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SUMMARY REPORT

ON THE

CARIBOO-LIKELY PROJECT

COVERING THE EXPLORATION PROGRAM COMPLETED
DURING THE PERIOD APRIL 1 TO SEPTEMBER 15, 1984

CARIBOO MINING DIVISION

NTS 93A/11W, 12E

LATITUDE 52° 39'; LONGITUDE 121° 36'

MT. CALVERY RESOURCES LTD.

1027 - 470 GRANVILLE STREET

VANCOUVER, B.C.

V6C 1V5

BY

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VANCOUVER, B.C.

SEPTEMBER 26, 1984

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I. SUMMARY AND CONCLUSIONS

The Cariboo-Likely project consists of 553 claims which are held by option and Letter of Agreement. The claims are located in the historic and still active Likely Placer District of the Cariboo Mining Division in British Columbia. The claims are underlain by an assemblage of Triassic to Jurassic mafic lavas, volcanoclastic sediments, small stocks and phyllitic sediments. Prior to 1981, exploration work completed in selected areas by various companies to find lode gold mineralization had included soil geochemistry, limited diamond drilling, trenching and reconnaissance geological mapping.

The published results of the work completed by Dome mines on their QR gold deposit stimulated exploration for gold deposits in the area. In February 1981, an airborne magnetometer and EM survey was completed by Carolin Mines over the Likely Project area. This work outlined eight geophysically anomalous areas. By October 1981, four of these areas had been investigated by geochemical surveys, and anomalous gold values had been found in the four areas. The anomalous gold values were often associated with anomalous arsenic values. Carolin Mine's work outlined coincident geophysical and geochemical anomalies of impressive magnitude within geological settings similar to that of Dome Mines' nearby QR gold deposit. The QR deposit is reported to contain reserves of 2 million tons of 0.2 ounces of gold per ton, minable by open pit methods.

Mt. Calvery acquired the Cariboo-Likely Project from Carolin as well as other claim groups in the area during the spring of 1984. During the period May through September 15, Mt. Calvery Resources Ltd. had completed geochemical sampling of the entire property as well as a limited program of mapping, trenching and geophysical surveying. The work outlined six large areas

containing anomalous values of gold, often with associated induced polarization and magnetic responses, as well as anomalous values of arsenic and copper. The source of one of the major gold bearing anomalies, the Spanish Mountain Gold Zone, which was located on the recently optioned CPW claim, was sampled. This zone, the Madre, contains gold values in silicified and pyritized phyllite, sheared and silicified graphitic shale and quartz veins. The preliminary samples were taken in old road cuts and hand trenches over a length of 200 meters. The gold values from grab samples varied from trace to 1.138 ounces of gold per ton with the chip samples, over 3 meters in width, varying from trace to 0.63 ounces of gold per ton.

During the period September 1 to 15, 1984, two large backhoe trenches (Figure 12b) were completed within the Madre zone. The results of this work are encouraging as the assay results confirm the initial sampling on the Madre zone (Figure 12a). Eleven zones located in the trenches were sampled and the average of the zones ranged from 22 meters that averaged 0.080 ounces to 2 meters that averaged 0.376 ounces of gold per ton. Limited mapping and prospecting completed in the area has shown that the stratabound gold mineralization in the phyllite extends beyond the area investigated by trenching.

A program of geologic mapping, geophysical surveying, trenching and drilling is recommended for the next stage of the exploration. The estimated expenditure is \$350,000.

In the opinion of the writer, the venture described in this report is considered to be of sufficient merit to make the work recommended a worthwhile undertaking.

II. INTRODUCTION

The Cariboo-Likely Project, which covers an area of approximately 13,000 hectares, is located in the Likely Placer Mining District of British Columbia. The original 198 claim units were optioned from R.E. Mickle by Aquarius Resources Ltd. and Carolin Mines Limited in 1980. An additional 198 claim units were acquired during 1980, 1981 and 1982. Carolin Mines purchased the Aquarius interest in 1982. Mt. Calvery Resources later optioned the Carolin claims in January 1984. Mt. Calvery Resources optioned additional claim blocks in the area pursuant to the Carolin/Mickle agreement, optioned the CPW Property and acquired the right to purchase the Peso B and E claims, making a total of 553 claims units now under its control.

These claims were acquired on the premise that local bedrock gold deposits produced the District's placer gold. Added encouragement was received when an airborne magnetometer and EM survey, followed by geochemical surveys, was completed in 1981. Eight geophysical anomalies were found by the survey. Four of the geophysical anomalies were investigated by geochemical surveys and were found to contain anomalous gold values (Figure 6).

A small trenching program for assessment purposes was completed over portions of the anomalous areas in 1982. These trenches either failed to reach bedrock or exposed barren volcanic rocks. The information obtained from the program did not explain the above anomalies. No physical work was completed on the claim groups from September 1982 to May 1984.

Mt. Calvery Resources Ltd. optioned the claims of the

Cariboo-Likley Project in January 1984 and during the period April 1 to September 15, 1984, completed the following work on the claim groups;

- a) 359 kilometers of a geochemical grid completed and 7440 soil samples taken at 50 meter spacings. All of the claims in Figure 3, not investigated prior to 1984, were investigated by geochemical surveys.
- b) Completed a claim survey (topofil and compass) of all of the claims.
- c) Completed 47 pits and trenches by a backhoe, collecting 184 trench profile soil samples.
- d) Completed 70.2 km of induced polarization and magnetometer surveying in 3 areas.
- e) Geologically mapped (1:5000 scale) over half the property, and prospected and sampled all areas shown to be geochemically anomalous.

The work completed by Mr. Calvery Resources added to the information obtained by Carolin Mines in 1981 and 1982. Additional gold, arsenic and copper soil anomalies were found. The areas of interest on the claim group have been divided into the following six areas (Figure 7).

1. Kangaroo Creek - area of copper-gold anomalies in soil.
2. North Grid and LK Prospects - gold values in bedrock and soils and coincident IP anomalies.

3. Gold Creek Target Area - gold and arsenic soil anomalies and gold values in quartz veins.
4. Grogan-Fisher-Likely Creek area - gold in soil and IP anomalies.
5. Spanish Mountain - gold anomalies in soil and gold values in phyllites, shear zones and quartz veins.
6. Cedar Creek - gold, arsenic and copper anomalies in soil and gold in quartz veins.

III. LOCATION AND ACCESS

The Property is located immediately adjacent to the town of Likely, which is located on the eastern shore of Quesnel Lake (Figures 1 & 2). Most of the claims are located to the south of the Cariboo River and to the northeast of the Quesnel River (Figure 2). The Property is located in the Cariboo Mining Division of British Columbia at Latitude $52^{\circ} 39'$ and Longitude $121^{\circ} 36'$.

The area is readily accessible from Highway 97 at 150 Mile House by 75 km of all-weather gravel road to Likely (Figure 1). All-weather roads lead from Likely to Quesnel Forks, Keithly Creek and Spanish Lake through the central portion of the Property. Numerous logging roads, which vary from good two-wheel drive roads to overgrown walking paths, provide access to all parts of the Property. Logging has been extended to the east boundary of the claims located on the northern side of the Cariboo River, but present access to the Kangaroo Creek drainage is by foot or helicopter.

Elevations vary from 604 m on the Quesnel River to 1500 m on the eastern side of the claim group.

IV. CLAIMS AND CLAIM GROUPS

The Cariboo-Likely Project consists of 525 claim units which are owned by Carolin Mines subject to an underlying vendor agreement with R. Mickle (Figure 3). Mt. Calvery Resources, by way of an option agreement, has the right to acquire 50 percent interest in the claims of Carolin Mines Ltd. Four claim units of the CPW claim, the former Mariner Claims, have been optioned from The Mariner Joint Venture and Whitecap Energy Ltd. Mt. Calvery Resources Ltd., by way of an option agreement, has the right to acquire a 70 percent interest in the CPW claim. Discussions are being held with the owners of the Peso B and Peso E claims and a Letter of Agreement to purchase these claims has been completed. The total number of claim units in the Cariboo-Likely project is 553 units.

The data on the claims presently held under option or by Letter of Agreement are listed in the Claim Summary in Appendix B.

V. REGIONAL GEOLOGY

The regional geology of the Likely area is shown on Figure 4. In general, the district is underlain by a series of volcanic and sedimentary rocks which have been partially metamorphosed to schist, greenstone and quartzite. There are few areas of outcrop in the Likely area; consequently, detailed geologic mapping has not been completed on the property. In the Moorehead-Likely area (Figure 5) the District Geology Map, compiled from GSC Map 920, BCDM Map 20 and Bailey et al, outlines the distribution of the major lithologic assemblages underlying the claim group. Stratigraphically, the units underlying the claims can be divided into a series

of calcareous argillites, sandstones and conglomerates of Upper Triassic age. Overlying this sedimentary sequence are a series of seven Jurassic units. The lower units are basaltic flows and breccias. The intermediate units are limestones, mudstones, greywackes and conglomerates. The upper unit is maroon coloured basaltic flows and breccias. This sequence has been intruded by stocks and sills of monzonite and syenite.

The gold mineralization of Dome's QR deposit is reported to occur with pyrite in the contact zone between sediments and basaltic volcanic rocks near the margins of an intrusive. The copper-gold mineralization on the Cariboo Bell claims occurs within intrusive rocks. While there are a few areas of outcrop on the claims of the Cariboo-Likely project, the gold mineralization found to date, in the Spanish Mountain area, occurs in quartz veins and with pyrite in phyllites.

VI. GEOLOGY OF THE CARIBOO-LIKELY PROJECT AREA

The following notes on the geology of Cariboo-Likely claims were completed by R. Hrkac in 1981 (see reference in bibliography).

"Rocks on the claim group include a series of sediments and metamorphic rocks: argillites, phyllites, quartzites, slates, schists and greenstones. These rocks are generally exposed on the margins of the Property in steep sided valleys.

The main rock unit on the Property is a volcanic series of andesitic and basaltic flows, agglomerates and tuffs. The volcanic sequence has been intruded by small dykes and sills of diorite, syenite and rhyolite. The outcrops of the basalt and andesite were found to contain pyrrhotite and pyrite. Some gold values were obtained in quartz veins in the rhyolite dykes."

JUNE, DUG, EASY, 4,6,7 MINERAL CLAIMS

The June, Dug, Easy 4, 6 and 7 mineral claims, located in the west-central portion of the claim group, are underlain by olivine-augite basalts and agglomerates (Figure 6). The volcanics are cut by northeast-trending rhyolite dykes. Anomalous gold values are related to the dykes and their contained quartz veinlets. However, to date, no significant portion of the dykes has proven to be economic.

The basalts are dark green, fine to medium-grained, and at time porphyritic, containing tabular augite phenocrysts. Calcite amygdules and fine calcite veinlets are common. Finely disseminated pyrite is present in amounts less than one percent. The agglomerates, with fragments up to 8 x 10 cm, are composed of the basalts described above. When tested with HCL, a moderate to strong reaction occurs in both the basalts and the agglomerates.

On the EASY 4 and June (Figure 6) mineral claims, the basalts contain epidote alteration as patches, veinlets and replacement of augite. Here calcite veinlets are more numerous, and up to two cm in thickness. Despite the increase in alteration, pyrite remains a minor constituent.

The basalts are intruded by vertical to steeply-dipping rhyolite dykes striking from N25E to N80E. Most are one to two metres wide. On the EASY 7 (Figure 6) claim the attitude of a dyke was N85W/75S while on the JUNE claim, opposite Kangaroo Creek, a rhyolite dyke, was noted to have an attitude of N70W/90.

The rhyolite is pale, grey-green, fine-grained and contains

white and clear quartz grains and green feldspar. It weathers to a prominent rusty-orange colour that penetrates one to three cm into the rock, both at surface and along joints and fractures. Approximately one percent pyrite is present as cubes and fine disseminated grains. Quartz veinlets having a width of from one to five millimetres are common. While most of the veins are vertical and strike at right angles to the strike of the dykes, a few veins have a random orientation. The weathered surfaces of the rhyolite reacts with HCl, however, there is little or no reaction with HCl on the fresh surface of the rhyolite. The basalts adjacent to the dykes are altered to a medium green, fine-grained rock.

Intermittent exposures of andesite occur along the Keithley Creek road from Likely Gulch to the north end of Poquette Lake. The andesite is medium green, fine to medium-grained with minor epidote and calcite alteration and little or no reaction with HCl. It contains less than one percent finely, disseminated pyrite.

South of Gold Creek, (Figure 6) the andesite is cut by rhyolite dykes that have an average width of one meter. The dykes strike northeasterly, and have vertical to steep southeasterly dips. They are identical to the rhyolites previously described.

A major fault zone is well exposed along the Spanish Lake Road south of Gold Creek, near the mouth of Gold Creek and along a road cut north of Gold Creek and west of Poquette Creek. Within the fault, the andesite and rhyolite flows are sheared into haphazard blocks, and numerous rust-coloured earthy gouge zones occur from several mm to 0.5 metres wide. They are commonly occupied by quartz veinlets up to several centimetres in width.

At Gold Creek, the fault has cut a zone consisting of rhyolite with some andesite, and contains a series of vertical, east-west shears one to seven centimetres in width which contain reddish, earthy gouge flanking quartz veinlets. Channel samples taken by R.H. Beaton in 1979, Godfrey in 1980, and Mt. Calvery Resources 1984 and Asarco 1984 has shown that gold values occur in the gouge zones, quartz veins and rhyolite.

VII. WORK COMPLETED ON THE CARIBOO-LIKELY PROJECT

In order to define target areas on the claims of the Cariboo-Likely Project, an airborne magnetometer and EM survey was completed by Carolin Mines and Aquarius Resources in February, 1981 and eight geophysical anomalies (Figure 6) were identified as priority targets as follows:

1. T-1 : EM Anomaly on JUN 9 Claim
2. T-2 : EM Anomaly on Easy 6 Claim
3. T-3 : EM Anomaly on Easy 1 Claim
4. T-4 : Magnetic and EM Anomaly on Easy 5, Easy 3 and JUN 10 Claims
5. T-5 : Magnetic Anomaly on Easy 4 and Easy 1 claims
6. T-6 : Magnetic Anomaly on June, Dug and Rose 3 claims
7. T-7 : Magnetic Anomaly on Jul 1 Claim
8. T-8 : Magnetic Anomaly on JUN 9 and Dug claims

Four of these geophysical anomalies, T-2, T-4, T-5 and T-6 were investigated by geochemical surveys completed in 1981. All of these anomalies were found to contain anomalous gold values.

With the exception of the areas investigated by Carolin Mines in 1981 and 1982, the geochemical survey completed by Mt.

Calvery Resources covered the entire group of claims. Six large areas containing anomalous values of precious metals, often with anomalous values of copper and/or arsenic were outlined (Figure 7). The parameters used for the contouring of the geochemical samples were those used in 1981. The same assayer and system of sample preparation and assaying was used in 1984. Approximately 2500 soil samples were taken prior to 1984 and approximately 7500 soil samples were taken in 1984 for a total of 10,000 soil samples. The histograms of the data were included in the writer's report dated March 17, 1984. The assay distribution parameters are included in Table I.

TABLE I

ASSAY DISTRIBUTION PARAMETERS

ELEMENT	MEAN		RANGE	THRESHOLD
GOLD	40.05 ppb	5	ppb - 89,000 ppb	40 ppb
SILVER	0.25 ppm	0.1	ppm - 5.3 ppm	0.6 ppm
ARSENIC	46.0 ppm	3	ppm - 1,827 ppm	75 ppm
COPPER	48.6 ppm	6	ppm - 779 ppm	85 ppm
ZINC	92.5 ppm	6	ppm - 599 ppm	120 ppm
LEAD	11.1 ppm	1	ppm - 155 ppm	16 ppm
COBALT	19 ppm	2	ppm - 104 ppm	35 ppm
NICKEL	30.5 ppm	5	ppm - 132 ppm	50 ppm

In 1984 the soil samples were assayed for gold, arsenic, copper and silver.

The results of the geochemical survey for gold had a pattern expected for gold mineralization as follows:

1. high gold and arsenic values are not always coincident. (1981 and 1984 surveys).
2. the copper in general appears to be related to the gold mineralization. (1981 and 1984 surveys).

The results of the geochemical surveys are plotted on Figures 8 to 13.

Induced polarization and magnetometer surveys, Figures 9 and 11, and backhoe trenching Figures 9, 9a, 10 and 12b were also completed on the claims of the Cariboo-Likely Project.

The work on the Cariboo-Likely Project was completed during the period April 1 to September 5, 1984. Expenditures, as documented by Mt. Calvery Resources Ltd., to August 31, 1984 were \$380,241. The expenditures for a small program of trenching and sampling completed during the period of September 8 to 15 is expected to cost approximately \$15,800 making the total expenditures to September 30, 1984, approximately \$400,000.

VIII. DESCRIPTION OF TARGET AREAS

The locations of six targets are noted on Figure 7.

1) Kangaroo Creek Target Area (Figures 6, 7 & 8)

A reconnaissance grid geochemical survey (Figure 8), completed on the property north of the Cariboo River, in 1984 outlined eleven areas containing anomalous gold values in excess of 40 ppb and four areas containing anomalous gold values in excess of 200 ppb. A major copper anomaly, with coincident gold anomalies, was located just west of Kangaroo Creek. The copper anomaly has a length of approximately 700 metres and a width of approximately 200 meters. The general trend of the ice movement and the anomalies is N45°W. However, the copper anomaly has a N25°W trend and consequently it is thought to be due to the weathering of a bedrock source. The airborne EM survey completed in 1981 did not locate an anomaly over the area of anomalous copper (Figure 6). The T1 EM anomaly (Figures 6 & 8) found in 1981 appears to be located near a geochemical gold anomaly. There was no geochemical anomaly located over the T8 magnetic anomaly. No fieldwork, other than the collecting of the soil samples, has been completed in the Kangaroo Creek area. This area is one of difficult access at the present time and the field camp will have to be supported by helicopter.

A program of fill-in geochemical sampling, geological mapping, geophysical surveying and prospecting will be required to complete the initial investigation of the anomalous areas in the Kangaroo Creek Area.

2) North Grid Target Areas (Figure 6, 7, 9 & 9a)

The lines of the 1981 North Grid (Figure 6) were extended to

the margins of the claims. The anomalies found by geochemical and IP surveys are illustrated on Figure 9. An area of 5400 by 270 metres contains 34 gold-bearing anomalies. Coincident IP anomalies are located on 2 of these anomalies. One IP anomaly does not have a coincidental gold anomaly. Some backhoe trenching was completed, however, only 3 of the trenches (Figures 9 and 9a) reached bedrock. The 3 bedrock trenches contained anomalous gold values in a highly altered east-west trending shear zone in a basaltic bedrock.

The T6 magnetic anomaly (Figure 6) appears to be located on a dioritic intrusion located in the central part of Figure 9.

Further exploration work recommended on the North Grid target area is a VLF-EM survey followed by drilling program. Fences of drill holes to test the bedrock (airtrack or rotary drill) will be required to properly evaluate the anomalous areas.

3) Gold Creek Target Areas (Figures 7 and 10)

Three zones of interest on Figure 10 are the Gold Creek zone, the Sawmill zone and the Murderer Creek zone as follows:

3a) GOLD CREEK ZONE

The Gold Creek Zone is located at the intersection of east-west and north-south trending shear zones which contain quartz veins. The rocks of the Gold Creek zone are silicified tuffs and volcanoclastics. Samples taken by Mt. Calvery Resources returned an average of 0.13 ounces of gold per ton across a width of 9.0 meters on the east-west shear zone. An 8.0 meter sample was taken across

the north-south shear zone. It returned an assay of 0.067 ounces of gold per ton. This zone was partially drilled by Silver Standard Mines in 1978. Their drilling failed to obtain the gold values obtained on the surface.

A series of 10 drill holes is recommended to test the Gold Creek Zone.

3b) SAWMILL ZONE

This zone is located 800 meters north and 200 meters east of the Gold Creek outcrop. The Sawmill Zone is a poorly defined area that contains non-coincidental arsenic and gold soil anomalies (Figure 10). The arsenic anomaly defines the northern contact of the diorite stock with the volcanic and sedimentary rocks. An IP anomaly located in the area appears to outline a zone of weakly pyritized argillites. Seven backhoe trenches were completed on this zone and 2 of the trenches contained anomalous gold values that increased with depth. One trench contained 5 ppb at the surface and increased to 245 ppb gold at bedrock. The second trench contained 288 ppb at the surface and 1942 ppb gold at bedrock. This area appears to have geologic setting similar to the QR deposit located 12 kilometers to the northwest.

A program of geophysical surveying (VLF-EM), trenching and drilling is warranted at the Sawmill Zone.

3c) MURDERER CREEK ZONES

The three zones of anomalous gold and/or arsenic in the Murderer Creek area are indicated on Figure 10.

The Murderer Creek anomaly, Zone No. 1, (Figure 10) was investigated by three bedrock trenches which exposed altered rocks. All of the trenches indicated an increase in arsenic and gold with depth. The gold increased from 5 to 100 ppb and the arsenic from 244 to 544 ppm. The bedrock samples contained 15-90 ppb gold and 30 to 300 ppm arsenic.

On Murderer Creek anomaly No. 2, six trenches were completed and only one trench reached bedrock. The bedrock samples of this trench contained background values of gold.

On Murderer Creek anomaly No. 3, the gold values in the soil varied from 90 to 340 ppb and the arsenic from 1427 to 1827 ppm. No trenching was completed on this zone.

No gold bearing anomaly was found on the T5 magnetic anomaly outlined in the 1981 airborne survey.

The anomalies of the Murderer Creek area (Figure 10) may indicate a mineralized contact zone located between the sedimentary and volcanic rocks and dipping to the west or a steep mineralized structure.

A VLF-EM survey is recommended to determine the possible strike and dip of stratigraphy or structures hosting the Murderer Creek mineralization. The survey would be followed by fences of drill holes.

4) GROGAN-FISHER-LIKELY CREEKS AREA (Figure 7 and 11)

Ten gold bearing anomalies and one large IP anomaly are

located in this area. The IP anomaly is thought to represent an area of pyritized argillites. All of the gold bearing anomalies warrant further exploration.

A VLF-EM survey, using the established grid lines, is recommended for the first step in the exploration. A drilling program would be required, after the survey is completed, in order to complete the investigation of the anomalies on Figure 11.

5) Spanish Mountain Gold Zones (Figures 7, 12a and 12b)

The gold bearing northwest trending anomalies on this sheet cover an area of 4500 by 2000 meters. The source of the anomalies appears to be northwest trending gold-bearing sheared and altered phyllitic shales and siltstones located on the CPW claim (Figure 12). Preliminary rock samples were taken in old and new hand trenches over a 200 metre length along an old road on the CPW claim (Figure 12a). The assay results indicated that the gold bearing host rock was a pyritized phyllite containing small quartz veins. The assays of the preliminary samples taken by Mt. Calvery Resources Ltd. from the gold bearing zones (the Madre Zone) are shown on Figure 12a. Some check samples were taken by the writer. These samples checked, within limits, the results of the samples taken by Mt. Calvery Resources as follows:

Sample No.	Width	Oz Au/T	
		Results by Mt. Calvery	Results by J. Deleen
5593	1.28 M	0.147	0.008
5595	3.0 M	0.063	0.062
5597	1.28 M	0.107	0.089
5598	1.28 M	0.086	0.275
5599	1.28 M	0.141	0.039
5600	1.2 M	0.013	0.009
6401	1.2 M	0.497	0.126
		0.151	0.087

A trenching program was completed during the week of September 8 to 15, 1984 in the area of Figure 12a (See Figure 12b).

The north trench was 85 meters and the south trench 150 meters in length. Two hundred and ten-one meter channel samples and three one meter square panel samples were taken. The gold bearing intercepts obtained by the sampling (Figure 12b) are as follows:

NORTH TRENCH	Length (Meters)	Average Gold in Oz/T
	8.0	0.058
	22.0	0.080
	11.0 (in 22.0m sample)	0.143
	2.0	0.376

SOUTH TRENCH

4.0	0.085
3.0	0.070
14.0	0.050
7.0	0.067
4.0 (in 7.0 m sample)	0.094
3.0	0.031
3.0	0.178
15.0	0.095
4.0 (in 15.0 m sample)	0.199
6.0 (in 15.0 m sample)	0.087

The extent of the gold bearing sedimentary sequence exposed in the north and south trenches is unknown. Prospecting and panning of crushed rock samples completed in the area of the trenches has indicated that the gold bearing sediments extend beyond the limits of the trenched area.

In reviewing the extraordinary length of the gold bearing anomalies (in excess of 4 kilometers) it is believed that there is more than one source for the gold anomaly. If the source of the gold is the Madre Zone (Figures 12a and 12b) and the direction of the ice movement was to the northwest, then the anomalies should die out towards the northwest. However, this is not the case as anomalous areas containing in excess of 400 ppb gold were found 4 kilometers northwest of the Madre zone - suggesting several sources for the gold.

The work recommended is trenching, detailed geologic mapping, VLF-EM surveying and drilling.

6. Cedar Creek Target Area (Figures 7 and 13)

The Cedar Creek target area contains gold, arsenic and copper anomalies over an area of 3200 by 1100 meters. The area is covered by an extensive mantle of overburden. Trenches located on the northern and southern sides of the Cedar Creek contain large arsenopyrite bearing quartz veins carrying low gold and silver values. The T7 magnetic anomaly (Figure 6) found in 1981 appears to be located near the northern end of a plus 40 ppb gold anomaly.

The work recommended for the Cedar Creek Area is a VLF-EM survey followed by a percussion drilling program.

IX. RECOMMENDED EXPLORATION PROGRAM

In summary, the work completed by Mt. Calvery Resources has found new areas and has extended the known areas containing anomalous gold values. The exploration work has located the apparent source of some of the gold bearing anomalies originating in the Spanish Mountain area. The large size and intensity of the gold and arsenic geochemical anomalies and the attractive gold values obtained from the Madre and Gold Creek Zones warrant a major program of exploration.

A program of VLF-EM surveys, fill-in geochemical soil sampling, geologic mapping, trenching and percussion drilling is recommended on the claims of the Cariboo-Likely Project. The estimated expenditure for this phase of exploration is \$350,000, staged in Phase I for \$200,000 and in Phase II for \$150,000.

ESTIMATE OF EXPENDITURES

PHASE I

Madre Zone, CPW Claim - (November/December 1984)

1. Bulldozer, trenching, road building	\$ 13,500
2. Sampling, assaying, shipping	13,500
3. Diamond Drilling - 450 m @ \$60/m	30,000
4. Rotary Drilling - 1100 m @ \$33/m	40,000
5. Drill Core/Cuttings, Assaying & Shipping	17,000
6. Grid establishment, 11.0 km	2,500
7. VLF-EM Survey, 11.0 km	2,500
8. Wages, 2 geologists, 2 assistants	32,000
9. Room & Board, 4 men, 6 weeks	5,000
10. Communications	1,000
11. Transportation - 2 - 4 x 4 rentals	3,000
12. Drafting, report preparation	10,000
13. Management Fees @ 10%	17,000
14. Contingencies	13,000

\$200,000
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PHASE II

Cariboo-Likely Project - (May, June, July 1985)

1. Excavation trenching, 100 hours @ \$90/hr	\$ 9,000
2. VLF-EM Survey, 100 km @ \$75/km + expenses	10,000
3. Geochemical Survey fill-in 1000 samples @ \$10	10,000
4. Helicopter support (Kangaroo Creek)	2,500
5. Transport - 2 - 4 x 4 rental trucks + fuel	6,500
6. Room & Board (4 men)	6,000
7. Wages (geologists, prospector, 2 assistants)	33,000
8. Property payments - assessment work, options	15,000
9. Rotary drilling - 2,000 ft. @ \$11/ft	22,000
10. Assaying - 600 samples @ \$5/sample and 70 samples @ \$10/sample	10,000
11. Sample shipment	2,500
12. Field equipment, supplies	2,000
13. Communications	500
14. Consulting fees	3,000
15. Drafting, report preparation	5,000
16. Management Fees 10%	13,000

\$150,000
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Respectfully submitted,

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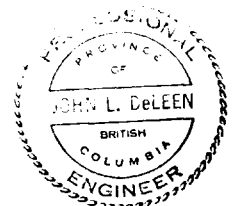
CERTIFICATE

I, John L. DeLeen, of the City of Vancouver in the Province of British Columbia, hereby certify the following:

1. I am a geological and mining engineer with an office at 1024-470 Granville Street, Vancouver, B.C. V6C 1V5
2. I am a graduate of the University of British Columbia with a B.A.Sc., (1943) and M.A. Sc. (1946) degrees in Geological Engineering from the University of California.
3. I have practised my profession since 1946.
4. I am a member of the Association of Professional Engineers of British Columbia.
5. I have no interest, direct or indirect, in Mt. Calvery Resources Ltd., nor do I expect to receive any such interest in the future.
6. This report is based upon examination of the property in June 1981, October 1982, fieldwork in the area in 1983, a property examination on August 29, 1984, and upon the reports listed in the bibliography.

DATED at Vancouver, B.C. this 26th day of September 1984.


John L. DeLeen, P.Eng.



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APPENDIX A

ASSAY CERTIFICATE

ACME ANALYTICAL LABORATORIES LTD.
852 E. HASTINGS ST. VANCOUVER B.C. V6A 1R6
PHONE 253-3158 TELEX 04-53124

DATE RECEIVED: SEPT 7 1984

DATE REPORT MAILED: *Sept. 13/84*

ASSAY CERTIFICATE

-
-
-

SAMPLE TYPE: ROCK CHIPS AU** AND AG** BY FIRE ASSAY

ASSAYER: *D. Toye* DEAN TOYE. CERTIFIED B.C. ASSAYER

DELEEN CONSULTING GEOLOGISTS

FILE # 84-2539

PAGE 1

SAMPLE#	AG** OZ/T	AU** OZ/T
5593	.04	.008
5595	.09	.062
5597	.08	.089
5598	.09	.275
5599	.04	.039
5600	.02	.009
6401	.07	.126

APPENDIX B

CLAIM SUMMARY

MT. CALVERY RESOURCES LTD.
CLAIM SUMMARY as at: September 30, 1984

Joint Venture
 (Carolin Mines, MCY)

CARIBOO-LIKELY PROJECT

NTS	CLAIM NAME	RECORD NUMBER	RECORDING DATE	DUE DATE	No. of UNITS/ CLAIMS	TOTAL
93A/11 & 12	AST	5101	Sept. 6, 1983	Sept. 6, 1987*	20	20
	AUG 1	1149	Aug. 31, 1979	Aug. 31, 1988*	6	6
**	CENTRE	6207	June 5, 1984	June 5, 1985	4	4
**	DE 1	5624	Dec. 14, 1983	Dec. 14, 1984	1	1
**	DOWN	6206	June 5, 1984	June 5, 1985	4	4
	DUG	999	May 22, 1979	May 22, 1986*	12	12
	DAVE FR.	6182	June 22, 1984	June 22, 1988*	1	1
	E 2	4321	May 17, 1982	May 17, 1987*	6	6
	EASY 1	877	Nov. 2, 1978	Nov. 2, 1987*	20	
	3	879	Nov. 2, 1978	Nov. 2, 1987*	15	
	4	880	Nov. 2, 1978	Nov. 2, 1986*	20	
	5	881	Nov. 2, 1978	Nov. 2, 1987*	6	
	6	923	Dec. 7, 1978	Dec. 7, 1987*	20	
	7	1007	May 23, 1979	May 23, 1987*	<u>20</u>	101
	EJL	4592	Nov. 25, 1982	Nov. 25, 1988*	2	2
	GAP	6302	July 26, 1984	July 26, 1985	2	2
	HEP FR.	6309	June 29, 1984	June 29, 1988*	1	1
	J 1	4406	July 29, 1982	July 29, 1986*	10	
	2	4407	July 29, 1982	July 29, 1986*	<u>10</u>	20
	JUL 1	1852	Aug. 8, 1980	Aug. 8, 1987*	9	9
	JUN 6	1794	July 7, 1980	July 7, 1985*	20	
	7	1795	July 7, 1980	July 7, 1985*	20	
	8	1796	July 7, 1980	July 7, 1986*	20	
	9	1797	July 7, 1980	July 7, 1986*	20	
	10	1798	July 7, 1980	July 7, 1987*	18	
	11	1799	July 7, 1980	July 7, 1986*	<u>18</u>	116
	JUNE	1050	June 28, 1979	June 28, 1986*	20	20
	LAKE 1	3994	Aug. 24, 1981	Aug. 24, 1987	8	8
	MARCH 1	1531	Mar. 17, 1980	Mar. 17, 1987*	20	
	2	1532	Mar. 17, 1980	Mar. 17, 1987*	<u>4</u>	24
**	MARH 3	5898	Mar. 14, 1984	Mar. 14, 1985	1	1
	MARK FR.	6183	June 22, 1984	June 22, 1988*	1	1
	NOB 1	5389	Nov. 12, 1983	Nov. 12, 1987*	6	6
	NOR 1	5386	Nov. 12, 1983	Nov. 12, 1987*	1	1
	NORE 1	5387	Nov. 12, 1983	Nov. 12, 1987*	6	6

** Claims that overstate prior claims and will be allowed to lapse.

MT. CALVERY RESOURCES LTD.
CLAIM SUMMARY as at: September 30, 1984

Joint Venture
 (Carolin Mines, MCY)

CARIBOO-LIKELY PROJECT

NTS	CLAIM NAME	RECORD NUMBER	RECORDING DATE	DUE DATE	No. of UNITS/ CLAIMS	TOTAL
NOV	4	1366	Dec. 6, 1979	Dec. 6, 1987*	20	
	5	5388	Nov. 12, 1983	Nov. 12, 1986*	15	
	6	5390	Nov. 12, 1983	Nov. 12, 1986*	20	
	7	5391	Nov. 12, 1983	Nov. 12, 1986*	8	63
NOVR	1	5554	Nov. 29, 1983	Nov. 29, 1986*	12	
	2	5571	Dec. 2, 1983	Dec. 2, 1986*	8	20
**	RIDGE	6308	June 29, 1984	June 29, 1985	16	16
ROSE	1	3993	Aug. 24, 1981	Aug. 24, 1986*	2	
	2	3992	Aug. 24, 1981	Aug. 24, 1986*	12	
	3	4196	Dec. 15, 1981	Dec. 15, 1986*	15	
	4 FR	4197	Dec. 15, 1981	Dec. 15, 1986*	1	30
**	TOWN	6205	June 5, 1984	June 5, 1985	4	4
	TY	1051	June 29, 1979	June 29, 1987*	20	20
						525
* Certificate of Work not yet received.						
** Claims that overstate prior claims and will be allowed to lapse.						=====

Grouping of Claims

<u>Kangaroo Group</u>	<u>Rose Group</u>	<u>Murderer Group</u>	<u>Airstrip Group</u>	<u>Spanish Group</u>
Jun 6	June	Easy 4	Easy 1	Nov 4
Jun 7	Dug	Easy 6	E 2	March 1
Jun 8	Rose 3	Easy 7	Easy 3	March 2
Jun 9	Rose 4 FR	Nov 6	Easy 5	Jun 10
Rose 1	Novr 1	Nov 7	Ty	Jun 11
Rose 2	Novr 2	Marh 3	EJL	Nov 5
	Ast 1		Aug 1	Nor 1
	Nob 1		Lake 1	Gap
	Nore 1		Dave Fr.	
			Mark Fr.	
			Hep FR	
<u>Boswell Group</u>	<u>Ungrouped</u>			
Jul 1	DE 1			
J 1	Town			
J 2	Down			
	Centre			
	Ridge			

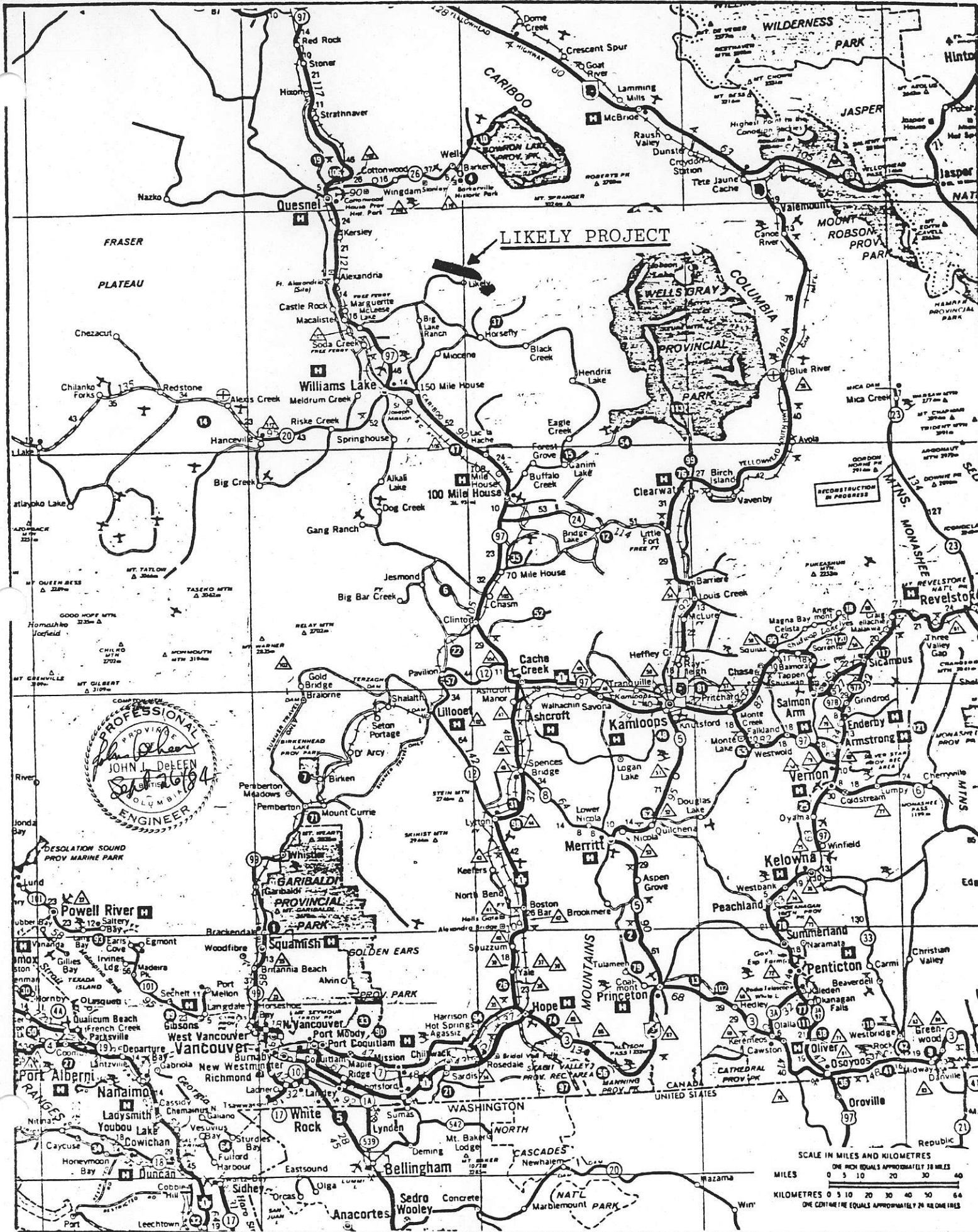
CLAIM SUMMARY
as at September 30, 1984

Claim Name	Record No.	No. Units	Recording Date	Due Date
CPW	4541	4	Nov. 1, 1982	Nov. 1, 1993

Located in the Cariboo Mining Division, British Columbia

Claim Name	Record No.	No. Units	Recording Date	Due Date
Peso B	488	18	Sept. 21, 1977	Sept. 21, 1985
Peso E	491	6	Sept. 21, 1977	Sept. 21, 1985

TOTAL FROM CAROLIN MINES	525
TOTAL FROM MARINER J.V. & WHITE CAP ENERGY	4
TOTAL FROM PESO B AND E	24
TOTAL	<u>553</u> Claims Units
	===



LOCATION OF LIKELY PROJECT - FIGURE 1

122°00'

45'

30'

45'

52°30'

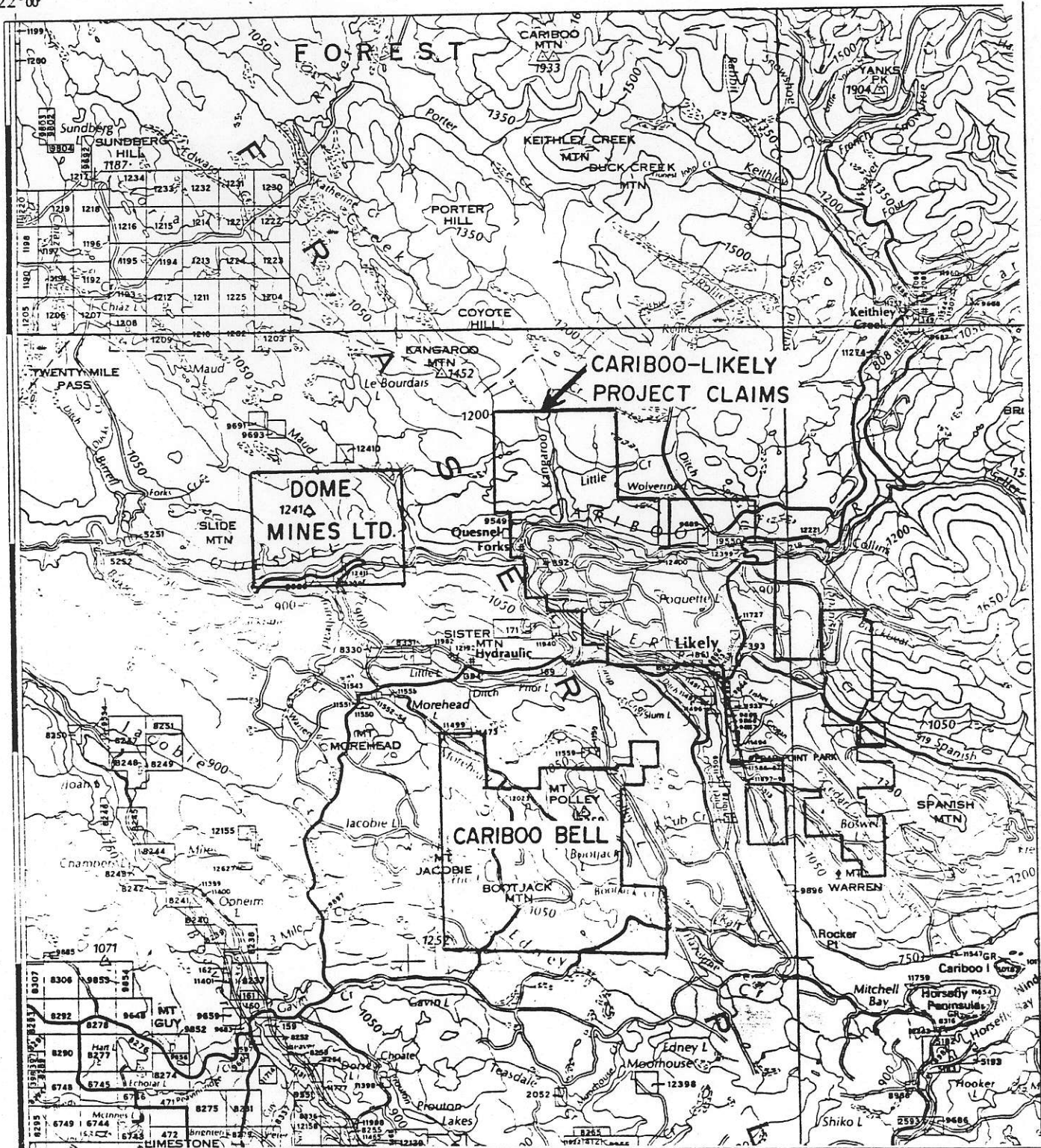


FIGURE 2
 MT. CALVERY RESOURCES LTD.
 LOCATION OF CLAIMS
 MAP: 93A SCALE 1: 250,000
 11W & 12E

MT. CALVERY RESOURCES LTD.
 CARIBOO - LIKELY GOLD
 PROJECT
 Cariboo Mining Division BC.

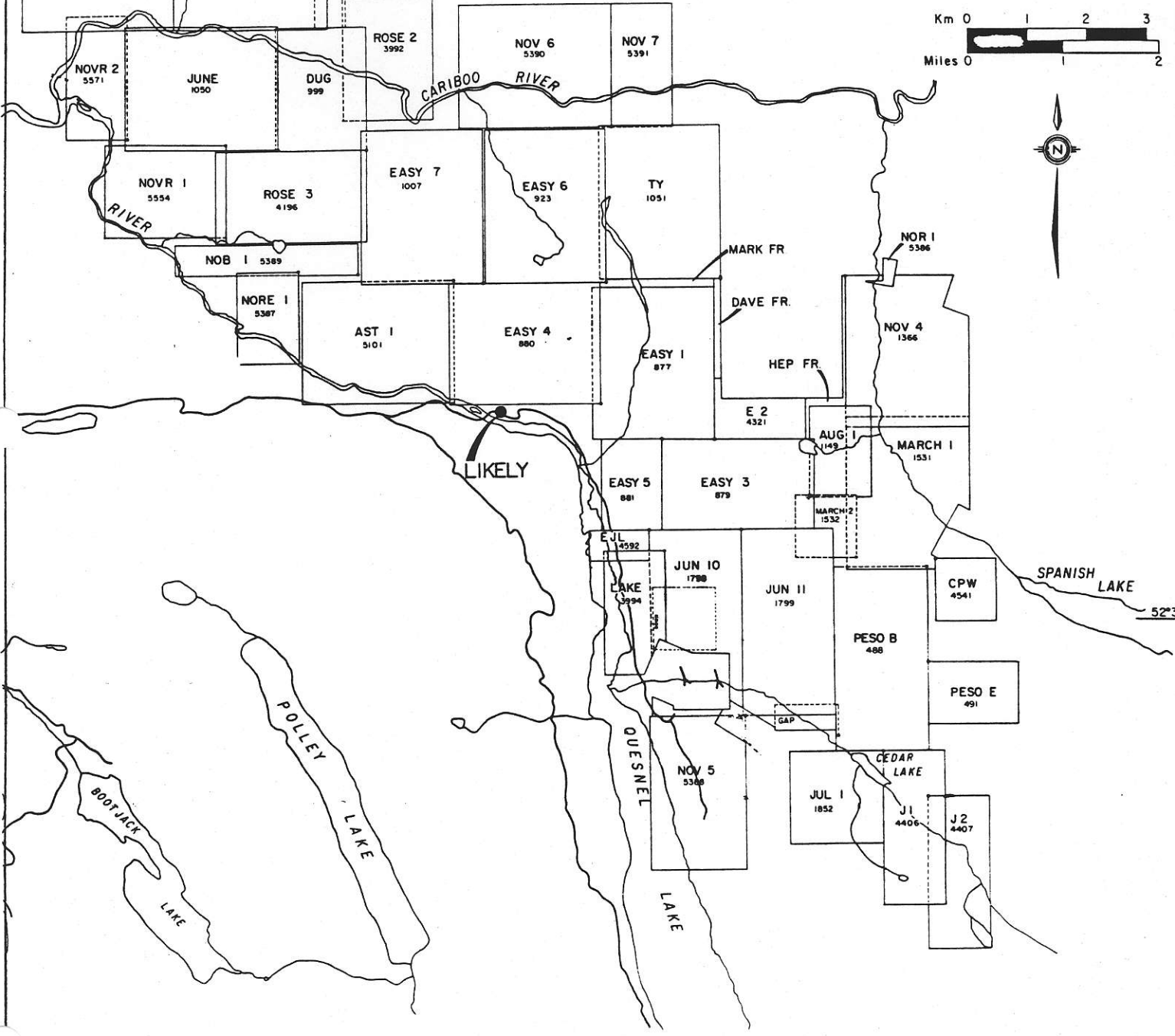









FIGURE 3
 CLAIM MAP

CARIBOO-QUESNEL GOLD BELT

FIGURE 4

REGIONAL GEOLOGY

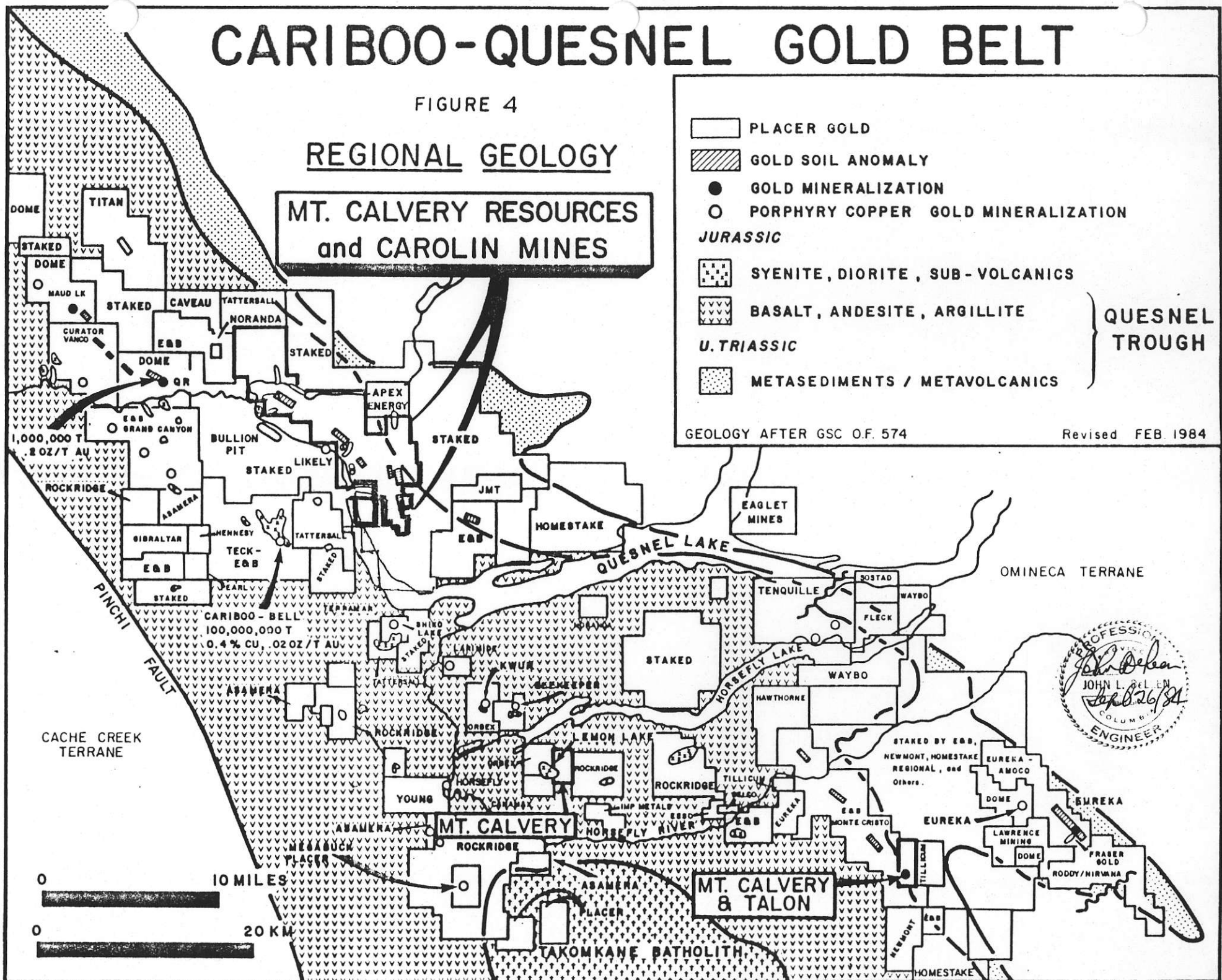
MT. CALVERY RESOURCES and CAROLIN MINES

-  PLACER GOLD
 -  GOLD SOIL ANOMALY
 -  GOLD MINERALIZATION
 -  PORPHYRY COPPER GOLD MINERALIZATION
- JURASSIC**
-  SYENITE, DIORITE, SUB-VOLCANICS
 -  BASALT, ANDESITE, ARGILLITE
- U. TRIASSIC**
-  METASEDIMENTS / METAVOLCANICS

QUESNEL
TROUGH

GEOLOGY AFTER GSC O.F. 574

Revised FEB 1984



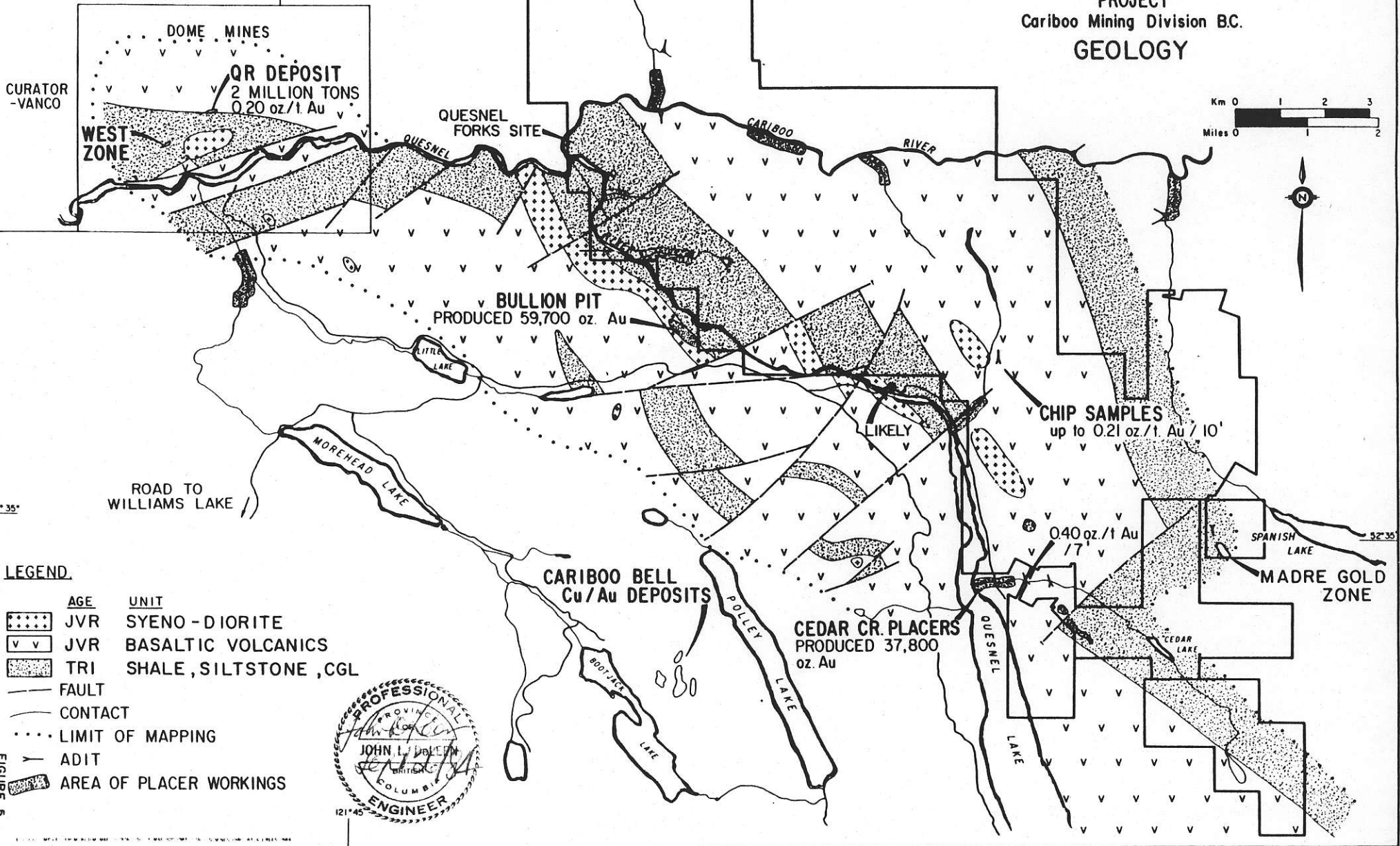
PROFESSIONAL
ENGINEER
John L. Del...
Sep 26/84
COLUMBIA



Figure 4

FIGURE 5

MT. CALVERY RESOURCES LTD.
CARIBOO - LIKELY GOLD PROJECT
 Cariboo Mining Division B.C.
GEOLOGY



- LEGEND.**
- | AGE | UNIT |
|-----|---------------------------|
| | JVR SYENO - DIORITE |
| | JVR BASALTIC VOLCANICS |
| | TRI SHALE, SILTSTONE, CGL |
| | FAULT |
| | CONTACT |
| | LIMIT OF MAPPING |
| | ADIT |
| | AREA OF PLACER WORKINGS |

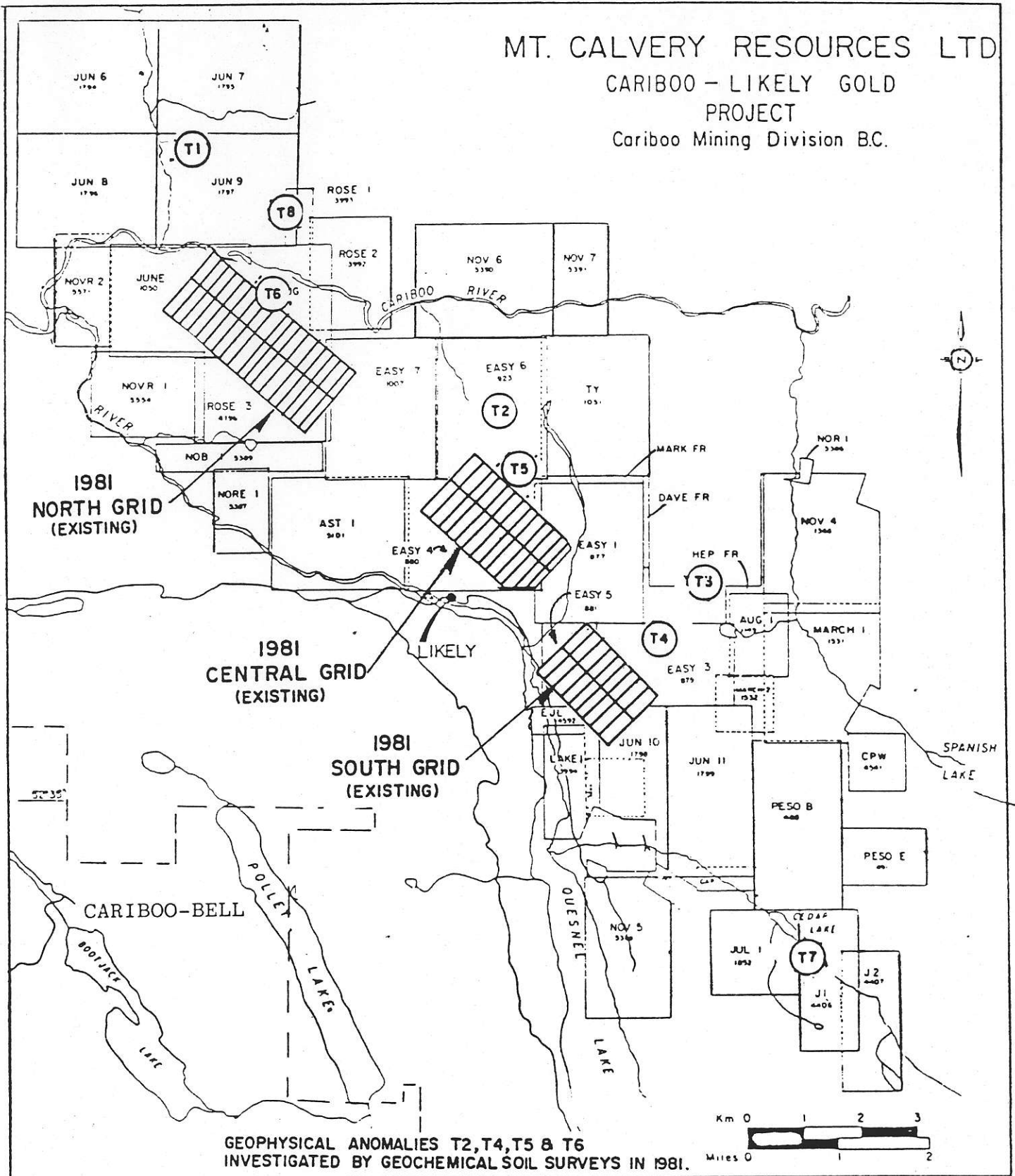


FIGURE 5

MT. CALVERY RESOURCES LTD

CARIBOO - LIKELY GOLD PROJECT

Cariboo Mining Division BC.

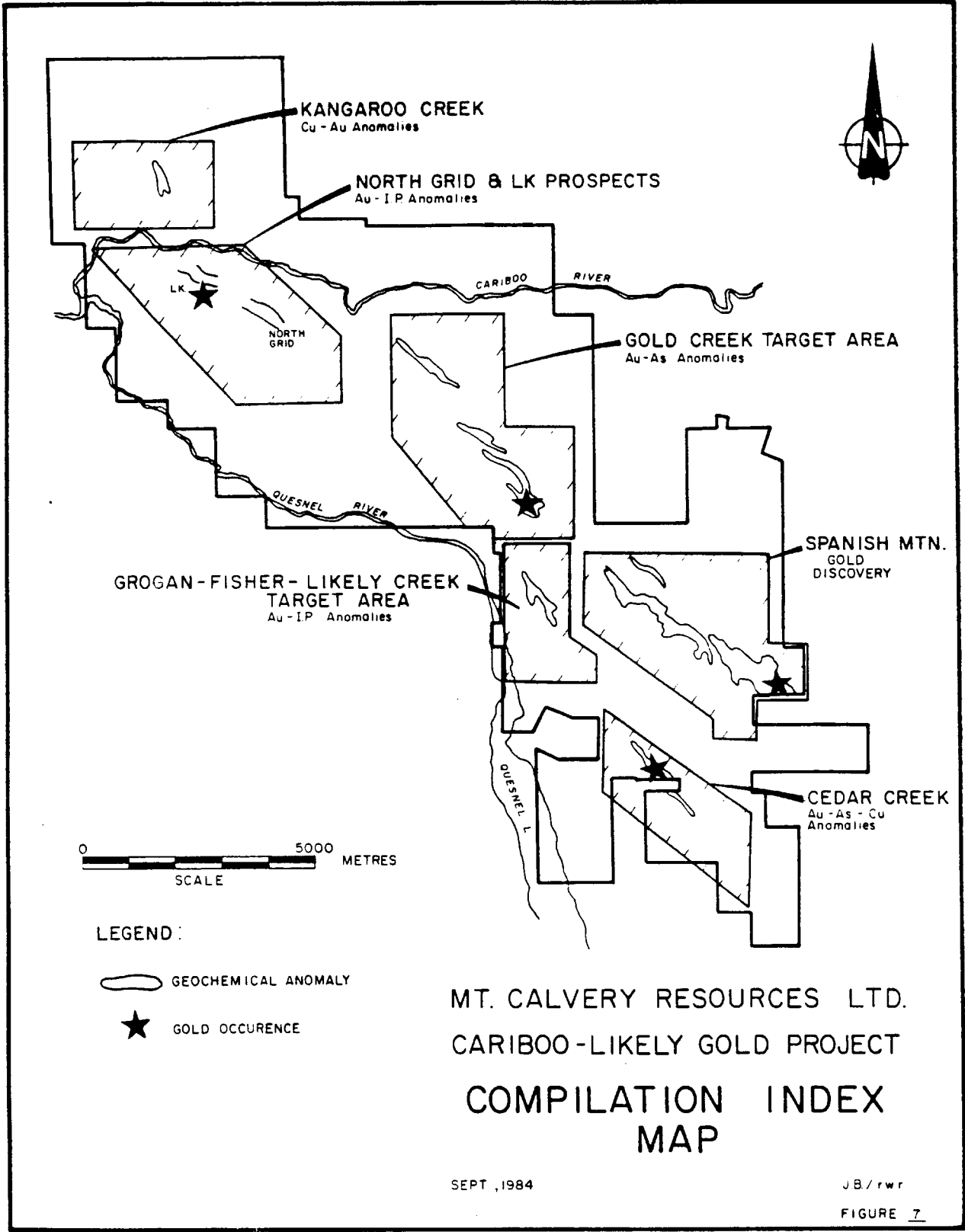


GEOPHYSICAL ANOMALIES T2, T4, T5 & T6
INVESTIGATED BY GEOCHEMICAL SOIL SURVEYS IN 1981.



FIGURE 6

GRID AREAS INVESTIGATED AND
AIRBORNE ANOMALIES FOUND IN 1981



MT. CALVERY RESOURCES LTD.
 CARIBOO-LIKELY GOLD PROJECT
 COMPILATION INDEX
 MAP

SEPT, 1984

JB/rwr

FIGURE 7



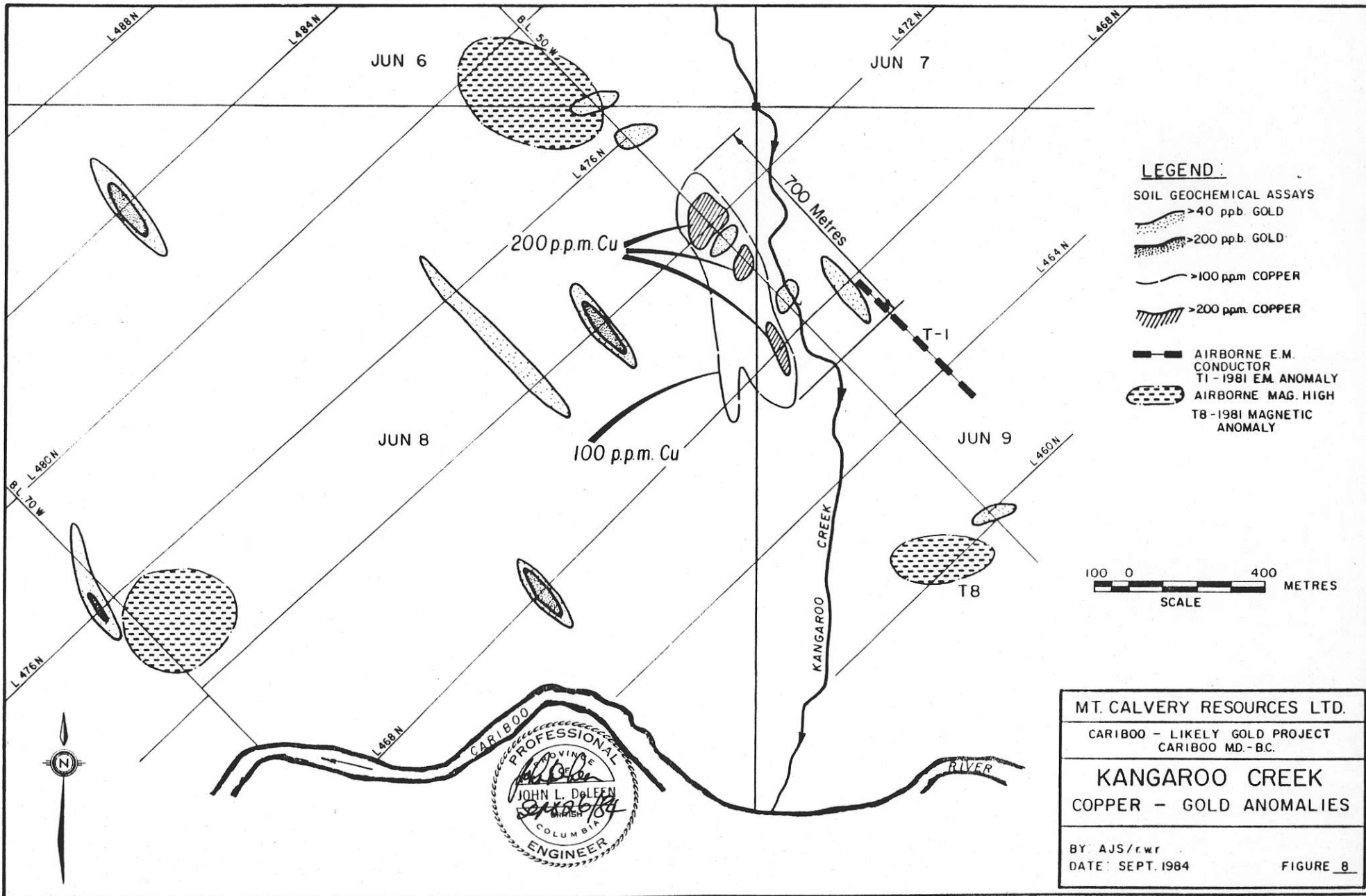


Figure 8

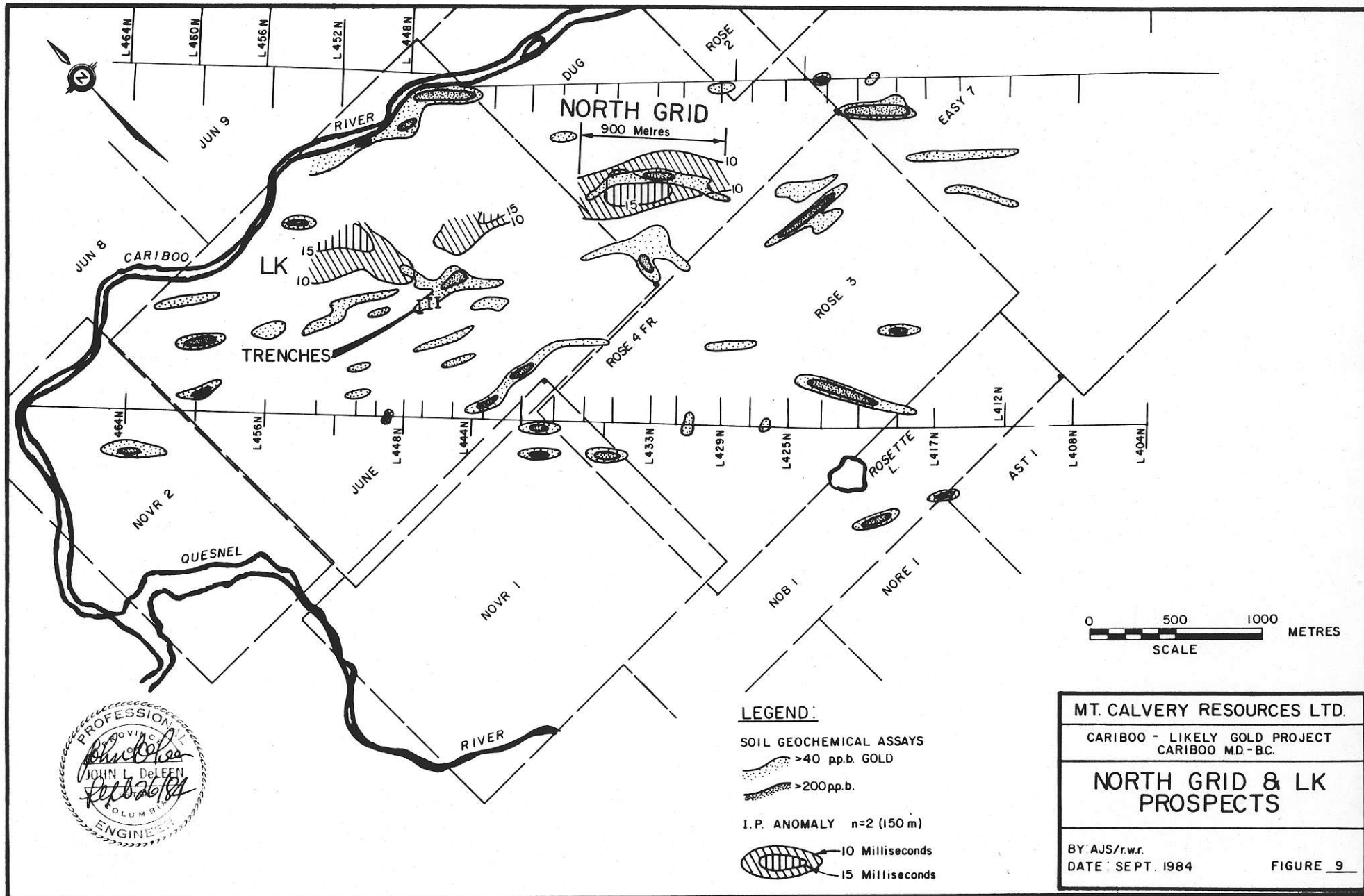
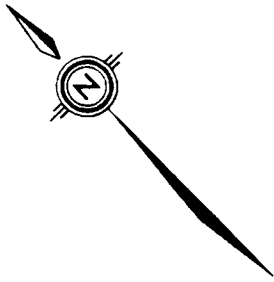
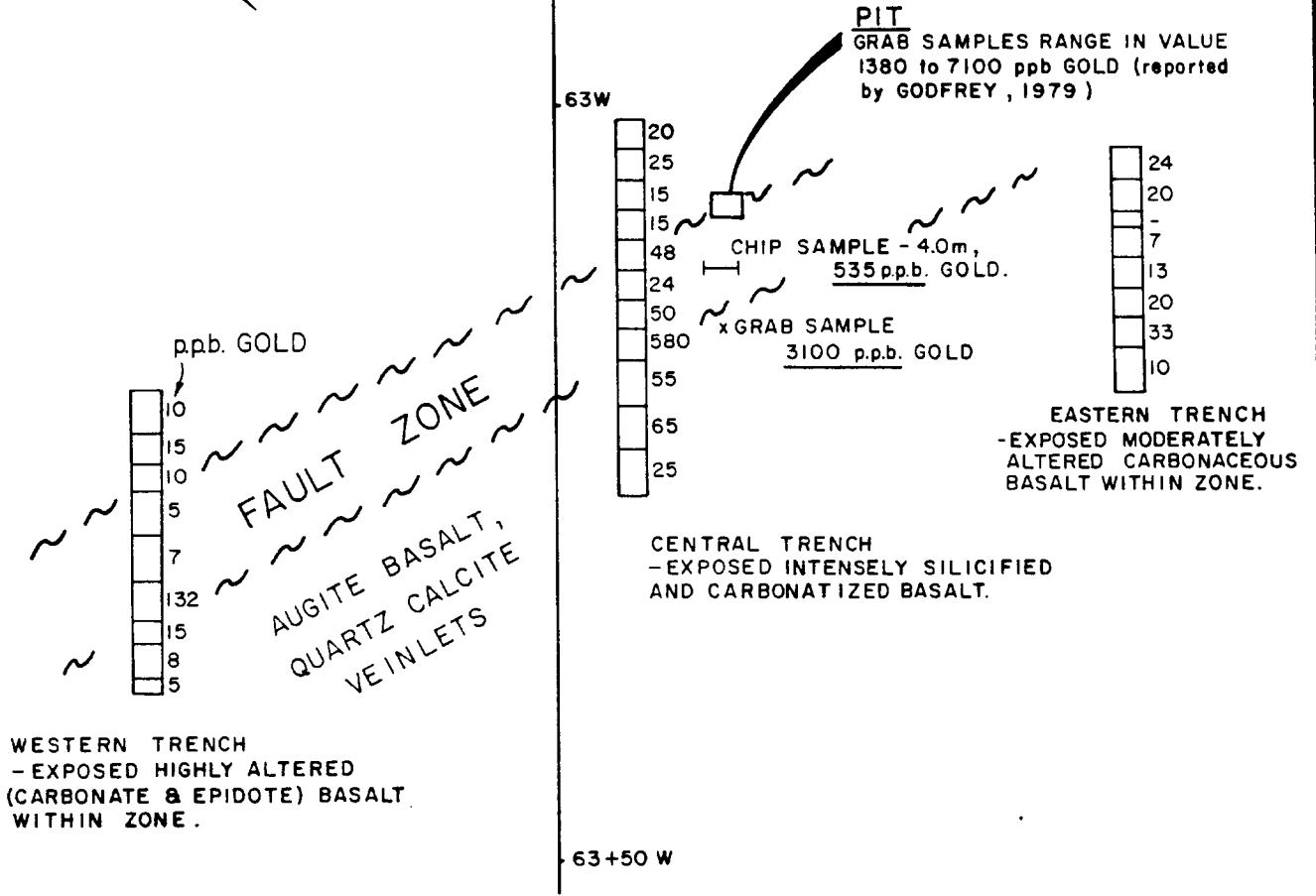


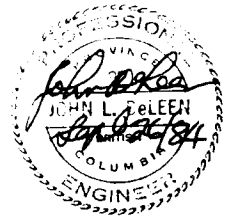
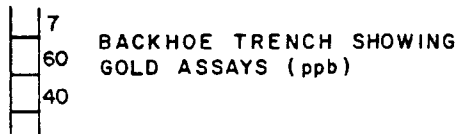
Figure 9



L 447 N



LEGEND:



MT. CALVERY RESOURCES LTD.

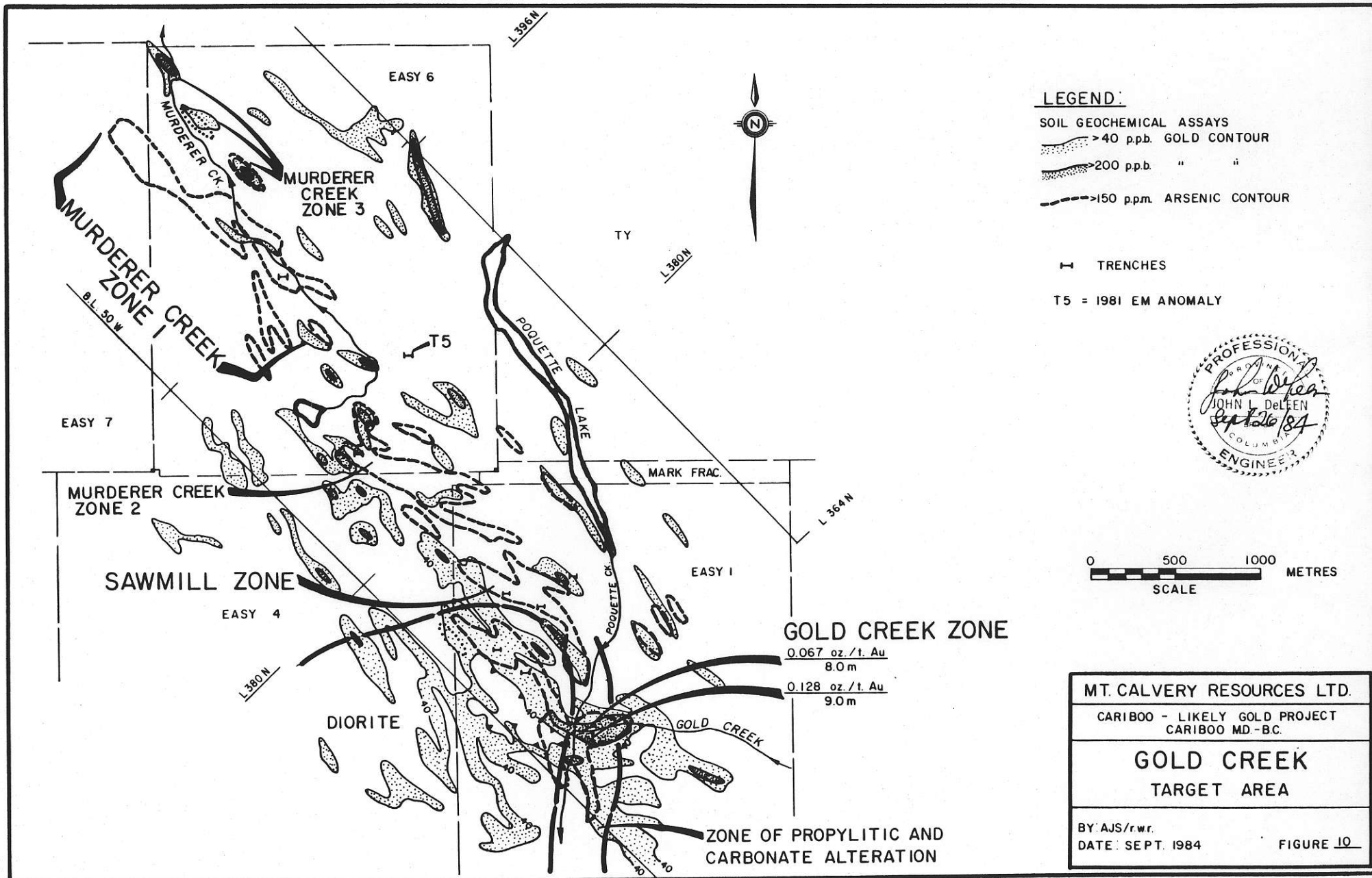
CARIBOO - LIKELY GOLD PROJECT
CARIBOO M.D.-B.C.

LK PROSPECT

PLAN OF TRENCHES

BY: AJS/r.w.r.
DATE: SEPT. 1984

FIGURE 9A



LEGEND:

SOIL GEOCHEMICAL ASSAYS

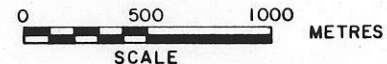
> 40 p.p.b. GOLD CONTOUR

> 200 p.p.b. " " "

> 150 p.p.m. ARSENIC CONTOUR

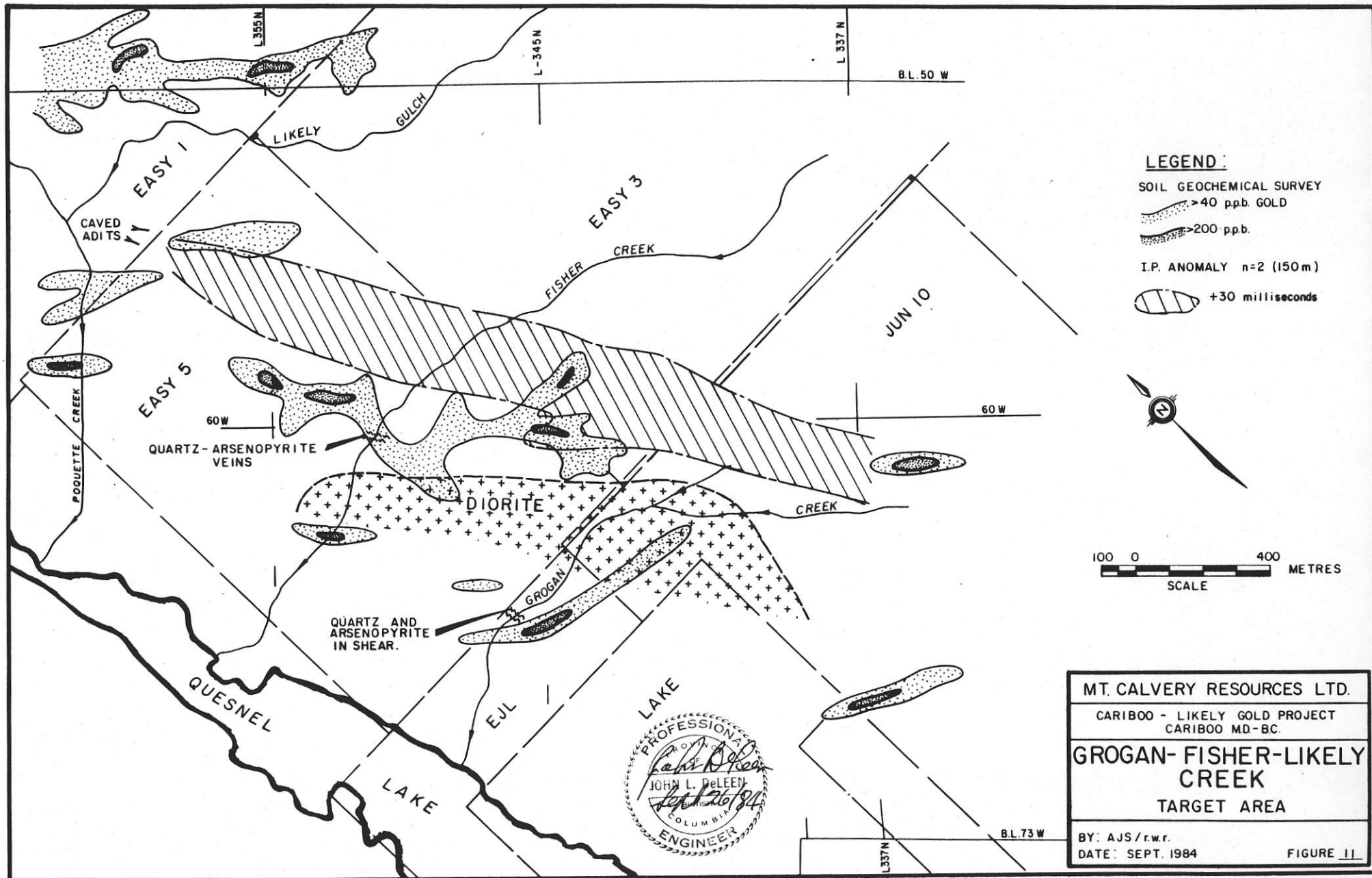
TRENCHES

T5 = 1981 EM ANOMALY



MT. CALVERY RESOURCES LTD.	
CARIBOO - LIKELY GOLD PROJECT CARIBOO MD.-B.C.	
GOLD CREEK TARGET AREA	
BY: AJS/r.w.r.	DATE: SEPT. 1984
	FIGURE 10

Figure 10



LEGEND:
 SOIL GEOCHEMICAL SURVEY
 >40 pp.b. GOLD
 >200 pp.b.
 I.P. ANOMALY n=2 (150m)
 +30 milliseconds

100 0 400
 SCALE METRES

MT. CALVERY RESOURCES LTD.
 CARIBOO - LIKELY GOLD PROJECT
 CARIBOO MD-BC.
**GROGAN- FISHER-LIKELY
 CREEK
 TARGET AREA**
 BY: AJS/r.w.r.
 DATE: SEPT. 1984
 FIGURE 11

PROFESSIONAL
 JOHN L. DeLEEUW
 SEP 26 1984
 COLUMBIA
 ENGINEER

Figure 11

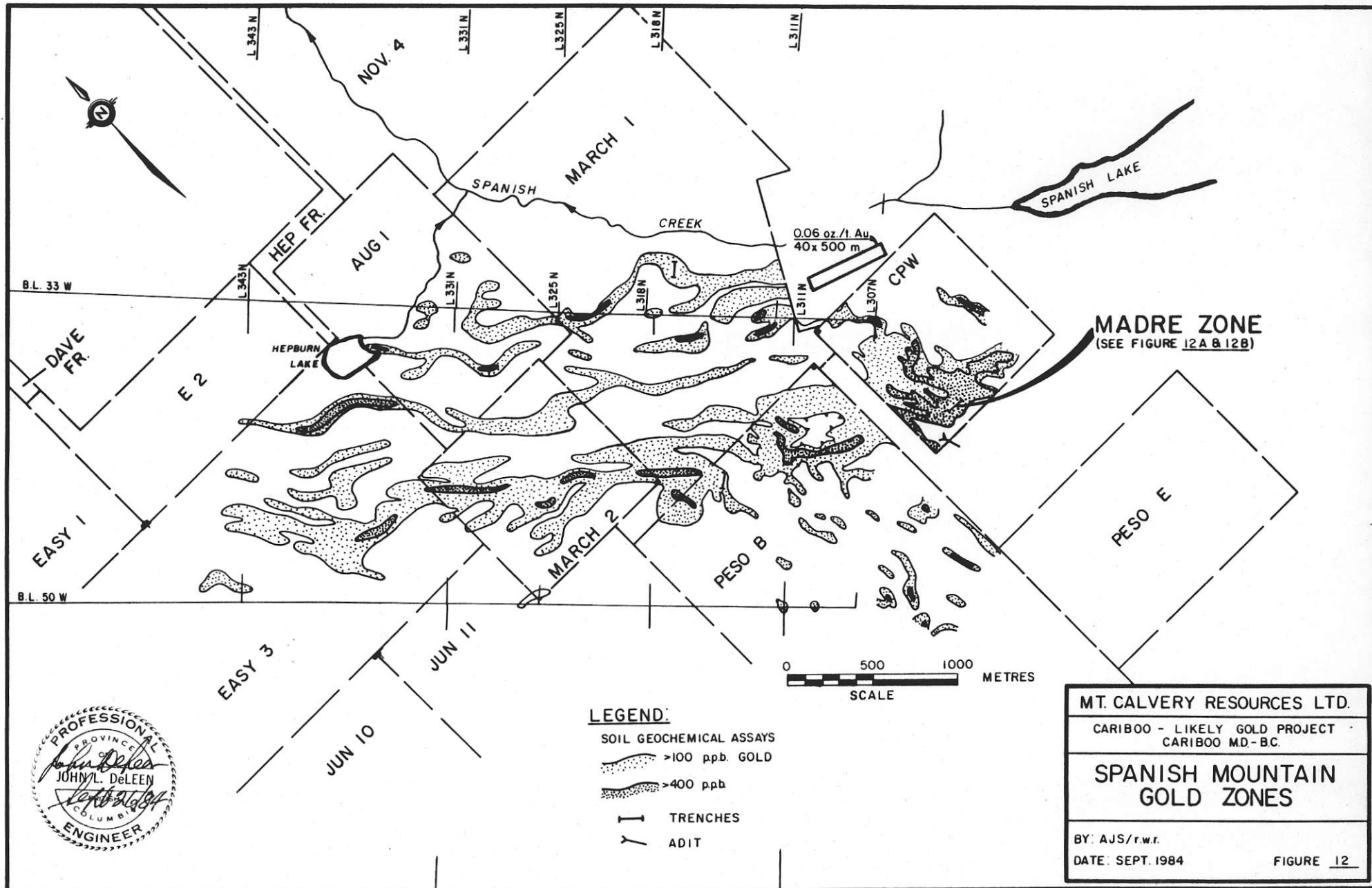


Figure 12



LEGEND:

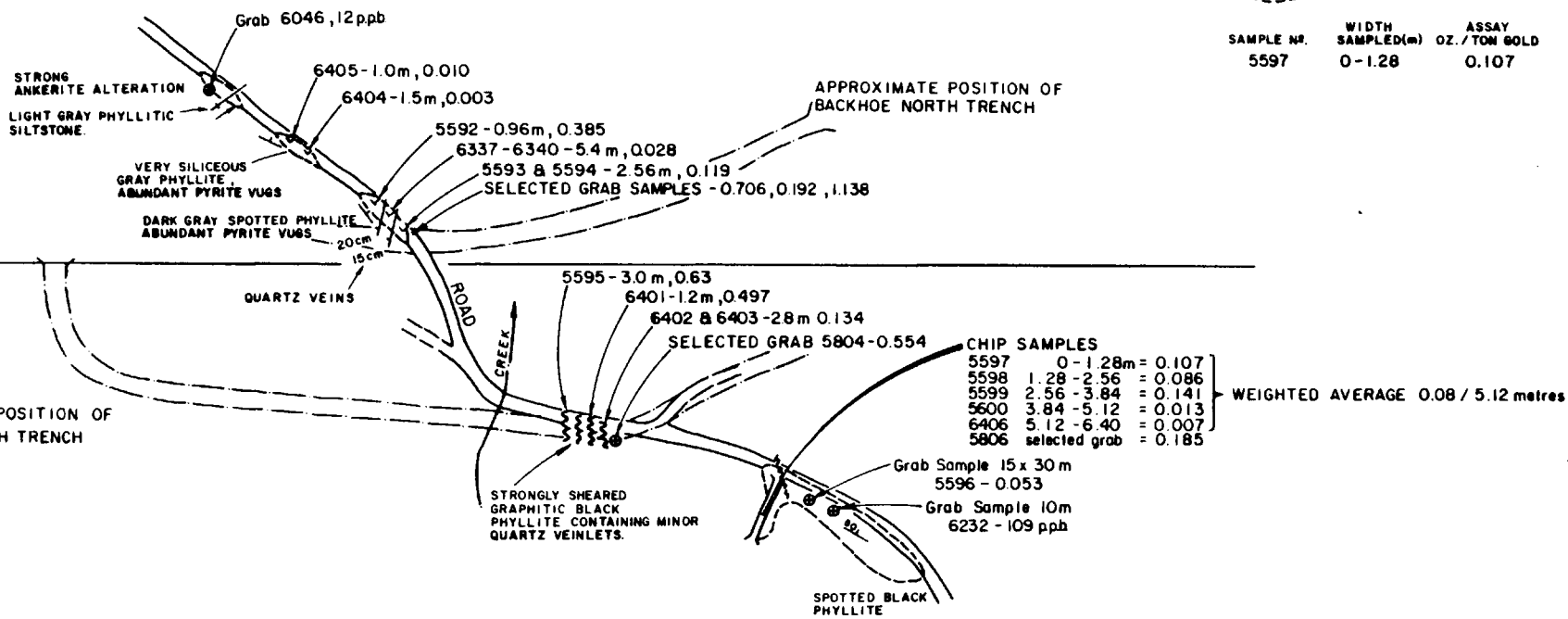


OUTCROP

SAMPLE N ^o .	WIDTH SAMPLED(m)	ASSAY OZ./TON GOLD
5597	0-1.28	0.107

L9+00S

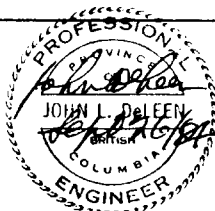
L10+00S



300 W

200 W

100 W



MT. CALVERY RESOURCES LTD.

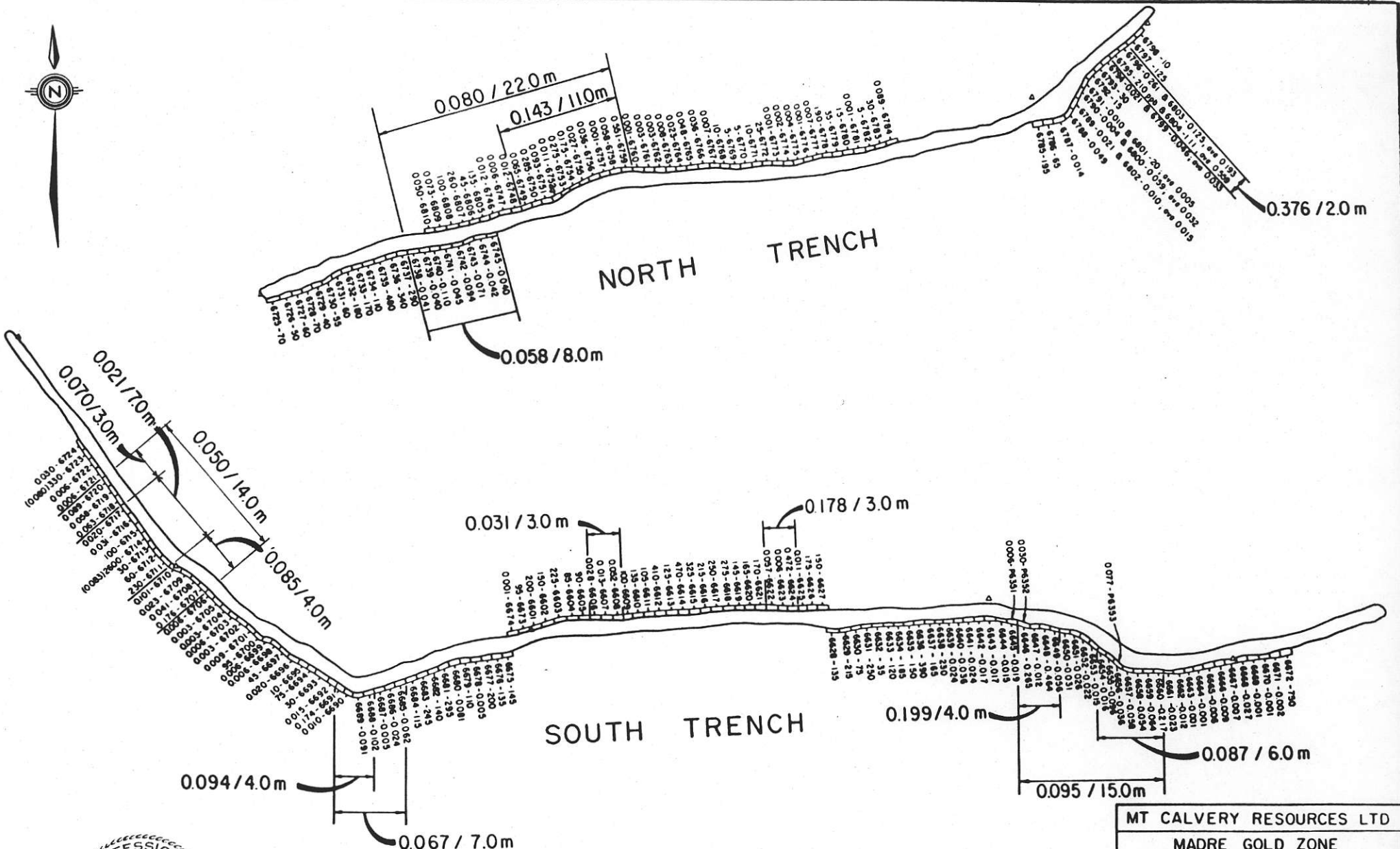
CARIBOO - LIKELY GOLD PROJECT
CARIBOO MD.-B.C.

MADRE ZONE
CPW CLAIM

BY: AJS /r.w.r.

DATE: SEPT. 1984

FIGURE 12A

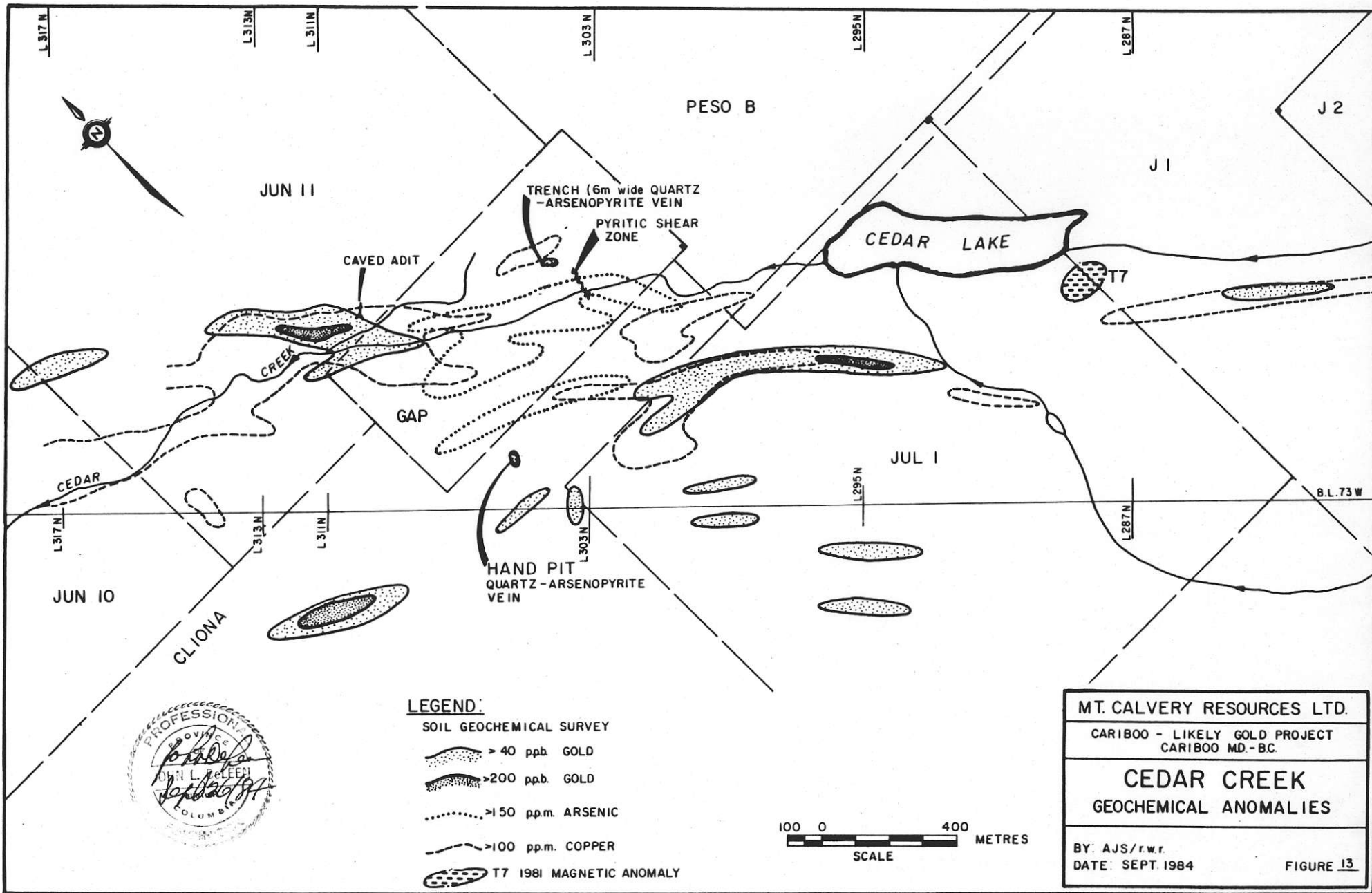


- LEGEND**
- 6696 - 640 (0020) SAMPLE NUMBER - ppb GOLD (OZ / TON GOLD)
 - 6671 - 0002 SAMPLE NUMBER - OZ / TON GOLD
 - 0095 / 15 m OZ / TON GOLD / SAMPLE WIDTH
 - P6353 - 0077 PANEL SAMPLE (1m²) - OZ / TON GOLD

MT CALVERY RESOURCES LTD
MADRE GOLD ZONE
SPANISH MTN AREA
TRENCH SAMPLING MAP
 SCALE 1 200
DATE SEPT 24/1984
BY: BJS/ff/wr

Figure 12B

FIGURE 12B



MT. CALVERY RESOURCES LTD.
 CARIBOO - LIKELY GOLD PROJECT
 CARIBOO MD.-BC.

**CEDAR CREEK
 GEOCHEMICAL ANOMALIES**

BY: AJS/r.w.r.
 DATE: SEPT 1984

FIGURE 13

Figure 13