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GEOLOGICAL AND GEOCHEMICAL REPORT

**ON THE
AU CLAIM GROUP**

(AU 1 to AU 9, FLIM, FLAM, SOL, SKI and HN claims)

Nicola Mining Division, B.C.
NTS 92H/15E & 92H/16W
(49°57'N, 120°30'W)

for

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by

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GEOLOGICAL SURVEY BRANCH
February, 1997 **ASSESSMENT REPORT**

24,806

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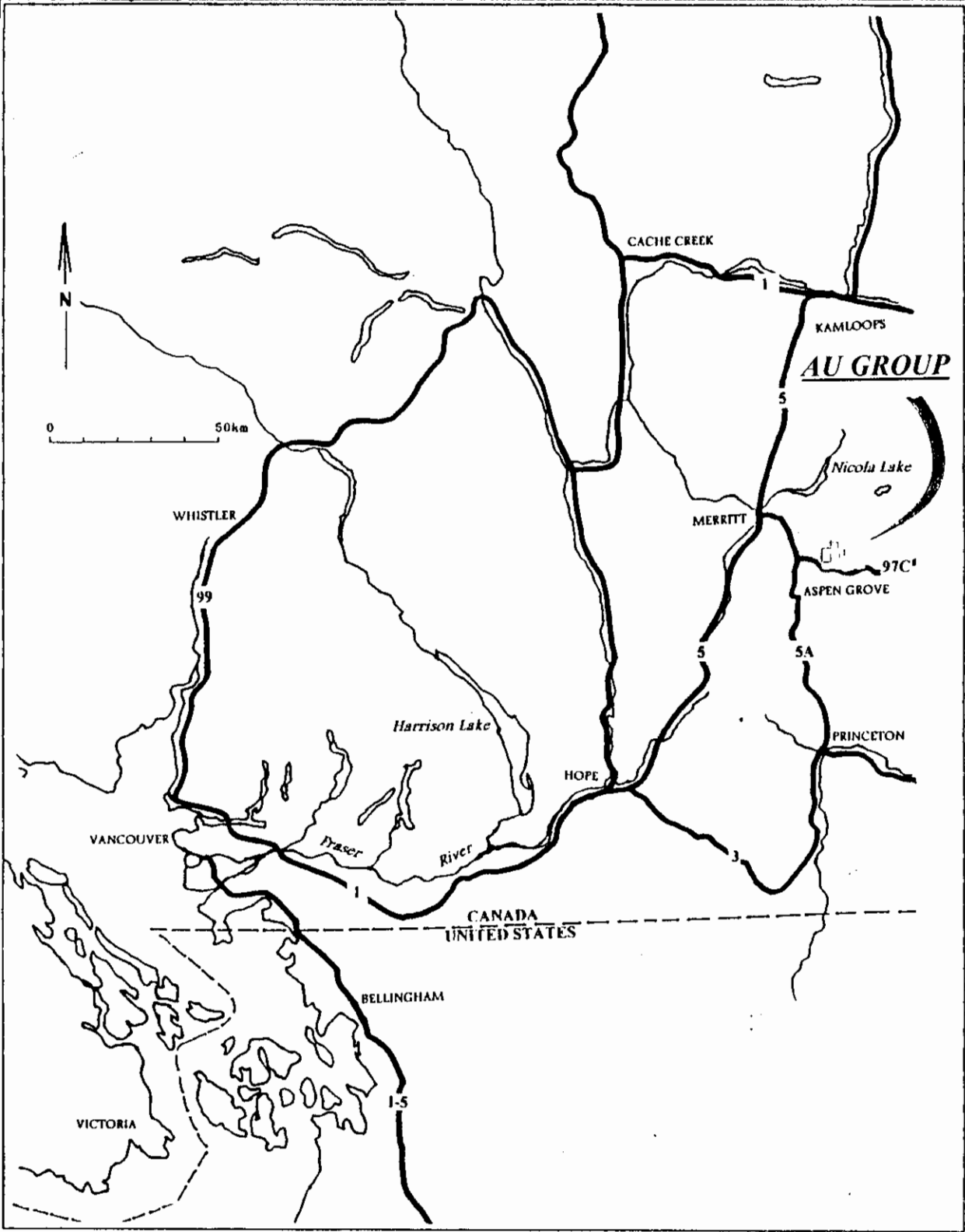
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GEORGE RESOURCE COMPANY LTD.
LOCATION MAP
AU CLAIM GROUP

Figure 1.

SUMMARY

George Resource Company Ltd. has interests in 14 mineral claims (88 units) situated 30 kilometres southeast of Merritt, in the Pothole Creek area, Nicola Mining Division (92H/15E, 16W), B.C. The property is road accessible.

The ground is situated in an area underlain predominantly by Upper Triassic Nicola group andesitic volcanics and associated intercalated pyroclastics and sediments. Subvolcanic dioritic intrusives occur within this succession on the claims. Late Cretaceous to Early Tertiary granitic stocks intrude the Nicola rocks on the property.

Previous mineral tenure holders conducted a variety of exploration work in the area from the 1960's to 1980's. This work included ground geophysical surveys, soil geochemical surveys, trenching and diamond drilling. This work was successful in outlining several areas having anomalous gold, copper and arsenic soil geochemistry. In addition trenching located gold-copper mineralization.

A program of prospecting, geological mapping, soil sampling and trenching was conducted on the property during the 1996 field season. The objective of this work was to test the gold potential of the claims, particularly in areas of known mineralization as well as areas to the south of these occurrences.

The results of this work located a strongly mineralized vein, the "Hodge" vein (assays across the 0.1 metre wide vein average: 1.67 oz/ton, with high grade sections running up to 3.4 oz/t Au. A 1.3 metre wide section including shattered wall rock to the vein assayed 0.429 oz/t Au), on the AU 1 claim. Trenching at the "Nesbitt" zone, also on the AU 1, located an area of low grade, apparently fracture-controlled gold-copper mineralization (averaging 1032 ppb or 0.033 oz/t Au over 8.5 metres) with local narrow (2 cm) zones of higher grade material (up to 1.28 oz/t Au). Soil sampling on a grid laid out to the south of the Nesbitt zone was largely inconclusive due to thick glacial till that blankets the area and inhibits a bedrock geochemical response in surface soils.

Further work consisting of detailed prospecting, soil sampling and geophysics is recommended to locate extensions of the Hodge vein. This structure is similar to the Siwash vein of Fairfield Resources Ltd. which is located approximately 10 kilometres southeast of the claims. Additional prospecting and sampling is recommended to be undertaken at the Nesbitt zone.

Respectfully submitted,

Amerlin Exploration Services Ltd.

Carl G. Verley

Carl G. Verley, P. Geo.



INTRODUCTION

This report describes the results of a work program conducted on the property by the writer for George Resource Company Ltd. during the period: April 22 to June 10, 1996. The object of this program was to test by way of trenching the gold potential of the "Nesbitt" zone and "Hodge" vein, as well as to test for indications of a continuation of the Nesbitt zone to the south, by utilizing conventional soil sampling techniques.

LOCATION

The AU claim group is centered 30 kilometres southeast of Merritt, B.C. in the Pothole Creek area, Nicola Mining Division, at latitude $49^{\circ}57'N$ and longitude $120^{\circ}30'W$. The property is situated on map-sheets 92H/15E and 92H/16W. Physiographically the ground lies in relatively gentle terrain in the southern part of the Thompson Plateau and consists of flat to low rolling hills between Pothole and Quilchena Creeks. Elevations range from 1100 to just over 1500 metres above sea level.

ACCESS

The property is road accessible from Merritt via Highways 5A and 97C - a distance of 42 km - to the Loon Lake exit road, then by active and inactive logging roads, which traverse much of the property.

HISTORY & PREVIOUS WORK

The area currently covered by the Au Group was apparently first prospected in the 1930's when gold was discovered there (Balon, 1994). According to McGoran (1979), two prospectors, M. Bresnik and J. Kohler, put in a number of test pits and were able to pan "colours" from their samples. However, they never established the source for the gold.

In 1969, Harry Nesbitt of Merritt staked the first AU claims in the area. Then, in 1974, while trenching a copper occurrence, he discovered free gold at the "Main" or "Nesbitt" zone. This showing provided the basis for an option agreement between Nesbitt and New Pyramid Gold Mines Ltd. At this time New Pyramid conducted trenching and diamond drilling with an apparent outcome of no significant results. The property was returned to the owner, who in 1978, sold it to Invex Resources Ltd. Invex restaked the ground as the AU 1, 2 and 4 claims and embarked on a program of soil sampling and trenching. This work was successful in delineating a gold-copper-silver soil anomaly that extended approximately 700 metres to the north of the initial prospect. Invex merged with Imperial Metals Corp. who carried on with work on the claims, drilling 2 holes in 1983 near the "Nesbitt" zone. These holes (totaling 168 metres) are reported to have intersected anomalous gold values (Dawson, 1986), but the values were not as significant as those obtained from the surface showings.

In 1984, Imperial Metals optioned the claims to Mr. D.A. Heyman. Heyman continued trenching and prospecting and in 1986 add the FLIM and FLAM claims to the parcel. He then optioned the package to Algo Resources Ltd.

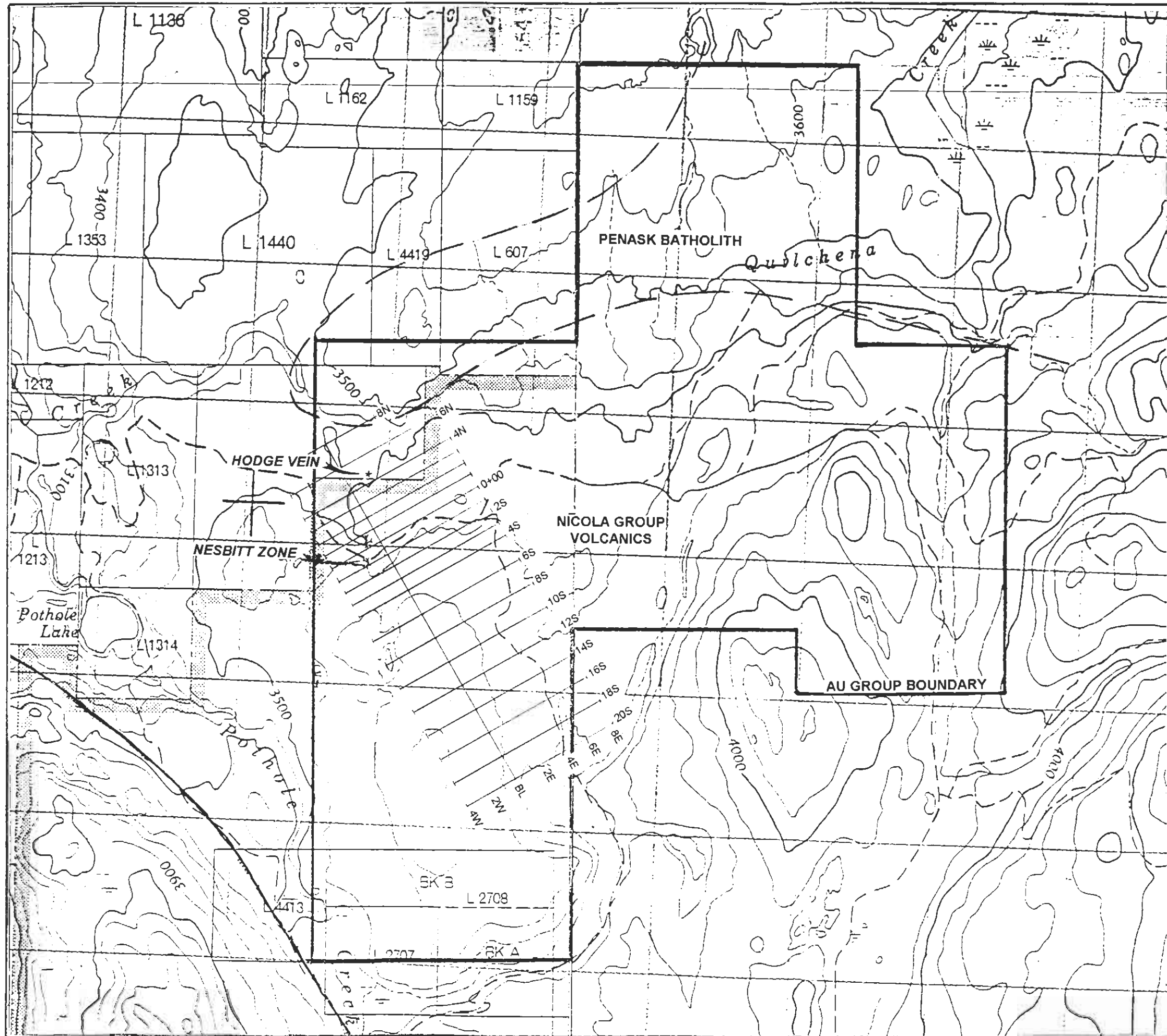
Algo conducted induced polarization, magnetometer, geochemical and geological surveys of the property. In addition, Algo diamond drilled 9 holes totaling 587 metres. This work again located anomalous gold values in drill core, but not as high values as were found at surface. The claims were returned to Heyman.

Subsequent prospecting by Heyman and J.D. Rowe of Fairfield Minerals Ltd., resulted in the discovery of a new gold-bearing quartz vein (the "Hodge" vein) on the property and to the north of the Nesbitt zone. Fairfield optioned the ground from Heyman and undertook soil geochemical, geological and geophysical surveys, as well as trenching. Their work indicated that the Hodge vein was indeed well mineralized. However, Fairfield terminated its option with Heyman.

In 1995, George Resource Company Ltd. entered into an option agreement with Heyman to explore the property. The current program of exploration was initiated in April, 1996.

1996 WORK PROGRAM

During April, May and June of 1996 a program of line cutting, soil sampling and trenching was undertaken on the property. A grid was laid out and 25 kilometres of line cut on the AU 1, 2, 3, 4 and FLAM claims. Soil sampling (274 samples) was conducted at 25 and 50 metre intervals on the southern part of this grid. Trenching was undertaken at the Hodge vein and Nesbitt zone. An air-track drill was utilized to put in blast holes in bedrock at the trench sites. After blasting a tire mounted John Deere backhoe was used to clean out the trenches. Each of the trenches averaged 1.5 metres in depth and 2.25 metres in width. Approximately 74 cubic metres of material were removed from 3 trenches at the Hodge vein and 396 cubic metres were removed from a series of trenches at the Nesbitt zone. Once cleared the trenches were mapped and systematically sampled.



GEORGE RESOURCE COMPANY LTD.
GRID & TRENCH
LOCATION PLAN
AU CLAIM GROUP

Scale in metres



Figure 2.

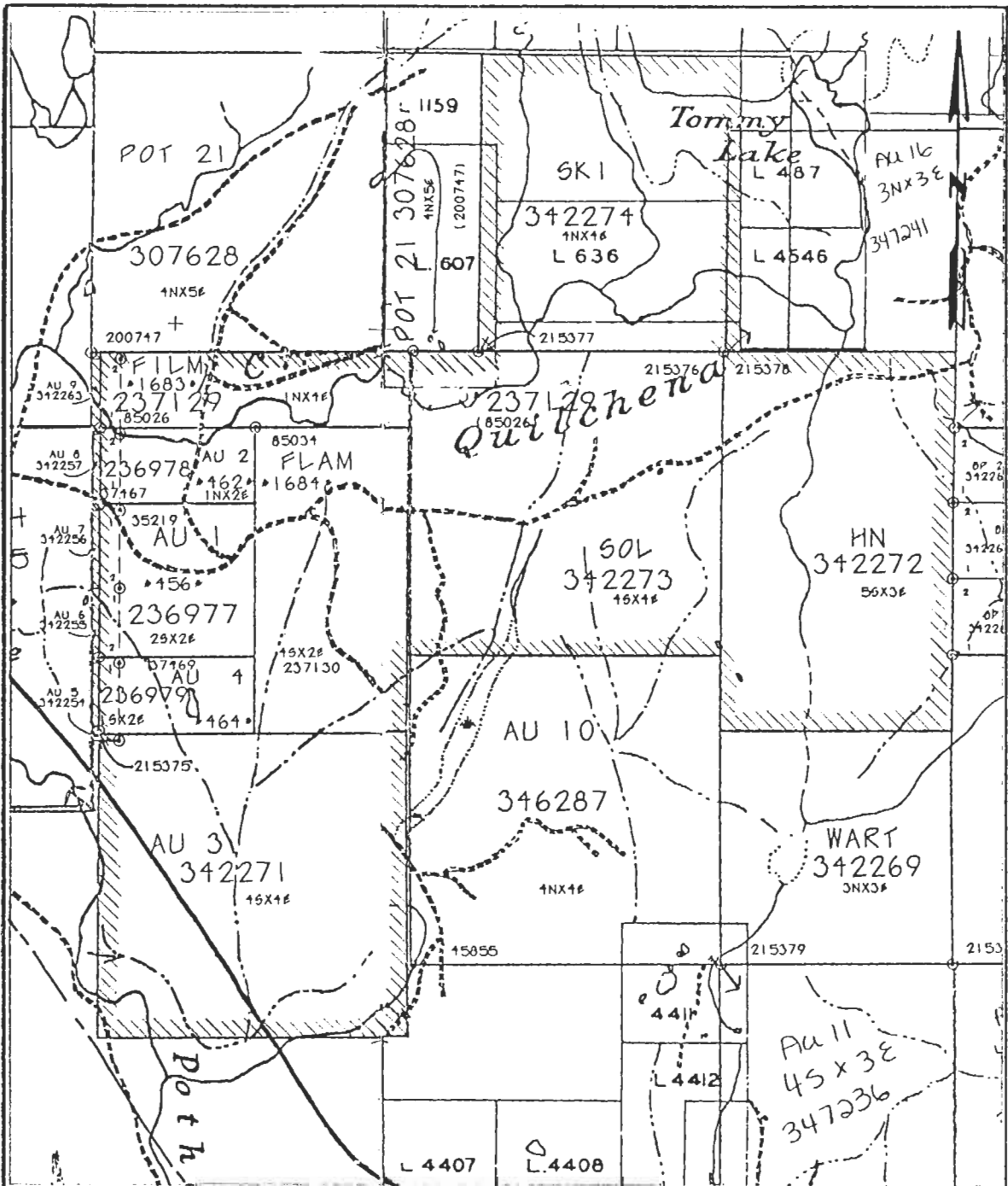
PROPERTY

The AU claim group consists of 14 mineral claims (88 units) located in 1 contiguous block as tabulated below and illustrated on Figure 2. The claims are located in the Pothole Creek area, Nicola Mining Division, B.C. (NTS 92H/15E & 92H/16W). Some of the claims (AU 1, AU 2, AU 4 to AU 9, FLIM, FLAM and HN) are subject to an option agreement between George Resource Company Ltd and D.A. Heyman. Other claims within the group are held in trust by K. B. McCrory for George Resource Company Ltd.

Table 1. MINERAL CLAIMS

Claim	Number of units	Tenure Number	Current Expiry Date	New* Expiry Date
AU 1	4	236977	April 20, 1998	April 20, 1999
AU 2	2	236978	April 25, 1998	April 25, 1999
AU 3	16	342271	November 12, 1996	November 12, 1998
AU 4	2	236979	April 25, 1996	April 25, 1999
AU 5	1	342254	November 9, 1996	November 9, 1998
AU 6	1	342255	November 9, 1996	November 9, 1998
AU 7	1	342256	November 9, 1996	November 9, 1998
AU 8	1	342257	November 9, 1996	November 9, 1998
AU 9	1	342263	November 12, 1996	November 12, 1998
FLIM	4	237129	May 15, 1998	May 15, 1999
FLAM	8	237130	May 15, 1998	May 15, 1999
SOL	16	342273	November 14, 1996	November 14, 1998
SKI	16	342274	November 14, 1996	November 14, 1998
HN	15	342272	November 17, 1996	November 17, 1998

* Pending acceptance of assessment work.



GEORGE RESOURCE COMPANY LTD.

CLAIM MAP
AU CLAIM GROUP

Scale in metres



Figure 3.

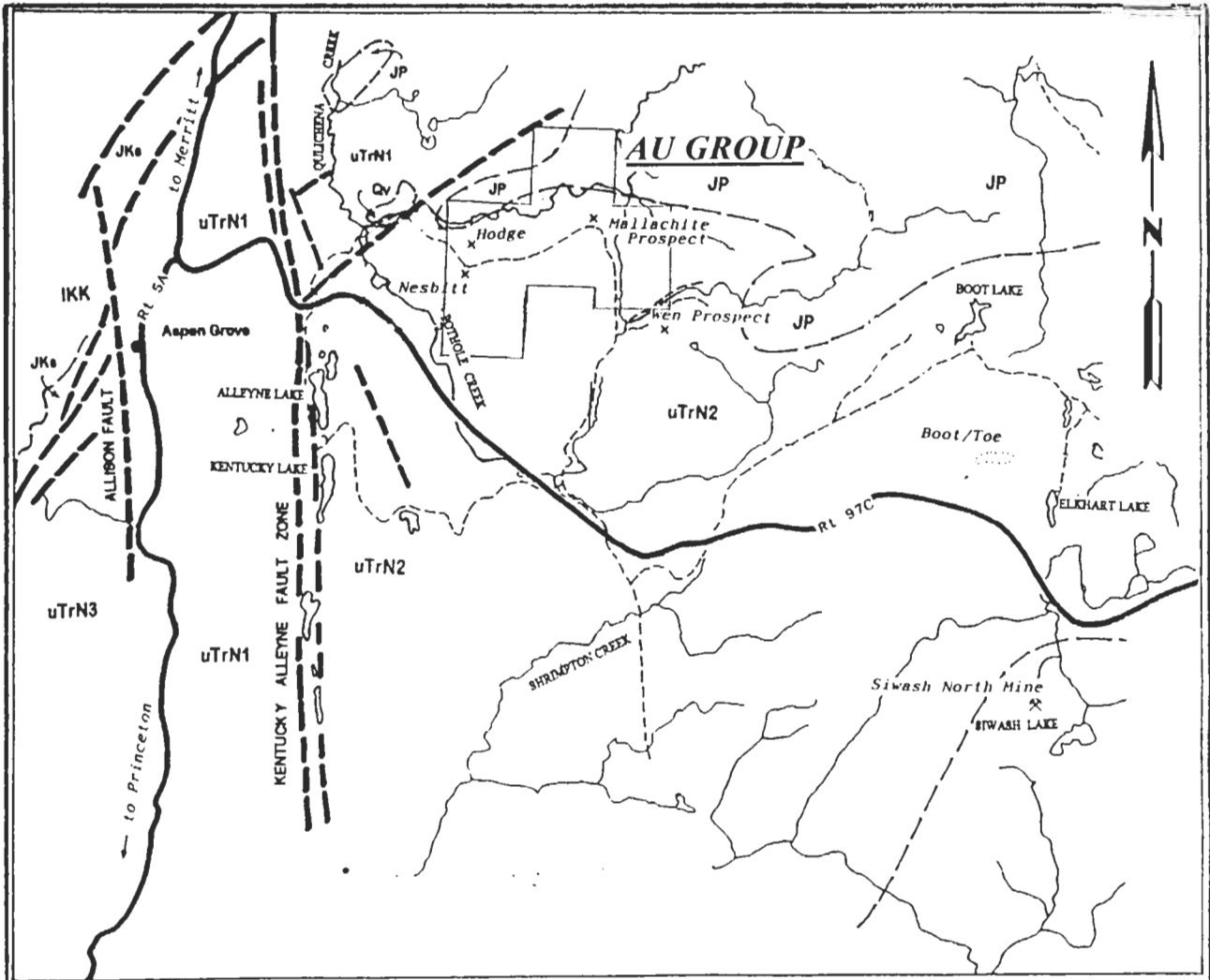
GEOLOGY

Regional:

The property is situated in the Quesnel Terrane, which in and around the claims is comprised of a Late Triassic to Early Jurassic island arc assemblage of the Nicola Group. The Nicola Group consists of a succession of submarine to subaerial, predominantly mafic volcanic and volcanoclastic rocks, their intrusive equivalents and associated clastic and chemical sedimentary rocks (Preto, 1977). The Nicola Group has been divided into western, central and eastern belts on the basis of lithology and lithochemistry (Mortimer, 1986). These belts are also separated by major fault systems (Monger et al., 1991). Variation from calc-alkaline to shoshonitic compositions from west to east has been interpreted to reflect eastward dipping subduction in the Nicola arc. The AU group is situated in the eastern belt of the Nicola Group, which is bounded on the west (approximately 1 km from the property) by the northerly striking Kentucky - Alleyne fault zone. Prominent northeasterly striking linears also occur within and bordering the property. The Nicola has been intruded by Jurassic age granitic plutons - such as the Pennask batholith, which underlies the northern part of the claims, as well as by possibly younger aged granitic stocks.

Property:

Geological mapping on the AU 1 claim around the Nesbitt zone and Hodge vein indicates that a complex succession of currently undifferentiated mafic to acidic (?) volcanics, associated volcanoclastics and fine-grained clastics and calcareous sediments underlies the area and dips moderately to the west. Mapping also located, within the succession, fine-grained sills, dykes and irregular bodies of hornblende diorite ("microdiorite") that may represent subvolcanic equivalents of the extrusive members. Gold and copper mineralization in the project area is hosted on fractures and narrow quartz stringers within the volcanics or volcanoclastics and diorites.



LEGEND:

Tertiary

Qv Valley Basalts

Jurassic

JP Pennask Batholith

JKs Lower Jurassic Sediments

Lower Cretaceous

IKK Kingsvale Group

Upper Triassic

uTrN Nicola Group

- Claim Group Boundary
- Highway
- Bush Road
- Stream
- Geological Boundary
- Fault or Fault Zone

Scale: 0 1 2km

**GEORGE RESOURCE COMPANY LTD.
 REGIONAL GEOLOGICAL SETTING
 AU CLAIM GROUP**

Figure 4.

The analytical results of the soil samples are in general rather flat. A closer inspection of the sample media indicated that the area sampled was underlain by a blanket of boulder till or outwash. This material is presumed to be thick enough to mask the geochemical response from bedrock underlying it. Therefore, the results of the soil geochemical survey are inconclusive concerning mineral potential of the area sampled. Either overburden sampling and/or geophysical techniques will be required to continue evaluation of this area.

MINERALIZATION

The AU Claim group is situated in an accreted island arc terrane - Quesnel terrane. Such terranes are in general, on a world wide basis, very prospective belts from the stand point of mineral discovery. In particular, that component of the Quesnel terrane which underlies the AU group, namely the Nicola Group, has a successful record with respect to mineral development. The Copper Mountain porphyry copper deposit near Princeton, the Afton copper mine at Kamloops and the recently opened QR gold mine near Likely are examples of mines in the Nicola. In the immediate vicinity of the AU group, the Siwash gold vein deposit of Fairfield Minerals Ltd. is a further example of the prolific mineralization found throughout this area.

Mineralization encountered to date on the AU group is of 2 types: gold-copper in fractures and stringers in the Nicola volcanics; and gold vein type mineralization also hosted by the Nicola volcanics. During the 1996 field season two occurrences: the Hodge vein and Nesbitt zone, each representing an example of one of these styles of mineralization was examined by trenching, mapping and soil sampling.

Hodge Vein:

A series of 3 trenches were cut across the strike of the Hodge vein (Figure 5) at 4 and 7 metre intervals. The vein dips steeply to the south and strikes east-west. It consists of white to greyish massive to locally vuggy quartz, with local coarse pyrite, and varies from 3 to 10 centimetres in width. Wallrock to the vein is comprised of intermediate to acid volcanic rock. It is invariably shattered and contains several narrow (~1 cm) quartz stringers. Assays of the vein range from 0.315 to 3.4 oz/t Au. Silver values are low (up to 2.2 oz/t Ag). Enriched copper occurs in the vein (up to 1400 ppm Cu) and elevated arsenic values (up to 942 ppm As) are found in some of the wall rocks immediately adjacent to the vein.

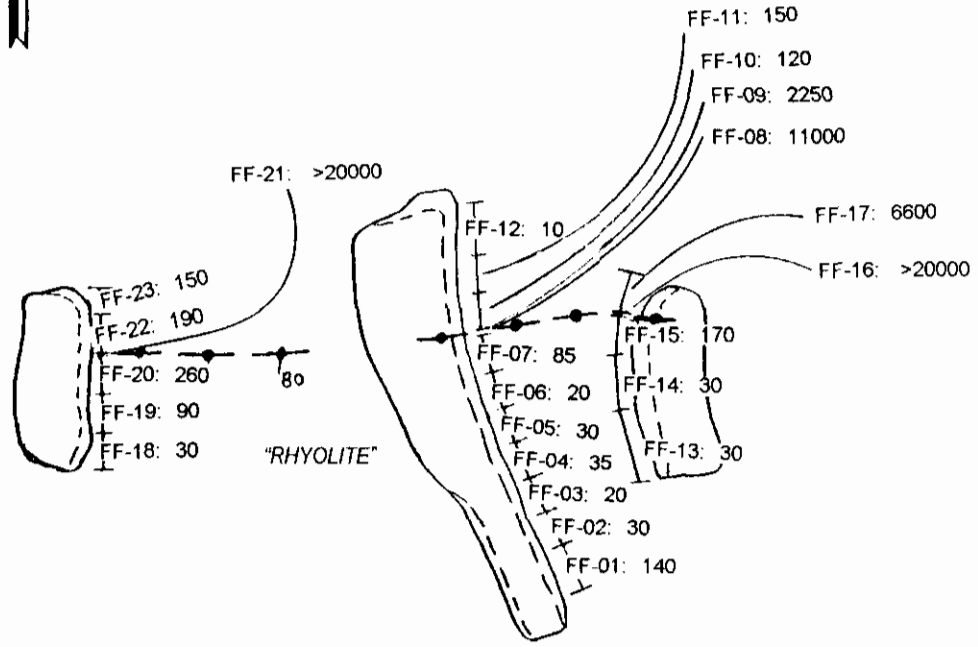
The Hodge vein has some characteristics which are similar to Fairfield Mineral's Siwash vein located approximately 10 kilometres to the southeast: namely high gold in an east-west striking structure. However, the Siwash vein is hosted in more competent intrusive rocks

which may have aided in persistence of vein development. The Pennask batholith is situated approximately 1 kilometre to the east of the Hodge vein. This area should be thoroughly prospected for continuations of the Hodge vein in a setting similar to that in which the Siwash vein occurs. The Hodge vein as exposed in trenches may represent the upper “horse-tailing” extremities of a larger, more persistent vein at depth.

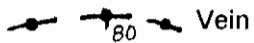
Nesbitt Zone:

The Nesbitt zone consists of exposures of shattered Nicola group volcanics - intermediate to acid - which contain subvolcanic (?) “microdiorite” bodies and intercalated siltstone and calcareous siltstone. Mineralization consists of pyrite, chalcopyrite and associated oxides on fractures and in narrow stringers. Within this zone 2 areas were trenched: the Nesbitt 350 and Nesbitt North trenches (Figures 6 & 7). Continuous chip sampling along the Nesbitt 350 trench located areas of gold mineralization averaging up to 1032 ppb (0.033 oz/t) with significant copper (705 ppm) over 8.5 metres. The interval contains higher grade sections analyzing up to 6900 ppb Au (0.21 oz/t) and 1.22% Cu over narrow intervals.

The fracture-controlled nature of mineralization at the Nesbitt zone is reminiscent of porphyry-style mineralization. Further prospecting, mapping and sampling of and around intrusive bodies to the southwest of the Nesbitt zone should, therefore, be undertaken.



EXPLANATION:



FF-10: 120 Sample No.: Au in ppb
(see Appendix A for assay data)

NOTE: Refer to Figure 2 for location with respect to claims.

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**HODGE VEIN
TRENCH GEOLOGY & SAMPLE
LOCATION PLAN
AU CLAIM GROUP**

Scale in metres

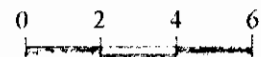
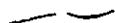

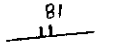
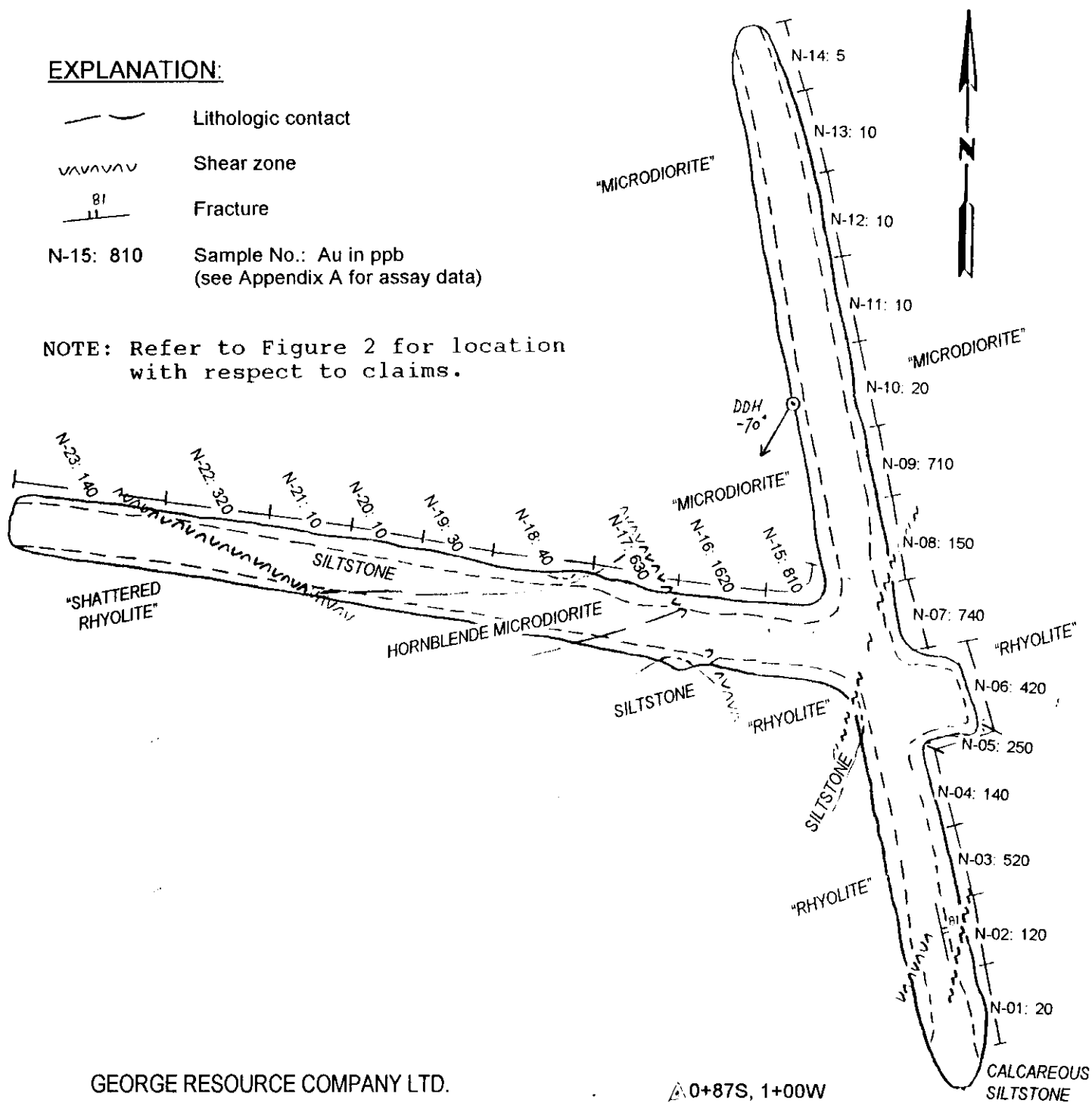


Figure 5.

EXPLANATION:

-  Lithologic contact
-  Shear zone
-  Fracture
- N-15: 810 Sample No.: Au in ppb
(see Appendix A for assay data)

NOTE: Refer to Figure 2 for location with respect to claims.

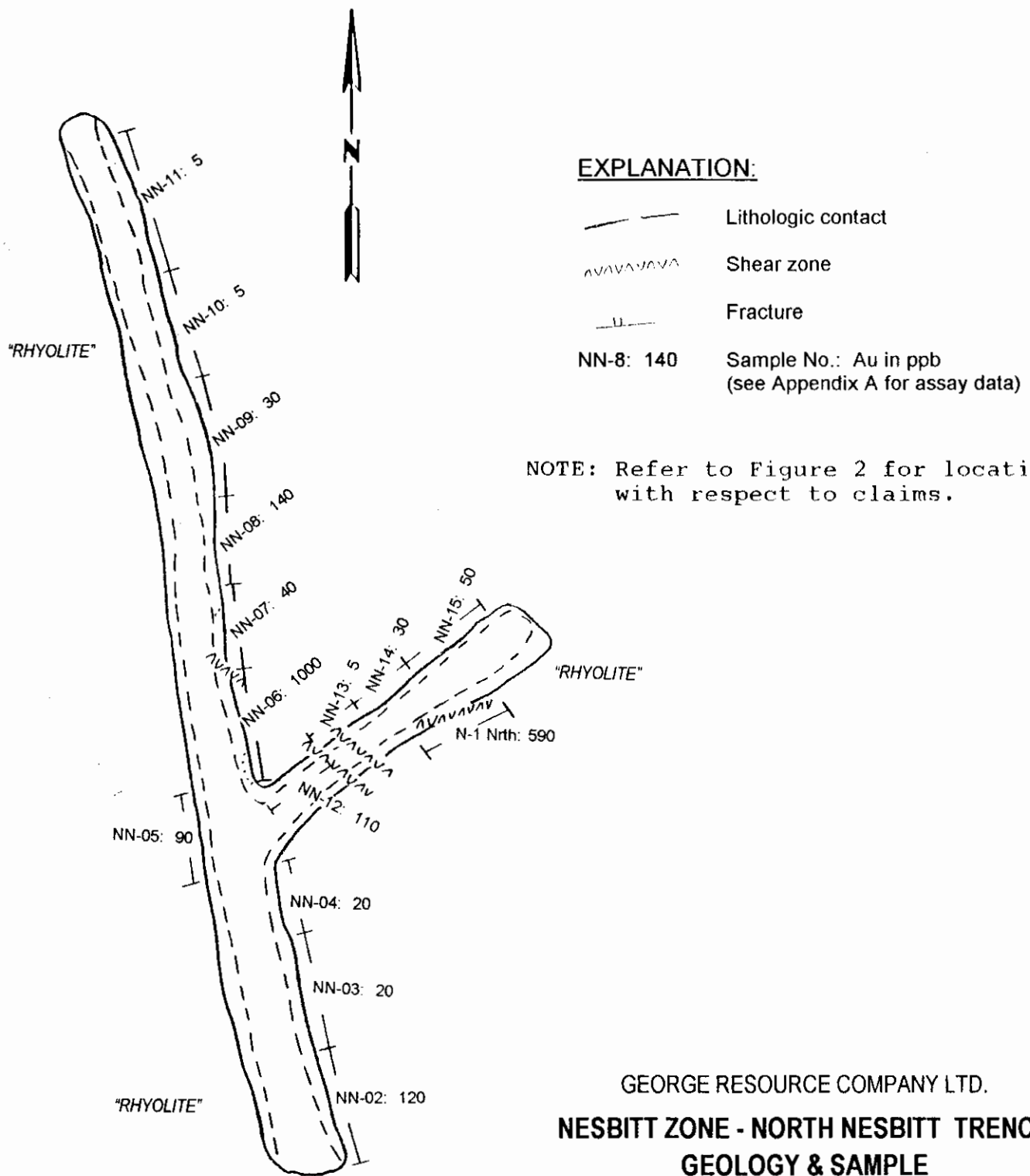


GEORGE RESOURCE COMPANY LTD.
NESBITT ZONE - NESBITT 350 TRENCH
GEOLOGY & SAMPLE
LOCATION PLAN
 AU CLAIM GROUP

Scale in metres



Figure 6.



GEORGE RESOURCE COMPANY LTD.
NESBITT ZONE - NORTH NESBITT TRENCH
GEOLOGY & SAMPLE
LOCATION PLAN
 AU CLAIM GROUP

Figure 7.

CONCLUSIONS & RECOMMENDATIONS

The AU claim group comprises 14 contiguous mineral claims (88 unit) in the Nicola Mining Division, B.C. (NTS 92H/15E, 16W). The ground is under option to George Resource Company Ltd. from Mr. D.A. Heyman. Access to the property is by road from Merritt - a distance of approximately 50 kilometres.

The claims are underlain by Upper Triassic Nicola Group volcanics and associated rocks. These have been intruded by Jurassic and younger granitic bodies. Vein and fracture-controlled gold-copper mineralization has been located at several areas on the property.

During 1996, a program of line-cutting, soil sampling, geological mapping and trenching was carried out on the AU group.

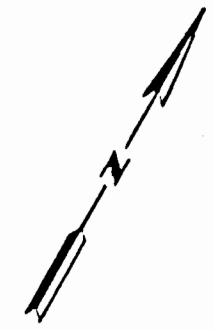
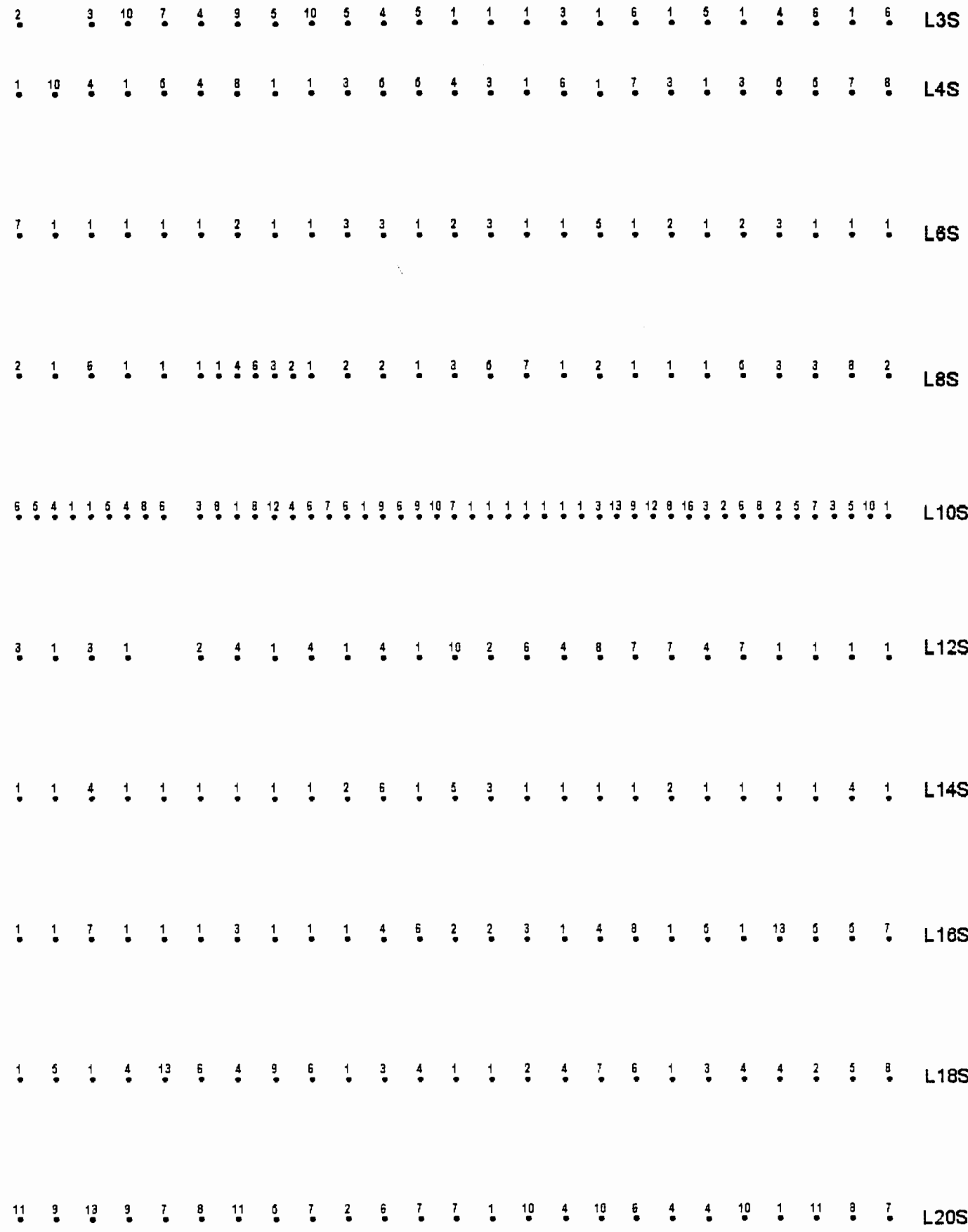
Results of this work established that a narrow, but high grade gold vein (values up to 3.4 oz/t Au) - the Hodge vein - occurs on the property. In addition, an area of fracture-controlled gold-copper mineralization is located at the Nesbitt zone.

Further, work is recommended to determine the extent of mineralization in and around these showing. This work should consist of detailed prospecting, rock sampling, geological mapping and geophysical surveys (magnetic and induced polarization).

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APPENDIX A
GEOCHEMICAL DATA



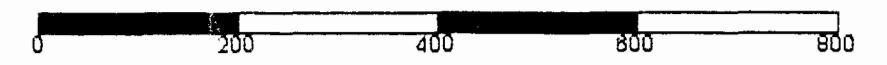
EXPLANATION:

.15 Sample site with analytical values in ppm

NOTE: Refer to Figure 2 for location with respect to claims.

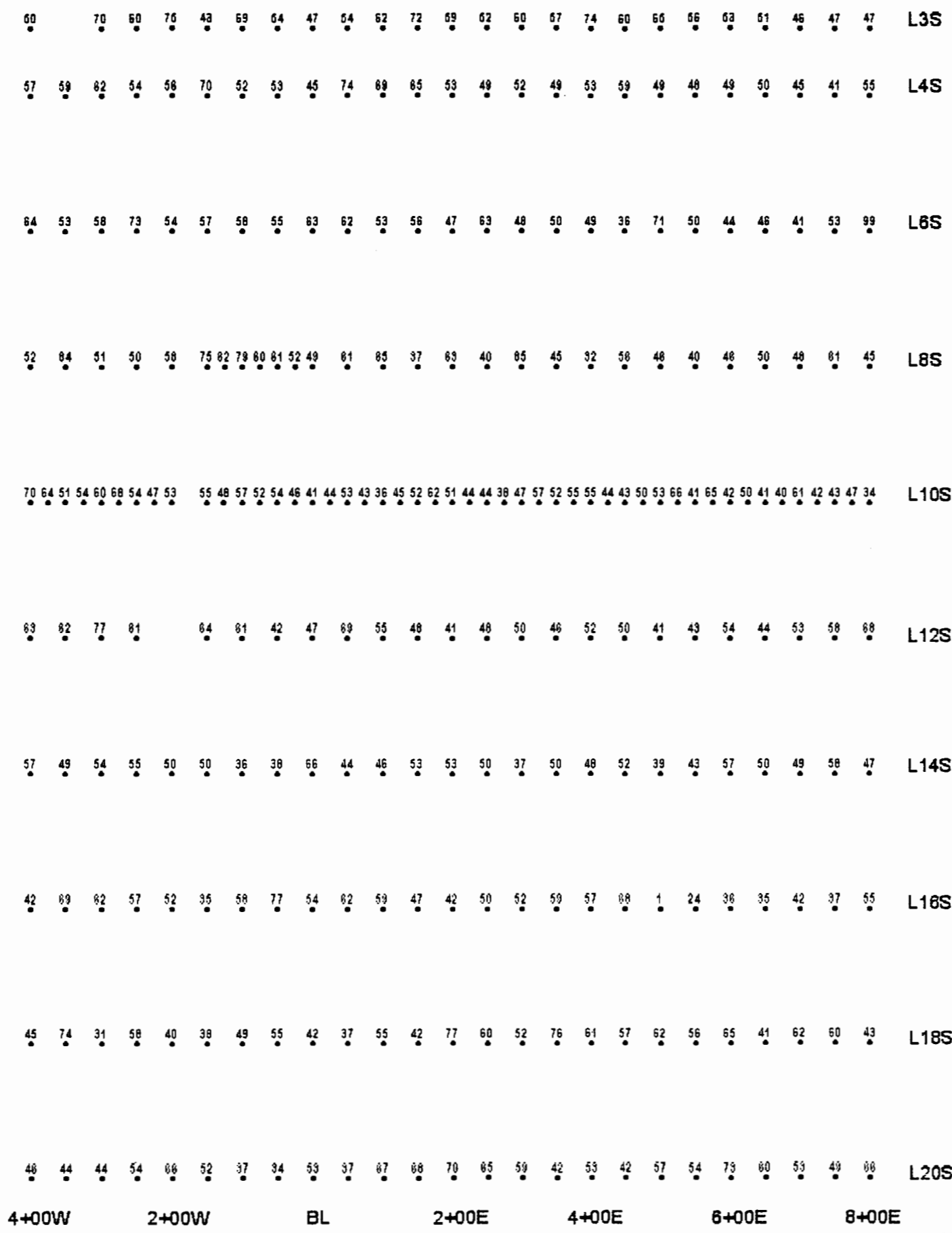
GEORGE RESOURCE COMPANY LTD.
LEAD in SOILS
AU CLAIM GROUP
Pothole Creek Area, NTS 92H/15E, 16W
Nicola Mining Division, B.C.

SCALE IN METRES



4+00W 2+00W BL 2+00E 4+00E 6+00E 8+00E

FIGURE 8



EXPLANATION:

.15 Sample site with analytical values in ppm

NOTE: Refer to Figure 2 for location with respect to claims.

GEORGE RESOURCE COMPANY LTD.
ZINC in SOILS
AU CLAIM GROUP
Pothole Creek Area, NTS 92H/15E, 16W
Nicola Mining Division, B.C.

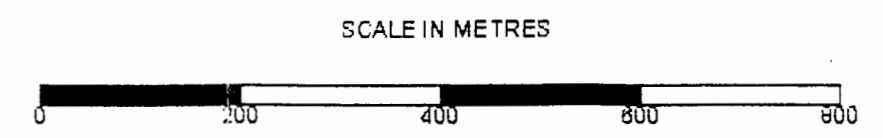
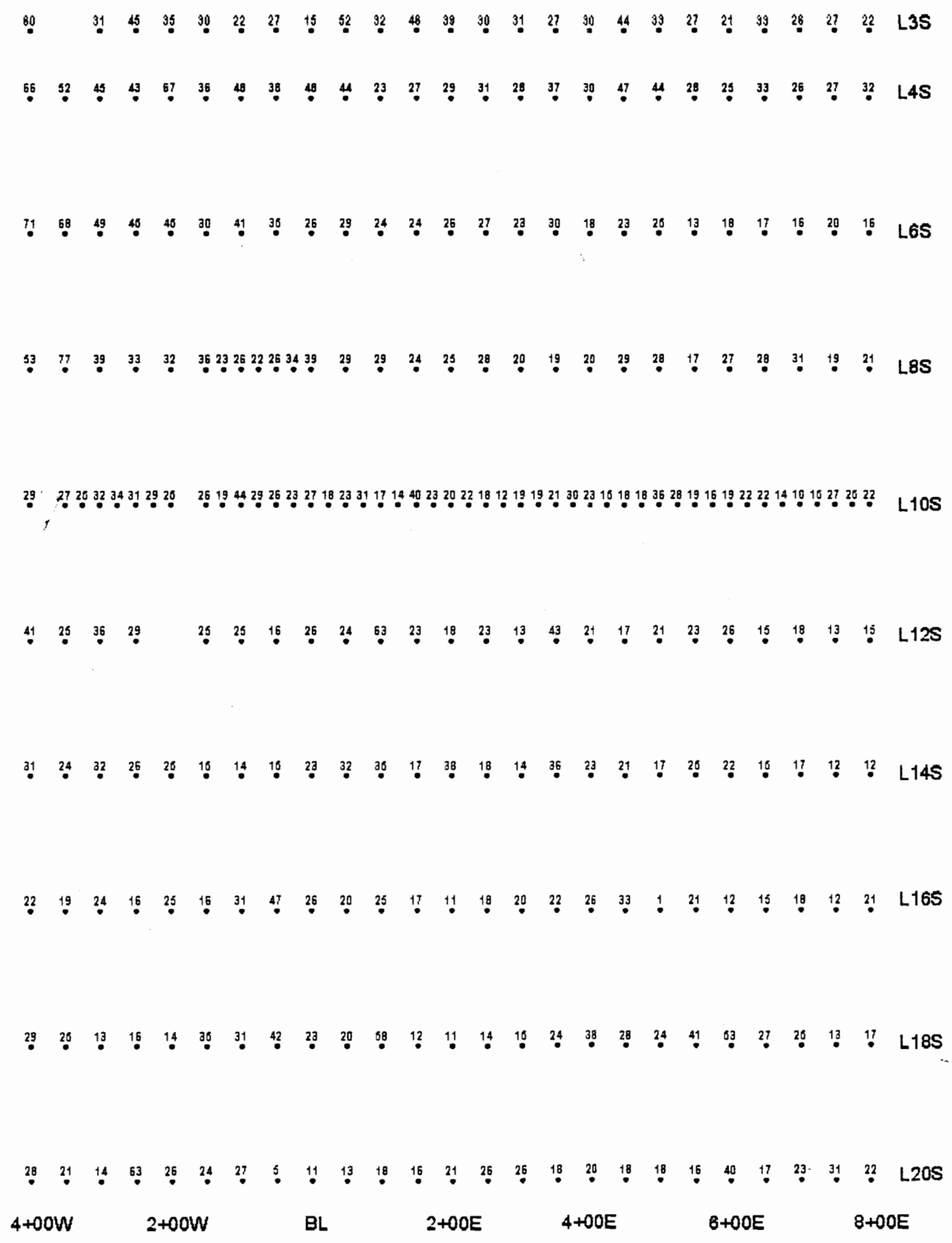


FIGURE 9



EXPLANATION:

.15 Sample site with analytical values in ppm

NOTE: Refer to Figure 2 for location with respect to claims.

GEORGE RESOURCE COMPANY LTD.
COPPER In SOILS
AU CLAIM GROUP
Pothole Creek Area, NTS 92H/15E, 16W
Nicola Mining Division, B.C.

SCALE IN METRES

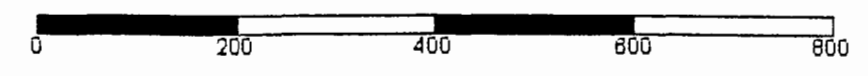


FIGURE 10

George Resource Company Ltd. - Merritt Project
Soil Analyses

Northing	Easting	Au ppb	Ag ppm	Cu ppm	Mo ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	Bi ppm	Cd ppm	Ba ppm	Ba ppm	La ppm	Fe %	Mn ppm	Ti %	Ni ppm	Cr ppm	Co ppm	V ppm	W ppm	Sr ppm	Ca %	Na %	K %	Mg %	Al %	P ppm
L10S	75 E	<5	0.1	31	1	1	43	9	1	1	1	117	1	6	2.36	235	0.16	16	32	5	61	1	40	0.39	0.03	0.20	0.45	1.54	518
L10S	1+00 E	<5	0.1	17	1	9	36	13	1	1	1	94	1	3	1.89	367	0.14	11	26	4	51	1	34	0.35	0.02	0.16	0.31	1.05	326
L10S	1+25 E	<5	0.1	14	1	6	45	4	1	1	1	106	1	3	1.69	538	0.13	10	21	3	41	1	30	0.32	0.02	0.19	0.29	1.05	286
L10S	1+50 E	<5	0.1	40	1	9	52	14	1	1	1	107	1	6	2.42	471	0.17	17	34	6	66	1	42	0.44	0.02	0.21	0.57	1.40	838
L10S	1+75 E	<5	0.1	23	1	10	62	4	1	1	1	168	1	4	1.84	884	0.12	12	25	5	43	1	37	0.45	0.02	0.26	0.33	1.22	597
L10S	2+00 E	<5	0.1	20	1	7	51	4	2	1	1	146	1	4	1.72	697	0.12	10	22	4	40	1	33	0.33	0.02	0.24	0.35	1.12	405
L10S	2+25 E	<5	0.1	22	1	1	44	12	1	1	1	130	1	5	1.95	584	0.11	12	28	4	50	1	30	0.37	0.02	0.18	0.29	1.11	356
L10S	2+50 E	<5	0.1	18	1	1	44	10	1	1	1	150	1	4	1.79	738	0.10	11	23	5	43	1	28	0.30	0.02	0.19	0.25	1.09	354
L10S	2+75 E	<5	0.1	12	1	1	38	8	3	1	1	133	1	3	1.49	576	0.09	8	20	4	35	1	32	0.33	0.02	0.15	0.19	0.97	652
L10S	3+00 E	<5	0.1	19	1	1	47	3	5	1	1	185	1	4	1.96	882	0.11	12	26	4	46	1	36	0.39	0.02	0.28	0.26	1.19	460
L10S	3+25 E	<5	0.1	19	1	1	57	9	1	1	1	140	1	4	2.07	591	0.11	12	24	5	50	1	33	0.33	0.02	0.16	0.28	1.19	517
L10S	3+50 E	<5	0.1	21	1	1	52	6	1	1	1	132	1	4	2.04	407	0.13	12	23	6	47	1	31	0.34	0.02	0.18	0.32	1.41	282
L10S	3+75 E	<5	0.1	30	1	1	55	7	1	1	1	122	1	5	2.37	508	0.12	17	33	6	58	1	38	0.42	0.02	0.34	0.37	1.25	455
L10S	4+00 E	<5	0.1	23	1	3	55	10	1	1	1	183	1	3	1.48	1084	0.08	10	18	5	29	1	40	0.54	0.02	0.20	0.29	1.06	410
L10S	4+25 E	<5	0.1	15	1	13	44	2	2	1	1	160	1	5	1.70	568	0.09	14	23	4	39	1	23	0.27	0.02	0.16	0.23	1.15	599
L10S	4+50 E	<5	0.1	18	1	9	43	4	1	1	1	143	1	5	1.85	626	0.10	13	25	5	43	3	30	0.39	0.02	0.20	0.31	1.18	602
L10S	4+75 E	<5	0.1	18	1	12	50	4	1	1	1	156	1	4	1.79	589	0.10	13	25	4	40	2	25	0.25	0.02	0.19	0.31	1.22	1003
L10S	5+00 E	<5	0.1	36	1	8	53	5	1	1	1	151	1	7	2.12	528	0.11	16	29	8	50	1	29	0.35	0.02	0.21	0.43	1.40	865
L10S	5+25 E	<5	0.1	28	1	16	66	2	1	1	1	183	1	8	2.21	811	0.14	17	31	8	50	2	35	0.42	0.02	0.26	0.51	1.33	560
L10S	5+50 E	<5	0.1	19	1	3	41	4	3	1	1	144	1	6	1.83	662	0.11	13	25	5	39	1	25	0.30	0.02	0.21	0.37	1.27	484
L10S	5+75 E	<5	0.1	16	1	2	65	2	3	1	1	172	1	4	1.73	782	0.09	13	24	5	38	1	25	0.28	0.02	0.20	0.28	1.20	1221
L10S	6+00 E	<5	0.1	19	1	6	42	2	2	1	1	131	1	5	1.74	669	0.10	13	25	6	41	1	26	0.33	0.02	0.20	0.34	1.15	622
L10S	6+25 E	<5	0.1	22	1	8	50	3	3	1	1	148	1	7	1.89	839	0.12	14	26	7	43	1	31	0.34	0.02	0.25	0.48	1.30	435
L10S	6+50 E	<5	0.1	22	1	2	41	9	2	1	1	149	1	5	1.90	558	0.09	14	27	6	44	1	36	0.42	0.02	0.16	0.41	1.13	751
L10S	6+75 E	<5	0.1	14	1	5	40	11	1	1	1	125	1	4	1.68	572	0.11	11	24	4	38	1	30	0.32	0.02	0.17	0.34	0.99	432
L10S	7+00 E	<5	0.1	10	1	7	61	2	1	1	1	102	1	2	1.63	137	0.12	8	21	3	33	1	24	0.26	0.02	0.19	0.30	1.27	367
L10S	7+25 E	<5	0.1	15	1	3	42	8	1	1	1	147	1	5	1.88	614	0.10	13	25	6	43	1	27	0.31	0.02	0.19	0.28	1.32	634
L10S	7+50 E	<5	0.1	27	1	5	43	2	2	1	1	139	1	6	2.06	620	0.10	16	30	7	51	1	33	0.41	0.02	0.15	0.41	1.11	756
L10S	7+75 E	<5	0.1	25	1	10	47	4	1	1	1	101	1	3	1.29	391	0.06	10	18	4	32	1	28	0.33	0.16	0.18	0.21	0.81	624
L10S	8+00 E	<5	0.1	22	1	1	34	7	1	1	1	173	1	5	1.86	583	0.08	12	24	5	42	1	41	0.41	0.02	0.19	0.33	1.12	912

George Resource Company Ltd.
Rock Sample Descriptions

Nesbitt 350 Trench		
Sample	Width (m)	
N-1	2.8	Siltstone
N-2	2.5	Rhyolite, pyritic
N-3	2.5	Rhyolite, >py than N-2
N-4	3.0	Rhyolite
N-5	2.0	Rhyolite
N-6	3.0	Rhyolite
N-7	2.5	Rhyolite
N-8	3.0	Transitional Diorite
N-9	2.5	Transitional Diorite? Rhyolite?
N-10	3.0	Granular Diorite
N-11	3.0	Granular Diorite
N-12	3.0	Granular Diorite
N-13	3.0	Granular Diorite
N-14	2.5	Granular Diorite
N-15	2.5	Trans. Diorite; trace Cu stain
N-16	3.0	Trans. Diorite; trace Cu stain
N-17	3.0	Hornblende Microdiorite
N-18	3.5	Siltstone - rhyolite
N-19	2.5	Micordiorite +? rhyolite
N-20	2.5	Siltstone
N-21	2.9	Siltstone
N-22	3.6	Siltstone
N-23	5.4	Siltstone?
North Nesbitt Trench		
NN-1	3.3	Cu-bearing shear; 0.3 m thick
NN-2	4.0	Shattered rhyolite
NN-3	4.0	Shattered rhyolite
NN-4	3.3	Shattered rhyolite
NN-5	3.0	Shattered rhyolite
NN-6	2.7	Shattered rhyolite
NN-7	3.0	Gouge zone, trace Cu stain
NN-8	3.0	Gouge zone
NN-9	4.0	Rhyolite
NN-10	3.5	Rhyolite
NN-11	5.0	Rhyolite
NN-12	2.7	Rhyolite
NN-13	1.7	Gouge zone, with Mn
NN-14	2.3	Rhyolite
NN-15	3.2	Rhyolite
Fairfield Trenches		
Center Trench		
FF-1	1.3	Rhyolite, shattered, Fe & Mn stained
FF-2	1.0	Rhyolite, shattered, Fe & Mn stained
FF-3	1.0	Rhyolite, shattered, Fe & Mn stained

ROCK SAMPLES - ANALYTICAL RESULTS

Sample Number	Au ppb	Ag ppm	Cu ppm	Mo ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	Bi ppm	Cd ppm	Ba ppm	Be ppm	La ppm	Fe %	Mn ppm	Ti %	Ni ppm	Cr ppm	Co ppm	V ppm	W ppm	Sr ppm	Ca %	Na %	K %	Mg %	Al %	P ppm
Hodge Vein Trenches:																												
FF-01	140	0.1	198	3	4	49	39	1	1	1	31	1	13	2.18	348	0.17	21	32	11	97	1	70	0.86	0.12	0.10	0.60	0.98	1926
FF-02	30	0.1	182	4	6	41	57	1	1	1	41	1	13	2.29	389	0.17	21	33	10	94	1	123	1.10	0.23	0.17	0.69	1.49	1836
FF-03	20	0.1	180	3	1	32	37	1	1	1	36	1	13	1.71	291	0.15	20	36	10	71	1	85	0.85	0.15	0.12	0.51	0.95	1839
FF-04	35	0.1	223	3	4	26	38	1	1	1	39	1	13	1.76	280	0.14	23	35	11	60	1	147	1.12	0.25	0.10	0.47	1.34	1824
FF-05	30	0.1	217	4	2	24	18	1	1	1	32	1	13	2.18	315	0.17	20	34	11	81	1	47	0.61	0.09	0.11	0.56	0.86	1649
FF-06	20	0.1	158	2	5	29	17	1	1	1	38	1	13	2.26	388	0.16	15	40	13	100	1	50	0.62	0.12	0.15	0.66	1.01	1546
FF-07	85	0.1	220	2	9	30	17	1	1	1	30	1	12	2.63	342	0.11	10	42	11	123	1	18	0.38	0.09	0.13	0.69	1.04	1717
FF-08	11000	4.0	102	2	7	9	60	1	1	1	25	1	4	2.13	61	0.03	4	158	5	44	1	13	0.07	0.05	0.13	0.15	0.31	579
FF-09	2250	4.2	1400	1	7	34	47	1	1	1	23	1	3	11.89	51	0.01	23	140	95	6	1	3	0.02	0.01	0.02	0.06	0.19	38
FF-10	120	0.2	274	2	1	51	942	1	1	1	59	1	16	2.84	373	0.14	16	67	4	104	1	136	1.20	0.42	0.58	0.71	2.47	1680
FF-11	150	0.1	126	3	1	35	66	1	1	1	40	1	16	2.02	351	0.11	10	77	1	67	1	80	0.74	0.23	0.31	0.68	1.77	730
FF-12	10	0.1	112	2	5	70	26	1	1	1	47	1	17	2.69	564	0.19	15	63	1	112	1	127	1.00	0.33	0.61	1.11	2.38	1247
FF-13	30	0.2	162	2	1	51	23	1	1	1	50	1	11	2.66	578	0.19	10	26	6	107	1	43	0.82	0.11	0.26	0.87	1.19	2000
FF-14	30	0.2	168	1	2	51	12	1	1	1	59	1	11	2.73	536	0.22	10	29	7	114	1	37	0.80	0.10	0.38	0.95	1.21	1963
FF-15	170	0.3	300	1	1	44	9	1	1	1	53	1	8	3.54	401	0.22	6	24	7	110	1	41	0.62	0.10	0.37	0.84	1.26	1836
FF-16	>20000	65.5	510	1	35	17	16	1	71	1	28	1	1	7.52	63	0.03	7	188	45	26	1	30	0.14	0.04	0.12	0.13	0.35	357
FF-17	6600	4.1	450	2	3	42	23	1	1	1	54	1	8	3.14	371	0.15	10	33	6	106	1	89	0.83	0.25	0.66	0.73	1.81	1990
FF-18	30	0.1	153	3	2	31	13	2	1	1	36	1	13	2.28	354	0.14	11	28	6	84	1	39	0.66	0.08	0.18	0.71	0.99	2022
FF-19	90	0.2	320	2	8	41	20	1	1	1	36	1	10	5.09	437	0.22	15	36	15	146	1	28	0.57	0.08	0.16	1.07	1.45	1965
FF-20	260	0.2	400	3	5	42	23	1	1	1	34	1	13	3.59	417	0.17	14	24	13	107	1	45	0.71	0.10	0.20	0.76	1.18	1896
FF-21	>20000	31.7	700	5	14	24	26	1	13	1	46	1	3	5.33	182	0.08	9	141	27	64	1	8	0.17	0.03	0.13	0.35	0.76	656
FF-22	190	0.1	220	2	3	51	192	1	1	1	39	1	13	3.00	412	0.16	21	29	8	93	1	110	0.94	0.24	0.32	0.71	1.69	1947
FF-23	150	0.1	196	3	7	32	37	1	1	1	38	1	13	1.96	282	0.16	20	43	7	64	1	128	1.07	0.24	0.15	0.50	1.36	1990
Nesbitt 350 Trench:																												
N-01	20	0.1	122	2	11	108	40	2	1	1	78	2	12	3.37	783	0.09	20	42	3	135	1	131	6.42	0.12	0.85	1.20	2.10	1499
N-02	120	0.1	202	3	5	25	37	1	1	1	40	1	11	2.26	445	0.18	21	36	9	90	1	105	3.64	0.12	0.10	0.78	1.06	1611
N-03	520	0.1	189	2	6	34	15	1	1	1	31	1	9	2.48	709	0.15	14	30	4	104	1	90	4.21	0.10	0.08	0.95	1.03	1428
N-04	140	0.1	256	1	9	37	26	1	1	1	35	1	8	2.13	593	0.17	12	30	7	90	1	96	4.01	0.15	0.09	0.72	1.14	1477
N-05	250	0.1	51	1	6	31	23	1	1	1	39	1	7	2.37	695	0.14	8	22	1	82	1	124	4.49	0.14	0.08	0.62	1.38	1342
N-06	420	0.2	129	1	10	52	13	1	1	1	42	1	7	2.91	602	0.20	11	30	2	114	1	107	3.42	0.16	0.12	0.71	1.51	1384
N-07	740	0.1	406	1	9	51	30	1	1	1	40	1	7	2.90	534	0.15	8	17	5	102	1	75	2.46	0.08	0.12	0.69	1.30	1300
N-08	150	0.1	201	1	5	61	31	1	1	1	46	1	7	3.48	625	0.12	10	32	4	111	1	94	3.86	0.11	0.16	0.56	1.51	1272
N-09	710	0.1	144	1	8	31	15	1	1	1	39	1	7	2.49	560	0.15	8	23	1	98	1	101	3.54	0.16	0.11	0.62	1.27	1470
N-10	20	0.1	132	1	5	40	17	1	1	1	50	1	6	2.85	510	0.23	11	22	7	106	1	129	3.08	0.28	0.18	0.91	1.95	1503
N-11	10	0.1	96	1	9	61	11	1	1	1	79	1	5	3.37	675	0.24	11	19	6	107	1	130	3.13	0.22	0.66	1.21	2.22	1499
N-12	10	0.1	82	1	13	75	16	1	1	1	110	1	5	3.92	896	0.25	11	27	5	116	1	170	4.30	0.26	0.98	1.44	2.63	1540
N-13	10	0.1	79	1	11	79	14	1	1	1	129	1	5	4.20	861	0.25	11	23	8	128	1	124	3.39	0.15	1.06	1.57	2.49	1569
N-14	5	0.1	75	1	9	77	23	1	1	1	120	1	4	4.30	862	0.27	11	25	8	129	1	133	2.24	0.19	1.15	1.65	2.59	1673
N-15	810	0.3	1750	1	9	84	20	1	1	1	41	1	7	2.97	475	0.23	13	48	8	106	1	77	2.15	0.16	0.19	0.90	1.37	1495
N-16	1620	0.8	400	1	5	49	19	1	1	1	44	1	7	2.85	539	0.22	15	28	5	105	1	89	2.70	0.13	0.18	0.92	1.53	1478

Sample Number	Au ppb	Ag ppm	Cu ppm	Mo ppm	Pb ppm	Zn ppm	As ppm	Sb ppm	Bi ppm	Cd ppm	Ba ppm	Be ppm	La ppm	Fe %	Mn ppm	Ti %	Ni ppm	Cr ppm	Co ppm	V ppm	W ppm	Sr ppm	Ca %	Na %	K %	Mg %	Al %	P ppm
Nesbitt 350 continued:																												
N-17	630	0.6	138	1	6	39	39	2	1	1	43	1	6	3.25	608	0.11	7	35	7	101	1	65	2.00	0.09	0.16	0.93	1.49	1199
N-18	40	0.4	138	3	6	64	54	4	1	1	33	1	8	2.01	453	0.17	19	36	5	75	1	86	3.78	0.15	0.06	0.68	1.83	1532
N-19	30	0.4	109	3	5	28	28	1	1	1	36	1	8	1.77	428	0.20	11	34	4	77	1	65	2.53	0.09	0.10	0.62	1.00	1420
N-20	10	0.1	103	2	8	74	43	1	1	1	44	1	7	3.18	789	0.10	18	41	5	130	1	118	4.84	0.11	0.19	1.15	1.72	1382
N-21	10	0.1	112	2	12	95	55	1	1	1	50	2	9	3.21	801	0.06	17	42	5	123	1	112	5.19	0.11	0.34	1.10	1.83	1415
N-22	320	1.0	231	3	9	63	908	5	1	1	49	1	5	3.08	1149	0.01	14	15	5	46	1	85	5.77	0.02	0.26	0.43	1.03	950
N-23	140	2.0	149	3	7	124	155	1	1	2	45	1	8	3.67	733	0.01	16	32	7	82	1	62	3.99	0.03	0.26	0.68	1.40	1248
North Nesbitt Trench:																												
N-1 North	590	3.2	7000	3	9	239	189	1	19	1	178	1	6	4.96	766	0.01	36	25	42	95	1	46	2.68	0.03	0.19	0.60	1.43	1377
NN-02	120	0.3	233	1	6	45	43	1	1	1	52	1	8	2.78	473	0.22	20	43	9	102	1	58	1.36	0.11	0.17	1.01	1.35	1359
NN-03	20	0.1	200	2	3	37	49	1	1	1	43	1	10	2.54	524	0.22	21	37	8	103	1	51	1.77	0.08	0.10	1.02	1.08	1440
NN-04	20	0.1	157	1	1	43	63	2	1	1	85	1	12	3.00	507	0.12	18	39	7	101	1	87	3.11	0.08	0.18	0.61	1.39	1415
NN-05	90	0.1	117	1	5	50	131	1	1	1	55	1	11	3.10	530	0.02	15	20	5	62	1	71	3.80	0.05	0.33	0.42	1.37	1344
NN-06	1000	1.0	1000	1	7	83	24	6	1	1	56	1	8	3.57	772	0.01	7	18	9	137	1	69	4.36	0.06	0.18	0.84	1.63	1252
NN-07	40	1.0	734	2	5	75	76	4	1	1	84	2	10	3.32	702	0.02	21	34	7	106	1	74	5.97	0.04	0.17	0.70	1.42	1398
NN-08	140	1.2	223	1	4	50	197	8	1	1	271	1	6	3.52	1052	0.01	15	10	9	60	1	106	6.48	0.02	0.20	0.59	0.91	1283
NN-09	30	0.4	66	1	2	50	42	5	1	1	180	1	7	3.83	831	0.01	10	13	6	90	1	87	6.15	0.04	0.28	0.73	1.53	1332
NN-10	5	1.0	90	1	1	56	47	1	1	1	559	2	7	4.43	896	0.01	10	15	8	106	1	78	4.78	0.04	0.20	0.95	1.87	1392
NN-11	5	0.8	85	1	6	56	31	3	1	1	195	1	8	4.28	761	0.04	12	16	7	118	1	106	4.60	0.11	0.24	1.11	2.15	1383
NN-12	110	0.6	156	1	1	49	34	4	1	1	61	1	6	3.09	667	0.07	5	14	4	125	1	66	3.20	0.05	0.16	0.91	1.44	1273
NN-13	5	0.8	135	2	6	96	114	5	1	1	111	1	9	3.21	929	0.01	22	19	5	69	1	89	6.18	0.02	0.26	0.40	1.16	1413
NN-14	30	0.8	171	1	2	46	39	1	1	1	85	1	8	3.20	694	0.03	12	24	6	113	1	82	4.45	0.05	0.15	1.01	1.37	1420
NN-15	50	0.8	153	1	1	50	50	3	1	1	60	1	7	3.21	722	0.05	9	14	7	90	1	108	4.98	0.08	0.20	0.73	1.24	1390

Assay Data for Select Samples:

Sample No.	oz/t Au	oz/t Ag	% Cu
Hodge Vein			
FF-08	0.315	0.26	-
FF-09	0.080	-	-
FF-16	3.400	2.20	-
FF-17	0.181	0.30	-
FF-21	1.280	1.10	-
Nesbitt 350 Trench			
N-03	0.025	-	-
N-07	0.028		
N-09	0.026		
N-15	0.030		
N-16	0.050		
N-17	0.018		
North Nesbitt Trench			
Nesbitt-1 north	0.020	0.42	0.95
NN-06	0.032	-	-

APPENDIX B
STATEMENT OF COST

Appendix A

Statement of Costs

1996 Work Program - AU Claim Group

Costs incurred in undertaking the 1996 work program on the AU group during the period April 22 to June 10, 1996 include:

Analyses/Assay Costs:	\$4,912.34
Project Geologist	6,583.72
Line cutting, soil sampling & trenching	<u>25,807.92</u>
Total	<u>\$37,303.98</u>

Amerlin Exploration Services Ltd.



Carl G. Verley, P. Geo.
February 6, 1997

APPENDIX C

WRITER'S CERTIFICATE

AMERLIN EXPLORATION SERVICES LTD.

2150 - 1851 Savage Road, Richmond, B.C. V6V 1R1 Tel/Fax (604) 821-1088


WRITER'S CERTIFICATE

I, Carl G. Verley of Vancouver, British Columbia hereby certify that:

1. I am a geologist with business office at 2150 - 1851 Savage Road, Richmond, B.C.
2. I am a graduate of the University of British Columbia, B.Sc. in 1974, and have practiced my profession since that time.
3. I am a registered member of the Association of Professional Engineers and Geoscientists of the Province of B.C.
4. I am the author of this report which is based on work conducted by me on the AU claim group during the period April 22 to June 10, 1996.

Amerlin Exploration Services Ltd.

Carl G. Verley
Carl G. Verley, P. Geoscientist

A circular professional seal for the Province of British Columbia. The outer ring contains the text "PROFESSIONAL GEOSCIENTIST". The inner ring contains "PROVINCE OF BRITISH COLUMBIA". The center of the seal features the name "C. G. VERLEY" in a stylized font.

February 6, 1997.
Richmond, B.C.