REPORT 862652

on the

SPRING PROPERTY,
North Trout Creek, Peachland Area
Similkameen Mining Division, B.C.

Latitude 49 degrees 47'N
Longitude 120 degrees 08'W
N.T.S. 92H/16E

for

GOLDEN PICK RESOURCES LTD.
#507 - 1541 West Broadway,
Vancouver, B.C. V6J 1W7

by

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APRIL, 1988

BURTON CONSULTING INC.

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INTRODUCTION

Epithermal alteration with mineralized zones containing gold and silver plus base metals have been discovered on Golden Piek Resources Ltd. North Trout Creek Spring Property.

Don Agur, prospector from Summerland has been operating his gold placer claims on North Trout Creek for several years. The gold he has produced comes from the modern stream valley and looks like it has not travelled far. The gold is shiny, rough, not rounded and shows calcite and quartz crystal face impressions on the gold particles.

While working the placer ground deeper excavator trenches exposed the epithermal clays and altered zones in the bedrock. There are least six and possibly as many more separate epithermal structures known on the property. One zone has been drilled with three exploratory diamond drill holes. A test resistivity survey using induced polarization geophysical equipment was run in the fall of 1987. The resistivity survey outlined zones typical of the classical epithermal alteration package.

The epithermal alteration zones are typical of the Nevada, Arizona and California bonanza type deposits that contained rich gold/silver mines. In British Columbia these zones are recessive weathering and our glaciation and then underbrush and timber have further hidden these zones from view. It is only lately that epithermal deposits have been recognized in the Toodoggone and recently in the Interior of B.C.

The placer gold plus the mineralization in some of the known zones, plus the strong geophysical response over zones exposed by trenching, makes this property an attractive exploration project to search for bonanza type precious metal type lodes in the epithermal systems. A program of trenching, mapping, resistivity surveys, followed by diamond drilling is recommended for at least three of the epithermal structures. The author of this report has visited the property several times and supervised all the exploration work done since 1985.

CLAIMS

Name	Units	Record No.	Anniversary Date
Spring 3	8	1466	July 13
Boomer 1	12	2425	July 31
Boomer 2	9	2426	July 31
Boomer 3	15	2427	July 31
Boomer 4	16	3063	November 13

When the geophysical survey is applied for assessment, the claims will be good for several years. The claims are under option to Golden Pick Resources Ltd.

LOCATION AND ACCESS

The Spring Property Claims are at 49 degrees 47'N latitude and 120 degrees 08'W longitude and N.T.S. 92H/16E, in the Similkameen Mining Division.

The property is 28 kms. due west of Peachland, B.C. and is centered on the junction of North Trout Creek with Trout Creek. It is about 40 kms. by forestry access road which is suitable for 2-wheel drive sedans. Within the property there is a network of newer and older logging roads in various states of repair. Alternate access is west along Hayes Creek to Princeton, B.C., which is the usual route to Vancouver.

The property is in North Trout Creek, a perennial stream flowing southerly and is thus on the south slope of the Trepanege Plateau. Elevation is about 1,219 metres (4,000 feet). The old Trout Creek main logging road loops north of Spring Creek about 150 metres and crosses North Trout Creek Bridge at the place where the 1985 drilling took place at ON/OE. The new main road cuts this section off.

HISTORY

Attention was first drawn to North Trout Creek when Prospector, Don Agur worked it as a placer claim and recovered angular fresh gold particles.

In 1983 consulting geologist F. Marshall Smith, P. Eng. first examined the Spring Property and recognized that it was a classic epithermal vein deposit. At that time the property had been considered to be a "Tillicum" type gold deposit. As a result of a May, 1985 memo that Smith wrote for Boomer Resources Inc. (now Golden Pick Resources Ltd.) the company acquired the property. Prior to this, Pan Ocean Oil Ltd. explored in 1972 and in 1981 Brenda Mines explored looking for a porphyry type of copper or molybdenum mineralization as a spin-off from the Brenda Mine a few miles to the northeast.

The original discovery epithermal zone is known as the Spring Zone because it trends along Spring and Trout Creeks. In 1985, three short (150 foot each) diamond drill holes were drilled in a fence line across the zone and confirmed the presence of the epithermal alteration zone and moderate gold-silver-lead and zinc

mineralization. Since then surface mapping and prospecting have shown at least 6 epithermal zones on the property. Excavator trenching discovered two zones, the Diatreme Zone and the Pat Zone.

A test induced polarization geophysical survey in resistivity mode showed the classic response to low pH epithermal alteration. Further work is recommended to define the location and shape of the mineralized zones and then to test their grades.

GEOMORPHOLOGY

The Interior Plateau has been glaciated and fluvial glacial outflow gravels are common as are dried up stream courses at higher elevations for glacial melt-water channels which sometimes cut bedrock channels. Structural trends running N70E have been emphasized during weathering. Rock spined ridges run N70E along with major drainages. The ridges are cut by NNW subsidiary drainages with steep sided ravines cut through the rocks.

GEOLOGY

From Okanagan Lake SW to Princeton, B.C. the complex Similkameen Batholith occupies this large territory. Over the years the Intrusive rocks within this area have been subdivided into various smaller intrusives which have included Otter Intrusions, Lightning Creek Intrusions, Kirkton Intrusive diorite, Summerland diorite, Similkameen quartz diorite, Jura granodiorite porphyry, McNulty Creek quartz monzonite, Empress granite, Valhalla granodiorite and Coryell rhyolite porphyry.

To the west of the Similkameen Batholith younger extrusive volcanics are known. These include the Lower Cretaceous Spences Bridge Group, the Pasayten Group, and the Kingsvale Group. The Otter and Lightning Creek Group are generally considered to be Upper Cretaceous or Tertiary. Princeton Group rocks are Miocene or Earlier and then there are late Miocene Plateau and Valley Basalts.

On the eastern or Okanagan side of the Similkameen Batholith, younger intrusive and extrusive igneous rocks include, late Cretaceous Valhalla Plutonic Rocks,

Porphyritic granite and rhyolite of Paleocene or Eocene Age. Eocene or Oligocene andesite and trachyte with minor basalt are followed by Oligocene (?) Coryell Plutonic rocks and lastly Miocene basalts.

A map on page 1358 Vol. 10, 1973, Canadian Journal of Earth Sciences shows the Spring Property to be at the contact of Similkameen quartz diorite with Coryell rhyolite porphyry. That author concludes, "that further radiometric and petrologic investigations are required to understand the igneous history of the Similkameen-Okanagan region."

I believe that the property is underlain by igneous rocks younger than the Similkameen Batholith and that they consist of a sequence of Rhyolite Porphyries, some of which have large pink feldspar phenocrysts and others have smaller feldspars or porphyritic quartz eyes. The sharp changes between these rock types appears to be commensurate with an extrusive sequence of flows and occasional larger pre-flow magma chambers. Nicola Group Upper Triassic rocks are exposed in the north of the property and do contain a small lead-zinc showing. A N70E structural trend is reflected in the stream drainages.

PROPERTY GEOLOGY

From the old North Trout Creek Road Bridge up the canyon of North Trout Creek in a logging skid road there are igneous rocks exposed that appear to be a sequence of flows. They have contacts that dip to the north at roughly 45 degrees and may strike easterly. Each separate type is a few to several metres thick and are identified by all being rhyolitic with varying characteristics such as large pink feldspar phenocrysts, moderate creamy to white feldspar phenocrysts, quartz eye phenocrysts, a preponderance of greenish mafics. The sharp changes from one type to another are more easily explained if they are considered as a sequence of flows.

About 500 to 600 metres up North Trout Creek on the east side of the creek there is a large talus/outcrop slope with a coarse grained pink feldspar phenocryst type which may represent a larger flow, but is more probably a subvolcanic intrusive.

Further upstream the sequence of alternating rock types continues. At the northern part of the property there is outcrop of Nicola volcanics, part of which is epidote

skarnized and contains subeconomic lead, zinc, and copper. This mineralization is too to small to be the source of the gold in North Trout Creek.

Placer gold is recovered by prospector Don Agur from North Trout Creek. His placer operations are in the modern valley of North Trout Creek where the creek valley floor is wider. The location of these wider areas are controlled by the jogs the creek makes in its SSE journey across the N70E fault trend that controls the rock ridges. The width of the present stream is less than the width of the valley and depth to bedrock is less than 10 metres, mainly about 3 to 4 metres. It is on the lower sediment layers where the better gold values occur. Grades can run as much as $7.00 per yard. All the gold produced is fresh and shiny looking, with angular shapes including impressions of calcite and quartz crystals on the gold. This gold has not travelled far. A logical source is the epithermal fault zones that the creek cuts.

The epithermal fault alteration zones trend N70E with minor changes of direction. Footwall dips are to the south in the Spring Zone and the Pat Zone, but some of

the zones may have northerly dips based on interpretation from the pseudo sections of the geophysical data. The minor changes of strike may be important in the location of any oreshoots but are not accurately positioned yet.

The epithermal low pH alteration zones are typical of those seen in Nevada and Arizona except that they do not outcrop and have to be exposed in trenches or drill holes. Recent exporation has identified this kind of epithermal zones in the Stump Lake camp and closer at the Blue Hawk prospect north of Peachland where Parkwood Resources Ltd. recently uncovered similar east-west epithermal zones with subsidiary north-south zones. On this property also topographic adjustments are required to properly interpret geophysical results and guide excavator trenching.

These N70E structures are pervasive through this region. For instance, the Spring Zone is part of a N70E structure that extends for at least 28 kilometres from the junction of Sinem Creek with Siwash Creek easterly up Sinem Creek over the divide and easterly down Spring Creek and then easterly along Trout Creek. These structures can be seen on the 1 inch to four mile map, the 1:50,000 map, the airphotos, and in the field.

The Spring Zone which was drilled and the Pat Zone some 650 metres north which was excavator trenched are identical. They cut the same rock package and have similar alteration with the maximum on the north side, or footwall, and the degree of alteration decreasing into the hangingwall on the south side. This matches a south dip and agrees with field evidence. Near the footwall the rocks are almost completely altered to clays. Right at the footwall the rocks are ground up and sheared by faulting so that the ghosts of the original textures are no longer visible. Towards the hangingwall the alteration becomes less intense and more propylitic. There are patches of unaltered rocks and a few breccias in the hangingwall package.

Mineralization seen in the drill core in the Spring and in the excavator trench in the Pat Zones did not include much vein quartz, but there was low to moderate bunches and disseminations of galena, sphalerite, and pyrite. No visible gold was seen, but moderate to low gold and silver assay values were reported in the core.

The trench and the drill holes were located by physical opportunity rather than by structural position along the epithermal zone and thus had statistically only a 20%

chance of hitting a mineralized shoot. About 200 to 250 metres upstream from the Spring Zone, nearly half way to the Pat Zone, is another zone known as the "diatreme zone" or breccia zone. It was mapped as a diatreme when the property was explored by Brenda Mines. The breccia zone is an easterly striking (N70E?) breccia that has matrix and breccia fragments of the same rhyolite porphyries. Breccia fragments are rounded to teardrop in shape indicating some lateral slip in a fault-breccia zone. This breccia is identical to the breccias seen in the American desert States at changes in strike on epithermal fault zones. The point of change in direction is a fulcrum or knuckle point which undergoes brecciation.

In the southwest deserts these breccias are locally known as "burnt rock" as their weathering produces surface features of leached matrix and oxide manganese coatings making the breccia resemble furnace clinker. This breccia is a more resistant unit than the main alteration so forms an outcrop.

In epithermal systems changes in attitude of the zones that are in tension, rather than compression like the breccia, provide the locus for mineralized shoots. More surface trenching and maybe geophysics are required before these structural element positions are accurately known to provide drill targets.

GEOPHYSICS

Induced polarization surveys at close spacing in the resistivity mode plotted on pseudo sections at right angles to the epithermal zones have been consistently able to outline the shape of the alteration zones and the footwall. The technique used on the Spring Property has been accurate enough on other properties to predict the depth of drilling to the zones to within one unit of the survey accuracy. Steep sharp topographic changes complicated line positioning and interpretation.

The test lines run by Geotronics Surveys Ltd. included a line directly over the three drill holes on the Spring Zone which shows low resistivity over the zone of alteration. A series of low resistivity zones were outlined on the geophysical survey and are recommended for exploration in their report.

CONCLUSIONS

Placer gold in North Trout Creek is angular and fresh indicating that it has not travelled far. There is no other known source for this gold than the epithermal alteration zones that cross cut North Trout Creek.

The epithermal alteration zones include three that have been partially explored, another three that have been identified, and probably another half dozen that are indicated but not evaluated for importance. These zones have the potential to host economic grade gold deposits and are worthy exploration targets.

If this property was in the American desert States, it would have been explored already.

RECOMMENDATIONS

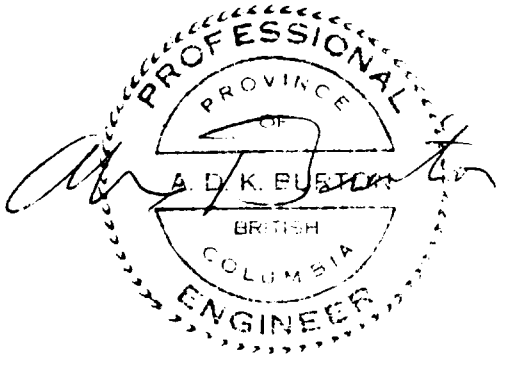
A program of exploration is recommended and a budget prepared.

Structural traps along the epithermal alteration zones need to be located and then explored for their precious metals content. Because of geomorphic constraints a combination of mapping, excavator trenching, and resistivity surveys are needed to identify the structures for diamond drilling.

BUDGET

Surveying, grid, and mapping	$ 25,000
Excavator trenching	10,000
Resistivity surveys	20,000
Diamond drilling	100,000
Contingencies	20,000
Total	$175,000

If the drilling proves successful a further diamond drilling program will be required.



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PROVINCE OF BRITISH COLUMBIA
A. D. K. BURTON

Km 0 100 200 400 Km

GEOTRONICS SURVEYS LTD.

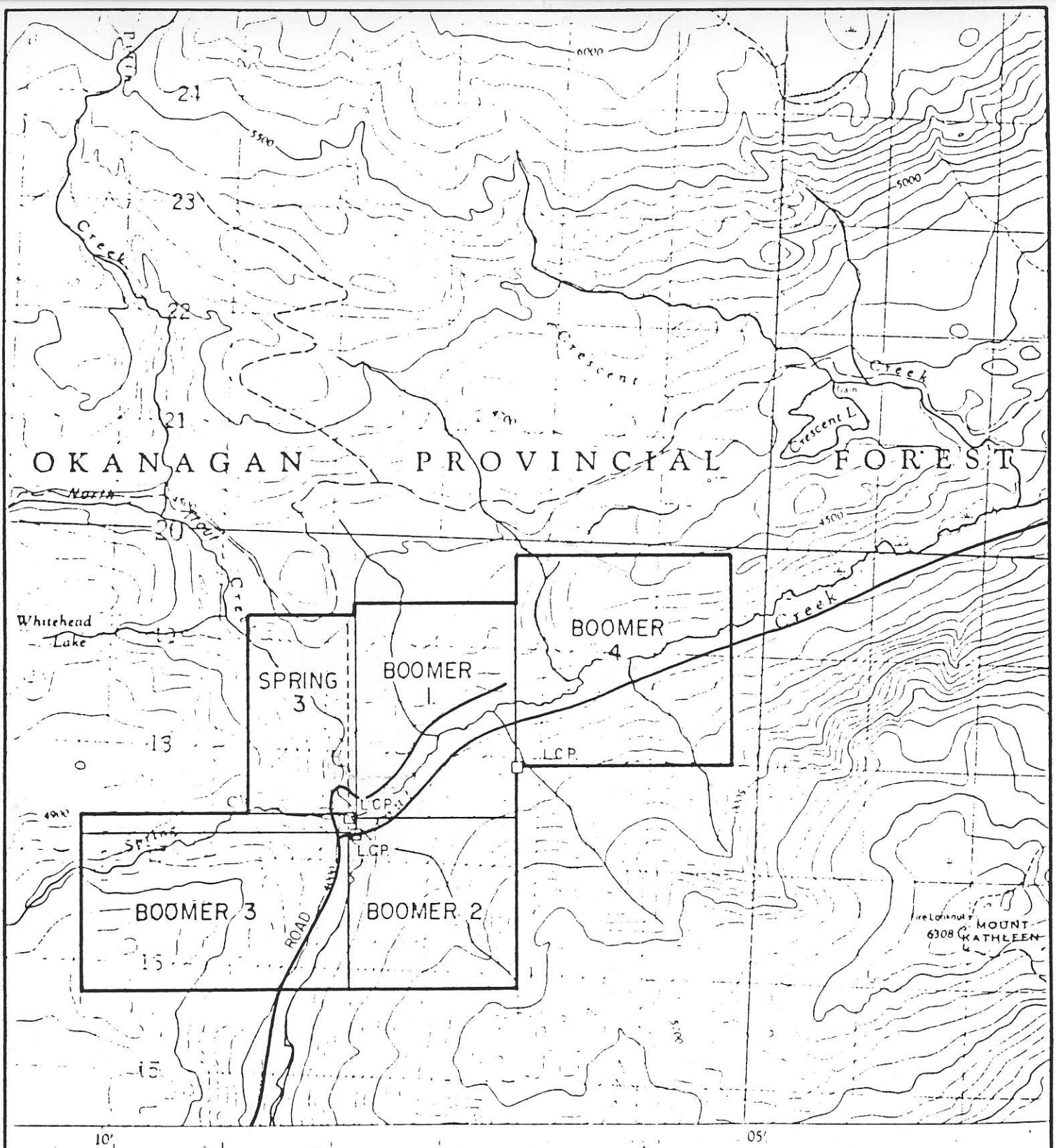
GOLDEN PICK RESOURCES LTD.

SPRING PROJECT

TROUT CREEK, PEACHLAND AREA, SIMILKAMEEN M.D., B.C.

LOCATION MAP

Drawn By	Date	N.T.S.	Job No.	Scale	MAP No.
J.W	April-1988	92H/16E	87-26	As shown	1.



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SPRING PROJECT

TROUT CREEK, PEACHLAND AREA, SIMILKAMEEN M.D., B.C.

CLAIM MAP

Drawn By.	Date	N.T.S.	Job No.	Scale	MAP No.
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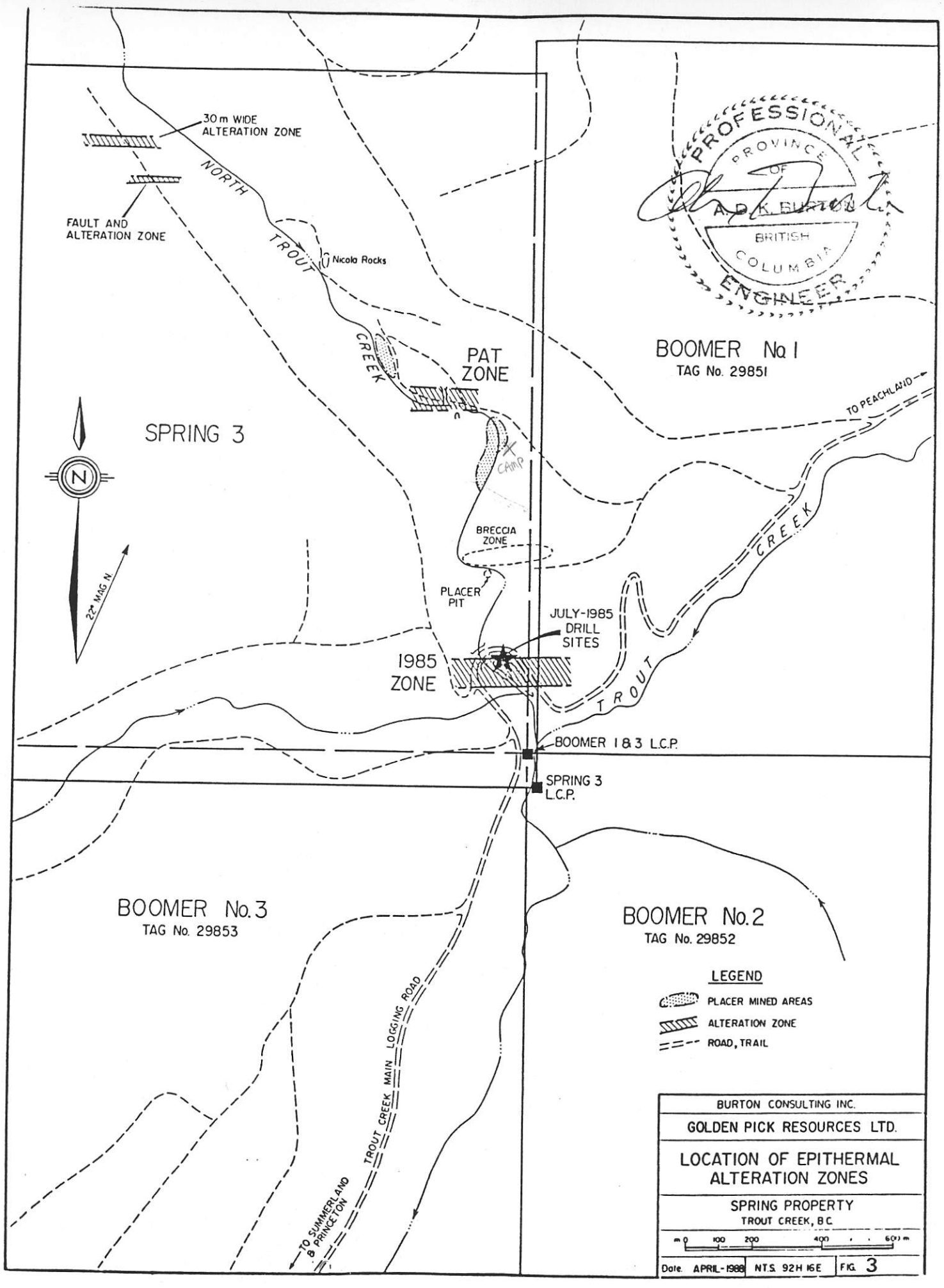

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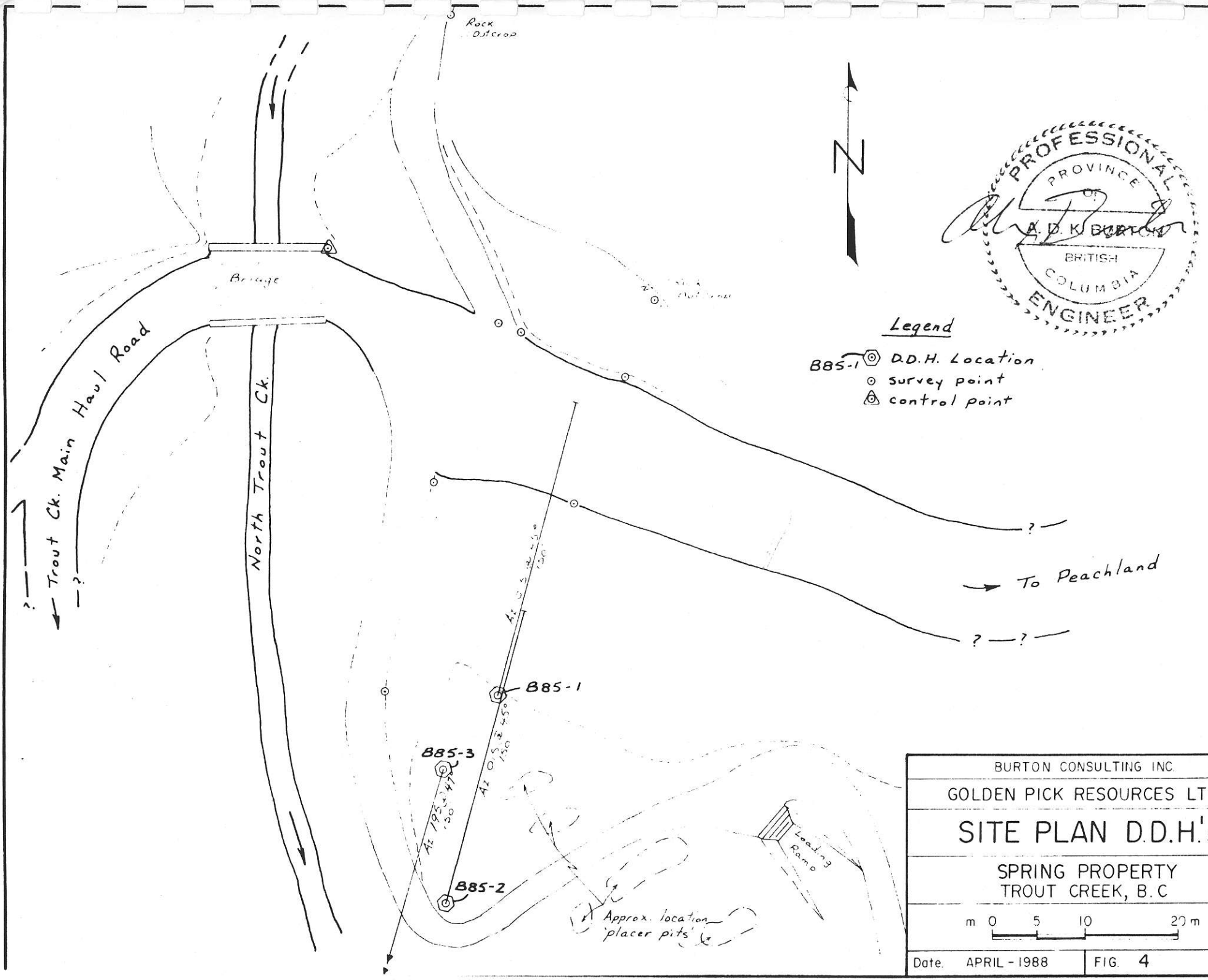
LOCATION OF EPITHERMAL ALTERATION ZONES

SPRING PROPERTY
TROUT CREEK, B.C.

m 0 100 200 400 600 m

Date. APRIL-1988 | N.T.S. 92H 16E | FIG. 3



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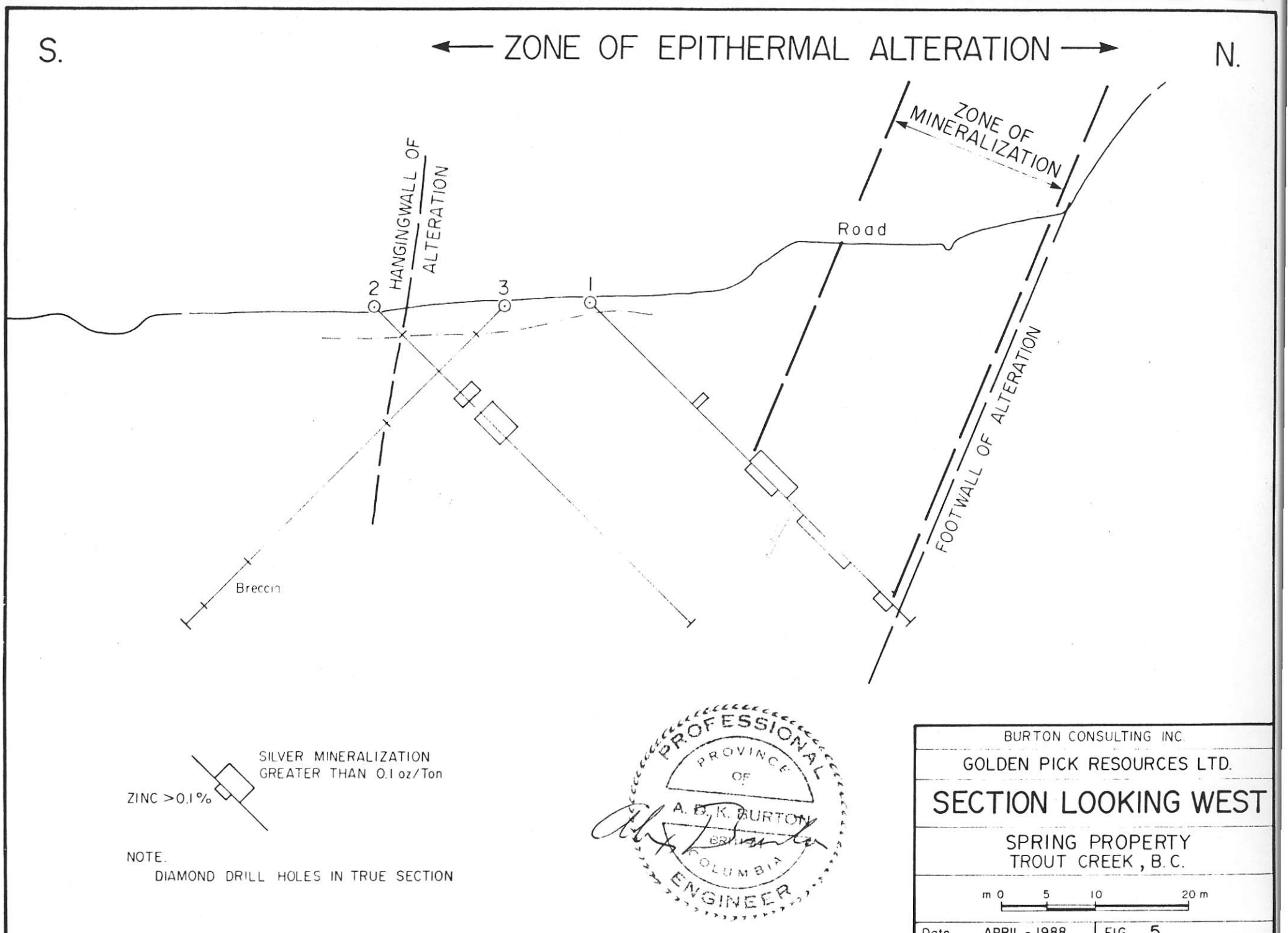
SITE PLAN D.D.H.'s

SPRING PROPERTY
TROUT CREEK, B.C

m 0 5 10 20 m

Date. APRIL - 1988 | FIG. 4


S.
ZONE OF EPITHERMAL ALTERATION
N.
ZONE OF MINERALIZATION
HANGINGWALL OF ALTERATION
FOOTWALL OF ALTERATION
Road
2
3
1
Breccia
SILVER MINERALIZATION GREATER THAN 0.1 oz/Ton
ZINC >0.1%
NOTE.
DIAMOND DRILL HOLES IN TRUE SECTION
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SECTION LOOKING WEST
SPRING PROPERTY
TROUT CREEK, B.C.
m 0 5 10 20 m
Date. APRIL - 1988
FIG. 5

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C E R T I F I C A T E

I, ALEX BURTON, P. Eng., Consulting Geologist, with offices at 810 - 626 West Pender Street, Vancouver, B.C. V6B 1V9, am a graduate geologist from the University of British Columbia.

I am a registered Professional Engineer #6262 with the Association of Professional Engineers of B.C. I am a geochemist and a member of the Asssociation of Exploration Geochemists. I am a Fellow of the Geological Association of Canada. I am also a member of the C.I.M.M., B.C. & Y.T. Chamber of Mines and A.G.I.D.

I have practiced my profession for many years in senior positions with major mining companies and as an independent consultant.

I personally supervised the work done since 1985 on the Spring Property.

I have no personal interest in the Spring Property or GOLDEN PICK RESOURCES LTD. nor do I expect to receive directly or indirectly any interest in such property or securities. I consent to the use of this report by GOLDEN PICK RESOURCES LTD. in a prospectus.

Dated this 11th day of April, 1988 in Vancouver, B.C.

PROFESSIONAL ENGINEER PROVINCE OF BRITISH COLUMBIA

ALEX BURTON, A.P. Eng.
Consulting Geologist