PROSPECTOR'S REPORT

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Gold Commissioner's Office
VANCOUVER, B.C.

ON THE

SHEAR PROPERTY

LIARD MINING DIVISION
BRITISH COLUMBIA, CANADA
NTS MAP SHEET 104I/06W

CENTRED AT LATITUDE: 58° 20' 00"N,
LONGITUDE: 129° 56' 00" W
WORK PERFORMED: SEPT. 7-9, 1996

FOR:

CUSAC GOLD MINES LTD.,
DEMAND GOLD LTD. AND
PACIFIC BAY MINERALS LTD.
#908 - 700 W. PENDER STREET
VANCOUVER, B.C. V6C 1G8

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

FRANCIS MOYLE, B.Sc.

APRIL, 1997

24,941

SHEAR PROPERTY
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SHEAR PROPERTY

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1.0 SUMMARY

The Shear property comprises 1 claim totalling 18 units located approximately 65 kilometres east of Dease Lake, B.C. Access to the property is via helicopter from Dease Lake, B.C.

The property is located in the Cry Lake map area in north-central British Columbia and lies approximately 12 km southeast of Boulder City on the Turnagain River. The property covers an area of moderate relief with excellent bedrock exposure. The claim is underlain by a 5 kilometre wide belt of Upper Mississippian to Permian (MPu) ultramafic rocks with localized outcrops of Mississippian to Triassic cherty argillite of the Kedahda Formation (MTk).

A review of all available information indicates that the area has had extensive prospecting during 1955 to 1960 during the asbestos rush. The area is rich in serpentinized peridotite and pyroxenite which defines a general target area for asbestos deposits. The area is also known to have produced 10,294 grams of placer gold from 1936 to 1940.

The 1996 exploration program consisted of helicopter supported reconnaissance prospecting, geological mapping, rock chip, stream silt sampling with the objective of evaluating the property's potential for hosting economic precious metal deposits. Reconnaissance prospecting and geochemical sampling indicated that the gold mineralization is probably related to quartz veining within the serpentinized ultramafic unit. Geochemical analysis of rock chip and silt samples yielded elevated values for Au, Sr, Pt and Pd. A rock grab sample from an old trench returned anomalous values for Au (40 ppb), Sr (911 ppm), Pt (25 ppb) and Pd (29 ppb).

2.0 INTRODUCTION:

The Cry Lake Syndicate conducted a field exploration program on the Shear property located in the Cry Lake Map area of north-central British Columbia. Exploration was performed by a 2-man crew based out of Boulder City on the Tournagain River.

The objective of this program was to evaluate the property's economic potential through follow-up exploration on a geochemical gold anomaly delineated by the 1996 Cry Lake Regional Geochemical Survey, as well as to provide reconnaissance coverage throughout the property. The 1996 program was conducted during the period of September 7 to September 9, 1996 and included geological mapping and prospecting concurrent with rock and silt sampling.

A total of 3 rock samples, 1 silt sample and 1 pan sample were collected from the claim area. Geological and geochemical data were compiled on 1:10,000 scale contour maps.

All geochemical samples were shipped to Acme Analytical Labs in Vancouver for geochemical analysis, utilizing the 33 element ICP method. Analytical procedures are described in Appendix III and analytical results are presented in Appendix IV.

2.1 Location and Access:

The Shear property is located in north-central British Columbia approximately 65 km east of Dease Lake, B.C. (Figure 1). The claims are situated within the NTS map sheet 104I/07W and centered about 58° 20' 00"N latitude and 129° 56' 00"W longitude. Access to the property is via float plane with helicopter and truck support from Dease Lake, B.C.

2.2 Physiography, Vegetation and Climate:

The Shear property is located within the Cassiar Mountains physiographic division which is characterized by moderately steep mountainous ranges and broad forested valleys. The property lies along the Intermontaine Tectonic Belt within the Stikine Range and has relief up to 600 metres. Excellent bedrock exposures exist within the claim area due to being mostly above treeline.

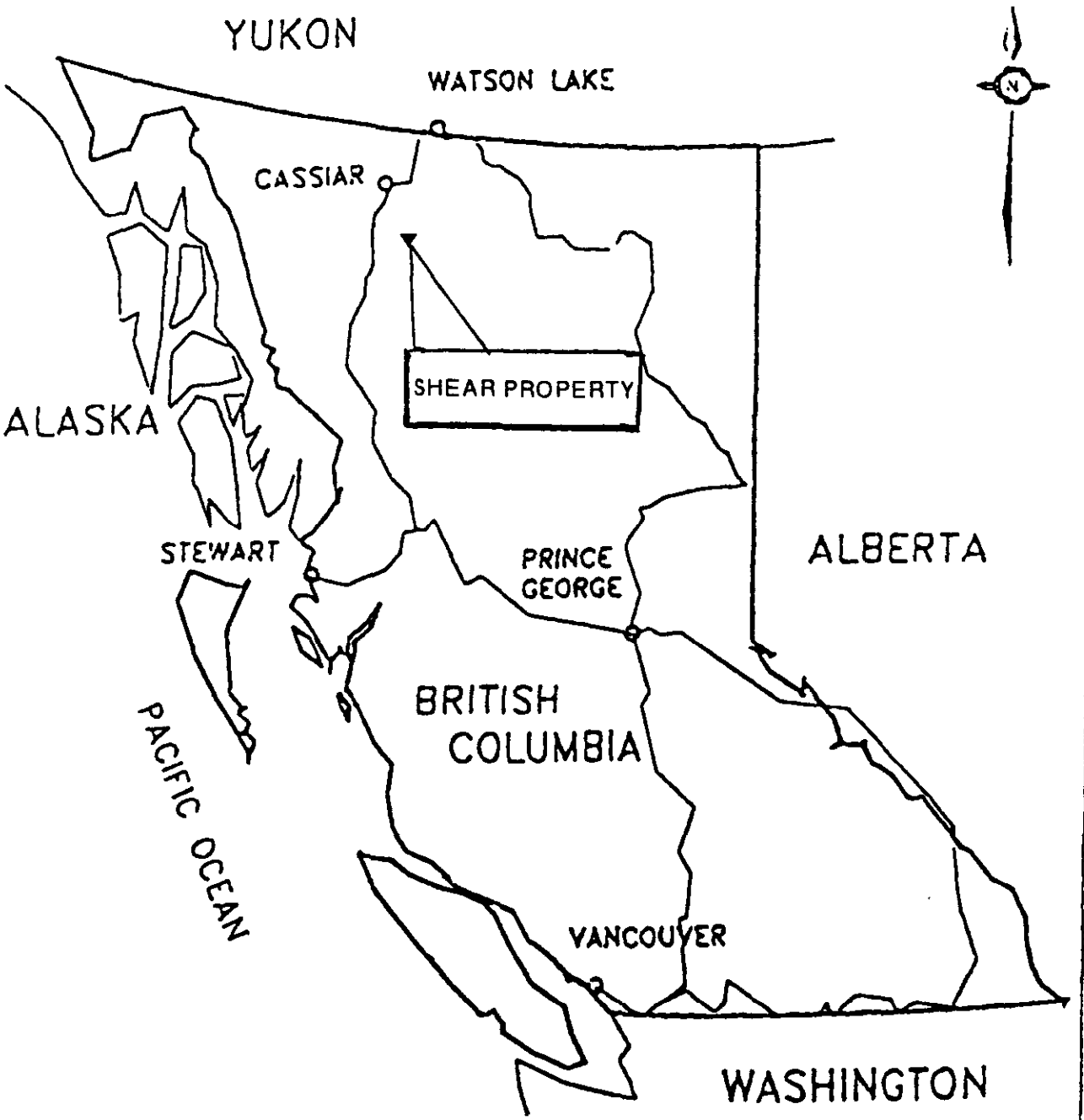
Forests of spruce and balsam generally cover most of the region. Precipitation is moderate, averaging 35-45 cm. per annum with temperatures ranging between -35° C and 30° C. The climate is continental type with warm summers and long, cold winters characterized by moderate to heavy snowfall between 3-4 metres.

2.3 Property Status and Ownership:

The Shear property (Figure 2) consists of 1 claim totalling 18 units, located within the Liard Mining Division. The claims were staked by Francis Moyle for Cusac Gold Mines Ltd. The property is owned by 3 separate companies, Cusac Gold Mines Ltd. (33.3%), Demand Gold Ltd. (33.3%) and Pacific Bay Minerals Ltd. (33.3%) which all form the Cry Lake Syndicate. Relevant claims data are tabulated in Table 1.

Table 1 - Shear Property Claim Status

Claim Name	No. of Units	Tenure #	Recording Date	Expiry Date
SHEAR 1	18	348445	July 15, 1996	July 15, 1999



SCALE 1:10,000,000

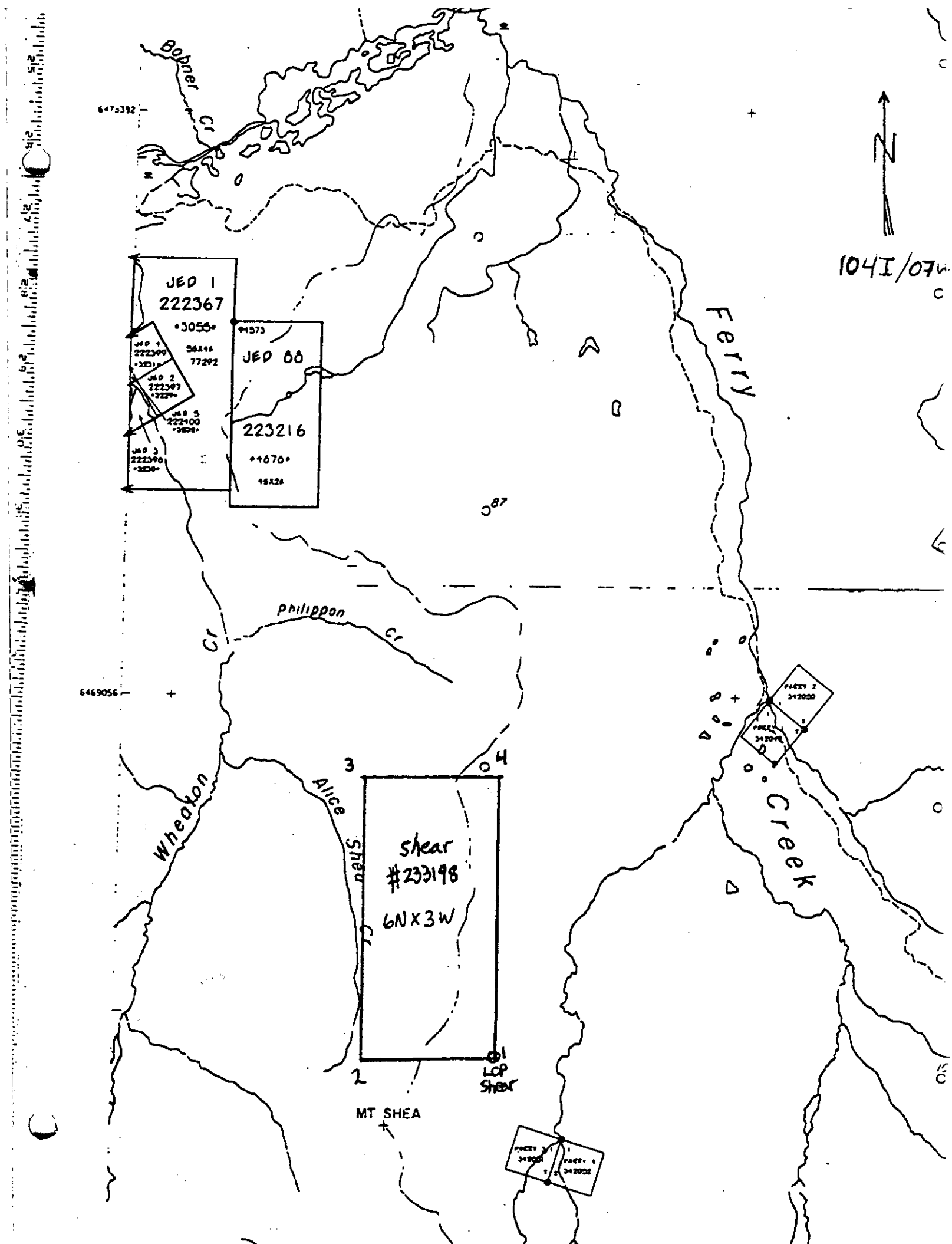
100 0 100 200 Km

CRY LAKE SYNDICATE

SHEAR PROPERTY

LOCATION MAP

104 I/07W	
E. Mayle	
E. Mayle	


Bonner Cr
6475392
JED 1
222367
3055
JED 2
222367
3229
JED 3
222390
3230
JED 4
222399
3231
JED 5
222400
3232
58X16
77292
94573
JED 66
223216
4670
98X26
Philippon Cr
6469056
Wheaton
Alice Shea Cr
3
4
Shear
#233198
6N x 3W
1
LCP
Shear
2
MT SHEA
Ferry
Creek
N
104I/07

3.0 EXPLORATION HISTORY:

3.1 Regional History:

The area has had extensive prospecting done during the asbestos boom. Dr. H. Gabrielse has done some regional mapping of the area and contributed his accumulated work to the 1996 Cry Lake B.C. Government Geochemical Survey. Placer gold was recovered from shallow gravel deposits overlying bedrock and from cracks within the bedrock. Almost all the gold from these creeks is coarse and nuggety and most of the large nuggets have quartz adhering to them. The largest nugget found to date on the Alice Shea Creek weighed 52 ounces and was called the Turnagain Nugget. Numerous other nuggets were found weighing up to 16 ounces. The Turnagain Nugget was purchased by the B.C. Government and occasionally is put on display. Recorded production between 1936 and 1940 totaled 331 ounces. The idea of gold within listwanite was poorly understood, so the ultramafic bodies were rarely sampled for gold or platinum group elements.

4.0 GEOLOGY:

4.1 Regional Geology:

The Shear Property covers a deformed and metamorphosed succession of ultramafic rocks, mafic volcanics and metasedimentary rocks of Mississippian to Triassic age belonging to the Cache Creek Group. The ultramafic rocks form a northwest-trending assemblage 10-15 km. wide bounded to the northeast by the Thibert Fault and to the southwest by the Nahlin fault.

4.2 Property Geology:

The Shear property was geologically mapped and lithogeochemically sampled along with silt and soil samples by Cry Lake Syndicate personnel and these data were plotted on 1:10,000 scale contour maps. Approximately 80% of the property contains good outcrop exposures.

4.2.1 Lithologies:

Geological mapping on the Shear property has identified the primary lithologies underlying the claim block as Upper Mississippian to Permian, serpentinized peridotite, dunite and pyroxenite with localized bodies of listwanite. The large ultramafic body contains small outcrops of limestone of unknown age on the southern side of Mount Shea. A body of Mississippian to Triassic chert and cherty argillites of the Kedahda Formation, lies to the west of the Shear property with a projected thrust contact through the southwestern portion of the claim

The presence of listwanite around the property is an excellent indication for gold mineralization. Listwanitic alteration is preferentially developed along fault zones, and spatially related quartz veins commonly occupy dilatant fractures that may be arranged on echelon. The alteration is generally considered to occur during the late stages of emplacment of the serpentinized ultramafic bodies. Listwanitic lenses along fault zones usually grade into the surrounding serpentinite through a talc-carbonate zone. Mineralogically, the listwanites comprise magnesium-iron-calcium carbonates with quartz, talc, chlorite, hematite, magnetitie and pyrite. Fuchsite, a chrome rich mica, is formed from the alteration of chrome-spinel and is locally a distinctive constituent. These minerals are commonly associated with a variety of base metals and precious metal sulphides, arsenides and tellurides. The fluids that alter the serpentinite to listwanite could originate from a variety of sources and the origin of gold within listwanite is widely disputed. Gold values in listwanites have been found to range from 0.02 to 1 ppm.

4.2.2 Structure:

The Nahlin Fault, which strikes NW-SE, occurs southwest of the Shear claim. A possible thrust fault exists 3 kilometres north of the Nahlin Fault and strikes sub parallel to it. This thrust puts the ultramafic unit in contact with the Kedahda cherty argillite unit. This thrust fault may be the source for the placer gold taken from the creeks. Listwanite float was observed within the creek bed and is probably the result of carbonatization of the serpentinite due to metasomatic fluids ascending the fault structure.

5.0 1996 EXPLORATION PROGRAM:

5.1 Geological Mapping:

Approximately 5% of the property was evaluated by prospecting and rock and silt sampling. During the time of work, the temperature dropped below zero and deposited snow which made it difficult to map and sample the ground. Ground control for mapping and sampling was provided by altimeter, compass and topo chain. The field crew was supplied with 1:10,000 scale topo maps for plotting data.

5.2 Geochemistry:

5.2.1. Sampling Procedure:

A total of 3 rock grab samples, 1 silt sample concurrent with 1 pan sample were collected from the 1996 property evaluation program. Rock grab samples were collected from trenched outcrop exposures exhibiting favourable characteristics such as *gossanous staining, sulphide content and alteration. Rock specimens were placed in* marked plastic bags. All sample sites were marked with a fluorescent ribbon displaying the corresponding sample code.

A Silt sample was collected near the headwaters of the Shea Creek. The silt/pan sample was randomly taken and placed in marked plastic bags and the sample site was marked with fluorescent ribbon displaying the corresponding sample code.

Analytical results are presented in Appendix IV.

5.2.2 Rock Geochemistry:

During the 1996 exploration program, 3 rock samples were collected. Analytical results are presented in Appendix IV and rock sample descriptions are recorded in Appendix V.

The majority of the rock samples were collected from areas of alteration, faulting and and lithological contacts. Table 2 records anomalous values in Au, Sr, Pt, and Pd.

Table 2 - Lithogeochemical Analysis (1996)

Sample #	Au (ppb)	Sr (ppm)	Pt (ppb)	Pd (ppm)
TR 96-76	40	911	25	29

5.2.3 Stream Silt Geochemistry:

During the 1996 exploration program, 1 stream silt concurrent with 1 pan sample was collected. Analytical results are presented in Appendix IV.

The stream silt sample was collected from the headwaters of Shea Creek which flows from the Shear property and was taken concurrent with pan samples.

CONCLUSIONS:

Prospecting, Geological mapping, lithogeochemical, pan and silt sampling were the focus of exploration activity on the Shear property during the 1996 reconnaissance program. Geological mapping has shown that the property covers an assemblage of oceanic crustal ultramafic rocks of Mississippian to Permian age, including peridotite, dunite and pyroxenite, generally serpentinized with local bodies of listwanite. The elevated gold value taken from a rock sample indicates the presence of gold within the system. Quartz float was observed in various locations on the claim block which indicates the possibility of quartz veining within the serpentinized unit.

7.0 RECOMMENDATIONS:

Analytical results from the 1996 geochemical, rock and silt sampling program were encouraging and point to the presence of a listwanite hosted Au-bearing quartz veins. Observations made during the program delineate a target area with economic potential and warrant work comprised of the following:

1) A follow-up soil sampling program should be initiated and comprised of 1 grid 500m x 500m over the lithogeochemical anomalous zone. The grid should cover the indicated thrust fault with samples taken at 25m intervals along 50m spaced grid lines.

2) A ground geophysical program should be initiated following or concurrent with the geochemical survey. The geophysical program should involve VLF-EM and possibly Mag and I.P. surveys in order to outline the fault structure and associated mineralization.

3) Diamond drilling is recommended for a Phase II exploration program contingent upon positive results from the geochemical and geophysical surveys.

8.0 REFERENCES:

Nelson, J.L., Bradford, J.A., 1993 Geology of the Midway-Cassiar Area, Northern British Columbia (104/0, 104/P). Mineral Resources Division, Geological Survey Branch.

Ash, C.H., Arsksey, R.L., The Listwanite - Lode Gold Association in British Columbia. Geological Fieldwork, 1989. Paper 1990-1 (pages 359-363).

Panteleyev, Andrejs, Gold In the Canadian Cordillera - Metallogeny of Ultramafic-Mafic Rocks in British Columbia with Emphasis on the Platinum-Group Elements. Ore Deposits, Tectonics and Metallogeny In The Canadian Cordillera. Paper 1991-4 (pages 156-158).

APPENDIX I

Itemized Cost Statement

ITEMIZED COST STATEMENT

FIELD COSTS:

Salaries	*Man Days*	*Cost/Manday*	*Total*
F. Moyle	3 days @	$190.00	$ 570.00
T. Dunk	3 days @	$145.00	$ 435.00
		TOTAL	$ 1,005.00

FIELD EXPENSES:

	Man Days	*Cost/Manday*	*Total*
Accommodation	3 days @	$ 100.00	$ 300.00
Meals	3 days @	$ 30.00	$ 90.00
Communication (SatPhone)			$ 30.00
Helicopter Time	1 hour @	$750.00/hour	$ 750.00
Float Plane Transportation			$ 500.00
Truck Rental	3 days @	$50.00/day	$ 150.00
Field Supplies & Materials			$ 50.00
		TOTAL	$1,870.00

GEOCHEMICAL ANALYSIS:

	Samples	*Cost/Sample*	*Total*
Rock Samples	3 @	$17.12	$ 51.36
Silt Samples	1 @	$15.20	$ 15.20
Soil/Pan Samples	1 @	$15.20	$ 15.20
		TOTAL	$ 81.76

OFFICE COSTS:

Salaries	*Man Days*	*Cost/Manday*	*Total*
F. Moyle	4 days @	$165.00	$ 660.00

TOTAL EXPENDITURES **$3,616.76**

APPENDIX II

Summary of Personnel

SUMMARY OF PERSONNEL

The following personnel are credited with the field work on the Shear Property during the 1996 field season:

Francis Moyle
Tim Dunk

APENDIX III

Analytical Procedure

ACME ANALYTICAL LABORATORIES LTD.
Assaying and Trace Analysis
852 Hastings Street, Vancouver, BC V6A 1R6
Telephone: (604) 253-3158 Fax: (604) 253-1716

METHOD FOR WET GEOCHEM GOLD ANALYSIS

Sample Preparation:

Soils and sediments are dried (60°C) and sieve to -80 mesh.

Rocks and cores are crushed and pulverized to -100 mesh.

Sample Digestion

1. 10g samples in 250 ml beaker, ignite at 600°C for four hours.
2. Add 40 ml of 3:1:2 mixture HCL:HNO_3:H_2O.
3. Cover beaker with lids.
4. Boil in hot water bath for one hour.
5. Swirl samples 2 to 3 times within the hour.
6. Cool, add 60 ml of distilled water and settle.
7. Pour 50 ml of leached solution using a graduated cylinder into 100 ml volumetric flask.
8. Add 10 ml of MIBK and 25 ml of distilled water.
9. Shake 3 to 4 minutes in shaker.
10. Add additional 25 ml of distilled water to stripe out excess iron.
11. Shake each flask 10 times.
12. Pour MIBK into container for graphite AA finished.

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Assaying and Trace Analysis
852 Hastings Street, Vancouver, BC V6A 1R6
Telephone: (604) 253-3158 Fax: (604) 253-1716

METHODS AND SPECIFICATIONS FOR ANALYTICAL PACKAGE GROUP 1D - 30 ELEMENT ICP BY AQUA REGIA

Sample Preparation:

Soils and sediments are dried (60°C) and sieved to -80 mesh (-177 microns), rocks and drill core are crushed and pulverized to -100 mesh (-150 microns). Plant samples are dried (60°C) and pulverized or dry ashed (550°C). Moss-mat samples are dried (60°C), pounded to loosen trapped sediment then sieved to -80 mesh. At the clients request, moss mats can be ashed at 550°C then sieved to -80 mesh although this can result in the potential loss by volatilization of Hg, As, Sb, Bi and Cr. A 0.5 g split from each sample is placed in a test tube. A duplicate split is taken from 1 sample in each batch of 34 samples for monitoring precision. A sample standard is added to each batch of samples to monitor accuracy.

Sample Digestion:

Aqua Regia is a 3:1:2 mixture of ACS grade conc. HCl, conc. HNO_3 and demineralized H_2O. Aqua Regia is added to each sample and to the empty reagent blank test tube in each batch of samples. Sample solutions are heated for 1 hour in a boiling hot water bath (95°C).

Sample Analysis:

Sample solutions are aspirated into an ICP emission spectrograph (Jarrel Ash Atom Comp model 800 or 975) for the determination of 30 elements comprising: Ag, Al, As, Au, B, Ba, Bi, Ca, Cd, Co, Cr, Cu, Fe, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, Sb, Sr, Th, Ti, U, V, W, Zn.

Data Evaluation:

Raw and final data from the ICP-ES undergoes a final verification by a British Columbia Certified Assayer who then signs the Analytical Report before it is released to the client. Chief Assayer is Clarence Leong, other certified assayers are Dean Toye and Jacky Wang.

APPENDIX IV

Geochemical Lab Reports

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

GEOCHEMICAL ANALYSIS CERTIFICATE

Cusac Gold Mines PROJECT SNOW File # 96-4513 Page 1

908 - 700 W. Pender St., Vancouver BC V6C 1G8

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	Au** ppb	Pt** ppb	Pd** ppb
~~TP96-42~~	~~4~~	~~93~~	~~6~~	~~109~~	~~.8~~	~~1016~~	~~200~~	~~2930~~	~~35.27~~	~~<2~~	~~<5~~	~~<2~~	~~<2~~	~~26~~	~~<.2~~	~~<2~~	~~<2~~	~~263~~	~~1.93~~	~~.013~~	~~2~~	~~3253~~	~~10.30~~	~~63~~	~~.39~~	~~<3~~	~~1.69~~	~~.05~~	~~.07~~	~~<2~~	~~20~~	~~4~~	~~3~~
~~TP96-43~~	~~3~~	~~87~~	~~9~~	~~83~~	~~.4~~	~~1474~~	~~179~~	~~2422~~	~~25.84~~	~~2~~	~~<5~~	~~<2~~	~~<2~~	~~26~~	~~<.2~~	~~7~~	~~2~~	~~171~~	~~2.53~~	~~.019~~	~~4~~	~~2992~~	~~20.24~~	~~59~~	~~.24~~	~~3~~	~~2.15~~	~~.04~~	~~.08~~	~~<2~~	~~3~~	~~3~~	~~<1~~
~~TP96-44~~	~~7~~	~~164~~	~~4~~	~~125~~	~~<.3~~	~~1076~~	~~208~~	~~3082~~	~~42.56~~	~~<2~~	~~<5~~	~~<2~~	~~<2~~	~~17~~	~~<.2~~	~~<2~~	~~<2~~	~~85~~	~~1.59~~	~~.008~~	~~<1~~	~~4220~~	~~9.37~~	~~28~~	~~.41~~	~~<3~~	~~1.15~~	~~.04~~	~~.04~~	~~<2~~	~~1~~	~~2~~	~~<1~~
~~TP96-45~~	~~1~~	~~52~~	~~<3~~	~~62~~	~~9.1~~	~~1010~~	~~121~~	~~1619~~	~~20.94~~	~~<2~~	~~<5~~	~~6~~	~~<2~~	~~13~~	~~<.2~~	~~<2~~	~~<2~~	~~118~~	~~1.69~~	~~.013~~	~~2~~	~~2033~~	~~15.12~~	~~38~~	~~.14~~	~~<3~~	~~1.62~~	~~.03~~	~~.04~~	~~<2~~	~~104~~	~~6~~	~~4~~
~~TP96-46~~	~~1~~	~~63~~	~~4~~	~~68~~	~~<.3~~	~~868~~	~~128~~	~~1617~~	~~24.30~~	~~<2~~	~~<5~~	~~<2~~	~~<2~~	~~11~~	~~<.2~~	~~<2~~	~~<2~~	~~118~~	~~1.41~~	~~.010~~	~~<1~~	~~2111~~	~~11.74~~	~~32~~	~~.13~~	~~<3~~	~~1.40~~	~~.02~~	~~.04~~	~~<2~~	~~783~~	~~6~~	~~6~~
~~TP96-47~~	~~<1~~	~~54~~	~~<3~~	~~58~~	~~22.6~~	~~925~~	~~131~~	~~1542~~	~~26.07~~	~~<2~~	~~<5~~	~~321~~	~~<2~~	~~13~~	~~<.2~~	~~2~~	~~<2~~	~~125~~	~~1.49~~	~~.013~~	~~2~~	~~1771~~	~~13.14~~	~~38~~	~~.13~~	~~<3~~	~~1.58~~	~~.03~~	~~.05~~	~~<2~~	~~39246~~	~~7~~	~~5~~
~~TP96-48~~	~~<1~~	~~54~~	~~8~~	~~49~~	~~<.3~~	~~918~~	~~117~~	~~1431~~	~~20.15~~	~~<2~~	~~<5~~	~~<2~~	~~<2~~	~~10~~	~~<.2~~	~~<2~~	~~<2~~	~~106~~	~~1.57~~	~~.011~~	~~1~~	~~1731~~	~~13.41~~	~~32~~	~~.11~~	~~4~~	~~1.48~~	~~.02~~	~~.04~~	~~<2~~	~~7~~	~~4~~	~~3~~
~~TP96-49~~	~~5~~	~~149~~	~~6~~	~~128~~	~~1.5~~	~~870~~	~~160~~	~~2547~~	~~34.21~~	~~3~~	~~<5~~	~~2~~	~~<2~~	~~44~~	~~.3~~	~~5~~	~~<2~~	~~231~~	~~3.14~~	~~.040~~	~~8~~	~~2754~~	~~9.30~~	~~191~~	~~.52~~	~~<3~~	~~2.38~~	~~.08~~	~~.08~~	~~2~~	~~6206~~	~~6~~	~~5~~
~~TP96-50~~	~~<1~~	~~49~~	~~3~~	~~65~~	~~<.3~~	~~615~~	~~67~~	~~1291~~	~~11.59~~	~~4~~	~~<5~~	~~<2~~	~~<2~~	~~28~~	~~<.2~~	~~3~~	~~<2~~	~~115~~	~~2.17~~	.019	2	1107	8.78	62	.25	3	2.42	.06	.08	<2	7	4	3
~~RE TP96-51~~	~~1~~	~~67~~	~~<3~~	~~59~~	~~<.3~~	~~918~~	~~198~~	~~2121~~	~~34.98~~	~~<2~~	~~<5~~	~~<2~~	~~<2~~	~~12~~	~~<.2~~	~~<2~~	~~<2~~	~~147~~	~~1.56~~	.012	1	2235	8.94	46	.19	<3	1.33	.02	.03	<2	38	3	2
~~TP96-51~~	~~2~~	~~51~~	~~<3~~	~~54~~	~~<.3~~	~~906~~	~~187~~	~~2054~~	~~34.17~~	~~<2~~	~~<5~~	~~<2~~	~~<2~~	~~12~~	~~<.2~~	~~3~~	~~<2~~	144	~~1.52~~	~~.013~~	~~1~~	~~2180~~	~~8.73~~	~~43~~	~~.18~~	~~4~~	~~1.31~~	~~.02~~	~~.03~~	~~<2~~	~~84~~	~~8~~	~~5~~
~~TP96-52~~	~~<1~~	~~63~~	~~<3~~	~~80~~	~~<.3~~	~~989~~	~~189~~	~~2876~~	~~33.62~~	~~2~~	~~<5~~	~~<2~~	~~<2~~	~~26~~	~~.3~~	~~10~~	~~<2~~	~~273~~	~~2.01~~	~~.024~~	~~6~~	~~3098~~	~~8.81~~	~~82~~	~~.31~~	~~<3~~	~~1.78~~	~~.04~~	~~.06~~	~~<2~~	~~40~~	~~1~~	~~1~~
TP96-53	2	54	3	68	<.3	557	70	1190	11.44	7	6	<2	<2	49	<.2	<2	<2	131	1.84	.056	8	1051	6.46	85	.58	<3	2.34	.04	.10	2	22	2	2
STANDARD C2/FA-100S	19	56	36	129	6.7	70	36	1205	3.90	38	16	9	34	51	19.7	12	15	71	.57	.101	39	62	1.02	190	.09	22	2.05	.06	.15	13	49	48	46

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.
- SAMPLE TYPE: P1 PAN CONC. P2 SILT P3 SOIL AU** PT** PD** BY FIRE ASSAY & ANALYSIS BY ICP/GRAPHITE FURNACE.(30 gm)
Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

DATE RECEIVED: SEP 16 1996 DATE REPORT MAILED: Oct 3/96 SIGNED BY. C. Leong D.TOYE, C.LEONG, J.WANG; CERTIFIED B.C. ASSAYERS

. LABORATORIES LTD. 852 E. HASTINGS ST. VANCOUVER BC V6A 1R6 PHONE(604)253-3158 FAX 04)253-1716

GEOCHEMICAL ANALYSIS CERTIFICATE

Cusac Gold Mines PROJECT SNOW File # 96-4514 Page 1

908 - 700 W. Pender St., Vancouver BC V6C 1G8

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	Au** ppb	Pt** ppb	Pd** ppb
~~TR96-65~~	~~1~~	~~12~~	~~<3~~	~~11~~	~~<.3~~	~~647~~	~~39~~	~~575~~	~~2.77~~	~~10~~	~~<5~~	~~<2~~	~~<2~~	~~137~~	~~.7~~	~~<2~~	~~<2~~	~~22~~	~~5.57~~	~~.003~~	~~<1~~	~~503~~	~~2.92~~	~~102~~	~~<.01~~	~~<3~~	~~.19~~	~~.01~~	~~.03~~	~~4~~	~~1~~	~~2~~	~~<2~~
~~TR96-66~~	~~6~~	~~49~~	~~14~~	~~62~~	~~<.3~~	~~53~~	~~11~~	~~2981~~	~~2.65~~	~~<2~~	~~<5~~	~~<2~~	~~3~~	~~19~~	~~<.2~~	~~<2~~	~~<2~~	~~51~~	~~.14~~	~~.060~~	~~13~~	~~48~~	~~.04~~	~~301~~	~~<.01~~	~~<3~~	~~.16~~	~~.06~~	~~.02~~	~~6~~	~~5~~	~~2~~	~~<2~~
~~TR96-67~~	~~3~~	~~41~~	~~8~~	~~23~~	~~<.3~~	~~30~~	~~4~~	~~488~~	~~1.17~~	~~2~~	~~<5~~	~~<2~~	~~<2~~	~~5~~	~~.2~~	~~<2~~	~~3~~	~~21~~	~~.02~~	~~.006~~	~~1~~	~~33~~	~~.02~~	~~94~~	~~<.01~~	~~<3~~	~~.07~~	~~.03~~	~~.01~~	~~4~~	~~1~~	~~1~~	~~1~~
~~TR96-68~~	~~<1~~	~~2~~	~~<3~~	~~11~~	~~.4~~	~~123~~	~~27~~	~~6406~~	~~9.52~~	~~10~~	~~<5~~	~~<2~~	~~12~~	~~98~~	~~2.1~~	~~<2~~	~~<2~~	~~167~~	~~18.46~~	~~.003~~	~~<1~~	~~225~~	~~12.76~~	~~28~~	~~.20~~	~~<3~~	~~.72~~	~~<.01~~	~~<.01~~	~~<2~~	~~43~~	~~1~~	~~1~~
~~TR96-69~~	~~5~~	~~100~~	~~<3~~	~~54~~	~~<.3~~	~~68~~	~~12~~	~~321~~	~~1.42~~	~~4~~	~~<5~~	~~<2~~	~~<2~~	~~12~~	~~.2~~	~~3~~	~~4~~	~~12~~	~~.09~~	~~.023~~	~~2~~	~~41~~	~~.04~~	~~70~~	~~<.01~~	~~<3~~	~~.18~~	~~<.01~~	~~.02~~	~~6~~	~~6~~	~~2~~	~~3~~
~~TR96-70~~	~~<1~~	~~1~~	~~<3~~	~~26~~	~~<.3~~	~~435~~	~~13~~	~~436~~	~~1.06~~	~~<2~~	~~<5~~	~~<2~~	~~<2~~	~~1~~	~~<.2~~	~~<2~~	~~4~~	~~34~~	~~.71~~	~~.002~~	~~<1~~	~~4634~~	~~4.14~~	~~2~~	~~<.01~~	~~5~~	~~.37~~	~~<.01~~	~~<.01~~	~~3~~	~~<1~~	~~1~~	~~<1~~
~~TR96-71~~	~~1~~	~~3~~	~~<3~~	~~<1~~	~~<.3~~	~~21~~	~~1~~	~~158~~	~~.28~~	~~<2~~	~~<5~~	~~<2~~	~~<2~~	~~122~~	~~<.2~~	~~<2~~	~~3~~	~~1~~	~~1.28~~	~~.005~~	~~<1~~	~~36~~	~~.06~~	~~4~~	~~<.01~~	~~<3~~	~~.01~~	~~<.01~~	~~<.01~~	~~6~~	~~2~~	~~<1~~	~~<1~~
~~TR96-72~~	~~1~~	~~3~~	~~<3~~	~~4~~	~~<.3~~	~~40~~	~~3~~	~~126~~	~~.57~~	~~<2~~	~~<5~~	~~<2~~	~~<2~~	~~105~~	~~<.2~~	~~<2~~	~~<2~~	~~4~~	~~1.47~~	~~.010~~	~~<1~~	~~65~~	~~.22~~	~~13~~	~~.01~~	~~<3~~	~~.18~~	~~.01~~	~~.02~~	~~7~~	~~<1~~	~~1~~	~~1~~
~~RE TR96-72~~	~~1~~	~~3~~	~~<3~~	~~4~~	~~<.3~~	~~38~~	~~3~~	~~123~~	~~.55~~	~~<2~~	~~<5~~	~~<2~~	~~<2~~	~~105~~	~~<.2~~	~~<2~~	~~<2~~	~~5~~	~~1.47~~	~~.009~~	~~<1~~	~~50~~	~~.22~~	~~13~~	~~.01~~	~~<3~~	~~.18~~	~~.01~~	~~.02~~	~~7~~	~~<1~~	~~<1~~	~~<1~~
~~TR96-73~~	~~1~~	~~74~~	~~7~~	~~51~~	~~<.3~~	~~61~~	~~8~~	~~240~~	~~2.20~~	~~<2~~	~~<5~~	~~<2~~	~~<2~~	~~6~~	~~<.2~~	~~<2~~	~~<2~~	~~28~~	~~.05~~	~~.005~~	~~6~~	~~37~~	~~.05~~	~~26~~	~~<.01~~	~~<3~~	~~.21~~	~~.02~~	~~.01~~	~~4~~	~~9~~	~~1~~	~~1~~
TR96-74	1	58	3	2	<.3	11	1	40	.24	<2	<5	<2	2	3	<.2	<2	<2	2	.16	.003	4	17	.07	14	.09	<3	.13	.10	.01	2	<1	1	2
TR96-75	14	97	8	16	<.3	29	5	62	.98	<2	<5	<2	<2	9	.4	<2	<2	36	.38	.081	3	53	.19	26	.11	<3	.13	.03	.02	3	1	3	4
TR96-76	<1	18	<3	9	<.3	31	4	266	.49	2	<5	<2	2	911	1.1	<2	<2	5	32.19	.057	10	34	.14	38	.11	<3	.03	.01	.02	<2	40	25	29

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** PT** PD** BY FIRE ASSAY & ANALYSIS BY ICP/GRAPHITE FURNACE.(30 gm)
Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

DATE RECEIVED: SEP 16 1996 DATE REPORT MAILED: Sept 30/96 SIGNED BY. ..... D.TOYE, C.LEONG, J.WANG; CERTIFIED B.C. ASSAYERS

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	Au** ppb	Pt** ppb	Pd** ppb
TW96-42	<1	38	<3	59	<.3	1502	98	1081	7.04	<2	8	<2	2	9	<.2	<2	2	67	.77	.022	3	1288	15.26	55	.08	13	1.42	.01	.03	<2	<1	3	3
TW96-43	<1	48	<3	46	<.3	1917	87	876	5.22	<2	<5	<2	<2	9	.4	<2	<2	44	.40	.019	4	1069	18.54	48	.05	15	1.49	.01	.05	<2	16	5	14
TW96-44	<1	34	<3	55	<.3	2231	128	1264	6.82	2	8	<2	<2	8	.2	<2	4	37	.33	.019	5	1697	19.86	50	.05	15	.85	.01	.05	<2	3	6	12
TW96-45	<1	56	<3	71	<.3	1923	122	1211	7.46	3	<5	<2	3	9	.5	<2	7	52	.39	.023	4	1548	17.92	68	.05	18	1.24	.01	.04	<2	<1	5	10
TW96-46	1	59	<3	67	<.3	1667	100	992	9.12	<2	<5	<2	2	10	.4	<2	4	55	.45	.022	5	1484	15.33	82	.06	11	1.31	.01	.04	<2	<1	9	11
TW96-47	<1	59	8	68	<.3	1587	82	818	6.95	<2	<5	<2	2	15	.3	<2	3	59	.44	.038	6	1220	12.37	97	.08	8	1.61	.01	.08	<2	4	9	11
TW96-48	<1	46	<3	62	<.3	1343	79	816	8.03	<2	<5	<2	<2	12	<.2	<2	4	61	.52	.027	5	1330	13.68	67	.09	9	1.30	.01	.05	<2	<1	4	7
TW96-49	<1	68	<3	71	<.3	1341	91	1180	5.92	<2	<5	<2	2	16	.4	<2	<2	73	.47	.035	6	1160	12.55	151	.12	9	2.12	.01	.11	<2	<1	5	7
TW96-50	<1	51	<3	65	<.3	1448	106	1392	7.41	<2	<5	<2	2	16	.3	<2	3	98	.55	.016	3	1229	16.27	58	.07	27	1.31	.01	.07	<2	<1	4	5
RE TW96-42	<1	35	4	57	<.3	1496	98	1072	8.00	<2	<5	<2	2	9	<.2	<2	<2	67	.76	.021	3	1289	14.98	58	.08	14	1.43	.01	.04	<2	<1	<1	2
TW96-51	<1	39	3	53	<.3	1584	95	963	7.88	3	5	<2	<2	7	.5	<2	7	54	.48	.047	3	1397	16.41	125	.06	18	1.20	.01	.05	<2	7	10	7
TW96-52	<1	53	<3	66	<.3	1598	88	1086	5.74	3	<5	<2	2	8	.2	<2	2	48	.39	.048	6	1159	15.42	93	.05	11	1.22	<.01	.04	<2	<1	3	8
TW96-53	<1	40	5	66	<.3	465	42	1027	5.97	5	<5	<2	2	17	.3	<2	<2	82	.73	.078	6	555	5.19	128	.30	7	1.83	.01	.19	<2	<1	2	3

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

APPENDIX V

Rock Sample Descriptions

C C

Shear RECCE TRAVERSE/SAMPLE RECORD

NAME: F. Moyle

DATE	TRAVERSE	NTS	AREA	SAMPLE #'s	COMMENTS/ROCK DESCRIPTION
Sept 7/96	Shear	104I07	SW corner of claim	TR9674	Qtz w/ silicified serpentinite - cpy locally w/ malachite rims (grab)
				TR9675	Qtz altered serpentinite w/ malachite staining locally - limonitic alteration along fracs - acicular growth xtls
Sept 8/96			SW corner of claim	TR9676	Qtz altered serpentinite - v. hard w/ cpy locally - snow covered ground - poor prospecting

APPENDIX VI

Statement of Qualifications

STATEMENT OF QUALIFICATIONS

I, Francis S. Moyle, of 928 Berkley Road in the municipality of North Vancouver, British Columbia, do hereby certify that:

1) I am an independent contract geologist currently employed under contract to Cusac Gold Mines Ltd., Pacific Bay Minerals Ltd., Demand Gold Ltd. and Dan Brett. The office is at #908-700 West Pender Street, Vancouver, B.C. V6C 1G8;

2) I am a graduate of the University of British Columbia (1994) with a B.Sc degree in geology and have had this profession continuously since graduation;

3) I have been employed in the mineral exploration industry since 1990, within Canada;

4) I am the author of the report dated April, 1997 entitled "Prospector's Report" on the Shear claim, British Columbia;

5) I have personally performed the work discussed in this report;

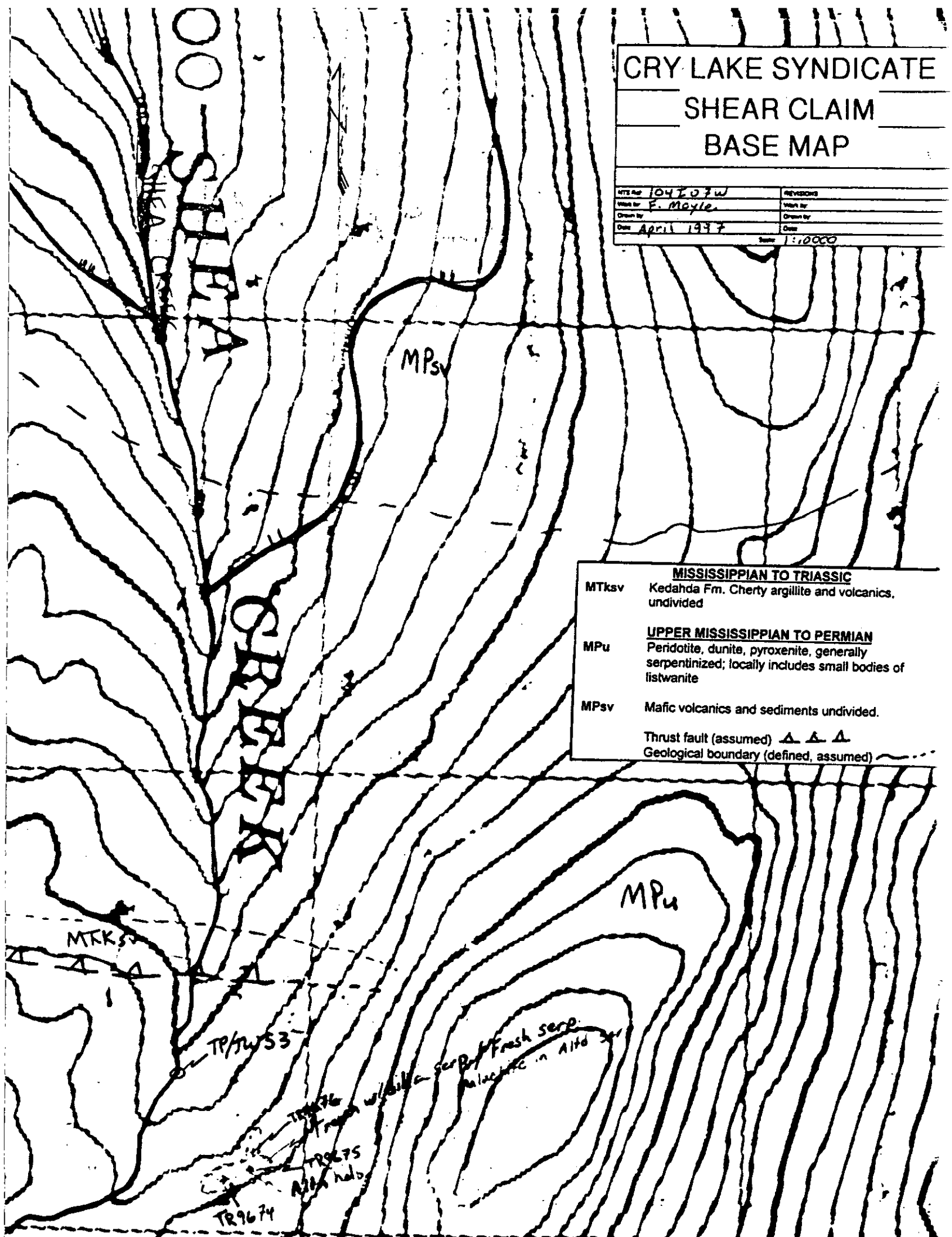
6) I do not own or expect to receive any interest (direct, indirect or contingent) in the property described herein with respect of services in the preparation of this report.

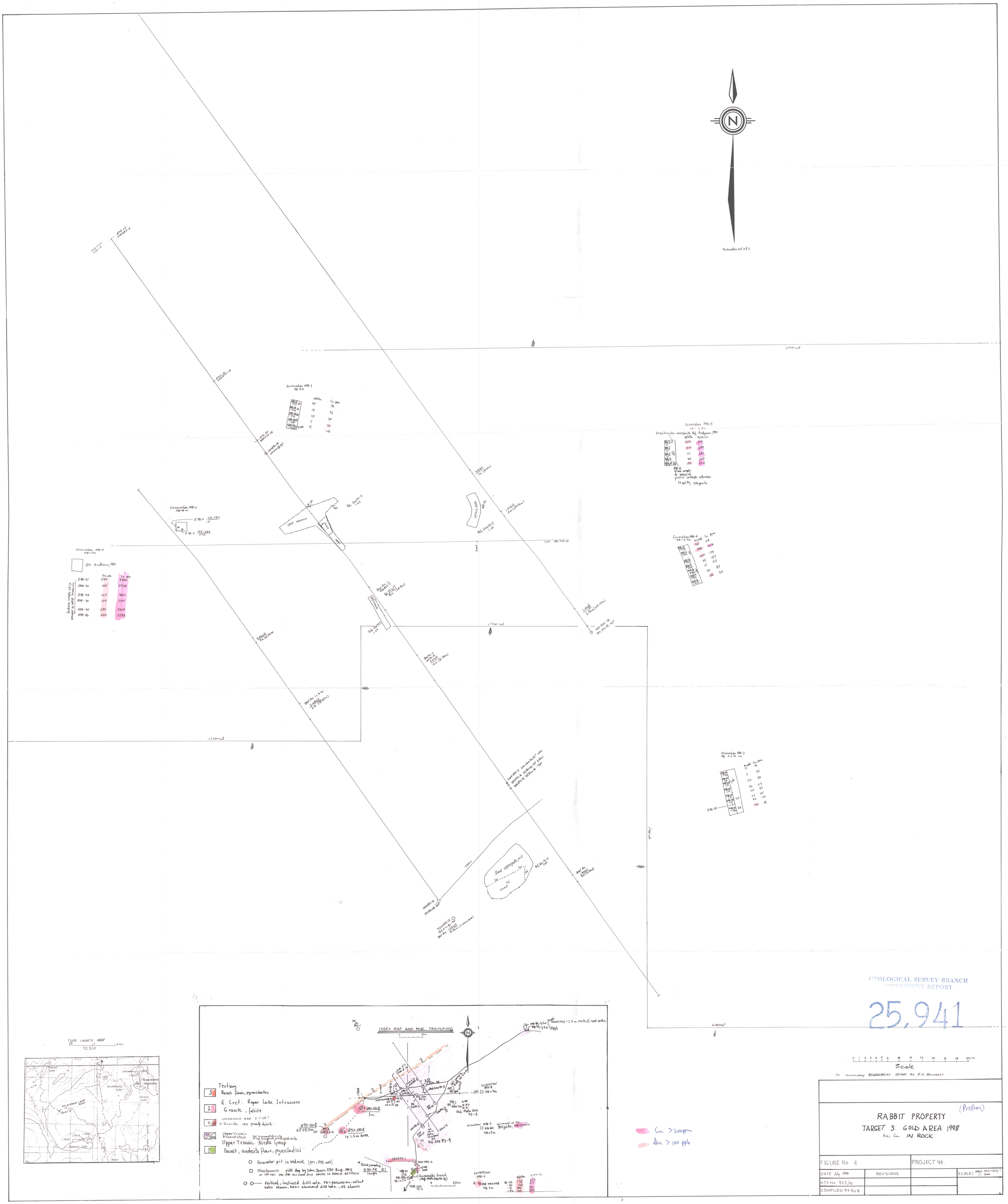
Dated at Vancouver, B.C. this 16 day of April, 1997.

Respectfully submitted:

Francis Moyle

Francis S. Moyle, B.Sc.


CRY LAKE SYNDICATE
SHEAR CLAIM
BASE MAP
NTS Ref 104I07W
Work by F. Moyle.
Drawn by
Date April 1997
REVISIONS
Work by
Drawn by
Date
Scale 1:10000
MPsv
MPu
MTKS?
TP/TW53
TR9674
MISSISSIPPIAN TO TRIASSIC
MTksv Kedahda Fm. Cherty argillite and volcanics, undivided
UPPER MISSISSIPPIAN TO PERMIAN
MPu Peridotite, dunite, pyroxenite, generally serpentinized; locally includes small bodies of listwanite
MPsv Mafic volcanics and sediments undivided.
Thrust fault (assumed)
Geological boundary (defined, assumed)



INDEX MAP AND MISC. TRENCHING
Tertiary
3 Basalt flows, pyroclastics
E. Cret: Roper Lake Intrusions
2 Granite, felsite
UNKNOWN AGE E. Cret.?
D/QD D: Diorite QD quartz diorite
Upper Triassic Durand Stock
Dd Durand diorite
Dmd Durand monzodiorite
Upper Triassic Nicola Group
1 Basalt, andesite flows, pyroclastics
Excavator pit in bedrock (1997, 1998 work)
Miscellaneous pits dug by John Deere 590 Aug. 1997 or CAT 330L Dec 1998. ALL SUCH PITS FAILED TO REACH BEDROCK
Vertical, inclined drill hole PH = percussion - select holes shown, DDH = diamond drill hole - all shown
*Rock samples: R97-3R, R1 length
R97-501R 0.5 x 0.5 m
R97-502R 2m
R97-500R 1 x 1.5 m area
Cu > 200 ppm
Au > 100 ppb
GEOLOGICAL SURVEY BRANCH ASSESSMENT REPORT
25,941
Scale
0 1 2 3 4 5 6 8 10 12 14 16 18 20 m
To accompany ASSESSMENT REPORT By R.U. Bruaset
RABBIT PROPERTY (ProAm)
TARGET 3: GOLD AREA 1998
Au, Cu IN ROCK
FIGURE No 4
PROJECT NO.
DATE July 1998
REVISIONS
SCALE: ORIG. PLOTTED 1:200
NTS No 92I/10
COMPILED BY: R.U.B.