

SUMMARY REPORT

823125

on the

STRAWBERRY FLATS PROPERTY

**Trail Creek Mining Division
British Columbia
49°12'N, 117°53', NTS 82F/4**

for

**Roy Ganderton
Crescent Valley, British Columbia**

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April 25, 1991

TABLE OF CONTENTS

SUMMARY AND RECOMMENDATIONS	1
INTRODUCTION	3
LOCATION, ACCESS AND PHYSIOGRAPHY	3
LAND STATUS.....	3
REGIONAL GEOLOGY.....	5
GOLD DEPOSITS OF THE ROSSLAND CAMP.....	6
PROPERTY GEOLOGY.....	7
EXPLORATION HISTORY.....	7
GOLD OCCURRENCES	8
DISCUSSION AND CONCLUSIONS	10
BIBLIOGRAPHY.....	11
STATEMENT OF QUALIFICATIONS.....	12

LIST OF FIGURES

Figure 1 Location map.....	following page 3
Figure 2 Strawberry Flats Showing, Drill Hole Plan Map.....	following page 8
Figure 3 Grizzly Showing, Drill Hole Plan Map.....	following page 8

LIST OF TABLES

Table 1 Land Status of the Strawberry Flats Property.....	4
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SUMMARY AND RECOMMENDATIONS

The Strawberry Flats property is located in southeastern British Columbia, 15 kilometres north of the famous Rossland mining camp. Prior to 1941, pyrrhotite- and chalcopyrite-bearing quartz veins of the Rossland camp produced three million ounces of gold at an average grade of 16.1 g/T (0.47 oz/ton). Ore shoots were up to 42m wide by 245m long; suitable for modern, low cost, underground bulk mining techniques.

The Strawberry Flats property is a large grassroots prospect, covering about 3200 hectares (7900 acres). It is 100% owned by Roy Ganderton. Property access is excellent as the claims are crossed by Provincial Highway #3B and numerous logging roads.

Thick soil cover is present over a large part of the property. Pennsylvanian through Eocene sedimentary, volcanic and intrusive rocks have been mapped on the claims, and are the same units which host the veins at Rossland.

During 1989 and 1990 the claims were optioned to Cameco Corporation who conducted geological, geochemical and geophysical surveys over about 50% of the property. Six areas of gold mineralization were located of which two, the Strawberry Flats and Grizzly areas, received backhoe trenching and limited drilling.

High grade gold mineralization is associated with Fe-Cu-As (Pb-Zn) sulphides and occurs in veins, fault-zones and silicified stratiform zones hosted by siltstone, calc-silicate rock, hornfels, volcanics, and intrusive rocks. Gold-bearing quartz-pyrrhotite-chalcopyrite veins are present locally and are similar to the Rossland ores.

In the **Grizzly area**, surface chips from old trenches returned up to 13.6 g/T Au (0.40 oz/ton) over 2.5m. Three short diamond drill holes were drilled in this area and the best intersected 2.4 g/T Au (0.07 oz/ton) and 16.7 g/T Ag (0.49 oz/ton) over 2.5m. Sludge samples from the same zone returned 5.36 g/T Au (0.16 oz/ton) over 6.1m suggesting a problem with recovery or sampling.

In the **Strawberry Flats area**, trenching uncovered narrow sulphide-rich silicified stratiform zones hosted by calcareous siltstone, to the north of an area of old workings. The best of these assayed 31.16 g/T Au (0.91 oz/ton) over 2.0m. Two drill holes failed to intersect the mineralization at depth, however the holes were too short to reach beneath the old workings. Mineralization in the old workings is similar to the Rossland camp.

Four other showings were discovered but received no physical work. **Area A** is located 400m northeast of Strawberry Flats. Here an old trench exposes a stratiform silicified zone in sediments which ran 47.7 g/T Au (1.3 oz/ton) over 0.3m. Although this occurrence is narrow, the area is heavily soil covered and the showing lies beside a strong 450m long coincident VLF-EM/magnetic anomaly. This anomaly may represent a sulphide-rich Rossland-type vein structure. **Area D** is underlain by granitic rocks which are only locally exposed. Five rock samples were taken in an area 400m by 300m and ran up to 5.25 g/T Au (0.15 oz/ton).

Although some of the showings are at the drilling stage now, it is recommended that systematic exploration be conducted over the property to locate new and better Rossland-type vein structures. A two stage program is proposed:

STAGE 1

1. Conduct detailed prospecting in "Area D" which has been only sparsely sampled, and which should be free of snow by June,
2. Conduct VLF-EM and magnetic surveys, prospecting, and geological mapping on the Lamb, SMD, Strawberry Pach, Elgood and B.J. claims,
3. Conduct orientation soil geochemistry lines over the known showings, and if they are successful, conduct grid soil sampling over other prospective areas on the property,
4. Extend known targets with rock sampling and trenching, and
5. Prospect the area northeast of the Grizzly showing which is shown to be underlain by small stocks of Rossland monzonite.

STAGE 2

1. Drill at least eight to ten holes, depending on the success of Stage 1. The VLF-EM/magnetic anomaly at "Area A" should be tested with at least four holes.

INTRODUCTION

At the request of Mr. Roy Ganderton, the author undertook a study of the Strawberry Flats property to summarize the geological setting of the property and determine the potential for discovery of Rossland-style gold mineralization.

This report is based on a review of all available government geological literature and four exploration reports by Cameco Corporation. The Cameco reports detail the results of geological, geophysical and geochemical surveys, and trenching and drilling conducted during 1989 and 1990. In addition, the geology and ore controls of the nearby Rossland mining camp were reviewed in order to make comparisons and suggest additional targets.

No property examination was possible because of snow cover.

LOCATION, ACCESS AND PHYSIOGRAPHY

The Strawberry Flats property (49°12' N, 117°53'W) is centred 15 kilometres north of the town of Rossland in southeastern British Columbia (Figure 1). The property is located in the Rossland Range of the Monashee Mountains, and is typified by moderately steep sub-alpine topography. Elevations on the property range from about 1220m to 2150m. Thick soil cover is reported to be present in the central part of the property, however outcrop and scree is common on higher peaks on the north part of the claim block.

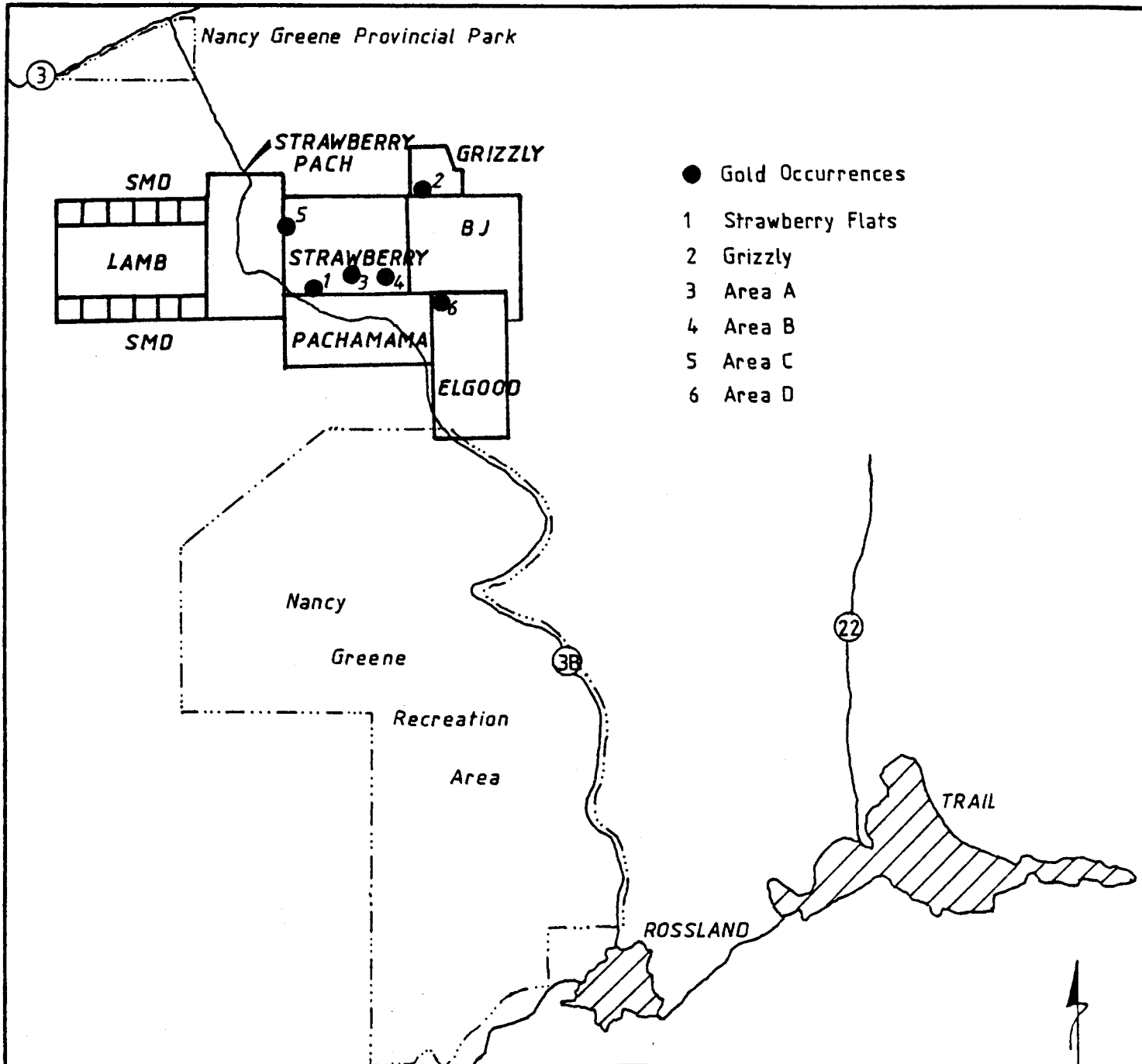
Property access is excellent. The southern trans-provincial highway (#3B) crosses the claims for roughly three kilometres (Figure 1). Numerous logging roads and trails allow good access throughout the property.

LAND STATUS

The Strawberry Flats property is 100% owned by Roy Ganderton of Crescent Valley, British Columbia. All the claim information presented in Table 1 was provided by Mr. Ganderton and has not been verified by the author.

The property covers approximately 3200 hectares (7900 acres) consisting of six contiguous modified grid claims (totalling 112 units) and sixteen two post claims (Figure 1; Table 1). The claims were staked between August, 1988 and July, 1990 and are in good standing until October, 1991 or later.

Two provincial parks are located near the property (Figure 1). The extreme southwest corner of the Elgood claim adjoins the Nancy Green Recreation Area, which extends south to the town of Rossland and the nearby Red Mountain ski area. Nancy Green Provincial Park is located 2.5 kilometres north of the northern property boundary. A small provincial highways gravel reserve exists at Strawberry Pass in the central part of the property, however this does not affect mineral rights. No other parks or reserves are known to exist or are proposed for the area.



- Gold Occurrences
- 1 Strawberry Flats
- 2 Grizzly
- 3 Area A
- 4 Area B
- 5 Area C
- 6 Area D

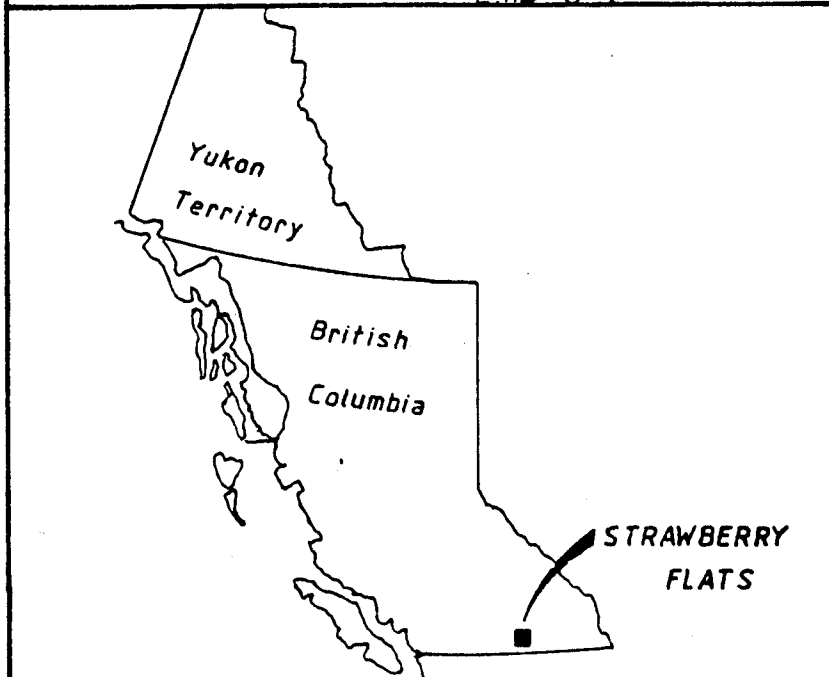


FIGURE 1

STRAWBERRY FLATS PROPERTY
Trail Creek Mining Division, B. C.

Location Map

M. S. Cathro 5/91

TABLE 1

LAND STATUS OF THE STRAWBERRY FLATS PROPERTY

CLAIM NAME	RECORD NO.	NO. OF UNITS	MINING DIVISION	RECORDING DATE	EXPIRY DATE
Grizzly	1433-36	4	Trail Creek	90/07/10	92/07/10
BJ.	1399	20	Trail Creek	91/01/18	92/01/18
Strawberry	1019	20	Trail Creek	87/08/21	92/08/21
Pachamama	1071	18	Trail Creek	88/03/25	92/03/25
Strawberry Pach	1174	18	Trail Creek	88/09/10	92/09/10
Elgood	1184	18	Trail Creek	88/09/29	92/09/29
Lamb	1185	18	Trail Creek	88/10/09	91/10/09
SMD 1	1186	1	Trail Creek	88/10/25	91/10/25
SMD 2	1187	1	Trail Creek	88/10/25	91/10/25
SMD 3	1188	1	Trail Creek	88/10/25	91/10/25
SMD 4	1189	1	Trail Creek	88/10/09	91/10/09
SMD 5	1190	1	Trail Creek	88/10/09	91/10/09
SMD 6	1191	1	Trail Creek	88/10/09	91/10/09
SMD 7	1192	1	Trail Creek	88/10/06	91/10/06
SMD 8	1193	1	Trail Creek	88/10/06	91/10/06
SMD 9	1194	1	Trail Creek	88/10/06	91/10/06
SMD 10	1195	1	Trail Creek	88/10/06	91/10/06
SMD 11	1196	1	Trail Creek	88/10/08	91/10/08
SMD 12	1197	1	Trail Creek	88/10/08	91/10/08
	TOTAL UNITS	128			

REGIONAL GEOLOGY

The geology of the Rossland-Trail map area has been described in detail by Little (1982), and Höy and Andrew (1991). In broad terms, the area is underlain by Pennsylvanian to Eocene sedimentary and volcanic rocks which lie between the Kootenay arc to the south and east, and the Shuswap complex to the north and west. The sedimentary-volcanic sequence is intruded by Jurassic-Cretaceous and Eocene aged granitic intrusions.

The Pennsylvanian-Permian Mount Roberts Formation is the oldest unit in the area and is composed of metamorphosed argillite, siltstone, sandstone, conglomerate, carbonate rocks and greenstone. Carbonate rocks and greenstone are more common to the north near Strawberry Flats.

The Early Jurassic Rossland Group overlies the Mount Roberts Formation and is comprised of a thin basal conglomerate layer of the Archibald Formation, and mafic to intermediate volcanic tuffs and flows and clastic sedimentary rocks of the Elise Formation. In the Rossland mining camp, the Rossland sill (augite porphyry) intrudes the upper part of the Elise Formation and is the host for some of the ore deposits. It may be a subvolcanic feeder of the Rossland Group and is probably an early phase of the Rossland monzonite described below.

The Eocene Marron Formation overlies the Rossland Group and is mainly composed of intermediate flows, minor lapilli tuff and tuffaceous sandstone or conglomerate. It occurs in two narrow, north-trending bands west of Rossland and west of Strawberry Flats.

The sedimentary and volcanic rocks have been intruded by numerous stocks, dikes and sills. A narrow discontinuous belt of serpentinized ultramafic intrusions occurs southwest of Rossland. These intrusions cut volcanic rocks of the Rossland group and are assumed to be Pennsylvanian (?).

The Jurassic-Cretaceous Rossland monzonite intrudes the older volcanic and sedimentary rocks and is the most important ore host in the Rossland camp. Several small bodies of this unit are also present on Mount Neptune just northeast of the Grizzly showing on the Strawberry Flats property (Little, 1982). The main stock in the Rossland area is surrounded by a wide (up to 1600 metres) aureole of biotite hornfels.

The Jurassic-Cretaceous Nelson plutonic suite is composed of granodiorite, diorite and quartz diorite and is thought to be genetically-related to the Rossland monzonite. The Nelson suite includes the Trail Pluton and Rainy Day Stock near Rossland, and the Mackie Pluton on the north side of the Strawberry Flats property.

The distinctive Middle Eocene Coryell Intrusions are composed mainly of coarse-grained, locally porphyritic syenite, quartz monzonite, monzonite and granite. The main mass of the Coryell Batholith is situated west of Rossland and extends from the U.S. border to the Strawberry Flats property. Small bodies and dikes of porphyritic augite-biotite monzonite (Coryell ?) occur throughout the Rossland-Trail-Strawberry Flats area.

A zonation of regional metamorphic grade is evident in the sedimentary rocks of the Mount Roberts Formation. The rocks grade from greenschist facies south of Rossland, to biotite facies in the Rossland camp, and garnet facies in the Strawberry Flats area (Little, 1982). Contact metamorphic effects are for the most part restricted to the margins of the Rossland monzonite as described above.

Three phases of deformation have been recognized by Höy and Andrew (1991): 1) extension during deposition of the Lower Jurassic Rossland Group as evidenced by sedimentation patterns and growth faults, 2) east-directed thrusting and minor folding during the Middle Jurassic, and 3) Eocene extension manifested as north-trending, high-angle normal faults such as the Snowdrop and O.K. faults in the Rossland camp.

An important structure in the Rossland camp is the east-trending "Rossland Break" which is marked by a number of intrusions and faults. Structures to the south of the break trend generally northeasterly, while to the north they trend easterly (Fyles, 1984).

GOLD DEPOSITS OF THE ROSSLAND CAMP

Because the geology of the Strawberry Flats property has many similarities to the nearby Rossland mining camp, a summary of that camp is useful. Thorough descriptions of the Rossland camp have been presented by Gilbert (1948) and Fyles (1984).

The Rossland mining camp, dominated by the famous Le Roi mine, is the second largest gold district in British Columbia with past production of over 3 million ounces. Between 1890 and 1941 roughly 5,624,000 tonnes (6,200,000 tons) of ore was mined with an average recovered grade of 16.1 g/T Au (0.47 oz/ton), 1% Cu, and 20.5 g/T Ag (0.6 oz/ton). The Cominco smelting complex in nearby Trail was originally constructed to treat these rich Rossland ores.

The ore deposits are hypothermal fissure veins that occur in three main systems: the North belt, the Main veins, and the South belt. About 80 % of the total production came from a 650 by 1300m area surrounding the Le Roi claim on the Main veins. The veins exhibit good depth persistence and were mined to depths of over 550m below surface.

The veins are composed of pyrrhotite, chalcopyrite and lesser pyrite and marcasite, in a gangue of altered wall rock with variable amounts of quartz and calcite. Minor ore minerals include sphalerite, galena, arsenopyrite, boulangerite, molybdenite, stibnite and bismuthinite. Alteration (and gangue ?) minerals reported by Bruce (1917) and Gilbert (1948) include chlorite, muscovite, biotite and epidote with minor wollastonite, actinolite, garnet, tourmaline, apophyllite and zeolites.

Veins in the North belt trend easterly and dip steeply north while veins in the South belt trend 110° and dip steeply north or south. The Main vein system is more complex but generally trends 070°. Within this trend are a number of steeply north-dipping, en echelon ore shoots. These ore shoots were up to 42m wide by 245m in pitch length.

The bulk of the production came from the area between two large north-trending lamprophyre dikes beneath a cap of Mount Roberts sedimentary rocks. The veins generally follow the contacts between the augite porphyry (Rossland sill of Rossland Group) and any of the other intrusive rocks. Ore shoots are also developed along the footwalls of north-trending crosscutting dikes and at the intersections with mineralized cross structures (Mathews, 1948). It is important to note that the main Le Roi vein was hosted by Mount Roberts sediments on surface and was only two metres wide.

PROPERTY GEOLOGY

The central part of the Strawberry Flats property has been mapped in detail by Cameco geologists, who recognized an east-trending, north-dipping package of sedimentary and volcanic rocks that is intruded by a variety of plutonic rocks. The sedimentary rocks are mainly sandstones, calcareous siltstones and limestone that are thought to be part of the Mount Roberts Formation. The volcanic rocks are predominantly intermediate tuff and flow rocks and are ascribed to the Rossland Group.

A large body of granodiorite occurs on the north boundary of the claim group and is part of the Mackie Pluton of the Nelson intrusive suite (Jurassic-Cretaceous). Granitic rocks on the south part of the claims are part of the Coryell Intrusions (Eocene). Numerous dikes and sills occur throughout the property, including granodiorite, alkali feldspar porphyry and lamprophyre. Little (1982) mapped several small stocks of Rossland monzonite on Mount Neptune, just northeast of the property.

According to Cameco geologists "metasomatic alteration...characterized by calc-silicate and hornfels mineralogy" affects the sedimentary rocks in the central part of the Strawberry and Pachamama claims. It is possible that this "alteration" may actually be metamorphism, since the regional metamorphic grade is garnet facies according to Little (1982).

EXPLORATION HISTORY

At least twenty old cancelled crown granted claims are present on the Strawberry Flats property. The existence of these claims and numerous old adits, shafts and trenches show that the property was actively prospected in the early part of the century. According to Roy Ganderton, this work was performed by Cominco and others and was aimed primarily at tungsten and gold. Unfortunately no data or reports from this work are available.

The Strawberry and Pachamama claims were staked in 1987 and 1988 by Roy Ganderton to cover high grade gold showings and old workings on the south side of Mount Crowe. The claims were optioned in October, 1988 to SMD Mining Company Ltd., which changed its name to Cameco Corporation in 1990. The remainder of the claims were staked by Cameco at various times until July 1990. In January 1991 Cameco dropped the option on the Strawberry Flats property, and all the claims were returned to Roy Ganderton.

During 1989 and 1990 Cameco completed a program of geochemical, magnetic and VLF-EM surveys over the Strawberry and Pachamama claims. Approximately 50% of the claim block was covered by this reconnaissance work.

In 1989, geochemical sampling was limited almost exclusively to a lithochemical survey. 799 samples were analyzed for Au, Ag, As and Cu and of these, 593 were also analyzed for Zn and Pb. In 1990 soil sampling (616 samples) was attempted in the area of known showings, with only limited success. A good Au/As soil anomaly was outlined in the Strawberry Flats area, but other areas were not anomalous. No mention is made in any of the Cameco reports of sample depth, horizon or size fractions. A proper orientation survey would be useful.

Magnetic and VLF-EM readings were taken at 25m spacings on north-south lines spaced at 100m. The geophysical surveys were confined to the Strawberry and Pachamama claims. One strong coincident VLF-EM/magnetic anomaly, and several weaker anomalies are evident in the data. The best anomaly is located just north of Area A (Figure 1).

A number of interesting showings were identified by this work and are shown on Figure 1. In late 1989 and 1990, detailed soil geochemistry and magnetic surveys, back hoe trenching and five diamond drill holes (430m) were completed in the Strawberry Flats and Grizzly showings.

GOLD OCCURRENCES

Six areas of gold mineralization were identified by the Cameco work, two of which received trenching or drilling. These showings are described below and their locations are shown on Figure 1.

Strawberry Flats - This showing is located near the centre of the claims approximately 300m north of Highway 3B. Several old trenches and shallow shafts expose a zone of Rossland-type quartz-carbonate-epidote-chlorite-pyrrhotite-pyrite-chalcopyrite veins.

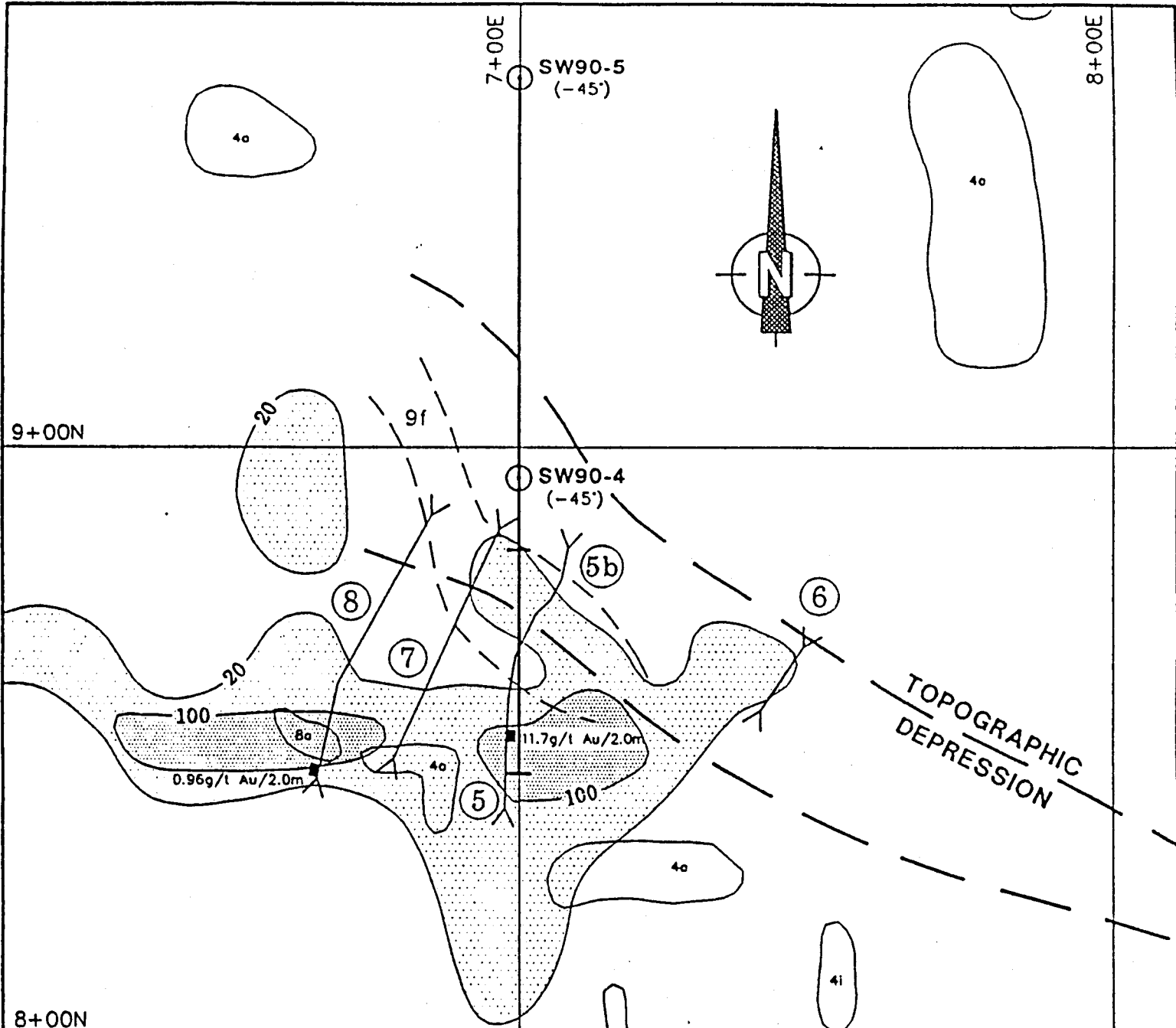
Twelve backhoe trenches were dug in 1989 and 1990 in an area of a single anomalous soil sample, to the north of the old workings. The backhoe trenches exposed an iron-stained, brecciated and silicified fault zone which trends WNW. The mineralization is mainly hosted by black calcareous siltstone, which is interbedded with limestone and calc-silicate rock and cut by mafic and intermediate dikes. Outcrop is sparse. The best result from this work was 39.16 g/T Au over 2.0m with anomalous values (0.085 to 3.17 g/T) over a total length of 11m. Unfortunately, adjacent trenches exposed only weakly anomalous mineralization.

In 1990 two short angle holes were drilled beneath the trenched area with negative results (Figure 2). The drill holes did not extend far enough to test beneath the old workings further to the south.

Grizzly area - This showing is located on a steep covered hillside southeast of the saddle between Mount Crowe and Mount Neptune, in the northeast part of the property. Eight old trenches exposed a 1 to 5m wide zone of gossan and semi-massive sulfide veins over a strike length of 25m. Chip samples assayed up to 13.6 g/T Au over 2.5m, and up to 29.58 g/T Au, 122.8 g/T Ag, 1.3% Zn, 0.6% Pb, and 2.0% As over narrower widths. The zone strikes northeasterly, dips steeply north, and is hosted by a variably-skarned, folded limestone within 25m of the contact with a granodiorite body. The zone is cut by a mafic dike on the east end and is covered on the west end.

A strong Au soil anomaly is present to the southeast of the trenched area and probably represents downslope dispersion, although additional mineralization is possible since the area is covered.

Three angle holes, spaced at 30m along strike, were drilled in 1990 (Figure 3). Hole SW90-1 returned 2.4 g/T Au and 16.7 g/T Ag over 2.5m in a zone of sulfide-bearing garnet-pyroxene-chlorite skarn adjacent to a mafic dike. Sludge samples from the same zone assayed 5.36 g/T Au over 6.1m suggesting a recovery/sampling problem. The two adjacent holes encountered only weakly anomalous Au/Ag/Pb/Zn values.



Legend

- 4o Calcareous Siltstone
- g Limestone
- i Calc-silicate
- j Garnetiferous

- 8a Granodiorite
- d Granite

- 9c Mafic Dyke
- e Intermediate Dyke
- f Lamprophyre Dyke
- g Porphyritic

Soil Survey Contour
(20ppb Au, 100ppb Au)



■ SHAFT

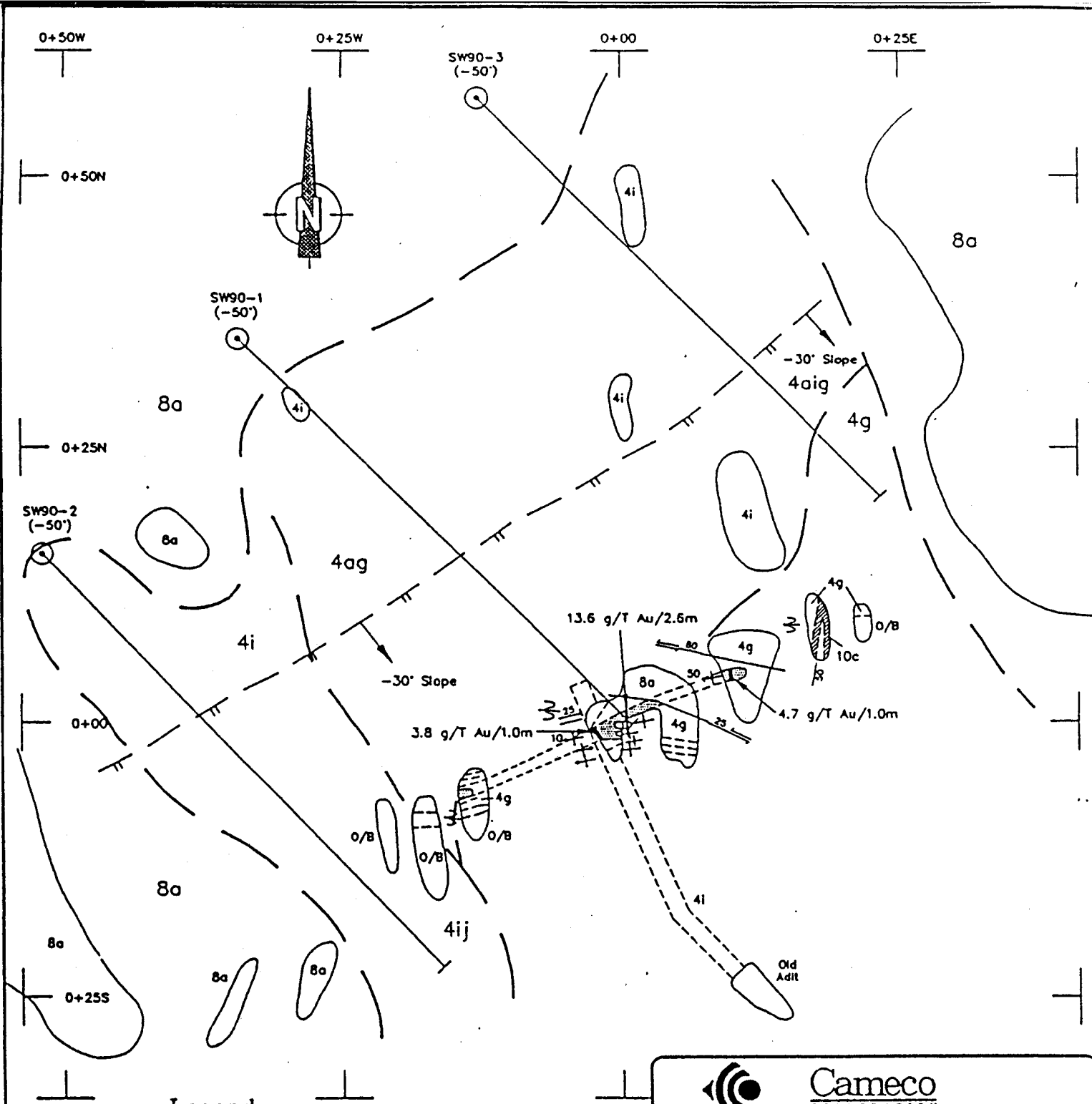
Cameco
CORPORATION

STRAWBERRY FLATS PROJECT

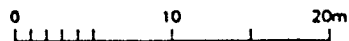
**STRAWBERRY FLATS SHOWING
Drill Hole Plan Map**

Compiled By: R. CHAPMAN	91/01/24	Dwg No.: SW91001
Drafted By: C.D. DURBIN		
Scale: 1:1,000		
N.T.S.:		
Disposition(s):		

Figure 2



- Legend**
- 4a Calcareous Siltstone
 - 4g Limestone
 - 4i Calc-silicate
 - 4j Gemeliferous
 - 8a Granodiorite
 - 10c Mafic Dyke
 - Outcrop
 - O/B Overburden
 - Surface Gossan
 - ⊙ Drill Hole



Cameco
CORPORATION

STRAWBERRY FLATS PROJECT

Grizzly Showing
Drill Hole Plan Map

Compiled By: R. CHAPMAN	90/11/06
Drafted By: C.D. DURBIN	
Scale: 1:500	
N.T.S.:	
Disposition(s):	

Dwg No.: JV90046

Figure 3

Area A - An area of old trenches is located 400m northeast of the Strawberry Flats area, on the steep southwest flank of Mount Crowe. A narrow, stratiform zone described by Cameco geologists as "siliceous skarn alteration" in a trench returned values up to 47.7 g/T Au over 0.3m with anomalous silver and copper. Stibnite has been reported. An old adit is located 100m southeast and an old shaft is located 500m east on strike.

Outcrop in the area is limited but consists of volcanic rocks, limestone, granodiorite and calc-silicate rock. The rocks appear to dip steeply north.

A strong coincident VLF-EM/magnetic anomaly is present 50m north of the showing, and probably reflects the down-dip expression of mineralization. The VLF conductor trends easterly and is about 450m in length, while the coincident magnetic anomaly is about 1000m in length. It is the authors opinion that this is the strongest geophysical anomaly in the surveyed area.

No drilling or trenching was conducted in this area by Cameco.

Area B - This area is located 600m east of Highway 3B and 750m southeast of "Area A". It lies just south of the magnetic trend described above. Bedrock consists of biotite hornfels and granodiorite and rocks are anomalous in Au (up to 970 ppb), As (> 1000 ppm). A small soil survey was completed in this area with negative results, and no trenching or drilling has been conducted.

Area C - An area of volcanic rocks located 500m north of Highway 3B is weakly anomalous in Au (up to 0.105 g/T) and Cu (up to 93 ppm). An old shaft is present 200m west on the Strawberry Pach claim. Only about a dozen rock samples have been collected, and the area is on the edge of the geophysical survey.

Area D - This area is located on the Elgood claim about 1500m east of Highway 3B. Rare outcrops in the area are granodiorite. Five samples in an area of 400m by 300m are anomalous in Au (up to 1.27 g/T and 5.25 g/T) and Ag (up to 19.7 g/t). Rock sampling in the area is sparse and no soil geochemistry or geophysics have been conducted.

DISCUSSION AND CONCLUSIONS

The Strawberry Flats property is underlain by the same rocks units that host the rich gold veins in the Rossland camp, 15 kilometres to the south. So far, six gold showings have been discovered in the central and northeastern parts of the property, of which two have recieved limited drilling or trenching.

Systematic geochemical and geophysical surveys have been limited to the central part of the property, on the Strawberry, Pachamama and Grizzly claims (roughly 50% of the claim block). Only limited rock sampling has been done on the Lamb, SMD, Strawberry Pach, B.J. and Elgood claims. In the central part of the property, exploration has been hampered by thick soil and scree. Soil geochemistry has been performed only in localized areas near known showings with limited success, however the sampling program appears to have been poorly executed. Reconnaissance work on the property has relied on rock sampling.

High grade gold mineralization has been discovered in several areas and is generally associated with Fe-Cu-As sulphides and locally Pb-Zn sulphides. The mineralization occurs in east-trending, steeply-dipping veins, fault zones and silicified stratiform zones hosted by calcareous siltstone, calc-silicate rock, hornfels, limestone, and volcanic or intrusive rocks. Mafic dikes occur adjacent to mineralization in a number of occurrences. Several of the showings exhibit features suggestive of skarn deposits, such as quartz-chlorite-epidote retrograde gangue mineralogy, calc-silicate and hornfels host rocks and an Fe-Cu-As-Au-Ag geochemical signature.

It should be noted that the veins at Rossland are also partially-hosted by hornfelsed and skarned sedimentary and volcanic rocks, and have a similar "retrograde" gangue assemblage of quartz-calcite-chlorite-epidote. Other similarities between mineralization at Strawberry Flats and Rossland are:

- 1) pyrrhotite-pyrite-chalcopyrite-arsenopyrite (galena-sphalerite) vein mineralogy,
- 2) veins trend easterly and dip steeply north,
- 3) association of veins/ore shoots with margins of intrusive bodies and crosscutting mafic dikes,
- 4) mineralization is hosted by Mount Roberts sedimentary rocks and Rossland Group volcanic rocks, which are intruded by stocks, sills and dikes of the Nelson granodiorite, Coryell granite, and Rossland monzonite.

Past exploration on the property was conducted with a skarn Au-Cu model in mind. Future exploration should be aimed at identifying additional Rossland-type vein structures and extending known targets. A study of the ore controls at Rossland would benefit future exploration at Strawberry Flats. Orientation soil lines should be sampled over known showings, followed by grid soil sampling in prospective areas. VLF-EM and magnetic surveys should be extended to the Lamb, SMD, Strawberry Pach, B.J. and Elgood claims.

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STATEMENT OF QUALIFICATIONS

I, Michael S. Cathro, do hereby certify that:

1. I am a consulting geologist with an office at 922A Latimer Street, Nelson, British Columbia.
2. I am a graduate of Queen's University, Kingston, Ontario with a degree of B.Sc. (Honours-Geological Sciences), and I am currently completing an M.S. degree in Geology at the Colorado School of Mines, Golden, Colorado.
3. I am an associate member in good standing of the Society of Economic Geologists.
4. I have practiced my profession since 1980.
5. The foregoing report is based on a) reports prepared by geologists employed by previous owners and operators of the property, b) a review of all available relevant government geological literature and, c) discussions with Roy Ganderton, property owner.
6. I have no ownership interest in the property or any adjacent properties.



Michael S. Cathro, B.Sc.
April 26, 1991