900223

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WHEATON RIVER PROJECT

1989 EXPLORATION BUDGET

FOR

New Era Developments Limited

212-260 W. Esplanade Street
North Vancouver, B.C.

R.Tim Henneberry, FGAC
February 15, 1989

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SUMMARY

New Era Developments Limited holds 5 properties totaling 23,000 acres (9363 hectares) at varying stages of exploration in the Wheaton River Gold Silver Area, where AGIP/ Total Energold and Omni Resources have made recent discoveries of precious metal ore-bodies. The Area is underlain by a Jurassic-Triassic volcano-sedimentary package intruded by the Cretaceous Coast Plutonic Complex. These units are unconformably overlain by the Tertiary Skukum Group volcanics. Precious metal mineralization is hosted in quartz veins and shear zones intimately associated with hypabyssal intrusives associated with the Skukum Group volcanics.

New Era's Wheaton River Properties

1) Red Ridge
2) Legal Tender
3) Idaho Hill (Union Mine)
4) Stevens Creek
5) Bend

Included in the property holdings are some of the oldest known showings in the area (Legal Tender, Union Mines).

Recent exploration on the New Era properties has located both previously known and newly discovered showings. The largest effort has been focused on the **Red Ridge** property where mineralization appears to be structurally controlled precious metal veins intimately associated with Tertiary rhyolite and andesite dykes. This structurally controlled precious metal mineralization / dyke association is also evident on the **Legal Tender** and **Idaho Hill** properties.

A Wheaton River budget of 1.5 million dollars has been proposed for the 1989 field season. The largest percentage will be directed toward Red Ridge ($1.14 million) and Legal Tender ($0.18 million), consisting of mechanical trenching, percussion drilling and diamond drilling.

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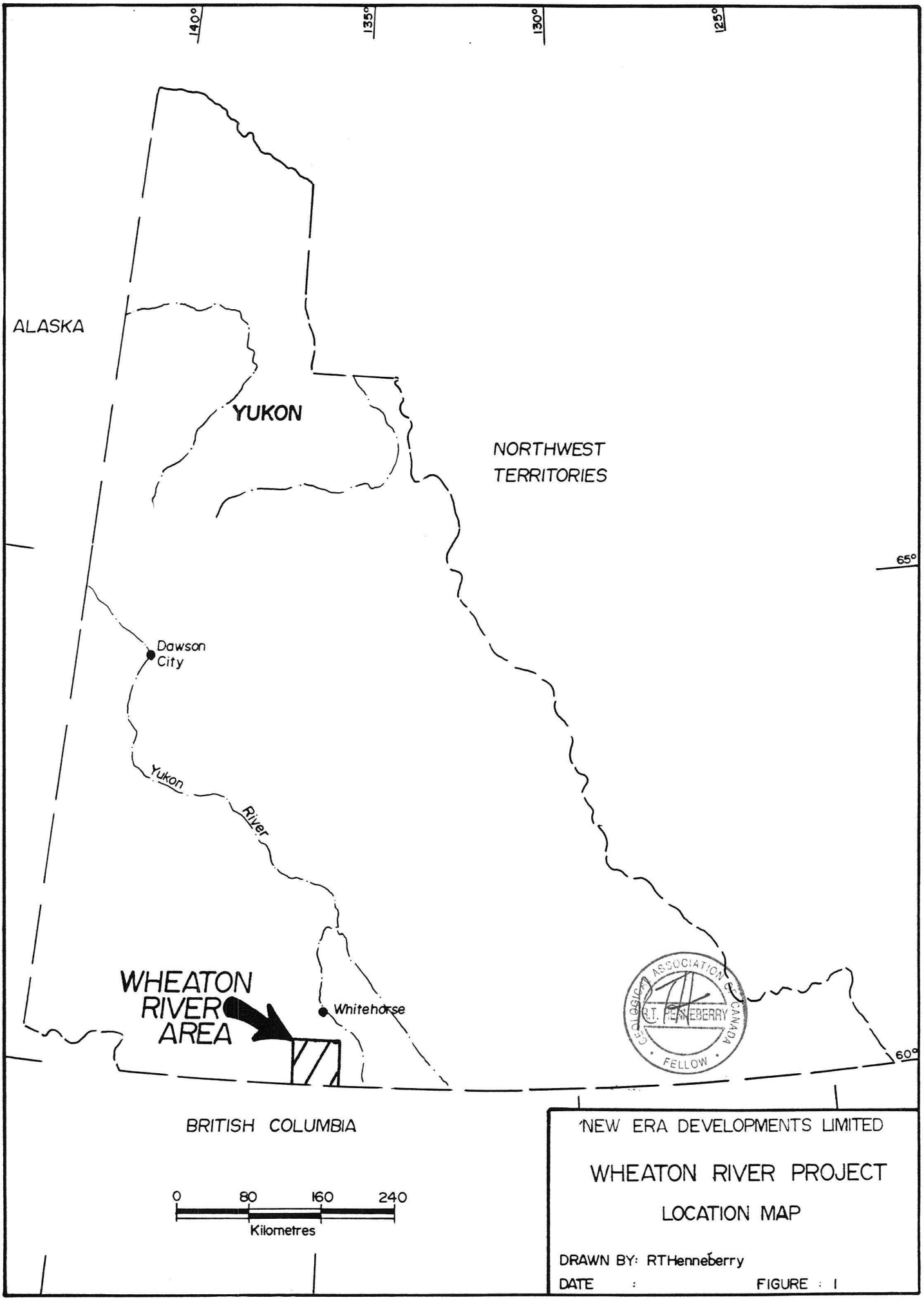


NEW ERA DEVELOPMENTS LIMITED

WHEATON RIVER PROJECT

LOCATION MAP

DRAWN BY: RTHenneberry

DATE : FIGURE : 1

INTRODUCTION

The Wheaton River Area, 40 kilometres southwest of Whitehorse, has undergone continuous exploration since the early 1980's. To date, 2 significant deposits have been discovered, the Total Energold / AGIP Mt. Skukum Gold Mine (production of 81,067 oz. of gold from 193,000 tons through 1987) and the Omni Resources Inc. Skukum Creek Property (published reserves of 821,000 tons grading 0.23 oz./ton Au and 8.9 oz./ton Ag). Numerous juniors are also active developing several exciting discoveries including: the Skukum Gold/ Berglynn Resources Goddell Gully Property, the Academy Resources Mt. Wheaton Property, the Adastral Resources Goat Property, and the New Era Developments Red Ridge and Legal Tender Properties.

The purpose of this summary report is to describe each of the 5 New Era Development Limited Wheaton River Area projects proposed for the 1989 field season.

LOCATION, ACCESS

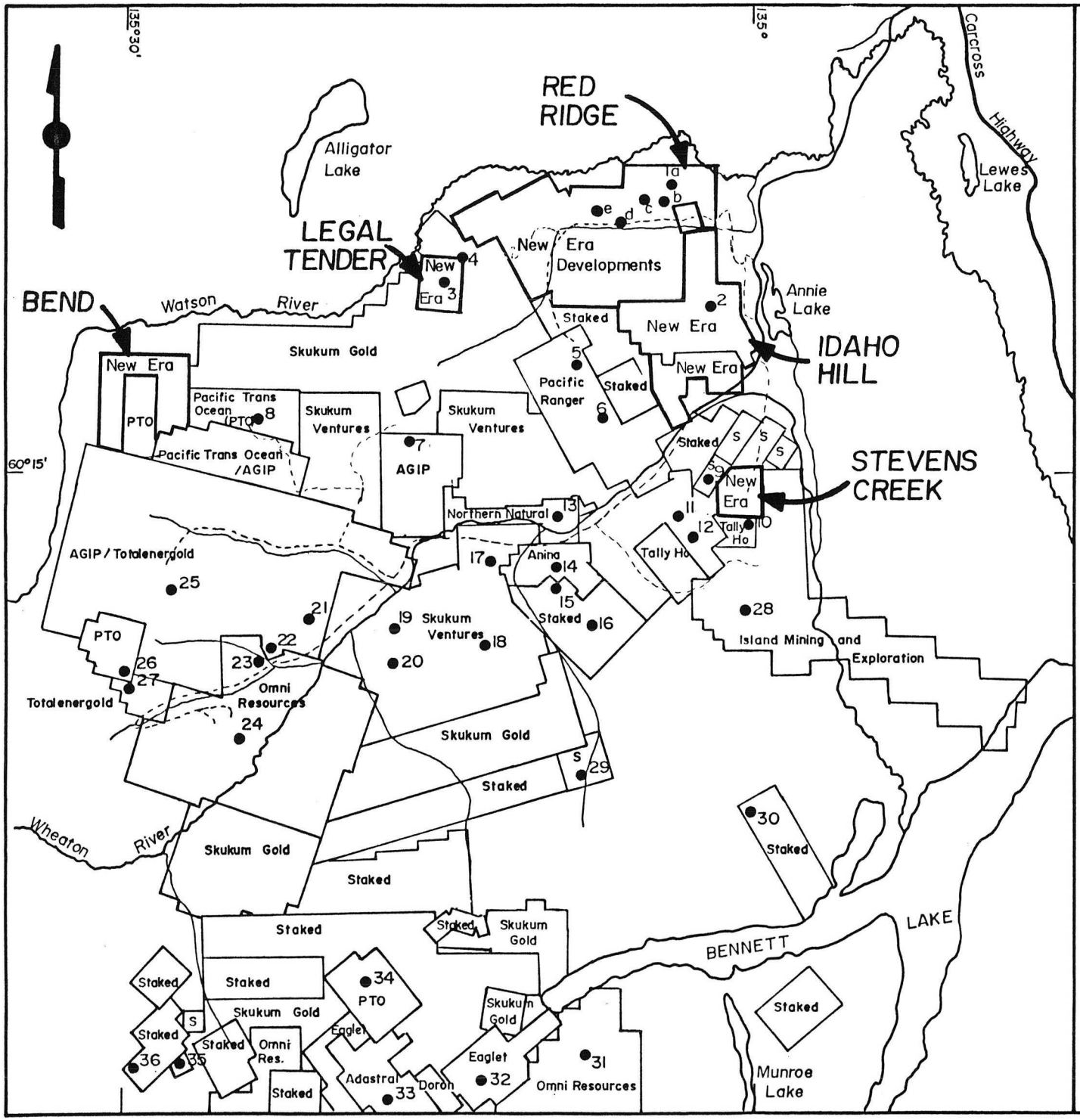
The Wheaton River Area is situated in the southwestern Yukon Territory, approximately 40 kilometres south of Whitehorse (Figure 1).

Access to the area is provided by gravel road to Annie Lake from the Whitehorse-Carcross Highway. Numerous 4-wheel drive roads leave the Annie Lake Road providing access to at least part of most of the known properties north of the Wheaton River.

The rugged topography is typical of the Coast Mountains with elevations ranging from 1050 to 2740 metres above sea level. Foot traverse is quite feasible on most properties.

The climate is variable with hot summers and long, cold winters. Precipitation is light, averaging about 40 centimetres annually with heavy snowfalls occurring during the winter months. Vegetation consists of stunted spruce and poplar with alpine shrubs and grasses above 1150 metres elevation. Ridge tops are usually covered with felsenmeer.

4-wheel drive road access for mechanical trenching and diamond drilling can be established to most of the properties without considerable expense. Drilling water will have to be trucked or pumped up significant vertical distances.



PRECIOUS METAL OCCURRENCES

WHEATON RIVER AREA

1 RED RIDGE
a East
b Don
c Saddle
d Miller
e Western
2 UNION MINE
3 LEGAL TENDER

4	Lucky Boy	15	Mt Anderson	26	Earl
5	Gold Reef	16	Tycon	27	Charleston
6	Gold Hill	17	Fleming	28	Odd
7	Vesuvius	18	Becker-Cochran	29	Craig
8	Said/The	19	Goddell Gulch	30	Opulence
9	Mt Wheaton	20	Porter	31	Latreille
10	Buffalo Hump	21	Chieftan Hill	32	Part
11	Tally Ho	22	Raca	33	Goat
12	Tally Ho	23	Mt Reid	34	Glenlivet
13	Wal	24	Scar	35	Naiad
14	Robb	25	Mt Skukum	36	Boudette

Occurrence locations from:
INAC Northern Affairs: Yukon Region
Open File 1988-2

Claim locations and ownership from:
Yukon Quartz Sheets 105D -2,3,4,5,6,7

S Staked

0 5 10 15
Kilometres

NEW ERA DEVELOPMENTS LIMITED

WHEATON RIVER AREA

CLAIM MAP / PROPERTY OWNERSHIP

DATE : January 1989 SCALE: 1:250,000

FIGURE: 2

PROPERTY HOLDINGS

The 5 Wheaton River Area properties of New Era Developments Limited (Figure 2) consist of 10 claim groups totaling 448 mineral claims (some 9350 hectares or 23,000 acres).

Claim Name	Grant Numbers	Expiry Date	Claim Name	Grant Numbers	Expiry Date
RED RIDGE					
Four F 10- 13	YA86939-YA86942	Sept 10, 1991	Four F 20- 23	YA86949-YA86952	Sept 10, 1991
Four F 36- 39	YA86965-YA86968	Sept 10, 1991	Four F 56- 59	YA86985-YA86988	Sept 10, 1991
Four F 70- 75	YA86996-YA87001	Sept 10, 1991	Four F 76- 83	YA87002-YA87009	Sept 10, 1992
Four F 84- 95	YA87010-YA87021	Sept 10, 1991	Four F 96-109	YA87022-YA87035	Sept 10, 1992
Four F 110-127	YB21983-YB22000	Oct 13, 1989	Ruff 1-28	YB20651-YB20678	July 28, 1989
Four F 128-160	YB24001-YB24033	Oct 13, 1989	Perk 1-92	YB20075-YB20166	June 23, 1989
PCG 1-12	YA86918-YA86929	June 07, 1992			
LEGAL TENDER					
Laf 1- 6	YA94861-YA94866	June 09, 1990	Laf 7-20	YA94980-YA94993	June 16, 1990
IDAHO HILL					
New 1-30	YA82083-YA82112	Nov 01, 1989	New 31-39	YA92663-YA92671	Nov 01, 1989
D Donkey 1	Y75332	June 26, 1989	D Donkey 24-35	Y75574- Y75585	June 26, 1989
D Donkey 2- 4	Y75437- Y75439	June 26, 1989	D Donkey 36-40	Y75630- Y75634	June 26, 1989
D Donkey 5-13	Y75555- Y75563	June 26, 1989	D Donkey 41-43	Y75807- Y75809	June 26, 1989
D Donkey 15	Y75565	June 26, 1989	D Donkey 44-45	Y91018- Y91019	June 26, 1989
D Donkey 20-22	Y75570- Y75572	June 26, 1989	D Donkey 46-50	YA3970- YA3974	June 26, 1989
Sail 1- 2	Y93107- Y93108	June 26, 1989	Sail 11-16	YA75800-YA75805	June 26, 1989
Sail 3- 7	YA25395-YA25399	June 26, 1989	Sail 17-41	YA92057-YA92081	June 21, 1990
Sail 8-10	YA48196-YA48198	June 26, 1989			
STEVENS CREEK					
Era 1-20	YA82063-YA82082	June 07, 1991	Era 21-23	YA92142-YA92144	June 07, 1991
BEND					
May 1- 8	YA94148-YA94155	May 10, 1989	May 17	YA94164	May 10, 1989
May 11-14	YA94158-YA94161	May 10, 1989	May 19-47	YA94166-YA94194	May 10, 1989

Havilah Gold Mines Ltd. (a wholly owned subsidiary of New Era Developments Limited) of North Vancouver owns all of the claim groups, except the Dumb Donkey and Sail groups, under option with a 70 percent earn in from Avid Gold Resources Inc of Whitehorse.

The claims are plotted on claim sheet 105D 6.

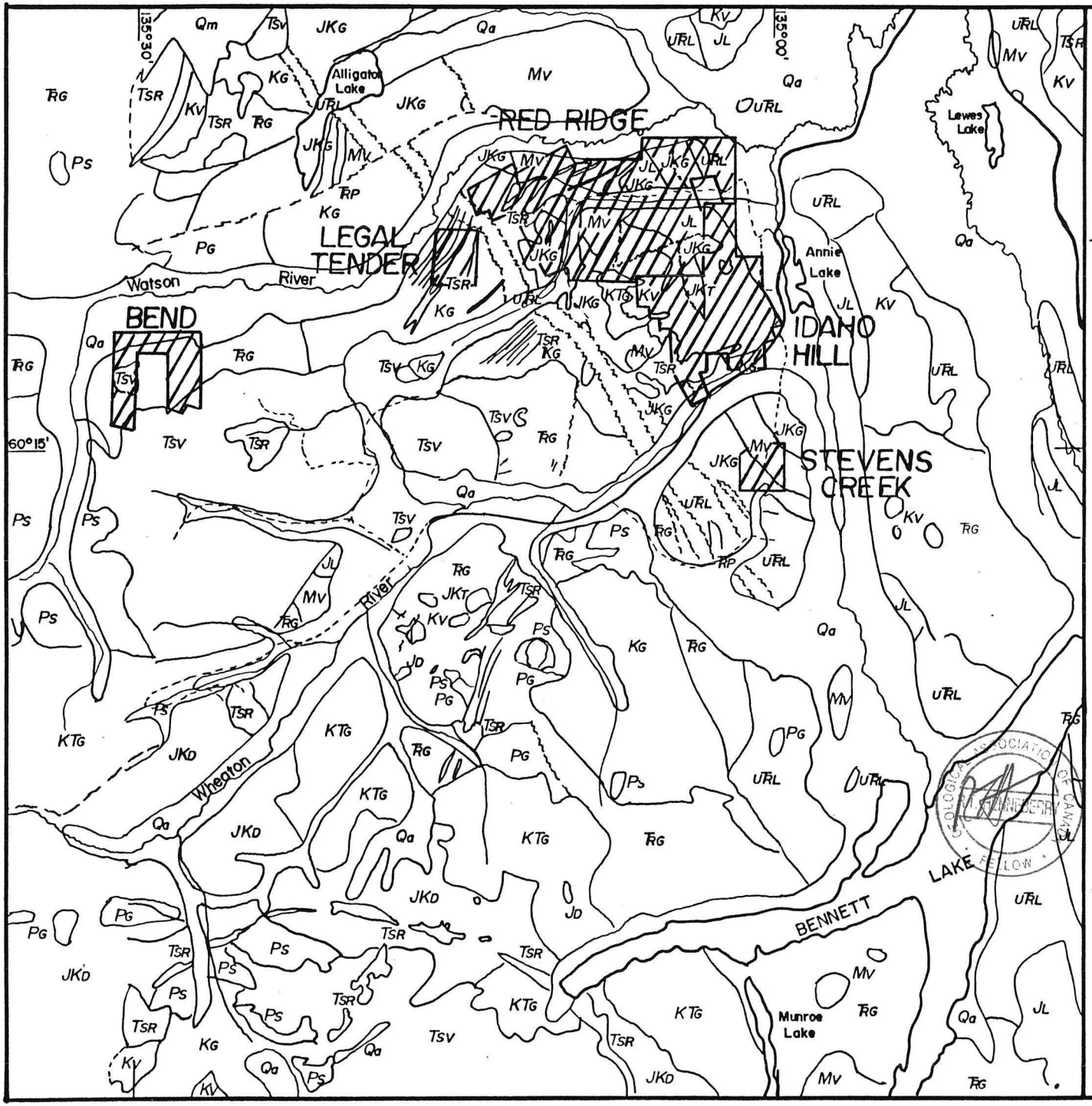
HISTORY

The Wheaton River Area has undergone sporadic exploration since the 1900's, with the earliest recorded activity (documented by Cairnes in 1906) undertaken on Gold Hill. By 1915, vein structures had been located on most of the mountains in the District (Figure 2). Mineralization consisted of free gold and tellurides or argentiferous galena with tetrahedrite, pyrite and chalcopyrite or stibnite. Adits and/or shafts were driven on several of the known veins, though very little production was ever recorded.

Developed Wheaton River Properties

Number	Name	Commodity	Expl/ Development	Number	Name	Commodity	Expl/ Development
1	Red Ridge	Ag, Au, Pb, Cu	Trench, drill	16	Tycon	Au, Ag	Trench, drill
2	Idaho Hill			18	Becker-Cochran	Sb, ± Au	Adit, trench
	(Union Mine)	Ag, Pb, Zn ± Au	Adit, trench, drill	19	Goddell Gulch	Sb, Au, Ag	Adit, trench, drill
3	Legal Tender	Au, Ag	Adit, trench	20	Porter	Sb, Ag ± Au	Adit, trench
4	Lucky Boy	Cu	Trench	21	Chieftan Hill	Sb, Zn	Trench
5	Gold Reef	Au, Ag, Pb, Cu	Adit, trench	22	Raca	Au, Ag	Adit, drill
6	Gold Hill	Au, Ag, Pb	Trench	23	Mt. Reid	Au, Ag, Pb, Ag	Adit, drill, trench
7	Vesuvius	Hg, Au, Ag	Drill	25	Mt. Skukum	Au	Adit, drill, trench
8	Said/ The	Au, Ag	Drill	26	Earl	Pb + Au, + Ag	Trench
9	Mt. Wheaton	Ag, Pb	Adit, trench	27	Charleston	Au, Ag, Pb	Adit, drill, trench
10	Buffalo Hump	Au, Ag, Pb	Adit, drill, trench	28	Odd	Au, Ag	Drill, trench
11&12	Tally Ho	Au, Ag, Pb	Adit, drill, trench	32	Part	Au, Ag, Pb	Drill
15	Mt. Anderson	Au, Ag, Pb, Zn	Adit, drill, trench	33	Goat	Au, Ag	Drill

The Wheaton River Area was explored intermittently for precious metals, then for porphyry copper in the late 1970's. AGIP Canada Ltd. discovered the Mt. Skukum gold deposit in 1981 and commenced production in 1986. The area has seen a considerable resurgence since the AGIP discovery, heightened by the Omni Resources Inc. Skukum Creek gold-silver deposit discovery in 1985 (7 kilometres south of Mt. Skukum).



LEGEND

QUATERNARY
- Qm Miles Canyon Basalt
- Qa Alluvium

TERTIARY
- TSR Skukum Group rhyolite intrusives
- TSV Skukum Group rhyolite to andesite volcanics

Late CRETACEOUS and TERTIARY
- KTG Monzonite to granite
- KV Felsic to intermediate volcanics

CRETACEOUS
- KG Coast Intrusions granodiorite, granite, monzonite

JURASSIC and CRETACEOUS
- JKG Granodiorite
- JKT Tantalus Formation sediments
- JKD Diorite

Lower to Middle JURASSIC
- JL Laberge Group sediments
- JD Friday Creek Diorite

Upper TRIASSIC to JURASSIC
- TRP Pyroxenite, gabbro
- TRG Granite, granodiorite
- UTRL Lewes River Group clastics, volcanics, carbonates
- Mv Andesitic volcanics

PALEOZOIC and Older
- PG Granodiorite
- PS Gneiss schist marble

Modified from: Dougherty and Hart (1988)
Wheeler (1961)

0 5 10 15
Kilometres

NEW ERA DEVELOPMENTS

WHEATON RIVER Au Ag AREA

REGIONAL GEOLOGY

DRAWN BY: RT Henneberry SCALE: 1: 250,000
DATE : January 1989 FIGURE: 3

REGIONAL GEOLOGY
(Summarized from Doherty and Hart, 1988)

The Wheaton River Area lies on the eastern flank of the Coast Plutonic Belt, underlain by a Jurassic-Triassic volcano-sedimentary package intruded by the Cretaceous Coast Plutonic Complex. These units are unconformably over lain by the Tertiary Skukum Group volcanics. Precious metal mineralization is hosted in quartz veins and shear zones intimately associated with hypabyssal intrusives associated with the Skukum Group volcanics. (Figure 3).

The basal unit of the Jurassic-Triassic assemblage includes andesitic flows and breccias outcropping throughout the Area. These flows are overlain by the late-Triassic Lewes River Group andesitic flows and tuffs with lesser siliclastic sedimentary rocks and limestones. Some metamorphism has been noted in the sedimentary rocks.

Disconformably overlying the Lewes River Group are the Jurassic Laberge Group and Tantalus Formation. The Laberge Group consists of siliclastic sedimentary rocks with minor andesite. The Tantalus Formation is comprised of finer siliclastic sedimentary rocks including chert pebble conglomerate and coal.

The Jurassic-Triassic assemblage has been intruded by quartz monzonites, granites, granodiorites and diorites of the Cretaceous Coast Plutonic Complex. The Jurassic-Triassic package and Coast Plutonic Complex outcrop throughout the district.

The Skukum Group Volcanics unconformably overlie the older units. The Group is comprised of felsic pyroclastics, tuffs and flows, andesitic flows and breccias, dacite flows, basalt and volcaniclastic sediments. Associated low level intrusives complete the Skukum Group lithologies.

The youngest units are the Quaternary Miles Canyon Basalt and alluvium deposits.

Mineralization has been documented in most of the rock unit, but appears to be spatially related to the Skukum Group low level intrusives. Precious metal mineralization is confined to steep to shallow dipping shear zones and quartz/carbonate veins. The Tally-Ho Shear Zone described by Doherty and Hart (1988) appears to play a key role in several of the known occurrences in the Area.

WATSON RIVER

Qa

JKG MV TSR JL KTG URL

Western Section

Miller Zone

East Zone

Vance Zone

Don Zone

Saddle Zone

Mule Hill

Creek

Morrison Creek

Thompson Creek

Tally Ho Shear Zone

Mt. Perkins

Perkins Creek

6000 5500 5000 4500 4000

N

0 500 1000 1500

Metres

GEOLOGICAL ASSOCIATION OF CANADA R.T. HENNEBERRY FELLOW

NEW ERA DEVELOPMENTS LIMITED

RED RIDGE PROPERTY

GEOLOGY

DRAWN BY: RT Henneberry SCALE : 1: 31,680

DATE : November 1988 FIGURE: 4

RED RIDGE

The Red Ridge property consists of 239 contiguous claims (Four F, PCG, Ruff and Perk Groups) covering Perkins Peak, Mule Hill and Red Ridge. 4-wheel drive road access is available to most of the presently known showings on Red Ridge. The only previous exploration undertaken was by Inco in the 1970's during a regional porphyry copper program, despite the observation of quartz veins by Cairnes in 1912. Exploration has been on-going since 1985 with the most recent program consisting of 4977 feet (1517 m) of diamond drilling in 23 holes, excavation of 13 backhoe trenches, road building and prospecting.

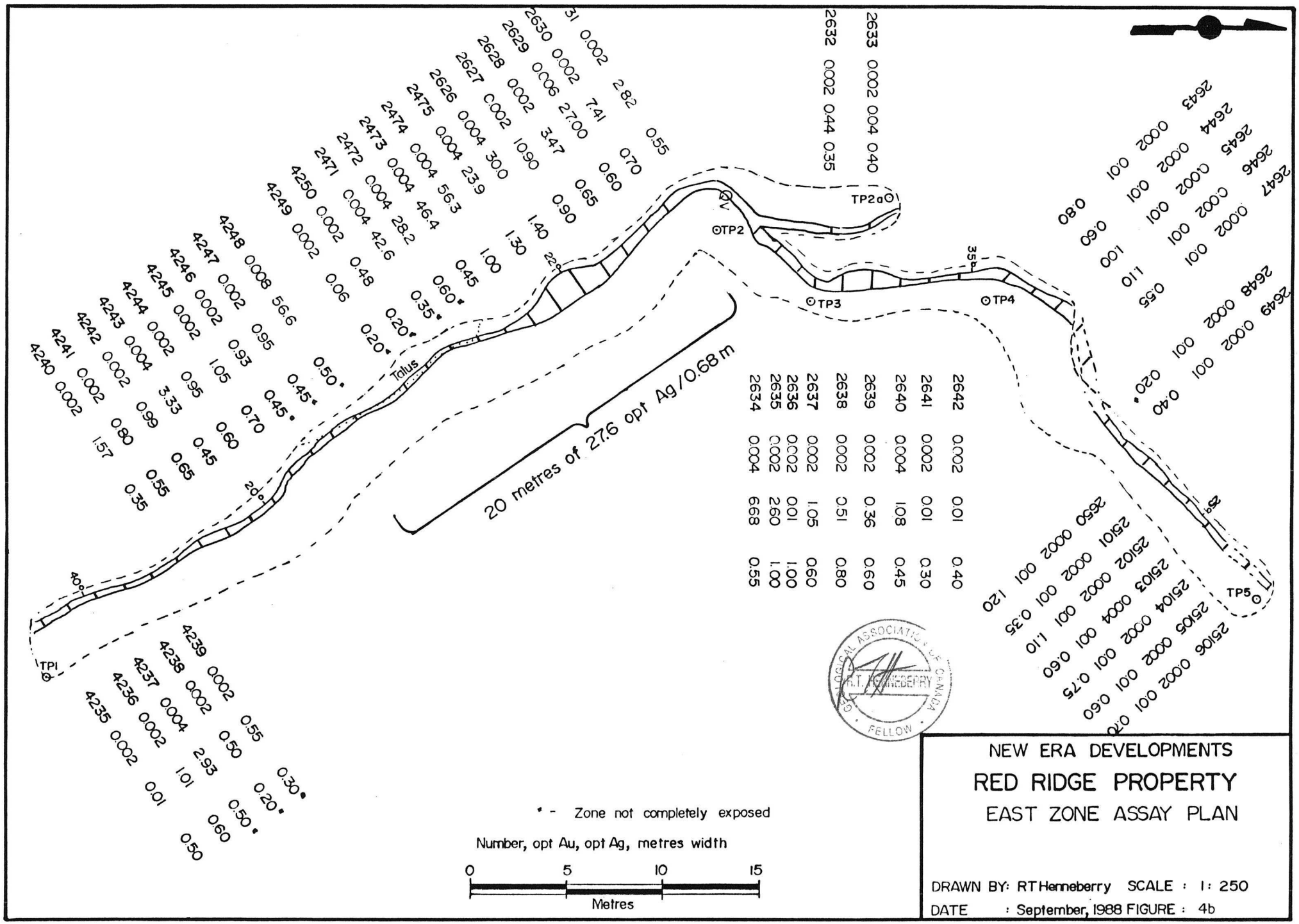
The Red Ridge property (Figure 4) is underlain by lower Mesozoic basaltic andesite flows. Overlying the flows are flows and volcaniclastics of the Lewes River Group and fine-grained sediments of the Jurassic Laberge Group. These units have been intruded by Cretaceous granitoids and Tertiary rhyolite and andesite dykes and sills. A definite structural trend to the northeast has been identified by the Tertiary dykes and the creeks and gullies. The precious-metal bearing structures located to date also share this trend.

Mineralization on the property appears to be confined to structurally controlled precious metal veins intimately associated with Tertiary dykes. A number of such zones are presently being explored including the : East Zone, Vance Zone, Don Zone, Saddle Shear Zone, Miller Zone and Western Section.

East Zone Trench Sampling

Location	opt Au	opt Ag	m width	Location	opt Au	opt Ag	m width	Location	opt Au	opt Ag	m width
TP1 + 1.5 N	0.002	0.01	0.50	TP1 + 16.5 N	0.002	1.05	0.70	TP1 + 31.5 N	0.004	56.30	1.00
3.0 N	0.002	1.01	0.60	18.0 N	0.002	0.93	0.45	33.0 N	0.004	23.90	1.30
4.5 N	0.004	2.93	0.50	19.5 N	0.002	0.95	0.45	34.5 N	0.004	30.00	1.40
6.0 N	0.002	0.50	0.20	21.0 N	0.008	56.60	0.50	36.0 N	0.002	10.90	0.90
7.5 N	0.002	0.55	0.50	22.5 N	No sample			37.5 N	0.002	3.47	0.65
9.0 N	0.002	1.57	0.35	24.0 N	0.002	0.06	0.20	39.0 N	0.006	27.00	0.60
10.5 N	0.002	0.80	0.55	25.5 N	0.002	0.48	0.20	40.5 N	0.002	7.41	0.70
12.0 N	0.002	0.99	0.65	27.0 N	0.004	42.60	0.35	42.0 N	0.002	2.82	0.55
13.5 N	0.004	3.33	0.45	28.5 N	0.004	28.20	0.60	TP2 + 6.0 N	0.002	0.44	0.35
15.0 N	0.002	0.95	0.60	30.0 N	0.004	46.40	0.45	8.0 N	0.002	0.04	0.40

The East Zone, a limonite clay/ fault-alteration gouge with quartz barite lenses ± manganese-staining, ranges in width from 0.35 m to 1.40 m and appears to be on the footwall contact of an oxidized manganese-stained andesite dyke (Figure 4). Mechanical trenching and sampling has exposed a 20 metre long section hosting a 10 to 40 centimetre wide quartz-barite vein with tetrahedrite, malachite and azurite, grading 27.6 oz./ton Ag over 0.68 metres.


TP1
TP2
TP2a
TP3
TP4
TP5
Talus
20 metres of 27.6 opt Ag/0.68m
* - Zone not completely exposed
Number, opt Au, opt Ag, metres width
0
5
10
15
Metres
NEW ERA DEVELOPMENTS
RED RIDGE PROPERTY
EAST ZONE ASSAY PLAN
DRAWN BY: RT Henneberry SCALE : 1: 250
DATE : September, 1988 FIGURE : 4b

Trenching in the **East Zone** area uncovered a parallel hanging wall vein, the **Vance Zone**. This 45 to 90 cm quartz vein carries abundant malachite and weathered sulfide vugs. A 1 metre wide limonitic, argillic ± manganese alteration halo appears to be related to the footwall contact of a narrow andesite dyke.

Soil geochemistry was instrumental in discovering the **Don Zone (Figure 4b)**, a 1 metre wide zone of limonitic, silicified, bleached and chloritized granodiorite with manganese-stained quartz pods and seams. Weathered sulfide vugs have been noted throughout the Zone, though visible mineralization has not been observed. Despite this lack of visible mineralization, mechanical trenching has identified fairly continuous gold and silver values. The suspected strike extension, 175 metres to the north, returned values of 0.060 oz./ton Au and 21.7 oz./ton Ag over 0.50 metres.

Don Zone Trench Sampling

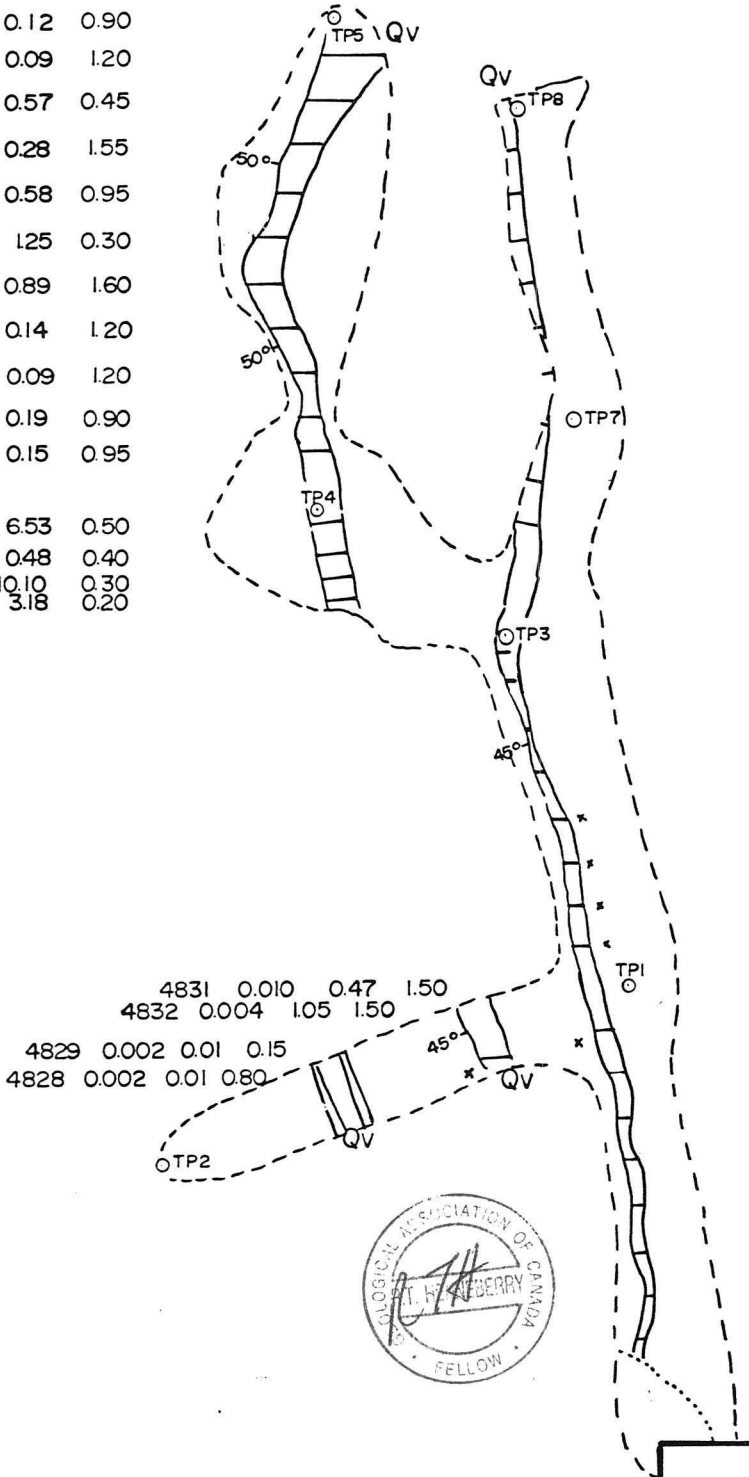
Location	opt Au	opt Ag	m width	Location	opt Au	opt Ag	m width	Location	opt Au	opt Ag	m width
TP7 + 9.0 N	0.014	0.12	0.95	TP1 - 4.5 S	0.076	4.81	0.60	TP1 + 1.5 N	0.002	0.03	0.50
4.5 N	0.052	2.77	0.15	6.0 S	0.162	12.30	0.40	TP3 + 7.5 N	0.004	0.64	0.40
3.0 N	0.118	7.48	0.60	7.5 S	0.044	2.25	0.40	5.5 N	0.002	0.57	0.40
3.0 N	0.076	9.31	0.20	9.0 S	0.008	0.92	0.40	4.0 N	0.002	0.67	0.70
1.5 N	0.022	0.59	0.52	10.5 S	0.042	1.98	0.35	TP1 + 12.0 N	0.042	6.18	0.27
1.5 N	0.052	2.77	0.25	12.0 S	0.040	4.84	0.35	10.5 N	0.296	44.30	0.47
TP1 - 0.0 W	0.040	1.44	0.20	TP1 + 7.5 N	0.010	0.67	0.80	9.0 N	0.150	15.30	0.50
1.5 W	0.018	0.54	1.00	6.0 N	0.004	0.06	0.40	7.5 N	0.056	4.99	0.20
3.0 W	0.010	0.47	1.50	4.5 N	0.002	0.09	0.40	6.0 N	0.046	4.32	0.60
4.5 W	0.004	1.05	1.50	3.0 N	0.002	0.04	0.50	6.0 N	0.006	0.20	0.10
3.0 S	0.054	7.15	0.40					TP1 + 4.5 N	0.040	4.86	0.60
TP8 +175.0 N	0.060	21.70	0.50								

The limited diamond drilling completed on the East Zone, Vance Zone and Don Zone met with considerable recovery problems. Only 20 to 40 percent of the core was recovered through these zones, due to the broken nature of the host rock and the zones themselves.

The **Saddle Shear Zone** forms a broad (+100 metre wide) soil geochemical anomaly with numerous linear highs. Drilling and mapping located a 30 metre wide zone of alteration and shearing, containing several individual quartz-sulfide and gouge lenses. Sulfide mineralization consists of disseminated to massive galena, pyrite and minor malachite. Mechanical trenching was undertaken on 2 of these structures, the **562N Vein** - a galena-quartz vein and the **Saddle Zone** - a quartz-gouge vein. Diamond drilling of the **Saddle Zone** met with some success.

The **Saddle Zone**, mechanically trenched 42 metres along strike, consists of a 10 to 40 cm limonite brown to chlorite

73971	0.002	0.12	0.90
73970	0.002	0.09	1.20
4850	0.002	0.57	0.45
4849	0.004	0.28	1.55
4848	0.004	0.58	0.95
4847	0.018	1.25	0.30
4846	0.004	0.89	1.60
4845	0.002	0.14	1.20
4844	0.002	0.09	1.20
4843	0.002	0.19	0.90
4842	0.004	0.15	0.95
4909	0.026	6.53	0.50
4908	0.022	0.48	0.40
4907	0.016	10.10	0.30
4906	0.022	3.18	0.20



73995	0.014	0.12	0.95
73994	0.010	0.67	0.80
73993	0.004	0.06	0.40
73992	0.002	0.09	0.40
73991	0.002	0.04	0.50
73990	0.002	0.03	0.50
73989	0.004	0.64	0.40
73988	0.002	0.57	0.40
73987	0.002	0.67	0.70
4901	0.042	6.18	0.27
4902	0.296	44.3	0.47
4903	0.150	15.3	0.50
4904	0.056	4.99	0.20
4905	0.046	4.32	0.60
4835	0.006	0.20	0.10
4874	0.040	4.86	0.60
4836	0.052	2.77	0.15
4873	0.118	7.48	0.60
4833	0.076	9.31	0.20
4872	0.022	0.59	0.52
4837	0.052	2.77	0.25
4834	0.040	1.44	0.20
4830	0.018	0.54	1.00
63461	0.054	7.15	0.40
63462	0.076	4.81	0.60
63463	0.162	12.30	0.40
63464	0.044	2.25	0.40
63465	0.008	0.92	0.40
63466	0.042	1.98	0.35
63467	0.040	4.84	0.35

Number, opt Au, opt Ag, metres width

0 5 10 15

Metres

NEW ERA DEVELOPMENTS

RED RIDGE PROPERTY

DON ZONE ASSAY PLAN

DRAWN BY: RTHenneberry SCALE : 1:250

DATE : September, 1988 FIGURE: 4c

green, locally silicified, gouge seam with widely scattered quartz fragments and pods. The quartz carries disseminated galena ± malachite. Weak silicification and bleaching is observed in the hosting granodiorite within 60 cm of the gouge contact.

The **562N Vein** was discovered during construction of the Saddle Zone drill sites. A 4 to 12 cm galena/ quartz vein (160/80W) was opened along 12 metres of strike. The zone is hosted within the granodiorite, which exhibits limonite, argillic alteration and bleaching. The percentage of galena in the vein ranges from 70% (massive) to 2%-5% (disseminated) to 0%.

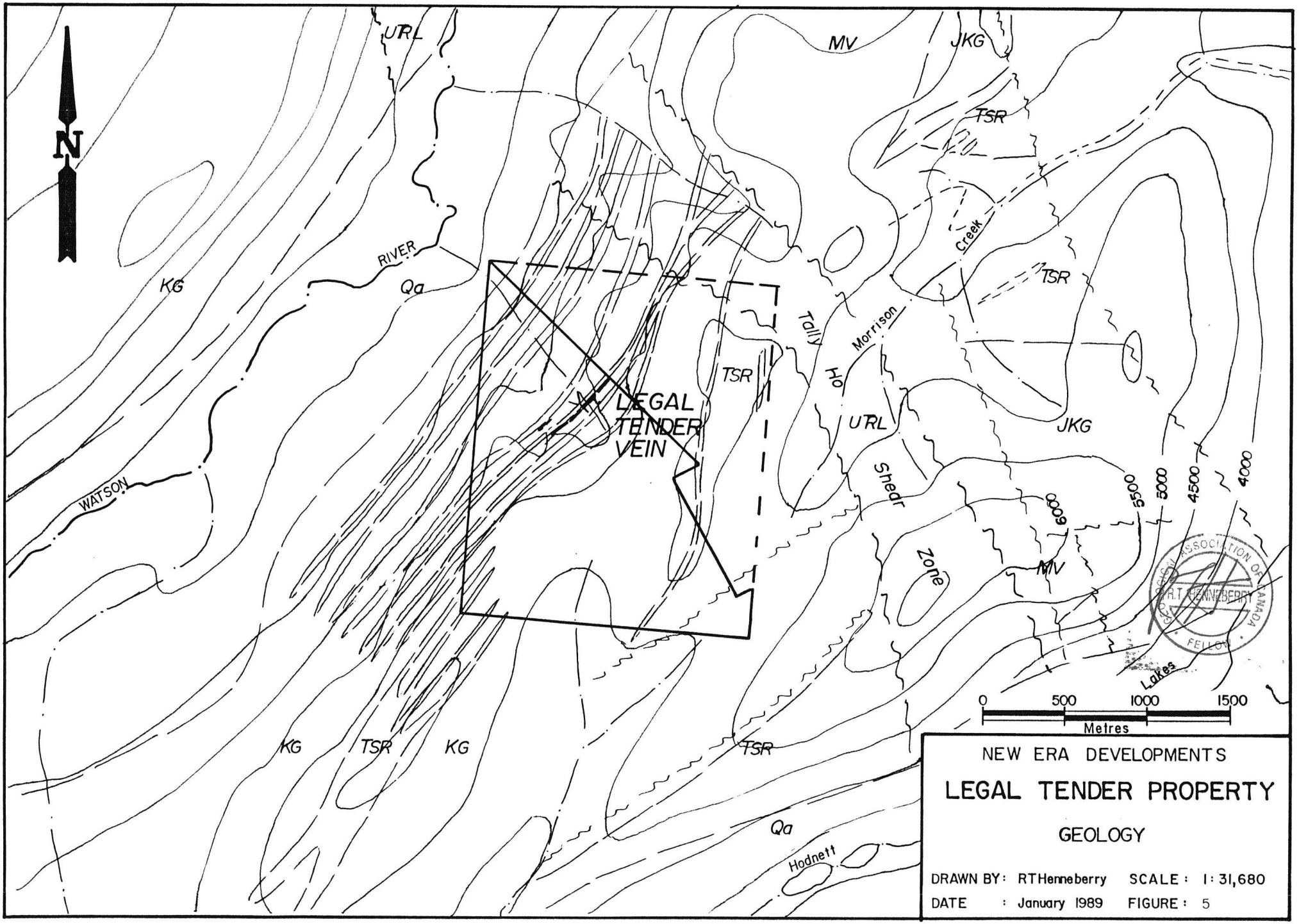
Additional Assay Results from the **Red Ridge Property**

Zone	Sample	opt Au	opt Ag	m width	Sample	opt Au	opt Ag	m width
Vance Zone	chip	0.004	5.95	0.75				
Saddle Zone	grab	0.337	4.51		drill	0.122	0.35	1.07
	chip	0.074	10.2	0.35	drill	0.832	0.92	0.12
					drill	0.116	2.19	0.73
562N Vein	chip	0.219	114.9	0.02	chip	0.680	18.1	0.04
Miller Zone	grab	0.064	18.1		drill	0.100	9.94	0.76
	grab	0.012	28.4		drill	0.110	3.18	0.15
	chip	0.017	13.7	0.80				
Western Section	chip	0.002	31.89	0.20	chip	0.002	33.80	0.22

The **Miller Zone**, discovered during construction of the access road to the top of Red Ridge, consists of a 2 to 3 metre wide zone of shearing and alteration with scattered galena/ quartz pods and discontinuous 10 to 20 centimetre veins on both the FW and HW of the zone. Alteration consists of limonite, manganese and chlorite. Oxidized sulfide vugs and malachite and azurite were also noted. Diamond drilling met with some success with indications of a possible mineralized shoot further to the north of the completed drilling.

The **Western Section** is a bedding-conformable, flat-lying, 10 to 40 centimetre quartz/ carbonate vein carrying abundant malachite and lesser azurite within Laberge Group quartzites. No appreciable alteration is associated with the vein.

A soil geochemistry grid was completed over the area of previously known showings (East Zone and Saddle Zone) in early 1988. Initial prospecting of readily accessible anomalies lead to the discovery of the Don Zone and the Western Section, with a large percentage of the anomalies yet to be examined.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NEW ERA DEVELOPMENTS
LEGAL TENDER PROPERTY
GEOLOGY
DRAWN BY: RTHenneberry
SCALE: 1:31,680
DATE : January 1989
FIGURE: 5

LEGAL TENDER

The Legal Tender property consists of 20 contiguous claims (Laf Group) covering the southwestern slope of Mineral Hill. An access road in the order of 3 kilometres is required to extend the Morrison Creek Road to the known showings. The property was originally staked in 1906 and a 30 metre adit was completed on the Legal Tender Vein by 1912. No further exploration was undertaken until New Era acquired the property in 1986. Two small exploration programs have been completed since that time, consisting primarily of sampling of the known showing and prospecting.

The Legal Tender property (Figure 5) is underlain by Cretaceous granodiorite of the Coast Plutonic Complex intruded by a Tertiary rhyolite and andesite dyke swarm.

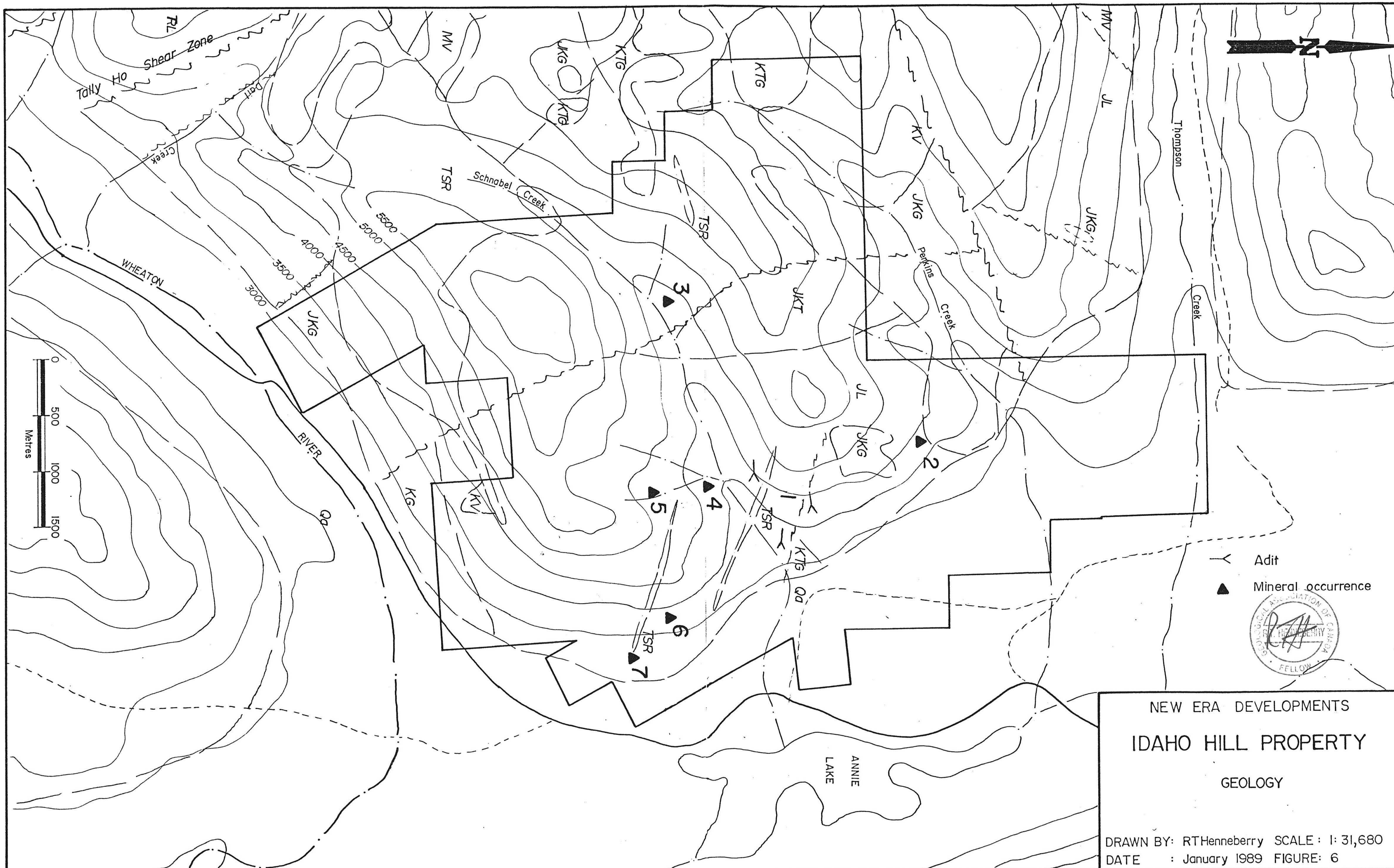
Known precious metal mineralization is confined to the Legal Tender Vein, sub-parallel to the dykes. A second vein has been located 300 metres in the footwall of the Legal Tender Vein.

Significant Assay Results from the **Legal Tender Property**

Zone	Sample	opt Au	opt Ag	m width	Sample	opt Au	opt Ag	m width
Legal Tender	chip	0.730	1.33	0.45	grab	1.028	1.96	
	chip	0.131	1.10	0.60	grab	0.477	12.4	
					grab	0.731	4.90	
Footwall	grab	0.010	4.16					

The **Legal Tender Vein** is a generally flat-lying quartz vein with disseminated galena and pyrite $\pm$ chalcopyrite $\pm$ sphalerite, hosted in a 2 metre wide shear zone in granodiorite. The vein has been developed by a 30 metre adit, requiring considerable rehabilitation. A fault 15 metres from the collar cuts and displaces the vein an unknown amount. Government records from the 1910's indicate assay results of 1.5 to 2.0 oz./ton Au and 60 to 80 oz./ton Ag.

The **Footwall Vein**, a 1.5 metre white quartz vein carrying 1 to 5 percent sulfides, was discovered during the 1986 field season. Several large rhyolite dykes cut the vein along strike, with no appreciable increase in gold content associated with the dyke contacts.



NEW ERA DEVELOPMENTS

IDAHO HILL PROPERTY

GEOLOGY

DRAWN BY: RTHenneberry SCALE: 1: 31,680
DATE : January 1989 FIGURE: 6

IDAHO HILL

The Idaho Hill property consists of 125 contiguous claims (New, Dumb Donkey and Sail Groups) covering Idaho Hill and Mount Folle. Road access exists to the eastern half of the property, but the Schnabel Creek road will have to be extended to provide access to the western half. Most of the previous exploration has been undertaken on the Dumb Donkey and Sail claims, originally staked in 1893 and later worked as the Union Mines.

The Union Mines property has been explored intermittenly since the 1890's. Several sulphide-quartz veins have been located on the eastern face of Idaho Hill, the north face of Mount Folle and the Schnabel Creek Valley. Workings consist primarily of surface trenches and small cuts, though three cross cut adits have been driven (2- under 25 feet in length, 1- 135 feet in length). Since 1980, some exploration has been undertaken each season, primarily physical work for assessment credit.

The New claims were originally staked by Dupont in the early 1980's based on the results of a regional silt geochemistry program. Limited follow-up soil geochemistry located several anomalous areas, but Dupont allowed the ground to lapse. New Era staked the property in 1986, and completed a small prospecting and geochemical program. One zone anomalous in gold and silver was identified. With the bulk of the exploration concentrated on Red Ridge further work has yet to be undertaken on the New claims.

The Idaho Hill property (Figure 6) is underlain by Jurassic Laberge Group clastic sediments and minor porphyritic andesite and overlying Jurassic-Cretaceous Tantalus Formation conglomerates. A major fault separates these units from Cretaceous felsic to intermediate volcanics. Several phase of the Jurassic-Cretaceous Coast Plutonic Complex intruded these units. A large Tertiary rhyolite porphyry plug and related dykes intruded the southern half of the property.

Seven distinct occurrences have been located on the Idaho Hill property (Figure 6). Mineralization appears to be structurally controlled precious metal veins genetically linked to the Tertiary rhyolite dykes. There are also indications of base metal sulfides.

Showing 1 consists of numerous veins, stringers, and veinlets, as well as silicified shears and replacements in the sediments. Veins are generally narrow (10 to 30 cm) but can reach 120 cm in width. The quartz-calcite veins, mineralized with

disseminated to massive galena and arsenopyrite ± sphalerite ± pyrite ± chalcopyrite, trend north to northwest, associated with the rhyolite dykes. At least 3 small adits and several trenches have been excavated on these showings.

Selected Assay Results from the **Idaho Hill Property** Quartz Veins

Showing	Sampler	Type	opt Au	opt Ag	% Pb	% Zn	m width	Type	opt Au	opt Ag	% Pb	% Zn	m width
1	Timmins	chip	0.01	2.59	1.67	2.04	1.19	chip	0.08	6.42	1.30	0.65	0.30
	Pemex	chip	0.049	9.49	0.90	0.17	0.30	chip	0.027	10.66	0.77	0.10	0.30
		grab	2.920	5.69	0.80	0.05		chip	0.037	23.36	1.20	2.71	0.08
2	Pemex	select	0.005	1.08	0.10	0.09							
3	Timmins	chip	tr	0.04	0.26	0.08	0.91	select	0.01	1.09	1.32	1.50	
								select	0.01	1.59	2.06	2.75	
	Pemex	select	0.002	1.46	0.84	0.60							
4/5	Timmins	select	na	40.	10.0	na							
7	Timmins	grab	0.010	3.61	2.46	7.79							
	Pemex	chip	0.004	2.34	1.08	2.16	0.30	chip	0.004	0.92	0.85	1.34	1.83

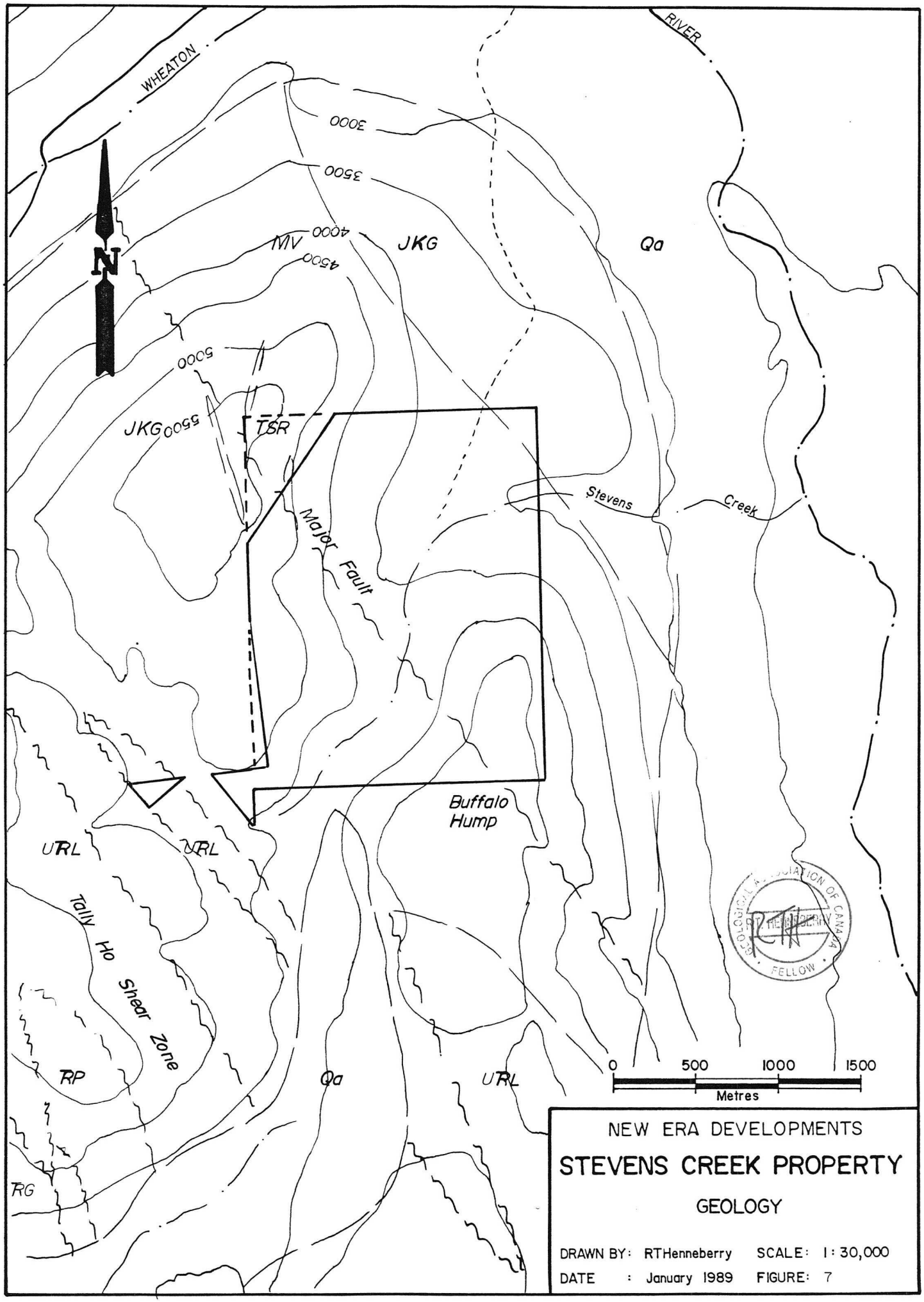
Showing 2 lies within a large gossan zone. A pick sample taken by Pemex was described as massive pyrrhotite, the only reference made to the showing.

Showing 3 also lies within a gossan, consisting of narrow stringers with pods and disseminations of galena and pyrite within arkosic sediments.

Showings 4 and 5 are described (Pemex) as disseminated sulfides in cracks and fractures within silicified shears in the greywacke. No Pemex assay results have been listed.

Showing 6 is described (Pemex) as a 1 foot thick strata-bound occurrence along beddings between the greywacke and intercalated argillite. No assay results have been given.

Showing 7 consists of narrow quartz stringers with galena, sphalerite ± pyrite, with narrow bands and pods of massive fine grained sphalerite and galena as replacements in the arkosic wall rock.


WHEATON
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Buffalo
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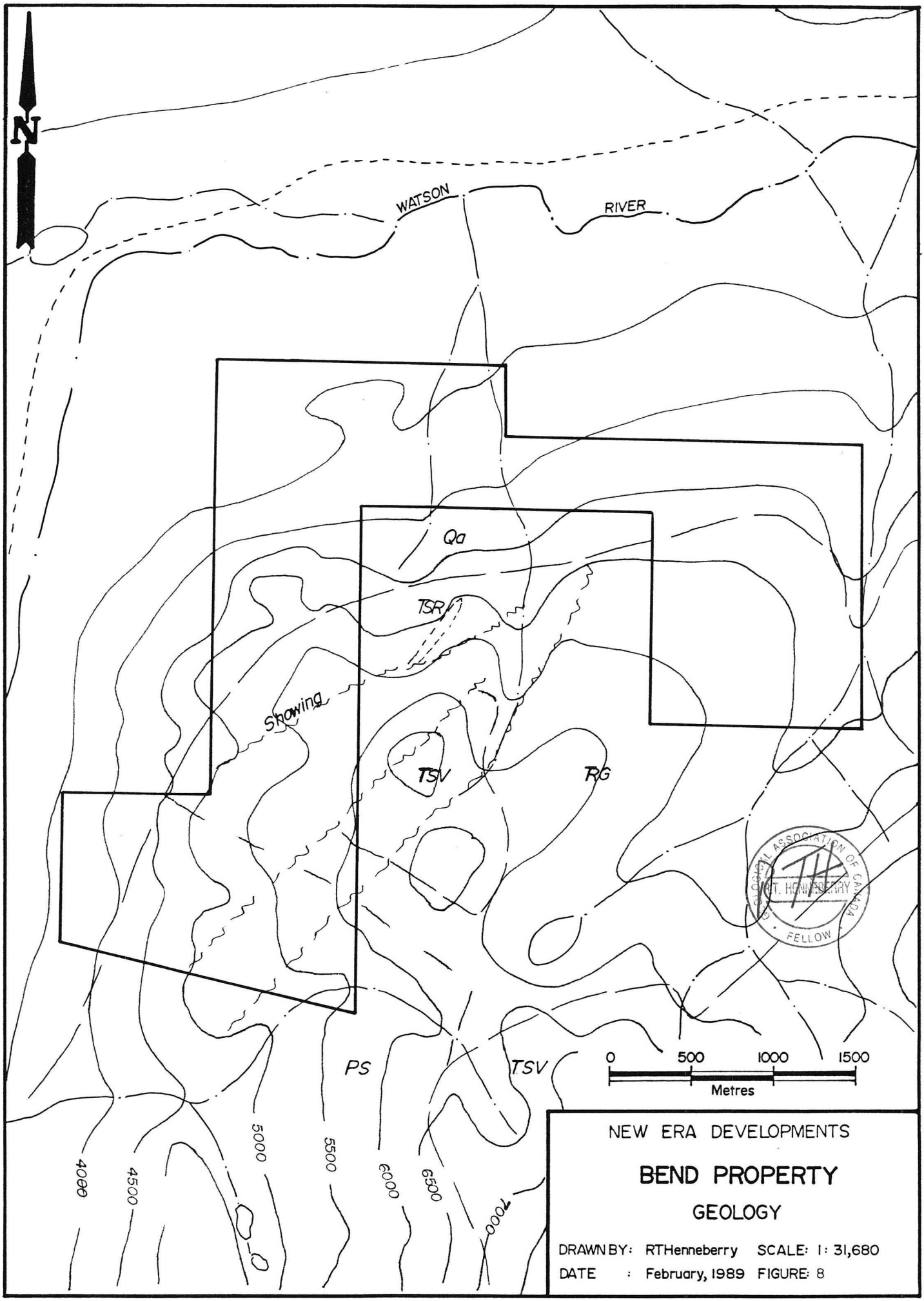
NEW ERA DEVELOPMENTS
STEVENS CREEK PROPERTY
GEOLOGY
DRAWN BY: RTHenneberry
SCALE: 1:30,000
DATE : January 1989
FIGURE: 7

STEVENS CREEK

The Stevens Creek property consists of 23 contiguous claims and fractions (Era Group) covering the height of land between Tally-Ho Mountain and Mount Stevens and the upper Stevens Creek Valley. Road access to the northern half of the group exists with a further 1.5 to 2 kilometres required to access the remainder. The Era claims were staked as a raw prospect, though the claims are surrounded by old showings to the east, west and south. A soil geochemistry program was completed on the claims in 1986.

The Stevens Creek property (Figure 7) is underlain by Mesozoic andesite flows, tuffs and breccias intruded by granodiorite of the Cretaceous Coast Plutonic Complex, though Triassic Lewes River andesitic volcanics also underlie one of the fraction claims. Tertiary rhyolite dykes have been mapped in the northwest corner of the property. A major southeast striking fault cuts the claim group.

In-place precious metal mineralization has yet to be found on the property. The soil geochemical survey has located the suspected strike extension of the known veins on the old Buffalo Hump Group contiguous to the south. Anomalous gold and silver values were obtained along the suspected strike of the major fault.



NEW ERA DEVELOPMENTS

BEND PROPERTY

GEOLOGY

DRAWN BY: RTHenneberry SCALE: 1: 31,680

DATE : February, 1989 FIGURE: 8

BEND

The Bend property consists of 42 contiguous claims (May Group) covering the south and west slope of the Watson River Valley at the big bend of the Watson River. The property is accessible only by helicopter at present. Approximately 3 kilometres of road is required from the end of the Stone Creek road to reach the Bend property. The property was staked as a raw prospect contiguous to the Pacific Trans Ocean Resources Said/The property and to the AGIP/ Total Energold Mt. Skukum Mine property. A limited contour soil geochemistry program was completed in 1988.

The Bend property (Figure 8) is underlain by Triassic-Jurassic granodiorite overlain by Tertiary Skukum Group rhyolite flows and intruded by Tertiary rhyolite dykes. A series of sub-parallel northeast trending faults cut across the property.

No in-place mineralization has been found to date on the Bend property, though one of the northeast trending faults carries veins and stringers of quartz with minor calcite. The one contour soil geochemistry line completed to date did not locate any anomalous precious metal values.

DISCUSSION

The exploration programs completed to date on New Era's Wheaton River Area properties have met with considerable success. The key elements of precious metal vein systems have been identified, including large scale structure (**Miller Zone** and **Saddle Shear Zone**), with associated hydrothermal alteration (**Miller Zone**, **Saddle Shear Zone**, **Don Zone**, **East Zone**, **Legal Tender Vein**), and related hypabyssal intrusives (**East Zone**, **Vance Zone**, **Don Zone**, **Saddle Shear Zone** and **Legal Tender Vein**).

Further systematic exploration has excellent potential to locate a precious metal ore-body on New Era Developments Limited's Wheaton River Area property holdings.

Red Ridge

The exploration completed to date on Red Ridge has been restricted to a relatively small area proximal to the previously known showings (**East Zone** and **Saddle Zone**). A soil geochemistry grid over this area identified several linear precious metal anomalies, with limited follow-up trenching locating the **Vance Zone** and the **Don Zone** and limited road building locating the **Miller Zone** and the **562N Vein**.

Concentrated trenching and diamond drilling has been undertaken on the 4 major structures: **East Zone**, **Don Zone**, **Saddle Zone** and **Miller Zone** with varying degrees of success.

Further exploration on the property is warranted. Based on the success of the soil geochemistry survey over the known showings, soil surveys (including mapping and prospecting) are recommended for the Mount Perkins and Mule Hill areas. The regional geology has mapped several linear faults on Mount Perkins, and has mapped a rhyolite plug immediately west of Mule Hill.

As an extension of the soil geochemistry, follow-up trenching and road building is recommended for the presently completed grid, as well as the proposed grids. Additional trenching is also recommended to test the strike projections of the **East Zone** and **Don Zone**.

The poor results from the diamond drilling on both the **East Zone** and **Don Zone** suggest a different method be initiated. An attempt at percussion drilling is recommended for these zones.

Further diamond drilling is required for the **Saddle Zone** and the **Miller Zone**. A VLF-EM survey over the **Saddle Zone** may help in defining drill targets. The projected junction area of these 2 structures (north slope of Red Ridge) should also be tested.

Additional drill footage should also be reserved for testing results of the proposed soil surveys.

Legal Tender

Very limited exploration has been completed to date with some success. The **Legal Tender Vein** has been traced discontinuously over 100 metres along strike. An additional vein has also been located in the footwall. Regional mapping has identified a rhyolite dyke swarm underlying the property, with the **Legal Tender Vein** located on the contact of one of the dykes.

Further work is required on the **Legal Tender Vein**. An access road from the end of the Thompson Creek Road to the adit (approximately 3 kilometres) is required to mobilize heavy equipment and a drill. Trenching of the known exposure along strike and rehabilitation of the adit for mapping and sampling is recommended.

Diamond drilling of the vein is also recommended. Prospecting of the property, especially the contacts of the rhyolite dykes for repeats should also be undertaken.

Idaho Hill

Idaho Hill has undergone several periods of limited exploration, but has yet to receive a concentrated exploration effort. The scattered showings have all been worked individually, but have yet to examined as a complete package.

Initially, the recommended exploration program should tie all the showings together by mapping and sampling. Road access should be established to the showings. An access road should also be established to the upper reaches of Schnabel Creek, where a rhyolite plug has been mapped. (These plugs are intimately associated with the known deposits at Mt. Skukum and Skukum Creek, as well as the numerous showings at Gold Hill and Carbon Hill).

Mechanical trenching is also recommended over the known showings to test strike potentials. At this time the numerous adits and trenches should be cleaned and rehabilitated.

Stevens Creek

The Stevens Creek property lies in an area of favorable geology. The strike projections of some of the old showings actually cut the property. The soil geochemistry has identified linear precious metal anomalies on strike with some of the known structure.

An access road to allow heavy equipment access to the property is required. Mechanical trenching of the anomalous soil geochemistry and strike projections of the known showings is recommended.

Bend

Very limited exploration has been undertaken on the Bend property to date. Regional mapping has identified several sub-parallel faults cutting across the property.

A program of prospecting and soil geochemistry along strike of the known faults is recommended to initially evaluate the claims. An access road is required to provide heavy equipment access to allow mechanical trenching of the faults.

CONCLUSIONS AND RECOMMENDATIONS

The Wheaton River properties of New Era Developments Limited have the potential to host precious metal ore-bodies. The exploration completed to date has met with favorable results on several of the property showings. Further exploration is required to pin-point targets on the lesser explored properties (**Stevens Creek**, **Bend**) and to test the known structures along strike on the more developed properties (**Red Ridge**, **Legal Tender**, **Idaho Hill**).

A total Wheaton River budget of ±1.5 million dollars is recommended on the combined property holdings.

Red Ridge	
Phase A - Soil geochemistry grids	$114,000.00
Phase B - Road building, excavator trenching	$305,000.00
Phase C - Percussion drilling	$171,000.00
Phase D - Diamond drilling	$550,000.00
Red Ridge Subtotal	$1,140,000.00
Legal Tender	
Phase A - Road building/ trenching	$60,000.00
Phase B - Diamond drilling	$122,000.00
Legal Tender Subtotal	$182,000.00
Idaho Hill	
Phase A - Mapping/ road building/ trenching	$51,000.00
Phase B - Excavator trenching	$45,000.00
Idaho Hill Subtotal	$96,000.00
Stevens Creek	
Phase A - Road building/ excavator trenching	$45,500.00
Stevens Creek Subtotal	$45,500.00
Bend	
Phase A - Geological mapping/ soil geochemistry	$16,000.00
Phase B - Road building/ trenching	$19,500.00
Bend Subtotal	$35,500.00
TOTAL PROPOSED WHEATON RIVER 1989 BUDGET	**$1,499,000.00**

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Red Ridge

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STATEMENT OF QUALIFICATIONS

I, R.Tim Henneberry, am a consulting geologist residing at 404 Cambridge Way, Port Moody, B.C.

I earned a Bachelor of Science Degree majoring in geology from Dalhousie University, graduating in May 1980.

I have practiced my profession continuously since graduation.

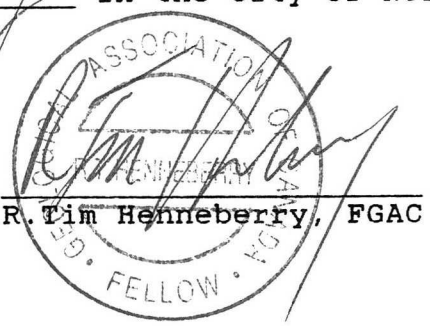
I am a Fellow of the Geological Association of Canada and a Member of the Yukon Geoscientists Society.

This report is based on a review of all reports listed in the references pertaining to New Era Developments Limited's properties. I directly supervised the 1988 Red Ridge Stage II program. I examined the Legal Tender Property on July 28, 1988. I have not examined the Idaho Hill, Stevens Creek and Bend Properties.

I have no interest, either direct or indirect, in New Era Developments Limited. I have no interest, either direct or indirect, in the Four F, Ruff, PCG, Perk, Laf, New, Dumb Donkey, Sail, Era or May claims.

I hereby grant my permission for New Era Developments Limited to use this report for filing with the Vancouver Stock Exchange as partial requirement of a Statement of Material Facts or for any legal purposes normal to the business of New Era Developments Limited provided no portion is used in a context conveying a meaning different from that set out in the whole.

Dated this 17th day of February in the City of North Vancouver, British Columbia.



R.Tim Henneberry, FGAC