MAP NO.	**ASSESSMENT REPORT**	X	**DOCUMENT NO.:**	092516
	PROSPECTUS		**MINING DISTRICT:**	WATSON LAKE
	CONFIDENTIAL	X	**TYPE OF WORK:**	PROSPECTING & TRENCHING
105 B 1	**OPEN FILE**			

REPORT FILED UNDER: Greenwood Ventures Corporation

DATE PERFORMED: July 21 to Aug. 11, 1987 **DATE FILED:** June 28, 1988

LOCATION: **LAT.:** 60°09'N **AREA:** Rancheria

LONG.: 130°27'W **VALUE $:** 16,000.00

CLAIM NAME & NO.: DK 1-33, 34-49, 51-62, 64-67 YA90594-626, YB00286-301, YB00303-314, YB00316-319

WORK DONE BY: H.S. MacFarlane (Searchlight Resources Inc.)

WORK DONE FOR: Greenwood Ventures Corporation

DATE TO GOOD STANDING		**REMARKS:**
		# 134 In 1987, detailed prospecting lead to discovery of the Parallel, PHD, Gully and DS zones. Best grab sample was 2280 g/t Ag and 77.3 % Pb from the Parallel Zone. Trenching and sampling was done on all zones.

Searchlight Resources Inc.
218-744 West Hastings Street, Vancouver, British Columbia, Canada V6C 1A5
Phone: (604) 684-2361

REPORT

on the

DK PROPERTY

(DK 1-33, 34-49, 51-62 & 64-67 Claims)

WATSON LAKE MINING DISTRICT

YUKON TERRITORY

Latitude: 60° 09'N

Longitude: 130° 27'W

N.T.S. 105 B/1

For

Greenwood Ventures Corporation
1100 South Tower
Western Canadian Place
700-9th Avenue SW
Calgary, Alberta T2P 3V4

By

H S Macfarlane, MSc, FGAC

June 11, 1988.

This report has been examined by the Geological Evaluation Unit under Section 53 (4) Yukon Quartz Mining Act and is allowed as representation work in the amount of $ 16000.00 .

P.J. Brenner

for Regional Manager, Exploration and Geological Services for Commissioner of Yukon Territory.

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SUMMARY

The DK property is located six kilometres north of the Alaska Highway in the Rancheria area of the Yukon Territory. The property consists of the DK 1 to 33, 34 to 49, 51 to 62 and 64 to 67 quartz claims recorded in the Watson Lake Mining District. The claims were staked by T. McCrory, W. Preston and M. Nielsen of Whitehorse and are currently under option from McCrory Holdings (Yukon) Ltd., of Whitehorse, Y.T., to Greenwood Ventures Corporation of Calgary, Alberta.

The DK property is central to a group of recently discovered prospects bordering the Cassiar Batholith which comprise the Rancheria Silver Belt. All of these deposits show similar styles of lead-zinc mineralization with zones of high grade silver.

Prospecting and bulldozer trenching carried out on the property during 1987 revealed several silver bearing shear zones in addition to those discovered in 1986 within a 1,700 metre long area. Silver values up to 260 ounces/ton from grab samples were obtained from these zones in 1986.

The property is worthy of further extensive exploration to define the already discovered zones and to locate additional veins.

A programme of mapping and trenching is recommended in this report, with expenditure of $154,400.

INTRODUCTION

At the request of Mr. G. Kilbourn of Greenwood Ventures Corporation, Searchlight Resources Inc., carried out a programme of prospecting and bulldozer trenching on the DK property during 1987. This report has been prepared to describe the DK property and to summarize the 1987 exploration programme.

This report is based upon observations made during the exploration programe and from information obtained from private and government reports.

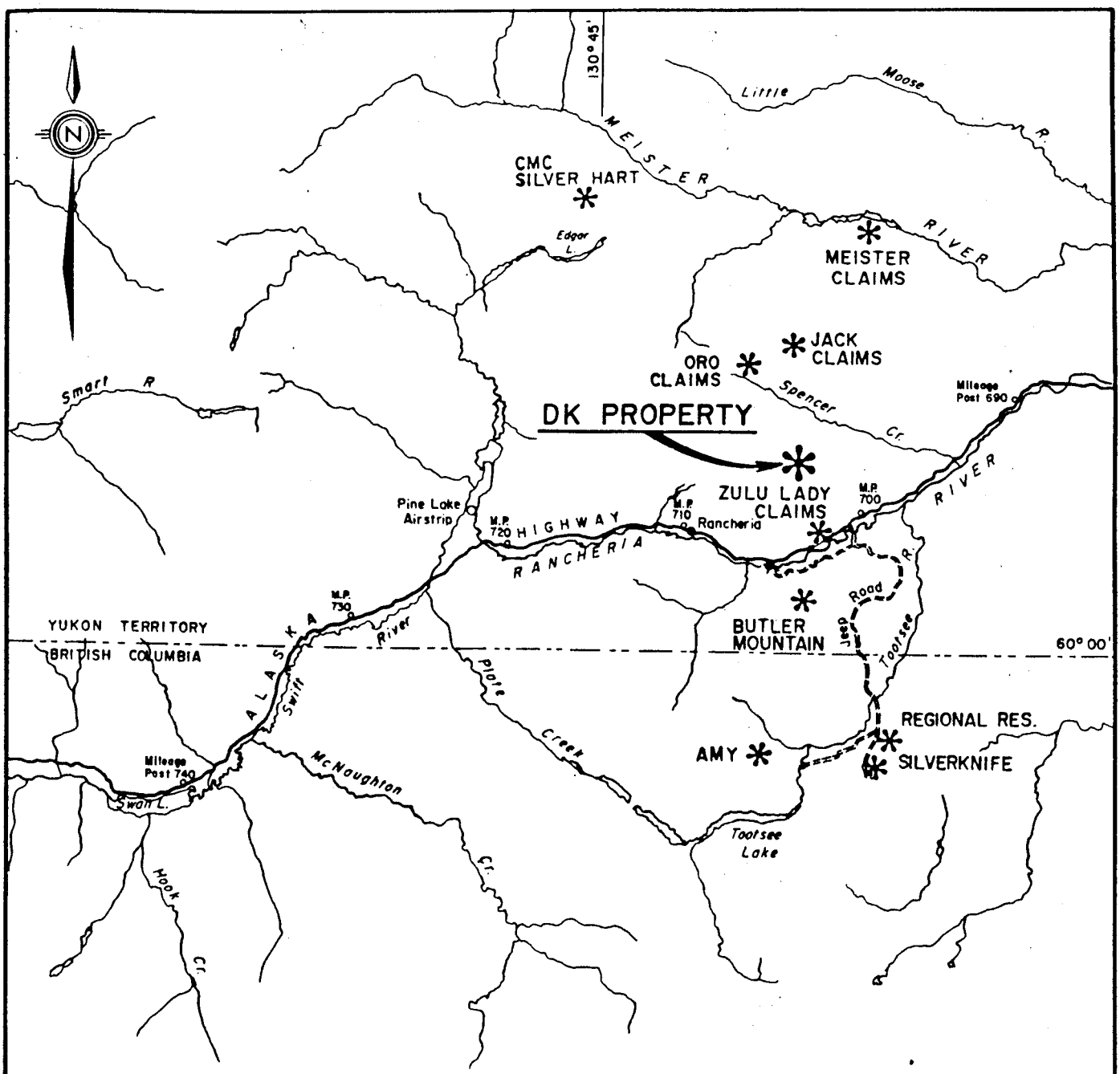
The 1987 exploration programme was supervised by Mr H. S. Macfarlane, M.Sc., under the direction of F. Marshall Smith, P.Eng.

LOCATION AND ACCESS

The DK claims are centred at 60^{o} 09' north latitude and 130^{o} 27' west longitude in the Watson Lake Mining District of the Yukon Territory on NTS sheet 105B/1, (fig. 1). The property straddles the divide between Boulder and Spencer Creeks approximately six kilometres north of the Alaska Highway.

Access to the property is gained by an eight kilometre four wheel drive road from the Alaska Highway at Milepost 702 (kilometre 1130). The road parallels the south side of Boulder Creek for three kilometres before crossing to the north side and climbing past the old Fiddler Mine to the property.

Rancheria Lodge, located on the Alaska Highway at Milepost 710 (kilometre 1143), provides hotel, restaurant and service station facilities. Watson Lake, approximately 160 kilometres to the east of the property, is the closest town and provides full services as well as a commercially serviced airport.



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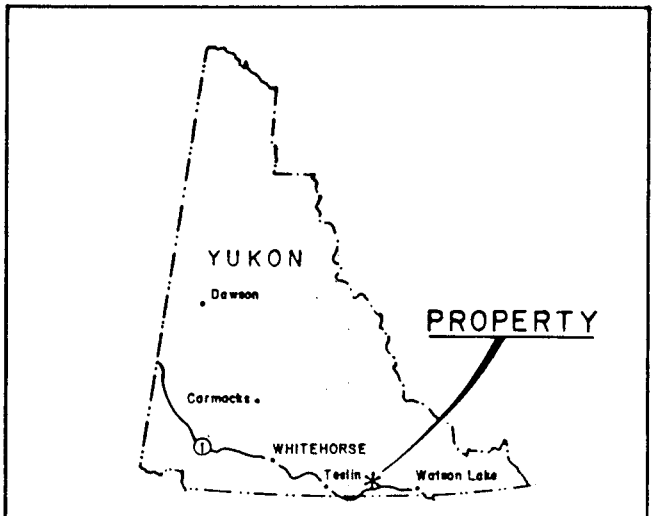

GREENWOOD VENTURES CORPORATION

DK PROPERTY

WATSON LAKE MINING DISTRICT, YUKON TERRITORY

LOCATION MAP

F. MARSHALL SMITH CONSULTING INC.

DATE:	SCALE:	FIGURE No.
DEC. 1987	1:500,000	1

PHYSIOGRAPHY AND VEGETATION

Elevations on the property range from 1,097 metres (3,600 feet) to 1,615 metres (5,300 feet) above sea level. The topography consists of moderate to steep slopes leading up to gently rounded hilltops. There is very limited outcrop exposed on the ridge tops and on occasional small cliffs to the east of the main showings.

Vegetation consists of alpine fir, Engelmann spruce and scrub glandular birch on the lower slopes with alpine tundra above 1,400 metres.

CLAIM INFORMATION

The DK property (fig. 2) consists of the following 65 Yukon Quartz claims:

CLAIMS	RECORD NUMBERS	RECORD DATE
DK 1-33	YA 90594 - YA 90626	27 March, 1986
DK 34-49	YB 00286 - YB 00301	12 June, 1987
DK 51-62	YB 00303 - YB 00314	12 June, 1987
DK 64-67	YB 00316 - YB 00319	12 June, 1987

The DK 1-33 claims were staked by Mr T. McCrory, Mr W. Preston and Mr M. Nielsen of Whitehorse, Yukon Territory, in 1986. During July, 1987 the DK 34-49, 51-62 and 64-67 claims were staked by McCrory *et. al.,* to acquire additional ground in the area. The claims are recorded in the Watson Lake Mining District of the Yukon Territory on NTS 105B/1. The DK claims are owned by McCrory Holdings (Yukon) Ltd., and are the subject of an option agreement with Greenwood Ventures Corporation, 1100 South Tower, Western Canada Place, 700-9th Ave S.W., Calgary, Alberta, T2P 3V4.

Tags have been placed on the DK 1-33 claims and these claims are currently in good standing until 1992.

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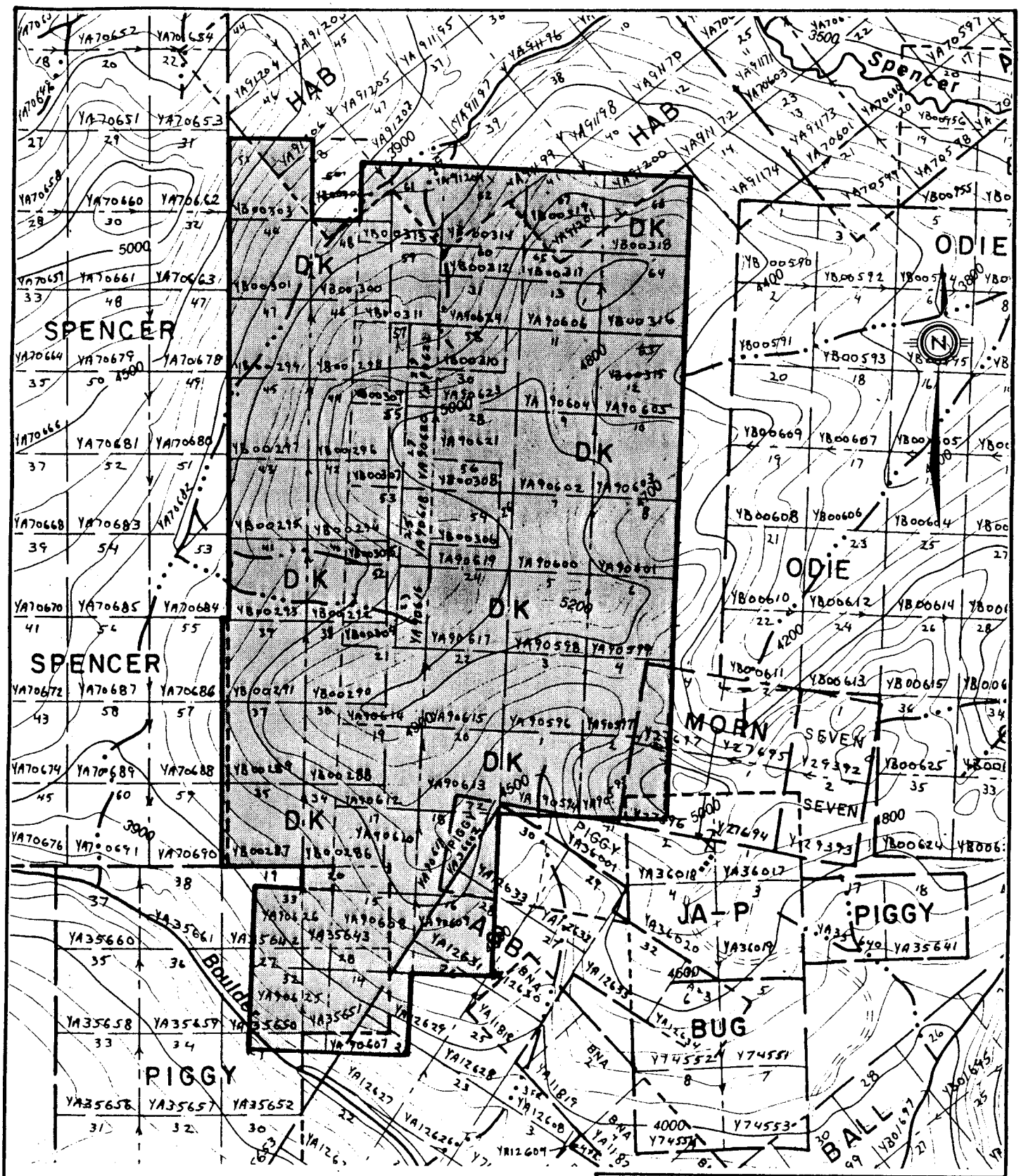

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METRES
0 500 1000

GREENWOOD VENTURES CORPORATION

DK PROPERTY

WATSON LAKE MINING DISTRICT, YUKON TERRITORY

CLAIM MAP

F. MARSHALL SMITH CONSULTING INC.

DATE:	SCALE:	FIGURE No.
DECEMBER, 1987	1 : 30,000	2

HISTORY

Prospecting in the area began in the 1870's with the discovery of placer gold on Liard River and its tributaries, Rainbow, Scurvey, Sayyea and Cabin Creeks. In subsequent years, the area was largely neglected, except during the 1930's when bush flying came into practice. With construction of the Alaska Highway in 1942, prospecting was renewed but was generally restricted to the country adjacent to the Highway (Poole *et. al.*, 1960). During the 1950's and 1960's, interest was again regenerated in the district with the discovery of silver-lead-zinc mineralization and tungsten mineralization in several localities.

One of the tungsten prospects, the Fiddler, is located immediately south of the DK property. It consists of a series of wolframite (tungsten) and cassiterite (tin) bearing quartz veins in Lower Cambrian sediments. In the 1950's, extensive underground development was undertaken and a small mill built, the mill was later destroyed when a forest fire swept the area in the late 1950's.

The Rancheria area is currently undergoing extensive exploration activity following a series of new discoveries of silver mineralization. Most notably at the CMC and Meister properties 30 kilometres to the north and northwest of the DK, the Oro and Jack claims 10 kilometres to the north, and the Butler Mountain property 10 kilometres to the south. Regional Resources Midway project is 25 kilometres to the south, and Keno Hill's Freer creek property is 15 kilometres to the southwest. All these properties show similar styles of lead-zinc mineralization with zones of high grade silver and form what is known as the Rancheria Silver Belt.

The DK property was originally owned by Goldex Resources Ltd of Toronto, Ontario until 1986. These claims expired in March, 1987 and the property was staked for McCrory Holdings (Yukon) Ltd. In July 1986, Sunrise Metals Corporation optioned the property and carried out a work programme on the property in the summer of 1986.

During the summer and fall of 1987, Greenwood Ventures Corporation retained Searchlight Resources Inc., a private geological consulting company, to carry out an exploration programme on the DK property. The results of this work are described in this report.

REGIONAL GEOLOGY

The following description of the regional lithology and structural geology is condensed from a report by Lowey and Lowey, 1986.

LITHOLOGY

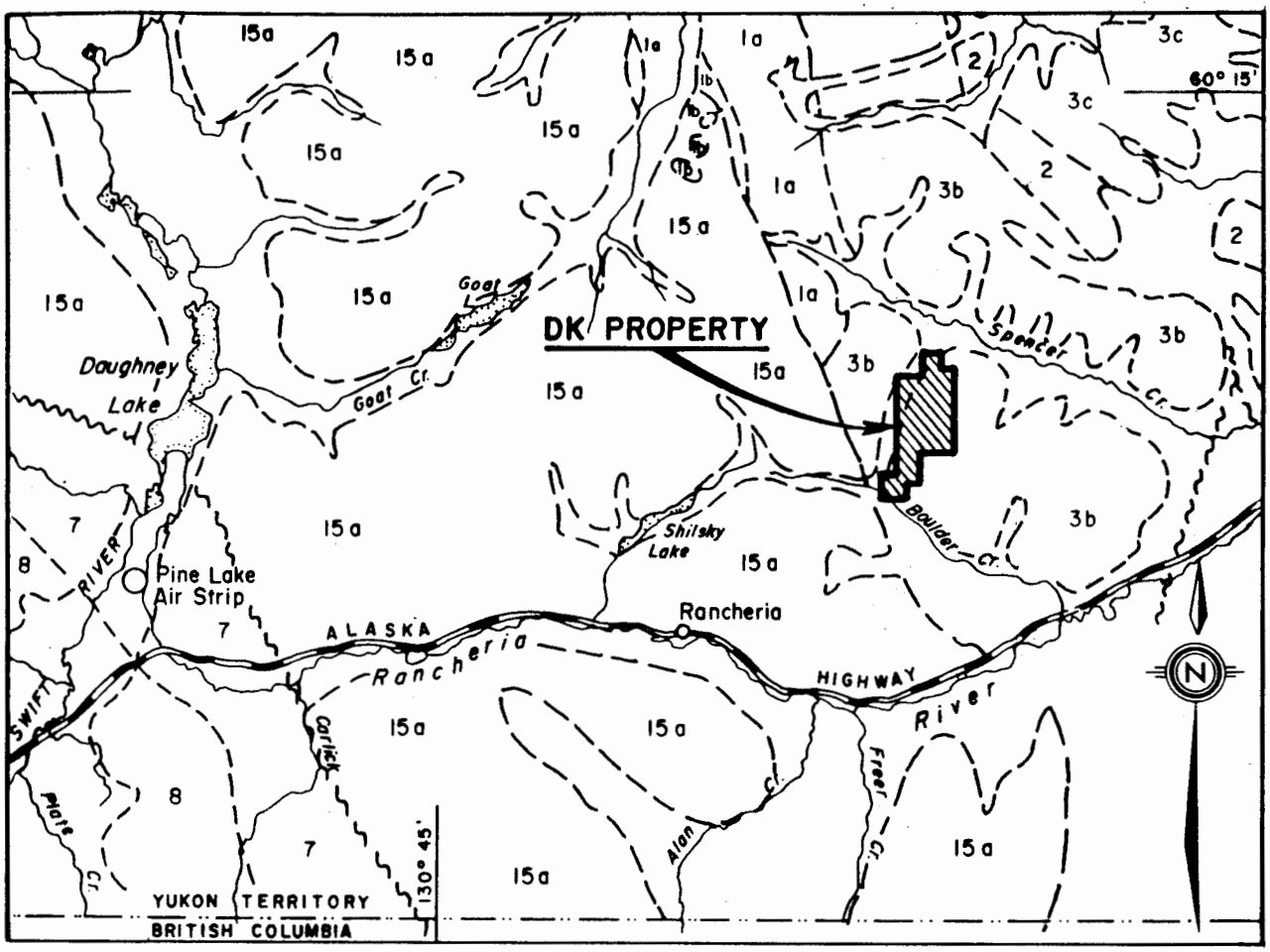
The region around the property can be divided generally into three belts of diverse rock types: Palaeozoic sedimentary rocks of the Cassiar Platform underlie the property and the area to the east; metamorphosed Carboniferous volcanic and sedimentary rocks of the Yukon Cataclastic Terrane underlie the area several kilometres to the west; and Cretaceous plutonic rocks of the Cassiar Batholith underlie the area between these two belts.

Palaeozoic strata includes: Cambrian quartzite, phyllite, interbedded limestone and phyllite, limestone and dolostone (Atan Group); Cambro-Ordovician phyllite and hornfels (Kechika Group); Siluro-Devonian dolostone, siltstone, quartzite and limestone (Sandpile Group); Devonian limestone (McDame Group); and Devono-Mississippian quartzite, metaconglomerate and phyllite (Earn Group). These sediments were deposited in a shallow, marginal marine basin on the western edge of North America.

Metamorphosed Carboniferous strata includes Mississippian andesite and intercalated chert (Sylvester Group) and Mississippian-Pennsylvanian mylonite, quartzite and dolostone (unnamed unit). These rocks were thrust over the Palaeozoic strata in Late Jurassic - Early Cretaceous time.

The Cassiar Batholith, consisting predominately of granite and granodiorite, intruded both the Palaeozoic and Carboniferous strata in Early Cretaceous time.

Large scale movement on several right-lateral transcurrent faults (*i.e.* Tintina, Kechika and Cassiar) occurred during Late Cretaceous - Early Tertiary time and was followed by widespread emplacement of Tertiary dykes and veins.



LEGEND

CRETACEOUS

15a CASSIAR BATHOLITH– quartz monzonite

DEVONIAN AND MISSISSIPPIAN

8 Chert, hornfels, argillite, quartzite & limestone

7 Greenstone, schist, quartzite, phyllite, slate & chert.

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LOWER CAMBRIAN

3b Limestone, dolomite, slate & phyllite

3c Limestone, argillite & slate

PRECAMBRIAN(?) AND PALAEOZOIC

CAMBRIAN AND (?) EARLIER

2 Quartzite, minor slate and phyllite, quartz grit and fine pebble conglomerate 2a, phyllite, minor slate; 2b, hornfels.

1 Probably metamorphic equivalents of 2; 1a, biotite schist and quartzite; 1b, marble and skarn; 1c, biotite schist and quartzite with sills, dykes, and irregular bodies of pegmatite; 1d, biotite schist and gneiss.

Overburden

KILOMETRES
0 5 10

GREENWOOD VENTURES CORPORATION

DK PROPERTY

WATSON LAKE MINING DISTRICT, YUKON TERRITORY

REGIONAL GEOLOGY

F. MARSHALL SMITH CONSULTING INC.

DATE:	SCALE:	FIGURE No.
DECEMBER, 1987	1: 250,000	3

STRUCTURE

The regional structural trend in the area of the DK property is northwest, similar to that throughout most of the Cordillera. Poole *et. al.*, (1960) recognized that the dominant structure is an anticlinal area occupied by the Cassiar Batholith which is flanked to the east and west by major northwest trending synclines. Poole *et. al.* (1960) suggested that Lower Palaeozoic strata to the southeast of the property is isoclinally folded, but the repetitive nature of the strata (*i.e.* alternating bands of quartzite and limestone) together with the absence of certain stratigraphic units (*i.e.* phyllite, interbedded limestone and phyllite and dolostone), indicates that northeasterly directed imbricate thrust faulting may have occurred.

Three distinct phases of structures are recognized in the Rancheria area. The first phase (F1) includes bedding and slaty cleavage. The second phase (F2) trends northwest and includes crenulation cleavage and associated lineations and folds. The third phase (F3) is approximately 90^{O} to the second phase and trends easterly to northeasterly. The latter phase includes jointing and associated lineations and folds.

It has been suggested by Abbott (1984) after Gabrielse (1985) that the second and third phase structures are both related to the lateral transcurrent fault movement along the Kechika, Cassiar and Tintina fault zones. It is hypothesized that the stress field generated by these major faults could produce northwest trending "synthetic shears" (F2) and easterly to northeasterly trending "antithetic shears" (F3) as well as northerly trending extensional faults.

MINERALIZATION

Several different types of mineral occurrences lie within the Rancheria district. These include quartz and carbonate veins containing galena, sphalerite, freibergite, tetrahedrite, pyrite and minor chalcopyrite in granite of the Cassiar Batholith and in Lower Cambrian sediments; replacement-type galena-sphalerite deposits with minor silver in the Lower Cambrian sediments; wolframite-cassiterite-bearing quartz veins in Lower Cambrian sediments; galena-sphalerite-bearing quartz veins in Carboniferous mylonite and quartzite; and tungsten-bearing skarns in roof pendants within the Cassiar Batholith.

Most of the silver-rich mineral occurrences in the district exhibit similar characteristics which suggest a common genesis. The presence of silver-lead-zinc mineralization in quartz and carbonate veins appears to be controlled by three parameters:

(1) the presence of a group of rocks with relatively high background values in silver, lead and zinc (*i.e.* the Lower Cambrian sediments),

(2) close proximity to the margin of the Cassiar Batholith,

(3) northeast to east trending (F3) jointing and faulting accompanied by injection of hydrothermal solutions of approximately 50 Ma age.

A proposed genetic model for silver mineralization is as follows (after Boyle, 1965 and Lowey and Lowey, 1986):

(a) Early Cretaceous intrusion of the Cassiar Batholith into the Lower Cambrian sediments which concentrates silver, lead and zinc along its margins (replacement-type deposits),

(b) Late Cretaceous-Early Tertiary dextral movement on large transcurrent faults such as Tintina, Kechika and Cassiar Faults which led to the development of a northeast to east trending fracture system,

(c) Early Tertiary (50 Ma) volcanism and dyke emplacement related to transcurrent fault movement resulting in a rise of the geothermal gradient and convective heat flow,

(d) Hydrothermal solutions migrate along the northeast to east trending fracture system in the now enriched granites and Lower Cambrian sediments and minerals precipitate in dilatant zones. Several phases of injection take place temporally related to the fracturing event and dyke emplacement.

Vein mineralogy typically consists of galena, sphalerite, pyrite and chalcopyrite with lesser amounts of arsenopyrite, freibergite, tetrahedrite and pyrrhotite. The galena is bladed or very fine grained, and commonly dendritic and occurs in parallel to oscillating bands of sulphide and gangue. Zinc is in bands only with tetrahedrite, giving a common association of freibergite with galena and tetrahedrite with sphalerite. The most common gangue minerals are quartz and siderite.

The vein-wallrock contact is generally sharp, indicating that the veins are fissure fillings. Alteration envelopes surrounding the veins range from nonexistent up to 30 metres wide and are of the carbonate rich "epithermal" type. Veins are sometimes intimately associated with a dark green andesitic dyke which appears to have intruded along the fractures before, during and possibly after the mineralized solutions. Weathered surfaces are almost always intensely manganese oxide stained, and retain only low silver values.

The replacement-type galena-sphalerite deposits with minor silver, the wolframite-cassiterite-bearing quartz veins, the galena-sphalerite-bearing quartz veins and the tungsten-bearing skarns in roof pendants all appear to be temporally associated with the intrusion of the Early Cretaceous Cassiar Batholith and contain much less silver than the Early Tertiary veining event. The galena in these deposits has simple cubic structure, and forms coarse crystals. The zinc generally forms massive replacement pods with or without galena.

PROPERTY GEOLOGY

The DK claims are underlain by northwest striking Lower Palaeozoic sediments of the Atan Group consisting primarily of interbedded limestone and phyllite with occasional massive limestone and dolostone.

The limestone is light grey, weathers light grey-brown, and is finely crystalline. The phyllite is medium grey and weathers light grey to light silvery grey. Both limestones and phyllite beds are generally less than 100 mm in thickness and are highly folded and cut by numerous faults and minor shears.

No detailed geological mapping was carried out on the DK property during 1986. Trench geology as supplied by Rich (1987) for the Pie and Hammer Zones is shown on figures 5 and 6. Details of the trench geology for the PHD Zone (fig. 7) were obtained during the 1987 work programme.

MINERALIZATION

Several silver bearing quartz and carbonate veins occur on the property. These veins are all recent discoveries and were primarily found by looking for manganese oxide coatings and were probably overlooked by the early prospectors due to their recessive weathering nature.

To date, the mineralization of this type found on the property is composed of galena and freibergite with lesser amounts of sphalerite, pyrite and arsenopyrite in quartz and carbonate veins. The veins pinch and swell considerably, reflecting the dilatant areas or "rolls" in the fault zones they are filling.

Initial prospecting early in 1986 uncovered the presence of abundant manganese oxide stained fragments on the higher parts of the property. Detailed prospecting accompanied by hand trenching revealed a series of east to northeast trending mineralized fractures at approximately 32 metre intervals. Prospecting also discovered several northwesterly trending structures which appeared to be better mineralized.

The prospecting in 1986 gave sufficiently encouraging results to warrant continuing exploration through bulldozer and blast trenching. The trenching initially concentrated on exposing the east to northeast trending fractures such as the N and L zones. Emphasis then shifted to the wider northwesterly trending structures. Three strongly mineralized shears were uncovered on the property; the Pie, the Hammer and the M.B. zones. Detailed prospecting in July, 1987 led to the discovery of a number of new zones in addition to those discovered in 1986. These new zones were usually revealed by the presence of manganese alteration. The Parallel Zone was found as a result of the discovery of float samples of galena with high silver values of 66.5 and 61.8 oz/ton. The PHD, (the southerly extension of the M.B. Zone) Gully and DS Zones were also discovered at this time, (fig. 4). Detailed maps of the more important zones are included as figures 5 to 7.

The Pie, Hammer and M.B. zones on the DK property, unlike other silver-rich veins in the Rancheria area, strike northwesterly. These veins appear to have formed along the "synthetic" (F2) structures related to the transcurrent Kechika, Cassiar and Tintina fault zones. The N, L and Gully zones are more typical of the region and probably formed along "antithetic" (F3) structures. The style of mineralization in both types of vein is the same as other silver deposits in the area.

The sampling carried out in 1986 indicates the presence of silver in grab samples up to 260 ounces/ton with lead values up to 70 per cent. The preliminary sampling on the DK property in 1987 gave values up to 66.5 ounces/ton silver from grab samples. The assay results are summarized in Tables 1 and 2.

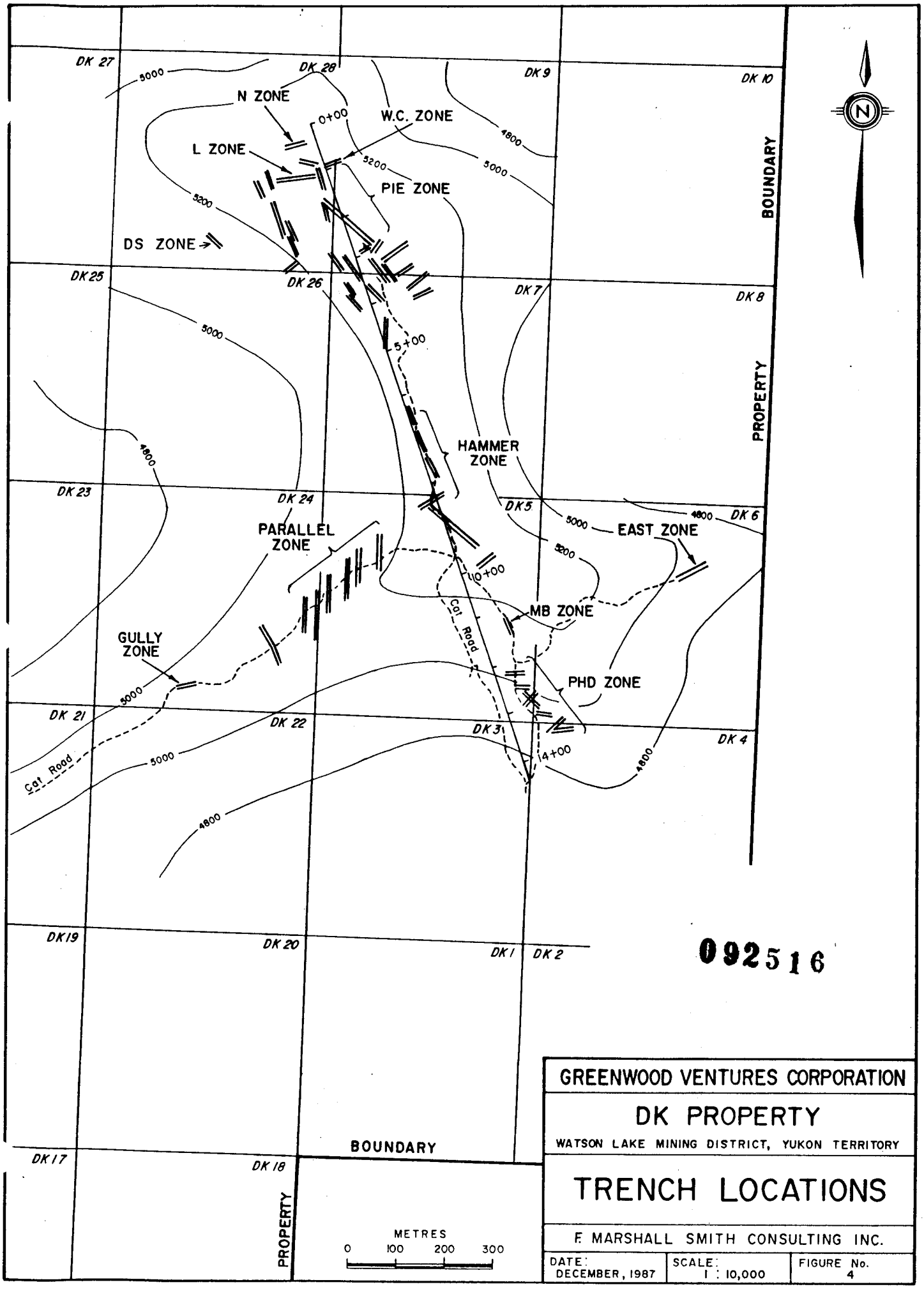
Table 1 1987

SAMPLE NO.	Silver (oz/ton)	Gold (oz/ton)	Lead (%)	Zinc (%)
Pie Zone				
35057	5.83		0.26	0.07
35058	20.8		4.29	0.76
Gully Zone				
35062	1.57		3.73	3.13
35063	19.10		23.5	4.50
Parallel Zone				
35051	66.5		77.3	0.05
35052	61.8		78.5	0.04
35053	41.1		77.4	0.22
35064	0.36		0.69	0.12
35065	0.08		0.14	0.29
35066	0.32		0.56	0.09
35067	0.03		0.02	0.01
DS Zone				
35054	7.99		11.5	24.6
East Zone				
35055	1.31		1.26	0.30
PHD Zone				
35068	5.83		14.1	1.06
35069	9.54		7.75	0.07
35070	8.46		11.45	1.36
35071	1.20		0.97	0.11
35072	0.80		1.55	0.95

The 1986 sample results shown in Table 2 are from assay certificates supplied by McCrory Holdings (Yukon) Ltd., and cannot be verified as to exact location and width of sample. The assay and sample location data shown on figures 5 and 6 are from a report by Rich (1987) for Sunrise Metals Corporation and similarly cannot be verified as being representative of the zones. All assay values should be considered as being from grab samples.

Table 2 1986

SAMPLE NO.	Silver (oz/ton)	Gold (oz/ton)	Lead (%)	Zinc (%)
N Zone				
N1	8.99			
N2	0.75			
L Zone				
Lil 1	15.00			
L1	2.12			
L2	1.85			
WC Zone				
11-001	2.74	.016	9.30	6.73
11-002	1.93	.012	6.08	3.30
11-003	2.04	.002	8.40	1.15
W.C. 1	1.92			
Pie Zone				
Pie #1	260.0		56.0	
Hammer Zone				
Contact + 10'N	63.0		70.0	
Centre - small vein	46.0			
Centre - large vein	37.3		46.5	
Centre + 10' south	62.4		71.5	
Centre + 20' south	70.6		79.4	
1 south + 5' south	39.6		71.0	
1 south + 20' south	56.9		67.6	
13432	65.8			
North	53.7			
2 south	43.7			
3 south	21.0			
MB Zone				
51-001	0.70	<.002	8.74	0.54
51-002	1.37	.002	18.10	0.76
53-001	16.90	.006	42.70	0.15
53-002	33.80	.015	57.00	0.25
54-001	4.36	<.002	22.50	1.07
54-002	1.58	.002	5.84	1.97
54-003	7.23	.041	10.80	0.64



GREENWOOD VENTURES CORPORATION

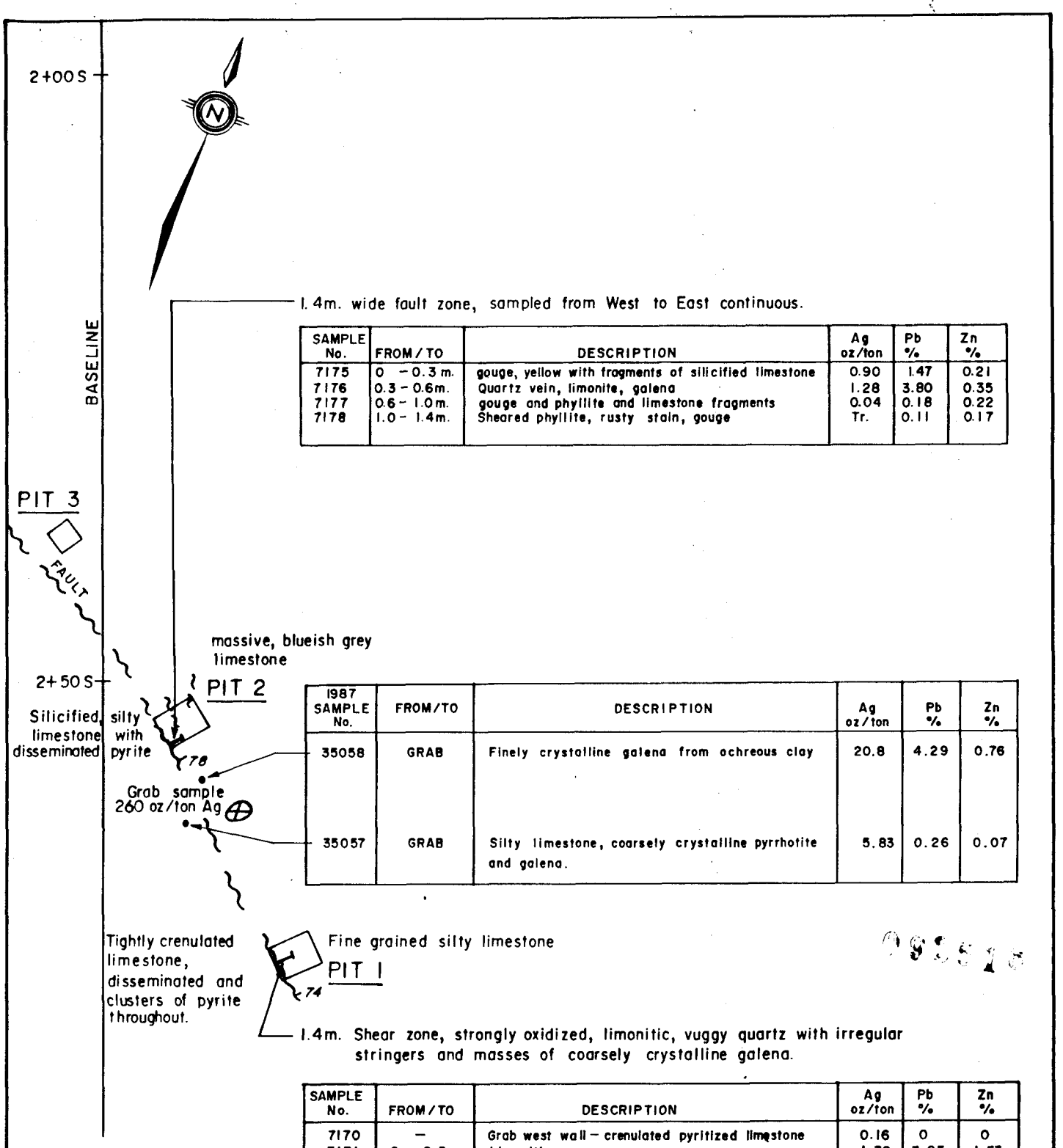
DK PROPERTY

WATSON LAKE MINING DISTRICT, YUKON TERRITORY

TRENCH LOCATIONS

F. MARSHALL SMITH CONSULTING INC.

DATE:	SCALE:	FIGURE No.
DECEMBER, 1987	1 : 10,000	4



SAMPLE No.	FROM / TO	DESCRIPTION	Ag oz/ton	Pb %	Zn %
7175	0 – 0.3 m.	gouge, yellow with fragments of silicified limestone	0.90	1.47	0.21
7176	0.3 – 0.6m.	Quartz vein, limonite, galena	1.28	3.80	0.35
7177	0.6 – 1.0m.	gouge and phyllite and limestone fragments	0.04	0.18	0.22
7178	1.0 – 1.4m.	Sheared phyllite, rusty stain, gouge	Tr.	0.11	0.17

1987 SAMPLE No.	FROM/TO	DESCRIPTION	Ag oz/ton	Pb %	Zn %
35058	GRAB	Finely crystalline galena from ochreous clay	20.8	4.29	0.76
35057	GRAB	Silty limestone, coarsely crystalline pyrrhotite and galena.	5.83	0.26	0.07

SAMPLE No.	FROM / TO	DESCRIPTION	Ag oz/ton	Pb %	Zn %
7170	–	Grab west wall – crenulated pyritized limestone	0.16	0	0
7171	0 – 0.5m.	Limonitic gouge	1.30	3.05	1.53
7172	0.5 – 0.9 m.	Quartz vein, limonite, phyllite and galena	0.68	3.24	0.86
7173	0.9 – 1.4m.	gouge with fragments, limestone phyllite and quartz	0.34	0.74	0.48
7174		Coarse nodule crystalline galena (7.5 cm)	54.16	79.51	0.13

GREENWOOD VENTURES CORPORATION

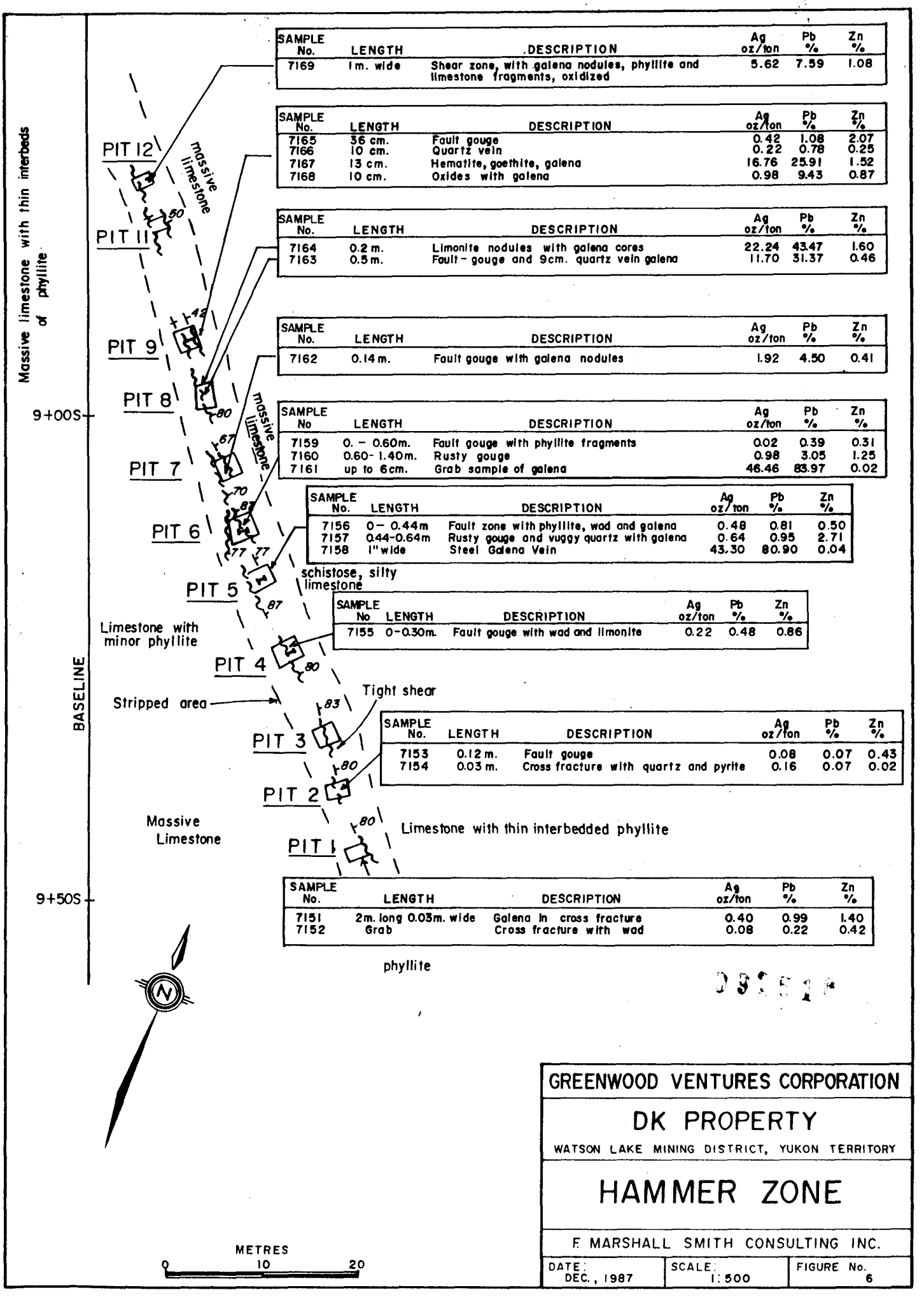
DK PROPERTY

WATSON LAKE MINING DISTRICT, YUKON TERRITORY

PIE ZONE

F. MARSHALL SMITH CONSULTING INC.

DATE	SCALE	FIGURE No.
DEC., 1987	1:500	5



SAMPLE No.	LENGTH	DESCRIPTION	Ag oz/ton	Pb %	Zn %
7169	1m. wide	Shear zone, with galena nodules, phyllite and limestone fragments, oxidized	5.62	7.59	1.08

SAMPLE No.	LENGTH	DESCRIPTION	Ag oz/ton	Pb %	Zn %
7165	36 cm.	Fault gouge	0.42	1.08	2.07
7166	10 cm.	Quartz vein	0.22	0.78	0.25
7167	13 cm.	Hematite, goethite, galena	16.76	25.91	1.52
7168	10 cm.	Oxides with galena	0.98	9.43	0.87

SAMPLE No.	LENGTH	DESCRIPTION	Ag oz/ton	Pb %	Zn %
7164	0.2 m.	Limonite nodules with galena cores	22.24	43.47	1.60
7163	0.5 m.	Fault - gouge and 9cm. quartz vein galena	11.70	31.37	0.46

SAMPLE No.	LENGTH	DESCRIPTION	Ag oz/ton	Pb %	Zn %
7162	0.14 m.	Fault gouge with galena nodules	1.92	4.50	0.41

SAMPLE No	LENGTH	DESCRIPTION	Ag oz/ton	Pb %	Zn %
7159	0. - 0.60m.	Fault gouge with phyllite fragments	0.02	0.39	0.31
7160	0.60- 1.40m.	Rusty gouge	0.98	3.05	1.25
7161	up to 6cm.	Grab sample of galena	46.46	83.97	0.02

SAMPLE No.	LENGTH	DESCRIPTION	Ag oz/ton	Pb %	Zn %
7156	0 - 0.44m	Fault zone with phyllite, wad and galena	0.48	0.81	0.50
7157	0.44-0.64m	Rusty gouge and vuggy quartz with galena	0.64	0.95	2.71
7158	1" wide	Steel Galena Vein	43.30	80.90	0.04

SAMPLE No	LENGTH	DESCRIPTION	Ag oz/ton	Pb %	Zn %
7155	0-0.30m.	Fault gouge with wad and limonite	0.22	0.48	0.86

SAMPLE No.	LENGTH	DESCRIPTION	Ag oz/ton	Pb %	Zn %
7153	0.12 m.	Fault gouge	0.08	0.07	0.43
7154	0.03 m.	Cross fracture with quartz and pyrite	0.16	0.07	0.02

SAMPLE No.	LENGTH	DESCRIPTION	Ag oz/ton	Pb %	Zn %
7151	2m. long 0.03m. wide	Galena in cross fracture	0.40	0.99	1.40
7152	Grab	Cross fracture with wad	0.08	0.22	0.42

GREENWOOD VENTURES CORPORATION

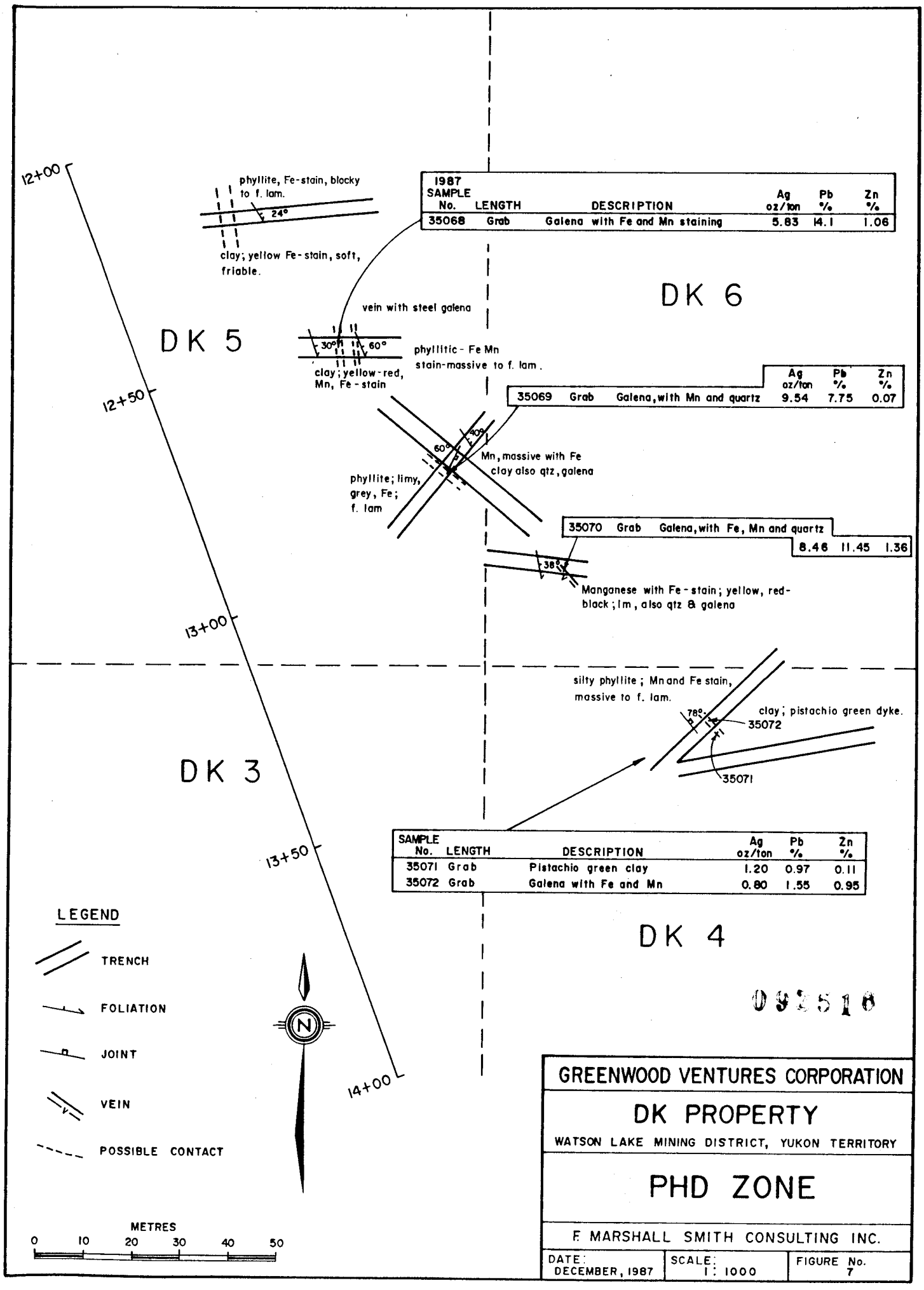
DK PROPERTY

WATSON LAKE MINING DISTRICT, YUKON TERRITORY

HAMMER ZONE

F. MARSHALL SMITH CONSULTING INC.

DATE:	SCALE:	FIGURE No.
DEC., 1987	1:500	6



1987 SAMPLE No.	LENGTH	DESCRIPTION	Ag oz/ton	Pb %	Zn %
35068	Grab	Galena with Fe and Mn staining	5.83	14.1	1.06
35069	Grab	Galena, with Mn and quartz	9.54	7.75	0.07
35070	Grab	Galena, with Fe, Mn and quartz	8.46	11.45	1.36

SAMPLE No.	LENGTH	DESCRIPTION	Ag oz/ton	Pb %	Zn %
35071	Grab	Pistachio green clay	1.20	0.97	0.11
35072	Grab	Galena with Fe and Mn	0.80	1.55	0.95

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GREENWOOD VENTURES CORPORATION

DK PROPERTY

WATSON LAKE MINING DISTRICT, YUKON TERRITORY

PHD ZONE

F. MARSHALL SMITH CONSULTING INC.

DATE:	SCALE:	FIGURE No.
DECEMBER, 1987	1: 1000	7

CONCLUSIONS

The DK property has excellent potential for being developed into a significant silver deposit for several reasons.

1.0 The property is in a favourable geological environment. It is underlain by Lower Cambrian sediments along the eastern margin of the Cassiar Batholith which have undergone extensive shearing. These shear zones form excellent pathways for the movement and deposition of silver-rich solutions.

2.0 Significant silver mineralization (up to 260 ounce/ton) is present on the property filling dilatant shear zones along a strike length of 1,700 metres.

3.0 The silver mineralization discovered on the DK property conforms to the style of other properties in the Rancheria Silver Belt such as Silver Hart's CMC claims and Yukon Mineral Corporation's ORO property.

4.0 Access to the property is excellent with the Alaska Highway eight kilometres to the southeast along an easily upgraded gravel road.

RECOMMENDATIONS

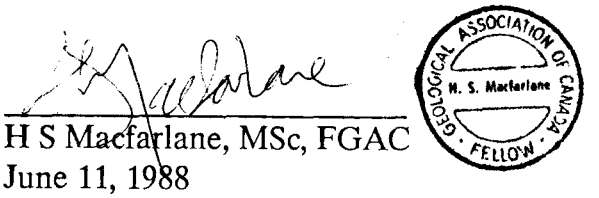
A continuing programme of exploration is recommended on the DK property with emphasis on mapping of lithology and structure and continued surface trenching with details as follows.

1.0 Carry out further prospecting on the property to locate additional mineralized shear zones.

2.0 Geologically map the area of the trenches to determine the structural controls for mineralization and identify targets for further trenching.

3.0 Trench and sample the areas of favourable geology and/or mineralization utilizing an excavator or backhoe.

4.0 Continued trenching utilizing a bulldozer and possibly blasting to increase the depth of trenches into unweathered bedrock to obtain representative samples for assay.



H S Macfarlane, MSc, FGAC
June 11, 1988

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BUDGET

The following is the estimated cost of carrying out the recommended programme on the DK property.

Salaries and wages	$35,000
Geology, camp, support	$35,000
Excavator, bulldozer	$60,000
Mob/Demob	$6,000
Equipment Rental	$6,000
Transport	$3,500
Assays	$3,900
Report & office	$5,000
Total Phase I	**$154,400**

H S Macfarlane, MSc, FGAC
June 11, 1988

GEOLOGICAL ASSOCIATION OF CANADA · H. S. Macfarlane · FELLOW

COST STATEMENT

Exploration Programme (July 21 - August 11, 1987)

Salaries

D. Nelles, 0.6 day @ $187.50	112.50
S. Coombes, 6.9 days @ $187.50	1,293.75
H. Macfarlane, 0.4 day @ $187.50, 10 days @ $262.50	2,625.00
D. Rachinski, 14 days @ $165	2,310.00
P. Dasler, 1 day @ $325	325
T. Nielsen	56.25
F. M. Smith, 2 days @ $483.50	967.00

Mob-demob, room & board and share of general operating expenses	14,651.30
Supplies	12.78
Transportation, travel	318.79
Contract wages	1,800.00
Analytical expenses	776.55
Drafting, maps	514.32
Checking staked boundaries	1,110.72
Miscellaneous office expenses	45.88
Equipment rental	2,652.50
Trenching equipment rental	18,928.47
Total	**$48,575.81**

CERTIFICATE

I, H. S. Macfarlane, do hereby certify that:

1. I am a consulting geologist, resident in Vancouver, British Columbia.

2. I am a graduate in geology of the University of London, (B.Sc. Honours, 1976), and of the University of Leicester, (M.Sc., 1981).

3. I am a Member of the Institution of Mining and Metallurgy, London, a Registered Chartered Engineer of the Engineering Council, London, and a Fellow of the Geological Association of Canada.

4. I have practiced my profession as a geologist in Africa and the Cordillera of North America continuously since 1976.

5. The information in the attached report is based on the supervision of the 1987 exploration programme on the DK property, Yukon.

6. I have no interest, direct or indirect, in the property herein described, nor do I expect to receive any such interest.

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H S Macfarlane, MSc, FGAC
June 11, 1988.

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