

GEOLOGICAL AND PROSPECTING REPORT ON THE INEL MINERAL CLAIMS

ISKUT RIVER AREA LIARD MINING DIVISION NTS 104B/15W

Located at: North Latitude 56° 37' West Longitude130° 57'

for

Gulf International Minerals Ltd.

by

Scott WeekesLOGICAL SURVEY BRANCH Pamicon Developments Ltd. MORT AND AND STORT

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Pamicon Developments Ltd

February 2001

2000 GEOLOGICAL REPORT ON THE INEL PROPERTY

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1.0 Introduction:

During the summer of 2000, Pamicon Developments Ltd. on behalf of Gulf International Minerals Ltd. conducted a field visit to the Inel property. The purpose of the visit was to determine if a larger surface mapping and sampling program was warranted on the AK Zone.

The Inel property is an advanced stage exploration property located in northwestern British Columbia. Numerous mineralized zones have been recognized on the property but the majority of work concentrated on only two, the Discovery Zone and the AK Zone. Previous work on both zones included surface and underground diamond drilling. Mineralization at the AK Zone is hosted in a breccia and appears to still be poorly understood.

Due to the extreme topography in the area Gulf decided to go underground on the Ak Zone at a relatively early stage. Very little effort seems to have been made to maximize the amount of data that could be obtained through mapping. Although there is some surface data for the area there is no comprehensive geological map. One of the reasons surface data was given a lower priority is that in 1990 a glacier limited exposure at the AK Zone.

A very short program was completed in 2000 to determine if a more detailed surface mapping and sampling program was warranted at the AK Zone. As glaciers in the area are generally retreating very quickly, it was hoped that exposure in the area would have increased significantly over the past ten years.

2.0 Location, Access and Topography:

The Inel property is located in the Liard Mining Division in northwestern British Columbia approximately 100 km northwest of Stewart, 25 km east of the international border. The claims are situated at 130° 57' west longitude, 56° 37' north latitude.

Access to the area is by fixed wing aircraft to the Bronson Creek airstrip located 10 km northwest of the property or by truck utilizing the Eskay Creek Mine road to Volcano Creek, approximately 15km east of the property. The Eskay Creek Mine road is a gated, radio controlled access road so permission to use the road must be secured from the mine. Access to the property is by helicopter. A limited number of roads have been constructed on the property that provides access by foot or ATV.

Topography on the property varies from 800 metres near Bronson Creek to over 2100 metres on Snippaker Ridge and is dominated by steep scree slopes and bluffs. Vegetation is generally sparse but moss, talus and snow cover limit exposure. The upper portion of the claim group is covered with numerous small glaciers.

3.0 **Property Description**:

The Inel property consists of 12 contiguous claims totaling 162 units. Gulf Minerals Ltd. is the registered owner. Two of the claim groups (INEL 1 and INEL3) are currently held as 30-year mining leases. The leases expire July 21, 2019. A summary of the claims is as follows:





Claim Name	Tenure Number	Units	Work Recorded To
INEL 1	226133 (lease)	9	07/21/2001
INEL 2	221933	12	04/01/2001*
INEL 3	226134 (lease)	9	07/21/2001
INEL 4	221934	12	04/01/2001*
INEL 2	222230	16	10/18/2001
INEL 3	222231	20	10/18/2001
INEL 4	222232	20	10/18/2001
SKX 1	222519	12	12/05/2001
SKX 2	222520	6	12/05/2001
KEDGE	222228	6	10/18/2001
KEDGE 2	222229	20	10/18/2001
SLOCUM 2	222223	20	09/13/2001

* upon acceptance of this report

4.0 Exploration History:

The discovery of showings on the present INEL claims was recorded in 1965 by Cominco prospectors who had traced mineralized float up Bronson creek to the source. The Inel property was originally staked by R. Gifford in 1969 and optioned to Skyline Explorations Ltd. Texas Gulf Inc. optioned the property from 1972 – 1974 and completed geological and geophysical surveys, trenching and sampling. The option was dropped in 1975 and little work was done until 1980.

Skyline resumed exploration at Inel in 1980. Inel Resources Ltd. was incorporated in 1987 and acquired ownership of the Inel claims. In 1989 Inel and Gulf International Minerals Ltd. amalgamated.

A brief summary of the recent work at Inel is as follows:

YEAR	Work Completed	Company
1980	Trenching, sampling, mapping	Skyline Exploration Ltd.
1981	Trenching, sampling, mapping	Skyline Exploration Ltd.
1982	Prospecting	Skyline Exploration Ltd.
1983	Airborne geophysics – Discovery zone: sampling	Skyline Exploration Ltd.
1984	Discovery Zone: 22 drill holes (1630 m)	Skyline Exploration Ltd.
1985	Mapping, trenching, geochemistry	Skyline Exploration Ltd.
1986	No work	
1987	Discovery Zone: underground development (183 m)	Inel Resources
1988	Discovery Zone: underground development (570 m),	Inel resources
	54 drill holes (4258 m) – AK Zone discovery	
1989	Discovery Zone: underground development (120 m),	Gulf International
	46 drill holes (5454 m) – AK Zone: 31 holes (3060	
	m)	
1990	AK Zone: underground drifting (367 m), 23 drill	Gulf International
	holes (2360 m)	
1991	Mapping, road construction AK Zone: underground	Gulf International
	sampling, trenching, 1 drill hole (33 m) – Discovery	
	Zone: underground sampling	

5.0 Regional Geology:

Kerr (1948) conducted the first comprehensive geological mapping in the Iskut area. More recent work includes Logan et al. (1990) and Anderson (1989). The following is a very brief summary of the geology, for a more detailed examination the reader is referred to the above authors.

The area lies within the Stikine lithostructural terrain, which represents a mid-Paleozoic to Mesozoic island-arc assemblage of volcanic and sedimentary rocks. The Paleozoic rocks range from Devonian to Permian in age and form part of the Stikine Assemblage. The Mesozoic rocks include the Upper Triassic Stuhini Group and the Jurassic Hazelton Group. These rocks are intruded by early Jurassic to Cretaceous and Tertiary Plutons.

The region is cut by two sets of major faults; north trending and north-northeast to northeast trending.



6.0 Property Geology:

The following is a summary from Jaramillo (1991).

"The Inel property is underlain by volcanic and sedimentary rock of the Hazelton Group. The oldest exposed rocks are felsic pyroclastic rocks, which are overlain by clastic sediments and interbedded tuffaceous rocks. The youngest exposed rocks are basaltic flows and tuffs."

"A number of styles of mineralization have been recognized on the Inel claims with the Discovery Zone and the AK Zone representing the two best understood. Mineralization at the Discovery Zone consists of massive to semi-massive sulphides with gold and base metal mineralization. The mineralization appears to be satratabound and may represent a gold rich volcanogenic massive sulphide deposit."

"Mineralization at the AK Zone consists of sulphides and gold within an intrusive breccia as well as a stockwork zone of pyrite-chalcopyrite-gold stringers and veinlets. The underlying controls and orientation of the zone are not well understood."

7.0 2000 Exploration Program and Results

To help determine what, if any surface work can be done in the area of the AK Zone a brief property visit was made in July, 2000. Adverse weather conditions and an unusually late snowmelt made the evaluation process difficult. Traverses were made in the area of the AK Zone and the extent of mineralization was traced as far as snow conditions allowed.

A total of five samples was collected in the area and plotted on existing geology maps.



Sample	Sample	Rock Type	Description	Au	Ag	Cu	Pb	Zn
No.	Туре			ppb	ppm	ppm	ppm	ppm
325954	Grab	QV in Seds	Narrow (1.0-6.0 cm) Qtz veins within pyretic sediments – minor py +carbonate	15	1.6	222	32	182
325955	Grab- float	Felsic volcanic	Sulicified felsic tuff – 5- 15% pyrite	965	4.2	34	1015	184
325956	Grab- float	Quartz Porph Breccia	Granitic clasts to 10 cm –angular black sed. Clasts – 2-15% py+cpy	275	4.4	111	636	1750
325957	Grab	Quartz Sercite pyrite	No original textures – 5-20% py (5.0 m wide zone trending 044)	90	1.4	87	702	1635
325958	Grab	Hetrolithic Breccia	Similar to 325956 but contains 10% f.g. green cherty clasts	960	1.0	34	90	468

In addition to trying to evaluate the surface exploration potential of the AK Zone the existing camp was also visited. The condition of the camp was evaluated to see what would be necessary to make the camp useable.

8.0 Conclusions and Recommendations:

Because of the late snowmelt it was impossible to determine if there had been any appreciable melting of the glacier near the AK Zone over the past 10 years. Determining the location of outcrops was difficult due to the lack of survey control in the area but despite these hindrances a number of conclusions and recommendations can be made:

 A surface-mapping program would add significantly to the existing geology maps of the AK Zone. In particular there are a number of structures that could be mapped that do not appear on any of the existing maps. Also there is at least one coarse pebble bed that may be mappable and provide a marker horizon for the area. In general it appears surface mapping was neglected by previous workers and may provide a useful tool in helping to understand the AK Zone.

- There is an extensive set of east-west trending, south dipping mineralized (pyritic) fractures that are not mentioned in the existing reports. Detailed sampling of such features may help in understanding the distribution of gold values and therefor the controls of the mineralization.
- 3. Topography is such that a detailed grid could be established over the area as a control for mapping and possibly geophysics.

A surface mapping and sampling program is recommended on the AK Zone for a number of reasons.

- 1. There has never been a comprehensive surface mapping and sampling program conducted on the AK Zone.
- Exposure in the area is quite good and it is likely that over the past ten years the glacier near the AK Zone has retreated and exposed outcrops not available to previous workers.
- 3. A lack of surface mapping and sampling makes surface to underground correlations difficult.

An examination of the camp shows that most of the buildings have been damaged to some extent. The kitchen–washhouse-dry facility has been significantly damaged and there is little that can be salvaged from this building. Most of the sleeper buildings have some water damage but could be utilized after some reconditioning. In most cases the insulation in the cabins is water logged and will need to be removed and the cabins dried out. The core shack and parts warehouse are still in excellent shape and require very little maintenance.

During a surface mapping and sampling program it would not be necessary to construct any new buildings. Some of the current buildings could be renovated and used as a kitchen and washhouse. New kitchen appliances and a generator would need to be installed. It is also recommended that the current electric heating system be replaced with oil type heaters.

APPENDIX I

LIST OF REFERENCES

List of References

Anderson, R.G.

1989: A Stratigraphic, Plutonic and Structural Framework for the Iskut Map Area, Northwestern British Columbia: in Current Research, Part E; Geological Survey of Canada, Paper 89-1E Pages 145-154.

Grove E.W.

- 1985: Geological Report and Work Proposal on the Skyline Explorations Ltd. Inel Property, Iskut River Area, unpublished report
- 1989: Exploration and Development Proposal for Inel Resources Ltd on the Inel Property, Iskut River Area, N.W. British Columbia, unpublished

Logan, J.M., Koyanagi, V.M. and Drobe, J.R.

- 1990a: Geology, Geochemistry and Mineral Occurrences of the Forrest Kerr Iskut River Area, N.W. British Columbia, 104B/15 and part of 104B/10; B.C. Ministry of Energy, Mines and petroleum Resources, Open File 1990-2
- 1990b: Geology of the Forrest Kerr Creek Area, N.W. British Columbia (104B/15); B.C.
 Ministry of Energy, Mines and Petroleum Resources, Geological Fieldwork 1989,
 Paper 1990-1, Pages 127-139

Jaramillo, V.A., Gifford, Robert G.

1991: Assessment Report on the 1991 Exploration Program, Inel Property, Iskut River Area, N.W. British Columbia

APPENDIX II

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COST STATEMENT

ITEMIZED COST STATEMENT GULF INTERNATIONAL MINERALS INEL 2 & 4 CLAIMS LIARD MINING DIVISION JULY 10, 2000 to JULY 30, 2000

WAGES

Scott Weekes - Project Geologist 611 - 675 West Hastings St. Vancouver, B.C.	6 Days @	\$400.00	\$2,400.00	
John Anderson - Sampler/Prospe 611 - 675 West Hastings St. Vancouver, B.C.	3 Days @	\$300.00	<u>\$900.00</u>	\$3,300.00
EXPENSES:				
DIRECT CHARGES				
Travel - Airfare			\$700.87	
I ravel - Misc. Hotels & Meals			\$916.09	
Field Supplies			\$97.84	
Rentals - Radios			\$28.00	
Freight Charges			\$45.38	
Helicopter Charges			\$2,960.75	
Report Material Costs			<u>\$100.00</u>	
CONSULTING CHARGES				\$4,848.93
Direct Charges			\$727.34	
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				\$8,876.27
GST				\$621.34
TOTAL PROJECT COSTS				<u>\$9,497.61</u>

APPENDIX III

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ANALYTICAL REPORTS



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Analytical Chemists * Geochemists * Registered Assayers 212 Brooksbank Ave., British Columbia, Canada North Vancouver V7J 2C1 PHONE: 604-984-0221 FAX: 604-984-0218

To: PAMICON DEVELOPMENTS LIMITED

611 - 675 W. HASTINGS ST VANCOUVER, BC V6B 1N2

Comments: ATTN: SCOTT WEEKES

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	SAM	PLE PREP	ARATION	2123 2124 2125	8	Bi ppm: 32 element, soil & rock Ca %: 32 element, soil & rock Cd ppm: 32 element, soil & rock	icp- <u>aes</u> icp-aes icp-aes	2 0.01 0.5	10000 15.00 500
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Analytical Chemists * Geochemists * Registered Assayers

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212 Brooksbank Ave., North Vancouver British Columbia, Canada V7J 2C1 PHONE: 604-984-0221 FAX: 604-984-0218

To: PAMICON DEVELOPMENTS LIMITED

611 - 675 W. HASTINGS ST. VANCOUVER, BC V6B 1N2

Page Number :1-A Total Pages :1 Certificate Date: 21-NOV-2000 Invoice No. :10030488 P.O. Number : Account :BM

Project : Comments: ATTN: SCOTT WEEKES

CERTIFICATE OF ANALYSIS A0030488

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SAMPLE	PREP CODE	Au ppb FA+AA	Ag ppm	A1 %	As ppm	B ppm	Ba ppm	Be ppm	Bi ppm	Ca %	Cđ ppm	Со mqq	Cr ppm	Cu ppm	Fe %	Ga ppm	Eg ppm	K %	La mqq	Mg %
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CERTIFICATION:

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A hemex Aurora Laboratory Services Ltd.

Analytical Chemists * Geochemists * Registered Assayers

212 Brooksbank Ave., North Vancouver British Columbia, Canada V7J 2C1 PHONE: 604-984-0221 FAX: 604-984-0218

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To: FAMIGON DEVELOPMENTS LIMITED

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Project : Comments: ATTN: SCOTT WEEKES

CERTIFICATE OF ANALYSIS

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SAMPLE	PREP CODE	Mn ppm	Мо ррш	Na %	Ni ppm	P	Pb ppm	S %	Sb ppm	Sc ppm	Sr Ti ppm ?	T1 ppm	U ppm	y M	Ж ррш	Zn ppm	
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STATEMENT OF QUALIFICATIONS

I, SCOTT M. WEEKES, of 4172 Browning Road, Sechelt, in the Province of British Columbia, DO HEREBY CERTIFY:

1. THAT I am a Geologist in the employment of Pamicon Developments Limited, with offices at Suite 611-675 West Hastings Street, Vancouver, British Columbia.

2. THAT I am a graduate of the University of British Columbia with a Bachelor of Science Degree in Geology.

3. THAT my primary employment since 1983 has been in the field of mineral exploration.

4. THAT my experience has encompassed a wide range of geologic environments and has allowed considerable familiarization with prospecting, geophysical, geochemical and exploration drilling techniques.

5. THAT this report is based on data and information collected by the author of this report during the period July 10 - July 21, 2000.

DATED AT Vancouver, B.C., this <u>A</u> day of <u>Margh</u>, 2001

Scott M Weekes