

NTS 104 A/4 W
LAT. 56 04' N
LONG. 130 01' W

GEOLOGICAL AND GEOCHEMICAL
REPORT ON THE MC CLAIM,
MT. SHORTY STEVENSON,
STEWART, B.C.

Skeena Mining Division

by

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VOS 1N0

GEOLOGICAL SURVEY BRANCH
MINING REPORT

April 15, 2000

26,220

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1.01 INTRODUCTION

This report summarizes geological and geochemical surveys carried out between September 18-22, 1999 on the MC claim. The purpose of the survey was to locate metallic mineralization and interpret the relation between geology, mineral deposits, and stream sediment geochemistry.

1.02 LOCATION, ACCESS AND PHYSIOGRAPHY

The MC claim is located on Bear River Ridge about 10 km north of Stewart, B.C. The claim group is 2 km E of the Silbak-Premier Mine where Boliden Resources maintains a 2,000 tpd mill. The property is within the Skeena Mining Division on NTS 104 A/4 W, latitude 56 06' N, longitude 130 04' W (Fig. 2).

Elevations on the claim group range from 1150-1950 meters. Slopes are moderate to gentle west of the Bear River Ridge and steep to moderate on the east side of the ridge towards Bear River. The claims are mostly above tree line and support sparse growth of mosses and lichens (i.e. alpine taiga). Recent recession of glacial ice has exposed extensive rock outcroppings, especially in the vicinity of the arete shaped Mount Shorty Stevenson.

The west portion of the claims can be accessed by trails that lead to prospects west of Mount Shorty Stevenson near the headwaters of Cooper Creek. The east portion of the claims can be accessed by crossing the Bear River by boat followed by hiking up steep and exposed bedrock ledges, ramps and cliffs.

1.03 PROPERTY STATUS

The MC claim consists of 1 claim, staked by Andris A. Kikauka (who is performing work on behalf of Fundamental Resources Inc.). Details of the claims are as follows:

Claim Name	Record No.	Units	Record Date	Expiry Date
MC	370236	20	July 12, 99	July 12, 01*

The MC claim covers an area of 500 hectares. Fieldwork carried out by the author has been credited to the claim group (*expiry date extended from July 12, 00 to July 12, 01).

1.04 AREA HISTORY

The Stewart Complex contains numerous mineral deposits that cover an area over 150 km in length and 20-40 km in width extending from Alice Arm (Kitsault) to the lower Iskut River valley. This area is collectively referred to as the "Golden Triangle" or "Stikine Arch". This mineral belt has been recently active because of the discovery of precious and base metal deposits such as: Silbak-Premier, Granduc, Anyox, Porter-Idaho, Dunwell, Eskay Creek, Snip, Brucejack Lake, Red Mountain, Doc, Big Missouri, Johnny Mountain, Silver Butte, Scottie Gold, Kerr, Rock 'n Roll, Inel, Bonanza, Red Bluff, Golden Wedge, Bear Pass, and Georgie River. All of these properties have been the subject of major exploration and/or development for precious and base metals in the past 20 years.

The Stewart area has been exploited for minerals since 1900 when the Red Cliff deposit on Lydden Creek was mined. Since then, approximately 120 base and precious metal deposits within the Stewart mining district have been developed.

Total recorded production from the Stewart area is 2,400,000 ounces gold, 40,000,000 ounces silver, and over 100,000,000 pounds copper-lead-zinc. Most of this production came from the Silbak-Premier, operating episodically from 1918 to 1996.

The Eskay Creek deposit contains an estimated 4,000,000 ounces gold, 40,000,000 ounces silver and over 100,000,000 pounds copper-lead-zinc. This deposit does not outcrop and eluded discovery despite over 50 years of exploration history on the property. The unique high-grade stratiform 2-60 m wide massive sulphide horizon is remarkable in terms of predictability of its geology and tenor, and its relatively well defined, contact controlled assay boundary.

The Red Mountain deposit is a recent discovery at the headwaters of Bitter Creek. Gold bearing sulphides (pyrite, arsenopyrite, chalcopyrite) are localized in a major shear zone near a Texas Creek plutonic complex feldspar porphyry-Unuk River volcanic contact. Over 2,000,000 tonnes of 0.4 opt Au and 1.0 opt Ag have been outlined by over 150 diamond drill holes.

Numerous small scale workings near the MC claims include the Silver Crown, Monitor, Spider, Lois, Sebucke, Hyder Gold, Dalhousie, Prince John, Big Casino, Independence, Dunwell and Ben Ali. Precious and base metal values occur as veins, and/or replacement, breccia, stockwork in quartz-sulphide gangue. Mineralization consists of sphalerite, galena, chalcopyrite, pyrite, tetrahedrite, arsenopyrite, native gold, and/or various sulphosalts in a gangue of quartz, carbonate, barite, and/or chlorite. Historic work on these showings include underground development, drilling, geological evaluations and prospecting.

1.05 MC PROPERTY HISTORY

From 1921 to 1924 a diamond drilling and trenching program was carried out on the northwest trending, steeply dipping quartz-carbonate veins on a ridge immediately south of Mount Shorty Stevenson. Mineralization consists 5-50% sphalerite-galena with minor pyrite-chalcopyrite, and trace sulphosalts, native silver and/or electrum. Mineralization is spatially related to an echelon west and northwest trending fault structures within or adjacent to quartz-sericite-pyrite (phyllic) alteration. "Bonus" Nick Benkovich discovered this showing in the 1970's and a small shipment of several hundred pounds was sent to Trail, B.C. for custom milling. Material from the shipment was assayed giving the following results:

% Cu	% Pb	% Zn	Opt Ag	Opt Au
1.47	35.15	19.18	550.00	0.160

In 1986, Moche Resources flew an airborne VLF-EM and magnetometer geophysical survey. This survey identified 2 well defined (data profiles form bell-shaped curves) 45-64% VLF-EM field strength peaks (i.e. interpreted as conductive zones) located south and east of Mount Shorty Stevenson (DiSpirito, F., Assessment Report # 15,581, 1986). Magnetometer readings varied up to 1,000 gammas, but the mag anomalies had little correlation with VLF-EM anomalies.

In 1990, Navarre Resource Corp performed diamond drilling, trenching, geological mapping and soil sampling. Work was focused on a 0.5 X 0.2 km, northwest trending quartz-sericite-pyrite (phyllic) alteration zone. This QSP alteration is pervasive some 400 m south of Mount Shorty Stevenson. A trench sample of highly silicified pyritic material from the QSP altered zone returned a value of 6.0 opt Ag over a width of 80 cm. 20 soil samples from a 150 X 300 m area returned average values of over 20.0 ppm Ag and 100 ppb Au. A northwest trending, steeply dipping quartz-sulphide vein is located 100 m south of the QSP alteration. Trenching this vein gave an assay value of 1.35% Pb, 7.56% Zn, 26.14 opt Ag and 0.086 opt Au. A diamond drill was positioned to cut the QSP zone as well as the NW extension of the quartz-sulphide vein, but it was stopped well short of its target depth due to mechanical problems. The 99 meter drill hole intersected high grade sulphides in the final 0.2 m which gave the following results:

From	To	Width	% Pb	% Zn	Opt Ag	Opt Au
98.8 m	99.0 m	0.2 m	0.37	9.24	10.02	0.052

In 1992, Navarre Resource Corp found 2 new NW trending, steeply dipping mineralized shear zones with the following assays:

Width	% Pb	% Zn	Opt Ag	Opt Au
0.5 m	3.8	9.4	12.0	0.121
0.5 m	23.1	30.6	12.8	0.042

In 1996, Navarre Resource Corp outlined new showings 1.3 km ENE of Mount Shorty Stevenson. These showings are adjacent to crown granted claims, which are part of the Dalhousie showings. The Rock of Ages showings are currently within the MC claim and returned the following assay values:

width	% Cu	% Pb	% Zn	Opt Ag	Opt Au
0.3 m	0.06	3.21	6.54	6.48	0.362
0.4 m	0.05	3.50	5.74	7.15	0.364
0.3 m	0.05	2.66	5.69	8.41	0.655

The Rock of Ages showings consist of 5-15% sphalerite-galena with minor pyrite-chalcopryrite in a gangue of quartz-carbonate. The high silver and gold are accountable by the presence of trace amounts of tetrahedrite and/or sulphosalts/electrum. The mineralization occurs in NNW trending, steeply dipping shear zones hosted in andesite/dacite tuff/flow, volcanoclastic and volcanic breccia. A post ore, 2 meter wide quartz monzonite dyke cuts the andesite/dacite along the shear zone which follows the main creek bed. The Rock of Ages showings that contain the best precious metal are located between 1,500 to 1,575 meters elevation. The mineralized shears can be traced for 600 meters to 1,200 meters elevation, where a jasper-chalcopryrite-hematite-magnetite-pyrite bearing iron formation forms a prominent bluff forming scarp feature. This area had not been sampled in detail since the appendage to L 4940 was not part of the MC claim at that time, but now the MC claim covers this portion of the iron formation.

1.06 GENERAL GEOLOGY

The Stewart Complex includes a thick sequence of Late Triassic to Middle Jurassic volcanics, sediments, and metamorphic rocks. These have been intruded and cut by mainly calc-alkaline and lesser alkaline Lower Jurassic and Eocene plutons which form part of the Coast Plutonic Complex. Deformation, in part related to intrusive activity, has produced complex fold structures along the main intrusive contacts with simple open folds and warps dominant along the east side of the complex. Cataclasis, marked by strong N-S structures, are prominent features that cut this sequence.

Country rocks in the Stewart area comprise mainly Hazelton Group strata which includes the Lower Jurassic Unuk River Fm and the Middle Jurassic Betty Creek Fm/Mount Dillworth Fm. This sequence is unconformably overlain by Middle Jurassic Salmon River Fm/Nass River Fm (Grove, 1971, 1986). Unuk River strata includes mainly fragmental andesite-dacite, epiclastics and minor sediments. Widespread Aalenian uplift and erosion was followed by deposition of the partly marine volcanoclastic Betty Creek Fm, the mixed Salmon River Fm, and the dominantly shallow marine Nass River Fm.

Intrusive activity in the Stewart area has been marked by the Lower and Middle Jurassic Texas Creek granodiorite with which the Big Missouri, Silbak Premier,

SB, Scottie Gold, Red Mountain and many other mineral deposits in the district are associated. Younger intrusions include the Hyder Quartz Monzonite, Bitter Creek granodiorite and many Eocene stocks, dykes and sills which form a large part of the Coast Mountain Plutonic Complex. Mineral deposits such as Kitsault Lime Creek Molybdenum, Porter-Idaho Silver Mine, and a host of other deposits are related to the 48-52 Ma (Eocene) plutons. These intrusives also form the regionally extensive Portland Canal Dyke Swarm.

More than 700 mineral deposits and showings have been discovered in the Stewart Complex. The Silbak-Premier represents a telescoped (transitional) epithermal gold-silver base metal deposit localized along complex, steep fracture systems in Lower Jurassic volcanoclastics unconformably overlain by shallow dipping Middle Jurassic sediments/volcanics. These overlying units form a barrier or dam to migrating hydrothermal fluids, trapping bonanza type gold-silver mineralization at a relatively shallow depth. Metallogeny of the Silbak-Premier, Big Missouri, SB, Red Mountain and most of the major deposits in the Stewart District is related to early Middle Jurassic plutonic-volcanic activity. Overall, at least 4 major episodes of mineralization involving gold-silver, base metals (including Mo-W), dating from Lower Jurassic to Eocene, have been recorded throughout the Stewart Complex.

1.07 FIELDWORK 1999

Geological mapping was carried out at a scale of 1:10,000 over an area of 1 X 2 km in the western portion of the MC claim. This area is steep and ranges from 800' to 3,500' feet in elevation. Geochemical stream sediment sampling was carried out in the west edge of the claim. Stream sediments were taken with a shovel and wet screened through -80 mesh and placed in kraft paper bags. Samples were shipped to Pioneer Labs in New Westminster, B.C for geochemical analysis.

Geological mapping identified Unuk River Formation andesitic and dacitic tuffs and flows in the west portion of the claim (Fig.4). Numerous quartz-sericite alteration zones occur within the Unuk River volcanics. These 50-200 m wide altered zones are bleached white-grey colored and occur along northwest trending fault structures.

The majority of the property is underlain by Lower Jurassic Unuk River Formation green, red, and purple volcanic breccia, conglomerate, crystal and lithic tuffs, sandstone, and siltstone. Early Jurassic Texas Creek granodiorite cuts the Unuk River Formation on the southeast portion of the claim group. The Middle Jurassic Betty Creek Formation green, red, purple, and black volcanic breccia, hematitic volcanoclastics, andesitic to dacitic tuffs and flows, Mount Dillworth Formation rhyolite, and Salmon River Formation siltstone-sandstone sequence unconformably overlies the Unuk River Formation near the summit of Mount Shorty Stevenson. Well preserved primary volcanic textures such as devitrified glass, pumice conglomerates, crystals of feldspar, and broken quartz-jasper fragments with feathery and wispy edges occur within dacitic volcanics located on Bear River Ridge north of Mount Shorty Stevenson. This

sequence is cut by several northwest trending Tertiary andesite-dacite dykes 1-10 meters in width.

Detailed lithology of the mapped areas are summarized as follows;

TERTIARY INTRUSIVE ROCKS

7 ANDESITE-DACITE DYKE- Aphanitic to medium-grained, greyish-green colour, 1-10 meters wide.

EARLY-MIDDLE JURASSIC INTRUSIVE ROCKS

6 Texas Creek granodiorite

MIDDLE JURASSIC VOLCANICS AND SEDIMENTS

SALMON RIVER FORMATION

4 Siltstone (carbonaceous), sandstone, minor limestone

MOUNT DILLWORTH FORMATION

3A Rhyolite sequence (dust, lapilli, and welded tuffs)

BETTY CREEK FORMATION

2A CONGLOMERATE, SANDSTONE, SILTSTONE- Grey, green, purple, hematitic volcanoclastic sediments, minor andesitic-dacitic ash, crystal, and lapilli tuffs and tuff breccia.

LOWER JURASSIC- UNUK RIVER FORMATION

1 VOLCANIC BRECCIA, CONGLOMERATE- Green, red, and purple coloured matrix supported sub-rounded clasts to 30 cm., fine grained green-grey matrix, minor andesite ash, crystal, and lapilli tuffs, and tuff breccia.

Bedrock mapped on the MC (Figure 4) consists mainly of Unuk R Fm. volcanoclastics cut by northwest trending mineralized and silicified shear zones.

MINERALIZATION AND ALTERATION

Quartz-sericite-pyrite (QSP) alteration is well developed across a 0.5 X 0.3 km. zone, located in the northeast portion of the claim. QSP is locally abundant between the 1,300 to 1,400 meter elevation. Adjacent to the QSP alteration, a northwest trending mineralized fault zone is located along Rock of Ages Creek, which contains minor jasper and chalcopyrite with 3-5% disseminated pyrite. Sub-parallel mineralization peripheral to this fault consists of pyrite-chalcopyrite-galena-sphalerite in a gangue of quartz, carbonate, magnetite, and/or jasper. The lower jasper zone (@ 1,200-1,300 m. elevation) contains 3-5% fracture filling pyrite and sparse chalcopyrite.

The following results were obtained from stream sediment sampling on the MC claim (Fig.4):

SAMPLE #	PPM Cu	Pb	Zn	Ag	PPB Au
54431	176	41	477	1.2	85
54432	40	29	306	0.4	70
54433	38	92	443	2.2	110
54434	75	101	557	0.6	15
54435	70	32	206	0.6	35
54436	105	51	351	0.4	29
54437	31	127	366	1.2	9
54438	42	206	483	3.5	20

Stream sediment results show that the 3 creeks draining the northeast portion of the claim (close to the old Rock of Ages crown grants) have higher Au values as well as the highest Cu value. The central and southern portion of the claim has relatively higher Pb and Ag values which corresponds to the elevated silver values obtained from previous rock and soil geochemical analysis from the Mt. Shorty Stevenson area.

8.0 DISCUSSION OF RESULTS

Prospecting, trenching, diamond drilling, and soil geochemistry from previous work programs have outlined several veins located east and northeast of Mount Shorty Stevenson. These silver and gold bearing veins occur near a major stratigraphic break between Lower Jurassic and Middle Jurassic volcanics and sediments that are proximal to Jurassic Texas Creek granodiorite intrusive rocks. This unconformity and proximity to the Texas Creek granodiorite are important ore controls of the nearby Silbak-Premier ore which occurs in similar stratigraphy. The strong northwest trending faults east of Mount Shorty Stevenson, that forms Dundee Creek and Dalhousie Creek, cuts Lower Jurassic stratigraphy and the margin of the Texas Creek granodiorite. This fault is a major air photo lineament and is related to pervasive quartz-sericite-pyrite alteration.

Geological mapping of Rock of Ages mineral zone on the MC claim (1,300-1,550 m. elev.) confirms gold-silver bearing quartz-sulphide fissure veins which are characterized by weak chlorite-carbonate alteration with adjacent Q-S-P alteration.

Q-S-P is widest and most intense in Dalhousie Creek @ 3,900 foot (1,188.7 m.) elevation and an area 400 meters SE of Mount Shorty Stevenson @ 5,600 feet (1,706.8 m.) elevation (Kikauka, 1993,1994). The Dalhousie Creek Q-S-P forms a highly visible limonite-rich gossan which hosts two distinct precious metal bearing mineral assemblages:

- 1) Pyrite-chalcopryrite-jasper in quartz-magnetite gangue.
- 2) pyrite-chalcopryrite-sphalerite-galena in a gangue of quartz-carbonate

A Tertiary hornblende porphyry dyke system invades most of these mineral zones which are localized along NW trending shear zones. The dykes appear to be post-mineral and quite often split larger veins in two, e.g. 400 meters SE of Mt. Shorty Stevenson.

9.0 CONCLUSION AND RECOMMENDATIONS

The MC claim group has potential to host a gold-silver deposit based on the following facts;

- 1) Favourable geological structure and stratigraphy to host a mineral deposit.
- 2) Previous and current work programs have outlined significant gold-silver and base metal values from trench, soil, stream sediment and diamond drilling samples
- 3) Sulphide mineralization and related quartz-pyrite-sericite alteration corresponds to NW trending faults.
- 4) Mineralized fault trends consisting of massive galena, sphalerite, tetrahedrite with minor pyrite outwardly resemble ore found in the nearby Silbak-Premier vein system.
- 5) Close proximity to mill and mining infrastructure.

There are two main zones on the MC claim that require further exploration: 1) Rock of Ages Creek at 1,300-1,550 m. elevation and 2) High-grade quartz sulphide veins that resemble Silbak-Premier ore which have returned assays up to 0.16 oz/t Au, 505 to 550 oz/t Ag, 1.47% Cu, 35.15% Pb, 19.18% Zn located 200-600 meters southeast of Mount Shorty Stevenson. It is recommended that core drilling, geological mapping and trenching be carried out on these 2 targets. Approximately 5,000 feet (1,500 meters) of core drilling is recommended for these mineral zones. Approximately twelve 60-100 meter (200-330 feet) deep, inclined drill holes should be collared 20-40 meters (65-135 feet) from the target zone and spread out along a fence pattern perpendicular to surface trends. A helicopter assisted drill program could be carried out between June and October. An approximate budget for this program would be \$200,000 (including field crew and field costs).

REFERENCES

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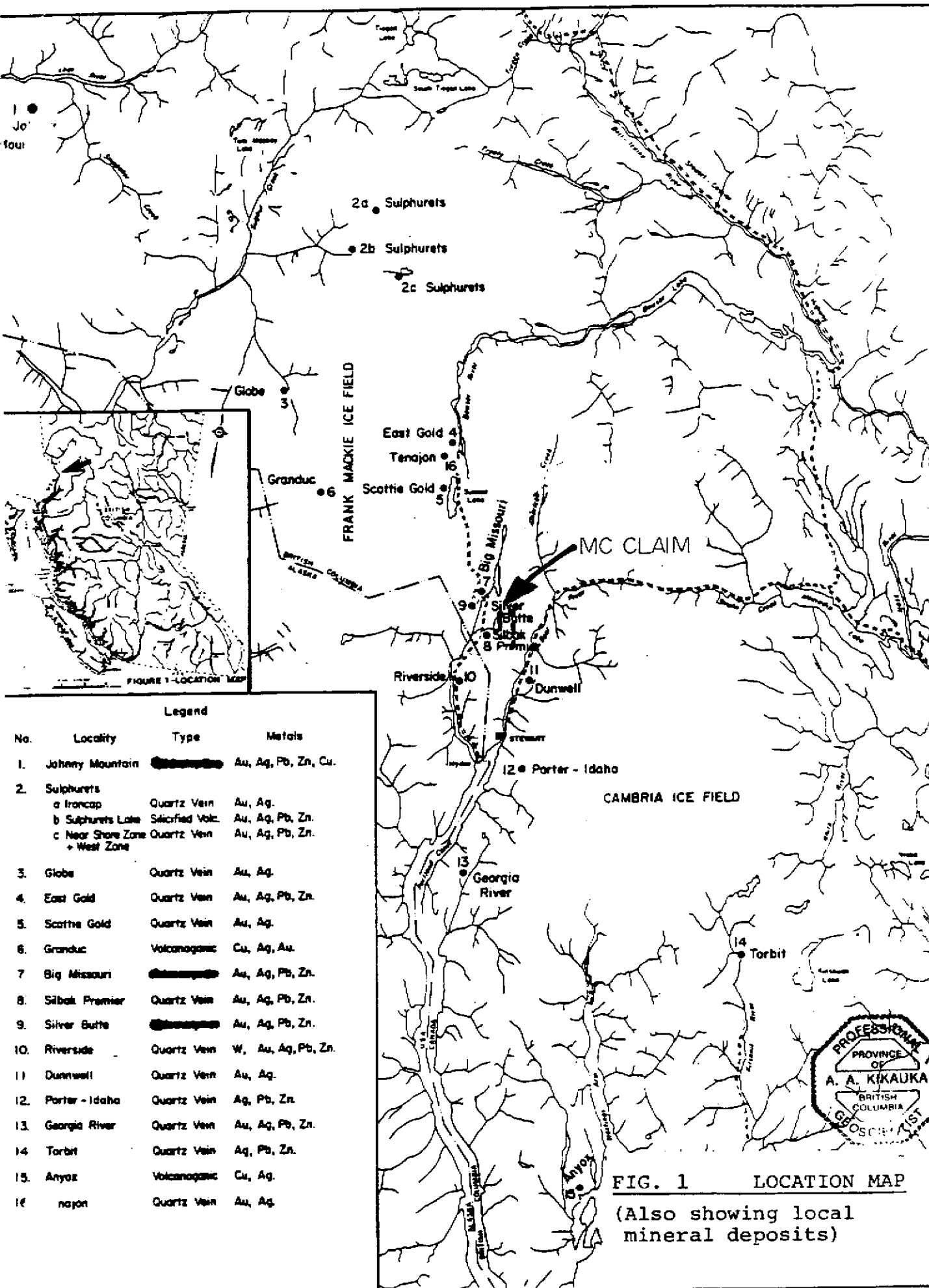


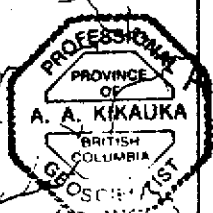
FIGURE 1 - LOCATION MAP

Legend

No.	Locality	Type	Metals
1.	Johney Mountain	Quartz Vein	Au, Ag, Pb, Zn, Cu.
2.	Sulphurets		
a	Ironcap	Quartz Vein	Au, Ag.
b	Sulphurets Lake	Sulfurated Volc.	Au, Ag, Pb, Zn.
c	Near Shore Zone + West Zone	Quartz Vein	Au, Ag, Pb, Zn.
3.	Globe	Quartz Vein	Au, Ag.
4.	East Gold	Quartz Vein	Au, Ag, Pb, Zn.
5.	Scottie Gold	Quartz Vein	Au, Ag.
6.	Granduc	Volcanogenic	Cu, Ag, Au.
7.	Big Missouri	Quartz Vein	Au, Ag, Pb, Zn.
8.	Silbak Premier	Quartz Vein	Au, Ag, Pb, Zn.
9.	Silver Butte	Quartz Vein	Au, Ag, Pb, Zn.
10.	Riverside	Quartz Vein	W, Au, Ag, Pb, Zn.
11.	Dunwell	Quartz Vein	Au, Ag.
12.	Porter - Idaho	Quartz Vein	Ag, Pb, Zn.
13.	Georgia River	Quartz Vein	Au, Ag, Pb, Zn.
14.	Torbit	Quartz Vein	Ag, Pb, Zn.
15.	Anyox	Volcanogenic	Cu, Ag.
16.	nanon	Quartz Vein	Au, Ag.

FIG. 1 LOCATION MAP

(Also showing local mineral deposits)



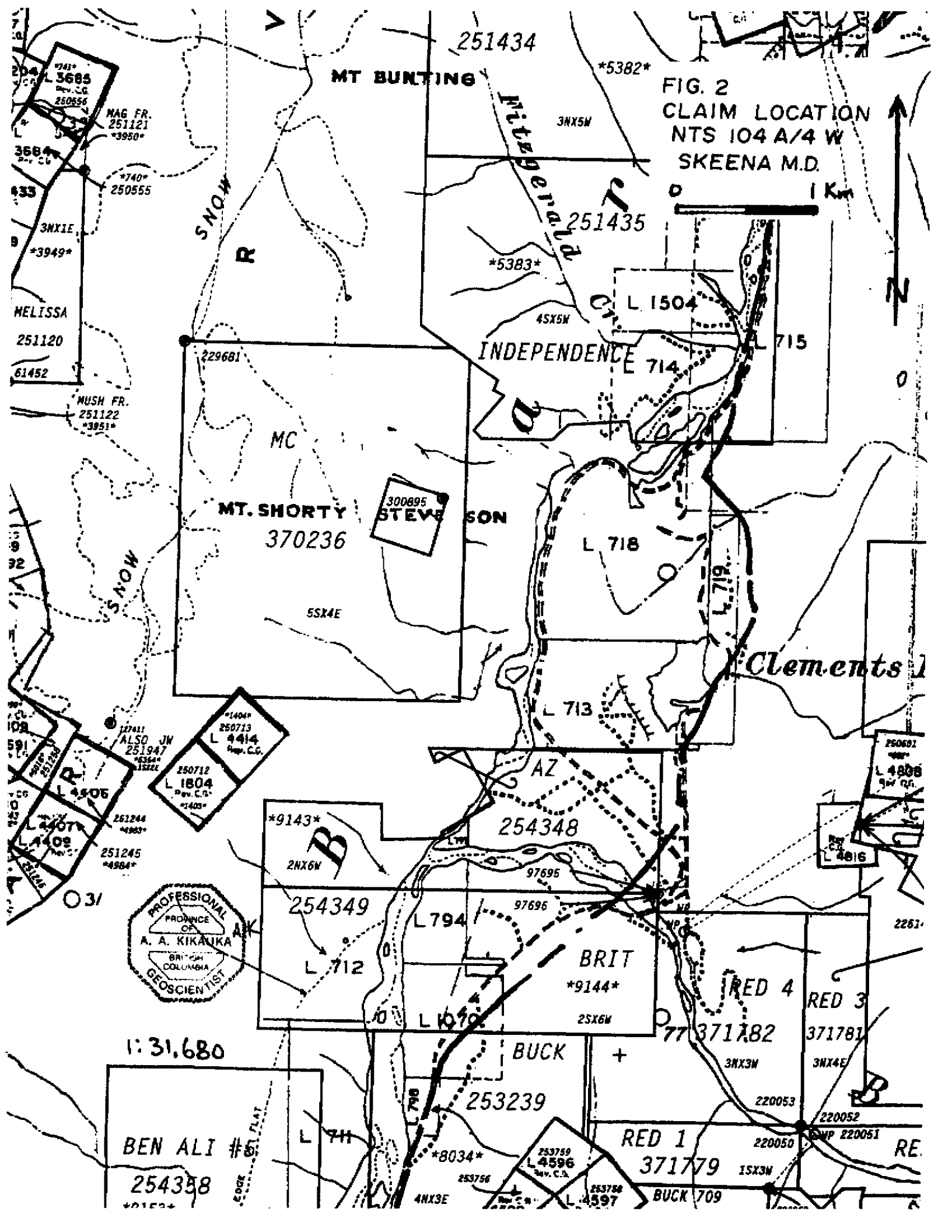


FIG. 2
CLAIM LOCATION
NTS 104 A/4 W
SKEENA M.D.



1:31,680

BEN ALI #5
254358

RED 1
371779

RED 4
371782

RED 3
371781

BUCK 709

MT BUNTING

MT. SHORTY
370236

INDEPENDENCE
714

BRIT
9144

BUCK

PROFESSIONAL
PROVINCE OF
A. A. KIKALIKA
BRITISH COLUMBIA
GEOSCIENTIST

Clements

251434

5382

3NX5W

251435

5383

4SX5W

L 1504

L 715

L 718

L 713

254348

97695

97696

9143

2NX6W

254349

L 794

L 712

L 1070

25X6W

77 371782

371781

253239

8034

253759
L 4596
Div. C.S.

253756

253758
L 4597
Div. C.S.

220053

220052

220050

220051

ISX3W

4NX3E

3685
Div. C.G.
250556
MAG FR.
251121
3950

3684
Div. C.G.
740
250555

333
3NX1E
3949

MELISSA
251120
61452

MUSH FR.
251122
3951

ALSO JW
251947
3354
3322

L 4406
L 4407
L 4409

261244
4903

251245
4904

31

1:31,680

BEN ALI #5
254358
2152

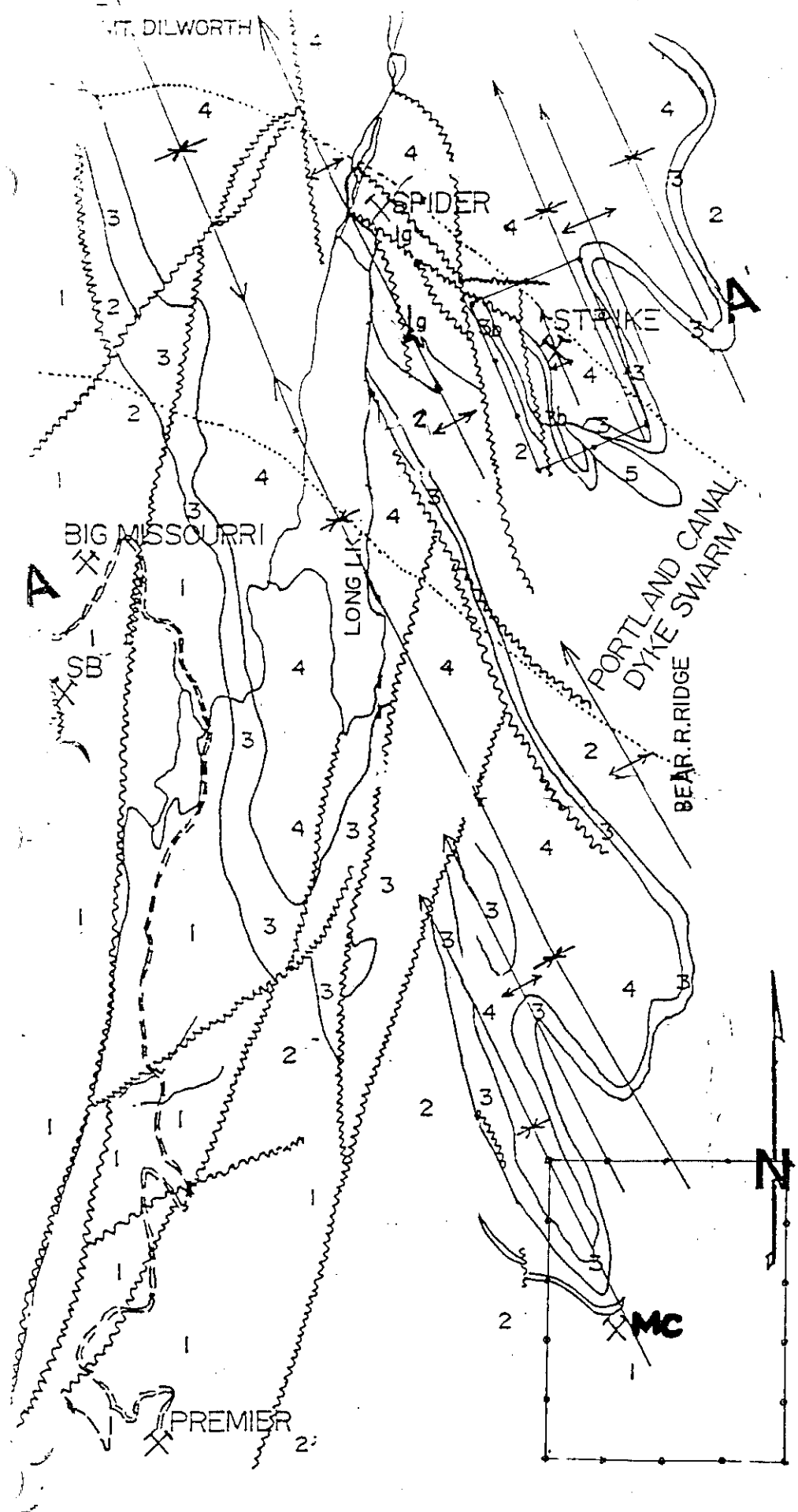
EDGE FLAT

250621
4807
L 4808
Div. C.G.

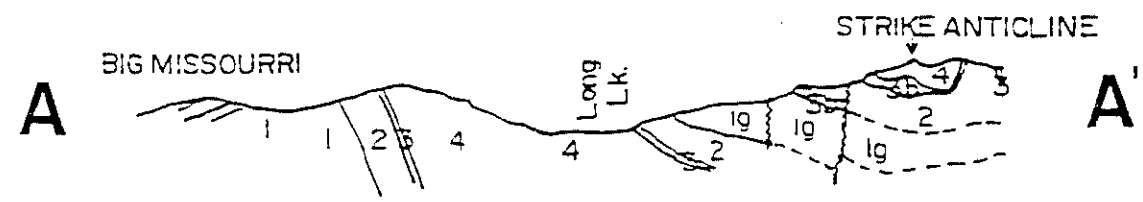
L 4816

2261

RE



CROSS SECTION



REGIONAL GEOLOGY, LONG LAKE AREA (after D. Alldrick, 67)

- LEGEND
- TERTIARY INTRUSIVE ROCKS
- 5 Plagioclase porphyry, granodiorite
 - Portland Canal dyke swarm (individual dykes not shown)
- MIDDLE JURASSIC VOLCANIC AND SEDIMENTARY ROCKS
- Salmon River Formation
- 4 Argillaceous, carbonaceous siltstone, shale, sandstone, minor conglomerate and limestone
- Mount Dillworth Formation
- 3b Felsic pyroclastic sequence of lower dust tuff, middle welded tuff, upper siliceous lapilli tuff, capped by pyritic lapilli tuff (5-15% pyrite) with intercalated limestone
 - 3 Felsic pyroclastic sequence of lower dust tuff, middle welded tuff, upper siliceous lapilli tuff
- Betty Creek Formation
- 2 Andesitic to dacitic tuffs/flows, conglomerate, siltstone, sandstone, minor limestone
- LOWER JURASSIC VOLCANICS AND SEDIMENTARY ROCKS
- Unuk River Formation
- 1 Andesite tuffs/flows, conglomerate, siltstone, sandstone, minor argillite, limestone
 - lg AUGITE PORPHYRY
- ↔ ANTICLINE FOLD AXIS ~~~~~ FAULT
 ↯ SYNCLINE FOLD AXIS X MINE OR PROSPECT
 === ROAD
 ——— GEOLOGICAL CONTACT
 MARGIN OF MAJOR DYKE SWARM
- SCALE 1:50,000
- 0 1 2 Km.



FIG. 3

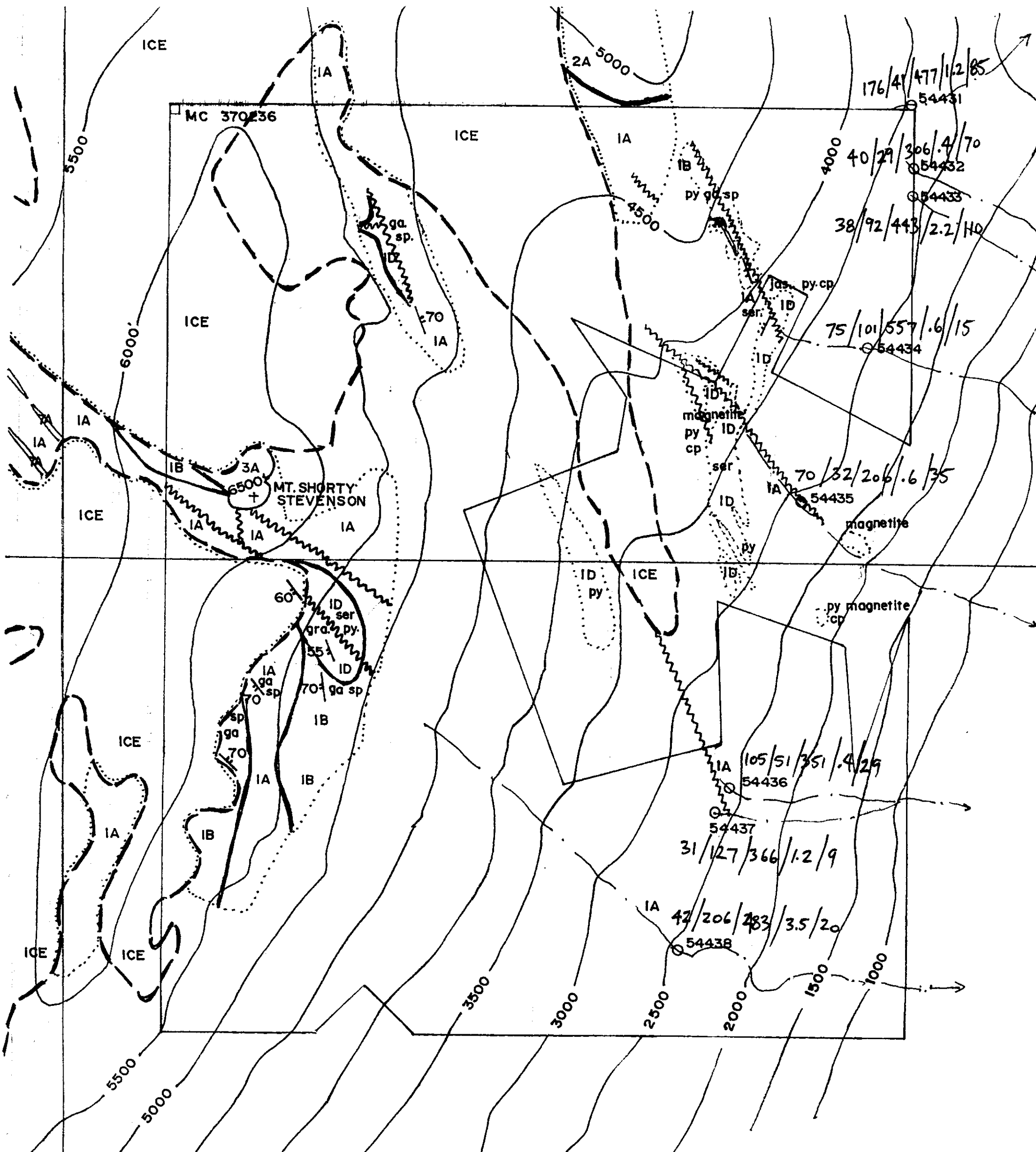


FIG. 4 MC CLAIM GEOLOGY AND MINERALIZATION
Skeena Mining Division, NTS 104 A/4 W, Jan., 00

LEGEND

- Portland Canal Dykes (Eocene)
- 7A Intermediate to felsic composition dykes, 1-5% hb.
- Sediments and Volcanics (Lower and Middle Jurassic)
- 3A Mount Dillworth Fm. Rhyolite/Dacite tuffs/flows/breccia
- 2A Betty Creek Fm. Rhyodacite, tuffs/flows, chert
- 1D Unuk River Fm. Bleached, silica/sericite altered felsite
- 1B Unuk River Fm. Conglomerate, Volcanic breccia
- 1A Unuk River Fm. Andesite/Dacite tuffs/flows, siltstone, Tuffaceous sandstone, alternating red and green colour
- Outline of mapped outcrop
- Limit of Glacial ice
- Fault
- Vein
- Topographic contour (ft.)
- py-pyrite sp-sphalerite ga-galena cp-chalcopyrite
- jas-jasper gra-graphite ser-sericite hem-hematite

SCALE 1:10,000 (1 cm. = 100 m.)




42/206/483/3.5/20
ppm Cu/Pb/Zn/Ag/ppb Au

CERTIFICATE

I, Andris Kikauka, of 1581 Rowan Street, Victoria, B.C., hereby certify that;

- 1. I am a graduate of Brock University, St. Catharines, Ont., with an Honours Bachelor of Science Degree in Geological Sciences, 1980.**
- 2. I am a Fellow in good standing with the Geological Association of Canada.**
- 3. I am registered in the Province of British Columbia as a Professional Geoscientist.**
- 4. I have practised my profession for fifteen years in precious and base metal exploration in the Cordillera of Western Canada, U.S.A., South America, and for three years in uranium exploration in the Canadian Shield.**
- 5. The information, opinions, and recommendations in this report are based on fieldwork carried out in my presence on the subject properties.**
- 6. I have a direct interest in the subject claims and securities of Fundamental Resources Inc. and this report is not intended for the purpose of statement of material facts and/or related public financing.**

Andris Kikauka, P. Geo.,



April 15, 2000

ITEMIZED COST STATEMENT- MC CLAIM, Sept.18-22, 1999

FIELD CREW:

Andris Kikauka (Geologist) 5 days	\$ 1,125.00
Lena Rowat (Geotecnician) 3 days	875.00

FIELD COSTS:

Mob/demob	320.00
Assays 8 silts	128.00
Food & Accommodation	375.00

Report	275.00
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Total = \$ 3,098.00

G E O C H E M I C A L A N A L Y S I S C E R T I F I C A T E

Multi-element ICP Analysis - .500 gram sample is digested with 3 ml of aqua regia, diluted to 10 ml with Water. This Leach is partial for Mn, Fe, Ca, P, La, Cr, Mg, Ba, Ti, B, W and limited for Na, K and Al. Detection Limit for Au is 3 ppm.
 *Au Analysis- 10 gram sample is digested with aqua regia, MIBK extracted, graphite furnace AA finished to 1 ppb detection.

Analyst R Sam
 Report No. 1003248
 Date: February 16, 2000

MR. ANDRIS KIKAUKA
 Project: MC Project
 Sample Type: Silts

ELEMENT 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
54431	4	176	41	477	1.2	14	22	1157	3.76	51	8	ND	2	90	4.1	3	3	87	1.14	.100	8	22	1.34	181	.12	3	2.34	.06	.32	3	85
54432	3	40	29	306	.4	3	11	1021	2.27	19	8	ND	2	68	2.0	3	3	57	1.83	.099	7	6	.56	85	.07	4	2.09	.05	.19	3	70
54433	1	38	92	443	2.2	4	13	1170	3.23	11	8	ND	2	45	3.1	3	3	47	.80	.095	9	7	.96	135	.05	3	1.26	.02	.15	2	110
54434	5	75	101	557	.6	16	19	1296	3.89	18	8	ND	2	58	3.5	3	3	70	.88	.130	11	21	1.21	163	.11	3	1.92	.04	.32	4	15
54435	4	70	32	206	.6	6	22	1765	4.01	45	8	ND	2	71	1.6	3	3	77	1.17	.099	8	11	1.09	179	.11	3	2.94	.06	.31	6	35
54436	3	105	51	351	.4	6	15	1159	3.57	29	8	ND	2	35	2.8	3	3	58	.70	.112	10	8	1.08	120	.06	3	1.55	.02	.18	2	29
54437	1	31	127	366	1.2	5	13	1062	3.28	11	8	ND	3	64	3.1	3	3	36	1.31	.107	9	7	.86	106	.02	3	.96	.01	.08	2	9
54438	2	42	206	483	3.5	3	11	1938	3.25	16	8	ND	2	24	3.5	3	3	44	.41	.103	10	4	.80	240	.03	3	1.10	.02	.12	2	20