GEOCHEMICAL & DIAMOND DRILLING REPORT

ON

'B' CLAIM

OMINECA MINING DIVISION

FAWNIE NOSE AREA

FILMED

LATITUDE: 53° 19' LONGITUDE: 125° 10'

NTS 93 F/6 E

GEOLOGICAL BRANCH ASSESSMENT REPORT

HELD BY:

GRANGES EXPLORATION LTD. 900, 625 HOWE STREET VANCOUVER, B. C. V6C 2T6

14,675

SEPTEMBER 17, 1985

G. W. ZBITNOFF, P.ENG. (J. J. LEADER)

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| ENCLOSURES | | | | | | | | |
| 1 PLAN SHOWING DRILL HOLE LOCATION SCALE 1: | : 5000 | | | | | | | |
| 1 PLAN SHOWING SOIL SAMPLING SCALE 1: | :1000 | | | | | | | |

INTRODUCTION

During the period of July 1st to July 26th, 1985, Granges personnel under the supervision of S. Weekes and directed by G. Zbitnoff, undertook a small soil sampling and Winkie diamond drilling program on the 'B' claim near Green lake. The purpose of the program was to further investigate anomalous gold and silver results and showings, located by previous programs.

LOCATION AND ACCESS

| CLAIM | RECORD $\#$ | DATE | UNITS |
|-------|-------------|------------|-------|
| В | 150 | Sept. 26th | 18 |

The 'B' claim is located in the Omineca Mining Division at latitude 53° 19' and longitude 125° 10'. The claim lies approximately 114 Km SE of Vanderhoof, and covers Green Lake and the surrounding area.

Access is via helicopter from Burns lake, approximately 115 Km to the northwest.

The claim is held by Granges Exploration Ltd. for a joint venture agreement with Cominco Ltd.

PHYSIOGRAPHY

The claim lies on a rugged portion of the Fawnie Range, with the elevation ranging from 1495 m at Green Lake to 1828 m in the south and 1676 m in the north. Much of this area is covered by talus.

GEOLOGY

According to G.S.C. Memoir 324, 'Nechako River Map area, British Columbia', the 'B' claim is underlain by the Takla group (unit 2) which consists of andesite and basaltic flows, tuffs and breccias, interbedded argillite and minor limestones. Much of the slopes are talus covered and the ridges are rusty due to the pyritic weathering.

GEOCHEMICAL SURVEY

A small, 14 sample, program of soil sampling was conducted over the area of a previously located showing on July 25th, 1985. The samples were assayed for Mo, Cu, Pb, Zn, Ag, Mn, As, Sb, Ca, Ba and Au.

Soil samples of the Upper 'B' horizon were obtained at an average depth of 0.3 meters with the use of augers. The samples were taken at 25 m spacings on a previously surveyed regular grid. The samples were then placed in Kraft soil envelopes and delivered to Acme Analytical Laboratories Ltd., 852 East Hastings St., Vancouver, B. C. The samples are dried for approximately 16 hours at 75° centigrade and sieved to -80 mesh. A .5 gram sample is digested with diluted Aqua Regia in a boiling water bath and diluted to 10 mls. with demineralized water. A 10 gram sample is used for Au. All the above elements are determined by a direct reading plasma spectometer analysis (ICP).

DISCUSSION OF RESULTS

Values obtained were not of great significance - the most notable was a coincident reading of 95 ppb Au, 2.1 ppm Ag and 263 ppm Zn. The values obtained are plotted on the accompanying plan.

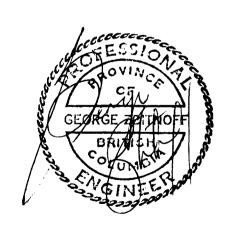
DIAMOND DRILLING

One Winkie diamond drill hole was drilled for a total of 7.62 m. This hole -GL 1- was drilled by Granges personnel during the period of July 9th to July 24th, 1985. The hole was drilled to test a high Au value (140 ppb) located on a small sampling program at 11+05 N and 39+20E. The program was supervised by S. Weekes, Geologist for Granges Exploration Ltd. No interesting values were obtained but for more information please see appended log and record sheets, or view core at Granges' Vanderhoof location.

COST BREAKDOWN

PERSONNEL

| - · · · · · · · · · · · · · · · · · · · | 9TH - JULY 25TH @ \$65/DAY | \$1105.00 \$1105.00 |
|--|---|------------------------|
| 14 SOIL SAMPLES @ | \$9.60 | \$ 134.50 |
| 4 CORE SAMPLES @ \$1 | 7.75 | 71.00 |
| CAMP COSTS - 34 MAN | DAYS @ \$40.00 | 1360.00 |
| ALPINE HELICOPTERS | 5.7 HRS. @ \$450.00/2 3.7 HRS. FUEL & OIL @ \$76/2 | 1282.50 141.00 |
| REPORT PREPARATION | 2 DAYS @ 92.00 | 184.00 |
| ADMINISTRATION | | 538.29 |
| TOTAL | | \$5921.19 |



STATEMENT OF QUALIFICATIONS

Name:

Zbitnoff, George Wm.

Profession:

Geologist

Professional Associations:

Member of the Association of Professional Engineers of the Province of Manitoba

- Member of the Association of Professional Engineers of the Province of British Columbia since 1973.

- Member of the Canadian Institute of Mining and Metallurgy.

Experience:

Pre graduation experience in geology with the Department of Mineral Resources of Saskatchewan.

- Two and a half years, field geologist with Hudson Bay Exploration and Development, Central Canada.
- Six years, field and resident geologist with Noranda Exploration Ltd., Central Canada.
- Fourteen years geologist and Vice-President at Granges Exploration Ltd. Vancouver, B. C.

 Active geological experience in all provinces of Canada and parts of the United States and Mexico.

STATEMENT OF QUALIFICATIONS SCOTT M. WEEKES 1012 BELMONT AVE. NORTH VANCOUVER, B.C.

NAME: Weekes, Scott Macdonald

BIRTHDATE: July 18, 1961

BIRTHPLACE: Moose Jaw, Saskatchewan

Graduated from Handsworth Secondary School, North Vancouver, B.C. in 1979.

Graduated from the University of British Collumbia with a B.Sc. Geology major.

EXPERIENCE:

Summers 1980 - 1984

(1) Field geologist - Granges Exploration Ltd.- Involved in all aspects of mineral exploration.

1984 - Present

- (1) Project geologist, Granges Exploration Ltd.
 - Supervision of diamond drill projects.
 - Supervision of regional exploration work.
 - Prospecting and mapping.

ACME ANALYTICAL LABORATORIES LTD.

NE: 253-3158

852 East Hastings St., Vancouver, B.C. V6A 1R6



Date: AUG 12 1985

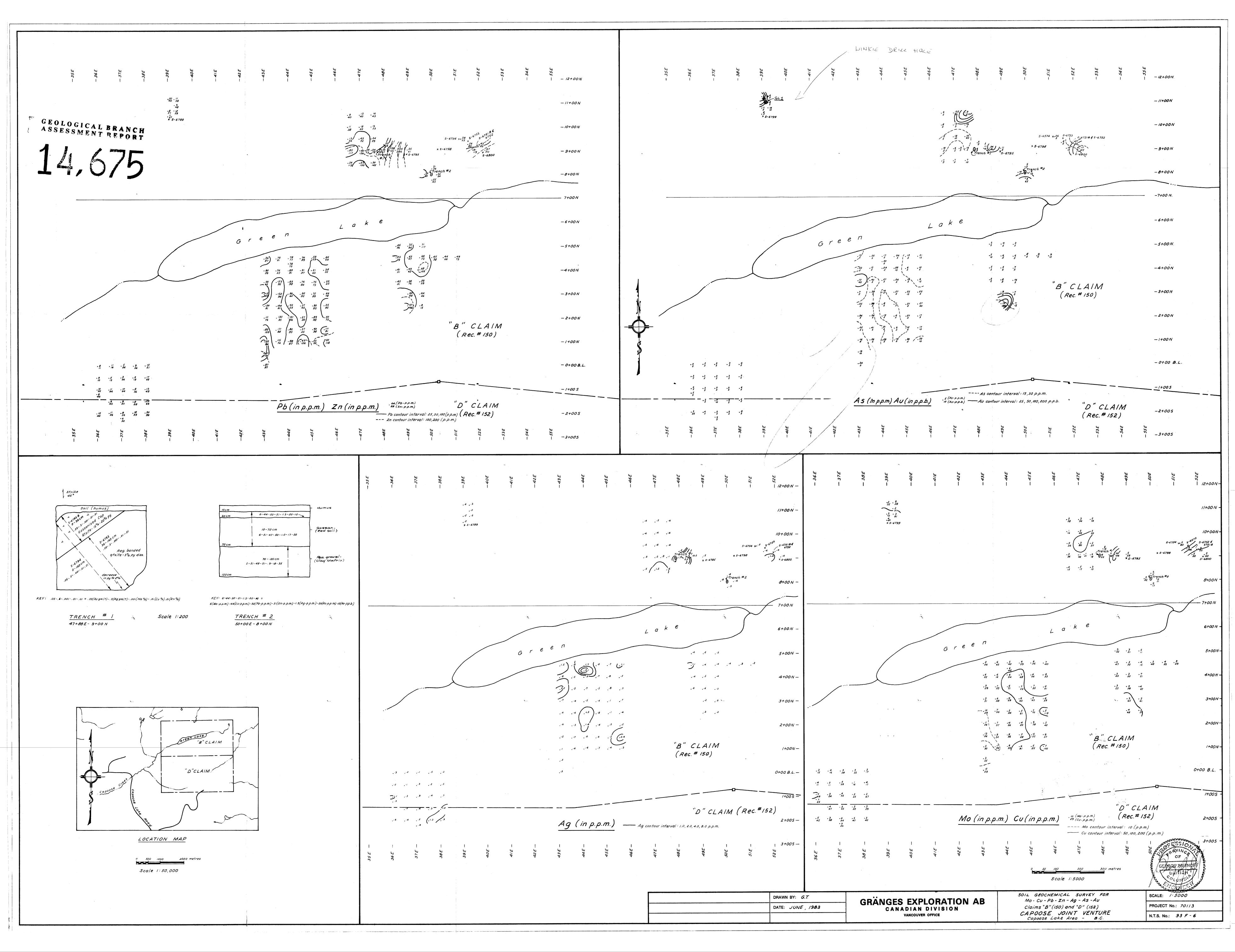
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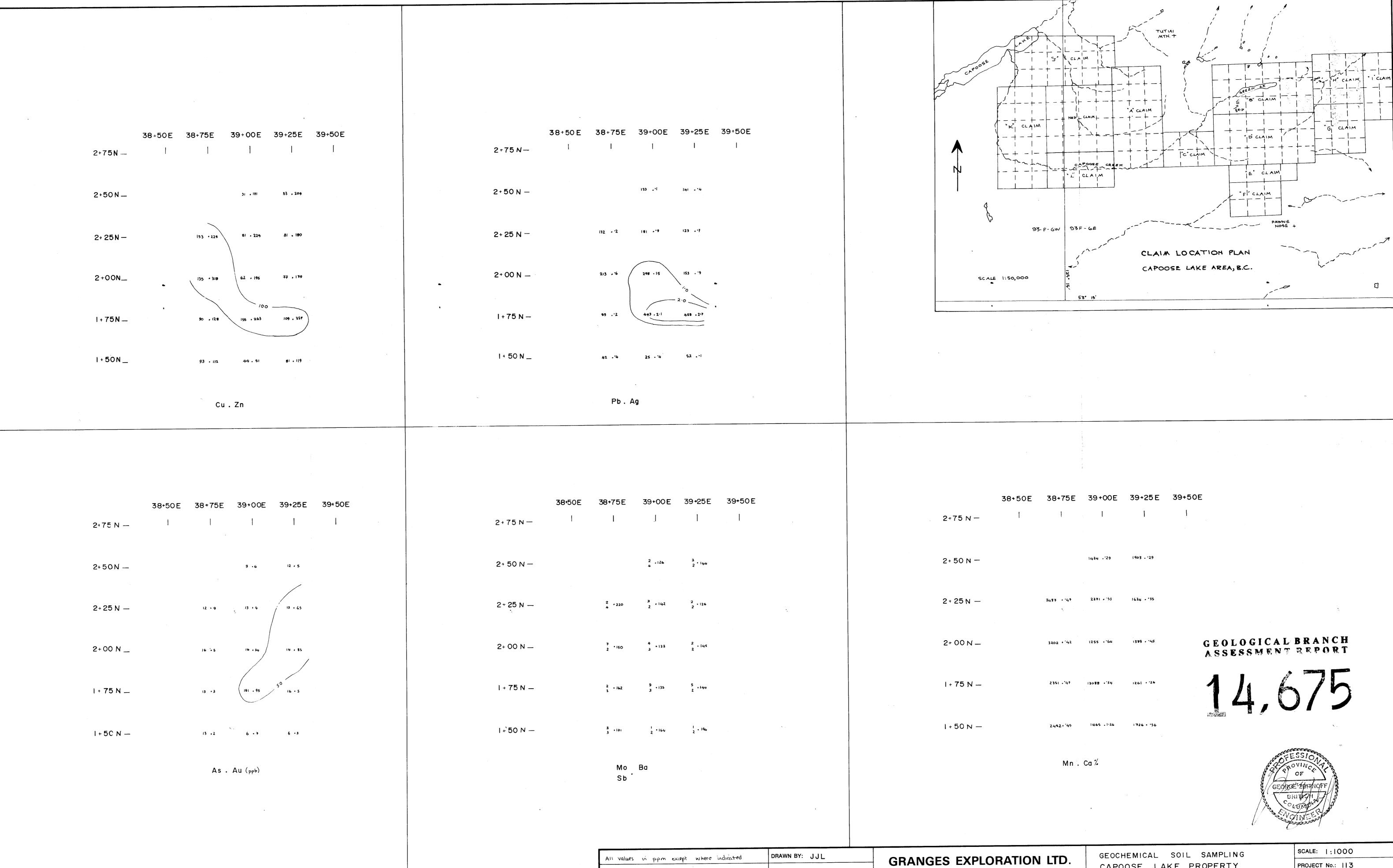
TERMS:

NET TWO WEEKS
2% PER MONTH CHARGED ON
OVERDUE ACCOUNTS.

| | ASSAY | PRICE | AMOUNT |
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| 14 | to v DISCOUNT | | 134.4 -13.4 |
| | LOOMIS # 7327148 - TO FOLLOW TOTAL | | |
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| | GES EXPLORATION LTD. OND DRILL LOG | Hole No. G.L | Property Seech Project No. 12 Depth 1.0 L Date Began 0027 103 Hole No. G.L Co ord 11+05 M Horizontal Length Date Completed 0.044 24th 1985 Claim No. B. Claim Seech Size FXT Drilled By 1 Textory Grid No. Angle & Direction 50° NW Elevation Logged By 5. Weekes | | | | | | | | | |
|---|------------------------------------|--------------------------|--|------|------|-------|--------------|----------------|-------|----------|-----|----------|
| INTERVAL FEET-(METRES | | DESCRIPTION | SAMPLE RECORD | | | | | | | | | |
| FEET METRES | | DESCRIPTION | | FROM | TO | WIDTH | SAMPLE | Au. | Ag. | Cu. | Zn. | <u> </u> |
| 0-4.26 | Casina | | | | | | | | | | | |
| | | | | | | | | | | <u> </u> | | ļ |
| 7.7P-7.PJ | | TORY Rhyolite To | | 4.26 | 5.33 | 1.07 | 3371 | 20. | 7.0 | | | |
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DATE: SEPT. 1985

CAPOOSE LAKE PROPERTY PROJECT No.: 113 N.T.S. No.: 93-F-6 'B' CLAIM - CAPOOSE LAKE AREA, B.C.