

014237

Property File
93B 060
Nazko

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ENGINEERING REPORT

On The

NAZKO LAVA ROCK PROJECT

For

LRC RESOURCES LTD.

By

G. SALAZAR S., P.Eng. (B.C.)

August 24, 1987

N.T.S.: 93B/13E
PROVINCE: British Columbia
COUNTRY: Canada
LATITUDE: 52 57.0'N
LONGITUDE: 123 45.0'W
MINING DIVISION: Cariboo.

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SUMMARY:

This report, prepared at the request of Mr. N.E. Tornroos, Director of LRC Resources Ltd. ("LRC"), evaluates the chemical environment and potential size of a post glacial volcanic scoria flow deposited by the Nazko volcano, near Quesnel, British Columbia (See Figure No. 1). The report is based in our visit to the property on June 15th and 16th, 1987.

The property is protected by 14 mineral claims called the Carla I to IV, the LRC 1-4 and the LRC #1 Fr. (See Figure No. 2 and Table No. 1). The Company is in the process of acquiring two quarry leases covering portions of these claims, for a total of 70.50 has.

Photogeological studies help us determine the size of the scoria flow and certain other features related to the Nazko volcano. These are shown in Figures No. 3 and 3a.

A total of 20 samples were sent to Loring Laboratories Ltd. of Calgary for a comparative study. These included 12 scoria ('lava rock'), 3 ash, 2 from the bulk test piles, all from the property (See Figure No. 3), and 3 commercially available lava rock product. Loring organized the following tests:

1. At their facilities: Total sulphur, fluorine, two types of Loss-On-Ignition (normal and 'Explosiveness'), screen analysis and specific gravity.
2. At ACME Laboratories Ltd.: 30 element plus mercury I.C.F. analysis.
- and 3. At CORE Laboratories Ltd.: Porosity and Grain Density tests.

All laboratory certificates and special procedures are included as Appendix No. 2.

Table No. 2 is a statistical summary of the chemical analyses carried out. Here, it is shown that all samples carry similarly low amounts of total sulphur, lead, cobalt, arsenic, phosphorous, magnesium, barium and mercury. The minimal difference reported in Loss-On-Ignition between the Carla samples and the commercial product is attributed to the lack of washing of the former ones.

Table No. 3, in turn, summarizes, statistically, the physical properties of the several samples. Here, we report that the Carla property samples have a slightly higher specific gravity than the control group. It also shows similar average porosity and porosity variability between samples while the grain

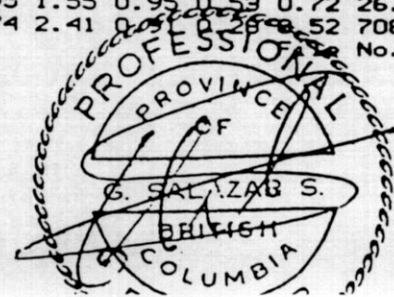
ID	SB	BI	V	CA	P	LA	CR	MG	BA	TI	B	AL	NA	K	W	HG	TOTAL	S	F	
ppm	ppm	ppm	ppm	%	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppb	%	ppm	ppm	
14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14
4	46	30	1474	21.2	1.98	266	1522	56.7	939	13.4	38	32.4	19.1	11.7	22	790	0.41	197		
1	3.28	2.14	105.	1.52	0.14	19	108.	4.05	67.0	0.96	2.71	2.31	1.36	0.84	1.57	56.4	0.0292	14.0		
1	2	2	53	0.85	0.06	7	54	3.53	14	0.51	2	1.35	0.55	0.19	1	30	0.01	0		
1	7	4	159	2.84	0.20	29	180	4.5	201	1.47	7	3.83	2.27	1.47	3	120	0.07	91		
0	1.57	0.51	27.5	0.52	0.03	6.15	37.2	0.28	43.9	0.30	1.43	0.64	0.56	0.38	0.72	28.4	0.0153	28.8		
0	2.48	0.26	758.	0.27	0.00	37.8	1389	0.08	1928	0.09	2.06	0.42	0.31	0.14	0.53	808.	0.0002	830.		

D	SB	BI	V	CA	P	LA	CR	MG	BA	TI	B	AL	NA	K	W	HG	TOTAL	S	F	
ppm	ppm	ppm	ppm	%	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppb	%	ppm	ppm	
3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
3	6	6	533	15.8	0.42	101	362	14.9	917	4.04	19	17.3	9.74	4.99	5	170	0.1	58		
1	2	2	177.	5.27	0.14	33.6	120.	4.98	305.	1.34	6.33	5.77	3.24	1.66	1.66	56.6	0.0333	19.3		
1	2	2	164	4.61	0.13	32	116	4.88	293	1.25	2	5.32	2.98	1.58	1	40	0.03	0		
1	2	2	188	5.81	0.14	35	127	5.1	315	1.4	15	6.07	3.57	1.8	2	80	0.04	58		
0	0	0	10.0	0.49	0.00	1.24	4.64	0.08	9.28	0.06	6.12	0.32	0.24	0.09	0.47	16.9	0.0047	27.3		
0	0	0	101.	0.24	0.00	1.55	21.5	0.00	86.2	0.00	37.5	0.10	0.05	0.00	0.22	288.	0.0000	747.		

LD	SB	BI	V	CA	P	LA	CR	MG	BA	TI	B	AL	NA	K	W	HG	TOTAL	S	F	
ppm	ppm	ppm	ppm	%	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppb	%	ppm	ppm	
3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
3	7	13	118	2.97	0.28	67	114	4.84	237	0.74	12	2.49	0.96	0.36	6	90	0.07	0		
1	2.33	4.33	39.3	0.99	0.09	22.3	38	1.61	79	0.24	4	0.83	0.32	0.12	2	30	0.0233	0		
1	2	2	1	0.55	0.07	9	25	0.19	59	0.09	4	0.19	0.15	0.07	1	20	0.01	0		
1	3	6	65	1.73	0.10	45	64	3.59	99	0.4	4	1.79	0.57	0.21	3	40	0.04	0		
0	0.47	1.69	27.6	0.52	0.01	16.1	18.3	1.44	16.3	0.12	0	0.69	0.18	0.06	0.81	8.16	0.0124	0		
0	0.22	2.88	762.	0.27	0.00	259.	338	2.07	266.	0.01	0	0.47	0.03	0.00	0.66	66.6	0.0001	0		

CD	SB	BI	V	CA	P	LA	CR	MG	BA	TI	B	AL	NA	K	W	HG	TOTAL	S	F	
ppm	ppm	ppm	ppm	%	%	ppm	ppm	%	ppm	%	ppm	%	%	%	ppm	ppb	%	ppm	ppm	
0	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
0	59	49	2125	40.0	2.69	434	1998	76.5	2093	18.2	69	52.2	29.8	17.1	33	1050	0.58	255		
1	2.95	2.45	106.	2.00	0.13	21.7	99.9	3.82	104.	0.91	3.45	2.61	1.49	0.85	1.65	52.5	0.029	12.7		
1	2	2	1	0.55	0.06	7	25	0.19	14	0.09	2	0.19	0.15	0.07	1	20	0.01	0		
1	7	6	188	5.81	0.20	45	180	5.1	315	1.47	15	6.07	3.57	1.8	3	120	0.07	91		
0	1.43	1.11	45.8	1.48	0.03	9.60	41.4	1.15	92.4	0.40	2.95	1.55	0.95	0.53	0.72	26.6	0.0141	26.9		
0	2.04	1.24	2098	2.19	0.00	92.3	1720	1.34	8550	0.16	8.74	2.41	0.95	0.52	708.	0.0001	725.			

No.: 102312.uk3



density analyses shows that the Carla samples are denser. Explosion Tests and Loss-On-Ignition tests were specifically carried out to see if any of the samples would explode when placed inside a oven preheated to 900 degrees centigrade. No explosions occurred. The reported differences are explained by the lack of washing and screening of the Carla samples.

As we consider these samples to be adequately representative of the overall composition and structure of the Nazko volcanic flows protected by the Carla and LRC claims, a resource potential per meter of depth of flow within the claim block is defined as follows:

- Total Scoria Resources: 2,437,448. tonnes/m.
- Total Ashes Resources: 1,291,500. tonnes/m.

The area covered by the quarry permits applied for by LRC protect a resource estimate of 1,297,200. tonnes per meter of depth.

A conservative depth of flow estimate of five meters allow us to project a minimum potential resource of 14.7 million tonnes of scoria and about 3.8 million tonnes of ash within the claims. This depth also defines about 6.5 million tonnes with the quarry permit areas.

Calgary, August 24, 1987



Guillermo Salazar S., P. Eng.

INTRODUCTION:

This report is prepared at the request of Mr. N.E. Tornroos, Director of LRC Resources Ltd. ("LRC") of Vancouver.

The object of the report is to evaluate the chemical environment and potential size of a post glacial volcanic scoria flow deposited by the Nazko volcano in the Cariboo region of Central British Columbia. The author visited the property in June 15th and 16th, 1987.

PROPERTY DESCRIPTION:

Table No. 1 summarizes the pertinent title data related to the Carla claims. (See Figure No. 2)

TABLE No. 1: CARLA CLAIMS PROPERTY

CLAIM NAME	CLAIM TYPE	No. UNITS	RECORD No.
Carla I	MGS	6	7791
Carla II	"	1	7792
Carla III	2post	1	7793
Carla IV	"	1	7794
LRC #1	"	1	8483
LRC #2	"	1	8484
LRC #3	"	1	8485
LRC #4	"	1	8486
LRC #1 Fr.	MGS	1	8487

		TOTAL:	14 units.

Mr. Tornroos, Director of LRC Resources Ltd., inform us that LRC has entered into option agreements with Mrrrss. Brian C. Wear and P. MacAllister, owners of record of the Carla I to IV and LRC 1-4 and LRC 1 Fr., respectively, claims.

The Directors of LRC Resources Ltd. have also informed us that they are in the process of acquiring two quarry permits covering 48.40 and 22.10 has., respectively. These permits protect the center of claim Carla I and portions of Carla I, III and IV, respectively.

LOCATION:

The Carla claims are located 92.0km. due west of Quesnel and 450.0km. due north of Vancouver, British Columbia. (See Figure No. 1). The nearest settlement is the village of Nazko, approximately 20.0km. due east of the property.

ACCESS:

The property is accessed from the city of Quesnel, which is located on B.C. Highway 97 half way between the cities of Prince George and Williams Lake. Daily flight from Vancouver and Kamloops to the city of Quesnel are available through Canadian Airlines International and Air B.C. The British Columbia Railways also services this town.

To reach the Carla property from Quesnel, one takes the paved all weather road to Nazko, then follows the Braezaeko river gravel logging road to the Coglistiko river gravel road which is marked as access road to Fishpot Lake. The drive from Nazko to the property takes 10-15 minutes and does not require a four wheel drive vehicle when the roads are dry.

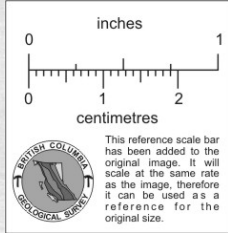
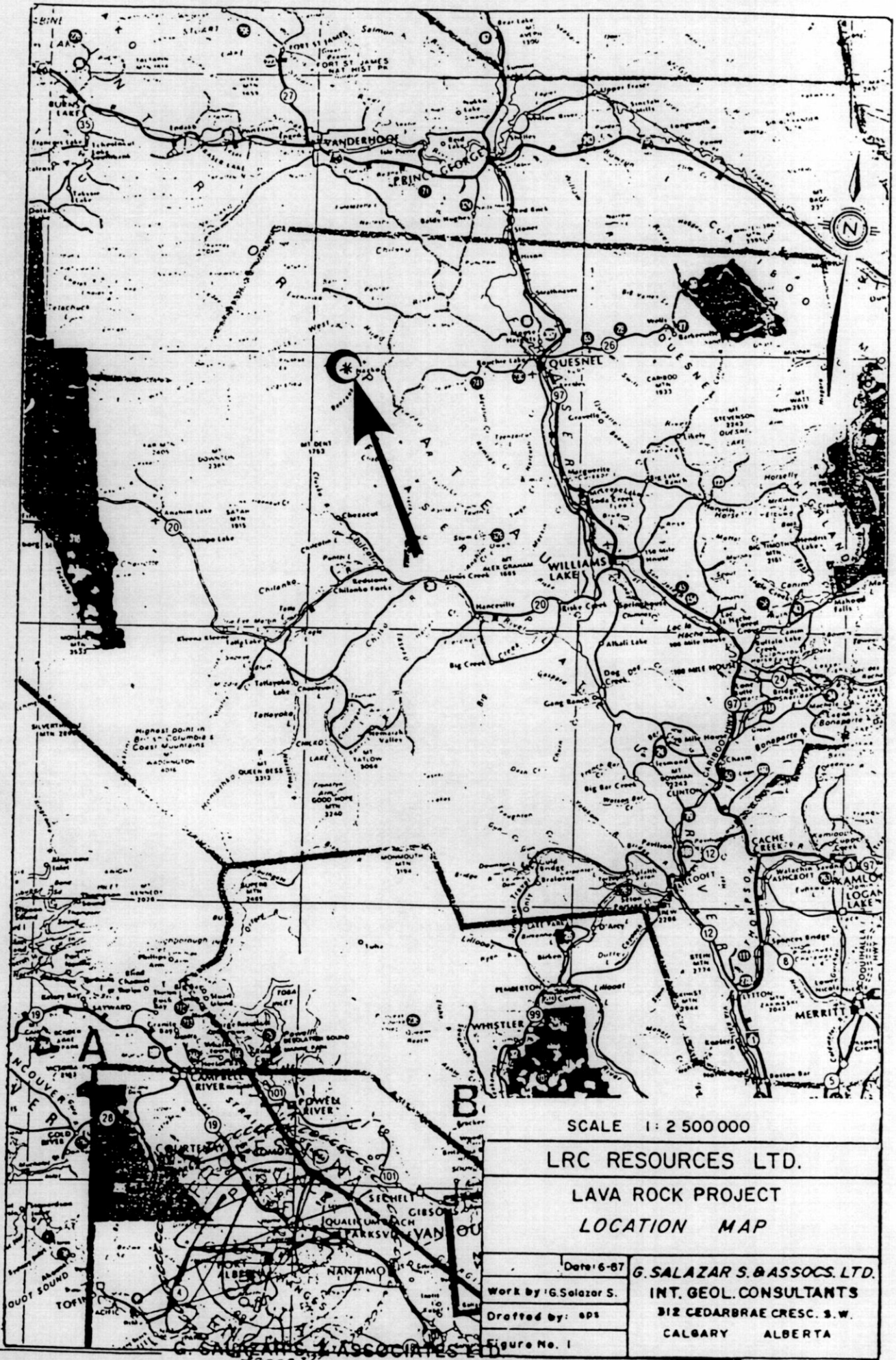
PHYSIOGRAPHY AND CLIMATE:

The topography is typical of British Columbia's Interior Plateau, with low, rolling hills and numerous lakes. The region is presently actively developed by the B.C. Forestry industry, who is engaged in logging off areas infested with budworm. Main harvest products are spruce and lodgepole pine.

Warm summers and cold winters are typical for the area. Snow precipitation is limited. Winters last from mid-November to mid-March.

PREVIOUS WORK:

Exploration in the area was first intensified as a result of uranium exploration in B.C.'s Interior Plateau starting in 1976 and wanning after 1981 with the advent of the moratorium on uranium exploration imposed by the B.C. Government. Further work in the area searching for Capoose Lake-type and other epigenetic precious metals deposits has continued. First recorded



SCALE 1 : 2 500 000

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LAVA ROCK PROJECT

LOCATION MAP

Date: 6-87

Work by: G. Salazar S.

Drafted by: G.P.S.

Figure No. 1

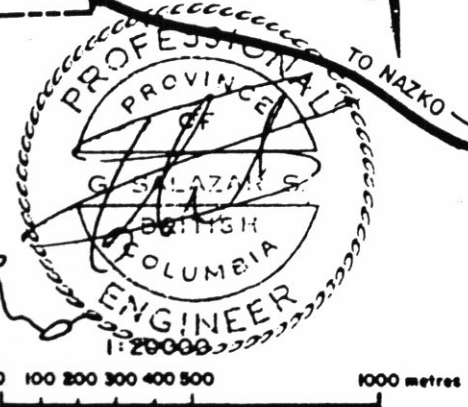
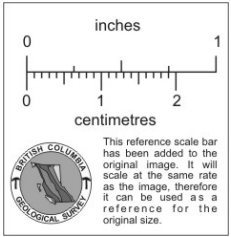
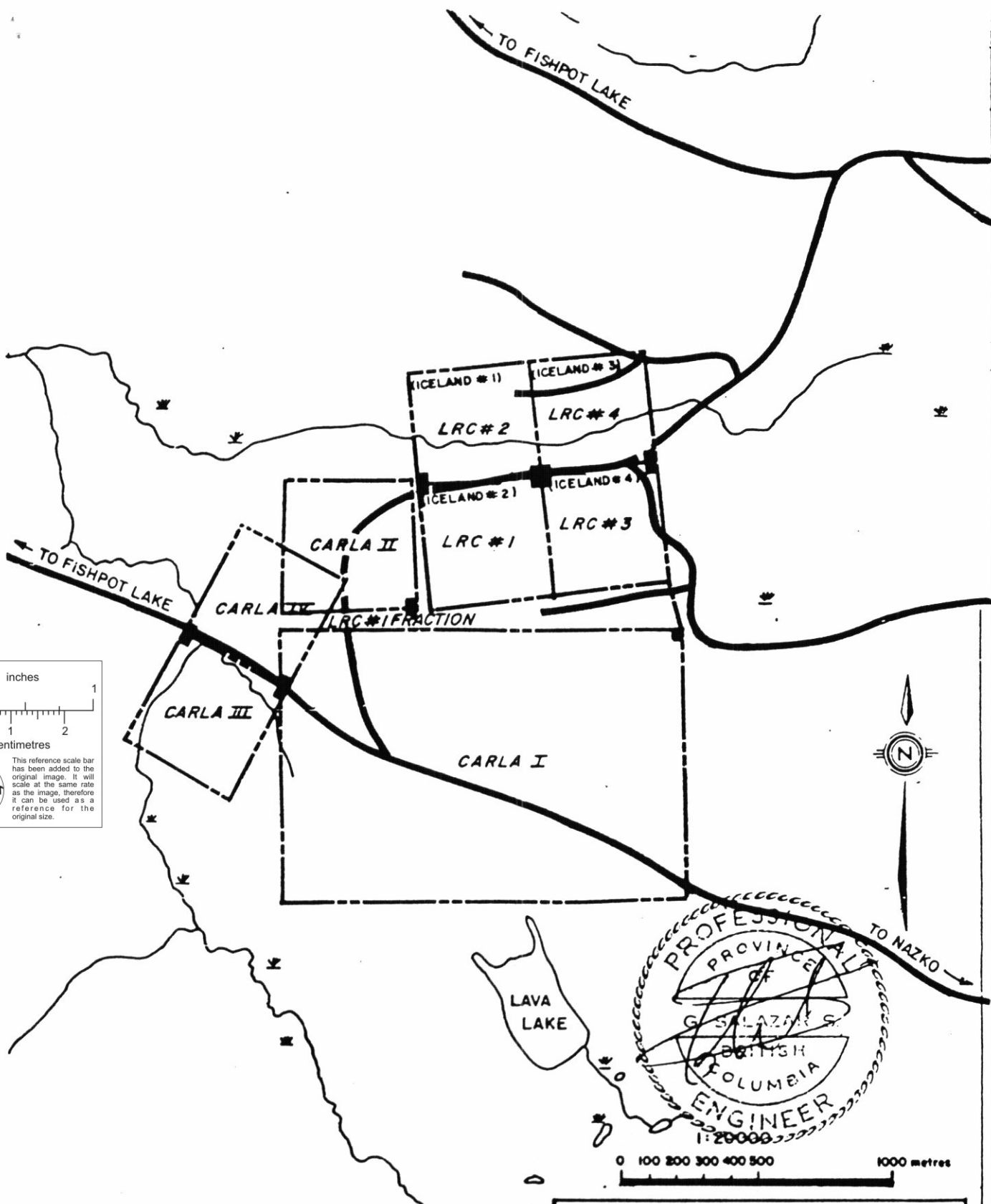
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CALGARY ALBERTA

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LEGEND

- ROAD
- CREEK, LAKE, SWAMP
- CLAIM BOUNDARY
- LEGAL CORNER & CLAIM POSTS

LRC RESOURCES LTD.	
LAVA ROCK PROJECT	
CLAIM MAP	
NTS 928-134 Date: 6-87	G. SALAZAR S. & ASSOCS. LTD.
Work by: G. Salazar	INT. GEOL. CONSULTANTS
Drafted by: eps	312 CEDARBRAE CRESC. S.W.
Figure No. 2	CALGARY ALBERTA

LRC #s 1-4 are staked in contravention with ICELAND # 1-4 claims
 Claim survey from Hickman & Book, File 87-3984
G. SALAZAR S. & ASSOCS. LTD.

exploration of the area's sinter appears to have been by Newmont Ex. of Canada at their Sinterella claim.

Mr. Wear conducted preliminary marketing and quality tests during the last year. LRC commissioned Hickman & Gook, B.C. Land Surveyors, to survey Mr. Wear's claim boundaries early in 1987.

WORK DONE IN 1987 (This Report):

The property was visited in June 15th and 16th, 1987, with Mr. Brian C. Wear. His help and orientation was much appreciated. The availability of Hickman & Gook's survey map of the property boundaries at a scale of 1:5,000 was extremely helpful as well.

A total of 20 samples (15 from field, 2 from bulk test sorted pile at Quesnel Redimix's plant and 3 commercial product) of scoria and ash were collected and sent to Loring Laboratories Ltd. of Calgary, Alberta, for processing and analysis. These samples provide us with sufficient data to evaluate the property's resource potential. Bulk testing to evaluate the quarry areas will be required.

Figure No. 3 shows the sample sites of the 15 samples collected within the property boundaries. The three commercial product samples are available at local stores in the Quesnel, Prince George and Calgary areas (See Appendix No. 3). It includes a sample purchased in Calgary at least two years ago. The source deposit for this commercial product is not known. Three of the fifteen samples collected at the property are representative vertical channels of the ashes while all scoria ("lava rock") samples are representative grab samples of loose outcrop material.

Loring Laboratories Ltd. ("Loring") was commissioned to carry out the following tests:

1. **Screen Analyses:** The whole sample was pushed through a three-inch square screen by breaking all samples with a hammer until they went through. This method was used after being unable to find a laboratory size jaw crusher to break the +3" material down, and failing to get satisfactory results from a readily available rod mill. The relative percentages for the (+1.5"), (-1.5") to (+0.25") and (-0.25") fractions was then weighed and reported.

2. **Specific Gravity:** This parameter was measured on a

pulp prepared from the (-1.5") to (+0.25") fraction of all twenty samples. The laboratory procedure measures the weight and volume of water displaced when a certain weight of sample is immersed in water.

3. Chemical Analyses: These analyses were carried out on the (-1.5") to (+0.25") fraction since it was the more homogenous fraction. Loring Laboratories assayed the samples for total sulphur, fluorine and Loss-on-Ignition and requested ACME Laboratories Ltd. of Vancouver to run their 30 element Induced Coupled Plasma ("ICP") package on a pulp prepared from the same fraction. This package includes the following elements: Molybdenum ("Mo"), Copper ("Cu"), Lead ("Pb"), Zinc ("Zn"), Silver ("Ag"), Nickel ("Ni"), Cobalt ("Co"), Manganese ("Mn"), Iron ("Fe"), Arsenic ("As"), Uranium ("U"), Gold ("Au"), Thorium ("Th"), Strontium ("Sr"), Cadmium ("Cd"), Antimony ("Sb"), Bismuth ("Bi"), Vanadium ("V"), Calcium ("Ca"), Phosphorous ("P"), Lanthanum ("La"), Chromium ("Cr"), Magnesium ("Mg"), Barium ("Ba"), Titanium ("Ti"), Boron ("B"), Aluminium ("Al"), Sodium ("Na"), Potassium ("K") and Tungsten ("W"). Mercury ("Hg") was added to the package.

4. Porosity and Grain Density: Loring commissioned CORE Laboratories of Calgary, Alberta, to run these tests on similar sized specimens taken from the (-3") to (+1.5") fraction.

CORE run these tests on samples that were initially cut to 2.0cm by 1.5cm by 1.5cm and dried for 24 hours inside a Friction Air Oven kept at a temperature of 90.0 degrees centigrade. The porosity fraction reported is the percentage of interconnecting pores and cavities found.

The grain density measurement reported by CORE is a measurement of the density of the solid portion of the sample and is an absolute number reflecting the overall chemistry of the sample. It is measured as if the sample had a porosity of zero.

and 5. Explosion Tests: These tests were carried out by Loring on similar sized specimens taken from the (-3") to (+1.5") fraction. These tests were specifically designed to check whether the coarse fraction intended to be used in propane heated barbeques would explode when subjected to extreme heat. It was, thus, intended to corroborate CORE's lack of reported explosiveness while heating the samples at 90 degrees. The selected specimens were then placed inside a furnace already at 900 degrees centigrade and kept there for 40 minutes. Each sample's weight was recorded before and after heating. A second measurement for Loss-on-Ignition ("Explosion L.O.I. %") was, thus, defined.

All analytical certificates and procedures are included in Appendix No. 2. Individual sample descriptions, in turn, are included in Appendix No. 3.

Photogeological interpretation of airphoto Nos. BC 7502-110 and -111 was extensively used to define the geological extent of both the lava rock and ash deposits within the claim group. This information is plotted on Figure No. 3, which was developed from a base map at a scale of 1:20,000 kindly provided by the B.C. Forestry offices at Quesnel.

GEOLOGY:

According to Tipper (1959), the basement rocks in the area are Jurassic or Cretaceous age conglomerates, greywackes and argillites which lay immediately above middle Jurassic Hazelton group andesites and basalts. They outcrop to the east of the Nazko volcano.

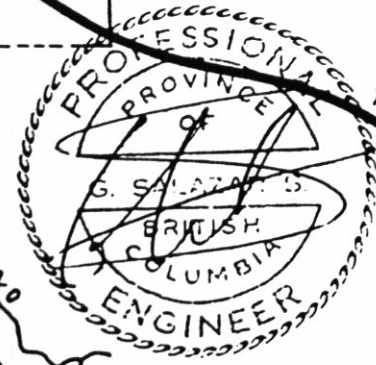
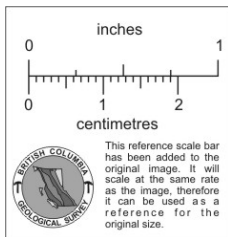
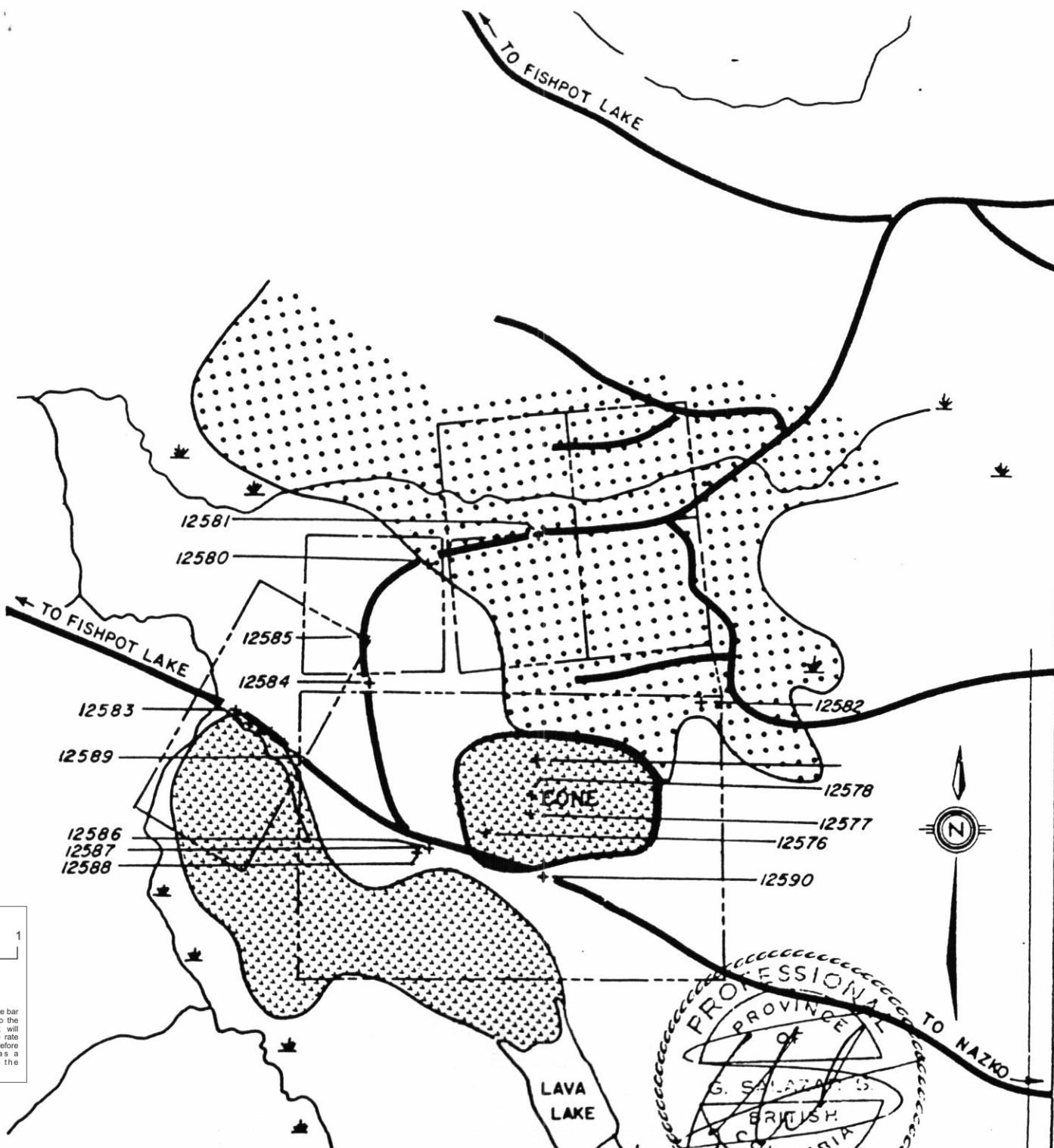
Eocene and/or Eocene age rhyolites, dacites, trachytes, related tuffs and breccias, with basaltic and andesitic flows and minor sediments are more widespread and underlie an area about twelve miles by six miles to the southwest of the claims area.

Tipper (1959) describes the next unit as ... "The comparatively undeformed plateau-type lavas ([his unit] 7) are similar to those of the Endako Group to the northwest. They rest with angular discordance on the older groups ... Much of the drift covered plateau west of Fraser River is believed to be underlain by rocks of this group. Some lavas ([his unit] 7a) mapped with this group may be as young as Pleistocene."...








Resting on top of this unit is unconsolidated glacial drift and recent alluvium covering most of the Quesnel Map-Sheet to depths of 25-50 feet.

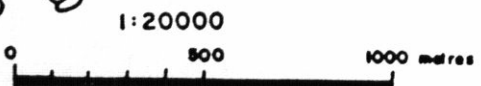
The area of the claims and its vicinity is underlain by a small extinct volcanic cone, its scoria and ashes, which rest on glacial debris and cover a depression of finite dimensions about 3.0 miles long by 1.5 miles wide elongated in a northeasterly direction. It is this volcanic episode and its deposits that are of interest to LRC and the subject of this report.

Figure No. 3 shows the interpreted extent and location of the scoria deposit to the southwest of the volcanic cone and the ash deposits laid along the direction of the prevailing winds



LEGEND

-  FROM AIR PHOTO
-  LAVA FLOW
-  VOLCANIC ASH
-  ROAD
-  CREEK, LAKE, SWAMP
-  CLAIM BOUNDARY
-  +, 12576 SAMPLE LOCATION, NUMBER



LRC RESOURCES LTD.		
LAVA ROCK PROJECT		
GEOLOGICAL & SAMPLE LOCATION MAP		
NTS 928-13E	Date: 6-87	G. SALAZAR S. & ASSOC'S. LTD. INT. GEOL. CONSULTANTS 312 CEDARBRAE CRESC. S.W. CALGARY ALBERTA
Work by: G. Salazar		
Drafted by: sps		
Figure No. 3		

G. SALAZAR S. & ASSOCIATES LTD.

away from the cone. Road traverses indicate that the area between the eastern edge of the lava flow and the western edge of the ash field is of the same type of frothy scoriaceous volcanics as those seen within the lava flow portion, including the cone. These volcanic rocks are of andesitic to basaltic composition.

DISCUSSION OF CHEMICAL & PHYSICAL PROPERTIES:

The objectives of this portion of the study, which were defined in coordination with Dr. Steve Globerman at the request of Mr. N. E. Tornroos, are:

1. To carry out a comparative analytical study of the scoria from the CARLA property and the barbeque rock presently available in markets in British Columbia and Alberta. ("commercial product").

2. To define the presence or absence of certain chemical elements which may produce toxic fumes when exposed to low heat, as in a propane barbeque.

3. To define the porosity, specific gravity, grain density and Loss on Ignition (L.O.I. %) physical characteristics of the scoria from the CARLA property and how they compared to the commercially available product.

4. To carry out an "Explosion Test" designed to define whether or not the scoria would explode when exposed to high temperatures.

and 5. To estimate the volume of material that would be available to LRC after a minimum of handling, thus simulating the quarrying, washing and screening operations considered needed prior to bagging.

Screening was carried out to define the following sizes:

5.1: (-3") to (+1.5") for potential barbeque rock use.

5.2: (-1.5") to (+0.25") for potential landscaping use.

and 5.3: (-0.25") for potential use as a soil additive in nurseries or as coarse sand in fish tanks or other aggregate use.

Laboratory Procedures:

The samples were sent to Loring as collected from the field. The laboratory then proceeded to carry out the screen tests described in item 5. above with the unwashed samples. A

pulp was then prepared for assay purposes out of the middle fraction, which was chosen because it represented a more homogenous medium. A portion of this was used by Loring for its Total Sulphur and Fluorine assays, another for specific gravity and Loss-on-Ignition (L.O.I. %) calculations and a last one was sent to ACME for processing.

Specimens from the coarse fraction were randomly selected and sent to CORE Labs. for porosity and grain density measurements, while other specimens from each sample were subject to the "Explosion Test" at Loring's facilities.

The different procedures are summarized elsewhere in this report and described in detail on Appendix No. 2.

Chemical Results:

The appended analytical results indicate that all samples carry similarly low amounts of total sulphur, lead, cobalt, arsenic, phosphorus, magnesium, barium and mercury. No significant statistical difference is recognized when comparing the other elements either.

The reported differences in L.O.I. (%) between the commercially available product and the CARLA property scoria is minimal and probably reflects the fact that the CARLA samples were not washed and dried as the former were.

The three ash samples collected (12580-2) also report a higher iron content. This is because of the amount of limonite trapped in the samples as a result of weathering. It is expected that a portion of this will also wash away.

Typical background values only are reported for Molybdenum, Copper, Lead, Zinc, Silver, Nickel, Cobalt, Arsenic, Uranium, Gold, Thorium, Cadmium, Antimony, Bismuth, Phosphorous, Lanthanum, Chromium, Barium, Titanium, Sodium, Potassium and Tungsten, according to the I.C.F. analyses, and on Sulphur and Fluorine according to the assay data.

The reported slight difference in Sulphur, Manganese, Iron, Strontium, Calcium, Magnesium and Mercury between the CARLA samples, which report higher values, and the commercially available samples is assumed to be readily washable.

The differences reported in Vanadium, Boron and Aluminium results are attributed to slight differences in composition between the two groups of samples.

Table No. 2 provides a summary of statistical data for

TABLE No. 2: Chemical Properties of L

Statistical Analysis: CARLA PROPERTY

		Chemical Property												
		MO	CU	PB	TI	B	AL	NA	K	W	HG	TOTAL	S	F
		ppm	ppm	ppm	%	ppm	%	%	%	ppm	ppb	%	ppm	
Number of Samples		14	14	14	14	14	14	14	14	14	14	14	14	14
Sum	Total	14	1168	190	12	13.4	38	32.4	19.1	11.7	22	790	0.41	197
	Average	1	83.4	13.5	0.96	2.71	2.31	1.36	0.84	1.57	56.4	0.0292	14.0	
	Minimum	1	34	2	0.51	2	1.35	0.55	0.19	1	30	0.01	0	
	Maximum	1	317	31	1.47	7	3.83	2.27	1.47	3	120	0.07	91	
Standard	Deviation	0	82.7	8.84	0.30	1.43	0.64	0.56	0.38	0.72	28.4	0.0153	28.8	
	Variance	0	6845	78.2	0.09	2.06	0.42	0.31	0.14	0.53	808.	0.0002	830.	

Statistical Analysis: CARLA PROPERTY

		Chemical Property												
		MO	CU	PB	TI	B	AL	NA	K	W	HG	TOTAL	S	F
		ppm	ppm	ppm	%	ppm	%	%	%	ppm	ppb	%	ppm	
Number of Samples		3	3	3	3	3	3	3	3	3	3	3	3	3
Sum	Total	3	195	58	4.04	19	17.3	9.74	4.99	5	170	0.1	58	
	Average	1	65	19.3	1.34	6.33	5.77	3.24	1.66	1.66	56.6	0.0333	19.3	
	Minimum	1	56	15	1.25	2	5.32	2.98	1.58	1	40	0.03	0	
	Maximum	1	73	27	1.4	15	6.07	3.57	1.8	2	80	0.04	58	
Standard	Deviation	0	6.97	5.43	0.06	6.12	0.32	0.24	0.09	0.47	16.9	0.0047	27.3	
	Variance	0	48.6	29.5	0.00	37.5	0.10	0.05	0.00	0.22	288.	0.0000	747.	

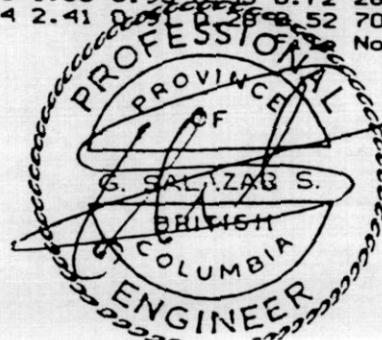
Statistical Analysis: COMMERCIAL BARE

		Chemical Property												
		MO	CU	PB	TI	B	AL	NA	K	W	HG	TOTAL	S	F
		ppm	ppm	ppm	%	ppm	%	%	%	ppm	ppb	%	ppm	
Number of Samples		3	3	3	3	3	3	3	3	3	3	3	3	3
Sum	Total	3	61	14	10.74	12	2.49	0.96	0.36	6	90	0.07	0	
	Average	1	20.3	4.66	0.24	4	0.83	0.32	0.12	2	30	0.0233	0	
	Minimum	1	1	2	0.09	4	0.19	0.15	0.07	1	20	0.01	0	
	Maximum	1	37	7	0.4	4	1.79	0.57	0.21	3	40	0.04	0	
Standard	Deviation	0	14.8	2.05	0.12	0	0.69	0.18	0.06	0.81	8.16	0.0124	0	
	Variance	0	219.	4.22	0.01	0	0.47	0.03	0.00	0.66	66.6	0.0001	0	

Statistical Analysis: ALL SAMPLES

		Chemical Property												
		MO	CU	PB	TI	B	AL	NA	K	W	HG	TOTAL	S	F
		ppm	ppm	ppm	%	ppm	%	%	%	ppm	ppb	%	ppm	
Number of Samples		20	20	20	20	20	20	20	20	20	20	20	20	20
Sum	Total	20	1424	262	17	18.2	69	52.2	29.8	17.1	33	1050	0.58	255
	Average	1	71.2	13.1	0.91	3.45	2.61	1.49	0.85	1.65	52.5	0.029	12.7	
	Minimum	1	1	2	0.09	2	0.19	0.15	0.07	1	20	0.01	0	
	Maximum	1	317	31	1.47	15	6.07	3.57	1.8	3	120	0.07	91	
Standard	Deviation	0	73.0	8.74	0.40	2.95	1.55	0.95	0.53	0.72	26.6	0.0141	26.9	
	Variance	0	5330	76.4	0.16	8.74	2.41	0.95	0.28	0.52	708.	0.0001	725.	

No.: 102312.wk3



the scoria and ashes from the Carla property and for the commercial samples. Detailed backup for this data is found in Appendix No. 2.

Physical Properties:

A statistical summary of the physical characteristics of the different sample types analysed is included as Table No. 3, which shows the following:

1. The average specific gravity of the CARLA property scoria is slightly higher than that of the commercial product samples. While the minimum values reported are similar, the difference seems to occur at the higher end. Should it be required, from a commercial point of view, the heavier fractions could be separated with sink/float technology. Closer spaced sampling would be required to define the relative percentages of heavy and light scoria to be found at the CARLA property.

2. CORE and Loring Laboratories report that they incurred no explosion of samples when subjected to heat, either when exposed to extreme high heat for a short period of time, as either a pulp or as a +2" specimen or to lower temperatures for a longer period of time.

3. The Loss-on-Ignition (%) tests indicate a slight higher loss on the CARLA samples than on the commercial product. This is attributed to the raw nature of the CARLA samples, which were tested without first being washed and/or screened, as was the commercial product.

4. A similar average porosity is observed in the samples from the CARLA property and of commercial product. The standard deviation factor also indicates that a similar variability of porosity was found in the two sample groups although the minimum value found was lower in samples from the CARLA property than from the commercial product.

The grain density factor, defined as the rock's density if it had no pores, shows that the CARLA samples are almost twice as dense as the commercial product, with its minimum value being slightly higher than the commercial product's maximum value.

The results shown by these two parameters reflect the lack of washing and screening of the CARLA samples since it is this process that will eliminate the heavier and less porous material, which could then be used for decorative syone and/or aggregate material.

6. Screening shows that the unprocessed CARLA samples

TABLE No. 3: Physical Properties of Lava Rock = CARLA PROPERTY. Statistical Summary.

Statistical Analysis: CARLA PROPERTY SCORIA (Lava Rock) SAMPLES

Physical Properties of SCORIA Samples									
SPECIFIC GRAVITY	EXPLOSION L.O.I.(%)	L.O.I. (%)	POROSITY FRACTION	GRAIN DENSITY	SCREEN FR. +1.5" (%)	SCREEN FR. 1.5/.25 (%)	SCREEN FR. <.25" (%)		
14	14	14	12	11	14	14	14	Number of Samples	
25.78	10.21	13.14	6.048	39130	1066.97	244.52	88.51	Sum	Total
1.84142857	0.72928571	0.93857142	0.504	3011.81818	76.2121428	17.4657142	6.32214285	Average	
1.37	0	0	0.153	2780	0	4.41	0.93	Minimum	
2.56	2.55	2.02	0.675	3860	92.59	75.35	24.65	Maximum	
0.36211397	0.72551916	0.69565854	0.17012838	284.567237	22.1362105	17.1427497	6.19175393	Standard Deviation	
0.13112653	0.52637806	0.48394081	0.02894366	80978.5123	490.011816	293.873867	38.3378168	Variance	

Statistical Analysis: CARLA PROPERTY FINES (Ashes) SAMPLES

Physical Properties of ASH Samples									
SPECIFIC GRAVITY	EXPLOSION L.O.I.(%)	L.O.I. (%)	POROSITY FRACTION	GRAIN DENSITY	SCREEN FR. +1.5" (%)	SCREEN FR. 1.5/.25 (%)	SCREEN FR. <.25" (%)		
3	3	3	3	0	3	3	3	Number of Samples	
4.21	0	0.93	0	0	0	67.61	232.39	Sum	Total
1.40333333	0	0.31	0	ERR	0	22.53666666	77.46333333	Average	
1.15	0	0	0	ERR	0	13.19	70.69	Minimum	
1.56	0	0.65	0	ERR	0	29.31	86.81	Maximum	
0.18080068	0	0.26620793	0	ERR	0	6.82789051	6.82789051	Standard Deviation	
0.03268888	0	0.07086666	0	ERR	0	46.6200888	46.6200888	Variance	

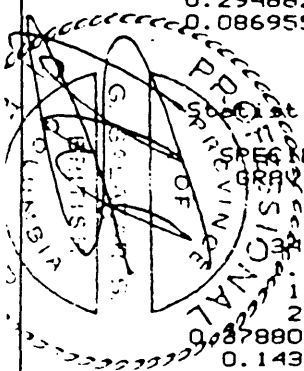
Statistical Analysis: COMMERCIAL BARBEQUE ROCK PRODUCT SAMPLES

Physical Properties of COMMERCIAL PRODUCT Samples									
SPECIFIC GRAVITY	EXPLOSION L.O.I.(%)	L.O.I. (%)	POROSITY FRACTION	GRAIN DENSITY	SCREEN FR. +1.5" (%)	SCREEN FR. 1.5/.25 (%)	SCREEN FR. <.25" (%)		
3	3	3	3	3	3	3	3	Number of Samples	
4.45	1.85	2.13	1.592	5540	57.52	236.8	5.68	Sum	Total
1.48333333	0.61666666	0.71	0.53066666	1846.66666	19.1733333	78.9333333	1.89333333	Average	
1.26	0.03	0	0.414	1430	9.05	69.91	1.56	Minimum	
1.9	1.27	1.09	0.755	2570	27.55	89.37	2.54	Maximum	
0.29488227	0.50841802	0.50246061	0.15867016	513.441547	7.65291375	8.00712321	0.45733527	Standard Deviation	
0.08695555	0.25848888	0.25246666	0.02517622	263622.222	58.5670888	64.1140222	0.20915555	Variance	

Statistical Analysis: ALL SAMPLES

Physical Properties of ALL Samples									
SPECIFIC GRAVITY	EXPLOSION L.O.I.(%)	L.O.I. (%)	POROSITY FRACTION	GRAIN DENSITY	SCREEN FR. +1.5" (%)	SCREEN FR. 1.5/.25 (%)	SCREEN FR. <.25" (%)		
20	20	20	18	14	20	20	20	Number of Samples	
4.44	12.06	16.2	7.64	38670	1124.49	548.93	326.58	Sum	Total
1.722	0.603	0.81	0.42444444	2762.14285	56.2245	27.4465	16.329	Average	
1.15	0	0	0	1430	0	4.41	0.93	Minimum	
2.56	2.55	2.02	0.755	3860	92.59	89.37	86.81	Maximum	
0.37880865	0.68772887	0.66168723	0.24416643	590.498319	36.2152584	26.3306504	26.3785171	Standard Deviation	
0.143496	0.472971	0.43783	0.05961724	348688.265	1311.54494	693.303152	695.826169	Variance	

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have a much greater content of (+1.5") than the commercially available product (averages of 77.2% and 19.2%, respectively). It also shows that the main fraction of the three commercial products tested is the (-1.5")/(+0.25") fraction, which is the size slated by LRC to impact the decorative stone market.

These differences are also enhanced by the fact that the commercial product has been processed while the CARLA samples have not been. It is reasonable to expect that an industrial operation will reduce the average size of the final product even more than the samples from Mr. Wear's sorted piles seem to indicate. It may also be that the producers of the commercial product sampled are indeed geared to producing a single fraction (i.e.: -1.5" to +0.25") for both markets, hence simplifying handling.

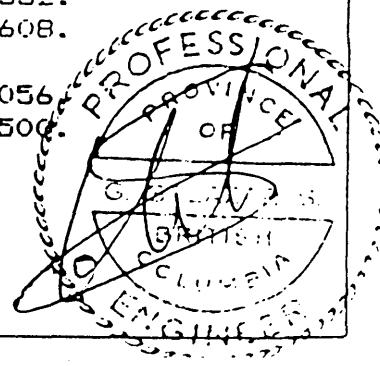
Table No. 3 also shows that the fine fraction (<0.25") has been eliminated from the commercial product, and that only a small portion will be generated by crushing of coarse material from the CARLA property. The analytical study of the CARLA fines samples indicate that 20% of the ashes processed will report to the coarser fractions and uses.

RESOURCE EVALUATION:

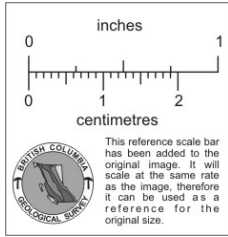
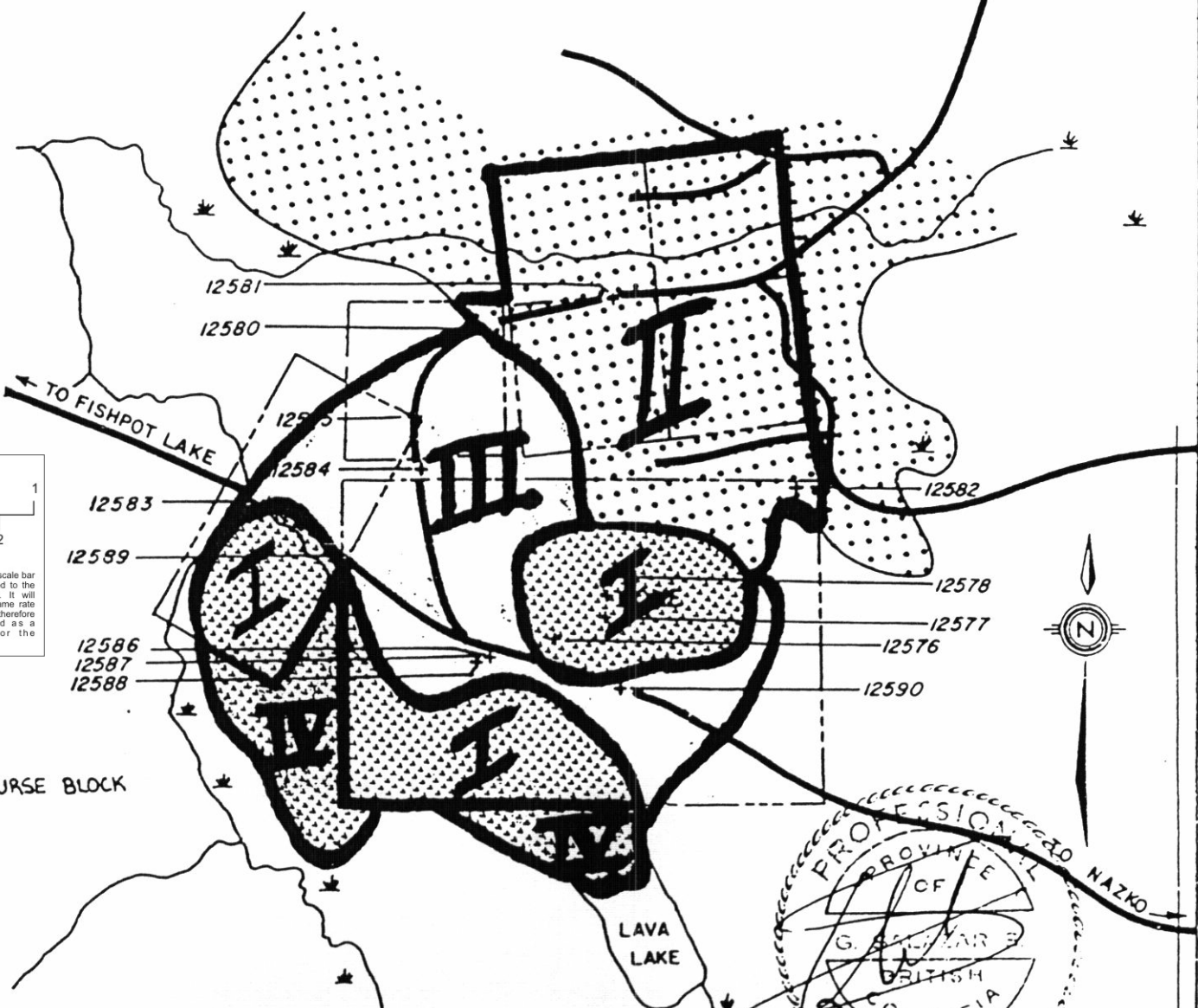
Table No. 4 and Figure No. 3a summarize and depict, respectively, the resource potential of the CARLA property in metric tonnes per meter of depth of exposed area. The average specific gravity for coarse (1.84) and fines (1.40) samples was used to convert volumes into metric tonnes of potential resource.

TABLE No. 4: Resource Potential : CARLA PROPERTY

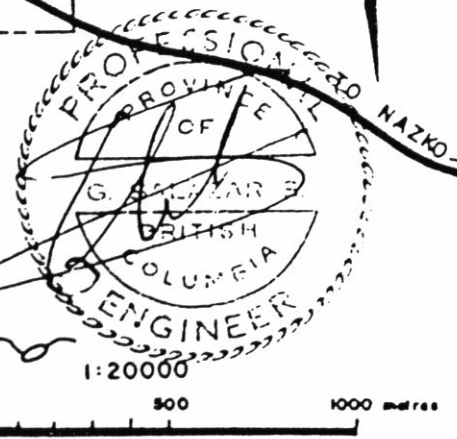
BLOCK No.	TYPE	AREA (m)	VOLUME per m.	SPECIFIC GRAVITY	TONNES/m. (t.)
I	Scoria	735,600	735,600	1.84	1,353,504.
II	Ashes	922,500	922,500	1.40	1,291,500.
III	Scoria	862,800	862,800	1.84	1,587,552.
IV	Scoria	273,700	273,700	1.84	503,608.
Total Scoria per meter of depth:					2,941,056.
Total Ashes per meter of depth:					1,291,500.



TO FISHPOT LAKE



RESOURCE BLOCK



- LEGEND**
- FROM AIR PHOTO
 - LAVA FLOW
 - VOLCANIC ASH
 - ROAD
 - CREEK, LAKE, SWAMP
 - CLAIM BOUNDARY
 - +, 12576 SAMPLE LOCATION, NUMBER

LRC RESOURCES LTD.	
LAVA ROCK PROJECT	
GEOLOGICAL & SAMPLE LOCATION MAP	
NTS 92B-13E Date: 6-87	G. SALAZAR S. & ASSOCS. LTD.
Work by: G. Salazar	INT. GEOL. CONSULTANTS
Drafted by: sps	312 CEDARBRAE CRESC. S.W.
PI 06-06-30	CALGARY ALBERTA

G. SALAZAR S. & ASSOCIATES LTD.

Block No. IV, included in the Total Scoria potential, is presently outside of the CARLA claim group and is, therefore, not included in these reserve calculations.

The areas covered by LRC's quarry permits previously described cover a resource estimated at 1,297,200. tonnes per meter of depth.

Trenches and pits dug for road construction indicate that the ash deposits are at least three meters deep while the scoria flows nearer Lava Lake show a minimum height above ground of five meters. The height of these deposits may be much larger than the conservative estimate described above as evidenced by the height of the cone (minimum 40.0m.) and the height of a topographic ridge cutting southwesterly from the cone, which is about 15-25.0 m. high.

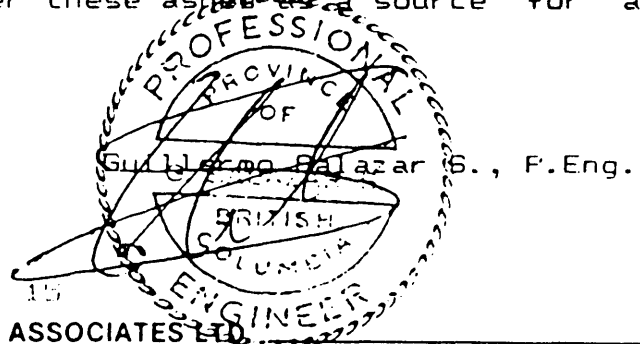
Taking the minimum depths of deposits as described above, and including only the known extent of the scoria flow and ashes deposited inside the claim boundary, the indicated minimum potential size of the deposit is 14,705,280. tonnes of scoria and 3,874,500. tonnes of ashes. By using the same 5.0 meter factor for total depth within the quarry permits, a total of 6,486,000. tonnes of scoria are forecasted in these areas.

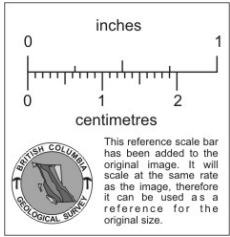
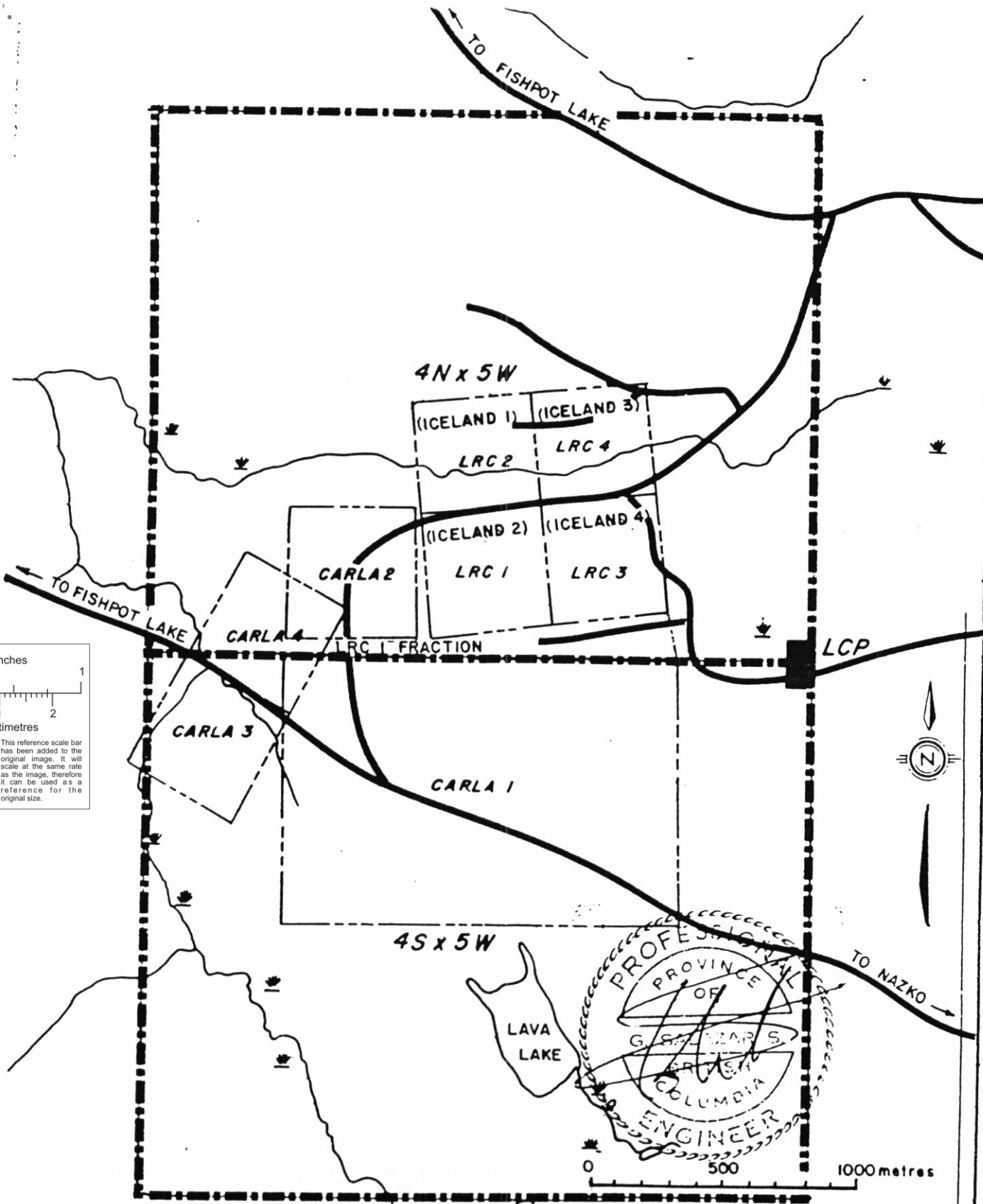
RECOMMENDATIONS:

The following is recommended:

1. Abandon all claims, as presently recorded, and restake the ground as two twenty unit claims covering all of the scoria flow to the south and the deeper portions of the ash deposits to the north.
2. Obtain the quarry rights to the newly staked claims for both the scoria and ash deposits.
3. The initial tests reported here indicate that the barbeque rock acquired for control has a significant component of (+0.25")/(-1.5") sized rock, and that the ash deposits may have enough of this fraction to supply a significant amount of this type of barbeque rock. These ashes are loose and easier to mine and process than the scoria. The market study required for the quarry lease should consider these ashes as a source for all products.

August 24, 1987





LEGEND

- ROAD
- CREEK, LAKE, SWAMP
- CLAIM BOUNDARY

LIMIT OF AREA TO BE STAKED
G. SALAZAR S. & ASSOCIATES LTD.

LRC RESOURCES LTD.	
LAVA ROCK PROJECT RECOMMENDED ADDITIONAL LANDS FOR ACQUISITION	
NTS 92R13C Date: 6-87	G. SALAZAR S. & ASSOCS. LTD.
Work by: G. Salazar S.	INT. GEOL. CONSULTANTS
Drafted by: sps	312 CEDARBRAE CRESC. S.W.
Figure No. 4	CALGARY ALBERTA

1:20000

REFERENCES:

1. Bevier, M.L.; Armstrong, R.L.; and Souther, J.G. (1979): Miocene peralkaline volcanism in west-central British Columbia - Its temporal and plate-tectonic setting. GEOLOGY, v.7, pp389-92.

2. G.S.C.: Map No. 1424A; Sheet NTS 93: Farsnip River (Scale: 1:1,000,000.).

3. _____ : Map 12-1959: Quesnel Map Sheet, NTS 93B. By H.W. Tipper. (Scale: 1:250,000).

4. LABORATORY PROCEDURES AND REPORTS FROM:

1. BC Research dated September 17, 1986 for Brian Wear.
2. CORE Labs.
3. Loring Labs.

APPENDIX No. 1

STATEMENT OF QUALIFICATIONS AND DISCLAIMER

I, Guillermo Salazar S., of 312 Cedarbrae Crescent SW, Calgary, Alberta T2W-1Y4, hereby certify that:

1. I attended and graduated from the Universidad Nacional de Ingenieria de Lima, Peru with a Bachelor's of Science and a Engineering Degrees in Mining Engineering and Mining Geology in 1967. I also attended Harvard University from which I was awarded a Master's of Arts degree in Economic Geology in 1969.

2. I am a registered Professional Engineer in the Province of British Columbia (No. 10,220) and Professional Geologist in the Province of Alberta (No. 27456). I am also a member in good standing of the Society of Economic Geologists of America and of the Society of Mining Engineers of the AIME.


3. I have in excess of fifteen years of experience in my field in the U.S.A., Canada and South America.

4. A personal field inspection of this property was made by me on June 15 and 16, 1987 and that all available background technical data was also reviewed by me.

5. I have not, directly or indirectly, received, and do not expect to receive, any interest, direct or indirect, in the property of LRC Resources Ltd., or any affiliate, and I do not beneficially own, directly or indirectly, any securities of LRC Resources Ltd. any affiliate.

6. This report may be used by LRC Resources Ltd. for all corporate purposes, including public financing.

Calgary, Alberta, August 24, 1987

A circular seal for the Professional Engineer of the Province of Alberta. The outer ring contains the text "PROFESSIONAL ENGINEER" at the top and "PROVINCE OF ALBERTA" at the bottom. Inside the ring, there is a signature and the name "Guillermo Salazar S." followed by "F. Eng. (B.C.)" and "(File No. 10220)".

Guillermo Salazar S., F. Eng. (B.C.)
(File No. 10220)

Appendix L

Details of quarry permit approval.



Province of British Columbia
Ministry of Energy, Mines and Petroleum Resources

MINERAL RESOURCES DIVISION
INSPECTION AND ENGINEERING BRANCH

NOTICE OF WORK
AND
RECLAMATION PROGRAM
SAND AND GRAVEL PITS AND QUARRY OPERATIONS

(Pursuant to section 6 of the Mines Act)

This form is to be completed and signed by all companies or individuals who operate sand and gravel pits and quarries. Keep one copy. Forward one copy to the District Inspector of Mines. Approval must be obtained prior to commencement of work. Also complete the Reclamation Program on reverse, and Plan of Operations attached.

- 1. OPERATOR/MANAGER: Name Brian C. Wear
Address 551 Edkins Street
City Quesnel
Province B.C. Postal Code V2J 1X7 Telephone No. 992-8769
2. REGISTERED LANDOWNER: Name Same as above
Address
City
Province Postal Code Telephone No.
3. LOCATION OF OPERATION: road, street no., province, etc. Cariboo District: 3 km
S.E. Fishpot Lake
Legal Description See Survey Attached
Distance, direction, and means of access to nearest town Log Road 80 km to Quesnel
4. DURATION OF WORK: Indicate PROPOSED [X] or COMPLETED []
From July 1987 to July 1992
5. DESCRIPTION OF WORK: Indicate SAND/GRAVEL PIT [] or QUARRY [X]
PIT RUN ONLY [] SCREENING [X] CRUSHING [X] WASHING [] BLASTING []
Estimated extraction for current year 1700 cubic yards (m³)
Maximum height of working face 10' metres (m)
Number of workers employed 4
Material being excavated is LOOSE [X] CONSOLIDATED [] HIGHLY CONSOLIDATED []
Describe first aid facilities Portable trailer at site
If blasting give details of explosives, magazines, etc. (subject to approval of inspector): N/A
6. EQUIPMENT LIST: indicate make, number, size, and capacity (all equipment to comply with the Mines Regulation):
(a) Crushing & Screening Unit (d)
(b) Front end loader (e)
(c) (f)

7. WATER SUPPLY: (Subject to approval under the Water Act)
Name or describe the source of water supply Not required

Quantity of water to be used None c.f.s.
Location of water intake N/A

8. WASTE WATER TREATMENT: (Subject to approval under the Waste Management Act)
Describe the waste water treatment facility (size of settling pond, recycling, distance to nearest stream, etc.) N/A

9. SURFACE DISTURBANCE:

(a) Open pit quarry:	Width	m	Length	m	Area	m ²		
(b) Overburden and product stockpiles:	very little				Area	m ²		
(c) Plant and buildings:	10 x 10 trailer				Area	m ²		
(d) Access roads:	Width	12	m	Length	100	m	Area	m ²
(e) Other (specify):					Area	m ²		
TOTAL AREA OF SURFACE DISTURBANCE						m ²		
(1 ha = 10 000 m ²)						ha		

10. PRESENT STATE OF LAND ON WHICH WORK IS PROPOSED:

Present land use (agriculture, forestry, etc.) NIL
Type of vegetation Sparse covering lodgepole pine and scrub
General topography: FLAT SIDE HILL VERY STEEP +20°
Access roads (present use, condition) Good logging road
Permanent watercourses NIL

11. RECLAMATION PROGRAM:

Proposed land use of reclaimed area Recreation

Describe protective measures and site reclamation methods, with reference to topsoil handling, backsloping of pit banks, surface contouring, drainage control, removal of buildings, and revegetation of disturbed areas (attach separate sheet if necessary)

See development plan attached

Seed mixture Rate of application kg/ha
Fertilizer type Rate of application kg/ha

12. SUMMARY OF AREAS DISTURBED AND RECLAIMED:

Area proposed to be disturbed current year	5 HEC	ha	Existing unreclaimed disturbance	NIL	ha
Area proposed for reclamation current year	"	ha	Area reclaimed to date	NIL	ha

Brian C. Wear

SIGNATURE OF APPLICANT
(Reclamation Permit will be made out to the firm
represented by this individual)

TITLE

Brian C. Wear

PRINT NAME

July 9, 1987

DATE

If the applicant is not the registered landowner, then the registered landowner's signature is also required.

SIGNATURE OF LANDOWNER

DATE



* see attached survey and map.
- yellow outline indicates quarry site

Location of Land

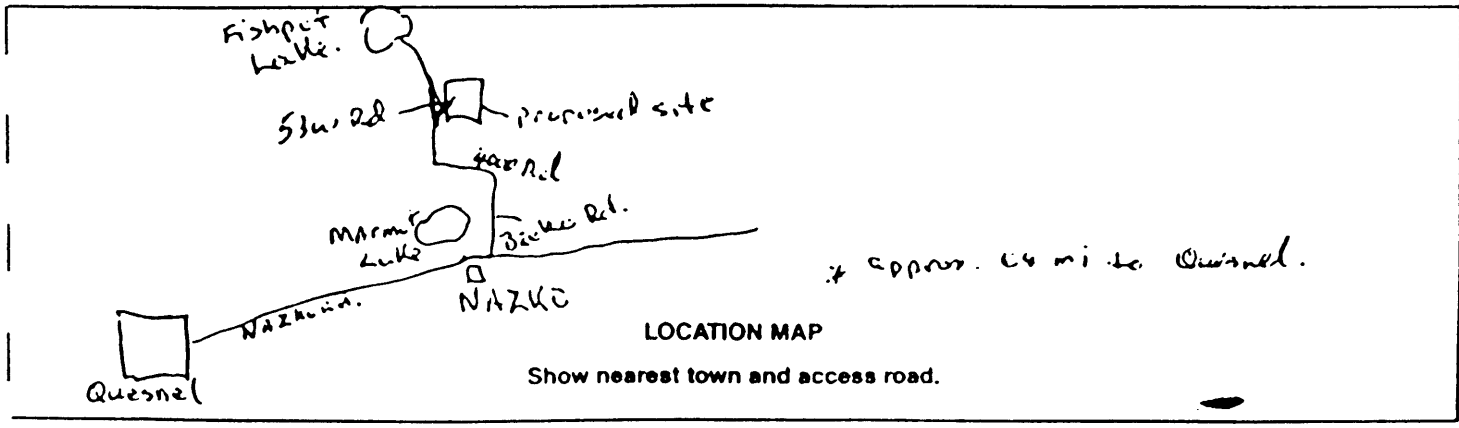
- 3 KM. S.E. Fishport lake
- P.O.C. 3945 m. West and 1820 m. North of NW corner of Lot. 10141 Cavitec District.

Description

- on the north side of the 4000 Rd. ± 4650 m. West ± 1150 m. North of the NW corner of Lot 1014 Cavitec District.

PLAN OF OPERATIONS — SAND AND GRAVEL

Show boundary of Lot, Lot Number, Plan, Land District, distance and direction to nearest town, plt, plant, watercourses, topsoil stockpiles. A legal plan to scale 1:5 000 (approximately 1 inch = 400 feet) or larger may be attached with above noted items shown.



**NOTES PERTAINING TO SAND AND GRAVEL OPERATIONS
AND FORM 6/7/G**

1. OWNERSHIP

When the operator of the gravel pit is not the registered owner of the property (surface of the land under the *Land Act*), then the name and postal address of the registered owner is to be shown. In this situation, a letter is required from such registered owner acknowledging that he is aware of and approves the content of the Form 6/7/G.

2. TOPSOIL

Topsoil is defined as extending to maximum root penetration. Topsoil must not be taken from the property; it is to be conserved for use in the reclamation program. Topsoil is to be removed from operational areas prior to any disturbance of the land, and stockpiled separately on the property.

3. WATERCOURSES AND WATERTABLE

If watercourses are to be disturbed in any manner by the operations, prior application must be made to the Water Rights Branch, for a licence under the *Water Act*. If washwater is to be used the Waste Management Branch should be contacted for a permit under the *Waste Management Act*.

When a gravel pit has been extracted to below the watertable, thereby forming a residual pond, the Chief Inspector may require that backfilling, drainage, and/or bank contouring measures be carried out, to complement reclamation.

4. CONDITION OF THE LAND, AND FUTURE USE AFTER RECLAMATION

A wide variety of usage may be made of gravel pits, after the gravel has been extracted, such as picnic sites, parks, recreation areas, Christmas tree farms, farm lands, residential or industrial development, etc. The reclamation program shall be carried out as soon as the usage of the land, or any substantial part of it, for mining purposes has been terminated. Pit banks, berms benches, and hummocks shall be graded to a gently undulating surface, using waste and overburden as required to achieve this condition. The stockpiled topsoil shall be evenly distributed over the disturbed and regraded areas. All areas shall then be re-vegetated to the most suitable type of vegetation, relevant to the nature of and the location of the land. The maximum permissible slope of the reclaimed land shall be one vertical in two horizontal, unless the Inspector has otherwise approved.

Plants and buildings are to be completely removed, and the foundations backfilled or covered, at the termination of operations, except with the written approval of the Inspector of Mines.

The land shall be left in a neat, clean, and safe condition.

5. AESTHETICS AND PUBLIC SAFEGUARDING

The *Mines Act* provides for the safeguarding of the public (see section 5 (1)). It also regulates the distance from the property boundary within which excavation operations shall not be carried out. The Inspector may require that a suitable screen of trees, shrubs, etc., be left or be established between the operations and the property boundary, when such boundary abuts on a playground, park, residential development, main highway, or other area open to the public at large.



Province of British Columbia
Ministry of Energy, Mines and Petroleum Resources
MINERAL RESOURCES BRANCH, TITLES DIVISION

BILL OF SALE

MINERAL ACT

KNOW ALL MEN BY THESE PRESENTS

that **Brian C. Wear**

address **551 Edkins st.
Quesnel, B.C.
V2J 1X7**

holder of valid subsisting free miner's certificate number **259459**

for and in consideration of the sum

of **one**

Dollars (\$ **1.00**) of lawful

money of Canada, to **Brian C. Wear**

in hand paid, the receipt whereof is hereby acknowledged,

DO BY THESE PRESENTS bargain, sell, assign, and transfer **All** interest (specify interest conveyed - 'all,' 'one-half'

interest in, etc., as the case may be), unto

address

**LRC Resources Inc. or nominee
1400-1500 West Georgia st.
Vancouver, B.C. V6G 2Z6**

holder of valid subsisting free miner's certificate

in (here list name of claim(s) and record numbers or type and number of lease(s), or mining lease(s) or other interest) or more, lease(s) or other interest, being the same or different, as the case may be, as recorded

Carla I	Record #	7791
Carla II	" #	7792
Carla III	" #	7793
Carla IV	" #	7794

located in the Cariboo

Mining Division

and hereby covenants that I have good title to the mineral claim(s), 2 post claim(s), lease(s), or mining lease(s) aforesaid and right to transfer same.

IN WITNESS WHEREOF I have hereunto set my hand and seal this day of July 13, A.D. 19 87, at Quesnel, B.C.

.....
 Witness.
Jay Kern

.....
 Assignor.
Brian C. Wear
(Brian C. Wear)



MINERAL ACT

FREE MINER CERTIFICATE

NOT TRANSFERABLE

No 298156

Surname L R C RESOURCES INC
(Please print clearly.)

Christian Names _____

Address 1400 - 1500 W. GEORGIA ST.

VAN. BC (Address for service) V6G 2Z6 (Postal Code) (684-1914)

Fee paid \$ 500.00 Date of issue JULY 13, 1987

Valid from JULY 13, 1987

Valid until midnight on the 31st day of December, 19 87

Issued at VANCOUVER, British Columbia

[Signature]
(Signature of issuing officer.)
subleander