DIAMOND DRILLING REPORT

on the

TEX MINERAL CLAIM GROUP
WILL 3 TO 6 CLAIMS & LOT 277C
(Tenure #231705-231708)

TEXADA ISLAND

BRITISH COLUMBIA

Longitude 124°31'12"/Latitude 49°43'54"
NTS: 92F/10E (92F.069, 068, 082 & 084)

Prepared for

CHEMICAL LIME COMPANY of CANADA INC.
30202 – 102 B Ave.
Langley, B.C., V1M 3H1

Prepared by
J. T. SHEARER, M.Sc., P.Geo.
Industrial Mineral Consultant
Unit 5 – 2330 Tyner St.,
Port Coquitlam, B.C.,
V3C 2Z1
Phone: 604-970-6402 / Fax: 604-944-6102
E-mail: jo@HomegoldResources.com

July 15, 2000

Fieldwork completed between June 20 and July 10, 2000

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SUMMARY

The Tex Mineral Claim Group lies adjacent on the north from Lot 277 (which is private land owned by Lehigh Portland Cement). Together these two tracts of land cover a large part of the eastern contact the Northern Limestone Belt on Texada Island.

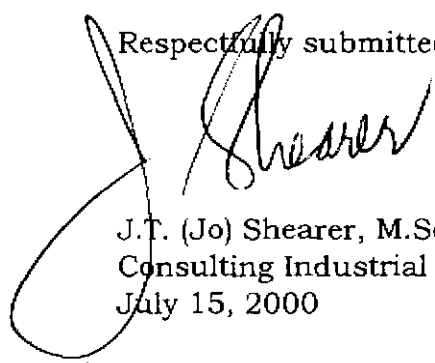
In 1993, a series of 10 diamond drillholes were completed to compliment data gathered in the 1960's and 1970's, the core of which is no longer available for study. Total footage in the 1993 program was 1579 ft (481.28m) and each hole averaged 150ft (45.72m) in length.

To the northwest, Lafarge and Imperial Limestone hold large blocks of ground, which have been investigated in detail for limestone quality and have been in production at various times since the 1940's.

The 1993 work indicated that fine-grained, dark grey to black, 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 1993 drillholes.

Drilling in the present program (June-July 2000) consisted of deepening 3 of the 1993 holes (93-3, 93-11 and 93-14) which are located within the thickest portion of a proposed open pit excavation. Total footage in the 2000 program was 1040 ft. (317.00m).

Respectfully submitted,



J.T. (Jo) Shearer, M.Sc., P.Geo.
Consulting Industrial Mineral Geologist
July 15, 2000

INTRODUCTION

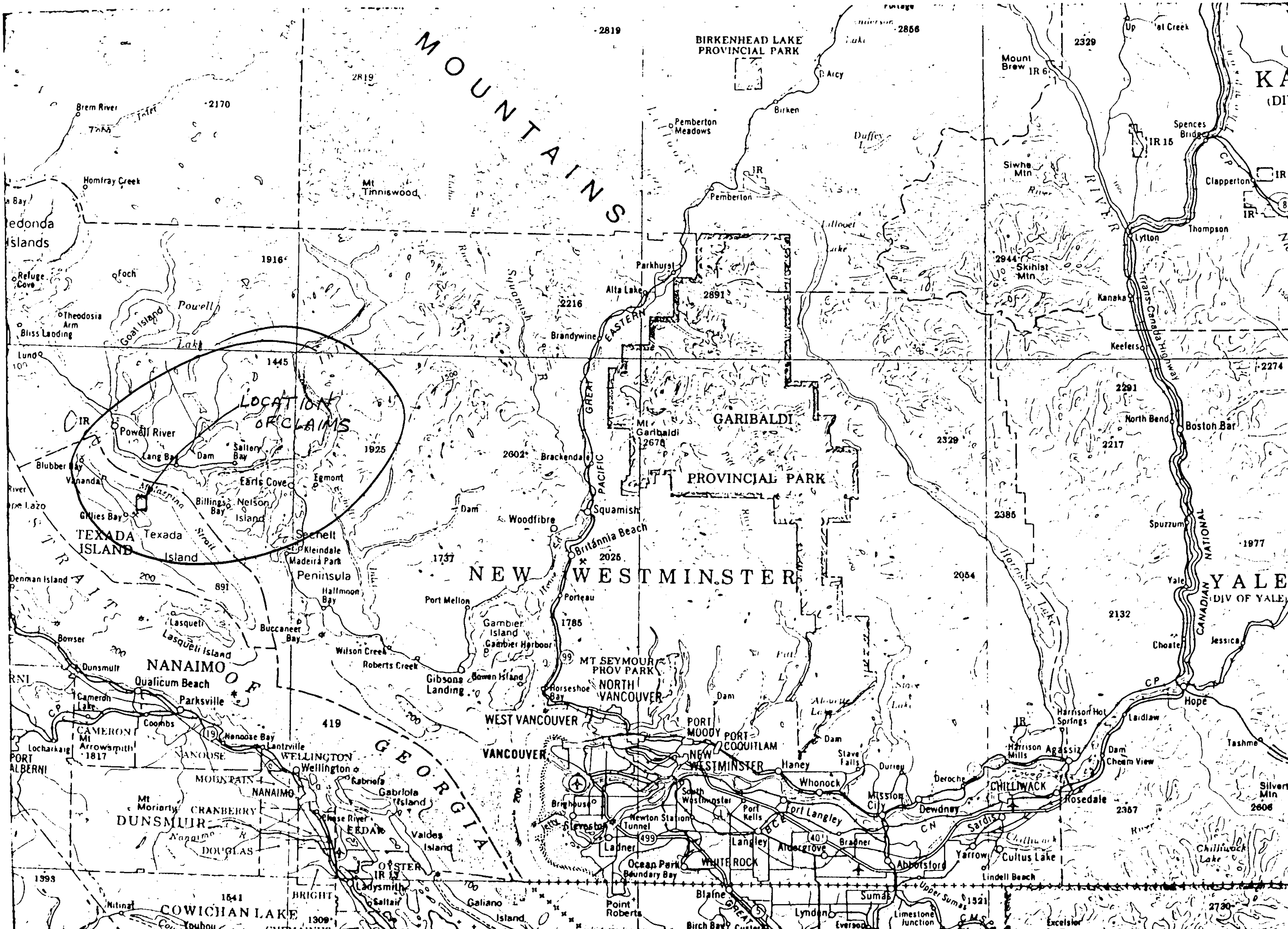
Limestone and dolomite are currently produced from a few locations throughout the province for a variety of uses. Most of the limestone production currently originates from Texada Island. The present program consisted of follow-up diamond drilling in the Raven Bay - Farmhouse Area (northern belt) to compliment work done in 1993.

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 cement plants in Washington and Oregon. Lafarge Canada operated a quarry on Texada Island between 1957 and 1986 and B.C. Cement (now Tilbury-Lehigh Portland Cement) 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 ($Na_2O + 0.658 \times K_2O$) should be below 0.6 percent. Magnesia content commonly cannot exceed 3 percent (Fischl., 1992). Generally cement grade is <2% SiO_2 and <1.5% MgO.

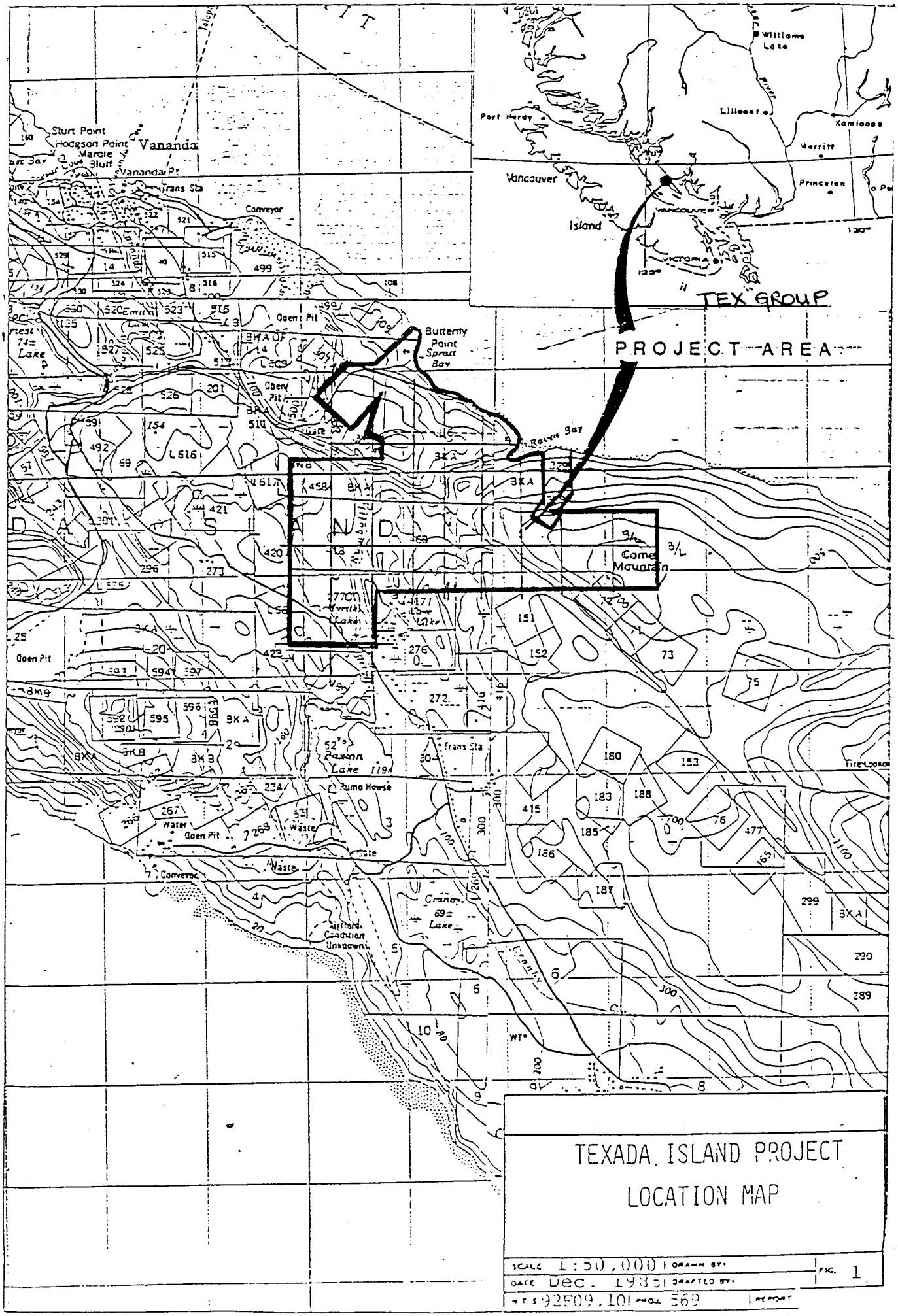
Lime manufacturing is another important use of limestone in the province. Chemical Lime Company of Canada Ltd. produces lime (CaO) and Quicklime [$Ca(OH)_2$] at a plant in Langley. The company is supplied with limestone from Texada Island. Limestone used for lime manufacture must be at least high-calcium in composition, with less than 0.5 percent MgO and less than 1% SiO_2.

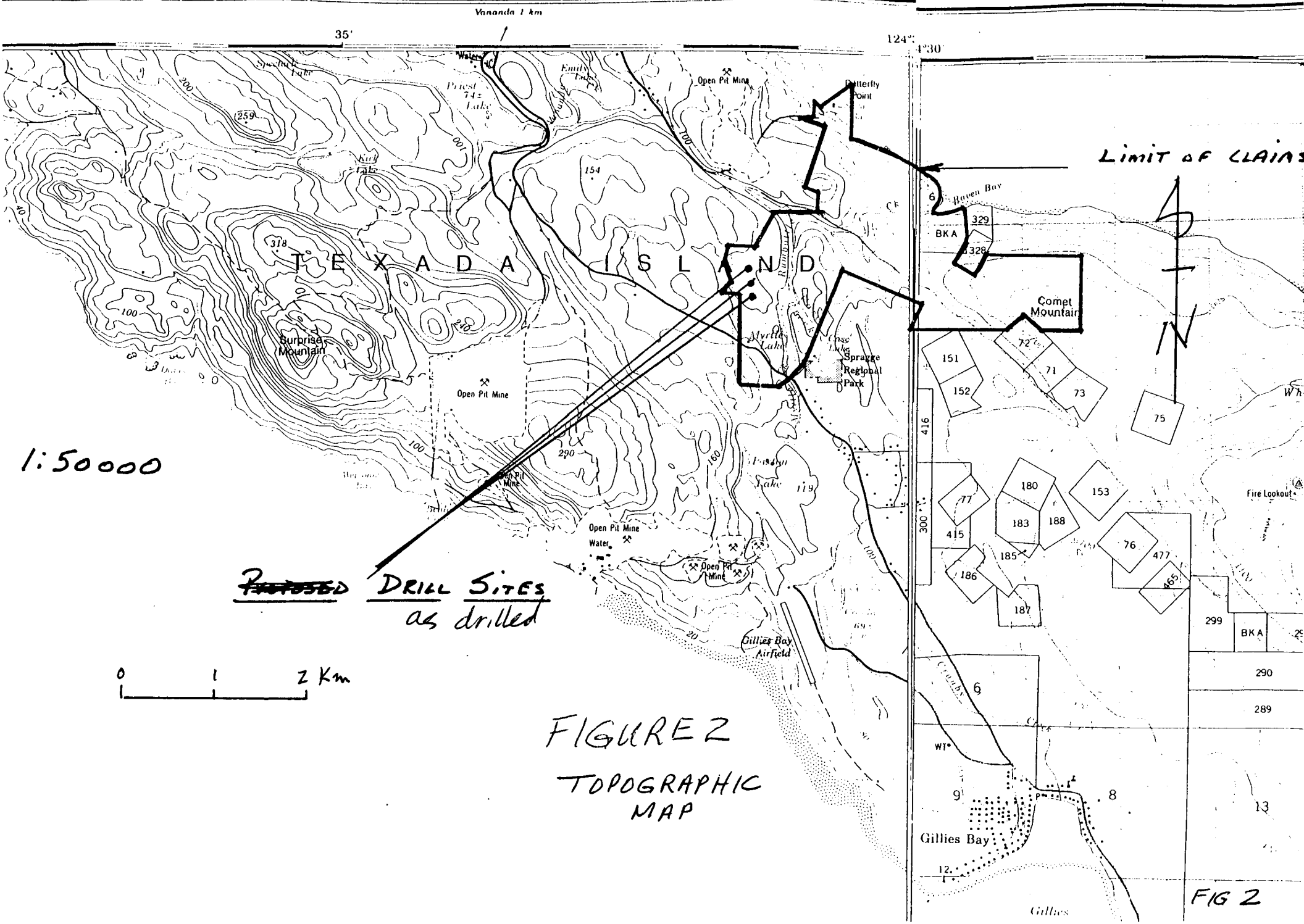
The pulp and paper industry is also a significant consumer of limestone in British Columbia. It was initially consumed by pulp mills using the acid sulphite process of manufacturing pulp from wood chips. About half the mills now use the sulphate (kraft) process, while the remaining half use mechanical 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 Washington 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 FIGURE 1


Williams Lake
Port Hardy
Lillooet
Kamloops
Merritt
Vancouver
Princeton
Island
VANCOUVER
VICTORIA
TEX GROUP
PROJECT AREA
Sturt Point
Hodgson Point
Margie Bluff
Vananda
Vananda Pt
Trans Sta
Conveyor
Butterfly Point
Sprout Bay
Open Pit
Lake
Rocky Bay
Come Mountain
Myrtle Lake
Puma House
Water
Waste
Crannog Lake
Fire Lookout
TEXADA ISLAND
TEXADA. ISLAND PROJECT
LOCATION MAP
SCALE 1:50,000
DRAWN BY:
DATE Dec. 1985
DRAFTED BY:
N.T.S. 92F09, 10
MAP 569
REPORT
FIG. 1


Vananda 1 km
35'
124°30'
TEXADA ISLAND
Limit of Claims
Open Pit Mine
Butterfly Point
Raven Bay
Comet Mountain
Surprise Mountain
Spragge Regional Park
Myrtle Lake
Priest Lake
Emily Lake
Open Pit Mine
Water
Open Pit Mine
Open Pit Mine
Open Pit Mine
Gillies Bay Airfield
Gillies Bay
Fire Lookout
BKA
BKA
1:50000
~~PROPOSED~~ DRILL SITES
as drilled
0 1 2 Km
FIGURE 2
TOPOGRAPHIC MAP
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).

LOCATION and ACCESS

A north-westerly-trending belt of limestone, 13.0 km long and as much as 3.0 km wide, exists near the north end of Texada Island in the vicinity of Blubber Bay down to Raven Bay on the northeast coast. It lies north and up to 5 km south-east of Vananda, the nearest regular port of call for deep water ships and barges

Access to the south end of the property is provided by a paved highway linking Vananda with Gillies Bay. Access to the drilling area was established from the paved highway approximately 5.8 km from Vananda by narrow tote roads used for diamond drilling and small-scale logging.

The relief is generally flat, averaging around 100m elevation with narrow ridges 3 to 4 metres in height trending mostly northwest. Some of the shallow depressions could be due to the preferential erosion of soft sheared dikes. Overburden is relatively shallow with many low-lying areas of outcrop in evidence.

CLAIM STATUS

The property owned by Chemical Lime Company of Canada on the south end of the northern Limestone belt is covered by the following claims as shown on Figure 3.

TABLE I

LIST of CLAIMS

Claim Name	Tenure Number	Size	Units	* Current Anniversary Date
Will 3	231705	2 post	1	November 18, 2005
Will 4	231706	2 post	1	November 18, 2005
Will 5	231707	2 post	1	November 18, 2005
Will 6	231708	2 post	1	November 18, 2005
Molly 2	231599	2 post	1	November 18, 2005
Molly 3	231600	2 post	1	November 18, 2005
Molly 4	231615	2 post	1	November 18, 2005
Molly 5	231616	2 post	1	November 18, 2005
Molly 6	231617	2 post	1	November 18, 2005
Molly 7	231618	2 post	1	November 18, 2005
Molly 8	314656	3x1	3	November 18, 2005
KellyJoFr	231710	Fr.	1	November 18, 2005
Will#2 Fr	232101	Fr.	1	November 18, 2005
Willy 1	232273	2 post	1	November 18, 2005
Willy 2	232274	2 post	1	November 18, 2005
Butterfly Fr	230264	Fr.	1	November 18, 2005
Tex 1	232377	2 post	1	November 18, 2005
Tex 2	232378	2 post	1	November 18, 2005
Marble Bay Fr	314655	2 post	1	November 18, 2005
WIP 1	232387	2 post	1	November 18, 2005
WIP 2	232388	2 post	1	November 18, 2005
WIP 3	232389	2 post	1	November 18, 2005
WIP 4	232390	2 post	1	November 18, 2005
WIP 5	232391	2 post	1	November 18, 2005
WIP 6	232392	2 post	1	November 18, 2005
WIP 7	232393	2 post	1	November 18, 2005
WIP 8	232394	2 post	1	November 18, 2005
WIP 9	232395	2 post	1	November 18, 2005
WIP 10	232396	2 post	1	November 18, 2005
WIP 11	232397	2 post	1	November 18, 2005
WIP 12	232398	2 post	1	November 18, 2005
WIP 13	232399	2 post	1	November 18, 2005
WIP 14	232400	2 post	1	November 18, 2005
Molly 8	316662	2x1	2	November 18, 2005
			38 Units	

* on application of assessment work documented in this report.

Each claim unit is approximately 25 hectares.

Butterfly Pt.

Sproat Bay

Raven Bay

1" = 1000 ft

1 : 12000

0 1500 ft

500 m

SCALE 1:12,000

CLAIM MAP

FIGURE 3

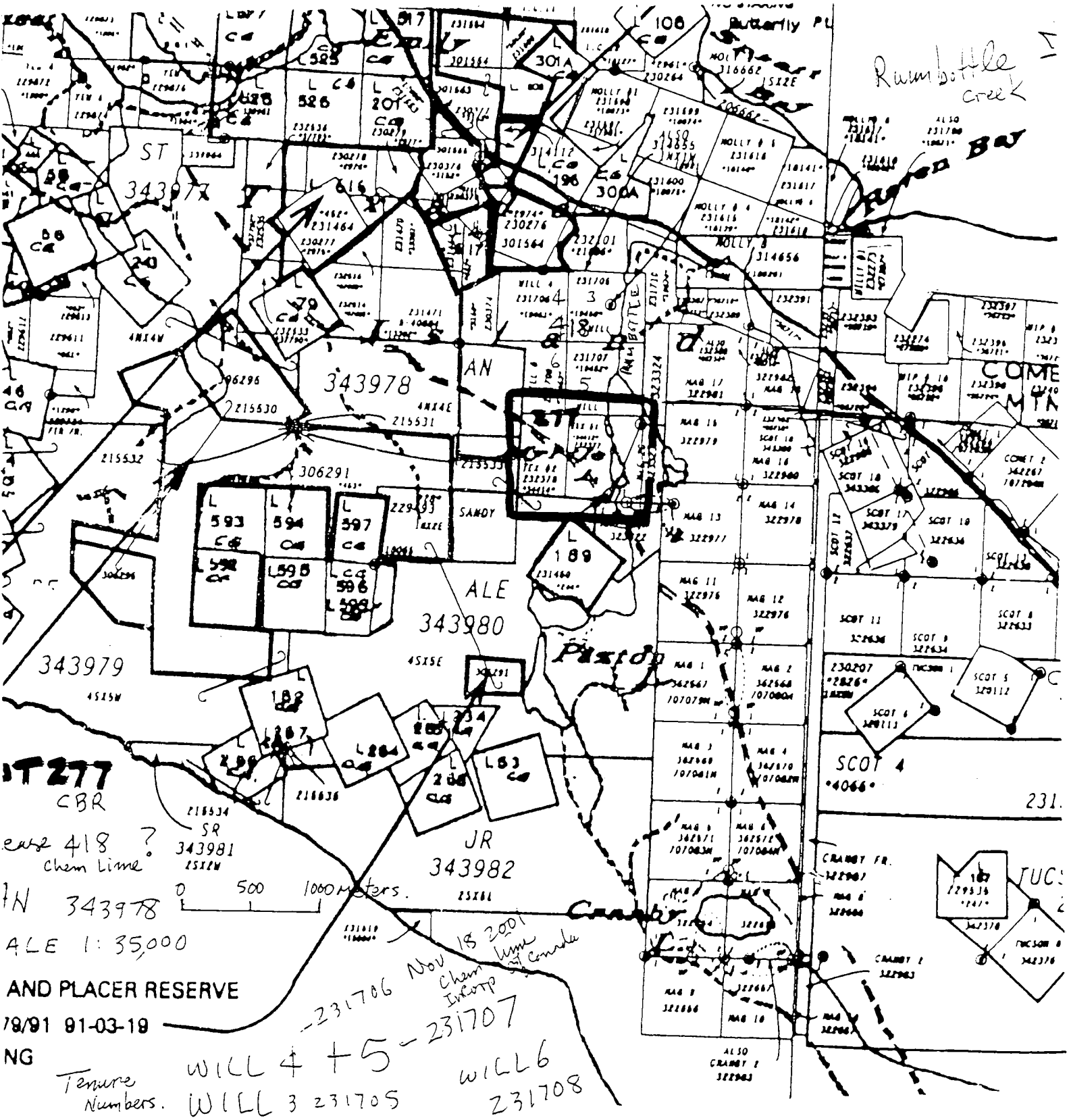

Rumbottle Creek
Butterfly PL
ST 343977
343978
AN
ALE 343980
343979
SANDY
SCOT 4
4066
JR 343982
SR 343981
0 500 1000 Meters.
ALE 1:35,000
AND PLACER RESERVE
78/91 81-03-19
NG
Tenure Numbers.
WILL 4 + 5 - 231707
WILL 3 231705
WILL 6 231708
231706 Nov 18 2001 Claim Group
CLAIM MAP
TEX MINERAL CLAIM GROUP

FIGURE 3a

Under the present status of mineral claims in British Columbia, the consideration of industrial minerals requires careful designation of the product 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 rock 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 lime plant raw materials) from Tex Mineral Claim Group at Ravens Bay of Chemical Lime Company of Canada Inc., 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 1:10,000 ortho photo and previously constructed maps to pick up survey control near the southeast edge of Lot 277 and bring control down into the drilling area. Results were plotted on a 1:5,000 scale topographic compilation constructed during preliminary quarry design. The drill used was a Packwireline machine capable of drilling in excess of 100m in dense limestone provided by Boisvenu Drilling Ltd. Much of the core was consumed in chemical and physical testing, the remaining core is stored in Clifton, Texas, U.S.A.

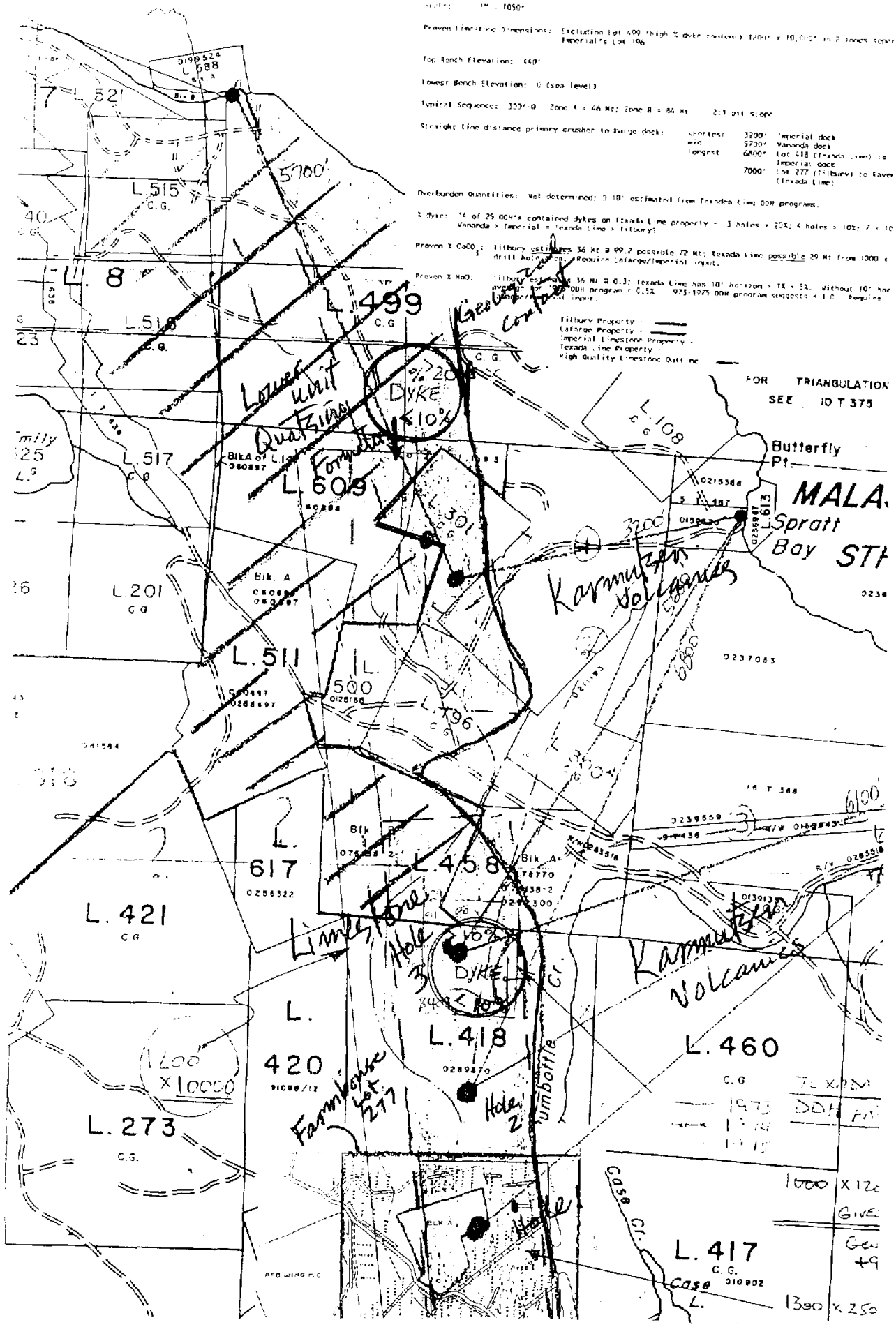


FIGURE 4
REGIONAL GEOLOGY

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 a wave 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 boomtown.

The main period of 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.

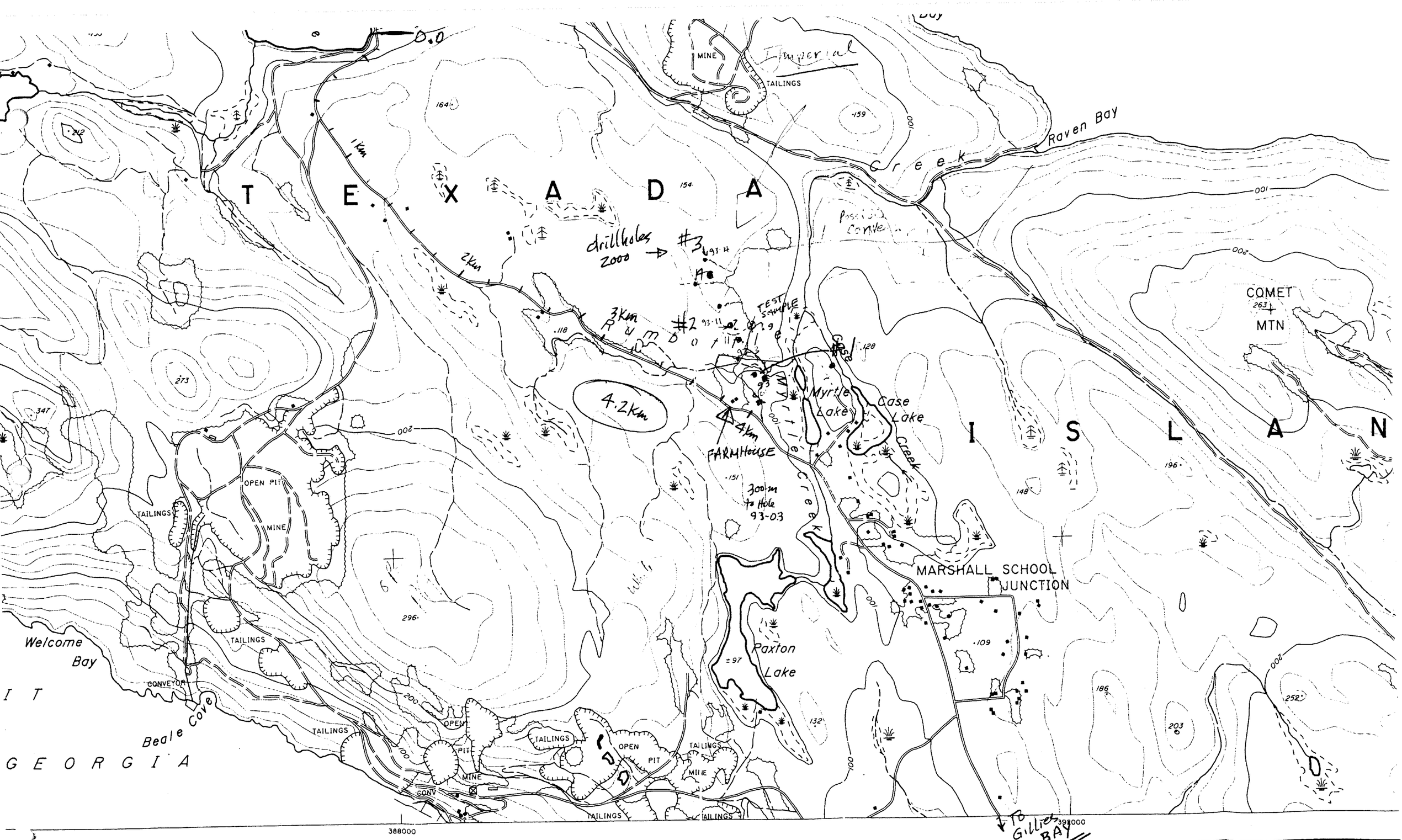
A test quarry was opened up on a limestone deposit on the Will 3 Claim (Lot 198), 1.7 kilometres south-southwest of the head of Raven Bay on the east coast of Texada Island. It lies near the eastern edge of the northern limestone belt within the lower high-calcium limestone member of the formation. Moderately westward dipping basaltic flows of the underlying Karmutsen Formation outcrop just east of the quarry. The limestone is estimated to be at least 150 metres thick in this vicinity.

Diamond drilling within and around the test quarry between 1973 and 1975 encountered dark grey to black, fine-grained, massive limestone with some coarse-grained, medium to light grey limestone down to a depth of at least 65.5 metres (Hole 75.3). The core is cut by pyrite and calcite veins and by a few andesitic dikes; seven northwest and northeast trending diorite dikes varying up to 9 metres in width outcrop mostly south of the quarry. Narrow zones of silicification and pyritization are present in addition to occasional green "schist inclusions" (sheared dikes?). The limestone is brecciated in a few instances.

The deposit is inferred to contain 136 million tonnes of limestone over a 600 or 900 metre area down to a depth of 90 metres, with a minimum of 53.2 per cent CaO (95% $CaCO_3$), less than 1 per cent MgO and less than 2 per cent SiO_2 (O'Connor, 1970, p. 10; MacLeod, 1978, p.5). Diamond drilling and surface sampling were carried out in two areas, Block A and Block B, up to 1954. Block A, located on the Kelly-Jo fractional claim 150 to 300 metres north of the quarry, contains 500,000 tonnes in measured geological reserves averaging 54.40 per cent CaO, 0.25 per cent MgO, 2.27 per cent insolubles, 0.23 percent Al_2O_3, 0.260 per cent Fe_2O_3, less than 0.015 per cent MnO_2, less than 0.050 per cent P_2O_5, 0.060 per cent sulphur, 0.56 per cent carbonaceous matter and 41.780 per cent CO_2 (Dolmage, 1954, p. 6). Block B, located on the Will 3 claim just east of the quarry, has indicated reserves of 295,000 tonnes averaging 55.33 per cent CaO, 0.32 per cent MgO, 1.6 per cent insolubles, 0.160 percent Al_2O_3, 0.160 per cent Fe_2O_3, less than 0.006 per cent MnO_2, less than 0.046 per cent P_2O_5, 0.053 per cent sulphur, 0.290 per cent carbonaceous matter and 42.220 per cent CO_2 (Dolmage, 1954, p. 6).

Vantex Lime Company carried out an extensive program of surface sampling and diamond drilling on the property up to 1954. Texada Lime Ltd. diamond drilled the property between 1973 and 1975 to test its potential for limestone and copper-bearing skarn deposits.

A program in 1993 (Bates, 1993) consisted of 10 diamond drill holes totalling 1579 ft (481.28m) averaging 150 ft in length. Certain calculations have been made in recent years in regard to the possible mining of the resource outlined by the 1993 drilling.



.UMBIA
, Parks
nch

Universal Transverse Mercator Projection
North American Datum - NAD83
UTM Zone 10

Land District:
Land Title Dist.:
Latest Plan No.:
Date:

SCALE 1:20 000

200 0 200 400 600 800 1000 1200 1400
METRES

FIGURE 5
TRIM MAP

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 amygdaloidal pillow 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 northwesterly 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 (micritic), 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 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.

Immediately to the north on the previously operated Lafarge Vananda Quarry the limestone can be described as follows (Matthews and McCammon, 1957):

> The quarries are in the lower part of the Marble Bay Formation. Quarry No. 5 lies approximately 400 feet stratigraphically above the base of the Marble Bay Formation and in the upper part of the first member. Quarry No. 2 may include beds both above and below the horizon of quarry No. 5. Quarry No. 1 is badly folded and faulted beds at or above the horizons of quarry No 2. Quarries Nos. 3 and 4, both at about the same horizon, lie within the second member probably several hundred feet above its base. The first member of the Marble Bay Formation is here made up almost entirely of high-calcium limestone. As would be expected with its limited range in composition, physical characteristics are likewise relatively uniform and stratification is not readily apparent.
>
> Several magnesian beds a few inches to a few feet thick outcropping in the Nos. 1 and 2 quarries are in the upper part of the first member. The make up a small

Block B

Lafarge

Lot 458

Block A

C.G. 0139135

R/W 0159843

Lot 6

Lot 478

A

D

Lot 6
Remainder

Lot 460
ALMFOREST

Chemlime

Lot 418

93-17
93-16
93-18
93-12
93-13
93-18
93-11
93-19
93-20
93-6
93-9
93-2
93-3
93-5
93-8
93-1
93-4

Lot 277C

Volcanic Contact

Lot 417

Quarry Office

Tilbury

Farmhouse Property

0 100 200 300 400

1:10,000

DRILLHOLE LOCATIONS.

FIGURE 6

FARMHOUSE PROPERTY – RAVEN BAY LOADOUT

General Arrangement Proposal

fraction of the section, only four beds being recognised on the cliff and quarry faces across an exposed width of almost 1,000 feet.

Higher parts of the section in the second member, exposed in Nos. 3 and 4 quarries, are made up of alternating beds of calcium and magnesian limestone, the former generally predominating, cut by a network of calcite and dolomite veinlets. Stratification can as a rule be distinguished in these rocks.

In the eastern part of the limestone-belt, from No. 2 quarry to the base of the formation, the strata dip westward at an angle of about 40 degrees. In No. 2 quarry, however, the westward dip steepens, and in the western part of this quarry and in No.1 quarry the strata are apparently highly folded and faulted. This folding and faulting may be related to the intrusion of the quartz-diorite stock which adjoins No. 1 quarry on the west. Southwest of the stock, as at quarries Nos. 3 and 4, moderate southwesterly dips of the strata prevail.

Faults are not apparent in the eastern part of the property but are abundant in quarries Nos. 1 and 2. The pattern of faulting here has not been deciphered. The quartz diorite is cut by faults trending approximately south 70 degrees east and dipping steeply southward near both the west end of No. 1 quarry and the Little Billie Mine.

Greenstone dykes are present here, as elsewhere on the northern part of Texada Island, but they are not, in general, as common as in the Blubber Bay area. Nearly all the dykes cutting the volcanics underlying the limestone in this vicinity trend easterly. They vary in width from a few inches up to about 12 feet, and some irregular masses in quarry No. 1 attain still greater dimensions. Most of the dykes in quarries Nos. 1 and 2, unlike those elsewhere on the island, are crushed, and these, being more susceptible to erosion than the adjoining limestone, are marked by shallow ravines which are partly filled by limestone blocks fallen from their walls. The dykes do not, therefore, outcrop except on the quarry walls and on the sea cliffs. Some, at least, of these dykes may have been intruded prior to the quartz diorite and it is possible, therefore, that the crushing, like the folding and faulting in the limestone, accompanied the intrusion of the stock. One easterly-trending greenstone dyke cuts both quartz diorite and limestone west of No. 1 quarry.

The limestone encountered in the present program on the Tex Mineral Claim Group is within the lower high-calcium member of the Quatsino Formation. The underlying Karmutsen basalts are known to be exposed a short distance to the east near Myrtle Lake and dip at about 30° to the west.

DIAMOND DRILLING

A total of 3 holes were drilled in the 2000 program as summarized in Table III.

TABLE II

Drill Hole Data

	Dip/Angle	Depth	Location Easting (m)	Location Northing (m)
Tex2000-1A	-90	300 ft (91.44m)	19+15E	25+00N
Tex2000-2	-90	300 ft (91.44m)	18+00E	28+00N
Tex2000-3	-90	300 ft (91.44m)	18+00E	31+00N

Total 1040 ft = 317.00m

The locations of the three holes completed in 2000 are plotted on Figure 7. The grid was established by BP Resources in 1989.

The main rock type encountered in the drilling program is a dark grey to black, fine-grained, recrystallized, micritic limestone and 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 for each hole are contained in Appendix III. The holes are plotted in cross section on figure 8.

Hole Tex2000-1 and 1A were positioned within an area of extensive outcrop of dense grey limestone that had been recently logged. The hole is immediately south of Rumbottle Creek which is currently obstructed by a beaver dam. The hole encountered dark grey to black, fine-grained limestone varying from dark grey to relatively light grey in colour. Irregular white calcite veinlets dominate over stylolitic fractures. There are several narrow, fine-grained, brown-grey "dacitic" dikes oriented almost parallel to the core axis. The dikes contain minor disseminated pyrite.

The dominant fracture direction is less than 5° to core axis. The bottom 100 feet (30m) are composed of a bioturbated-nodular limestone. The bioturbation is reflected in the small to large rounded light grey nodules outlined by a mainly thin dark matrix. Nodules average 8mm in diameter although much larger nodules are observed. Near the end of the hole, the interstitial space between the nodules is dark grey and siliceous. A minor amount of this interstitial space is filled with sparry white calcite bounded by stylolites.

Hole Tex2000-2 also encountered a dark grey to black, fine-grained limestone cut by numerous white calcite hairlines and irregular patches. The dikes encountered in hole 2 were of the green "andesitic" variety containing porphyritic hornblende and minor epidote alteration. Distinctive bioturbation features were noted between 291' and 292' exhibiting some well-rounded nodules. Some of the interstitial material is siliceous.

Hole Tex2000-3 intersected dark grey to black, fine-grained to dense limestone associated with minor calc-silicate banding near the top of the hole. The margins of the upper dikes have narrow bleached light grey to white zones along the contacts and minor banding. The interval 257'8" to 287'7" is composed of cherty, fine grained, dark grey to black limestone. The chert appears as highly irregular vein-like chert nodules filling interstitial spaces which coalesce into small nodules. The larger wedge shaped chert zones have a distinctive granular (micro-brecciated) texture.

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 (micritic), 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 in places.

A short 10-hole program of diamond drilling was completed in 1993 for a total of 1579 ft (481.28m). The present program consisted of extending 3 of the 1993 holes to a depth of 300 feet. 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
July 15, 2000

COST ESTIMATE for FUTURE WORK

The Tex Mineral Claims Group require continued geological mapping and hand trenching in certain areas. Diamond drilling at an incline (say 60°) is recommended to define the frequency of dikes. The nature of industrial minerals suggests that a bulk sample would be useful to conduct test work for specific markets. The mineral claims should be Legal Surveyed and brought to a Mining Lease to increase the level of tenure. Environmental baseline studies should be initiated to outline the scope of mitigation and regulation.

Geological Mapping & Drill Supervision			
Senior Geologist, 8 days @ $350			$ 2,800.00
		GST	196.00
		Subtotal	$ 2,996.00
Diamond Drilling of 4 Holes @ 100m Depth Each:			
Footage price	$19.50 x 1200		$23,400.00
Mob/demob			600.00
Standby/machine time (if required) Field costs			zero
Moving, supplies, consumables			2,000.00
Meals/Accommodations			At Contractor's Expense
Set up	Field costs		1,000.00
		Subtotal	$27,000.00
Dozer time in moves/road access			
	Road - 14 hrs @ $85		$ 680.00
		Diamond Drilling Subtotal	$
Environmental Survey & Report			$ 5,000.00
Application & Preparation of required reports & documents for Mine Development Certificate			4,000.00
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	**$124,286.00**

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APPENDIX I

STATEMENT OF QUALIFICATIONS

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

July 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 Tex Mineral Claim Group, Ravens Bay – Farmhouse Deposit" dated July 15, 2000.
6. I have visited the property and supervised the drilling program in June and July 2000. 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 Tex Mineral Claim Group – Ravens 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 Chemical Lime Company of Canada Inc.

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

Respectfully Submitted

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

APPENDIX II

STATEMENT OF COSTS

July 15, 2000

Appendix II

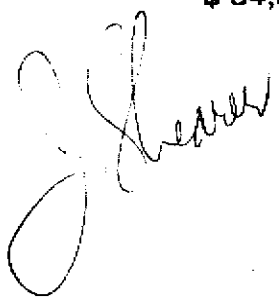
STATEMENT of COSTS

TEX MINERAL CLAIM GROUP

2000

Establishing on the Tex Mineral Claim Group Limestone Property, Spotting 4 Diamond Drillholes, co-ordinate Skidder Access, Diamond drilling, Base map production.

Wages and Benefits		
J.T. Shearer, M.Sc., P.Geo., Quarry Supervisor 98-3550		
8 days @ $350		$ 2,800.00
	GST	196.00
	Subtotal Wages	$ 2,996.00
Transportation		
Truck Rental, Fully equipped 4x4		
7 days @ 53.50		374.50
Gas		121.85
Texada Hotel & Meals		523.76
Ferries, Vancouver - Texada & Return		84.75
Supplies & Food		31.52
Maps		31.21
Diamond Drilling (Boisvenu Drilling Ltd., Invoice 2000-605)		
1040 feet in 3 holes @ $19.50/ft. + GST		21,969.57
Mob, Demob, Field time, Consumables, Waterline, Skidder Costs		3,856.68
Chemical Analysis, testing		00.00
Shipping Core to Texas		00.00
Work by K. Ginnard, Senior Geologist,		
Chemical Lime Company, Travel, Site Work		3,194.00
Report Preparation		1,349.00
Reproduction		48.00
Word Processing and Reproduction		224.00
	Total	**$ 34,804.84**



APPENDIX III

Drill Logs

July 15, 2000

CHEMICAL LIME COMPANY of CANADA INC.

Tex Group Project, Texada Island

SECTION: _____ **Diamond Drill Log** **DDH#: TEX-2000-01A**

Northing:	24+70N
Easting:	19+50E
Elevation:	Approx. 98m
Azimuth:	000
Inclination:	-90
Grid:	Quarry & BP
Length (m):	91.44m (300ft)
Core size:	BTW
Contractor:	Boisvenu
Drill Type:	Hydraulic Pack Drill

Drill Hole survey
Method: Brunton

Azimuth	Dip	Depth
000	-90	Collar

Property:	Will Claims (Lot 277)
NTS:	92F/078
Claim:	Will 5 on Lot 277
Date Started:	June 28, 2000
Date Completed:	June 29, 2000
Logged by:	J. T. Shearer, M.Sc., P.Geo.
Sampling:	All Core Removed from Property

Samples Collected every 2 ft for Chem Lime in Texas.
Ken Fields, Clifton, Texas

Purpose: ENCOUNTER EXCESSIVE DIKE IN HOLE TEX-2000-1, MOVE DRILL 30M SOUTH TO INVESTIGATE LIMESTONE QUALITY BETWEEN 150' – 300' ON HOLE 93-3 AREA

from (ft)	to (ft)	Code	Description	% core recovery	from/to	width (m)	% CaO
0.00	5'6"		**CASING**: broken bedrock starts at 2 ft, one Karmutsen Formation boulder – very chloritized amygdaloidal basalt boulder				
5'6"	41'11"		**LIMESTONE**: DARK Grey, fine grained, almost black, minor hairline lighter grey veinlets throughout mainly at low angle (<10°) to core axis. Some light grey veinlets associated with principal fracture orientation. Small 1 to 2mm in diameter white "balls" distributed throughout at 23' may be recrystallized crinoids. Minor development of dark-black coated (filled) stylolites at 75° to core axis 23'4". Fractures parallel to core axis at 23'8" are 2-3mm wide bleached halos with dark boudin-like fragments of unbleached repeated down to 29'8". Irregular finely sparry veinlets 1-2mm wide associated with occasional sparry pod up to 15mm long by 8mm wide. Irregular mottling by high angle bleaching of fractures becoming more common below 37'4" toward white at lower contact. PYRITE vein at 41'4" up to 9mm wide at 82° to core axis. Lower contact at 24° to core axis.				
41'11"	54'5"		**FINE GRAINED BROWN-GREY "DACITIC" DIKE**: Appears to be relatively hard, fine grained to aphanatic. Definitely not a green chloritic dyke. Medium grey gouge 44'8" – 46'0" containing abundant angular fragments Most of dyke rock type is broken and fractured. Most fractures which are at low angles to core axis are coated with a carbonate film and gouge. Traces of pyrite along fractures.				

from (ft)	to (ft)	Code	Description	% core recovery	from/to	width (m)	% CaO
			Lower contact at <10° to core axis but is also brecciated and sheared out.				
54'5"	58'9"		**SLIGHTLY SILICIFIED** Medium grey LIMESTONE still relatively fine grained.				
58'9"	71'3"		**FINE GRAINED LIGHT GREY DIKE**: "Dacitic" pyrite more abundant along calcite stringers, most pyrite is finely crystalline. Upper contact <5° to core axis, Lower contact slightly undulating sub-parallel to core axis. Lower contact exposed in the core 67'6" – 71'3". Grey gouge up to 1.4cm wide, gouge common in rubble. Minor dissolution along lower contact. (This dike is only a few inches wide but almost vertical in orientation.)				
71'3"	84'2"		**LIMESTONE**: dark grey to black, very fine grained, minor healed brecciation down to 72' Relatively uniform down to 80'2" to a 4mm wide gouge filled fracture at 28° to core axis. Limestone starts to be broken at 83'3" and is cut by a 12mm wide gouge filled fault zone at the lower contact at 84'2".				
84'2"	142'6"		**LIGHT GREY SPECKLED DIKE (DACITIC)**: Fractures and calcite filled breaks are <3° to core axis. ABUNDANT FINELY DIVIDED DISSEMINATED PYRITE. pyrite also concentrated along fractures at 15° to core axis. White sparry white quartz-calcite veinlets at 85° to core axis are common at the top of this interval and at 89'8". Quartz veinlets up to 3.8cm wide at 97'6", 102'8" at 42° to core axis. Irregular anhedral to subhedral plagioclase phenocrysts common from 90' and down, some rare pheno up to 4mm across. In places the rock is crowded with phenos. Shear veins and fractures are all subparallel to core axis. Disseminated pyrite in small crystals and aggregates along fractures is up to 5% between 96'0" - 98'6". Minor disseminated pyrite is common throughout. Core highly fractured in wedge shaped pieces, slight increase in epidote 115-126. Solid chlorite dike 126' to 142'6". Chlorite coating fractures, Quartz-calcite vein brecciation common. One half of core dike – other half limestone from 140'8" to 143'.				
142'6"	213'0"		**LIMESTONE**: Fine grained, dark grey to black, relatively uniform, low angle (<15°) sharp and smooth fractures.				

from (ft)	to (ft)	Code	Description	% core recovery	from/to	width (m)	% CaO
			Very minor white hairline mottling, mainly subparallel to core axis. Occasional dark to black hairline. Network of white bleaching around fractures 159'6" - 164'5". Rough natural fracture at low angle to core axis. Possible bioturbation 176 – 194'6" texture, reflecting original biological activity, incipient and nodular appearance on a fine scale, rough alignment of biotubation. Lines vary between 85° to 65° to core axis. Black spider web appearance. Minor irregular white lines and patches. Main fracture direction at <5° to core axis giving rise to relatively smooth fractures. Minor stylolites development 182 associated with white sparry patches up to 18mm across. Main fracture orientation increasing to 15° to core axis around 204 and below. Rock around 200' appears to be significantly softer than upper Limestone sections. Gradational Lower contact.				
213'0"	300'0" E.O.H.		**BIOTURBATED – NODULAR LIMESTONE:** Groundmass composed mainly of fine grained, dark grey to black micrite, Small to large rounded light grey nodules outlined by mainly thin dark matrix. Nodules averaging about 8mm in diameter although much large nodules are evident. Larger oovoid sparry patches start below 215', these structures are up to 15mm in length and may represent recrystallized forams, crinoids or bivalves. Minor Insitu brecciation between 226' – 240', intense sparry matrix breccia 227'6" - 227'11" at 6° to core axis, white matrix contains some silica content. Small to large rounded light grey nodules outlined by mainly thin dark matrix. Nodules averaging about 8mm in diameter although much large nodules are evident. Fracture orientation 229' to 238' is parallel to core axis. Nodular texture well developed between 240'-250'. CORE RECOVERY PROBLEMS with core tube not locking between 240' - 250' = 60% recovery, the core that was recovered is misshapen. Some white sparry patches are associated with the centres of the bioturbation nodules. Network of white sparry veinlets between 250' 253' in random orientation. Fractures 268' - 272' are parallel to core axis.	60	240' – 250'		

CHEMICAL LIME COMPANY of CANADA INC.

Tex Group Project, Texada Island

SECTION: _____ Page: 4 of 4 **DDH#: TEX-2000-01A**

from (ft)	to (ft)	Code	Description	core recovery	from/to	width (m)	% CaO
			Organic trash - fecal pellets at 268' dark layered zone 18mm x 18mm has minor pyrite associated with poorly developed stylolites at low angle to core axis. Stylolite at 278'1" at 80° to core axis. Bioturbation strongly developed 296' to 300' (EOH) The interstitial space between the nodules at 297' is dark grey and silicieous, a minor amount of this interstitial space is filled with sparry white calcite bounded by stylolites.				

END OF HOLE 300 FEET
EOH

CHEMICAL LIME COMPANY of CANADA INC.

Tex Group Project, Texada Island

SECTION: _____ **Diamond Drill Log** **DDH#: TEX-2000-02**

Northing:	28+00N
Easting:	18+00E
Elevation:	Approx. 110m
Azimuth:	000
Inclination:	-90
Grid:	Quarry & BP
Length (m):	91.44m (300ft)
Core size:	BTW
Contractor:	Boisvenu
Drill Type:	Hydraulic Pack Drill

Drill Hole survey
Method: Brunton

Azimuth	Dip	Depth
000	-90	Collar

Property:	Will Claims (Lot 277)
NTS:	92F/078
Claim:	Will 5 on Lot 277
Date Started:	June 29, 2000
Date Completed:	June 30, 2000
Logged by:	J. T. Shearer, M.Sc., P.Geo.
Sampling:	All Core Removed from Property

Samples Collected every 2 ft for Chem Lime in Texas.
Ken Fields, Clifton, Texas

Purpose: RE-DRILL HOLE TEX-93-11 TO INVESTIGATE LIMESTONE QUALITY BETWEEN 150' AND 300'. 98.09% $CaCO_3$

from (ft)	to (ft)	Code	Description	% core recovery	from/to	width	% CaO
0.00	2'0"		**CASING**: No core recovery				
2'0"	44'7"		**LIMESTONE**: Very fine grained, dark grey to black, relatively uniform throughout,	75%	2' - 8'	5'	
			White sparry calcite veinlets predominate 8'2" - 8'9" at 12° to core axis, somewhat irregular and wispy in overall appearance.	94%	8' - 10'		
			Minor white hairlines fairly common at <5° to core axis associated with	100	10' - 15'		
			Occasional coarser calcite grains are observed within the generally very fine grained groundmass.	102	15' - 20'		
			White hairlines and veinlets at <10° to core axis are slightly more abundant 17'0" - 18'0"	103	20' - 25'		
			Dark grey to black indistinct hairlines becoming conspicuous at 20'6", irregular in pattern but with an overall rough orientation of 68° to core axis.	100	25' - 30'		
			Apparently is a manifestation of bioturbation. The nodular pattern is not very well developed.	98	30' - 35'		
			White irregular small patches and hairlines common in certain sections. Grain size of matrix is very slightly coarser.	100	35' - 40'		
			Indistinct pelletoidal textures at 28' and below, suggestive of relict organic structures.	100	40' - 45'		
44'7"	45'5"		**CHLORITIC "ANDESITIC" DIKE**: Dark green, fine-grained matrix with porphyritic hornblende, minor carbonate on fractures, overall dike is not as fractured as dike in hole 1 & 1A. Minor ovoid amygdaloidal texture.	95	45' - 50'		
			Lower contact at 43° to core axis, sharp, some amygdalues have epidote, white veinlets at 40° also contain epidote.	100	50' - 55'		
45'5"	50'10"		**LIMESTONE**: Fine grained, dark grey to black, appears to be finer grained than interval just above, relatively uniform, poorly fractures but does have white hairlines at low angle to core axis.	100	55' - 60'		

CHEMICAL LIME COMPANY of CANADA INC.

Tex Group Project, Texada Island

SECTION: _____ Page: 2 of 3 **DDH#: TEX-2000-02**

from (ft)	to (ft)	Code	Description	% core recovery	from/to	width (m)	% CaO
			Overall relatively soft.	99	60' – 65'		
50'10"	54'9"		**VERY CHLORITIC GREEN DIKE**: Abundant slickensides, intense chlorite content, original mineral constituents are bleached out and highly altered. Very friable	100	65' – 70'		
			Upper contact is at <5° then changing to 35° to core axis.		70' – 75' box 4 – 5		
			Lower Contact is very sharp and is the same as Dike above at 43° to core axis.	100	75' – 80'		
			Traces of pyrite and hematite smeared out along some of the slickensides.	99	80' – 85'		
54'9"	300'0" E.O.H.		**LIMESTONE**: Fine grained, dark grey to black, *more fractured than previous intervals, higher* content of small irregular white sparry veinlets and patches mainly at <10° to core axis but also curved in places.	101	85' – 90'		
				99	90' – 95'		
			Irregular stylolites at roughly 80° to core axis become more numerous with a rough spacing of one stylolites every 1 foot starting at 66'.	99	95' – 100'		
				102	100' – 105'		
			Trace of disseminated pyrite at 89'11" associated with low angle stylolites.	98	105' – 110' box 6		
			Vague bioturbation textures at 88'6", minor dark wispy lines throughout, minor wispy white	99	110' – 115'		
			hairlines and patches <5° to core axis.	101	115' – 120'		
			Minor fractures at <5° to core axis, fracture surface is rough.	101	120' – 125'		
			White sparry veinlets at 90'10" – 91'1" at 28° to core axis.	100	125' – 130'		
			Relatively uniform throughout, rarely does the insoluble material within the stylolites seldom exceeds 0.5mm	99	130' – 135'		
			Concentration of stylolites associated with gougy fractures. White veinlets continue to be <5° to core axis.	101	135' – 140'		
			White irregular patches and perhaps breccia matrix infilling 119'6" – 121'0".	101	140' – 145'		
			Main fracture orientation still parallel to core axis, core breaks in a rough concave pattern.	100	145' – 150'		
			Minor small 1-3mm irregular chert blebs (too small to be termed a chert nodule) observed at 129'10".	100	150' – 155'		
			Slightly more noticeable bioturbation texture – black indistinct hairlines at 139' and down.	101	155' – 160'		
			More slump features and bioturbation 156' – 157' ≈ 80° to core axis.	100	160' – 165'		
			White sparry veinlets are sometimes enechelon or offset along bioturbation lines.	105	165' – 170'		
			Core generally not fractured throughout interval.	100	170' – 175'		
			White calcite filled shear zone 175'11" – 176'2" at 51° to core axis containing irregular – ragged chlorite clots.	100	175' – 180'		
			Stylolites common near shear zone.	100	180' – 185'		

CHEMICAL LIME COMPANY of CANADA INC.

Tex Group Project, Texada Island

SECTION: _____ Page: 3 of 3 **DDH#: TEX-2000-02**

from (ft)	to (ft)	Code	Description	% core recovery	from/to	width (m)	% CaO
			White sparry brecciation common 179'8" – 180'8" at <5° to core axis – demonstrating minor dissolution.	100	185' – 190'		
			Dark sub-rounded fragments minor abundance at 182'	100	190' – 195'		
			Low angle fractures common, minor shearing irregular 75-80° to core axis, 5mm wide of calcite, chlorite and pyrite at 194'10"	100	195' – 200'		
			Close spaced dark hairlines gradually increasing in frequency to 198'.	100	200' – 205'		
			198' – 200' the dark hairlines are about 1.5 to 2cm apart at about 65-70° to core axis.	100	205' – 210'		
			Relatively uniform section, low angle fractures widely spaced, minor small 1-2mm indistinct white spheroidal patches, perhaps original organic structures.	100	210' – 215'		
			Fewer bioturbation lines below 205 or they become very vague, long solid sections of core.	100	215' – 220'		
			Contorted bioturbation lines 227'6" – 228'2" some dark grey "star" interstitial space filling.	100	220' – 225		
			Chloritic shear zone 233'4" at 8mm wide at 80° to core axis.	100	225' – 230'		
			A few widely spaced white stringers 60° to core axis up to 5mm wide.	100	230' – 235'		
			Hackly fractured in places, core makes a distinctive chinking sound when struck.	98	235' – 240'		
			More fractured 268'6" – 271' surrounding a stylolites containing small lenses of fine grained pyrite.	100	240' – 245'		
			Short concentration of stylolites 283', more fractured.	100	245' – 250'		
			Green gouge filled fracture at 284'10" – 285'1", 3mm wide gouge at 8° to core axis parts extending down to 287'.	100	250' – 255'		
			Highly fractured 288' – 290', network of stylolites, white sparry hairlines and low angle fractures.	100	255' – 260'		
			Traces of pyrite along stylolites at 289'10"	100	260' – 265'		
			Distinctive bioturbation features 291'4" – 292'4", some well defined and rounded nodules are outlined, some dark grey interstitial material which appears siliceous associated with traces of pyrite	105	265' – 270'		
			Bioturbation less well developed to 300' (EOH)	100	270' – 275'		
				100	275' – 280'		
				100	280' – 285'		
				100	285' – 290'		
				100	290' – 295'		
				100	295' – 300		

END OF HOLE 300 FEET
EOH

CHEMICAL LIME COMPANY of CANADA INC.

Tex Group Project, Texada Island

ECTION: _____ **Diamond Drill Log** **DDH#: TEX-2000-03**

Northing:	31+00N
Easting:	18+00E
Elevation:	Approx. 112m
Azimuth:	000
Inclination:	-90
Grid:	Quarry
Length (m):	91.44m (300ft)
Core size:	BTW
Contractor:	Boisvenu
Drill Type:	Hydraulic Pack Drill

Drill Hole survey
Method: Brunton

Azimuth	Dip	Depth
000	-90	Collar

Property:	Will Claims (Lot 277)
NTS:	92F/078
Claim:	Will 5 on Lot 277
Date Started:	July 1, 2000
Date Completed:	July 1, 2000
Logged by:	J. T. Shearer, M.Sc., P.Geo.
Sampling:	All Core Removed from Property

Samples Collected every 2 ft for Chem Lime in Texas.
Ken Fields, Clifton, Texas

Purpose: RE-DRILL HOLE TEX-93-14 TO INVESTIGATE LIMESTONE QUALITY BETWEEN 150' AND 300' depth. 98.00% $CaCO_3$ Present hole collared at 14A location. 30m from end of tote road.

from (ft)	to (ft)	Code	Description	% core recovery	from/to	width (m)	% CaO
0.00	2'		**CASING**: NO CORE RECOVERY, a few rounded boulders, some of porphyritic dike.	0	0' - 2'		
2'0"	44'2"		**LIMESTONE**: fine-grained, dark grey to black, some small cleavage traces are discernable in broken core giving this interval a slightly coarser grain size than rock encountered in hole TEX-2000-02	85	2' - 10'		
				98	10' - 15'		
			Main fracture direction is at a low angle to core axis, thin carbonate films are common on fracture surfaces. Minor irregular white hairlines and small patches which are sub-parallel to core axis.	98	15' - 20'		
				101	20' - 25'		
				100	25' - 30'		
			Rough concave breakage is common	98	30' - 35'		
			CALC-SILICATES in bands at 12° to core axis of light yellow-green, relatively fine-grained, calcareous diopside, epidote and other calc-silicates containing small lenses of pyrite 26'7" - 27'1". Lighter coloured rectangular ghosts could be relict plagioclase and these bands could very well be dikelets.	100	35' - 40'		
				100	40' - 45'		
				100	45' - 50'		
			Yellow-green bands 31'6" - 32'2" wide spaced up to 6mm wide at 16° to core axis, appears to be compositionally banded, very calcareous with minor siliceous component, also contains indistinct "phenos" associated with very small pyrite lenses, some narrow zones of white bleaching at 30'6" 3 to 5mm wide.				
			Colour of limestone gradually becomes lighter until at 43' it is quite light grey to white.				
44'2"	47'9"		**DARK GREEN "ANDESITIC" DIKE**: upper contact is quite irregular and brecciated by is <10° to core axis (therefore dike is less than 1' wide). Lower contact is also brecciated with 46'9" - 47'6" being light grey limestone.	98	50' - 55'		
				98	55' - 60'		
				98	60' - 65'		
			The main dark green colour is mottled by minor to intense epidote development concentrated along 70° to core axis fractures.	100	65' - 70'		
				100	70' - 75'		

CHEMICAL LIME COMPANY of CANADA INC.

Tex Group Project, Texada Island

SECTION: _____ Page: 2 of 4 **DDH#: TEX-2000-03**

from (ft)	to (ft)	Code	Description	% core recovery	from/to	width (m)	% CaO
			Dike is also cut by 18° calcite stringers 3 – 5mm wide.	100	75' – 80'		
			Minor pyrite throughout dike interval. The last fragment has a well-developed reaction rim, bleached and chlorite introduced.	100	80' – 85'		
				100	85' – 90'		
47'9"	65'11"		**LIMESTONE**: Light grey to white, coarse sugary crystallinity, minor dark grey mottling.	100	90' – 95'		
			From 47'9" – 52'7" have variable concentrations of calc-silicate minerals, Tremolite-diopside-epidote which are associated with traces of disseminated pyrite. The distribution of these skarn minerals appear to be along contacts at <5° to core axis.	98	95' – 100'		
				100	100' – 105'		
				100	105' – 110'		
			Limestone becoming finer grained and "waxy in appearance around 55'	100	110' – 115'		
			Change from light grey to white to medium grey at 59'.	100	115' – 120'		
			Mostly dark grey-medium grey to 63'6" then some alternating light and dark banded at 21° to core axis associated with chloritic stylolites.	100	120' – 125'		
				100	125' – 130'		
65'11"	91'4"		**LIMESTONE**: Dark grey to black, fine-grained, fractured at low angle to core axis.	96	130' – 135'		
			White hairlines and indistinct white patches common throughout at sub-parallel to core axis but relatively uniform throughout.	101	135' – 140'		
				100	140' – 145' box 8		
			Stylolite and white patches common at 76'1", low angle fractures 80' – 81'.	100	145' – 150'		
			Trace of pyrite dusting along low angle fractures at 89'.	100	150' – 155'		
			Bleaching 90'8" – 91'4", light grey to white along contact with igneous dike, thin veinlets of pyrite at 91'2".	100	155' – 160'		
			Lower contact at 76° to core axis, coarse crystalline calcite for within 2" of contact.	100	160' – 165'		
91'4"	93'2"		**LIGHT GREY FINE-GRAINED DIKE**: very light green colour in places cut by a network of quartz-calcite veinlets at 60° to core axis.	100	165' – 170'		
			Pyrite common on fracture surfaces, superficially resembles altered limestone, pyrite disseminated throughout.	100	170' – 175'		
			Lower contact at 25° to core axis.	100	175' – 180'		
93'2"	223'9"		**LIMESTONE**: Dark grey to black, fine grained, typical of upper intervals, minor white hairlines and irregular white calcite patches at <5° to core axis.	100	180' – 190'		
			Cross-core brakes tend to have a concave pattern. Very indistinct bioturbation, black hairlines, occasional stylolites.	100	190' – 195'		
				100	195' – 200'		
			Larger white ovoids 111'5" has a radial aspect internally perhaps a coral fossil.	98	200' – 205'		
			Minor pyrite associated 113'6" with white sparry veinlet 10° to core axis, intermittent pyrite blebs along the veinlet margins.	95	205' – 210'		
				100	210' – 215'		

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SECTION: _____ Page: 3 of 4 **DDH#: TEX-2000-03**

from (ft)	to (ft)	Code	Description	% core recovery	from/to	width (m)	% CaO
			Bioturbation lines at 1220'4" outlining incipient nodules.	100	215' – 220'		
			Segmented white calcite structure at 129'6.5" and is 6mm in length, body part of an arthropod.	94	220' – 225		
			Several high angle stylolites 130' - 131'	99	225' – 230'		
			Trace of dark gouge on stylolites at 149'8" at 75° to core axis.	95	230' – 235'		
			Core unusually fractured 155' – 157'6", fractures sub-parallel to core.	100	235' – 240'		
			Uniform section 160' down to occasional 1 – 2mm dark material, appears to be silica mini-nodules.	100	240' – 245'		
			Close spaced bioturbation 182'10" - 183'2", stylolites spaced about 12" apart 185' – 195'.	100	245' – 250'		
			Very fractured core 201' – 209' most fractures are <5° to core axis.	98	250' – 255'		
			DIKE "Inclusion" at 115'2" 13mmx26mm, presumably a dike fragment off the main dike, highly altered, partially plucked out by drill	100	255' – 260'		
223'9"	224'4"		**LIGHT GREEN, FINE-GRAINED DIKE**: fine-grained but has a slight lineation. Upper contact at 27° to core axis along a sharp fracture.	100 103	260' – 265' 265' – 270'		
			Lower contact along a 28° gouge filled fracture up to 5mm of grey to green gouge, some sheared white calcite also	100	270' – 275' 275' – 280'		
224'4"	231'10"		**LIMESTONE**: dark grey to black, fine-grained, typical limestone as above, no increase in bleaching in this section.	100	280' – 285'		
			Dikelet at 228'7" is 12mm wide and contorted, 3 – 4mm of bleaching radiating out from dikelet, dike light green, some minor reaction rim developed, traces of pyrite.	100	285' – 290'		
231'10"	234'10"		**MEDIUM TO LIGHT GREEN, FINE-GRAINED DIKE**: abundant gouge, highly fractured.	100	290' – 295'		
			Upper contact at 25° to core axis, however a thick gouge section occurs 232'2" – 232'8" contains quartz breccia fragments, quartz-calcite veinlet at 9mm wide at 72° to core axis at 233'10".	100	295' – 300		
234'10"	257'8"		**LIMESTONE**: dark grey-black, fine-grained, typical of limestone sections above.				
			Highly ptygmatic stylolites at 241'3" at 77° to core axis.				
			Fractures still <5° to core axis.				
257'8"	287'7"		**LIMESTONE**: Cherty, highly irregular "vein"-like chert nodules as interstitial space coalescing into small nodules 257'8" – 259'4" and also down to 264', wedge shaped chert nodules 261'10" up to 16mm wide.				
			The larger chert nodules have a granular appearance.				
			Chert zone 279'3" – 279'6" associated with cores of sparry white calcite.				

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SECTION: _____ Page: 4 of 4 **DDH#: TEX-2000-03**

from (ft)	to (ft)	Code	Description	% core recovery	from/to	width (m)	% CaO
287'7"	300' E.O.H.		**LIMESTONE**: dark grey to black, fine-grained, indistinct bioturbation, dark hairlines. Minor white hairlines and patches oriented <5° to core axis. Fractures <5°d to core axis. Minor stylolites at high angle to core axis.				

END OF HOLE 300 FEET
EOH
(17 boxes)

CHEMICAL LIME COMPANY of CANADA INC.

Tex Group Project, Texada Island

'ECTION: _____ **Diamond Drill Log** **DDH#: TEX-2000-01**

Northing:	25+00N
Easting:	19+50E
Elevation:	Approx. 98m
Azimuth:	000
Inclination:	-90
Grid:	Quarry & BP
Length (m):	42.67m (140ft)
Core size:	BTW
Contractor:	Boisvenu
Drill Type:	Hydraulic Pack Drill

Drill Hole survey
Method: Brunton

Azimuth	Dip	Depth
000	-90	Collar

Property:	Will Claims (Lot 277)
NTS:	92F/078
Claim:	Will 5 on Lot 277
Date Started:	June 27, 2000
Date Completed:	June 27, 2000
Logged by:	J. T. Shearer, M.Sc., P.Geo.
Sampling:	All Core Removed from Property

Samples Collected every 2 ft for Chem Lime in Texas.
Ken Fields, Clifton, Texas

Purpose: RE-DRILL HOLE TEX-93-3 TO INVESTIGATE LIMESTONE QUALITY BETWEEN 15' AND 300' 99.58% $CaCO_3$

from (ft)	to (ft)	Code	Description	% core recovery	from/to	width (m)	% CaO
0.00	6'0"		**OVERBURDEN and ROADFILL and BROKEN ROCK**				
6'0"	10'11"		**LIMESTONE**: dark grey to black, fine-grained, minor mottling with lighter grey indistinct patches and hairline white veinlets mainly at 10° to core axis. Network of indistinct white mottling – white hairlines relatively soft. Fractures almost parallel to core axis. Lower contact along sub-parallel to core axis.	75	6' – 10'		
10'11"	15'5"		**DIKE**: Medium green, highly sheared, core very rubbly lighter green shear planes, shear direction is also <5° to core axis.	≈60	in dike		
			Contact stylolite continues into lower limestone to 16'10" which is slightly coated with talc or other calc-silicate.	100	15' – 20'		
15'5"	26'1"		**LIMESTONE**: dark grey to black, fine-grained, indistinct mottling by slightly lighter grey patches and whiter hairline veinlets. Fracturing <5° to sub-parallel to core axis Slight increase in lighter grey mottling from 24' and down, angle of mottling veinlets increases to >45°. Minor sugary texture at 25'10", glassy appearance along broken core perpendicular to core axis. Faulted fragment of dike 19'01" – 19'05", wedge shaped fragment of dark green sheared dike along contact of 12° to core axis. Stylolite, upper contact 85° to core axis, soft, numerous parallel stylolites without dike fragments.	100	20' – 25'		
26'1"	32'8"		**WHITE LIMESTONE**: light grey to white, gradational upper and lower contacts, low angle fractures common, distinctly sugary texture at 30'6", slightly coarser grained. Lower contact along 10° to core axis fractures.				
32'8"	48'3"		**LIMESTONE**: mainly fine-grained, dark grey but containing abundant irregular light grey to white patches and veinlets throughout.				

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Tex Group Project, Texada Island

ECTION: _____ Page: 2 of 2 **DDH#: TEX-2000-01**

from (ft)	to (ft)	Code	Description	core recovery	from/to	width (m)	% CaO
			White veinlets at 37'6" is up to 10mm wide at 27° to core axis, most of the narrow white veinlets are <10° to core axis. Well fractured at <20° to core axis, minor stylolite development along some fractures. Concentration of white mottling mainly at 60° to 70° to core axis between 46'1" - 48'3". Gradational lower contact.				
48'3"	70'0"		**LIMESTONE**: dark grey to black, fine-grained, some sections are slightly coarser grained. Numerous fractures at <10° to core axis. *Green gouge along 4° to core axis, fracture61'11" - 62'6"*, more highly fractured around gouge filled fractures. White veinlets up to 5mm wide at 21° to core axis between 68'0" - 68'6" with narrow dike. Limestone down to 70', green gouge 68'6" - 69'1".				
70'0"	140'0" E.O.H.		**DIKE**: dark green, highly sheared, abundant short sections of gouge, core broken into wedge shaped rubble, sheared down to 75'0" Solid core below 75'0" of feldspar porphyry which is moderately chloritized and epidotized.				

END OF HOLE 140 FEET
42.67m