

July 31/97
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SUMMARY

The Elizabeth gold property is located in southwestern British Columbia approximately 30 km northeast of the town of Goldbridge and the mining town of Bralorne. The property is comprised of four crown granted claims.

The property is situated along a tributary of the Yalakom River in steep, glaciated terrain between 2,100 and 2,500 metres in elevation. Summers are generally warm and dry. Snow typically covers the property from October to May.

Access is via a road that leaves the Yalakom River logging road. The 76 kilometres from Lillooet to the property can usually be driven in two hours. Property infrastructure is excellent with several roads accessing the old workings and the areas proposed for exploration. Situated very near the property is a well maintained camp that could provide accommodation for exploration crews.

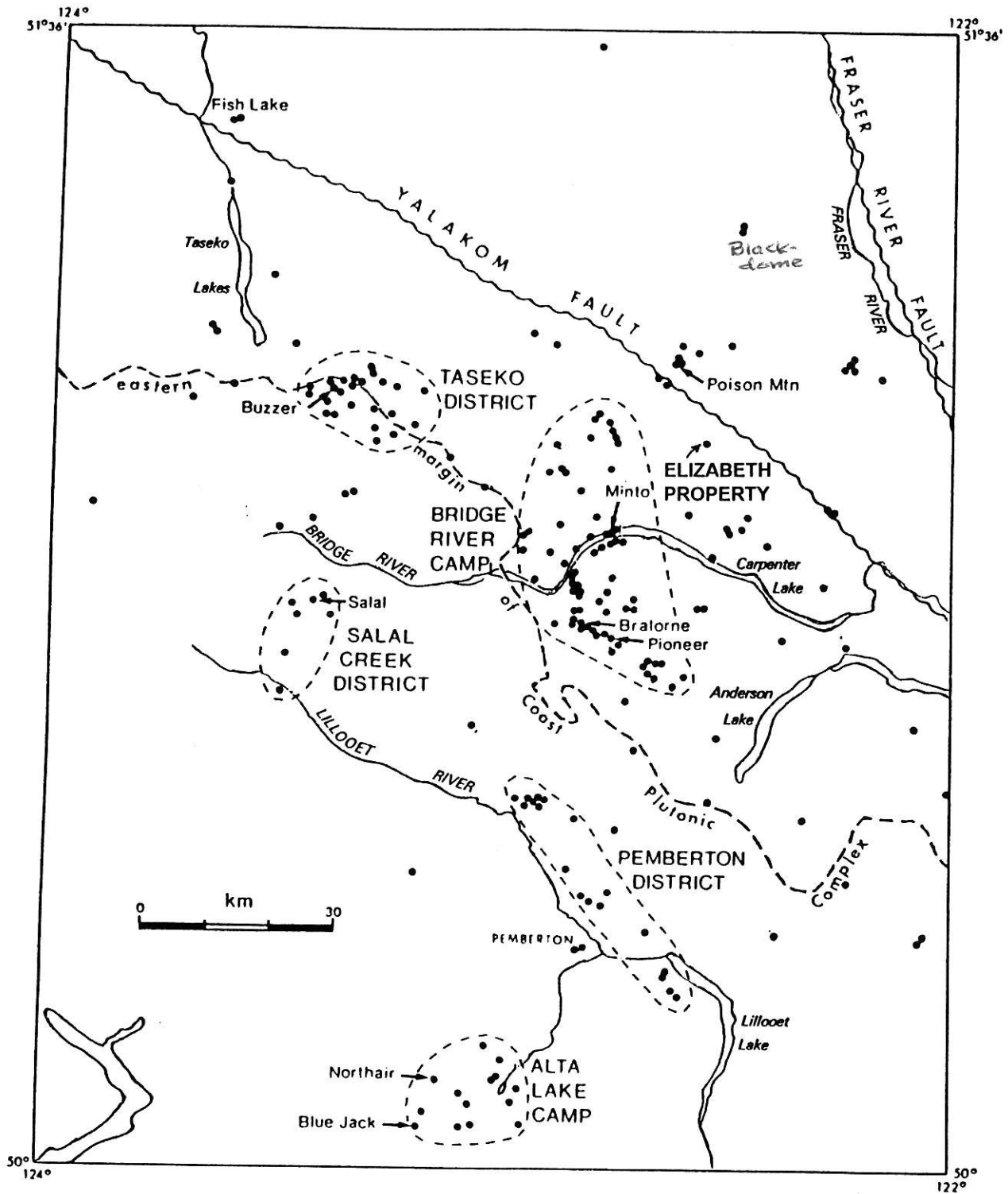
The Bridge River region has seen mining activity since the late 1800's with the discovery of numerous deposits including the Bralorne-Pioneer deposits. Production from these two mines alone was 4.1 million ounces of gold making this the largest gold producing area in the province. International Avino and Bralorne Pioneer Mines Ltd. have identified additional reserves and are in the process of reinstalling a mill at the Bralorne site.

In 1939, gold was discovered in quartz veins on what is now the Elizabeth No. 1 claim. During 1940-1949, Bralorne Mines Ltd. explored the Elizabeth and adjacent Yalakom properties. Work on the Elizabeth property consisted of surface trenching, underground crosscutting, drifting, raising and diamond drilling. Several quartz veins were explored with two returning significant gold. In 1958-59, Bethlehem Copper Mines Ltd. explored the West (No. 1) Vein with a tunnel approximately 180 metres above the Bralorne tunnel. High gold grades zones were identified and a small bulk sample was shipped. During 1990, Blackdome Mining Corp. conducted trenching, portal rehabilitation and surveying along with detailed surface and underground sampling programs. Sampling identified two distinct high grade shoots in the West Vein on surface and 65 metres below in the upper adit drift (Bethlehem). High concentrations of visible gold were reported in a surface trench. Due to financial constraints Blackdome was unable to initiate a proposed drill program.

The Elizabeth property is situated within the Shulaps Ultramafic Complex adjacent to the Yalakom River fault. These rocks are intruded by small bodies of Tertiary age quartz diorite that host a series of mesothermal quartz veins. The veins appear to be structurally controlled and are occasionally crosscut by faults. Gold mineralization may have been localized by faulting and/or local changes in vein orientation. One vein, (West or No. 1) has been traced for upwards of 300 metres along strike and approximately 250 metres vertically. This vein is still considered open along strike and to depth. The geologic and structural setting, as well as the mesothermal nature of these veins, are similar to the veins in the Bralorne-Pioneer area.

Past operators have calculated ore reserves specifically on the West Vein between the upper adit drift and the surface. Bethlehem reported a reserve of 1,430 tonnes grading 95.3 g/tonne or 2.78 oz/ton. Prism Resources calculated an indicated ore reserve of 3,853 tonnes grading 41.1 g/tonne or 1.32 oz/ton Au. Drilling will be needed to classify any reserves as proven. These reserve figures represent only a fraction of the potential of the known veins.

The extent of the West and other mineralized veins, combined with the existing infrastructure, make the Elizabeth property an excellent exploration target that can be rapidly advanced. Therefore, a three phase exploration program is recommended at an estimated cost of \$600,000. Details of the program are outlined in Recommendations and Appendix B of this report.



MINERAL DEPOSITS IN THE BRIDGE RIVER AREA

Figure 3

Table 1. Chronology Of Work On The Elizabeth Property

Year(s)	Work By	Scope of Work
1940-49	Bralorne Gold Mines Ltd.	<ul style="list-style-type: none"> • Built access trails from Goldbridge to property via Liza Lake. • Constructed camp for 20+ men. • In 1947 completed construction of 25 km of access road from Yalakom River Valley. • Commenced portal at 2,024 m elevation on Churn No. 1 claim. • Drove crosscut westerly to intersect down dip extension of No. 1 Vein on Elizabeth No. 1 claim. • By 1949 crosscut extended to 670 metres and intersected three veins (A, B, C). • At 491 metres from portal, drifted northerly along B Vein for 44.5 m, southerly for 40 m and raised for 83 m above south drift. • At 641 m from portal, drifted north-northeasterly along C Vein (West Vein) for 166 metres, southerly for 140 metres and raised 23 m above north drift. • Between 1947 and 1949, 10 flat diamond drill holes totalling 790 metres were completed, 8 from surface and two from the end of the crosscut.
1956-58	Bethlehem Copper	<ul style="list-style-type: none"> • Constructed portal at 2,204± m elevation on Elizabeth No. 1 claim. • Drove crosscut west-northwest to intersect down dip projection of West Vein (No. 1). • At 140 metres from portal, drove northerly along West Vein for 95 metres. • Shipped 8 tonne (8.8 ton) bulk sample for processing
1980	Prism Resources	<ul style="list-style-type: none"> • Sampling/data compilation.
1984	?	<ul style="list-style-type: none"> • Sampling/reserve calculation.
1990	Blackdome Mining Corp.	<ul style="list-style-type: none"> • Upgraded road system and rehabilitated upper and lower portals. • Surface trenching, mapping and sampling of West, Main, Allison and Tommy Veins. • Detailed sampling of West Vein in upper adit drift. • Surface and underground surveying.

No assay results for the drifting and raise work conducted by Bralorne were available to the writer. Surface sampling of the northern extension of the West Vein by Bralorne indicated two high grade zones with values up to 6.78 oz/ton across 0.55 m. Trenching and sampling by Blackdome also delineated two high grade zones on surface and in the West Vein drift. The following lists the significant results obtained by these companies:

	Bralorne Gold Mines Ltd.	Blackdome Mining Corp.
West Vein (Surface)	<ul style="list-style-type: none"> • 10.7 m length averaging 3.31 oz/t across 0.56 m. (1.8') • 42.7 m length: low gold values. • 36.6 m length averaging 0.45 oz/t across 0.63 m. 	<ul style="list-style-type: none"> • 10.0 m length averaging 4.15 oz/t across 0.50 m. (1.65') • 6.0 m length: low gold values. • 5.0 m length averaging 3.80 oz/t across 0.35 m. (1.5')
West Vein (Underground)	N/A	<ul style="list-style-type: none"> • 20.0 m length averaging 1.8 oz/t across 0.6 m. (2.0') • 7.0 m length: low gold values. • 7.5 m length averaging 3.7 oz/t across 1.0 m.
Main Vein (Surface)	<ul style="list-style-type: none"> • 1.02 oz/t across 3.66 m. 	<ul style="list-style-type: none"> • 0.76 oz/t across 1.0 m.
Main Vein (Drill Holes)	<ul style="list-style-type: none"> • DDH 1 - 1.77 oz/t across 1.22 m. • DDH 2 - 0.49 oz/t across 0.76 m. • DDH 3 - Trace. • DDH 4 - 0.13 oz/t across 0.15 m 	

GEOLOGY

Regional:

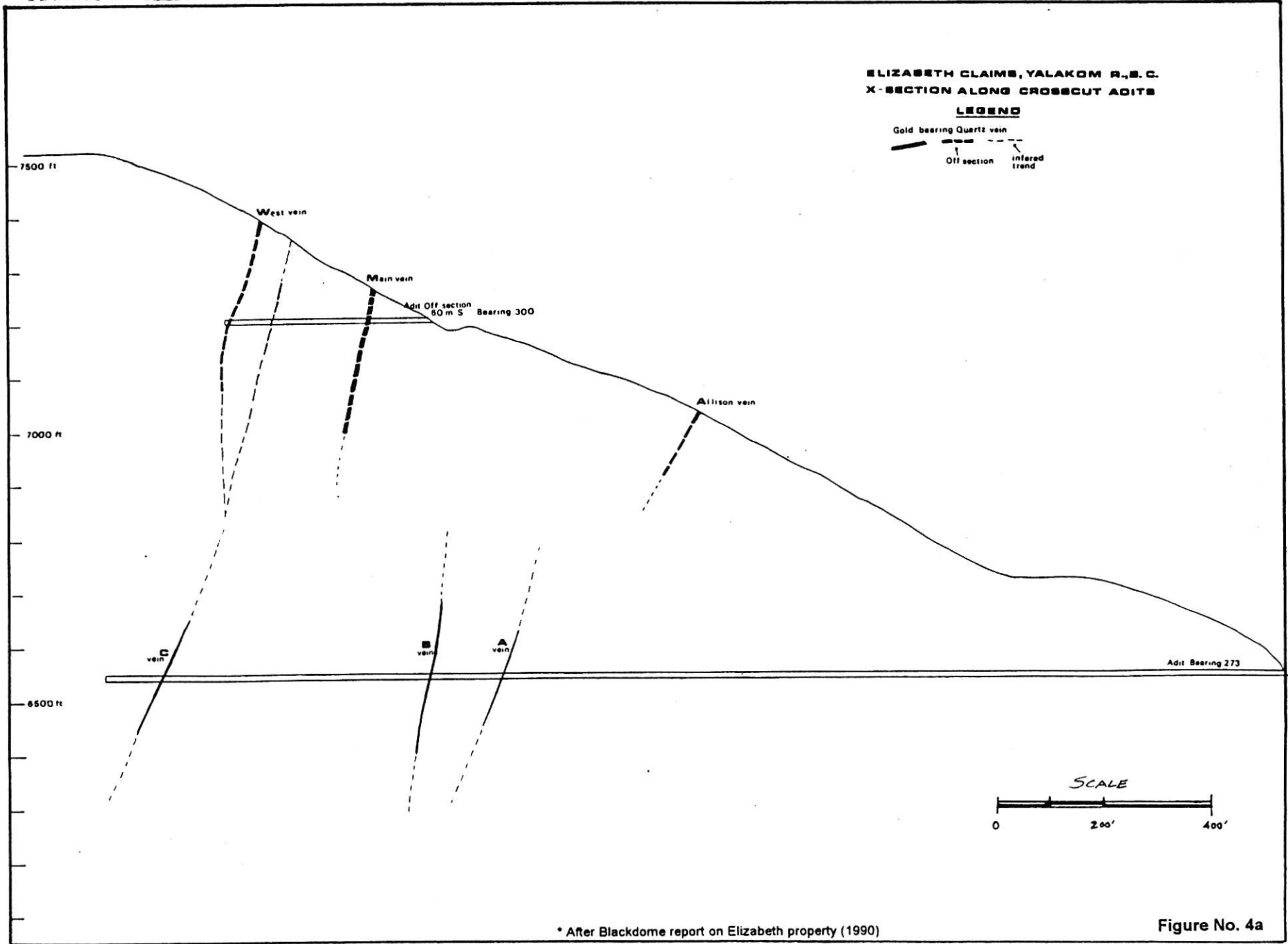
The Elizabeth property is situated within a geologically diverse area of the Intermontane Belt of southern British Columbia. Highly metamorphosed sedimentary rocks of Palaeozoic age (Fergusson Group) are the oldest rocks exposed in the region. These "basement rocks" were intruded along major fractures by the dioritic Bralorne Intrusions of Permian age. During the Triassic period a diverse assemblage of volcanic and sedimentary rocks were deposited over the basement rocks. Dykes and large bodies of ultrabasic rocks of the Shulaps and President intrusions were emplaced during major Jurassic tectonic events. Continued uplift during the Cretaceous period resulted in the deposition of coarse sedimentary sequences such as the Taylor Creek Group. The end of the Mesozoic era was marked by the emplacement of major granitic plutons of the Coast Plutonic Complex found in the southwestern part of the region. The early Tertiary Rex Peak porphyry marks the last major intrusive event in the region. The youngest rocks in the region are small patches or "outliers" of bedded Tertiary basaltic flows.

The region has a varied and complex period of tectonic activity. Major breaks and faults have been active or reactivated over a broad geologic time frame. Some of these faults have

ELIZABETH CLAIMS, YALAKOM R., B. C.
X-SECTION ALONG CROSSCUT ADITS

LEGEND

Gold bearing Quartz vein
Off section
Inferred trend



* After Blackdome report on Elizabeth property (1990)

Figure No. 4a