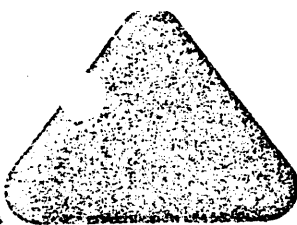


BEMA INDUSTRIES LTD.



860188

5780-203rd Street, LANGLEY, B.C. V3A 1W3 (604) 530-9731

SAMPLING REPORT

for

SHALMAR RESOURCES LTD.

on

PADDY-MAC GOLD GROUP

Terrace, B.C.

by

D. LOCKWOOD

BEMA INDUSTRIES LTD.

Langley, B.C.

September 3, 1980

103 I 16 W½

128° 23'

54° 45' 15"

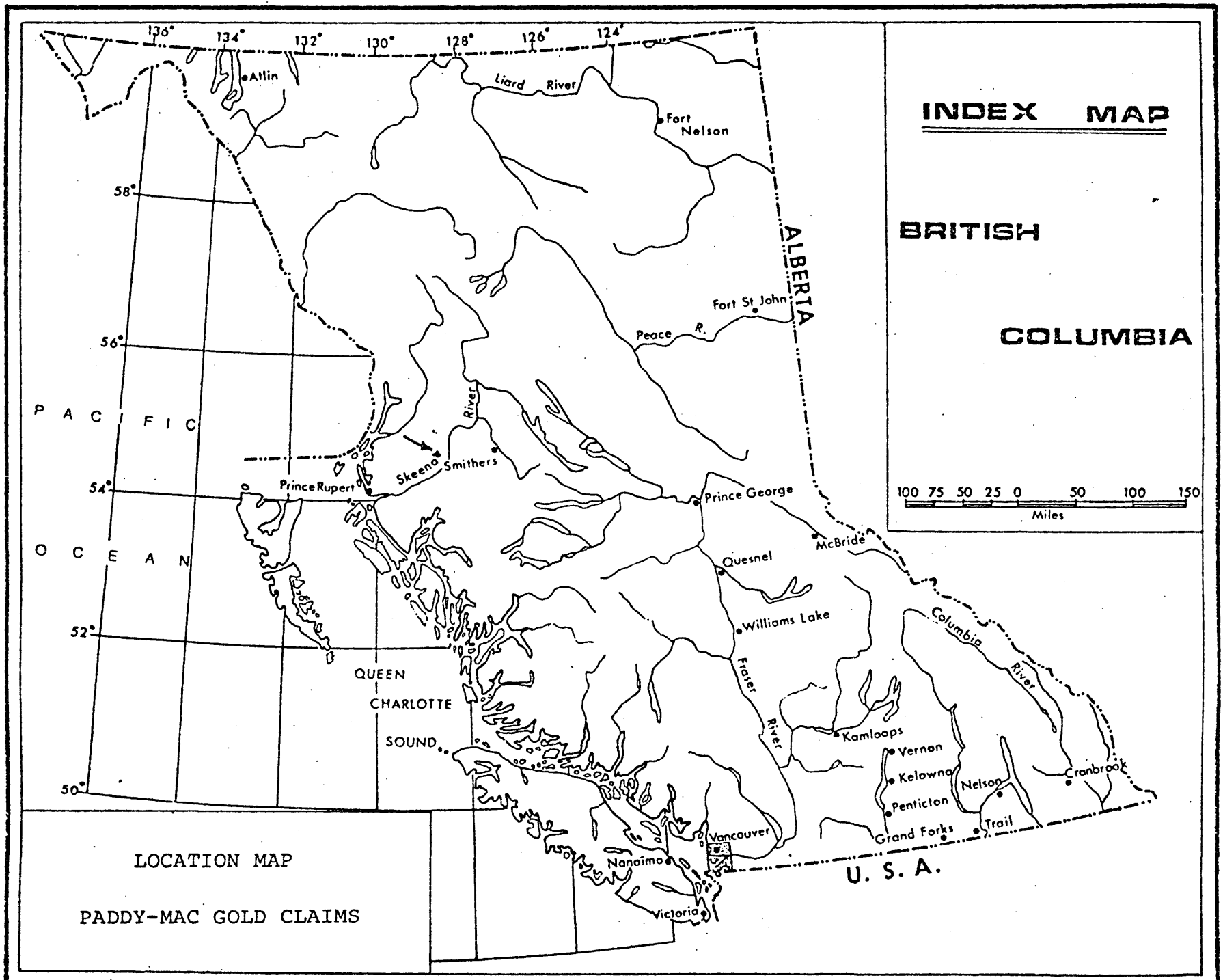
SAMPLING REPORT

INTRODUCTION

On July 18, 1980, Bema Industries Ltd. was requested by Mr. D. Coates of D. W. Coates Enterprises to supply one professional climber and an assistant to chip sample the extension of the Paddy-Mac gold vein. These samples were collected from the vein in the north wall of a cirque at the headwaters of Carpenter Creek under the direction of J. M. McNulty. The work was carried out on the 7th and 8th of August, 1980, and this report includes the results of the sampling.

LOCATION AND ACCESS

The claims are located approximately 30 kilometers NNE of Terrace, B.C. in a cirque at the headwaters of Carpenter Creek. The topography is rugged and access is by helicopter from Terrace (15 - 20 minutes). Drill equipment and other supplies could be moved to a point on the road near Pacific and flown 5 miles to the property.



GEOLOGY

The Paddy-Mac gold vein system occurs in altered Upper Jurassic sediments and is cut by porphyry dykes and several faults and small displacement. In the area sampled, the vein system trends 080 on surface with a general attitude $020/25^{\circ}\text{E}$. It pinches, swells, divides and rejoins reaching a maximum two-vein total thickness of 50 cm or single vein thickness of 60 cm. See Figure 3. Mineralization consists of pyrite, chalcopyrite, galena, arsenopyrite and pyrrhotite which have sporadic distribution. Assays are recorded on Table 1 and Figure 3.

WORK DONE

Continuous chip sampling was done by Dean Lockwood, an experienced mountaineer, and Dave Powell during the period August 6th to 8th with two days spent sampling. The stations and intervals of vein and country rock sampled are recorded on Table 1 and Figure 3. The samples of split veins at each station were added to comprise one sample. All samples were

forwarded to Chemex Labs Ltd., North Vancouver, for Au and Ag assays and selected samples for Cu, Pb and Mo assays.

Because of time constraints no survey of the vein was made and no reconnaissance for a water supply was conducted. No reconnaissance was made for possible drill-sites on the ridge above the vein.

Dean Lockwood suggests that water might be available from the cirque to the north of the veins but would require approximately 150 metres of lift. A pump station could be established at the top of the talus slope. Water might also be obtained from the cirque to the south but would require greater lift.

CONCLUSIONS

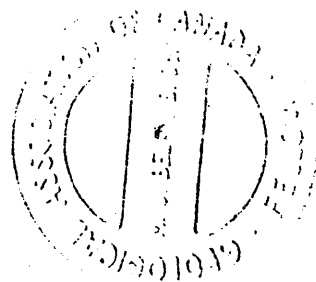
The results of this sampling program indicate that the southwest extension of the vein system does carry significant Au, Ag, Cu and Pb values. The strike and dip of the vein system is such that it should be feasible to test it by diamond drilling from a number of sites located on the ridge south of the vein.

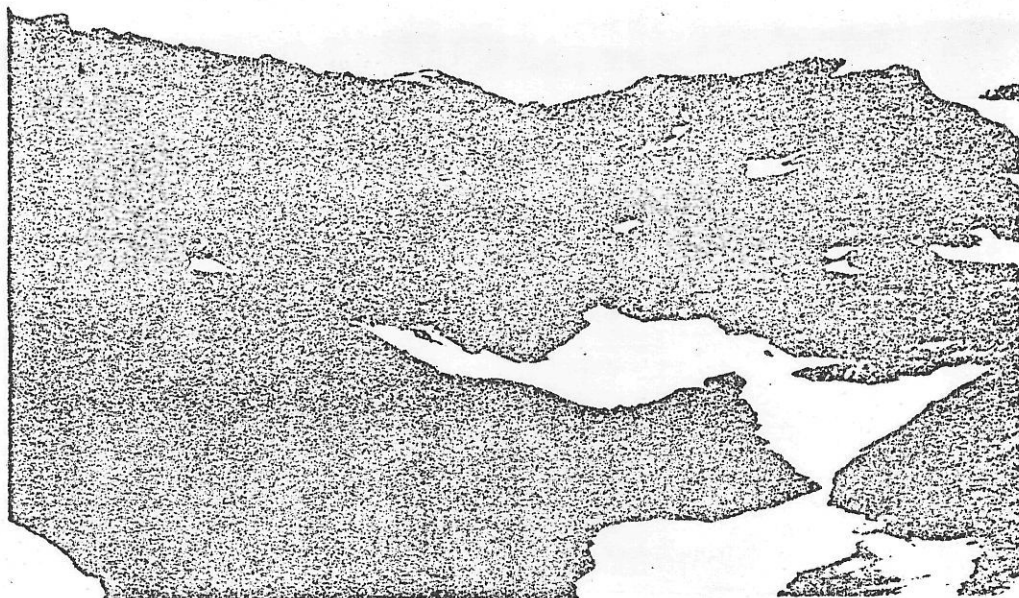
Geologic mapping, surveying the vein and preparation of cross sections are necessary to confirm this.

Two drill holes of up to 150 metres might be drilled from each of five drill stations. A drill program would require helicopter support by Bell 47 with a camp established near the present campsite. Air photographs and better topographic control of the area are required for logistic control and preparation of sections.

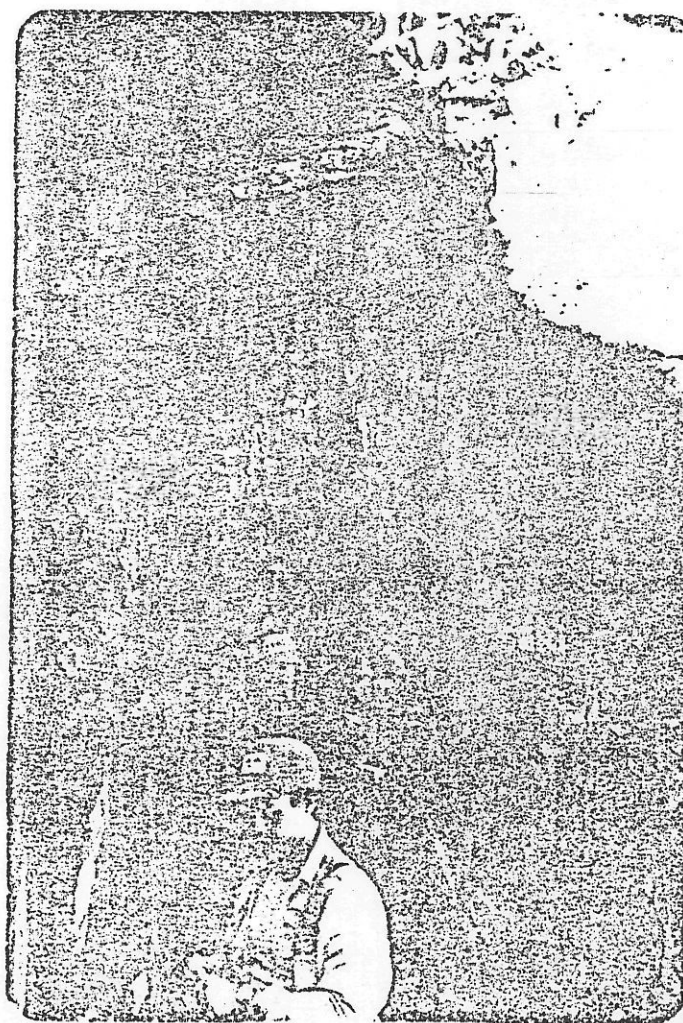
M. Beley B.Sc.

September 3, 1980

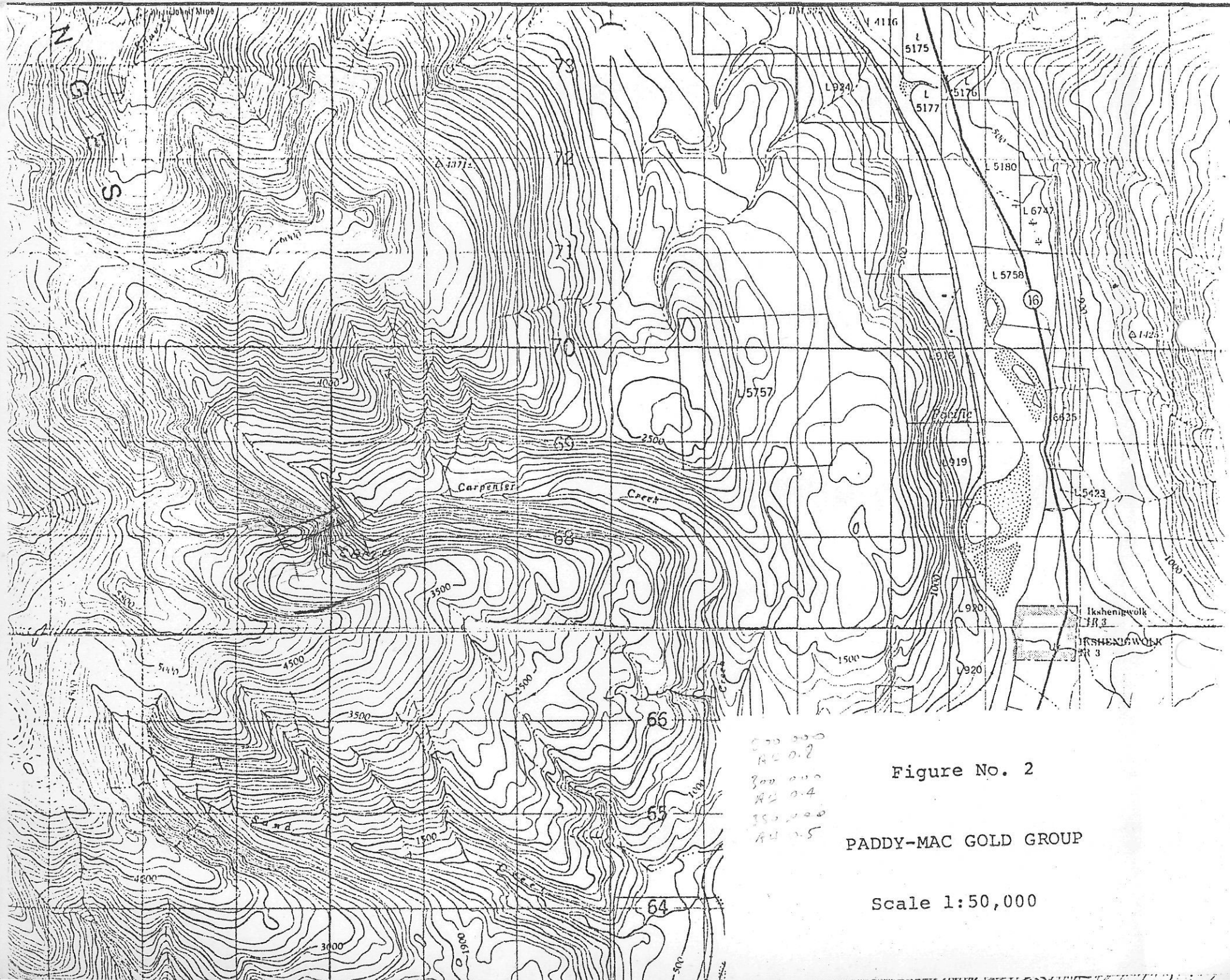




View of cirque wall looking southerly



Sampling Paddy-Mac Gold Vein

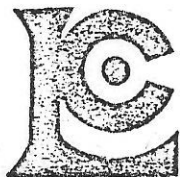


0 0 0 0
 1 0 0 0
 2 0 0 0
 3 0 0 0
 4 0 0 0
 5 0 0 0

Figure No. 2

PADDY-MAC GOLD GROUP

Scale 1:50,000



CHEMEX LABS LTD.

212 BROOKSBANK AVE.
NORTH VANCOUVER, B.C.
CANADA V7J 2C1
TELEPHONE: 985-0648
AREA CODE: 604
TELEX: 043-52597

• ANALYTICAL CHEMISTS

• GEOCHEMISTS

• REGISTERED ASSAYERS

CERTIFICATE OF ASSAY.

TO: Bema Industries Ltd.,
5780 - 203rd St.,
Langley, B.C.
V3A 1W3

ATTN: P.O. #1614 Contract #80-14

CERTIFICATE NO. 69693

INVOICE NO. 37989

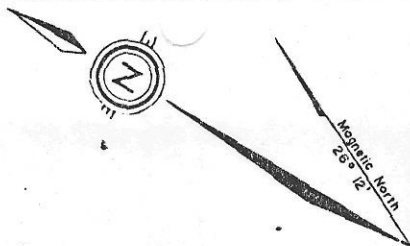
RECEIVED Aug. 12/80

ANALYSED Aug. 19/80

SAMPLE NO. :	oz/ton	oz/ton	Percent	Percent	Percent
	Ag	Au	Cu	Mo	Pb
86951B	26.30	6.600	2.32		9.88
86952	6.48	0.442	2.66		5.68
86953	0.36	0.038			
86954	0.10	0.020			
86955	9.82	0.142	5.05	-0.001	
86957	8.22	0.566	0.87		7.93
86958	5.06	0.408	0.46		1.95
86959	0.14	0.018			
86960	0.12	0.010			
86961	7.14	0.264	1.51	-0.001	
86962	5.06	0.348	0.48		3.17
86963	7.24	0.220	1.61		4.44
86964	0.42	0.020			
86965	1.72	0.216	0.71		0.70
86966	1.33	0.050	0.13		0.86
86967	0.01	-0.003			
86968	0.32	0.003			
86969	0.28	0.003			
86970	0.28	0.005			
86971	0.60	0.010			
86972	1.42	0.086			
86973	0.20	0.012			
86974	1.20	0.010			
86975	2.54	0.138			
86976	2.95	0.456			
86977	2.08	0.280			
86978	5.42	0.242	0.86		5.31

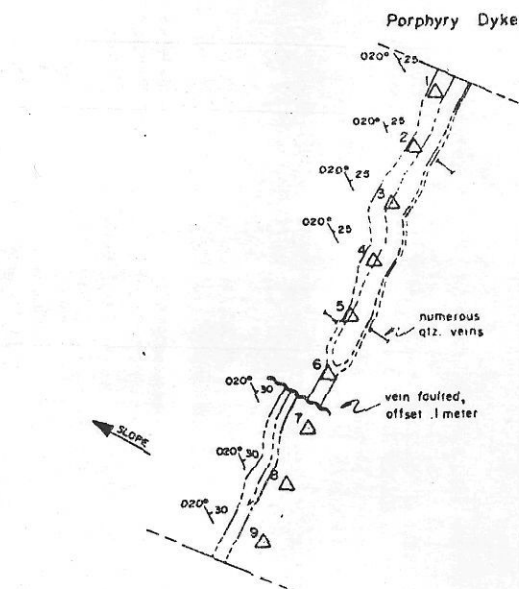
Note: - denotes less than

B. M. ...

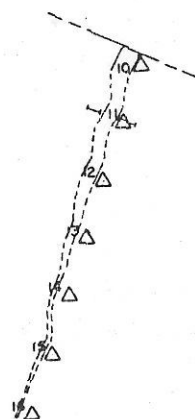


LEGEND

- Argillite
- ▣ Porphyry Dyke
- Quartz vein
- 25/020° Strike and Dip of Vein
- △ Sample point



Porphyry Dyke



Location	Sample No.	Ag (oz/T)	Au (oz/T)	Cu (%)	Mo (%)	Pb (%)
21	86978 B	5.42	0.242	0.86		5.31
20	86977 B	2.08	0.280			
19	86976 B	2.95	0.456			
18	86975 B	2.54	0.138			
17	86974 B	1.20	0.010			
1	86951 B	26.3	6.600	2.32		9.88
2	86952 B	6.48	0.442	2.66		5.68
2	86953 B	0.36	0.038			
2	86954 B	0.10	0.020			
3	86955 B	9.82	0.142	5.05	-0.001	
4	86957 B	8.22	0.566	0.87		7.93
5	86958 B	5.06	0.408	0.46		1.95
	86959 B	0.14	0.018			
	86960 B	0.12	0.010			
6	86961 B	7.14	0.264	1.51	-0.001	
7	86962 B	5.06	0.348	0.48		3.17
8	86963 B	7.24	0.220	1.61		4.44
9	86964 B	0.42	0.020			
10	86965 B	1.72	0.216	0.71		0.70
11	86966 B	1.33	0.050	0.13		0.86
11	86967 B	0.01	-0.003			
11	86968 B	0.32	0.003			
12	86969 B	0.28	0.003			
13	86970 B	0.28	0.005			
14	86971 B	0.60	0.010			
15	86972 B	1.42	0.086			
16	86973 B	0.20	0.012			

- denotes less than

NOTE:

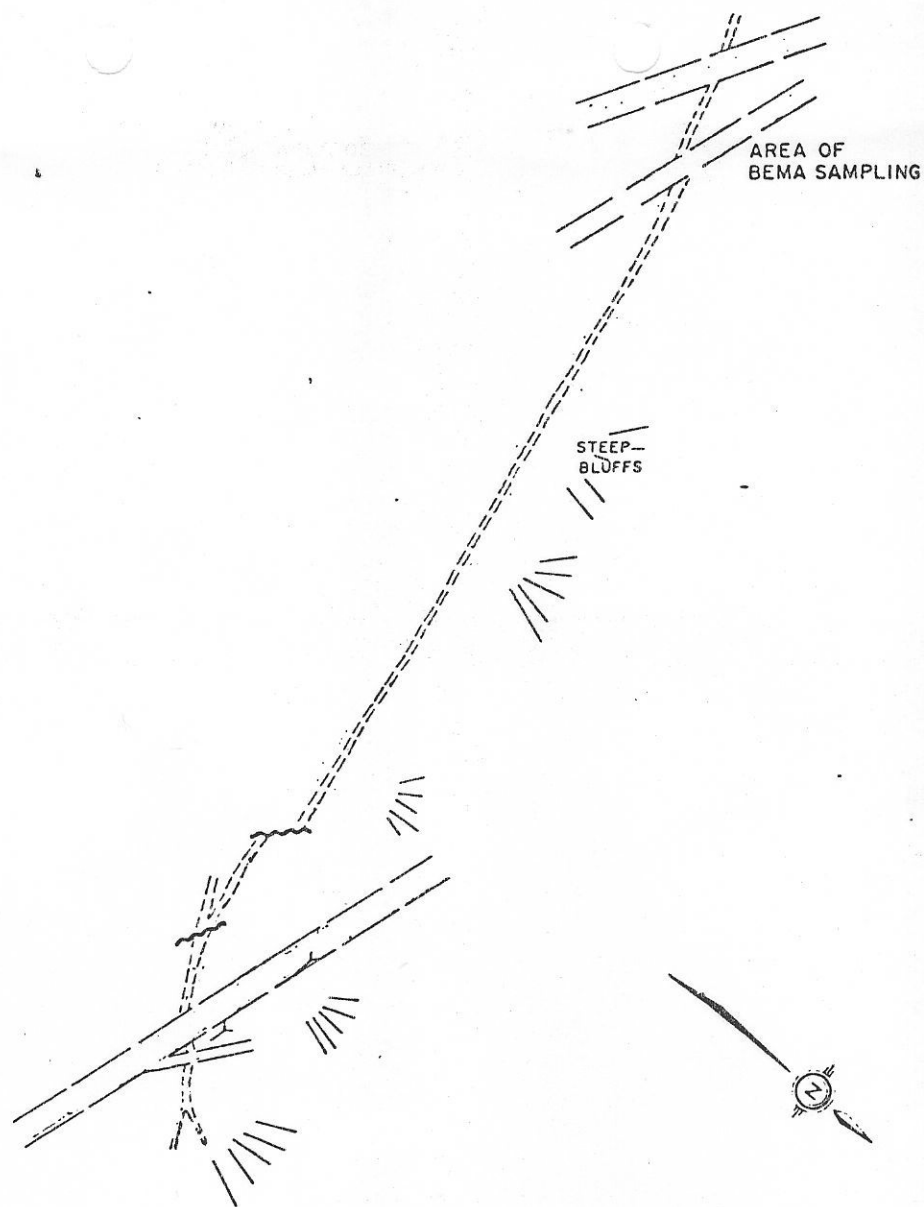
- See sample record data for sampling details.
- Width of veins shown diagrammatically only, not to scale.

SHALMAR RESOURCES

VEIN SAMPLING SKETCH SAMPLING BY DEAN LOCKWOOD

DATE AUGUST, 1980 PROJECT 80-14
INVESTIGATOR M.J. BELEY DRAWING 3

BEMA INDUSTRIES LTD.



LEGEND

- Adit
- Quartz vein
- ▣ Porphyry Dyke
- Argillite

NOTE:

Information supplied by J. McNulty.

SHALMAR RESOURCES

LOCATION SKETCH

DATE AUGUST, 1980

JOB NO 80-14

REVISED BY

FIG NO 3A



BEMA INDUSTRIES LTD.

APPROX. SCALE 1 : 2500

Property PADDY-MAC

Sample Record SHALMAR RESOURCES

E.I.C. D. LOCKWOOD

Samples from Stn. 1 - Stn. 16
3 meter spacing along vein

Samples from Stn. 1 - Stn. 16 3 meter spacing along vein			ASSAYED FOR										Date Shipped
Sample No.	Location	Description	Ag (oz/T)		Au (oz/T)		Cu (%)		Mo (%)		Pb (%)		
86960 B		Wall rock below lower vein 35 cm	x	0.12	x	0.010							
		numerous small quartz veins this sample											
86961 B	Stn. 6	One vein - continuous chip sample 40 cm	x	7.14	x	0.264	x	1.51	x	-0.001			
86962 B	Stn. 7	One vein - upper only continuous chip 15 cm	x	5.06	x	0.348	x	0.48			x	3.17	
		Lower vein covered by rubble											
68963 B	Stn. 8	Two veins - Total chip sample 35 cm	x	7.24	x	0.220	x	1.61			x	4.44	
		- upper vein 10 cm											
		- host between veins 10 cm											
		- lower vein 25 cm											
85964 B	Stn. 9	One vein continuous chip sample 40 cm	x	0.42	x	0.020							
86965 B	Stn. 10	One vein continuous chip sample 60 cm	x	1.72	x	0.216	x	0.71			x	0.70	
86966 B	Stn. 11	One vein continuous chip sample 50 cm	x	1.33	x	0.050	x	0.13			x	0.86	
86967 B	Stn. 11	Host rock above vein 35 cm	x	0.01	x	-0.003							
86968 B	Stn. 11	Host rock below vein 35 cm	x	0.32	x	0.003							
86969 B	Stn. 12	One vein continuous chip sample 45 cm	x	0.28	x	0.003							
86970 B	Stn. 13	One vein continuous chip sample 20 cm	x	0.28	x	0.005							
86971 B	Stn. 14	One vein continuous chip sample 10 cm	x	0.60	x	0.010							
86972 B	Stn. 15	One vein continuous chip sample 10 cm	x	1.42	x	0.086							
86973 B	Stn. 16	One vein continuous chip sample 5 cm	x	0.20	x	0.012							

- denotes "less than"

Date August, 1980

BEMA INDUSTRIES LTD.

Property PADDY-MACSample Record SHALMAR RESOURCES

E.I.C. D. LOCKWOOD

Samples from Stn. 1 - Stn. 16
3 meter spacing along vein.

Samples from Stn. 1 -- Stn. 16 3 meter spacing along vein.			ASSAYED FOR										Date Shipped
Sample No.	Location	Description	Ag(oz/T)		Au(oz/T)		Cu(%)		Mo(%)		Pb(%)		
86951 B	Stn. 1	Two veins - Total chip											
		sample 45 cm	x	26.3	x	6.600	x	2.32			x	9.88	
		- upper vein 5 cm											
		- host rock between											
		veins 40 cm											
		- lesser vein 40 cm											
86952 B	Stn. 2	Two veins - Total chip											
		sample 40 cm	x	6.48	x	0.442	x	2.66			x	5.68	
		- upper vein 15 cm											
		- host between											
		veins 45 cm											
		- lower vein 25 cm											
86953 B	Stn. 2	Wall rock above upper vein	x	0.36	x	0.038							
86954 B	Stn. 2	Wall rock below lower vein	x	0.10	x	0.020							
86955 B	Stn. 3	Two veins - Total chip											
		sample 50 cm	x	9.82	x	0.142	x	5.05	x	-0.001			
		- upper vein 10 cm											
		- host between											
		veins 60 cm											
		- lower vein 40 cm											
86957 B	Stn. 4	Two veins - Total chip											
		sample 40 cm	x	8.22	x	0.566	x	0.87			x	7.93	
		- upper vein 10 cm											
		- host between											
		veins 60 cm											
		lower vein 30 cm											
86958 B	Stn. 5	Two veins - Total chip											
		sample 20 cm	x	5.06	x	0.408	x	0.46			x	1.95	
		- upper vein 10 cm											
		- host between											
		veins 60 cm											
		- lower vein 10 cm											
86959 B		Wall rock above upper											
		vein 35 cm	x	0.14	x	0.018							

- denotes "less than"

Date August, 1980

BEMA INDUSTRIES LTD.

Property PADDY-MAC

Sample Record SHALMAR RESOURCES

E.I.C. D. LOCKWOOD

Samples from Stn. 17 - Stn. 21
4 meter spacing along vein

[illegible]