

Assessment Report
on
Linecutting
and
Geochemical & Geophysical Surveys

performed on the
MINEREADER CLAIM GROUP
Ruby Lake - Mt. Hallowell Area
Northern Sechelt Peninsula
vancouver Mining Division

MINEREADER # 1 1629 (4)

MINEREADER # 2 1630 (4)

MINEREADER # 3 1631 (4)

MINEREADER # 4 1632 (4)

47 Units

NTS Map 92 @ 12W

Lat: 49° 53'

Long: 123° 51'

**GEOLOGICAL BRANCH
ASSESSMENT REPORT**

13,764

Owner: John P. La Rue
Operator: Interex Resources Inc.
Box 1111
Lillooet, B.C. VOK 1V0

Report Compiled and Written by
John P. La Rue
President

Interex Resources Inc.

June 28, 1985

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INTRODUCTION

- (1) The MINEREADER Group consists of 47 units in all, and is located in the Ruby Lake - Mt. Hallowell area towards the northern end of the Sechelt Peninsula. The group is comprised of MINEREADER #1 1629(4) 14 units; MINEREADER #2 1630(4) 15 units; MINEREADER #3 1631(4) 10 units; and MINEREADER #4 1632(4) 8 units. John P. La Rue is the owner of the Group and Interex Resources Inc. is the operator. NTS Map 92 G 12W Lat: 49°33' Long: 123°51'.

Elevation at the claim group ranges from 500' to 4100' and is typically rugged coastal forest. Portions of MINEREADER #1 and MINEREADER #4 have been logged in the upper elevations, and the majority of the lower elevations of all four claims have been logged at least once. Approximately 60% of the claims are covered in primarily conifer species with interspersed dense salal underbrush; the remaining 40% is covered in deciduous species (primarily alder) with interspersed dense salal underbrush, and fairly represents the older logged areas that have begun to regenerate.

Weather is typically B.C. Coastal with wet mild winters and hot dry summers. Lower elevation access is possible throughout the winters, but snowfall generally restricts accessibility on the upper flanks of Mt. Hallowell for at least two months of the year. Water for all phases of development is abundant, with at least three lakes and four streams within the claim boundaries. Access to the western edge of the claim group is gained by paved Hwy. 101 which runs the length of the western boundary. Portions of MINEREADER #1 and MINEREADER #4 have been opened up by a system of sub-grade logging roads which provide access to the upper elevations of the claim group.

- (ii) The MINEREADER Claim Group is a precious - base metal prospect strategically located near the northern end of

of the Sechelt Peninsula where it lies immediately between, and along the same lithological structure as, two properties with a history of past production. The group lies in a geologically favourable environment of Upper Triassic (Karmutsen Formation) volcanic - sedimentary roof pendant units indurated within a north-west trending belt of hornblende diorite. This same structure extends from Chalice Mining Inc.'s discovery ground to the northwest, through the MINEREADER Claims and on through the HAM and TYEE Groups lying to the immediate southeast.

The original SKOOKUM claim, now part of the CHALICE Group, was discovered comparatively recently, in 1952. 106 tons are reported to have been shipped to the Tacoma Smelter in 1956 and returned 34 ozs. gold, 45 ozs silver, and 170 lbs. of copper. On this property, high grade gold and silver tellurides in marcasite-pyrite along with some free gold occur: in quartz veins, fracture fillings, stockworks, breccias and disseminations occurring within indurated volcanic - sedimentary pendant units, wholly within the coast range intrusives, and also in the silicified contact between the two.

Development of the CAMBRIAN CHIEFTAIN, SILURIAN CHIEFTAIN, and SHEEP CREEK GOLD MINES holdings on Mt. Hallowell dates back between their discovery around 1934 through the early 1950's; this ground lies to the immediate southeast of the MINEREADER Group, and is now covered by the HAM (Quantus Resources) and TYEE Claim Groups. Mineralization here was of the contact-metamorphic type with values in silver, copper and gold. A shipment of 266 tons from the CAMBRIAN CHIEFTAIN in 1949 returned 2032 ozs. silver, 74,284 lbs. copper, and 15 ozs. gold.

The MINEREADER #1 Claim shares a silver skarn showing

with the BACON I Claim (Chalice Mining Inc.) at their common border, near Hwy. 101, with values up to 3 ozs. silver/ton in pyrrhotite. Two surveys were completed in 1972-73 by Glenn White Geophysics of Vancouver on ground now covered by MINEREADER #2, #3, and #4. The surveys consisted of soil geochemistry for copper, zinc, and molybdenum and outlined several coincidental copper-zinc anomalies and one molybdenum anomaly. Favourable engineering reports (B.C. Dept. of Mines Assessment Reports #3757 and #4736) recommended further work which was never performed and the claims were allowed to lapse.

Since 1980, the re-evaluation of many of these past producers and prospects on the Sechelt Peninsula has considerably upgraded knowledge of the local geology to include many discreet volcanic-sedimentary units that had not previously been mapped (A. Burton, P.Eng. '83; E. Grove, Ph.D P. Eng. '82 '83 '84; C.J. Westerman, Ph.D. '83; D. Fleming, B.Sc. '83)

Favourable geology, anomalous soil geochemistry for copper, zinc, and molybdenum (note that prior assays did not include geochemistry for gold or silver), proximity between two past producers as well as an identical geological environment make the MINEREADER Group an exploration target with discovery potential.

- (iii) A summary of work performed on the MINEREADER Group for assessment purposes is as follows:
- A. A total of 125 meters of Location Line and 300 meters of Baseline were established in preparation of the survey grid. A total of 10.6 kilometers of survey lines were established.
 - B. 10.6 kilometers of Holman & Bloom geochemical survey was performed over the survey grid for a total of 408 samples analyzed.
 - C. A total of 10.6 kilometers of Magnetometer Survey

was performed over the survey grid for a total of 409 readings.

D. 10.6 kilometers of VLF - EM Electromagnetic Survey was performed over the survey grid for a total of 409 readings.

(iv) Work for assessment purposes was performed over portions of the MINEREADER #2, MINEREADER #3, and MINEREADER #4 Mineral Claims. The area surveyed comprises approximately 8% of the total area of the MINEREADER Group.

DETAILED TECHNICAL DATA and INTERPRETATION

A geo-exploration program consisting of linecutting, grid establishment and followup geochemical and geophysical surveys was conducted over the MINEREADER Group of Mineral Claims from May 2 - 9, 1984 and from Sept. 23 - Oct. 10, 1984. Focus of the 1984 exploration program was initially to re-establish control and verify the geo-chemical anomalies resultant from the 1972-73 surveys conducted by Glenn White Geophysics of Vancouver (occasional ribbons and blazing possibly remaining from these earlier surveys were observed during the initial property orientation but no markings were visible and they could not be used to delineate position of the former anomalies); follow up VLF - EM Electromagnetic and Magnetometer Surveys were performed to determine if the resultant anomalies were associated with a VLF "conductor" or would display a magnetic signature that might prove useful in delineating the geochemical results.

A total of 125 meters of Location Line, 300 meters of Baseline, and 10.6 kilometers of survey lines were established in preparation of the survey grid. Grid measurements and orientation were accomplished by hip chain, compass, and aerial photograph. The Location Line to the survey grid begins at the LCP of MINEREADER #4 and runs due east for 125 meters to Line 0 - 00 of the Baseline; the Baseline extends an additional 300 meters in an easterly direction from this point. Both the location line and Baseline were blazed, flagged and cleared of small

trees and brush, using a chainsaw and axe, to facilitate access and provide a permanent marker to the grid. The Baseline is marked at 50 meter station intervals with numbered flagging ribbons. The four survey lines were oriented perpendicular to the baseline, or north-south, and are spaced 100 meters apart; station intervals are spaced at 25 meters apart and marked with numbered flagging ribbon. Survey lines were partially cleared of small brush.

A total of 10.6 kilometers of Holman and Bloom geochemical survey was performed over the grid area in order to re-define and outline the copper-zinc-molybdenum anomalies that were originally delineated in the 1972-73 geochemical surveys; a total of 408 samples were field analyzed using this method of geochemical analysis. Samples were taken at 25 meter station intervals with a pulaski from a generally well developed "B" Horizon. Average depth of the samples was from 15 - 20 cm. depth. The Holman method determines concentrations of readily-soluble copper in soil and alluvium. In the field procedure, a measured sample of soil is shaken, cold, with an acid citrate solution and dithizone in a stoppered test tube. A positive test for copper will show a slight to intense reddish coloration in the "upper" organic layer; subsequent titration of additional amounts of dithizone brings the coloration back to a blue-grey "end point". The volume of the titration in drops gives a measure of the amount of metal reacting, and comparison between individual samples, of the additional amounts of added dithizone necessary to bring the solution back to the "end point" are the basis of the test and results are then plotted and graphed or contoured. Similarly, the Bloom method is a test for determining readily-soluble heavy metal concentrations in soils and alluvium. Field procedure is for a measured sample to be shaken cold, with an acid citrate solution and dithizone in xylene. As in the Holman test, a colorimetric determination is made after shaking and then titrated back to the end point; results may then be

plotted and either graphed or contoured. As was expected, the results indicate that this method was successful in outlining the general areas of favourable geochemical response, and should adequately reflect the geochemical anomalies of the earlier 1972-73 surveys. It appears from this preliminary testing that there is a more positive response to the Bloom "heavy metal" test; this could possibly be a reflection of the greater mobility of zinc ions (zinc is found in massive concentrations in skarn deposits on the proximal Cambrian Chieftain property). Now that the favourable areas of geochemical response have been outlined, a test line to be analysed for concentrations of associated gold values is anticipated for the '85 - '86 exploration season.

10.6 kilometers of Magnetometer Survey was performed at 25 meter station intervals over the survey grid for a total of 409 readings. The purpose of the survey was to determine if there was a magnetic signature associated with the outlined geochemical anomalies. A Geotronics Model G-110 magnetometer was used in the survey; results were not corrected for diurnal variation. An interpretation of the results of this survey at this time would be premature due to insufficient data and is therefore beyond the scope of this report; no clear-cut lineation was evident in this preliminary testing.

10.6 kilometers of VLF-EM electromagnetic survey was performed at 25 meter station intervals over the survey grid, for a total of 409 readings, searching for conductive zones which might be related to economic mineralization. A Sabre Electronics Model 27 VLF-EM receiver was used in the survey. VLF electromagnetics operate indirectly through VLF (very low frequency) military radio communication transmissions. These electro-magnetic transmission waves set up measurable secondary electromagnetic fields in certain geologic structures such as fault zones (which are also sometimes mineralized) and/or heavily mineralized "conductors" such as concentrations of massive sulphide mineralization; the military station at Cutler, Maine, U.S.A. was se-

lected for use in the survey because of its favourable geographical location in relation to the orientation of the survey grid and topographical contours. It is this secondary generated electromagnetic field which is measured by a VLF-EM receiver. Results are plotted as dip angle (relative angle from the receiver to the source of the secondary field) and field strength (relative strength of this secondary field) components. Resultant values may be plotted and should reflect the conducting anomaly. Although a definitive interpretation of the results of this survey are premature due to insufficient data, the initial results indicate three conductors within the grid area. All three are generally associated in proximity with the outlined geo-chemical anomalies. Additional testing will be necessary before definitive conclusions may be drawn. An SP survey is anticipated for the '85 - '86 exploration season, to determine if sulphide mineralization is coincident with these anomalies.

Rolph McNally

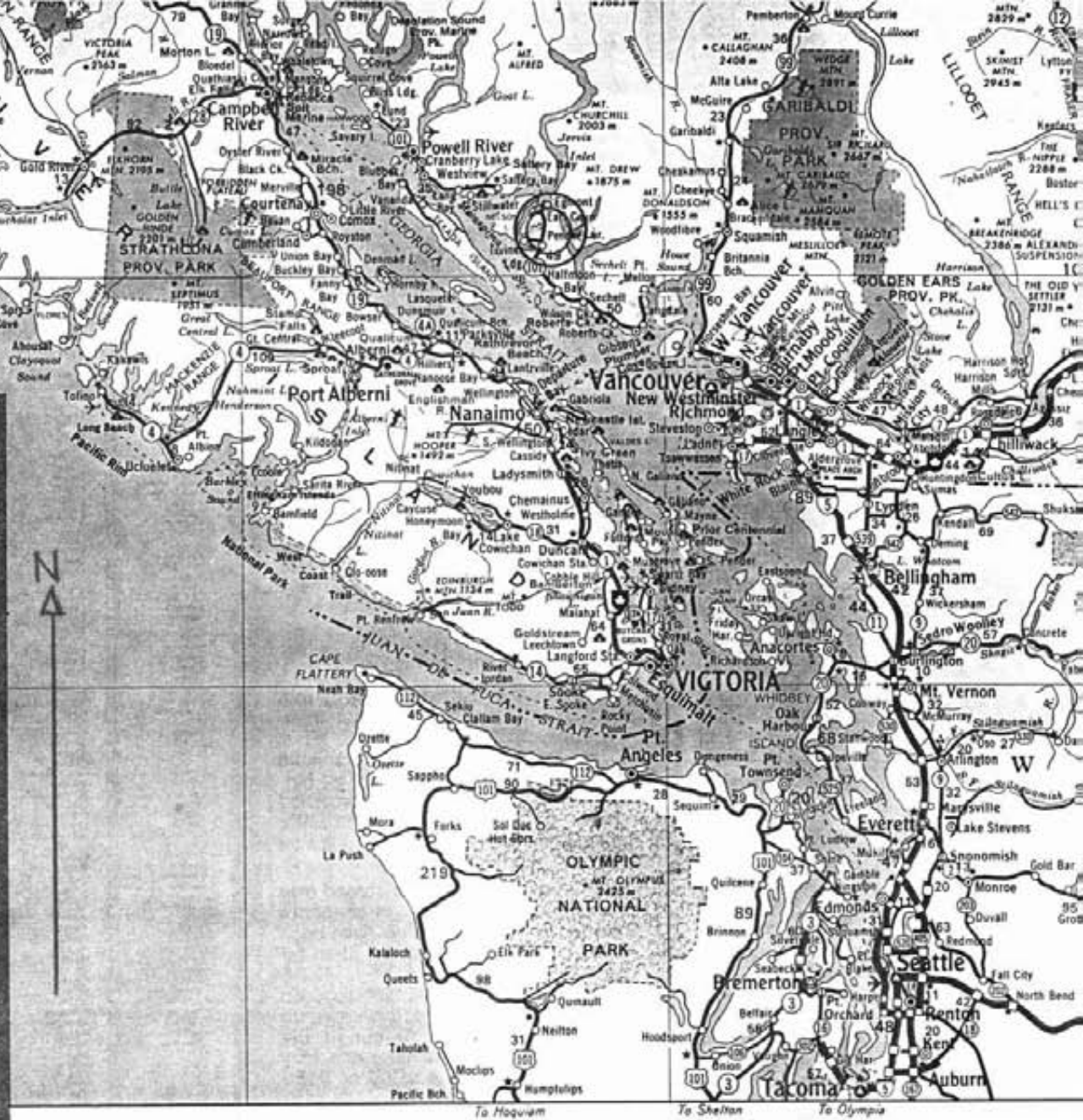
British Columbia Alberta

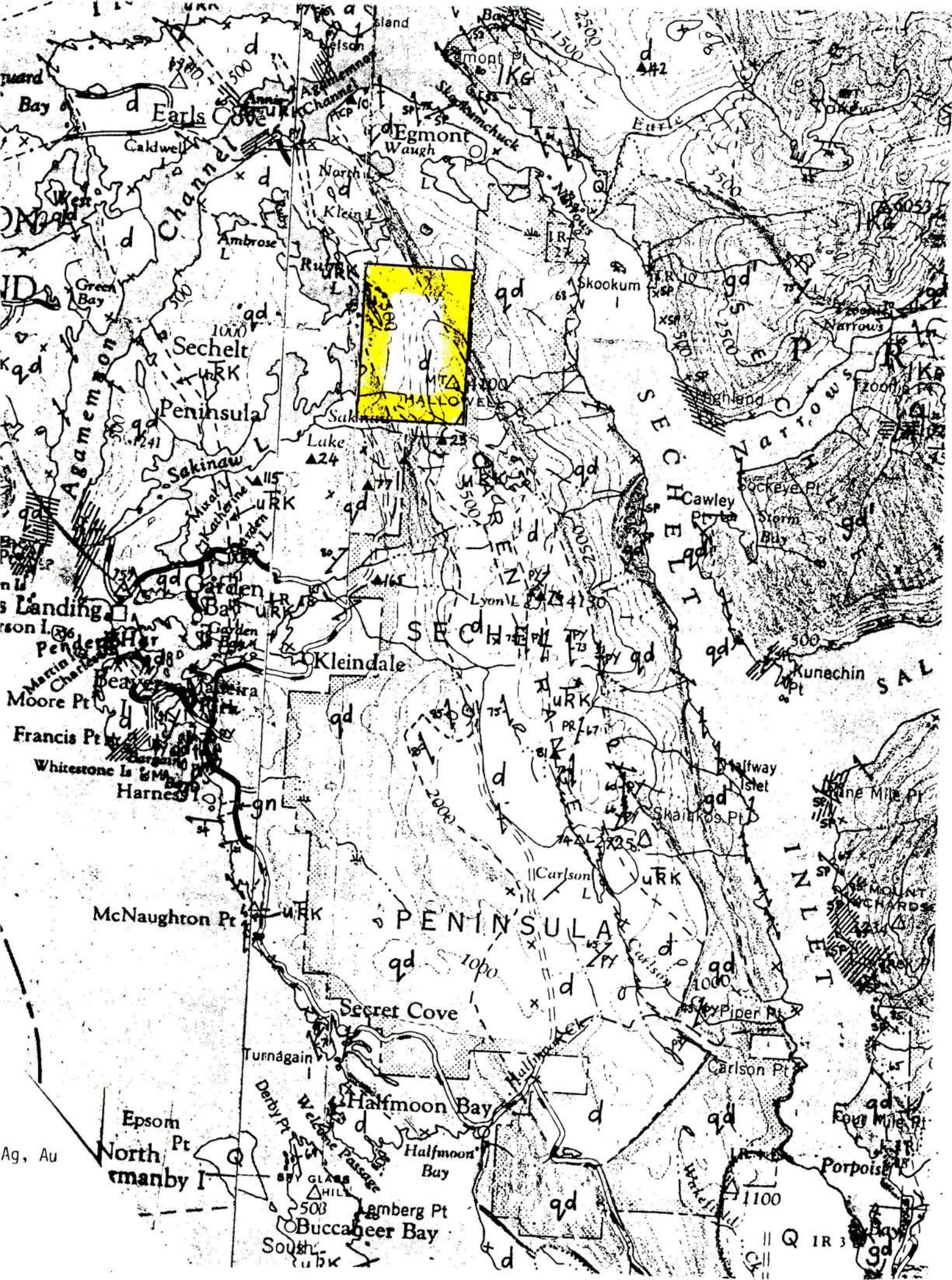


Expressway — limited access		Hard surface road	
Toll expressway — limited access		Gravel surface road	
Multiple lane highway — divided, undivided		Detailed kilometric distance	* 10 *
Trans Canada highway		Accumulated kilometric distance	* 77 *
Provincial/State highway		Government camp site	
Interstate highway		Government picnic site	
Hard surface highway		Ski area	
Gravel surface highway		Airport / Ferry	
Road under construction		Toll Bridge	T.B.

APPROXIMATE POPULATION

● Capital	○ 25,000-50,000	○ 2,500-5,000
○ 100,000 plus	○ 10,000-25,000	○ 1,000-2,500
● 50,000-100,000	○ 5,000-10,000	○ 0-1,000





124° 00'
49° 45'

M92G/12W

CHALICE I
1146(2) (6X4N)

WALLY I
1161(3)
(35X3W)

North I
WALLY II
1162(3)
(35X3E)

WALLY III
1163(3)
(6N3E)

NARROWS I
1378(3)
REDUCED
75X2E

Wough L.
(6N3E)

Skookumchuck Narrows Park

BACON I
1166(3)
(45X3W)

Klein L.
BACON II
1167(3)
(45X3E)

BACON III
1168(3)
(45X3E)

I.R. 27

Ruby L.

MINEREADER 1
1629(4)
25X7E
(146254)

MINEREADER 2
1630(4)
3N15E

LOW TIDE I
1462(5)
(45X3E)

MINEREADER 3
1631(4)
25X5E
MT. HALLWELL

MINEREADER 4
1632(4)
25X4E

HAM 5 610(12)
609(12)
H.M. 3
H.M. 1 567(10)
565(10)
H.M. 4
566(10), 568(10)

HAMBO
H.M. 2
1547
54W
1548(9)
1557

KLEIN I
1589(11)
(8N3W)

KLIEN II
1502(6)
8N3E

TYEE
1189(5)
(4N3W)

20125 D
20126 N
V 2

75860 MINER
OY (IF R)
NO STA

CHEEKYE - CAPE COCKBURN I.
WAR E
1069(10)
(2N2E)

WAR D
1068(10)
(7N2W)

WAR F
1070(10)
(7N2E)

RODA
1209(6)

KLIEN III
1503(6)
5N4E

WAR A
86(4)

Garden Bay Marine Park

I.R. 18

Lyon L.

WAR C

Z WAR B

ITEMIZED COST STATEMENT

Work on the MINEREADER Claim Group was performed by John P. and Tammy L. La Rue of Interex Resources Inc., and was rated at \$125 per person per day for technical work.

Survey Grid Preparation:

- Baseline and Location Line blazed, flagged and cleared. 2 persons X 1.5 days \$ 300.00
- Survey Lines established. 2 persons X 2.5 days \$ 600.00
- Initial Orientation to establish if the old surveys might be useful. 2 persons X 1 day \$ 200.00

Holman & Bloom Geochemical Survey: \$ 1750.00

-2 persons X 7 days

VLF - EM and Magnetometer Surveys: \$ 1250.00

-2 persons X 5 days

Accessory Costs: \$ 1190.70

-Mob de mob \$ 275.00

-4X4 rental plus mileage 264.00

(\$210 + \$54 21 days @
\$10/day plus 10¢ per
kilometer for 540 km.)

-VLF and Mag Rentals 200.00

-Holman and Bloom Chemicals 176.70

Total \$5290.70

MALASPINA COLLEGE

Statement of Course Completion

JOHN P. LARUE

has

Successfully Completed 180 Hours of Instruction
in

MINERAL EXPLORATION FOR PROSPECTORS

PRESENTED BY B.C. MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES
B.C. MINISTRY OF EDUCATION

APRIL 16 to 30, 1983 - MESACHIE LAKE, B.C.

MAY 2, 1983

Dated at Nanaimo,
British Columbia, Canada



Malaspina
College


Director / Dean


Registrar


Instructor

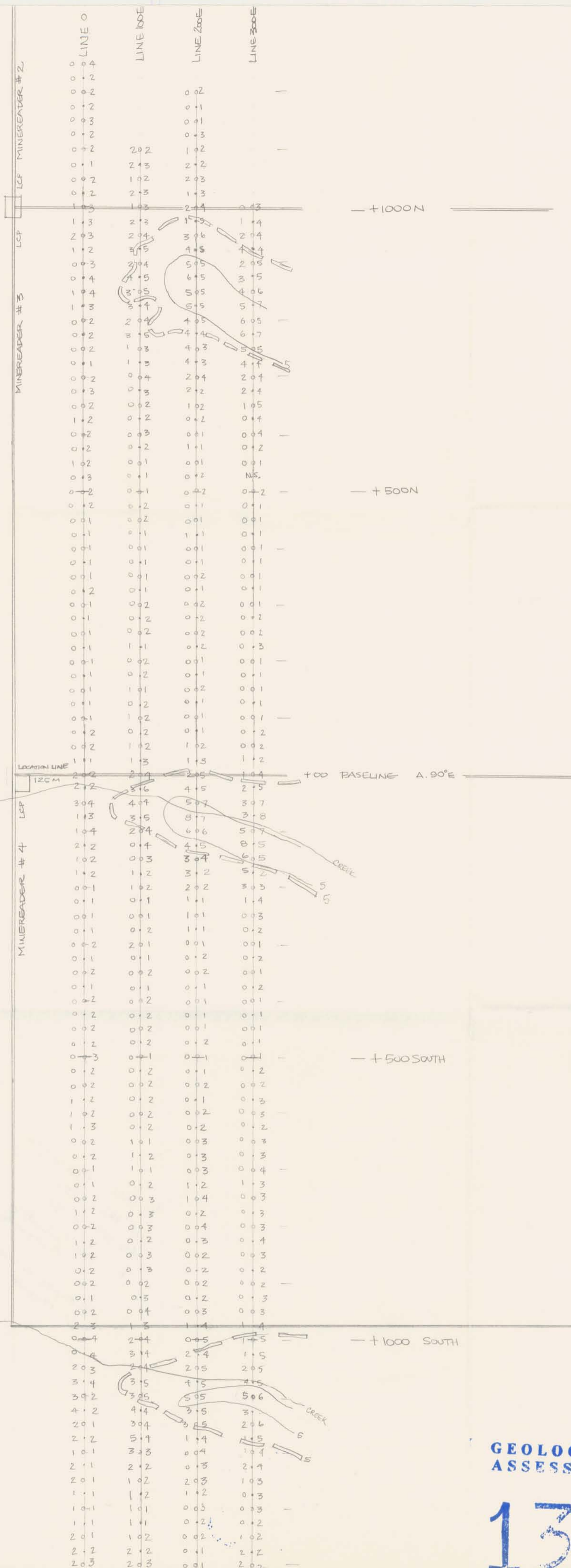


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HAM & TYEE MINERAL CLAIMS
LAST PRODUCER "CAMBRIAN CHIEFTAIN"

LINECUTTING & BASE MAP
MINEREADER GROUP MINERAL CLAIMS
MT. HALLOWELL AREA SECHULT PENINSULA
NTS MAP 92G12W LAT. 123° 56' LONG 49° 42'
OWNER: J. LARUE - OPERATOR: INTEREX RESOURCES INC.
SCALE 1: 10,000 1 CM = 100 METERS
MEASUREMENTS ESTABLISHED BY CHAIN & COM PASS
MARCH 18th 1985 J. Loz Ruel



+1000N

+500N

100 BASELINE A. 90°E

+500 SOUTH

+1000 SOUTH

HOLMAN & BLOOM GEOCHEMICAL SURVEY RESULTS
 MINEREADER GROUP MINERAL CLAIMS
 MT. HALLOWELL AREA - SECHELT PENINSULA
 NTS MAP S2G12W LAT. 123°50' LONG. 43°42'
 OWNER: J. LARUE - OPERATOR: INTEREX RESOURCES INC.
 SCALE 1:5000
 1 CM = 50 METERS
 MEASUREMENTS ESTABLISHED BY CHAIN & COMPASS
 MARCH 18th 1985 J. Larue

HOLMAN "COPPER"
 BLOOM "TOTAL HEAVY METALS"
 0.3
 1.4
 2.4
 0.4
 0.3

HOLMAN ANOMALOUS CONTOURS
 BLOOM ANOMALOUS CONTOURS

**GEOLOGICAL BRANCH
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MINIREADER #2 LCP MINIREADER #3 LCP MINIREADER #4 LCP

+4	5503				
+4	5503				
+3	5505				
+4	5508				
+2	5500		+3	5514	
+2	5508		+5	5512	
+1	5508	+3	5510	+6	5511
+2	5506	+2	5510	+4	5513
+2	5509	+1	5512	+3	5515
+4	5511	+2	5511	+3	5518
+2	5510	+2	5510	+1	5516
+3	5510	+1	5509	+2	5516
+4	5514	+1	5508	+1	5517
+4	5515	0	5509	-1	5514
+3	5509	+2	5511	0	5513
+4	5510	+2	5513	+1	5512
+4	5510	+3	5515	+1	5514
+4	5506	+2	5512	+1	5514
+4	5505	+3	5510	+2	5512
+4	5501	+4	5510	+4	5508
+5	5505	+6	5507	+6	5504
+7	5503	+6	5506	+6	5506
+6	5503	+6	5504	+5	5506
+7	5505	+6	5504	+5	5505
+6	5502	+5	5503	+5	5505
+8	5502	+6	5503	+6	5506
+8	5502	+8	5502	+6	5503
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+10	5501	+9	5501	+8	5502
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+10	5502	+11	5506	+8	5506
+9	5506	+11	5506	+9	5508
+8	5500	+9	5508	+9	5502
+7	5502	+9	5501	+10	5504
+8	5502	+8	5501	+10	5502
+6	5506	+7	5500	+8	5507
+5	5508	+7	5504	+8	5504
+6	5501	+7	5505	+8	5508
+6	5500	+8	5503	+9	5503
+6	5502	+8	5504	+8	5507
+6	5507	+6	5503	+8	5509
+6	5503	+6	5506	+8	5508
+6	5511	+5	5508	+8	5511
+5	5514	+4	5511	+7	5511
+4	5515	+4	5514	+6	5512
+4	5514	+4	5508	+6	5514
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+2	5512	+4	5511	+5	5516
+1	5514	+4	5514	+4	5520
0	5515	+3	5512	+4	5521
0	5518	+2	5512	+3	5522
0	5519	-2	5514	+3	5524
0	5522	0	5516	+2	5520
-2	5525	-2	5518	+1	5519
-4	5526	-4	5520	-6	5521
+2	5527	-4	5522	-3	5522
+5	5520	+5	5524	-8	5524
+6	5518	+6	5524	-6	5526
+8	5520	+5	5528	+3	5530
+11	5524	+6	5530	+4	5532
+14	5525	+8	5522	+7	5534
+14	5523	+11	5526	+9	5537
+13	5525	+12	5528	+10	5535
+13	5527	+10	5528	+14	5532
+13	5525	+8	5525	+12	5533
+12	5523	+8	5525	+10	5531
+10	5520	+6	5530	+12	5532
+10	5519	+6	5528	+8	5533
+10	5517	+6	5529	+8	5532
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+8	5514	+6	5523	+6	5527
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+4	5509	+5	5518	+6	5523
+6	5503	+5	5516	+6	5524
+4	5508	+6	5518	+8	5522
+4	5508	+7	5519	+4	5520
+2	5509	+4	5518	+4	5520
+1	5505	+2	5515	+4	5517
0	5508	+1	5513	+3	5518
+1	5506	0	5509	+1	5526
0	5506	0	5511	+1	5522
0	5506	-2	5506	+2	5524
-4	5507	-5	5509	-7	5528
-6	5503	-7	5508	-6	5530
-7	5502	-10	5507	-10	5532
-6	5502	-8	5508	-12	5530
-4	5500	-10	5505	-15	5528
-4	5505	-12	5504	-14	5530
-3	5506	-10	5503	-11	5526
-4	5504	-6	5510	-6	5528
+3	5503	-3	5511	-5	5526
+4	5504	+2	5513	-4	5522
+6	5508	+8	5509	0	5518
+10	5510	+15	5510	+8	5516
+12	5508	+14	5509	+6	5516
+12	5506	+15	5510	+10	5516
+11	5508	+12	5510	+10	5516
+12	5508	+12	5514	+12	5511
+12	5508	+14	5512	+12	5509
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+11	5510	+10	5510	+12	5521
+10	5511	+12	5512	+11	5522
+9	5508	+10	5514	+11	5523
+8	5508	+8	5516	+12	5522
+8	5508	+8	5518	+15	5515

+1000 NORTH

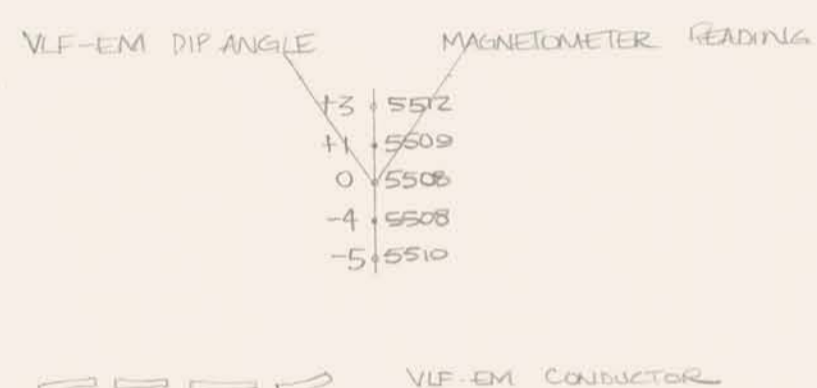
+500 NORTH

+100 BASELINE A. 90°E

+500 SOUTH

+1000 SOUTH

N



MAGNETOMETER & VLF-EM SURVEYS
 MINIREADER GROUP MINERAL CLAIMS
 MT. HALLOWELL AREA - SEHELT PENINSULA
 NTS MAP 92G12W LAT 123° 56' LONG 49° 42'
 OWNER: J. LARDE - OPERATOR: INTEREX RESOURCES INC.
 SCALE 1:5,000 1 CM = 50 METERS
 MEASUREMENTS ESTABLISHED BY CHAIN & COMPASS
 MARCH 18th 1985 J. Larde

MAGNETOMETER SURVEY
 GEOTRONICS MODEL 6-110 MAGNETOMETER
 READINGS TAKEN MARCH 7-10, 1985 ARE NOT
 CORRECTED FOR DIURNAL VARIATION, AND
 SHORTENED FOR EASE IN RECORDING & INTERPRETATION
 PROFILE READING +60,000 GAMMAS = ADJUSTED READING
 (I.E. 5520 + 60,000 GAMMAS = 55520 GAMMAS)

VLF-EM SURVEY
 SARRE ELECTRONICS MODEL 27 VLF-EM RECEIVER
 READINGS TAKEN MARCH 7-10 1985 USING VLF
 MILITARY TRANSMISSIONS GENERATED FROM STATION
 LOCATED AT [unclear] NEW BR 0432

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