

CHIPMAN CREEK SYNCLINE

Copper, zinc gold prospect
 Victoria Mining Division
 British Columbia, 092-B-13

June 21, 2000

Owners

Fractal Capital Corp.....	25.0%	---
Albert F Reeve Limited.....	37.5%	
Whytecliff Geophysics Ltd.....	37.5%	

The Chipman Creek Syncline is covered by the 20- unit "Pich" claim, which is located 12 km west-southwest of the Town of Ladysmith on the southeastern part of Vancouver Island. Access is by a well-developed system of logging roads. The terrain is rugged and heavily forested with relief of 600m to 1200m ASL. The principal activity in the area is timber harvesting and there are no obvious impediments to exploration and development. The proximity to power, water and community facilities offers potential for low cost production.

Geological Target

The Chipman Creek Syncline presents an attractive geological target for a large volcanogenic massive sulphide deposit of zinc, copper and precious metals in Sicker Group volcanic rocks. Prior exploration work in the area by Falconbridge, Abermin, Laramide and Minnova provide the structural, stratigraphic and geochemical elements of the target. It is located on a known mineralized trend [Randy prospect] within a zone of sodium depleted rhyolites. In addition, the altered rhyolites at Chipman Creek are stratigraphically beneath a cherty oxide iron formation that carries anomalous precious metal values. In other districts [ie Buttle Lake, BC and Wolverine, Yukon] such exhalative iron formations are antecedent to and stratigraphically above important massive sulphide deposits.

Richard Walker and Giles Peatfield carried out a study of the area for Laramide Resources in 1994. According to Walker, old submarine fault structures from which metal bearing massive sulphides were originally discharged, are often found along the axes of folds in a deformed volcanic sequence. He went on to say that a negative or synclinal feature is the most likely place to find a large, totally preserved deposit such as the "HW" orebody at Buttle Lake. He further stated that smaller massive sulphide deposits like the Lara and the Anita are more likely to be found on the upper flanks of

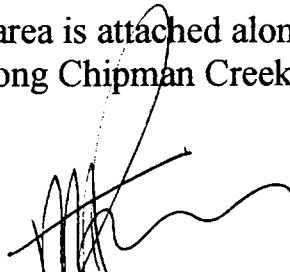
anticlines, breached at the surface by erosion. These would be analogous to the smaller high-grade ore bodies at Buttle Lake in the Lynx Mine. Walker and Peatfield recommended stratigraphic drilling in the Chipman Creek area, which was never carried out.

IN SUMMARY, the Pich mineral claim covers a prospective synclinal structure, on a trend of mineralized, sodium-depleted rhyolites, beneath a high-level oxide iron-formation, in an established VMS district.

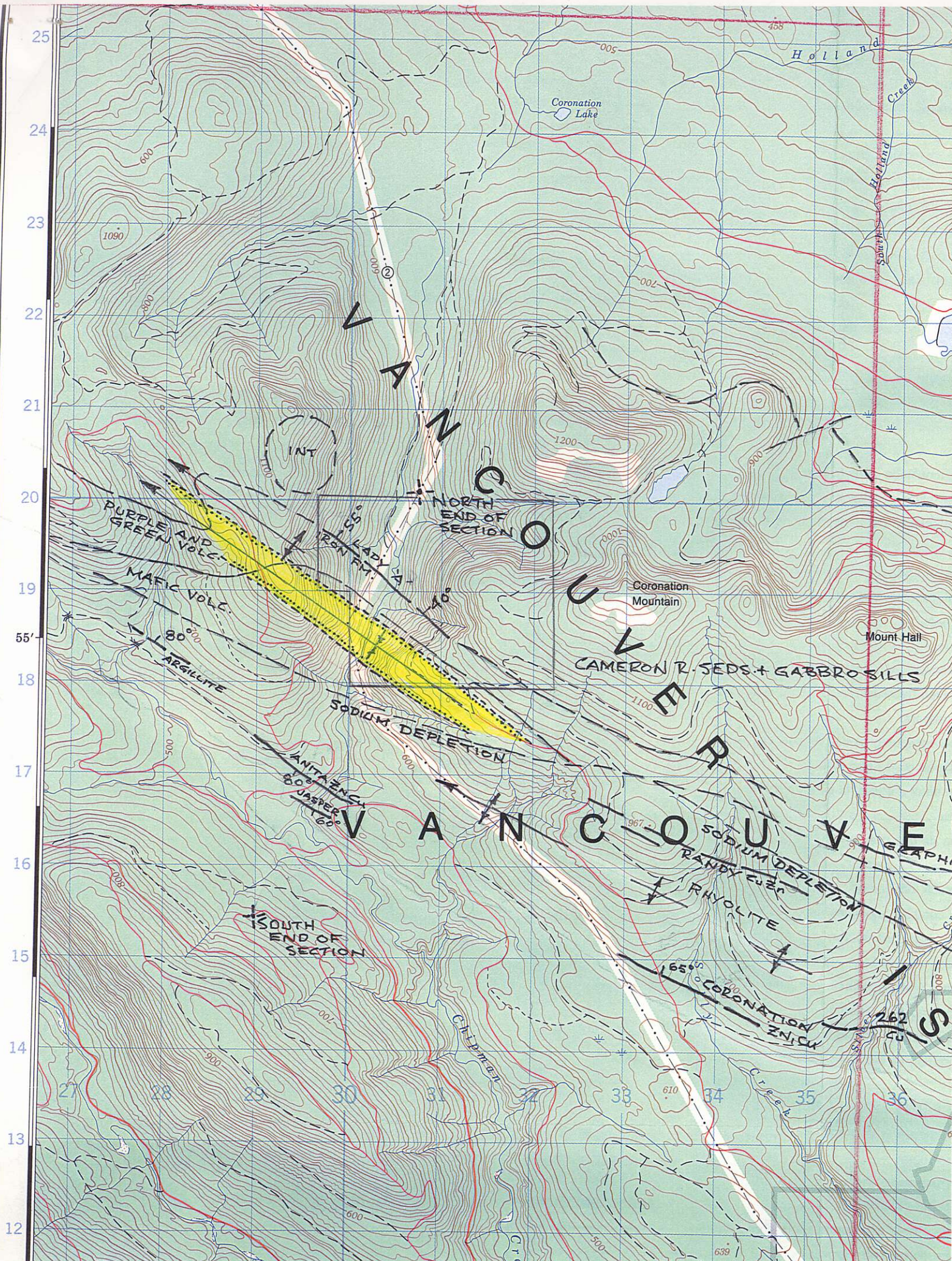
Exploration Proposal

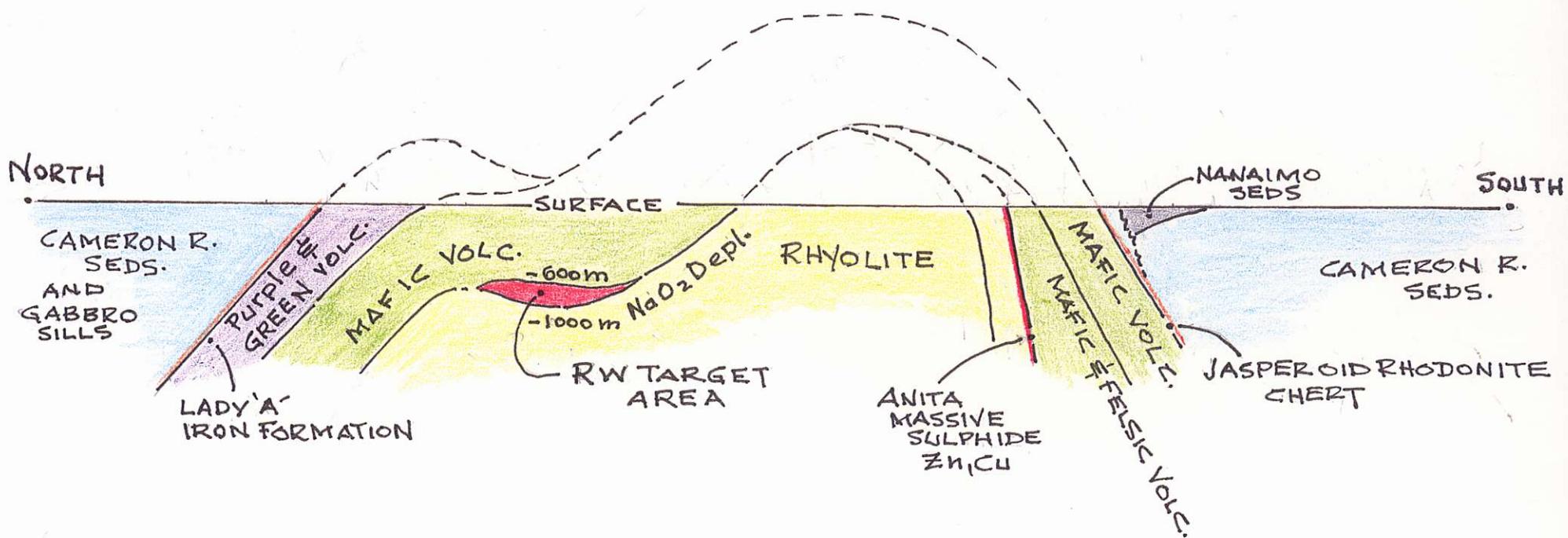
A logging road in the canyon of Chipman Creek, on the Pich claim provides an ideal location for a seismic traverse. The target area, which is the trough of the NW plunging syncline, has a strike length of 1 km. on the Pich claim and extends northwestward onto the Hart#4 and Chip#2 claims owned by Doublestar Resources. A second logging road crossing the target is located on the Chip#2 claim. The estimate of costs for the seismic work is not yet available.

A 1:50,000 scale plan of the target area is attached along with a cross sectional diagram of the geology along Chipman Creek.



Albert F Reeve





CHIPMAN CREEK CROSS SECTION
LOOKING EAST

1:20,000
SCALE

