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Geophysical Assessment Report

DEMERS PROPERTY

Kamloops Mining Division

NTS 92P / 9W

LAT. 51° 33' LONG. 120° 16'

UTM 689 000E, 5 715 000N

Owners: Lloyd Addie, Robert Bourdon

Operator: Inmet Mining Corporation

Inmet Mining Corporation
311 Water St.,
Vancouver, B.C.
V6B 1B8

LOGICAL SURVEY BRANCH

Colin Burge P. Geo.

March 15, 2001

26,521

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INTRODUCTION

Summary

The Demers Property was optioned by Inmet Mining Corporation in June 2000. The claims cover the postulated source of a multi-element till anomaly first identified by a B.C. Geological Survey Branch Regional Geochem survey (Open file 1998-6). The area of interest was delineated by the prospecting team who staked the ground after following up the BCGS work with further till and soil sampling.

This report describes linecutting, VLF-EM and magnetic surveys carried out by Inmet Mining Corporation on the Demers property in an effort to locate an economic volcanogenic massive sulphide deposit.

Location and Access

The Demers property is located about 100 kms north of Kamloops B.C. near Little Fort (see figure 1). The project area can be reached by driving 6 kms west of Little Fort on Hwy 24 and turning north on the Nehalliston Creek Forestry Road for 15kms. Recent logging in the area has provided excellent access.

Physiography

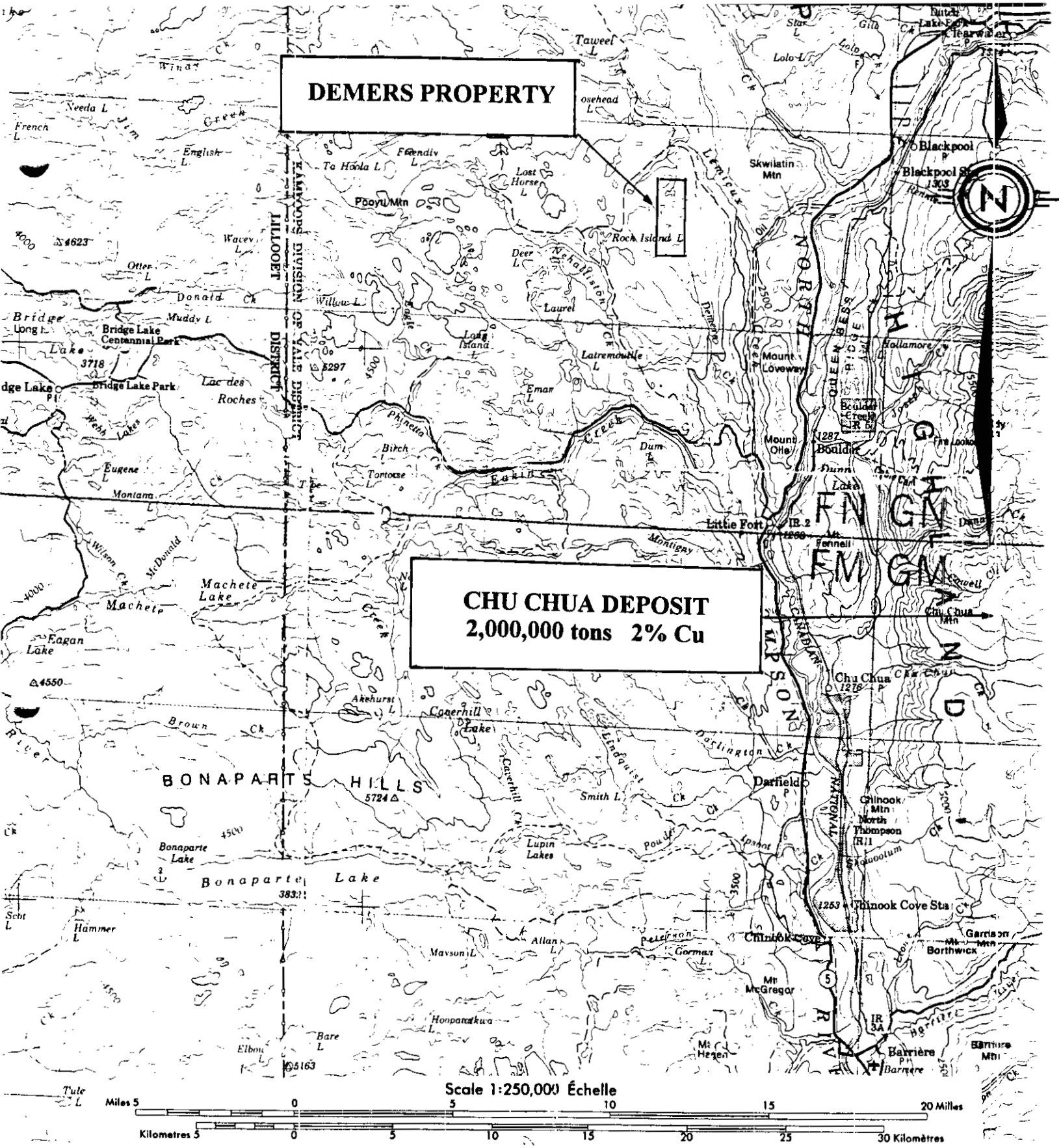
The property is situated on a plateau area with elevations ranging from 1200 to 1450 meters. The local topography consists of gently rolling hills with small lakes. Outcrop is limited to less than 5%.

The principal land use is forestry and logging activities are currently underway in the area east of the zone of interest. The vegetation is dominantly fir and spruce trees. About 40-50% of the property is clear-cut.

The Demers area is snow free from early May to mid November.

Property and Ownership

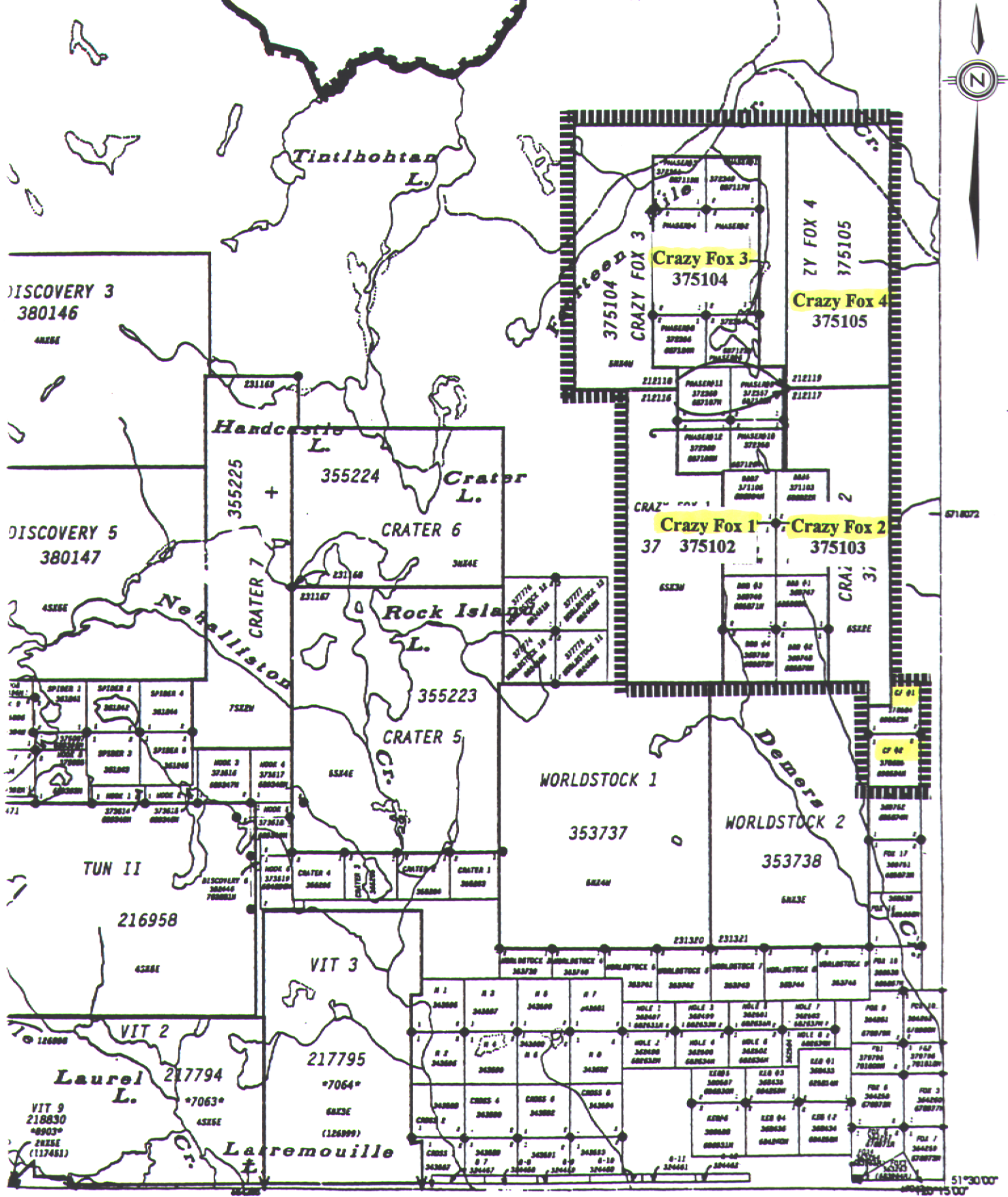
The property comprises of 6 claims totaling 62 claim units and covering 1,550 hectares. This includes four 4 post claims named Crazy Fox 1 through 4 and two 2 post claims, CF #1 and #2 as shown in figure 2. The claims are owned by Lloyd Addie and Robert Bourdon of Nelson, B.C. and are currently optioned to the operator Inmet Mining Corporation.



BONAPARTE LAKE NTS 92P

Scale 1:250,000

Figure 1. LOCATION MAP



SCALE 1:50,000

MAP SHEET M 092P09W

Figure 2. DEMERS PROPERTY CLAIM CONFIGURATION

The following table summarizes the pertinent tenure information.

Table 1 Demers Claims

Claim	Units	Record No.	Month	Expiry
Crazy Fox 1	18	375102	03	April 3, 2001
Crazy Fox 2	12	375103	03	April 3, 2001
Crazy Fox 3	20	375104	03	April 3, 2001
Crazy Fox 4	10	375105	03	April 3, 2001
CF #1	1	378684	06	June 30, 2001
CF #2	1	378685	06	June 30, 2001

TOTAL 62 units

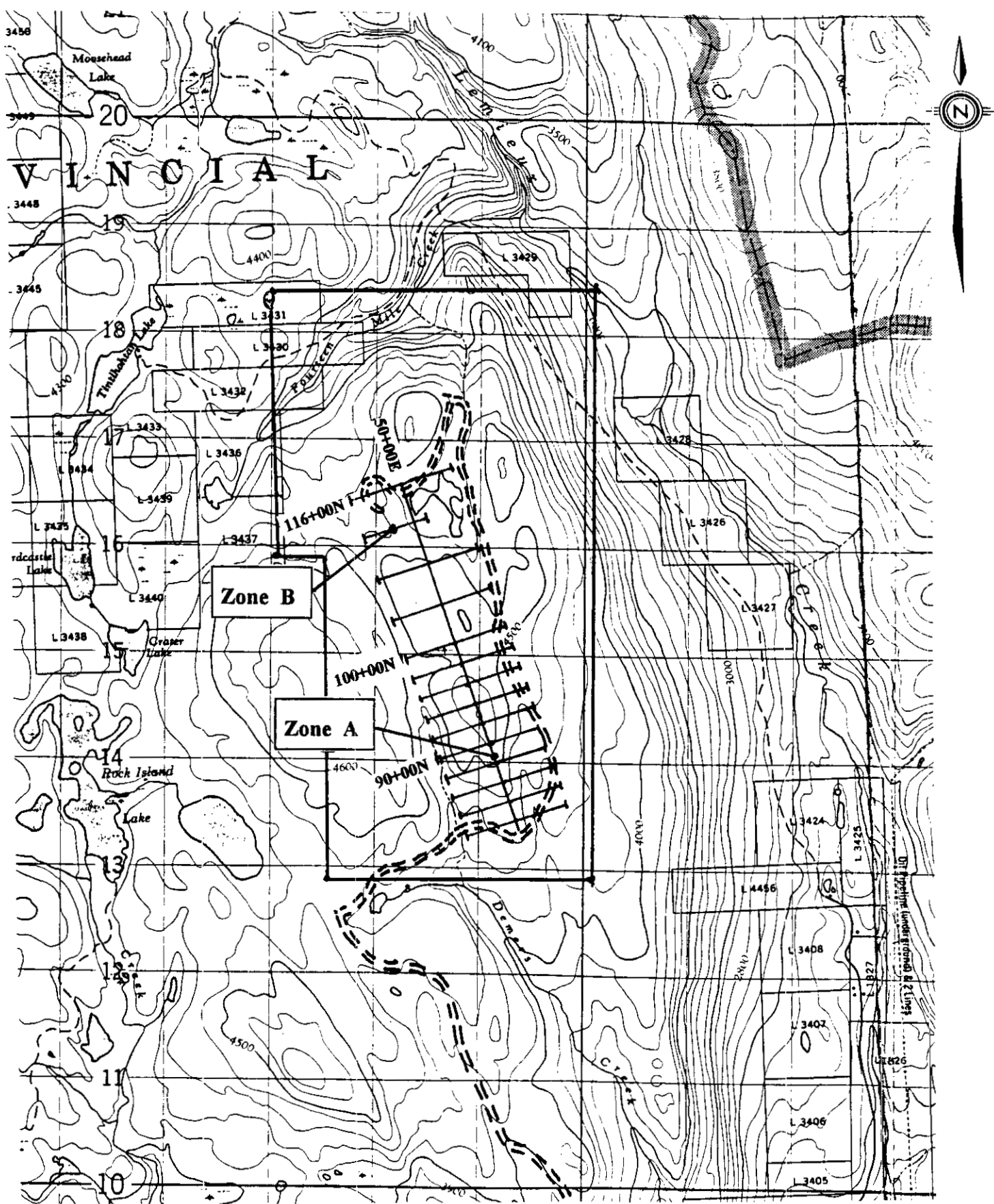
Work History

No mineral exploration work was recorded on the claims prior to 1999. In 1999 29 till samples, 38 soil samples, 7 rock samples and 2 stream sediments were collected while exploring for the source of a multi-element till anomaly detected by the B.C. Geological Survey Branch's Regional Geochemical Survey in 1998. This work is described in an Assessment Report filed by Lloyd Addie and Robert Bourdon last year (April 2000).

2000 WORK PROGRAM

The purpose of the 2000 geophysical surveys was to locate on the ground and measure the intensity of a linear magnetic anomaly detected during 1967 government aeromagnetic surveys. The magnetic anomaly is of interest since it is located in the area of the previously mentioned till anomaly. VLF-EM was carried out to test the conductivity of the zone of interest.

A total of 17 kilometers of line cutting was completed to establish control for the surveys. The grid was cut with the baseline (50+00E) oriented 342⁰ NNW and roughly parallel to the strike of the stratigraphy. 500 meter wing lines were cut grid east and west at intervals of 200 meters at the south end of the grid and 400 meters at the north end (see figure 3).



SCALE 1:50,000

CLEARWATER MAP SHEET 92 P/9

Figure 3. DEMERS PROPERTY GRID LOCATION

GEOLOGY AND MINERALIZATION

Regional Geology

The Demers area is underlain by a package of submarine volcano-sedimentary rocks interpreted by Campbell and Tipper to be Jurassic in age. The volcanics in the region are dominated by monolithic clastic fragmentals possibly representing deep water, distal sedimentary wedges (Campbell and Tipper, 1971).

The Chu Chua VMS deposit is located 25kms south-east of Demers and has an estimated mineral inventory of 2.7 Mmt of 1.67% Cu, 0.31% Zn, 7.4 g/t Ag and 0.31g/t Au. Chu Chua was explored during the 1980's and is hosted by a sequence of basalt pillows and cherts of the Permian-age Fennell formation.

Property Geology

The Demers property covers a sequence of north-striking basalt pillows, andesite volcanoclastics and argillites. Minor felsic dikes or possible flows are also present. Units dip moderately west and may also top west but this is uncertain.

The sedimentary package contains 3-5% (locally to 10%) pyrite and pyrrhotite as bands and thin laminations. The underlying andesite fragmental contains similar quantities of disseminations and poorly formed "clasts" of pyrite. No significant base metal occurrences have thus far been located on the property.

GEOPHYSICAL SURVEY RESULTS

Magnetics

Magnetic surveys outlined an extensive 3.4km north-trending anomalous response of about 200-250nT above background roughly coincident with the Demers Argillite package. There are two areas within this zone considered highly anomalous and warranting further investigation. They are shown on figure 3.

Zone "A" at the south end of the grid measures roughly 700m X 150m extending from L84+00N to L92+00N near baseline 50+00E. The response is 400-500nT above background and straddles the contact between the argillites and underlying (?) andesite volcanoclastics.

At the north end of the grid centered on L112+00N a 500m X 200m zone of 300-400nT above background was delineated. This zone, Zone "B" correlates with sulphide clast bearing fragmentals and the above mentioned argillite.

VLF-EM

The VLF-EM survey indicated the magnetic anomalies outlined have very low to, at best, moderate conductivities. A narrow zone of continuous moderate to high conductivity was delineated 300 meters east of the main magnetic anomalies (53+75E).

CONCLUSIONS AND RECOMENDATIONS

Two magnetic anomalies of interest have been located in the field. Anomaly "A" is located north of the Demers access road at about the 13km point and is coincident with a topographic high representing the height of land in the area and the second is located 300m east of the unnamed odd shaped lake at UTM 688 500E, 5716 500N). Both anomalies are of significant dimensions and magnetic intensity. The zones are coincident with the contact between an argillite package and an andesite fragmental interpreted as a volcaniclastic. Unfortunately VLF-EM survey data indicates the anomalous zones are not good conductors.

Further work is recommended to determine whether the anomalies outlined in this report are caused by volcanogenic massive sulphides or are the result of a regionally extensive iron formation within the Demers argillite package. Soil sampling in the area of the anomalies should be undertaken to test for a mineralized VMS horizon and a deeper penetrating EM technique such as horizontal loop would be advised. If results of these follow-up surveys show encouragement a preliminary program of two drill holes is recommended to evaluate stratigraphy for VMS style mineralization.

REFERENCES

Addie, L. and Bourdon, R.J., 2000, "Report on Till, Soil, Rock and Silt Geochemistry - Crazy Fox Property" Assessment Report filed April 2000.

Campbell, R. and Tipper, H., 1971, "Geology of the Bonaparte Lake Map-Area, British Columbia" Memoir 363, Geological Survey of Canada

BC Dept. of Mines 1967 Geophysics Paper #7716 Bonaparte Lake).

ITEMIZED COST STATEMENT

Linecutting (Rainbows and Sunshine Contracting, Grand Forks)	\$ 7,298.83
VLF-Mag Survey (Silver Eagle Enterprises, Comox, B.C.)	\$ 4,758.27
VLF-Mag Data Processing (JMT and Associates)	\$ 735.00
Report Preparation (Inmet Mining Corporation)	\$1,000.00
	<hr/>
Total	\$13,792.10

STATEMENT OF QUALIFICATIONS

I, Colin M. Burge P.Geol. hereby certify that:

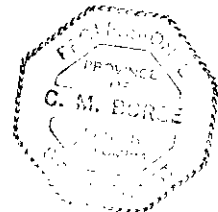
1. I am a member of the Association of Professional Engineers and Geoscientists of British Columbia. Practicing License # 20274
2. I have worked as an Exploration Geologist since graduation from University of Waterloo, Waterloo, Ontario with a BSc in Earth Sciences (1981).
3. I am a Senior Geologist for Inmet Mining Corporation, 3rd Floor 311 Water St., Vancouver B.C. and I have been employed by this company for 15 years.
4. I supervised the work reported herein.

MARCH 15, 2001

Date



Colin Burge P.Geol.



GEOPHYSICAL SURVEYS

Total field ground magnetometer and VLF-EM surveys (approx 17 km total) were conducted over the grid which consisted of a base line 3.4 km length with 1 km long cross lines at 200 meter intervals south of line 100N and 400 meters apart to the north. The base line and cross lines were flagged at 50 and 25 meter intervals respectively. Readings were taken along the base line at 25 meter intervals and at 12.5 meter intervals along the cross lines. All readings were taken facing in the direction of travel.

For the past year, VLF stations Seattle (24.8 kHz) and Hawaii (23.4 kHz) have not kept to their maintenance schedules and have been off-air much more often than normal. This problematic behaviour has resulted in the necessity to check for availability on a daily basis. During the course of this survey, only Cutler, Maine (21.4 kHz) and an unknown station at 25.2 kHz were available for more than 3 of the 4 days. The unknown station produced a clean signal that was adequate for the purpose. To date, the author has been unable to determine the location of the station.

EQUIPMENT

Two Scintrex ENVI computer controlled data recording systems were employed; one as a base station configured to gather and store total field magnetic information at 2 second intervals throughout the day, the other as a combined magnetometer and VLF-EM receiver set to gather and record total field magnetic data and 3 VLF stations. Equipment rented from Tom Hasek with the following serial numbers was used on the survey:

Magnetometer base station console	# 093
Field Unit console	#130
VLF Backpack module	#141

The magnetometer base station sensor (located in an area of low magnetic gradient) was assigned a value of 57300 nT on the morning of July 19. The magnetic base station recorder stopped recording at approx. 10:30 AM on July 19, 2000 but worked properly for the balance of the survey. At the end of each work day, the data was "dumped" to a computer for archive and later processing.

DATA PROCESSING

Data processing included diurnal correction, removal of duplicates and bad readings. The base station record was scanned for bad readings and other contamination such as vehicular traffic passing close to the sensor. These are evident in the base station record as single erratic readings or a noticeable jump in base level which may return to the previous level as the vehicle leaves the scene. Any such readings were removed from the record prior to correcting the field data to ensure pure corrections. Over the 4 day period, the maximum corrections were +/- 45 nT but were generally within +/- 15 nT.

Due to the missing base station data as mentioned above, the data from lines 8400N to 8800N is uncorrected. The author believes that corrections for the rest of July 19 would

have been less than 20 nT, as provided by the duplication of readings at the start and end of loops and the separately conducted magnetic traverse for the base line. These two independent checks and the fact that the diurnal record for the morning of the 19th is very quiet and that magnetic relief on the property is quite high, led the author to conclude that the corrections were not materially important.

Once the diurnal corrections were performed, magnetic and VLF data was plotted as profiles using a vertical scale designed to maximize detection of bad/spurious errors. It was at once noted that often when duplicate readings were taken, the sign of the VLF InPhase and Quadrature readings were reversed. Where recognized as caused while taking duplicates, the sign errors were corrected. In several instances, where ambiguous, the suspect data was eliminated. At most, 1 or 2 adjacent stations per line were affected. (A telephone discussion with the operator revealed that he often experienced difficulties with the equipment when repeating a reading to check the magnetics-usually in high gradient areas. After storing the repeat reading, he had to manually fix the station location as it would be in error. The author has never experienced this particular phenomenon with this equipment and concludes it to be operator error.)


The magnetic data was subjected to a 5 point smoothing filter (weight ratio=1:4:6:4:1) along the lines in preparation for gridding and contouring. VLF-EM InPhase (equivalent to tilt angle) data was subjected to "Fraser" filtering, a process to convert EM "crossovers" to a contourable number. Magnetic and VLF data sets were gridded using a minimum curvature algorithm (pre-eminently suitable for potential field data) and a chosen anisotropy of 1.5 to 1 in the Y direction to account for the large disparity between the station spacing and the line separation. Grids of 25m x 25m and 25m x 50 m were created for the magnetic and VLF data respectively.

DATA PLOTTING

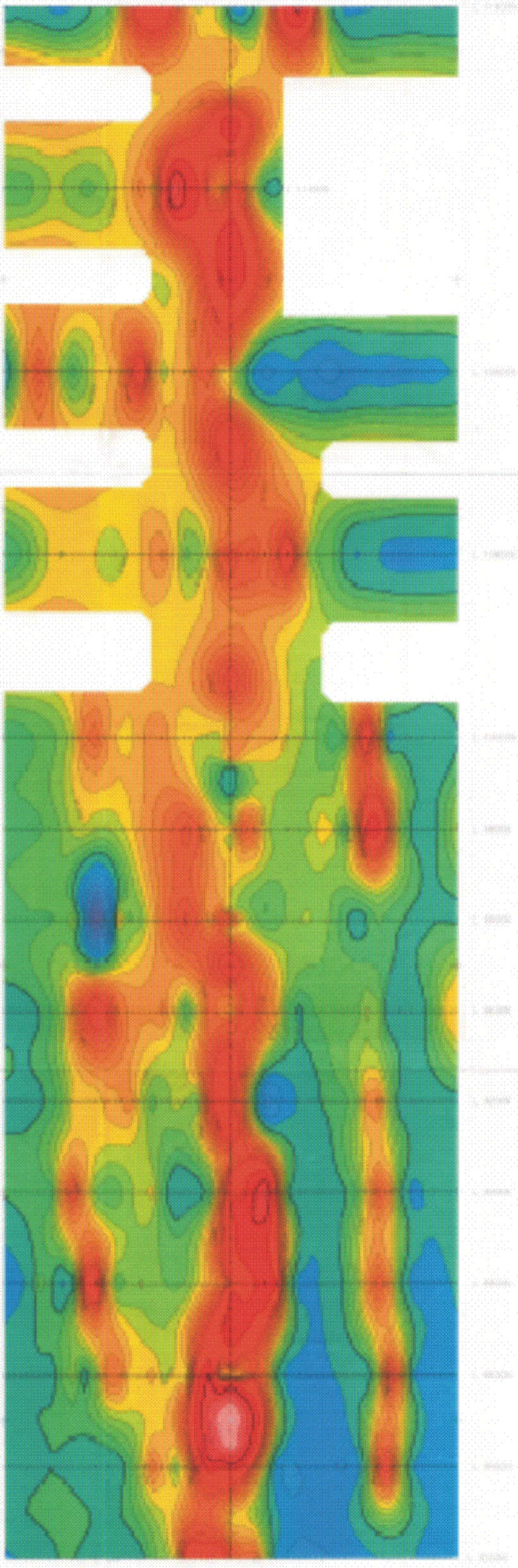
A stacked-profile map of the diurnally corrected magnetic data (raw and smoothed) was prepared at a horizontal scale of 1:5000 and 1cm=500 nT. Also, a stacked-profile map of VLF-EM InPhase, Quadrature and Field Strength data using a vertical scale of 1 cm=20% and 1cm=10 FS units was produced.

Contour maps at 1:5000 scale were produced. The VLF "Fraser" filter results were contoured using an interval of 5 units throughout. Magnetic data was contoured at 200 nT throughout with additional intervals at 100 nT between 57000 nT and 57600 nT and also 50 nT intervals between 57100nT and 57500 nT to help display detail near the data mean (57300nT). Heavily interpolated areas were blanked.

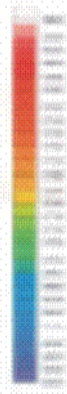
J. M. Thornton
J.M. Thornton, P.Ged

A circular professional seal for J.M. Thornton, a geoscientist in the Province of British Columbia. The seal features the text "PROFESSIONAL PROVINCE OF BRITISH COLUMBIA GEOSCIENTIST" around the perimeter and "J. M. THORNTON" in the center.

July 7, 2001



26521
 DEMERS PROJECT
 2014
 DEMERS PROJECT
 2014

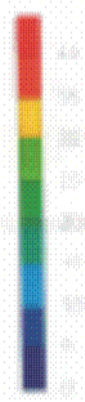
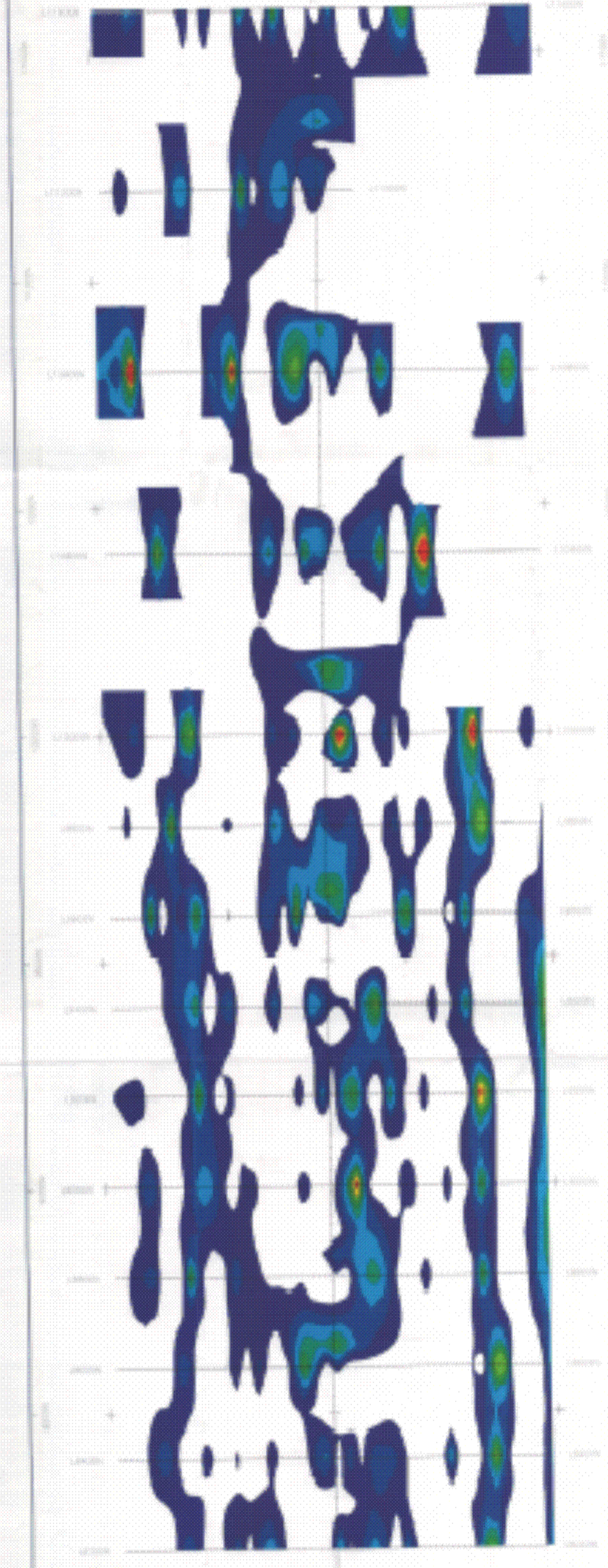


GEOLOGICAL SURVEY OF CANADA
 GSC

26,521
 26521

INMET MINING CORP.
 DEMERS PROJECT
 2014
 2014

Equipment: Surveyor 6000
Station: 26521
Datum: NAD 83



GEOLOGICAL SURVEY BRANCH
PROPERTY REPORT
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