

1990 PHASE II & III EXPLORATION REPORT

SULPHURETS CREEK PROPERTY

SKEENA MINING DIVISION

861486

BRITISH COLUMBIA

FOR

KENRICH MINING CORPORATION

AMBERGATE EXPLORATIONS INC.

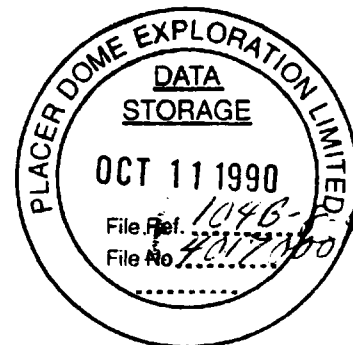
*SOL-1, SOL-2  
+ UNUK-20/  
SULPHURETS  
104B-8-9*

*56° 30' N  
130° 19' W*

BY

TERRY GARROW, P. GEOL.

JUNE 25, 1990



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## 1.0 INTRODUCTION

The following report was prepared at the request of Kenneth Trociuk, President of Kenrich Mining Corporation, Ambergate Explorations Inc. and Bighorn Development Corporation. Each of these companies control large tracts of mineral claims with contiguous boundaries in the Sulphurets Creek area of northwestern British Columbia. These properties will be considered as one large property for the purposes of this report. The field exploration programs will be operated at the same time on the whole property by the same technical staff.

The purpose of this report is to present an updated property title summary, a review of past and recent exploration data on the property, then to present the next phases of exploration and budgets to locate mineable sulphides and precious metals in 1990 on this property.

## 2.0 SUMMARY AND RECOMMENDATIONS

### 2.1 Summary

In a previous report by N. C. Croome, P. Eng., completed on January 26, 1990 the author noted that the geophysical program and soil sampling over the prepared grid established a series of excellent conductors which had coinciding VLF-FM and Megnetic responses accompanied by soil sampling with relatively high values in ppb of gold on both the Kenrich and Ambergate properties (Unuk 20, Sul 1 and 2, Nica 1 and 2).

The Phase I preliminary drilling program completed between May 5 and June 6, 1990 involved eight drill holes totalling 1878 feet designed to test the strongest conductors at shallow depths, to determine the best technical direction for the major portion of the 1990 Exploration Program to proceed in Phase II and III.

The Phase I diamond drilling information concluded that the best conductors on both the Kenrich and Ambergate properties (Unuk 20 and Nica I) occurred in strongly faulted graphitic argillites of the Unuk River Formation mineralized with trace to 4% disseminated and vein type pyrite and pyrrhotite with only traces of gold and silver. The Phase I drilling has provided valuable geological information, however, it has caused the technical staff to reorganize the exploration approach towards airborne geophysics followed up by detailed ground geophysics with geological mapping and sampling before additional drilling targets are outlined. This type of exploration program would be very effective now that the large Bighorn property has been added to the Kenrich and Ambergate properties, to total 736 units rather than the previous 128 mineral claim units.

### 2.2 PROPOSED PHASE II AND III, 1990, EXPLORATION PROGRAM

Because we are dealing with a very large claim holding with potential targets, all of which are still in the preliminary exploration stages, it is necessary to develop a detailed set of base maps for the property in the form of a contoured orthophoto. All of the exploration data from previous programs on the property can be represented on these maps and can be utilized in the future.

A list of the major components of the 1990 Proposed Phase II and III Exploration Programs follows:

1. Orthophoto-Controlled Mosaic - 1:10000 scale
2. Airborne Geophysics - including a multi-frequency EM system, total field magnetometer and VLF-EM surveys providing compilation maps showing all magnetic and EM trends.

3. Base Line and Grid Preparation - at least six 1000 by 1000 meter grids totalling 72 kilometers will be prepared on the ground for the follow up geophysics, geochemistry, and detailed geological sampling.
4. Property access will be improved by a strategically placed series of cat trails totalling 36.5 kilometers suitable for use by all terrain vehicles. These trails will provide excellent trenching for detailed geological mapping and sampling. A nine-kilometer cat trail will be necessary from the Newhawk Mine to the Kenrich/Ambergate camp bringing the total length of the cat trails to 45.5 kilometers.
5. Geological Mapping and Sampling - will be completed in a reconnaissance fashion over the whole property with detailed work being concentrated along road cuts, grid areas, gossan areas and particularly along the deeply incised Sulphurets Creek Valley that cross cuts the property.
6. Geochemical Sampling - will be completed on the stream and soil sediments of the six new grid area..
7. Ground Geophysics - will be completed on the six new grids, with all six surveyed with Transient EM methods and only three surveyed by Induced Polarization.

#### PHASE III

1. At the end of the 1990 exploration season the best targets will be Diamond Drilled with approximately 10 holes totalling 2000 meters NQ core.

2.3 1990 PROPOSED EXPLORATION PROGRAM SCHEDULE

<u>Phase</u> <u>II</u> <u>Exploration</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Time</u>
Planning and Reports	-----						4 wks
Digital Orthophoto Mapping		-----					6 wks
Airborne Geophysics			-----				7 wks
Grid Preparation				-----			4 wks
Cat Trail Access			-----				6 wks
Geological Mapping and Sampling			-----	-----			12 wks
Geochemical Sampling				-----			4 wks
Ground Geophysics					-----		5 wks
 Phase III							
Diamond Drilling						----	4 wks
Final Report Phase II and III						-----	5 wks

2.4

1990 EXPLORATION BUDGET SUMMARY

1.	PLANNING AND REPORTS	\$ 8,400
2.	DIGITAL ORTHOPHOTO	23,875
3.	AIRBORNE GEOPHYSICS (870 KM)	136,950
4.	BASE LINE AND GRID (12 KM)	34,000
5.	ACCESS CAT TRAILS	162,200
6.	GEOLOGICAL MAPPING AND SAMPLING	218,950
7.	GEOCHEMICAL PROGRAM	54,900
8.	GROUND GEOPHYSICS I.P. AND TRANSIENT E.M.	107,650
		-----
		\$746,925
9.	KENRICH SUPPORT COSTS	
	PERSONNEL - 5 MEN	123,600
	PROJECT SUPPLIES	20,000
	ADDITIONAL HELICOPTER TIME TO SUPPORT CAMP AND PROJECT	200,900
	COMPANY PERSONNEL ROOM AND BOARD	60,000
		-----
		\$404,500
10.	DIAMOND DRILLING (10 HOLES - 2000 METERS)	240,000
	GEOLOGICAL AND CAMP SUPPORT AND DRILL PADS	136,000
		-----
		\$376,000
		-----
	TOTAL EXPLORATION BUDGET, PHASE II AND III	\$1,527,425
		=====

### 3.0 PROPERTY AND TITLE

#### 3.1 Property

Kenrich Mining Corporation owns 100% of three contiguous mining claims in the Sulphurets Creek area, which total 60 units.

Claim Name	Record Number	No. of Units	Mining Division	Recording Date	Expiry Date
Sul 1	5215	20	Skeena	Feb 27/86	Feb 27/91
Sul 2	5216	20	Skeena	Feb 27/86	Feb 27/91
Unuk 20	5244	20	Skeena	Feb 27/86	Feb 27/91

Ambergate Explorations Inc. owns 100% of the Nica 1 and Nica 2 mining claims in the Sulphurets Creek area which total 28 units.

Claim Name	Record Number	No. of Units	Mining Division	Recording Date	Expiry Date
Nica 1	6887	12	Skeena	Sept 10/88	Sept 10/90
Nica 2	6888	16	Skeena	Sept 10/88	Sept 10/90

Kenrich Mining Corporation (50%) and Ambergate Explorations Inc. (50%) jointly own the Tine 1 mining claims in the Sulphurets and Ted Morris Creek area which totals 18 units.

Claim Name	Record Number	No. of Units	Mining Division	Recording Date	Expiry Date
Tine 1	6889	18	Skeena	Sept 8/89	Sept 10/90

Kenrich Mining Corporation (50%) and Ambergate Explorations Inc. (50%) jointly control Bighorn Development Corporation which has a 60% working interest in the Corey 1-45 mineral claims which consist of 630 units in 42 claim blocks.

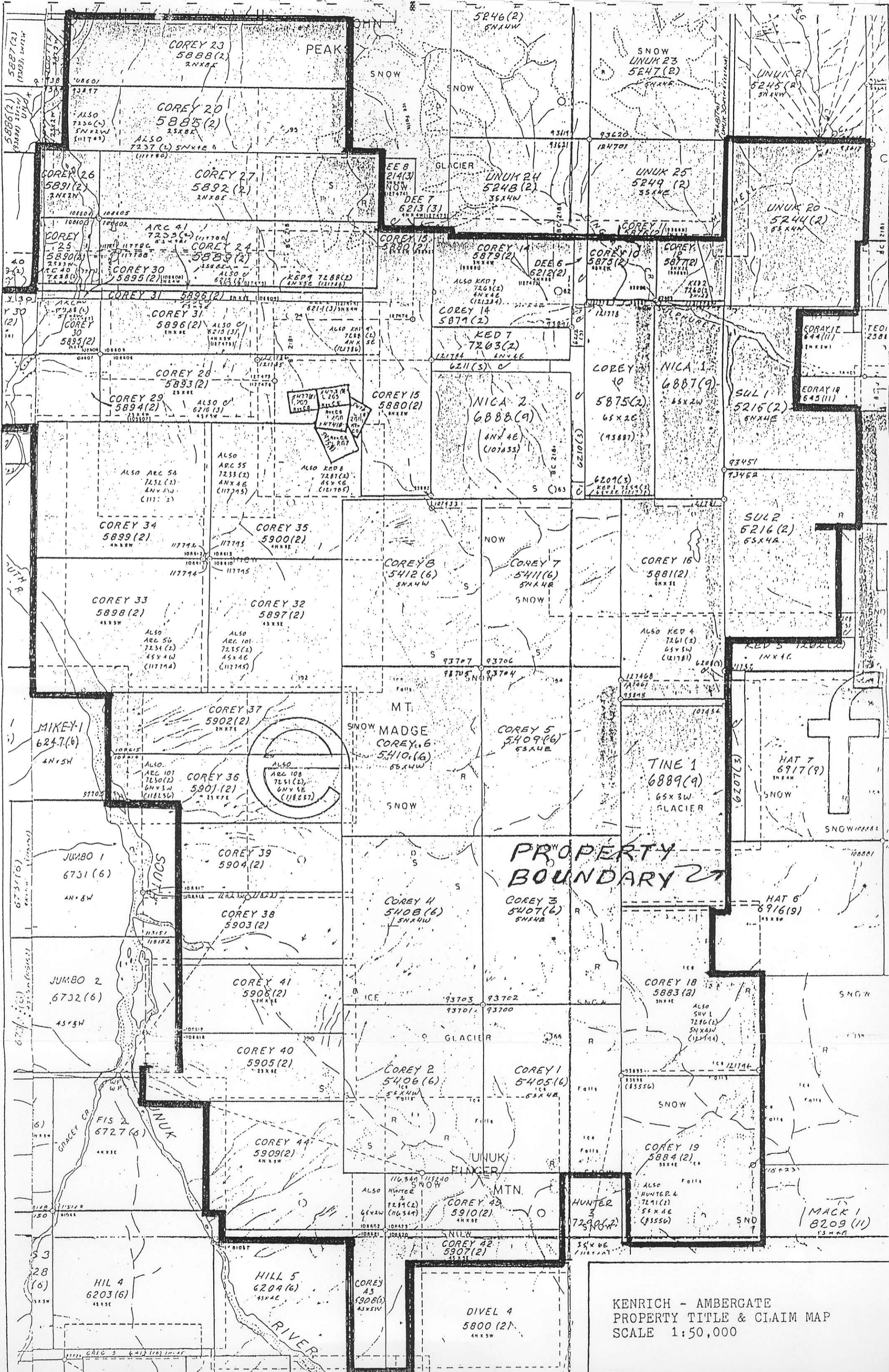
Claim Name	Record Number	No. of Units	Mining Division	Recording Date	Expiry Date
Coray 1	5405	20	Skeena	June 25/86	June 25/91
Corey 2	5406	20	Skeena	June 25/86	June 25/91
Corey 3	5407	20	Skeena	June 25/86	June 25/91
Corey 4	5408	20	Skeena	June 25/86	June 25/91
Corey 5	5409	20	Skeena	June 25/86	June 25/91
Corey 6	5410	20	Skeena	June 25/86	June 25/91
Corey 7	5411	20	Skeena	June 25/86	June 25/91
Corey 8	5412	20	Skeena	June 25/86	June 25/91



Claim Name	Record Number	No. of Units	Mining Division	Recording Date	Expiry Date
Corey 10	5875	12	Skeena	Feb 11/87	Feb 11/91
Corey 11	5876	4	Skeena	Feb 11/87	Feb 11/91
Corey 12	5877	4	Skeena	Feb 11/87	Feb 11/91
Corey 14	5879	12	Skeena	Feb 11/87	Feb 11/91
Corey 15	5880	16	Skeena	Feb 11/87	Feb 11/91
Corey 16	5881	18	Skeena	Feb 11/87	Feb 11/91
Corey 18	5883	20	Skeena	Feb 11/87	Feb 11/91
Corey 19	5884	20	Skeena	Feb 11/87	Feb 11/91
Corey 20	5885	16	Skeena	Feb 11/87	Feb 11/91
Corey 21	5886	4	Skeena	Feb 11/87	Feb 11/91
Corey 22	5887	4	Skeena	Feb 11/87	Feb 11/91
Corey 23	5888	16	Skeena	Feb 11/87	Feb 11/91
Corey 24	5889	16	Skeena	Feb 11/87	Feb 11/91
Corey 25	5890	4	Skeena	Feb 11/87	Feb 11/91
Corey 26	5891	4	Skeena	Feb 11/87	Feb 11/91
Corey 27	5892	16	Skeena	Feb 11/87	Feb 11/91
Corey 28	5893	16	Skeena	Feb 11/87	Feb 11/91
Corey 29	5894	8	Skeena	Feb 11/87	Feb 11/91
Corey 30	5895	8	Skeena	Feb 11/87	Feb 11/91
Corey 31	5896	16	Skeena	Feb 11/87	Feb 11/91
Corey 32	5897	20	Skeena	Feb 11/87	Feb 11/91
Corey 33	5898	20	Skeena	Feb 11/87	Feb 11/91
Corey 34	5899	20	Skeena	Feb 11/87	Feb 11/91
Corey 35	5900	20	Skeena	Feb 11/87	Feb 11/91
Corey 36	5901	14	Skeena	Feb 11/87	Feb 11/91
Corey 37	5902	14	Skeena	Feb 11/87	Feb 11/91
Corey 38	5903	12	Skeena	Feb 11/87	Feb 11/91
Corey 39	5904	12	Skeena	Feb 11/87	Feb 11/91
Corey 40	5905	12	Skeena	Feb 11/87	Feb 11/91
Corey 41	5906	12	Skeena	Feb 11/87	Feb 11/91
Corey 42	5907	20	Skeena	Feb 11/87	Feb 11/91
Corey 43	5908	20	Skeena	Feb 11.87	Feb 11/91
Corey 44	5909	20	Skeena	Feb 11/87	Feb 11/91
Corey 45	5910	20	Skeena	Feb 11/87	Feb 11/91

Cumberland Group (Reverted Crown Grants)

Cumberland	5473	1	Skeena	Aug 1/86	Aug 1/91
Silver Pine	5474	1	Skeena	Aug 1/86	Aug 1/91
Middlesex	5475	1	Skeena	Aug 1/86	Aug 1/91
Ziphis	5476	1	Skeena	Aug 1/86	Aug 1/91
Ougma	5477	1	Skeena	Aug 1/86	Aug 1/91



KENRICH - AMBERGATE  
 PROPERTY TITLE & CLAIM MAP  
 SCALE 1:50,000

#### 4.0 GEOGRAPHIC SETTING

This property, which is approximately 18 kilometers by 9 kilometers, lies in the Coast Range region of northwestern British Columbia, 65 kilometers north-northeast of Stewart. The property is bounded on the west by the south Unuk River and on the east by Ted Morris Creek with Sulphurets Creek traversing the northern portion. The NTS map area of this property is 104 B/8W and 104B/9W with a latitude of 56 degrees north and a longitude of 130 degrees west.

Three mountain peaks occur on the property, John Peaks 7,075 feet, Mount Madge 5,550 feet and Unuk Finger 7,750 feet, while the major valleys such as the South Unuk and Sulphurets exhibit elevations of 1000 to 1500 feet above sea level. With this high degree of relief the potential for mapping and sampling much greater variety and thickness of stratigraphy is increased considerably.

Glaciers occupy approximately 20% of the southern half of the property with large areas of the slopes outcrop or talus covered, while the lower elevations are densely timbered with spruce and cedar and undergrowth of devils club and alder.

Currently access to this property is only by helicopter, usually from Stewart, Tide Lake or Bell II. There is a private road to the Newhawk Mine which could easily be extended nine kilometers to the Kenrich/Ambergate property. Also the government has embarked upon a road from Bob Quin or Highway 37 down the Unuk River to access several mining areas in the vicinity of this property.

## 5.0 ECONOMIC GEOLOGY

In the Sulphurets and Stewart area gold and silver mineralization generally appears to be of the epithermal vein type origin, that is structurally controlled and in close association with volcanic rocks.

Exploration work on the Sul, Unuk, and Nica claims on the east side of this property has indicated VLF and magnetic anomalies associated with high gold soil geochemistry. Drilling confirmed structurally controlled vein sulphides in the Unuk River formation sediments and Betty Creek formation volcanic epiclastics.

The Cumberland showing on the Corey Claims in the northwestern corner of the property near the junction of Sulphurets Creek and Unuk River consists of massive sulphide zones with pyrite, sphalerite, galena, chalcopyrite and barite including some silver sulphosalts and associated gold. These massive sulphide zones are present within a much wider pyrite-pyrrhotite bearing tuff horizon that may be up to several hundred feet wide. The showing also exposed for 700 feet along a canyon edge. The Cumberland showing is very comparable to Calpine geology.

The Daly showing just west of the Cumberland area offers the potential for a narrow, high grade silver exploration target. The silver mineralization is associated with quartz and carbonate (siderite?) stockwork containing 3-5% fine-grained to coarse-grained pyrite and 1-2% coarse-grained sphalerite. Minor fine-grained disseminated pyrrhotite is also associated with pyrite. The stockwork/vein system trends N007'E and 45 degrees to the west. True width of the actual vein material varies from several centimeters to 20-30 centimeters but the actual zone including all quartz and carbonate stringers can extend of .75 meters in width. Galena and tetrahedrite have been reported in the adit by the B.C. Minister of Mines reports.

The presence of sphalerite bearing boulders with silver values several thousand feet above the Daly showing indicates the potential for more veins similar in nature. Approximately 1000 feet due west of the Cumberland, narrow lenses of pyrrhotite and tetrahedrite assayed up to 133.58 opt silver. This indicates the presence of at least three separate silver bearing zones.

The C-10 showing towards the center of the property, exhibits the flat lying to gently dipping siderite-sulphide veins, lenses, pods, and stringers. The veins are from several inches up to 3-4 feet in width and are generally exposed over 300-400 feet in length. In some localities, mineralized boulders form from 5-10% of the talus slopes. The veins are exposed over an elevation of at least 2,000 feet. They extend from the valley floor of Joe Mundy Creek to the ridge forming the each flank of Upuk Finger Mountain. The veins carry up to 30-40% sulphides in a siderite-calcite material. The sulphides consist of pyrite, sphalerite,

galena and arsenopyrite. In several localities, massive arsenopyrite has been observed in small lenses without any other sulphides.

The peripheral areas to the Le Brant Batholith offers the potential for a porphyry copper-gold situation. Numerous copper showings are present along the southeast corner of the claim block. These showings are in an area of high geochemical gold in rocks over a large area. Rock values range up to a high of 950 ppb gold.

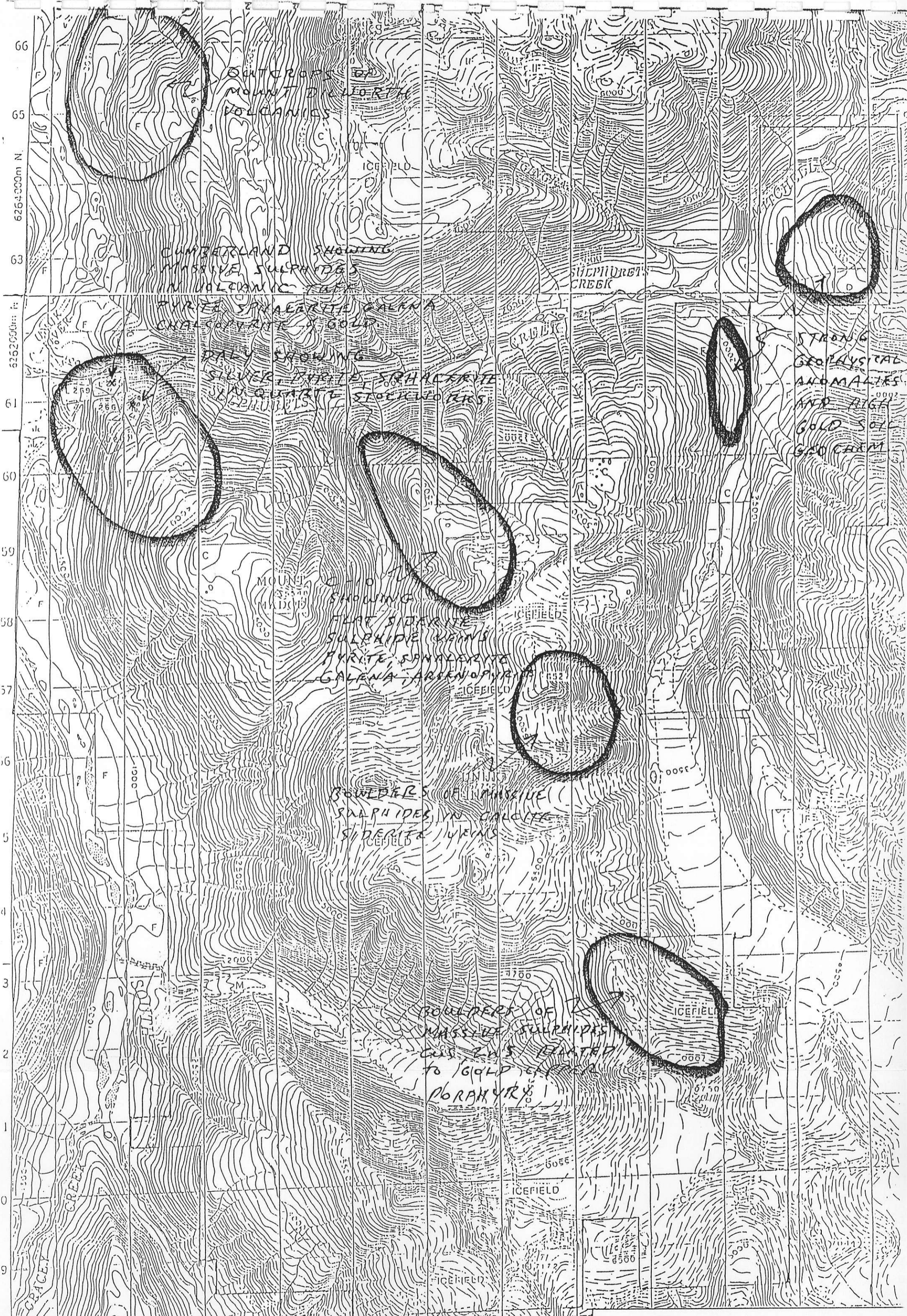
This southeastern portion of the area also has reports of the boulders of massive copper-zinc mineralization along a glacial moraine. The potential source is indicated as a nunatak in Corey 18 claim.

In 1987, six holes were drilled, totalling 1936 feet, in the upper adit area of the Cumberland showings that returned several significant gold and silver intervals in sulphide bearing hematite and siliceous tuffs.

In 1988, six holes were drilled, totalling 2,125 feet, in a high soil geochem area of the C10 showing that returned low gold and silver values in pyrite rich calcareous tuffs.

A thick sequence of pyritiferous Mt. Dilworth formation has been noted in the northwestern corner of the claim block.

All previous exploration efforts of, geochemistry, geophysics and drilling on the property have been completed in small isolated areas with no large scale geological mapping or airborne geophysics to comprehensively evaluate the sulphide and precious metal potential of the whole property. The current proposed exploration program of Kenrich and Ambergate will provide a comprehensive evaluation that will lead to successful drill targets.



KENRICH - AMBERGATE  
ECONOMIC GEOLOGY -  
MINERALIZED SHOWING  
SCALE 1:50,000

## 6.0 PROPOSED PHASE II EXPLORATION PROGRAM 1990

### 6.1 Digital Orthophoto Mapping

By mid-July the preparation of a controlled mosaic at the scale of 1:10,000 with 20-meter contour intervals will begin. This will become the base map for the large 16,100 hectare Kenrich and Ambergate properties, and it will be extremely helpful in the coordination of the 1990 airborne and ground geophysical work, grid location and geochemistry work, detailed geological mapping and sampling program.

### 6.2 Airborne Geophysical Program

On the first of August a helicopter borne electromagnetic and magnetic survey will begin on the Kenrich and Ambergate properties that will cover an area approximately 18 kilometers by 9 kilometers with lines averaging 9 kilometers in length spaced on 200 meter centers. Lines will be oriented east-west and including two north-south tie lines, total 870 kilometers in length.

Kenrich/Ambergate will supply:

- one on-site geophysical consultant
- room and board at the company camp for crew and consultant
- the required 206 helicopter fuel positioned at the company camp
- a suitable landing and operations site for the 206 helicopter and geophysical equipment at the company camp.

The Geophysical Contractor will supply:

- a multi-frequency coaxial and coplanar E.M. system
- a total field magnetometer and base magnetometer
- a VLF-FM instrument measuring total field
- a vertical gradient magnetometer
- the required 206 helicopter, pilot and survey crew
- all data processing and presentations, including preliminary on-site anomaly evaluation, stacked profiles of each line, coloured maps of magnetic and EM data, and a compilation map showing all magnetic and EM trends.

### 6.3 Base and Grid Line Preparation

Dependent on the outcome of the airborne geophysical survey, it is planned that at least six 1000 meter by 1000 meter areas will be studied by detailed ground geophysics. Thirty-six kilometers of grid will be cut to normal VLF-FM standards.

Kenrich/Ambergate will employ a line cutting contractor to complete this work, the contractor will supply all personnel, equipment and consumables while Kenrich/Ambergate will supply room and board in their camp and helicopter support.

### 6.4 Access by Road and Trail

To reduce the large cost of helicopter support for exploration projects on this 16,100 hectare mineral property, a series of cat trails are planned to access the most important areas. Four wheeled all-terrain vehicles or similar vehicles would be utilized on a daily basis to deliver field crews with maximum efficiency regardless of weather conditions.

To connect the road from Newhawk Mine to the Kenrich/Ambergate camp at the confluence of the Ted Morris and Sulphurets Creeks would require a cat trail nine kilometers long with one major creek crossing.

Access trails on the property have been planned to follow the 3500 foot contour, for the most part to provide the maximum coverage with minimum problems from creeks. To reach the 3500 foot contour from the Kenrich/Ambergate camp, the cat road would proceed south up Ted Morris Creek then climb at 15% or less to the top elevation, again on the west side of the property, the trail would descend to the Unuk River at grades of 15% or less.

This cat trail crosses at right angles to all of the major geological structures on this property and therefore would provide excellent opportunities for trenching of bedrock and many sampling and mapping locations. The total length of cat trails on the Kenrich/Ambergate property is 36.5 kilometers, which when added to the 9-kilometer road required from the Newhawk Mine to the Kenrich/Ambergate camp, the total cat trail length is 45.5 kilometers.

This cat trail from the Newhawk Mine to the Unuk River may also be the most advantageous link to follow to join with the planned government road to the Calpine Mine 15 kilometers to the north up the Unuk River.

Kenrich and Ambergate would employ a road building contractor for a period of six weeks to construct these cat trails using the contractor's men and equipment with Kenrich and Ambergate supplying room and board at their camp.



## 6.5 Geological Mapping and Sampling

The Kenrich/Ambergate property, which is approximately 18 kilometers by 9 kilometers (16,100 hectares), requires a complete systematic geological field mapping with detailed mapping and sampling of the more important areas outlined by geophysics, geochemistry and prospecting.

Once the detailed contoured orthophoto has been completed for the property, we will have excellent control to carry on reconnaissance mapping and prospecting of the entire property.

Detailed geological mapping will be concentrated on all proposed road cuts, grid areas and gossan zones.

Kenrich/Ambergate will hire a geological contractor with a crew comprised of one senior geologist, two field geologists and three geological technicians to complete the mapping and sampling under the direction of the Kenrich/Ambergate senior geologist in a period of twelve weeks, beginning August 1, 1990.

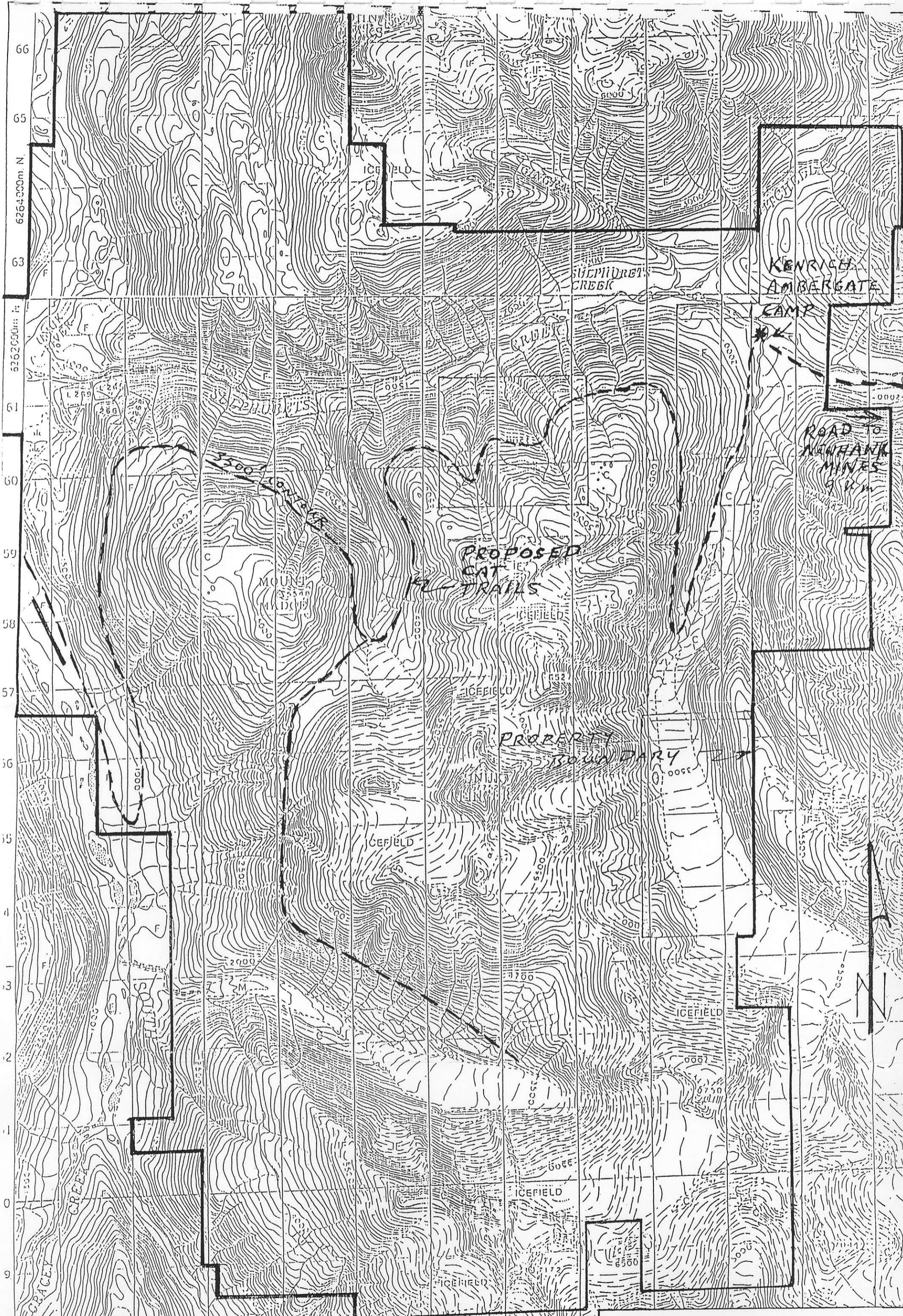
## 6.6 Geochemical Sampling Program

Soil and stream sediment sampling will be primarily completed on the new grids that will be constructed for ground geophysics. These grids will total 72 kilometers in length with 100-meter line spacing and 50-meter sample spacing and a total 1440 samples. Two geotechnicians working for four weeks can complete this sampling.

## 6.7 Ground Geophysics

Based on the electromagnetic and magnetic trends outlined by the airborne geophysical survey, six grids each approximately 1000 meters by 1000 meters will be appropriately placed on the property for follow up detailed ground geophysics. Three of the grids totalling 36 kilometers in length will be used for an Induced Polarization (I.P.) Survey. All six of the grids totalling 72 kilometers in length will be used for a Transient EM Survey.

A geophysical contractor will be employed to supply all personnel, equipment computations and final reports on this phase of the operation.



PROPERTY TRAILS 36.5 km  
 EXTENSION OF NEWHAWK ROAD 9 km  
 TOTAL 45.5 km

KENRICH - AMBERGATE  
 ROAD & TRAIL ACCESS MAP  
 SCALE 1:50,000

Exploration Budget Summary

1.	Planning and Reports	\$	8,400
2.	Digital Orthophoto Mapping		23,875
3.	Airborne Geophysics - 870 km at \$125/km <u>Contractor</u>		
	helicopter, equipment and personnel		108,750
	<u>Kenrich/Ambergate</u>		
	consulting geophysicist, helicopter, fuel on site, room and board		28,200
4.	Base Line and Grid Preparation - 72 km <u>Contractor</u>		
	men and equipment		16,200
	<u>Kenrich/Ambergate</u>		
	mobilization and demobilization, room and board, helicopter support		17,800
5.	Access by Cat Road and Trails - 45.5 km <u>Contractor</u>		
	men, equipment, fuel, mobilization and demobilization		84,000
	<u>Kenrich/Ambergate</u>		
	resonnaissance permits, culverts, room and board, helicopter support for fuel		78,200
6.	Geological Mapping and Sampling - 12 weeks <u>Contractor</u>		
	technical personnel and equipment 6 men 90 days		130,500
	<u>Kenrich/Ambergate</u>		
	mobilization and demobilization, assays, room and board, daily transportation		88,450
7.	Geochemical Sampling - 4 weeks <u>Contractor</u>		
	geotechnician, equipment and supplies		13,500
	<u>Kenrich/Ambergate</u>		
	mobilization and demobilization, room and board, daily transportation, assays		41,400
8.	Ground Geophysics <u>Contractor</u>		
	personnel, equipment, reports, mobilization and demobilization		79,600
	<u>Kenrich/Ambergate</u>		
	mobilization from Bell II, room and board, daily transportation		28,050

9. Kenrich Support Costs to supply project supervision, camp facilities and helicopter support, personnel, 1 senior project supervisor at \$350 per day	
120 days field, 30 days office for reports	52,500
engineering 30 days at \$450	13,500
cook and assistant 120 days at \$150/day each	36,000
camp operator 120 days at \$180/day	21,600
2 helicopter pilots and 1 engineer (cost included in hourly charge to contractors)	
room and board 10 men 120 days @ \$50/day each	60,000
generator fuel and misc. camp supplies	20,000
helicopter in addition to above:	
Budgeted helicopter time of 193 hours, past exploration programs have dictated average helicopter use of 4 hours per day for the 120 days @ \$700/hour therefore the extra helicopter time is 287 hours for ferrying personnel, fuel and supplies	200,900
	-----
<b>TOTAL PHASE II EXPLORATION PROGRAM</b>	<b>\$1,151,425</b>

**Total Phase III Drilling Exploration Budget**

<u>Contractor</u>	
all costs included and mobilization and demobilization to Bell LL 2000 meters @ \$115/meter and \$10,000 mobilization and demobilization	240,000
<u>Kenrich/Ambergate</u>	
geological logging of core, drill pad building, room and board and assays	136,000
	-----
<b>TOTAL PHASE III DRILLING EXPLORATION PROGRAM</b>	<b>\$ 376,000</b>
	-----
<b>TOTAL PHASE II AND III BUDGET</b>	<b>\$1,527,425</b>
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**CERTIFICATE OF QUALIFICATION**

I, Terry Garrow, do certify that:

I am a Professional Senior Mining Geologist.

I hold a Bachelor of Arts degree (geography-biology) 1966 from Sir Wilfred Laurier University in Waterloo, Ontario.

I hold a Bachelor of Science Advance degree (Mining Geology) 1969 from the University of Saskatoon, Saskatchewan.

I have been actively involved in exploration and mining geology for 24 years:

- 9 years of regional geological exploration
- 10 years of underground mining geology
- 5 years of surface and underground placer mining

I have thoroughly examined the historical information, engineering reports and property involved in this exploration report and supervised the core logging on the Phase I drilling of this property May 1 - June 6, 1990.

I consent to the use of this report as a supporting document in a Prospectus, Statement of Material Facts or Qualifying Report.

June 25, 1990

TERRY DAVID GARROW  
P. GEOL.