

800587

SUMMARY REPORT

on the
DOBBIN-TADPOLE Copper and Molybdenum Properties

located in the
Vernon Mining Division
N.T.S. 82L/4W
50° 01' North and 119° 46' West
for

VERDSTONE GOLD CORPORATION
and
MOLYCORP GOLD CORPORATION

#310 - 1959 152nd Street
Surrey, British Columbia
V4A 9E3

written by:
Peter Peto, Ph.D.
3906 Gartrell Road
Summerland, B.C.
V0H 1Z0

27 March, 1997

SUMMARY

The Dobbin Lake copper prospect and Tadpole Lake molybdenum prospect are owned by means of the 45 unit "MY" claim group located some 27 km west of Kelowna. Both prospects have been previously explored by geochemical and geophysical surveys and superficial percussion drill programs, from 1968 to 1980. The copper prospect is a chalcopyrite, pyrite and magnetite magmatic segregation deposit associated with a small differentiated alkalic plug. Gold, silver platinum and palladium values are associated with higher grades (0.3%) of copper. The Tadpole Lake molybdenum prospect occurs in a epizonal (high level) differentiated dioritic plug dated at 147 ± 6 m.y. and this would appear to be the same age as the Brenda Mines Cu-Mo mineralization. It consists of a quartz-molybdenite vein stockwork associated with a large (1900 x 800 m) hydrothermal alteration envelope characterized by pyrite, sericite and chlorite. Previous percussion drilling by Cominco has partially outlined a deposit some 1200 x 200 to 600 m wide with grades averaging around 0.03 - 0.05% Mo (0.08% MoS₂). Only three shallow diamond drill holes totalling 805 meters have tested the deposit to date. In the writers estimation, previous drilling has insufficiently tested, what appears to be a geologically promising Molybdenum porphyry system and he therefore recommends that a systematic 20,000 foot diamond drilling program be carried out to better assess the deposit to depths of 1000 feet or more.

TABLE OF CONTENTS

TEXT	PAGE
INTRODUCTION	3
LOCATION AND ACCESS	3
CLAIM DESCRIPTION	3
PROPERTY HISTORY	3
REGIONAL AND PROPERTY GEOLOGY	6
GEOCHEMISTRY	7
GEOPHYSICS	7
DRILLING PROGRAMS	8
CONCLUSIONS	8
RECOMMENDATIONS	10
WORK BUDGET	11
PROFESSIONAL CERTIFICATE	12
REFERENCES CITED	13

ILLUSTRATIONS

FIGURE 1: PROPERTY LOCATION	4
FIGURE 2: CLAIM MAP	5
FIGURE 3: PROPERTY GEOLOGY	14
FIGURE 4: COMPILATION MAP	15
FIGURE 5: DRILL HOLE LOCATION MAP	16

TABLE

TABLE 1: DRILL HOLE SUMMARY OF SIGNIFICANT INTERCEPTS (Cominco, 1978, 1979, 1980)	9
--	---

INTRODUCTION

Verdstone Gold Corporation and Molycor Gold Corporation have recently acquired by staking the "DOBBIN" copper and molybdenum deposit formerly owned by Cominco. A total of 45 claims were staked in the fall of 1996. The companies have commissioned the writer to evaluate the properties and make recommendations to further explore and advance the properties. The writer has examined the property and carried out a search of previous exploration literature; the results of his findings are summarized herein.

LOCATION AND ACCESS

The property is situated 27 km west of Kelowna, B.C. and covers partially logged, gently rolling upland plateau ranging in elevation from 1650 to 1850 meters. The claim block encloses the Tadpole Lake reservoir whereas Dobbin Lake lies to the southwest of the claims. (Figure 1).

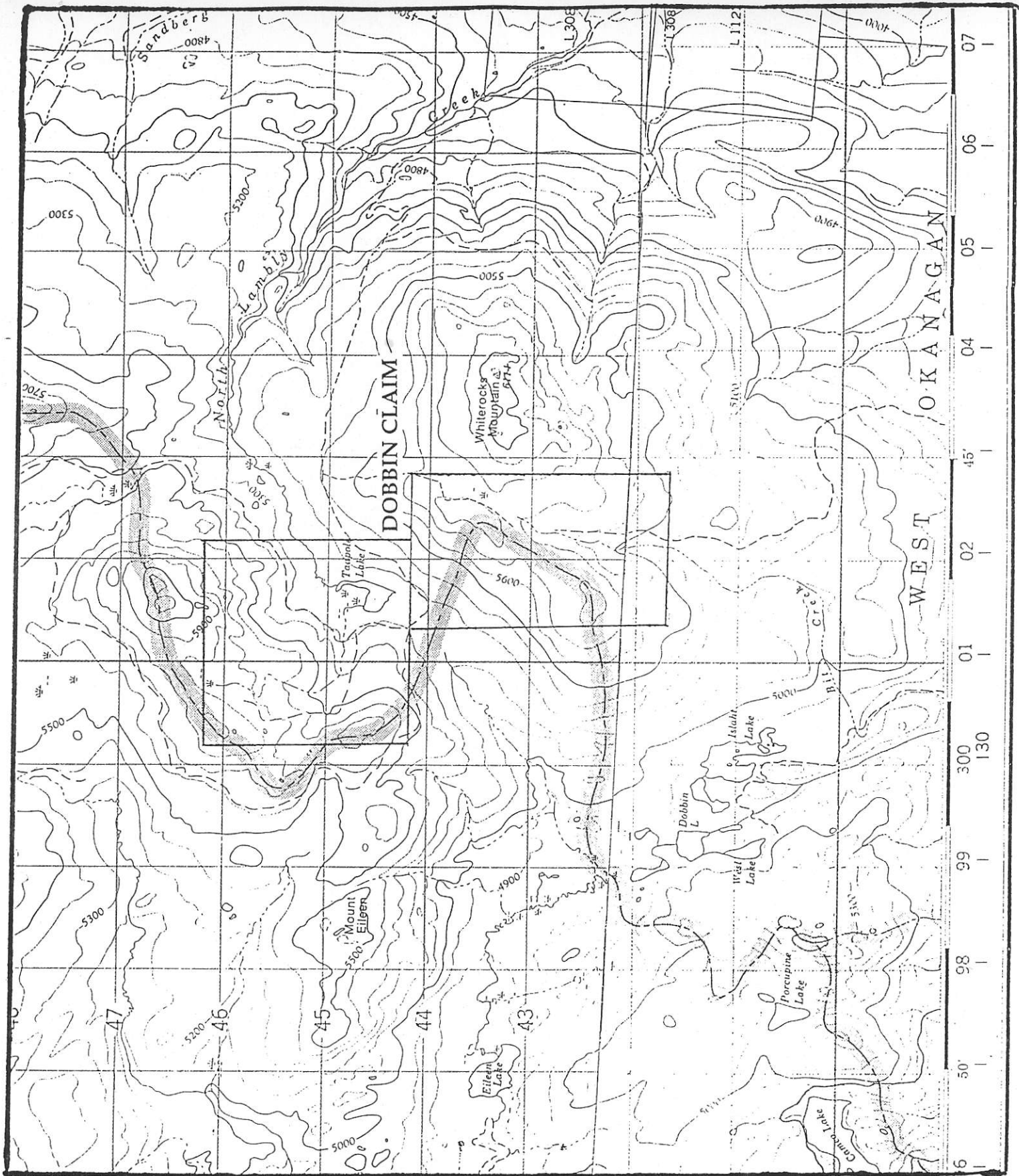
The claims are readily accessible by means of Bear Creek forestry access road from Kelowna or the Paradise Lake access road from Westbank.

CLAIM DESCRIPTION

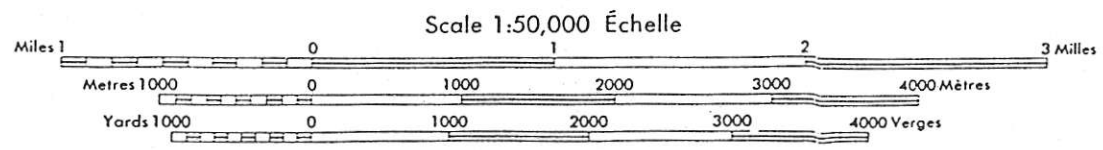
The Dobbin property was originally held by means of 6-two post claims (ALPHY #1 to #6) which was later expanded by means of a 4-post block, consisting of 15 units known as the MY #18 claim. The Tadpole Lake moly deposit is covered by means of two overlapping, two-post, claim blocks known as MY #1 to #16. These claims have been extended to the west by means of a 4-post block (8 units) known as the MY #18 claim. The claim group consists of 45 contiguous claim units (Figure 2).

PROPERTY HISTORY

Copper mineralization in the Dobbin Lake area was first mentioned in the Annual Report of the Minister of Mines, B.C., 1929, p. 249. Some grid work was carried out in 1955 and in 1967 Phelps Dodge isolated a strong moly stream anomaly just west of Tadpole Lake. Texas Gulf Sulphur acquired the property and carried out an extensive



**FIGURE 2: DOBBIN CLAIM MAP
SCALE 1:50,000 (82 L/4)**



soil geochemical survey in 1968 (Assessment Report #1896). Three short drill holes in 1968 yielded 0.38% Cu / 13m, 0.18% Cu / 8 m and 0.32% Cu / 34m. The copper property was subsequently optioned to Atlas Exploration which carried out a standard exploration program in 1969 (Assessment Report #2255). In 1972 Geoquest Resources drilled a 120m hole which returned 0.3% Cu over its full length. Rockel Mines drilled additional holes in 1974 encountering 0.1 - 0.4% Cu, up to 0.03% MoS₂, over intersections up to 60 feet. (Assessment Report #5568). The property was acquired by Cominco in 1977 which carried out geological mapping, soil and silt geochemical surveys, ground magnetic and I.P. surveys and 1000 meters of percussion drilling in 11 holes (Assessment Reports #6732 and 7269). Cominco noted that copper mineralization was associated with platinum and palladium values.

The bulk of Cominco's exploration effort, however, was directed on the Tadpole Lake molybdenum prospect which included geological mapping, geochemical and geophysical surveys. They drilled 2683 meters in 37 percussion holes and 805 meters in 3 diamond drill holes in 1979 (Assessment Report #7596). In 1980 they drilled an additional 6860 feet in 16 percussion holes which delineated a large (1900 x 800 m) hydrothermal alteration zone which contained a molybdenum deposit measuring 1200 x 200 to 600 meters to depths of at least 100 meters. (Assessment Report #8456). Cominco kept the property in good standing for 19 years!

1977
m
1000 - 11
1978
holes

1979
2683 - 37
805 - 3 DDA
1980
6860 - 16

REGIONAL AND PROPERTY GEOLOGY

The claim group occurs within a belt of tightly folded, and faulted late Paleozoic rocks now known as the Thompson assemblage (CPTA), Okulich (1978) but formerly known as the Cache Creek Group (Jones, 1959). The Thompson assemblage consists of volcanoclastic sandstones, siltstones, argillite, limestone and minor conglomerate forming an island-arc terrain of Mississippian to Permian age. During middle to late Jurassic times these rocks were intruded by granodiorite to quartz diorite intrusions which locally carry Cu-Mo porphyry mineralization, most notably, the now mined-out Brenda deposit, west of Peachland.

The Dobbin Copper prospect, covered by the Alphy claims, is underlain by 2 x 4 km, tooth shaped, alkaline plug complex consisting of differentiated monzonite, quartz-monzonite, gabbro and pyroxenite. Pyrite, chalcopyrite, and magnetite mineralization occur as disseminations and along albite-epidote veinlets covering an area of some 150 x 30 m in ultramafic rocks. These rocks yielded copper values of about 0.3% with gold values around 40 ppb, silver of about 2 ppm as well as platinum values up to 1000 ppb and palladium values up to 900 ppb. This metal association is also typical of similar alkaline intrusive complexes at Ollala and Tulameen Mountain.

The Tadpole Molybdenum deposit, covered by the MY #1 to #16 claims, is largely underlain by an elongated, 3 x 1.5 km differentiated diorite to quartz diorite epizonal plug intruded into Thompson assemblage country rocks (Figure 3). Molybdenum mineralization occurs within a quartz-vein stockwork some 1000 x 1500 m in size. Quartz veinlets, usually 5-10 mm thick, carry molybdenum, pyrite, K-feldspar and chlorite which coincide with a pervasive sericite - chlorite hydrothermal alteration zone some 1900 x 800 meters in size. (Molybdenum grades within this zone are discussed under drill programs.) The intrusion yielded a Rb/Sr isochron age of 147 ± 6 m.y. (Osatenko, 1979) which is the same age as the mineralization at Brenda Mines.

GEOCHEMISTRY

Anomalous molybdenum silt values cover an area some 6 x 4 km north and west of Tadpole Lake. Within this area previous soil sampling has delineated a molybdenum anomaly (greater than 16 ppm) 1500 x 350 meters immediately NW of Tadpole Lake coincident with anomalous rock chip samples.

Anomalous copper bearing soils occur in the vicinity of the Dobbin copper showings (Figure 4).

GEOPHYSICS

Ground magnetometer surveys indicate slightly lower magnetic intensity over Mo soil anomalies probably due to hydrothermal alteration. Strongly magnetic anomalies were found over gabbros and pyroxenites in the vicinity of the Dobbin Cu

showing indicating the presence of associated magnetite.

An I.P. survey over the Tadpole lake Mo anomaly shows strong chargeability over pyrite sediments and lower values over intrusions. Higher values coincide with areas of known Mo mineralization and these tend to increase with depth. Resistivity are low over sediments and 3 to 4 times higher over intrusions. A resistivity low, some 300 x 700 meters across, in intrusives is associated with mineralization and hydrothermal alteration.

DRILLING PROGRAMS

Cominco carried out three successive percussion drill hole programs over the TAD molybdenum showing totaling 18,864 feet or 5716 meters in 81 holes during 1978, 1979 and 1980 seasons. These holes tested the molybdenum deposit to relatively shallow depths, usually 300 feet or less. The drilling programs have outlined a large hydrothermal alteration zone measuring 1900 x 800 meters which contains a north trending zone some 1200 m long and 200 to 600 meters wide, with grades averaging around 0.03 - 0.05% Mo. A summary of significant drill hole intercepts is listed in Table 1. PDH 80 - 16 yielded 303' of 0.044% Mo including 80 feet of 0.083% Mo near Tadpole Lake. Some 3.6 km north of the lake a 700 x 1200 m Mo soil anomaly was drill tested and yielded 0.013 to 0.039% Mo in garnet skarn. The ground south of the lake was found to be highly broken and hard to drill. Three diamond drill holes gave 805 meters of NQ Core which were used to test the percussion drill hole assays. Osatenko (1979) reports that core assays were lower by a factor of three due to a loss of molybdenum in the circulating fluid! Drill hole collar locations are shown in Figure 5.

CONCLUSIONS

The Dobbin Copper property is thought to be a magmatic segregation chalcopyrite - magnetite deposit associated with ultrabasic rocks belonging to a differentiated alkalic plug. Platinum and palladium values are found to be associated with high copper assays covering an exposed area of some 60 by 150 meters. The main copper showings has been extensively explored in the past several companies.

TABLE 1

DRILL HOLE SUMMARY OF SIGNIFICANT INTERCEPTS

Hole No.	Interval (Feet)	Thickness (Feet)	% Mo	% MoS ₂
PDH 78 - 1	60 - 290	230	0.023	0.04
PDH 78 - 2	170 - 300	130	0.032	0.05
PDH 78 - 3	90 - 270	180	0.061	0.10
	90 - 130	40	0.123	0.21
	210 - 230	20	0.130	0.27
PDH 78 - 7	160 - 200	40	0.044	0.074
PDH 78 - 8	150 - 240	90	0.041	0.06
PDH 78 - 10	310 - 350	40	0.030	0.05
PDH 79 - 1	290 - 300	10	0.145	0.24
PDH 79 - 9A	230 - 250	20	0.060	0.10
PDH 79 - 10	60 - 70	10	0.114	0.19
	170 - 190	20	0.151	0.25
PDH 79 - 11	50 - 60	10	0.274	0.46
PDH 79 - 16	140 - 150	10	0.128	0.21
	180 - 190	10	0.115	0.19
PDH 80 - 4	60 - 130	70	0.17	0.28
PDH 80 - 5	290 - 300	10	0.17	0.28
PDH 80 - 6	140 - 320	180	0.03	0.05
PDH 80 - 7	180 - 250	70	0.025	0.04
PDH 80 - 11	140 - 270	190	0.019	0.03
PDH 80 - 12	140 - 260	120	0.03	0.05
PDH 80 - 14	240 - 300	60	0.023	0.04
PDH 80 - 15	100 - 170	70	0.032	0.05
PDH 80 - 16	20 - 80	60	0.083	0.14
	7 - 310	303	0.044	0.07
PDH 80 - 23	40 - 50	10	0.039	0.06
PDH 80 - 33	160 - 190	30	0.023	0.04
PDH 80 - 34	70 - 140	70	0.033	0.05

The Tadpole Lake molybdenum deposit occurs in a high-level (epizonal) multiphase, differentiated diorite-quartz diorite plug. The intrusion was dated at 147 ± 6 million years which also corresponds to the age of the Brenda Cu-Mo molybdenum deposit. Molybdenum mineralization consists of a quartz vein stockwork enveloped by a large hydrothermal alteration zone consisting of sericite, chlorite, pyrite and secondary K-feldspar. Percussion drilling indicates a near surface, low grade molybdenum deposit some 500 x 1500 meters across yielding grades of 0.03 - 0.05% Mo. The deposit is cut by a major fault running along Lambly Creek.

The geology is indicative of a large hydrothermal mineralizing porphyry system which has to date only been superficially tested by Cominco's percussion drill programs. The Tadpole Lake molybdenum deposit is open on three sides and at depth.

RECOMMENDATIONS

On the basis of the foregoing considerations the writer recommends that the Tadpole Lake molybdenum deposit be further tested by means of a systematic diamond drill program. The deposit should be drilled off on a 100 meter grid pattern to depths of 1000 feet (300 meters) or more. Percussion drilling generally suggests that moly grades may improve with depth. It is also possible that better grade mineralization might be found near major fault zones under Tadpole Lake. In any case, the porphyry system should be explored to greater depths to better assess the deposit. A budget for a minimum of 20,000 feet of diamond drilling is suggested.

BUDGET ESTIMATE

DRILLING COST: 20,000 FEET (NQ) @ \$20/ft.	\$400,000
EQUIPMENT AND TRANSPORTATION COSTS:	
Two 4 x 4 Trucks 4 months @ \$1500/month	10,000
Excavator	6,000
Bulldozer	4,000
ASSAYING COST: 1000 x \$15/sample	15,000
LABOR COSTS:	
Equipment Operators	24,000
Field Manager	12,000
Technician 120 days @ \$100/day	12,000
Geologist 120 days @ \$300/day	36,000
COMMUNICATIONS	2,000
ADMINISTRATION	5,000
MATERIALS	<u>3,000</u>
	Sub Total \$529,000
10% CONTINGENCY	53,000
TOTAL:	<u><u>\$582,000</u></u>

PROFESSIONAL CERTIFICATE

I, Peter Peto, of 3906 Gartrell Road, Summerland, British Columbia V0H 1Z0, do hereby certify:

That I am a consulting exploration geologist with the above address.

That I am a graduate of the University of Alberta from which I obtained B. Sc. (1968) and M. Sc. (1970) and that I received a doctoral degree in geology from the University of Manchester (1975).

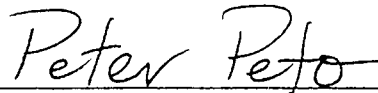
That I have practiced my profession as exploration consultant or professor of geology since 1975.

That I have no interest in the DOBBIN TADPOLE property, nor in the securities of Verdstone Gold Corp. or Molycorp Gold Corp., nor do I expect to receive any.

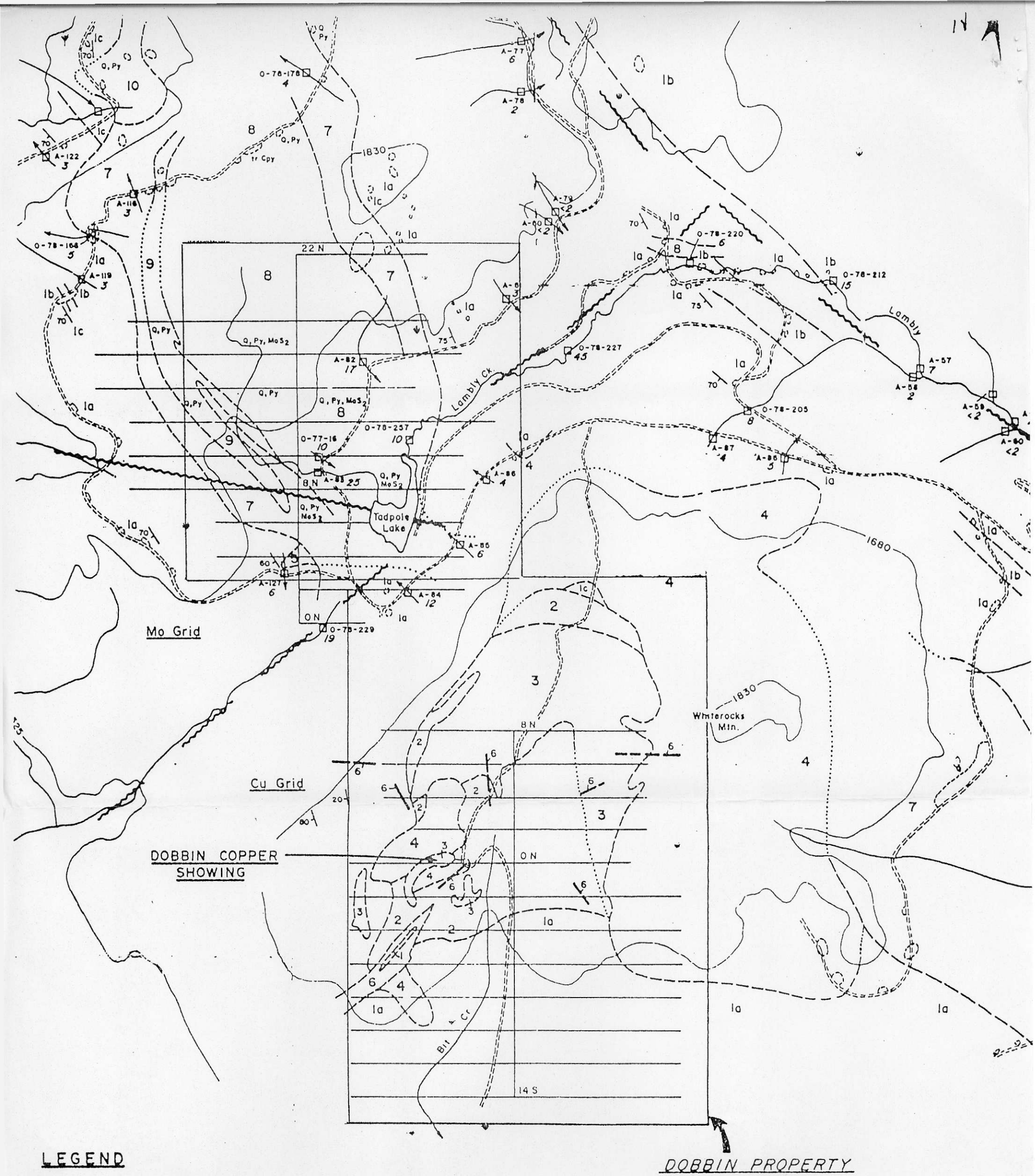
That this report may be used by the Corporations for financing purposes.

Dated this _____ day of _____, 1997,

Summerland, British Columbia.



Peter S. Peto, Ph. D.



LEGEND

JURASSIC - LOWER CRETACEOUS

Calc-alkaline complex

- 10 Alaskite (?)
- 9 Quartz porphyry II
- 8 Quartz porphyry I
- 7 Quartz monzonite
- 6 Leucocratic quartz diorite
- 5 Diorite

Ultramafic-monzonite complex

- 4 Porphyritic monzonite
- 3 Pyroxenite
- 2 Hornblende gabbro, mafic monzonite

PALEOZOIC or TRIASSIC

Cache Creek or Nicola Group

- 1 Sedimentary and volcanic rocks
- 1a Argillite, impure quartzite, limestone
- 1b Basalt flows and tuffs

- A-27
6 Stream silt sample, Mo ppm (background <2)
- Assumed fault
- Geological boundary (approximate, assumed)
- Py Pyrite
- Q Quartz veining
- Cpy Chalcopyrite
- MoS₂ Molybdenite

FIGURE 3: DOBBIN PROPERTY GEOLOGY MAP
SCALE 1:20,000 (COMINCO, 1979, PLATE 4)

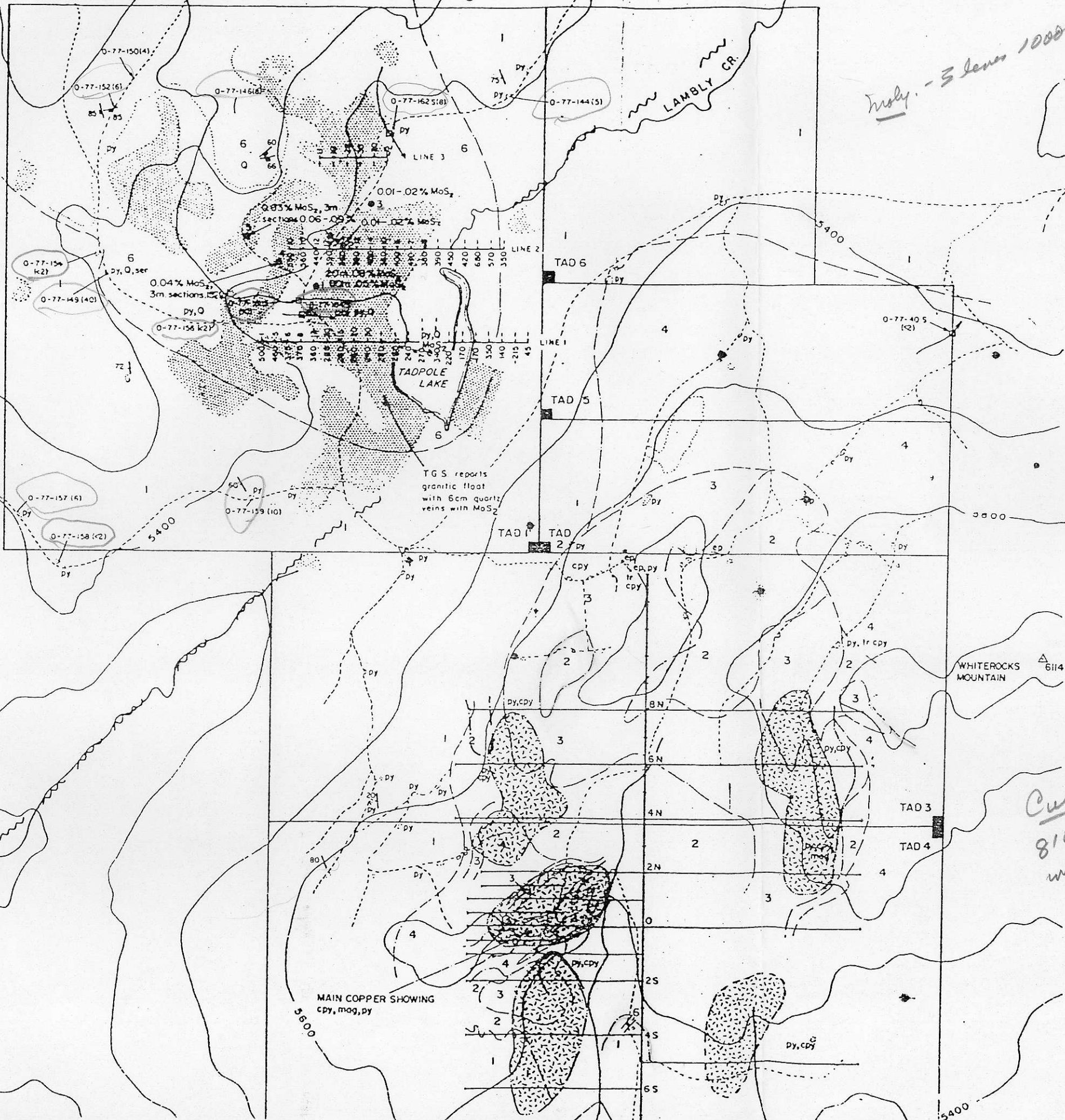
SCALE



NOTE: Topographic contours are in meters



Truly - 3 lens 1000m



LEGEND

- 6 Quartz porphyry, granodiorite
- 5 Leucocratic diorite
- 4 Monzonite
- 3 Hornblende pyroxenite, pyroxene hornblendite (biotitic in parts)
- 2 Gabbro, syenodiorite, diorite
- 1 Sediments

SYMBOLS

- cpy Chalcopyrite showing
- py Pyrite
- ep Epidote
- Contact, assumed
- I.P. Anomaly (Atlas 1969), (positions approx. - see PLATE 5)
- Copper soil anomaly (Atlas 1969)
- Molybdenum soil anomaly (T.G.S.-1968)
- Road
- Percussion drill hole (T.G.S.)
- Outcrop
- Joints
- Inferred fault
- Q Quartz veining
- ser Sericite
- mag Magnetite

0-77-159 (10) Rock Sample number (ppm Mo)

0-77-405 (2) Stream silt sample number (ppm Mo)

ppm Mo in soil

Line for Mo soil geochem. and ground magnetics

ground magnetic reading (γ)

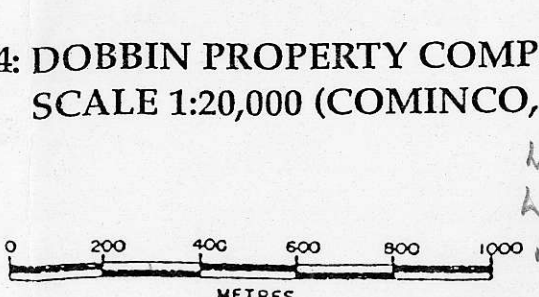


FIGURE 4: DOBBIN PROPERTY COMPILATION MAP SCALE 1:20,000 (COMINCO, 1978, PLATE 2)

Cu, 8100m w/ 13 lens

FIGURE 5: DOBBIN DRILL HOLE LOCATION MAP
(COMINCO, 1980, PLATE 3)

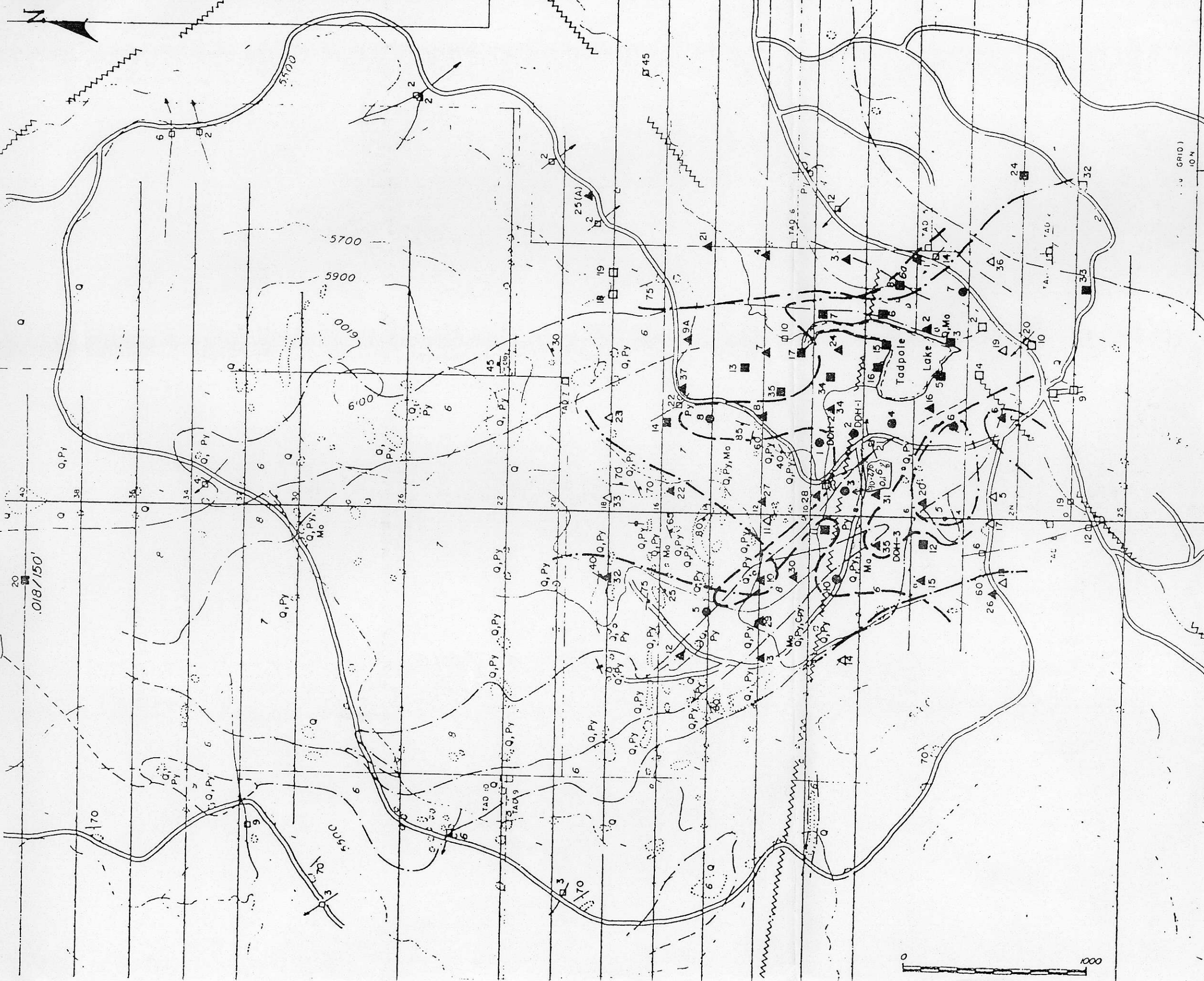
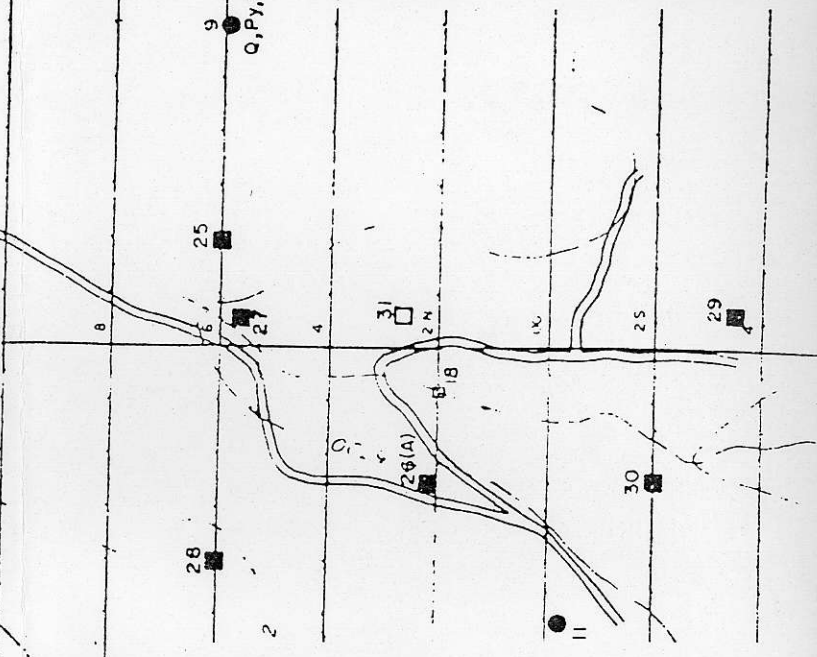


FIGURE 5: DOBBIN DRILL HOLE LOCATION MAP
(COMINCO, 1980, PLATE 3)



- LEGEND**
- LOWER JURASSIC - UPPER JURASSIC**
CALC-ALKALINE COMPLEX (UPPER JURASSIC)
- 9 Feldspar porphyry, alaskite.
 - 8 Quartz porphyry II.
 - 7 Quartz porphyry I.
 - 6 Equigranular granodiorite, quartz monzonite.
 - 6a Hornblende granodiorite
- ULTRAMAFIC-MONZONITE COMPLEXES (LOWER JURASSIC)**
- 5 Diorite
 - 4 Monzonite.
 - 3 Gabbro
 - 2 Undivided pyroxenite, gabbro, and monzonite
- PALEOZOIC or TRIASSIC**
- 1 Argillite, impure quartzite, minor limestone, rhyolitic tuff, basalt flows and tuffs

SCALE 1: ~10,000

- SYMBOLS**
- Silt sample, Mo ppm (background 2ppm)
 - ▲ Quartz veinlets
 - 1976 percussion hole
 - ▲ 1979 percussion hole
 - 1980 percussion hole
- } shallow holes; ○ ▲ □
- Area of .03% - .054% Mo
 - Serkrite zone