Au, Ag, Cu Property Proposal

DISCOVERY I CLAIM GROUP Callaghan Creek Area Vancouver Mining District

NTS 92J/3 Latitude 50 05.5' Longitude 123 06.5'

> by J. Cuttle B.Sc. L. Demczuk M.Sc.

TARGETS

The location of the Discovery I property is 3 kilometers south, along strike, of the Northair Mine. Up until 1982 Northair was an important gold, silver, base metal producer, and after its closure it is said to have indicated reserves of 65 121 tons averaging 0.265 oz/ton gold, 0.78 oz/ton silver, and approximately 2% combined lead-zinc.

The Northair ores are confined to southerly striking quartz carbonate veins and indicate a possible extension of these vein deposits onto the Discovery I claim.

LOCATION and ACCESS

The claims, found in the Vancouver Mining Division, are 120 kilometers north of Vancouver and approximately 11 kilometers west of Whistler.

A major logging road running through the center of the claim group is accessible by the main Vancouver / Pemberton highway # 99 just north of Callaghan Creek. Logging operations throughout the property have left a network of smaller roads which are still considered driveable with the use of a four wheel drive truck.

CLAIM STATUS

The claim group, Discovery I (record #2011), includes 16 28 units (4N by 4W) staked October 26, 1986 by Les Demczuk. No work has yet been recorded on the property.

REGIONAL GEOLOGY and SURROUNDING PROPERTIES

Regionally, the area is underlain by Lower Cretaceous Gambier Group volcanic and sedimentary rocks of the Callaghan Creek roof pendant. This pendant forms one of the many volcano/ sedimentary pendants found within the Coastal Plutonic Complex of British Columbia and correlates similarily to the age and formation of the Britannia mine roof pendant. Volcanic rocks of the Callaghan Creek area are predominantly andesitic to dacitic in composition with only minor amounts of siliceous siltstones, arkosic wackes, and limestones. Surrounding the strongly foliated volcanics are Cretaceous and Early Tertiary diorite and quartz diorite intrusive complexes. Greenschist facies is characterized by actinolite, epidote, zoisite, chlorite, biotite, and albite. Extensive and prominent foliation restricted to the pendant rocks trends north northwest with near vertical dips while unit contacts are generally sharp and commonly associated with narrow shear zones subparallel to foliation.

Important to note regionally is all orebodies presently known in the area are restricted to particular units. Most show a proximal or distal volcanogenic setting, with later developement of mineralized veins as a result of metamorphism and hydrothermal activity. Structural control may be fault related as in the case of the Northair deposit which gave rise to the hydrothermal fluids and later precious ore values within the deposit. Replacement deposits are characterized by the Zone 4 prospect where ore is restricted to a marble unit within mafic volcanics. The lower most unit in the volcanic package hosts the Brandywine Camp (Silver Tunnel, Millsite, Tedi-Pit, Zone 4). Host rocks are andesitic in composition with minor interbedded marbles cherts, and intrusive hornblende diorite. The upper most unit of this pendant hosts the Northair mine (Warman, Manifold, Discovery Zones) and is dominated by andesitic agglomerate, crystal tuff, and minor interbedded wackes, mudstones, and volcanic breccia,

The Brandywine Camp (Silver Tunnel, Millsite, Tedi-Pit, Zone 4)

Located 3 kilometers south southwest of the discovery I claims, these old showings have extensive exploration history for volcanogenic massive sulphide (Cu,Pb,Zn) and highgrade gold silver base metal quartz veins. Presently Silver Tusk Mines of Vancouver ownes 100 % interest in the properties. These ore bodies are confined to lense like satellite pendants of the main Callaghan roof pendant. They include andesitic volcanics, mafic greenstone, marbles, and intrusive hornblende diorite.

Silver Tunnel (Blue Jack Group)
Open Cut l 0.24 oz/t Au l.8 oz/t Ag
---"--- 2 0.20 oz/t Au 2.4 oz/t Ag

---"--- 3 0.36 oz/t Au 2.6 oz/t Ag 2.5% Pb

Tedi-Pit (Astra and Cambria) 1934

Au oz/t Ag oz/t %Pb %Zn %Cu Width 0.4 2.0 2.6 4.0 tr 15' chip tr 1.5 1.0 3.0 - 30' chip

Work has continued sporadically on these prospects.

The Discon Property

Found boardering the eastern boundary of the Discovery I claim, the owners, Crack Resources, have indicated they have made a new Au, Ag, Cu, Pb, Zn discovery. This mineralized shear zone found in sediments trends north northwest and possibly intersects the northeast corner of the Discovery I property. The only published result is as follows.

1.0 oz/t Ag 1% Cu 0.04 oz/t Au

No other information is presently available.

The Northair Property (Warman, Discovery, Manifold)

Located 3 kilometers north along strike from Discovery I, the Northair mine was in production from 1976 to 1982 at a mill rate of 300 tpd. Current indicated reserves are

65,000 tons 0.265 oz/t Au 0.78 oz/t Ag 2.0 % Pb-Zn combined

The ore body is confined to the upper most unit of the Callaghan Creek roof pendant. It strikes south southeasterly and is confined to quartz carbonate veins within andesitic agglomerate, and volcanic breccia. It has been suggested these deposits formed originally as distal volcanogenic ore bodies and were later remobilized into vein structures. High level hydrothermal precious metal mineralization may have accompanied the remobilization during Tertiary times

DISCOVERY I GEOLOGY and EXPLORATION TARGETS

The claims are predominantly underlain by quartz diorite (and varieties) of the Coastal Plutonic Complex. This area very possibly includes small linear shaped mafic volcanic satellite roof pendants similar to the Brandywine Camp 3 kilometers to the south southwest.

The northern quarter of the claim includes known Lower Cretaceous andesitic agglomerate and intermediate volcanic crystal tuff of the Callaghan Creek roof pendant. These rocks are along strike and host the Northair deposit. The south southwest striking fault zones associated with the Northair ore deposit have been isolated on the property.

Presently the targets include:

- 1) Southerly continuation of the Northair ore body into the northern quarter of the Discovery I claim.
- 2) Satellite mafic volcanic pendants within the quartz diorite, similar to the Brandywine Camp.
- 3) Ore bodies within the lower mafic volcanic series that have been covered by Tertiary and Pleistocene volcanics.

PROPERTY RESULTS to DATE

Most work has been carried out in the northern section of the claim group where rock exposure is the best. Rock values are as follows:

86-DJC-001 13.2ppm Ag (0.38 oz/t) found in rusty quartz vein near intrusive contact.

86-DJC-002 74.8ppm Ag (2.1 oz/t) 1150ppb Au (0.03 oz/t)

5.5% Cu quartz vein in

intrusive outcrop near volcanic contact.

86-DLD-006 7.Oppm Ag (0.2oz/t)

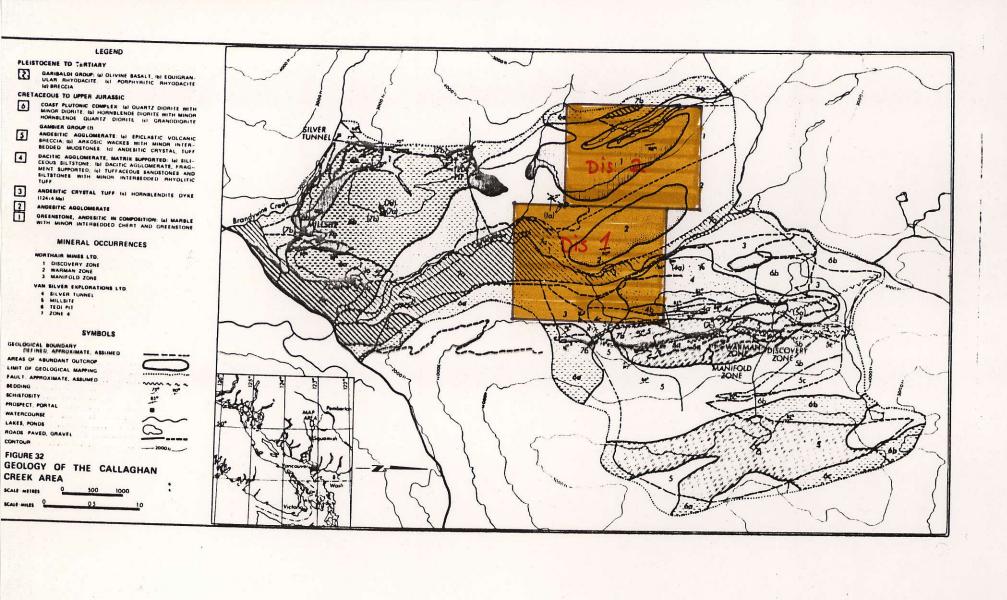
found in intermediate to felsic brecciated lapilli tuff near intrusive contact.

RECOMMENDED WORK

Detailed geological mapping and prospecting is needed to cover the entire property. A rock and soil geochemical program is recommended on prospective areas isolated by the mapping and prospecting.

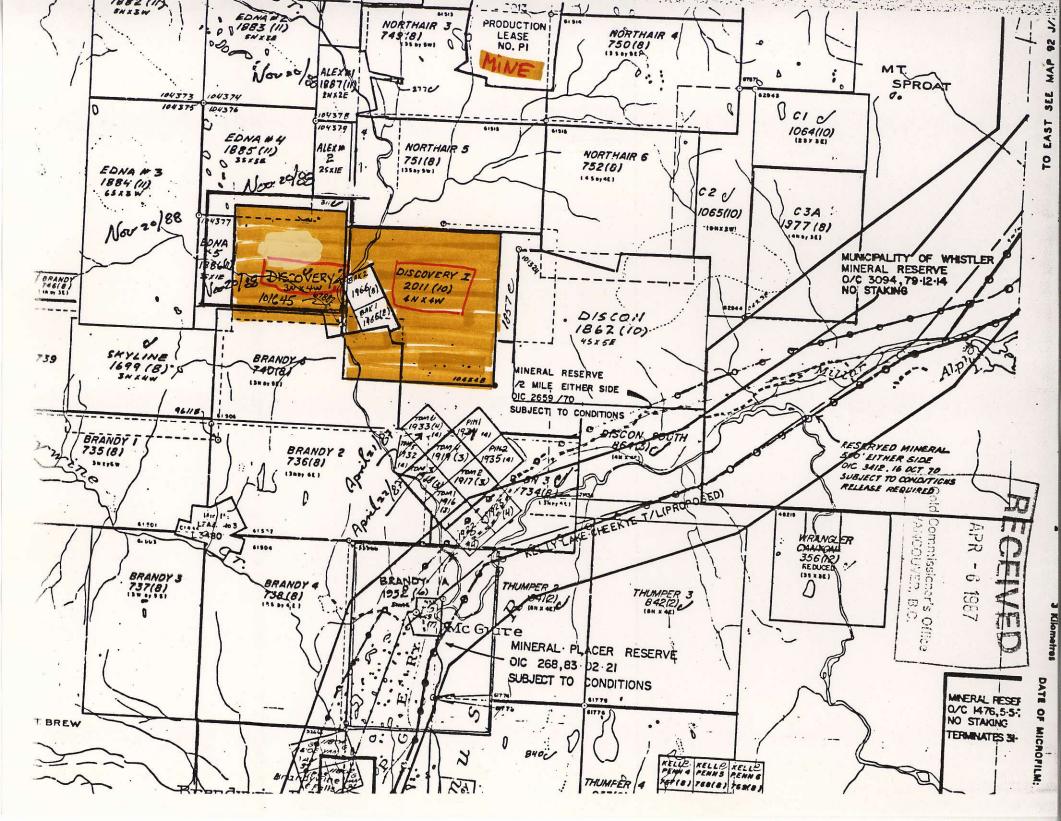
A second phase would be contingent on results and should include VLF to isolate possible fault structure, magnetics to confirm intrusive volcanic contacts and buried volcanic pendants, and IP to isolate disseminated and semi massive ores.

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PHONE 253-3158

DATA LINE 251-1011

GEOCHEMICAL ICP ANALYSIS

.500 GRAM SAMPLE IS DISESTED WITH 3ML 3-1-2 MCL-MM03-M20 AT 95 DES.C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH MATER. THIS LEACH IS PARTIAL FOR MN FE CA P LA MS BA TI B W AND LIMITED FOR NA & K. AU DETECTION LIMIT BY 1CP IS 3 PPM.

- SAMPLE TYPE: Rock Chips AUS ANALYBIS BY AA FROM 10 GRAM SAMPLE.

DATE RECEIVED: MY 19 1987 DATE REPORT MAILED: May 22/87 ASS

LES DEMCZUK

File # 87-1316

SAMPLES 87-DL-04 6 6956 1951 54219 8.3 27 614 5.52 .05 87-DL-06 1 138 14 228 .2 16 19 B69 3.61 ND 5 41 2 45 1.58 .085 4 9 1.93 27 .13 2 1.94 .04 .06 1 1 5 5 2 6 5 ND 3 109 1 2 4 16 19.25 .016 2 1 .91 27 .02 2 .96 .04 .05 87-DL-10 11 171 12 63 .6 3 11 2374 3.76

En saluato al 20,000 ppm

| COMPANY: HI-TEC RES | BOURCE MAN | | MIN- | EN LABS | ICP REPOR | | (ACT: BEO27) PAGE 1 OF 1 | | | | | | | | | |
|----------------------|------------|----------|----------|----------|-----------|-----------|--------------------------|-------------|--------------------|-------------------|--|--|--|--|--|--|
| PROJECT NO: | | 705 WEST | 15TH ST. | NORTH Y | ANCOUVER. | B.C. V7M | 172 | | FILE ND: 6-1209/P2 | | | | | | | |
| ATTENTION: J. CUTTLE | E/L.DEMCZU | (| | (604)990 | -5E14 OR | (604) 999 | -4524 | * TYPE ROCK | GEOCHEM * | DATE: DEC 1, 1986 | | | | | | |
| (VALUES IN FPM) | AS | AS | CU | NI | PB | 7.h | AU-FFE | | | | | | | | | |
| 86DJC-001 | 13.2 | 1 | 13 | - 3 | 16 | . 9 | 13 | | | | | | | | | |
| 86DJC-002 | 74.8 | 42 | 55720 | 4 | 32 | 64 | 1150 | | | | | | | | | |
| 86DIC-003 | 2.6 | 25 | £76 | 16 | 20 | - F6 | 17 | | | | | | | | | |
| 86BL9-001 | 2.3 | 1 | 678, | 3 | 8 | 17 | 15 | | | | | | | | | |
| 86DLD-002 | 1.5 | 1 | 421 | 1 | 20 | 40 | έ | | | | | | | | | |
| 86DLD-003 | 1.1 | 1 | 110 | 3 | 12 | . 7 | 5 | | | | | | | | | |
| 86DLD-004 | 1.0 | 14 | 20 | 13 | 24 | 48 | 12 | | | | | | | | | |
| 86DLD-005 | 1.6 | 1 | 24 | . 7 | 14 | - 31 | 52 | | | | | | | | | |
| 94DFD-004 | 7.0 | 1 | 7684 | 18 | 29 | 53 | 42 | | | | | | | | | |

ACME ANALYTICAL LABORATORIES

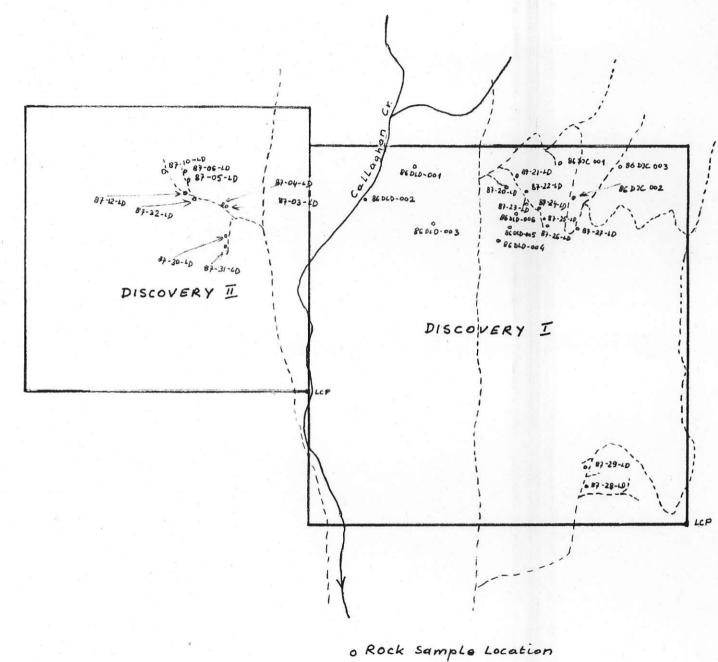
852 E. HASTINGS ST. VANCOUVER B.C. V6A 1R6

DATA LINE 251-1011

.500 GRAM BAMPLE IS DISESTED WITH SHL 3-1-2 HCL-HM03-H20 AT 95 DEG.C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER. THIS LEACH IS PARTIAL FOR MM FE CA P LA CR MG BA TI B M AND LIMITED FOR MA AND K. AU DETECTION LIMIT BY ICP IS 3 PPM.

DATE RECEIVED: JULY 22 1987 DATE REPORT MAILED: July 27/87 ASSAYER. I. July 29/87 DEAN TOYE, CERTIFIED B.C. ASSAYER

| | | | | | | LES DEMCZUK File # 87-2629 | | | | | | | | | | | | | | | | | | | | | | | | | |
|------------|-----------|-----------|-----------|-----------|-----------|----------------------------|-----------|-----------|---------|-----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----|------|------|-----------|-----------|---------|-----------|-----|----------|---------|---------|-----|----------|------------|
| SAMPLE | MO PPM | CU PPM | PB PPN | ZN PPN | A6 PPM | NI NPN | CO PPN | NN PPN | FE 1 | AS PPM | U PPH | AU PPM | TH PPN | SR PPH | CD PPH | SB PPM | BI PPN | PPN | CA | P | LA PPH | CR PPM | #6 1 | BA PPM | 7 I | B PPM | AL Z | NA Z | K | W PPH | AU# PPB |
| 87-05-LDS | 1 | 61 | 9 | 44 | .3 | 26 | 11 | 296 | 3.94 | 7 | 5 | ND | 4 | 18 | 1 | 4 | 2 | 53 | .21 | .076 | 5 | 30 | .78 | 17 | .14 | . 2 | 3.24 | .02 | .04 | 1 | 7 |
| 87-20-LD | 1 | 46 | 7 | 94 | .1 | 18 | 21 | 928 | 4.41 | 4 | 5 | ND | . 1 | 79 | 1 | 2 | 2 | 69 | .97 | .107 | 2 | 14 | 2.39 | 53 | .20 | 2 | 2.39 | .02 | .14 | 1 | 1 |
| 87-21-LD | 1 | 49 | 7 | 100 | .1 | 7 | 10 | 845 | 2,89 | 3 | 5 | MD | 4 | 7 | 1 | 2 | 2 | 14 | .15 | .066 | | 8 | .40 | 64 | .01 | 2 | .99 | .03 | .11 | 1 | 3 |
| 87-22-LD | 1 | 305 | 2 | 70 | .2 | 5 | 11 | 636 | 3.09 | 6 | 5 | MD | 3 | 14 | 1 | 2 | 2 | 16 | .35 | .064 | 7 | 6 | 1.01 | 58 | .04 | 2 | 1.37 | .03 | .12 | 1 | 2 |
| 87-23-LD | 1 | 4679 | 3 | 100 | 3.5 | 9 | 11 | 541 | 2.80 | 4 | 5 | ND | 1 | 39 | 1 | 3 | 2 | 20 | .45 | | 4 | 10 | 1,14 | - 34 | .10 | 2 | 1.28 | .03 | .07 | 1 | 1 |
| 87-24-LB | 5 | 216 | 2 | 65 | .1 | 5 | 10 | 1694 | 2.38 | 6 | 5 | ND | 2 | 8 | 1 | 2 | 2 | 26 | .18 | .036 | 6 | i | .91 | 45 | .01 | 3 | 1.19 | .01 | .06 | 1 | 1 |
| 07-25-LD | 1 | 70 | 4 | 53 | .1 | 5 | 7 | 474 | 1.58 | 3 | 5 | ND | - 3 | 22 | 1 | 2 | 2 | 11 | .34 | .064 | 5 | 5 | .72 | 81 | .01 | 2 | .87 | .02 | .17 | 1 | 1 |
| 87-26-LD | 1 | 96 | 3 | 81 | .3 | 3 | 7 | 1073 | 2.06 | 2 | 5 | MD | 3 | 90 | 1 | 2 | 2 | 22 | 1.01 | .057 | 5 | 5 | .95 | 56 | .02 | 2 | 1.20 | .01 | .11 | 1 | 1 |
| 87-27-LD | 1 | 15 | 2 | 9. | .1 | 1 | 2 | 113 | .59 | 4 | 5 | ND | 7 | 15 | 1 | 2 | 2 | 5 | .15 | .018 | 3 | 3 | .19 | 26 | .03 | 2 | .31 | .03 | .08 | 2 | 1 |
| 87-29-LD | 1 | 25 | 4 | 83 | .1 | 11 | 10 | 893 | 2.98 | 4 | 5 | ND | 2 | 52 | 1 | 2 | 2 | 20 | 1.59 | .054 | 7 | 4 | 1.46 | 51 | .01 | 2 | 1.36 | .01 | .10 | i | 1 |
| 87-29-LD | 1 | 104 | 2 | 91 | .2 | 7 | 17 | 834 | 3.15 | 2 | 5 | MD | 2 | 35 | 1 | 2 | 2 | 46 | .58 | .063 | 3 | 18 | 1.91 | 57 | .10 | 2 | 1.60 | .02 | .09 | 1 | 2 |
| 87-30-LD | 1 | 25 | 7 | 146 | .1 | 10 | 13 | 715 | 2.97 | 2 | 7 | ND | 1 | 22 | 1 | 2 | 2 | 25 | .34 | .074 | 3 | 14 | 1.61 | 34 | .07 | 2 | 1.53 | .02 | .06 | 1 | 1 |
| 87-31-LD | 1 | 21 | 6 | 71 | .1 | 41 | 22 | 715 | 4.01 | 6 | 8 | ND | 1 | 23 | 1 | . 2 | 2 | 48 | 1.12 | .048 | 2 | 46 | 3,41 | 24 | .10 | 2 | 2.98 | .01 | .05 | 1 | t |
| 87-32-LD | 1 | 311 | 3 | 73 | .3 | 10 | 12 | 820 | 3.68 | 6 | 5 | MD | 1 | 25 | 1 | 2 | 2 | 16 | 2.79 | .053 | 2 | 6 | 1.05 | 33 | .06 | 2 | 1.14 | .01 | .08 | 1 | 1 |
| 7 87-DL-03 | 8 | 1816 | 806 | 21896 | 4.3 | 18 | 25 | 1083 | 4.79 | 11 | 5 | ND | 1 | 18 | 183 | 2 | 2 | 21 | .70 | .028 | 2 | 17 | 1.14 | 55 | .10 | 2 | 1.23 | .01 | .11 | 1 | 265 |
| 87-8L-05 | 1 | 10 | 3 | 100 | .3 | 7 | 9 | 571 | 2.01 | 6 | 5 | ND | 1 | 40 | 1 | 2 | 2 | 10 | .89 | .077 | 3 | 6 | 1.12 | 47 | .05 | | 1.15 | .01 | .08 | 1 | 1 |
| 87-DL-12 | 1 | 241 | 10 | 205 | .6 | 11 | 9 | 1801 | 2.55 | 10 | 5 | ND | 1 | 75 | 1 | 2 | 2 | 10 | 7.76 | .074 | 3 | 5 | 1.26 | 24 | .05 | 2 | 1.36 | .12 | .11 | 1 | 55 |
| STD C/AU-R | 19 | 61 | 39 | 132 | 7.3 | 71 | 29 | 953 | 3.88 | 40 | 18 | 8 | 39 | 51 | 19 | 17 | 22 | 59 | .48 | .092 | 39 | 59 | .87 | 180 | .08 | 34 | 1.69 | .06 | .14 | 12 | 495 |



0 ROCK Sample Location