Friendly Lake Copper-Gold Project

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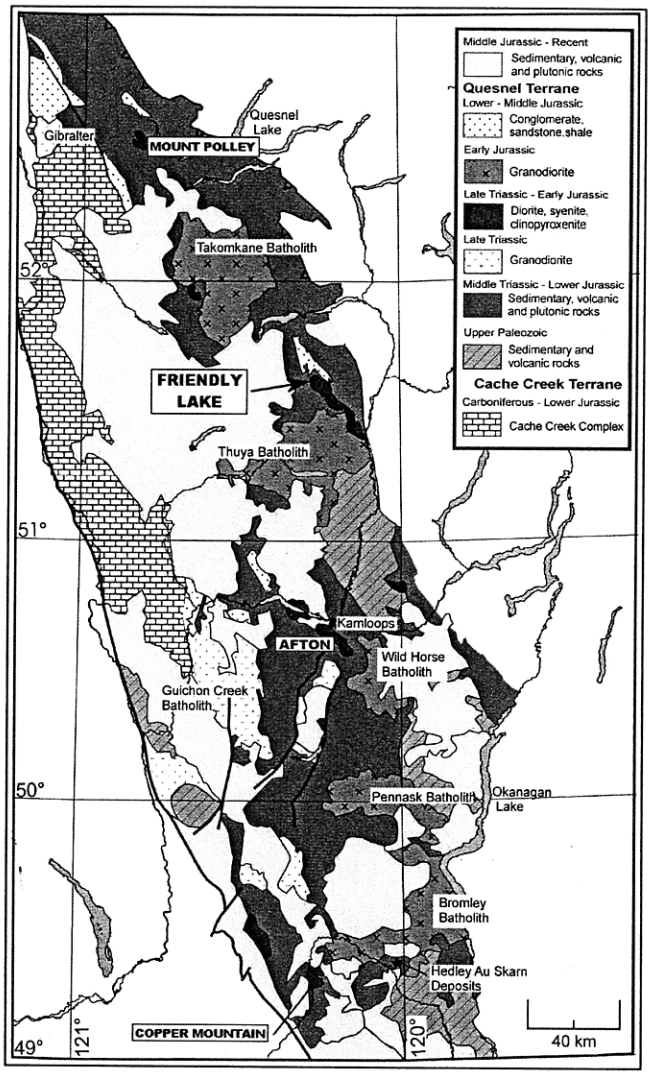
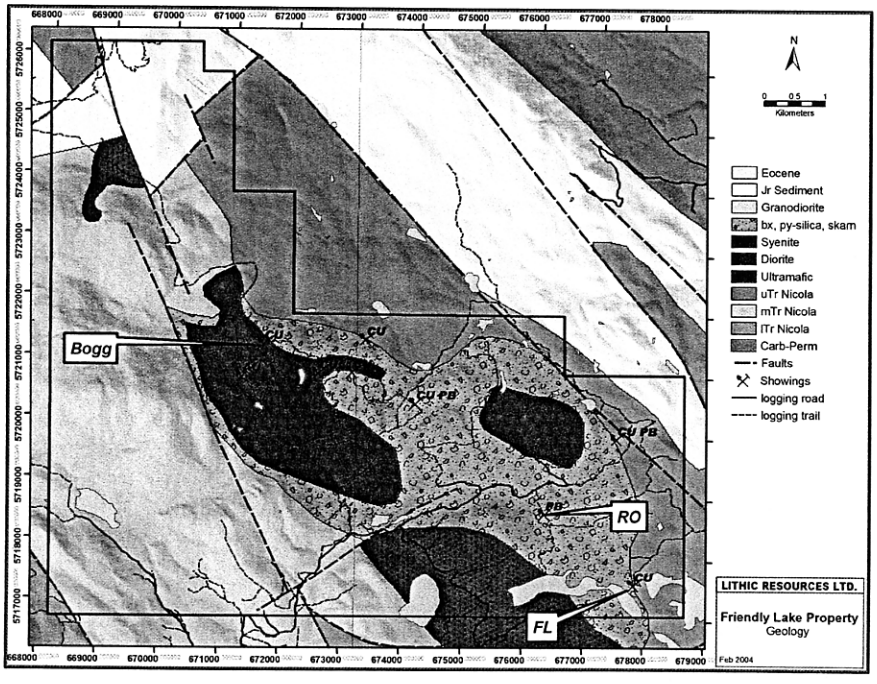
LITHIC RESOURCES

Geologically, the property is situated in the Quesnel Terrane which hosts numerous alkalic intrusion-related copper-gold deposits. Recent mapping by the BC Geological Survey has resulted in an entirely new geological interpretation of the Friendly Lake area, showing it to include a series of Late Triassic to Early Jurassic mafic to syenitic plutons correlative with those hosting the Mt. Polley, Afton and Copper Mountain Cu-Au deposits. This has provided a new context for previous exploration results and a new impetus for continued work on this under-explored property.

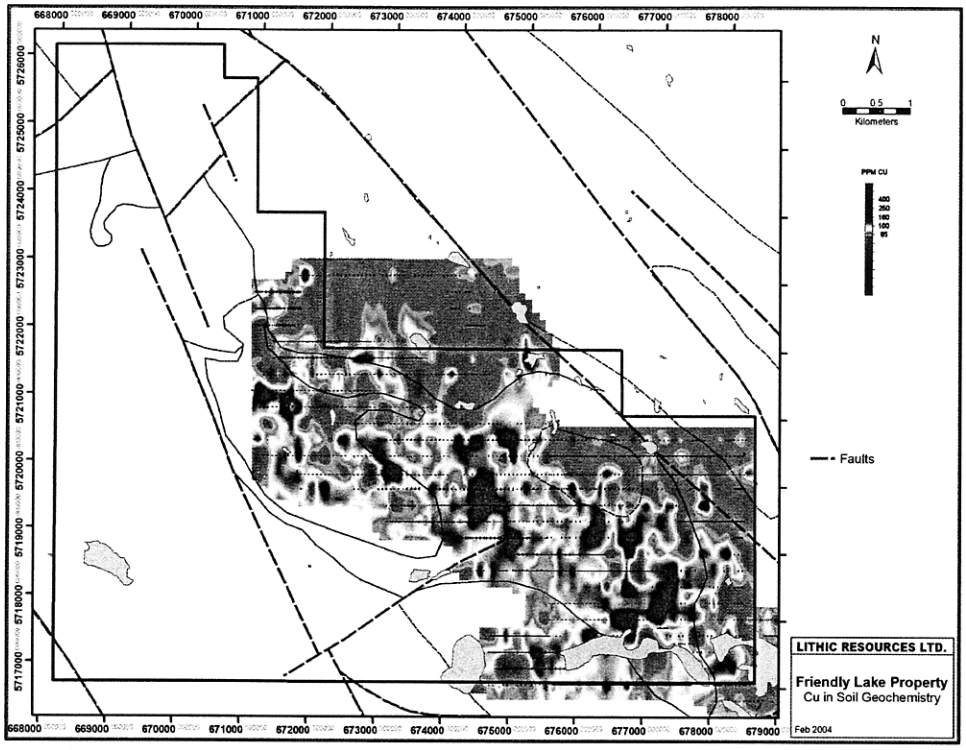


The claims cover the Friendly Lake intrusive complex which comprises two distinct stocks of monzonite, syenite and granite, enveloped by a complex mix of related intrusion breccias, skarn, pyrite-silica alteration, microdiorite, diorite and gabbro. A variety of mineral occurrences are known on the property, including porphyry-style chalcopyrite - bornite mineralization (Bogg), an unusual skarn-type lead-silver occurrence (RO), base metal-bearing breccia (FL) and an auriferous, low-sulphide quartz-K feldspar stockwork.

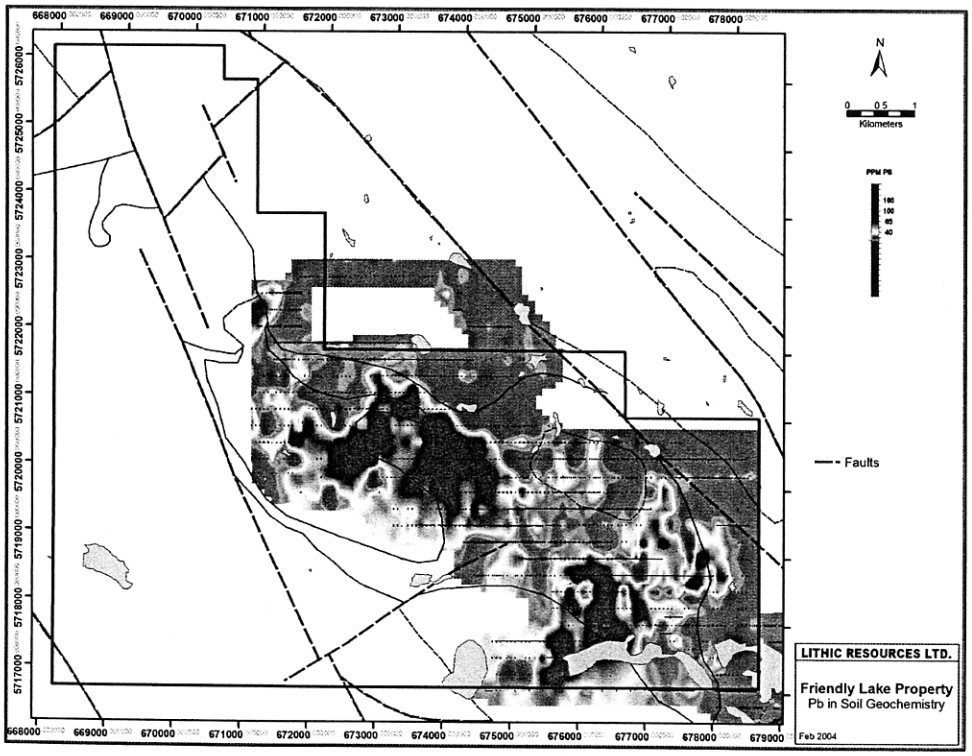


Since the 1960's, a number of mining companies have worked on various parts of the property, including Anaconda, Cities Service Minerals and Placer among others. Previous work includes grid-based soil geochemistry, geological mapping, trenching, geophysics and about 5,600 metres of drilling, mainly percussion holes focussed

on two occurrences. Multi-kilometre scale soil anomalies in copper and lead outlined by Anaconda in the 1960's can now be seen to overlie the intrusion breccia and skarn-dominated part of the Friendly Lake intrusive complex and suggest an extended source or sources of metal in the system. Large parts of these anomalies were never tested as previous drilling focussed mainly on bulk tonnage lead-silver mineralization and on IP



anomalies. Later work programs on parts of the property showed the presence of significant gold-in-soil anomalies in places. Finally, recent rock sampling has returned values of up to 560 ppb platinum and 42 ppb palladium in porphyry style mineralization at the Bogg copper occurrence, suggesting a parallel with other alkalic mineralized systems such as Afton.



In summary, the presence of a large alkalic intrusive-breccia complex together with many mineral occurrences, extensive soil anomalies in copper and lead and the presence of gold and PGE suggest excellent remaining potential for Mt. Polley or Afton style copper-gold ± PGE deposits at Friendly Lake. A two phase program of exploration will start in April with an airborne magnetic survey followed by grid-based IP, geological mapping and