

QUATERNARY

12 Till, gravel, sand, clay and silt

TERTIARY

11 ENDAKO GROUP
Vesicular and amygdaloidal andesite and basalt

CRETACEOUS AND (?) TERTIARY

10 OOTSA LAKE GROUP
Rhyolite, dacite and associated tuffs and breccias. Minor andesite, basalt and conglomerate

9 OOTSA LAKE GROUP
Basalt, andesite and related tuffs and breccias

JURASSIC AND/OR CRETACEOUS

8 Granite, quartz diorite, granodiorite and diorite

JURASSIC

6 HAZELTON GROUP
Greywacke, argillite, conglomerate, tuff, breccia, andesite and arkose, minor rhyolite

5 HAZELTON GROUP
Andesite, related tuffs and breccia, chert pebble conglomerate, shale and sandstone

TRIASSIC AND JURASSIC

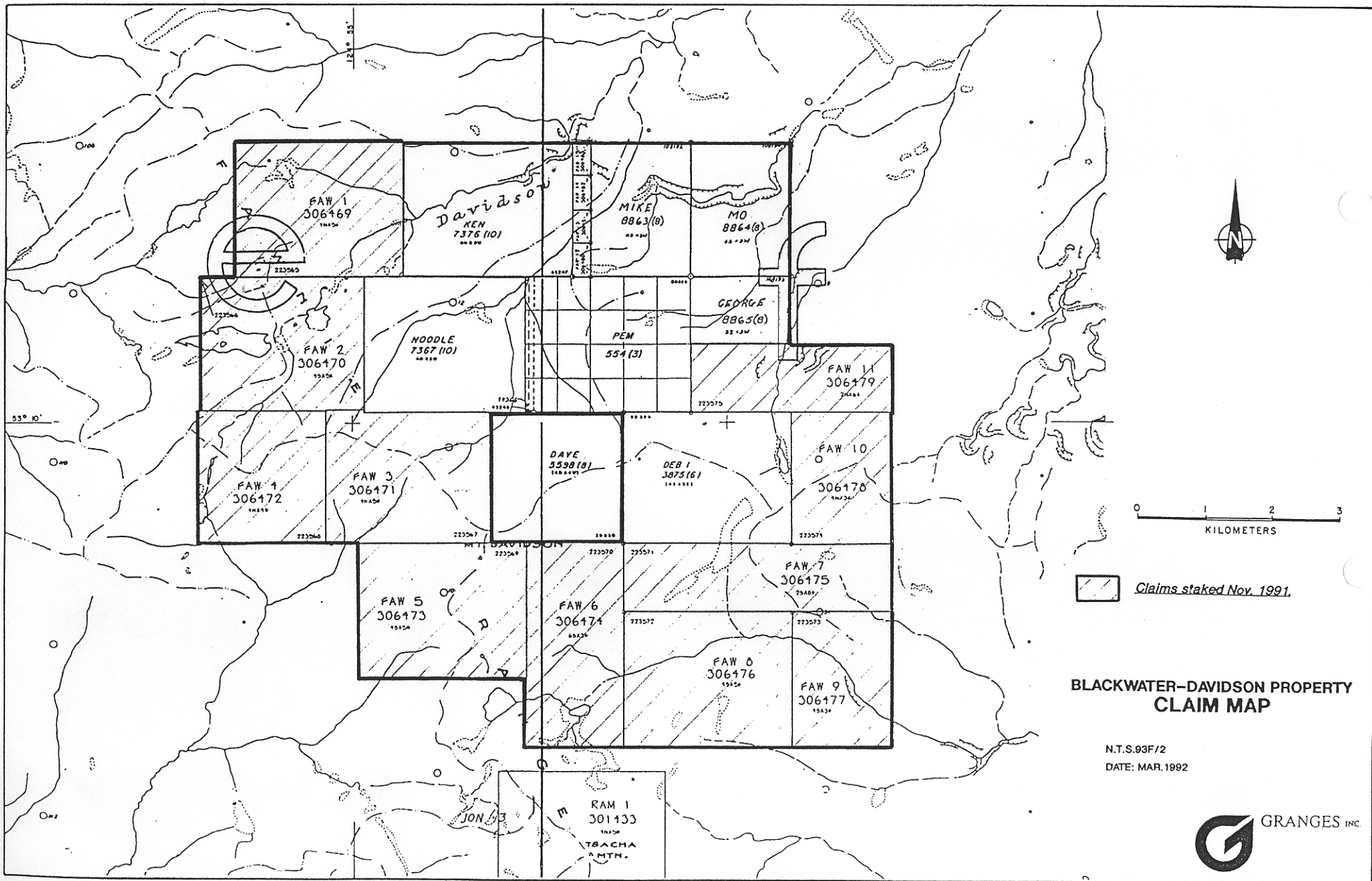
2 TAKLA GROUP
Andesitic and basaltic flows, tuffs and breccias; interbedded argillite and minor limestone

**BLACKWATER-DAVIDSON PROPERTY
REGIONAL GEOLOGY**

N.T.S.93 F/2

SCALE: 1:250,000

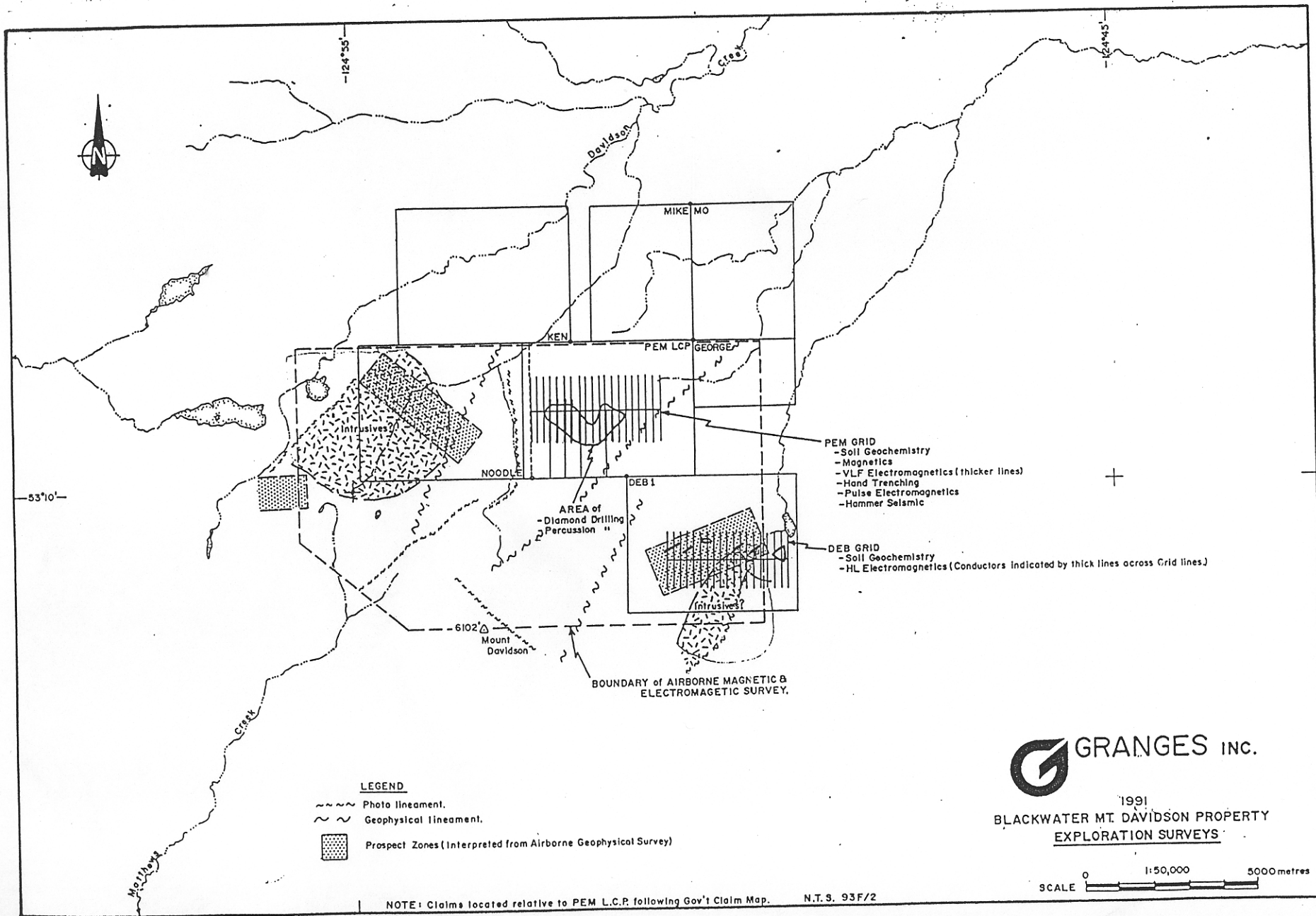
DATE: NOV. 1990



**BLACKWATER-DAVIDSON PROPERTY
CLAIM MAP**

N.T.S.93F/2
DATE: MAR. 1992

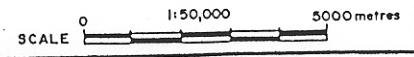




NOTE: Claims located relative to PEM L.C.P. following Gov't Claim Map. N.T.S. 93F/2



1991
BLACKWATER MT. DAVIDSON PROPERTY
EXPLORATION SURVEYS



PROJECT DATA SUMMARY - 2

Accomplishments

to Date:

Regional geochemical surveys, staking, EM and magnetometers surveys, both airborne and on the ground, soil geochemistry, diamond and RC-drilling resulted in the discovery of two zones of mineralization and of a multi-element geochemical anomaly yet to be drill tested.

The "Silver Zone" has been estimated to contain a mineral inventory of 6 million tonnes at 37 g/t Ag, 0.05 g/t Au at shallow depth, yet considered subeconomic at this time.

The "Gold Zone" contains several drillhole intersections of potentially economic grade but with limited (or untested) continuity.

DAV-11: 8.2m at 11.2 g/t Au, 21 g/t Ag; 2.2. m at 28.8 g/t Au, 12 g/t Ag, plus 3 intersections in the 3-6 g/t Au over 3-28m range.

Granges Expenditure

to Date:

Can \$1,245,300 by February 28, 1992. (\$934,000 Granges' share).

Recommended

Program:

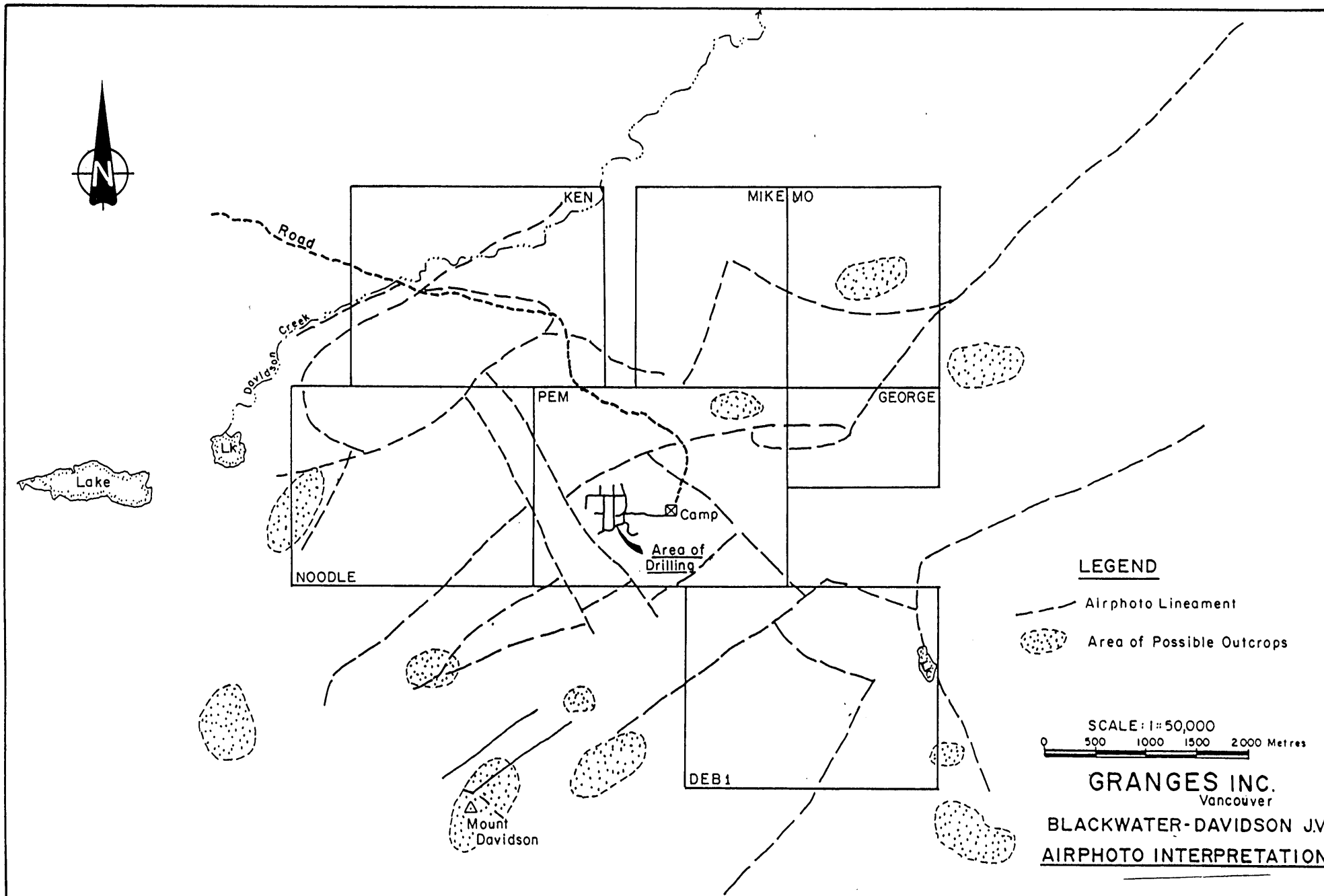
By the JV: 1992 geol. mapping, geochem; I.P. linecutting.

By H. Wober: Litho-geochemistry, airborne magnetometer survey, linecutting, I.P., soil geochemistry, geological mapping, diamond drilling.

Program Objectives:

By the JV: drill target identification for known types of mineralization.

By H. Wober: to test the potential presence of a buried or deep porphyry copper - (molybdenum) system with precious metal enhancement.



PROJECT DATA SUMMARY - 3.1

Discussion, Comments:

Host to the mineralization is the Upper Cretaceous Ootsa Lake Group. (rhyolite, dacites and assoc. tuffs, minor congl. lower andesites, basalts and breccias).

Relationship to granites, quartz diorites and diorites of Jur./Cret. age uncertain.

Lack of complete aeromagnetic coverage, public or private. Nevertheless there is a suggestion that the mineralized area and zones occupy an area of lower magnetic susceptibility in the center of a surrounding array of magnetic highs representing intrusive bodies.

Interpretation of air photos and magnetic lineaments suggest a pattern of NE, NW and NS striking structures framing the area of mineralization.

Sericite clay alteration, brecciation associated with mineralization in more felsic rhyolites of possibly intrusive nature suggest the possibility of a porphyry system at depth.

Equity Silver type bulk mineable Ag-sulphosalt or high grade fault controlled gold mineralization may still occur at shallower depth.

Recommendations:

1. Litho-geochemistry of alteration zone (Cu, Mo, W, F), sulphur and oxygen isotope, fluid inclusion studies
2. Expanded, high sensitivity aeromag survey
3. Ground geophysics (I.P.: high power, pole-dipole)
4. Soil geochemistry
5. Deep drilling