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June 1, 1987

Mr. R.T. Heard, P.Eng.
General Manager - Exploration
Equity Silver Mines Limited
708 - 1155 West Pender Street
Vancouver, B.C.
V6E 2P4

Dear Mr. Heard:

Re: Field Examinations of John Carson Properties
Grand Forks - Rock Creek Areas, B.C.

The writer spent May 24 and 25 with John Carson examining two properties of which he is a co-owner and/or vendor. Details are as follows:

Burnt Basin

Summary and Recommendations

Skarn zones with massive and disseminated sulfide pods and lenses in the central part of the Burnt Basin property are irregular in form and apparently of limited extent. These zones contain fair lead-zinc-silver mineralization; gold values are generally less than 0.05 opt with some grabs assaying more than 0.30 opt. One known zone is central to anomalous gold values in soils.

Narrow quartz veins on the Motherlode claim, while containing locally good values of more than 1 opt, are considered to be of no interest.

Platinum values have been reported from the Burnt Basin property and it is recognized that basic Coryell dykes have some potential for PGM's.

No surface showings were examined on the recently acquired Molly Gibson property immediately south of Burnt Basin. Dump material from three adits and one shaft consists of silicified hornfels and skarn with disseminated to streaky sulfides with some reported good gold values. Files in Carson's Vancouver office (not yet reviewed) may shed more light on the potential of this property.

It is recommended that an analysis of the 1987 West Rim Resources surveys (in progress) be carried out when available. The property is considered to be of moderate interest.

Property and Location

Burnt Basin consists of 15 reverted Crown grants and 2 Modified Grid claims (36 units) 8 miles northeast of Christina Lake. Access is by 4 wheel drive roads west off highway 3 just south of the bridge across McRae Creek. Elevations range from 3500 ft. on the highway to more than 5000 ft.

Ownership

The claims are currently under option to West Rim Resources Inc. who are currently conducting a recommended \$90,000 Phase I program and who may be interested in a joint venture partner in the near future.

The deal with the vendor (Carson) calls for payments of up to \$250,000 by 1998 with a 3.5% NSR to a maximum of \$750,000.

Carson has recently acquired the Molly Gibson property to the south and has offered it to West Rim - it is important to note that this is the first time the entire Burnt Basin camp has been a single entity.

Previous Work

Claims were originally located at Burnt Basin in the late 1800's. Early work included surface and underground work and some shipments to Trail. Various operators have carried out geophysical and geochemical surveys, trenching and limited drilling over the past 20 years and some shipments were made to Trail and nearby mills.

Total recorded production from the reverted Crown grants is 5410 tons (mainly from the Eva Bell claim) with recovered grades of 0.006 opt Au, 2.73 opt Ag, 3.9% Pb and 5.2% Zn. Roughly 40% of this production was achieved by Donna Mines and Alvija Mines between 1972 and 1976. Some 310 tons (hand picked?) were shipped from the Molly Gibson between 1909 and 1940. Average recovered grades were reportedly 1.07 opt Au and 0.45 opt Ag.

Geological Setting and Mineralization

Burnt Basin is within a northeast trending belt of deformed late Paleozoic sediments and volcanics bounded on the north and south by Mesozoic granitic rocks and Tertiary Coryell intrusions respectively. The layered rocks are intruded by dykes and sills of basic, quartz-deficient Coryell intrusions. Contact zones feature skarnified carbonate rich rocks and siliceous hornfels.

Two styles of mineralization on the property include quartz-sulfide veins and contact or skarn zones. Best example of the former is on the Motherlode claim where two directions of narrow

(less than 2 ft.) quartz veins are exposed. While locally carrying gold values in excess of 1 opt, a recent 1500 ft. drilling program by West Rim yielded disappointing results.

Massive sulfide pods with fair lead-zinc-silver values and low gold (less than 0.05 opt) are contained in skarn zones on the Eva Bell and Halifax claims. A small massive sulfide pod on the Upper Eva Bell zone has yielded grab samples assaying up to 0.33 opt gold and an anomalous gold zone in soils is coincident with this exposure.

Platinum values have been reported from various parts of the property - most of these are unsubstantiated by more detailed work. Basic Coryell dykes and sills on the Motherlode claim reportedly contain visible gold and some platinum. Nickel values are present in skarn zones with massive sulfides marginal to similar dykes on the Eva Bell.

It is worth noting that the Longreach-Placer Platinum Blonde prospect in the Franklin Camp is associated with similar type intrusions.

A few character samples of both the basic dykes and massive sulfides were collected by the writer as follows:

	<u>Pb</u>	<u>Zn</u>	<u>Ag</u>	<u>Au (ppb)</u>	<u>Pt (ppb)</u>	<u>Pd (ppb)</u>
⁸⁵¹ 11581 - Upper Eva Bell						
⁸⁵² Syenite Dyke	57	95	2.9	1	-	-
11582 - Upper Eva Bell						
⁸⁵³ Massive sulfides	36000	120000	560.0	900	-	-
11583 - Halifax						
⁸⁵⁴ fine grained grey dyke	-	-	1.7	2	2	12
11584 - Hastings claim dyke	130	180	2.8	8	-	-

Three adit levels and one shaft with extensive dumps were seen on the Molly Gibson property. Most rock was silicified hornfels with disseminated to streaky sulfides - pyrrhotite and minor chalcocopyrite - Coryell porphyry dyke material was also noted.

Two samples of dump material were collected as follows:

	<u>Pb</u>	<u>Zn</u>	<u>Ag</u>	<u>Au (ppb)</u>	<u>F.A.</u>
11855 - Upper adit dump	32	67	5.2	20000	
11856 - Shaft dump	27	70	2.6	895	62.5 opt Ag *
					11823 opt Au

Dayton Property - Rock Creek

The Dayton property of 21 full and fractional 2-post claims and 2 Modified Grid claims (18 units) is centred on Jolly Creek and extends 3 miles north of highway 3 2.5 miles northeast of Bridesville.

These lode claims cover an area of numerous placer leases which have been worked with limited success for many years. The claims are 4 miles southeast of Camp McKinney and original work on the Dayton claim was directed to gold mineralization in shear zones (called Dykes by original workers).

The present area of interest is 2 miles north of highway 3 and is exposed on the edge of current placer workings. This is a rusty shear zone or regolith in late Paleozoic Anarchist Group rocks immediately below Pleistocene gravels. Trend of the zone is not well exposed - it may be 10-15 ft. wide, and gold has been panned from samples.

If this is a shear zone, it may have simply acted as a trap for placer gold. If a regolith, ownership may be in doubt vis-a-vis the placer leases.

In any event, the zone appears to be discontinuous and proximity to placer workings renders serious future work impractical.

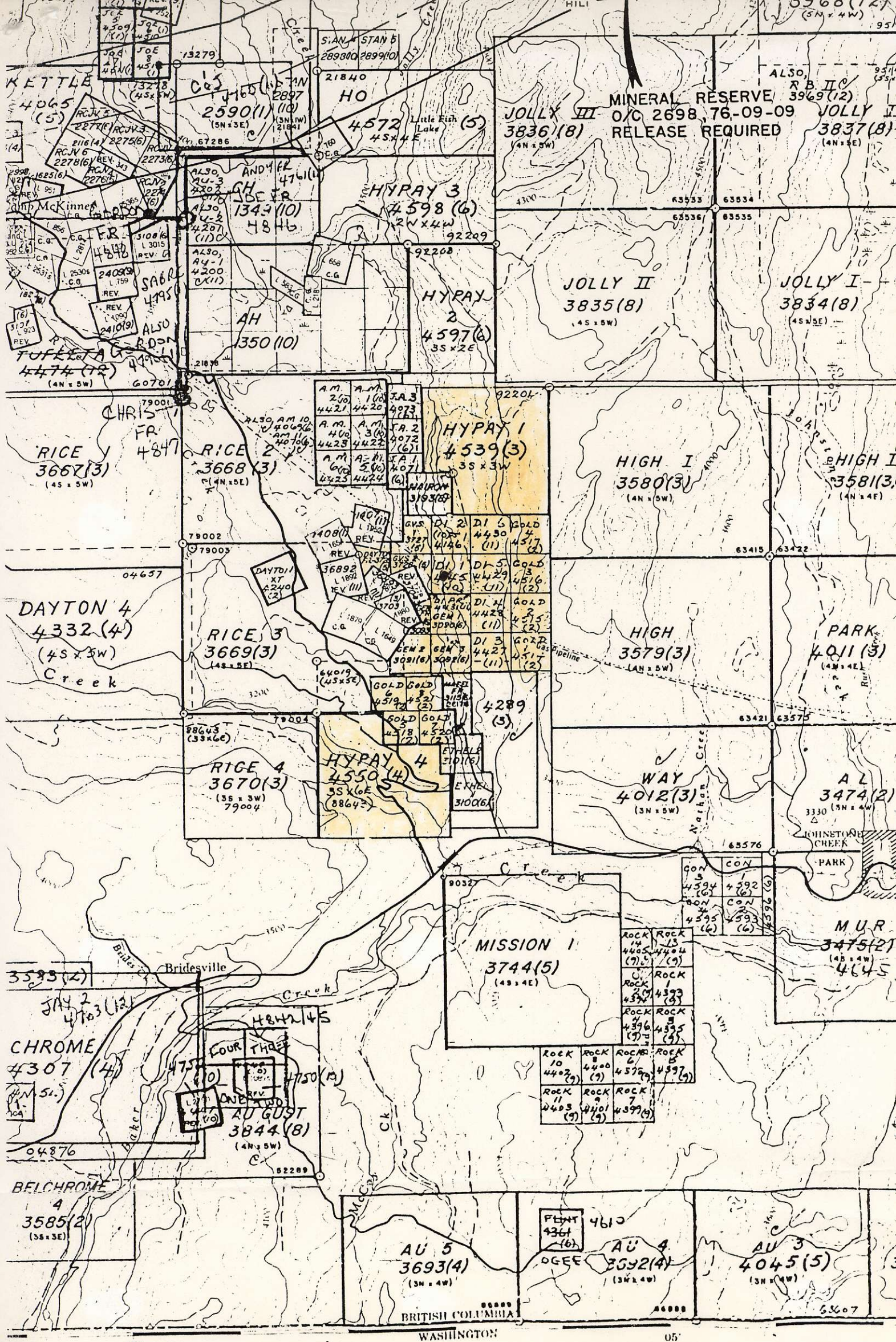
One grab sample was collected:

11857 - *560 ppb Au.*

Overlying Tertiary conglomerates and sandstones may have potential for fossil placer deposits but this must be considered a long shot bet at best.



N.C. Carter



DAYTON
Jolly Co.

MINERAL TITLES MAP

Fossil Placers

In some parts of the world ancient deposits of alluvial material have been buried by overlying strata and become consolidated to form beds of sandstone or conglomerate. Any precious metal content of the original deposit remains incorporated in the solid rock. Such deposits may be referred to as fossil placers. The best known example of this type of occurrence of platinum metals is in the great gold deposits of the Witwatersrand, Transvaal (Wagner, 1929, Chapter V). The principal production is derived from the Main Reef Leader conglomerate on the Far East Rand, but notable amounts are also recovered from the Battery Reef on the West Rand and the metals are known in other conglomerates. The "osmiridium" that is saved as a by-product during gold extraction is actually a concentrate containing 50 to 75 per cent osmiridium (or iridosmine) and also some platinum, ruthenium, rhodium, and gold. The production of 5,000 or 6,000 ounces per annum in recent years gives South Africa first place as producer of osmiridium. The distribution of the platinum metals in the conglomerate corresponds to that of the gold and, as with the latter, values are highest where the pebbles of the conglomerate are relatively large. Although there has been renewed discussion in recent years, it seems to be the consensus of opinion, particularly among South African geologists, that all the precious metals were deposited at the same time as the conglomerate. Unlike the gold, however, the "osmiridium" did not undergo solution and recrystallization; the fragments exhibit all gradations from well-preserved crystals to completely water-worn grains. The proportion of platinum metals in the conglomerate, it should be noted, is very, very small. In 1924, 1 ounce was obtained, at different mines, from about 1,200 to over 9,000 tons of that rock that passed through the mills; the average recovery, however, is probably less than 50 per cent.

The presence of platinum in Tertiary conglomerate in Colombia has already been noted. The platinum of certain streams in the Urals is believed to be derived from Permo-Carboniferous conglomerates that contain pebbles of basic igneous rock (See Chapter IV, page 121). Platiniferous and auriferous Tertiary conglomerate is known in Alaska (See Chapter IV, page 140). Certain platiniferous greywackes near Westphalia, Germany, perhaps also should be classed as fossil placers (Chapter IV, page 114).

ELUVIAL DEPOSITS

In some places in the Urals and in Transvaal, weathering of the outcrops of platiniferous dunite bodies has produced considerable surface accumulations of eluvium or rubble that is itself platiniferous. This loose, partly decomposed material covers the original outcrop or lies on the slopes adjoining it. The native platinum of the original deposit is partly or largely set free during the weathering process and forms crystals, irregular grains, or nuggets in the surface rubble, and can generally be panned easily. The largest deposit in Transvaal covered the slopes below the original outcrop of dunite on a knoll at Onverwacht mine and the platinum values were sufficiently high to justify passing all the material through the treatment plant. Iridosmine is somewhat similarly concentrated at certain places in Tasmania.

deposits may, and have
by a considerable thick-
the ice finally withdrew.
cial deposits, are known

Placers

occur as native elements,
Platinum and osmiridium
of any of the platinum
sit. By far the largest
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parts of nuggets of other
number of other heavy
ate is chromite. Mag-
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ated, are also common;
rnet, zircon, rutile, dia-

that have occasionally
with placer platinum, in
nature of the primary
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of chromite. Olivine,
a platinum nuggets and
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th occurrences are rare.
in Bulletin 193 of the

gold placers contain a
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a Columbia, placers of
Columbia. The exact
only to the extent of a
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During extraction of
black sand concentrate.
it will not amalgamate
t. Many devices have
no very great success
the problem is greatly

erratically distributed
by the action of waves
these deposits of much
can be worked profit-

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Certificate of GEOCHEM

Company: EQUITY SILVER MINES

File: 7-486/P1

Project:

Date: JUNE 1/87

Attention: MR. R. T. HEARD

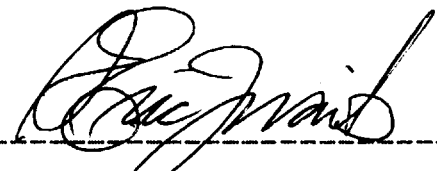
Type: ROCK GEOCHEM

We hereby certify the following results for samples submitted.

Sample Number	PB PPM	ZN PPM	AG PPM	AU-FIRE PPB	PD-FIRE PPB	PT-FIRE PPB
11851	57	95	2.9	1		
11852	36000	120000	560.0	900		
11853			1.7	2	2	12
11854	130	180	2.0	8		
11855	32	67	5.2	20000		
11856	27	70	2.6	895		
11857				560		

*SOME OF THESE SAMPLES SHOULD HAVE BEEN REQUESTED FOR ASSAY.

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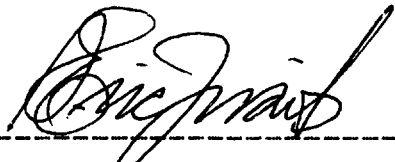
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We hereby certify the following results for samples submitted.

Sample Number	AU G/TONNE	AU OZ/TON
11855	62.50	1.823

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