THE WILLA PROSPECT, SOUTHEASTERN BRITISH COLUMBIA

The Willa prospect is situated 12 kilometres south of New Denver in southeastern B.C. Surface drilling, followed by underground exploration delineated two zones of gold-silver and copper mineralization, mainly within a steeply plunging breccia pipe. The pipe, a heterolithic intrusive breccia, is approximately 200m by 300m in plan dimension.

Published reserves from the Main Zone are 3 million tonnes of 1.3g/t Au, 4.8g/t Ag and 0.32% Cu, but Northair Mines Ltd., the operator, recently reported high grade intersections in the Ring or West Zone that may significantly affect the economic viability of the project.

Regionally, the deposit is in a roof pendant of presumed Rossland Group volcanic and sedimentary rocks of Jurassic age that lie in the Jurassic to Cretaceous Nelson Batholith. The Rossland rocks are cut by a ring dyke-cone sheet complex of porphyritic intrusive rocks of uncertain age. The quartz latite ring dyke which encloses the central breccia pipe contains quartz-molybdenite stockworks. The breccia carries a chaotic mixture of metavolcanic, metasedimentary and intrusive fragments; at its contact it grades out into crackle breccia. Mineralization consists of pyrite, pyrrhotite, chalcopyrite and magnetite as matrix-fillings and replacing fragments in the breccia, and as veins in adjacent country rock. Early potassic alteration associated with the mineralization is overprinted by epidote-actinolite-silica alteration.

In summary, the deposit is in a ring dyke-cone sheet complex within a roof pendant of volcanic and sedimentary rocks in the

Jura-Cretaceous Nelson Batholith. Gold-silver-copper mineralization occurs within and adjacent to a central, slightly younger intrusive breccia pipe central to the ring dyke. Early porphyry-type molybdenite mineralization was followed by later gold-silver copper mineralization associated with epidote-actinolite-silica alteration overprinted on early potassic alteration.

zircon 194 ±

2330 ±