

MEMORANDUM

Date: February 1, 1989

To: Waldo W. Ejtel, President  
International Coast Minerals Corporation

From: David J. Pawliuk, Consulting Geologist

Re: DESCRIPTION OF BUSINESS OF  
INTERNATIONAL COAST MINERALS CORPORATION

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I wish to make the following statements concerning the Giant Bear mineral claim belonging to International Coast Minerals Corporation and associated companies:

Giant Bear

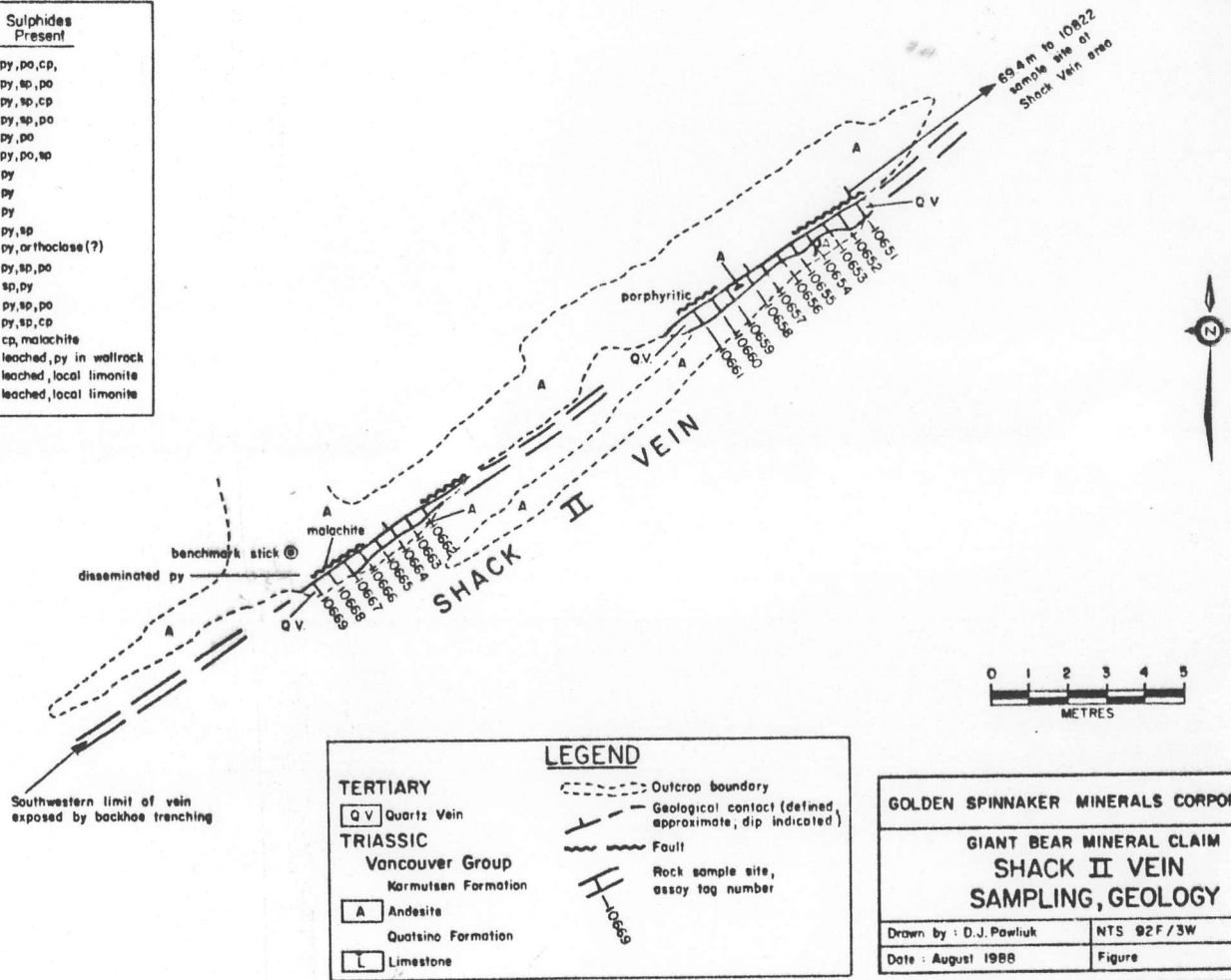
The gold- and silver-bearing Shack II (Shack) Vein at southeastern Giant Bear mineral claim has been tested by diamond saw channel sampling and by diamond and rotary hammer drilling during 1988. The vein contains an estimated 24,780 metric tonnes of probable or possible ore grading approximately 0.701 ounces gold per metric tonne. The reserves in the probable category have been estimated to a depth of 54.9 m down dip and those in the possible category to a depth of 184 m down dip. The gold to silver ratio is roughly 1:3. Gold, silver and associated sulphide minerals are erratically distributed within the vein.

Shack II (Shack) Vein is open along strike to the southwest within Giant Bear mineral claim and is also open at depth. Shack II (Shack) Vein is the southwestern extension of Shack Vein exposed to the northeast within Captain Hook mineral claim.

In order to define the metallurgical parameters of the ore, and to obtain a more accurate grade estimate than can be provided by channel samples and drill hole intersections, I recommend bulk sampling and pilot plant processing of the vein material.

  
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 David J. Pawliuk, P. Geol.

Assay Tag Number	Gold oz./ton	Silver oz./ton	Sample Width(m)	Sulphides Present
10651	.840	2.05	0.51	py,po,cp,
10652	1.934	4.38	0.58	py,sp,po
10653	1.800	2.24	0.40	py,sp,cp
10654	1.964	2.84	0.40	py,sp,po
10655	2.36	.55	0.36	py,po
10656	.762	.79	0.42	py,po,sp
10657	.438	1.07	0.36	py
10658	.254	.37	0.70	py
10659	.068	.29	0.50	py
10660	.150	.51	0.36	py,sp
10661	.190	.18	0.36	py,orthoclase(?)
10662	.240	1.00	0.40	py,sp,po
10663	.364	.60	0.42	sp,py
10664	.284	1.28	0.45	py,sp,po
10665	.160	1.60	0.43	py,sp,cp
10666	.604	1.08	0.55	cp,malachite
10667	1.616	.64	0.49	leached,py in wallrock
10668	.042	.07	0.54	leached,local limonite
10669	.014	.07	0.55	leached,local limonite



**GOLDEN SPINNAKER MINERALS CORPORATION**

**GIANT BEAR MINERAL CLAIM**  
**SHACK II VEIN**  
**SAMPLING, GEOLOGY**

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Drawn by : D.J. Pawliuk      NTS 92F/3W  
Date : August 1988      Figure