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ASSESSMENT REPORT
on
DIAMOND DRILLING

SMOKER PROPERTY

Semlin Creek / Little Lamb Creek / Monroe Lake Area

FORT STEELE MINING DIVISION

NTS 82 G/5W

Latitude 49° 23' N
Longitude 115° 54' W
580,000 E 5,470,000 N

By

PETER KLEWCHUK, P. Geo.

June, 1998

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

25,956

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1.00 INTRODUCTION

This report describes the results of a diamond drilling program completed in 1998 on the Smoker property located southwest of Cranbrook, B.C.

1.10 Location and Access

The Smoker property is located approximately 17 kilometers southwest of Cranbrook, B.C. in the Fort Steele Mining Division (Fig. 1). The claims are centered near 49° 23' N Latitude and 115° 54' W Longitude (UTM 580,000 E 5,470,000 N), on NTS reference map 82 G/5 W and Trim map 82G031 (Fig. 2).

Good access to the property is available via the Lumberton logging road which leaves Highway 3/95 approximately 10 kilometers south of Cranbrook and then up the Moyie and Semlin Creek roads. Access from the south is also available up the Lamb Creek and Little Lamb Creek roads.

1.20 Property

The Smoker property consists of one 12 unit 4-post claim and 21 2-post claims for a total of 33 claim units and an area of 825 hectares (Fig. 2). The claims are owned or under option to Ascot Resources Ltd.

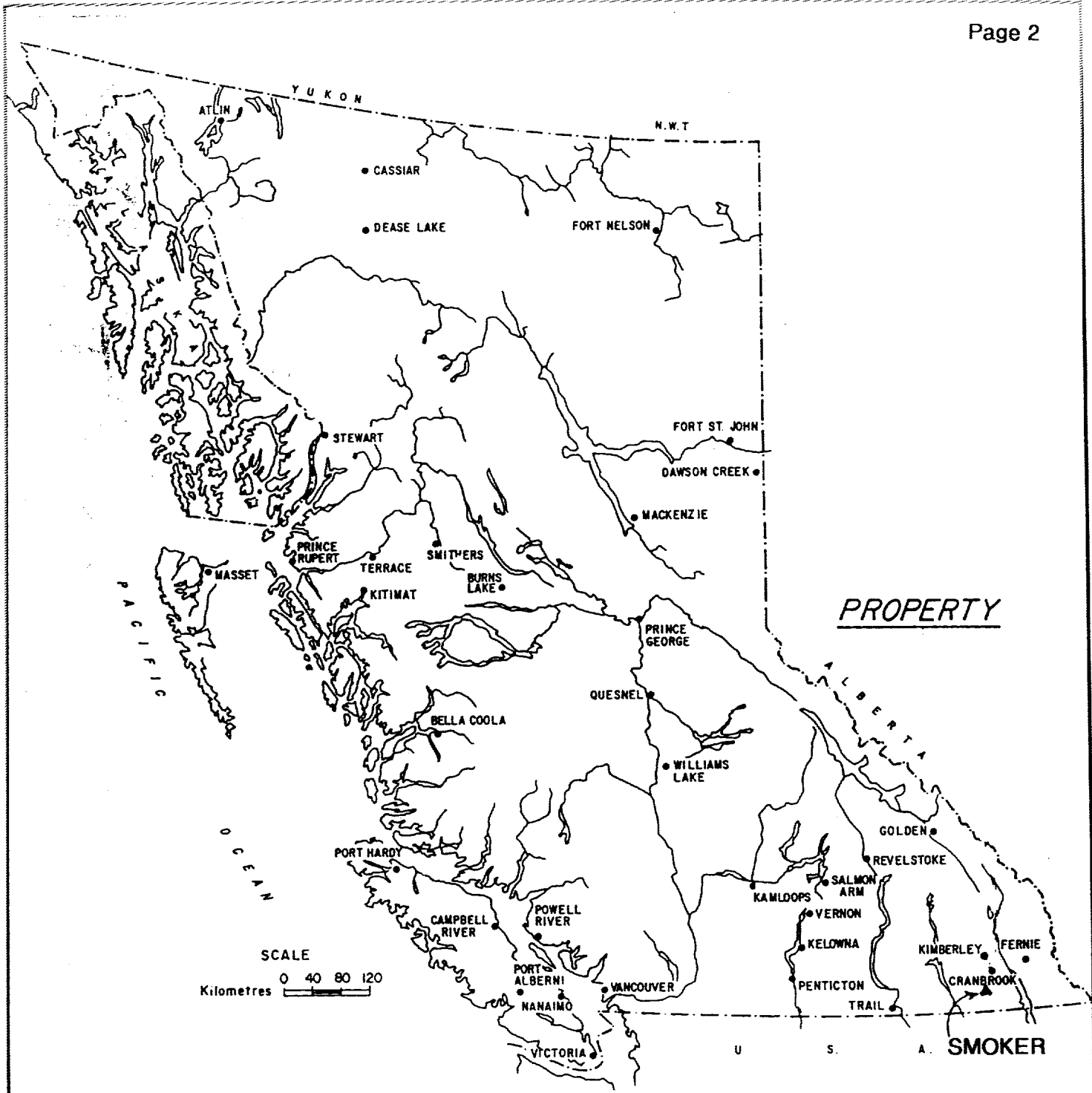
1.30 Physiography

The Smoker property is west of the Rocky Mountain Trench, within the Moyie Range of the Purcell Mountains. The claims cover the upper portion of a glacially-rounded mountain between the headwaters of Semlin Creek to the north and Little Lamb Creek to the south, and steep east-facing mountain slopes extending west from the north end of Monroe Lake. Elevation on the property ranges from 1050 to 2016 meters.

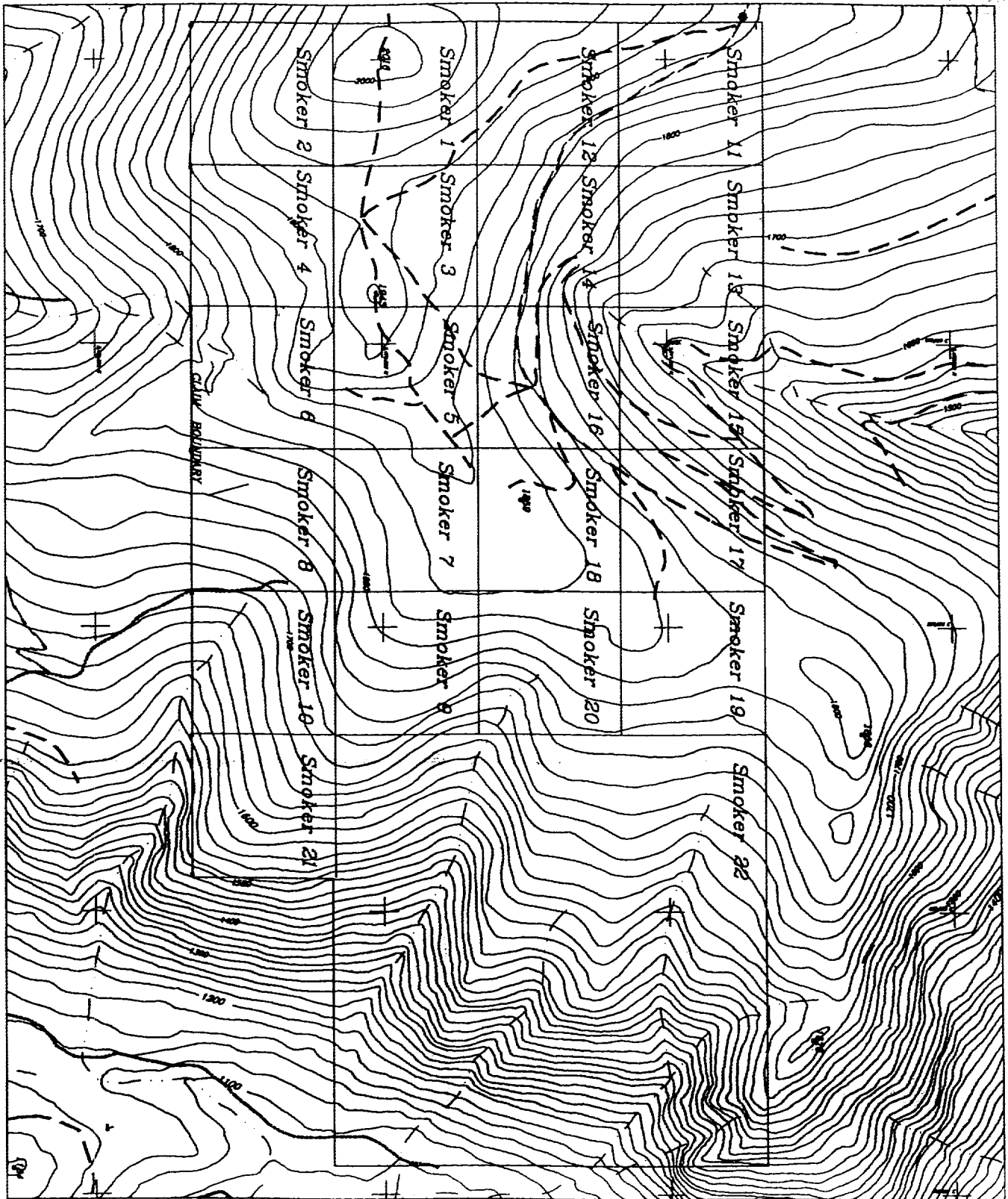
Forest cover consists of a mixture of mainly pine, fir and larch in various stages of maturity. Parts of the claim block have been logged.

1.40 History of Previous Exploration

The area of the Smoker property has been held previously by a number of different exploration companies, including Cominco Ltd. who have conducted a long-standing search for zinc-lead-silver deposits in the general vicinity of Kimberley where the Sullivan orebody has been mined for most of the past 100 years. No record of previous exploration activity on the ground currently covered by the Smoker claims was found.



ASCOT RESOURCES LTD.
SMOKER PROPERTY LOCATION MAP
Scale: 1:8,000,000 FIGURE I



ASCOT
RESOURCES LTD.



SMOKER PROPERTY	
<i>Claim Map</i>	
This Plot: 06/23/1999	Date: 06/23/1999
Map Ref.: 82G.031	Scale: 1:20,000

Last Update (Y/M/D):

CAD Filename: C:\FORS\PROPERTY\SMOKER-82G.DWG

FIGURE 2

1.50 Purpose of Survey

During 1998 a diamond drilling program was conducted on the Smoker claims to evaluate a large fragmental body which is exposed at surface. This fragmental is generally similar in character to a fragmental which underlies the Sullivan orebody. Fragmental development is considered an integral part of the base metal sulfide mineralizing process which deposited the Sullivan.

2.00 GEOLOGY

2.10 Regional Geology

The area of the Smoker property has been recently mapped by Hoy and Diakow (1982): the property is underlain by the Mesoproterozoic Purcell Supergroup, a thick succession of fine grained clastic and carbonate sedimentary rocks exposed in the core of the Purcell Anticlinorium in southeast British Columbia. These rocks are believed by most workers (eg. Harrison, 1972) to have been deposited in an epicratonic re-entrant of a sea that extended along the western margin of the Precambrian North American craton.

The oldest known member of the Purcell Supergroup is the Aldridge Formation, a thick sequence of fine-grained siliciclastic rocks deposited largely by turbidity currents. Reesor (1958) has divided the Aldridge Formation in the Purcell Mountains into three informal units: rusty weathering siltstone, quartzitic wacke and argillite of the lower Aldridge Formation; grey weathering quartz wacke and siltstone of the middle Aldridge Formation; and laminated argillite of the upper Aldridge Formation.

The Aldridge Formation is gradationally overlain by shallower-water deltaic clastics of the Creston Formation. The Creston Formation is in turn overlain by predominantly dolomitic siltstones of the Kitchener Formation. The Aldridge Formation has been intruded by a series of gabbroic sills and dikes which are interpreted to be penecontemporaneous with deposition of their host sediments (Hoy, 1989).

The Purcell Anticlinorium is transected by a number of steep transverse and longitudinal faults. The transverse faults appear to have been syndepositional (Lis and Price, 1976) and Hoy (1982) suggests a possible genetic link between mineralization and syndepositional faulting.

Longitudinal faults which more closely parallel the direction of basin growth faults may have played a similar role. The Sullivan orebody is part of a NNE oriented structural corridor that hosts extensive evidence of disturbed sedimentation, hydrothermal vent products and the base metal sulfides themselves. This corridor is parallel to longitudinal basin growth faults and is probably related to such a structure.

Cretaceous felsic intrusives of quartz monzonite to diorite composition have intruded Precambrian metasedimentary rocks and are typically controlled by large faults. The Kiakho stock occurs about 11 kilometers north of the Smoker property, within the Cranbrook Fault. The Cranbrook Fault is a major east-west striking, north dipping normal transform fault, similar in attitude to the Kimberley Fault located on the immediate north side of the Sullivan orebody.

2.20 Property Geology

Mapping by Hoy and Diakow (1982) shows the area of the Smoker property to be underlain by middle Aldridge Formation rocks. Bedding generally strikes northwest and dips gently to moderately northeast.

The Smoker claims cover a large (400 m by 100 m) oval shaped exposure of fragmental within Aldridge Formation rocks. At surface the fragmental consists of both matrix supported and clast supported fragmental with intercalated massive quartzite. The fragmental rocks are in part intensely albitized and sericitized. Zones of weak to abundantly disseminated galena, sphalerite and pyrrhotite occur locally within the fragmental complex

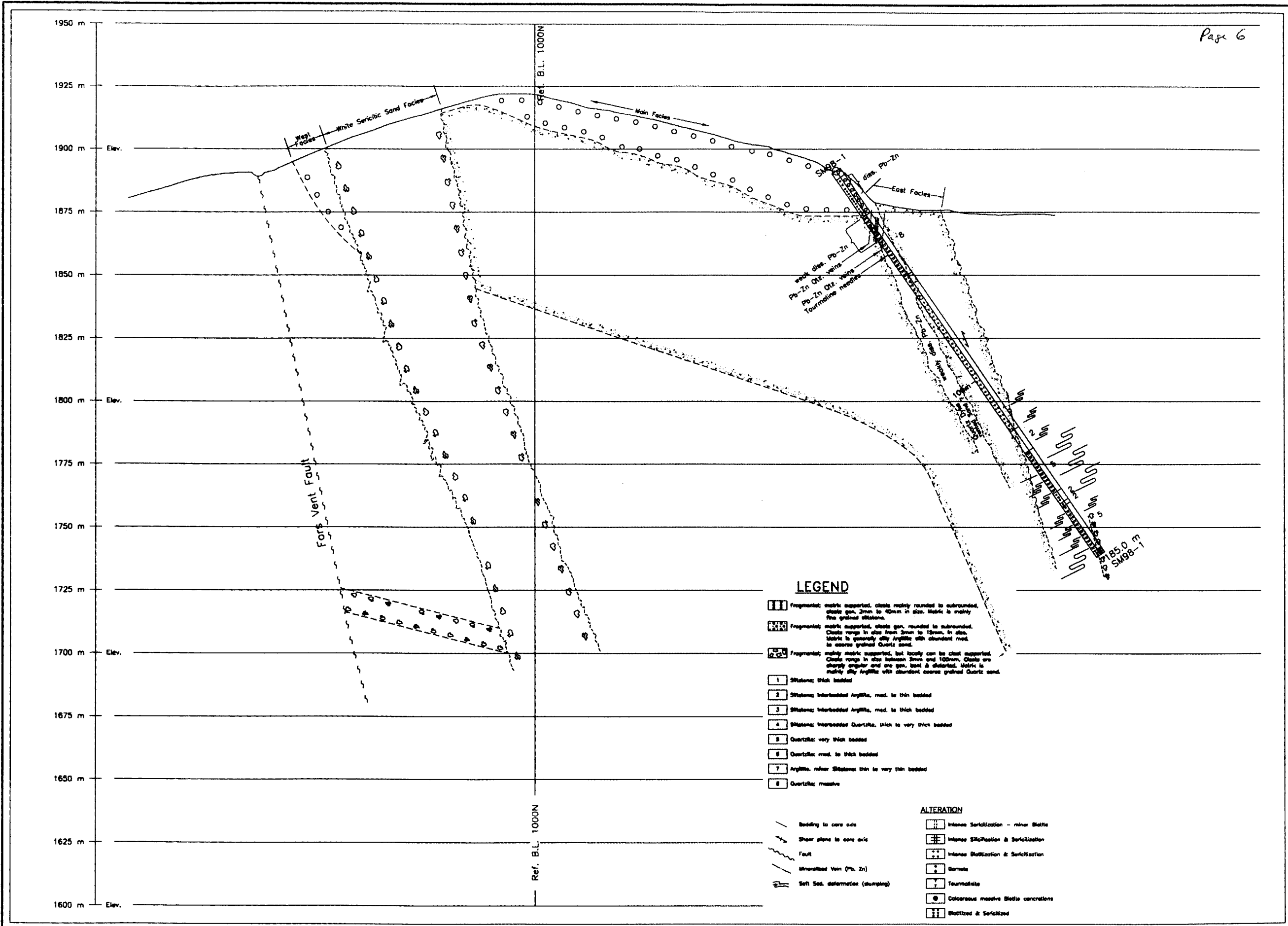
In 1998 a diamond drilling program was undertaken on this fragmental to determine the size and geometry of its exposure.

3.00 DIAMOND DRILLING

One diamond drill hole, Sm 98-1, NQ in size, is being reported on here. Drilling commenced October 26, 1998 and was completed October 28, 1998. The hole was collared in the east central part of the surface exposed fragmental, approximately at UTM coordinates 579,153 E 5,469,849.5 N, drilled toward 050° azimuth, and at a collar dip angle of -55°. The hole was drilled to a total depth of 185.06 m.

The core was logged by D.L.Pighin, P.Geo. The complete drill log is provided as Appendix I. Drill hole Sm 98-1 encountered a suite of fragmental lithologies between 3 m and 124.7 m, a mixture of Middle Aldridge Formation siltstones, quartzites and minor argillite to 182.0 m and fragmental to the end of the hole at 185.1 m. Local sulfides were encountered, including disseminated and vein pyrrhotite, and disseminated PbS, ZnS and pyrite.

Bedding at surface in the vicinity of the fragmental is relatively flat, thus the fragmental body is evidently cross-cutting the stratigraphy.

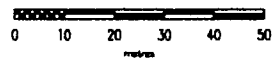


LEGEND

- Fragmental; matrix supported, clasts mainly rounded to subrounded, chert gas, 2mm to 40mm in size. Matrix is mainly fine grained siltstone.
- Fragmental; matrix supported, clasts gas, rounded to subrounded. Chert range in size from 2mm to 15mm. In situ matrix is generally silty Argillite with abundant med. to coarse grained Quartz sand.
- Fragmental; matrix supported, but locally can be chert supported. Chert range in size between 2mm and 100mm. Chert are sharply angular and are gas, best & distorted. Matrix is mainly silty Argillite with abundant coarse grained Quartz sand.
- Siltstone; thick bedded
- Siltstone; interbedded Argillite, med. to thin bedded
- Siltstone; interbedded Argillite, med. to thick bedded
- Siltstone; interbedded Quartzite, thick to very thick bedded
- Quartzite; very thick bedded
- Quartzite; med. to thick bedded
- Argillite, minor Siltstone; thin to very thin bedded
- Quartzite; massive

ALTERATION

- Bedding to core axis
- Shear plane to core axis
- Fault
- Mineralized Vein (Pb, Zn)
- Soft Sed. deformation (slumping)
- Intense Sericitization - minor blebs
- Intense Silicification & Sericitization
- Intense Illitization & Sericitization
- Garnets
- Tourmalinite
- Calcareous massive blebs concretions
- Blebbized & Sericitized



4.00 CONCLUSIONS

Diamond drill hole SM 98-1 encountered a suite of fragmental lithologies and minor Middle Aldridge siltstones, quartzites and argillites to its final depth of 185.1 m. Minor sulfides, including disseminated PbS and ZnS, were encountered.

5.00 REFERENCES

- Harrison, J.E., 1972, Precambrian Belt basin of northwestern United States — its geometry, sedimentation, and copper occurrences: *Geological Society of America Bulletin*, v.83, n.5, p. 1215-1240.
- Hoy, T., 1982, The Purcell Supergroup in southeastern British Columbia: Sedimentation, tectonics, and stratiform lead-zinc deposits, *in* *Precambrian Sulfide Deposits*, H.S. Robinson Memorial Volume, R.W. Hutchinson, C.D. Spence, and J.M. Franklin, eds. , Geological Association of Canada, Special Paper 25, p. 127-147.
- Hoy, T., 1989, The age, chemistry and tectonic setting of the Middle Proterozoic Moyie sills, Purcell Supergroup, southeastern British Columbia, *Can. J. Earth Sci.* v.29, p.2305-2317.
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- Lis, M.G. and Price, R.A., 1976, Large scale block faulting during deposition of the Windermere Supergroup (Hadrynian) in southeastern British Columbia: *Geol. Surv. Can. Paper* 76-1A, p 135-136.
- Reesor, J.E., 1958, Dewar Creek Map-area with special emphasis on the White Creek batholith, British Columbia: *Geological Survey of Canada, Memoir* 292, 78p.

6.00 STATEMENT OF EXPENDITURES

Diamond Drilling Expenditures - Hole SM98-1
Olympic Diamond Drilling,
7101 Honeyman St., Delta, B.C.

\$ 12,037.32

TOTAL EXPENDITURE


\$ 12,037.32

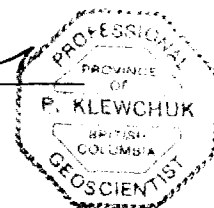
7.00 AUTHOR'S QUALIFICATIONS

As author of this report I, Peter Klewchuk, certify that:

2. I am an independent consulting geologist with offices at 246 Moyie Street, Kimberley, B.C.
3. I am a graduate geologist with a B.Sc. degree (1969) from the University of British Columbia and an M.Sc. degree (1972) from the University of Calgary.
4. I am a Fellow of the Geological Association of Canada and a member of the Association of Professional Engineers and Geoscientists of British Columbia.
5. I have been actively involved in mining and exploration geology, primarily in the province of British Columbia, for the past 23 years.
6. I have been employed by major mining companies and provincial government geological departments.

Dated at Cranbrook, British Columbia, this 7th day of July, 1999.


Peter Klewchuk
P. Geo.



APPENDIX "A"

DRILL LOG RECORD

Hole SM98-1

DRILL HOLE RECORD

ASCOT RESOURCES LTD.

Property: SMOKER		Hori. Comp: 106.11 m	HOLE #: SM98-1
Location: top of Semlin Mtn. (Smoker 5 claim)		Vert. Comp: 151.54 m	LENGTH: 185.06 m
Commenced: Oct. 26, 1998	Completed: Oct. 28, 1998	Corr. Dip:	Drill Contractor: Britton Bros.
Coords: Long.	Lat.	True Bearing: 050 deg.	Core Size: NQ
Coords: UTM (E) 579153 E	(N) 5469849.5 N (EL)	% recovered:	Casing: 3.0 m
Coords: Grid (E)	(N) (EL)	Logged date: Oct/98	Core Storage: Vine Properties
Elevation: 1894.0 m	Collar Dip: -55 deg. Azi: 050 deg.	Logged by: D.L. Pighin	
OBJECTIVE: To test the Smoker Vent for mineralization, alteration and structural control.			
Surveys: Depth:	Dip:	Azi:	Type:
Additional Surveys: Depth:	Dip:	Azi:	Type:

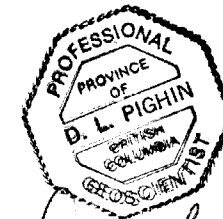
From	To	LITHOLOGY: Fragmental; silty quartz sand matrix, clasts are mainly argillite and minor silty argillite.
3.0	21.4 m	COLOR: Dark gray with bluish gray clasts.
		PRIMARY STRUCTURE: Massive, clasts generally range in size between 2 mm and 10 mm and rarely more than 20 mm. Clasts are matrix supported. Clasts are subrounded to angular with a random orientation, matrix is mainly fine to medium grained, unsorted mature to unmatre sand grains.
		TECTONIC STRUCTURE: Widely scattered fractures at 30° to core axis.
		GENERAL ALTERATION: Matrix is sericitic and biotitic with some widely scattered subhedral white garnets.
		MINERALIZATION & ASSOCIATED ALTERATIONS, HOST STRUCTURE: Very fine grained pyrrhotite forms widely scattered dendrites throughout the section. Some very narrow specks of galena.
		ADDITIONAL OBSERVATIONS:

From	To	LITHOLOGY: Quartzite, with rare thin fragmental zones.
21.4 - 50.3 m		COLOR: Light gray to whitish gray
		PRIMARY STRUCTURE: Massive, no bedding, medium to fine grained, unsorted and ungraded quartz sand. Contact cuts core at 10°.
		TECTONIC STRUCTURE: Widely scattered limonitic fractures at 10° and rarely 5° to core.
		GENERAL ALTERATION: Strongly sericitized and silicified, tiny subhedral white garnets are widely scattered throughout quartzite. At 34.8 m a 10 cm thick argillite lense hosts abundant small tourmaline needles.
		MINERALIZATION & ASSOCIATED, HOST STRUCTURE: 21.4 - 50.3 m - fine grained pyrrhotite forms abundant dendrites throughout quartzite unit. 21.4 - 32.6m - sphalerite, galena, pyrite and pyrrhotite is weakly disseminated throughout quartzite. @ 24.4 m - 5 cm thick quartz-sphalerite-galena vein cuts core at 35° to core axis. 26.0 - 27.5 m - abundant thin (2mm) galena-sphalerite-quartz veinlets cut core at 40° to axis. @ 31.0 m - quartz-sphalerite-galena vein cuts core at 41° to core axis (5 cm thick).
		ADDITIONAL OBSERVATIONS:
From	To	LITHOLOGY: Fragmental; siltstone matrix with siltstone and argillite clasts.
50.3 - 124.7 m		COLOR: gray, with light gray and dark gray clasts
		PRIMARY STRUCTURE: Massive matrix supported fragmental, matrix consists of silt and medium grained quartz sand. Clasts are generally rounded to subrounded, rarely angular, generally between 2 mm and 15 mm in size and rarely 30 mm in size. Clasts appear to have a random orientation.
		TECTONIC STRUCTURE: Rare limonite filled fractures at 10° to core.
		GENERAL ALTERATION: Fragmental matrix and clasts are strongly biotitic and sericitic, small white tabular selenite casts filled by calcite are widely scattered throughout fragmental unit. Large biotite-garnet concretions up to 10 cm in size are scattered throughout fragmental. Concretions commonly rimmed by intense silicification.
		MINERALIZATION & ASSOCIATED, HOST STRUCTURE: Weakly disseminated pyrrhotite throughout fragmental unit.
		ADDITIONAL OBSERVATIONS:

From	To	LITHOLOGY: Siltstone, interbedded argillite.
124.7 - 134.8		COLOR: Gray and light gray.
		PRIMARY STRUCTURE: Medium to thin bedded, highly disrupted by soft sediment deformation, bedding is distinct but highly distorted, beds are generally fine grained.
		TECTONIC STRUCTURE: 126.1 to 127.1 m - fault cuts axis at 5°, fault consists of brecciated sediments and soft fault gouge. 131.7 - 132.0 m - broken loose brecciated sediments.
		GENERAL ALTERATION: Weakly biotitic throughout, generally typical of Middle Aldridge sediments.
		MINERALIZATION & ASSOCIATED, HOST STRUCTURE: Rare disseminated pyrrhotite.
		ADDITIONAL OBSERVATIONS:
From	To	LITHOLOGY: Quartzite
134.8 - 154.5		COLOR: Light gray.
		PRIMARY STRUCTURE: thick to very thick bedded, medium to coarse grained sand, bedding indistinct, rarely distinct, generally wavy, some beds highly disrupted by soft sediment deformation. @ 146.0 m - bedding to core = 78°.
		TECTONIC STRUCTURE: Widely scattered fracture at 27° to core and 6° to core axis.
		GENERAL ALTERATION: Strongly silicified and sericitic, some rare subhedral light pink gamets.
		MINERALIZATION & ASSOCIATED, HOST STRUCTURE: Very weakly disseminated pyrrhotite, rare thin pyrite filled fractures.
		ADDITIONAL OBSERVATIONS:

From	To	LITHOLOGY: Siltstone, interbedded silty argillite and argillite. 159.5 m to 160.0 m "MOYIE MARKER BED"
154.5 - 161.0 m		COLOR: Light gray to brownish gray.
		PRIMARY STRUCTURE: Medium to thin bedded, bedding distinct, commonly wavy (disrupted). @ 159.5 m bedding to core axis = 80°.
		TECTONIC STRUCTURE: NIL
		GENERAL ALTERATION: Finely crystalline brown biotite is abundant in silty beds, rare subhedral light pink garnets.
		MINERALIZATION & ASSOCIATED, HOST STRUCTURE: Rare disseminated pyrrhotite.
		ADDITIONAL OBSERVATIONS:
From	To	LITHOLOGY: Quartzite 166.3 - 167.0 m - fragmental unit, contacts parallel to bedding.
161.0 - 176.0 m		COLOR: Light gray.
		PRIMARY STRUCTURE: Thick to very thick bedded, bedding is indistinct, some beds are strongly disrupted by soft sediment deformation. Quartzites are generally medium to coarse grained, unsorted and ungraded quartz sand.
		TECTONIC STRUCTURE: NIL
		GENERAL ALTERATION: Generally sericitic and silicified, rare subhedral pink garnets, scattered calcite crystals after selenite.
		MINERALIZATION & ASSOCIATED, HOST STRUCTURE: Weakly disseminated pyrrhotite generally throughout unit.
		ADDITIONAL OBSERVATIONS:

From	To	LITHOLOGY: Siltstone
176.0 - 182.0 m		COLOR: Light gray.
		PRIMARY STRUCTURE: Medium to thick bedded, bedding distinct and wavy, some beds are strongly deformed by soft sediment deformation, siltstone beds are graded with D&E (Bouma) argillite bed tops.
		TECTONIC STRUCTURE: At 178.0 m a thin shear zone (5 cm thick) cuts core at 30°.
		GENERAL ALTERATION: Fine crystalline brown biotite throughout (typical of Middle Aldridge sediments) rare subhedral pink garnets.
		MINERALIZATION & ASSOCIATED, HOST STRUCTURE:
		ADDITIONAL OBSERVATIONS:
From	To	LITHOLOGY: Fragmental
182.0 - 185.1 m		COLOR: Light gray
END OF HOLE		PRIMARY STRUCTURE: Discordant fragmental, clast supported in-part. Upper contact cuts core axis at 20°. Clasts range in size from 2mm to 50 mm, clasts are generally angular and mainly argillite.
		TECTONIC STRUCTURE: NIL
		GENERAL ALTERATION: Fragmental matrix is strongly biotitic.
		MINERALIZATION & ASSOCIATED, HOST STRUCTURE: Pyrrhotite is relatively abundantly disseminated in fragmental matrix.
		ADDITIONAL OBSERVATIONS: ***** END OF HOLE @ 185.1 m *****



David L. Pighin