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Gold Commissioner's Office
VANCOUVER, B.C.

**REPORT ON METALLURGICAL
TESTING OF MINERALIZED SAMPLE FROM
THE CPW MINERAL CLAIM
SPANISH MOUNTAIN PROPERTY**

**CARIBOO MINING DIVISION
N.T.S. 093A/11W
LATITUDE 52° 35' 19" N
LONGITUDE 121° 27' 13" W**

for

IMPERIAL METALS CORPORATION

B. Kynoch, P.Eng.

March 31, 2000

MINERALOGICAL SURVEY BRANCH
2000-03-31

26,210

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SUMMARY

Spanish Mountain gold property is located approximately 70 km. northeast of Williams Lake and 9 km. east of Likely, British Columbia. The property consists of 14 contiguous mineral and 2 placer claims, recorded in the name of Imperial Metals Corporation.

The property is underlain by Upper Triassic metasedimentary rocks represented by dark grey phyllitic shale and siltstone cut by felsic porphyry dykes. Gold mineralization on the property is structurally controlled and usually occurs within quartz veins that locally reach the width of 4 meters. Mineralization consists of coarse gold, galena, sphalerite, chalcopyrite tetrahedrite and pyrite with quartz, mariposite and ankerite gangue.

In October 1999, Imperial Metals Corporation investigated the possibility of processing mineralized material from the property by blending it with the Mount Polley ore, using the existing Mount Polley mill circuit. *Metallurgical testing was performed on two individual samples from Spanish Mountain and a sample of blended Mount Polley ore with samples from Spanish Mountain.*

Metallurgical testing of two Spanish Mountain samples by standard flotation used at Mount Polley achieved an 80% gold recovery into the rougher concentrate, with 90% of that recovered into a cleaner concentrate grading 70-80 g/t gold. The tests indicated that Spanish Mountain ore can be blended with Mount Polley material without adversely affecting the projected independent metal recoveries of either material.

1.0 INTRODUCTION

The first part of this report presents a brief summary of published information on the Spanish Mountain property, its geological setting and style of gold mineralization. The second part contains the results of metallurgical testing conducted on two mineralized samples from the property as completed in October 1999, by Imperial Metals Corporation.

The main objective of the metallurgical testing was to investigate the gold recovery that could be achieved by blending Spanish Mountain mineralized material with the Mount Polley ore, and treating the blended material in the existing Mount Polley mill circuit.

2.0 LOCATION AND ACCESS

The Spanish Mountain property is located in Central British Columbia, on the west side of Spanish Lake, approximately 70 km. northeast of Williams Lake and 9 km. east of the village of Likely. Access to the property is by paved road from 150 Mile House to Likely and then by an all weather forestry road which transects the property. The property location is shown in Figure 1.

3.0 PROPERTY AND OWNERSHIP

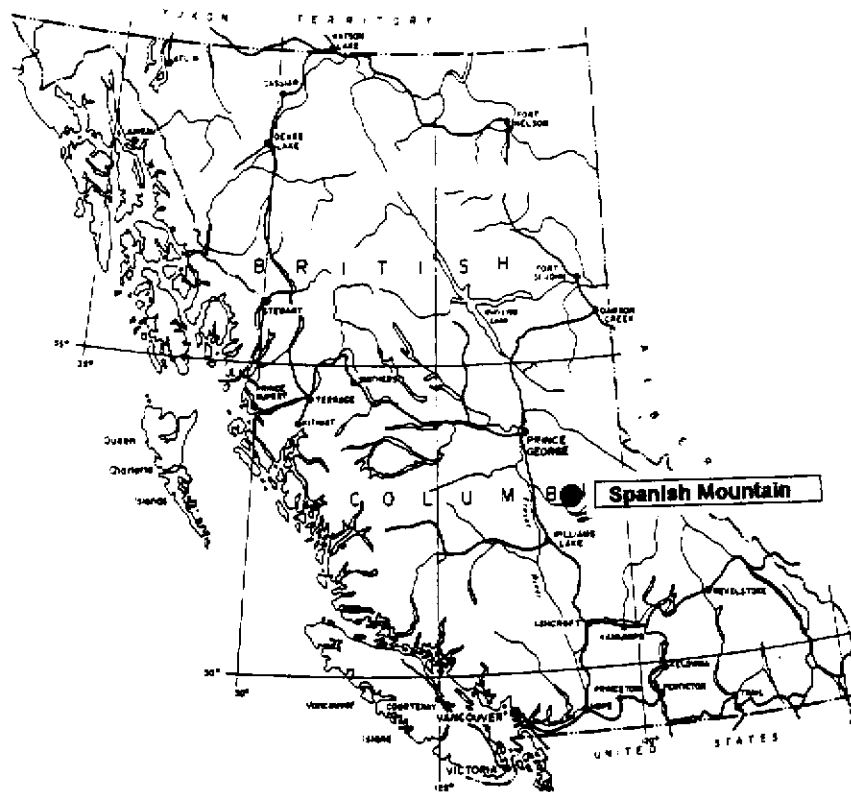
The Spanish Mountain property currently consists of 14 contiguous mineral and 2 placer claims. The list of claims, including their title number, number of units, tag number, recording date and expiry date is presented in Table 1.

Table 1 - Spanish Mountain Claim List

PESO	204021	9	15303	September 21, 1979	November 1, 2000
DON 1	204224	1	485273M	December 24, 1979	November 1, 2002
DON 2	204225	1	485274M	December 24, 1979	November 1, 2002
DON 3	204226	1	485275M	December 24, 1979	November 1, 2002
DON 4	204227	1	485276M	December 24, 1979	November 1, 2002
MARCH 1	204274	20	48434	March 17, 1980	November 1, 2001
MARCH 2	204275	4	48433	March 17, 1980	November 1, 2001
JUL 2	204334	9	16535	August 8, 1980	November 1, 2002
CPW	204667	4	2300	November 1, 1982	November 1, 2006
MY 1	204727	2	65430	May 30, 1983	November 1, 2002
MEY 1	205151	20	84232	May 8, 1986	November 1, 2002
ARMADA	373355	18	206996	November 12, 1999	November 12, 2000
LAKEVIEW 1*	373356	1	P89301	November 16, 1999	November 16, 2000
LAKEVIEW 2*	373357	1	P89302	November 16, 1999	November 16, 2000
NR 1	373415	1	687222M	November 15, 1999	November 1, 2000
NR 2	373416	1	687223M	November 15, 1999	November 1, 2000

*placer claims

The registered owner of the claims is Imperial Metals Corporation, 420-355 Burrard Street, Vancouver, B.C. V6C 2G8. The claims are held under an Option Agreement between Imperial Metals Corporation and Wildrose Resources Ltd, dated December 29, 1999. The claim map is shown in Figure 2.



**IMPERIAL METALS CORPORATION
SPANISH MOUNTAIN PROJECT
LOCATION MAP**



Figure 1

041592

55X4W

REF MIN & PLACER
10 29 MAR 79
NO STAKING

MARCH 1
204274
1531
5NX4E

JUL 2
204334
1853
3NX3E

MEV 1
205151
*765
4NX8E

MARCH 2
204275
1532
2NX2W
48433

MY 1
204727
4861
1NX2E

DON 4
204227
1886

DON 1
204224
1883

DON 3
204226
1885

48434

206996

2300
DON 2
204225
1384
CPW
204667
4541
25X2E

15303

65430

84232

ARMADA

PESO

LAKE

373355

204021
487
35X3W

233149
JUAN A
345884
35X2E

341107
3NX3W

65X3W

H.R. 2
373416
687223W
H.R. 1
373415
687223W

27E

232148

TRISH

374056

35X3E

M 093A11W

IMPERIAL METALS CORPORATION

SPANISH MOUNTAIN PROJECT

CLAIM MAP

Figure 2

SCALE 1:30,000

4.0 REGIONAL GEOLOGY

The general area is underlain by Upper Triassic metasedimentary rocks with some intercalated volcanics of the basal part of the Nicola Group. The sedimentary rocks are represented by slaty to phyllitic, dark grey to black, shale and siltstone and dark brown to black-weathering grey limestone, banded tuff, volcanic breccia and pillow lavas.

These rocks were initially folded about northwest trending axes during the F1 phase and then refolded by an F2 event about axes subparallel to those of the F1 folds. A third phase of deformation is marked by easterly striking, steeply dipping fracture system. Northeast thrust faults, probably developed during the F1 event and deformed during F2, occur at the base of the metasedimentary assemblage and possibly within the assemblage. Northeast striking, steeply dipping normal faults cut the volcanic terrane to the west.

5.0 PROPERTY GEOLOGY

The Spanish Mountain property is underlain by dark grey phyllitic shale and siltstone with intercalated lenses of highly siliceous tuff, cut by felsic porphyry dykes and sills.

Gold mineralization with associated base metals occurs within quartz veins. The veins were formed during and after deformation along the limbs and localized within the regions of mesoscopic folds. The veins are also fault or shear controlled.

Mineralization consists of coarse gold, galena, sphalerite, chalcopyrite, tetrahedrite and pyrite, with quartz, mariposite, and ankerite gangue. Gold also occurs within the siltstone in limonitic pseudomorphs after pyrite. The veins are generally narrow, but can reach up to 4 m. in width.

6.0 EXPLORATION HISTORY

The gold-bearing veins at Spanish Mountain were first discovered by F. Dickson and A. Bayley in 1933. Two adits were driven on lower veins in 1938. In 1947, El Toro BC Mines Ltd., completed a diamond drilling program consisting of 8 holes totaling 793 meters and shipped 3.6 tonnes of ore containing 249 grams of gold, 1,306 grams of silver, 46 kg. of copper and 66 kg. of lead.

In 1992 and 1993, approximately 450 tonnes of ore were mined and stockpiled and shipped to Premier and Greenwood mills where approximately 75 troy ounces of gold were recovered.

In 1996, Cyprus Amax Minerals investigated the bulk mineable potential of the property and examined the widespread occurrence of stratabound gold within a shale- siltstone horizon.

Wildrose Resources Ltd. acquired all current claims and in 1999 optioned the property to Imperial Metals Corporation. As part of the initial evaluation of the property, Imperial Metals Corporation completed field sampling and metallurgical testing of two samples described in this report.

7.0 TEST SAMPLES

Two samples, weighing approximately 20 kg each, were received at the Mount Polley laboratory, each marked 99M1 (LE Zone) and 99M3 (Madre Zone). These two Spanish Mountain (SM) samples are grab samples from the LE and Madre zones. Each sample was ground and independently floated to determine gold grade and recovery. Each sample was then blended with typical Mount Polley ore (OFT test ore). The head grades for these ores are provided in the table below.

Table 2 - Test Samples

Sample	Head Grades			Flotation Tests	
	Au g/t	CuT %	Fe %	Grind Time min.	Tails % - 200#
SM99M1	1.60	0.016	2.61	2.1	62.5
SM99M3	2.58	0.011	3.73	5.9	59.4
OFT	0.80	0.410	7.11	7.9	73.8

Both SM99 samples were composed of grey shaley rocks, with the M3 sample being quite a bit darker than M1. They are softer than the typical Mount Polley ores, with the M1 sample being particularly soft. The ore ground quickly and easily into a very fine slurry.

8.0 METALLURGICAL TESTING

Individual flotation tests of each sample and of each sample blended with Mount Polley OFT ore, used the typical reagent mix used at Mount Polley to ensure that the tests replicated typical plant operating tests (40 g/t PAX, 5 g/t Sascol plus MIBC). The ore floated well but the froth had none of the typical appearance of a sulphide type ore. The concentrate that was produced was a dark brown, almost black color for M1, and a much darker, totally black color for M3. Gold recovery into the rougher concentrate was over 80 %, with over 90 % of that recovered into a cleaner concentrate grading 70 – 80 g/t gold. Copper recovery from Spanish Mountain material was generally poor with very low grades in the concentrates. Flotation test results are shown in Table 3 below.

Table 3 - Flotation Results

Sample	Au % Recovery		CuT % Recovery	
	Actual	Projected	Actual	Projected
99M1	86.1	-	24.4	-
99M3	81.9	-	41.8	-
OFT	77.1	-	54.4	-
OFT/99M1 BLEND	80.1	79.3	54.2	46.4
OFT/99M3 BLEND	78.4	79.4	55.5	50.9

Blended flotation tests at 15% SM: 85% OFT ratio produced metal recoveries (based on their individual metallurgical performance) almost exactly as projected for the gold, and a little better

than predicted for the copper. This indicates that it is unlikely that there will be any negative effect on the recovery of the Mount Polley ore if it is blended with Spanish Mountain ore.

Screen analysis and assay of the Tails from 99M1-1 and 99M3-1 (unblended) flotation tests showed a markedly different distribution of gold in the fractions. 99M1-1Tails are 58 % -400# mesh with 57.1% of the gold contained in that fraction (Chart 1). Tails from sample 99M3-1 are only 39.1% -400# mesh with 83.3 % of the gold being more evenly distributed between the 100# mesh to 325# mesh fractions (Chart 2).

Chart 1

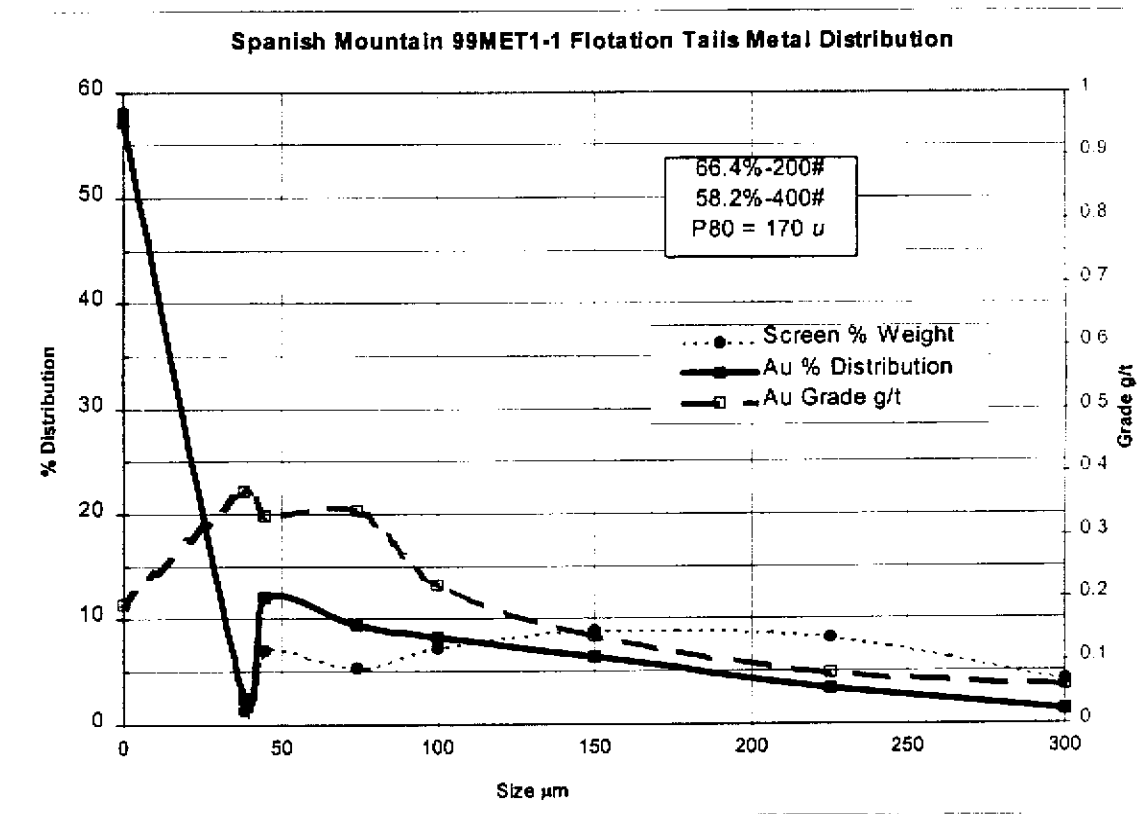
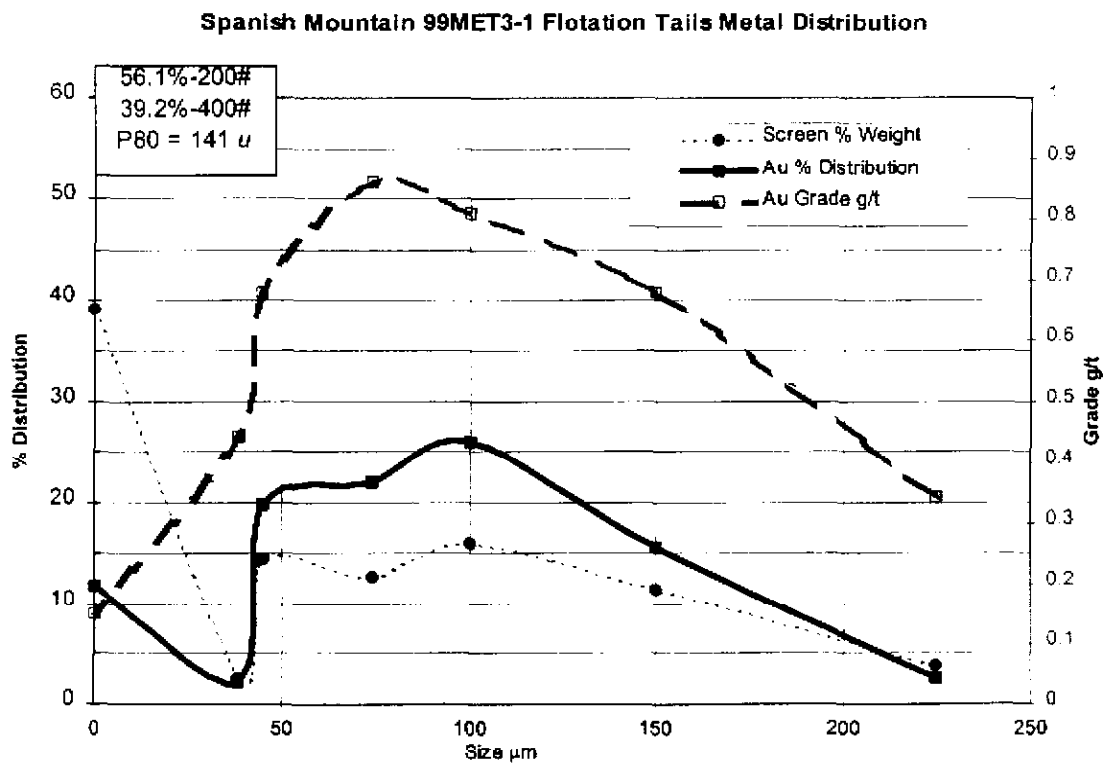


Chart 2



Additional samples will be obtained from the Spanish Mountain property for further flotation test work. It should be noted that a thorough sampling program to produce representative samples, in conjunction with further grinding and flotation tests, is required to better define possible problems with potential overgrinding, sliming in the concentrate, and to confirm effects on overall metal recoveries and grades when blended with Mount Polley ore.

9.0 COST STATEMENT


<u>Salaries</u>	<u>Cost</u>
B. Morton, October 6, 7 ; 2 days @ \$450/day	\$900.00
<u>Accommodation and Subsistence</u>	
B. Morton, October 6, 7 ; 2 days @ 100/day	200.00
<u>Transportation</u>	
1966 Ford 4x4 truck rental; 2 days @ \$100/day	200.00
<u>Metallurgical Testing</u>	3,000.00
<u>Report Preparation</u>	500.00
<u>TOTAL:</u>	<u>\$4,800.00</u>

10.0 **REFERENCES**

MINFILE No. 093A 043, CPW - Capsule Geology and Bibliography. B.C. Ministry of Mines and Energy, www.em.gov.bc.ca/geology

Watt, D., 1999: Spanish Mountain Summary of Metallurgical Testing. Internal report to Imperial Metals Corporation

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Vancouver

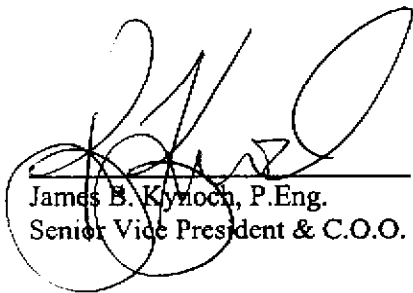


Brian Kynoch, P. Eng

Statement of Qualifications

I, James B. Kynoch do hereby certify that:

1. I am a civil engineer currently residing at 2873 West 42nd Avenue, Vancouver, British Columbia, V6N 3G7;
2. I am employed by Imperial Metals Corporation as Senior Vice President and Chief Operating Officer;
3. I am a graduate of the University of British Columbia Civil Engineering (1980);
4. I have worked in the Mining Industry in Canada and USA on a full-time basis since 1980;
5. I am a registered Member of the Association of Professional Engineers and Geoscientists of the Province of British Columbia; and,
6. I supervised the test-work activity documented in this report.



James B. Kynoch, P.Eng.
Senior Vice President & C.O.O.

March, 2000