PF 082FSW 375

003380

SUMMARY FOR THE McPHEE PROPERTY
NELSON MINING DIVISION
NTS 82F/05, 06
49°17' N LATITUDE
117°32" WEST LONGITUDE

MAY 01 1998

LOCATION AND ACCESS

The McPhee property is located approximately 6 km east of Castlegar, B.C. The claims are situated on McPhee and Little McPhee Creeks, both north flowing tributaries of the Kootenay River. Access is via a 6km secondary logging road that leaves Highway 3 at Bombi Summit, approximately 15 km east of Castlegar. The claims are located between 1200 and 1600m elevation along a ridge which divides the Champion and McPhee Creek drainages. The property is cut by a high voltage hydro power line and has been extensively logged. Access throughout the property is generally good using an existing network of right of way and logging roads.

TENURE

The McPhee Property consists of 26 claims totaling 113 units. The property is held through a fifty - fifty joint venture between Miner River Resources and Eagle Plains Resources who can earn a 100% interest (minus a 2% NSR) in the property. The claims were optioned from Bruce Doyle of Nelson, B.C.

Claim Name	No. of units	Record No.	Expiry Date
McPhee 7	1	331989	Oct. 28/99
McPhee 8	1	331990	Oct. 28/99
McPhee I	20	344243	Mar.18/00
McPhee II	20	352532	Oct.29/99
McPhee III	15	352533	Nov.07/99
Aaron's Rod 1	1	350759	Sept.10/00
Aaron's Rod 2	1	350760	Sept.10/00
Aaron's Rod 3	1	350761	Sept.10/00
Aaron's Rod 4	1	350762	Sept.10/00
Aaron's Hill	12	350108	Aug.14/00
Aaron Star	20	350779	Sept.24/00
Aaron 1	6	352534	Nov.07/99
Rod 1	1	356699	June 19/99
Rod 2	1	356700	June 19/99
Rod 3	1	356701	June 19/99
Rod 4	1	356702	June 19/99
Rod 5	1	356703	June 19/99
Rod 6	1	356704	June 19/99
Rod 7	1	356705	June 19/99
Rod 8	1	356706	June 19/99
Rod 9	1	356707	June 19/99
Rod 10	1	356708	June 19/99
Rod 11	1	356709	June 19/99
Rod 12	1	356710	June 19/99
Rod 13	1	356711	June 19/99
Rod 14	1	356712	June 19/99
	TOTAL : 113 units		

PROPERTY HISTORY

There is scarce documentation of work on the McPhee property prior to 1995. A number of adits, pits and at least one large shaft have been driven along a zone of massive pyrrhotite on the western part of the property, but there in no record of production or results of this work and the 1.5 km long sulphide horizon is not documented within the B.C. MINFILE data base. The nearest documented work is on the Maud S. occurrence (MINFILE 082FSW325), located approximately 500m south of the Aaron's Hill claim. The Maud S. produced free milling gold at a reported grade of 1 oz/t from a siliceous fissure within the Bonnington Pluton.

A single letter located by Bruce Doyle, dated Sept. 05, 1933, describes a high grade (2.5 oz/t) gold showing which is thought to be located within the current McPhee property, possibly in the area of the quartz stockwork zone and the lake near L15 + 00N and L82 +00E.

Bruce Doyle acquired claims in the McPhee Creek area after identifying meta-volcanic and conglomerate hosted gold and base metal mineralization on the eastern part of the property. The claims were optioned by Phelps Dodge Corporation of Canada in 1996 who carried out exploration on the south-central part of the property. After encouragement from a reconnaissance type prospecting program in 1996, Phelps Dodge undertook a more comprehensive program of grid soil geochemical sampling, mapping and prospecting in 1997. Although the program located numerous multi-element soil geochemical anomalies, Phelps-Dodge dropped their option in 1997. None of the Phelps Dodge work was done in the area of the massive pyrrhotite horizon.

REGIONAL GEOLOGY

The area immediately west of the town of Castlegar is underlain by the Middle Jurassic Bonnington Pluton and by the lower to middle Jurassic Rossland Group. The Rossland Group is comprised of the lower Jurassic Archibald Formation argillite, siltstone, quartzite, and minor volcanics overlain by lower Jurassic Elise Formation augite porphyry andesite flows, agglomerates, breccias and tuffs. The lower Jurassic Hall Formation lies conformably on the Elise Formation and is comprised of argillite, siltstone, and conglomerate with minor volcanic rocks.

The Middle Jurassic Bonnington Pluton is a quartz diorite and is part of the Nelson Intrusive Suite, a magmatic arc emplaced during obduction of Quesnellia over Ancestral North American basement. The Bonnington Pluton is flanked to the south and to the east by Rossland Group rocks. Although pendants of metamorphosed Rossland Group within the Pluton were recognized by the GSC prior to 1985, mapping by the BC Geological Survey Branch in the late 1980's did not identify Rossland Group pendants in the McPhee property area.

PROPERTY GEOLOGY AND MINERALIZATION (Fig. 1 -3)

The McPhee Property is located within the Kootenay Arc Mineral District and is underlain by a Rossland Group roof pendant enclosed by monzonite and hornblende diorite of the Bonnington Pluton. The extent and exact location of the Rossland Group and Bonnington Pluton rocks is largely unknown outside the area mapped by Phelps Dodge in 1997. However, quartz pebble conglomerate thought to be Hall Formation has been located on the northwestern part of the property along the contact with the massive pyrrhotite horizon. Also, at least two broad zones of quartz stockwork within plutonic rocks have been located, one near the northwest corner of the Phelps Dodge geochem grid, and another on the northeastern part of the Phelps Dodge grid. The Phelps Dodge map did not identify the massive sulphide horizon and associated workings, and although the quartz stockwork zones were mentioned in the report, they were not located on the geology map.

Both base and precious metal mineralization has been found associated with sheared strongly altered Elise Formation andesite flows and strongly silicified quartz pebble conglomerate of the Hall Formation. Rock sample values from the andesite returned values of up to 13 gm/t Au, 6.8 gm/t Ag, 1.5 % Cu, 0.15% Ni, 0.05% Co and 3.8% Zn. The Second Relief Mine, located approximately ~~4 km northwest~~ 9 km northeast of the McPhee property was the second largest gold enriched skarn in B.C., producing over 3 million grams of Au with associated lead, zinc, silver and copper from a series of shear veins within both Elise and Archibald formation rocks.

The western part of the property hosts a zone of massive pyrrhotite and chalcopyrite with in pebble conglomerate. A number of historical adits and shafts have been driven on this mineralization which occurs in a 1 - 5 m width zone that has been traced on surface for a distance of more than 1.5 Km. Rock sample values from the massive sulphide zone contained up to 0.7% Cu,0.06% Co, 0.26% W and 0.14% Mo. Samples of the quartz pebble conglomerate host returned values of up to 3.62 % Zn, 0.56% Pb, 42.5 g/t Ag and 150 ppb Au.

Soil sampling in 1997 located a large multi-element precious and base metal anomaly in an area underlain by a broad quartz stockwork zone in monzonite and monzonite sills thought to be of both Rossland Group and Bonnington Pluton affinity. Limited follow-up profile soil sampling near one of the more anomalous Au samples indicated an increase in Au values with depth. The Rossland Mining camp, located approximately 20 km Northwest of the McPhee property, was the second biggest lode gold camp in B.C., and saw historical production of more than 84,000 kg of Au from a series of sulphide veins associated with stockwork zones within Rossland Group monzonites. Free gold has been found in many of the creeks draining the McPhee property.

1998 PROGRAM RECCOMMENDATIONS

A number of target types exist on the McPhee property. Base and precious metal mineralization associated with Hall Formation pebble conglomerate, Au and Cu mineralization in quartz stockwork zones in the Bonnington Pluton, base and precious metal mineralization associated with sheared Elise Formation volcanics and Skarn type Au and base metal mineralization must all be considered as potential deposit types. There is also the possibility of high grade Au bearing Rossland type pyrrhotite vein systems within the plutonic rocks.

The 1998 field program should consist of grid geochemical soil sampling, prospecting and 1:5000 scale mapping. Sample grids should be extended from the existing Phelps Dodge grid. Control for field mapping and prospecting should be accurate using 1:5000 scale TRIM maps and hand held GPS units.

Soil Sampling

Detailed lines at 25m sample spacing should be run in highly anomalous areas located by the 1997 Phelps Dodge survey. Wider spaced sampling(50m spacing) is recommended for the northwest part of the property in the area of the massive pyrrhotite zone and in the central part of the property in the area of the quartz stockwork zone. Resampling of a gold anomaly at L78+00E/104+50N(276 ppb Au) by Phelps Dodge indicated an increase in Au values with depth. It may be useful to sample the anomaly in this area using a soil auger to better define gold trends. Another excellent location for a detailed 25m soil line would be the 100+00N Baseline from 90+00E - 104+00E.

Prospecting

The following areas should be prospected in detail:

1) L115+00N/80+00E
   This may be the area of the Wolf claims referred to by B.W. Meister in his 1933 letter to the Chamber of Mines in Nelson. He describes assays of 2.5 oz/t Au taken from an area about 1 mile east of the Maud S mine and near the top of the mountain south of Brilliant. This area has a large coincident Au geochemical anomaly located by the Phelps Dodge survey.
2) Massive Pyrrhotite Zone and Area of Historical Workings
   The massive sulphide zones should be chip sampled where possible to determine the reason for the development of the pits, adits and shafts. It is possible that the workings were driven on high grade Au shoots within the massive pyrrhotite, similar to mineralization associated with the Rossland Camp.
3) Quartz Stockwork Zones
   Chip sampling should be done to determine the nature of mineralization associated with veining within stockwork zones.
4) Quartz Pebble Conglomerate
   The trace of the quartz pebble conglomerate in the north central part of the property should be prospected to locate zones of base metal mineralization similar to that found in float sample 25855. Sampling will also determine possible metal zonation trends within the conglomerate unit.
5) Limestone Skarn at L115+00N/48+00E
   Identified by Bruce Doyle, this area should be prospected to determine the possible occurrence of bulk tonnage, skarn type gold and base metal mineralization similar to that found at the Second Relief Mine.

Trenching

Due to the well established road network and easy property access, a tracked hoe or medium sized Cat could be retained to establish trenches in geochemically anomalous areas. Trench walls should be mapped and chip sampled.

1) The cordierite schist between L94 and 96+00E/L97+00N which returned a value of 13 g/t Au.
2) The gold anomaly in the area of L78+00E/104+50N

Mapping

Mapping should be extended to the northwest and to the east of the Phelps Dodge 1997 map. Overall trends of quartz veins and stockwork zones may be useful in locating areas for follow-up geochemical sampling. Alteration and mineralization along contacts between plutonic and roof pendant slabs are also critical to defining models for the McPhee mineralization. Plutonic rocks of monzonitic affinity should be mapped to define possible structural trends similar to those associated with Rossland Camp mineralization.

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Charles C. Downie, P.Geo.