

830076

REPORT ON THE BRETT 1 TO 4 CLAIMS

VERNON MINING DIVISION

NTS 82L/4E AND 5E

LATITUDE: 50 DEGREES 14 MINUTES

LONGITUDE: 119 DEGREES 39 MINUTES

FOR

HUNTINGTON RESOURCES INC.

BY

D.C. MILLER, P.ENG.

D. C. MILLER GEOLOGICAL SERVICES

APRIL 13, 1989

INTRODUCTION

At the request of Werner Gruenwald, a Director of Huntington Resources Inc., the writer has reviewed exploration results at the Brett property. This report summarizes these results and proposes a programme for further work at the property. Because of snow cover, the writer was unable to examine the claims and check drill core stored at the property. However, the writer was provided with specimens of representative drill core and a complete set of plans, sections, drill logs and assay data. As well, additional information was provided by Ron Wells of Corona Corporation.

SUMMARY

The Brett property comprises 4 contiguous claims consisting of 51 units or 1275 hectares. Recent precious metal discoveries on the property resulted from the follow up of heavy mineral stream sediment samples which were highly anomalous in gold for several streams draining the property. Exploration work on the property since 1983 includes extensive geological and geochemical surveys, trenching, 11.5 km of access road and 9,429 m of diamond and reverse circulation drilling. The property is currently operated as a joint venture between Huntington Resources Inc. and Corona Corporation.

The property is underlain by Mesozoic granitic rocks and Eocene volcanic rocks mainly of andesitic composition. These rock units have been intruded by Eocene granite and syenite of the White man Creek stock and related quartz-feldspar porphyry dykes.

Epithermal precious metal mineralization occurs in sheared and altered zones within andesite host rocks and is thought to be related to late intrusive activity although dykes are generally unmineralized.

The main structure on the property is a north-northwesterly striking fault which dips steeply westward. This structure has a strike length of at least 1.5 km and is the locus of several occurrences of gold-silver mineralization. Elsewhere on the property, mineralization is widely distributed and is associated with small to large zones of alteration and shearing within the andesites. The extent of gold bearing rocks is reflected to some degree by gold geochemical soil anomalies.

Precious metal mineralogy is relatively simple consisting of native gold, electrum and argentite. Gold ranges in size from visible grains to very fine disseminations. The silver to gold ratio varies considerably but is commonly between 1:1 and 3:1 for better mineralization. Pyrite is the only notable sulphide present and generally ranges between 1 and 3 percent. A cyanidation test of drill core and chips from several areas of the property indicated gold is generally easily extractable.

Although several drill holes have cut good grade gold mineralization along the Main Shear Zone, no formal ore reserves have been calculated because the continuity between intersections is not well established. Mineralization in some cases appears to have reasonable continuity up-dip but cannot be projected more than a few tens of metres along strike. The best intersection to date occurred in

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hole RC 88-11 which intersected 71.65 m averaging 2.03 oz/t gold. This hole was drilled down the dip of the mineralization to test between intercepts in several previous holes (Section 8+05N).

In many cases mineralization along the Main Shear Zone is associated with a tuffaceous unit, some 40 m thick, which has a gentle, apparent westward dip.

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Proposed exploration consists of further drilling to the north along the Main Shear Zone, 2 holes to test near previous intersections in the East Zone, 2 holes to test a strong geochemical anomaly and 3 short holes to test the best area of the Main Shear Zone near surface.

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LOCATION AND ACCESS

The property is located some 25 km west of Vernon, B.C. at geographic co-ordinates 50 degrees 14 minutes north and 119 degrees 39 minutes west. Access to the property is provided by a good logging road which leads westerly from the west side of Okanagan Lake along Whiteman Creek. At kilometre 19.2, a branch road leads to the property and connects with a recently constructed system of 4-wheel drive roads (totalling 11.5 km) which provide access to the southwestern part of the claim block.

SOIL GEOCHEMISTRY

Anomalous gold values in soils are shown on Fig. 7. The pattern is one which indicates widespread underlying mineralization. The large T-shaped anomaly on and near the Main Shear Zone centered at 9+75N may indicate a cross-structure in this area. Exceptionally strong anomalies are found along Brett Creek at Line 2N and at the west side of the property at Line 6N. Many values in these anomalies exceed 200 ppb. The Brett Creek anomaly may be a transported anomaly, however.

Arsenic anomalies are not shown but generally are located near the gold anomalies and cover a larger area.

CYANIDE LEACH STUDY

A total of 57 drill samples were submitted to the Kamloops Research and Assay Lab for cyanide leach testing. The samples were crushed to -100 mesh and leached for 22 hours. The gold was found to be readily extractable and recoveries averaged 88.7%.

EXPLORATION POTENTIAL

It is the writer's opinion that the Brett property has the potential to host economic gold bearing veins and larger, but lower grade bulk-type deposits.

CONCLUSIONS

- 1) Soil geochemistry, trenching and drilling indicate widespread gold mineralization on the Brett 1 claim.
- 2) Mineralization is classed as epithermal and host rocks are Eocene age volcanic rocks of andesitic to basaltic composition.
- 3) Gold mineralization occurs near northwest trending faults and within bleached and/or silica altered zones.
- 4) Considerable drill testing has been done since 1986 and numerous gold bearing zones have been encountered along the Main Shear Zone. Other areas which have potential include the New Discovery Zone, the East Zone, the Gossan Zone and areas underlying strong gold soil anomalies.

RECOMMENDATIONS

- 1) Continue drilling to test the north portion of the Main Shear Zone at a level that will test the favourable main tuff bed.
- 2) Drill at least 2 holes to bracket significant mineralization intersected at depth in the East Zone in an area of high gold values in soil geochemistry.
- 3) Drill 2 holes to test a strong gold soil anomaly at low elevation on the west side of the property near Line 6N (Fig. 7).
- 4) Drill one hole on a northwest or southeast bearing to check for a possible cross structure near the T-shaped gold soil anomaly centered at 8+75N on the Main Shear Zone.
- 5) Drill 3 short holes to test the near surface part of the Main Shear Zone between 7+88N and 8+20N.

ESTIMATED COST

Phase 1

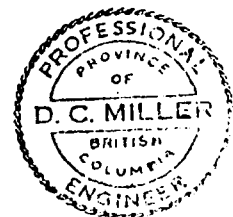
1)	Main Shear Zone- 14 NQ diamond drill holes, 2000 m at an all in cost of \$100/m.....	\$200,000.00
2)	East Zone- 2 NQ diamond drill holes, 300 m at an all in cost of \$100/m.....	30,000.00
3)	Geochemical anomaly on west side of property- 2 NQ diamond drill holes, 200 m at an all in cost of \$100/m.....	20,000.00
4)	One 100 m NQ diamond drill hole to test the cross structure possibility through the T-shaped geochem. anomaly near the Main Shear Zone at 8+75N, all in cost \$100/ m.....	10,000.00
5)	Backhoe for site preparation, road building and trenching-100 hr at \$100/hr.....	10,000.00
6)	Drill 3 short reverse circulation holes between 7+88N and 8+20N, 120 m at \$70/m.....	8,400.00
6)	Report and miscellaneous supplies.....	10,000.00
	Total Phase 1	<u>\$288,400.00</u>

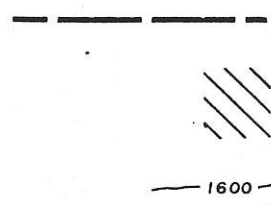
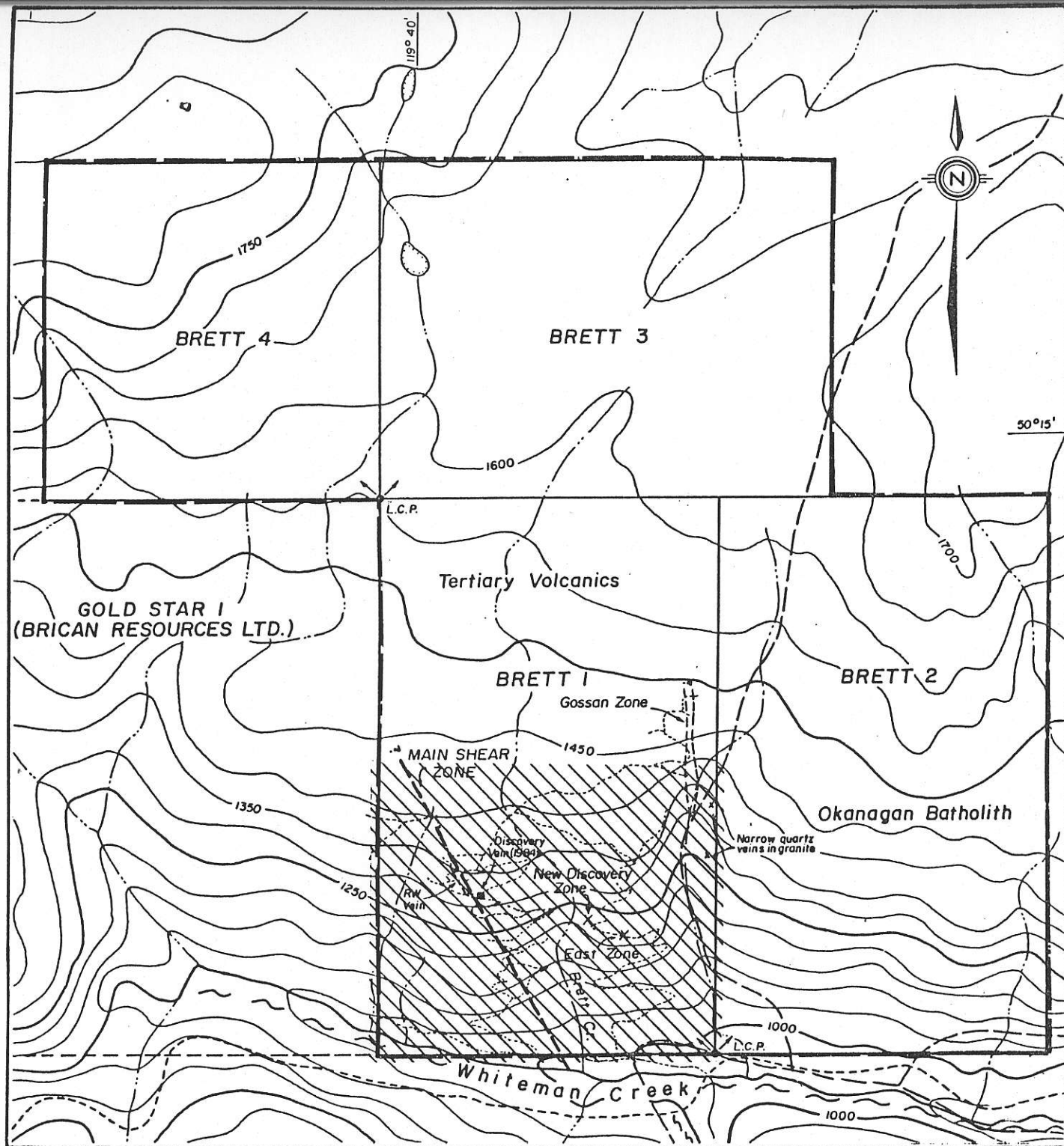
Phase 2 Contingent on the results of Phase 1

1)	Diamond drilling, 2000 m at \$100/m all in.....	\$200,000.00
2)	Reverse circulation drilling, 2000 m at \$70/m all in.....	140,000.00
3)	Backhoe, 100 hr. at \$100/hr.....	10,000.00
4)	Report and miscellaneous.....	10,000.00
5)	Contingency.....	36,000.00
	Total Phase 2	<u>\$396,000.00</u>

Respectfully submitted,

-----*D.C. Miller*-----
D.C. Miller, P. Eng.
April 13, 1989

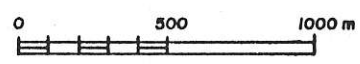




CLAIM BOUNDARY

AREA COVERED BY FIGURES 4 AND 5

CONTOUR ELEVATIONS IN METRES

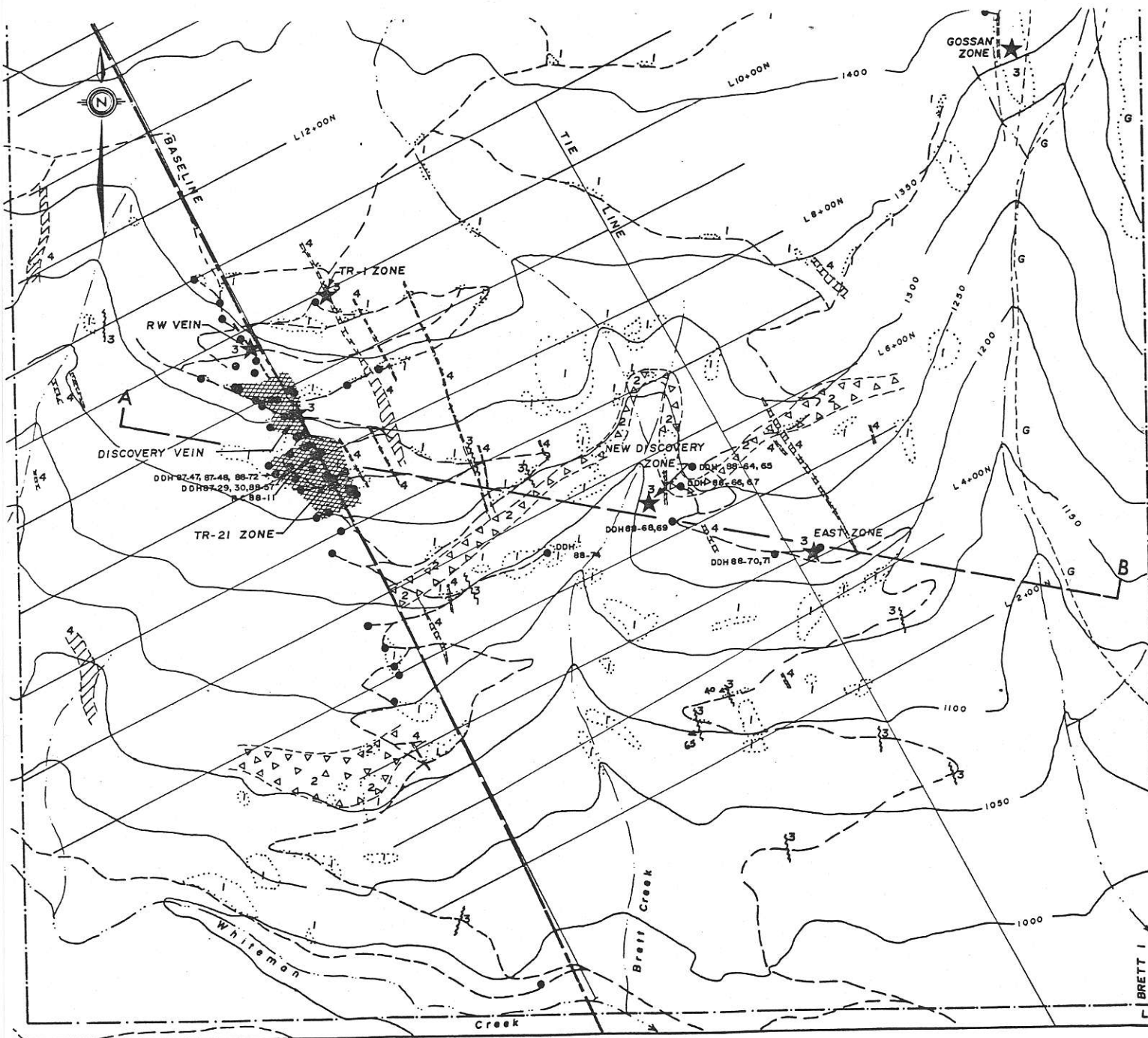


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BRETT CLAIMS
 CLAIM AND KEY MAP

DRAWN BY: DCM	NTS 82L/4E, 5E	FIGURE 2
REPORT DATE APRIL 13, 1989	PROJECT NO. 8953	

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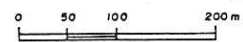
LEGEND

- 1400— Contour elevation in metres
- Creek
- - - Road
- - - Claim boundary
- LCP
- Diamond/rotary drill hole (completed)
(Notes on sections and East Zone and New Discovery Zone holes are identified)
- - - Main Shear Zone
- ★ Gold showing

- A B Geological section
- ▨ Area covering drill holes tabulated on pages 12 and 13 of accompanying report

GEOLOGY

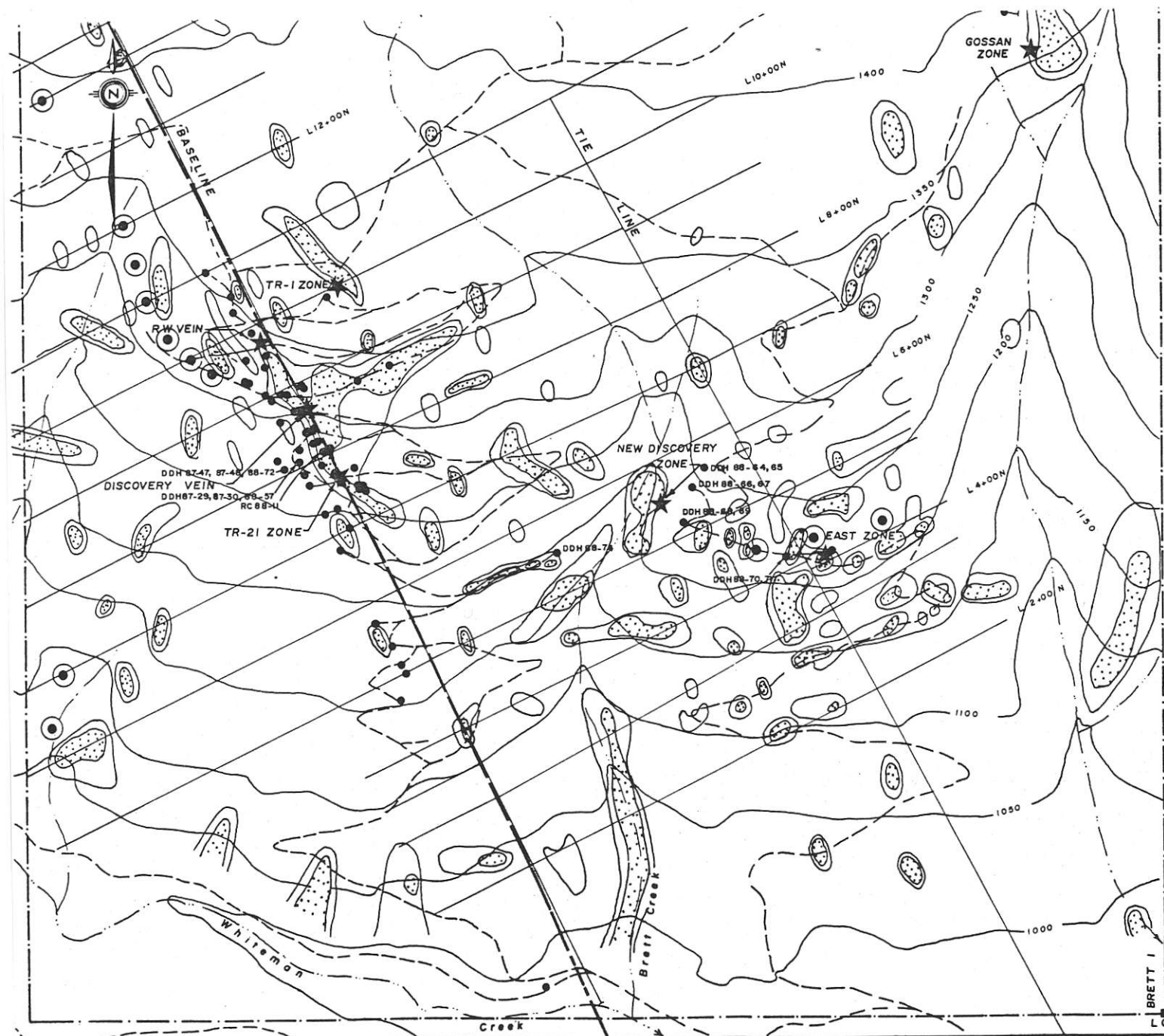
- ▨ Feldspar porphyry dyke
- 3 Sheared, veined and/or silicified zone
- ▨ Tuff - fine to coarse grained
- 1 Andesite flows, minor basalt
- G Granitic rocks - Okanagan Batholith
- Rock outcrop
- 65 Shear zone
- - - Geological boundary



(AFTER GRUENWALD AND WALTERS, 1988)

HUNTINGTON RESOURCES INC.		
BRETT CLAIMS PROPERTY GEOLOGY		
DRAWN BY: DCM	NTS 82L/4E	FIGURE 4
REPORT DATE APRIL 13, 1989	PROJECT NO. 8953	
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BRETT 1
BRETT 2
LCP



- ### LEGEND
- 1400— Contour elevation in metres
 - Creek
 - - - Road
 - - - Claim boundary
 - LCP
 - Diamond/rotary drill hole (completed)
(Holes on sections and East Zone and New Discovery Zone holes are identified)
 - - - Main Shear Zone
 - ★ Gold showing
 - Proposed drill hole

- ### ANOMALOUS GOLD IN SOILS
- 10-49 PPB
 - GREATER THAN 50 PPB



(BASE MAP AFTER GRUENWALD AND WALTERS, 1988)

HUNTINGTON RESOURCES INC.		
BRETT CLAIMS GOLD ANOMALIES IN SOILS AND PROPOSED DRILLING		
DRAWN BY: DCM	NTS 82L/4E	FIGURE
REPORT DATE APRIL 13, 1989	PROJECT NO. 8953	7
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