

THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY OFFERED FOR SALE AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES.

NO SECURITIES COMMISSION OR OTHER SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

## PROSPECTUS

DATED: JUNE 3, 1988



013508

# GEOTECH CAPITAL CORP.

319 - 470 Granville Street  
Vancouver, British Columbia  
(hereinafter called the "Issuer")

## 500,000 COMMON SHARES @ \$0.50 PER SHARE

### DISTRIBUTION SPREAD

	Price to Public	Commissions	Net Proceeds to be received by the Issuer *
Per Share	\$0.50	\$0.05	\$0.45
Total	\$250,000	\$25,000	\$225,000

\* Based on the costs of the issue estimated to be \$15,000.

50 THERE IS NO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD. THE PRICE OF THE SECURITIES OFFERED HEREBY WAS BY NEGOTIATION BETWEEN THE AGENTS AND THE ISSUER.

50 PURCHASE OF THE SECURITIES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED A SPECULATION. ALL OF THE PROPERTIES IN WHICH THE ISSUER HAS AN INTEREST ARE IN THE EXPLORATION AND DEVELOPMENT STAGE ONLY AND ARE WITHOUT A KNOWN BODY OF COMMERCIAL ORE. NO SURVEY OF ANY PROPERTY OF THE ISSUER HAS BEEN MADE AND THEREFORE IN ACCORDANCE WITH THE LAWS OF THE JURISDICTION IN WHICH THE PROPERTIES ARE SITUATE, THEIR EXISTENCE AND AREA COULD BE IN DOUBT. SEE ALSO THE HEADING "RISK FACTORS" HEREIN.

THE VANCOUVER STOCK EXCHANGE HAS CONDITIONALLY LISTED THE SECURITIES BEING OFFERED PURSUANT TO THIS PROSPECTUS. LISTING IS SUBJECT TO THE ISSUER FULFILLING ALL OF THE LISTING REQUIREMENTS OF THE VANCOUVER STOCK EXCHANGE ON OR BEFORE DECEMBER 6, 1988, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL REQUIREMENTS.

NO PERSON IS AUTHORIZED BY THE ISSUER TO PROVIDE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS IN CONNECTION WITH THE ISSUE AND SALE OF THE SECURITIES OFFERED BY THE ISSUER.

UPON COMPLETION OF THIS OFFERING THIS ISSUE WILL REPRESENT 24.21% OF THE SHARES THEN OUTSTANDING AS COMPARED TO 47.94% THAT WILL THEN BE OWNED BY THE CONTROLLING PERSONS, PROMOTERS, DIRECTORS AND SENIOR OFFICERS OF THE ISSUER AND ASSOCIATES OF THE AGENT. REFER TO THE HEADING "PRINCIPAL HOLDERS OF SECURITIES" HEREIN FOR DETAILS OF SHARES HELD BY DIRECTORS, PROMOTERS AND CONTROLLING PERSONS AND ASSOCIATES OF THE AGENT.

UPON COMPLETION OF THIS OFFERING THE NET TANGIBLE BOOK VALUE OF THE ISSUED SHARES WILL BE \$0.172 PER SHARE.

THIS PROSPECTUS ALSO QUALIFIES FOR SALE TO THE PUBLIC AT THE MARKET PRICE FOR THE SHARES AT THE TIME OF SALE ANY SHARES OF THE ISSUER WHICH THE AGENT MAY ACQUIRE PURSUANT TO THE AGENTS' WARRANTS. REFERENCE SHOULD BE MADE TO "PLAN OF DISTRIBUTION" HEREIN.

ONE OR MORE OF THE DIRECTORS OF THE ISSUER HAS AN INTEREST, DIRECT OR INDIRECT, IN OTHER NATURAL RESOURCE COMPANIES. REFERENCE SHOULD BE MADE TO THE HEADING "DIRECTORS AND OFFICERS" FOR A COMMENT AS TO THE RESOLUTION OF POSSIBLE CONFLICTS OF INTEREST.

WE, AS AGENTS, CONDITIONALLY OFFER THESE SECURITIES SUBJECT TO PRIOR SALE, IF, AS AND WHEN ISSUED BY THE ISSUER AND ACCEPTED BY US IN ACCORDANCE WITH THE CONDITIONS CONTAINED IN THE AGENCY AGREEMENT REFERRED TO UNDER THE HEADING "PLAN OF DISTRIBUTION" HEREIN SUBJECT TO THE APPROVAL OF ALL LEGAL MATTERS ON BEHALF OF THE ISSUER BY MESSRS. BOUGHTON & COMPANY, VANCOUVER, BRITISH COLUMBIA.

### NAME AND ADDRESS OF AGENTS

#### UNION SECURITIES LTD.

1300 - 409 Granville Street  
Vancouver, British Columbia

#### BRINK HUDSON & LEFEVER LTD.

1500 - 666 Burrard Street  
Vancouver, British Columbia

EFFECTIVE DATE: JUNE 7, 1988

PROPERTY FILE

92P007

13099

## TABLE OF CONTENTS

	<u>PAGE</u>
SUMMARY OF PROSPECTUS .....	2
1 DISTRIBUTION SPREAD .....	Cover
2 PLAN OF DISTRIBUTION .....	3
3 USE OF PROCEEDS TO ISSUER .....	5
4 SALES OTHERWISE THAN FOR CASH .....	6
5 SHARE AND LOAN CAPITAL STRUCTURE .....	6
6 NAME AND INCORPORATION OF ISSUER .....	8
7 DESCRIPTION OF BUSINESS AND PROPERTY OF ISSUER .....	8
8 RISK FACTORS .....	16
9 DILUTION .....	16
10 PROMOTERS .....	17
11 LEGAL PROCEEDINGS .....	17
12 ISSUANCE OF SHARES .....	18
13 ISSUANCE OF OBLIGATIONS .....	18
14 ISSUANCE OF OTHER SECURITIES .....	18
15 DIVIDEND RECORD .....	18
16 DIRECTORS AND OFFICERS .....	18
17 EXECUTIVE COMPENSATION .....	20
18 OPTIONS TO PURCHASE SECURITIES .....	20
19 ESCROWED SECURITIES .....	20
20 PRINCIPAL HOLDERS OF SECURITIES .....	21
21 PRIOR SALES .....	22
22 INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS .....	22
23 AUDITOR, TRANSFER AGENT, AND REGISTRAR .....	22
24 MATERIAL CONTRACTS .....	23
25 OTHER MATERIAL FACTS .....	23
PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION .....	23
FINANCIAL STATEMENTS	
ENGINEER'S REPORT	
DIRECTORS' AND PROMOTORS' CERTIFICATE	

## PROSPECTUS SUMMARY

### The Offering

AMOUNT: \$250,000.00  
OFFERING: 500,000 COMMON SHARES  
PRICE: \$0.50 PER SHARE

USE OF PROCEEDS: The estimated net proceeds of \$225,000 to be received by the Issuer from this offering will be primarily used to fund the exploration and development of the Issuer's mineral properties located in the Kamloops Mining Division, British Columbia.

AGENTS: Union Securities Ltd. (as to 400,000 shares)  
Brink Hudson & Lefever Ltd. (as to 100,000 shares)

### The Business

The Issuer is a natural resource company engaged in the acquisition, exploration and development of natural resource properties. The Issuer's present activities are the exploration and development of the Issuer's natural resource properties in British Columbia. The Issuer has an interest in those properties described under the heading "Description of Business and Property of Issuer" herein.

The common shares offered hereunder must be considered speculative due to the nature of the Issuer's business. Mineral exploration and development is inherently speculative and carries with it many risks. See "Risk Factors" herein for further details.

## 2. PLAN OF DISTRIBUTION

### Offering

The Issuer, by its Agents, hereby offers (the "Offering") to the public through the facilities of the Vancouver Stock Exchange (the "Exchange") Five Hundred Thousand (500,000) Shares (the "Shares") at a price of Fifty (\$.50) Cents per share.

The Offering will be made in accordance with the rules and policies of the Exchange and will take place on a day (the "Offering Day") as determined by the Agent and the Issuer, with the consent of the Exchange, within a period of 180 days from the date upon which the securities of the Issuer are conditionally listed on the Exchange (the date that the Issuer's shares are conditionally listed on the Exchange shall hereinafter be referred to as the "Effective Date").

### Conditional Listing

The Vancouver Stock Exchange has conditionally listed the Securities being offered pursuant to this Prospectus. Unconditional listing is subject to the Issuer fulfilling all the listing requirements of the Vancouver Stock Exchange on or before December 6, 1988, including prescribed distribution and financial requirements.

### Appointment of Agents

The Issuer, by an agreement dated March 1, 1988 and amended June 1, 1988, (the "Agency Agreement") appointed the following as its Agents (the "Agents") to offer the Shares through the facilities of the Exchange:

<u>Name of Agents</u>	<u>Participation</u>
Union Securities Ltd., 1300 - 409 Granville Street, Vancouver, British Columbia	400,000 shares
Brink Hudson & Lefever Ltd., 1500 - 666 Burrard Street, Vancouver, British Columbia	100,000 shares

The Agents will receive a commission of Ten (10%) percent of the gross sales at the time the Shares are sold.

The Agents have agreed to purchase from their respective portions of the Offering any Shares not sold at the conclusion of the Offering. In consideration therefor the Agents have been granted non-transferable share purchase warrants (the "Agents' Warrants") in proportion to their participation in the Offering, entitling them to purchase up to One Hundred Twenty-five Thousand (125,000) shares of the Issuer at any time up to the close of business

180 days from the listing of the Issuer's shares on the Exchange or twelve months from the date of this Prospectus, whichever is earlier, at a price of Fifty-Five (\$.55) Cents per share.

The Agents reserve the right to offer selling group participation, in the normal course of the brokerage business, to selling groups of other licensed broker-dealers, brokers and investment dealers, who may or may not be offered part of the commissions or bonuses derived from this Offering.

The obligations of the Agents under the Agency Agreement may be terminated by the Agents at any time on or before the opening of the market on the Offering Day, prior to the sale of any of the Shares, at the Agents' discretion on the basis of its assessment of the state of the financial markets and may also be terminated at any time upon the occurrence of certain stated events.

The Issuer has granted the Agent a right of first refusal to provide future public equity financing to the Issuer for a period of twelve (12) months from the Effective Date.

Except as disclosed above, there are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering.

The Directors, Officers and other Insiders of the Issuer may purchase Shares from this Offering. Any Shares purchased by Directors, Officers and other Insiders of the Issuer will be purchased at the Offering price of \$.50 per Share. No discount will be received by or any commissions paid to the Directors, Officers and other Insiders of the Issuer in respect of the Offering.

#### Description of Securities Offered

Shares - The shares being offered to the public by this Prospectus are common shares of the Issuer. The Issuer has only one kind and class of share and each share ranks equally as to dividends, voting rights, participation in assets on winding-up and in all other respects. The shares to be issued pursuant to this Prospectus will be fully paid and will not be subject to any call or assessment.

Agents' Warrants - The Agents' Warrants will be non-transferable and in bearer form and will entitle the holders thereof to purchase up to 125,000 common shares in the capital of the Issuer at any time up to the close of business 180 days from the date of listing of the Issuer's shares on the Exchange or 12 months from the date of this Prospectus, whichever is earlier, at a price of \$0.55 per share.

The Agents' Warrants will contain, among other things, anti-dilution provisions and provision for appropriate adjustment of the class, number and price of shares issuable pursuant to any exercise thereof upon the occurrence of certain

events including any subdivision, consolidation or reclassification of the shares, or the payment of stock dividends.

### Additional Offering

This Prospectus also qualifies for sale to the public at the market price prevailing at the time of the sale any of the Common shares which may be acquired on the exercise of the Agents' Warrants at any time up to 180 days from the listing of the Issuer's shares on the Exchange but not more than one year from the date of this Prospectus. The Issuer will receive proceeds from any exercise of the Agents' Warrants. However, the Issuer will not receive any proceeds from the subsequent sale of any shares acquired by the Agents pursuant to any exercise of the Agents' Warrants, all of which proceeds will in such event accrue to the Agents.

### 3. USE OF PROCEEDS TO ISSUER

The estimated net proceeds to be derived by the Issuer from the sale of 500,000 Shares offered by this Prospectus, namely \$225,000, together with cash on hand as at the date hereof of \$44 aggregating \$225,044 will be used for the following purposes in order of priority:

1.	To pay legal, audit and printing expenses of this Prospectus estimated to be:	\$ 15,000
2.	To pay balance of accounts payable:	7,919
3.	To pay the estimated costs of the balance of Phase I exploration work as recommended by N.C. Croome, P.Eng.:	76,722
4.	To pay the estimated costs of Phase II exploration work as recommended by N.C. Croome, P.Eng.:	94,369
5.	For general administrative expenses and addition to working capital:	<u>31,034</u>
	TOTAL	\$ <u>225,044</u>

Proceeds realized by the Issuer from the exercise of the Agents' Warrants will be added to working capital.

The proceeds from the sale of Shares offered by this Prospectus are intended to be used for the purposes set forth above. However, the Issuer, pursuant to the recommendations of a qualified independent engineer, may abandon in whole or in part any of its property or, as work progresses, may alter the work program recommended or make such arrangements for the performance of all or any portion of such work by other persons or

companies and may use any monies so diverted for the purpose of conducting work or examining other properties acquired by the Issuer after the date of this Prospectus. All of the foregoing is subject to the advice and recommendation of a qualified independent engineer. If any such event occurs during the primary distribution of the Shares referred to in this Prospectus, an amendment to this Prospectus will be filed. If any such event occurs after primary distribution of the Shares, the shareholders will be notified.

No part of the proceeds will be used to invest, underwrite or trade in securities other than those that qualify as an investment in which trust funds may be invested under the laws of the jurisdiction in which the securities offered by this Prospectus may be lawfully sold. Should the Issuer intend to use the proceeds to acquire other than Trustee type securities after the distribution of the securities offered by this Prospectus, approval by the shareholders of the Issuer must first be obtained and notice of the intention must be filed with the regulatory bodies having jurisdiction over the sale of the securities offered by this Prospectus.

#### 4. SALES OTHERWISE THAN FOR CASH

No shares are being offered other than for cash.

#### 5. SHARE AND LOAN CAPITAL STRUCTURE

Designation of Security	Amount Authorized	Amount Outstanding at March 31, 1988	Amount Outstanding as at date of Prospectus	Amount to be Outstanding on Completion of Offering*
		Balance Sheet contained in Prospectus		
Common Shares Without Par Value	10,000,000	1,505,000	1,565,000	2,065,000

\* This amount does not include up to 125,000 shares which may be issued by the Issuer pursuant to the Agents' Warrants referred to in "Plan of Distribution" herein. A further 206,500 shares may be issued pursuant to directors' and key employees' incentive options referred to under the heading "Options to Purchase Securities".

The authorized capital of the Issuer is 10,000,000 common shares without par value of which 1,565,000 common shares are issued and outstanding. The retained earnings deficit of the Issuer as disclosed in the March 31, 1988 balance sheet contained in this Prospectus is \$60,509.

Particulars of shares sold for cash to date are as follows:

No. of Securities Sold	Price	Total Cash Received	Commissions Paid
750,000	\$ .01	7,500	NIL
790,000	\$ .25	140,000	NIL
25,000	\$ .25	deemed value for property	NIL

All of the foregoing shares were sold for cash during the preceding twelve months, save and except 25,000 shares issued for property.

420,000 of the shares sold at \$0.25 were sold as "flow-through" shares, requiring the Issuer to incur Canadian exploration expense ("CEE"), within the meaning of the Income Tax Act (Canada), on the Issuer's property and renouncing all eligible CEE incurred by it, up to \$0.25 per share subscribed for, to the investors. As at the date hereof, the Issuer has expended approximately \$90,000 on its mineral properties of the \$105,000 raised pursuant to the subscription of the flow-through shares by investors. The Issuer intends to expend the balance of \$15,000 in the spring of 1988.

The 790,000 shares sold at \$0.25 are currently subject to a voluntary pool with the First City Trust Company, 777 Hornby Street, Vancouver, B.C., to be released twenty-five percent (25%) at the time of listing on the Vancouver Stock Exchange, and twenty-five percent (25%) at three, six and nine month intervals thereafter. In the event that listing has not been effected on the Vancouver Stock Exchange within twelve (12) months from the date of the Prospectus and if primary distribution has ceased, then all cash paid shares shall be subject to automatic release.

The Issuer has issued 25,000 shares at a deemed value of \$0.25 for mineral properties. These shares are not subject to hold period trading restrictions. Reference is made to the heading "Description of Business of Issuer" for particulars of the acquisition of mineral properties pursuant to which these shares were issued.

The Issuer has issued 750,000 shares at a price of \$.01 per share which shares are subject to escrow conditions.

## 6. NAME AND INCORPORATION OF ISSUER

The full name of the Issuer is Geotech Capital Corp. Its Registered and Records Offices are located at 1600 - 1100 Melville Street, Vancouver, British Columbia. The Issuer's Head Office is located at Suite 310 - 470 Granville Street, Vancouver, British Columbia.

The Issuer was incorporated on September 25, 1986, under the name Geotech Capital Corp. by registration of its Memorandum and Articles under the Company Act of the Province of British Columbia. The Issuer becomes a reporting company as defined by the Company Act of the Province of British Columbia upon the approval of this Prospectus by the Superintendent of Brokers and the issuance of a receipt therefor.

## 7. DESCRIPTION OF BUSINESS AND PROPERTY OF ISSUER

The Issuer is a natural resource company engaged in the acquisition and exploration of mineral properties. The Issuer owns or has an interest in the properties described hereafter and intends to seek and acquire additional properties worthy of exploration and development.

### Bogg Claims, Kamloops Mining Division, British Columbia

The Bogg Claims are located in the Kamloops and Clinton Mining Divisions, British Columbia, particulars of which are as follows:

<u>Claim Name</u>	<u>Record No.</u>	<u>Expiry Date</u>
Bogg # 1	6271	June 1989
Bogg # 2	6272	June 1989
Bogg # 3	6273	June 1989
Bogg # 4	6274	June 1989
Bogg # 7	7059	May 1990
Bogg # 8	7060	May 1990
Bogg # 9	7061	May 1990
Bogg #10	7220	Aug. 1988
Bogg #11	7221	Aug. 1988
Bogg #12	7222	Aug. 1988
Bogg #13	7223	Aug. 1988
Bogg #14	7308	Sept. 1988
Bogg #15	2425	Sept. 1988
Bogg #16	2426	Sept. 1988
Bogg #17	7309	Sept. 1988
Bogg #18	2427	Sept. 1988
Bogg #19	7338	Nov. 1988
Bogg #20	7339	Nov. 1988

By an agreement dated May 19, 1987 the Issuer was granted an option to acquire an undivided one hundred (100%) percent interest in the Bogg Claims #1-9 from G.H. Rayner and Associates Ltd. The Issuer subsequently staked the Bogg Claims #10-20 which are deemed to fall within the terms of the foregoing Option Agreement.

The consideration to be paid by the Issuer for the property is as follows:

- (a) (i) five thousand (\$5,000) dollars forthwith upon the execution of the Option Agreement (paid);
- (ii) ten thousand (\$10,000) dollars on or before May 19, 1988 (paid);
- (iii) fifteen thousand (\$15,000) dollars on or before May 19, 1989;
- (iv) twenty thousand (\$20,000) dollars on or before May 19, 1990; and
- (v) twenty-five thousand (\$25,000) dollars on or before May 19, 1991.
- (b) a total of twenty-five thousand (25,000) common shares in the capital of the Issuer to be issued to G.H. Rayner and Associates Ltd. upon the execution of the Option Agreement (issued);
- (c) the Issuer will pay to G.H. Rayner and Associates Ltd. three (3%) percent of proceeds realized from net smelter returns; and
- (d) commencing in the calander year 1992, the Issuer will pay to G.H. Rayner and Associates Ltd., on an annual basis, the greater of \$25,000 or three (3%) percent of proceeds realized from net smelter returns.

The Option Agreement further provides that the Issuer may purchase, at its election, two of the three percentage points of the interest in net smelter returns held by G.H. Rayner and Associates Ltd. for a price of \$500,000 for each percentage point.

G.H. Rayner and Associates Ltd. is an arms-length party to the Issuer.

#### Location

The Issuer's property is located in south-central British Columbia, approximately 30 kilometers northwest of Little Fort, Ta Hoola Lake area, Kamloops Mining Division. The nearest settlement is Bridge Lake, 20 kilometers southwest, 100 Mile House to the west and Kamloops to the south, which provide access to all supplies and services required for the property.

Access from Vancouver is by Highway 1 to Cache Creek, north on Highway 97 to 100 Mile House and east on Highway 24. Bridge Lake is approximately half way to Little Fort. At a point approximately 19 kilometers east of the Bridge Lake post office a 4-wheel logging and mining road continues 24 kilometers in a northerly direction to the property. Several exploration access roads and cat trails intersect the property.

### History of Property

Anaconda American Brass, Western Exploration Division, originally staked the Issuer's property as the Ro and So claims prior to 1966. They conducted extensive geological, geochemical, geophysical and diamond drilling programs until 1970. When Anaconda ceased exploration in 1971, the claims were allowed to lapse.

G. Rayner staked the Bogg and Fri claims in 1971 and they were subsequently leased to Prism Resources Ltd. The claims were held by these partners until 1973, during which time geological mapping was completed.

Cities Service Minerals Corp. optioned the property in mid-1973 and carried out extensive exploration for copper minerals, geological mapping, rock and soil geochemical surveys, ground magnetometer and induced polarization surveys. Twelve 300 foot reverse circulation drill holes were attempted with varying degrees of success with four diamond drill holes for a total of 1,743 feet.

Commonwealth Minerals Limited of Vancouver conducted a field program of line cutting and soil sampling on the property in 1980. A total of 271 samples were taken and analyzed for copper, lead and silver.

In May, 1987, G.H. Rayner and Associates Ltd. optioned the Bogg claims to the Issuer. A program was commenced on the Bogg claims for gold and silver mineralization and a three kilometer reference line was drawn with traverse lines 950 meters long established at 50 meter intervals. Soil sampling was done along the traverse lines at 25 meter intervals and approximately 2,257 soil samples were taken and analysed for gold, silver and arsenic.

The results from this work are set forth in an Engineering Report prepared for the Issuer by N.C. Croome, P.Eng., dated August 5, 1987 and revised December 21, 1987, and which forms a part of this Prospectus. READERS ARE URGED TO READ THIS REPORT FOR FULL PARTICULARS OF THE PROPERTY AND FOR RESULTS OF WORK CONDUCTED THEREIN.

The Issuer has expended approximately \$115,799 on the property. The expenditures have been related to preliminary development work, geochemical and assaying.

The Engineering Report, prepared by N.C. Croome, P.Eng., dated August 5, 1987 and revised December 21, 1987 which forms a part of this prospectus, describes the geology and minerlization of the property as follows:

## "Property Geology

The area has been mapped on a reconnaissance scale by Campbell and Tipper (1971). They recognize a single major rock group in the areas encompassed by Bogg group: Nicola volcanic rocks of Upper Triassic age. A somewhat more detailed study by Preto (1970) shows the presence of considerable quantities of a second major unit - intrusive rocks ranging in composition from leucogranite to leucosyenite, and of probable Upper Triassic or Lower Jurassic age. Preto considers that these intrusions are probably the same age as the Thuya batholith to the south, perhaps being satellites of the batholith. Little emphasis has yet been placed on analysis of faults in the area despite the obvious abundance of pronounced lineaments by simple stereo viewing of aerial photographs.

Bogg group is extensively drift-covered and outcrops form a small percentage of the total area. Small knolls and hills commonly have a centrally located area of outcrop. Large hills, however, have gentle flanks as a rule and do not expose much bedrock. Even where flanks steepen locally outcrops are not assured.

Despite the scarcity of outcrop, the drift cover is not everywhere particularly thick. The road branches in the northern and western parts of the property have considerable outcroppings along them resulting from relatively minor bulldozer cuts made when the road was constructed.

Volcanic breccia and/or agglomerate is a fairly common rock type present on the property. Fragments form a high proportion of the rock and are mostly massive, green andesite with matrix being fine-grained tuffaceous material. Proportions of fragments and tuffs varies but are commonly about equal. Fragments range in size up to several inches in longest dimension and in shape from rounded to angular. These coarse pyroclastic rocks appear to predominate in the eastern part of the property although outcrops of any kind are relatively scarce there, and the rock does occur in several localities to the west.

The most abundant type of Nicola rocks on the property is an aphanitic, thinly-bedded, light-green rock that appears identical with Preto's subunit 2b, and which is interpreted as being a marine tuff. The rock is the predominate type on the western part of the property where outcrops are relatively abundant and also occurs in the eastern part.

Relative ages of subunits within Nicola Group are not known. It seems likely that intercalated lava flows occurred at several times during deposition of coarse and fine pyroclastic material.

The rocks are generally non-magnetic but here and there specimens are slightly attracted to a magnet indicating a small, variable magnetic content. Pyrite is ubiquitous but in small amounts rarely exceeding 0.5% by volume. Pyrite occurs both in disseminated form in which case it is commonly present as small, more-or-less evenly distributed cubes, and as massive filling of small irregular to regular fractures. Small amounts of chalcopyrite and galena are also noted locally and will be discussed in a later section. Most of the sulphides appear to have been superimposed on Nicola rocks during an episode of hydrothermal mineralization with the exception of a small proportion of disseminated pyrite that might reflect an earlier low-grade metamorphic event.

The term leucosyenite (after Preto, 1970) is applied to a group of plutonic rocks predominant through the southern part of the claims group, with somewhat variable textures and proportions of essential minerals. All samples taken from this unit are not necessarily syenitic in composition but include granitic and monzonitic varieties. The complete gradation in mineralogy to provide the arbitrary varieties combined with the textural similarities regardless of rock name indicate that they are part of a single unit and preclude the mapping of different varieties in the field.

A small mass of monzonite occurs along the main road across the northern part of the property. A second occurrence of considerable importance is a high grade showing where a monzonite dyke or dykes about 10 feet wide contain abundant chalcopyrite, both disseminated and along fractures.

Relative age of the monzonite is fairly well-established. Evidence for an age younger than the leucosyenite has been given. The Pyroxenite on Bogg group is essentially a monominerallic rock made up commonly of 90 to 99 percent coarse to very coarse-grained dark-green pyroxene. In the field, pyroxenite most commonly occurs as dykes or seams that range from a fraction of an inch up to 10 feet or more in width. Most commonly dykes are from 1 inch to 1 foot wide and are steeply to vertically dipping.

### Mineralization

The locations of most of the mineral occurrences for which information has been published are shown (GC-4). This information was derived mainly from reports of the British Columbia Department of Mines and Petroleum Resources. The presence of copper molybdenum, lead, zinc, silver and gold is indicated.

The numerous base metal showings and prospects are found in the map area (GC-6) and can be divided into three groups. Copper and, to a

lesser extent, gold, lead and silver are found in streams in the vicinity of stocks of map unit 5. Occurrences of lead and silver, with small copper values, are found along shear zones in intensely altered volcanic rocks. Copper in quartz stockwork occurrences is found in granitic rocks of the Thya botholith.

Several occurrences of sulfide mineralization are found in the vicinity of Deer Lake in volcanic rocks and limestone that have been locally altered to skarn. Values in gold and copper have been reported. Approximately 3,000 feet north of Friendly Lake, in an area of virtually no outcrop, trenching and diamond drilling have outlined a zone of argentiferous galena mineralization that is reported to occur within a shear zone that strikes north 60 degrees west and dips 65 degrees to the southwest (Ann.Report 1968 P. 168).

Copper mineralization associated with leucogranite and leucosyenite porphyry stocks in the Bogg claims area and immediately east of the largest stock of map unit 5 several occurrences of chalcopyrite, pyrite, galena and some tetrahedrite have been found both in altered volcanic and intrusive rocks. Sulfides are found either along fractures or disseminated throughout the altered rocks.

The area was primarily explored for porphyry type copper deposits. Exploration programs were primarily conducted for copper. It was not until the increase in the price of the gold took place that an interest in exploration for precious metals took place. Stream sediment samples were taken on the Bogg claims giving interesting gold results.

A geochemical assessment report on the Bogg Mineral Claims was conducted for the owner G.H. Rayner in July, 1986. Stream sediment samples were taken in limited areas within the area sampled for the strongest gold values ranging up to 1750 ppb gold in the heavy mineral fraction, and to 940 ppb gold in the minus 80 mesh fraction, are located within the adjacent to the structural trough trending north-westerly from Ta Hoola Lake and striking approximately N45 degrees West. Of equal importance are the lesser, but persistent, gold samples in the 50 ppb range in several adjacent creeks.

In 1987, Geotech Capital Corp. surveyed a grid 3000 meters by 900 meters in width (see sketch GC-2). Grid lines were spaced on 50 meter intervals, and soil samples were taken each 25 meters along the grid lines. Three golden anomalies of consequence were delineated (see sketch GC-7). 10 ppb contour lines were drawn on sketch No. GC-8. A moving average of assays was used in the outlining and averaging the values, thus eliminating the more erratic values. A search radius of 55 meters was used as a best compromise between too intensive averaging and too little."

The Croome report recommends the following proposal exploration program to be conducted:

Phase I

- (1) Clean up property access roads, repair bridges and culverts as required for safe and convenient access \$ 1,500
  
- (2) Extend the present base line an additional 1000 meters in a northwesterly direction into Bogg 10 and Bogg 14 mining claims. Cut grid lines at 50 meter intervals southwest and northeast a distance of 450 meters in each direction. Soil sample on the grid lines at 25 meter grid lines at 25 meter intervals. Extend the 50 meter grid lines from Reference Line stations 800 to 1200 inclusive and from Reference Line stations 1550 to 1950 inclusive an additional 250 meters to the southwest S.45 Degrees W. Soil sample on the grid lines at 25 meter intervals, for a total of 860 soil samples. Assay for gold, silver and arsenic.
 

Estimated cost of line cutting and sampling	\$	9,760
Assaying 860 samples		<u>7,400</u>
Total soil sampling program	\$	17,160
  
- (3) Geological mapping, rock chip sampling, stream sediment sampling, approximately 2 weeks geologist and assistant, including subsistence and transportation
 

18 x \$650	11,700	
Assaying samples	2,400	\$ 14,100
  
- (4) Conduct induced polarization resistivity, magnetometer and VLF-EM survey over selected grid lines on three anomalous areas and extensions thereof as deemed advisable.
 

I.P. Resistivity survey, all inclusive charges \$1,300/day (with 5 man crew) estimated 20 days	26,000	
Magnetometer VLF survey 16 man days - \$175/day	3,500	

Mobilization and demobilization geophysical  
crews (5 men)

Vancouver-Bogg Claims return inclusive 1,500

Report - complete geophysical report and  
recommendations 1,950

Total estimated cost geophysical contract \$ 32,950

Sub-Total 65,710

Consulting, Supervision, Drafting, Report  
Preparation, Project Accounting @ 15% 9,856

Sub-Total 75,566

Contingency 10% 7,556

Phase I Estimated Total Cost \$ 83,122

#### Phase II

(1) Road construction to provide access to the  
anomalous areas for transportation of  
drilling equipment and construction of  
drill sites. Tractor rental 12 days,  
mobilization and demobilization \$ 12,500

(2) Trenching on traverses of the anomalous  
areas. Tractor rental 9 days 8,100

(3) Exact drill targets are unknown at this  
time, but geochemical gold anomalies are  
known to exist in three areas on which  
solid sampling has been conducted. A  
total of 1800 feet of test drilling is  
recommended.

Nq @ \$30/ft. including splitting, sample  
shipping, assays, surveying, mobilization  
and demobilization 54,000

Sub-Total \$ 74,600

Consulting, Drafting, Report Preparation,  
Supervision - 15% 11,190

Sub-Total 85,790

Contingency - 10%	<u>8,579</u>
Phase II Estimated Total Cost	\$ 94,369
	<u><u>          </u></u>

Total Estimated Cost of Exploration Program:

Phase I	\$ 83,122
Phase II	<u>94,369</u>
Total Cost	\$ 177,491
	<u><u>          </u></u>

There is no underground plant or equipment.

The property is primarily a gold, silver and lead property.

The property is without a known body of commercial ore and the proposed exploration program is an exploratory search for ore.

#### 8. RISK FACTORS

The common shares offered hereby are considered speculative due to the nature of the Issuer's business. There is no assurance that expenditures to be made by the Issuer will result in any discoveries of minerals in commercial quantities.

Mineral exploration and development is inherently speculative and carries with it many risks that even the most careful evaluation and management cannot overcome. There is no assurance that any production will be obtained. If production is obtained prices received are subject to market fluctuations.

Mining operations generally involve a high degree of risk. Hazards such as unusual or unexpected formations and other conditions are involved. The Issuer may become subject to liability for pollution, cave-ins or hazards against which it cannot insure against or which may have a material adverse effect on the Issuer's financial position.

#### 9. DILUTION

The following table sets forth certain information based on the balance sheet date of March 31, 1988 and the number of shares issued and outstanding as at the date hereof, with respect to the dilution of the Common shares offered hereby after giving effect to the Offering:

## Dilution per common share

Offering Price		\$0.500
Net asset value before Offering	\$0.096	
Increase of the net asset value resulting from the Offering	<u>\$0.099</u>	
Proforma net asset value after giving effect to the Offering		\$0.172
Dilution to subscribers		<u>\$0.328</u>
Percentage of dilution in relation to the offering price		<u>65.6%</u>

## 10. PROMOTERS

Donald B. Archer, Reg. J. Stranks, Gordon S. Archer and Philip T. Black, acting in their capacities as Directors of the Issuer, are the Promoters of the Issuer as defined by Section 1 of the Securities Act.

The Promoters have purchased shares of the Issuer at the following prices:

(a) Shares previously issued by the Issuer:

<u>Promoter</u>	<u>Shares</u>	<u>Price Paid Per Share</u>
Donald B. Archer	400,000	\$ .01
	100,000	.25
Reg. J. Stranks	100,000	\$ .01
	100,000	.25
Philip T. Black	150,000	\$ .01
	20,000	.25
Gordon S. Archer	100,000	\$ .01
	20,000	.25

## 11. LEGAL PROCEEDINGS

Donegal Developments Ltd. ("Donegal"), of Vancouver British Columbia, has made a demand for payment from the Issuer of \$3,839.32 which it alleges is owed for services rendered to the Issuer. The Issuer denies that any monies are owed and, accordingly, will defend against any action or claim which may be initiated by Donegal in the future.

Neither the Issuer nor its property is a party to or the subject of pending legal proceedings, except as disclosed above.

## 12. ISSUANCE OF SHARES

The authorized capital of the Issuer consists of 10,000,000 Common shares without par value of which 1,565,000 shares are issued as fully paid and non-assessable.

All of the shares of the Issuer, both issued and unissued, rank equally as to dividends, voting powers and participation in assets. No shares have been issued that are subject to call or assessment. There are no pre-emptive rights, conversion rights, provisions for redemption or purchase for either cancellation or surrender or provisions for sinking or purchase funds. Provisions as to the modifications, amendments or variations of such rights or such provisions are contained in the Company Act of the Province of British Columbia.

## 13. ISSUANCE OF OBLIGATIONS

The Issuer is not offering any debt obligations.

## 14. ISSUANCE OF OTHER SECURITIES

No other securities are being offered by the Issuer.

## 15. DIVIDEND RECORD

Since incorporation the Issuer has not paid any dividends. The Issuer has no present intention of paying dividends and the future dividend policy will be determined by the Board of Directors on the basis of earnings, financial requirements and other relevant factors.

## 16. DIRECTORS AND OFFICERS

The names, addresses and principal occupations in which each of the Directors and Officers of the Issuer have been engaged during the immediately preceding five (5) years are as follows:

<u>Name and Address</u>	<u>Position with Company</u>	<u>Principal Occupation For Past Five Years</u>
Donald B. Archer, 4151 Ferndale Avenue, West Vancouver, B.C.	President, Director	President and Director of Donnex Resources Inc. (resource exploration and development), 1984 - present; President of American

<u>Name and Address</u>	<u>Position with Company</u>	<u>Principal Occupation For Past Five Years</u>
Donald B. Archer (continued)		Investment Capital Corp. (venture capital company), 1986 - present; former President of Sea-1 Aquafarms Ltd. (salmon aquaculture), 1986 - 1987.
Dr. Philip T. Black,* 507-470 Granville Street, Vancouver, B.C.	Vice-President, Secretary, Director	Consulting Geologist, President of P.T. Black Mineral Resource Management Ltd., 1983 - present; General Manager (Minerals) Hudson's Bay Oil and Gas, 1972 - 1983.
Reg. J. Stranks,* 5424 Connaught Drive, Vancouver, B.C.	Director	President, Gemini Packaging Ltd. (household product manufacturing and wholesaling), 1987 - present; former Vice-President of the Bank of Montreal, 1949 - 1987.
Gordon S. Archer,* 2 - 1823 Chestnut St., Victoria, B.C.	Director	Geologist, British Columbia Department of Mines, 1987 - present; Independent Consultant Geologist, 1985 - 1987; Geotech Resources Inc. (resource exploration and development), 1984 - 1986.

\*Members of the Issuer's audit committee.

Directors of the Issuer may also serve as Directors of other companies involved in natural resource development. Accordingly, it may occur that mineral properties will be offered to both the Issuer and such other companies. Furthermore, those other companies may participate in the same properties as those in which the Issuer has an interest. As a result, there may be situations which involve a conflict of interest. In that event, the Directors would not be qualified to vote at meetings of Directors on resolutions which evoke any such conflict. The Directors will attempt to avoid dealing with such other companies in situations where conflicts might arise and will, at all times, use their best efforts to act in the best interests of the Issuer.

#### 17. EXECUTIVE COMPENSATION

Gordon S. Archer and Philip T. Black, directors of the Issuer, receive a per diem payment with respect to geological field work conducted on the Issuer's mineral properties. Gordon S. Archer is paid at a rate of \$250.00 per day and has received, in aggregate, \$13,500.00 as at the date of this prospectus. Philip T. Black is paid at a rate of \$450.00 per day and has received, in aggregate, \$400.00 as at the date hereof.

Mr. Donald Archer, President and a director of the Issuer, has entered into a management agreement with the Issuer, dated February 1, 1988, and will receive a monthly salary of \$2,000 for a period of two years for management and administrative services rendered. As at the date hereof Mr. Archer has not been paid pursuant to the foregoing management agreement.

None of the other directors or senior officers of the Issuer have received any remuneration in their capacities as such. There is no immediate intention of paying any such remuneration within the next twelve months. However, the right to do so is reserved.

#### 18. OPTIONS TO PURCHASE SECURITIES

As of the date of this Propsectus, the directors and senior officers of the Company, as a group, hold the following options to purchase common shares of the Company:

<u>Directors</u>	<u>Number of Shares</u>
Philip T. Black	73,250
Reg J. Stranks	30,000
<u>Employees</u>	
Donald B. Archer	73,250
Gordon S. Archer	30,000
	<hr/>
	<u>206,500</u>

The options are exercisable for a two (2) year period commencing on the Offering Day at a price of \$0.50 per share.

#### 19. ESCROWED SECURITIES

As of the date of this Prospectus, 750,000 Shares are held in escrow by the First City Trust Company, 777 Hornby Street, Vancouver, British

Columbia, subject to the direction or determination of the Superintendent of Brokers. The escrow restrictions provide that the shares may not be traded in, dealt with in any manner whatsoever, or released, nor may the Issuer, its Transfer Agent or Escrow Holder make any transfer or record any trading of the shares without the consent of the Superintendent of Brokers. The complete text of the Escrow Agreement is available for inspection at the Registered Office of the Company, 16th Floor, 1100 Melville Street, Vancouver, British Columbia.

<u>Designation of Class</u>	<u>Number of Shares Held in Escrow</u>	<u>Percentage of Class</u>
Common	750,000	47.92%

The escrowed shares are currently owned by the following parties in the amounts indicated:

<u>Name and Address</u>	<u>Number of Escrowed Securities</u>
Donald B. Archer, 4151 Ferndale Avenue, West Vancouver, B.C.	400,000
Philip T. Black, 507 - 470 Granville Street, Vancouver, B.C.	150,000
Reg. J. Stranks, 5424 Connaught Drive, Vancouver, B.C.	100,000
Gordon S. Archer, 2 - 1823 Chestnut Street, Victoria, B.C.	100,000

## 20. PRINCIPAL HOLDERS OF SECURITIES

The following shareholders beneficially, directly or indirectly hold greater than 10% of the issued shares of the Company as at the date of this Prospectus:

<u>Name</u>	<u>No. of Shares</u>
Donald B. Archer, 4151 Ferndale Avenue, West Vancouver, B.C.	500,000

<u>Name</u>	<u>No. of Shares</u>
Philip T. Black, 507 - 470 Granville Street, Vancouver, B.C.	170,000
Reg. J. Stranks, 5424 Connaught Drive, Vancouver, B.C.	200,000

The percentage of Shares of the Issuer being offered to the public for cash will represent 24.21% of the shares issued and outstanding upon completion of the Offering and the number of shares currently held by Promoters and Directors of the Issuer will represent 47.94% of the shares issued and outstanding upon completion of the Offering.

The number and percentage of shares of the Issuer beneficially owned, directly or indirectly, by all Promoters, Directors, Senior Officers and controlling persons of the Issuer as a group is as follows:

<u>Designation of Class</u>	<u>Number of Shares Beneficially Owned</u>	<u>Percentage of Class</u>
Common Shares	990,000	47.94%

The partners, employees and/or associates of the Underwriter do not hold shares in the capital stock of the Issuer.

## 21. PRIOR SALES

The only prior sales are as disclosed under "Share and Loan Capital Structure".

## 22. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Directors and Officers of the Issuer have no interest in any material transactions which has materially affected or will materially affect the Issuer.

## 23. AUDITOR, TRANSFER AGENT, AND REGISTRAR

The auditor of the Issuer is Davidson & Company, Chartered Accountants, 1270 - 609 Granville Street, Vancouver, British Columbia.

The transfer agent and registrar of the Issuer is the First City Trust Company, 777 Hornby Street, Vancouver, British Columbia.

#### 24. MATERIAL CONTRACTS

The Issuer has entered into the following material contracts as at the date of this Prospectus:

- (i) Option Agreement, dated May 19, 1987, with G.H. Rayner and Associates Ltd.
- (ii) Escrow Agreement, dated August 20, 1987, with the First City Trust Company.
- (iii) Director & Key Employee Incentive Option Agreement, dated September 24, 1987 and March 1, 1988.
- (iv) Management Agreement, dated February 1, 1988, with Donald B. Archer.
- (v) Agency Agreement, dated March 1, 1988 and amended June 1, 1988, with Union Securities Ltd. and Brink Hudson & Lefever Ltd.
- (vi) Voluntary Pooling Agreements, dated March 22, 1988.

The above contracts may be inspected at the Issuer's Registered and Records Office at 1600 - 1100 Melville Street Vancouver, British Columbia, during normal business hours while primary distribution of the securities offered hereunder is in progress and for a period of thirty (30) days thereafter.

#### 25. OTHER MATERIAL FACTS

There are no other material facts relating to the securities offered by this Prospectus which have not been previously disclosed under the foregoing headings.

#### 26. STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

The Securities Act provides a purchaser with a right to withdraw from an agreement to purchase securities within two business days after receipt or deemed receipt of a prospectus and further provides a purchaser with remedies for rescission or damages where the prospectus and any amendment contains a material misrepresentation or is not delivered to the purchaser prior to delivery of the written confirmation of sale or prior to midnight on the second business day after entering into the agreement, but such remedies must be exercised by the purchaser within the time limits prescribed. For further information concerning these rights and the time limits within which they must be exercised the purchaser should refer to Sections 66, 114, 118 and 124 of the Securities Act or consult a lawyer.

**GEOTECH CAPITAL CORP.**

**UNAUDITED FINANCIAL STATEMENTS**

**MARCH 31, 1988**

# DAVIDSON & COMPANY

Chartered Accountants

A Partnership of  
Professional Corporations

Telephone (604) 687-0947  
Fax (604) 687-6172

Suite 1270  
Stock Exchange Tower  
609 Granville Street  
P.O. Box 10372, Pacific Cent  
VANCOUVER, B.C.  
CANADA V7Y 1G6

## COMMENTS ON UNAUDITED

### INTERIM FINANCIAL INFORMATION

To the Directors,  
Geotech Capital Corp.

We have prepared the accompanying unaudited interim financial information comprising balance sheet and statements of income and deficit, and changes in financial position for the eight months ended March 31, 1988 from the records of Geotech Capital Corp. and from other information supplied to us by the company and have reviewed such interim financial information. Our review which was made in accordance with standards established for such reviews, consisted primarily of enquiry, comparison and discussion.

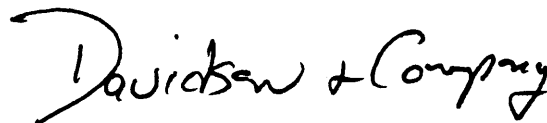
We have not performed an audit and consequently do not express an opinion on this interim financial information. The most recent audited financial statements issued to shareholders on which we expressed an opinion, were for the period from incorporation on September 25, 1986 to July 31, 1987.

April 29, 1988

## AUDITORS' REPORT

We have examined the balance sheet of Geotech Capital Corp. as at July 31, 1987 and the statements of loss and deficit and changes in financial position for the period from incorporation on September 25, 1986 to July 31, 1987. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company as at July 31, 1987 and the results of its operations and the changes in its financial position for the period then ended in accordance with generally accepted accounting principles.



Chartered Accountants

Vancouver, B. C.

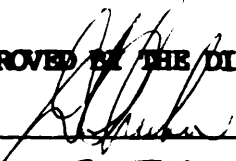
August 28, 1987

**GEOTECH CAPITAL CORP.**

**BALANCE SHEET**

	March 31 1988 <u>Unaudited</u>	July 31 1987 <u>Audited</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 9,968	\$ 19,424
MINERAL PROPERTY COSTS - Note 3	139,524	68,778
FIXED - Net of accumulated depreciation of \$1,575	<u>6,973</u>	<u>5,794</u>
	<u>\$ 156,465</u>	<u>\$ 93,996</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 20,724	\$ 4,952
<b>SHAREHOLDERS' EQUITY</b>		
SHARE CAPITAL - Note 4	196,250	110,000
DEFICIT	<u>(60,509)</u>	<u>(20,956)</u>
	<u>\$ 156,465</u>	<u>\$ 93,996</u>

**APPROVED BY THE DIRECTORS:**

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

**GEOTECH CAPITAL CORP.**

**STATEMENT OF LOSS AND DEFICIT**

Eight months Ended March 31 1988 <u>Unaudited</u>	Ten months Ended July 31 1987 <u>Audited</u>
---	--

**EXPENSES**

Depreciation	\$ 1,064	\$ 644
Office and miscellaneous	6,398	2,233
Printing	550	1,490
Professional fees	21,661	1,500
Regulatory fees	3,876	-
Rent	1,257	5,262
Travel and promotion	4,754	5,042
Wages and employee benefits	<u>-</u>	<u>4,785</u>
<b>LOSS FOR THE PERIOD</b>	<b>39,553</b>	<b>20,956</b>
<b>DEFICIT, BEGINNING OF PERIOD</b>	<b><u>20,956</u></b>	<b><u>-</u></b>
<b>DEFICIT, END OF PERIOD</b>	<b><u><u>\$ (60,509)</u></u></b>	<b><u><u>\$ (20,956)</u></u></b>

**GEOTECH CAPITAL CORP.**

**STATEMENT OF CHANGES IN FINANCIAL POSITION**

	Eight months Ended March 31 1988 <u>Unaudited</u>	Ten months Ended July 31 1987 <u>Audited</u>
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	\$ (39,553)	\$ (20,956)
Item not involving an outlay of cash Depreciation	<u>1,064</u>	<u>644</u>
	(38,489)	(20,312)
Cash provided by non-cash working capital	<u>15,772</u>	<u>4,952</u>
	<u>(22,717)</u>	<u>(15,360)</u>
<b>FINANCING ACTIVITIES</b>		
Issuance of share capital	<u>86,250</u>	<u>110,000</u>
<b>INVESTING ACTIVITIES</b>		
Mineral property costs	(70,746)	(68,778)
Fixed assets acquired	<u>(2,243)</u>	<u>(6,438)</u>
	<u>(72,989)</u>	<u>(75,216)</u>
<b>INCREASE (DECREASE) DURING PERIOD</b>	(9,456)	19,427
<b>CASH, BEGINNING OF PERIOD</b>	<u>19,424</u>	<u>-</u>
<b>CASH, END OF PERIOD</b>	<u>\$ 9,968</u>	<u>\$ 19,424</u>

**GEOTECH CAPITAL CORP.**

**NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 1988**

**1. INCORPORATION AND NATURE OF OPERATIONS**

The company was incorporated under the Company Act of British Columbia on September 25, 1986 and commenced operations at that time.

The company is considered to be primarily in the exploration stage. Based on the information available to date, the company has not yet determined whether its mineral properties contain economically recoverable ore reserves.

The recoverability of the amounts shown for mineral property costs is dependent upon the confirmation of economically recoverable reserves, the ability of the company to obtain necessary financing to successfully complete their development and upon future profitable production.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**a) Mineral Property Costs**

The company capitalizes the costs of acquisition of mineral properties as well as all costs of exploration on the properties. These costs will be amortized over the estimated productive lives of the properties upon commencement of production using the unit-of-production method.

**b) Values**

The amounts shown for mineral property costs represents cost to date and are not intended to reflect present or future values.

**c) Fixed Assets and Depreciation**

Fixed assets, being office equipment, are recorded at cost and depreciation is being provided for on the declining balance method at a rate of 20% per annum.

**d) Earnings per share**

Earnings per share have not been calculated as they are not considered meaningful at this stage of the company's operations.

**U N A U D I T E D**

### 3. MINERAL PROPERTY COSTS

The company holds an option to acquire certain mineral claims located in the Kamloops Mining Division of British Columbia by paying \$ 5,000 and issuing 25,000 common shares of the company at a deemed value of \$6,250.

Minimum option payments required to maintain the option are as follows:

May 19, 1988	\$ 10,000
May 19, 1989	15,000
May 19, 1990	20,000
May 19, 1991	<u>25,000</u>
	<u>\$ 70,000</u>

The options are subject to a Net Smelter Returns Royalty of 3%.

The company staked four additional mineral claims in the area in the previous period and staked further mineral claims in the area during this period.

The company's costs to date on its mineral properties can be summarized as follows:

Option payment	\$ 5,000
Shares issued	6,250
Staking costs	20,976
Engineering and expenses	51,714
Geochemical	26,880
Assaying	27,329
Miscellaneous	<u>1,375</u>
	<u>\$ 139,524</u>

### 4. SHARE CAPITAL

Authorized  
10,000,000 common shares, without par value

		March 31 1988	July 31 1987
	<u>Shares</u>	<u>\$</u>	<u>\$</u>
Issued			
For cash	1,480,000	190,000	110,000
Shares subscribed for but not paid	60,000	-	-
Shares issued for mineral claims	<u>25,000</u>	<u>6,250</u>	<u>-</u>
	<u>1,565,000</u>	<u>\$ 196,250</u>	<u>\$ 110,000</u>

U N A U D I T E D

- a) Included in share capital are 750,000 common shares, issued at \$ .01 per share currently held in escrow as required by the Superintendent of Brokers of British Columbia.
- b) Included in share capital issued are 360,000 shares at \$ .25 per share, the proceeds from which were used to incur expenditures on its mineral property which are eligible as renounceable Canadian Exploration Expenses and qualify for the mining exploration depletion allowance pursuant to the Canadian Income Tax Act.

Included in shares subscribed for are 60,000 shares at \$ .25 per share, the proceeds from which will be used to incur expenditures on its mineral property which will be eligible as renounceable Canadian Exploration Expenses and qualify for the mining exploration depletion allowance pursuant to the Canadian Income Tax Act.

- c) Subscriptions receivable were received subsequent to the end of the period.

## 5. PUBLIC SHARE OFFERING

The company is in the process of filing a prospectus for the offering of shares.

Under the proposed offering, 500,000 common shares will be issued for proceeds, net of commissions in the amount of \$ 25,000, of \$ 225,000 . in conjunction with this offering the company has granted agents warrants enabling the holder to acquire up to 125,000 shares of the company, at a price of \$ .55 per share. The warrants expire at the earlier of 180 days from the listing of the company's shares on the Vancouver Stock Exchange, or 12 months from the date of the company's prospectus.

**GEOTECH CAPITAL CORP.**

**FINANCIAL STATEMENTS**

**JULY 31, 1987**

# DAVIDSON & COMPANY

Chartered Accountants

A Partnership of  
Professional Corporations

Telephone (604) 687-0947  
Fax (604) 687-6172

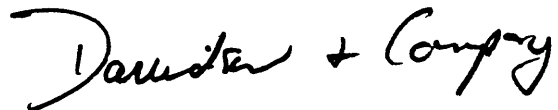
Suite 1270  
Stock Exchange Tower  
609 Granville Street  
P.O. Box 10372, Pacific Centre  
VANCOUVER, B.C.  
CANADA V7Y 1G6

## AUDITORS' REPORT

To the Directors,  
Geotech Capital Corp.

We have examined the balance sheet of Geotech Capital Corp. as at July 31, 1987 and the statements of loss and deficit and changes in financial position for the period from incorporation on September 25, 1986 to July 31, 1987. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company as at July 31, 1987 and the results of its operations and the changes in its financial position for the period then ended in accordance with generally accepted accounting principles.



Chartered Accountants

Vancouver, B. C.

August 28, 1987

GEOTECH CAPITAL CORP.

BALANCE SHEET

JULY 31, 1987

ASSETS

CURRENT

Cash \$ 19,424

MINERAL PROPERTY COSTS - Note 3 68,778

FIXED - Net of accumulated depreciation of \$644 5,794

\$ 93,996

LIABILITIES

CURRENT

Accounts payable and accrued liabilities \$ 4,952

SHAREHOLDERS' EQUITY

SHARE CAPITAL - Note 4 110,000

DEFICIT (20,956)

\$ 93,996

APPROVED BY THE DIRECTORS:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

GEOTECH CAPITAL CORP.

STATEMENT OF LOSS AND DEFICIT

FROM INCORPORATION ON SEPTEMBER 25, 1986 TO JULY 31, 1987

EXPENSES

Depreciation	\$ 644
Office and miscellaneous	2,233
Printing	1,490
Professional fees	1,500
Rent	5,262
Travel and promotion	5,042
Wages and employee benefits	<u>4,785</u>

LOSS FOR THE PERIOD, BEING DEFICIT AT END OF PERIOD	<u>\$ 20,956</u>
---	------------------

GEOTECH CAPITAL CORP.

STATEMENT OF CHANGES IN FINANCIAL POSITION

FROM INCORPORATION ON SEPTEMBER 25, 1986 TO JULY 31, 1987

OPERATING ACTIVITIES

Net loss for the period	\$ (20,956)
Item not involving an outlay of cash	
Depreciation	<u>644</u>
	(20,312)
Cash provided by non-cash	
working capital	<u>4,952</u>
	<u>(15,360)</u>

FINANCING ACTIVITIES

Issuance of share capital	<u>110,000</u>
---------------------------	----------------

INVESTING ACTIVITIES

Mineral property costs	(68,778)
Fixed assets acquired	<u>(6,438)</u>
	<u>(75,216)</u>

CASH, END OF PERIOD	<u>\$ 19,424</u>
---------------------	------------------

GEOTECH CAPITAL CORP.

NOTES TO THE FINANCIAL STATEMENTS

JULY 31, 1987

1. NATURE OF OPERATIONS

The company is considered to be primarily in the exploration stage. Based on the information available to date, the company has not yet determined whether its mineral properties contain economically recoverable ore reserves.

The recoverability of the amounts shown for mineral property costs is dependent upon the confirmation of economically recoverable reserves, the ability of the company to obtain necessary financing to successfully complete their development and upon future profitable production.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Mineral Property Costs

The company capitalizes the costs of acquisition of mineral properties as well as all costs of exploration on the properties. These costs will be amortized over the estimated productive lives of the properties upon commencement of production using the unit-of-production method.

b) Values

The amounts shown for mineral property costs represents cost to date and are not intended to reflect present or future values.

c) Fixed Assets and Depreciation

Fixed assets, being office equipment, are recorded at cost and depreciation is being provided for on the declining balance method at a rate of 20% per annum.

d) Earnings per share

Earnings per share have not been calculated as they are not considered meaningful at this stage of the company's operations.

### 3. MINERAL PROPERTY COSTS

During the period the company acquired an option to acquire certain mineral claims located in the Kamloops Mining Division of British Columbia by paying \$ 5,000 and agreeing to issue 25,000 common shares of the company.

Minimum option payments required to maintain the option are as follows:

May 19, 1988	\$ 10,000
May 19, 1989	15,000
May 19, 1990	20,000
May 19, 1991	<u>25,000</u>
	<u>\$ 70,000</u>

The options are subject to a Net Smelter Returns Royalty of 3%.

The company also staked four additional mineral claims in the area.

The company's costs to date on its mineral properties can be summarized as follows:

Option payment	\$ 5,000
Staking costs	3,004
Engineering and expenses	18,148
Geochemical	22,000
Assaying	19,361
Miscellaneous	<u>1,265</u>
	<u>\$ 68,778</u>

### 4. SHARE CAPITAL

Authorized  
10,000,000 common shares, without par value

	<u>Shares</u>	<u>\$</u>
Issued		
For cash	440,000	110,000
Shares subscribed for but not paid	810,000	-
Shares issued for mineral claims	<u>25,000</u>	<u>-</u>
	<u>1,275,000</u>	<u>\$ 110,000</u>

- a) Included in share capital are 750,000 common shares, issued at \$ .01 per share currently held in escrow as required by the Superintendent of Brokers of British Columbia.
- b) Included in share capital issued and subscribed for are 300,000 shares at \$ .25 per share, the proceeds from which were used to incur expenditures on its mineral property which are eligible as renounceable Canadian Exploration Expenses and qualify for the mining exploration depletion allowance pursuant to the Canadian Income Tax Act.

## **5. OPERATIONS**

The company was incorporated on September 25, 1986 and commenced operations at that time.

## **6. PUBLIC SHARE OFFERING**

The company is in the process of filing a prospectus for the offering of shares.

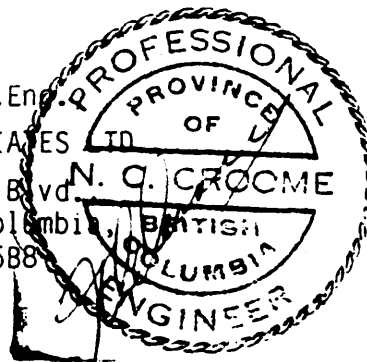
Under the proposed offering, 500,000 common shares will be issued for proceeds, net of commissions in the amount of \$ 25,000, of \$ 225,000 . in conjunction with this offering the company has granted agents warrants enabling the holder to acquire up to 125,000 shares of the company, at a price of \$ .55 per share. The warrants expire at the earlier of 180 days from the listing of the company's shares on the Vancouver Stock Exchange, or 12 months from the date of the company's prospectus.

(REVISED) REPORT ON  
GEOTECH CAPITAL CORP.  
BOGG MINERAL CLAIMS  
TA HOOLA LAKE AREA  
KAMLOOPS MINING DIVISION  
BRITISH COLUMBIA

Geographic Co-Ordinates  
51°37'N. Latitude  
120°32'W. Longitude  
NTS Sheet 92P9/10

By

N. C. CROOME, P.Eng.  
N. C. CROOME & ASSOCIATES  
1681 Ambler Greene Blvd.  
Surrey, British Columbia  
Canada. V4A 6B8



August 5, 1987  
Revised December 21, 1987

## TABLE OF CONTENTS

	<u>Page</u>
Index .....	1-2
1.0 Introduction .....	3-4
2.0 Recommendations and Proposed Program ..	6-8
2.1 Summary and Recommendations .....	6
2.2 Proposed Program .....	7-8
3.0 Geographic Setting .....	9-10
3.1 Location .....	9
3.2 Access .....	9
3.3 Physical Environment .....	10
4.0 Property and Title .....	12-13
4.1 Property .....	12
4.2 Title .....	12-13
5.0 History of Area .....	14-15
6.0 Regional Geology .....	16-20
7.0 Property Geology and Mineralization ...	21-29
7.1 Property Geology .....	21-27
7.2 Mineralization .....	27-29
8.0 Theoretical and Practical Considerations	30-33
9.0 Estimated Cost of Exploration Program..	34-37
10.0 Evaluation .....	38-39
11.0 References .....	40
12.0 Certificate .....	41

# MAPS

	<u>Page</u>
GC-1 Property Location Map .....	5
GC-2 Mineral Claim Map .....	11
GC-8 General Area Map showing Previous and Current Exploration..	14A
GC-3 Quesnel Trough and Adjacent Geanticlines .....	17
GC-4 Geology and Mineral Occurrences - Quesnel Trough .....	19
GC-5 General Geology Map - Bogg Claims Area .....	22
GC-6 Generalized Geology - Bogg Claims ...	25
GC-7 Geochemical Survey - Bogg Claims, 1987 .....	31

## 1.0 INTRODUCTION

The following report entitled Geotech Capital Corp., Bogg Mineral Claims, Ta Hoola Lake Area, Kamloops Mining Division, British Columbia was prepared at the request of D. Archer, President, Geotech Capital Corp., whose registered and records offices are located at 1600 - 1100 Melville Street, Vancouver, British Columbia, V6E 4B4.

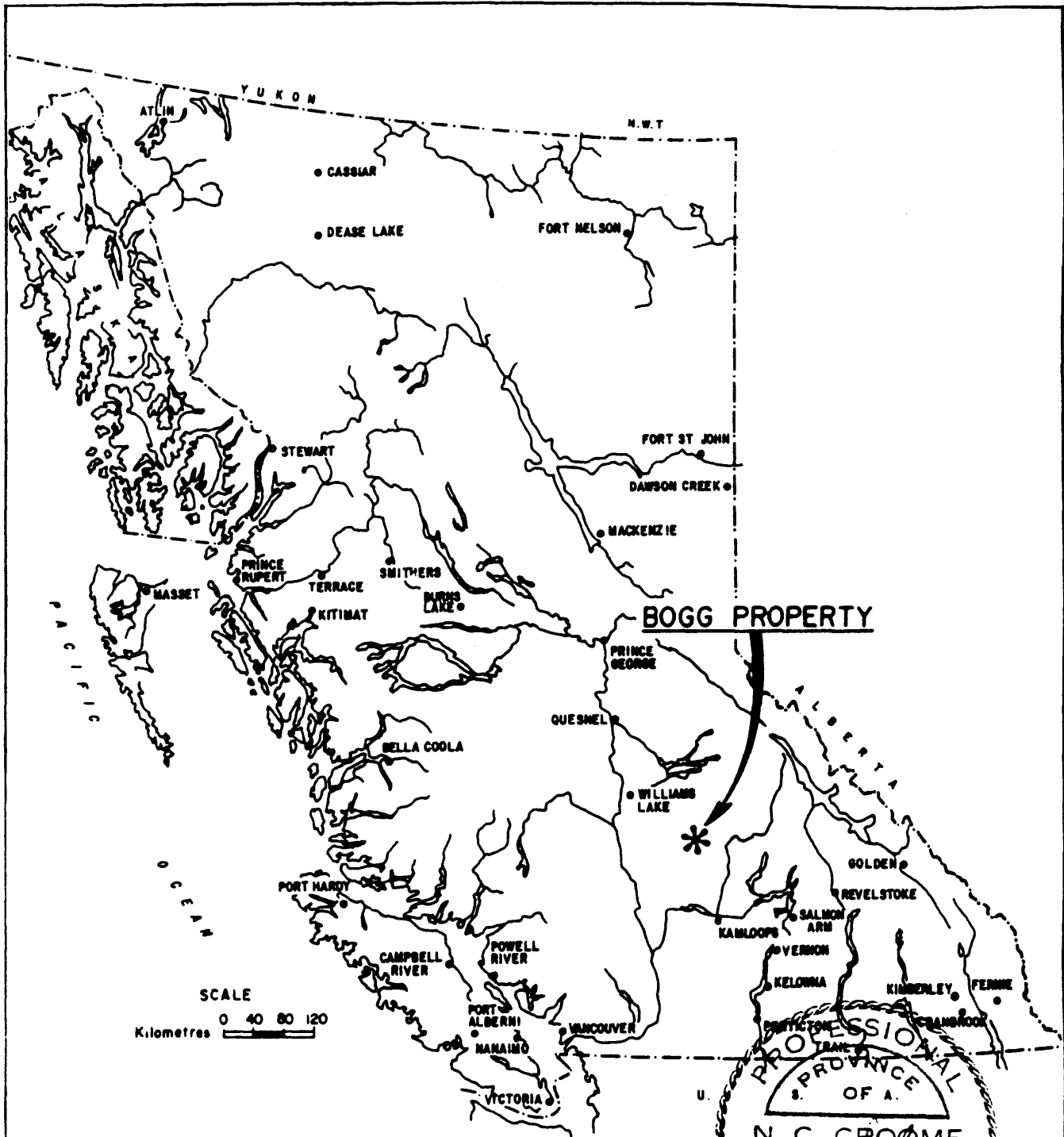
The purpose of this report is to evaluate and recommend the on-going exploration requirements deemed necessary to delineate the potential gold mineralized zones which are known to exist on the Bogg claims.

This report is based on information supplied by D. Archer and Dr. P. T. Black, P.Eng. and a review of reports by British Columbia Department of Mines and Petroleum Resources Geology, Exploration and Mining in British Columbia, 1970, V. H. G. Preto, and the Report on Bogg Group of Claims for Prism Resources by A. J. Sinclair, P.Eng. Information on the current, 1987 Geochemical Survey was provided by G. Archer, Geologist. Two visits were made to the Bogg claims by the author June 1-2 and June 11-12-13, 1987.

It is understood that, due to the magnitude of the area encompassed by the Bogg Claims and the numerous mineral showings, should this presently proposed exploration program prove successful as anticipated additional exploration and feasibility studies will be required.

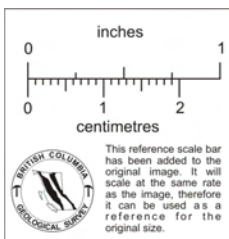
4

The potential of developing an economically viable gold deposit exists on the Bogg Claims and the author recommends that Geotech Capital Corp. proceed with an exploration program as outlined herein.



**BOGG PROPERTY**

SCALE  
Kilometres 0 40 80 120



<b>GEOTECH CAPITAL CORP.</b>		
<b>PROPERTY LOCATION MAP</b>		
<b>KAMLOOPS MINING DISTRICT</b>		
<b>N. C. CROOME &amp; ASSOCIATES LTD.</b>		
DATE: AUGUST, 1987	BY: N.C.C.	SKETCH No. <b>GC-1</b>
SCALE: As shown	CHKD BY: N.C.C.	

## 2.0 RECOMMENDATIONS AND PROPOSED PROGRAM

### 2.1 Summary and Recommendations

Geotech Capital Corp. holds by lease agreement 18 metric grid claims totalling 242 units located in the Ta Hoola Lake area, Kamloops Mining Division and Clinton Mining Division. The claims lie approximately 30 kms north-west of the village of Little Fort.

The claims lie in the Cariboo-Quesnel Gold Belt section of the Quesnel Trough, where gold deposition has occurred in a wide variety of geological settings. The primary target in the Cariboo-Quesnel gold belt is semi-conformable strata-bound gold mineralization hosted by permeable volcanoclastics of sedimentary rocks of the Quesnel Trough.

Reconnaissance geochemical surveys by the owner, G. H. Rayner, succeeded in delineating a dominant topographic gold-bearing lineament trending northwesterly from the Ta Hoola Lake area. Stream soil sediment samples were taken by Rayner et al in 1986. The highest gold values ranged up to 1750 ppb gold in the heavy mineral fractions and to 940 ppb in the minus 80 fraction. Subsequent soil sediment samples taken on the northern portion of the claim blocks, and within the targeted grid, gave assays up to 2600 ppb gold. (See SK - GC-7) The strong gold values in the larger stream valleys are in part due to glacial placering of gold from the immediate vicinity. Of equal importance are the lesser, but persistent, gold numbers in the 55 ppb range in several adjacent creeks.

Subsequent geochemical surveys by Geotech Capital Corp. in 1987 have disclosed three outstanding anomalous gold areas which should be thoroughly investigated.

The association of geochemical gold values in both rocks and sediments within the intrusive terrain in the south-western region of the claims suggests the potential gold mineralization would be located within, or nearby, the intrusive contacts.

## 2.2 Proposed Program

An exploration program at an estimated total cost of \$348,266 is recommended to determine the presence of gold in economic quantities on the Bogg Claims.

A general outline of the exploration program is as follows:

### Phase I

(1) Continue the present base line 1000 meters in a north-westerly direction N.45°W. Survey grid lines on 50 meter intervals from station 4000 to 5000. Soil sample on grid lines at 25 meter intervals 450 meters southwest and northeast from the base line. Soil sample on the grid lines at 25 meter intervals, for a total of 740 soil samples for the area. Assays for gold, silver and arsenic.

(2) Complete geological mapping and rock sampling for all outcroppings in pertinent anomalous areas.

(3) Conduct geophysical surveys on anomalous areas including induced polarization, resistivity and VLF electromagnetic surveys over selected grid lines.

#### Phase II

(1) Road construction to gain access to the northwest area of the Bogg Claims and other anomalous areas for transportation of drilling equipment and construction of drill sites.

(2) Trenching program to expose outcroppings on anomalous areas.

(3) Diamond drilling of test holes on each of the three anomalous gold areas.

(4) Prepare reports and recommendations for further exploration on the Bogg Claims as warranted.

#### Phase III

(1) Contingent upon results in test drilling of anomalous areas, additional diamond drilling would be required to delineate mineralized areas.

(2) Prepare reports and recommendations for further exploration on the Bogg Claims as deemed warranted.

### 3.0 GEOGRAPHIC SETTING

#### 3.1 Location

The mineral claims are located in south-central British Columbia, approximately 30 kilometers north-west of Little Fort, Ta Hoola Lake area, Kamloops Mining Division and Clinton Mining Division.

Geographical Co-ordinates:

51°37' North Latitude

120°32' West Longitude

NTS 92P/9W and 10E

The nearest settlement is Bridge Lake 20 kilometers southwest, 100 Mile House to the west and Kamloops to the south provide access to all supplies and services required for the property.

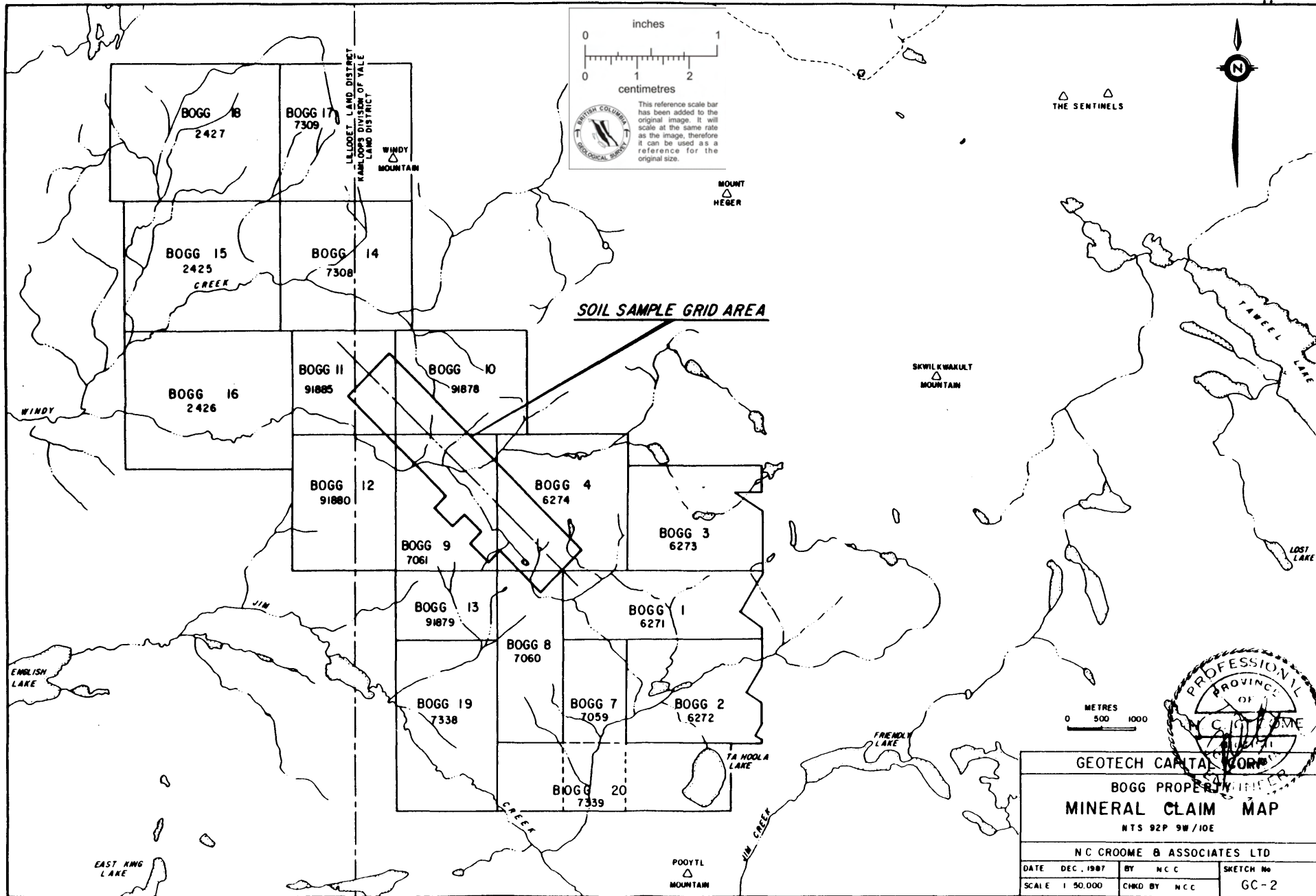
#### 3.2 Access

Access from Vancouver is by Highway 1 to Cache Creek, north on Highway 97 to 100 Mile House and east on Highway 24. Bridge Lake is approximately half way to Little Fort. At a point approximately 19 kilometers east of the Bridge Lake post office a 4-wheel logging and mining road continues 24 kilometers in a northerly direction to the property. Several exploration access roads and cat trails intersect the property.

### 3.3 Physical Environment

The Bogg Property straddles a hilltop approximately 4 kilometers northeast of Jim Creek. Relief across the property is approximately 275 meters, while total relief from Jim Creek to the highest point is 400 meters. The maximum elevation on the Bogg claims is 1,650 meters. The Bogg group is extensively drift-covered and outcrops form a small part of the total area. Small knolls and hills commonly have a centrally located area of outcrop.

The climate is moderate with temperatures ranging between -25°C and +30°C. Precipitation is moderate with a total of 500 mm annually. Snowfall is generally 90 cms to 120 cms. The exploration season is long with surface work usually possible for 7.5 months of the year.



#### 4.0 PROPERTY AND TITLE

##### 4.1 Property

The Bogg Property consists of contiguous metric grid claims lying within, or traversing the boundary of the Kamloops Mining District and the Clinton Mining District.

Those lying completely, or partially, within the Kamloops Mining District:

<u>Name</u>	<u>Metric Grid Claims</u>		<u>Expiry Date</u>
	<u>Units</u>	<u>Record No.</u>	
Bogg 1	10	6271	June 1989
Bogg 2	12	6272	June 1989
Bogg 3	12	6273	June 1989
Bogg 4	16	6274	June 1989
Bogg 7	10	7059	May 1990
Bogg 8	10	7060	May 1990
Bogg 9	12	7061	May 1990
Bogg 10	12	7220	August 1988
Bogg 11	9	7221	August 1988
Bogg 12	12	7222	August 1988
Bogg 13	6	7223	August 1988
Bogg 14	16	7308	September 1988
Bogg 17	16	7309	September 1988
Bogg 19	15	7338	November 1988
Bogg 20	14	7339	November 1988
Total Units	182		

Those lying completely within the Clinton Mining District:

<u>Name</u>	<u>Units</u>	<u>Record No.</u>	<u>Expiry Date</u>
Bogg 15	20	2425	September 1988
Bogg 16	20	2426	September 1988
Bogg 18	20	2427	September 1988
Total Units	60		

Total metric grid units in Bogg Property - 242 metric units.

Note: There is an overstaking of a total of 4 metric units of Bogg 7 by Bogg 20.

#### 4.2 Title

The metric grid claims Bogg 1, 2, 3, 4, 7, 8, and 9 were acquired by Option Agreement by Geotech Capital Corp., a body corporate with registered and records offices located at 1600 - 1100 Melville Street, Vancouver, British Columbia, V6E 4B4, from G. H. Rayner and Associates Ltd., a body corporate with business offices located at 626 Duchess Avenue, West Vancouver, British Columbia. V7T 1G7.

The metric grid claims Bogg 10, 11, 12 and 13 were staked by Geotech Capital Corp. and registered in July, 1987, and metric grid claims 15, 16, 17, 18, 19 and 20 were registered in October and November, 1987, all in the Minerals Title Branch, Department of Energy, Mines & Petroleum Resources, Victoria, British Columbia. These additional claims are deemed to form part of the total property and subject to the terms of the option agreement.

## 5.0 HISTORY OF AREA

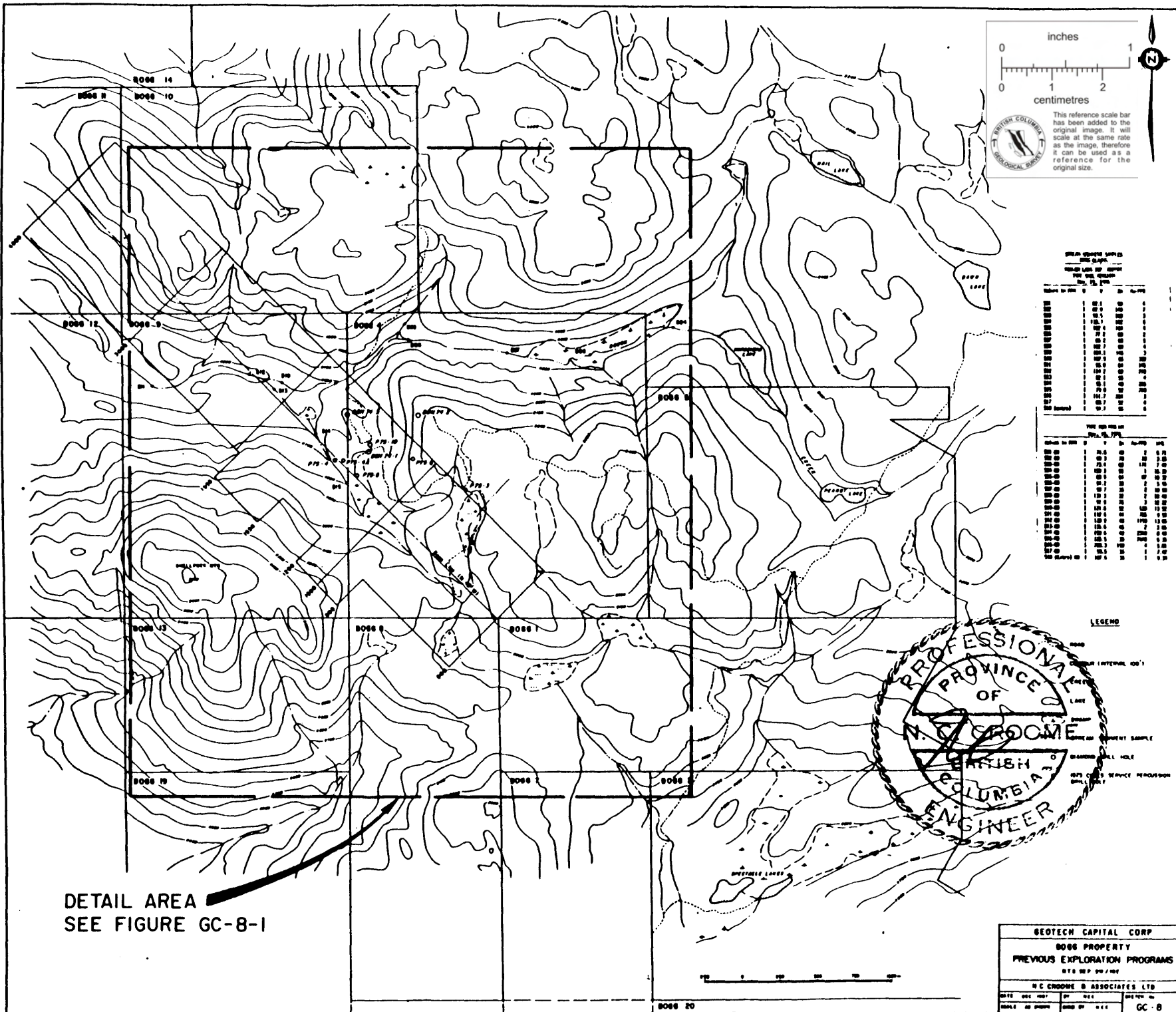
During that period of interest in exploration for copper in British Columbia, Anaconda American Brass, Western Exploration Division staked the property as the Ro and So claims prior to 1966. They conducted extensive geological, geochemical, geophysical and diamond drilling programs until 1970. When Anaconda ceased exploration in 1971, the claims were allowed to lapse.

G. Rayner staked the Bogg and Fri Claims in 1971 and they were subsequently leased to Prism Resources Ltd. They held it until 1973, during which time they did geological mapping.

Cities Service Minerals Corp. optioned the property in mid 1973. Cities carried out extensive exploration for copper minerals, geological mapping, rock and soil geochemical surveys, ground magnetometer and induced polarization surveys. 12-300 foot reverse circulation drill holes were attempted with varying degrees of success, 4 diamond drill holes for a total of 1743 feet.

Commonwealth Minerals Limited of Vancouver conducted a field program of line cutting and soil sampling in 1980. A total of 271 samples were taken and analyzed for copper, lead and silver.

In May, 1987, G. H. Rayner and Associates optioned the Bogg claims to Geotech Capital Corp. A program was commenced on the Bogg claims for gold and silver mineralization, a 3 kilometer reference line with traverse



lines 950 meters long were established at 50 meter intervals. Soil sampling was done along the traverse lines at 25 meter intervals, some 2,257 soil samples were taken and analysed for gold, silver and arsenic. The resulting assays indicate several anomalous gold zones within the grid which was tested. Several stream sediment samples were also taken giving positive results.

In October, 1987, the reference line and grid was extended an additional one kilometer to the northwest incorporating grid lines 3050N to 4000 North, lines cut and soil samples taken at 25 meter intervals. The grid lines traversing Anomaly No. 2 and Anomaly No. 3 were extended to the southwest an additional 200 meters, lines cut and soil samples taken at 25 meter intervals. An additional 905 soil samples were taken and analysed for gold, silver and arsenic. The resulting assays indicate the extension of the anomalous gold zones and in particular Anomaly No. 1 to the north.

## 6.0 REGIONAL GEOLOGY

The Bogg Claims are located in that area referred to as the Quesnel Trough. The Quesnel Trough (Roddick et al 1967) applies to a long narrow strip of predominately Lower Mesozoic and mainly volcanic rocks that lies between Proterozoic and Paleozoic strata of the Omineca Geanticline to the east and the Upper Paleozoic rocks of the Pinchi Anticline to the west (SK GC-3 ). The trough extends from below the 49th Parallel into Northern British Columbia. The area is a fault-bounded structure insofar as it contains younger rocks contained by older rocks in adjoining geanticlines. Also, it contains debris shed from the Pinchi Geanticline, which was all or partly emergent during the time of deposition of the Quesnel Trough. The Omineca Geanticline emerged as a continuous topographically high feature after cessation of deposition in the Trough. The weak to moderate deformation of the Quesnel Trough rocks is in marked contrast to the much deformed and metamorphosed flanking geanticlinal units.

The oldest rocks of the Quesnel Trough are the Upper Triassic black phyllite unit and the Nicola Group. The former consists of dominantly dark grey to black phyllite with local thin limestone beds, with different grades of metamorphism. The pelitic rocks vary from shale to kyanite schist. This unit lies generally along the eastern margin of the Trough, where it appears to be the basal unit resting unconformably on the strata of the Omineca Geanticline. Scant paleontological evidence coupled with structural information suggests a Late Triassic Age.



The Nicola Group consists dominantly of volcanic-clastic rocks of basic to intermediate composition. Minor intercalations of limestone and argillite are present and locally prominent. The rocks are unmetamorphosed or are but mildly altered. The group may overlie or be all or partly equivalent to the black phyllite, so that these two units together effectively form the basal member of the Quesnel Trough. Widespread, but scarce, fossil occurrences indicate a Late Triassic Age for the Group.

The emplacement of granitic masses accompanied by uplift and erosion at the end of the Triassic era ended the marine deposition of the Nicola Group. These plutons are grouped as a 200 million year intrusions typified by the Guichon batholith. The rocks vary in composition from hornblende-biotite granodiorite to quartz diorite; prominent porphyritic textures are exceptional. These plutons lie in a broad zone that trends northwesterly.

Jurassic volcanic and sedimentary rocks are mapped as two units, a volcanic clastic unit similar to the Nicola Group and a sedimentary unit. The Jurassic volcano-clastic assemblage is characterized by coarse augite porphyry breccia and fine grained, well bedded rocks. Locally, the base of the unit is marked by coarse conglomerate containing clasts of Nicola and Cache Creek rocks. Although the intervals between marine Triassic deposition and marine Jurassic deposition was marked by intrusion uplift and erosion, vulcanism was probably more or less continuous.

N. C. CROOME & ASSOCIATES LTD.

DATE: AUGUST, 1987

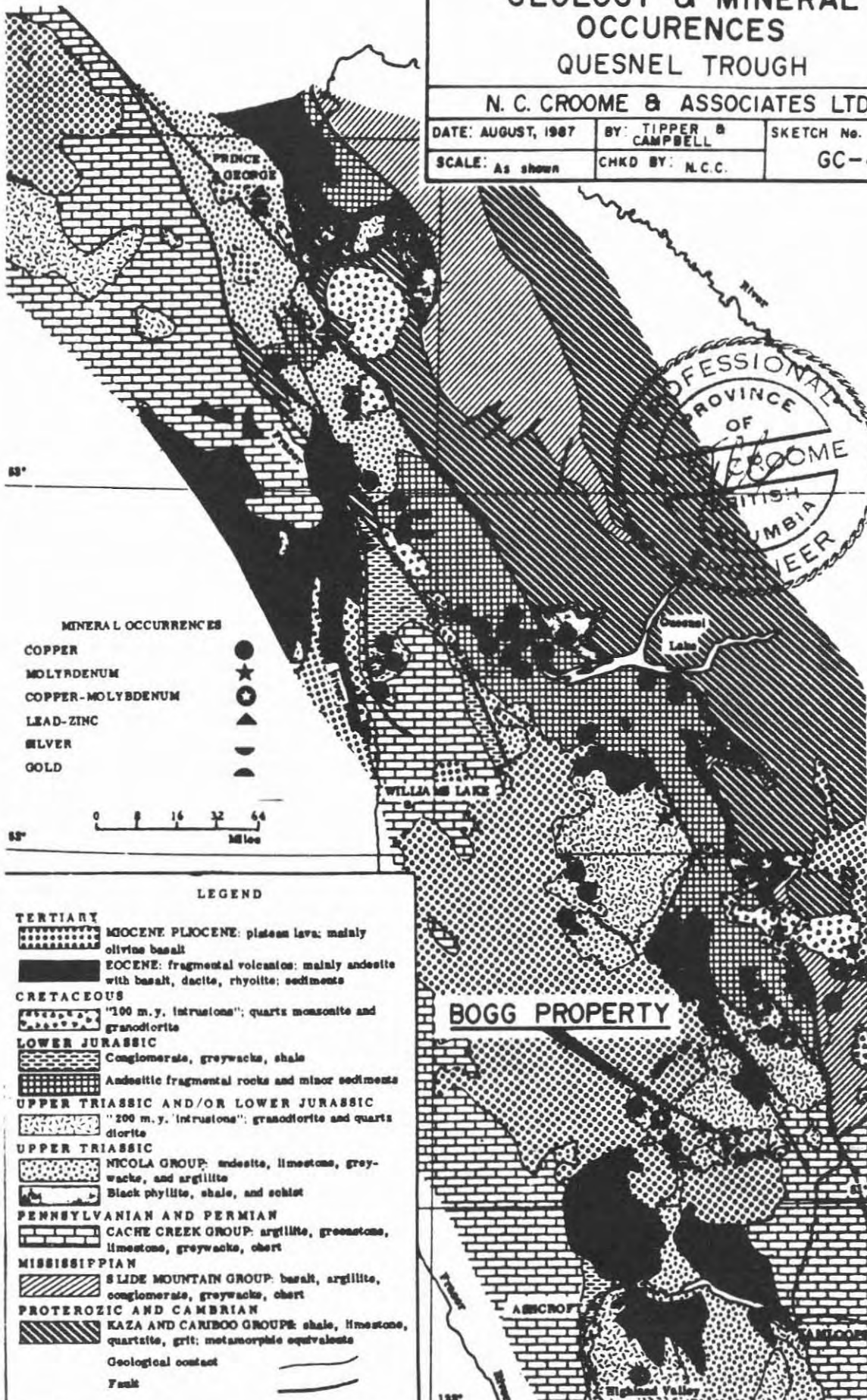
BY: TIPPER &  
CAMPBELL

SKETCH No.

**SCALE:** As shown

CHKD BY: N.C.C.

GC-4



Along the western side of the Quesnel Trough, Lower and Middle Jurassic shale, greywacke and conglomerate rest unconformably on the Cache Creek Group of the Pinchi Geanticline and possibly on the Nicola Group. The base is common boulder to pebble conglomerate.

The 100 million year intrusions are primarily biotite-quartz monzonite and granodiorite commonly displaying distinct potash feldspar phenocrysts. The bulk of the plutons include rocks ranging from mid-early Cretaceous to mid-late Cretaceous. The intrusions post-date all but the obvious Tertiary structural features, including an episode of folding and metamorphism in the Omineca Geanticline.

The Mesozoic rocks are the essential components of the Quesnel Trough. They attest to a history of volcanism and sedimentation from Late Triassic to Middle Jurassic. In Middle or early Late Jurassic, a general uplift centered primarily along the axis of the Omineca Geanticline brought marine deposition in the Quesnel Trough to a close. Consequent erosion stripped Mesozoic deposits from the geanticlinal axis and the Trough assumed essentially the present outlines.

The distribution of the Tertiary rocks is super-imposed on the pre-Tertiary geology in SK GC-4. The Tertiary geology falls into two distinct units - lower Tertiary sedimentary and fragmental basic rocks varying from basalt to rhyolite with abundant andesite and upper Tertiary dominantly basaltic plateau lava. The lower Tertiary rocks are gently tilted, whereas the upper Tertiary lavas are flat-lying and undeformed.

## 7.0 PROPERTY GEOLOGY AND MINERALIZATION

### 7.1. Property Geology

The area has been mapped on a reconnaissance scale by Campbell and Tipper (1971). They recognize a single major rock group in the area encompassed by Bogg group: Nicola volcanic rocks of Upper Triassic age. A somewhat more detailed study by Preto (1970) shows the presence of considerable quantities of a second major unit - intrusive rocks ranging in composition from leucogranite to leucosyenite, and of probable Upper Triassic or Lower Jurassic age. Preto considers that these intrusions are probably the same age as the Thuya batholith to the south, perhaps being satellites of the batholith. Little emphasis has yet been placed on analysis of faults in the area despite the obvious abundance of pronounced lineaments by simple stereo viewing of aerial photographs.

Bogg group is extensively drift-covered and outcrops form a small percentage of the total area. Small knolls and hills commonly have a centrally located area of outcrop. Large hills, however, have gentle flanks as a rule and do not expose much bedrock. Even where flanks steepen locally outcrops are not assured.

Despite the scarcity of outcrop, the drift cover is not everywhere particularly thick. The road branches in the northern and western parts of the property have considerable outcroppings along them resulting from relatively minor bulldozer cuts made when the road was constructed.



# LEGEND

## CRETACEOUS

20

RAFT AND BALDY BATHOLITHS AND SIMILAR GRANITIC ROCKS: biotite quartz monzonite and granodiorite, minor pegmatite, aplite, biotite-norblende, quartz monzonite, 20a, quartz diorite, diorite, granodiorite (may include some older rocks); 20b, aplite, leuco-quartz monzonite and granite

### APTIAN AND/OR ALBIAN

#### JACKASS MOUNTAIN GROUP

19

Greywacke, shale, siltstone, minor arkose and lenses of pebble conglomerate

## JURASSIC (?)

18

Shale, grit



Chert-pebble conglomerate, greywacke

## JURASSIC

### SINEMURIAN TO (?) MIDDLE JURASSIC

16

Porphyritic augite andesite breccia and conglomerate; minor andesite, arenite, tuff, argillite, and flows (may include some 11, 16a, isolated areas of hornblende andesite (may be all or partly intrusive))

15

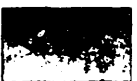
Andesitic arenite, siltstone, grit, breccia and tuff; local granite bearing conglomerate, greywacke; minor argillite and flows (may include some 11)

## TRIASSIC OR JURASSIC

### RHAETIAN OR HETTANGIAN

14

THUYA AND TAKOMKANE BATHOLITHS AND SIMILAR GRANITIC ROCKS: hornblende-biotite quartz diorite and granodiorite, minor hornblende diorite, monzonite, gabbro, hornblende; 14a, diorite and syenodiorite, 14b, leuco-quartz monzonite and granodiorite



13a, fine- to medium-grained, pink to brown and grey syenite and monzonite; 13b, medium-grained, creamy-buff, locally coarsely porphyritic (K-feldspar) syenite and monzonite

## TRIASSIC

### KARNIAN AND NORIAN

#### NICOLA GROUP



Augite andesite flows and breccia, tuff, argillite, greywacke, grey limestone; 11a, includes minor 3 and 10



Black shale, argillite, phyllite, siltstone, black limestone

## PERMIAN AND/OR TRIASSIC



Serpentinite and serpentized peridotite

### LATE PERMIAN (?) EARLY AND/OR MIDDLE TRIASSIC

#### PAVILION GROUP (7, 8)



Tuff, chert, argillite, limestone, greywacke, andesitic and basaltic flows



Chert, argillite, siltstone; minor tuff and limestone

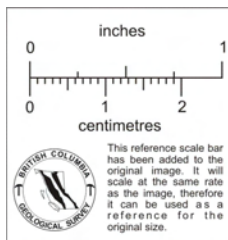
MESOZOIC

Volcanic breccia and/or agglomerate is a fairly common rock type present on the property. Fragments form a high proportion of the rock and are mostly massive, green andesite with matrix being fine-grained tuffaceous material. Proportions of fragments and tuffs varies but are commonly about equal. Fragments range in size up to several inches in longest dimension and in shape from rounded to angular. These coarse pyroclastic rocks appear to predominate in the the eastern part of the property although outcrops of any kind are relatively scarce there, and the rock does occur in several localities to the west.

The most abundant type of Nicola rocks on the property is an aphanitic, thinly-bedded, light-green rock that appears identical with Preto's subunit 2b, and which is interpreted as being a marine tuff. The rock is the predominant type on the western part of the property where outcrops are relativley abundant and also occurs in the eastern part.

Relative ages of subunits within Nicola Group are not known. It seems likely that intercalated lava flows occurred at several times during deposition of coarse and fine pyroclastic material.

The rocks are generally non-magnetic but here and there specimens are slightly attracted to a magnet indicating a small, variable magnetite content. Pyrite is ubiquitous but in small amounts rarely exceeding 0.5% by volume. Pyrite occurs both in disseminated form in which case it is commonly present as small, more-or-less evenly



OUTLINE OF BOGG CLAIMS

SOIL SAMPLE GRID

SCALE IN MILES



## LEGEND

### SINEMURIAN TO (?) MIDDLE JURASSIC

- 7a AUGITE PORPHYRY, BRECCIA AND AGGLOMERATE ▲▲▲
- 7a BEDDED ARGILLITE
- 6a INTERBEDDED VOLCANIC SILTSTONE, SANDSTONE AND GRIT, MINOR ARGILLITE
- 6a AUGITE PORPHYRY AGGLOMERATE GRADING UPWARDS INTO POLYMICTIC COBBLE AND BOULDER CONGLOMERATE

### UPPER TRIASSIC OR LOWER JURASSIC

- 5 LEUCOGRANITE TO LEUCOSYENITE PORPHYRY
- 6a GREY MICRODORITE
- 6a THUYA BATHOLITH, HORNBLende - BIOTITE QUARTZ DIORITE AND GRANDIORITE, HORNBLende DIORITE

### UPPER TRIASSIC

- 2a MASSIVE ANDESITIC FLOWS AND VOLCANIC BRECCIA ▲▲▲
- 2a THIN BEDDED ANDESITIC TUFF
- 2c INTERBEDDED CALCAREOUS ARGILLITE AND SILTSTONE
- 2d GRAY, THIN BEDDED LIMESTONE

### PENNSYLVANIAN AND PERMIAN

- 11a CACHE CREEK GROUP VOLCANIC ARENITE, GREENSTONE, CHERT, ARGILLITE, LIMESTONE, LIMESTONE BRECCIA, MINOR BEDDED TUFF AND CHERT

## SYMBOLS

- BEDDING, TOPS NOT KNOWN
- BEDDING, TOPS KNOWN
- SCHISTOSITY
- INFERRED FAULT
- MINERAL OCCURRENCE
- FOSSIL LOCALITY
- FOSSIL LOCALITY TAKEN FROM GSC MAP 3-1966
- ROAD



GEOTECH CAPITAL CORP.

BOGG PROPERTY

GEOLGY MAP

NTS 92P 9W/10E

N. C. CROOME & ASSOCIATES LTD.

DATE DEC. 1967	BY PRETO, 1970	SKETCH No
SCALE AS SHOWN	CHRD BY NCC	GC-6

distributed cubes, and as massive filling of small irregular to regular fractures. Small amounts of chalcopyrite and galena are also noted locally and will be discussed in a later section. Most of the sulphides appear to have been superimposed on Nicola rocks during an episode of hydrothermal mineralization with the exception of a small proportion of disseminated pyrite that might reflect an earlier low-grade metamorphic event.

The term leucosyenite (after Preto, 1970) is applied to a group of plutonic rocks predominant through the southern part of the claims group, with somewhat variable textures and proportions of essential minerals. All samples taken from this unit are not necessarily syenitic in composition but include granitic and monzonitic varieties. The complete gradation in mineralogy to provide the arbitrary varieties combined with the textural similarities regardless of rock name indicate that they are part of a single unit and preclude the mapping of different varieties in the field.

A small mass of monzonite occurs along the main road across the northern part of the property. A second occurrence of considerable importance is a high grade showing where a monzonite dyke or dykes about 10 feet wide contain abundant chalcopyrite, both disseminated and along fractures.

Relative age of the monzonite is fairly well-established. Evidence for an age younger than the leucosyenite has been given. The Pyroxenite on Bogg group is essentially a monominerallic rock made up commonly of 90 to 99 percent

coarse to very coarse-grained dark-green pyroxene. In the field, pyroxenite most commonly occurs as dykes or seams that range from a fraction of an inch up to 10 feet or more in width. Most commonly dykes are from 1 inch to 1 foot wide and are steeply to vertically dipping.

## 7.2 Mineralization

The locations of most of the mineral occurrences for which information has been published are shown (GC-4). This information was derived mainly from reports of the British Columbia Department of Mines and Petroleum Resources. The presence of copper molybdenum, lead, zinc, silver and gold is indicated.

The numerous base metal showings and prospects are found in the map area (GC-6) and can be divided into three groups. Indications of copper and, to a lesser extent, gold, lead and silver can be found in streams silt sediment samples in the vicinity of stocks of map unit 5. Occurrences of lead and silver, with smaller copper values, are found along shear zones in intensely altered volcanic rocks. Copper in quartz stockwork occurrences is found in granitic rocks of the Thuya batholith.

In the vicinity of the Bogg Claims to the south-east, several occurrences of sulfide mineralization are found in the vicinity of Deer Lake in volcanic rocks and limestone that have been locally altered to skarn. Values in gold and copper have been reported. To the east of the Bogg Claims, approximately 3000 feet north of Friendly Lake, in an area of virtually no outcrop, trenching and diamond drilling have

outlined a zone of argentiferous galena mineralization that is reported to occur within a shear zone that strikes north 60 degrees west and dips 65 degrees to the southwest (Ann. Report P.168, Sutherland-Brown A., Minister of Mines and Petroleum Resources, Province of British Columbia).

Adjacent to leucogranite and leucosyenite porphyry stocks in the Bogg Claims area, and also immediately east of the stockwork (designated as map unit 5, see GC-6) several occurrences of chalcopyrite, pyrite galena and tetrahedrite have been found in altered volcanics and intrusive rocks. Sulfides are found either along fractures or disseminated throughout the altered rocks.

The area was primarily explored for porphyry type copper deposits. Exploration programs were primarily conducted for copper. It was not until the increase in the price of the gold took place that an interest in exploration for precious metals took place. Stream sediment samples were taken on the Bogg claims giving interesting gold results.

A geochemical assessment report on the Bogg Mineral Claims was conducted for the owner G. H. Rayner in July, 1986. Stream sediment samples were taken in limited areas within the area sampled for the strongest gold values ranging up to 1750 ppb gold in the heavy mineral fraction, and to 940 ppb gold in the minus 80 mesh fraction, are located within and adjacent to the shallow physiographic linear depression which trends north-westerly from Ta Hoola Lake. Of equal importance are the lesser, but persistent, gold samples in the 50 ppb range in several adjacent creeks.

In 1987, Geotech Capital Corp. surveyed a grid 4000 meters by 900 meters in width (see sketch GC-2). The grid lines were extended an additional 250 meters to the south-east on lines 800 to 1200 inclusive and on lines 1550 to 1950 inclusive. Grid lines were spaced on 50 meter intervals, and soil samples were taken each 25 meters along the grid lines. Three gold anomalies of consequence were delineated (see sketch GC-7).

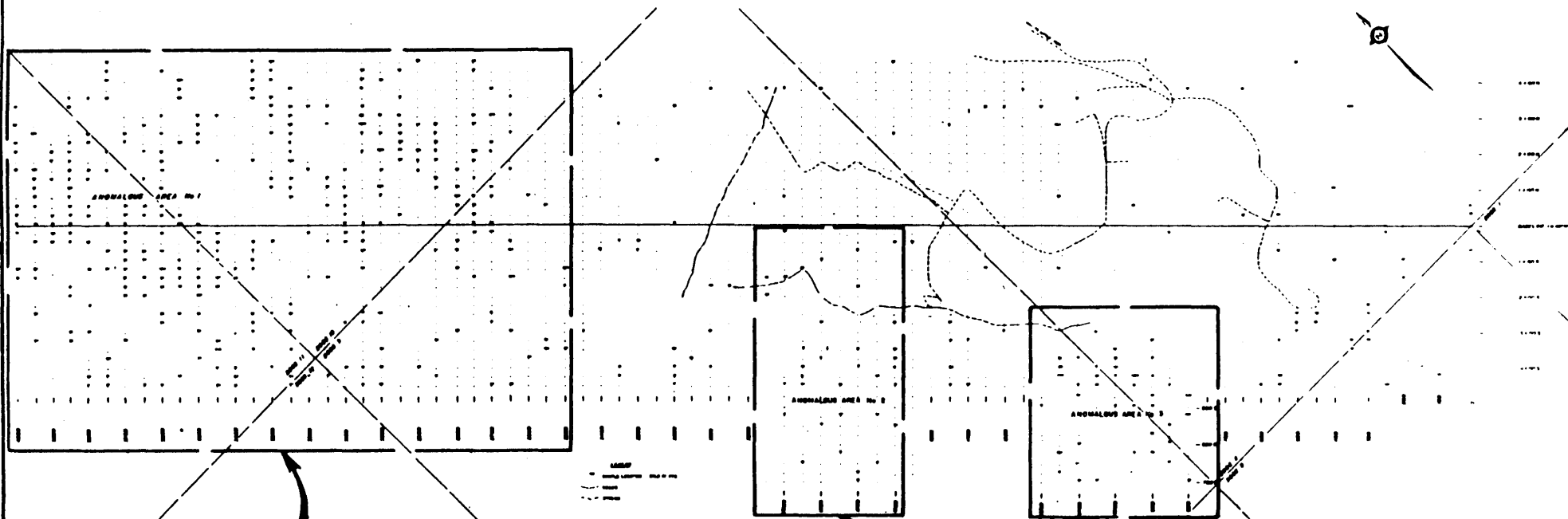
## 8.0 THEORETICAL AND PRACTICAL CONSIDERATIONS

Gold deposition has occurred in a wide variety of geological settings and over a broad vertical stratigraphic range in the Quesnel Trough. Currently, the primary target in the region is semi-conformable stratabound gold mineralization. Exploration for these deposits requires an integrated approach utilizing conceptual models and applying several geological, geochemical and geophysical techniques followed by trenching and diamond drilling.

Gold mineralization was reported from the area as early as 1902, where placer miners drove tunnels in pyrite bearing quartz veins near Frasergold and Eureka creeks. During the 1930's, this area was re-examined but the gold content was found to be inadequate to justify mining at that time.

Most of the gold-bearing quartz veins cut argillites and tuffs near the eastern boundary of the Quesnel Trough. The host rocks are upper Triassic, but the veins were probably formed during metamorphism and deformation in the Middle Jurassic. Studies show that the gold mineralization at Mosquito Creek Gold and in other epigenetic vein-hosted deposits of the Omineca Belt, though of Mesozoic age, is not derived from rocks of the Quesnel Belt.

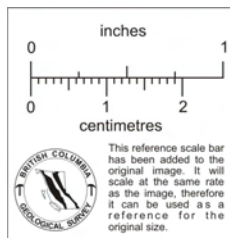
During the 1970's, the most of the known Jurassic alkalic plutons in the Likely Horsefly region were staked



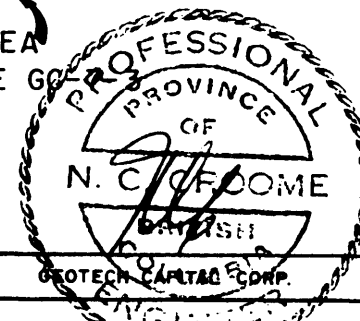
DETAIL AREA  
SEE FIGURE GC-7-1

DETAIL AREA  
SEE FIGURE GC-7-2

DETAIL AREA  
SEE FIGURE GC-7-3



METRES  
0 100 200 300 400



GEOCHEMICAL SURVEY (GOLD PPB) BOGG CLAIMS 10, 9, 8, 4		
N. C. CROOME & ASSOCIATES LTD.		
Date: OCTOBER, 1987	Drawn By: BDS / djc	SKETCH NO.: GC-7
Scale: AS SHOWN	N.T.S.: 92P/10E	

N. C. CROOME & ASSOCIATES LTD.

ANOMALOUS AREA No. 1

4+00N

3+00N

2+00N

1+00N

BASELINE (N 45° W)

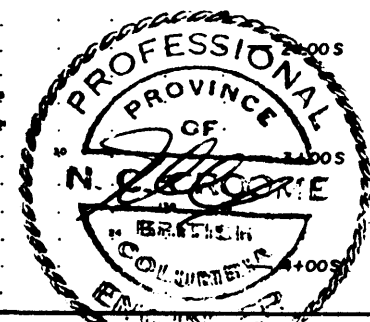
1+00S

2+00S

3+00S

4+00S

B066 11  
B066 12  
B066 10  
B066 9



GEO TECH CAPITAL CORP

GEOCHEMICAL SURVEY

(GOLD PPB)

BOGG CLAIMS 10, 9, 8, 4

N. C. CROOME & ASSOCIATES LTD.

Date:	OCTOBER, 1987	Drawn By:	BDS / djc	SKETCH NO.:  GC-7-1
Scale:	AS SHOWN	NTS:	92P/10E	

N. C. CROOME & ASSOCIATES LTD.

LEGEND

136 SAMPLE LOCATION - GOLD IN PPB

ROADS

STREAM

0 100 200 METRES

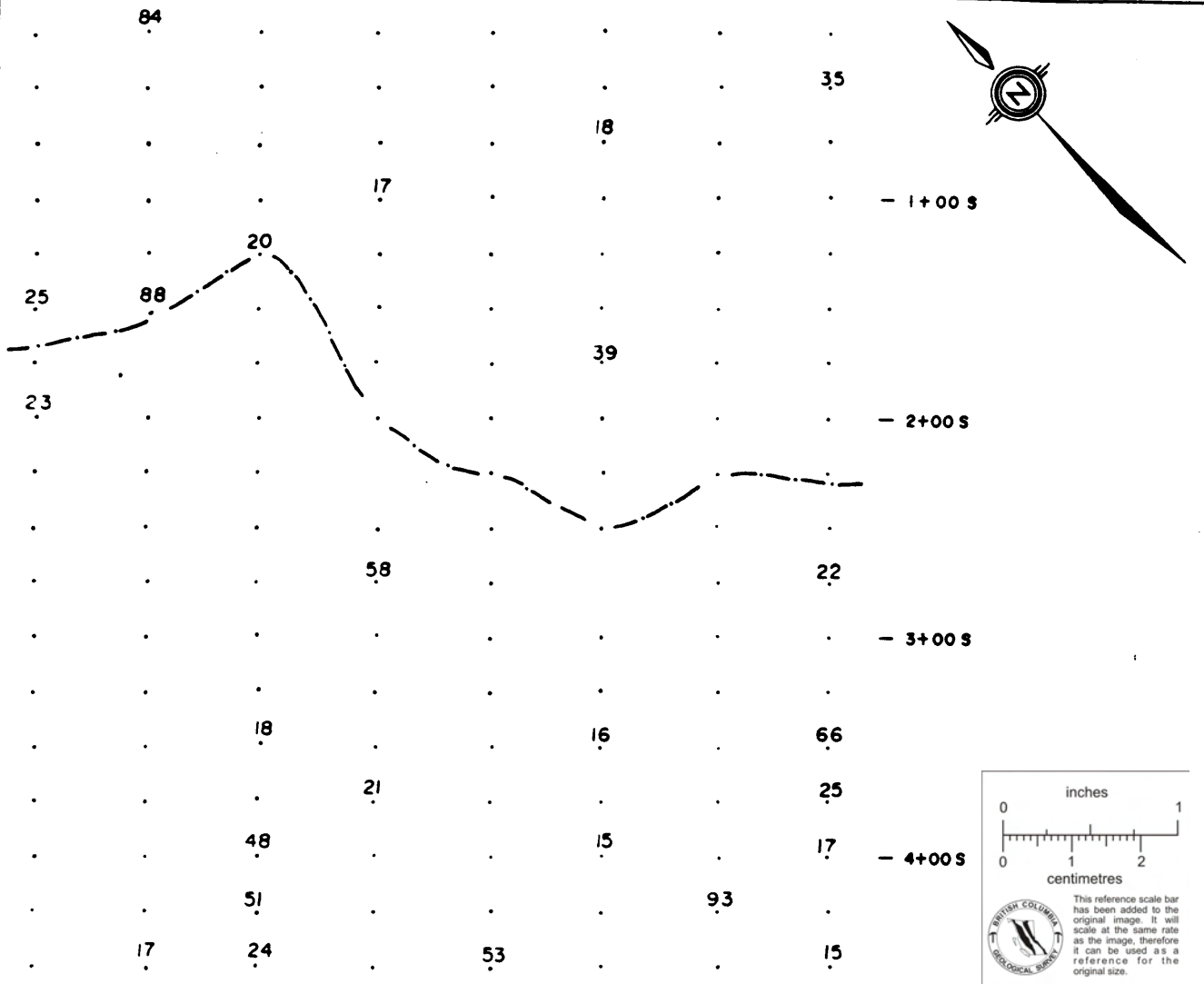
4000 3900 3800 3700 3600 3500 3400 3300 3200 3100 3000 2900

0 1 2 inches

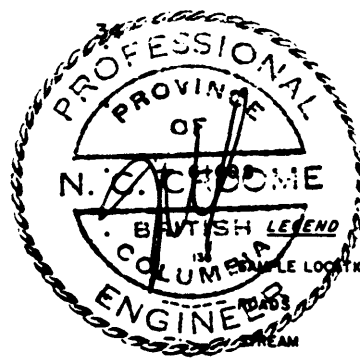
0 1 2 centimetres



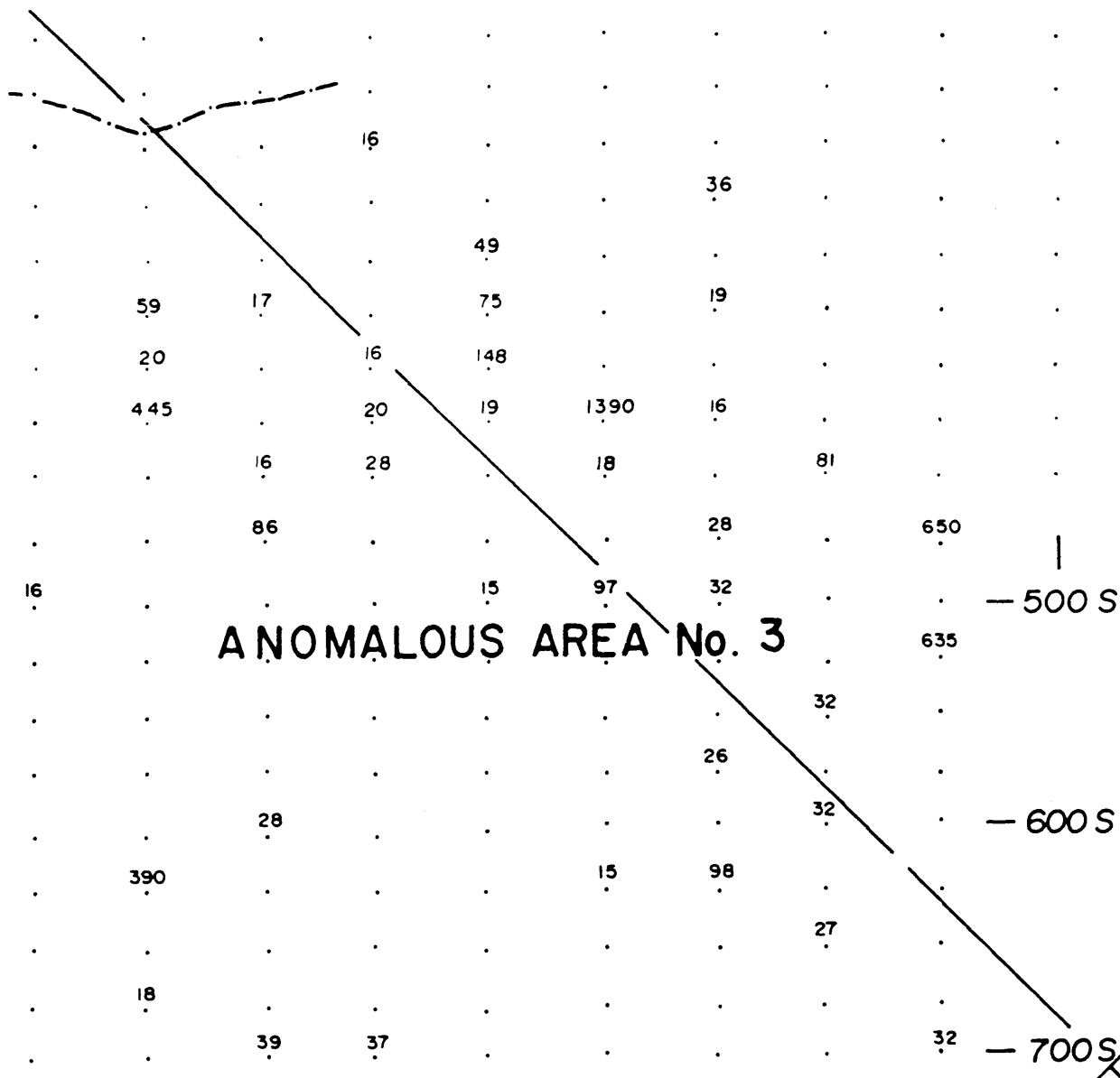
This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.



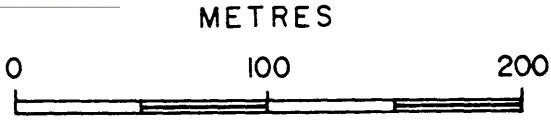
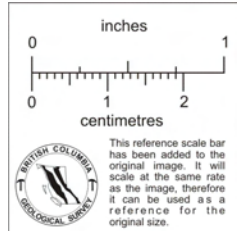
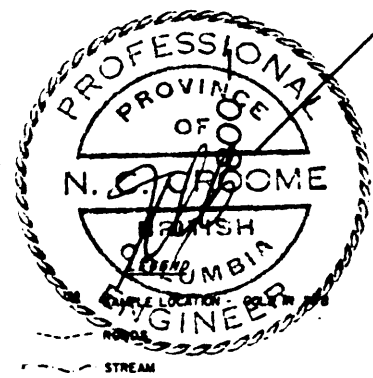
## ANOMALOUS AREA No. 2



GEOTECH CAPITAL CORP.		
GEOCHEMICAL SURVEY (GOLD PPB) BOGG CLAIMS 10, 9, 8, 4		
N.C. CROOME & ASSOCIATES LTD.		
Date: OCTOBER, 1967	Drawn By: BDS / djc	SKETCH NO.: GC-7-2
Scale: AS SHOWN	N.T.S.: 92P/10E	



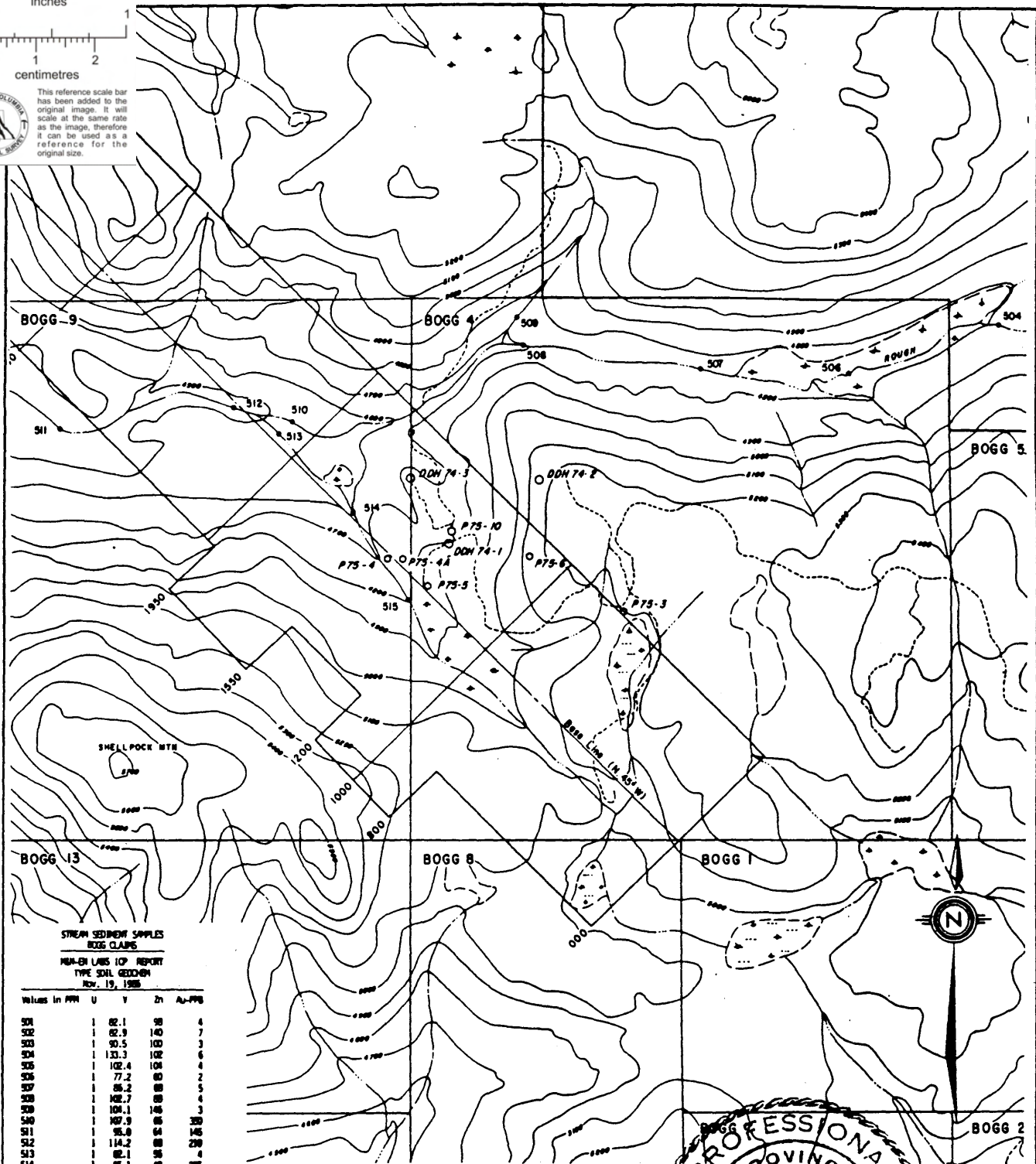
# ANOMALOUS AREA No. 3



GEOTECH CAPITAL CORP.		
GEOCHEMICAL SURVEY		
(GOLD PPS)		
BOGG CLAIMS 10, 9, 8, 4		
N.C. CROOME & ASSOCIATES LTD.		
Date: OCTOBER, 1987	Drawn By: BGS / djc	SKETCH NO.: GC-7-3
Scale: AS SHOWN	N.T.S.: 92P/10E	






and explored for copper gold mineralization. It was during the investigation of one of these comagmatic intrusives that the Q.R. deposit was found. Gold mineralization was found associated with a pyrite-epidote zone in basaltic breccia flanking a zoned alkalic stock. Drill indicated reserves have been reported as 950,000 tons grading 0.21 Troy ounces gold.

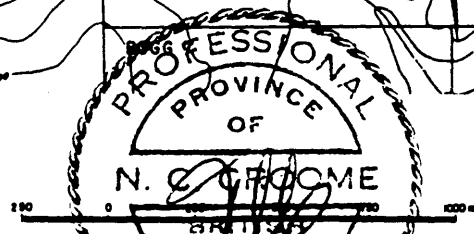
The Bogg claims have many of the geological attributes required for developing a potentially economic gold deposit. The geochemically anomalous zone flanks the leucosyenite intrusive designated as 5.A with which copper and molybdenum has been spacially associated. Historically, previous exploration programs were primarily for copper mineralization and gold content of samples was not determined. It was only as a result of recent stream sediment information gathered by G. H. Rayner & Associates that the potential for the presence of gold was indicated. The subsequent geochemical surveys with anomalous results, semi-bordering the leucosyenite along with known fault structures and pervasive sulfide mineralization as indicated in the rare rock exposures comprised evidence of hitherto undetected potentially economic gold mineralization.



STREAM BEDDING SAMPLES				
MEAN LINES TOP REPORT				
TYPE SOIL BEDDING				
Nov. 19, 1988				
Values in PPM	U	V	Zn	Au-PPB
S01	1	82.1	98	4
S02	1	89.9	140	7
S03	1	90.5	100	3
S04	1	133.3	102	6
S05	1	102.4	104	4
S06	1	77.2	80	2
S07	1	86.2	88	5
S08	1	102.7	88	4
S09	1	104.1	146	3
S10	1	107.9	86	350
S11	1	95.8	84	146
S12	1	114.2	88	200
S13	1	83.1	95	4
S14	1	95.1	88	200
S15	1	79.8	92	200
S16	1	111.7	288	3
S17	1	83.7	52	4
S18 (extra)	1	94.7	90	6

TYPE NON PMS NOV. 19, 1995						
NUMERO IN PPM	U	V	Zn	As-PPB	PMG	
501-40		74.6	40	2	6.71	
502-40		60.3	70	10	3.25	
503-80		73.4	60	174	7.40	
504-40		129.3	56	1	15.31	
505-80		88.9	64	67	10.46	
506-40		94.2	38	2	5.92	
507-40		97.7	35	3	10.80	
508-80		138.3	32	2	10.43	
509-40		91.9	76	3	12.22	
510-40		127.6	52	120	13.82	
511-40		112.6	44	705	9.90	
512-40		128.0	49	1150	13.05	
513-80		135.6	46	2	3.85	
514-80		150.0	40	2340	8.40	
515-80		125.5	30	2000	6.35	
516-40		95.3	19	4	5.81	
517-40		90.5	35	1	7.42	
518 (Extra) 80		107.6	35	1	9.30	

- LEGEND**
- |   |  |
|---|--|
|  | ROAD   |
|  | CONTOUR (INTERVAL 100')                      |
|  | CREEK  |
|  | LAKE   |
|  | SWAMP  |
| 504.  | STREAM SEDIMENT SAMPLE                       |
| DDH 74-8<br>○   | DIAMOND DRILL HOLE                           |
| PPS-5<br>○  | 1975 CITIES SERVICE PERCUSSION<br>DRILL HOLE |



GEOTECH CAPITAL CORP.

BOGG PROPERTY

## PREVIOUS EXPLORATION PROGRAMS

N.T.S. 92 P 9W / 10E

**N. C. CROOME & ASSOCIATES LTD.**

DATE: DEC. 1987

BY: N.C.C.

SKETCH No.

**SCALE : AS SHOWN**

CHKD. BY : N.C.C.

GC - 8 - 1

**N. C. CROOME & ASSOCIATES LTD.**

## 9.0 ESTIMATED COST OF EXPLORATION PROGRAM

The proposed exploration program will be conducted in three phases:

### Phase I

- |   |              |               |
|---|--------------|---------------|
| (1) Clean up property access roads, repair bridges and culverts as required for safe and convenient access to Bogg Claims   |              | \$ 1,500      |
| (2) Extend the present base line an additional 1000 meters in a northwesterly direction into Bogg 10 and Bogg 14 mining claims. Cut grid lines at 50 meter intervals southwest and northeast a distance of 450 meters in each direction. Soil sample on the grid lines at 25 meter intervals. Assay for gold, silver and arsenic. |              |               |
| Estimated cost of line cutting and sampling   | \$ 9,760     |               |
| Assaying 740 samples  | <u>7,400</u> |               |
| Total soil sampling program   |              | 17,160        |
| (3) Geological mapping, rock chip sampling, stream sediment sampling, approx. 2.5 weeks geologist and assistant, including subsistence and transportation.  |              |               |
| 18 x \$650  | 11,700       |               |
| Assaying samples  | <u>2,400</u> | <u>14,100</u> |
| Total forward   |              | \$ 32,760     |

Total brought forward	\$ 32,760
(4) Conduct induced polarization resistivity, magnetometer and VLF-EM survey over selected grid lines on three anomalous areas and extensions thereof as deemed advisable.	
I.P. Resistivity survey, all inclusive charges	
\$1,300/day (with 5-man crew) estimated 20 days	\$ 26,000
Magnetometer VLF survey	
20 man days - \$175/day	3,500
Mobilization and demobilization geophysical crews (5 men). Vancouver-Bogg Claims return inclusive	1,500
Report - complete geophysical report and recommendations	<u>1,950</u>
Total estimated cost geophysical contract	<u>32,950</u>
Sub total	\$ 65,710
Consulting, Supervision, Drafting, Report Preparation, Project Accounting @ 15%	<u>9,856</u>
Sub total	75,566
Contingency 10%	<u>7,556</u>
Phase I Estimated Total Cost	<u><u>\$ 83,122</u></u>

Phase II

(1) Road construction to provide access to the anomalous areas for transportation of drilling equipment and construction of drill sites. Tractor rental 12 days, mobilization and demobilization	\$ 12,500
(2) Trenching on traverses of the anomalous areas. Tractor rental 9 days	8,100
(3) Exact drill targets are unknown at this time, but geochemical gold anomalies are known to exist in three areas on which soil sampling has been conducted. A total of 1800 feet of test drilling is recommended. NQ @ \$30/ft. including splitting, sample shipping, assays, surveying, mobilization and demobilization	<u>54,000</u>
Sub total	\$ 74,600
Consulting, Drafting, Report Preparation, Supervision - 15%	<u>11,190</u>
Sub total	85,790
Contingency - 10%	<u>8,579</u>
Phase II Estimated Total Cost	<u>\$ 94,369</u>

Phase III

Contingent upon results obtained in the test drilling program of Phase II, additional diamond drilling would be required to delineate mineralized areas encountered. Estimated 12 - 375 foot NQ diamond drill holes for a total of 4200 feet at \$30/ft. including splitting, sample shipping, assays, surveying, mobilization and demobilization.

Sub total	\$ 135,000
Consulting, Drafting, Report Preparation, Supervision - 15%	<u>20,250</u>
Sub total	155,250
Contingency - 10%	<u>15,525</u>
Phase III Estimated Total Cost	<u>\$ 170,775</u>

## Total Estimated Cost of Exploration Program:

Phase I	\$ 83,122
Phase II	94,369
Phase III	<u>170,775</u>
Total Cost	<u>\$ 348,266</u>

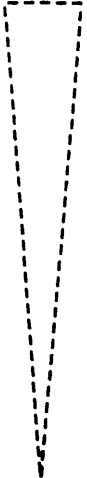
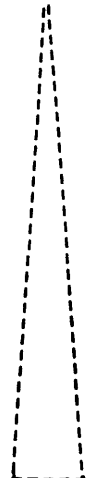


## 10. EVALUATION

A reasonable and fair value of Geotech Capital Corp., Bogg Property is created and established in the opinions of potential purchasers or financial agencies. The value is dependent on the perceived risks or the weight of negative attributes, whether technical, economic or political in nature.

In quoting William Stevenson, Caosultant for the B.C. Securities Commission, "...there are ten stages of a project passed through from prospect to producing mine, a mine being Stage 1 and an ore body Stage 2, a mineral deposit Stage 3, etc..".

Regional evaluation having the highest degree of risk, is 10 on the scale. As the various developments of property events takes place, the degree of risk is reduced and the fair market value increased as shown in Schedule I. This approach to evaluation of a property, albeit simplistic, is not unreasonable and conveys the concept of reduction of risk as the exploration and development program successfully proceeds through the various stages to ultimate commercial production.

SCHEDULE IRISK VALUE SCALE FOR MINERAL PROPERTIES

<u>Risk Scale</u>	<u>Property Events</u>	<u>Degree Risk</u>	<u>Fair Market Value</u>
10	Regional Survey	Maximum	Minimum
9	Property Rights		
8 *	Exploration		
7	Preliminary Evaluation		
6	Conceptual Design		
5	Preliminary Feasibility Study		
4 *	Test Mining and Milling Program		
3	Final Feasibility Study		
2 *	Final Design and Construction		
1	Commercial Production	Minimum	Maximum

Geotech Capital Corp., Bogg Property is at Stage 8 and requires an additional exploration program prior to achieving Stage 7, having several excellent targets for exploration for gold, silver, lead and copper minerals.

\* Major points of project development expenditure.

## 11.0 REFERENCES

- Petro, V.H.G., British Columbia Department of Mines and Petroleum Resources, Geology, Exploration and Mining in British Columbia, 1970.
- Campbell, R.B. and Tipper, H.W., Geological Survey of Canada, paper presented C.I.M. October, 1969.
- Campbell, R.B. and Tipper, H.W., Geological Survey of Canada, Geology of Bonaparte Lake Map Area, British Columbia, 1971.
- Sinclair, A.J., P.Eng., Report on Bogg Group of Claims for Prism Resources Ltd. (W.P.L.) August, 1972.
- Giroux, G.H., P.Eng., Geochemical Report on Bogg, Fri and Com. Claims, Kamloops Mining Division for Commonwealth Minerals Limited (W.P.L.) June, 1980
- Jorgensen, Neil, P.Eng., Bogg Property Final Report - September, 1975, for Cities Service Minerals Corp.
- Archer, Gordon, Geologist, Field reports on Geochemical Survey Program, July, 1987.
- Zastavnikovich, S. Exploration Geochemist, Geochemical Assessment Report on Bogg Mineral Claims, June, 1986.
- Sutherland-Brown, A., P.168 Minister of Mines and Petroleum Resources, Province of British Columbia, Annual Report 1968.

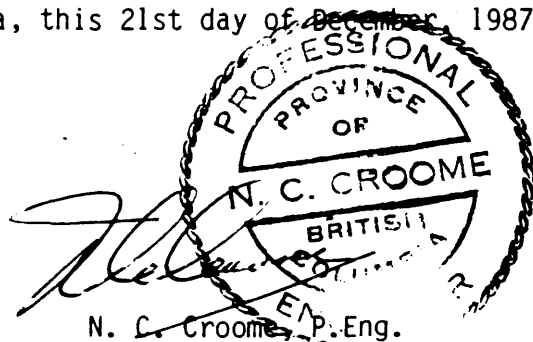
## (REVISED REPORT)

CERTIFICATE

I, Norman C. Croome, of the Municipality of Surrey, Province of British Columbia, hereby certify as follows:

1. I am a Consulting Engineer with an office located at 1681 Ambler Greene Blvd., Surrey, British Columbia, V4A 6B8.
2. I am a Professional Engineer (Mining) registered in the Province of British Columbia and Ontario, am a life member of the Association of Professional Engineers of the Province of Alberta, am a member of the American Institute of Mining, Metallurgical and Petroleum Engineers and the Canadian Institute of Mining and Metallurgy.
3. I have graduated with the degree of Bachelor of Science (Engineering) with additional geology options from the University of Manitoba in the year 1960.
4. I have practiced my profession continuously for thirty-eight years and have been engaged in all phases of mineral exploration, mine development and mineral production in Canada, United States, Mexico, Peru and Bolivia.
5. I am the author of this report which is based on information obtained from Geotech Capital Corp. personnel and visits to the property June 1-2 and June 11-12-13, 1987.
6. I have no material interest, direct or indirect, in the properties discussed in this report or in the securities of Geotech Capital Corp.
7. I hereby consent to the publication of this report dated December 21, 1987, entitled Report, Geotech Capital Corp., Bogg Mineral Claims, Ta Hoola Lake Area, Kamloops Mining Division, British Columbia.

Dated at Surrey, British Columbia, this 21st day of December, 1987.



N. C. Croome, P. Eng.

CERTIFICATE OF THE ISSUER

DATED: June 3, 1988

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Issuer as required by the Securities Act and its regulations.



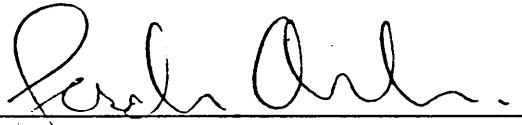
DONALD B. ARCHER  
Chief Executive Officer,  
President, Director, Promoter



DR. PHILIP T. BLACK  
Chief Financial Officer,  
Secretary, Director, Promoter



REG. J. STRANKS  
Director, Promoter



GORDON S. ARCHER  
Director, Promoter

CERTIFICATE OF THE AGENTS

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the Securities Act and its regulations.

DATED: June 3, 1988

UNION SECURITIES LTD.

BRINK HUDSON & LEFEVER LTD.

Per: 

Per: 