GEOLOGICAL, PROSPECTING and DIAMOND DRILLING ASSESSMENT REPORT

ON THE WHITE LIMESTONE PROJECT

(SMILEY 1 – 6 CLAIMS)
(TENURE # 378986, 378987, 381135-381138)

NIMPKISH LAKE AREA
VANCOUVER ISLAND, B.C.
NANAIMO M.D., N.T.S. 92L/7W (92L.036 +046)
LATITUDE 50°24'10", LONGITUDE 126°49'50"

For

Robert Howich & J. T. Shearer
General Delivery
Quatsino, B.C., V0N 2V0
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by

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July 15, 2001

Fieldwork completed between August 1, 2000 and June 3, 2001

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SUMMARY

1) The Smiley 1-6 (total 47 units) Mineral Claims were located in 2000 to cover an extensive zone of bleached white limestone.

2) The claims are along the Island Highway, 34 km south of Port McNeil on the east side of Nimpkish Lake.

3) Previous work for high brightness filler $CaCO_3$ including limited diamond drilling that was done for Industrial Fillers (Pluess Stauffer, OMYA) in the late 1980's.

4) The claims are underlain by a broad gently dipping syncline of Quatsino Formation Limestone, which has been marbleized and bleached by the intrusion of the Jurassic Nimpkish batholith.

5) Several small skarn-magnetite zones were encountered in the present mapping program.

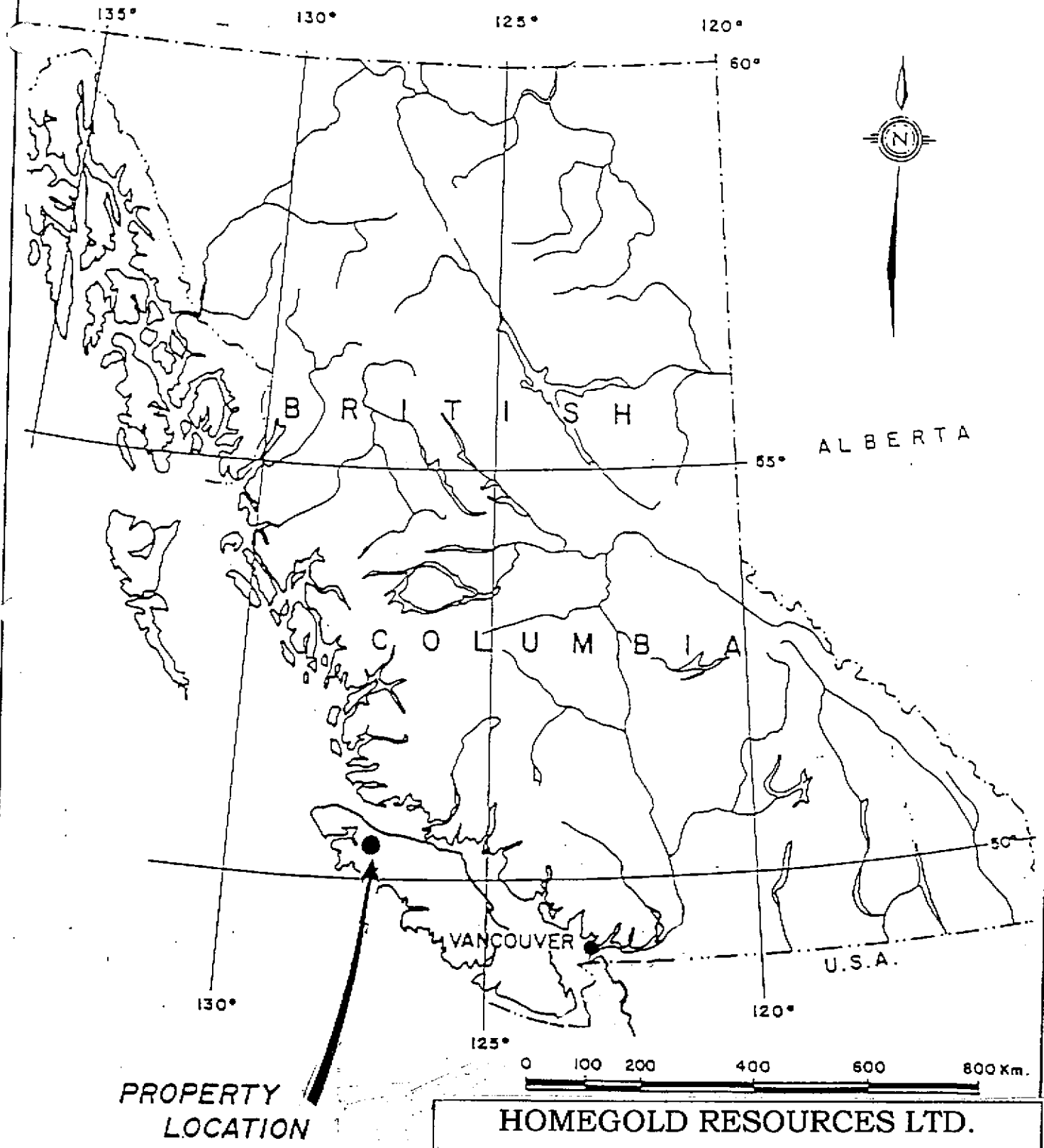
6) Two short diamond drill holes were completed near The Highway along the limestone-intrusive contact in 2001 for a total of 51.82m (170 ft.).

7) High brightness (up to 91.21%) and purity (up to 56% CaO)(99.68% $CaCO_3$) have been obtained from preliminary sampling.

8) Future work should include (a) detail geological mapping along zone 100m wide from intrusive contact, (b) reconnaissance magnetometer lines throughout the property to identify the presence of blind intrusive bodies or dykes and (c) wide spaced short diamond drill holes along the intrusive contact to test for the continuity of the higher brightness zones.

Respectfully submitted,

J. T. Shearer, M.Sc., P.Geo.



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WHITE LIMESTONE PROJECT

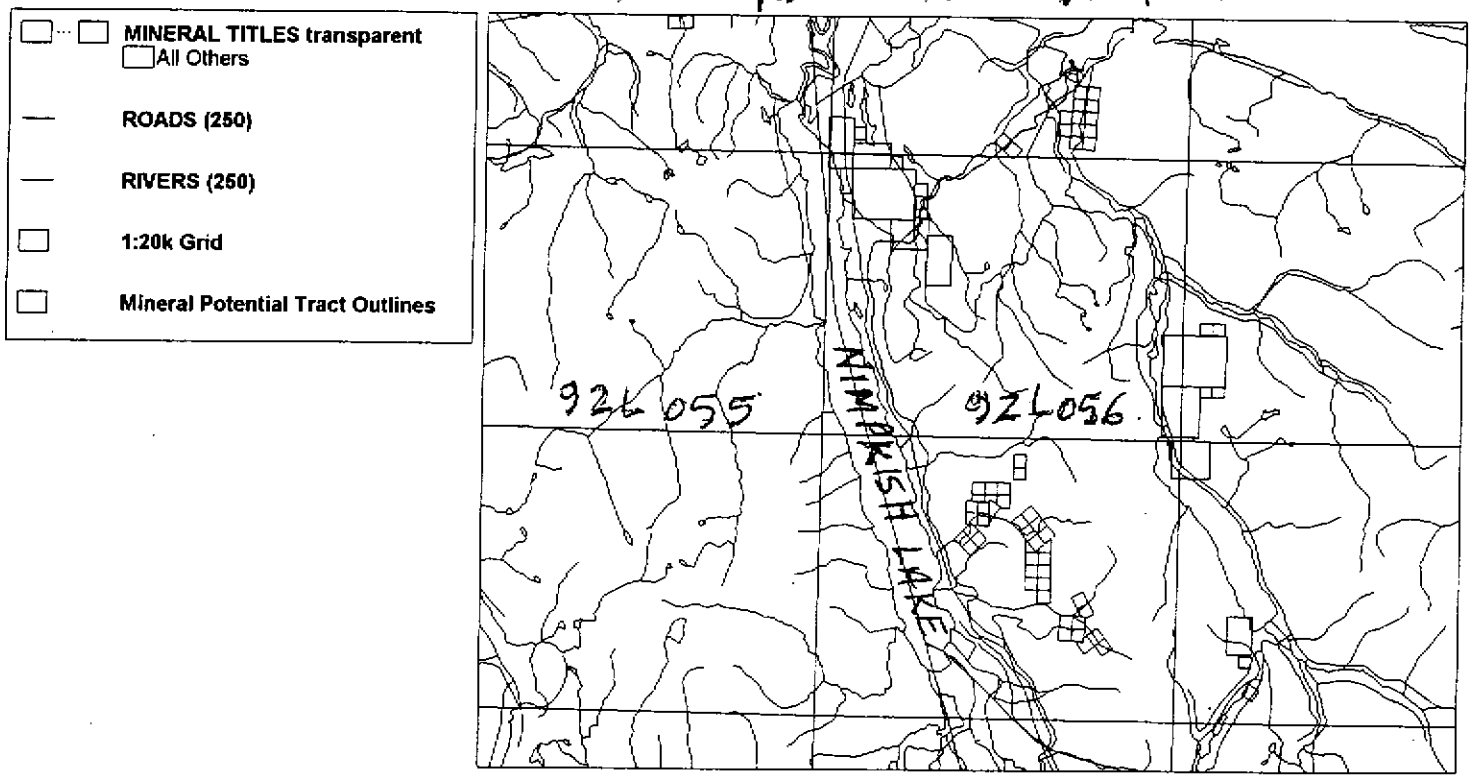
SMILEY CLAIMS
LOCATION MAP

NTS 92L/7W	July 2001	SCALE as shown
WORK BY J. T. Shearer, M.Sc., P. Geo	FIGURE 1	

Homegold Resources Ltd SIMILEY CLAIMS

11 kmiles = 17.6 Km Road to Beaver Cove...

92L045 92L046



SCALE 1 : 302,460

5 0 5 10 15

MILES

N

http://webmap.ei.gov.bc.ca/minpot/map/dep_find.m

HOMEGOLD RESOURCES LTD.		
WHITE LIMESTONE PROJECT		
SMILEY CLAIMS ACCESS MAP		
NTS 92L/7W	July 2001	SCALE as shown
WORK BY J. T. Shearer, M.Sc., P. Geo	FIGURE 2	

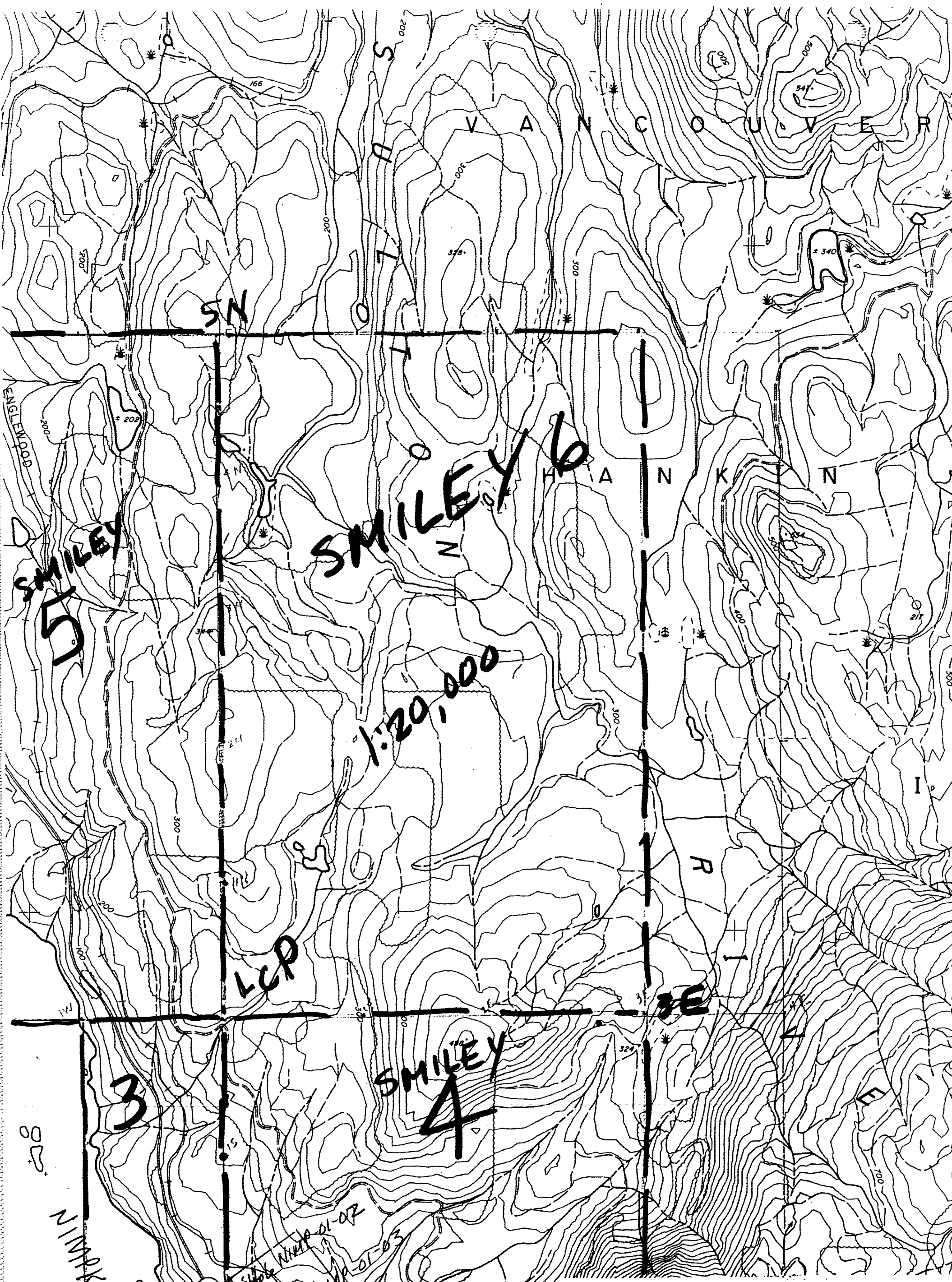
INTRODUCTION

The Smiley property was staked in July 2000 to cover an area of fairly pure, white limestone, which had been known from rock exposures excavated during construction of the Island Highway. Recent logging by CANFOR has exposed the area long the limestone-intrusive contact near the highway.

The present program consisted of prospecting in later 2000 and early 2001. Geological mapping at a scale of 1:5,000 and two short diamond drillholes were completed in mid 2001.

Previously, the property was examined by Achermann and Duncan G. Ogden for Industrial Fillers and by David Coffin for Vanguard Consulting between June 15 and 19, 1988. A short diamond drilling program was conducted between August 2 and August 10, 1988. Some geological mapping was completed by Howard Brown for Pleuss Stauffer in 1984.

Initial discussions have taken place with CANFOR Logging on the possibility of using the private deep water dock facilities at Beaver Cove. In the past the Kelsy Bay-Beaver Cove Ferry used the CANFOR ramp and the Nimpkish Iron operation also loaded barges at Beaver Cove.



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WHITE LIMESTONE PROJECT

SMILEY CLAIMS
TRIM MAP
(and Drillhole Location)

NTS 92L/7W	July 2001	SCALE 1L20,000
WORK BY J. T. Shearer, M.Sc., P. Geo		FIGURE 3

LOCATION and ACCESS

The property is located on the east shore of Nimpkish lake, approximately 17 km southwest of the deep harbour at Beaver Cove, on Vancouver Island's Northeast coast. Port McNeil, the closest supply point to the property, lies approximately 20 air-km or 34 road-km to the northwest. Port McNeil is capable of providing accommodation, contract excavators and the other usual requirements for an exploration program.

Access to the property is gained by driving south from Port McNeil along B.C. Highway 19 (Island Highway) for a distance of 35 km, turning east onto the Canada Forest Products access road found just north of Noomas Creek. A series of branch logging roads provide access to most parts of the claim group. Highway 19 and the Canada Forest Products rail line both cross the western part of the property.

The Smiley property occupies a portion of the transition between the lowlands of Vancouver Island's northeast coast and the rugged mountain ranges to the south. Elevations on the property range from 25 metres to 400 metres a.s.l. Much of the property is a western facing side hill with an average slope of 12° over 1800 metres, being steeper along the Nimpkish Lake shore. The drainage has a trellis pattern but creeks can be expected to flow usually during run-off periods due to the limestone bedrock.

The claims are within TFL 37 owned by CANFOR, who operate numerous camps, the largest being Woss where the Forestry Engineering office is located. A unique feature of TFL 37 is the still operating logging railway, which transports logs to the sorting and shipping facility at Beaver Cove.

LIST of CLAIMS

The property consists of two 2-post claims and four modified grid claims totalling 47 units as shown in Table 1 and Figure 4.

TABLE I

List of Claims

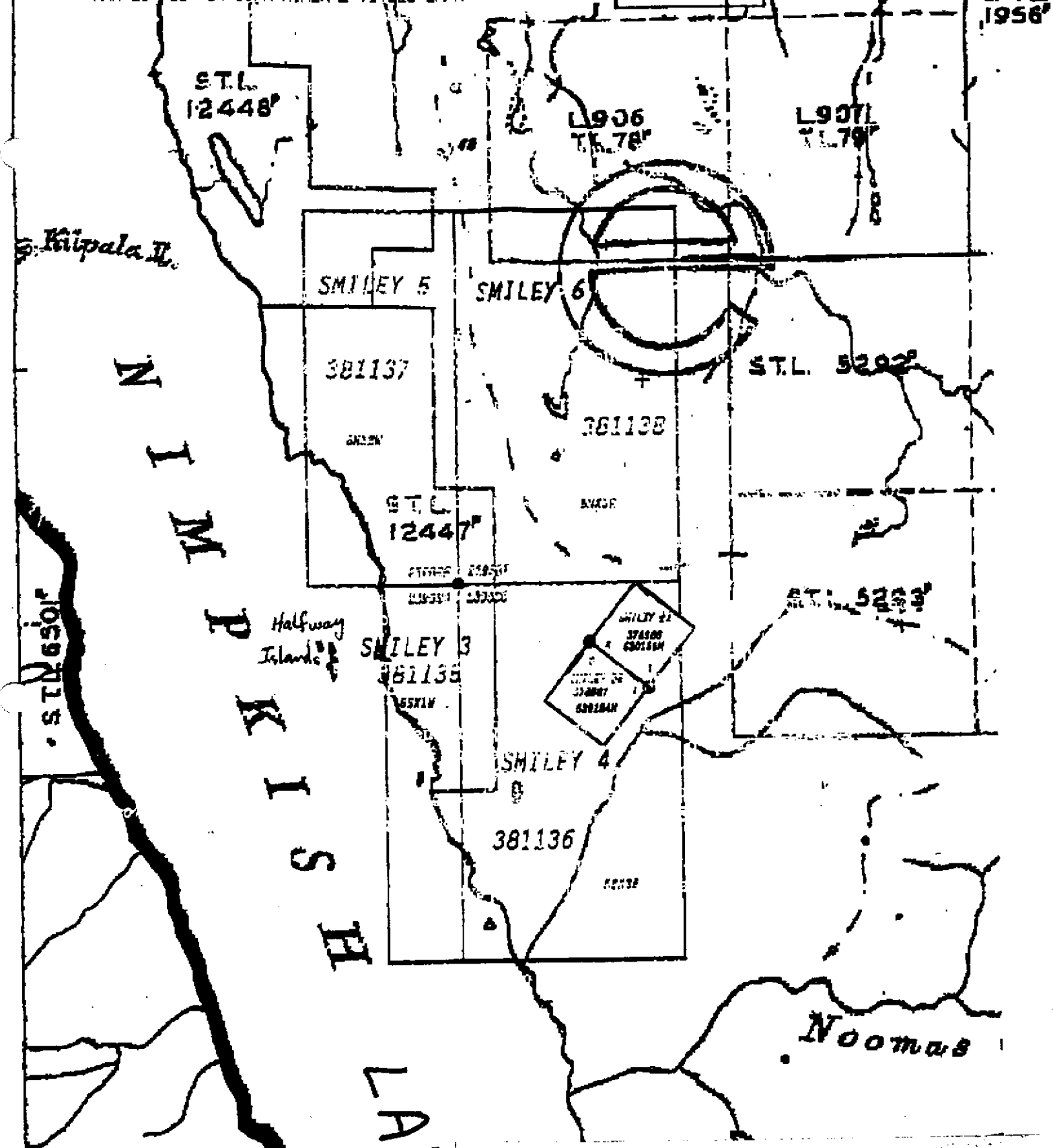
Claim Name	Tenure #	Size	Units	Date Located	Current Anniversary Date*	Owner
Smiley 1	378986	2 post	1	July 25, 2000	October 11, 2004	J. T. Shearer
Smiley 2	378987	2 post	1	July 25, 2000	October 11, 2004	R. Howich
Smiley 3	381135	5S1W	5	October 11, 2000	October 11, 2004	J. T. Shearer
Smiley 4	381136	5S3E	15	October 11, 2000	October 11, 2004	J. T. Shearer
Smiley 5	381137	2W5N	10	October 11, 2000	October 11, 2004	R. Howich
Smiley 6	381138	3E5N	15	October 11, 2000	October 11, 2004	R. Howich

Total 47 Units

* after common dating and application of assessment work documented in this report.

Mineral title is acquired in British Columbia via the Mineral Act and regulations, which require approved assessment work to be filed each year in the amount of $100 per unit per year for the first three years and then $200 per unit per year thereafter to keep the claim in good standing.

Under the present status of mineral claims in British Columbia, the consideration of industrial minerals requires careful designation of the products 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.



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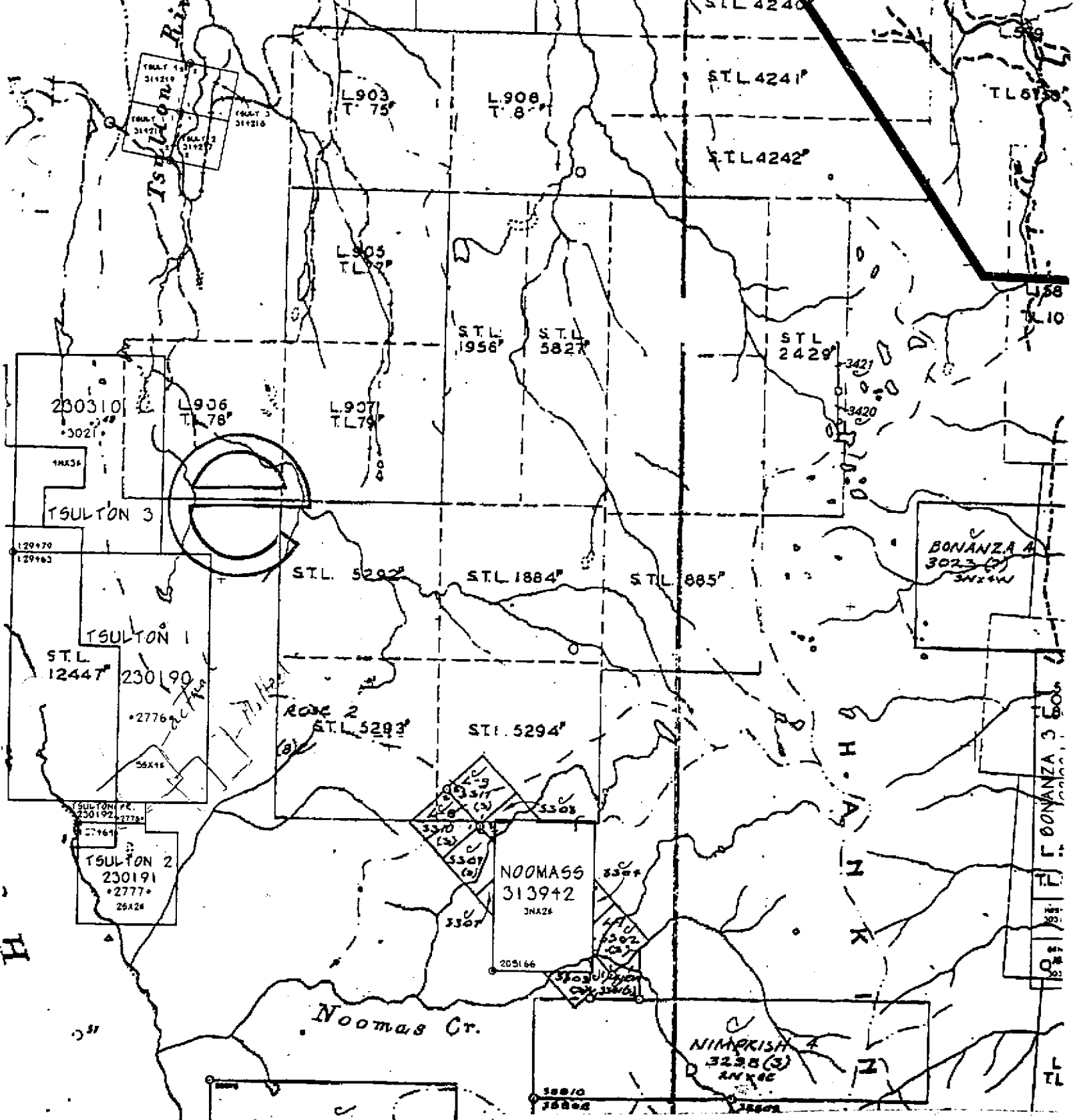
WHITE LIMESTONE PROJECT		
SMILEY CLAIMS CLAIM MAP		
NTS 92L/7W	July 2001	SCALE 1:31,680
WORK BY J. T. Shearer, M.Sc., P. Geo		FIGURE 4



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WHITE LIMESTONE PROJECT

SMILEY CLAIMS
CLAIM MAP

NTS 92L/7W	July 2001	SCALE 1:31,680
WORK BY J. T. Shearer, M.Sc., P. Geo	FIGURE 4	

HISTORY

The area has long been known for its timber production along Nimpkish Lake. Several skarn copper-magnetite showings were found in 1929 southeast of the Smiley Claims along Kinman Creek and Smith Creek.

There are several assessment reports available on the area covered by the Smiley Group as follows:

Assessment Report Number	
094	Menzies, M., and Brynelsen, B. O., 1953: Trenching and Mapping for Noranda.
10986	Quin, and DeCarle, 1983: Input EM and Airborne Magnetometer 33.7 line km also plotted on a 1:10,000 orthophoto with total magnetics and horizontal coil EM anomalies for Mintek Resources
12348	Morton J. W., 1984: Geochemistry for Mintek Resources
18850	Soux, C. and Coffin, D., 1988: Diamond Drill Program Report for Industrial Fillers Ltd. (Pleuss Stauffer) two 150m short holes, widely spaces.

Geological mapping was carried out by Pleuss Stauffer geologist, Howard Brown in several places on the northern Vancouver Island. A reduced summary version of Brown's mapping is shown in Soux and Coffin (1988).

To the south of Nimpkish Lake a small magnetite skarn produced a small tonnage in the late 1950's and early 1960's from the Klannick Iron Deposit. Mineralization in the general area was originally discovered around 1900.

REGIONAL GEOLOGY

The Nimpkish Area was most expertly mapped by H. Gunning in the field seasons 1929 to 1931 who established a more detailed stratigraphy and named the Karmutsen Formation and Bonanza Group.

These maps were published by Hoadley (1953) along with Memoir 272 (Geology and Mineral Deposits of the Zeballos-Nimpkish Area, Vancouver Island, B.C.). More recently Mueller and Roddick completed 1:250,000 mapping of the 29L sheet for the Geological Survey of Canada and published Paper 74-8 on the general Area (Muller, Northcote and Carlise, 1974).

The area is primarily composed of intermediate volcanic sequences of the Karmutsen Formation conformably overlain be Quatsino Formation Limestone. A major antiformal structure occurs from which exposes Triassic Parson Bay mixed sedimentary rock and Lower Jurassic Bonanza Group intermediate to felsic volcanic sequences. Rock units generally trend to the northwest, displaying a series of open folds with gentle dips east and west.

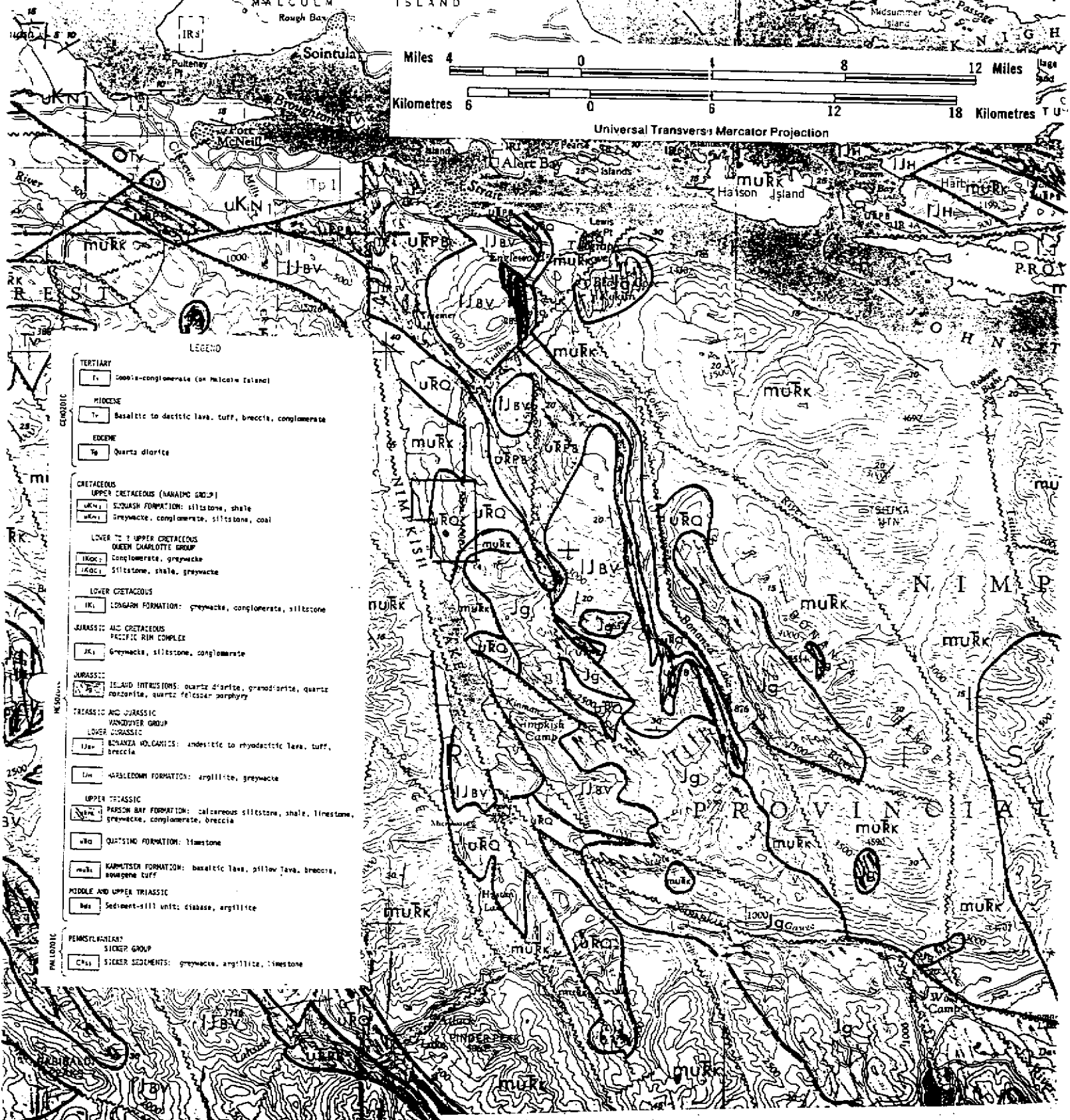
All of the above units have been intruded by members of the intermediate to felsic Island Intrusions of Upper Jurassic age. These intrusions have caused both skarn and other hydrothermal metal deposits at numerous locations on Vancouver Island.

Major faults tend to lie sub-parallel to the fold structures, although cross-faulting has been mapped.

Hoadley (1953) describes the Quatsino Formation (page 17) as follows:

> *"The Quatsino Formation consists almost entirely of limestone, with a few thin flows of andesite or basalt. The limestone is fine to coarsely crystalline, and ranges from white to black, with various intermediate colours. Towards the base, it tends to be exceedingly fine grained, and grey and brownish or buff colours are characteristic. Midway of the formation the colours are predominantly white or grey, but towards the top the limestone becomes dark grey to black, due to a varying quantity of carbonaceous matter, and the formation grades upward into argillites and impure limestones of the overlying Bonanza group. Even at the top, however, light grey or even white beds are interbedded with the darker varieties in the upper part of the formation but in the lower part, where white to brownish grey and buff colours predominate, it is poorly preserved. In the upper part, too, the beds are generally thin, thicknesses of ½ inch and less being common and formation 2 or 3 feet uncommon. The formation as a whole is dominantly a high-calcium limestone. The rock is too jointed in many places to serve as a building stone, but where the beds are least deformed and well removed from intrusions, as from Beaver Cover to Bonanza Lake, it could be extracted in blocks sufficiently large for ordinary structural purposes. Within a mile or two of bodies of the Coast intrusions, the limestone may be highly contorted and extremely jointed and fractured, cut by many acidic dykes, and partly altered to lime-silicate minerals, iron oxides, magnetite and hematite, and by sulphides of copper, iron, zinc, and lead."*

The lower part of the Quatsino limestone is well exposed on the east side of Nimpkish Lake, 2 miles from the outlet. At its base there is a small fault, trending 070° east, which throws the underlying volcanic rocks up against the limestone. The volcanic



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SMILEY CLAIMS
REGIONAL GEOLOGY

NTS 92L/7W	July 2001	SCALE 1:62,240
WORK BY J. T. Shearer, M.Sc., P. Geo	FIGURE 5	

rocks, which include andesite, amygdaloidal basalt, and sheared agglomerate, are exposed for 500 yards or more to the south and are underlain by at least 50 feet of grey and white mottled limestone, which at its base becomes argillaceous and well bedded and rests conformably on a slightly sheared and altered amygdaloidal flow. A second smaller bed of limestone lies conformably in these volcanic rocks a few hundred yards farther south. At this locality, the lower part of the Quatsino Formation is composed of interbedded limestone and volcanic flows.

For about a mile on the east side of Nimpkish Lake opposite Halfway Islands, near the western part of the Smiley Claims, the rocks at and near the base of the Quatsino formation are exposed at low water (Hoadley, 1953). There, the top of the underlying volcanic group is rolling and irregular and remnants of the overlying Quatsino limestone have been preserved in one or two saucer-shaped low-lying areas. The relations between the limestone and underlying volcanic rocks are complex. In one place, 1km due south of Halfway Islands, an irregular, 3-foot bed of light grey, fine-grained, limestone, some distance below the base of the Quatsino Formation, is overlain and underlain by andesitic lavas, and is contorted and slightly faulted. Farther south are amygdaloidal basalts and a peculiar fragmental rock, the latter consisting of grey to greenish or brownish dense limestone nodules or rounded fragments, rarely more than 1 inch or 2 inches in diameter, in a matrix of green and reddish andesite and basaltic fragments from ¼ inch to 18 inches in diameter, some of them resembling bombs. This rock might be termed a breccia, but it has the appearance of having been formed by incorporation of volcanic ejectamenta in a calcareous mud, possibly with the addition of a few angular fragments of limestone (Hoadley, 1953).

Farther south, at the first good expose of its base, in this locality, the Quatsino Formation was found by Hoadley to be underlain by andesitic flows containing several irregular gobs, up to 5 feet across, of limestone, the whole intruded by irregular and curving andesite dykes. The Quatsino limestone overlies this material and dips gently westward but contains irregular to lenticular dyke-like masses of andesite.

At one place on the small peninsula northeast of Halfway Islands, the base of the limestone is again well exposed. There, the limestone is apparently lying on green to purplish andesite flows and fragmental rocks, but it is intruded by numerous dykes of similar appearance to the lavas. Also, the dykes contain many large and small fragments of limestone. The limestone itself is massive or poorly and irregularly bedded. Farther south, the underlying andesite and amygdaloidal basaltic volcanic rocks are exposed for almost 900 feet to the small point east of the north end of Halfway Islands. There, pure white, crystalline, massive limestone, banded in grey shades for 8 feet above the base, overlies green, rusty, pyritic andesite, the contact striking 030° and dipping 30° southeast (Hoadley, 1953).

Most of the intrusive rocks of Vancouver Island form part of the Coast intrusions, which were emplaced during Jurassic or Cretaceous time and which now occupy much of the Coast Mountain area of British Columbia. They are holocrystalline, igneous rocks that range in colour from pink and brown to grey and dark greenish grey, and in composition from basic to acidic, with rocks of the granite clan predominating. They form sills, dykes, stocks and batholithic bodies in the Vancouver group and are of great economic significance in that most of the mineral deposits of the region are believed to be genetically related to them.

On northern Vancouver Island, these intrusive rocks are largely confined to long, narrow, northwesterly trending belts separated by somewhat wider belts of Upper

Triassic volcanic and sedimentary rocks. The areas of intrusive rocks are, in detail, irregular and discontinuous. Regionally, however, they form bands 2 to 5 miles in width that can be traced along the strike of the volcanic rocks for many miles (Hoadley, 1953).

Elsewhere in British Columbia, there are sources of white limestone, most notably at Benson Lake (about 20 km directly west of the Smiley Claims) operated by IMASCO and several producers on Texada Island.

Texada Island has produced high quality white limestone from small deposits over the course of its history. There are no extensive white limestone deposits on the island (Mathews and MacCammon, 1957); however, there are workable deposits situated on the island. The Blubber Bay quarries of Pacific Lime and their subsequent owners mined white limestone and stockpile it for specialty markets. The white limestone sells for a premium and so was able to be selectively mined. Beale Quarries Limited also produced white limestone from a body south of Quarry No. 5 in the vicinity of Lot 499.

White limestone was produced from Lot 500 south of Van Anda and south of the Lafarge quarry on Lot 499. The stone was pulverized and bagged for shipment on the property until Fred Beale opened a stucco plant in the old smelter building in Van Anda. From the 1940's until 1959 Lot 500 supplied the stucco plant with white limestone until Imperial Limestone Company Limited gained control of the operation. J. A. Jack & Sons Incorporated of Seattle, Washington own Imperial Limestone. The limestone is shipped to the Seattle processing plant and sold for agricultural limestone, stucco, chicken grit and other pulverized limestone products.

Imperial Limestone built a crushing and barge load-out installation at Butterfly Bay (Spratt Bay). In 1975 the stucco plant in Van Anda was shut down and the building destroyed. Imperial built a new pulverizing and bagging plant at Butterfly Bay as a result. The plant was eventually phased out when freight costs became too high to operate it. All stone processing is now carried out in Seattle.

The largest white limestone body is at Texada Quarrying Ltd. (formerly Ideal Cement) Paxton Lake Zone. The Paxton Lake deposit has been developed on 3 wide levels but has recently been inactive due to low priced white limestone temporarily sourced out of southeast Alaska. The origin of the white limestone is controversial. The genesis of the white rock may be due to metasomatism, stratigraphic control, hydrothermal alteration or volcanic intrusives. The white colour is probably the result of the bleaching of black limestone by hydrothermal fluids percolating along a system of vertical joints.

LOCAL GEOLOGY

The Smiley property is underlain by a wide expanse of Quatsino Formation limestone in conformable contact with undifferentiated Karmutsen Formation basalt and andesite, all of which has been intruded by a northwesterly trending body of coarse grained biotite quartz monzonite. Thin sills and dykes of fine grained diabase cut the limestone but were not seen to cut the monzonite. Minor thin skarn zones form along the volcanic/limestone contact.

Previous work on the property divided the limestone into Upper and Lower members. The Upper member is medium to dark grey in colour and occasionally contains silica. Interbeds of white weathering, off white to light grey limestone are also present. The Lower member is generally white to light grey and fine grained, except where recrystallized and has thin beds of dark grey and cherty material. Pyritic lens both conform to and cross bedding.

Bedding in the limestone generally trends northerly. A synclinal axis runs through the centre of Smiley 4 in the lower Limestone, passing east of Smiley 5 along the top of a small ridge of Upper Limestone. Dips flatten quickly away from the axis in either direction, indicating a fairly broad, shallow structure.

The pyritic lens are within areas, which have been replaced by vitreous to cloudy silica, with blebs and poorly formed crystals of pyrite filling random fracture planes. They are defined by remnant bedding planes and by fractures trending northeasterly, sub-parallel to the limestone/monzonite contact. The lens are most prominent in the southern part of the property. Pyritic lens increase with proximity to the volcanic/limestone contact and proximity to the monzonite body. They appear to be the result of hydrothermal fluids, which moved along the planes of weaknesses during intrusion of the monzonite body.

The intrusive-limestone contact is will exposed on the Island Highway on Smiley 1 mineral claim, Figure 7, at a point 28.3 km south of the Port McNeil-Highway junction. Minor rusty weathering skarn has developed along the contact within the intrusive. Small sill-like bodies of intrusive were also noted within the limestone a short distance from the contact. The contact on the highway is oriented 140°/65° NW.

The intrusive are well exposed in the south and southeast portion of the claims. Hoadley (1953) characterizes the pluton east and southeast of Nimpkish Lake as essentially granodiorite, although parts of it are quartz monzonite and in places it approaches granite in composition. In a few thin sections, especially those of the granites, interstitial micrographic intergrowths of quartz and alkali feldspar were observed (Hoadley, 1953). Alteration of the feldspars to sericite, zoisite and albite is common. Green hornblende is the dominant ferromagnesian constituent, but in places is exceeded by dark brown biotite, in ragged flakes. Some of the biotite is derived from the hornblende and both biotite and hornblende have been altered in part to chlorite (Hoadley, 1953).

Throughout this entire area, the intrusive rocks are Lithologically very similar and except for the more basic border phases all belong to the granite clan, with granodiorite, quartz monzonite and granite the most common types.

DIAMOND DRILLING

In 1988, two 150 metre BQ diamond core holes, PT-88-1 and 88-2, were completed by Pluess Stauffer. The holes were spotted at the road accessible sites located approximately 750 metes apart at the same elevation. Diamond drill hole PT88-1 was spotted 700m @ Az. = 295° from the monzonite contact. PT-88-2 was spotted at 750m @ Az. = 345° laterally and 5m vertically lower from PT-88-1.

PT-88-1 was collared in then cut 134.5 metres of generally light grey to white limestone, with one 8.5m section of grey limestone centred at 41 metres. The section from 17m to 27.5m contains what appear to be three andesitic dykes, which have been silicified and pyritized; the dykes represent 75% of this section.

The section from 134.5m to 137.5m contains 1m of amygdaloidal andesite followed by 2m of white limestone. The section from 137.5m to 152.5m (bottom of hole) contained greenish grey andesite, which has been altered to chlorite and epidote in places.

PT-88-2 was collared in, then cut, 65 metres of generally light grey to grey limestone. From 65m to 88m the hole cut alternating lens of generally light grey to white limestone and intermediate volcanics; several of the contacts have been altered by hydrothermal fluids. From 88m to 152m (bottom of hole) the hole cut greenish grey andesite, which has been altered, to chlorite and epidote in places. The limestone/volcanic contact has been altered to silica and pyrite for a length of 5 metres.

Both holes indicated that the limestone/volcanic contact is flat or dipping very gently along the section Az. = 295°, which is consistent with a general strike WNW-ESE. The calculated dip based on this assumption is approximately -5° to the south or southeast. Until fill-in data is available, the assumption should be simply that the contact has a shallow dip in a southerly direction (Soux & Coffin, 1988).

The north-south trending synclinal axis mapped in limestone does not appear to be representative of the contact orientation. This is probably a result of either a) location of one or both of the holes over a local rise in the paleotopography, or b) discrepancy resulting from the movement of intervening faults.

The two diamond drillholes completed in 2001 are plotted on Figure 3 and Figure 7 (in pocket). Drill logs are contained in Appendix III. Hole NIMP-01-02 was collared approximately 200m northwest of the intrusive contact not far from Highway 19. On surface down to 2.95m is a very white mostly medium to finely crystalline limestone. Traces of pyrite were observed along minor high angle fractures. However, below 2.95m, a short section 2.95m to 4.92m of medium grey limestone was encountered. A very minor amount of intrusive dyke, which had been stretched and boudinaged with rounded fragments between 3.59m and 3.62m.

White limestone appears again between 4.92m and 9.55m. Below 9.55m to 24.23m is a light grey limestone, which is characterized by aligned vuggy sections, which appear to be related to whiter layers or laminae. Near the bottom of the hole (24.23-27.43m) is white limestone. In hole MIMP-01-02 the whiter sections are distinctly finer grained.

In hole NIMP-01-03, which is closer to the intrusive-carbonate contact (approximately 50m north of contact), the white limestone section is thicker (to 19.51m) and more continuous. The white section is also slightly coarse crystalline in Hole NIMP-01-03 than the distinctly finer grained white limestone farther removed from the intrusive contact.

Traces of dyke fragments are also noted in hole NIMP-01-03 at 3.20m as 3mm wide rounded greenish lenses, which suggests considerable plastic flow. A dark green andesitic dyke was encountered between 19.51m and 21.18m as a uniformly dark green, very fine grained intrusive with minor pyrite along fracture surfaced. The limestone below the dyke is noticeably darker grey than the upper limestone interval and also finer crystalline. Dark chloritic coated slickensides throughout the lower limestone unit gives an even darker overall impression. Minor sparry calcite lenses were noted at the end of Hole at 24.38m.

CONCLUSIONS and RECOMMENDATIONS

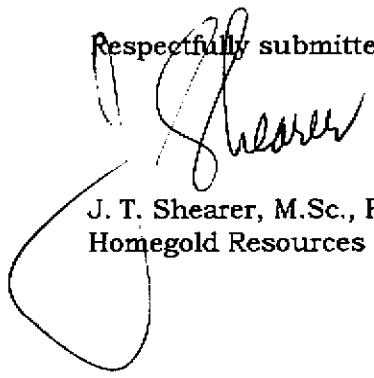
Diamond drilling in 1988 and 2001 encountered the Karmutsen contact higher than would have been expected from an interpretation of surface mapping. This may be because of a local rise(s) in the paleotopography. The apparent dip, from drill intersections, of the contact at a shallow angle to the south is influenced by intervening faults, and requires further testing to ensure its reliability.

Work in 1988 and 2001 core indicates sufficient light coloured to white stone in this section to justify further work. The major impurity is a section of hydrothermal alteration in andesite dykes. These altered dykes are of sufficient size to themselves warrant further work if they contain precious or other metal content at economic grade.

Analytical sampling of the property, especially proximal to the monzonite, should include analysis of the hydrothermal alteration for precious and other metal content. Similar alteration of these units elsewhere contains economic gold mineralization.

The general condition of the limestone/intrusive contact could be tested by the drilling of one hole on section with 88-01 and 88-2, from an existing road location approximately 850m north of 88-2. This hole would be collared near the Upper/Lower contact, thereby testing a complete section of the later. A series of holes should also be drilled around NIMP-01-03 in order to test continuity of section over shorter distances to the east. This information could then be used to enhance the present structural interpretation prior to in fill drilling.

Respectfully submitted,



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APPENDIX I

STATEMENT of QUALIFICATIONS

JULY 15, 2001

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 am a graduate of the University of British Columbia (B.Sc., 1973) in Honours Geology, and the University of London, Imperial College (M.Sc., 1977).

2. I have over 25 years experience in exploration for base and precious metals and industrial mineral commodities in the Cordillera of Western North America with such companies as McIntyre Mines Ltd., J.C. Stephen Explorations Ltd., Carolin Mines Ltd. and TRM Engineering Ltd.

3. I am a fellow in good standing of the Geological Association of Canada (Fellow No. F439) and I am a member in good standing with the Association of Professional Engineers and Geoscientists of British Columbia (Member No. 19,279). I am also a fellow of the Geological Society (London) and Society of Economic Geologists (SEG).

4. I am an independent consulting geologist employed since December 1986 by Homegold Resources Ltd. at #5-2330 Tyner St., Port Coquitlam, B.C.

5. I am the author of a report entitled "Geological, Prospecting and Diamond Drilling Report on the Smiley Claims, Nanaimo Mining Divisions" dated July 15, 2001.

6. I have visited the property between July 25, 2000 and June 3, 2001. I have carried out mapping and sample collection and am familiar with the regional geology and geology of nearby properties. I have become familiar with the previous work conducted on the Smiley claims by examining in detail the available reports and maps and have discussed previous work with persons knowledgeable of the area.

7. I have an Open Pit Supervisor Ticket (#98-3550) for daily supervision duties.

8. I own an interest in the Smiley Claims and own Homegold Resources Ltd.

Dated at Port Coquitlam, British Columbia, this 15th day of July, 2001.

J.T. Shearer, M.Sc., F.G.A.C., P.Geo.
Quarry Supervisor #98-3550
July 15, 2001

APPENDIX II

STATEMENT of COSTS

JULY 15, 2001

APPENDIX II

STATEMENT of COSTS
SMILEY GROUP 1
(SMILEY 1-6 : 47 UNITS)
-- for work in the year 2000 --

Wages and Benefits		
J.T. Shearer, M.Sc., P.Geo.		
11 days @ $350/day		
Aug. 5, 6, Sept. 7, 8 & 9, Oct. 13,14 & 15, Oct. 23, 24, & 25, 2000		$ 3,850.00
Doug Stelling, Prospector		
7 days @ $250/day		
August 5, 6, Sept. 7, 8 & 9, Oct. 13 & 14, 2000		1,750.00
Robert Howich, Prospector		
4 days @ $200/day		
August 5, 6, Oct. 13,14 & 15, 2000		800.00
Jack Howich, Prospector		
4 days @ $200/day		
August 5, 6, Oct. 13,14 & 15, 2000		800.00
		$ 7,200.00
	GST	612.50
	Subtotal Wages	$ 9,362.50
Expenses		
Transportation		
Truck Rental, Fully equipped 4x4		
11 days @ 53.50		588.50
Gas		298.00
Ferries		372.00
Hotel, Meals & Camp Supplies		1,183.00
Analytical		524.75
Contract Diamond Drilling (Boisvenu Drilling Ltd.)		
Invoice 010305, 170 ft @ $20/ft		3,400.00
Drill Mobilization and Consumables		1,374.96
Core Sawing and Splitting		285.00
Map Preparation and Drafting		350.00
Report Preparation		1,050.00
Word Processing and Reproduction		475.00
	Subtotal	$ 9,900.25
	Total	**$ 17,604.25**

44% Prospecting - $7,746.00
56% Geology and Drilling – 9,858.25

APPENDIX III

DRILL RECORDS

JULY 15, 2001

HOMEGOLD RESOURCES LTD.

Unit #5 – 2330 Tyner St., Port Coquitlam, B.C. V3C 2Z1

WHITE LIMESTONE PROJECT – SMILEY CLAIMS

SECTION: SMILEY CLAIMS **Diamond Drill Log** **DDH#:** NIMP-01-02

Northing: _____
Easting: _____
Elevation: Approx. 180m.
Azimuth: 000
Inclination: -90
Grid: No Grid
Length (m): 27.43m (90 ft)
Core size: BTW
Contractor: Boisvenu
Drill Type: Hydraulic Packdrill

Drill Hole survey
Method: Brunton

Azimuth	Dip	Depth
000	-90	collar

Property: White Limestone
NTS: 92L/10W (92L.046)
Claim: Smiley 1
Date Started: March 17, 2001
Date Completed: March 17, 2001
Logged by: J.T.Shearer, M.Sc., P.Geo.
Sample Collected:
(A) Selected for Chemistry
(B) Sawn for Brightness

Purpose: Just east of Nimpkish Lake, Approx 200m east of Highway 19, 200m northwest of Intrusive contact, collared on bedrock

from (m)	to (m)	Code	Description	sample No.	from/to	width (m)	Au (g/t)
0.00	2.95		**WHITE LIMESTONE**: very white to very light grey mostly medium to finely crystalline with lesser coarsely crystalline zones, low angle clean fractures throughout, traces of pyrite along minor high angle fractures.				
2.95	4.92		**MEDIUM GREY LIMESTONE**: coarsely crystalline, distinctly darker grey than first interval, upper and lower contact gradational over 10-15 cm, speckled by small 1 to 2mm spots of pyrite and darker material, traces of boudinaged dyke fragments at 3.59m – 3.62m.				
4.92	9.55		**WHITE LIMESTONE**: whiter, finer grained - crystalline overall. Boudinaged dyke fragment at 7.38, low angle fractures coated with yellow oxide and clay. Short dark section occurs at 8.75m – 8.81m.				
9.55	24.23		**LIGHT GREY LIMESTONE**: slightly darker than previous section, very vuggy 10.20-10.32m in bands at 75° to core axis. Minor quite dark grey short intervals occur at 12.75m – 12.79m at 65° to core axis characterized by dark spots and traces of fine grained pyrite. Relatively vuggy throughout, vugs are roughly aligned at 80° to core axis, vugs also appear to be related to whiter layering. Check for MgO contact vs. vug density. Dark stylolites at 19.45m at 68° to core axis, slightly broken and associated with traces of disseminated pyrite. Relatively coarse crystalline throughout, gradational				

HOMEGOLD RESOURCES LTD.

Unit #5 – 2330 Tyner St., Port Coquitlam, B.C. V3C 2Z1

WHITE LIMESTONE PROJECT – SMILEY CLAIMS

SECTION: SMILEY CLAIMS Page: 2 of 2 DDH#: NIMP-01-02

from (m)	to (m)	Code	Description	sample No.	from/to	width (m)	Au (g/t)
24.23	27.43		**WHITE LIMESTONE**: much lighter coloured than previous section, WHITE, distinctly finer grained – crystalline mostly but there are coarsely crystalline zones, minor slickensides at 45° to core axis.				
			END of HOLE 27.43m (90 ft.)				

HOMEGOLD RESOURCES LTD.

Unit #5 – 2330 Tyner St., Port Coquitlam, B.C. V3C 2Z1

WHITE LIMESTONE PROJECT – SMILEY CLAIMS

SECTION: SMILEY CLAIMS **Diamond Drill Log** **DDH#:** NIMP-01-03

Northing: _____
Easting: _____
Elevation: Approx. 135m.
Azimuth: 000
Inclination: -90
Grid: No Grid
Length (m): 24.38m (80 ft)
Core size: BTW
Contractor: Boisvenu
Drill Type: Hydraulic Packdrill

Drill Hole survey
Method: Brunton

Azimuth	Dip	Depth
000	-90	collar

Property: White Limestone
NTS: 92L/10W (92L.046)
Claim: Smiley 1
Date Started: March 17, 2001
Date Completed: March 18, 2001
Logged by: J.T.Shearer, M.Sc., P.Geo.

Sample Collected:
(A) Selected for Chemistry
(B) for Brightness (sawn)
(Entire holes sawn with diamond saw)

Purpose: Just east of Nimpkish Lake, Approx 250m east of Highway 19, approx 50m northwest of intrusive contact, collared on bedrock.

from (m)	to (m)	Code	Description	sample No.	from/to	width (m)	Au (g/t)
0.00	19.51		**WHITE LIMESTONE**: white to very light grey, minor vague mottling, mostly medium crystalline, with some coarser crystalline sections. Buff yellow coating on fractures down to about 7.0m. Traces of boudinaged altered dyke at 3.20, 3mm wide as rounded greenish lenses suggesting considerable plastic flow. Fracturing sub-parallel and at 25° to core axis at 4.50m. Irregular finer grained section at 34° to core axis with the margins (contact with coarser material) has traces of green mineral (Chlorite?) and traces of finely divided pyrite between 7.32m – 7.45m. Minor darker grey mottling at 70° to 80° to core axis at 7.92m – 7.94m and 8.82m – 8.86m. Relatively uniform throughout otherwise. Minor stylolites at 12.19m. Small lenses of pyrite at 13.90m, some along vague stylolites and with irregular fragments of light green dyke material. Stylolites at 14.42 at 20° to core angle, completely clean o inclusions or sulfides. Rock becoming slightly darker below 14.50m, slightly more fractured and finer crystalline. Poor core recovery between 16.76m – 18.29m (55'-60') approx 30% recovery. Distinctly darker grey in colour toward contact below 18.29m.				

HOMEGOLD RESOURCES LTD.

Unit #5 – 2330 Tyner St., Port Coquitlam, B.C. V3C 2Z1

WHITE LIMESTONE PROJECT – SMILEY CLAIMS

SECTION: SMILEY CLAIMS Page: 2 of 2 DDH#: NIMP-01-03

from (m)	to (m)	Code	Description	sample No.	from/to	width (m)	Au (g/t)
19.51	21.18		**DARK GREEN ANDESITIC DYKE**: uniformly dark green, very fine grained, minor pyrite coating fracture surfaces at sub-parallel to core axis. Abundant chlorite on fracture surfaces. Lower contact sharp.				
21.18	24.38 E.O.H.		**LIGHT GREY LIMESTONE:** noticeably darker grey than upper limestone interval, finer crystalline, Dark chloritic slickensides throughout at 26° to core axis giving even darker colour indication. Minor irregular sparry sections, minor pyrite associated with darker lenses at end of hole.				

END of HOLE 24.38m (80 ft.)

APPENDIX IV

ASSAY CERTIFICATES and BRIGHTNESS TESTS

JULY 15, 2001

ALS Chemex

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

To: HOMEGOLD RESOURCES LTD.

UNIT #5, 2330 TYNER ST.
PORT COQUITLAM, BC
V3C 2Z1

A0024772

Comments: ATTN: JOE SHEARER

CERTIFICATE A0024772

(MWE) - HOMEGOLD RESOURCES LTD.

Project:
P.O. # :

Samples submitted to our lab in Vancouver, BC.
This report was printed on 18-AUG-2000.

SAMPLE PREPARATION

CHEMEX CODE	NUMBER SAMPLES	DESCRIPTION
248	5	Zirconia ring approx 150 mesh
226	5	0-3 Kg crush and split
3202	5	Rock - save entire reject
200	5	Whole rock fusion

ANALYTICAL PROCEDURES

CHEMEX CODE	NUMBER SAMPLES	DESCRIPTION	METHOD	DETECTION LIMIT	UPPER LIMIT
594	5	Al2O3 %: Whole rock	ICP-AES	0.01	100.00
588	5	CaO %: Whole rock	ICP-AES	0.01	100.00
590	5	Cr2O3 %: Whole Rock	ICP-AES	0.01	100.00
586	5	Fe2O3(total) %: Whole rock	ICP-AES	0.01	100.00
821	5	K2O %: Whole rock	ICP-AES	0.01	100.00
593	5	MgO %: Whole rock	ICP-AES	0.01	100.00
596	5	MnO %: Whole rock	ICP-AES	0.01	100.00
599	5	Na2O %: Whole rock	ICP-AES	0.01	100.00
597	5	P2O5 %: Whole rock	ICP-AES	0.01	100.00
592	5	SiO2 %: Whole rock	ICP-AES	0.01	100.00
595	5	TiO2 %: Whole rock	ICP-AES	0.01	100.00
475	5	L.O.I. %: @ 1000 deg.C	FURNACE	0.01	100.00
540	5	Total %	CALCULATION	0.01	105.00
1380	5	S %: Leco furnace	LECO-IR DETECTOR	0.01	100.0
820	5	Brightness %		0.01	100.00

ALS Chemex

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

To: HOMEGOLD RESOURCES LTD.

UNIT #5, 2330 TYNER ST.
PORT COQUITLAM, BC
V3C 2Z1

Project :
Comments: ATTN: JOE SHEARER

Page Number :1
Total Pages :1
Certificate Date: 18-AUG-2000
Invoice No. :I0024772
P.O. Number :
Account :MWE

CERTIFICATE OF ANALYSIS A0024772

SAMPLE	PREP CODE		Al2O3 %	CaO %	Cr2O3 %	Fe2O3 %	K2O %	MgO %	MnO %	Na2O %	P2O5 %	SiO2 %	TiO2 %	LOI %	TOTAL %	S Total %	%BRIGHT-NESS
NIMPKISH 1	248	226	0.16	51.00	< 0.01	0.10	0.09	4.25	0.01	0.10	< 0.01	1.53	< 0.01	43.50	100.75	< 0.01	85.77
NIMPKISH 2	248	226	0.10	52.00	< 0.01	0.06	0.09	3.48	0.01	0.11	0.01	0.92	< 0.01	43.73	100.50	< 0.01	84.06
NIMPKISH 3	248	226	0.11	50.50	< 0.01	0.05	0.08	5.32	0.01	0.10	0.01	0.65	< 0.01	44.12	100.95	< 0.01	88.12
NIMPKISH 4	248	226	0.05	56.00	< 0.01	0.03	0.08	0.44	0.01	0.10	< 0.01	0.40	< 0.01	43.51	100.60	< 0.01	89.72
NIMPKISH 5	248	226	0.12	52.00	< 0.01	0.05	0.09	3.46	0.01	0.11	0.01	0.78	< 0.01	43.84	100.45	< 0.01	91.21

$52.00 \times 1.78 = 92.56\%$ $CaCO_3$

CERTIFICATION:

8/8

TO: Donna Baylis

FROM: Norm Weber, 988 4060
Webco Tech. Services

5 Samples Received August 4th 2000 Labeled: Nimpkish 1 –5, A0024772

Sample	Nimpkish 1	Nimpkish 2	Nimpkish 3	Nimpkish 4	Nimpkish 5
Brightness % ISO	85.77	84.06	88.12	89.72	91.21
R (X)	88.71	87.92	91.09	91.59	93.41
R (Y)	87.95	86.99	90.35	91.12	92.88
R (Z)	85.73	83.96	88.06	89.74	91.19
X	86.42	85.44	88.74	89.46	91.17
Y	87.95	86.99	90.35	91.12	92.88
Z	101.36	99.27	104.12	106.10	107.81
L	93.78	93.27	95.05	95.46	96.37
a	0.37	0.30	0.30	0.24	0.21
b	1.56	2.19	0.59	0.92	1.13
L*	95.14	94.74	96.14	96.46	97.18
a*	0.38	0.23	0.24	0.18	0.14
b*	1.62	2.24	1.64	0.98	1.19

Samples were pressed into smooth tablets and scanned for optical properties using a Technibrite Micro TB-1C brightness meter.

Howie Bowit Lake

TL-2EA

TL-2W

NE-15B

TL-4A

HI-30A

NE-15A

TL-3

TL-1A

TL-2E

HI-30

NE-16

NE-21A

NE-21 WE

NE018

NE019

NE-20A

NE-21

NE024

NE-23A

NE-23

NE-30wf

NE-30

NE-30A

STL 124

Quatsino Limestone

White Limestone

Karmutsen Volc.

NIMPKISH LAKE

HIGHWAY

LEGEND

- 4 Intrusives, 4a Granodiorite, 4b Diorite
- 3 Bonanza Group
  3a Volcanics, 3b Lower Sediments and Volcanoclastics
  3c Black Shale
- Quatsino Formation
- 2a White Limestone
- 2b Light Grey Limestone
- 2c Medium Grey Limestone
- 2d Dark Grey to Black Limestone
- 1 Karmutsen Formation
  1a Pillow Basalt, 1b Basaltic Tuff
  1c Gabbro
- Outcrop
- Geological Contact
- Strike/dip
- outline of Claims.
- Logging Road.

0 100 200 300 400 meters

1:5000

To Accompany Geological, Prospecting and Diamond Drilling Assessment Report on the White Limestone Project (Smiley 1 - 6 Claims), Dated July 15, 2001 by J. T. Shearer, M.Sc, P.Geo.

HOMEGOLD RESOURCES LTD.

WHITE LIMESTONE PROJECT 26686

SMILEY CLAIMS
LOCAL GEOLOGY
NORTH HALF

SCALE 1:5000	DATE July 2001	N.T.S. 92L/7W
WORK BY J. T. Shearer, M.Sc., P.Geo.		FIGURE 6

LEGEND

- Intrusives, 4a Granodiorite, 4b Diorite
- Bonanza Group: 3a Volcanics, 3b Lower Sediments and Volcanoclastics, 3c Black Shale
- Quatsino Formation
- 2a White Limestone
- 2b Light Grey Limestone
- 2c Medium Grey Limestone
- 2d Dark Grey to Black Limestone
- Karmutsen Formation: 1a Pillow Basalt, 1b Basaltic Tuff, 1c Gabbro
- Outcrop
- Geological Contact
- Strike/dip
- Claim Line
- Logging Road

1:5,000

To Accompany Geological, Prospecting and Diamond Drilling Assessment Report on the White Limestone Project (Smiley 1 - 6 Claims), Dated July 15, 2001 by J. T. Shearer, M.Sc, P.Geo.

HOMEGOLD RESOURCES LTD.

WHITE LIMESTONE PROJECT

SMILEY CLAIMS
LOCAL GEOLOGY
SOUTH SHEET (2)

SCALE 1:5000	DATE July 2001	N.T.S. 92L/7W
WORK BY J. T. Shearer, M.Sc., P.Geo.		FIGURE 7