R.W. PHENDLER, P. Eng., GEOLOGICAL CONSULTANT,
EXPLORATION AND MINING
7380 DECOURY CRES., RICHMOND, B.C. V7C 4E9 (604) 271-2588

GEOLOGICAL BRANCH
ASSESSMENT REPORT

11,110

GEOLOGICAL REPORT

on the

CUB CLAIMS (CUB 2, 4, 11 and 12)

BEDWELL RIVER AREA
ALBERNI MINING DIVISION, BRITISH COLUMBIA
NTS 92F/5

for

GOLDEN HINDE MINES LTD.
(owner and operator)

by

R.W. PHENDLER, P. ENG.

Vancouver, Canada
November 18, 1982
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## ILLUSTRATIONS

- **Fig. 1** - Location Map - 1" = 250 Miles - frontispiece
- **Fig. 2** - Location Map of property - 1" = 8 Miles - page 11
- **Fig. 3** - Geological Map of property - 1: 50,000 - page 12
PART "A"

SUMMARY AND CONCLUSIONS

Lying within the Bedwell River group of gold quartz vein properties, the Cub property consists of an east-west striking quartz vein that can be traced intermittently for 430 meters. It lies within the Bedwell Batholith (quartz diorite) but like most gold quartz veins on Vancouver Island, it is probably related to later Tertiary dykes and stocks.

The Cub property is located within and close to the south boundary of the Strathcona Provincial Park about 35 kilometers north of Tofino in west central Vancouver Island.

The Bedwell River gold quartz veins were discovered in 1938-1939 and have been favourably compared to the Zeballos veins that are noted for their great persistence along strike. Average grade of ores produced at Zeballos was 0.44 oz Au and 0.19 oz Ag per ton and Bedwell River veins are considered to be similar in grade. Of the dozen or so veins discovered to date in the Bedwell River area, the original and best vein is thought to be the Muskateer, which is located a few kilometers south of the Cub property.

The Cub vein (originally known as the O.K.) varies between a few inches and a little over a foot in width, often with nearby parallel veins and splits. Samples taken by B.C. Department of Mines H. Sargent in 1939 included one taken across a 2.5" wide pyrite zone that assayed 2.80 oz Au and 13.8 oz Ag per ton. Five chip samples taken by the writer over the entire known length of the vein all showed the presence of gold and silver with the best sample assaying 0.18 oz Au and 2.69 oz Ag per ton across 1.2'.
It is felt that sufficient encouragement has been received to continue exploration. The difficult terrain must be appreciated to preclude the use of geochemical or geophysical methods and additional hand trenching on the rather steep cliffs appears to be inappropriate.

Ideally, the vein should be diamond drilled with a small portable drill from the hangingwall or up slope side but topography dictates against that possibility. Therefore, footwall drilling is the only alternative and this is so recommended.

RECOMMENDATIONS

It is recommended that:

1) The Cub vein be diamond drilled at 200 foot intervals along its strike length.

2) The diamond drill core be transported to the head of Bedwell Sound by helicopter and thence by boat to Tofino.

COST ESTIMATE

1) Diamond drilling - 1,000 feet at $30/foot ........... $30,000

2) Camp costs ........................................ 5,000

3) Helicopter Support ................................. 5,000

4) Engineering, geology and assaying .............. 3,500

Total - $43,500

15% Contingencies - 6,525

Grand Total - $50,025

The sum of $50,000 should be made available at this time to carry out the above program.

Respectfully submitted,

PART "B"

INTRODUCTION

At the request of Mr. Walter Guppy of Tofino, the writer examined the Cub property on September 15, 1982. He was accompanied and guided by Mr. Guppy, President of Golden Hinde Mines Ltd., holder of the claims. During the examination the writer examined and mapped all trenches and showings and took five chip samples. These samples were assayed by Acme Analytical Laboratories, Ltd., Vancouver.

Because of the extremely rugged nature of the terrain, a helicopter was utilized to overfly the claims and to locate outcrops, aided by a recently completed topographic map compiled by Integrated Resources Photography Ltd.

LOCATION AND ACCESS

The Cub property is located at an elevation of 250 - 850 meters about ten kilometers northeast of the north end of Bedwell Sound in west central Vancouver Island. It is located 65 air kilometers southwest of Courtenay - Comox and 35 air kilometers northeast of Tofino, where helicopters are available.

The most suitable access is by helicopter from Tofino, landing close to the mineral showings on a small landing pad. Ground access is difficult as it involves a 50 kilometer boat trip from Tofino followed by a 12 kilometer walk from the head of Bedwell Sound. The route follows an old logging road up Bedwell River to a point below the showings followed by a one kilometer climb that rises about 400 meters.

The area is extremely rugged with steep rock bluffs rising above the showings to the north to 1,500 meters.
Vegetation consists of virgin pine and spruce on the steep slopes and second growth mixed bush in the valleys. Sufficient water is available locally for exploration purposes.

No buildings exist on the property.

The claims are located within Strathcona Provincial Park.

PROPERTY AND OWNERSHIP

The property consists of the following 2 post mineral claims:

<table>
<thead>
<tr>
<th>Name</th>
<th>Record No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>CUB 2</td>
<td>19114 G</td>
</tr>
<tr>
<td>CUB 4</td>
<td>19116 G</td>
</tr>
<tr>
<td>CUB 11</td>
<td>19117 G</td>
</tr>
<tr>
<td>CUB 12</td>
<td>19118 G</td>
</tr>
</tbody>
</table>

The claims were staked by Walter Guppy in 1972 and are reportedly in the name of Golden Hinde Mines, Ltd. Expiry date is reported to be July, 1983.

HISTORY

The discovery of the Musketeer gold-quartz vein in 1938 did much to stimulate exploration and prospecting in the Bedwell River area. This vein is located on the east side of Sam Craig Creek a few kilometers southeast of the Cub property.

Extensive prospecting led to the discovery of numerous similar type deposits in the area including the Cub (staked originally as the O.K. claims on April 27, 1939), the Noble and Noble B (also known as the Belvidere), the Prosper, the Buccaneer (covered by the Shamrock claims), the Trophy and the Thunderbird.
Closely related and also considered to be part of the Bedwell River group are the You, the Casino, the Della, the Sherwood, the PDQ and the Cream - all close to Big Interior Mountain.

The Cub property (then known as the O.K. group) was examined by Dr. Hartley Sargent of the British Columbia Department of Mines on September 9, 1939. Two samples taken by him showed appreciable values in gold and silver (2.80 oz Au, 13.8 oz Ag and 0.60 oz Au, 2.6 oz Ag). Some trenching had been carried out at that time by owner N.W. McIvor. (see Preliminary Report on Bedwell River area - 1940. Bulletin #8).

In 1980 the present owner of the claims contracted for the preparation of a topographic map of the ground by Integrated Resources Photography Ltd. of Vancouver.

GEOLOGY AND MINERALIZATION

The area in which the Cub property is located is underlain by quartz diorite of the Bedwell Batholith of Middle Jurassic Age. This intrusion is about 10 kilometers wide and 100 kilometers long and is one of the largest of the Island Intrusions. The area under discussion lies near the southwest end of the intrusion in contact with Karmutsen volcanics of Triassic Age.

Most of the gold-silver bearing quartz veins in the Bedwell River area occur within the Bedwell Batholith but they are probably related to Tertiary dykes and plugs, some of which are well exposed near Big Interior Mountain. In general, all gold quartz veins of Vancouver Island have an overall spatial relationship to Tertiary intrusions. These type deposits occur at Zeballos, Bedwell River, Faith Lake and Mount Washington. The distribution of the deposits
and the Tertiary quartz diorite plutons suggests that there is an overall control by major fractures.

Despite local uncertainties the relationship of gold quartz veins to Tertiary intrusions is indisputable. Further, the conspicuous absence of gold quartz veins near Jurassic plutons (Saanich granodiorites, Nimpkish and Bonanza batholiths) is noteworthy.

The Bedwell River gold quartz veins are considered to be similar to the Zeballos veins in many ways. Mineralization consists of pyrite, sphalerite, arsenopyrite, chalcopyrite and native gold although arsenopyrite is less abundant in the Bedwell veins.

Gold quartz veins throughout Vancouver Island are remarkably alike in many aspects, although the Zeballos and Bedwell veins are more persistent along strike than others.

The Cub vein is traceable along strike for 430 meters. The vein itself is not visible for much of this length but the sharply defined hanging wall is evident. The vein strike N80°W, parallel to the major east-west fault along Bedwell River that is believed to continue to Great Central Lake in the east and to Sydney Inlet in the west - a total distance of 80 kilometers.

Dip of the Cub vein varies between 30° and 45° to the north. The quartz vein varies between a few inches and 1.5 feet in width and contains varying amounts of associated pyrite and minor galena.
Samples taken by the writer are as follows:

<table>
<thead>
<tr>
<th>Sample No.</th>
<th>Width</th>
<th>oz Au</th>
<th>oz Ag</th>
<th>Location</th>
</tr>
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<tbody>
<tr>
<td>17162</td>
<td>1.5'</td>
<td>0.011</td>
<td>0.41</td>
<td>West end</td>
</tr>
<tr>
<td>17161</td>
<td>1.2'</td>
<td>0.178</td>
<td>2.69</td>
<td>30 mtrs. east of 17162</td>
</tr>
<tr>
<td>17160</td>
<td>1.0'</td>
<td>0.191</td>
<td>0.55</td>
<td>60 mtrs.</td>
</tr>
<tr>
<td>17163</td>
<td>0.7'</td>
<td>0.096</td>
<td>1.00</td>
<td>270</td>
</tr>
<tr>
<td>17164</td>
<td>0.8'</td>
<td>0.044</td>
<td>2.25</td>
<td>430</td>
</tr>
</tbody>
</table>

Chip samples taken by W. Guppy in the past are as follows:

<table>
<thead>
<tr>
<th>Sample No.</th>
<th>Width</th>
<th>oz Au</th>
<th>oz Ag</th>
</tr>
</thead>
<tbody>
<tr>
<td>C1</td>
<td>1.0'</td>
<td>0.412</td>
<td>0.85</td>
</tr>
<tr>
<td>C2</td>
<td>1.2'</td>
<td>0.485</td>
<td>2.60</td>
</tr>
<tr>
<td>C3</td>
<td>2.7'</td>
<td>0.148</td>
<td>1.58</td>
</tr>
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</table>

These samples were taken from trenches near the east end of the exposed vein while those of H. Sargent were taken from the west end. All were taken when the trenches were freshly opened up while those taken by the writer came from sloughed-in trenches and vein exposures.

**COMMENT**

The Cub vein shows consistent gold and silver values along its known length of 430 meters. Additional hand trenching at this time would serve little purpose and underground development would be premature. If the recommended diamond drilling is successful the rehabilitation of the road from Bedwell Sound should be contemplated. A second phase of deeper diamond drilling should be initiated to outline drill indicated reserves before underground work is contemplated.

Respectfully submitted,

R.W. Prindler, P. Eng.
CERTIFICATION

I, R.W. PHENDLER, of 7360 Decourcy Crescent, in the municipality of Richmond, in the Province of British Columbia, hereby certify as follows:

1) THAT I an a registered member of the Association of Professional Engineers of British Columbia - No. 4421 - 1963.

2) THAT I am a graduate of McGill University, Montreal, with a Bachelor of Science degree in geology.

3) THAT I have practiced my profession continually as mine, exploration and consultant geologist for the past 27 years in all parts of Canada, the U.S.A., Mexico, Peru, Colombia and Chile.

4) THAT I have no interest directly or indirectly in the Cub property nor do I own, directly or indirectly, any shares of Golden Hinde Mines, Ltd.

5) THAT the information contained in this report was compiled as a result of my examination of the Cub property on September 15, 1982.

6) THAT I hereby consent to the publication of my report, entitled "Geological Report on the Cub Claims Property, Alberni Mining Division, British Columbia", dated November 18, 1982, in a prospectus or a statement of material facts.

R.W. PHENDLER, P. Eng.
BIBLIOGRAPHY

1) B.C. Department of Mines - Preliminary Report on the Bedwell River Area - 1940 - Dr. H. Sargent - Bulletin #8.

Mr. Roy Phendler,  
7360 Decourcy Cres.,  
Richmond, B.C.  
V7C 4E9

ACME ANALYTICAL LABORATORIES LTD.  
Assaying & Trace Analysis  
852 E. Hastings St., Vancouver, B.C. V6A 1R6  
Telephone: 253-3158

ASSAY CERTIFICATE

<table>
<thead>
<tr>
<th>No.</th>
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<th>Ag oz/ton</th>
<th>Au oz/ton</th>
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<tbody>
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<td>17160</td>
<td>.55</td>
<td>.191</td>
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<tr>
<td>2</td>
<td>17161</td>
<td>2.69</td>
<td>.178</td>
</tr>
<tr>
<td>3</td>
<td>17162</td>
<td>.41</td>
<td>.011</td>
</tr>
<tr>
<td>4</td>
<td>17163</td>
<td>1.00</td>
<td>.096</td>
</tr>
<tr>
<td>5</td>
<td>17164</td>
<td>2.25</td>
<td>.044</td>
</tr>
</tbody>
</table>

All reports are the confidential property of clients.

File No. 82-1155  
Type of Samples: Rocks  
Disposition: 

DATE SAMPLES RECEIVED: Sept. 18, 1982  
DATE REPORTS MAILED: Sept. 24, 1982  
ASSAYER: DEAN TOYE, B.Sc.  
CHIEF CHEMIST  
CERTIFIED B.C. ASSAYER
R. W. PHENDLER, P.Eng., GEOLOGICAL CONSULTANT,
EXPLORATION AND MINING
7360 DEACOURCY CRES., RICHMOND, B.C. V7C 4E9 (604) 271-2588

November 20, 1982

Golden Hinde Mines, Ltd.
Box 94
Tofino, B.C.
V0R 2Z0

Attention: Mr. W. Guppy

INVOICE No. 271

Re: Professional services of R.W. Phendler, P. Eng. for examination of Cub Property, Bedwell River area, Vancouver Island, B.C. and preparation of report.

Field time: Sept. 14 (½ day), Sept. 15 & 16/82 (½ day)
2 days @ $300/day........... = $600.00
Office time: Equivalent 2 days @ $300/day........... = 600.00

Recoverable expenses

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<th>Description</th>
<th>Amount</th>
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<tr>
<td>Sept. 14/82</td>
<td>Ferry-Vanc-Nanaimo</td>
<td>$18.50</td>
</tr>
<tr>
<td></td>
<td>- Ucluelet Hotel</td>
<td>30.00</td>
</tr>
<tr>
<td>15</td>
<td>Meals</td>
<td>9.50</td>
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<tr>
<td></td>
<td>- Hotel, Ucluelet</td>
<td>50.88</td>
</tr>
<tr>
<td>16</td>
<td>Ferry-Nanaimo-Vanc</td>
<td>18.50</td>
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<tr>
<td>14, 16</td>
<td>Private car-250 miles @ 15¢/mi.</td>
<td>37.50</td>
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<td>24</td>
<td>Acme Laboratories</td>
<td>72.50</td>
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<tr>
<td>Nov. 18</td>
<td>Type Report -3 hrs. @ $13/hr.</td>
<td>39.00</td>
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<tr>
<td>Nov. 18</td>
<td>Xerox report</td>
<td>9.15</td>
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$285.53

TOTAL = $1,485.53

W. GUPPY, ASSISTANT
HELIICOPTER

2122.83