'80-#539-#

Geochemical Survey

Dan 8 and Dan 11 Mineral Claims

Sarita River Area

Alberni Mining Division

Latitude 48° 53' N Longitude 125° 01' W

N.T.S. 92C/14E

for the owners & operators

Rainier Energy Resources Ltd.

Suite 1202

750 Pender Street West

Vancouver, B.C.

by

A. R. Bullis, P.Eng.

Bullis Engineering Ltd.

Mayne Island, B.C.

31 July 1980

Property:

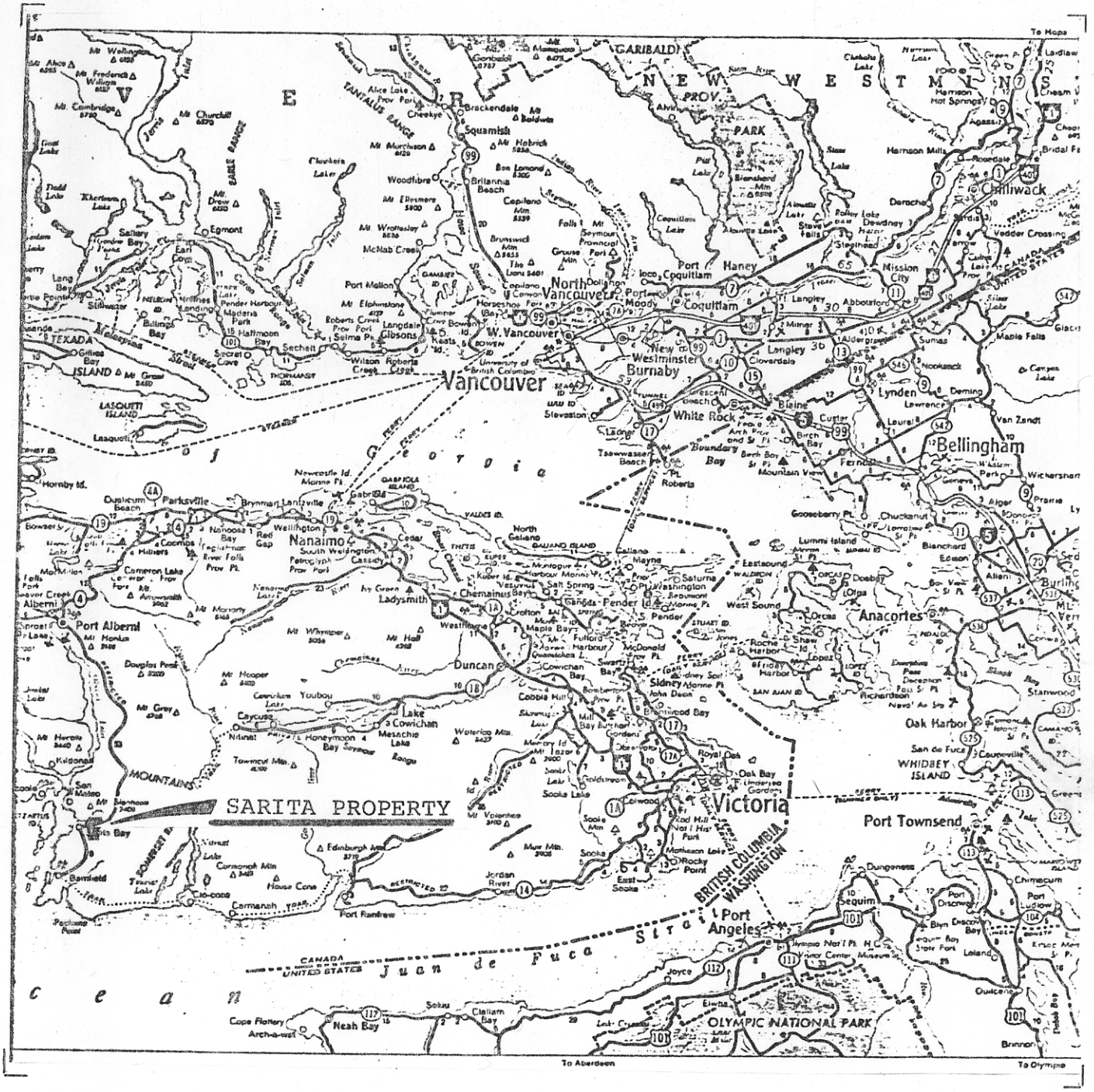
Dan 8 M.C. Record # 688

Dan 11 M.C. Record # 521

(These claims are grouped)

RAINIER ENERGY RESOURCES LTD.

SARITA PROPERTY



Dan 8 and Dan 11 Mineral Claims

Alberni Mining Division

Scale: 1 to 1,250,000

CMRS

INDEX

SUMMARY

A reconnaissance type soil-sampling program was conducted on the Dan 8 and Dan 11 Claims in June 1980.

One hundred nine soil samples were collected from the "B" layer at 150 metre intervals along all roads and trails on the property. Fourteen soil samples were taken on a regular pattern across a mineralized skarn on the north end of the Dan 11 Claim.

Two samples, taken on the Dan 11 Claim, were definitely anomalous in copper and both can be explained by known copper occurrences in bedrock and stream deposits.

Two samples which were definitely anomalous in gold, were obtained from the mountain east of Pachena Lake on Dan 8 Claim. No known mineral occurrences can account for these samples and additional exploration is recommended for the area.

Two samples, which are probably anomalous in gold were taken from the north end of the Dan 11 Claim and one of these is near the highest copper reading. In addition, clusters of samples that contain 10 PPB or better in gold surround the two samples that are probably anomalous.

A second cluster of samples, in the range 10 to 20 PPB in gold, is located near Fredrick Lake on the south end of Dan 11 Claim. This cluster is probably related to the mineralized shear zones and faults seen in rock-cuts along the Bamfield Highway.

Additional soil sampling is recommended on the north and south ends of the Dan 11 Claim.

ONCS

DAN 8 & DAN 11 CLAIMS

INTRODUCTION

Rainier Energy Resources Ltd., who own and operate the Dan 8 and Dan 11 Mineral Claims, engaged Bullis Engineering Ltd. to conduct a preliminary soil sampling program on the Claims. The field work was conducted during June, 1980, and maps and report were prepared in July. The maps are on a scale of 1 to 15,000.

Purpose of Survey

The soil sampling program was designed to test all areas of the Claims, on a reconnaissance basis, to determine whether, or not, specific zones might exist where additional work would be warranted.

Location & Access

The Dan 8 and Dan 11 Mineral Claims are located in the Sarita River area of Vancouver Island, east of the Alberni Canal and are approximately fifteen kms. north-east of Bamfield.

The property is easily accessible from Alberni via the road to Bamfield which traverses the Dan 11 Claim. Secondary logging roads lead to all parts of the Dan 8 and Dan 11 Claims and these are shown on the McMillan - Blodell maps of the Sarita River Division. The area is shown on N.T.S. Sheet 92C/14E. and is located in the Alberni Mining Division at 48° 53' N Lat & 125° 01' W Long.

History

The region has undoubtedly been prospected in the past but no reference to the specific area of the mineral claims could be found in the literature. However, some work was done on a property that directly adjoins the Dan 11 Claim to the east. Gold was discovered on the Numakimas 1 Indian Reserve in 1979 by Nomad Mines Ltd. and on the Nomad property which adjoins the Dan 11 Mineral Claim.

ARIS

RECOMMENDATIONS

Dan 8 Mineral Claim

1. The area drained by streams that rise on the mountains east of Pachena and Fredrick Lakes and flow in a westerly direction across the Claim should be tested by silt sampling at regular intervals along the creeks.

2. Areas that cannot be covered adequately by silt samples, (i,e. the south slope of the mountain above Rousseau Lake) should be soil sampled on a regular pattern.

Dan 11 Mineral Claim

1. The north end of the Claim should be further investigated by soil sampling on a regular grid at 100 metre intervals. The primary area of interest lies between the north boundary of the Claim and an east-west line lying six hundred metres south of the junction between the Bamfield-Highway and Headquarters road.

2. A secondary area of interest lies immediately north of Fredrick Lake on the south end of the claim. Additional soil sampling should be done in this area to test the cluster of gold values found by the preliminary sampling program.

CR215

GEOCHEMICAL SURVEY

The soil samples were taken by the author along the roads and trails that criss-cross the Dan 8 and Dan 11 Claims. One hundred nine samples were taken at intervals of one hundred fifty metres, as shown on the accompanying maps, and all samples were taken from the "B" layer.

In addition, fourteen soil samples were taken from the north end of the Dan 11 Claim where mineralized skarn had been discovered. A grid was established north of Branch 105B and west of Branch 105 and soil samples were taken from the "B" layer on a regular pattern.

The soil profile on the Dan 8 and 11 Claims consist of:

"A" layer - black humus or dark soil, usually, about ten cm. thick but, rarely, up to forty cms. deep.

"B" layer - fine red soil, rarely grey some sand and pebbles 30 to 50 cms. thick.

"C" layer - usually grey in color and composed of clay, sand fine pebbles or gravel.

All samples were obtained by digging with a shovel to the "B" layer where a sample was taken and packaged in paper soil envelopes.

CUCLS

SOIL SAMPLING INTERPRETATION

All soil samples were taken at regular intervals along the roads that cover Dan 8 and 11 Claims, with the exception of fourteen obtained from the grid. Because the roads are subject to topographic control only and are not laid out in any set pattern, the geochemical program could be considered a reasonable but random sampling of the area. Further, because no previous prospecting or mining is known on the claims, the samples should be uncontaminated. The only exceptions are those samples inadvertantly taken from the "C" layer, where the "B" layer is either poorly developed or is affected by slash fires, but these samples are rare.

The bedrock appears to consist mainly of volcanic rock, with less than 15% of the area underlain by granitic rocks and altered limestone and, therefore, very little bias is introduced into the survey by variations in bedrock.

Silver

All samples report a uniform, low reading of 0.1 PPM (parts per million), and if this reading is considered to be background there are no anomalous silver values.

Copper

123 samples were submitted for copper analyses and reported in PPM (parts per million) by the Chemex Labs.

CUCIS

Copper (Cont)

84 samples	less than 30 PPM	68% of total
34 samples	between 31 & 71 PPM	28% " "
3 samples	between 72 & 82 PPM	2.4%" "
2 samples	over 120 PPM	1.6%" "

Only samples that report 120 PPM or more, can be considered anomalous, but because of the uniformity of bedrock, i.e. volcanic rock and the possibility there is only one population, the three samples that lie between 72 & 82 PPM may also be significant.

The highest reading, 360 PPM, is located near the east end of the mineralized skarn on the Dan 11 Claim and undoubtedly reflects the copper content of that rock.

The second and third highest samples, i.e. 120 & 82 PPM, are located along the east side of Dan 11 Claim and near to each other. These high copper values probably reflect the copper content of mineralized detritus noted in the deltaic deposits on several small streams that flow from east to west into Fredrick Creek.

The other two samples that reported 72 and 78 PPM were found on Dan 8 Claim east of Pachena Lake but are probably not significant.

Gold

123 samples were submitted for gold analyses and reported in PPB (parts per billion) by Chemex Labs.

Gold (Cont)

91 samples	(less than)	10 PPB	74% of total
16 samples		10 PPB	13% " "
12 samples		20 PPB	10% " "
2 samples		50 PPB	1.5% "
2 samples		100 PPB	1.5% "

The two samples that report 100 PPB, or more i.e. 100 PPB and 200 PPB, are definitely anomalous. The two samples that report 50 PPB are probably anomalous because the bedrock is relatively uniform, i.e. mainly volcanic. The twelve samples that report 20 PPB should be considered significant where they form clusters of similar values near the anomalous high samples.

The two highest samples, i.e 100 and 200 PPB are located in the central part of Dan 8 Claim on the west slope of the small mountain that lies east of Pachena Lake. They appear to be isolated with no cluster of significant samples surrounding them.

The two samples that contain 50 PPM are located on the north end of Dan 11 Claim; the most northerly of these is close to the mineralized skarn, mentioned previously, and close to the highest copper value obtained on the Claims. The other, located at the Junction of Bamfield Highway and M-B's Headquarters road, is surrounded by a cluster of samples that report 20 PPB.

The other cluster of possibly significant samples lies along the Fredrick Creek valley, just east of Fredrick Lake.

AR 15

Grid: (North End of Dan 11 Claim)

The mineralized skarn which is located on the small hill between Branch 105 and Branch 105 B has been treated as a special case because the skarn contains pyrite, pyrrhotite and chalcopyrite.

An area, 300 metres by 300 metres, was flagged and marked. The base-line was located along, or near, Branch 105 on a bearing of 255 degrees. Cross lines were established normal to the base-line at intervals of 100 metres. Soil samples were taken at 100 metre intervals along the lines. All samples were taken from the "B" layer with the exception of the sample from station 2W + 3N where recent slash burning made the "B" layer indistinquishable from the top soil. Two samples, on the north end of lines 0W and 1W, were not taken because of the swampy condition of the area.

The following chart gives the position of each sample, the nature of the sample and bedrock and the analyses for gold and copper. As stated previously, the silver values all reported 0.1 PPM and are not significant.

Note The mark # denotes "less than" 10 PPB

Line & Stat.	Nature of Sample	Bedrock	Au. PPB	Cu. PPM
OW + ON	Red clay, small pebbles	Granite?	#	10
OW + 1N	Red clay and loam	Unknown	#	26
OW + 2N	Fine red soil	Skarn	#	44
OW + N3	(Not taken - Swamp)			
1W + ON	Fine red soil	Granite?	#	20
1W + 1N	Red sokl, pebbles	Unknown	#	12
1W + 2N	Fine red soil	Skarn	#	16
1W + 3N	(Not taken - Swamp)			
2W + ON	Red soil, some pebbles	Granite	#	16
2W + 1N	Fine red soil	Skarn?	10	48
2W + 2N	Red soil, some pebbles	Skarn	10	52
2W + 3N	Red clay (poor sample)	Unknown	#	4
3W + ON	Red soil, some pebbles	Unknown	#	38
3W + 1N	Red soil, some pebbles	Skarn	10	46
3W + 2N	Gumbo, (swamp)	Unknown	#	24
3W + 3N	Fine red soil	Unknown	20	18

Although not one of the gold or copper values obtained on the grid is anomalous, by the definition stated in previous sections, some significance should be accorded the cluster of gold values centred on the west end of the skarn zone. The samples reporting higher gold values more-or-less coincide with those that have higher copper readings.

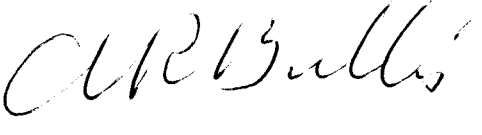
COST STATEMENT — Geochemical Survey

Field Wages	12 - 17 June 1980	
Geologist:	6 days @ $200.00	$1,200.00
Assistant:	6 days @ $ 50.00	300.00
Report & Map Preparation	July 1980	
Geologist Fees		$ 600.00
Secretarial & Drafting		150.00
Expenses		
Travel: Ferry plus Vehicle		$ 194.80
Meals & Groceries		44.65
Field Supplies		3.00
Sample Analyses		813.30

TOTAL COST ----------$3,305.75

A. R. Bullis, P.Eng.

31 July 1980



CERTIFICATE OF QUALIFICATIONS

I, Albert Ralph Bullis, do hereby certify:

1. I am a practising geological engineer with residence on Porter Road, Mayne Island, B.C.

2. I am a graduate of the University of B.C.

3. I have practised my profession since 1952.

4. I am a member of the Association of Professional Engineers of British Columbia.

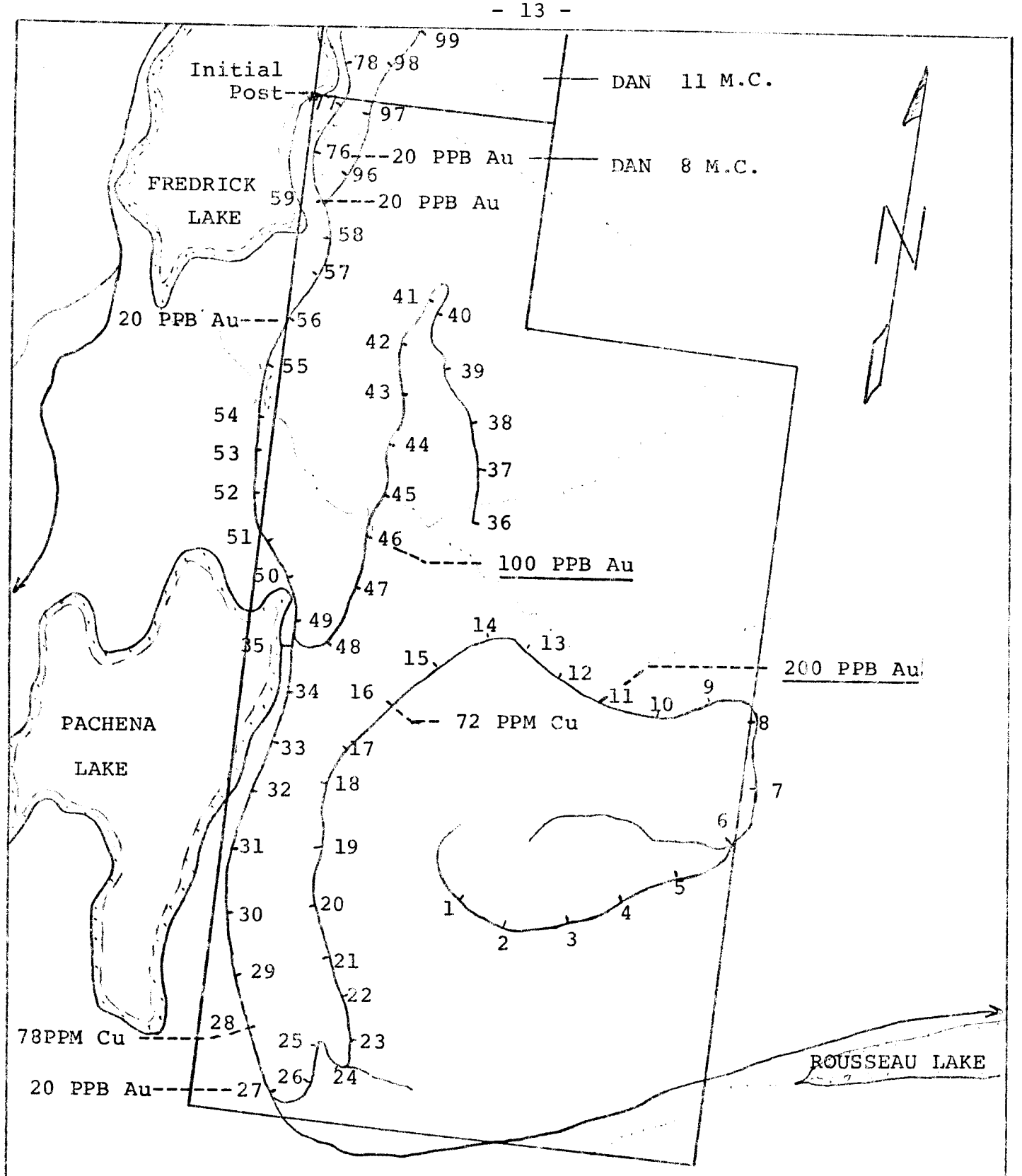
5. I have no interest directly, or indirectly in the property or securities of Rainier Energy Resources Ltd.

6. The report is based on information obtained personally while performing the work program described in the report during June 1980.

A. R. Bullis, P.Eng.

31 July 1980

A R Bullis



SOIL SAMPLING MAP

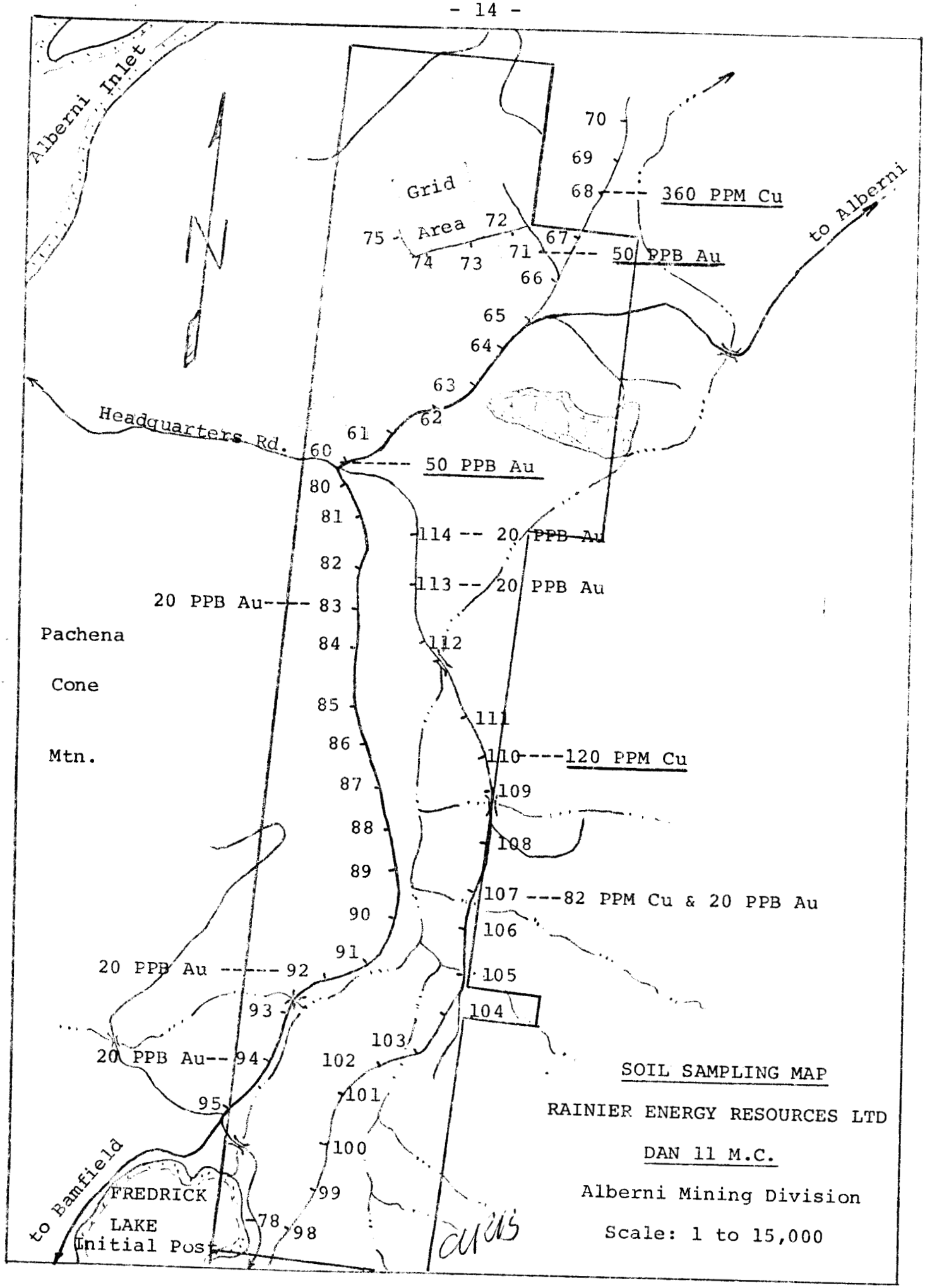
RAINIER ENERGY RESOURCES LTD

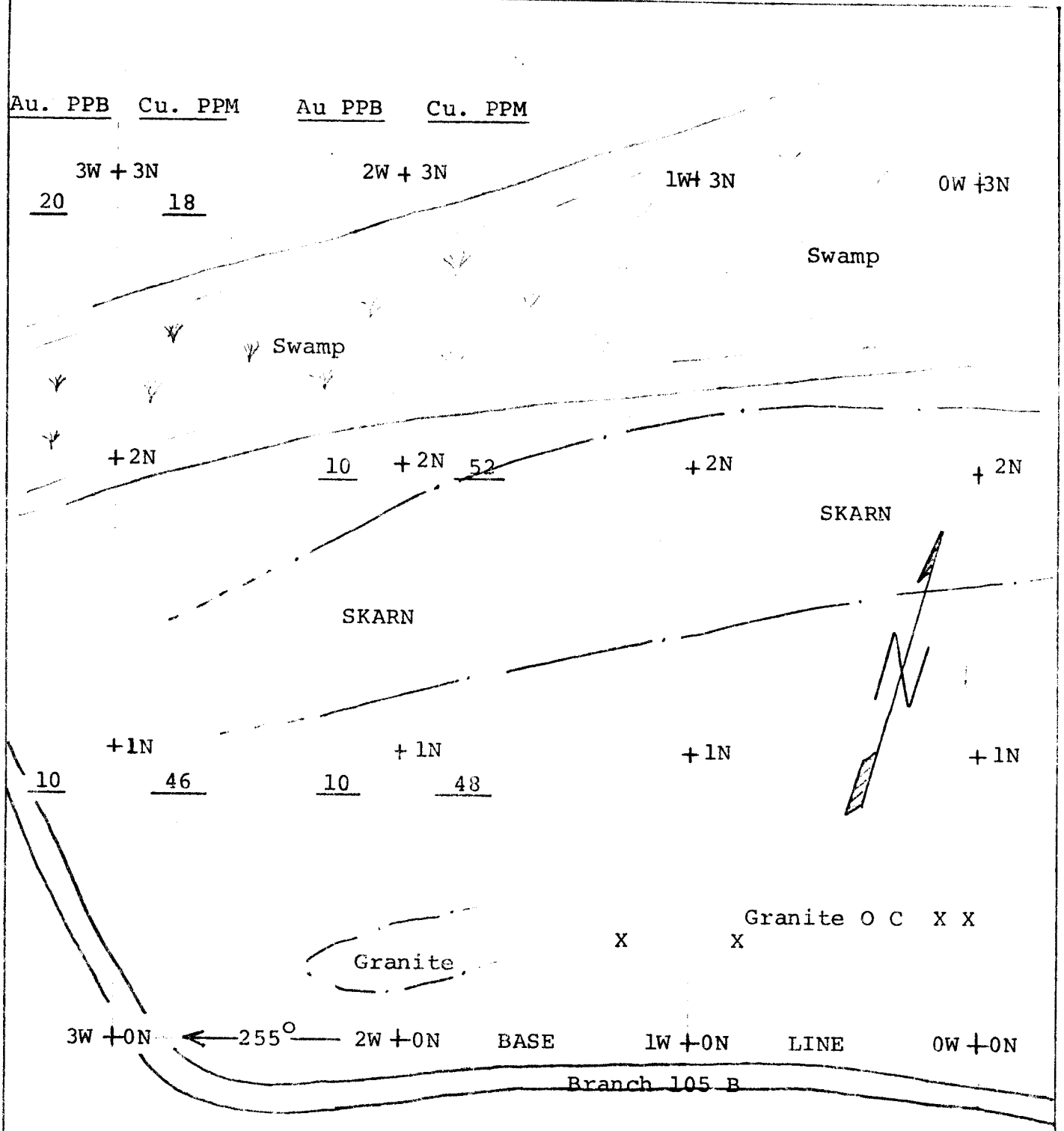
DAN 8 M.C.

Alberni Mining Division

Scale: 1 to 15,000

ac15


Alberni Inlet
Grid
Area
70
69
68
360 PPM Cu
75
74
73
72
71
67
50 PPB Au
66
65
64
63
62
61
60
to Alberni
Headquarters Rd.
50 PPB Au
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
114 -- 20 PPB Au
113 -- 20 PPB Au
112
111
110
120 PPM Cu
109
108
107
82 PPM Cu & 20 PPB Au
106
105
104
103
102
101
100
99
98
78
20 PPB Au
20 PPB Au
20 PPB Au
Pachena
Cone
Mtn.
to Bamfield
FREDRICK
LAKE
Initial Post
SOIL SAMPLING MAP
RAINIER ENERGY RESOURCES LTD
DAN 11 M.C.
Alberni Mining Division
Scale: 1 to 15,000



Note

Only those readings 10 PPB, or greater in gold are shown. All others are less than 10 PPB in gold. (See table, page 10)

Geochemical Plan

Grid Area, Dan 11 M.C.

Alberni Mining Division

Scale: 1 to 2,000

212 BROOKSBANK AVE.
NORTH VANCOUVER, B.C.
CANADA V7J 2C1
TELEPHONE: 984-0221
AREA CODE: 604
TELEX: 04-352597

CHEMEX LABS LTD.

• ANALYTICAL CHEMISTS • GEOCHEMISTS • REGISTERED ASSAYERS

CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 53483

INVOICE NO. 36381

RECEIVED June 12/80

ANALYSED June 20/80

TO: Bullis Eng. Ltd.
Box 1039, Station A,
Delta, B.C.

c.c. A.R. Bullis, Mayne Island

ATTN: A.S. Ashton Bill to Ranier En. Resources, W. Pender

SAMPLE NO. :	PPM Cu	PPM Ag	PPB Au	
1	36	0.1	<10	
2	44	0.1	<10	
3	32	0.1	<10	
4	18	0.1	<10	
6	18	0.1	<10	
7	16	0.1	<10	
8	18	0.1	<10	
9	18	0.1	<10	
10	22	0.1	<10	
11	20	0.1	200	
12	34	0.1	10	
13	38	0.1	<10	
14	54	0.1	<10	
15	32	0.1	<10	
16	72	0.1	<10	
17	10	0.1	<10	
18	24	0.1	<10	
19	22	0.1	<10	
20	48	0.1	<10	
21	14	0.1	<10	
22	34	0.1	<10	
23	14	0.1	<10	
24	28	0.1	<10	
25	28	0.1	<10	
26	14	0.1	<10	
27	58	0.1	20	
28	78	0.1	<10	
29	62	0.1	<10	
30	30	0.1	<10	
31	30	0.1	<10	
32	40	0.1	10	
33	12	0.1	<10	
34	62	0.1	<10	
35	14	0.1	<10	
35Rock	6	0.1	<10	ROCK
36	22	0.1	<10	
37	56	0.1	<10	
38	20	0.1	<10	
39	18	0.1	<10	
40	20	0.1	<10	

1 Rock

CU AG

CTA MEMBER CANADIAN TESTING ASSOCIATION

CERTIFIED BY: .....

212 BROOKSBANK AVE.
NORTH VANCOUVER, B.C.
CANADA V7J 2C1
TELEPHONE: 984-0221
AREA CODE: 604
TELEX: 04-352597

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CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 53484

TO: Bullis Eng. Ltd.
Box 1039, Station A
Delta, B.C.
c.c. A.R. Bullis, Mayne Island

INVOICE NO. 36381

RECEIVED June 12/80

ATTN: A.S. Ashton Bill to Ranier En. Resources, W. Pender

ANALYSED June 20/80

SAMPLE NO. :	PPM Cu	PPM Ag	PPB Au
41	24	0.1	10
42	12	0.1	<10
43	36	0.1	10
44	16	0.1	<10
45	12	0.1	<10
46	28	0.1	100
47	10	0.1	<10
48	14	0.1	<10
49	28	0.1	<10
50	16	0.1	<10
51	12	0.1	<10
52	44	0.1	<10
56	26	0.1	20
57	26	0.1	<10
58	14	0.1	<10
59	14	0.1	20
60	16	0.1	50
61	22	0.1	<10
62	26	0.1	<10
63	48	0.1	<10
64	10	0.1	<10
65	30	0.1	<10
66	26	0.1	<10
67	26	0.1	<10
68	360	0.1	<10
69	32	0.1	<10
70	14	0.1	<10
71	44	0.1	50
72	40	0.1	<10
73	38	0.1	<10
74	18	0.1	<10
75	38	0.1	<10
76	18	0.1	20
77	24	0.1	10
78	23	0.1	<10

acc'd

CERTIFIED BY: .....

212 BROOKSBANK AVE.
NORTH VANCOUVER, B.C.
CANADA V7J 2C1
TELEPHONE: 984-0221
AREA CODE: 604
TELEX: 04-352597

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CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 53845

INVOICE NO. 36645

RECEIVED June 24/80

ANALYSED July 3/80

TO: Bullis Engineering Ltd.
Box 1039
Station A
Delta, B.C.

ATTN: A.S. Ashton CC: A.R. Bullis Invoive: Rainier En

SAMPLE NO. :	PPM Cu	PPM Ag	PPB Au
OW + ON	10	0.1	<10
1W	20	0.1	<10
2W	16	0.1	<10
3W + ON	38	0.1	<10
0 + 1N	26	0.1	<10
1W	12	0.1	<10
2W	48	0.1	10
3W + 1N	46	0.1	10
0 + 2N	44	0.1	<10
1W	16	0.1	<10
2W	52	0.1	10
3W + 2N	24	0.1	<10
2W + 3N	4	0.1	<10
3W + 3N	18	0.1	20
R.E.R. 80	24	0.1	20
81	16	0.1	<10
82	14	0.1	<10
83	22	0.1	20
84	14	0.1	10
85	10	0.1	<10
86	28	0.1	<10
87	24	0.1	<10
88	30	0.1	<10
89	24	0.1	<10
90	6	0.1	<10
91	10	0.1	<10
92	26	0.1	20
93	8	0.1	10
94	32	0.1	20
95	10	0.1	<10
96	28	0.1	<10
97	20	0.1	<10
98	34	0.1	<10
99	28	0.1	<10
100	20	0.1	<10
101	24	0.1	10
102	62	0.1	10
103	20	0.1	10
104	40	0.1	<10
R.E.R. 105	36	0.1	<10

all 23

CTA MEMBER CANADIAN TESTING ASSOCIATION

CERTIFIED BY: .....

212 BROOKSBANK AVE.
NORTH VANCOUVER, B.C.
CANADA V7J 2C1
TELEPHONE: 984-0221
AREA CODE: 604
TELEX: 04-352597

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CERTIFICATE OF ANALYSIS

CERTIFICATE NO. 53846
INVOICE NO. 36645
RECEIVED June 24/80
ANALYSED July 3/80

TO: Bullis Engineering Ltd.
Box 1039
Station A
Delta, B.C.

ATTN: A.S. Ashton CC: A.R. Bullis Invoice: Rainier En.

SAMPLE NO. :	PPM Cu	PPM Ag	PPB Au
R.E.R. 106	48	0.1	10
107	82	0.1	20
108	68	0.1	10
109	64	0.1	10
110	120	0.1	<10
112	48	0.1	<10
113	38	0.1	20
R.E.R. 114	14	0.1	20

CERTIFIED BY: .....

MEMBER CANADIAN TESTING ASSOCIATION

INVOICE

212 BROOKSBANK AVE.
NORTH VANCOUVER, B.C.
CANADA V7J 2C1
TELEPHONE: 984-0221
AREA CODE: 604
TELEX: 04-352597

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TO: Ranier En. Resources
Suite 1202
750 W. Pender St.
ATTN: Vancouver, B.C.

CERTIFICATE NO. 53483 & 53484

INVOICE NO. 36381

DATE June 20/80

	DESCRIPTION	SUB-TOTAL	TOTAL
75	Analyzed for Cu, Ag, & Au @ $6.10	$457.50	
74	Prepared @ $.50	$37.00	
1	Prepared @ $2.00	$2.00	
			$496.50

JUL 14 1980

√

TERMS—NET 30 DAYS

78-040

1½% Per Month (18% Per Annum) Charged on Overdue Accounts

INVOICE

CHEMEX LABS LTD.

212 BROOKSBANK AVE.
NORTH VANCOUVER, B.C.
CANADA V7J 2C1
TELEPHONE: 984-0221
AREA CODE: 604
TELEX: 04-352597

• ANALYTICAL CHEMISTS • GEOCHEMISTS • REGISTERED ASSAYERS

TO: Rainier En. Resources
1202 - 750 W. Pender St.
Vancouver, B.C.

ATTN: E. Fisher

CERTIFICATE NO. 53846 & 53845

INVOICE NO. 36645

DATE July 3/80

	DESCRIPTION	SUB-TOTAL	TOTAL
	(A.S. Ashton & A.R. Bullis)		
48	Analysed for Cu, Ag & Au @ $6.10	$292.80	
48	Prepared @ $0.50	24.00	
			$316.80

JUL 14 1980

TERMS—NET 30 DAYS

1½% Per Month (18% Per Annum) Charged on Overdue Accounts

78-040