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WEAVER CREEK PLACER

PLACER DRILLING REPORT

Moyie River - Cranbrook, B.C.
Fort Steele Mining District

N.T.S. 82 G/5 and 82 F/8

Placer Leases
Weaver Creek Placer # 2137 (266643)
Fiorentino Brothers Construction # 1902 (320177)

by

Randy Clarkson P.Eng.

Covering work carried out during the period
October 12 - 22, 1994

an addendum to a report by Michael P. Henrick P.Geo.
completed in January 1993

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December 5, 1994

TO: Gus Fiorentino
c/o Pacific Pallisades

BY: Fax 604-891-2594 PAGES TO FOLLOW: 21

Dear Mr. Fiorentino:

RE: Weaver Creek Placers Drill Report

Please find enclosed a copy of the preliminary report regarding the 1994 placer drill program at your Moyie River property.

I have also enclosed 4 @ 8.5 by 11 inch pages which when pasted together will form Mike Henrick's amended map at its original scale (1" = 100' horizontal, 1" = 40' vertical). Four figures: the location map; claim map; and schematic of a Barber Drill are not included in this fax. I have not yet wrapped up my costs and will complete the cost portion later. I will also include these figures and a full size copy of the map with a final report to your Cranbrook address shortly.

Please call me if you or Mike have any questions.

Randy Clarkson P.Eng.
President

encl

WEAVER CREEK PLACERS DRILL REPORT PRELIMINAI

OBJECTIVES

The objectives of the 1994 placer drill program on placer lease # 1902 (320177) were to provide more information regarding the alluvial channel depth, width, longitudal gradient limits, bedrock type and contained gold values.

This program was required to fill in information between drill lines C/92 and D/92 which were completed in November and December of 1992 by Michael Henrick (Henrick, 1992) on placer leases #1902 (320177) and # 2137 (266643).

DRILLING AND SAMPLING PROCEDURE

Six holes, totalling 327 feet were completed on line B/94 in October, 1994 on PL # 1902 (320177) under the author's supervision. Eighteen holes on lines A/92 through D/92 totalling 1000 feet were completed in November, 1992 on both PL # 2137 (266643) and PL # 1902 (320177) under Henrick's supervision (figure 4).

The 1992 drilling was completed by Owen's Drilling Ltd of Cranbrook while the 1994 drilling program was completed by J.R. Drilling, also of Cranbrook. Both drillers used a Barber DR (Dual Rotary) drill equipped with a down-the-hole hammer and an independently driven and rotated steel casing. The casing shoe was fitted with carbide buttons and drilled in advance of the down-the-hole hammer to help reduce sample loss and contamination (figure 3).

Sample quality control testing was completed during the 1994 program on each of the six holes using radioactive gold as tracers as part of a general drilling research program conducted by the author. In general, radiotracer recovery was very high with the majority of the relatively minor losses due to spillage around the sample cyclone. Most of the actual drill sample volumes were much larger than anticipated, probably due to additional gravel flowing into the casing with the ground water inflow. Gold values in the gravels were estimated using the raw gold weights and the actual individual loose sample volumes.

The sample processing method for 1992 is described by Henrick:

"All cuttings, from each two foot section drilled within the gravel sections of interest, were collected in five gallon plastic pails. These pails were labelled and transported to the Moyie River for processing. All pails were then logged for material type, dampness, colour and volume (appendix). The samples were washed in a four foot by one foot long tom sluice run. The sluice run was equipped with a two foot square washing tray that spilled onto the long tom sluice below. The sluice run was elevated at 1&3/4 in/ft. Riffle action on the sluice was achieved by using three quarter inch expanded metal laid over an astro-turf blanket. Sample intervals washed ranged from single two foot samples to composite four foot samples, depending on areas of interest within the section.

All concentrates, from each sample interval, were collected and panned. All colours noted were counted and recorded in the drill logs (appendix). All significant auriferous samples were amalgamated, digested, annealed and weighed. All weights, thus achieved, were recorded on the attached drill logs (appendix), and gold sample weights and grade sheet, (appendix) and marked on the attached drill sections (figure 4)."

In 1994, the samples were processed on a similar small sluice which was fitted with new matting. The author ran a sample of sluicebox tailings prior to the drill samples to check for contamination. Gold recovery was excellent because the long tom never lost any of the radioactive gold tracer particles which had been introduced into the drill samples.

Henrick reported that all his drill collars were surveyed with a theodolite and that distances between holes were chained in 1992. The author used a theodolite and stadia rod in 1994 to survey the drill hole collars in lines D/92, B/94 and C/92 and also plotted these collars, a new cross-section and revised long section on Henrick's map (figure 4).

Jim Fiorentino used a D-8 H Caterpillar bulldozer to construct drill access roads and drill sites in 1992 and 1994. Henrick reported that "a total of 3722 feet of access road was constructed. All drill sites were located on the drill roads. Only minimal timber was disturbed as the entire area consisted of sparce second growth alder and poplar." In 1994 only a very limited amount of preparation was required to extend existing trails and construct the six drill sites.

Henrick reported that he and Jim Fiorentino processed a total of 85 samples in the 1992 program and that 14 samples were sufficient to save and calculate grade determinations (table 1). Henrick stated that "Forty of the eighty-five samples processed had gold values, ranging from trace through 0.16 crude ounces per cubic yard. Three of the samples contained nuggets which were used to calculate grade determinations. The values calculated using the nugget, although not excessively high, will probably be higher than the actual grade."

The author and Jim Fiorentino processed an additional 25 samples in October 1994 and six of these samples were sufficient to save and calculate grade determinations (table 1). Twenty of these samples had grade values ranging from trace through 0.257 raw ounces per loose cubic yard. The highest grades (in holes B1 and B3) were due to mainly to nuggets which were also used to calculate the grade determinations. The author also calculated these values using nuggets and agrees with Henrick's that "these values, although not excessively high, will probably be higher than the actual grade."

CONCLUSIONS

The 1992 and 1994 placer drill programs including lines A/92 through D/92 and line B/94 appear to outline a continuous bedrock channel and left limit bench 2000 feet long. The overall channel appears to be from 135 to 230 feet wide and from 50 to 70 feet deep. The bedrock gradient is very steep at the upstream end of the channel (5%) and gradually reduces to an essentially flat gradient with a wide channel at the downstream end of the channel. The bedrock varies from a combination of the harder diorite and softer argillite at the upstream section to an all argillite bedrock at the second lowest line (B/94) and finally to all diorite at the lowest line D/92.

All of the drill lines except the lowest line (D/92) appear to have economic gold values as high as 0.507 and 0.402 raw ounces per loose cubic yard in hole F-10, 0.257 in hole B-1, 0.160 in hole F-4 and 0.131 in hole F-7. The highest grade intersections generally include relatively large nuggets and more minor amounts of finer gold particles. I agree with Henrick (1992) who states that "The values throughout this section are pervasive enough to suggest that they are not erratic, although the larger pieces, (nuggets), do occur with little or no ancillary gold values and in one instance do occur above the pay zone (hole F-10)." Significant gold values also occurred in hole B-3 well above the pay zone.

RECOMMENDATIONS

According to Henrick (1992) "The occurrence of significant gold values throughout the steeper narrow tertiary channel and within the narrow incised gut channel is not typical of previously mined sections on the Moyie River to date." He accordingly recommended further drilling to outline an economic section of ground to establish an initial pit and then to advance cautiously upstream and downstream.

The 1994 drill program indicates that the channel below drill line B/94 is composed of the softer argillite bedrock. Line D/92 located approximately 500 feet downstream of line B/94 has the harder diorite bedrock and Line C/92 located approximately 500 feet upstream has some diorite and some argillite bedrock. Drill results from line B/94 indicate that the gradient of the deeper channel is flat and the left limit bench (or "upper channel") has a very low gradient (1%). This favourable change in gradient and bedrock type in combination with the recovered gold values and the reported previous mining history indicates that this area has a very high potential to contain economic placer mining reserves.

It is difficult to determine an optimum (lowest) mining pit location without some additional drill information between lines B/94 and D/92. If the first pit is located just below line B/94, some economic reserves downstream of the pit may be difficult to mine. If the first pit is located too close to line D/92 it may have insufficient gold values. Therefore, I recommend that a small drill line should be located midway between drill lines D/92 and B/94. Three drill holes should be drilled on this line, one hole should be located in the projected center of the channel (figure 4) and the two others should be located 75 feet on either side of the center hole. The results of this drill program (eg bedrock gradient and type, and recovered gold) would allow the pit to be located with a reduced risk of isolating gold downstream reserves or mining in a low grade area.

I also understand that some additional drilling was completed downstream of line D/92. These samples should be processed as soon as possible to determine the bedrock type and gradient as well as any gold values. If these data are favourable the pit may be located even further downstream of line B/94.

If you are unable to do complete the recommended drill program and last year's samples yield unfavourable results, I would recommend that you establish an initial pit 100 to 200 feet downstream of line B/94 using the estimated channel limits from figure 4 and advance cautiously upstream.

Randy Clarkson P.Eng.

APPENDIX A - GEOLOGY (From Henrick, 1993)

APPENDIX - PREVIOUS WORK (From Hem ck, 1993)

APPENDIX C

LOG OF DRILL HOLES

The following drill log describes:

a) the position of the drill hole in relation to previous drill lines as determined by surveying using a theodolite and stadia rod;

b) the approximate geodedic location as determined by a Geographic Positioning System instrument (GPS, where available) using UTM (north and east) coordinates;

c) the drill interval in feet of depth;

d) the volume of drill sample in loose cubic yards and its comparison to expected sample volume of 0.311 ft3 (or 0.0115 yd3) per foot of drill advance (assuming a 6 & 3/4" inside diameter casing shoe and 25% swell);

e) the amount of gold recovered from the drill sample after processing on a small sluice, hand panning and amalgamation in milligrams (and grains);

f) the estimated grade of the sample in raw troy ounces per loose cubic yard based on actual loose sample volume; and

g) a description of the sample.

Y B1 Position Near Current Creek Channel Date Oct 13, 1994

Surveyed Position East 560 ft North 753 ft
Elev 6 ft

Footage From	To	Volume yd3	%	Gold mg	weigh grn	Grade oz/yd3	Description
			0.0				
0	10					N/A	Recent surficial gravels/boulders
10	18					N/A	As Above, Water inflow, loose ground
18	22					N/A	As Above, Lots of water but tighter
22	40					N/A	Silty/clay-rich glacial till
38	40			<1		Trace	Radiotracer test
40	46	0.089	130%	<1		Trace	Rounded and angular mixed alluvial gra mostly grey & green argillite, min qtz 1 @ 48 mesh gold particle
46	48	0.022	96%	<1		Trace	As above, mostly green argillite grave 1 @ 48 and 2 @ 100 mesh gold particles
48	50	0.046	203%	0		0	Multicolour alluvial gravels Mostly quartz and diorite
50	52	0.091	399%	<1		Trace	Coarse mixed alluvial gravels trace gold, some radioactive gold Lots of water and sample
52	53						Water stopped (boulder?)
52	54	0.069	302%	4	0.06	0.002	Coarse mixed alluvial gravels Mainly grey argillite, minor qtz
54	56	0.036	158%	141	2.17	0.125	Angular and subrounded mixed grey and green argillite gravels, minor diorite and quartz, 5 @ 14 mesh & 3 @ 48 mesh the nuggets are 116 mg
53	55						Water again, mainly grey argillite fra
55	57						Rapid advance (soft bedrock?)
56	58	0.040	177%	325	5.01	0.257	Mostly angular dk grey argillite bedro minor green angular argillite Hole bottom in bedrock Nuggets weight 302 mg
Potential Mining Zone							
52	58	0.146	213%	470	7.25	0.103	Composite grade from 52 to 58 feet

Hole B2 Position Approx 23 m east of B1 Date Oct 13 & 14, 1994

Surveyed Position East 577 ft North 678 ft
Elev 6 ft

Footage From	To	Volume yd3	%	Gold mg	weigh grn	Grade oz/yd3	Description
0	40					N/A	Recent surficial gravels/sandy till All drilling fluids are dry
12	40						water in hole
38	40						Radiotracer test
40	46						Wet hole, silty fine gravel/till
40	44	0.042	92%	<1		Trace	Multi-colour rounded gravels Mostly grey/green argillite, minor qt 2 @ 100 mesh gold particles
44	46	0.019	83%	0	0	0	Moist subrounded and irregular green/ argillite gravels, some qtz, no gold
46	48	0.032	143%	<1		Trace	Dry (silt) powder, fragments and rour green argillite, minor qtz and grey a gravels with 1@ 48 mesh gold particle
48	50	0.046	202%	<1		Trace	Silty diorite & grey/green argillite lg angular and rounded gravels and (boulder?), minor qtz 2 @ 48 & 2@ 100 mesh gold particles
50	52	0.038	166%	<1		Trace	Dry dark grey angular and subround ar gravels, minor green argillite and qt (boulder?) 1 @ 48 & 1 @ 100 mesh gold particles
52	54	0.042	184%	<1		Trace	Dry grey & green argillite, abundant qtz and diorite, many round & subrour coarse gravels? 2 @ 48 & 2 @ 100 mesh gold particles
53	54						Rapid advance of drilling (Weathered bedrock?)
54	56	0.034	151%	<1		Trace	Mostly grey/green argillite fragments dust and some subrounded, some diorit 2 @ 48 & 3 @ 100 mesh gold particles
56	60	0.030	66%	0	0	0	Mostly angular grey argillite fragmer Dry powder (bedrock?), no gold

Hole B3 Position Approx 46 m East of B1 Date Oct 14, 1994
Surveyed Position East 617 ft North 620 ft
Elev 5 ft
GPS UTM Coordinates East 572340 m North 5471780 m

Footage From	To	Volume yd3	%	Gold mg	weigh grn	Grade oz/yd3	Description
0	15						Recent surficial bouldery gravel til
15	43						Recent surficial gravel & boulders
41	43						Radiotracer test ahead of casing
42	44	N/A		0	0	0	Wet mixed rounded gravels, mostly gr and green argillite, minor qtz
44	48	0.191	416%	88	1.35	0.015	Wet fine mixed rounded gravels, most grey/green argillite, minor qtz & di 5 @ 14 mesh, 4 @ 28 mesh, & 4 @ 48 m 3 nuggets weigh 61 mg
48	54	0.173	251%	50	0.77	0.009	Wet mixed med fragments and subround mostly grey/green argillite, some qt minor diorite, lots of sample 2 @ 14 mesh, 5 @ 28 mesh, 11 @ 48 me and 2 @ 100 mesh gold particles One nugget is 23 mg
54	56	0.042	184%	<1		Trace	Angular and subrounded, green/grey a minor qtz 1 @ 48 mesh & 1 @ 100 mesh gold part
56	57						Rapid advance, Water sealed off, som
56	58	0.069	303%	<1		Trace	Wet multi-colour round & subrounded Mostly green/grey argillite and qtz 1 @ 48 mesh gold particle
58	60	0.032	142%	<1		Trace	Fine rounded mixed gravels Mostly green/grey argill, some qtz & much less water in hole 2 @ 48 mesh gold particles
60	62	0.025	110%	0	0	0	Mostly green argillite fragments some (limonite?) stained quartz (bedrock contact?) no gold
62	64	0.048	211%	71	1.09	0.047	Mostly green/grey argillite fragment (Limonite) stain on fractures abundant pyrite, one nugget only rock flour at 62 feet
64	66	0.029	129%	<1		Trace	As above abundant pyrite, bottom of hole 1 @ 100 mesh gold particle

Hole B4 Position Aprox 70 m East of B1 Date Oct 15, 1994

Surveyed Position East 665 ft North 558 ft
Elev 4 ft

Footage From	To	Volume yd3	Gold mg	weigh grn	Grade oz/yd3	Description
0	32	N/A	N/A	N/A	N/A	Recent surficial gravels/bouldery til Wet hole, rapid advance
32	40	N/A	N/A	N/A	N/A	Clay rich glacial till, Dry
38	40	N/A	N/A	N/A	N/A	Radiotracer test drill below casing
40	42	N/A	N/A	N/A	N/A	Bedrock at 40'

Hole B5 Position Approx 28 m west of B1 Date Oct 15, 1994

Surveyed Position East 519 ft North 837 ft
Elev 8 ft

Footage From	To	Volume yd3	Gold mg	weigh grn	Grade oz/yd3	Description
0	8	N/A	N/A	N/A	N/A	Recent surficial bouldery gravels
8	21					Recent surficial gravel/till
19	21					Radiotracer test
33	35					Water flow is reduced
35	39					Lots of water in the hole
39	39					Water sealed off in hole
39	40	N/A	N/A	N/A	N/A	Clay with coarse mixed gravels Mostly argillite
	40					Minor water inflow
40	41	N/A	N/A	N/A	N/A	Coarse angular mixed gravels Mostly argillite
41	42	N/A	N/A	N/A	N/A	small angular fragments of argillite minor quartz, lots of water
42	43	N/A	N/A	N/A	N/A	Very hard siliceous argillite small angular fragments, water Bedrock at 42.5 feet

Hole B6 Position Near Main Access Rd Date Oct 15 & 16, 1994
well south of other holes

Footage From	To	Volume yd3	Gold mg	weigh grn	Grade oz/yd3	Description
0	14	N/A	N/A	N/A	N/A	Clay with minor argillite gravel, dry Glacial till
14	28	N/A	N/A	N/A	N/A	Dry clayballs and minor argillite gra Glacial till
28	36	N/A	N/A	N/A	N/A	Dry clayballs and minor argillite gra Glacial till
36	42	N/A	N/A	N/A	N/A	Drill ahead of casing Dry clay-rich glacial till
40	42	N/A	N/A	N/A	N/A	Radiotracer test
42	43	N/A	N/A	N/A	N/A	Dry clay-rich glacial till
43	48	N/A	N/A	N/A	N/A	Coarse mixed fragments, in silty flou Mostly dk green argillite
	48					Some water in hole
48	50	N/A	N/A	N/A	N/A	Dry dusty mixed grey/green argillite minor qtz and (orthoclase?) Bedrock at 48'?
50	51	N/A	N/A	N/A	N/A	Mixed grey/green stained argillites
51	53	N/A	N/A	N/A	N/A	Coarse angular very hard argillite bottom of hole

Hole B6

Footage From

0

14

28

36

APPENDIX D

GOLD SAMPLES WEIGHTS AND GRADE ESTIMATES

FROM HENRICK (1993)

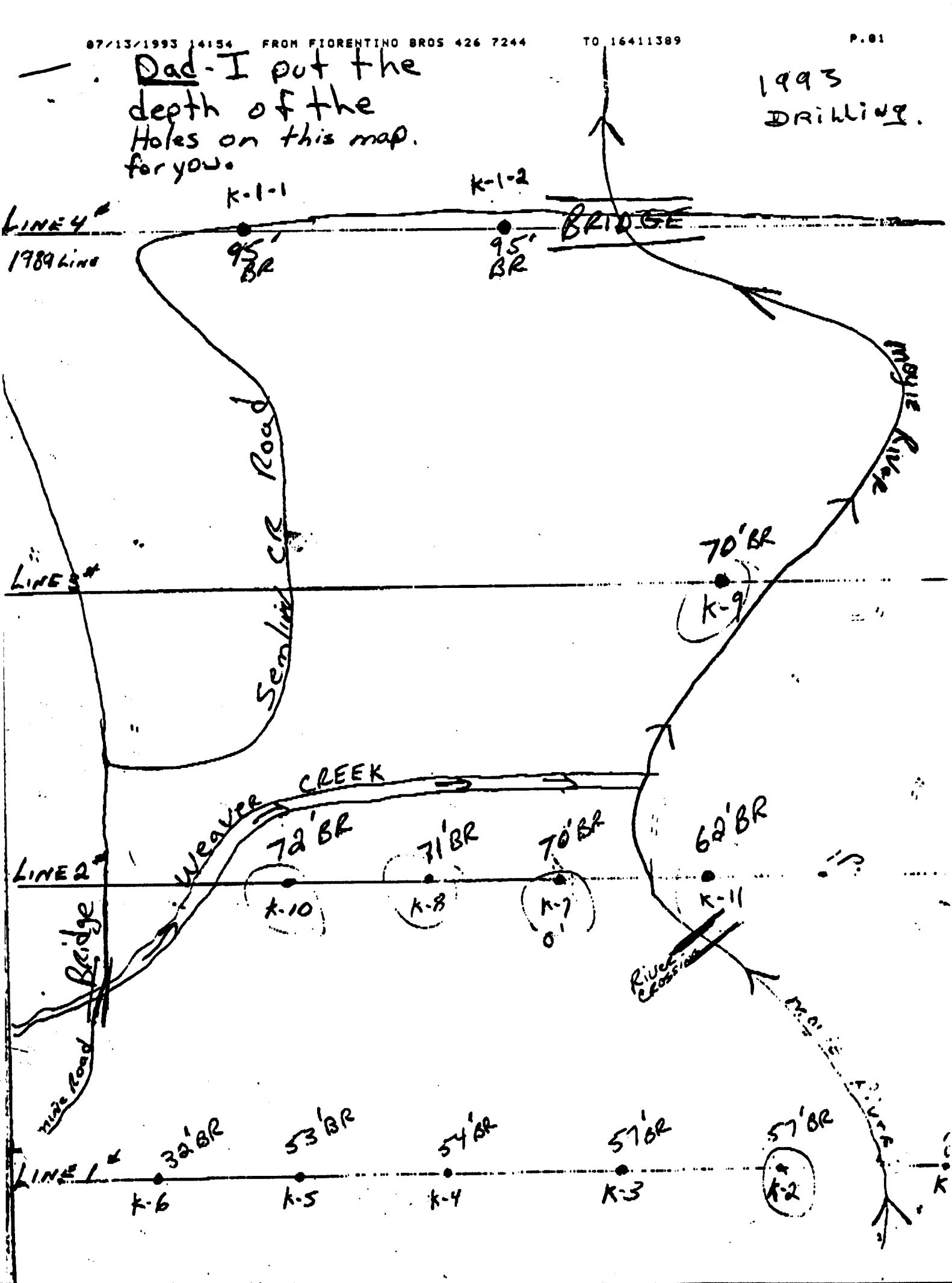
Hole No	Footage From	To	Raw Weight mg	grains	Note	Volume of Sample ft3	yd3	Estimated grade r oz/yd3	@$450/oz
F-1	54	56	100	1.55		1.25	0.046	0.069	$31
F-1	56	58	6	0.10		2.05	0.076	0.003	$1
F-4	62	64	658	10.2	nugget	3.55	0.131	0.160	$72
F-4	64	66	16	0.25		1.03	0.038	0.014	$6
F-4	68	70	32	0.50		1.14	0.042	0.020	$9
F-7	56	58	84	1.30		0.56	0.021	0.131	$59
F-7	58	60	91	1.40		0.85	0.031	0.093	$42
F-10	44	46	392	6.05		2.77	0.103	0.123	$55
F-10	46	50	596	9.20	nugget	1.02	0.038	0.507	$228
F-10	56	58	369	5.70	nugget	0.80	0.030	0.402	$181
F-11	48	50	3	0.05		1.43	0.053	0.002	$1
K-2	54	56	23	0.35		1.15	0.043	0.017	$8
K-2	62	64	58	0.90		1.06	0.039	0.048	$21
K-3	60	64	6	0.10		1.10	0.041	0.005	$2

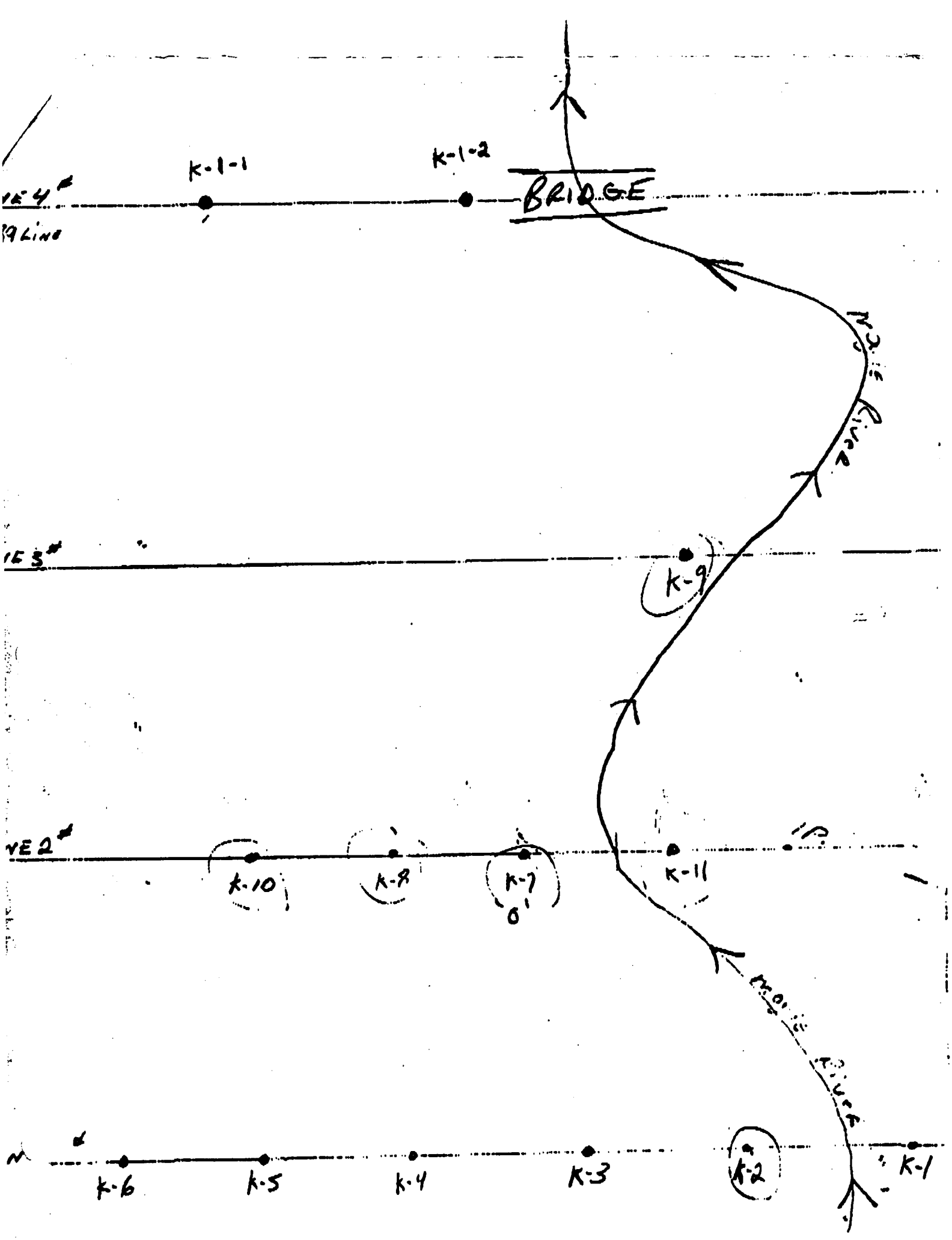
1994 DRILLING DATA

Hole No	Footage From	To	Raw Weight mg	grain	Volume %	Volume of Sample ft3	yd3	Estimated grade r oz/yd3	$@$450/oz
B-1	52	54	4	0.06	302%	1.88	0.070	0.002	$1
B-1	54	56	141	2.18	158%	0.98	0.036	0.125	$56
B-1	56	58	325	5.01	177%	1.10	0.041	0.257	$116
B-3	44	48	88	1.36	416%	5.17	0.191	0.015	$7
B-3	48	54	50	0.77	251%	4.68	0.173	0.009	$4
B-3	62	64	71	1.09	211%	1.31	0.049	0.047	$21

Dad - I put the depth of the Holes on this map. for you.

1993 DRILLING.




K-1-1
K-1-2
BRIDGE
K-9
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