GEOCHEMICAL REPORT

On the

KXYZ Claims Group (KX, KY, and KZ Claims)

ALBERNI M.D.
92F/3W

Latitude 49°03'N   Longitude 125°18'W

March 19-26, 1983

for Owner & Operator
VICTORIA RESOURCE CORPORATION
Vancouver, B.C.

GEOLOGICAL BRANCH
ASSESSMENT REPORT

11,545

Vancouver, B.C.
November, 1983

S. Zastavnikovich
Geochemist/Consultant

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INDEX MAP

KXYZ CLAIM GROUP

NTS 92 F / 3 W

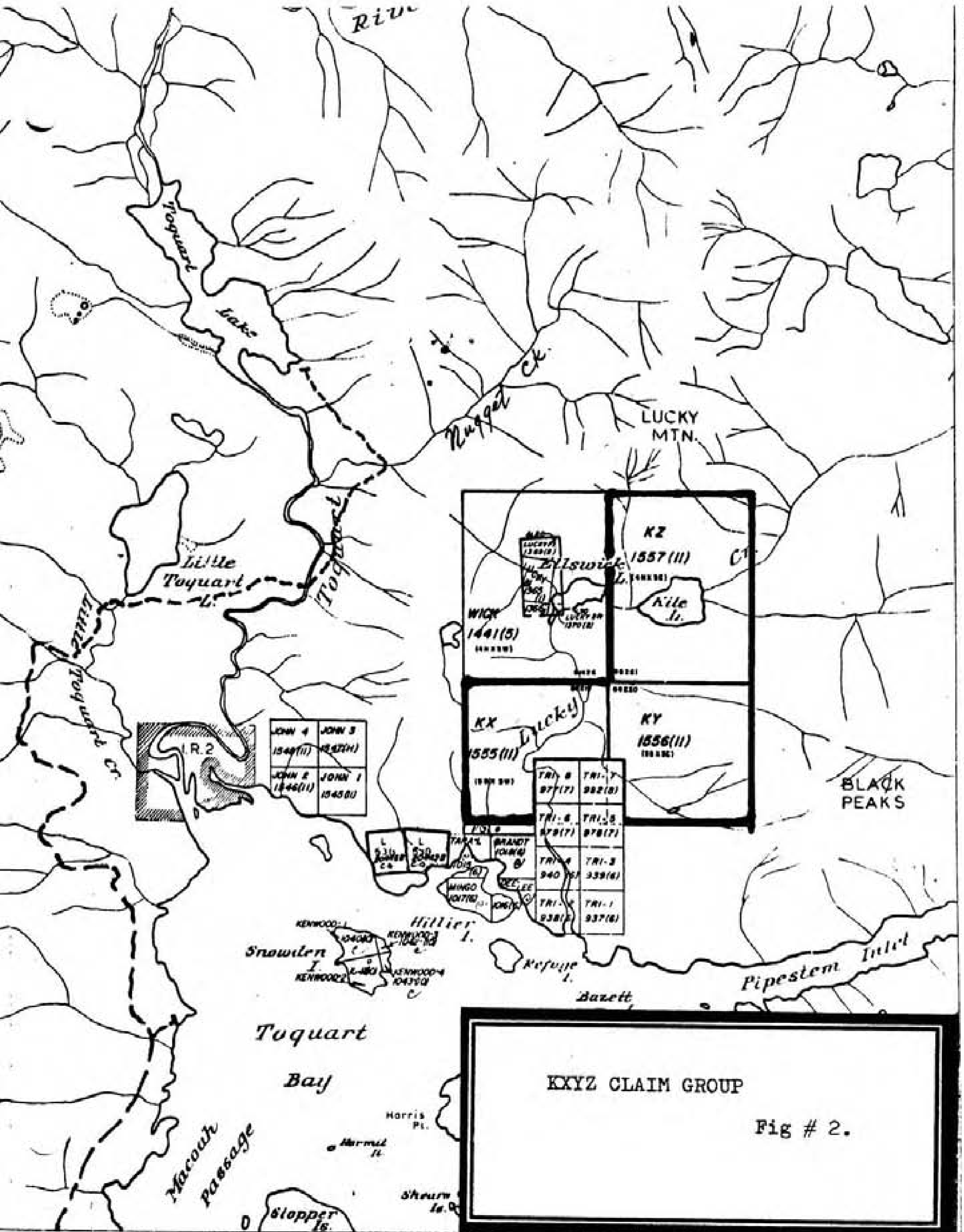
Fig # 1.

ver Island

Pacific. 280 miles long and 78 miles at
2,408 square miles.

second largest city in British Columbia.

den Hinde, 7219 ft.; Elkhorn Mountain,



KXYZ CLAIM GROUP

Fig # 2.

MAP 92 C/14 W

GEOCHEMICAL REPORT ON THE KXYZ CLAIM GROUP

(KX, KY, and KZ Claims)

West Vancouver Island, B. C.

INTRODUCTION & DESCRIPTION

The KXYZ Claim Group (30 units), consisting of the KX (9 units), KY (9 units), and KZ (12 units) Claims is located south from the Lucky Mountain Peak to the mouth of Lucky Creek on Toquart Bay on the west coast of Vancouver Island, some 20 km northeast of Ucluelet and 40 km southwest from Port Alberni, as shown on the enclosed Index and Claims Locations Maps (Fig. #1 & #2).

The KX, Y, and Z Claims were staked in November '82 for Victoria Resoupce Corporation immediately east and south of their Wick Claim, which contains the known gold-quartz 'Lucky' Vein. The Legal Corner Post for the claims is located 700 m of the east end of Ellswick Lake and 150 m east of Lucky Creek, being the same post used for the LCP for the Wick claim.

Access to the LCP is by foot trail 2 km north up the Lucky Creek from tidewater on Toquart Bay, or cross bush 4 km southeast from the Toquart logging road where it crosses the Nugget Creek, as shown on the Claims Map (Fig. #2). Alternatively, the claims are accessible by float equipped helicopter from Nanaimo.

GENERAL GEOLOGY

The geology of the KXYZ Claims Group is considerably more complex than can be shown on the regional scale 1:125,000 geological map available for the area. Plutonic rocks of the Westcoast Diorite, Jurassic Island Intrusions and possibly Tertiary plutons intrude basic volcanic rocks of the Karmutsen Formation.

Several volcanic/intrusive contacts (Jurassic Island Intrusions?) were observed on the east side of Lucky Creek, where only the Karmutsen was postulated. More importantly in view of the well known association of gold-quartz veins with Tertiary intrusives on Vancouver Island (Zeballos, Mt. Washington, etc.), the claims lie on a major fault line between such rocks ten km to the west at Kennedy Lake and a similar distance eastward on Vernon Bay. Evidence of Tertiary intrusive activity may well be present along the regional north-westerly fault zone transecting the claims area.

The presence of the 'Lucky' and 'Pride of the West' gold-bearing vein systems on adjacent claims demonstrates potential for additional veins in this same environment.

GEOCHEMICAL SURVEY

During the staking in Nov. '82 of the KX, KY, and KZ Claims a handful of rock samples were collected along the claim lines. One outcrop sample (#7, see the Geochemical Map, Fig. #3, in pocket), contained 220 ppb. gold, indicating such sampling to be a useful evaluation method for the area. On the return visit by the writer and J. Wilson, a geologist, in March '83 some 35 stream sediment samples and another 70 outcrop and float samples were collected. The samples were shipped to Min-En Laboratory, N. Vancouver, to be analyzed for 24 elements by ICP, plus Gold, Mercury, and Fluorine, by standard geochemical methods described overleaf.

Stream Sediment Geochemistry - A specially constructed perforated pan and sieve was used for the collection of stream sediment samples in order to enhance the uniformmity of the material sampled. The resultant reproducible analytical values made possible identification of samples subtly anomalous in trace elements, such as can be expected near small gold-quartz vein occurences. Thus samples #21867 and956 suggest association with mineralizing structures such as faults, lineaments, contact zones, etc., or direct proximity to new mineralization, or a combination of these, and should be investigated.

ANALYTICAL PROCEDURE

The samples were analyzed by Min-En Laboratories Ltd. of 705 West 15 St., N.Vancouver, B.C. as follows:

The stream sediments were ovendried in water resistant kraft paper bags at 95°C and screeded to obtain minus 80 mesh fraction for analysis. The rock samples were crushed and pulverized by ceramic plated pulverizer.

A suitable weight of 5.0 or 10.0 grams is pretreated with HNO_3 and $HClO_4$ mixture.

After pretreatment the samples are digested with Aqua Regia solution, then taken up with 25% HCl to suitable volume and aliquat used for the 24 element ICP trace element analysis.

From the major remaining portion of the sample Gold is extracted with Methyl Iso-Butyl Ketone and analyzed by Atomic Absorption. The rock samples are analyzed by standard fire assay methods.

For Mercury analysis, 1 gram of sieved material is sintered at 90°C for 4 hours, then digested in HNO_3 and HCl acids mixture, and analyzed by the Hatch and Ott flameless AA method.

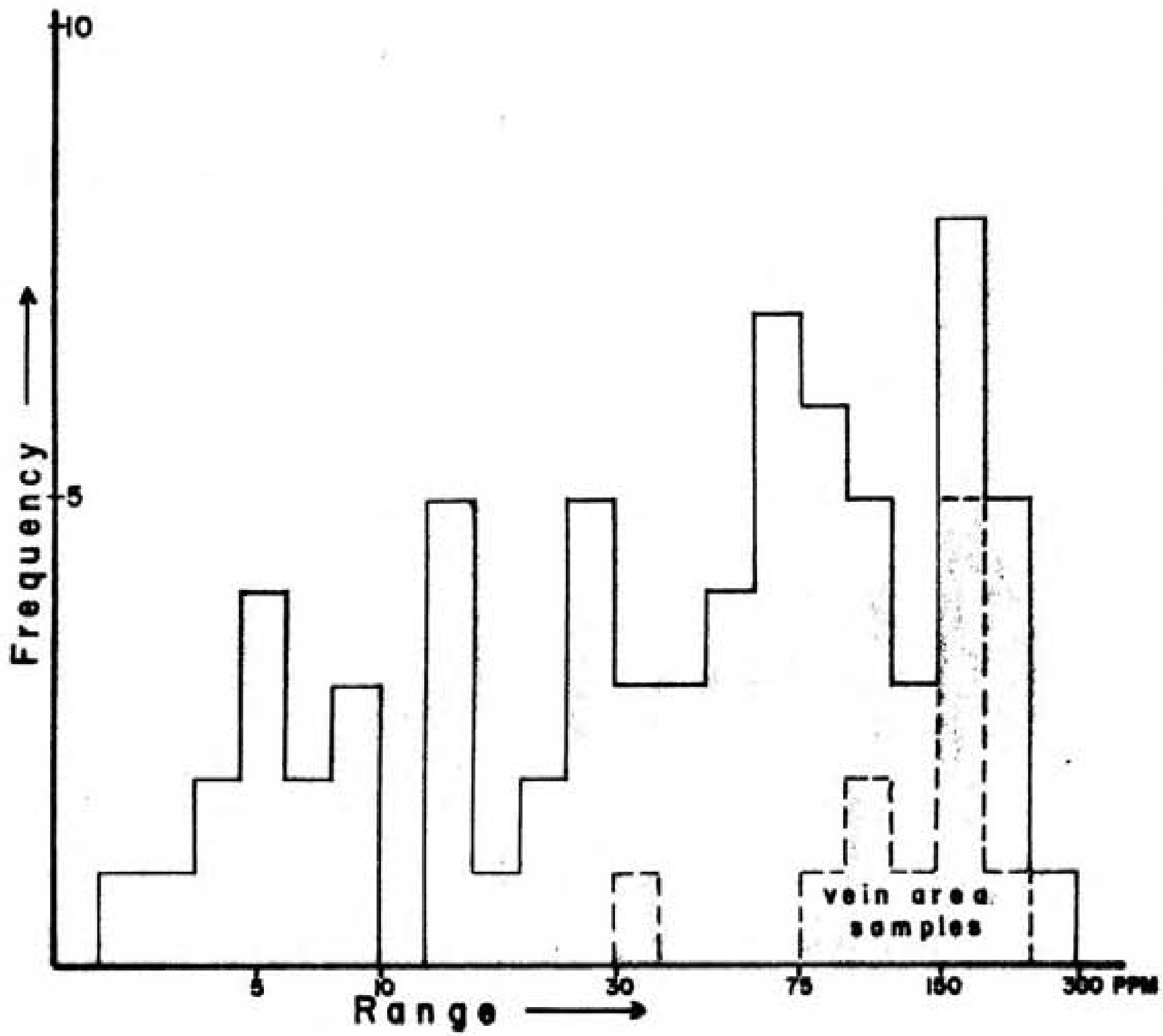
Fluorine is determined with specific ion electrode on a sample fused with Sodium Hydroxide and Carbonate and buffered with Sodium di-Ammonium Acetate.

Rock Geochemistry - The outcrop samples are representative of the rock types encountered, no uniform effort was made to sample only certain features. Unlike the stream sediments, the rock samples did not yield reproducible analytical values due to the inherent inhomogeneity within each sample. Nevertheless, if sufficient number of rock samples are collected in an area, useful trends can be identified from the average trace element contents. As is illustrated for Copper in the Frequency/Range Graph overleaf, the outcrops in vicinity of the 'Lucky' Vein are relatively enriched in that element, and likewise in Cadmium, Silver, Nickel, Lead, and Zinc, as well as Gold.

As inscribed on the Geochemical Map (Fig. #3, in pocket), other areas sampled on the claims contain rocks of similar trace element enrichments which need investigating. A page of descriptive notes on the rock samples collected is included overleaf in the Report.

FREQUENCY GRAPH (KXYZ Cl. Gp.)

Rock Samples, COPPER



OUTCROP SAMPLES - NOTES (KXYZ CL. GP.)

Sample #

1. - chloritic, intermed. intr., rusty
2. - basic, porph. dyke?, stockwork py veinlets, rusty' magn.
3. - intermed. volc., brecciated, py, epidote
4. - med. gr., basic dyke?, py smear on qtz veinlet, v. mag.
5. - hornblendite, chl. mafics, dissem. py on qtz, magnetic
6. - secondary orange staining, qtz eye porph?
7. - vuggy qtz veins, highly altered matrix, bleached, py
8. - bleached, fractured
9. - volcanic, with carbonate veining, py

10 - same o/c as last, epidote and py in qtz vein
11 -
12 -
13 - over 200 cm, country rock adjacent to vein
14 - over 50 cm, " " " " "
15 - 19, all over 10 cm, grab samples
20 - over 100 cm, country rock adjacent to vein
21 - over 50 cm, " " " " "
22 - over 100 cm, 8 cm qtz vein in andesite
23 - massive intermed. volc. with coarse py blebs
24 - 30 cm wide rusty zone
25 - mass. interm. volc., trace py-po, silicif. fr. with epid.
26 - two 5 cm oxidized rusty silicif. zones in andesite
27 - grab sample
28 - siliceous volc. breccia
29 - one cm qtz vein in med. gr. intr., with basic volc xenlths
30 - contact intr/basic volcs., 80° direction, silicif appearance
31 - grab sample, breccia
32 - " " , representative andesite
33 - white calcite + qtz vein @ 110 / 75° N, over 30 m long
and 1 - 4 cm wide, in 2m wide shear zone in andesite
34 - grab, [illegible],rusty siliceous volc.
35 - grab, rusty breccia
36 - epidote in veins with py, po,to 2 cm wide in andesite
also qtz vein with coarse py veins, strike about 130°
37 - grab sample
38F- float sample
39 - qtz vein @ 20° strike
40F and 42F - floats
41 and 43 - grab samples
44 - 10 cm wide silica and epid. vein in int. volcs.
45F- 2 cm qtz-calcite vein in large angular float 70 cm boulder
46 - feldspar porphyry
47F- qtz epidote vein in float
48 to 52 - grab samples
53 - white fractured quartzite with tr. of py
54 - 1 cm qtz vein, tr. py and bright green min.,int-bas volc
55 - " " " " " " " "
56 to 64 - grab samples, (59 coarse grained intrusive)
65 - 4 cm pinkish dyke? plus 2 cm and. on each side
66 - sheared andesite with calcite veining
67 - rust and minor carbonate veining in basalt
68 - porphyritic,E-W epid & carb veins, N-S 1 cm qtz vein
69 - Tertiary porph?
70 and 71 - primary volc. breccia, py?
72 - carb veinlets in basalt, 73-rusty fract. basalt, py, Cu?
74 - rusty, Tertiary intr.?
75 - fault gap, contact, purple sec min., 76F- qtz epid vein
77 - basalt, 78 - granite, @ contact

CONCLUSIONS

1. Both outcrop samples and the stream sediments are mildly enriched in several base metal trace elements in the vicinity of the gold-quartz 'Lucky' Vein.

2. Similar and stronger enrichments exist in some samples of both rocks and sediments in other parts of the claims area, suggesting the likelyhood of undiscovered mineralization..

3. Several specific prospecting targets have already been identified. Sample #945 contains 800 ppb Gold, as well as anomalous trace elements. Barring a possible glacial smearing upstream from the Lucky Vein itself, new veins may be present in that area. Sample #956 is likely mineralization related.

4. The possibility of Tertiary intrusive activity in and near the KXYZ Claims Group area should be investigated, particulary along the strong regional northwesterly fault zone passing through the Ellswick and Kite Lakes, reflected in elevated silver contents in rock samples #39-41 and #71-73 and in observed malachite in rock samples #73 and elevated Cu content of the nearby sediment sample #958.

APPENDIX I

STATEMENT OF EXPENDITURES

Geochemistry

Salaries - J.Wilson, Geologist, 8 days @ $200/day	1,600.00
- S.Zastavnikovich, Geochemist, 8 days @ $250/day	2,000.00
Food - 16 man days @ $25	400.00
Travel - 4X4 Truck, 8 days @ $35 plus gas	310.00
- Ferry tickets	39.00
- Boat and motor, 8 days @ $30/day	240.00
Supplies - Camping and Field Equipment, 8 days @ $20/day	160.00
- Field supplies, (sample bags, flagging, topofil)	120.00

Analysis

35 Silt Samples for Hg, Au, F, 24 ICP @ 21.25/sample	743.75
35 Silt Samples Prep. @ $.85/sample	29.75
73 Rock Samples for Hg, fire Au, F, 24 ICP @ 22.00/sample	1,606.00
73 Rock Sample Prep. @ $2.50/sample	182.50
Sample transport to Laboratory	28.00

Report Preparation

Writing, drafting maps, 2 days @ $150.00	300.00
Report typing	80.00
Map reproduction, report duplication	45.00
Total Expenditures	$ 7,884.00

APPENDIX II

STATEMENT OF QUALIFICATIONS

I, Sam Zastavnikovich, do hereby certify that:

1. I graduated (B.Ed.) in Physical Sciences from the University of Alberta, Edmonton in 1969.

2. I have been continuosly employed by Falconbridge Nickel Mines Ltd of Toronto and Vancouver as Field Geochemist (1969-'75), project Geologist/Geochemist (1975-'79) and as Exploration Geochemist (1979-'82), where I was engaged in all aspects of F.N.M.L.'s geochemical exploration, including development of improved sampling techniques and geochemical interpretation as well as writing of the Final, Budget and Assesment Reports.

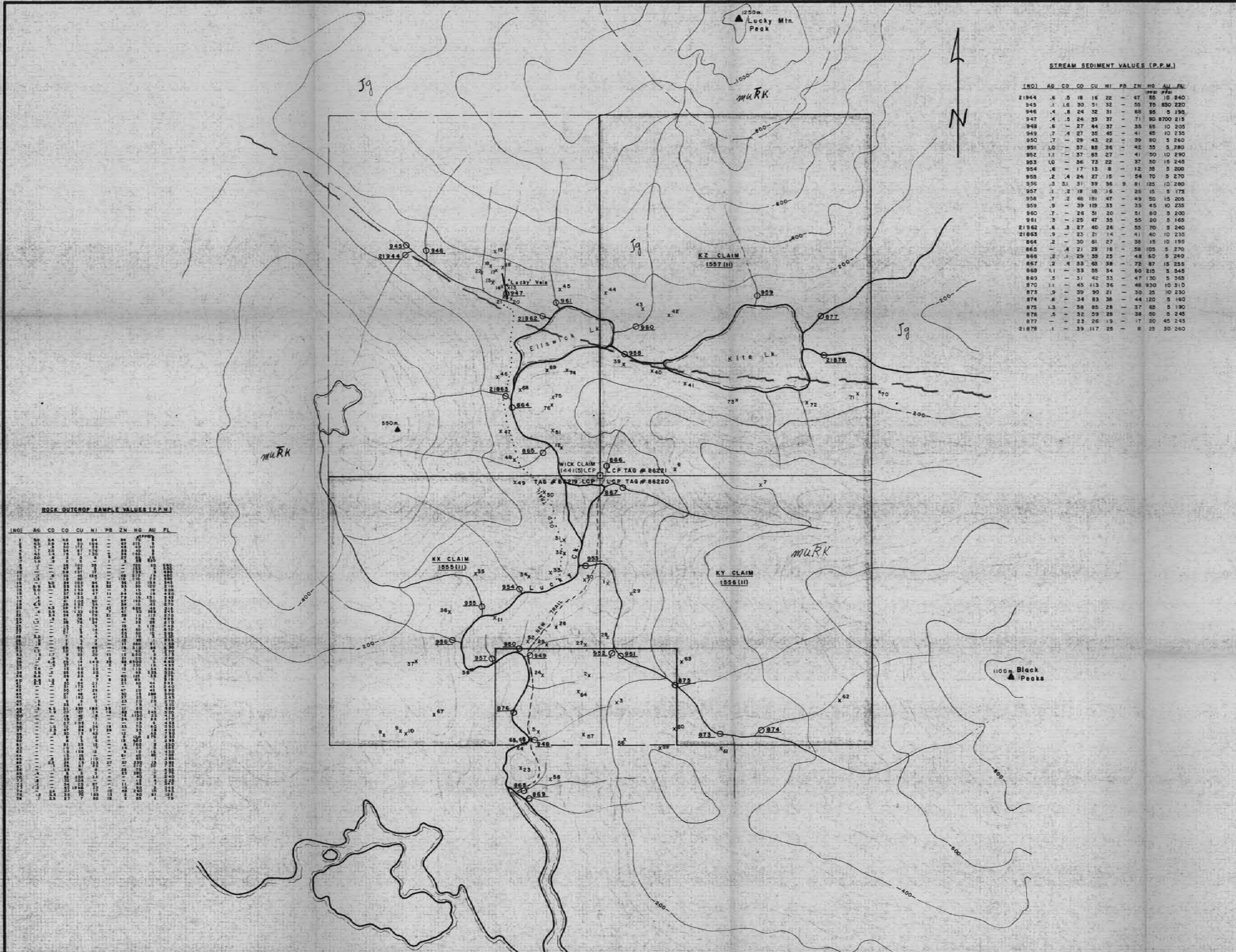
3. I am a voting member of the Association of Exploration Geochemists.

4. All the fieldwork was done by myself and/or under my direct supervision.

5. I am a consulting geochemist with offices at 5063-56th St., Delta, B.C.

Zastavnikovich

Sam Zastavnikovich



STREAM SEDIMENT VALUES (P.P.M.)

(NO)	AG	CD	CO	CU	NI	PB	ZN	HG (PPB)	AU (PPB)	FL
21944	.6	.5	18	16	22	—	47	55	10	240
945	.1	1.6	30	51	32	—	55	75	830	220
946	.4	.8	24	32	31	—	68	95	5	195
947	.4	.5	24	39	37	—	71	90	8700	215
948	.6	—	27	44	37	—	35	65	10	205
949	.7	.4	27	35	45	—	41	45	10	235
950	.7	—	29	43	22	—	39	80	5	260
951	1.0	—	37	85	26	—	42	35	5	280
952	1.1	—	37	83	27	—	41	50	10	290
953	1.0	—	36	73	22	—	37	30	15	245
954	.6	—	17	13	8	—	12	35	5	200
955	.2	.4	24	27	15	—	54	70	5	270
956	.3	3.1	31	39	56	9	81	125	10	280
957	.1	.2	18	18	16	—	25	15	5	175
958	.7	.2	48	181	47	—	49	50	15	205
959	.9	—	39	119	33	—	35	45	10	235
960	.7	—	26	31	20	—	51	60	5	200
961	.3	—	25	47	35	—	55	20	5	165
21962	.6	.3	27	40	26	—	55	70	5	240
21863	.9	—	23	21	14	—	41	40	10	235
864	.2	—	30	61	27	—	38	15	10	195
865	—	.4	21	29	16	—	58	105	5	270
866	.2	.1	29	38	25	—	48	60	5	240
867	.2	.4	33	63	38	—	72	87	15	255
868	1.1	—	33	55	34	—	60	215	5	345
869	.5	—	31	42	33	—	47	130	5	365
870	1.1	—	45	113	36	—	48	930	10	310
873	.9	—	39	90	21	—	30	25	10	230
874	.6	—	34	83	38	—	44	120	5	160
875	1.3	—	38	65	28	—	37	65	5	190
876	.5	—	32	59	28	—	38	50	5	245
877	—	—	23	26	19	—	17	20	45	245
21878	.1	—	39	117	25	—	8	25	30	260

ROCK OUTCROP SAMPLE VALUES (P.P.M.)

(NO)	AG	CD	CO	CU	NI	PB	ZN	HG	AU	FL
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

GEOLOGICAL BRANCH
ASSESSMENT REPORT

11,545

LEGEND

GEOLOGY

— FAULT ZONE

muTRK — KARMUTSEN VOLC.S

Jg — ISLAND INTRUSIONS

— CONTACT

GEOCHEMISTRY

O — SEDIMENT SAMPLE

X — ROCK SAMPLES

SCALE: 1:10,000

[redacted]

PROPERTY:
VICTORIA RESOURCE CORPORATION
KXYZ CLAIMS GROUP

LOCATION:
TOQUART BAY - LUCKY CK. AREA

TYPE OF MAP:
GEOCHEMICAL

WORKING PLACE: DELTA, B.C.			
BASED ON: FIELDWORK BY J. WILSON & S. ZASTAVNIKOVICH			
DATE OF WORK: MARCH, 1983	MAP REF. NO.: KXYZ - 3		FIG. NO.: 3
DRAWN BY: S. ZASTAVNIKOVICH			
DATE: NOV., 1983	N.T.S. NO.: 92F/3W		

MAP REF. NO.:
N.T.S.: