REPORT ON

GEOLOGY AND

ROCK AND PANNED CONCENTRATE SAMPLING

ON THE

POTOSI PROPERTY
(Potosi 1-14 Claims)

VICTORIA MINING DIVISION, BRITISH COLUMBIA

NTS 92C/9

48°34' N, 124°19' W

May 22, 1990
Gordon J. Allen, P.Geol.

FOR

BEAU PRE EXPLORATIONS LIMITED

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SUMMARY

The Potosi property is underlain by metasediments and metavolcanics of the Leech River Formation; a roughly 75 km long belt of rocks which hosts numerous lode gold and placer showings.

A short program of panned concentrate sampling, rock sampling and geological mapping was conducted on the Potosi claims to quickly assess their gold-bearing potential.

Five of ten panned concentrate samples collected on the property during this program contained visible grains of gold. Three of these samples were from Mosquito Creek (which traverses the entire length of the property) and two were from tributaries of Mosquito Creek. The bedrock sources for the gold, at least in the tributaries, are likely on the Potosi property.

A followup program designed to locate the bedrock source of the placer gold on the property is warranted.

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LIST OF ILLUSTRATIONS

1.0 INTRODUCTION

A program of geological mapping, rock sampling and panned concentrate sampling was conducted on the Potosi property by the author on March 17 and 18, 1990, on behalf of Beau Pre Explorations Limited. The program was designed to quickly assess the gold-bearing potential of the property.

2.0 PROPERTY LOCATION, ACCESS AND TITLE

The Potosi property is located on the south side of the San Juan River valley approximately 8 km east-northeast of the village of Port Renfrew, on Vancouver Island, British Columbia. The property is in the Victoria Mining Division, on NTS sheet 92C/9 (Figures 1 and 2).

Access to the property is via the Mosquito Main logging road which heads east off of highway 14 approximately 5.5 km east of the government wharf in Port Renfrew.

The Potosi property consists of 14 two post mineral claims as shown below:

Claim	Record Number	Units	Anniversary Date[1]	Year Recorded
Potosi 1	2304	1	March 24, 1991	1989
Potosi 2	2305	1	March 24, 1991	1989
Potosi 3	2306	1	March 24, 1991	1989
Potosi 4	2307	1	March 24, 1991	1989
Potosi 5	2308	1	March 24, 1991	1989
Potosi 6	2309	1	March 24, 1991	1989
Potosi 7	2310	1	March 24, 1991	1989
Potosi 8	2311	1	March 24, 1991	1989
Potosi 9	2312	1	March 27, 1991	1989
Potosi 10	2313	1	March 27, 1991	1989
Potosi 11	2314	1	March 27, 1991	1989
Potosi 12	2315	1	March 27, 1991	1989
Potosi 13	2316	1	March 27, 1991	1989
Potosi 14	2317	1	March 27, 1991	1989
	Total	14		

[1]Includes assessment work covered by this report.

The Potosi 1-14 claims were grouped as the Potosi Group on March 22, 1990.

Beau Pre Explorations Limited is the sole owner of the claims.

BEAU PRE EXPLORATIONS LIMITED

GENERAL LOCATION MAP
POTOSI PROPERTY
VICTORIA MINING DIVISION, B.C.

Project No:	By: G.A.
Scale: 1 : 8 000 000	Drawn: G.A.
Figure: 1	Date: MAY, 1990

3.0 REGIONAL GEOLOGY AND ECONOMIC SETTING

The property is underlain by Mesozoic (?) metasediments and metavolcanics of the Leech River Formation. These rocks have been deformed into generally east-west trending gently easterly-plunging tight (isoclinal?) folds. Regional low-pressure greenschist to amphibolite facies metamorphism is thought to have ended 39-41 Ma (Fairchild and Cowan, 1982). Synmetamorphic (K-Ar data) felsic (generally quartz diorite) sills and dykes occur throughout the Leech River Formation.

The Leech River Formation forms the allochthonous Pacific Rim Terrane which was thrust beneath Wrangellia to the north along the San Juan and Survey Mountain faults. To the south the Leech River Formation is in contact with the Metchosin igneous complex (Crescent Terrane) along the Leech River fault. Both the Survey Mountain and Leech River faults were imaged by Lithoprobe (Clowes et al, 1987). They are 35-45° northeast-dipping thrust faults extending to depths of approximately 10 km.

Placer gold has been recovered from creeks draining the Leech River Formation along its entire ~75 km length. An estimated 11,400 ounces of gold was taken from the Leech and Sooke Rivers between 1874 and 1945 (Placer Gold Production of British Columbia, Bulletin 28).

Native gold associated with arsenopyrite occurs in generally east-west trending quartz veins and apparently disseminated in amphibolite units in the Valentine Mountain area approximately 30 km east-southeast of the Potosi Property.

Native gold also occurs in a short (~10 m long) north-south trending gash vein up to 15 cm wide on the Ox Property east of and adjacent to the Protosi Property (Figure 2).

4.0 PROPERTY GEOLOGY

From the limited geological work conducted to date it appears that the property is predominantly underlain by blue-grey phyllite (metamorphosed mudstone) intercalated with lesser amounts of metasandstone, coarse-grained clastic (conglomerate? lapilli tuff?), and epidote-chlorite schist (metamorphosed intermediate to mafic volcanic?).

These units are generally easterly-striking and steeply north-dipping. One south-dipping foliation attitude suggests the probability of tight folding on the property.

Elsewhere in the immediate area sill-like fine to medium-grained leucocratic intrusives are common, as is likely the case on the Potosi property.

Both foliation-parallel and crosscutting white quartz veins are common on the property. None of the veins found to date have contained significant mineralization.

5.0 1990 EXPLORATION PROGRAM

5.1 ROCK SAMPLING

Four quartz veins in widely separated parts of the property were sampled (R-1 to R-4, Figure 2). All the veins were hosted in dark blue-grey phyllite, all appeared barren and none contained anomalous amounts of gold. Analyses and rock sample descriptions are included in Appendices II and III.

5.2 PANNED CONCENTRATE SAMPLING

One or more panned concentrate (from stream sediment) samples (ten total), were collected from every significant drainage on the property (Figure 2).

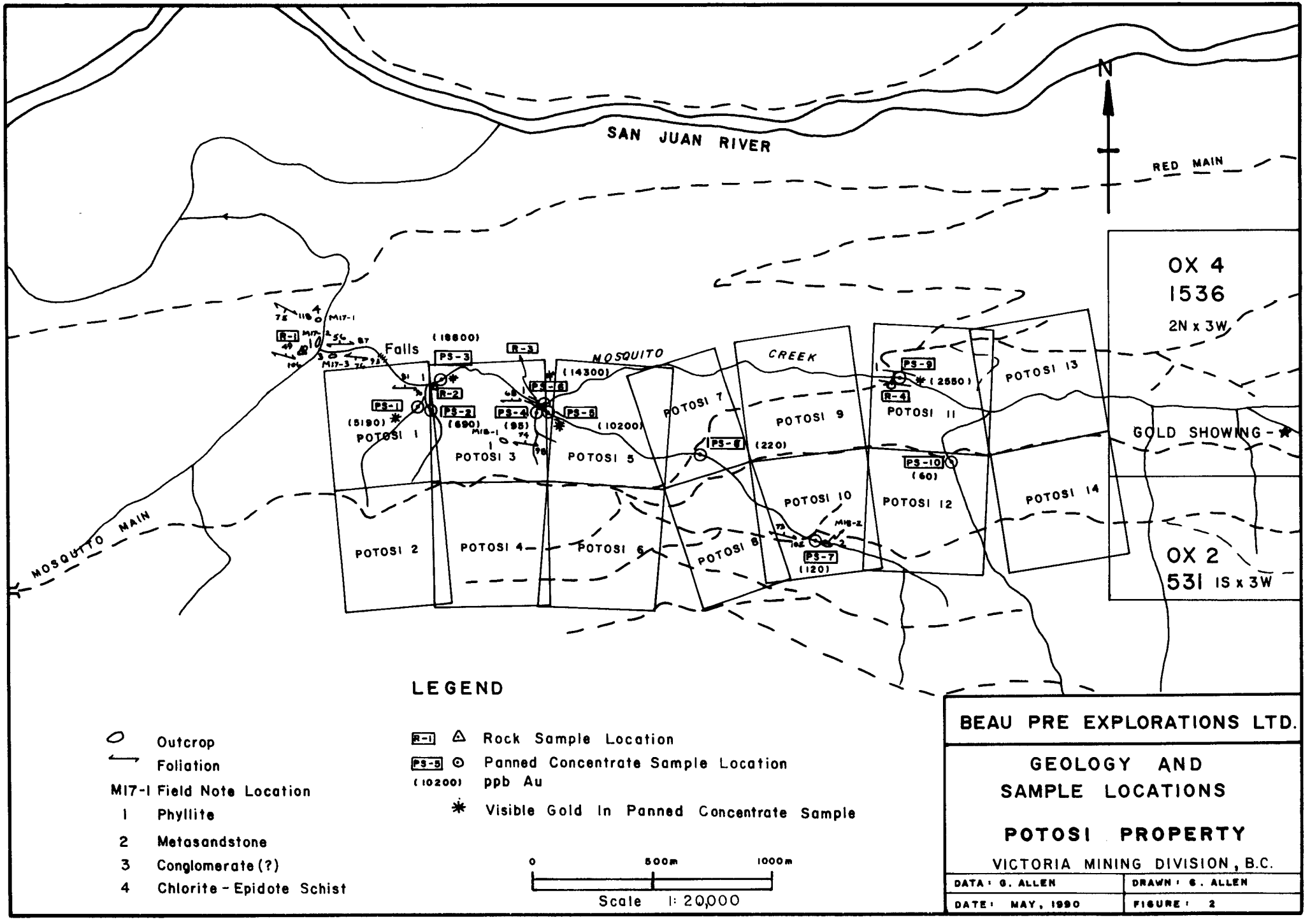
5.2.1 Sampling Procedure

At each sample site moss growing within the stream channel was collected and washed. Sediment recovered from the moss was sieved to -20 mesh and then panned down to a concentrate ranging in weight from 10.57 to 92.25g (Appendix III). The concentrates were digested totally during analysis to eliminate nugget effect.

Concentrate sample sizes varied according to the availability of primary sample material and also on how thoroughly the sample was panned. The results therefor are strictly qualitative and simply indicate which drainages are carrying coarse gold.

5.2.2 Results

Of the ten panned concentrate samples collected, five contained visible gold and have confirming anomalous analytical



LEGEND

- Outcrop
- Foliation
- MI7-1 Field Note Location
- 1 Phyllite
- 2 Metasandstone
- 3 Conglomerate (?)
- 4 Chlorite - Epidote Schist

- R-1 Rock Sample Location
- PS-5 Panned Concentrate Sample Location
- (10200) ppb Au
- Visible Gold In Panned Concentrate Sample

BEAU PRE EXPLORATIONS LTD.

GEOLOGY AND SAMPLE LOCATIONS

POTOSI PROPERTY

VICTORIA MINING DIVISION, B.C.

DATA: G. ALLEN	DRAWN: G. ALLEN
DATE: MAY, 1990	FIGURE: 2

results (Appendix II, Figure 2).

The three samples collected from Mosquito Creek (PS-3, PS-6 and PS-9) contained magnetite and several flat, rounded grains of gold. Sample PS-3 contained one small jagged grain of gold and a small rounded (flat, 1 mm x 2 mm) gold nugget which was removed from the sample prior to analysis.

Sample PS-1 was collected from a creek draining the Potosi 1 and 2 claims. A few very small specs of gold were noted in the sample. The sample contained 5190 ppb gold.

Sample PS-5 was collected from a relatively large tributary of Mosquito Creek. The sample contained moderate amounts of magnetite and one small (<1 mm) rounded grain of gold. This sample contained 10,200 ppb gold. Two samples (PS-8 and 7) collected up stream from PS-5 contained magnetite but no visible gold. Analyses of these samples confirmed a negligible gold content. The apparent source for the gold in this Creek therefore lies between PS-5 and PS-8.

Samples PS-2, PS-4 and PS-10 contained minor (PS-4) to moderate amounts of magnetite but no visible gold. Analyses of these samples confirm a low gold content.

6.0 CONCLUSIONS

The presence of gold in the panned concentrate samples suggest that one or more gold sources occur on the Potosi property.

The most interesting area lies between sample sites PS-5 and PS-8, because there are well defined limits to the gold-bearing parts of the creek.

Mosquito Creek is gold-bearing along its entire 3 km traverse of the Potosi property. Native gold occurs in a roughly 10 m long north-south-trending quartz vein on the Ox claim approximately 740 m east of the final post of the Potosi 13 and 14 claims. The showing occurs on the south bank of a branch of Mosquito Creek (Figure 2) and is obviously at least in part a source for the gold found in panned concentrate samples PS-3, 6 and 9. It is probable, however, that many such gold-bearing veins occur in the area and that the gold in Mosquito Creek has many sources.

A followup program designed to locate the bedrock source of the placer gold on the property is warranted.

7.0 RECOMMENDATIONS

7.1 RECOMMENDED WORK PROGRAM

1) Some research should be conducted to determine what previous work has been done on the property (an old grid was noted).

2) Panned concentrate samples should be collected at 200 m intervals above PS-1 to the limits of the drainage, and above PS-5 to within 200 m of PS-8 in an attempt to isolate the source of the gold in these creeks.

3) The creek beds above PS-1 and PS-5 need prospecting.

4) Depending on the results of the above, small soil sample grids may be warranted in the 'PS-1' and 'PS-5' drainages.

5) Geological mapping, prospecting and rock sampling is needed along roadways and creeks.

7.2 PROPOSED PHASE II BUDGET

FIELD WORK

Personnel	No	Days	Rate	Cost	
Geologist	1	10	225	2,250	
Assistant	1	7	125	875	
Total Personnel Cost				3,125	3,125
Equipment Rental					
4 x 4 Truck	10 Days @ $87				750
Room and Board					
17 Mandays @ $45					765

Disbursements	No.	Rate	Cost	
Analyses (Au):				
Panned Con.	10	7.00	70	
Rock	30	10.75	323	
Soil	100	6.25	625	
Analyses Costs			1,018	
Miscellaneous Supplies			200	
Shipping, Courier, Etc.			100	
Disbursement Subtotal			1,318	
Administration (15%)			198	
Total Disbursements			1,516	1,516
Fieldwork Subtotal				6,156
Contingency (15%)				923
Fieldwork Total				7,079

REPORT

Estimated Report Cost	2,000	
Estimated Total Project Cost	$9,079	
Or Roughly		$9,000

CERTIFICATE

I, Gordon J. Allen, do hereby certify;

1) I am a graduate in geology of the University of British Columbia (B.Sc. 1975).

2) I have practised as a geologist in mineral exploration for fifteen years.

3) I am a member in good standing of the Association of Professional Engineers, Geologists and Geophysicists of Alberta.

4) Opinions, conclusions and recommendations contained herein are based on fieldwork and research conducted by myself between March 3 and March 22, 1990.

5) I own 1000 shares of Beau Pre Explorations Limited stock.

Gordon J. Allen

Duncan, B.C.
May 22, 1990

Gordon J. Allen, P.Geol.

BIBLIOGRAPHY

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Fairchild, L.H., and Cowan, D.S. 1982. Structure, petrology and tectonic history of the Leech River complex northwest of Victoria, Vancouver Island. Canadian Journal of Earth Sciences, Volume 19, Number 9, pp. 1817-1835.

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APPENDIX I

LIST OF PERSONNEL AND STATEMENT OF EXPENDITURES

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Personnel		
R. Beaupre (President)		
1/2 Day @ 250	125.00	
Gordon Allen (Geologist)		
4 Days @ 225	900.00	
Z. Cohen (Field Assistant)		
2 Days @ 75	150.00	
	1,175.00	1,175.00
Equipment Rental		
4 x 4 Truck 4 Days @ 25		100.00
Food and Accommodation		
2 Mandays @ 45		90.00
Disbursements		
Analyses	97.65	
Gas, Transportation, Etc.	54.84	
Meal	11.15	
Courier	10.66	
Disbursements Subtotal	174.30	
Administration (15%)	26.15	
Disbursements Total	200.45	200.45
Project Total Cost		$ 1,565.45

APPENDIX II

CERTIFICATE OF ANALYSIS AND ASSAY

ROSSBACHER LABORATORY LTD.

2225 S. Springer Ave., Burnaby,
British Columbia, Can. V5B 3N1
Ph:(604)299-6910 Fax:299-6252

CERTIFICATE OF ANALYSIS

TO : BEAU PRE EXPLORATIONS LTD.,
1027 PANDORA AVE.,
VICTORIA, B.C.

PROJECT :
TYPE OF ANALYSIS : GEOCHEMICAL

CERTIFICATE # : 90155
INVOICE # : 10267
DATE ENTERED : 90-03-27
FILE NAME : BPE90155
PAGE # : 1

PREFIX	SAMPLE NAME	PPB Au	oz/t Au	Wt.in gram
	PS - 1	5190		11.95
	PS - 2	690		15.90
	PS - 3	18800		75.95
	PS - 4	95		10.57
	PS - 5	10200		19.20
	PS - 6	14300		92.25
	PS - 7	120		34.18
	PS - 8	220		34.46
	PS - 9	2550		43.58
	PS - 10	60		34.24
	R - 1		0.001	
	R - 2		0.001	
	R - 3		0.001	
	R - 4		0.001	

CERTIFIED BY :

APPENDIX III

ROCK SAMPLE DESCRIPTIONS

APPENDIX III

ROCK SAMPLE DESCRIPTIONS

R-1 QUARTZ VEIN

5 cm wide sporadically gossanous quartz vein parallel to foliation (106/49NE) in host dark blue-grey phyllite.

R-2 QUARTZ LENS

A 10 cm wide lens of barren white quartz hosted in blue-grey phyllite. The orientation of the lens is unclear, but is probably parallel to foliation.

R-3 QUARTZ VEIN(S)

A composite grab sample of several sporadically gossanous quartz veins up to 20 cm wide in a zone 1-2 m wide. The veins are hosted in a dark blue-grey phyllite with foliation at 96/68NE. The veins in part parallel foliation and in part crosscut foliation at 45/90. Traces of pyrite.

R-4 QUARTZ VEIN

2-15 cm wide sporadically gossanous quartz vein at 172/80NW, cutting foliation in host phyllite (94/55NE).