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ASSESSMENT REPORT
FOR THE
2003 ROCK GEOCHEMISTRY
OF THE
LONE PINE MINERAL CLAIM
SITUATED IN THE
OMINECA MINING DIVISION
NTS 93L/10E

LATITUDE: 54° 30' 58" LONGITUDE: 126° 44' 24"

OWNED BY: DANIEL MERKLEY

WORK BY: DANIEL MERKLEY & WILLIAM MERKLEY

REPORT BY: DANIEL MERKLEY

2003 GEOLOGICAL SURVEY BRANCH
ASSESSMENT REPORT

27,334
JANUARY 2004

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INTRODUCTION

LOCATION AND ACCESS:

The Lone Pine mineral claim is located approximately 11 km north-west of Houston, in west-central British Columbia (Fig. 1). The mineral claim is situated approximately 200 meters north of Fishpan Lake. Access to the claim is via highway 16 west from Houston to Summit Lake Road, then via the gas line right-of-way, west. Alternate access is provided by an exploration road constructed by past explorationists, which leads north-east from Highway 16 at a point approximately 1500 meters west of the Summit Lake Road exit. The claim is located on NTS map 93L/10E.

CLAIM HISTORY AND STATUS:

Chalcopyrite, sphalerite, galena, tetrahedrite and molybdenite occurrences are described in the 1914, 1915, 1926 and 1927 Report of the Minister of Mines. The original owners of claims covering the area now covered by the Lone Pine claim were Joseph Bussinger and Charlie Barrett; Chas. Barrett owned a large cattle ranch not far south of the hill where the mineralization was discovered. In 1914 the owners sank a shaft a depth of 16 feet on a silver-rich polymetallic vein. A sample from a 5 ton sorted pile near the shaft assayed: gold, 0.05 oz.; silver, 86.4 oz.; copper, 3.7 per cent.; lead, 24.7 per cent.

By 1926 the shaft had been sunk an additional 32 feet below the 34

feet attained between 1914 and 1925. The vein of interest was exposed on the surface for a strike length of 275 feet and averaged 3 to 4 feet in width. The strike of the vein was stated to be north 35° west (magnetic), with 60° easterly dip. A sample from the dump assayed 147 oz. silver per ton; 6% copper; 14% lead; 36% zinc.

Apparently, little additional work was performed on the ground until 1962 when Southwest Potash undertook a geochemical survey of the area. 422 soil samples were analyzed for molybdenum on the Huber and Mineral Hill claims. A magnetic survey totalling 12.3 km was also completed on the ground. A description of this work can be found in assessment report number 00509 and number 00510.

In 1964 Moly mine Exploration performed an induced polarization survey on the Huber, Mineral Hill and Pete claims totalling 13.2 km. Details can be found in assessment report number 00757.

In 1968 Manex Mines performed an induced polarization survey totalling 8.9 km on the Huber and Mineral Hill claims. Details can be found in assessment report number 02285.

In 1968 Moly mine Exploration returned and performed a geochemical soil sample survey, analyzing 427 samples for copper, lead and zinc. A description of this work can be found in assessment report number 02517.

In 1978 Granby drilled 3 surface diamond drill holes of NQ BQ size a total of 902 meters on the Mineral Hill claims. Details can be

found in assessment report 07117.

In 1981 Noranda Mining and Exploration Inc. carried out an electromagnetic ground survey over the Mineral Hill D and the Mineral Hill E claims. Details can be found in assessment report number 09135.

In 1983 Noranda Mining and Exploration Inc. performed geochemical, geological and geophysical work on the Mineral Hill F, Mineral Hill G and Pete 1-4 claims. Details are outlined in assessment report number 12180.

In 1985 Dafrey Resources sampled some material from the old dump and drilled 12 percussion holes. At the same time as Dafrey Resources performed this work, Lacana Mining Corporation compiled the old data from the ground.

In 1987 Southern Cross Gold Inc. completed 8 holes of NQ size totalling 521.8 meters.

In 1991 Lorne B. Warren performed a geochemical soil survey over the area. Multielement analysis was performed on 95 samples. Details can be found in assessment report number 21635.

In 1992 Lorne B. Warren completed another soil sample survey over the area. Multielement analysis was performed on 42 soil samples. An outline of this work can be found in assessment report number 22862.

The Lone Pine mineral claim is owned by Daniel Merkley of Houston,

British Columbia. Assessment work on the claim was carried out by Daniel Merkley and William Merkley of Houston, British Columbia.

With acceptance of this report the Lone Pine mineral claim will remain in good standing until November 15, 2006.

The Lone Pine mineral claim is defined as follows:

<u>CLAIM NAME</u>	<u>TENURE NO.</u>	<u>UNITS</u>	<u>EXPIRY DATE</u>
LONE PINE	398621	1	Nov. 15, 2006

PURPOSE:

The primary purpose for analysis of 4 grab samples from the Lone Pine mineral claim was to determine if precious metal values (Ag, Au) are associated with base metal mineralization at four separate locales on the claim. If precious metals are present in appreciable amounts, the extensive molybdenite-chalcopyrite mineralization on the property will be viewed more favourably, because the precious metal values will provide a buffer for price fluctuations of base metals (molybdenum and copper) and increase the ore value to where it is more appealing to future exploration.

PROCEDURE:

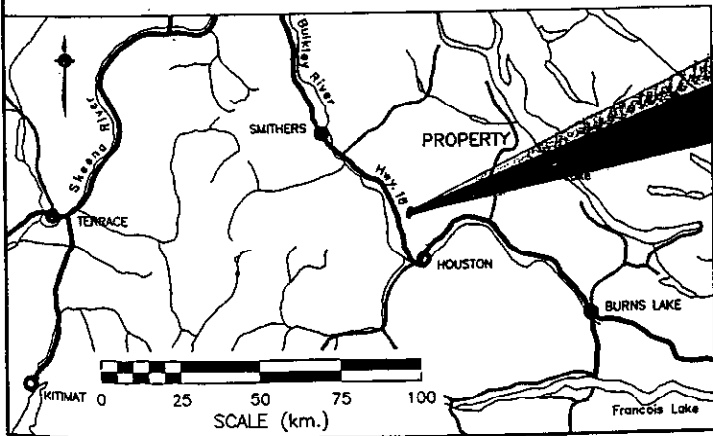
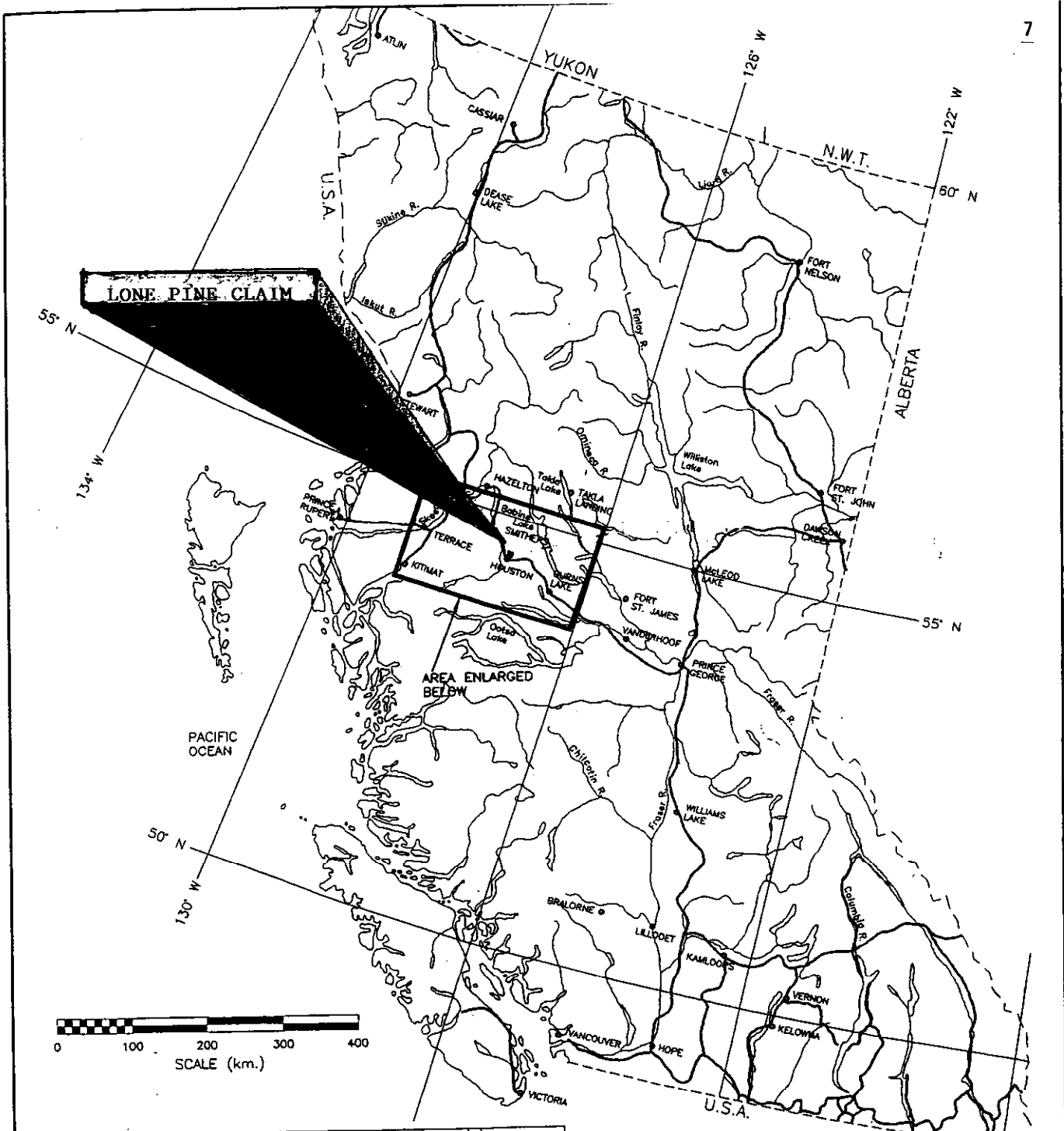
Four grab samples were taken from 4 separate locales on the Lone Pine claim. Sample LP-1 was taken from material remaining on the surface at the old shaft site mentioned in the history section of this report. The sample appeared to contain several percent honey-coloured sphalerite, several percent galena, and visible tetrahedrite.

The sample designated LP-2 was taken from a rock cut north-west of the old shaft site. The sample contained visible molybdenite and pyrite in quartz.

Sample LP-3 was taken from a location south of the old shaft site presumed to be an outcrop of the extension of silver-rich vein mineralization found in the old shaft. It contained visible tetrahedrite and galena.

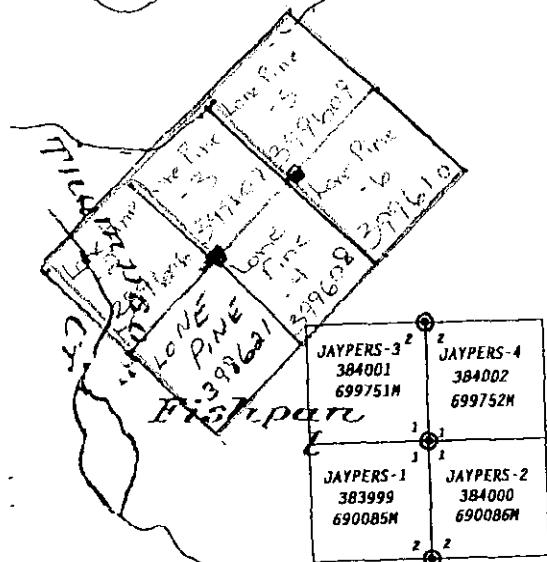
Sample LP-4 was taken from an exposure west of the aforementioned samples. It was biotite hornfels bearing appreciable pyrite.

The sample sites were plotted on the sample location map included in this report (page 9).



LONE PINE MINERAL CLAIM
 OMINECA MINING DIVISION

6044544

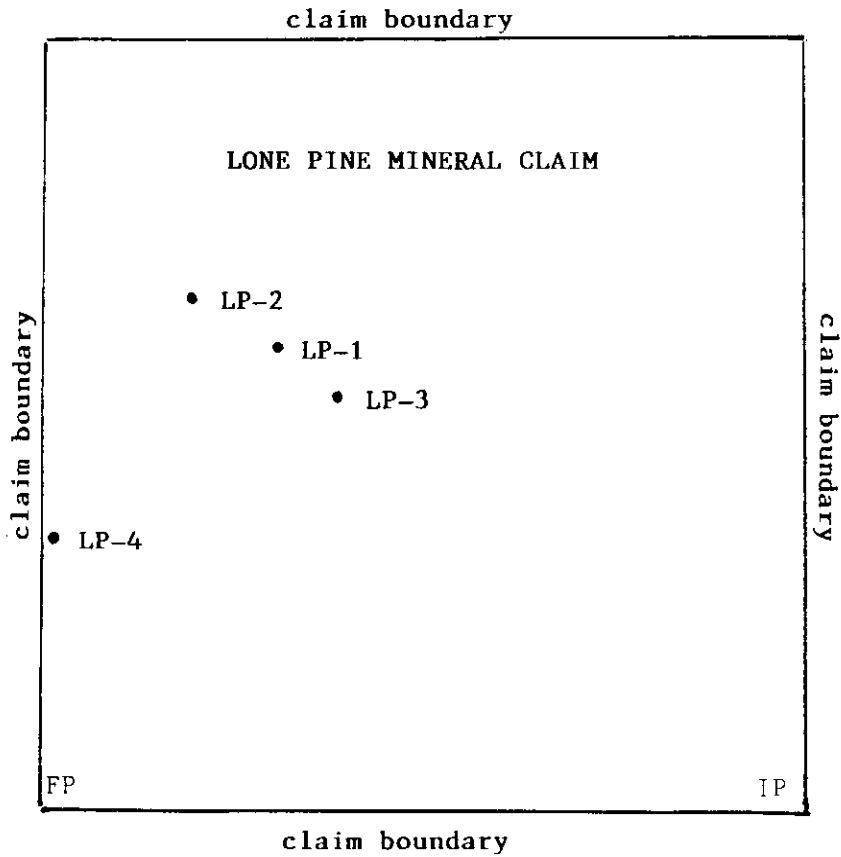
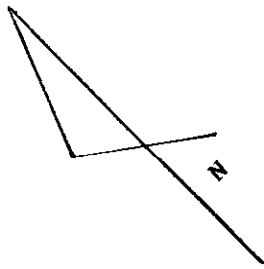


RES. MIN. & PLACER
1/2 MILE EITHER SIDE
O/C 2401, 16-JUL-70
RELEASE REQUIRED

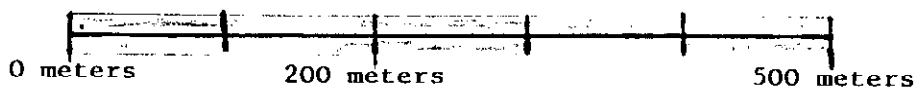
54°30'00"
126°45'00" 646272



SAMPLE LOCATION MAP



SCALE





ALS Chemex

EXCELLENCE IN ANALYTICAL CHEMISTRY

ALS Canada Ltd.

212 Brooksbank Avenue

North Vancouver BC V7J 2C1 Canada

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To: MERKLEY, DAN
PO BOX 453
HOUSTON BC V0J 1Z0

Page: 1
Date: 15-Jan-2004
Account: MFW

CERTIFICATE VA04001087

Project:

P.O. No:

This report is for 4 Rock samples submitted to our lab in Vancouver, BC, Canada on 09-Jan-2004.

The following have access to data associated with this certificate:

DAN MERKLEY

SAMPLE PREPARATION

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

ANALYTICAL PROCEDURES

ALS CODE	DESCRIPTION	INSTRUMENT
ME-GRA21	Au Ag 30g FA-GRAV finish	WST-SIM
Zn-AA46	Ore grade Zn - aqua regia/AA	AAS

To: MERKLEY, DAN
PO BOX 453
HOUSTON BC V0J 1Z0

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

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Page: 2 - A
 Total # Pages: 2 (A)
 Date: 15-Jan-2004
 Account: MFW

CERTIFICATE OF ANALYSIS VA04001087

Sample Description	Method	WEI-21	ME-GRA21	ME-GRA21	Zn-AA46
	Analyte Units LOR	Recvd Wt kg 0.02	Au ppm 0.05	Ag ppm 5	Zn % 0.01
LP-1-04		0.08	<0.05	1105	23.8
LP-2-04		0.08	<0.05	8	
LP-3-04		0.14	<0.05	1415	
LP-4-04		0.22	<0.05	<5	

CONCLUSION:

LP-1, a sample from the old shaft explored between 1914 and 1927, was expected to have good silver values and the analysis proved this, but there were no gold detected, which was not the case with the old analysis quoted in the old reports, although the gold values were low (0.05 oz. per ton). This could indicate there is a "nugget effect" in the gold mineralization.

Sample designated LP-2 was of great interest, because it was a sample bearing molybdenite, apparently, the most widespread mineral on the claim. The sample contained 8 ppm silver; there was no visible tetrahedrite in the sample. The silver content determined by the analysis -- if fairly uniform throughout the molybdenite mineralization -- would enhance possibilities for a large, low-grade molybdenum-copper orebody.

The high silver value in sample LP-3 and its similarity to that rock type found at the old shaft site (quartz-ankerite) suggest the mineralized outcrop, previously covered by only a couple inches of soil, is an extension of the vein explored at the shaft.

Sample LP-4 -- pyrite in a biotite hornfels host rock -- proved to be barren of silver or gold; therefore, it can be presumed the pyrite on the claim, if lacking other visible mineralization, is devoid of silver or gold.

Considering the above results, a rock geochemical survey with the objective of determining the silver values in the widespread

surface exposures of molybdenite mineralization would possibly be most beneficial for the claim. Also, determining the extent and grade of the high-grade silver vein first explored at the old shaft would be a favourable undertaking; the silver vein, or veins, would benefit the surrounding molybdenite-copper mineralization. Exploration for parallel high-grade silver veins would also be a worthwhile undertaking.

STATEMENT OF EXPENDITURES

(1) 2 man-days labour	\$220.00
(2) 2-wheel drive pickup for one day	\$35.00
(3) Provisions	\$17.00
(4) Report preparation	<u>\$100.00</u>
TOTAL EXPENDITURES	<u>\$372.00</u>

AUTHOR'S QUALIFICATIONS

I, DANIEL MERKLEY, DO HEREBY CERTIFY THAT:

- (1) I AM A PROSPECTOR AND RESIDE AT HIGHWAY 16 EAST, HOUSTON, B. C.
- (2) I HAVE MORE THAN 30 YEARS OF PROSPECTING EXPERIENCE
- (3) I AM FAMILIAR WITH ROCK SAMPLING PROCEDURES
- (4) I PREPARED THIS REPORT

RESPECTFULLY SUBMITTED

A handwritten signature in cursive script that reads "Daniel Merkley".

DANIEL MERKLEY

PROSPECTOR