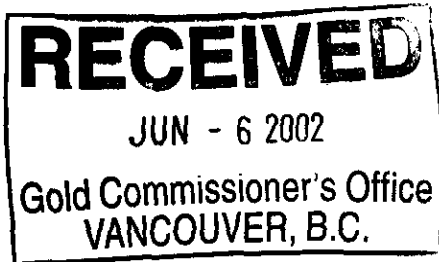


MAMMOTH GEOLOGICAL LTD.

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Blue Grouse Tailings Project Assessment Report

Victoria Mining Division
Vancouver Island, B.C.

FOR

Ber-Can Environmental Resources Inc.
6645 Elm Road, Box 238
Lantzville, B.C. V0R 2H0

R. Tim Henneberry
May 31, 2002
GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

26,879

-2-
SUMMARY

Ber-Can Environmental Resources Inc. is developing a proprietary biotechnology process to remove toxic heavy metals from mining waste piles. The Blue grouse Mine was selected as a test case due to the ready accessibility of mine tailings and mill tailings. The Blue Grouse property is located on the south side of Cowichan Lake 5 kilometres west of the town of Honeymoon Bay.

Preliminary exploration consisted of random sampling of the existing mine tailings and mill tailings to supply material for bench scale testing. Cost of this preliminary exploration program was \$1,162.50.

Successful completion of the bench scale testing will result in further exploration. The next stage will consist of more detailed sampling to establish the grade of one or more of the tailings piles. A larger sample of this tailings material will be taken to supply material for a pilot plant scale test. The cost of the next phase of the exploration program is estimated at \$7,097.50.

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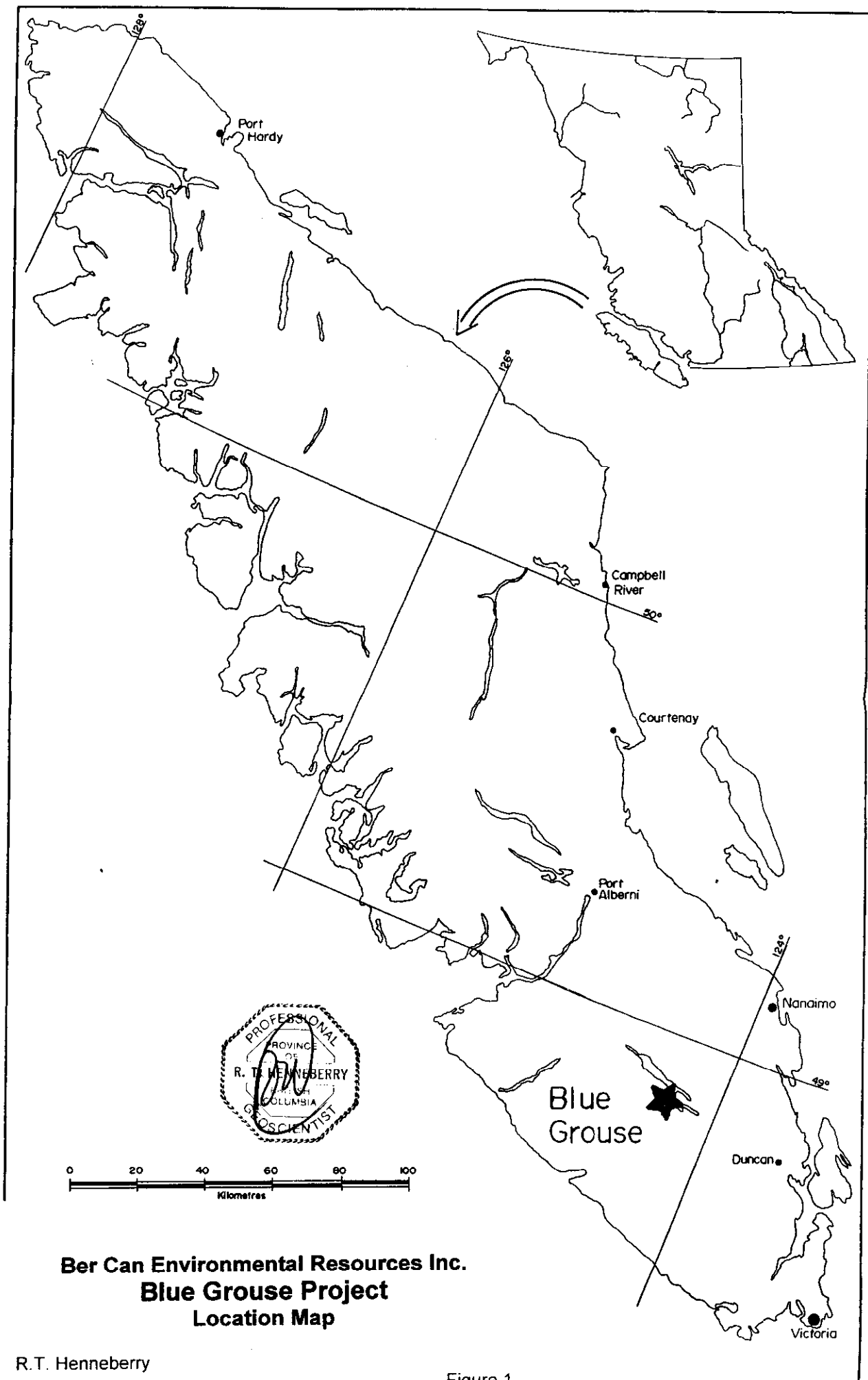
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INTRODUCTION

Ber-Can Environmental Resources Inc. is developing a proprietary process for the clean up of mine tailings and mill tailings. This process will allow the clean up of tailings piles and dumps, removing the toxic metals through a biotechnological process.

The Blue Grouse property was staked to cover a series of mill tailings ponds and one of the main dumps from the earlier mining operations. The Blue Grouse Mine was in operation from 1917 to 1919 and from 1956 to 1960, producing 6.8 million kilograms of copper and 2.5 million grams of silver from just under 250,000 tonnes.

Exploration in 2001/2002 consisted of sampling each of the exposed tailings ponds, along with several samples from the main mine dump. These samples will undergo bench scale testing of Ber-Can's process to evaluate the potential of biotechnologically separating the toxic metals from the host rock. The testing results will remain confidential.



R.T. Henneberry

Figure 1

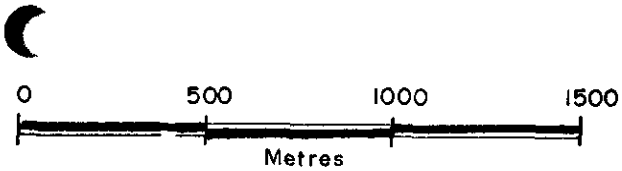
-6-
LOCATION, ACCESS

The Blue Grouse tailings project lies on the south side of Cowichan Lake approximately 4.8 kilometres northeast of Honeymoon Bay. The property is accessible by the main logging road around Cowichan Lake. Some of the mill tailings pond dumps are accessible from the road, while the main mine dumps and largest tailings pond dump are only accessible by a deactivated secondary logging road.

The dumps and workings lie between 200 and 400 metres elevation on a north-facing slope. The forest cover is immature to mature second-generation growth. The climate of this area of southern Vancouver Island is relatively mild. The summers are warm and generally dry, while the winters are cool and wet. Snow may cover the upper workings, but only for short periods in the winter.

The logistics of working in this area are very good. Lake Cowichan is only 15 minutes away, with Duncan a further 20 minutes to the east. The hydro lines to Caycuse are within a couple of kilometers of the existing workings.

154



Location Sketch

BG #5
0926089

R. Henneberry + May 27, 2002



5413000

OR URANIUM / THORIUM
(SEE NOTES 3)

MINERAL TENURE

MINERAL CLAIM

MINING LEASE

INDUSTRIAL MINERAL
TITLE

MINING LEASE

3AL

LOCATION SKETCH INFORMATION

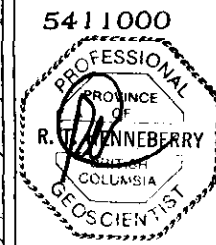
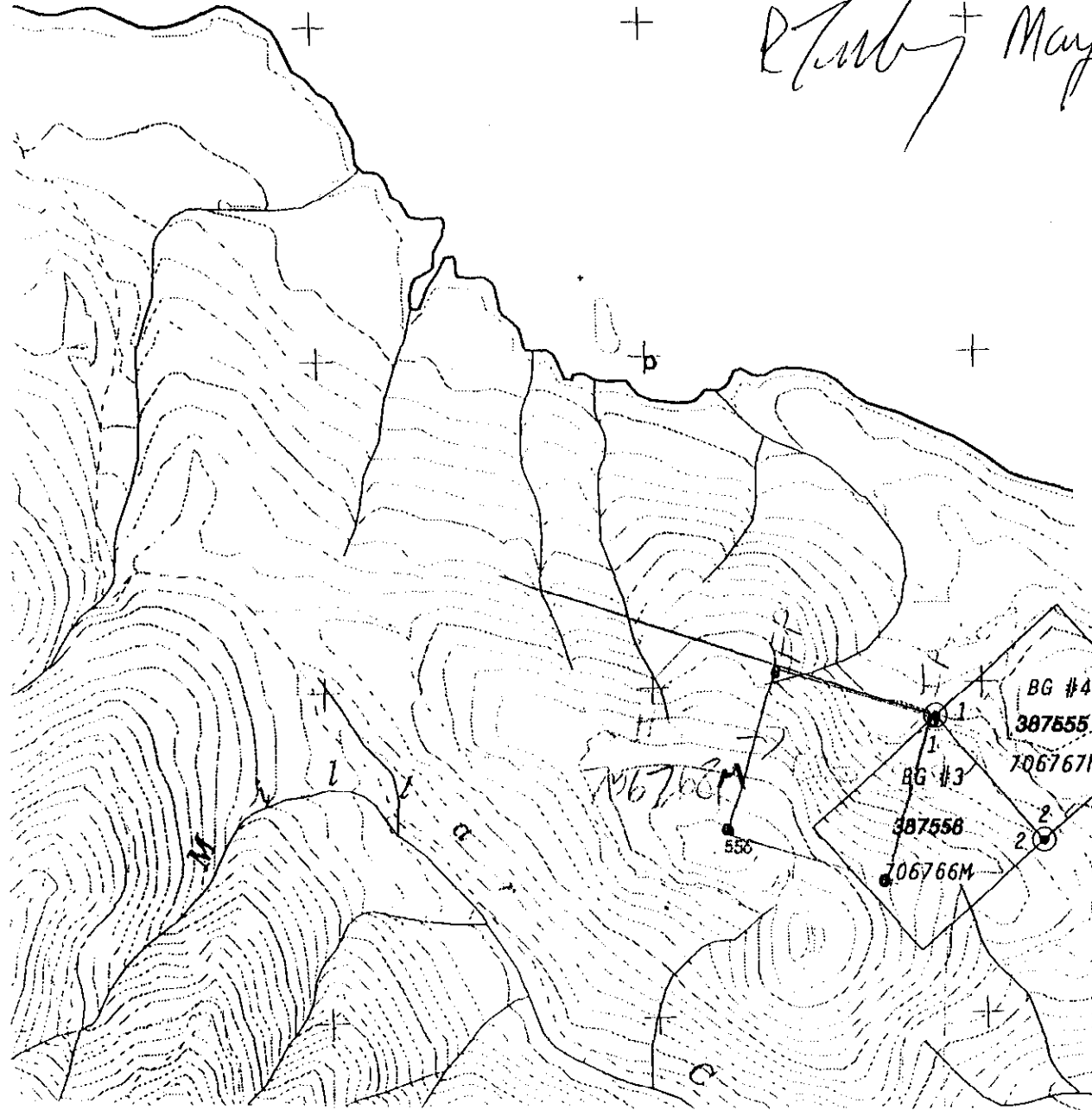
393000

7-1000

MAP NO.

DATE COMPLETED

INITIALS



.....NG S

CROWN GRANTED 2 PO:

F LOT (Real Estate Lot)

REVERTED C.G. 2 PO

Reverted C.G. (Not Open f

BID LOT

R.C.G. (Issued under a fon

Ber Can Environmental Resources Inc.

Blue Grouse Project

Claim Locations

R.T. Henneberry

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PROPERTY HOLDINGS

The Blue Grouse project consists of three units:

Name	Record Number	Anniversary Date
B.G.#3	387556	June 16, 2002
B.G.#4	387557	June 16, 2002
B.G.#5	393307	May 21, 2003

The B.G.#3, B.G.#4 and B.G.#5 claims are presently registered to R. Tim Henneberry of Mill Bay, B.C. pending transfer to Allan McInnes, the president of Ber-Can Environmental Resources Inc.

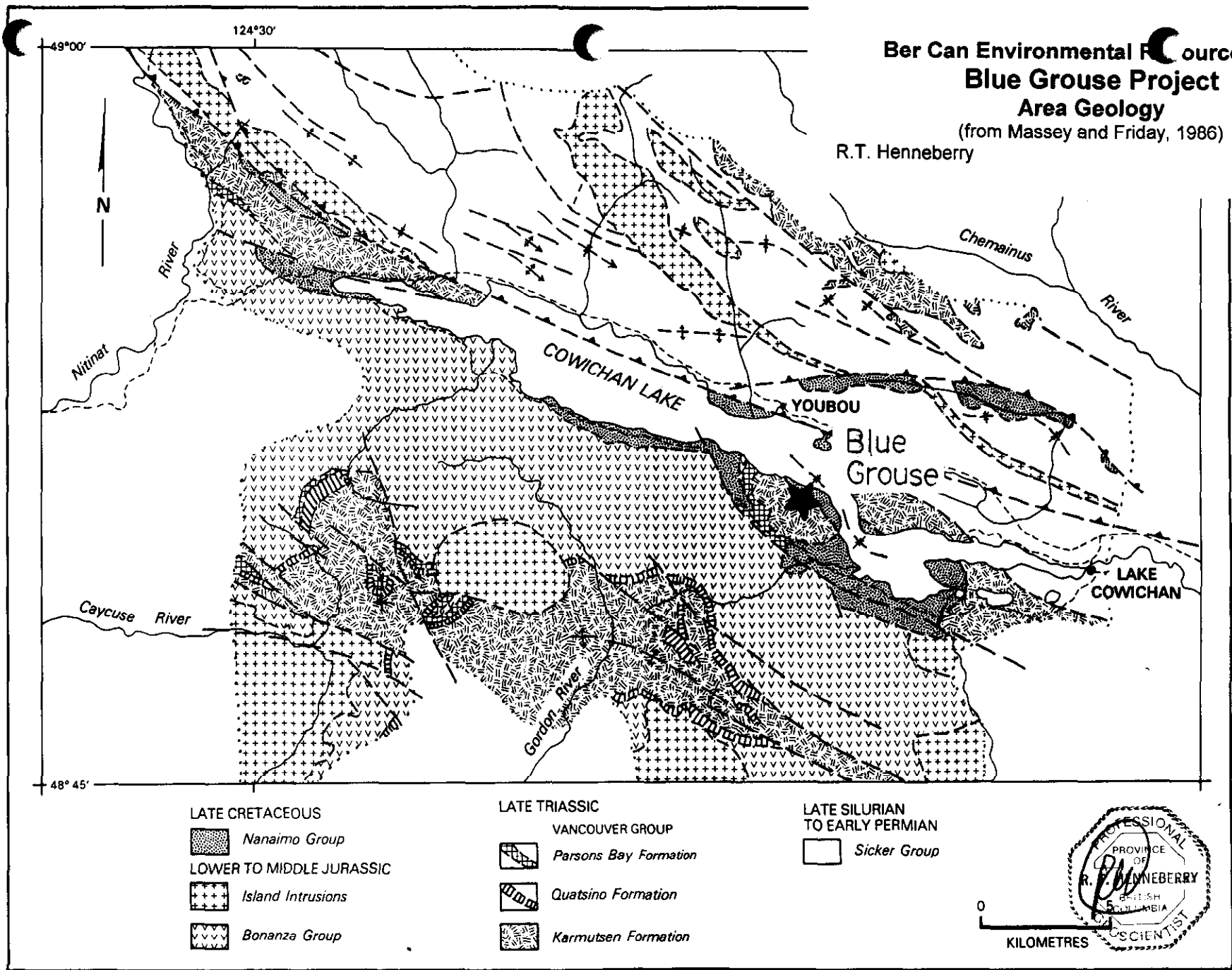


Figure 3-9-2. Geology and structure of the Cowichan Lake area.

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GEOLOGY

The geology of the southern end of Vancouver Island has been described by Muller (1975, 1976, 1977). The island lies in the Insular Belt of the Canadian Cordillera, within the Wrangellia terrane, which on Vancouver Island comprises three thick volcano-sedimentary cycles (Paleozoic Sicker Group, Upper Triassic Vancouver Group and Jurassic Bonanza Group). These cycles are intruded by the Jurassic Island Intrusions and overlain by epiclastic sediments of the Jurassic-Cretaceous Leech River Formation and upper Cretaceous Nanaimo Group. The youngest rocks in the south island are the Tertiary Metchosin and Sooke Formations and intrusions. Typical of Vancouver Island, the south island has been heavily faulted.

The Cowichan Lake area was recently mapped by Massey and Friday (1987) for the provincial geological survey. The Cowichan Lake area is at the eastern end of the Cowichan uplift, one of a series of major geanticlines on Vancouver Island. The area is underlain by pyroclastic, sedimentary and volcanic rocks of the Paleozoic Sicker Group, the Mississippian to Permian Buttle Lake Group, the Upper Triassic Vancouver Group and the Lower Jurassic Bonanza Group which have been intruded by Triassic gabbros (informally named Mount Hall) and Early to Middle Jurassic Island Plutonic Suite rocks, and overlapped by Upper Cretaceous sediments of the Nanaimo Group.

The Vancouver Group comprises pillow and massive basalt, volcanoclastics tuffs and breccias of the Karmutsen Formation; siltstone, argillite and micrite of the Quatsino Formation and limestone, tuff and argillite of the Parson Bay Formation.

The Blue Grouse property is underlain by Karmutsen Formation volcanics and Parson Bay Formation sediments. Sediments of the Nanaimo Group and volcanics of the Bonanza Group occur near the property. These are cut by numerous Jurassic feldspar and feldspar-pyroxene porphyry dykes related to the Bonanza Group.

Garnet-epidote-actinolite skarns are developed in limy tuff, limy sediments and limestone, apparently interbedded with the upper portions of Karmutsen Formation basalts. These beds have been folded in a series of overturned folds and then displaced by a series of thrust faults which have a general east strike and dips of 10 to 20 degrees south.

Mineralization was present in ten small tabular sulphide zones and consisted of chalcopyrite, pyrrhotite, pyrite and lesser magnetite and sphalerite. The largest orebody (G-H) formed a southwest plunging pipe like body extending from surface to the 335 level. Mineralization occurred irregularly as stringers and small masses throughout the zone. (MINFILE 092C-017)

LEGEND

Quaternary

Q Recent sediments

Cretaceous

Kh Haslam Formation – argillites

Kc Comox Formation – conglomerates, sandstones

Jurassic

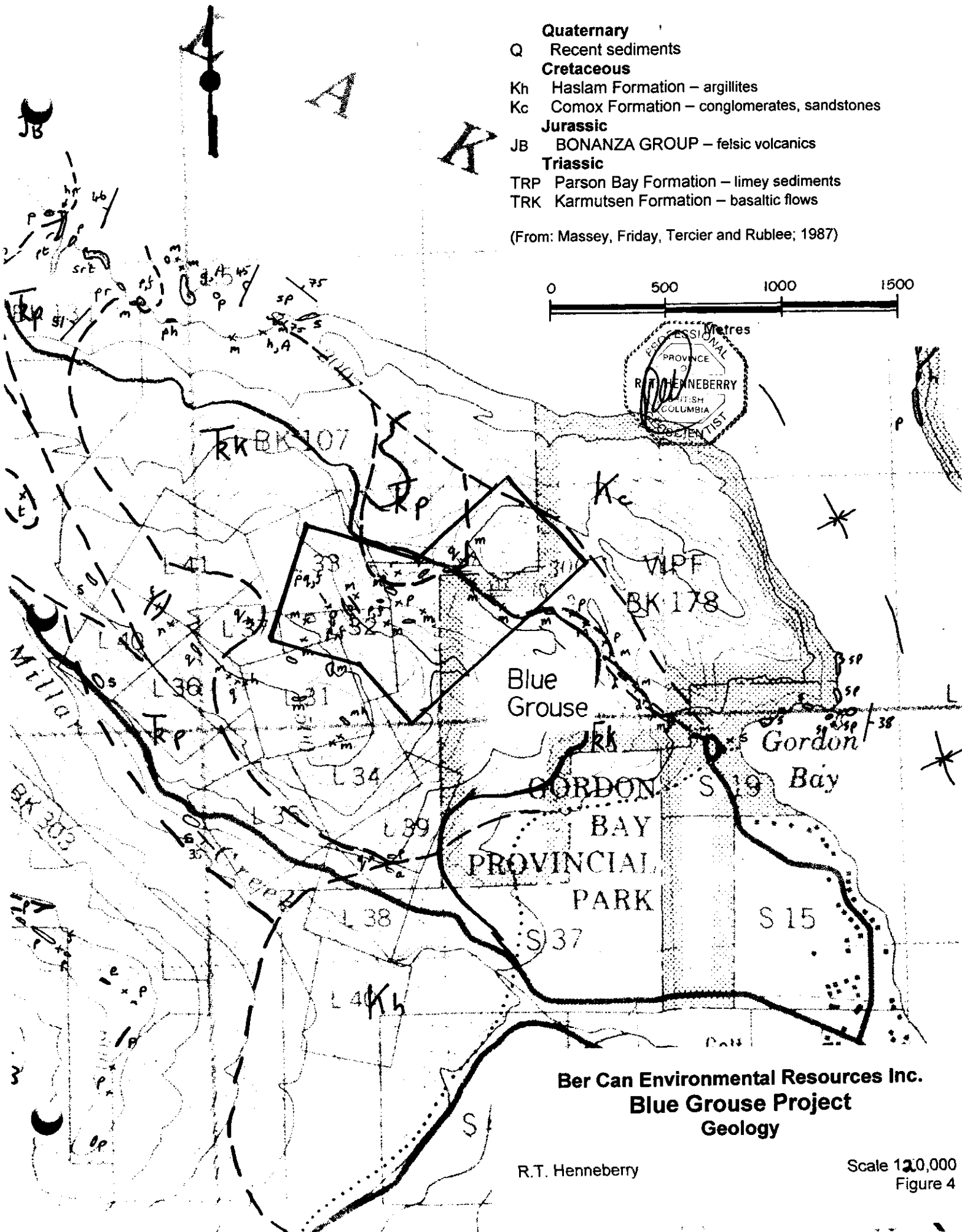
JB BONANZA GROUP – felsic volcanics

Triassic

TRP Parson Bay Formation – limey sediments

TRK Karmutsen Formation – basaltic flows

(From: Massey, Friday, Tercier and Rublee; 1987)



Ber Can Environmental Resources Inc.
Blue Grouse Project
Geology

R.T. Henneberry

Scale 1:20,000
 Figure 4

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PROPERTY HISTORY

The Blue Grouse property was discovered prior to 1906. Development work was undertaken in the period 1917 to 1919, both from surface and underground, resulting in the production of 1,917 tonnes of direct shipping ore. (MMAR, 1927)

A second period of development occurred between 1927 and 1928 when a cross cut tunnel was driven down a diamond drill hole toward a mineralized intersection. The company ran out of funds before the intersection was reached. (MMAR, 1930)

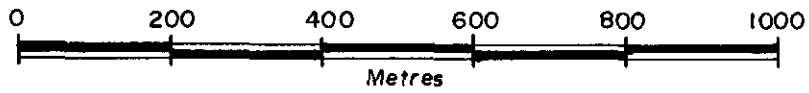
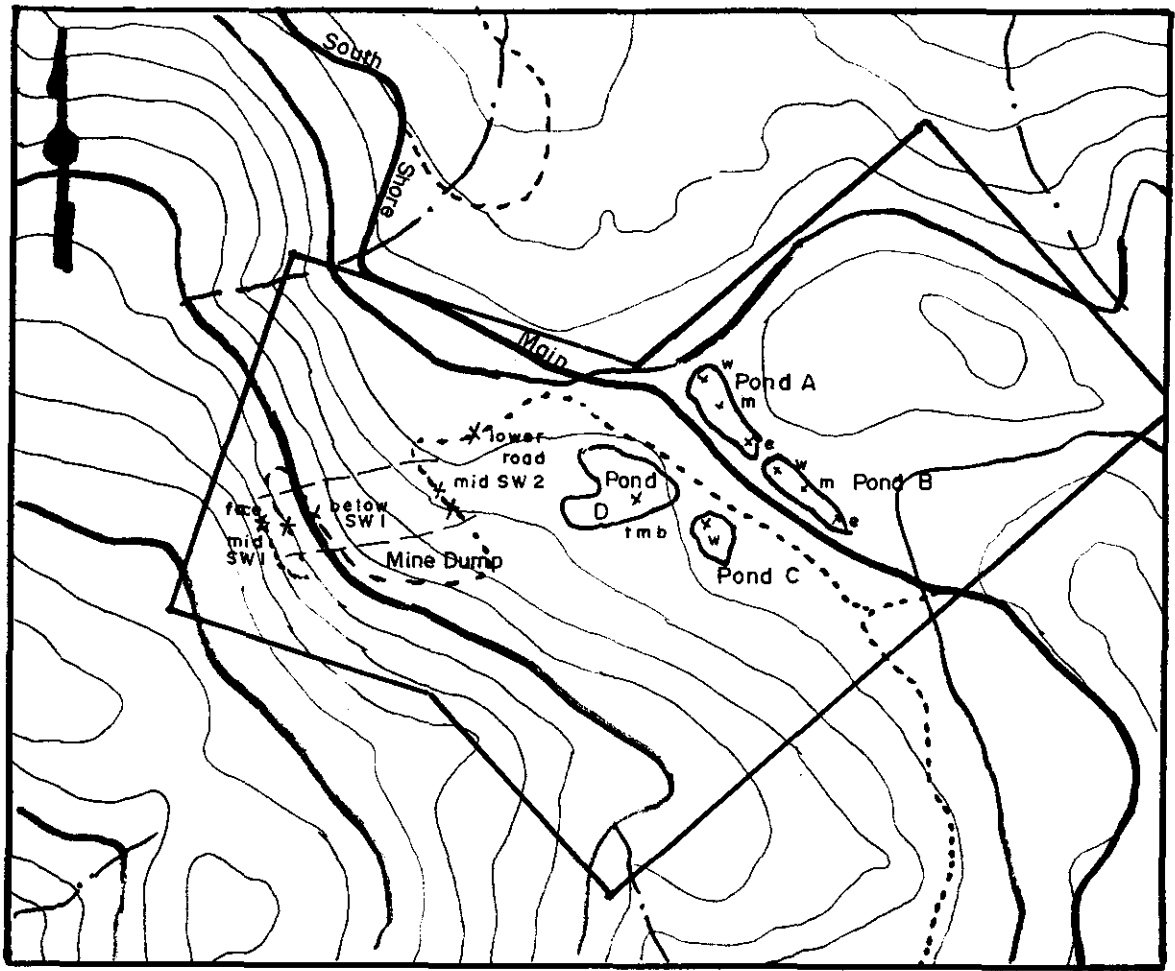
Cowichan Copper Company Ltd. obtained the property in 1952 and started production in 1954, first shipping ore directly to the smelter in Tacoma. The company started operating its own 300 ton per day mill in 1958.

The mine is developed by two levels, the main haulage level (1100) and an upper level (1340). Mining was concentrated on two main ore-bodies, the G-H and the E. Production ceased in 1960 after reserves above the 1100 level were depleted. (MMAR, 1960)

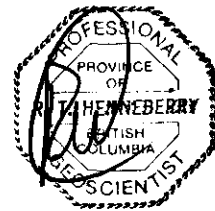
Year	Tonnes Mined	Tonnes Milled	Copper Kilograms	Silver Grams	Gold Grams
1917	1,245		87,076	38,194	
1918	454		19,968	12,410	
1919	218		8,435	5,972	218
1954	7,332		471,908	176,182	
1955	3,401		185,039	65,067	
1956	2,790		158,875	47,391	
1957	8,377	8,377	475,486	148,392	
1958	87,116	87,116	1,979,165	796,486	
1959	78,111	78,111	2,278,969	760,624	
1960	60,254	60,254	1,149,702	460,387	
Totals	249,298	233,858	6,814,623	2,508,644	218

The Blue Grouse mine property has seen several periods of exploration since the 1960's, due largely to the fact the mineralization continues below the 1100 level.

Year	Company	Program	Assessment Report
1953	Cowichan Copper	self potential	00097
1964	Cowichan Copper	mapping, soil sampling,	00616
1976	Placer Development	ground EM, IP, mag	06297
1980	Corrie Copper Ltd.	drilling	08896
1983	Corrie Copper Ltd.	ground EM	08895
1987	Nic Nak Resources	mapping, sampling, airborne EM, mag	17039
1989	Nic Nak Resources	mapping, sampling, ground EM, mag	19387
1991	Mike Renning	prospecting	21391
1994	Discovery Consultants	mapping, sampling	23579



- creek
- road
- x sample location
- 20 metre contours



**Ber Can Environmental Resources Inc.
Blue Grouse Project
Sampling Program**

R.T. Henneberry

Scale 1:10,000
Figure 5

The exploration program at the Blue Grouse project was completed in two stages. Initially, the mill tailings pond sites were sampled after the staking of the two claims was completed. Subsequent discussions with the principal of Ber-Can Environmental Resources Inc. led to the conclusion that mine dump samples were also required. This second stage sampling program was completed in late April.

These samples will not be sent for analysis in the near future. Ber-Can will be testing them using its proprietary biotechnology process, choosing to keep the results and process confidential.

The long term aim of this project is to use the Blue Grouse tailings as a test case. The process being developed is being directed at significantly reducing or eliminating the acid mine drainage potential of mine and mill tailings using biotechnology to recover toxic heavy metals.

Mill Tailings

All visible tailings ponds were sampled. There are three mine tailings piles now exposed. As well, there is a small pond that also appears to be holding mill tailings.

The tailings samples were taken with a grub hoe to a depth of 15-20 centimetres. Samples were taken from both ends and in the middle of the two elliptical tailings piles (pond A and pond B) adjacent to south shore main line. One sample was taken from the tailings at the edge of pond C. Three samples were taken from what appears to be the main tailings pond (pond D). In this instance, the samples form a continuous sample down through the exposed 1.2 metre thickness of the tailings.

Sample	Location	length	width	thickness
A-281	A pond west	53 m	10 m	not measured
A centre	A pond middle			
A-282	A pond east			
B-283	B pond west	165 m	10 m	not measured
B centre	B pond middle			
B-284	B pond east			
C-285	C pond west	30 m	10 m	not measured
D-286	D pond top	120m	40 m	minimum 1.5 m
D-287	D pond middle	and		
D-288	D pond bottom	100 m	60 m	

Mine Tailings

The main mine dump was sampled at four locations where the access road crosses the dump in a series of switchbacks climbing up to the 1100 level opening. The purpose of this sampling was to obtain a series of higher grade samples for testing with the biotechnology process.

The mine dump is approximately 40 metres wide by 75 metres high by 2-3 metres thick, lying along the steeply dipping slope. A total of seven samples were taken, one from the face of the pit and 6 from the mine dump.

These samples were generally well mineralized. Malachite staining was common, with most samples averaging better than 5% sulfides. Most had a rusty oxidized look, expected after lying on surface for 40-50 years.

Location	Description
Face	Sample from face of pit, a small pod carrying malachite and sulfides. Podiform oxidized skarn – abundant malachite, upto 10% finely to coarsely disseminated pyrite and pyrrhotite. Host appears to be marble.
Mid SW #1	Oxidized skarn. Rusty with malachite, 10%-20% disseminated 5-10mm oxidized sulfides.
Below SW #1	Rusty, oxidized semi-massive sulfide skarn. 25%-30% pyrite. Abundant malachite.
Mid SW#2	Oxidized, rusty skarn with abundant malachite. 5% 2-5mm black garnets. 5% pyrite and pyrrhotite
Mid SW#2	Sulfide malachite skarn. Large cobble.
Composite	Composite sample of small piece picked up along road. The pieces are generally rusty, oxidized skarn with abundant malachite and 5%-10% disseminated to massive sulfide.
Lower road	Massive sulfide boulder taken from road approximately 100 metres below dump. Rusty exterior, massive chalcopyrite interior.

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DISCUSSION

Acid Rock Drainage is a major concern in British Columbia. Abandoned mill tailings and to a larger extent mine tailings dot the hillsides through many of the valleys in the province. These mining waste piles generate a toxic soup of heavy metals that are carried into the water system. The best known examples are Britannia Beach and Mt. Washington.

Attempts to treat these waste piles and waters with present technology have for the most part resulted in failure. The present technology consists primarily of liming to force heavy metals out by precipitation and to neutralize acidic waters or total containment by attempting to entomb the mine wastes so water cannot come into direct contact with the wastes.

Ber Can Environmental Resources Inc. is working on proprietary process to treat these acid generating mining wastes. Through a biotechnological process, these heavy metals are made available for recovery through a simple milling process.

Ber Can Environmental Resources Inc. chose the formerly producing Blue Grouse Mine of the Cowichan Copper Company as a test case. Initially the samples will undergo simple bench scale testing to fine tune the biotechnology process. Once the system is up and running at a bench scale, a larger pilot plant test will be undertaken.

CONCLUSIONS AND RECOMMENDATIONS

Ber-Can Environmental Resources Inc. is developing a proprietary biotechnology process to remove toxic heavy metals from mining waste piles. The Blue grouse Mine was selected as a test case due to the ready accessibility of mine and mill tailings. The Blue Grouse property is located on the south side of Cowichan Lake 5 kilometres west of the town of Honeymoon Bay.

Preliminary exploration consisted of random sampling of the existing mine tailings and mill tailings to supply material for bench-scale testing. Cost of this preliminary exploration program was \$1,162.50.

Successful completion of the bench scale testing will result in further exploration. The next stage will consist of more detailed sampling to establish the grade of one or more of the tailings piles. A larger sample of this tailings material will be taken to supply material for a pilot plant scale test. The cost of the next phase of the exploration program is estimated at \$7,097.50.

-18-
REFERENCES

British Columbia Ministry of Energy, Mines and Petroleum Resources Assessment Reports. The following assessment reports were completed on the Blue Grouse property: 97, 616, 6297, 8895, 8896, 17039, *19387, 21391, 23579

Massey, N.W.D. and Friday, S.J. (1986). Geology of the Cowichan Lake Area, Vancouver Island (92C/16). British Columbia Ministry of Energy, Mines and Petroleum Resources, Geological Fieldwork, 1986, Paper 1987-1. pp.223-229.

Massey, N.W.D., Friday, S.J., Tercier, P. and Rublee, V.J. (1987). Geology of the Cowichan Lake Area, NTS 92C/16. British Columbia Ministry of Energy, Mines and Petroleum Resources Open File 1987/2.

MINFILE. Geological Survey Branch, Ministry of Energy and Mines. 092C-017 – Blue Grouse, 092C-108 – Sunnyside.

MMAR. British Columbia Ministry of Mines Annual Reports. The following reports contained short to long reports on the Blue Grouse Property: 1906-212; 1915-290; 1916-312,366; 1917-267; 1918-299,307; 1927-339; 1928-364; 1929-370; 1930-289; 1931-163; 1952-213; 1953-17; 1954-166; 1955-79; *1956-120; 1957-69; 1958-60; 1959-138; 1960-115; 1965-241

Muller, J.E. (1975). Victoria Map Area, British Columbia. Geological Survey of Canada Paper 75-1A. pp. 21-26

Muller, J.E. (1976). Cape Flattery Map Area, British Columbia (92C). Geological Survey of Canada Paper 76-1A. pp. 107-112

Muller, J.E. (1975). Geology of Vancouver Island. Geological Survey of Canada Open File 463.

STATEMENT OF QUALIFICATIONS

I, R. Tim Henneberry, am the principle of Mammoth Geological Ltd., a geological consulting firm with offices at 612 Noowick Road, R.R.#1, Mill Bay, B.C.

I earned a Bachelor of Science Degree majoring in geology from Dalhousie University, graduating in May 1980.

I have practiced my profession continuously since graduation.

I am registered with the Association of Professional Engineers and Geoscientists in the Province of British Columbia as a Professional Geoscientist. I am also a Fellow of the Geological Association of Canada.

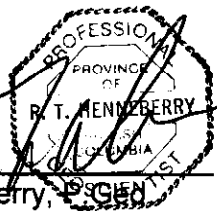
I am presently the registered owner of the B.G.#3 and B.G.#4 mineral claims (387556-557) and B.G.#5 mineral claim (393307). I am holding them pending transfer to Allan McGinnis of Ber-Can Environmental Resources Inc. for the sum of \$1.

I undertook the sampling program on the Blue Grouse property on June 16, 2001, April 26, 2002 and May 21, 2002.

Upon completion of the transfer of ownership of these claims, I will hold no direct or indirect interest in the claims or in Ber-Can Environmental Resources Inc.

This report may be used for any purpose normal to the business of Ber-Can Environmental Resources Inc., provided no part is used in such a manner to convey a meaning different than that set out in the whole.

Dated this 4th day of June in the Town of Mill Bay, British Columbia.


R. Tim Henneberry, P. GEN

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STATEMENT OF COSTS

Property Sampling
June 16, 2001
April 26, 2002
May 21, 2002

Geologist	1.5 days @	300.00 /day	\$450
Vehicle and fuel	1.5 days @	75.00 /day	\$112.5
Documentation			
Geologist	2 days @	300.00 /day	\$600
Total Cost			<u>\$1,162.5</u>

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COST ESTIMATE

Large Scale Sampling

Evaluate the heavy metal content of one or more tailings piles by detailed sampling

Grid auger sample at 5 metre centres

Augered material to be collected in 5 gallon pails to supply material for pilot scale test

A sample will be taken from each hole for analysis

Document results

Geologist	3 days	@	300.00 /day	\$900
Assistant	3 days	@	200.00 /day	\$600
Vehicle and fuel	3 days	@	75.00 /day	\$225
Hand Auger	3 days	@	50.00 /day	\$150
5 gallon pails	50 pails	@	5.00 / pail	\$250
Analysis	105 samples	@	34.50 /sample	\$3,622.5
Sundries				\$100
Documentation				
Geologist	4 days	@	300.00 /day	\$1,200
Printing etc				\$50
Large Scale Sampling Budget				\$7,097.5