THUNDER CLAIMS

20 CLAIM UNITS

URSUS CREEK , VANCOUVER ISLAND

REPORT BY : JOHN TELEGUS

92F/5E

49° 22' N

125° 34' W

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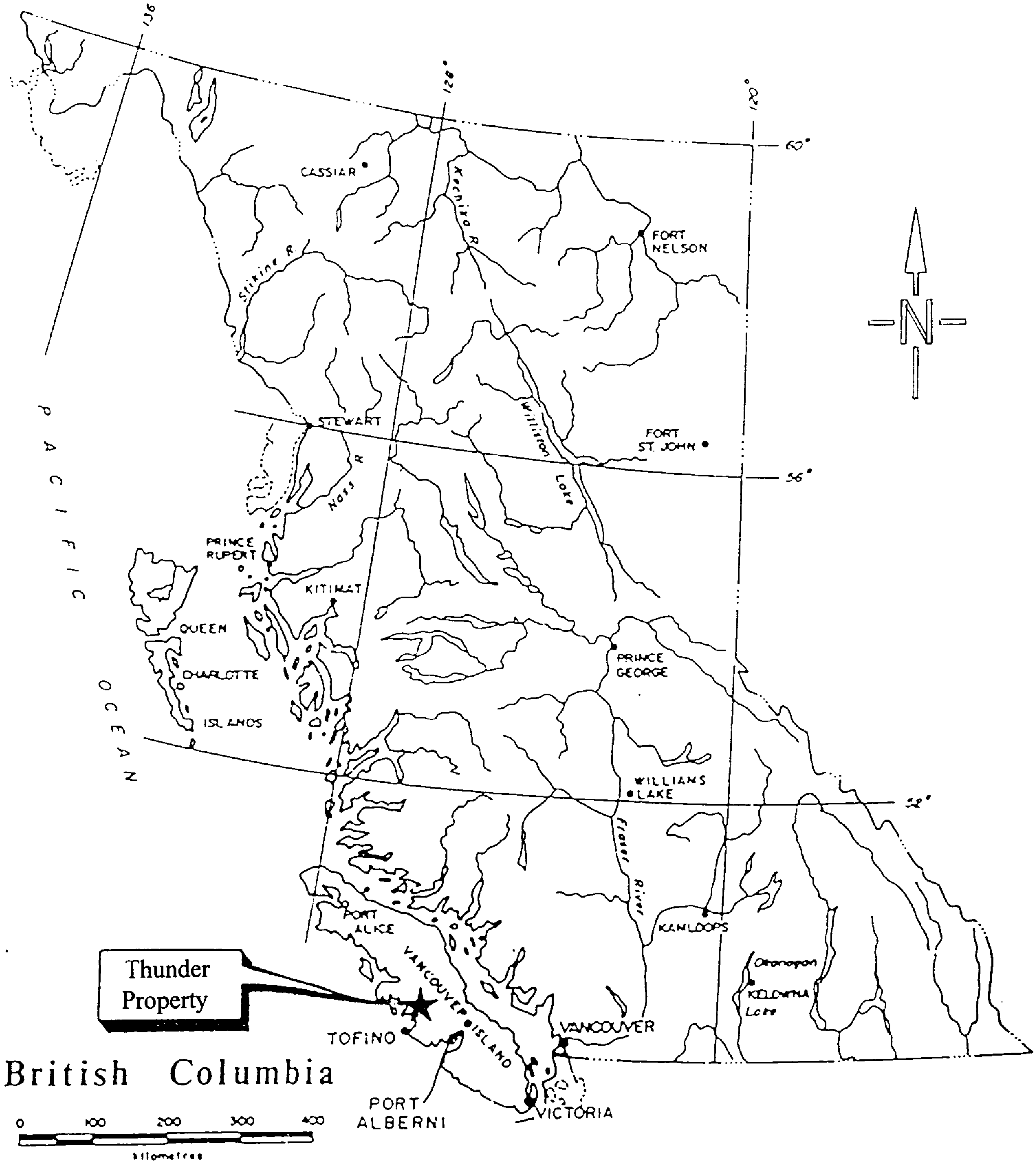
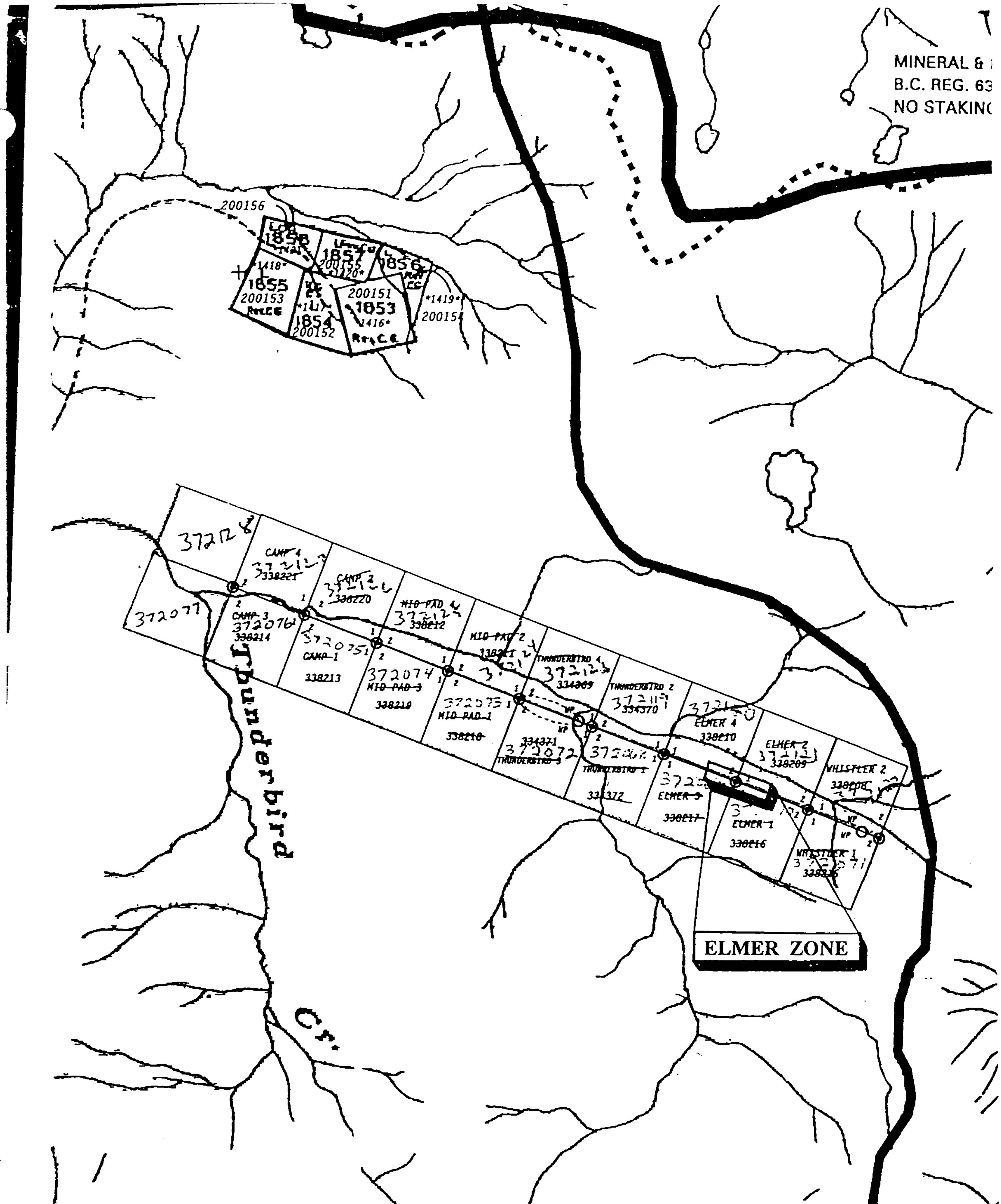


PROJECT 1

GENERAL LOCATION MAP

Scale: as shown	N.T.S. 92F/5


MINERAL &
B.C. REG. 63
NO STAKIN
200156
1858
1857
1856
1855
200153
1854
200152
200151
1853
200154
372128
CAMP 4
338221
CAMP 2
338220
MID PAD 4
338212
MID PAD 2
THUNDERBIRD 4
334369
THUNDERBIRD 2
334370
ELMER 4
338210
ELMER 2
338209
WHISTLER 2
372077
CAMP 3
372076
338214
372075
CAMP 1
338213
372074
MID PAD 3
338219
372073
MID PAD 1
338218
334371
372072
THUNDERBIRD 3
THUNDERBIRD 1
334372
ELMER 3
338217
ELMER 1
338216
WHISTLER 1
ELMER ZONE
Thunderbird Cr.

THUNDER CLAIM

LOCATION

The Thunder claim group is located along the upper reaches of Ursus Creek, which is 60 km west of Port Alberni on Vancouver Island. Thunder claims totals 20 units measuring 1 kilometre wide, and is 5 kilometres long. Ten claims are each owned by John Telegus and Simon Salmon.

N.T.S. 92-F-05
LATITUDE 49 23
LONGITUDE 125 37

ACCESS

Access is by helicopter 60 km west from Port Alberni. There are four helipads that can be used for landing on the Thunderbird claim group and are located near each of the main four gold showings. The two helipads that are known to be clear at this time, are the Junction pad and the Elmer pad. The Junction helipad is located at the fork of Ursus creek and the northwest flowing Junction creek. The Elmer helipad is located 1.5 km east from the Junction creek fork, and 200 metres south of Ursus creek, up a mountain ridge in thick forest.

HISTORY

In 1939 two prospectors discovered coarse gold in float at the junction of Ursus and Thunderbird creeks. Through hand trenching, they found a stockwork of narrow quartz veins which proved erratic and too low in gold to be economical. In the middle to late 1980's three junior mining companies carried out extensive exploration work along the upper reaches of Ursus Creek. Four gold zones have been identified and mapped along a four-km area in the Ursus creek valley.

REGIONAL GEOLOGY

The Ursus Creek area is dominated by Karmutsen basalt through the middle to late Triassic age. These basalts are overlain by massive to thickly bedded calcareous mudstones of the Quatsino Formation. These volcanic and stratified rocks have been invaded by the middle to late Jurassic biotite-hornblende granodiorite and quartz diorite. Tertiary quartz diorites of the Catface Intrusions also occur in the area and are difficult to distinguish from the late Jurassic quartz diorites of the Island Intrusions. The area has been subjected to major faulting with a dominant northwest-southeast trend across the Thunderbird claim area. Geologic evidence on the claim group indicates faults have reactivated over time.

Elmer Zone

Two parallel quartz veins 25 metres apart, are located about 150 metres south of Ursus creek, and 1.5km east of the Junction creek zone. The quartz veins vary from 0.2 to 1 metre wide and are detected over a 300 metre strike length. These veins are hosted by chlorite and carbonate altered quartz diorites. There are significant levels of sulphides within the quartz veins which can vary up to 20% pyrite, 10% galena, and 5% sphalerite. Gold values have returned up to 0.6 oz / ton Au. Chip samples in the host quartz diorites near the quartz veins are also anomalous in gold up to 0.1 oz / ton.

ASSESSMENT REPORTS

1989	No.19374	Hudson K.
1984	No 12623	Craig, S..

1999 EXPLORATION WORK (ELMER ZONE)

There are four significant showings on the Thunder claims. Work was concentrated on the Elmer zone located in the eastern part of the Thunder claims and 200 metres south of Ursus creek. Previous work included two small trenches on two parallel quartz veins 0.5 to 1.5 metres wide which contain anomalous gold up to 0.7 opt. Several rock samples were collected along the strike of the quartz veins, of which most were anomalous in gold. These quartz veins are said to continue for 300 metres to the west from nearby Ursus creek. Work in 1999 included geochemical, geophysical and geological mapping along the strike of the Elmer zone.

GEOLOGY & ALTERATION

The host rock along the Elmer zone is composed of a quartz diorite intrusive. A multiple shear zone system has cut the quartz diorite along an east-west strike. These shears can be seen in the form of sharp ridges and gullies along a north sloping mountain terrain. This shear zone system contains at least five separate fractures, that overall measures a minimum 100 metres wide and 300 metres long. The two quartz veins discovered to date, run parallel and within two of these shear zones. Smaller quartz stringers, up to 10 centimetres wide, have also been found in a 20 metre radius of both north and south quartz veins. It appears that the multiple fracturing of the host rock has provided the conduit for quartz vein deposition in the area. This apparent fracturing and secondary mineral deposition may be related to the major Ursus creek fault zone, 100 to 200 metres north.

The host quartz diorite have been extensively altered along the shear zone system. Wide spread disseminated pyrite is seen near and outside of these separate shears. The quartz diorite shows secondary alterations of chlorite, epidote, and carbonate fractures within several outcrops. The more mineralized rocks are the quartz veins and smaller quartz stringers. Here, pyrite and galena are prominent with lesser sphalerite, and finally, the more rare visible gold.

Seven rock chip samples were collected for assay around the shear zone area. The five samples that contain quartz vein material, were all anomalous in gold. Three samples taken along the strike of the two quartz veins carried high values of gold (#9902 at 16.6 gpt, #9906 at 38.4 gpt, and #9907 at 11.7 gpt). Arsenic also appears high in three of the seven rock samples.

GEOCHEMICAL SURVEY

The soil geochemical survey planned, included 126 samples at 10 metre intervals and along five lines proved impossible to complete. The BF soil horizon was nonexistent in most areas of the survey grid. Two days of sampling the mostly steep slopes of the grid lines produced 19 soil samples. Of these, seven contain anomalous gold from 20 ppb. to 200 ppb. Arsenic was anomalous in ten samples from 20 ppm., to over 1300 ppm. Altogether, 13 of the 19 soil sample sites are anomalous in either arsenic or gold. It appears that arsenic is a good pathfinder element to gold mineralization in soil samples collected. Two soil samples 40N and 50N on line 200 reveal highly anomalous gold and arsenic. The strike of the most northern shear zone mapped crosses this soil anomaly, and may represent a north extension of the gold mineralized shear zone system.. A soil geochemical map shows a highlight of arsenic and gold anomalies on map 1-1.

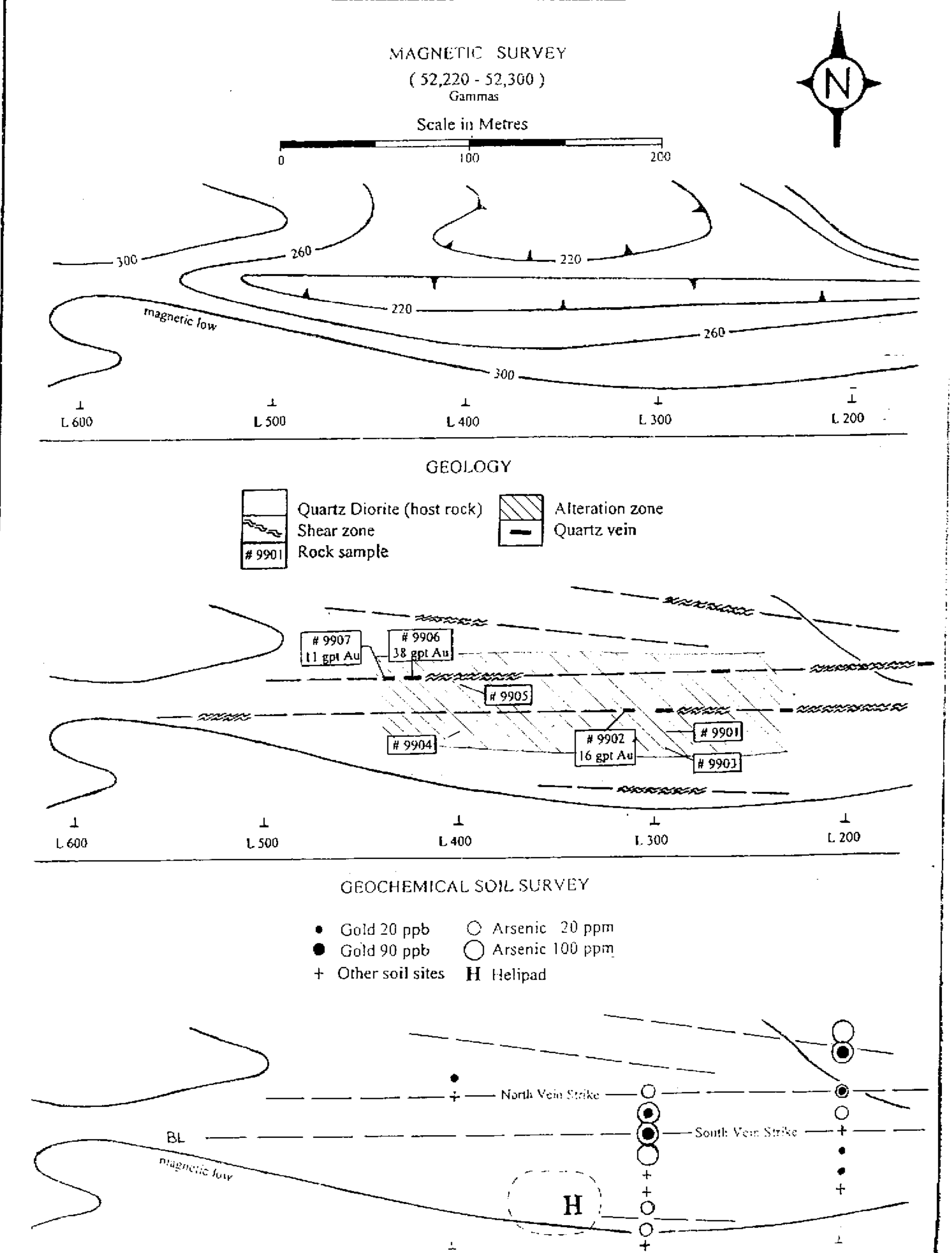
GEOPHYSICAL SURVEY (Elmer Zone)

A magnetic geophysical survey was completed on the Elmer Zone. The grid size was reduced to a tighter 10 metre station interval because field observations indicated the quartz veins were related to a multiple shear zone system in the Elmer Zone area, and the magnetic survey may have difficulty identifying these smaller structures.

The overall grid dimensions were confined to a 100 by 400 metre area around the Elmer veins, due to steep slopes and rock slides in the area, which became too difficult to traverse. Grid lines are spaced at 100 metres intervals.

The main base station was set up at the helipad, then secondary base stations were set up at the zero stations of each line. The time and first readings of the base stations were recorded to identify the drift and the subsequent final reading for use in calculating the base shift of each station within the grid. The instrument used on this survey was a Fluxgate Magnometer made by Geotech.

ELMER ZONE MAP I - 1



MAGNETIC SURVEY INTERPRETATION

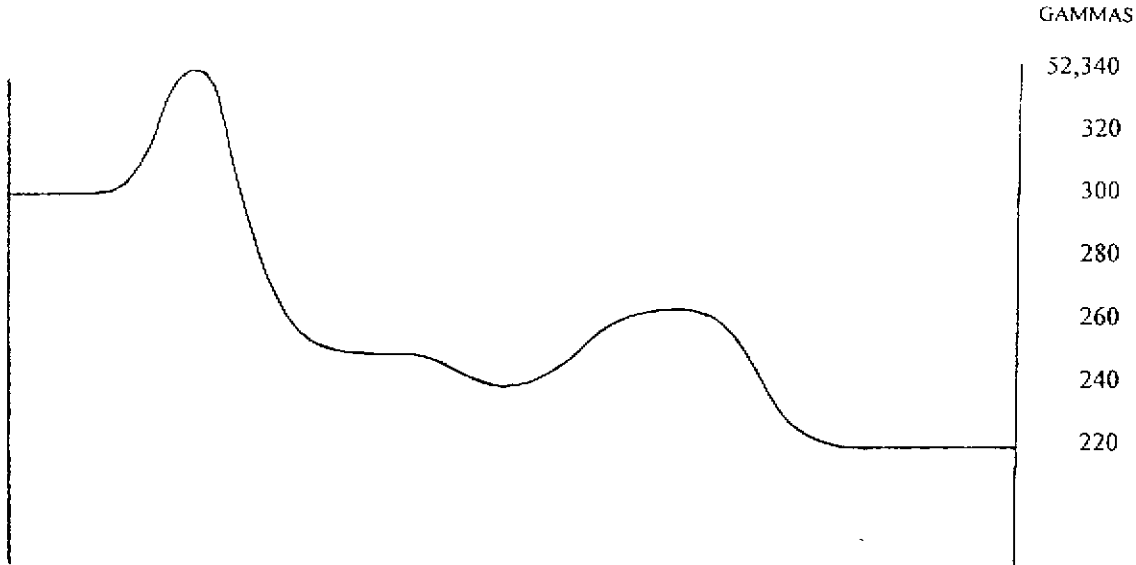
A map of the magnetic survey was made to interpret the magnet response of the area. Contours were developed on the map by interpreting the magnetic low and high responses. A magnetic low was identified along the central part of the grid from line 200 to line 500. Contour threshold of 300, 260 and 220 mark the magnetic low response in the host quartz diorite.

Hydrothermal alteration in the quartz diorite has probably caused the magnetic low response in the area. The magnetic low response directly correlates to the strike of two shear structures with accompanying quartz veins and secondary alterations, shown on map 1-1. This low appears to weaken to the west at line 600. A secondary magnetic low continues to the north between line 300 and line 400. This area may be of interest, as two shear zones are found in the area, but with no visible quartz veins.

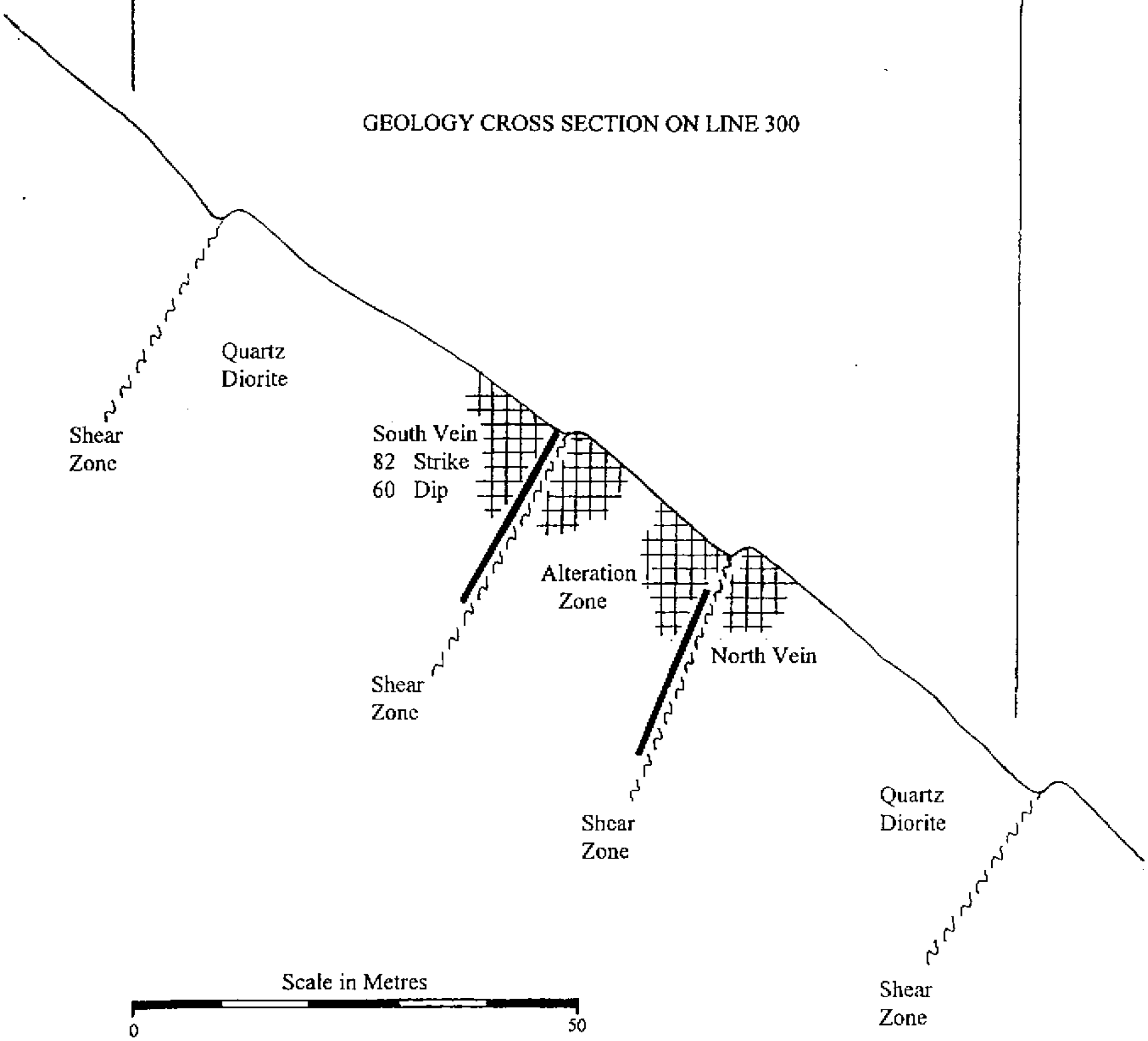
A magnetic cross section and geological cross section of line 300 are profiled on map 1-2. This profile shows how the shear zones may effect the magnetic response across line 300. These four shears may have provided the conduit for hydrothermal alteration and the subsequent magnetic change in the host rock. Two significant quartz veins have been discovered to date, labelled as north and south veins. The north vein is not visible at line 300, but is found both to the east and west of line 300. The geological and magnetic interpretation of map 1-2 point to the possibility that other quartz vein structures may be found at depth, and within other shear zones in the immediate area.

PROFILE LOOKING WEST

MAGNETIC SURVEY CROSS SECTION ON LINE 300



GEOLOGY CROSS SECTION ON LINE 300



APPENDIX

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

GEOCHEMICAL ANALYSIS CERTIFICATE

Telegus, John File # 9904331

38 Lewis St., Victoria BC V8V 2Z8 Submitted by: John Telegus

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
9901	2	6	6	11	<.3	5	2	151	1.03	1391	<8	<2	<2	3	<.2	207	<3	2	.02	.006	2	13	.01	66	<.01	<3	.20	.01	.14	6	311
9902	3	6	669	388	3.4	4	2	301	1.39	6457	<8	14	<2	4	9.4	32	<3	2	.05	.007	2	23	.01	61	<.01	<3	.16	.01	.09	5	16616
9903	2	10	24	31	<.3	3	2	186	1.88	1915	<8	<2	3	6	.3	11	<3	10	.02	.020	10	13	.14	103	<.01	<3	.72	.05	.25	6	471
9904	2	4	11	28	<.3	2	4	589	1.77	28	<8	<2	3	30	.3	3	<3	8	2.49	.024	10	15	.12	89	.01	<3	.85	.16	.27	4	36
9905	1	4	3	37	<.3	4	5	780	1.95	11	<8	<2	3	17	.2	6	<3	17	.81	.041	9	13	.41	122	.01	<3	1.30	.22	.28	4	10
9906	5	15	336	46	9.5	5	1	42	.66	58	<8	92	<2	1	.2	3	<3	1	.01	.002	<1	28	<.01	5	<.01	<3	.02	.01	.01	10	38405
9907	3	41	43	99	2.2	6	<1	99	.72	43	<8	12	<2	1	2.3	16	<3	1	.01	.004	<1	24	<.01	8	<.01	<3	.04	.01	.02	71	11759

GROUP 1D - 0.50 GM SAMPLE LEACHED WITH 3 ML 2-2-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR, DILUTED TO 10 ML, ANALYSED BY ICP-ES.
UPPER LIMITS - AG, AU, HG, W = 100 PPM; MO, CO, CD, SB, BI, TH, U & B = 2,000 PPM; CU, PB, ZN, NI, MN, AS, V, LA, CR = 10,000 PPM.
ASSAY RECOMMENDED FOR ROCK AND CORE SAMPLES IF CU PB ZN AS > 1%, AG > 30 PPM & AU > 1000 PPB
- SAMPLE TYPE: ROCK AU** GROUP 3B - 30.00 GM SAMPLE ANALYSIS BY FA/ICP.
<u>Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.</u>

DATE RECEIVED: NOV 8 1999 **DATE REPORT MAILED:** Nov 18/99 **SIGNED BY** C. L........D. TOYE, C.LEONG, J. WANG; CERTIFIED B.C. ASSAYERS

Data d FA ____

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

GEOCHEMICAL ANALYSIS CERTIFICATE

Telegus, John File # 9904332

38 Lewis St., Victoria BC V8V 2E8 Submitted by: John Telegus

SAMPLE#	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppb	Ni ppm	Co ppm	Mn ppm	Fe %	As ppm	U ppm	Au ppb	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	Tl ppm	Hg ppb	Se ppm	Te ppm	Ga ppm	S %	Sample gm
L200 50N	1 56	8.81	1.99	11.1	29	5	4 5	152	2 63	104.1	<.1	10 4	.9	1.0	04	.91	.09	47	.01	.016	14.8	2.1	09	13.9	.003	1	1.09	.004	02	.5	.02	22	4	.03	6 9	01	15 0
L200 40N	10.96	9.26	5.75	26 1	58	4	4 9	101	3.25	1358.2	.1	200.3	1.3	1.5	07	1 61	.15	20	.01	.023	19.2	.6	.02	12.1	<.001	2	45	.003	.03	3	.02	19	.4	.06	2.8	01	15.0
L200 20N	35	4.69	1 69	8 5	32	6	2.5	86	1 80	19.6	.1	19.3	1.2	1.9	02	.60	06	49	.02	012	10.6	2.0	11	12.5	.002	1	1.39	.005	02	<.2	.02	31	.3	.03	6.7	<.01	15.0
L200 10N	.72	6 47	4.06	13 6	53	1.8	2 6	95	4.68	66 3	.3	17.3	1 8	2.5	04	85	.17	90	02	.029	8.8	11.3	.10	26.4	.015	<1	2.43	.005	.02	.3	.05	60	.7	04	11.3	01	15.0
L250 00S	22	92	2 78	15.0	21	5	2.3	165	2 86	9.5	2	11.1	1.9	1 3	03	.67	09	25	01	021	8.8	1 5	11	48.7	.001	1	1.57	005	.03	4	04	51	.4	02	5.2	<.01	15.0
L200 10S	.22	62	1 04	8 6	11	3	1 5	133	1.24	10 7	2	33.7	1 5	1 4	03	59	.06	23	01	.015	14.8	.6	05	13 3	.001	1	93	.005	.05	<.2	03	13	2	<.02	4 6	<.01	15.0
L200 20S	20	88	1 55	8.2	24	5	1 7	81	85	7.6	.2	22.8	1 7	1 4	04	.63	10	17	02	.019	15.8	1.0	04	9.9	.001	2	.60	.005	.06	<.2	04	31	.2	11	3.2	.01	15 5
L200 30S	.19	58	1 61	9 2	10	3	1 9	211	1 00	2.1	2	8.4	2 0	1.1	.03	58	.09	22	01	.017	15.0	.6	.11	15 7	.001	1	.84	.006	.07	<.2	.03	17	.3	02	4.2	<.01	15 0
L300 20N	92	12 96	6 73	14 0	50	6.1	4 7	184	3 47	39 1	1	17.9	6	3.6	04	2.87	.14	316	.07	.013	2.1	61.8	.51	6.8	.557	1	1.11	.006	.01	<.2	<.02	49	.4	05	19.3	.01	15 0
L300 10N	.84	6 37	5 95	23 8	71	1 4	2.9	162	1 96	699.1	8	22.8	2 0	1.8	.05	59	.05	47	03	.023	13.4	3 7	.06	16 9	.003	1	1 28	.005	07	.5	.02	70	.6	.03	5.4	<.01	15.0
L300 00S	1 35	2 52	1 98	21 6	33	.6	2 5	115	1 49	111 7	.3	90.0	1.6	1.2	04	62	.15	50	.01	.011	20.0	1.6	.03	20.3	.007	1	1.36	.004	02	<.2	.06	25	.2	.20	7 2	<.01	15 0
L300 10S	1 42	3 07	1 58	28 2	7	3	2.6	179	1 55	180.4	3	10.7	2.2	9	.05	.64	06	34	<.01	.009	18.6	<.5	.02	14.1	001	2	.83	.005	04	3	.03	9	.1	03	6.0	<.01	15.0
L300 20S	1.67	5 43	3 35	14 4	23	1 6	2 4	167	3.28	4 4	.2	3.7	.7	3.4	03	75	15	143	.03	.019	7.5	9.6	05	15.3	.110	<1	1.42	.005	.01	<.2	<.02	35	.3	.04	17 1	<.01	15 0
RE L300 60S	20	97	3 51	16.3	6	4	1 9	382	1 98	.4	3	5	1.7	1.6	.08	67	06	35	01	.017	3.0	1.2	.13	28.2	.015	1	1.41	.005	.05	.2	.03	19	3	.06	7 6	<.01	7.5
L300 30S	85	8 03	3 63	15 0	20	1.8	2 9	146	3 36	5.0	.1	6 0	.8	2.8	03	76	12	155	.03	027	7.1	11.2	08	14.5	.161	1	1.13	.005	.02	<.2	02	29	.3	.03	13 2	<.01	15.0
L300 40S	.23	1 44	1 75	16 1	7	5	3 9	237	1.03	36 0	.3	6.6	1.5	1.2	02	.54	.04	27	.03	.020	20.8	.7	.05	13.5	.002	2	.60	.005	.06	<.2	03	14	.3	<.02	5.2	<.01	15 0
L300 50S	29	2.53	1.95	11.3	14	.6	2.8	178	92	25.6	2	9.3	.5	2.1	.02	49	.06	48	04	.013	19.4	1.9	.03	8.5	.018	2	.59	.005	03	<.2	.02	19	.3	<.02	6 2	.01	15 0
L300 60S	16	.85	2.08	14.5	6	4	1.7	355	1 89	.8	.3	.9	1.6	1 4	.01	.65	.04	32	01	.016	2.7	1 0	.12	24.7	.008	1	1 28	.005	.04	.2	.03	21	.2	<.02	6.9	.01	15.0
L400 30N	.36	72	1.95	6.1	10	.2	1.2	35	85	6.4	.2	20.6	1.2	1.1	01	.49	.04	21	.01	.011	23.9	.6	03	9.9	.003	1	.64	.005	.04	.2	02	<5	.3	<.02	4.5	.01	15.0
L400 20N	.12	1.84	1.57	8.9	12	.2	2.1	142	1.26	1.2	.3	1.2	2.3	.9	.01	.61	.03	24	.01	.012	13.9	.5	.03	13.2	.001	1	.60	.006	02	<.2	.02	8	.2	<.02	4 7	<.01	15 0
STANDARD DS2	14 14	128 73	30.30	161.8	253	37.2	12.7	817	3 17	58.4	20.8	194.5	3.8	28.6	11.57	10 96	11.09	80	.53	.092	16.8	170.7	.60	149.8	.108	2	1.74	.034	.16	7.6	1 84	254	2.6	1 66	6.2	.03	15 0

GROUP 1F15 - 15.00 GM SAMPLE, 90 ML 2-2-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR AND IS DILUTED TO 300 ML, ANALYSIS BY ICP/ES & MS.
UPPER LIMITS - AG, AU, HG, W, SE, TE, TL, GA, SN = 100 PPM; MO, CO, CD, SB, BI, TH, U, B = 2,000 PPM; CU, PB, ZN, NI, MN, AS, V, LA, CR = 10,000 PPM.
- SAMPLE TYPE: SOIL Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

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MAGNETIC SURVEY FINAL READINGS

PROJECT THUNDER CLAIMS (Elmer Zone)

(In Gammas)

L600	L500	L400	L300	L200	Station
52,330	52,.275	52,280	52,220	52,320	50N
350	315	220	220	340	40N
310	335	220	220	360	30N
330	335	260	260	340	20N
290	235	180	260	300	10N
325	370	195	240	220	0 BL
350	295	260	250	280	10S
350	375	260	250	280	20S
290	435	260	340	260	30S
330	375	320	280	280	40S
330	395	320	280	320	50S

STATEMENT OF QUALIFICATIONS

EDUCATION	Basic Prospecting Course
	Advanced Prospecting Course
	Petrology Course
EXPERIENCE	I have ten years of prospecting experience in British Columbia working on Vancouver Island, through the interior, and up into the Cassiar region of northern B.C. I have also worked for several Junior Mining Companies in British Columbia. This work included geochemical and geophysical surveys, and extracting bulk samples of up to 100 tonnes.

I John T, Telegus state that the information in this report is an accurate description of work preformed on the Thunder claims.

Signature John Telegus

COST STATEMENT

THUNDERCLAIMS PROJECT

Travel	Truck rental 14 days x $50	700.00
	Gasoline	73.00
	Helicopter charter 1.6 hours	1,416.42
Food & Accommodation	14 days x $40 x 2 persons	1,120.00
Wages	Two men 14 days at $100 per day	2,800.00
Assay cost	7 rock samples (30 element ICP + gold)	
	19 soil samples (35 element ICP)	589.21
Mag Rental	Geophysical equipment (2 weeks)	400.00
TOTAL		$ 7,098.63