PHYSICAL, GEOLOGICAL & GEOCHEMICAL ASSESSMENT REPORT ON THE *SIMLOCK CREEK PROPERTY* CARIBOO LAKE AREA, B.C.

MINING DIVISION:	**CARIBOO**
NEAREST COMMUNITY:	**LIKELY**
NTS MAP REFERENCE:	**93A/14W**
LATITUDE (CENTER OF WORK):	**52^0 51.3' N**
LONGITUDE (CENTER OF WORK):	**121^0 17.8' W**
UTM EASTING:	**615 000**
UTM NORTHING:	**5 857 000**
UTM DATUM:	**NORTH AMERICAN DATUM, 1927**

CLAIMS COMPRISING PROPERTY:

CLAIM	*TENURE #*
HH 1 to HH 6	4535 to 4540
HH 7	5863
HH 8, HH 9	5872 & 5873
HH 16 to 21	7493 to 7498
HH 30 to 35	8955 to 8960

ON BEHALF OF:

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JANUARY 7, 1998

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1.0 INTRODUCTION

This report has been written on behalf of *Harvey Creek Gold Placers Ltd.* The report describes work, including road building, geochemical and geological surveying, carried out on the *Simlock Creek Property*, from July 1, 1997 to December 1, 1997.

A cost statement for this work is included in the report.

2.0 SUMMARY & CONCLUSIONS

The *Simlock Creek Property* is located approximately 100 air-kilometers north-northwest of the town of Williams Lake, B.C. **(see Figure 3 - 1)**.

Access to the property is by paved road from Williams Lake to the town of Likely. B.C. From Likely, secondary gravel and forest service access roads are taken north-easterly for a distance of approximately 50 kilometers to the center of the property and the present terminus of the property access road **(see Figure 3 - 2)**.

The *Simlock Creek Property* is owned by Mr. Frank R. Hallam, in Trust for *Harvey Creek Gold Placers Ltd.* The property consists of 21 claims, totaling 58 units, located in the Cariboo Mining Division **(see Figure 4 - 1)**.

Extensive placer gold mining and development has been carried out since the 1860's in the Harvey's Creek area. Examination of relatively unweathered coarse gold and freshly broken galena recovered from Harvey's Creek placer operations led to the conclusion that multiple lode gold sources could exist within the Harvey's Creek - Simlock Creek catchment areas.

Heavy mineral stream sampling followed up by extensive geochemical rock and soil sampling and prospecting programs on the *Simlock Creek Property* from 1988 to 1995 resulted in the delineation of several geochemically anomalous zones (gold, silver, lead, zinc, copper) along the trace of the stratigraphic horizon. These anomalous zones are underlain by favourable Paleozoic rock units and have a combined continuous length of over 2,000 meters. The anomalous zone is open to the south.

The portion of the *Simlock Creek Property* covered by geochemical sampling grids is underlain by Downey Succession rocks (olive and grey

micaceous quartzite and phyllite and other differentiated rocks) of the Paleozoic Snowshoe Group. Struik [5] relates vein and replacement deposits of gold, lead and zinc and vein deposits of tungsten and copper to "Paleozoic gold-rich strata" within Downey Succession rocks **(see Figure 6 - 1)**.

A total of 627.3 meters of new access road was constructed on the *Simlock Creek Property* during 1997 **(see Figures 7 - 1 & 7 - 2)**.

A total of 11 soil geochemical profiles were established along the new section of access road **(see Figures 7 - 2 & 7 - 3A to 7 - 3K)**. This geology of this area was examined and sampled **(see Figure 7 - 2)**.

Outcrop along the exposure created by the new road construction consisted entirely of phyllitic sediments with narrow interbeds of quartzite. Two samples of quartz material taken in the survey area returned background values for Au, Ag, Pb, Zn, Cu, Sb, As and Mo.

Soil profiles were sampled at regular intervals and the results from the upper (20 cm. to 30 cm. average depth - usually "B" horizon soil), middle (100 cm. average depth - usually "C" horizon soil) and lower level (200 cm. average depth usually saprolitic material) sampling for the 11 soil profiles were averaged. The averages for all of the elements under consideration (Au, Ag, Pb, Zn, Cu, Sb, As, Mo) were compared. It was observed that the average values for the three levels for all of the elements were nearly identical.

This would seem to suggest that the selection of a particular soil horizon to be sampled on this property is of less importance than in other areas on other properties. Consistent results may be obtained even though soil samples are taken from a variety of horizons and depths, from the "B" horizon down to the saprolitic material near bedrock.

It was observed that the overburden thins out towards the present end of the new access road extension. **Figure 7 - 3K** shows the soil profile near the end of the road construction. The overburden here is less than 100 cm. deep.

This indication of thinning overburden is an important factor, as it indicates that smaller, cheaper and more mobile trenching equipment may be able to be utilized to explore the geochemical anomalies south-east of the present end of the access road.

According to cost information supplied by a representative of *Harvey Creek Gold Placers Ltd.*, a total of $30,872.18 was spent on the property between July 1, 1997 and December 1, 1997.

3.0 LOCATION & ACCESS

The *Simlock Creek Property* is located approximately 100 air-kilometers north-northeast of the town of Williams Lake, B.C. **(see Figure 3 - 1)**.

Access to the *Simlock Creek Property* is by road from Williams Lake to the town of Likely, B.C. From Likely, the Cariboo River Road and Keithley Creek Road are taken north-easterly for a distance of approximately 26 kilometers. At this point, the Harvey's Creek Forest Service Road (also known as the 9600 Road) is taken north-easterly for a distance of 10 kilometers (approximately 36 total kilometers from Likely). At this point the left branch of the road is taken northerly for a distance of 8 kilometers to a point where the log bridge has been removed on a branch of Simlock Creek (approximatey 44 total kilometers from Likely) **(see Figure 3 - 2)**.

The property access road continues in a south-easterly direction from the point where the log bridge has been taken out. The access road continues approximately 5 kilometers south-easterly into the center of the claim block comprising the *Simlock Creek Property* **(see Figure 7 - 1)**. Road construction carried out in 1997 extended the property access road to the north-western edge of a large gold soil geochemical anomaly which will be tested by trenching as part of future work planned on the property **(see Figure (7 - 1)**.

Source: Hammond Road Atlas of North America

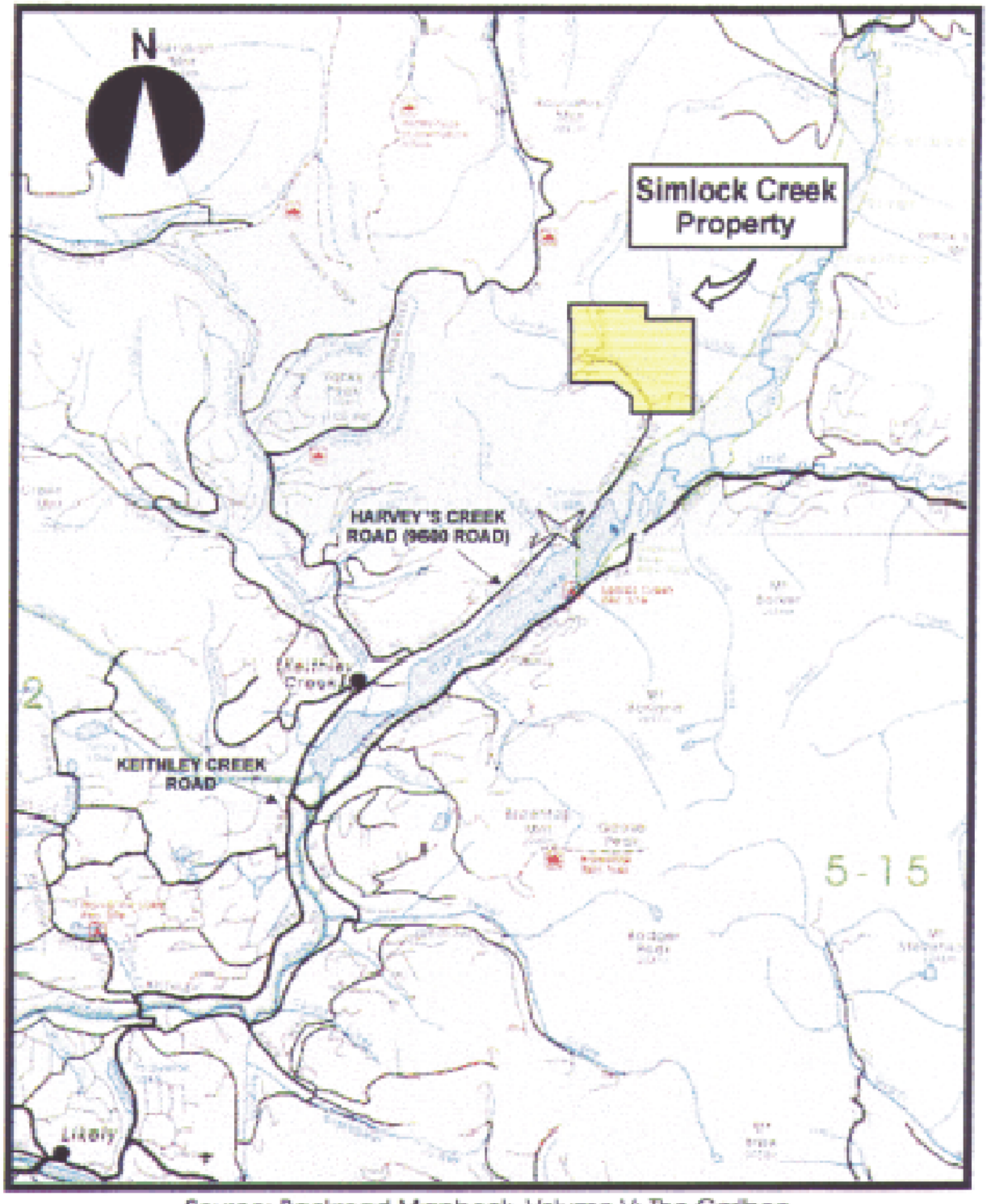
HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Location Map

CARIBOO M.D.
NTS: 93A/14W

0 100 200 300
approximate scale in kilometers

Fig. 3-1



Source: Backroad Mapbook, Volume V: The Cariboo

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Access Map

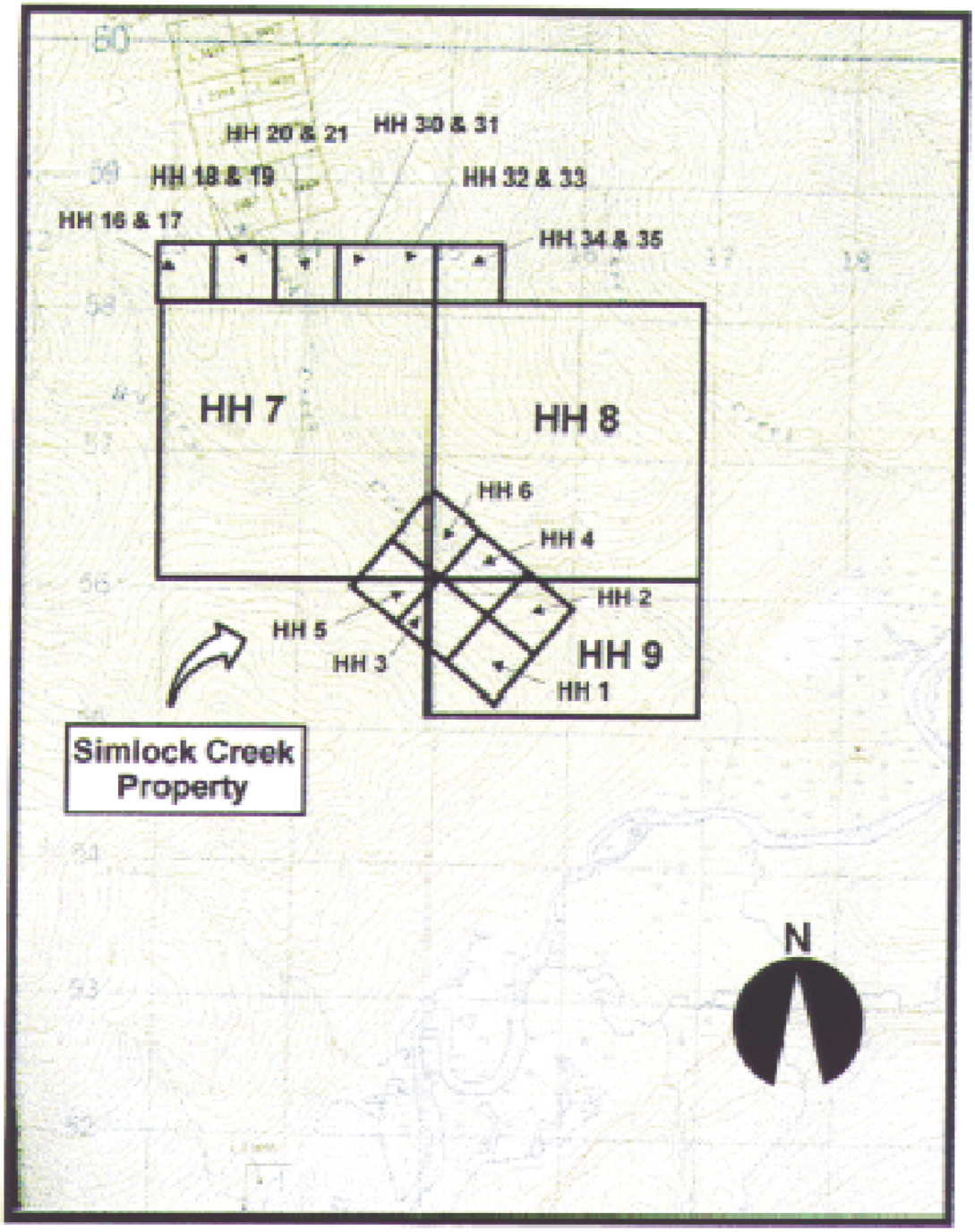
CARIBOO M.D. NTS: 93A/14W	0 2 4 6 8 10 approximate scale in kilometers	*Fig. 3-2*

4.0 CLAIM INFORMATION

The *Simlock Creek Property* is owned by Mr. Frank R. Hallam (in Trust for *Harvey Creek Gold Placers Ltd.*). The property consists of 21 claims totaling 58 units, located in the Cariboo Mining Division of British Columbia. Current claim information is summarized in the following table:

Claim Name	*# Units*	*Tenure #*	*Old Expiry Date*	*New Expiry Date***
HH 1	1	4535	1997SEP30	2000SEP30
HH 2	1	4536	1997SEP30	2000SEP30
HH 3	1	4537	1997SEP30	2000SEP30
HH 4	1	4538	1997SEP30	2000SEP30
HH 5	1	4539	1997SEP30	2000SEP30
HH 6	1	4540	1997SEP30	2000SEP30
HH 7	1	5863	1999MAR07	2000MAR07
HH 8	1	5872	1998MAR13	2000MAR13
HH 9	1	5873	1998MAR13	2000MAR13
HH 16	16	7493	1998APR04	2000APR04
HH 17	16	7494	1998APR04	2000APR04
HH 18	8	7495	1998APR04	2000APR04
HH 19	1	7496	1998APR04	2000APR04
HH 20	1	7497	1998APR04	2000APR04
HH 21	1	7498	1998APR04	2000APR04
HH 30	1	8955	1997DEC16	2000DEC16
HH 31	1	8956	1997DEC16	2000DEC16
HH 32	1	8957	1997DEC16	2000DEC16
HH 33	1	8958	1997DEC16	2000DEC16
HH 34	1	8959	1997DEC16	2000DEC16
HH 35	1	8960	1997DEC16	2000DEC16

** New Expiry Date Pending Acceptance of this Assessment Report



Sources: Mineral Titles Map & NTS Mapsheet 93A/14 (1:50,000)

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Claim Map

CARIBOO M.D. NTS: 93A/14W	0 1 2 3 approximate scale in kilometers	*Fig. 4-1*

5.0 PREVIOUS WORK

Placer gold was discovered in the 1860's on Harvey's Creek as a result of the Cariboo Gold Rush and the ensuing influx of placer mining hopefuls. Recorded gold production in this area from 1879 to 1897 is 3,754 ounces. Actual production figures from this area may have been much higher, since this figure does not include the production from Barney Bowe's large hydraulic workings, which were mined during the 1930's.

Placer gold mining operations provided the initial sampling which triggered the search for lode gold sources in the area. Recovered gold nuggets from Harvey's Creek exhibit a high degree of coarseness and bear many contact striations, indicative of a local source. Fresh galena, along with some pyrite and sphalerite were found in the placer concentrates.

Harvey Creek Gold Placers Ltd. made use of an *R.M.S. Ross* derocker to process bulk gravel samples from the Harvey's Creek drainage. Examination of the recovered coarse gold and freshly broken galena led to the conclusion that multiple lode sources could exist within the Harvey's Creek - Simlock Creek catchment areas. It was recommended by Consultant Alex Burton, P. Eng. That a search be started for the lode gold deposits that were the source of the placer gold.

The area is along strike from the Barkerville Gold Camp, which is historically the second largest gold-producing camp in B.C. Mines to the immediate north-west include the Cariboo Hudson, Iron Mountain Mine and the Cariboo Gold Quartz Mine.

Subsequent to the bulk placer sampling, heavy mineral sampling was carried out on the Harvey's Creek and Simlock Creek drainages. This sampling resulted in the detection of high gold values from specific side creeks entering the main drainages, while other side creeks provided samples with little or no detectable gold content. After plotting the results of this survey, it was noted that only those creeks within the favourable Paleozoic rock units along the eastern portion of the claim block were shedding gold into the existing creeks. The Simlock Creek drainage is within this favourable zone. Heavy sediment samples in the -140 mesh fraction from the Simlock Creek drainage ran up to >20,000 p.p.b. Au. The upper detection limit for the geochemical testing method use for these particular samples was 20,000 p.p.b.

As a result of the heavy mineral sampling, field programs which included geochemical rock and soil sampling and prospecting were carried out during the 1988, 1989, 1990, 1992, 1993, 1994 and 1995 field seasons.

These programs resulted in the delineation of several geochemically anomalous zones in soil (gold, silver, lead, zinc and copper)', which appear to parallel the regional stratigraphic trend. There is a close geochemical relationship between gold and lead, and moderate silver, zinc and copper association in the soil values. These anomalies have now been delineated along the surface trace of the stratigraphic horizon for a continuous length of over 2,000 meters. This zone is open to the south.

Follow-up prospecting in the area of one of these anomalous zones led to the discovery of silver-rich sphalerite and galena mineralization in a 30 cm. Wide zone in limy laminated phyllites, trending at 100^0.

In 1992 and 1993, *Harvey Creek Gold Placers Ltd.* completed geochemical surveys which delineated additional gold in soil anomalies south-east of previously discovered anomalies along the regional stratigraphic trend **(see Figure 7 - 1)**. It is this area that is the target for a trenching program to be carried out in 1998.

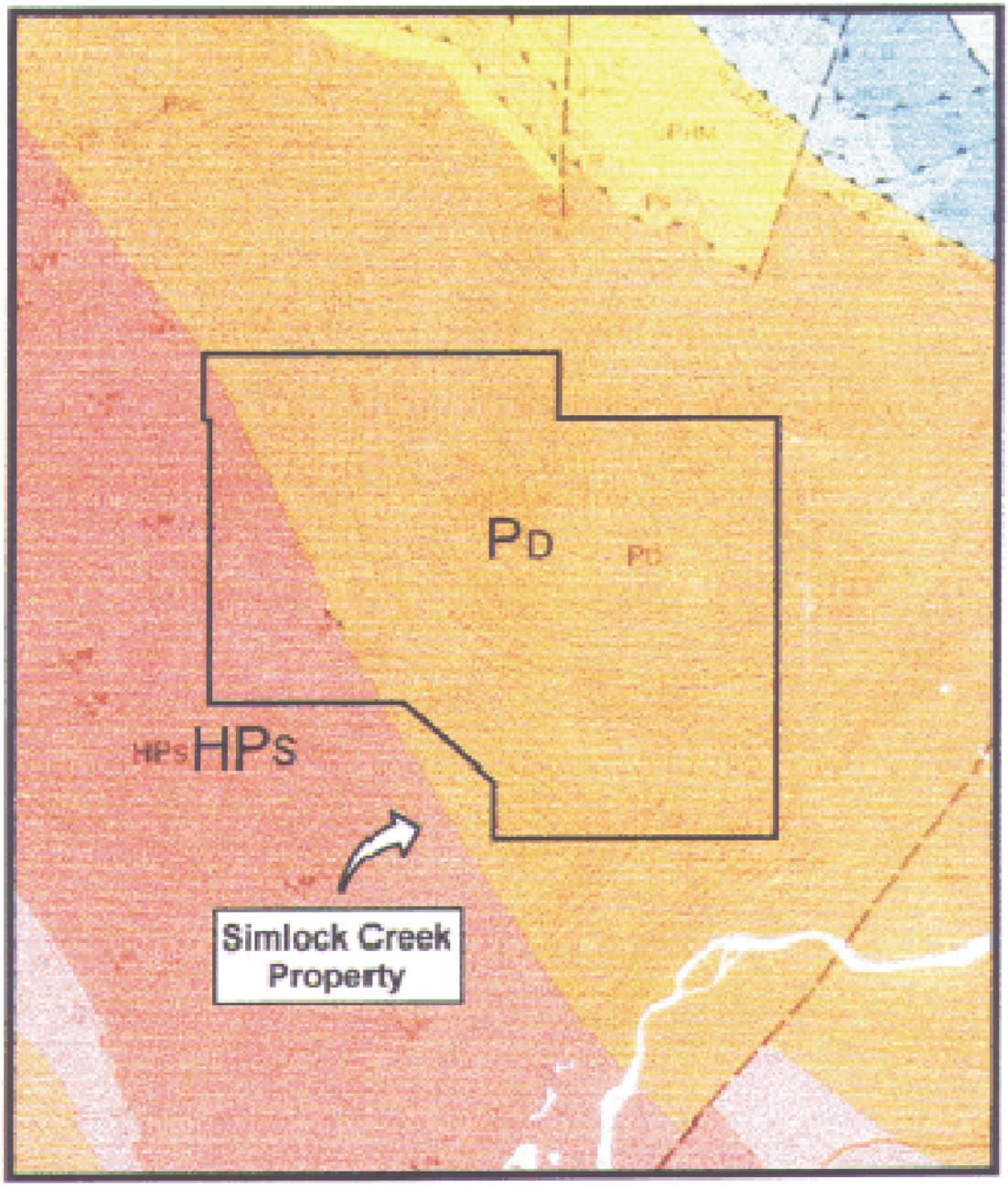
6.0 GEOLOGY

The regional geology of the Cariboo Gold Mining District has been compiled and updated most recently by Struik et al, in Geological Survey of Canada Memoir 421 (1988) [5]. The pertinent section of the geology map which references the *Simlock Creek Property* is shown in **Figure 4 - 1**.

The *Simlock Creek Property* is shown to be underlain by a succession of sediments and metasediments of the Paleozoic Snowshoe Group, which forms a portion of the Barkerville Terrain. Struik [5] relates vein and replacement deposits of gold, lead and zinc and vein deposits of tungsten and copper to "Paleozoic gold-rich strata" within Downey Succession rocks. The area on the *Simlock Creek Property* which is covered by geochemical soil grids is shown to be underlain by Downey Succession rocks, which include olive and grey micaceous quartzite and phyllite, and other undifferentiated rocks. Limestone is known to be present within the sequence in and along the east side of Simlock Creek.

Contacts between the various rock units exhibit a strong north-northwesterly trend (approximately 330^0) and constitute a regional stratigraphic feature.

Isoclinal folding of the phyllites, micaceous quartzites and the limestones is known to the north and suspected in the Simlock Creek area.



HPS — HADRYNIAN? Snowshoe Group (Undifferentiated)

PD — PALEOZOIC Snowshoe Group
Downey Succession; olive & grey micaceous quartzite & phyllite & undifferentiated rocks

Source: GSC Memoir 421; 1988

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Area Geology Map

CARIBOO M.D.
NTS: 93A/14W

0 1 2 3
approximate scale in kilometers

Fig. 6-1

7.0 WORK CARRIED OUT IN 1997

Work was carried out on the *Simlock Creek Property* from July 1, 1997 to December 1, 1997.

7.10 Physical Work

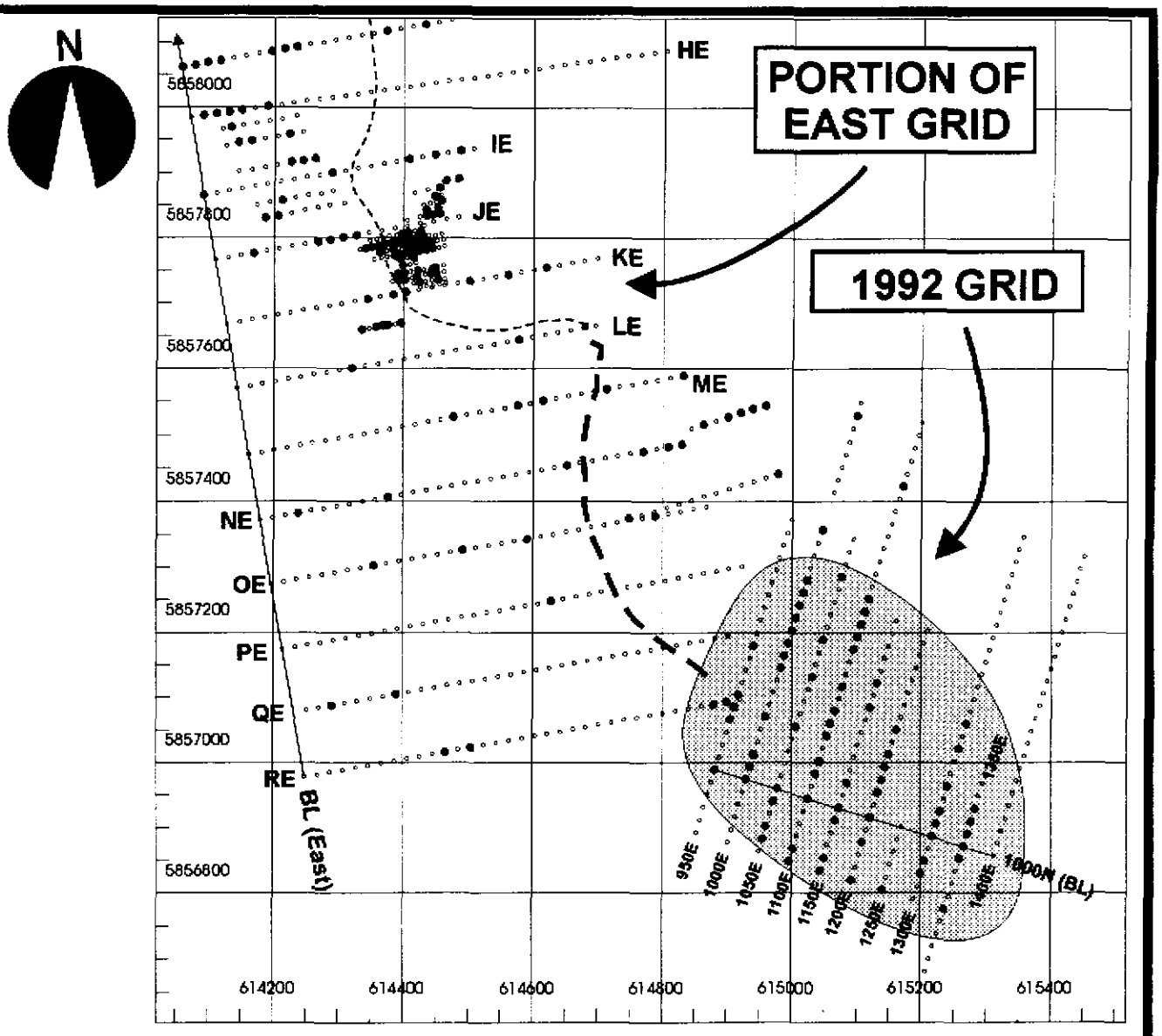
A total of 627.3 meters of new access road was constructed on the *Simlock Creek Property* during the 1997 field season. This road building was carried out using an excavator. The location of the new road building is shown in **Figures 7 - 1 & 7 - 2**. The road was constructed following forest service guidelines. Larger, potentially merchandisable trees in the path of the right-of-way were felled in advance of the excavator, limbed and piled along the outside (down slope side) of the new road. Other, smaller organic material was buried.

The new access road extension was ditched on the bank side for most of it's length. This procedure was necessary due to significant water seepage in areas of slide alder.

The new access road extension was surveyed using a brunton with tripod for angles, clinometer for slope correction and a hip chain for distance measurement **(see Appendix III)**. Road slope does not exceed 10^0.

During the course of the new road building, the existing access road on the property was improved. Slides were cleared and more efficient ditching was constructed.

Verbal communication with a representative of the forest service in Likely indicated that the new access road construction had been inspected after completion and found to be constructed in a satisfactory manner.



LEGEND

5857000	UTM Northing
614200	UTM Easting
PE	Sample Grid Line
	Access Road (Before 1997 Work)
	Access Road Extension (1997 Work)
	Background Gold Value in Soil (< 20 p.p.b.
	Anomalous Gold Value in Soil (20 p.p.b. to 4500 p.p.b.)
	Area of Major Gold Soil Anomaly to be Investigated in 1998

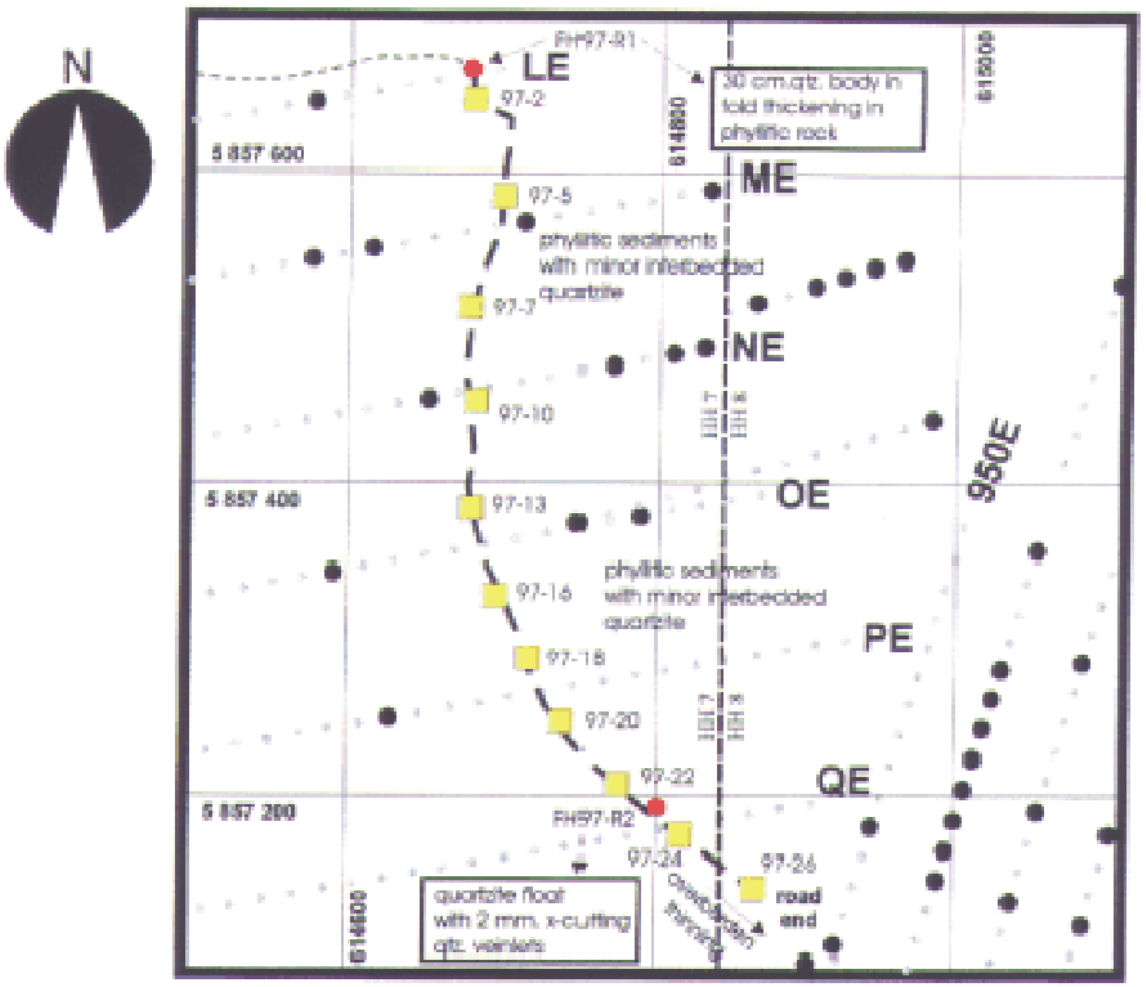
HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
East Grid Gold Soil Anomalies to be Investigated (1998)

CARIBOO M.D.
NTS: 93A/14W

0 100 200 300 400 500
meters

Fig. 7-1



LEGEND

- 5 857 000 — UTM Northing
- 614200 — UTM Easting
- PE — Geochemical Sample Grid Line
- Access Road (Before 1997 Work)
- Access Road Extension (1997 Work)
- 1817 / 1818 — Approximate Claim Boundary
- Background Gold Value in Soil (< 20 p.p.b.
- Anomalous Gold Value in Soil (20 p.p.b. to 4500 p.p.b.)
- 97-26 — Soil Profile Location
- FH97-R2 — Rock Sample Location / Description

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Geology & Soil Profile Sites - New Road Extension

CARIBOO M.D.
NTS: 93A/14W

0 50 100 150 200 250
meters

Fig. 7-2

7.20 Geology

Excavation of the new access road extension resulted in some new outcrop exposure. The outcrop consisted entirely of phyllitic sediments with narrow interbeds of quartzite. Sample locations and other geological information is shown in **Figure 7 - 2**.

Sample FH97-R1: a grab sample from a 30 cm. body of quartz occurs in what appears to be a fold thickening in phyllitic rock. Associated with this fold thickening are some minor 3 cm. wide quartz boudins.

(Au <5 p.p.b.; Ag <0.2 p.p.m.; As 12 p.p.m.; Cu 20 p.p.m.; Mo 1 p.p.m.; **Pb 50 p.p.m.**; Sb <0.2 p.p.m.; Zn 24 p.p.m.)

Sample FH97-R2: a grab sample of quartzite float with 2 mm. cross-cutting quartz veinlets.

(Au <5 p.p.b.; Ag <0.2 p.p.m.; As 3 p.p.m.; Cu 4 p.p.m.; Mo 1 p.p.m.; Pb 5 p.p.m.; Sb <0.2 p.p.m.; Zn 18 p.p.m.)

Overburden was most shallow (only about 100 cm. deep) at the end of the new access road construction. This factor may make it practicable to use a smaller excavator for much of the proposed 1998 trenching program, which would increase the amount of trenching that could be carried out within the budget.

7.30 Geochemistry

A total of 11 soil profiles were taken along the new access road extension. Samples from these soil profiles were analysed for Au, Ag, As, Cu, Mo, Pb, Sb and Zn. Analytical techniques used by *Chemex Laboratories* to test for these elements were as follows:

Au (p.p.b.) - Fuse 30 gram sample
- Fire Assay / Atomic Absorption Finish
- Detection Limit 5 p.p.b. / Upper Limit 10,000 p.p.b.

Ag (p.p.m.) - HNO_3 - Aqua Regia Digestion
- Atomic Absorption / Background Correction
- Detection Limit 0.2 p.p.m. / Upper Limit 100 p.p.m.

As (p.p.m.) - HNO_3 - Aqua Regia Digestion
- Atomic Absorption / Hydride EDL
- Detection Limit 1 p.p.m. / Upper Limit 10,000 p.p.m.

Cu (p.p.m.) - HNO_3 - Aqua Regia Digestion
- Atomic Absorption
- Detection Limit 1 p.p.m. / Upper Limit 10,000 p.p.m.

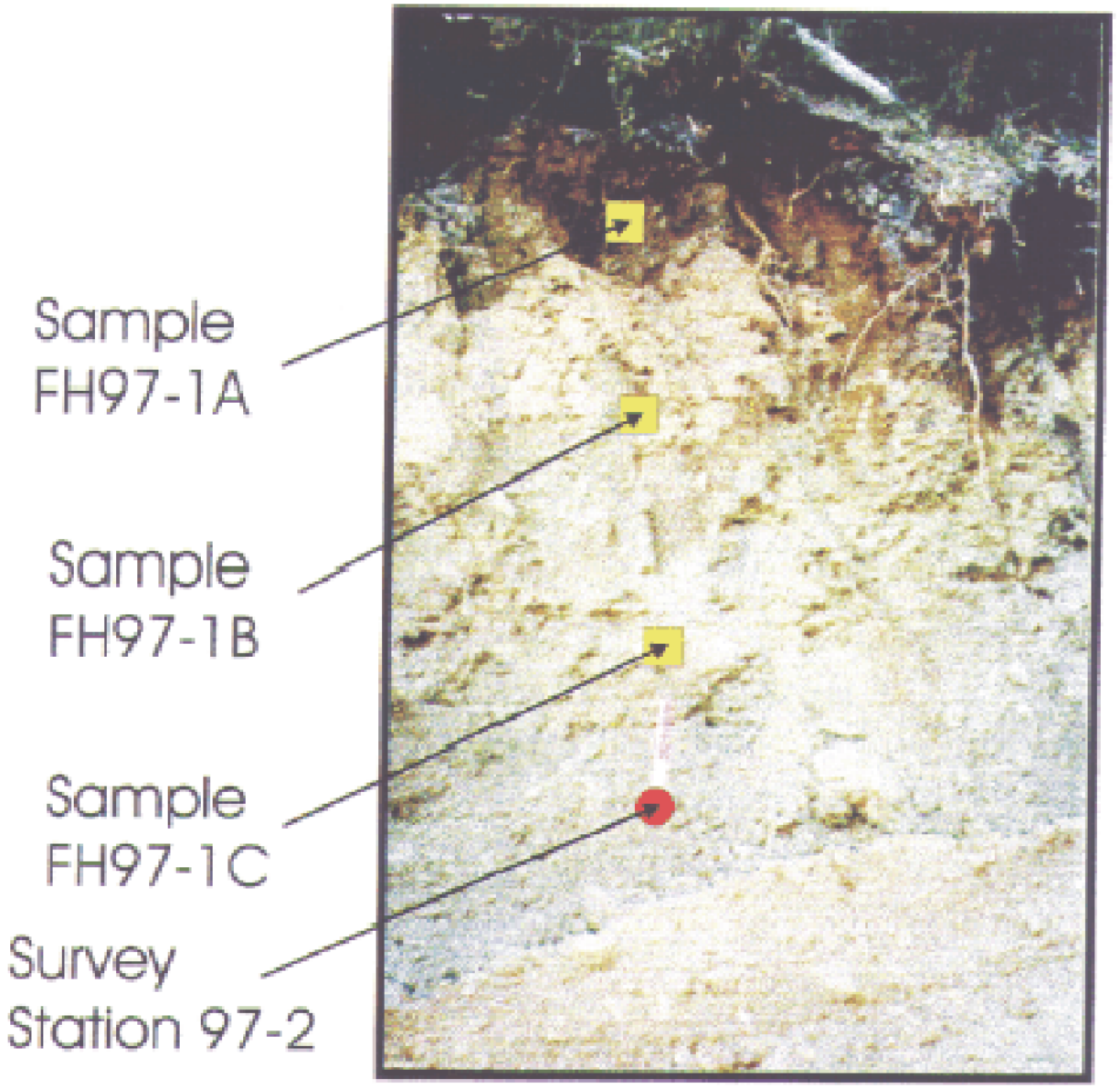
Mo (p.p.m.) - HNO_3 - Aqua Regia Digestion
- Atomic Absorption
- Detection Limit 1 p.p.m. / Upper Limit 1,000 p.p.m.

Pb (p.p.m.) - HNO_3 - Aqua Regia Digestion
- Atomic Absorption / Background Correction
- Detection Limit 1 p.p.m. / Upper Limit 10,000 p.p.m.

Sb (p.p.m.) - HNO_3 - Aqua Regia Digestion
- Atomic Absorption / Background Correction
- Detection Limit 0.2 p.p.m. / Upper Limit 1,000 p.p.m.

Zn (p.p.m.) - HNO_3 - Aqua Regia Digestion
- Atomic Absorption
- Detection Limit 1 p.p.m. / Upper Limit 10,000 p.p.m.

The location of these soil profiles is shown in **Figure 7 - 2**. Individual profiles are shown in **Figures 7 - 3A to 7 - 3K**.



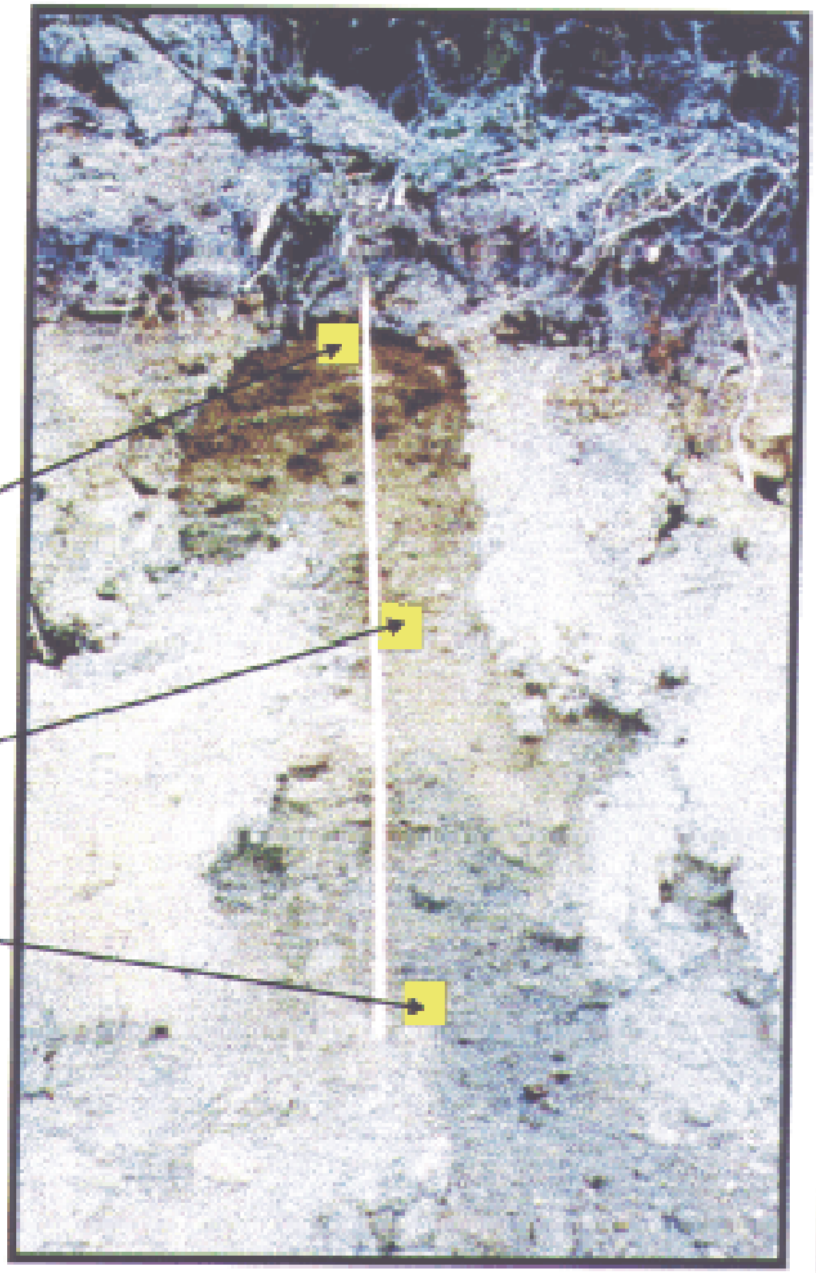
SAMPLE NUMBER	DESCRIPTION	DEPTH (cm.)	Au ppb FA+AA	Ag ppm Aqua R	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
FH97-1A	rusty "B" horizon	30	25	<.2	17	30	1	18	<.2	77
FH97-1B	"C" horizon + saprolite	150	20	<.2	18	31	1	15	0.2	87
FH97-1C	saprolite	200	5	<.2	19	29	1	15	<.2	59

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Soil Profile at Station 97- 2

CARIBOO M.D.
NTS: 93A/14W

Fig. 7 - 3A



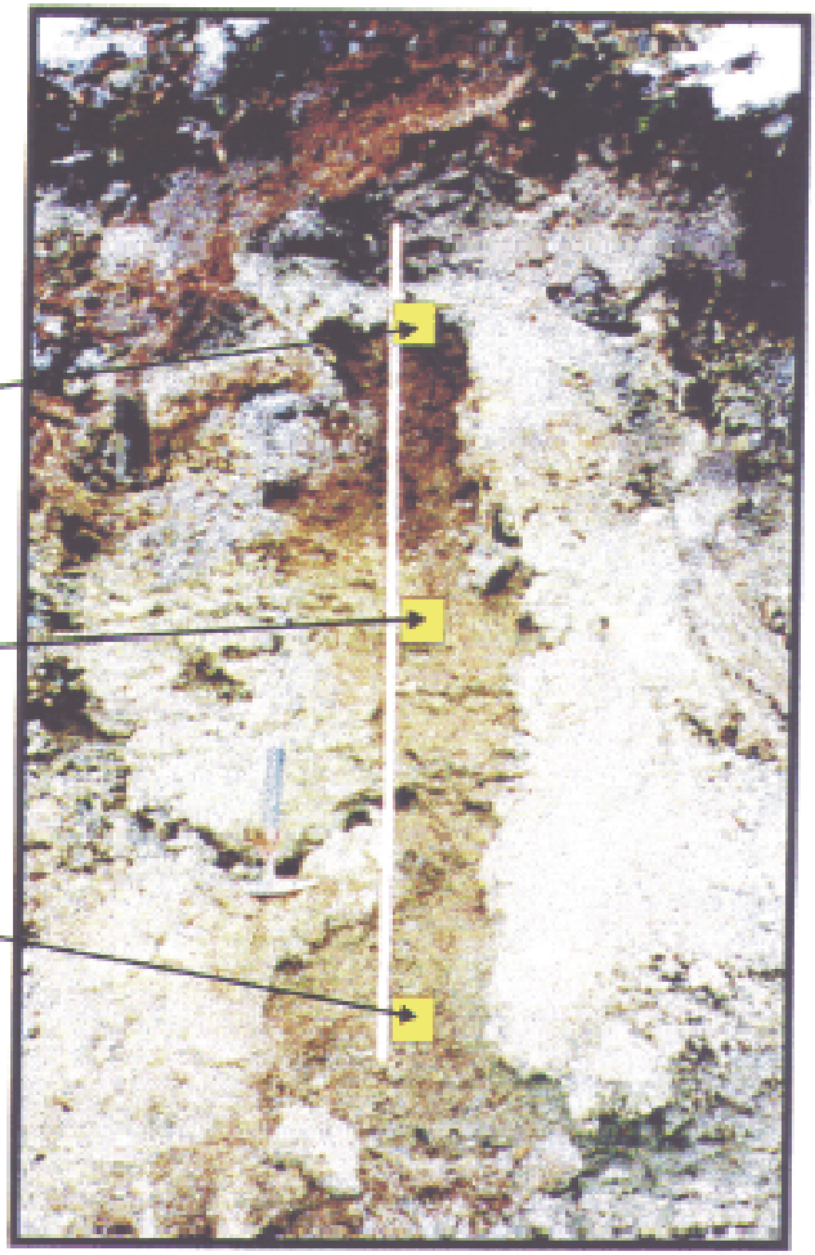
SAMPLE NUMBER	DESCRIPTION	DEPTH (cm.)	Au ppb FA+AA	Ag ppm Aqua R	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
FH97-2A	rusty "B" horizon	20	<5	< .2	20	37	2	26	< .2	76
FH97-2B	rusty "B" + "C" horizons	100	20	< .2	11	28	2	18	< .2	55
FH97-2C	"C" horizon + saprolite	200	<5	< .2	18	44	3	26	< .2	86

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Soil Profile at Station 97- 5

CARIBOO M.D.
NTS: 93A/14W

Fig. 7 - 3B



SAMPLE NUMBER	DESCRIPTION	DEPTH (cm.)	Au ppb FA+AA	Ag ppm Aqua R	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
FH97-3A	dark brown "B" horizon	30	<5	< 2	14	35	2	40	< 2	131
FH97-3B	"C" horizon	100	40	< 2	13	35	2	40	< 2	89
FH97-3C	"C" horizon + saprolite	200	<5	< 2	15	37	3	50	< 2	89

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Soil Profile at Station 97- 7

CARIBOO M.D.
NTS: 93A/14W

Fig. 7 - 3C

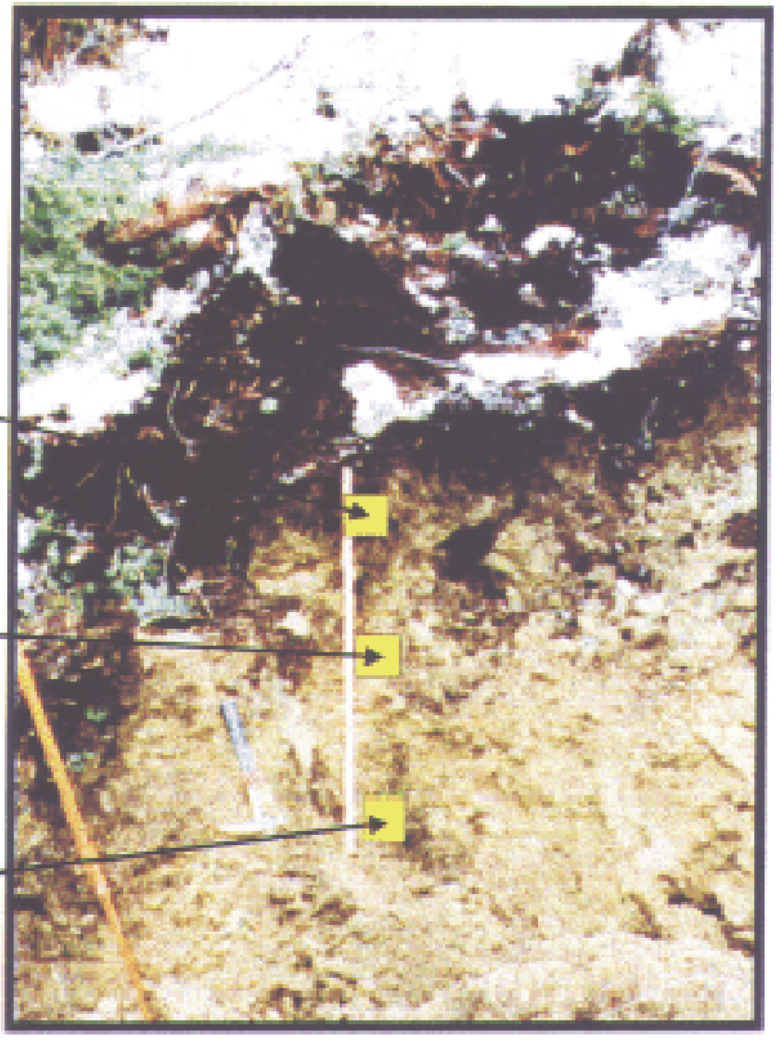
SAMPLE NUMBER	DESCRIPTION	DEPTH (cm.)	Au ppb FA+AA	Ag ppm Aqua R	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
FH97-4A	leached "B" horizon	20	<5	< 2	12	31	2	23	< 2	79
FH97-4B	"C" horizon	100	30	< 2	18	43	3	35	< 2	98
FH97-4C	"C" horizon + saprolite	200	10	< 2	15	44	3	26	< 2	86

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Soil Profile at Station 97- 10

CARIBOO M.D.
NTS: 93A/14W

Fig. 7 - 3D



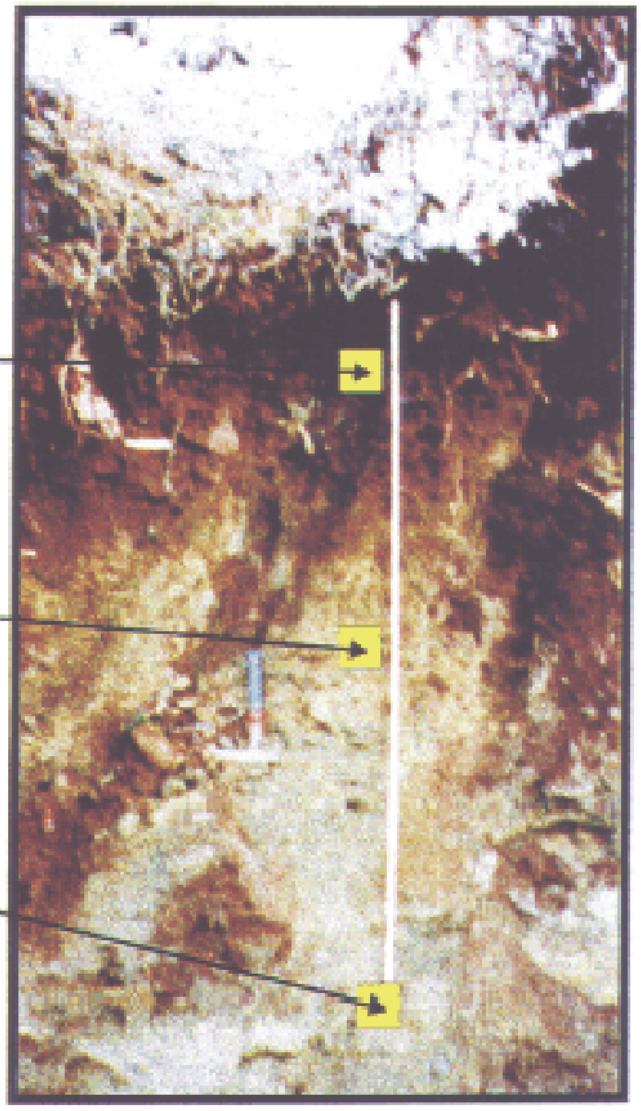
SAMPLE NUMBER	DESCRIPTION	DEPTH (cm.)	Au ppb FA+AA	Ag ppm Aqua R	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
FH97-5A	leached "B" horizon	20	<5	< .2	13	39	1	11	0.2	80
FH97-5B	"C" horizon	50	<5	< .2	13	29	1	8	< .2	55
FH97-5C	"C" horizon + saprolite	100	<5	< .2	12	34	1	11	< .2	62

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Soil Profile at Station 97- 13

CARIBOO M.D.
NTS: 93A/14W

Fig. 7 - 3E



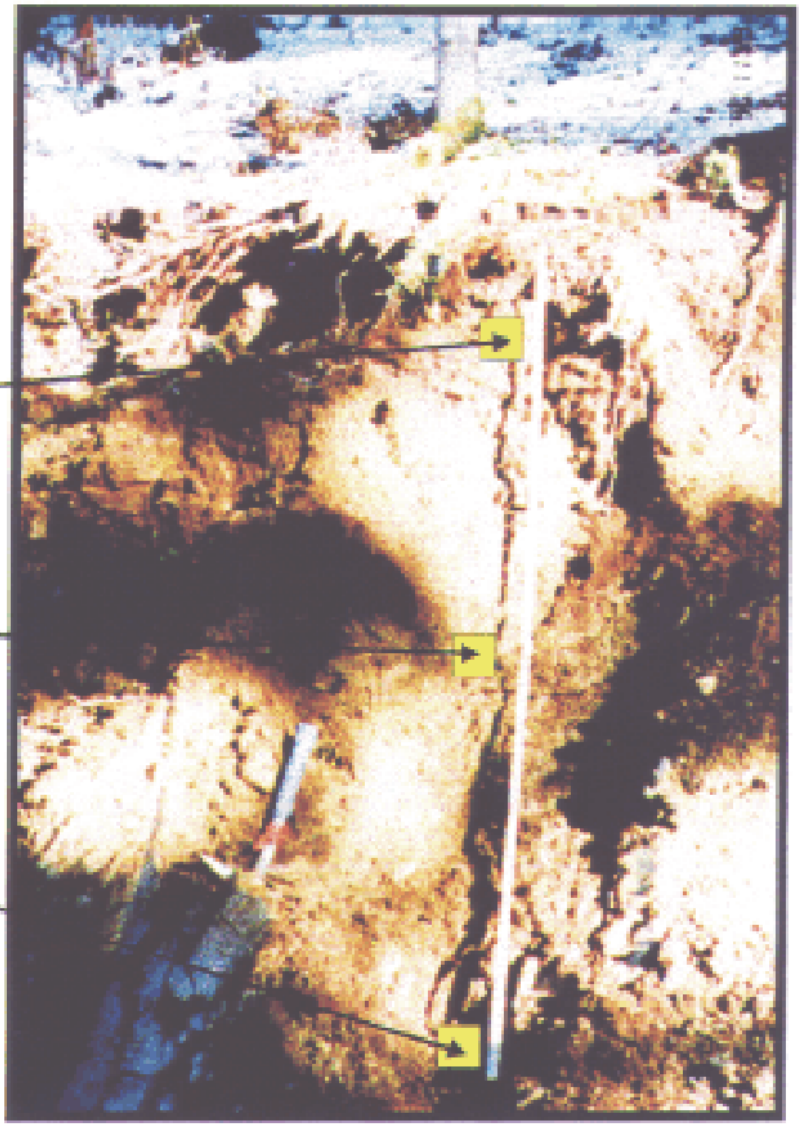
SAMPLE NUMBER	DESCRIPTION	DEPTH (cm.)	Au ppb FA+AA	Ag ppm Aqua R	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
FH97-6A	rusty "B" horizon	25	<5	<.2	19	34	3	42	<.2	85
FH97-6B	"C" horizon	100	<5	<.2	22	44	2	20	<.2	85
FH97-6C	"C" horizon = saprolite	200	<5	<.2	20	43	4	21	<.2	89

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Soil Profile at Station 97- 16

CARIBOO M.D.
NTS: 93A/14W

Fig. 7 - 3F



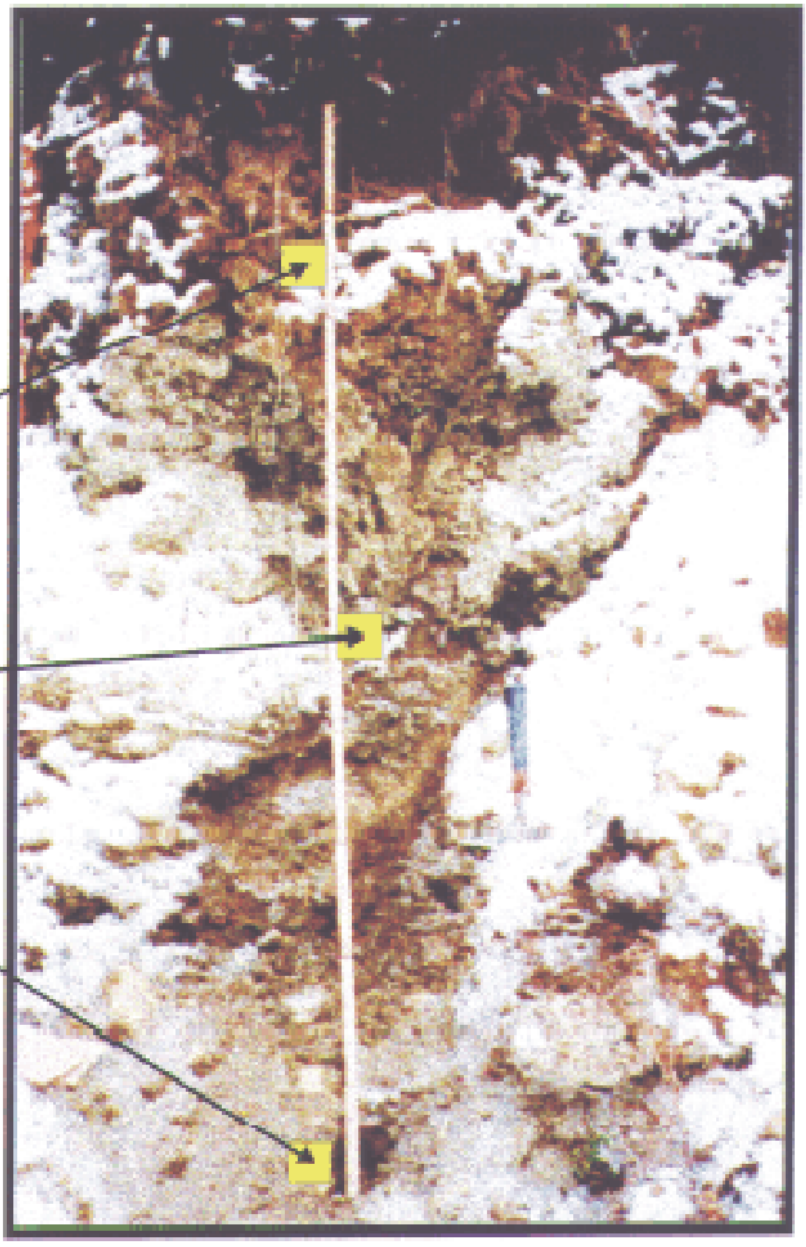
SAMPLE NUMBER	DESCRIPTION	DEPTH (cm.)	Au ppb FA+AA	Ag ppm Aqua R	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
FH97-7A	rusty "B" horizon	25	<5	< 2	16	28	1	29	< 2	84
FH97-7B	"C" horizon	100	<5	< 2	19	33	1	22	0.2	96
FH97-7C	"C" horizon + saprolite	200	10	< 2	17	35	1	15	< 2	80

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Soil Profile at Station 97- 18

CARIBOO M.D.
NTS: 93A/14W

Fig. 7 - 3G



SAMPLE NUMBER	DESCRIPTION	DEPTH (cm.)	Au ppb FA+AA	Ag ppm Aqua R	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
FH97-8A	rusty "B" horizon	30	<5	<.2	21	34	3	16	<.2	79
FH97-8B	"C" horizon	100	<5	<.2	13	39	1	16	0.2	78
FH97-8C	"C" horizon + saprolite	200	<5	<.2	15	36	3	11	0.2	92

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Soil Profile at Station 97- 20

CARIBOO M.D.
NTS: 93A/14W

Fig. 7 - 3H

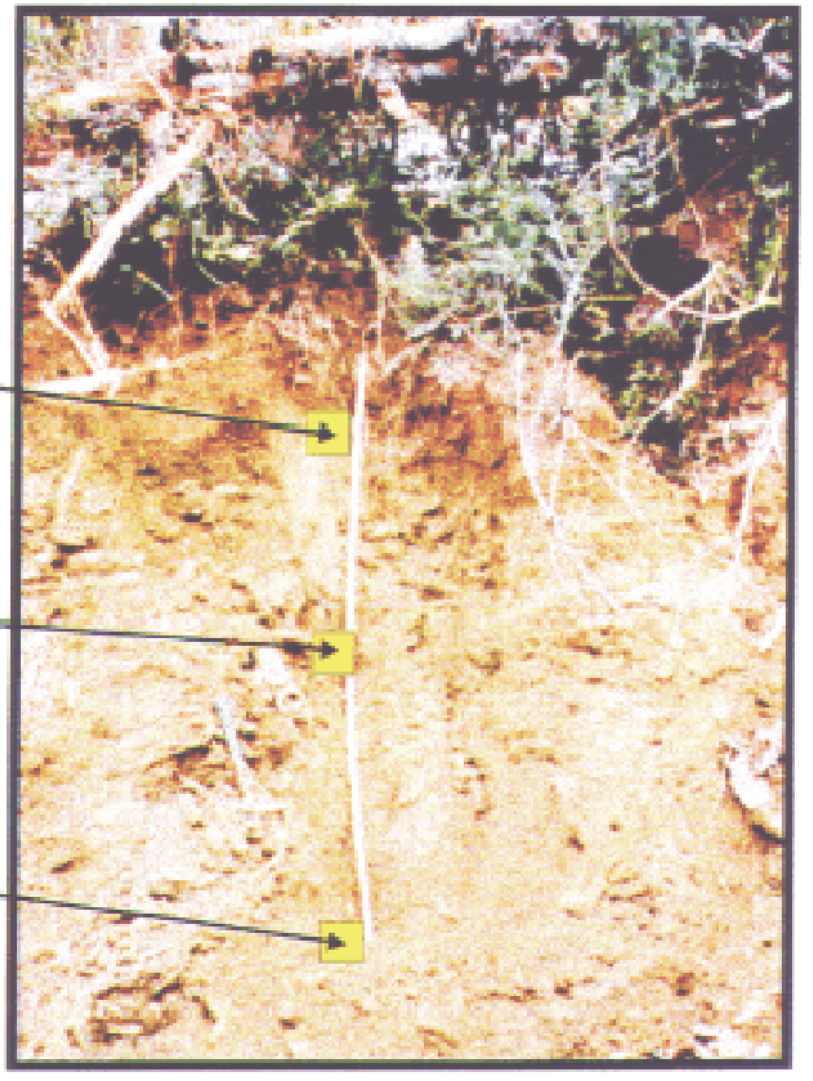
SAMPLE NUMBER	DESCRIPTION	DEPTH (cm.)	Au ppb FA+AA	Ag ppm Aqua R	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
FH97-9A	rusty "B" horizon	20	<5	< 2	11	19	1	16	0.2	58
FH97-9B	"C" horizon	100	10	< 2	19	33	2	20	0.2	75
FH97-9C	"C" horizon + saprolite	200	10	< 2	23	37	1	100	< 2	76

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Soil Profile at Station 97- 22

CARIBOO M.D.
NTS: 93A/14W

Fig. 7 - 31



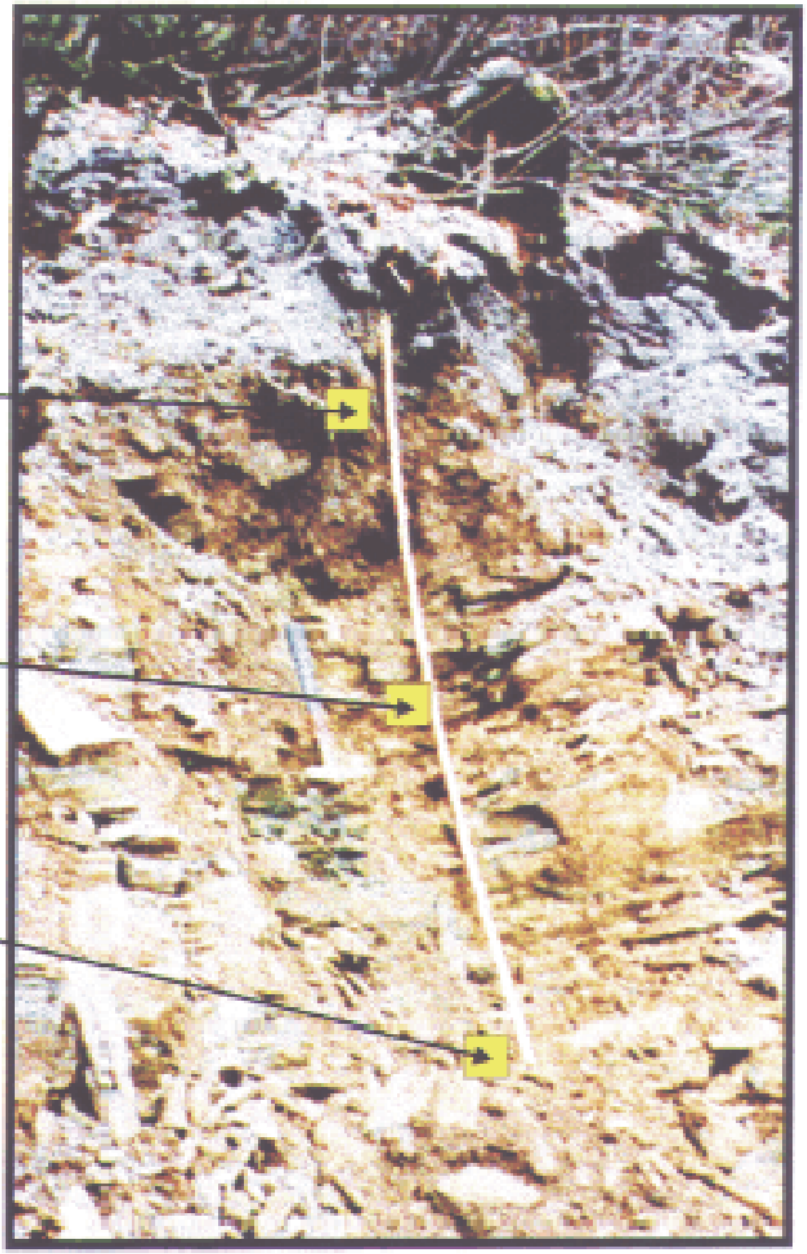
SAMPLE NUMBER	DESCRIPTION	DEPTH (cm.)	Au ppb FA+AA	Ag ppm Aqua R	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
FH97-10A	rusty "B" horizon	20	<5	<.2	14	40	3	37	<.2	92
FH97-10B	"C" horizon	100	5	<.2	21	38	2	28	0.2	78
FH97-10C	saprolite	200	425	<.2	17	34	1	20	0.2	72

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Soil Profile at Station 97- 24

CARIBOO M.D.
NTS: 93A/14W

Fig. 7 - 3J



SAMPLE NUMBER	DESCRIPTION	DEPTH (cm.)	Au ppb FA+AA	Ag ppm Aqua R	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
FH97-11A	rusty "B" horizon	20	<5	<.2	8	30	1	22	<.2	56
FH97-11B	saprolite + rock	100	<5	<.2	17	27	1	<1	<.2	80
FH97-11C	rock - micaceous phyllite	200	<5	<.2	3	18	1	<1	<.2	49

HARVEY CREEK GOLD PLACERS LTD.

Simlock Creek Property, Cariboo Lake Area, B.C.
Soil Profile at Station 97- 26

CARIBOO M.D.
NTS: 93A/14W

Fig. 7 - 3K

The following table has been prepared in an attempt to study the variation of geochemical expression with depth. The upper sample in each profile was usually taken from the obvious rusty to brown-coloured "B" horizon, within 20 to 30 cm. of the surface.

The middle sample in each profile was usually taken at a depth of 100 cm., either from the "C" horizon or from a mixture of "C" horizon soil and saprolitic material derived from the underlying sedimentary bedrock.

The lower sample in each profile was usually taken at a depth of 100 cm., either from a mixture of "C" horizon soil and saprolitic material derived from the underlying sedimentary bedrock or from more competent broken bed rock.

The following table compares the average geochemical response of the upper, middle and lower samples from the soil profiles:

UPPER SAMPLES FROM SOIL PROFILES (11 Samples):								
	Au ppb	Ag ppm	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
AVERAGE:	3	0.1	15	32	2	26	0.1	80
MIDDLE SAMPLES FROM SOIL PROFILES (11 Samples):								
	Au ppb	Ag ppm	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
AVERAGE:	12	0.1	17	35	2	20	0.2	75
LOWER SAMPLES FROM SOIL PROFILES (11 Samples):								
	Au ppb	Ag ppm	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
AVERAGE:	42	0.1	16	35	2	33	0.1	74
LOWER SAMPLES FROM SOIL PROFILES (10 Samples - 425 ppb Au Sample Removed)								
	Au ppb	Ag ppm	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm
AVERAGE:	4	0.1	16	35	2	34	0.1	74

It can been seen that if the single high Au value of 425 p.p.b. is removed, the average geochemical response of the upper, middle and lower samples taken from the soil profiles is almost identical.

It should be noted that the area in which the new road extension was constructed and soil profiles were taken is an area from Grid Line LE to Grid

Line RE where background values only were detected by previous geochemical surveys **(see Figure 7 - 1)**.

8.0 DISCUSSION & RECOMMENDATIONS

Results from the soil profiles which were established along the new access road extension during 1997 point out two important features:

1) The results from the upper (20 cm. to 30 cm. average depth - usually "B" horizon soil), middle (100 cm. average depth - usually "C" horizon soil) and lower level (200 cm. average depth usually saprolitic material) sampling for the 11 soil profiles were averaged. The averages for all of the elements under consideration (Au, Ag, Pb, Zn, Cu, Sb, As, Mo) were compared. It was observed that the average values for the three levels for all of the elements were nearly identical.

   This would seem to suggest that the selection of a particular soil horizon to be sampled on this property is of less importance than in other areas on other properties. Consistent results may be obtained even though soil samples are taken from a variety of horizons and depths, from the "B" horizon down to the saprolitic material near bedrock.

2) The overburden thins out towards the present end of the new access road extension.

   This indication of thinning overburden is an important factor, as it indicates that smaller, cheaper and more mobile trenching equipment may be able to be utilized to explore the geochemical anomalies south-east of the present end of the access road.

9.0 COST STATEMENT

The following cost information was supplied by a representative of *Harvey Creek Gold Placers Ltd.*:

Harvey Creek Gold Placers Ltd.
1997 Assessment Report Cost Statement

Consulting Fees:	
Doug Symonds	
15.5 field days @ $375.00	$5,812.50
Frank Hallam	
4.5 field days @ $400.00	$1,800.00
Marek Kreczmer	
3.0 field days @ $400.00	$1,800.00
Felling	$1,000.00
Diesel, Gasoline, Propane & Oil	$1,283.09
Food & Accommodation	$1,147.00
Miscellaneous Supplies, Services & Equipment	$744.45
Excavator Rental	$6,197.00
Excavator Operator & Ancillary Equipment Fees	$4,639.28
Airfares (Hallam & Symonds)	$1,511.72
Truck Rentals & Usage Fees	$837.14
Computer Data Compilation	$2,000.00
Geochemical Analysis (Accrued)	$1,200.00
Report Writing & Production (Accrued)	$1,500.00
TOTAL COSTS:	**$30,872.18**

10.0 CERTIFICATE

I, Douglas Frederick Symonds, of #501 - 9847 Manchester Drive, Burnaby, B.C. do hereby state that:

1) I am an independent Geological Consultant, with offices at #501 - 9847 Manchester Drive, Burnaby, B.C., V3N 4P4.

2) In 1972 I graduated from the University of British Columbia with a Bachelor of Science Degree in Geology.

3) I am a Member in good standing of the Association of Professional Engineers and Geoscientists of the Province of British Columbia (Registration #19200).

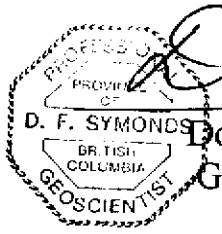
4) I have practiced my profession as a Geologist and as a Geological Consultant in North and South America since graduating in 1972.

5) I have an extensive knowledge of the *Simlock Creek Property*, based on field and office work that I have carried out with respect to the property since 1989.

6) I have based this report on office and field work that I carried out personally or supervised directly during the period of July 1, 1997 to December 1, 1997.

7) I have no interest, either direct or indirect, in the property or securities of Mr. Frank R. Hallam or of *Harvey Creek Gold Placers Ltd.*, nor do I expect to receive any such interest, either direct or indirect.

Dated this 7th day of January, 1998 at Burnaby, B.C.



Doug Symonds, P.Geo.
Geological Consultant

APPENDIX I

References

References - Page 1 of 2

1) Rand M^{c}Nally Road Atlas of North America; 1989 Edition.

2) Backroad Mapbook Volume V: The Cariboo; Mussio Ventures Ltd.; 1997.

3) Mineral Titles Map 93A/14W

4) NTS Topographic Map 93A/14W (Scale 1:50,000)

5) Struik, L.C.; *"Structural Geology of the Cariboo Gold Mining District, East-Central British Columbia"*; Geological Survey of Canada Memoir 421; 1988.

6) Symonds, D.F.; Unpublished Geochemical Compilation of the Simlock Creek Property on behalf of *Harvey Creek Gold Placers Ltd.*; 1997.

7) Bacon, W.R.; *"Lode Gold Deposits in Western Canada"*; C.I.M.M. Bulletin; July, 1978.

8) Bowman, Amos; B.C. Provincial Engineer's Report; 1885.

9) Brown, A.S.; *"Geology of the Antler Creek Area"*; B.C. Department of Mines Bulletin 38; 1957.

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11) Burton, A.D.K.; *"Report on the 1984 Trenching Programme on HH Claim Group"*; Private Report on behalf of *Harvey Creek Gold Placers Ltd.*; April, 1984.

12) Burton, A.D.K.; *"Geochemical & Physical Assessment Report on the A Claim Group & the B Claim Group"*; Assessment Report on behalf of *Harvey Creek Gold Placers Ltd.*; March, 1987.

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References - Page 2 of 2

14) Burton, A.D.K.; *"Geochemical Assessment Report on the Simlock Creek Property"*; Assessment Report on behalf of *Harvey Creek Gold Placers Ltd.*; May 25, 1993.

15) Burton, A.D.K.; *"Report on the Simlock Creek Property"*; January, 1994.

16) Holland, S.S.; *"Report on the Stanley Area"*; B.C. Department of Mines; 1948.

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20) Simpson, J.G.; *"Geochemical Assessment Report on the Simlock Creek Property"*; December, 1993.

21) Symonds, D.F. & Burton, A.D.K.; *"Geochemical, Geophysical & Geological Assessment Report on the Simlock Creek Property"*; Assessment Report on Behalf of *Logan Mines Ltd.*; December 12, 1988.

22) Symonds, D.F.; *"Geochemical Assessment Report on the Simlock Creek Property"*; Assessment Report on behalf of *Harvey Creek Gold Placers Ltd.*; November 30, 1990.

23) Burton, A.D.K.; *"Report on the Simlock Creek Property (Second Amendment)"*; Private Report on behalf of *Harvey Creek Gold Placers Ltd.*; August 1, 1997.

APPENDIX II

Analytical Results from *Chemex Laboratories*

Chemex Labs Ltd.

Analytical Chemists * Geochemists * Registered Assayers

212 Brooksbank Ave., North Vancouver
British Columbia, Canada V7J 2C1
PHONE: 604-984-0221 FAX: 604-984-0218

To: SYMONDS, DOUG

501 - 9847 MANCHESTER DR.
BURNABY, BC
V3N 4P4

A9753047

Comments: ATTN: DOUG SYMONDS CC: FRANK HALLAM

CERTIFICATE A9753047

(IRT) - SYMONDS, DOUG

Project: SIMLOCK-97
P.O. # :

Samples submitted to our lab in Vancouver, BC.
This report was printed on 17-DEC-97.

SAMPLE PREPARATION

CHEMEX CODE	NUMBER SAMPLES	DESCRIPTION
217	31	Geochem ring entire sample
238	31	Nitric-aqua-regia digestion
287	31	Special dig'n with organic ext'n

ANALYTICAL PROCEDURES

CHEMEX CODE	NUMBER SAMPLES	DESCRIPTION	METHOD	DETECTION LIMIT	UPPER LIMIT
983	31	Au ppb: Fuse 30 g sample	FA-AAS	5	10000
6	31	Ag ppm: HNO3-aqua regia digest	AAS-BKGD CORR	0.2	100.0
13	31	As ppm: HNO3-aqua regia digest	AAS-HYDRIDE/EDL	1	10000
2	31	Cu ppm: HNO3-aqua regia digest	AAS	1	10000
3	31	Mo ppm: HNO3-aqua regia digest	AAS	1	1000
4	31	Pb ppm: HNO3-aqua regia digest	AAS-BKGD CORR	1	10000
22	31	Sb ppm: HCl-KClO3 digest, extrac	AAS-BKGD CORR	0.2	1000
5	31	Zn ppm: HNO3-aqua regia digest	AAS	1	10000

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To: SYMONDS, DOUG

501 - 9847 MANCHESTER DR.
BURNABY, BC
V3N 4P4

Project : SIMLOCK-97
Comments: ATTN: DOUG SYMONDS CC: FRANK HALLAM

Page Number :1
Total Pages :1
Certificate Date: 17-DEC-97
Invoice No. :19753047
P.O. Number :
Account :IRT

CERTIFICATE OF ANALYSIS A9753047

SAMPLE	PREP CODE		Au ppb FA+AA	Ag ppm Aqua R	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm		
FH97-1A	217	238	25	< 0.2	17	30	1	18	< 0.2	77		
FH97-1B	217	238	20	< 0.2	18	31	1	15	0.2	67		
FH97-1C	217	238	5	< 0.2	19	29	1	15	< 0.2	59		
FH97-2A	217	238	< 5	< 0.2	20	37	2	26	< 0.2	78		
FH97-2B	217	238	20	< 0.2	11	28	2	18	< 0.2	58		
FH97-2C	217	238	< 5	< 0.2	18	44	3	26	< 0.2	86		
FH97-3A	217	238	< 5	< 0.2	14	35	2	40	< 0.2	131		
FH97-3B	217	238	40	< 0.2	13	35	2	40	< 0.2	89		
FH97-3C	217	238	< 5	< 0.2	15	37	3	33	< 0.2	89		
FH97-4A	217	238	< 5	< 0.2	12	31	2	23	< 0.2	75		
FH97-4B	217	238	30	< 0.2	18	43	3	35	< 0.2	98		
FH97-4C	217	238	10	< 0.2	15	44	3	26	< 0.2	86		
FH97-5A	217	238	< 5	< 0.2	13	30	1	11	0.2	60		
FH97-5B	217	238	< 5	< 0.2	13	29	1	8	< 0.2	55		
FH97-5C	217	238	< 5	< 0.2	12	34	1	11	< 0.2	62		
FH97-6A	217	238	< 5	< 0.2	19	34	3	42	< 0.2	85		
FH97-6B	217	238	< 5	< 0.2	22	44	2	20	0.2	85		
FH97-6C	217	238	< 5	< 0.2	20	43	4	21	< 0.2	83		
FH97-7A	217	238	< 5	< 0.2	16	28	1	29	< 0.2	84		
FH97-7B	217	238	< 5	< 0.2	19	33	1	22	0.2	66		
FH97-7C	217	238	10	< 0.2	17	32	1	15	< 0.2	60		
FH97-8A	217	238	< 5	< 0.2	21	34	3	18	< 0.2	79		
FH97-8B	217	238	< 5	< 0.2	13	39	1	16	0.2	76		
FH97-8C	217	238	< 5	< 0.2	15	36	3	11	0.2	92		
FH97-9A	217	238	< 5	< 0.2	11	19	1	16	0.2	59		
FH97-9B	217	238	10	< 0.2	19	33	2	20	0.2	72		
FH97-9C	217	238	10	< 0.2	23	37	1	180	< 0.2	76		
FH97-10A	217	238	< 5	< 0.2	14	40	3	37	< 0.2	92		
FH97-10B	217	238	5	< 0.2	21	38	2	25	0.2	76		
FH97-10C	217	238	425	< 0.2	17	34	1	20	0.2	72		
FH97-11A	217	238	< 5	< 0.2	8	30	1	22	< 0.2	56		

CERTIFICATION:_____

Chemex Labs Ltd.

Analytical Chemists * Geochemists * Registered Assayers
212 Brooksbank Ave., North Vancouver
British Columbia, Canada V7J 2C1
PHONE: 604-984-0221 FAX: 604-984-0218

To: SYMONDS, DOUG

501 - 9847 MANCHESTER DR.
BURNABY, BC
V3N 4P4

Project : SIMLOCK-97
Comments: ATTN: DOUG SYMONDS CC: FRANK HALLAM

Page Number : 1
Total Pages : 1
Certificate Date: 17-DEC-97
Invoice No. : I9753039
P.O. Number :
Account : IRT

CERTIFICATE OF ANALYSIS A9753039

SAMPLE	PREP CODE		Au ppb FA+AA	Ag ppm Aqua R	As ppm	Cu ppm	Mo ppm	Pb ppm	Sb ppm	Zn ppm		
FH97-11B	205	226	< 5	< 0.2	17	27	1	< 1	< 0.2	80		
FH97-11C	205	226	< 5	< 0.2	3	18	1	< 1	< 0.2	49		
FH97-R1	205	226	< 5	< 0.2	12	20	1	50	< 0.2	24		
FH97-R2	205	226	< 5	< 0.2	3	4	1	5	< 0.2	18		

CERTIFICATION: _____

APPENDIX III

Road Survey Calculations

SURVEY DATA
SIMLOCK CREEK PROPERTY
1997 FIELD WORK

AT	SIGHT	BEARING	DISTANCE	SLOPE	CORRECTED DISTANCE
		(Degrees)	(Meters)	(Degrees)	(Meters)
t Stations in Bold Type)					
Sta 97-1	Sta 97-2	192.0	19.6	5.0	19.5
Sta 97-2	Sta 97-3	118.0	26.2	6.0	26.1
Sta 97-3	Sta 97-4	183.0	15.4	3.0	15.4
Sta 97-4	Sta 97-5	188.0	29.0	3.0	29.0
Sta 97-5	Sta 97-6	182.0	22.3	3.0	22.3
Sta 97-6	Sta 97-7	199.0	40.0	3.0	39.9
Sta 97-7	Sta 97-8	190.0	27.8	0.0	27.8
Sta 97-8	Sta 97-9	186.0	29.3	0.0	29.3
Sta 97-9	Sta 97-10	174.0	23.2	10.0	22.8
Sta 97-10	Sta 97-11	175.0	25.2	10.0	24.8
Sta 97-11	Sta 97-12	186.0	25.4	2.0	25.4
Sta 97-12	Sta 97-13	169.0	25.1	5.0	25.0
Sta 97-13	Sta 97-14	163.0	23.9	6.0	23.8
Sta 97-14	Sta 97-15	152.0	24.9	9.0	24.6
Sta 97-15	Sta 97-16	156.0	23.4	8.0	23.2
Sta 97-16	Sta 97-17	163.0	23.6	2.0	23.6
Sta 97-17	Sta 97-18	156.0	28.1	3.0	28.1
Sta 97-18	Sta 97-19	144.0	21.4	8.0	21.2
Sta 97-19	Sta 97-20	138.0	26.4	8.0	26.1
Sta 97-20	Sta 97-21	130.0	23.4	10.0	23.0
Sta 97-21	Sta 97-22	129.0	22.7	8.0	22.5
Sta 97-22	Sta 97-23	125.0	21.7	8.0	21.5
Sta 97-23	Sta 97-24	123.0	23.9	8.0	23.7
Sta 97-24	Sta 97-25	127.0	16.7	6.0	16.6
Sta 97-25	Sta 97-26	127.0	17.9	5.0	17.8
Sta 97-26	End Rd.	135.0	20.8	4.0	20.7
			627.3		623.7
LE1001	Sta 97-5	246.0	15.0	-25.0	13.6
NE????	Sta 97-12	328.0	12.3	-11.0	12.1
OE????	Sta 97-16	293.0	15.2	-17.0	14.5