

old Chaput Mine

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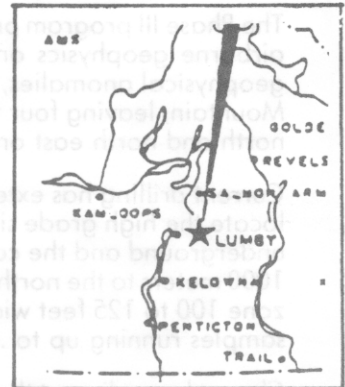
**THE LUMBY MINE**  
of  
**THE QUINTO MINING CORPORATION**  
and joint Venture partners  
**GREYHAWK RESOURCES LTD.**  
and  
**WILLCREST RESOURCES LTD.**

**LOCATION**

The property, consisting of 24 two post claims and nine adjoining mineral claims (163 units) is located at the town of Lumby, 16 miles from the City of Vernon in South Central B.C. The property is bounded by Highway 6 on the south and year round access is provided by city roads and a system of logging roads to the mine, mill and claims area. Lumby is a small logging and lumber mill town with all amenities, including rail transportation and housing. Scheduled air service with Vanocover is available from Kelowna, a one hour drive south of Lumby.

**PROPERTY STATUS**

Quinto has 100% ownership of the Lumby Property. Greyhawk & Willcrest have entered into options agreements whereby they can each earn a 25% interest in the property from Quinto by completing work requirements. In June 1985, Greyhawk entered into an agreement with Quinto to acquire a 50% interest in the property by payment of \$50,000.00 and committing to spend \$950,000.00 for exploration and development work on the property by the end of February 1987. Greyhawk subsequently sold 1/2 of their interest to Willcrest for \$25,000.00 and the commitment to spend \$475,000.00. To date, the companies have expended \$650,000.00 on their work commitment with a Phase I and II program completed and a Phase III program commenced



**QUINTO MINING CORP**  
**LUMBY PROJECT**  
**LOCATION MAP**

**PROPERTY HISTORY**

Only a small section of the property has yet been fully explored. A small high-grade gold mine operated about 1900 near the summit of Saddle Mountain. Due to heavy overburden, the remainder of the mountain was unexplored until the early 1960's when a silver-bearing vein was uncovered in a shear zone during logging operations. This led to the establishment of a privately owned high-grade silver mine in 1968 on the mine zone. A 50 ton-per-day mill was established in 1971 and upgraded to 150 tons-per-day in 1980 and it is estimated that 20,000 - 40,000 tons of ore were mined and processed between 1975 and 1981, but accurate data for this period is not available.

It was not until Quinto purchased the property and mill in 1983 and trenched an anomaly on the summit of Saddle Mountain that the full significance of the property began to emerge. Impressive gold values were found in these trenches and geochemical and geophysical surveys confirmed the presence of a large shear zone, the Plateau Shear Zone.

**PHASE I PROGRAM**

A program of 10 reverse circulation drill holes and one diamond drill hole was completed on the trenched Plateau Shear Zone. Surface sampling, underground sampling, VLF-EM survey and surveying was completed in November 1985. The prime objective of the program was to test at depth, the continuity and grade of mineralization exposed of the surface. The drilling tested 400 feet of a 1400 foot structure. Reverse circulation sample intersections as high as .984 ozs/ton gold over 5 feet within a 105 foot section of .135 ozs/ton gold were obtained. The drilling and surface examination indicated that there may be more than one mineralized shear zone.

It was recommended that a Phase II program be carried out. Diamond Drilling was recommended to trace the extension of the impressive gold mineralization outlined in the reverse circulation drilling, to better understand the structure hosting the mineralization and to test for mineralization down dip. It was also recommended that additional work be done outside of the main area of interest to determine if further shears exist. This work would include a VLF-EM Survey, geological mapping, geochemical sampling and trenching.

**PHASE II PROGRAM**

The Phase II Program was completed in July 1986 and consisted of diamond drilling, geological mapping and ground geophysical surveys. Nineteen diamond drill holes were completed in the Plateau Shear Zone and all intersected the target and returned values up to .531 oz/ton gold. The drilling tested a strike length of 4300 feet and a down dip section of 1000 to 2300 feet. Three diamond drill holes were also drilled between the Plateau Zone and the Mine Zone.

Soil geo-chemistry outlined two other anomalous zones on Saddle Mountain. The second high gold anomaly; located 1000 feet south and parallel to the Plateau Zone, returned gold values in the soil up to 1210 ppb or .035 ozs/ton gold. A third target area, 3600 feet south of the Plateau Zone had gold values up to 3850 ppb and was traced along strike for about one mile. Several VLF-EM and magnetic anomalies are coincident with geochemical targets. Phase II results were encouraging enough to recommend a Phase III program to include the preparation of 1:10000 scale orthophoto covering all the claims, an airborne geophysical survey, detailed geochemistry on Saddle Mountain, further diamond drilling, metallurgical testing, more reverse circulation drilling and geological mapping and prospecting on the remainder of the claim group.

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THE LUMBY MINE

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### PHASE III PROGRAM

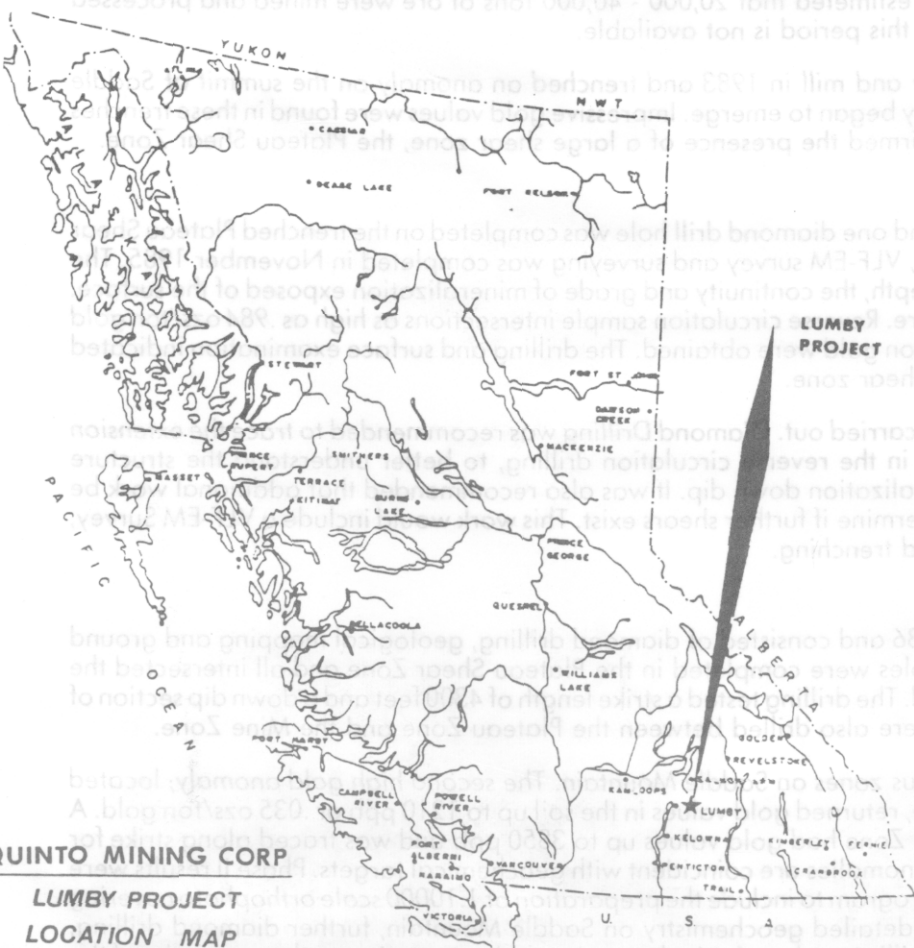
The Phase III program progressed while the results of Phase II were being analyzed. One hundred eighty (180) line miles of airborne geophysics on lines spaced at 500 feet were completed. Interpretation of the data indicates seven major geophysical anomalies, three of which confirm structures indicated by ground geophysics and geochemistry on Saddle Mountain, leaving four targets off of Saddle Mountain to be examined. A major soil sampling program continues to the north and north east on Saddle Mountain where airborne anomalies are indicated.

Current drilling has extended the Plateau Zone 300 feet further west. Three holes have been drilled on the Mine Zone to locate the high grade silver vein. Visual results of this drilling show the same composition as ore previously mined from underground and the core is in for assay. Two test holes are currently being drilled on a new shear zone, the cliff zone, 1000 meters to the north of the Plateau Zone where the airborne survey and geochemical analysis had indicated a shear zone 100 to 125 feet wide, containing sulphides and massive sulphides, and running east-west for 1-1/2 miles with surface samples running up to .712 oz/ton gold. Two 1000 foot holes are planned to test the Plateau Zone at depth.

Channel sampling at the surface of the Plateau Zone returned a 20 to 33 foot average of .17 oz/ton gold and 1-10 oz/ton silver on trenches cut for 200 feet. Results to date indicate there could be over 100,000 tons of open pit ore available for mining from this location.

### CONCLUSION

Each progressive phase of methodical exploration and development work complete on the property increases the potential and adds new areas of interest to the project. It is estimated the Plateau Zone alone could contain up to a 6.5 million ton precious metal deposit. The Lumby project has easy access to power, water, transportation, labour and materials, unlike the more remote areas of the province. This property has the potential to develop into a profitable mining situation in a short time with lower than usual capitalization costs.



**QUINTO MINING CORP**  
**LUMBY PROJECT**  
**LOCATION MAP**

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