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Tom Schwab
July 22/03
(from: Ben Answorth)

SUMMARY REPORT
ON THE
GOLD CANYON PROPERTY

SLOCAN MINING DIVISION
BRITISH COLUMBIA

Latitude: 49° 58' North
Longitude: 117° 46.5' West
NTS: 82F/13
TRIM: 082F.0

By: Bernhardt Augsten P.Geo.

INTRODUCTION:

I was contacted on July 3rd by Mickey Jones, one of the owners of the Gold Canyon claims to see if I was available to do a property exam on the 5th of July. I consented and drove up on the 5th to meet with Mickey Jones, George Buhler, Rod Buhler and Larry Black, owners of the Gold Canyon claims.

LOCATION, ACCESS AND PYSIOGRAPHY:

The Gold Canyon claims are located east of Burton, BC. The claims are accessed via excellent logging roads with the main showing located on the side of one such road.

Access is via the Caribou Creek Rd which leaves Hwy #3a in Burton. This road is followed for approximately 10.7 km and then a right branch is taken, the Goat Canyon Rd. This is followed for about another 14km to the center of the claims.

Most of the area surrounded by the claims would be considered rugged. The immediate area in and around the main showing has more subdued topography and is covered by dense stands of fir and spruce.

SCOPE OF WORK:

One day was spent on the property from approximately 9:00am to 4:00pm.

The main and only showing was examined. A sketch map of the outcropping area was made and some sampling was conducted. A total of seven rock samples were collected which included chip samples and selected character samples of the visually better looking material. In addition 5 soil samples were collected in a line crossing the trend of the main zone. These were collected in order to see if soils would be a viable exploration tool in this location. The initial post for the Gold Canyon I to IV claims and the legal corner post for the Gold Canyon V-claim were examined and recorded by GPS. Other aspects with respect to the staking were not examined.

OBSERVATIONS:

The mineralized zone is hosted by strongly hornfelsed fine grained metasediments.

These sediments are sandwiched between sills of a medium grained biotite monzonite,

(See Fig. 1). Spectacular medium grained massive sulphide mineralization occurs as

lenses within the metasediments. This massive sulphide mineralization consists of varying proportions of galena and pyrrhotite, with lesser pyrite, sphalerite and small amounts of chalcopyrite. These lenses appear to have widths of at least 60 cm and probably exceed 1 metre. More work would be needed to determine this. In addition pyrrhotite and pyrite occur disseminated throughout the metasediments and galena is seen to occur along fractures throughout the metasediments.

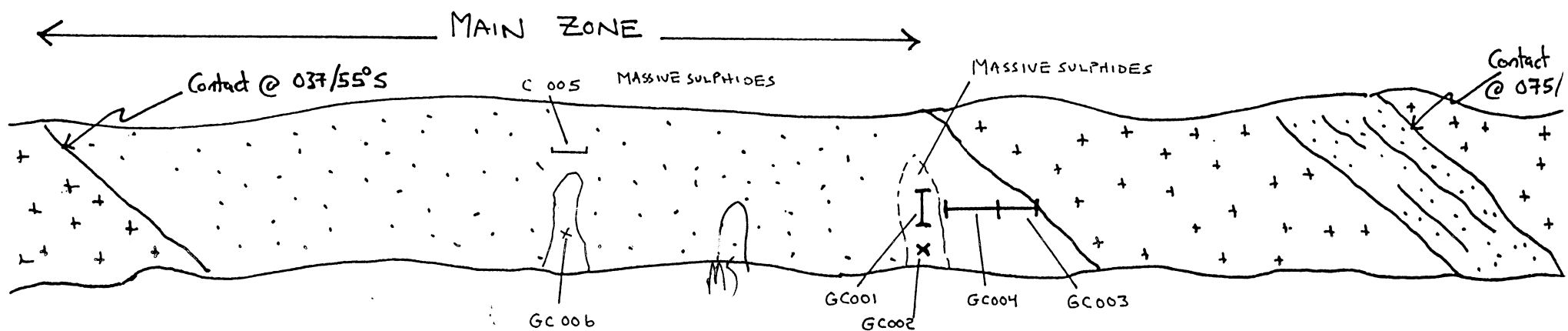
Initial structural data indicates that the mineralized zone of metasediments may have a

true width in the order of 12 metres. The potential for further mineralized horizons

within this intrusive/metasediment package appears excellent.

FIG. 1 SKETCH OF MAIN GOLD CANYON PROSPECT
LOOKING 125°

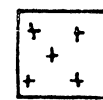
Scale 1cm = 2m



035° ←



Hornfelsed metasediment



Biotite Monzonite

RESULTS

TABLE 1 SAMPLE DESCRIPTIONS AND RESULTS

Sample #	DESCRIPTION	ANALYTICAL RESULTS					
		Au oz/t	Ag oz/t	Pb %	Zn %	Cu ppm	As ppm
CG001	65cm. Chip sample across a strongly hornfelsed fine grained siliceous metasediment with 2-3% disseminated pyrite and pyrrhotite, trace chalcopyrite and semi-massive to massive galena +/- sphalerite in pods and along fractures	.116	15.22	3.86	2.60	943	320
CG002	'high grade' sample of massive galena, pyrrhotite, pyrite with trace chalcopyrite.	.113	98.28	26.5	2.85	1018	310
CG003	1.5m. chip sample from southwest contact of main zone going northeast. Sample is within hornfelsed metasediments which have been partially oxidized to a 'punky' limonitic clay. Sample contains 1-2% disseminated pyrrhotite +/- pyrite and minor galena near northeast edge in a siliceous band.	.156	4.2	0.58	0.31	231	350
CG004	1.7m. chip across exposed face continuing on from GC-003 going northeast, (See sketch). Strongly oxidized metasediments with patchy massive galena, pyrrhotite, possible sphalerite, and trace chalcopyrite.	.171	24.56	5.7	2.15	674	645
CG005	1.2m chip sample across siliceous hornfelsed metasediments. Rocks contain 3-10% disseminated to semi-massive pyrrhotite, 1-3% disseminated and banded galena, possible trace sphalerite and chalcopyrite.	.062	2.98	1.16	0.48	285	805
CG006	Same location as GC-005. Sample of massive pyrrhotite and 5-10% galena.	.167	9.89	4.52	7.30	980	<5
CG007	Sample of quartz vein taken away from main showing down road. 2-5cm wide quartz vien with limonitic fractures. No visible sulphides. Hosted by hornfelsed metasediments. Vein at 034/48SE.	35*	2.0	154	123	21	5

*ppb Au

SOIL SAMPLING

As part of the property exam, a short line of soils was collected in order to establish whether soils may be of use in a future exploration program. From a station on the road near the main showing with coordinates of E: 444109, N: 5535306 a line was run at 070° for 32 metres. This became L50E at 50+00N,(See Fig. 2). Samples were collected every 10 metres from 50+10N to 49+70 N for a total of 5 samples. It should be noted that station 50+00N on L50E is more or less on strike with the massive sulphide lens of rock sample #GC002. There appears to be less than 1 metre of overburden in this immediate area with a moderately well-developed but thin B-horizon which is what was collected.

Significant results are listed below.

TABLE 2 SOIL RESULTS

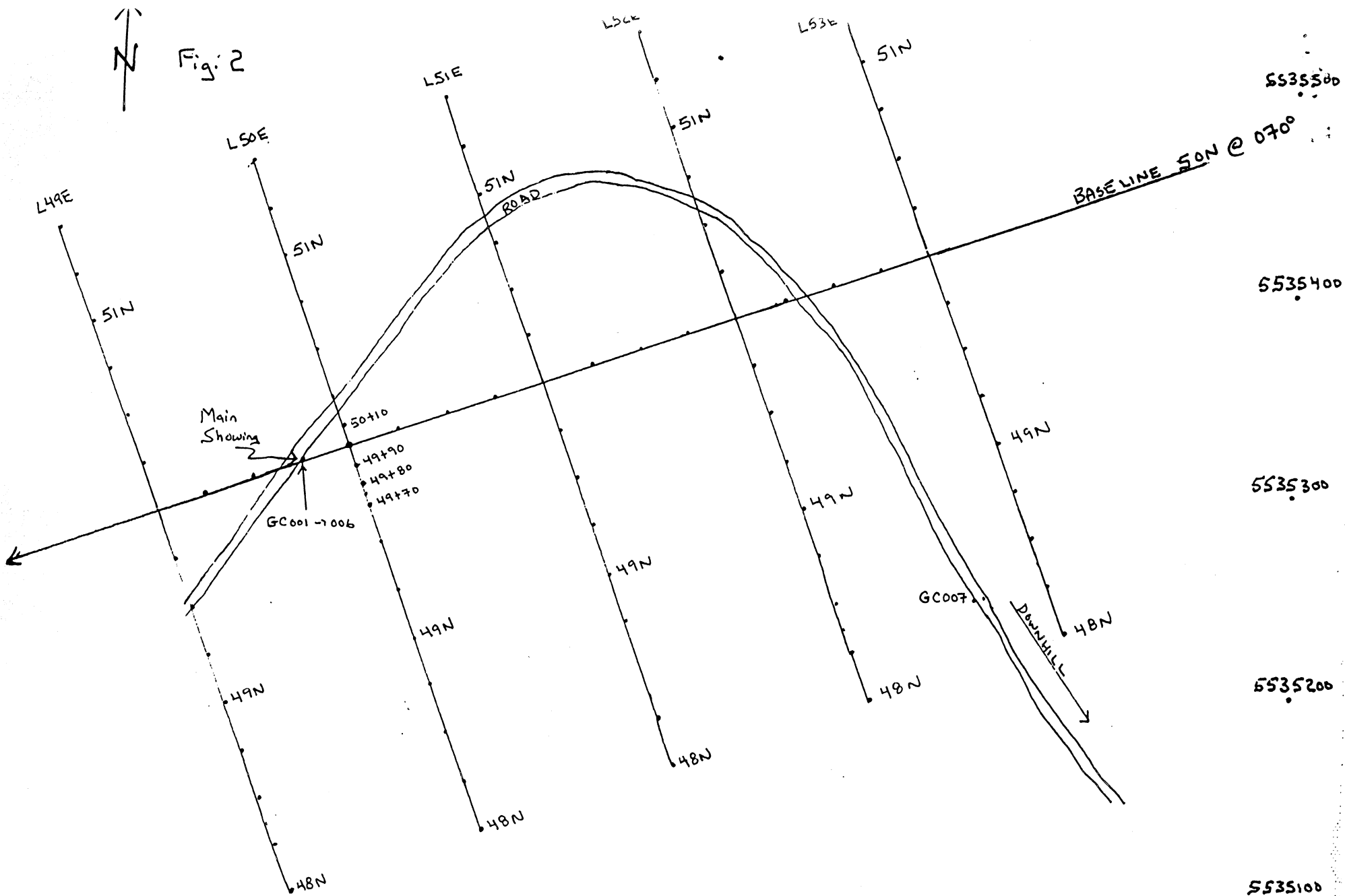
Line #	Station #	Au (ppb)	Ag (ppm)	As (ppm)	Pb (ppm)
50E	50+10N	10	2.0	125	112
50E	50+00N	>1000	6.5	130	158
50E	49+90N	<5	2.3	80	54
50E	49+80N	10	7.8	580	262
50E	49+70N	75	1.0	35	50

Although there are too few values to generate statistically valid anomalous levels, clearly gold, silver, arsenic and lead appear to be useful pathfinders for the mineralization exposed at the main showing. Specifically silver and arsenic may be most reliable with the gold in soils somewhat erratic. However, extremely high golds in soils such as at Station #50+00N would seem to indicate nearby mineralization.

In summary soil sampling would be an excellent tool in this location.



Fig: 2



Note: Road location approximate.

1cm = 25 metres



444000

444100

444200

444300

444400

444500

444600

EXPLORATION RECOMMENDATIONS:

Due to the shallow overburden in the area of the showing, soil sampling would be recommended as a first pass tool. This should be conducted in conjunction with mapping and more detailed sampling and examination of the main showing.

The presence of disseminated pyrrhotite and pyrite in the metasediments and the apparent lack of sulphides in the intrusive indicates that geophysics in the form of IP/Resistivity would probably be an excellent tool to trace the existing metasediment band and to discover others. In addition ground magnetics may be useful as well.

SUMMARY:

This is an exciting new discovery in an area of no known historical mining activity. The style and grades of mineralization in addition to the known geometry indicate excellent exploration potential.