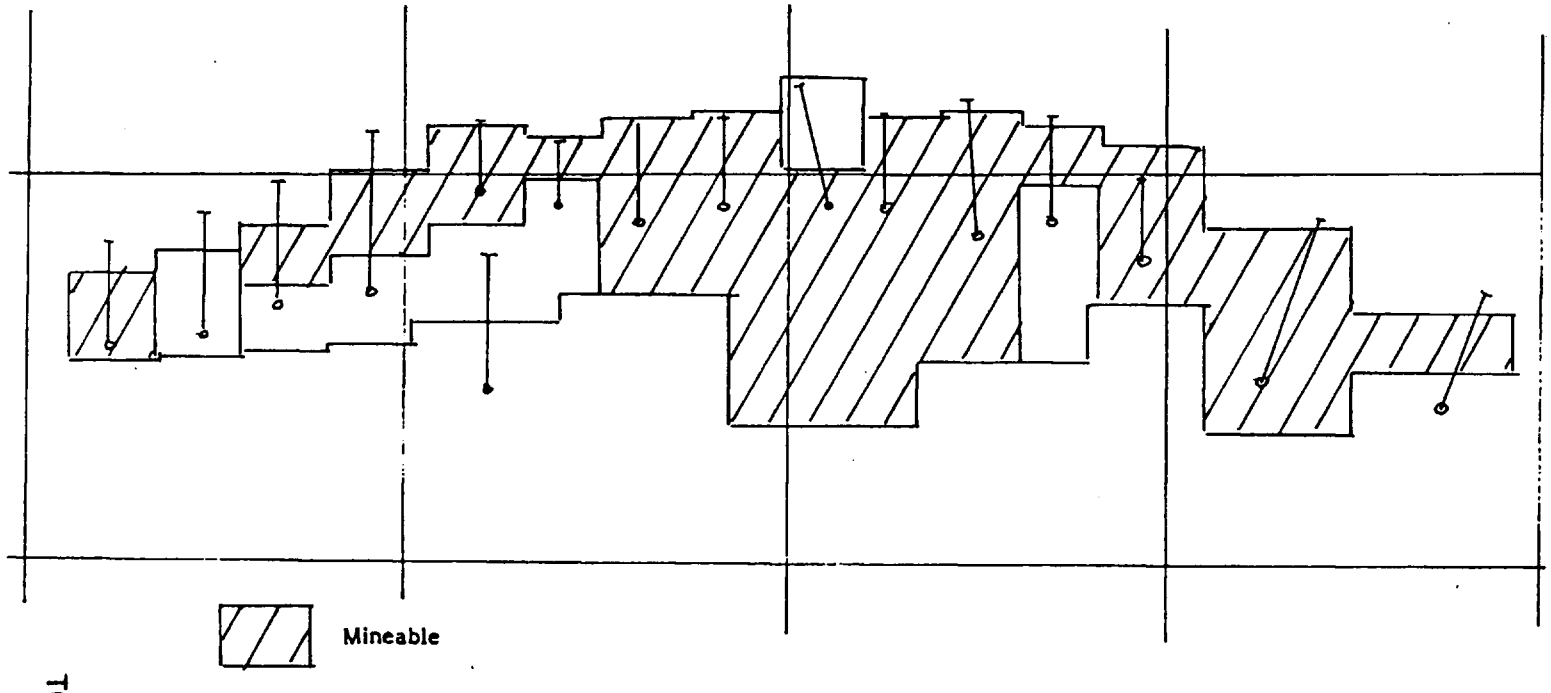
Although more exploration and delineation of the Boulder Creek and Forks deposits is necessary, it is possible to postulate mining alternatives based on the preliminary evaluation of the structures and grade indicated to date for Boulder Creek.

.1 Boulder Creek

Both underground and open pit operations appear applicable. Figure 2.1 - a longitudinal projection of the Boulder Creek deposit - presents two blocked out areas. The larger area marked "mineable" has nominal dimensions of:

- true thickness greater than 2.0 metres (6.2 ft) and
- gold grade greater than 3.5 g/t (0.1 oz/t s ton)

and thus postulated to represent a mining target. At this preliminary stage the cut off dimensions were dictated by the sampling intervals. Mining of the mineable area could be by initial open pit and continued by underground operations at an economic point or alternatively by underground only.



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PLAN PROJECTION
- Boulder Creek

Province: B.C. Date: June, 1986

Mining Div.: Omineca Figure 2.3

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The second blocked out area marked "open pit" delineates, at a conceptual level, a possible open pit area.

.2 Forks

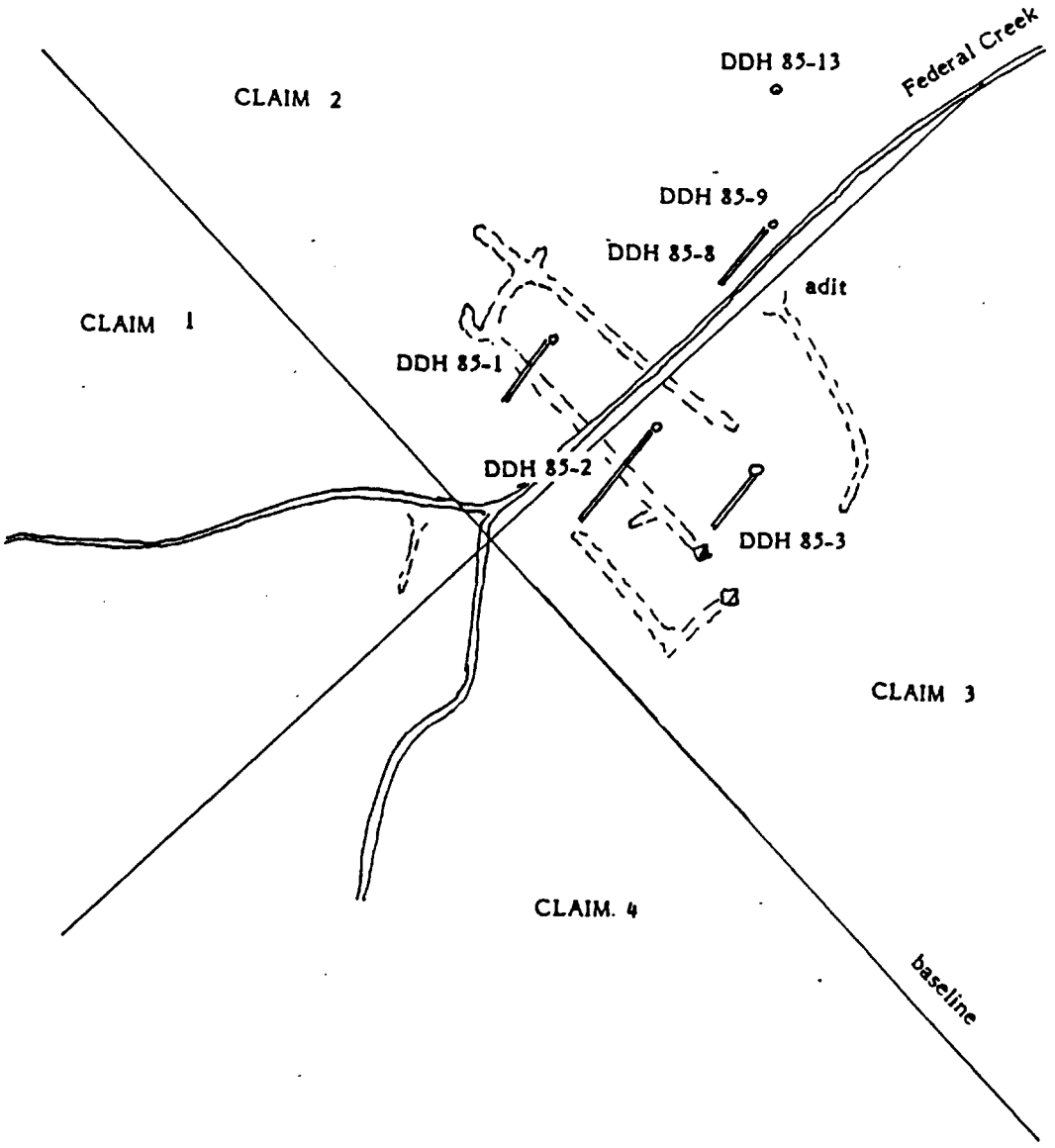
A discussion on a mining system must await the interpretation and evaluation of the drill results.

222 PROCESS

A preliminary mineralogical examination of Dome Mountain samples led to the following conclusions:

> "Nearly all of the gold occurs on sulphide grain boundaries; only a very small percentage of the gold is locked in pyrite and silicate gangue, and no gold is locked in arsenopyrite. Further, the bulk of the gold is relatively coarse (grains $\geq$ 30u constitute 94.1% of the gold) and would be liberated with a reasonable grind. Very good gold recoveries should be possible for ore having the mineralogical characteristics of samples 9349/8350, whether by Pb-Cu-Au-Ag and Zn flotation, by gravity concentration, by cyanidation, or by a combination of these processes."

No metallurgical testing has yet been carried out.



= = = u/g workings

shaft

	m	Au g/t
DDH 85-1	1.15	16.3
DDH 85-2	5.4	17.8
DDH 85-3	1.0	2.2
DDH 85-8	1.0	25.0
DDH 85-9	1.6	71.0
DDH 85-13	1.5	46.0

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DATED JUN 2 7 1986

DOME MOUNTAIN GOLD

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PLAN PROJECTION
- Forks

Province: B.C. Date: June, 1986

Mining Div.: Omineca Figure 2.5

DEVELOPMENT PROGRAMME

PART 3 - DEVELOPMENT PROGRAMME

3.1 GENERAL

The development programme to investigate for a commercial mining operation at Dome Mountain is covering three distinct components:

- ongoing exploration of the numerous geochem targets, former workings and showings,
- detailing of the Boulder Creek deposit, and
- investigation of the infrastructure required at Dome Mountain.

3.2 EXPLORATION

321 FORKS

A detailed review of the data base (which includes some 20 drill holes) on this deposit will determine the next stage of exploration. The opportunities of examination from the underground workings will be considered.

322 FREEGOLD

A programme of mapping followed by trenching and drilling will be carried out. Again examination from underground workings may be possible.

323 9800

A trenching and mapping programme is planned.

324 OTHER SHOWINGS

Numerous other showings known to exist on the property will be prospected, mapped, sampled and then priority rated as to which will receive more detailed investigation such as trenching and drilling.

An extensive geochem. sampling program is currently underway on the property to provide fill-in sampling between Noranda's grid. This is expected to generate more target areas that can be followed up with trenching in the fall.

3.3 BOULDER CREEK

331 RESERVES

A programme of trenching of subsurface outcrop and drilling is called for. Depending on the evaluation of the presently identified vein structure the further drilling will be either surface or from an underground exploratory adit.

332 MINEABILITY

The evaluation of the deposit as currently delineated will provide conceptual approaches for mining systems. Further geological information plus field investigation will provide data for detailing. A feasibility study will determine the appropriate system.

333 PROCESS

Preliminary ore characterization test will be carried out on core samples. This and petrological studies will investigate for homogenity of the deposit. Some cores from the next drilling phase will provide material for testing for preliminary flow sheet investigations; bulk samples for detail design could come from an exploratory adit.

3.4 INFRASTRUCTURE

Site investigations for dumps, tailings ponds, mill-sites, water supply and the like will be carried out this summer. The investigation will, naturally, encompass the necessary environmental factors.

ENGINEER'S CERTIFICATE

ENGINEER'S CERTIFICATE

I, Bryan Slim do hereby certify that:

1. I am a Consulting Mining Engineer and maintain an office at 1763 Scott Road, North Vancouver, British Columbia, V7J 3J4, Canada.

2. My qualifications and professional associations are:

   - B.Sc. Mining Engineering, University of London
   - A.R.S.M. Associate of the Royal School of Mines
   - Mine Managers Certificate of Competency, Republic of South Africa
   - a member of the Association of Professional Engineers in the Province of British Columbia, Canada
   - a member of the Association of Professional Engineers in the Province of Alberta, Canada
   - a Chartered Engineer in England
   - a member of the Institution of Mining and Metallurgy
   - a member of the Canadian Institute of Mining and Metallurgy
   - a member of the American Institute of Mining, Metallurgical and Petroleum Engineers.

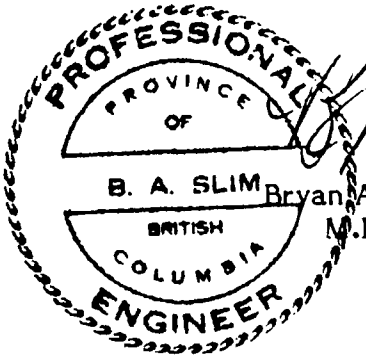
3. I have been professionally active in my career in Africa, Canada and the United States since 1963.

4. This report was compiled from reports and discussions as noted. I visited the property June 4, 5, 6, 1986.

5. I have no direct or indirect interest in the property, nor the securities of Canadian-United Minerals, Inc.

6. I consent to the use by Canadian-United Minerals, Inc. of this report in full.

Signed, sealed and dated at Vancouver, British Columbia this 30 day of June, 1986.



Bryan A. Slim, B.Sc., A.R.S.M.
M.I.M.M., C. Eng., P. Eng.