REPORT

on the

SULLIVAN TWO/DODGE PROPERTY

Creston Area, B.C.
Nelson Mining Division
NTS 82F/2E
49°03'N Lat., 116°37'W Long.

for

WHITE KNIGHT RESOURCES LTD.

August 8, 1992

G.P. Leask

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1.0 INTRODUCTION

The Sullivan Two/Dodge property at Creston, B.C. hosts stratabound lead-zinc-silver mineralization in Middle Aldridge sediments. Geological mapping, soil geochemistry, trenching and drilling have traced the mineralized horizon for about 2000 metres.

Structurally the Sullivan Two/Dodge is similar to the Sullivan Mine at Kimberley, B.C. Distinctive geological elements associated with the Sullivan Mine and found at the Sullivan Two/Dodge are albite and tourmaline alteration, growth fault pattern, fragmentals and a peripheral lead, zinc and silver apron.

Mineralization on the Sullivan Two/Dodge closely follows the mountain slope and probably forms a sheet at shallow depths beneath the surface. Lead, zinc and silver mineralization has been found at several points along the trend of the horizon. Visible mineralization consists of galena and sphalerite grading to 4.99% lead, to 1.46 zinc and to 130 gram/tonne silver. Surface exposures of the mineralized horizon in trenches are highly oxidized and leached, obtaining a true thickness of 6 metres. Fragmentals, tourmaline and albite alteration are concentrated around growth faults along the south and centre of the property. Exploration in 1991 consisted of geologic mapping and hand and machine trenching across the mineralized horizon.

A diamond drill program totalling 590 metres consisting of two holes was undertaken between June 28th and July 12th, 1992. Diamond drill holes SD92-1 and SD92-2 were both drilled in close proximity to the east-west trending tourmalinized breccia zone.

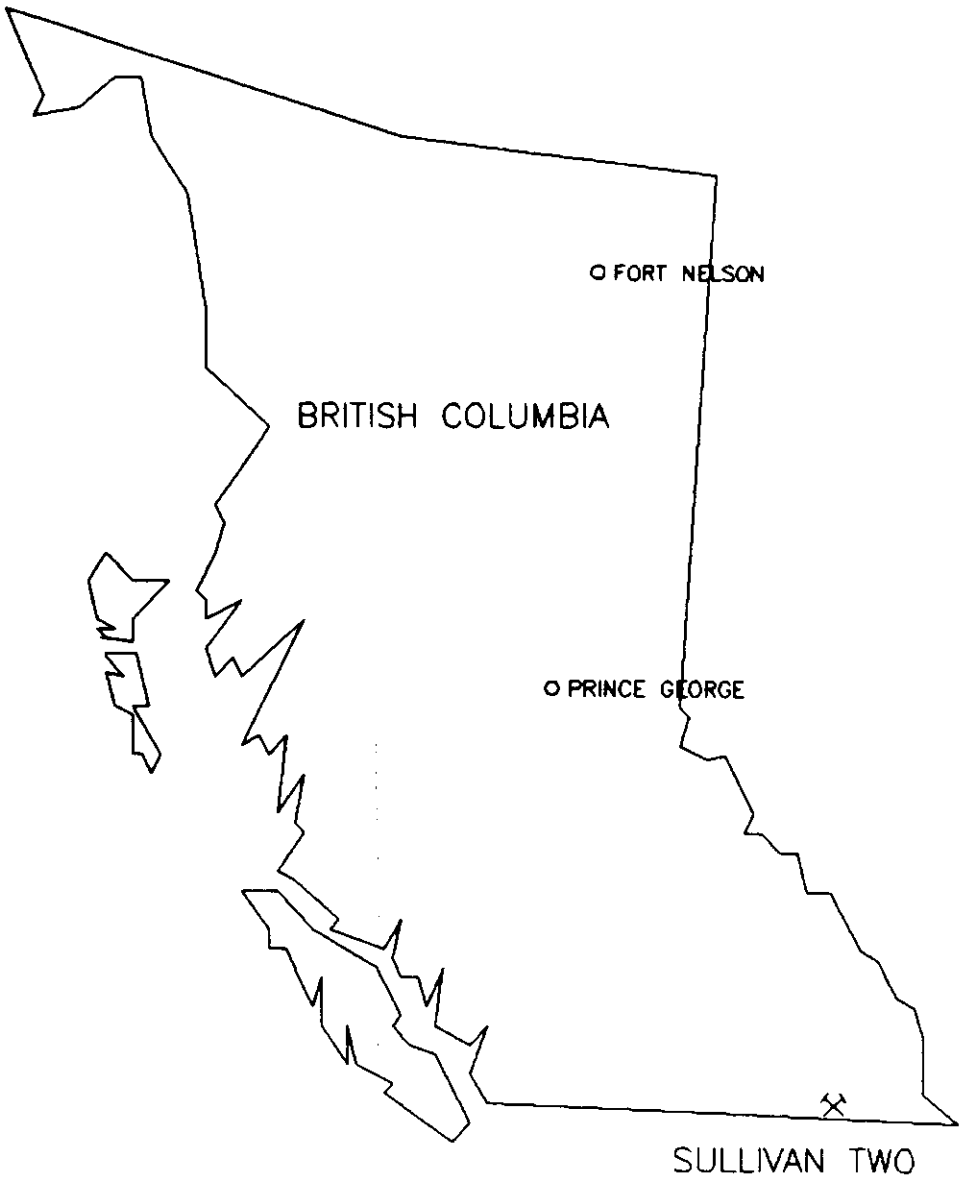
2.0 LOCATION AND ACCESS

The Sullivan Two/Dodge property is situated ten kilometres southwest of Creston, B.C. in the Nelson Mining Division. The claims are reached via the Dodge Creek Forest Service Road onto the upper slopes of Mt. Rykert. Logging and exploration roads access the property. The claim group covers most of the valley of Urmston Creek which drains east from Mt. Rykert to the Kootenay River. Elevations on the property range from 730m in the lower valley of Urmston Creek to 1646 m on Mt. Rykert.

The westernmost portion of the property has been logged, leaving only small remnants of the original forest cover of larch and spruce. The central and lower parts are covered by second growth of the same varieties, with alders, as the valley of Urmston Creek was burned in 1928. Water is available from Dodge Creek on the southwest side of the property and from the lower part of Urmston Creek.

The percentage of outcrop is variable; large outcrop areas along the ridge crests of Mt. Rykert are formed by the resistant Moyie sills. Many rock exposures are found along the logging roads and along White Knight's access roads. Natural outcrops occur from place to place. Elsewhere there is a fairly continuous cover of overburden, generally only one to two metres thick, but reaching thicknesses of over five metres in the upper northern part of the Urmston Creek basin.

Figure 1 is the Location Map. Figure 2 is the Claim Map.



WHITE KNIGHT RESOURCES LTD.	
LOCATION MAP SULLIVAN TWO PROPERTY	
DATE: FEB, 1992	SCALE
NTS: 82F/2W	FIGURE: 1

3.0 CLAIMS

The Sullivan Two/Dodge property consists of the following claims in the Nelson Mining Division:

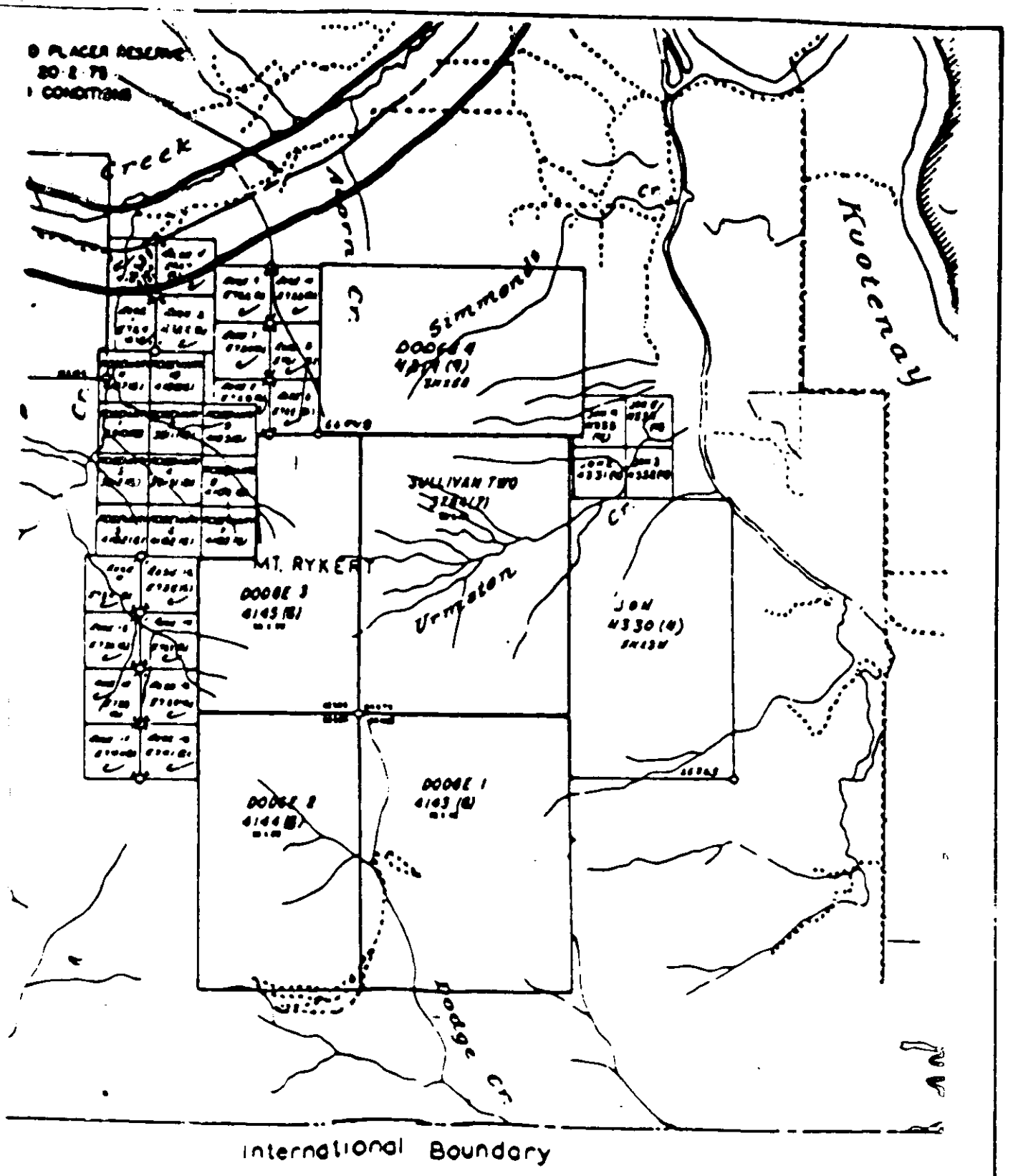
Table 1 - Claim Data

Name	Record No.	Units	Expiry Date
Sullivan Two	3784	20	July 11, 1994
Jon	4330	15	April 02, 1996
Jon 2	4331	1	April 17, 1996
Jon 3	4332	1	April 17, 1996
Jon 4	4333	1	April 17, 1996
Jon 5	4334	1	April 17, 1996
Dodge 1	4143	20	June 20, 1994
Dodge 2	4144	15	June 20, 1994
Dodge 3	4145	15	June 20, 1994
Dodge 4	4219	15	Sept 12, 1993

White Knight Resources Ltd. owns an 100% interest in the Sullivan Two claim subject to a 15% NPI royalty held by Muirfield Investments Ltd.

White Knight has the right to earn a 100% interest in the Jon claims from F. O'Grady.

White Knight has the right to earn a 100% interest in the Dodge claims from Cominco. Cominco retains the right to earn back a 51% interest in the Dodge claims for a period of 10 years.



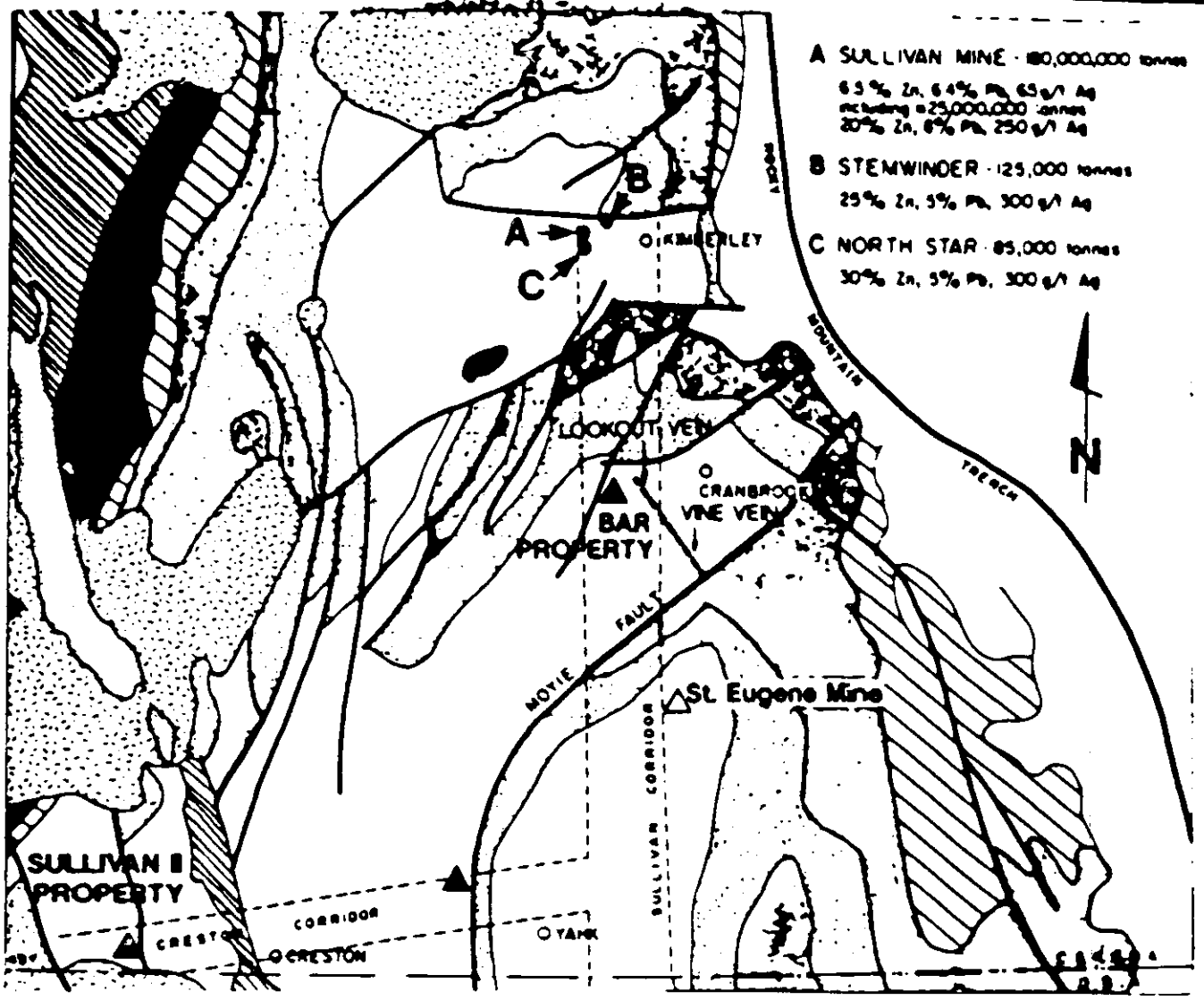
WHITE KNIGHT RESOURCES LTD	
SULLIVAN TWO PROPERTY	
CLAIM MAP	
DATE Feb 1991	SCALE: 1:50,000
NTS 82F/2E	FIGURE 2

4.0 REGIONAL GEOLOGY

The property is situated in the Nelson Range of the Selkirk Mountains on the west flank of the Purcell Anticlinorium. Regional geology is shown on Figure 3. East-west trending faults and zones of tourmaline alteration appear to delineate an east-west trending sub-basin in the Creston Area within an extensive clastic basin which extends southward from Canal Flats, British Columbia into Idaho and Montana in which the Belt Purcell Supergroup was deposited. Reactivated (growth) faults may have had an influence on deposition of stratiform massive sulphide deposits, such as the Sullivan, North Star, Stemwinder and Kootenay-King deposits in the Cranbrook-Fort Steele area. In the main basin northeast trending faults, such as the Cranbrook and Kimberley faults may have been transform faults which offset crustal spreading centres forming the locus of major sedimentary exhalative lead, zinc and silver deposits accompanied by tourmaline and albite alteration.

Rocks in the area belong to the Purcell Supergroup of Upper Proterozoic age, overlain by Paleozoic Cambrian to Middle Devonian sedimentary rocks.

Several large sills and rare dykes of Purcell age are present in the region. These are most common in the Aldridge and Fort Steele Formations, but may also be present in younger Proterozoic strata. The "Moyie Sills", predominantly gabbro in composition, have ages identical to the enclosing Aldridge strata (1433 Ma). Hoy (1983) suggests they were emplaced into uncompacted water-saturated sediments. Sulphide accumulations and veins are common adjacent to sill or dyke margins, and the Moyie intrusions are suggested to be part of a thermal-hydrothermal and mineralizing event accompanying graben development in a rifting controlled deep clastic basin.



LEGEND

MESOZOIC
- PLUTONIC ROCK

PALEOZOIC
- SEDIMENTARY ROCK

PROTEROZOIC
- HELL-ROARING CREEK STOCK
- WINDERMERE SUPERGROUP
- PURCELL SUPERGROUP
  - Mt. Nelson, Dutch Ck., Gateway Ph.dge, Roosville
  - Kitchener, Siyeh, Shepherd, Purcell Lava
  - Creston, Altyn, Waterton, Appekunny
  - Aldridge, Fort Steele

SYMBOLS
- FAULT
- A ● SIGNIFICANT DEPOSIT

0 10 20 30
KILOMETRES

WHITE KNIGHT RESOURCES LTD	
SULLIVAN TWO PROPERTY	
REGIONAL GEOLOGY	
DATE Feb 1991	SCALE: 1:
NTS 82F/2E	FIGURE: 3

5.0 HISTORY AND WORK PROGRAM

The first known reference to metallic mineralization in the vicinity of the property is the mention in the B.C.M.M. Annual Report for 1929, page C 360, which reported: "...prospecting by Angus Currie and associates, who staked four claims at the head of Long Creek (Long Creek was later re-named Urmston Creek) following the discovery of a large quantity of float after a forest fire which burned over this area last fall. These claims are about 2 miles west of the Kootenay flats, Long Creek being a small stream between Corn and Boundary Creeks. The float is a milling ore consisting of galena in a quartz gangue and the formation is probably Aldridge. A large granitic dyke is said to cross the ground from north to south."

F.B. Whiting staked the 20 unit Sullivan Two claim in 1984. Cominco subsequently staked the adjoining Dodge 1 to 4 claims and carried out programs of geologic mapping, soil sampling and, reportedly, a geophysical survey. Cominco filed an assessment report, #14,951, for soil geochemistry work done in July and August, 1985. That report gives contoured maps for lead and zinc which show a continuous anomaly for each of the metals extending from an outcrop 650 metres southwest of the LCP of the Sullivan Two, that carries traces of sphalerite, right up to the western boundary of the Sullivan Two. No natural outcrops exist along that 1200m line anomaly, but float of talc-rock and of carbonate were found at four places, and one area of loose galena-bearing carbonate material was located. Widening of a logging road at a point on this coincident anomaly 150m west of the west boundary of the Sullivan Two disclosed the presence of a highly-oxidized manganiferous gossan containing secondary lead minerals in a zone of quartzites, carbonate and massive talc beds totalling over 5m in stratigraphic thickness. Weak fine-grained galena was seen in silty quartzite beds just below the lowermost gossan layer.

A mapping and prospecting program was carried out in 1985 by F.B. Whiting and Orion Resources Ltd. (now Muirfield Investments Ltd.) which had by then purchased a 50% interest in the Sullivan Two.

The Jon and Jon 2 to 5 were staked in 1986 by F.P. O'Grady. Those claims were optioned by White Knight Resources Ltd. in 1987. White Knight Resources Ltd. also acquired options on the two 50% interests in the Sullivan Two from F.B. Whiting and Orion Resources Ltd.

In 1987 work done by White Knight Resources Ltd. consisted of gridding, geological mapping, prospecting, soil sampling, rock sampling, bulldozer trenching and the construction of some four kilometres of access roads. To the end of 1987 White Knight had spent $101,700 on the property.

In 1989 Cominco carried out a UTEM geophysical survey on the Dodge 1 and 2 claims. A crossover type conductor was detected on one loop on the Dodge 1 claims about 1000 metres south of the Sullivan Two claim.

In 1990, Kali Ventures Corp acquired an option to earn a 50% interest in White Knight's interest in the property and carried out a 909 metre BQ diamond drilling program.

In November, 1990 White Knight acquired the right to earn a 100% interest in the Dodge claims from Cominco subject to Cominco retaining the right to back in for a 51% interest in the Dodge claims.

White Knight carried out mapping, hand and machine trenching along the mineralized horizon on the Dodge 1, 2 and 3 claims in June and July, 1991. The outcrop identified by Cominco in 1989 as containing 1.5% Pb/Zn was located and exposed using hand tools. A track mounted excavator was then used to excavate one 30 metre long trench across the outcrop and 10 small test pits uphill to the horizon identified by the Cominco soil geochemistry. A total of 60 metres of machine trenching was carried out. Overburden was typically less than 1.2 metres. All trenches were backfilled upon completion.

White Knight undertook a 590 metre diamond drill program between June 28th and July 12th, 1992. Two holes were drilled straddling a zone of lead-zinc enriched tourmalinized breccia. The holes were targeted to intersect a 2 kilometre long, stratiform lead-zinc soil geochemical anomaly, situated in the structural footwall and stratigraphic hanging wall of the tourmalinized breccia.

6.0 PROPERTY GEOLOGY AND MINERALIZATION

6.1 Stratigraphy

The Sullivan Two/Dodge claim group is underlain by quartzites and siltstones of the Middle Aldridge Formation. The sequence includes two Moyie gabbro sills. In general the beds strike roughly north and dip east at angles ranging from -20^0 at the west boundary of the property to -85^0 in the far northeast corner of the block. Local flattenings and steepenings result in small folds in the bedding.

Correlations of markers show that the Middle Aldridge stratigraphy is overturned on the property. A major fold with an axis trending north and plunging gently north is visible on the east face of the mountain between Corn Creek and Summit Creek resulting in beds close to the Kootenay River flats dipping shallowly east while the beds farther up the mountain dip at moderate angles to the west. At some point due west of the Sullivan Two/Dodge property, the general westward dip must prevail as that area holds the western limb of the Purcell Anticlinorium.

To the south of the claim block, a markedly porphyritic granitic rock occurs which has been called the Mt. Rykert granite. By the evidence of definite sedimentary layering preserved in the outer parts of this body, it must be a anatectite-type granitic mass rather than a magmatic intrusion. Its age is Late Cretaceous to early Tertiary.

6.2 Mineralization

A large area of brecciated and tourmalinized sediment occurs in place on the Dodge 2 claim. Breccia fragments are subangular ranging in size from fine gravel to cobble size. Alteration of the fragments varies from weak to moderate tourmalinization. The matrix is silicified throughout. Sugary quartz stringers occur within the breccia. Pyrite with rare sphalerite and galena occur within the quartz stringers.

The mineralized outcrop was weathered to a pale tan talcose material with remnant biotite visible. No sulphides were visible. Weathering extended approximately 0.3 to 0.5 metres into the outcrop. The fresh rock was a grey quartz-feldspar-biotite-garnet schist (meta-sediment) with disseminated galena and sphalerite concordant to foliation. Near massive galena occurs sporadically throughout with lens to 1.0 centimetre thick. Two representative samples from the trench returned 1.17% Pb, 1.13% Zn and 0.44 oz/ton Ag and 1.87% Pb, 1.46% Zn and 0.71 oz/ton Ag. Figure 5 is the trench map.

No mineralized interval was encountered in either DDH SD92-1 or SD92-2. A very narrow zone of weakly tourmalinized sediment was intersected in diamond drill hole SD92-1.

7.0 CONCLUSIONS

The 1992 drill program failed to intersect a zone of base metal sulphides. It is the writer's opinion that a Sullivan type system was present at the Sullivan Two/Dodge property area although it would appear that only a very weakly mineralized remnant remains.

8.0 COST SUMMARY

Expenditures

Diamond Drilling:	Britton Bros. Diamond Drilling	$ 32,400.00
TOTAL		$32,400.00

9.0 REFERENCES

B.C.M.M.: Annual Report for 1929 (pp C 360).

Botel, W.G.: (1988) Report on the Sullivan Two Property for White Knight Resources Ltd.

Hoy, T.: (1984) Structural Setting, Mineral Deposits, and Associated Alteration and Magmatism Sullivan Camp, Southeastern British Columbia.

Hoy, et al.: (1985) Field Guides to Geology and Mineral Deposits in the Southern Canadian Cordillera. GAC Cordilleran Section Meeting Vancouver B.C., May 1985.

Parkinson, J.G.: (1989) Geophysical Report on a UTEM Survey on the Dodge Property, Nelson M.D.. B.C.

Pighin, D.L.: (1985) Report on Soil Grid Geochemistry, Dodge Property, Dodge 1 to 3, Nelson Mining Division, Creston Area for Cominco Ltd. Assessment Report 14,951.

Price, B.J.: (1989) Geological Report, Lookout Property, Cranbrook Area, B.C. Internal Report for White Knight Resources Ltd.

Tipper, et al: Tectonic Assemblage Map of the Canadian Cordillera (1981), Geologic Survey of Canada Map 1505A.

Visser, S.J.: (1986) Geophysical Report on the Horizontal Loop EM Magnetic Surveys Dodge 1 to 4 Claims, Nelson Mining Division, B.C.

10.0 STATEMENT OF QUALIFICATIONS

I, Gordon P. Leask, do hereby certify that:

1. I am a geologist with resident at 1940 Chestrfield Avenue, North Vancouver, B.C., V7M 2P5.

2. I am a graduate of the University of British Columbia with a Bachelor of Applied Science degree in Geological Engineering (1985).

3. I have been involved in mining exploration since 1979.

Gordon P. Leask

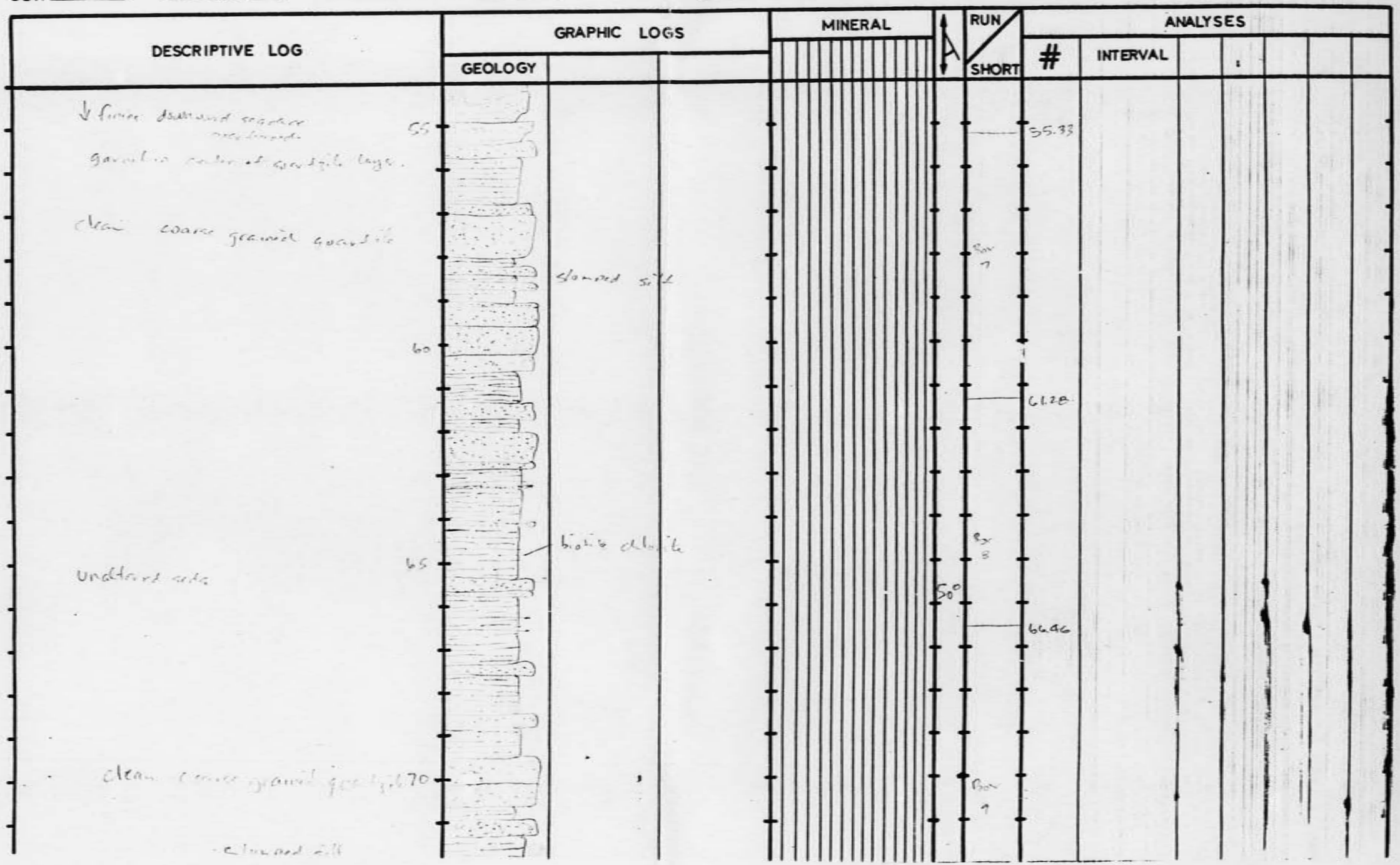
DDH SD92-2 CORE SIZE ___ FROM 18 TO 36m LOGGED BY _____ DATE _____ PAGE 1

DESCRIPTIVE LOG	GRAPHIC LOGS			MINERAL		RUN / SHORT	ANALYSES						
	GEOLOGY						#	INTERVAL					
Dip −60° A_3 310°								18.90					
							Box 1						
massive grey quartzite													
silty layers are intensely brecciated													
								25.91					
fine grained gabbro sill? and clasty													
							Box 2						
								32.16					
							Box 3						

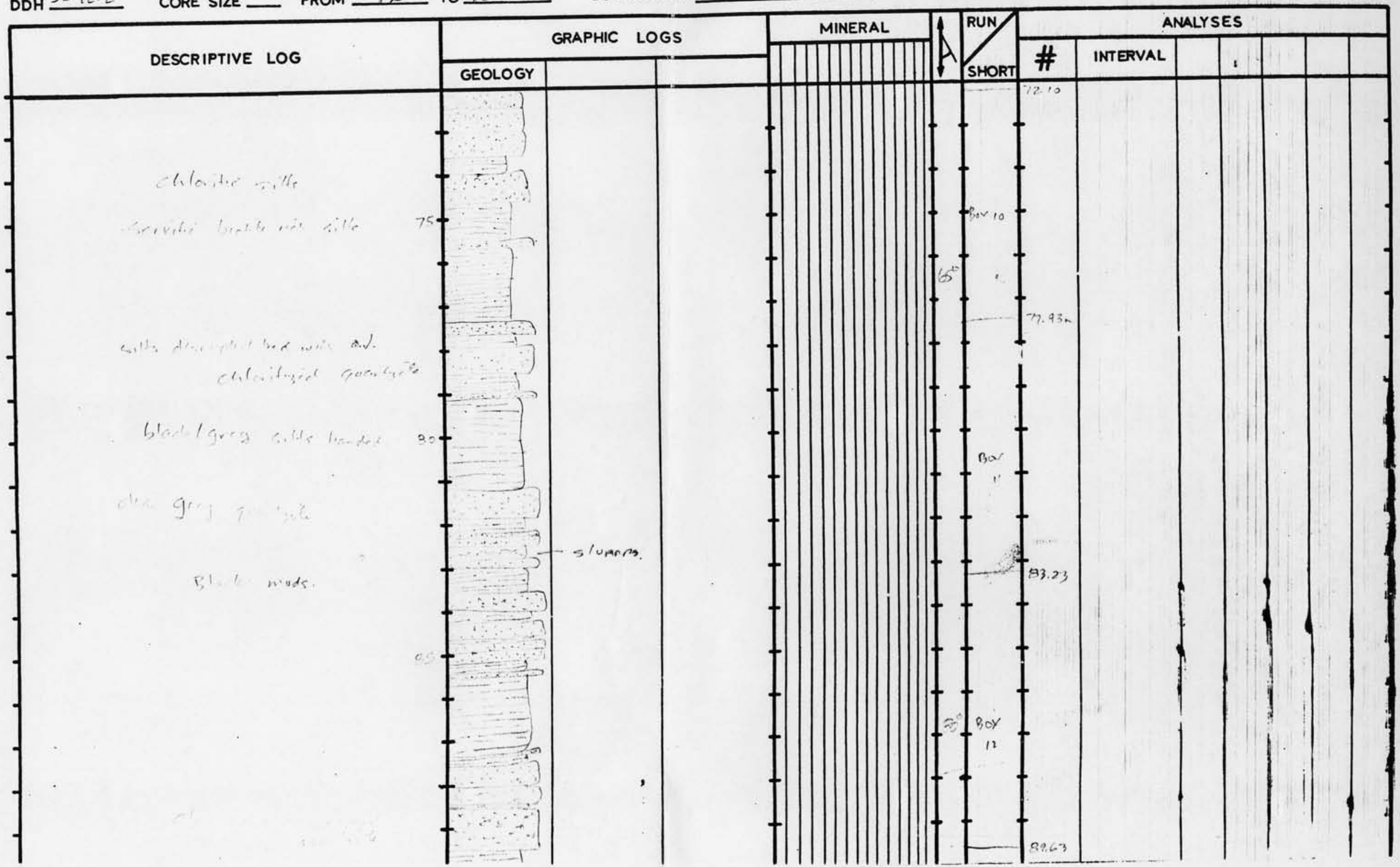
DDH SD92-2 CORE SIZE ___ FROM 36 TO 54m LOGGED BY _____ DATE _____ PAGE 2

DESCRIPTIVE LOG	GRAPHIC LOGS: GEOLOGY	MINERAL	RUN / SHORT	ANALYSES: #	INTERVAL
rusty fractures					
Siliceous zone, biotite rich					
40			50°		
Biotite rich siltst.				Box 4	38.10
			60°		
Chloritic biotite granitic silt					43.90
45					
Mixed thin bedded sequence rusty partings				Box 5	
					49.69
50					
clean grey graded turbidites.				Box 6	

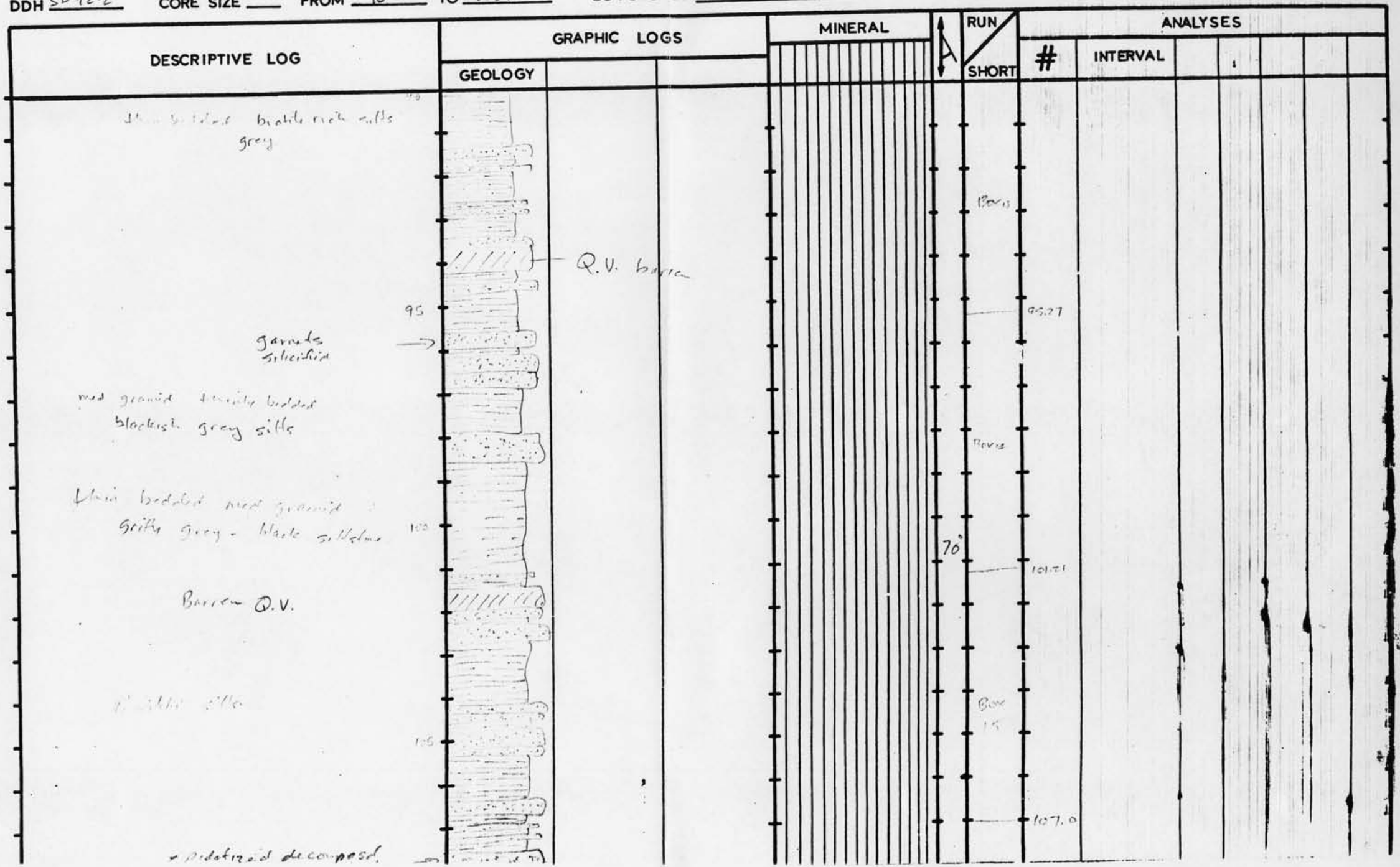
DDH SD 92-2 CORE SIZE ___ FROM 54 TO 72m LOGGED BY _____ DATE _____ PAGE 3



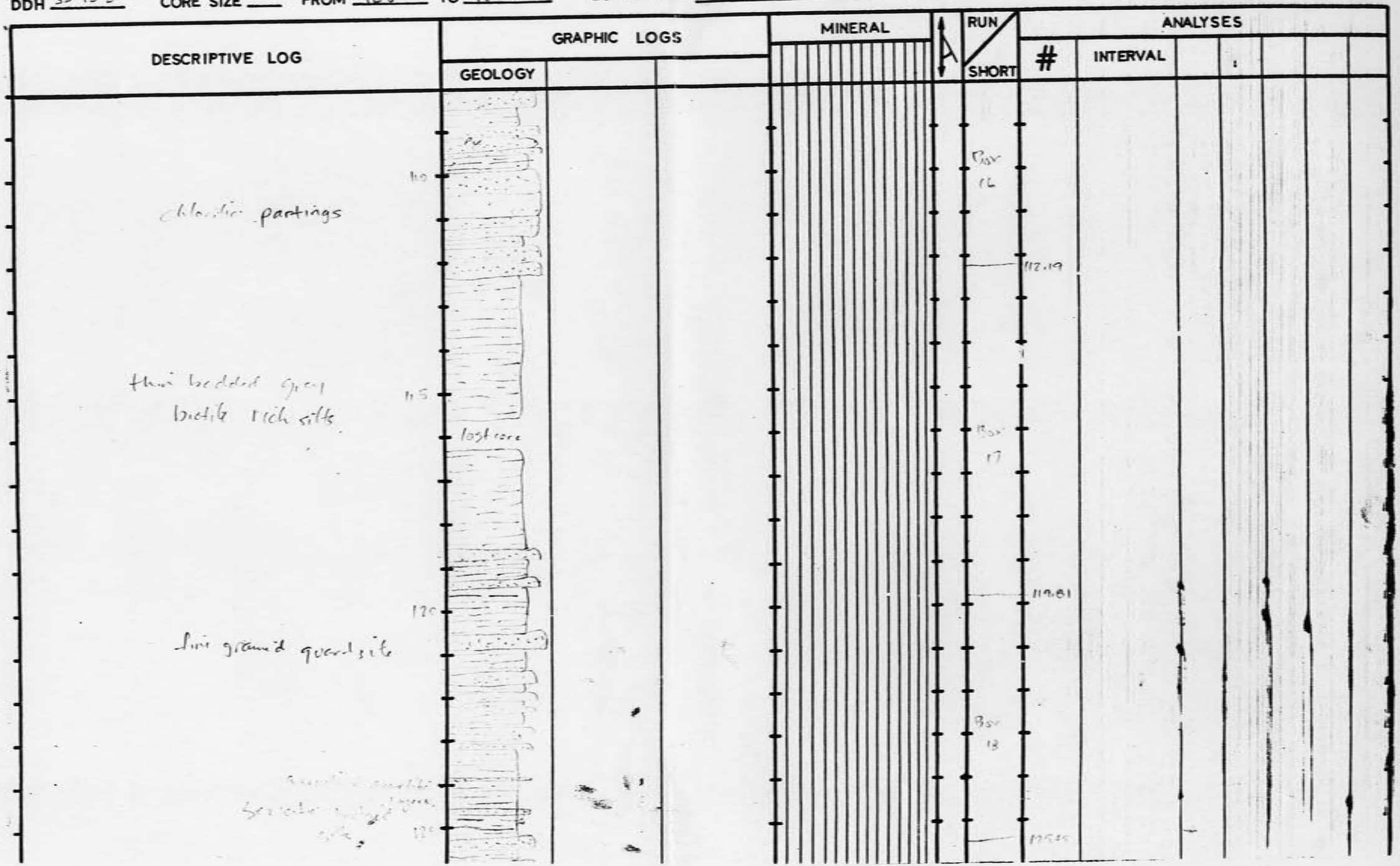
DDH SD92-2 CORE SIZE ___ FROM 72 TO 90 m LOGGED BY _____ DATE _____ PAGE 4



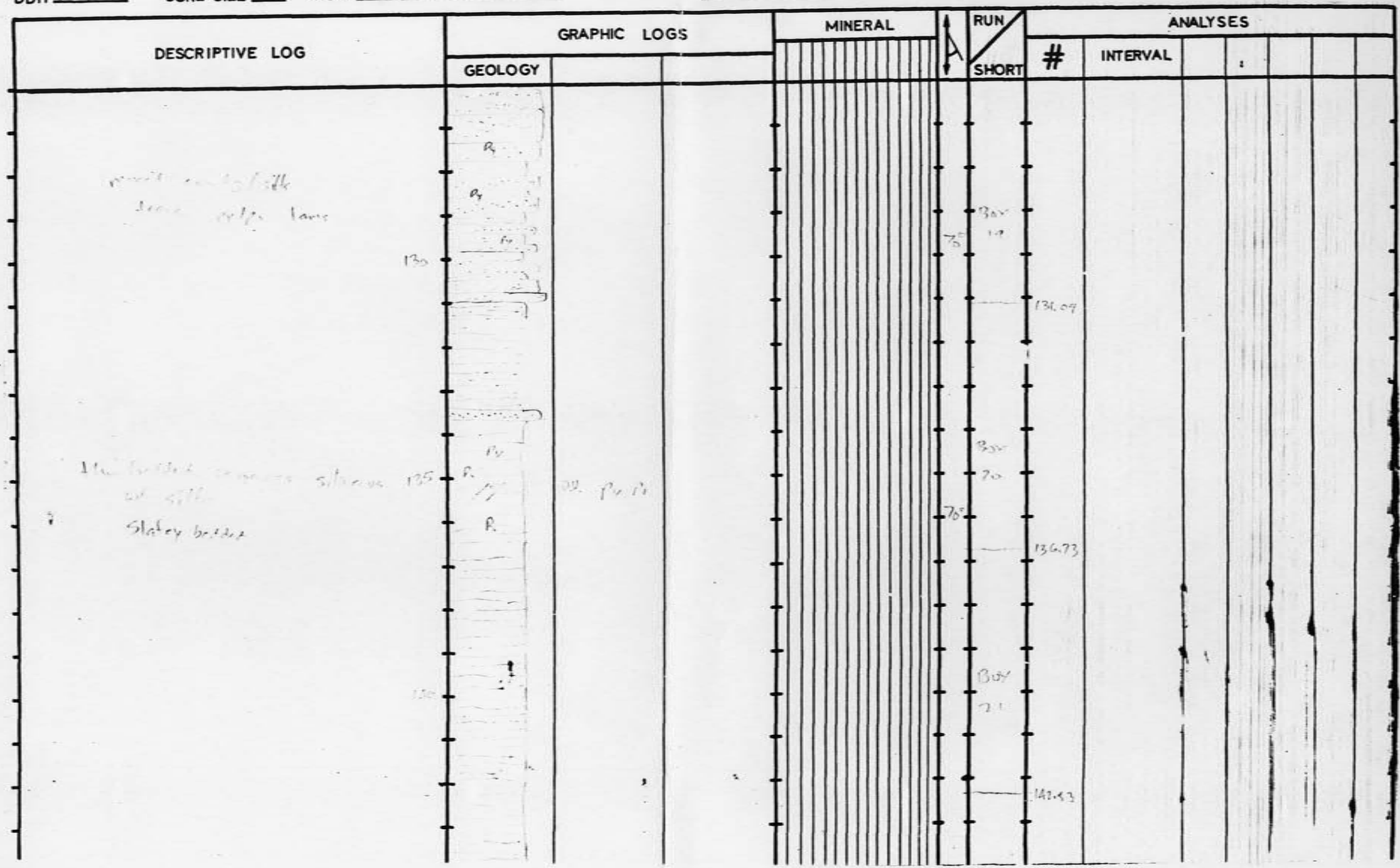
DDH SD92-2 CORE SIZE ___ FROM 90 TO 108m LOGGED BY _____ DATE _____ PAGE 5



DDH SD 92-2 CORE SIZE ___ FROM 108 TO 126m LOGGED BY _____ DATE _____ PAGE 6



DDH SD92-2 CORE SIZE ___ FROM 126 TO 144m LOGGED BY _____ DATE _____ PAGE 7



DDH SD 92-2 CORE SIZE ___ FROM 144 TO 162m LOGGED BY _____ DATE _____ PAGE 8

DESCRIPTIVE LOG	GRAPHIC LOGS: GEOLOGY	MINERAL	RUN: SHORT	ANALYSES: #	INTERVAL
145				Box 22	
					148-32
150 locally bronded Silicic				Box 23	
					153.5L
155				Box 24	
Gabbro fine med Grained					

DDH SD 92-2 CORE SIZE ___ FROM 162 TO 180m LOGGED BY _____ DATE _____ PAGE 9

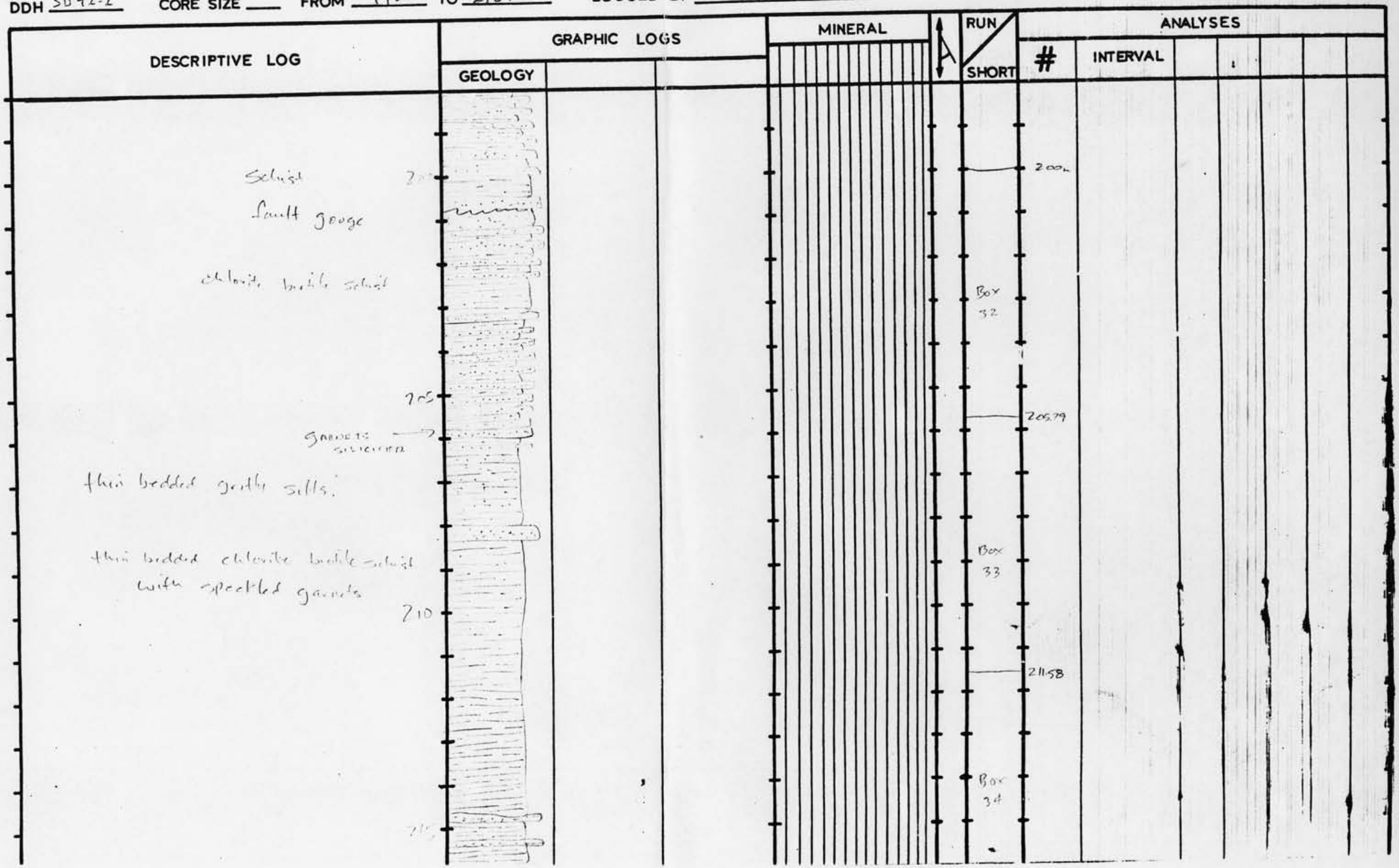
DESCRIPTIVE LOG	GRAPHIC LOGS			MINERAL		RUN / SHORT	ANALYSES						
	GEOLOGY						#	INTERVAL					
						Box							
						25							
165							165.59						
						Box							
						26							
170													
							171.34						
						Box							
						27							
175													
							175.8						
						Box							

Brittle rock sequence

DDH SD92-2 CORE SIZE ___ FROM 180 TO 198 m LOGGED BY _____ DATE _____ PAGE 10

DESCRIPTIVE LOG	GRAPHIC LOGS: GEOLOGY	MINERAL	RUN / SHORT	ANALYSES: #	INTERVAL
chloritized [illegible]					
biotite rich garnets sparse silts					
				181.71	
Biotite rich chlorite rich thin bedded sequence with siliceous interlayer up to 10cm thick	185		Box 29		
	Intense chloritization Sericitized		70°		
				188.56	
Med-thin bedded sequence 50% siliceous 50% silty quartzitic beds up to 30 cm thick	190		Box 30		
washed quartzitic layers are garnetized					
				194.20	
Gabbro dyke	195		Box 31		

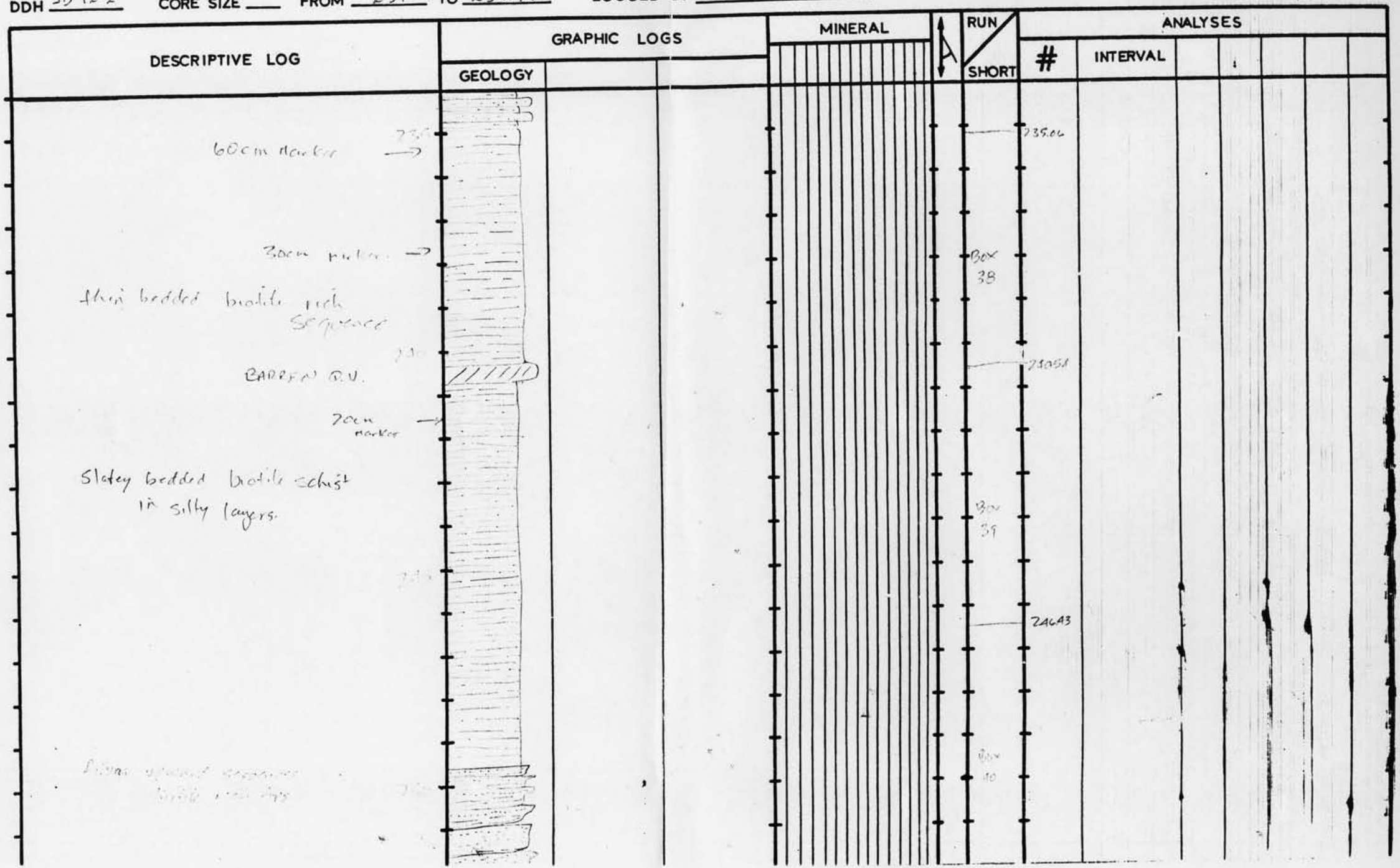
DDH SD92-2 CORE SIZE ___ FROM 198 TO 216m LOGGED BY _____ DATE _____ PAGE 11



DDH SD 92-2 CORE SIZE ___ FROM 216 TO 234m LOGGED BY _____ DATE _____ PAGE 12

DESCRIPTIVE LOG	GRAPHIC LOGS: GEOLOGY	MINERAL	RUN / SHORT	ANALYSES: #	INTERVAL
dark grey quartzite med bedded sequence - 50 - 50 distribution				217.22	
220			Box 35		
Silty layers are biotitic and Sericitic				222.86	
med thin bedded sequence			67		
225			Box 36		
				229.11	
			Box 37		

DDH SD 92-1 CORE SIZE ___ FROM 234 TO 252 m LOGGED BY _____ DATE _____ PAGE 13



DDH SD92-2 CORE SIZE ___ FROM 252 TO 270m LOGGED BY _____ DATE _____ PAGE 14

DESCRIPTIVE LOG	GRAPHIC LOGS: GEOLOGY	MINERAL	RUN / SHORT	ANALYSES: #	INTERVAL
thin bedded silicates				252.78	
Biotite rich silicate 255					
Wash chloritized quartz layer					
				258.73	
260					
slumps					
Biotite schist					
				264.02	
clean coarse grained grits 265					
Silty wide are biotite schist			67°		
				269.81	

DDH SD92-2 CORE SIZE ___ FROM 270 TO 270.92m LOGGED BY _____ DATE _____ PAGE 15

DESCRIPTIVE LOG	GRAPHIC LOGS			MINERAL		RUN / SHORT	ANALYSES						
	GEOLOGY						#	INTERVAL					
							270.92	E.O.H					

LEGEND

PRECAMBRIAN
MIDDLE ALDRIDGE FORMATION

- PEma — Medium to massive quartzwacke, minor siltite and argillite
- PEma$_1$ — Flazer bedded quartzite/siltite, minor Pb-Zn-Ag mineralization
- PEma$_2$ — Calc-silicate siltstone, talc, Mn gossan, Host for Pb-Zn-Ag mineralization

INTRUSIVE

- PEms — Gabbroic Moyie Sills

- Tourmalinite
- Drill hole
- Bedding
- Fault
- Outcrop
- Float
- Claim Boundary
- Corner Post

L 15746
L 16322
L 8977
L 9404
L 8644
L 8978
L 7713
L 7717
DODGE 4
DODGE 3
SULLIVAN TWO
JON 4
JON 5
JON 2
JON 3
NW 1/4
S 80
Tp 7
MOUNT RYKERT
DODGE 2
DODGE 1
JON
Gossan, talc Pb, Ag
talc
Pb,Zn, Ag
Granite Dyke
TRENCHES
DDH SD92-1
DDH SD92-2
Summers Creek
Urmston Creek
Dodge Creek
3800
5600
5000
3500
4000
3000
5700
4500

GEOLOGICAL BRANCH
ASSESSMENT REPORT

22 523

0 500 1000
metres

WHITE KNIGHT RESOURCES LTD.

PROPERTY GEOLOGY

SULLIVAN TWO PROJECT

CRESTON, B.C.

DATE: April, 1992	SCALE: 1:10,000
DRAWN: JLE	APPROVED:
NTS: 82F/2E	FIGURE: 4