

REPORT ON THE TESS URANIUM PROSPECT,
KETTLE RIVER AREA, BRITISH COLUMBIA. 82E/W 1/2

82E
680012

LATITUDE 49° 45' N.

LONGITUDE 119° 10' W.

for

GUILFORD BRETT

by

James W. McLeod, B. Sc.

June 5, 1976

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FIGURES

General Location Map.....	In Front
Claim Sketch.....	In Back



FIG. 1
 HAYNES LAKE URANIUM PROPERTY
 TESS CLAIM
 GENERAL LOCATION MAP
 SIMILKAMEEN M.D., B.C.



SUMMARY

A Geological mapping, prospecting and Trak-etch survey are recommended on the Tess Uranium Prospect. The recommended program is expected to take 3 men one month to complete at an estimated cost of \$21,574.00

INTRODUCTION

The writer visited the area of the Tess claim in the fall of 1974, and has just completed a review of the literature available on the general area.

LOCATION AND ACCESS

The Tess uranium prospect is located 18 airmiles southeast of Kelowna, B. C.

Access to the property is gained by travelling 26 miles southeast from Kelowna, B. C., along Highway 33. A portion of the property straddles the abandoned Kettle Valley Railway right-of-way.

PROPERTY AND OWNERSHIP

The Tess claim consists of 15 contiguous units.

The claim is owned by Guilford Brett of Vancouver, B. C.

TOPOGRAPHICAL AND PHYSICAL ENVIRONMENT

The property lies in conifer covered, rounded mountainous terrain at an elevation of 4000' M. S. L.

The area experiences mild winters and low precipitation.

GEOLOGY AND MINERALIZATION

The Tess claim lies near the contact of the Cretaceous, Valhalla granitic intrusives and the Tertiary sediments and volcanics. The uranium discovery by Nuclear Power, and Power Reactor and Nuclear Fuel Development Corporation of Japan, lies immediately east of the Tess claim and in a similar geological setting. At the discovery the uraniferous rock unit appears to be the Paleocene or Eocene conglomerate which always has a late Tertiary capping of olivine basalt. Since all the olivine basalt of late Tertiary age has been observed to be flat-lying, it probably occurs as remnants of larger flows which have filled ancient topographical depressions.

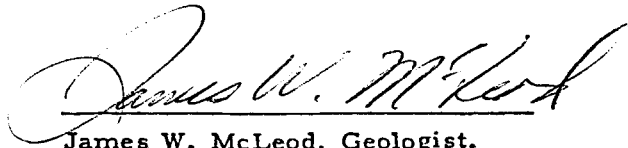
The source of the uraniferous material is debatable, but indications are that it occurs in the conglomerate unit immediately underlying the Miocene olivine basalt. The occurrence of the basalt would seem to afford the best indication of underlying uraniferous-rich material if it's host is the conglomerate.

CONCLUSIONS AND RECOMMENDATIONS

The Tess claim requires that an exploration program be conducted over it because of its geological setting, and close proximity to the discovery area of Power Reactor and Nuclear Fuel Development Corporation of Japan.

The writer recommends that the property be thoroughly prospected, geologically mapped on a scale of 1" = 10,000 feet, and that a Trak-etch survey be conducted over the claim at 400 foot centres. Any Trak-etch responses should subsequently be diamond core drilled. No allowance for drilling has been made in the cost estimate.

Respectfully submitted,



James W. McLeod, Geologist.

COST ESTIMATE

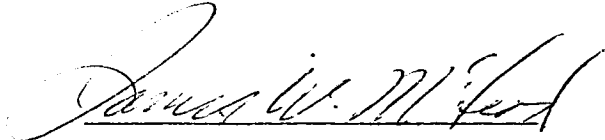
300 Trak-etch pots, including subsequent analysis and interpretation.	\$7800.00
Line installation	2200.00
Placing and pick-up Trak-etch pots.	1680.00
Prospecting, 2 men for 10 days.	1200.00
Geological mapping and supervision	3000.00
Room and Board	2100.00
Transportation	670.00
Equipment and supplies	<u>100.00</u>
	\$18760.00
15% Contingency	<u>2814.00</u>
TOTAL	<u><u>\$21574.00</u></u>

CERTIFICATE

I, James W. McLeod, of the City of Vancouver, Province of British Columbia, hereby certify as follows:

- (1) I am a geologist and a Member of the Geological Association of Canada.
- (2) I reside at 4086 W. 17th Avenue, Vancouver, B.C. V6S 1A6
- (3) I graduated in 1969 from the University of British Columbia, B. Sc. (Major-Geology)
- (4) I do not have any interest in the TESS claim nor do I expect to receive any, as a result of doing this report.
- (5) The above report is based on research of the available literature and from discussions with persons familiar with the local area.

Dated at Vancouver, B. C.
this 5th day of June, 1976.



James W. McLeod, B. Sc.

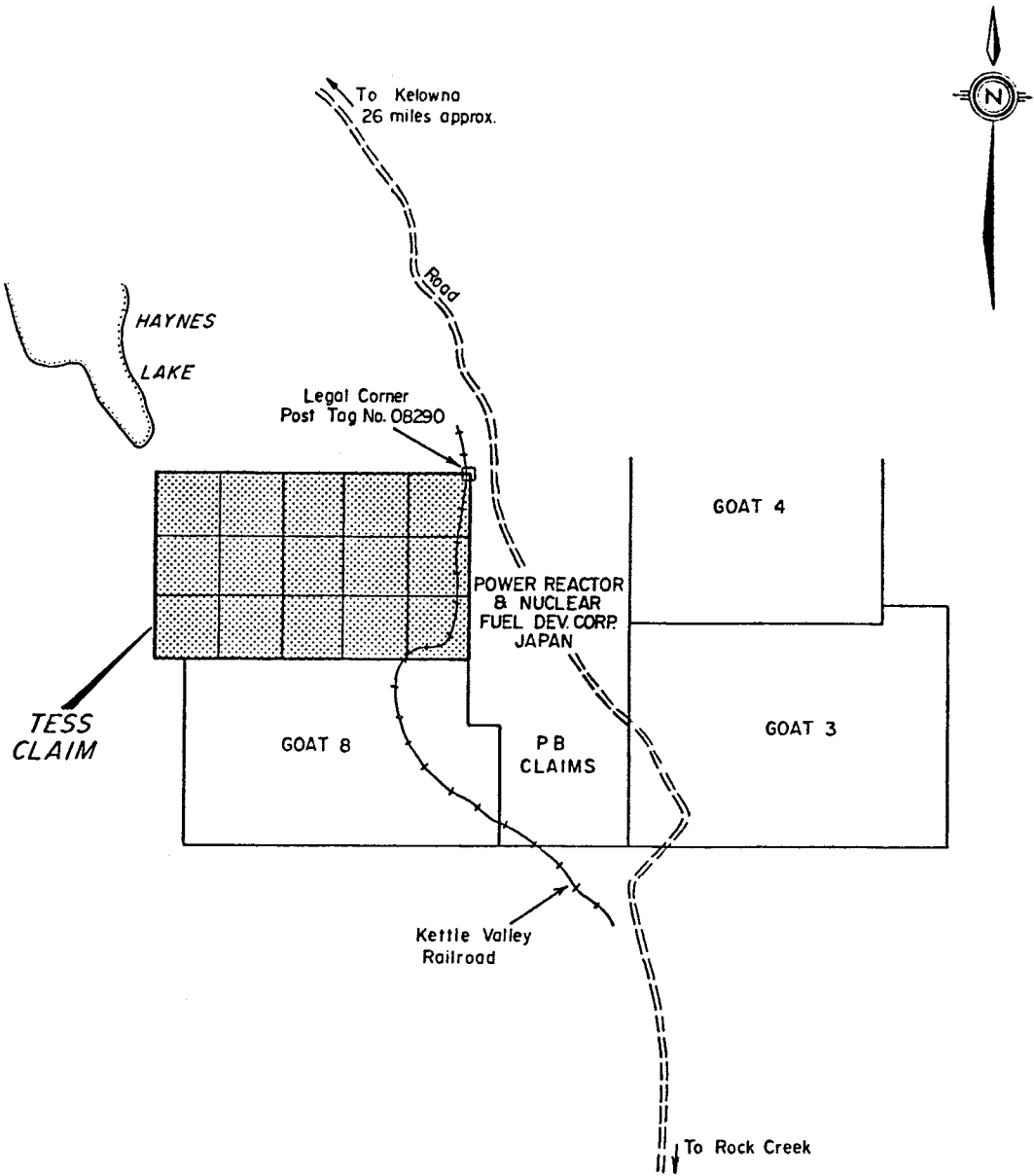
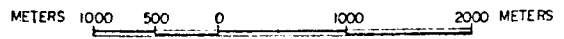


FIG. 2
 HAYNES LAKE URANIUM PROPERTY
 TESS CLAIM
 CLAIM LOCATION MAP
 SIMILKAMEEN M.D., B.C.



The proceeds derived from the option (if exercised) will be used to complete the program recommended by Mr. McLeod and for general and corporate purposes.

None of the proceeds realized from the firm underwriting or the option (if exercised) will be spent on any other property, without first amending this Statement, if the Company is still in primary distribution or filing acceptable engineering report with the Vancouver Stock Exchange.

ITEM 1B

The Company has entered into an Option Agreement dated June 8th, 1976 with Guilford Brett of the City of Vancouver to acquire the Tess claim consisting of 15 contiguous units in the Similkameen Mining Division of British Columbia for

- (a) the sum of \$5,000 upon approval of this Statement;
- (b) the sum of \$10,000 within 150 days from approval of this Statement; and
- (c) 50,000 shares of the Company to be issued 12,500 on approval of this Statement and 12,500 every 90 days thereafter upon filing of engineer's reports acceptable to the Vancouver Stock Exchange.

The Tess claim is located 18 air miles southeast of Kelowna, British Columbia.

The Company intends to carry out geological mapping, prospecting and Trak-etch survey as recommended by James W. McLeod in his report dated June 5th, 1976.

ITEM 1C

Guilford Brett, the Optionor of the Tess claim (see Item 1B) is offering to sell to the public through the facilities of the Vancouver Stock Exchange at the market price existing from time to time 12,500 shares. The offering will be for a period of 90 days or until all of such shares are sold, whichever first occurs commencing as soon as the Underwriters have completed distribution of the underwritten shares. None of the proceeds from the sale of the said 12,500 shares will accrue to the benefit of the Company.

ITEM 5

The Company was incorporated under the Memorandum of Association as a specially limited Company under the laws of the Province of British Columbia. The Company converted to a limited Company by Certificate of the Registrar of Companies dated September 27th, 1973.

ITEM 6

DIRECTORS

H. A. Briden
3780 Southridge Avenue
West Vancouver, B. C.

Geologist

John Ferris
2367 Nelson Street
West Vancouver, B. C.

Expediting Company Manager

S. David Anfield
13315 - 56th Avenue
Surrey, B. C.

Barrister and Solicitor

OFFICERS:

President

H. A. Briden

Secretary

S. David Anfield

ITEM 7

The Company is authorized to issue 3,000,000 shares without par value and at the date hereof there are issued and outstanding 973,751 shares.

ITEM 10

The beneficial shareholders of Canarim Investment Corporation Ltd. and Continental Securities Corporation (1971) Ltd. holding more than 5% of the issued shares are:

CANARIM INVESTMENT CORPORATION LTD.

<u>Name and Address</u>	<u>Number and Class</u>	<u>Percentage Held</u>
Alfred E. Turton 424 Burrard Street Vancouver, B. C.	24,119	54%
Peter M. Brown 424 Burrard Street Vancouver, B. C.	15,212	34%
Brian D. Harwood 424 Burrard Street Vancouver, B. C.	5,625	12%

CONTINENTAL SECURITIES CORPORATION (1971) LTD.

<u>Name and Address</u>	<u>Number and Class</u>	<u>Percentage Held</u>
Angus I. McPhail 590 Newdale Road West Vancouver, B. C.	5,100 common 714 preference	51% 51%
Douglas A. Scammell 1735 - 19th Avenue West Vancouver, B. C.	2,450 common 345 preference	24.5% 24.5%
David J. Douglas 1067 West 47th Avenue Vancouver, B. C.	1,225 common 171½ preference	12.25% 12.25%