GEOLOGICAL REPORT

on the

LOUISE LAKE PORPHYRY COPPER-GOLD PROSPECT

Smithers Area
Omineca Mining Division
British Columbia

Latitude: 54°51' North
Longitude: 127°41' West
NTS: 93L/13E

for

CONQUEST EXPLORATION LTD.

by

N.C. CARTER, PH.D. P.ENG.
March 18,1994

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CONSULTING GEOLOGIST

SUMMARY

Conquest Exploration Ltd. holds an option agreement on the Louise Lake porphyry copper-gold prospect which is situated 35 km west of Smithers in west-central British Columbia.

The property, originally located in 1968, has been partially tested by geological, geophysical and geochemical surveys and by trenching and 5588.6 metres of diamond drilling. The most recent diamond drilling program, completed in March and June of 1992, incurred expenditures of $277,000.

Work to date has identified geological features and geochemical and geophysical signatures similar to those associated with significant porphyry deposits elsewhere in west-central British Columbia and the presence of copper-arsenic sulphide minerals suggests that at least some of the mineralization may be transitional between high-level porphyry copper and near-surface epithermal precious metals deposits.

Diamond drilling to date has partially delineated a tabular zone of copper-gold-molybdenum mineralization estimated to contain a possible resource of 50 million tonnes grading 0.30% copper and 0.31 g/t gold. A second zone, northeast of the main zone and adjacent to a regional fault structure, was intersected by one drill hole from which a 3

metre section returned appreciably higher base and precious metals grades.

The Louise Lake prospect merits additional exploratory work. A preliminary or first phase program, consisting of Induced Polarization (IP) surveys and additional diamond drilling at an estimated cost of $100,000, is recommended to further test both known mineralized zones.

INTRODUCTION

Conquest Exploration Ltd. has recently concluded and option agreement with 402774 B.C. Ltd. for the purpose of carrying out additional exploratory work on mineral claims comprising the Louise Lake property in west-central British Columbia.

This geological report on the Louise Lake porphyry copper-gold prospect, has been prepared at the request of the directors of Conquest Exploration Ltd. The report is based principally on two previous reports prepared by the writer for the Louise Lake property on behalf of 402774 B.C. Ltd. and New Canamin Resources Ltd., dated July 26 and November 18, 1991 respectively, and is supplemented by additional information derived from exploratory drilling programs conducted by Equity Silver Mines Limited in 1992.

Information used in the preparation of the original reports and this report includes records of previous exploration work conducted on the property since its discovery in the late 1960's. Much of this information is on the public record and pertinent references are listed at the end of this report.

The writer originally examined and reported on the Louise Lake property in 1969 while in the employ of the then Provincial Department of Mines and Petroleum Resources.

Claim Name	Record Number	Units	Expiry Date
TENN 5	305945	8	October 26,1995
TENN 6	305946	20	October 26,1995
TENN 7	305947	10	October 28,1995
TENN 8	305948	8	October 28,1995
TENN 9	305949	20	October 29,1995
TENN 10	305950	20	October 31,1995
TENN 11	305951	10	October 31,1995
TENN 12	305952	10	October 31,1995

The foregoing mineral claims are believed to have been located in accordance with procedures as specified by the Mineral Tenure Act Regulations for the Province of British Columbia. No claim posts or lines have been examined by the writer.

The mineral claims comprising the property were purchased by 402774 B.C. Ltd. March 27,1991 and are subject to a recently concluded option agreement between this company and Conquest Exploration Ltd.

PHYSICAL SETTING

The property is situated in an area of relatively subdued topography within the Bulkley Ranges near the headwaters of Zymoetz River, a major tributary of Skeena River. Louise Lake is at the headwaters of Coal Creek which flows southwesterly into the Zymoetz River.

Elevations range from 915 metres above sea level along Coal Creek in the southwestern property area to more than 1100 metres north of Louise Lake (Figure 3 - note that

to the southern margin of the feldspar porphyry intrusion, consists principally of pyrite (5-10% by volume) which occurs as disseminations, fracture fillings and in 2-4 mm wide quartz veinlets. Minor molybdenite is present and copper minerals include tennantite and lesser chalcopyrite. Tennantite is the arsenic end member of tetrahedrite and its presence is reflected by higher arsenic values associated with most of the better grade copper sections in drill cores.

The presence of tennantite has also been confirmed by mineralogical work by the Geological Survey of Canada (L.B. Warren, personal communication). A well-mineralized sample of from drill hole C-18 (Figures 7 and 7A) was also found to contain some enargite, which like tennantite is a copper-arsenic sulphide mineral.

Where exposed in trenches and in drill cores, density of fractures and quartz veinlets averages one per 2.5 cm. Fractures and quartz veinlets are nearly vertical and have preferred orientations of north, east-northeast and northwest. Some true stockworks are present, particularly marginal to an apparent east-west, moderately north-dipping fault zone which extends through the southern trenched area.

Better copper and gold grades obtained from sampling trenches and drill cores are near the southern limits of the trenched and drilled area. A good example is Corona drill

mineralization may be transitional between high-level subvolcanic porphyry copper and near-surface epithermal prrecious metals deposits. Such "transitional" deposit types (Panteleyev,1992) are characterized by abundant pyrite and lesser chalcopyrite, chalcocite plus arsenic and antimony minerals including tetrahdrite-tennantite and enargite. Alteration mineral assemblages include abundant silica and argillic or clay minerals.

Worldwide examples of these deposit types include the Lepanto, Phillippines enargite-type copper-gold-silver deposits and the high grade El Indio gold deposits in Chile. British Columbia examples include the currently producing Island Copper mine and the recently closed Equity silver-copper-gold mine south of Houston and 120 km southeast of Louise Lake.

The Louise Lake prospect is well deserving of a preliminary or first phase exploratory program directed to two areas of the property. One of these is the main area of mineralization southwest of Louise Lake which is coincident with the zone of highest IP response and which, as noted previously, is open to the west or in the same direction as the apparent trend of the partially delineated tabular zone of mineralization. Additional IP coverage, by way of four 2 km long north-south lines at 200 metres

spacings immediately west of earlier surveys, is recommended to test for the extension of the main zone in this direction. First phase work on the main zone should also include the drilling of three inclined holes to depths of between 200 and 300 metres in the area of previous Equity Silver drilling to confirm and expand upon results obtained to date. The use of a larger drill capable of recovering larger diameter core is recommended to ensure completion of holes and enhanced core recovery.

The indications of a "transitional" style of mineralization on the Louise Lake property may be significant. Higher precious metals grades associated with this deposit type are not uncommon and the one hole (LL-10) drilled immediately south of the Coal Creek fault northeast of the main zone may be indicative of the presence of higher grade material. It is recommended that a reconnaissance IP survey be conducted across the Coal Creek fault zone immediately northeast of Louise Lake to determine the possible presence of extensions and/or repetitions of the zone underlying Louise Lake. Four 2 km north-south lines at 200 metres spacings are recommended.

COST ESTIMATE

Phase I

Induced Polarization (IP) surveys - 16 line km @ $1,250/km (all-inclusive)	$20,000.00
Diamond Drilling - 3 inclined holes - 750 metres @ $100/metre (all-inclusive)	$75,000.00
Evaluation of results, reporting	$5,000.00
Total, Phase I	$100,000.00

N.C. Carter, Ph.D. P.Eng.

CERTIFICATE

I, NICHOLAS C. CARTER of 1410 Wende Road, Victoria, British Columbia, do hereby certify that:

1. I am a Consulting Geologist registered with the Association of Professional Engineers and Geoscientists of British Columbia since 1966.

2. I am a graduate of the University of New Brunswick with B.Sc.(1960), Michigan Technological University with M.S.(1962) and the University of British Columbia with Ph.D.(1974).

3. I have practised my profession in eastern and western Canada and in parts of the United States for more than 25 years.

4. The foregoing report on the Louise Lake property is based on property examinations in 1969 and 1991 and two reports prepared by me in July and November of 1991 which were based on records of previous exploration work on the property. The foregoing report also incorporates results obtained from a 1992 drilling program conducted by Equity Silver Mines Limited.

5. I hold no interest, directly or indirectly, in the mineral claims comprising the Louise Lake property or in the securities of Conquest Exploration Ltd.

6. Permission is hereby granted to Conquest Exploration Ltd. to use this report in support of a Prospectus, Statement of Material Facts or a Filing Statement to be submitted to the Vancouver Stock Exchange and the British Columbia Securities Commission.

N.C. Carter, Ph.D. P.Eng.

Victoria, B.C.
March 18,1994