

ISLAND MINING & EXPLORATION CO. LTD.

GOLDEN CHANGE GROUP

VICTORIA MINING DIVISION

BRITISH COLUMBIA

SUMMARY

The Golden Change claims cover a quartz stringer zone in a 30 foot shear in a metamorphosed contact area in or near a granodiorite intrusive. The rock is a feldspar porphyry and the sheared rock contains quartz stringers with malachite, bornite and free gold.

Channel samples over a width of 20 feet, by the writer, averaged 0.26 oz. gold, 0.5 oz. silver and 3.05% copper.

A grab sample assayed 2 oz. gold and 3% copper.

Bulk samples, by the owner, averaged 1.57 oz. gold, per ton, 0.43 oz. silver, per ton and 1.414% copper.

The deposit is exposed in a logging road but the extensions are covered.

Bulldozing and diamond drilling are necessary to determine the tonnage and grade of the deposit.

LOCATION

Latitude: 48°45' North

Longitude: 124°11' West

Elevation: 2,000 Feet

The claims are on the south slope above Nineteen Creek 2½ miles due south of Honeymoon Bay on Cowichan Lake.

The claims are reached by logging roads up Robertson River and Nineteen Creek from Honeymoon Bay or Cowichan Lake townsite.

CLAIMS

One located claim, the Golden Chance, staked April 29, 1972 and recorded May 3, 1972. It is in good standing until May 3, 1980.

Six located claim units: Golden Change 1 to 6. They were located October 16, 1977 and recorded October 24, 1977.

GENERAL GEOLOGY

Vancouver Island is underlain by volcanics and interbedded fragmental volcanics and sediments of late Paleozoic and Mesozoic Ages. These are intruded by Jurassic, Cretaceous and Tertiary granodiorites, quartz diorites, gabbros and quartz feldspar porphyry intrusives.

Mineralization is widespread with disseminated copper deposits, massive copper zinc sulphides, copper and iron high temperature replacement and skarn deposits.

Gold has been found in shear zones and quartz veins in granodiorite and on or near granodiorite contacts.

CLAIM GEOLOGY

The Golden Change claims are in an Aureal or Metamorphic Zone on the contact of a large granodiorite batholyth. The intruded rocks are andesites, cherty tuffs and agglomerates.

All the outcrops on the logging road are altered quartz feldspar porphyry, feldspar or granodiorite. These rocks are sheared.

Mineralization has only been found in one outcrop of sheared altered feldspar porphyry. It contains malachite staining over widths of 30 feet. Free gold occurs in quartz stringers, in bornite and in sheared rock.

Some placer gold has been recovered from Nineteen Creek.

ASSAYS

This zone is exposed in a cutbank 20 feet high on a narrow logging road which crosses a steep slope.

A grab sample of surface material when first discovered is reported to have assayed 2 oz. gold, per ton and 3% copper.

Four samples taken as channels in fairly fresh rock assayed as follows:

| <u>Width</u> | <u>Gold</u> | <u>Silver</u> | <u>Copper%</u> |
|--------------|-------------|---------------|----------------|
| 5' | 0.02 | 0.1 | 1.6 |
| 5' | 0.02 | 0.7 | 0.62 |
| 14' | 0.30 | 0.4 | 3.03 |
| 6' | 0.20 | 0.6 | 3.11 |

Five large samples taken from the 30 foot zone assayed:

| <u>Gold</u> | <u>Silver</u> | <u>Copper%</u> |
|-------------|---------------|----------------|
| 2.034 | 0.73 | 2.20 |
| 0.096 | 0.03 | 0.57 |
| 0.460 | 0.62 | 1.96 |
| 4.352 | 0.47 | 1.86 |
| 0.128 | 0.30 | 1.26 |

A winkle diamond drill hole was drilled at -30 degrees for 27 feet partly across the zone. Core recovery was very poor but good recovery was made of the cuttings. These cuttings were assayed and averaged 1.489 oz.'s per ton. The rock is well mineralized dark colored porphyritic granitic rock.

A few soil samples have been taken below the road. They indicate a copper anomaly extends for several hundred feet slightly east of south down the steep slope.

CONCLUSIONS

The Golden Change is a wide free gold deposit in favorable rocks in an easily accessible location.

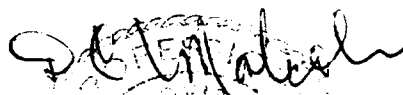
RECOMMENDATIONS

The shear zone should be explored by diamond drilling. Some bulldozing is necessary for access, trenching and site preparation.

ESTIMATED COSTS

| | |
|---|-----------------|
| Bulldozing | 1,500.00 |
| Diamond drilling 2,000 feet @ \$15 per foot | 30,000.00 |
| Core Boxes | 500.00 |
| Assaying & Sampling | 1,000.00 |
| Mobilization | 1,000.00 |
| Supervision & geology | 3,000.00 |
| Transportation | 3,000.00 |
| Contingencies | <u>5,000.00</u> |
| | 45,000.00 |

Report by


 D. C. MALCOM, P. Eng.
 Consulting Geologist
 D. C. MALCOM
 BRITISH
 COLUMBIA
 ENGINEER

DCM:gc

Vancouver, B.C.
 November 23, 1977

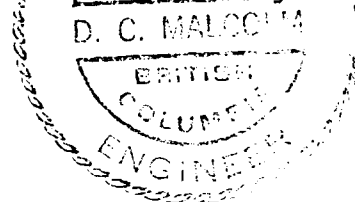
CERTIFICATE

This is to certify that:

1. I, DOUGLAS COLE MALCOLM am a resident of Vancouver, B.C. and live at 2290 West 23rd Avenue.
2. I am a graduate of the University of British Columbia with the degree of Bachelor of Applied Science in Geological Engineering. (1935).
3. I am a member of the Association of Professional Engineers of British Columbia and Ontario and have practised my profession continuously since.
4. I have not, directly or indirectly, received or expect to receive any interest, direct or indirect, in the property of ISLAND MINING AND EXPLORATION COMPANY LIMITED, or any affiliate; or beneficially own, directly or indirectly, any securities of the company or of any affiliate.
5. This report is based on an examination and information believed realible supplied by Thomas E. Kirk.

Vancouver, B.C.
November 23, 1977.

D. C. Malcolm
D. C. MALCOLM, P. ENG.
Consulting Geologist



Youbou

COWICHAN

LAKE

Highway

Honeymoon Bay

Tuff & Volcanics

ASHBURNHAM CREEK

Road

Granodiorite

GOLDEN CHANGE

CREEK

NINETEEN

x60

GOLDEN CHANGE

Scale 1"=50,000" Date 24, 11, 77

