

D.D.H. GEOMANAGEMENT LTD.

PROSPECTING REPORT

ON

THE WALLACE CLAIM

OMENICA MINING DIVISION

54° 44 N 126° 36 W

by

David A. Howard P.Eng.

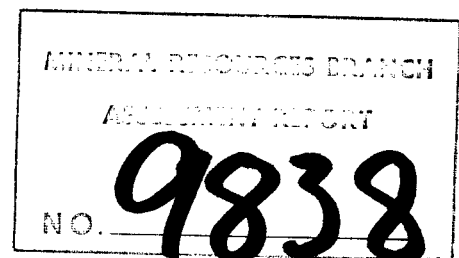
for

Reako Explorations Ltd.

Claim Wallace Rev. C.G. #1560

Location Dome Mountain Area 93L/10E

Date November 24, 1981.



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Summary and Recommendations

The Wallace claim, located on the east flank of Dome Mountain is underlain by andesites belonging to the Hazelton Group. There is essentially no outcrop of any size within the boundaries of the claim with the exception of a couple of questionable in place outcrops exposed along the trail that crosses the property. No evidence of mineralization was found, but further work is justified on the claim because of its proximity to known mineralized structures on adjoining claims.

The gold mineralization on Dome Mountain is associated with sulphide bearing quartz veins of varying widths. It is therefore recommended that a wide spaced E.M. 16 survey be conducted over the claim to test for possible mineralized quartz veins. The E.M. 16 in the writer's experience is a very useful tool to locate narrow mineralized structures such as quartz veins.

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PROSPECTING REPORT ON THE
WALLACE Rev. C.G. #1560

Introduction

Surface prospecting was conducted on the Wallace Claim as part of a large exploration programme conducted on Repeater #2 claim held by Reako Explorations Ltd.

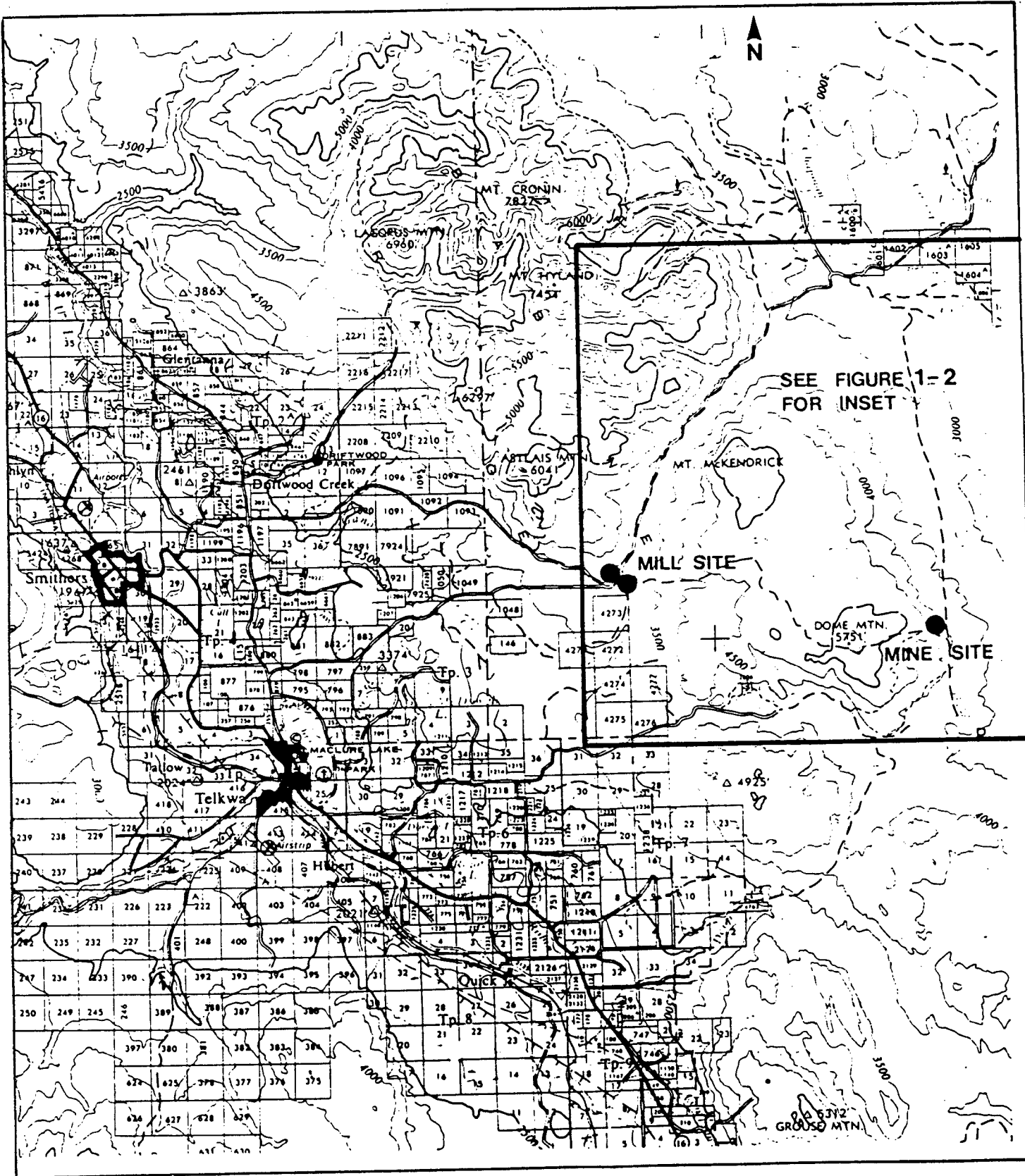
Prior to commencement on the diamond drill programme on the Repeater claim several days were spent by the writer examining the area including the Wallace in order to gain an understanding of the geology. Unfortunately the Wallace claim is surrounded by claims belonging to other parties and can not be grouped with Repeater #2 on which most of the work was done.

The report which follows summarizes the writer's impressions of the Wallace and what programme should be followed for further exploration.

Location and Access

The Wallace reverted Crown Grant is located on the eastern flank of Dome Mountain ($54^{\circ} 44' N$; $126^{\circ} 37' W$) in the Omenica Mining Division (Fig.1). The Dome Mountain area is reached by turning north at mile post 13 on the Chapman Lake Road and following a fair dirt road a distance of about 4 kilometers to the old Free Gold showings on Repeater #2 claim. The Wallace claim is then reached by following a fair trail on foot for another 2 kilometers.

LOCATION MAP



SCALE 1:250,000
NTS MAP SHEET 93L

FIGURE 1

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Claims

The Wallace Claim #1560 is a reverted Crown Grant Lot No. 2911. The claim contains 51.50 acres and forms part of a larger 122 claim/unit property held either by option or location by Reako Explorations Ltd., Ste. 501-409 Granville Street, Vancouver, B.C. V6C 1T2.

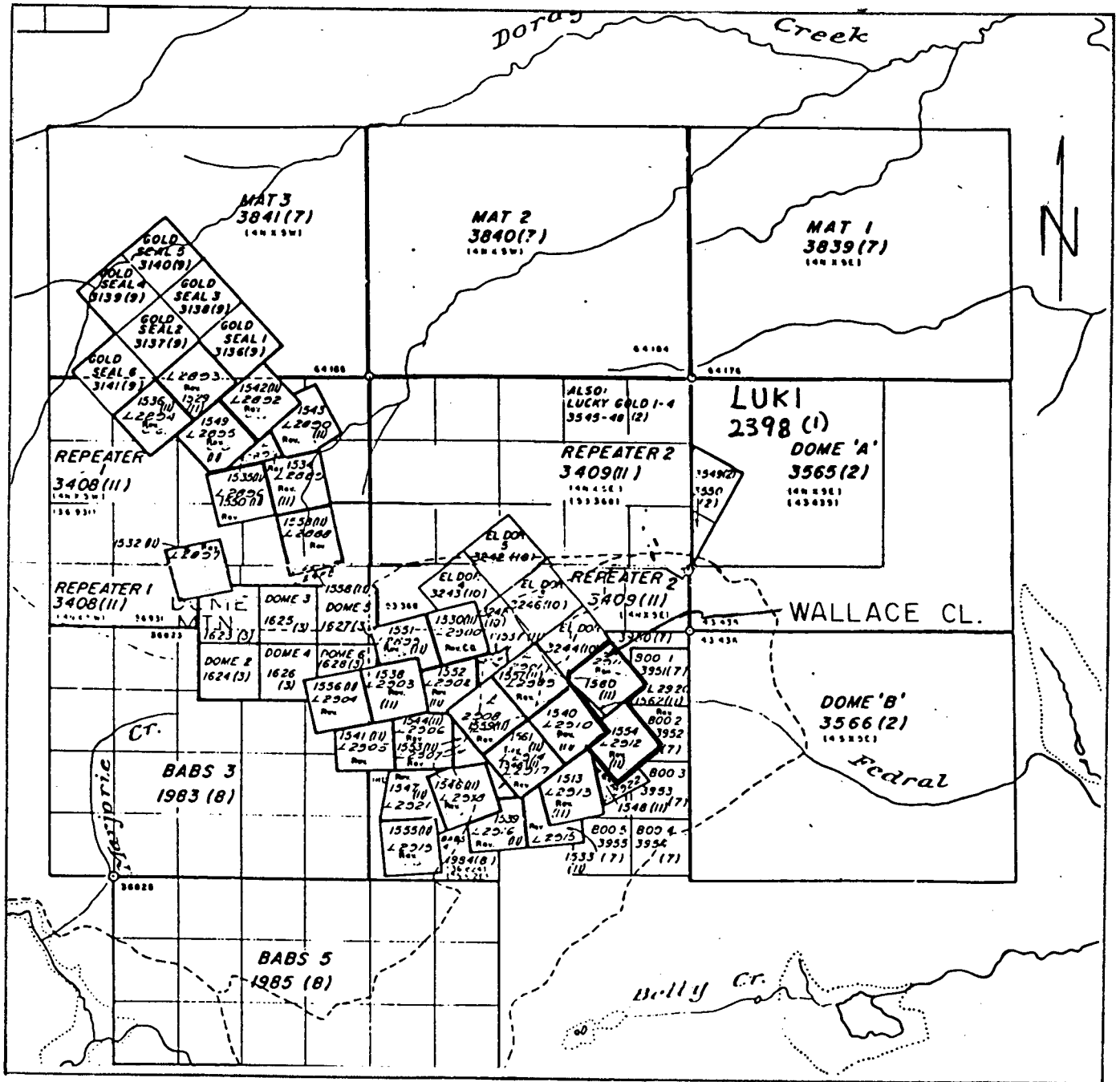
Assessment credits for diamond drilling will be sought on all of the other claims at a later date. The Wallace claim appears to be surrounded by claims belonging to other parties, but may in fact adjoin Repeater #2 at one point. (See claim map - Fig.2).

History

Gold bearing quartz veins were discovered on the north-eastern slope of Dome Mountain about 1914. In the following years more discoveries were made and considerable work done by Dome Mountain Gold Mining Company. References to these activities are contained in the Reports of the Minister of Mines in the years 1916 to 1938. The Wallace Claim formed part of the Dome Mountain Gold Mining Company's holding (B.C.M.M.-1925) but nothing is reported about it that can be separated from the general details of the camp.

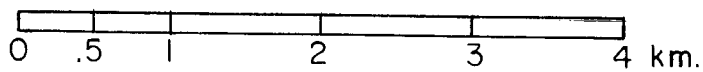
Geology and Results of Prospecting

Approximately one day was spent walking over the Wallace claim in a zig-zag fashion looking for outcrops and evidence of



WALLACE CLAIM LOCATION MAP

SCALE 1:50,000



from claim maps 93L10E&15E

Fig. 2

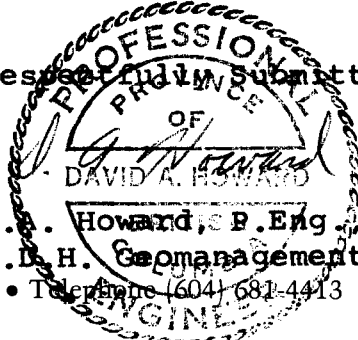
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mineralization. No evidence of hydrothermal alteration or mineralized quartz veins was found during the traverse of the Wallace claim. The claim area is essentially 100 percent covered with a varying thickness of glacial debris which will necessitate the use of indirect methods such as E.M. to further prospect the claim. In addition to the ground survey an aerial reconnaissance, at a later date (August 29, 1981), using a Jet Ranger helicopter was made with the same results as the ground survey - no obvious outcrop.

The Wallace claim from limited outcrop is underlain by very fine grained greenish grey to grey locally porphyritic andesite with minor tuffaceous units. These rocks are similar to those indentified in the diamond drilling on the Repeater #2 claim which is underlain by volcanic units of the Hazelton Group.

Cost Statement

Consulting fee (D.A. Howard) 1 day @\$400.00/day	\$400.00
Transportation ¼ airfare to Smithers and return to Vancouver	58.00
½ hr. helicopter @\$430/hr.	215.00
1 day truck rental	25.00
Living expenses -Hotel and meals- 1 day- Smithers	45.00
Total	\$743.00

Respectfully Submitted,

 DAVID A. HOWARD
 D. A. Howard, P. Eng.
 D.D.H. Geomanagement Ltd.
 ENGINEER

D.D.H. GEOMANAGEMENT LTD.

CERTIFICATION

I, Mr. D.A. Howard, of the City of Richmond, Province of British Columbia, hereby certify as follows:

1. I am a graduate geologist residing at 9040 Glenallen Gate, Richmond, B.C. and with Offices at #422-470 Granville Street, Vancouver, B.C.
2. I am a registered Professional Engineer of British Columbia. I graduated with a Bachelor of Science in earth sciences from Montana State University in 1964, and a Master of Science in geology from the University of Washington in 1967.
3. I have practiced my profession continually since June, 1966.
4. The attached report is based on a property examination made by the writer on June 24, 1981.

Dated at Vancouver, British Columbia this 24th day of November, 1981.