

GEOLOGICAL SURVEY BRANCH ASSESSMENT REPORTS
DATE RECEIVED JUN 19 1996

REPORT ON THE
STEELE CREEK PROPERTY

OMINECA MINING DIVISION

GERMANSEN LANDING AREA

CENTRAL BRITISH COLUMBIA

NTS 93N/14W

FILMED

LATITUDE 55° 58'N
LONGITUDE 125° 22'W

by
J.W. Morton, M. Sc., P. Geo.
110 - 325 Howe Street
Vancouver, BC
V6C 1Z7

May 30, 1996

**GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT**

24,466

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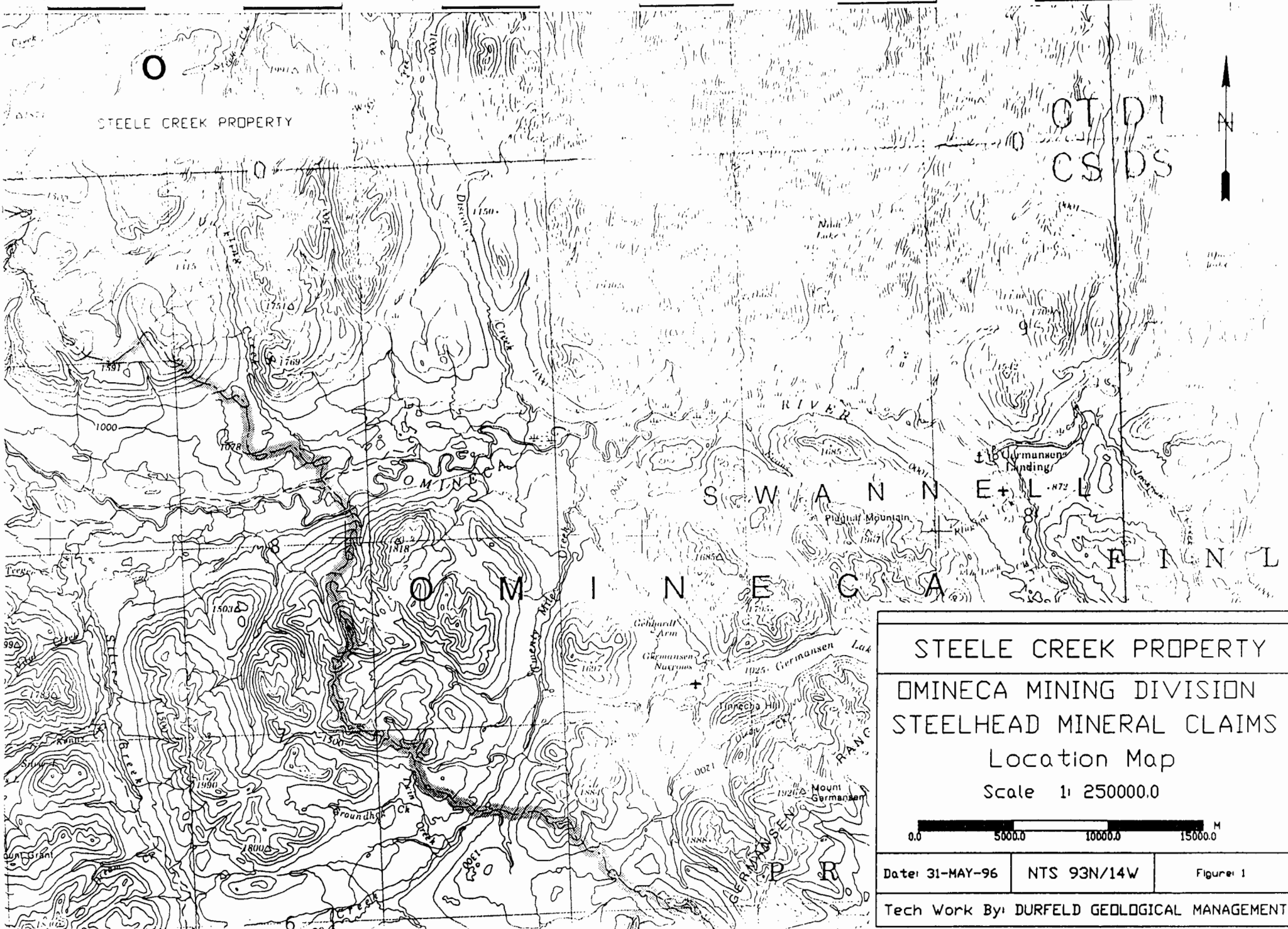
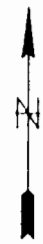
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STEELE CREEK PROPERTY

OT/D1
CS/DS



STEELE CREEK PROPERTY

OMINECA MINING DIVISION

STEELHEAD MINERAL CLAIMS

Location Map

Scale 1: 250000.0

0.0 5000.0 10000.0 15000.0 M

Date: 31-MAY-96	NTS 93N/14W	Figure: 1
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Tech Work By: DURFELD GEOLOGICAL MANAGEMENT

A.) INTRODUCTION

1) Location

The Steele Creek Property, comprised of 19 mineral claim units, is located within the Omineca Mining Division at the head of Steele Creek, approximately 50 km northwest of Germansen Landing (Figure 1). More precisely, it is located at 55 degrees and 58 minutes north latitude and 125 degrees and 22 minutes west longitude. (National Topographic System Map 93N/14W)

2) Access and Physiography

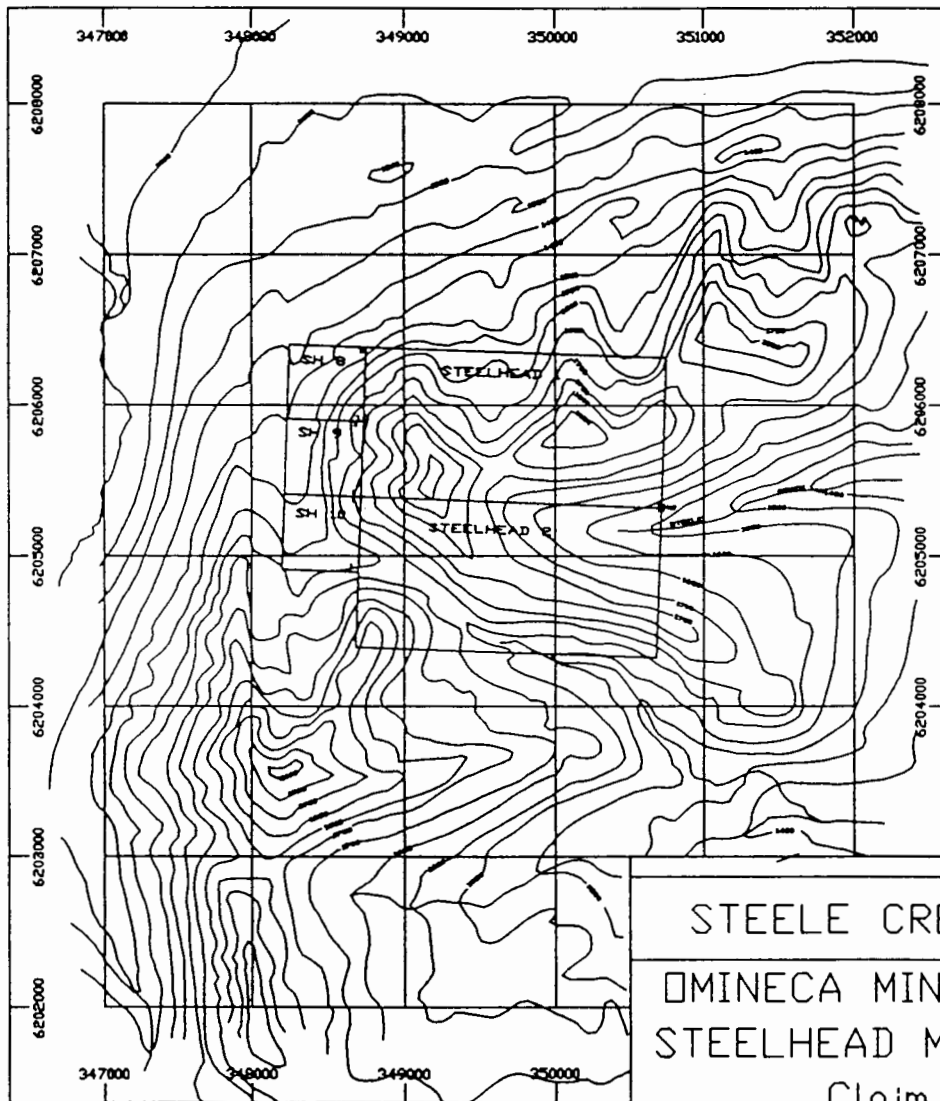
Access to the property is via helicopter from Germansen Landing, a distance of 50 km to 297° Germansen Landing is 270 km north of Fort St. James, by all-weather logging road.

The Steele Creek property is characterized by moderate to steep mountainous terrain that ranges from 1200 m to 2000 m (3900 ft to 6500 ft). Treeline is generally along the 1600 to 1700 m contour. Regional drainage is eastward towards Williston Lake.

The vegetation on the property consists of mature spruce and sub alpine fir. Active logging occurs within 5 kilometers of the property.

3) Ownership

The Steele Creek Property consists of 19 units grouped as the STEELHEAD group. The status of these claims is summarized below and the relative claim locations and areas worked during 1995 are plotted as Figure 2, 3 and 4.



STEELE CREEK PROPERTY
 OMINECA MINING DIVISION
 STEELHEAD MINERAL CLAIMS
 Claim Map
 Scale 1: 50000.0

Date: 27-MAY-96	Drawn By: JCH	Figure: 2
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Tech Work By: DURFELD GEOLOGICAL MANAGEMENT

Table 1

CLAIM NAME	UNITS	TENURE #	RECORD DATE	EXPIRY
STEELHEAD1	8	334766	April 5/95	1998
STEELHEAD2	8	334767	April 5/95	1998
SH 8	1	334773	April 5/95	1998
SH 9	1	334774	April 5/95	1998
SH 10	1	334775	April 5/95	1998

The year of expiry reflects the statement of work filed in Vancouver on April 4, 1996.

The claims are registered to Mr. A.W. Jackson.

4) History and Previous Work

During the early 1970's numerous mining companies were active in the area exploring for Cu-Mo deposits. The claim area was investigated at that time by Noranda (Kip and STL claims) and also by Amoco Canada (Needle claims). Regional stream geochemistry outlined the claim area as being strongly anomalous in copper. Work documented on the claims consisted of geochemical sampling (silt, soil, and rock), geological mapping, and limited I.P. The area was restaked by Cyprus Canada Inc. in 1990, and followed up with soil and rock sampling and ground magnetics.

The STEELHEAD 1 and 2 (4-post), and SH 3 to 10 (2-post) were located on April 5, 1995. In 1996, the STEELHEAD 1 and 2 were reduced in size to 8 units each, and grouped with SH 8, 9, 10 to form the STEELHEAD group.

5) 1995 Work Program

Work on the property was done on August 26/95 and September 16/95. The purpose of the program was to perform local geological mapping, in conjunction with rock sampling and prospecting.

B.) GEOLOGY

1) Regional Geology

The property is situated within the Hogem Batholith near its eastern margin, and is underlain by an offshoot of the Duckling Creek syenite complex. The rocks have been described as leucocratic and mesocratic syenites, monzonites, and monzodiorites, and diorites. The leucocratic syenite is a fine to coarse grained, locally megacrystic, light to bright orange-pink colored unit consisting primarily of potash feldspar with less than 20% biotite and hornblende.

2) Local Geology

A compilation of the available data indicates two strong copper soil anomalies within the current claim group. Geologically these anomalies are underlain by the leucocratic syenite, which has been described as "frequently contains minor to locally abundant disseminated pyrite, chalcopyrite, malachite azurite and bornite. In addition, minor to moderate magnetite is present throughout the leucocratic syenite."

3) Lithology

Geological mapping by Cyprus (1990) shows the Steele Creek Property being underlain by:

1) LEUCOCRATIC SYENITE - fine to coarse grained to megacrystic massive to porphyritic, light to bright orange-pink biotite-hornblende-bearing leucocratic syenite, minor limonite and chlorite alteration, locally intense potassic (potash) alteration, minor to locally abundant disseminated pyrite, chalcopyrite, malachite, azurite, bornite, minor to moderate disseminated magnetite.

2) MESOCRATIC SYENITE - medium to coarse grained medium to dark orange-pink biotite-hornblende mesocratic syenite, minor epidote and chlorite alteration, minor disseminated magnetite.

3) MONZONITE - medium grained massive light to medium gray biotite-hornblende monzonite, rare disseminated chalcopyrite, minor disseminated magnetite.

4) MONZODIORITE - medium grained massive equigranular dark gray biotite-hornblende rich monzodiorite, minor to moderate chlorite alteration, minor to moderate magnetite.

Outcrops and float observed during the 1995 evaluation are plotted on Figure 3 and described in Appendix III. This mapping concurred with Cyprus' work in 1990.

C.) GEOCHEMISTRY

The anomalous values in soils on the northern anomaly extend over 1600 metres in length with values greater than 500 ppm Cu, with a high of 4050 ppm. This anomaly remains open to the west. The southern anomaly extends over 1400 metres in length with values greater than 500 ppm. Copper mineralization as malachite, chalcopyrite, and bornite has been noted in several areas on the north anomaly, with a rock sample high of 5100 ppm Cu.

Seven rock samples were collected and analyzed by Acme Analytical for Mo, Cu, Pb, Zn, Ag, Ni, Co, Mn, Fe, As, U, Th, Cd, Sb, Bi, and Au. The method and results of their analyses are given in Appendix 3 and the values for copper and gold plotted on Figure 4 of this report.

The samples, although anomalous, up to 0.097% copper and 70 ppb gold, do not explain the high copper in soil (up to 4050 ppm) anomaly identified by the Cyprus work.

D.) DISCUSSION

The Steelhead property is underlain by differentiated alkalic intrusive rocks with locally disseminated copper mineralization.

The rubble and outcrop sampling conducted as this survey does not explain the high copper in soil (up to 4050 ppm) anomaly identified by the Cyprus work.

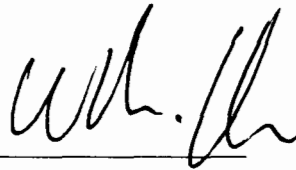
The potential for the property is to host an alkalic copper and/or gold porphyry.

APPENDIX I

Itemized Cost Statement

J.W. Morton, M.Sc., P. Geo.	2 days @ \$350	\$700.00
Helicopter		\$2000.00
Report preparation and drafting		<u>\$600.00</u>
		\$3300.00

Dated this 31st of May 1996.



J.W. Morton, M.Sc., P. Geo


APPENDIX II

Author Certification

I, J.W. Morton of the city of North Vancouver, BC certify the following:

1. I graduated from Carleton University Ottawa in 1971 with a B.Sc in Geology.
2. I graduated from the University of British Columbia in 1976 with a M.Sc in Soil Science.
3. I am a member in good standing with the Association of Professional Engineers and Geoscientists of British Columbia.
4. I performed the work described in this report.

Dated this 31st day of May 1996.



A handwritten signature in black ink, consisting of two distinct, stylized initials or a name, written above a horizontal line.

J.W. Morton, M.Sc., P. Geo

APPENDIX III

Geochemical Analyses

SAMPLE DESCRIPTIONS STEELHEAD CLAIMS

August 26 1995

Assay #	Field Marker	Description	Copper %	Gold ppb
96460	006	Subcrop, light buff to orange coloured medium grained syenite or quartz syenite, essentially no mafics, moderate blebby magnetite, occasional qtz veinlet to 0.5 cm, trace pyrite chalcopyrite.	.022	<2
96461	007	Select rubble composite, orange quartz syenite - grey syenite, epidote altered, some possible biotite, minor malachite stain, minor disseminated pyrite - chalcopyrite.	.097	13
96462	008	Rubble near top of slope, grey equigranular monzodiorite, strong magnetite	.007	<2

September 16 1995

Assay #	Field Marker	Description	Copper ppm	Gold ppb
96468	013	Outcrop, leucosyenite, epidote altered, hair scale quartz veins, very low sulfide	.058	70
96469	014	Outcrop, dyke, corroded quartz rich pink, bleached, forms weak gossan, approximately 1 metre wide striking 225 0 dipping 45 0	.021	61
96470	015	Rubble subcrop, in saddle, fine grained holofelsic syenite, pink-grey, forms limonitic gossan on fractures.	.005	16
96471	016	Outcrop, equigranular monzodiorite, limonitic, sugary texture, mafics altered to epidote - chlorite - biotite, outcrop occurs adjacent to an outcrop of leucosyenite with an obscure contact relationship.	.059	40



SAMPLE#	Mo %	Cu %	Pb %	Zn %	Ag oz/t	Ni %	Co %	Mn %	Fe %	As %	U %	Th %	Cd %	Sb %	Bi %	Au** ppb
D 96460	<.001	.022	<.01	<.01	<.01	<.001	<.001	.01	1.27	<.01	<.01	<.01	<.001	.001	<.01	<2
D 96461	<.001	.097	<.01	<.01	<.01	<.001	.001	.03	2.25	<.01	<.01	<.01	<.001	<.001	<.01	13
D 96462	<.001	.007	<.01	<.01	<.01	<.001	<.001	.02	2.70	<.01	<.01	<.01	<.001	<.001	<.01	<2
D 96463	.001	32.729	.01	.02	9.32	.005	.004	.07	7.81	<.01	<.01	<.01	.003	.001	.01	10403
RE D 96463	.001	32.667	.01	.02	9.30	.004	.004	.08	7.86	<.01	<.01	<.01	.003	<.001	.01	12967

Sample type: ROCK. Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

** TOTAL PAGE.008 **



SAMPLE#	Mo %	Cu %	Pb %	Zn %	Ag oz/t	Ni %	Co %	Mn %	Fe %	As %	U %	Th %	Cd %	Sb %	Bi %	Au** ppb
D 96464	.001	.003	<.01	<.01	<.01	.002	.002	.10	4.07	<.01	<.01	<.01	<.001	<.001	<.01	256
D 96465	.001	.080	<.01	.02	<.01	.002	.002	.20	4.24	.01	<.01	<.01	<.001	.018	<.01	22
D 96466	.001	1.684	<.01	.02	.53	.006	.001	.07	4.35	<.01	<.01	<.01	<.001	<.001	<.01	1457
D 96467	.001	2.244	<.01	.03	.51	.006	.003	.19	9.31	<.01	<.01	<.01	<.001	<.001	<.01	7364
RE D 96467	.001	2.252	<.01	.04	.53	.007	.003	.19	9.40	<.01	<.01	<.01	<.001	<.001	<.01	7457
RRE D 96467	.001	2.208	<.01	.03	.50	.006	.003	.19	9.29	<.01	<.01	<.01	<.001	<.001	<.01	7356
D 96468	<.001	.058	<.01	<.01	.01	.001	<.001	.03	2.27	<.01	<.01	<.01	<.001	<.001	<.01	70
D 96469	<.001	.021	<.01	<.01	<.01	<.001	<.001	.01	1.71	<.01	<.01	<.01	<.001	<.001	<.01	61
D 96470	<.001	.005	<.01	<.01	<.01	.001	.001	.04	1.96	<.01	<.01	<.01	<.001	<.001	<.01	16
D 96471	<.001	.059	<.01	<.01	<.01	.001	.001	.02	4.42	<.01	<.01	<.01	<.001	<.001	<.01	40
STANDARD R-1/AU-R	.084	.811	1.20	2.37	2.79	.023	.024	.06	6.44	.94	.01	.01	.042	.159	.02	424

Sample type: ROCK. Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

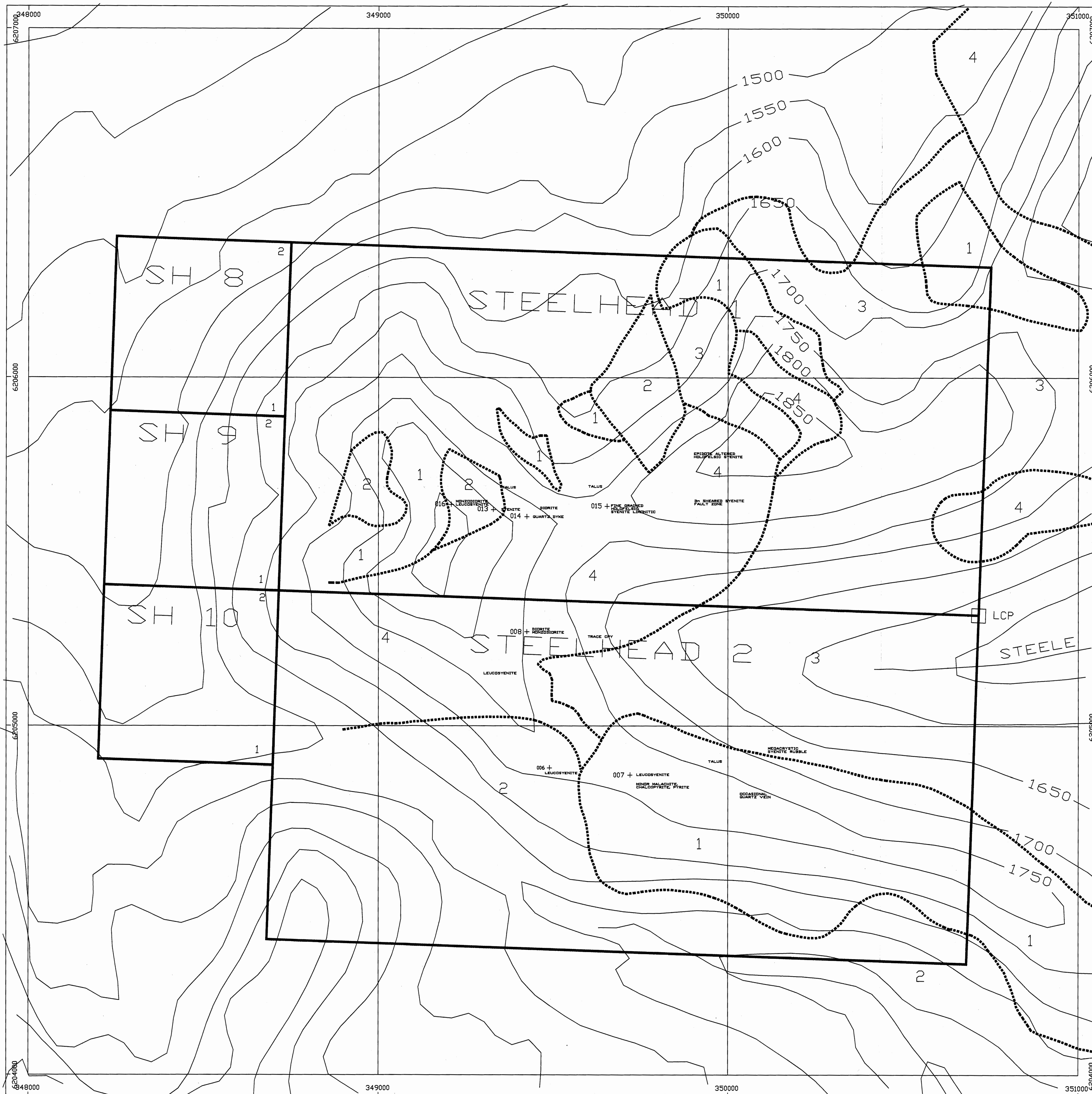
1 GR SAMPLE LEACHED IN 50 ML AQUA REGIA, DILUTE TO 100 ML, ANALYSIS BY ICP.
 AU** ANALYSIS BY FIRE ASSAY/ICP FROM 30 GRAM SAMPLE.
 - SAMPLE TYPE: P1 TO P4 CORE P5 ROCK
 Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.


Rudy *Alan Rudy*
 1-604-392-3070

DATE RECEIVED: SEP 7 1995 DATE REPORT MAILED: *Sept 14/95* SIGNED BY: *[Signature]* D. TOYE, C. LEONG, J. WANG; CERTIFIED B.C. ASSAYERS

** TOTAL PAGE.022 **

170 P.01/01





LEGEND

- 015+ SYENITE Rock Sample Site
- 1995 Traverse Field Marker Number and Rock Description
- GEOLOGICAL CONTACT

GEOLOGY
(In part after Stevenson 1990)

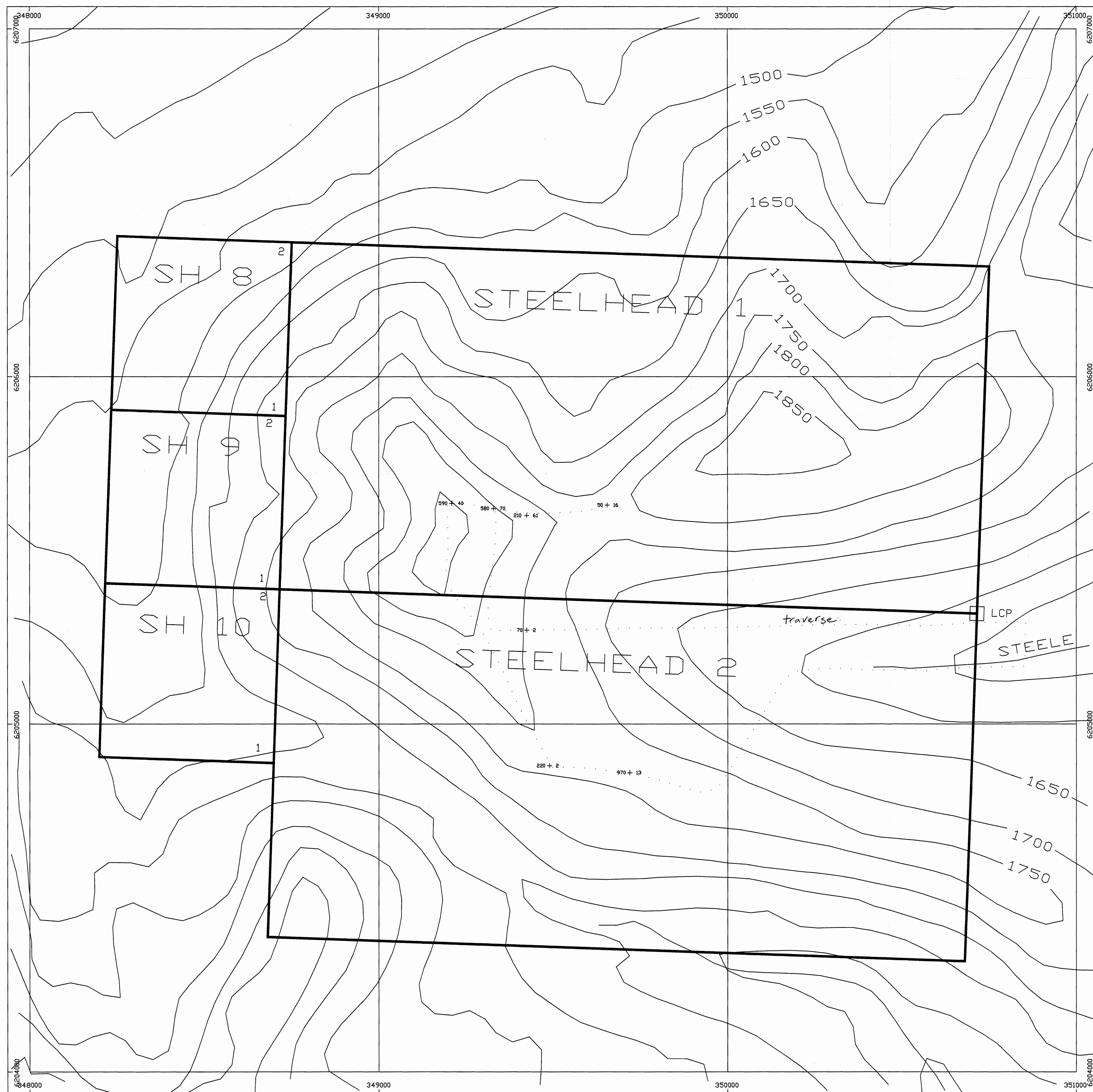
- 1 LEUCOCRATIC SYENITE
- 2 MESOCRATIC SYENITE
- 3 MONZONITE
- 4 MONZODIORITE

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

24,466

STEELE CREEK PROPERTY
OMINECA MINING DIVISION
STEELHEAD MINERAL CLAIMS
GEOLOGICAL PLAN
Scale 1: 5000.0

Date: 27-MAY-96 Drawn By: JCH Figure: 3
Tech Work By: J.W. Morton



LEGEND
 970+13 Rock Sample Site
 ppm Cu - ppb Au

GEOLOGICAL SURVEY BRANCH
 ASSESSMENT REPORT

24,466

STEELE CREEK PROPERTY
 OMINECA MINING DIVISION
 STEELHEAD MINERAL CLAIMS
 ROCK GEOCHEMICAL PLAN
 Scale 1: 5000.0

Date: 27-MAY-96 Drawn By: JCH Figure: 4
 Tech Work By: DURFELD GEOLOGICAL MANAGEMENT