

to property file

017887

SILVER CHIEF MIN.

103G/16W

~~103H-G-037~~

(BLUE JAY)

103G 013

Geology and Report

Fay Mineral Claims

Porcher Island

Prince Rupert BC.

By: P. E. Page, P. Geol.
Edmonton, Alberta
March 27, 1979.

Fay Mineral Claims Porcher Island, B.C.
(30 Miles South of Prince Rupert B.C.)

History and Development

Prospecting for minerals on Porcher Island, some thirty miles south of Prince Rupert has continued for many years.

Several molybdenite occurrences have been claimed at East Porcher Inlet and along Billy Creek. Claims for gold along the north shore have been maintained and are presently being developed.

The Blue Jay molybdenite claims at East Porcher Inlet were restaked as the Fay Claims. Exploration and development has continued on this property since that date.

Molybdenite occurs along with quartz veining in intrusive rocks—probably andasite, in sills and fracture fillings. The owners of the Blue Jay claims sank a small shaft on claim number 3 from which several tons of molybdenite ore rock were obtained. The average amount of molybdenite in this sample was 2%.

The old Blue Jay shaft (indicated on map) had been developed, only to a depth of twenty feet and the site had been chosen low, near a creek bed.

Some attempts were made to continue mining at this location but floodwaters continually filled the shaft and the operation was abandoned.

The area is mainly covered with overburden and a forest of trees. In 1975 a magnetometer survey was completed around the mineralized area. Results did not indicate a likely place for diamond drilling.

However other occurrences of molybdenite were found on claims 4 and 2 and the showings were developed by rock tranching and blasting.

Small amounts of the copper mineral chalcopyrite were found with the molybdenite indicating that further development would show increasing amounts of both of these minerals.

Location and Access

Porcher Island is located ten to thirty miles south of Prince Rupert B.C.

Porcher Inlet in the southern part of the island is a mineralized area suitable for continued exploration.

Access is obtained by boat and float plane. Logging and fishing operations have taken place in the area but there is no nearby habitation and the closest small fishing village is Cona River about 10 miles over the mountain to the east.

General Geology

The area is heavily forested. Sedimentary rocks of the northern part of the island show a north-west trend, where exposed. This and other geological features are indicated in a Memoir to the Geological Survey of Canada by Hutchison in 1970.

Intrusive rocks of the south-east part of the island are regarded as Early Cretaceous in age. Areas suitable for exploration occur as structure faults and sills forced by the Coast Range

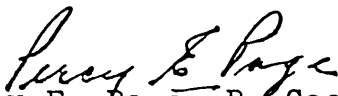
Batholith of late Tertiary time.

Recommendations

Development of molybdenite showings at the old Blue Jay shaft should be extended away from flooding area, to follow the mineral vein.

Recently discovered occurrences of molybdenite on claims 2 and 4 should be extended and developed as the ore rock found is of very good quality.

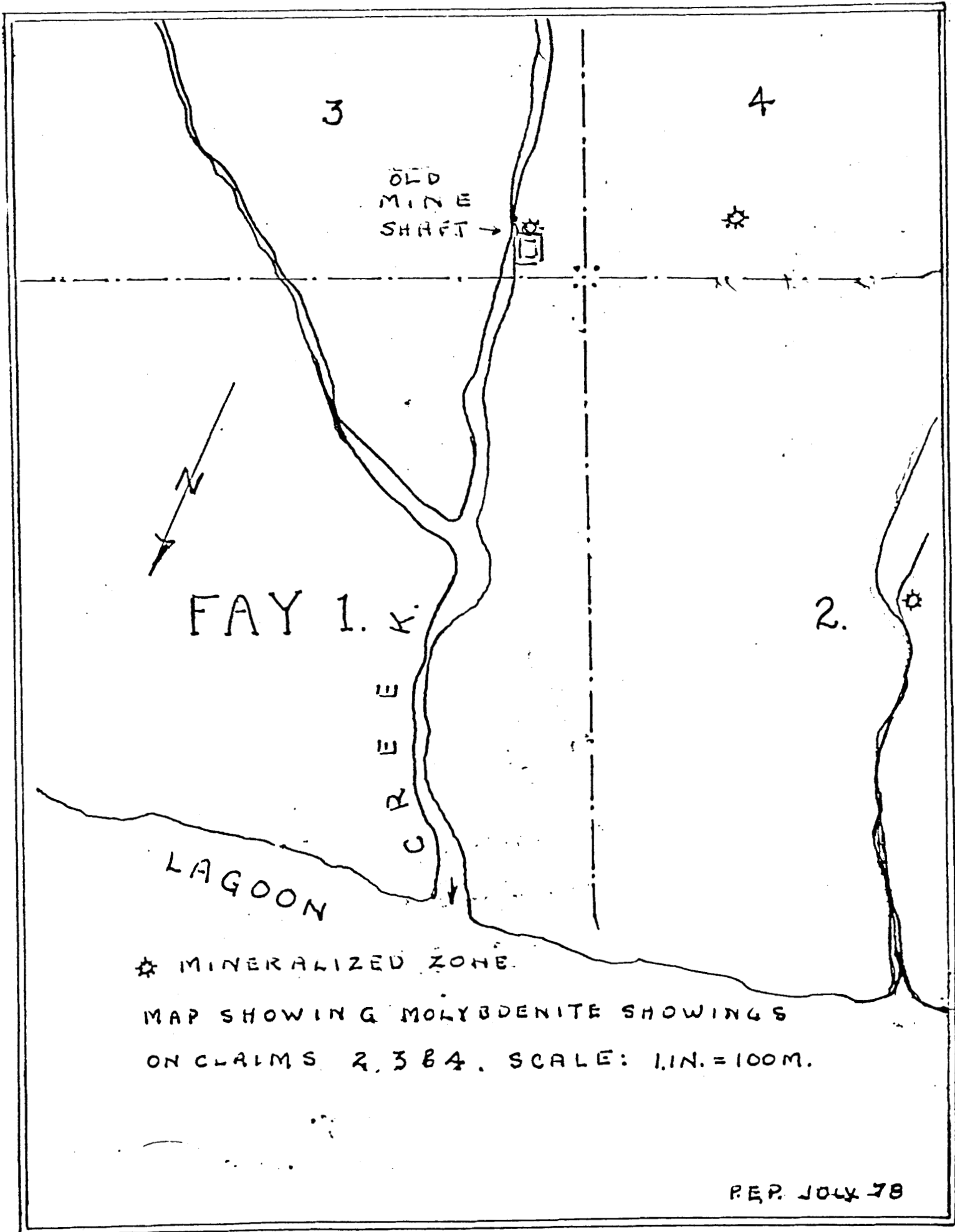
Edmonton, Alberta
28th of March 1979.


Percy E. Page, P. Geol.
Consulting Geologist



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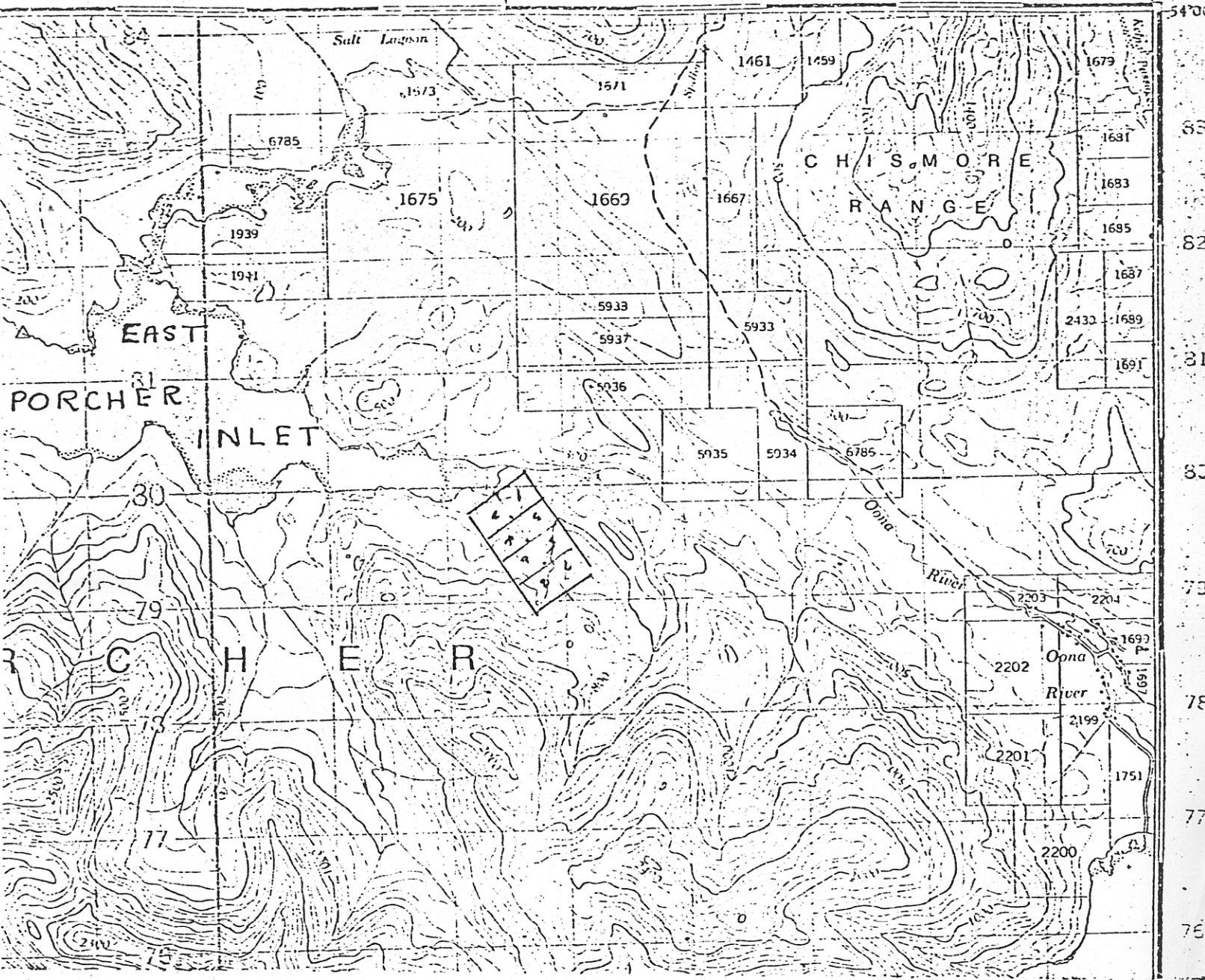


★ MINERALIZED ZONE.

MAP SHOWING MOLYBDENITE SHOWINGS
ON CLAIMS 2, 3 & 4. SCALE: 1 IN. = 100 M.

REP. JULY 78

09 10 11 12 20' 13 14 15 16 17 130°15'




Section of NATIONAL TOPOGRAPHIC MAP 103 G/16 W.
 showing location of FAY CLAIMS NEAR OONA RIVER
 ON PORCHER ISLAND, APPROXIMATELY 30 MILES SOUTH
 OF PRINCE RUPERT B.C.

CERTIFICATE

I, Percy E. Page, of the City of Edmonton, in the Province of Alberta, certify:

1. That I am a consulting geologist and reside at 10941-90 Avenue, Edmonton, Alberta.
2. That I am a 1947 graduate in Geology of the University of British Columbia and have been practicing my profession of Geology for the past thirty years.
3. That I have not directly or indirectly received, nor do I expect to receive any interest directly or indirectly, whatsoever in the properties of Silver Chief Minerals Ltd or any affiliate, nor do I beneficially own, directly or indirectly, any securities of the company or any affiliate except that I have held the property in my name as trustee since 1975, to be transferred to Silver Chief Minerals Ltd. at their request with no beneficial interest retained in the property.
4. That the accompanying report is based on personal examination in the Porcher Island area B.C., which took place on July 10, 11, & 12 1978.

Dated this 28th day of March 1979.


Percy E. Page, P. Geol.
Consulting Geologist