Mr. J. Ralfs
Apex Energy Corp.
407-750 W. Pender Street
Vancouver, B.C.
V6C 2 T 7
Mr. R.G. Hunter
Lincoln Resources Inc.
c/o 1440 - 625 Howe Street
Vancouver, B.C.
V6C 2 T6

Gentlemen:
PROGRESS REPORT - TWIN PROPERTY - JUNE, 1987
I have included a progress report on our work on the Twin Property that is joint ventured with your groups.

We had an interesting intersection in Twin 3. However, three placed around it, Twin 4-6 inclusive, failed to offer much encouragement. Assays to date are incomplete, however, gold assays for significant intervals have been completed and are reported in the accompanying pages. Base metal assays are incomplete, but are expected to be low and of little interest.

Please do not hesitate to phone if you have any questions.

/pvz
473. B

Encl.

Grid Work:

Trenches:

Diamond Drilling:
5.1 line km of VLF surveying was completed along proportions of the "Rea" and "Silver" zones to detail graphitic markers that are used to spot drill hole collars.

Detailed grid mapping and ground evaluation of 9 EM conductors was eompleted on the Twin Monntain showing. This old showing accurs in a different rock package than the "Rea" and "Silver" zones; it is only of peripheral interest at this time.

Eight trenches ( 400 m ) were excavated on the Twin claims in an attempt to expose the "Rea" and "Silver" zones. Excessive overburden depth prevented successful completion of many of these trenches. However, sufficient work was done to indicate that the "Silver" zone does not project across the Twin ground in recognizable form.

To month end, 4 holes ( 321.7 m ) had been completed of a planned $8-9$ hole ( 1200 m ) program. Holes 5 and 6, incorporated in this summary, were completed July 4.

Twin 1 was drilled to intersect the "Silver Zone"; this zone was absent in the hole although the foot and hanging walls were intersected. Twin 2-6 inclusive were drilled on the "Rea Zone" as indicated on the accompanying diagram.

A significant interval of mineralization was cut in Hole 3 (see attached). Our drilling to date around this hole indicates that the Twin 3 intersection may have only limited continuity. It does, however, confirm the potential for mineralization on the property.

Diamond drilling is continuing and will be reported on in monthly progress reports.

To date, assays are incomplete although results have been obtained and are included for the most significant intervals. Base metal values, yet to come for Twin 2, 4, 5 and 6 are low by visual estimates.

Coordinates: $\quad 3+72 \mathrm{~S}, 79+97 \mathrm{E}$
Azimuth: 225
Inclination: $45^{\circ}$
Total Length: 118.9m

## SUMMARY LOG

## Interval

$0-4.6 \mathrm{~m}$ $4.6-53.3 \mathrm{~m}$ $53.3-68.0 \mathrm{~m}$ $68.0-100.6 \mathrm{~m}$ 100.6-105.1 m 105.1 - 107.3 m 107.3-118.9 m 118.9 m End of Hole

## Lithology

Overburden
Fine-grained mafic flows and lesser lean lapilli
Major fault or strain facies
Vesicular mafic flow
Sericitic chert
Pyritic tuff
Quartzites wackes and turbidites

## TWIN 3

Coordinates: $\quad 5+20 \mathrm{~S}, 77+65 \mathrm{E}$
Azimuth: 225
Inclination: $-60^{\circ}$
Total Length: 79.9m

Interval
0-3.7m
3.7-21.5
21.5-59.6m
59.6-62.8m
62.8-65.1 m
65.1 - 68.3 m
68.3-79.9m

## SUMMARY LOG

79.9 m End of Hole

Pyritic tuff
Lithology
Casing
Green/buff vesicular volcanic flows
"Rea" Horizon: sericitic tuffs, cherts and black clastics

Bedded barite with massive sulphides
Pyritic tuff
Quartz wackes and interbedded balck turbidites

| Coordinates: | 5+20S, | $77+65 E$ |
| :---: | :---: | :---: |
| Azimuth: | 225 |  |
| Inclination: | $-90^{\circ}$ |  |
| Total Length: | 135.2m |  |
|  |  | SUMMARY LOG |
| Interval |  | Lithology |
| 0-3.0m |  | Casing |
| 3.0-31.6m |  | Carbonitized mafic flow |
| $31.6-107.3 \mathrm{~m}$ |  | Sericitic chert and lesser chert breccias |
| 107.7-121.7 m |  | Pyritic tuff |
| 121.7-135.2 m |  | Quartz wackes, black clastics, turbidite cycles |
| 135.2 m End of Hole |  |  |
| TWIN 5 |  |  |
| Coordinates: | 4+90S, | 76E |
| Azimuth: | 225 |  |
| Inclination: | $-45^{\circ}$ |  |
| Total Length: | 153.9m |  |
| SUMMARY LOG |  |  |
| Interval Lithology |  |  |
| 0-7.9m |  | Casing |
| 7.9-21.9 m |  | Mafic lapilli pyroclastic |
| 21.9-30.3 m |  | Sericitic mafic ash flow |
| 30.3-44.5 m |  | Porphyritic mafic flows |
| 44.5-48.5m |  | Sericitic silica injected fault zone |
| 48.5-62.2m |  | Mafic ash flow with lesser lapilli fragment |
| 62.2-90.9 m |  | Quartz-carbonate injected mafic volcanic flow |
| 90.9-124.1 m |  | Sericitic tuffaceous cherts, pyritic chert breccias and lesser interbedded black clastics |
| 124.1-126.9m |  | Pyritic tuff |
| 126.9-131.7m |  | Pyritic siltite |
| 131.7-132.9 m |  | Quartz wackes |
| 132.9-138.1 m |  | Pyritic cherts and grey chert breccias |
| 138.1-140.6 m |  | Pyritic tuff |
| 140.6-142.6 m |  | Grey pyritic cherts |
| 142.6-147.5 m |  | Pyritic tuff |
| 147.5-147.8 m |  | Fault |
| 147.8-153.9 m |  | Intermediate lapilli |
| 153.9 m End of | Hole |  |

## TWIN

```
Coordinates: 4+25S, 78+75E
```

AzImuth: 225
Inclination: $-45^{\circ}$
Total Length: 160.3 m

## Interval

## $0-4.9 \mathrm{~m}$

4.9-38.3m
$38.3-53.0 \mathrm{~m}$
$53.0-60.2 \mathrm{~m}$
60.2-64.8m
$64.8-102.2 \mathrm{~m}$
102.2-106.5 m
106.5-114.2m
114.2-149.9 m
149.9-150.2 m
150.2-150.6 m
150.6 - 150.8 m
150.8-160.3 m
160.3 m End of Hole

## SUMMARY LOG

## Lithology

Casing
Carbonitized: mafic flow
Quartz-carbonate injected sericitized mafic flow
Porphyritic mafic flow
Carbonate injected mafic flow
Porphyritic-vesicular mafic flows
Black chert - tuffaceous sericitic chert
Sericitic pyritized mafic flow
Sericitic tuffaceous chert - pyritic chert breccias lesser black clastics
Pyritic tuff
Grey pyritic cherts
Pyritic tuff
Turbidites, wackes and conglomerates

## ASSAY VALUES TO DATE

DRTLL HOLES TWIR 2-6 INCLDSIVE

| HOLE | FROM | T0 | INTERVAL | Ag | Au | $\underline{\chi} \mathbf{C u}$ | $\underline{\chi / \mathrm{Pb}}$ | $\underline{\text { \% } \mathrm{Zn}}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | (m) | (m) | (m) | ( $g / t$ ) | ( $g / t$ ) |  |  |  |

TWIN 2
"REA ZONE"

| 101.2 | 102.7 | 1.5 | 0.07 |
| :--- | :--- | :--- | :--- |
| 102.7 | 104.0 | 1.3 | 0.13 |
| 104.0 | 105.2 | 1.2 | 0.02 |
| 106.9 | 107.3 | 0.4 | 1.83 |

TWIN 3
"REA ZONE"

| 55.6 | 56.5 | 0.9 | 51.8 | 0.62 | 0.17 | 5.2 | 0.75 |
| :--- | :--- | :--- | ---: | ---: | ---: | ---: | ---: |
| 59.0 | 59.5 | 0.5 | 39.1 | 0.98 | 0.47 | 3.1 | 0.76 |
| 59.5 | 60.5 | 1.0 | 6.2 | 1.08 | 0.05 | 0.4 | 0.26 |
| 60.5 | 62.0 | 1.5 | 35.6 | 2.81 | 0.21 | 1.1 | 0.65 |
| 62.0 | 62.85 | 0.85 | 72.3 | 43.15 | 0.07 | 2.2 | 0.76 |
| 62.85 | 63.85 | 1.0 | 398.0 | 19.84 | 0.41 | 1.9 | 0.77 |
| 63.85 | 65.0 | 1.2 | 7.2 | 0.84 | 0.01 | 0.07 | 0.15 |
| 65.0 | 66.5 | 1.5 | 2.2 | 0.61 | 0.01 | 0.01 | 0.02 |

TWIN 4
71.1
"REA ZONE"
$84.8 \quad 85.60$.
$92.3 \quad 93.1 \quad 0.8$
$102.2 \quad 103.0 \quad 0.8$
0.06
0.03
0.07
0.23

TWIN 5
"REA ZONE" $114.5116 .0 \quad 1.5 \quad 0.09$

TWIN 6

| 123.6 | 125.1 | 1.5 | 0.17 |
| :--- | :--- | :--- | :--- |
| 125.1 | 126.6 | 1.5 | 0.09 |
| 128.0 | 129.3 | 1.3 | 0.15 |
| 143.8 | 145.2 | 1.4 | 0.12 |
| 149.5 | 151.0 | 1.5 | 0.54 |


/pvz
473.B


