

SAMPLING OF ENTERPRISE 5, 7 & 8 LEVEL DUMPS

ENTERPRISE CLAIM GROUP

ENTERPRISE CREEK

SLOCAN MINING DIVISION

SILVERTON, B.C.

NTS 82 F/14 W

LATITUDE 49°48'N, LONGITUDE 117°20'W

ARCTEX ENGINEERING SERVICES

**LOCKE B. GOLDSMITH, P.ENG., P.GEO.
CONSULTING GEOLOGIST**

**GEOLOGICAL SURVEY BRANCH
MAY 3, 2003 ASSESSMENT REPORT**

27,140

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CERTIFICATE OF ANALYSIS

MAP: 5, 7, & 8 LEVEL DUMPS, Scale 1:500

(Pocket inside back cover)

**SAMPLING OF ENTERPRISE 5, 7 & 8 LEVEL DUMPS
ENTERPRISE CLAIM GROUP
ENTERPRISE CREEK
SLOCAN MINING DIVISION
SILVERTON, B.C.**

SUMMARY

Assay results from the $-\frac{1}{2}$ " material of portions of the 5, 7, & 8 Level dumps do not indicate that an economic concentrate could be attained by screening and segregating this size fraction. Further testing by screening and assaying various sizes from larger samples should be undertaken at an estimated cost of \$10,000.

INTRODUCTION

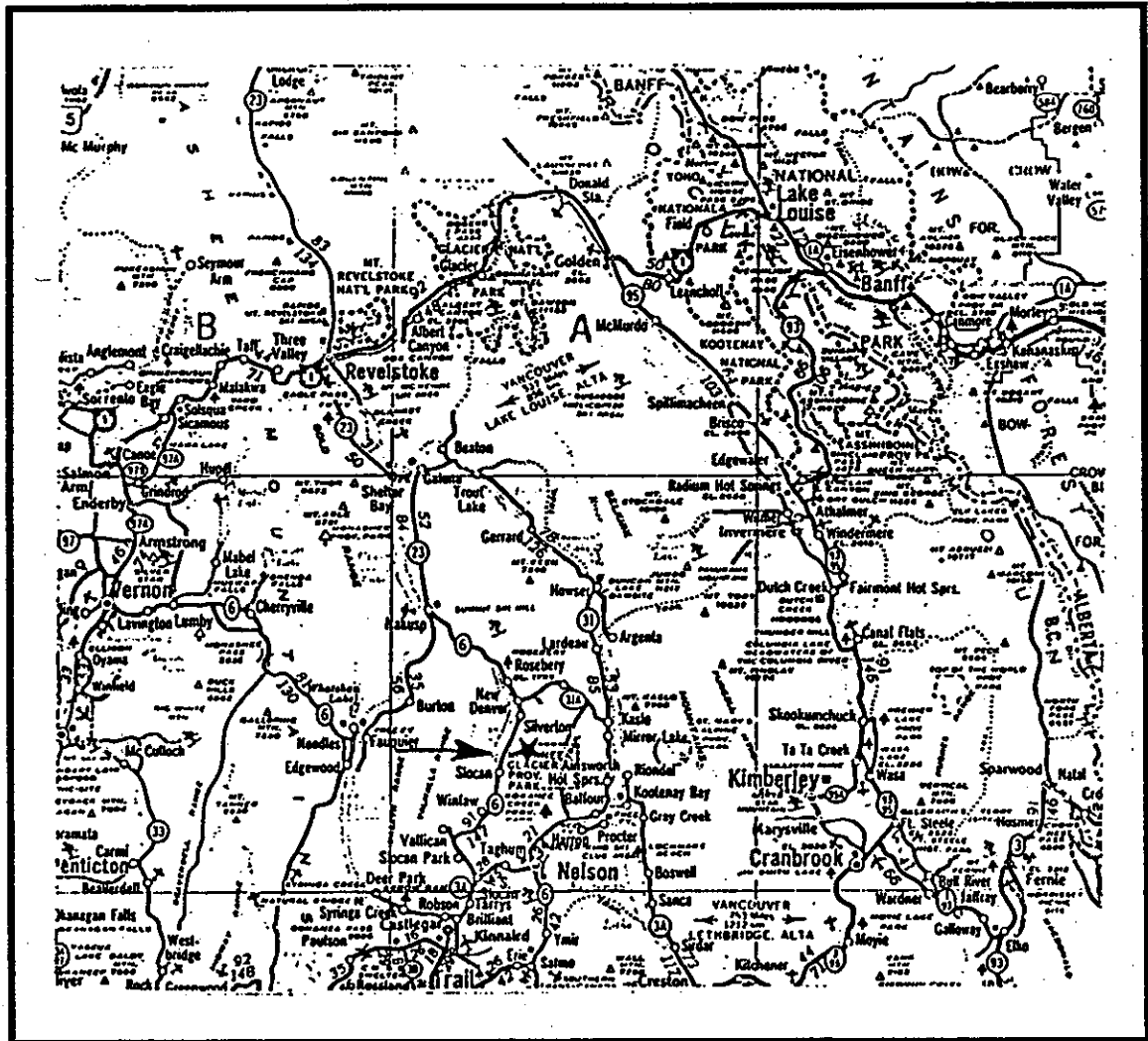
The Enterprise Group of mineral claims is located 14.5 km south of Silverton, B.C., in the Slocan Mining Division, NTS map sheet 82 F/14 W. The claims straddle Enterprise Creek and extend from approximately 1210 m elevation along the creek to 1768 m on the steep slopes toward the south. Co-ordinates which cross the property include north latitude 49°48', west longitude 117°20'. Access to the property is made by gravel road for 7.5 km southeast of Highway 6. Access to the upper workings requires a four-wheel drive vehicle.

<i>Claim Name</i>	<i>Lot No.</i>	<i>No. of Units</i>	<i>Tenure No.</i>	<i>Expiry Date</i>
Montezuma	5405	1	255813	Nov. 10, 2003
Rainbow Fr.	14543	1	255812	Nov. 10, 2003
Slocan Queen	1015	1	255550	Nov. 8, 2003
Empress Fr.	8400	1	255551	Nov. 8, 2003
London Fr.	5664	1	255552	Nov. 8, 2003
United Empire	2103	1	255553	Nov. 8, 2003
Sunset Fr.	14541	1	255554	Nov. 8, 2003
Enterprise Fr.	4522	1	255562	Nov. 8, 2003
Enterprise	1014	1	255685	Nov. 9, 2003
Iron Horse #2	5663	1	256182	Nov. 11, 2003

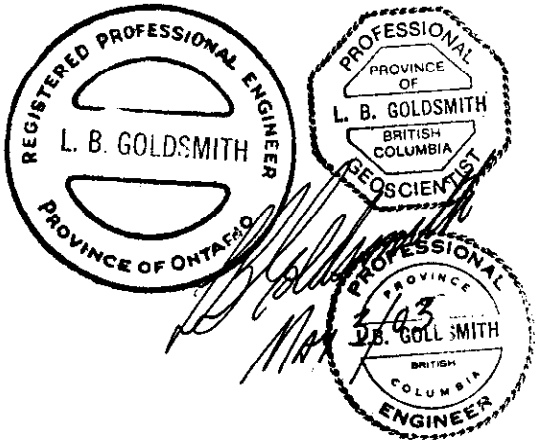
Exploration and past production of lead, zinc and silver date back to the late 1800s. Engineering reports by Goldsmith (1981) and Tully (1981, 1984, 1985) address such topics as soil geochemistry, local and regional geology, past history and production figures. Most of these details will not be repeated in this report. During 1986 a diamond drilling programme was initiated on the No. 2 Vein (Kallock and Logan, 1986). The diamond drilling which was undertaken in May and July 1987 (Kallock, 1987) explored the No. 2 Vein and also tested the southern extension of the Enterprise Vein. Twelve core holes were drilled for a total of 440.41 m. Thirty core samples were split and assayed for lead, zinc and silver. In addition, thirteen rock chip samples were collected from surface

Enterprise Claim Group

SILVERTON AREA, B.C. SLOCAN MINING DIVISION 82 F/14 W



LOCATION MAP



To accompany report by

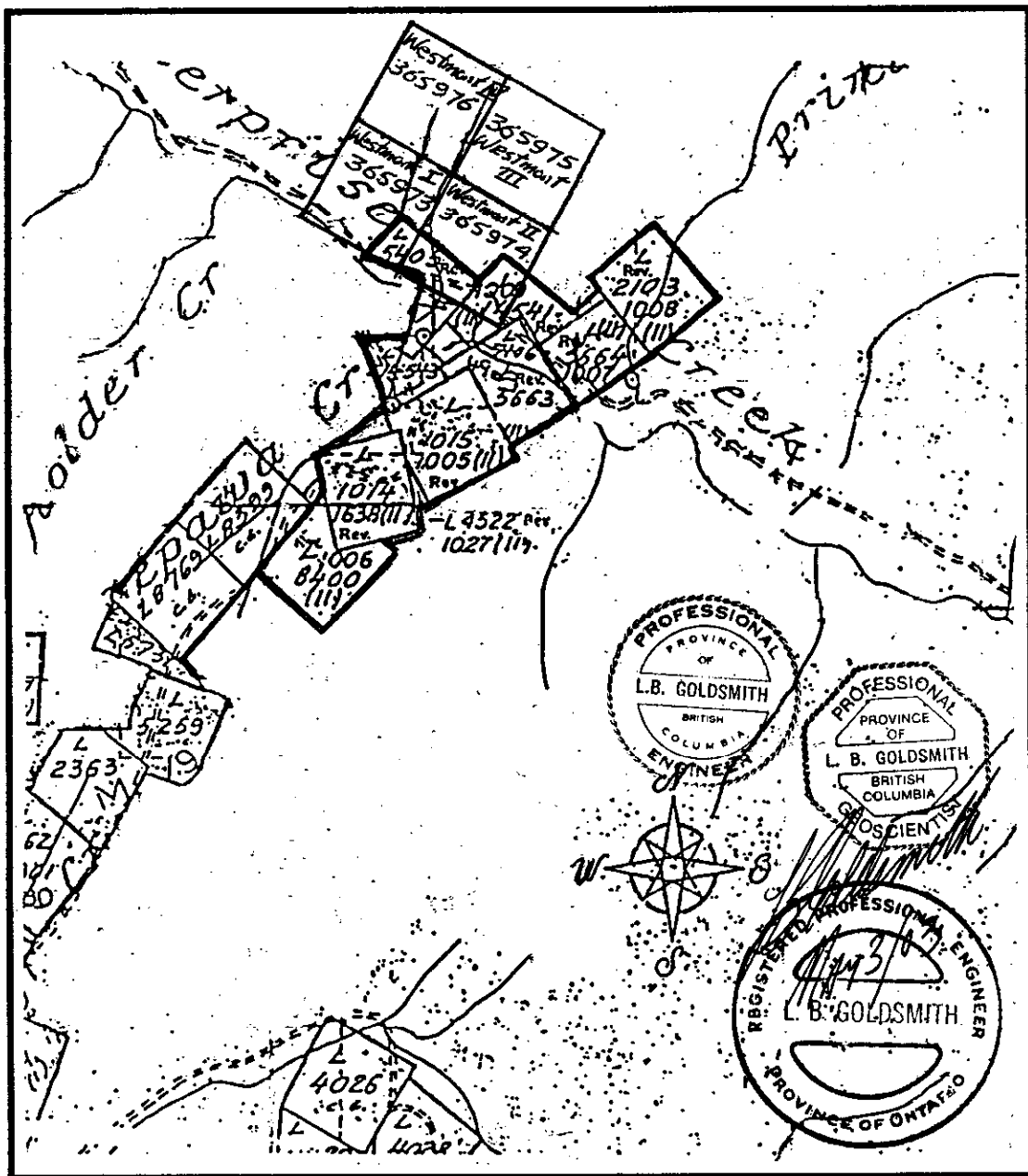
Locke B. Goldsmith, P.Eng., P.Geo.
Consulting Geologist

Arctex Engineering Services

MAY 2003

Enterprise Claim Group

SILVERTON AREA, B.C. SLOCAN MINING DIVISION 82 F/14 W



CLAIM MAP

To accompany report by
LOCKE B. GOLDSMITH, P.ENG., P.GEO., Consulting Geologist

Arctex Engineering Services

MAY 2003

and underground on the No. 2 and Enterprise veins, and from the Empress adit. Fifteen soil samples were collected along drill access road cuts.

In 2000 grids were prepared on the 5, 7, and 8 Level waste dumps and 54 samples were collected for assays.

REGIONAL GEOLOGY

The Enterprise claim group lies within the western margin of the Kootenay Arc, a complex metamorphic and structural belt bounded on the east by the Purcell Anticlinorium and on the west by the Okanogan metamorphic and plutonic complex. The suture zone between Quesnellia and the North American continent parallels the western margin of the Kootenay Arc. During accretion, widespread alkalic to calc-alkaline intrusive activity affected the area, the largest body being the Mid-Late Jurassic Nelson batholith.

The Nelson batholith is a composite, I-type or hornblende-biotite suite granitic rock of predominantly granodiorite composition (Little, 1960). K-Ar model ages, Rb-Sr whole rock isochron dates and Ar/Ar apparent ages (Harrison, 1985) indicate the age of emplacement is 160 ± 6 Ma (early-Late Jurassic). Emplacement of this post-tectonic batholith has been related spatially and temporally by many (Cairnes, 1934; Andrew et al., 1984) to the mineralizing event. Partial resetting of K/Ar dates by Tertiary plutonism has occurred along the northwestern margin of the batholith, near Slocan Lake (Parrish, 1984).

PROPERTY GEOLOGY

During June 1986 a chain-and-compass survey was made of part of the Enterprise property. Access roads, sites of old adits, and diamond drill holes were located and geological features were noted. A portion of the plan map of this survey at a scale of 1:500 is included in the pocket of this report. This map has been revised to show 1987 data and locations of dump samples taken in the 2000 and 2003 programmes.

The entire map area lies on a north-facing, moderately steep slope. Rock exposures are not abundant, being confined largely to incised creeks and road cuts. Alluvium covers the Enterprise Creek valley up to the general area of the creek near station 23 and the Rainbow adit. Thick areas of overburden are also present higher on the slopes, such as station 35 where the road bank is more than 4 m high.

Granodiorite porphyry of the Nelson batholith is the most abundant rock type exposed on the property. It is generally unaltered; biotite and hornblende are fresh and large feldspar phenocrysts to 2 cm in diameter are distinct. Less common phases of the batholith are also present. These include dark, fine-grained diorite and non-porphyrific granodiorite. Pegmatitic and aplitic dykes or veins can be found bisecting the batholithic intrusive. Within 4.0 m of the footwall of the Enterprise Vein, and clearly visible near #5 Level portal, the granodiorite has been metamorphosed to a well banded gneiss. Tight fold structures are also present.

The predominant trend of fractures or jointing within the intrusive rocks is northeast with steep southeast dips. The major fracture and/or fault zones and mineralized structures such as the Enterprise, No. 2, and Rainbow veins also follow this general trend.

As shown on the plan map, the northeast trend of the Enterprise Vein (Main Vein) is apparent. The portals of the 5, 7 and 8 levels depict the vein trend. At the lower elevations the No. 2 Vein is located 87 m northwest of and subparallel to the Enterprise Vein. Higher up the mountain, near DDH 87-8, the No. 2 Vein lies 50 m northwest of the Enterprise Vein.

SAMPLING PROGRAMME

Grid lines 10 metres apart were oriented across the long axis of the 5, 7, and 8 Level dumps. Stations 5 metres apart were marked along the lines.

Object of the sampling was to selectively test the fine fraction of the broken rock as a partial determination of the size distribution of the metal content. Cuts were made by shovel to remove the uppermost layer of coarse material. Samples were taken by hand

throughout the interval between stations, excluding fragments larger than about ½" (1.2 cm) in diameter. Each sample filled a 20 x 30 cm plastic bag. Forty-six samples were collected and delivered for silver-lead-zinc assays at the assay office of Klondyke Gold Corp's millsite in Sandon. Of these samples 15 were assayed before the heating elements in the assay furnace burned out. Eleven additional samples have been assayed; results are included in this report.

OBSERVATIONS

Fragments in the range of 1"-3" in diameter seem to frequently consist of massive sphalerite. This may be because the mineralization tends to be noticed in preference to barren rock.

The samples as collected do not evaluate the lower strata of the dumps.

CONCLUSIONS

Values in the fine material in the samples which have been assayed are consistent, ranging between approximately 2.5-5.5 oz Ag/ton, 0.5-1.0% Pb, and 1.5-2.5% Zn. These preliminary results suggest that screening of the dumps to recover only a -½" product for subsequent trucking to a conventional mill could not be expected to be profitable at present metal prices.

RECOMMENDATIONS

Larger samples should be collected, weighed, screened to several sizes, and each fraction weighed and assayed to investigate the possibility that some sizes could provide economic millfeed.

COST ESTIMATE

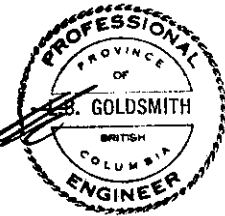
A budget of \$10,000 should be available for sample collection, screening, and assaying.

Results of each Phase should be compiled into an engineering report. Continuance to each subsequent Phase should be contingent upon favourable conclusions and recommendations from an engineer.

Respectfully submitted,



A handwritten signature in cursive script that reads "Locke B. Goldsmith".



Locke B. Goldsmith, P.Eng., P.Geo.
Consulting Geologist

Vancouver, B.C.

May 3, 2003

ENGINEER'S CERTIFICATE

LOCKE B. GOLDSMITH

1. I, Locke B. Goldsmith, am a registered Professional Engineer in the Provinces of Ontario and British Columbia, and a Registered Professional Geologist in the Province of British Columbia and the States of Oregon, Minnesota, and Wisconsin. My address is 301, 1855 Balsam Street, Vancouver, B.C.
2. I have a B.Sc. (Honours) degree in Geology from Michigan Technological University, a M.Sc. degree in Geology from the University of British Columbia, and have done postgraduate study in Geology at Michigan Tech and the University of Nevada. I am a graduate of the Haileybury School of Mines, and a Certified Mining Technician. I am a Member of the Society of Economic Geologists, the AIME, and a Fellow of the Geological Association of Canada.
3. I have been engaged in mining exploration for the past 44 years.
4. I have authored the report entitled, "Sampling of Enterprise 5, 7 & 8 Level Dumps, Enterprise Claim Group, Enterprise Creek, Slocan Mining Division", dated May 3, 2003. The report is based upon fieldwork and research supervised by the author.
5. I own 100% of the property.
6. I consent to the use of this report in a prospectus, or in a statement of material facts related to the raising of funds.



Respectfully submitted,



Locke B. Goldsmith
Locke B. Goldsmith, P.Eng., P.Geo.
Consulting Geologist

Vancouver, B.C.
May 3, 2003

REFERENCES

- Goldsmith, L.B. 1981. Report on the Enterprise Mine for Monica Resources Ltd. with Addendum by D.W. Tully, P.Eng.
- Goldsmith, L.B. 1982. Soil geochemistry, Enterprise Mine, Slocan Mining Division, Enterprise Creek, B.C. Private report submitted for assessment work.
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- Tully, D.W. 1985. Report on the Montezuma, Rainbow Fr., Slocan Queen, Empress Fr., London Fr., United Empire, Sunset Fr., Enterprise Fr., Enterprise, Lode and Jess Mineral Claims. Private report for Enterprise Resources Inc.

COST STATEMENT, 2003 PROGRAMME

Personnel

L.B. Goldsmith, Nov. 13, ½ May 3,
total 1½ days @ \$700/day 1050.00

Food, Accommodation

Total cost of \$84.30 ÷ 1.5 man/days 84.30
= \$56.20/man/day

Analyses

11 rock samples, \$290.81 ÷ 11 = \$26.44/sample 290.81

Report

127.73

Total \$1572.84

APPENDIX



ALS Chemex

EXCELLENCE IN ANALYTICAL CHEMISTRY

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North Vancouver BC V7J 2C1 Canada
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304 - 595 HOWE STREET
VANCOUVER BC V6C 2T5

Page #: 1
Date: 3-Nov-2002
Account: FL

CERTIFICATE VA02006100

Project :
P.O. No:
This report is for 17 ROCK samples submitted to our lab in North Vancouver, BC, Canada on 19-Nov-2002.
The following have access to data associated with this certificate:
LOCKE GOLDSMITH

SAMPLE PREPARATION

ALS CODE	DESCRIPTION
WEI-21	Received Sample Weight
LOG-22	Sample login - Rcd w/o BarCode
CRU-31	Fine crushing - 70% <2mm
SPL-21	Split sample - riffle splitter
PUL-31	Pulverize split to 85% <75 um

ANALYTICAL PROCEDURES

ALS CODE	DESCRIPTION	INSTRUMENT
Ag-AA45	Trace Ag - aqua regia/AAS	AAS
Pb-AA45	Trace Pb - aqua regia/AAS	AAS
Zn-AA45	Trace Zn - aqua regia/AAS	AAS
Ag-AA46	Ore grade Ag - aqua regia/AA	AAS
Pb-AA46	Ore grade Pb - aqua regia/AA	AAS
Zn-AA46	Ore grade Zn - aqua regia/AA	AAS

To: ARCTEX ENGINEERING SERVICES
304 - 595 HOWE STREET
VANCOUVER BC V6C 2T5

This is the Final Report and supersedes any preliminary report with this certificate number. Results apply to samples as submitted. All pages of this report have been checked and approved for release.

Signature:



ALS Chemex

EXCELLENCE IN ANALYTICAL CHEMISTRY

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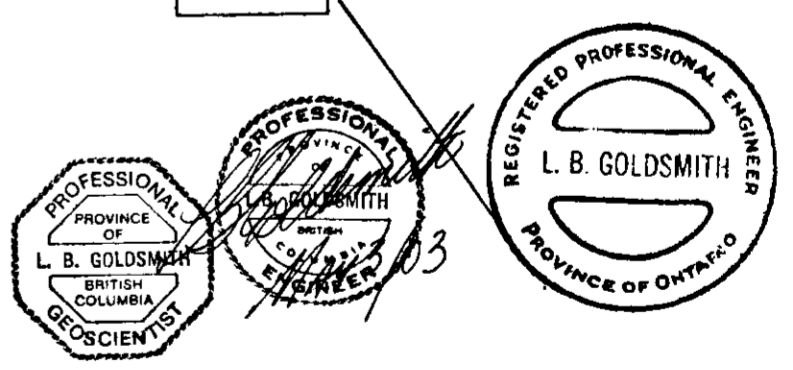
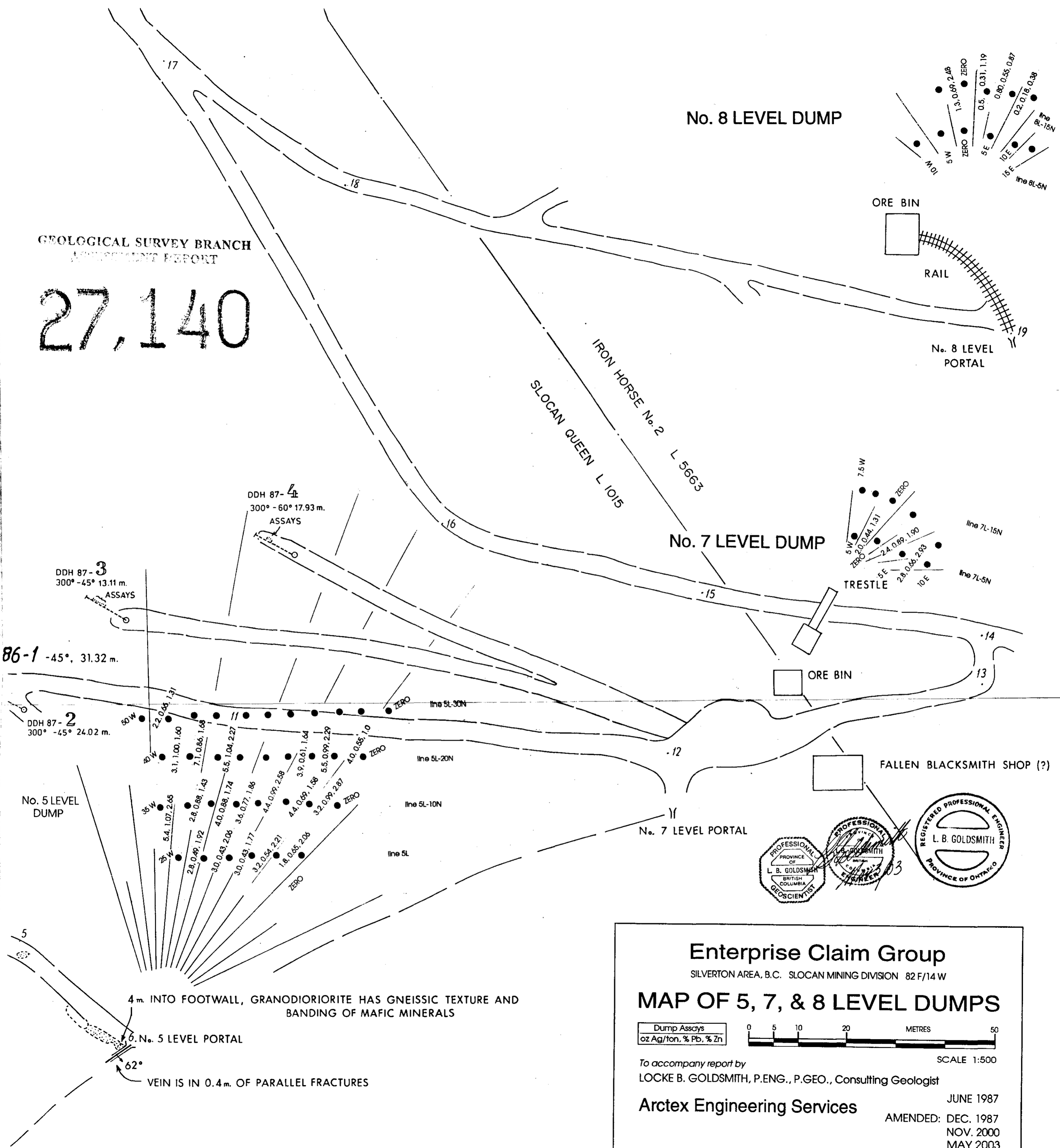
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 Date : 28-Nov-2002
 Account: FL

CERTIFICATE OF ANALYSIS VA02006100

Sample Description	Method Analyte Units LOR	WEI-21	Ag-AA45	Pb-AA45	Zn-AA45	Ag-AA46	Pb-AA46	Zn-AA46
		Recvd Wt kg	Ag ppm	Pb ppm	Zn ppm	Ag ppm	Pb %	Zn %
		0.02	0.2	1	1	1	0.01	0.01
ENT 5L-5-10		1.78	>100	9040	>10000	175		2.29
ENT 5L-10N-5-10		1.82	>100	6400	>10000	142		1.58
ENT 5L-10N-20-25		2.06	>100	8610	>10000	129		1.74
ENT 5L-20N-25-30		2.04	>100	>10000	>10000	176	1.04	2.27
ENT 5L-10N-30-35		2.24	>100	>10000	>10000	172	1.07	2.65
ENT 5L-20N-10-15		2.06	>100	6080	>10000	124		1.64
ENT 5L-20N-30-35		1.92	>100	8590	>10000	227		1.68
ENT 5L-20N-35-40		2.12	98.2	10000	>10000		1.00	1.60
ENT 8L-15N-0-5W		1.72	43.3	6910	>10000			2.48
ENT 8L-15N-0-5E		1.64	17.2	3140	>10000			1.19
ENT 8L-15N-10E-15E		1.78	5.8	1685	3800			

GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

27,140



Enterprise Claim Group
SILVERTON AREA, B.C. SLOCAN MINING DIVISION 82 F/14 W

MAP OF 5, 7, & 8 LEVEL DUMPS

Dump Assays	0	5	10	20	50
oz Ag/ton, % Pb, % Zn	METRES				

SCALE 1:500

To accompany report by
LOCKE B. GOLDSMITH, P.ENG., P.GEO., Consulting Geologist

Arctex Engineering Services JUNE 1987
AMENDED: DEC. 1987
NOV. 2000
MAY 2003