GEOLOGICAL ASSESSMENT REPORT

on the

TUZEX MINERAL CLAIM

Alberni Mining Division

NTS 092C087

Vancouver, B.C.
November 4, 1996

Sookochoff Consultants Inc.
Laurence Sookochoff, PEng

Geological Assessment Report

on the

Tuzex Mineral Claim

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Introduction

A program of preliminary geological mapping and sampling of six mineral zones was the basis for the 1996 exploration on the Tuzex claim. The six mineral showings were located and generally mapped in exploration of the ground, now covered by the Tuzex claim, in 1989 and 1990.

The information for this report was obtained from publications as set out in the Selected Reference section of this report and from the completion of the 1996 exploration program by the writer.

Property

The Property consists of one located grid-unit claim. Particulars are as follows.

Claim	Units	Tenure No.	Expiry Date
Tuzex	16	319260	July 19, 1997

Any legal aspects to this claim group is beyond the scope of this report.

Location and Access

The Tuzex claim is located proximal to the Nitinat River, 45 kilometres west-northwest of the town of Lake Cowichan, and 40 kilometres south of Port Alberni, which is on the west coast of Vancouver Island.

Access from Lake Cowichan, which is at the south end of Cowichan Lake, is northwestward via a paved road to Youbou thence by graveled road to the north end of Cowichan Lake and Nitinat, thence westward to the Nitinat River and west-southwest to the Tuzex claim. The road kilometres are approximately 50. Access within the Tuzex claim is provided by a network of logging roads.

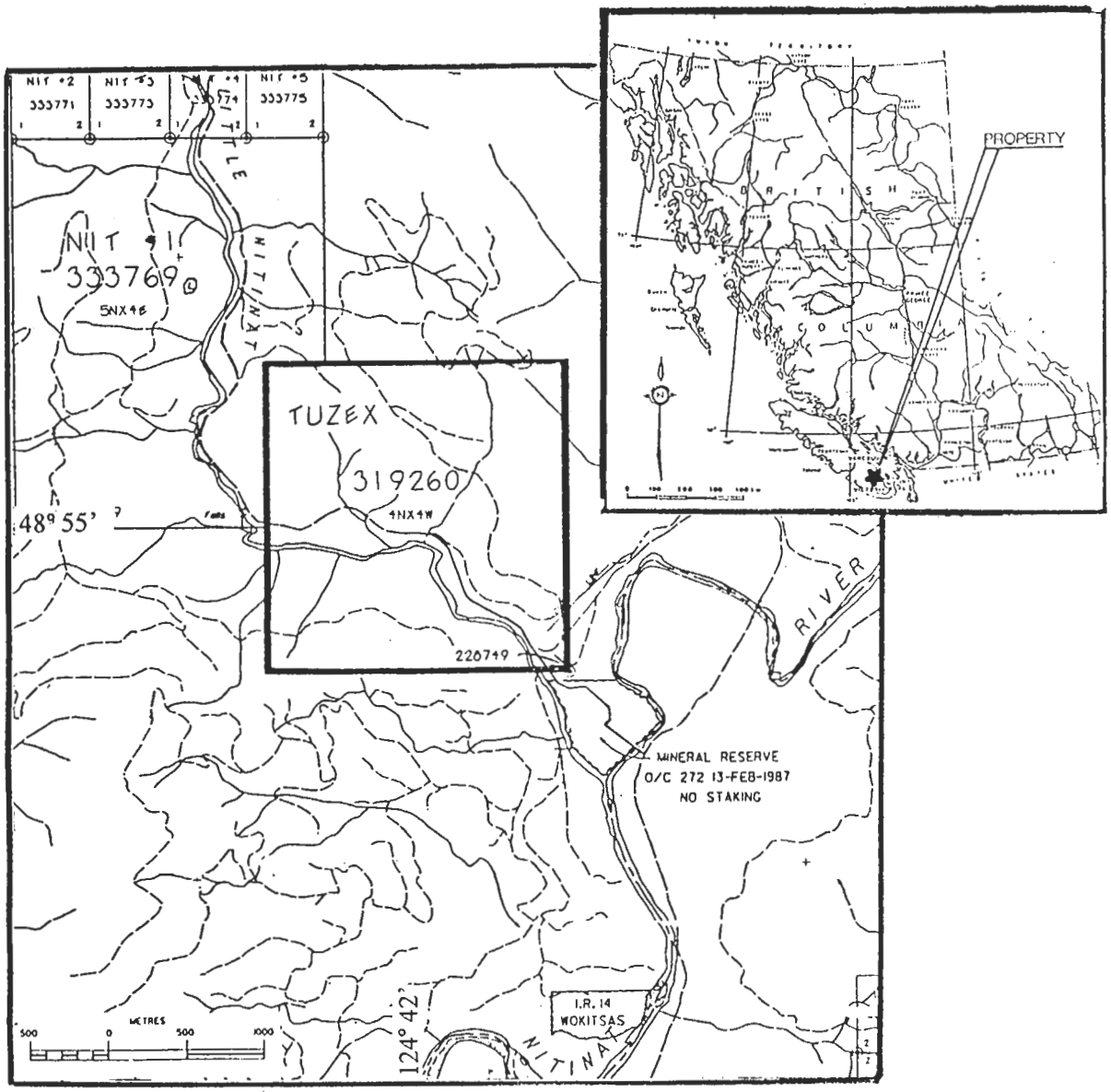


Figure 1. Location and Claim Map. (Ministry of Energy, Mines and Petroleum Resources Map 092C087 used as a base map) Showing the location of the Tuzex claim.

Physiography

The Tuzex claim is bisected by the Little Nitinat River valley at an elevation of 200m a.m.s.l. and covers moderate to steep slopes reaching an elevation of 1000 metres. The area has been the site of intensive logging and abounds with second growth conifers.

Climate

The climate is typical of the west coast with a high precipitation which falls primarily as rain during the winter months. In the summer months rainy periods are shorter and less frequent than in the winter. The total precipitation varies from year to year, but could be 500 centimetres per year. Although the climate in the area is typically mild, unseasonal snow precipitation may occur as early as November.

Local Resources

Most services and supplies for exploration would be available from either Port Alberni on the west coast, or from Nanaimo on the east coast, of Vancouver Island. These two centres could also be the source of adequate labour resources and skills for the development and/or the production stages of a viable mining operation.

History

The history of the general area is significant from the producing property of Westmin Resources at the southwest side of Buttle Lake, 100 km northwest of the Tuzex claim. The mineral showings of the Westmin-Myra and other productive ore zones were originally staked in 1917 after the removal of the Strathcona Park Reserve. The Paramount Mining Company acquired title to about forty mineral claims on Myra and Price Creeks and performed extensive exploration and development of mineral zones which, with additional exploration and development by others on the claims, resulted in the production from the Myra deposit. Production commenced in 1972 and to January 01, 1989 the Myra Falls operation, which included ore from other deposits on the property, processed 9,170,609 tonnes of ore. Production at the Westmin project is continuing to this day.

Mining activity in the area was revived in the late 1970's with the increase in precious metal prices and the discovery of base-precious metal massive sulphide deposits in the Sicker Group of rocks. A staking rush developed on Vancouver Island resulting in the coverage of a belt, including the favorable Sicker Group, of over 150 kilometres long and 15 kilometres wide. The area covered, stretched northwest from Duncan to the Westmin Resources Ltd. mining operation at Buttle Lake. As a result of the increased exploration activity, numerous "new" mineral showings were discovered, with some developed to varying degrees.

The history of the Tuzex claim area stems from the 1860's when placer mining was active at the headwaters of China creek, Nitinat River and Franklin River. Lode mining was initiated in the 1890's when gold bearing quartz veins were located and staked on Mineral creek, at the headwaters of McQuillan creek, in the Soloman Basin, and at the headwaters of China creek. Mining activity lasted to 1900 during which time a stamp mill was in operation on Mineral creek. Mining was reactivated in 1933 to 1944, a period during which several properties produced a small tonnage of high grade ore.

In 1981 Noel (1981) reported on work conducted on the two Ike claims.

In 1982, Admiral Energy and Resources Ltd. staked the Jumbo claim to encompass the showings of the Ike claimsand then conducted an assessment work program which consisted of the rehabilitation of 2.8 km of old logging roads (part of which is an old railway grade) and the stripping of seven mineralized areas. Jones (1982) reported on the work program and is in the assessment roll files as assessment report number 11,143.

Upon the expiry of the Jumbo claim, the Tuzex claim was staked to cover the same area and was one of three contiguous claims explored by Wellington-Young Resources Inc. in 1989. The exploration work was limited to the Tuzex claim and consisted of a soil survey as this was where most of the mineralization was reportedly observed. The results of the survey indicated three anomalous areas where elevated values of five elements were found to generally coincide. One of the anomalous zones reportedly enclosed sulphide mineralization exposed along a logging road cut. The work program was reported on by Verzosa (1990) and is in the assessment roll files as assessment report number 19,849.

In 1995 Sookochoff (1995) completed a lineament array analysis on the Tuzex claim for J. Ruza, the registered owner of the Tuzex claim.

General Geology

The general Property area occurs within the Insular Belt, the westernmost major tectonic subdivision of the Canadian Cordillera and is dominated by volcanics of the Bonanza Group (Ijb) Karmutsen volcanics and related rocks of the Vancouver Group (muTRk), and the Island Intrusives (Jg).

According to Muller (1977), the Insular Belt (Island Mountains) contains a middle Paleozoic and a Jurassic volcanic-plutonic complex, both apparently underlain by gneiss-migmatite terrains and overlain respectively by Permo-Pennsylvanian and Cretaceous clastic sediments. A thick shield of Upper Triassic basalt (Karmutsen Formation), overlain by carbonate-clastic sediments separates these two in space and time.

The structure of the Island is almost entirely dominated by steep faults. Only the flysch-type Pennsylvanian and Jura-Cretaceous sediments and associated thin-bedded tuffs show isoclinal shear folding. Faulting and rifting probably occurred during the outflow of Karmutsen lavas in Late Triassic time, establishing the northerly and westerly directed fault systems affecting Sicker and Vancouver Group rocks (Muller 1977).

Property Geology and Mineralization

Open File 463 (Muller, 1977) indicates that the Tuzex claim is underlain by volcanics of the Bonanza Group (IJb) in the south and the Island Intrusives (Jg) in the north.

Jones (1982) reports that in the local geology the mineralized zones, showings 1, 2 and 3 plus an old pit were observed along the old railway gradein the southwest portion of the property. Each zone occurs within the more siliceous volcanics, namely dacitic to rhyolitic tuffs (?), and are characterized by a prominent limonitic gossan. The zones, which vary from one to three metres thick, contain abundant pyrite as disseminations and fracture coatings. They also contain narrow stringers and bands of massive sulphides, which include in the ordder of abundance, pyrite, black sphalerite, chalcopyrite and very minor galena in a siliceous gangue. Lasser marcasite, pyrrhotite and magnetite are also present. The massive suslphide bands vary from 0.1 to 1.0m thick.

Jones continues his description by stating thst interesting mineralization was also observed on the upper (northernmost) loogging road. This road was rehabilitated to approximately 200 metres beyond a main junction. At the junction and west from it on thd lower branch road are two rubbbly exposures of limonitic rhyodacite designated as mineral showings 4 and 5. Each represent a zone from one to two metres wide containing fine seams of massive pyrite, chalcopyrite and black sphalerite. Showing 6, located on the upper branch road, consists of two wide bands of heavily iron stained and pyritized dacite to rhyodacite separated by an irregular band 6-8m thick of massive, unmineralized dacite porphyry. This entire zone is at least 20 metres in width.

All of the mineralized zones, except showing 4, appear to strike to the northeast. However, showing 4 appears to strike westerly. Also, faulting and fracturing to the west of the creek near showing 4 have trends to the north and to the west.Because of this apparent chsnge in attitudes on either sice of the creek, it is suggested that a northeast striking fault lies in the creek gully.

Jones (1982) also describes mineralization occurring along the main logging road as narrow seams of massive sulphides at the creek beneath showings 1 and 2 as well as several 2m wide pyritic fracture zones to the east. Outcrops along the road are obscured by a heavy layer of muddy dust from the main road traffic.

Verzosa (1990) reports that dacites and other volcanics were located on the Property particularly along the main haulage road. A number of mineralized shear zones, up to 15 metres wide, characterized by heavy clay alteration and gossan occur in the volcanics. The zones commonly carry abundant disseminations and stringers of pyrite and to a lesser extent, sphalerite, chalcopyrite and minor galena disseminated within narrow bands of the mineralized zones.

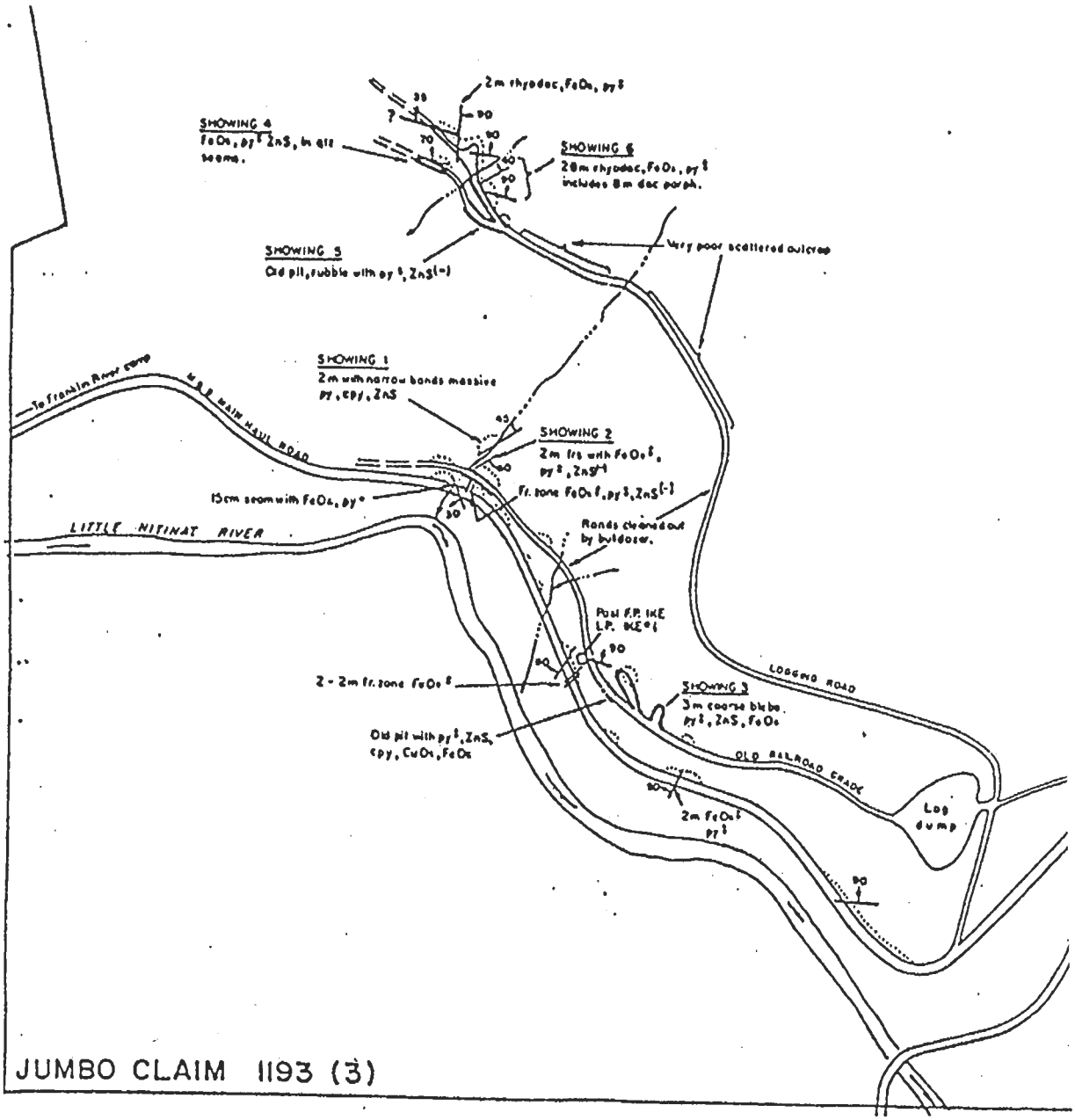


Figure 2. Map indicating the location of the six showings referred to in this report. Base Map: Jones (1982)

1996 Exploration Program

The 1996 exploration program consisted of the mapping and sampling of the six mineral shoeings as reported by Jones (1982). The map indicating the showings is included as Figure 3 and is the map from Jones' 1982 report.

Based on the work completed by the writer, a sketch map of each showing, as referenced to the Jones (1982) numbered showings, is herein included showing the sample locations and sample numbers which are cross referenced to Table I of sample numbers, sample description and assay or geochem results.

The legend for the following Figures 3 to 5 is as follows:

D	Dacite	RD	Rhyodacite	R	Rhyolite
~~	Fracture	⊢⊣	Sample Interval	X	Grab Sample

Showing 1 (Figure 3), on the north bank of the creek, consists of a short drift on a two metre zone of mineralization hosted by a rhyodacite. The zone includes quartz and massive sulphide veins of black sphalerite, galena and variable amounts of pyrite. Four grab samples, Tuz 14 to Tuz 17, were taken from this zone.

Showing 2 (Figure 3), on the south bank of the creek, is not a definitive zone and consi\sts of a fracture zone hosting iron oxides, pyrite and sphalerite. This zone was not sampled.

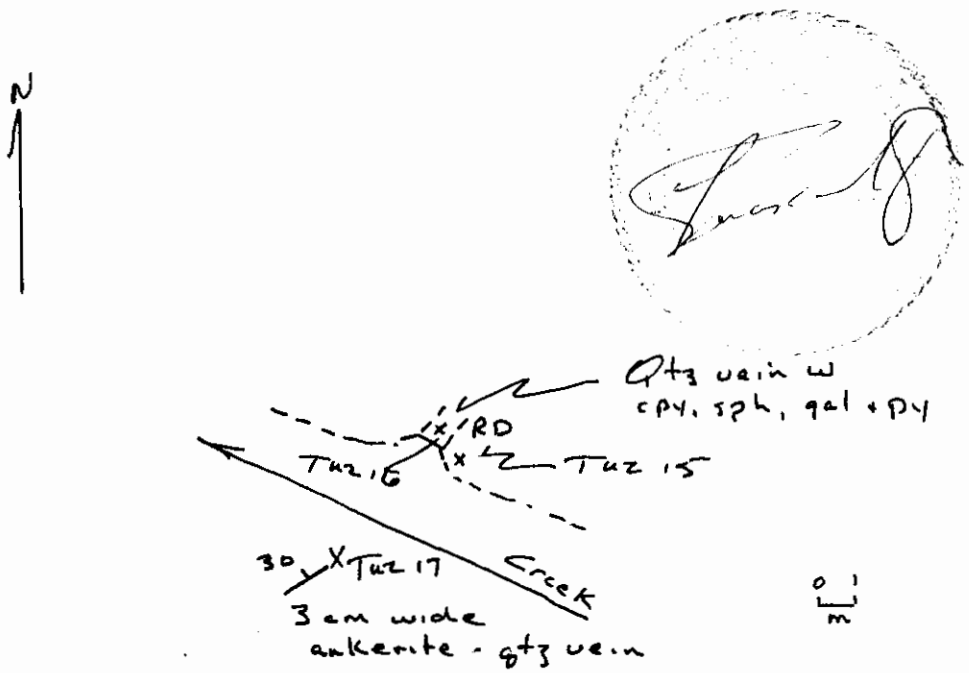


Figure 3. Showing 1. Indicating geology and sample locations

Table I

Sample Description
Tuzex Mineral Claim

Sample No.	Location Showing	Description	Assay Au/ppb	Cu/ppm	Zn/ppm
Tuz 1	6	2.0m zone of diss & blebs py in a sil'd andesite	8	70	87
Tuz 2	6	6 cm andesite-dacite contact zone w/ massive py	16	25	68
Tuz 3	6	Grabs of meta-dacite w/ mod to hvy blebs py	8	28	70
Tuz 4	6	Grabs of sil'd zone w/ heavy pockets py	8	11	49
Tuz 5	6	12 m skarn zone of rhy to rhyodacite w/ mod py	5	12	48
Tuz 6	6	Grabs from 10m zone of skarn w/fine diss py	142	578	1579
Tuz 7	4	Meta dioritew/ blebs py	9	78	106
Tuz 8	3	Hvy limonitic zone w/ one cm massive py	34000	9215	99999
Tuz 9	3	Hvy limonitic zone w/ med to fine gr py	11640	13949	99999
Tuz 10	3	Fine gr & splashes sph, gal & py in a meta vol	9020	2945	81804
Tuz 11	3	2.5 cm py in a dacite	434	2413	8511
Tuz 12	3	Meta diorite	72	89	618
Tuz 13	3	Composite: Stockwork of massive py veinlets in a dacite	864	1759	67583
Tuz 14	1	Grabs of qtz vein w/ pockets py	330	10111	1818
			Au oz/t	Cu%	Zn%
Tuz 15	1	Sil'd zone w/ blebs, pockets & diss massive sulphides. Hvy dk brn limonite	.030	.227	9.91
Tuz 16	1	Massive sulphide vein	.241	.430	5.68
Tuz 17	1	3 cm wide quartz vein: ankeritic, lt brn	.016	.259	.95

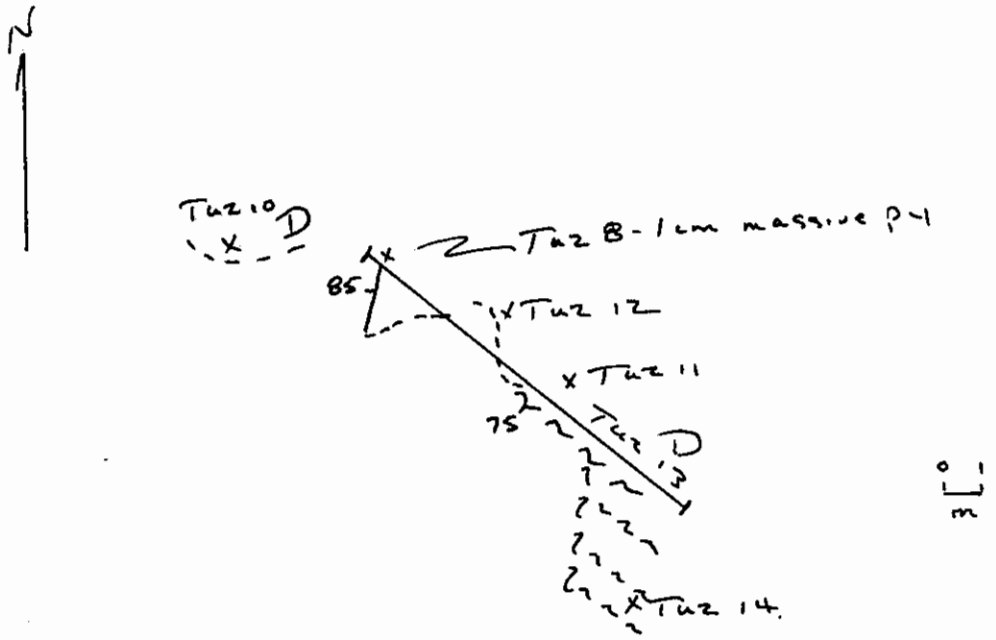


Figure 4. Showing 3. Indicating geology and sample locations

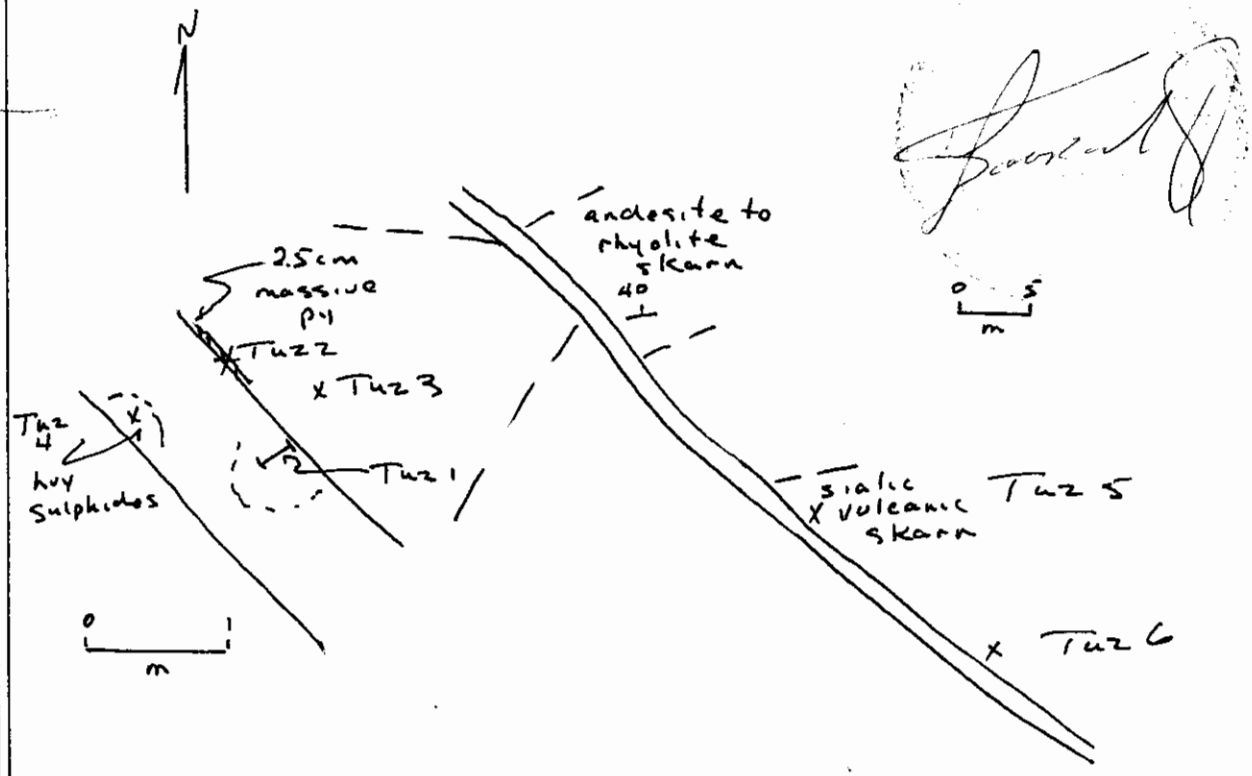


Figure 5. Showing 6. Indicating geology and sample locations

Showing 3 (Figure 4) is a skarned zone resulting from a diorite intruding dacitic volcanics. Thus the volcanics are host to disseminations and stringers of variable amounts of pyrite, chalcopyrite and sphalerite and exhibit surficial limonite staining. Values of up to 34,000 ppb Au, 9215 ppm Cu and 99999 ppm Zn were obtained from the mineralized volcanics (Tuz 8). Massive sulphide stringers occur along two sets of fracture planes. The massive sulphides are up to 2.5 cm wide and contain significant gold, copper and zinc values (Tuz 11).

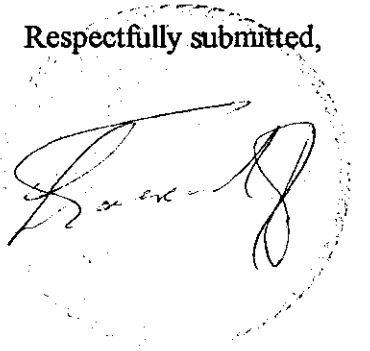
Showing 4, located on the lower branch of the upper road, is of a carbonated diorite. The allotriomorphic textured, propylitized diorite contains patchy blebs of pyrite. A sample of the diorite returned 9 ppb Au, 78 ppm Cu and 106 ppm Zn.

Showing 6 (Figure 5), located on the upper branch of the upper road, is an extensive zone of predominantly rhyolitic to dacitic volcanics with andesites which are skarned to variable degrees. The skarn zone, which can be traced for 75 metres in outcrop and reddish brown soil, contains a variable degree of pyrite occurring predominantly as disseminations and as massive veinlets and patches. Assays of up to 142 ppb Au over a 10 metre section of the zone were obtained. However, the massive pyrite (Tuz 2) was weaker in gold than the massive pyrite zone at Showing 3.

Conclusions

The Tuzex mineral showings are skarn zones resulting from dioritic intrusives invading a predominantly sialic formation of volcanics. The skarn zone is not delineated and the mineral controls not established, however, is indicated as potentially extensive. The encouraging feature of the zone is the gold bearing mineralization which, as typical of skarn zones, displays erratic mineral values. It appears that the degree of gold mineralization may be directly proportional to the pyritic content of the host rock and if the degree of pyrite is related to the proximity to the dioritic intrusive, the configuration of the intrusive and the potentially economic gold zone should be established by geophysical methods.

Respectfully submitted,



Laurence Sookochoff, P.Eng.

November 4, 1996
Vancouver, B.C.

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Certificate

I, Laurence Sookochoff, of the City of Vancouver, in the Province of British Columbia, do hereby certify that I am a Consulting Geologist and principal of Sookochoff Consultants Inc. with offices at Suite 1027, The Standard Building, 510 West Hastings Street, Vancouver, BC V6B 1L8.

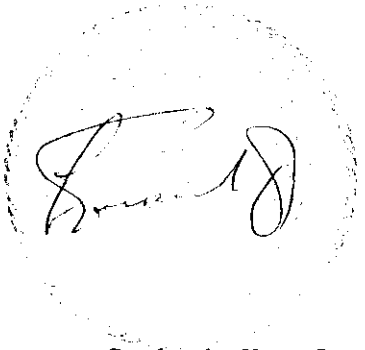
I, Laurence Sookochoff, further certify that:

1) I am a graduate of the University of British Columbia (1966) and hold a B.Sc. degree in Geology.

2) I have been practicing my profession for the past twenty-nine years.

3) I am registered and in good standing with the Association of Professional Engineers and Geoscientists of British Columbia.

4) Information for this report was obtained from sources as cited under the Selected References section of this report and from work the writer has completed on the Tuzex claim.



Laurence Sookochoff, P. Eng.

Vancouver, BC
November 4, 1995

Tuzex Claim
Statement of Costs

The exploration work on the Tuzex claim was carried out from June 13 to July 3, 1996 to the value as follows.

L. Sookochoff -	one day @ $550.	$ 550.00
Travel and field expenses		215.00
Assays		321.27
Report, xerox, printing		500.00
		$ 1,686.27

Appendix I

ASSAY CERTIFICATE

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

GEOCHEMICAL ANALYSIS CERTIFICATE

Sookochoff Consultants Inc. PROJECT TUZA File # 96-2259 Page 1

1027 - 510 W. Hastings St, Vancouver BC V6B 1L8

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	Tl ppm	Hg ppm	Au* ppb
TUZ-1	2	70	9	87	<.3	4	35	1092	6.69	11	<5	<2	<2	51	<.2	5	<2	88	1.22	.251	2	5	2.03	12	.31	<3	2.09	.04	.04	<2	<5	<1	8
TUZ-2	2	25	15	68	<.3	4	52	992	9.39	30	<5	<2	<2	82	<.2	5	<2	72	1.21	.253	1	2	1.84	8	.23	<3	2.01	.04	.02	<2	<5	2	16
TUZ-3	5	28	10	70	<.3	3	30	945	6.29	13	<5	<2	<2	67	<.2	4	<2	48	1.14	.216	2	6	1.39	10	.24	<3	1.77	.04	.02	3	<5	<1	8
TUZ-4	1	11	5	49	<.3	3	7	575	4.57	14	<5	<2	<2	11	<.2	2	<2	50	.58	.213	7	5	1.25	41	.18	<3	1.44	.04	.16	<2	<5	<1	8
TUZ-5	2	12	11	48	<.3	2	7	507	5.56	6	<5	<2	<2	27	<.2	2	<2	32	.85	.213	5	2	.98	31	.21	4	1.21	.04	.15	2	<5	1	5
TUZ-6	35	578	1215	1579	10.6	5	51	1087	10.85	355	<5	<2	2	24	15.5	10	23	17	.64	.056	1	4	.82	16	.03	<3	1.28	.01	.13	<2	<5	2	142
TUZ-7	2	78	26	106	.4	14	23	1200	5.90	2	<5	<2	<2	46	.2	6	2	169	2.94	.094	6	29	2.40	50	.24	6	3.54	.08	.10	<2	5	<1	9
TUZ-8	<1	9215	1213	99999	105.7	15	162	1242	21.07	2897	<5	27	<2	6	820.3	4	605	7	.59	.005	<1	4	.48	5	.01	<3	.57	.01	.02	5	<5	1	34000
TUZ-9	<1	13949	1944	99999	120.4	16	293	1870	21.53	2289	<5	11	<2	5	894.1	<2	1040	10	.31	.027	1	2	.31	8	.02	<3	.68	.01	.09	4	<5	<1	11640
TUZ-10	<1	2945	1038	81804	43.5	6	245	2261	15.50	21887	<5	8	<2	28	641.1	16	157	9	1.30	.042	1	<1	1.44	5	.01	3	1.88	.01	.02	3	<5	1	9020
RE TUZ-10	<1	2964	1087	84519	44.1	7	253	2354	15.91	22435	<5	7	<2	28	661.2	14	161	10	1.33	.043	1	1	1.51	5	.01	<3	1.97	.01	.02	3	<5	<1	9050
TUZ-11	2	2413	527	8511	15.6	7	56	877	11.21	452	<5	<2	<2	45	144.6	6	108	22	2.11	.041	2	4	.67	10	.04	4	1.84	.01	.03	5	<5	1	434
TUZ-12	1	89	17	618	.5	8	20	1958	6.17	60	<5	<2	<2	147	3.6	7	2	146	2.86	.121	7	9	2.04	46	.23	<3	4.88	.37	.07	<2	10	1	72
TUZ-13	1	1759	649	67583	17.7	11	68	698	20.29	483	<5	<2	<2	23	663.6	<2	115	25	.86	.037	2	13	.48	15	.05	<3	1.27	.01	.09	<2	<5	8	864
TUZ-14	6	10111	56	1818	33.7	22	39	1904	4.63	30	<5	<2	<2	12	15.1	8	37	24	.32	.038	1	13	.53	14	.08	<3	1.03	.02	.12	35	<5	<1	330
STANDARD C2/AU-R	19	61	46	139	6.3	71	36	1176	3.92	43	19	8	35	51	20.2	16	18	68	.54	.098	38	62	1.06	188	.07	30	2.03	.06	.14	12	<5	2	527

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: JUN 17 1996 **DATE REPORT MAILED:** Jun 27/96 **SIGNED BY** D.TOYE, C.LEONG, J.WANG; CERTIFIED B.C. ASSAYERS

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1027 - 510 W. Hastings St, Vancouver BC V6B 1L8

SAMPLE#	Cu %	Pb %	Zn %	Ag** oz/t	Au** oz/t
TUZ-15	.227	.01	9.91	.66	.030
TUZ-16	.430	.18	5.68	3.08	.241
TUZ-17	.259	.06	.95	2.41	.016
RE TUZ-17	.262	.06	.95	2.48	.012

AG** AND AU** BY FIRE ASSAY FROM 1 A.T. SAMPLE. - 1 GM SAMPLE LEACHED IN 50 ML AQUA - REGIA, DILUTE TO 100 ML, ANALYSIS BY ICP.
- SAMPLE TYPE: ROCK Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

DATE RECEIVED: JUN 17 1996 DATE REPORT MAILED: Jun 27/96 SIGNED BY. D.TOYE, C.LEONG, J.WANG; CERTIFIED B.C. ASSAYERS