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**SAMPLING OF ENTERPRISE 5, 7 & 8 LEVEL DUMPS**

**ENTERPRISE CLAIM GROUP**

**ENTERPRISE CREEK**

**SLOCAN MINING DIVISION**

**SILVERTON, B.C.**

**NTS 82 F/14 W**

**LATITUDE 49°48'N, LONGITUDE 117°20'W**

**ARCTEX ENGINEERING SERVICES**

**LOCKE B. GOLDSMITH, P.ENG., P.GEO.  
CONSULTING GEOLOGIST**

**NOVEMBER 3, 2000** **GEOLOGICAL SURVEY BRANCH  
ASSESSMENT REPORT**

**26,437**

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### APPENDIX: ASSAY CERTIFICATES

MAP: 5, 7, & 8 LEVEL DUMPS, Scale 1:500

*(Pocket inside back cover)*

**SAMPLING OF ENTERPRISE 5, 7 & 8 LEVEL DUMPS  
ENTERPRISE CLAIM GROUP  
ENTERPRISE CREEK  
SLOCAN MINING DIVISION  
SILVERTON, B.C.**

**SUMMARY**

Partial assay results from the -1/2" material of portions of the 5, 7, & 8 Level dumps do not indicate that an economic concentrate could be attained by screening and segregating this size fraction. Completion of the assays plus further testing by screening and assaying various sizes from larger samples should be undertaken at an estimated cost of \$10,000.

## INTRODUCTION

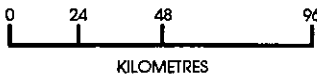
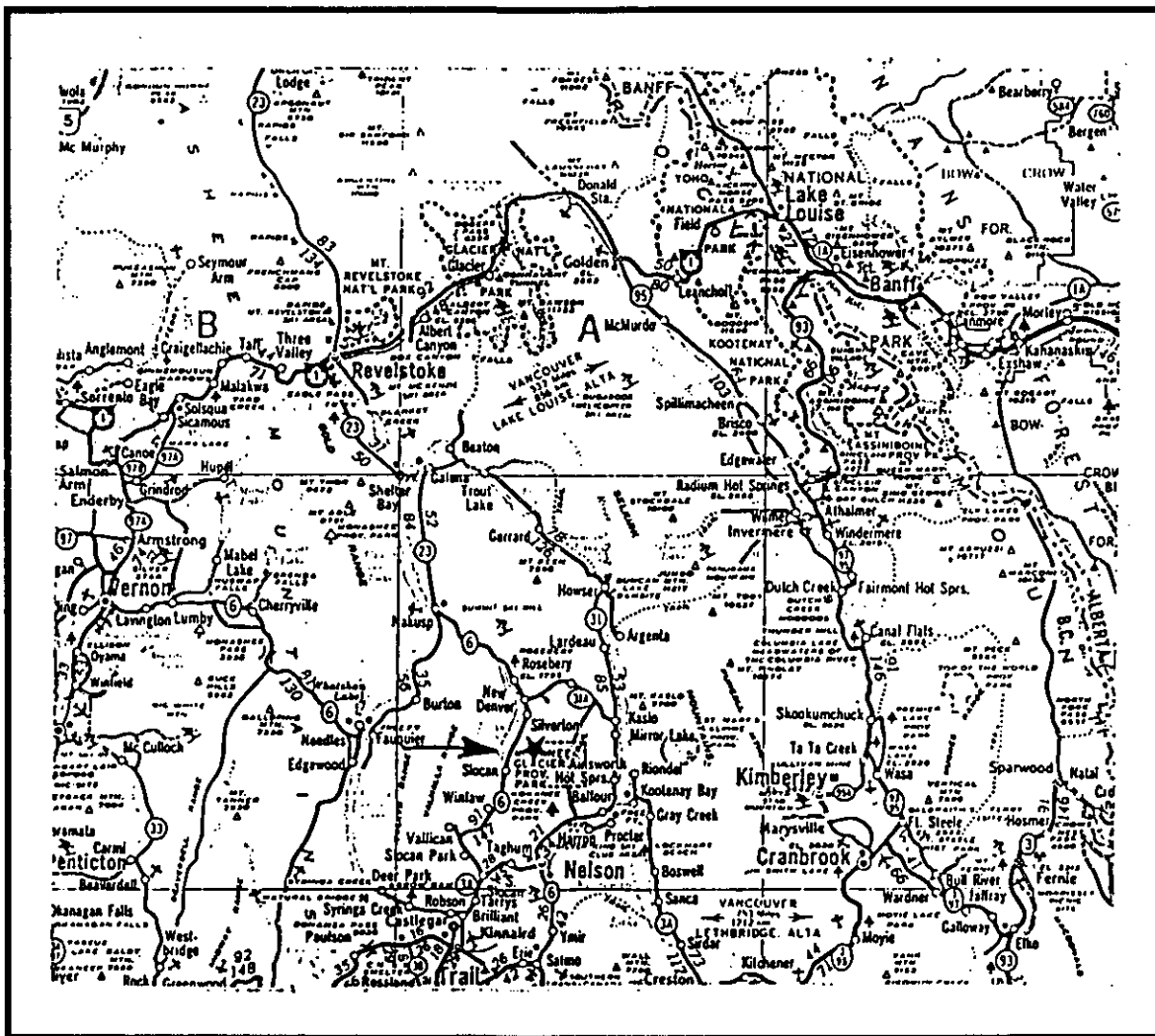
The Enterprise Group of mineral claims is located 14.5 km south of Silverton, B.C., in the Slocan Mining Division, NTS map sheet 82 F/14 W. The claims straddle Enterprise Creek and extend from approximately 1210 m elevation along the creek to 1768 m on the steep slopes toward the south. Co-ordinates which cross the property include north latitude 49°48', west longitude 117°20'. Access to the property is made by gravel road for 7.5 km southeast of Highway 6. Access to the upper workings requires a four-wheel drive vehicle.

<i>Claim Name</i>	<i>Lot No.</i>	<i>No. of Units</i>	<i>Tenure No.</i>	<i>Expiry Date</i>
Montezuma	5405	1	255813	Nov. 10, 2000
Rainbow Fr.	14543	1	255812	Nov. 10, 2000
Slocan Queen	1015	1	255550	Nov. 8, 2000
Empress Fr.	8400	1	255551	Nov. 8, 2000
London Fr.	5664	1	255552	Nov. 8, 2000
United Empire	2103	1	255553	Nov. 8, 2000
Sunset Fr.	14541	1	255554	Nov. 8, 2000
Enterprise Fr.	4522	1	255562	Nov. 8, 2000
Enterprise	1014	1	255685	Nov. 9, 2000
Iron Horse #2	5663	1	256182	Nov. 11, 2000

Exploration and past production of lead, zinc and silver date back to the late 1800s. Engineering reports by Goldsmith (1981) and Tully (1981, 1984, 1985) address such topics as soil geochemistry, local and regional geology, past history and production figures. Most of these details will not be repeated in this report. During 1986 a diamond drilling programme was initiated on the No. 2 Vein (Kallock and Logan, 1986). The diamond drilling which was undertaken in May and July 1987 (Kallock, 1987) explored the No. 2 Vein and also tested the southern extension of the Enterprise Vein. Twelve core holes were drilled for a total of 440.41 m. Thirty core samples were split and assayed for lead, zinc and silver. In addition, thirteen rock chip samples were collected from surface

# Enterprise Claim Group

SILVERTON AREA, B.C. SLOCAN MINING DIVISION 82 F/14 W

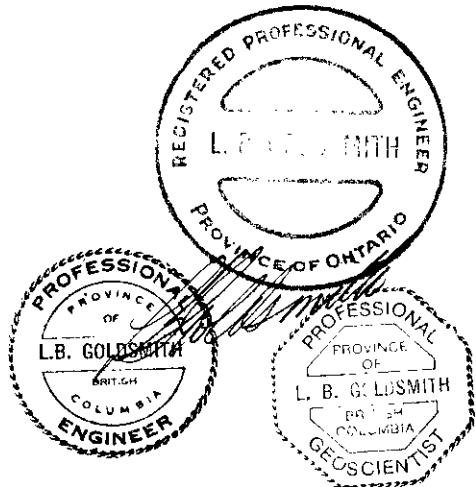


## LOCATION MAP

To accompany report by  
 Locke B. Goldsmith, P.Eng., P.Geo.  
 Consulting Geologist

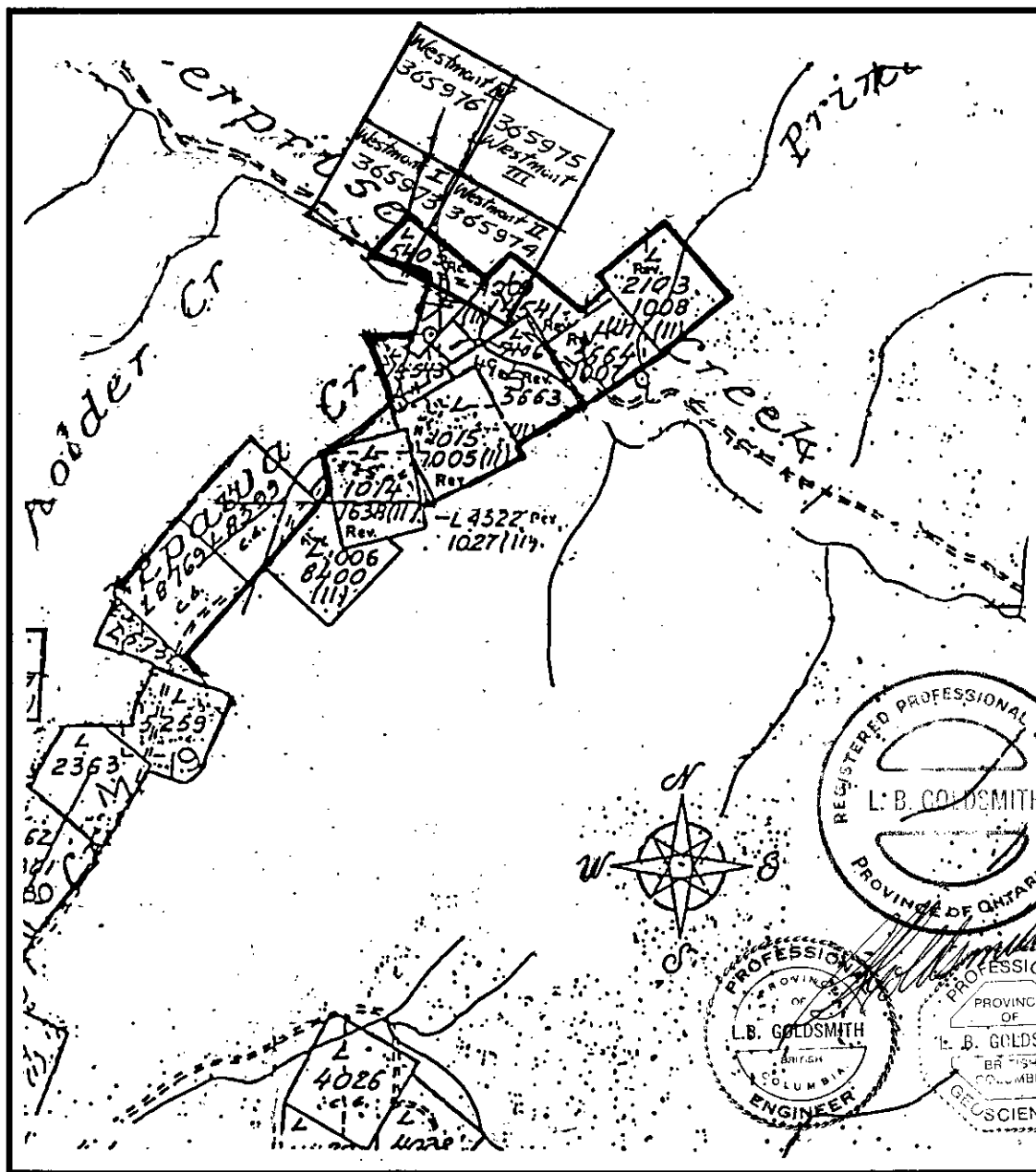
## Arctex Engineering Services

NOVEMBER 2000



# Enterprise Claim Group

SILVERTON AREA, B.C. SLOCAN MINING DIVISION 82 F/14 W



## CLAIM MAP

To accompany report by  
LOCKE B. GOLDSMITH, P.ENG., P.GEO., Consulting Geologist

Arctex Engineering Services

NOVEMBER 2000

and underground on the No. 2 and Enterprise veins, and from the Empress adit. Fifteen soil samples were collected along drill access road cuts.

In 2000 grids were prepared on the 5, 7, and 8 Level waste dumps and 54 samples were collected for assays.

## **REGIONAL GEOLOGY**

The Enterprise claim group lies within the western margin of the Kootenay Arc, a complex metamorphic and structural belt bounded on the east by the Purcell Anticlinorium and on the west by the Okanogan metamorphic and plutonic complex. The suture zone between Quesnellia and the North American continent parallels the western margin of the Kootenay Arc. During accretion, widespread alkalic to calc-alkaline intrusive activity affected the area, the largest body being the Mid-Late Jurassic Nelson batholith.

The Nelson batholith is a composite, I-type or hornblende-biotite suite granitic rock of predominantly granodiorite composition (Little, 1960). K-Ar model ages, Rb-Sr whole rock isochron dates and Ar/Ar apparent ages (Harrison, 1985) indicate the age of emplacement is  $160 \pm 6$  Ma (early-Late Jurassic). Emplacement of this post-tectonic batholith has been related spatially and temporally by many (Cairnes, 1934; Andrew et al., 1984) to the mineralizing event. Partial resetting of K/Ar dates by Tertiary plutonism has occurred along the northwestern margin of the batholith, near Slocan Lake (Parrish, 1984).

## **PROPERTY GEOLOGY**

During June 1986 a chain-and-compass survey was made of part of the Enterprise property. Access roads, sites of old adits, and diamond drill holes were located and geological features were noted. A portion of the plan map of this survey at a scale of 1:500 is included in the pocket of this report. This map has been revised to show 1987 data and locations of dump samples taken in the 2000 programme.

The entire map area lies on a north-facing, moderately steep slope. Rock exposures are not abundant, being confined largely to incised creeks and road cuts. Alluvium covers the Enterprise Creek valley up to the general area of the creek near station 23 and the Rainbow adit. Thick areas of overburden are also present higher on the slopes, such as station 35 where the road bank is more than 4 m high.

Granodiorite porphyry of the Nelson batholith is the most abundant rock type exposed on the property. It is generally unaltered; biotite and hornblende are fresh and large feldspar phenocrysts to 2 cm in diameter are distinct. Less common phases of the batholith are also present. These include dark, fine-grained diorite and non-porphyrific granodiorite. Pegmatitic and aplitic dykes or veins can be found bisecting the batholithic intrusive. Within 4.0 m of the footwall of the Enterprise Vein, and clearly visible near #5 Level portal, the granodiorite has been metamorphosed to a well banded gneiss. Tight fold structures are also present.

The predominant trend of fractures or jointing within the intrusive rocks is northeast with steep southeast dips. The major fracture and/or fault zones and mineralized structures such as the Enterprise, No. 2, and Rainbow veins also follow this general trend.

As shown on the plan map, the northeast trend of the Enterprise Vein (Main Vein) is apparent. The portals of the 5, 7 and 8 levels depict the vein trend. At the lower elevations the No. 2 Vein is located 87 m northwest of and subparallel to the Enterprise Vein. Higher up the mountain, near DDH 87-8, the No. 2 Vein lies 50 m northwest of the Enterprise Vein.

## **SAMPLING PROGRAMME**

Grid lines 10 metres apart were oriented across the long axis of the 5, 7, and 8 Level dumps. Stations 5 metres apart were marked along the lines.

Object of the sampling was to selectively test the fine fraction of the broken rock as a partial determination of the size distribution of the metal content. Cuts were made by shovel to remove the uppermost layer of coarse material. Samples were taken by hand throughout the interval between stations, excluding fragments larger than about ½" (1.2



cm) in diameter. Each sample filled a 20 x 30 cm plastic bag. Forty-six samples were collected and delivered for silver-lead-zinc assays at the assay office of Klondyke Gold Corp's millsite in Sandon. Of these samples 15 were assayed before the heating elements in the assay furnace burned out. Repairs have been made and the remaining samples will be assayed when operations recommence at the millsite.

## **OBSERVATIONS**

Fragments in the range of 1"-3" in diameter seem to frequently consist of massive sphalerite. This may be because the mineralization tends to be noticed in preference to barren rock.

The samples as collected do not evaluate the lower strata of the dumps.

## **CONCLUSIONS**

Values in the fine material in the samples which have been assayed are consistent, ranging between approximately 2-4 oz Ag/ton, 0.5-1.0% Pb, and 1.5-2.5% Zn. These preliminary results suggest that screening of the dumps to recover only a -1/2" product for subsequent trucking to a conventional mill could not be expected to be profitable at present metal prices.

## **RECOMMENDATIONS**

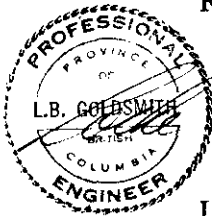
The remaining samples should be assayed.

Larger samples should be collected, weighed, screened to several sizes, and each fraction weighed and assayed to investigate the possibility that some sizes could provide economic millfeed.

## COST ESTIMATE

A budget of \$10,000 should be available for sample collection, screening, and assaying.

Results of each Phase should be compiled into an engineering report. Continuance to each subsequent Phase should be contingent upon favourable conclusions and recommendations from an engineer.



Respectfully submitted,

A handwritten signature in black ink that reads "L. B. Goldsmith".



Locke B. Goldsmith, P.Eng., P.Geo.  
Consulting Geologist

Vancouver, B.C.


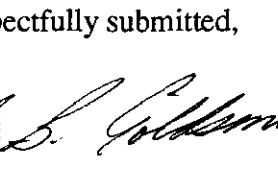
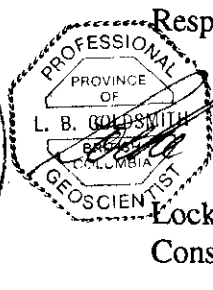

November 3, 2000

# ENGINEER'S CERTIFICATE

## LOCKE B. GOLDSMITH

1. I, Locke B. Goldsmith, am a registered Professional Engineer in the Province of Ontario, and a Registered Professional Geologist in the Provinces of Ontario and British Columbia and the States of Oregon, Minnesota, and Wisconsin. My address is 301, 1855 Balsam Street, Vancouver, B.C.
2. I have a B.Sc. (Honours) degree in Geology from Michigan Technological University, a M.Sc. degree in Geology from the University of British Columbia, and have done postgraduate study in Geology at Michigan Tech and the University of Nevada. I am a graduate of the Haileybury School of Mines, and a Certified Mining Technician. I am a Member of the Society of Economic Geologists, the AIME, and a Fellow of the Geological Association of Canada.
3. I have been engaged in mining exploration for the past 42 years.
4. I have authored the report entitled, "Sampling of Enterprise 5, 7 & 8 Level Dumps, Enterprise Claim Group, Enterprise Creek, Slocan Mining Division", dated November 2000. The report is based upon fieldwork and research supervised by the author.
5. I own 100% of the property.
6. I consent to the use of this report in a prospectus, or in a statement of material facts related to the raising of funds.

Respectfully submitted,



Locke B. Goldsmith, P.Eng., P.Geo.  
Consulting Geologist

Vancouver, B.C.  
November 3, 2000

## REFERENCES

- Goldsmith, L.B. 1981. Report on the Enterprise Mine for Monica Resources Ltd. with Addendum by D.W. Tully, P.Eng.
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- Tully, D.W. 1981. Report on the Enterprise Mine. Private report for Monica Resources Ltd.
- Tully, D.W. 1984. Report on the Montezuma, Rainbow Fr., Slocan Queen, Empress Fr., London Fr., United Empire, Sunset Fr., Enterprise Fr., Enterprise, Lode and Jess Mineral Claims. Private report for American Energy Corporation.
- Tully, D.W. 1985. Report on the Montezuma, Rainbow Fr., Slocan Queen, Empress Fr., London Fr., United Empire, Sunset Fr., Enterprise Fr., Enterprise, Lode and Jess Mineral Claims. Private report for Enterprise Resources Inc.

## COST STATEMENT, 2000 PROGRAMME

### Personnel

L.B. Goldsmith, Sept. 30, Oct. 1, 3, 0.75 14, Nov. 1, total 4.75 days @ \$650/day	3087.50	
C.W. Donald-Hill, Sept. 30, Oct. 1, 2, 0.5 3, total 3.5 days @ \$300/day	<u>1050.00</u>	
	4137.50	\$4137.50

### Food, Accommodation

470.55

Total cost of \$470.55 ÷ 7.25 man/days  
= \$64.90/man/day

### Transportation

4x4 vehicle, 4.75 days @ \$50/day	237.50	
1107 km @ \$0.45/km	498.15	
Gas	<u>90.00</u>	
	825.65	825.65
 \$825.65 ÷ 4.75 vehicle days = \$173.82/vehicle/day		

### Analyses

15 rock samples		337.50
\$337.50 ÷ 15 = \$22.50/sample		

### Report

Drafting, prints, photocopies, word processing, materials		<u>395.15</u>
	Total	\$6166.35

## **APPENDIX**

**HASTINGS MANAGEMENT CORP.**  
 1000-675 West Hastings Street, Vancouver, B.C. Canada V6B1N2  
 Tel: (604) 685-7777 Fax: (604) 685-7768  
 Website: www.mountain-media.com/hastings

- TETI MINING CORP (VSE:ABB)
- ALONDIKE GOLD CORP (VSE:KG)
- PANTERRA MINERALS INC (VSE:PNA)
- SEDEX MINING CORP (VSE:SDN)
- TOTEM MINING CORPORATION (VSE:TCH)

ALL SAMPLES

Date Oct 6

Assay Report

Date Oct 10

	SHIFT NO. 1					SHIFT NO. 2					SHIFT NO. 3				
	Ag	Pb	Zn	Cu	Fe	Ag	Pb	Zn	Cu	Fe	Ag	Pb	Zn	Cu	Fe
Heads	7.2	2.19	3.39												
Pb Conc	131.2	65.4	8.57												
Zn Conc	65.4	3.84	44.04												
Tails	0.52	0.38	0.66												
class	7.6	3.18	3.69												
heads sp															

MINE SAMPLES

Sample No.	Ag.	Pb	Zn	Cu	Sample No.	Ag.	Pb	Zn	Cu
SL 5-10	3.2	0.54	2.21						
10-15	3.0	0.43	1.77						
15-20	3.0	0.43	2.06						
20-25	2.8	0.49	1.92						
0-5	1.8	0.65	2.06						

Ag - Ozs. per ton  
 Pb, Zn, Cu, Fe - %

Assayer \_\_\_\_\_

# HASTINGS MANAGEMENT CORP.

1000-675 West Hastings Street, Vancouver, BC, Canada V6B 1N2  
 Tel: (604) 685-2222 Fax: (604) 685-3764  
 Website: www.nonlinear-media.com/hastings

- SIBI MINING CORP (VSE:ABBI)
- KENORNIKE GOLD CORP (VSE:KGI)
- PANTERRA MINERALS INC (VSE:PNAI)
- SEDEX MINING CORP (VSE:SDNI)
- TOTEM MINING CORPORATION (VSE:TOH)

## MILL SAMPLES

Date Oct 17-19

## Assay Report

Date Oct 20 / 2000

	SHIFT NO. 1					SHIFT NO. 2					SHIFT NO. 3				
	Ag	Pb	Zn	Cu	Fe	Ag	Pb	Zn	Cu	Fe	Ag	Pb	Zn	Cu	Fe
Heads	8.6	3.44	3.59												
Pb Conc	128.4	67.44	7.04												
Zn Conc	60.2	3.44	50.30												
Tails	1.35	0.38	0.71												
class	8.4	3.66	3.44												
heads sp															

## MINE SAMPLES

Sample No.	Ag.	Pb	Zn	Cu		Sample No.	Ag.	Pb	Zn	Cu	
SL 05	4.0	0.55	1.0		} Locks						
SL 0-5	3.2	0.99	2.87								
SL-10N-10-15	4.4	0.99	2.58								
SL-10N-15-20	3.6	0.77	1.86								
SL 10N-25-30	2.8	0.88	1.43								

±g - Ozs. per ton  
 1 lb. Zn, Cu, Fe - %

Assayer \_\_\_\_\_



# HASTINGS MANAGEMENT CORP.

1100 - 675 West Hastings Street, Vancouver, B.C. Canada V6B 1N2  
 Tel: (604) 685-2222 Fax: (604) 685-3764  
 Website: www.nonlinearmedia.com/hastings

- ABITIBI MINING CORP (VSE:ABBI)
- KLONDIKE GOLD CORP (VSE:KGI)
- PANTERRA MINERALS INC (VSE:PNA)
- SEDEX MINING CORP (VSE:SDMI)
- TOTEM MINING CORPORATION (VSE:TTM)

## MILL SAMPLES

Date Oct 22-25

## Assny. Report

Date Oct 26/2009

	SHIFT NO. 1					SHIFT NO. 2					SHIFT NO. 3				
	Ag	Pb	Zn	Cu	Fe	Ag	Pb	Zn	Cu	Fe	Ag	Pb	Zn	Cu	Fe
Heads	10.0	3.34	4.25												
Pb Conc	128.2	73.0	6.74												
Zn Conc	80.0	5.46	4.33												
Tails	115	0.33	0.58												
class	9.4	2.86	4.39												
heads sp															

## MINE SAMPLES

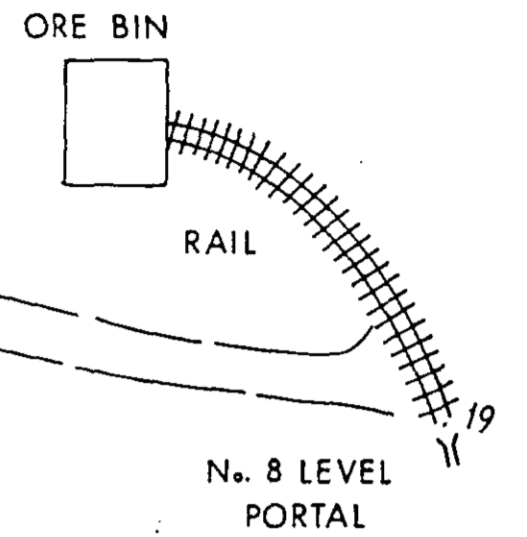
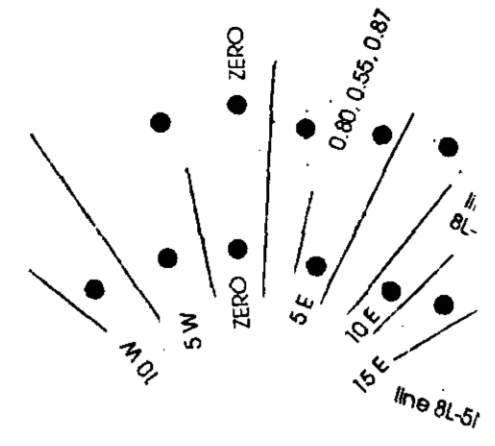
Sample No.	Ag.	Pb	Zn	Cu	Sample No.	Ag.	Pb	Zn	Cu
Zn Conc	64.0	2.78	52.35						
SL-30N-4S-5D	2.2	0.66	1.31	} locks					
TL SN-0-SW	2.0	0.44	1.31						
TL SN-SE-10E	2.8	0.66	2.93						
TL SN-0-SE	2.4	0.89	1.90						
8L 15N-5E-NE	0.80	0.55	0.87						

Ag - Ores. per ton  
 Pb, Zn, Cu, Fe - %

Assayer \_\_\_\_\_

GEOLOGICAL SURVEY BRANCH  
MINING REPORT

26,437

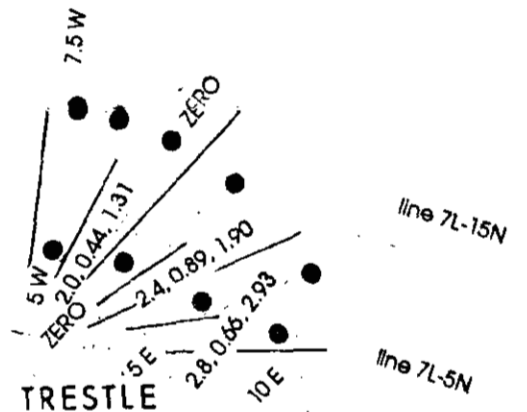


IRON HORSE No. 2 L 5663  
SLOCAN QUEEN L 1015

DDH 87-4  
300° - 60° 17.93 m.  
ASSAYS

DDH 87-3  
300° - 45° 13.11 m.  
ASSAYS

No. 7 LEVEL DUMP

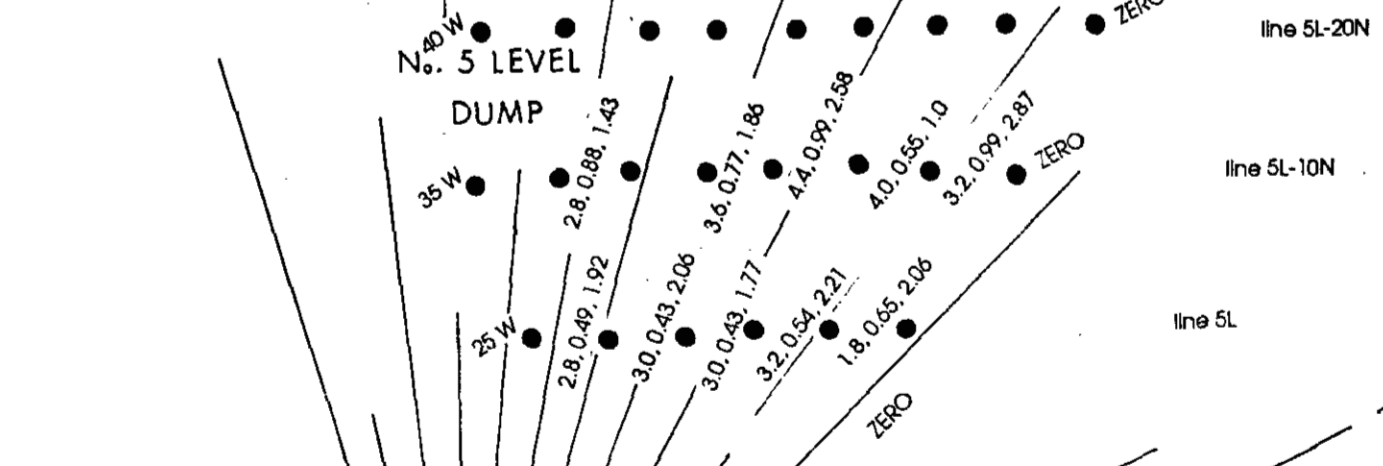


TRESTLE

ORE BIN

36-1 -45°, 31.32 m.

DDH 87-2  
300° - 45° 24.02 m.



ORE BIN

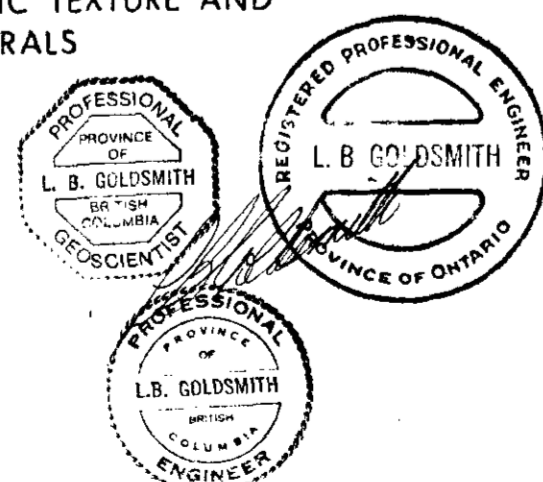
FALLEN BLACKSMITH SHOP (?)

No. 7 LEVEL PORTAL

4 m. INTO FOOTWALL, GRANODIORITE HAS GNEISSIC TEXTURE AND BANDING OF MAFIC MINERALS

No. 5 LEVEL PORTAL

VEIN IS IN 0.4 m. OF PARALLEL FRACTURES



### Enterprise Claim Group

SILVERTON AREA, B.C. SLOCAN MINING DIVISION 82 F/14 W

## MAP OF 5, 7, & 8 LEVEL DUMPS

Dump Assays  
oz Ag/ton, % Pb, % Zn



SCALE 1:500

To accompany report by  
LOCKE B. GOLDSMITH, P.ENG., P.GEO., Consulting Geologist

Arctex Engineering Services

JUNE 1987  
AMENDED: DEC. 1987  
NOV. 2000