

GEOLOGICAL BRANCH
ASSESSMENT REPORT

22,987

1993 GEOLOGICAL REPORT

on the

DIV #2 thru 6 Claims

ANNUAL WORK APPROVAL NUMBER

KAM 93 - 0400338 - 2130

Osoyoos Mining Division

British Columbia

North Latitude $49^{\circ} 00' 42''$ West Longitude $119^{\circ} 30' 29''$

NTS 82E/~~04E~~ 3W

Prepared for

JOE. FALKOSKI
Bridesville . B.C.

Prepared by

R.E. Miller B.Eng. Sci.
Crownex Resources Ltd.
P.O. Box 2941
7087 - 17th Street
Grand Forks, B.C.
VOH 1H0

June 1993

LOG
ACTION
SEP 07 1993
RD
FILE NO:

1993 GEOLOGICAL REPORT

on the

DIV #2 thru 6 Claims

ANNUAL WORK APPROVAL NUMBER

KAM 93 - 0400338 - 2130

Osoyoos Mining Division

British Columbia

North Latitude $49^{\circ} 00' 42''$ West Longitude $119^{\circ} 30'$

NTS 82E/04E

Prepared for

JOE. FALKOSKI
Bridesville . B.C.

Prepared by

R.E. Miller B.Eng. Sci.
Crownex Resources Ltd.
P.O. Box 2941
7087 - 17th Street
Grand Forks. B.C.
VOH 1H0

June 1993

TABLE OF CONTENTS

Introduction	1
Summary	1
Property and Ownership	2
Location and Access	2
History	3
General Geology and Mineralization	3
1993 exploration program	4
Conclusions	5
Recommendations	5
Cost Estimate	5
Statement of Costs	8
Statement of Qualifications	7
Bibliography	9

FIGURES

After Page.

Figure #1	Property Location	1
Figure #2	Claim Area	1
Figure #3	Claim Map 82E 3W	2
Figure #4	Claim Map 82E 3W and 82E 4E	2
Figure #5	MINFILE 082ESW001	2
Figure #6	MINFILE 082ESW001	2
Figure #7	General Geology	3
Figure #8	Ground Mag and Rock Chip Location	4
Figure #9	Ground Mag Profiles	4
Figure #10	Ground Mag Profile	4
Figure #11	Rock Chip Assay Sheet	5
Figure #12	Rock Chip Assay Sheet	5

INTRODUCTION

Private company geologic and geophysical data from 1971 and 1974, covering the Dividend-Lakeview mining camp of South Central B.C. in the Osoyoos Mining Division, was used as a basis for investigation of the DIV claims that lie within the old mining camp and are owned by Mr. Joe Falkoski of Bridesville, B.C.. (Figure #1)

Most of the 1993 work was of a reconnaissance nature.

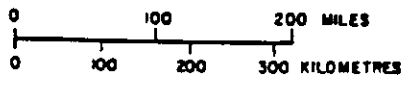
SUMMARY

The DIV claims consist of five (5) two post claims located in the Osoyoos Mining Division some three kilometers south west of the town of Osoyoos B.C. near the Canada-U.S.A. border.

Access to the property is via paved residential roads to the eastern edge of the claim block and from there numerous bush roads service scrub brush lands, pasture areas and tree covered plateaus at high elevations. (Figure #2)

Permian Anarchist Group greenstone, phyllite, slate, limestone, and quartzite are intruded by Jurassic-Cretaceous diorite and minor quartz monzonite and syenite probably of Coryell age.

Exploration began in the Dividend-Lakeview area



<p>DIV. CLAIMS PROPERTY LOCATION MAP</p> <p>OSOYODS MINING DIVISION</p> <p><i>Joe Falkaski Property</i></p>			
DRAWN BY:	NTS:	DATE:	FIGURE:
<i>REM</i>	<i>BL E/3</i>	<i>June 93</i>	<i>1</i>

OSOYOOS
82 E/3
EDITION 2

OSOYOOS

SIMILKAMEEN DIVISION OF YALE LAND DISTRICT
BRITISH COLUMBIA

Scale 1:50,000 Échelle

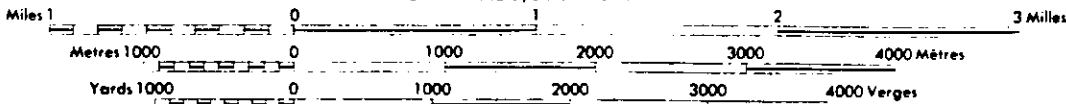


TABLEAU D'ASSEMBLAGE DU SYSTÈME NATIONAL DE RÉFÉRENCE CARTOGRAPHIQUE

120°00'	118°30'		
49°30'	82 E/5	82 E/6	82 E/7
	82 E/4	82 E/3	82 E/2
48°45'	USA	USA	USA
120°00'	118°30'		

INDEX TO ADJOINING MAPS OF THE NATIONAL TOPOGRAPHIC SYSTEM

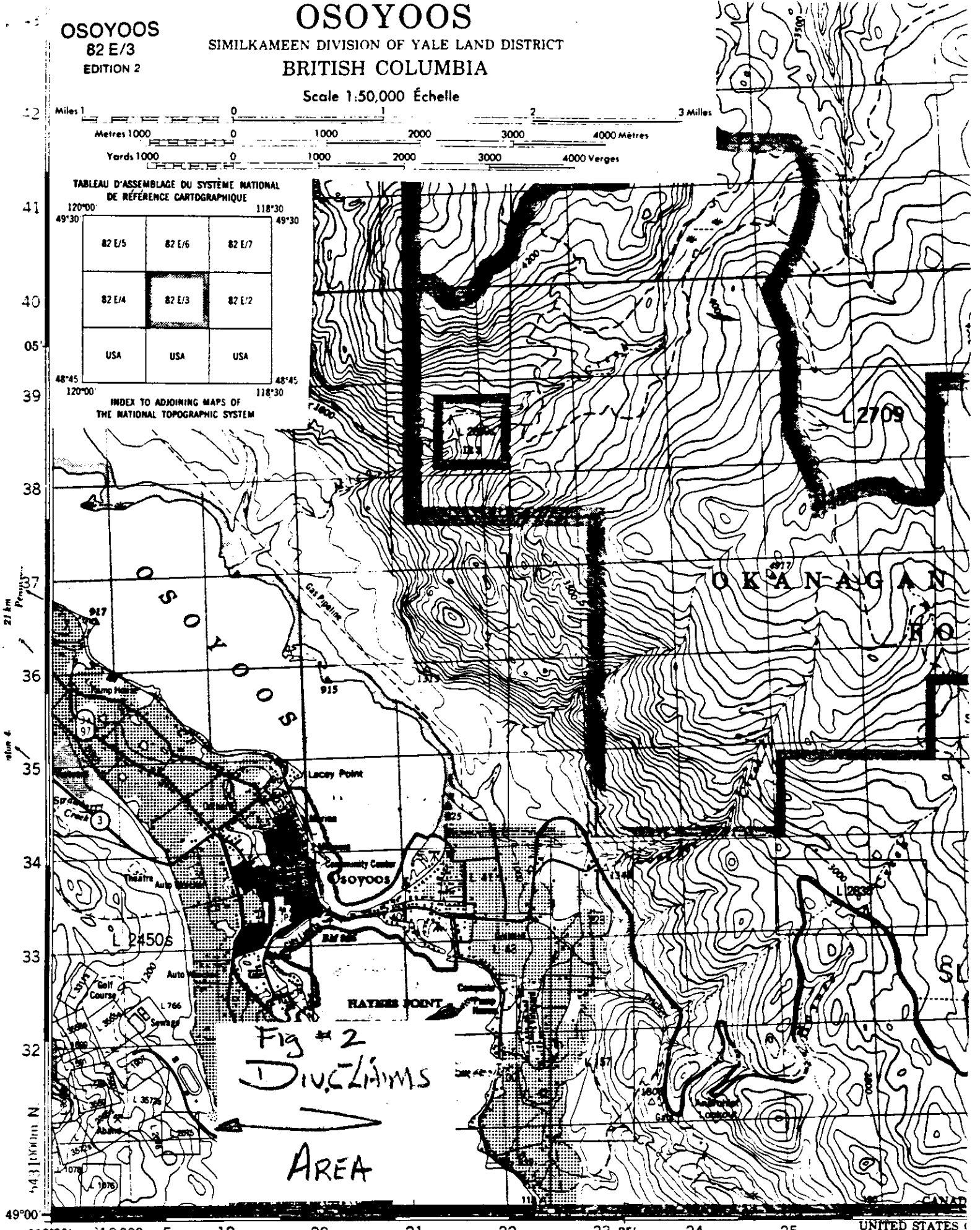


Fig # 2
DINGLIAMS
AREA

around the turn of the century with minor production from a copper gold skarn deposit commencing in 1907 and essentially ending in 1940. Continued active exploration is still on-going.

PROPERTY AND OWNERSHIP

The properties are comprised of five (5) two post-claims located in the Osoyoos Mining Division near the Old Dividend-Lakeview mining camp some 3 km south west of Osoyoos, B.C.. The claims were located and are owned by Mr. Joe Falkoski of Bridesville, B.C.. (Figure #3 and #4)

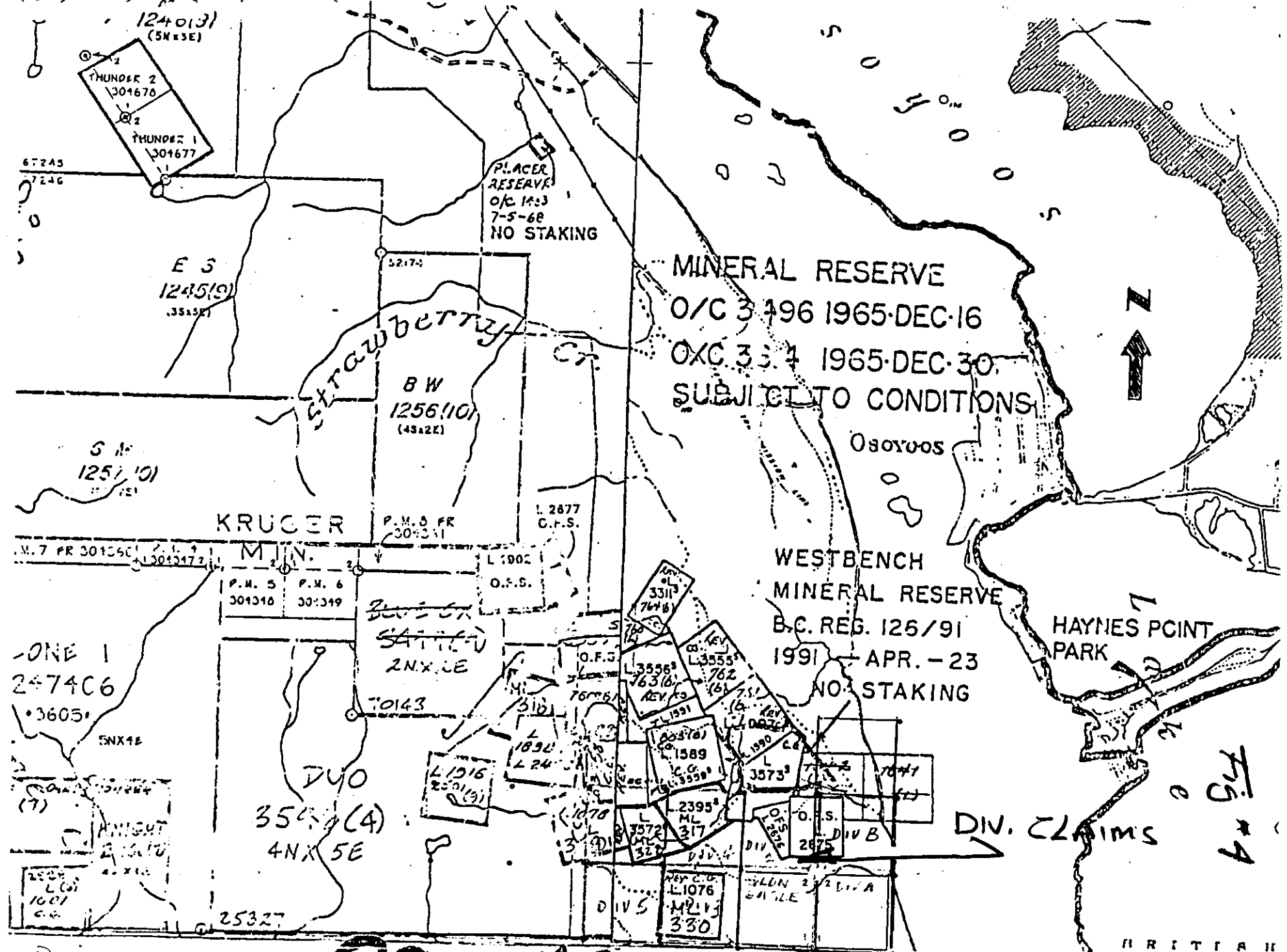
Claim Name	Record Number	Expiry Date
DIV #2	310159	June 1, 1994*
DIV #3	310160	June 1, 1994*
DIV #4	310161	June 1, 1994*
DIV #5	310162	June 1, 1994*
DIV #6	310163	June 1, 1994*

*Pending acceptance of this report

LOCATION AND ACCESS

The properties fall within map sheets 82E 3W and 82E 4E and lie along the eastern slope of Kruger Mountain approximately 3 kilometers south west of Osoyoos, B.C..

Access is excellent via paved roads leading south west from Osoyoos to the race track, golf course, and a new residential housing development. Various dirt roads provide internal access to the DIV claims.



1240131
(5Wx5E)

THUNDER 2
304676
THUNDER 1
304677

PLACER
RESERVE
O/C 1423
7-5-68
NO STAKING

MINERAL RESERVE
O/C 3496 1965-DEC-16
OXC 354 1965-DEC-30
SUBJECT TO CONDITIONS

WESTBENCH
MINERAL RESERVE
B.C. REG. 126/91
1991 - APR. - 23
NO STAKING

HAYNES POINT
PARK

KRUCER

MIN.

P.M. 5
304346

P.M. 6
304349

2NX5E

3559(A)
4NX5E

ONE 1
2474C6
3605

AMIGHT
L(6)
1001
C.C.

25327

L 1076
330

Div 2, 3, 4, 5, 6

82E 4E

82E 3W

Claim Map

Fig 4

BRITISH

Arid conditions prevail and vegetation consists of dry grass lands with scrub brush suitable for pasture.

HISTORY

Between 1907 and 1940, 504 kilograms of gold, 88 kilograms of silver, 73 tonnes of copper, 71 kilograms of lead and 71 kilograms of zinc were produced from 111.250 tonnes of ore at the Dividend-Lakeview Mine adjacent to, and just north of the DIV #4 claim. Numerous prospect pits, shallow shafts and evidence of trenching are found within the DIV claims indicating evidence of long term exploration interests. (Figure #5 and #6)

GENERAL GEOLOGY AND MINERALIZATION

Intrusive Jurassic-Cretaceous Nelson batholithic quartz diorite to diorite rocks outcrop on the property where they intrude Triassic? to Permian? Anarchist Group or Kobau Group, greensstone, phyllite, slate, and limestone.

The Dividend-Lakeview Mine workings are located within Pyrrhotite, pyrite, chalcopyrite, magnetite, and arsenopyrite skarn which preferentially replaces marble. Although the mineralized trend at the Dividend-Lakeview Mine appears to trend east-west similar geology and anomalous geophysical signatures can be found south of the mine on the DIV claim group. (Figure #7)

MINFILE NO.: 082ESW001

NATIONAL MINERAL INVENTORY NO.: 82E-3,4 AU 2/-

NAME(S): DIVIDEND-LAKEVIEW(L. 1589, 1899).GEM

STATUS: Past Producer
N.T.S.: 082E04E

MINING DIVISION: Osoyoos

LATITUDE: 49 00 42

UTM ZONE: 11

LONGITUDE: 119 30 00

UTM NORTHING: 5431545

ELEVATION: 0600 Metres

UTM EASTING: 317188

COMMENTS: SOUTH WEST OF GRAND FORKS.

LOCATION ACCURACY: Within 500 M

COMMODITIES: Gold Silver Copper
Lead Zinc

SIGNIFICANT MINERALS: Chalcopyrite Magnetite Arsenopyrite

AGE OF MINERALIZATION: Unknown

DEPOSIT CHARACTER: Unknown

DEPOSIT CLASS.: Replacement

DOMINANT HOST ROCK:

PRDUCTION: ** ALL METRIC VALUES ARE IN KILOGRAMS EXCEPT PRECIOUS METALS WHICH ARE IN GRAMS **

** ALL IMPERIAL VALUES ARE IN POUNDS EXCEPT PRECIOUS METALS WHICH ARE IN OUNCES **

YEAR	Tonnes Mined	Tonnes Milled	Gold	Silver	Lead	Zinc	Copper
1949	35	0	280	5,350	71	71	
1941	11	0	933	156			
1940	8,352	8,352	25,193	7,558			7,812
1939	46,609	41,696	167,054	25,442			26,676
1938	23,470	18,723	135,951	18,382			13,160
1937	21,121	16,090	58,971	9,393			11,685
1936	6,804	6,450	49,329	13,250			10,654
1935	3,266	3,220	21,088	6,003			1,691
1933	36	0	902	124			299
1932	201	0	684	31			37
1916	9	0	280	62			33
1915	34	0	560				
1914	123	0	3,701				
1913	821	0	30,450	1,493			337
1912	307	0	6,501				797
1908	25	0	902				
1907	28	0	1,617				170
METRIC TOTAL:	111,252	94,531	504,396	87,244	71	71	73,351
IMPERIAL TOTAL: Tons	122,634	Tons 104,202	16,216	2,804	156	156	161,711

MINFILE NO.: 082ESW001
CONTINUED...

RUN DATE: 89/05/06
RUN TIME: 00:31:00

MINISTRY OF ENERGY, MINES AND PETROLEUM RESOURCES
MINERAL RESOURCES DIVISION - GEOLOGICAL SURVEY BRANCH
MINFILE - REPORT

PAGE: 2

Fig # 6

COMMENTS FOR 1941: Ore mined is only clean-up material.
COMMENTS FOR 1940: Mine closed down in March.
COMMENTS FOR 1939: Ore milled does not include 4860 tons tailings retreated.
COMMENTS FOR 1938: Ore milled does not include 41,209 tons tailings retreated.

GEOLOGY:

IRREGULAR HIGH TEMPERATURE REPLACEMENT DEPOSITS IN LIME BEDS OF THE ANARCHIST SERIES AND IN ALTERED VOLCANICS OF THE SAME SERIES WHICH CONTAIN CONSIDERABLE LIME WHICH HAS BEEN INTRUDED BY THE OSOYODS BATHOLITH. TYPICAL SKARN MINERALS CONSISTING OF GARNET, EPIDOTE, DIOPSIDE, WOLLASTONITE AND POSSIBLY OTHERS HAVE BEEN DEVELOPED WITH THE METALLIC MINERALS CONSISTING OF PYRRHOTITE AND MAGNETITE WITH VARYING AMOUNTS OF CHALCOPYRITE AND ARSENOPYRITE.

BIBLIOGRAPHY:

EMPR PF (GEM LOT NO 33115)
EMPR AR 1900-990, 1901-1074, 1158, 1902-185, 1903-176, 1906-165, 168, 1907-215, 1908-248, 1910-125, 1912-182, 323, 1913-172, 174, 1914-511, 1915-202, 446, 1916-518, 1917-215, 1927-237, 1930-218, 1931-135, 1932-134, 1933-164, 1934-D13, 1939-75, 1938-D34, 1963-65, 1964-109, 1966-244
EMPR ASS RPT 658, 808
EMPR BULL 1-88, 20-III-18
BC DEPT LANDS MIN REF MAP 7, 1934
GSC MEM 179-20
GSC SUM RPT 1912-211
GSC P 37-21-38
GSC MAP 37-21, 539A, 541A
EMR MP CORPFILE (OSOYODS MINES OF CANADA LTD.)
EMR MRB INVEST RPT 771, 639
EMPR ASS RPT 8188, 9180

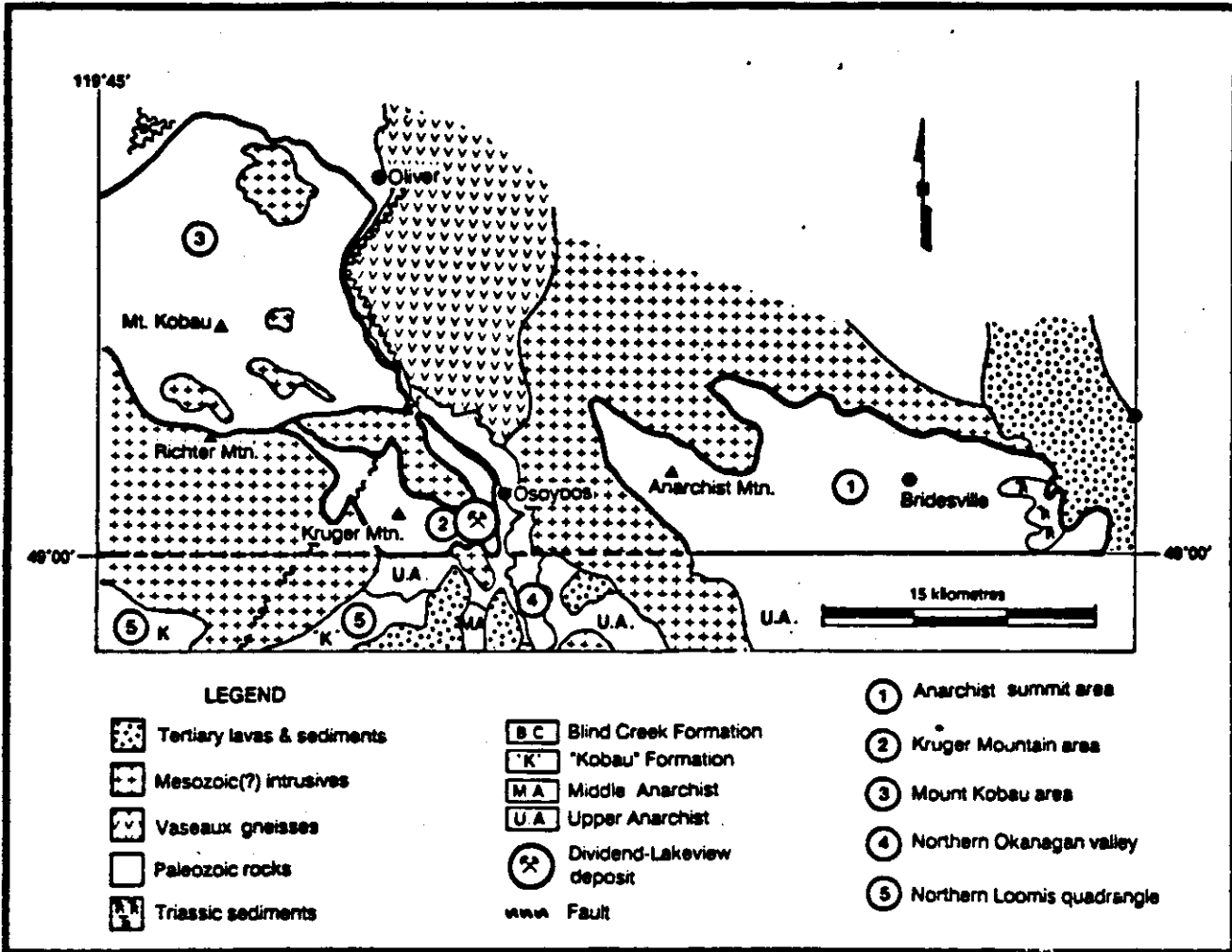
DATE CODED: . 850724
DATE REVISED:

CODED BY: GSB
REVISED BY:

FIELD CHECK: NO
FIELD CHECK:

MINFILE NO.: 082ESW001

B
C
S
Y
S
T
E
M
S



General geology of the Osoyoos district showing location of the Dividend-Lakeview deposit (from Peatfield, 1978).

Fig #7

1993 EXPLORATION PROGRAM

Company held geologic data from the 1970's with detailed IP and magnetometry covering mainly the U.S.A. side of the border but extending north on the Canadian side to the Dividend-Lakeview Mine. was obtained by Mr. Falkoski and investigated in a reconnaissance fashion during 1993.

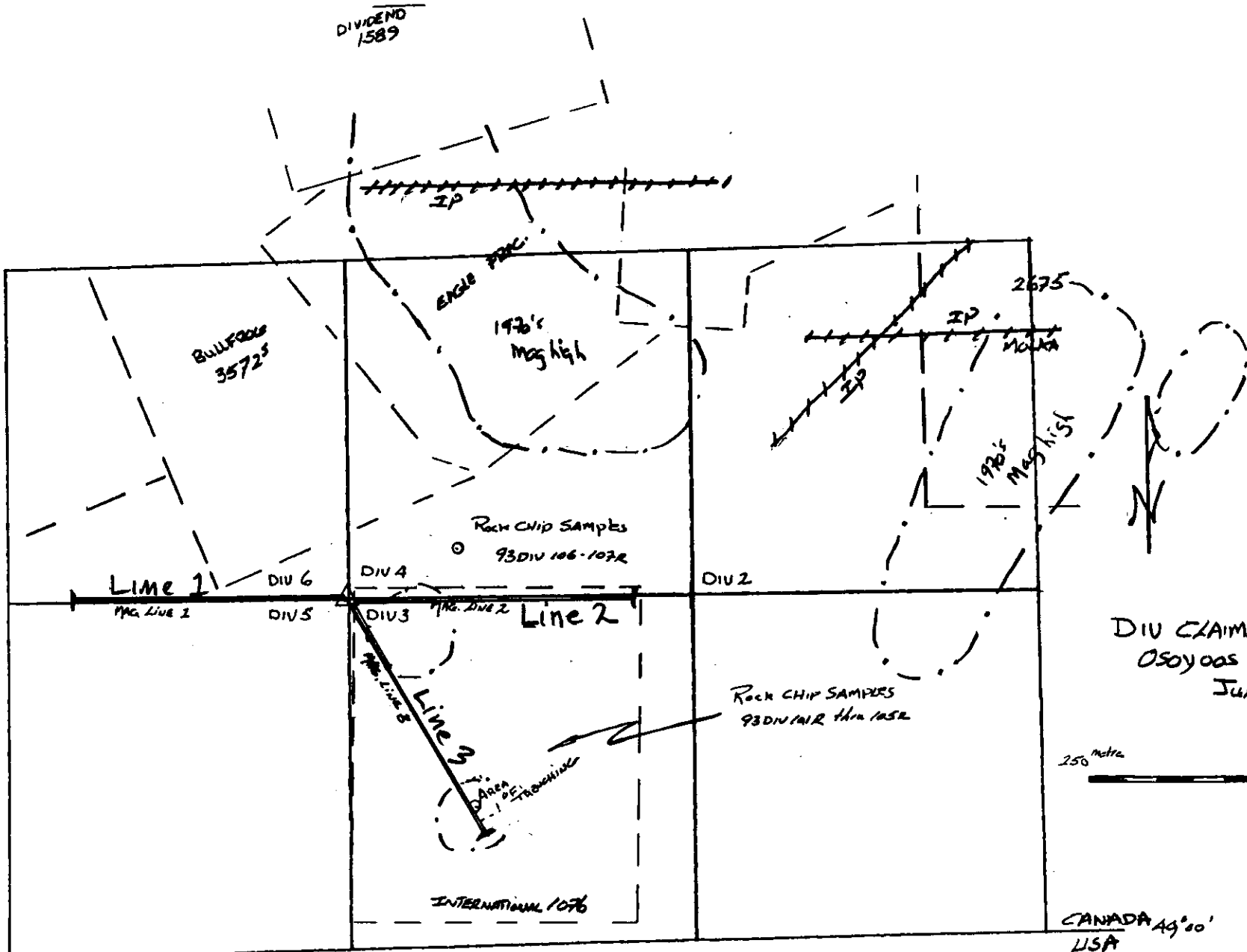
Approximately 1.5 kilometers of ground magnetometry was completed and seven rock chip samples were collected. (Figure #8)

A Geometrics hand held proton magnetometer was used to conduct the ground mag program. The coincidental ground mag and IP anomalies from the 1970's work were located as a reconnaissance program on the MOLKA (2675) claim Div #2 and on the EAGLE FRAC (2395) DIV #4 claim. Three ground mag lines were started from the common claim post to DIV 3, 4, 5, and 6. Line #1 was run out 405 meters to the west. Line #2 was completed to the east for 510 meters and a third line was surveyed S30° E for 415 meters. Three readings were taken at each 25 meter station and averaged. (Figure #9 and #10)

Mineralization was encountered along line #3 from 2+50 meter station to the end of the line at a site of old trenching.

The magnetic high of 570638 gammas. along line #3. was associated with pyrite and chalcopyrite mineralization in a hornfels at a diorite-metasediment

DIVIDEND
1589



DIV CLAIMS
 OSOYOOS MINING DISTRICT
 JUNE 1993
 SCALE 1:5000*

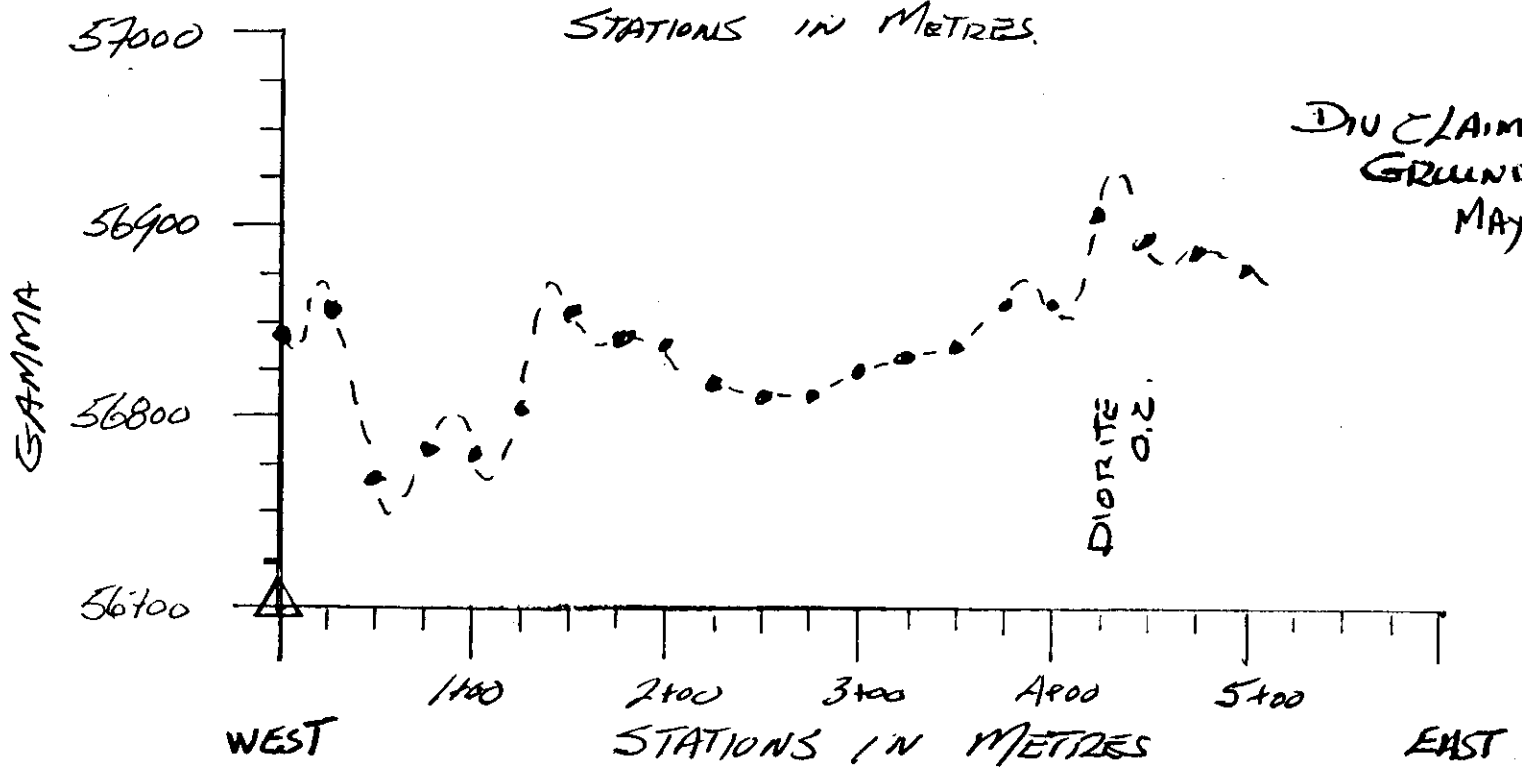
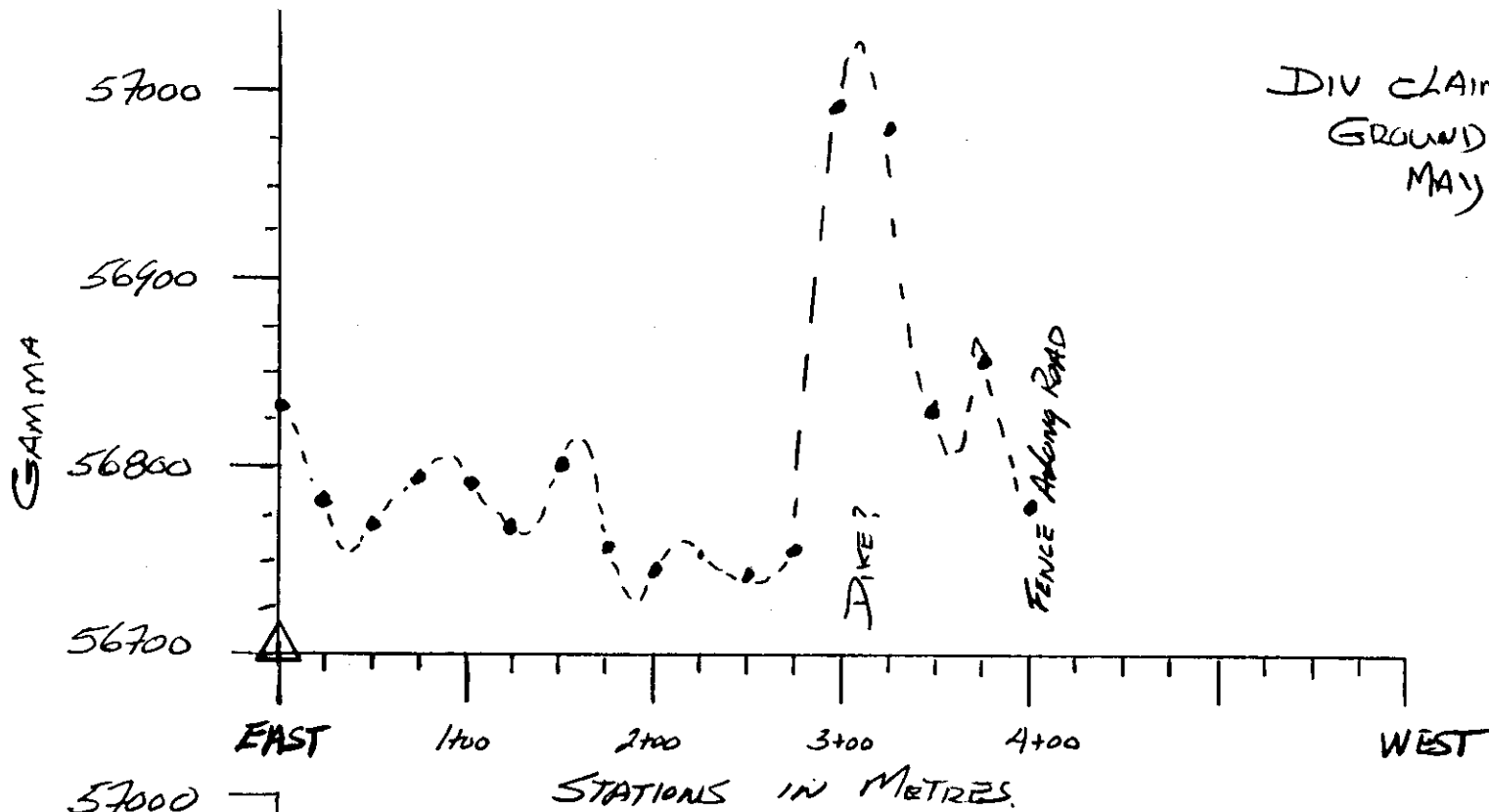
250 metres 0 R.M. 250 metres

Fig #8

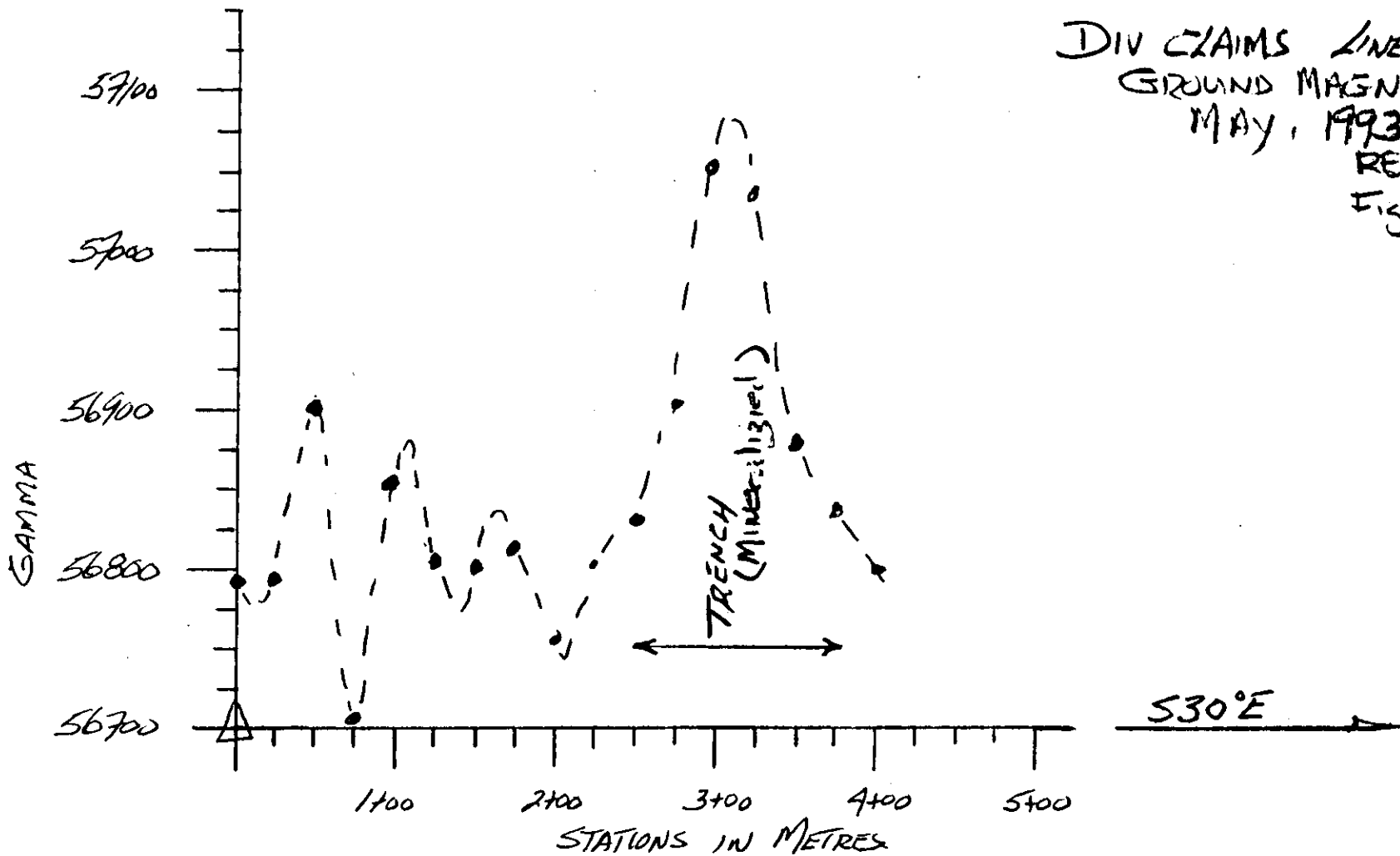
CANADA 49°00'
 USA

119°30'

* REDUCED TO 61% OF TRUE SCALE



DIV CLAIMS LINE #3
GROUND MAGNETOMETRY
MAY, 1993
REM.
Fig #10



Mag high at diorite-Metasediment contact
striking N65°E.

contact.

Rock chip samples collected from the trenched area showed elevated copper values to 5140 ppm with weakly anomalous gold values to a high of 120 ppb

Two rock chip samples taken from a mineralized diorite outcrop at 4+25 meters east along line #2 show elevated copper to 5240 ppm copper and anomalous gold to 755 ppb. Sample 93DIV 107R, altered diorite, also assayed 242 ppm moly while sample 93DIV 106R from the same outcrop but with minor quartz veining assayed high in silver at 16.2 ppm. (Figure #11 and #12)

Generally the areas traversed were mineralized and copper oxide staining were common, particularly on dioritic outcrops.

CONCLUSIONS

Ground magnetometry will locate on the property, the position of the old 1970's coincidental IP and mag anomalies.

Both the reconnaissance and fixed line ground mag highs were associated with mineralized diorite and diorite-meta sediment contacts. Copper-gold skarns are a viable exploration target and blind deposits similar to the Dividend-Lakeview Mine could be found through careful exploration.



Chemex Labs Ltd.

Analytical Chemists * Geochemists * Registered Assayers
212 Brooksbank Ave., North Vancouver
British Columbia, Canada V7J 2C1
PHONE: 604-984-0221

To: HALLAUER, MR. W.G.

RT. 1, BOX 35 DAIRY POINT
OROVILLE, WASHINGTON
U.S.A. 98844

Project :

Comments: ATTN: W. HALLAUER CC: R. MILLER ✓

Fig # 11

Page Number : 1-A
Total Pages : 1
Certificate Date: 10-JUN-93
Invoice No. : 19315190
P.O. Number :
Account : HA

CERTIFICATE OF ANALYSIS

A9315190

SAMPLE	PREP CODE		Au ppb	Ag ppm	Al %	As ppm	Ba ppm	Be ppm	Bi ppm	Ca %	Cd ppm	Co ppm	Cr ppm	Cu ppm	Fe %	Ga ppm	Hg ppm	K %	La ppm	Mg %	Mn ppm
	FA+AA																				
93DIV101R	205	226	55	3.4	1.78	8	10	< 0.5	< 2	0.69	< 0.5	12	65	4590	3.89	< 10	< 1	0.02	< 10	1.51	350
93DIV102R	205	226	< 5	0.2	1.02	< 2	40	< 0.5	< 2	1.02	< 0.5	6	50	180	1.42	< 10	< 1	0.13	10	0.68	205
93DIV103R	205	226	120	5.0	1.84	< 2	10	< 0.5	< 2	1.00	< 0.5	24	31	5140	4.16	< 10	< 1	0.04	10	1.45	415
93DIV104R	205	226	55	3.0	1.07	6	20	< 0.5	2	0.54	< 0.5	39	23	2190	6.14	< 10	< 1	0.14	< 10	0.63	155
93DIV105R	205	226	20	0.8	2.66	< 2	20	< 0.5	< 2	1.12	< 0.5	21	25	519	4.64	< 10	< 1	0.06	10	2.27	640
93DIV106R	205	226	755	16.2	2.04	18	30	< 0.5	< 2	2.15	1.0	14	21	5240	9.28	< 10	< 1	0.15	< 10	1.42	730
93DIV107R	205	226	515	6.0	0.26	4	< 10	< 0.5	2	0.49	< 0.5	21	149	4370	3.71	< 10	< 1	< 0.01	< 10	0.11	110

CERTIFICATION:



Chemex Labs Ltd.

Analytical Chemists * Geochemists * Registered Assayers
212 Brooksbank Ave., North Vancouver
British Columbia, Canada V7J 2C1
PHONE: 604-984-0221

To: HALLAUER, MR. W.G.

RT. 1, BOX 35 DAIRY POINT
OROVILLE, WASHINGTON
U.S.A. 98844

Project:

Comments: ATTN: W. HALLAUER CC: R. MILLER

Fig 412

Page Number :1-B
Total Pages :1
Certificate Date: 10-JUN-93
Invoice No. :19315190
P.O. Number :
Account :HA

CERTIFICATE OF ANALYSIS

A9315190

SAMPLE	PREP CODE		Mo	Na	Ni	P	Pb	Sb	Sc	Sr	Ti	Tl	U	V	W	Zn	
			ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	
93DIV101R	205	226	35	0.03	14	1090	2	< 2	4	67	0.21	10	< 10	120	< 10	52	hornfels Py Cuox
93DIV102R	205	226	6	0.04	2	660	< 2	< 2	1	64	0.06	10	< 10	25	< 10	18	hornfels Py
93DIV103R	205	226	23	0.03	9	1690	< 2	< 2	4	76	0.14	10	< 10	107	< 10	54	gossan Py Cuox
93DIV104R	205	226	1	0.04	20	1010	< 2	< 2	4	82	0.17	< 10	< 10	62	< 10	24	sharn Cuox
93DIV105R	205	226	14	0.02	10	1290	< 2	< 2	8	118	0.19	< 10	< 10	113	< 10	64	diorite Py
93DIV106R	205	226	4	0.02	5	800	2	< 2	6	64	0.04	< 10	< 10	145	< 10	80	diorite w/ gtz vulet, Py & Cuox
93DIV107R	205	226	242	< 0.01	7	70	< 2	< 2	< 1	16	< 0.01	< 10	< 10	19	< 10	18	diorite Cuox.

CERTIFICATION:

B. Condit

RECOMMENDATIONS

Installation of ground grid with 100 meter lines and 25 meter stations to facilitate ground magnetometry over the property. Rock chip sampling in areas of magnetic anomalies, followed by a reverse Circulation drill hole program.

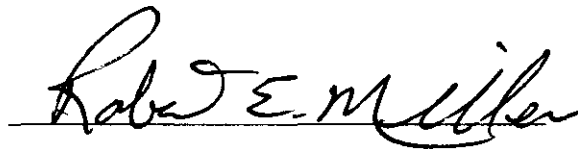
Cost estimated should include exploration of the adjacent properties held by Mr. Joe Falkoski and therefore no real estimate can be made until exploration permits are received in the anomalous areas sensitive to urban advancement. Generally, meaningful exploration would require an expenditure of \$300,000.00 over two field seasons to cover exploration of Mr. Falkoski's mineral holdings in the area.

STATEMENT OF QUALIFICATIONS

I ROBERT E. MILLER, of Oroville, Washington U.S.A., DO
HEREBY CERTIFY:

1. THAT I am a geologist with Crown Resources Corporation,
with a business address of Star Route 85, Oroville,
Washington 98844.
2. THAT I am a graduate from Brigham Young University with
a Bachelor of Science degree in Geological Engineering
(1969).
3. THAT I have practised my profession continuously since
graduation.
4. THAT I personally conducted the 1993 exploration
program discussed in this report.

DATED this 20th day of June, 1993.



Robert E. Miller
Geological Engineer

DIV #2 thru 6 - EXPENDITURES

Manpower

Bob Miller 2 man days

\$250.00 x 2 \$ 500.00

Vehicle 2 days @ \$65.00/day \$ 130.00

Geophysics

Magnetometer rental

\$15.00/day x 2 \$ 30.00

Assays

7 x \$15.00 each \$ 105.00

Report \$ 150.00

Total \$ 915.00

BIBLIOGRAPHY

Falkoski, Joe (1993) Dividend-Lakeview Mine and property exploration history, personal communication.

MINFILE No. 082ESW001

Templeman-Kluit, D.J. (1989) Geology. Penticton. British Columbia. Geological Survey of Canada. Map 17364. Scale 1:250,000.