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Long 119° 15'W

GEOLOGICAL
REPORT
on the
PACIFIC PEARL PROPERTY
Greenwood Mining Division, B.C.
GEOLOGICAL BRANCH
ASSESSMENT REPORT

22,470
for

1885 HOLDINGS LTD.
1650 - 701 West Georgia Street
Vancouver, B.C. V7Y 1C6
Tel: (604) 688-4850 Fax: (604) 688-5175

by

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Dated: 31 July 1992

SUMMARY

At the request of 1885 Holdings Ltd, Reliance Geological Services conducted a geological mapping program and a block reserve calculation on the Pacific Pearl Property, Greenwood Mining Division, B.C.

The Pacific Pearl Property, located 22 kilometers southeast of Kelowna, B.C., consists of 14 mineral claims totalling 33 units.

A total of 12.5 line kilometers was mapped over the property area.

The claims are underlain by massive, rounded outcrops which are a creamy pink-white granite porphyry. Potassium feldspar phenocrysts are set in a coarse-grained groundmass of plagioclase feldspar, quartz, and biotite and hornblende. Vertical joint spacings are spaced an average of at least 5 meters apart.

Geological volume and block reserves were calculated for one site only. The reserve volume was 25,000 m³ which would yield 2,413 blocks at a 50% recovery.

It is concluded that the Pacific Pearl property has very good potential to host a quarriable granite deposit. On-site observation has confirmed that the geological environment is favorable, and potential economic reserves have been identified at three road-accessible sites.

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PACIFIC PEARL Property

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1. INTRODUCTION

This report was prepared at the request of 1885 Holdings Ltd to describe and evaluate the results of a geological mapping program carried out by Reliance Geological Services on the Pacific Pearl Property in the Kelowna area of the Greenwood Mining Division, B.C.

The field work was undertaken for the purpose of evaluating the potential of the property to host dimension stone granite.

Field work was carried out from June 23 to June 28, 1992 by Andris Kikauka (geologist), Nigel Luckman (geological engineer), and George King (geologist), under the supervision of Peter Leriche.

The author visited the property on June 24, 1992. This report is based on published and unpublished information and the maps, reports and field notes of the crew mentioned above.

2.0 LOCATION, ACCESS AND PHYSIOGRAPHY

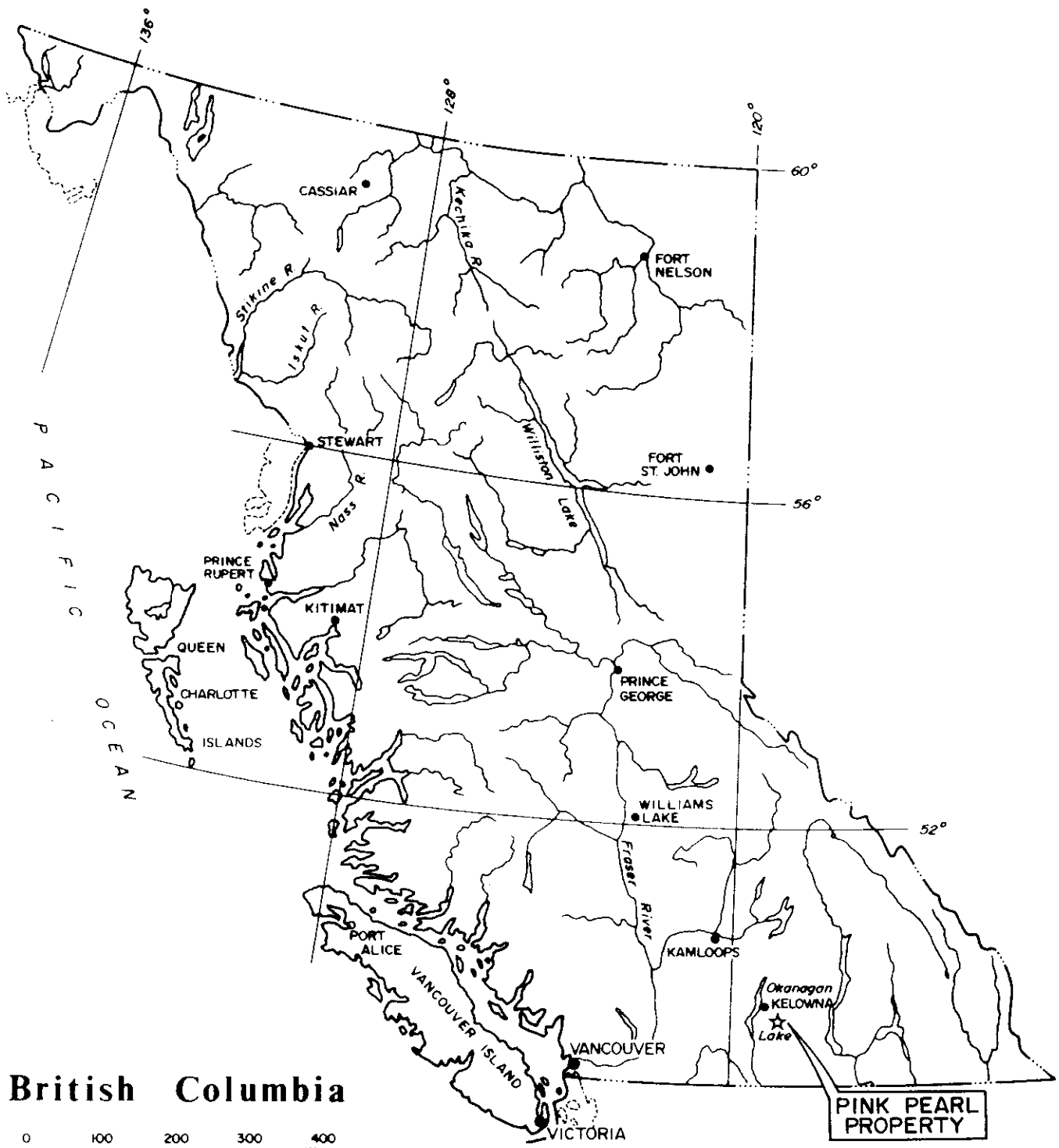
The claims are situated approximately 22 kilometers southeast of Kelowna (Figures 1 and 2).

The claims are located on Map Sheet NTS 82E, 11 E & W, at latitude 49° 41' North, longitude 119° 15' West.

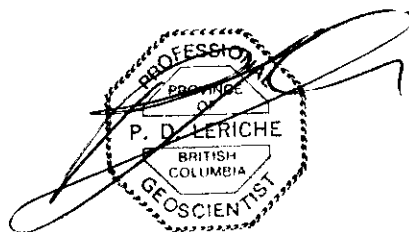
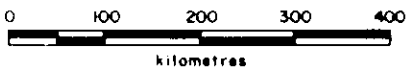
Road access is via Highway 33 south from Kelowna for 39 kilometers, then southwest along the Okanagan Falls Service road for 20 km to the Affleck Creek logging road. The Affleck Creek road leads north 4.5 km to the middle of the subject claims.

The property is on moderate terrain with slopes rising from about 4300 feet (1311 meters) to 5900 feet (1799 meters). The area is forested, mainly with pine and fir.

Recommended work season is mid June to late November.



British Columbia



1885 HOLDINGS LTD.		
PACIFIC PEARL PROPERTY		
GREENWOOD M.D., B.C.		
General Location Map		
Scale noted above	N.T.S. 82-E/11	Drawn by
Date July 1992	Geologist	Figure 1
RELIANCE GEOLOGICAL SERVICES INC.		

3.0

PROPERTY STATUS

The property consists of 14 contiguous mineral claims (Figure 2) in the Greenwood Mining Division. The claims are registered in the names of Brian A. Chore, Robert H. Bechtel, and Donald H. Sandberg, and are beneficially owned 100% by 1885 Holdings Ltd.

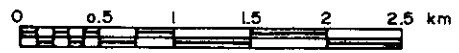
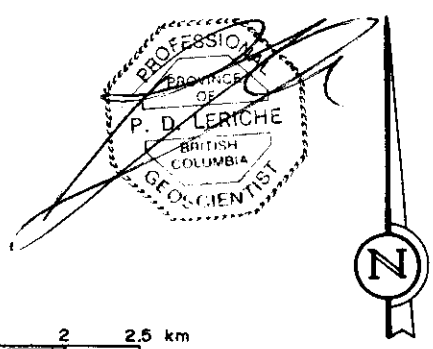
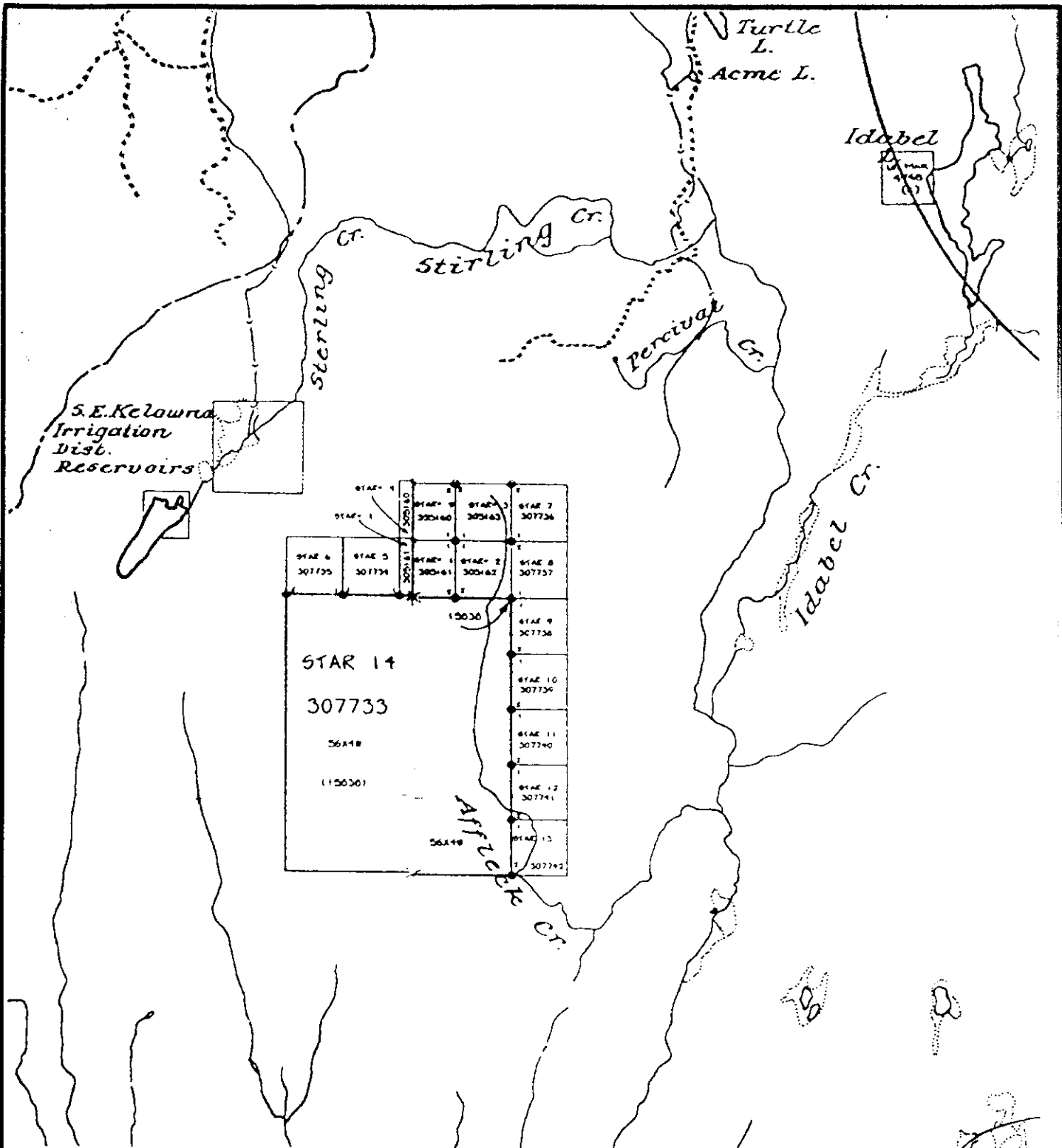
Details of the claims are as follows:

<u>Claim</u>	<u>Record Number</u>	<u>Units</u>	<u>Record Date</u>	<u>Expiry Date</u>
Star 14	307733	20	19 Feb 1992	19 Feb 1995
Star 1	305161	1	21 Sep 1991	21 Sep 1994
Star 2	305162	1	21 Sep 1991	21 Sep 1994
Star 3	305163	1	21 Sep 1991	21 Sep 1994
Star 4	305160	1	21 Sep 1991	21 Sep 1994
Star 5	307734	1	19 Feb 1992	19 Feb 1995
Star 6	307735	1	19 Feb 1992	19 Feb 1995
Star 7	307736	1	17 Feb 1992	17 Feb 1995
Star 8	307737	1	17 Feb 1992	17 Feb 1995
Star 9	307738	1	18 Feb 1992	18 Feb 1995
Star 10	307739	1	18 Feb 1992	18 Feb 1995
Star 11	307740	1	18 Feb 1992	18 Feb 1995
Star 12	307741	1	18 Feb 1992	18 Feb 1995
Star 13	307742	<u>1</u>	18 Feb 1992	18 Feb 1995

33 units

The total area covered by the claims is 825 hectares, or 2038 acres.

The writer is not aware of any particular environmental, political, or regulatory problems that would adversely affect mineral exploration and development on the Pacific Pearl Property.



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PACIFIC PEARL PROPERTY		
GREENWOOD M.D., B.C.		
<h1>Claim Map</h1>		
Scale 1:50,000	N.T.S. 82-E / 11	Drawn by
Date July 1992	Geologist	Figure 2
RELIANCE GEOLOGICAL SERVICES INC.		

4.0 PREVIOUS WORK

There is no record of previous work on the subject property.

5.0 REGIONAL GEOLOGY

The area is underlain by the Cretaceous Valhalla Intrusive Complex which ranges in composition from granite to granodiorite.

6.0 1992 WORK PROGRAM

6.1 Methods and Procedures

Geological mapping was carried out on the claims.

A survey grid was established over the property using compass, hipchain and altimeter. East-west cross-lines were put in at 600 meter line spacings. Stations were marked at 50 meter intervals with double flagging (Figure 3).

A detailed grid was established over parts of the Star 1, 3 and 4 claims. Cross-lines were put in at 50 and 100 meter line spacings and stations were marked at 50 meter intervals using double flagging (Figure 4).

Total line surveyed was 12.5 kilometers.

6.2 Property Geology (Figures 3 and 4)

The claims are underlain by a creamy white-pink granite porphyry. Outcrops are rounded and massive on Sites 1, 2, and 3 (shown on Figure 4). The rock is composed of pale pink potassium feldspar phenocrysts (40 to 45%) up to 2 cm in length in a groundmass of subhedral plagioclase feldspar (20%), grey quartz (20%) and biotite (10 to 15%). Groundmass grain size averages 2 to 3 mm.

On Site 1, a few fine-grained mafic stringers or narrow "dykes" were observed along Lines 7+00N and 7+50N. The stringers have a gradational contact with the granite porphyry and appear to be a fine-grained, more biotite rich, equivalent of the porphyry.

Surface weathering averages 1 to 2 cm in depth.

Most outcrops are oriented in a north-south direction. The dominant joint direction is 10 to 40° strike, dipping vertically or steeply east. Vertical joints on average are at least 5 meters apart. Horizontal joints were observed only rarely.

One fault observed in Site 3 strikes north-south and dips 80° east.

7.0 RESERVE VOLUME CALCULATION (Figures 5 & 6)

Three natural benches (Sites 1, 2, 3) on the Star 2, 3, and 4 claims have been identified as being favorable for sustained quarry development.

A preliminary volume and block reserve has been calculated for a small area within Site 1, based on field observations and information supplied by 1885 Holdings Ltd.

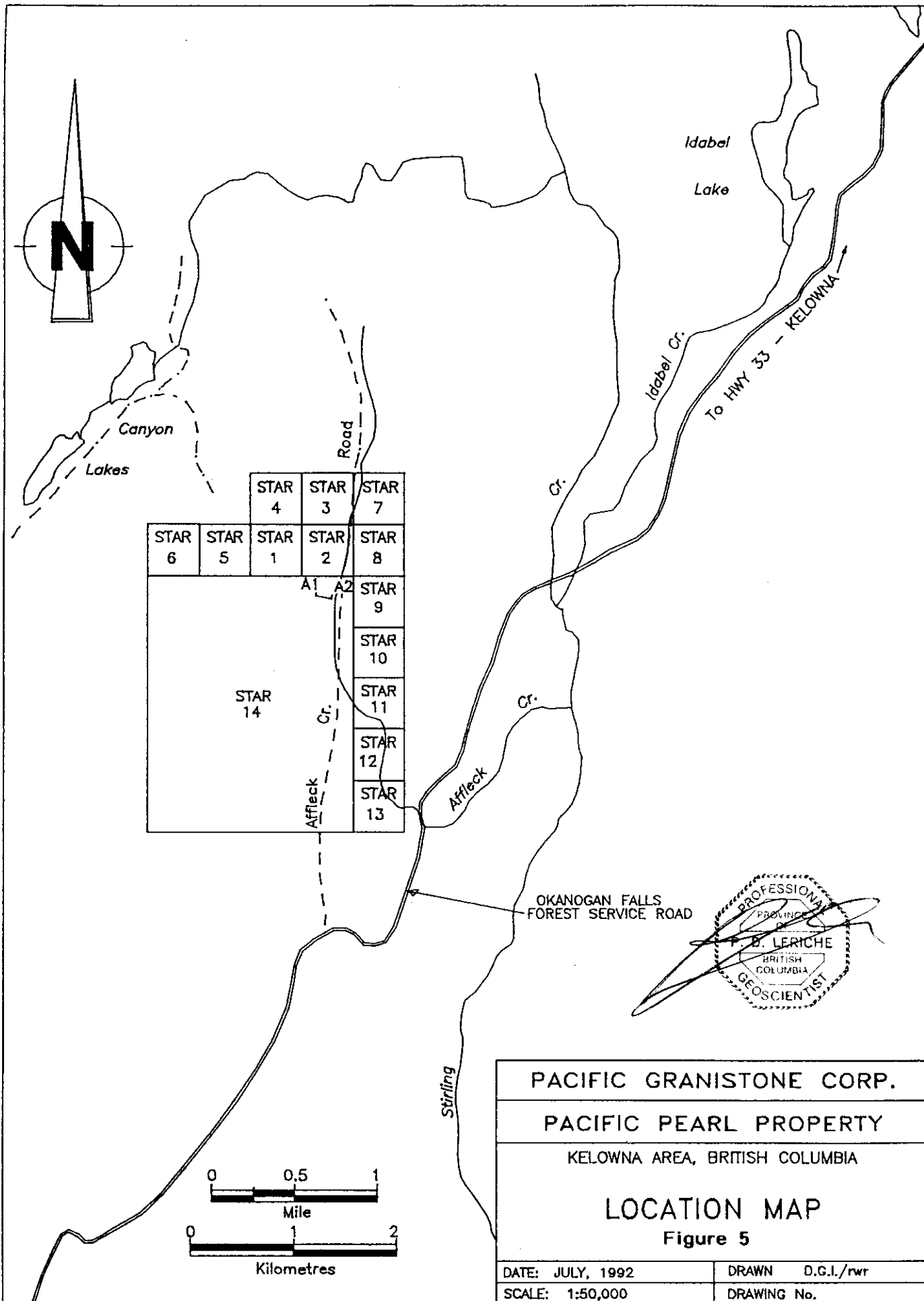
Results are as follows:

Site 1:

Reserve volume: 5.0 m x 100 m x 50 m
= 25,000 m³

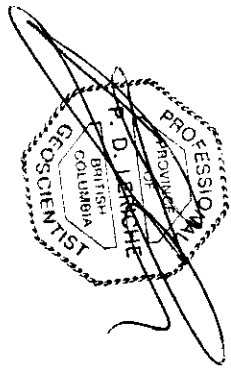
Block extraction size: 1.37 m x 1.40 m x 2.70 m
= 5.18 m³

Block Reserve
@ 50% recovery = 12,500 m³
= 2413 blocks



PACIFIC GRANISTONE CORP. PACIFIC PEARL QUARRY

DEVELOPMENT PLAN - SECTION SITE 1



BLOCK EXTRACTION SIZE:
1.37m x 1.4m x 2.7m
RESERVE VOLUME: 25,000 cu m
BLOCK RESERVE @50%: 12,500 cu m
=2,413 BLOCKS
SECONDARY PRODUCT: 12,500 cu m

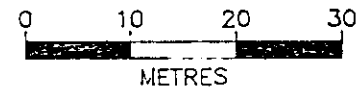
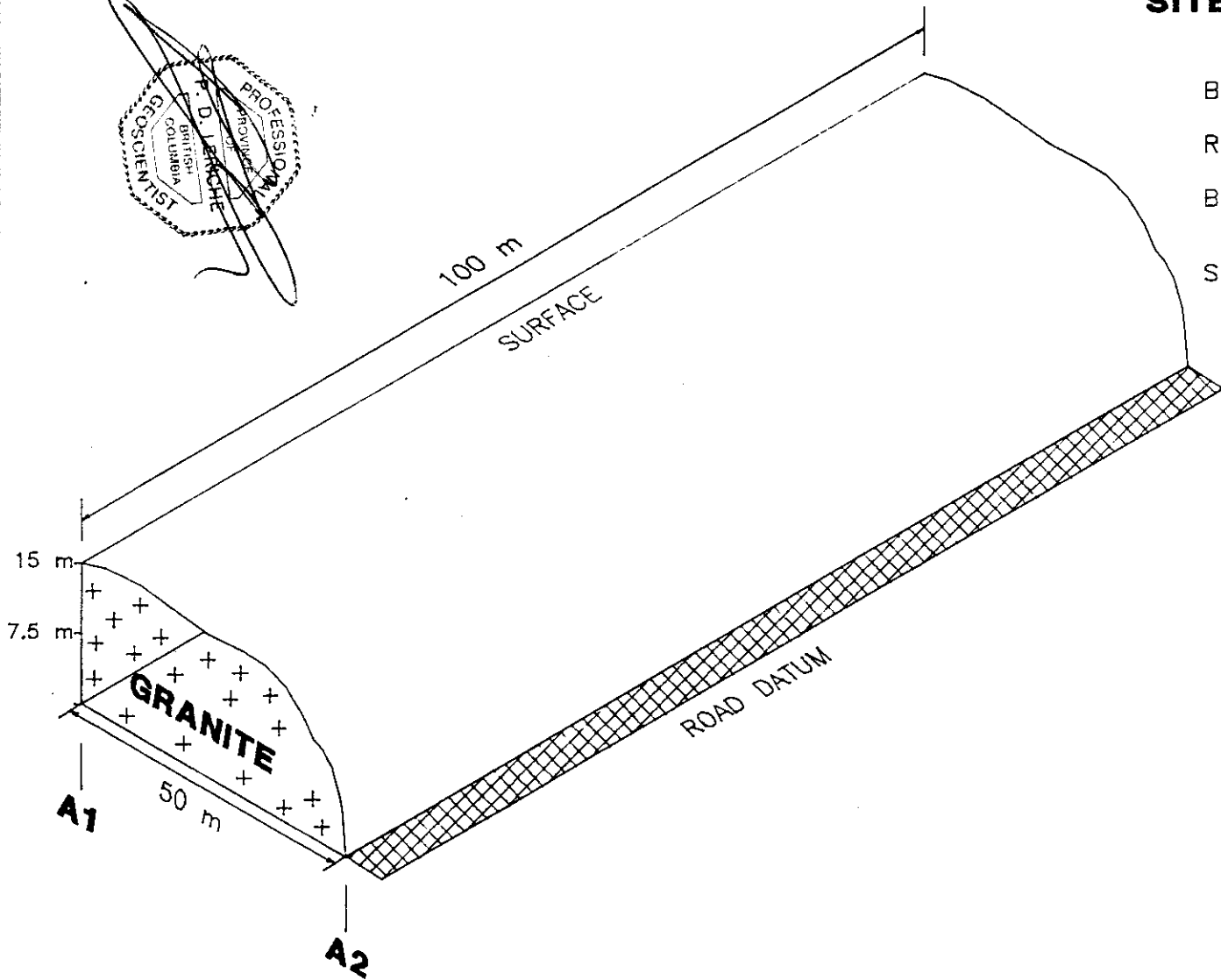


Figure 6

8.0

CONCLUSIONS

The Pacific Pearl property has very good potential to host a quarriable granite deposit for the following reasons:

- The geological environment is favorable (large, massive, rounded potassium feldspar <orthoclase> porphyry granite with wide spaced joints)
- Three sites have been defined with preliminary block reserves. All are either directly accessible by road or are near to existing road access.

CERTIFICATE

I, **PETER D. LERICHE**, of 3125 West 12th Avenue, Vancouver, B.C., V6K 2R6, do hereby state that:

1. I am a graduate of McMaster University, Hamilton, Ontario, with a Bachelor of Science Degree in Geology, 1980.
2. I am registered as a member in good standing with the Association of Professional Engineers and Geoscientists of British Columbia.
3. I am a Fellow in good standing with the Geological Association of Canada.
4. I have actively pursued my career as a geologist for twelve years in British Columbia, Ontario, the Yukon and Northwest Territories, Montana, Oregon, Alaska, Arizona, Nevada and California.
5. The information, opinions, and recommendations in this report are based on fieldwork carried out under my direction, and on published and unpublished literature. I have visited the subject property.
6. I have no interest, direct or indirect, in the subject claims or the securities of 1885 Holdings Ltd, nor do I expect to receive any.
7. I consent to the use of this report in its entirety in a Prospectus or Statement of Material Facts for the purpose of private or public financing.

RELIANCE GEOLOGICAL SERVICES INC.

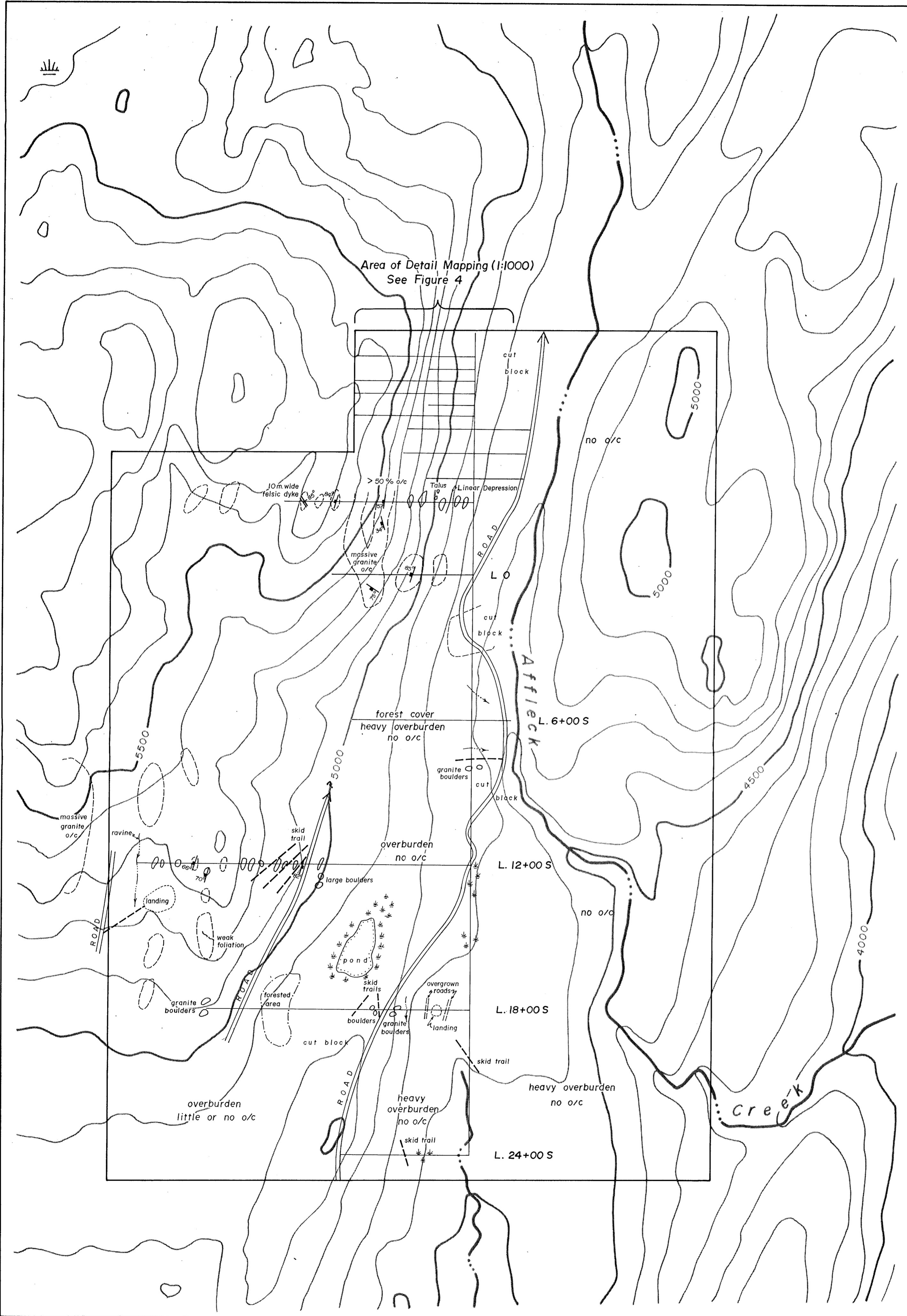

Peter D. Leriche, B.Sc., P. Geo.

Dated at North Vancouver, B.C., this 31st day of July 1992.

ITEMIZED COST STATEMENT

PACIFIC PEARL PROJECT

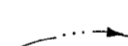

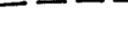
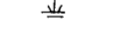
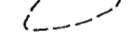


Project Preparation, incl map blow up		\$	150
Mobilization & demobilization (includes food & acc, transport & tolls)		\$	390
Field Crew:			
Field Geologist	\$ 275/day x 6 days	\$	1,650
[N. Luckman: June 23 to 25, 1992 A. Kikauka: June 26 to 28, 1992			
Prospector	\$ 225/day x 6 days	\$	<u>1,350</u>
[G. King: June 23 to 28, 1992]			\$ 3,000
Field Costs:			
Food & Accom	\$ 70/day x 12 days	\$	840
Communications	\$ 5/day x 6 days	\$	30
Supplies & eqpt	\$ 11/day x 12 days	\$	132
Vehicle:	\$110/day x 6 days	\$	<u>660</u>
			\$ 1,662
Report:			
Writing and editing		\$	366
Drafting & map preparation		\$	420
Word processing, copying, binding		\$	<u>175</u>
			\$ 961
Administration, incl Overheads & Profit		\$	<u>680</u>
Sub-total		\$	6,843
plus 7% G.S.T.		\$	<u>479</u>
TOTAL		\$	<u>7,322</u>

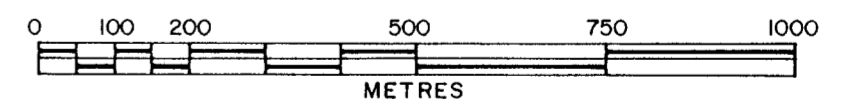
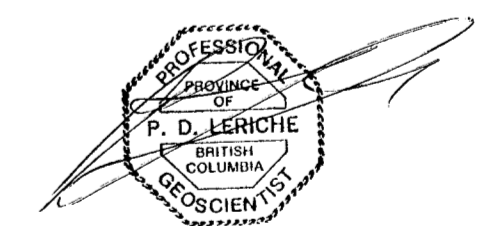


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22,470

LEGEND

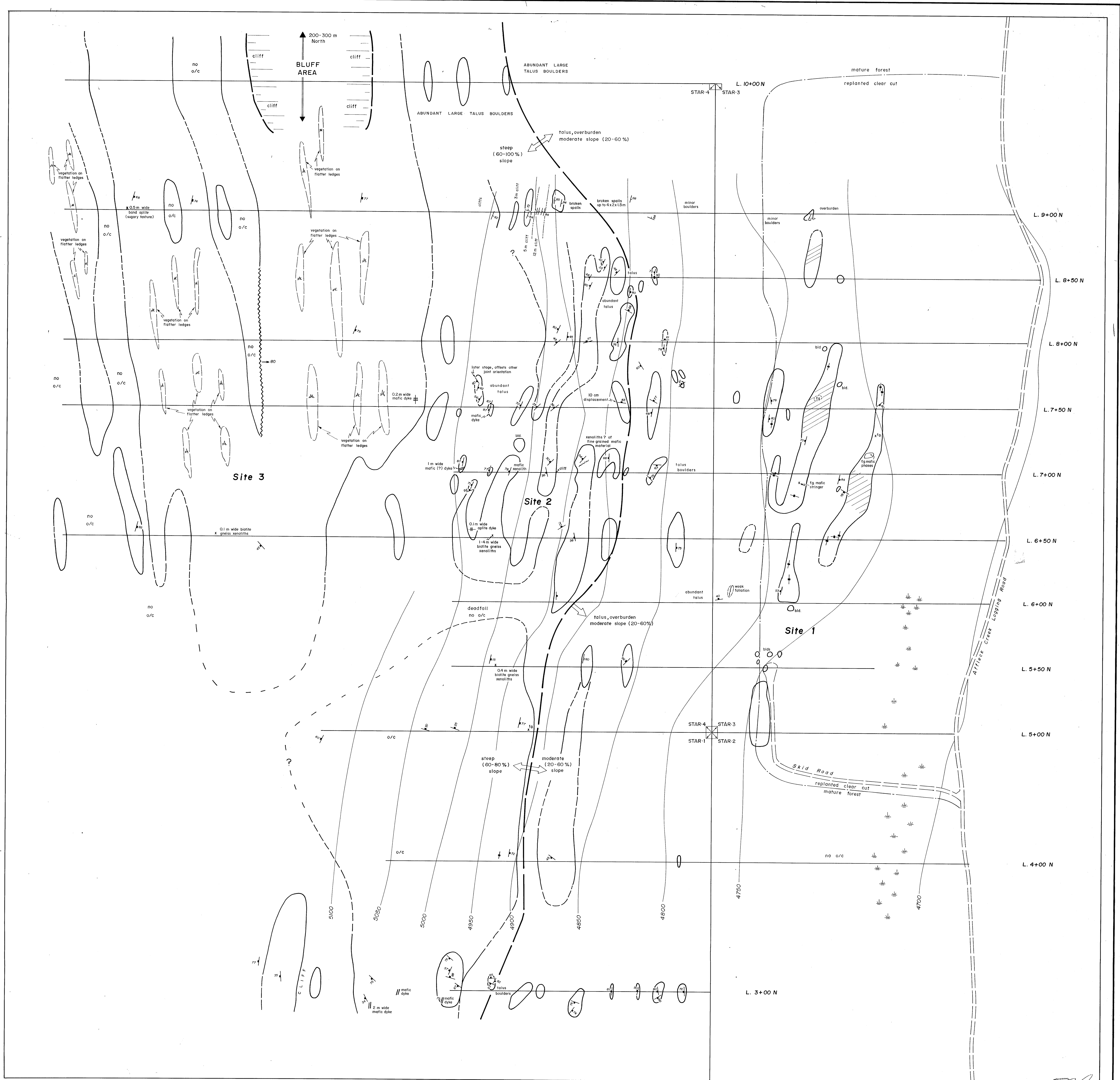
-  stream
-  main road
-  trail
-  swamp
-  outcrop (orthoclase porphyritic granite, unless otherwise noted)
-  joint
-  boundary of forest/cut block



1885 HOLDINGS LTD.
PACIFIC PEARL PROPERTY
GREENWOOD M.D., B.C.

GEOLOGY

Scale	1:10,000	N.T.S.	82 E / 11 E/W	Drawn by
Date	August 1992	Geologist		Figure 3
RELIANCE GEOLOGICAL SERVICES INC.				

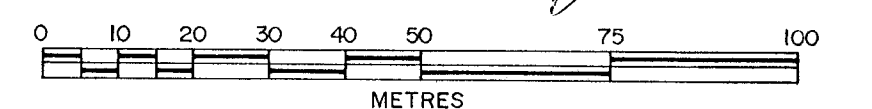


LEGEND

- Outcrop (defined, approximate boundary)
— entire area defined as GRANITE PORPHYRY unless otherwise noted.
- poorly exposed outcrop
- bid. boulder
- Joint (inclined, vertical)
- Fault
- Road
- delineation between mature forest and replanted clear cut
- Swamp
- Topographic contour (interval 50 feet)

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ASSESSMENT REPORT

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1885 HOLDINGS LTD.			
PACIFIC PEARL PROPERTY			
GREENWOOD M.D., B.C.			
Sites 1, 2, 3			
GEOLOGY			
Scale	1:1000	N.T.S.	82-E/11
Date	August 1992	Geologist	PDL
Drawn by	PDL / gel	Figure	4
RELIANCE GEOLOGICAL SERVICES INC.			