

Assessment Report

on a

Mapping and Sampling Program

on the

Niali Property

Niali 1 to 5 Claims

Vernon Mining Division, B.C.

GEOLOGICAL SURVEY BRANCH
REPORT

27,433

NTS:	82L/10E
Latitude:	50° 38' 30" North,
Longitude:	118° 40' 10" West
Owner:	Niamat Ali Mughal
Operator:	Niamat Ali Mughal
Consultants:	Discovery Consultants
Author:	T.H. Carpenter, P.Geo.
Date:	May 31, 2004

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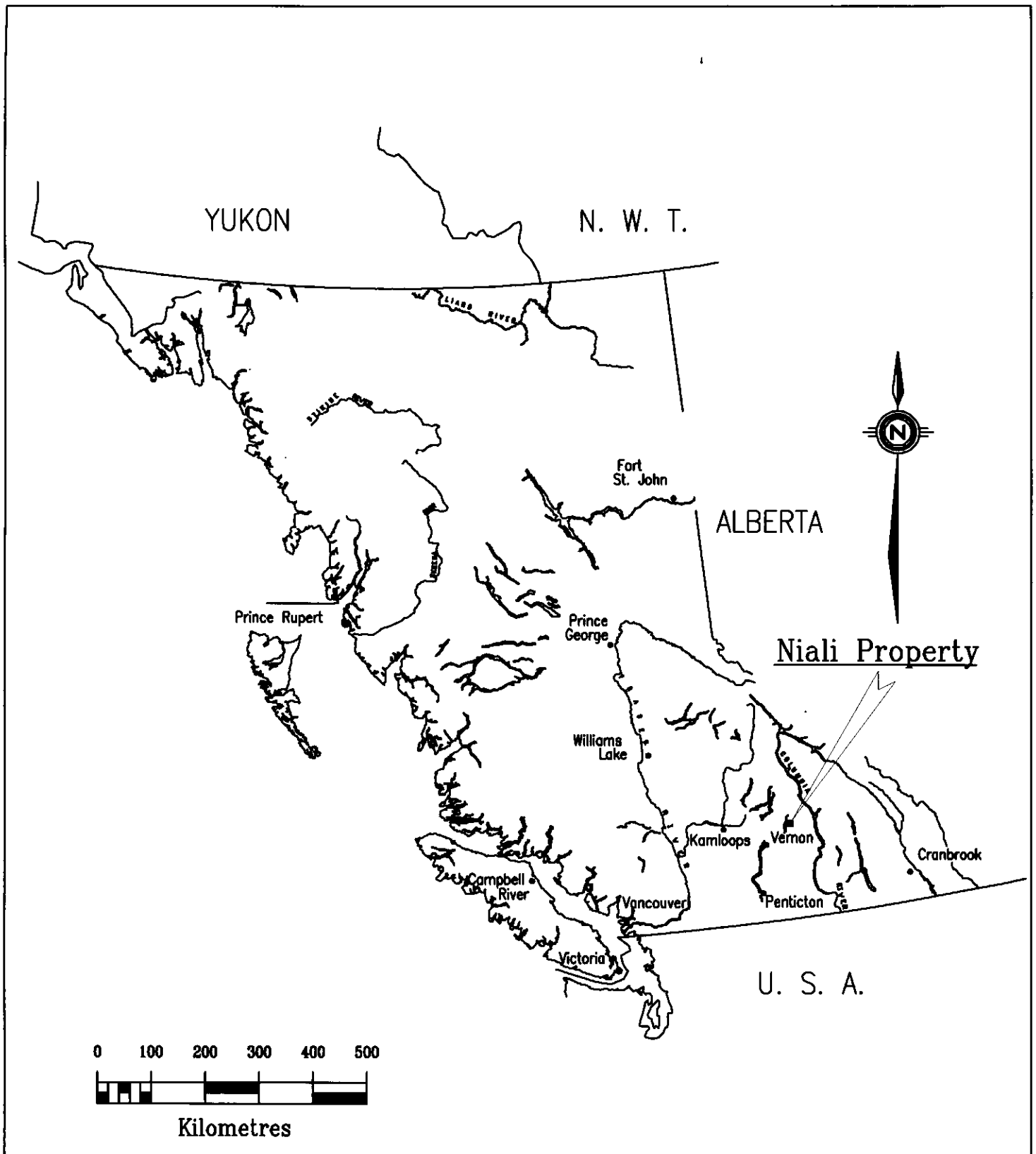
INTRODUCTION

The Niali claims were staked in 2003 to cover a marble occurrence believed to be the northern extension of marbles exposed along Tsuius Creek to the south.

The property was originally staked in the early 1990s and minor blasting was carried out at that time to expose marble along an old logging road in the area.

A mapping program was carried out on the property in April and May of 2004 that showed the presence of extensive marble in subcrop on the property. The presence of extensive marble in bedrock is indicated by scattered large boulders of marble on surface. The objective of the program was to locate a marble horizon or horizons from which large blocks of dimension stone could be extracted. Minimal dimensions of such blocks would be nominally 8' x 4' x 4' (2.4m x 1.2m x 1.2m).

Gossanous material accompanying a pyrite/magnetite rich silicified zone was also detected during the mapping program at the north end of the claims. This material is similar to several sedimentary exhalative Zn, Pb, Ag showings in the Mabel Lake area and may be an extension of the same horizon.



DISCOVERY Consultants

Niamat A. Mughal

Niali Property

LOCATION MAP

LOCATION AND ACCESS

The Niali claims are located in southeastern British Columbia, north of Lumby, off the Mabel Lake Forest Service Road. The claims are centred at Latitude 50° 38' 30" North, Longitude 118° 40' 10" West. (Figure 1).

The claims are located in the Vernon Mining Division.

Access to the property is via Highway 6 to Lumby and the Mabel Lake Forest Service Road north from Lumby along the east side of Mabel Lake. Off the Mabel Lake FSR a series of logging roads allow access to the south and central portions of the claims.

TOPOGRAPHY

The property is situated along the east side of Mabel Lake along a west-northwest facing slope. Elevations range from lake level at +/- 390 metres to approximately 920 metres at the southeast corner of the claims.

Above the Mabel Lake FSR is found a relatively moderate slope that has been largely clear-cut. Below the Mabel Lake FSR, to the west, the slope drops off steeply to Mabel Lake.

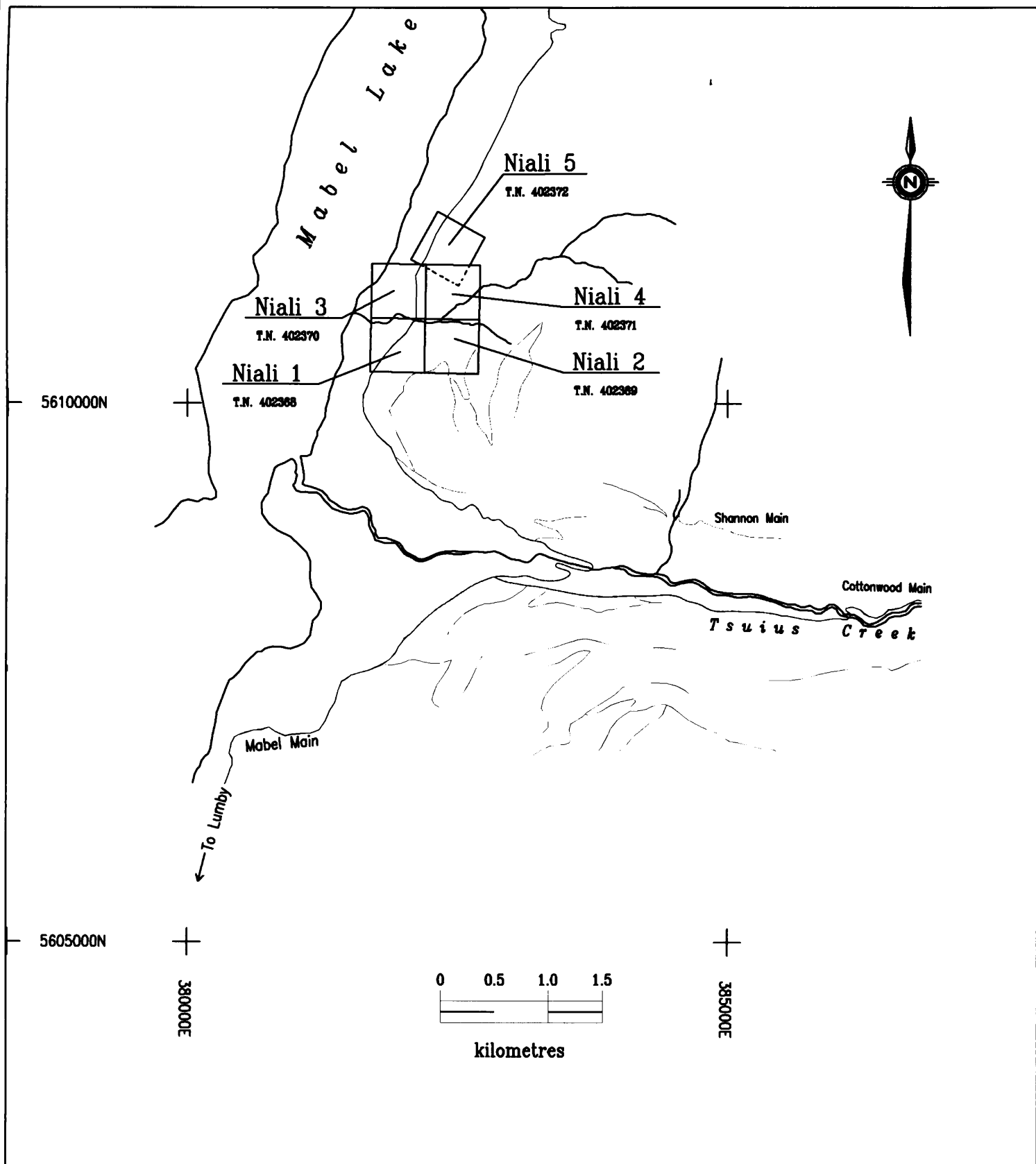
PROPERTY DESCRIPTION

The Niali claim group comprises the following two post claims:

Claim Name	Tenure No.	Owner of Record	Current Expiry Date*
Niali 1	402368	Niamat A. Mughal	May 16, 2008
Niali 2	402369	Niamat A. Mughal	May 16, 2008
Niali 3	402370	Niamat A. Mughal	May 16, 2008
Niali 4	402371	Niamat A. Mughal	May 16, 2008
Niali 5	402372	Miamat A. Mughal	May 16, 2008

Claim locations are shown on Figure 2.

* Pending acceptance of this report.



DISCOVERY

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Niamat A. Mughal

Niali Property

Claim Location Map

WORK PROGRAM

Program Parameters

The 2004 work program on the Niali claims was geared toward identifying and evaluating a marble horizon on the claims. Field visits were made to the property on April 22 and May 13, 2004. Mapping was carried out at a scale of 1:5,000 on enlarged Terrain Resource Information Management (TRIM) maps using a hand-held Global Positioning System (GPS) unit.

Program Results

A relatively thick marble bed has been interpreted on the Niali 1 to 5 claims, an inference largely based on extensive marble in float. Limited marble outcrops occur on the Niali 5 claim. Elsewhere marble is, in general, recessive. Numerous marble blocks with dimensions to 8' by 5' by 4' were noted along a southeast trending skid-road on the Niali 4 claim extending southeasterly from 382280E, 5611320N. Outcrop however was limited to an exposure in a blast pit at 382255E, 5611310N. This pit may mark the lower contact of a marble bed of undetermined strike

At 382460E, 5611330N an extensive zone of marble rubble is found in what may have been a log landing. It is believed that this area may mark the easternmost edge or upper contact of the marble horizon on the claims. This horizon is found in float over a horizontal extent of two hundred metres and a vertical extent of eighty metres. The trend of the marble horizon is unknown at present. However it is believed that the marble bed has a north to north-northeasterly trend and an easterly 20° to 30° dip, similar to rocks exposed along the Mabel Lake Forest Service Road immediately to the west.

A number of large marble blocks, some in excess of 10 feet (3.3metres) in maximum direction were noted along the west edge of a logging road extending south and southeasterly for 300 metres from 382280E/5614300N. These blocks appear to be immediately overlying a more competent marble horizon in this area.

A marble horizon exposed along the Mabel Lake FSR for two hundred metres northerly from 382080E, 5611500N may represent a lower marble horizon within the meta-sedimentary sequence. Immediately uphill from the northern limit of the road exposure are found large moss covered outcrops of this marble. This location may be amenable to a quarrying operation if the marble is eventually found suitable for dimension stone purposes.

During the course of staking the Niali 5 claim to cover the above exposure an area of gossan and a sulphide rich quartzitic/silicified zone was discovered at the north end of the Niali 5 claim. Two rock samples were collected from this zone during the present program. The zone comprises a one metre thick quartzite unit containing disseminated magnetite and pyrite lying within a meta-sedimentary sequence and may be equivalent to the Sherpa and Noreen Minfile occurrences, one to two kilometres to the north (Minfile #s 082LNE024 and 082LNE013) and the D.S.(Rebar) occurrence (Minfile # 082LNE027), eight kilometres to the east.

The collected samples, as with these occurrences, are both anomalous in Zn, Pb and Ag with maximum values of 7870 ppm, 1310 ppm and 2.9 ppm respectively. Sample locations are shown on Figure 3 with anomalous metal values. Complete assay results are contained in Appendix A.

CONCLUSIONS

The Niali claims host a significant marble resource that may be amenable to extraction for use as dimension stone. Marble occurs over a two hundred metre width in the centre of the Niali 4 claim.

On the Niali 5 claim marble is found along the Mabel Lake Forest Service Road and forms large outcrops immediately uphill from outcrop along the road. The geometry of other meta-sedimentary rocks in the area suggests that the marble units on the Niali 4 and 5 claims are separate units.

Though of geological interest, the presence of a sedimentary exhalative unit on the claims with accompanying base metal mineralization is not, at present, of economic interest.

RECOMMENDATIONS

The marble horizons on the Niali claims need to be further evaluated. A number of large blocks of marble along a logging road on the Niali 4 claim are readily available for removal at minimal cost for evaluation purposes. Determination of the suitability of the marble for use as dimension stone or building stone is beyond the scope of this report.

Suitability of the marble for use as a landscaping material or for agricultural purposes needs also to be determined.

Respectfully submitted,
Discovery Consultants

T. H. Carpenter. P.Geol.
May 31, 2004

REFERENCES

British Columbia Department of Mines-Assessment Reports , 7797, 14612 and 21154.

British Columbia Department of Mines-Minfile Data Base.

Jones, A.G., 1959. Vernon Map-area, British Columbia. Memoir 296. Geological Survey of Canada.

STATEMENT OF COSTS

1. Professional Services			
T.H. Carpenter, P. Geo.			
Geological Mapping, Project Planning			
	2.25 days @\$500/day	\$1,125.00	
Report Writing			
	1.50 days @\$500/day	750.00	
		-----	\$1,875.00
2. Personnel			
	Drafting	393.80	
	Secretarial	76.80	
	Data Compilation	38.40	
		-----	509.00
3. Expenses			
Analytical			
Chemex Lab (Au-AA21 and ME-ICP-41)			
	Rock Samples 2 @\$27.50 each	55.00	
	Office	50.00	
	Field Supplies	10.00	
		-----	115.00

		<i>Exploration</i>	
		<i>Expenditures:</i>	\$2,499.00
4. Transportation			
	a) 4x4 vehicle 2 days @\$40/day	80.00	
	b) Mileage 400km @40¢/km	160.00	
	c) Fuel	56.06	
		-----	\$296.06 <u>A</u>
			or
	Transportation Allowance (25%) of Expenditures	\$624.75	<u>B</u>
			Transportation Allowance A or B whichever is less:
			296.06

		Total:	<u>\$2,795.06</u>

STATEMENT OF QUALIFICATIONS

My name is Thomas H. Carpenter and I am a Consulting Geologist with Discovery Consultants. My office address is 201-2928 29th Street, Vernon, British Columbia, V1T 5A6 and my postal address is P.O. Box 933, Vernon, BC, V1T 6M8.

I am the author of the report entitled "Assessment Report on a Mapping and Sampling Program on the Niali Property, Niali 1 to 5 Claims, Vernon Mining Division, B.C.", dated May 31, 2004.

I am a 1971 graduate of Memorial University of Newfoundland with a B. Sc. in Geology.

I am licensed as a Professional Geoscientist in the Province of British Columbia.

The Prospecting Report is based on work carried out by me in April and May 2004.

I have been practicing as a geologist for over thirty years and my work has included exploration for gold and base metals across Canada and in the western United States.

Dated at Vernon, British Columbia
May 31, 2004

APPENDIX A
ROCK DESCRIPTIONS
AND
ANALYTICAL PROCEDURES AND RESULTS

Rock Descriptions

520R-01 Gossan. Dark brown heavy rock comprising possible siderite and sphalerite. Minor pyrite. Sample collected from shear zone crosscutting a mineralized siliceous zone about 1 metre in thickness on east side of road.

520-R02 Quartzite or silicified rock. Possible sedimentary exhalative horizon about one metre in thickness. Relatively flat lying and dipping about 20° to east. Contains 5-7% pyrite and magnetite (?) grains to 1-2 mm in a siliceous matrix. Rock is quite magnetic.

Project 520

NIALI PROPERTY

Rock Sample Analysis
2004

Date: 2004.06.02

Sample ID	Lab Rpt #	ME-ICP41 Ag ppm	ME-ICP41 Pb ppm	ME-ICP41 Zn ppm	Au-ICP21 Au ppm	ME-ICP41 Cu ppm	ME-ICP41 As ppm	ME-ICP41 Sb ppm	ME-ICP41 Bi ppm	ME-ICP41 Mo ppm	ME-ICP41 Ni ppm	ME-ICP41 Ba ppm	ME-ICP41 Cd ppm	ME-ICP41 Fe %
520R01	va04026728	2.9	1310	7870	0.007	134	<2	<2	20	29	66	<10	<0.5	41.20
520R02	va04026728	1.2	706	3420	0.004	19	3	<2	3	11	18	50	1.5	3.84

Rock Sample Analysis (part 2)

Sample ID	Lab Rpt #	ME-ICP41 Co ppm	ME-ICP41 Cr ppm	ME-ICP41 W ppm	ME-ICP41 Hg ppm	ME-ICP41 U ppm	ME-ICP41 Al %	ME-ICP41 Ca %	ME-ICP41 K %	ME-ICP41 Mg %	ME-ICP41 Na %	ME-ICP41 S %	ME-ICP41 Ti %	ME-ICP41 La ppm
520R01	va04026728	<1	36	<10	<1	10	0.24	3.93	0.01	0.31	0.01	>10.00	0.01	<10
520R02	va04026728	1	327	<10	<1	10	0.09	0.44	0.02	0.05	<0.01	2.66	0.01	10

Rock Sample Analysis (part 3)

Sample ID	Lab Rpt #	ME-ICP41 B ppm	ME-ICP41 Be ppm	ME-ICP41 Mn ppm	ME-ICP41 P ppm	ME-ICP41 Ga ppm	ME-ICP41 Sc ppm	ME-ICP41 Sr ppm	ME-ICP41 Tl ppm	ME-ICP41 V ppm
520R01	va04026728	<10	<0.5	130	880	10	1	19	10	166
520R02	va04026728	<10	<0.5	54	1740	<10	<1	2	<10	79

