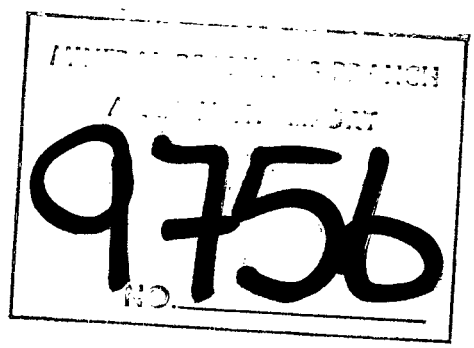
81-#980 – 9756.

PRELIMINARY GEOLOGICAL INVESTIGATION OF THE RANDI 1 AND RANDI 2 MINERAL CLAIMS KAMLOOPS MINING DIVISION N.T.S. 92I/4E

PREPARED FOR

SHORT STAUN ENTERPRISES



JAMES M. LOGAN

GEOLOGIST

LOCKE B. GOLDSMITH, P. ENG.

CONSULTING GEOLOGIST

ARCTEX ENGINEERING SERVICES

OCTOBER 1981

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PRELIMINARY GEOLOGICAL INVESTIGATION OF THE RANDI 1 AND RANDI 2 MINERAL CLAIMS KAMLOOPS MINING DIVISION

ABSTRACT

The Randi 1 and 2 mineral claims are located approximately 16.5 kilometers southwest of Lytton, B.C. and are owned by Short Staun Enterprises. The property is underlain by a central belt of serpentine and hornblende diorite and associated rocks which is flanked on both northeast and southwest sides by metamorphosed sediments of Palaeozoic and Mesozoic age respectively. A poorly exposed shear zone containing fractured quartz veins and veinlets carrying gold values and erratically mineralized with argentiferous tetrahedrite is traceable for 400 meters across the central portion of the property (northeast of the serpentine belt).

The persistence of the structure coupled with the favourable gold values dictate additional work. Surface stripping and geological mapping is proposed, followed by diamond drilling if warranted to test the shear zone for ore potential.

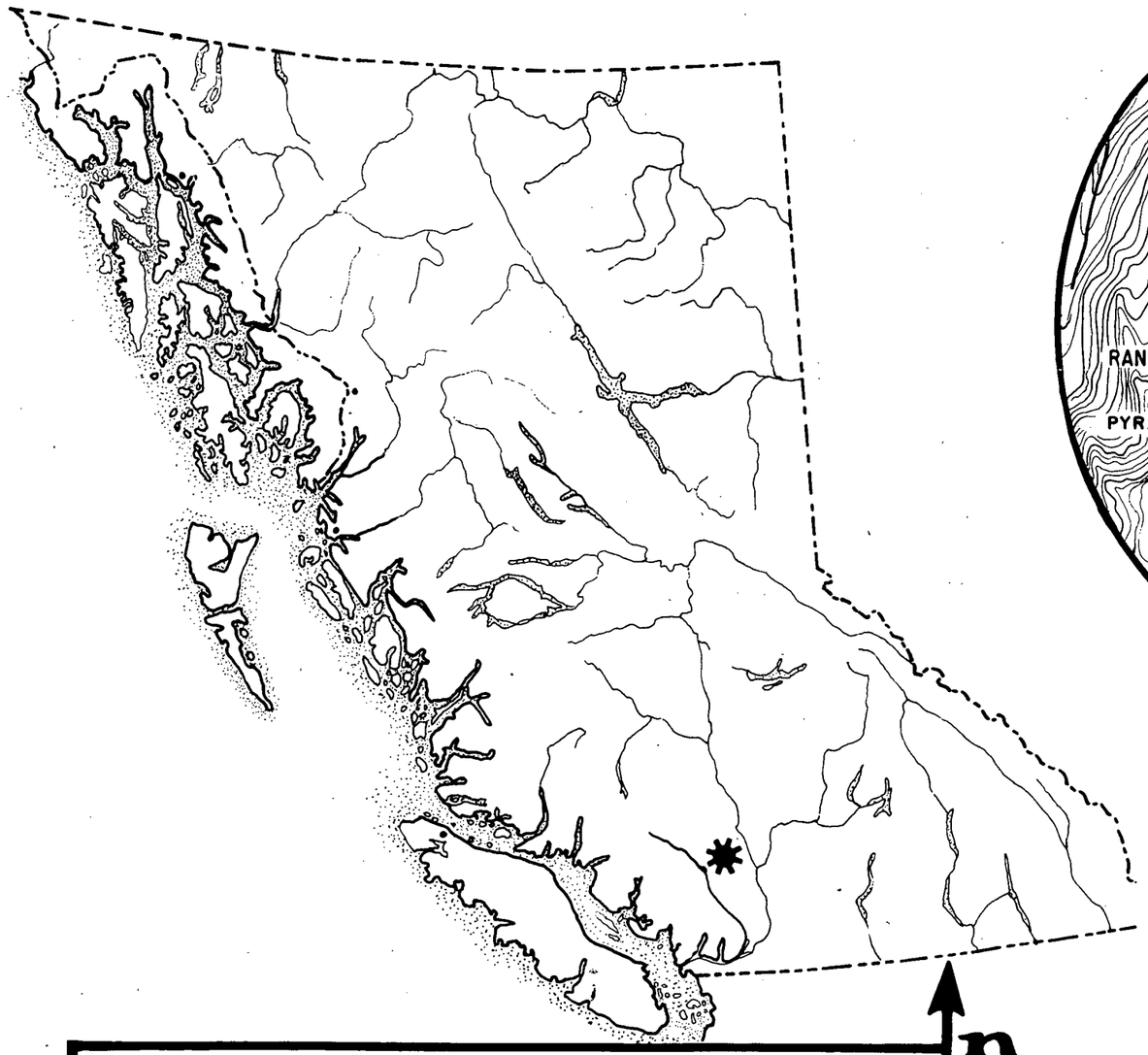
INTRODUCTION

A preliminary program, consisting of regional geological mapping and prospecting, was carried out over the Randi 1 and 2 mineral claims in early August, 1981. The objective of the examination was to locate and assess a reported silver showing (Paystreak Group) and assess the likelihood of additional mineral occurrences on the property.

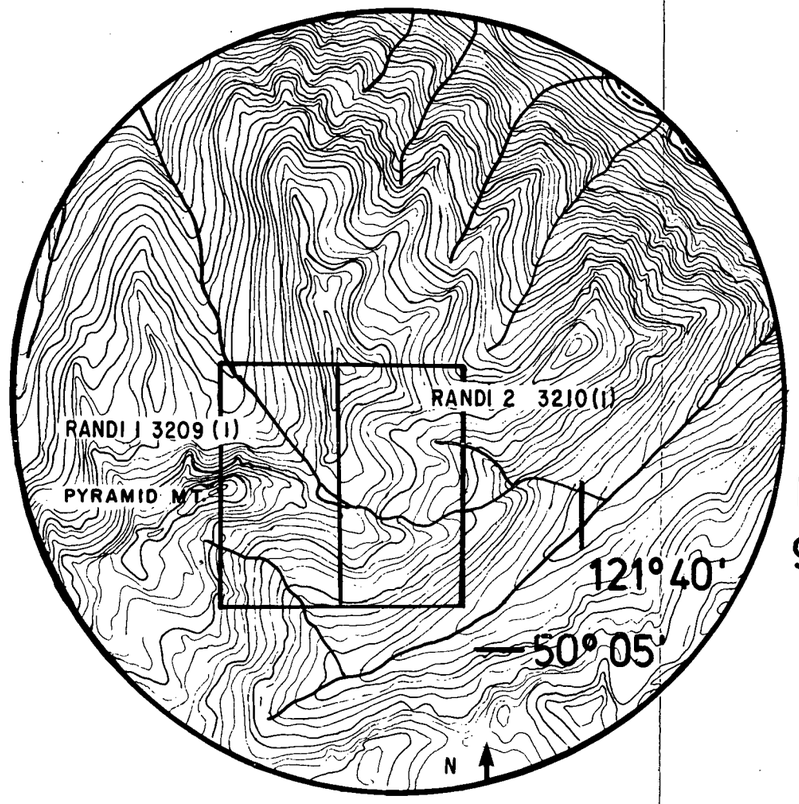
The Randi 1 (3209[01]) and Randi 2 (3210[01]) mineral holdings ore located on the eastern side of Pyramid Mountain extending north-south (1000 meters) along a prominent ridge approximately 16.5 kilometers southwest from Lytton,,B.C. and 9 kilometers due north of Hannah Lake which is fed and drained by the Nahatlatch River.

ACCESS

Access at present is best by helicopter from Agassiz, B.C. approximately 95 kilometers due south. Access can also be gained from Boston Bar by crossing to North Bend and travelling north on logging roads to either the Nahatlatch River or Kwoiek Creek. Following the Nahatlatch up the northeast side of Log Creek, logging roads are reported to connect with an old fire road put in by cat work which approaches to within one kilometer of the property. Following the Kwoiek Creek road, the second last logging road heading south before Kwoiek Lake climbs up into the valley just below the property. This road, if extended, would provide ready access to the main structure during the summer months.



Location map



N.T.S.
92I/4E

0 500 1000 2000
METRES
1 : 50 000

SHORT STAUN
ENTERPRISES LTD.

RANDI 1&2 MINERAL CLAIMS

PYRAMID MOUNTAIN, B.C. KAMLOOPS M.D.

ARCTEX ENGINEERING SERVICES OCTOBER 1981

HISTORY

Sloughed trenches and pits attest to earlier prospecting activities. The property, "Paystreak" group of twenty claims was described by H.C. Horwood (1936) as several small quartz veins mostly barren, containing a small amount of tetrahedrite exposed in open-cuts. Further trenching has taken place since then with strike length of the shear presumably defined to at least 400 meters in length.

GEOLOGY

The general geological relationships covering the area are shown on Energy, Mines and Resources Canada Map 1386A, Fraser River (1979).

The property is bisected northwesterly-southeasterly by a belt of similarly trending serpentine and associated hornblende diorite and related rocks of Mesozoic(?) age. Metamorphosed sediments and lesser volcanic rocks of probable late Palaeozoic age lie to the northeast. Similar rocks of Mesozoic, perhaps late Mesozoic age occupy the area southeast of the serpentine belt.

BEDDED ROCKS

(A) NE of Serpentine Belt

Late Palaeozoic age rocks consist of primarily micaceous and graphitic phyllite and subordinate amounts of quartzites and greenstones. The phyllites are finely laminated

with foliation planes closely paralleling bedding surfaces. Colour varies from dark black through brown, reddish-brown from weathering sulphides to grey. Lustrous sheen has developed particularly where carbonaceous material is present. Sugary quartz veinlets and veins commonly parallel bedding and locally carry traces of sulphides (barren of economic value).

Quartzites, chiefly thin-bedded often impure or interbedded with the phyllite, form a minor unit in this group of rocks.

Greenstones, sheared and recrystallized to greenish-grey and light green phyllite are intercalated with phyllite at several localities. Textures have been destroyed but barely visible bedding suggests the original rock was a volcanic tuff.

(B) SE of Serpentine Belt

Comprising many thousands of feet of grey to black phyllite, grey argillite, conglomerate and greywacke, this group extends southeast into Hope map-area where it appears to include rocks of the Upper Jurassic(?) or Lower Cretaceous Ladner group (Duffell and McTaggart, 1951). Phyllite predominates with one narrow intercalated band of greenstone present at the southwest corner of the property. Graphitic particularly where sheared, these carbonaceous rocks have a lustrous sheen developed on foliation surfaces. Narrow quartz stringers and veinlets, conformable with bedding appear localized closer to the serpentine sediment contact. Lacking silver values these are composed of white fractured bull quartz usually devoid of all sulphides.

INTRUSIVE ROCKS

(A) Serpentinized Ultrabasic Rocks

The serpentinized rocks are believed to be altered ultrabasic intrusive bodies. The age of these rocks is unknown, but a possible continuation of the main zone is found to the southeast extending to and beyond Coquihalla River in Hope Map-area, and to the northwest, in Bridge River district. The serpentine belt of Coquihalla Map-area is believed by Cairnes (1930) to be probably of Cretaceous age. Ultrabasic bodies of Bridge River district are placed provisionally in the Jurassic by Cairnes (1937)(Duffell and McTaggert, 1952).

Buff to reddish-brown coloured on weathered surfaces, this crust rarely extends 0.5 - 1.0 cms thickness. The serpentine is a black to dark green rock, fine-grained and generally massive in texture, in places spotted with green pseudomorphs after pyroxene. Magnetite is commonly visible and in addition to carbonate forms the minor constituents. Locally, (immediately west of Summit Lake) the serpentine has been greatly fractured in all directions with slickensided surfaces coated with translucent light green serpentine and spotted with magnetite grains.

Talc-carbonate-tremolite (locally) rocks are contained within the serpentine rocks. These are more conspicuous owing to irregular weathering surfaces and orange to hematite-red colours. Consisting of serpentine, brown to orange crystalline carbonate and irregular patches of white talc, secondary quartz and hematite, these rocks are characteristically greasy feeling.

A zone of this talc-carbonate-tremolite rock is present, paralleling the northeastern contact of the serpentine belt. Serpentinization is believed to be produced by solutions associated with the ultrabasic intrusions, whereas talc, carbonate and tremolite are the results of alteration of the serpentine by hydrothermal solutions from other, less basic intrusions, not necessarily related to the ultrabasic rocks (Duffell and McTaggert, 1952).

(B) Hornblende Diorite and Related Rocks

Hornblende diorite and related rocks are found in association with many of the serpentine bodies of the Coast Mountains and do not occur in any abundance apart from them.

The rock, locally gneissic, consists of a mixture of dull, pale white, almost earthy looking feldspar and dark stubby amphibole crystals. In places porphyritic but generally medium-grained, the rock is highly altered, so that separation from the sedimentary rocks to the southwest was difficult. The contact with the serpentine body is obscured by shearing.

Most of the hornblende rocks form elongate bodies trending parallel with the serpentine masses and are locally a succession of sill-like bodies with partings of schist (Duffell and McTaggert, 1952).

STRUCTURE

Strata for the most part strike N60° - 70° W and dip from 70° to vertical NE. Bedding tops could not be readily determined and therefore folding cannot be described other than tight and possibly isoclinal. The structure remains obscure.

The serpentine and associated alteration rocks trend northwesterly-southeasterly. If faulting has governed their intrusion as "cold" intrusion, greater amounts of shearing and slickensides would be expected. This zone of cataclasis could be masked by the talc-carbonate alteration zone.

The mineralized shear trends semi-parallel to the serpentine belt's northeastern contact. If shearing was related to the major tectonic/intrusive event, this structure is likely a major shear with good continuity and will likely persist to depth. Striking N58° W, the shear has only been partially exposed limiting assessment of true width and correct attitude.

MINERALIZATION

Aside from minor local pyritization of country rock, the significant mineralization is confined to a northwesterly-southeasterly-trending shear zone and/or the small quartz veins and veinlets which are therein contained. The shear consists of limonite and hematite-stained friable fault gouge which contains several badly fractured quartz veins. These veins pinch and swell along strike but not to a width of 7 feet as was reported by H.C. Horwood (1936). Additional

workings 400 meters to the southeast indicate a well-aligned shear zone which suggests 400 meters to be a reasonable strike length. While assay values are lower from this area, the similarity in magnitude of values is readily visible.

Visible mineralization was restricted to quartz on the trench piles, no visible mineralization was located in situ. Fine-grained, sparsely scattered disseminated tetrahedrite occurs as small blebs and coating minute fractures within the medium-grained, milky white quartz. Weathered surfaces are coated with traces of basic copper carbonates, malachite and azurite. Initially the copper was thought to have been from the tetrahedrite, but several fragments of quartz were found with chalcopyrite making up almost 0.25% of the visible sulphides.

SAMPLING

The pricipal mineralized structure, a shear zone trending N58°W/90° was sampled (at two locations) where early trenching had exposed the shear at surface. Quartz veins and rock contacts sampled during recconaisance traverses across the property account for the remainder of the samples, either assayed or analysed. The rock samples were sent to Chemex Labs. Ltd. of North Vancouver to be tested for precious commodities. The certificates of Analysis and Assay are appended.

R80406 - Hand picked sample of mineralized quartz taken downslope from trench. Quartz chiefly, massive milky white, occassionally small vugs with euhedral quartz crystals. Mineralization includes tetrahedrite and chalcopyrite as irregular shaped blebs

and streaks within the quartz and thin fracture fillings <5mm long. Assay 0.39% Cu, 29.17 oz/ton Ag and 0.172 oz/ton Au.

R80407 - Representative, vertical chip sample 0.75 meters down the north-facing wall of trench (at eastern end). Sample chiefly heavily oxidized, bleached fault gouge which contained several narrow quartz stringers (<2.0 cm). Assays returned 0.03% Cu, 0.83 oz/ton Ag and 0.212 oz/ton Au.

R80408 - Representative, vertical chip sample 1.0 meters across 3 semi-parallel quartz veins/veinlets at the west end of trench. Sample chiefly quartz vein material with lesser heavily oxidized gouge material. Assay returned 0.01% Cu, 0.85 oz/ton Ag and 0.156 oz/ton Au.

R80601 - Vertical chip sample 0.5 meters across 5 horizontal trending/dipping narrow (< 2 cm wide) quartz stringers. The shear zone appears to be trending NW-SE, is highly oxidized and contains no visible mineralization. Assays returned the following values, 0.01% Cu, 0.50 oz/ton Ag and 0.096 oz/ton Au.

Values other than those from the principal shear zone are low and further discussion is not intended. Sample locations are depicted on the Geology Map in the pocket.

CONCLUSIONS

The shear zone and accompanying quartz veins/veinlets where exposed is a strong, apparently persistent structure for at least 400 meters; open-ended both northwest and southeast along strike this may prove to be a conservative strike length.

The grab sample (R80406) seems to suggest that argentiferous tetrahedrite is the source of both silver and copper. The remaining chip samples returned low silver values and unexpected high values of gold, consistent over various widths, sample locations and comparable with the gold value from sample R80406. A separate unrelated mineralization of gold and argentiferous tetrahedrite may be suggested by consistent gold values unrelated to the relative amount of silver but, additional sampling is required before any evaluation can be reached.

RECOMMENDATIONS

1. Surface stripping (bulldozer trenching) along strike of the shear zone is required to assess the structure. Approximately 3 kilometers of exploration road would be necessary to provide access. Logging operations in Kwoiek Creek could possibly supply a bulldozer, say, D-6 or equivalent which would be sufficient for road building and trenching.

2. The shear zone and immediate area should be detailed mapped and sampled, subsequent to step 1.
3. Continued prospecting both northwesterly down into the valley and southeasterly along the edge of the ridge along strike, could be carried out together with step 1.
4. A VLF-EM survey should be run across the structure to aid in tracing the shear zone to the southeast first; and dependent upon results, possibly to the northwest.
5. Conditional on steps 1-4, diamond drilling should be used to test for mineralized zones within the shear. Ample water is present, topography is relatively flat and access will have been established.

COST ESTIMATE

Phase I

Mapping and prospecting		$ 5,000.00
VLF-EM survey, with grid preparation		4,000.00
Road preparation and trenching		10,000.00
Assays		500.00
Helicopter support		2,500.00
Vehicle, food, supplies etc.		2,000.00
Reporting		2,000.00
Supervision, engineering		3,000.00
	Sub Total	$ 29,000.00
Contingencies @ 10%		2,900.00
	TOTAL	$ 31,900.00

Phase II

Diamond drilling, 500 meters @ $100/meter		$ 50,000.00
Drill site preparation etc.		5,000.00
Supervision		10,000.00
Vehicle, food, supplies etc.		3,000.00
Reporting		3,000.00
Assays		750.00
	Sub Total	$ 71,750.00
Contingencies @ 20%		14,350.00
	TOTAL	$ 86,100.00
Total Phase I and Phase II		$ 118,000.00

All of which is respectfully submitted,

James M. Logan,
Geolgist

REGISTERED PROFESSIONAL ENGINEER
L. B. GOLDSMITH
PROVINCE OF ONTARIO

Locke B. Goldsmith, P. Eng.
Consulting Engineer

Vancover, B.C.
October, 1981

STATEMENT OF QUALIFICATIONS
JAMES M. LOGAN

1. I, James M. Logan, of 5058 Ross St., Vancouver, B.C. am a graduate of Brock University, St. Catharines, Ont. with a B.Sc. (Honours) degree in Geology.

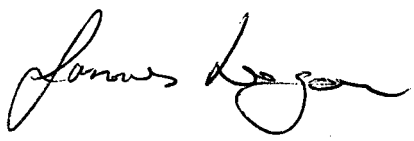
2. I have been engaged in mining exploration for five years.

3. I have written the report entitled, "Preliminary Geological Investigation of the Randi 1 and Randi 2 Mineral Claims, Kamloops Mining Division", dated October, 1981. The report is based on research and fieldwork conducted and supervised by the author.

4. I have no ownership in the property nor do I own shares of Short Staun Enterprises.

5. I consent to the use of this report in a prospectus or in a statement of material facts related to the raising of funds.

Respectfully submitted,



Vancouver, B.C.
October, 1981

James M. Logan,
Geologist

ENGINEER'S CERTIFICATE

LOCKE B. GOLDSMITH

1. I, Locke B. Goldsmith, am a Registered Professional Engineer in the Province of Ontario and a Registered Geolgist in the State of Oregon. My address is 301 - 1855 Balsam St., Vancouver, B.C.

2. I have a B.Sc. (Honours) degree from Michigan Technological University and have done postgraduate study in Geology at Michigan Tech., University of Nevada and the University of British Columbia. I am a graduate of the Haileybury School of Mines and am a Certified Mining Technician. I am a member of the Society of Economic Geologists, the AIME, and the Australasian Institute of Mining and Metallurgy, and a Fellow of the Geological Association of Canada.

3. I have been engaged in mining exploration for 22 years.

4. I have co-authored the report entitled "Preliminary Geological Investigation of the Randi 1 and Randi 2 Mineral Claims, Kamloops Mining Division", dated October 1981. The report is based on fieldwork conducted and supervised by the author.

5. I have no ownership in the property nor do I own shares of Short Staun Enterprises.

6. I consent to the use of this report in a prospectus or in a statement of material facts related to the raising of funds.

Respectfully submitted,

Vancouver, B.C.
October, 1981

Locke B. Goldsmith, P. Eng.
Consulting Engineer

REFERENCES

Duffell, S. and McTaggert, K.C.
1952: Ashcroft Map-Area, British Columbia, GSC Mem.262.

Horwood, H.C.
1936: Nahatlatch Region, Paper 36-7, Geological Survey of Canada.

Maps

Energy, Mines and Resources
1979: Map 1386A, Fraser River, J.A. Roddick, J.E. Muller and A.V. Okulitch.

COST STATEMENT

Personnel

Name	Position	Rate	Days	Cost
J.M. Logan	Field Geologist	$ 220	Aug. 2-6 and 10	$ 1320.00
J.P, Ursel	Field Assistant	110	Aug. 2-6 and 10	660.00

Camp Costs

10 man days @ $22.86/day	228.66

Transportation

Okanagan helicopters time and fuel	1308.77
4-wheel drive mileage and fuel	55.10
time: 2 days @ $30/day	60.00

Assays

7 rock samples: analysed for Ag @ $3.75/sample	26.25
4 rock samples: assayed for Ag @ $9.00/sample	36.00
4 rock samples: assayed for Cu, Ag, Au @ $16.00/sample	64.00

Report Writing

5 days @ $220.00/day	1100.00

Drafting, prints

$726.00 $46.41	772.41

Typing 32.50

TOTAL $ 5663.69

APPENDICES

CHEMEX LABS LTD.

212 BROOKSBANK AVE
NORTH VANCOUVER, B C
CANADA V7J 2C1
TELEPHONE: (604)984-0221
TELEX: 043-52597

• ANALYTICAL CHEMISTS • GEOCHEMISTS • REGISTERED ASSAYERS

CERTIFICATE OF ASSAY

TO : GOLDSMITH, MR. L.B.
#301-1855 BALSAM STREET
VANCOUVER, B.C.

CERT. # : A8113270-001-A
INVOICE # : I8113270
DATE : 08-SEP-81
P.O. # : NONE

CC J.M. LOGAN

Sample description	Prep code	Cu percent	Ag (FA) oz/t	Au (FA) oz/t			
R 80304	207	--	0.10	--	--	--	--
R 80305	207	--	0.01	--	--	--	--
R 80403	207	--	0.01	--	--	--	--
R 80405	207	--	0.01	--	--	--	--
R 80406	207	0.39	29.17	0.172	--	--	--
R 80407	207	0.03	0.83	0.212	--	--	--
R 80408	207	0.01	0.85	0.156	--	--	--
R 80601	207	<0.01	0.50	0.096	--	--	--

Registered Assayer, Province of British Columbia

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212 BROOKSBANK AVE.
NORTH VANCOUVER, B.C.
CANADA V7J 2C1
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CERTIFICATE OF ANALYSIS

TO : GOLDSMITH, MR. L.B.
#301-1855 BALSAM STREET
VANCOUVER, B.C.

CERT. # : A8113269-001-A
INVOICE # : I8113269
DATE : 25-AUG-81
P.O. # : NONE

CC J.M. LOGAN

Sample description	Prep code	Ag ppm					
R 80301	205	0.2	--	--	--	--	--
R 80302	205	0.1	--	--	--	--	--
R 80402	205	0.1	--	--	--	--	--
R 80404	205	0.1	--	--	--	--	--
R 80501	205	0.1	--	--	--	--	--
R 80502	205	0.1	--	--	--	--	--
R 80503	205	0.1	--	--	--	--	--

CTA MEMBER CANADIAN TESTING ASSOCIATION

Certified by ..Ian Bielle..

Assay results

SAMPLE NUMBER	oz./ton Ag	% Cu	oz./ton Au
R80304	0.10		
R80305	0.01		
R80403	0.01		
R80405	0.01		
R80406	29.17	0.39	0.172
R80407	0.83	0.03	0.212
R80408	0.85	0.01	0.156
R80601	0.50	<0.01	0.096

Geochemistry

SAMPLE NUMBER	p.p.m. Ag
R80301	0.2
R80302	0.1
R80402	0.1
R80404	0.1
R80501	0.1
R80502	0.1
R80503	0.1

STRATIGRAPHY

Paleozoic & Mesozoic

A Jurassic (?)
HORNBLENDE DIORITE & RELATED ROCKS

B Jurassic or Cretaceous
SERPENTINIZED ULTRA-BASIC ROCKS

MODERATE SERPENTINIZATION

INTENSE SERPENTINIZATION

TALC-CARBONATE (HYDROTHERMAL) ALTERATION

2 Upper Jurassic (?) or Lower Cretaceous
PHYLLITE, ARGILLITE, CONGLOMERATE, GREYWACKE.

1 Late (?) Paleozic and younger
PHYLLITE, QUARTZITE, LIMESTONE, GREENSTONE, SCHIST

BASE MAP ENLARGED FROM 94I/4 N.T.S.
CONTOUR INTERVAL : 100 FEET
ALL ELEVATIONS IN FEET ABOVE MEAN SEA LEVEL

9756

SHORT STAUN ENTERPRISES LTD.

L.B. GOLDSMITH — REGISTERED PROFESSIONAL ENGINEER

RANDI 1 & 2

MINERAL CLAIMS KAMLOOPS M.D.
PYRAMID MOUNTAIN, B.C. 92I/4E

GEOLOGY MAP

Showing rock sample locations, geochemistry & assay results.

To accompany report by J. Logan, Geologist. and L.B. Goldsmith, P.Eng., Consulting Geologist

ARCTEX ENGINEERING SERVICES OCTOBER 1981

OVERBURDEN
TALUS
TALUS
NO OUTCROP
OVERBURDEN
OVERBURDEN
PYRAMID MT.
LCP
PIT
TRENCH
CAMP
TALC ZONE
80404
80403
80304
80402
80305
80405
80408
80407
80406
80301
80601
80302
80501
80502
80503
6500
7000
6000
5500
5000
Approx. boundary of RANDI 1 [3209 (1)] & RANDI 2 [3210 (1)] mineral claims.
N
SCALE 1:5,000
0 50 100 200 300 metres
121° 40'
50° 05'

KEY

80408 SAMPLE SITE
80 BEDDING; WITH ATTITUDE, VERTICAL, ATTITUDE UNKNOWN
30 JOINTING; WITH ATTITUDE, VERTICAL
TRENCH
PITS
FLOAT
SHEAR ZONE
FAULT, ASSUMED
SHEAR, VERTICAL
LEGAL CORNER POST
QUARTZ VEIN
GEOLOGICAL BOUNDARY
OUTCROP