Province of British Columbia

Ministry of Energy, Mines and Petroleum Resources
GEOLOGICAL SURVEY BRANCH

ASSESSMENT REPORT TITLE PAGE AND SUMMARY

DATE SUBMITTED DECEMBER 1, 1995

TITLE OF REPORT [type of survey(s)] PROSPECTING

TOTAL COST $1,066.85

AUTHOR(S) DE LATRE, JOHN S. SIGNATURE(S) [signature]

NOTICE OF WORK PERMIT NUMBER(S)/DATE(S) YEAR OF WORK 1995

STATEMENT OF WORK - CASH PAYMENT EVENT NUMBER(S)/DATE(S)

PROPERTY NAME SILVER HILL

CLAIM NAME(S) (on which work was done) SILVER HILL 1, SILVER HILL 2
SILVER HILL 3, SILVER HILL 4

COMMODITIES SOUGHT GOLD-SILVER

MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN

MINING DIVISION NICOLA NTS 092I08W

LATITUDE 50 ° 22 ' 00 " LONGITUDE 120 ° 20 ' 30 " (at centre of work)

OWNER(S)

1) DE LATRE, JOHN S. 2)

MAILING ADDRESS

802- 1215 BEACH AVENUE
VANCOUVER BC V6E 1V5

OPERATOR(S) [who paid for the work]

1) DE LATRE, JOHN S. 2)

MAILING ADDRESS

802- 1215 BEACH AVENUE
VANCOUVER BC V6E 1V5

PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude):

TRIASSIC NICOLA GREENSTONE HOSTS A QUARTZ REEF-QUARTZ PORPHYRY DYKE STRIKING 145 DEGREES AND CARRYING PYRITE, PYROLUSITE AND ANOMALOUS AMOUNTS OF GOLD, SILVER, ANTIMONY AND ARSENIC. THE MINERALISED STRUCTURE IS BELIEVED TO BE RELATED TO THE STUMP LAKE FAULT.

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS

24,165

(OVER)

TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
GEOLOGICAL (scale, area)			
Ground, mapping			
Photo interpretation			
GEOPHYSICAL (line-kilometres)			
Ground			
Magnetic			
Electromagnetic			
Induced Polarization			
Radiometric			
Seismic			
Other			
Airborne			
GEOCHEMICAL (number of samples analysed for ...)			
Soil			
Silt			
Rock			
Other			
DRILLING (total metres; number of holes, size)			
Core			
Non-core			
RELATED TECHNICAL			
Sampling/assaying			
Petrographic			
Mineralographic			
Metallurgic			
PROSPECTING (scale, area)	1:5000 ±30 HECTARES	SILVER HILL 1 TO 4	$1,066.85
PREPARATORY/PHYSICAL			
Line/grid (kilometres)			
Topographic/Photogrammetric (scale, area)			
Legal surveys (scale, area)			
Road, local access (kilometres)/trail			
Trench (metres)			
Underground dev. (metres)			
Other			
		TOTAL COST	

3.(2)(b) TABLE OF CONTENTS

3.(2)(c) INTRODUCTION

(i) The Silver Hill Claims, or 'Silver Hill', are situated at latitude 50°22' N, longitude 120°20'30" W, 880 metres altitude, about 40 kilometres south of the City of Kamloops. The Claims are easily accessible by vehicle using the Old Kamloops Road (unimproved dirt road) from Highway 5A, either at the south end or the north end of Stump Lake.

The north end of the Nicola Valley, a subdivision of the Thompson Plateau, is gently undulating around 950 m in altitude with a drainage system that gently descends to Nicola Lake. The climate is fairly dry, the annual precipitation being around 350 mm. The land is grass range with wooded areas where there is more water. The area is hardly populated, but there are scattered ranches.

(ii) The Silver Hill Claims consist of four 2-post contiguous claims. The tenure numbers of the Silver Hill 1 to 4 Claims are respectively 334900 to 334903, Nicola Mining Division. All the Claims are recorded in the name of John S. De Latre and are plotted on Mineral Reference Map 92I08W. The expiry date of the Claims is April 18,1998 with the acceptance of this mineral exploration assessment work.

Sporadic and rubbly exposures of a quartz reef remained until early 1995 unrecognized and unsampled on a low hill now covered by the Silver Hill Claims. Silver Hill is geologically interesting as a new epithermal - mesothermal mineral showing in proximity to a large gold bearing epithermal system (the Kullagh Lake Zone) and along the southern extension of the Stump Lake Fault, a regional structure.

(iii) This report, written for government assessment work requirement, describes the results of initial prospecting conducted

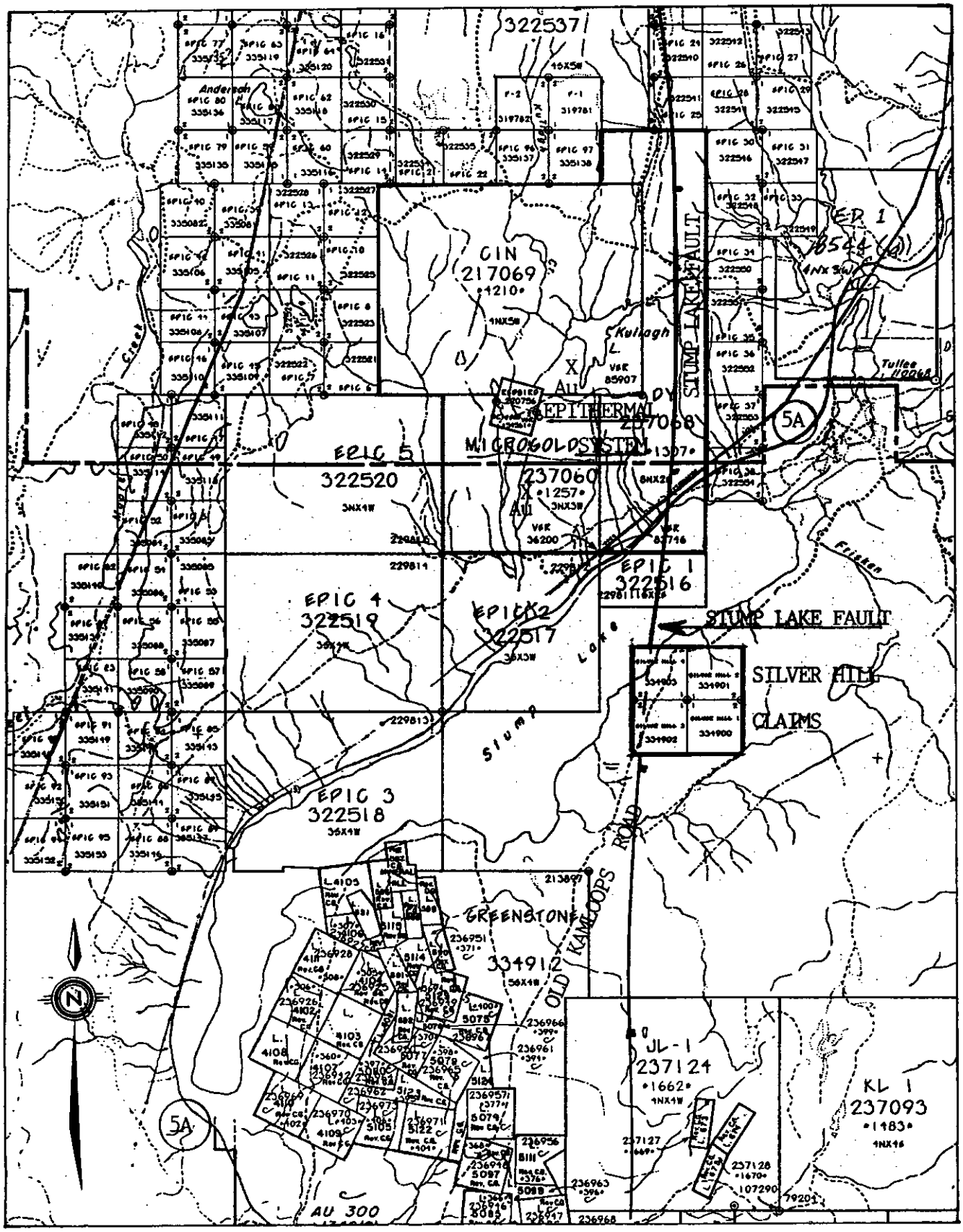


FIGURE 1 INDEX MAP

Mineral Reference Map 92I08W

Scale 1:50 000

0 1000 2000 m

by the writer between August 5 and 9 inclusive 1995. The total area prospected is approximately 30 hectares along the mineralised structure. Six geochemical chip samples were analysed for 30 elements and gold.

(iv) The list of claims upon which work was actually performed is as follows:

Silver Hill 1 (334900)
Silver Hill 2 (334901)
Silver Hill 3 (334902)
Silver Hill 4 (334903)

3.(2)(d) TECHNICAL DATA AND INTERPRETATION

General. The 1995 investigation of the Silver Hill Claims combined conventional, geological and geochemical prospecting and resulted in outlining a mineralised structure for more than 100 m along strike. Geological mapping of the area has not been attempted by the writer.

'Mineralised structure' is employed in this report to designate the more or less continuous mass of fractured and silicified or otherwise altered rock, geochemically anomalous, and in which ore shoots may be found.

Despite the good rock exposures in a terrain of open ponderosa pine bush and good road access, apparently no sampling of vein material on surface had been attempted on Silver Hill. There is no evidence of prospect pits or open-cuts anywhere. The area was known to prospectors since the 1880s, but no record of mineral discovery at this locality exists in the literature.

Lithology. The prospected area is underlain almost entirely by green andesites of the Triassic Nicola Group, most of them

bearing conspicuous phenocrysts of augite. Some fresh black basalt has been observed in the southern portion of Silver Hill 3 This basalt is similar to the upper member of the Eocene Kamloops Group which is exposed 3 km to the north on the east side of Stump Lake Fault. A sheared and mineralised dyke of quartz porphyry (porphyritic microgranite) occurs together with the mineralised structure at the localities 702 and 703. This intrusion may be related to the bimodal basalt-rhyolite sequence during the Paleogene as exemplified north of Kullagh Lake.

Alteration. The Nicola andesites in the Silver Hill area are pervasively but variably propylitised which suggests probable intrusive activity or a boiling geothermal system. The propylitic alteration appears to be a broad-scale feature and is not limited to the area of the mineralised structure. Silicification and "sericitic" alteration (i.e. a mica-type mineral + quartz + pyrite) are not yet well defined but appear to be restricted to the mineralised structure. The absence of the high-level acid-sulphate alteration suggests that the exposures represent rocks deeper in the hydrothermal system, closer to the mesothermal level.

Structure. The major structure of the region is a syncline with an axis trending about 020 degrees. The Claims area appears to have undergone very little deformation. The attitude of the Nicola greenstone has not been observed on the Claims. The primary fault structure in the Nicola Lake Area is the Stump Lake Fault, a regional structure which extends at least 12 km north and 8 km south of Silver Hill. This is a steeply easterly-dipping normal fault. The writer believes that the fault passes through the westernmost portion of the Silver Hill property, and does not curve conveniently southwestward under Stump Lake to joint a topographic depression east of Mineral Hill.

Mineralisation. A mineralised structure has been traced for over 100 m along strike on the hilltop and the north slope of the side-hill in about the centre of the Silver Hill property. The structure strikes 145 degrees (at an angle of ±45 degrees with the Stump Lake Fault) and dips ±65 degrees northeast. The width is difficult to determine without trenching. It appears to be at least 1 m at the localities 702-03-04. The quartz-vein and parallel quartz porphyry dyke consist of a quartz-carbonate-mica-pyrite assemblage in a mesothermal to epithermal environment. Adularia was not positively identified but may be present in minute crystals. At the localities 702 and 704 the quartz porphyry is strongly sheared. It is gray to reddish with a fair amount of pyrite and pyrolusite, traces of copper oxydation, and in places much carbonate. The vein rubbles at the localities 705 and 706 (uprooted trees) exhibit ribbon structure of a more epithermal character. At 705 the gray quartz is banded and the vein contains 10% of calcium. At 706 the quartz is drusy and the sulphides have become much oxidized and much pale and dark limonites have been formed. At all these localities blasting or shallow drilling is required for a meaningful investigation.

At the locality 701, along the Old Kamloops Road, a quartz vein 10 cm wide and 3 quartz stringers ± 1 m apart striking 350 degrees and dipping 20 degrees east, occur in a large greenstone outcrop. The veinlets are exposed on a lenghth of up to 25 m. The sample 701 was not assayed for gold because the quartz appears barren and the veinlets are too small to have economic potential.

The southern part and the westernmost part of the Silver Hill property are covered by glacial drift, probably no more than a few metres thick, and have good potential for gold-silver deposits at depth related to the Stump Lake Fault.

Rock Geochemistry. Six vein-quartz and quartz porphyry chip samples, of about 1 kg each, were collected by the writer during the course of the initial prospecting. The samples were analysed (0.5g) for 30 elements by ICP and for gold by Wet Extraction (10g digested in aqua regia, MIBK extraction, analysed by graphite furnace AA) at Acme Analytical Laboratories. Only arsenic and antimony were weakly anomalous. Gold was only 7 to 28 ppb. Three reject samples were rerun at SGS General Testing Laboratories. Gold and silver were determined by standard Fire Assaying (one assay ton). Gold was 70 to 150 ppb, silver 3 to 5 ppm and arsenic 90 ppm. Considering the small size of the samples (1 kg), these results are encouraging; gold being 50 times clarke, silver 50 to 70 times clarke. The reader is refered to Table 1 next page for the results and geochemical interpretation of this preliminary test.

The geochemical signature of the mineralised structure suggests an epithermal - mesothermal system in which gold is in general anomalous at parts per billion levels and concentrated in ore shoots. Arsenic and antimony are respectively 45 and 100 times clarke. Colloidal As-Sb sulphides may be kinetically instrumental in producing ore grade precipitates in epithermal type gold-silver deposits.

The more sporadic the distribution of a constituent of interest is and the lower its concentration, the larger is the volume of the sample needed. One kilogram of sample is inadequate for the determination of gold. It is noteworthy that gold was first identified at the Manhattan mercury mine — now the famous McLaughlin gold mine, California — in a 20-kg sample. Itis also clear that standard Fire Assaying is the only reliable method for gold determination.

TABLE 1. ANALYTICAL RESULTS AND GEOCHEMICAL INTERPRETATION

ICP Analysis and Geochemical Gold Analysis by Wet Extraction* (ACME) :

SAMPLE#	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Ni ppm	Co ppm	Mn ppm	Fe %	As ppm	U ppm	Au ppm	Th ppm	Sr ppm	Cd ppm	Sb ppm	Bi ppm	V ppm	Ca %	P %	La ppm	Cr ppm	Mg %	Ba ppm	Ti %	B ppm	Al %	Na %	K %	W ppm	Au* ppb
E 90702	2	102	12	48	.3	49	27	1033	4.67	14	<5	<2	<2	228	<.2	<2	<2	109	6.42	.072	2	163	3.44	118	.03	<3	2.01	.02	.37	<2	23
E 90703	<1	112	7	55	.3	55	31	1327	5.33	28	<5	<2	<2	250	<.2	<2	<2	75	6.11	.074	3	168	4.21	162	.02	6	1.09	.02	.42	<2	18
E 90704	3	11	5	18	<.3	13	4	953	1.67	51	<5	<2	<2	200	<.2	3	<2	12	5.92	.029	<1	12	2.42	117	<.01	4	.12	.01	.06	3	28
E 90705	1	35	6	22	(<.3)	67	13	1044	2.98	34	<5	<2	<2	254	<.2	<2	<2	39	9.66	.033	4	76	4.30	106	<.01	3	.36	.01	.08	<2	7
E 90706	2	113	6	49	<.3	49	25	526	2.97	74	<5	<2	<2	44	<.2	23	<2	54	1.50	.089	4	59	.51	177	<.01	3	.70	<.01	.03	<2	8
E 90707	2	111	8	56	<.3	30	22	907	4.91	11	<5	<2	<2	169	<.2	<2	<2	90	3.86	.084	1	48	2.90	349	.14	6	1.84	.03	.97	<2	4
RE E 90707	3	110	5	55	<.3	27	22	892	4.80	12	<5	<2	<2	165	<.2	<2	<2	88	3.75	.082	1	42	2.83	341	.14	5	1.81	.03	.97	<2	7
STANDARD C/AU-R	18	58	41	137	6.9	69	32	1072	3.76	41	15	5	37	54	17.8	17	16	59	.49	.091	40	63	.91	193	.09	29	1.84	.06	.16	11	550

Unadjusted Fire Assay Analyses (SGS) :

Locality and Sample Nos.	Description	Ounces per ton	Parts per million (PPM)	Enrichment above andesitic abundance (clarkes)	Abundance in andesitic rocks in PPM (average)
702-704 (mixed)	702 sheared qtz porph. >1m width 704 white, vitreous qtz v. >50cm f.gr. pyrite, 6% Ca	Au 0.004	Au 0.15	50 times	Au 0.003
		Ag 0.09	Ag 3.4	50 -	Ag 0.07
705	Banded bluish gray qtz, 10% Ca (rubbles), minor pyrite	Au 0.003	Au 0.11	40 times	
		Ag 0.15	Ag 5.0	70 times	
706	Drusy qtz, much Fe/Mn oxydes, 1.5% Ca (rubbles), fine grained pyrite	Au 0.002	Au 0.07	25 times	
		Ag 0.08	Ag 3.00	45 -	
			As93.	45 -	As 2.0
			Sb23-30 (ICP)	>100 -	Sb 0.2

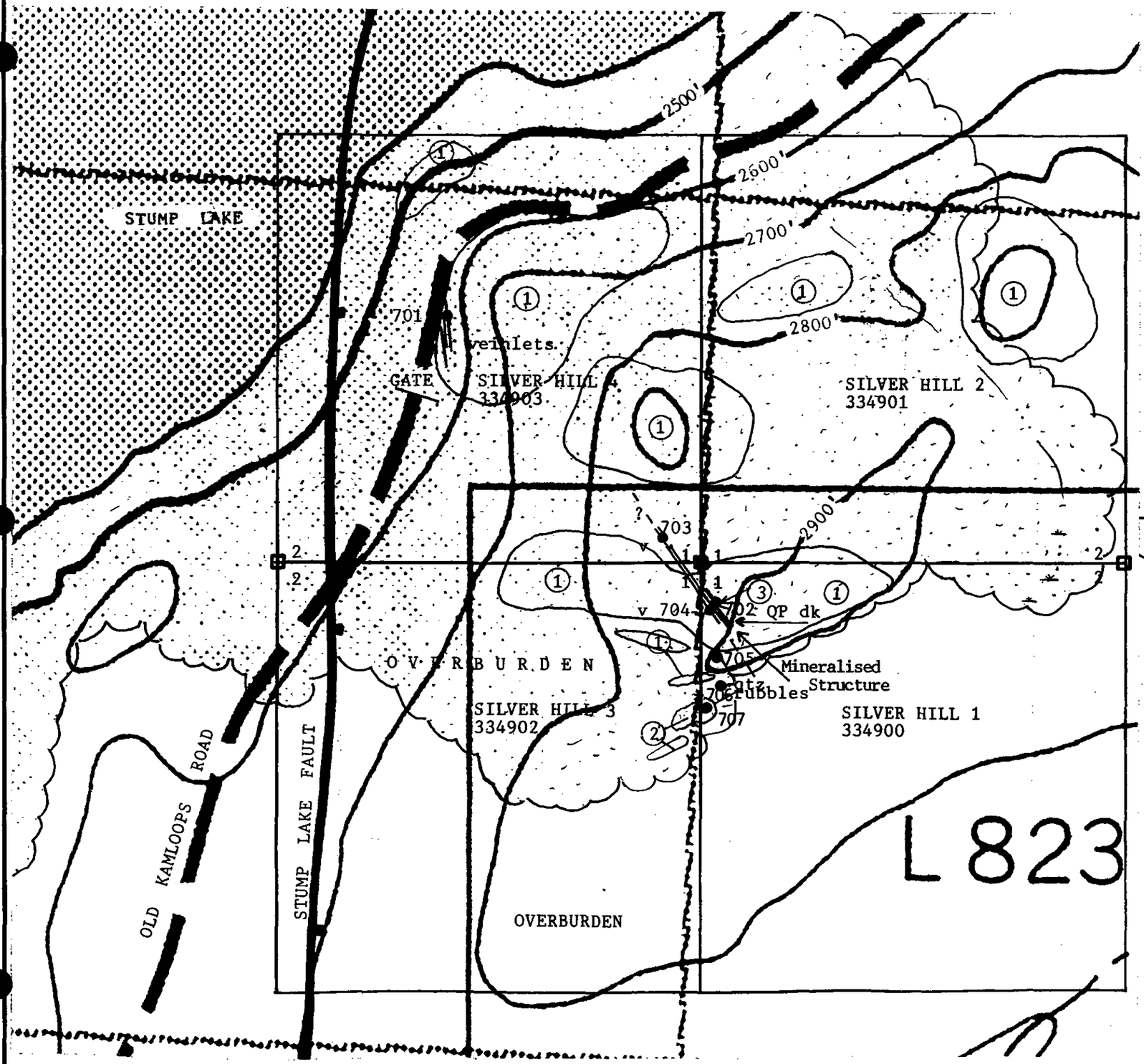
Conclusions.

1. The Silver Hill Claims occupy a fault zone which controlled
   (a) the location of at least one rhyolite porphyry dyke,
   (b) an epithermal - mesothermal system which introduced among others antimony, arsenic, silver and gold.

2. A 100-m long mineralised structure on surface shows pyrite disseminations with low values in silver and gold. Exposures are not sufficient to determine the width of the reef shear zone or the extent of the mineralisation.

3. The Silver Hill Claims are at the intial prospecting stage. Larger surface samples should be collected on the mineralised structure in order to obtain possibly better gold and silver values. The mineralised structure identified on surface may prove to be of considerable size at depth.

4. The drift covered area west of the mineralised structure in question is highly prospective for both a fracture controlled vein system and a disseminated or stockwork system related to the steeply inclined, normal Stump Lake Fault of limited displacement (<1km).



L E G E N D

- Outcrop outline
- (1) Triassic Nicola Group andesites (moderately propylitised)
- (2) Eocene Kamloops Group (?) basalt
- (3) Rhyolite porphyry (Paleogene ?) dyke (dk) (sheared and mineralised)
- v Quartz vein
- (90) ● 704 Sample locality and number
- Stump Lake Fault
- Claim post
- 2500 Contour line in feet
- Wooded area

N

FIGURE 2 PROSPECTING SURVEY MAP

SCALE: 1:5000

0 100 200 M

DRAWN BY JSDL

SILVER HILL CLAIMS

NTS 092I08W

DRAWING NUMBER PAGE 12

3.(2)(e) STATEMENT OF EXPENDITURES

Statement of Expenditures with the Prospecting Work carried out on the Silver Hill Claims, located in the Stump Lake Area, Nicola Mining Division for the year 1995.

Fieldwork Costs

J. De Latre, geologist (minimum prospector's wages) 5 days @ $100.00/day August 5 to 9, 1995	$ 500.00
Vehicle Operation (to and fro the Claims); Aug. 4-9	114.00
Rations 5 days @ $12.00/day; Aug. 5-9	60.00
Analyses/Assay Costs 6 ICP Analyses for 30 elements and W E gold $145.72 (Acme Analytical Laboratories) 3 Fire Assays for Au and Ag, 1 assay for As$101.65 (SGS General Testing Laboratories)	247.37
Total	$ 921.37

Report Preparation Costs

J. De Latre, geologist, 1 day @ 100.00/day	$ 100.00
Report supplies	20.48
Typing and copying reports	25.00
Total	$ 145.48
GRAND TOTAL:	$1066.85

3.(2)(f) AUTHOR'S QUALIFICATIONS

I, John S. De Latre, of the City of Vancouver, in the Province of British Columbia, do hereby state that:

1. I am a graduate of the Université de Paris (Faculty of Sciences) with a degree in applied geology (1956).

2. Between 1959 and 1981 I have intermittently held responsible positions in the capacity of a field geologist with various mining companies in Canada, and I have gained wide experience in precious and base metals exploration.

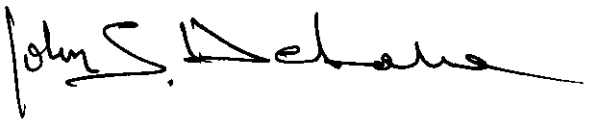
3. I have been in the business of prospecting for minerals on behalf of myself in British Columbia since 1982.

4. I carried out the prospecting work described in this report.

5. I own a 100 percent interest in the Silver Hill Claims.

Dated at Vancouver, B.C. the 1st day of December 1995.

Respectfully submitted,



JOHN S. DE LATRE

SGS Canada Inc.
General Testing Laboratories Division

1001 East Pender Street
Vancouver, B.C.
Canada V6A 1W2
Telephone (604) 254-1647
Fax (604) 254-2148
Telex 04507514

MR. JOHN DE LATRE
Ste. 802 - 1215 Beach Ave.,
Vancouver, B.C.
V6E 1V5

CERTIFICATE OF UNADJUSTED ASSAY

Date: September 1, 1995
No.:
File: 0302-38317

WE HEREBY CERTIFY THAT THE FOLLOWING ARE THE RESULTS OF ASSAYS ON: SUBMITTED ORE SAMPLES

MARKED	GOLD Au(oz/ton)	SILVER Ag(oz/ton)	ARSENIC As (ppm)	xxx	xxx	xxx
Ore sample received on August 25/95						
# 704-02	0.004	0.09	-			
Further assaying on ore sample received on Aug.23/95						
706	-	-	93			

NOTE: Rejects retained for one month, pulps retained for three months.
On request pulps and rejects will be stored for a maximum of one year.

B. PEPPER
PROVINCIAL ASSAYER

SGS Canada Inc.
General Testing Laboratories Division

1001 East Pender Street
Vancouver, B.C.
Canada V6A 1W2
Telephone (604) 254-1647
Fax (604) 254-2148
Telex 04507514

MR. JOHN DELATRE
Ste. 802 - 1215 Beach Ave.,
Vancouver, B.C.
V6E 1V5

CERTIFICATE OF UNADJUSTED ASSAY

Date: August 23, 1995
No.:
File: 0302-38253

WE HEREBY CERTIFY THAT THE FOLLOWING ARE THE RESULTS OF ASSAYS ON: SUBMITTED ORE SAMPLES

MARKED	GOLD Au(oz/ton)	SILVER Ag(oz/ton)	XXX	XXX	XXX	XXX
Ore samples received on August 18/95						
# 705	0.003	0.15				
# 706	0.002	0.08				

NOTE: Rejects retained for one month, pulps retained for three months.
On request pulps and rejects will be stored for a maximum of one year.

B. PEPPER
PROVINCIAL ASSAYER

ACME ANALYTICAL LABORATORIES LTD. 852 E. HASTINGS ST. VANCOUVER BC V6A 1R6 PHONE(604)253-3158 FAX(604)253-1716

GEOCHEMICAL ANALYSIS CERTIFICATE

J. de Latre PROJECT SILVER HILL File # 95-2819

802 - 1215 Beach Ave, Vancouver BC V6E 1V5

SAMPLE#	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Ni ppm	Co ppm	Mn ppm	Fe %	As ppm	U ppm	Au ppm	Th ppm	Sr ppm	Cd ppm	Sb ppm	Bi ppm	V ppm	Ca %	P %	La ppm	Cr ppm	Mg %	Ba ppm	Ti %	B ppm	Al %	Na %	K %	W ppm	Au* ppb
E 90702	2	102	12	48	.3	49	27	1033	4.67	14	<5	<2	<2	228	<.2	<2	<2	109	6.42	.072	2	163	3.44	118	.03	<3	2.01	.02	.37	<2	23
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ICP - .500 GRAM SAMPLE IS DIGESTED WITH 3ML 3-1-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR AND IS DILUTED TO 10 ML WITH WATER.
THIS LEACH IS PARTIAL FOR MN FE SR CA P LA CR MG BA TI B W AND LIMITED FOR NA K AND AL.
ASSAY RECOMMENDED FOR ROCK AND CORE SAMPLES IF CU PB ZN AS > 1%, AG > 30 PPM & AU > 1000 PPB
- SAMPLE TYPE: ROCK AU* - IGNITED, AQUA-REGIA/MIBK EXTRACT, GF/AA FINISHED.
Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

DATE RECEIVED: AUG 11 1995 **DATE REPORT MAILED:** Aug 18/95 **SIGNED BY** ..... D.TOYE, C.LEONG, J.WANG; CERTIFIED B.C. ASSAYERS