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Mar. 2/04

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**RE: Schaft Creek Project – The Next Stage**

955528 Alberta Ltd. is looking for ways to raise between one and two million dollars to accomplish the following:

1. Establish ourselves as a Public Company.
2. Carry out the next stage of exploration and development work (\$1.1 million \$, to include metallurgical testing of old cores, a Scoping Study of the project, re-drilling of higher grade sections in breccia zones, update the engineering work stopped in 1982 and design a reasonable access and permitting process). This stage should not take more than two years, optimally only one.
3. Design a bulk sampling program to take into account four possible production scenarios:
  - A. 50,000 tons/day or larger mine and floatation mill operation
  - B. Hydrometallurgical mill and open pit mine (75,000 tons/day or larger)
  - C. A small (5-20,000 tons/day), higher grade Cu-Au-Mo mine and floatation mill starting with a small open pit followed with underground production, probably after year 10 of production
  - D. Any combination of the above.
  - E. Concurrently, staged bulk sampling and the permitting process will get started, for which new funds will be required.

The next stage includes:

1. Complete the required bulk sampling.
2. Get required production permits.
3. Complete bankable Feasibility Study at the most optimum mine and mill capacity.

Last September/October, we designed a method of accomplishing our long term goals, which included:

1. Raising \$150,000 (50% flow through) into 955528 Alberta Ltd. This money would be used to collect 2-3 metallurgical samples of the old core for later processing by floatation and testing new hydrometallurgical techniques ('met. tests').
2. Raising the SEED Capital to form a CPC that would go into the market and raise \$3-500,000 with the intention of merging with 955528 Alberta Ltd. as its Major Transaction. A portion of this money would be used to do a Scoping Study and 1-2 met. tests to go back to the market upon completion (6 months) to raise a minimum of \$3-5 million, probably more.
3. The merge could happen by combining the shareholdings of both companies. A drastic increase in the share price would result from confirmatory positive results and the market's recognition of the Company's potential float market value. The Share Structure was designed to be:

| <u>Group</u>                            | <u>Shares</u>       | <u>Cash Value</u> |           |
|---|---------------------|-------------------|-----------|
| 955528 Alberta Ltd.:                    | ~12 M shares        | 2-10 M \$         |           |
| CPC Company:                            | 6 M shares          | \$500,000         | 0.05-0.10 |
| 1 <sup>st</sup> Fund Raised \$1 million | 2-4 M shares        | \$1 M             |           |
| 2 <sup>nd</sup> Fund Raised \$5 million | 6.6 M shares        | \$5 M             |           |
| Resulting Company:                      | 26.6-28.6 M shares. |                   |           |

The shares outstanding have been calculated for the lower estimated price only, not the higher possible price. This could mean a reduction in the total outstanding by the time the feasibility study is undertaken. These projections were made in September-October of last year. Recent commodity price increases are not reflected and would improve the chances of getting the higher share prices in the 1<sup>st</sup> and 2<sup>nd</sup> fund raisings.

**The Schaft Creek Porphyry Copper-Gold Deposit**

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**Company:** 955528 Alberta Ltd.

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**Style of Investment Capital Sought:** **Silent Investor/Investment Capital**

**Maximum Investment Considered:** \$ 150,000

**Minimum Investment Considered:** \$ 10,000/unit. Purchaser gets 100,000 shares and a \$5,000 CEE flow through deduction for 2004.

**Type of Investment Capital Sought:** Start-up Capital

**Location:** British Columbia

**Class of Business:** Mining

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## Executive Summary

### 1. Business of Company

955528 Alberta Ltd. was formed to develop the Schaft Creek deposit. Our goal is to become a Company listed on the TSX Exchange and to seek listing in the spring of 2003. We are seeking investors to help us complete the bulk metallurgical testing, secure the required permits and produce the Economic Feasibility Study required to acquire 100% of Teck-Cominco Ltd.'s interest in the project and to secure financing for this large Copper-Gold-Molybdenum open pit mineable project.

### 2. Management

**Guillermo Salazar**, President & C.E.O., P. Geol (AB, B.C.) and M.A. (Economic Geology), with +30 years of experience in the mineral exploration and development business in North and South America, has been involved in the discovery of gold deposits in Mexico, base and precious metals deposits in Peru and the search for porphyry copper/molybdenum-gold deposits all along the Cordillera. After successfully practicing his trade with the larger North American mining companies, he established G. Salazar S. & Associates Ltd. in 1980, a private company through which he has provided his mineral exploration and mine development expertise to the mining industry since 1980. A past director of several junior mining companies, he helped OroGrande Resources Inc. raise over a million dollars.

### 3. Strategic Alliance

Teck-Cominco Ltd., a major mining company combining a well-known exploration team, a strong production and smelting capabilities, is a strategic partner of 955528 Alberta Ltd. We have an option to acquire 100% of Teck-Cominco Ltd.'s rights to the project by producing a positive Bankable Feasibility Study in ten years. Teck-Cominco Ltd. has the right to buy back into the property.

### 4. The Schaft Creek Project

The Schaft Creek deposit, with 332 million tonnes of 0.391% Copper, 0.044% MoS<sub>2</sub>, 0.267 g Au/t, and 2.119 g Ag/t of Measured and Indicated resources, as defined by a National Instrument 43-101 compliant review report prepared by Giroux & Ostensoe completed in July of 2003. This report defines a total mineral resource of 3,563,600,000 tonnes grading 0.155% copper, 0.016% molybdenite, 0.14 grams gold/tonne and 1.63 grams silver/tonne.

Discovered in 1957 and located in northern British Columbia, Schaft Creek's Mineral Inventory has been defined with 60,200 metres of diamond drilling at 76 meter (250 ft) spacing.

*Resources  
(Meas. + Ind.)*

Metallurgical testing on core indicates minimum recoveries of 85% of the copper, 90% of the molybdenite and 50% of the gold. Three large mining companies, using conservative and proper engineering techniques, did the work. The core is stored on the property.

Our plan is to confirm the economic extractability of a higher-grade ore encompassing 33% of the Mineral Inventory by using well established Flotation and Solvent Extraction/Electrowinning ("SX/EW") recovery methods. The processing rates are planned to be 50,000 tons/day for the flotation mill and 25,000 tons/day for the SX/EW circuit. Our resources for this operation are:

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**FLOATATION RESOURCES:** 445.5 million tons grading 0.392% copper, 0.28 grams/tonne gold, 0.045% MoS<sub>2</sub>, 2.18 grams/tonne silver and rhenuim credits of 0.7 lbs/ton of molybdenite concentrate.

*(All blocks unclassified @ 0.4% Cu Equiv.)*

\* Re

**SX/EW RESOURCES** (or other, applicable hydrometallurgical technology): 712.7 million tonnes grading 0.261% copper, 0.185 grams/tonne gold, 0.0296% MoS<sub>2</sub> and 1.71 grams/tonne silver.

The deposit's resources allow us to plan for a 20-year minimum mine life. Exploration drilling of the deposit was done prior to the discovery of platinum (Pt)-palladium (Pd) in deposits similar to Schaft Creek. We intend to review the available cores looking for such mineralization and to assay our metallurgical samples for these commodities as well.

**5. Funds Sought**

The \$150,000 sought will allow us to collect the metallurgical sample from the old core and to start our plans to list on the TSX as a CPC start up with a well defined acquisition plan

**6. Use of Funds**

The funds will be used for the following:

|  |          |
|--|----------|
| Collection of core samples from field storage: | \$75,000 |
| Corporate Requirements:                        | \$75,000 |

**7. Financial History:** This is a newly formed Corporation.

**8. Exits:** Investors will have the opportunity to sell their investment into the open market once the Company is listed, which we expect to do as soon as the Scoping Study is completed.

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### **The Schaft Creek Porphyry Copper-Gold Deposit**

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The Schaft Creek project hosts a porphyry Cu-Au-MoS<sub>2</sub>-Ag-(Rh) deposit with a total mineral resource of 3,563,600,000 tonnes grading 0.155% copper, 0.016% molybdenite, 0.14 grams gold/tonne and 1.63 grams silver/tonne. Our plan is to investigate the economic viability of an operation that will mine 33% of these resources. There are 445.5 million tons grading 0.392% copper, 0.28 grams/tonne gold, 0.045% MoS<sub>2</sub>, 2.18 grams/tonne silver and rhenium credits of 0.7 lbs/ton (in the molybdenite concentrate) that could be processed through a conventional sulphide floatation circuit. An additional 712.7 million tonnes grading 0.261% copper, 0.185 grams/tonne gold, 0.0296% MoS<sub>2</sub> and 1.71 grams/tonne silver are adjacent to the higher grade core and may be recoverable by hydrometallurgical methods.

Discovered in 1957 by a two-man prospecting team, Schaft Creek is located in northern British Columbia, on the saddle between Schaft and More Creeks, about 65 km south of Telegraph Creek. The deposit's Mineral Inventory is based on a 60,200 metres diamond drilling program in 230 drill holes at 76 meter (250 ft spacing). A total of 18,253 samples are included in the database. This Mineral Inventory defines an area that is 1,700 meters long, 900 meters wide and that has been tested to a depth of 1,000 metres. Metallurgical testing on core indicates minimum recoveries of 85% for copper, 90% for MoS<sub>2</sub> and 50% for Au.

Three senior North American mining companies, using conservative and proper engineering techniques, did the work. Teck Cominco Ltd is a strategic partner of 955520 Alberta Ltd. We have an option to acquire 100% of their rights to the project by producing a Bankable Feasibility Study before 2012 and they have the right to re-acquire an equity position at any time.

The deposit is within a belt of upper Triassic Stuhini group andesite flows, pyroclastics and epiclastics (Stikinia) intruded on the west and northwest by the Late Triassic Hickman and mid-Jurassic Yehiniko plutons. The deposit extends to the northeast under un-mineralized Purple Volcanics that may be co-eval –or slightly younger than- the mineralized volcanics. Till cover over the deposit varies from zero to 30 m. of depth. Mineralization is genetically linked to numerous irregular quartz feldspar dykes of Norian age (220 Ma) suggesting a temporal relationship to the Hickman Batholith. The larger mineralized body is called the Liard Zone is bowl-shaped and hosts mineralization as disseminations and veins in volcanics. The West Breccia Zone is a rich (with values of up to 4.1%Cu, 0.6084 oz/ton Au, 1.0% MoS<sub>2</sub> and 0.85 oz/ton Ag over 10 feet in separate samples), tourmaline bearing, lenticular -matrix breccia. The Paramount Zone, north of the first two, is an intrusive breccia complex. Alteration assemblages and sulphide zones are intimately associated in the Liard Zone. The shape and attitudes of mineralized- and alteration- zones suggests the deposit is recumbent (Spilsbury & Betnanis, 1990).

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