DIAMOND DRILLING REPORT

on the

DAVIES BAY #1 MINERAL CLAIM

TEXADA ISLAND

BRITISH COLUMBIA

Longitude 124°23'55"/Latitude 49°36'05"
NTS: 92F/9W (92F.069)

Prepared for

LEHIGH PORTLAND CEMENT LTD.
7777 Ross Road, P. O. Box 950
Delta, B.C., V4K 2S6

Prepared by

J. T. SHEARER, M.Sc., P.Geo.
Homegold Resources Ltd.
Unit 5 – 2330 Tyner St.,
Port Coquitlam, B.C.,
V3C 2Z1
Phone: 604-970-6402 / Fax: 604-944-6102
E-mail: Homegold@telus.net

February 15, 2000

Fieldwork completed between February 5 and April 15, 1999

TABLE OF CONTENTS

LIST of ILLUSTRATIONS and TABLES

ILLUSTRATIONS and TABLES

TABLES

SUMMARY

The Davies Bay #1 Mineral Claim lies adjacent on the west from Lot 573 (which is a mining lease and private land owned by CBR Cement). Together these two tracts of land cover a large part of the southern Davies Bay Limestone Belt.

In 1999, a series of 7 diamond drillholes were completed to compliment data gathered in the 1950's and 1960's, the core of which the core is no longer available for study. Total footage in the 1999 program was 1060 ft (323.1m).

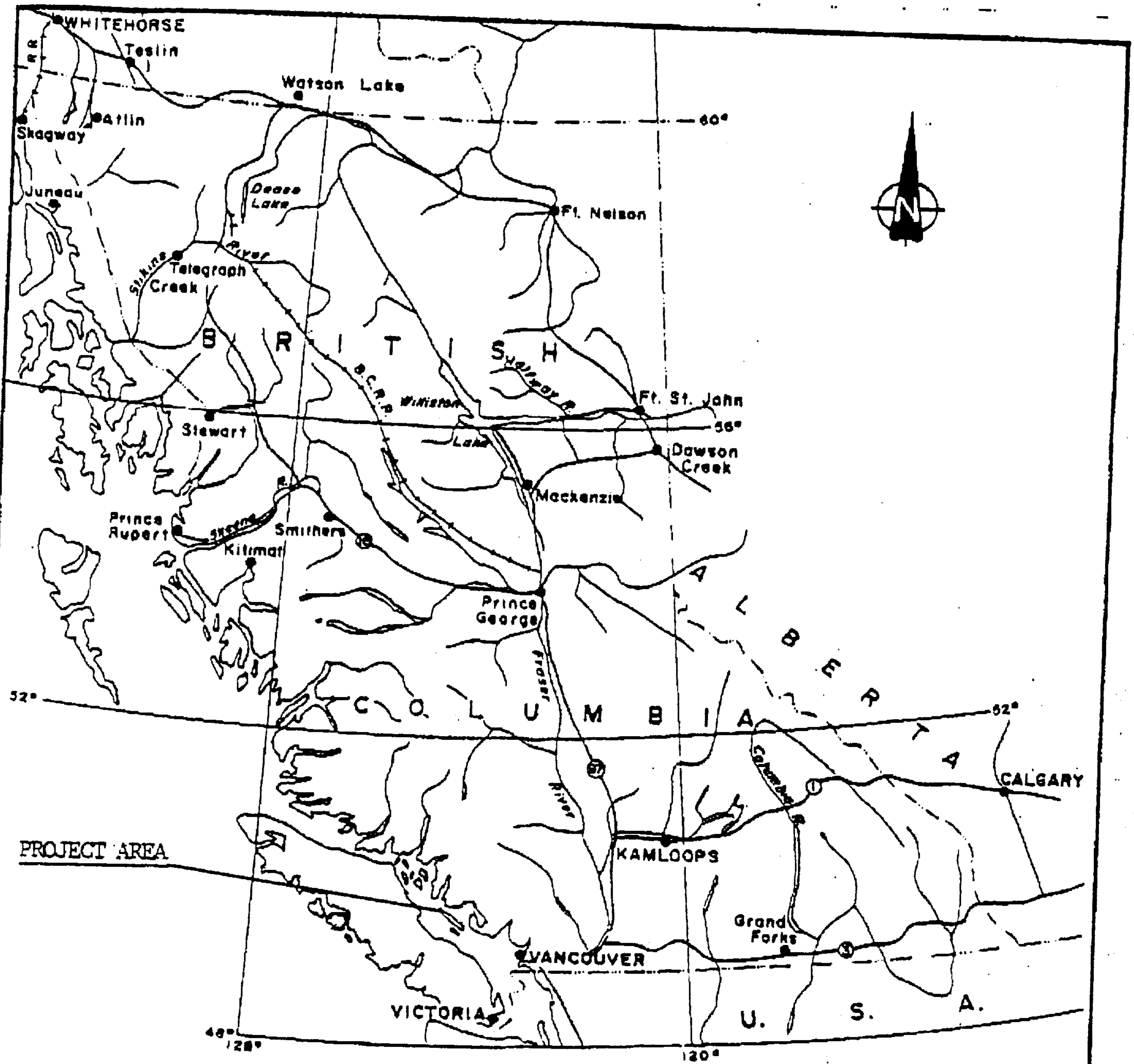
To the northwest, Lafarge holds a large block of ground, which has been investigated, in the early 1970's and 1980's.

The 1999 work indicates that fine-grained, high calcium limestone belonging to Upper Triassic Quatsino Formation was encountered to the relatively shallow depth drilled. The extent of the limestone unit from the surface exposures suggests that there is considerable greater thickness of limestone present beyond the limits tested by the 1999 drillholes.

Respectfully submitted,

J.T. (Jo) Shearer, M.Sc., P.Geo.
Consulting Geologist

February 15, 2000



LOCATION MAP

OF

460 240 0 480
Km

LEHIGH PORTLAND CEMENT	
DAVIES BAY #1 CLAIM	
LOCATION MAP	
WORK BY J. SHEARER, P.Geo	NTS: 92F/9W
DATE: Feb. 15, 2000	FIGURE 1

INTRODUCTION

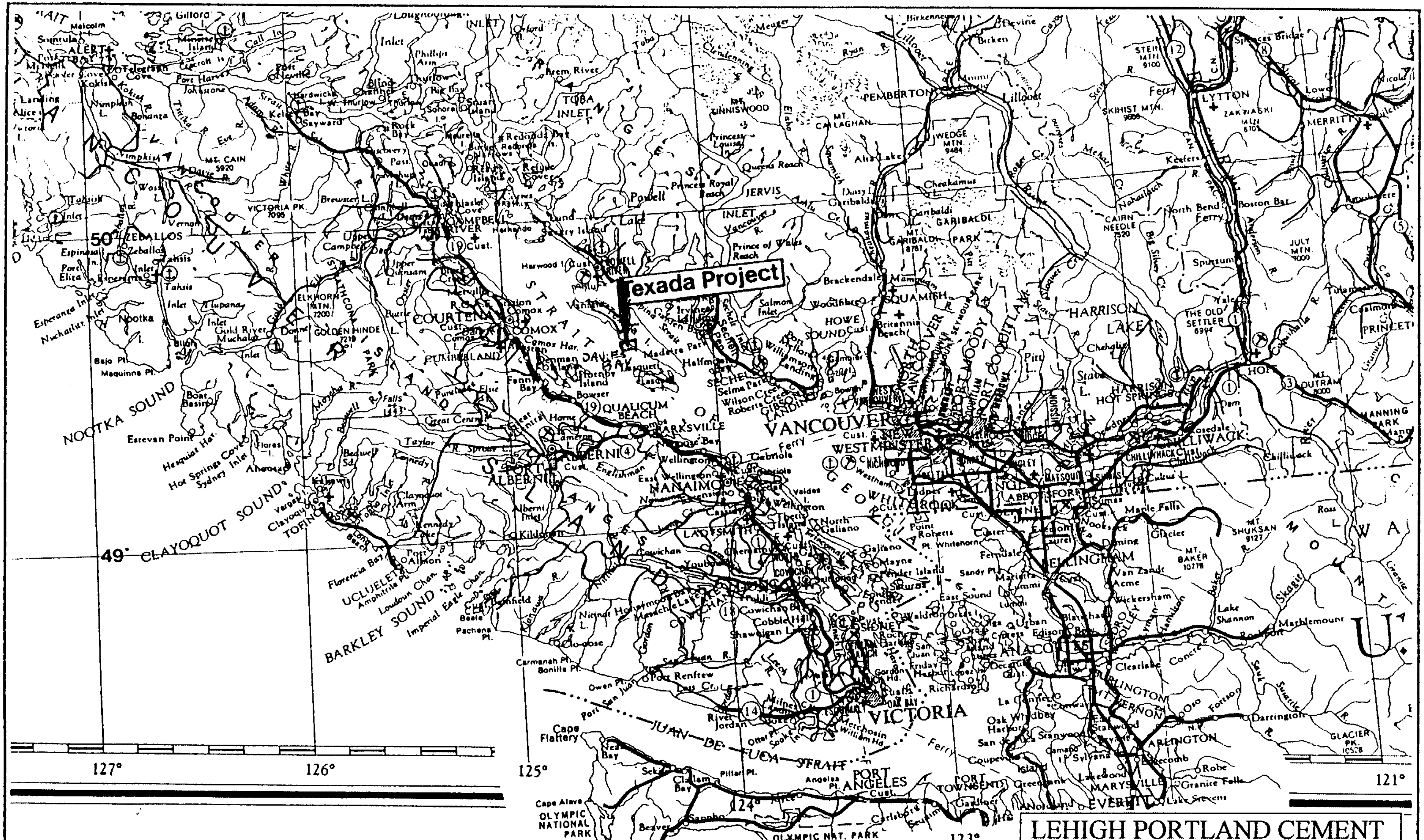
Limestone and dolomite are currently produced from a few locations throughout the province for a variety of uses. Most of the limestone production currently originates from Texada Island. The present program consisted of follow-up diamond drilling in the Davies Bay Area (southern belt) to compliment work done in the 1950's.

Most of the limestone consumed in cement manufacturing in British Columbia is quarried on northern Texada Island by Ashgrove Cement West Inc. (Blubber Bay Quarry) and Holnam West Materials Ltd. (formerly Ideal Cement Company Ltd. and now recently purchased by Lafarge). The two companies supply the cement plants of Tilbury Cement Ltd. in Delta, and Lafarge Canada Inc. in Richmond B.C. Both also supply their own cement plants in Washington and Oregon. Lafarge Canada operated a quarry on Texada Island up to 1986 and CBR operated the Grilse Point Quarry from 1926 to 1957. Generally high-calcium limestone is required for cement manufacturing, although some calcium limestone is also used. The higher silica and alumina contents found in some limestones may be useful for manufacturing cement but excessive amount of alkalies cannot be tolerated. Total alkalies (Na_2O + 0.658 x K_2O) should be below 0.6 percent. Magnesia content commonly cannot exceed 3 percent (Fisch., 1992).

Lime manufacturing is another important use of limestone in the province. Texada Lime Ltd. produces lime (CaO) and Quicklime [$Ca(OH)_2$] at a plant in Langley. The company is supplied with limestone from Texada Island. Limestone used for lime manufacture must be at least high-calcium in composition, with less than 2.5 percent MgO.

The pulp and paper industry is also a significant consumer of limestone in British Columbia. It was initially consumed by pulp mills using the acid sulphite process of manufacturing pulp from wood chips. About half the mills now use the sulphate (graft) process, while the remaining half use mechanical processes. The sulphate process has gained wide acceptance over the years, because it produces a stronger pulp more economically. Pulp mills using this method require lime (CaO) to recover the caustic soda (NaOH) used in the sulphate process. Most mills calcine their own limestone on site to produce the required lime. The various mechanical processes presently used by half the mills do not require lime or limestone. Kraft and mechanical processing are expected to maintain their relative importance in the local pulp industry in the near future. Kraft mills situated on or near the coast are currently supplied by Texada Island. Limestone from Texada Island has been shipped to mills along the Pacific Coast from Alaska to northern California.

A small amount of carbonate rock quarried in the province is crushed and ground for a variety of uses such as fillers and extenders in paints and plastics, as chips and granules for architectural and decorative purposes, and in the manufacture of glass. Imperial Limestone and Holnam West Materials each produce white limestone from two quarries on northern Texada island, largely for export to Washinton State. Limestone and dolomite for use in most fillers and extenders must have a brightness in excess of 85 percent (ideally 95 to 96 percent dry brightness in blue light), low iron contents and no silicates. Glass manufacturers require limestone with no more that 0.10 percent Fe_2O_3. Excessive iron causes a greenish discoloration in glass.



LOCATION MAP

0 20 40 60 km

Scale: 1 : 1,900,800

N.T.S. 92F/5

LEHIGH PORTLAND CEMENT

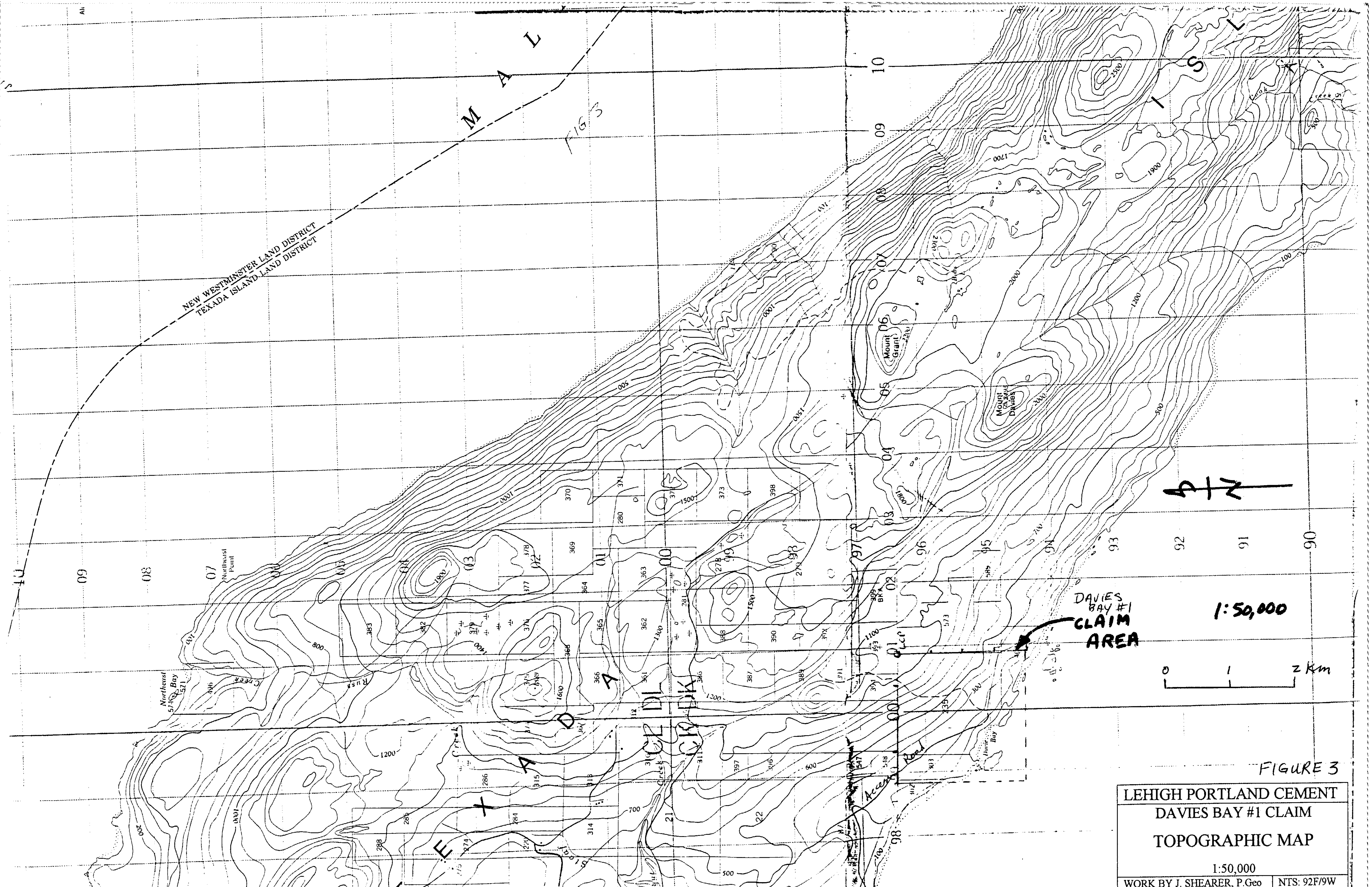
DAVIES BAY #1 CLAIM

ACCESS MAP

WORK BY J. SHEARER, P.Geo	NTS: 92F/9W
DATE: Feb. 15, 2000	FIGURE 2

Fig 2

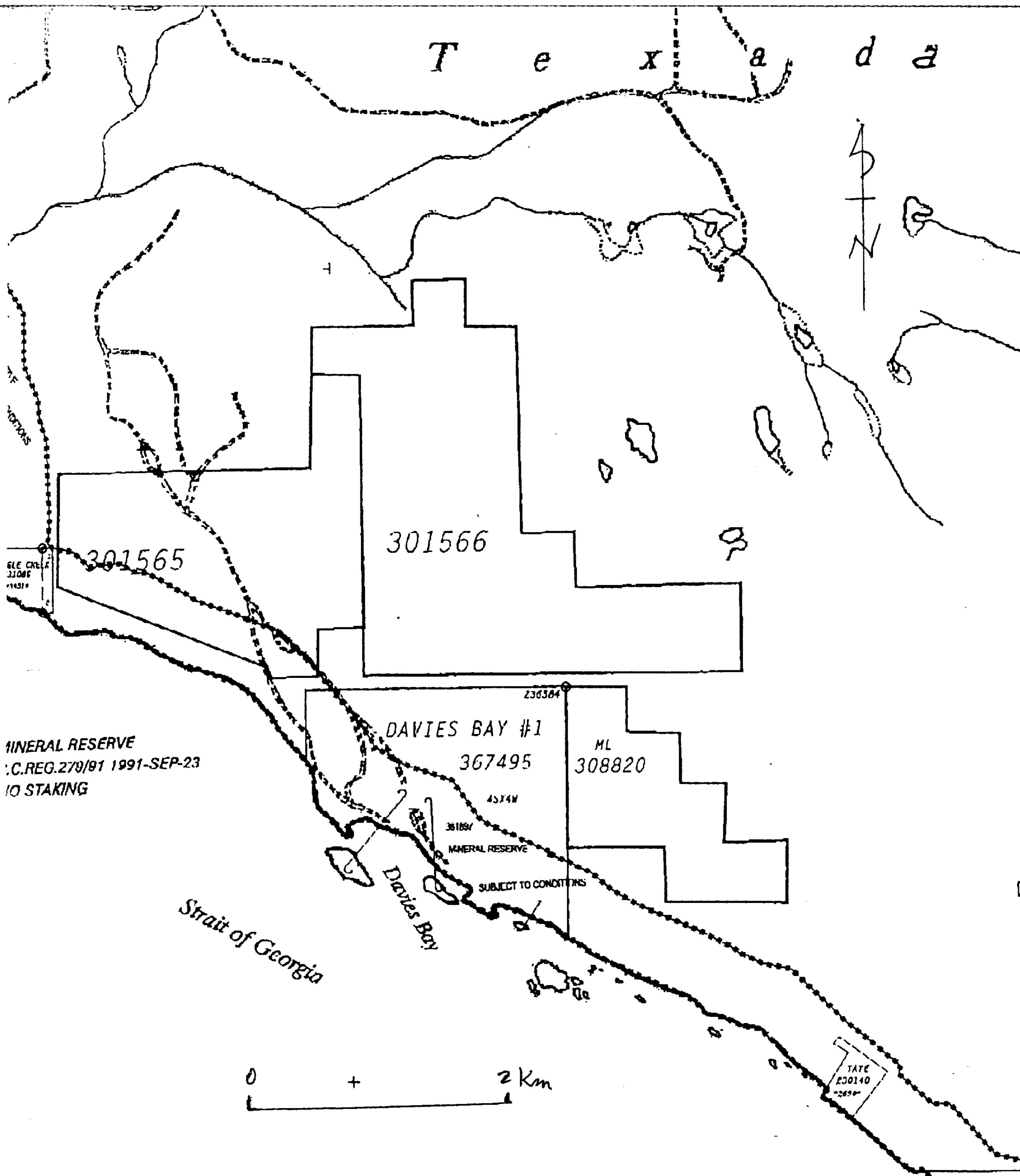
The consumption of limestone and dolomite is expected to increase in a number of areas in the near future. The province's mining industry will be relying more on limestone to control acid rock drainage and to neutralize waste cyanide used in the treatment of gold ores. The pulp and paper industry is expected to consume increasing amounts especially with the recent construction of new mills in northern Alberta, some of which will require limestone. In addition to pulp manufacturing, limestone is also used as a coater and filler in paper, where alkali processes are employed. Alkali processing of pulp for paper manufacturing in Europe is quite common. North American paper producers have been slow to switch to alkali processes but is scope for development in this market for white limestone. Limestone is currently used as a filler and coater in fine paper but production is comparatively small in British Columbia and the Pacific Northwest, because of the limited market for the product. The increasing use of precipitated calcium carbonate (PCC) in paper manufacturing may also limit this market for white limestone (Fischl, 1992).


NEW WESTMINSTER LAND DISTRICT
TEXADA ISLAND LAND DISTRICT
MALASPINA
TEXADA
FIG 3
Mount Grant
Mount Davies
Northeast Point
Northeast Bay
Davie Bay
Access Road
Creek
DAVIES BAY #1 CLAIM AREA
1:50,000
0 1 2 Km
FIGURE 3
LEHIGH PORTLAND CEMENT
DAVIES BAY #1 CLAIM
TOPOGRAPHIC MAP
1:50,000
WORK BY J. SHEARER, P.Geo
NTS: 92F/9W

LOCATION and ACCESS

A north-westerly-trending belt of limestone, 6.4 km long and as much as 1.5 km wide, exists near the west coast of Texada Island in the vicinity of Mouat (Lower Gillies) and Davies (Davie) Bays. It lies 10 to 15 miles south-east of Vananda, the nearest regular port of call for coastal steamers. Mouat Bay can be reached by paved road from Vananda and a good "Hydro"-logging road exists between Mouat Bay and Davies Bay, a distance of 4 km.

Mouat Bay has an exposed and shelving shore, and although the hulk of the old Canadian Pacific steamer "Princess Beatrice" has been beached there to serve as a breakwater for booming operations, no suitable shelter exists for tugs and scows. Davies Bay is well sheltered and though of limited size, is suitable for tugs and scows, if not for larger vessels. Lehigh Portland Cement Ltd. owns the lot around Davies Bay.



LEHIGH PORTLAND CEMENT	
DAVIES BAY #1 CLAIM	
CLAIM MAP	
1:31280	
WORK BY J. SHEARER, P.Geo	NTS: 92F/9W
DATE: Feb. 15, 2000	FIGURE 4

CLAIM STATUS

The south end of the Davies Bay Limestone Deposit is covered by the following claims and mining lease shown on Figure 3.

TABLE I

LIST of CLAIMS

Claim Name	Tenure Number	Size	Units	* Current Anniversary Date
Davies Bay #1	367495	4SxW	16	December 20, 2009
Mining Lease Lot 573	308820	130.31 hectares		Yearly Rental Fee Payable

* on application of assessment work documented in this report.

The mineral claim Davies Bay #1 also covers land lot 235 which is owned (surface rights) by CBR Cement. Each claim unit is 25 hectares.

Under the present status of mineral claims in British Columbia, the consideration of industrial minerals requires careful designation of the products end use. An industrial mineral is a rock or naturally occurring substance that can be mined and processed for its unique qualities and used for industrial purposes (as defined in the *Mineral Tenure Act*). It does not include "Quarry Resources". Quarry Resources includes earth, soil, marl, peat, sand and gravel, and rock, rip-rap and stone products that are used for construction purposes (as defined in the *Land Act*). Construction means the use of rick or other natural substances for roads, buildings, berms, breakwaters, runways, rip-rap and fills and includes crushed rock. Dimension stone means any rock or stone product that is cut or split on two or more sides, but does not include crushed rock.

The apparent expected end use of the $CaCO_3$ resource (that of supporting a cement plant raw materials) from Davies Bay Project of Lehigh Portland Cement Ltd., comes within the Industrial Use definition and therefore can be considered under the *Mineral Tenure Act*. Claims require $100 of assessment work per unit (or cash-in-lieu) each of the first three years and $200 per unit each year after.

FIELD PROCEDURES

Field orientation was started by using a Transit and chain to pick up survey monuments near the LCP of Davies Bay #1 and bring survey control down into the drilling area. Results were plotted on a new 1:5,000 scale topographic compilation constructed during preliminary quarry design. Lines were cut using a chainsaw along angles provided by the transit points on the cut claim-survey line. The drill used was a Packwireline machine capable of drilling in excess of 100m in dense limestone. The core was consumed in chemical and physical testing.

HISTORY

Discovered and named in 1791 by Spanish explorers, Texada Island was soon used by the whaling industry. In 1876 a whaler named Harry Trim discovered iron ore which precipitated the boon of exploration on Texada. In 1886 the first iron mine was opened, in 1890 copper was found and in 1898 copper and gold were mined at Marble Bay. Captain Sturt purchased the first lot in Van Anda in 1878 and by 1898 Van Anda had become a boom town.

Mining activity on Texada Island dates back to the turn of the century when several small mines were in operation in and around the town of Vananda near the north end of the Island. From these old producers, approximately 75,000 ounces of gold, 500,000 ounces of silver and 19,000,000 pounds of copper were recovered. The larger of these mines being the Marble Bay Mine, the Little Billie Mine, the Cornell Mine and the Copper Queen Mine. Several kilometres to the south, near the town of Gilles Bay, Texada Mines Ltd. operated a large underground and open pit mine at Welcome Bay between 1952 and 1976. Over 20 million tones of ore was mined yielding iron and copper concentrates and approximately 35,000 ounces of gold. At present there are three open pit limestone quarries in operation at the north end of the Island.

The Davies Bay Limestone deposit comprises the southern limestone belt, which extends northwestward for 6.4 kilometres, parallel to the adjacent west coast of Texada Island between Davies Bay and Mouat Bay.. The belt has a maximum exposed width of 1600 metres. The limestone dips southwest, with underlying basaltic flows of the Karmutsen Formation outcropping along the northeast margin of the belt. To the southwest the limestone is in fault contact with the Karmutsen volcanics. The unit possibly up to 300 metres thick.

Diamond drilling on the Paul claim group in 1973 and 1974 (Savelieff, 1974) intersected limestone frequently cut by calcite veins. In places tiny dolomite crystals are disseminated in the limestone. On lot 25 high-calcium limestone is interbedded with magnesian limestone.

B.C. Cement Co. (Ltd. (now part of CBR Cement) initially carried out some exploration work near the south end of the deposit in the 1950's. Lafarge Canada Inc. drilled 31 holes on the north end of the deposit, near Nouat Bay, in 1973 and 1974. The company conducted a total field magnetometer survey over the area of drilling in 1985 (Lavaque, 1986) to test for the presence of dykes within the limestone.

No production has taken place on the Davies Bay Deposit either by Lafarge or CBR.

GEOLOGY

The Quatsino Formation contains the most significant limestone resources situated on or near tidewater along the British Columbia coast. The formation was named for the extensive outcrops of limestone of Late Triassic age occurring on Quatsino Sound on northern Vancouver Island. Similar limestone on Texada Island, previously referred to as Marble Bay Formation, is included with the Quatsino Formation. On southern Vancouver Island most Upper Triassic limestones were initially mapped as the Sutton Limestone. These have also been incorporated into the Quatsino Formation. The Sutton Limestone is now restricted to the latest Triassic limestone member of the Parsons Bay Formation.

The Quatsino Formation is conformably underlain by basalts and andesites of the Karmutsen Formation. In places these volcanic rocks are intercalated with the limestone, such as in the Cowichan Lake area on southern Vancouver Island. The Quatsino Limestone grades upward into thinly bedded black limestone and black calcareous argillite of the Parsons Bay Formation.

Two large masses of Quatsino Limestone, referred to as the northern and southern belts, outcrop on Texada Island. The northern belt, with a strike length of 13 kilometres and up to 3 kilometres wide, extends from the north end of the Island south towards Gilles Bay. it is preserved along the axis of a broad north-westerly plunging syncline that is complicated by subsidiary folds. The southern belt (Davies Bay deposit) trends northward along the west coast of the Island for 6 kilometres within a tilted fault block.

The Quatsino Formation is composed largely of massive to thickly bedded, fine-grained (microtic), black to light grey, bluish grey weathering limestone. The rock is predominantly6 calcium to high calcium in composition. Silica contamination, in the form of chert nodules and beds, is fairly common. The limestone in the northern belt can be separated into three members, each at least 100 metres thick, based on composition (Mathews, 1947; Mathews and McCammon, 1957). The lower member is composed exclusively of high calcium limestone is overlain by a middle member of generally calcium limestone, which is in turn overlain by an upper member of magnesian limestone.

Stratification has not been found in the Davies Bay Limestone belt. Direct evidence of its relationship to the surrounding volcanic rocks of the Karmutsen Formation can not be determined. In view of similarity of this limestone in appearance and composition to the limestone on the northern part of Texada Island, it may be with little doubt, be referred to the Quatsino Formation overlying the Karmutsen Group. The volcanic rocks exposed along the shore to the southeast of the limestone belt strike easterly at a marked angle to the concealed limestone-volcanics contact. The limestone in this par appears, therefore, to be in a faulted relationship with the Karmutsen Formation to the west. Along the north-eastern edge and at the northern end of the limestone belt, however, the main limestone body appears to be in conformable relationship with the volcanics, for at several places a bed of limestone a few feet across has been found in the Karmutsen Formation paralleling the contact with the main limestone body (figure 4). The limestone body appears, therefore, to be a south-westerly dipping block of the Quatsino Formation bounded on the west by a fault. A possible southerly plunging fold is indicated at the north end of the belt by the form of the contact. The high-grade limestone of the lower part of the Quatsino Formation should, therefore, occur along the eastern edge of the belt. The angle of the dip and the thickness of limestone in the

LEHIGH PORTLAND CEMENT	
DAVIES BAY #1 CLAIM	
REGIONAL GEOLOGY	
WORK BY J. SHEARER, P.Geo	NTS: 92F/9W
DATE: Feb. 15, 2000	FIGURE 5

belt have not been determined, but calcium limestone similar to that in the second member of the Quatsino Formation farther north occupies the south-western half of the belt, hence possibly 300m of limestone may be present in some parts.

No dykes have bee observed in the limestone and very few in the volcanics exposed along the shore between Mouat and Davies Bays.

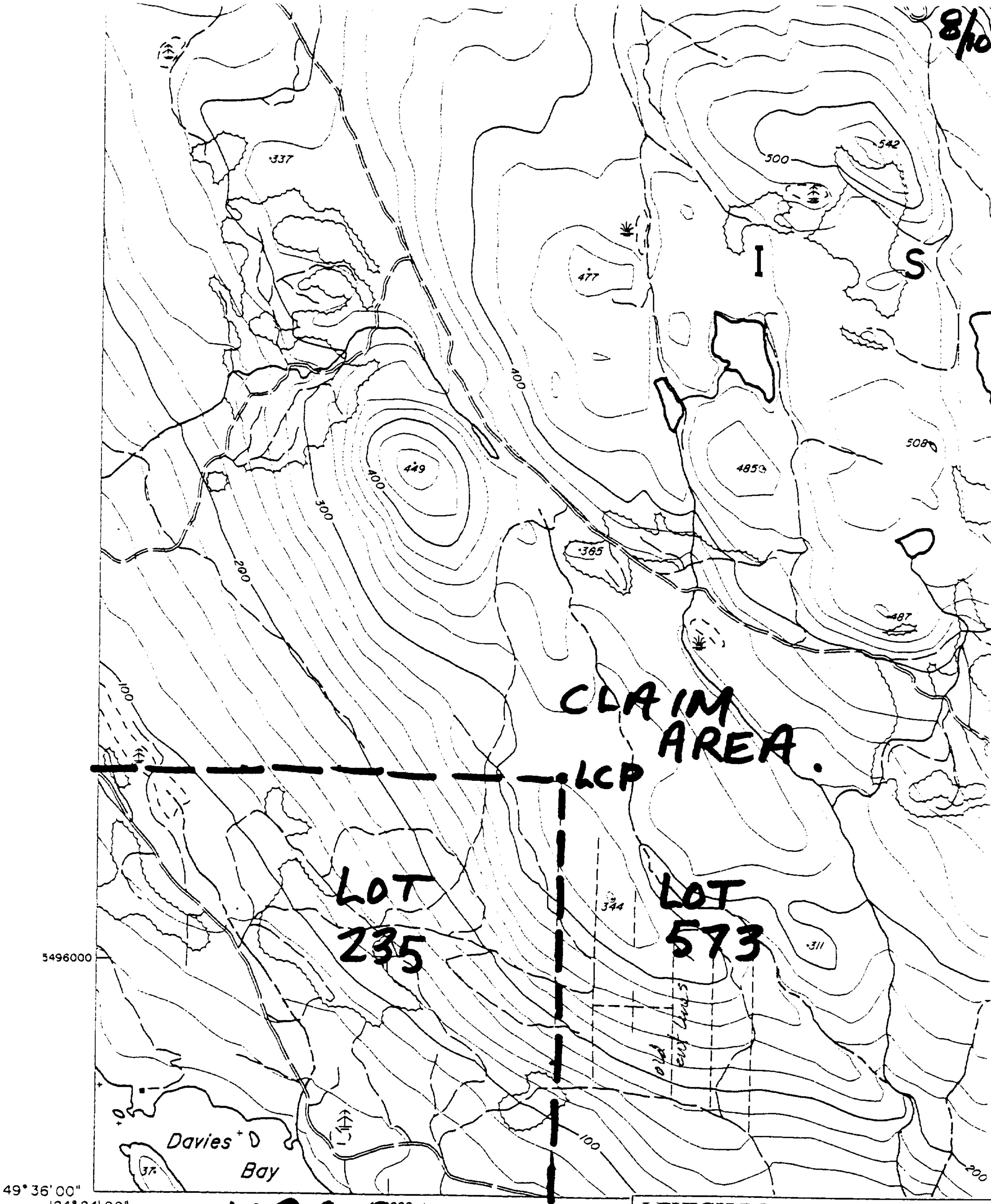
Overburden is extensive in the western part of the limestone belt and its depth along the eastern shore of Mouat Bay may exceed 150 feet. In most parts of the higher and more steeply sloping eastern half of the limestone belt overburden is thin or missing. The projection of the eastern contact of the limestone belt under local cover of drift in the central part of Lot 395 is marked by a series of conical pits as much as 100 feet wide and 40 feet deep where unconsolidated debris has apparently fallen through a central aperture into an underlying chamber, presumably in the limestone or along the limestone-volcanics contact. It is reported that prospectors once found one of these chambers accessible and descended into it in an unsuccessful search for ore, bus so far as is known none of the chambers can now be reached.

Analyses – Samples, each composed of chips taken at 25 foot intervals along a line 250 feet long, obtained from the southern end of the limestone belt (see figure 5), have the following analyses (from Mathews, 1947):

TABLE II

Limestone Analyses from Davies Bay Deposit

Distance from:	Insol.	R_2O_3	Fe_2O_3	MnO	MgO	CaO	P_2O_3	@	Ig. Loss.	H_2O
South-western edge of exposure										
0-250 ft	0.40	0.20	0.25	0.009	3.52	51.08	0.017	0.04	44.42	0.13
250-500 ft	0.20	0.01	0.13	0.004	3.66	51.38	0.093	0.03	44.54	0.08
500-650 ft	0.24	0.11	0.16	0.006	3.14	51.59	0.046	0.03	44.56	0.10
Drift-covered area from about 500 ft wide										
North-eastern edge of exposure										
1200-1000 ft	0.24	0.42	0.11	0.006	1.70	53.38	0.011	0.06	43.96	0.07
1000-750 ft	0.18	0.10	0.07	0.004	1.00	54.45	0.010	0.03	43.93	0.07
750-500 ft	0.30	0.19	0.06	0.003	1.22	54.45	0.013	0.04	43.88	0.05
500-250 ft	0.30	0.06	0.07	0.006	2.98	52.31	0.028	0.03	44.32	0.13
250-0 ft	0.42	0.12	0.10	0.006	0.74	54.35	0.014	0.03	43.91	0.04
Contact with Karmutsen Formation										



1:20,000

1:2

PROVINCE OF BRITISH COLUMBIA
Ministry of Environment, Lands, Parks
Surveys and Resource Mapping Branch

92F.069

Universal T
North Amer
UTM Zone

LEHIGH PORTLAND CEMENT	
DAVIES BAY #1 CLAIM	
TRIM MAP	
WORK BY J. SHEARER, P.Geo	NTS: 92F/9W
DATE: Feb. 15, 2000	FIGURE 6

DIAMOND DRILLING

A total of 7 holes were drilled in the 1999 program as summarized in Table III.

TABLE III

Drill Hole Data

	Dip/Angle	Depth	Location Easting	Location Northing
DB99-1	-90	217	400773E	5496061N
DB99-2	-90	164	400935E	5495963N
DB99-3	-90	231	401102E	5495975N
DB99-4	-90	83	400784E	5495849N
DB99-5	-90	115	401000E	5495861N
DB99-6	-90	83	401220E	5495765N
DB99-7	-90	163	401320E	5495662N

Total 1060 ft = 323.1m

The locations of the seven holes completed in 1999 are plotted on Figure 7.

The main rock type encountered in the drilling program is dominated by equant grains of calcite averaging 0.02mm in grain size, with about 10% coarser grained and patches averaging 0.05-0.1mm in size and few, mainly elongated grains from 0.3-1.3mm in length. A very few patches up to 0.4mm across consist of extremely fine-grained calcite. Drill logs are contained in Appendix III.

Hole DB99-1 was positioned within an area of extensive outcrop of dense grey limestone that had been recently logged. The hole encountered medium grey fine-grained limestone varying from dark grey to relatively light grey in colour. Irregular white calcite veinlets dominate over stylolitic fractures. Brecciation is common over short intervals.

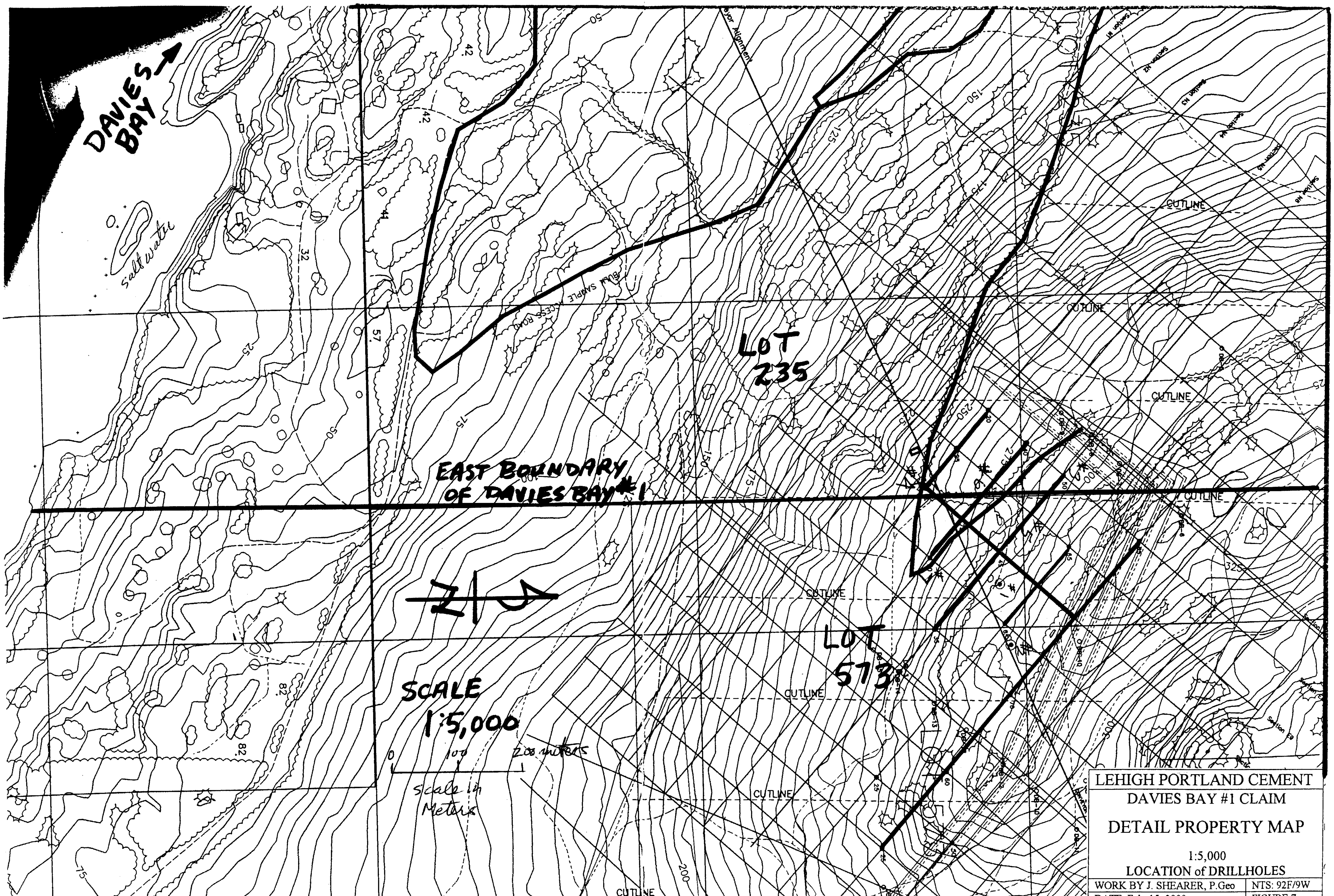
Hole DB99-2 encountered medium grey limestone cut by numerous white calcite stringers. Banding of the sequence was at 30° to 40° to core acis.

Hole DB99-3 intersected light to medium grey fine-grained to dense limestone with pronounced marblized texture accompanied by well developed stylolitic solution fractures.

Hole DB99-4 penetrated 8.53m of overburden before a light grey fine-grained to dense limestone was encountered. This rock was highly brecciated with common orange-brown veinlets.

Hole DB99-5 cored a medium to dark coloured sequence of fine grained limestone cut by stylotic solution features associated with brown calcite on fractures.

Hole DB99-6 encountered light grey fine-grained to dense limestone with white calcite veinlets and seams common throughout.


DAVIES BAY
saltwater
BULK SAMPLE ACCESS ROAD
LOT 235
CUTLINE
EAST BOUNDARY OF DAVIES BAY #1
LOT 573
SCALE 1:5,000
0 100 200 meters
Scale in Meters
LEHIGH PORTLAND CEMENT
DAVIES BAY #1 CLAIM
DETAIL PROPERTY MAP
1:5,000
LOCATION of DRILLHOLES
WORK BY J. SHEARER, P.Geo
NTS: 92F/9W

Hole DB99-7 intersected medium grey fine-grained to dense limestone which is characterized by stylolitic solution fractures throughout.

Interestingly, no hole encountered any igneous dyke material although some small dykes were observed close to the collars of DB99-1. Possibly a magnetometer survey, as was conducted on the adjacent property (Lavaque, 1986) may be helpful in defining the density of dykes present.

CONCLUSIONS and RECOMMENDATIONS

Most of the limestone production currently mined in British Columbia originates from Texada Island. The Quatsino Formation contains the most significant limestone resources situated on or near tidewater along the British Columbia coast.

The Quatsino Formation is a thick carbonate sequence conformably underlain by basalts and andesites of the Lower Triassic Karmutsen Formation. In places these volcanic rocks are intercalated with limestone. The Quatsino Formation is composed largely of massive to thickly bedded, fine-grained (microtic), black to light grey, bluish grey weathering limestone. The rock is predominantly calcium to high calcium in composition. Silica contamination, in the form of chert nodules and beds, is fairly common.

The deposit drilled in this study comprises the south part of the southern limestone belt, which extends northwestward for 6.4 kilometres, parallel to the adjacent west coast of Texada Island between Davies Bay and Mouat Bay. The belt has a maximum exposed width of 1600 metres. The limestone dips southwest, with underlying basaltic flows of Karmutsen Formation outcropping along the northeast margin of the belt. To the southwest the limestone is in fault contact with the Karmutsen volcanics. The unit is possibly up to 300 metres thick.

A short 7 hole program of diamond drilling was completed in 1999 for a total of 1060 fr (323.1m). Assaying and physical tests are ongoing at the CBR research facility in Delta, B.C.

A program of continuing diamond drilling on a 50m square grid of 100m holes along the lower part of the ridge is recommended to confirm the uniformity of the $CaCO_3$ resource at depth. Encouraging results from the diamond drilling could lead to quarry development from the continuation to the south of the top bench.

Respectfully submitted

J. T. Shearer, M.Sc., F.G.A.C., P.Geo.
Consulting Geologist

COST ESTIMATE for FUTURE WORK

Continued drilling will require minor road building. The diamond drilling contractor needs some sort of road access to the lower part of the ridge from the existing drill area. To proceed with a 10,000 ton bulk sample, getting approval to put in a tote trail for drill access should be done in 2001.

Geological Mapping & Drill Supervision				
Senior Geologist, 8 days @ $350			$ 2,800.00	
Core Splitter/Assistant, 8 days @ $200			1,600.00	
		GST	308.00	
		Subtotal	$ 4,708.00	
Diamond Drilling of 10 Holes @ 100m Depth Each:				
Footage price	$19.50 x 3000		$60,000.00	
Mob/demob			1,800.00	
Standby/machine time (if required) Field costs			zero	
Moving	Field costs		3,000.00	or
less				
Meals/Accommodations		At Contractor's Expense		
Set up	Field costs		3,000.00	or
less				
		Subtotal	$19,500.00	
Dozer time in moves/road access				
	Road - 8 hrs @ $85		$ 680.00	
	Moves - 6 hrs @ $85		510.00	
		Diamond Drilling Subtotal	$20,690.00	
Environmental Survey & Report			$ 5,000.00	
Application & Preparation of required reports & documents for Mine Development Certificate			6,000.00	
Tote Road Preparation			10,000.00	
Bulk Sample Mining & Crushing 10,000 tons + Loadout			45,000.00	
Trucking Sample to Loadout			35,000.00	
Final Report Preparation			4,000.00	
		TOTAL	**$178,698.00**	

REFERENCES

Fischl, P., 1992:
Limestone and Dolomite Resources in British Columbia, B.C. Ministry of Energy, Mines & Petroleum Resources, Open File 1992-18, 150pp.

Hora, Z. D. and Sharman, K, J., 1980:
Texada Island Limestone; in Geological Fieldwork 1979, B.C. Department of Mines Paper, 1980-1, pages 109-111.

Lavaque, J., 1986:
Geological and Geophysical Report on the Paul 1045 Claims; Assessment Report 14817.

Mathews, W. H., 1947:
Calcareous Deposits of the Georgia Strait Area; B.C. Department of Mines Bulletin 23, pages 87-88.

Mathews, W. H. and McCammon, J. W., 1957:
Calcareous Deposits of Southwestern British Columbia; B.C. Department of Mines Bulletin 40, pages 80-82.

McConnell, R. G., 1914:
Geology of Texada Island, Geological Survey of Canada Memoir 58.

Savelieff, R., 1974:
Drilling Report on the Paul Claims; Assessment Report 5273.

Shearer, J. T., 1998:
Mining Permit Application Summary on the South Slesse Limestone Quarry, Mx7-114, for I.G. Machine & Fibers Ltd., Dated January 10, 1998, 23 pages.

APPENDIX I

STATEMENT OF QUALIFICATIONS

J. T. SHEARER, M.Sc., F.G.A.C., P.Geo.

February 15, 2000

Appendix I

STATEMENT OF QUALIFICATIONS

I, Johan T. Shearer of 1817 Greenmount Avenue, in the City of Port Coquitlam, in the Province of British Columbia, do hereby certify:

1. I graduated in Honours Geology (B.Sc., 1973) from the University of British Columbia and the University of London, Imperial College, (M.Sc. 1977).
2. I have practiced my profession as an Exploration Geologist continuously since graduation and have been employed by such mining companies as McIntyre Mines Ltd., J.C. Stephen Explorations Ltd., Carolin Mines Ltd. and TRM Engineering Ltd. I am presently employed by Homegold Resources Ltd.
3. I am a fellow of the Geological Association of Canada (Fellow No. F439). I am also a member of the Canadian Institute of Mining and Metallurgy, and the Geological Society of London. I am a member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia (P.Geo., Member Number 19,279).
4. I am an independent consulting geologist employed since December 1986 by Homegold Resources Ltd. at Unit #5 2330 Tyner Street, Port Coquitlam, British Columbia.
5. I am the author of the report entitled "Diamond Drilling Report on the Davies Bay #1 Mineral Claim" dated February 15, 2000.
6. I have visited the property in 1999 and supervised the line-cutting and drilling program in February and April 1999. I have toured and studied the operating Limestone Quarries on Texada since 1980. I am familiar with the regional geology and geology of nearby properties. I have become familiar with the previous work conducted on the Davies Bay Property by examining in detail the available reports, plans and sections, and have discussed previous work with persons knowledgeable of the area.
7. I do not own or expect to receive an interest (direct, indirect or contingent) in the property described herein or in the shares of Lehigh Portland Cement Ltd.

Dated at Port Coquitlam, British Columbia, this 15th day of February, 2000.

Respectfully Submitted

J.T. Shearer, M.Sc., F.G.A.C., P.Geo.
February 15, 2000

APPENDIX II

STATEMENT OF COSTS

Appendix II

STATEMENT OF COSTS

DAVIES BAY #1 CLAIM

1999

Establishing New Grid on the Davies Bay Limestone Property with Transit, Spotting 6 Diamond Drillholes, co-ordinate Excavator Access, GPS Stations, Diamond drilling, Base map production.

Wages and Benefits		
J.T. Shearer, M.Sc., P.Geo., Quarry Supervisor 98-3550		
6 days @ $350		$ 2,100.00
S. P. Butler, Helper		
5 days @ $250		1,250.00
		$ 3,350.00
	GST	324.50
	Subtotal Wages	$ 3,584.50
Transportation		
Truck Rental, Fully equipped 4x4		
5 days @ 53.50		267.00
Gas		104.00
Texada Hotel		664.58
Ferries, Vancouver - Texada & Return		97.25
Survey Supplies		26.15
Rental of Transit		300.00
Map Production (McElhammey)		4,012.50
Diamond Drilling (Boisvenu Drilling Ltd. Invoice 990205)		
892 feet in 6 holes		24,602.86
Report Preparation		1,050.00
Drafting		350.00
Word Processing and Reproduction		400.00
	Total	**$ 35,458.84**

APPENDIX III

Drill Logs

February 15, 2000

DB99DDH.xls

DRILL HOLE NO	DB 99-1 1 1/8" dia	**DIAMOND DRILL LOG**	page 1	%
	0 -- 217' vertical	DATE	Mar 4/99	Recovery
FOOTAGE	DESCRIPTION	LOCATION Davie Bay 20 Mt quarry plan		

FOOTAGE		DESCRIPTION	% Recovery
0--10	Med grey	Med. grey f.g. lst.; coated fractures @ 10'	100
10--20		Irregular white calcite veins of <1/4" to hairline more common than styrolitic	"
20--30	Dark grey 22 -- 32'	at 27' brecciated marblized texture	100
30--40			100
40--50	Med grey 32 -- 83'		100
50--60			100
60--70		62 -- 67' brecciated marblized texture	100
70--80		72 -- 74' same	100
80--90			100
90--100	Dark grey 83 -- 114'		100
100--110			100
110--120	Med - light 114 -- 118'	Brecciated 116 -- 117.5'	100
120--130		White calcite stringers/veins <1/4"every several inches; usually @40/5	100
130--140	Dark grey 118 -- 168'	degree to core length	100
140--150		at 142' some flat light grey fracture coatings	100
150--160			100
160--170	Light to med 168 -- 178'	For 157 -- 168' styrolitic fractures more common	100
170--180	Dark 178 -- 183'	Coatings again @ 181' & 193'	100
180--190	Light 183 -- 186'		100
190--200	Dark grey 186 -- 217'	Hairline white calcite fractures very common	100
200--210		For 212 -- 217' greater marbilization	100
210--217		End of hole @ 217' per quarry design	100

DB 99-2

DRILL HOLE NO	DB 99-2 1 1/8" DIA 0 -- 164' VERTICAL	DIAMOND DRILL LOG	DATE page 1 Jan-99	% Recovery
FOOTAGE	DESCRIPTION	LOCATION		
0--10	Med grey f.g. to dense	Med grey lst.; white calcite stringers common; some masked breccia		100
10--20	to 18'	Styrolitic solution fractures @ 10 & 40 degree from vertical		100
20--30	Lighter grey 18 -- 29'	White coatings on slickenside fractures/possible magnesium		100
30--40	Dark to 36'	Hairline white calcite veinlets very common		100
40--50	dense	1/4" black gouge @ 35' & 72' @ 30 degrees to vertical		100
50--60	Alternating light & dark grey			100
60--70	36 -- 98'; color banding @30 -- 40 degree to vertical			100
70--80		Styrolitic fractures more common than white calcite		100
80--90		Ocassional calcite stringer > 1/4"; slickenside @ 82 -- 82.5';marblized 82 - 86'		100
90--100	Med grey 98 -- 104'	Styrolitic fractures and white calcite veinlets very common		100
100--110	Light 104 -- 113'	One < 1/8" bleb of pyrite		100
110--120	Med to 143'	Styrolitic fractures very common > white calcite veinlets		100
120--130				100
130--140				100
140--150	Light grey 143 -- 164'			100
150--164		End of hole @ 164' per 20Mt quarry plan design		100

DRILL HOLE NO	DB 99-3 1 1/8" dia **0 -- 231' vertical**	**DIAMOND DRILL LOG**	DATE	page 1 Feb 23/99	% Recovery
FOOTAGE	DESCRIPTION	LOCATION			
0--10	Light - med grey	Light - med grey f.g/dense lst			95
10--20					100
20--30					100
30--40	1" white lst. @ 43'				100
40--50	Med grey 47 -- 70'				100
50--60		Marblized 52 --53'			100
60--70					100
70--80	Mainly light grey 70 --107'				100
80--90					100
90--100					100
100--110	Med grey 107 -- 116'				100
110--120	Light grey 116 -- 137'				100
120--130		Marblized 129 -- 131.5'; some blue-grey fracture coatings			100
130--140	Med grey 137 -- 180'				100
140--150					100
150--160					100
160--170					100
170--180					100
180--190	Med grey to lighter				100
190--200					100
200--210					100
210--220		Marble texture & solutioning per styrolitic fractures			100
220--231		End of hole per quarry plan			100

DB 99-4

DRILL HOLE NO DB 99-4 1 1/8' dia **DIAMOND DRILL LOG** page 1 % Recovery

0 -- 83' vertical DATE Feb 22/99

LOCATION Davie Bay 20Mt quarry plan

FOOTAGE		DESCRIPTION	% Recovery
0--10		0 -- 28' overburden, primarily glacial till	
10--20			
20--30			
30--40	Light grey 28 --50'	Light grey f.g./dense lst.;brecciated, orange brown colored veinlets common	100
40--50			100
50--60	Med grey 50 -- 83'	White calcite stringers to 1/2", cleavage common	100
60--70		Vuggy @ 63', 72', 78'; orange brown coloration common to	100
70--80		calcite veinlets & fractures	90
80--83		Med grey f.g. lst. with common white calcite veinlets	

End of hole @ 83' per quarry plan required depth

Driller notation: harder rock to drill than previous holes

DB 99-5

DRILL HOLE NO	DB 99-5 1 1/8" dia **0 -- 115' vertical**	DIAMOND DRILL LOG	page 1	%
		DATE	Feb-99	Recovery
FOOTAGE	DESCRIPTION	LOCATION Davie Bay 20 Mt quarry plan		
0--10	Med to dark grey	Med to dark grey f.g. & styrolitic with white/light brown calcite on fractures		100
10--20	0 – 23'			100
20--30	Marbilized 23 -- 55' f.g. to dense	Marbilized texture med grey with white calcite irregular seams		100
30--40		and veinlets common		100
40--50				100
50--60	Med grey 55 -- 73'	White calcite veinlets to hairline fractures only distinguishing		100
60--70		feature		100
70--80	Light grey 73 -- 88'			100
80--90		2" black gouge @ 84.5' @ 30 & 40 degree to vertical contacts		100
90--100	Marbilized 88 --104'			100
100--110	Med grey 88 -- 113'	some blue grey fracture coatings related to higher mag		100
110--115	Lighter grey 113 -- 115'			100

End of hole 115' per quarry plan required depth

Driller notation: first 50' very soft rock

DB 99-6

DRILL HOLE NO	DB 99-6 1 1/8' dia	**DIAMOND DRILL LOG**	page 1	%
	0 -- 83' vertical	DATE	Feb-99	Recovery
FOOTAGE	DESCRIPTION	LOCATION Davie Bay 20 Mt quarry plan		
1--10	Light grey	1' overburden		75
10--20	1 -- 53'	Light grey f.g/dense lst; solutioning per styrolitic fractures & irregular		100
20--30		white calcite veins & seams common		100
30--40				100
40--50				100
50--60	Med grey 53 -- 64'			100
60--70	Light grey 64 -- 78'	Considerable white calcite veins & seams 74 --83'		100
70--80	Med grey 78 -- 83'			100
80--83		End of hole @ 83' per quarry cutoff elevation		100

DB 99-7

DRILL HOLE NO DB 99-7 1 1/8" dia **DIAMOND DRILL LOG** page 1 %

0 -- 163' vertical DATE Mar-99 Recovery

FOOTAGE	DESCRIPTION		LOCATION Davie Bay 20Mt quarry plan	% Recovery
0--10	Med grey	Med grey f.g./dense lst.; some styrolitic fractures		100
10--20	0 -- 26'	Minor limonite staining to 20'		100
20--30	Dark grey 26 -- 37'	For 18 -- 34' white calcite veining & hairline more common		100
30--40				100
40--50	Med grey 37 -- 124'			100
50--60				100
60--70				100
70--80				100
80--90				100
90--100				100
100--110		Med grey f.g. lst.; several inches fault gouge @ 116' with 20 & 45 degree contacts		100
110--120		White calcite veins & hairline fractures more pronounced 111 -- 125'		100
120--130	Dark grey 124 -- 163'			100
130--140		Styrolitic solution fractures most common feature throughout hole		100
140--150				100
150--163		End of hole @ 163' per 800' elevation cutoff		100