81-578-9047

PEZ RESOURCES LTD.

INDUCED POLARIZATION SURVEY

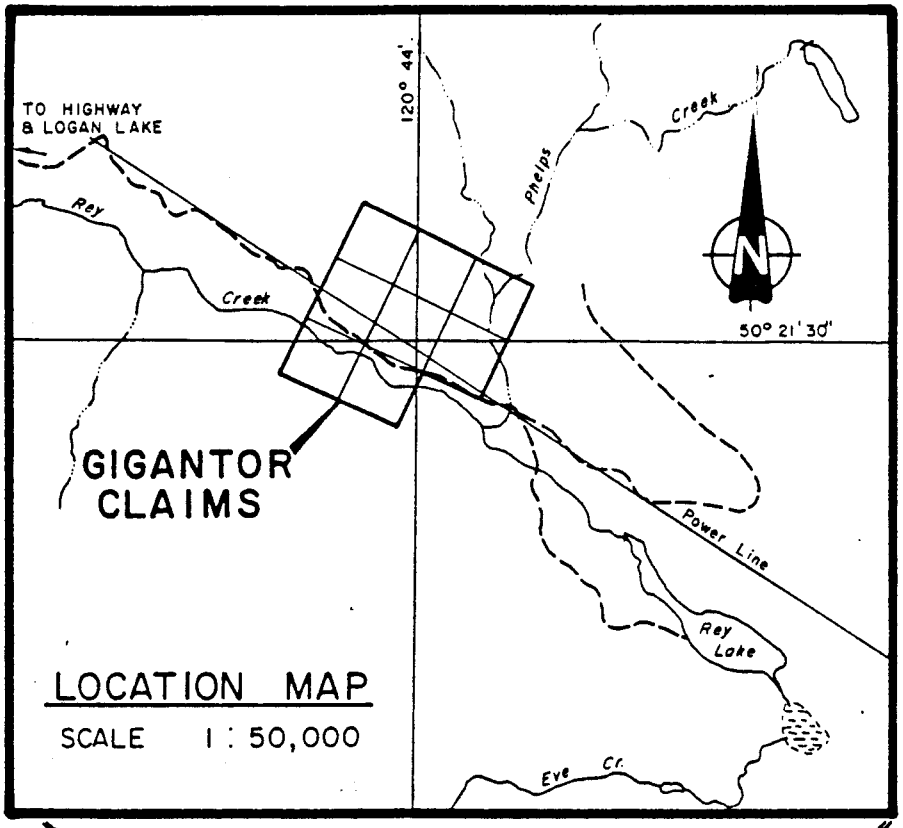
Gigantor 1 - 8 mineral claims, Mamit Lake area

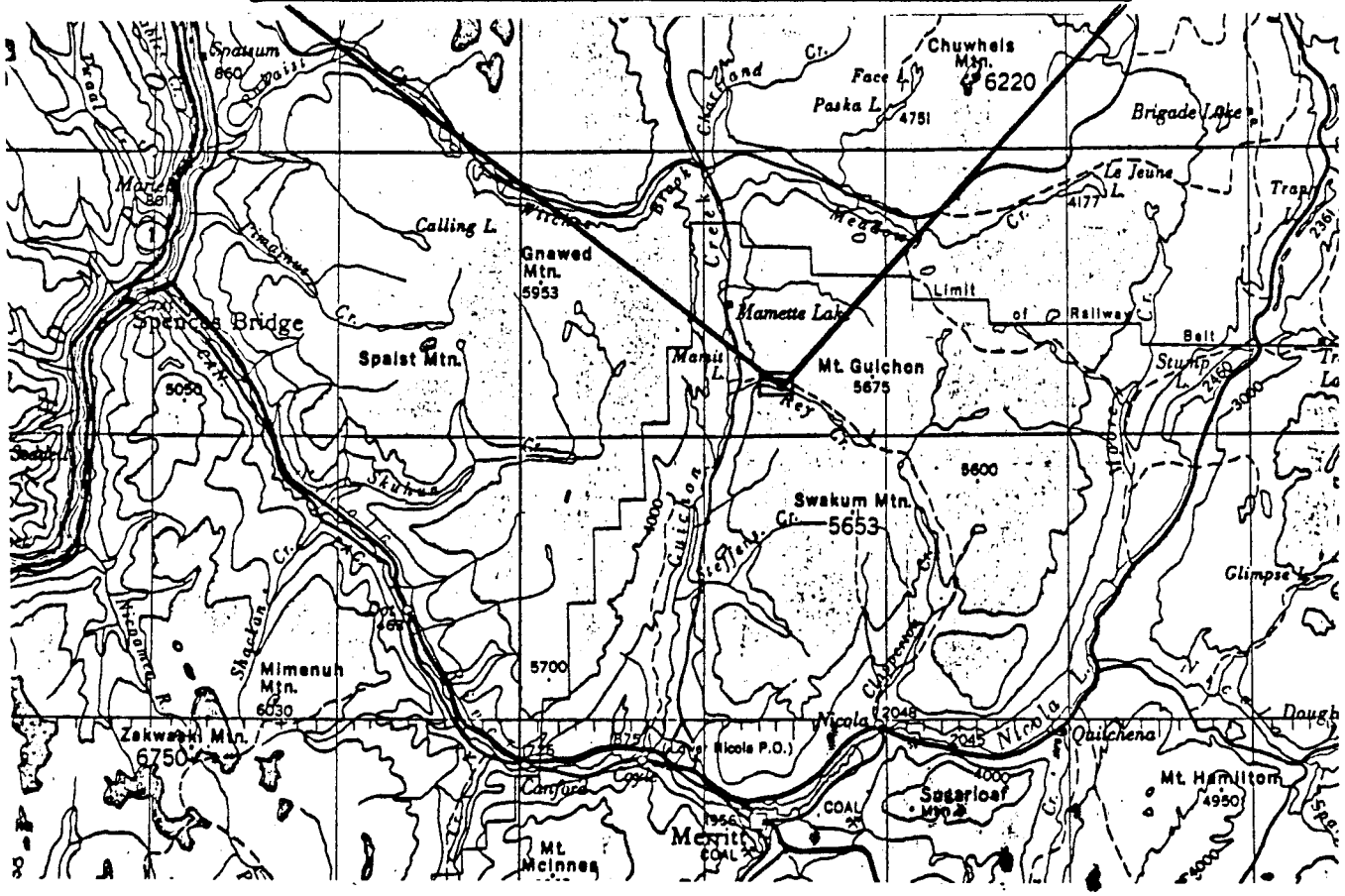
Lat. 51°21'30"N Long. 120°44'W N.T.S. 92 I/7E

AUTHOR: Glen E. White, B.Sc., P. Eng.

DATE OF WORK: May 20 - 28, 1980

DATE OF REPORT: July 14, 1980





PEZ RESOURCES LTD.
GIGANTOR CLAIMS
LOCATION AND CLAIMS MAP

92-I-7 E

Glen E. Wilson
geological consulting
services ltd.

FIG. 1

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Illustrations

Figure 1 - Location and Claims Map

Figure 2 - Chargeability in milliseconds

Figure 3 - Apparent Resistivity in ohm-meters

Figure 4 - 10, Profiles n = 1, 2 Lines 8E - 4W

INTRODUCTION

At the request of Manny Consultants Ltd., some 9 km of induced polarization surveying was conducted over the Gigantor claims by Glen E. White Geophysical Consulting & Services Ltd. on behalf of Pez Resources Ltd. The survey was completed during the month of May 1980 from the 20th to the 28th.

The purpose of the induced polarization survey was to examine a showing of mineralized quartz calcite veins with values in gold, silver, copper, lead and zinc. The mineral claims are described in a report addressed to Pez Resources Ltd. dated March 26, 1980 by E. Amendolagine, P. Eng.

PROPERTY

The Gigantor 1 - 8 claims were located by the two post prospector staking system and are illustrated on Figure 1.

LOCATION AND ACCESS

The property is located on Rey Creek some five km east of Mamit Lake. Mamit Lake is a well k nown fishing lake between Merritt and Logan Lake, the Lornex Mines townsite.

Access is by regular motor vehicle.

GENERAL GEOLOGY

The general area of the property can be seen on Map 886A at a scale of 1" = 4 miles. The immediate property area is mapped as underlain by the Nicola Group of andesites, basalts, breccia tuffs, argillite and limestones of Upper Triassic age.

SURVEY GRID

The survey grid was established by a crew from Manny Consultants Ltd. The baseline is in a WNW - ESE direction and follows the Rey Creek Valley. Traverse lines were turned off at right angles every 100 m and numbered at 25 m intervals.

INDUCED POLARIZATION SURVEY

The equipment used on this survey was the Huntec pulse-type unit, and Mark III receiver. Power was obtained from a Briggs and Stratton motor coupled to a 2.5 KW 400 cycle three phase generator, providing a maximum of 2.5 KW D.C. to the ground. The cycling rate is 1.5 seconds "current on" and 0.5 seconds "current off", the pulse reversing continuously in polarity. Power was transmitted to the ground through two potential electrodes, P_1 and P_2 which were deployed in the three electrode array with an "a" spacing of 75 m and separations of $n = 1$ and 2.

The data recorded in the field consists of careful measurements of the current (I) in amperes flowing through electrodes C_1 and C_2, the primary voltage (V_p) appearing between electrodes P_1 and P_2 during the "current on" part of the cycle, and the secondary voltage (V_s) appearing between electrodes P_1 and P_2 during the "current off" part of the cycle. A cycle time of 4 seconds was used with a duty ratio of 2.2 - 1, T_p .20 ms and T_d 60 ms.

The apparent chargeability (M') in milliseconds, is calculated by $T_p (M_1 + 2M_2 + 4M_3 + 8M_4) = M'$, where T_p is the basic integrating time in tenths of seconds. M_1, M_2 M_3 and M_4 are the chargeability effects at various times on the voltage decay curve following switch off of the transmitter, measured as a percentage of the primary voltage,

V_p recorded during the "current on" time. By the use of these factors, one can gain an estimate of the decay curve in terms of chargeability for the given time T_p. This gives a quantitative value to the data measured.

The apparent resistivity, in ohm-meters, is proportional to the ratio of the primary voltage to the measured current, the proportionality factor depending on the geometry of the electrode array used. The chargeability and resistivity obtained are called "apparent" as they are values which that portion of the earth sampled by the array would have if it were homogeneous. As the earth sample is usually inhomogeneous, the calculated apparent chargeability and apparent resistivity are functions of the actual chargeabilities and resistivities of the rocks sampled and of the geometry of the rocks.

DISCUSSION OF RESULTS

The chargeability plan map of $n = 1$, $a = 75$ m is shown in Figure 2. A high of 10.1 ms was reached in the extreme northeast corner of the survey grid above a background of some 1.0 ms. This would indicate the presence of some 3% chargeable materials by volume. Two lower order anomalies in the order of some 6.5 ms were also detected. One was at 500N just south of the principle anomaly and the other on line 400E at 300S. The mineral showings are reportedly along the baseline ine the center of the survey grid. This is an area of low chargeability.

The apparent resistivity data shows a smooth progression of high and low resistivity values typical of variable overburden depth and character. The apparent resistivity high on line 0 likely relates to shallow dry overburden conditions as well as possibly a change in rock type. Conversely,

the apparent resistivity low in the center of the survey area likely relates to an increased clay content of the glacial till.

Figures 4 - 10 illustrate the chargeability and apparent resistivity data for n = 1 and 2. The larger "a" spacing on some lines such as 800E showed a slight increase in chargeability with depth which is likely due to a different ratio of overburden to bedrock being sampled.

Ground magnetometer data, made available by Manny Consultants Ltd., indicated only moderate variations which show no particular correlation with the induced polarization results.

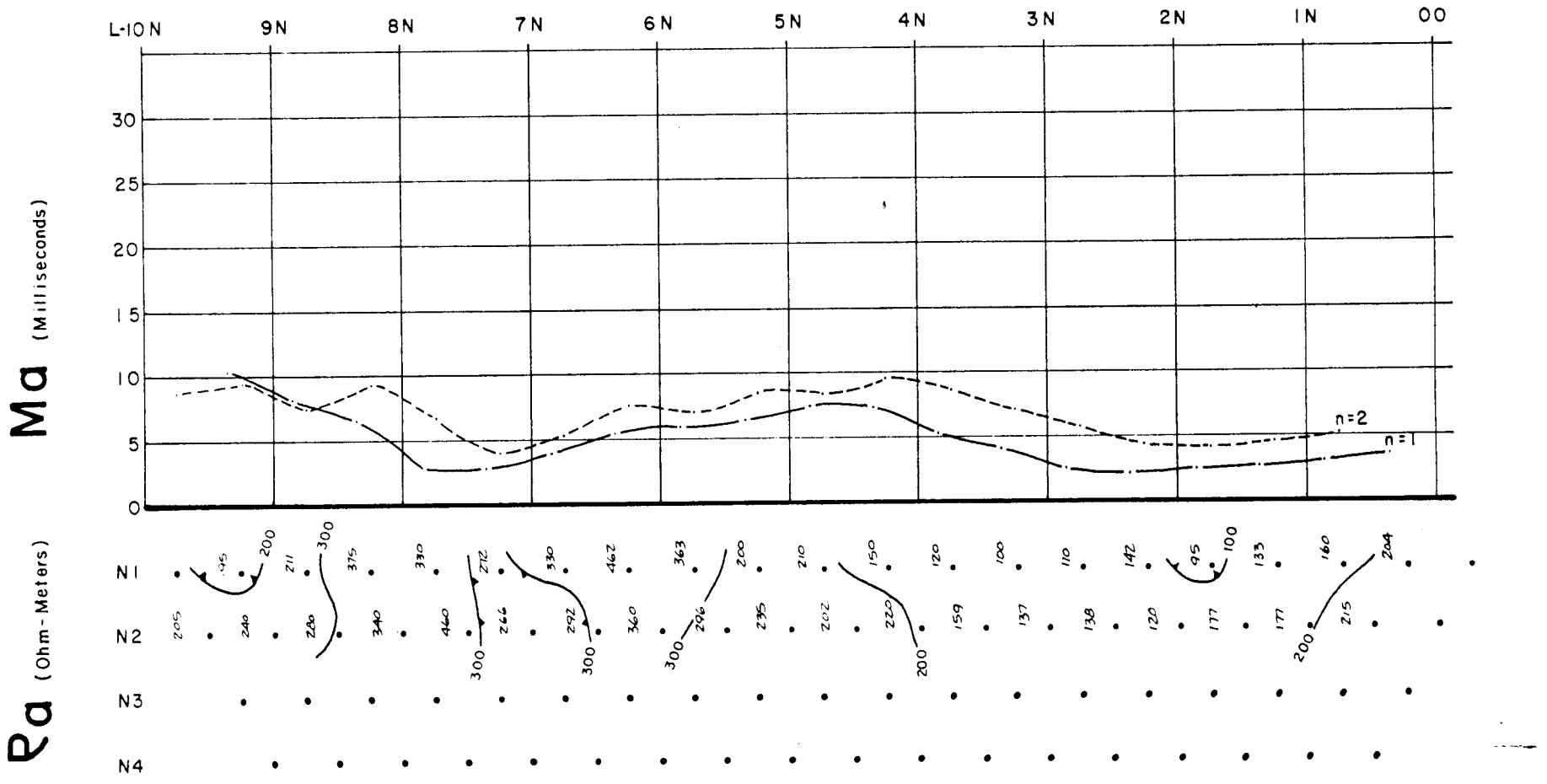
CONCLUSION AND RECOMMENDATION

During the month of May 1980 a program of induced polarization surveying was conducted over a portion of the Gigantor 1 - 8 mineral claims in the Highland Valley area of B. C.

The induced polarization survey detected one anomalous area of 10 ms which is unexamined to the northeast and two others in the order of 6.5 ms. These anomalies are likely explained by a 1% - 3% increase in chargeable materials, such as pyrite, within the Nicola rocks. No response was obtained over the known showings which would indicate they are of limited chargeable volume extent with respect to the induced polarization technique. However, the chargeability anomalies obtained could be reflecting more concentrated veinlets of the same type. Thus, since they appear to be of a shallow nature, detailed geochemical soil sampling over them may illucidate their cause.

Respectfully submitted,
GLEN E. WHITE GEOPHYSICAL
CONSULTING & SERVICES LTD.

Glen E. White, B.Sc., P. Eng.
Consulting Geophysicist



PULSE I.P.

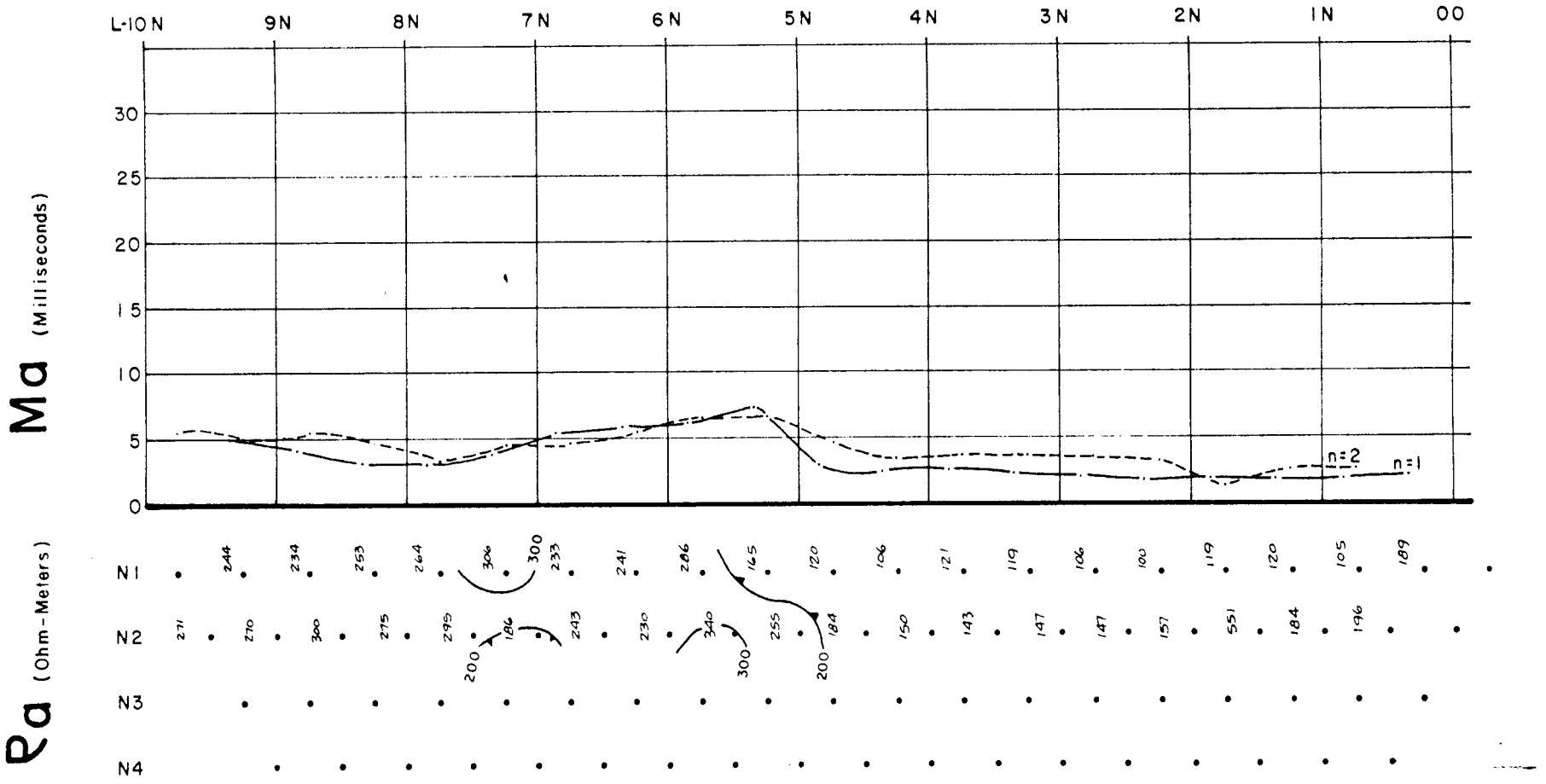
PEZ RESOURCES LTD.
GIGANTOR CLAIMS
LINE 8 E

Glen E. White
geophysical consulting & services ltd.

Metres 100 0 100 200 300
1 : 5,000

92-I-7 E

FIGURE 4
June 19, 1980



PULSE I.P.

PEZ RESOURCES LTD.
GIGANTOR CLAIMS
LINE 6 E

Glen E. White
geophysical consulting & services ltd.

Metres 100 0 100 200 300
1 : 5,000

92-I-7 E

FIGURE 5
June 19, 1980

INSTRUMENT SPECIFICATIONS

INDUCED POLARIZATION SYSTEM

A. Instruments

(a) Type - pulse

(b) Make - Huntec

(c) Serial No. - transmitter #107 - receiver #3016

B. Specifications

(a) Size and Power - 2.5 KW

(b) Sensitivity - 300 x 10.5 volts

(c) Power Sources - 2.5 KW 400 cycle - three-phase generator

(d) Power - 8 H.P. Briggs and Stratton @ 3000 R.P.M.

(e) Timing - electronic, remote and direct.

(f) Readings - (i) ampls (ii) volts primary and secondary

(g) Calculate (i) Resistivity - ohm-meters (ohm-feet)

(ii) Chargeability - milliseconds

C. Survey Procedures

(a) Method - power supplied to mobile probe along TW 18 stranded wire from stationary set-up

(b) Configuration - Pole-dipole (three electrode array) Plot point midway between C_1 and P_1

D. Presentation

Contour Maps (i) Chargeability - milliseconds

(ii) Resistivity - ohm-meters (ohm-feet)

STATEMENT OF QUALIFICATIONS

NAME: WHITE, Glen E., P. Eng.

PROFESSION: Geophysicist

EDUCATION: B.Sc. Geophysics - Geology
University of British Columbia

PROFESSIONAL ASSOCIATIONS: Registered Professional Engineer, Province of British Columbia

Associate member of Society of Exploration Geophysicists.

Past President of B. C. Society of Mining Geophysicists.

EXPERIENCE: Pre-Graduate experience in Geology - Geochemistry - Geophysics with Anaconda American Brass.

Two years Mining Geophysicist with Sulmac Exploration Ltd. and Airborne Geophysics with Spartan Air Services Ltd.

One year Mining Geophysicist and Technical Sales Manager in the Pacific north-west for W. P. McGill and Associates.

Two years Mining Geophysicist and supervisor Airborne and Ground Geophysical Divisions with Geo-X Surveys Ltd.

Two years Chief Geophysicist Tri-Con Exploration Surveys Ltd.

Nine years Consulting Geophysicist.

Active experience in all Geologic provinces of Canada.

COST BREAKDOWN

Personnel	Dates Worked	Wages	Total
J. Behenna	May 20 - 28/80	$175/day	$1575.00
M. Gray	" "	155/day	1395.00
S. Amendolagine	May 22 - 28/80	155/day	1085.00
B. Worrell	" "	120/day	840.00
J. Vincini	" "	120/day	840.00
Meals and accomodations, 39 man days @ $35/day			1365.00
Instrument Lease			725.00
Vehicle 4x4 lease all inclusive @ $65/day			585.00
Interpretation maps and reports			750.00
Total			$9160.00

PEZ RESOURCES LTD.

MAGNETOMETER SURVEY

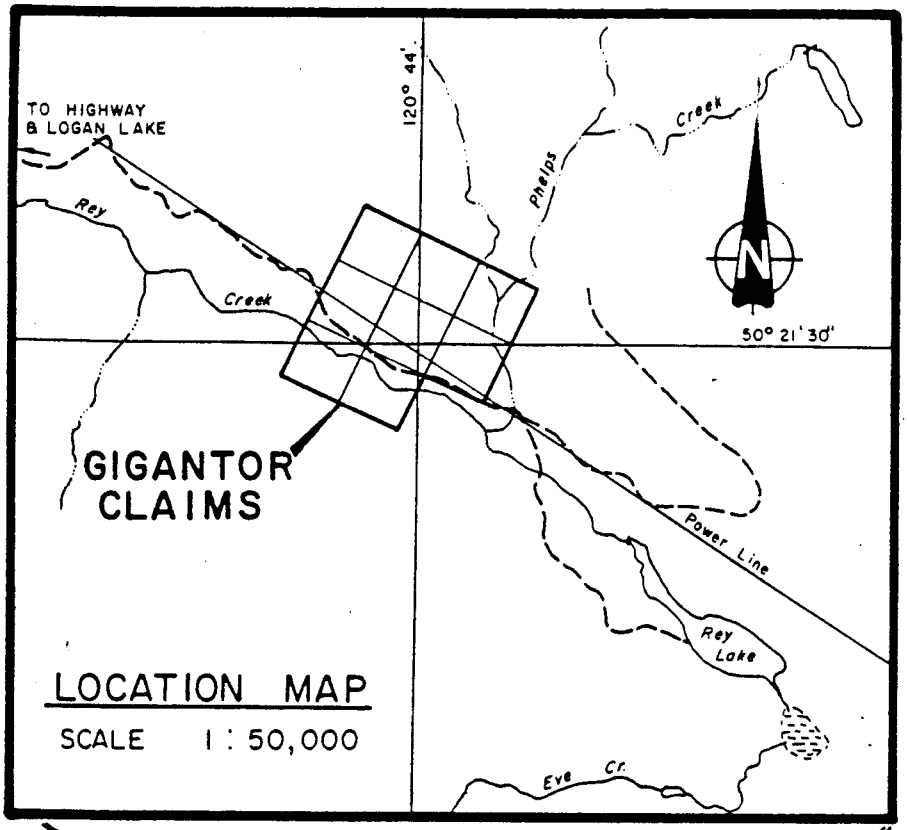
Gigantor 1 - 8 claims, Nicola Mining Division, B. C.

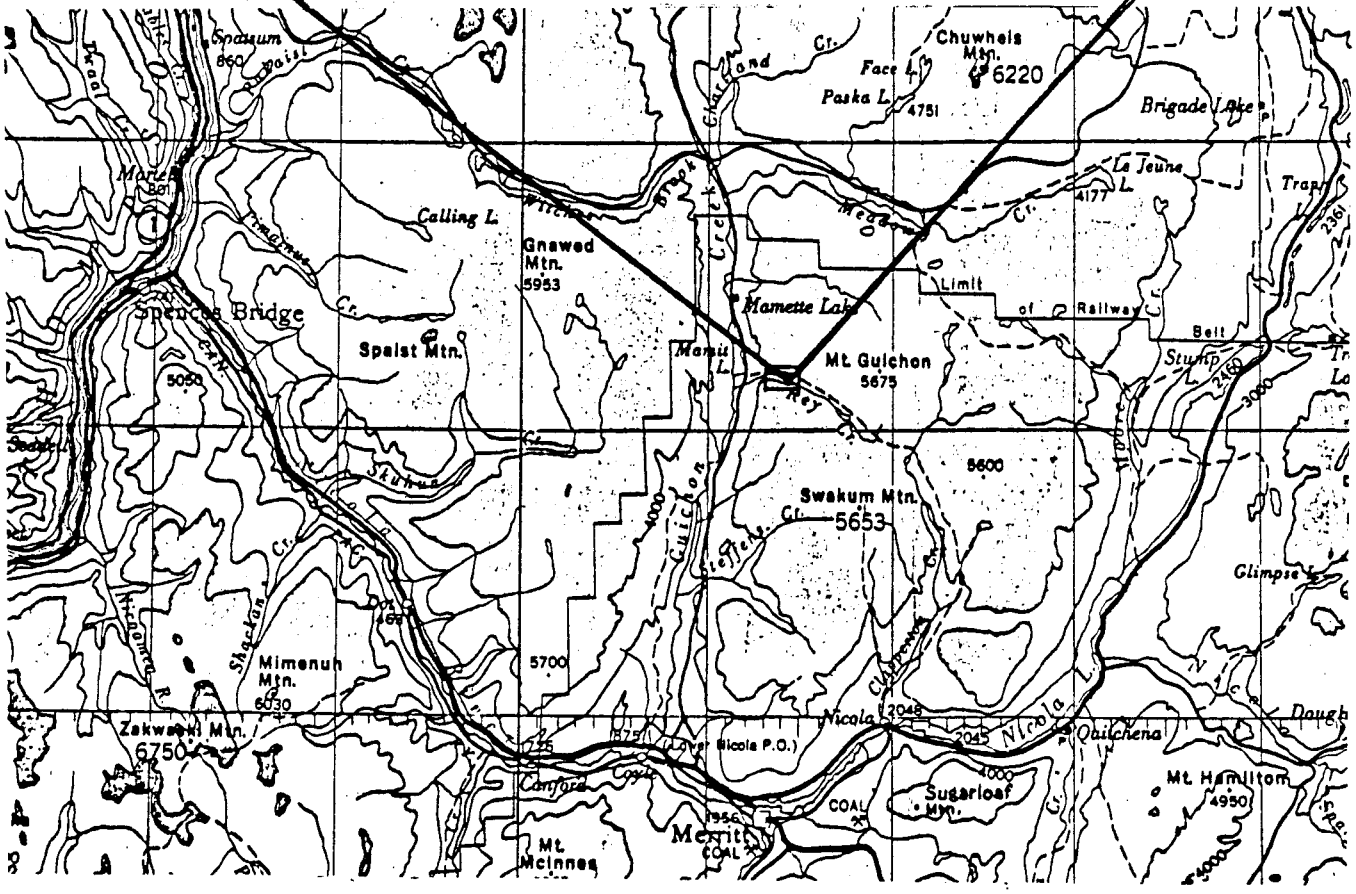
Lat. 51°21'30"N Long. 120°44'W N.T.S. 92 I/7E

AUTHOR: Glen E. White, B.Sc., P. Eng.

DATE OF WORK: May 7 - 19, 28 - June 2, 1980

DATE OF REPORT: July 16, 1980





PEZ RESOURCES LTD.
GIGANTOR CLAIMS
LOCATION AND CLAIMS MAP

92-I-7 E

Geo. E. Wells
geophysical consulting
services ltd.

FIG. 1

PEZ RESOURCES LTD.

MAGNETOMETER SURVEY

Gigantor 1 - 8 claims, Nicola Mining Division, B. C.

Lat. 51°21'30"N Long. 120°44'W N.T.S. 92 I/7E

AUTHOR: Glen E. White, B.Sc., P. Eng.

DATE OF WORK: May 7 - 19, 28 - June 2, 1980

DATE OF REPORT: July 16, 1980

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Statement of Qualifications	5

Illustrations

Figure 1 – Location and Claims Map

Figure 2 – Vertical Magnetic Intensity

Plate 1 – Airborne Magnetometer Map

INTRODUCTION

This report was prepared at the request of Manny Consultants Ltd. It covers a program of line preparation and magnetometer surveying under the supervision of Mr. E. Amendolagine, P. Eng., on behalf of Pez Resources Ltd.

The purpose of the survey was to try and define any regional magnetic trends which could be associated with known mineral showings along Rey Creek.

PROPERTY

The property consists of the Gigantor 1 - 8 mineral claims as illustrated in Figure 1.

LOCATION AND ACCESS

The mineral claims are located along Rey Creek which flows westward towards the south end of Nammit Lake in the Highland Valley area of B. C. Latitude 51°21'30"N, Longitude 120°44'W, N.T.S. 92 I/7E, Nicola Mining Division.

Access is by regular vehicle from Merritt to the east or Logan Lake to the north.

GENERAL GEOLOGY

The property is underlain by Nicola rocks of upper Triassic age as illustrated on Map 886A. These rocks consist of greenstones, andesites, basalts, tuff breccia, argillite and limestone. The Guichon Batholith lies immediately west of the claims area. The mineral showing consists of quartz, calcite veins with values of gold, silver, copper, lead and zinc. This showing is discussed by Mr. E. Amendolagine, P. Eng., in a report addressed to Pez Resources Ltd. dated March 26, 1980.

MAP 5212G

MAMIT LAKE

Geophysical consulting services ltd

Plate 1

SURVEY GRID

The survey grid was established by Manny Consultants Ltd. and consisted of 23 km of line preparation. The lines were flagged and numbered at 25 m intervals.

MAGNETOMETER SURVEY

The survey was completed utilizing a Scintrex MF-1 magnetometer with a sensitivity of 20 gammas per scale division. Corrections for diurnal were made employing loops of not more than 90 minutes duration. Readings were taken at 100 m intervals over the lines.

DISCUSSION OF RESULTS

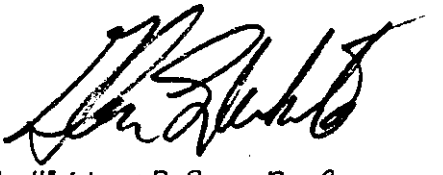
The airborne magnetometer data Map 5212G (Plate 1) shows the claims to be situated just north of a small magnetic high. Magnetic lows occur to the west, north and east. The ground magnetometer data consists of the vertical magnetic intensity in gammas as illustrated on Figure 2.

The vertical magnetic intensity data shows moderate variations from a low of -280 gammas to a spot high of 1120 gammas. The center portion of the survey grid is covered by a magnetic ridge of between 600 to 800 gammas. The surrounding area is less than 400 gammas. The moderate variations obtained would suggest intermediate tuffs or volcanics with a minor magnetic content. The magnetometer data did not locate any magnetic highs or lows which show any correlation with the showings along Rey Creek. A higher sampling interval would have given more detail; however, the showings do not appear to be associated with any high susceptibility materials.

CONCLUSION AND RECOMMENDATIONS

A ground magnetometer survey was conducted over the Gigantor 1 - 8 mineral claims by Manny Consultants Ltd. on behalf of Pez Resources Ltd. The survey showed moderate variations which would appear to be caused by intermediate volcanic flows or tuffs. However, no specific recommendations relating to the known mineralization can be made on the basis of this survey.

Respectfully submitted,
GLEN E. WHITE GEOPHYSICAL
CONSULTING & SERVICES LTD.



Glen E. White, B.Sc., P. Eng.
Consulting Geophysicist

A P P E N D I X

Instrument Specifications

MAGNETOMETER

A. Instrument

(a) Type - Fluxgate

(b) Make - Scintrex MF-1

B. Specifications

(a) Measurement - Vertical Magnetic Field

(b) Range - ± 100 K gammas in 5 ranges

(c) Sensitivity - Maximum 20 gammas per scale division

(d) Accuracy - ± 10 gammas

C. Survey Procedures

(a) Method - One and one half hour loops

(b) Corrections - (i) Base

(ii) Diurnal

(c) Station relationship - each station read for intensity of vertical magnetic field.

STATEMENT OF QUALIFICATIONS

NAME: WHITE, Glen E., P. Eng.

PROFESSION: Geophysicist

EDUCATION: B.Sc. Geophysics - Geology
University of British Columbia

PROFESSIONAL ASSOCIATIONS: Registered Professional Engineer,
Province of British Columbia

Associate member of Society of Exploration Geophysicists.

Past President of B. C. Society of Mining Geophysicists.

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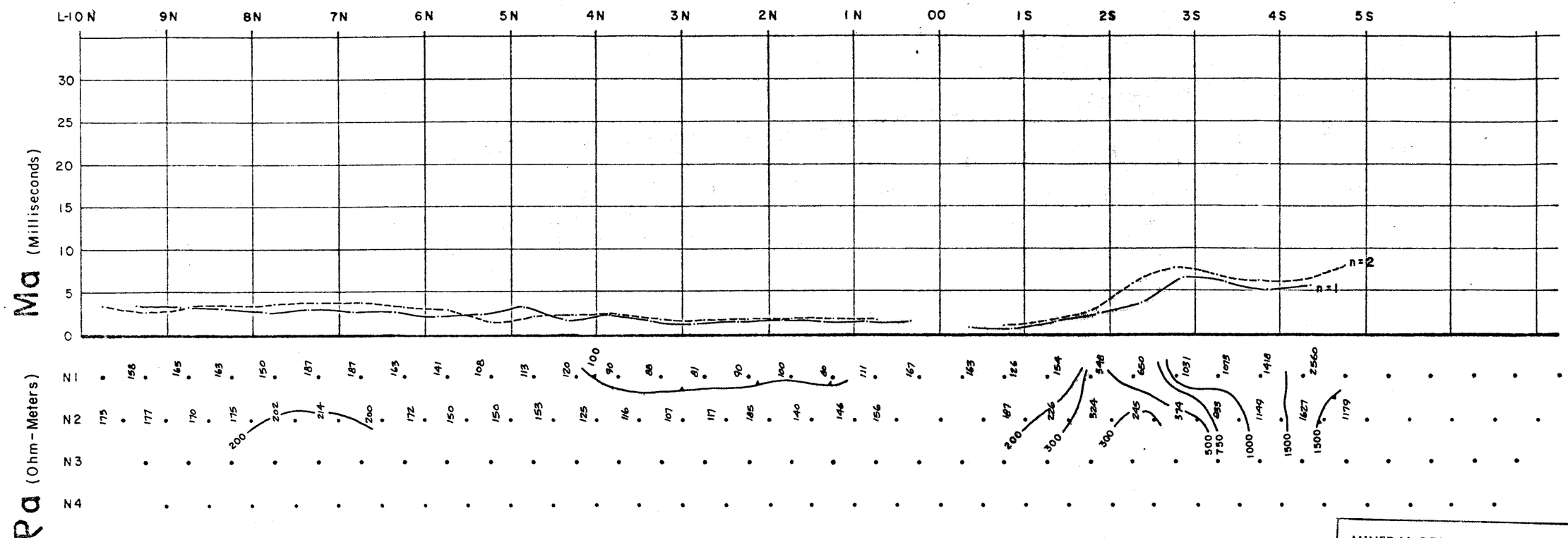
One year Mining Geophysicist and Technical Sales Manager in the Pacific north-west for W. P. McGill and Associates.

Two years Mining Geophysicist and supervisor Airborne and Ground Geophysical Divisions with Geo-X Surveys Ltd.

Two years Chief Geophysicist Tri-Con Exploration Surveys Ltd.

Nine years Consulting Geophysicist.

Active experience in all Geologic provinces of Canada.



PULSE I.P.

PEZ RESOURCES LTD.
GIGANTOR CLAIMS
LINE 4E

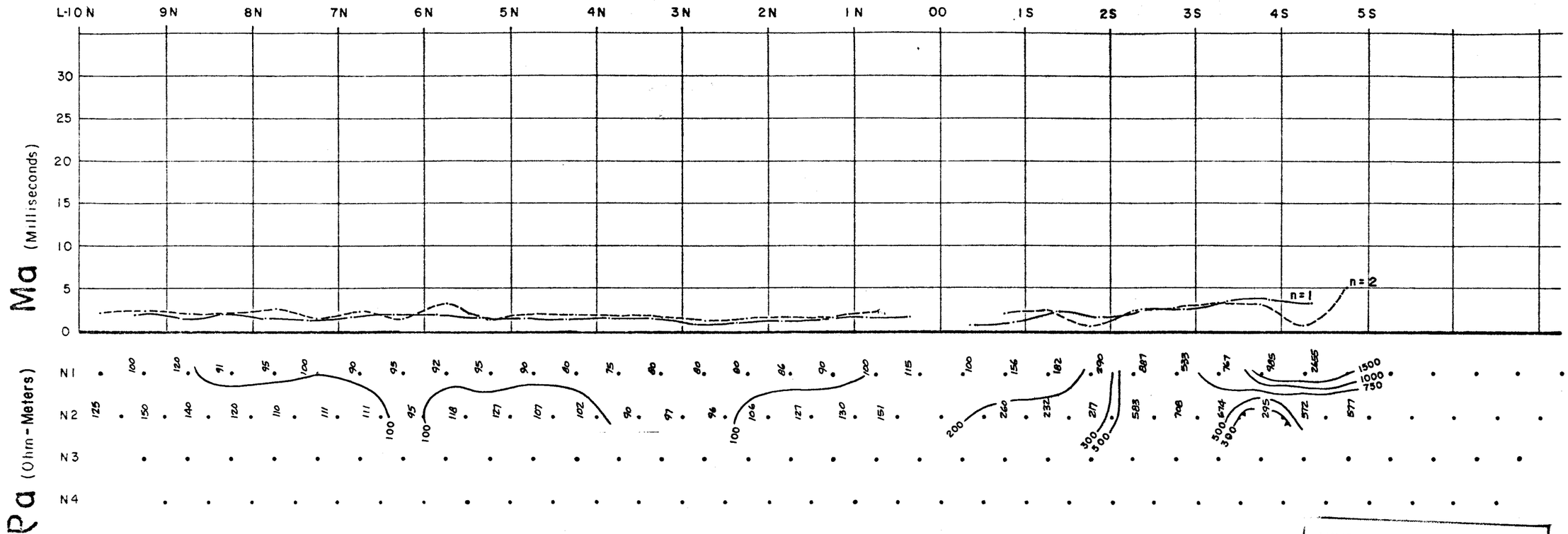
Glen E. White
geophysical consulting & services ltd.

100 0 100 200 300
(1:5,000)

92-I-7 E

FIGURE 6

June 19,1980



PULSE I.P.

PEZ RESOURCES LTD.
GIGANTOR CLAIMS
LINE 2 E

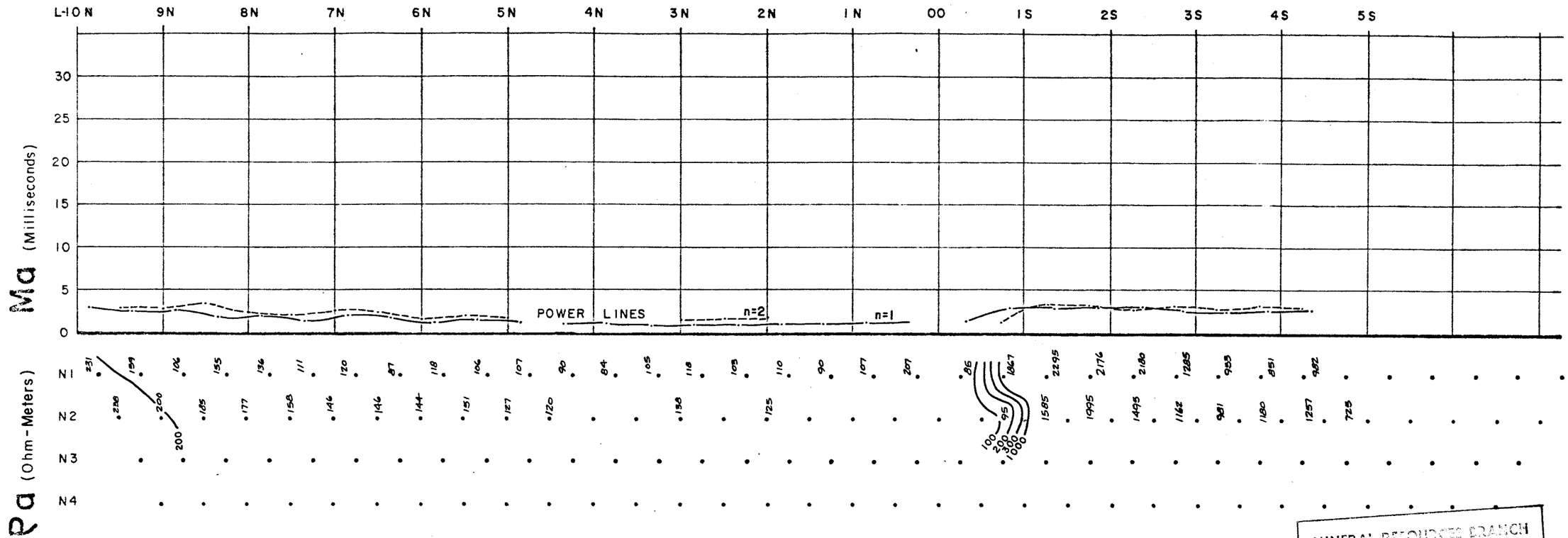
Glen E. White
Geophysical Consulting & Services Ltd.

100 0 100 200 300
(1:5,000)

92-I-7 E

FIGURE 7

June 19, 1980



PULSE I.P.

PEZ RESOURCES LTD.
GIGANTOR CLAIMS
LINE 00

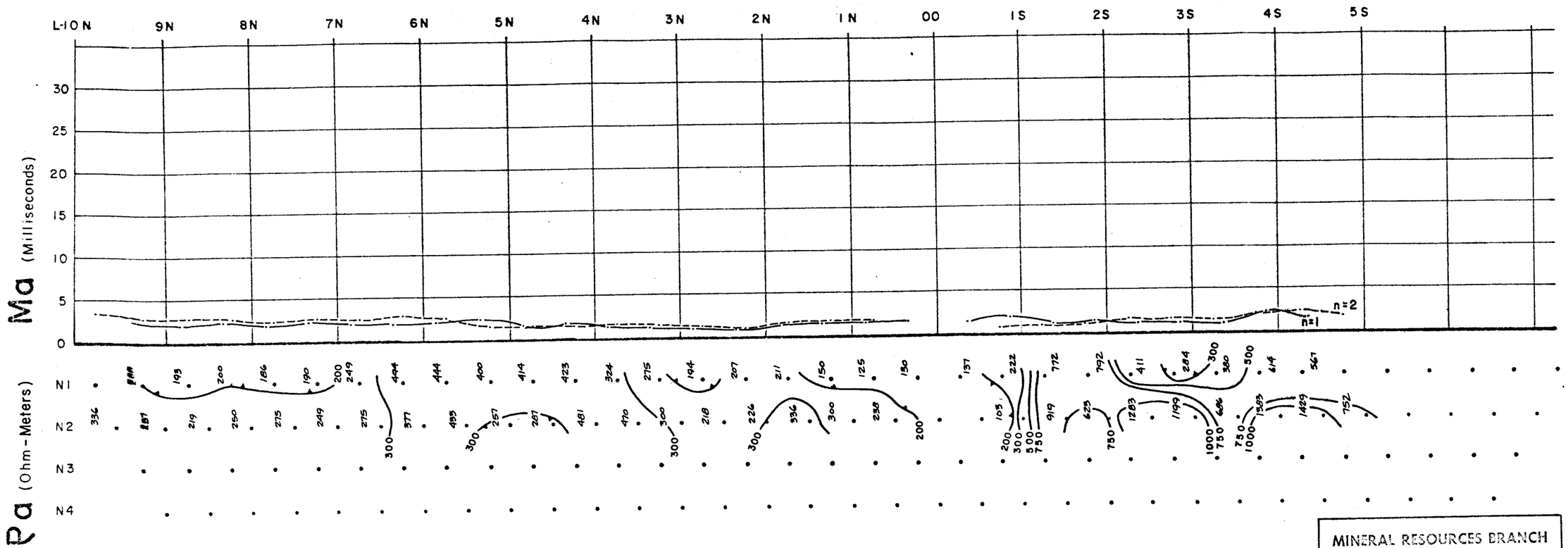
Glen E. White
geophysical consulting & services ltd.

100 0 100 200 300
(1:5,000)

92-I-7 E

FIGURE 8

June 19,1980



PULSE I.P.

PEZ RESOURCES LTD.
GIGANTOR CLAIMS
LINE 2W

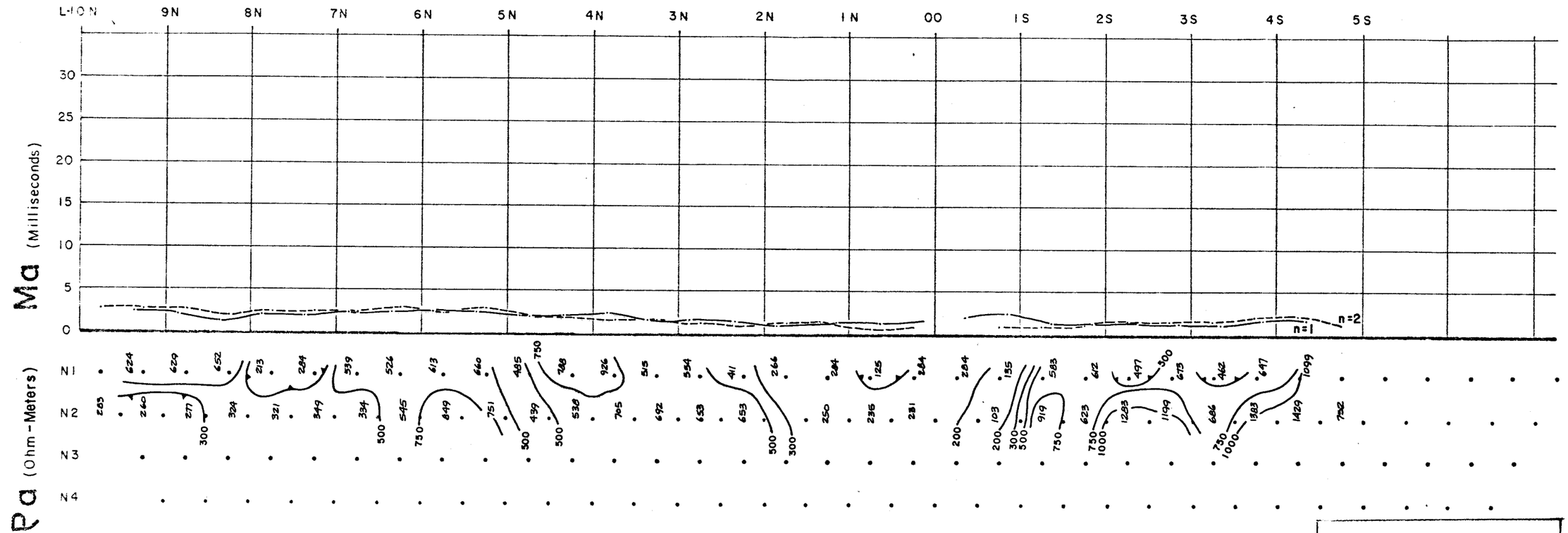
92-I-7 E

FIGURE 9

June 19, 1980

Glen E[illegible]
geophysical [illegible] ing &
services [illegible] td.

100 0 100 200 300
(1:5,000)



PULSE I.P.

PEZ RESOURCES LTD.
GIGANTOR CLAIMS
LINE 4 W

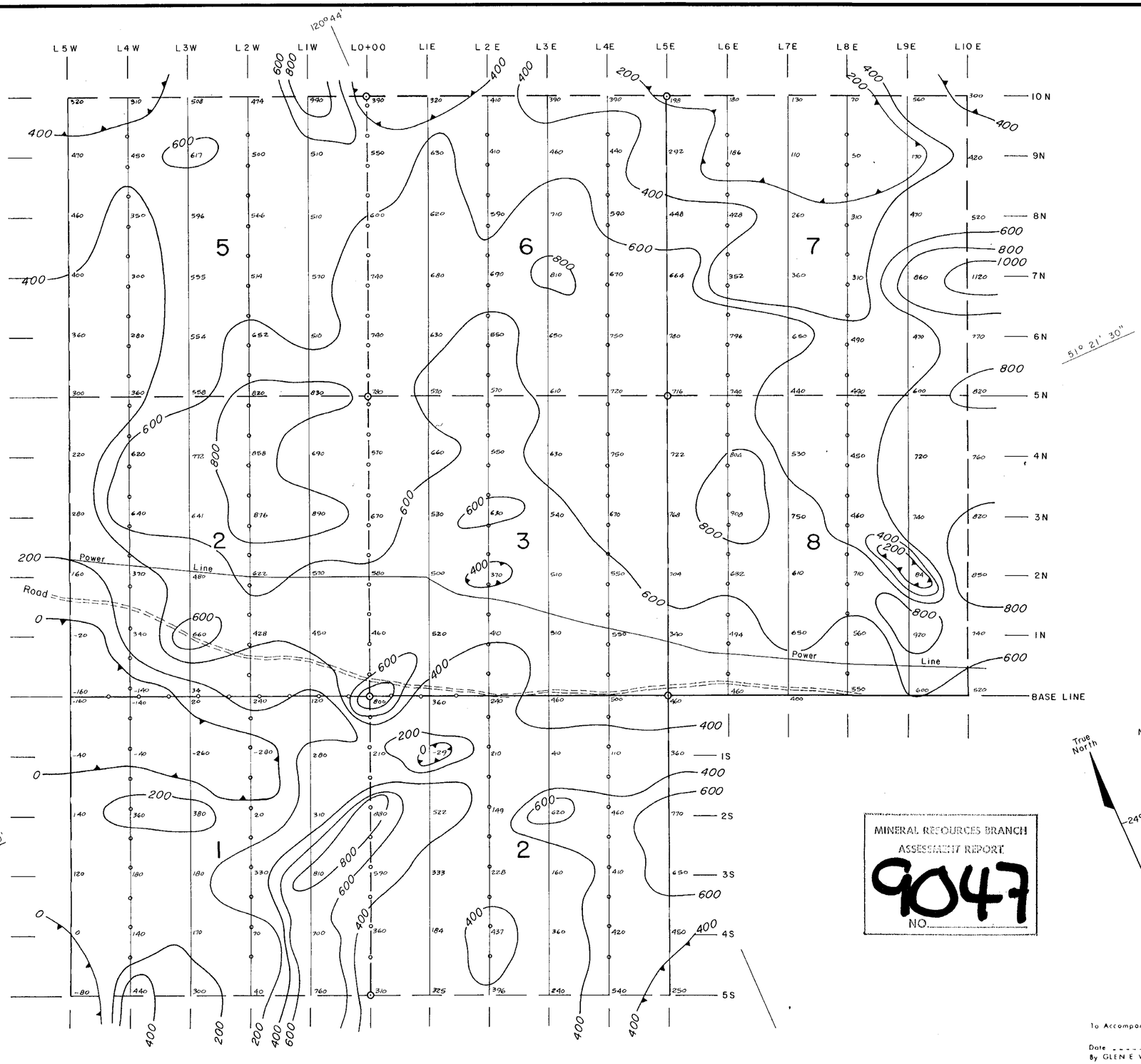
Glen E. White
geophysical consulting & services ltd.

100 0 100 200 300
(1:5,000)

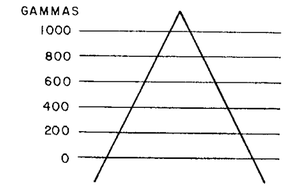
92-I-7 E

FIGURE 10

June 19, 1980

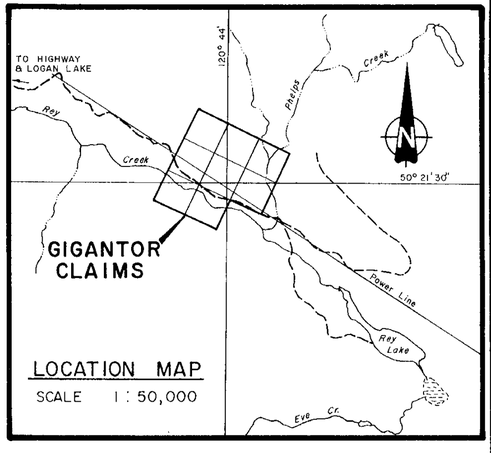


MAGNETIC INTENSITY KEY



INSTRUMENT: Scintrex MF-1 Fluxgate Magnetometer

92-I-7 E



LOCATION MAP
SCALE 1 : 50,000

100 0 100 200 300 Metres
(1:5,000)

PEZ RESOURCES LTD.
GIGANTOR CLAIMS
NICOLA MINING DIVISION – B.C.

VERTICAL MAGNETIC INTENSITY (GAMMAS)

To Accompany Geophysical Report on

Date _____
By GLEN E WHITE - B Sc _____ GEOPHYSICIST

Glen E. White geophysical consulting & services ltd.

INTERPRETED BY:	G.E.W.
DRAWN BY:	r.w.r.
CHECKED BY:	
DATE:	JULY 7, 1980
FIG. No.:	2

L5W L4W L3W L2W L1W 120°44' L0+00 L1E L2E L3E L4E L5E L6E L7E L8E L9E L10E

10N 9N 8N 7N 6N 5N 4N 3N 2N 1N BASE LINE 1S 2S 3S 4S 5S

51° 21' 30"

5 6 7 2 3 8 1 2

Power Line

Road

Power Line

2.0 4.0 6.0 8.0 10.0

CHARGEABILITY KEY

Milliseconds

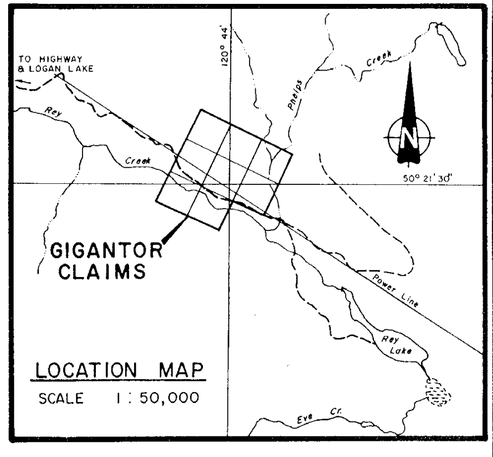
10.0
8.0
6.0
4.0
2.0

n x a

n = 1 a = 75m

INSTRUMENT: Huntex Pulse I.P. 2.5 Kw

92-I-7 E



LOCATION MAP
SCALE 1 : 50,000

100 0 100 200 300 Metres
(1:5,000)

True North
Mag. North
24°

To Accompany Geophysical Report on

Date _____

By GLEN E WHITE - B Sc _____ GEOPHYSICIST

PEZ RESOURCES LTD.
GIGANTOR CLAIMS
NICOLA MINING DIVISION - B.C.

INDUCED POLARIZATION SURVEY
CHARGEABILITY (MILLISECONDS)

Glen E. White geophysical consulting & services ltd.

INTERPRETED BY:	G.E.W.
DRAWN BY:	r.w.r.
CHECKED BY:	
DATE:	JUNE 19, 1980
FIG No.:	2

L5W L4W L3W L2W L1W L0+00 L1E L2E L3E L4E L5E L6E L7E L8E L9E L10E

120°44'

10N 9N 8N 7N 6N 5N 4N 3N 2N 1N BASE LINE 1S 2S 3S 4S 5S

51° 21' 30"

Power Line

Road

Power Line

1 2 3 5 6 7 8

RESISTIVITY KEY

Ohm - meters

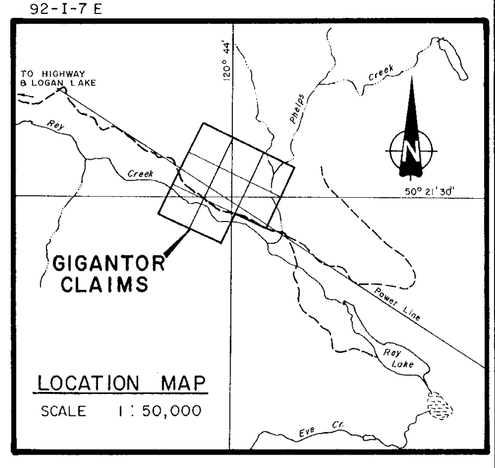
1500
1000
750
500
300
200
100

n x a

n = 1 a = 75m

INSTRUMENT: Huntex Pulse I.P. 2.5 Kw

92-I-7 E



LOCATION MAP
SCALE 1 : 50,000

100 0 100 200 300 Metres
(1:5,000)

True North
Mag. North
24°

To Accompany Geophysical Report on

Date _____

By GLEN E WHITE - B Sc _____ GEOPHYSICIST

PEZ RESOURCES LTD.
GIGANTOR CLAIMS
NICOLA MINING DIVISION - B.C.

INDUCED POLARIZATION SURVEY
RESISTIVITY (OHM-METERS)

Glen E. White geophysical consulting & services ltd.

INTERPRETED BY:	G.E.W.
DRAWN BY:	F.W.F.
CHECKED BY:	
DATE:	JUNE 19, 1980
FIG. No.:	3