# Geological, ASSESSMENT REPORT

on the

# SPRING PROPERTY

Spring Creek 220706, Epi 705995, Thermal 705996, Trout Creek 705997 Claims

Similkameen Mining Division

NTS 092 H 16 E

1:20,000 Trim Map / Claim Map Designation M092 H 080

Initial Claim Posts of all claims by GPS in UTM Zone 10, NAD 83 706253 East 5517451 North

> 49 46 North Latitude 120 08 West Longitude

for Owner and Operator JET GOLD CORP. Formerly called IN-SYNC INDUSTRIES INC. Suite 1102 – 475 Howe Street Vancouver, B. C. V6C 2B3 Tel (604) 687-7828

by

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April 2004 EOLOGICAL SURVEY BRANCH Amended August 16, 2004 DESOMENT REPORT

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#### **INTRODUCTION**

The Spring property is in the Similkameen Mining Division of British Columbia in the western Okanogan region in North Trout Creek. This area is in the Interior Plateau between the Monashee Mountains to the east and the Coast Mountains to the west. The claims are on the edge of fluvial – glacial sediments and till lying on a dissected pre glacial bedrock plateau at an elevation of 1220 to 1240 metres. Outcrops occur where North Trout Creek has cut canyons through the glacial material.

The claims are almost equidistant between the towns of Princeton, Summerland and Peachland. Access is excellent with roads (paved for part of the distance) suitable for automobiles right to the claims. On the claims are a series of old logging and placer mining roads that give access to the higher parts of the property and also to the floor within the steep canyons of North Trout Creek. Some of these roads can be used by a car, but a 4x4 pick-up truck is more suitable. From any of the local towns the property is no more than one-hour drive. The junction for the Princeton, Peachland and Summerland roads occurs at a point less than 5 kilometres east of Bankier and Osprey Lakes. The property is about eight kilometres north from this junction where the road crosses from the west side of Trout Creek to the east side over the new bridge to the "New Trout Creek Road" that leads past Headwaters to Peachland. Figure 1 is a general Location Map, Figure 2 is a more detailed Property Location Map, and Figure 3 shows the claims and LCP on the detailed topographic map.

There is a long, but incomplete, history of mining exploration between the Okanagan and Princeton. Siwash Creek is the next major creek west of North Trout Creek and has several well-known areas of mineralization. North Trout Creek itself has several very old bulldozer trenches in bedrock that don't have any known history. Most of the surrounding area was heavily prospected and much of it staked during Brenda Mines exploration and production era from 1956 to the late 1970's. One of the regional exploration programs of the general area was in 1972 by Pan Ocean Oil Ltd. It is believed they examined the Spring Property for porphyry copper – molybdenum mineralization. Brenda Mines Ltd. explored the area in 1979. An undated Brenda map titled Trout Creek Project showing grid lines and geological features covers the Spring Property. It was on this map where the two "Diatreme Zones" were first identified. In 1981 Brenda Mines Ltd. may have conducted a geochemical soil survey over the property. During the 1970's and 1980's, prospector Don Agur held numerous claims on lode showings in Siwash and North Trout Creeks. He also held placer claims on Siwash and North Trout Creeks, actively working the placer claims on North Trout Creek.

In 1986 Golden Pick Resources Ltd. acquired the property. The presence of little travelled placer gold and the identification of epithermal alteration clays in the "Main Zone" led to the conclusion that the property should be drilled for the bedrock source of the placer gold. It was diamond drilled with a fence of three holes in 1986 and a geophysical survey conducted in 1987. Golden Pick Resources Ltd. spent about \$50,000 to the end of 1987. Golden Pick was successful in drilling and outlining an epithermal alteration zone with low-grade



mineralization in the form of silver and zinc values. Placer Dome optioned the property from Golden Pick and in the course of their exploration in 1988 and 1989 spent \$500,000. Placer Dome restricted their exploration to the search for large tonnage open pit precious metal or porphyry type targets, and did not spend much time looking for small or medium tonnage epithermal deposits.

The president of Golden Pick Resources Ltd., Mr. Pat Whittall, started to have health problems and the company went into decline. Recently the ground was staked by prospector David Javorsky who subsequently optioned the property to In-Sync Industries Inc. The company did some excavator trenching, followed by resistivity/induced polarization geophysics, and then some more excavator trenching. The property is now ready for further exploration with the goal of finding the source of the placer gold within lode deposits. There are no known mineral resources or reserves on the property, although there are several known zones with mineralization. Production on the property has been limited to four gold placer workings along North Trout Creek. In 1986 prospector Mr. Don Agur stated to the author that he found most of the placer gravel to run about \$7.00 Canadian per cubic yard. The Upper placer area is about 150 metres of linear length along the creek, the Pat zone placer workings is about 50 metres long, the Camp area is about 80 metres long and the Main area is about 100 metres in length. The total 380 metre of creek length that was placer mined is assumed to be an average 20 metres wide. For each metre of depth mined the total mined is 7,600 cubic metres of gravel.

At \$7.00 per cubic yard converted to metric is  $1/0.7646=1.30 \times 7.00 = 9.15$  per cubic metre. That brings the estimated production to  $7,600 \times 9.15 = 69,540.00$ . Using an arbitrary figure of US \$300 for an ounce of gold and 1.33 for the US – Canadian exchange rate during the time period when most of the placer gold was mined results in an approximate grade of 0.04 ounces of gold per cubic metre or a total production of 304 ounces of gold. If the actual thickness of gravel mined was greater than one metre, then production increases by the depth of metres mined. The length of creek mined is fairly accurate, however the width and thickness could easily be doubled.

Jet Gold Corp., previously called In-Sync Industries Inc. has an option to purchase all the above claims. The initial down payment of \$5,000.00 has been paid. Future payments are \$10,000.00 on the second and third anniversary dates, and thereafter \$25,000.00 each year on the account of the net smelter royalty. The net smelter return royalty of 2% may be purchased for \$1,000,000.00. Work commitments are \$50,000.00 during the first year of the agreement, \$75,000.00 during the second year, and \$100,000.00 during the third year. There is no surface title as it is Crown Land. The Spring Property is being explored by Jet Gold Corp. for lode gold deposits of the epithermal type.

# SUMMARY OF WORK DONE

In recent years the property was staked for lode minerals and optioned by Jet Gold Corp.who funded an exploration program consisting of a review of previous work, base map preparation, as well as grid lines installed and surveyed. Then a detailed Resistivity/Induced Polarization survey (with Self Potential readings) was carried out across known zones, in addition to a two-phase set of excavator trenching to define zones of interest and prepare for





diamond drilling. There also was a test series of auger holes drilled with a gasoline powered hand held auger. The auger encountered boulders, so did not penetrate to any significant depth.

This was followed in 2003 by the work covered by this report which was a series of excavater trenches dug by an excavater large enough the move the large glacial erratic boulders found on the property so bedrock could be exposed. Trenches were dug across the zones defined by the previously done geophysical survey. The rock types exposed were mapped and sampled. Zones of alteration were found, but with very sparse mineralization. All the zones were sampled and assayed.

# **CLAIMS ACTUALLY WORKED ON**

Work was performed on the Epi 705995 mineral claim. All the property claims are in one group.

# PROPERTY DESCRIPTION and LOCATION

The Spring Property is in the west Okanagan Region of British Columbia, Canada and consists of 225 hectares in area. It is in the Similkameen Mining Division within map NTS 092 H 16 E. Using the new "Trim" claim maps based on North American Datum 1983 on a scale of 1:20,000, it is on map M092H080 within UTM Zone 10.

Co-ordinates are 706253 East and 5517451 North for the location of the Trout Creek, Epi, Thermal, and Spring Creek Initial Claim Posts as determined by GPS. Several other GPS readings taken on different days were never more than 18 metres difference in position. Elevation taken from GPS readings and NAD 83 topography at the initial posts is 1,197 metres.

The northern corner post for the Epi and Thermal claims, plus the side post (0W, 1N) for the Spring claim are all at 706188E and 5518003N.

There are three two-post metric claims and one four-post claim of six units for a total of nine units, all contiguous and described as follows:

Name	<u>Tag #</u>	<u>Record #</u>	<u>Claim</u> <u>Type</u>	<u>Units</u>	<u>Anniversary</u> <u>Date</u>	<u>Valid Till</u>
Thermal	705996	391848	2-post	1	Feb. 17, 2002	Feb. 18, 2015
Epi	705995	391849	2-post	1	Feb. 17, 2002	Feb. 18, 2015
Trout Creek	705997	391850	2-post	1	Feb. 17, 2002	Feb. 18, 2015
Spring Creek	220706	391847	4-post	6	Feb. 17, 2002	Feb. 18, 2015

The work program application for 2002 was approved with the issuance of Annual Work Approval Number KAM 2002 - 1500385 - 052, which was followed by Work Permit MX - 15 - 190. A reclamation security bond of \$2,500.00 in a Safekeeping Agreement was placed.

There are no pre-existing environmental liabilities on the claims. Two additional years were applied to the claims for the work covered in this report making the claims valid till Feb. 17, 2015.

There are no known mineral resources, mineral reserves or lode mine workings on the claims. There are four areas in the valley floor of North Trout Creek drainage that have been worked for placer gold. These and the known epithermal alteration and mineralized zones are shown on Map Figure 4 entitled "Location of Alteration Zones. Grid lines, trenches, outcrops, claim positions and geophysics are shown on more detailed maps. The Main Zone is on the east side of North Trout Creek slightly upstream from where the Spring Creek joins in. The Pat Zone is just upstream from the Placer Dome campsite. The Diatreme Zone is between the Main and Pat Zones. The Brenda Mines map shows another diatreme zone that starts about 750 metres upstream on Spring Creek from its junction with North Trout Creek. This area has not yet been prospected. The Upper Zone is postulated to be upstream from the Upper placer workings.

# ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE and PHYSIOGRAPHY

Accommodation, restaurants and service centres in the Okanagan Valley are handy. A hightension power line is situated to the north of the property. There are no existing surface establishments in this area. No serious problems are anticipated in the form of water, power, personnel, tailings storage areas, heap leach pads, waste disposal areas or plant sites if a mine were to be developed. Brenda Mines open pit deposit a few kilometres to the northeast was viewed by mine personnel as an attractive place to work.

The summers are pleasant, but the winter snow may be up to two metres deep. Generally the "New" North Trout Creek logging road is kept ploughed for logging trucks during the winter. The property ranges from 1,100 to 1,500 metres in elevation. It is near the edge of a lobe of glacial till that overlies what is suspected to be a pre glacial bedrock plateau at an elevation of roughly 1,220 to 1,240 metres. Above this elevation lie lobes of glacial till and fluvial glacial sediments up to an elevation of 1,320 metres, making the thickness of the glacial sediments 80 to 100 metres. Most of the glacial materials are finer silts with few large boulders, except on the top or upper layers of the glacial material where often a layer or horizon of boulders can be seen. The pattern of deposition of the boulders does not appear to be a boulder lag-weathering horizon. Many of these boulders have been dropped to the floor of North Trout Creek and must have been a major problem during placer mining. Modern North Trout Creek has cut down deeper than the glacial sediments and carved a rock canyon. The present elevation of North Trout Creek is above 1,200 metres in the upper sections and just below 1.200-metre elevation in the lower sections on the property. Where exposed, there are roughly 20 to 40 vertical metres of rock walls in North Trout Creek canyon. Generally North Trout Creek flows south with sharp, almost ninety degree bends mostly to the east, and then the creek returns to its southerly trend. This pattern is repeated at least seven times along the length of the property. At times the canyon of North Trout Creek is narrow with close to vertical rock walls. Talus slopes have developed in places. However, the creek often has a wide flat floor, which can be likened to the start of meanders or ox bows. It is suspected that these wider flat floors to the creek are the result of the creek passing over sheared and also epithermal altered zones. The placer operations were located

along these flat portions of the creek. It is logical to think that North Trout Creek had its zig – zag pattern prior to glaciation. Excavator trenching in the upper placer area shows the depth of fill to be six metres above bedrock on this portion of North Trout Creek.

#### **GEOLOGICAL SETTING**

The Geological Survey of Canada Map 888A, PRINCETON remains the fundamental work on the area. This map sheet was first published in 1947. In the general area of the Spring Property the Okanagan batholith of the Coast intrusions of Jurassic (or Later age) is the primary rock type, but is not found on this property. On the property the main rock type is the Upper Cretaceous or later, Otter Intrusions. Only near the north end of the property in North Trout Creek there is a patch or inclusion of Nicola Group Upper Triassic volcanics. Mapping by Placer Dome in 1987 and 1988 identified a few dykes cutting Otter intrusives. The Otter intrusives have been described by H.M.A. Rice in the Princeton Map 888A as:

"The Otter Intrusions (14) appear very different from the Coast intrusions. For the most part they resemble syenites, with a pink to liver colour, and with quartz, if visible, restricted to well formed phenocrysts. Actually they have the composition of granodiorite or granite, but the quartz of the groundmass is in microscopic intergrowths with feldspar and is rarely visible to the naked eye. Everywhere they, or feldspar porphyries abundantly associated with them, cut the Lower Cretaceous formations, but not the Princeton Group, so that their age is either Upper Cretaceous or early Tertiary."

On the property the Otter intrusions show a wide variety of compositions and grain sizes. Not enough mapping has been done to map contacts between the varieties with large quartz phenocrysts, minor visible quartz and visible quartz free syenites. Some outcrop areas show a regular rectangular fracture set forming talus blocks in what appears to be fresh unaltered Otter while other outcrops do not have the fracture blocks and may be somewhat altered. In some places alteration clays are present which are similar to porphyry or epithermal alteration features.

There is a well-displayed N70°E fracture set in the stream drainage pattern of the general area. It is well displayed in portions of Trout, Spring, Sinem and other smaller creeks. These faults offset the main north – south, or N20°W, fault or fracture sets that most of the creeks occupy. North Trout and Siwash creeks as well as several smaller creeks follow this drainage pattern. The net effect of this is that North Trout Creek flows generally south with left hand offsets at the N70°E faults. This feature is repeated at least eight times on the property. The relationship to the offset faulting and geomorphology in consideration to the glaciation is considered in the Physiography of the property section.

Trenching on the Main Zone, Pat Zone, and on Spring Creek exposed altered and sheared intrusives in the Main Zone and the Pat Zone, and sheared unaltered intrusives in Spring Creek. All three confirm the existence of the N70°E faulting system. On the Main and Pat Zones there is significant epithermal alteration. This alteration is strongest on the south side of the fault on the hangingwall side and gradually decreases in intensity further out into the hangingwall consistent with an epithermal alteration gold system. The footwall rocks are essentially unaltered.

Epithermal gold deposits are known in the Okanagan. One of the most spectacular deposits was the Brett Claims of Huntington Resources Inc. where a reverse circulation hole drilled down dip encountered an average of 2.03 oz/ton gold over 235 feet. Later diamond drill

holes across the structure encountered 0.737 oz/t Au across 17.2 feet, 0.98 oz/t Au across 3 feet, and 0.144 oz/t Au across 10 feet.

Northwest of the Spring Property Almaden Minerals is working on the Elk Property. When it was under the ownership of Fairfield Minerals Ltd. they open pit mined 15,000 tons at 100.6 gr Au/te plus another 3,860 ounces of gold from underground workings. According to an article in the August 5-11, 2002 Northern Miner there is a probable underground reserve of 29,838 tonnes grading 28.6 grams gold. There are also indicated and inferred resources. A total of eight veins are known, all hosted in granitic rocks.

Siwash Creek, which is just west of North Trout Creek, contains the closest known mineralization to North Trout Creek. A private report by the author for Golden Pick Resources Ltd., (then called Boomer Resources Inc.) dated October 18, 1985 summarizes the best-known zones of mineralization in the Siwash drainage. The Western Trenches has mineralization in granites cut by two sets of dykes which have veining in the two sets of fractures and also the cross faults consisting of pyrite, sphalerite, galena, chalcopyrite and hematite. This is across a northwest trending zone that could be more than 200 m wide. The Camp Show is in granite, chloritized, carbonated, and brecciated running N70°E with hematite, pyrite, chalcopyrite, galena, and sphalerite. The Three Adit Gap is in a canyon of Otter intrusives and is a wide rusty zone with siliceous veins with good continuity and widths containing pyrite, some chalcopyrite, sphalerite and galena and running in gold and silver. The Spring and Southern Zones are similar to each other. The Southern zone is also similar to the Camp, and the Spring zone is similar to the Western. They have chlorite, dark brown siliceous veining and mineralization of pyrite, chalcopyrite, galena, hematite and possibly mercury. The Spring includes hydrothermally altered rocks and fault gouge. The Agar is a series of discontinuous veins in granite carrying lead and silver plus zinc and copper. The Fisher Maiden was explored by Cominco with an adit on a narrow fault vein of limited extent and width with assays in the 40 - 50 oz Ag/t range. It is not worth further exploration. The Gavin or Elusive Creek has diatremes, epithermal style alteration, and changes in creek direction in the canyon and gold placer gravels. These are all features similar to North Trout Creek where known epithermal systems occur.

The glacial deposits are much less continuous at Siwash Creek so more rock is exposed than around North Trout Creek. It has been suggested that is why more mineralization is known along Siwash Creek

# **MINERALIZATION**

The first mineralization discovered on the Spring Property was related to the search for porphyry type deposits. The mining explorationists during the porphyry copper exploration period looked for alteration and quartz veins of the porphyry type and for pyrite, chalcopyrite, plus any molybdenite, as well as hematite, magnetite, and base metals such as galena, and sphalerite. These have all been documented on the Brenda geological map. No gold bearing veins were known from the earlier phases of exploration. However, considerable gold was produced from placer mining. Agur produced gold that was fresh, clean, shiny and crystalline, without any travel features such as hammering, rounding, folding, or leached rims. This gold was seen by the author and the only conclusion that one could come to was that the gold had barely been freed from the bedrock within the drainage system. Agur's opinion was that each section of the creek had its own gold source separate from the other gold sources from each placer area on which he worked along the length of North Trout Creek.

Epithermal alteration zones are known at four places on the property with each zone occurring along the N70°E trend cutting North Trout Creek. The Main Zone is the eastern extension of the Spring Creek Zone with its faulting and diatremes. The next zone north is the Diatreme Zone. The third zone north is the Pat Zone, and the fourth zone north is the Upper Zone.

Other N70°E zones of alteration are evident further upstream along North Trout Creek, but they are less well known and are poorly exposed. The diatreme zone along Spring Creek, which is the western extension of the main zone, has not yet had any exploration. Mapping by Placer Dome shows them to be along the same fault. The Main Zone was drilled with a fence of three diamond drill holes.

During the Golden Pick and Placer Dome exploration periods the target was gold. Two zones of epithermal alteration were discovered by Golden Pick and several more zones with modest gold values were discovered by Placer Dome. The "Diatreme" zones discovered by Brenda Mines are now considered to be breccias developed at the point of strike and dip changes along the faults controlling the epithermal mineralization. The breccias are locally termed rock breccias because they consist of clasts of the country rock embedded in finer ground up fragments of the same rock. They do not have exotic fragments, and usually are healed. The breccias are thought to occur at "knuckle" points where strike changes take place. It is beyond the breccias on the "zig" or the "zag" of the strike where the epithermal alteration extends a significant distance to allow the formation of an oreshoot.

Typical epithermal alteration clays grade out from the hangingwall side of the controlling fault. Usually the strongest alteration is closest to the fault and goes from kaolinite to illite or chlorite to a quartz sericite pyrite hangingwall sequence. When these alteration zones are in andesitic composition volcanics, as many are in Arizona and Nevada, the alteration sequence is well developed and the colour – textural change is easily seen. When the epithermal alteration cuts a typical Otter Intrusive there are fewer reactive minerals so the alteration is more muted, but still recognizable. The topography is not conducive to finding any rock outcrop of these softer alteration zones.

On the Spring property the footwall intrusive rocks on the Main and Pat Zones are well exposed, but the alteration zone has been removed by erosion leaving a lower elevation overburden covered area. It was on the Main Zone area in 1985, when the placer operation was underway, that the excavator bucket at the bottom of its reach to depth brought up white kaolinitic material. That was when the first epithermal zone was identified by F. Marshall Smith, Consulting Geologist. Mr. Agur had dug a pit about 8 meters deep with the upper 5 meters consisting of creek gravels. These overlay a very white clay layer, which Mr. Smith had recognized as kaolinite.

The 2001 excavator trenches in this zone show intense alteration where the quartz eyes are untouched in a matrix of feldspar phenocrysts and intergrown masses of finer grained feldspars. White clay occurs as blobs and interstitial spots in a matrix of altered feldspars turned largely to green sericite masses. There are patches of pyrite, and occasional blebs of grey copper (tetrahedrite – tennantite?) and sphalerite.

In the diamond drilling done in 1986 by Golden Pick Resources Ltd. on the main Zone, the alteration sequence was strongest next to the fault, which is assumed to strike N70°E and shown to dip close to 70° to the south. In the senior authors experience it is more common to







FIGURE:

4

DATE: APR., 2004



have oreshoots developed on an epithermal fault system either where the dip flattens rather than on the steep portion, or on a short section of strike change. The 1986 drill results are now thought to represent altered ridell fractures in the hangingwall above the main zone. The recent geophysics and earlier trenching by Agur tend to confirm that the main zone is further south and lower than the earlier diamond drilling. This zone has yet to be drilled and is an attractive exploration target for an epithermal gold system.

The diatreme area to the west of the Main zone along Spring Creek signifies a change of strike of the controlling fault. Good areas for prospecting are on either end of the diatreme zone. The previous term for these fault - breccia zones was diatremes.

The excavator trench on the Pat Zone encountered kaolinitic alteration close to the fault, which gradually changed to more chloritic alteration further out on the hanging wall. Only a small portion of the actual, as opposed to the weathered, fault plane was exposed in the base of the trench, but here also the dip appeared to be steep to the south and the amount of mineralization modest. Along strike to the east from the Pat Zone, Placer Dome discovered argillic alteration on their line 8+00 East, or about 550 metres east of their camp. At this point they also have a widespread I.P. anomaly correlating with some gold soil values. Along the Diatreme Zone there are apparently disconnected patches of altered intrusive, one zone of moderate mineralization, and three zones of breccia or "Diatreme" material. The Diatreme zone mineralization is at the level of North Trout Creek, although in outcrop is poorly displayed. It is outlined due to a greater precipitation of secondary manganese oxides. Sulphide minerals identified in this showing are pyrite, chalcopyrite plus traces of galena and sphalerite, which occur with magnetite. Prospector Don Agur showed the author a site near the showing where some kind of hole was reported to have been drilled. He did not know who had drilled it or it if it was a diamond drill hole. There is no reported record of this hole. Regionally on a map the N70°E fault trend seems correct, but in detail fractures in outcrop can vary by up to 30 degrees from this direction. The north - south and N20°W fault system that the creeks follow is regionally correct, but no fault planes have been exposed. The closest to exposed faulting or mineralization occurs in a drainage ditch in the upper placer workings, which are 3 or 4 metres below the valley fill. An excavator trench was dug another 3 metres deep in the bottom of the drainage ditch below water level and encountered fractured bedrock with considerable white clay alteration of the epithermal type. This is the first indication that the north – south faulting may also host epithermal mineralization. Another excavator trench to the west of this one along the west bank of North Trout Creek below the outcrop cliff exposed only fresh, unaltered intrusive from the cliff to the end of the trench close to the creek edge. The main part of the creek bed remains untested. North of this area Placer Dome noted a north – south fault system with some alteration and modest mineralization along a northerly striking dyke.

Within the southwest corner of the property, Placer Dome identified an area called Zone 4 which has soil anomalies for silver, lead, and zinc over an area about 1000 m easterly by 400 m northerly. To the south of this area, another area called Zone M has trench 1010 west in an argillic altered Otter intrusive that ran 300 ppb gold across a 1.5 m sheer zone. Other zones of interest plotted on their general map run from A to S.

More geophysics should outline where the vein faults flatten or where there are strike changes and thus show the best places to do further drilling.



### 2003 EXPLORATION PROGRAM

A program to explore for the lode gold deposits presumed to be the source of the placer gold was prepared for Jet Gold Corp. A major exploration program carried out in 2001 is reported in "Geological, Geophysical, and Physical Assessment Report on the Spring Property" listed in the references.

The 2003 exploration program consisted of laying out a series of trenches where a large excavater could reach to depth. The trenches were sited to be at right angles to the 2001 geophysical anomalies typical of the type found over epithermal gold alteration systems. The trenches were mapped, sampled, and assayed. The excavater was capable of reaching 22 feet of depth and could move boulders greater than a ton. Care was taken to site the trenches so they did not interfere with the drainage channel of North Trout Creek. Spoil from the trenches was piled only on side of the trenches. At maximum depth a few buckets of material from the bottom of the trench was placed on the unused side of the trench. After mapping and sampling the trenches were backfilled using only the material from the spoil pile side of the trench in a continuous line along one side of the now filled trench. Thus there is a permanent line of material from the bottom of the trenches available for future examination.

A three foot wide bucket was used along with the clearances needed made a trench one metre wide. The excavater was capable of digging to a depth of 22 feet when the bucket arm was fully extended vertically and still have crowding power. An effective depth of seven metres was dug for the portion of the trenches that had soft enough bedrock to reach that depth.

Trench One on the west side of North Trout Creek was 38 metres long in a north – south direction and excavated to a width of one metre. Depths gradually decreased from 7 metres at the north end to 4 metres at the south end in more solid bedrock. Total volume of Trench One is 209 cubic metres (38X1X5.5=209).

Trench 2 on the east side of North Trout Creek is 69 metres in a north – south direction and one metre in width. Depth was a consistent 7 metres for a total excavated volume of 483 cubic metres (69X1X7=483)

The author watched each trench being dug and personally took eleven samples of the chosen sample material which was personally delivered to ALS Chemex for analysis. The Appendix contains three pages for Certificate VA 03050675. Page 1 of 1 is the Billing Information which contains a description of techniques used and the charges. The Certificate VA 03050675 is contained in two pages where page 1 describes the analytical procedures and page 2-A gives the sample weights, and the values for gold and silver for each sample. The results are discussed in "INTERPRETATION AND CONCLUSIONS".

# **INTERPRETATION AND CONCLUSIONS**

All of the trenches reached bedrock at depth which was a significant improvement over the previous trenching and auger drilling attempts. The bedrock consisted only of the Upper Cretaceous or later OTTER INTRUSIONS, but with noticeable alteration.

The 2003 excavator trenches showed little to moderate alteration where the quartz eyes were untouched in a matrix of feldspar phenocrysts and intergrown masses of finer grained feldspars and mafic minerals. White clay occurred as occasional interstitial spots in a matrix of altered feldspars and largely green chloritic sericitic masses. There were rare patches of pyrite, and one bleb of grey copper (tetrahedrite – tennantite?) and possibly sphalerite.

No large intense clay alteration zones were discovered. The amount of alteration in the Otter intrusive rock was just enough to cause the geophysical response. In all the trenches the excavater was able to continue digging in the bedrock until it reached its maximum depth. Only at the south end of the westernmost trench did the Otter intrusive bedrock become somewhat harder.

Assays for gold were background at <0.005 ppm, with just two samples that ran 0.007 ppm. Silver assays ran from a low of <0.2 up to 0.8 ppm. No other elements were analysed for.

A map was prepared showing the locations of the two long trenches, and individual detail maps made of each trench showing the geological boundaries of alteration and sample locations.

### **Trench 1**

Trench 1 is on the west side of North Trout Creek. Its mid point is 32 metres east of a large boulder on the west side of the road just south of Spring Creek. From its mid point the trench extends 21 metres north at a bearing of 340, and south from the mid point 17 metres at a bearing of 140. It was stopped at the north end before reaching the Spring Creek area. At the south end it was stopped as it approached a steep bank and the bedrock became harder. One grab sample was taken at a point 11 metres south of the north end where the alteration was the greatest. That sample ran <0.005 ppm Au, and <0.2 ppm Ag. There was only modest alteration in the rest of the trench, and no visible mineralization.

#### Trench 2

Trench 2 is on the east side of North Trout Creek and starts about 25 metres south of the old North Trout Main road just above the base of the steep hill the road traverses. The first 29 metres runs essentially due south, and from there runs another 40 metres at a bearing of 165. Like trench one the spoil from the digging of the excavater was placed only on one side of the trench. When the excavater reached its deepest point two more buckets were dug and placed on the edge of the trench on the unused side. This gave a continuous representative sample of the deepest exposed bedrock from the trench. After mapping and sampling the trench was backfilled with spoil from the digging side leaving the continuous sample undisturbed for future examination.

The log and sample interval of trench 2 is as follows. Samples were the equivalent of "muck samples" taken from the bucket of the excavater. The trench was too deep to enter. The only rock type exposed was Otter intrusive.

Measured from north to south, bearing 180.

0 to 6m	fresh rock	Au <0.005 ppm, Ag <0.2 ppm.
6 to 16m	mild alteration visible	Au 0.007 ppm, Ag <0.2 ppm
16 to 22m	mild alteration visible	Au <0.005 ppm, Ag <0.2 ppm
22 to 29m	fresh bedrock, slightly weathered.	Au <0.005 ppm, Ag 0.2 ppm.

Samples from the southern portion of the trench were measured from the south end going northerly to meet the samples from the north end. Sample point 29m measured from the north end is at the same position as sample point 40m measured from the south end. The whole trench was 29 plus 40 = 69 metres long.

Trench 2 measured from south end north to mid point.

Bearing 350 f	rom 0 to 21m				
Bearing 315 f	rom 21 to 33m				
0 to 4m	mild propylitic alteration	Au <	<0.005	ppm, Ag	0.8 ppm
4 to 10m	grey clay alteration of feldspars	Au <	<0.005	ppm, Ag	<0.2 ppm
10 to 12m	pale chlorite and some kaolin alteration	Au <	<0.005	ppm, Ag	<0.2 ppm
12 to 21m	angular fresh rock shards,	Au <	<0.005	ppm, Ag	0.3 ppm
01 (	some narrow clay seams	<b>.</b>	0.007		0.4
21 to 33m	More white clay, some chloritic bands.	Au	0.007	ppm, Ag	0.4 ppm.
33 to 40m	Clay stronger with prominent chloritic zones	. Au	< 0.00	5 ppm, Ag	g 0.3 ppm

No strong alteration zones or significant mineralization was seen. The modest alteration seen from 21 to 33 m did actually register for gold and silver. It is likely that the broad width of modest alteration was responsible for the Low Resistivity Induced Polarization anomalies that mimicked the pattern of low resistivity typical of epithermal quartz vein system.

# COST STATEMENT

Trenching, mapping, and sampling of geophysical anomalies.

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Fees to Burton, P. Eng. Nov. 07 to 11, 5 days @ \$450	2250.00*
Fees to Burton, P. Eng. Feb 1, 1 day @ \$450	450.00*
Vehicle rental Nov 7 to 12, 6 days @ \$50	300.00*
Vehicle Km 1230 @ \$0.20 =	246.00*
GST on * items 3246 X 0.07 =	227.22
Fuel	156.78
Motel	<b>59.8</b> 0
Meals	36.52
Field Equipment	125.00
Telephone	1.19
Excavater, Hitachi 200	3825.25
Report	663.36
Filing Fees	1 <b>8</b> 0.00
Draughting	250.00
Assays	<u>    262.89</u>
Total Expenditure	9034.01

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Brownlee, D. J. Private Report, for Golden Pick Resources Ltd., Feb. 12, 1988

- Burton, Alex, Summary Report, Spring Property, for Boomer Resources Inc., Sept. 1985
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- Deschenes; Marc, Cannon, Richard; Letient, Henri; Pease, Robert; Property and Assessment <u>Report for the 1989 Work Program on the Spring Property (Venture 232)</u>, Placer Dome Mines Ltd., December 1989
- Mark, David, Geophysical Report over a Portion of the Spring Property, 1987
- Pease, Robert; Deschenes; Marc, Cannon, Richard; <u>1988 Work Program Report, Spring</u> <u>Property</u>, Placer Dome Mines Ltd., August 1989
- Smith, F Marshall, <u>Private Report</u> for Boomer Resources Inc. May 10, 1985 Unknown, Field map of Trout Creek, Brenda Mines Ltd. date unknown

### **<u>1. CERTIFICATE OF AUTHOR</u>**

I, Alex Burton, P. Eng., P. Geo. Consulting Geologist, hereby certify that:

- 1. I have a consulting office at 1408 Seventh Avenue, New Westminster, B. C., Tel/Fax: (604) 525-8403, e-mail: <u>aburton@shaw.ca</u>
- 2. I am a graduate geologist from the University of British Columbia in 1954. I am registered as both an Engineer and Geologist with the Association of Professional Engineers and Geoscientists of B.C., #6262. I am a Life Member of both the Canadian Institute of Mining and Metallurgy and the Association of Geoscientists for International Development. I am also a founding member of the Association of Exploration Geoscientists and am a qualified geochemist for the purposes of this instrument. I have practiced my profession for over fifty years, both as an exploration manager for major international mining companies and as an independent consultant. As a result of my experience and qualification I am a Qualified Person as defined in N. P. 43 101.
- 3. I was personally present during the trenching, on the Epi claim in 2003.

Durton

Alex Burton, P. Eng., P. Geo. Consulting Geologist April, 2004 Amended Date August 16, 2004 File: doc/asmtrpt04.doc

# <u>APPENDIX</u>

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Assay Certificate: VA 03050675



#### ALS Chemex EXCELLENCE IN ANALYTICAL CHEMISTRY ALS Canada Ltd.

212 Brooksbank Avenue North Vancouver BC V7J 2C1 Canada Phone: 604 984 0221 Fax: 604 984 0218

#### To: BURTON CONSULTING INC. 1408 7TH AVE W NEW WESTMINSTER BC V3M 2K3

### INVOICE NUMBER: 1065624

				ANALY	SED FOR	UNIT	
	BILLING INFORMATION		QUANTITY	CODE -	DESCRIPTION	PRICE	TOTAL
			11	PREP-31	Crush, Split, Pulverize	6.00	66.00
Certificate:	VA03050675		14.74	PREP-31	Wt. Charge (kg) - Crush, Split, Pulverize	0.25	3.69
Account:	CM		11 -	Au-AA23	Au 30g FA-AA finish	12.00	132.00
	011 02 Dec 2002		11	Ag-AA45	Trace Ag - aqua regia/AAS	1.50	16.50
Project :	Spring		11	GEO-AR01	Aqua regia digestion	2.50	27.50
P.O. No.:							
Terms:	Due on Receipt	C1					
Comments:							
			ł				
			l				

- SUBTOTAL (CAD) \$ 245.69
- GST R100938885 \$ 17.20

To: BURTON CONSULTING INC. ATTN: ALEX BURTON 1408 7TH AVE W NEW WESTMINSTER BC V3M 2K3

TOTAL PAYABLE (CAD) \$ 262.89

Please Remit Payments to : **ALS Chemex** 212 Brooksbank Avenue North Vancouver BC V7J 2C1

POLYBCI CK#538



# **ALS Chemex** EXCELLENCE IN ANALYTICAL CHEMISTRY

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ALS Canada Ltd. 212 Brooksbank Avenue To: BURTON CONSULTING INC. 1408 7TH AVE W **NEW WESTMINSTER BC V3M 2K3** 

Page: 1 Date: 23-Dec-2003 Account: CM

AAS

CERTIFICATE VA03050675	]	SAMPLE PREPARAT	ΓΙΟΝ			
	ALS CODE	DESCRIPTION				
Project: Spring P.O. No: This report is for 11 Rock samples submitted to our lab in Vancouver, BC, Canada on 17-Dec-2003. The following have access to data associated with this certificate:	WEI-21 LOG-22 CRU-31 SPL-21 PUL-31	Received Sample Weight Sample login - Rcd w/o BarCode Fine crushing - 70% <2mm Split sample - riffle splitter Pulverize split to 85% <75 um				
ALEX BURTON		ANALYTICAL PROCEDURES				
	ALS CODE	DESCRIPTION	INSTRUMENT			
	Au-AA23	Au 30g FA-AA finish	AAS			

Ag-AA45

To: BURTON CONSULTING INC. ATTN: ALEX BURTON 1408 7TH AVE W **NEW WESTMINSTER BC V3M 2K3** 

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.

Trace Ag - aqua regia/AAS

Signature:



# ALS Chemex

EXCELLENCE IN ANALYTICAL CHEMISTRY

ALS Canada Ltd. 212 Brooksbank Avenue North Vancouver BC V7J 2C1 Canada Phone: 604 984 0221 Fax: 604 984 0218

#### To: BURTON CONSULTING INC. 1408 7TH AVE W NEW WESTMINSTER BC V3M 2K3

Page: 2 - A Total # Pages: 2 (A) Date: 23-Dec-2003 Account: CM

Project: Spring

# CERTIFICATE OF ANALYSIS VA03050675

Sample Description	Method Analyte Units LOR	WEI-21 Recvd Wt kg 0.02	Au-AA23 Au ppm 0.005	Ag-AA45 Ag ppm 0.2
TRENCH 1 SAMPLE 1		0.92	<0.005	<0.2
TRENCH 2 0-4 m		0.86	<0.005	0.8
TRENCH 2 10-12m		1.74	<0.005	~∪.∠ <0.2
TRENCH 2 12-21m		1.52	<0.005	0.3
TRENCH 2 21-33m		1.56	0.007	0.4
TRENCH 2 33-40m		1.48	<0.005	0.3
S of N End 0-6m		0.82	<0.005	<0.2
S of N End 6-16m		1.66	0.007	<0.2
5 01 N End 16-22m		1.90	<0.005	<0,2
S of N End 22-29m		1.20	<0.005	0.2
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