

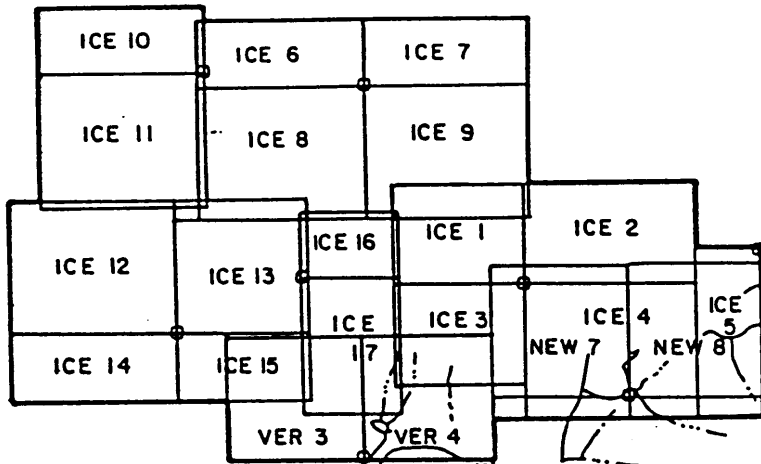
Ticker Tape
888815

S, 7F

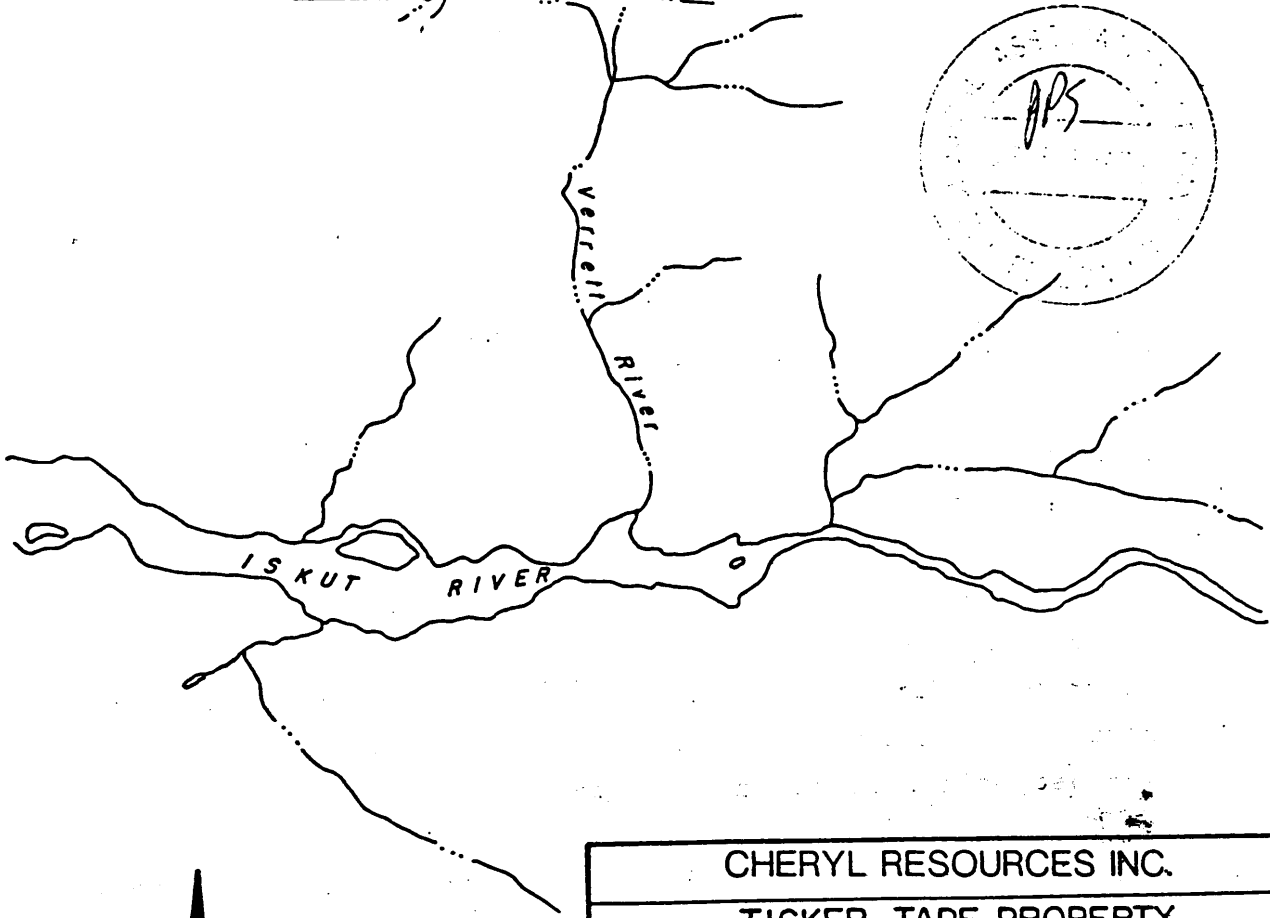
104B/14E, BW

Feb '89

104B/14E
| 104B 338, 339
131°00'



56°49'



CHERYL RESOURCES INC.			
TICKER TAPE PROPERTY			
LIARD M.D., B.C.			
CLAIM MAP			
Scale :	Date :	N.T.S.	Figure :
1:110,000	June 1988	104B-14, 15	2
By: J.P. SORBARA & Associates			

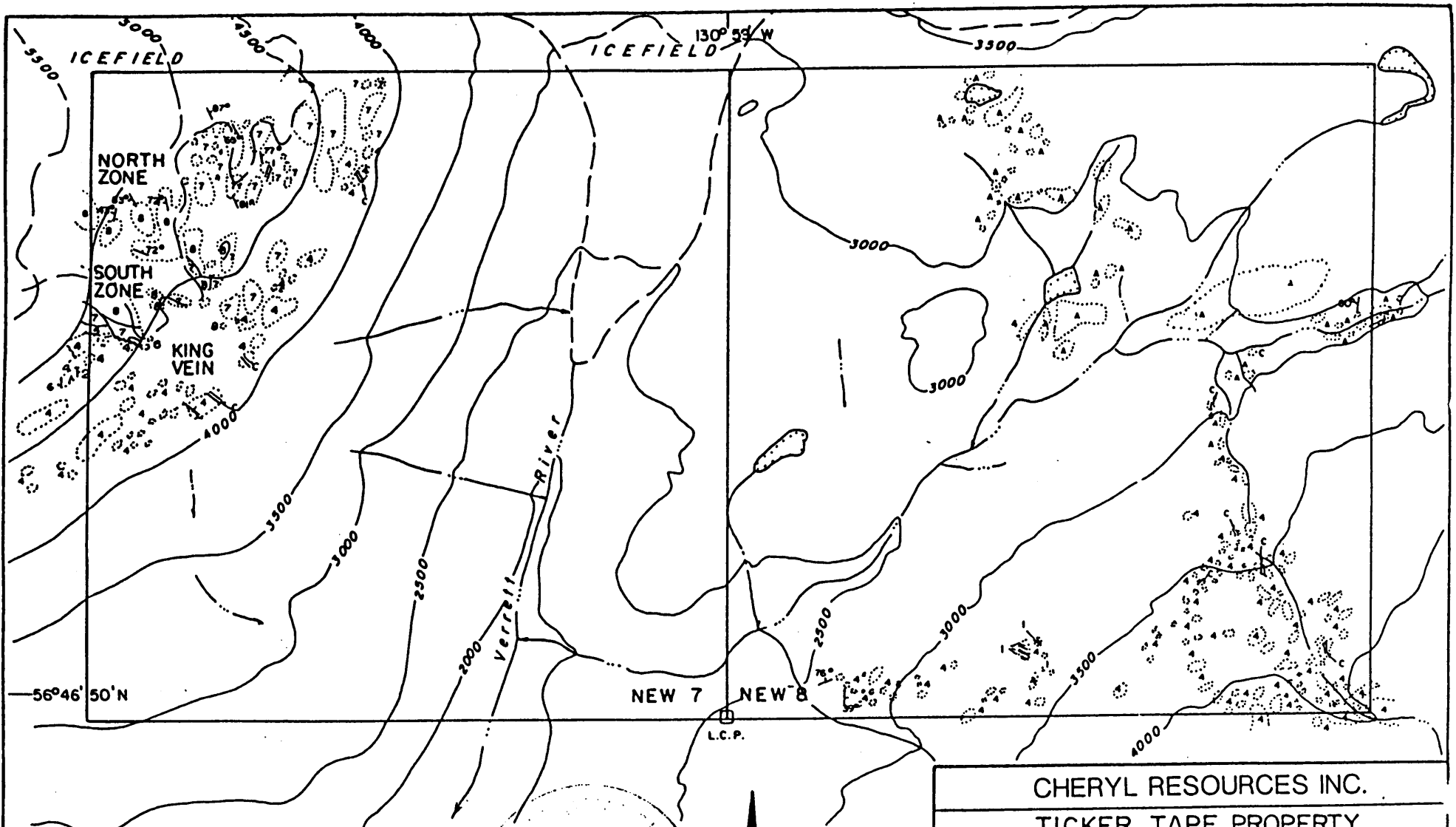
In addition to gold, copper and silver also occur in significant quantities. Grove (1988) estimates the known reserves to be 1,087,875 tons grading 0.70 oz Au/ton, 1+ oz Ag/ton and 1% Cu. Probable reserves are 4,000,000 tons at similar grades.

On the Delaware-Cominco joint venture SNIP property, native gold occurs in a 1-10m thick discordant banded shear zone, the Twin Zone, cutting a massively bedded feldspathic greywacke-siltstone sequence. This strikes 110° to 120° and dips 65° to the southwest. It consists of alternating bands of massive streaky calcite with abundant disseminated to massive pyrite mineralization. Biotite-chlorite, quartz, pyritic to non-pyritic, fault gouge related, alteration is associated with this zone. Significant amounts of calcite exist throughout the zone and there is only about 2% sulphide present. The Twin Zone comprises several subparallel veins separated by low grade to barren wallrock. It has been traced over a 1000 m distance between the 150m and 650 m elevations of the lower slopes of Johnny Mountain and by drilling, to depths of 150m to 250m. Recent data from underground development and drilling suggests that the Twin Zone is open at depth and along strike to the east (Northern Miner, June 13, 1988).

PROPERTY GEOLOGY

The Ticker Tape property geology (Figure 4) was examined in detail by King (1987) who describes it as follows:

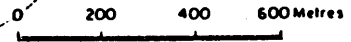
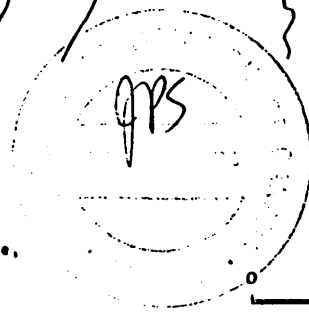
"The section of the property which lies to the east of the Verrett River Valley is underlain by plutonic and sedimentary rocks. The vast majority of the sedimentary package consists of medium to coarse grained clastic material of quartz arenaceous to arkosic composition. This is a very ferruginous



LEGEND

- A Felsic intrusive, granite, monzonite, syenite, etc.
- 1 Argillite phyllite siltstone, etc.
- 2 Limestone
- 4 Quartzite, arkose, etc.
- 6 Rhyolite dacite (felsic volcanics)
- 7 Andesites etc ; intermediate mafic volcanic
- C Mafic dykes
- 8 Ticker Tape Unit : interbedded carbonates, ironstone, intermediate tuffs & tuff breccia

- Fault or shear zone
- Outcrop
- Strike and dip



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 TICKER TAPE PROPERTY
 LIARD M.D, B.C.

PROPERTY GEOLOGY

Scale : AS SHOWN	Date : June 1988	N.T.S. 104B-14,15	Figure : 4
By : J.P. SORBARA & Associates			

sequence, with ubiquitous limonite alteration. Hematitization is frequently encountered in fractures.

The clastic sedimentary package is very extensive and appears to be quite homogeneous. Distinct bedding planes are rarely encountered. Argillite horizons of minor extent were noted in a few locations near the southern border of the New 8 claim. These were found to strike at 110° to 120° and dip approximately 65° to the south.

Much of the northern portion of the New 8 claim is underlain by plutonic material of tonalitic to granodioritic composition. This is a medium to coarse grained intrusive, with pervasive hematitization and sericitization. Saussuritization of plagioclase is encountered occasionally in this material.

The contact between the plutonic rocks and the coarse clastic sediments is not readily discernable in outcrop.....

Mafic dykes are plentiful in both the sedimentary and plutonic rocks. These vary in width from a few centimeters to over ten meters. A peculiar feldspar porphyry dyke of intermediate composition was observed in the southern part of the New 8 claim. This dyke, which contains 2 cm wide white feldspar phenocrysts in a purplish, aphanitic groundmass, was spatially associated with a small granitoid intrusive body which also contained feldspar porphyry.

The structural geology of the eastern portion of the property is not well defined in outcrop. There is, however a distinct linear depression in the north central part of this area, which begins at the edge of the Verrett River Valley and trends at 115° for approximately one kilometer. This is quite probably a major fault zone.

The coarse clastic unit also underlies much of the western portion of the New 7 claim. However, a sequence of andesitic volcanics occurs in the northwestern portion of the property. These are a series of flows and ash fall deposits, with abundant horizons of coarse volcanoclastics, including well developed volcanic breccias. Breccia clasts are generally polymictic in composition, and pumice fragments appear to become more predominant towards the top of the sequence.....

A significant amount of contact alteration is observed in clastic sediments immediately below the base of the volcanic unit. Manganese staining, which is prevalent throughout much of the volcanic unit, is intense in rocks on either side of the volcanic-sedimentary contact, commonly appearing as a metallic, black sheen on outcrop surfaces. In the coarse clastic sediments near the contact, dendritic pyrolusite growths are commonly found in fractures.

There is a lithologically, stratigraphically and structurally complex unit of rocks which occurs near the western edge of the New 7 claim, immediately overlying the volcanics. This has been designated as the Ticker Tape Unit, and has been the focus of much attention in the 1987 exploration program, as it contains a stratiform lead-zinc-silver deposit. The unit consists of interbedded jasperoid ironstones, carbonates, waterlain tuffs and other volcanoclastics, minor beds of argillite and a few minor lenses of barite.....

PROPERTY MINERALIZATION

Two mineralized exposures of the Ticker Tape unit were observed by King (1987). These were designated as the North Zone and the South Zone, the latter being approximately three hundred meters southwest of the North Zone (Figure 4). These two zones are separated by a lobe of glacier, however, an examination of the area by D.A. Collins during a period of low snow cover suggested that the outcrops represent one major continuous zone. Mineralization on the property varies from disseminations and mineralized stringers to massive pods of galena, sphalerite and pyrite. Minor arsenopyrite and stibnite were observed in drill core. A yellowish-green mineral which was frequently encountered in outcrop is believed to be greenockite (cadmium sulfide).

Rock grab samples taken from the South Zone tended to be richer in lead and silver than those from the North Zone. However, the highest recorded silver assay value, 890.0 g/t (25.96 oz/ton), comes from a grab sample taken from the North Zone. One sample taken from the North Zone yielded over 31% zinc.

Approximately 100 meters south of the South zone an almost flat-lying quartz vein, which strikes 150° and dips 8° to the southwest, was discovered by King during the 1987 exploration program. It has a maximum thickness of 60

centimeters and is exposed over a considerable strike length estimated by geologist J.P. Sorbara to be at least 150 m. Snow cover during October precluded trenching and a precise appraisal of the dimensions of the King Vein by D.A. Collins.

The "King Vein" is hosted by coarse clastic sediments close to the contact with the andesitic sequence interbedded with limestones and argillites, a feature which is not observed elsewhere in the vicinity of the andesite-clastic sediments contact.

The central portion of the King Vein appears to be devoid of sulfide mineralization, although massive pyrite, with minor associated galena and sphalerite, is found in pods near both the upper and lower contacts of the vein. Visible gold and bismuthinite(?) were found adjacent to these sulfide zones, within the vein. A grab sample of this material, collected by D.A. Collins, yielded an assay value of 1725.0 g/t Au (50.313 oz Au/ton). A correlation appears to exist between high gold/bismuth values in the King Vein as the latter sample also contained 5,825 ppm bismuth. A 20 centimeter chip sample taken across the vein and adjacent wall rock yielded 864.0 g/t Au (25.20 oz Au/ton) in addition to 122.0 g/t Ag (3.56 oz Ag/ton).

The highest silver value recorded from the King Vein was 11.61 oz/ton, which was taken from a massive sulphide pod near the margin of the vein. This sample also yielded values of 2.27% lead, 5,829 ppm zinc, 560 ppm antimony and was slightly anomalous in arsenic, cadmium, cobalt and copper.

King (1987) located few significant mineralization showings east of the Verrett River Valley, although a sample of chalcopyrite and malachite bearing mafic dyke material in

VLF-EM anomalies, some of which are coincident with the high magnetics. These zones are coincident with areas of visible mineralization and anomalous geochemical values.

DIAMOND DRILLING PROGRAM

A diamond drilling program was undertaken on the New 7 & 8 claims by Hi-Tec Resource Management Ltd. during October 1987. Drilling was restricted to one site (grid coordinates 2+23S/1+10W, Figure 8) due to weather conditions.

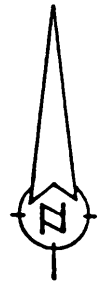
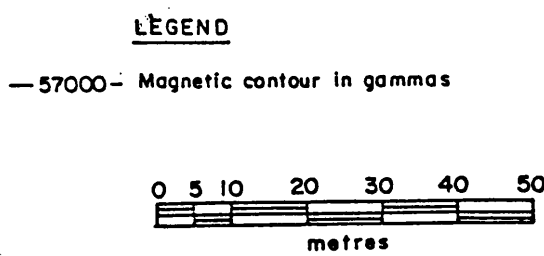
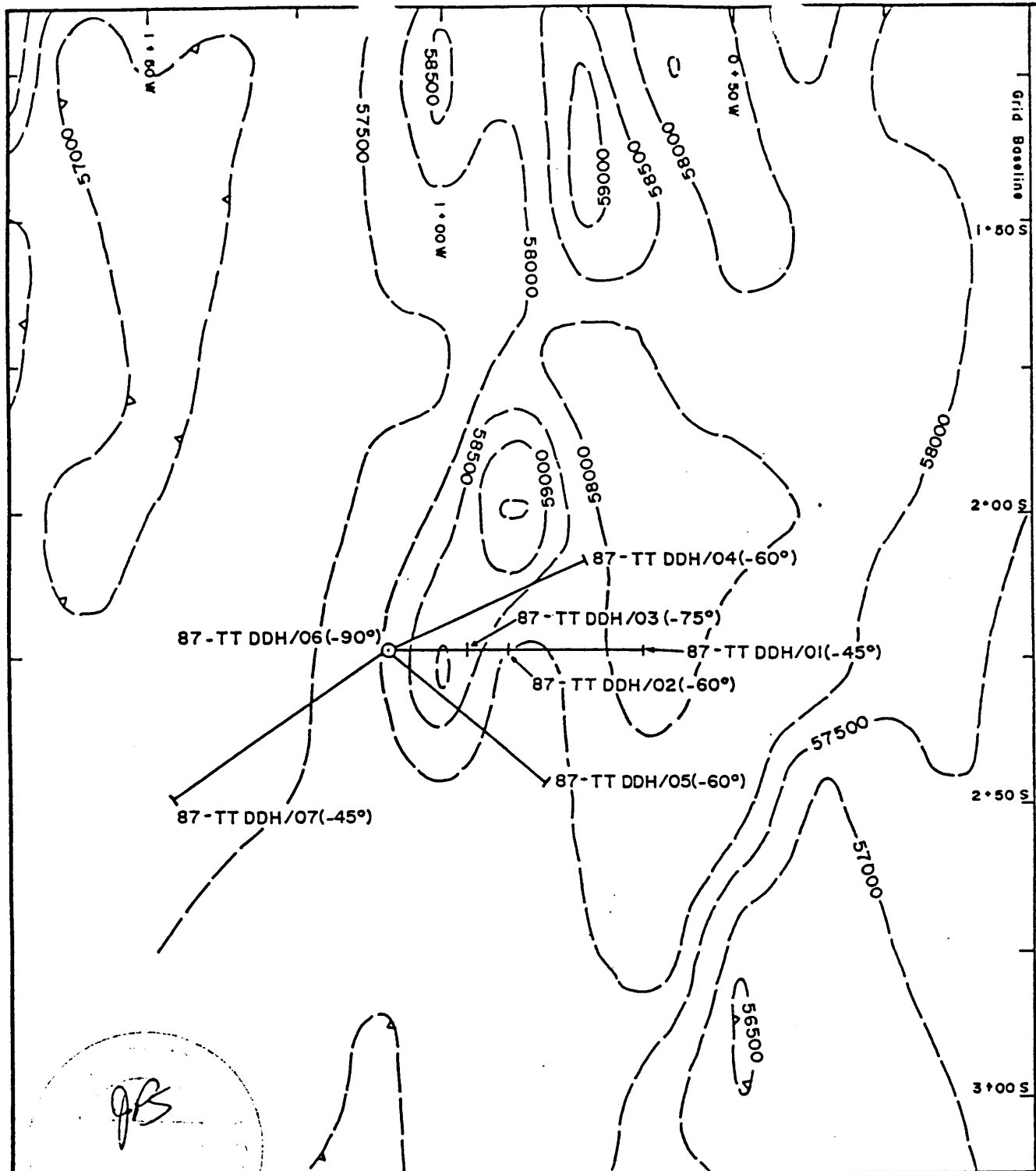
Seven holes were collared (a) to test at depth an anomalous Zn/Ag zone located during surface mapping and (b) to investigate a series of VLF and magnetic anomalies delineated during the geophysical survey.

A total of 408.03 meters (1337 feet) were diamond drilled on the New 7 claim. Three hundred and sixty-eight split core samples were collected of which 274 were processed by Fire AA and AA for Au and Ag respectively and 94 samples were assayed for Au, Ag, Pb and Zn. Nineteen samples were additionally analyzed by ICP for As, Ba, Cd, Cu and Sb. The presence of carbonates, banded iron-stone formation and mafic intrusives has been confirmed by the diamond drilling program. Alteration zones and inclusions within the carbonates consisted of serpentine(?) and tuffaceous, rhyolitic banding.

DRILL CORE MINERALIZATION

The recognized mineralization in the core consisted of pyrite, galena, sphalerite, arsenopyrite, magnetite and trace stibnite. The main form of mineralization occurred as fine grained disseminated pyrite and galena within

By: J.P. SORBARA & ASSOCIATES



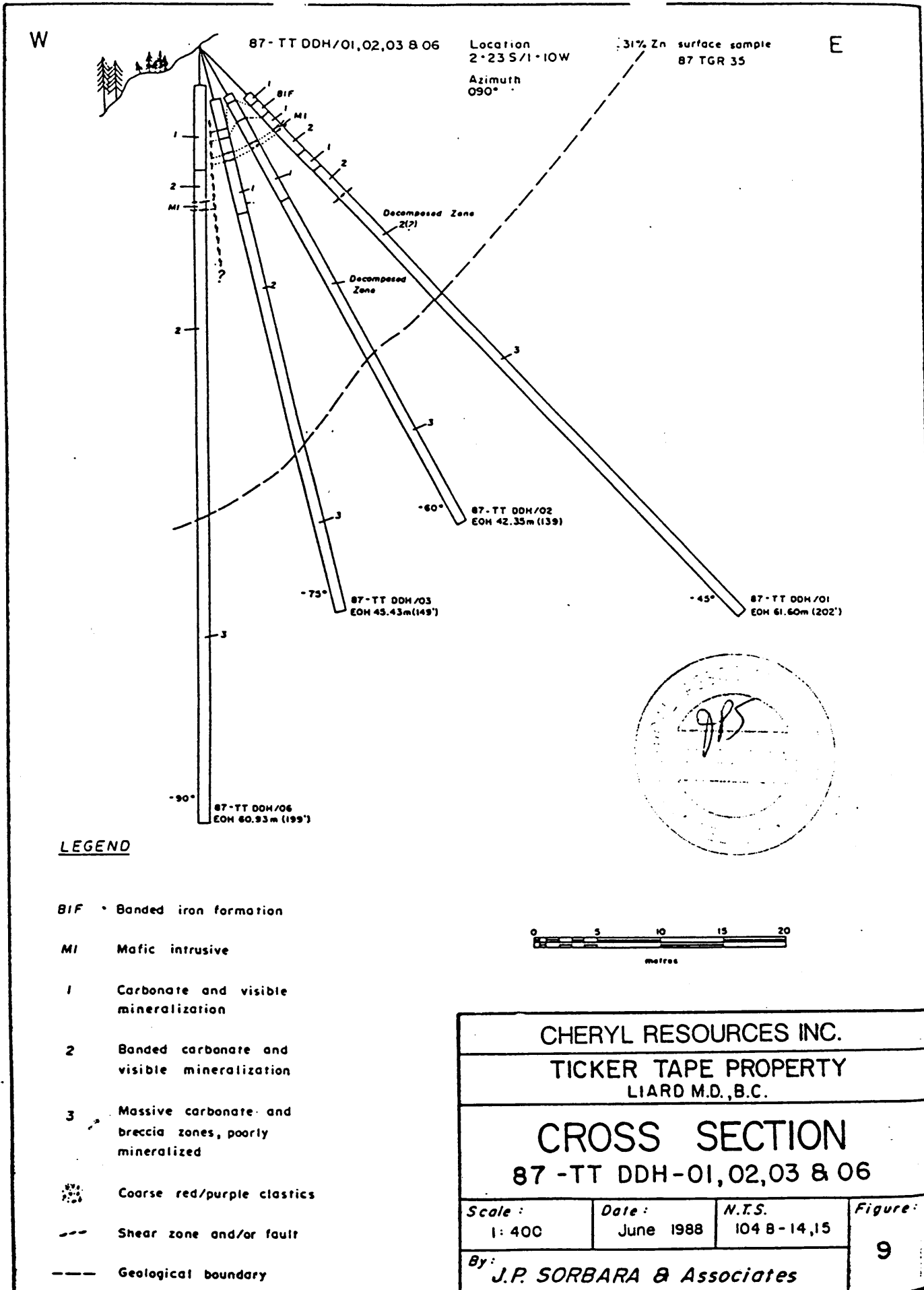
CHERYL RESOURCES INC.			
TICKER TAPE PROPERTY LIARD M.D., B.C.			
DRILL HOLE LOCATIONS			
Scale :	Date :	N.T.S.	Figure :
1: 1000	June 1988	1048-14, 15	8
By: J.P. SORBARA & Associates			

altered recrystallized carbonates. Occasional mineralized pods occurred which were restricted to the serpentine alteration bands within the carbonate sequence. Recrystallized arsenopyrite was evident occasionally.

Decomposed, altered, leached zones and fault gouge zones frequently exhibited positive reactions to "zinc-zap". Magnetite is ubiquitous both as stringers and as a constituent of the interstitial matrix in the core.

Three distinct lithological assemblages were identified in the core (a) an upper sequence consisting of well mineralized (Pb-Zn-Ag) interbedded multicoloured carbonates with tuffaceous rhyolitic bands (b) a middle, grey, fine grained poorly mineralized calcareous unit and (c) at depth a lower siliceous red/purple coarse clastic assemblage with occasional mineralized portions (Figure 9). Silver values ranging from 2.0 g/t to 219.0 g/t (6.39 oz/t) and gold values from 0.01 g/t to 7.30 g/t (0.213 oz/t) were detected. The presence of a well mineralized Ag, Pb, Zn assemblage of up to 26.0 m (85 ft.) thick in addition to mineralized fault zones at depth was confirmed by the limited 1987 drilling program. An examination of core from the nearby SNIP deposit by D.A. Collins, has confirmed that the presence of a lower siliceous red/purple coarse clastic assemblage is common to both properties.

Hole 87-TTDDH/6 was drilled at an angle of -90° to confirm a decrease in dip and an increase in thickness of this mineralized zone. An increase in thickness of the mineralized zone was confirmed and the core axes showed a slight shallowing in dip. This could reflect the hinge zone of a syncline where extensional fractures would provide favourable sites for the concentration of any mineralization. Further investigation is needed to confirm the grade characteristics and geometry of this zone.



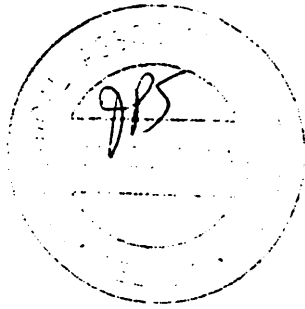
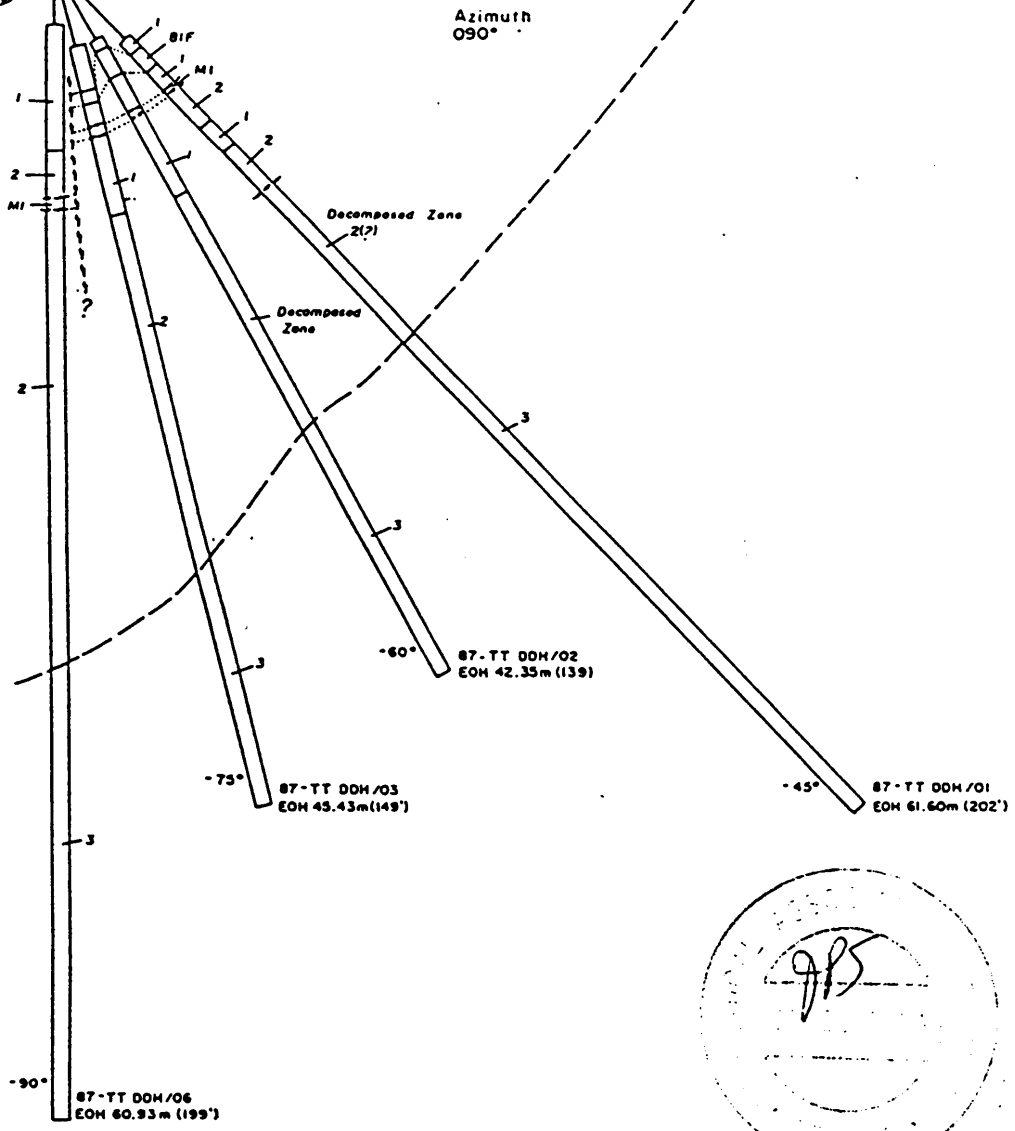
W

E

87-TT DDH/01,02,03 & 06

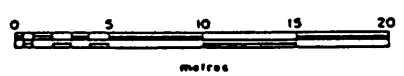
Location
2°23'S/1°10'W
Azimuth
090°

31% Zn surface sample
87 TGR 35



LEGEND

- BIF - Banded iron formation
- MI Mafic intrusive
- 1 Carbonate and visible mineralization
- 2 Banded carbonate and visible mineralization
- 3 Massive carbonate and breccia zones, poorly mineralized
- Coarse red/purple clastics
- Shear zone and/or fault
- Geological boundary



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TICKER TAPE PROPERTY			
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CROSS SECTION			
87-TT DDH-01,02,03 & 06			
Scale: 1:400	Date: June 1988	N.T.S. 104 B-14,15	Figure: 9
By: J.P. SORBARA & Associates			

A synopsis of the diamond drill logs is given in Appendix IV.

CONCLUSIONS

Following the discovery of high grade gold mineralization with significant values in silver by Skyline on the Stonehouse Gold Zone and the collection of a 10 kg stream sediment sample of 1350 ppb Au recovered by DuPont from a tributary of the Verrett River, a geological survey was undertaken on the Ticker Tape property during 1987. This work defined a number of anomalous Au, Ag and Zn zones and preliminary geophysical and diamond drilling programs were then conducted.

A number of VLF and magnetic conductors were delineated and drilling commenced in October 1987. Three distinct lithological assemblages were identified in the core (a) an upper sequence consisting of well mineralized (Pb-Zn-Ag) interbedded multicoloured carbonates with tuffaceous rhyolitic bands (b) a middle, grey, fine grained poorly mineralized calcareous unit and (c) at depth a lower siliceous red/purple coarse clastic assemblage with occasional mineralized portions. Silver values ranging from 2.0 g/t to 219.0 g/t (6.39 oz/t) and gold values from 0.01 g/t to 7.30 g/t (0.213 oz/t) were detected. The presence of a well mineralized assemblage of up to 26.0 m (85') thick and in addition to mineralized fault zones at depth was confirmed by the limited 1987 drilling program. An examination of core from the nearby SNIP deposit by D.A. Collins, has confirmed that the presence of a lower siliceous red/purple coarse clastic assemblage is common to both properties.