

A PROPERTY REPORT
ON THE
SCOTT AND RIP CLAIMS
NORTH BARRIERE LAKE AREA
KAMLOOPS MINING DIVISION
PROVINCE OF BRITISH COLUMBIA

for:

CAPRICE RESOURCES LTD.

C.T. Pasioka, B.Sc., P. Eng.

August 9, 1976.

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SUMMARY

The recently acquired property consisting of two claims of six units each situate in the North Barriere Lake Area, Kamloops Mining Division, Province of British Columbia, straddles the contact between a granitic intrusive mass and metasediments of the Shuswap Metamorphic Complex. Silicified shear zones in immediate proximity to this complex have yielded assay values of economic significance in lead, silver and zinc. Geophysical work previously carried out in the form of an electromagnetic survey indicated several axes of anomalous conductivity with similar orientations to that of the mineralized showings observed. Neither the conductive axes nor the mineralized showings were investigated at depth by physical means. It is recommended, therefore, that the mineralized showings be investigated in detail by means of bulldozer stripping and diamond drilling and that additional geophysical and geochemical surveys be carried out in an effort to discover additional areas of mineralization and to afford correlation with previously conducted geophysical surveys. Such investigations would take the form of line cutting, geochemical and induced polarization surveys, bulldozer stripping and diamond drilling, entailing the expenditure of some \$49,335.00.

PROPERTY

The property consists of two claims of six units each, namely the Rip and Scott Claims:

Scott Claim	411 (6)
Rip Claim	430 (6)

The above mineral claims are located in the North Barriere Lake Area, Kamloops Mining Division, Province of British Columbia.

LOCATION AND ACCESS

The Scott and Rip Claims are located immediately to the N.E. of the East end of North Barriere Lake. The property lies some 63 miles N.N.E. of the City of Kamloops, B.C., and 21 miles N.E. of the Village of Barriere, B.C. A good secondary graded gravel road traverses the south margin of both claims and provides facile access along the Barriere Lake valley to the Village of Barriere, B.C. The claims occur within the limits of the Department of Mines map sheet No. 82M/S.E. North Barriere Lake would have the coordinates $51^{\circ} 120^{\circ}$ S.E. The Village of Barriere is serviced by the Yellowhead Highway connecting Kamloops B.C. and Edmonton, Alberta.

TOPOGRAPHY AND VEGETATION

The Scott and Rip Claims occupy a portion of the North slope of the Barriere Lake valley and the North margins of the Groups would have elevations approaching 5,000' ASL. The area of the property is heavily forested with a preponderance of Spruce and Cedar in the lower areas and Pine and Balsam on the upper slopes.

Several small streams flowing in a Southerly direction would provide sufficient water for exploration and possibly mining purposes. Overburden, though extensive in area, is of a very limited depth of a few feet.

GENERAL GEOLOGY

The area under consideration is underlain by Mesozic and Palaeozoic rocks. In general, Northern and North Eastern areas consist of granitic rocks of acid composition and comprise the Northern slopes of the Barriere Lake valley extending Northerly to Harp Mountain and Easterly to Saskum Lake. These rocks vary from very coarse grained "Dents du Cheval" granite, porphyritic in feldspar through medium and fine grained phases to marginal gneisses. These rocks have been mapped as Mesozoic in age. However, they may in fact be younger. Occupying a broad band along the valley floor and including the South valley slope and lower North valley slope, are a series of sedimentary rocks. These are highly metamorphozed to qualify as metasediments and consist of mica schists, quartzites, argillites and slates. Within this sedimentary series occur minor intrusive masses of dioritic material. However, the age relationship of these minor intrusives cannot be determined. These metasedimentary rocks occupy the south third of the two claims with the remainder of the area occupied by the poryphyritic and medium grained granite.

STRUCTURE

The main structural feature in the area is the large E.N.E., W.S.W. Fault, now manifest as the Barriere Lake valley. A secondary set of steep walled ravines and valleys running perpendicular to the main fault comprises the secondary joint system. The direction of movement along the various movement plains could not be immediately determined, but would appear to be mainly in the vertical sense.

The belt of metasediments running parallel to the valley floor assume an anticlinal attitude with the anticlinal axis running central and parallel to the valley. The metasediments have dips to the order of 70° Northerly along the north side of the valley with a similar but reversed dip on the South side immediately off the property. This reversal of dip may be due to an intrusive upheaval along the valley floor with a consequent hinging effect. Mineralization along the South margin of the porphyritic granite along its contact with the metasediments occur a series of strongly silicified shear zones. This silicification is manifest in the form of massive quartz veins up to three feet wide within the shear and impregnation of the walls for a distance of several feet. Making entry with the silica occur blebs and streaks of massive sulphides consisting of pyrite, galena, sphalerite and minor chalcopyrite. Such a showing occurs within the Scott along the West margin and is exposed in a trench five feet wide and approximately thirty feet long. Channel samples across

this trench yielded values of nine ounces of silver per ton and nine per cent combined lead and zinc. Similarly, a three and a half foot quartz vein was sampled in an old adit. This quartz vein yielded twelve ounces of silver per ton with minor values in lead and zinc. On strike the surface expression of this vein in the form of a lens of massive sulphides approximately 1.5 feet in thickness yielded values of eight ounces of silver per ton and eleven per cent combined lead and zinc.

HISTORY

The early history of the area of the property is poorly known. However, prospecting activity is evidenced by the short adit occurring near the East margin of the Scott Claim. In 1966, the area of the property was acquired by Kamstar Mines Ltd. Their exploration programme consisted of line cutting, an electromagnetic survey and geological mapping. The electromagnetic survey indicated several conductive axes of moderate to strong intensity. However, no further work was done on the area of the property as presently defined. The majority of their efforts in the form of diamond drilling were conducted to the S.E. of the present property. Subsequent holders of the property conducted minimal bulldozer stripping. However, this work does not appear to bear any relationship to the showings present on the property or to the geophysical work previously carried out.

CONCLUSIONS

The Scott and Rip Claims occur in a geological environment consisting of a granitic intrusive mass in contact with a belt of metasediments of highly varied composition. Such an environment is conducive to the deposition of base metals and frequently precious metals. This is evidenced by the presence of several showings yielding values of economic significance, as well as the presence of molybdenum sulphide mineralization of untested potential. Previously carried out geophysical work indicated several areas of anomalous conductivity which have been tested neither on surface nor at depth. In view of the above, the property under discussion offers potential for finding mineralization of sufficient tenor and tonnage to qualify as an economic entity.

RECOMMENDATIONS

The favourable geological environment, coupled with the observed presence of mineralization of economic significance and favourable geophysical results as yet not investigated, dictate that an aggressive exploration programme be undertaken on the property immediately. A programme to afford evaluation of the economic potential of the property should proceed along the following lines:

A) LINE CUTTING

A line grid should be established over both claims with base lines running East-West and grid lines established

at 400 foot intervals with 100 foot stations. Such a grid is necessary in order to maintain geographical control with the ensuing geophysical and physical work.

B) GEOCHEMICAL SOIL SAMPLING

Soil samples should be extracted at 100 foot intervals on the established grid. These samples should be extracted using the hot acid method and analyzed for silver, lead, zinc and molybdenum by means of atomic absorption.

C) INDUCED POLARIZATION SURVEY

Areas indicated to be anomalous by virtue of the geochemical survey and other areas with known mineralization should be surveyed using the induced polarization method. A frequency-domain type unit should be used with electrode separations not exceeding 400 feet.

D) BULLDOZER STRIPPING

Areas indicated as being anomalous by the geochemical and geophysical surveys as well as known areas of mineralization should be investigated at bedrock surface by means of bulldozer stripping. A bulldozer of the capacity of a D8 with hydraulically controlled rippers would be required.

E) DIAMOND DRILLING

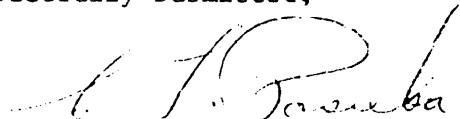
In order to investigate the mineralized showings and

geophysical anomalies at depth, a diamond drilling programme of some 2,000 feet of BQ wire line core drilling would be required.

Estimated costs for carrying out the above-mentioned programme are as follows:

1. Line cutting -- 14 miles @ \$110.00 per mile	\$ 1,540.00
2. Geophysical Survey -- 14 miles @ \$240.00 per mile	3,360.00
3. Induced Polarization Survey -- 14 miles @ \$500.00 per mile	7,000.00
4. Bulldozer Stripping -- D8 with hydraulically controlled rippers -- 100 hours @ \$50.00 per hour	5,000.00
5. 2,000 feet of diamond drilling BQ wire line @ \$10.00 per foot	20,000.00
6. Sampling and Assaying	2,000.00
7. Engineering Supervision and Consulting	4,000.00
8. Contingency @ 15%	6,435.00
TOTAL	<u>\$49,335.00</u>

Respectfully submitted,



C.T. PASIEKA, B.Sc., P. Eng.

CERTIFICATION

I., CLEMENS TERENCE PASIEKA, of the City of Kamloops, Province of British Columbia, hereby certify that:

1. I am a geologist and reside at 138 St. Paul Street, Kamloops, British Columbia.
2. That I am a graduate of University College, Dublin. B.Sc. 1963.
3. That I have been practicing my profession as a geologist for twelve years.
4. That I am a member of the Associations of Professional Engineers of Alberta, Saskatchewan and British Columbia.
5. That I have no interest directly or indirectly in the property of Caprice Resources, nor do I expect to receive such interest, nor in the securities of Caprice Resources Ltd.
6. That this report is based on data derived from work carried out under my supervision on the property, from personal experience in the area and from Government publications relevant to the area.

DATED AT KAMLOOPS, British Columbia, this 9th day of August, 1976.



C.T. PASIEKA, B.Sc., P. Eng.

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AUDITORS' REPORT

To the Shareholders of
Geor Mine & Oil Ltd.

We have examined the balance sheet of Geor Mine & Oil Ltd. as at 31st July, 1976 and the statements of deficit, deferred exploration, development and administrative expenses and changes in financial position for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company as at 31st July, 1976 and the results of its operations and the changes in its financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

21st September, 1976


Chartered Accountants

George Cross News Letter

"Reliable Reporting"

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SUBSCRIPTION RATE
\$140.00 PER YEAR

NO. 12(1970)
JANUARY 15,1970

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WESTERN CANADIAN INVESTMENTS

THE DYNAMIC GROUP OF COMPANIES

GULF MINERALS WOLLASTON DISCOVERY - In a review of 1969 results by the Dynamic Group of EXPLORATION MOMENTUM SCHEDULED FOR FURTHER INCREASE THIS YEAR

Companies, R.C.Brown,director, has issued a summary which covers these points: Proving up of additional reserves of ore around the Gulf Minerals Rabbit Lake uranium idsccovery, Wollaston area, North Saskatchewan.

Member Firms of Dynamic Group

- Dynamic Petroleum Products Ltd.
- Royal Canadian Ventures Ltd.
- Mill City Petroleum Limited
- Permo Gas & Oil Limited
- Consolidated East Crest Oil Company Limited
- New Continental Oil Company of Canada Limited
- Crusade Petroleum Corporation Limited
- Dynalta Oil & Gas Co. Limited
- Dynamic Mining Exploration Ltd.

Outlining and preparing for diamond drilling of additional uranium prospects in the vicinity of or on trend with that Rabbit Lake discovery.

Significant discoveries of uranium and other minerals in the Baker Lake region,N.W.T.

A significant discovery of porphyry type copper mineralization in Barriere Lake area, N of Kamloops, B.C.

Outlining of numerous other mineral prospects in Western Canada to be diamond-drilled starting early in 1970.

..... \$3,500,000 of exploration in 1969. This figure will be exceeded in 1970. Mining ventures have to date been able to generate sufficient cash through cash bonuses in participation ventures, so that all direct costs incurred by the Group to date in mining ventures have been recovered.

During January 1970 and succeeding months, at least 11 diamond drills will be working on mineral properties.

Gulf Mineral Co. and Gulf Oil Canada advised under date of 17Dec69 that the total extent of the Rabbit Lake area deposit still has not been determined especially to the north under Rabbit Lake. Holes will be drilled through the ice on the Lake in order to evaluate the deposit in this direction.

Gulf added that results continue to be encouraging and tonnages of reasonably assured reserves are being calculated. Mine and mill feasibility studies are being carried out in cooperation with leading Canadian consulting firms. Concurrently,marketing and economic studies are underway as a planning aid. Results should be available early in the year.

The New Continental Oil Company of Canada Ltd. and associated companies hold a net profit interest in the Rabbit Lake deposit and certain other permits operated by Gulf.

The Dynamic report says that,as a result of their 1968 exploration program, Gulf selected a site for a deep test which they drilled to in excess of 5,000 feet on one of three permits located in the centre of the Athabasca Sandstone Basin but no results have been released yet.

The program for the eastern permits which cover over 1,240,000 acres is conducted out of the Gulf City camp as an independent operation, with selected personnel experienced in modern geological and geophysical methods.

The Rabbit Lake development is being conducted out of a new camp located at the deposit where permanent buildings have been built. Drilling started in Feb69, and continued with three drills on a 24-hour basis until the end of October.

Initial drilling was done to determine the length of the ore body; however, when some 1,600 feet of strike length had been obtained, the program was changed to in-fill drilling to provide information for calculating ore reserves, ore grade, mining costs and other feasibility studies necessary before the commencement of production operations on a select area of the ore body.

Gulf's geological, geophysical and engineering personnel studied the results obtained to on the Rabbit Lake deposit and laid out a winter program to start on 5Jan70. This program will allow drilling over water areas while they are frozen permitting Gulf to further delineate the bounds of the known deposits.

A separate winter drilling program starting in early January is to be conducted by Gulf on several of the uranium prospects located during the year as a result of the general exploration program. Three drills will be used each to separate prospects.