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REPORT

on the

GOAT CLAIMS
LIARD MINING DISTRICT
BRITISH COLUMBIA

for

INTEGRATED RESOURCES LIMITED
EDMONTON, ALBERTA

Latitude: 57°47'N Longitude: 131°50'W
NTS 104-G-12W + 13W

by

Allan M. Frew B.Sc., F.G.A.C., P.Geol.

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TABLE OF CONTENTS

1.	SUMMARY	1
2.	INTRODUCTION	2
3.	LOCATION AND ACCESS	2
4.	HISTORY	4
5.	PHYSIOGRAPHY AND VEGETATION	6
6.	PROPERTY	7
7.	GEOLOGY	9
	1. Background	9
	2. Regional	9
	3. Property	11
8.	RESULTS OF PREVIOUS EXPLORATIONS	13
9.	MINERALIZATION	15
10.	OBSERVATION AND COMMENTS	16
11.	CONCLUSIONS AND RECOMMENDATIONS	18
12.	BUDGET	19
13.	CERTIFICATE	20
14.	BIBLIOGRAPHY	21

MAPS INDEX

FIGURE #1	PROPERTY LOCATION	3
FIGURE #2	CLAIM MAP	8
FIGURE #3	REGIONAL GEOLOGY	10

In pocket at back of report

- Map #1 - Reinterpretation of Soil Geochemistry - Ag
- Map #2 - Reinterpretation of Soil Geochemistry - Au
- Map #3 - Tuff Claims, Sample and Grid Location Map

SUMMARY

Placer gold deposits have been known to exist in the Barrington River Area, Liard Mining District, British Columbia, since the late 1800's. In 1980 and 1981 reconnaissance exploration over two separate groups of claims resulted in establishing the gold mineralization also occurred in the bedrock of the area. These programs did not completely establish the extent of the lode gold mineralization possibilities.

In April, 1987, Integrated Resources Limited acquired a block of contiguous claims encompassing the areas of previous exploration.

The geology is favourable for the property to host gold mineralization not yet indicated. It is recommended that Integrated Resources Limited pursue an intensive exploration program to fully access the potential of their property - the GOAT Group of mineral claims - of hosting gold mineralization in economic concentrations. The budget for the pre-diamond drilling phase is approximately \$170,000.00.

INTRODUCTION

In March 1987, Mr. JOHN HOPE, president of Integrated Resources Ltd., requested this writer to assess the exploration merits and potential of the Goat Group of Mineral Claims, Liard Mining District, British Columbia. This assessment involved a review of available literature, data accumulated by Mr. Hope, data provided by the Province of British Columbia, Ministry of Energy, Mines and Petroleum Resources and data provided by the Geological Survey of Canada, Vancouver, British Columbia office.

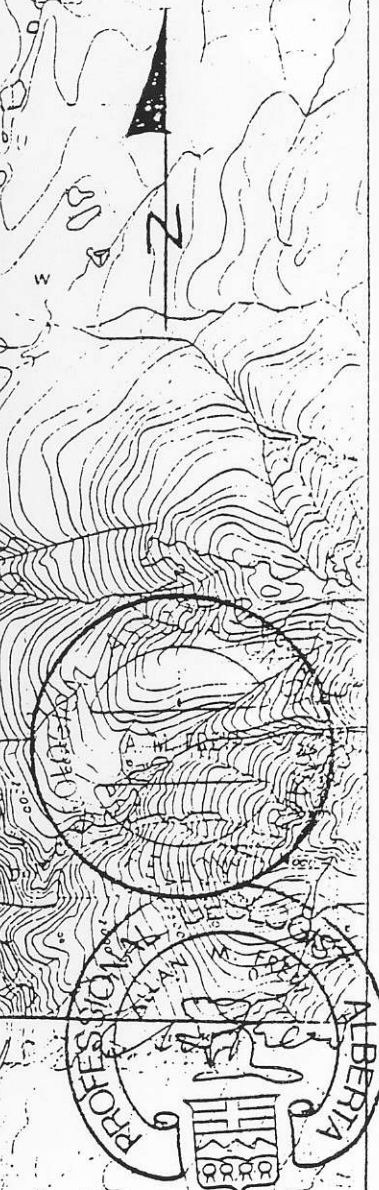
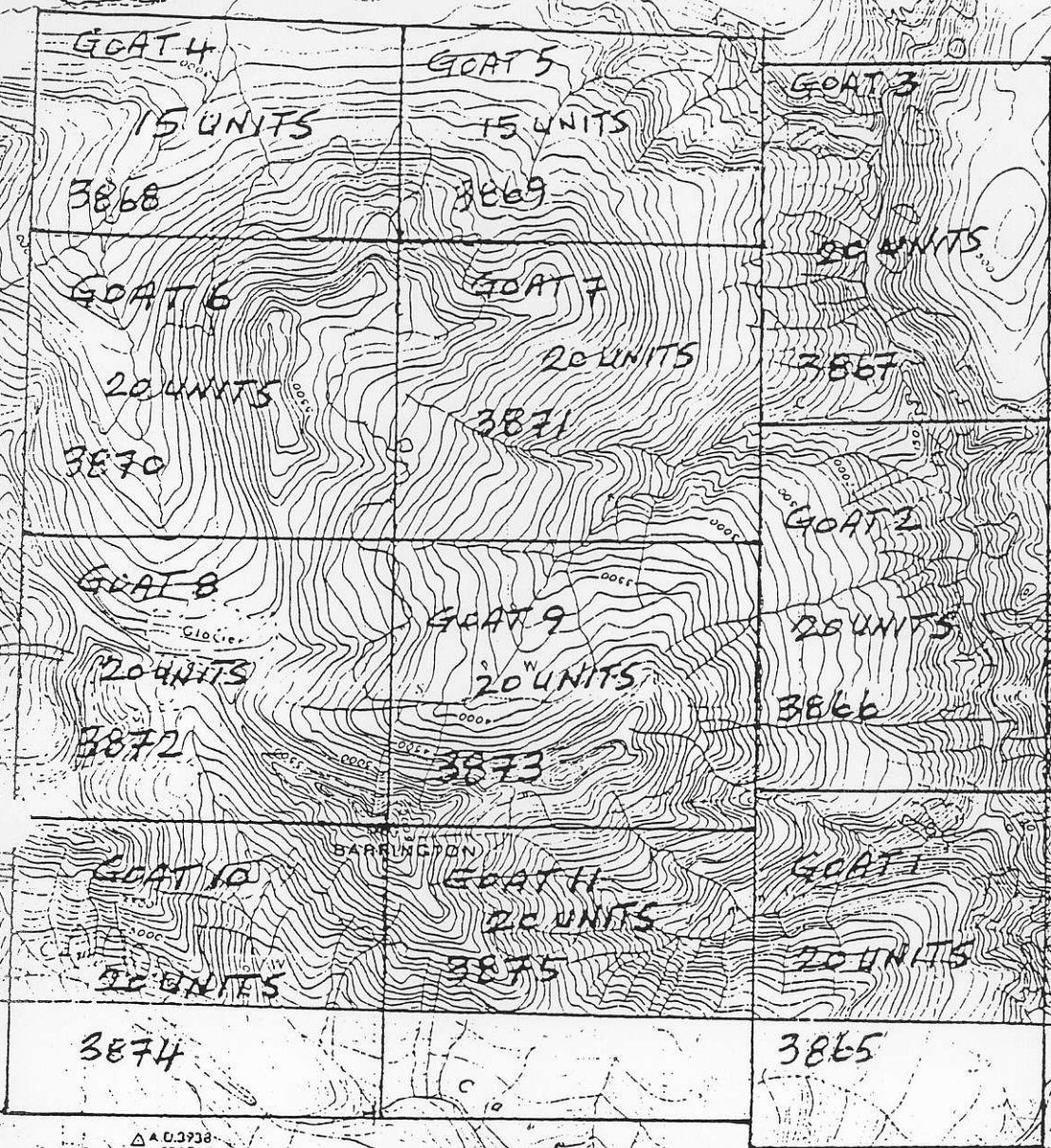
The Goat Group of Claims represent excellent exploration possibilities by virtue of the positive exploration results obtained from preliminary evaluation programs carried out in 1980 & 1981 over small portions of the northwest end and the southwest end of the area. Grab samples of sulfide mineralization assayed as high as 3.575 ounces per ton Au. The ground between these two widely spaced auriferous areas is worthy of exploration and additional detailed evaluation of the previously explored areas could result in additional gold discoveries of economic significance.

A program of exploration, and a budget, for the evaluation of the Goat Group of Mineral Claims is included in the following report.

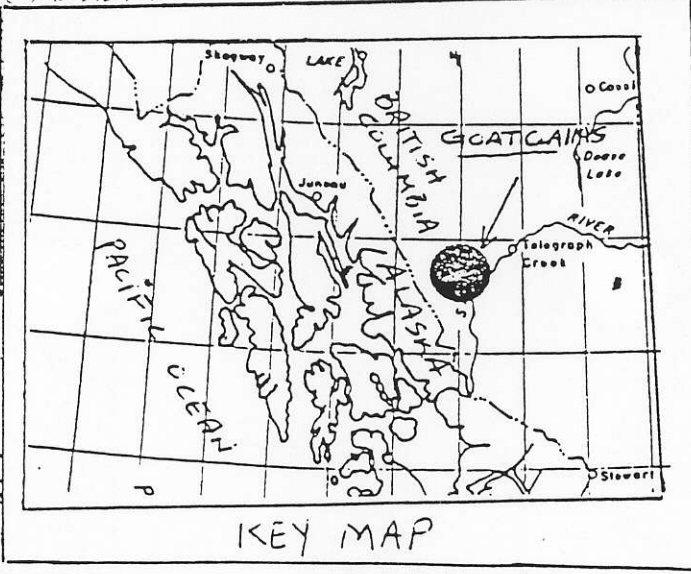
LOCATION AND ACCESS

The Goat Group of Mineral Claims is located along the west side of Barrington River between Chutine River, on the south, and Limpoke Creek, on the north, in the Telegraph Creek Map Sheet area, Liard Mining District, British Columbia. (Figure No.1). More specifically, the centre of the group of claims is situated at 57°47' north latitude and 131°50' west longitude. The area is approximately 45 Kilometres southwest of the village of Telegraph Creek. A gravel surfaced road, passable to 4-wheel-drive vehicles extends, some 37 Kilometres, from Telegraph Creek southwest towards the property. Integrated Resources Limited are currently bull-dozing a woods access road to Barrington River placer claims. This road should be completed by June 30, 1987. The end of this road will be within 2 Kilometres of the Goat Group of Claims.

Helicopter service, limited supplies and accommodations are available at Dease Lake. A five thousand foot long gravel-surface runway exists at Telegraph Creek, and a similar sized paved airstrip exists at Dease Lake. Dease Lake is 362 Kilometres along Highway 37, southwest of the town of Watson Lake, Yukon Territories. Watson Lake has a population of 1850 persons



△ A. 0. 2938
5367



KEY MAP

INTEGRATED RESOURCES LIMITED
 GOAT MINERAL CLAIMS
 LIARD MINING DISTRICT
 British Columbia
 Figure No. 1
 PROPERTY LOCATION
 Report by A.M. Frew, May 7, 1987
 Scale 1:50,000
 NTS 104G-12W+13W

who are serviced on a regular basis by Canadian Pacific Airways and Greyhound Buslines Ltd. The town has services and amenities one would find in most large towns.

HISTORY AND PREVIOUS EXPLORATION

During the gold rushes to Cassiar, B.C. in 1873-75, Klondike, Yukon in 1896 and Atlin, B.C. in 1898, gold prospectors used the Stikline River as a travel route to these northern placer gold camps. Occasionally a few of the prospectors would stop off at Barrington River and test the river bars and gravel banks for gold. No major discoveries were made and the excitement being generated further north served as a discouragement for staying in the Barrington River area for any extended period of time.

There is mention of copper mineral claims and placer gold claims being staked in the area of the Goat Claim Group in 1902 and 1903. No records exist regarding the degree of success or recovery of gold. In 1914 claims were staked named the Barrington River and Mountain Goat prospects. These were prospected for a couple of years and allowed to lapse.

In 1960's Kennco Exploration Ltd. carried out cursory geological and geophysical surveys; as well as minor pack-sack diamond drilling in the extreme northwest end of the Goat Claim Group property, over the Limp #2 claim. (See Figure No.2). The results are unknown. In July 1980, Teck Explorations Limited carried out a reconnaissance soil geochemical survey over a portion of the Limp #2 claim. Based on their interpretation of the results they did not consider further exploration necessary. (See section under COMMENTS later in this report).

On August 7, 1980, DuPont of Canada Exploration Limited reconnoitered the Tuff Claims, situated on the extreme southwest end of the Goat Claim Group property. (See Figure No.2). This work involved two persons collecting stream sediments and one person performing rough geological mapping, prospecting and collecting rock samples. Over 40% of the stream sediment samples contain Au in excess of 100 parts per billion (p.p.b.). These were definitely anomalous; according to Sodie Berar, Manager, Loring Laboratories Limited, Calgary, Alberta, any values of 20 p.p.b. and above should be considered anomalous and followed-up. One sample of a massive sulfide pod assayed 1.210 oz./ton Au and 0.40 oz./ton Ag. Because of the foregoing encouraging results, DuPont carried out a geological, geochemical and geophysical survey over portions of Tuff 1 claim between July 7-13, 1981 by a 4 man crew. They encountered

widespread massive sulfide pods ranging in length from 1-20 metres with average width of 10 centimetres (several up to 25 cm wide). This mineralization, for the most part, appears to be confined to an area 1200 metres by 1200 metres. Of 41 rock samples that were assayed, 15 returned values greater than 0.10 oz./ton Au, 7 of which contained greater than 0.80 oz./ton Au. One isolated sample taken across a 25 centimetre wide massive sulfide pod assayed a phenomenal 3.575 oz./ton Au, and 0.73 oz./ton Ag. DuPont did not explore this property any further.

The ground remained open until Mr. John Hope staked the GOAT 1-11 (inclusive) Group on December 5, 1986. The Goat Groups encompass the Limp #2, the Tuff 1-4 (inclusive) and all the ground between them to the north and to the east as far as Barrington River.

On April 28, 1987, Mr. John Hope transferred the GOAT GROUP of Mineral Claims to INTEGRATED RESOURCES LIMITED.

PHYSIOGRAPHY AND VEGETATION

The GOAT GROUPS of Mineral Claims are located within the Boundary Ranges of the Coast Mountains. It is mountainous, glaciated terrain with relief locally in excess of 1200 metres. Glaciation is active in the west-central part of the property, in the vicinity west of Mt. Barrington, which mountain attains an elevation of over 6000 feet (1829 metres) and occupies the majority of the southern one-third of the property. The majority of the slopes in the area of the peaks and ridges are steep and difficult to travel. The northern two-thirds of the property is less precipitous and can be more easily traversed, although one ridge occupying the central portion of the northwest quadrant of the property could present restricted difficulty to walking. The majority of the slopes in the northern two-thirds of the property have relatively gentle gradients and should be passable by foot.

The tree line varies between 1000-1200 metres above sea level. It is marked by dwarf tangled black spruce which is replaced rather quickly by mature stands of spruce as one progresses downslope. The valleys of the main drainages, i.e. Limpoke Creek, Barrington River and Chutine River are occupied by dense growths of spruce, fir and alder.

Several tributaries feeding into the Limpoke Creek to the north, into Barrington River to the west and Cave Creek to the south presents access for stream sediment and stream-bank soil sampling. Most of these creeks have substantial outflow of water and sampling should proceed when run-off is at its lowest rate. Several of the creeks are occupied by moraine material, some of which is gossanous. (These should be well tested.)

Several creeks are snow filled until mid- to late July. (These should be the last ones sampled.)

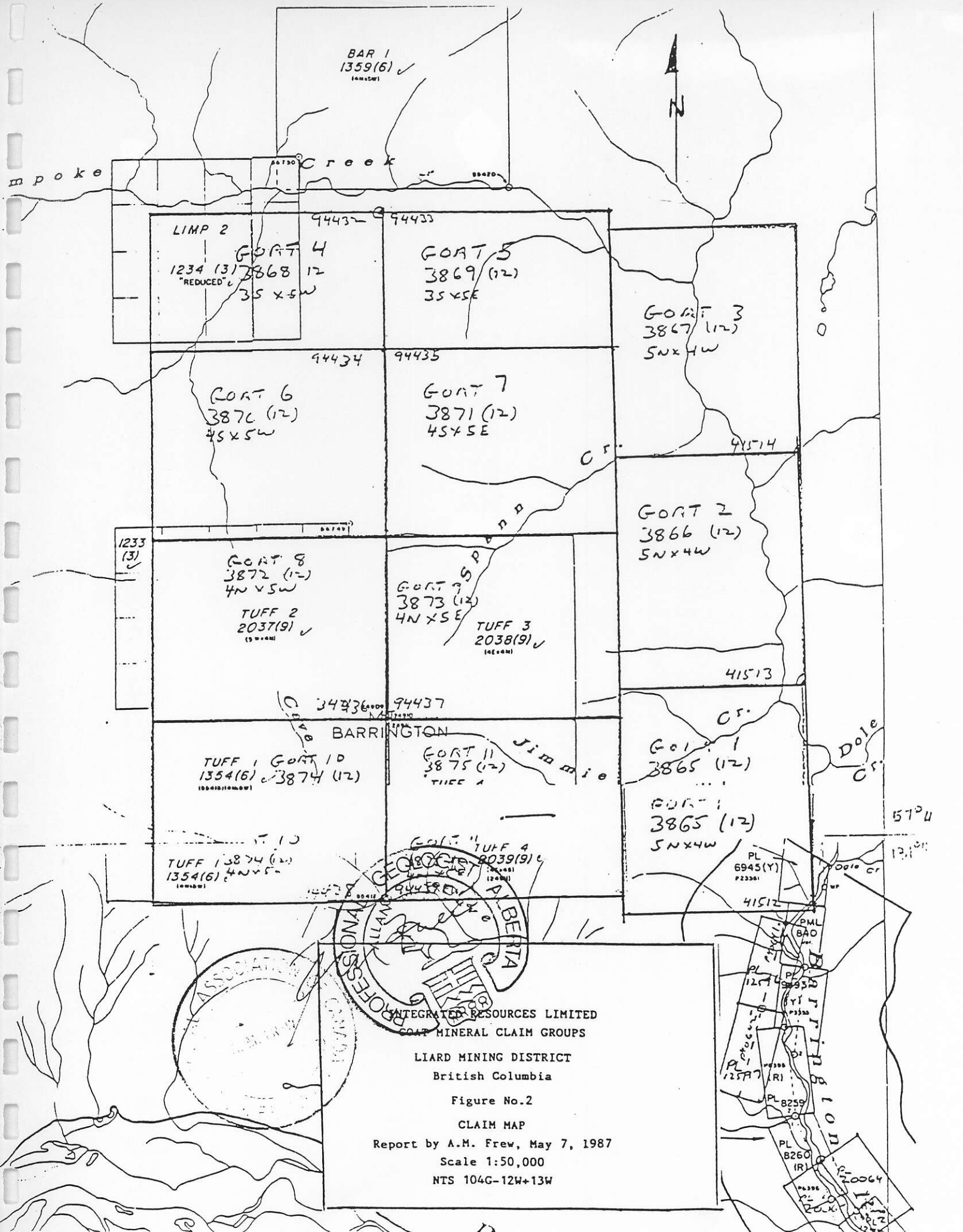
In general the area is rugged and helicopter access and use of helicopters to traverse the entire property would be necessary.

PROPERTY

The 52.5 hectare property is comprised of the GOAT 1-11 Blocks of Mineral Claims (Figure 2). The blocks of claims are contiguous. They were staked by Mr. John Hope in December 1986 and were transferred to Integrated Resources Limited on April 28, 1987. All claims are in the Liard Mining District of British Columbia. Particulars are as follows:

MAP NO.	RECORD NO.	NAME	MINING RECEIPT NO.	NO. OF UNITS
104G/12W + 13W	3865	GOAT #1	232646E	20
104G13W	3866	GOAT #2	232646E	20
104G13W	3867	GOAT #3	232646E	20
104G13W	3868	GOAT #4	232646E	15
104G13W	3869	GOAT #5	232646E	15
104G13W	3870	GOAT #6	232646E	20
104G13W	3871	GOAT #7	232646E	20
104G13W	3872	GOAT #8	232646E	20
104G13W	3873	GOAT #9	232646E	20
104G13W	3874	GOAT #10	232646E	20
104G13W/12W	3875	GOAT #11	232646E	20

The anniversary date of all claims is December 5, 1987. It has been proven to this writer's satisfaction, by the Mining Recorder, Cassiar, B.C., that all the above listed claims are in good standing.



BAR 1
1359(6) ✓
(4N x 5W)

LIMP 2
1234 (13) 3868 12
"REDUCED"
35 x 5W

94432 94433
GORT 4
3868 (12)
35 x 5W

94433 94435
GORT 5
3869 (12)
35 x 5E

GORT 3
3867 (12)
5N x 4W

94434 94435
GORT 6
3870 (12)
45 x 5W

94435 94514
GORT 7
3871 (12)
45 x 5E

1233 (13) ✓
GORT 8
3872 (12)
4N x 5W
TUFF 2
2037(9) ✓
(5N x 4W)

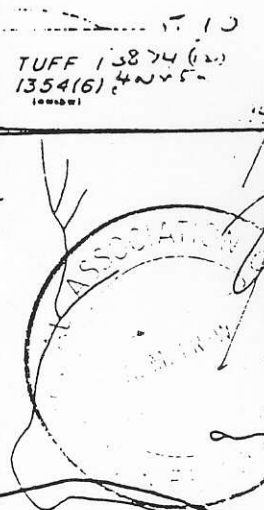
GORT 9
3873 (12)
4N x 5E
TUFF 3
2038(9) ✓
(4E x 4W)

41514
GORT 2
3866 (12)
5N x 4W
41513

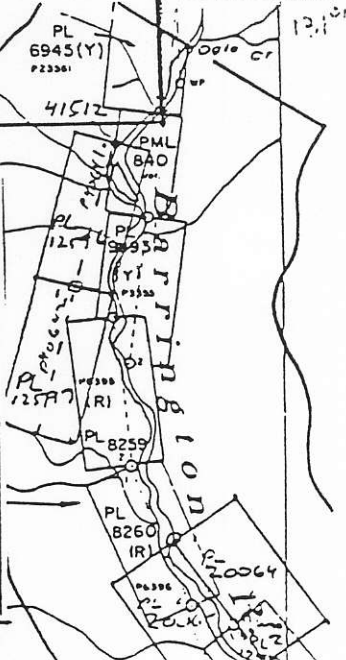
34436 94437
BARRINGTON
TUFF 1 GORT 10
1354(6) 3874 (12)
(10N x 10W)

GORT 11
3875 (12)
TUFF 4
2039(9) ✓
(12N x 12E)

GORT 1
3865 (12)
5N x 4W
41512



INTEGRATED RESOURCES LIMITED
GORT MINERAL CLAIM GROUPS
LIARD MINING DISTRICT
British Columbia
Figure No.2
CLAIM MAP
Report by A.M. Frew, May 7, 1987
Scale 1:50,000
NTS 104G-12W+13W



Geology - Background

Initial mapping of the geology and topography of the area was carried out by F.A. Kerr during the period 1926 to 1929 inclusive. Done under the auspices of Geological Survey of Canada; but results weren't published until 1948. More recently J.G. Souther of the Geological Survey of Canada has included the region around the Stikine River - Chutine River area a part of a more extensive regional mapping program. (Map 11-1971, paper 71-44, Geology Telegraph Creek, British Columbia on a scale of 1:250,000).

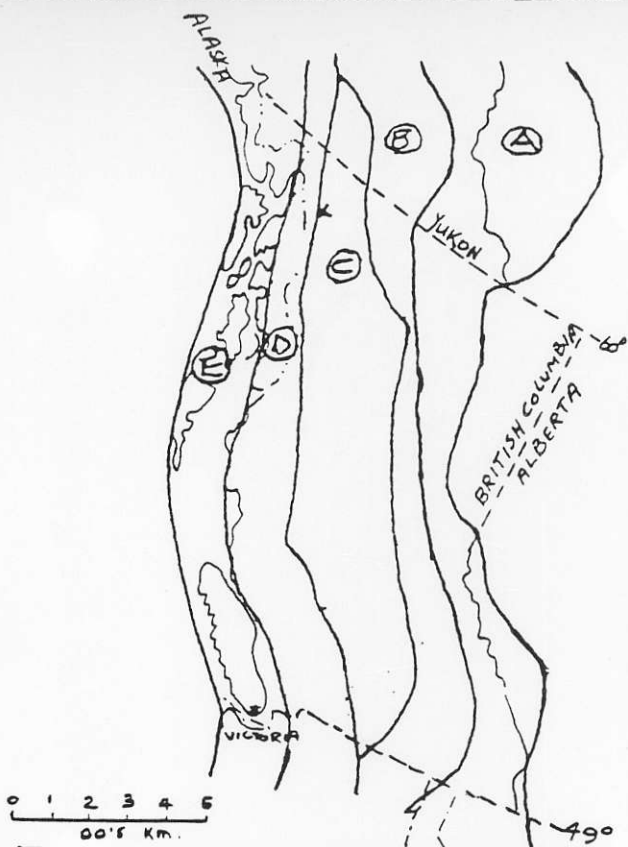
Over the past fifty years there has been a revolution of scientific thought with respect to the development of the geologic and physiographic divisions which make up the Canadian Cordillera. There are five such divisions, namely, from east to west; Rocky Mountain Belt, Omineca Crystalline Belt, Intermontane Belt, Coast Plutonic Complex and the Insular Belt.

It is now established that the Rocky Mountain Belt and the Omineca Crystalline Belt were part of the craton since early Paleozoic, whereas the remainder divisions developed as island arc assemblages at points some great distance west of the North American continent, and over time has migrated, collided and accreted to the craton. The sutures joining these terranes were originally convergent or transform plate boundaries. Deformation, metamorphism and igneous activity in the Intermontane, Coast Plutonic complex and the Insular Belt resulted, at least in part, as a result of their collisions with the western craton. The line of juncture between the five belts making up the Canadian Cordillera have been loci for more recent (Triassic and younger) intrusives (see Figure No. 3).

2. Regional

The contact between the Intermontane and Coast Crystalline geologic provinces are marked locally by the occurrence of the Boundary Ranges of the Coast Mountains. The majority of the Coast Crystalline (Plutonic) Complex occurs across the border in the Alaskan Panhandle, where as the majority of the rocks in the region of concern is within the eastern edge of the Intermontane Belt.

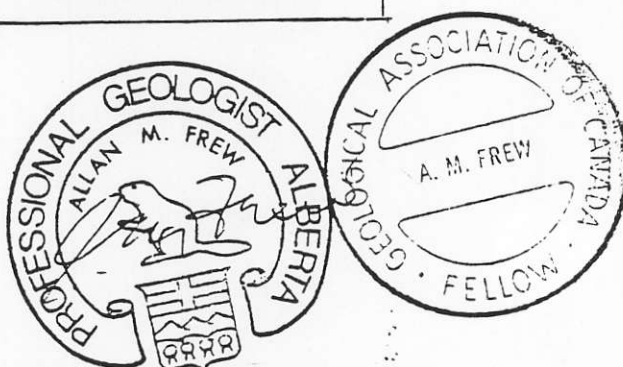
The Intermontane Belt consists of late Paleozoic to mid-Mesozoic marine volcanic and sedimentary rock, mid-Mesozoic to late Tertiary marine and non-marine sedimentary and volcanic rock; granitic intrusions comagmatic with the volcanics; deformed at various times from early Mesozoic



- (A) ROCKY MOUNTAIN BELT
- (B) OMINECA CRYSTALLINE BELT
- (C) INTERMONTANE BELT
- (D) COAST PLUTONIC COMPLEX
- (E) INSULAR BELT
- x APPROXIMATE LOCATION OF GOAT CLAIMS OF INTEGRATED RESOURCES LIMITED.

DIAGRAM SHOWING THE DISTRIBUTION & CHARACTER OF MAJOR GEOLOGIC & PHYSIOGRAPHIC DIVISIONS OF THE CANADIAN CORDILLERA (from Price et al., 1981)

Report by A.M. Frew, May 7, 1987



MAP 11 - 1971
PAPER 71-44
GEOLOGY
TELEGRAPH CREEK
BRITISH COLUMBIA
Scale 1: 250,000
by
J.G. SOUTHER 1955 - 69

QUATERNARY PLEISTOCENE AND RECENT

29 Fluvatile gravel; sand, silt, glacial outwash, till, alpine, moraine and colluim.

JURASSIC AND/OR CRETACEOUS POST-UPPER TRIASSIC PRE-TERTIARY

17 Granodiorite, quartz diorite; minor diorite, leucogranite and migmatite.

TRIASSIC UPPER TRIASSIC

9 Undifferentiated volcanic and sedimentary rocks.

PERMIAN MIDDLE AND UPPER PERMIAN

3 Limestone, thick-bedded mainly bioelastc limestone, minor siltstone, chert and tuff.

PERMIAN AND OLDER

2 Phyllite, argillaceous quartzite, quartz-sericite schist, chlorite schist, greenstone, minor chert, schistose tuff and limestone.

GEOLOGICAL boundary (defined, and approximate, assumed mineral property)..... 15x

Index to Mineral Properties

- 6. Gordon
- 7. Limpoke
- 8. Poke

REGIONAL GEOLOGY

FIGURE NO. 3

to Neogene. This occurred during the development of an island arc and subsequent back arc build up. Subsequently it was obducted upon the craton.

In the vicinity of the Stikine-Chutine River area, the Intermontane Belt consists of Upper Triassic andesitic-basaltic volcanics abutting the Coast Crystalline Complex to the west and Stuhini Group sediments and volcanics to the east, Permian limestone, and Carboniferous and Permian schists and gneisses were noted in the area.

Pliocene to recent aerial volcanism extruded rhyolites, basalts and tuffs in the Level Mountain area to the north and Edziza Complex to the east. No such occurrences are known to occur in the area of the GOAT GROUPS of Mineral Claims.

Property

The Goat Group of Mineral Claims property includes the Limp claims located at the extreme northwest edge of the property and the Tuff claims which occupy the south west edge of the property. The geological information available is the result of reconnaissance type surveys carried out over a two day period by three men. Therefore, the geology cannot be definitive nor sufficiently complete to establish a geological frame-work/model to use as a guide in the search for gold mineralization in economic quantity and grade.

For the purposes of this report, it can be stated, however, that the GOAT property is located within the eastern margin of the Intermontain Belt. Certain plutonic rocks in the area are suspected of being of the Coast batholithic complex.

The northwestern one-third of the property and the south western one-third, as well as the south eastern half of the property is underlain by Upper Triassic aged basic to intermediate volcanics; with intercalated black chert, grey ribboned chert and lesser limestone which are collectively known as the Stuhini Group. Massive basalts dominate, but grade into andesites towards the west. The contact between these two units is gradational. Tuffaceous zones occur throughout the volcanics. The interbedded black chert varies in colour from dark grey to black, is partly argillaceous, intensely sheared and slated. Locally this chert has a rusty weathered surface which is most likely caused by the up to 2% disseminated pyrite and pyrrhotite which is common throughout. This chert has attained thicknesses of up to 90 metres, but is most commonly 10 - 20 metres thick. The grey, ribbon chert which has milky to medium grey colour is highly siliceous and contains only minor pyrite and pyrrhotite as disseminations and

fracture fillings. Locally crenulations and small scale fold features are evident. The limestone occurs as narrow beds within the basalt. These beds are generally less than 2 metres thick. It is medium grey in colour, crystalline and unmineralized.

Several types of dykes occur throughout the property: Feldspar porphyry dykes which trend 160° - 180° , are massive and exhibit sharp irregular contacts; diorite dykes - with a north - south altitude, medium grained to massive, with sharp regular contacts and are unmineralized; andesite dykes with aphanitic matrix, exhibiting a peculiar green colour, containing tiny dark vitreous crystals, widths up to 2 metres, and having a north-south altitude. This writer suspects all the foregoing could well be feeder-dykes associated with the basic to intermediate volcanics previously mentioned.

Granite, hornblende porphyry and rhyolite porphyry dykes, attaining widths up to 10 - 20 metres are wide spread throughout the area and are most likely apophyses of the granodiorite stock which occupies the north-central to north-eastern half of the property. This granodiorite is post-upper TRIASSIC and PRE-TERTIARY in age. It has not been studied to any great extent.

RESULTS OF PREVIOUS EXPLORATION

The previous exploration activity was concentrated on the Limp #2 claim and the Tuff claims, each group being located at opposite ends of the Goat Group property. (See figure No. 2)

Limp #2:

In July 1980, Teck Explorations carried out limited soil geochemical survey. A total of 110 soil samples were collected on lines 200 metres apart with sample sites 50 metres apart. All samples were analyzed for Pb, Zn, Ag, Au, Mo, Cu and As.

Pb, Zn, and As values were all uniformly low. Cu and Mo results showed only spotty high values at widely spaced intervals.

Ag and Au values were considered as being anomalous on the basis of 1 p.p.m. Ag and 0.1 p.p.m. Au. As a result a silver anomaly about 200 m by 200 m in the south central part of the grid was seen as potentially interesting. The highest values returned were 0.710 p.p.m. Au and 2.7 p.p.m. Ag, collected at 700S, 200E. (See later section in this report, Comments and Discussion.)

Tuff Claims

During August, 1980 DuPont of Canada Exploration Limited carried out 2 person days of stream sediment sampling and prospecting. A total of 32 stream sediment samples were collected from the two main creeks on the property. One man day was spent prospecting, doing rough geological mapping and collecting rock samples.

Roughly 40% of the samples contained Au in excess of 100 p.p.b. (parts per billion), 12.5% greater than 1000 p.p.b. and 9% greater than 1500 p.p.b.

One rock samples assayed at 1.210 oz./ton Au, 0.40 oz./ton Au, 0.247% Cu and 0.01 % Pb.

The geological mapping indicated that the area traversed was underlain by basic to intermediate volcanic rocks which were locally intruded by granite and andesitic dykes.

In 1981, a follow-up program carried out between July 7-13 by a four person crew evaluated Tuff 1 claim. The geological mapping produced the following conclusion: "Upper Triassic basalts host gold-bearing massive sulphide showings. These sweat-like pods although wide spread are limited in size and individually or collectively are not economic significance". (Additional details are given under PROPERTY GEOLOGY and MINERALIZATION section of this report.)

As the follow-up to the 1980 geochemical survey, stream sediment sampling was carried out along both West and North Cave Creek and its immediate tributaries. A total of 13 samples were collected within Tuff 1.

Three grids were established on the property (see map No. 3): the Main, the Barrington and the West Grid. A total of 221 soil and 40 rock samples were collected. In most instances the soil sample sites were spaced at 30 metres apart, and due to the nature of the terrain, the samples were reflective of a "c" or a rubble horizon.

The results confirmed 1980's and defined further areas of interest. Immediately west of North Cave Creek two tributaries returned values of 140 and 170 p.p.b. Au respectively. The source was not determined. A small creek immediately beneath a precipitous gossan in the north of Tuffs indicated 2800 p.p.b. Au.

On the Main Grid, three spot highs ranging from 70 - 160 p.p.b. were obtained and the most northerly line on the grid was anomalous over its entire length; values ranging from 30 - 320 p.p.b.

The Barrington Grid was established essentially over talus. Gold values ranged from 50 - 10,000 p.p.b. and is most likely reflective of the talus material.

The West Grid had spotty anomalous gold values. One anomaly (>50 p.p.b.), 110 x 50 metres is centred over the gossanous zone adjacent the waterfall. One sample from this location assayed 925 p.p.b. Au and 1.3 p.p.m. Ag.

A traverse was run along the West side of North Cave Creek at 1400 - 1550 metre elevation samples were taken at 50 metre intervals. This west sidehill traverse encountered gold values ranging from 35 - 1500 p.p.b. across the initial 600 metres.

Mr. Korenic concluded that the geochemical results were reflective of the occurrence of auriferous massive sulfide pods, but the source of the anomalous samples above the junction of Cave Creek were not determined. He further states:
"The course of an anomalous gold geochemistry is yet to be determined within certain treed areas of Tuff 1. Although much of the anomalous geochemistry in Tuff 1 is related to minor and erratic massive sulphide pods, variables such as source, lithology and particularly structure may result in the occurrence of zones which could be of economic interest."

MINERALIZATION

In his report dated June 8, 1981, D.M. STRAIN writes the following regarding mineralization observed during a one day reconnaissance of the Tuff Claims:

"A small pod of massive pyrite and pyrrhotite was noted within porphyritic basalt where transected by a fault. A sample of the massive sulphide returned assay values of 1.210 oz./ton Au and 0.40 oz./ton Ag.

Pyrrhotite is common throughout the area traversed. It generally occurs as homogeneous disseminations of varying concentrations but in the granite occurs as fracture fillings".

As a follow-up to the above initial examination, a four person crew carried out further evaluation of the Tuff 1 claim during the period July 7-13, 1981. In his report dated May 5, 1982, J.A. KORENIC writes the following:

"Widespread, 'sweat-like' massive sulphide pods have been encountered within the northeast quarter of Tuff 1 across a known area of approximately 1200 x 1200 metres. Unfortunately, such occurrences are restricted in size averaging less than 10 centimetres in width and 1 - 20 metres in length. The largest such showing is noted within the West Grid adjacent a waterfall, it is 15 - 25 centimetres in width. In general, these pods occur oblique to bedding, are associated with carbonate (-quartz) and are composed of pyrite with lesser arsenopyrite, chalcopyrite and pyrrhotite. In most instances high gold concentrations are associated. The 15 - 25 centimetre wide pod within the West Grid assayed 3.575 oz./ton Au, 0.73 oz./ton Ag and 0.406 % Cu. of the 41 rock samples (primarily grab) that were assayed, 15 returned values of greater than 0.10 oz./ton Au of which 7 contained greater than 0.80 oz./ton Au...."

Korenic further states:

"Within the extensive gossanous zone, across the northeast corner of Tuff 1, up to 5% pyrite and pyrrhotite occur in dissemination form. Trace - 2% pyrite and pyrrhotite are hosted occasionally by the chest horizons. Trace iron sulphides also occur as disseminations within the andesitic - basaltic volcanics".

OBSERVATIONS AND COMMENTS

There has been a progressive evolution in geologic thought and the science has become better understood particularly since the development of the principals of plate tectonics and continental drift. As a consequence, the Canadian Cordillera is now interpreted as having been made up of several components which evolved some distance off-shore, and, over geologic time migrated and accreted to the continent. Major sutures mark the boundary of these units, and at the time of accretion (or obduction), as well as subsequently, these lineaments have been the loci of volcanic and plutonic activity. With such activity there are mineralizing events which produces metallogenic belts.

In British Columbia many of the gold belts are associated with Triassic volcanic and sedimentary rocks. Examples of these are the Cariboo-Quesnel Gold Belt, and the Toodoggone Gold Belt, both of which have numerous deposits of high-grade gold associated with them. They are both of Upper Triassic age. It is therefore not unlikely that the belt of Upper Triassic volcanic and sedimentary rocks in the Barrington River area will likewise host gold (and associate silver) mineralization. The volumes and grades of each, nor the number, of such occurrences have yet to be determined.

The past exploration in the area of the Goat Group of mineral claims of Integrated Resources Limited has been of a rather cursory, reconnaissance nature, yet each succeeding investigation has enlarged the grade and areal extent of the mineralization.

In his Memoir - "The Geochemistry of Silver and its Deposits", R.W. Boyle states: -

"Deciding what are anomalous silver values in soils, till, etc. will depend on the area and should be determined by preliminary surveys. The normal silver content of soils ranges from 0.1 to 0.5 p.p.m. The writer has found that values above 0.7 p.p.m. are generally anomalous and should prompt the prospector to investigate the cause".

Further, Mr. S. Berar, Chemist and Manager of Loring Laboratories Limited, Calgary, recommends that all values of 20 p.p.b., and above, should be considered anomalous.

Based on these guidelines this writer has re-interpreted the results of the soil geochemical survey carried out by Teck Corporation in 1980 over the Limp #2 Claim (See Map Nos. 1 & 2 in pocket at back of this report.) Several gold and silver anomalies become evident, with a fair degree of correlation between the two elements. The trends of the anomalies for both elements are either coincident, parallel or slightly off-set.

The general trend is 160° - 180°, this is the same as the trend of several of the dykes, in the south end of the GOAT property, on the Tuff claims. There is a possibility that the gold mineralization is associated with the structures occupied by the dykes.

Silicification in the auriferous gossan on the Tuff claims is most likely related to mineralization and the study of this could be helpful in establishing which model to use as an exploration guide. The large area of sulfide veins and veinlets could be related to the stock work mineralization which resulted from Fumarolic/Solfataric hot spring activity.

CONCLUSIONS AND RECOMMENDATIONS

The GOAT Group of mineral claims, owned by Integrated Resources Limited, located in the Chutine - Barrington River area of British Columbia, have been shown to contain high grade gold mineralization. They are also shown to contain widely spaced extensive gold soil and stream sediment geochemical anomalies; the sources of which have not been established. Additionally, within the immediate area there are several placer gold deposits.

The property is underlain by favourable rock types, which are similar to those known to host gold deposits elsewhere in British Columbia. Faulting and plutonic intrusives, sites and sources for gold mineralization are all located within the property boundaries, but their extent and potential of hosting economic deposits has not been fully explored.

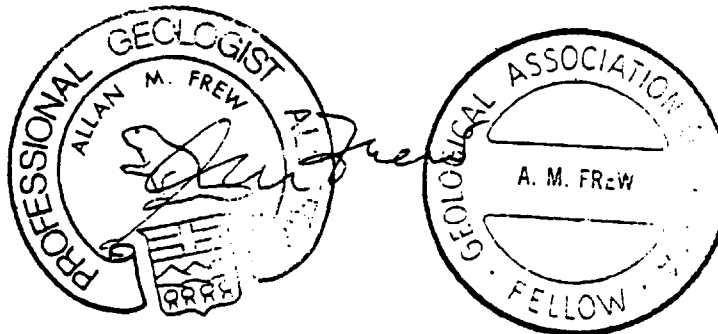
It is because of the preceding that this writer has no hesitation in recommending that Integrated Resources Limited proceed with an intensive exploration program in order to fully assess the extent to which the Goat Group of claims contain gold mineralization of economically exploitable proportions. A budget for the first phase of such a program of geological, geochemical surveys and trenching is included.

BUDGET (PHASE I)
(Preliminary to Diamond Drilling)

Mob & Demob		\$ 9,700.00
Field crew:		
Project manager	(1)	13,500.00
Geologist	(2)	18,000.00
Geophysicist	(1)	6,000.00
Project coordinator	(1)	9,000.00
Prospector	(1)	18,000.00
Coole	(1)	6,750.00
Drillers	(2)	12,000.00
Accommodations		11,900.00
Transportation		1,050.00
Helicopter		24,000.00
Radio Rental		12,000.00
Equipment Rental		
VLF EM		750.00
Magnetometer		600.00
Generator		2,700.00
Pluggers (drill)		3,000.00
Contract Services		
Drill and Blast Trenches		2,000.00
Analyses		7,825.00
Misc. Supplies		500.00
Report Writing, Drafting, etc.		3,550.00

SUB TOTAL		152,025.00
Contingencies (12%)		18,243.00

TOTAL		170,268.00
		=====



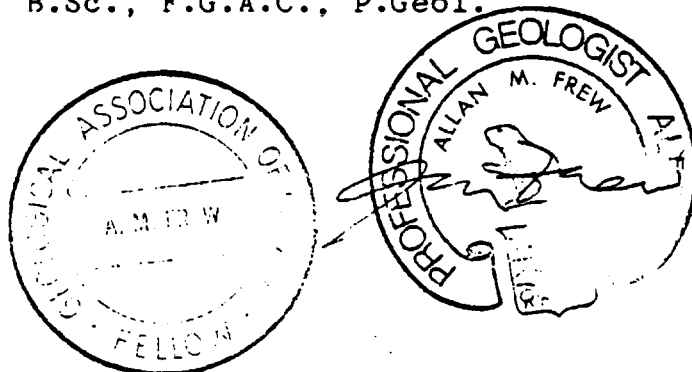
CERTIFICATE

I, ALLAN M. FREW, do hereby certify that:

1. I am a consulting geologist operating out of my residence at: 1031 - 49th Street, Edmonton, Alberta.
2. I studied geology at the University of New Brunswick and Memorial University of Newfoundland, from which I graduated with the degree of B.Sc., Geology. I have done graduate studies and research at the University of Alberta, Department of Geology, Edmonton, Alberta.
3. I am a Fellow of the Geological Association of Canada.
4. I am a registered Professional Geologist and a member of the Associate of Professional Engineers, Geologists and Geophysicists of Alberta.
5. I have been practicing my profession since 1958. As an independent consultant and employee, I have worked for several major corporations in senior managerial positions. My experience has been acquired through extensive work throughout Canada, Latin America and the Carribean.
6. This report is based on a review and evaluation of reports by independent geologists, engineers and government geologists who have worked in the area covered by this report. Also, it is based on my knowledge of the development of the Cordillera of Canada as being refined by on going research by the Geological Survey of Canada.
7. I hold no interest, directly or indirectly in the GOAT Property, nor do I own any shares of INTEGRATED RESOURCES LIMITED, or any affiliated company. Further, I do not expect to receive any shares in said company or affiliate.

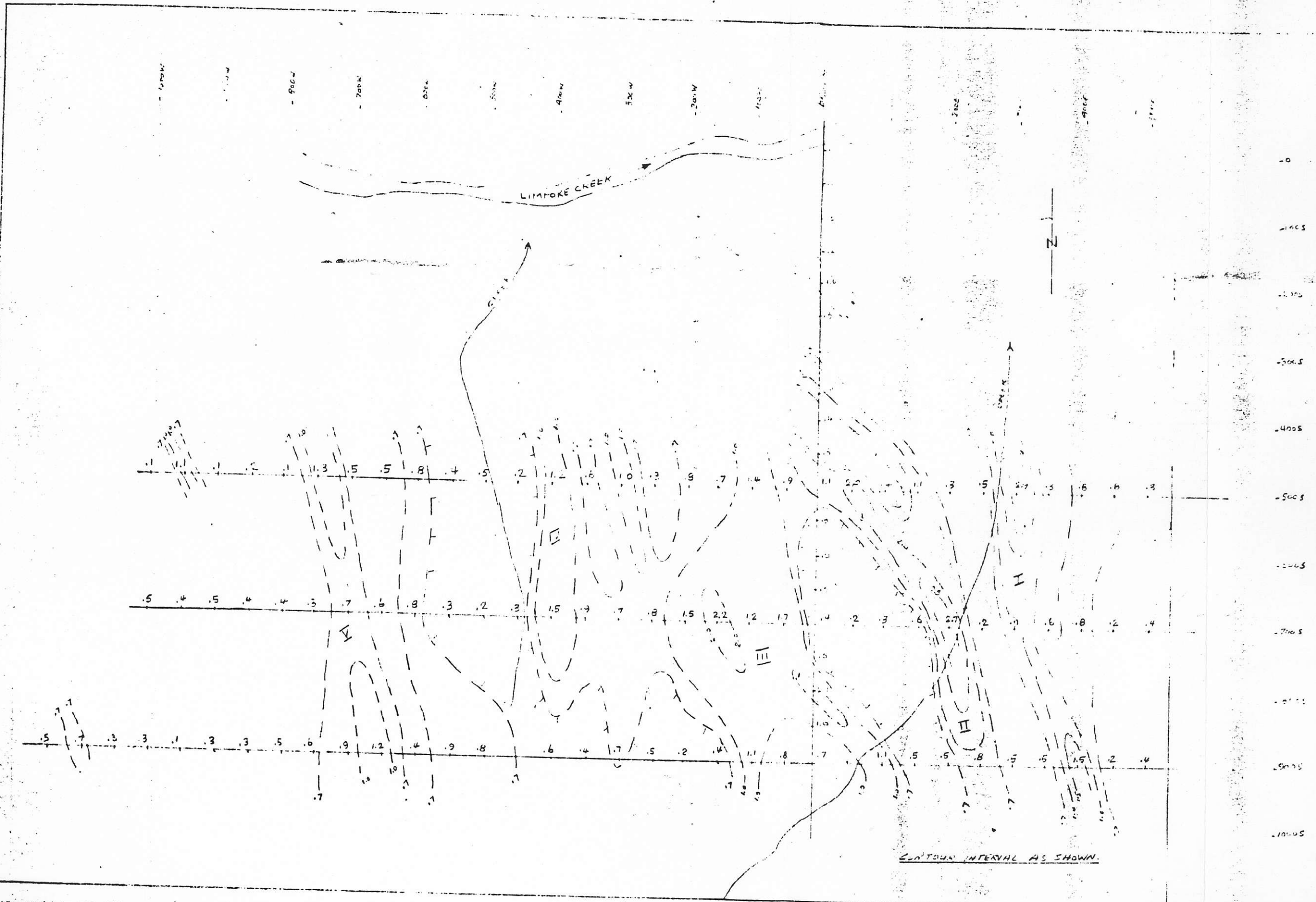
Dated at Edmonton, Alberta this
7th day of May, 1987.

Allan M. Frew, B.Sc., F.G.A.C., P.Geol.

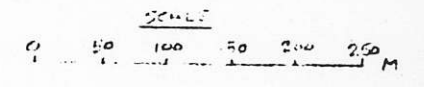
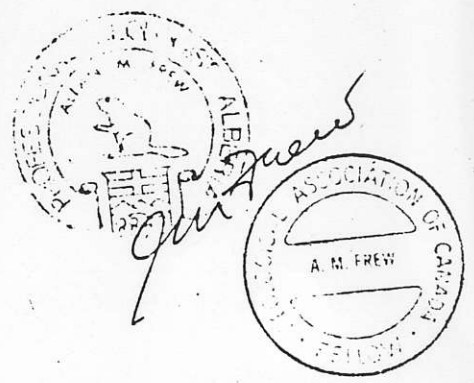


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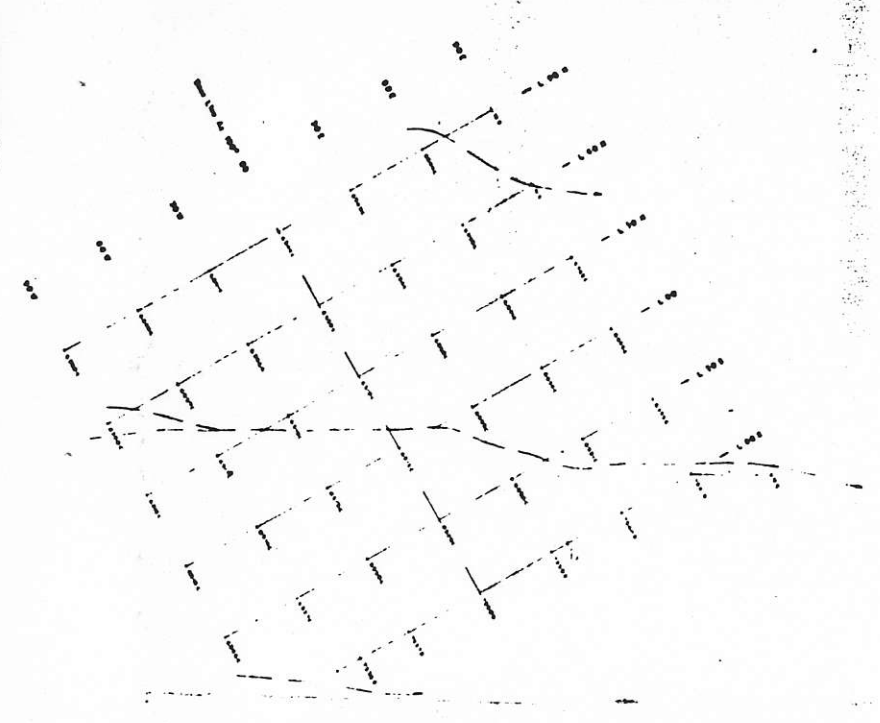


THE LIMITED COMPANY LTD.
 RE INVESTIGATION OF SOIL
 (RESERVE) -
 - SILVER - (L.P.M.)
 FROM DATA REPORT BY P. FOLK, P.E.
 LIMITED - STANLEY - B.C.
 BY A. M. FREW Nov 7, 1937

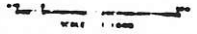


MAP NO. 1

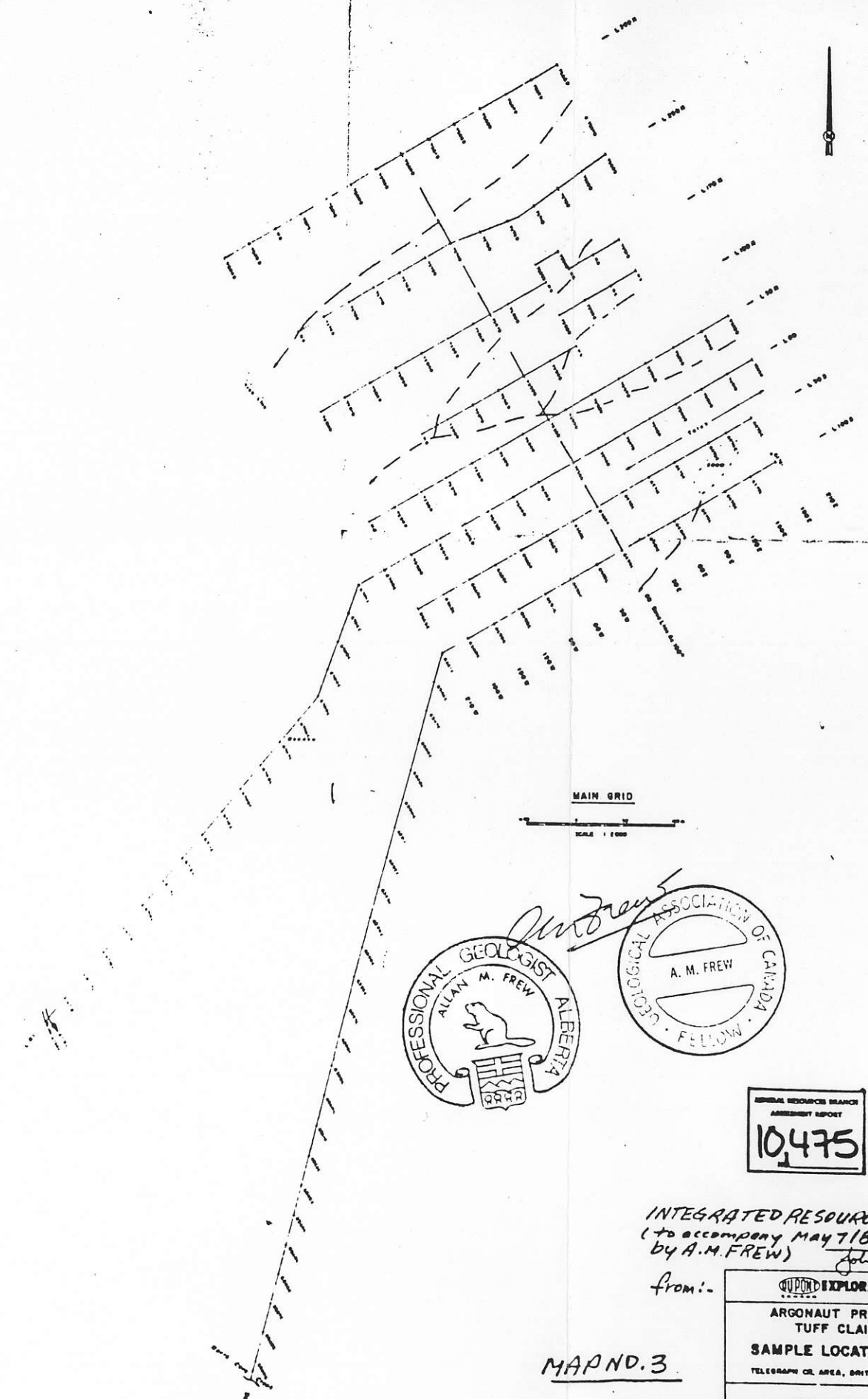
CONTOUR INTERVAL AS SHOWN.



WEST GRID



BARRINGTON GRID



MAIN GRID



MINERAL RESOURCES BRANCH
ASSESSMENT REPORT
10475

INTEGRATED RESOURCES LTD.
(to accompany MAY 7/87 report
by A.M. FREW)

From:

EXPLORATION			
ARGONAUT PROJECT TUFF CLAIMS			
SAMPLE LOCATION MAP			
TELEGRAPH CO. AREA, BRITISH COLUMBIA			
SCALE: 1:1000 S.L. 2000			
DATE OF MAY 7 1987	BY A.M. FREW	REVISED BY A.M. FREW	DATE MAY 7 1987

MAP NO. 3

SEE FOR LOCATION OF GRID SEE DRAWING NO. 10475-1