ASSESSMENT REPORT ON THE KING PROPERTY

ALBERNI MINING DIVISION
NTS 92F/2E
LATITUDE 49° 06'
LONGITUDE 124° 36'

FOR

MANDALAY RESOURCES CORPORATION
500-905 ~~710-750~~ **WEST PENDER STREET**
VANCOUVER, BC
V6C ~~2T7~~ 1L6

BY

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NOVEMBER 18, 2002

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SUMMARY

The King claims consisting of two four post claims covering about 2,000 acres in the Alberni Mining Division, B. C. are presently explored by Mandalay Resources Corporation. The property is located some 20 km southeast of Port Alberni on Vancouver Island, B. C.

Several past producing mines occur in the property vicinity.

The claims are underlain by a complex, poorly resolved, interlayered and intergradational succession of basaltic pillowed flows; broken and whole pillow breccias; various basaltic volcaniclastics including agglomeratic lapilli tuff, crystal and lithic tuff, and cherty tuff; jasper; thick basaltic flows; and dacitic agglomeratic lapilli tuff. All of the rocks belong to the Upper Paleozoic Sicker Group, however it is not clear whether they are part of the Nitinat Formation or Myra Formation, or both. The Sicker Group sequence appears to be upright, northwest to north trending, and dipping shallowly to moderately (20 - 40°) to the southwest.

Basaltic Sicker Group flows are cut by Tertiary (?) feldspar (-hornblende) porphyritic andesite dykes on the claim. Similar dykes are closely associated with past-producing gold mines in the area such as the Havilah Mine.

Exploration program carried out on the King Property included limited mapping, rock sampling and soil sampling. Gold in soil and rock samples ranged between 0.7ppb 10.93 g/t were obtain from the property. Some of the anomalous gold values have coincident anomalous copper, lead, silver and zinc.

Futher exploration is recommended for the property, consisting of detailed geological mapping, prospecting , sampling and trenching..

INTRODUCTION

The King claims, consisting of two four post-metric claims, covering some 2,000 acres in the Alberni Mining Division, BC are presently explored by Mandalay Resources Corporation. The company started limited mapping, rock and soil sampling on the property for the purpose of fulfilling assessment work requirements. The work was carried out between May 2002 and November 2002. The writer has supervised 2002 field work.

This report documents limited mapping, rock sampling, soil sampling, describes regional and property geology and provides recommendation for further success contingent exploration on the King claims.

LOCATION AND ACCESS

The King Property is located on Vancouver Island, at the headwaters of China Creek, some 20 kilometers southeast of Port Alberni, British Columbia. The geographic location is 49° 06' North latitude and 124° 36' West longitude.

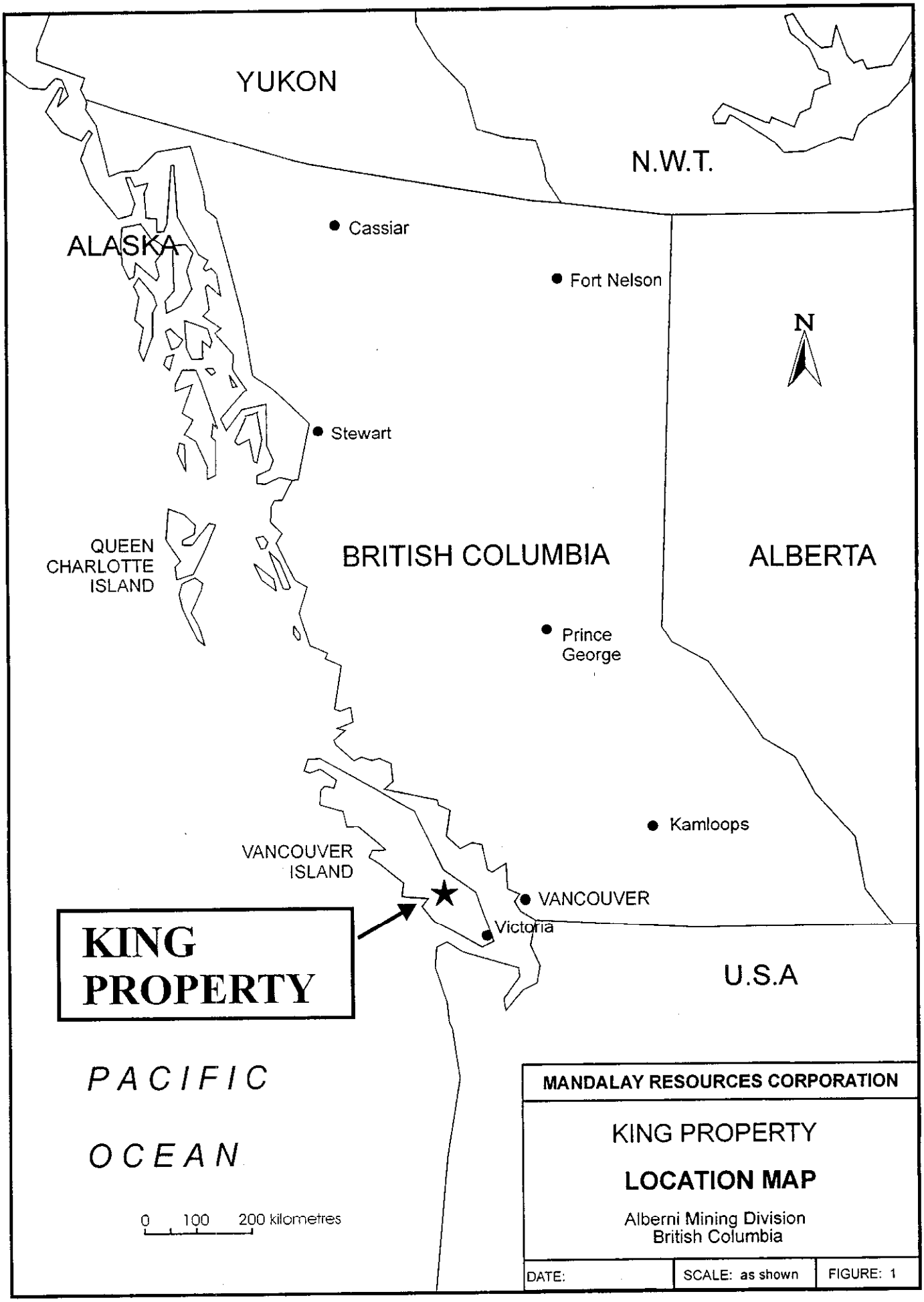
The claims are accessible from Port Alberni via 20 km of good gravel road up China Creek and than up McQuillan Creek to the King Solomon Basin(Figure 1).

TOPOGRAPHY AND VEGETATION

The King Property is in the Vancouver Ranges, one of the three subdivisions of the Vancouver Island Mountains, in turn, a major subdivision of the Insular Mountains. The claims cover the uppermost headwaters of China and McQuillan Creek. The slopes are rugged and steep with frequent bluffs and cliffs. Elevation ranges from 550 meters (1 800 feet) at northern part of the claims to 1 500 meters (4 900 feet) at the peak of McQuillan.

The property area is covered by stands of fir, spruce and predominantly by hemlock. Adequate water for exploration purposes is available from numerous steep run-off creeks that drain mountain areas.

Annual precipitation is in order of 250 cm. In general, climate is moderate, more or less typical of coastal B. C. The 5-month period between June and October is the best for fieldwork.


YUKON
N.W.T.
ALASKA
Cassiar
Fort Nelson
N
Stewart
QUEEN
CHARLOTTE
ISLAND
BRITISH COLUMBIA
ALBERTA
Prince
George
Kamloops
VANCOUVER
ISLAND
VANCOUVER
Victoria
KING
PROPERTY
U.S.A
PACIFIC
OCEAN
0 100 200 kilometres
MANDALAY RESOURCES CORPORATION
KING PROPERTY
LOCATION MAP
Alberni Mining Division
British Columbia
DATE:
SCALE: as shown
FIGURE: 1

PROPERTY DEFINITION

The King Property consists of two four post mineral claims covering 2 000 acres, located in Alberni Mining Division, British Columbia (Figure 2).

The claims are owned by Mandalay Resources Corporation and L. Ruza, 50 % each. Details pertaining to the status of the claims are tabulated below.

Claim Name	Units	Tenure #	Expiry Date
King	16	364 999	August 22, 2002
King I	16	365 000	August 24, 2002

Work has been filed and expiry date will apply when Assessment report is accepted.

HISTORY

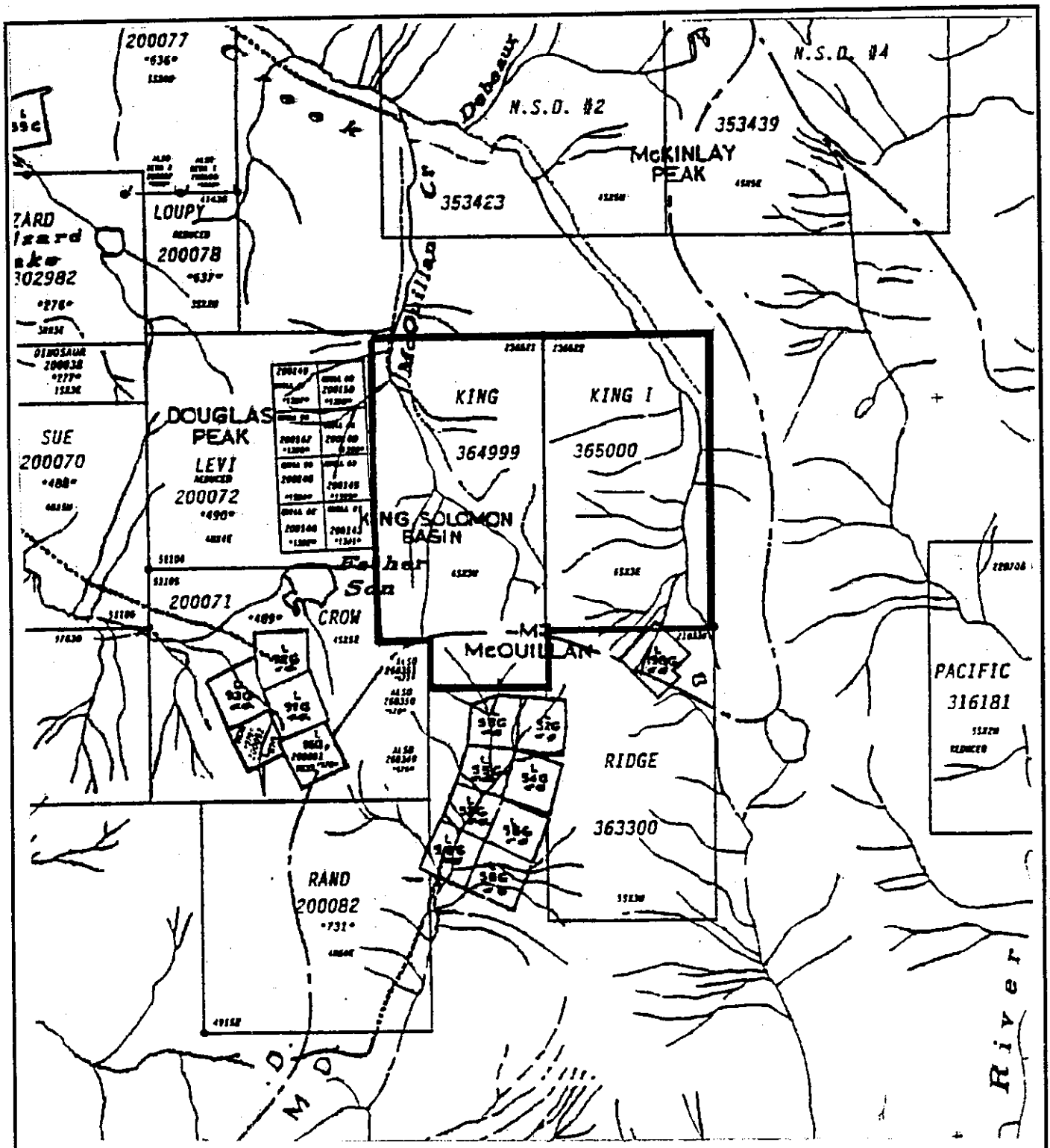
Mining in the area dates back to 1860's when the headwater of China Creek, the Nitnat River and Franklin River were placer mined. Lode mining dates back to the 1890's when gold bearing quartz veins were located and staked on Mineral Creek, at the head of McQuillan Creek in the King Solomon basin and at the head of China Creek in the Golden Eagle basin.

The area was inactive due to low metal prices from the early 1900's until the 1930's and remained active until the late 1940's.

Several past producing mines occur in the property vicinity. The Thistle Mine produced 2,760 oz gold, 2,120 oz silver and 681,435 lbs copper from 6,920 tones of ore, originaly considered by Stevenson (1945) and Carson (1968). Disseminated and massive sulphide mineralization occurs as lenses and bands with pyritic quartz sericite schist and at the contact of quartz sericite schist with chloritized mafic volcanic rocks (Sicker Group). Disseminated sulphide mineralization occurs throughout the host rocks. The deposit may be of syngenetic-volcanogenic origin (Neale, 1985). It is located immediately south west of the King claims.

The Havilah Mine located on the King claim (1,046 tones produced 259 oz gold, 1,404 oz silver) and Vancouver Island Gold Mine (483 tones produced 384 oz gold, 52 oz silver) are quartz vein deposits hosted by andesite and andesite tuff of the Sicker Group.

The Black Panther Mine is a quartz vein deposit hosted by a shear zone in Sicker Group andesite and Island Intrusions diorite located 3 km south of the King



MANDALAY RESOURCES CORPORATION

KING PROPERTY

CLAIM MAP

Alberni Mining Division
British Columbia

DATE:	SCALE: 1:50,000	FIGURE: 2

claims. Production of 1,890 tones of is yielded 509 oz gold, 953 oz silver, 12,319 lbs lead and at least 4,478 lbs zinc and 498 lbs copper.

The other mines in the broader area are: Mineral Creek, Regina to the north from the King Property and B&K and Black Lion to the the south (Figure 4).

In 1962, Hunting Surveys conducted a regional airomagnetometer survey over the area for the Canadian Pacific Railway, covering the claim block.

During the period 1963 – 1966 Gunnex Ltd. carried out a regional mapping program with some prospecting and silt sampling in the area.

A brief program of reconnaissance geological mapping, rock sampling and prospecting was carried out on the McQuillan claim, by MPH Consulting Limited for Nexus Resource Corporation during 1983 – 1984. The work partly covered northwest corner now King Property.

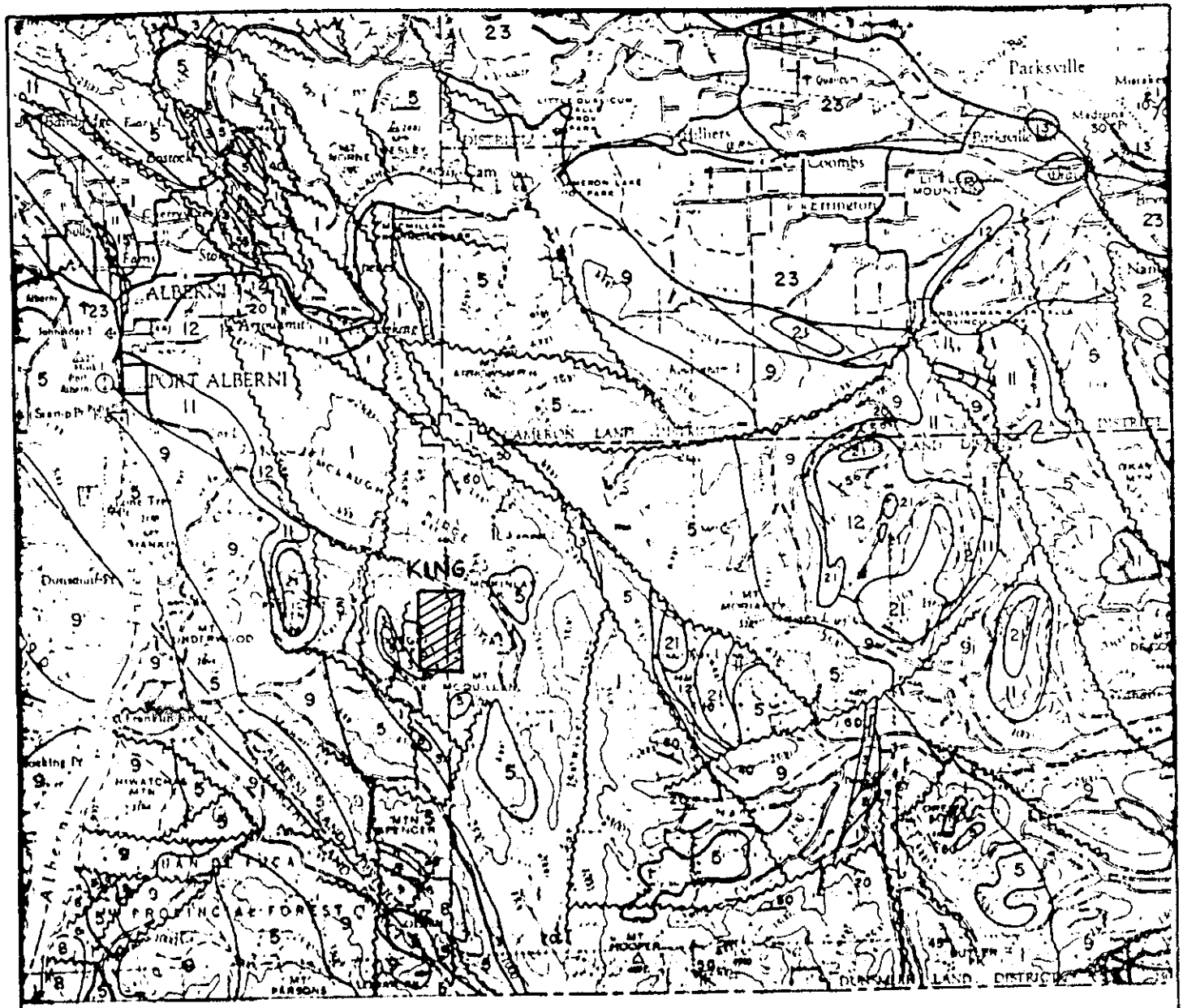
Mandalay Resources Corporation conducted limited rock and silt sampling in year 1999 and 2001 on King claims

REGIONAL GEOLOGY

The regional geology of the Alberni Map Area has been mapped and interpreted by Muller, 1969 and Stevenson, 1945. There are some differences in the bedrock geology of the King Property (Figure 3,4).

The oldest rocks belong to the Sicker Group, Permian and older in age, and have been folded into a broad, north to northwesterly trending synclinal structure. The "Older Sediments" of Stevenson are comprised principally of pyroclastics (tuff and volcanic breccias) and flow breccias, plus much smaller quantities of jasper, chart, and limestone, and occur in two distinct belts. The volcanic assemblage is the basal sequence of the Sicker Group, unit 1 of Muller, Pennsylvanian and older in age. The limestone, chart and jasper belong to the Buttle Lake Formation, the uppermost sequence of the Sicker Group, unit 3 of Muller.

The "older" China Creek Andesite of Stevenson "overlies the older sediments and is folded with the sediments in a synclinal belt"; and, accordingly, may belong to the Karmutsen Formation of Triassic age, unit 5 of Muller. Muller, however, shows basal Sicker volcanic, unit 1, in the area mapped by Stevenson as China Creek Andesite. The China Creek Andesite consists principally of fine-grained, dark green andesite that generally has an amygdaloidal structure, plus a smaller proportion of purplish, amygdaloidal andesite. Occasional lenses of dark gray chart and red jasper are intercalated with the andesite.



LEGEND

QUATERNARY

23 — Glacial and alluvial deposits

TERTIARY

21 — Hornblende quartz diorite, leucoquartz monzonite, porphyritic dacite, breccia

UPPER CRETACEOUS
NANAIMO GROUP

13 — EXTENSION-PROTECTION FM: sandstone, conglomerate, shale, coal.

12 — HASLAM FM: shale, siltstone, fine sandstone

11 — COMOX FM: sandstone, conglomerate, shale, coal

MIDDLE TO UPPER JURASSIC

9 — ISLAND INTRUSIONS: biotite-hornblende granodiorite, quartz diorite

LOWER JURASSIC

8 — BONANZA GROUP: andesitic to latitic breccia, tuff, and lava; minor greywacke, argillite, and siltstone.

UPPER TRIASSIC
VANCOUVER GROUP

6 — QUATSINO FM: massive to thick bedded limestone, minor thin bedded limestone.

5 — KARMUTSEN FM: pillow-basalt and pillow breccia, massive basalt flows; minor tuff, volcanic breccia; Jasperoid tuff, breccia and conglomerate at base

TRIASSIC OR PERMIAN

4 — Gabbro, peridotite, diabase.

LOWER PERMIAN TO PENNSYLVANIAN
SICKER GROUP

3 — BUTTLE LAKE FM: limestone, chert

2 — MYRA FM: lower unit, argillite, greywacke, conglomerate, tuff, minor limestone. Upper unit, rhyodacite to rhyolite tuff, lapilli tuff, breccia lesser siliceous siltstone, argillite, quartz porphyry and mafic flows.

1 — NITINAT FM: basaltic uralite porphyry, agglomerate, pillow lava, greenschist.

0 5 10 km

N

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REGIONAL GEOLOGY MAP
KING PROPERTY

ALBERNI MINING DIVISION

Project No:		By:	T. N.
Scale:	1 250,000	Drawn:	J. S.
Drawing No:	3	Date:	

The Franklin Creek Basalt of Stevenson, an augite basalt, underlies the western half of the China Creek map-area, and typifies dark green to almost black, pillow basalts of the Triassic Karmutsen Formation. On the structure sections,

Stevenson shows the Franklin Creek Basalt in fault contact with the Sicker Group "Older Sediments". Unconformable contact with the Sicker Group volcanic (Muller unit 1) and sediments (Muller unit 3, Buttle Lake Formation) also is indicated.

The main quartz diorite stock that typifies the Island Intrusions of Middle to Upper Jurassic age, strikes north northwesterly through the western portion of the China Creek map-area. The intrusive cuts the Franklin Creek Basalt, varies in width from 1 to 4 km, and is more than 20 km in length.

The intrusive diorite body mapped by Stevenson that strikes northerly through Mount Mcquillan coincides extremely well with a low-magnitude aero magnetic "high" defined by the 56,700 gamma contour. The McQuillan Diorite is about 7 km long and ½ to 1 km wide; and probably also correlates with the Jurassic Island Intrusions. Diabase dykes to about 1 m thick cut the diorite. Much of the diorite has been brecciated, and then healed by the introduction of siliceous, aplitic material, some of which also occurs as small dykes.

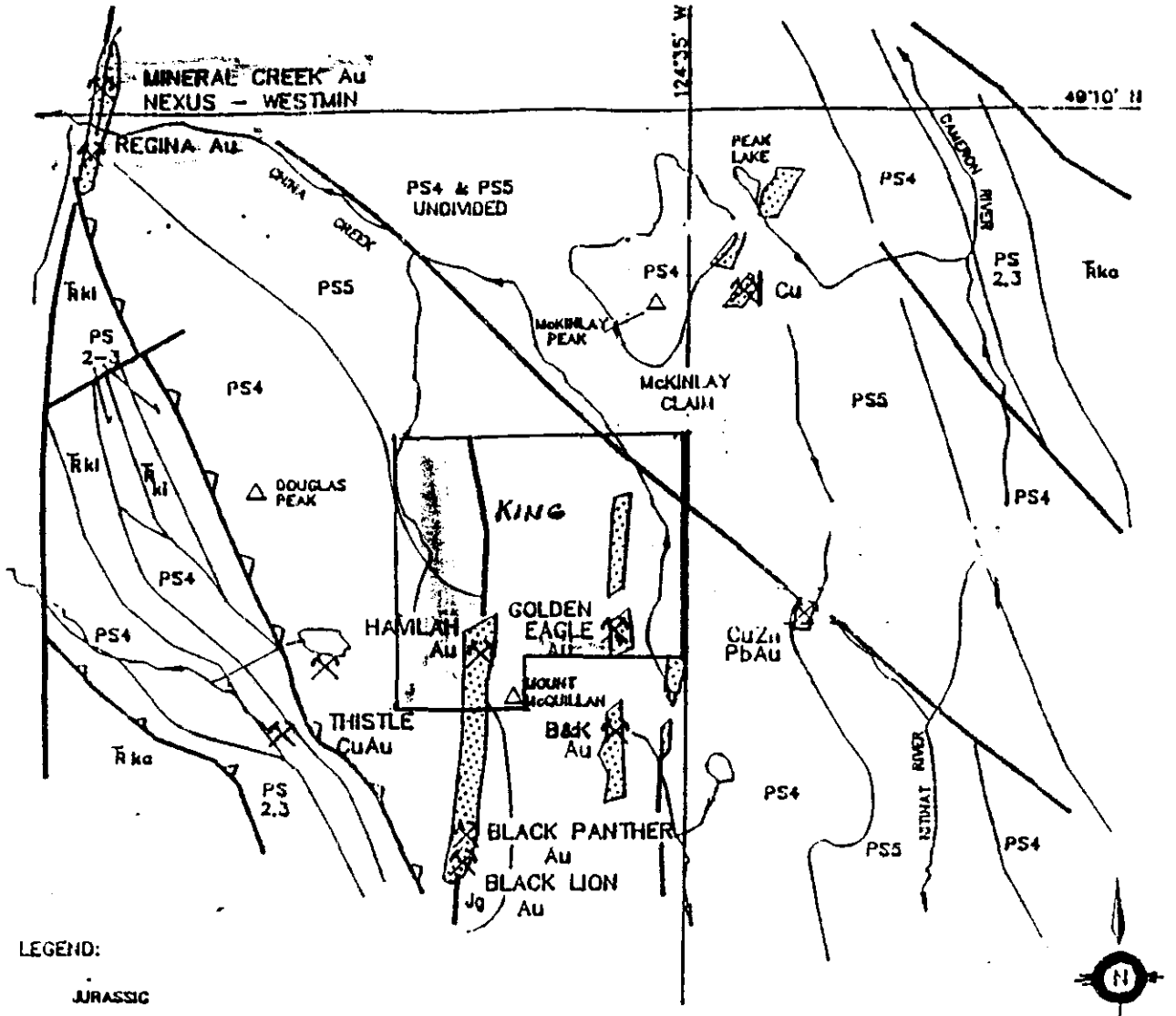
Stevenson also mapped three small bodies of feldspar porphyry adjacent to the McQuillan Diorite on the west, which reportedly are accompanied by numerous sills and dykes of similar composition.

STRUCTURE

The Buttle Lake Arch, Cowichan-Horne Lake Arch and Nanoose Uplift are north-northwesterly trending axial uplifts and are believed to be the oldest structural elements in south central Vancouver Island. Uplifting occurred before the late Cretaceous, and possibly before the Mesozoic (Muller and Carson, 1969). Sicker Group volcanic and sedimentary rocks occur at the core of these uplifts.

Asymmetric southwest verging anticline structures characterized by sub vertical southwest limbs and moderately dipping northeast limbs are reported at Buttle Lake and in the Cameron-Nitinat River area. Intense shearing and metamorphism to chlorite-actinolite and chlorite-sericite schist occurs in steep and overturned limbs of folds. Overlying Buttle Lake Formation limestones are relatively undeformed except where they are thin.

Vancouver Group units are not as intensely folded; gentle monoclinal and omal structures have been mapped. However, Karmutsen Formation volcanic rocks



LEGEND:

JURASSIC

Jg GRANODIORITE

TRIASSIC

Trka KARMUTSEN VOLCANICS
Trkl DIORITIC INTRUSIVES

SILURIAN – PERMIAN
SICKER GROUP

PS2–3 CLASTIC SEDIMENTS AND LIMESTONE
PS4 FELSIC – INT. TUFFS, SANDSTONES, CONGLOMERATE
PS5 PYROXENE PORPHYRITIC AGGLOMERATE, TUFF, SILTSTONES, CHERT

FAULT

THRUST FAULT

ALTERED ZONE

MINERAL OCCURRENCE

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KING PROPERTY

PAST PRODUCERS

Alberni Mining Division
British Columbia

DATE:	SCALE: as shown	FIGURE: 4

locally conform to the attitude of underlying Myra and Buttle Lake Formations (Muller, 1980).

Some early Mesozoic faulting occurred in the area prior to emplacement of Island Intrusions. Middle to Upper Jurassic intrusive activity (Island Intrusions) occurred along northwesterly trends.

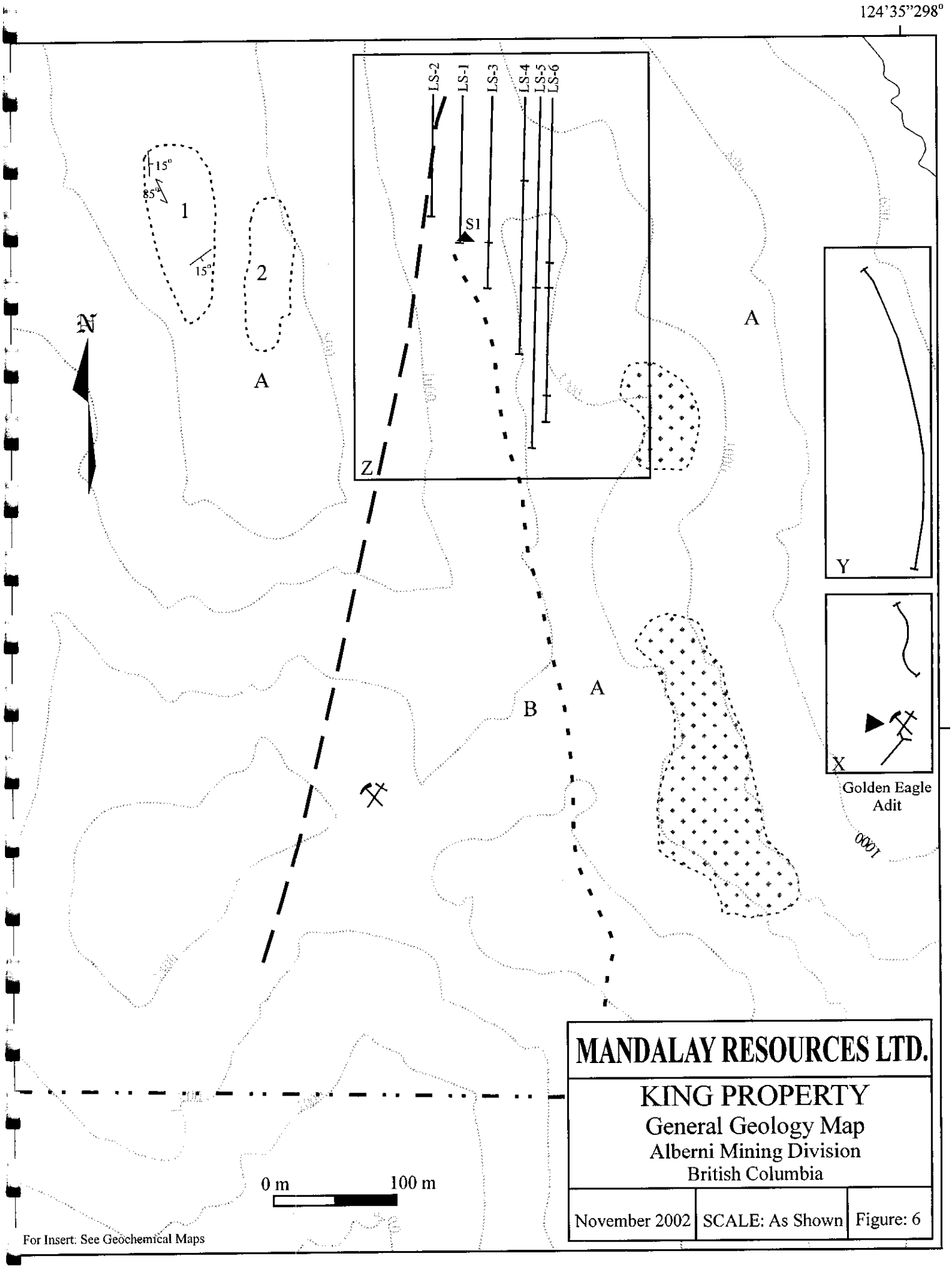
Extensive west-northwest trending faulting occurred during the Tertiary and is best illustrated by large displacements of Nanaimo Group sediments. The north trending Alberni Valley fault is traced over 45 miles and displaces a section of Karmutsen Formation approximately 5,000 feet (Muller and Carson, 1969).

LOCAL GEOLOGY AND MINERALIZATION

The King claims are underlain by a complex interlayered and intergradational succession of basaltic pillowed flows; broken and whole pillow braccias, locally hematite altered, various basaltic volcaniclastic rocks including agglomeratic lapilli tuff, crystal and lithic tuff and cherty tuff, jasper, thick? basaltic flows and dacitic? agglomeratic lapilli tuff, all of the Sicker Group.

However, the limited mapping program, rock and soil sampling is insufficient to determine the overall distribution of the units, their direction of dip and therefore, their stratigraphic order or succession.

Figures 6, 7, 8,9and 10 show the location of rock and soil samples. A total of 16 rock samples were taken from the property eastern hillside. Two outcrops were chip sampled (DK 28-08, DK 28-10).Previously reported high gold values up to 26.65g/t. were confirmed during recent field work. Results show anomalous gold values with coincident anomalous copper, zinc,lead and silver. Significant values were recorded:
Gold from 0.01 to 10.93g/t
Copper from 3.0 to 2,275 ppm
Lead from 3.0 to 6,054 ppm
Zinc from 2.0 to 17,724 ppm
Silver from 0.3 to 68.5 ppm
Detailed results are summarized below:



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General Geology Map

Alberni Mining Division

British Columbia

November 2002	SCALE: As Shown	Figure: 6

Legend

1 - Hematitic basalt, pillowed and pillowed breccia, jasper.

2 - Basaltic Flows.

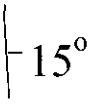
A - Nitiuat Formation-basaltic and andesitic lavas, pillowed, massive, agglomeratic, commonly with large uralite phenocrysts, amygdaloidal.

B - Myra Formation-basic to rhyodacitic banded ruff, breccia and lava (?) Thinly bedded to massive argillite, siltstone.

Alteration 

Foliation 

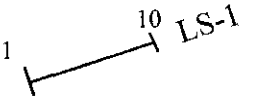
Geological Contact 

Dyke Orientation 

Old Workings 

Adit 

Soil Sample Contour 

Soil Sample Line 

Claim Boundary

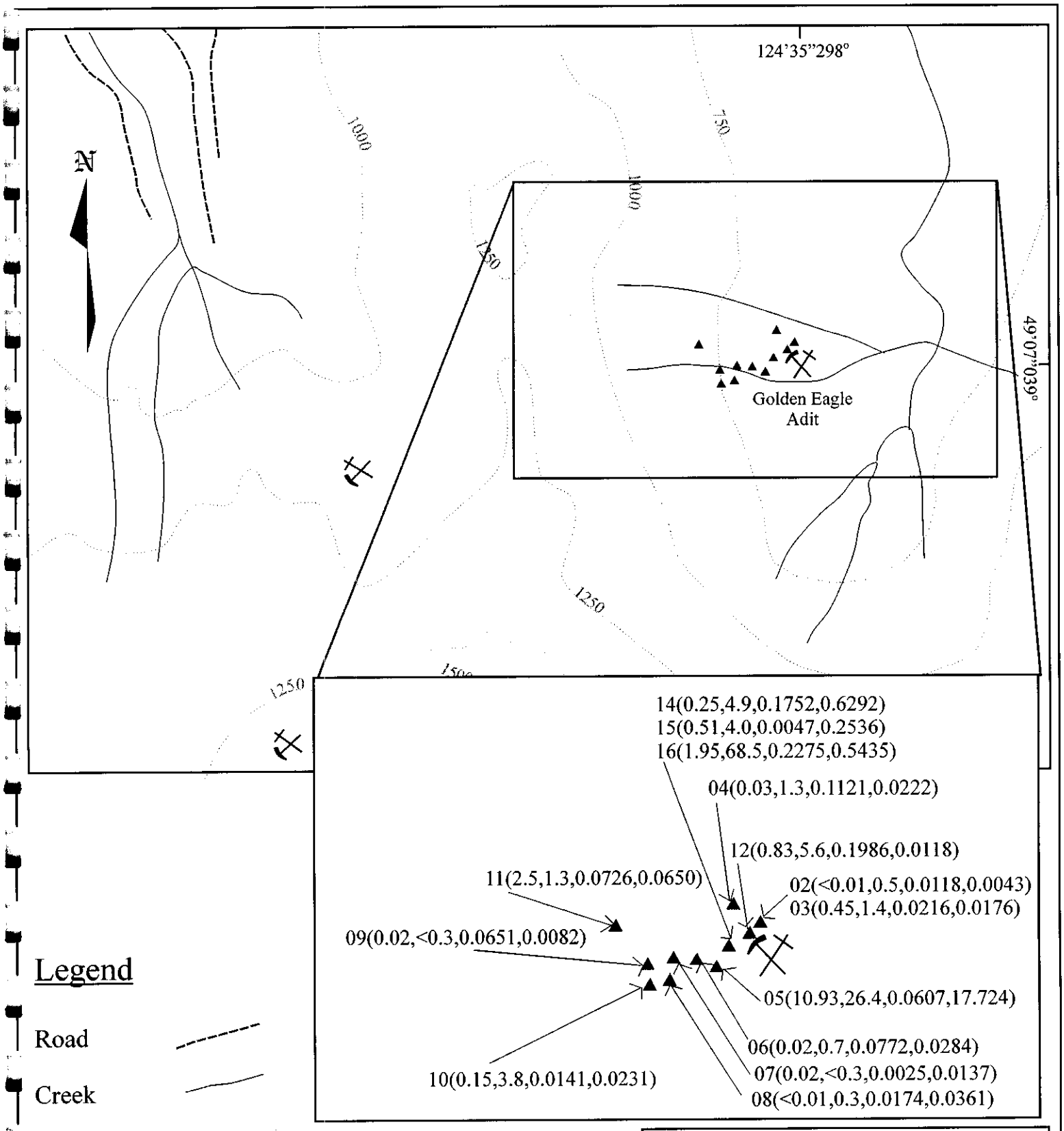
Rock Sample Location 

	Au (ppb)	Ag (ppm)	Cu(ppm)	Pb(ppm)	Zn(ppm)	Length
SI	0.01	0.03	3	6	2	0.20cm
DK 18 02	0.01	0.50	118	17	43	F
DK 28 02	0.45	1.40	216	14	176	F
DK 28 03	0.05	2.10	158	9	126	F---
DK 28 04	0.03	1.30	1121	3	222	F
DK 28 05	10.93	26.40	607	6054	17724	F
DK 28 06	0.02	0.70	772	6	284	F
DK 28 07	0.02	0.30	25	24	137	-F---
DK 28 08	0.01	0.30	174	7	361	.20cm-
DK 28 09	0.02	0.30	651	4	82	---F-
DK 28 10	0.15	3.80	141	579	2310	,45cm
DK 28 11	2.50	1.30	726	563	650	F
DK 28 12	0.83	5.60	1986	57	118	F
DK 28 13	0.01	2.80	496	20	154	F
DK 28 14	0.25	4.90	1752	27	6292	F
DK 28 15	0.51	4.00	47	1038	2636	F
DK 28 16	1.95	68.50	2275	52	5435	F

Rock samples were shipped to Acme Analytical Laboratories Ltd. in Vancouver, BC for gold and six element analysis and analytical results are presented in Appendix III. Rock sample description is in Appendix IV.

Soil geochemical sampling was conducted along flagged north-south running lines 100 and 50 meters apart. At 50 meters intervals and along contour sampling line at 25 meter interval. Soil samples were collected from the B soil horizon which was found at 20cm to 30 cm depths. A mattock was employed to dig soil samples. Samples were placed in kraft soil sample bags, dried and shipped to Acme Analytical Laboratories Ltd. in Vancouver, BC.for analyses. For gold and six elements ICP.A total of 113 soil samples were assayed Methods of analysis and certificatesof analyses are presented in Appendix IV. Samples yielded strongly anomalous gold values ranging between0.7 ppb up to 1,783.9ppb. Gold values correspond with high copper, lead and zinc values.

Anomalous concentrations of precious and base metals were found in rock and soil samples on the King claims.



Legend

Road

Creek

Contours (m)

Old Mine Site

Rock Sample ▲ DK28-02(Au g/t, Ag g/t, Cu %, Zn %)

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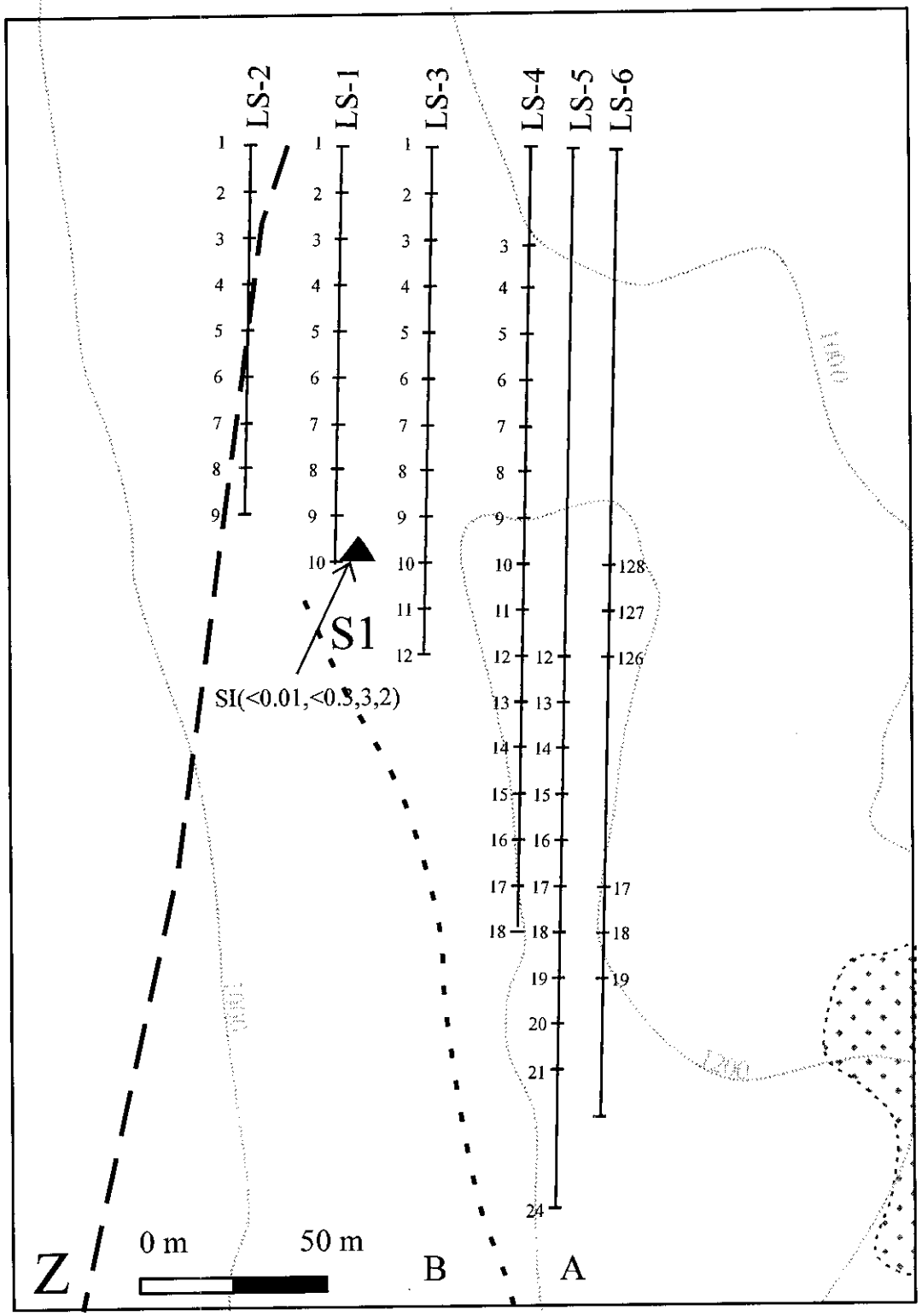
Rock Sample Results
Alberni Mining Division
British Columbia

November 2002	SCALE: As Shown	Figure:7



Legend

Geological Contact (assumed)

Fault/Shear

Alteration

Geochemical Sample Number

Rock Sample — SI(Au g/t,Ag g/t,Cu ppm,Zn ppm)

Contours (m)

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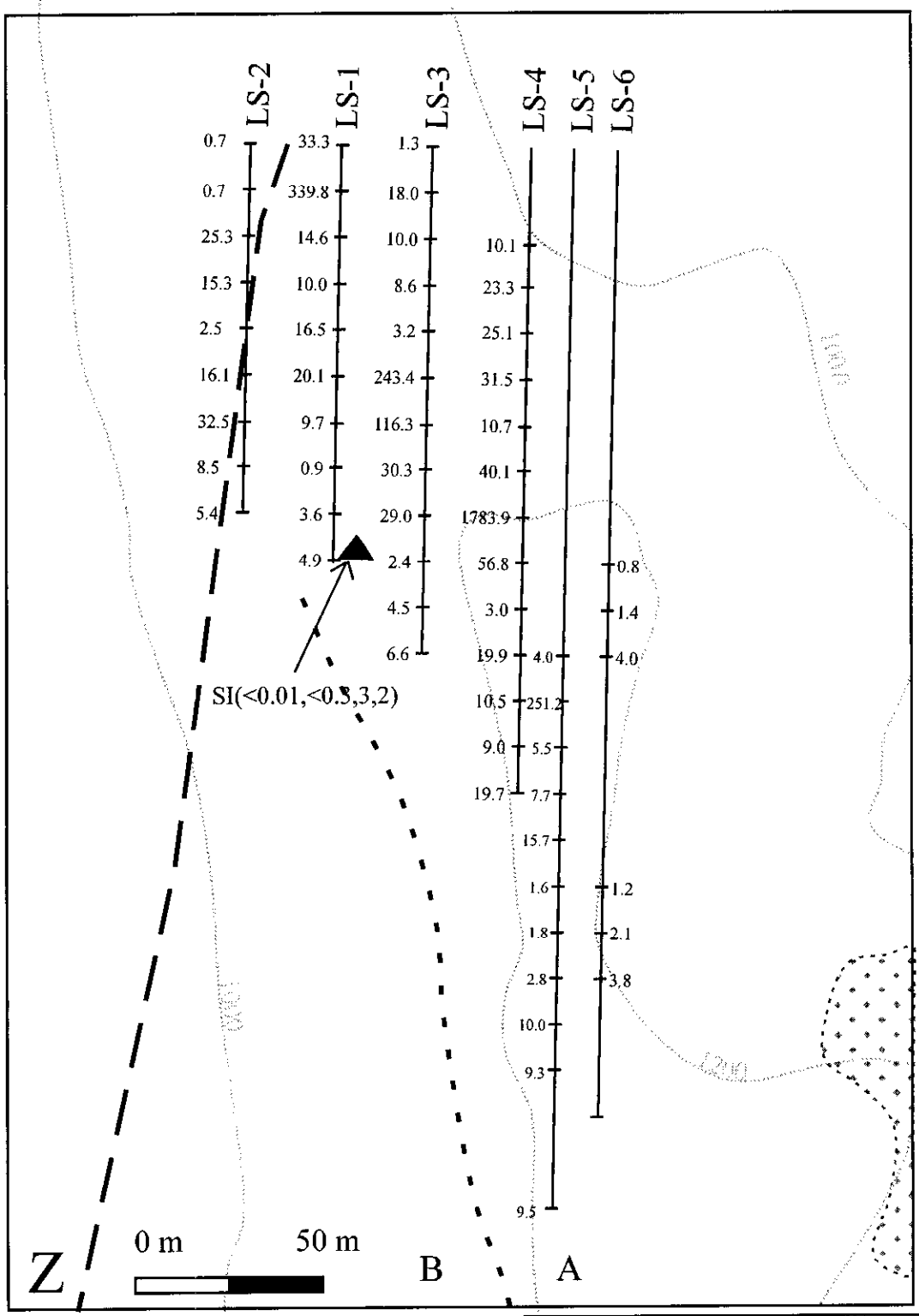
Geochemical Map - Z Insert

Soil Sample Lines

Alberni Mining Division

British Columbia

November 2002	SCALE: As Shown	Figure: 8



Legend

Geological Contact (assumed)

Fault/Shear

Alteration

Geochemical Sample Au ppb 29.0

Rock Sample SI(Au g/t,Ag g/t,Cu ppm,Zn ppm)

Contours (m)

MANDALAY RESOURCES LTD.

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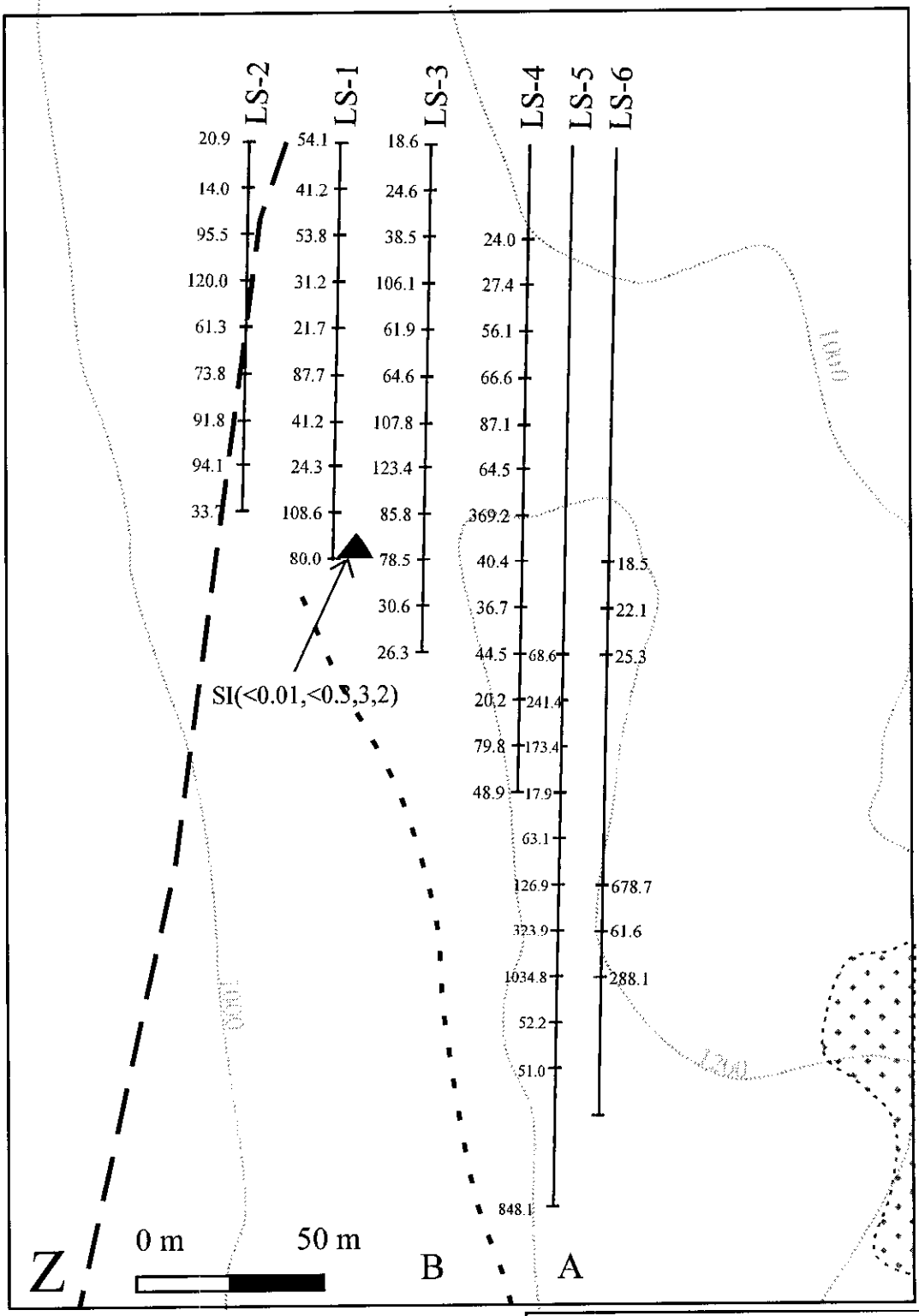
Geochemical Map - Z Insert

Soil Sample Lines

Gold - Au

Alberni Mining Division, British Columbia

November 2002	SCALE: As Shown	Figure: 8a



Legend

Geological Contact (assumed)

Fault/Shear

Alteration

Geochemical Sample Cu ppm 126.9

Rock Sample ▲ SI(Au g/t,Ag g/t,Cu ppm,Zn ppm)

Contours (m)

MANDALAY RESOURCES LTD.

KING PROPERTY

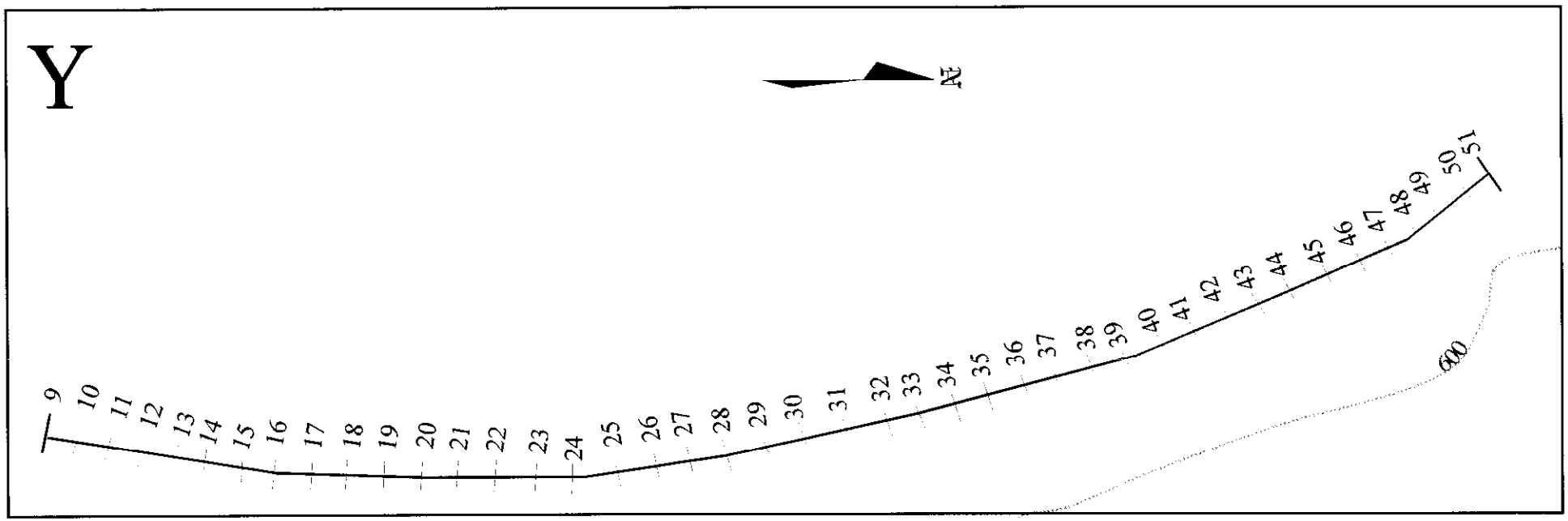
Geochemical Map - Z Insert

Soil Sample Lines

Copper - Cu

Alberni Mining Division, British Columbia

November 2002	SCALE: As Shown	Figure: 8b



0 m 50 m

Legend

Adits

Old Mine Site

Geochemical Sample Number (9)

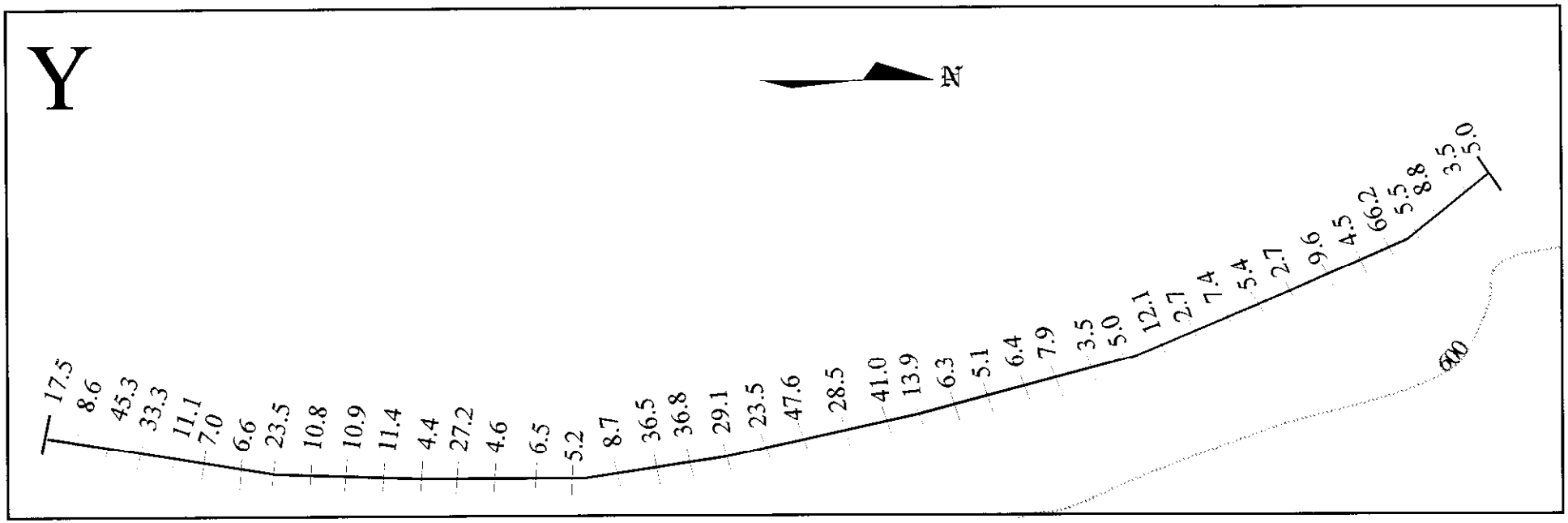
Contours (m)

MANDALAY RESOURCES LTD.

KING PROPERTY
Geochemical Map- Y Insert

Alberni Mining Division
British Columbia

November 2002	SCALE: As Shown	Figure:9



0 m 50 m

Legend

Geochemical Sample Au ppb 10.4

Contours (m)

MANDALAY RESOURCES LTD.

KING PROPERTY

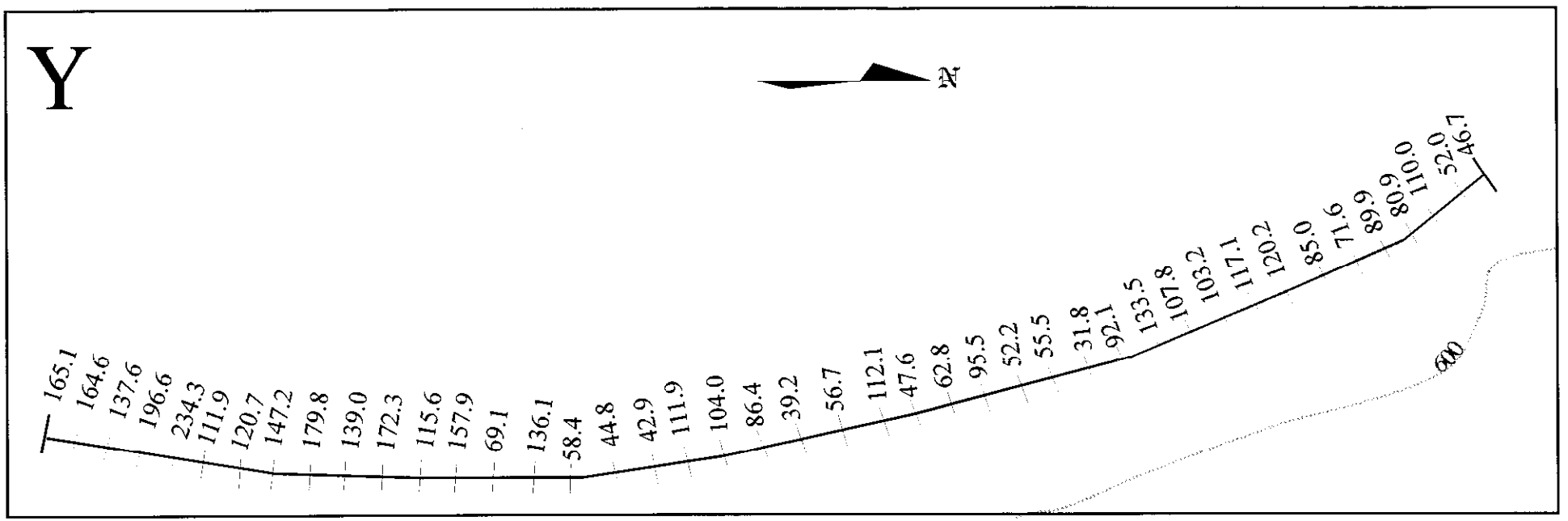
Geochemical Map- Y Insert

Gold - Au

Alberni Mining Division

British Columbia

November 2002	SCALE: As Shown	Figure: 9a



0 m 50 m

Legend

Geochemical Sample Cu ppm 107.4

Contours (m)

MANDALAY RESOURCES LTD.

KING PROPERTY

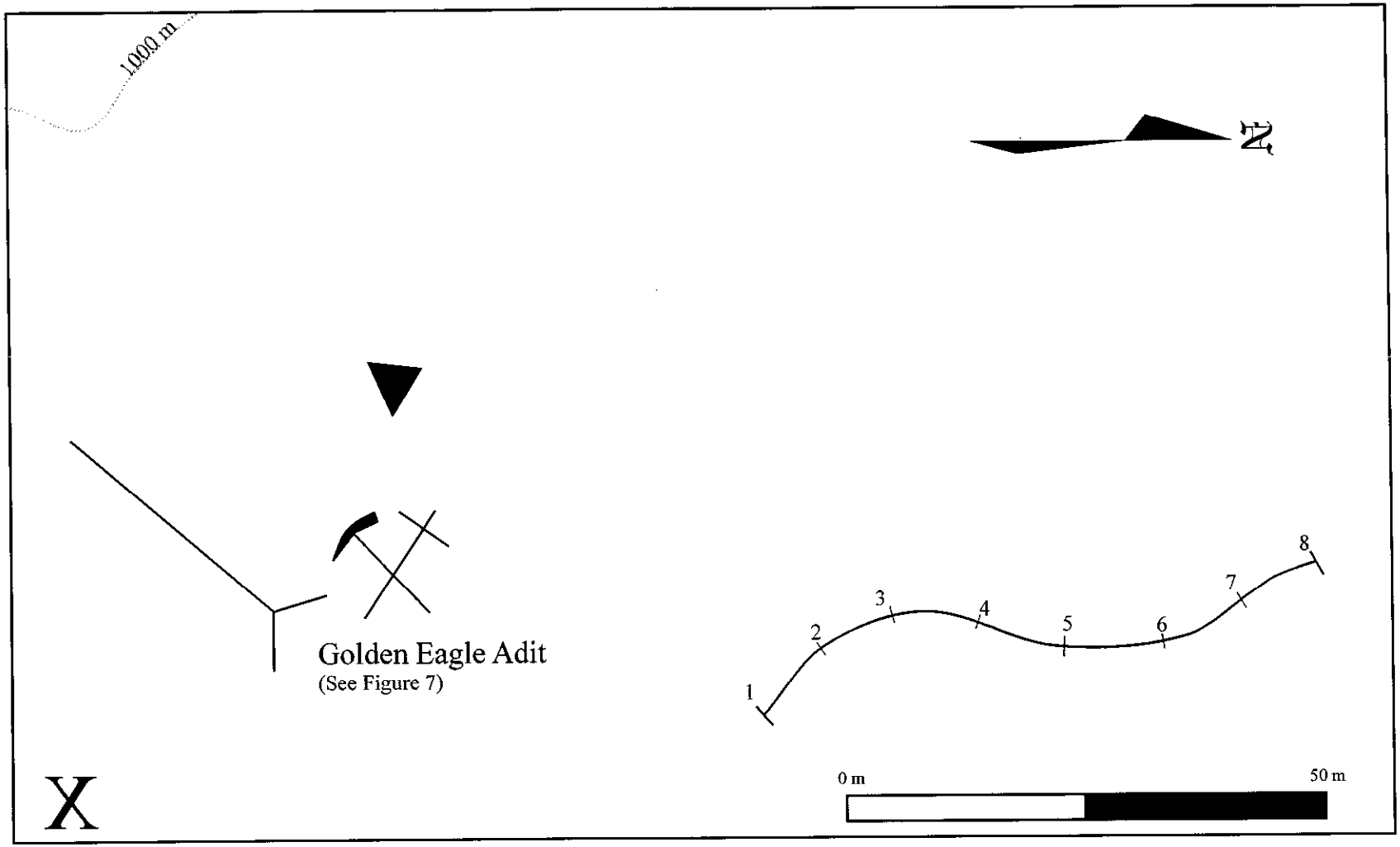
Geochemical Map- Y Insert

Copper - Cu

Alberni Mining Division

British Columbia

November 2002	SCALE: As Shown	Figure: 9b



Legend

Adits

Old Mine Site

Geochemical Sample Number

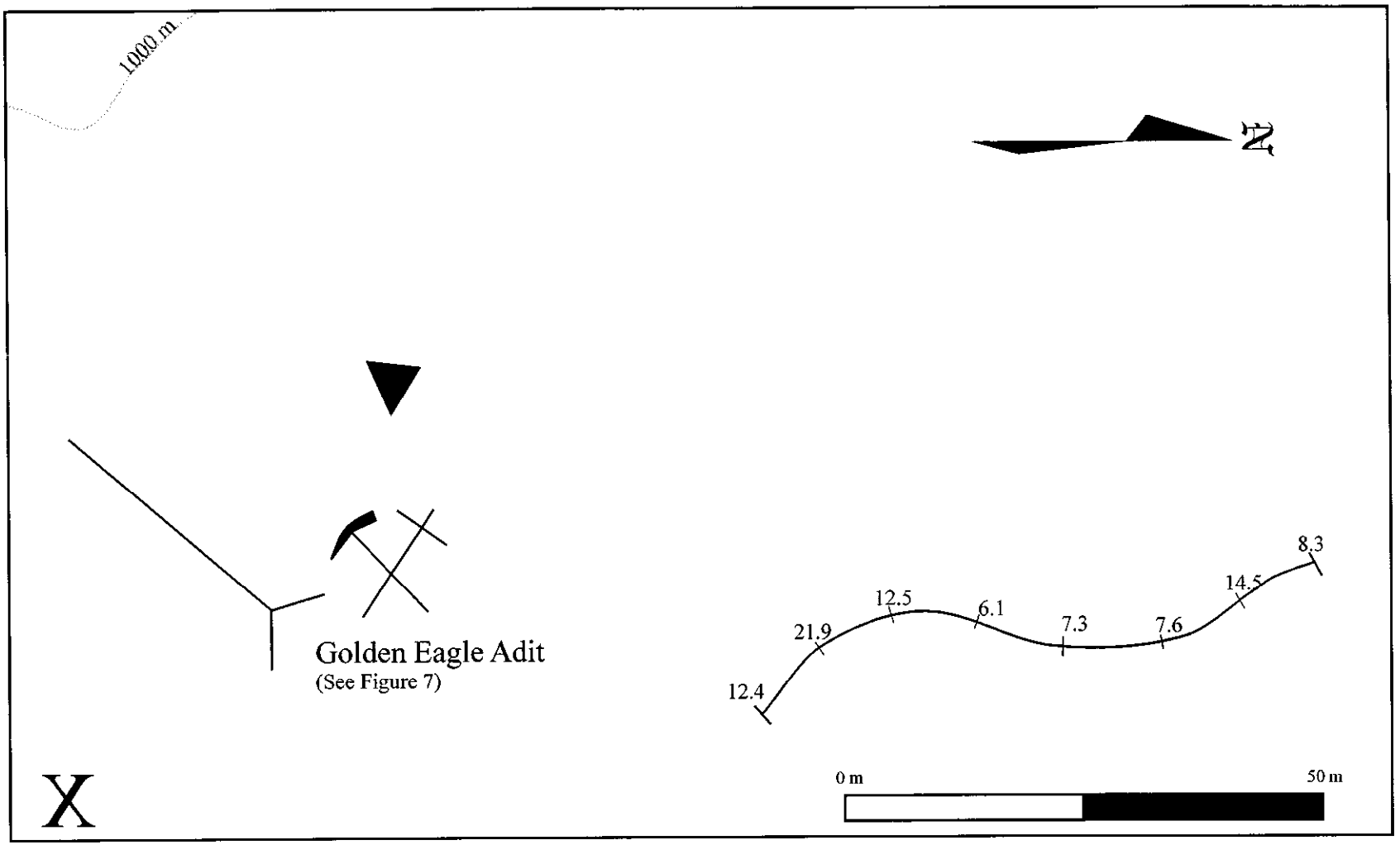
Contours (m)

MANDALAY RESOURCES LTD.

KING PROPERTY
Geochemical Map- X Insert

Alberni Mining Division
British Columbia

November 2002	SCALE: As Shown	Figure: 10



Legend

Adits

Old Mine Site

Geochemical Sample Au ppb 12.5

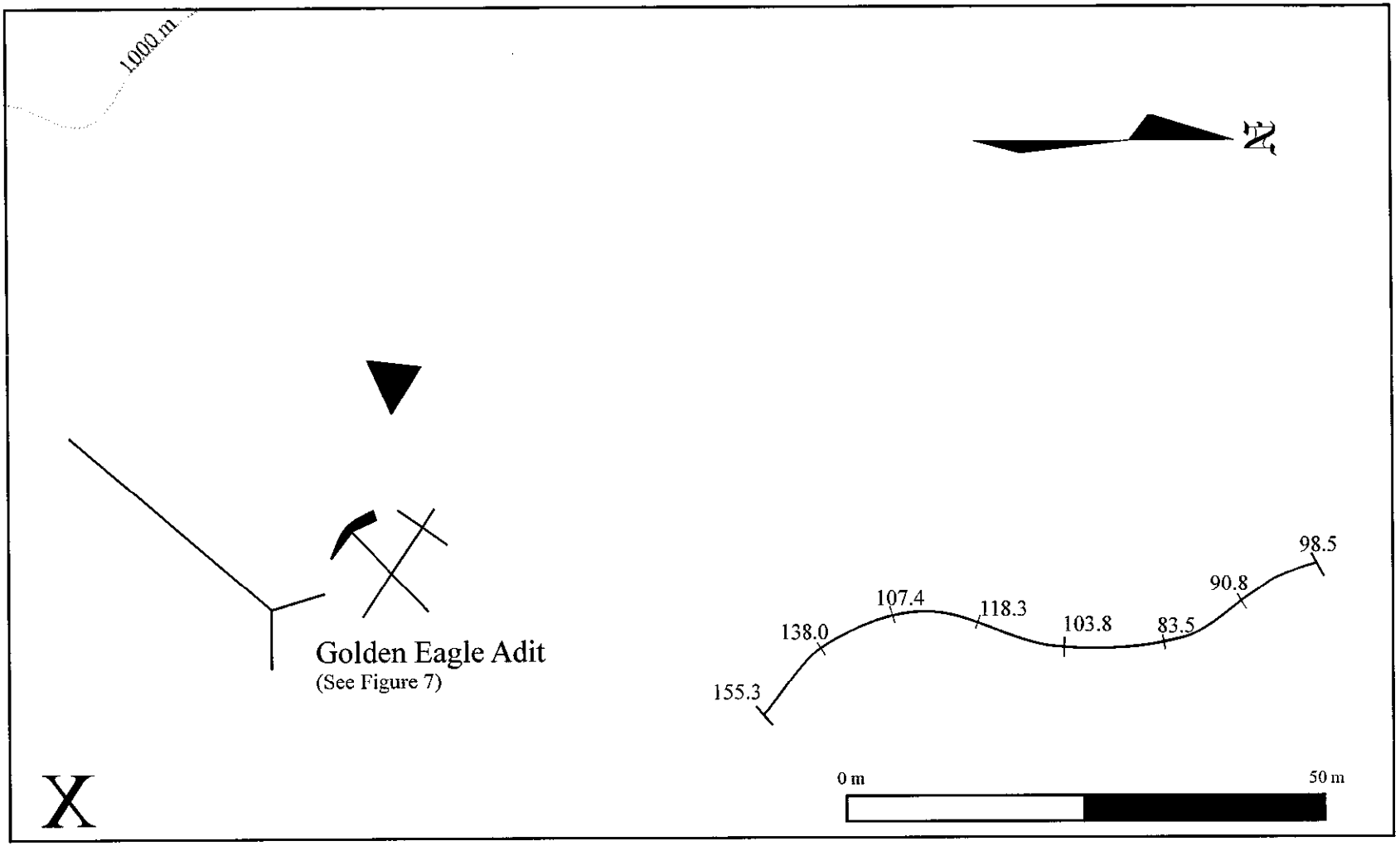
Contours (m)

MANDALAY RESOURCES LTD.

KING PROPERTY
Geochemical Map- X Insert
Gold - Au

Alberni Mining Division
British Columbia

November 2002	SCALE: As Shown	Figure: 10 a



Legend

Adits

Old Mine Site

Geochemical Sample Cu ppm (155.3)

Contours (m)

MANDALAY RESOURCES LTD.

KING PROPERTY

Geochemical Map- X Insert

Copper - Cu

Alberni Mining Division

British Columbia

November 2002	SCALE: As Shown	Figure:10b

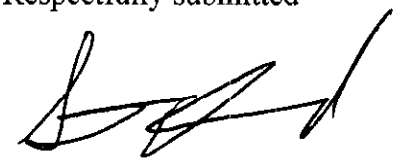
CONCLUSIONS AND RECCOMMENDATIONS

The King property is underlain by rocks of the Upper Paleozoic Sicker Group. The rocks form a complex, interlayered and intergradational succession predominantly of basaltic pillowed flows with intervals of breccias, locally hematite-altered; a variety of basaltic volcanoclastic rocks including agglomeratic lapilli tuff, crystal and lithic tuff, and cherty tuff; hematitic jasper; thick basaltic flows and a major unit of dacitic agglomeratic lapilli tuff. The succession is upright and strikes northwesterly to northerly, and may dip, at least in part, shalowly to moderately (20 - 40°) to the southwest.

Limited 2002 field work has delineated new mineralized zones and confirmed the presence of strong precious and base metal mineralization on the property.

Further exploration, including additional detailed geological mapping, sampling and trenching on the property is required to evaluate mineral potential of the property.

Respectfully submitted



, Stephen Kenwood, P. Geo.

November 18, 2002

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APPENDIX I

Statement of Cost

STATEMENT OF COST

Preparation		$ 970.00
Mob/Demob		2,350.00
Transport 4x4	38days@$125/day	4,750.00
Equipment Rental (chainsaw, generator, computer, etc)		2,850.00
Supplies		1,395.40
Domicile	96days@$95/day	9,650.00
Assays		1,951.36
Communications		131.28
Report (drafting, copies etc.)		5,000.00

PERSONNEL

Senior Geologist	6days@$600/day	3,600.00
Project Geologist	32days@$450/day	14,400.00
Prospectors	2x32days@$325/day	20,800.00
Management Fee		4,500.00
TOTAL		**$72,348.04**

APPENDIX II

Statement of Qualifications

Stephen Kenwood, P. Geo.
13629 Marine Drive
White Rock, BC
Phone: (604)535-8146
E-mail: skenwood@shaw.ca

CERTIFICATE OF AUTHOR

I, Stephen P, Kenwood, P.Geo, am a Professional Geoscientist of 13269 Marine Drive, White Rock, in the Province of British Columbia.

I am a member of the Association of Professional Engineers and Geoscientists of British Columbia (Registration Number 20447).

I graduated from the University of British Columbia with a Bachelor of Science degree in geology in 1987, and I have practiced my profession continuously since 1987.

Since 1987 I have been involved primarily in mineral exploration for gold, copper, silver, lead, and zinc in Canada, the United States, Panama, Peru, and Chile.

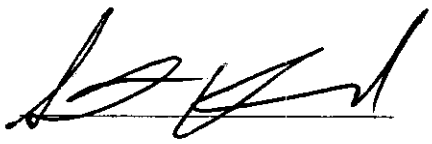
As a result of my experience and qualification I am a Qualified Person as defined in N.P. 43-101.

I am presently a Consulting Geologist and have been so since August 1991.

I am not aware of any material fact or material change with respect to the subject matter of this technical report which is not reflected in this report, the omission to disclose which would make this report misleading.

I consent to, and authorized the use of this report, or summary thereof, in any prospectus, in a statement of material facts, for use in documents filed with any regulatory authority or for any other public document or use.

DATED at White Rock, British Columbia, this 18th day of November, 2002



Stephen P. Kenwood, P.Geo.

APPENDIX III

Geochemical Data

ACME ANALYTICAL LABORATORIES LTD. (ISO 9002 Accredited Co.)
852 E. HASTINGS ST. VANCOUVER BC V6A 1R6
PHONE(604)253-3158 FAX(604)253-1716

GEOCHEMICAL ANALYSIS CERTIFICATE

Mandalay Resources File # A202940

710 - 750 W. Pender St., Vancouver BC V6C 2T7

SAMPLE#	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Ni ppm	As ppm	Au** gm/mt
SI	3	6	2	<.3	<1	<2	<.01
DK 1802	118	17	43	.5	3	<2	<.01
DK 2802	216	14	176	1.4	40	554	.45
DK 2803	158	9	126	2.1	23	86	.05
DK 2804	1121	3	222	1.3	27	5	.03
DK 2805	607	6054	17724	26.4	5	1893	10.93
DK 2806	772	6	284	.7	19	<2	.02
DK 2807	25	24	137	<.3	23	5	.02
DK 2808	174	7	361	.3	9	<2	<.01
DK 2809	651	4	82	<.3	30	28	.02
DK 2810	141	579	231	3.8	44	70	.15
DK 2811	726	563	650	1.3	37	23	2.50
DK 2812	1986	57	118	5.6	18	799	.83
RE DK 2812	2012	57	120	5.8	19	822	.81
DK 2813	496	20	154	2.8	21	45	.01
DK 2814	1752	27	6292	4.9	39	15	.25
DK 2815	47	1038	2536	4.0	5	3688	.51
DK 2816	2275	52	5435	68.5	51	551	1.95
STANDARD DS3/AU-1	128	30	160	.4	35	31	3.30

GROUP 1D - 0.50 GM SAMPLE LEACHED WITH 3 ML 2-2-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR, DILUTED TO 10 ML, ANALYSED BY ICP-ES.
UPPER LIMITS - AG, AU, HG, W = 100 PPM; MO, CO, CD, SB, BI, TH, U & B = 2,000 PPM; CU, PB, ZN, NI, MN, AS, V, LA, CR = 10,000 PPM.
ASSAY RECOMMENDED FOR ROCK AND CORE SAMPLES IF CU PB ZN AS > 1%, AG > 30 PPM & AU > 1000 PPB
- SAMPLE TYPE: ROCK R150 60C AU** BY FIRE ASSAY FROM 1 A.T. SAMPLE.
Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

DATE RECEIVED: AUG 12 2002 **DATE REPORT MAILED:** Aug 23/02 **SIGNED BY.....** D. TOYE, C.LEONG, J. WANG; CERTIFIED B.C. ASSAYERS

Data FA

ACME ANALYTICAL LABORATORIES LTD. (ISO 9002 Accredited Co.) 852 E. HASTINGS ST. VANCOUVER BC V6A 1R6 PHONE(604)253-3158 FAX(604)253-1716

GEOCHEMICAL ANALYSIS CERTIFICATE

Mandalay Resources File # A203589 Page 1

500 - 905 W. Pender St., Vancouver BC V6C 1L6

SAMPLE#	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Ni ppm	Au ppb
G-1	1.4	2.5	2.3	45	<.1	4.6	1.4
1	.5	155.3	11.9	90	.3	152.1	12.4
2	.6	138.0	11.7	81	.3	147.3	21.9
3	.6	107.4	9.5	87	.4	143.6	12.5
4	.5	118.3	10.1	79	.4	150.7	6.1
5	.6	103.8	8.1	69	.4	149.8	7.3
6	.5	83.5	7.7	66	.7	134.9	7.6
7	.3	90.8	6.4	73	.5	118.3	14.5
8	.4	98.5	6.2	71	.4	126.4	8.3
RE 8	.3	95.5	6.0	68	.4	123.7	10.4
9	.4	165.1	6.1	83	.4	139.9	17.5
10	.5	164.6	6.6	76	.7	160.1	8.6
11	.3	137.6	10.4	78	.1	155.3	45.3
12	.4	196.6	8.8	89	.1	138.7	33.3
13	.3	234.3	9.0	84	.2	147.3	11.1
14	.6	111.9	8.0	89	.4	127.7	7.0
15	.1	120.7	2.5	148	.2	301.3	6.6
16	.6	147.2	8.0	111	1.0	139.2	23.5
17	.6	179.8	8.4	95	.7	152.7	10.8
18	.6	139.0	8.6	95	.6	145.2	10.9
19	.6	172.3	9.0	128	.5	154.8	11.4
20	.9	115.6	8.9	113	.4	128.9	4.4
21	.7	157.9	11.4	84	1.1	149.6	27.2
22	.6	69.1	4.7	64	.4	118.3	4.6
23	.6	136.1	7.1	73	.8	161.1	6.5
24	.7	58.4	6.1	66	.2	108.3	5.2
25	.7	44.8	5.7	72	.2	84.0	8.7
26	.4	42.9	5.1	63	.2	61.3	36.5
27	.3	111.9	6.8	70	.1	113.7	36.8
28	.4	104.0	6.0	60	.2	88.4	29.1
29	.4	86.4	6.4	63	.1	90.0	23.5
30	.4	39.2	7.4	59	.2	48.0	47.6
31	.6	56.7	8.5	68	.2	82.2	28.5
32	.4	112.1	8.1	70	.1	101.5	41.0
33	.4	47.6	6.3	71	.2	71.3	13.9
STANDARD DS4	6.3	119.7	32.8	144	.3	33.3	26.1

GROUP 1DA - 10.0 GM SAMPLE LEACHED WITH 60 ML 2-2-2 HCL-HNO3-H2O AT 95 DEG. C FOR ONE HOUR, DILUTED TO 200 ML, ANALYSED BY ICP-MS.
UPPER LIMITS - AG, AU, HG, W = 100 PPM; MO, CO, CD, SB, BI, TH, U & B = 2,000 PPM; CU, PB, ZN, NI, MN, AS, V, LA, CR = 10,000 PPM.
- SAMPLE TYPE: SOIL SS80 60C Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

DATE RECEIVED: SEP 5 2002 **DATE REPORT MAILED:** Sept 18/02 **SIGNED BY.....** C. Leong D. TOYE, C.LEONG, J. WANG; CERTIFIED B.C. ASSAYERS

Data L FA

SAMPLE#	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Ni ppm	Au ppb
34	.5	62.8	6.6	76	.1	83.7	6.3
35	.7	95.5	6.5	85	.5	88.3	5.1
36	.8	52.2	7.6	88	.2	71.1	6.4
37	.7	55.5	7.4	97	.2	73.6	7.9
38	.5	31.8	5.4	59	.2	31.1	3.5
39	.3	92.1	4.0	60	.2	103.7	5.0
40	.2	133.5	4.1	49	.4	105.9	12.1
41	.3	107.8	4.4	58	.2	115.5	2.7
42	.3	103.2	3.5	51	.1	109.0	7.4
43	.2	117.1	3.9	55	.2	117.7	5.4
44	.4	120.2	4.2	56	.2	105.1	2.7
45	.2	85.0	3.6	50	.2	105.9	9.6
46	.5	71.6	3.7	53	.4	110.9	4.5
47	.7	89.9	7.5	57	.4	143.5	66.2
48	.1	80.9	4.1	54	.1	167.3	5.5
49	.4	108.3	4.6	55	.6	155.4	5.6
RE 49	.3	110.0	4.5	58	.6	161.3	8.8
50	.3	52.0	4.3	51	.3	99.0	3.5
51	.5	46.7	4.3	52	.3	90.1	5.0
126	.6	25.3	5.6	51	.1	44.7	4.0
127	.5	22.1	5.9	43	.2	33.5	1.4
128	.6	18.5	7.8	35	.1	19.8	.8
LS1-1	.7	54.1	7.7	46	.1	102.8	33.3
LS1-2	.5	41.2	16.5	54	3.7	95.6	339.8
LS1-3	.6	53.8	8.3	38	.2	77.1	14.6
LS1-4	.6	31.2	8.6	50	.2	84.2	10.0
LS1-5	.4	21.7	10.7	25	.3	33.6	16.5
LS1-6	.7	87.7	15.1	50	.3	85.5	20.1
LS1-7	.5	41.2	7.2	40	1.0	63.1	9.7
LS1-8	.6	24.3	7.9	35	.2	54.8	.9
LS1-9	.4	108.6	10.7	61	.3	134.1	3.6
LS1-10	.3	80.0	5.4	75	.3	159.3	4.9
LS2-1	.6	20.9	5.3	31	.6	59.4	.7
LS2-2	.5	14.0	6.4	19	1.2	35.7	.7
STANDARD DS4	6.9	127.9	32.2	151	.3	36.5	26.2

Sample type: SOIL SS80 60C. Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

Data FA

SAMPLE#	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Ni ppm	Au ppb
LS2-3	.8	95.5	10.2	64	.6	103.7	25.3
LS2-4	1.1	120.0	10.2	53	.4	118.8	15.3
LS2-5	.6	61.3	10.1	72	.5	198.9	2.5
LS2-6	.5	73.8	18.5	49	.4	109.7	16.1
LS2-7	.8	91.8	26.5	70	.2	130.3	32.5
LS2-8	.5	94.1	12.1	56	.5	118.9	8.5
LS2-9	.4	33.7	44.2	67	.4	77.2	5.4
LS3-1	.4	18.6	5.1	37	.4	53.5	1.3
LS3-2	.4	24.6	11.2	42	.4	52.1	18.0
LS3-3	.7	38.5	9.1	44	.3	59.3	10.0
LS3-4	.7	106.1	7.0	60	1.3	132.2	8.6
LS3-5	.8	61.9	8.5	89	.4	176.8	3.2
LS3-6	1.3	64.6	7.7	116	.6	132.1	243.4
LS3-7	.6	107.8	10.6	91	.4	84.6	116.3
LS3-8	.8	123.4	10.6	64	.7	150.4	30.3
LS3-9	.7	85.8	17.5	66	.3	109.8	29.0
LS3-10	.5	78.5	2.0	68	.2	175.8	2.4
LS3-11	.5	30.6	5.7	42	.4	65.5	4.5
LS3-12	.9	26.3	8.4	57	.2	20.0	6.6
LS4-3	.5	24.0	16.3	35	.2	37.5	10.1
RE LS4-4	.3	27.6	9.0	38	.3	48.7	14.7
LS4-4	.3	27.4	9.7	37	.4	47.2	23.3
LS4-5	.5	56.1	7.5	96	.7	160.9	25.1
LS4-6	.7	66.6	7.6	73	.3	122.8	31.5
LS4-7	.6	87.1	11.5	57	.3	108.3	10.7
LS4-8	.4	64.5	7.2	58	.4	99.7	40.1
LS4-9	4.5	369.2	289.6	472	1.3	33.2	1783.9
LS4-10	1.5	40.4	12.9	71	.1	26.3	56.8
LS4-11	.4	36.7	8.7	42	.5	29.4	3.0
LS4-12	.3	44.5	26.8	49	1.1	37.3	19.9
LS4-13	.4	20.2	5.1	34	.3	25.1	10.5
LS4-14	.5	79.8	6.9	85	.2	39.7	9.0
LS4-15	.7	48.9	12.2	49	.3	26.4	19.7
LS5-12	.4	68.6	4.8	51	.2	31.4	4.0
STANDARD DS4	6.7	122.2	32.0	144	.3	33.7	27.0

Sample type: SOIL SS80 60C. Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

Data FA

SAMPLE#	Mo ppm	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Ni ppm	Au ppb
LS5-13	7.2	241.4	63.5	239	1.0	56.4	251.2
LS5-14	16.5	173.4	7.6	44	.1	9.3	5.5
LS5-15	.6	17.9	8.2	36	.1	11.3	7.7
LS5-16	1.6	63.1	8.4	39	.3	9.5	15.7
LS5-17	3.6	126.9	5.7	29	.2	11.0	1.6
LS5-18	15.1	323.9	6.3	44	.2	15.6	1.8
LS5-19	33.8	1034.8	10.6	48	.2	22.2	2.8
LS5-20	2.2	51.8	11.0	14	.2	3.3	10.0
RE LS5-20	2.5	52.2	10.9	14	.2	3.3	1.8
LS5-21	2.6	51.0	10.7	14	.2	4.1	9.3
LS5-24	18.0	848.1	4.2	36	.1	19.5	9.5
LS6-17	16.0	678.7	5.5	38	.3	13.8	1.2
LS6-18	2.0	61.6	2.9	15	.1	2.9	2.1
LS6-19	1.6	288.1	4.8	33	.2	14.0	3.8
STANDARD DS4	6.8	119.7	33.0	143	.3	33.4	26.0

Sample type: SOIL SS80 60C. Samples beginning 'RE' are Reruns and 'RRE' are Reject Reruns.

Data GFA

APPENDIX IV

Rock Sample Description

ROCK SAMPLE DESCRIPTION

SI greenish, fine porphyritic andesite

DK 18-02 limonitic, fine grained andesitic rock with sparse mineralization

DK 28 02 dark grey, fine grained, rusty with pyrite <2%

DK 28 03 as above

DK 2804 as above

DK 28 05 quartz veining, massive sulpide, 100m up the gully from the adit

DK 28 06 20m higher than 05, dark grey fine basaltic mass, fine disseminated pyrite

DK 28 07 light grey, rhyodacitic rock fine disseminated mineralization

DK 28 08 dark grey, rusty basaltic with pyrite in 0.05 to 0.01 cm thick veinlets

DK 28 09 as above

DK 28 10 light greenish, basaltic with massive sulphide mineralization

DK 28 11 light grey, greenish basaltic with disseminated pyrite, galena?

DK 28 12 dark grey basaltic wits quartz blebs icm, <5% bornite

DK 28 13 light grey rhyodacite with disseminated pyrite 2-5%

DK 28 14 light greenish, finely disseminated, magnetic(Pyrhotite?) 20%

DK 28 15 as above

DK 28 16 quartz with massive sulphide, non magnetic