

RECEIVED
SEP 30 1999
Gold Commissioner's Office
VANCOUVER, B.C.

Diamond Drilling Report

Phantom 1 Mineral Claim (McNeil Creek)
Fort Steele Mining Division, B.C.
NTS 82G/5W
Latitude 49° 21' N, Longitude 115°59' E

Report by: G.Rodgers, P.Eng.
P.O. Box 63,
Skookumchuck, B.C. V0B 2E0

For: Sedex Mining Corp. (Operator)
P.O. Box 215,
Cranbrook, B.C. VIC 4H7

Owner: Sedex Mining Corp.
(Optioned from F.O'Grady, P.Eng.)

Aug. 15, 1999

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

26,026

GOVERNMENT AGENT CRANBROOK
SEP 28 1999
AMT. #
TRANS. #

Summary

One diamond drill hole was drilled by Sedex Mining Corp. on the Phantom 1 mineral claim (#330704) Sept.21- Oct.5 , 1998. Sedex Mining Corp. was the operator and the claims are optioned to Sedex Mining Corp. by F.O'Grady (owner). The hole encountered siltstones, argillites and quartzites of the Middle Aldridge Formation with several sections of fault breccia (one of which is over 20m thick). The hole is considered to have successfully tested Sullivan Time which contained disseminated sulphide in many thin laminated bands.

Table of Contents

	Page
Summary	i
1.0 Introduction	
1.1 Location and Access	1
1.2 History	1
1.3 Economic Assessment	1
1.4 New Work Performed and Objectives	1
1.5 Claim Status	1
2.0 Regional Geology	5
2.1 Property Geology	5
3.0 Diamond Drilling	5
4.0 Conclusions and Recommendations	6
5.0 Statement of Costs	6
6.0 Statement of Qualifications	7
Fig.1 Location Map	2
Fig.2a Claim Map	3
Fig.2b Regional Geology	4
Appendix I Diamond Drill Logs	
Fig.3 , Geology Map (1:10,000) with drill hole location	5

(1)

1.0 Introduction

1.1 Location and Access

The claims are located just east of McNeil Creek approximately , a tributary of the Moyie River approximately 30 km southwest of Cranbrook, B.C.. Access is via the main Moyie Road from Lumberton to Semlin Creek then to McNeill Creek. Previous logging in the area has left numerous roads and trail , most of which are now overgrown.

1.2 History

The McNeil Creek area has been the focus of exploration by Cominco Ltd. between 1979 and Late 1980's for Sullivan style mineralization.

1.3 Economic Assessment

The claims overlay stratigraphy thought to be prospective for base metal mineralization. The middle Aldridge Formation underlies the claims. This environment hosted the 160 million tonne Sullivan Pb,Zn,Ag deposit worth approximately \$20billion. Vein type massive sulphides also exist on the claims.

1.4 New Work Performed and Objectives

During 1998 diamond drilling totaling 455.4 meters in one hole was done in order to try to reach the contact between the Lower Aldridge Formation and the Middle Aldridge Formation..

1.5 Claim Status

The claims that this assessment report pertains to are listed on the Statement of Work (s) # 3135973. Fig.2a is a claim map showing the immediate claim worked on (Phantom 1) and some of the surrounding claims (all owned by Sedex Mining Corp.)..

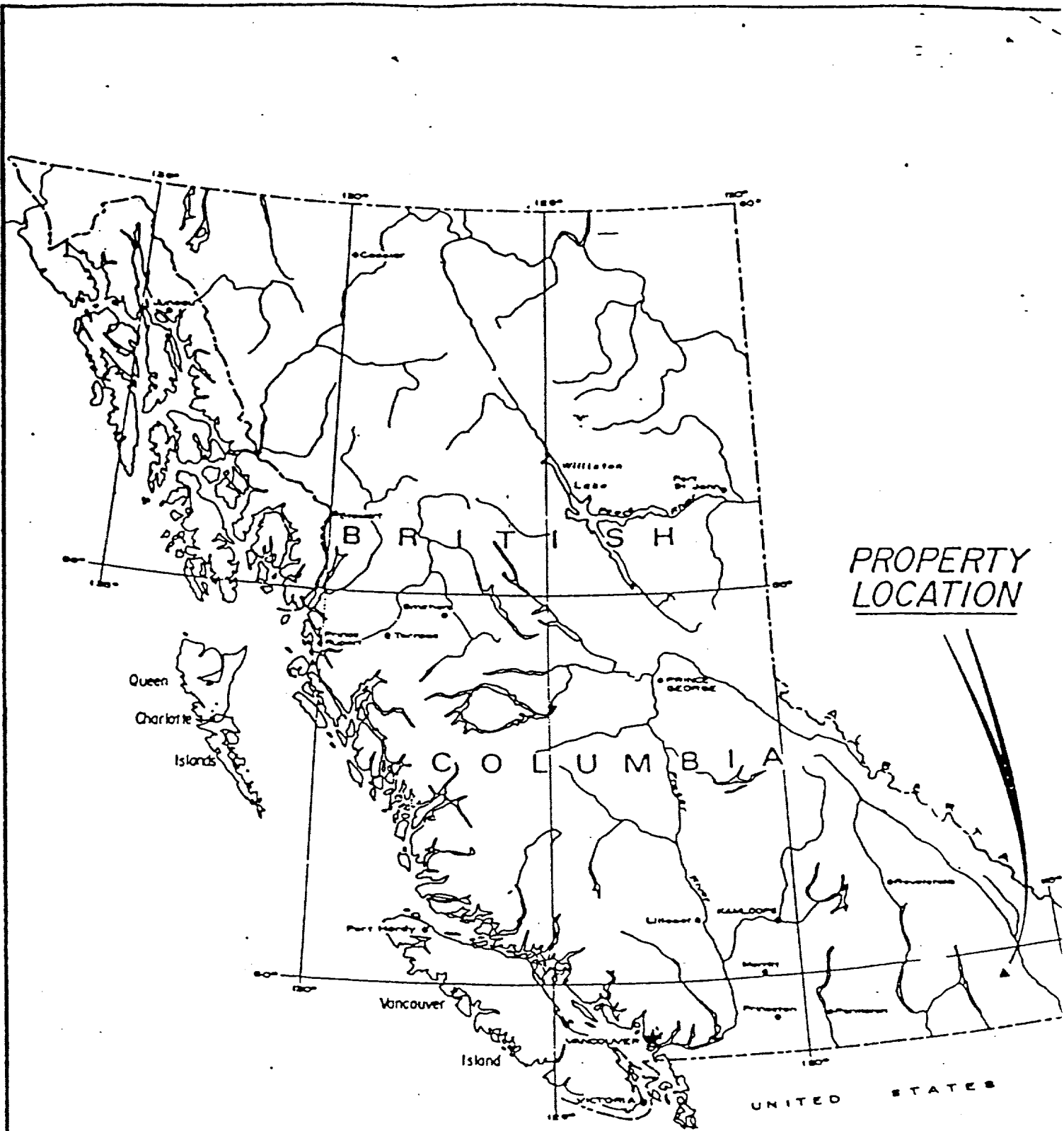


Figure 1

LOCATION MAP

SCALE
 Km 100 50 0 100 200 300 400 Km

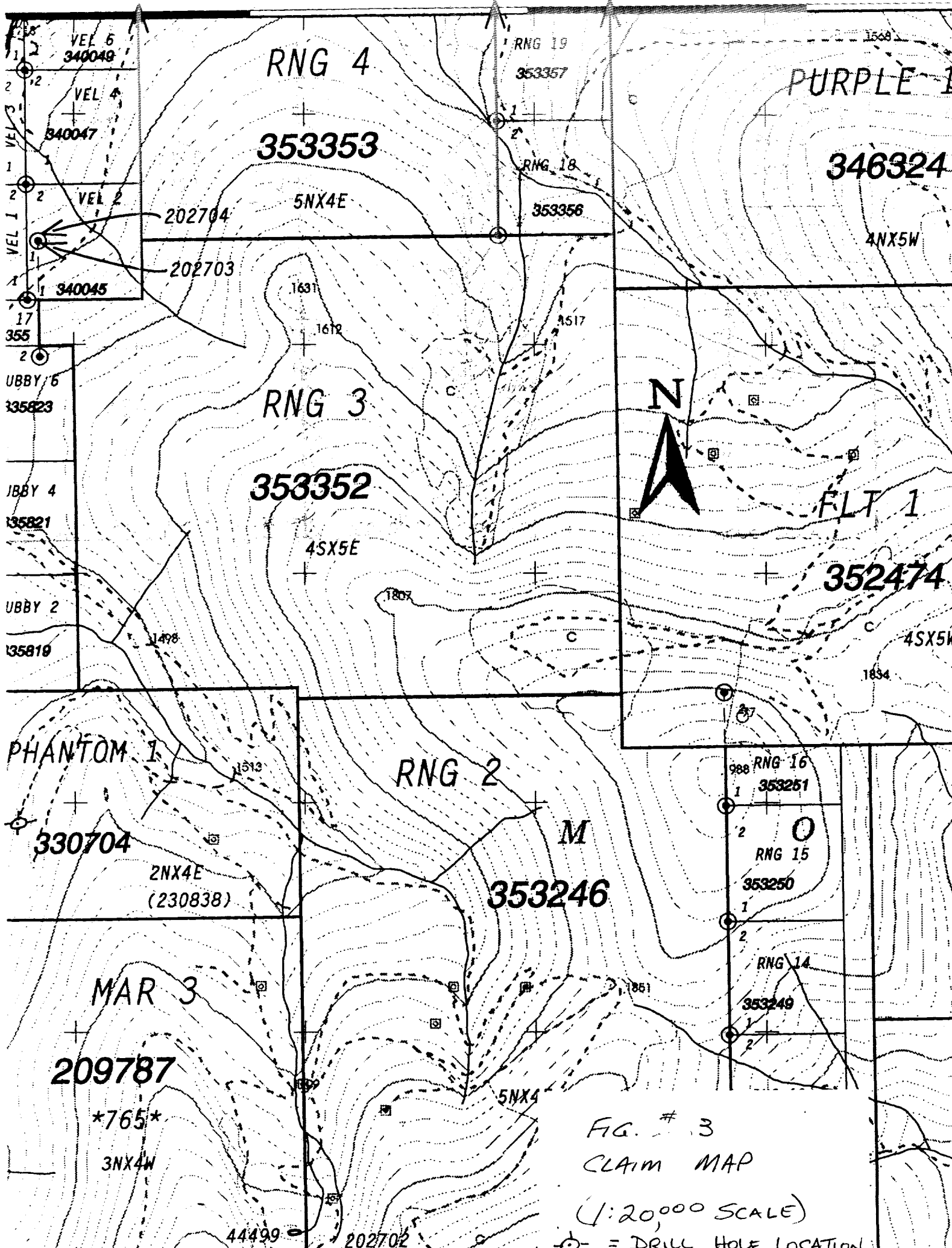


FIG. # 3
 CLAIM MAP
 (1:20,000 SCALE)
 ○ = DRILL HOLE LOCATION

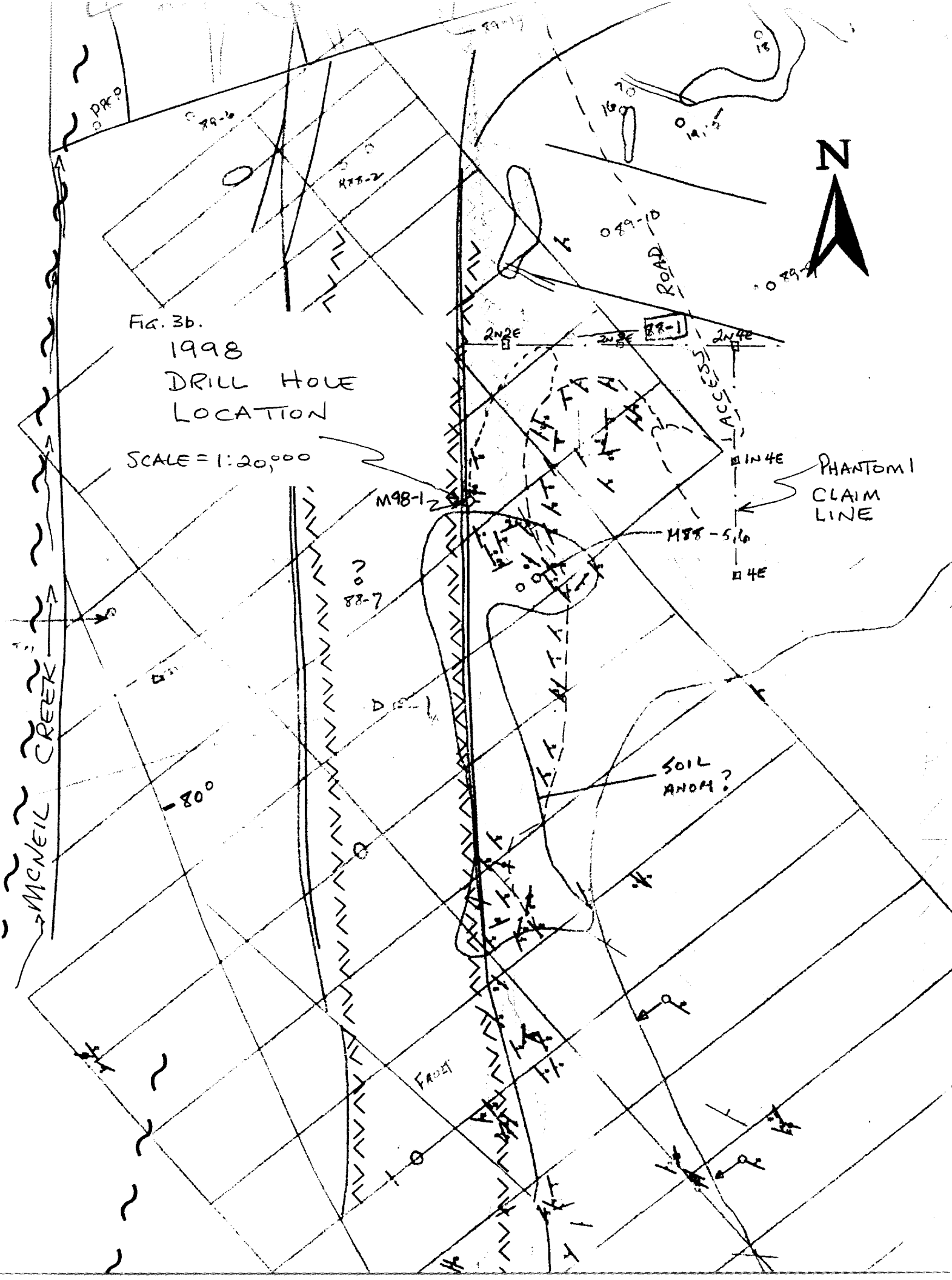


FIG. 3b.
1998
DRILL HOLE
LOCATION

SCALE = 1:20,000



McNEIL CREEK

ROAD

PHANTOM 1
CLAIM
LINE

SOIL
ANOM.?

FACET

2.0 Regional Geology

The area is underlain by rocks of the Purcell Supergroup in Helikian and Hadrynian aged rocks.

The Sullivan lead-zinc deposit is located 40km north at Kimberely, B.C.. The Sullivan deposit is located 20-30m below the upper contact of the Lower Aldridge Formation. Overlying the Lower Aldridge lie the +3,000m thick quartz wackes, subwackes and argillites of the Middle Aldridge Formation. A number of gabbro sills (locally up to 125m thick) are present on the Lower and Middle Aldridge Formations. These sills (and dikes) were intruded into wet, unconsolidated sediments and have been dated to 1445 Ma. The Middle Aldridge is conformably overlain by the 300-400m thick thin, fissile, rusty weathering siltites and argillites of the Upper Aldridge Formation.

Conformably overlying the Upper Aldridge Formation is the Creston Formation comprising over 1,800m of grey, green and maroon, cross-bedded and ripple-marked platformal quartzites and mudstones. The Kitchner-Syeh Formation consists of 1200-1600m of shallow water grey-green-buff dolomitic mudstones and overlies the Creston Formation. Fig.2 shows the regional geology.

2.1 Property Geology

Outcrop is sparse in the 1998 drilling area. Previous drilling by South Kootenay Goldfields Inc. in 1989 intercepted an active Sullivan Time at the Lower-Middle Aldridge contact as well as several well mineralized 120° striking quartz veins carrying minor chalcopyrite, galena and sphalerite.

The McNeil Creek area is entirely underlain by rocks of the PreCambrian Aldridge Formation. Previous mapping has identified a gently northeast plunging syncline which is centered south of the Phantom 1 claim.

3.0 Diamond Drilling

Diamond Drilling during 1998 was done on the Phantom 1 mineral claim (#330704).

One vertical diamond drill hole totaling 455.4m was drilled approximately 1km east of McNeil Creek at elevation 1920m. NQ size core was drilled and the core is stored at the Vine logging facility on Peavine Creek.

4.0 Conclusions and Recommendations

The Sullivan Horizon was found to exist between 434.7 and 455.4 meters. It consists of over 7m of numerous light grey-green narrow bands (1-10mm thick) which host bedding plane parallel bands of pyrrhotite, with rare sphalerite patches and occasional galena and chalcopyrite. Above this interval are med-thick bedded siltstones, argillites and quartzites of the Middle Aldridge Formation.

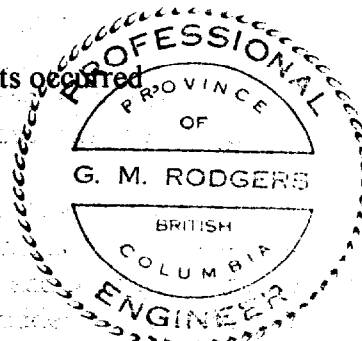
There is no need for further drilling to test for a Sullivan Type deposit within 1.5 km of this years drill hole as there are now 22 drill holes in the area 4 of which have adequately tested Sullivan Time. Let us strive to find the vision and courage to drill beyond the known boundaries of geological knowledge, to probe for hidden treasures beyond the security of known geology. The Sullivan ore body measures approximately 1km by 1km therefore the Phantom 1 claim cannot host a Sullivan equivalent orebody. No further drilling is recommended on the Phantom 1 claim.

6.0 Statement of Costs

Diamond Drilling (Lone Ranger Diamond Drilling)	\$ 29,800.
Supervision, Core Logging, Report (G.Rodgers, B.Woodfill, P.Klewchuk)	\$ 1,900.
Mob-DeMob	\$ 1,100.
4x4 trucks (16 days @ \$60./day)...	\$ 960.
Office (supplies, computer drafting, core racks)	\$ 1,440.
Total =	<u>\$ 35,200.</u>

Certified as a true accounting of costs occurred

(G.M.Rodgers, P.Eng.)



(7)

7.0 Statement of Qualifications

I, Glen M. Rodgers of P.O. Box 63 ,Skookumchuck, B.C.
do certify that:

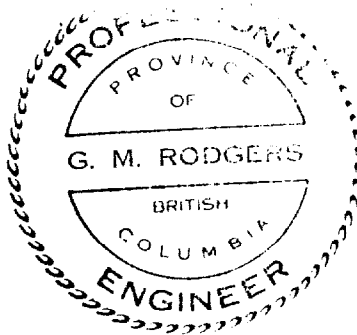
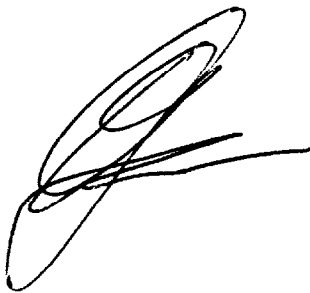
-I am a graduate of the University of Manitoba (1977) with a degree in Geological
Engineering.

- I have practiced my profession continuously over the last 22 years working
primarily in mineral exploration throughout North and Central America.

-I am registered as a member of the APEGBC as a P.Eng..

-I have based this report on time personally spent on the Sedex Mining Corp. claim
block.

-I do not expect to receive any share consideration as a result of writing this report
for Sedex Mining Corp..



APPENDIX I
(Diamond Drill Logs)

MCNEIL
M98-1

Drill Hole Record

Property	MCNEIL	District	FORT STEELE	Hole No.	M98-1
Commenced		Location		Tests at	Hor. Comp.
Completed		Core Size	NQ	Corr. Dip	- 90°
Co-ordinates				True Brg.	Logged by
Objective	TEST SULLIVAN HORIZON			% Recov.	Date 98-09-21 to 98-09-30

Footage From	m To	Description	Sample No.	Length	Analysis	Clair	T Brg.	Collar Dip	Elev.	Length
0-	18.3	OVER CASING, NO CORE						- 90°		
18.3-	100.4	QUARTZITE + SILTSTONE, MINOR ARGILLITE Light gray, gray green to med. blue-gray. Med & thick bedded with narrow zones of thin beds. Texture is commonly somewhat mottled. Core is commonly quite broken with abundant evidence of tectonic deformation; zones of healed fracturing with numerous thin, irregular white to light gray quartz veins. A variable, generally weak greenish color is due to chloritization; numerous fracture surfaces are coated with chlorite and associated pyrite. 18.3-30.0m Numerous limonitic fractures from surface oxidation. At 20.7m a 6mm wide vuggy quartz carries coarse red-brown zones 46.0-46.7m Healed fracturing sub-parallel to 1/4 with chlorite, pyrite, siliceous alteration; minor fault. 48.2-48.9m Bleached, whitish albitic alteration with pink garnets, chlorite Similar alteration occurs near 52.3m, 56.4m, & 58.3m Bedding: 75° at 18.8m; 70° at 21.3m; 72° at 40.6m; 50° at 52.7m; 52° at 66m; 48° at 74.5m; 70° at 88.2m; 40° at 92m; 60° at 95m At 39.0m a 5-7mm wide quartz at 30° to 1/4 carries Aspy, py, ps & minor PbS & ZnS Aspy & py are dissem. in imm. adjacent wallrock 85.2-87.6 is lighter gray, bleached quartzite with numerous thin irregular light gray quartz veins. Local patches of healed brecciation occur within more argillite-rich zones; probable tectonic disturbance of bedding contacts.								

Footage from	to	Description	Sample No.	Length	Analysis
161.5	167.9	<p>CHLORITE-ALTERED SILTSTONE & ARGILLITE</p> <p>Gray-green, fracture surfaces are dark green-black. Thin bedded to laminated, some med. thick beds. Bedding commonly $\sim 35^\circ$ to 1° but with local healed tectonic brecciation.</p> <p>Thin light gray bedding-parallel & cross-cutting QV are present; minor ZnS occurs in one bedding-parallel QV at 167.3m. and a cross-cutting QV at 167.2m.</p>			
167.9	169.9	<p>FAULT ZONE</p> <p>Mostly a healed, sheared, silicified zone but with broken core, brecciation (some healed) & quartz veining with slickensides, some graphitic, at 168.3-168.5</p> <p>A 2.5-3 cm wide massive f.gr. py vein occurs within this zone, at 45° to 1°.</p> <p>Shearing is at $30-45^\circ$ to 1° with lensey to wispy, irregular quartz veining throughout. Minor dissem. py is common; near 165.4m there is a local concentration of minor, dissem. Py, Pb, Cpy & ZnS.</p>			
169.9	181.4	<p>SILTSTONE, minor ARGILLITE & QUARTZITE</p> <p>Light to med. gray-green with lensey bands (beds) that are darker blue-gray. Bedding appears to be med & thin but there is extensive healed tectonic deformation which has resulted in distortion of bedding planes. There is local healed brecciation, swirly lensey bedding and masking of bedding character by chloritic alteration. Bedding tends to be at $40-50^\circ$ to 1°.</p> <p>Minor py & po occur in the core.</p> <p>At 175.9m a 20 cm wide foliated QV (at 45° to 1°) contains abundant po with minor Cpy, py & chlorite.</p>			
181.4	184.3	<p>FAULT ZONE</p> <p>Broken, rubbly sheared core; local fault gouge, mainly dark gray-green argillite & siltstone. Est 55% core loss.</p> <p>Shearing at 45° to 1°, minor dissem. py</p>			

MCNSIC 98-1

P&A —

Footage From To	Description	Sample No.	Length	Analysis			
184.3-201.2	<p>SILICEOUS ALTERED FAULT BRECCIA</p> <p>Light gray to gray-green & blue-gray, variably mottled, healed breccia texture</p> <p>Most of the interval is intensely silicified; very fine-grained cherty quartz with fine dissem. py & irregular streaks of chlorite. Minor Zns occurs locally.</p> <p>Core is moderately broken, locally hardly rubbly</p> <p>Shearing is locally developed at ~45° to c/a.</p> <p>Bedding near 192 m is at 60-70° to c/a.</p>						
201.2-238.8	<p>SILTSTONE & QUARTZITE, MINOR ARENITE; VARIABLY SILICIFIED.</p> <p>Light gray to gray green, to med blue-gray, med, thin & thick bedded</p> <p>Core is quite broken, commonly rubbly & bedding character is not all obvious.</p> <p>Weakly to moderately chloritic altered; pervasively greenish with more intense chlorite in some fractures.</p> <p>Siliceous alteration occurs in patches throughout, usually with fine dissem. py and chlorite. 235.3-238.8 is a continuous zone of strong silicification.</p> <p>Minor quartz veining is present; as discrete veins, usually in broken core, and as local stockworks in narrow healed breccia sections.</p> <p>Dissem. py is present; concentrated in thin bedding-parallel bands near 228-230 m.</p> <p>Bedding: 60° at 201.5 m; 60° at 205 m; 70° at 212 m; 65° at 220 m; 50° at 228.5 m; 0-40° at 231 m; 70° at 234 m</p> <p>Sheared at 15° to c/a over 30 cm at 227.5 m</p>						
238.8-255.8	<p>GABRO</p> <p>Med-dark green, fine to med. grained. Texture is massive to a healed breccia with numerous irregular lensey veins of qtz-calcite, typically developed at 60-70° to c/a. Upper contact is a fault from 238.8 to 240.1 with rubbly core, fault gouge over 15 cm at base.</p> <p>Lower contact is obscured by alteration but appears to be at 50° to c/a</p> <p>At 245.6 abundant irregular quartz veining occurs with a healed chloritic shear at 5° to c/a. Minor py & po are present, locally concentrated as clusters of grains or patches.</p>						

M'NER 98-1
 P 51 9

Footage		Description	Sample No.	Length	Analysis			
From	To							
255.8	290.6	<p>SILTSTONE + QUARTZITE, minor ARGILLITE</p> <p>Med. gray to med. & dark blue-gray, med. thin & thick bedded. Bedding is at 60-65° to 1/2 but at 85-90° to 1/2 near 289m</p> <p>Core is moderately to strongly broken, locally rubbly, this is due to shattered quartzites rather than faulting. Entire zone is weakly chloritic.</p> <p>Est. 15-20% core loss through the interval with some narrow rubbly zones of ~1m having 70% core loss loss.</p> <p>Minor pyrite occurs locally; at 269.6m a 1.5mm bedding parallel band is present; at 282.8m patchy py occurs with QV material in broken core; at 289m abundant py occurs in a 2-3 cm band of siltstone; at 289.8m abundant py occurs in a QV in broken core; Zns occurs in siltstone adjacent to the QV.</p>						
290.6	297.5	<p>QUARTZITE, minor SILTSTONE + ARGILLITE</p> <p>Med. gray, weakly chloritic & slightly greenish. Thick & med. bedded with narrow thin bedded argillite zones. Core is moderately to strongly broken. Much of the interval has a mottled, silicified, healed breccia texture.</p> <p>Minor dissem. py occurs locally, usually with chlorite.</p> <p>Bedding: 80° at 292m; 45° at 292.5m; 60° at 296.5m; 50° at 297m</p>						
297.5	299.6	<p>SILTSTONE; FRAGMENTAL / DISRUPTED ZONE</p> <p>Med. gray to darker blue-gray, weakly chloritic & greenish.</p> <p>Texture is disruptal; from healed breccia with angular fragments to a mottled jumbled mass mass.</p> <p>Irregular chloritic veinlets with minor pyrite are locally common.</p>						
299.6	313.9	<p>QUARTZITE, minor SILTSTONE</p> <p>Light gray & greenish gray to med. & darker blue-gray. Mainly thick bedded</p> <p>Core is variably broken, locally quite intensely. Only a few good bedding planes are recognized, at 60-70° to 1/2</p> <p>304.6 - 305.2 Thin irregular QV, up to 6mm wide, occur parallel to 1/2, with 90° m. nor. QV.</p>						

Footage		Description	Sample No.	Length	Analysis				
From	To								
-313.9		cont'd. 312.8-313.4 6 cm wide Qtz-calcite vein cuts core at 5-15° to $\frac{1}{2}$							
313.9-319.0		ARGILLITE Med. gray to dark blue gray, laminated & thin bedded. Finely laminated from 315.2 to 318.4m, Bedding at 50-70° to $\frac{1}{2}$. Core is variably broken, locally rubbly. 315.0 to 316.8 is a healed breccia with numerous lensey, discontinuous white quartz & calcite veins, Veins occur at ~70° to $\frac{1}{2}$, parallel & sub-parallel to bedding, as well as cross-cutting bedding. Minor pyrite occurs locally; near 313.9m py is concentrated in a thin quartz vein at ~10° to $\frac{1}{2}$.							
319.0-327.3		ARGILLITE, minor SILTSTONE & QUARTZITE Med to darker gray, locally green from chlorite &/or brown from biotite. Thin & med. bedded, bedding at 60-70° to $\frac{1}{2}$ Core is moderately broken with some fracture surfaces chloritic. At 324.2m a 6 mm wide white quartz vein with minor py & chlorite At 325.9m a 3cm wide bedding-parallel whitish albite-altered zone hosts clusters of chlorite with biotite, pink garnets and minor fine dissem. py.							
327.3-369.1		QUARTZITE, SILTSTONE & ARGILLITE Med. gray to med. & darker blue-gray. Thick, med. & thin bedded. Mixed lithologies throughout with quartzite & siltstone predominating, est 20-25% argillite. Core is moderately broken throughout. 341.8 to 343.6 is a FAULT ZONE with fault breccia and gouge, mostly rubbly core and 15-20% core loss A greenish, mottled chloritic mottled silicification & whitish albitization, occurs in some quartzites. Pink garnets, chlorite-biotite & dissem. py occur in albitic zones. Minor pyrite is present, dissem. in a few places, with quartz veins locally & with chlorite on a few fracture surfaces. Bedding: 80° at 327.8m; 80° at 333.6m; 85° at 338.7m; 75° at 349.3m; 72° at 358.5m							

Footage From	To	Description	Sample No.	Length	Analysis			
	369.1	ca. 70° at 363m						
369.1-379.1		ARGILLITE, SILTY ARGILLITE, SILTSTONE, MINOR QUARTZITE Light to dark gray, med to dark blue-gray. A few biotite-rich bands are brownish. Thin & med bedded, a few bands are finely laminated. Bedding at 80-85° to c/a. Minor sulfides are present; py and po with associated cpy. These occur in small fracture fillings. At 373.5m a 2 cm wide bedding-parallel sheared zone hosts po & cpy.						
379.1-386.6		SILTSTONE & SILTY ARGILLITE Med gray, med & dark blue gray, some light brown bands. Thin bedded, laminated & med bedded. About 40% of the interval consists of med. thick beds of fine laminations. Finely dissem. po & minor py are comm in most of the laminated sections. Small reddish-brown clots of ZnS occur near 382.8, 384.4 & 384.6 m. Dissem. sericite / muscovite is a comm alteration & albite freckling occurs in some bands. Bedding is at 80-85° to c/a. Healed breccia with calcite veining occurs near 385 m & 385.8 m.						
386.6-396.3		SILTSTONE, SILTY ARGILLITE, MINOR ARGILLITE Med. gray, med-dark blue-gray, locally light brown. Laminated & thin bedded, with a few med. beds. Most of the interval is finely laminated (est 75-80%) with intervening med. & thin beds of siltstone. 395.6-396.3 is med beds & disrupted beds of siltstone & argillite, non-laminated. Bedding is at 80-85° to c/a. Good marker lines are developed between 389.8 & 392.3 and 397.1-397.2. Healed breccia with white calcite veins is developed near 399m and very weakly near 395.1m. Fine po & minor py is dissem. in the laminated siltstone. At 391.3m 2 thin bedding- po veins are present, 1.5mm wide. Minor ZnS noted in a cross-cutting calcite lens at 393.4m						

