86-283-14783

GEOLOGICAL REPORT

on the

PARADISE 2, SHASTEX 1
MINERAL CLAIMS

for

W.H. HUDSON

OMINECA MINING DIVISION

NTS 94E/2W

LATITUDE 57°12' LONGITUDE 126°56'

ALEXIM DEVELOPMENTS CORP

S.P. Butler, B.Sc.,

May, 1986

ITEMIZED COST STATEMENT

Professional Services	
S. P. Butler, geologist	
3 days field @ $300	$ 900.
2 days report @ $275.	550.
W.D. McClay, exploration manager	
3 days field @ $300.	900.
Total	$ 2,350.
Expenses	
Camp: 4 man days @ $55.	$ 220.
helicopter	550.
fixed wing	200.
PWA (to Smithers-return W. McClay)	320.
accomodation and meals	95.
supplies, miscellaneous	100.
assays	138.
Total	$ 1,623.
Administration	$ 200.
Report: includes drafting, reprod, typing, binding, copies	$ 390.
TOTAL COST OF PROGRAMME	$ 4,563.

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APPENDIX

ILLUSTRATIONS

MAPS IN POCKET

GEOLOGICAL REPORT

on the

PARADISE 2, SHASTEX 1

MINERAL CLAIMS

INTRODUCTION

The writer was retained by ALEXIM DEVELOPMENTS CORP on behalf of Bill Hudson to report on the Paradise 2 and Shastex 1 mineral claims located in the Toodoggone District of Northern B.C.. The property was prospected and sampled by W. McClay, exploration manager, and S. Butler, geologist, on September 18 - 19, 1985. Although snow conditions made prospecting difficult, a number of samples were taken with selected rock and silt samples sent for assay.

PROPERTY

The PARADISE 2 and SHASTEX 1 contiguous mineral claims consisting of 40 units covering approximately 2,400 acres located in the Omineca Mining Division, on map 94E/2W. Particulars are as follows:

ALEXIM DEVELOPMENTS CORP.				
PARADISE 2 & SHASTEX 1 MINERAL CLAIMS				
FOR W.H. HUDSON				
LOCATION MAP				
SCALE 1:6,300,000	DATE MAY 1986	NTS 94E/2W	JOB NO	FIGURE 1

CLAIM NAME	RECORD NO.	NO. OF UNITS
PARADISE 2	6994	20
SHASTEX 1	6997	20

Any legal or title aspects pertaining to these claims are beyond the scope of this report.

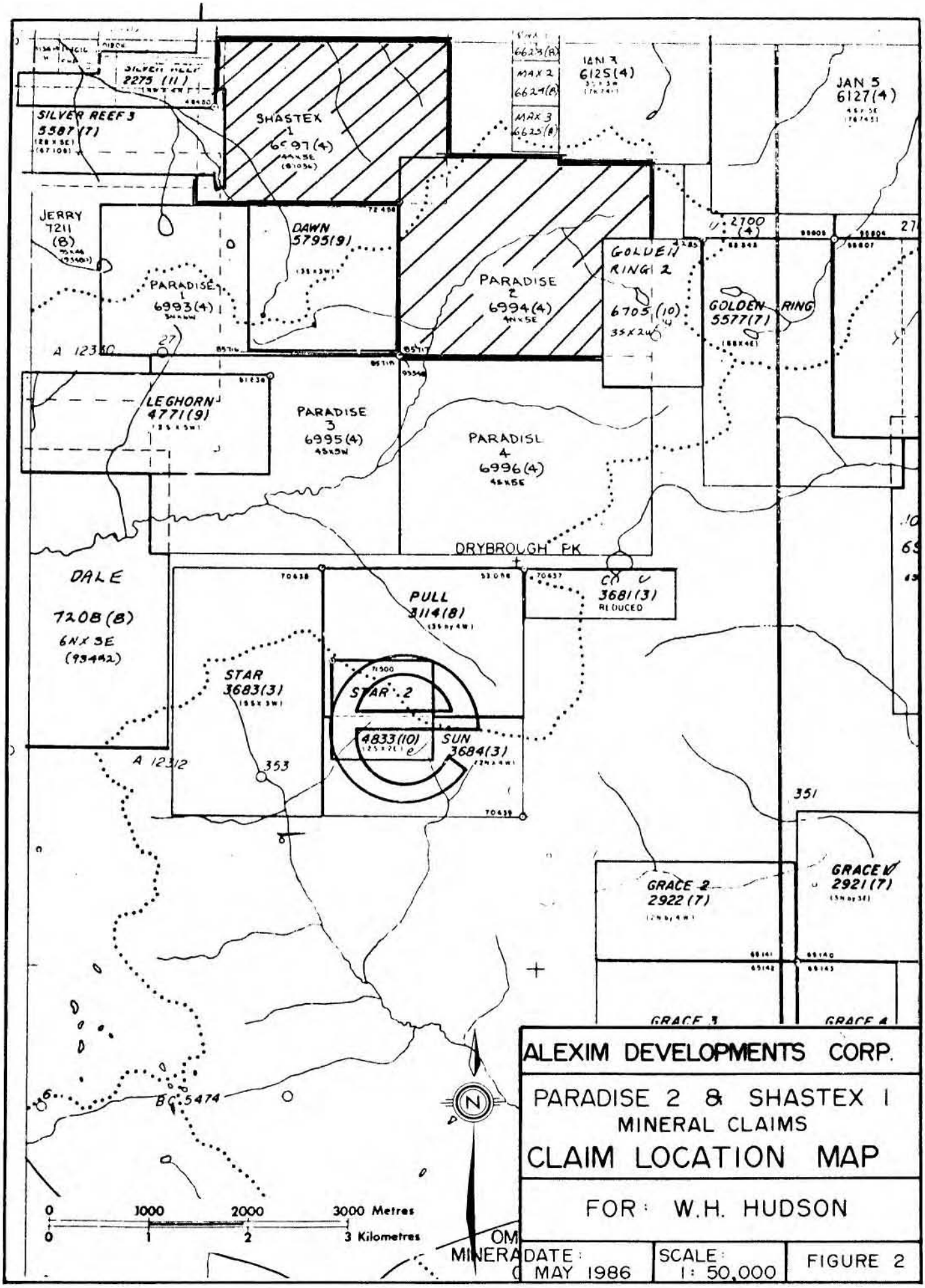
LOCATION AND ACCESS

The centre of the Toodoggone gold-silver district is 300 kilometers north of Smithers, B.C. at lattitude 57° 22'N and longtitude 127°15'W (NTS 94E). The area extends 90 kilometers northwesterly from Thutade Lake to north of the Stikine River.

Access to the area is by fixed-wing aircraft from Smithers to the Sturdee River airstrip and thence by helicopter to the property. The exact location of the Claims is shown on Figure 2.

PHYSIOGRAPHY

The district lies at the east edge of the Intermontane Belt. An upland area (elevations range from 2000 to 2300 meters


SILVER REEF 3
5587(7)
SHASTEX
1
6597(4)
JAN 3
6125(4)
JAN 5
6127(4)
JERRY
7211
(B)
DAWN
5795(9)
PARADISE
1
6993(4)
PARADISE
2
6994(4)
GOLDEN RING 2
6705(10)
GOLDEN RING
5577(7)
2700
(4)
LEGHORN
4771(9)
PARADISE
3
6995(4)
PARADISL
4
6996(4)
DRYBROUGH PK
DALE
7208(B)
6N x 3E
(93442)
PULL
3114(8)
3681(3)
REDUCED
STAR
3683(3)
STAR 2
4833(10)
SUN
3684(3)
A 12312
353
351
GRACE 2
2922(7)
GRACE 1
2921(7)
GRACE 3
GRACE 4
BC 5474
N
0
1000
2000
3000 Metres
0
1
2
3 Kilometres
ALEXIM DEVELOPMENTS CORP.
PARADISE 2 & SHASTEX 1
MINERAL CLAIMS
CLAIM LOCATION MAP
FOR: W.H. HUDSON
DATE:
MAY 1986
SCALE:
1: 50,000
FIGURE 2

(6500-7500 feet)), it is abundantly disected by rivers and creeks. The highest peak in the district is Mt McNamara at 2523 meters (8278 feet).

The lower valley bottoms range between 1150 meters and 1200 meters (3800-4000 feet) above sea level.

Exploration in the district is largely seasonal with activity beginning in mid-May and ending in Mid-October.

GEOLOGICAL SETTING

The Toodoggone mineral district is underlain by a northwesterly trending belt, 90 km by 15 km, of sediments, volcanics and intrusives ranging in age from Paleozoic to Tertiary. Sustut Group (Upper Teriary to Cretatious) sediments which form the western margin of the Toodoggone belt, unconformably overlie the Toodoggone volcanics (Hazelton Group) of early Jurrassic age. To the east, and as fault blocks within Toodoggone volcanics, Takla Group Volcanics (Upper Triassic) form a disrupted belt of faulted segments containing lesser fault blocks of Asitka limestone (Permian). Omineca intrusions form the east margin of the Toodoggone belt.

The geological framework of the Toodoggone gold-silver district is a result of co-magmatic intrusive-volcanic processes occurring along deep-seated northerly trending structural breaks during a 20 million year period in late Triassic to early Jurrassic time. Volcanism resulted in deposition of a thick succession of Toodoggone volcanic rocks in a subaerial, locally shallow marine environment on Takla volcanic and Asitka sedimentary rocks. Intrusive rocks and associated hydrothermal systems invaded these volcanic rocks along the same deep-seated and periodically reactivated structural breaks controlling volcanism. These Omineca Intrusions include stocks, dykes and sills.

Subsequently, Toodoggone and earl.er rocks were subjected to repeated and extensive normal block faulting from Jurassic to Tertiary time. Within these fault blocks Toodoggone rocks display broad open folds, commonly with dips less than 25 degrees.

Sustut Group sedimentary rocks unconformally overlie these earlier rocks and have relatively flat dips with few major structural disruptions.

GEOLOGY OF THE SHASTEX 1 AND PARADISE 2 CLAIMS AND ENVIRONS

Mapping of the claims area has been done by a variety of claim owners and operators. The area is included within preliminary map #61, published by The B.C. Ministry of Energy, Mines and Petroleum Resources. This map indicates that the claims are underlain by Triassic Takla Group volcanics to the west and south and by Jurassic "Toodoggone" volcanics to the north and east. The major units are separated by a NW trending fault which passes through the Shastex and Paradise 2 mineral claims.

Earlier work by Serem on the Shastex Mineral claims (then called the Itsch mineral claim) outlined source weak zones of quartz-calcite barite breccia within Takla Group outcrop and felsenmeer. Quartz veins trend NW and E and are associated with breccia zones.

Prospecting on the Paradise 2 mineral claim by representatives of Alexim Developments Corp, has outlined some areas of hydrothermally altered "Toodoggone" volcanics. In the course of this work, a number of significant precious metals rock chip and stream sediment sample anomalies were discovered.

GEOCHEMISTRY

Samples analysed on the property included 7 rock and 2 silts. Samples were analysed by

Vangeochem Lab Ltd.
1521 Pemberton Avenue
North Vancouver, B.C.
V7P 2S3

Gold rock geochemistry was done using a 20 gram sample, concentrated by fire assay and detected using atomic absorbtion spectrometry methods. Gold ICP soil and silt geochemisty was done using an 0.5 gram sample, digested in aqua regia and analysed on a Jarell Ash ICP instrument. ICP geochemistry on rock, soil, and silt was completed by digesting an 0.5 gram sample with 5 ml of 3:1:3 $HCl:HNO_3:H_2O$ at 95 degrees C for 90 minutes and dilted to 10 ml with water. Analysis was on a Jarell Ash ICP instrument.

DISCUSSION OF RESULTS

At the time of the visit the snow made access to and examination of outcrop difficult. Therefore,a limited set of

silt samples were collected from small streams draining the slope south-east of camp (E-1, E-2, SB-3). These samples show no significant anomalous values.

On the northwest slope of the valley area, talus with quartz-calcite veinlets and silicification was found. This was not visible at the base of the outcrop and the weather limited further progress up the hill.

A small east-west trending ridge occupies the south east corner of the claim. An examination of the talus slope, in a small cirque on the north side of the ridge, revealed float rock that contained quartz filled fractures, silicification, propylitic alteration and pyritization.

Samples Par. 85-5B-7 (2.9 ppm Ag) and CS-1 (0.9 ppm Ag) were collected in this area and contain significant silver values. The indication of a major inferred fault (BCFMPR Preliminary Map 61) and extensive propylitic alteration observed in both outcrop and float make this area the best target to be sampled in the summer.

In the bank of a creek draining a small lake, a bleached volcanic rock containing fine grained pyrite was found. The outcrop has a surface exposure of about 50 meters and is

covered by iron limonites. Sample E+35-45 from this area showed no significant values.

The northern portion of the claim is a large gossanous slope with float found in the talus that is a Toodoggone volcanic with weathered out pyrite cubes.

Sample E-CK-F was a piece of angular quartz float from the creek below the limonite alteration and appeared to come from an area approximately 200 meters up the creek. This sample returned the only anomalous (180 ppb) gold value.

RECOMMENDATIONS

The indication of a fault and observation of silicification and propylitic alteration are very encouraging. Follow up work should include an effort to determine the location and direction of linear structures. Also alteration should be closely observed and noted as it is very significant on other Toodoggone area properties (i.e. Cliff Creek of Serem). The location of amethyst (BCAM Preliminary Map U) on the hill above the creek on the north west slope should be investigated.

The ridge above the small cirque on the south east corner is the most promising and should be investigated thoroughly with detailed geological mapping and sampling with the area above sample E-CK-F being explored thoroughly.

CERTIFICATE

I, SEAN P. BUTLER, of Vancouver, in the Province of British Columbia, do hereby certify that:

I am a graduate geologist of the University of British Columbia, and hold a Bachelor of Science Degree in Geological Sciences.

I have practised my profession continually since graduation.

This report was compiled from available data and a property visit on September 18-19, 1985.

I have no interest, direct or indirect in the Shastex 1 and Paradise 2 Mineral Claims, nor do I anticipate any interest.

Dated at Vancouver, B.C., this 15th day of May, 1986.

Sean P. Butler, geologist

VANGEOCHEM LAB LIMITED

MAIN OFFICE
1521 PEMBERTON AVE.
NORTH VANCOUVER, B.C. V7P 2S3
(604) 986-5211 TELEX: 04-352578

BRANCH OFFICE
1630 PANDORA ST.
VANCOUVER, B.C. V5L 1L6
(604) 251-5656

GEOCHEMICAL ANALYTICAL REPORT

CLIENT: ALEXIM DEVELOPMENT CORP. DATE: Oct 18 1985
ADDRESS: BOX 10344, 1670 - 609 Granville St.
: Vancouver, B.C. **REPORT#: 85-75-023**
: V7X 1G5 JOB#: 85493

PROJECT#: PARADISE INVOICE#: 9074
SAMPLES ARRIVED: Oct 10 1985 TOTAL SAMPLES: 9
REPORT COMPLETED: Oct 18 1985 SAMPLE TYPE: 2 SILT 7 ROCK
ANALYSED FOR: Au (FA/AAS) ICP REJECTS: DISCARDED

SAMPLES FROM: ALEXIM DEVELOPMENT CORP.
COPY SENT TO: ALEXIM DEVELOPMENT CORP.

PREPARED FOR: MR. WAYNE McCLAY

ANALYSED BY: VGC Staff

SIGNED: _____

GENERAL REMARK: None

VANGEOCHEM LAB LIMITED

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REPORT NUMBER: 85-75-023 JOB NUMBER: 85493 **ALEXIM DEVELOPMENT CORP.**

SAMPLE #	Au
	ppb
SILT E1	10
SILT E2	nd
A 15	nd
CS - 1	nd
E0 - 10	nd
E + 35 - 45	nd
E - CK - F	180
PAR 85-SB-3	nd
PAR 85-SB-7	nd

DETECTION LIMIT 5

nd = none detected -- = not analysed is = insufficient sample

VANGEOCHEM LAB LIMITED

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BRANCH OFFICE: 1630 PANDORA ST. VANCOUVER B.C. V5L 1L6 PH:(604)251-5656

ICAP GEOCHEMICAL ANALYSIS

A .5 GRAM SAMPLE IS DIGESTED WITH 5 ML OF 3:1:3 HCL TO HNO3 TO H2O AT 95 DEG. C FOR 90 MINUTES AND IS DILUTED TO 10 ML WITH WATER.
THIS LEACH IS PARTIAL FOR SN,MN,FE,CA,P,CR,MG,BA,PD,AL,NA,K,W,PT AND SR. AU AND PD DETECTION IS 3 PPM.
IS= INSUFFICIENT SAMPLE, ND= NOT DETECTED, -= NOT ANALYZED

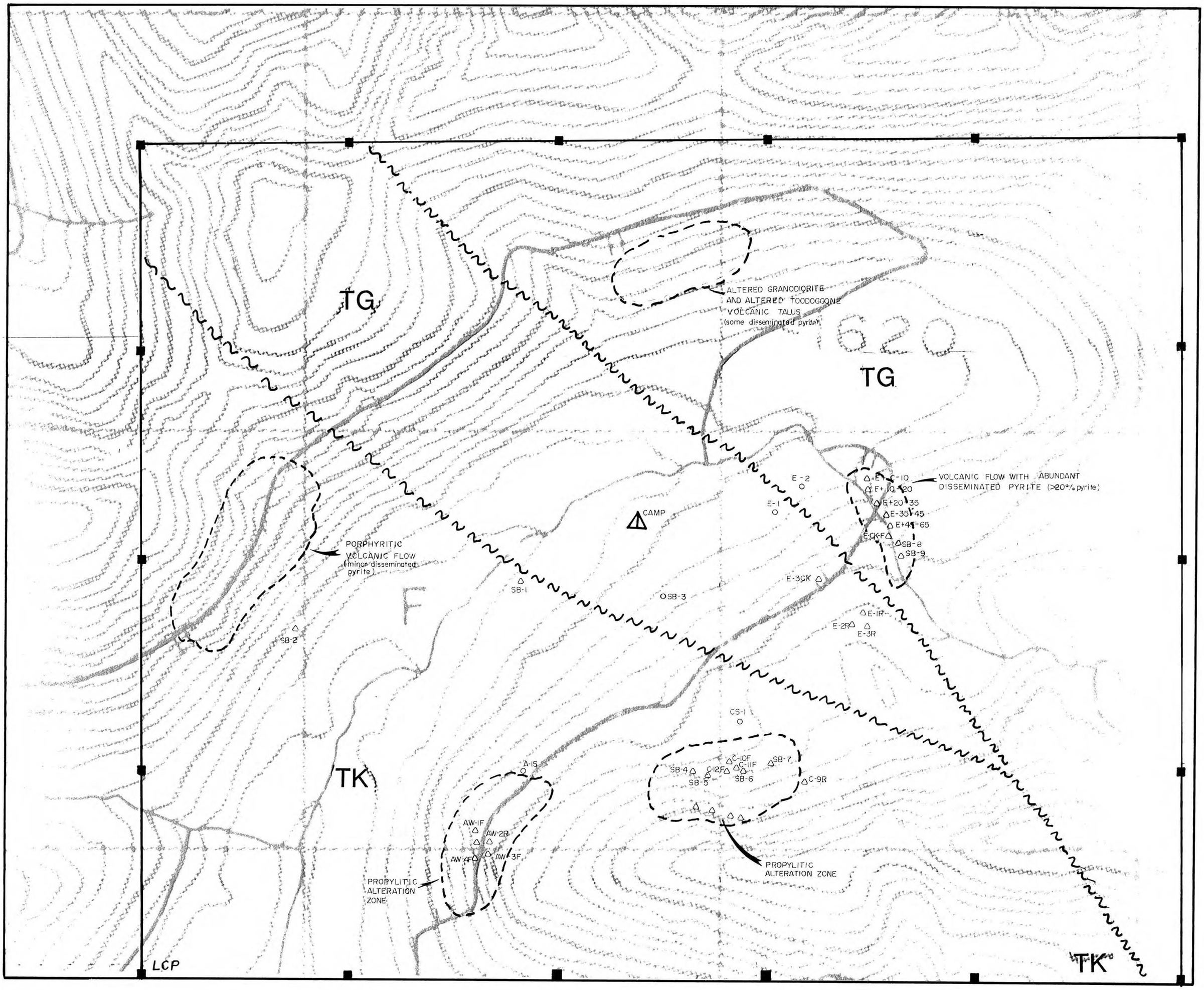
COMPANY: ALEXIM DEVELOPMENT CORP.
ATTENTION:
PROJECT: PARADICE

REPORT#: 85-75-023
JOB#: 85-493
INVOICE#: 9074

DATE RECEIVED: 85/10/11
DATE COMPLETED: 85/10/16
COPY SENT TO:

ANALYST W. Reeves

SAMPLE NAME	AG PPM	AL %	AS PPM	AU PPM	BA PPM	BI PPM	CA %	CD PPM	CO PPM	CR PPM	CU PPM	FE %	K %	MG %	MN PPM	MO PPM	NA %	NI PPM	P %	PB PPM	PD PPM	PT PPM	SB PPM	SN PPM	SR PPM	U PPM	W PPM	ZN PPM
SILT E1	.3	2.11	10	ND	71	3	.58	.2	20	48	40	4.17	.10	1.78	1132	ND	.01	30	.08	12	ND	ND	ND	ND	18	ND	ND	94
SILT E2	.9	1.45	10	ND	157	ND	.30	.1	11	42	22	2.95	.07	.94	875	2	.01	12	.06	25	ND	ND	ND	ND	23	ND	3	71
A 15	.2	2.34	ND	ND	145	3	.56	.1	17	24	64	4.18	.10	1.69	1230	ND	.01	11	.09	12	ND	ND	ND	ND	41	ND	ND	94
CS-1	.8	2.62	ND	ND	34	4	.88	.1	25	42	74	5.07	.13	2.16	1141	1	.01	20	.09	8	ND	ND	ND	5	37	ND	6	75
E0-10	.2	1.11	8	ND	104	ND	.24	.1	5	33	14	2.62	.07	.84	455	1	.01	6	.08	62	ND	ND	ND	ND	19	ND	ND	62
E+35-45	.3	1.23	9	ND	143	ND	.28	.1	7	56	9	3.78	.08	1.25	637	1	.01	11	.12	52	ND	ND	ND	1	23	ND	7	87
E-CK-F	.9	.32	62	ND	37	ND	5.63	.1	4	45	7	1.96	.12	.27	651	1	.01	6	.04	26	ND	ND	ND	ND	118	8	ND	23
PAR 85-S8-3	.4	2.28	ND	ND	30	4	.77	.1	18	27	54	4.12	.13	1.72	1011	1	.01	13	.11	11	ND	ND	ND	1	21	3	6	70
PAR 85-S8-7	2.9	1.98	ND	ND	14	10	.71	.5	11	2	80	5.05	.13	.95	328	1	.01	3	.08	17	ND	ND	ND	19	38	ND	ND	41
DETECTION LIMIT	.1	.01	3	3	1	3	.01	.1	1	1	1	.01	.01	.01	1	1	.01	1	.01	2	3	5	2	2	1	5	3	1



LEGEND

LOWER TO MIDDLE JURASSIC

TOODOGGONE VOLCANICS

TG GREEN TO GREY QUARTZOSE PYROXENE ( ) BIOTITE HORNBLENDE PLAGIOCLASE PORPHYRY FLOWS AND TUFFS. QUARTZ CONTENT RANGES FROM NEGLIGIBLE TO ABOUT 3 PERCENT. IN THE NORTH FLOWS PREDOMINATE WITH LOCAL FLOW BRECCIA. LAPILLI TUFF, AND RARE WELDED TUFF UNITS; TOWARD THE SOUTH ASH FLOWS ARE COMMON, INCLUDING RARE SURGE DEPOSITS. THE UNIT CONTAINS EXTENSIVE ZONES OF EPIDOTIZED, PYRITIC ROCK WITH CHARACTERISTIC SALMON, PINK, AND ORANGE PLAGIOCLASE CRYSTALS.

UPPER TRIASSIC

TALKA GROUP

TK DARK GREEN AUGITE PORPHYRY BASALT FLOWS AND BRECCIAS WITH LESSER FINE-GRAINED ANDESITE TO BASALT FLOWS AND MINOR INTERBEDDED SILTSTONE, TUFFACEOUS SEDIMENTS, AND CHERT. CONTAINS LIMESTONE LENSES THAT MAY BE PART OF THE "ASITKA GROUP".

- ■ CLAIM POST
- OUTCROP, INSPECTED
- FAULT, INFERRED
- △ ROCK SAMPLE
- ○ SILT SAMPLE

0 500 1000 metres

CONTOUR INTERVAL = 20 m.

GEOLOGICAL BRANCH
ASSESSMENT REPORT

14,783

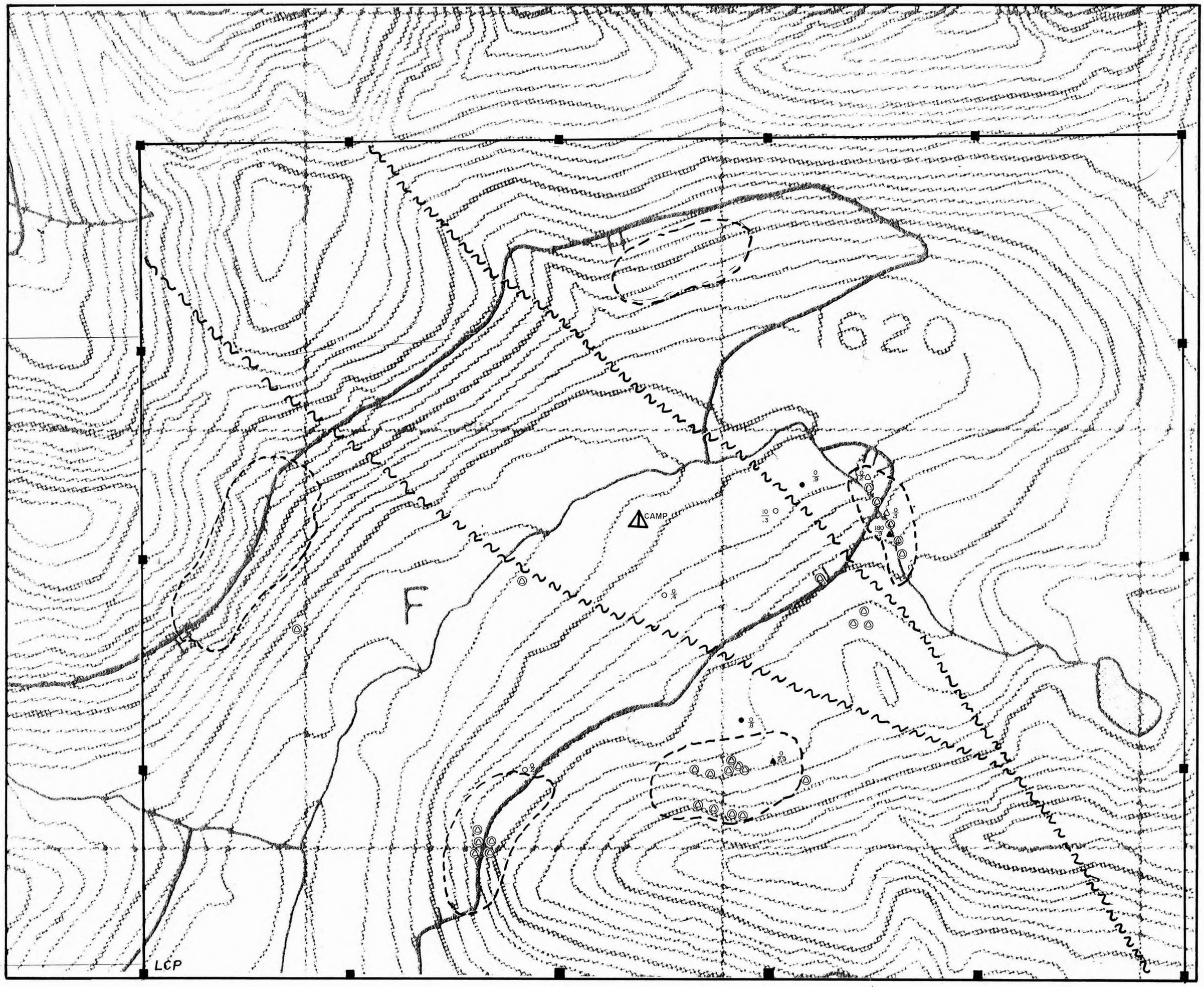
ALEXIM DEVELOPMENTS CORP.

PARADISE 2 CLAIM

GEOLOGY & SAMPLE LOCATIONS

FOR: W.H. HUDSON

DATE: MAY 1986	SCALE: 1:12,800	MAP 1
DRAWN BY: sm		



GEOLOGICAL BRANCH
ASSESSMENT REPORT

14,783

LEGEND

- CLAIM POST
- OUTCROP, INSPECTED
- FAULT, INFERRED
- △ ROCK SAMPLE
- o SILT SAMPLE
- ▲ ANOMALOUS ROCK >50ppb Au
- ● ANOMALOUS SILT >.7ppm Ag
- 10/.3 = 10ppb Au / .3 ppm Ag
- ◎,△ SAMPLES STORED, NOT ASSAYED

0 500 1000 metres

CONTOUR INTERVAL = 20 m.

ALEXIM DEVELOPMENTS CORP.

PARADISE 2 CLAIM

GOLD & SILVER GEOCHEMISTRY

FOR: W.H. HUDSON

DATE: MAY 1986	SCALE: 1:12,800	MAP 2
DRAWN BY: sm		