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→ WOLF Feb.'95

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WOLF PROPERTY SUMMARY

LOCATION AND PROPERTY

The Wolf Property consists of 13 contiguous MGS claims aggregating 198 units (Fig. 2) and covering an area of 4950 hectares or 12375 acres. All claims are currently in good standing until at least 2001. The property is located in central British Columbia about 200 kilometres west-southwest of the city of Prince George. It is accessible via about 220 kilometres of good quality gravel road from Vanderhoof, B.C. Driving time is approximately 3 hours.

TOPOGRAPHY

The Wolf claim block is located in gentle to moderate terrain of the Nechako Plateau. Relief is in the order of 250 metres with the main creek valleys at 1040 metres elevation and the tops of the more resistant knolls rising to just under 1300 metres. The area is densely tree-covered except for a few minor swampy meadows. Outcrop is sparse and is virtually non-existent in the lower lying areas. The region is snow-free from mid-May through October, however, drilling and physical surface work can be carried out year round without much difficulty.

HISTORY

The prospect was discovered in 1982 by Rio Algom Exploration Inc. during the course of a regional, lake sediment, geochemical survey. During 1982-85, Rio Algom completed geological mapping, geochemical soil and rock sampling, geophysical surveys as well as minor hand trenching and the completion of 593.5 metres of core drilling in six holes. The results of this drilling were disappointing and based on age dating of two separate horizons, Rio Algom concluded that the surface showings were located on a thin, thrust sheet which was displaced some distance (perhaps tens of kilometres) from its root zone. They reasoned that the property had no potential for a large tonnage deposit and looked for a joint venture partner to continue the exploration.

1986, Lucero Resource Corp. optioned the Wolf property from Rio Algom and during 1987 and 1988 carried out an exploration programme which included road building, trenching, geochemical soil sampling and extensive rock chip sampling. This work demonstrated that there was no thrust fault and that logically mineralization should continue uninterrupted to depth. Lucero modified its deal with Rio Algom in 1989 and acquired a 100% interest in the property subject to a 2% NSR which could be purchased for $2 million.

From 1991-94, the property was optioned to Minnova Inc. (now Metall Mining). In 1991-92, an extensive exploration programme consisting of airborne and ground geophysics, geological mapping, geochemical surveys, trenching and diamond drilling was completed. A total of 2002 meters of drilling in 15 holes was completed in 1992 and conclusively proved that there is no thrust fault and that mineralization continues to depth. In 1993, extensive induced polarization and biogeochemical surveys were completed as well as limited trenching. In 1994, a drilling programme consisting of 1333 meters in 9 holes was completed. This drilling tested various geophysical and biogeochemical targets but only two holes were drilled within the prospective zone west of the Ridge zone. These were the only holes which intersected mineralization. Metall dropped it option in late 1994.

PROPERTY GEOLOGY

The claim block is primarily underlain by a north dipping sequence of rhyolitic volcanics and cogenetic hypabyssal intrusions which are correlated with the Eocene Ootsa Lake Group. This succession of felsic rocks lies unconformably on a polymictic conglomerate which is interpreted to be the base of the Tertiary succession. The Ootsa Lake rocks are in fault contact with Hazelton Group (?) andesites and intercalated argillites to the east and overlies Hazelton Group epiclastic sediments to the south. These contact relationships suggest that the Tertiary sequence (Ootsa Lake rocks) is preserved in a down dropped fault block or graben structure. An extensive network of pre-and post-mineral, high angle faults are aligned principally in northeasterly and northerly directions.

MINERALIZATION

Extensive areas of typical epithermal silicification appear to be structurally controlled and are centred around three areas of positive relief (Figure 2A). The most important of these is located near the center of the claim block. The other two areas are located 1-2 kilometres east and west of the central area (Ridge and Pond Zones) and are more typical of the high level (low grade silica cap) part of a typical epithermal system.

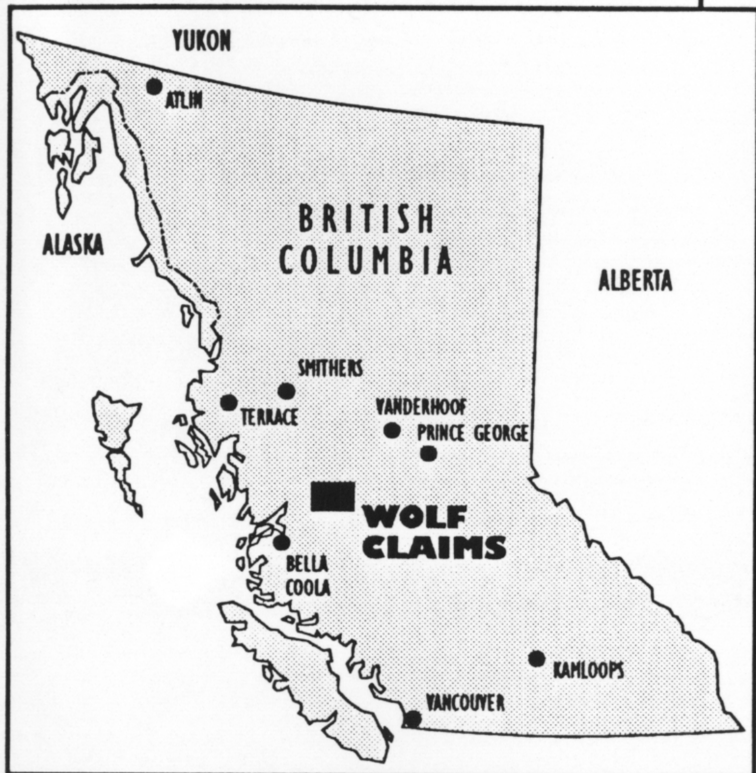
At the central area or main area of interest higher precious metal values are present over appreciable widths. At the Ridge and Pond Zones individual samples up to 11 gm/tonne over 3.5 metres (0.32 oz/ton over 11.6 feet) were recorded during the 1988 sampling programme. Minnova's recent (1992) sampling encountered values up to 78 gm/tonne (2.26 oz/ton). The best continuous widths from the two parallel lenses at the Ridge Zone assay respectively 8.49 gm gold and 42.2 gm silver per tonne over 7.5 metres (0.25 oz gold and 1.22 oz silver per ton over 24.8 feet), and 2.69 gm gold and 14.0 gm silver per tonne over 26.5 metres (0.08 oz gold and 0.40 oz silver per ton over 87.5 feet). Within the Pond Zone, a continuous chip sample over approximately 50 metres true width averaged 0.510 gm/tonne gold (165 feet averaging 0.015 oz/ton gold).

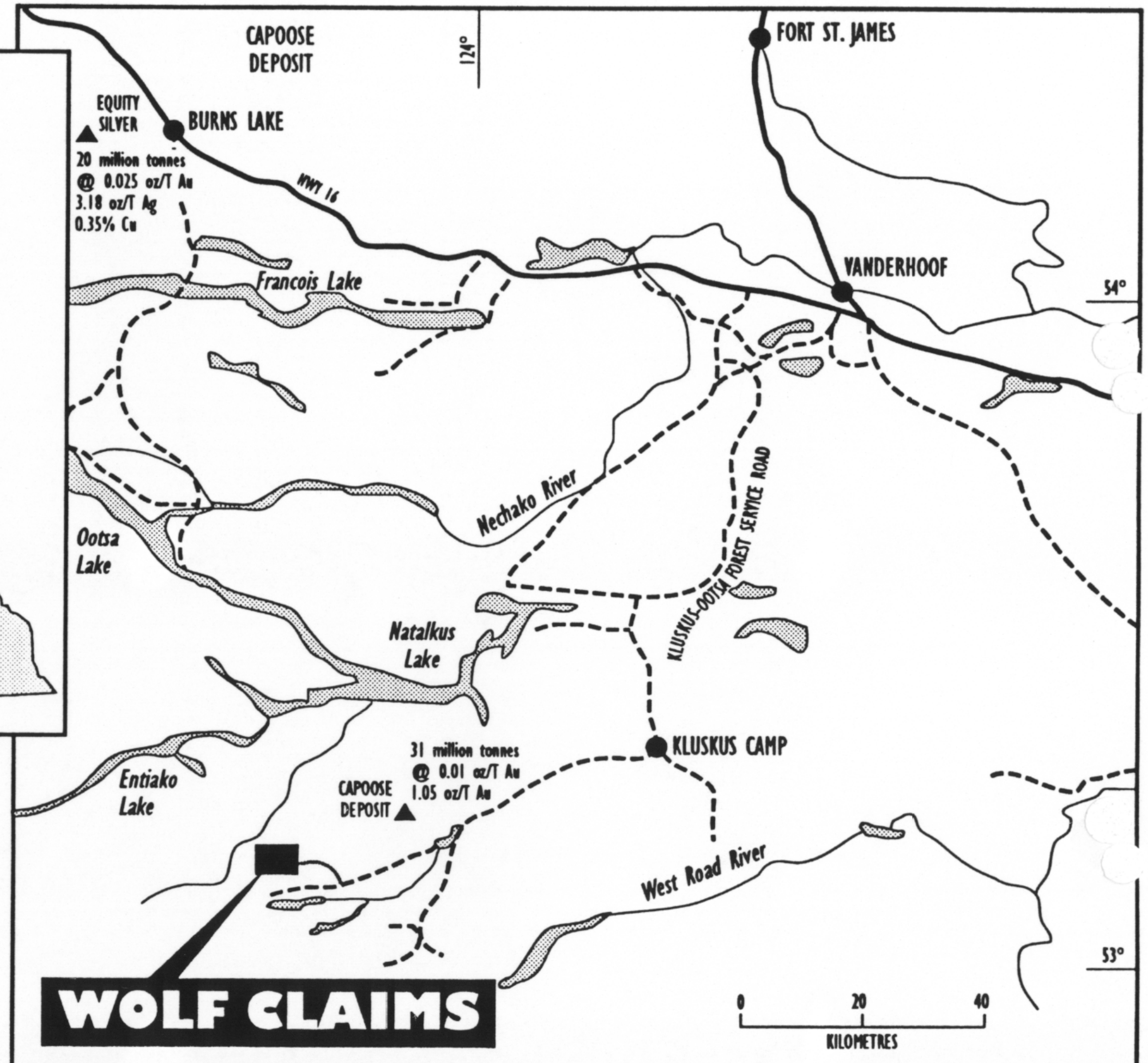
Minnova's 1992 drilling demonstrated that the majority of the silicified "lenses" at the Ridge and Pond Zones are part of an extensive, shallowly west-dipping body of silicified hydrothermal breccia and banded and bladed quartz veining which contains highly anomalous gold values. This body of silicified material varies from less than 2 metres to as much as 30 metres in thickness and is currently open down dip to the west and south. It averages about 2 gm/tonne gold over the thickness of the layer. Nine drill holes at the Ridge Zone have defined a silicified lense with a minimum dimension of 500 meters along strike. A tenth drill hole (94-27) drilled a further 300 meters along strike encountered 5 zones of low grade (hanging wall-stringer zone) mineralization but was not drilled deep enough to intersect the main lense.

In 1992, drilling also discovered a new zone (Black Fly Zone) 1000 meters west of and parallel to the Ridge zone. It was only tested by two holes which cut wide zones of low grade material (200 ppb gold). It remains open to the south (along strike) and grades appear to be increasing in that direction.

Both the Ridge and Chopper Pad (Black Fly) Zones stand out as resistivity (and topographic) highs and both remain open to the south. Between these zones there is a prominent, north-south trending, overburden covered depression where the initial discovery samples were taken by Rio Algom in 1982. The mineralized areas at both the Ridge and Black Fly Zones dip towards this depression and it is possible that the root zone of the epithermal system is located there. **THIS PERMISSIVE AREA WHICH MEASURES 800 METERS BY 1500+ METERS WAS NOT TESTED BY THE 1994 METALL DRILLING.**

If the two zones coalesce within the central depression, then it is possible to project a considerable tonnage (+50 million tonnes) of material which might be mined by low cost, open pit methods. The mineralization consists of gold, silver and electrum with only trace amounts of pyrite, base metals, arsenic, antimony and mercury. Preliminary bottle-roll leach tests by Minnova (Metall) gave recoveries up to 88% gold over a 24 hour period on minus 1/8 inch material. In addition to the bulk tonnage potential, there are areas of much higher grade values (e.g. up to 78 gm/tonne). Therefore, the development of small tonnage, bonanza type lodes of the Blackdome or Sleeper type is a distinct possibility.

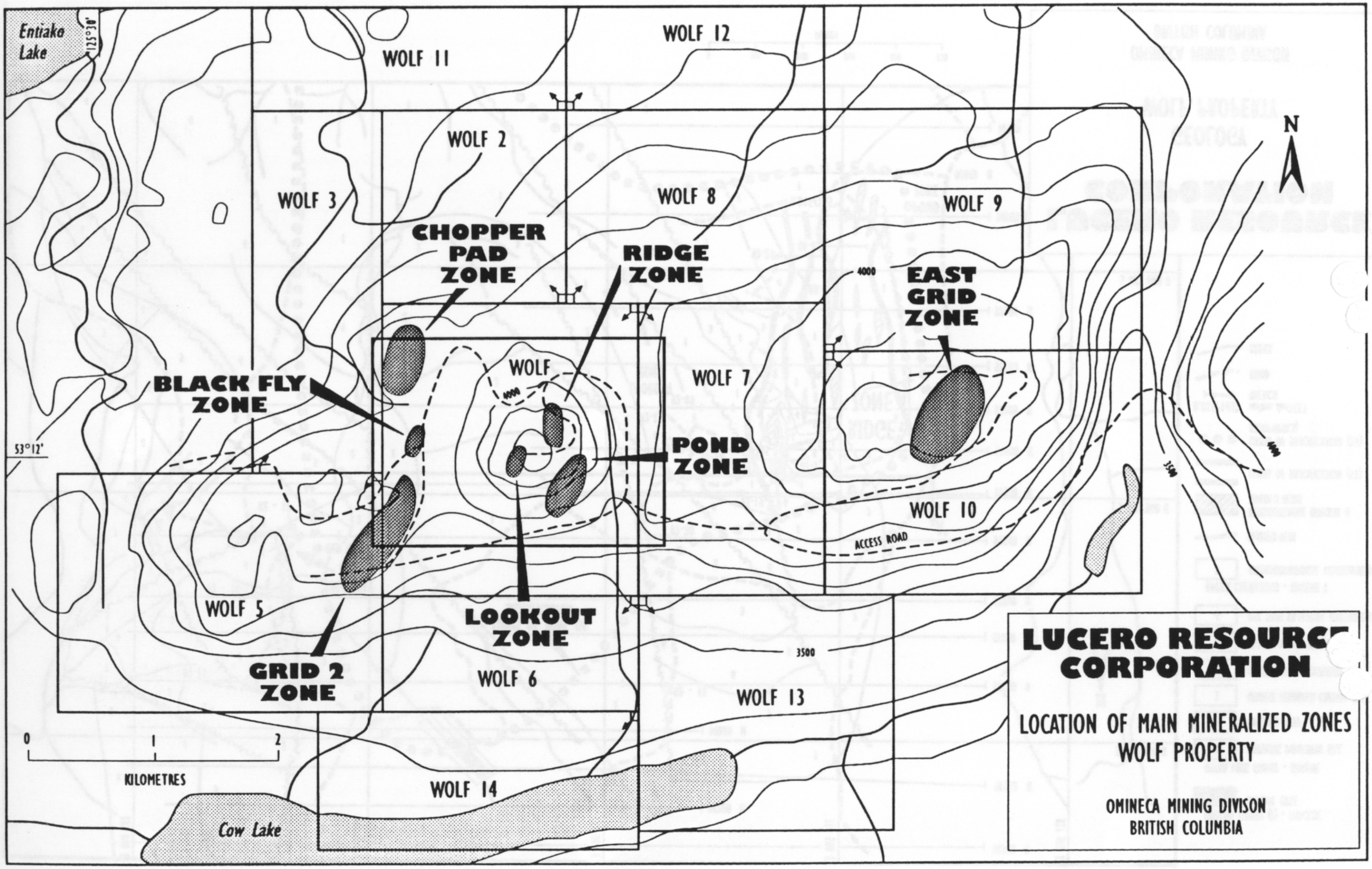




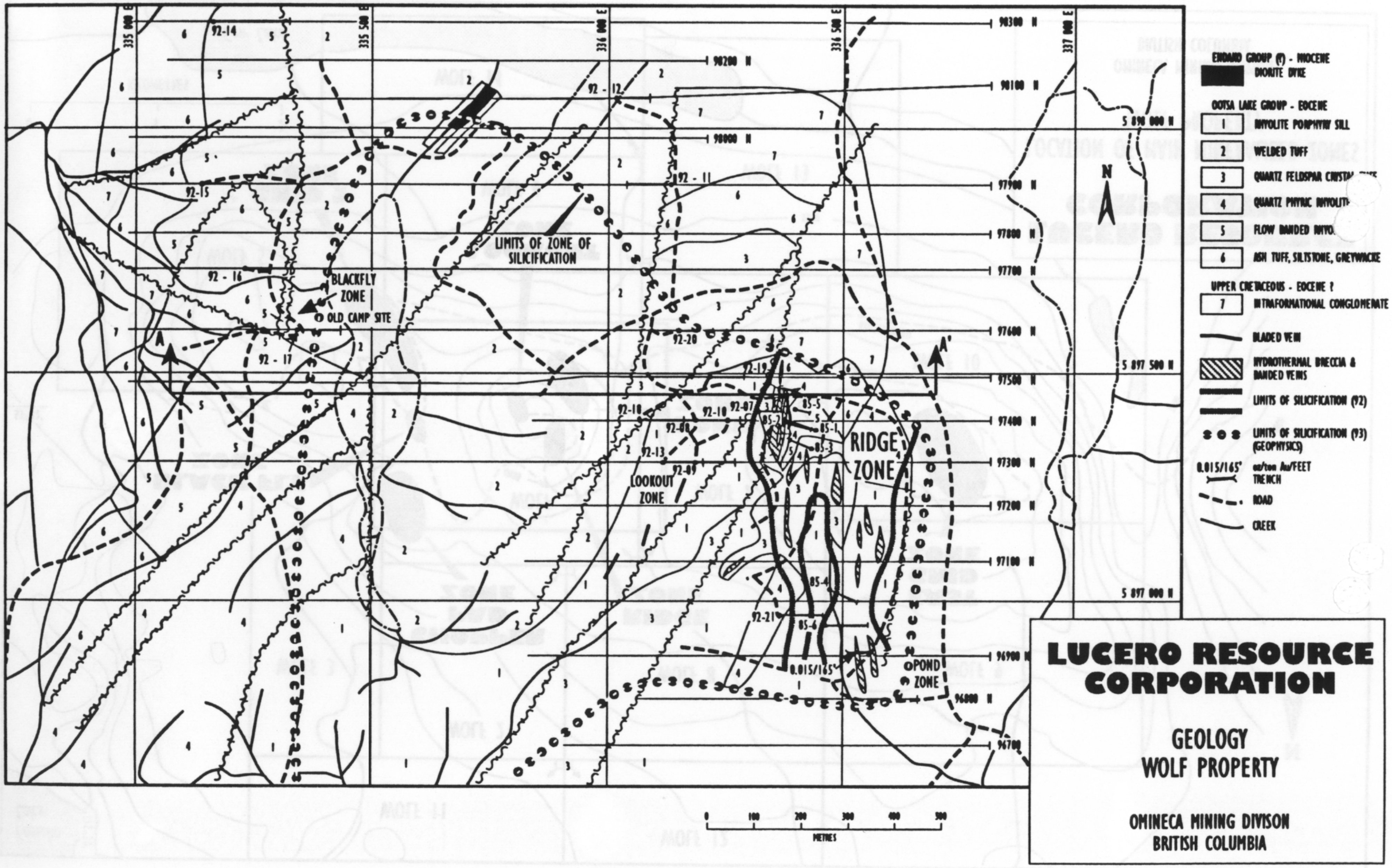
LUCERO RESOURCE CORPORATION

WOLF CLAIMS

OMINECA MINING DIVISON
BRITISH COLUMBIA



Entiako Lake
125°30'
53°12'
WOLF 11
WOLF 12
WOLF 2
WOLF 3
WOLF 8
WOLF 9
N
CHOPPER PAD ZONE
RIDGE ZONE
4000
EAST GRID ZONE
BLACK FLY ZONE
WOLF
WOLF 7
4000
POND ZONE
WOLF 10
ACCESS ROAD
3500
WOLF 5
LOOKOUT ZONE
GRID 2 ZONE
3500
WOLF 6
WOLF 13
0
1
2
KILOMETRES
WOLF 14
Cow Lake
LUCERO RESOURCE CORPORATION
LOCATION OF MAIN MINERALIZED ZONES
WOLF PROPERTY
OMINECA MINING DIVISON
BRITISH COLUMBIA


LUCERO RESOURCE CORPORATION
GEOLOGY
WOLF PROPERTY
OMINECA MINING DIVISON
BRITISH COLUMBIA
ENDAKO GROUP (?) - MIOCENE
DIORITE DYKE
OOTSA LAKE GROUP - EOCENE
1 RHYOLITE PORPHYRY SILL
2 WELDED TUFF
3 QUARTZ FELDSPAR CRYSTAL TUFF
4 QUARTZ PHYRIC RHYOLITE
5 FLOW BANDED RHYOLITE
6 ASH TUFF, SILTSTONE, GREYWACKE
UPPER CRETACEOUS - EOCENE ?
7 INTRAFORMATIONAL CONGLOMERATE
BLADED VEIN
HYDROTHERMAL BRECCIA & BANDED VEINS
LIMITS OF SILICIFICATION (92)
LIMITS OF SILICIFICATION (93) (GEOPHYSICS)
0.015/165' oz/ton Au/FEET TRENCH
ROAD
CREEK
LIMITS OF ZONE OF SILICIFICATION
BLACKFLY ZONE
OLD CAMP SITE
LOOKOUT ZONE
RIDGE ZONE
POND ZONE
0.015/165'
335 000 E
335 500 E
336 000 E
336 500 E
337 000 E
98300 N
98200 N
98100 N
98000 N
97900 N
97800 N
97700 N
97600 N
97500 N
97400 N
97300 N
97200 N
97100 N
96900 N
96800 N
96700 N
5 898 000 N
5 897 500 N
5 897 000 N
A
A'
N
0 100 200 300 400 500
METRES

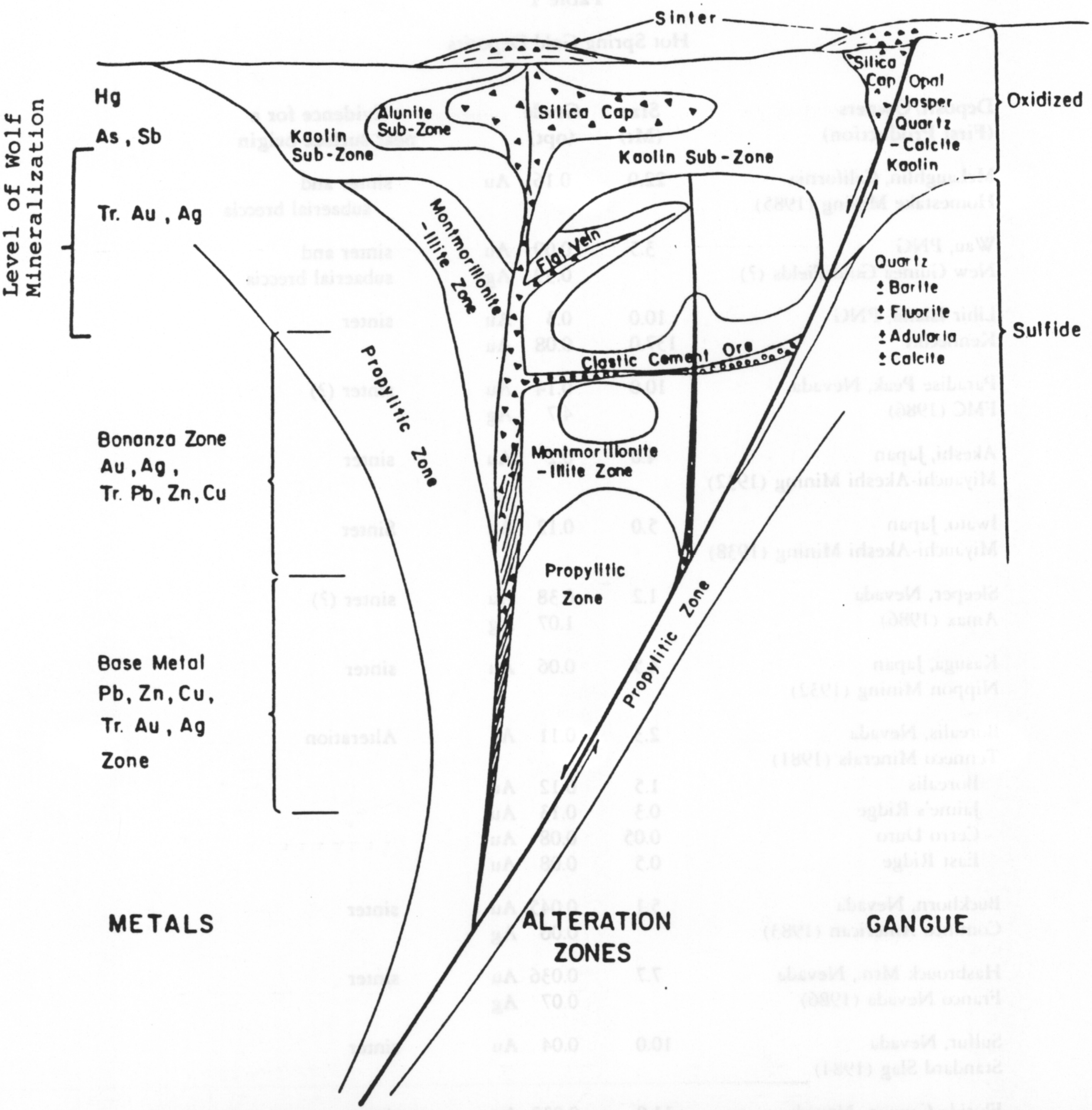


FIG. 1. Schematic cross section of the epithermal model in volcanic host rocks. This portion of the epithermal model includes the following segments: sinter, silica cap, bonanza zone, base metal zone, and clastic cemented ore. Precious metal ore can occur in the silica cap (e.g., Round Mountain, Divide, and Borealis, Nevada); in the bonanza zone (e.g., Cripple Creek, Colorado; Comstock, Red Mountain (Esmeralda Co.) and Tonopah, Nevada; and Pachuca, Mexico); and in the base metal zone (e.g., Silverton, Colorado). Flat veins can occur with any of these zones. Clastic cemented ore, the geothermal reservoir of some modern hot spring systems, is common in many districts (e.g., Creede, Colorado; Talapoosa, Nevada; and Trench, Arizona). Whereas simple sulfides like stibnite, realgar, or argentite can be found with oxide minerals and native gold and silver in the silica cap, silver sulfosalts characterize most bonanza ores. Electrum, native silver, and silver sulfide can occur with the sulfosalts in the bonanza zone.

Table 1

Hot Spring Gold Deposits

Deposit/Owners (First Production)	Size (Mt)	Grade (opt)		Evidence for a near surface origin
McLaughlin, California	22.0	0.16	Au	sinter and
Homestake Mining (1985)				subaerial breccia
Wau, PNG	3.5	0.09	Au	sinter and
New Guinea Gold Fields (?)		0.39	Ag	subaerial breccia
Lihir Island, PNG	10.0	0.3	Au	sinter
Kennecott	137.0	0.08	Au	
Paradise Peak, Nevada	10.0	0.14	Au	sinter (?)
FMC (1986)		4.7	Ag	
Akeshi, Japan	4.0	0.2	Au	sinter
Miyauchi-Akeshi Mining (1932)				
Iwato, Japan	5.0	0.12	Au	Sinter
Miyauchi-Akeshi Mining (1938)				
Sleeper, Nevada	1.2	0.38	Au	sinter (?)
Amax (1986)		1.07	Ag	
Kasuga, Japan	4.5	0.06	Au	sinter
Nippon Mining (1932)				
Borealis, Nevada	2.3	0.11	Au	Alteration
Tenneco Minerals (1981)				
Borealis	1.5	0.12	Au	
Jaime's Ridge	0.3	0.13	Au	
Cerro Duro	0.05	0.08	Au	
East Ridge	0.5	0.08	Au	
Buckhorn, Nevada	5.1	0.045	Au	sinter
Cominco American (1983)		0.06	Ag	
Hasbrouck Mtn., Nevada	7.7	0.036	Au	sinter
Franco Nevada (1986)		0.07	Ag	
Sulfur, Nevada	10.0	0.04	Au	sinter
Standard Slag (1984)				
Florida Canyon, Nevada	11.8	0.032	Au	sinter
Pegasus				
Great Barrier Island, N.Z.	0.017	2.44	Au	sinter
(1892 - 1908)				
Hog Ranch, Nevada	4.5	0.086	Au	subaerial breccia
Western Goldfields				
(1986)				