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FILE
NTS
KAMAD**KAMAD/TWIN PROPERTY**NTS: 82M/4W
October, 1991

- Location:** Adams Plateau, 40km northeast of Kamloops, southern B.C (Fig. 1).
- Target:** Au, Ag, Cu, Pb, Zn / Volcanogenic massive sulphide or vein.
- Land Position:** 174 units (4,444 ha), consisting of 11 mineral claims and 7 crown grants (Fig. 1).
- Agreements:**
- Kamad**
HCL can earn 51% by spending a total of \$350K in option payments and \$3M in work requirements prior to December 31, 1991. All payment obligations have been met. HCL has the option of deferring the \$3M requirement to December 31, 1992 by paying \$50K by December 31, 1991.
- Twin**
HCL can earn 80% by spending a total of \$225K in option payments and \$1,116K in work requirements prior to December 31, 1992. HCL has the alternate option to earn 50% through total property expenditures of \$816K and cash payments of \$175K by December 31, 1991.

Expenditures:	<u>CASH</u>	<u>WORK</u>	<u>TOTAL</u>
KAMAD	\$350K	\$2134K	\$2484K
TWIN	\$125K	\$1090K	\$1215K .

Geological Inventory:K7 lens:

375,000 tonnes: 3.97g/T Au, 55.3g/T Ag, 0.5% Cu, 4.8% Pb, 6.1% Zn.

Twin3 lens:

52,000 tonnes: 11.28g/T Au, 166.7g/T Ag, 0.3%Cu, 1.9% Pb, 1.4% Zn.

Homestake Mine:

250,000 tonnes: .5g/T Au, 202g/T Ag, 0.3% Cu, 1.2% Pb, 2.2% Zn, 36.7% Ba

History:

The Kamad and Twin properties have a long history of exploration, dating back to the discovery of the Homestake deposit in 1893, and the Twin Mountain zone in the early 1920's. Previous work on the Homestake deposit includes significant underground development, which was begun in the late 1800's and continued intermittently until the early 1980's. Total production was only a few thousand tonnes.

The discovery of the Rea Gold deposits in 1983, and the Samatosum deposit in 1986 shifted the focus of exploration towards the Rea and Silver zones, resulting in the discovery of the Twin3 massive sulphide lens in 1987 and the K7 lens in 1988. Diamond drilling on the properties since 1986 totals 17,234m (82 holes) on Kamad and 11,742m (41 holes) on Twin.

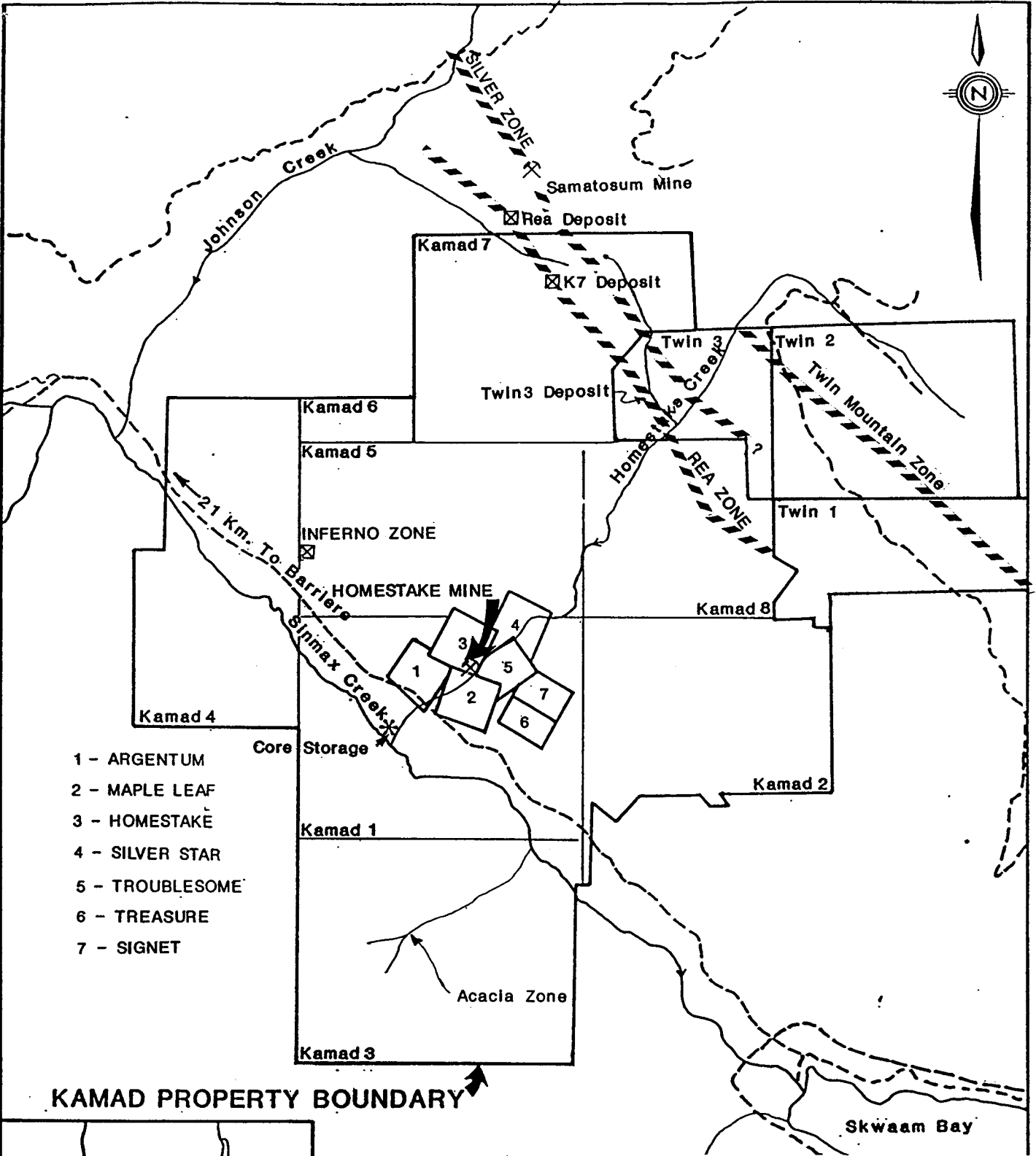
**Geological
Setting:**

The properties are underlain by a Middle Cambrian to Mississippian, bimodal island arc sequence of the Eagle Bay Assemblage (Fig. 2). This sequence has been tentatively divided into four lithostructural packages, which are separated by southwesterly-directed thrust faults. Precious metal enriched volcanogenic massive sulphide mineralization occurs in two of these packages; within the Rea and Silver zones, and at the old Homestake Mine. The Silver zone also hosts the Samatosum massive sulphide vein deposit which is currently being mined by Minnova Inc. (767,000 tonnes @ 833g/T Ag, 1.6g/T Au, 1.1% Cu, 1.4% Pb, 3.0% Zn).

The **Rea** and **Silver zones** are structural repetitions of a felsic volcanic horizon which is underlain by a thick section of mafic volcanics and overlain by a turbidite sequence (Fig. 3). The **Rea zone** extends 4km along strike and at least 1km down-dip on the property. Felsic volcanics within the Rea zone show intense sericite-pyrite-chlorite alteration, and massive sulphide mineralization is locally developed near the top of the felsic section (Rea Gold, K7 and Twin3 lenses). The 1991 drilling indicated that the **Silver zone** has similar massive sulphide potential, as well as the potential to host Samatosum-type vein deposits.

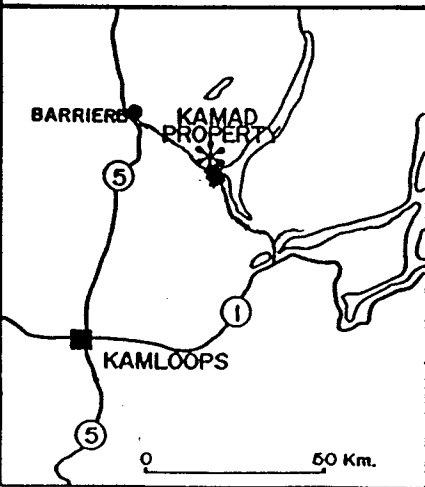
At the **Homestake Mine**, massive barite-sulphide mineralization occurs at the top of a thick section of intensely sericite-pyrite altered felsic pyroclastics (the Homestake Schist). Three separate lenses are known, one of which remains open at depth. The "ore horizon" can be traced 1600m along strike to the **Inferno zone**, where a small massive barite lens is exposed.

Two other mineralized zones are present on the property. At the **Twin Mountain zone**, quartz-dolomite-barite veins are hosted within the mafic volcanics and carry Ag, Pb, Zn, Cu and minor Au. The **Acacia showings** are Ag-Pb-Zn bearing quartz veins located on the south side of Sinmax valley.



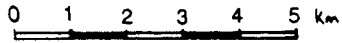
- 1 - ARGENTUM
- 2 - MAPLE LEAF
- 3 - HOMESTAKE
- 4 - SILVER STAR
- 5 - TROUBLESOME
- 6 - TREASURE
- 7 - SIGNET

KAMAD PROPERTY BOUNDARY

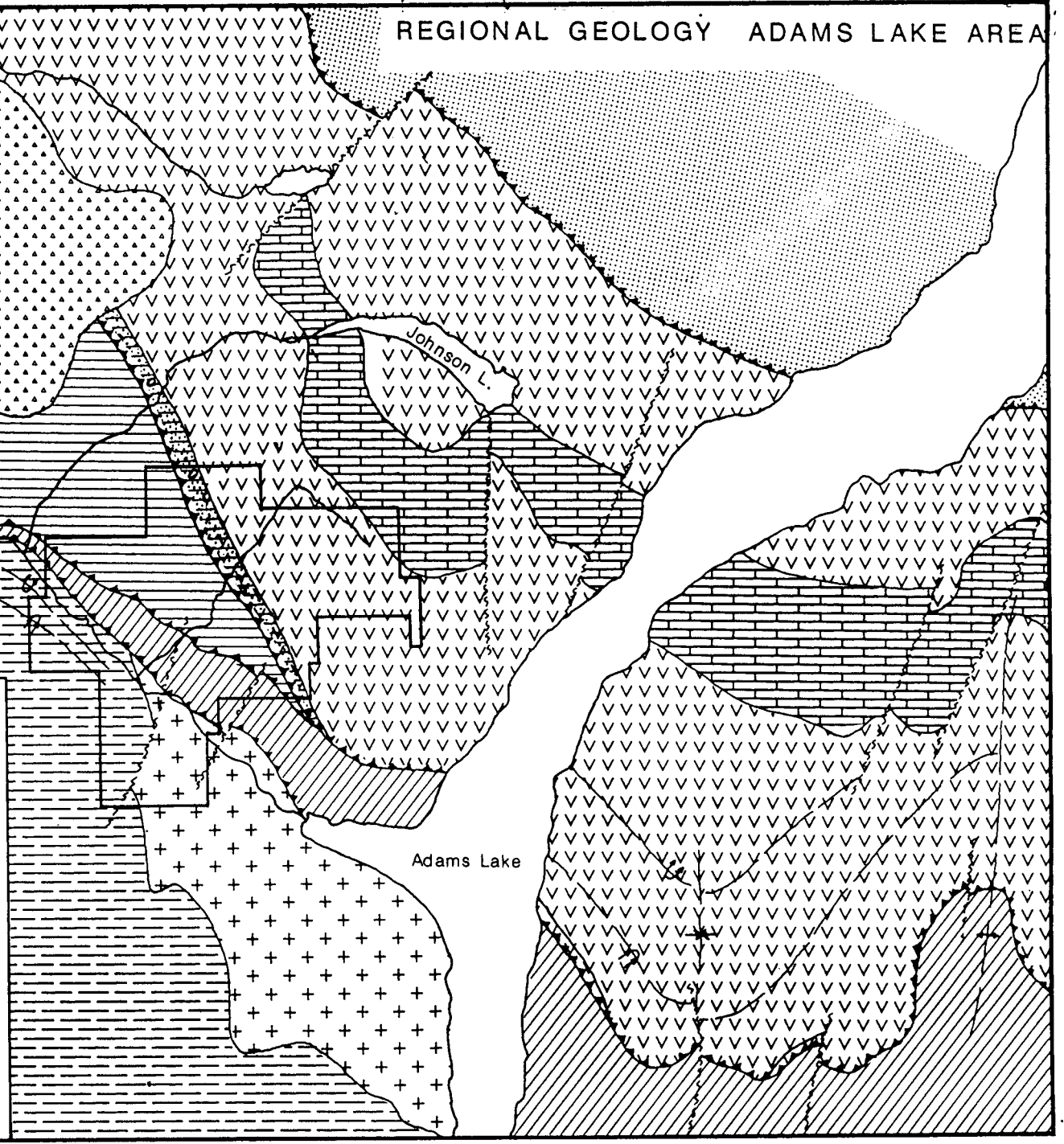


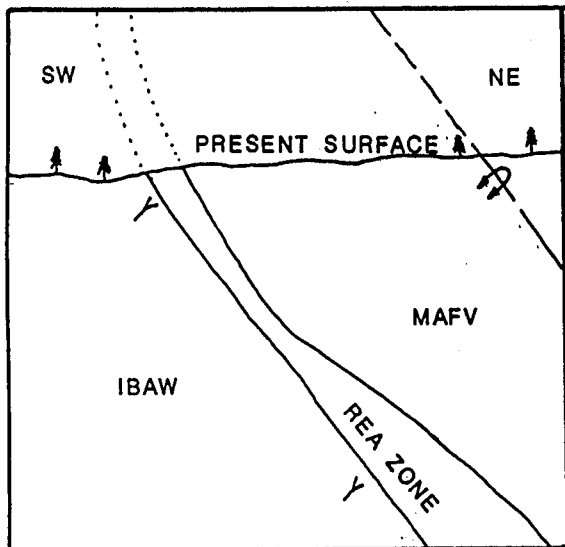
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KAMAD/TWIN PROJECT CLAIM MAP			
DRAWN	DATE	NTS	Fig. 1
	03/91	82M/4W	
Revised 02/91			

REGIONAL GEOLOGY ADAMS LAKE AREA

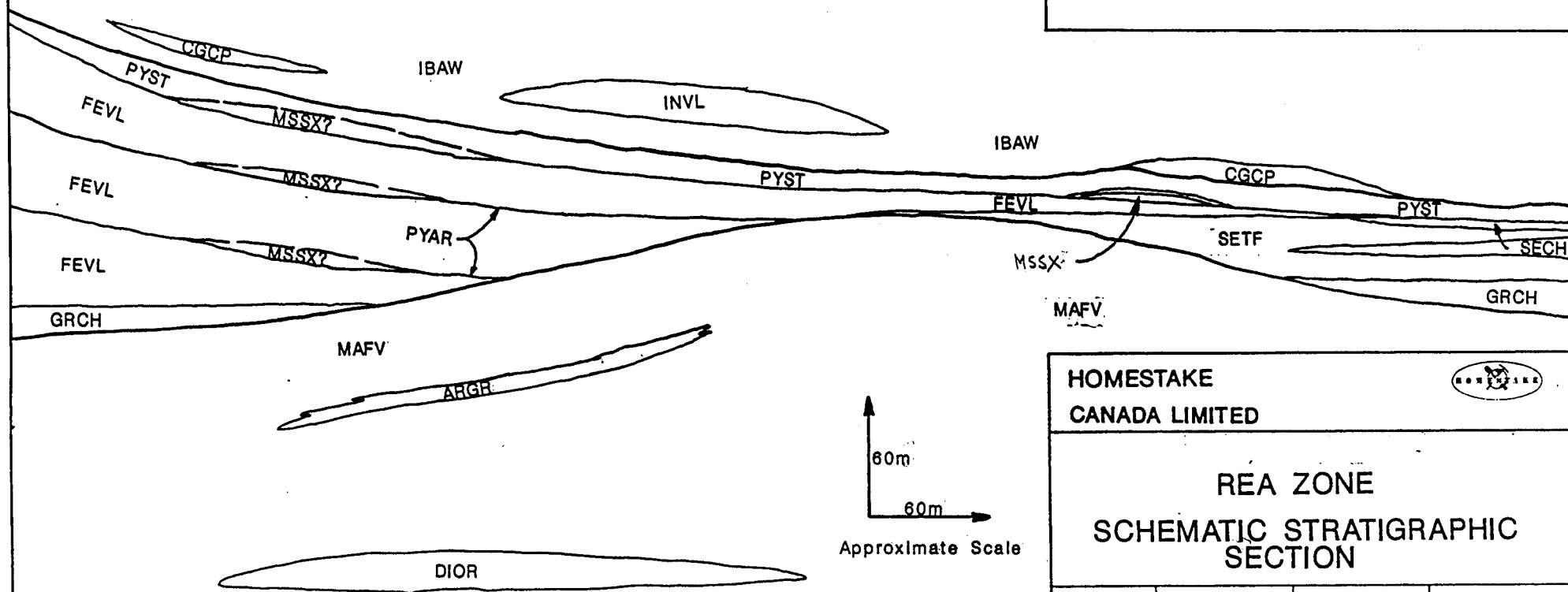


TERTIARY	
	- Basalt, mudstone, shale
CAMBRIAN TO MISS.	
	- Mafic volcanics, quartz-eye porphyry phyllitic sediments
	- Felsic to intermediate volcanics, quartz-sericite schist
	- Turbidites
	- Greenstone, mafic lapilli tuffs
	- Tshinikan limestone
	- Phyllitic sediments/Orthogneiss
	- Quartzite





IBAW	- INTERBEDDED ARGILLITE AND WACKE (TURBIDITES)
INVL	- INTERMEDIATE VOLCANIC
CGCP	- CHERT PEBBLE CONGLOMERATE
PYST	- PYRITIC SILTITE
MSSX	- MASSIVE SULPHIDE (POTENTIAL)
REAZONE	- REA ZONE
PYAR	- PYRITIC ARGILLITE
FEVL	- FELSIC VOLCANIC
SETF	- SERICITIC TUFF
SECH	- SERICITIC CHERT
GRCH	- GRAPHITIC CHERT
MAFV	- MAFIC VOLCANIC
DIOR	- DIORITE
ARGR	- GRAPHITIC ARGILLITE



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REA ZONE SCHEMATIC STRATIGRAPHIC SECTION

DRAWN RGC	DATE FEB. 1991	NTS 82M/4W	Fig. 3
Revised _____			