REPORT

on the

CHU MOLYBDENUM PROPERTY

Omineca Mining Division, British Columbia

Latitude 53° 21' N., Longitude 124° 37' W.
NTS map sheet 93F/7E

by

James W. McLeod, P.Geo.

on behalf of

Mr. Chris Delorme

January 7, 2003
Delta, British Columbia

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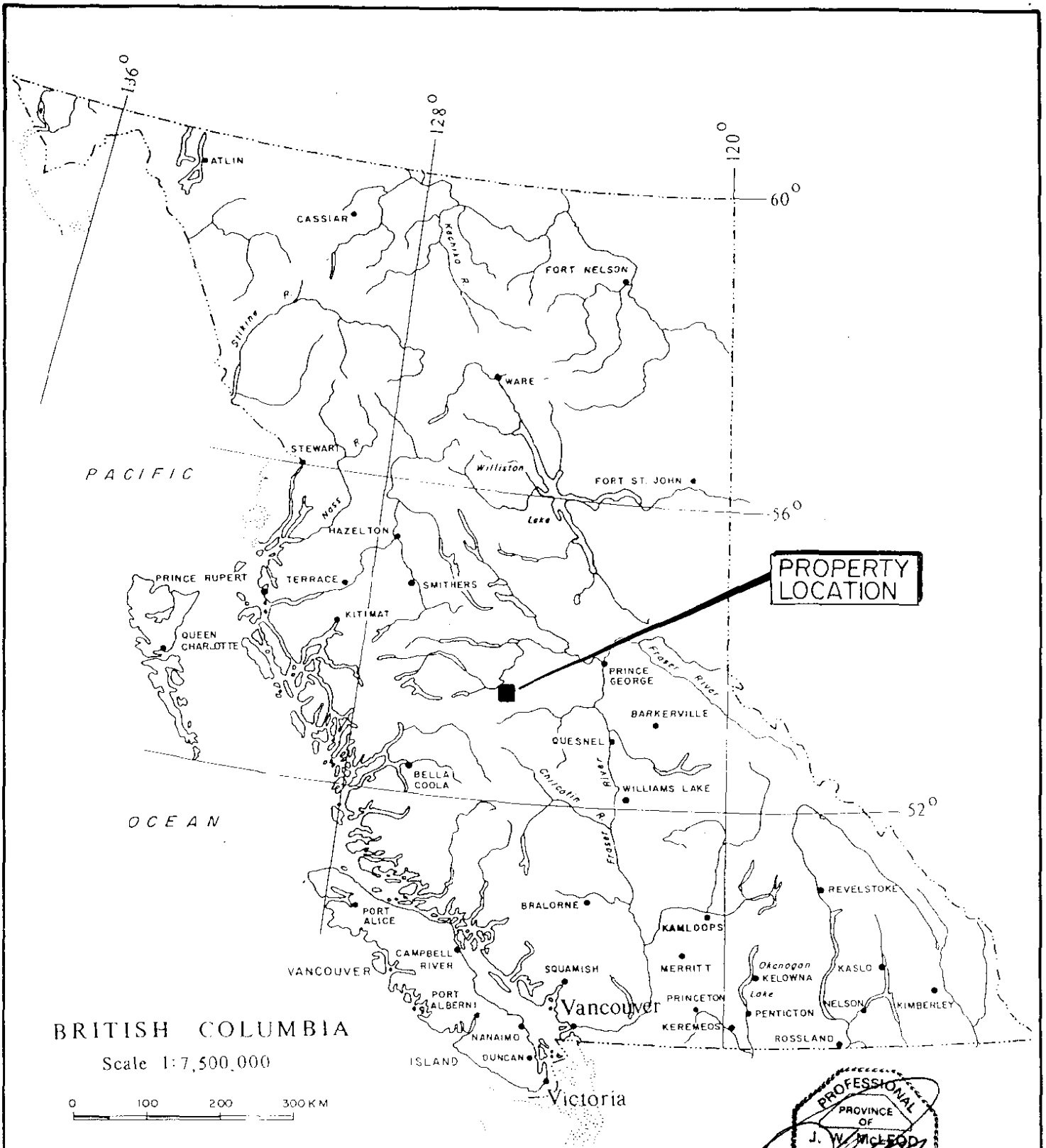
SUMMARY

During October 2002 a magnetometer survey was conducted over a portion of the Chu molybdenum property situated in the Omineca Mining Division in central British Columbia, Canada. The present survey extended the area previously tested by the initial survey that was conducted in 2001. The claim area has undergone geological mapping utilizing limited rock exposure data and additional data derived from previous diamond core drilling. The best mineralized zones so far encountered appears to be contained within the hornfels unit where fracture preparation is well developed by a quartz stockwork carrying the molybdenum mineralization. The more intensely silicified zones generally are found to contain the higher values.

The results obtained to date from fieldwork conducted are encouraging and the writer recommend that further exploration work be carried-out on the property. The recommended core drilling program is expected to take one month to complete at an estimated cost of $ 100,000.



CHRIS DELORME

CHU PROPERTY
LOCATION MAP

N.T.S. 93F-7E OMINECA M.D., B.C.

SCALE: 1:7,500,000	DATE: JAN. 2003
DRAWN BY: J. M.	FIGURE Nº. 1

INTRODUCTION

The current fieldwork program was conducted under the writers' supervision and consists of a grid controlled magnetometer survey (see Figures 2 and 3).

The work program was conducted on behalf of Mr. Chris Delorme of Merritt, British Columbia, Canada.

LOCATION AND ACCESS

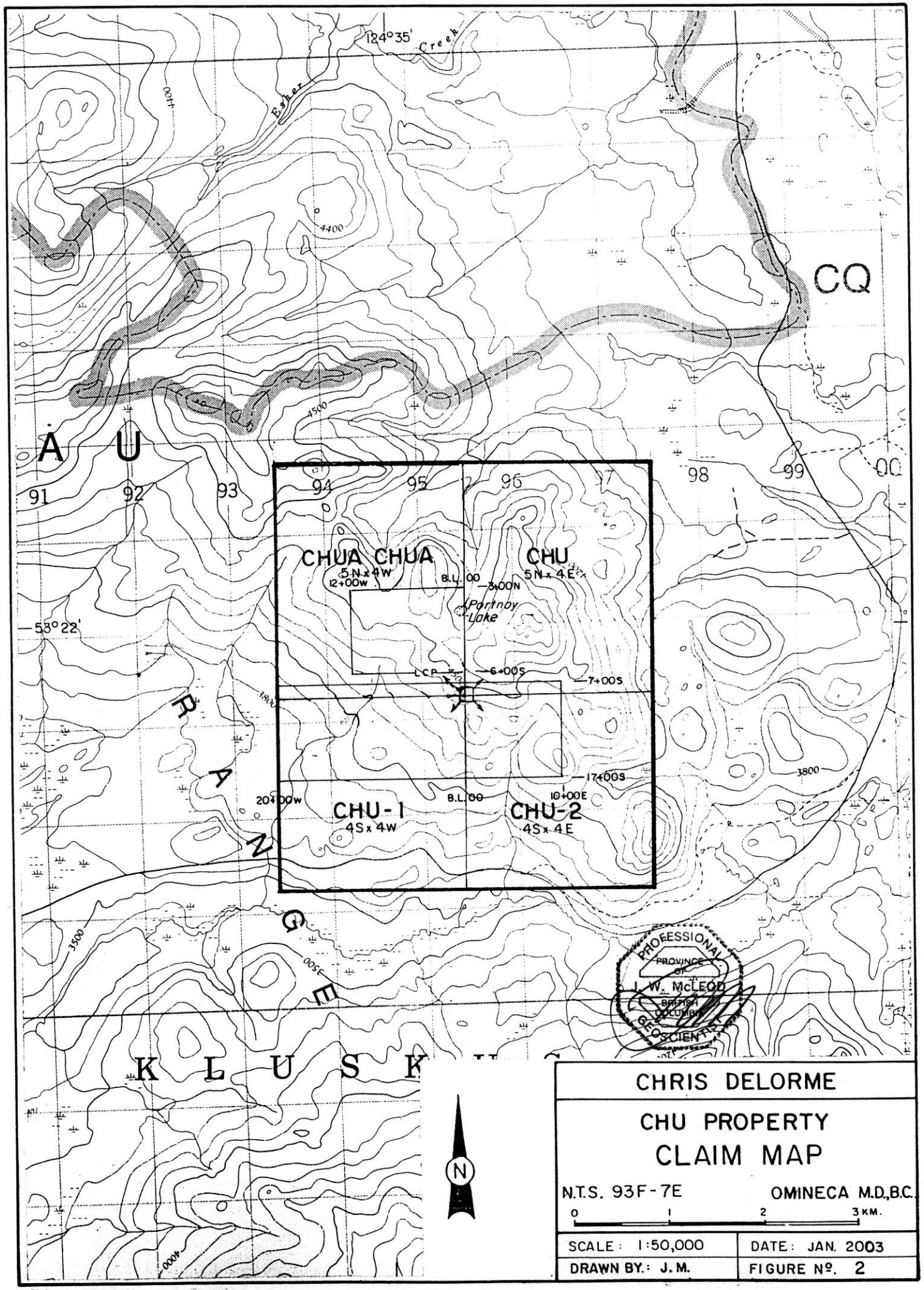
The Chu property area may be located on NTS map sheet, 93F/7E at latitude 53° 21' north and longitude 124° 37' west. The property area is situated south of the Town of Vanderhoof, B.C., at the southeast end of the Nechako Range, 6.5 km. west of Chutanli Lake. The property lies within the Omineca Mining Division, British Columbia, Canada.

Access to the property is gained by traveling approximately 26.5 km. southwest of the Town of Vanderhoof, B.C. on the Kenney Dam road and then southerly for about 100 km. on the Blue road, which can be described as good all weather surfaced. Just north of the cutoff to Chutanli Lake the Kluskus-Ootsa road branches off to the west from the Blue road, it is taken 7.5 km. to the junction with the Chu property road. The property road traverses much of the claims north to the site of the old exploration camp.

TOPOGRAPHICAL AND PHYSICAL ENVIRONMENT

The property lies within the intermontane (physiographic) belt between the Coastal mountain belt on the west and the Rocky mountain belt on the east. More particularly the Chu property is found to occur in the transition zone on the south end of what is termed the Nechako range between the northwesterly trending Nechako and Fraser plateaux. The claim area generally is fluvial-glacial covered, rounded mountainous terrain exhibiting sparse rock exposures. The claim area ranges in elevation from 1,160 metres (3,800') to 1,430 metres (4,700') mean sea level. The area is conifer covered as lodgepole pine and spruce.

The general area lies within the sub-alpine biotic zone and experiences greater than 100 cm. of precipitation annually, of which 15%-25% may occur as a snow equivalent i.e. about 20 cm. The summers are generally mild and dry with moderate precipitation.


124°35'
Creek
Esther
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CHUA CHUA
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12+00W
B.L. 00
3+00N
CHU
5N x 4E
Portnoy
Lake
53°22'
LCP
6+00S
7+00S
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CHU-1
4S x 4W
B.L. 00
10+00E
CHU-2
4S x 4E
RANGE
3500
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4000
PROFESSIONAL
PROVINCE
OF
J. W. McLEOD
BRITISH
COLUMBIA
GEOSCIENTIST
N
CHRIS DELORME
CHU PROPERTY
CLAIM MAP
N.T.S. 93F-7E
OMINECA M.D., B.C.
0
1
2
3 KM.
SCALE: 1:50,000
DATE: JAN. 2003
DRAWN BY.: J. M.
FIGURE Nº. 2

PROPERTY AND OWNERSHIP

The Chu property is comprised of 4 - four-post lode mineral claims which totals 72 contiguous units (see Figure 2). The claim particulars are listed as follows:

Name	Tenure No.	Units	Anniversary Date
Chua Chua	366737	20	October 15
Chu	390574	20	October 15
Chu – 1	390575	16	October 15
Chu – 2	390576	16	October 15
	Total	72	

The claim area totals approximately 1,800 hectares or 4,447 acres.

The above listed lode mineral claim is owned by Mr. Chris Delorme of Merritt, British Columbia, Canada.

HISTORY

The recorded mining exploration history of the property area dates from 1969 when a prospecting and regional reconnaissance geochemical survey indicated the anomalous molybdenum values in the immediate area.

The construction of the Kluskus logging road in the mid-1970's saw the entry of Asarco Incorporated and Rio Tinto Canadian Exploration Ltd. into the area. During this early period they undertook some shallow diamond core drilling for which no core remains available. They drilled 13 holes, A1-A4 and B1-B9 which revealed a large zone of anomalous molybdenum values. Asarco carried out geochemical surveys in 1977. They were joined by Armco Mineral Exploration Ltd. in 1979. Together they conducted core drilling programs in 1980: DDH 1-3, 1981: DDH 1-7 and 1982: DDH 1-2.

REGIONAL GEOLOGY

The oldest rocks in the general area are volcanics and sediments which have been assigned to the Hazelton Group of Jurassic age. These rocks in places have been intruded by late Jurassic and early Cretaceous aged Coast Range intrusive rocks of granitic to dioritic composition, which are referred to in the

property area as the Nechako intrusions. More than one period of intrusive activity may have effected the area and in fact may be younger than the Nechako intrusions. The youngest rocks observed in the area are the andesite to basalt flow volcanics which are thought to be of Oligocene age .

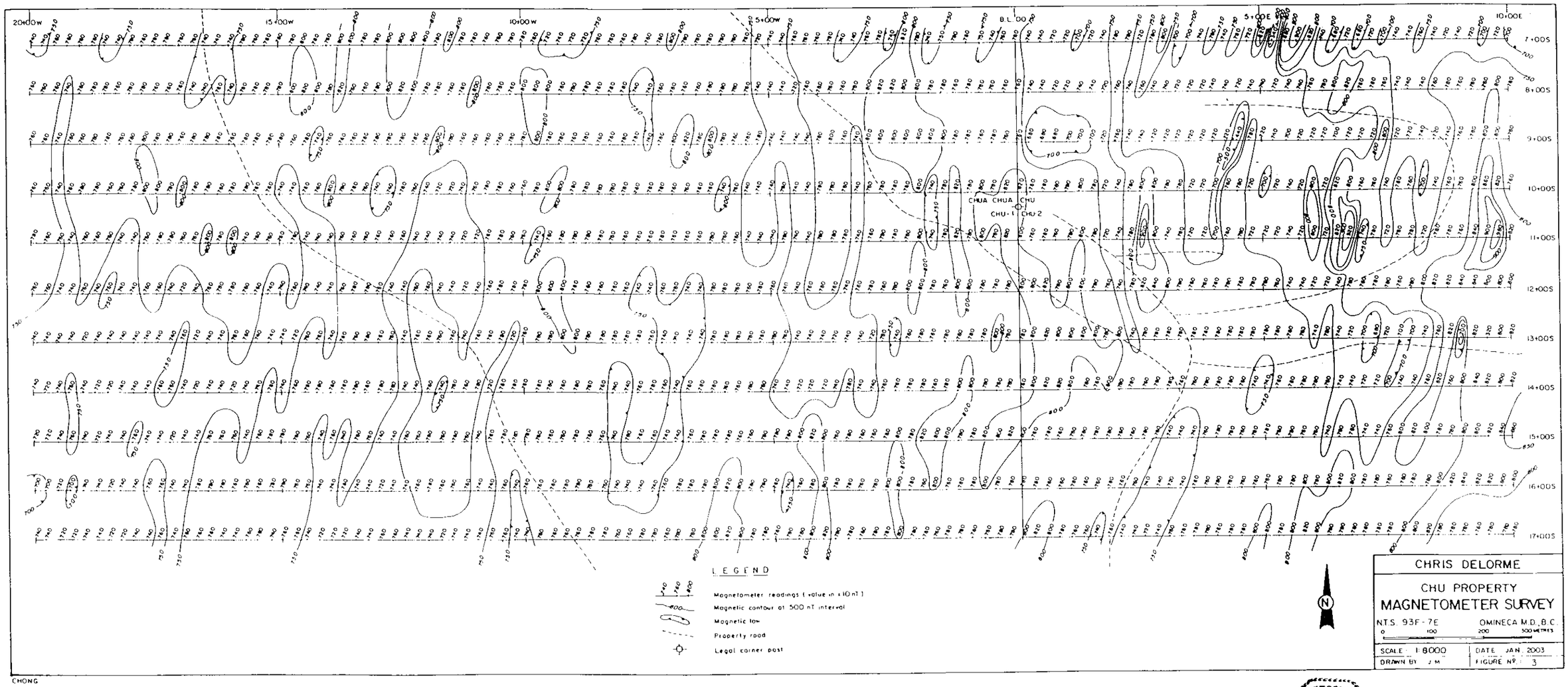
LOCAL GEOLOGY

The different rock units are found to occur as northerly striking and steep easterly dipping sediments and volcanics. The oldest underlying bedded rocks are found to occur on the westside of the property as hornfelsed siltstone, mudstone and quartzite and overlain conformably? on the eastside by steeply contacting clastic andesitic tuffs. The bedded sediments and volcanics are intrusive contacted on the westside by granitic rocks thought to be Coast Range intrusions of Jurassic age. All three rock types are seen in places in the drill core to be cut by granodiorite dykes which themselves are sometimes molybdenum-bearing.

The molybdenum mineralization related to a quartz vein stockwork is best developed in the hornfelsed (siltstones) that have undergone varying degrees of biotitization following structural preparation (brittle fracture). Pyrite and pyrrhotite are found widespread throughout the MoS2 mineralized zones and the core in general. The overall trend of the molybdenum mineralized package may dip toward the east-southeast.

PRESENT WORK PROGRAM

The present fieldwork program was undertaken during the period September 28 – October 12, 2002. The work program consisted of installing a grid, N-S baseline – 1,100 metres; E-W grid lines = 11 x 3,000 metres for a total length of 34.1 kilometres (see Figure 3). A magnetometer survey was conducted over the grid using a Scintrex fluxgate magnetometer, model MF-1. The magnetometer readings were diurnally corrected by closing-loops.



PROFESSIONAL GEOSCIENTIST
PROVINCE OF BRITISH COLUMBIA
W. MACLEOD

CONCLUSIONS

The current magnetometer survey data appears to contour well. The magnetometer data suggests an overall fabric which is seen trending N190°-N210° that appears to reflect the fabric of the underlying intrusive rocks. In the 2001 grid survey area the hornfelsed andesite-siltstone fabric trend which is the host of the most intense silicification and molybdenum mineralization appeared to be NE-SW and dipping to the southeast. A number of linear patterns trending NNE across and in the area of the underlying metamorphosed volcano-sediment assemblage may be expressions of sub-parallel faults and/or fault contacts. These features appear to be several hundred metres apart. The magnetometer survey data may be most useful in indicating the contact between the underlying intrusive rocks and the andesite-siltstone molybdenum-bearing host rock. The 2002 survey appears to cover mainly underlying intrusive bedrock except in the northeast quadrant of the surveyed area that may be underlain by volcano-sediment units.

RECOMMENDATIONS

Further drilling is recommended in the areas where favourable mineralized zones have been drill intersected or where mineralized zone are projected to occur. A 2-3 hole diamond core drilling program totaling 700 metres is recommended to test the true thickness of the molybdenum mineralized zone and its' possible downdip extension toward the south and southeast. All drilling should have quality grid control (in three dimensions) to enable accurate calculations to be made from the acquired data.

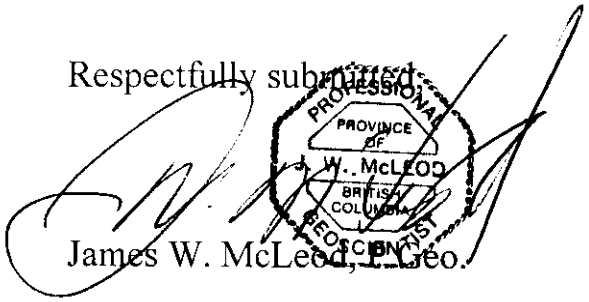
COST ESTIMATE

The writer has included the following cost estimate from the results of previous fieldwork data that he has had access to and from discussions with other parties that have had more extensive experience working on the Chu property than the writer has had:

Diamond core drilling 700 metres, all inclusive i.e. mob-demob, core boxes, etc. @ $120/metre	$ 84,000

Geology, supervision, core logging, sample preparation, transport to the assayers, transportation, room and board	8,500
Assaying and analyses	6,000
Reports, maps and filings	1,500
Total	$ 100,000

Respectfully submitted,



James W. McLeod, P.Geo.

STATEMENT OF COSTS

Grid installation – flagged and blazed		$ 4,000
Magnetometer survey		4,000
Camp and board		2,000
Travel		200
	Total	$ 10,200

CERTIFICATE

I, JAMES WAYNE McLEOD, of the Municipality of Delta, Province of British Columbia, hereby certify as follows:

1) I am a Consulting Geologist with an office at #203 - 1318 56th Street, Delta, B.C., V4L 2A4.

2) I am a Professional Geoscientist registered in the Province of British Columbia and a Fellow of the Geological Association of Canada.

3) I graduated with a degree of Bachelor of Science, Major Geology from the University of British Columbia in 1969.

4) I have practiced my profession since 1969.

5) I have no ownership interest either direct or beneficial in the Chu molybdenum property.

6) The above report is based on personal field experience gained by the writer during a property examination conducted during August 2000 and from researching private and assessment reports and from data collected under the writers' supervision during this current magnetometer survey.

DATED at Delta, Province of British Columbia this 7th day of January 2003.

James W. McLeod, P.Geo.
Consulting Geologist

REFERENCES

British Columbia Ministry of Energy, Mines and Petroleum Resources Assessment Reports – 8476 and 9691.

McLeod, J.W., January 7, 2002. Magnetometer Survey Report on the Chua Chua Claim for Chris Delorme.

Ostensoe, E.A., July 30, 1980. Private Chu Project, Progress Report to Armco Mineral Exploration Ltd.

Ostensoe, E.A., February 15, 2002. Private Chu Property Report for Javelin Capital Corp.