

830915

**SUMMARY REPORT
ON THE
NAKINILERAK LAKE PROPERTY**

**Babine Lake Area
Omineca Mining Division
British Columbia**

**Latitude 55 17' North
Longitude 126 14' West
NTS 93M/8E**

by

**N.C. CARTER
March, 1992
(Revised June, 1994)**

Introduction

The Nakinilerak Lake property includes at least two porphyry copper environments typical of the Babine Lake area of west-central British Columbia. Copper mineralization is associated with distinctive biotite (hornblende)-feldspar porphyries of Eocene age which are identical to the intrusions hosting mineralization at Bell Copper, Granisle and ten other known deposits and occurrences in the general area.

Previous work by Noranda in the central part of the present property identified copper mineralization over a 1000 x 600 metre area near the western margin of a large intrusive stock. Copper grades encountered in limited drilling of this area ranged from 0.15 to 1.14%. Only a few analyses for gold were undertaken; assays for two samples yielded 0.01 and 0.02 oz/ton.

The Nakinilerak Lake property includes the most areally extensive hydrothermal alteration zone known in the Babine area. A recent petrographic and lithochemical study provides evidence that there is more than one mineralized intrusive complex within the large alteration zone. Geological, geophysical and geochemical signatures indicate at least three target areas peripheral to the central porphyry stock. Other targets within the large property area include strong IP response and copper mineralization in drill core near the northern boundary and anomalous copper values in soils in the southern claims area.

Location and Access

Nakinilerak Lake is 30 km north of Bell Copper mine on Babine Lake and 80 air km northeast of Smithers in west-central British Columbia.

Logging roads along the east side of Babine Lake provide access to Morrison Lake from which a 15 km bulldozer road extends through the central part of the present property (Figure 1). Active logging in the Hautete Creek valley is within 3 km of the property.

Mineral Property

The Nakinilerak Lake property presently consists of five 4-post mineral claims (94 units) in the Omineca Mining Division and recorded in the name of Lorne B. Warren of Smithers. The claims are shown on Figure 2 and details are as follows:

<u>Claim Name</u>	<u>Units</u>	<u>Record Number</u>	<u>Date of Record</u>
NAK 1	20	307617	February 10, 1992
NAK 2	20	307618	February 7, 1992
NAK 3	20	307619	February 11, 1992
NAK 4	14	308552	April 9, 1992
NAK 5	20	308553	April 9, 1992

Previous Work

Original claims were staked in the area by Noranda Exploration Company, Limited following the detection of anomalous copper values in stream sediments northeast of Nakinilerak Lake in 1964. Over the next six years, Noranda completed airborne and surface geophysical programs, soil geochemistry, geological mapping and alteration studies, limited bulldozer trenching and 6,020 feet (1835 metres) of diamond drilling in 28 holes. Geological, geochemical and geophysical surveys were completed by Noranda on the Sno claim group, southeast of the main property, in 1971. This area is included in the southern part of the present property.

The northern part of the present property includes most of the original Lynn property which was investigated by Ducanex Resources in the early 1970's. In addition to geochemical and geophysical surveys, 1,580 feet (480 metres) of diamond drilling was completed in eight holes.

Tri-Alpha Investments Ltd. optioned the claims in 1992 and completed some grid construction in early 1993 prior to returning the claims to the owner. Noranda Exploration Company, Limited, conducted a 16 line-km helicopter-borne magnetometer, electromagnetic and VLF-EM survey over the central part of the claim block on behalf of the owner in February of 1993. Bedrock and drill core samples were collected in mid-1993 for subsequent petrographic and litho-geochemical studies by J.L. Oliver of Teck Exploration Ltd.

Regional Geological Setting

The northern Babine Lake area is within the Intermontane tectonic belt and is underlain primarily by Mesozoic volcanic and sedimentary rocks of the Jurassic Hazelton Group. Younger sequences include sedimentary and lesser volcanic rocks ranging in age from late Jurassic to early Tertiary. The layered rocks are intruded by granitic rocks of several ages including Lower Jurassic Topley intrusions, Omineca intrusions of early Cretaceous age, late Cretaceous rhyolite and granodiorite porphyries (Bulkley intrusions) and Babine intrusions of early Tertiary (Eocene) age.

Porphyry copper mineralization in the Babine Lake area is well documented and is associated with three ages of intrusive activity (Figure 1). The most significant are the Eocene Babine intrusions which occur as small stocks and dyke swarms and host more than a dozen known porphyry copper deposits and occurrences including the former Granisle mine and Noranda's currently producing Bell Copper mine.

These deposits have a significant gold content in addition to copper grades in the 0.45 - 0.70% range. Production to date from the Granisle and Bell operations is as follows:

	<u>Period</u>	<u>Tons Milled</u>	<u>Cu(tons)</u>	<u>Au(oz)</u>	<u>Ag(oz)</u>
Granisle	1966-1982	57,498,131	236,225	148,000	1,906,000
Bell	1972-1991	83,816,398	329,150	405,100	1,244,232

Remaining reserves in the Bell open pit are reported to be 1.4 million tons grading 0.70% copper and 0.011 oz/ton gold. Not included are some 20 years of reserves grading close to 0.50% copper plus gold values immediately northeast of the present open pit. Reserves for the Morrison property, also owned by Noranda, have been variously reported as being 45 - 90 million tons grading 0.42% copper and 0.01 oz/ton gold.

Copper mineralization at these and other prospects is related to biotite-feldspar porphyry phases of the Babine intrusions. This distinctive rock type ranges in composition from quartz diorite to granodiorite and is a crowded porphyry with 2 to 3 mm phenocrysts of plagioclase and biotite. Multiple intrusion is a common feature with the earliest intrusive phase at some deposits and prospects represented by fine-grained, equigranular quartz diorite and/or quartz monzonite. Pre-, inter- and post-mineral biotite-feldspar

porphyry phases and intrusive breccias have been recognized at many of the better mineralized properties.

Hydrothermal alteration zones associated with Babine porphyries include a central potassic zone, represented by abundant secondary biotite, gradational outward to a quartz-sericite-pyrite zone which in turn is enveloped by a propylitic zone.

Copper mineralization consists of chalcopyrite and lesser bornite which occur primarily in northeast and northwest striking, vertically dipping, quartz-filled fractures which range in width from 1 to 5 mm. Better grades are developed at or near contacts between intrusive phases and marginal volcanic and sedimentary rocks. Pyrite haloes, with 5-10% pyrite, extend outward for at least 300 metres from zones of copper mineralization.

Property Geology, Geophysics, Geochemistry and Mineralization

Geology - The Nakinilerak Lake property is underlain by a northwest trending, east dipping sequence of andesite flows and fragmental rocks and argillaceous and cherty sediments which are part of the Hazelton Group of Jurassic age (Figure 3). Conglomerates bordering Nakinilerak Lake may be part of a younger sequence.

The volcanics and sediments are intruded by small monzonite - diorite stocks of probable early Cretaceous age and by stocks, sills and dykes of Babine porphyry of Eocene age. The largest of these is a 1500 x 1200 metre stock in the central property area (Figure 3) which is made up of several intrusive phases including fine-grained quartz diorite and quartz monzonite and several varieties of biotite (hornblende)-feldspar porphyry. Two mineralized and one post-mineral BFP phases were noted in the 1993 petrographic study.

Intrusive contacts are not well defined and numerous dykes and sills cut layered rocks several hundred metres south and west of the main stock and near the property north boundary. Similar intrusive rocks underlie much of the ridge near the western claim boundary.

The central porphyry stock is situated near the intersection of northwest and northeast faults, a structural setting similar to other porphyry intrusions in the area.

Geophysics - Magnetite is a common constituent of the intrusive rocks and to a lesser extent, the volcanic sequences. Figure 4 shows airborne magnetic response over the property area -distinct highs are situated marginal to intrusions.

Surface surveys indicate three areas of high magnetic response (+1500 gammas) including an arcuate zone along the southeast margin of the central porphyry stock, a circular area coincident with known porphyry dykes along the property north boundary and a northwest trending linear zone in the southern property area which is probably a reflection of magnetite in volcanic rocks (Figure 5).

The 1993 airborne survey confirmed and elaborated on results of earlier surveys. A northerly trending magnetic high, extending from the eastern margin of the high amplitude semi-circular anomaly reflecting the central porphyry stock, is probably due to an older, more magnetic hornblende diorite flanking the stock on the northeast. The cause of apparent higher magnetic susceptibilities northwest of the main stock may be reflecting other porphyry intrusions.

Areas of high or anomalous IP response are arranged in a subcircular pattern marginal to the central porphyry stock. These anomalous areas include chargeabilities of between 10 and 30 msec and resistivities of 150 ohm-ft. or less.

Apparent resistivities indicated by the recent airborne survey are crudely correlative with the results of previous IP surveys.

Geochemistry - Geochemical signatures for the property area are shown on Figure 6. Anomalous copper values in stream sediments extend to Nakinilerak Lake and a number of copper anomalies in soils are distributed throughout the property area. Relatively high background values of between 50 and 100 ppm copper are the norm and better values (up to 1000 ppm Cu) occur in the marginal areas of the central porphyry stock.

Overburden depths range from zero to as much as 50 metres within the area drilled. Average overburden depths in areas of anomalous soil geochemistry are 3 - 10 metres.

Mineralization - The principal copper showing is situated in the western part of the main stock (Figure 3). Chalcopyrite, pyrite and minor bornite occur as disseminations in bleached feldspar porphyry and in 2-4 mm

northeast and northwest trending, vertical quartz veinlets in biotite (hornblende)-feldspar porphyry and fine-grained quartz diorite. A grab sample assayed 0.35% copper.

Copper mineralization in fractures and quartz veinlets has also been noted along the ridge east of the stock and in areas marginal to the south and west stock contacts.

The property has been partially tested by 28 widely spaced drill holes (Figure 7) of which 12 were short X-Ray holes. Most of the 1800 metres of core recovered was from vertical holes. Hole sections grading more than 0.15% copper include the following:

<u>Hole No.</u>	<u>Interval(ft)</u>	<u>Length(ft)</u>	<u>Cu(%)</u>
1	0-20	20	0.42
2	20-136	116	0.23
3	20-70	50	0.20
7	240-350	110	0.20
8	80-100	20	0.26
12	70-120	50	0.15
13	150-200	50	0.15
14	200-310	110	0.22
15	210-270	60	0.57
18	320-400	80	0.20
19	120-130	10	0.96
20	160-170	10	1.14
	270-280	10	1.02
21	270-340	70	0.27
22	210-230	20	0.15
XR-6	13-38	25	0.18

Analyses for gold were carried out for the first six X-Ray holes only. These are mainly trace except for two 10 ft. sections in hole 2 including 70-80 - 0.01 oz/ton and 100-110 - 0.02 oz/ton.

Six selected samples of drill core, collected for petrographic and lithochemical studies in 1993, returned gold values ranging from 40 to 440 ppb.

Molybdenum values are low, generally in the 0.005% range.

Drill logs indicate that the better copper grades are hosted by sheared and brecciated biotite (hornblende)-feldspar porphyry with abundant sericite alteration. Multiple phases of intrusion are evident and intrusive breccias were

noted in holes 15 and 19. A relatively fresh, leucocratic, possible post-mineral porphyry phase occupies the upper part of hole 15 which contains the best copper grades.

Copper mineralization noted in drill core invariably is contained in quartz-filled fractures which are parallel to core surfaces. Late porphyry phases noted probably occur as steeply dipping dykes. All of this suggests that vertical holes in this environment do not provide a proper sample. It is significant that good copper grades in two holes (19,20) are related to 1- 2.5 cm wide chalcopyrite veins which are also probably vertical.

Drill holes and better copper grades are shown diagrammatically on Figure 8. Better grades are apparently developed along the southwest margin of the main porphyry stock and are contained in a zone that is open to the south and west.

Hydrothermal alteration within the area drilled includes locally abundant secondary biotite within the porphyry. The intensity, colour and distribution of secondary biotite noted in the 1993 petrographic study compares favourably with the secondary biotite observed within the zone of better copper mineralization at the nearby Morrison deposit.

A peripheral quartz-sericite-pyrite zone is represented by a pyrite halo which is well developed marginal to the central porphyry stock (Figure 3). Between 3 and 10% fracture filling and disseminated pyrite occurs in volcanic and sedimentary rocks both along the ridge east of the main stock and over a broad area to the south. Abundant pyrite has also been noted in intrusive rocks underlying the ridge near the western property boundary. The 1993 petrographic study indicated the potential for more than one mineralized intrusive complex within the large alteration zone.

Property Potential

Previous exploratory work on the Nakinilerak Lake property has partially defined a potentially significant zone of copper (gold) mineralization which may be one of several contained within a large hydrothermal alteration system. The size of this system relative to other alteration zones in the Babine area is shown on Figure 9. As noted, the Nakinilerak zone could easily accomodate the Bell, Granisle and Morrison deposits.

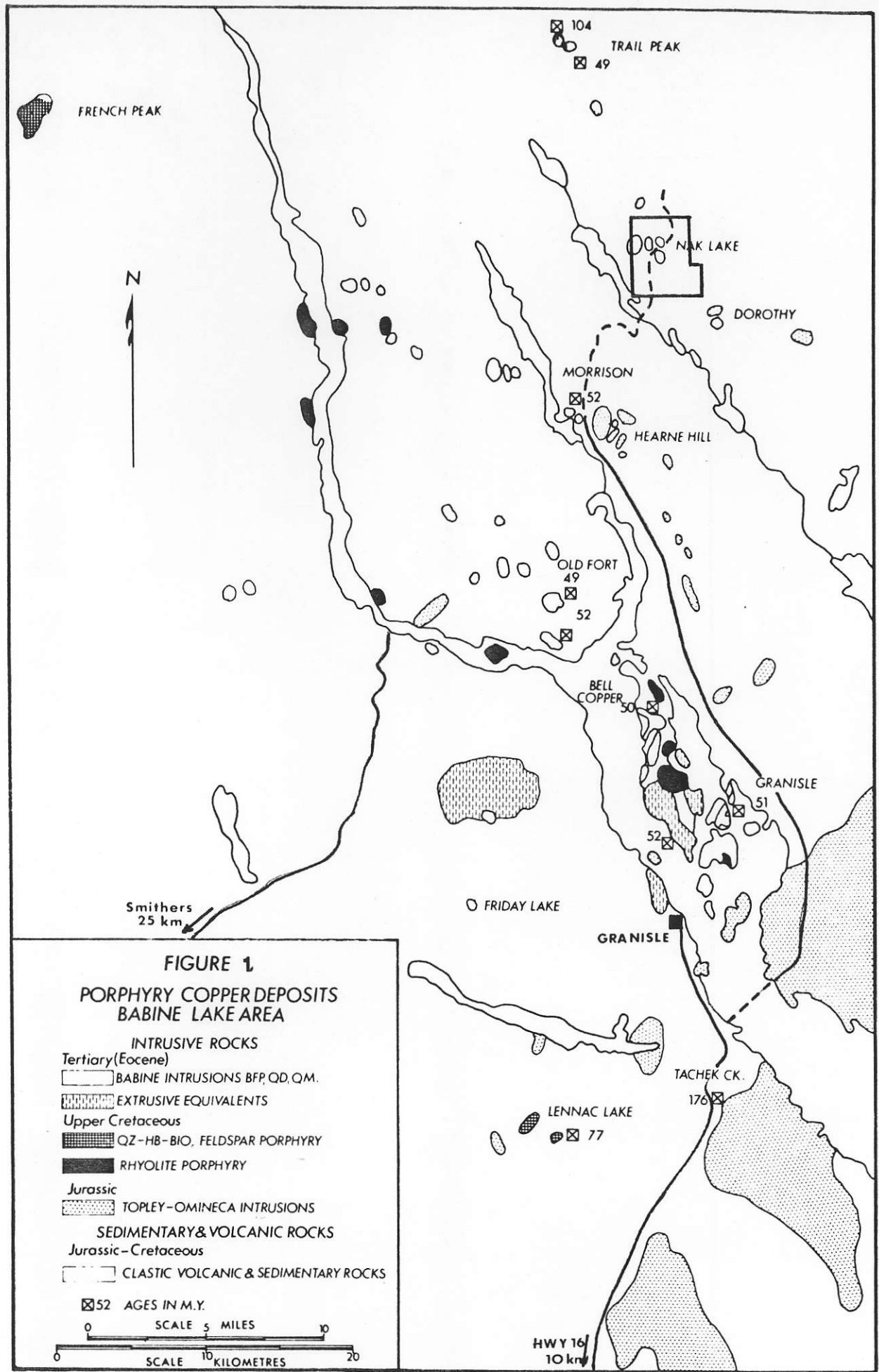
Figure 10 shows two untested targets within and adjacent to the central porphyry stock. These have been selected on the basis of known copper mineralization, partially explored by previous drilling, and untested areas of coincident anomalous geophysical and geochemical response.

Other targets include areas of anomalous soil geochemistry in the southern claims area and an area with known copper mineralization near the northern property boundary.

References

B.C. Minister of Mines Annual Report 1966, pp.95-97

Assessment Reports 1198, 3311, 3531



NAKINILERAK LAKE PROPERTY

MINERAL CLAIMS

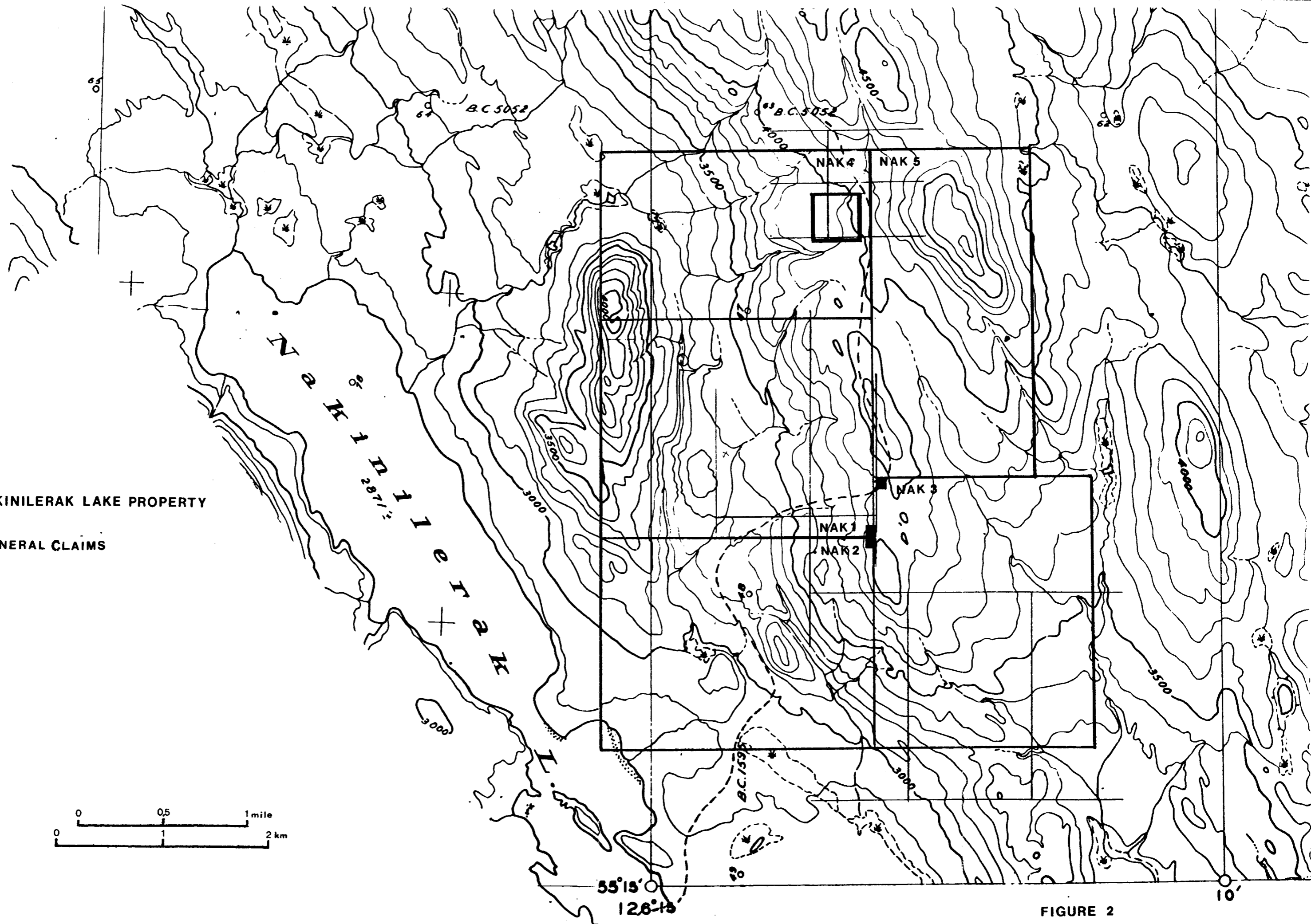
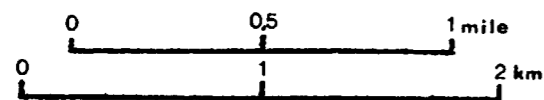


FIGURE 2

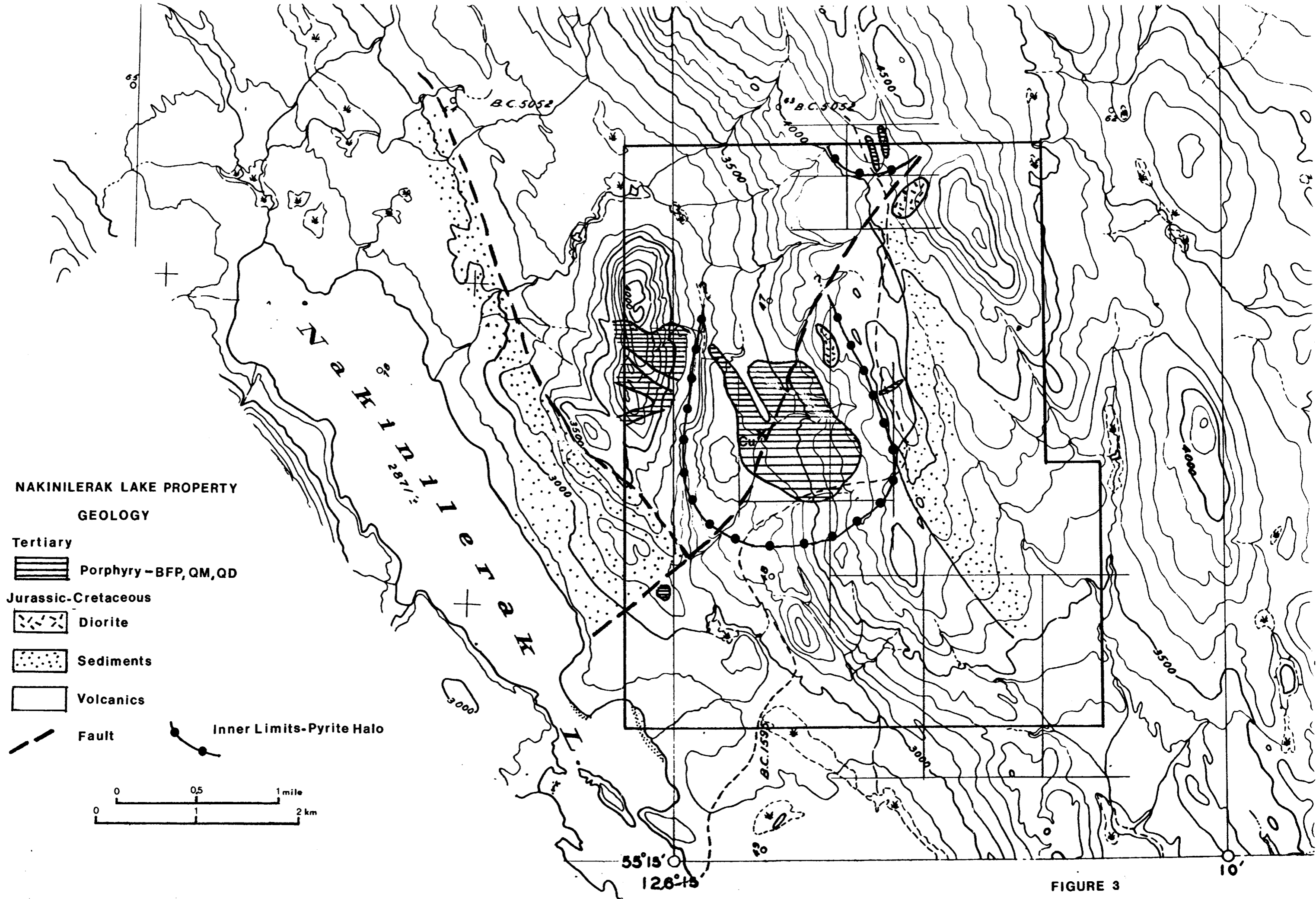


FIGURE 3

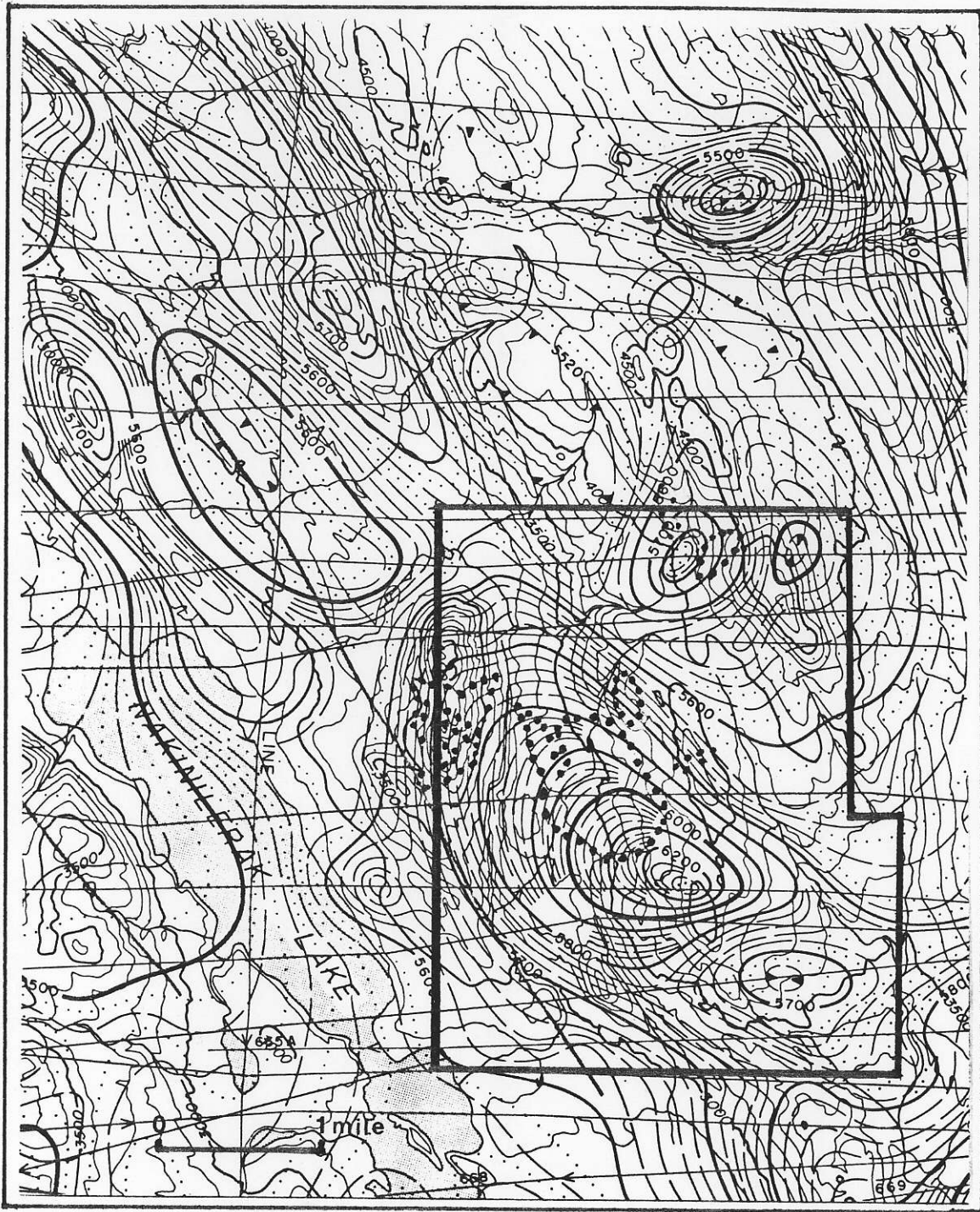


FIGURE 4 - AIRBORNE MAGNETICS

 Intrusive Rocks

NAKINILERAK LAKE PROPERTY

GEOPHYSICS

-  High IP Response
-  Magnetic High

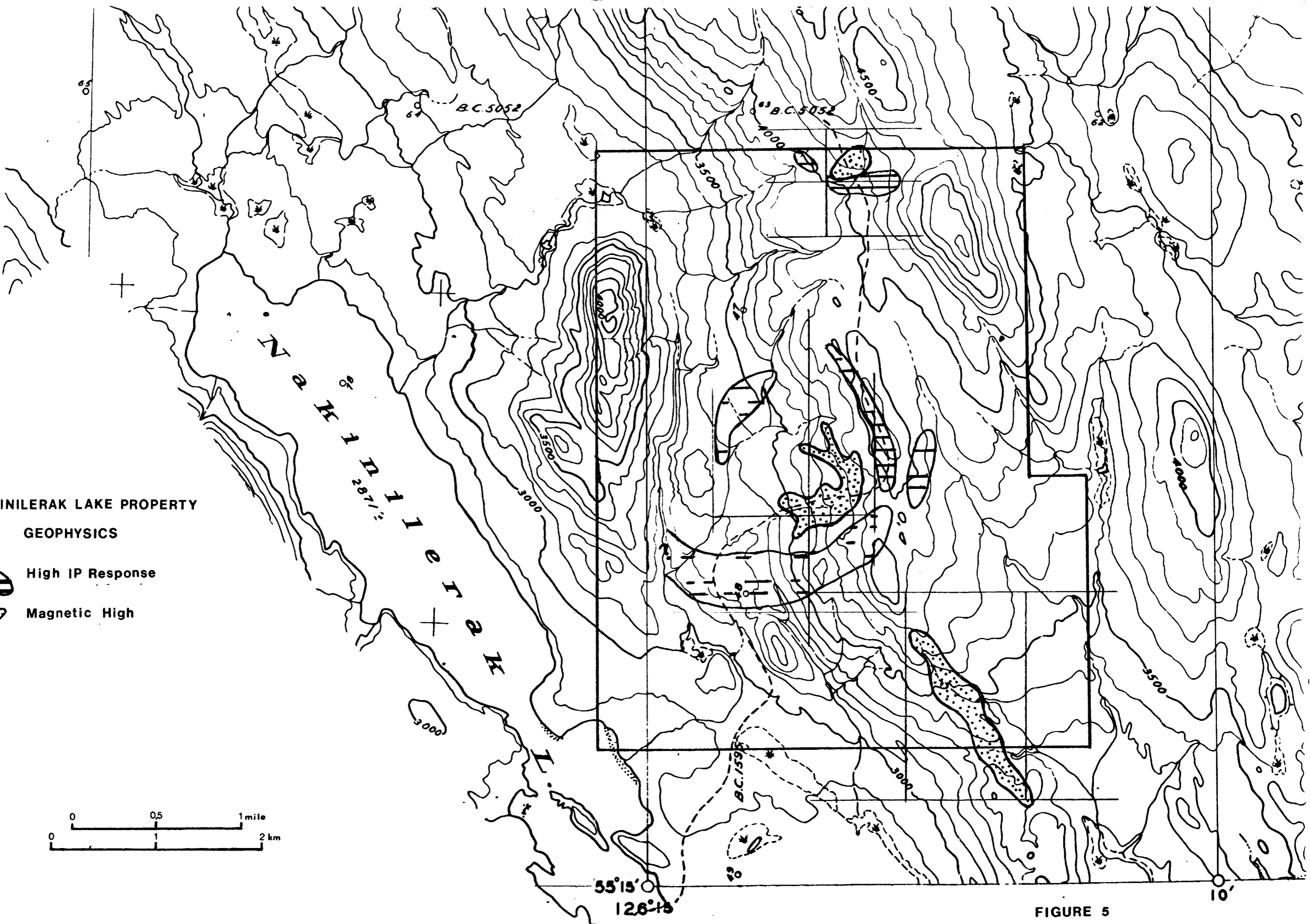
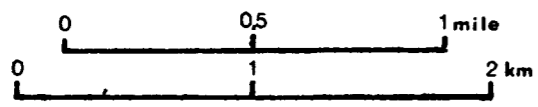


FIGURE 5

TO: JOHN BAKER

FAX: 847-5039

- MAG LOW CENTRED ON CU SHOWING IN CREEK

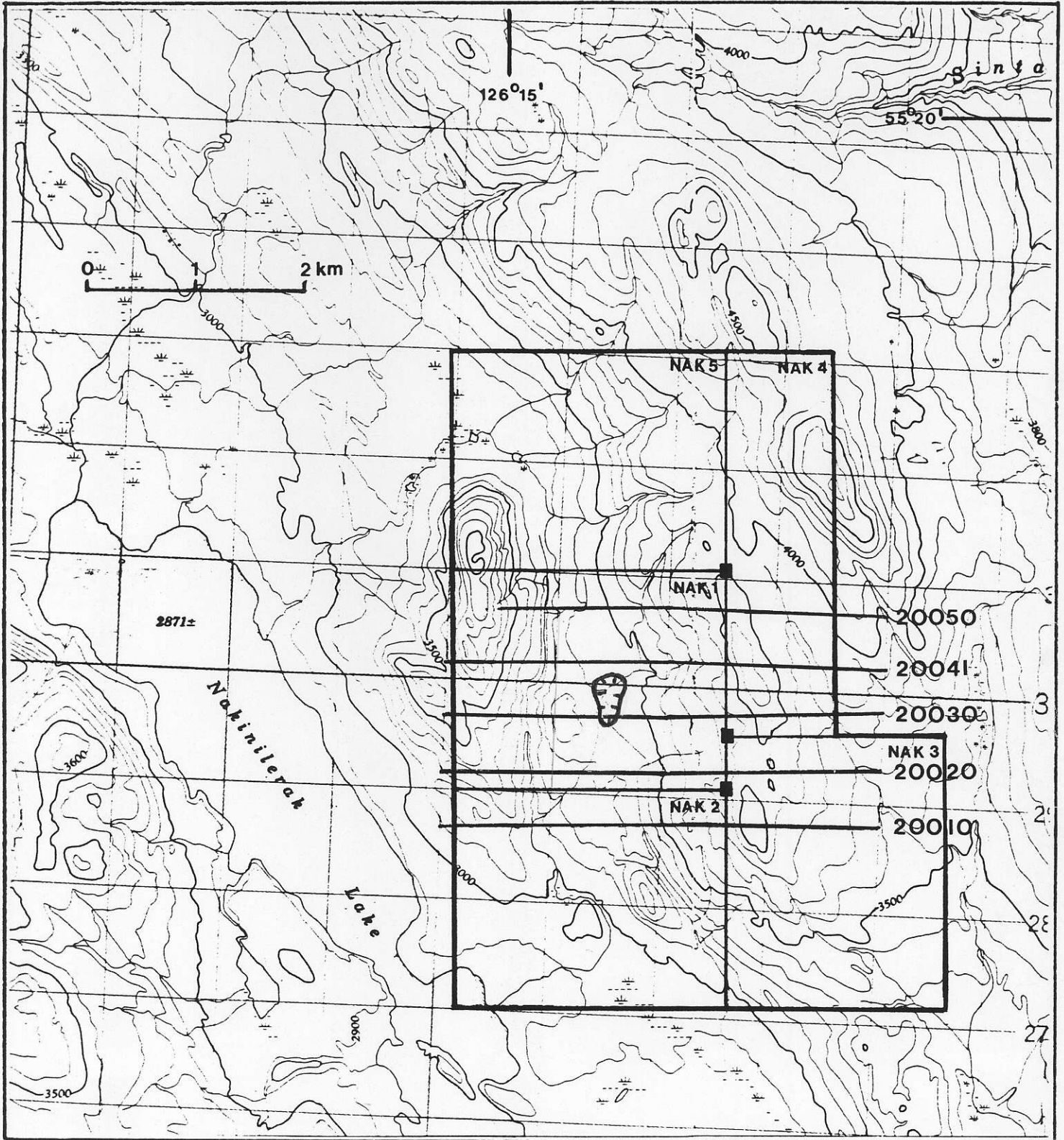



FIGURE 5 - FLIGHT LINES - AIRBORNE SURVEY

NAKINILERAK LAKE PROPERTY
GEOCHEMISTRY

Soils

 +150+300 ppm Cu

Silts

 320 ppm Cu

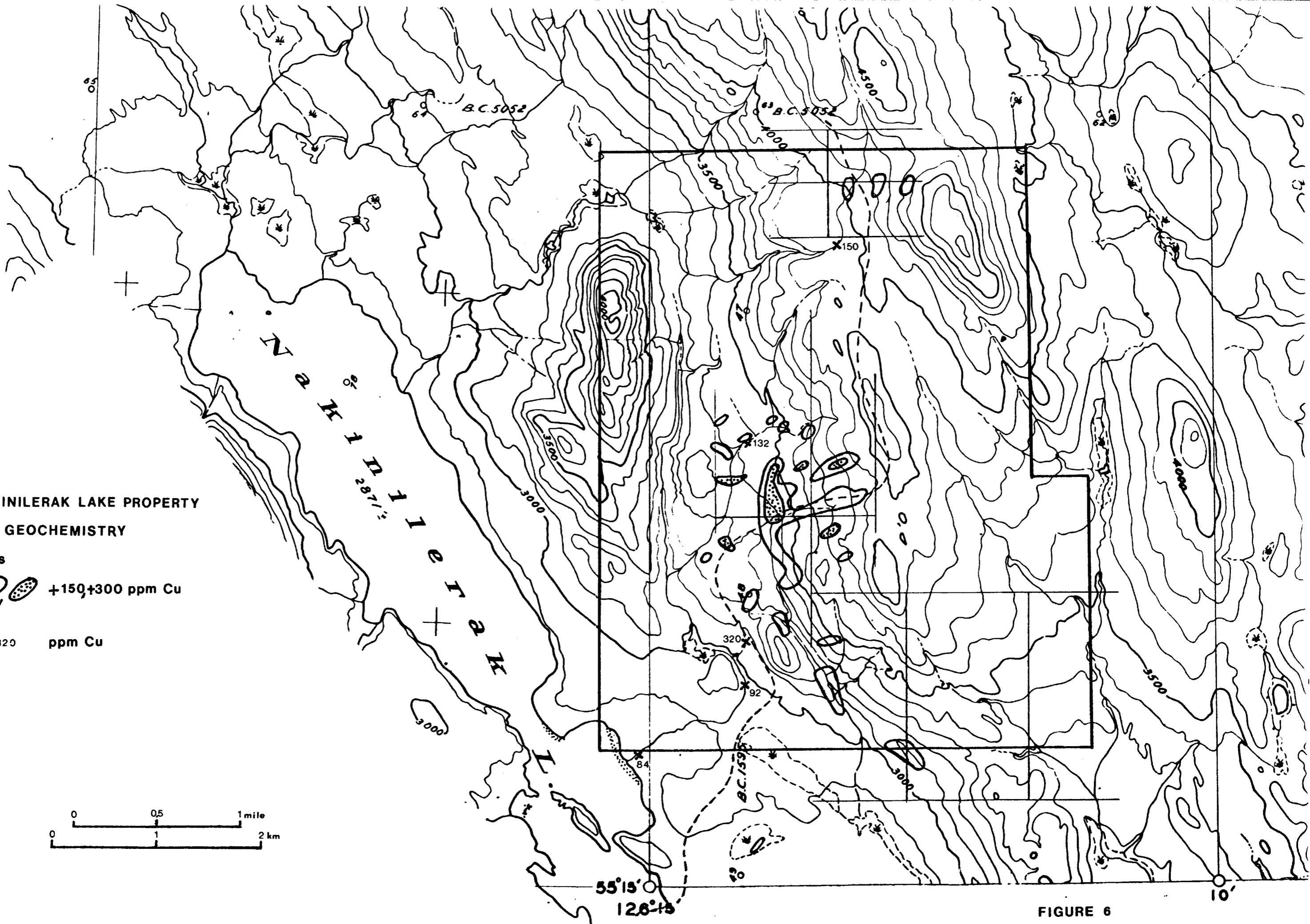
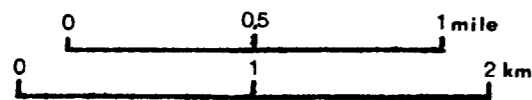


FIGURE 6

NAKINILERAK LAKE PROPERTY
DRILLING

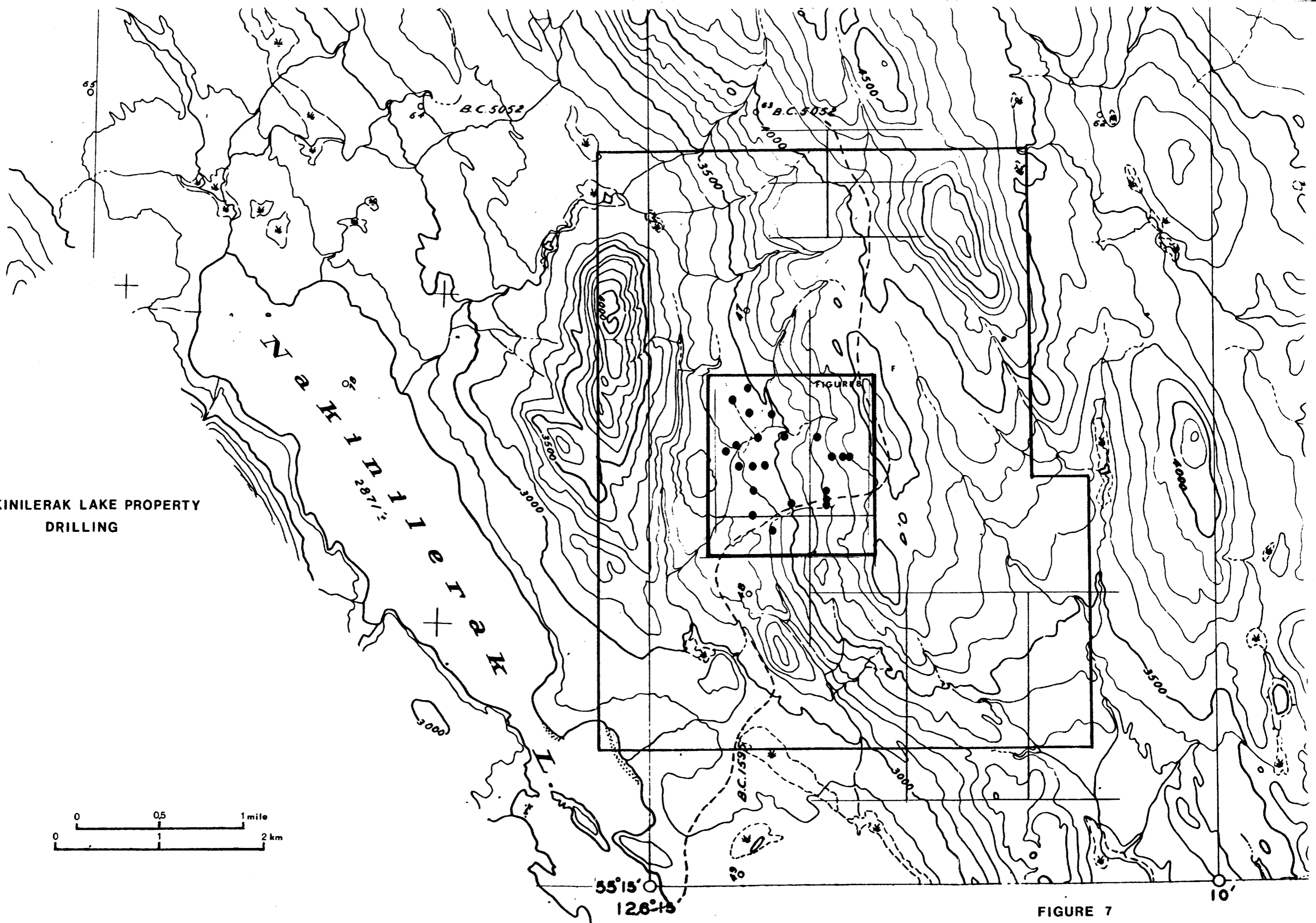
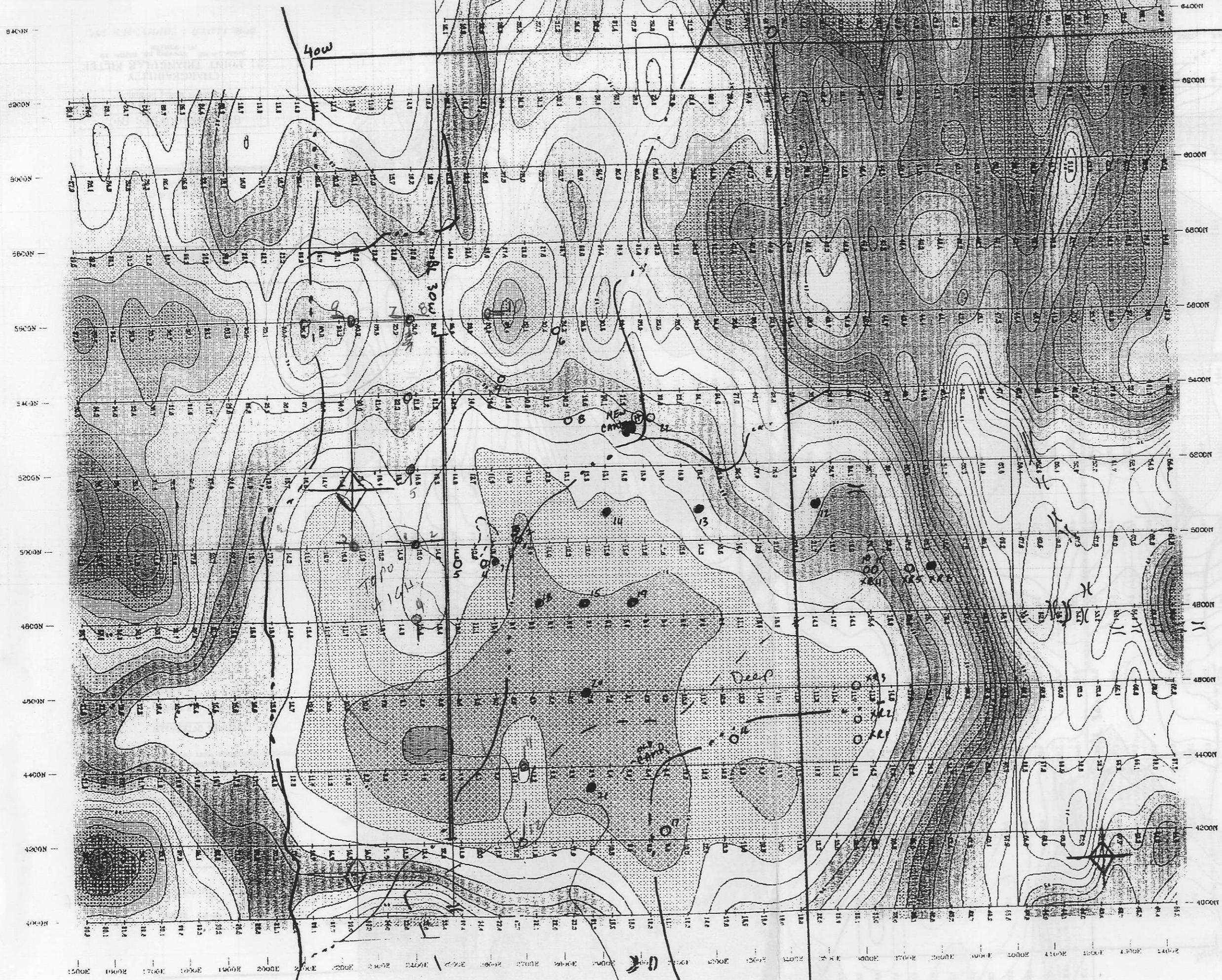


FIGURE 7



52E

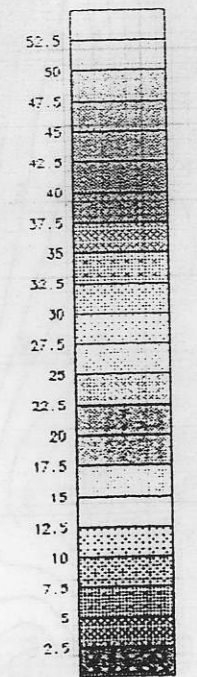
○ OLD DDH
 ● trench or test pit.
 - - - - CK

LEGEND

INDUCED POLARIZATION SURVEY
 POLE-DIPOLE ARRAY
 DIPOLE SEPARATION : 50 METRES
 CURRENT ELECTRODE WEST OF POTENTIAL DIPOLE

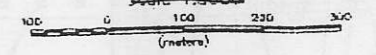
CONTOUR INTERVALS

— 2.5 MSEC
 — 10.0 MSEC
 — 50.0 MSEC



msec

1:10000
 Scale 1:5000



HERA RESOURCES INC.

NAK PROPERTY
 Omnicast Mining Division

CHARGEABILITY
 21 POINT TRIANGULAR FILTER
 Scale 1:5000 Drawing NO. 04-256-15
 07-22-78

LLOYD GEOPHYSICS INC.

1:10000
 ШКАЛА
 1:10000
 ШКАЛА
 1:10000

1:10000
 ШКАЛА
 1:10000



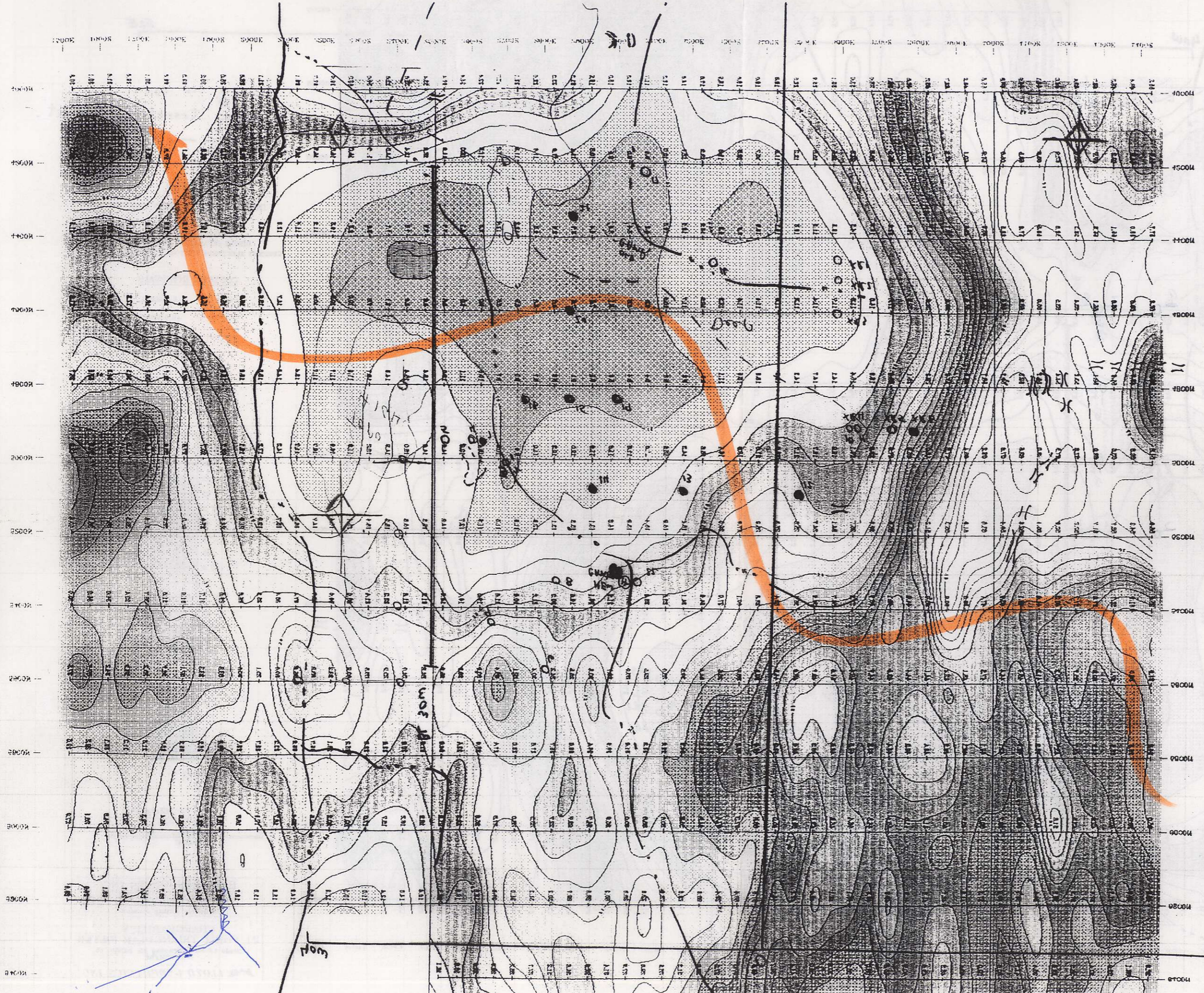
ШКАЛА
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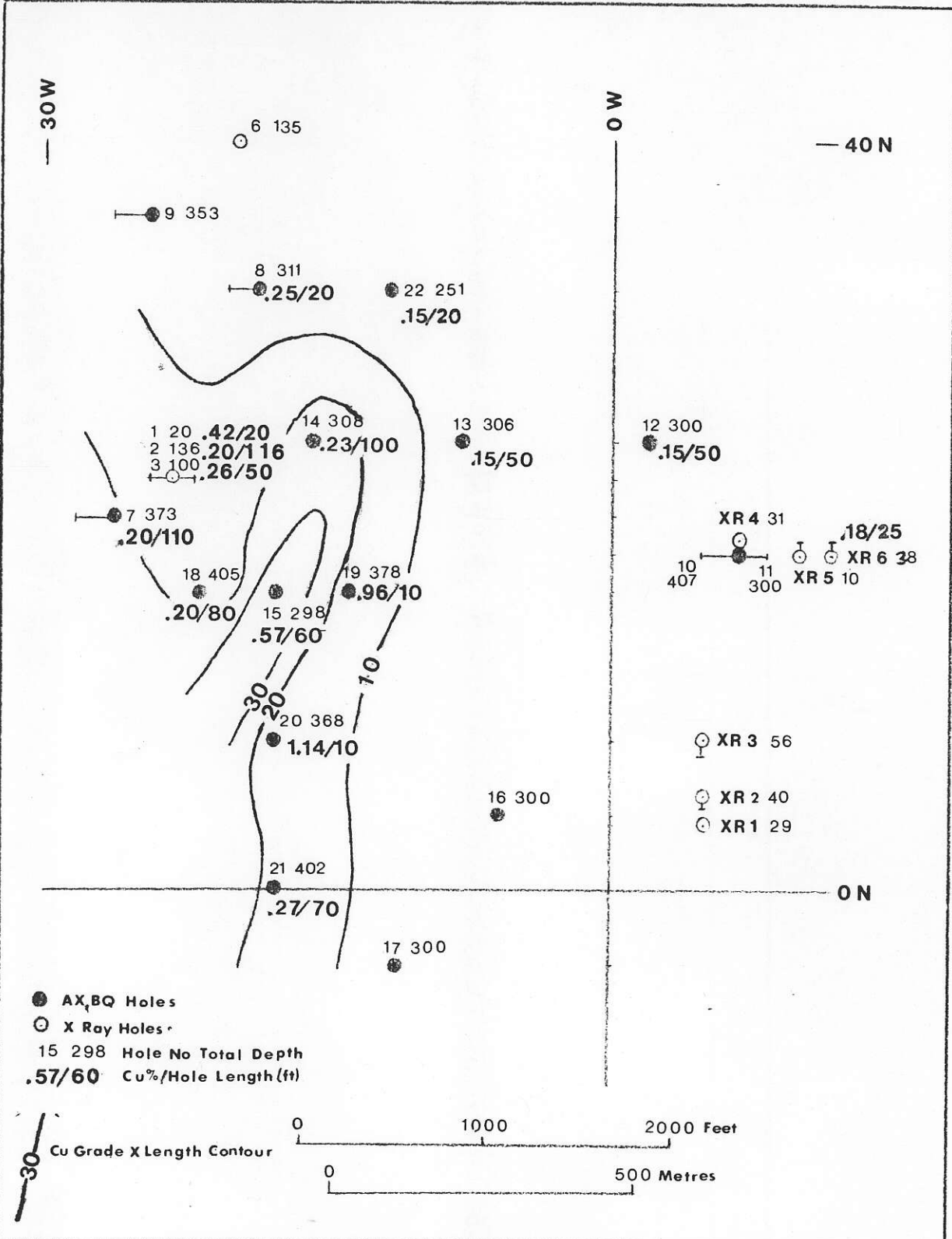


Figure 8 Drilling Results

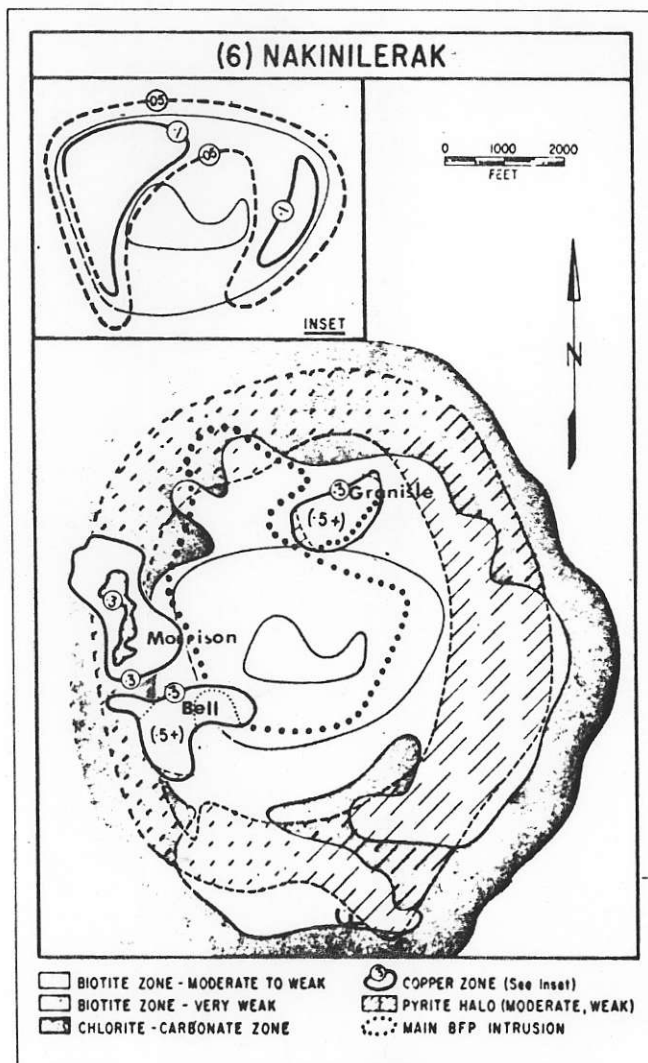
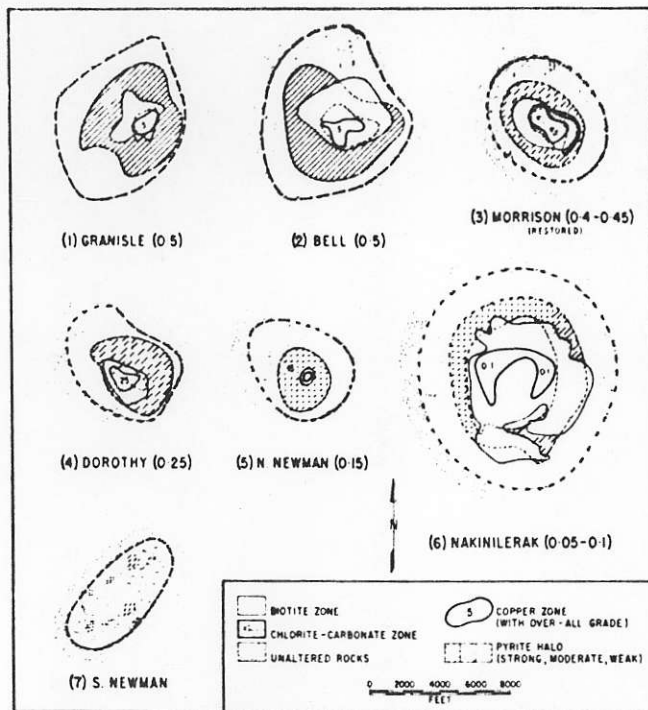




FIGURE 9


After Carson and Jambor (1974)

NAKINILERAK LAKE PROPERTY
COMPILATION

Soils


 +150, +300 ppm Cu

 Porphyry Intrusions

 Pyrite Halo

 Drill Holes 0.20% Cu

 Target Areas

 Bell Copper Ore Body
(to scale)

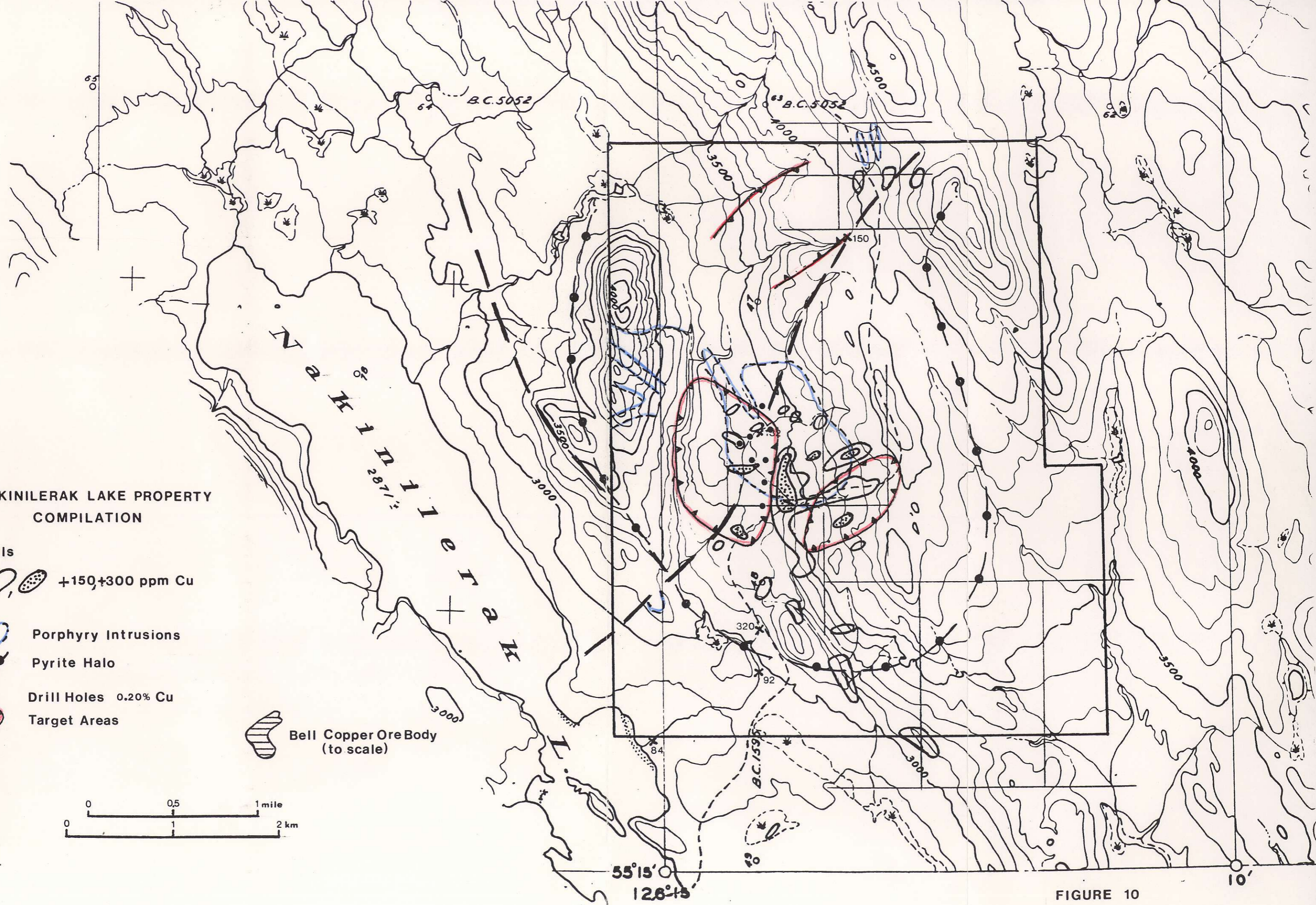
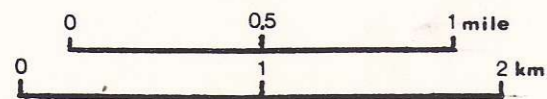


FIGURE 10

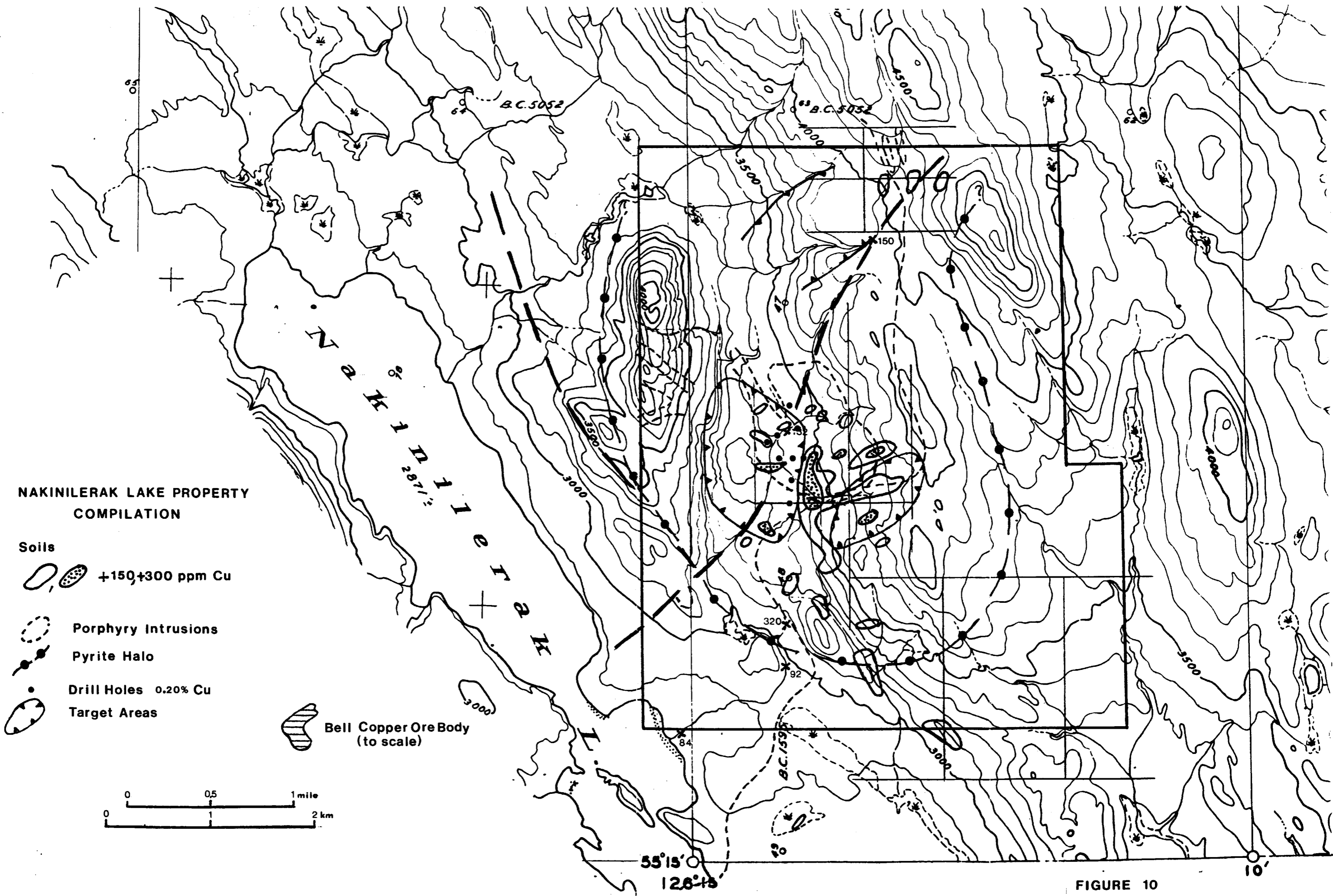



FIGURE 10

NAKINILERAK LAKE PROPERTY
GEOCHEMISTRY

Soils


 +150, +300 ppm Cu

Silts

x 320 ppm Cu

 B.F.P.

B.F.P.

 BELL OREBODY
-Drawn to Scale.

 TARGET AREA

TARGET AREA

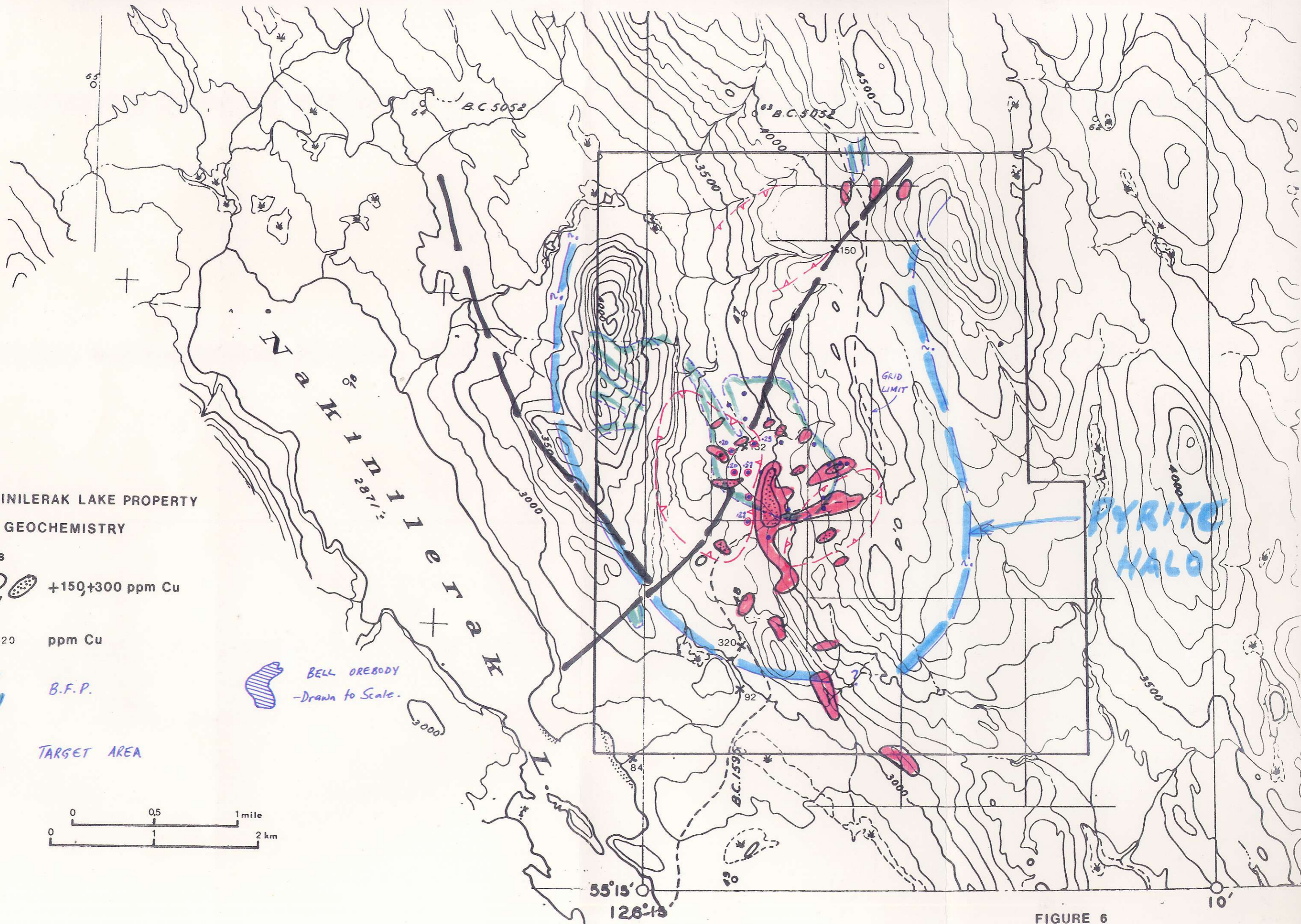
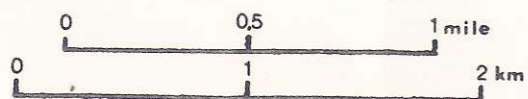


FIGURE 6

NAKINILERAK LAKE PROPERTY
Omineca Mining Division
Babine Lake Area, B.C.

PROPOSED AGREEMENT -

Payment Schedule - \$25,000 down payment
 \$50,000 - 1st anniversary
 \$75,000 - 2nd anniversary
 \$100,000 - 3rd anniversary

plus 200,000 free trading shares and
options on an additional 200,000 shares

Work Commitment - \$250,000 in each of the first two years

Royalty Interest - 2% NSR capped at \$3 million

CERTIFICATE

I, NICHOLAS C. CARTER, with residence and business address at 1410 Wende Road, Victoria, British Columbia, do hereby certify that:

1. I am a Consulting Geologist and have been 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 Summary Report on the Nakinilerak Lake Property, dated March, 1992, is based on previous field examinations and published reports prepared by the writer and on records of previous exploration work made available to the writer by Noranda Exploration Company, Limited.
5. I do not beneficially own, directly or indirectly, any securities of Tri-Alpha Investments Ltd. I do hold a minority interest in the mineral claims comprising the Nakinilerak Lake property.
6. Permission is hereby granted to Tri-Alpha Investments Ltd. to use the Summary Report on the Nakinilerak Lake Property in support of any filings with the British Columbia Securities Commission and the Vancouver Stock Exchange.

Dated at Victoria, British Columbia this 7th day of July, 1992

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

N.C. CARTER, Ph.D., P.Eng.
CONSULTING GEOLOGIST

July 7, 1992

Mr. Gord Fretwell
Devlin Jensen
Barristers and Solicitors
Suite 2550
555 West Hastings Street
Vancouver, B.C. V6B 4N5

Dear Mr. Fretwell:

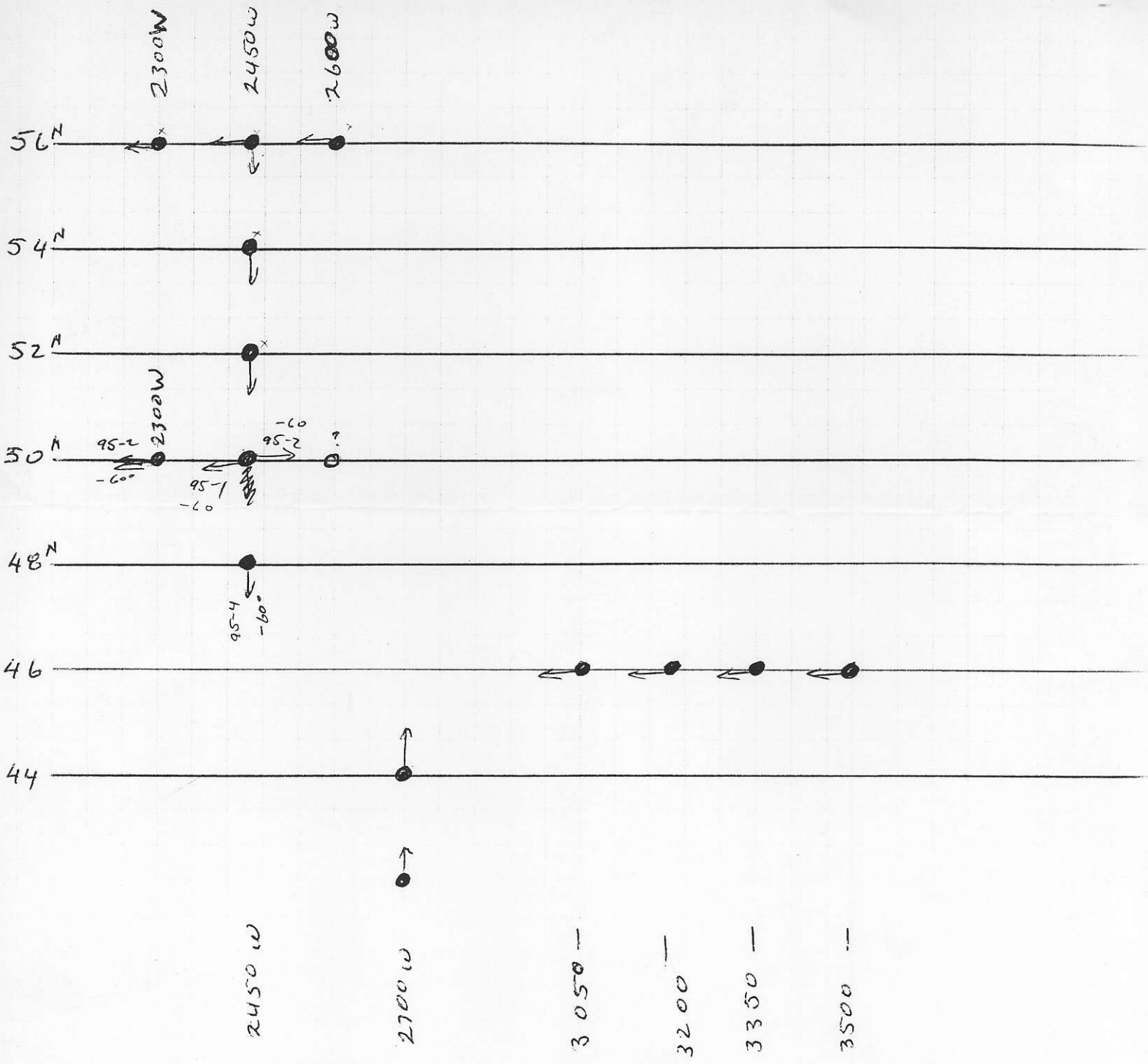
Re: Tri-Alpha Investments Ltd.

At the request of Mr. Hardy Forzley, I am enclosing six signed and sealed copies of a Certificate page to accompany my Summary Report on the Nakinilerak Lake Property.

Note that the certificate does disclose my minority interest in the mineral claims comprising the property.

Yours truly,

N.C. Carter



HAK INITIAL DRILLING.
 EXPECTED D.H. LAYOUT.