

DORATHA MORTON

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Mar. 15/87
FAME

INTRODUCTION

The following report is based on work conducted in the period June 1, 1986 to December 31, 1986 on the Doratha Morton Claim Group. These eight claims are located approximately forty-five kilometers north of Campbell River, British Columbia, on the west side of Phillips Arm at an elevation ranging from 600 to 1050 meters (See map 1). Access to the property is by boat or seaplane to Picton Point and then by eight kilometers of logging road to within one kilometer of the claims. A road passable by four wheel drive vehicle has been constructed over the remaining distance to the center of the claim block.

The property consists of eight contiguous crown granted mineral claims that were located in the 1890's. An additional claim, also crown granted, is located on the west side of Phillips Arm and covers the original millsite. All claims are owned by Signet Resources Inc. with the vendor retaining a net profit interest.

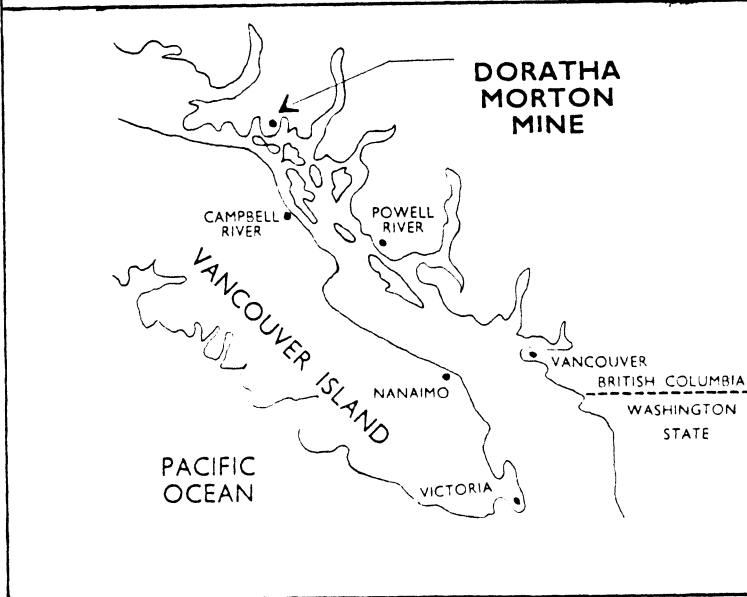
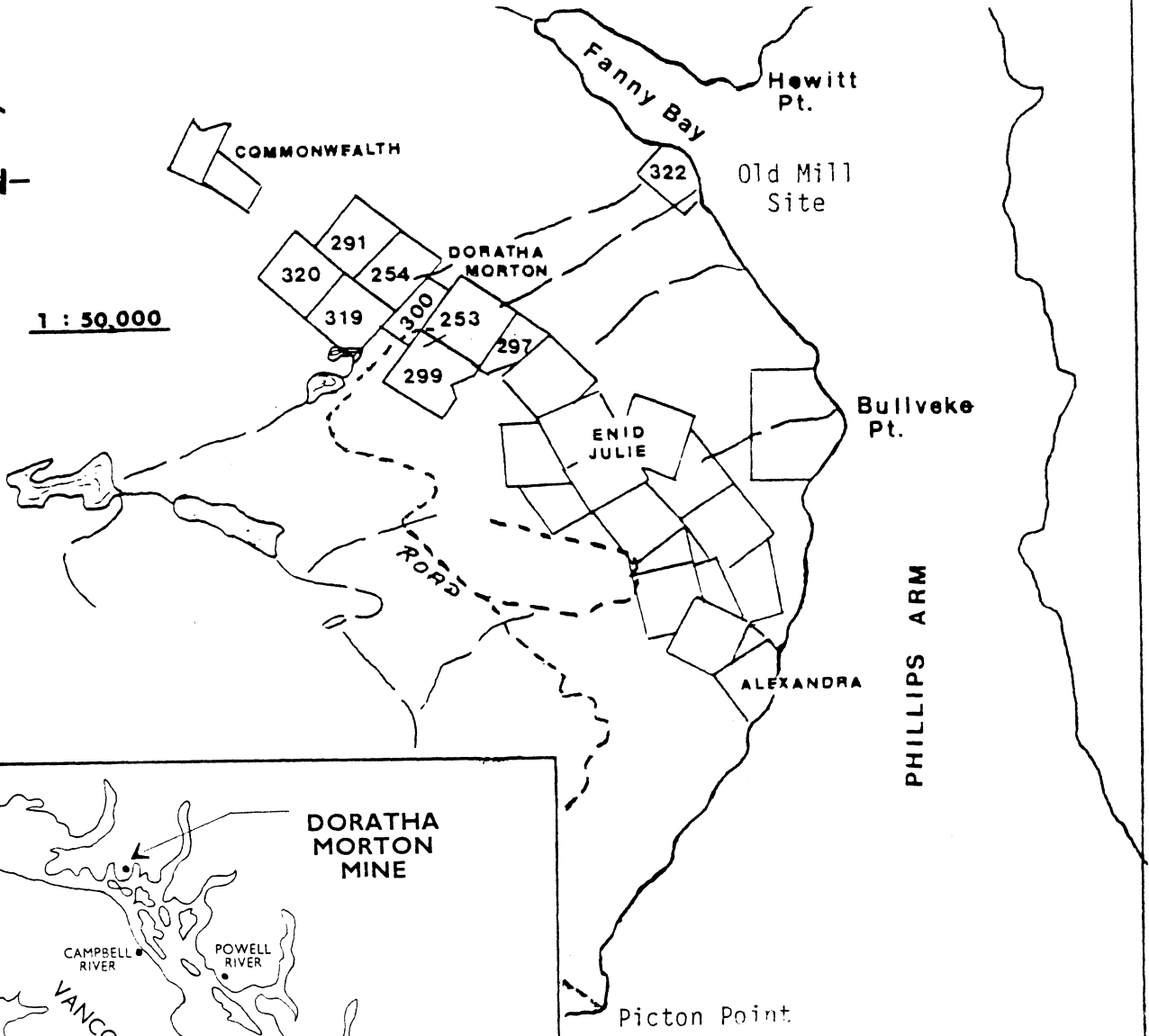
Production from the property first commenced in the 1898 - 99 period with the mining of 10,000 ton from the Doratha Morton claim, followed by cyanide treatment of the ore. Gold and silver were recovered amounting to 4,434 and 10,222 ounces respectively. Further mining was carried out throughout the 1920's and 1930's with periodic shipments of hand sorted ore to the smelter in Tacoma, Washington.

DORATHA MORTON CLAIM GROUP

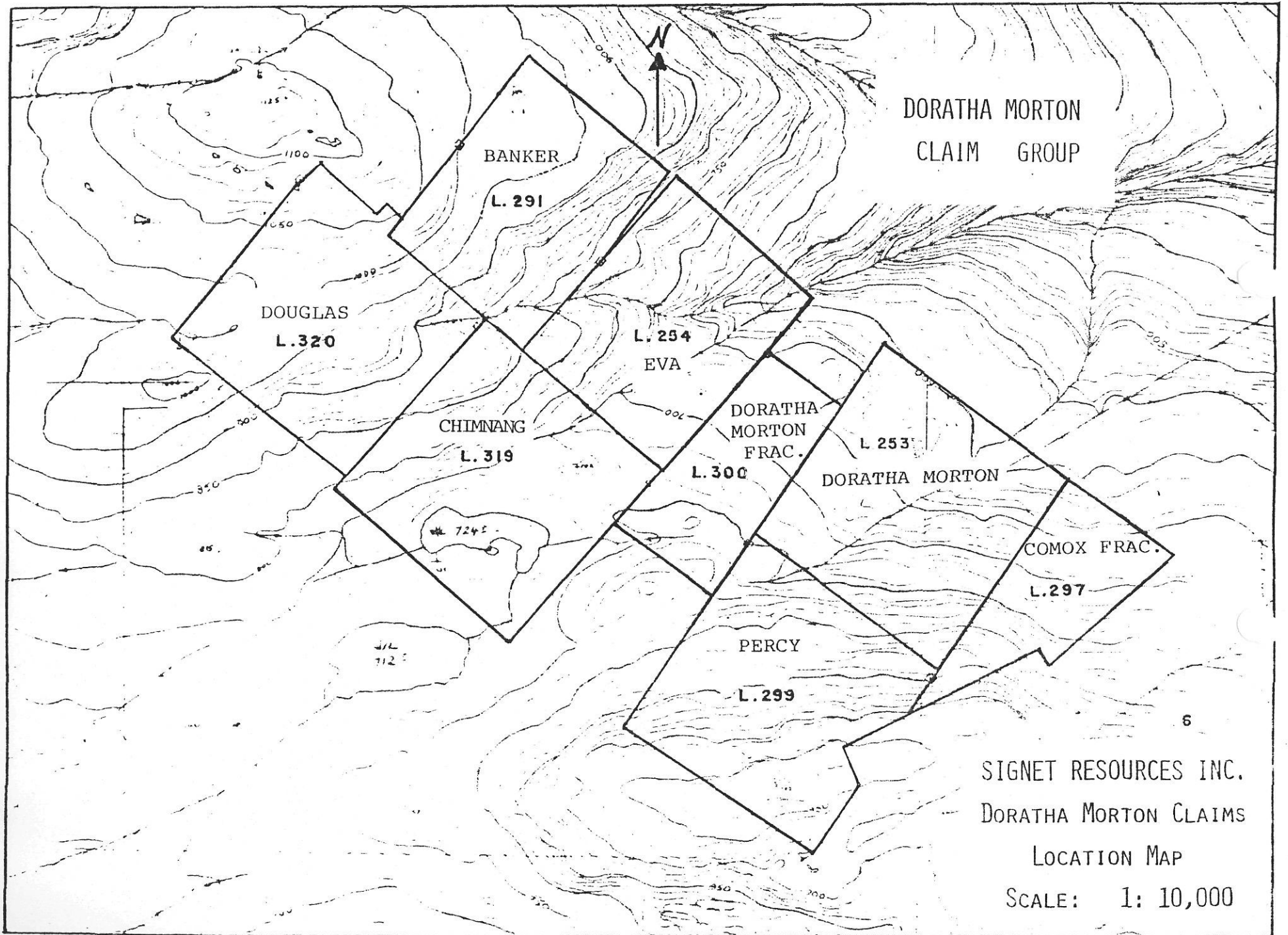
LOCATION MAP



1 : 50,000



SIGNET RESOURCES INC.
 DORATHA MORTON CLAIMS
 LOCATION MAP
 SCALE: 1 : 50,000



DORATHA MORTON
CLAIM GROUP

BANKER

L. 291

DOUGLAS

L. 320

L. 254

EVA

CHIMNANG

L. 319

DORATHA
MORTON
FRAC.

L. 300

L. 253

DORATHA MORTON

COMOX FRAC.

L. 297

PERCY

L. 299

6

SIGNET RESOURCES INC.

DORATHA MORTON CLAIMS

LOCATION MAP

SCALE: 1: 10,000

The property lay dormant until the present owner, Signet Resources Inc. commenced exploration in 1984. The old adits and pits were located and opened up, access to the claims was improved, underground mapping was conducted followed by 1650 meters diamond drilling along with some surface stripping.

Since the property is at a very early stage of development, a realistic economic assessment may be premature at this time. Numerous ore grade assay values have been obtained for gold from both drill intersections and surface trenches. These values indicate that ore continues above and some distance beyond the #1 Adit where the original 10,000 tons were mined with 8,500 ton of possible ore-grade material outlined (C.R. Harris, P. Eng., September, 1985). Additional tonnages of possible ore exist in the vicinity of other adits (#100, #3, #250) as well as in the areas covered by the scope of this report.

INTRODUCTION

Signet Resources Inc. conducted a program of soil sampling, bulk rock sampling, and hand trenching on the Doratha Morton Property during 1986. Work performed by the writer between November 15 and 21, 1986 included mapping and sampling of new trenches, and re-logging of 1984/85 drill holes. This report summarizes the geology and assay results of the new trenches.

TRENCHING

A series of pits and continuous trenches was constructed over a distance of 30 meters in order to investigate the causative source of anomalous gold values encountered in a recent soil geochemical survey (Figure 1). The trenches, ranging from 1.0 to 1.5 meters in depth, were dug by hand, using drill and blast methods. At all sites, bedrock was exposed at depths of 0.5 to 1.0 meters.

GEOLOGY AND SAMPLING RESULTS

The trenching has exposed well-foliated, white to pale grey-green bedrock which displays intense silicification and sericitization (Figure 2). Minor chlorite, calcite and epidote is also evident. The strong schistose foliation strikes consistently northwest and dips steeply southwest (Figure 2). The trenches also disclosed the presence of a milky white, weakly foliated, 1.5- to 2.0-meter wide quartz vein which lies concordant with the wallrock foliation. Minor 1- to 3-centimeter wide, concordant quartz stringers also occur in silicified wallrock. Both the siliceous wallrock and quartz vein are cut by steeply dipping, northeasterly trending andesitic dykes. A sinistral offset of the quartz vein is apparent across the andesitic dykes. The trace of the quartz vein is paralleled by a 2.0-meter high, step-like break in slope, with the down drop to the northeast. This topographic feature continues along strike beyond the area of trenching, and suggests that the quartz vein may continue both to the northwest and southeast.

Pyrite occurs as patchy disseminations lying parallel to the foliation within the silicified wallrock, and as patchy concentrations within the quartz vein. The pyrite concentration seldom exceeds 2%. Chlorite often accompanies the pyrite.

Five channel samples were taken across the quartz vein by the writer. Sampling was impeded by snow cover and the disruption of bedrock as a result of blasting during the trench construction. The samples were subjected to 30-element ICP analysis and fire assay for gold and silver (Appendix A).

The following table contains a summary of sample descriptions and results. The location of the samples is shown on Figure 2.

SAMPLE SUMMARY: TRENCH L6+00E - 0+20S

<u>Sample No.</u>	<u>Type</u>	<u>Width (m)</u>	<u>Assay</u>		<u>Description</u>
			<u>Ag (g/T)</u>	<u>Au (g/T)</u>	
CS 152	Channel	1.10	1.72	0.68	70% quartz vein with wallrock inclusions; sericite and chlorite present; 2% pyrite.
CS 153	Channel	1.15	0.34	0.27	70% quartz vein with wallrock inclusions; 2% pyrite.
CS 155	Channel	0.65	17.49	7.41	Footwall side of quartz vein; 2% pyrite parallel to weak foliation and vein walls.
CS 156	Channel	0.80	2.74	1.13	Hanging wall side of quartz vein; trace pyrite; minor limonite.
CS 158	Channel	0.80	21.27	6.62	Milky white quartz vein; less than 2% pyrite; minor limonite.

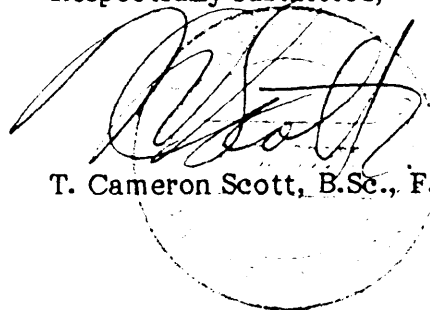
DISCUSSION AND CONCLUSIONS

The 1986 trenching program on the Doratha Morton Property has uncovered a 2-meter wide, auriferous quartz vein which may be in part the causative source of anomalous gold values detected in the 1986 soil sample survey area. The well-foliated silicified wallrock is similar to bedrock exposures previously examined by trenching and diamond drilling, approximately 390 meters (400 feet) to the southeast, and is probably an extension of that zone. The zone of silicification and bleaching occurs at the interface between andesitic metavolcanics and underlying (?) calcareous metasediments, and may represent a shear zone which controlled the emplacement of concordant quartz veins and related hydrothermal alteration of the wallrock.

The assay results of samples taken from the trenches near L6+00E-0+20S are consistent with those returned from sampling of similar exposures to the southeast.

The results of this work indicate that soil geochemical surveys, followed by trenching in areas of anomalous results, are exploration techniques which can be successfully applied on the Doratha Morton Property.

Respectfully submitted,



T. Cameron Scott, B.Sc., F.G.A.C.

Vancouver, British Columbia
February 25, 1987