CSI Claim Group, Nelson M.D. Assessment Report

Title Page And Summary

Type of Report/Survey(s) Total Cost $1638.00
Geological-Geochemical

Author: M. A. Kaufman Signature M. A. Kaufman

Date Statement of Exploration and Development Filed: May 8, 1997
(Approval No. CBK 97-0500648-001-M131

Property Name: CSI Claim Group

Commodities Present: No known showings on Claim Group. At Lone Silver Mine to the East is gold, silver, lead, zinc and copper

B.C. Mineral Inventory Numbers: None on Claim Group. Lone Silver Mine to east is #19.

Mining Division: Nelson NTS: Salmo 82F/3

Latitude: 49 degrees, 3 minutes; Longitude: 117 degrees, 17 minutes

Names and Numbers of all mineral tenures in good standing (when work was done) that form the property:
Mineral Claims CSI 1 - 6, 349139 through 349144 inclusive.

Owner: M. A. Kaufman

Mailing Address: M. A. Kaufman
P. O. Box 14336
Spokane, Wa. 99214, U.S.A.

Operator: As above.

Summary Geology: The CSI Claim Group is almost totally covered by deep glacial overburden. The few, small areas of outcrop discovered are shown on the map accompanying this report. The known outcrops are Middle Cambrian Nelway Formation limestones and siltstones, and Middle Ordovician Active Formation argillites and phyllites. Though it is nowhere exposed on the Claim Group, the main trace of the NE striking, SE dipping Black Bluff Thrust Fault is thought to traverse the property. It is postulated to form the

unconformable contact between the Nelway and Active Formations. There are no known mineral showings within the Claim Group, but minor production of high grade gold/silver ores has been extracted from the Lone Silver, Davne and Lucky Strike mines located short distances to the east of the CSI Claims. Some of the Lone Silver mineralized zones occur directly on the Black Bluff Thrust, and may be controlled by it. Weakly anomalous Au/Ag also is found along the thrust in a highway cut a short distance to the southwest of the CSI claims. Also in this area there is evidence of possible weak stratabound mineralization in Active Formation argillites. So, possibly the deep overburden over the CSI Claims might conceal other mineralized zones.

References To Previous Work: GSC Map 1145A, B. C. Ministry of Energy, Mines and Petroleum Resources, Regional Geochem. Survey 30, and company reports from Lacana-Corona Corp.

M. A. Kaufman

July 20, 1997

Expiry Date Dec. 31, 1997

M·A Kaufman
July 20, 1997

CSI Claim Group Assessment Report
July 20, 1997

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INTRODUCTION

The CSI Claim Group (CSI 1-6), is located in the West Kootenays approximately 7.5 km NE of the Canada-USA Nelway border crossing. The claims are partially on Rosebud Lake, and occupy an area to the south and west of it.

Access is by the Rosebud Lake gravel road.

The CSI Claim area is almost completely covered by deep glacial overburden, mostly clays. The few outcrop locations found are shown on the accompanying map. The outcrops seen are Middle Cambrian Nelway Formation limestones and limey siltstones, and Middle Ordovician Active Formation argillites and phyllites. Their contact is thought to be unconformable and along the NE striking, SE dipping Black Bluff Thrust Fault. No old mines or mineral occurrences are known on the claims, but MEMPR BC RGS 30 detected anomalous lead and gold in sediment from Rosebud Creek which drains Rosebud Lake.

The 1997 work consisted of reconnaissance geological mapping, and one line of geochemical surveying to traverse the area immediately south of Rosebud Lake where the government survey detected anomalous metals. The results are described in this report.

Geological/Geochemical Report
(Refer to accompanying 1: 20,000 and 1:3000 scale maps)

As mentioned in the Summary and Introduction, almost the whole claim area is covered by deep glacial overburden, much of it clay. Three small outcrop areas were found, one near the east margin of the claims, and the other two along the west margin. The eastern "outcrop" may be float close to its source. It is Nelway Formation gray limey argillite cut by quartz and carbonate veinlets. The Active Formation black argillite exposed in the NW corner of Claim CSI-5 is cut by carbonate veinlets and contains minor disseminated pyrite, as is common in this area. The Nelway Formation limestone shown in the NW corner of Claim CSI-6 appears slightly brecciated and dolomitized. It contains very minor pyrite.

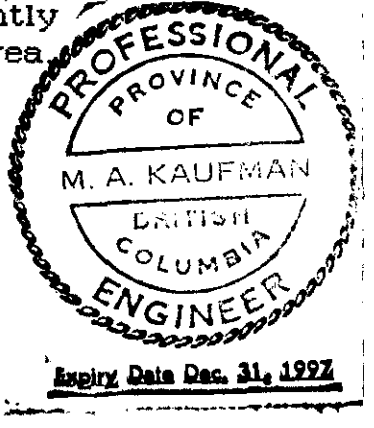
Somewhere in the 400 metre interval between these outcrops, the NE striking, SE dipping Black Bluff Thrust Fault should traverse the country. GSC mapping indicates that this thrust forms the unconformable contact between the "upper plate" Middle Cambrian Nelway Formation and the "lower plate" Middle Ordovician Active Formation.

Because of the deep, transported glacial overburden, soils geochem. is not a very effective method to prospect in this area. One east-west line was put in to follow up the anomalous Au and Pb found by the MEMPR on Rosebud Creek where it comes out of Rosebud Lake. Sample 0 E-W on this line actually consisted of stream sediment from the creek. This sample indicates a possible trace of gold, but is not anomalous in lead. All of the other samples are soils, and appear to be generally uninteresting. There is a slightly anomalous increase in Zn from 150 to 210 E. This may be worth following up with a line to the south. Also, weakly anomalous Pb was found at 150W. Other than these two areas, values for Au, Cu, Pb, Zn and Hg appear to be not significantly anomalous based on other work that I have done in this area.

M. A. Kaufman

M. A. Kaufman

July 20, 1997



Expiry Date Dec. 31, 1997

Statement of Costs

M. A. Kaufman: 1 day mapping, 1 day travel, survey geochem line, and sampling, 1/2 day report prep. ($400.00 U.S./day)	$1,000.00 U.S.
Convert U.S. to Cdn. $1,000 x 1.35	$1,350.00 CDN.
Assays	$288.00 CDN.
Total	$1,638.00 CDN.

Author's Qualifications

I, M. A. Kaufman hereby state that I have worked as a mining geologist and mining engineer for 40 years.

I received an A.B. degree in geology from Dartmouth College in 1955, and an M.S. degree in geology and mining engineering from The University of Minnesota in 1957.

I am currently registered as a Professional Engineer/geologist in the province of British Columbia.

From the period 1955 - 1965 I worked for the major companies, Kennecott, Giant Yellowknife (Falconbridge), Kerr-McGee, and Hunting Survey Corp. Ltd. I then worked on my own as a consultant and contractor, mainly for major companies. From 1969 through 1988, I was a principal of the consulting and contracting firm of Knox, Kaufman, Inc. From 1989 to present I have worked as an independent consultant and prospector.

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

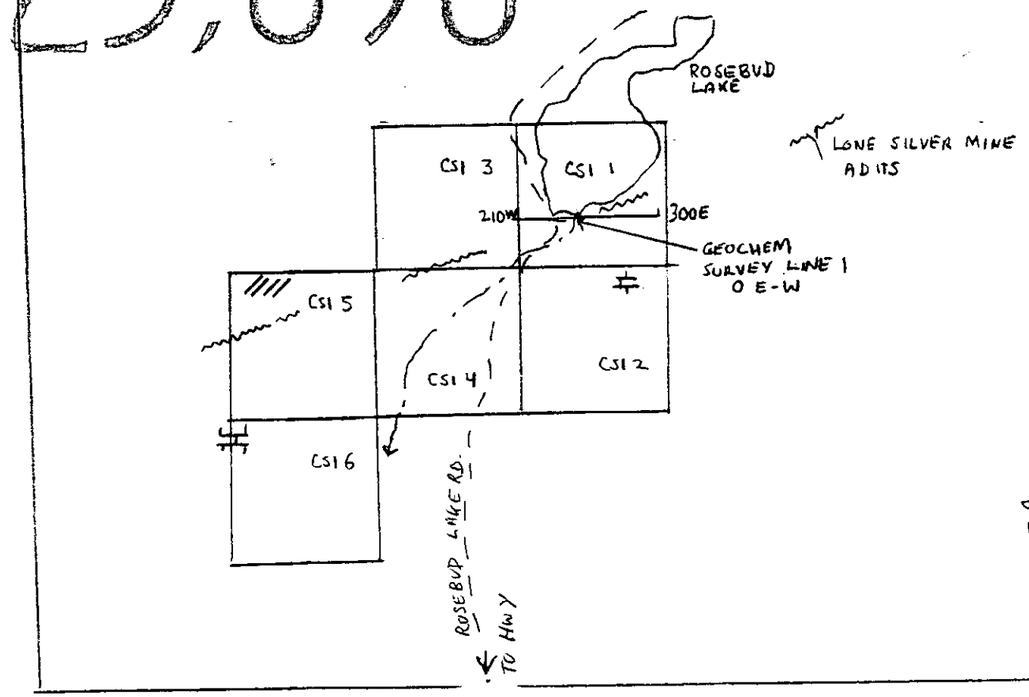
25,090

BASE MAP 1:20,000 SCALE
AFTER 82F.004 DIGITAL
SHOWING LOCATION OF GEOCHEM
LINE AND OUTCROPS FOUND.

CSI CLAIM GROUP
NELSON M.D., B.C.

GEOLOGICAL + GEOCHEMICAL MAP

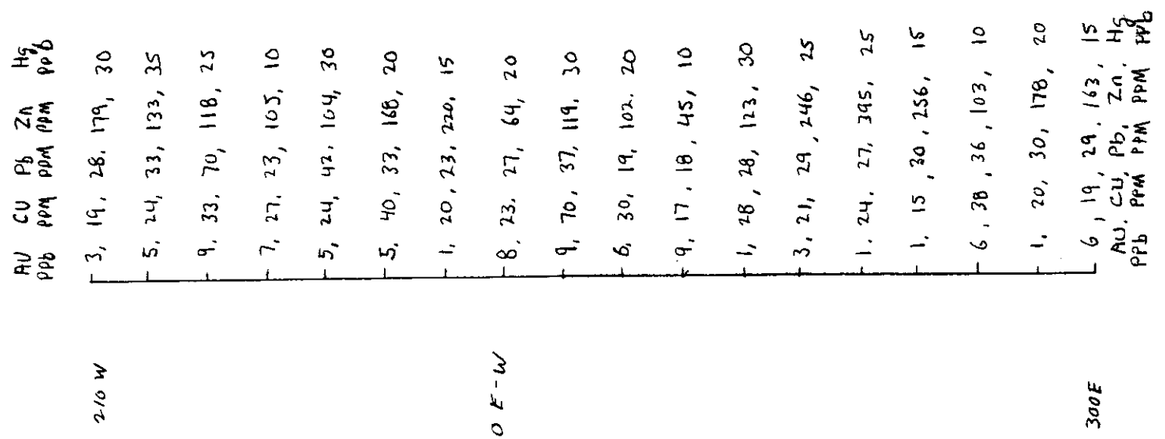
M.A. KAUFMAN JULY 20, 1997



//// ACTIVE FM. (9): BLACK-GRAY SILTSTONE OFTEN PHYLLITIC

NEWAY FM. (8a): GRAY LIMESTONE TO SILTY LIME-SOMETIMES DOLOMITIC TO MARBLE.

POSTULATED TRACE BLACK BLUFF THRUST FAULT



PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
M. A. KAUFMAN
Expiry Date Dec. 31, 1997

M.A. Kaufman
July 20, 1997

GEOCHEM SURVEY LINE 1
DETAIL SCALE 1:3000

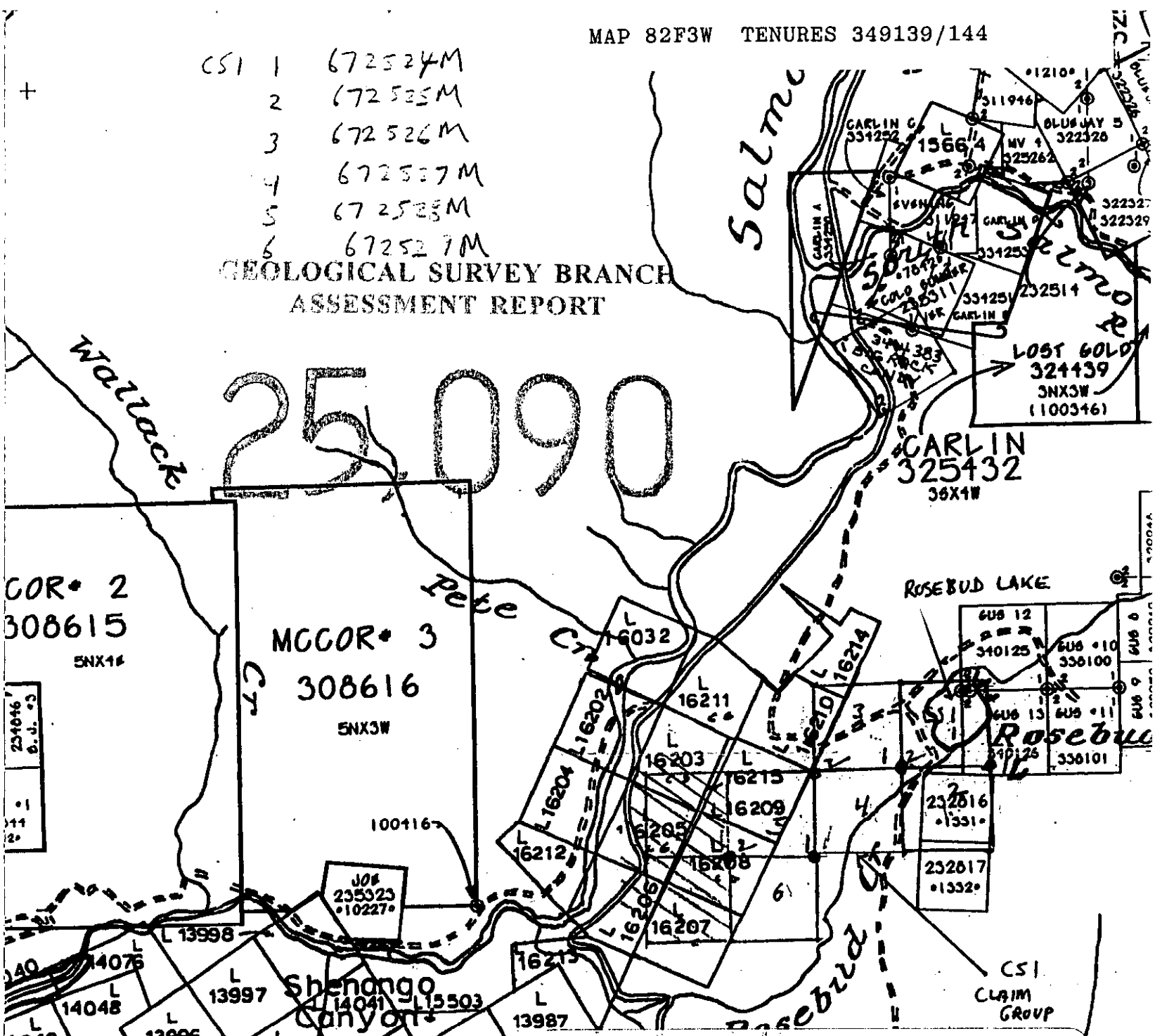
0 30M 60M

MAP 82F3W TENURES 349139/144

CS1 1 672524M
2 672525M
3 672526M
4 672527M
5 672528M
6 672529M

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

25090



LOCATOR'S SKETCH STAMP
(SUB) RECORDER'S INFORMATION

CLAIM NAMES: CS1 #1 TO #6

RECORD NUMBERS: 349139/144

MINING DIVISION: NELSON

MAP NUMBER: 82F3W

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DATE COMPLETED: _____

INITIALS: _____

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I N V O I C E

TO: KAUFMAN, K. (D.V. CO.)

BOX 14336
SPOKANE, WA
99214

INVOICE No 00035253
PAGE No 1
DATE 07/07/97

ACCOUNT K030

ATTENTION: M.A. KAUFMAN
PROJECT:

FILE No: 7V-0547

QTY	DESCRIPTION	UNIT PRICE	AMOUNT
18	SAMPLE PREP - SOIL	1.50	27.00
18	GEOCHEM - AU FIRE	3.50	63.00
18	GEOCHEM - CU	1.50	27.00
18	GEOCHEM - PB	1.50	27.00
18	GEOCHEM - AN	1.50	27.00
18	GEOCHEM - HG	6.50	117.00

SUB TOTAL 288.00

* TOTAL * 288.00

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Geochemical Analysis Certificate

7V-0547-SG1

Company: **M.A.KAUFMAN**
Project:
Attn: M.A.KAUFMAN

Date: JUL-04-97

We hereby certify the following Geochemical Analysis of 18 SOIL samples submitted JUN-27-97 by M.A.KAUFMAN.

Sample Number	Au-fire PPB	CU PPM	PB PPM	ZN PPM	HG PPB
CS1-1 0E-W	8	23	27	64	20
CS1-1 30E	9	70	37	119	30
CS1-1 60E	6	30	19	102	20
CS1-1 90E	9	17	18	45	10
CS1-1 120E	1	28	28	123	30
CS1-1 150E	3	21	29	246	25
CS1-1 180E	1	24	27	395	25
CS1-1 210E	1	15	30	256	15
CS1-1 240E	6	38	36	103	10
CS1-1 270E	1	20	30	178	20
CS1-1 300E	6	19	29	163	15
CS1-1 30W	1	20	23	220	15
CS1-1 60W	5	40	33	168	20
CS1-1 90W	5	24	42	104	30
CS1-1 120W	7	27	23	105	10
CS1-1 150W	9	33	70	118	25
CS1-1 180W	5	24	33	133	35
CS1-1 210W	3	19	28	179	30

Certified by _____

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PROCEDURE FOR Au GEOCHEM FIRE ASSAY

Samples are dried @ 65 C and when dry the Rock & Core samples are crushed on a jaw crusher. The 1/4 inch output of the jaw crusher is put through a secondary roll crusher to reduce it to 1/8 inch. The whole sample is then riffled on a Jones Riffle down to a statistically representative 300 gram sub-sample. This sub-sample is then pulverized on a ring pulverizer to 95% - 150 mesh, rolled and bagged for analysis. The remaining reject from the Jones Riffle is bagged and stored.

Soil and stream sediment samples are screened to - 80 mesh for analysis.

The samples are fluxed, a silver inquart added and mixed. The assays are fused in batches of 24 assays along with a natural standard and a blank. This batch of 26 assays is carried through the whole procedure as a set. After cupellation the precious metal beads are transferred into new glassware, dissolved with aqua regia solution, diluted to volume and mixed.

These resulting solutions are analyzed on an atomic absorption spectrometer using a suitable standard set. The natural standard fused along with this set must be within 2 standard deviations of its known or the whole set is re-assayed.

10% of all assay per page are rechecked, then reported in PPB. The detection limit is 1 PPB.

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ANALYTICAL PROCEDURE REPORT FOR ASSESSMENT WORK: PROCEDURE FOR GEOCHEM Ag, Cu, Pb, Zn

After drying the samples at 65 C, soil and stream sediment samples are screened by 80 mesh sieve to obtain the minus 80 mesh fraction for analysis. The rock samples are crushed by a jaw crusher and pulverized by ceramic plated pulverizer or ring mill pulverizer.

0.5 gram of the sample is digested for 2 hours with an aqua regia mixture.

After cooling samples are diluted to standard volume. The solutions are analyzed by AA.

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ANALYTICAL PROCEDURE REPORT FOR ASSESSMENT WORK: PROCEDURE FOR GEOCHEM - Hg

After drying the samples at 60 C, soil and stream sediments smaples are screened by 80 mesh sieve to obtain the minus 80 mesh fraction for analysis. Rock samples are crushed using a jaw crusher and pulverized by ceramic plated pulverizer or ring mill pulverizer.

0.5 gram of the pulp sample is digested for 2 hours with an aqua regia mixture.

After cooling samples are diluted to standard volume. The solutions are analyzed by cold vapour AA.