



MEMORANDUM

860489

TO: Brian Robertson, Mine Manager
FROM: Trevor Wall, Mine Geologist
DATE: 93-06-01

RE: Dual claims porphyry copper prospect

Location and Setting

The Dual claims are situated approximately 50 kilometres south west of Houston. The property is accessed by way of the Morice, Nadina and Dual Lakes forestry roads, the latter of which transects the property. The area is known to host several copper-gold porphyries, and is flanked by two well known occurrences; the Poplar Lake porphyry 5Km to the north, and the Nanika Lake porphyry 9Km to the south.

Property History

On September 16, 1992 road building in the Dual Lakes area uncovered a galena-barite vein north of the Nadina River near Newcombe Lake. This showing was brought to the attention of Bob Hamblin by the discoverers Messrs Shelford, Shelford and Madigan. The four made a joint agreement and Hamblin, being most familiar with mineral exploration acted on behalf of the group to promote the property. Hamblin asked Equity Silver Mines Ltd. if they would visit the property and assess the mineral showing. Daryl Hanson, on behalf of Equity visited the property and recommended the area be staked promptly. Equity contracted the services of Hobson Contracting Ltd. of Smithers, and on September 18 through 22, 1992, the Dual claims 1, 2, 3 and 4 were staked. Equity recorded these claims in Hamblin's name on October 7, 1992 and paid the recording fee. In return for staking, assaying and professional assessment, a *Right of First Refusal* was granted to Equity by the group promoting the property. On March 22, 1993 two more 20 unit claim blocks were added to the property and called the Dual 5 and 6. In early May 1993, prospecting on the claims by members of the Hamblin group uncovered significant copper mineralization in both a quartz monzonite stock and the surrounding volcanic country rocks. Two rock specimens collected from within the volcanics with copper mineralization were run in the Equity lab and assayed as follows:

Sample #	% Cu	g/t Ag	g/t Au
38029	1.58	12	0.43
38031	0.55	16	0.72

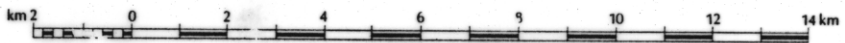
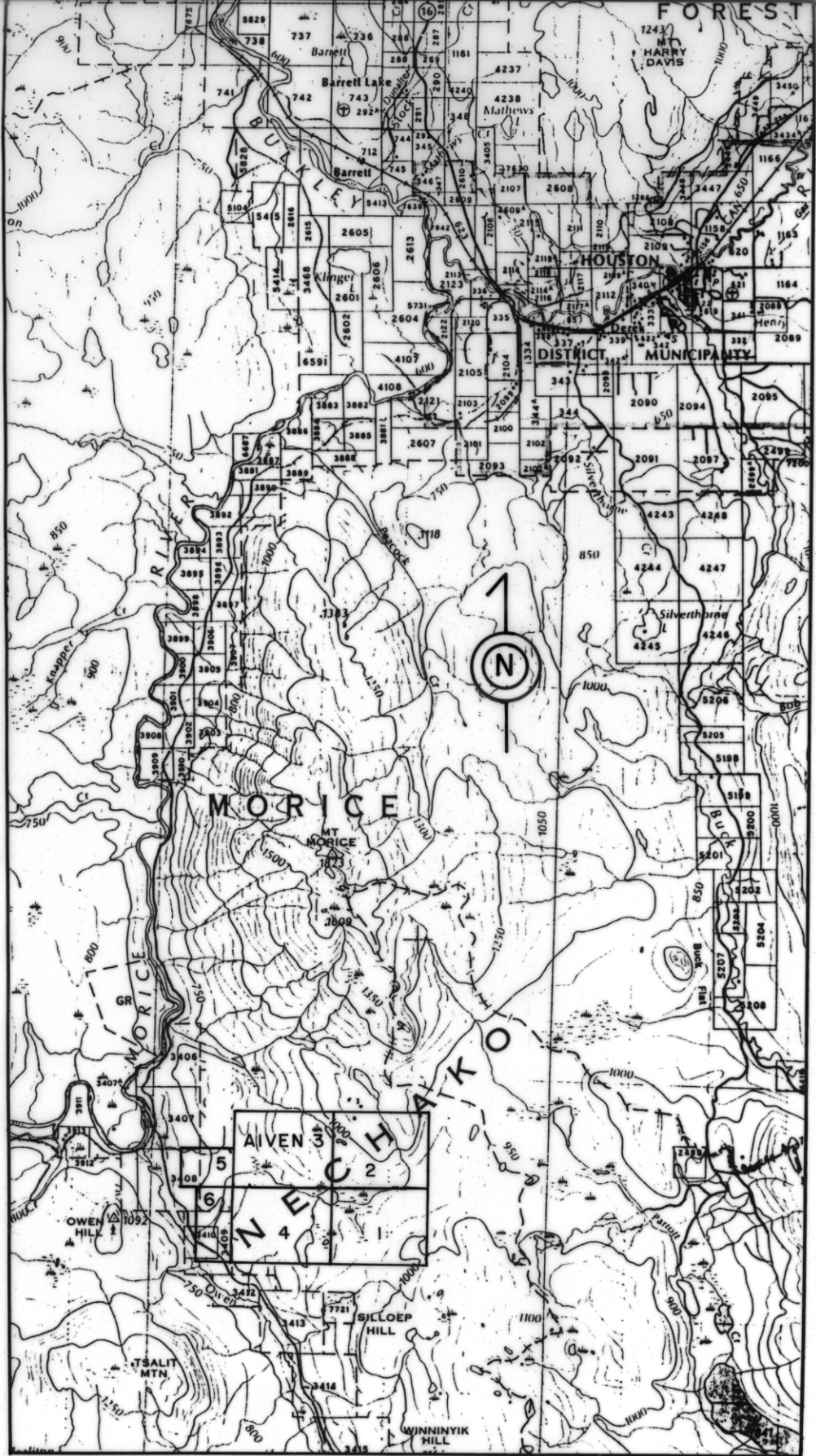
Several mining companies and their representatives have become aware of this new discovery, including Noranda, Taseko, New Canamin and PDI. Alan Savage (of New Canamin Resources) and I

discussed the Dual Lake discovery and he has proposed we enter into an agreement the details of which would be worked out in full at a later date, but the framework of which would be as follows:

- A shell company held by Savage would provide the funding for exploring the property.
- Should the property prove itself to warrant a production decision, Equity would have the option of backing in for a 60% ownership after paying this shell company 150% of the exploration expenditures to that point in time.
- Hamblin et al receive stock in this shell company and an unspecified sum of cash taken from the exploration budget each year.
- Should Equity back in, the project would be taken to production with funding on a 60-40 basis, Equity-Savage shell company.

With staking, filing fees, professional assessment and assaying Equity has made a small investment in this property to date. Carrying through with an agreement with Savage, Equity does not have any financial risk, and could gain a 60% interest in an attractive new prospect. Equity could, on the other hand, enter into an agreement directly with the Hamblin group and acquire 100% ownership in the prospect, but this would put the onus on Equity to fund exploration and assume all the initial risk.

Trevor Wall, Mine Geologist
EQUITY SILVER MINES LTD.





Chemex Labs Ltd.

Analytical Chemists * Geochemists * Registered Assayers
 212 Brooksbank Ave., North Vancouver
 British Columbia, Canada V7J 2C1
 PHONE: 604-984-0221

To MADIGAN, ALLEN

BOX 277
 HOUSTON, BC
 V0J 1Z0

Project:
 Comments:

Page Number 1
 Total Pages 1
 Certificate Date 29-OCT-92
 Invoice No. I-9223492
 P.O. Number NONE
 Account :

CERTIFICATE OF ANALYSIS A9223492

SAMPLE DESCRIPTION	PREP CODE	Au oz/T	Ag oz/T	Cu %	Pb %	Zn %						
MADIGAN	208 274	< 0.002	7.02	0.16	20.0	0.50						
		$ \begin{array}{r} 34. \\ .002 \\ \hline 068 \\ 10 \\ \hline .070 \\ 7 \end{array} $										

10/29/92 10:49AM CHEMEX LABS VAX-FAX

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CERTIFICATION: _____

DIST.: A/C _____

DEPT. _____

EQUITY SILVER MINES LIMITED

ASSAY CERTIFICATE

Attention:

Mine Manager _____

Mill Supt. _____

Pit Supt. _____

Plant Supt. _____

Adm. Supt. _____

Engineering _____

Geology _____

Mill _____

Research Met _____

Research Leach _____

Leach Plant _____

DATE

June 22 '93

Trevor

	Rock	SIT	SIT	%	%	%		
		Au	Ag	Cu	MO	Fe		
1	30421	.25	7	.63	.032	2.1		
2								
3								
4								
5								
6								
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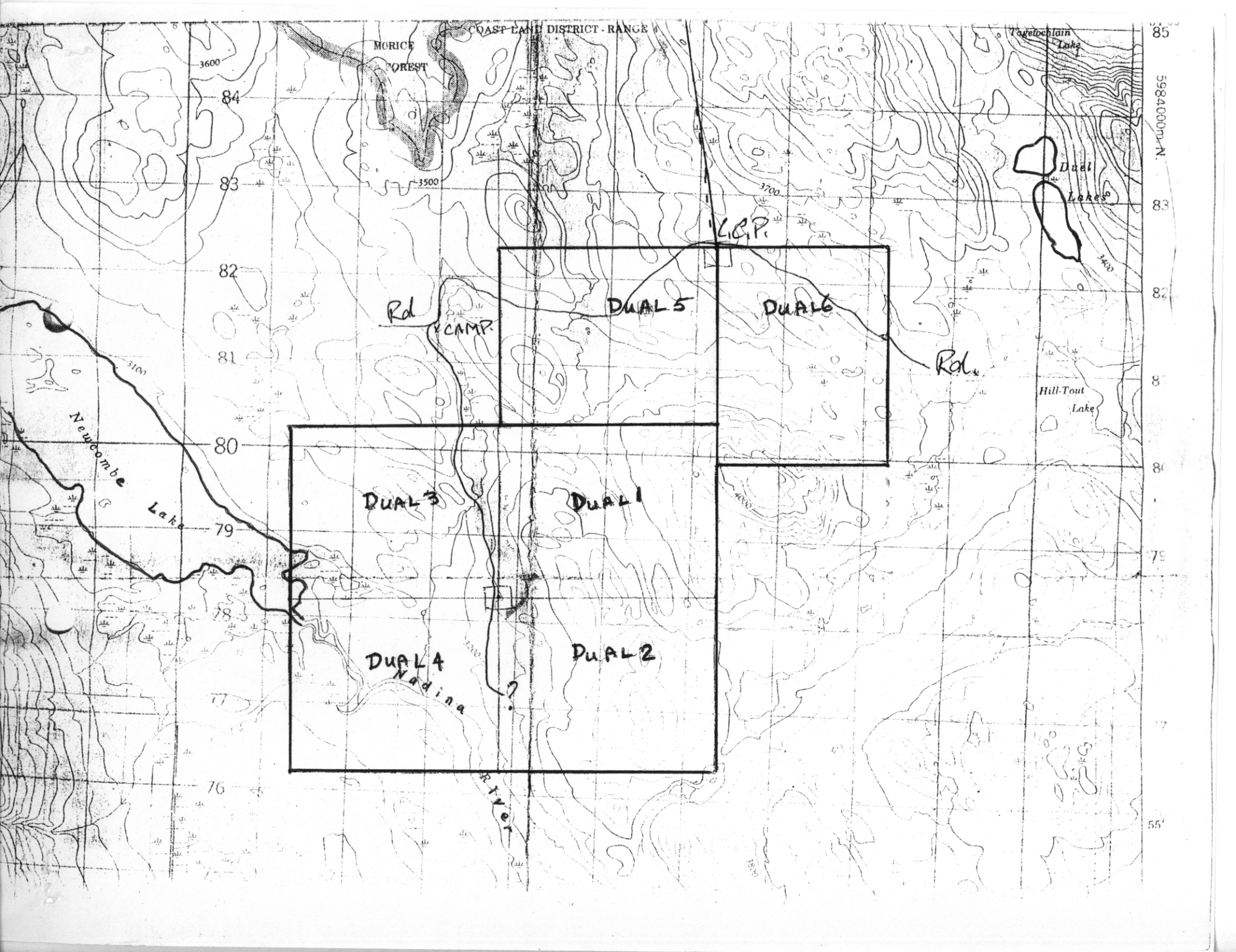
ND - Not Detected

Tr - < .01%

Ag Tr - < 1.0 gm/TONNE

Form C200/85-Revised-3

Signed _____



COASTLAND DISTRICT - RANGE

MORICE FOREST

Tagetochlain Lake

Duel Lakes

Hill-Tout Lake

Newcombe Lake

3600

84

83

82

81

80

79

78

77

76

3500

3700

3200

3800

L.C.P.

Rd
CAMP

DUAL 5

DUAL 6

Rd

DUAL 3

DUAL 1

DUAL 4
Madina

DUAL 2

RIVER

85

5984000m N

83

82

81

80

79

77

76

55