RECONNAISSANCE GEOCHEMICAL REPORT

ON THE

DECE MINERAL CLAIM

for

Robert Holland

Owner

NTS 93L/10E

Omineca Mining Division

Latitude 54°43'N

Longitude 126°38'W

August 11, 1985

Robert Holland, B.Sc.
Holland Geoservices Ltd.

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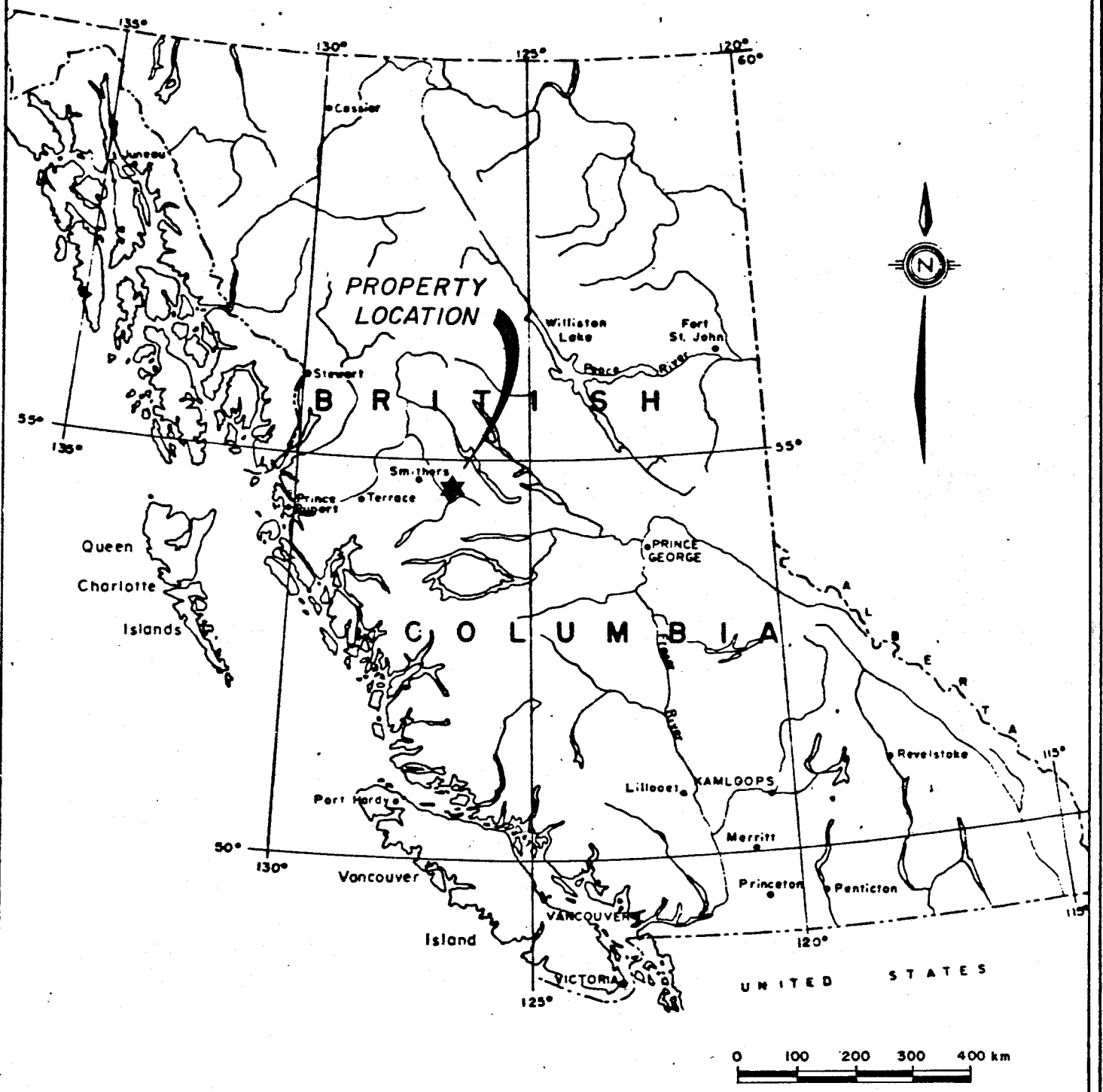


LOCATION MAP

FIGURE 1

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The Dece claim, owned by Robert Holland, is located on the southern flank of Dome Mountain and within 2 kilometers of important high grade gold-silver veins exposed on the upper slopes. Recently discovered massive sulfide float has also been reported just east of the property. The claim was staked to cover an area of anomalous gold soil geochemistry associated with a resistivity low delineated in the recent past. A program of reconnaissance soil geochemistry was completed to relocate these anomalous zones. Results indicate a small but strongly anomalous zone of coincidental gold-silver-copper-arsenic-lead values within the central part of the property. In addition, several other weakly anomalous but significant gold and copper responses were also delineated. At least two gold anomalies coincide with postulated locations of previous gold highs and several other of these highs remain untested.

The strongly anomalous area shows good potential for mineralization and should be followed up by more detailed soil geochemistry and prospecting. The grid area should be expanded to include the rest of the claim area, and more detailed sampling should also be done around some of the other anomalous areas. In addition, the whole claim area should be geologically mapped and tested with VLF electromagnetic and magnetometer surveys. Target areas defined by this work could then be tested by backhoe trenching and diamond drilling.

LOCATION AND ACCESS

The Dece claim is situated four kilometers south southeast of the peak of Dome Mountain, along the north-

east edge of Deception Lake and straddling Guess Creek. The north central British Columbia towns of Smithers and Houston lie 32 kilometers west northwest and 33 kilometers south respectively. Elevations range from 3550 to 4350 feet and the terrain is generally moderately sloping with some flat and swampy ground in the lower regions. Much of the claim has been clear cut logged, but remaining areas are well timbered by balsam fir with poplar and spruce.

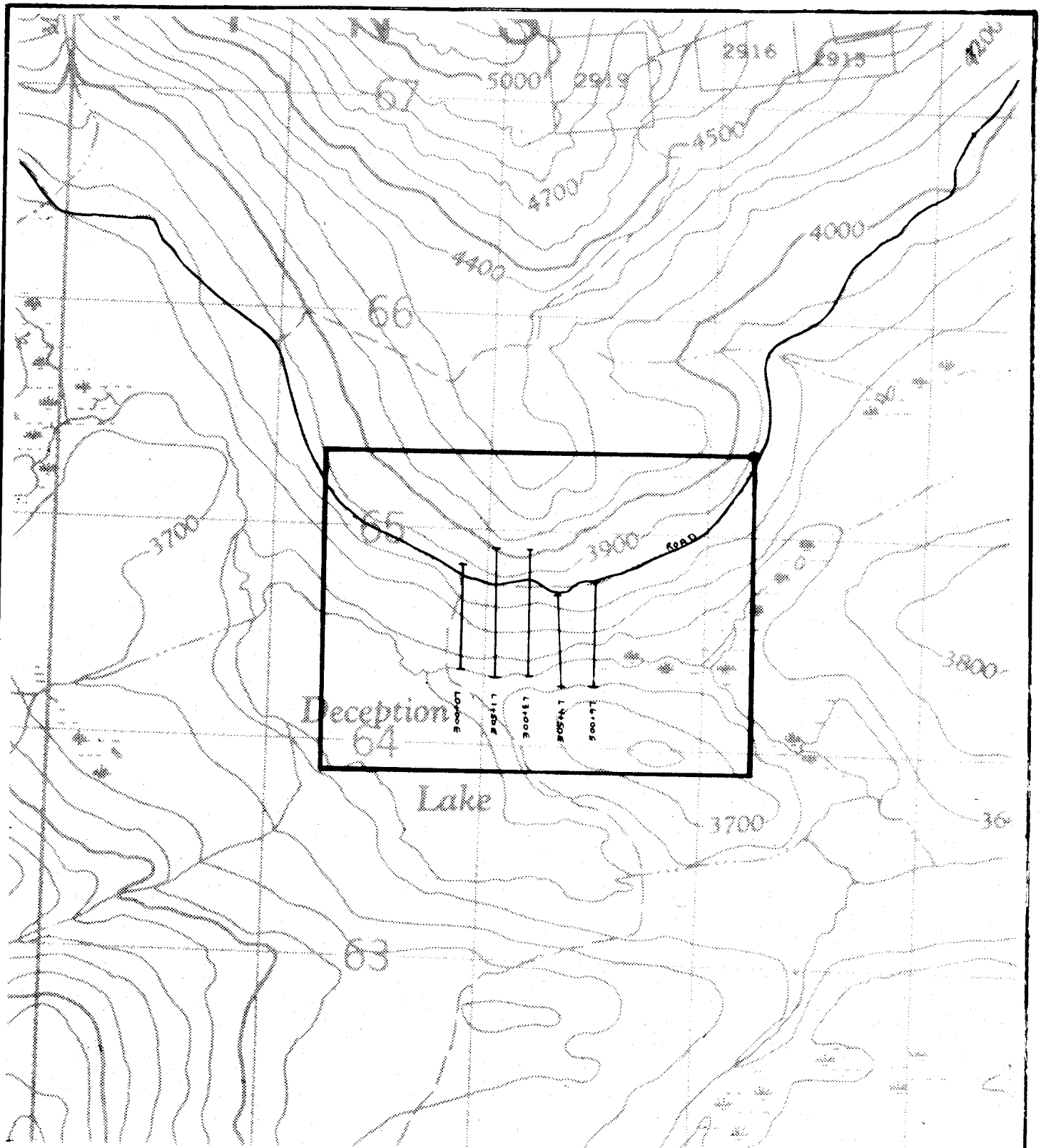
Access to the property is via a rough but good grade gravel road to Guess Lake and from there via a poor four wheel drive road approximately five kilometers to the property. This road continues across the northern half of the property, and a network of old logging and skid trails cover much of the claim area. The Guess Lake road connects, via a series of farm access roads, to the Yellowhead Highway, a major route connecting Smithers and Houston with points east and west. This highway passes within 16 kilometers of the property. Daily air service is available from Smithers to Vancouver, Prince George and Terrace, and railway and helicopter facilities can be found in both Smithers and Houston.

CLAIM STATUS

The Dece claim, record number 6574, consists of 12 claim units situated in the Omineca mining division of British Columbia as shown in figure 2. The current expiry date is August 13, 1985.

INTRODUCTION

In about 1914, numerous gold bearing quartz veins were discovered on the north and eastern slopes of Dome



HOLLAND GEOSERVICES LTD.

DECE CLAIM

CLAIM MAP

FIG. 2

Date July . 1985	by R. Holland
Scale 1:25,000	NTS 93L/10

Mountain over an area about 4 kilometers long by 2.5 kilometers wide. Considerable work in the form of open cuts, stripping, tunnels and shafts was carried out between 1916 and 1924, and again between 1932 and 1935. An ore shipment of 2463 tons was reported to have been made in 1940. The area has since seen only sporadic activity until recent years when higher gold prices have sparked renewed interest by a number of companies.

Roughly three kilometers southeast of the Dome Mountain veins, a sample of massive sulfide float has reportedly been located in an area of heavy overburden. This occurrence is associated with a strong airborne magnetic high.

The Dece claim lies within 2 kilometers to the south of the Dome Mountain mining camp and 3 to 4 kilometers east of the massive sulfide occurrence. The property area was investigated during the mid-1970's by Sumac Mines Ltd. who carried out reconnaissance soil geochemistry, and a 64 line-kilometer induced polarization survey. Four strongly conducting structures and a resistivity low, with coincidental copper-zinc soil responses, were outlined. Four diamond drill holes totalling 582 meters (1908 feet) were completed to test these zones with negative results. The soil geochemistry survey also revealed a number of anomalous gold zones which appear to be largely untested. The property was subsequently acquired by Noranda Explorations Ltd. who carried out line cutting, geological mapping, soil geochemistry, magnetometer, induced polarization and electromagnetic surveys and drilled two diamond drill holes totalling 253.5 meters. Results and locations of this work are not known. The Dece claim was staked in July 1984, by Robert Holland, to cover the anomalous gold geochemistry, and a limited grid soil geochemistry program was completed

in July 1984 under the supervision of Holland Geoservices Ltd.

GEOLOGY

The Dome Mountain region is underlain largely by tuffs, sediments and flow rocks of the Telkwa formation, part of the lower Jurassic-aged Hazelton Group. The Telkwa formation in this vicinity can be subdivided into three units. These consist of upper and lower volcanic assemblages with an intermediate sedimentary unit. The lower assemblage consists of interbedded red, maroon, purple, grey and green tuffs and breccias with intercalations of shale, greywacke and discontinuous limestone beds and lenses. This unit is overlain by about 100 meters of black shale which in turn is overlain by mainly green marine tuffs, breccias and flows. These grade upwards into mainly reddish subaerial lapilli tuff and fine to medium grained basaltic to rhyolitic breccia and flows, forming a total thickness of approximately 900 meters. The Telkwa formation is locally cut by irregular, dyke-like bodies of quartz porphyry up to 5 meters wide with silicification of country rock common near the contacts.

Rock exposure is generally poor over much of the Dece claim area and little in the way of geological studies have been made in the past. Examinations of Sumac Mines Ltd. drill logs suggest that the central and southern claim areas, including much of the 1984 soil grid, is underlain by an interbedded sequence of greywackes, argillites, calcareous greywackes and argillites, and limestones. Quartz-carbonate stringers and veinlets, and graphitic sections are common. Up to 8% pyrite as disseminations, fractures and bands also occurs locally. Northeast of the grid area, the rocks appear to be predominantly light greenish grey

dacites including porphyritic and tuffaceous facies. Several small quartz veins were noted, and pyrite occurs as 0 to 2% fine disseminations and lesser fracture fillings. Drill hole DL-4, located northwest of the grid area, also intersected volcanic rocks, these being mainly multicolored tuffs and breccias with only traces of pyrite.

MINERALIZATION

Mineralization within the Dome Mountain mining camp is largely of the fissure filled quartz vein type. Sulfides occur in varying amounts and consist primarily of disseminated pyrite and arsenopyrite with lesser amounts of galena, chalcopyrite, tetrahedrite and sphalerite. Gold values occur associated with the iron sulfides and silver apparently with galena. Numerous vein systems have been investigated in the past, and near surface sampling shows gold values commonly in the range of 0.3 oz/ton to in excess of 2.0 oz/ton over widths ranging from 6 inches to over 5.5 feet. Silver values commonly range from 1 to 15 oz/ton or higher, with local copper and lead. No information is presently available on the nature of reported massive sulfide mineralization found in float southeast of Dome Mountain.

No significant mineral occurrences are currently known on the Dece property. However, at least one quartz vein, 2 feet wide, with traces of chalcopyrite, pyrite and sphalerite was noted in dacite in one of the Sumac Mines drill holes.

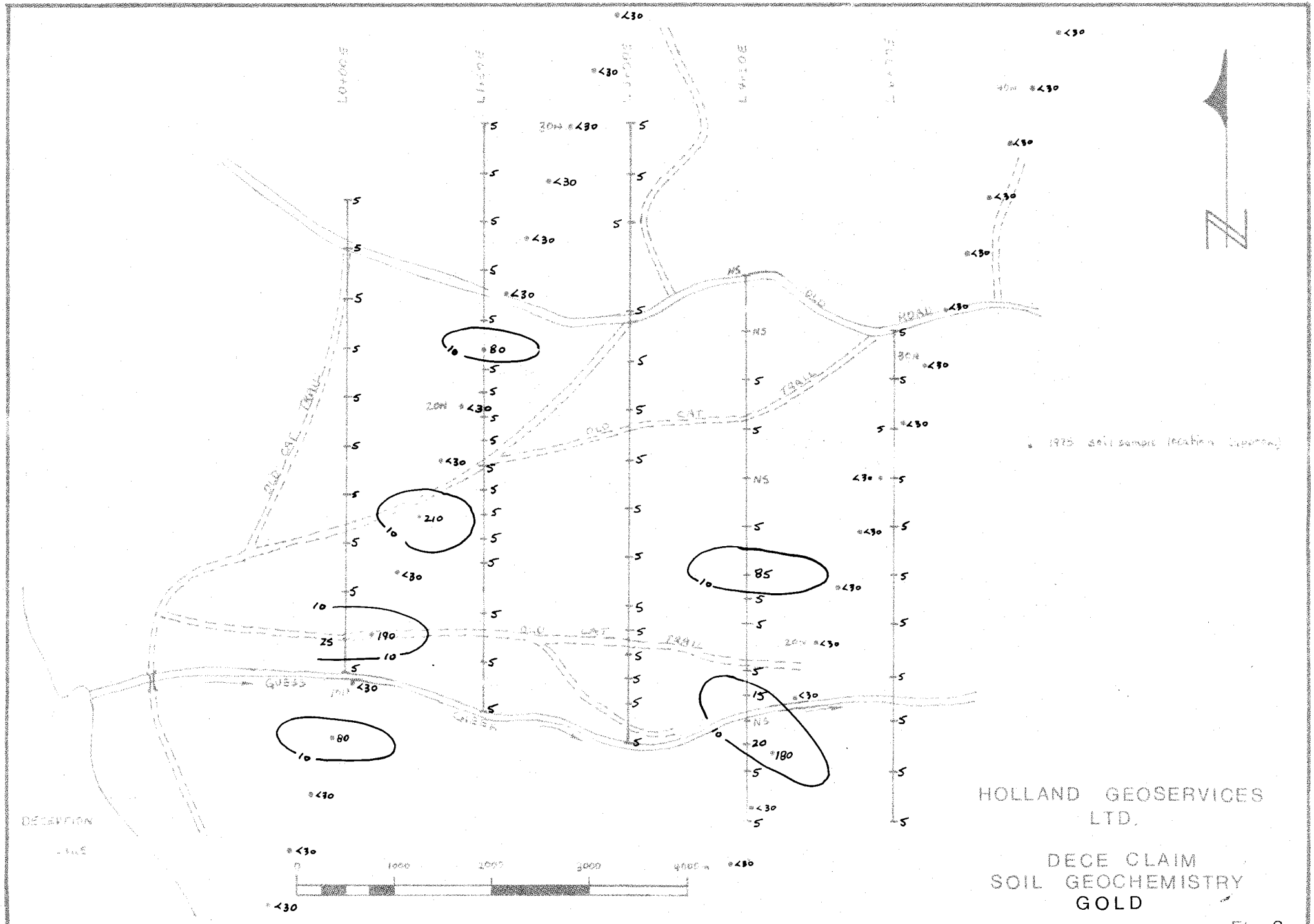
SOIL GEOCHEMISTRY

A program of reconnaissance soil geochemistry was completed over the central part of the Dece claim in the

vicinity of many of the previous anomalous gold values. A total of 65 samples were collected at 25 to 50 meter intervals along five 150 meter spaced north-south lines. Samples were collected, using a prospector's 'grub hoe', as nearly as possible from the 'B' soil horizon (15 to 25cm depth) with an effort to avoid organic rich, disturbed or leached material. Each sample was stored in a labelled kraft soil bag and shipped to Acme Analytical Labs in Vancouver, B.C. for analysis for copper, silver, lead, zinc, arsenic and gold. Standard aqua regia digestion and I.C.P. analysis methods were used on a .5 grams portion of -80 mesh size fraction for all elements but gold. Gold was analysed using standard atomic absorption methods on a 10 gram sample. Results are reported in parts per million (ppm), except gold which is given in parts per billion (ppb), and are tabulated by element in figures 3 to 8. The postulated location of previous soil results is also shown. An insufficient number of samples were taken to perform proper statistical analysis to determine anomalous threshold values for each element, however, reasonably accurate levels were determined by visual examination and previous experience in the general area.

Gold

The detection limit for gold is 5 ppb and values greater than this are considered significant. Three small areas of interest were outlined with values to 85 ppb. Two of these coincide with the estimated location of a previous gold anomaly. Two of the previous anomalies were not properly covered by the 1984 survey and a third weaker value was not reproduced. It is apparent that there is an order of magnitude difference between current and old gold values and detection limits and this is likely due to improved analysis techniques and equipment now in use.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DECE CLAIM
SOIL GEOCHEMISTRY
GOLD
July 1985
Scale 1:5000
Fig. 3

Silver

The detection limit of the old sampling was 5 ppm and all values received were below detection. Visual examination of current results, however, suggests a background limit of 0.8 ppm with values greater than 2.0 ppm considered highly anomalous. Two anomalous areas were delineated with values to 2.6 ppm. The larger and stronger of these occurs in the central part of the grid and covers an area approximately 350 meters long by 25 meters wide and trends easterly. This anomaly is also coincidental in part with the strongest 1984 gold response.

Copper

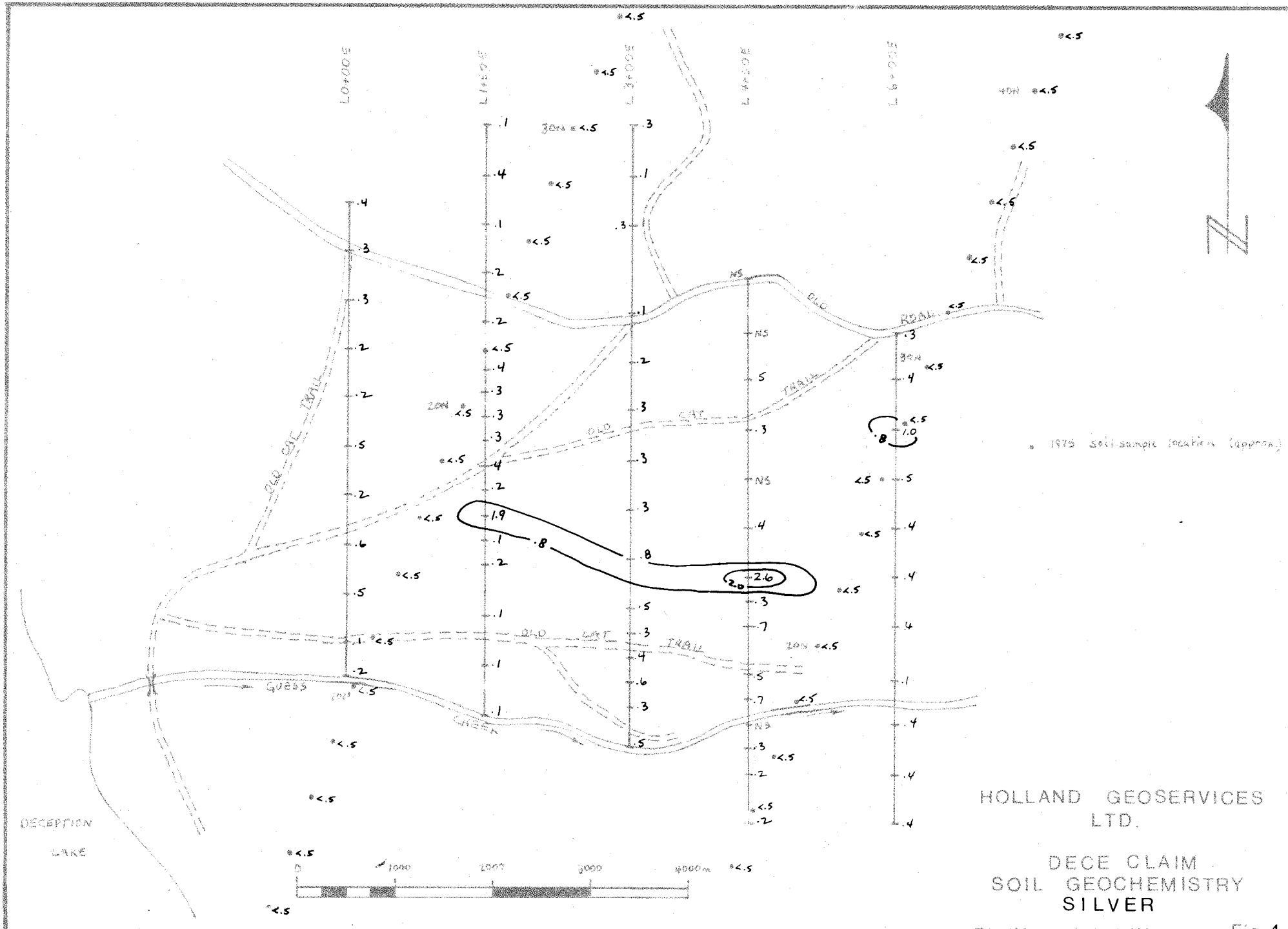
The anomalous threshold value for copper has been taken as 60 ppm with results over 100 ppm considered highly anomalous. Using these parameters, four significant anomalous zones were outlined, two of which coincide with the aforementioned silver responses. Values to 133 ppm copper were obtained.

Arsenic

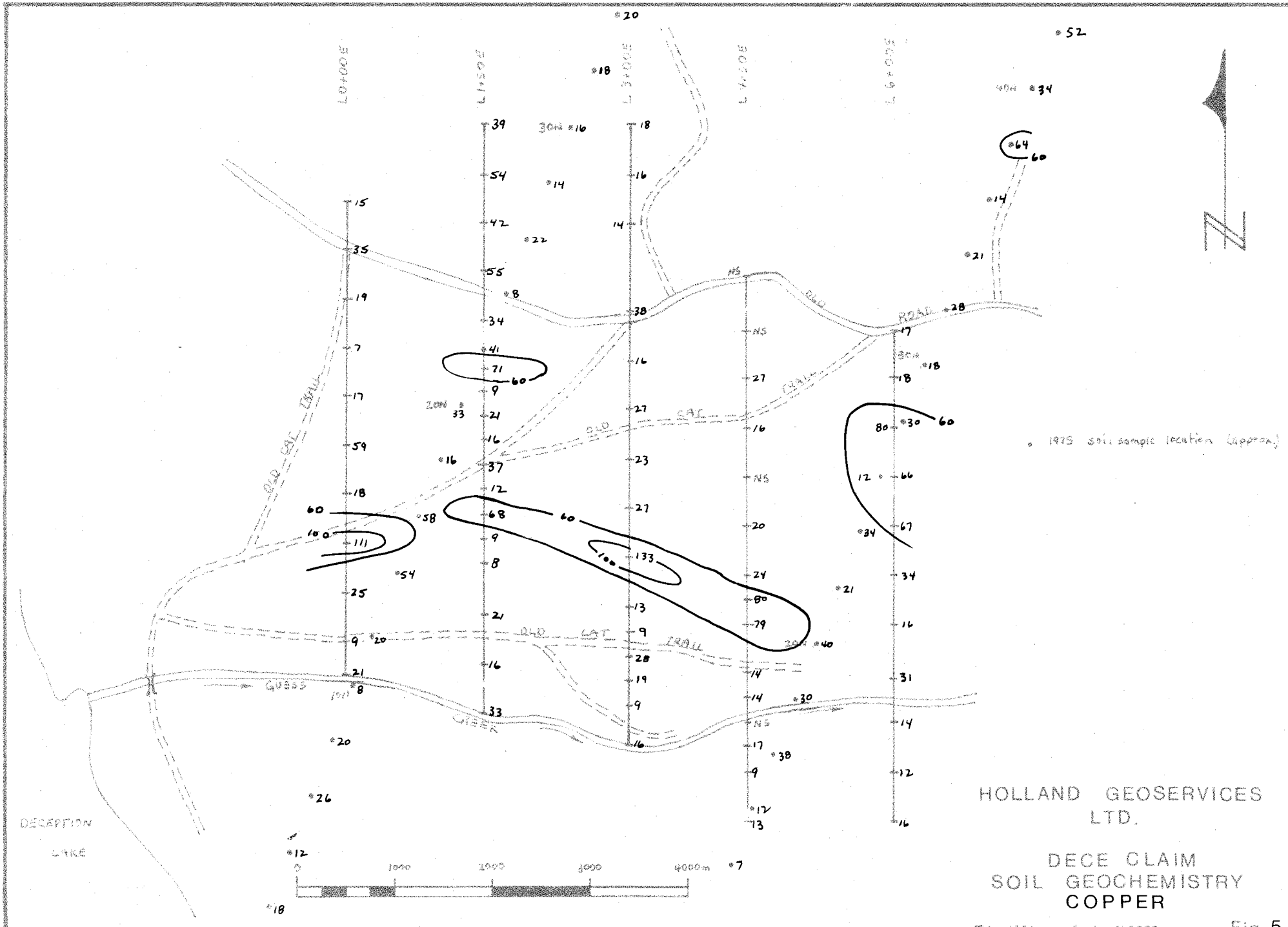
Previous analyses did not include arsenic. However, the presence of arsenopyrite on Dome Mountain and argentiferous tetrahedrite in adjacent regions suggest it to be a good potential indicator of mineralization. Regional arsenic background limits have been indicated to be approximately 35 ppm with values greater than 100 ppm considered highly anomalous. A single strong arsenic anomaly with values to 689 ppm was outlined coincidental with strong silver-gold-copper responses.

Zinc

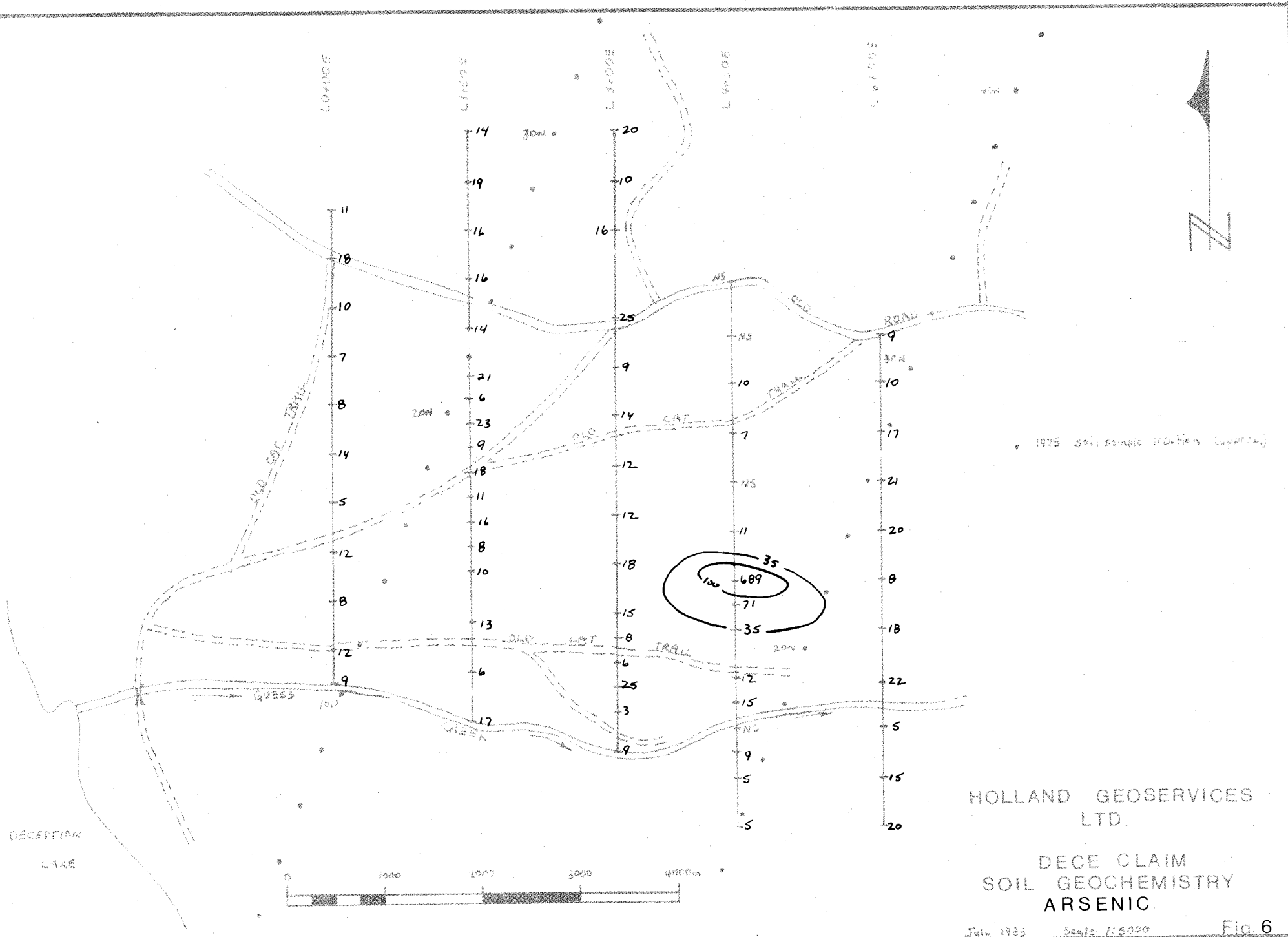
The anomalous threshold value for zinc has been determined to be 150 ppm. Three weakly anomalous zones were



* 1975 Soil sample location (approx.)



• 1975 soil sample location (approx.)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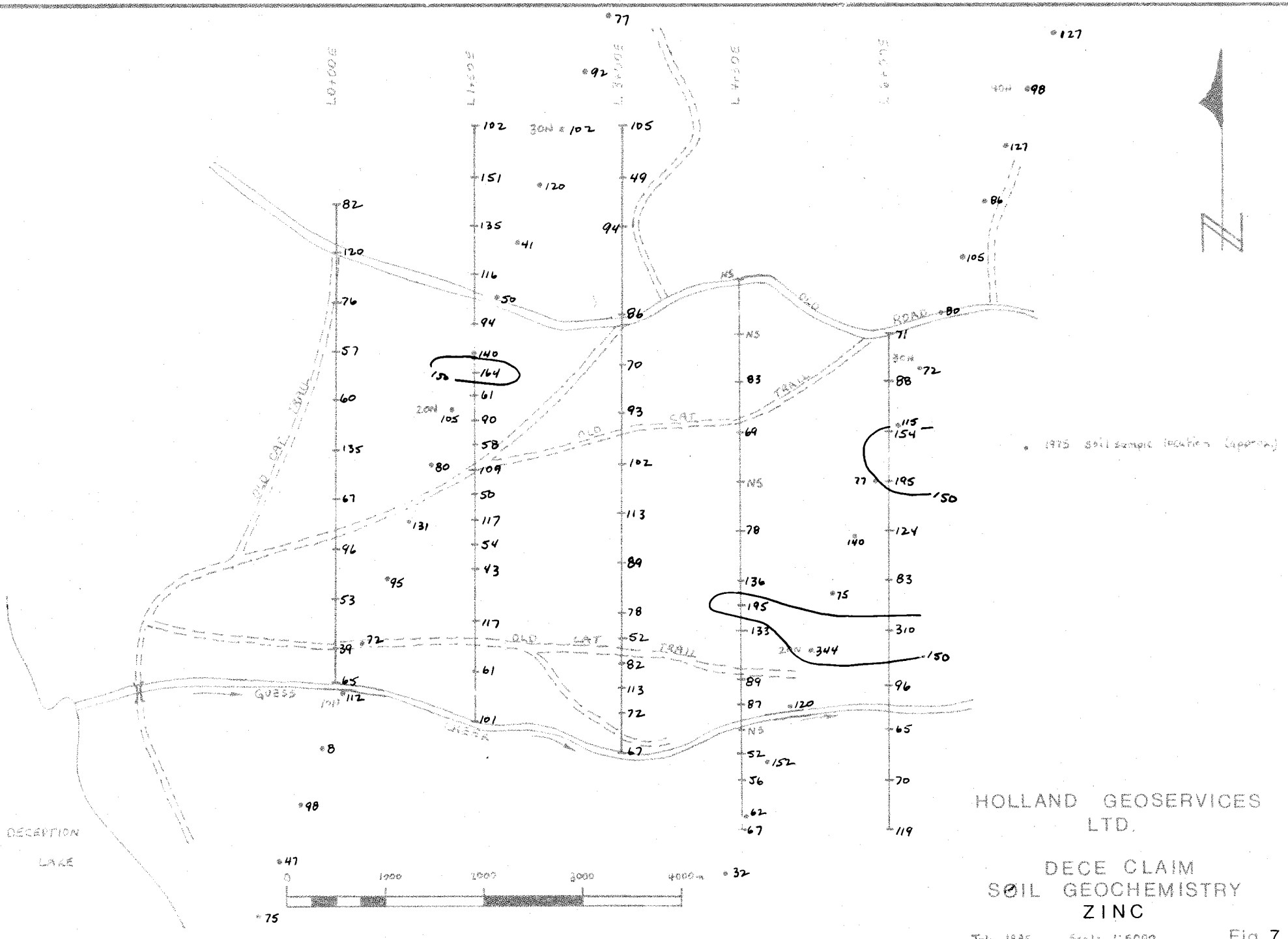
1975 soil sample location (approx)
HOLLAND GEOSERVICES LTD.
DECE CLAIM
SOIL GEOCHEMISTRY
ARSENIC
July 1985
Scale 1:5000
Fig. 6



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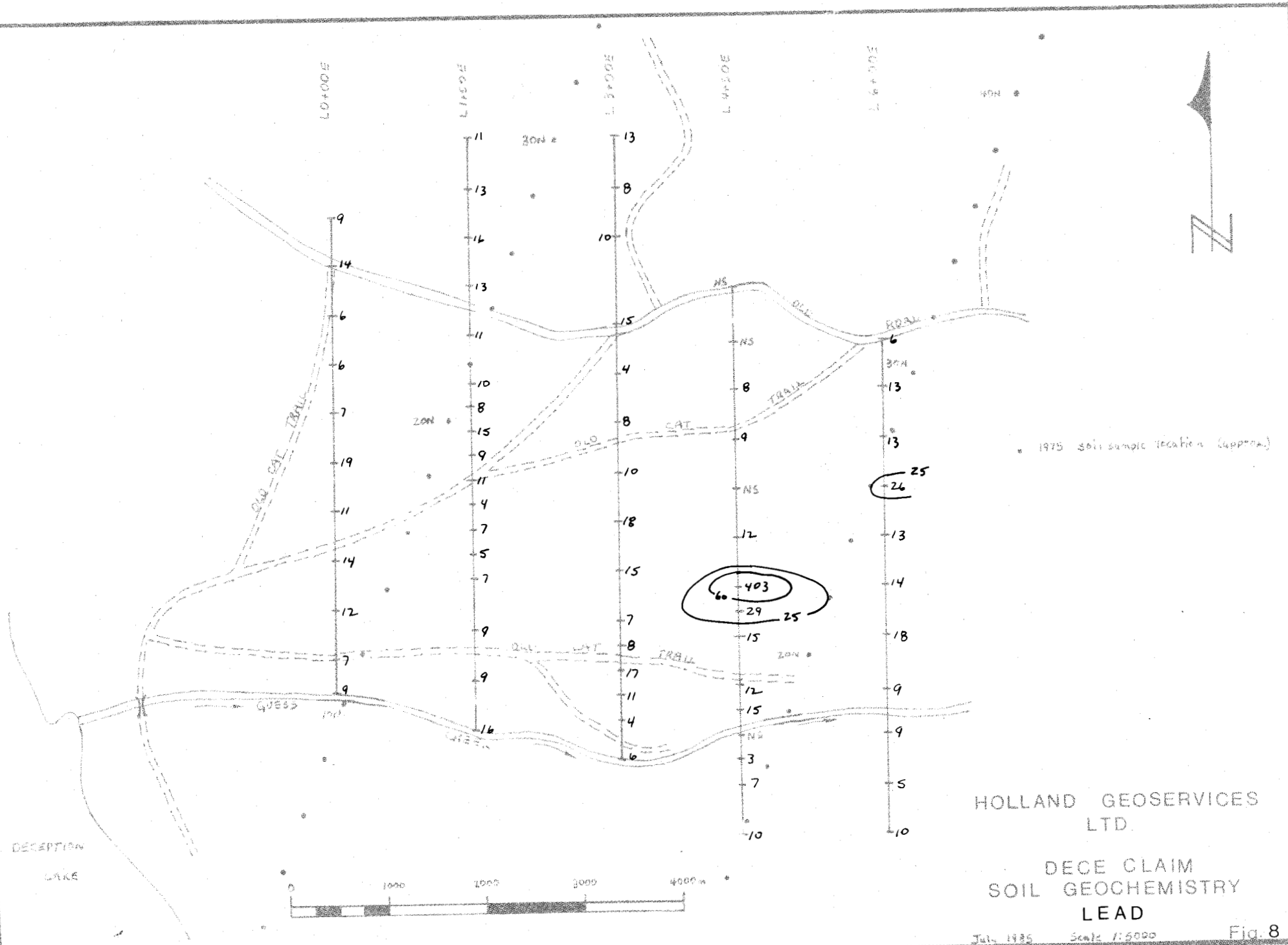
DECE CLAIM
SOIL GEOCHEMISTRY
ZINC

July 1975 Scale 1:5000 Fig. 7

outlined with values to 344 ppm. These are coincidental in part with copper and to a lesser degree with silver responses.

Lead

Within the Dece claim, the lead threshold value has been indicated to be 25 ppm, with values greater than 60 ppm considered highly anomalous. Results show a strong anomalous zone, coincidental with the aforementioned strong gold-silver-copper-arsenic anomaly, with values to 403 ppm lead.



* 1975 Soil sample location (approx.)

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DECE CLAIM
SOIL GEOCHEMISTRY
LEAD

Jul. 1985 Scale 1:5000 Fig. 8

SELECTED REFERENCES

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STATEMENT OF COSTS

The following costs were incurred by Holland Geoservices Ltd. on behalf of Robert Holland for work conducted on the Dece claim near Deception Lake. This work was carried out during the period August 2, 1984 to August 9, 1985.

Camp Costs	
2 man-days @ $15.00/day	$30.00
Geochemical Analysis (Au, Ag, Cu, Pb, Zn, As)	
65 samples @ $8.60 each	559.00
Equipment and Supplies	86.93
Office (clerical)	
5 hours @ $9.00/hr	45.00
Labour	
R. Holland, geologist	
3.5 days @ $250.00/day	
Aug.2/84, July 24, Aug.2,7,8,9/85	875.00
R. Wahl, field assistant	
1 day @ $150.00/day	
Aug. 2/84	150.00
Transportation (gas)	20.00
Truck Rental	
1 day @ $50.00/day	50.00
Total	$1815.93

QUALIFICATIONS

I, Robert Holland, of 13451 - 112A Avenue, Surrey, British Columbia, hereby certify that:

1. I am a graduate of the University of British Columbia (1976) and hold a B.Sc. degree in geology.

2. I am currently employed as a consulting geologist with Holland Geoservices Ltd. of 13451 - 112A Avenue, Surrey, British Columbia.

3. I have been employed in my profession by various mining exploration companies for the past ten years.

4. The information contained in this report was obtained as a result of field work carried out under my supervision by Holland Geoservices Ltd. in 1984 and 1985.

Robert Holland, B.Sc.
consulting geologist