

SUTCLIFFE RESOURCES LTD.Feb 1/06
(from DVL)**Beale Lake Property – Executive Summary****Introduction**

Compilation of regional and historic property data for the Cry Lake area of northern British Columbia has identified good potential for intrusion-related gold mineralization. The area also has potential for volcanogenic massive sulphide deposits as it is believed to be underlain by rocks that are correlative with those of the Yukon-Tanana Terrane (Nelson, J., 2002). A 1 x 2 km area hosts Au, As ± W, Bi, Ag, Sb, Pb, Cu and Zn vein and breccia mineralization.

Portions of the property are owned by D.B. Fleming, Sutcliffe Resources has an option agreement to earn a 100% interest over 4 years through a combination of cash and share payments, and exploration program commitments. Mr. Fleming holds title to 36 claim units; Sutcliffe Resources recently purchased the surrounding claims totalling 912 units from United Exploration Management Inc. acting on behalf of vendors Gambier Mining Corp. The land area held comprises approximately 23,930 hectares.

② Wes Raven ✓

This report was prepared by the author at the request of the directors of Sutcliffe Resources Ltd. The purpose of the report is to summarize all publicly available data on the subject property. The principal sources of information for this report are government maps and reports, including assessment reports and Minfile data, and internal company records. The author has not made a site visit to the property.

Location and Access

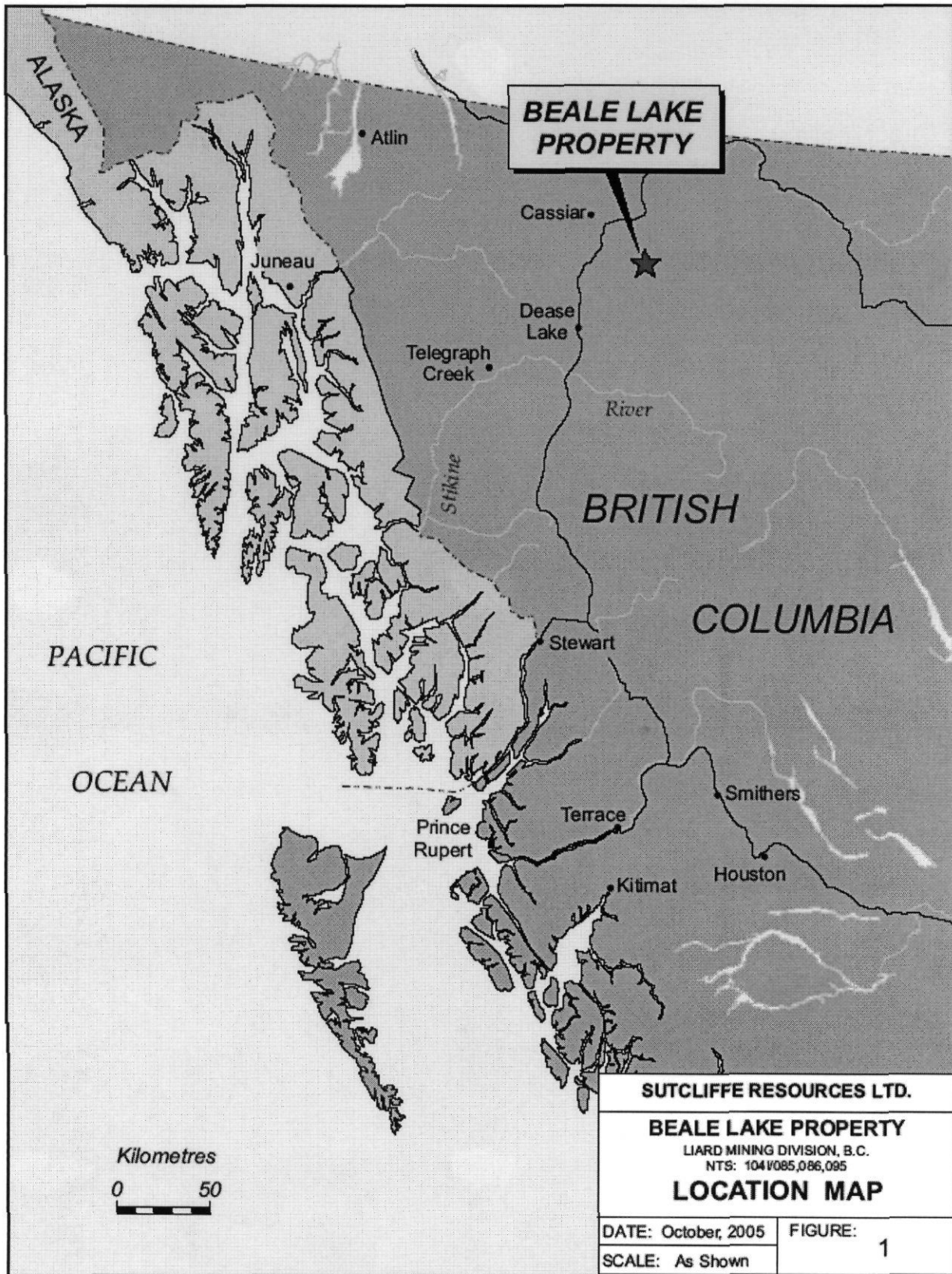
The property is located within the Cassiar Mountains, centred north of Beale Lake on NTS map sheet 104I/14E. Current access is by helicopter or float plane from Dease Lake, 75 km to the southwest. An old road from the Stewart-Cassiar Highway (Highway #37) terminates 12 km from the property. The general location is shown on Figure 1. Detailed claim information is shown on Figure 2.

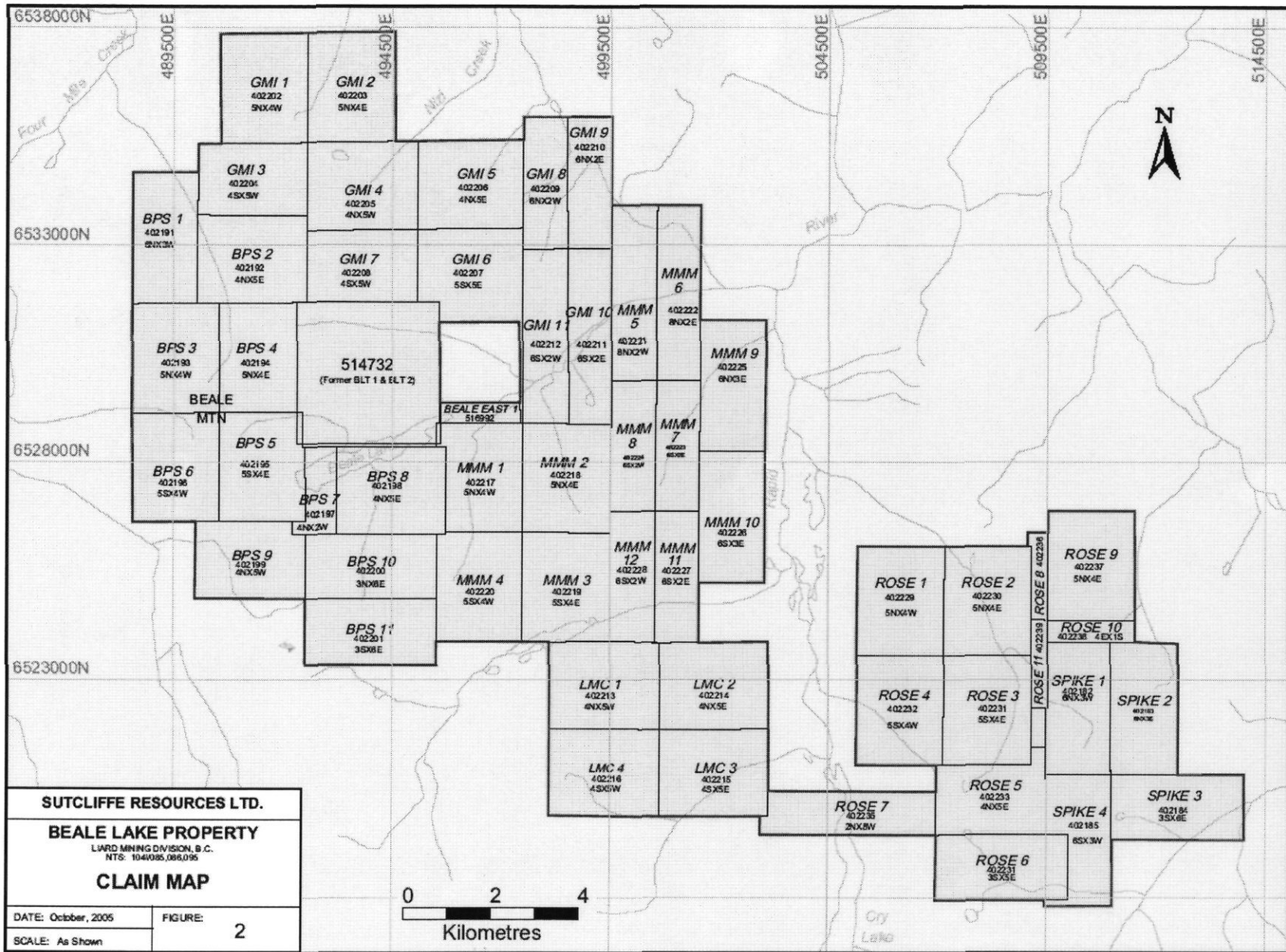
Geology

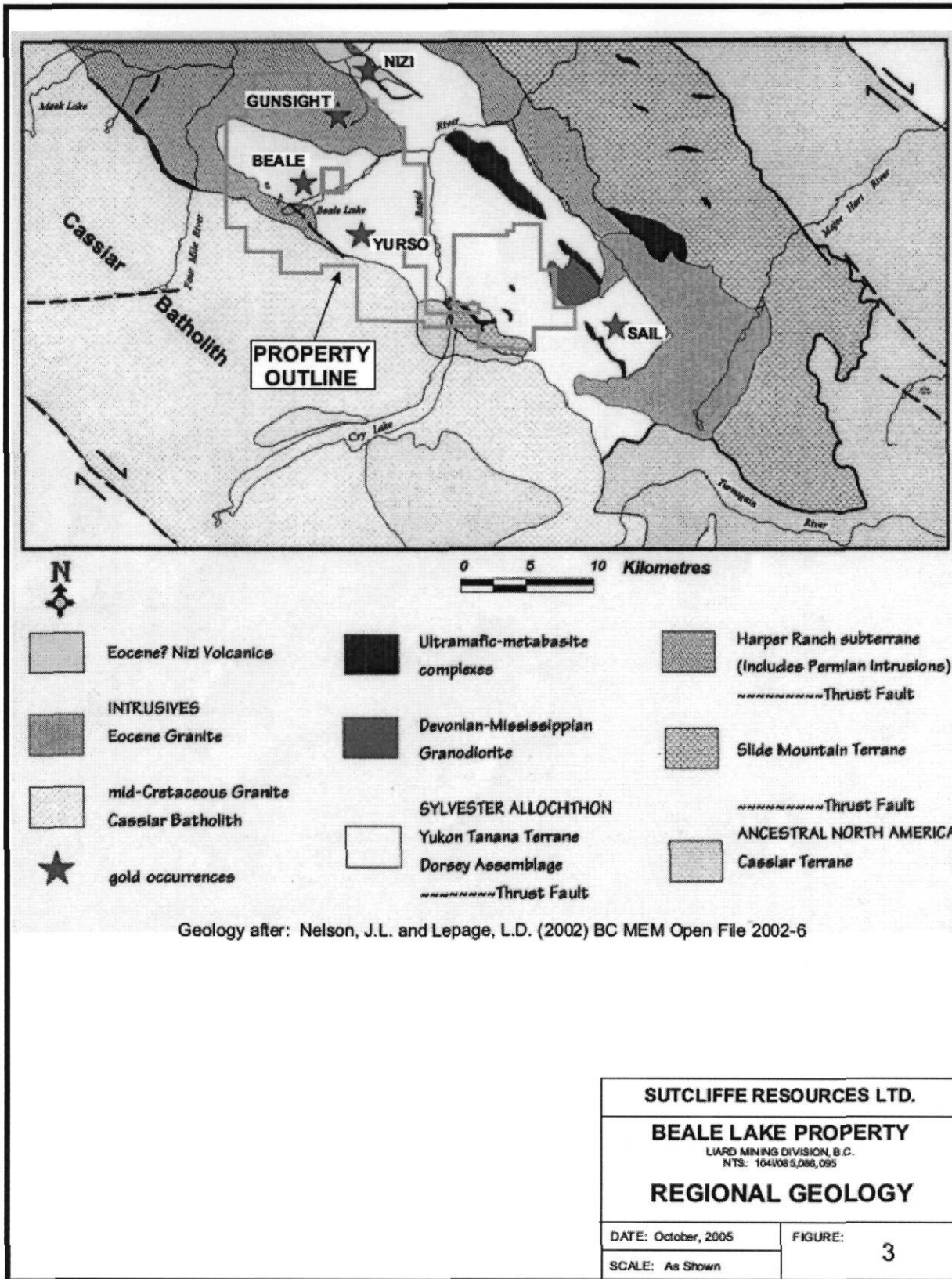
The Beale Lake property lies within metamorphosed and tectonized continental margin strata of the Dorsey Assemblage, part of the Yukon-Tanana Terrane (Figure 3). These strata have been intruded by early Mississippian plutons and the property is located a few kilometres northwest of the Cassiar Batholith. Gabrielse (1998), shows the Beale Lake property lies within a 40 km long by up to 17 km wide belt of structurally complex siliceous tectonites, commonly referred to as the "Rapid River Tectonite."

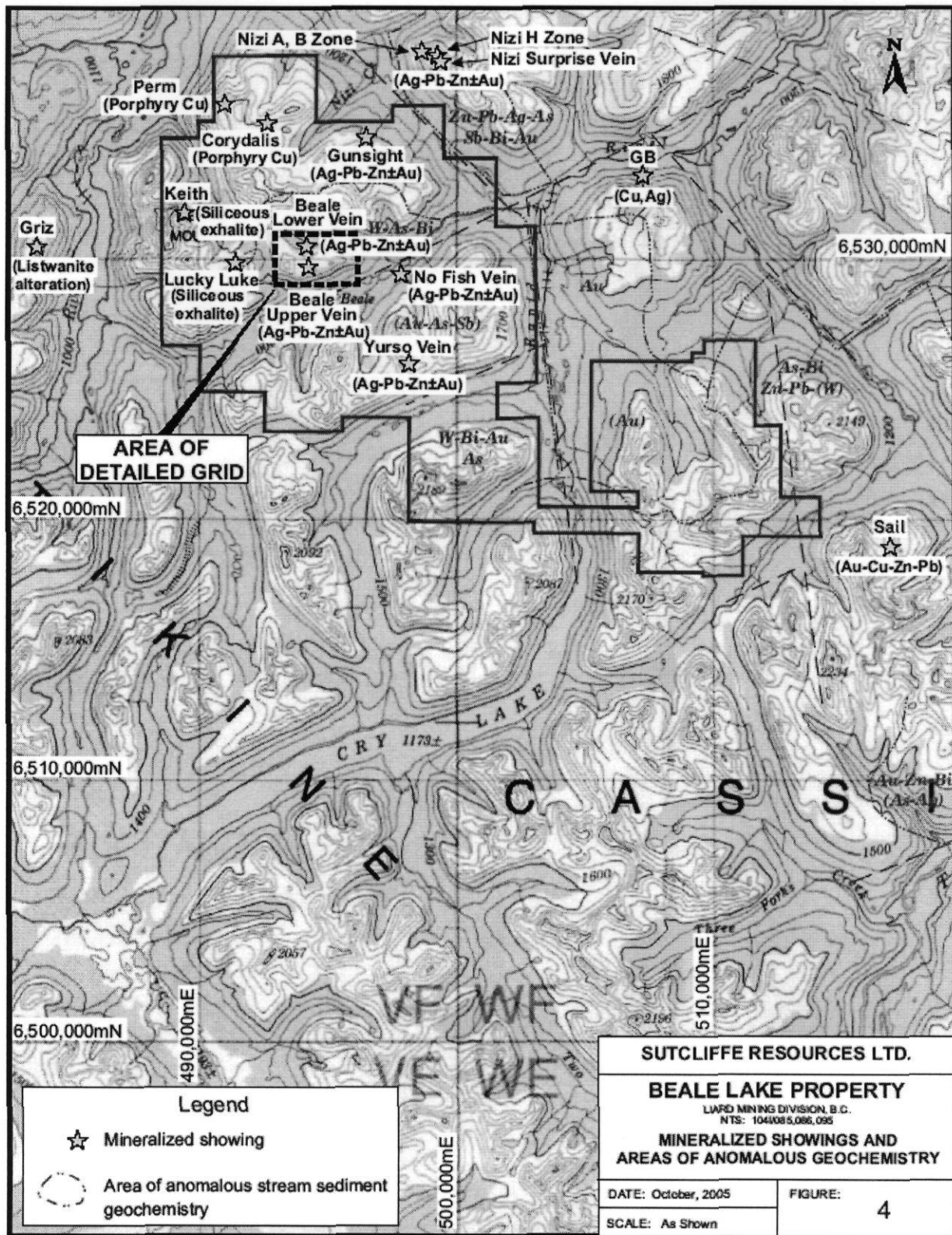
Mineralization

The property is host to 8 known mineralized occurrences. The Upper and Lower Beale veins, Gunsight, No Fish vein, and Yurso vein comprise polymetallic (Au-Ag-Pb-Zn) quartz vein/stockwork systems. The Keith and Lucky Luke showings consist of siliceous exhalite horizons with the Perm and Corydalis targets considered prospective for porphyry copper mineralization. These mineral occurrences, and areas of anomalous stream sediment geochemistry, are shown on Figure 4.









The BC MEMPR Regional Geochemical Survey (RGS), released in 1996 (RGS Open File 44), targeted NTS Mapsheet 104I – Cry Lake, through stream sediment surveys and water samples. The survey outlined multi-element base and precious metals anomalies on maps of individual elements and multi-element plots of precious metals (Au-Sb-As-Ag-Hg) and base metals (Cu-Pb-Zn-Ag-Ba).

Of these targets the Upper and Lower Beale veins are the most advanced. Two styles of gold mineralization are recognized at the Beale prospect area: (i) low sulphide sheeted Au-As-W-Bi quartz veins and (ii) high sulphide Au-Ag-As-Pb ± Sb-Cu-Zn quartz veins and breccia.

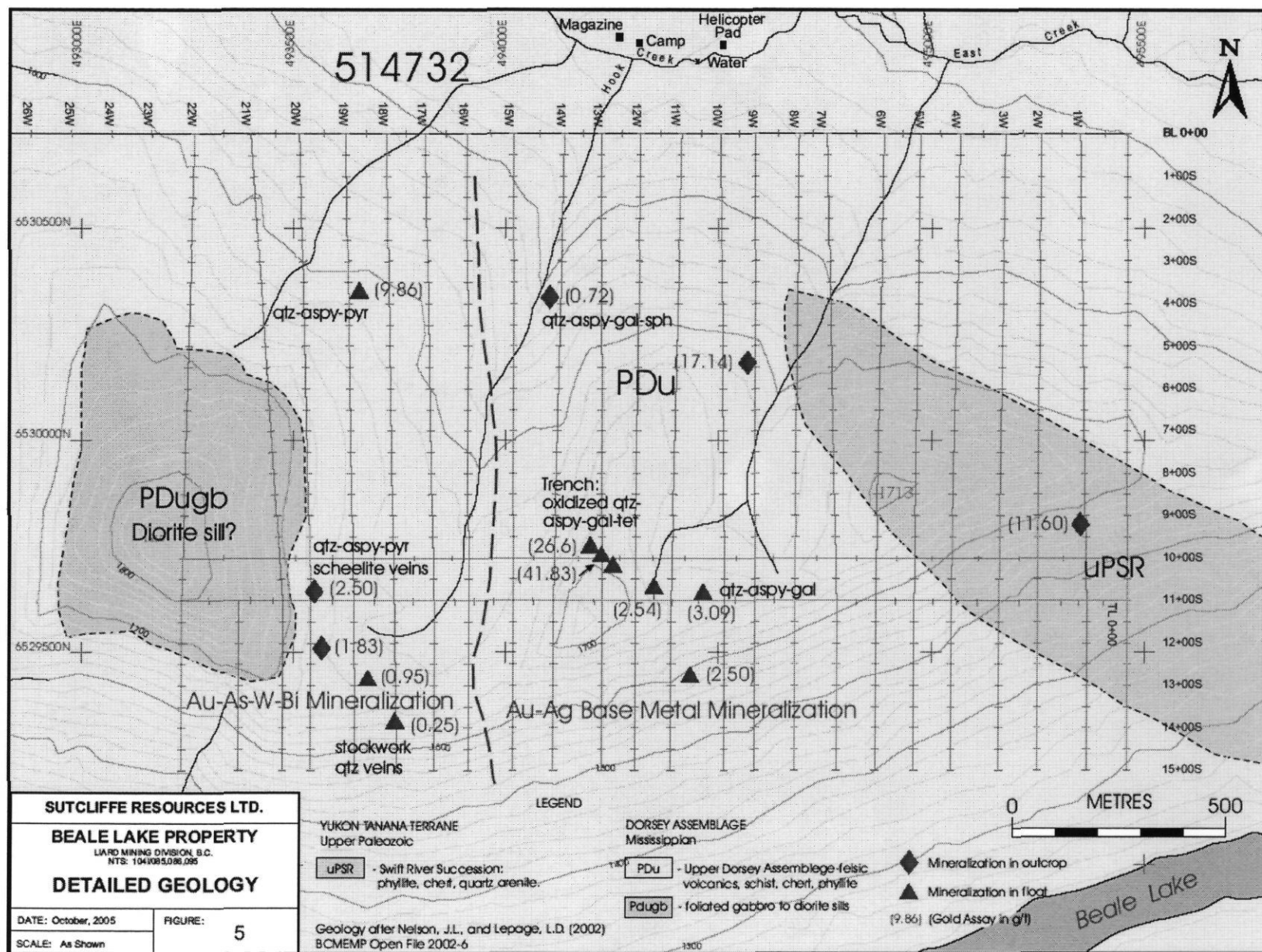
Grab samples from low sulphide-style mineralization assayed up to 2.49 g/t Au.

Mineralized float from the high sulphide vein system assayed up to 41.83 g/t gold from an area of scattered qtz-asp-pyr-gal ± sph veins and breccia measuring approximately 800 by 1200 metres (Figure 5).

The Gunsight, or RN showing (Minfile 104I-041) comprises a 20-100 cm wide qtz-gal-py-sph vein that trends 120/90 and is exposed over approximately a 50 metre length. A 20 cm chip sample assayed 0.030 opt Au, 112 g/t Ag, 8.36% Pb, and 3.09% Zn. A second area of mineralization was located approximately 400 metres upslope from the camp area. At this location chalcopyrite-rich boulders are found at the base of a 200-300 metre high escarpment; the source of the mineralization was not sampled. Float samples assayed up to 27 g/t silver and 2.79% Cu with anomalous Au and Zn. Elevated Au, Ag, As, Ba, Cu, Ni, Pb and Ti values were obtained from stream sediment samples up to 900 metres downstream from the area of mineralized float.

Two new vein discoveries were made in 2001 (Nelson, JoAnne, 2002) by GSC geologists.

These 2 new showings are the No Fish and Yurso veins, both comprising polymetallic Ag-Pb-Zn ± Au. There is no record of these occurrences in previous assessment reports. The



No Fish vein varies from 2-8 cm wide, strikes west-northwest, and contains geochemically elevated values of Ag-Se-Te-Cu-Co. The Yurso vein is larger in extent and degree of mineralization. It outcrops at the head of a small creek and has been traced as subcrop for over 1,000 metres along a north-westerly strike. Sulphide minerals include arsenopyrite, pyrite, stibnite and tetrahedrite. Analyses include values up to 1,250 ppb Au, 1,824 g/t Ag, 413 ppm Bi, 23,000 ppm Pb and 8,000 ppm Sb. No width was reported, the largest pieces of vein material are 20-30 cm in their shortest dimension.

Two possible exhalite layers (Keith & Lucky Luke) comprising very rusty pyritic metachert were observed in the lower Dorsey assemblage. These layers occur at roughly the same structural (stratigraphic?) level, are 5-10 m thick, and are continuous over 100s of metres to a km of strike length. Two main layers exist with different mineralogical compositions, (i) dark grey, pyrite-rich chert with trace to abundant garnet, and (ii) white pyritic chert with minor, discontinuous quartz-sericite schist. The mineralogy is consistent with metamorphosed Fe-Mn-silica exhalites. Three samples from the Keith showing returned anomalous Te (0.41 ppm), Cu (111 ppm), Mn (1106 ppm) and Ba (112 ppm). Five samples from the Lucky Luke showing reported values of up to 138 ppm As, 803 ppm Mn, 199 ppm Ba, and 42.5 ppm Co.

The Perm and Corydalis showings are actually prominent gossans within the Nizi pluton. They are cross-cutting, linear, probably fracture-controlled zones with west-northwesterly trends. The gossans are hosted in intrusive rocks including tonalite, diorite and gabbro which are cut by plagioclase-porphyry dykes and zones of intrusive breccia. Within the breccia are stockwork quartz veinlets; disseminated pyrite and chalcopyrite occur in the breccia matrix and in fractures in the country rock. Neither of these gossans is described in

any assessment reports through there is evidence that they were staked at one time as old claim posts were observed.

The RGS precious metal anomaly map outlines anomalous drainage basins throughout much of the western half of the property. Anomalous areas include the creeks north of the Beale veins surface exposure, the creek draining the Gunsight showing, the area south of Beale Lake likely draining the basin hosting the Yurso vein, and along the western property boundary in the area of the Keith and Lucky Luke showings.

Base metal anomalies are similar in their distribution but there are differences. The creeks north of the Beale veins returned low results. The drainage hosting the Gunsight showing reported weakly anomalous base metal results. The creeks south of Beale Lake, near the Yurso vein, also reported low base metal values. The area draining the Keith and Lucky Luke prospects reported moderately to strongly anomalous base metal values.

A number of individual elements are moderately to strongly anomalous throughout the western half of the property. These elements include Sb, As, Ba, Co, Cu, Ag, Hg, Ni, W.

Recent Work

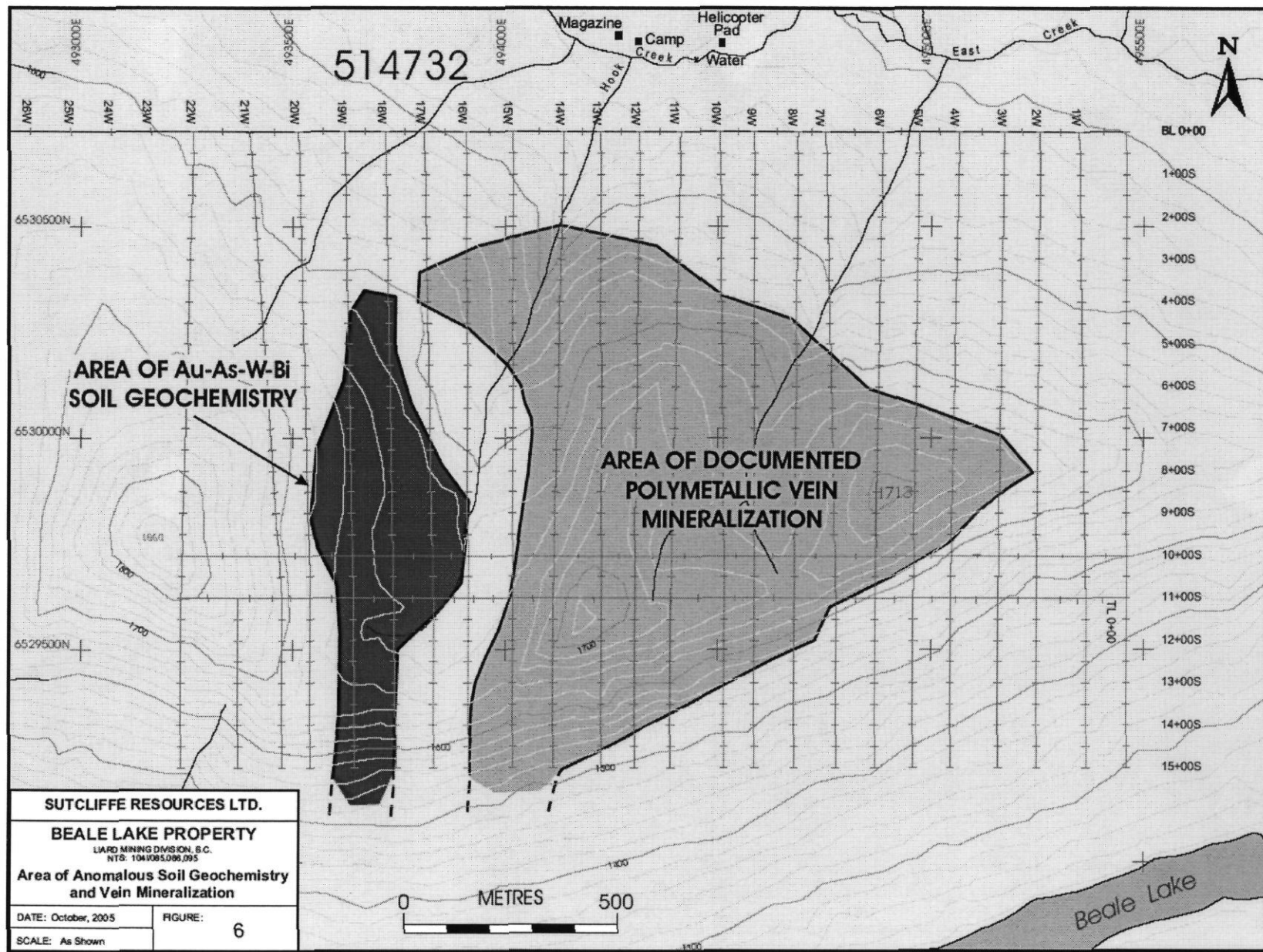
2003

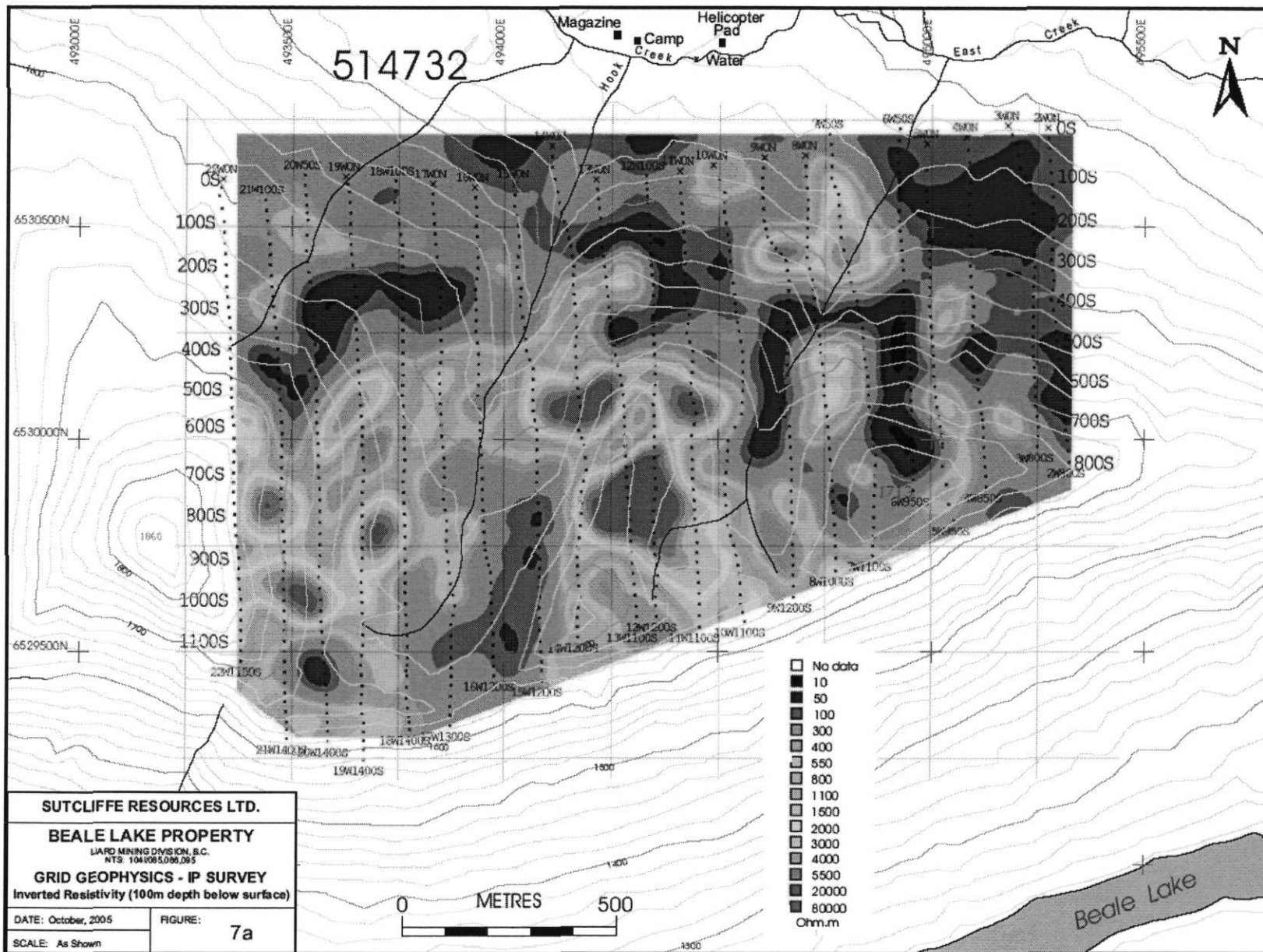
In 2003 a mapping, prospecting and rock, soil and silt sampling program was initiated over the area of the upper and lower Beale veins. Most of the work was directed towards a grid-based soil sampling survey with samples of the B-horizon collected at 50 m intervals along 100 m spaced lines (Figure 6). Two contour soil lines were completed north and south of the grid area. In addition inverse mag profiling was undertaken on the 1975-1978 GSC magnetic survey and remote sensing satellite imagery was obtained to assist in interpreting structure and alteration. The GSC mag data was a regional survey with a 1 mile line spacing.

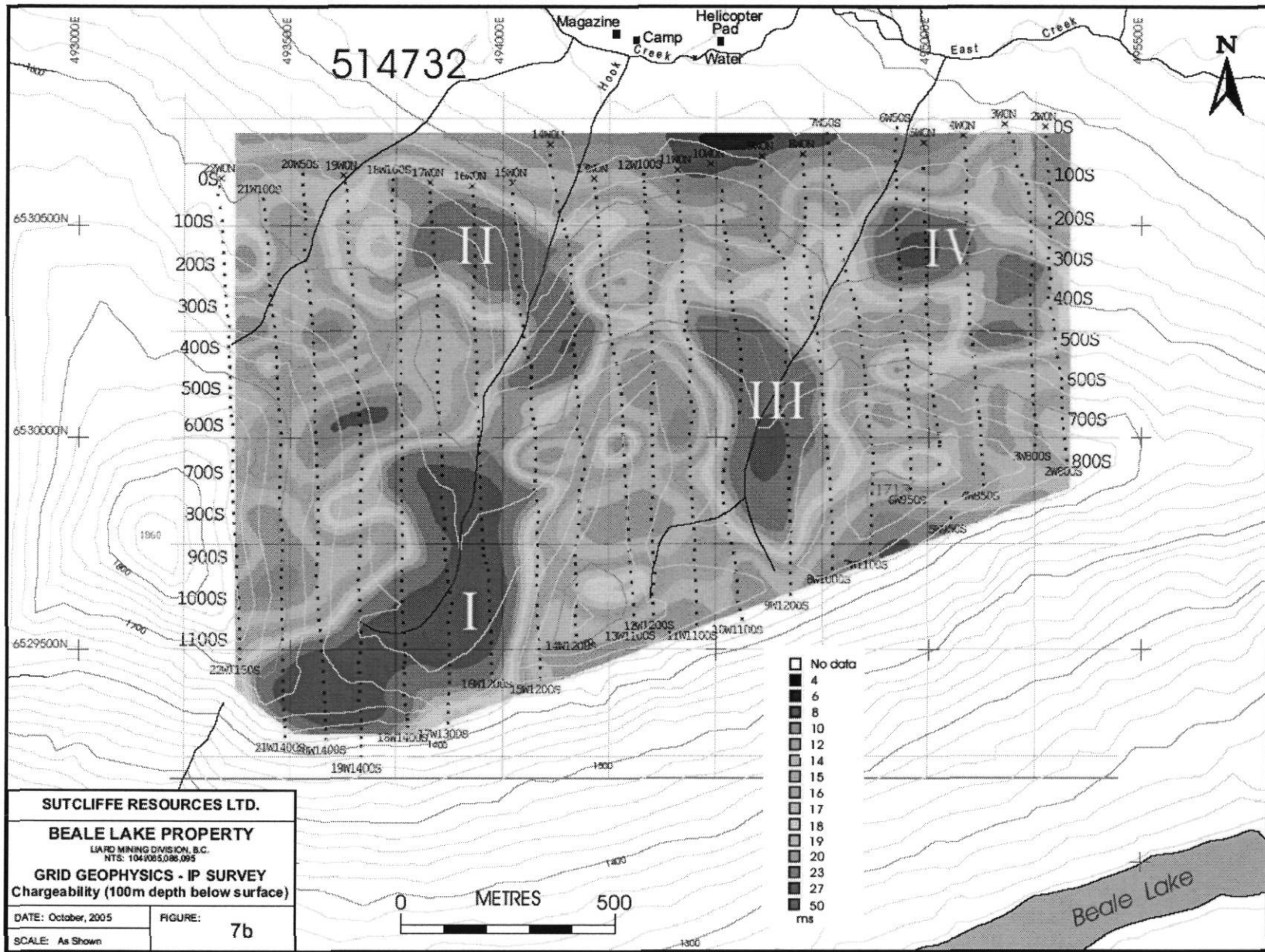
The soil sampling confirmed past results and outlined 4 areas of interest. The main area is a coincident Au-As-W-Bi anomaly measuring ~ 800 m x 1000 m over the area hosting quartz-sulphide-scheelite veins west of Hook Creek. A Au-As-Pb anomaly lies between Hook and East creeks. In addition two smaller multi-element anomalies areas were defined, one on the NE corner of the grid and the other in the SE grid area.

2005

In 2005 an induced polarization (IP) survey was initiated over the 2003 grid. The survey totalled 21.6 line-km over 100 m spaced lines. The survey outlined four zones of chargeability anomalies with coincident resistivity lows, as shown on Figures 7a and 7b. Chen (2005) has summarized the results as follows:







Zone 1 has a strong chargeability response and joins Zone 2 to the north. Chargeability anomalies on Zone 1 lie at a depth of approximately 50-80 metres. In Zone 2, chargeability anomalies are shallow and associated with outcrops. Zone 3 lies in the centre of the grid and comprises a northerly elongated chargeability high. Zone 4 occurs in the north-eastern portion of the grid and has an irregular shape.

Conclusions

The Beale Lake property has demonstrated potential for intrusion hosted gold deposits, analogous to those being developed in Alaska; the Fort Knox and Pogo deposits. The property is also prospective terrain for volcanogenic massive sulphide deposits. Sampling on the Beale veins has returned high grade gold assays of up to 41.83 g/t gold from a quartz-sulphide vein. Soil geochemical surveys have outlined areas of multi-element anomalies and imply a possible metal zonation to the system hosting the Beale veins. A recent IP survey outlined 4 zones of coincident high chargeability – low resistivity which warrant drill testing.

Recommendations

Further work is recommended on the Beale Lake property to evaluate all the mineralized showings. The program should be two-phased with advancement of each prospect based on results.

The Beale stockwork vein system should be drill tested to evaluate both the high grade surface showings and the IP targets. The IP survey outlined 4 target zones that require follow-up drilling. A program of 3000 metres (~20 holes) will test numerous targets throughout the grid area. In addition a detailed geological map should be compiled in conjunction with all available past data for the grid area.

All other showings should be located, prospected, mapped and sampled to determine their potential, both size and grade. Further work would depend upon this reconnaissance evaluation but would likely involve grid-based mapping, sampling and ground geophysical surveys. To aid in evaluating the property as a whole, an airborne magnetic, electromagnetic and radiometrics airborne geophysical survey is recommended at either a 100 to 150 metre line spacing. The following budget proposal is for a survey with a 150 metre line spacing.

Budget

Phase I - Detailed mapping, sampling, Airborne mag-em, radiometrics

Wages			
Senior Geologist	14	days @ \$600/day	\$ 8,400
Junior Geologist	14	days @ \$450/day	6,300
Assistant	14	days @ \$300/day	4,200
Prospector	14	days @ \$350/day	4,900
Mob/Demob			
4 man crew	4	days @ \$1,700/day	6,800
Airfare	2	return tickets @ \$1000/man	2,000
Truck rental	4	days @ \$100/day	400
Airborne	1600	line/km @ \$125/line/km	200,000
Expenses			
Camp costs	72	man days @ \$60/man/day	4,320
Field supplies			2,000
Purchase and position fuel (diesel + Jet-A)			20,000
Equipment Rental			
4x4 Truck	18	days @ \$100/day	1,800
4-Trax	18	days @ \$65/day	1,170
Radios and communication			2,000
Helicopter	28	hours @ \$1100/hr	30,800
Assays	300	rocks @ \$25/sample	7,500
Report			5,000
Subtotal			\$ 307,590
Contingency @ 10%			30,759
TOTAL Phase I			\$ 338,349

Phase II – Drilling – Beale vein system only

Wages			
Senior Geologist	30	days @ \$600/day	\$ 18,000
Assistant	30	days @ \$300/day	9,000
Cook / First Aid	30	days @ \$400/day	12,000
Pad building crew	30	days @ \$1100/day	33,000
Mob/Demob (4 days)			
Geol. crew & cook	3	persons @ \$1300/crew	3,900
Drill crew	4	persons @ \$1000/4-man crew	4,000
Pad building crew	2	men @ \$500/day/crew	2,000
Contractors			
Diamond drilling	2500	m @ \$150/m (all in)	375,000
Helicopter	90	hrs @ \$1100/hr	99,000
Cat Train (position fuel + heavy equipment)			50,000
Equipment Rental			
(2) 4x4 Truck	30	days @ \$100/day	3,000
Expenses			
Camp costs	9	persons @ 30 days @ \$60/man/day	16,200
Analyses	1500	samples @ \$25/sample	37,500
Report			15,000
Bonding/Reclamation			50,000
Materials for drill pads (6 pads)			15,000
Blasting materials for pad construction			10,000
Fuel (diesel for camp + drill)	3	drums/day @ 30 days @ \$200/drum	18,000
Fuel (helicopter)	70	drums @ \$250/drum	17,500
Subtotal			788,100
Contingency @ 10%			78,810
TOTAL Phase I			\$ 866,910
TOTAL PHASE I & II			\$ 1,205,259