

Subject: Dot Property visit - Guichon Creek batholith

SUMMARY - A new zone of bornite-rich porphyry Cu mineralization has been discovered beneath 20-30 metres of overburden near the Vimy showing on the eastern side of the Guichon Creek batholith. It is hosted in sericite and k-spar-altered fine to medium grained granodiorite of the Guichon or Chataway phases. The zone is linear in geometry (as drilled to date), striking at 140 degrees (southeast). Drill intersections range up to 0.58% Cu over 119.8 m.

LOCATION AND OWNERSHIP

On Friday April 11 I visited the Dot property located southwest of Mamit Lake and west of Guichon Creek (92I/7W). Alhambra Resources Ltd. of Calgary drilled 16 holes in late 1996 on an extension of the Vimy showing (92ISE023), a small past producer. Gary Stewart, President of Alhambra showed me and Steve Blower (Princeton Mining) the property, which is optioned from Larry Ovington of Kamloops. Core was viewed at the Merritt Machine shop in Merritt.

NORTHWEST ZONE

Previous drilling by Zappa Resources and others defined a small oxide resource of about 3 mt grading 0.5% Cu in the Northwest zone. This zone strikes at 140 degrees (SE) and has been defined over a length of about 270 m with intercepts up to 0.91% Cu over 76.2 m. The zone averages about 50 m in thickness. It is open to depth and along strike to the northwest. There appears to be potential for perhaps 6-7 mt down to 200 m depth by my crude calculations (Confidential).

SOUTHEAST ZONE

The Southeast zone is a brand new discovery and is located about 200 m along strike from the Northwest zone. It has been intersected by 13 angle holes over a strike length of 450 m and is still open to the SE. It varies in width up to about 100 m, however, no drilling has been done off the main trend so it is not known if a more widespread stockwork zone is present. There is some evidence from old IP work for other zones in the general area.

The SE zone is completely covered by overburden and was located by either drilling along trend of known mineralization (Alhambra's story) or witching (Ovington) depending on who you believe. The best hole, #15, cut 119.8 m grading 0.58% Cu which included a high grade zone of about 40 m with numerous assays in the 1-3% Cu range. Local

kicks of gold (to 2.49 g/t), silver (to 149.8 g/t) and Mo (to 0.29% Mo over 5 m in hole 11) occur but are very sporadic.

The company has not been careful about separating out local high grade assays for reporting purposes; for instance hole #3 hit one 0.57m zone grading 17.60% Cu (plus adjacent 1-3% values) but was reported as 37.2 m grading 1.23% Cu. Nevertheless, good continuous porphyry style grades are present in most holes.

In terms of surficial features, the property is crossed by several north trending flat benches which step up to the west and are probably kame terraces. The surficial map for the area also shows several meltwater channels on the property.

Geologically the deposit is hosted by a fine to medium grained granodiorite of Guichon or Chataway variety. Alteration consists of moderate to intense phyllic and intense pervasive potassic zones which are associated with the better mineralization. Bornite is predominant over chalco and is associated with spec. hematite in many intersections. There are fairly large zones of gouge and sericitized fault breccia in some of the holes however it is too early to know which way these faults are trending. The degree of alteration suggests this may be a fairly large mineralizing system.

By my crude, back of the envelope, calculations there appears to be potential in the SE zone for about 15 mt of material grading 0.4-0.5% Cu for the 450 m strike length drilled so far and down to about 200 m depth. (Confidential!) There is still good potential for extensions to this zone, for parallel or crosscutting zones and for entirely new zones on the property. Very limited geochem or geophysical work has been done so far, and none is planned. The operators are content to chase the established mineralized trend with the drill. Alhambra will spend about \$150K this spring-summer to earn its 51% interest. Another partner, perhaps a major, will probably come in at that point.

Mike Cathro

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