

Jake Gold Prospect
Kamloops M. D.
Summary Report

The Jake Gold Prospect, which is comprised of Mineral Tenures 518670, 519188, 519684, 520105 and 520106 (named the CLO Claim Group) totaling 1083.202 hectares, is situated approximately 13 kilometres west of the town of Clearwater. Access is via the main logging road going west from Clearwater, the Canyon Creek Road (Road No. 2). At kilometre 13.5 on Road 2 you are on the north-central part of the claim group. At this point two spur roads intersect Road 2. To access the gold showing you take the road going southerly (left) (No. 1392) until you hit another fork within a few hundred metres. At this point you take the left fork (Rd 131 A), and within approximately a few hundred metres there is a gossan zone exposed for about 10 metres in the road cut. This gossan zone comprises the Jake Gold showing, which is located at Lat. 120 degrees, 13" 22", Long. 51 degrees, 38" 34"; GPS NAD 83 692153, 5724920.

This showing was encountered by myself and my brother on July 27, 2005 while routinely prospecting along logging road networks, which I have been doing in this region for several years. The showing is exposed near the base of the west slope of a low north-south trending ridge, with mineralized boulders strewn out for an additional 20 metres to the north. It was exposed by a cat or excavator blade during road construction which scraped away overburden on the moderately steep bank along the road, and in the road bed. The showing is bounded immediately on its west side by a narrow, roughly north-south trending creek and swamp filled depression. Though one might suspect that this showing could contain gold values, it was not at all certain until the first assay was received. A composite sample of the whole showing assayed 27.5 gm/mt Au. Subsequent prospecting in this region, though not nearly complete, did not encounter any showing as promising as this road exposure, but numerous other rock samples, none of them spectacular looking, showed elevated to anomalous gold values over a wide area.

Geology

The claim area probably can be considered to be a far northern extension of the Nehalliston Plateau. The immediate Jake Prospect area is a small plateau with gentle ridges, generally 1066 metres elevation or less, while larger drainages away from this locale have carved deeper valleys. Immediately to the north Grizzly Cub and Clearwater Mountains rise to elevations exceeding 1800 metres. Though there are scattered outcrops, much of the claim area is covered by a boulder till with frequent very large boulders, some the size of pick up trucks. Along with glaciation, it is probable that there has been considerable downslope soil gravity movement from the mountains to the north, so that many of the boulders seen might be out of place.

Referring to Geologic Map 3-1966, The CLO Group is situated within a large, roughly northerly trending band of Upper Triassic? Fennell Formation volcanic rocks. Almost all of the outcrops and float that I have observed appear to be generally light coloured, fine grained, gray to green-gray volcanic tuffs and agglomerates, predominantly tuffs, which I would classify as felsic to intermediate in composition. Frequently these volcanics show weak to moderate iron oxide staining caused by oxidation of disseminated and fracture controlled pyrrhotite with lesser pyrite, and the sulfides are often accompanied by weak silicification and/or weak silica veining. As evidenced by the assay samples taken over a wide area, these rocks consistently contain elevated to anomalous gold values, often with accompanying copper; 48% of the samples assayed returned anomalous gold values (between 40 and 173 ppb Au).

Jake Gold Showing

The showing appears to be a highly silicified ledge of breccia covered by boulder till on the slope immediately above to the east, and by the swampy overburden filled depression immediately to the west, which might be fault-controlled. The breccia consists of small fragments of tuff cemented by quartz containing high sulfides, pyrrhotite, pyrite and chalcopyrite. On the north edge highly mineralized vein-like quartz is exposed in the road bed, and 20 metres further north there are boulders of massive pyrrhotite, some cut by mineralized quartz.

Three composite samples of the whole showing averaged .548 opt gold; the highest was 27.5 gm/mt and the lowest was 8.63 gm/mt. The first sample taken was the highest and the last the lowest. This can perhaps be explained by the fact that there was considerable, easily grabbed mineralized talus broken off by the cat blade available for the first two samples. As there was much less of this material remaining for the third sample, it was

comprised more of chips which were extremely difficult to break of the ledge. Subsequent more detailed sampling of the breccia exposures alone and the mineralized quartz in the road bed were also very difficult to sample. The average of three samples of breccia taken was 5.47 gm/mt gold, and the quartz sample assayed 18 gm/mt. A sample of massive sulfide boulders cut by mineralized quartz north of the showing assayed 15.73 gm/mt gold and a sample of massive pyrrhotite alone from another boulder assayed 10.15 ppm. The high gold values are all accompanied by significant copper and bismuth.

Because of limited exposure one can only guess what this showing represents. On its south margin there might be a contact with relatively unaltered tuff, and the quartz exposure in the road bed on the north end appears to have a trend. Both trends appear to be azimuth 312 to 315 degrees. If everything is indeed in place, and this trend is true, then the cut roughly crosses structure, but this is not at all certain.

About 200 metres north of the showing there is some gossan soil showing high on the road bank. It assays 123 ppb gold. Going south on the road there are scattered Fe/Ox stained boulders of tuff with pyrrhotite/pyrite disseminated and on fractures, which contain anomalous gold and copper. About 450 metres southwest from the showing there is what appears to be outcrop of weakly altered tuff with minor quartz and sulfides about 50 metres west of the road. It assayed 173 ppb gold. High on the ridge west of the creek depression there are outcrops of a fine grained intrusive which I would classify as monzonite or diorite. It appears unaltered, but contains minor fine disseminated pyrrhotite. The closest of these outcrops to the showing are about 150 metres to the north northwest of it.

Recommended Follow-Up Exploration

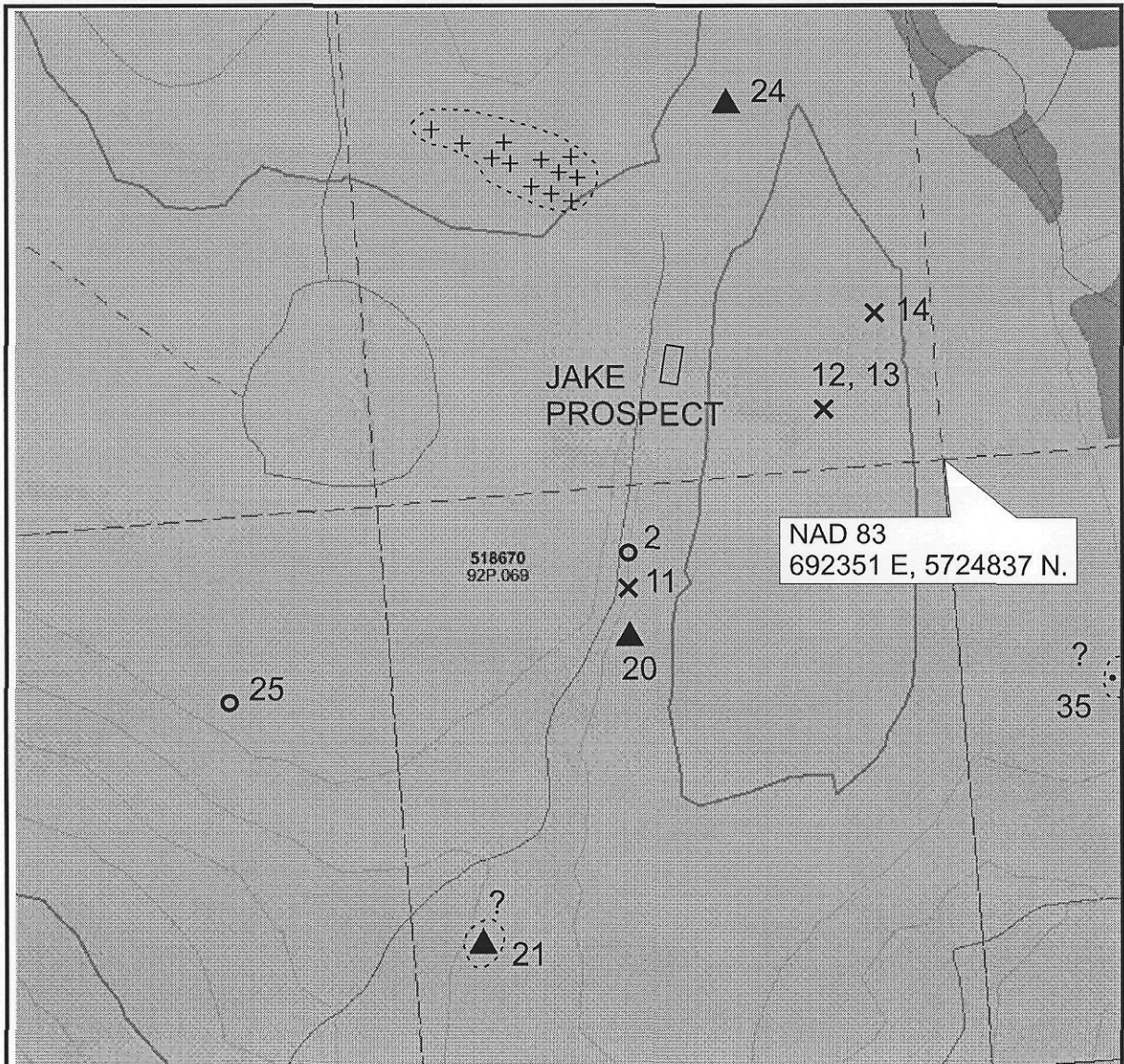
As the showing contains high sulfides, an I.P. survey should be useful to determine whether it might extend further than what is now exposed., or if there may be other similar sulfide bodies in the general area. If I.P. results were favorable, excavator trenching and/or drilling would be justified. Whether conventional soils geochem. would work in this area is not certain. Further mapping and sampling should be undertaken, particularly where anomalous gold has been detected, on other parts of the property.

References to the area are MI Map 92P (I believe dated 1967), GSC Geologic Map 3-1966, and B. C. Dept. of Mines and Petroleum Resources Aeromagnetic Map 5229G.

M. A. Kaufman, Mining Geologist, P. Eng.
P. O. Box 14336
Spokane Valley, Wa. 99214
USA

Phone Bus. (509) 924 7710
Home (509) 924 9462

E-Mail <dv111@qwest.net>



Legend

- ✕ Rock sample <40 ppb Au
- Rock sample >40 ppb Au
- ▲ Rock sample >100 ppb Au
- Rock sample not assayed

- WP Way point
- Outcrop
Fennell tuffaceous volcanics
- ⊕ Outcrop
Monzonite / diorite

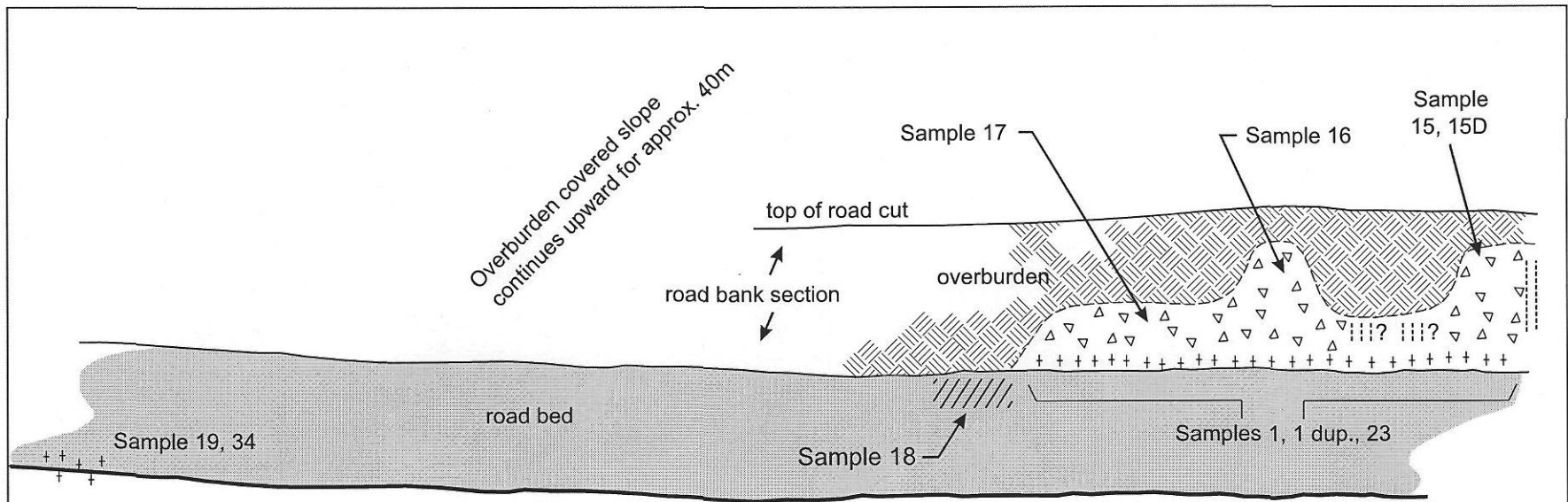
Scale: 1:5000

JAKE GOLD PROSPECT
 KAMLOOPS MINING DISTRICT
 BRITISH COLUMBIA

CLO CLAIM GROUP
GEOLOGIC AND
SAMPLE LOCATION MAP

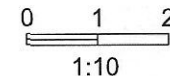
M.A. KAUFMAN OCT. 12, 2005

MAP 92P069



EXPLANATION

- +++ Mineralized talus or boulders
- △▽ Mineralized breccia
- //// Mineralized quartz
- ||| Tuff partially mineralized



JAKE GOLD PROSPECT

KAMLOOPS MINING DISTRICT
BRITISH COLUMBIA

SKETCH SECTION OF MINERALIZED ROAD CUT

M.A. KAUFMAN SEPT. 27, 2005

| <u>SAMPLE</u> | <u>DESCRIPTION</u> | <u>GOLD</u> | <u>COPPER PPM</u> | <u>BI</u> |
|---------------|--|-------------|-------------------|-----------|
| 1 | Composite outcrop and talus over 10m. | 27.76 gm/mt | 1046 | 1194 |
| 1 dup | Approx. duplicate of sample 1. | 19.65 ppm | 926 | 1575 |
| 15 | Breccia rib over 1m. | 5222 ppb | 746 | 294 |
| 15D | Approx. duplicate of sample 15. | .89 ppm | 386 | 33 |
| 16 | Breccia gossan approx. 1.5m composite | 6763 ppb | 626 | 316 |
| 17 | Breccia gossan approx. 2.5m composite | 3700 ppb | 347 | 181 |
| 18 | Mineralized quartz in road bed, approx. 1 sq meter composite. | 18,633 ppb | 1869 | 769 |
| 19 | Mineralized boulders massive Po, some quartz - composite chip. | 17,875 ppb | 2119 | 798 |
| 23 | Approx. duplicate of sample 1 & 1 dup., with chip sample of boulders added | 9138 ppb | 2041 | 409 |
| 34 | Mineralized boulder, massive Po chip. | 10.15 ppm | 3460 | 389 |