PROPERTY FILE

PARTY THE

82K/ 113E 82K/NW-76

EATON MINING & EXPLORATION LTD. N.P.L.

GEOLOGICAL - SAMPLING PROGRAM GOLD, SILVER, LEAD, ZINC PROPERTY REVELSTOKE MINING DIVISION, B.C.

November 30, 1971 G.L. Kirwan, P.Eng.

EATON MINING & EXPLORATION CO. LTD.

GEOLOGICAL - SAMPLING PROGRAM

GOLD, SILVER, LEAD, ZINC PROPERTY

REVELSTOKE MINING DIVISION, B.C.

G. L. Kirwan, P. Eng.

November 30th, 1971.

Eaton Mining & Exploration Co. Ltd., #621 - 837 West Hastings Street, Vancouver, British Columbia.

. Gentlemen:

Eaton Mining & Exploration Co. Ltd. hold 14 Crown Grants, 3 Mineral Leases, and 21 located claims situated in a single group, Revelstoke Mining Division, British Columbia.

PROPERTY, LOCATION, ACCESS

The Eaton holdings, situated some 30 miles due southeast of the townsite of Revelstoke, are described as follows:

		<u>Claim</u>	Name	Acreage
A) .	Goldfinch Group	Lot 5653 Lot 5654 Lot 5655 Lot 5656 Lot 5657 Lot 5658 Lot 5659 Lot 5660 Lot 5661	Walrus Gold Finch Sea Lion Red Fox Ridge Evening Star Centre Star Morning Star Bonanza	48.13 40.45 39.60 46.44 31.51 24.53 26.04 42.75 17.48
		Subtotal		316.93

		Claim	Name	Acreage
B)	Mineral Leases	Lot 4239 Lot 1870 Lot 3755	Nina Lost Cup Phyllis	51.00 51.23 51.60
		Subtotal		153.83
c)	Independence Group	Lot 12479 Lot 12480,	Golden Eagle Independence Fraction	30.12
	,	Lot 12481 Lot 12482 Lot 12483	Dorothy Golden Stand Vimey Ridge	29.34
	•	Subtotal		157.12

D) Located Claims

Eldona 1-21 inclusive

Total acreage is about 1677.88 acres being 627.88 acres derived by surveying plus approximately 1050 acres from located claims.

All claims are alligned in a direction northwest parallel to geological structure. Located claims have been positioned surrounding the Crown Grants and leases for protection purposes.

The property is located in the Revelstoke
Mining Division, West Kootenay District, on the lower portion
of Menhinick Creek some seven miles northeast and on the west
side of the Incomappleux (Fish) River from the old townsite

of Beaton at the head of the Northeast Arm of Upper Arrow Lake.

Access is best achieved by helicopter from Revelstoke or normal road vehicle via Beaton near the southeast portion of the property on the Incomappleux River. A good boat and guide rope are required to cross this 30 m.p.h. river.

Due to extremely irregular terrain, high relief, incised stream beds, smooth geological horizons, and intensive foliage, the property is more difficult to navigate and therefore more costly to explore.

GEOLOGY

Government geological references are meagre, however, G.S.C. Map 932 A indicates the area of the property to be underlain by northwest trending Proterozoic and/or Paleozoic metasediments consisting essentially of steeply dipping and possibly overturned quartzites and dolomites.

The metamorphased zone extends northwest of the property for some 15 miles, and southeast through Lardeau and Kaslo for a distance of 80 miles.

Of economic importance on the Crown Grants and Leases are gold-bearing quartz veins and sheer zones. Gold appears to be associated directly with pyrite in unoxidized portions of the quartz veins. Most veins appear as prominent structures, and are essentially fracture fillings appearing as strike features, thus supporting a fold structure hypothesis, likely anticlinal.

GEOLOGICAL - SURFACE SAMPLING SURVEY

A program consisting of intensive geological surface sampling of located quartz vein structures, along
with plugger trenching was completed over Crown Grant claims
consisting of the original "Goldfinch Group" claim block
comprising claims Walrus, Gold Finch, Sea Lion, Red For
Ridge, Evening Star, Centre Star, Morning Star, and Bonanza
316.93 Acres in all.

Field Control - Control for all survey work in area covered was established through construction of grid at 200 foot separatations cut, picketed, and flagged each 100 foot normal to northwest longditudinal axis and extended to property limits.

Due to incised streams and generally high topographic relief, work progressed slowly because of tortuous conditions.

RESULTS OF SURVEY

Generally, results of geological survey confirmed findings of G.S.C. Map 932A indicating the property is underlain by steeply dipping and possibly overturned quartzites and dolomitic sequences.

A total of 23 quartz vein structures were located in the surveyed area, each a possible source of gold, silver, lead - zinc concentrates. Vein widths ranged from 2 feet to 22 feet and normally each possessed attitude coincident with regional strike and dip ranging from 60° to 85° southwestward and corresponding with local strike northwestward.

A total of 420 feet of trenching was completed to depth 2 feet over quartz-calcite vein structures in order to procure fresh unoxidized material for representative sampling.

In the underground areas of known highly prolific gold-bearing quartz veins located in the Goldfinch claims numerous samples of rock were taken for assay purposes.

Regarding known quartz-calcite vein in the extreme northern portion of Goldfinch vein, access to underground portions was impossible due to cave-in conditions, and thus this area was not sampled. Previous mining of this vein system has evidenced massive high grade gold inclusions.

Recent acquisitions of Eaton Mining & Exploration Co. Ltd. has extended northwest extension of this vein system and previous work substantiates continuity of extremely high grade gold values along with excellent values in silver, lead, and zinc.

Generally field work and assaying has indicated that most quartz and quartz-calcite veins and vein systems are relatively submarginal in economic gold values, findings which are consistent with surveys of this nature.

Of prime importance, results of sampling - assaying of known underground quartz-calcite vein system on the Gold Finch vein has confirmed the presence of highly economic values in gold. Face values where mining stopped in previous years due to conflict of personal interests, have been returned an arithmetic 2.97 ounces gold per ton over an average 3.8 foot width, with a current dollar value of \$125.00 per ton. This vein extends over 150 feet in length over area sampled and extends some 1,000 feet further into newly acquired property of Eaton Mining & Exploration Co. Ltd. High grade values in lead, zinc, and silver are known to occur on extension of this vein system and it would appear that vein width increases with extension on the Eaton property north-westward. This vein system is open for extension on both ends

and at depth.

It is noteworthy that unaccessible underground vein, mined to a limited degree in the past, has produced values in gold ranging literally in the hundreds of ounces per ton, and this vein is known to continue onto new ground recently acquired by Eaton Mining & Exploration Co. Ltd.

Both veins in the Gold Finch claim have impressive dimension parameters horizontally and thus tonnage potential is assured.

CONCLUSIONS AND RECOMMENDATIONS

Eaton Mining & Exploration Co. Ltd recently completed an intensive geological - trenching sampling program on their Revelstoke area property in order to assess gold values on their original nine Crown Grants claim holdings.

Results of this work has substantiated government geological findings. A total of 23 quartz veins were located in area surveyed.

Of prime importance are results of assays taken underground on a vein system in the Gold Finch claim. An

average 2.97 ounces gold over 3.8 feet was determined in the Gold Finch claim for a dollar value of \$125.00 per ton. This vein continues for a minimum 1,000 feet onto newly acquired ground of Eaton Mining & Exploration Co. Ltd. and dimension horizontally and vertically is open for extension.

Assessment of underground portions of another vein system in the Gold Finch claim assaying up to hundreds of ounces per ton based on previous mining figures was impossible due to inaccessibility due to cave-ins. Previous reports by well-respected engineers and former mining records indicate excellent widths on this vein, and continuity onto presently held ground of Eaton Mining & Exploration Co. Ltd. is assured.

Recommendations stand as is as contained in my report dated October 28th last.

G. L. Kirwan, B. Sc. P. Eng.

CERTIFICATE

I, GERALD L. KIRWAN, of the cities of Toronto and Vancouver, certify as follows:

- 1. THAT I am a Geologist with offices at Ste. #205 160 Bay Street, Toronto and Ste. #214 475 Howe Street, Vancouver, B.C.
- 2. THAT I have been graduated from Carleton University, B. Sc., 1957, and that I have practised my profession continuously.
- 3. THAT I am registered with the Association of Professional Engineers of the Province of Ontario as a Professional Engineer, I am a Fellow of the Geological Association of Canada and a Member of the Canadian Institute of Mining and Metallurgy.
- 4. THAT I have no interest direct or indirect in the property of Eaton Mining & Exploration Co. Ltd. nor do I beneficially own directly or indirectly any security of the Company or affiliates thereof.
- 5. THAT the report has been prepared by myself, and is based upon study of pertinent reports and maps, government and otherwise, and upon a personal visit to the area of the property July 27th, 1971, and upon supervision of work programs herein noted.

THIS report herein may be used in the prospectus of the Company and amendments thereto.

DATED at the City of Vancouver, in the Province of British Columbia, this 30th, day of November 1971.

G. L. Kirwan, B. Sc., P. Eng.

