

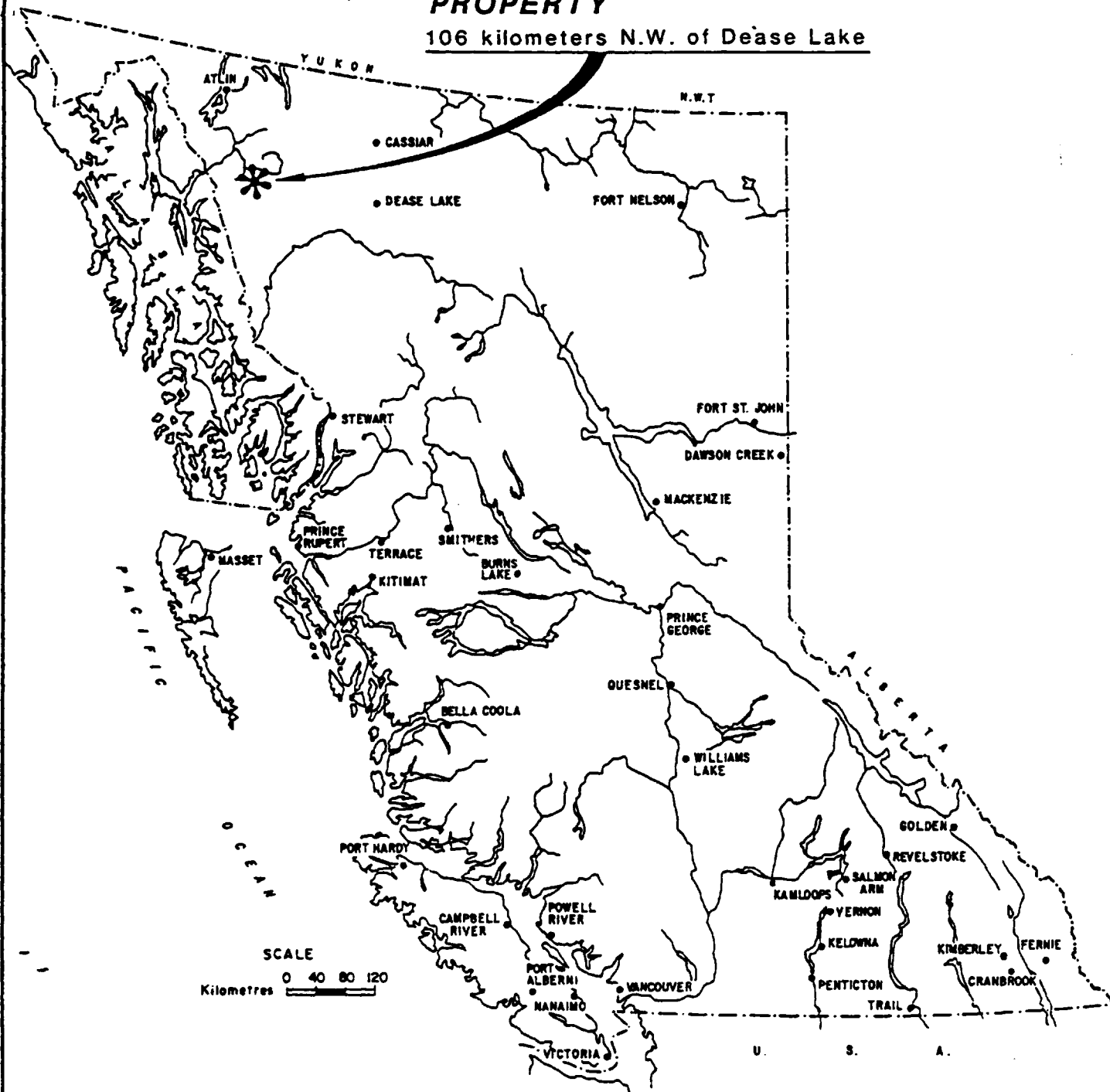
- 1 -

NAME OF PROJECT: Opal Lake
MAPSHEET: N.T.S. 104J/13W

<u>Claim Name</u>	<u>Units</u>	<u>Expiry Date</u>
Nik #71	20	April 11th/90
#72	20	"
#73	20	"
#74	20	"
#75	20	"
#76	20	"
Ted #10	20	April 26th/90
Hank #57	20	July 6th/90
Total	160	

PROPERTY

106 kilometers N.W. of Dease Lake



EQUITY SILVER MINES LIMITED

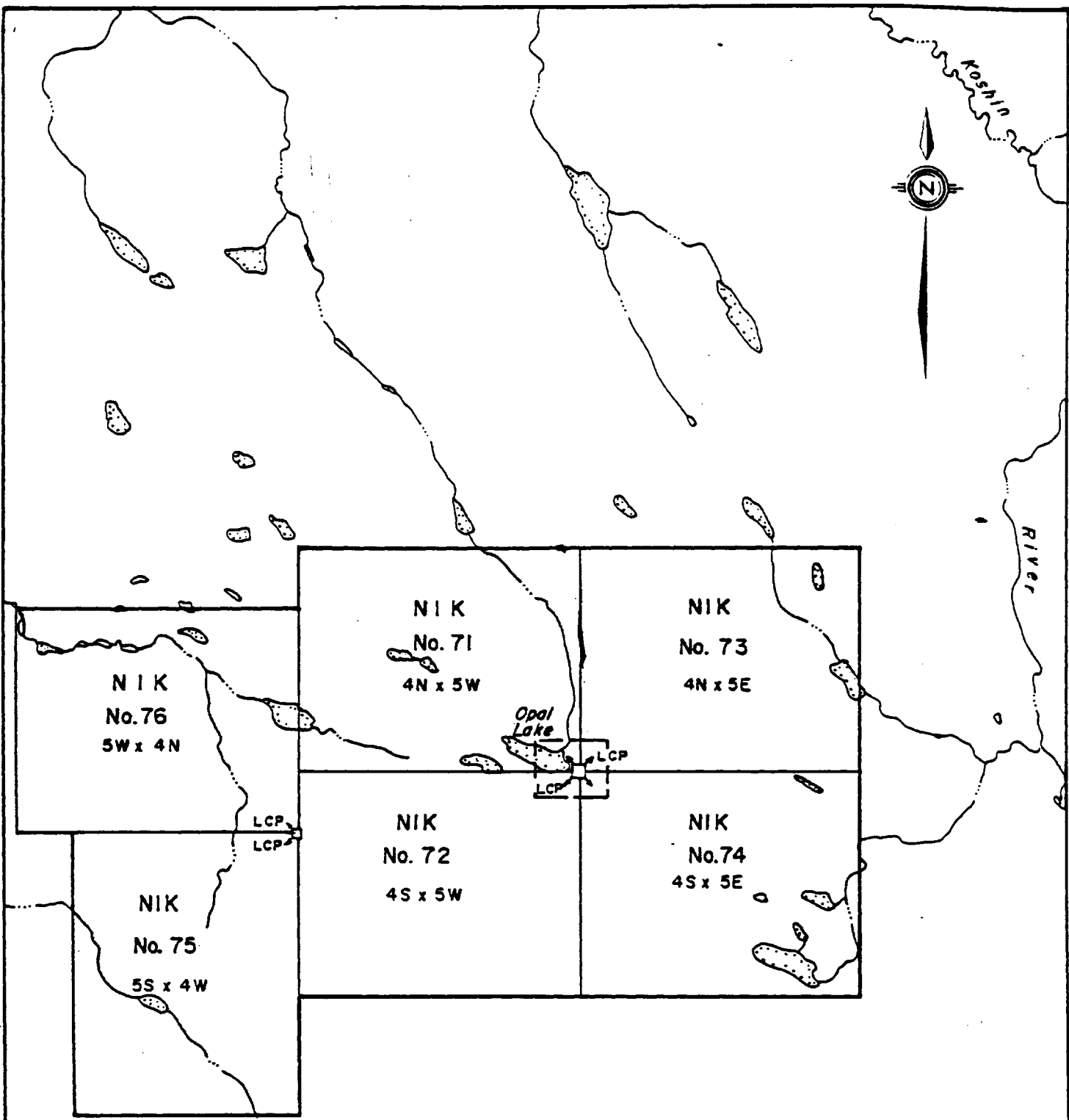
OPAL LAKE PROJECT

ATLIN MINING DIVISION, B. C.

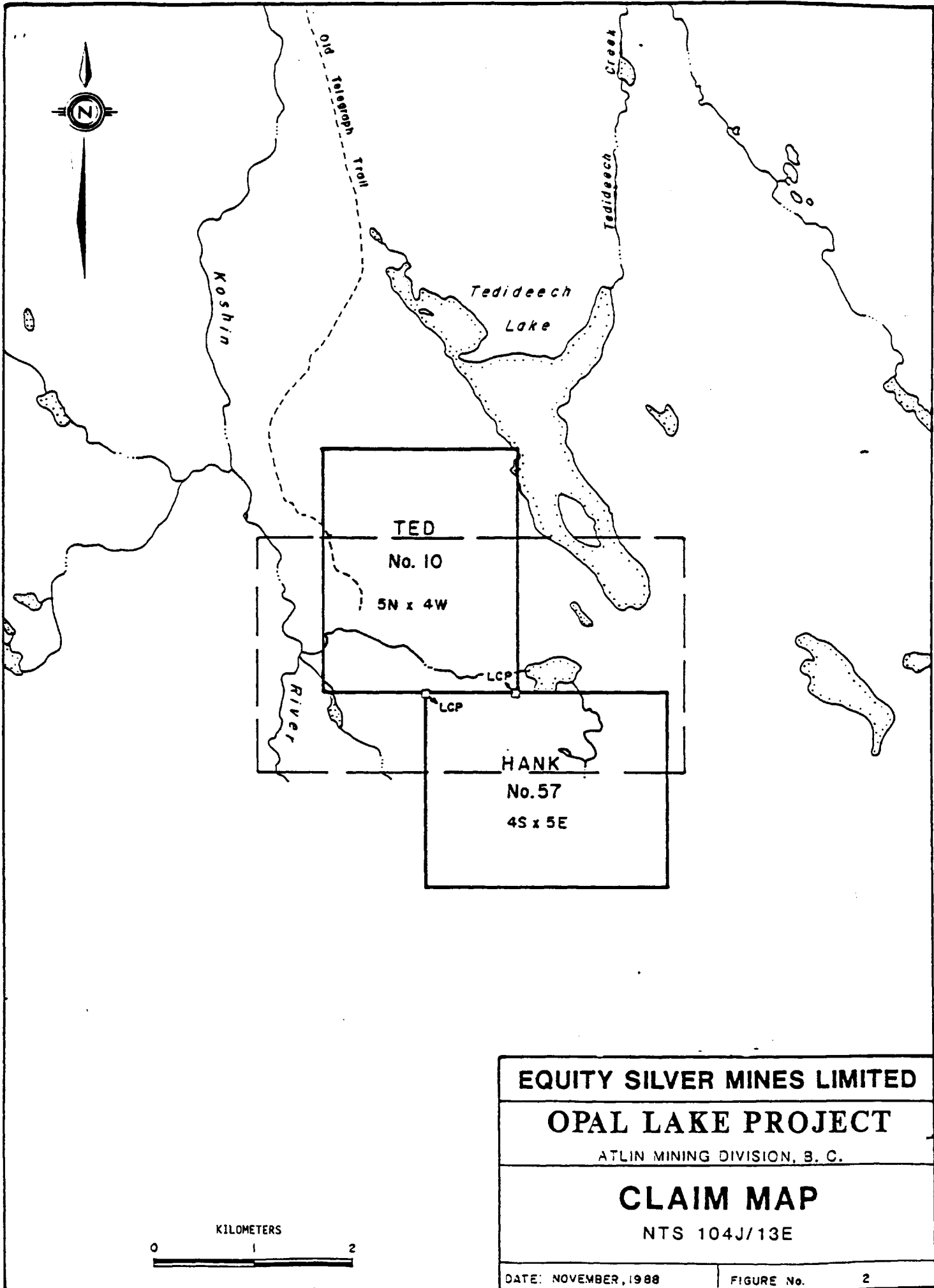
LOCATION MAP

DATE NOVEMBER, 1988

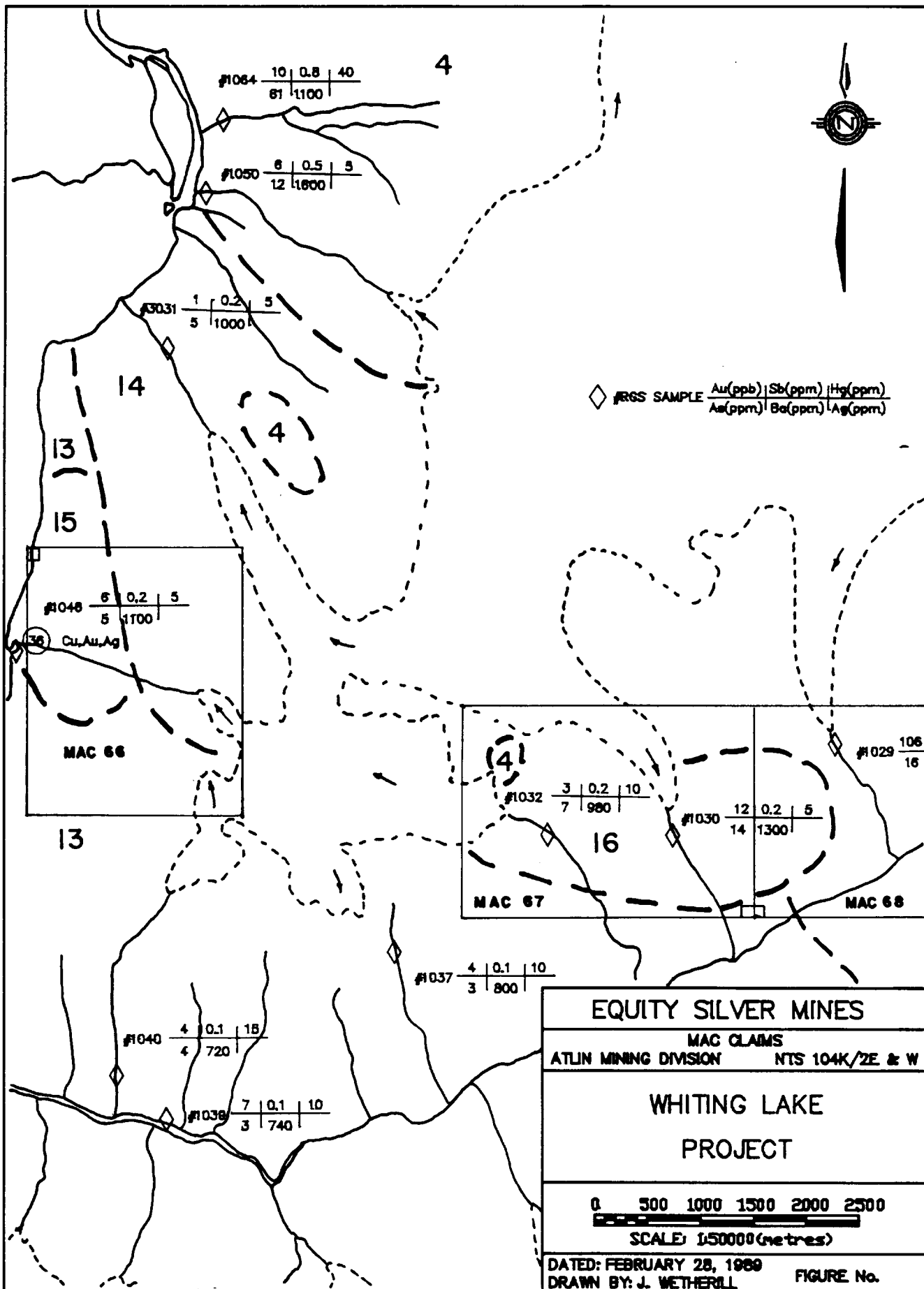
FIGURE No. 1



EQUITY SILVER MINES LIMITED	
OPAL LAKE PROJECT	
ATLIN MINING DIVISION, B. C.	
CLAIM MAP	
NTS 104J/13W	
DATE: NOVEMBER, 1988	FIGURE No. 2



EQUITY SILVER MINES LIMITED	
OPAL LAKE PROJECT	
ATLIN MINING DIVISION, B. C.	
CLAIM MAP	
NTS 104J/13E	
DATE: NOVEMBER, 1988	FIGURE No. 2



Prepared by: STEINSON RESOURCE MGMT. CORP.

1.1 Property Geology

The claims are underlain by Mississippian to Permian age argillites and limestones of the Cache Creek group in the north, and Jurassic slate-greywacke Inklin formation in the south. The two contrasting age groups of rocks are juxtaposed on the property by some 20,000 feet of vertical displacement along the Nahlin fault, a deep seated crustal rift.

The Nahlin fault forms the southern boundary of the Atlin horst. The property covers a complex flexure in this fault. The Nahlin ultramafic bodies that are stretched out along the fault and occur on the Opal Lake property, have large wedges and slivers of peridotite-serpentinite.

Locally, Early Tertiary Sloko felsite plugs intrude the Nahlin fault and occur on the property as light coloured acid rocks with feldspar phenocrysts and isolated specks of pyrite and chalcopyrite.

1.2 Mineralization/Alteration

Two occurrences of nickel mineralization are located on the Opal Lake property (BCDM Minfile). Diamond drilling and trenching of these occurrences is reported but not well documented (ie., no assessment reports). The B.C. Department of Mines' Minfile describes the showings as follows:

Minfile Occurrence 104J001 - Small fractures and faults in NW trending fault zone are opalized, pyritized and locally contain concentrations of millerite. Breccia fragments in ore are largely magnesite and opal.

Minfile Occurrence 104J017 - Small amounts of millerite occur with chalcedony in sheared serpentine and greenstone. Similar nickeliferous rocks were noted in a parallel fault zone 4 km to the SW.

These showings are hosted by sheared, serpentized and carbonatized ultramafic rocks cut by opaline chalcedony veins.

1.2 Mineralization/Alteration (continued)

Within the area of the Ted claim, Hodgson (1957) describes a carbonate zone that probably represents a listwanitic type of alteration. " A buff to brown coloured rock contains inter-mixed carbonate and siliceous phases with patches of fuchsite, a chrome-rich mica. Exposed in the bank of the Koshin river, the zone is indicated to be the locus of considerable alteration." A similar zone is described in the vicinity of the Opal Lake mineral occurrence 4 km to the west and is reported to contain elevated nickel values.

Listwanitically altered ultramafics host significant gold mineralization in the Atlin area. Opalization was noted in hand specimens from this area.

1.2 Mineralization/Alteration (continued)

The presence of Sloko Group felsites on the property is encouraging, as this rock type hosts, and is spatially related to both gold and porphyry type copper mineralization on a regional scale.

1.3 Property History

Very little work has been done in the area of Opal Lake in recent years. The only work done in the area other than reconnaissance for asbestos, dates back to 1957 when nickel mineralization was discovered near Opal Lake. Canadian Explorers Limited investigated the mineralization with 1,000 feet of trenching and 1,290 feet of diamond drilling. The results of this survey are not available in assessment reports. In the same year Consolidated Northland Mines Ltd. explored adjoining claims for nickel as well (Hodgson 1957). Geological reconnaissance was combined with a field test for nickel using dimethyloxene. No significant nickel mineralization was found.

1.3 Property History (continued)

The Nahlin fault area has been explored for asbestos deposits. Several showings are located in the area of Opal Lake but none are of economic significance.

In 1956 the area was preliminarily mapped as part of Operation Stikine. Parts of the map are marked "unmapped" including the northeastern part of the Opal Lake claim group. The area is relatively unexplored.

1.4 Capsule Comment

The Opal Lake claim group is located in an interesting geological environment. The Nahlin fault is a strong, deep seated fault zone that not only brought deep crustal material to the surface in Pre-Jurassic, but later acted as a conduit to Early Tertiary intrusives and associated hydrothermal fluids.

1.4 Capsule Comment (continued)

In the Motherlode district of California, gold deposits are spatially related to serpentinites eg. Plumbago (>100,000 oz. Au). Listwanitic alteration is characteristic of these deposits and its presence in the Opal Lake area supports this exploration model. The Early Tertiary Sloke felsites that intrude the Opal Lake area would have driven hydrothermal convection cells within the deep, open channels provided by the Nahlin fault. The presence of trace element rich ultramafics along the fault add to the model providing excellent enrichment environments for the caustic high pressure-temperature hydrothermal fluids.

As the fluids rise to surface, the drop in pressure allows boiling of the metal rich brines and subsequent "dumping" of mineralization. In ultramafic environments a characteristic halo of listwanitic alteration envelopes the upper reaches of these hydrothermal systems.

1.5 Recommendations

Exploration in the area should not be limited to the confines of the Opal lake claims themselves, as virtually the whole northwest trending Nahlin fault ultramafic belt is open and offers excellent potential for gold and platinum exploration. The fault represents a major "break" that acts as a magma and fluid conduit connecting lower crustal sites of ore-fluid generation with upper crustal sites of possible ore deposition (Hodgson, 1989).

The Opal Lake claim group is located in the relatively subdued topography of the Stikine Plateau. Outcrop in the area, is reported to be poor (+- 5%) and drainages poorly developed. To delineate structure, alteration and zones of mineralization, the following program is recommended.

1.5 Recommendations (continued)

- 1) A camp should be established on Opal Lake for two weeks.
- 2) A 60 km grid should be established in the immediate area of Opal Lake's showing and trenches. Baseline will be 3 km with 2 km crosslines every 100 meters.
- 3) A geophysical survey consisting of VLF - EM and magnetometer should be conducted over the grid at 12.5 meter spacing.
- 4) A soil survey consisting of B horizon samples every 50 m along the Opal lake grid should be completed.
- 5) Prospect, map and selectively sample all outcrop areas of the grid.
- 6) Prospect the rest of the claim area.
- 7) All drainages in area should be sampled using bulk H.M.C. sample techniques.

This program should supply the necessary data to delineate structure, mineralization and favorable host rocks in the Opal Lake prospect area.

**OPAL LAKE
PRELIMINARY BUDGET**

Personnel

Grid Preparation

60 kms or 30 crew days \$18,000.00

Sample Collection

1200 soils or 15 crew days 9,000.00

Geophysical (VLF-Mag EDA)

15 operator days 3,750.00

Trenching/Blasting

7 crew days 4,200.00

Geological (mapping and prospecting)

15 crew days 3,750.00

Supplies and Equipment

Heavy Minerals 4,000.00

Rock Samples 3,000.00

Plotting

10 mandays 2,000.00

Supervision

15 mandays	3,750.00
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Transportation

Mob & Demob (3 otter loads)	2,500.00
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Helicopter (10 hours)	6,500.00
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Subtotal	\$66,950.00
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10% Contingency	6,695.00
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\$73,645.00

1.6 References

Hodgson, A.G.

1957 Geological Report on the Ace Group of Mineral
Claims. Ass. Rpt. #220.

Geological Report on the NW Group of Mineral
Claims. Ass. Rpt. #221.

Gabrielse, H., Souther, J.G., and Roots, E.F.

1962 Geology Dease Lake Map 21 - 1962.

BCDM MinFile:

1984 Occurences #104J001, 104J002, 104J017.

Rublee, V.J.

1986 Compilation of Platinum Group Element
Occurences in British Columbia. Open File,
1986-87.

McTaggart, K.C.

1971 On the Origin of Ultramafic Rocks. Geological
Society of America, Bulletin 82, Pages 23-42.

1.6 References

Hodgson, J.C.

1989 Recent Advances in the Archean Gold Model, with
Implications for Exploration for "Mesothermal-
type" Gold Deposits in the Cordillera. G.A.C.
short course, #14.

Platinum Potential

The Opal Lake claim group lies in a belt of ultrabasic rocks that are associated with platinum group metals. The rocks are spread out along a deep seated fault system that can be traced the length of British Columbia.

Numerous platinum - group element occurrences are localized by the fault system and hosted in the associated ultramafics, eg., Turnagain, Polaris, and Tulameen ultramafic complexes (McTaggart). Souther (1956) describes the fault bounded ultramafics to the west of Opal Lake as follows:

Peridotite in the central part of larger fault blocks is a coarse grained layered rock with widely spaced zones enriched in pyroxene and olivine.

This layering may be magmatic and could have platinum in sulphide rich layers. Pan Ocean Minerals Ltd. is reported to be exploring for platinum in the Nahlin fault-ultramafic area 100 km to the northwest. Platinum occurs in placer gravels on Thibart Creek 100 km to the east.