PROSPECTING REPORT
TSIT 1 MINERAL CLAIM
OMINECA MINING DIVISION
BRITISH COLUMBIA
NTS 93K/13E
57°54"52'N 125°36"3'W

by

Geoffrey N. Goodall, B.Sc., P. Geo
Fox Geological Services Inc.
#1409 - 409 Granville Street
Vancouver, B.C. V6C 1T8

Work Paid for by

SPOKANE RESOURCES LTD.
#480 - 650 West Georgia Street
Vancouver, B.C. V6C 4B9

August 6, 1996

TABLE OF CONTENTS

SUMMARY i
INTRODUCTION 1
LOCATION AND ACCESS 1
CLAIM INFORMATION 1
WORK HISTORY 1
REGIONAL GEOLOGY 4
PROPERTY GEOLOGY AND MINERALIZATION 4
WORK PROGRAM 4
RESULTS 6
CONCLUSIONS 6
RECOMMENDATIONS 6
DISBURSEMENTS 7

List of Figures

Figure 1 - Location Map 2
Figure 2 - Claim Map 3
Figure 3 - Regional Geology Map 5
Figure 4 - Prospecting Map ..... pocket

Appendices

Appendix I - Rock Sample Results 8

Fox Geological Services Inc. #1409 - 409 Granville Street, Vancouver, B.C. V6C 1T8
Telephone (604) 669-5736 Fax (604) 681-3920

SUMMARY

This report summarizes prospecting undertaken on the Tsit 1 claim situated on Tsitsutl Mountain in the Hogem Ranges of the Omineca Mountains of central, B.C. Access to the area is by helicopter from bases located at Smithers, Fort St. James or Houston.

The property overlies a contact between porphyritic granodiorite of the Omineca intrusions and argillaceous quartzite of the Cache Creek Group. Work undertaken on June 30, 1996 consisted of prospecting in the central and northern cirque area of the claim. Four rock samples were collected and submitted for analysis.

GSC Memoir 252 identified a chromite occurrence near the southern boundary of the claim and a tin anomaly is noted on the southwest flank of Tsitsutl Mountain. Minor chromite was noted in rock samples collected from this work program. Sample number 53225 returned 1,317 ppm chromium and 3,062 ppm nickel.

Fox Geological Services Inc. #1409 - 409 Granville Street, Vancouver, B.C. V6C 1T8
Telephone (604) 669-5736 Fax (604) 681-3920

INTRODUCTION

This report summarizes results of prospecting conducted on June 30, 1996 on the Tsit 1 claim.

LOCATION AND ACCESS

The Tsit 1claim covers an area ranging in elevation from approximately 5,500 to 6,200 feet, located on the southeast flank of Tsitsutl Mountain in the Hogem Range of the Omineca Mountains. The claim area covers sparse to heavily timbered slopes of moderate topographic relief to open grassy meadows and exposed ridges. The timber cover consists of Alpine fir, Lodgepole pine and mature spruce which at higher elevations shows evidence of stunted growth.

The area lies approximately 100 kilometres east-northeast of Smithers and is only accessible by helicopter.

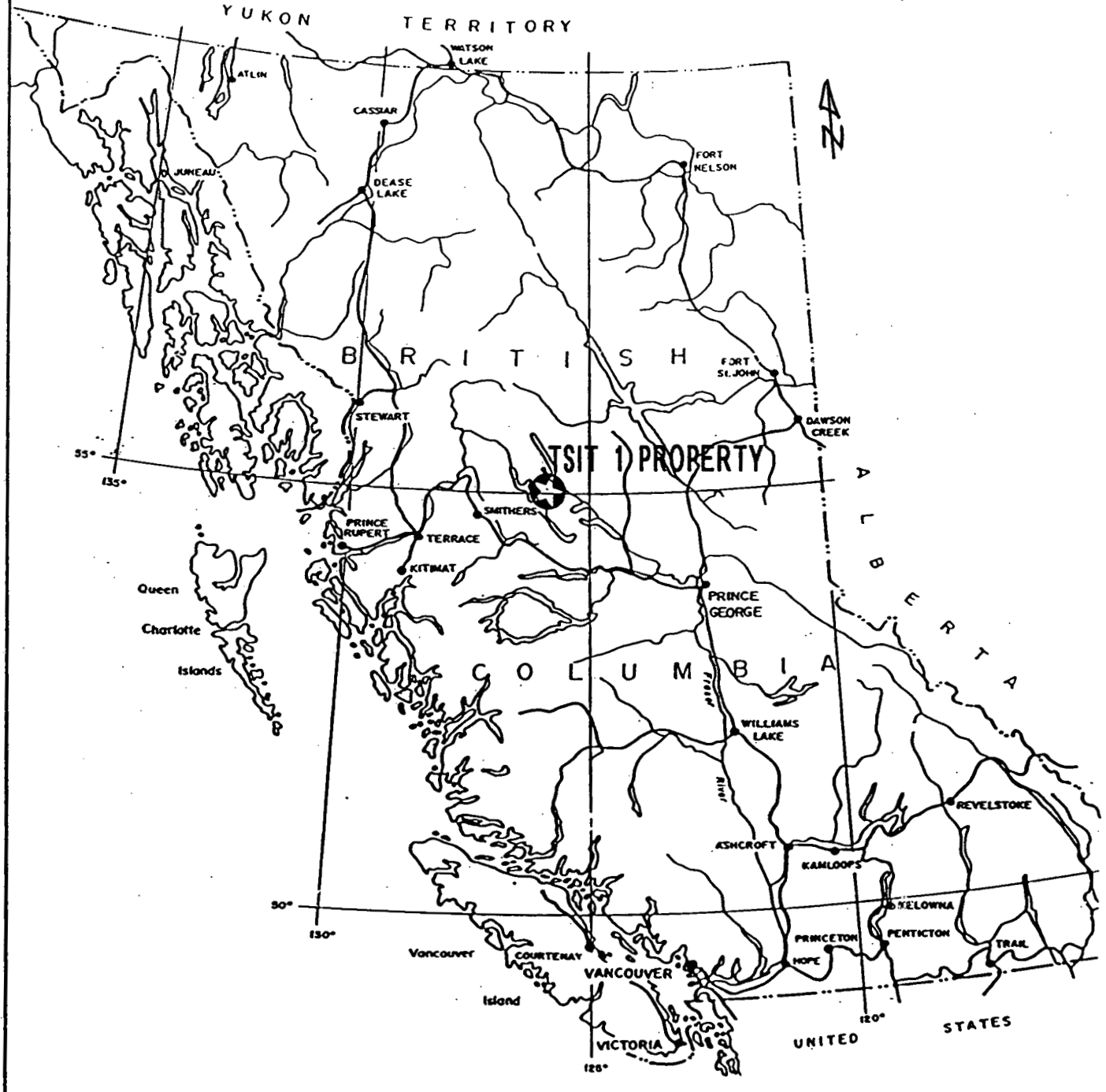
CLAIM INFORMATION

The Tsit property consists of one claim totalling 20 units staked on August 3, 1995 by Rick Roe acting as agent for Spokane Resources Ltd. of Vancouver. The claim is in good standing and has been staked in accordance with the mineral act. Claim details are set out below and the expiry date indicated assumes that current work will be acceptable for assessment purposes.

Claim	Tenure No.	Units	Expiry Date
Tsit 1	338599	20	August 3, 1997

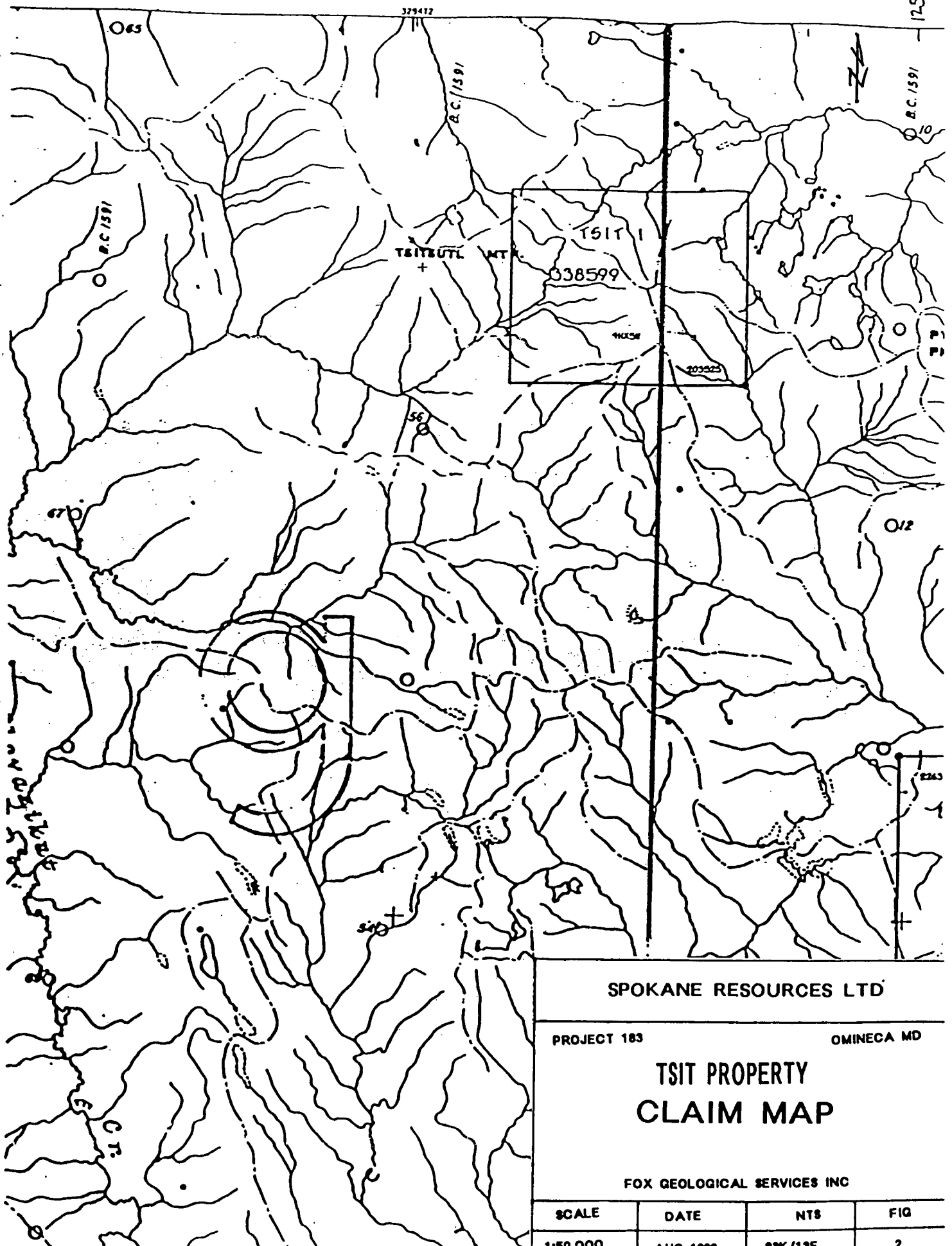
WORK HISTORY

The Tsit property has no prior history of exploration other than what has been documented in G.S.C. Memoir 252 by J. F. Armstrong. Prior to 1935, the only geological mapping in the Fort St. James map area consisted of reconnaissance surveys along the main routes of travel. Since 1935, the Geological Survey of Canada has engaged in mapping of the area at a scale of one inch to four miles and during the course of this have discovered many deposits of mercury, copper, silver, lead-zinc and chromium minerals of which the Tsitsutl Mountain chromite deposit is included.



0 100 200 MILES
0 100 200 300 Km

SPOKANE RESOURCES LTD			
TSIT MINERAL CLAIMS			
LOCATION			
FOX GEOLOGICAL CONSULTANTS LTD.			
DATE	SCALE	N.T.S	FIG
AUG 1994		93K/13E	1



SPOKANE RESOURCES LTD

PROJECT 183 OMINECA MD

TSIT PROPERTY
CLAIM MAP

FOX GEOLOGICAL SERVICES INC

SCALE	DATE	NTS	FIG
1:50,000	AUG 1996	93K/13E	2

REGIONAL GEOLOGY

The most recently published geological work in the area is by J. E. Armstrong (G.S.C. Memoir 252). Map 907A shows that the Tsit 1 claim overlies the contact between Upper Jurassic to Lower Cretaceous age granodiorite of the Omineca intrusive suite and Permian argillaceous quartzite and chert of the Cache Creek Group. To the west, in the area of Gloyazikut Creek, Mesozoic peridotites and gabbros of the Trembleur intrusions cut the Cache Creek Group and appear faulted in several zones.

G.S.C. Memoir 252 describes the Tsitsutl Mountain chromite deposit which appears approximately 4,200 metres south of Tsitsutl Mountain. The occurrence consists of a lens of almost pure chromite over a five by seven foot area. Elsewhere nearby are a few nodules of chromite two to three inches in diameter. In the area just west of Tsitsutl peak a mineral occurrence of vanadium is noted.

PROPERTY GEOLOGY AND MINERALIZATION

The Tsit 1 claim overlies an intrusive contact between porphyritic granodiorite of the Upper Triassic to Lower Cretaceous Hogem Intrusive suite and argillaceous quartzite and chert of the Permian Cache Creek Group. The contact is exposed in a vertical cirque wall on the north edge of the property and is evidenced by strong limonitic staining and gossan. Elsewhere the contact appears is obscured by talus and scree.

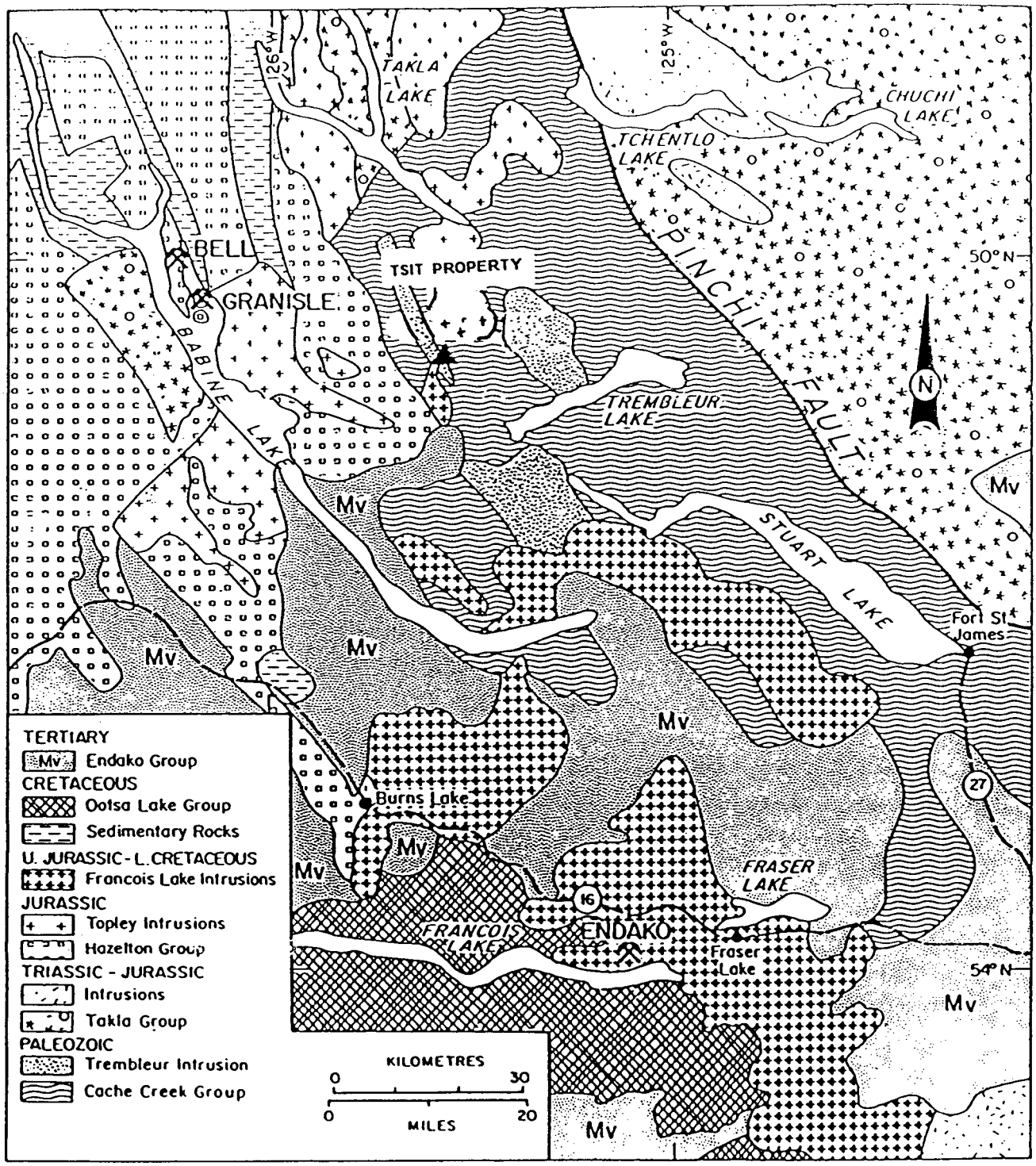
The granodiorite contains large (3mm to 8mm) phenocrysts of plagioclase and orthoclase to 20%, rounded to clear to opaque quartz eyes to 8%, dark green to black hornblende phenocrysts to 8% and biotite phenocrysts 3% to 5%. The feldspar phenocrysts exhibit minor argillic and potassic alteration.

Argillaceous quartzite and chert was noted on the eastern prospected area. The rocks have a prominent northwesterly-trend and are vertical to steeply dipping. Coarse grained pyrite to 2% occurs throughout the quartzite and causes a strong limonitic stain on weathered surfaces.

Four rock samples were collected in the vicinity of the intrusive contact. Each sample contained a minor amount of sulphide. Sample number 53225, located within the granodiorite hosts a trace of chromite. No other mineralization was observed.

WORK PROGRAM

The 1996 work program on the Tsit 1 claim consisted of prospecting along the northern edge of the property in areas of prominent outcrop. Scree and talus slopes and an extensive blanket of remnant snow precluded prospecting elsewhere.



SPOKANE RESOURCES LTD.

PROJECT Nº 183 OMINECA M.D.

TSIT PROPERTY

REGIONAL GEOLOGY

Scale	Date	NTS	Fig. Nº
1:50000	JULY 1996	93K/13	3

One day, June 30, 1996, was spent on the property by two geologists prospecting along the intrusive contact. Four rock samples were collected and submitted to Acme Analytical Laboratories in Vancouver for analysis of 35 elements by ICP technique, gold by geochemical graphite furnace atomic absorption and fluorine by sodium hydroxide fusion. Results are presented in Appendix I. Sample locations and notable results are plotted in Figure 4.

RESULTS

The prospecting program on the Tsit 1 claim indicated an area of hydrothermal alteration adjacent to an intrusion. Minor sulphide mineralization was also noted along the contact. Large chromite lenses and pods are reported to occur in the vicinity. A minor amount of chromite was observed in one locality. Analysis of the chromite-bearing sample returned anomalous concentrations of nickel (3062 ppm), cobalt (145 ppm), manganese (1587 ppm), chromium (1317 ppm) and magnesium (22.7%). Two of the samples returned highly anomalous concentrations of fluorine.

CONCLUSIONS

Prospecting over the property confirmed that the claim overlies an intrusive contact. This contact hosts minor sulphide mineralization. A weak to moderate hydrothermal alteration of both the host rocks and the intrusive is present. Elevated values of chromite were observed in one sample. Two other samples contained anomalous concentrations of fluorine.

RECOMMENDATIONS

Further work is recommended for the Tsit 1 claim to determine the extent of the alteration and mineralization and to attempt to locate and trace the chromite occurrence. Follow-up of the anomalous fluorine samples is required in an attempt to locate molybdenum mineralization.

DISBURSEMENTS

Expenditures for the Tsit claim are as follows.

Jim Irwin, Geologist	1 day @ $350/day	$ 350.00	
Geoff Goodall, Geologist	1 day @ $350/day	350.00	$ 700.00
Helicopter - 1.7 hours @ $655.50/hour			1,114.35
Equipment Rental - 2 radios @ $20/day			40.00
Truck Rental - 1 day X $65/day			65.00
Supplies & Services - Field			42.00
Analysis - 4 rock samples @ $26.00/sample			104.00
Total Expenditures			$ 2,065.35

Prepared by:

FOX GEOLOGICAL SERVICES INC.

Per: _____

Geoffrey N. Goodall, B.Sc., P. Geo.
August 6, 1996

APPENDIX I

Rock Sample Results

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

GEOCHEMICAL EXTRACTION-ANALYSIS CERTIFICATE

Spokane Resources Ltd. PROJECT 183 File # 96-2781

480 - 650 W. Georgia St., Vancouver BC V6B 4N9 Submitted by: Geoff Goodall

SAMPLE#	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppb	Ni ppm	Co ppm	Mn ppm	Fe %	As ppm	U 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	Tl ppm	Hg ppb	Se ppm	Te ppm	Ga ppm	Au+ ppb	F ppm
53223	3.3	7.4	6.4	93.8	97	5	1	224	1.03	2.5	<5	9	1	.38	.5	<.1	<1	.06	<.002	67	15	.03	10	.02	<2	.61	.03	.33	3	.4	17	<.3	<.2	3.4	9	1100
53224	2.3	16.0	15.5	29.4	126	13	3	344	.36	2.6	<5	1	28	.30	.4	<.1	2	.15	<.002	3	12	.10	31	.01	<2	.36	.02	.03	<2	<.2	28	<.3	<.2	.8	2	110
53225	1.4	10.0	1.3	45.7	<30	3062	145	1587	6.70	3.8	<5	1	1	.39	<.2	<.1	19	.01	.004	<1	1317	22.72	7	<.01	67	.08	<.01	<.01	<2	<.2	33	<.3	<.2	<.5	1	60
53226	7.6	4.7	4.1	46.5	88	16	3	347	1.37	1.1	<5	10	1	.06	.3	.8	5	.01	.003	27	14	.11	9	.04	<2	.80	.01	.52	<2	.8	<10	<.3	.4	4.0	1	1300
53227	3559.0	228.0	4.5	28.7	2630	91	17	367	1.75	12.8	5	1	27	.39	5.0	3.0	23	1.65	.033	1	41	.23	36	.09	<2	1.40	.22	.04	23	5.0	14	5.0	5.0	33.2	<1	220
53228	11.5	267.9	3.2	162.8	372	132	40	644	13.00	1.0	<5	<1	129	.53	<.2	.7	328	1.66	.167	4	10	.86	248	.32	<2	4.13	.12	1.98	<2	<.2	29	.8	.5	13.2	1	720
53229	21.4	17.7	118.0	78.3	2417	6	3	675	1.55	17.2	<5	4	5	2.12	11.2	.6	9	.07	.024	6	12	.02	56	<.01	2	.35	<.01	.14	4	<.2	16	<.3	.5	1.1	<1	1150
53230	57.5	12.4	2.1	29.6	69	18	9	299	1.78	1.0	7	<1	70	.18	<.2	<.1	80	3.01	.068	2	37	.53	26	.23	<2	3.12	.44	.10	<2	<.2	<10	<.3	.2	8.4	4	420
53231	2.6	76.4	3.7	54.4	455	8	6	541	1.65	1.8	<5	4	16	.36	1.2	.1	21	.42	.051	15	15	.45	76	.01	<2	.69	.05	.18	4	<.2	<10	.3	<.2	3.4	3	600
53232	2.3	13.9	1.1	41.9	<30	1830	81	991	3.82	4.2	<5	<1	5	.12	<.2	.6	26	.29	.008	<1	1087	13.47	10	.01	9	.52	<.01	<.01	<2	<.2	79	<.3	<.2	1.7	3	60
53233	248.5	355.5	4.0	77.7	293	140	22	263	3.64	111.2	<5	5	70	.36	<.2	<.1	77	.55	.038	9	38	.34	407	.01	<2	2.74	.06	.12	<2	<.2	16	<.3	.5	8.4	3	460
53234	364.2	332.7	4.0	88.6	609	126	19	285	3.26	61.6	<5	4	102	.32	2.0	1.0	62	.77	.045	9	43	.40	577	.02	<2	2.92	.09	.16	<2	1.0	22	1.0	1.0	8.1	<1	680
RE 53234	355.9	315.0	3.5	89.0	607	122	18	268	3.05	58.3	<5	3	93	.31	2.0	1.0	59	.74	.045	8	38	.39	521	.02	<2	2.78	.08	.15	<2	1.0	49	1.0	1.0	8.1	1	620
53235	280.4	231.0	2.9	57.1	303	69	18	301	2.56	50.5	5	5	53	.31	<.2	<.1	42	.41	.050	9	23	.31	344	.01	2	2.60	.05	.09	<2	<.2	17	<.3	<.2	8.0	<1	520
53236	461.2	280.9	3.5	71.0	428	75	29	331	3.06	66.9	8	5	33	.32	<.2	<.1	58	.39	.047	5	76	.58	206	.02	<2	2.88	.06	.24	<2	<.2	34	<.3	<.2	8.3	<1	860
53237	238.6	189.9	1.2	15.0	622	14	4	105	5.96	2.9	<5	<1	67	.10	<.2	.5	35	.08	.020	1	17	.27	142	.06	<2	.47	.03	.32	3	<.2	18	2.8	<.2	3.5	10	400
53238	22.2	24.5	2.5	16.2	74	10	3	198	.67	4.6	<5	4	13	.04	.2	<.1	6	.04	.011	4	9	.04	26	<.01	<2	.23	.03	.09	<2	<.2	<10	<.3	.2	.9	6	260
53239	4.0	25.6	2.2	49.3	50	48	14	222	2.18	1.0	<5	<1	16	.07	<.2	<.1	62	.81	.172	5	72	1.25	179	.19	<2	1.27	.07	.71	2	<.2	14	<.3	<.2	6.8	2	600
STANDARD	25.3	131.7	97.5	261.7	1966	33	19	1151	4.26	77.1	22	20	52	2.36	9.1	21.0	78	.80	.101	18	59	1.21	236	.13	28	2.41	.08	.82	15	2.6	452	.5	1.9	7.4	541	440

Standard is STANDARD D2/HG-500/AU-R/C2.

ICP - 30 GRAM SAMPLE IS DIGESTED WITH 180 ML 3-1-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR AND IS DILUTED TO 100 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 GA AND AL. SOLUTION ANALYSED DIRECTLY BY ICP. MO CU PB ZN AG AS AU CD SB BI TL HG SE TE AND GA ARE EXTRACTED WITH MIBK-ALIQUAT 336 AND ANALYSED BY ICP. ELEVATED DETECTION LIMITS FOR SAMPLES CONTAIN CU,PB,ZN,AS>1500 PPM,Fe>20%.

- SAMPLE TYPE: ROCK AU+ - AQUA-REGIA/MIBK EXTRACT, GF/AA FINISHED. F - NaOH FUSION - SPECIFIC ION ELECTRODE ANALYSIS.

Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

DATE RECEIVED: JUL 11 1996 DATE REPORT MAILED: July 30/96 SIGNED BY. C. Leong D.TOYE, C.LEONG, J.WANG; CERTIFIED B.C. ASSAYERS

28 29 40′ 30 000m. E 31 32 33 34 125° 35′ 35

6097000m. N

54°59′

5100 5000 4600 6200 5800 4700 6300 5500 5800 4800 4300 5000

97 96 95 94 93

TSITSUTL MOUNTAIN

TSIT 1

Cache Creek Group

granodiorite

△ 53223 △ 53225 53224

△ 5322S rock sample location and number

geologic contact, assumed

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

24,520

SPOKANE RESOURCES LTD.

PROJECT Nº 183 OMINECA M.D.

TSIT 1

PROSPECTING MAP

Fox Geological Services Inc.

SCALE	DATE	N.T.S.	DWG Nº
1:10,000	JULY 1996	93K/13	4