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SUMMARY

The Harrison Lake nickel-copper property, situated east of Harrison Lake in the Central Coast Belt of southwestern British Columbia, comprises 50 mineral claims comprising an area of 15,260 hectares.

Nickel, copper, cobalt and platinum group element mineralization are hosted by weakly to strongly deformed and amphibolitized ultramafic rocks, dominantly olivine pyroxenite, with a distinctive megacrystic texture. The age of the ultramafic rocks is inferred to be mid-Cretaceous. These and related basic plutonic rocks have intruded a sequence of orthogneiss and paragneiss which has been metamorphosed to upper amphibolite facies and which contains garnet, staurolite, kyanite and sillimanite, where permitted by whole rock compositions.

The host ultramafic rocks are persistent along strike; the principal sulphide-bearing pyroxenite unit in the eastern (KATT) property area is at least 300 m thick and has been traced in bedrock exposures and float over a strike length of roughly two kilometres. On the western part of the property, at the Sable mineral occurrence, the host lithology is exposed in a zone as wide as 600 m, and open in both directions along strike

Sulphide minerals within and marginal to the pyroxenite unit include pyrrhotite, chalcopyrite, pentlandite and pyrite. These occur in outcrop as net-textured sulphides and as sulphide matrix breccias. Two samples of massive . Textural evidence strongly suggests that the sulphide mineralization is magmatic in origin. Magnetite is common in mineralized samples.

Previous work within the area of the present property comprised prospecting and limited geological mapping and geochemical sampling. This exploration located two mineralized zones (KATT and SABLE), each open along the known strike of the principal host pyroxenite unit. These mineralized zones are exposed east of Harrison Lake on the east and west flanks of the Breakenridge Metamorphic Complex.

Exploration programs undertaken in 2003 by International Peruminas Resources Ltd. include regional geochemical stream sediment sampling, geological mapping and prospecting.

The recommended first phase program is estimated to cost \$.

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PHYSIOGRAPHY, CLIMATE, VEGETATION, ACCESSIBILITY, LOCAL RESOURCES AND INFRASTRUCTURE

The Harrison Lake area lies in the Lillooet Range on the eastern edge of the Pacific Ranges of British Columbia's Coast Mountains. Harrison Lake is only a few metres above sea level (asl.). The peak of Mount Breakenridge, six kilometres from the lake, is in excess of 2400 m asl.; pikes of this mountain along its northern ridge, as far as Cairn Needle, are of similar elevation (Figure 2). Relief is locally quite steep and valley sides and mountain peaks are generally well exposed. Contributing factors to the physiography are the Quaternary glaciations, interspersed with periods of isostatic rebound where rivers have deepened existing glaciated valleys.

The area's climate is typical of the Pacific Ranges. A Pacific maritime influence ensures relatively warm and consistently wet winters. Average temperatures at Agassiz, 60 km to the south of the property and also near sea level, vary from 1.5°C in January to 18°C in July. Annual rainfall in Agassiz is 1637 mm, at least half of which falls during the winter months of November to January; at higher elevations it falls as winter snow. Despite this, all major and many subsidiary drainages flow throughout the year. Fieldwork is possible until mid- to late October at nearly any elevation and lower areas are accessible almost year-round. Any sensible attempt at fieldwork on higher ground will be made in summer.

Vegetation below tree line is typical of the Pacific coast rain forest and comprises cedar, hemlock, spruce trees with alder, willow and cottonwood on old roads and in poorly drained areas. Undergrowth is typically a variable mixture of salal, devil's club and salmonberry. Tree line varies between 1200 and 1650 m asl. Above tree line the vegetation is alpine, becoming progressively sparser at higher elevations; the summit of Mt. Breakenridge is tundra.

Harrison Hot Springs and Hope are located in the Fraser Valley roughly two hours drive east of Vancouver along the Trans-Canada Highway; Hope is located on the highway itself and Harrison Hot Springs a short distance north along Provincial Highway #9 (Figure 2). This area of British Columbia's Lower Mainland is home to roughly 50,000 people, spread between the population centres of Harrison Hot Springs, Agassiz, Mission, Chilliwack and Hope. All are within a two-hour drive of the property. Vancouver, the economic capital of Canada's west coast, is within a three hour drive, exclusive of rush hour. The area has been permitted for mining in the past and a major hydroelectric line runs along the west side of Harrison Lake. Hydroelectric projects are planned for several of the Creeks in the area, including the Stokke Creek area, as noted above.

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Communications in this remote area are made possible by satellite and are limited by the steepness of valley sides; when above tree line, communications are excellent. The area has been permitted for mining in the past and a major hydroelectric line runs along the west side of Harrison Lake.

Valley Helicopters maintains a base in Hope, a half-hour flight from the property. However, the eastern part of the property is accessible from Harrison Hot Springs by a hitherto well-maintained logging road which runs along the eastern side of Harrison Lake and up the valley of Big Silver Creek (Fig.2). This main road is 50 kilometres in length and was maintained year round until the recent hiatus in logging. The road is still accessible to regular vehicles as far as the Big Silver Creek logging camp and beyond using four wheel drive vehicles.

A network of logging roads tributary to the main Harrison East road covers much of the eastern part of the property (Figure 3). Some roads are deactivated but are generally accessible on foot. However, the larger part of Mt. Breakenridge and the Stokke Creek area west of is accessible only by helicopter, or by boat up Harrison Lake. It should be noted here that all the logging operations utilize the Fraser River - Harrison River - Harrison Lake waterway to barge the majority of their equipment into the area. The southwestern edge of the property is at waterfront which is navigable to the open sea.

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HISTORY

The first indications of a significant Ni-Cu ore deposit in the southern Coast Belt were discovered in 1923 along Stulkawhits Creek, 12 km NW of Hope (Cairnes 1924). By 1926, the B.C. Nickel Company had been formed to develop the prospect. Subsequent exploration through the 1920's and 1930's led to the discovery of the main Pride of Emory zone (MINFILE) and to initial mine development. These early stages of mine development were documented by Horwood (1936).

Further work was curtailed by the Second World War and it was not until the 1950's that additional exploration and development work was completed. Full scale production was achieved in 1958-59 by Pacific Nickel Mines Ltd. From 1959 to the curtailment of operations in 1974, a total of 26,573 tonnes Ni, 13,212 tonnes Cu and 140.7 tonnes Co were mined from 4,319,976 tonnes of ore at the Giant Mascot Mine. In addition, minor amounts of chrome oxide, silver and gold were recovered. Platinum values as high as 2 gm/T and palladium values as high as 7.2 gm/T were recorded from Giant Mascot ore; the platinum group metals (PGMs) were never recovered. To date, the Giant Mascot deposits, hosted by megacrystic pyroxenites and peridotites of the Pacific Nickel Complex, remain British Columbia's sole economic past producers of nickel.

Giant Explorations Ltd. carried out a major exploration program in the Cogburn Creek area in the early 1970's in an effort to extend the life of the Pacific Nickel Mine. It was during this period that the Settler Creek showing was discovered, along with numerous minor sulphide occurrences associated with local ultramafic bodies underlying the area. It was noted at the time that, of the generally low nickel grades encountered at the Settler Creek prospect (MINFILE 092HNW045): "A high proportion of this nickel was silicate nickel".

In 1974/75 Giant Mascot Inc. (Giant Mascot), the successor company to Pacific Nickel Mines Ltd., commenced limited exploration of the ultramafic belt and Spuzzum Diorite to the north and west of the mine area. A regional contour soil, stream sediment survey was carried out. Access to this area was limited at the time and Giant Mascot Mine concentrated its follow-up on the stream sediment anomaly to the west of the mine area. A resource of 100 million tonnes grading 0.22% Ni and 0.22% Cu was subsequently reported (REF) but no technical data pertinent to its calculation is available and it is therefore regarded as highly speculative. Leader Mining acquired the ground containing this purported resource in 199X.

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In July of 1999, David Haughton began the current phase of mineral exploration with the staking of the JASON 1-12 claims to cover a Ni-Cu showing in Cogburn Creek (MINFILE 092HSW076). In February of 2000, Gerry Carlson and John Chapman staked the COG1 and subsequent claims to cover the NI or COG showing (MINFILE 092HSW081), on a tributary of Cogburn called Talc Creek; the claim group was subsequently optioned to Leader Mining International Inc. of Calgary.

Beginning in July of 2000, David Deering and George Nicholson located claims extending from the old Pacific Nickel (Giant Mascot) property northwestward to adjoin the RAVEN claim group located in 1997 by Werner Streicek and presently held by Raven Mountain Stone of Rosedale, B.C. Deering's and Nicholson's aim was to secure ground underlain by ultramafic rocks similar to those composing the Pacific Nickel Complex which hosts the Ni-Cu mineralization at Giant Mascot. A total of 1291 claim units were staked between that time and October of 2002. Claims of this group which remain in good standing are presently held by 606896 BC Ltd., a company whose co-owners include D. Deering and J. Nicholson. Presently the more southerly part of the ground (XX claim units) is under an option agreement to Stellar Pacific Ventures Inc. of Vancouver B.C.; the more northerly part (XX claim units) is under option to International Millennium Mining Corp., also of Vancouver.

In October of 2000, Murray McClaren discovered the Sable mineral showing (MINFILE) at the north end of the ground held by 606896 BC and located the SABLE mineral tenure. Following the structural and metamorphic trends identified by Reamsbottom (1972, 1974), Metcalfe and McClaren discovered and located prospective Ni-Cu mineralization on the west side of Stokke Creek in July 2001; the KATT 1-6 claims were located that August.

The area between the SABLE and KATT mineral tenures is enclosed by newly-located claims. Although parts of this area have been recorded as mineral tenures previous to this time, no assessment work was filed. Previously known mineral occurrences in the general area are restricted to the Scuzzy and Gem mineral occurrences (MINFILE numbers 092HNW072 and 092HNW001 respectively), which are both Cu-Mo porphyry occurrences; the Wren showing, a gold-bearing quartz vein (MINFILE 092HNW006); and Harrison Lake Garnet, a garnet-kyanite mineral occurrence (MINFILE 092HNW051). None of these are of immediate relevance to the Ni-Cu mineralization presently sought on the property. The only other mineral tenures in the area exclusive of this report are those immediately to the south, which at the time of writing are held by

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International Millennium Mining Corp. Parts of this ground have undergone assessment in the recent past (*REFS).

Claims further to the south along the belt enclose the three deposits composing the Giant Mascot nickel-copper mine (MINFILE 092HSW004, 092HSW093, 092HSW125; Aho 1954, 1956, Muir 1971, Rote 1974, Christopher 1975, MacLeod 1975, McLeod *et al.* 1976), the Settler Creek, COG, NI and DAIOFF prospects (MINFILE 092HSW081, 092HNW045; Berg and Gonzalez 1971, Rote 1975, Sookochoff and Boitard 1992) and the JASON prospect (MINFILE 092HNW076), for which no assessment work has been made public. **THIS LAST STATEMENT MAY NEED MODIFICATION**

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2003 EXPLORATION

Geological mapping and prospecting

A total of 22 man days (8 Metcalfe, roughly 14 Greig) were spent in geological mapping and minor prospecting. The purpose of the fieldwork was to confirm and augment the previous geological mapping of Reamsbottom (1972, 1974) and Lapen (1998) and to search for more mineral occurrences.

The sparse use of helicopter time precluded detailed examination of the core areas of the Breakenridge metamorphic complex (Fig.5). Mapping was focused on the areas of relative ease of access, along the main Big Silver forestry road and its offshoots

Reprocessing of geophysical data

Regional stream sediment sampling

A total of roughly 24 man-days was spent in stream sediment sampling

The stream sediment sampling was carried out by unskilled, albeit competent workers with no training in regional geochemical sampling. As a result, watercourses were sampled with little regard to size or drainage area, rather as a function of ease of access. In addition, the sampling plan omitted large areas of the property, mainly in the central part. However, no notes were taken to record stream size and flow rate, nor could any discrimination

Despite their lack of training, the two-man field crew recorded field locations with creditable accuracy, using a combination of Global Positioning Systems (eTrex) and hip chain. As a result, the stream sediment samples represent a useful, semiquantitative overview of a part of the area.

Chemical analysis of the stream sediment samples was carried out at Acme Analytical Laboratories in Vancouver.

Detailed statistical analysis is not recommended because the lack of site data precludes estimate of stream size or flow rate. However, the data may be examined with regard to the

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