Part A

GEOLOGICAL ASSESSMENT REPORT ON THE CRUZ CLAIMS

Part B

GEOCHEMICAL ASSESSMENT REPORT ON THE CRUZ CLAIMS

CRUZ 2 THROUGH 10, 49 to 54, CRUZ 135, CRUZ 136, CRUZ 137

NTS 82G/4E

Latitude 49° 12′ N Longitude 115° 50′ W

Owners – Chapleau Resources Ltd.
104-135 10th. Avenue South
Cranbrook, B.C.
V1C 2N1

Operator – Ascot Resources Ltd.
#1300 – 409 Granville St.
Vancouver, B.C.
V6C 1T2

Consultant – Part A - Anderson Minsearch Consultants Ltd.
3205 6th. St. South
Cranbrook, B.C.
V1C 6K1
Consultant – Part B – High-Grade Geological Consulting
310 8th. St. S.
Cranbrook, B.C.

Authors – Douglas Anderson
Dave Pighin

Submitted – January 20,1999

TABLE OF CONTENTS

		Page
1.00	**Introduction**	1
	1.10 Property Definition, History, Background Information	1
	1.20 Summary of Work Done	2
Part A		
2.00	**Geological Mapping**	2
3.00	**Interpretations and Conclusions**	3
Part B		
4.00	**Soil Geochemistry – Sundown Creek grid**	3
5.00	**Discussion**	4
6.00	**Summary and Recommendations**	4
7.00	**Itemized Cost Statements**	5
8.00	**Author's Qualifications**	6

List of Illustrations

Figure 1	Location Map for the Cruz Property	in text
Figure 2	Claim Map for the Cruz Property	in text
Figure 3	Geology Map of the Cruz	in pocket
Figure 4	1998 Follow-up Cu Soil Geochem	in pocket

1.00 Introduction

The set of Cruz claims which are the subject of this report form the eastern portion of a larger block of Cruz claims straddling the northeast end of the Yahk anticline. They are centered about 35 kilometers south of Cranbrook, B.C. in the East Kootenay region of British Columbia. South of Highway 3 they occur in the north-flowing drainage of Sundown Creek. The property extends from 1100m ASL to almost 1800 meters at it's south end. The area is one of modest relief with complete and often thick forest cover with a very low percentage of outcrop.Access is from Highway 3 just south of the Moyie Lakes up old logging roads starting as Sunrise then switching to the Sundown creek road. Some east-west access is available from this main road. (See enclosed Index Map.)

1.10 Property Definition, History, Background Information

The part of the property of concern to this report includes:

Claim	#Units	TN#	Expiry
Cruz 2	1	341870	Oct.31/98
Cruz 3	1	341871	Oct.31/98
Cruz 4	1	341872	"
Cruz 5	1	341873	"
Cruz 6	1	341874	"
Cruz 7	1	341875	"
Cruz 8	1	341876	"
Cruz 9	1	341877	"
Cruz 10	1	341878	"
Cruz 49	1	341914	Nov.2/98
Cruz 50	1	341915	"
Cruz 51	1	341916	"
Cruz 52	1	341917	"
Cruz 53	1	341918	"
Cruz 54	1	341920	Nov.2/98
Cruz 135	20	360242	Oct.24/98
Cruz 136	20	360243	Oct.26/98
Cruz 137	20	360244	Oct.28/98

The current owners are Chapleau Resources Ltd. of Cranbrook, who have optioned the claims to Ascot Resources Ltd. who were operators for most of the field work completed during 1998.

The earlier history of the area is brief and not well known. Small lead/zinc showings along northern Sundown creek attracted initial attention. About 4 kilometers north of the north boundary of the above claims, a 3476 meter oil/gas exploration well was drilled in 1987, it yielded chips collected over 3 meter intervals for a significant portion of the Aldridge Formation. The present owners acquired the claims in 1994 spurred on by finding of fragmentals and altered rocks between Sunrise and Farrell creeks. In 1995, an east-west section was drilled across this Cruz Deplata occurrence,

defining several fragmentals stacked over several hundred meters of stratigraphy as cored by the holes. In 1996, a single hole (R96-5) was drilled to 229 meters on the Cruz 1 claim in Sundown creek. It cored a Moyie gabbro sill intrusion then Middle Aldridge rocks to the end of the hole. In 1997, a soil geochemical survey was completed over the southern portion of the claims.

The Cruz claims have economic potential for Sullivan-style Sedex lead/zinc sulfides. Underlain by Middle Aldridge rocks and Moyie intrusives, there are occurrences of disseminated galena and sphalerite within the Yahk anticline and other Sullivan indicators including fragmentals, tourmalinites, and albitized sediments.

1.20 Summary of Work Done

The 1998 exploration program included some prospecting, soil geochemistry surveys, and geological mapping. The mapping was conducted at a scale of 1:20,000, covering about 65 square kilometers on a reconnaissance basis over claims Cruz 1 through 10, and Cruz 135 through 137. As described in Part B of this report, a soil geochem survey was undertaken to further define results achieved in 1997.

Part A

2.00 Geological Mapping

A modest program of mapping was undertaken to help evaluate the property. Mapping at a scale of 1:20,000 meant walking access roads and traversing the forested areas on a wide spaced basis. The amount of outcrop is very low and combined with thick tree/bush cover, limits the amount of geological data that can be gained. The claims cover the eastern limb of the Yahk anticline which is a broad, open fold with a modest northerly plunge in Canada (reversing itself in the United States). The fold is limited on the north and west by the major, transcurrent Moyie reverse fault.

The Cruz property is underlain by the oldest formation of the Proterozoic Belt-Purcell Supergroup. The Supergroup is a thick sequence of terrigenous clastic, carbonate, and minor volcanic rocks of Middle Proterozoic age. The basal Aldridge Formation, as exposed in Canada, is siliciclastic turbidites about 4000 meters thick. It is informally divided into the Lower, Middle, and Upper members. To the north and east in the basin, the Lower Aldridge, the base of which is not exposed, is about 1500 meters of rusty weathering (due to pyrrhotite), thin to medium bedded argillite, wacke and quartzitic wacke generally interpreted as distal turbidites. The Sullivan orebody occurs at the top of this division.To the south and west in the basin in Canada, the upper part of the Lower Aldridge is dominated grey weathering, medium to thick bedded quartz wackes considered to be proximal turbidites. The Lower Aldridge is commonly host to a proliferation of Moyie intrusions, principally as sills. The Middle Aldridge is about 2500 meters of grey to rusty weathering, dominantly medium bedded quartzitic wacke turbidites with periodic inter-turbidite intervals of thin bedded, rusty weathering argillites some of which form finely laminated marker beds (time stratigraphic units correlated over great distances within the Aldridge/Prichard basin). The Upper Aldridge is about 300 meters of thin bedded to laminated, rusty weathering, dark argillite and grey siltite

often in couplet-style beds.

Stratigraphically the Cruz is underlain by middle to upper Middle Aldridge rocks and several Moyie sills. It is an east-facing panel, younging to the east where it is overlain by the shallower-water siliclastics of the Creston Formation, east of the property boundary. Upper Aldridge is exposed only in the extreme southeast corner. The Middle Aldridge is dominated by moderately rusty weathering, thin to medium bedded, wackes to quartzitic wackes. There are some quartz wackes to arenites in the section but they are minor in the outcrops viewed. The individual beds are turbidites of a Bouma style but generally of the AE form with a poorly graded sand base and a muddy top. Current features are common with sole marks, small cross-beds, and flame structures. These sediments are intruded by gabbro sills which can be shallow cross-cutting. There are two main sills on this part of the Cruz property, they are sills recognized throughout the basin. A third sill is likely but it is only identified in a limited area. The gabbros range from fine-grained near the contacts to medium and coarse-grained within. Hornblende and plagioclase dominate, dictating the textures which can be equicrystalline ranging to a coarse, plumose hornblendite. They appear to change in thickness along the length of the property but this is largely apparent.

Structurally, there are two possible east-west faults which appear to offset the gabbro sills and therefore sediments. It appears from information gained peripheral to the claims that the sills change into dykes or the sills are fed from dykes which have occupied the fault(s).

The lack of outcrop limits the detail available about mineralization. Two types of concentrations of economic sulfides are recognized. In lower Sundown creek, individual quartzite beds host some weakly disseminated galena and sphalerite with some fracture and quartz vein mineralization also present in the area. The second type is disseminated pyrrhotite with chalcopyrite in one of the gabbro sills. This type of mineralization is not unusual in the Moyie intrusions but significant concentrations are not common. To date this mineralization does not seem widespread.

3.00 Interpretations and Conclusions

This is a very difficult area to map and establish the geology due to a lack of outcrop but also due to thick bush and limited access. To establish any detail would be a very time intensive exercise. The property is entirely underlain by Middle Aldridge rocks which are typical of the basin. These siliciclastics are turbidites with pyrrhotite in the bases of the beds producing a rusty weathered outcrop. At least two Moyie intrusions occur as sills in the area, on the property or just off but parallel to its boundaries. Two east-west trending faults are indicated offsetting the north-south trend of the package of sediments and sills. Mineralization located to date is not significant nor widespread.

The property requires more mapping in consort with soil geochemisty to try to identify targets. Geophysical surveys including mag and EM could be used to further define potential targets.

Part B

4.00 Soil Geochemistry – Sundown Creek grid

The objective of the 1998 soil geochemical survey was to better delineate a copper anomaly found by the 1997 Cruz soil geochemical survey (see Cruz Property Assessment Report, 1997 by Walker).

The 1998 fill-in soil grid is located (see Figure 4) mainly on the Cruz 136 claim. The area is drained by Sundown creek. The 1998 grid is formed by ten east-west soil lines totalling 16.6 kilometers. The new lines were positioned parallel to and 150 meters from the old 1997 lines. A total of 366 soil samples were taken from the B horizon at 50 meter intervals along the compass/hip-chained lines. All samples were sent to Acme Laboratories in Vancouver, B.C. and were analyzed by I.C.P. for copper exclusively. The lab preparation of samples involved taking a 0.5 gram sample, digesting it in a HCL-HNO3-H2O at 95° C and then diluting to 10 ml with water. This is only a partial leach for some elements.

5.00 Discussion

The 1998 soil geochemical survey on the Sundown grid did provide more definition on the established 1997 copper anomaly. The assay data was visually evaluated for anomalous copper values. Copper values were contoured by hand, based on a threshold value of 55 ppm copper. Soils taken in 1998 were analyzed only for copper, however, soils taken in 1997 were done by 30-element I.C.P. The 1997 soil data shows that copper is the only anomalous base metal on the Sundown grid. The combined surveys trace a strong copper anomaly for at least 3 kilometers along a southwest/northeast trend. Preliminary geological mapping suggests that the copper anomaly follows the trace of the Middle Aldridge sediments and gabbro sills. However, very little is known about the tectonic structure which may underlie the copper anomaly and the adjacent area.

6.00 Conclusions and Recommendations

The 1998 follow-up geochemistry on the Sundown grid did confirm and detail a large copper anomaly, originally located by the 1997 soil survey. Copper values within the anomaly are exceptionally high when compared to the regional soil background for areas underlain by the Aldridge Formation. The Sundown grid copper soil anomaly is a large and significant exploration target and is worthy of further exploration work. Follow-up work should include detail prospecting, detailed geological mapping and trenching.

6.00 **Itemized Cost Statements**

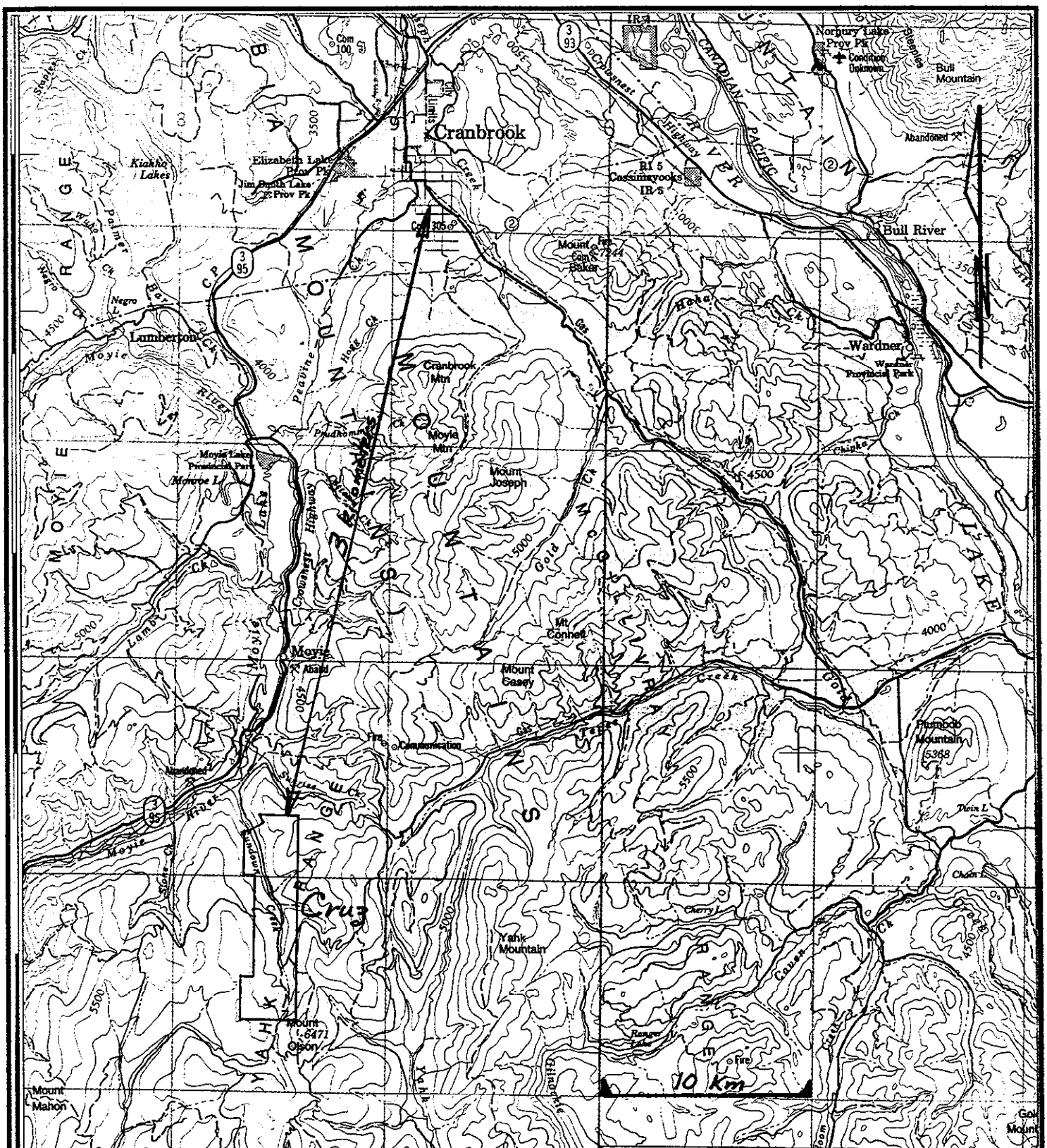
Geology:

Consultants: D. Anderson and D. Pighin's time: Fieldwork between Sept.15 and November 1st. included 12.85 days At $330 per day. This included orientation to the area, mapping, plotting, and report writing.	$4042.50
Transportation costs: $45/day and $0.35 per km for 4x4 trucks	681.25
Draughting costs to produce maps	$ 200.00
Total	$4923.75

Geochemistry:

Consultant: D.Pighin

Completion of survey in the field/collecting of samples – C.J.J. Exploration Contracts of Kimberley, B.C.	$1504.00
Processing of samples – B.Collison 376 samples	$ 487.50
Analytical work by Acme Analytical Laboratories Ltd. of 852 E. Hastings St, Vancouver, B.C. V6A 1R6	$1410.00
Report preparation/map draughting – D.L.Pighin at $330/d	$ 660.00
Total	$4061.50



Ascot Resources Ltd.

Location Map for the Cruz Claims
1998 Assessment Work

Scale 1:250,000	Figure 1
By: DA	

AUTHOR'S QUALIFICATIONS

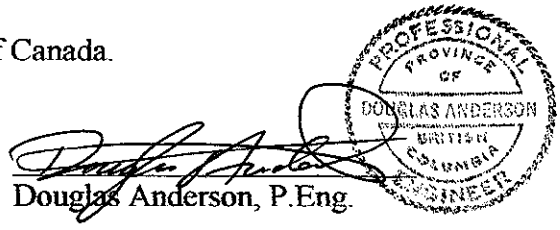
I, Douglas Anderson, Consulting Geological Engineer, have my office at 3205 6th. St. South in Cranbrook, B.C., V1C 6K1.

I graduated from the University of British Columbia in 1969 with a Bachelor of Applied Science in Geological Engineering.

I have practiced my profession since 1969, dominantly with one large mining company, in a number of capacities all over Western Canada.

I am a Registered Professional Engineer and member of the Association of Professional Engineers and Geoscientists of B.C., and I am authorized to use their seal which has been affixed to this report.

I am also a Fellow of the Geological Association of Canada.



Douglas Anderson, P.Eng.

AUTHOR'S QUALIFICATIONS

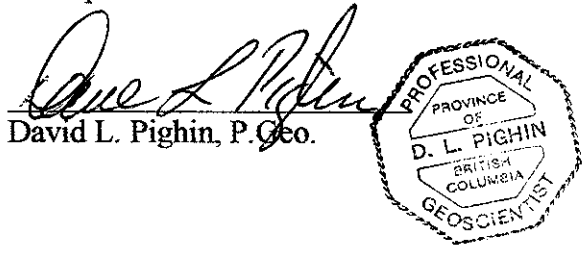
I, David L. Pighin, certify that:

I am a self employed consulting geologist whose office is at Hidden Valley Road, Cranbrook, B.C., mailing address is P.O. Box 728, Cranbrook, B.C. V1C 4J5.

I am a member in good standing of the Association of Professional Engineers and Geoscientists of the Province of British Columbia.

I have been actively involved in mining and exploration geology, primarily in the Province of British Columbia, for the past 32 years.

I was employed by Cominco Ltd. as a prospector, exploration technician and geologist for 24 years and later by numerous junior exploration companies.



David L. Pighin, P.Geo.

Dated this 20th day of January, 1999

ACME ANALYTICAL LABORATORIES LTD. 852 E. HASTINGS ST. VANCOUVER BC V6A 1R6 PHONE(604)253-3158 FAX(604)253-1716
(ISO 9002 Accredited Co.)

GEOCHEMICAL ANALYSIS CERTIFICATE

Chapleau Resources Ltd. PROJECT CRUZ File # 9804780 Page 1
104 - 135 - 10th Ave S., Cranbrook BC V1C 2N7 Submitted by: D.L. Pighin

SAMPLE#	Cu ppm
6350N 8600E	28
6350N 8650E	32
6350N 8700E	41
6350N 8750E	29
6350N 8800E	27
6350N 8850E	31
6350N 8900E	17
6350N 8950E	27
6350N 9000E	30
6350N 9050E	39
6350N 9100E	24
6350N 9150E	25
6350N 9200E	19
6350N 9250E	44
6350N 9300E	29
RE 6350N 9300E	29
6350N 9350E	20
6350N 9400E	17
6350N 9450E	11
6350N 9500E	35
6350N 9550E	34
6350N 9600E	86
6350N 9650E	65
6350N 9700E	39
6350N 9750E	108
6350N 9800E	31
6350N 9850E	42
6350N 9900E	61
6350N 9950E	30
6350N 10000E	20
6050N 8600E	88
6050N 8650E	33
6050N 8700E	29
6050N 8750E	26
6050N 8800E	28
STANDARD C3	62
STANDARD G-2	2

CU ANALYSIS BY ICP.
- SAMPLE TYPE: SOIL PULP
Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

DATE RECEIVED: OCT 28 1998 DATE REPORT MAILED: Nov 6/98 SIGNED BY: D. TOYE, C.LEONG, J. WANG; CERTIFIED B.C. ASSAYERS

All results are considered the confidential property of the client. Acme assumes the liabilities for actual cost of the analysis only. Data FA

SAMPLE#	Cu ppm
6050N 8850E	15
6050N 8900E	17
6050N 8950E	24
6050N 9000E	45
6050N 9050E	35
6050N 9100E	45
6050N 9150E	22
6050N 9200E	27
6050N 9250E	24
6050N 9300E	15
RE 6050N 9300E	16
6050N 9350E	28
6050N 9400E	36
6050N 9450E	16
6050N 9500E	19
6050N 9550E	204
6050N 9600E	97
6050N 9650E	27
6050N 9700E	91
6050N 9750E	57
6050N 9800E	93
6050N 9850E	150
6050N 9900E	29
6050N 9950E	26
6050N 10000E	75
5750N 7600E	16
5750N 7650E	16
5750N 7700E	14
5750N 7750E	17
5750N 7800E	41
5750N 7850E	31
5750N 7900E	31
5750N 7950E	14
5750N 8000E	30
5750N 8050E	17
STANDARD C3	63
STANDARD G-2	2

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

Data A FA

SAMPLE#	Cu ppm
5750N 8100E	19
5750N 8150E	27
5750N 8200E	15
5750N 8250E	38
5750N 8300E	25
5750N 8350E	17
5750N 8400E	48
5750N 8450E	25
5750N 8500E	68
5750N 8550E	77
5750N 8600E	33
5750N 8650E	41
5750N 8700E	22
5750N 8750E	55
5750N 8800E	29
5750N 8850E	83
5750N 8900E	35
RE 5750N 8900E	33
5750N 8950E	38
5750N 9000E	24
5750N 9050E	67
5750N 9100E	49
5750N 9150E	83
5750N 9200E	80
5750N 9250E	142
5750N 9300E	48
5750N 9350E	69
5750N 9400E	21
5750N 9450E	33
5750N 9500E	69
5750N 9550E	188
5750N 9600E	110
5750N 9650E	90
5750N 9700E	91
5750N 9750E	67
STANDARD C3	62
STANDARD G-2	1

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

Data FA

SAMPLE#	Cu ppm
5750N 9800E	50
5750N 9850E	29
5750N 9900E	19
5750N 9950E	46
5750N 10000E	18
5450N 7600E	19
5450N 7650E	58
5450N 7700E	41
5450N 7750E	123
5450N 7800E	45
5450N 7850E	23
5450N 7900E	31
5450N 7950E	20
5450N 8000E	22
5450N 8050E	16
5450N 8100E	41
5450N 8150E	26
5450N 8200E	64
5450N 8250E	68
5450N 8300E	107
5450N 8350E	40
5450N 8400E	36
RE 5450N 8400E	37
5450N 8450E	38
5450N 8500E	194
5450N 8550E	77
5450N 8600E	115
5450N 8650E	93
5450N 8700E	63
5450N 8750E	53
5450N 8800E	154
5450N 8850E	71
5450N 8900E	56
5450N 8950E	154
5450N 9000E	107
STANDARD C3	62
STANDARD G-2	1

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

Date FA

SAMPLE#	Cu ppm
5450N 9050E	174
5450N 9100E	70
5450N 9150E	54
5450N 9200E	80
5450N 9250E	154
5450N 9300E	139
5450N 9350E	113
5450N 9400E	77
5450N 9450E	26
5450N 9500E	15
5450N 9550E	33
5450N 9600E	98
RE 5450N 9600E	100
5450N 9650E	62
5450N 9700E	43
5450N 9750E	78
5450N 9800E	55
5450N 9850E	35
5450N 9900E	19
5450N 9950E	22
5450N 10000E	20
5150N 7600E	116
5150N 7650E	86
5150N 7700E	107
5150N 7750E	58
5150N 7800E	17
5150N 7850E	13
5150N 7900E	88
5150N 7950E	28
5150N 8000E	21
5150N 8050E	35
5150N 8100E	29
5150N 8150E	29
5150N 8200E	39
5150N 8250E	104
STANDARD C3	61
STANDARD G-2	2

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

Data / FA

SAMPLE#	Cu ppm
5150N 8300E	96
5150N 8350E	84
5150N 8400E	95
5150N 8450E	92
5150N 8500E	133
5150N 8550E	128
5150N 8600E	75
5150N 8650E	172
5150N 8700E-A	275
5150N 8700E-B	54
5150N 8750E	64
RE 5150N 8750E	66
5150N 8800E	18
5150N 8850E	111
5150N 8950E	255
5150N 9000E	133
5150N 9050E	146
5150N 9100E	91
5150N 9150E	43
5150N 9200E	41
5150N 9250E	34
5150N 9300E	52
5150N 9350E	64
5150N 9400E	64
5150N 9450E	38
5150N 9500E	138
5150N 9550E	60
5150N 9600E	19
5150N 9650E	28
5150N 9700E	50
5150N 9750E	32
5150N 9800E	49
5150N 9850E	25
5150N 9900E	27
5150N 9950E	20
STANDARD C3	62
STANDARD G-2	2

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

Data FA

SAMPLE#	Cu ppm
5150N 10000E	15
4850N 7600E	48
4850N 7650E	29
4850N 7700E	29
4850N 7750E	15
4850N 7800E	16
4850N 7850E	10
4850N 7900E	24
4850N 7950E	24
RE 4850N 7950E	25
4850N 8000E	20
4850N 8050E	20
4850N 8100E	18
4850N 8150E	17
4850N 8200E	26
4850N 8250E	70
4850N 8300E	87
4850N 8350E	57
4850N 8400E	111
4850N 8450E	111
4850N 8500E	71
4850N 8550E	70
4850N 8600E	53
4850N 8650E	29
4850N 8700E	60
4850N 8750E	65
4850N 8800E	31
4850N 8850E	27
4850N 8900E	27
4850N 8950E	21
4850N 9000E	48
4850N 9050E	45
4850N 9100E	17
4850N 9150E	50
4850N 9200E	99
STANDARD C3	62
STANDARD G-2	2

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

Data FA

SAMPLE#	Cu ppm
4850N 9250E	29
4850N 9350E	46
RE 4850N 9350E	49
4850N 9400N	56
4850N 9450N	32
4850N 9500N	20
4850N 9550N	31
4850N 9600N	88
4850N 9650N	50
4850N 9700N	56
4850N 9750N	36
4850N 9800N	37
4850N 9850N	23
4850N 9900N	10
4850N 9950N	45
4850N 10000N	23
4550N 7000E	19
4550N 7050E	10
4550N 7100E	24
4550N 7150E	19
4550N 7200E	34
4550N 7250E	26
4550N 7300E	152
4550N 7350E	53
4550N 7400E	62
4550N 7450E	50
4550N 7500E	118
4550N 7550E	110
4550N 7600E	57
4550N 7650E	47
4550N 7700E	36
4550N 7750E	38
4550N 7800E	41
4550N 7850E	29
4550N 7900E	22
STANDARD C3	62
STANDARD G-2	2

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

Date FA

SAMPLE#	Cu ppm
4550N 7950E	46
4550N 8000E	47
4550N 8050E	27
4550N 8100E	24
4550N 8150E	38
4550N 8200E	52
4550N 8250E	62
4550N 8300E	66
4550N 8350E	61
4550N 8400E	61
4550N 8450E	46
4550N 8500E	65
4550N 8550E	38
4550N 8600E	29
4550N 8650E	41
4550N 8700E	29
4550N 8750E	54
RE 4550N 8750E	55
4550N 8800E	58
4550N 8850E	277
4550N 8900E	50
4550N 8950E	45
4550N 9000E	49
4550N 9050E	72
4550N 9100E	78
4550N 9150E	48
4550N 9200E	60
4550N 9250E	42
4550N 9300E	56
4550N 9350E	68
4550N 9400E	53
4550N 9450E	49
4550N 9500E	39
4550N 9550E	14
4550N 9600E	25
STANDARD C3	61
STANDARD G-2	1

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

Date FA

SAMPLE#	Cu ppm
4550N 9650E	52
4550N 9700E	20
4550N 9750E	42
4550N 9800E	244
4550N 9850E	21
4550N 9900E	21
4550N 9950E	21
4550N 10000E	16
4100N 7000E	14
4100N 7050E	9
4100N 7100E	13
4100N 7150E	22
4100N 7200E	66
4100N 7250E	55
4100N 7300E	44
4100N 7350E	38
4100N 7400E	50
RE 4100N 7400E	51
4100N 7450E	111
4100N 7500E	27
4100N 7550E	584
4100N 7600E	51
4100N 7650E	58
4100N 7700E	42
4100N 7750E	29
4100N 7800E	43
4100N 7850E	45
4100N 7900E	31
4100N 7950E	30
4100N 8000E	53
4100N 8050E	89
4100N 8100E	56
4100N 8150E	28
4100N 8200E	24
4100N 8250E	20
STANDARD C3	62
STANDARD G-2	1

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

Data ✓ FA

SAMPLE#	Cu ppm
4100N 8300E	64
4100N 8350E	42
4100N 8400E	29
4100N 8450E	41
RE 4100N 8450E	41
4100N 8500E	24
4100N 8550E	35
4100N 8600E	44
4100N 8650E	51
4100N 8700E	35
4100N 8750E	47
4100N 8800E	14
4100N 8850E	49
4100N 8900E	33
4100N 8950E	70
4100N 9000E	39
4100N 9050E	59
4100N 9100E	57
4100N 9150E	44
4100N 9200E	38
4100N 9250E	24
4100N 9300E	48
4100N 9350E	56
4100N 9400E	13
4100N 9450E	26
4100N 9500E	18
4100N 9550E	33
4100N 9600E	24
4100N 9650E	21
4100N 9700E	24
4100N 9750E	30
4100N 9800E	35
4100N 9850E	35
4100N 9900E	10
4100N 9950E	23
4100N 10000E	14
STANDARD C3	63
STANDARD G-2	1

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

Data FA

ASSESSMENT REPORT PROSPECTING PROGRAM

CRUZ PROPERTY

Cruz 27 to 32, 34 to 38 and 40 to 48 Claims
FORT STEELE MINING DIVISION

N.T.S. MAPSHEET 82G/4W

Latitude 49° 12' N **Longitude 115° 50' W**

Work Performed from September 1 to 30, 1998

OWNER
CHAPLEAU RESOURCES LTD.
Suite 104 - 135 -10th Ave. S..,
Cranbrook, B.C.

REPORT ON BEHALF OF
ASCOT RESOURCES LTD.
#1300 - 409 Granville St.,
Vancouver, B.C.

REPORT BY
Craig Kennedy
Prospector
2290 DeWolfe Ave.
Kimberley, B.C.

January, 1999

TABLE OF CONTENTS

		Page
1.00	INTRODUCTION	1
	1.10 Location and Access	1
	1.20 Property Description	1
	1.30 Scope of Present Work	1
2.00	PROSPECTING REPORT	1
3.00	CONCLUSION	4
4.00	EXPENDITURE SUMMARY	4
	AUTHOR'S QUALIFICATIONS	5

List of Illustrations

Figure 1 - Location Map		6
Figure 2 - Claim Map	1:50,000 Scale	in pocket
Figure 3 - Prospecting Map		in pocket

PROSPECTING ASSESSMENT REPORT
CRUZ Property
Fort Steele Mining Division

1.00 INTRODUCTION

1.10 Location and Access
The Cruz property is located 60 km due south of the Sullivan Mine, Kimberley, B.C.

Access to the property's west and north boundaries is by Highway 3/95. A system of new and old logging roads service the property's interior regions.

1.20 Property Description
The Cruz property consists of 140 Cruz claims and 48 Stone claims totalling 106.25 sq. km. The property is owned 100% by Chapleau Resources Ltd. and held under an option agreement with Ascot Resources Ltd. of Vancouver, B.C.

1.30 Scope of Present Work
The objective of the 1998 prospecting program was to initiate exploration follow-up for previous geologic and geochemical work. Geological mapping in this area has been completed by private companies and the Provincial Government.

2.00 PROSPECTING REPORT
The Cruz claims overlay an area dominated by the regionally significant Moyie Anticline. A major northeast striking structural zone is postulated to be the host for the Moyie Anticline hinge area. The trace of this broad feature was the priority area prospected during the 1998 exploration program. Thick forest, under story and ground cover inhibit work activity on most of the Cruz claim area. Limited exposures of bedrock can be seen throughout the whole of the property.

Six major features of interest exist on the adjoining the Cruz claim block:

1) Fragmental package;
2) Tourmaline alteration;
3) Black silicified quartzite;
4) Iron gossans;
5) Base metal mineralization;
6) Intrusives.

1) Fragmental Package
The fragmental package can be seen on traverse Routes #1 and #2. It's located adjacent to and on the northern portion of the Cruz claims. Poor exposure does not allow for good examination of the package but what can be seen does indicate the potential for a large occurrence. The fragmental sequence seems to be both stratabound and crosscutting, both east and west edges

give the impression of being structurally controlled. The stratabound units occupy a 125 m wide zone and have a indicated width in excess of 40 m. This package exists between a large southeast trending draw on the West and the disappearance of outcrop exposures on the east. The terminated eastern edge correspond with an abundance of small quartz vein float. This material may represent a buried structure.

Fragmental clast size and shape are varied. Large elliptical and rounded clasts the size of golf balls can be seen on the western edge of the zone. The middle and eastern edge have an abundance of ragged and angular clasts. These clasts are fairly uniform in size, not much larger than a square cm. Amongst this package you do see zones with mixed in, rounded, clasts. Of significance is the fact that small pieces of fragmental float can be found 150 m up slope from the last outcrop exposure. This again provides more evidence of a crosscutting feature on the western edge of the package.

2) Tourmaline Alteration

Tourmaline alteration was noted in outcrop in one area, this alteration was associated with the fragmental sequence. Pieces of tourmaline rich float were seen in three other areas. This float occurs in the following area. Route #4, a few pieces of black tourmaline in Stoney creek, in the creek bed. Route #2 above the fragmental outcrop along the edge of a south east trending draw, two pieces of black fragmental tourmaline were noted here. Route #2, slightly north of the property small chips and pieces originated along the edge of the Alberta Natural Gas pipeline right-of-way. These small black pieces have their source in a thin bedded rock unit which was ripped during pipeline construction.

The tourmalinization within the fragmental complex is found throughout the sequence. The majority of tourmaline noted was tourmaline needles. These were present in two environments, as strataform narrow beds and as disseminations in interbeds of quartzite, siltstone and mudstone. Sulphide noted in these zones was pyrrhotite with very rare arsenopyrite. Replacement tourmalinization occurs on both edges, east and west of the fragmental package. These zones are narrow and appear discontinuous but seem definitely controlled by structure. The zone on the east is associated with fractures and narrow quartz veins. The quartz veins strike both northeast and northwest. The silicified fragmental and quartzite which encloses the tourmaline has abundant pyrrhotite, pyrite with rare arsenopyrite, chalcopyrite and native copper. The zone on the west has a brecciated texture with some very strong limonite cementing. Here the prominent sulphide is pyrrhotite with rare arsenopyrite and chalcopyrite.

3) Black Silicified Quartzite

Narrow black silicified quartzite beds within medium bedded siltstone, quartzite sequences. This type of alteration was seen in two areas, north a slight distance from the claim boundary and a short distance north and east of a major ferricrete occurrence. The first zone is on Route #1 and is a series of narrow discontinuous zones which can been seen in a logging road cut. The second is on Route #4 and is a poorly exposed outcrop in a small creek bed. The significance of this type of alteration is that it is often seen in close association with tourmaline alteration. The zone north

and east of the upper gossan is very interesting as it may provide a clue to the structural control for the ferricrete. The only sulphide noted within these lenses are clots and disseminations of pyrrhotite. This pyrrhotite is often accompanied by small light pink garnets.

4) Iron Gossans

There are two known gossan areas encountered on or adjacent to the property. The upper gossan on Route #4 is an exposed 40 m long X 25 m wide zone. This zone contains some massive ferricrete wad. Poor bedrock exposure in the area does not allow for recognition of a source for this accumulating iron. The assumption is that this material is being transported some distance.

The gossan zone on Route #2 north of the claim block and at the base of slope can be seen intermittently across a distance of 200 m. The gossan is recognized as a strong orange-red overburden with some narrow zones of strong limonite cementing. Of interest here is some narrow zones containing abundant quartz vein float. This material is obviously sourced from narrow veins, the significance being that the veins may be part of a structural zone. This in turn may indicate that the gossan is associated with structure. Of further significance is the fact that this zone is downslope from the previous mentioned fragmental package.

5) Base Metal Mineralization

Base metal mineralization in outcrop was seen in two areas. The fragmental complex on Routes #1 and #2 have zones with disseminated pyrrhotite, pyrite and arsenopyrite. Usually these increases in sulphide are accompanied by tourmaline alteration. Within the zone of tourmaline alteration and sulphide increase you find disseminations of chalcopyrite and on Route #1 some disseminations of native copper. Up slope from the fragmental complex on Route #1 a limited exposure with some disseminated sphalerite and galena was seen. This mineralization was associated with narrow fractures in fine grain quartzite. Due to the lack of outcrop no determination could be made as to whether this is a isolated outcrop or part of something more extensive. This fracture mineralization is possibly related to structural features which control tourmaline alteration within the fragmental package or the fragmental itself.

Float with disseminated PbS and ZnS mineralization was seen in three areas. There were a few pieces seen around the area of fracture mineralization on Route #1. Two pieces of float were seen on Route #4 in the Stoney Creek bed. These were altered quartzite chunks with rare sphalerite or galena along narrow silicified fractures. On Route #3 a number of small angular pieces of silicified fine grain quartzite contained rare sphalerite with pyrrhotite and chlorite.

6) Intrusive

On all traverses only one outcrop of gabbro was noted. This outcrop occurs on Route #4. This limited exposure indicates a body in excess of 20 m. The gabbro is fine to moderate grain and non-magnetic. Contacts are covered so no determination could be made as to weather this is a narrow sill or dyke. If it is a dyke it could prove to be an important structural indicator.

3.00 CONCLUSION

There could most certainly be a link between the upper gossan, fragmental package and lower gossan. This perceived link could be the hanging wall expression of an ancient structural zone which now hosts the Moyie Anticline fold zone. The iron ferricrete is a indicator of transported iron rich solution. This material could be related to a large iron rich body at depth. Tourmaline alteration, arsenopyrite, and the weak but evident base metal fracture mineralization make this a high value exploration target.

4.00 EXPENDITURE SUMMARY

PROSPECTING CONTRACTORS
The Kennedy Group, Kimberley, B.C.

7 days @ $600/day - prospecting	$ 4,200
1 day @ $200/day - report writing	200
Transportation	350
REPORT TYPING & ASSEMBLY	100
TOTAL EXPENDITURES =	$ 4,850

Craig Kennedy

Craig Kennedy

AUTHOR'S QUALIFICATIONS

As the Author of this report I, Craig Kennedy, certify that:

1. I am an independent Prospector residing at 2290 DeWolfe Avenue, Kimberley, B.C.

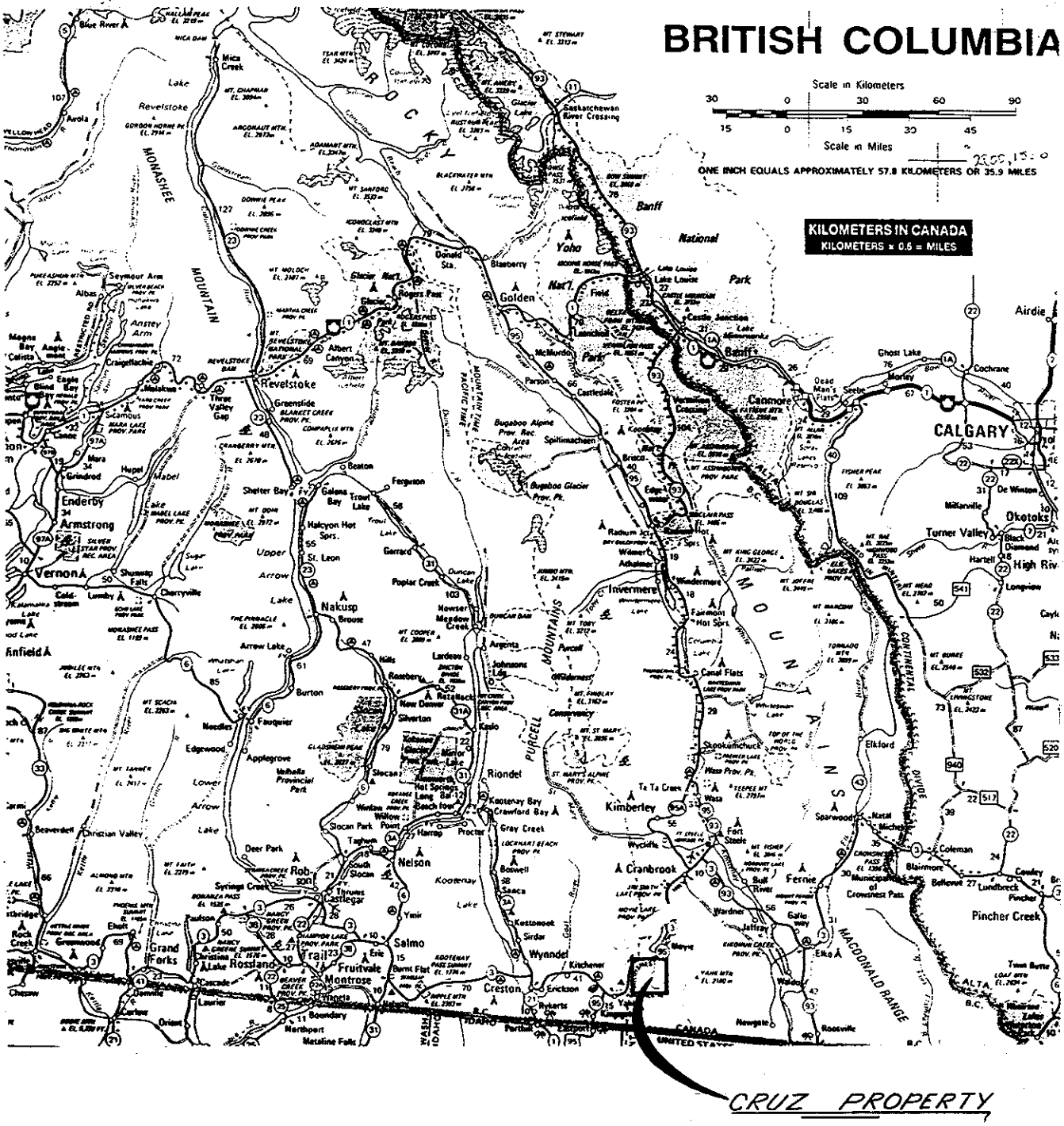
2. I have been actively prospecting in the East Kootenay District of B.C. for the past 24 years, and have made my living by prospecting for the past 10 years.

3. I have been employed at a professional prospector by major and junior mineral exploration companies.

4. I own and maintain mineral claims in B.C. and have optioned numerous claims to various exploration companies.

Craig Kennedy

Craig Kennedy
Prospector



CRUZ PROPERTY

INDEX MAP

Scale: as shown	Date: Oct. 1998	Plate: Fig. 1

3/95

TRAIL

911

P

Medium to thick bedded quartzite & Siltstone

20° 16°

08° Medium bedded quartzite Siltstone 10°

Gossan

Narrow black Silicified beds

Medium bedded Siltstone Quartzite 06° 10°

Pyrrhotite rich quartzite

Pb Zn Fracture Mineralization

Pyrrhotite Rich Siltstone quartzite

Medium to thick bedded quartzite & Siltstone

16°

14°

Medium to thick bedded quartzite & Siltstone

15°

30°

25°

0001

0011

1200

300

400

500

Medium to thick bedded quartzite & Siltstone

Medium to thick bedded Siltstone & Quartzite

Medium Quartzite and Siltstone 15° 10°

Medium to thick bedded Quartzite & Siltstone

Medium Siltstone

08° 10°

07°

Some thin bedded Siltstone

Medium to thick bedded Quartzite & Siltstone

08°

12°

Medium bedded quartzite Siltstone

731

Medium bedded quartzite & Siltstone

22°

16° 08°

1654

Medium to thick bedded quartzite

05° Medium to thick bedded Siltstone & Quartzite

Gossan

Medium bedded quartzite Siltstone

Gabbro

Quartzite Siltstone

Black quartzite Siltstone

Pyrrhotite Rich Medium bedded Siltstone & quartzite

1600

1200

LEGEND

Gabbro

F Fragmental

Tourmaline Alteration

Routes

Gossan

Float

Tourmaline

Mineralization

Fragmental

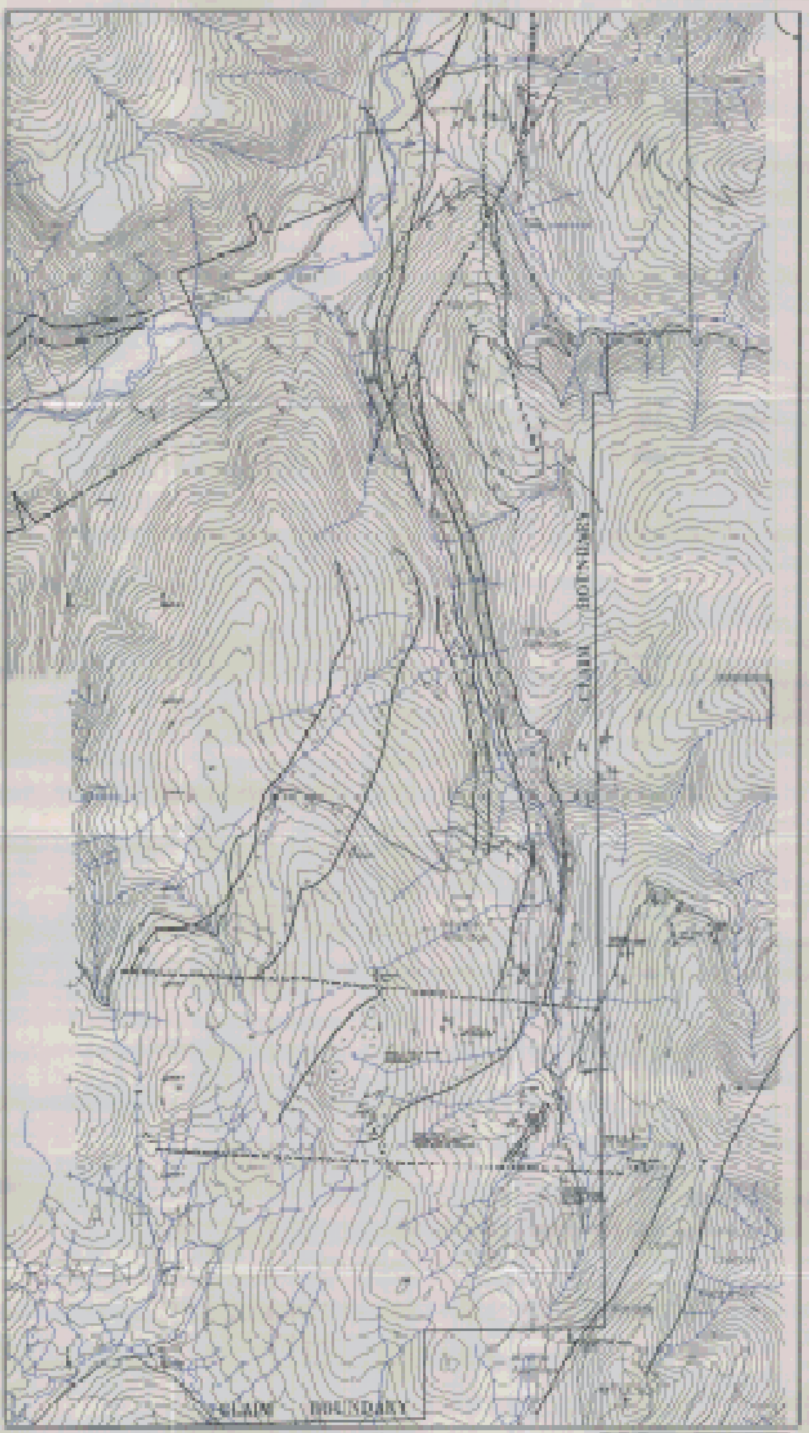
Quartz

CRUZ PROSPECTING MAP

N

Scale 1:10,000

FOR GEOLOGICAL BRANCH ASSESSMENT REPORT



25,823

ASCOT

N

GRUZ PROPERTY

GEOLOGY MAP

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

25,823

49°15'00" 116°00'00"

49°15'00" 115°45'00"

Cruz Deplata Claims 1 to 8

MOVIE LAKE

Farrell Crk

Sunrise Crk.

SEDEX

SEDEX

Cruz 21

Cruz 51

Cruz 52

MOVIE RIVER

3/95

Stone

Crk.

Sundown

CRUZ 1

CRUZ 98-1

CRUZ 44

CRUZ 92-2

CRUZ 22

CRUZ 14

CRUZ 135

CRUZ 92

CRUZ 55

CRUZ 136

CRUZ 98-3

CRUZ 114

CRUZ 91

CRUZ 90

CRUZ 137

Area of geochem grid

N

0 1 2 3KM.

SCALE 1:50,000

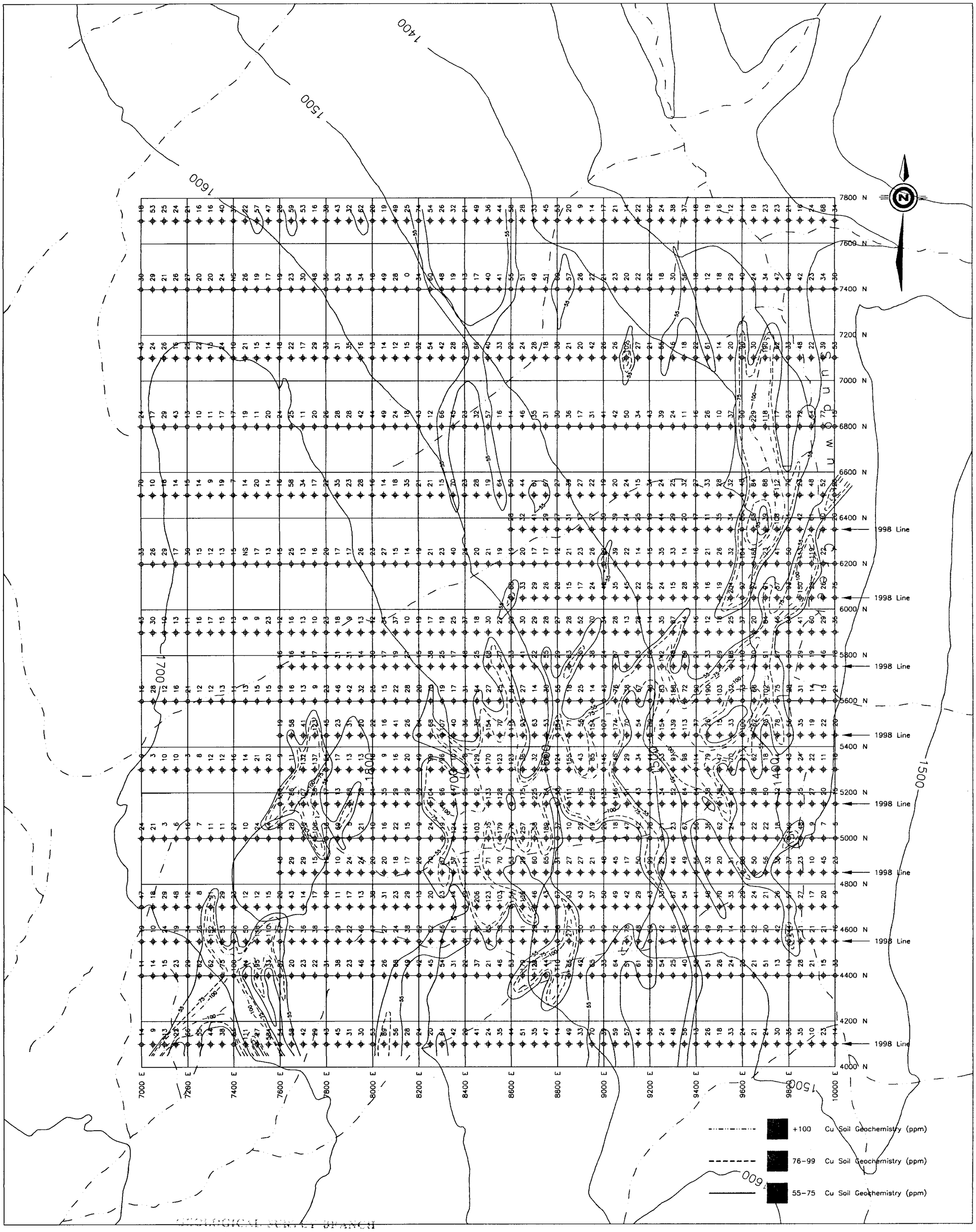
CRUZ PROPERTY

CLAIM MAP

DRAWN BY: D.L. PIGHIN

DATE: OCT. 1998

MAP REF: 82G05W, 82G04W



ASCOT RESOURCES LTD.

25,023

CRUZ PROPERTY

1998 Follow-up Cu Soil Geochem
Sundown Grid
Figure 4

Drawn by: D.L. Pighin	Date: 98-Dec-15
Drafted by: REA	Scale: 1:10,000

Last Update (Y/M/D): 98-Dec-15 pm (REA)

CAD Filename: c:\CRUZ98\CZ98CU.dwg