

GOLDBEAM RESOURCES LTD.

GEOLOGY AND MINERAL OCCURRENCES
OF THE
WHITESHELL MINERAL CLAIMS
STAR LAKE, MANITOBA

by

John D. Godfrey, P.Geol.

October 12, 1983

Edmonton, Alberta

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GOLDBEAM RESOURCES LTD., WHITESHELL PROPERTY.

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MINERAL PROPERTY

Through its wholly owned subsidiary, Whiteshell Ventures Ltd., Goldbeam Resources Ltd. is the 100% owner of a contiguous group of twenty three (23) patented mineral claims and fractions totalling 787.48 acres (Figure 2). The claims are located in the West Hawk Lake Section of the Lac du Bonnet Mining Division, in the Province of Manitoba. The property is subject to a royalty of 3 3/4 percent of the ore value at the smelter (less ore trucking costs) payable to Homestake Exploration Ltd. The claim block is situated some 100 miles east of Winnipeg, Manitoba, and 40 miles west of Kenora, Ontario. A two mile-long paved road connects the main workings to the Trans Canada Highway.

The period of particularly active exploration and development (1935 to 1946) is fairly well documented by the supervising consultant mining geologist at that time, Dr. J.F. Wright. This technical information is supplemented by extensive news releases, correspondence, and newspaper reports during the same period of time. All of the foregoing information has been gleaned from the extensive files of the Manitoba Department of Mines. More recently, R.W. Hutchinson (1973), C.W. Kuryliw (1973 to 1976) and J.D. Godfrey (1980 to 1983) have examined the property. Hutchinson conducted a cursory examination of the surface showings. Kuryliw carried out geological mapping and a ground magnetometer survey on a scale of 1 inch equals 200 feet. Godfrey cleaned, mapped and sampled the main showings in some detail.

GENERAL GEOLOGY

The Falcon Lake-Star Lake-West Hawk Lake area is underlain by a pile of volcanoclastic deposits (Archean, Kaewatin age) consisting of pillow lavas, agglomerates, and tuffs with minor metasedimentary phases,

including black chert. The volcanic deposits are associated with gneissic granite and are intruded by a porphyritic pink granite batholith in the west and the centrally located Falcon Lake Stock. The 2 x 5 km stock is zoned, having a gabbro, granodiorite, quartz-feldspar porphyry rim with a quartz monzonite core (Figure 1). Subsequent deformation has isoclinally folded the volcanic deposits, most of which are now steeply dipping between 70 and 90 degrees.

The Falcon Lake Stock is noticeably elongated in a northeasterly direction. The stock is probably a multiple intrusion into the root zone of this volcanic complex. A secondary easterly rift zone is probably represented by the elongated easterly protrusion of dioritic gabbro.

MINERAL OCCURRENCES

Numerous gold occurrences are known both in the volcanoclastic deposits and within the Falcon Lake Stock. Gold-quartz shear zones in the volcanoclastic deposits are particularly concentrated in an aureole within 3,000 feet of the exposed Falcon Lake Stock. The major gold occurrences of the region are to be found in the Falcon Lake Stock. They are contained in siliceous pipe-like bodies and in en echelon stacked vein structures. The principal gold deposits have been extensively explored on surface, underground, and by drilling from both surface and underground workings.

The Goldbeam property covers all the major known deposits of the Falcon Lake Stock and is underlain 90 percent by the stock granitoids and 10 per cent by the adjacent volcanoclastic deposits.

ECONOMIC GEOLOGY OF THE PRINCIPAL GOLD OCCURRENCES

Following discovery of gold in 1912, intensive prospecting and exploration led to uncovering several major prospects in the Star Lake district. Exploration and development of the Star Lake property was

particularly active between 1935 and 1946 but operations ceased due to lack of funds. The property has essentially lain dormant until renewed interest was stimulated by the increase in precious metal prices in recent years.

Early exploration was largely concerned with gold values; silver assays are rarely mentioned in the early reports. Recent sampling and assays reveal a widely significant silver content that adds to the present-day value of the deposits.

The Goldbeam property is very well situated with respect to the present-day infrastructure. Both the Trans Canada Highway and a high-voltage electrical power transmission line pass through the property. The resort settlement of Falcon Lake is situated six miles from the Sunbeam deposit, and both the CNR and CPR trackage pass within seven miles of the property.

The Goldbeam property lies within the Whiteshell Provincial Park which entails some conditions in regard to mining and milling activities. Provincial approval has been granted to operate an open-pit and underground mining operation. A projected 200 ton/day millsite is currently under investigation, eleven miles from the principal deposits, outside of the Whiteshell Provincial Park.

Following is a summary of the economic geology and status of each of the five principal gold occurrences, located on the four adjacent claims: Sunbeam, Sundog, Waverley and Moonbeam (Figure-2). Many other gold showings are known and require further exploration on the Goldbeam property.

1. The Sunbeam Deposit consists of replacement gold mineralization in a silicified pipe-like body situated near the quartz monzonite-granodiorite contact within the Falcon Lake Stock. The gold mineralization is accompanied by minor sulfides: pyrite, arsenopyrite, galena, sphalerite

and chalcopyrite. The pipe has a surface area expression of about 2,200 square feet and plunges at 55 to 65 degrees in a north 30 degrees west direction.

The deposit was explored underground by an inclined 438 foot deep development shaft sunk down dip on the mineralized pipe. Levels were cut at inclined depths of 100, 200, 300 and 425 feet. Further underground exploration consisted of: 905 feet of drifts and crosscuts; 245 feet of raises; 64 diamond drill holes totalling 3,939 feet; and over 2,200 core, channel and sludge sample assays. Underground development work has disclosed either a fault displaced lower section of the Sunbeam pipe, or the beginning of a second pipe, at the 3rd and 4th levels (Figure 3). Wright's descriptions and conclusion suggest a second pipe has been encountered beneath the 3rd level fault. Several diamond drill holes put down from the 4th level show that the pipe deposit and ore grade continue beyond 475 feet to an undetermined depth; i.e. the pipe remains open to depth.

A bulk sample (probably from surface) treated by the metallurgical ore-dressing laboratories of the Federal Government Mines Branch, Ottawa, in 1928 assayed 0.31 ounces of gold and 0.19 ounces of silver per ton. In 1940, a bulk sample of 4,693 tons of ore from above the 200 and 425 foot levels was shipped to the Kenricia Mill, Kenora. The gold values obtained from this custom milling have been open to some question as the results led to a legal dispute. Ore cars sampled at the mine averaged 0.226 ounces of gold per ton, whereas the mill returned 0.17 ounces of gold per ton.

A tabulation of the proven reserves and average grade of the Sunbeam deposit, based on the development work of Wright at the surface and four underground levels, is given in Table 1. The ore grades in this tabulation are based on all high gold assays cut back to one ounce per ton. The overall tonnage and grade for the Sunbeam deposit, as far as the explored inclined depth of 475 feet, is shown to be 107,850 tons at 0.268 ounces per ton.

Inasmuch as all underground workings are full of seepage water the only part of the orebody presently available for check sampling is the surface outcrop. Godfrey recently took a series of 130 chip-channel samples from the hydraulically cleaned outcrop of the Sunbeam pipe as a means of checking the earlier reported gold assays, the limits and nature of mineralization, and to determine the silver content of the deposit. The assay results of this surface sampling and a comparison with those of Wright are presented in Table II.

Wright's weighted average gold assays from surface outcrop (A1, Table II) show 0.268 and 0.263 ounce per ton for unadjusted grade and cut grade (high assays cut to 2 ounces per ton) respectively. A combination of weighted average gold assays from surface outcrop over a similar area for Godfrey and Wright (B3, Table II) yields 0.267 and 0.250 ounces per ton for unadjusted and cut grade (high assays cut to 2 ounces per ton) respectively. Thus, the earlier gold assay values reported by Wright seem to have been corroborated by this recent rigorous resampling. Silver values have been established in the 0.5 ounce per ton range.

The extensive hydraulic cleaning of the outcrop surface surrounding the Sunbeam exploration shaft allowed detailed mapping and sampling to slightly enlarge and perhaps better define the ore body at surface since the time of Wright's initial work. Visible gold was not noted in the present study, although it was reported from surface and underground in Wright's work. The most notable mineralization at surface includes: abundant pyrite, with arsenopyrite, and much smaller amounts of galena, sphalerite, pyrrhotite, and chalcopyrite. The highest gold values are associated with sphalerite and galena in well-silicified quartz monzonite.

Metallurgical tests on ore samples by the Federal Mines Branch and more recently by Bacon, Donaldson and Associates Ltd., suggest that a typical extraction technique, using jig, mercury, and cyanide, will yield gold recoveries in the order of over 98 percent from both oxidised and fresh ore types.

The difficulty in calculating a reliable average gold value for this ore deposit reflects the classical problem of obtaining representative samples where the distribution of gold mineralization is erratic, partly coarse in nature, and with local high-grade patches and stringers. A review of over 2,200 assays from systematic underground development, check assays from the surface expression of the ore body, and the bulk sample (4,693 tons) test from underground point to an average grade of between 0.17 and 0.27 ounces gold per ton. The volume of assay data places a minimum of 0.17 ounces per ton on the Sunbeam orebody. At the end of the development programme on the Sunbeam orebody, on December 14, 1938, Wright stated that "In mining, I believe that the following estimates (shown in Table I) will be found to represent closely the true conditions (i.e. gold values)". In the concluding paragraph of the same report, Wright stated "The mine is now about ready for production and the present crew within two months can be ready to supply 150 tons of ore daily".

2. The Moonbeam Showings are in a banded, silicified, partly altered section of the quartz monzonite-diorite contact zone of the Falcon Lake Stock. The Moonbeam pipe-like structure is very similar in character to that of the Sunbeam deposit, 800 feet across a muskeg to the southeast. During the development phase of the Sunbeam deposit in the late 1930's, one technical report refers to a third silicified pipe within the muskeg, situated between the Sunbeam and Moonbeam occurrences.

The Moonbeam showings have been explored by trenches and limited diamond drilling from surface. Two sets of alteration-shear zones are oriented north-easterly and north-westerly. Diamond drilling located the Moonbeam Extension (Figure 4), a mineralized zone proven to a depth of 200 feet. Wright estimated the grade to be 0.22 ounces gold per ton for 100 tons per vertical foot. Recent surface sampling of the alteration-shear zones in the cleaned-out trenches largely returned low values in both gold and silver.

3. The Waverley mineralization is related to closely spaced shear zones that cut the host dioritic rim rock of the Falcon Lake Stock. The Waverley 3-compartment vertical production shaft was sunk in 1945-46 to 500 feet, with levels cut at 150, 300 and 450 feet. This shaft was to provide both an exploratory underground access to deposits already drilled from surface (Letain six veins, and Sundog vein) and a production access for the Sunbeam pipe deposit from the 450 foot level. A cross cut was driven 1,250 feet towards the Sunbeam deposit, but fell short of the target by 200 to 250 feet. It appears that a raise inclined at 75 degrees southeast, was put through to the surface (Waverley Raise) from this cross cut along a gold-arsenopyrite-quartz northeast trending shear zone.

Drifting, cross cutting and diamond drilling took place at all underground levels. To the southwest the Letain B and C were intersected on the 150 foot level. The Letain deposits appear to be a series of parallel, stacked, en echelon, mineralized shear zones, dipping at 30 degrees southeast. The geometry, tonnage and grade for each of the principal Letain deposits (A, B and C) are presented in Table III.

At the 150 foot level intensely altered and sheared diorite up to 16 feet wide contain vein quartz, abundant sulfides and visible gold. Mineralized branch zones gave assays averaging 0.10 to 0.25 ounces of gold per ton across widths from 30 to 40 inches. At the 300 foot level, drifts and diamond drilling intersected a shear zone which assayed 0.03, 0.07, and 0.29 ounces gold per ton across an average width of 29 inches.

4. The Sundog mineralization occupies a shear zone striking north 20 degrees east and dipping 85 degrees west, cutting the Falcon Lake Stock near the quartz monzonite-diorite contact. This gold-bearing zone has been outlined by 16 diamond drill holes totalling over 1,300 drill footage.

The mineralized shear zone was shown to be 625 feet long, up to 4 feet wide, with an average (uncut) grade of 0.91 ounces gold per ton. This, the richest gold occurrence on the property is still an unknown quantity underground. The drifting and crosscutting from the Waverley shaft was insufficient to reach the Sundog vein situated some 200 to 300 feet beyond the Letain group of structures (Figure 4).

Table III summarises each of the principal deposits on the Goldbeam Resources Ltd. Whiteshell Property in terms of: nature and geometry of mineralization, amount and type of exploration work, estimated tonnages and grades. The tonnage for the Sunbeam pipe deposit is regarded as proven ore in view of the large number and close spacing of assayed samples. The distance between samples was typically 2 to 3 feet, and was never more than 5 feet. The tonnage outlined for the Letain deposits can be regarded as probable ore in view of the limited amount of underground development and channel samples taken, and the moderate amounts of diamond drilling. The tonnage estimates based on surface diamond drilling on the Sundog and Moonbeam occurrences can be regarded as possible ore.

Conclusions

1. Gold and silver mineralization of the Sunbeam deposit is associated with a partly brecciated, pipe-like body of elliptical cross section, within the Falcon Lake Granitoid Stock. This mineralization is accompanied both by pervasive silicification and concentric, elliptically-shaped quartz bands, and sulfides - pyrite, arsenopyrite and minor galena, pyrrhotite, chalcopyrite and sphalerite. The associated mineralization is used as a guide to exploration for precious metals within the deposit. Galena and sphalerite are especially associated with high-grade ore sections, usually within a fairly pervasive, intense degree of alteration.
2. The Sunbeam pipe (inclined at 55 degrees at surface and steepening to 65 degrees at depth) has been explored by an inclined development shaft to a depth of 438 feet. Four levels have been cut down the shaft and the mineralization has been shown to be consistent and continuous from surface to this depth. Diamond drilling from the bottom level shows the same mineralization to extend another 50 feet and the pipe remains open. The pipe is offset for a few feet along minor faults, and by 65 feet on a fault encountered at the 300 foot level.
3. The Sunbeam pipe appears to increase in cross-sectional area with depth. Furthermore, it assumes a more elongate (easterly) form with depth, especially evident at the bottom (425 foot) level. This elongation may be influenced by a fundamental rift zone, thought to be associated with the Falcon Lake subvolcanic granitoid complex. Should there be a connection between the formation of the Sunbeam and nearby pipe deposits with a volcanic rift zone, then these silicified pipes could prove to be of a deep-seated common origin.

4. Wright drew attention to differences in the character of the Sunbeam pipe, above and below the 300 foot level fault, and suggested that indeed two pipes may have been encountered in the Sunbeam underground workings. If such is the case then a second exploration target is close at hand. Coupled with the presence of the Moonbeam pipe and reference in an early report to the sighting of a separate pipe in the adjacent muskeg, the ultimate exploration targets could encompass 3 or even 4 siliceous pipes within a lateral distance on surface of 900 feet.
5. Recent resampling and assays from the outcrop of the Sunbeam pipe confirm the earlier exploration work of Wright and show precious metals to be present within a similar economic range and average values.
6. The perimeter of the Sunbeam orebody established at surface by Wright has been enlarged in the course of the recent mapping and sampling program by Godfrey. Further enlargement of the ore body to depth is a very reasonable expectation.
7. Corroboration of Wright's assay results from surface suggests that his assays reported from underground development will also be substantiated when check sampling is possible after dewatering of the Sunbeam shaft.
8. Underground development from the Waverley shaft has outlined potential ore bodies at the Letain A, B and C. The richest diamond drill-indicated gold occurrence on the Goldbeam property, the Sundog vein, remains untested underground.
9. Aside from the Sunbeam pipe, Letain A, B, C, and Sundog veins, other gold occurrences on the property worthy of further exploration include: Sunbeam extension, Sunbeam southwest, Moonbeam pipe, Moonbeam extension, and the Waverley Raise shear zone. The prospect of a siliceous pipe concealed in the muskeg between the Moonbeam and Sunbeam occurrences provides an intriguing exploration target.

10. Of further exploration interest are 18 magnetic-low anomalies identified in the course of Kuryliw's ground magnetometer survey over 40 per cent of the property. Three of these anomalies coincide with major mineral showings (Sunbeam, Moonbeam, Letain) and may relate to areas of significant silicification. The remaining untested magnetic lows may serve as a useful guide for future exploration.

Recommendations

1. Grade of the Sunbeam pipe deposit needs to be confirmed at each of the four levels underground. Dewatering and rehabilitation of the exploration shaft will be a necessary preliminary operation.
2. Ore reserves of the Sunbeam deposit need to be enlarged; the depth potential of the mineralized pipe and the extent of mineralization in the 300 foot level fault should be explored in the course of an underground diamond drill program.
3. Lateral enlargement of the Sunbeam pipe deposit to depth can be achieved through a limited underground diamond drill program from the established levels.
4. The surface and underground workings in and nearby the Sunbeam shaft require surveying.
5. The Sunbeam Extension shear zone should be further explored, especially towards the Sunbeam pipe deposit, by surface diamond drilling.
6. Geophysical and geochemical exploration surveys should be undertaken in the search for the reported third siliceous pipe in the muskeg between the Sunbeam and Moonbeam pipe occurrences.
7. With the development of tonnage and grade at depth on the Sunbeam pipe deposit a feasibility study should be undertaken to determine the viability of a commercial operation.

8. Consequent upon the former being favourably assessed, all supporting services (including electrical power, machine shop, etc,) need to be established at the Sunbeam site, and the site prepared for open pit production.

9. Concurrent with the mine production preparations the mill site requires environmental and engineering evaluations preliminary to obtaining Government approvals for development and utilization.

GOLDBEAM RESOURCES LTD.

PROJECTED BUDGET
EXPLORATION/DEVELOPMENT PROGRAM
WHITESHELL PROPERTY
FALCON LAKE, MANITOBA

\$ \$

PHASE I

SUNBEAM PIPE DEPOSIT

- | | |
|--|---------|
| 1. Dewater and rehabilitate exploration inclined shaft | 100,000 |
| 2. Survey of underground workings | 15,000 |
| 3. Underground check sampling, diamond drill for depth and lateral extensions of pipe deposit (2,000 feet), assays | 80,000 |

SUNBEAM 300 FOOT LEVEL FAULT

- | | |
|---|---------------|
| 4. Diamond drill for continuity of mineralization, trace to surface, (1,000 feet), assays | <u>40,000</u> |
|---|---------------|

TOTAL PHASE I

235,000

PHASE II

SUNBEAM PIPE DEPOSIT

- | | |
|---|--------|
| 1. Further underground diamond drilling to extend dimensions of silicified pipe(s) (1,000 feet), assays | 40,000 |
|---|--------|

SUNBEAM FAULT (SURFACE)

- | | |
|---|--------|
| 2. Geophysical exploration | 20,000 |
| 3. Diamond drill for underground and surface extension of mineralization (2,000 feet), assays | 80,000 |

SUNBEAM EXTENSION SHEAR ZONE

- | | |
|--|--------|
| 4. Check continuity, extent, especially towards Sunbeam pipe, (1,000 feet), assays | 40,000 |
|--|--------|

SILICEOUS PIPE IN MUSKEG

- | | |
|--|--|
| 5. Geophysical and geochemical exploration for siliceous | |
|--|--|

pipe reported in muskeg between Sunbeam and Moonbeam occurrences	10,000
<u>SUNDOG SHEAR</u>	
6. Diamond drill for continuity and depth of mineralization (2,000 feet), assays	80,000
<u>SUNDOG BRANCHES</u>	
7. Diamond drill fault zones (1,000 feet), assays	40,000
<u>MILL SITE</u>	
8. Environment and engineering assessments, and acquire necessary Government approvals for mill operation	<u>75,000</u>
TOTAL PHASE II	<u>385,000</u>
TOTAL PHASE I AND PHASE II	620,000
<u>PHASE III</u>	
<u>WAVERLY SHAFT</u>	
1. Install exploration headframe and surface facilities	120,000
2. Dewater and rehabilitate underground workings	150,000
3. Survey underground and surface facilities	45,000
4. Complete crosscut to Sunbeam pipe deposit and Sundog vein	800,000
5. Underground exploration - diamond drilling (5,000 feet), assays	200,000
6. Map and sample underground workings, assays	50,000
<u>PRE-PRODUCTION OPERATIONS</u>	
7. Engineering feasibility study, mine development plans, final preparations for open-pit production	100,000
8. Establish on-site services, electrical power supply, machine shop	<u>35,000</u>
<u>TOTAL PHASE III</u>	<u>1,500,000</u>
TOTAL PHASE I, PHASE II, AND PHASE III	<u><u>2,120,000</u></u>

CERTIFICATE OF DECLARATION

I, JOHN DERRICK GODFREY, of the Municipality of Edmonton, Alberta, do hereby certify that:

- (1) I am a professional geologist, residing at 8208 - 139 Street, Edmonton, Alberta T5R 0G4.
- (2) I am a graduate of the University of Nottingham (1950) into a Bachelor of Science (B.Sc.) degree in the combined subjects of Geology and Physics; and a graduate of the University of Chicago with a Master of Science (M.S.) degree in Geology (1955) and a Doctor of Philosophy (Ph.D.) degree in Geology (1962).
- (3) I have practised my profession continuously since graduation whilst being employed by such agencies as The University of Chicago, The University of Alberta, Research Council of Alberta, and the Canadian International Development Agency. I have also undertaken numerous short-term independent projects during the past thirty (30) years.
- (4) I have no interest, either direct or indirect, in the properties reported in this document, nor do I expect to acquire any such interest.
- (5) I am a member in good standing of the Association of Professional Engineers, Geologists, and Geophysicists of Alberta, the Edmonton Geological Society, and a fellow of the Geological Association of Canada.

Dated at the City of Edmonton,
in the Province of Alberta,
this 12th day of October, 1983

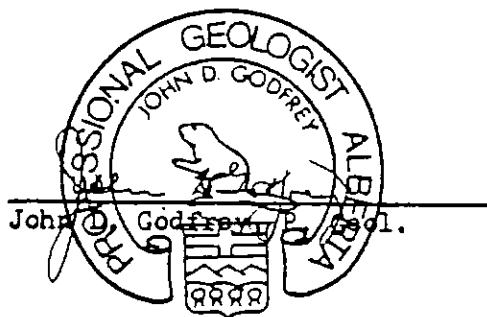


TABLE I: DISTRIBUTION OF DEVELOPMENT - PROVEN ORE RESERVES FOR THE SUNBEAM DEPOSIT

(J.F. Wright Data)

FOOTAGE DOWN PIPE (Feet)	AREA ORE BODY (Square Feet)	TONNAGE (Short Tons)	GRADE* (oz/ton)	\$ 600/oz Au	\$ VALUE @ \$400/oz Au
Surface	0 - 50	3,825	.376	\$ 862,920	\$ 575,280
1st Level	50 - 150	4,725	.120	340,200	226,800
		13,500	.469	3,798,900	2,532,600
2nd Level	150 - 250	10,000	.131	786,000	524,000
		13,200	.409	3,237,280	2,159,520
3rd Level	250 - 350	13,300	.120	957,600	638,400
		9,000	.397	2,143,800	1,429,200
4th Level	350 - 475	11,000	.124	818,400	545,600
	Not known	9,375	.429	2,413,125	1,608,750
Fault Zone		13,125	.117	921,375	614,250
		6,800	.258	1,052,640	701,760
		<u>107,850</u>	<u>.268</u>	<u>\$17,332,240</u>	<u>\$11,556,160</u>

* Based on check sampling Wright gave full weight to sludge assays, but all other assays were cut back; assays from \$35 to \$50 were cut to \$20, and those above \$50 were cut to \$35.

** Following ground sluicing recent estimates show a minimum increased surface area of the exposed orebody to be 2,269 square feet.

TABLE II: GRADE* ESTIMATES FOR OUTCROP SAMPLES OF SUNBEAM DEPOSIT
BASED ON ASSAYS FOR WRIGHT AND GODFREY

	UNADJUSTED GRADE		CUT GRADE**	
	Au (oz/t)	Ag (oz/t)	Au (oz/t)	Ag (oz/t)
0.2678	N.D.	0.2627	N.D.	
0.151	0.589	0.102	0.266	
0.3642	N.D.	0.3634	N.D.	
0.221	0.501	0.198	0.421	
0.267	0.501	0.250	0.421	

A. Weighted averages for all available assays from surface outcrop

(1) Wright, 69 channel samples representing
276.4 lineal feet

(2) Godfrey, 130 chip-channel samples representing
443.5 lineal feet

B. Weighted averages for assays within the projected ore
body only

(1) Wright, 48 channel samples representing
199.5 lineal feet

(2) Godfrey, 95 chip-channel samples, representing
280 lineal feet***

(3) Godfrey, 95 samples, plus Wright, 22 samples (Au only)
representing 390.1 lineal feet****

* Raw data compiled and reduced by John D. Godfrey

** All assays for Au over 2 oz/t are reduced to 2 oz/t

*** All assays for Ag over 4 oz/t are reduced to 4 oz/t

**** Exclusive of high-grade zone around shaft opening, now covered by a concrete slab and not available for sampling

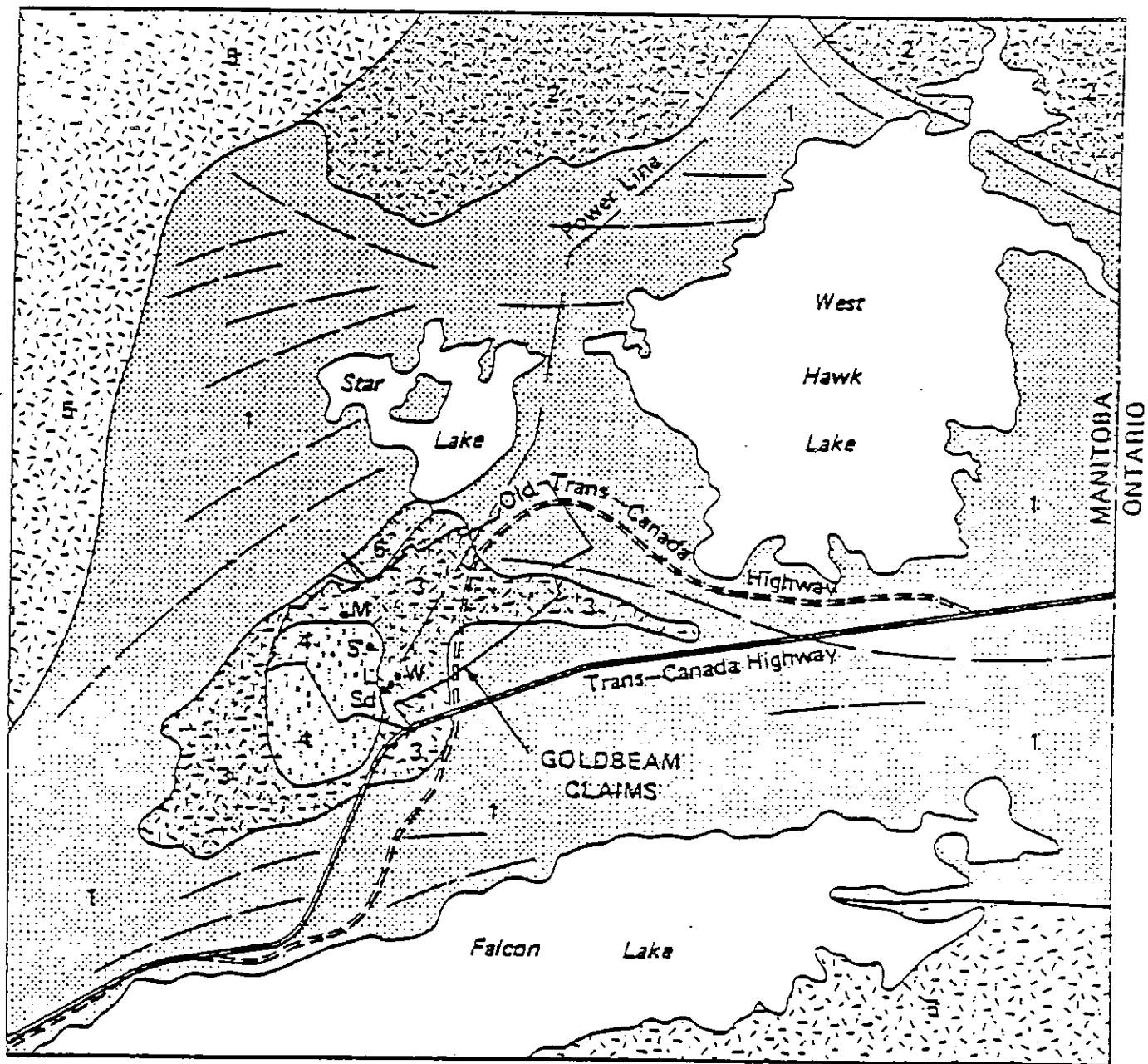
***** Inclusive of high-grade zone around shaft opening and rubble-covered areas, as sampled by Wright
N.D. Not done

TABLE III: SUMMARY* OF GOLD DEPOSITS AND EXPLORATION STATUS - GOLDBEAM RESOURCES LTD., WHITESHELL PROPERTY, MANITOBA







DEPOSIT	DIMENSIONS and SHAPE	TONNAGE	GRADE	EXPLORATION DATA	
				Estimates	Max. Depth Methods
Name	Type		Estimates	Max. Depth	Methods
UNBEAM	Pipe in Falcon Lake Stock	110,000 tons	0.268 oz/t (cut grade)	475 feet (Inclined) 430 feet (vertical)	Inclined shaft 438 feet, 4 levels established. Drifts total 905 feet 92 surface D.D.H. total 10,000 feet Over 2,300 assays
GOLDBEAM	Pipe in Falcon Lake Stock	20,000 tons (100 t/vert. ft)	0.22 oz/t (cut grade)	200 feet	Surface D.D.H.
ETAIRN A	300 x 7.8 ft. wide	78,000 tons	0.447 oz/t (cut grade)	400 feet	Vertical shaft to 500 feet, 3 levels. Drifts total 3,300 ft.
ETAIRN B	Six shear zones en echelon in Falcon Lake Stock	110,000 tons	0.303 oz/t (cut grade)	400 feet	91 surface D.D.H. total 27,940 feet
ETAIRN C	350 x 9.2 ft. wide	106,000 tons	0.277 oz/t (cut grade)	400 feet	Underground D.D.H. total 1,300 feet
UNDOG	Shear zone in Falcon Lake Stock	80,000 tons	0.91 oz/t (uncut grade)	400 feet	16 surface D.D.H. Total over 1,300 feet

Information based on numerous reports by Dr. J.F. Wright and Manitoba Mines Branch records, covering the period 1937 to 1946.

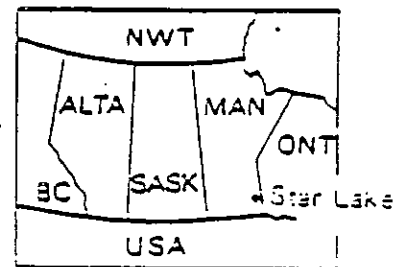
GEOLOGICAL SETTING



LEGEND

- | | |
|--|---|
|  Quartz-Feldspar Porphyry |  Granodiorite, Gabbro |
|  Granite |  Granite Gneiss |
|  Quartz Monzonite |  Lava, minor sedimentary rocks |
| --- Structural trends in lavas and sedimentary rocks | |

0 1 2 km



KEY MAP

Based on Davies, 1954.

Figure 1. Geological setting of the Falcon Lake Stock (Units 3, 4, and 6) and its related mineral occurrences.

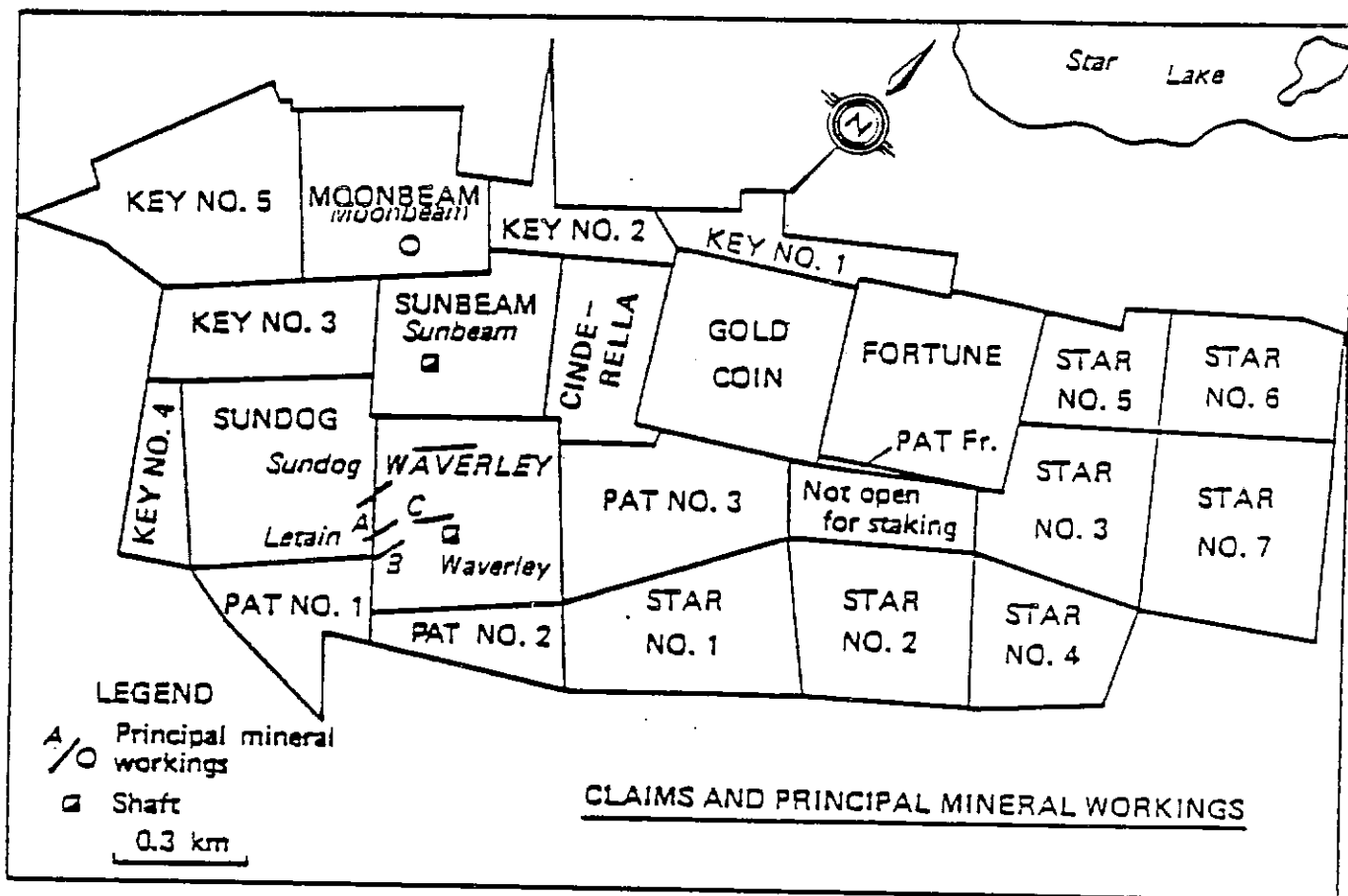


Figure 2.

The 23 mineral claims and fractions owned 100 percent by Goldbeam Resources Ltd.

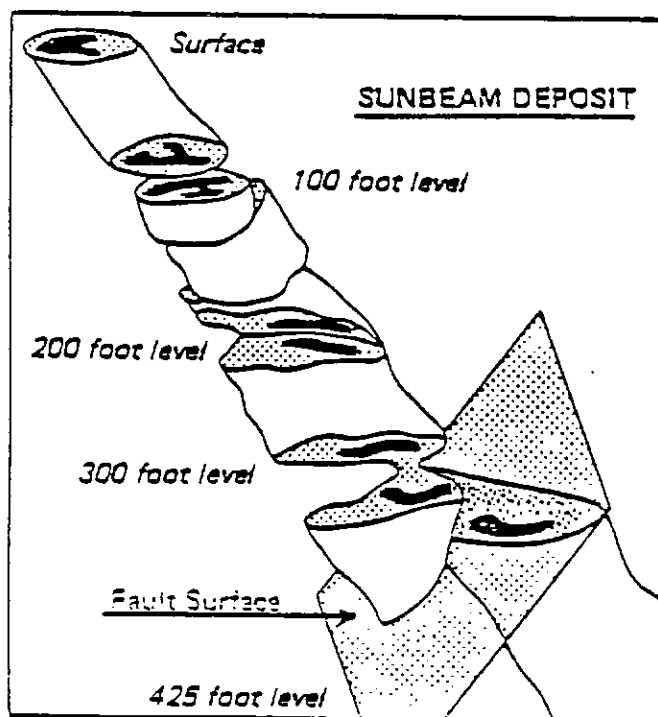


Figure 3.

Reconstruction of the pipe-like mineral deposit (stipple) after Lang, Geological Survey of Canada, 1970.

The mineral pipe, plunging at 56° , contains irregular shoots having a higher gold content (black) than the pipe as a whole. The fault zone is also mineralized.

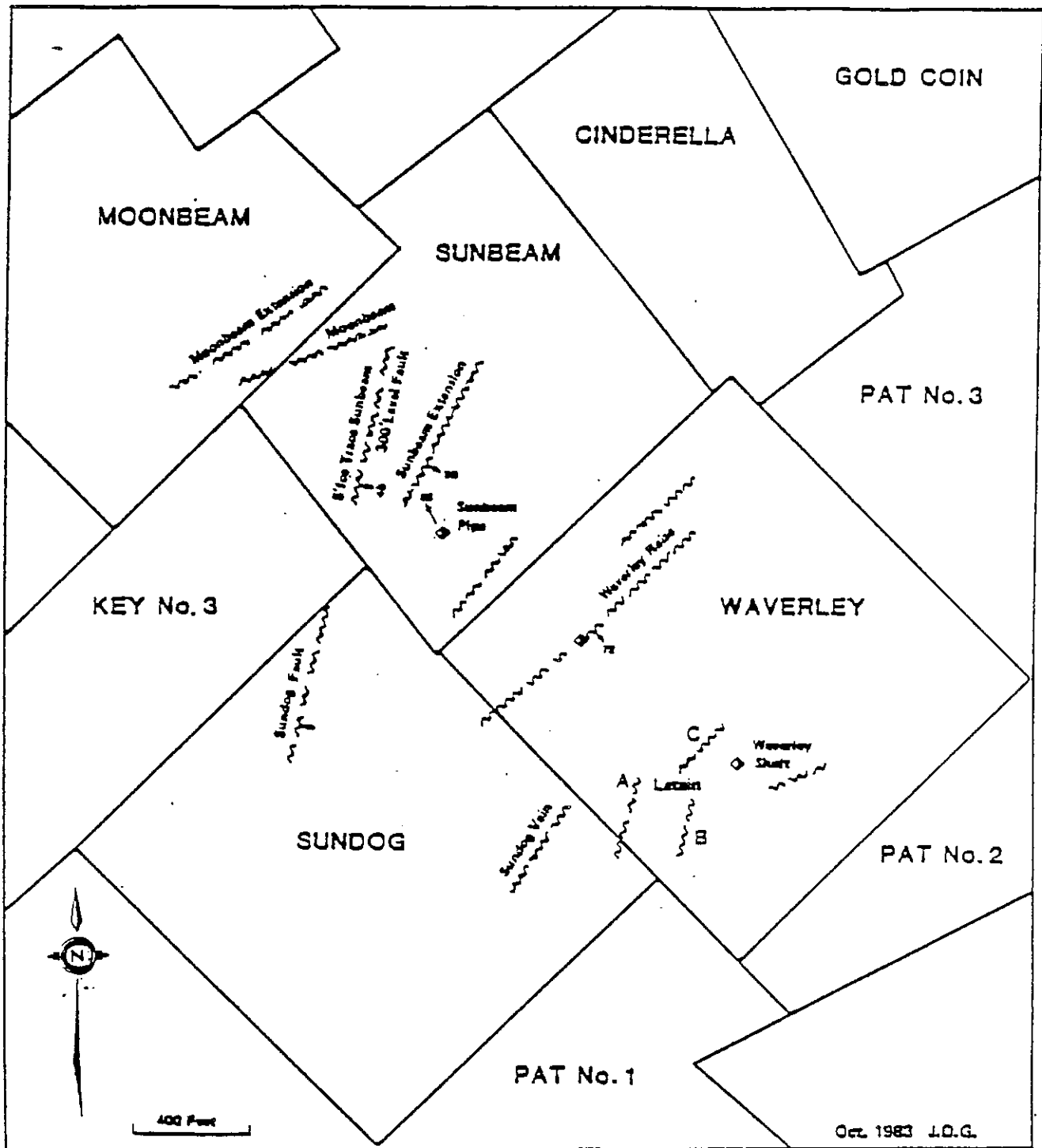


Figure 4. Principal mineralized structures and surface workings on the Whiteshell Property, Man. of Goldbeam Resources Ltd. Modified from a sketchmap by J.F. Wright, March 1, 1945.

Rejects Retained one month.
 Pulps Retained one month
 unless specific arrangements
 made in advance

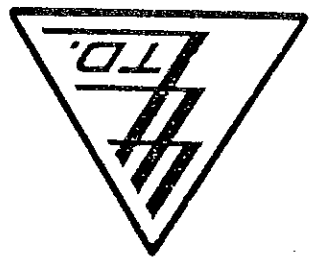
Handwritten signature

ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES
 J. G. GARDNER THAT THE ABOVE RESULTS ARE THOSE

SAMPLE No.	OZ./TON GOLD	OZ./TON SILVER
J.G.-80-28		
# 1	.010	.54
# 2	2.360	.76
# 3	.060	.26
# 4	.010	.58
# 5	.010	.30
# 6	.480	.76
# 7	.140	.56
# 8	Trace	.28
# 9	Trace	.12
# 10	Trace	.40
J.G.-80-29		
# 1	.010	.08
# 2	.840	.60
# 3	1.560	1.36
# 4	3.580	1.38
# 5	1.800	.62
# 6	.020	.24
# 7	.010	.26
# 8	.010	.16

LORING LABORATORIES LTD.

Certificate of ASSAY



To: GOLDBEAM RESOURCES LTD.,
 Box 8629, Station "L",
 Edmonton, Alberta
 ATTN: H.R. Currie

File No. 20656
 Date January 6, 1981
 Samples Rock Chip

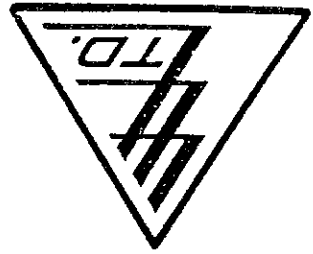
Rejects Retained one month.
 Pulp Retained one month.
 unless specific arrangements
 made in advance.

Verabü Qertitü THAT THE ABOVE RESULTS ARE THOSE
 ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES

SAMPLE No.	OZ./TON GOLD	OZ./TON SILVER
J.G.-80-29 Cont'd		
# 9	.010	.12
# 10	.050	.30
# 11	.010	.04
<hr/>		
J.G.-80-30		
# 1	.010	.14
# 2	Trace	.06
# 3	Trace	.02
# 4	Trace	.08
# 5	.010	.02
# 6	Trace	.06
# 7	Trace	.04
# 8	Trace	.02
<hr/>		
J.G.-80-31		
# 1	.010	.08
# 2	.070	.04
# 3	.030	.06
# 4	Trace	.02
# 5	Trace	.08
# 8	Trace	.02

LORING LABORATORIES LTD.

Certificate of ASSAY



ATTN: H.B. Currie
 Edmonton, Alberta
 Box 8629, Station "11",
 GOLDSTREAM RESOURCES LTD.

File No. 20656
 Date January 6, 1981
 Samples Rock Chip

Rejects Retained one month.
 Pulps Retained one month
 unless specific arrangements
 made in advance

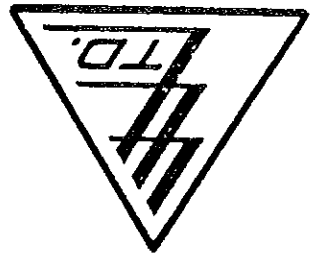
[Handwritten signature]

I hereby Certify THAT THE ABOVE RESULTS ARE THOSE
 ASSAYS MADE BY ME UPON THE HEREIN DESCRIBED SAMPLES . . .

SAMPLE No.	OZ./TON GOLD	OZ./TON SILVER
J.G.-80-31 Cont'd	.010 # 6	.04
	.010 # 7	.02
	Trace # 8	.06
	Trace # 9	.02
	# 10	.04
J.G.-80-5	# 1	.04
	# 2	.08
J.G.-80-8	# 1 B	.06
	# 4	.02
	# 5	.04
J.G.-80-9	# 1	.02
	# 2	.06
	# 3	.08
	# 4	.02
	Trace	.02
	.010	.06
	.160	.08
	.070	.02

LORING LABORATORIES LTD.

Certificate of
 ASSAY



To: GOLDBRAM RESOURCES LTD.,
 Box 8629, Station "11",
 Edmonton, Alberta
 ATTN: H.R. Currie

File No. 20656
 Date: January 6, 1981
 Samples: Rock Chip

Rejects Retained one month.
 Pulp Retained one month
 unless specific arrangements
 made in advance.

[Handwritten signature]

I hereby certify that the above results are those
 assays made by me upon the herein described samples . . .

# 6	.070	.06
# 7	.160	.07
# 8	.050	.02
# 9	.060	.06
# 10	.180	.08
# 11	.280	.06

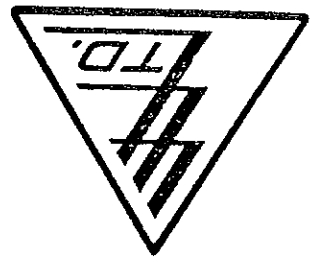
J.G.-80-9 cont'd

SAMPLE NO.	OZ./TON GOLD	OZ./TON SILVER
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Page # 4

LORING LABORATORIES LTD.

Certificate of
 ASSAY



to: GOLDBEAM RESOURCES LTD.,
 Box 8629, Station "T",
 Edmonton, Alberta
 ATTN: H.R. Currie

File No. 20656
 Date January 6, 1981
 Samples Rock Chip

Date: Sept. 25-31

7

Sample No.	Description	oz/ton Au	oz/ton
80-9-3		.27	111
6		.02	"
10		.24	"
11		.16	"
80-28-2		.21	"
6		.06	"
7		1.16	"
10		.03	"
80-49-2		.50	"
3		1.43	"
4		8.58	"
5		10.03	"
10		1.07	"
80-33-6		.37	"
80-34-4		.44	"
8		.07	"
30-35.13		.21	"
80-36-15		.37	"
80-37-5		.92	"
7		1.34	"
9		.07	"
11		.18	"
80-38-10		.43	"
12		.55	"
15		.52	"

Assayer:

111