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REPORT ON THE

ELIZABETH PROPERTY

Lillouet Mining Division

NTS Map Sheet 920/2E

for

DROMEDARY EXPLORATION COMPANY LIMITED

by

C.M. Lalonde, B.Sc., F.G.A.C.

January 31, 1992

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INTRODUCTION

This report was prepared at the request of Mr. G. G. Carlson, President of Dromedary Exploration Company Ltd. The writer is familiar with the Elizabeth property after conducting a geological mapping and sampling program from July 18 to July 28, 1990 as a consultant for Blackdome Mining Corporation. Old reports and maps on the Elizabeth property have been re-examined in preparation for writing this report.

The 1990 program confirmed the presence of high grade gold mineralization in one continuous shoot in the West Vein between surface and the Upper Level drift. Significant assays were received from trench samples in the Main Vein and near the south end of the West Vein which deserve further exploration work.

This report summarizes results of the work completed to date and recommends a follow up 1992 program at a total cost of \$177,000.

LOCATION AND ACCESS

The Elizabeth property is located approximately 240 kilometres north of Vancouver and 57 kilometres northwest of Lillouet, B.C., within the Lillouet Mining District (NTS 920/2E) (Figure 1). It is situated at an elevation of 2200 metres (7220 feet) on the southeastern slope of Big Dog Mountain. It can be reached by road from Lillouet along the Gold Bridge road for 32 kilometres to Moha, then northward along the Yalakom River road for 35 kilometres to Blue Creek where a secondary road turns westward for 9 kilometres along the north side of the creek to the claims.

Most of the Elizabeth property is above tree line and snow drifts limit effective work periods to the summer and early fall months. Slopes are mainly talus covered with occasional outcrop.

Bethlehem Copper Corporation conducted a sampling and mapping program in September, 1957 on surface and underground in the new drift along the West Vein. Their sampling results show a continuous mineralized zone averaging 0.97 ounces/ton over an average width of 2 feet along 35 feet of drift. One high assay was out to 3 ounces/ton. Several good grade gold assays were returned from samples taken within 50 feet strike length to the south.

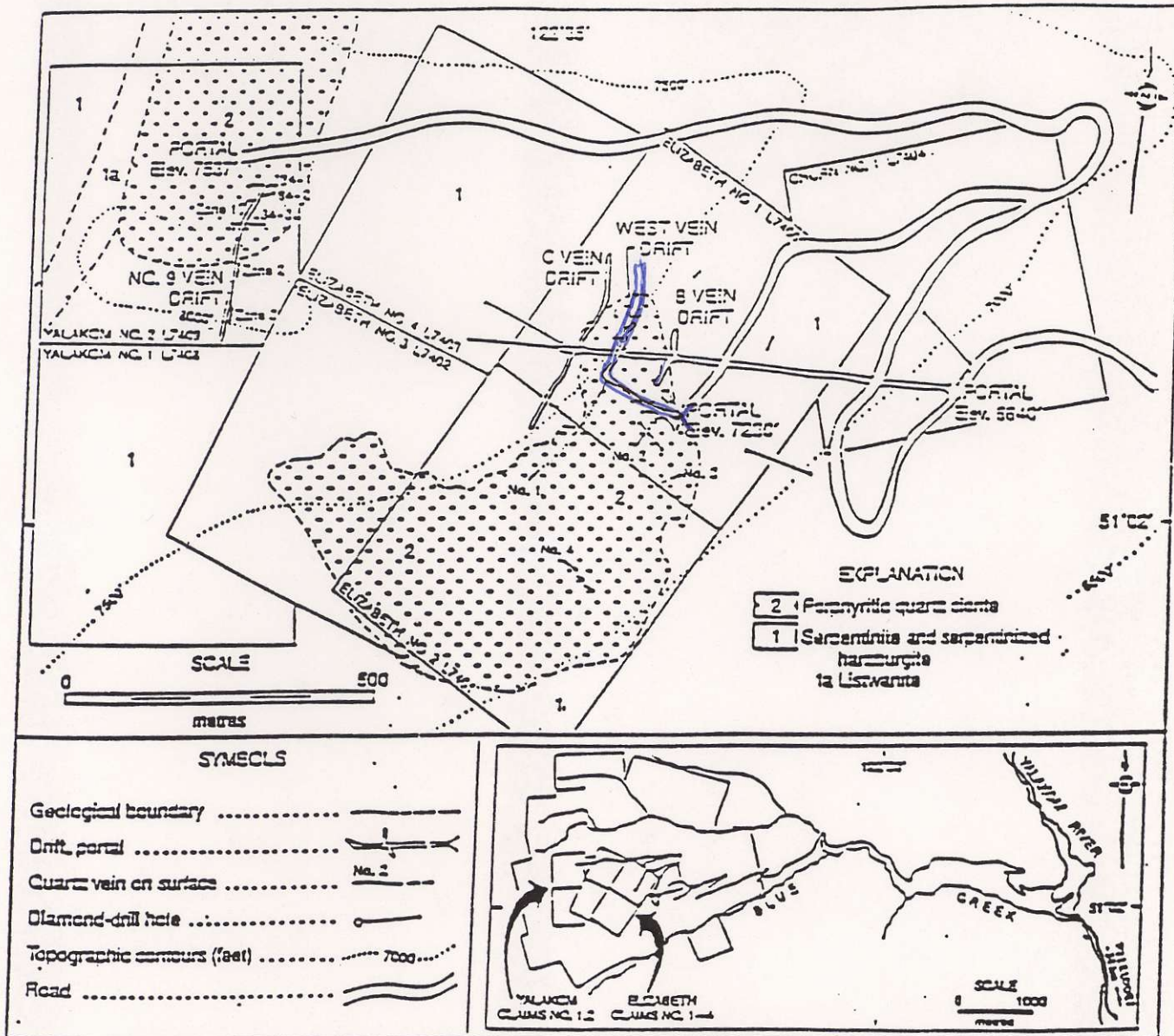
In 1980, Prism Resources optioned the Elizabeth property and repeated the Bralorne surface sampling of the West Vein and the Bethlehem Copper underground sampling on the upper level.

In 1989, T. Illidge and D. White uncovered the high grade gold mineralized zone in the West Vein below the snowfield during a bulldozer trenching program.

Blackdome Mining Corporation, in 1990, rehabilitated the upper and lower level portals, carried out a bulldozer and excavator trenching program and geologically mapped and sampled all accessible exposures of all the veins. Their proposed 1991 exploration program had to be abandoned due to the closure of the Blackdome Mine in January, 1991.

GEOLOGY

The Shulaps Range in the vicinity of the Elizabeth claims consist of Paleozoic - Triassic ultramafic formations such as serpentinite and serpentized harzburgite which have been intruded by Tertiary quartz diorite stocks. A major regional structure, the Yalakom Fault, located four kilometres northeast of the Elizabeth property, is a northwest striking ductile thrust fault that originated in the Late Jurassic period and has been reactivated during the Late Tertiary as brittle strike-slip faults. The right lateral movement along the northwest striking Yalakom Fault has generated north-northeast striking faults and extension veins which host the gold mineralization on the Elizabeth claims. (Figure 3)



C. M. Lalonde

DROMEDARY EXPLORATION COMPANY LTD.

ELIZABETH PROPERTY

CLAIM GEOLOGY

DRAWN. J.J.E. DATE FEBRUARY, 1992 FIGURE. 2

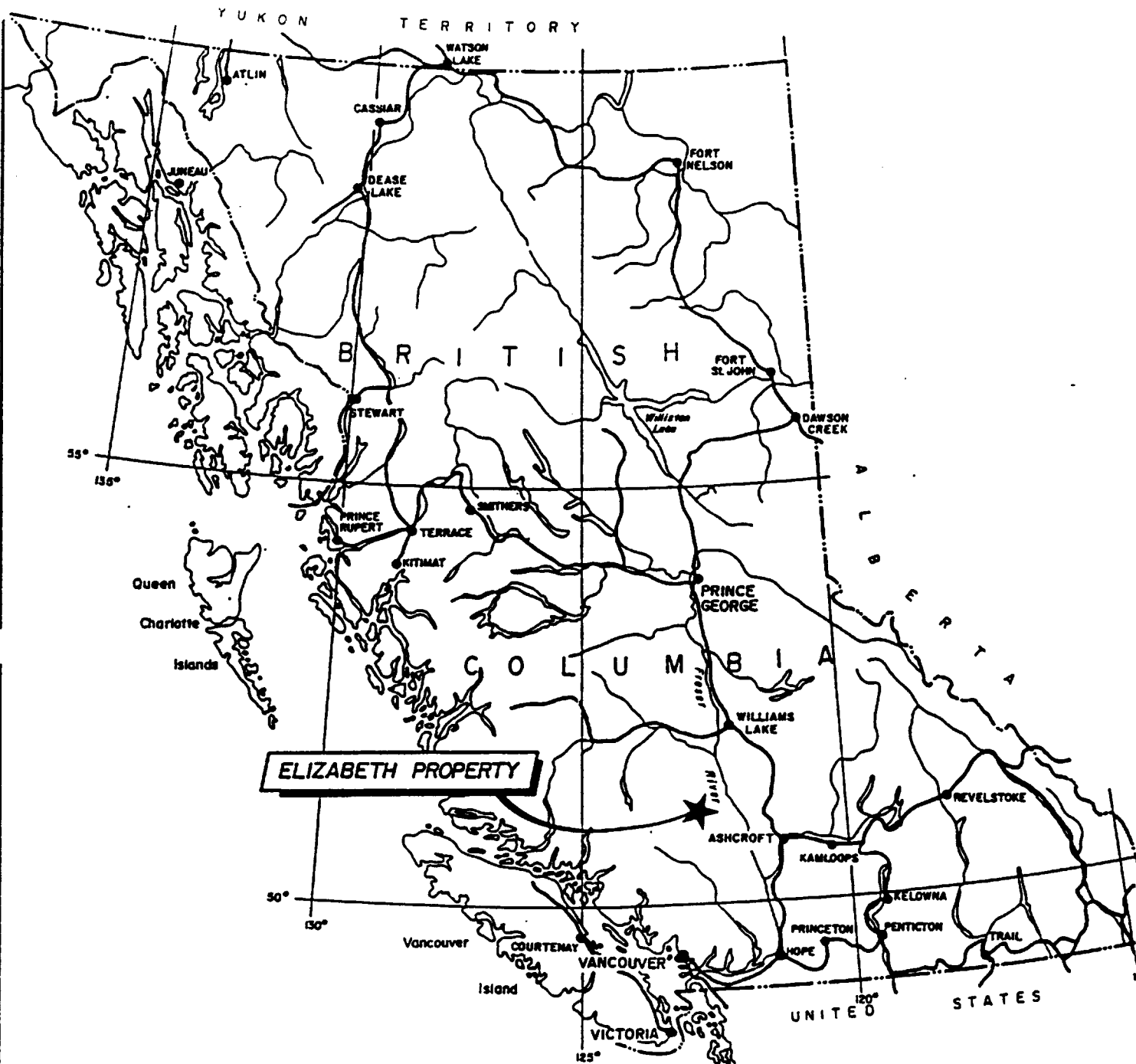
PROPERTY

The property consists of four crown granted mineral claims, Elizabeth No. 1 to Elizabeth No. 4. Consecutive lot numbers are 7400 to 7403. The current owners are two prospectors - Tom Illidge and David White who inherited the claims from their fathers. An option agreement with Dromedary Exploration Company Ltd. was signed on January 22, 1992.

EXPLORATION HISTORY

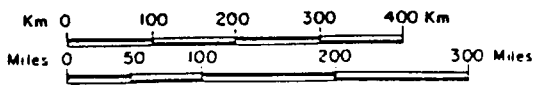
The Elizabeth claims were staked in 1940 and 1941 and optioned to Bralorne Mines Ltd. A total of 232 metres of diamond drilling was completed from five drillsites and 534 metres of stripping was carried out over four quartz veins exposed on the Elizabeth 1 and 2 claims. Further work was delayed until 1947 by World War No. 2. A portal was collared on the adjoining Churn 1 claim at the 1994 meter elevation and a crosscut was driven westward to intersect the downward extension of the West Vein almost 230 metres below its surface exposure. The crosscut was completed at 672 metres in 1948 (Figure 2). Two quartz veins, the B and C veins, were intersected 490 metres and 641 metres from the portal. Only insignificant low gold values were encountered in short drifts north and south along these veins. A total of 266 metres of diamond drilling was completed from four drillsites in 1948. In 1949, a raise was driven 82.5 metres above the level on the B vein and another raise was driven 23 metres up the C vein. No significant gold mineralization was encountered. Bralorne Mines Ltd. terminated their option in 1953.

In 1956, the claim owners, T. W. Illidge and W. White collared a portal at the 2165 metre elevation and drove a crosscut at azimuth 290° for 142 metres to explore below surface exposures of quartz veins. The Main and West Veins were intersected at 33 metres and 139 metres from the portal respectively. In 1957, an additional 98 metres was driven along the West Vein where high grade gold mineralization was encountered along a 28 metre long zone. A shipment of 8.2 tonnes of rock excavated from the West Vein drift milled at Trail, B.C. yielded 155 grams gold (18.9 gms/tonne or 0.55 oz./ton) and 155 grams silver.



ELIZABETH PROPERTY

A. M. Colman

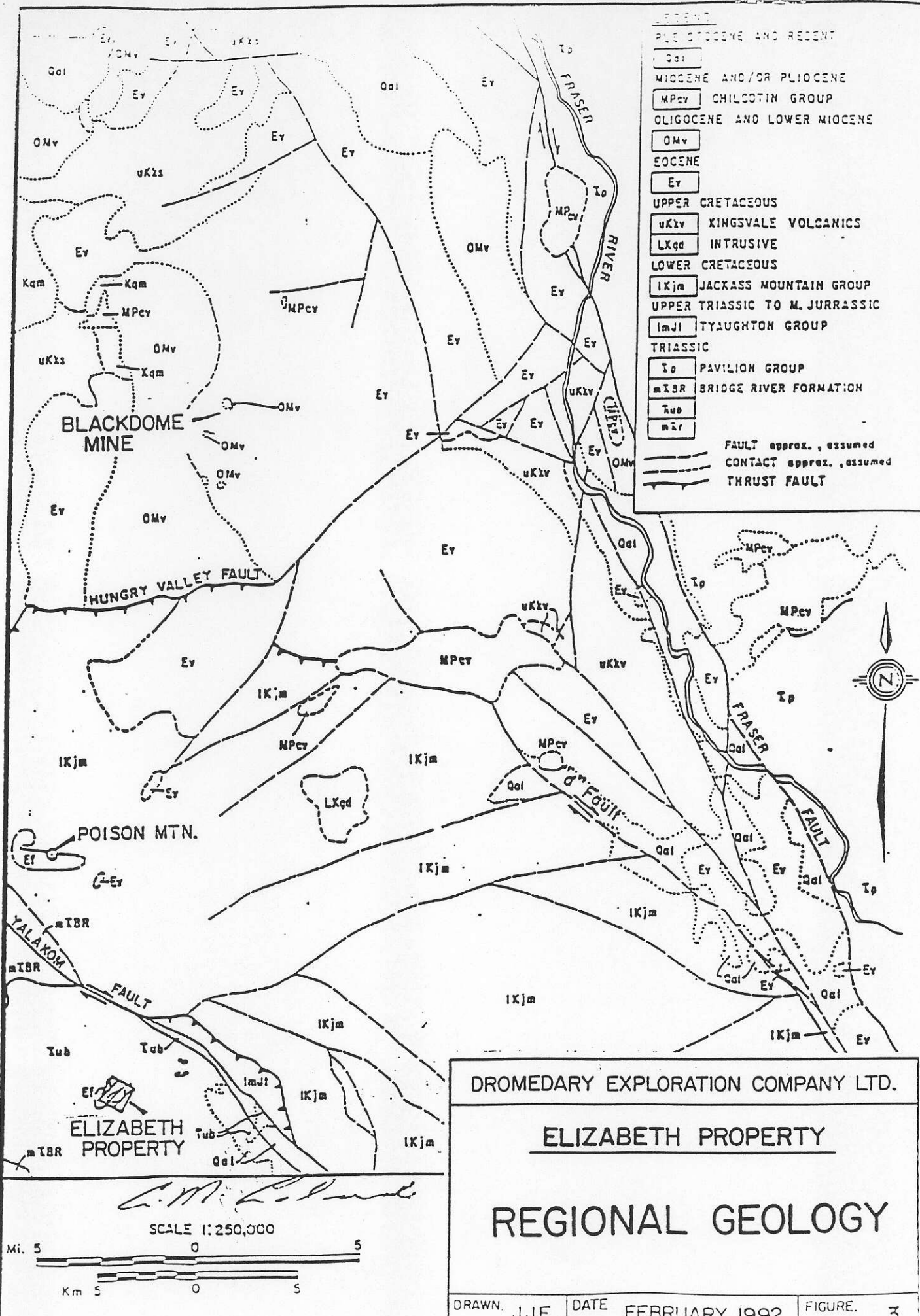


DROMEDARY EXPLORATION COMPANY LTD.

ELIZABETH PROPERTY

LOCATION MAP

DRAWN J.J.E. DATE FEBRUARY, 1992 FIGURE 1



1992 EXPLORATION PROPOSAL

The Elizabeth property is located in proximity to both the Bralorne and Blackdome properties. Geological characteristics of the style of mineralization at the Elizabeth property is more similar to Bralorne and therefore has the earmarks of mesothermal veins. Mesothermal veins at Bralorne have been traced to depth of 2000 metres.

The mineralized gold zone in the West Vein has been traced 65 metres vertically where it is wide open below the 2165 Level. A diamond drilling program targeted to cut the West Vein 50 metres below the 2165 Level is recommended. Because the present known strike length is only 28 metres, holes should be drilled at 15 metre intervals. The drill holes should be NQ size to assist in eliminating the nugget effect caused by the visible gold content. This first tier of holes could be drilled 120 metres in length (50° holes). A second tier of two holes, each 180 metres in length, could cut the mineralized gold zone 100 metres below the 2165 Level.

The entire claim block should be covered by a soil geochemical survey to test for overburden-covered gold mineralization. A grid would be established with a north-south base line and cross lines at 30 metre spacing. "C" horizon soil samples would be collected at 10 metre intervals along the crosslines and analyzed for gold, silver and arsenic.

More bulldozer trenching is required to attempt to trace the West Vein northeastward possibly towards the "David" Vein location shown on property maps. Another attempt must be made to open up the northeastward extension of the Main Vein in the trench north of the 2165 Level portal where interesting gold values were received near the end of the 1990 program. If the bulldozer cannot effectively reach bedrock below the deep glacial till, a couple of short drill holes may do a better job of testing the Main Vein. After examining the sample locations for the three chip samples containing gold mineralization at the southwest end of the West Vein, some bulldozer trenching may be required to expand and test this gold zone.

A budget has been proposed to estimate the costs of this 1992 proposed program.

uncovered the quartz vein over a 1.0 to 2.0 metre width where it consists of massive milky quartz or zones of parallel quartz veins 0.2 to 0.5 metres wide. Thick glacial till prevented more exposure to the northeast. Chip samples returned one high grade assay (23.6 gm/tonne Au over 1.0 metre width) and several low grade assays. The strike of the Main Vein is swinging to a north-northeast strike at the northeast end of the trench. If this change in strike continues to a north-south direction there could be ore grade gold mineralization a short distance ahead. The thick glacial till may restrict further exploration to a diamond drill program.

The Tommy Vein strikes east-northeast and has a vertical dip. The vein consists of massive milky quartz in a quartz diorite host rock with minor alteration along the margins. Rock chip sampling at 1.5 metre intervals along the 50 metre trench yielded only low gold values.

The Allison Vein strikes northwest and dips 35° southwest. It consists of a hanging wall zone that is a 0.5 - 1.0 metre wide milky quartz vein above a 1.0 - 2.0 metre wide footwall zone consisting of intensely fractured and crushed fault rock with some gouge. Rock chip sampling at 2 metre intervals along 15 metres of strike length yielded only low gold values.

In summary, exploration has located a high grade gold mineralized zone over 25 metres long on surface in the West Vein that lies 65 metres above a 28 metre long high grade gold zone in the 2165 Level drift. The best mineralization is controlled by a deflection in strike from northeastward to a north-south direction. This well mineralized zone is still open at depth and offers an excellent exploration target. Chip sampling near the southwest end of the West Vein has identified another mineralized zone that will require more exploration work. New trenching in the Main Vein has located sporadic high grade values that indicates there could be better gold mineralization a short distance ahead. Mapping has shown there is a large variation in strike direction among the different veins which could create zones of vein intersections. These intersection zones are commonly locations of higher fluid flow during mineralization and may well contain gold.

lie within gouge-clay fault-shear zones cutting shallow dipping Tertiary rhyolite-andesite formations.

EXPLORATION RESULTS

The West Vein contains visible gold mineralization in surface trenches at the northeast limit of exposure of the vein and gold mineralization 65 metres below in the 2165 Level drift. At the surface, vein samples at 1.5 metre intervals along 25 metres of strike length average 82.1 gm/tonne Au (64.6 gm/tonne; cut at 137 gm/tonne) over a 0.44 metre average vein width. Directly below, on the 2165 Level, vein samples along 28 metres of strike length average 43 gm/tonne Au (36.5 gm/tonne cut) over a 0.9 metre vein width. The vein here shows a variation in strike from due north at surface to azimuth 020° at the 2165 Level. The dip is nearly vertical over the 65 metre distance.

The West Vein texture ranges from a massive milky quartz vein containing minor sulphides to a diffuse stringer or stockwork breccia zone consisting of 30 - 80% quartz. The higher grade gold zones are associated with the massive milky quartz. The quartz veins are hosted within the quartz diorite along narrow fault-shears and terminate when they encounter the serpentinite contact.

The best gold mineralization coincides with a gradual change in the strike of the vein to a north-south orientation. This feature was noted in mapping the West Vein surface exposure and in the 2165 Level drift.

Another gold zone within the West Vein is located at the southwest limit of outcrop exposure. Three chip samples taken over a 7 metre strike length average 46 gm/tonne over a vein width of 0.41 metres. The vein consists of massive milky quartz with limonite staining within quartz diorite.

The Main Vein strikes northeastward and dips steeply northwest. It was sampled over 85 metres of strike length in the 1990 program. Bulldozer trenching at the northeast limit of exposure

The Yalakom Fault has proven to be a major plumbing system for precious metal and base metal mineralization. The mesothermal gold deposits in the Bralorne-Pioneer Mines are located 30 kilometres southwest and the Tertiary Blackdome gold deposit is located 30 kilometres northeast of the Yalakom Fault. The Poison Mountain porphyry copper-molybdenum-gold deposit lies only four kilometres north of the Yalakom Fault. The Fish Lake porphyry copper-gold deposit lies 7 kilometres north of the Yalakom Fault.

The Elizabeth claims are underlain by Triassic serpentinite and Eocene quartz diorite intrusives. Quartz veins are hosted by quartz diorite along narrow fault-shears. The veins generally terminate at the serpentinite contact although narrow quartz veins with short strike lengths have been located within the serpentinite. Alteration is restricted to local quartz-sericite-carbonate bleaching.

The West Vein and Main Vein are north-northeast striking parallel structures dipping steeply west. These appear to reflect the dominant structural fabric of the property. The Tommy Vein has an east-northeast strike forming a branch structure off the Main Vein. The Allison Vein has a west-northwest strike along a significant fault zone. The veins are exposed only in about 15% of the quartz diorite outcrop. Most of the surface is covered with talus and glacial gravels which have been excavated up to 10 metres thick.

The Elizabeth quartz veins, alteration and style of mineralization are more comparable to the Bralorne-type deposits than the Blackdome deposit. Bralorne mesothermal quartz veins are hosted by the Bralorne diorite and soda granite and Cadwallader group greenstone. The veins average about 1 metre thick and are mostly milky quartz ribboned with thin dark selvage of slickensided sulphides, sericite and native gold. Well developed alteration envelopes around the veins are as much as several metres wide. Ore shoots are structurally controlled within the veins and make up less than one quarter of the vein material. Gold-silver ratios average about 2:1 but range up to 5:1. Blackdome epithermal veins are characterized by vuggy, crustified and opaline quartz stockworks and zones of silicification containing two percent or less opaque minerals. The veins carry higher silver values than do the Bralorne mesothermal veins. The quartz veins

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1992 EXPLORATION COST ESTIMATE

1. Install Grid - labour and supplies		\$7,000.00
2. Soil Geochemistry		31,000.00
(a) Labour	\$4,000.00	
(b) Analytical Fees: 2000 samples @ \$12.00	24,000.00	
(c) Freight Fee:	2,000.00	
(d) Supplies, etc:	1,000.00	
3. Diamond Drilling: 5 holes, 720m (2400 ft)		64,400.00
(a) Mobilization & demobilization	4,000.00	
(b) Surveying	2,000.00	
(c) Drilling - 2400 feet @ \$18.00	43,200.00	
(d) Moving between holes	4,000.00	
(e) Drilling problems - conditioning, cementing	4,000.00	
(f) Core boxes	1,200.00	
(g) Supplies	1,000.00	
(h) Fuel for drill	5,000.00	
4. Assaying - 100 samples + freight		2,100.00
5. Trenching		20,000.00
6. Geologist		12,000.00
7. Vehicle + Trailer Rental		2,500.00
8. Communication - radio rental		2,000.00
9. Camp Costs		10,000.00
10. Office Support		5,000.00
11. G.S.T. - 7%		11,000.00
12. Contingency		<u>10,000.00</u>
	TOTAL:	\$177,000.00

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CERTIFICATE OF QUALIFICATIONS

I, Carl Michael Lalonde, hereby certify that:

1. I am a consulting geologist with offices at 3628 Panorama Ridge, Cobble Hill, B.C., V0R 1L1.
2. I am a graduate of Michigan College of Mining and Technology, Houghton, Michigan. (B.Sc. Geology, 1962)
3. I have practiced my profession as a Geologist continuously since graduation for various companies in Canada and commenced private geological consulting in Vancouver, B.C. in 1982.
4. I am a registered member in good standing as a Fellow of the Geological Association of Canada.
5. I spent 11 days in July, 1990 working as a consulting geologist for Blackdome Mining Corporation, on the Elizabeth property on which this report is based.

Dated at Cobble Hill, B.C. this 31st day of January, 1992.



C.M. Lalonde, B.Sc., F.G.A.C.

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