

A.J. Rogac Ltd. and R.E. Macdonald Stoves and Stones Ltd. are sharing a joint venture in the exploration and development of a deposit of green slate at Dome Creek, Cariboo District.

Contents of report:-

1. Map relating to area of exploration.
2. Working plan of deposit.
3. Description of material.
4. Core sample analysis.
5. Description of excavation.
6. Letter from consultant.
7. Testing results from Hardy BBT and Assoc.

FILMED

8. Financial costs involved with **GEOLOGICAL BRANCH ASSESSMENT REPORT**

16,760

LOOMIS Courier Service Ltd. Service de Courrier Ltée

AIR GROUND ROUTE DATE **02 25 98** MO. D. Y. A. **L-19563831**

FROM/DE (3) R.E. Mac Donald Stoves 3711 248th ST. Aldergrove B.C. V0X 1A0		TO/A (4) Manager - FAME Mineral Res. Div. Ministry of Resources Energy - Petroleum Parliament Bldgs. Victoria BC V8V 1X4		BASE TARIFF/TARIF DE BASE			
LOOMIS NO.		TELEPHONE 604 856-8141		ADDITIONAL WEIGHT/POIDS SUPPLEMENTAIRE			
REFERENCE		TELEPHONE		F.S.C./S.C.			
7 (1) PIECES		8 (2) DESCRIPTION 1 Envelope		FRAGILE/CLASS INFIRMES/EMBALLAGE FRAGILE/VERRE/MARCHANDISES DANGEREUSES			
9 (3) WEIGHT/POIDS LB. 09		10 (4) DECLARED VALUE/VALEUR DECLARÉE \$ NIL		DANGEROUS GOODS/MARCHANDISES DANGEREUSES			
11 (5) SPECIAL AGREEMENT # ENTENTE SPECIALE		12 (6) DIMENSIONS CM : X X X		HEATED SERVICE/SERVICE CHAUFFE			
13 (7) INSTRUCTIONS OVERNITE		14 (8) SHIPPER/EXPÉDITEUR XW T. Bumpies		RESIDENTIAL SERVICE/SERVICE RESIDENTIEL			
SEE TERMS AND CONDITIONS ON REVERSE/VOIR LES TERMES ET CONDITIONS AU VERSO		IMPORTANT: DELIVERY TIMES NOT GUARANTEED. MAXIMUM LIABILITY \$2.00/LB. (\$4.41/KG) OR DECLARED VALUE. SPECIAL AGREEMENT REQUIRED OVER \$500.00. (Read carefully conditions 2 and 3 on reverse). DANGEROUS GOODS RESTRICTED (read condition 4 on reverse). TEMPS DE LIVRAISON NON GARANTIS. RESPONSABILITE MAXIMUM \$2.00/LB. (\$4.41/KG.) ou VALEUR DECLARÉE. ENTENTE SPECIALE REQUISE SI PLUS DE \$500.00. (Lisez attentivement les conditions 2 et 3 au verso.) MARCHANDISES DANGEREUSES RESTREINTES (lisez condition 4 au verso).		RE DELIVERY/RE-EXPEDITION		VALUATION	
EMP. PICKUP/DÉLIVRÉE		RTE.		INTERLINE/INTERLIGNE			
TIME/HEURE U6 415				TOTAL			

PRINT HARD - YOU ARE MAKING 5 COPIES / IMPRIMEZ FORTEMENT - VOUS FAITES 5 COPIES



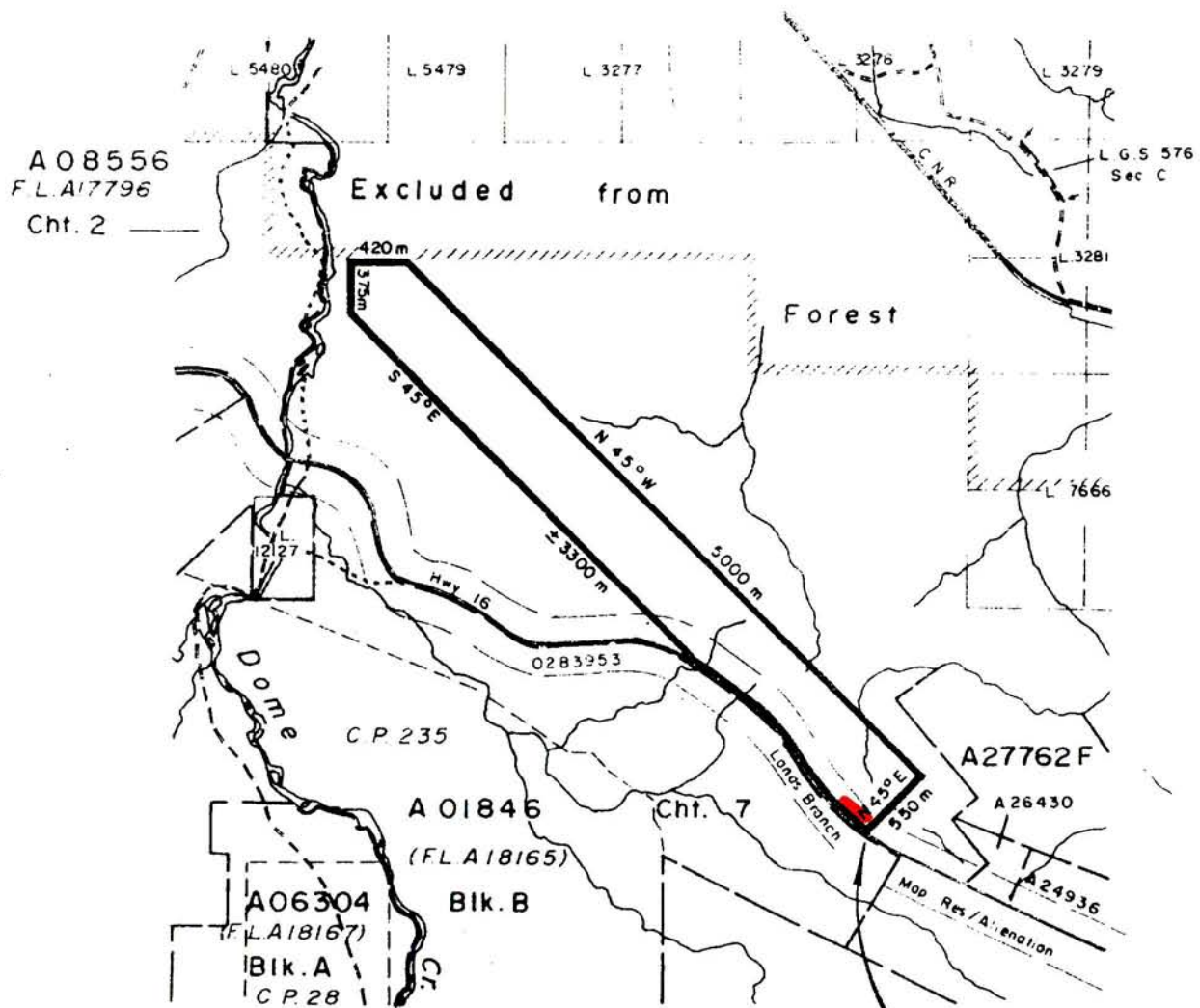
SCHEDULE "A"

LICENSE No. 701734 FILE No. 7404862

1.1 Legal Description

all that parcel or tract of land, Cariboo District, more particularly shown in bold black on plan attached

1.2 Sketch Plan - LONG WORTH FOREST -



— exploration area (188 yds)

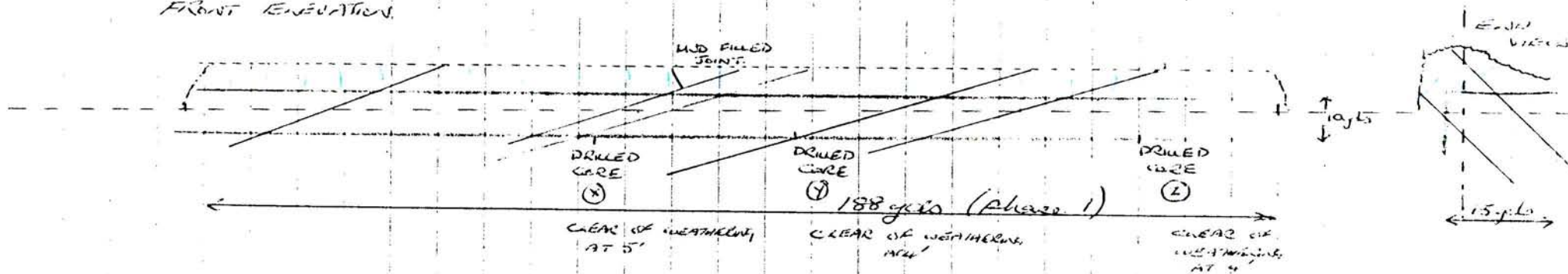
P of C
1530m S B 520m. W
of S W cor L 7666

1.
DOME CREEK SLATE FACE PLAN

TO SHOW RESERVES ESTIMATED PHASE 1

FRONT ELEVATION

45° ANGLE OF DRILL CORES



AREA TO BE CLEARED OF OVERBURDEN & WEATHERED ROCK.

DYNAMITE DAMAGED & WEATHERED ROCK.

AREA TO BE CLEARED FOR ACCESS TO QUARRY.

28,250 yds² Phase 1

= 61,053 Tonnes

* 50% RECOVERY

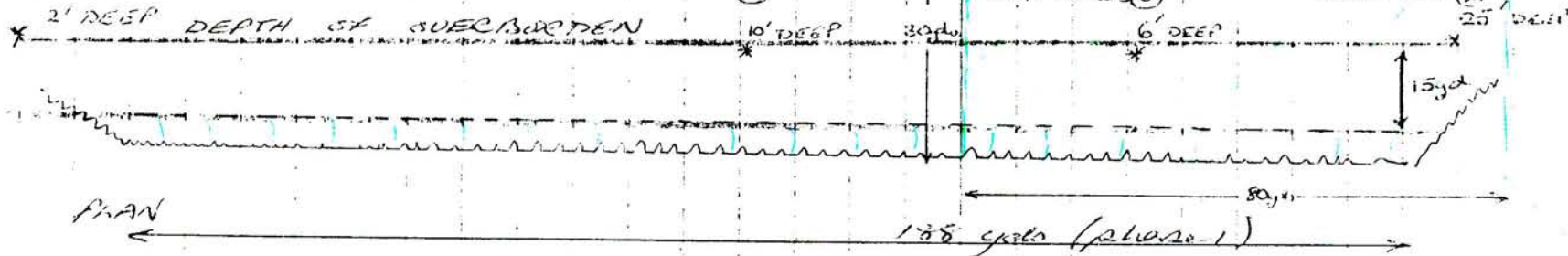
= 30,526 Tonnes

EXCAVATOR TRAIL HOOKS (A)

EXCAVATOR TRAIL HOOKS (B)

EXCAVATOR TRAIL HOOKS (C)

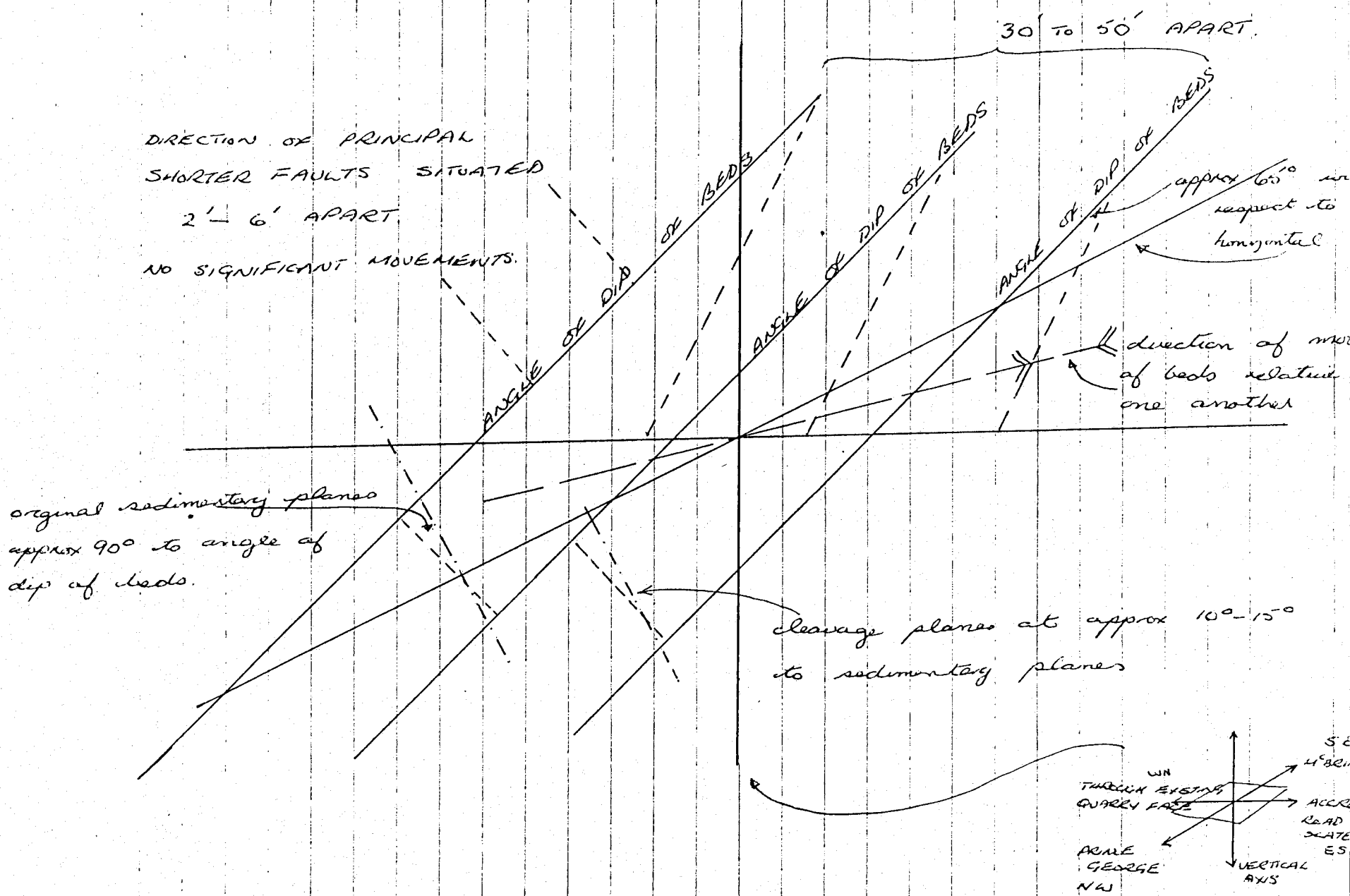
EXCAVATOR TRAIL HOOKS (D)



SCHMATIC DIAGRAM TO SHOW NATURE OF DEPOSIT.

2

DOME CREEK.



3.

Density of Dome Creek slate.

sample 1

9" long x 8" wide x 0.75" = 0.0011574 yd cubed

(assume 2000lb = 1 tonne) = 6.25lb

=0.003125 tonnes

therefore 1 cu yard = 1.99 tonnes

sample 2

Measured as two triangles.

(calculate $\frac{1}{2}$ base x height)

height 11" x 7.5" ($\frac{1}{2}$ base) x $\frac{1}{2}$ " thick = 41.25" cu

Height 7.5" x 7.5" ($\frac{1}{2}$ base) x $\frac{1}{2}$ " thick = $\frac{28.125}{69.375}$ " cu

therefore:- 69.375" cu = 8lb

therefore:- 0.0014869 yd cu = 0.004 tonnes

therefore :- 1 cu yd = 2.34 tonnes

Average:-

(1.99 tonnes + 2.34 tonnes) divided by 2

1 cu yd = 2.165 tonnes

No. of sq yds per tonne of Dome Creek Slate i.e. floor

tiles sawn edge $\frac{3}{4}$ "-1" thick

average = 18 sq yds

4.

GEOTECHNICAL PROFILE	
PROJECT	McDame Slate
DATE Sept. 17, 1987	

CORE RECOVERY Max. core fraction 10° 20° 30° 40° PERCENT 20 40 60 80	HOLE NO. 1	SURFACE ELEVATION	JOB NO.	DATE	REMARKS
DESCRIPTION				Minimum core fraction	
		DEPTH	DIAMETER		
10		0			
10		5			Green slate, broken in small, irregular fragments, occasional flat sheets split along the cleavage planes; very fresh and homogeneous
10		10			all core sections split along the cleavage
10		15			split in 0.2 inch sheets
10		16			0.2 inch quartz veinlet
10		17			very thinly split
10		18			End of the hole
10		19			
10		20			
10		21			
10		22			
10		23			
10		24			
10		25			
10		26			
10		27			
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10		42			
10		43			
10		44			
10		45			
10		46			
10		47			
10		48			
10		49			
10		50			

4.

		HOLE NO. 2		SURFACE ELEVATION		JOB NO.		DATE Sept. 17, 1987	
CORE RECOVERY				DESCRIPTION		Minimum core fraction		REMARKS	
Max. core fraction		DEPTH				4" 8" 12"			
10" 20" 30" 40"									
PERCENT									
20 40 60 80									
					Green slate, well developed cleavage, very fresh, homogeneous				
		5			core very thinly split				
		10							
		15							
		20							
		25			3 parallel quartz veinlets along the cleavage, over the width of 4 in. 0,4; 0,8; and 0,8 in. thick				
					core very thinly split				
		30			core very thinly split				
					set of fractures across the cleavage				
		35							
		36			End of the hole				

h.

				GEOTECHNICAL PROFILE	
				PROJECT McDame Slate	
CORE RECOVERY		HOLE NO. 3	SURFACE ELEVATION		JOB NO.
Max. core fraction		DEPTH	DESCRIPTION		Minimum core fraction
10"	20"				
PERCENT					REMARKS
30	40				
		0		Green slate, very fresh, homogeneous, with very well developed cleavage	
		5		Quartz vein with coarse pyrite crystals, 0,7 inch thick	
				set of fractures across the cleavage with brown staining on some	
		10		0,4 inch quartz veinlet	
		15			
		20		very thinly split along cleavage	
		25			
		28		End of the hole	

Description of excavation

The object of this phase of the exploration into the slate deposit at Dome Creek, Cariboo Region, was to ascertain not only the physical characteristics of the slate but also the economic feasibilities of this material being used as a building stone.

The biggest hurdle to cross was to find qualified engineers whose particular skills lay in slate extraction. This was further compounded by the fact that there was no such help available here in Canada and the necessary expertise lay outside the country. Fortunately we had the services of an engineer from the slate industry in Britain and who also was acquainted with all the working deposits in Europe.

The deposit was originally discovered when Hwy 16 was widened in 1970 and revealed a bluff of slate rock approximately 200 yds in length. In widening the road the slate was damaged by high explosives and the blast fractures extend 10-15' into the mass making it commercially useless.

By means of explosives and excavator we opened a quarry face 15' wide, 25' in length and 20' deep. This obtained the desired result of obtaining an entrance into the deposit which would enable quarrying to begin and also it enabled us to see the quality of the material, its cleavage properties and the sizes of the blocks available. The slate on the surface is unusually sound and viable and the staining was becoming less frequent after 10' (though there is a good amount of usable rustic slate that is available

The lines of secondary faults, tapering towards the surface, indicated (which is normal in slate deposits) that the blocks of stone would increase in depth to provide material that would be suitable for any building purpose - cladding, roof tiles etc.

Over the length of the bluff we tested the depth of the overburden and found it varied from 2 to 25 feet giving an indication of the lay of the deposit. Geological estimates (G.H.Klein & Assoc) are that the slate is 4 miles deep and the section exposed by the highway cut represents the apex of the deposit. Trying to recover slate away from this exposure (within an area of a sq kilometre) would be totally impractical because of the great depths needed to go before the slate was penetrated. The overlying rocks are mudstones and shales with undeveloped cleavage planes and also phyllites.

The result of excavations at the west end of the bluff revealed that the blocks on the surface were of massive proportions, the distance between the bedding planes was not found (over a distance of 30 yds). The slate varies slightly in the hue of green between the bedding planes. This does not represent a problem since the difference in colour is basically indiscernable and the method of excavation is to follow one bed at a time.

The deposit was assessed as extremely sound in its quality of material and though initially the most work will be trying to go deeper into the deposit to reach roofing slate material, the deposit appears to be a viable proposition to establish as an active quarry.

6. This letter is still en route from the slate engineer, Ian Gilmartin and will be forwarded in due process.

7. Hardy and Associates are still completing there report, the slate has passed satisfactorily the ASTM standards for building stone. This report will also be forwarded in the near future.