GEOLOGICAL AND SAMPLING ASSESSMENT REPORT

ON THE

HILLSBAR GROUP
(Hillsbar 1, 2, 3, 5 & 6, Mike, Barb, Flo-Gold and Harry)

WALTERS RIDGE PROJECT
COQUIHALLA SERPENTINE GOLD BELT

LOCATED IN THE

NEW WESTMINSTER MINING DIVISION
LATITUDE: 49 43' N; LONGITUDE: 121 22'W
NTS: 92H/11W
(East of Yale-Fraser Canyon)

PREPARED FOR:

HILLSBAR GOLD INC.
BOX 250, LAUREL ROAD
SECHELT, BC VON 3A0

PREPARED BY:

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CARDINAL GEOCONSULTING LTD.
HOPE, BC

DECEMBER 6, 1999.

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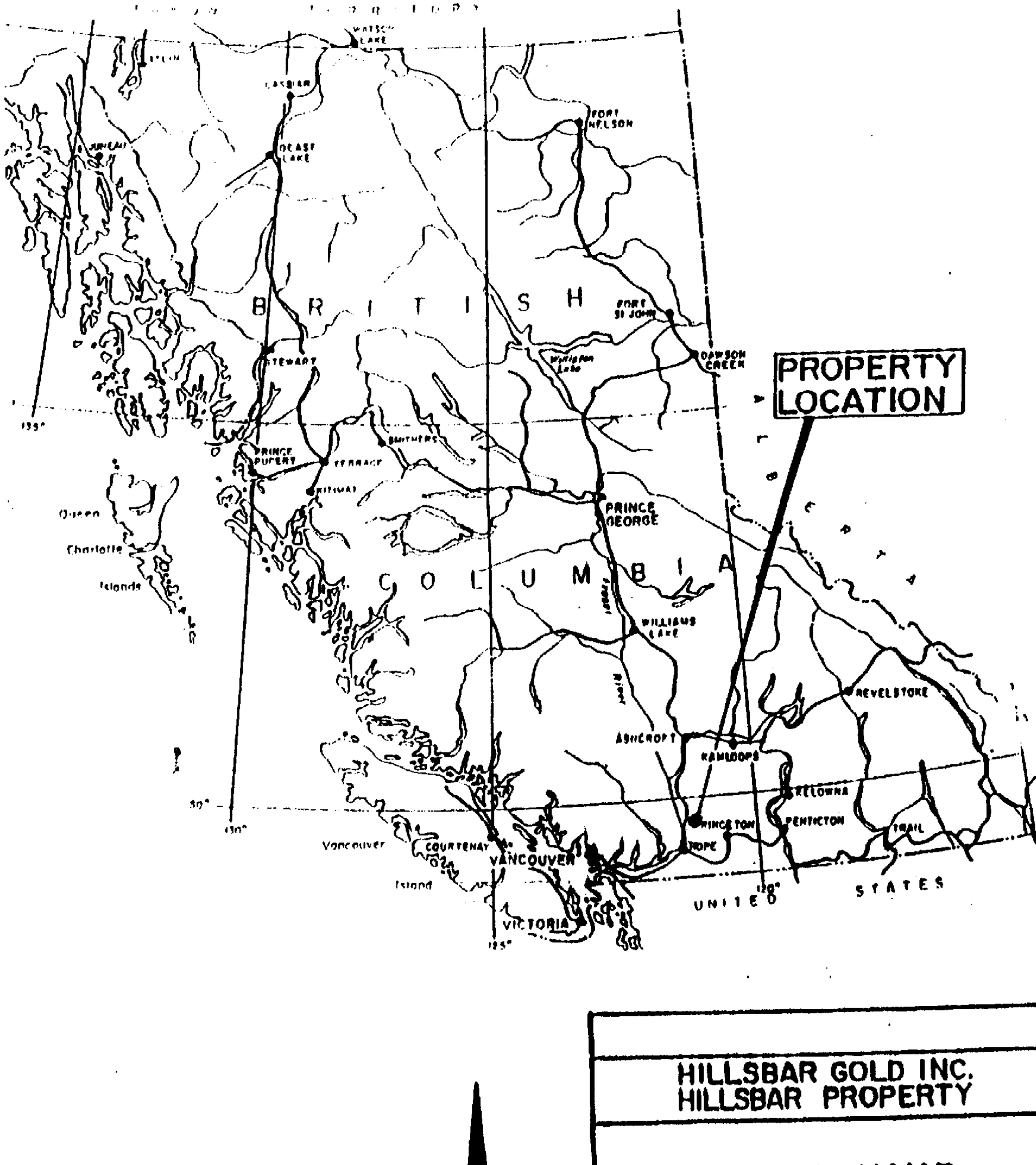
A. INTRODUCTION

Hillsbar Gold Inc. of Sechelt, BC owns a number of contiguous mineral claims located along the northern section of the Coquihalla Serpentine Gold Belt referred to as the Hillsbar Group. A number of the claims straddle the belt, which cover both the serpentine and the East and West Hozameen fault systems, along which the Walters Ridge gold anomaly was initially found.

Walters Ridge is a narrow, north trending ridge, which descends down into Siwash creek valley. An anomalous gold-bearing quartz structure forms part of the ridge, which was discovered in the 1998 during geological reconnaissance surveys. Based on follow-up surveys, the anomalous structure appears to be directly related to the East Hozameen fault. It parallels and occurs several metres east of the fault and is hosted in altered Ladner group sediments. Walters Ridge displays similar geological and structural controls as to other important gold workings previously discovered along the belt such as the MacMaster Zone to the south and the Monument Vein to the north.

Majority of the 1999 field work was centred along Walters Ridge in attempt to getting better understanding of the quartz and siliceous structures. Additional sampling was also conducted along the ridge. A light weight portable drill machine was also mobilized to the site to test the structure and ascertain its effectiveness. The advantage of the drill is that it causes very limited surface disturbance with little to no environmental impact. And because of its size can easily be moved by a 2-person crew and transported by helicopter with limited cost. However, it was found that it loses its effectiveness in terms of core recovery, in drilling highly sheared and faulted structures.

The work documented in this assessment report forms part of the statement of work, which was submitted in September, 8, 1999 as Event No. 3139019.



HILLSBAR GOLD INC.
HILLSBAR PROPERTY

LOCATION MAP

SCALE AS SHOWN DRAWN BY	N.T.S. 92H/11W DATE	FIGURE Nº. 1

CHONG

B. LOCATION AND ACCESS

The Hillsbar gold property and Walters Ridge project site is located in southwestern British Columbia, some 16 kilometres due north-northeast of the town of Hope and about 5 kilometres due east of the historical placer gold community of Yale, on the Fraser River.

The project site is situated in the northern Cascade Mountain Range at a moderate elevation of 1,128 metres (3,700 ft.). It overlooks the main Siwash Creek valley and it's forks where both the north and south Siwash creeks meet. A former lode gold mining camp, which dates back to the turn of the century was originally located at the forks. The area is normally free of snow between early May to late October. Its weather is influenced more by the dryer interior climatic conditions then the west coast wet environment.

Access to the project site is currently from Hope by helicopter, approximately 15-20 minute ferry time. The area can also be reached by a logging road, however a section of the road leading to the project site is not passable due to slides and will require some upgrading in order to gain proper access. As well, at least 2 small bridges crossing Siwash Creek will need to be inspected before they can be used for vehicle crossings. In fact Cattermole Timber Ltd., the logging contractor in the area, has already began upgrading roads in the area. Cattermole plans to upgrade access roads and construct proper access leading to Walters Ridge by next summer (2000), as the company intends to resume logging activity in the area. This will permit good access to the project site and will eliminate the dependency on helicopter support.

The logging road connects to the Trans Canada Highway about 500 m north of Alexandra Bridge on the east side of the Fraser River canyon. The bridge is also about 1.5 kilometres north of the small community of Spuzzum. From the turnoff, the logging road heads southerly toward the property and project site and is in good condition for the first 10-12 kilometres. However, the last 6-8 kilometre section of the road, leading to Siwash Forks and approaching the project site has been under construction by Cattermole for most part of the summer. It is expected for completion and to ready for use by next season.

C. CLAIMS INFORMATION

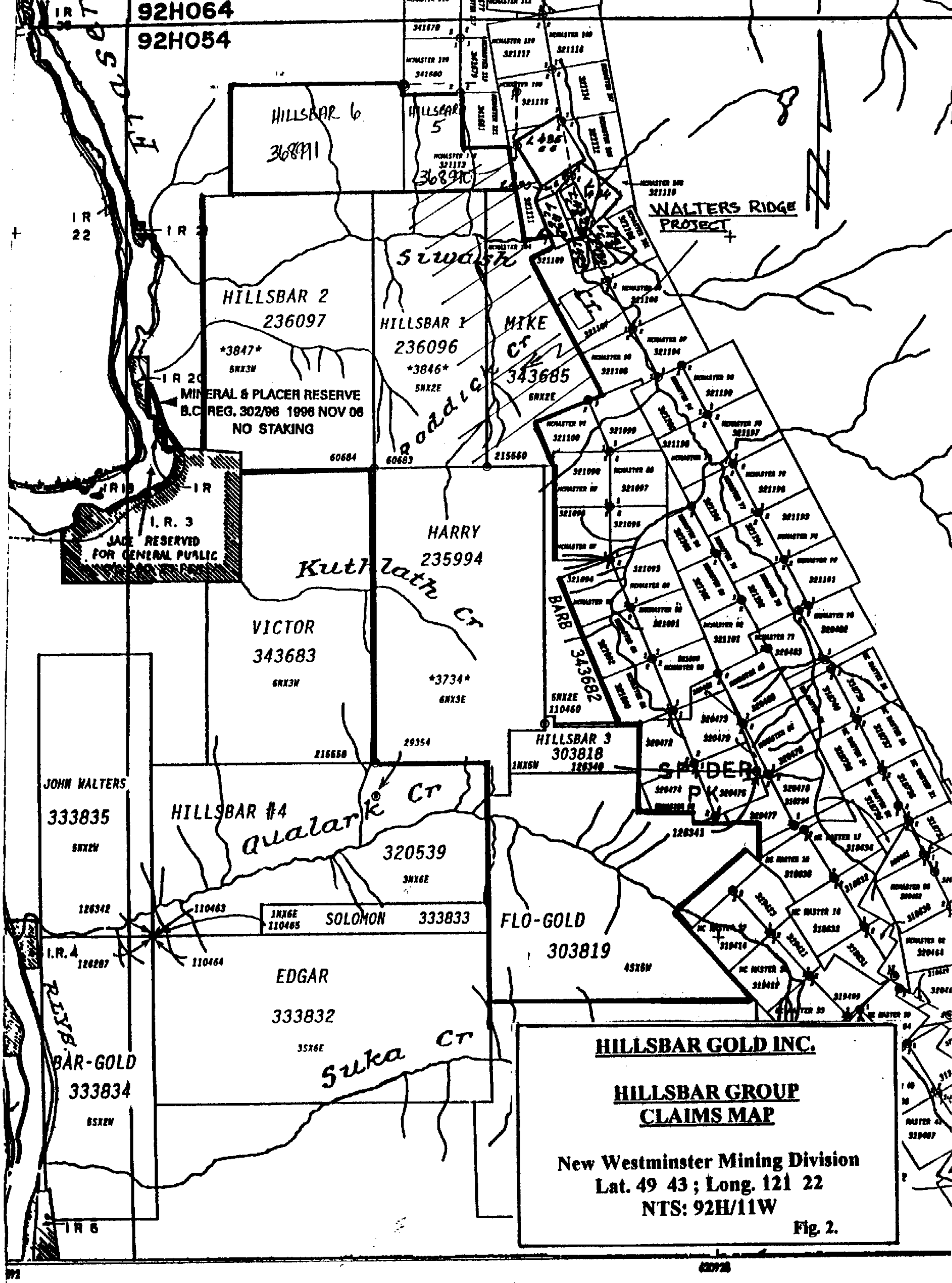
The Hillsbar mineral claim group lie within the New Westminster Mining Division. On the NTS map co-ordinates: Latitude 49°, 33'N and Longitude 121°, 22'W. The mineral claim map sheet number is NTS 92/11W.

There are a total of 9 contiguous mineral claims representing 98 units that make up the property. The claims are registered to Hillsbar Gold Inc. of Sechelt, B.C. The table below summarizes the pertinent information for each claim.

Table 1.

Claim Name	Tenure Number	No. of Units	Current Expiry Date
Hillsbar 1	236096	10	January 18, 2001
Hillsbar 2	236097	15	January 18, 2001
Hillsbar 3	303818	5	September 10, 2000
Hillsbar 5	368990	4	May 10, 2002
Hillsbar 6	368991	6	May 10, 2002
Mike	343685	10	February 13, 2001
Barb	343682	10	February 13, 2001
Flo-Gold	303819	20	September 10, 2000
Harry	235994	18	September 17, 2001

Total 98 units


92H064
92H054
HILLSBAR 6
368991
HILLSBAR 5
368990
WALTERS RIDGE PROJECT
Siwash
HILLSBAR 2
236097
3847
HILLSBAR 1
236096
3846
MIKE
343685
Roddick Cr
MINERAL & PLACER RESERVE
B.C. REG. 302/96 1996 NOV 06
NO STAKING
I.R. 3
JADE RESERVED FOR GENERAL PUBLIC
HARRY
235994
Kuthlath Cr
VICTOR
343683
3734
BARB 343682
HILLSBAR 3
303818
SPIDER PK
JOHN WALTERS
333835
HILLSBAR #4
Qualark Cr
320539
SOLOMON 333833
FLO-GOLD
303819
EDGAR
333832
Suka Cr
BAR-GOLD
333834
HILLSBAR GOLD INC.
HILLSBAR GROUP
CLAIMS MAP
New Westminster Mining Division
Lat. 49 43 ; Long. 121 22
NTS: 92H/11W
Fig. 2.

D. BRIEF HISTORY

The late 1850s Fraser River gold rush brought an influx of prospectors in to the Hope area and especially following the opening of the Kettle Valley railway along the Coquihalla River valley in 1910, which afforded the prospector easier access to the remote and rugged regions east of Hope. During this period a serpentine belt was explored where several promising lode gold veins were discovered. The belt geologically resembles that of the Mother Lode gold belt in California discovered by the gold seekers of 1849. To day it is know as the Coquihalla gold belt.

The Hope-Yale and Fraser River canyon area has had an active mining history. The area first received attention when in late 1850s prospectors discovered a rich gold-bearing placer bar just south of Yale on the Fraser. The Hills Bar, named after one of the prospectors, became one of the richest gold producing bars ever discovered in B.C. This sparked a major gold rush in 1858-60, bringing a surge of gold seekers from the California gold fields and Yale became a short lived boom-town. Eventually the gold seekers headed north to the Cariboo gold fields where reports of rich placer gold was also discovered.

In the early 1900s, lode gold was discovered on Siwash Creek at Siwash Forks, located about 5 kilometres due east of Yale. Siwash Creek empties in to the Fraser 2.5 kilometres north of Yale. By 1907, 2 small stamp mills had been erected at the forks, which operated for a brief period. Following the construction of the Kettle Valley railway in 1910, exploration activity increased along the Coquihalla serpentine belt.

In 1916, Emancipation mine located 2.5 kilometres southeast of the former Carolin mine, was the first major gold producer in the Coquihalla gold belt. Subsequently, other mines were discovered such as the Aurum (1926) and the Pipestem (1922). The Carolin mine was originally discovered in 1915 named as the Idaho zone. In 1981, Carolin went into production however, by the end of 1984 the mine closed mainly due to a combination of factors including poor recoveries and questionable management.

Over the years various gold properties and prospects have been discovered along the gold belt. To date, at least 30 gold properties have been documented. The Hillsbar claim group is located in the northern section of the Coquihalla gold belt, where this season work was concentrated. In 1998 an anomalous gold-bearing structure was discovered along a ridge named 'Walters Ridge', after the owner of claims. Although it is considered to be a new discovery, there is evidence of old workings along the ridge believed to date back to early 1900s during the time that Siwash Forks was been explored for gold.

During the 1998 field season Hillsbar Gold Inc., conducted geological reconnaissance survyes over the ridge outlining a geochemically gold anomalous area. The 1999 field work defined a series of quartz systems and siliceous zones, which are structurally controlled and suggest to be related to the east Hozameen fault. These structures are geochemically anomalous in gold.

E. REGIONAL GEOLOGY AND GOLD MINERALIZATION

The regional geological setting is identified by a prominent northwest-southeast trending structure known as the Hozameen Fault. The fault, which is represented by a semi-continuous belt of serpentine rock, is fault bounded by the East and West Hozameen faults. This geological break can be traced for at least 100 kilometres in southwestern B.C. and extends into northern Washington State.

The Hozameen fault system separates two distinct crustal units. To the northeast, in contact with the East Hozameen fault, is a volcanic greenstone unit, the Spider Peak Formation of Early Triassic age. The greenstone forms the basement for the unconformable, overlying Jurassic to Cretaceous turbidite and successor basin deposits of the Pasayten Trough. To the southwest, in the West Hozameen fault, is the Permian to Jurassic Hozameen Group, which consists of a dismembered ophiolite succession represented by the ultramafic rocks of the Petch Creek serpentine belt in turn, overlain by a thick unit of greenstone and chert.

The oldest sedimentary rocks in the Pasayten Trough, the Ladner Group, contain a locally developed basal unit (e.g. conglomerate, greywacke, siltstone and slate) that hosts the former Carolin mine, the Idaho zone gold deposit, along with a number of other former small gold producers. Majority of the past-producing mines occur east of and adjacent to the East Hozameen fault and form part of the Coquihalla gold belt.

The Coquihalla gold belt includes such past producers as the Carolin, Emancipation, Aurum, Pipestem and the Ward (Siwash Forks) mines as well as at least 25 other minor gold occurrences. It shows similarities in its geological setting, mineralogy and alteration assemblages to the Bridge River camp in B.C. and Mother Lode district of California.

The source and age of the gold mineralization in the belt is unknown. The Hozameen fault system probably played an important role as a conduit for ore-forming fluids; most of the occurrences are hosted by the Ladner Group and lie close to the Hozameen fault. However some gold mineralization is hosted in greenstone volcanics, the Spider Peak Formation, (e.g. Emancipation mine) or is associated with a suite of small sodic felsic porphyry intrusions (e.g. Siwash Creek forks – Ward mine).

There is potential for the discovery of more auiferous mineralization along the Coquihalla gold belt. This has been proven by the recent discovery of the Walters Ridge gold anomaly. The reported placer gold near Serpentine Lake may be locally derived possibly from greenstone volcanics that occur in the area, similar to the geological setting as the former Emancipation mine. As well as the reported occurrence of placer platinum in Sowaqua Creek and the gold-platinum showing (St. Patrick) raises intriguing possibilities that the Coquihalla serpentine belt represents an exploration target for platinum-group elements.

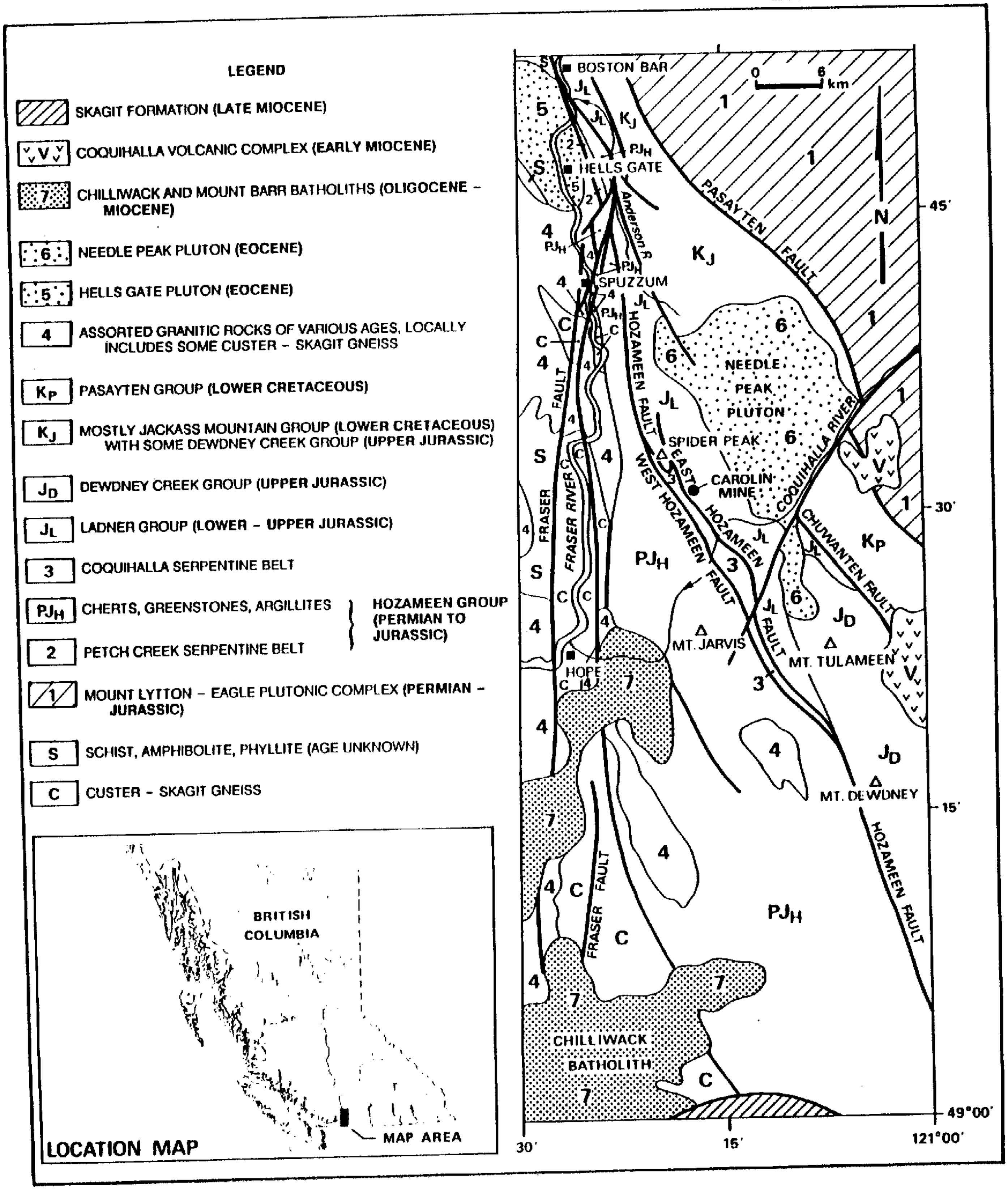


Figure Regional geology of the Hope - Boston Bar area (adapted from Monger, 1970; Ray, 1986b).

F. GENERAL PROPERTY GEOLOGY

The Hillsbar mineral claims encompass an area covering roughly 5 kilometres wide by 9 kilometres long. Contained within this area are at least 3 dominant rock types and 2 major fault structures. Approximately 75% of the property is underlain by the Hozameen Group consisting predominately of intensely foliated and steeply dipping chert and cherty volcanic and argillite. The western portion of the claims are bounded by the Hope-Fraser fault system, which follows the Fraser canyon, the Hozmeen sediments have undergone ductile deformation resulting in mylonite and related shear structures.

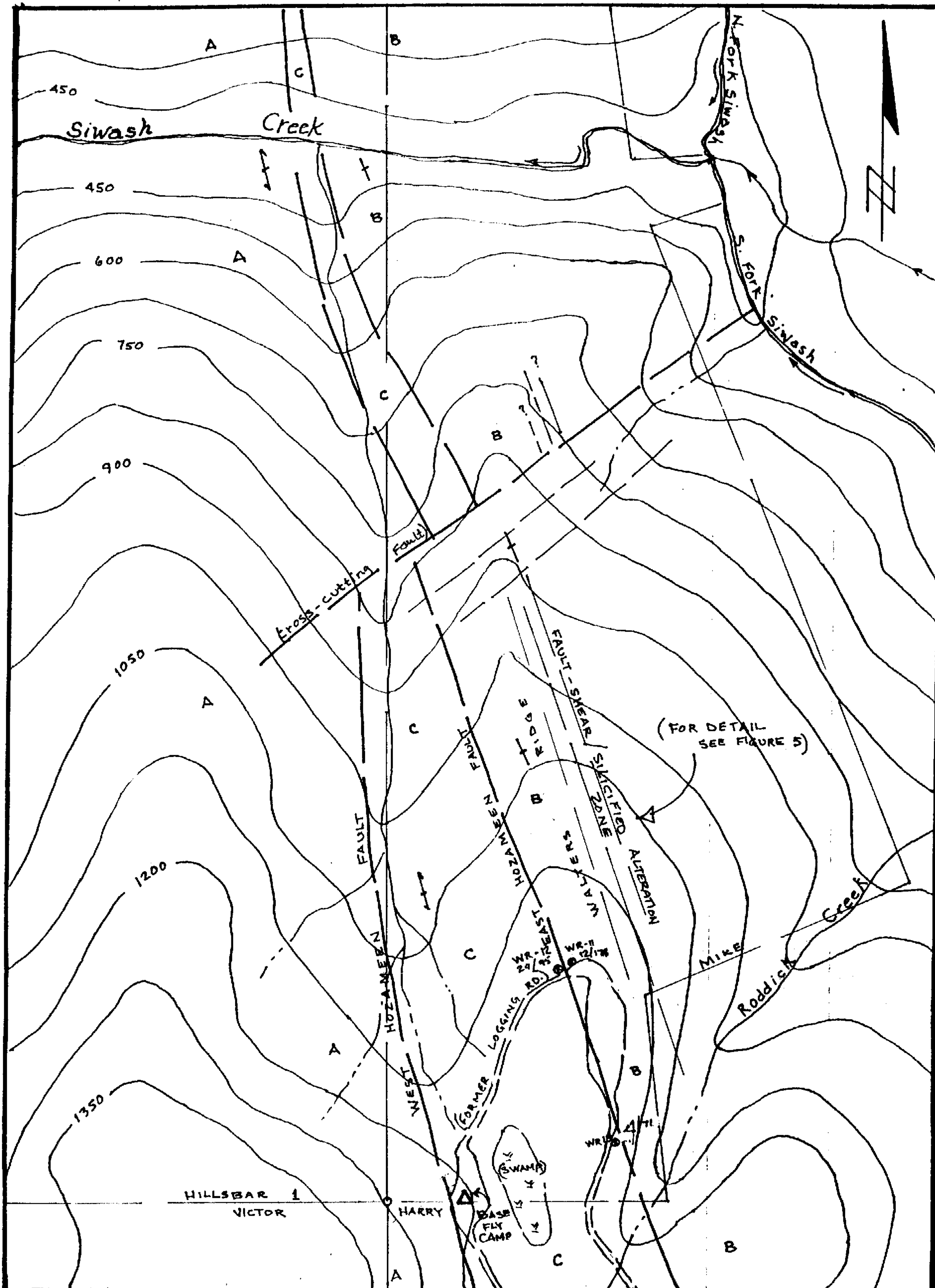
The Hozameen group is intruded by granodiorite of the northern Cascade Range. In places the granodiorite displays late stage quartz fissure veins which are usually unmineralized. The old Hillsbar gold workings found along Qualark Creek, carry gold values along narrow quartz-shear structures. The mineralization is hosted in cherty graphitic argillites. A granodiorite-argillite contact occurs adjacent to the workings.

The north eastern portion of the property is underlain by both the Hozameen and Ladner groups and are separated by the Coquihalla serpentine belt and it's related East and West Hozameen fault systems. The Hozameen rocks, which predominately consist of light coloured banded chert, occur along the southwestern side and in fault contact with the serpentine belt, the contact represents the West Hozameen fault. Ladner Group occurrs along the northeastern side of the serpentine and form the East Hozameen fault contact. Rocks associated with the Ladner are comprised mainly of steeply dipping, northwest trending, slate, siltstone and argillite.

G. WALTERS RIDGE PROJECT

Topographically, Walters Ridge is a prominent north trending ridge, which overlooks the main branch of Siwash Creek and its forks (Figure 4.). It is flanked on the west by a small incised, north flowing stream that also partly follows the West Hozameen fault structure, and it is flanked on the east by the south fork of Siwash Creek valley. The ridge starts at 1,200 metre elevation along a small logged-off plateau and descends down to Siwash Creek to elevation 457 metres for a total distance of about1.5 kilometres.

Geological soil sampling reconnaissance surveys were conducted alongWalters Ridge, starting from the plateau to elevation of approximately 900 metres, for a distance of 450 metres. Although the ridge lends itself to very limited bedrock exposure, it has only a thin veneer of soil cover and as a result numerous sub-outcroppings can be observed. Several old workings have been found (Figure 5.) including, moss covered trenches, pits and a caved adit, which suggest to date back to the early 1900s when Siwash Creek and it's forks where been explored for gold. It is evident by the workings that the old timers were testing the quartz veins and silica reach alteration zones for visible gold-bearing potentials.



LEGEND:

- A — HOZAMEEN GROUP: Chert, Argillite & Greenstone
- B — LADNER GROUP: Slate, Siltstone & Argillite
- C — SERPENTINE: Massive, Dark Green
- Bedding: Strike & Dip (Verticle)
- Foliation: Strike & Dip (Verticle)
- ⊗ ROCK SAMPLE SITE (WR-13 <1ppb Au/71 ppmAs)

SCALE: 1:10,000 (Metres)

0 100 200 300 400 500

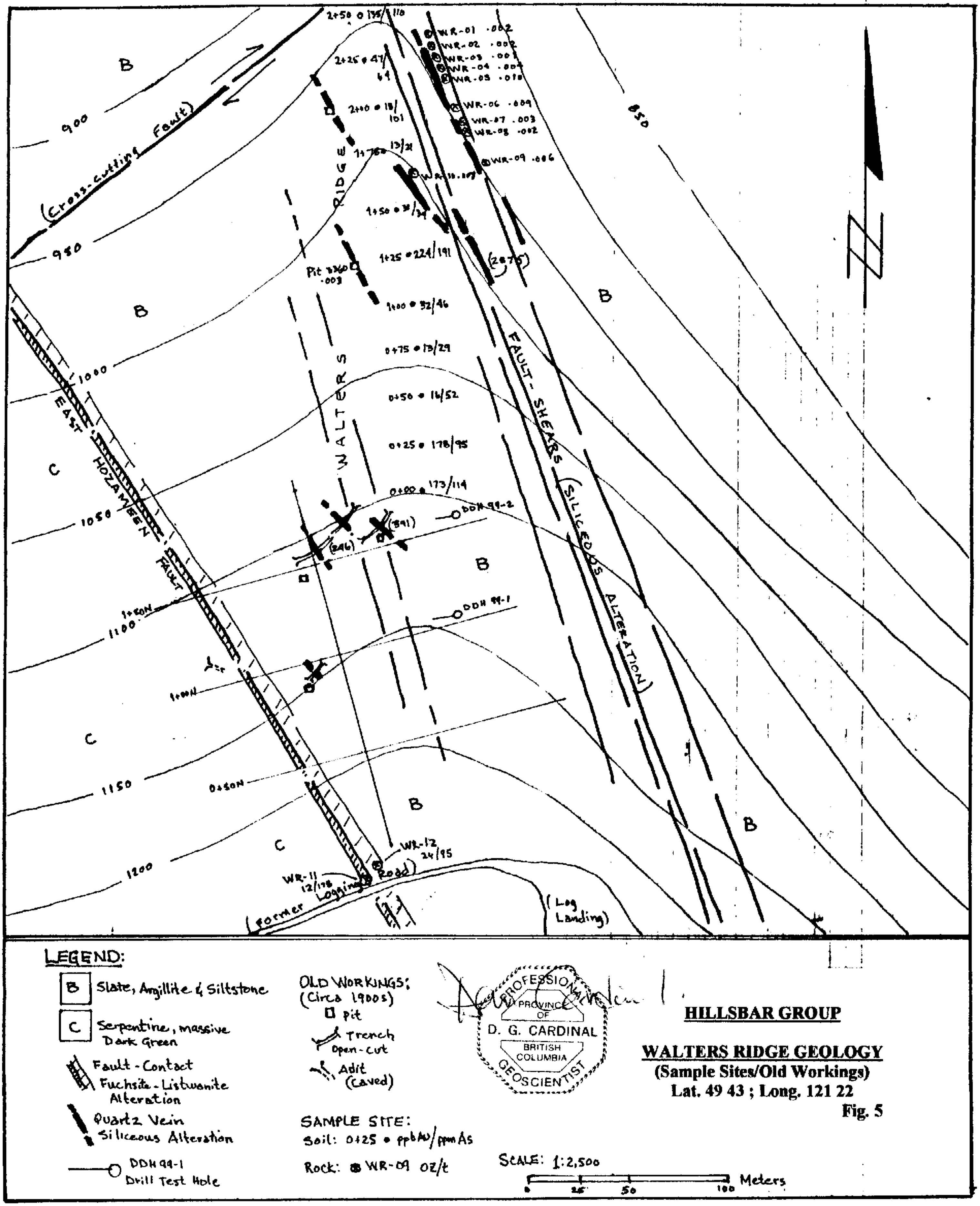
PROFESSIONAL GEOSCIENTIST — PROVINCE OF BRITISH COLUMBIA — G. CARDINAL

HILLSBAR GROUP

PROPERTY GEOLOGY
WALTERS RIDGE PROJECT

Lat. 49 43 ; Long. 121 22
NTS: 92H/11W

Fig. 4



HILLSBAR GROUP

WALTERS RIDGE GEOLOGY
(Sample Sites/Old Workings)
Lat. 49 43 ; Long. 121 22

Fig. 5

G.1 Geology and Mineralization

Walters Ridge is underlain by a major northwest trending structure, the East Hozameen fault, which represents a fault contact between the Ladner Group sediments on the east and massive, dark green serpentinite on the west. The fault contact forms a suture-like zone between the two distinct lithological units, consisting of highly altered fuchsite (iron-carbonate)-bearing listwanite. This tectonic contact and lithological package makes up the northern portion of the Coquihalla Serpentine gold belt (Figure 4 & 5.).

The ridge mainly consists of northwesterly striking, steeply dipping, siliceous altered shales and fine grained siltstones of the Ladner Group. A series of paralleling, steeply dipping faults and shears are hosted in and concordant with the structural fabric of the sediments. This system of narrow fault-shears can be traced along the ridge for at least 450 metres before they appear to be offset by a strong cross-cutting, northeast-southwest trending fault, which cuts the ridge at about 900 metre elevation. The cross-cutting fault also offsets the Coquihalla Serpentine belt, displaying a right lateral offsetby about 100 metres (Figures 4 & 5).

The paralleling fault-shear structures host numerous irregular quartz vein systems. The veins tend to vary in width from less-then 0.5m to greater-then 1.0m and be traced to at least the cross-cutting structure. As the veins predate the structure and they're pesistant nature, they probably continue beyond this point but would be expected to be offset to right (or to the east) and down along the steep escarpment and western flank of the ridge. Sulphide mineralization associated with the veins is usually quite sparse. However, the wall rock, which appears to be very fine grain tuffaceous siltstone is highly silicified and brecciated, in places containing very fine disseminated pyrite, pyrrhotite and minor arsenopyrite. A sample collected from the altered wall rock for geochemical analysis, showed up to 2,875 ppb gold. Majority of the veins are typically sheared and brecciated, milky white to semi-translucent and hosting veinlets of creamy colored albite. Occasionally, minor pyrite, pyrrhotite and arsenopyrite can be observed associated with the veins.

G.2 Drill Testing

During the season an attempt was made to drill the quartz vein system using a lightweight portable drill called the 'Prospector', designed by Hydracore Drills Limited of Richmond, BC. One of the attractive features of this machine that it can be moved by a field crew of 2-3 people with out disturbing much of the surface with limited environmental impact. The drill comes with a 25 hp power pack unit, pumps, hoses and other accessories. It has a hydraulic feed stroke and uses "A" thin-wall drill rods. It is capable of penetrating to at least 100 metres in competent rock (see Appendix I for specification of the drill).

Two (2) drill sites were selected for testing (Figure 5.). Unfortunately due to the highly sheared and faulted ground, the drill had difficulty in obtaining good recovery. Water circulation was also lost down hole and some cases tightening of the rods was experienced. After attempting to drill the 2 sites and obtaining very poor core recovery, the drilling terminated. Hole 99-1 was terminated at a depth of 48m and Hole 99-2 was terminated at 32m for combined metres of 80m. Recovery was less than 50%. The drill core (9 boxes) have been stored on the property near one of the former log landings. Drill Logs are attached to Appendix III of this report.

The portable drill was then tested over the massive serpentine, drilling several metres in to the serpentine. The drill performed quite well because of the soft nature and competency of the rock.

It was concluded that a larger drill machine (e.g. LongYear 38) would be needed to test the structures along Walters Ridge.

G.3 Field Procedures

The Walters Ridge project was supported by a fly camp during the field work, since the logging access road leading to the site is not passable. The fly camp was established at one of the old log landings at an elevation of 1200 metres, which also served as heliport. During the month of July the camp was used by a field crew of 2, a geologist and a field assistant. Majority of the surveys were centered along ridge and down to Siwash Creek. For mapping control a logging map supplied by the logging company at 1:10,000 scale was used as the base map. A more detail map was then drafted at a scale of 1:2,500 to tie-in sampling points along the ridge and any old workings. For field control hip chain, brunton compass and altimeter was also utilized.

During August, the portable drill machine was flown in to the project site by helicopter. A drill contractor, geologist and field assistant stayed in the fly camp during testing of the drill and assisted in moving a setting up of the drill. Drill testing was conducted over a 10 day period.

Several rock and soil samples were collected along the ridge. Soil was obtained from the 'B' horizon where possible and tied to a gridline. Rock samples numbered WR-01, etc. were collected from the quartz vein system. All samples were then to sent an analytical laboratory for multi-element geochemical analysis and assay.

H. DISCUSSION OF RESULTS

During the 1998 reconnaissance surveys preliminary sampling from old pits and trenches and quartz partly exposed along the ridge returned geochemical anomalous values in gold. This season soil sampling was conducted along the spine of the ridge with samples taken every 25 metre intervals. A total of 11 samples were collected, starting from elevation 1100m (sta. 0+00) down to 900m (2+50). As well, a total of 10 rock samples (WR-01 to WR-10) were collected from quartz veins exposed along exposed along the ridge. Three samples (WR-11,2 & 13) were obtained along the East Hozameen fault, from fuchsite-liswanite-bearing alteration zone. One rock sample, numbered 'Pit 3360' was obtained from an old pit, which exposes a quartz vein.

The soil samples were collected from the 'B' soil profile where possible. Of the 11 samples, 6 samples are geochemically anomalous in gold and arsenic, ranging between 47ppb Au/64ppm As to 224ppb Au/191ppm As. Eleven (11) rock samples were were assayed for gold and showed consistently low gold values ranging between .001 to .010 oz/t Au. Rock samples (WR 11-13) obtained from the fault also showed low geochemical gold values.

The anomalous geochem gold-arsenic values obtained from the soils appear to reflect possible gold-bearing quartz structures below surface. It quite evident that detail sampling surveys need to be conducted in order to ascertain which quartz structures are potentially gold-bearing and which are not. It should also be noted that although some drill core was recovered from the test drilling none of it was analyzed because of the very poor core recovery.

I. CONCLUSION AND RECOMMENDATIONS

Walters Ridge is a prominent north trending ridge underlain by a structurally controlled, highly erosional resistant, siliceous alteration zone, carrying anomalous gold values.

The zone is represented by sub-paralleling quartz systems introduced along fault-shear structures. The structures are believed to related, and in part, subsidary faults to the main East Hozameen fault, which occurs only several metres to the west. The fault also probably played a role in the introduction of silica and gold-bearing fluids along the Walters Ridge zone. The paralleling structures along the ridge are also believed to deep seated, acting as channel ways the migrating fluids.

It is recommended that a combination of detail geochemical soil sampling and geophysical (EM) surveys be conducted over the Walters Ridge zone. Any future drilling should be carried out by a drill machine capable of drilling to at least 500m using NQ size drill rods (e.g. Long Year 28/38). This would also permit better penetration and core recovery along the intensely faulted and sheared quartz structures.

J. STATEMENT OF EXPLORATION – COST BREAKDOWN

	Cost:
Field Crew:	
Geologist, 15 days @ $350 per day	$ 5,250
Field Assistant, 15 days @ $150 per day	2,250
Driller, 8 days @ $250 per day	2,000
Fly Camp:	
2-men, 15 days @ $80 per day	1,200
1-man, 8 days @ $40 per day	320
Portable Drill (Prospector):	
Rental, 10 day @ $250 per day	2,500
Helicopter – Jet Ranger (206):	
5 hours @ $750	3,750
Geochem & Assays	487
Report writing and map compilations	2,050
Total expenses incurred	**$ 19,807**

Respectfully submitted;

PROFESSIONAL
PROVINCE OF
D. G. CARDINAL
BRITISH COLUMBIA
GEOSCIENTIST

D.G. (Dan) Cardinal, P.GEO.

K. PROFESSIONAL CERTIFICATE

I, Daniel G. Cardinal, residence at 65661 Birch Trees Drive, P.O. Box 594, Hope, BC, VOX 1L0, do hereby certify:

I am a Professional Geoscientist and member in good standing with the Association of Professional Engineers and Geoscientists of British Columbia (#18455); Association of Professional Engineers, Geologists and Geophysicists of Alberta (M#29405); and a Fellow of the Geological Association of Canada (#F4891).

I am a graduate of University of Alberta (Edmonton) with a BSc. degree in Geology, 1978, and from the Northern Alberta Institute of Technology (Edmonton) with a Geological Technologist diploma, 1972.

I have been practicing my profession for the past 20 years for various major and junior resource companies, and I have been employed by Cardinal Geoconsulting Ltd. since 1984 as an independent consulting geologist.

I have supervised and conducted the geological and sampling surveys documented in this report and that I am the author of this geological assessment report on the 'Hillsbar Group and Walters Ridge Project'.

I have no direct or indirect interests in the company Hillsbar Gold Inc. or in the properties described in this report.

Dated at Hope, British Columbia, this 6th day of December, 1999.

PROFESSIONAL PROVINCE OF D. G. CARDINAL BRITISH COLUMBIA GEOSCIENTIST

D.G. Cardinal, BSc., P. Geo.

L. REFERENCES

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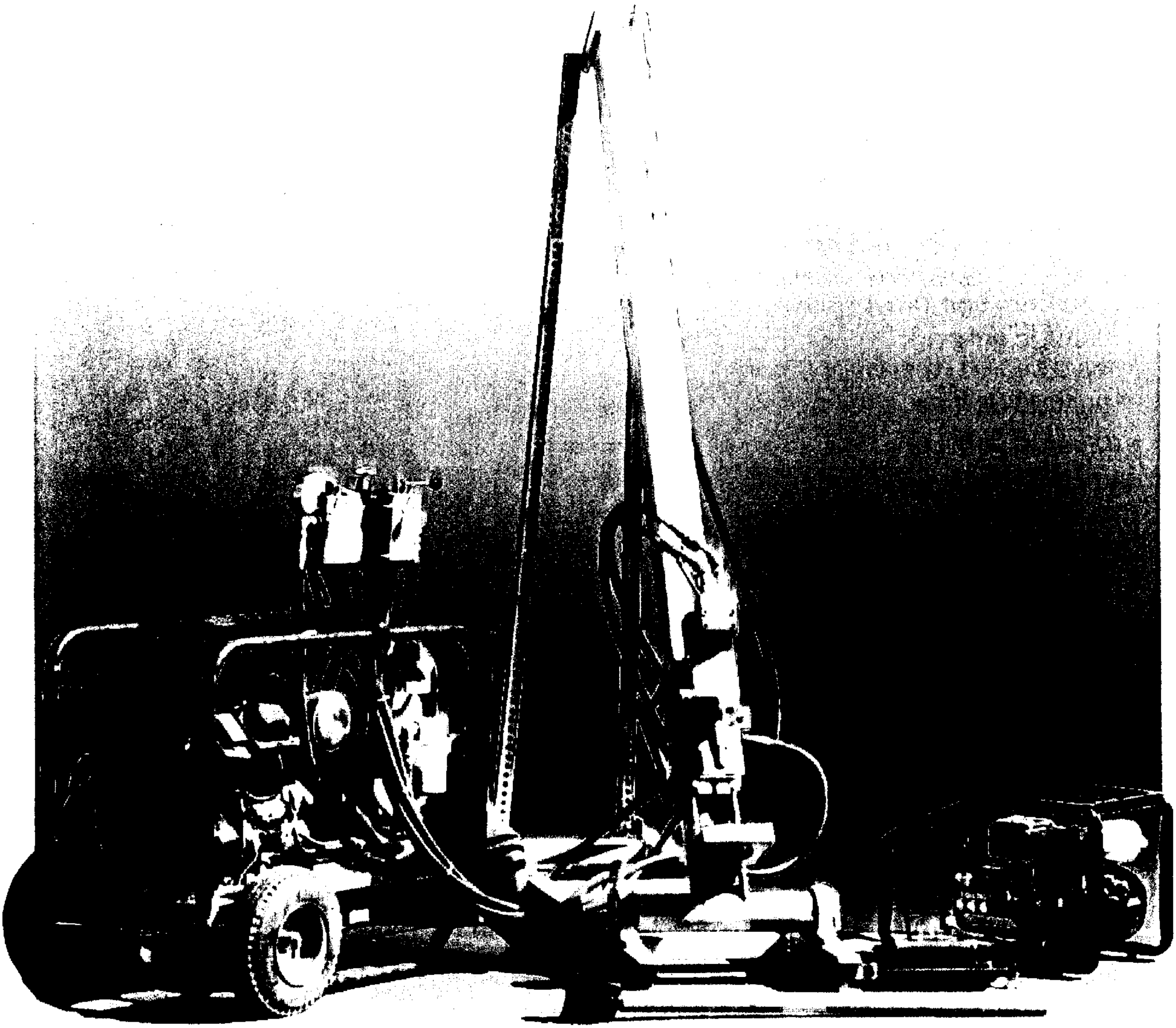
APPENDIX I

HYDRACORE DRILL SPECIFICATIONS

HYDRACORE
Prospector

Lightweight, Simple, Portable Hydraulic Drill



HYDRACORE DRILLS LIMITED
2-11911 MACHRINA WAY, RICHMOND, BRITISH COLUMBIA, CANADA V7A 4V3 • TEL: (604) 271-7117

HYDRACORE
Prospector

DRILL ASSEMBLY

CYLINDER STROKE........................ 68" or 40"
THRUST @ 2500psi.......................... 4800lbs
PULL @ 2500psi............................. 7850lbs
BIT RPM @ 3600 Engine rpm.................... 1000
DEPTH RATING "A" thin wall with 25 hp........ 450ft
DEPTH RATING "A" thin wall with 18 hp........ 300ft

POWER PACK

ENGINE..... 25hp Kohler or 18hp Briggs & Stratton
12 volt Electric Start, Diesel available

HYDRAULIC PUMPS..................... 2 Gear Type
(one powers head - one powers cylinder)

HYDRAULIC OIL TANK....................... 4.5gals

HYDRAULIC OIL FILTER.................... 10 Micron

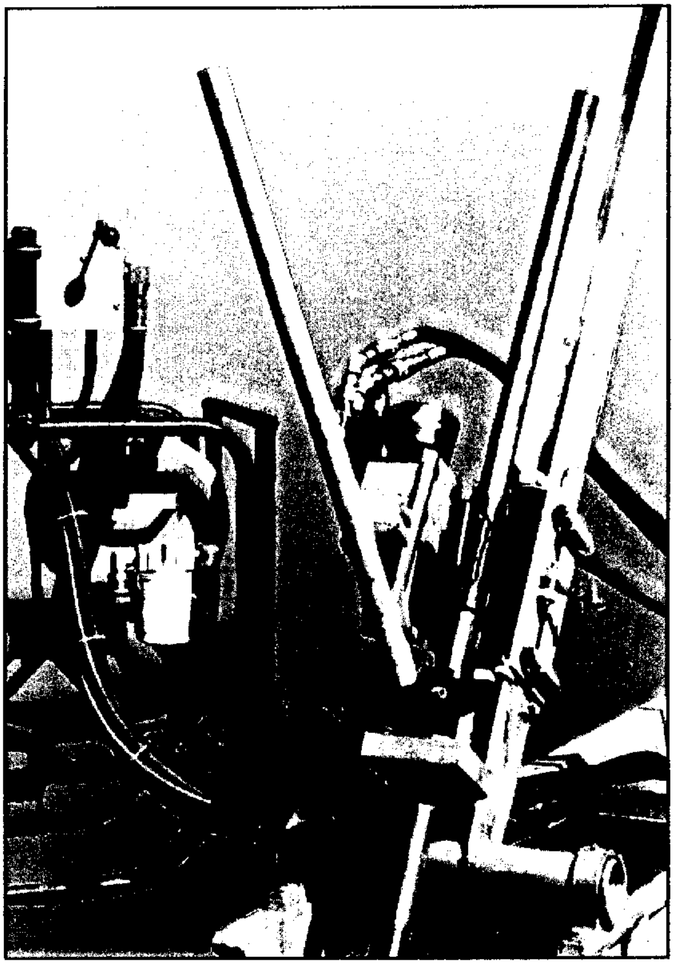
OIL COOLER .... Water Type

FRAME.... Steel Tubing with Wheels *(shown)* or Light Weight Aluminum Tubing

Built in Hydraulic Pump is also available

FEATURES

Aluminum is used extensively in the manufacturing of the "Prospector" to keep weight to a minimum. The drill slide is aluminum channel, the head is aluminum.



ROD PULLER & LOWING IRON IN POSITION FOR PULLING RODS

WEIGHTS

Power pack *(including hoses)* with aluminum tube frame B&S or Kohler engine .... 210 lbs
Powerpack with wheeled steel tube frame B&S or Vanguard engine .... 320 lbs
Powerpack with diesel engine .... 530 lbs
Drill feedframe head & aluminum skid base 40" stroke .... 320 lbs
Drill feedframe head & Aluminum skid base 68" stroke .... 420 lbs

PRINTED IN CANADA

APPENDIX II

GEOCHEMICAL ANALYSIS AND ASSAYS

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

ASSAY CERTIFICATE

Cardinal Geoconsulting Ltd. PROJECT WALTERS RIDGE File # 9902272
P.O. Box 594, Hope BC V0X 1L0 Submitted by: D. Cardinal

SAMPLE#	Mo %	Cu %	Pb %	Zn %	Ag oz/t	Ni %	Co %	Mn %	Fe %	As %	U %	Th %	Cd %	Sb %	Bi %	Au oz/t
WR-01	<.001	.001	<.01	.01	.02	<.001	<.001	.02	1.57	.10	<.01	<.01	<.001	.001	<.01	.002
WR-02	<.001	.001	<.01	<.01	<.01	<.001	<.001	.03	1.32	.13	<.01	<.01	<.001	<.001	<.01	.002
WR-03	<.001	.001	<.01	.01	<.01	<.001	<.001	.04	1.63	<.01	<.01	<.01	<.001	.001	<.01	.001
WR-04	<.001	.001	<.01	<.01	<.01	<.001	<.001	.02	1.60	.01	<.01	<.01	<.001	.001	<.01	.004
WR-05	<.001	.001	<.01	.01	.01	<.001	<.001	.01	2.63	.04	<.01	<.01	<.001	.001	<.01	.010
WR-06	.001	<.001	<.01	<.01	<.01	<.001	<.001	<.01	1.15	.02	<.01	<.01	<.001	.001	<.01	.009
WR-07	.001	.001	<.01	<.01	<.01	<.001	<.001	<.01	1.08	.01	<.01	<.01	<.001	.001	<.01	.003
WR-08	<.001	<.001	<.01	<.01	.01	<.001	<.001	.01	.53	<.01	<.01	<.01	<.001	<.001	<.01	.002
RE WR-08	<.001	<.001	<.01	<.01	<.01	<.001	<.001	.01	.54	<.01	<.01	<.01	<.001	<.001	<.01	.002
WR-09	<.001	.002	<.01	<.01	.02	<.001	<.001	.01	3.01	.04	<.01	<.01	<.001	.001	<.01	.006
WR-10	<.001	.001	.01	<.01	.03	<.001	<.001	<.01	2.02	.01	<.01	<.01	<.001	.001	<.01	.007
PIT 3360	<.001	.001	<.01	<.01	.01	<.001	<.001	.01	1.02	.01	<.01	<.01	<.001	<.001	<.01	.003
STANDARD R-1/AU-1	.086	.841	1.33	2.20	2.90	.024	.025	.08	6.48	.95	.01	.01	.045	.154	.03	.098

1.000 GM SAMPLE DIGESTED IN 30 ML AQUA - REGIA, DILUTE TO 100 ML, ANALYSIS BY ICP.
AU - 30 GM REGULAR ASSAY.
- SAMPLE TYPE: ROCK
Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

DATE RECEIVED: JUL 16 1999 DATE REPORT MAILED: July 23/99 SIGNED BY ....D. TOYE, C.LEONG, J. WANG; CERTIFIED B.C. ASSAYERS

Data ✓ FA ___

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

Cardinal Geoconsulting Ltd. PROJECT WALTERS RIDGE File # 9903808

P.O. Box 594, Hope BC VOX 1L0 Submitted by: D. Cardinal

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 %	B ppm	Al %	Na %	K %	W ppm	Au* ppb
WR 2+50N	2	15	6	209	1.4	14	7	200	2.62	110	<8	<2	<2	7	<.2	<3	3	43	.05	.040	8	16	.23	137	.02	<3	2.84	.02	.05	<2	135
WR 2+25N	2	9	3	99	<.3	3	2	87	1.90	64	<8	<2	<2	6	<.2	<3	<3	23	.02	.028	8	6	.15	72	.01	<3	1.59	.02	.05	<2	47
WR 2+00N	2	11	3	145	.5	6	3	143	2.29	101	<8	<2	<2	5	.5	<3	<3	31	.04	.034	6	12	.23	85	.01	<3	2.18	.01	.05	<2	18
WR 1+75N	1	5	<3	108	<.3	4	2	108	1.47	21	<8	<2	<2	5	.4	<3	<3	31	.03	.023	9	7	.12	67	.01	<3	1.94	.01	.03	<2	13
WR 1+50N	2	7	5	77	.8	2	1	87	2.65	34	<8	<2	<2	4	<.2	3	<3	37	.02	.046	7	10	.11	67	.02	<3	2.42	.01	.04	<2	31
WR 1+25N	3	15	10	132	.6	9	4	137	2.07	191	<8	<2	<2	5	<.2	<3	<3	41	.03	.033	7	10	.11	118	.01	<3	2.88	.01	.04	<2	224
WR 1+00N	3	7	8	63	.5	5	2	79	2.11	46	<8	<2	<2	6	<.2	<3	<3	42	.03	.032	10	12	.12	43	.02	<3	1.96	.01	.03	<2	32
WR 0+75N	4	21	9	106	1.4	7	2	124	2.47	29	<8	<2	2	6	<.2	<3	3	53	.04	.038	7	19	.16	80	.05	<3	2.85	.01	.04	<2	13
WR 0+50N	6	15	8	88	.5	6	2	156	2.73	52	<8	<2	<2	10	<.2	<3	<3	51	.04	.040	8	15	.19	74	.02	<3	2.23	.01	.06	<2	16
RE WR 0+50N	6	15	11	84	.5	3	2	150	2.63	50	<8	<2	<2	10	<.2	3	<3	48	.04	.039	8	14	.18	74	.02	<3	2.12	.02	.05	<2	11
WR 0+25N	2	7	7	50	.6	4	1	95	1.91	94	<8	<2	<2	6	<.2	<3	<3	38	.03	.031	6	10	.09	49	.03	<3	1.99	.01	.03	<2	178
WR 0+00	2	18	4	140	<.3	9	3	114	2.84	112	<8	<2	<2	3	<.2	5	<3	8	<.01	.045	6	3	.02	56	<.01	<3	1.64	.01	.02	<2	173
BL 2+50N	2	8	<3	79	<.3	7	1	145	2.16	91	<8	<2	<2	5	<.2	<3	5	32	.03	.031	7	12	.12	44	.01	<3	1.89	.01	.03	<2	87
STANDARD C3/AU-S	26	61	32	166	6.0	34	10	772	3.31	54	24	4	20	30	22.7	19	22	77	.57	.087	16	168	.58	153	.09	22	1.88	.04	.16	15	53
STANDARD G-2	1	3	<3	44	<.3	10	4	558	2.11	<2	<8	<2	4	79	<.2	<3	<3	41	.68	.098	7	82	.61	237	.14	<3	1.04	.09	.51	2	<1

GROUP 1D - 0.50 GM SAMPLE LEACHED WITH 3 ML 2-2-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR, DILUTED TO 10 ML, ANALYSED BY ICP-ES.
UPPER LIMITS - AG, AU, HG, W = 100 PPM; MO, CO, CD, SB, BI, TH, U & B = 2,000 PPM; CU, PB, ZN, NI, MN, AS, V, LA, CR = 10,000 PPM.
- SAMPLE TYPE: SOIL AU* GROUP 3A - 10.00 GM SAMPLE, AQUA-REGIA,MIBK EXTRACT, ANALYSIS BY GF/AA.
Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

DATE RECEIVED: OCT 6 1999 DATE REPORT MAILED: Oct 14/99 SIGNED BY.........D. TOYE, C.LEONG, J. WANG; CERTIFIED B.C. ASSAYERS

Data ✓ FA ____

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

Cardinal Geoconsulting Ltd. PROJECT WALTERS RIDGE File # 9903809

P.O. Box 594, Hope BC VOX 1LO Submitted by: D. Cardinal

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 %	B ppm	Al %	Na %	K %	W ppm	Au* ppb
WR-11	1	8	<3	10	<.3	869	45	975	3.28	95	<8	2	<2	368	<.2	<3	<3	12	4.10	.004	<1	315	10.87	12	<.01	3	.16	.01	.01	<2	24
WR-12	1	66	3	92	<.3	25	17	1028	4.78	178	<8	<2	<2	107	<.2	<3	<3	145	3.64	.049	3	42	1.90	22	.03	3	2.30	.22	.04	<2	12
WR-13	5	9	<3	11	<.3	646	35	375	2.22	71	<8	<2	<2	3	<.2	6	<3	12	.03	.003	<1	452	1.22	8	<.01	<3	.43	.01	<.01	6	<1
RE WR-13	5	9	<3	12	<.3	654	36	374	2.25	72	<8	2	<2	3	<.2	7	<3	12	.03	.003	<1	460	1.23	8	<.01	<3	.44	.01	<.01	7	<1

GROUP 1D - 0.50 GM SAMPLE LEACHED WITH 3 ML 2-2-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR, DILUTED TO 10 ML, ANALYSED BY ICP-ES.
UPPER LIMITS - AG, AU, HG, W = 100 PPM; MO, CO, CD, SB, BI, TH, U & B = 2,000 PPM; CU, PB, ZN, NI, MN, AS, V, LA, CR = 10,000 PPM.
ASSAY RECOMMENDED FOR ROCK AND CORE SAMPLES IF CU PB ZN AS > 1%, AG > 30 PPM & AU > 1000 PPB
- SAMPLE TYPE: ROCK AU* GROUP 3A - 10.00 GM SAMPLE, AQUA-REGIA,MIBK EXTRACT, ANALYSIS BY GF/AA.
Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

DATE RECEIVED: OCT 6 1999 DATE REPORT MAILED: Oct 14/99 SIGNED BY C. Leong .D. TOYE, C.LEONG, J. WANG; CERTIFIED B.C. ASSAYERS

Data ✓ FA ____

APPENDIX III

DRILL LOGS

HOLE NO. 99-1 **PROJECT:** WALTERS RIDGE **LOGGEG BY:** D.G.C.

DATE: START– AUG. 8/99 **DRILL TYPED:** PACKSACK **CORE SIZE:** A
FINISH- AUG. 14/99 (PORTABLE)

METERS: (FROM – TO)	DRILL CORE DESCRIPTION:
0 – 3	No recovery. Loss of circulation
3 – 8	Badly broken core. Ground fragments of argillite and qtz. fragments.
8 – 15	Poor recovery (< 40%). Silicified, intensely sheared argillite.
15 – 20	Very poor recovery. Loss of circuluation (pull rods). Some ground core qtz. fragments.
20 – 22	Silified, chloritic argillite. Badly broken. Recovery < 40%.
22 – 27	Improved recovery (>50%). Mostly siliceous, chloritic agrillite with minor qtz stringer. No sulphides noted.
27 – 30	Very poor recovery. Argillite and qtz. fragments. Loss circulation and rods binding. Probable fault-shear zone. (Pull rods).
30 – 33	Recover 0.5m qtz with siliceous, chloritic argillite.
33 – 38	Recover 2.3m of sheared siliceou, chloritic argillite.
38 – 42	Poor recovery. 0.3m qtz vein. No sulphides. Loss of circulation. Rods binding.
42 – 45	No recovery. Loss circulation. Pull rods.
45 – 48	Very poor recovery. Ground chloritic argillite fragments. Loss circulation. Terminate drill hole @ 48 metres.

HOLE NO. 99-2 **PROJECT:** WALTERS RIDGE **LOGGED BY:** D.G.C.

DATE: START - AUG. 15/99 **DRILL TYPED:** PACKSACK (PORTABLE) **CORE SIZE:** A
FINISH - AUG. 19/99

METERS: (FROM – TO)	DRILL CORE DESCRIPTION:
0 – 2	Recover 1.2m of chloritic argillite
2 – 8	Recover 3.1m siliceous, chloritic agrillite with minor qtz stringers. No noted.
8 – 12	Very poor recovery. Intensely sheared argillite.
12 – 15	Very poor recovery. Intensely sheared argillite.
15 – 20	Intensely broken and ground core. Mostly fragments argillite and qtz.
20 – 23	Poor recovery (<30%). Siliceous argillite. Loss of circulation (pull rods).
23 – 25	Recover 0.8m core – siliceous argillite. No mineralization.
25 – 27	No recovery. Loss of circulation.
27 – 28	No recovery. Rods binding (pull rods).
28 – 31	Loose hole. Cave-ins and washout. Tricone hole.
31 – 32	No recovery. Loss circulation. Pull rods.
32	Terminate drill hole @ 32 metres.