PROPERTY FILE

SUPERINTENDENT OF BROKERS
AND
VANCOUVER STOCK EXCHANGE
(Development Company)

104B 209

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STATEMENT OF MATERIAL FACTS #16/89
EFFECTIVE DATE: April 14, 1989

CORPTECH INDUSTRIES INC.
11th Floor, 808 West Hastings Street, Vancouver, B.C., V6C 2X6 Telephone: 687-7463
NAME OF ISSUER, ADDRESS OF HEAD OFFICE AND TELEPHONE NUMBER

#100 - 200 Granville Street, Vancouver, B.C., V6C 1S4
ADDRESS OF REGISTERED AND RECORDS OFFICES OF ISSUER

Central Guaranty Trust Company, 808 West Pender Street, Vancouver, B.C., V6C 2V7
NAME AND ADDRESS OF REGISTRAR & TRANSFER AGENT FOR ISSUER'S SECURITIES IN BRITISH COLUMBIA

The securities offered hereunder are speculative in nature. Information concerning the risks involved may be obtained by reference to this document; further clarification, if required, may be sought from a broker.

O F F E R I N G : 1,500,000 UNITS

Each Unit consists of One Common Share and Two Series "A" Warrants, two such Warrants entitling the holder thereof who exercises such warrants to purchase one additional common share of the Issuer at any time up to the close of business within one year following the Offering Day at the Offering Price of the Units.

	Offering Price (estimated)*	Commission	Estimated Net Proceeds to be Received by the Issuer
Per Unit	$0.40	$0.03	$0.37
Total	$600,000	$45,000	$555,000

* To be calculated in accordance with the Rules of the Vancouver Stock Exchange.

ADDITIONAL OFFERING

The Agents have agreed to purchase (the "Guarantee") any of the Units offered hereby which have not been sold at the conclusion of the Offering (see "Consideration to Agents"). Any Units acquired by the Agents under the Guarantee will be distributed under this Statement of Material Facts through the facilities of the Vancouver Stock Exchange at the market price at the time of sale.

A G E N T S

CANARIM INVESTMENT CORPORATION LTD.
#2200, 609 Granville Street
Vancouver, B.C. V7Y 1H2

CONTINENTAL SECURITIES
10th Floor, 1055 Dunsmuir Street
Vancouver, B.C. V7X 1L4

GEORGIA PACIFIC SECURITIES CORP.
#1600, 555 Burrard Street
Vancouver, B.C. V6X 1S6

McDERMID ST. LAWRENCE LIMITED
#1000, 601 West Hastings Street
Vancouver, B.C. V6B 5E2

MIDLAND DOHERTY LIMITED
DAVIDSON GROUP
#1100, 595 Burrard Street
Vancouver, B.C. V7X 1C3

Neither the Superintendent of Brokers nor the Vancouver Stock Exchange has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

REPORT
ON THE
KING - CONSOAT CLAIMS
FOR
CORPTECH INDUSTRIES INCORPORATED

NTS 104B/7E

LATITUDE 56 28'N
LONGITUDE 130 38'W

Bernard Dewonck
December 15, 1988

OREQUEST

OREQUEST CONSULTANTS LTD. 404 - 595 Howe Street, Vancouver, B.C., Canada, V6C 2T5 Telephone: (604) 688-6788

SUMMARY

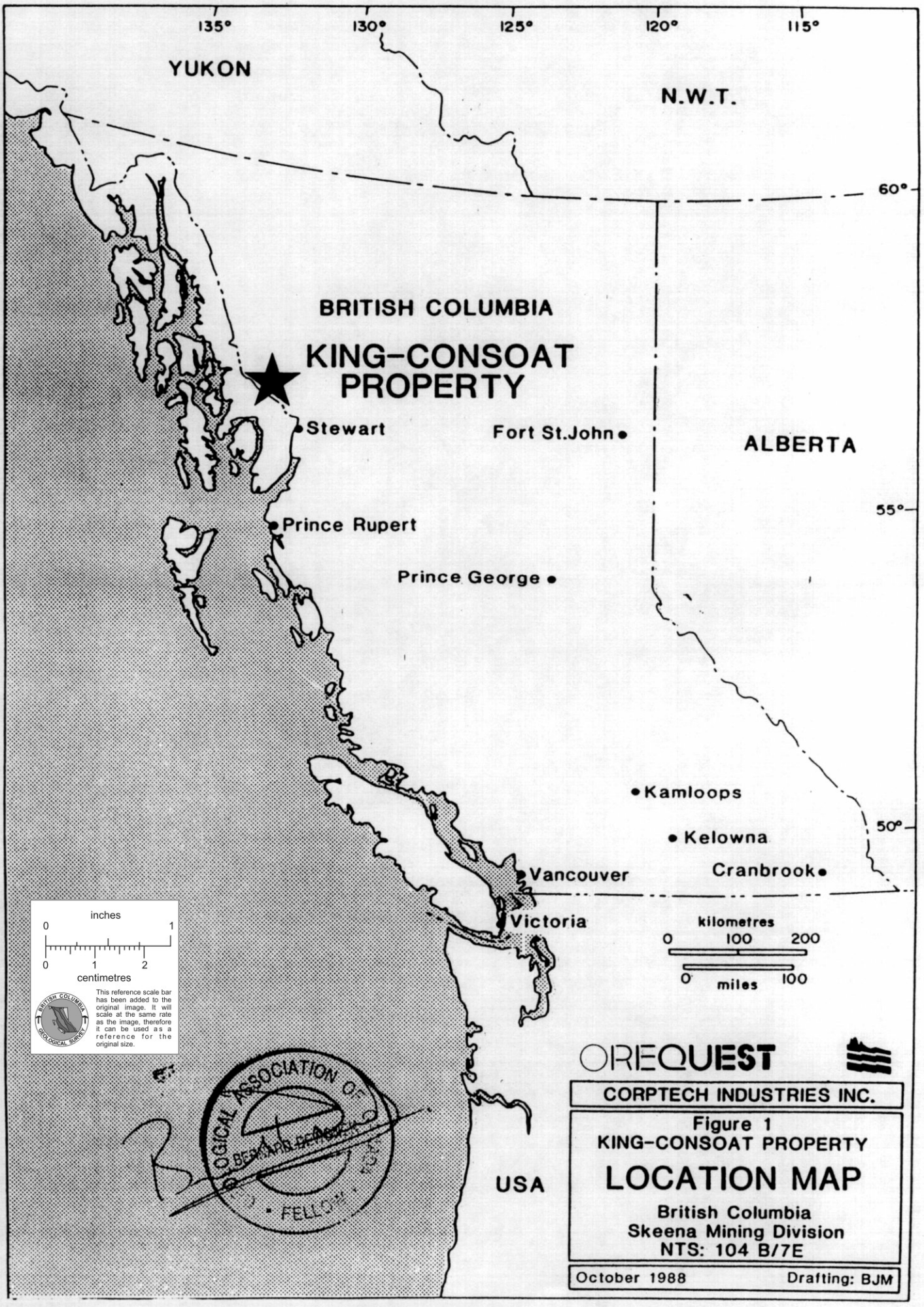
This report, prepared at the request of the directors of Corptech Industries Incorporated, summarizes exploration work done to date on the King - Consoat claim group, Skeena Mining Division and outlines additional work in a program estimated to cost $125,000.

The claims, centrally located between the Iskut River and Sulphurets gold camps of northwestern British Columbia, lie some 80 kilometers northwest of Stewart, 35 kilometers southeast of the Johnny Mountain Mine and Snip deposit and 25 kilometers west of Newhawk's Brucejack Lake deposit. Access to the property is by helicopter only.

Previous work in the mid 1970's, early 1980's and in 1988 has consisted primarily of geological mapping and geochemical surveys. A limited induced polarization survey was conducted in 1976 - 77. Geological mapping over various portions of the claims currently presents discrepancies in definition of lithological units but geochemical surveys essentially define copper - gold soil anomalies generated by pyritiferous quartz microveins or stockworks and erratic patches of massive pyrite. Mineralization appears to be associated with a north - northeast trending fault zone along Gossan Creek on the Consoat claim and with a discordant intrusive body on the King claims.

The intrusive is mapped as being block faulted along similarly oriented north - northeast trending faults into the host lower Jurassic Unuk River Formation volcanics and volcanic sediments, whereas the Gossan Creek fault zone is said to occur in rocks belonging to the upper Triassic Takla Group. Prominent gossans are evident in association with the fault structures.

A comprehensive exploration Phase I program consisting of grid - controlled mapping and soil sampling encompassing the entire property is recommended to facilitate lithological correlations and to integrate geochemical data. Induced polarization and VLF-EM surveys are recommended along selected grid lines to evaluate the effectiveness of each technique in defining more strongly mineralized zones within the fault/gossan zones. The estimated cost of this program is $125,000 including contingencies and management fees. A Phase II program of trenching and/or limited diamond drilling is recommended if the results of Phase I are sufficiently encouraging.


135°
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125°
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115°
YUKON
N.W.T.
60°
BRITISH COLUMBIA
KING-CONSOAT PROPERTY
Stewart
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ALBERTA
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Prince Rupert
Prince George
Kamloops
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Cranbrook
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OREQUEST
CORPTECH INDUSTRIES INC.
Figure 1
KING-CONSOAT PROPERTY
LOCATION MAP
British Columbia
Skeena Mining Division
NTS: 104 B/7E
October 1988
Drafting: BJM

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INTRODUCTION

This report summarizes exploration work done to date on the King - Consoat claim group, Skeena Mining Division, and outlines additional work in a program estimated to cost $125,000. The property is centrally located between the Iskut River and Sulphurets gold camps of northwestern British Columbia and is accessible by helicopter only.

Information contained in the report is drawn from references cited in the bibliography. The author visited the property on October 6, 1988, and is involved in active exploration in the Iskut River area for OreQuest Consultants Ltd.

PROPERTY DESCRIPTION

Claim Status

The King - Consoat property comprises 5 claims totalling 52 units, situated within the Skeena Mining District. The owner of record for all the claims is Crest Resources Ltd. Pertinent claim information as of the date of this report is summarized below:

TABLE 1
LIST OF CLAIMS

Claim Name	Record Number	Number of Units	Record Date	Expiry Date
King 1	5454	8	July 28, 1986	July 28, 1989
King 2	5455	8	July 28, 1986	July 28, 1989
King 3	5456	8	July 28, 1986	July 28, 1989
King 4	5457	8	July 28, 1986	July 28, 1989
Consoat	6044	20	April 6, 1987	April 6, 1989

LOCATION AND ACCESS

The property is centrally situated between the very active Iskut River and Sulphurets gold camps in northwestern British Columbia, latitude 56 28'N and longitude 130 33'W (NTS map reference 104B/7). The claims straddle King Creek, which drains into the Unuk River 5 kilometers to the southeast.

Access is by helicopter only, most readily from the Johnny Mountain Mine and Snip deposit area on the Iskut River 35 kilometers to the northwest. Several helicopters were based at the Bronson Creek airstrip in 1988, which was serviced by frequent scheduled and charter flights from Smithers, 330 km to the southeast. The Johnny Mountain airstrip is also serviced regularly from Terrace. The property itself lies some 80 kilometers northwest of Stewart and 25 kilometers west of Bruce Jack Lake where Newhawk Mines Ltd. is preparing a deposit for production and other occurences are actively being explored.

Physiography and Vegetation

The steep - sided, east - west King Creek valley cuts through the middle of the claims and deeply incised, steep - walled creeks drain into King Creek. The precipitous nature of the terrain makes traversing difficult and sometimes impossible along the valley walls. The northern and southern portions of the narrow claim block overly relatively subdued, broad ridgetops which are much more easily traversed.

Relief varies from 470 to 1,620 metres above sea level with valley slopes featuring dense growths of slide alder, devils club, willows and mature conifers. Treeline occurs at 1,200 m where intertwined stunted spruce separate the sub -

alpine from the alpine.

Snowfall in the area is heavy, often remaining until early July.

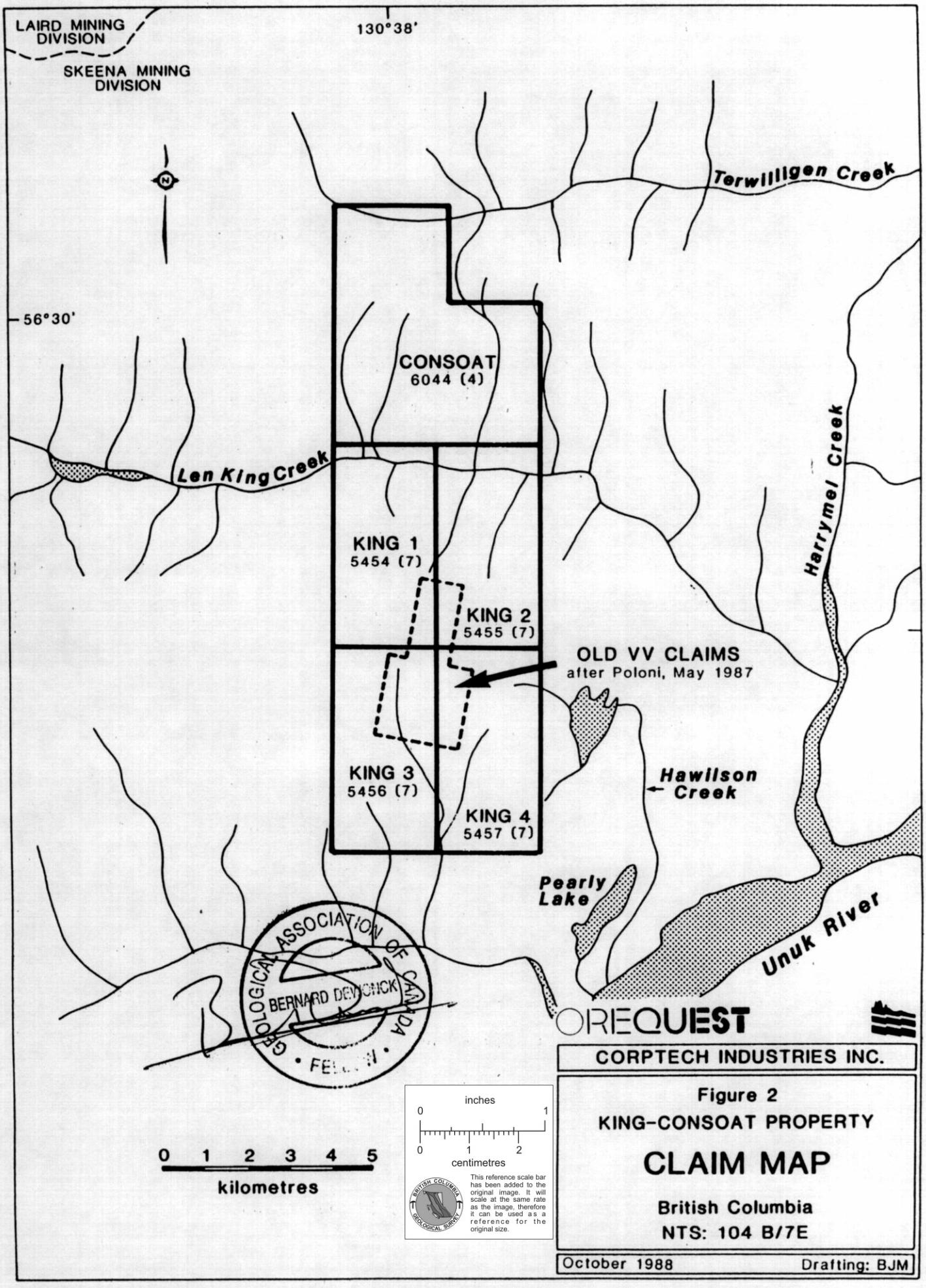
GENERAL AREA HISTORY

The first recorded work in the Iskut region was in 1907 when a group from Wrangell, Alaska, staked nine claims north of Johnny Mountain. Crown granted claims along Bronson Creek and on the north slope of Johnny Mountain were subsequently worked by the Iskut Mining Company. By 1920, a 30 foot adit revealed gold, silver, and galena mineralization in a number of veins and stringers. Activity carried on into the 1930's when interest in precious metals was concentrated in the Stewart area. Some sporadic placer operations were also located in the Unuk River Valley.

In 1954, Hudson's Bay Mining and Smelting found the Pick Axe showing and some high grade gold - silver - lead - zinc float on the upper slopes of Johnny Mountain. The claims were worked and allowed to lapse and are now part of the Skyline Explorations Ltd. Johnny Mountain deposit.

Porphyry copper - molybdenum deposits were of interest in the 1960's when several major mining companies undertook reconnaissance exploration programs in the area. As a result, claims were staked on Johnny Mountain and Snippaker Creek.

From 1965 to 1971, Silver Standard Mining and later Sumitomo worked the E & L prospect on Nickel Mountain at the headwaters of Snippaker Creek.


LAIRD MINING DIVISION
SKEENA MINING DIVISION
130°38'
56°30'
N
Terwilligen Creek
CONSOAT
6044 (4)
Len King Creek
Harrymel Creek
KING 1
5454 (7)
KING 2
5455 (7)
OLD VV CLAIMS
after Poloni, May 1987
KING 3
5456 (7)
KING 4
5457 (7)
Hawilson Creek
Pearly Lake
Unuk River
GEOLOGICAL ASSOCIATION OF CANADA
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BRITISH COLUMBIA GEOLOGICAL SURVEY
OREQUEST
CORPTECH INDUSTRIES INC.
Figure 2
KING-CONSOAT PROPERTY
CLAIM MAP
British Columbia
NTS: 104 B/7E
October 1988
Drafting: BJM

Trenching, drilling, and 460 metres of underground development proved reserves of 3.2 million tons of 0.8% nickel and 0.6% copper.

Massive sulphide float originating from the head of the Bronson Creek glacier resulted in Skyline Exploration Ltd. staking the Inel property in 1969. Skyline also restaked the Reg property in 1980. Between 1981 and 1985, various exploration programs were conducted on both properties for high grade gold and polymetallic massive sulphide mineralization.

In 1986, drilling and underground work on Skylines' Reg property Stonehouse gold zone on Johnny Mountain confirmed the presence of high grade gold mineralization with silver and copper also present over minable widths. Reserves from a Jan. 15, 1988 Skyline news release are as follows:

Stonehouse Zone	Au (oz)	Tons
Total Measured	1.246	121,000
Total Drill Indicated	0.556	236,875
Total Inferred	0.57	700,000
TOTAL	0.644	1,057,875

Inel Resources Ltd. had driven an adit for approximately 100 metres below the Main Sulphide Zone on their property by the end of October 1987 and this work is continuing at present. It is an exploratory adit that will be utilized for underground diamond drilling. Previous drill results from 1984 returned gold values up to .940 oz/t over 2.1 m and silver values as high as 20.22 oz/t over 1.3 m.

In 1965, Cominco discovered mineralization on the ground now held jointly by Cominco Ltd. and Delaware Resources Corp. The work prior to 1986 consisted of mapping, sampling and trenching. In 1986, Delaware provided funds under an earn-in option agreement with Cominco and began an extensive drill program. The joint venture partners have recently announced an ore reserve of 1.21 million tons of 0.70 oz/ton gold from the Twin Zone (Vancouver Stockwatch December 7, 1987). The deposit remains open to depth and along strike. Underground work began in April, 1988. Colossus Resources Equities Inc. has recently completed a purchase of approximately 51% of Delaware Resources' common stock.

Gulf International Minerals received positive results from their 1987 drill program on the McLymont claims located at the north end of the Iskut mining camp. Gold values up to 1.6 oz/t and silver assays up to 39.73 oz/t over 36.5 feet (hole 87-29) were recovered from precious metal bearing, magnetic, stratabound sulphide zones. Other companies active in the area who have released anomalous results include Kyle Resources, Tungco Resource Corp., Hector Resources and Kestrel Resources.

In 1987, the British Columbia Ministry of Energy Mines and Petroleum Resources in conjunction with the Geological Survey of Canada carried out a reconnaissance style geochemical silt sampling program. The results of that work were released in July 1988. Four sample sites lie within or drain areas covered by the King - Consoat claims producing anomalous gold, copper, cadmium and antimony values.

Exploration is also very active in the Sulphurets Creek - Brucejack Lake area, 25 kilometers to the east, where Newhawk Gold Mines and Granduc Mines are jointly developing a gold - silver deposit. The West Zone is reported to have a mineral inventory of some 1.5 million tons grading 0.506 oz/ton gold and 20.17 oz/ton silver in structurally controlled quartz vein stockworks within a silicified - sericitized alteration zone. Several other known zones of mineralization on the property are currently being explored (Northern Miner, October 17, 1988).

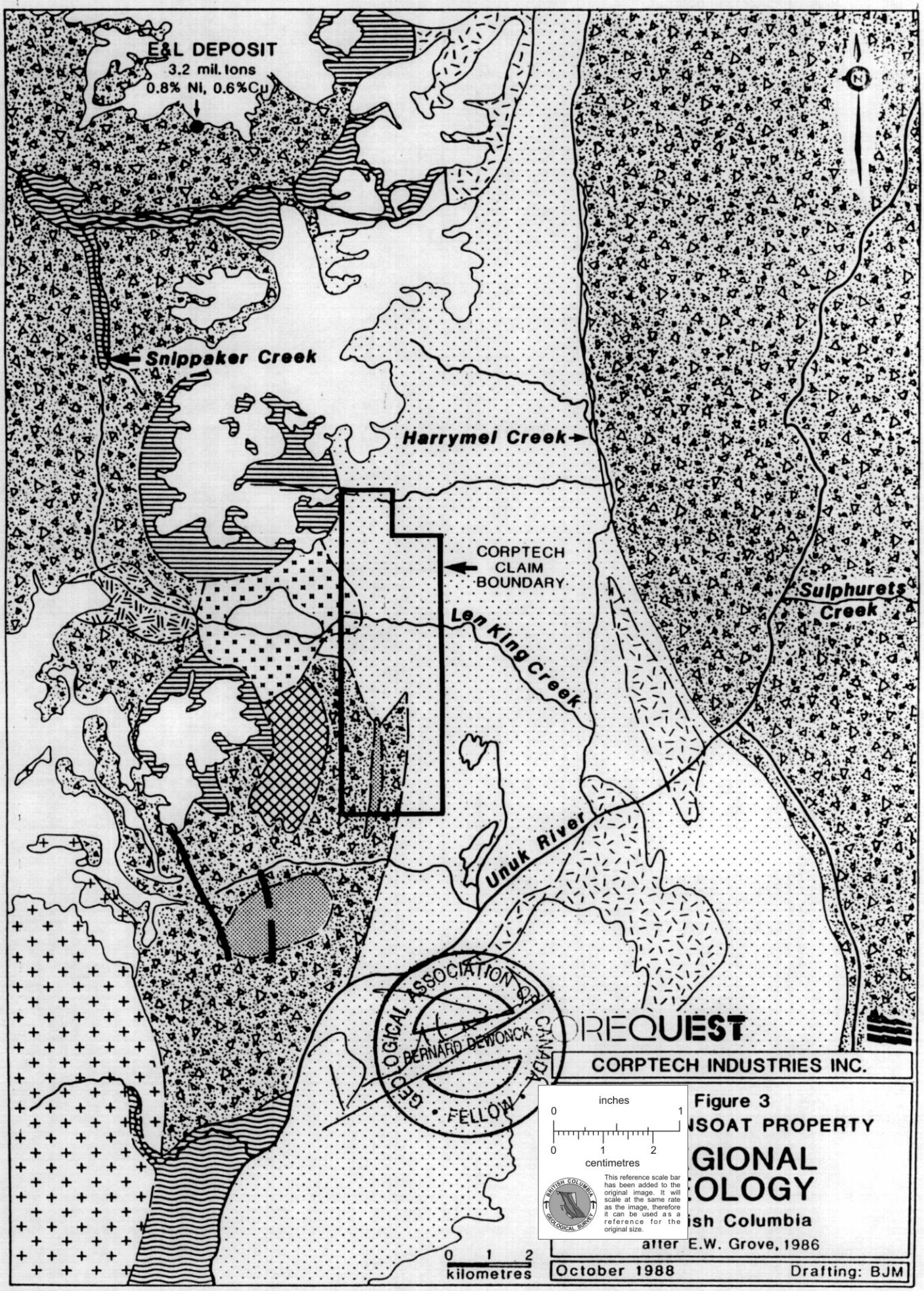
Western Canadian Mining has recently announced the definition of a large porphyry copper - gold deposit on the Kerr property, adjacent to the Newhawk property. Drilling to date has inferred some 66 million tons averaging 0.84% copper, 0.01 oz/ton gold and 0.06 oz/ton silver (Northern Miner, October 10, 1988).

REGIONAL GEOLOGY

Regional geological mapping of the Iskut River area (Kerr, 1948, GSC Memoir 246, GSC Map 1418 - 1979) has been expanded considerably by Grove in two recent detailed works which define this area as the Stewart Complex (Grove, 1971, 1986).

Boundaries of the Stewart Complex, as defined by Grove, are along the contact between the Coast Plutonic Complex to the west, the Bowser Basin to the east, south to Alice Arm, and north to the Iskut River. It encompasses some Late Paleozoic rocks and a thick succession of Mesozoic strata.

The oldest units in the complex are Upper Triassic epiclastic volcanics,


E&L DEPOSIT
3.2 mil. tons
0.8% Ni, 0.6%Cu
N
Snippaker Creek
Harrymel Creek
CORPTECH
CLAIM
BOUNDARY
Len King Creek
Sulphurets
Creek
Unuk River
GEOLOGICAL ASSOCIATION OF CANADA
BERNARD DEWONCK
FELLOW
COREQUEST
CORPTECH INDUSTRIES INC.
Figure 3
NSOAT PROPERTY
GIONAL
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after E.W. Grove, 1986
October 1988
Drafting: BJM
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BRITISH COLUMBIA GEOLOGICAL SURVEY
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LEGEND FOR FIGURE 3

SEDIMENTARY AND VOLCANIC ROCKS

CENOZOIC

QUATERNARY

RECENT

20 — UNCONSOLIDATED DEPOSITS, RIVER FLOODPLAIN, ESTUARINE, RIVER CHANNEL AND TERRACES, ALLUVIAL FANS, DELTAS AND BEACHES, OUTWASH, GLACIAL LAKE SEDIMENTS, TILL, PEAT, LANDSLIDES, VOLCANIC ASH, HOTSPRING DEPOSITS

BASALT FLOWS (a), CINDERS, ASH (b)

PLEISTOCENE AND RECENT

18 — BASALT FLOWS

MESOZOIC

JURASSIC

HAZELTON GROUP

UPPER JURASSIC

NASS FORMATION

17 — SILTSTONE, GREYWACKE, SANDSTONE, SOME CALCARENITE, ARGILLITE, CONGLOMERATE, MINOR LIMESTONE, MINOR COAL (INCLUDING EQUIVALENT SHALE, PHYLLITE, AND SCHIST)

MIDDLE JURASSIC

SALMON RIVER FORMATION

SILTSTONE, GREYWACKE, SANDSTONE, SOME CALCARENITE, MINOR LIMESTONE, ARGILLITE, CONLOMERATE, LITTORAL DEPOSITS

15 — RHYOLITE, RHYOLITE BRECCIA; CRYSTAL AND LITHIC TUFF

BETTY CREEK FORMATION

14 — PILLOW LAVA, BROKEN PILLOW BRECCIA (a); ANDESITIC AND BASALTIC FLOWS (b)

GREEN, RED, PURPLE, AND BLACK VOLCANIC BRECCIA, CONLOMGERATE, SANDSTONE, AND SILTSTONE (a); CRYSTAL AND LITHIC TUFF (b); SILTSTONE (c); MINOR CHERT AND LIMESTONE (INCLUDES SOME LAVA (+14)) (d)

LOWER JURASSIC

UNUK RIVER FORMATION

GREEN, RED, AND PURPLE VOLCANIC BRECCIA, CONGLOMERATE, SANDSTONE, AND SILTSTONE (a); CRYSTAL AND LITHIC TUFF (b); SANDSTONE (c); CONGLOMERATE (d); LIMESTONE (e); CHERT (f); MINOR COAL (g)

11 — PILLOW LAVA (a); VOLCANIC FLOWS (b)

TRIASSIC

UPPER TRIASSIC

TAKLA GROUP (?)

SILTSTONE, SANDSTONE, CONGLOMERATE (a); VOLCANIC SILTSTONE, SANDSTONE, CONLOMGERATE (b); AND SOME BRECCIA (c); CRYSTAL AND LITHIC TUFF (d); LIMESTONE (e)

PLUTONIC ROCKS

CENOZOIC

OLIGOCENE AND YOUNGER

9 — DYKES AND SILLS (SWARMS), DIORITE (a); QUARTZ DIORITE (b); GRANODIORITE (c); BASALT (d)

EOCENE (STOCKS, ETC.) AND OLDER

QUARTZ DIORITE (a); GRANODIORITE (b); MONZONITE (c); QUARTZ MONZONITE (d); AUGITE DIORITE (e); FELDSPAR PORPHYRY (f)

COAST PLUTONIC COMPLEX, GRANODIORITE (a), QUARTZ DIORITE (b); QUARTZ MONZONITE, SOME GRANITE (c); MIGMATITE – AGMATITE (d)

MESOZOIC

JURASSIC

MIDDLE JURASSIC AND YOUNGER ?

GRANODIORITE (a); DIORITE (b); SYENODIORITE (c); MONZONITE (d); ALASKITE (e)

LOWER JURASSIC AND YOUNGER ?

DIORITE (a); SYENOGABBRO (b); SYENITE (c)

TRIASSIC

UPPER TRIASSIC AND YOUNGER ?

DIORITE (a); QUARTZ DIORITE (b); GRANODIORITE (c)

HORNBLENDE PREDOMINANT . . . . . H
BIOTITE PREDOMINANT . . . . . B

METAMORPHIC ROCKS

TERTIARY

3 — HORNFELS (a); PHYLLITE, SCHIST (b); SOME GNEISS (c)

JURASSIC

HORNFELS (a); PHYLLITE, SEMI-SCHIST, SCHIST (b); GNEISS (c); CATACLASITE, MYLONITE (d); TACTITE (e)

TRIASSIC

1 — SCHIST (a); GNEISS (b); CATACLASITE, MYLONITE (c)

HORNBLENDE OR AMPHIBOLE DEVELOPED . . . . . H
BIOTITE DEVELOPED . . . . . B
POTASSIUM FELDSPAR DEVELOPED . . . . . K

glacier

marbles, sandstones and siltstones. These, in turn, are overlain by sedimentary and volcanic rocks of the Jurassic Hazelton Group. The Hazelton Group has been subdivided (Grove, 1986); into the Early Jurassic Unuk River Formation, the Middle Jurassic Betty Creek and Salmon River Formations, and the Upper Jurassic Nass Formation.

The Unuk River Formation consists predominantly of volcanic rocks and sediments which include lithic tuffs, pillow lavas with carbonate lenses and some thin bedded siltstones. It forms an angular unconformity with the underlying Late Triassic Rocks. Betty Creek rocks are characterized by bright red and green volcaniclastic agglomerates with sporadic intercalated andesitic flows, pillow lavas, chert, and some carbonate lenses. They unconformably overlie the Unuk River Formation. The Salmon River Formation is a thick assemblage of complexly folded colour banded siltstones and lithic wackes that forms a conformable to disconformable contact with the underlying Betty Creek Formation. The Nass Formation of weakly deformed dark coloured argillites unconformably overlies the Salmon River Formation.

These volcanic and sedimentary successions were intruded by the Coast Plutonic Complex during the Cretaceous and Tertiary periods. A wide variety of intrusive phases are present including granodiorite, quartz monzonite, and diorite. Small satellite plugs from the main batholith can be important for localizing mineralization.

Major structural features of the Stewart Complex include the western boundary contact with the Coast Intrusive Complex. The northern boundary is at

the Iskut River where extensive deformation has thrust Paleozoic strata south across Middle Jurassic and older units. Younger faulting has also occurred around the Iskut. A line of Quaternary volcanic flows mark the southern limit of the complex and the Meziadin Hinge defines the eastern border.

PROPERTY EXPLORATION HISTORY

The present property configuration encompasses several older claims which were explored at different times by different workers, resulting in "patchwork" exploration as reflected in the geological and geochemical compilations presented in Figures 4 and 5 respectively.

In the mid 1970's, Great Plains Development Co. of Canada conducted geological and geochemical soil and rock sampling surveys on what is now the central portion of the King Claims (Poloni, 1987). They identified a copper - gold anomalous zone associated with a fault emplaced diorite body where mineralization is related to quartz stockwork veining. Limited induced - polarization surveys are reported to indicate a higher total sulphide content to the south, however no data is available to the author. Dupont of Canada Exploration and Placer Development Limited also conducted similar surveys but on what is now the north central portion of the Consoat claim (Gareau, 1983). Again, copper - gold anomalies were defined in association with disseminated and fracture - filling pyrite and lesser scattered clusters in intrusives and volcanic rocks.

The most recent work was conducted by Cominco Ltd. in the summer of 1988 who concentrated their efforts on the areas below treeline in the King Creek Valley.

Their program consisted of geochemical soil and rock sampling and geological mapping of major outcrops, the results of which defined copper - gold anomalies on both sides of King Creek, apparently related to the zones previously defined. The present state of exploration data presents a rather disjointed picture of the property, particularly in terms of lithological correlation.

PROPERTY GEOLOGY

Upon reference to Figure 3, the reader will note that most of the property is shown to be underlain by members of the upper Triassic Takla Group ranging from siltstone to conglomerate. The south - west quadrant of the property features undifferentiated volcanic sediments, tuffs, limestone and chert of the lower Jurassic Unuk River Formation as well as an elongate phyllite/semischist/schist unit of Jurassic age. An Eocene granodiorite plug encroaches on the northwestern part of the claims.

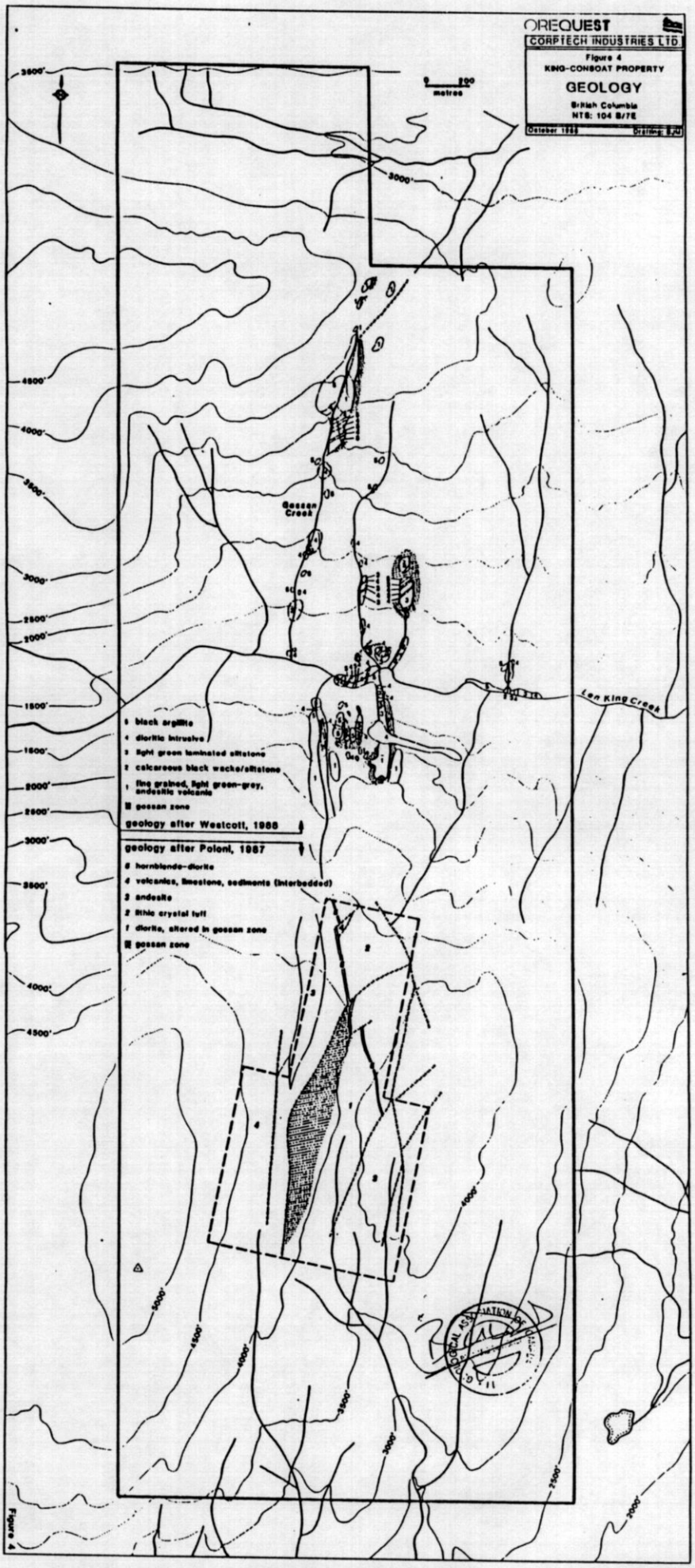
A review of the various exploration programs reveals some inconsistencies with the regional map and unresolved relationships within the restricted scope of the claims themselves (Figure 4). Mapping by Great Plains (Poloni, 1987) does not identify any phyllitic or schistose rocks but centers on an apparently fault - emplaced diorite body, which is in part intensely altered to a white felsite within a strongly developed gossan. Host rocks in the immediate area range from massive andesite and crystal tuffs to interbedded but undifferentiated volcanics, limestone and siltstone. The most prominent faults trend north - northeasterly and are clearly evident as strong topographic linears.

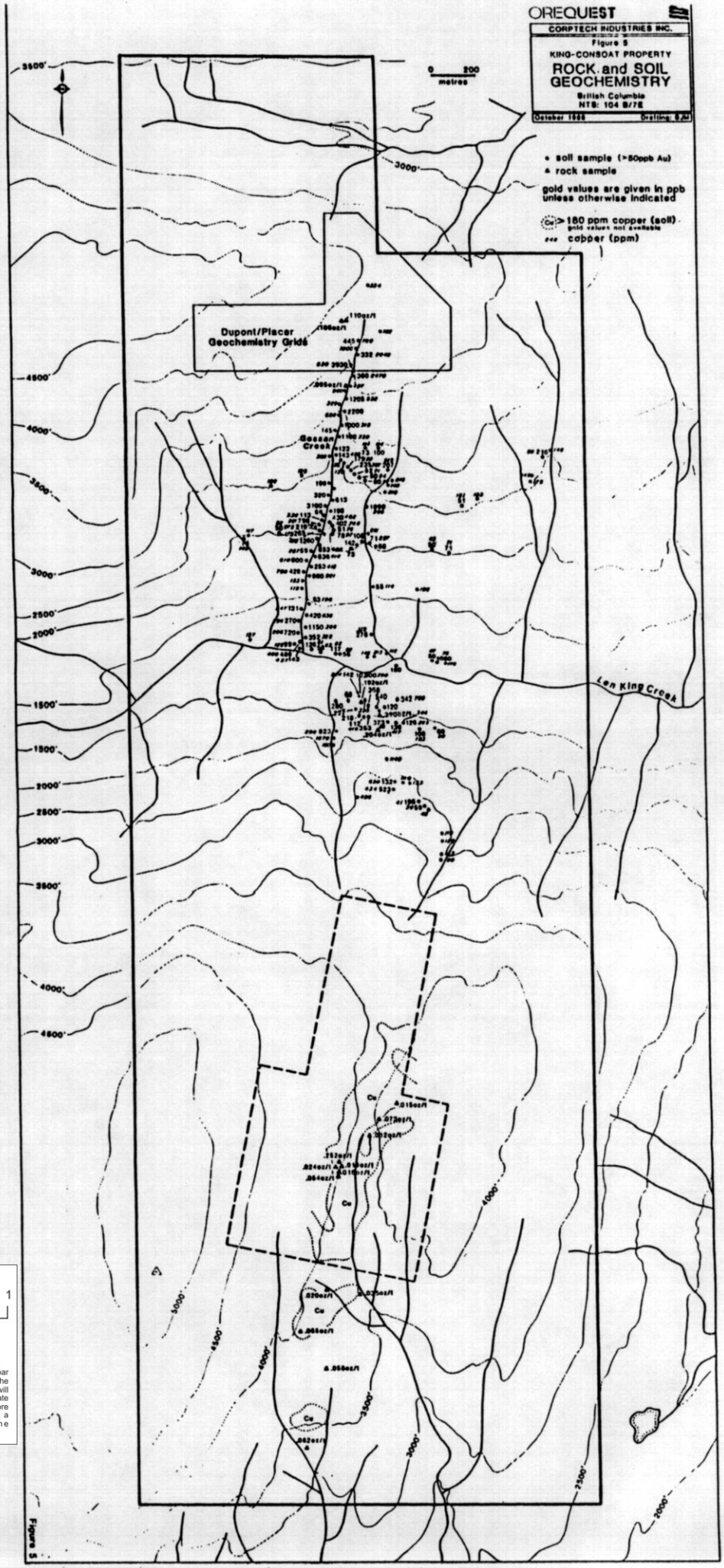
Cominco's work on the slopes of the King Creek Valley lacked the benefit of

grid control but divided lithologies to a greater degree (FIgure 4) and briefly described the nature of a prominent north - northeasterly trending fault structure coincident with a gossan zone in the upper reaches of Gossan Creek (Westcott, 1988). The Gossan Creek Fault can be traced up the creek and across the flatter areas on the broad ridge top. In the upper section fo the creek a breccia zone and accompanying silicification is well developed along the steeply east dipping fault - poorly so in the footwall but defining a 30 - 40 metre thick gossanous zone in the hangingwall. The fault passes primarily through an andesitic volcanic in the upper section but lower portions of the drainage are dominated by argillite and dioritic bodies. Placer's work (Gareau, 1983) also indicates the presence of volcanics, essentially in the same place as Cominco does but over a much wider area down Gossan Creek. It is probable that the geology as represented in this report has been greatly simplified.

PROPERTY GEOCHEMISTRY AND MINERALIZATION

While the segmented exploration of the property has left many lithological definitions and relationships unresolved it has consistently identified copper - gold anomalies with an apparent spacial relationship to prominent north - northeasterly trending faults, which could possibly be sections of a continuous structure extending from the northern to the southern boundaries of the property. The Dupont/Placer grids (Gareau, 1983) produced soil values as high as 435 ppb gold and 740 ppm copper coincident with the gossan zone at the head of Gossan Creek. Mineralization observed includes pyrite and chalcopyrite primarily as disseminations and fracture filling in intrusive and volcanic rocks with lesser scattered patches of massive material. Mineralized quartz microveining or stockwork was noted. Overall pyrite content was estimated at 1 to 3%, locally





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reaching 5%. Stream sediment samples from Gossan Creek and the drainage immediately to the east produced values of 1,130 ppb and 850 ppb gold respectively.

Cominco's sampling lower down on Gossan Creek (Figure 5) produced copper values in excess of 2000 ppm and gold values exceeding 2000 ppb (Westcott, 1988). Mineralization in the volcanics is described as patchy disseminated pyrite ranging from 5 to 10%, with minor associated chalcopyrite, molybdenite and galena. Minor malachite staining was noted on some of the brecciated rock. The argillaceous siltstones host pyritiferous calcite veins and trace galena, pyrite pods and veinlets.

South of King Creek, pyrite lenses and stringers in the argillaceous siltstone were noted, one float sample of which assayed 0.390 oz/ton gold. Soil sampling across a portion of the south slope produced copper values exceeding 1000 ppm and gold values greater than 800 ppb. One soil sample was reported at 10,900 ppb (a follow up sample from the same site produced 1,060 ppb). Descriptions of six rock samples collected by Cominco and assayed appear in Table 2 below.

TABLE 2
COMINCO ROCK SAMPLES (WESTCOTT, 1988)

Sample No.	Description	Au ppb	Assay Au oz/ton
WR88-126	10 - 20% pyrite patchy in black siltstone. Sample over 0.5 m	4880 ppb	0.192
WR88-127	lense of massive pyrite in siltstone. Sample over 1.5 m	4800 ppb	0.204
OR88-01	Float, pyrite veinlets in black siltstone	9500 ppb	0.390
WR88-171	Float, 1 m diam. boulder with 15 cm massive pyrite patch	2600 ppb	0.095
WR88-172	Brecciated silicic zone along narrow shear in argillite. 5% pyrite. Sample over 1.0 m	3120 ppb	0.110
WR88-173	High grade sample over a 30 cm long pod of 70% pyrite 30% quartz	5000 ppb	0.186

The sampling performed by Great Plains Development Co. of Canada in the mid 1970's is summarized by Poloni (Poloni, 1987) and is shown on the lower portion of Figure 5. Copper soil anomalies are shown, associated with the fault - emplaced altered intrusive, together with rock samples assaying in excess of 0.01 oz/ton gold. Unfortunately gold soil geochemistry was not represented, nor were rock descriptions provided. The best chip sample value recorded by Great Plains is 0.87% copper, 0.06 oz/ton silver and 0.054 oz/ton gold over 35 feet (10.7 metres) and a grab sample assayed 0.57 oz/ton silver and 0.252 oz/ton gold. Mineralization consists of pyrite, chalcopyrite, malachite and azurite associated with quartz stockwork within the intrusive.

A feature noted by the author may have some bearing on the emplacement of the mineralization. Immediately west of the property lies a Cenozoic basalt flow, a relatively common occurrence in the area, however there is also hot spring activity along King Creek near the west claim boundary. This may in effect be the present expression of a hydrothermal system which previously produced the mineralizing fluids which localized along the major structure apparent within the King - Consoat property. As the structure passes through different lithologies so changes the mode of mineral emplacement. It is the author's opinion that the potential for both higher grade, structurally controlled pyritiferous deposits north of King Creek and a large tonnage copper - gold deposit in the south central portion of the King claims should be investigated further, given the extent of anomalous copper - gold soil geochemistry and the apparent strength of the north - northeast trending structure.

CONCLUSIONS AND RECOMMENDATIONS

Exploration work by Great Plains Development Co. of Canada in the mid 1970's by Dupont of Canada Exploration and Placer Development Limited in the early 1980's and by Cominco Ltd. in 1988 has consistently defined copper - gold anomalies in soil related to gossanous fault zones trending north - northeast. On the Consoat claim the Gossan Creek fault zone occurs within both a brecciated, partially silicified, highly altered volcanic and black, argillaceous siltstone (Westcott, 1988). Mineralization within the volcanic occurs as patchy, disseminated pyrite with minor chalcopyrite, molybdenite and galena. Within the siltstone it occurs in calcite veins and as pyrite pods and veinlets. South of

King Creek, on the King claims, a discordant intrusive body has been block faulted into place along north - northeast faults. Mineralization consists of pyrite, chalcopyrite, malachite and azurite associated with quartz stockwork or microveining within the intrusive. A similar style of mineralization is suggested for the upper reaches of Gossan Creek by Gareau (Gareau, 1983), differing from Westcott's interpretation. Prominent gossans are evident both along the Gossan Creek fault zone and parallel linears, and over a substantial portion of the fault emplaced intrusive.

Rock sampling has established the auriferous nature of the pyrite on the property. Grab samples have assayed as high as 0.390 oz/ton gold (Westcott, 1988) and a chip sample across 35' (10.7 metres) of the intrusive assayed 0.87% Cu and 0.054 oz/ton Au (Poloni, 1987). Work recently completed by Cominco Ltd. (Westcott, 1988) has led them to conclude that, although good gold values in pyritiferous material were recorded, distribution and density of the pyrite was discouraging, citing the apparent lack of structural control in an area of relatively good exposure. Westcott also notes, however, that the weathered texture of the rock leads him to believe that an appreciable amount of pyrite has been leached out. Brief mention of a limited induced polarization survey (Poloni, 1987) suggests that a trend toward higher total sulphide content to the south (southern part of the King claims), with greater width and depth of mineralization, was indicated, however no data is available to substantiate this.

A comprehensive exploration Phase I program consisting of grid - controlled mapping and soil sampling (where topographically feasible) encompassing the entire property is recommended. The objective would be to correlate the various

lithological, structural and alteration elements previously described in somewhat isolated contexts as different workers concentrated on different areas with the present claim boundaries. Similarly, the systematic collection of soil samples on a property wide basis would facilitate comprehensive integration of geochemical data and expand existing coverage. It is also recommended that selected grid lines be surveyed by both induced polarization and VLF-EM methods to evaluate the effectiveness of each technique in defining more strongly mineralized zones within the fault/gossan zones. The estimated cost of this program is $125,000, including contingencies and management fees.

If the results of the Phase I work are encouraging a Phase II program is recommended to consist of trenching and limited diamond drilling. Trenching would be carried out over areas of anomalous Phase I results. A diamond drilling program of 2000 ft would test targets of interest developed in both the Phase I and Phase II work.

COST ESTIMATE

Phase I

Mobilization	$ 8,000
Field Costs	30,000
Support Costs	
Camp	10,600
Fixed Wing	1,100
Helicopter	18,000
Communication	500
Freight	1,500
Equipment Rental	1,650
Contract Services (Linecutting)	10,000
Analysis	12,000
Preliminary Compilation and Report Writing	5,500
Contingency @ 10%	9,880
Subtotal	108,730
Management Fee @ 15%	16,300
Total	$125,030
Phase I Total say	**$125,000**

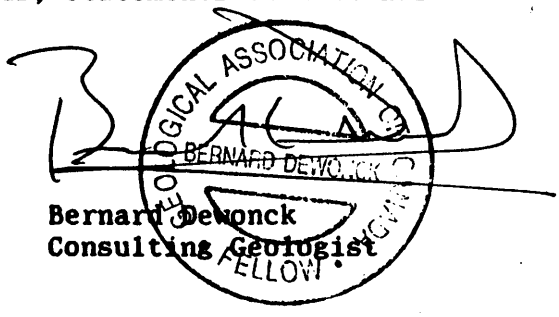
Phase II

Trenching (all inclusive)	$ 20,000
Diamond Drilling 2000 ft @ $450/ft (all inclusive)	90,000
Contigencies	11,000
Subtotal	$121,000
Management Fee @ 15%	18,000
Phase II Total	$139,000
TOTAL PHASE I and II	**$264,000**

CERTIFICATE of QUALIFICATIONS

I, Bernard Dewonck, of 11931 Dunford Road, Richmond, British Columbia hereby certify:

1. I am a graduate of the University of British Columbia (1974) and hold a BSc. degree in geology.
2. I am an independent consulting geologist retained by OreQuest Consultants Ltd. of 404-595 Howe Street, Vancouver, British Columbia, for the purposes of preparing this report.
3. I have been employed in my profession by various mining companies since graduation.
4. I am a Fellow of the Geological Association of Canada.
5. I am a member of the Canadian Institute of Mining and Metallurgy.
6. This report is based on my visit to the property on October 6, 1988 and a review of information listed in the Bibliography.
7. Neither OreQuest Consultants Ltd. nor myself have or expect to receive direct or indirect interest in the property or in the securities of Corptech Industries Incorporated.
8. I consent to and authorize the use of the attached report and my name in the Companies' Prospectus, Statements of Material Facts or other public document.



Bernard Dewonck
Consulting Geologist

DATED at Vancouver, British Columbia, this 15th day of December, 1988.

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CERTIFICATE OF THE DIRECTORS AND PROMOTERS OF THE ISSUER

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts as required by the Securities Act and its regulations.

DATED this 31st day of March, 1989.

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President and
Chief Executive Officer

ROBERT J. GAYTON
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

ARTHUR CLEMISS
Director

JOHN IVANY
Director

CERTIFICATE OF THE AGENTS

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Statement of Material Facts as required by the Securities Act and its regulations.

Dated this 31st day of March, 1989.

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