SUMMARY REPORT

ON THE

MOUNTAIN MINERAL CLAIM

Liard Mining Division, B.C.
NTS: 094E/13 E
(57° 48' N. LATITUDE, 127° 50' W. LONGITUDE)

BY
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OCTOBER 26, 1994

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Summary

Past and present work indicates that the Mountain claim covers a large undrilled area of multiphase intrusions, volcanic and sedimentary rocks with good potential to host commercial deposits of precious and base metals.

THE TARGET SIZE FOR THE MAJORS IS + 2M oz Au.

Introduction

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This report has been prepared at the request of Mr. John Mirko, the property owner. It is based on the authors personal examination of the subject property on September 16, 1991, and a review of published and un-published data from the previous property owners.

Property

The Mountain claim consists of one mineral claim consisting of 20 units (25 hectares each); record no. 330878. Claim title is recorded with the Provincial Ministry of Energy, Mines and Petroleum Resources and appears to be located in accordance with all applicable laws. The anniversary date for the Mountain claim is September 18, 1994. The recorded owner is Mr. John Mirko.

Location and Access

The Mountain claim is located at 57° 48' north latitude and 127° 50'west longitude in the Chukachida river area, NTS map sheet No. 094E/13E, Liard mining division, British Columbia. The nearest road access is to the Lawyers/Energex mine area, thence by helicopter to the property, a distance of 35 kilometres. Alternative points of supply could be either Iskut, on highway 37, (120 km) or the Kutcho airstrip (75 km) to the north. Float plane access to numerous lakes in the area is also available.

Topography is typically rugged with elevations ranging from 1,300 to 2,200 metres A.S.L. Outcrop is rare except on peaks, ridges, cliffsides or gullies. Higher elevations are mainly covered by talus, whereas lower elevations are covered by an assortment of sub alpine fir, brush, grasses and sandy overburden. Water is present year round in the main valley bottoms as creeks or ponds.

Camps and airstrip sites are available on/or near the property. Exploration activities are best carried out during the summer season from June to mid October.

History

Previous to 1980, there is no record or evidence of work on the property. The property was originally staked in July 1980 by S.E.R.E.M. Inc. to cover the suspected source of stream sediment samples highly anomalous in gold. Further work in 1980 included silt, soil and rock sampling, general mapping, grid layout and cursory mapping. In 1981, 1982 and 1983 assessment work including rock sampling and more intensive prospecting was done. In 1985, further assessment work consisting of V.L.F. electro-magnetic/resistivity surveys (4.5 kilometres) and geological mapping was carried out.

The initial work in 1980 outlined two extensive distinct soil anomalies with high gold values. The eastern anomaly is about 700 metres long by 250 metres wide and the west anomaly about 500 metres long and 100 metres wide, both with their values greater than 100 ppb gold.

Of over 140 float and rock samples taken between 1980 and 1985 none gave values of more than 45 ppb gold.

As no significant results were obtained from previous rock sampling, the source of the gold/copper anomalies is still to be delineated.

Property Geology and Mineralization

The Mountain claim is underlain by Upper Triassic (Takla) volcanic and sedimentary rocks, and a pyritic feldspar porphyry unit of unknown age; with multiple phase plutons of Lower Jurassic age intruding all units.

The Takla rocks include limy interbeds with plagioclase porphyry flows and some augite porphyry. Some waterlain textures were also observed in the Takla rocks. The pyritic feldspar unit is recessive and occurs in gullies and in the talus.

The different phases of the pluton include diorite, monzonite, quartz monzonite and aplite.

All rocks are intruded by narrow mafic (andesite, diabase) dikes.

The main intrusion outcrops on the west and slightly north of the Mountain claim. The interbedded sedimentary and volcanic rocks, and the pyritic feldspar porphyry outcrop on the Mountain claim and to the east. West of the Mountain claim the above units strike predominantly east-west and dip about 60° south. Towards the east of the claim they strike mainly northeast and dip moderately north. At the main outcrop contact with the intrusion to the north of the Mountain claim, the volcanics are hornfelsed and the limy interbeds are converted to skarn containing actinolite, tremolite, epidote, chlorite, magnetite and minor pyrite and pyrrhotite. Areas of silicification with chlorite and epidote veinlets also occur within reaction zones. The intrusion is usually bleached of all mafics at contacts. Some alteration envelopes of k-feldspar, chlorite and epidote with pyrite are present on fractures in the intrusion.

Past work found no significant mineralization on the property, although pyrite is abundantly disseminated in and adjacent to silicified rocks, with pyrrhotite rich float having also been found.

Previous work outlined two extensive geochemical soil anomalies; the east anomaly being about 700 metres long and 250 metres wide and the west anomaly being about 500 metres long and 100 metres wide, both with gold values greater than 100 ppb. The north central part of the east anomaly gave gold values from 500 to 6,200 ppb over an area about 350 metres long x 150 metres wide. An extensive copper anomaly with values up to 1,070 ppm occurs coincident with the two gold anomalies.

Two recent float rock samples taken by the authors returned anomalous (170 and 1,200 ppb) gold values from the recessive weathering pyritic feldspar porphyry rocks. Two unconcentrated five to six kilogram stream sediment samples of coarse gravel were also taken from active parts of the west flowing creek near the legal corner claim post. The values returned were 5800 and 1900 ppb gold. This creek is located at the 1,200 metre level, 1,500 metres southwest of the uppermost part (1,900 metre level) of the east soil anomaly.

Conclusions and Recommendations

Previous geological mapping and more recent sampling suggest the large geochemical soil gold anomalies delineated in 1980 are spatially related to the altered pyritic feldspar porphyry unit. As this unit is not well exposed (outcrops only in gullies at lower elevations) the recommendation is to fill in soil geochemical lines and trench and sample the anomalous areas.

Bibliography

Vulimiri, Mohan R., Crooker, Grant - Geological and Geophysical Assessment Report, Mountain Group, for serem Inc., September, 1985.

Vulimiri, Mohan R., Crooker, Grant - Geological and Rock Sampling Report, Mountain Claim Group for Serem Inc., May 1983.

Crawford, Sheila A. - Geochemical Report on the Mountain Claim Group (50 Units) for Serem Inc., July 1982.

Vulimiri, Mohan R., Crawford, Sheila A. - Geochemical and Prospecting Report on the Mountain Claim Group (90 Units), for Serem Inc., December, 1980.

CERTIFICATE

I, Paul Reynolds, of the city of Vancouver in the province of British Columbia do hereby certify that:

1) I am a Professional Geoscientist registered with the Association of Professional Engineers and Geoscientists of British Columbia.

2) I am a graduate of the University of British Columbia with a B.Sc. degree in geology.

3) I have practiced my profession as exploration geologist since graduation in 1987.

4) This report is based on published and unpublished reports and on a personal examination of the property.

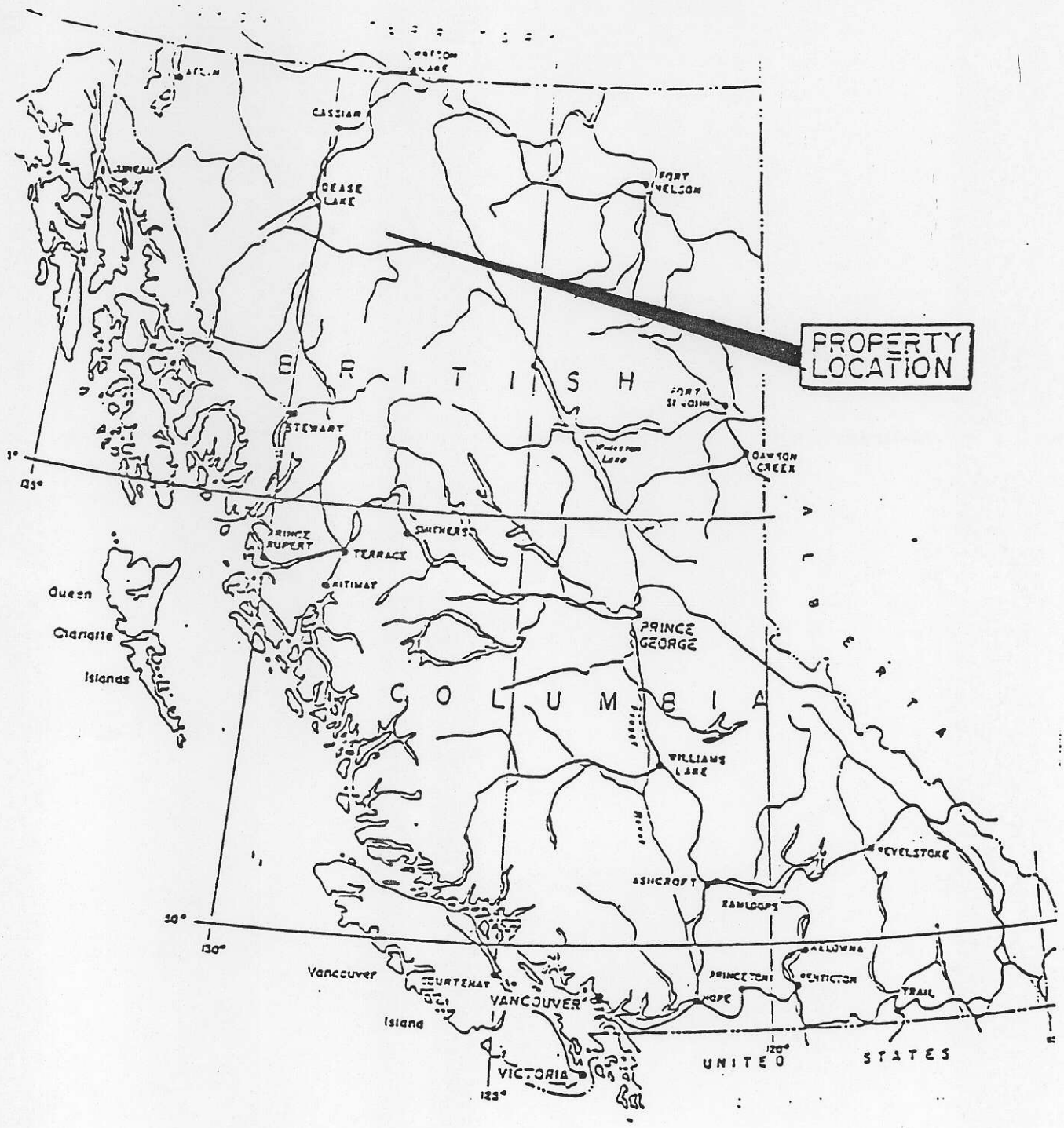
5) I have no interest, directly or indirectly, in the subject property.

Dated this 26th day of October, 1994.

P. Reynolds, B.Sc., P.Geo.

APPENDIX I

FIGURES 1 - 5



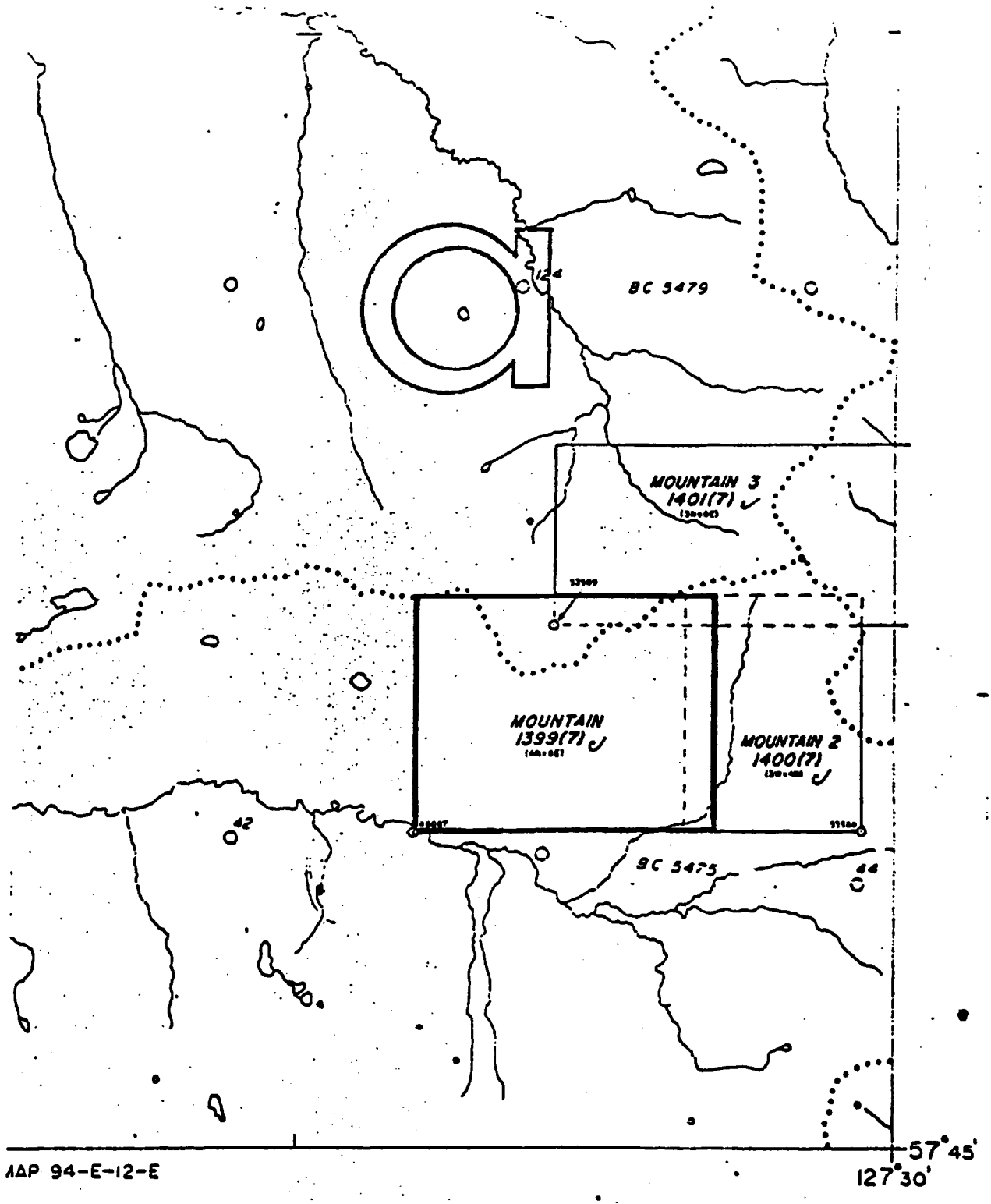
PAUL REYNOLDS – CONSULTING GEOLOGIST

MOUNTAIN CLAIM

LIARD MINING DIVISION

LOCATION MAP

Scale:	Drawn by:	Date:	N.T.S.	Fig. 1



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MOUNTAIN CLAIM

LIARD MINING DIVISION

CLAIM MAP

Scale:	Drawn by:	Date:	N.T.S.	Fig. 2

APPENDIX II

SAMPLE DESCRIPTIONS AND ASSAY SHEETS

Sample No.	Au (ppb)	Cu (ppm)	Description
3912	5	54	Grab of punky brown weathered feldspar porphyry.
3913	5	21	Grab of bleached and altered intrusive. Very minor sulphides.
3914	5	20	Grab of very siliceous blue-grey volcanic with moderate fine grained pyrite.
3915	170	60	Grab of very siliceous and fractured volcanic. Minor pyrite, chalcopyrite and limonite.
3916	5	35	Grab of magnetite skarn.
3917	5	319	Grab of chloritized and silicified with minor sulphides.
3918	10	22	Grab of intrusive breccia with minor propylitic alteration.
3919	10	40	Grab of cherty, siliceous volcanic with interlayered sediments. Minor magnetite +/- pyrite.
3920	5	8	Grab of dark grey, hematized and silicified volcanic.
3921	5	151	Grab of siliceous, grey volcanic with trace sulphide.
3922	20	40	Grab of silicified and fractured dark grey volcanic with moderate fine grained pyrite.
3926	1,200	496	Grab of siliceous, vuggy volcanic with intense limonite alteration. Moderate pyrite.
3927	5,800	60	Sediment sample of main creek near LCP.
3928	1,900	40	Sediment sample of main creek near LCP.

COMP: REYNOLDS GEOLOGICAL
PROJ: McBRIDE
ATTN: PAUL REYNOLDS

MIN-EN LABS — ICP REPORT

705 WEST 15TH ST., NORTH VANCOUVER, B.C. V7M 1T2
(604)980-5814 OR (604)988-4524

FILE NO: 1V-1324-HJ
DATE: 91/10/3
* NON MAG HM * (ACT:F31

SAMPLE NUMBER	AG PPM	AL PPM	AS PPM	B PPM	BA PPM	BE PPM	BI PPM	CA PPM	CD PPM	CO PPM	CU PPM	FE PPM	K PPM	LI PPM	MG PPM	MN PPM	MO PPM	NA PPM	NI PPM	P PPM	PB PPM	SB PPM	SR PPM	TB PPM	TI PPM	V PPM	ZN PPM	GA PPM	SN PPM	W PPM	CR PPM	AU-WET PPB	HM %
3927	2.8	12200	1	10	25	.1	27	17110	.1	48	60	52230	320	5	5960	731	1	230	11	1100	75	1	73	1	5521	123.2	71	1	23	8	25	5800	8.25
3928	2.7	14320	26	8	21	.1	28	19880	.1	42	40	48160	370	2	6130	759	1	270	8	950	22	1	94	1	5795	116.4	34	1	6	5	25	1900	7.71

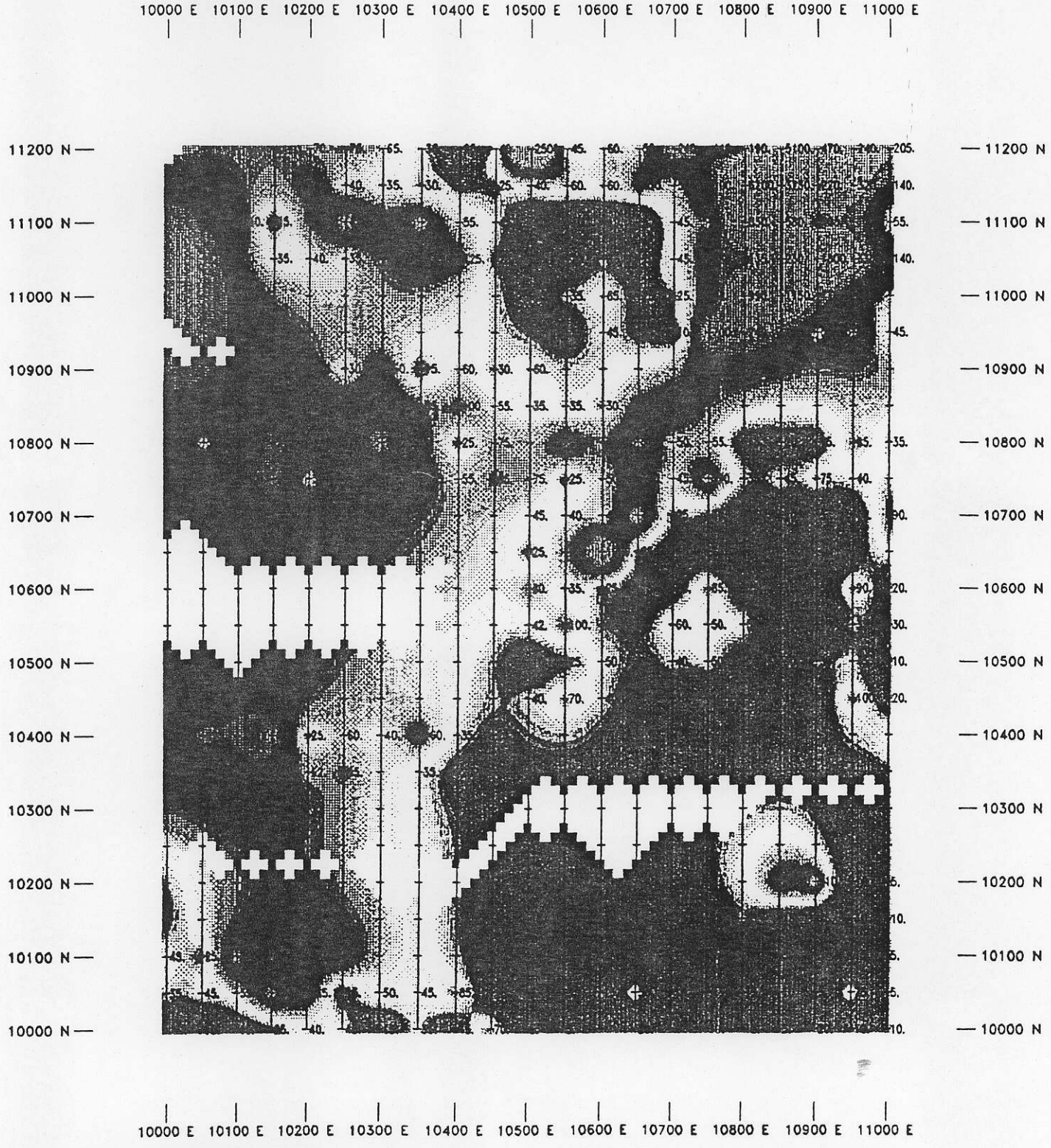
COMP: REYNOLDS GEOLOGICAL
PROJ: McBRIDE
ATTN: PAUL REYNOLDS

MIN-EN LABS — ICP REPORT

705 WEST 15TH ST., NORTH VANCOUVER, B.C. V7M 1T2
(604)980-5814 OR (604)988-4524

FILE NO: 1V-1324-RJ
DATE: 91/10/2
* ROCK * (ACT:F31

SAMPLE NUMBER	AG PPM	AL PPM	AS PPM	B PPM	BA PPM	BE PPM	BI PPM	CA PPM	CD PPM	CO PPM	CU PPM	FE PPM	K PPM	LI PPM	MG PPM	MN PPM	MO PPM	NA PPM	NI PPM	P PPM	PB PPM	SB PPM	SR PPM	TH PPM	TI PPM	V PPM	ZN PPM	GA PPM	SN PPM	W PPM	CR PPM	AU-WET PPB
3908	1.5	6280	140	13	16	1.3	5	8860	.1	7	53	7720	470	9	2620	287	6	2340	6	90	16	5	21	1	294	14.9	20	1	3	6	120	5
3909	1.5	2190	50	7	21	.5	2	33860	.1	3	19	3920	960	3	800	602	3	310	6	60	14	2	24	1	73	6.4	10	1	1	6	152	10
3910	1.0	6300	29	6	88	.9	4	2650	.1	2	15	5570	3620	2	780	154	5	770	3	30	18	2	9	1	125	5.7	11	1	1	5	111	10
3911	.9	4470	12	3	472	.2	2	9360	.1	1	11	3810	3530	1	610	196	3	770	4	50	11	1	17	1	74	5.4	8	1	1	6	149	5
3912	.9	16910	2	4	76	.1	11	4100	.1	9	54	26910	2220	8	9340	600	7	2430	1	870	16	1	26	1	2003	67.1	55	2	2	4	54	5
3913	1.3	11600	1	4	97	.1	10	6660	.1	6	21	15040	2910	2	2970	273	1	1910	1	650	11	1	26	1	1932	58.0	23	1	1	4	57	5
3914	.7	24900	5	5	137	.1	7	13450	.1	10	20	31380	2620	4	3300	430	1	3610	1	850	17	1	37	1	1217	51.5	22	1	1	4	62	5
3915	.6	24820	85	6	121	.6	4	10850	.1	19	60	25850	5550	12	6200	142	11	2280	1	1050	62	1	19	1	684	84.3	53	2	1	4	69	170
3916	.1	1030	1	25	1	.1	1	2680	.1	35	35	493080	730	1	2580	597	40	130	1	10	5	1	1	1	237	10.7	60	1	1	1	1	5
3917	.4	5080	11	2	29	.1	3	5290	.1	22	319	33480	1300	2	2160	230	4	380	6	150	13	1	4	1	523	24.8	15	1	2	6	136	5
3918	1.5	18770	9	6	131	.3	8	20010	.1	56	22	22210	4130	9	8230	417	1	430	2	830	21	1	25	1	1587	31.7	19	3	2	2	28	10
3919	.9	12430	10	2	56	.1	6	11310	.1	20	40	26820	1540	3	6800	522	1	1300	7	330	22	1	19	1	1055	32.5	29	2	2	5	101	10
3920	.6	15300	1	5	63	.1	9	16280	.1	12	8	60070	820	6	11150	629	1	3340	1	1480	16	1	12	1	2289	118.7	36	2	2	3	30	5
3921	2.8	28320	265	4	68	.1	22	19840	.1	21	151	25740	1960	3	5770	269	1	4040	10	150	20	1	27	1	4655	64.2	41	1	4	8	140	5
3922	1.1	29950	26	5	83	.3	7	11650	.1	13	40	27060	2890	4	6130	485	1	3930	1	850	48	1	39	1	1290	61.0	124	2	1	4	60	20
3923	.4	730	60	1	5	.1	1	810	.1	3	15	11640	150	1	190	58	4	100	6	40	7	1	1	1	52	3.5	14	1	1	16	409	5
3924	3.9	1800	33	2	34	.1	1	4140	.1	6	3084	25360	590	1	310	281	9	420	7	90	14	3	8	1	56	6.4	38	1	1	29	713	5
3925	1.9	7610	23	3	5	.1	7	78220	.1	7	91	16440	150	7	7310	1058	43	220	7	230	23	1	32	1	549	45.3	20	4	1	7	139	80
3926	3.1	8800	9	20	140	.1	15	9270	.1	17	496	83660	3430	1	3140	183	823	1230	16	120	12	1	22	1	3839	124.6	23	1	4	7	126	1200



Mountain Claim

Geochemical Contour Map

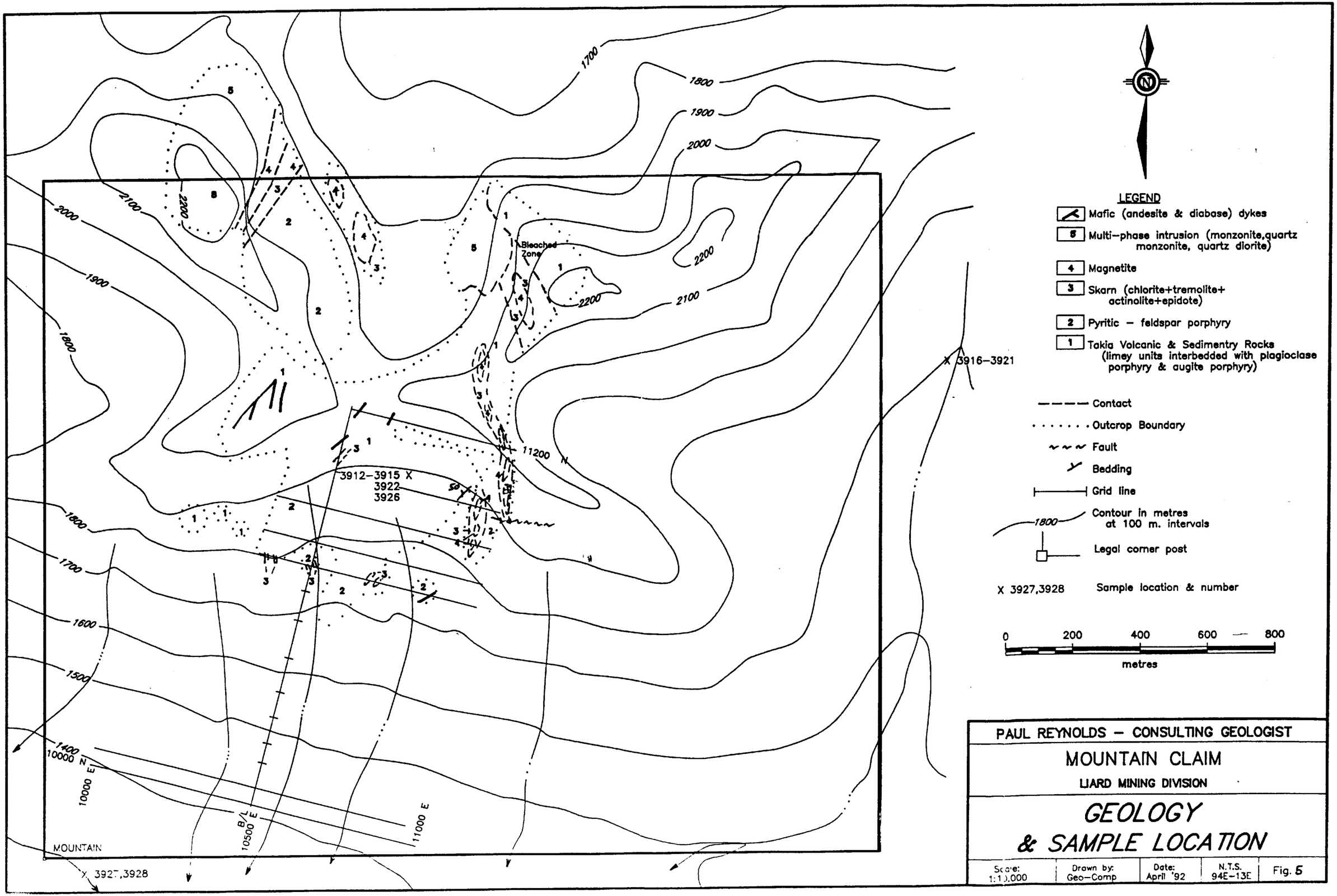
Element : Au(ppb)

Liard Mining District
Nts : 94/13E
Date : 06/05/92

Noranda Exploration Co. Ltd.

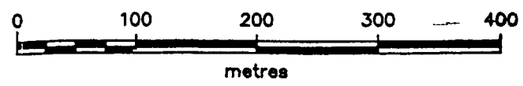
Scale 1:5000

100 0 100 200 300
(metres)


1700
1800
1900
2000
2100
2200
Bleached Zone
11200 N
3912–3915 X
3922
3926
X 3916–3921
X 3927,3928
MOUNTAIN
1400
10000 N
10000 E
B/L
10500 E
11000 E
LEGEND
Mafic (andesite & diabase) dykes
5 Multi–phase intrusion (monzonite,quartz monzonite, quartz diorite)
4 Magnetite
3 Skarn (chlorite+tremolite+ actinolite+epidote)
2 Pyritic – feldspar porphyry
1 Takia Volcanic & Sedimentry Rocks (limey units interbedded with plagioclase porphyry & augite porphyry)
Contact
Outcrop Boundary
Fault
Bedding
Grid line
1800 Contour in metres at 100 m. intervals
Legal corner post
X 3927,3928 Sample location & number
0 200 400 600 800
metres
PAUL REYNOLDS – CONSULTING GEOLOGIST
MOUNTAIN CLAIM
LIARD MINING DIVISION
GEOLOGY & SAMPLE LOCATION
Scale: 1:10,000
Drawn by: Geo–Comp
Date: April '92
N.T.S. 94E–13E
Fig. 5

LEGEND

- 0 – 99 ppb Au
- 100 – 999 ppb Au
- 1000+ ppb Au



PAUL REYNOLDS – CONSULTING GEOLOGIST

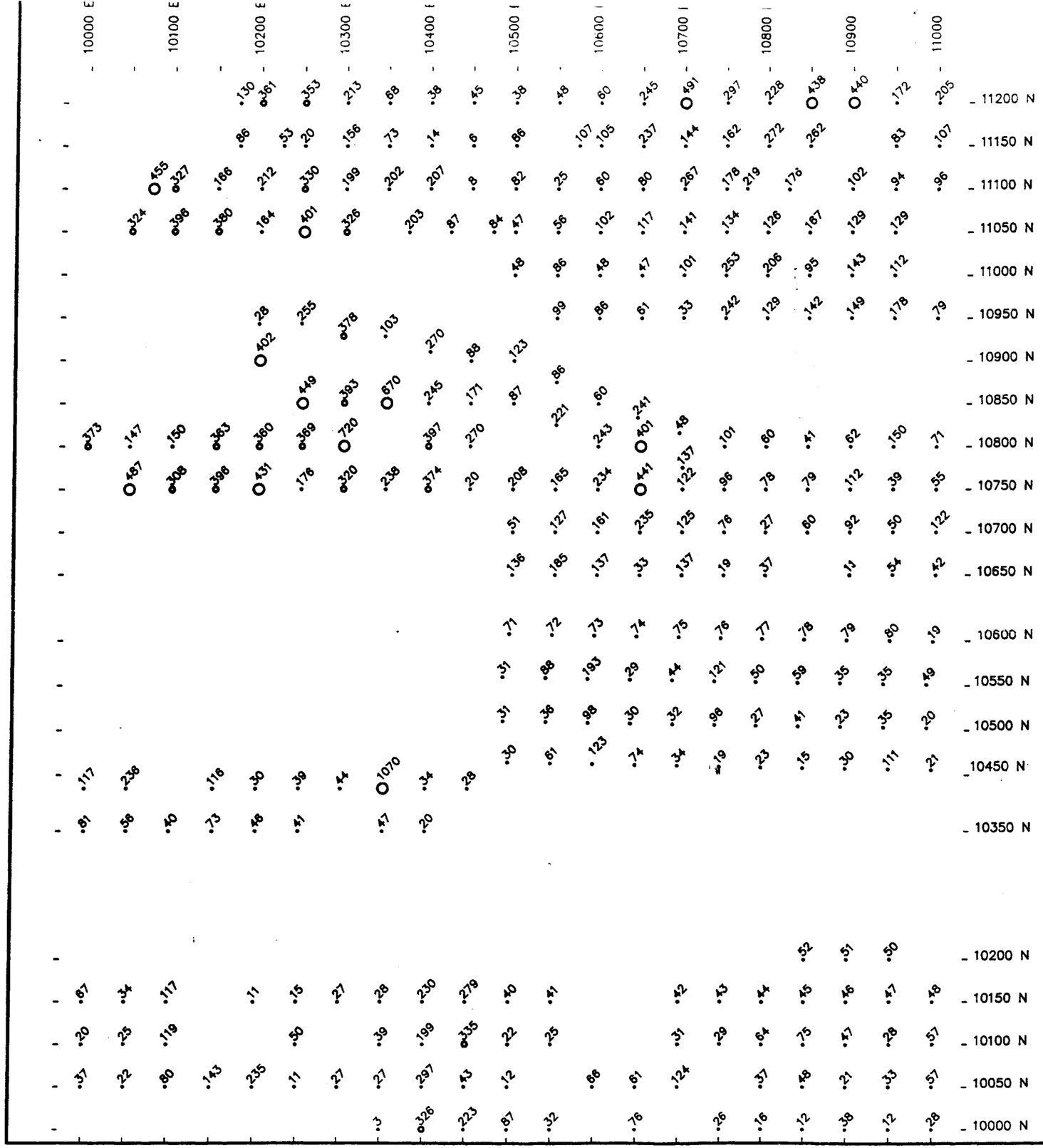
MOUNTAIN CLAIM

LIARD MINING DIVISION

GEOCHEMISTRY

GOLD

Scale:	Drawn by:	Date:	N.T.S.	Fig. 3
1:5,000	Geo–Comp	April '92	94E–13E	



T.N. G.N.

15°

LEGEND

- • 0 –299 ppm Cu
- o 300 – 400 ppm Cu
- O 400+ ppm Cu

0 100 200 300 400

metres

PAUL REYNOLDS – CONSULTING GEOLOGIST

MOUNTAIN CLAIM

LIARD MINING DIVISION

GEOCHEMISTRY
COPPER

Scale:	Drawn by:	Date:	N.T.S.	Fig. 4
1:5,000	Geo–Comp	April '92	94E–13E	

10000 E | 10100 E | 10200 E | 10300 E | 10400 E | 10500 E | 10600 E | 10700 E | 10800 E | 10900 E | 11000 E

11200 N
11150 N
11100 N
11050 N
11000 N
10950 N
10900 N
10850 N
10800 N
10750 N
10700 N
10650 N
10600 N
10550 N
10500 N
10450 N
10350 N
10200 N
10150 N
10100 N
10050 N
10000 N

T.N. G.N.
15°

LEGEND

• 0 – 99 ppb Au
o 100 – 999 ppb Au
O 1000+ ppb Au

—— 100 ppb Au CONTOUR

0 100 200 300 400
metres

PAUL REYNOLDS – CONSULTING GEOLOGIST

MOUNTAIN CLAIM

LIARD MINING DIVISION

GEOCHEMISTRY

GOLD

Scale:	Drawn by:	Date:	N.T.S.	Fig.
1:5,000	Geo-Comp	April '92	94E-13E	