

VEERMAN BOTEL LIMITED
CONSULTING GEOLOGISTS

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DOMINEER JOINT VENTURE

PROPERTY

Thirty three located claims and four Crown Grants in the Nanaimo Mining Division.

The property is located on Mount Washington, some 15 miles northwest of the town of Courtenay on Vancouver Island.

Access is by a system of logging roads and mine roads that traverse the claims. Electric power lines run within a few miles of the claims.

The property is owned by the Mount Washington Copper Company, and is held under option by Veerman Botel Limited.

History

The property has been explored almost continuously since it was found in the late thirties. Although initial work was aimed at the gold potential, the later work was concentrated almost exclusively on copper.

Cominco, Mertin Marietta, Noranda and until 1982 Esso spent substantial amounts on the property.

During the period of 1965-66 part of a copper-silver-gold deposit was mined by Mount Washington Copper Company, producing 392,178 tons of ore running 1.16% copper, 0.5 ounces of silver and 0.01 ounces of gold per ton. The concentrate was shipped to Japan.

Recent work has indicated the possibility of outlining substantial reserves of gold-silver ore, part of which may be mineable by open pit methods.

WORK PROPOSAL

The purpose of the work program outlined below is to indicate sufficient reserves of mineable ore to sustain a mining operation.

The main target is a shallow dipping vein or mineralized zone with a thickness from 2 to 20 feet. The vein is exposed in a series of short adits and trenches for a length of 150 feet or so. The average of four samples across the vein returned 0.3 oz Au, 4 oz Ag and 1.2% Cu over 5 feet. Geochemical information indicates mineralization for at least 700 feet south of the adits.

On the west side of the mountain, and some 1500 feet from the adits, occurs a strong geochemical anomaly which may represent the same flat vein, outcropping on the other side. Heavy gossan material in a hand trench ran 0.34 oz Au and 0.51 oz Au in two samples of selected material, with several ounces of silver. This area is known as the "Meadows" area. The length of the geochemical anomaly indicates mineralization over at least 1200 feet.

The total area of interest that may be underlain by the flat vein is 2400x1500 feet, open on north and south sides.

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WORK PROPOSAL (cont)

The work necessary to reach the objective consist of :

1. Mapping, core logging, rock geochemistry, sampling of claim area.
2. Road building. Repair of access road, road to Meadows area, road to Domineer No 1 vein portal area to prepare for underground work. Large amounts of waste rock (left over from previous ming operation) are available for road building.
3. Trenching in Meadows area. Five or six long trenches across the vein outcrop will make it possible to sample the vein and to determine open pit potential.
4. Drilling in the Meadows area, to continue outlining ore beyond the limits of the trenching program. A total of 2000 feet in 100-200 feet holes. A small bulldozer may be required to move drill around.
5. Drilling south extension Domineer No 1 vein. The area is steep and trenching with mechanical equipment is difficult. Total 1000 feet.
6. Tunneling on Domineer NO 1 vein. 200 feet of drifting to establish an ore reserve.

BUDGET for 1983.

1. Mapping etc. Geologist and helper, 3 months including vehicle, board & room, travel etc.	#25,000.-
2. Roadbuilding, backhoe, cat, 2 trucks, total 60 hours	15,000.-
3. Trenching, backhoe & cat, transportation, total 150 hours	15,000.-
4. Drilling, Meadows area, 2000 feet @ \$30.- plus small cat,	65,000.-
5. Drilling Domineer No 1 vein. 1000 feet @ \$30.-	30,000.-
6. Tunneling Domineer No 1 200 feet @ \$400.-	80,000.-
7. Transportation, board & room, travel, incidentals	17,000.-
8. Assaying & Sampling, testing	8,000.-
9. Management fee, Veerman Botel Ltd, \$10,000.- plus 15%	45,000.-
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Total	300,000.-