PROSPECTING REPORT

ON

JUNIPER CLAIMS

LIARD MINING DIVISION

N. T. S. 104 - P - 3

OWNER
OPERATOR [JOHN TELEGUS]
AUTHOR

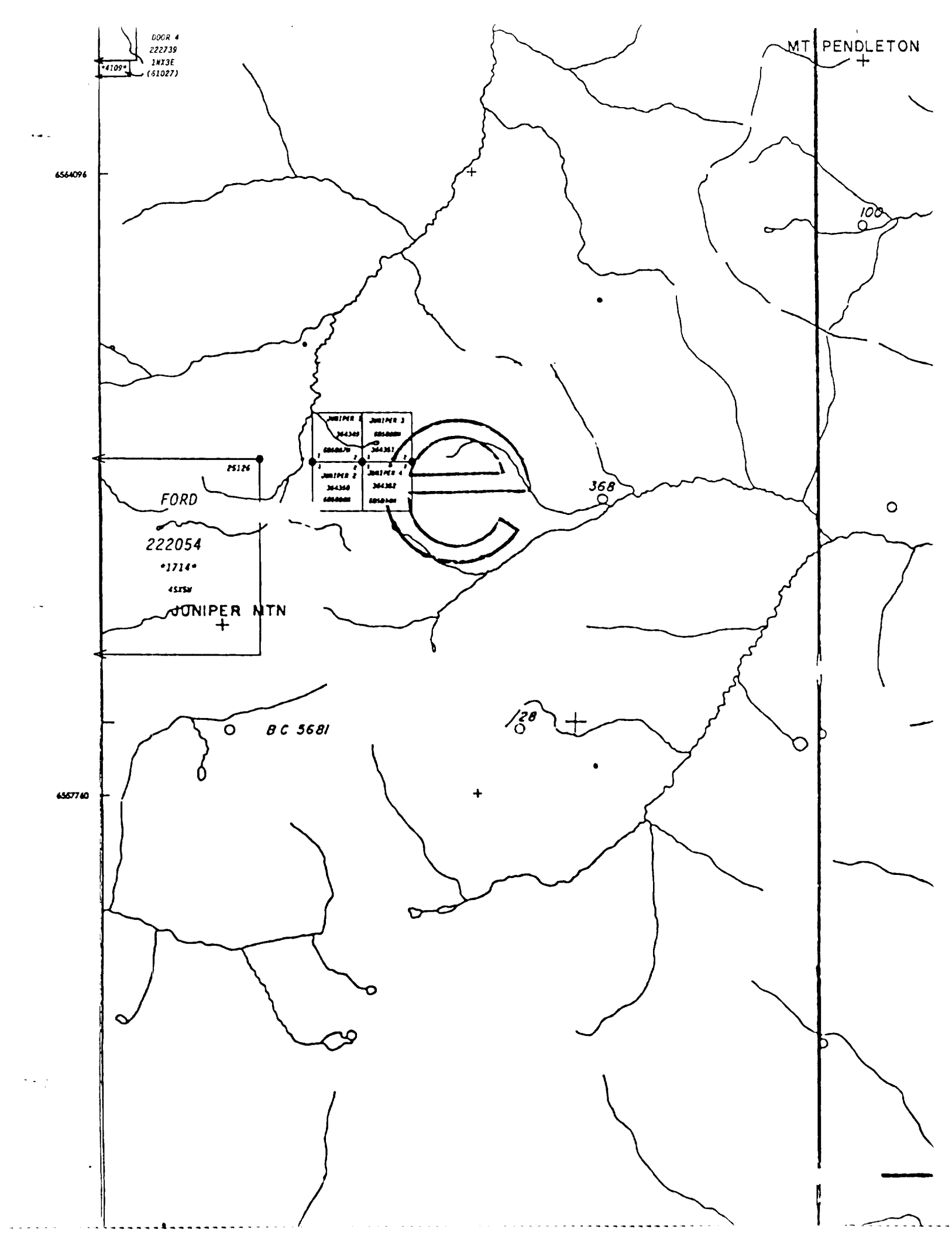
OCTOBER, 1999

TABLE OF CONTENTS

PROPERTY LOCATION MAP

0 100 200 MILES
0 100 200 300 KILOMETRES

DRAWN	PROJECT	DATE	FIG.
			1


DOOR 4
222739
1N13E
(61027)
4109
MT PENDLETON
6564096
100
368
PS126
FORD
222054
1714
JUNIPER NTN
BC 5681
128
6557760

SUMMARY

Several days were spent exploring around Juniper Mountain in the McDame region of North Central B.C. Prospecting around the large iron-carbonate alteration zone on the property has identified further listwanite rock alterations, which are prospective gold targets in the area. Two of seven rock samples analysed reveal anomalous gold at 6 gpt and 39 gpt. The listwanite alterations and the anomalous gold samples represent positive indications of possible mesothermal gold deposits in the immediate area

LOCATION

The Juniper claims are situated in northern B.C. within the Cassiar mountain region. The claims are located one km north of Juniper mountain, and 25 km southeast from the former town of Cassiar. The claims are grouped along the eastern perimeter of the Cusac mining property, formally known as Erickson Gold Mine. Juniper 1, 2, 3 and 4 constitute the current claim group and are 100 percent owned by John Telegus.

N.T.S. 104 - P - 3

LATITUDE 59 10'

LONGITUDE 129 26'

ACCESS

Access is gained by going north along the Cassiar highway past the town of Dease Lake to McDame creek. From here, the Cusac mining road can be followed southeast for sixteen kilometres to Huntergroup creek. A two kilometre hike to the east will give access to the property. Access can also be gained by travelling to Dease Lake and flying out of the nearby airport by helicopter, for a 30 minute flight north to the property.

TERRAIN

The Juniper claims are situated in rugged mountainous area between 4000 feet and 5200 feet in elevation. The area is in open alpine terrain with cliff faces and cirques overlooking narrow valleys. The vegetation consists of mostly grasses with some shrubs and stunted trees.

HISTORY OF REGION

1980's

This region has been an active gold mining centre for northern B.C. in the 1980's and early 1990's. To the west and northwest of the Gold Stock claims, there lies the Erickson-Taurus system. These two mining camps share similar geological features and mineral type deposits. These deposits comprise of both steep and shallow dipping auriferous quartz veins that generally strike east to northeast. The steeply dipping veins are hosted within sheared basalts and the shallow dipping veins occur along the thrust plane between ultramafics and argillites. These mineral deposits are of the mesothermal-type.

The most pervasive alteration features adjacent to auriferous quartz veins are carbonatization, silicification, and iron enrichment. The alteration zone normally extends to less than 15 metres outward from the vein. Copper, lead, zinc, antimony, and silver are enriched in carbonate alteration envelops that surround these quartz veins. Pyrite is the most abundant sulphide followed by minor amounts of tetrahedrite, arsenopyrite, chalcopyrite, sphalerite and sometimes galena.

The largest gold deposits of the type mentioned above have been mined on the Erickson claims. Over several years they have mined 540,000 tons grading 0.5 opt Au and 0.33 opt silver from several auriferous quartz veins.

PREVIOUS WORK ON JUNIPER CLAIMS

1995

Several areas on the claims were prospected and sampled during the summer of 1995. Specific areas of rock alteration and mineralization were mapped and sampled. The most pervasive feature on the claims are iron-carbonate alterations. One of these zones extends for 1000 metres and is most visible along a cliff face that extends up and into a cirque. This is all within a basaltic unit. A secondary mariposite-carbonate alteration is located within the cirque and is visible for at least 100 metres. Extensive silicification is also located in and around the cliff and cirque areas. One silicification zone extends intermittently for 400 metres along a thrust fault and contains disseminated pyrite.

Several rock samples were collected along the large alteration zone, and along a ridge, which is above the cliff and cirque areas. A few rock samples show enrichment in arsenic, copper, silver and gold. Three rock samples contain low grade gold mineralization of one to two grams per ton. Overall, the alteration zones and mineral anomalies on the Gold Stock claims, seem to correlate to alteration envelopes in Erickson type gold deposits located 10 km to the northwest.

PROSPECTING TARGETS

Deposit type - Mesothermal auriferous quartz veins of Erickson type deposits

Commodities - Gold , Silver

Secondary minerals - Quartz, pyrite, chalcopyrite, and carbonates

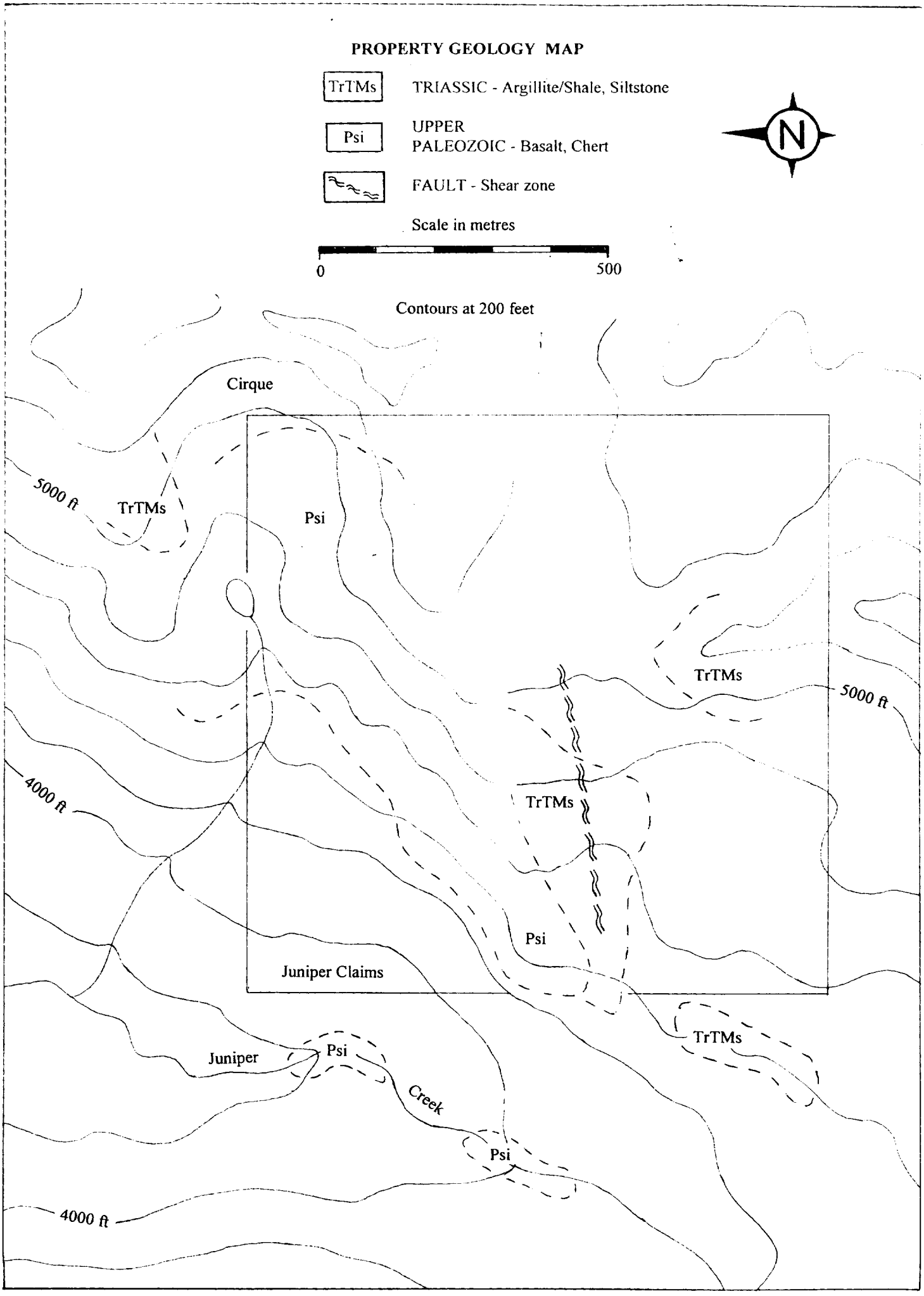
Geology - Volcanic and sedimentary units hosting quartz veins in shear and fault zones which are normally underlying argillite or ultramafic units.

GEOLOGICAL SETTING

The Gold Stock claims are located inside the Sylvester Allochthon which is composed of volcanic and sedimentary complexes. This fault-bounded assemblage of upper Paleozoic chert, greenstone, clastics and ultramafic rocks, thrust over rocks of the North American Craton in Jurassic to early Cretaceous times. Rocks underlying the Gold Stock claims are Sylvester group volcanics and sediments of Late Devonian to Triassic age. Sedimentary lithologies include slate, calcareous siltstone and limestone, while volcanics include basalt and tuff. The major volcanic unit on the claims are basalt flows and pillow lava. Above the basalts, are the shale / argillite unit. The contact zone between the basalts and shales along the central ridge, on the claims, are thought to be thrust faults. Another fault strikes generally east-west for one kilometre within the southern argillite unit.

ALTERATION AND MINERALIZATION

Sedimentary black shales along the main ridge within the claims have been altered to argillite for hundreds of metres. Also, secondary quartz veinlets have invaded the argillite in several places on the ridge. Basalt flows and pillow lava are found under the sedimentary unit. The basalt unit is green in colour and makes up most of the cliff face below the ridge. Hydrothermal alteration has invaded this basaltic unit through iron and carbonate enrichment to form an orange or rusty weathered appearance. Ankerite and chlorite along with pyrite, are visible alterations within the basaltic unit. This iron-carbonate alteration zone can be traced for 1000 metres along the cliff face east into a cirque. A separate alteration feature found in the cirque are called listwanites. They are iron-carbonate-mariposite in composition. These listwanites are found at three locations within the basaltic unit. The largest listwanites are found in the cirque and can be traced for 100 metres. A new listwanite discovery was also found at the opposite end of the cliff face closer to Juniper Creek.

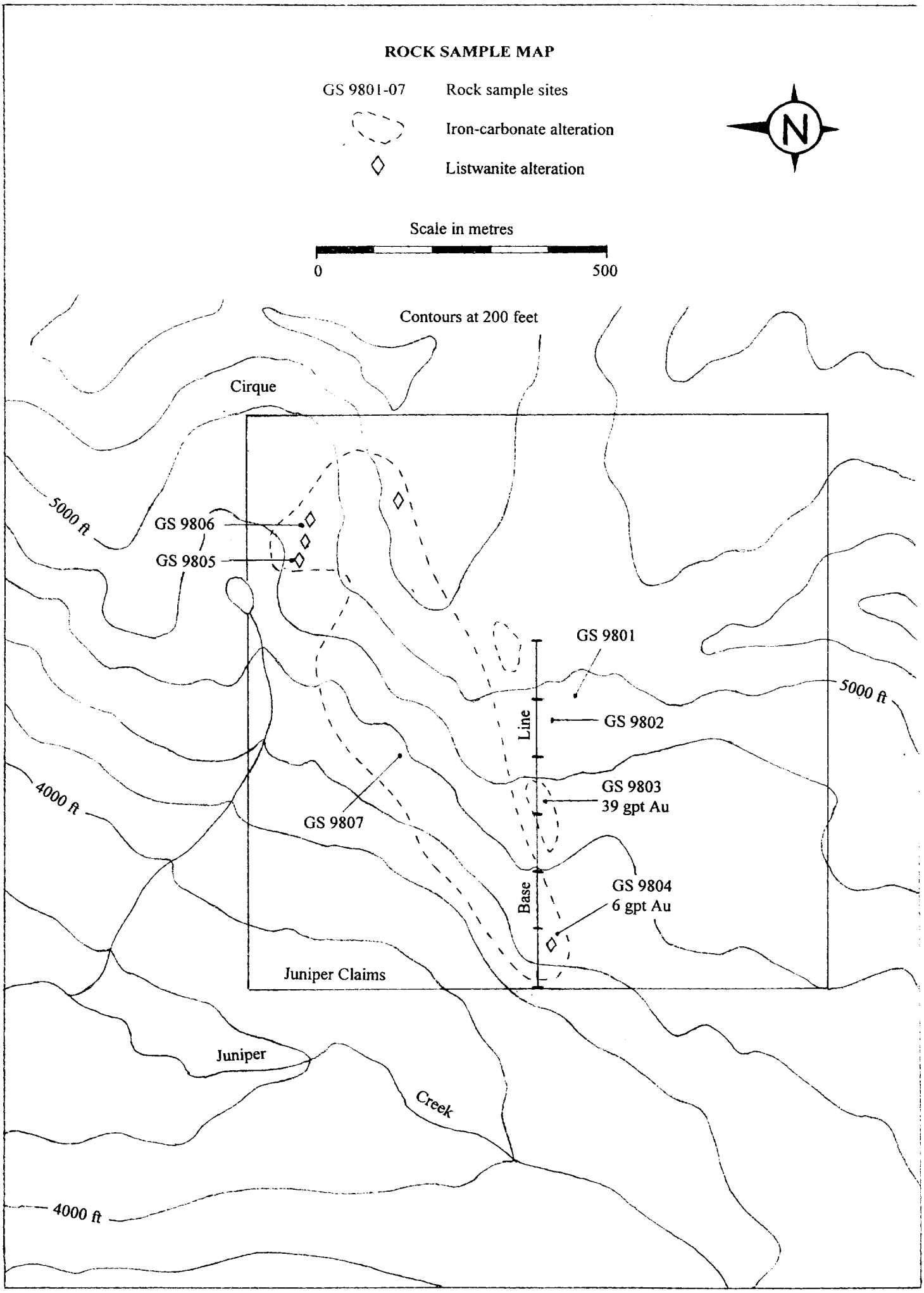

PROPERTY GEOLOGY MAP
TrTMs
TRIASSIC - Argillite/Shale, Siltstone
Psi
UPPER
PALEOZOIC - Basalt, Chert
FAULT - Shear zone
Scale in metres
0
500
Contours at 200 feet
N
Cirque
5000 ft
TrTMs
Psi
TrTMs
5000 ft
4000 ft
TrTMs
Psi
Juniper Claims
TrTMs
Juniper
Psi
Creek
Psi
4000 ft

ROCK SAMPLE ANALYSIS

Seven rock chip samples were selected for analysis of major precious and base metals through a 32 element I.C.P. and gold fire assay. These rocks were selected based on their difference in rock composition and secondary mineral alterations.

Of the seven samples analysed, two show anomalous gold, sample 9804 at 6 gpt and sample 9803 at 39 gpt. These two were collected near a fault zone on a ridge where previous samples returned only slightly anomalous gold up to 2 gpt. Silver is slightly anomalous in five of the rock samples, the highest at 2.2 gpt. The element arsenic is anomalous in five samples, with three over 100 ppm. Chromium and nickel show enrichment in listwanite bearing samples. There also appears to be a slight enrichment of barium in all samples analysed at 100 to 200 ppm. The anomalous elements described hear are consistent with secondary alteration and mineralization near auriferous gold deposits in the McDame Cassiar gold belt. A highlight of each rock sample analysis with rock type and mineral alteration is listed below.

Sample No.	Au	Ag	As	All elements are in parts per million
GS 9801	<0.01	<0.5	<5	quartz stringers in shale
GS 9802	<0.01	0.7	<5	quartz stringers in shale / pyrite
GS 9803	38.99	2.2	31	quartz-carbonate, argillite / pyrite
GS 9804	5.95	0.9	143	quartz-carbonate, argillite / pyrite
GS 9805	0.05	0.8	128	basalt / listwanite, pyrite
GS 9806	0.02	<0.5	120	basalt / listwanite, pyrite
GS 9807	0.13	0.6	77	quartz-carbonate / pyrite


ROCK SAMPLE MAP
GS 9801-07
Rock sample sites
Iron-carbonate alteration
Listwanite alteration
N
Scale in metres
0
500
Contours at 200 feet
Cirque
5000 ft
GS 9806
GS 9805
GS 9801
5000 ft
Line
GS 9802
GS 9803
39 gpt Au
4000 ft
GS 9807
Base
GS 9804
6 gpt Au
Juniper Claims
Juniper
Creek
4000 ft

GEOCHEMICAL SURVEY

A limited soil geochemical survey was planed for the Juniper claims during the 1998 prospecting program. A base line was set up in an east-west direction along the mountain ridge where sparse vegetation is growing. This vegetation consists of mainly grass and some small shrubs. Test soil samples revealed limited soil depths, but no B horizon soils could be found. This part of the prospecting program was subsequently cancelled.

CONCLUSION

Although the prospecting program was small in size, positive results were achieved. The large hydrothermal iron-carbonate alteration feature on the Juniper Claims are possibly enriched in pathfinder elements arsenic and barium. Some gold and silver were also detected near and within this alteration zone. The rock alteration listwanite is also important as it suggests close proximity to a possible gold deposit. This listwanite rock can now be found at both ends of the large alteration zone which extends for almost one kilometre in length. The alteration features on the Juniper property have similarities to several alteration features found next to mesothermal gold deposits that are located 10 to 15 kilometres northwest, on the Cusac gold mine.

PROSPECTING EXPENSE

Travel	Truck rental 6 days	$	240.00
	Fuel		275.00
Food & Accommodation	6 days x $40		240.00
Wages	Assistant 6 days x $100		600.00
	Owner 6 days x $100		600.00
Assay	Rocks samples 7 x $21.65		151.55
TOTAL		$	2,106.55

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

Telegus, John File # 9804779

38 Lewis St., Victoria BC V8V 2E8 Submitted by: John Telegus

SAMPLE#	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Ni ppm	Co ppm	Mn ppm	Fe %	As ppm	U ppm	Au ppm	Th ppm	Sr ppm	Cd ppm	Sb ppm	Bi ppm	V ppm	Ca %	P %	La ppm	Cr ppm	Mg %	Ba ppm	Ti %	Al %	Na %	K %	W ppm	Zr ppm	Sn ppm	Y ppm	Nb ppm	Be ppm	Sc ppm	Au** ppb
GS 9801	3	20	12	64	<.5	18	5	305	3.03	<5	<10	<4	4	27	.7	<5	<5	38	.12	.035	19	37	1.28	204	.17	3.77	.96	.44	5	40	<2	6	7	<1	4	<2
GS 9802	5	14	12	60	.7	16	5	320	2.94	<5	<10	<4	4	31	.8	<5	<5	41	.13	.044	23	46	1.19	214	.20	4.06	1.21	.49	4	45	<2	7	7	<1	4	<2
GS 9803	<2	28	20	76	2.2	16	17	1664	7.18	31	<10	10	<2	8	1.2	17	<5	129	.25	.088	5	6	.39	271	.93	7.81	.03	.04	10	20	<2	23	3	<1	15	38996
GS 9804	3	19	6	25	.9	641	56	1627	5.90	143	<10	8	<2	161	1.1	129	<5	28	12.38	<.002	<2	590	5.38	156	.02	.49	.04	.12	6	<2	<2	7	<2	<1	5	5951
GS 9805	<2	22	<5	47	.8	1268	65	1400	6.05	128	<10	<4	<2	189	.8	115	5	29	15.78	<.002	<2	1475	6.61	152	.01	.25	.03	.02	4	<2	<2	4	<2	<1	5	51
GS 9806	<2	13	5	40	<.5	1030	55	1179	4.85	120	<10	<4	<2	246	.7	115	<5	20	15.75	<.002	<2	1205	7.53	120	<.01	19	.03	.03	<4	<2	<2	3	<2	<1	4	26
GS 9807	<2	3	<5	19	.6	120	12	3017	3.93	77	<10	<4	<2	236	.9	53	<5	32	19.02	<.002	<2	155	7.78	112	.06	.58	.02	.02	9	<2	<2	15	<2	<1	6	130
RE GS 9807	<2	4	<5	19	<.5	122	12	3139	4.06	80	<10	<4	<2	244	.9	56	<5	33	19.74	.005	<2	146	8.07	115	.06	.61	.02	.03	8	<2	<2	15	<2	<1	6	101

ICP - .250 GRAM SAMPLE IS DIGESTED WITH 10ML HCLO4-HNO3-HCL-HF AT 200 DEG. C TO FUMING AND IS DILUTED TO 10 ML WITH DILUTED AQUA REGIA. THIS LEACH IS PARTIAL FOR MAGNETITE, CHROMITE, BARITE, OXIDES OF AL,W,ZR & MN AND MASSIVE SULFIDE SAMPLES. AS, CR, SB, AU SUBJECT TO LOSS BY VOLATILIZATION DURING HCLO4 FUMING.
- SAMPLE TYPE: ROCK AU** BY FIRE ASSAY & ANALYSIS BY ICP/GRAPHITE FURNACE.(30 gm)
Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

DATE RECEIVED: OCT 28 1998 **DATE REPORT MAILED:** Nov 3/98 **SIGNED BY.....** C. Leong .D. TOYE, C.LEONG, J. WANG; CERTIFIED B.C. ASSAYERS

Assay recommended for Cu >1%
Au >1000 ppb

Data FA

STATEMENT OF QUALIFICATIONS

EDUCATION Basic Prospecting Course

Advanced Prospecting Course

Petrology Course

EXPERIENCE

I have been prospecting in British Columbia for ten years. Several areas of prospecting work in the province include Vancouver Island, central interior region, central coast region, and the northern Cassiar region I have also worked for several Junior Mining Companies in B.C.

REPORT BY JOHN TELEGUS

Signature