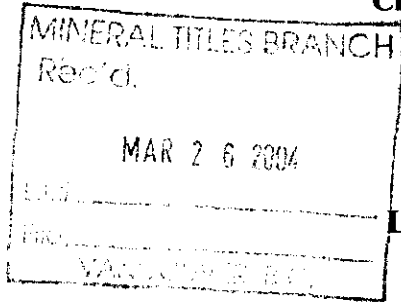


Report on Prospecting of Waterhen 1 and 2 Claims

Port Alberni Area of
British Columbia

Claims: Waterhen 1 – Tenure #399107
Waterhen 2 – Tenure #399108



Total Claim Units: 36

Location: Victoria Mining Division

Owner: Barry Hanslit

Operator: Barry Hanslit

Report By: Barry Hanslit

Date Submitted: 24th of March 2004

GEOLOGICAL SURVEY BRANCH
VICTORIA

27,372

Table of Contents

	Page
Introduction	3
Location and Access	3
Property History	3
Prospecting Activity	4
Future Exploration on Property	4
Statement of Qualifications	5
Itemised Cost Statement	6
Map 1 – Tenure Map	7
Map 2 – Area Prospected	8
Map 3 - GPS Waypoints	9
Spreadsheet of GPS Data	10

1. Introduction

On December 30th of 2003 Waterhen 1 and Waterhen 2 Claims were grouped and will now be known as the Waterhen Group.

Prospecting on the Waterhen claims in 2003 involved the locating and plotting of the various showings on GPS. The purpose of this seasons work was to get accurate locations of all the showings which will be needed in order to conduct a drill program planned for the summer of 2004.

2. Location and Access

The Waterhen claims are located approximately 21 kilometers southeast of Port Alberni on Vancouver Island. Access to the claims from the north is to follow logging roads to the head of China Ck and then switchback trails up Mt. McQuillan to Summit lake. From the south logging roads lead to the head of Rift Creek and from there heading north on the ridge leading to Summit Lake. Both routes involve a minimum 2 hour hike to reach the showings near Summit Lake.

3. Property History

The China Creek area has a long established history of both lode and placer mining and exploration. Records show that placer mining was carried out in the China Ck watershed as early as 1862.

Lode mining/exploration started in the China Ck valley around 1890 and continues to present day.

The property has been held by various individuals and companies since the late 1800's and during the 1980's saw a drill program conducted on the the "high grade vein" near Summit Lake.

4. Prospecting Activity

A total of 15 days were spent collecting GPS and data and geological data such as the dip of the and strike of the “high grade” vein that is planned to be drilled in 2004.

The main showing of interest in which most of the time was spent working on is a vein known as the “high grade” vein. It is a vein that varies in width from 30cm to over a 1m and can be traced for a distance of over 160m before it is lost to overburden. The vein was diamond drilled by Jan Resources in 1981. Two holes were drilled and it is reported in assessment report #9639 that it was determined by these two holes that there was an inferred resource of 3100 tons grading 0.26 oz/ton in a zone referred to as Zone A. The second hole was graded at 3500 tons of .12 oz/ton in a zone referred to as Zone B.

See attached table for complete description of the the “high grade” veins location and attitude.

The location of the 3 proposed drill holes was marked on the ground with steel posts 6' high. The three locations will be at the northern most end of the vein 100m northwest of where it dips under overburden and two, 100 and 220m southwest of the southern end of the vein.

It was determined that the best angles for the drill sites would be between -60 and -80 degrees.

5. Future Exploration on Property

A diamond drill program will be done pending approval during the month of August. The program will consist of 3 BQ holes each drilled to a depth of 300m to test the “High Grade” vein at depth.

6. Statement of Qualifications

I Barry Hanslit of 3380 Hammond Bay Rd. Nanaimo, B.C. do hereby declare the following.

1. I have completed a "Prospecting Course" in 1991 given by a representative of Manitoba Natural Resources at Falcon Lake, Manitoba.
2. I have been prospecting for the past 12 years in both Manitoba and more recently British Columbia
3. Have worked on several prospects and developed prospects in Manitoba during the years 1990 to 1994
4. Currently in a joint venture with Navigator Exploration(NVR) of Vancouver, British Columbia

7. Itemised Cost Statement

Wages Barry Hanslit (15 days @ \$200/Day Including ATV and Vehicle)	\$3000.00
Wages Steve Bachen (Assisstant – 6 days @ \$100/Day)	600.00
Total:	\$3600.00

PEAK405726

3SX4W

364999

365000

092F02E



KING SOLOMON BASIN

Father
Son

6SX3W

6SX3E

205429

205430

McOULLAN

L 98G

WATERHEN 1

WATERHEN 2

399107

399108

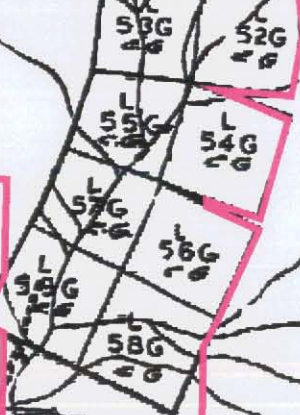
6SX3W

6SX3E

RAND
200082

4NX4E

49152

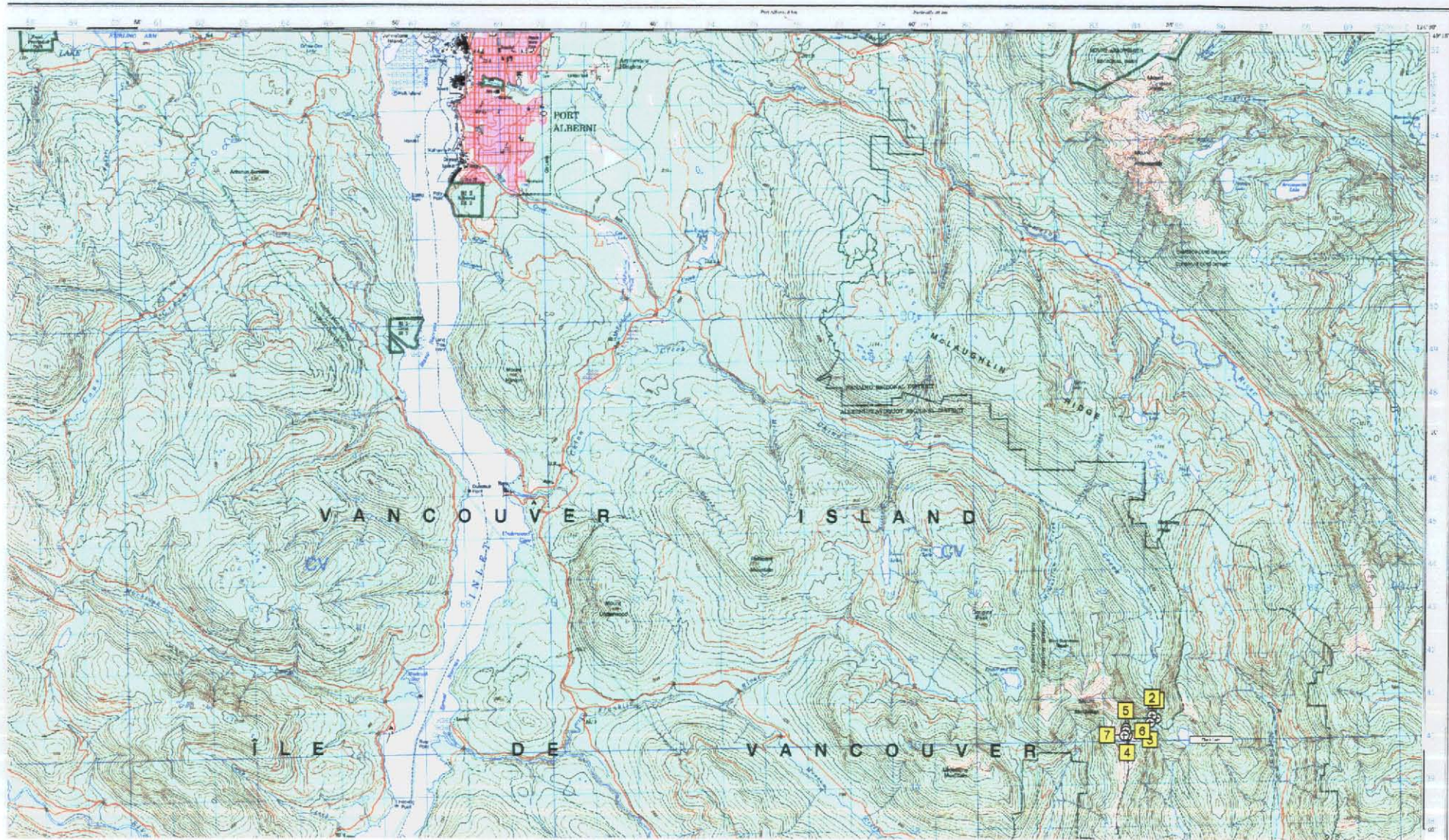


RIVER
M.D.
M.D.

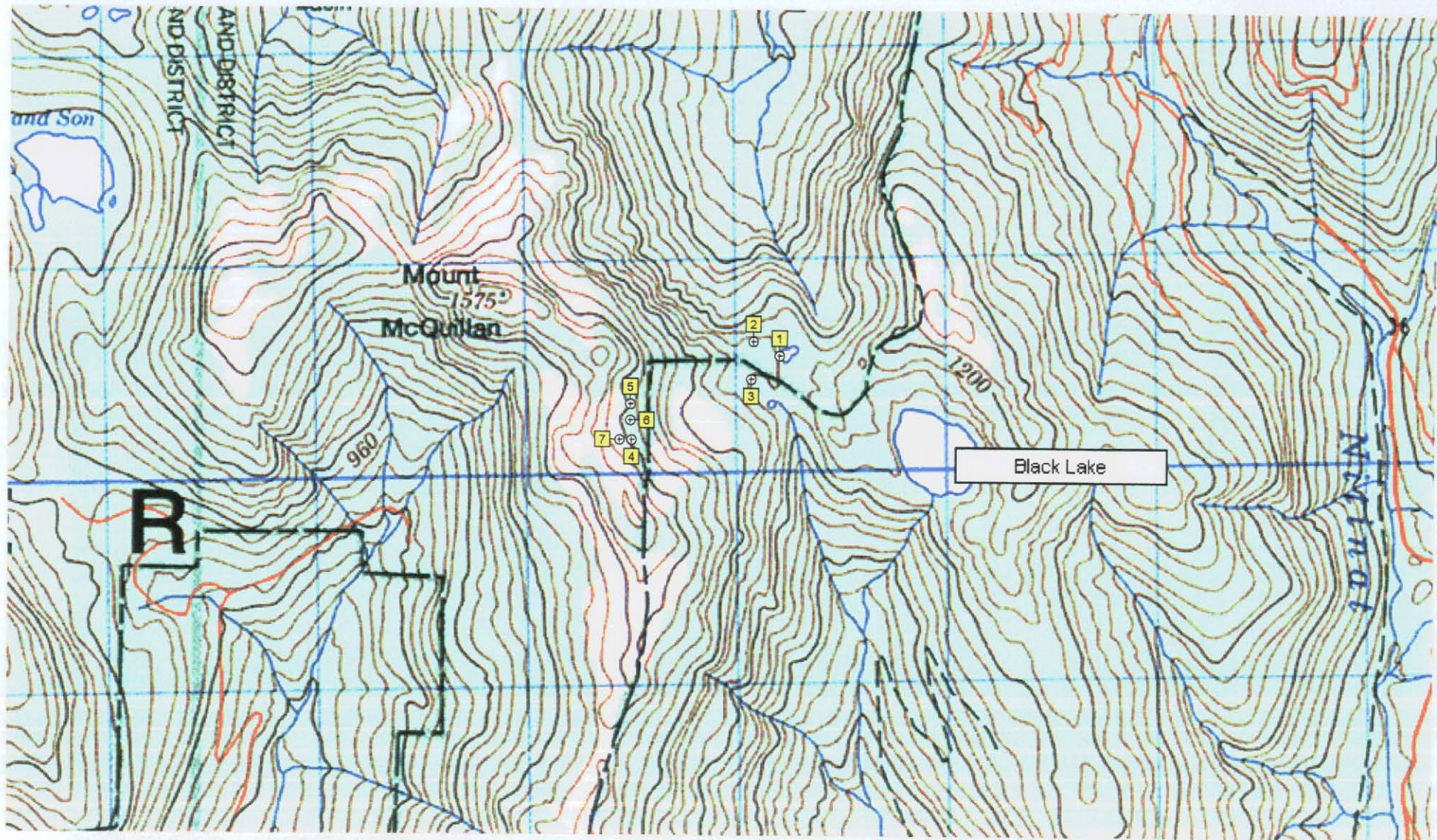
Map 1

+

River



Map 2
Location of area prospected
in relation to Port Alberni



Map 3
Waypoints located on
Waterhen claim

3.5 cm = 1000 m
NTS Map
92F

Table of GPS Locations

GPS Site	Map Wpt. #	Northing	Easting	Desc. Of Site	Strike	Dip
HG Vein 1	4	5440154	383502	Southern end of HG vein	North/South	65
HG Vein 2	5	5440324	383497	Northern end of HG vein	North/South	75
HG Vein 3	6	5440248	383496	Middle of HG vein	North/South	80
Summit Lake	1	5440536	384211	West Shore of Lake	N/A	
Drill Casing 1	2	5440607	384086	Drill casing NW of Summit Lk	N/A	
Drill Casing 2	3	5440429	384074	Drill casing SW of Summit Lk	N/A	
Drill Casing 3	7	5440156	383443	Drill casing on HG Vein	N/A	

GPS used was a Garmin 12XL

Accuracy was at a minimum less than 12m for all readings.